


<b>UNITED STATES BANKRUPTCY COURT</b> District of South Carolina		<b>PROOF OF CLAIM</b>
Name of Debtor: <b>The Cliffs at Walnut Cove Golf &amp; Country Club, LLC</b>		Case Number: <b>12-01227</b>
NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A request for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.		
Name of Creditor (the person or other entity to whom the debtor owes money or property): <b>Ellis W. McCracken, Jr. and Jacquelyn J. McCracken</b>		<input type="checkbox"/> Check this box to indicate that this claim amends a previously filed claim.  Court Claim Number: _____ (If known)  Filed on: _____
Name and address where notices should be sent:  <b>George L. Clauer III, Clauer Law Firm, LLC, P. O. Box 477, Salem, SC 29676</b>		
Telephone number: <b>(864) 719-4296</b>		
Name and address where payment should be sent (if different from above):  <b>Ellis W. McCracken, Jr. and Jacquelyn J. McCracken, 106 Peaceful Night Trail Travelers Rest SC 29690</b>		<input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.  <input type="checkbox"/> Check this box if you are the debtor or trustee in this case.
Telephone number: <b>(864) 836-3593</b>		
<b>1. Amount of Claim as of Date Case Filed:</b> \$ <u>50,000.00</u>  If all or part of your claim is secured, complete item 4 below; however, if all of your claim is unsecured, do not complete item 4.  If all or part of your claim is entitled to priority, complete item 5.  <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.		<b>5. Amount of Claim Entitled to Priority under 11 U.S.C. §507(a). If any portion of your claim falls in one of the following categories, check the box and state the amount.</b>  Specify the priority of the claim.  <input type="checkbox"/> Domestic support obligations under 11 U.S.C. §507(a)(1)(A) or (a)(1)(B).  <input type="checkbox"/> Wages, salaries, or commissions (up to \$10,950*) earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier – 11 U.S.C. §507 (a)(4).  <input type="checkbox"/> Contributions to an employee benefit plan – 11 U.S.C. §507 (a)(5).  <input type="checkbox"/> Up to \$2,425* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use – 11 U.S.C. §507 (a)(7).  <input type="checkbox"/> Taxes or penalties owed to governmental units – 11 U.S.C. §507 (a)(8).  <input type="checkbox"/> Other – Specify applicable paragraph of 11 U.S.C. §507 (a)(____).  <b>Amount entitled to priority:</b>  \$ _____  <i>*Amounts are subject to adjustment on 4/1/10 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.</i>
<b>2. Basis for Claim:</b> <u>Membership Fees</u> (See instruction #2 on reverse side.)		
<b>3. Last four digits of any number by which creditor identifies debtor:</b> _____  <b>3a. Debtor may have scheduled account as:</b> <u>Cove Park, Lt 87</u> (See instruction #3a on reverse side.)		
<b>4. Secured Claim</b> (See instruction #4 on reverse side.) Check the appropriate box if your claim is secured by a lien on property or a right of setoff and provide the requested information.  Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other _____ Describe:  Value of Property: \$ _____ Annual Interest Rate _____ %  Amount of arrearage and other charges as of time case filed included in secured claim, if any: \$ _____ Basis for perfection: _____  Amount of Secured Claim: \$ _____ Amount Unsecured: \$ _____		
<b>6. Credits:</b> The amount of all payments on this claim has been credited for the purpose of making this proof of claim.		
<b>7. Documents:</b> Attach redacted copies of any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. You may also attach a summary. Attach redacted copies of documents providing evidence of perfection of a security interest. You may also attach a summary. (See definition of "redacted" on reverse side.)  DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.  If the documents are not available, please explain:		
<b>Date:</b> <b>05/23/2012</b>		<b>FOR COURT USE ONLY</b>  Cliffs POC  00979
<b>Signature:</b> The person filing this claim must sign it. Sign and print name and title, if any, of the creditor or other person authorized to file this claim and state address and telephone number, if different from the notice address above. Attach copy of power of attorney, if any.  <b>Ellis W. McCracken, Jr. and Jacquelyn J. McCracken, By George L. Clauer III, Attorney and Attorney in Fact</b>		

**INSTRUCTIONS FOR PROOF OF CLAIM FORM**

*The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, there may be exceptions to these general rules.*

**Items to be completed in Proof of Claim form****Court, Name of Debtor, and Case Number:**

Fill in the federal judicial district where the bankruptcy case was filed (for example, Central District of California), the bankruptcy debtor's name, and the bankruptcy case number. If the creditor received a notice of the case from the bankruptcy court, all of this information is located at the top of the notice.

**Creditor's Name and Address:**

Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

**1. Amount of Claim as of Date Case Filed:**

State the total amount owed to the creditor on the date of the Bankruptcy filing. Follow the instructions concerning whether to complete items 4 and 5. Check the box if interest or other charges are included in the claim.

**2. Basis for Claim:**

State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card.

**3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:**

State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

**3a. Debtor May Have Scheduled Account As:**

Use this space to report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

**4. Secured Claim:**

Check the appropriate box and provide the requested information if the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See DEFINITIONS, below.) State the type and the value of property that secures the claim, attach copies of lien

documentation, and state annual interest rate and the amount past due on the claim as of the date of the bankruptcy filing.

**5. Amount of Claim Entitled to Priority Under 11 U.S.C. §507(a).**

If any portion of your claim falls in one or more of the listed categories, check the appropriate box(es) and state the amount entitled to priority. (See DEFINITIONS, below.) A claim may be partly priority and partly non-priority. For example, in some of the categories, the law limits the amount entitled to priority.

**6. Credits:**

An authorized signature on this proof of claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

**7. Documents:**

Attach to this proof of claim form redacted copies documenting the existence of the debt and of any lien securing the debt. You may also attach a summary. You must also attach copies of documents that evidence perfection of any security interest. You may also attach a summary. FRBP 3001(c) and (d). Do not send original documents, as attachments may be destroyed after scanning.

**Date and Signature:**

The person filing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2), authorizes courts to establish local rules specifying what constitutes a signature. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. Attach a complete copy of any power of attorney. Criminal penalties apply for making a false statement on a proof of claim.

**DEFINITIONS****Debtor**

A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

**Creditor**

A creditor is the person, corporation, or other entity owed a debt by the debtor on the date of the bankruptcy filing.

**Claim**

A claim is the creditor's right to receive payment on a debt that was owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. §101 (5). A claim may be secured or unsecured.

**Proof of Claim**

A proof of claim is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the clerk of the same bankruptcy court in which the bankruptcy case was filed.

**Secured Claim Under 11 U.S.C. §506(a)**

A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car.

A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien. A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

**Unsecured Claim**

An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

**Claim Entitled to Priority Under 11 U.S.C. §507(a)**

Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

**Redacted**

A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor should redact and use only the last four digits of any social-security, individual's tax-identification, or financial-account number, all but the initials of a minor's name and only the year of any person's date of birth.

**Evidence of Perfection**

Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

**INFORMATION****Acknowledgment of Filing of Claim**

To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim or you may access the court's PACER system ([www.pacer.psc.uscourts.gov](http://www.pacer.psc.uscourts.gov)) for a small fee to view your filed proof of claim.

**Offers to Purchase a Claim**

Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 *et seq.*), and any applicable orders of the bankruptcy court.

**THE CLIFFS COMMUNITIES**  
**REAL ESTATE SALE AND PURCHASE AGREEMENT**

THIS REAL ESTATE SALE AND PURCHASE AGREEMENT (the "Agreement") made by and between the below named seller (the "Seller") identified on the Seller's signature page below (the "Seller"), whose mailing address is as set forth on page 6, and the below-named purchaser (the "Purchaser") identified on the Purchaser's signature page below.

**Part I.**  
**Identifications**

**A. The Lot and What is Included in Price.** The property to be purchased (the "Lot") is located in **Section Cove Park, Lot 87, Cliffs at Walnut Cove**. The purchase of the Lot does not include a membership in the Golf & Country Club (the "Club"), which is reserved solely to its members in accordance with the use rights conferred by the Club Membership Plan for the categories and classifications of membership offered. Seller does not operate the Club. The Club is operated by The Cliffs Golf & Country Club, Inc.

Check one of the following:

☒ Single (Initial) If checked and initialed, Purchaser wishes to acquire a membership in the Club, either a Cliffs Family Membership, a Cliffs Wellness Membership or a Cliffs Golf Membership. Purchaser is guaranteed the availability of a Club membership under the Membership Plan only if Purchaser acquires one within 30 days following Purchaser's Closing. If checked and Purchaser acquires a Membership at Closing, Seller will pay up to \$50,000 (the "Discount") toward Purchaser's Membership Deposit, subject to a 5-year vesting of the amount paid by Seller. See Membership Addendum. The Discount amount is: \$50,000.

☐ \_\_\_\_\_ (Initial) If checked and initialed, Purchaser does not wish to acquire a membership in the Club at this time. Purchaser understands that membership is subject to availability at the time Purchaser may wish to acquire one, and is not guaranteed.

**B. Purchase Price and Payment.** The Lot "Purchase Price" is calculated and payable as follows:

Lot Purchase Price: \$250,000

(i) ☐ \_\_\_\_\_ (Initial) Wellness Membership Deposit. If checked and initialed, Purchaser has checked the first box in A above and wishes to acquire Wellness Membership privileges, paying at the Closing a discounted amount of:

\$

(ii) ☒ Sam (Initial) Family Membership Deposit. If checked and initialed, Purchaser has checked the first box in A above and wishes to acquire Family Membership privileges, paying at the Closing a discounted amount of:

\$0.00

(iii) ☐ \_\_\_\_\_ (Initial) Golf Membership, Initiation Deposit. If checked and initialed, Purchaser has checked the first box in A above and wishes to acquire Golf Membership privileges, paying at the Closing a discounted amount of:

\$

(iv)	<b>SUB-TOTAL</b> , Purchase Price of Lot plus Membership Deposit Due at Closing:	\$250,000
(v)	<b>Initial Earnest Money Deposit</b> . An Earnest Money Deposit paid to Escrow Agent herewith:	\$25,000
(vi)	<b>Additional Deposit Due</b> . An additional Earnest Money Deposit due Escrow Agent within 0 days of the Effective Date hereof:	\$ 0.00
(vii)	<b>Balance at Closing</b> . The balance required at Closing in cash or certified funds (not including all of Purchaser's closing costs, prepaids, and escrow deposits):	\$ 225,000

C. **Escrow Agent.** The "Escrow Agent" is McGuire Wood & Bisette, P.A., whose address is set forth in Section 9.4 of Part II below; and all deposits to Escrow Agent should be made payable to the McGuire Wood & Bisette Trust Account.

## **Part II. Terms and Conditions**

For and in consideration of the Purchase Price set forth in Part I hereof and the mutual promises contained in this Agreement, Purchaser agrees to buy and Seller agrees to sell the Lot, conditioned upon there having not been a sale to a third party prior to the receipt of this Agreement by Seller, properly executed by Purchaser, together with the Earnest Money Deposit as provided in Part I, and execution hereof by Seller.

1. **The Purchase Price.** Purchaser will pay the Purchase Price of the Lot set forth in Paragraph B of Part I of this Agreement.

1.1 **Earnest Money Deposit.** The Escrow Agent will receive the Earnest Money Deposit set forth in Paragraph B of Part I, and will deposit said sums in its non-interest bearing escrow account, to be held by the Escrow Agent as the Earnest Money Deposit to be disbursed in accordance with this Part II. In the event of a termination of this Agreement under this Part II, except in the event of Purchaser's default (in which event the Earnest Money Deposit will be paid over to Seller as herein provided), all of the Earnest Money Deposit will be refunded to Purchaser without interest.

1.2 **Payments at Closing.** The Purchase Price, together with all of Purchaser's Closing costs, prepaids, and Closing escrow deposits, less the sum of Purchaser's Earnest Money Deposit, will be paid by Purchaser in cash or by certified, collected funds at the Closing hereinafter referred to.

### **2. Financing**

2.1 **No Financing Contingency.** Purchaser acknowledges that this Agreement is not contingent upon Purchaser obtaining financing for the purchase of the Property. Seller makes no representations as to the availability or terms of financing, and the duties of Purchaser and Seller hereunder are not contingent upon Purchaser obtaining financing, or obtaining financing with any specific terms or conditions.

2.2 **Purchaser's Responsibility.** Purchaser is responsible for obtaining desired financing for the purchase of the Lot. By suggesting a source of financing and/or providing the application for such financing, Seller will not be deemed to have assumed any responsibility for obtaining such financing for Purchaser or to represent or warrant that such financing will be available to Purchaser. Purchaser represents that Purchaser has the financial means to purchase the Lot. Purchaser shall fully cooperate with Seller in procuring any evidence Seller reasonably requests that Purchaser has the financial means to pay the balance of the Purchase Price. Purchaser hereby gives Seller or Seller's designated agent permission to obtain one or more credit reports on Purchaser prior to the Closing Date. If Purchaser elects to obtain financing for the purchase of the Lot, Purchaser shall promptly apply for such financing and promptly deliver a loan commitment from an institutional lender to Seller. If Purchaser is not financing the purchase of the Lot, Purchaser shall promptly deliver account verifications to Seller upon Seller's request. If Seller determines, at any time prior to the Closing Date, in Seller's sole but reasonable discretion, that it is unlikely that Purchaser will be able to pay the balance of the Purchase Price on the Closing Date, Seller may terminate this transaction, and the Earnest Money Deposit shall be returned to Purchaser.

### **3. Completion of Infrastructure Improvements**

**3.1 Completion of Infrastructure.** Seller agrees to provide roads and water service, and public utilities will provide electrical service and telephone service at no cost to Purchaser, as outlined in our Department of Housing and Urban Development ("HUD") Property Report made effective November 21, 2008, which is incorporated herein and made a part hereof by this reference. In all events, Seller agrees that Seller will complete the water and road infrastructure to Purchaser's Lot within the periods of time set forth in the Property Report, or, (a), in the case of water supply installation, on or before issuance of a certificate of occupancy for Purchaser's residence; and (b), in the case of paved roads to Purchaser's Lot, within sixty (60) days following Purchaser's notice to Seller that Purchaser has received a final certificate of occupancy for Purchaser's residence, whichever respective date occurs first. Seller will, at Seller's sole cost and expense, provide on-site water for construction of Purchaser's residence if water service is not then available at Purchaser's Lot. Seller's obligation to complete the roads, water service, and electrical and telephone services within the time provided in the HUD Property Report is subject only to circumstances beyond Seller's control, such as acts of God, strikes, material shortages and other occurrences which are sufficient to constitute impossibility of performance under North Carolina law. In the event of such occurrences, Seller will proceed to completion within a reasonable time after the abatement of the event causing delay. In case the survey by which Seller will convey the Lot to Purchaser required bonding pursuant to Buncombe County ordinance, Seller has posted a cash or surety bond or an irrevocable letter of credit issued on Seller's behalf to Buncombe County, North Carolina, guaranteeing the completion of those roads and other infrastructure requiring bonding. If the approval of the survey by which Seller will convey the Lot to Purchaser did not require bonding by Buncombe County ordinance, Seller has established one or more completion escrow accounts to assure completion of the water service and roads to the lots shown on that survey. Seller reserves the right to furnish Purchaser temporary easements for ingress and egress during development, and upon completion of permanent roads or rights-of way providing ingress and egress, the temporary easements will automatically expire.

(a) **Installation of Infrastructure to Boundary of Lot.** With respect to completion of installation of roads and water service, as well as the installation of electrical and telephone services, Seller covenants these utilities and improvements will be brought to the boundary of Purchaser's Lot, not within the Lot lines to Purchaser's home. Therefore, all costs to connect such utilities or improvements to Purchaser's home will be Purchaser's sole obligation, and the electric utility company charges a set-up fee in conjunction with setting utility meters.

(b) **Septic System.** Purchaser will be responsible for installing and maintaining a septic tank system on the Lot when a dwelling is built on it. Purchaser will be required to make all arrangements for the permitting, governmental approval and installation of a septic tank system. In the event the Lot has not been previously tested and approved by the Buncombe County Health Department for the installation of an individual sewage disposal system, and if Seller is then not able to resolve the issue within sixty (60) days following notice thereof, Seller will refund to Purchaser the Purchase Price and Purchaser will convey the Lot back to Seller, and thereafter, each of Seller and Purchaser will be fully released from any further liability to the other.

(c) **Purchaser's Periodic Utility Charges and Costs.** Purchaser acknowledges that by owning the Lot Purchaser will be liable for the periodic assessment and service charges levied by public authorities and utilities. Purchaser specifically acknowledges that water service is provided by public utility, and that by owning the Lot, the Purchaser is liable to the service provider for the payment of tap fees and user fees for water service, in amounts applicable at the time of payment, which are subject to change. If the Lot is located in the Townhome, Meadows, Millstream, Club Village and Cove Park sections, the Purchaser understands and acknowledges that sewer service is also provided by public utility, and that by owning the Lot, the Purchaser is liable to the service provider for the payment.

**3.2 Completion of Other Infrastructure; Conveyance or Turnover to a Property Owners' Association.** In addition to the infrastructure Seller is obligated to complete, as provided in Section 3.1 above, Seller agrees to complete construction and installation of drainage systems, including approximately three lakes and main electrical power feeds and natural gas lines to the project, which will allow those public utilities serving Purchaser's Lot to extend service to the Purchaser's Lot as well as postal service delivery structures and manned and unmanned gate

houses accessing the project; and approximately 2 miles of hiking and nature trails and landscaping thereto and thereon. The paved roads to Lots within The Cliffs at Walnut Cove will be maintained by and at the cost of The Cliffs at Walnut Cove Owner's Association, Inc. when completed by the Seller. Also we anticipate transferring ownership of the water supply systems to The Cliffs at Walnut Cove Owners' Association, Inc. upon completion and transfer of ownership. Seller will be relieved of all further responsibility for the water system since the transferee will then maintain it.

#### **4. Recorded Covenants.**

**4.1 The Declaration of Covenants & Property Owners' Association.** The Lot will be conveyed subject to the Declaration of Covenants, Conditions and Restrictions for the Cliffs at Walnut Cove recorded in the Office of Register of Deeds for Buncombe County, as the same may be amended from time to time (herein, sometimes referred to as the "Declaration"), which includes the obligation that Purchaser pay regular and special assessments when levied for the common facilities and services of the Cliffs at Walnut Cove Owners' Association (herein, sometimes referred to as the "Association") commencing with the date Seller conveys title to the Lot. Purchaser hereby acknowledges having received a copy of the Declaration, with appended Bylaws of the Association.

**4.2 Architectural Review.** Purchaser hereby acknowledges that any improvement to the Lot, including landscape improvements, will be subject to the architectural guidelines established, from time to time, pursuant to the Declaration, and the prior written approval thereof by the architectural review committee established thereunder. Purchaser and Purchaser's builder will be solely responsible for the completion of construction of all improvements on the Lot and for proper drainage during and after house construction, as well as the published fee payable to architectural review committee for review and approval, prior to construction, of all construction and design plans with respect to any improvements to be placed on Purchaser's Lot. Either Purchaser or Purchaser's contractor will also be responsible for posting a bond prior to commencing construction.

**4.3 Size of Residence.** Purchaser also acknowledges that Section 4.1(b) of the Declaration requires minimum square footages for residences constructed within The Cliffs at Walnut Cove based upon the area in which Purchaser's Lot is located. See Declaration and applicable amendments, if any, with respect to the application of such minimums.

**5. The Golf & Country Club.** Purchaser acknowledges the plan of development for The Cliffs at Walnut Cove includes the Club's operation of various commercial, private golf and country club facility adjacent to or within the boundaries of The Cliffs at Walnut Cove. Purchaser further acknowledges that the Club's recreational facilities are operated by The Cliffs Golf & Country Club, Inc., a related third party, as a commercial business, and not as a non-profit enterprise, that Purchaser will have a license to use the facilities as herein described if Purchaser acquires a membership to do so, and that neither Purchaser nor any property owner association of which Purchaser may be a member has or will receive any ownership interest in the Club's facilities by virtue of Purchaser's acquisition of the Lot or membership in any such property owner association. The Club may, but will not be required to, add additional recreational facilities in the future. The Club operates and offers membership opportunities pursuant to a published Membership Plan, which the Club may supplement, amend, delete and change in its sole discretion at any time. If Purchaser wishes to become a member, Purchaser should take the time to read the Membership Plan prior to acquiring a membership. Purchaser acknowledges receiving a summary of The Cliffs Club membership opportunities. Such information is summary only, and Purchaser should refer to the Membership Plan for the actual terms and condition applicable to membership in the Club.

**6. Closing.** The sale and purchase contemplated by this Agreement will be closed by delivery to Purchaser of a properly executed and acknowledged general warranty deed, in proper, recordable form, in exchange for payment to Seller of the Purchase Price as hereinabove provided. Notwithstanding any provisions herein to the contrary, the legal description for Purchaser's Lot will be in accordance with and based upon the approved, bonded plat for the subdivision of which the Lot is a part (the "Plat").

**6.1 Deed to Lot.** The general warranty deed will convey to Purchaser a good and marketable or insurable (at regular rates), fee simple title to the Lot subject to matters of record, including, but not limited to, taxes and assessments not yet due, all special easements, restrictions and conditions shown and noted on the Plat, licenses and easements for utilities serving the property, the Declaration and the Bylaws of the Association, applicable ordinances and all other easements, rights-of-way, restrictive or utility easements, restrictions, covenants, affirmative obligations and conditions of record in the office of Register of Deeds.

If a title insurance company which is a member of the American Land Title Association will issue a binder to issue an owner's title insurance policy at Purchaser's expense, insuring the title to the Lot at regular rates in an amount equal to the Purchase Price (which owner's title insurance policy will have as exceptions only standard exceptions and those exceptions as are herein agreed and set forth), Seller will be deemed to be able to convey a marketable title in fee simple. If, at the Closing, Seller cannot deliver a general warranty deed to the Lot subject to the exceptions above, Seller will have the right to extend the Closing for an additional thirty (30) days to comply with the terms of the title policy.

**6.2 Closing Date and Time.** Closing will be conducted in the manner provided hereinafter, on the "Closing Date" set forth on Purchaser's signature page below, at the location set forth in Section 6.3 and at a time selected by Seller. Provided that Seller has fulfilled all of its obligations to Purchaser pursuant to this Agreement, Purchaser's failure or refusal to close at the time, place and date provided may, at Seller's option, be deemed a default by Purchaser.

**6.3 Closing Location.** Closing of this transaction will take place at such place as is designated by Seller within thirty (30) days following the Effective Date hereof. Tender of the deed by Seller and the performance of Seller's requirements will be made at said place. In no event will delivery of the deed exceed one hundred eighty (180) days from the date of Purchaser's execution of this Agreement, upon compliance with the terms of this Agreement. The Closing may take place in escrow. Purchaser will not be required to attend the Closing, but may, instead, participate by making all deliveries required to be made by mail to the Closing attorney prior to the Closing date, provided that all funds to be received from Purchaser on the Closing date, whether in person or by mail, must be in cash or certified, collected funds.

**6.4 Closing Costs.** Seller will pay for the preparation of the deed and the deed transfer fee required to record the deed, and Seller's attorney's fees. Purchaser shall pay for any and all other Closing costs, including but not limited to, loan service and origination fees, credit report and underwriting fees, appraisal expenses, recording fees, prepaid items, and title insurance premiums, and Purchaser's attorney's fees. A working capital contribution equal to two-months' Association assessments shall be paid to the Association, as provided in the Declaration.

(a) **Prorations at Closing.** Taxes and the Association's assessments will be prorated between Seller and Purchaser as of the date of closing, based upon information then available. Seller and Purchaser agree to adjust any such prorations following the Closing, as may be required by receipt of final bills therefor.

## **7. Defaults.**

**7.1 Default by Purchaser.** In the event Purchaser defaults in the performance of any of Purchaser's obligations pursuant to this Agreement and Seller is not in default, Seller will have the right to specifically enforce this Agreement according to its terms and/or to pursue any and all other remedies available to Seller at law or in equity, or Seller will, at Seller's election, be released from any further obligations to Purchaser pursuant to this Agreement and in such event will be entitled to retain the Earnest Money Deposit (but not exceeding 15% of the Purchase Price) as agreed liquidated damages, it being the intention and agreement of Seller and Purchaser that the amount of such Earnest Money Deposit will act as a fair measure of compensation for actual damages incurred by Seller as a result of Purchaser's default. However, notwithstanding the provisions of this Section 7.1, Seller expressly agrees that Seller will give Purchaser written notification of Purchaser's default or breach of contract and the opportunity to correct the default or breach within twenty (20) days following the receipt of Seller's notice.

8. **Real Estate Commission.** It is understood that Seller has by separate agreement appointed Cliffs Real Estate, Inc. as the exclusive real estate agent for sales of Lots within the Cliffs at Walnut Cove. Purchaser warrants and represents that, except as set forth to the contrary on the signature page of Purchaser, Purchaser has not dealt with any other real estate agent who may be entitled to claim a real estate commission in this transaction.

**9.1 Seller's Reserved Easements; Construction Setbacks.** Purchaser acknowledges that Seller reserves the right to grant and/or reserve, in its reasonable discretion, various easements for ingress and egress, maintenance and use on and over the Lot and the remainder of the Cliffs at Walnut Cove development. No such easement will materially reduce the value or the usefulness of Purchaser's Lot. Furthermore, Purchaser's Lot is subject to front, rear and side lot line easements shown on the Plat and/or set forth in the Declaration, which also constitute construction setback limits.

**9.3 As-is Condition.** Except as otherwise provided herein, Purchaser is purchasing and Seller is selling the Lot in an "AS IS" condition.

**If to Seller:** The Cliffs at Walnut Cove, LLC  
3598 Highway 11  
Travelers Rest, SC 29690  
Attention: Marty Ritsch  
FAX: 864-371-1542

Page 6



Notices, if to Purchaser: As set forth on Purchaser's signature page of this Agreement

The notice requirements of this Section 9.4 do not apply to the Purchaser's right to cancel this Agreement as provided on page 9 below and in accordance with the Interstate Land Sales Full Disclosure Act.

**9.5 Purchaser's Acknowledgment Concerning Representations.** Purchaser understands that any sales associate or other person representing Seller in this transaction does not have the authority to make any statements in conflict with or in addition to the information contained in this Agreement, and any other documents received from Seller, including without limitation, any representation made regarding the resale of Purchaser's Lot or its rental or investment potential, and that Seller, for itself and on behalf of any such agent, specifically disclaims any responsibility for such statements. Further, if any such statements were made, Purchaser acknowledges that by execution of this Agreement, Purchaser affirms that Purchaser has not relied upon any such statements, if any, and waives any rights that Purchaser might have as a result of such statements unless they are incorporated in this Agreement.

**9.6 Documents Received By Purchaser.** Purchaser further acknowledges having received and reviewed prior to the execution of this Agreement the following:

- (a) Copy of the Declaration, as supplemented and amended to the date hereof, together with appended By-Laws of the Association.
- (b) Agency Disclosure Brochure (Executed Acknowledgement).
- (c) Copy of Plat.
- (d) Design and Construction Guidelines.
- (e) The checked documents or instruments listed on the Purchaser's signature page below.

**9.7 Time is of the Essence.** It is expressly understood and agreed that **TIME IS OF THE ESSENCE** as to all obligations hereunder, including the Purchaser obligation to obtain a mortgage commitment and provide the Lender with all information requested if Purchaser is acquiring financing, even though such financing is not a contingency hereof.

**9.8 Entire Agreement.** Seller and Purchaser covenant and agree with each other that this written instrument, executed in duplicate originals, expresses the entire agreement between them and there is no other agreement, oral or otherwise, varying or modifying the terms of this Agreement.

**9.9 Modification of Agreement.** This Agreement may not be otherwise changed or modified, absent some subsequent written instrument executed by both Seller and Purchaser.

**9.10 Interpretation Presumption.** Seller and Purchaser represent and warrant to one another that each has, by counselor otherwise, actively participated in the finalization of this Agreement, and in the event of a dispute concerning the interpretation of this Agreement, each hereby waives the doctrine that an ambiguity should be interpreted against the party which has drafted the document.

**9.11 Binding Effect; Assignment.** This Agreement is binding upon the parties' respective heirs, devisees, personal representatives, successors and assigns; provided however, this Agreement and any of Purchaser's rights hereunder may not be assigned by Purchaser.

**9.12 Resale Or Exchange Of Property.** Seller has no program or provision for the sale or exchange of any Lots in the Cliffs at Walnut Cove. There is no program, which assures that Purchaser will be able to exchange the Lot for other property.

9.13 **Unenforceable Provisions.** Should any provision of this Agreement be void or become unenforceable at law or in equity, the remaining provisions will remain in full force and effect and will not in any manner be thereby affected or impaired.

9.14 **Survival.** This Agreement and all the terms and conditions hereof will survive the Closing of the transaction contemplated hereby and will thereafter continue to bind the parties to this Agreement.

9.15 **Counterpart Execution of Agreement.** This Agreement may be signed by each of the parties upon a separate copy, and in such case one counterpart of this Agreement will consist of enough of such copies to reflect the signature of each. For purposes of this Agreement, a telecopy of an executed counterpart will constitute an original. Any person delivering an executed counterpart of this Agreement by telecopy will also deliver an original, executed counterpart of this Agreement, but the failure to deliver an original, executed counterpart will not affect the validity of this Agreement. This Agreement may also be executed in two or more counterparts, each of which will be deemed an original; but for purposes of proving the Agreement, it will not be necessary to produce or account for more than one such counterpart.

9.16 **Effective Date.** This Agreement will become effective, and the term "Effective Date" herein will mean, the last date executed by a party to be bound hereby.

9.17 **Radon Disclosure.** The U.S. Environmental Protection Agency, the U.S. Department of Health and Human Services, and the U.S. Public Health Service have expressed concern over the presence of radon gas in homes. Prolonged exposure to high levels of indoor radon or its progeny may affect the health of residents. Although such conditions may exist at the community, Seller has made no investigation to determine whether radon gas is or will be present in a premises constructed on a lot within the community, and the Seller makes no representation or warranty as to (a) the presence or lack of radon or hazardous environmental conditions nor (b) the effect of radon or any such condition on the regime.

Seller recommends that the Purchaser, at its sole expense, conduct its own investigation and consult with such experts as the Purchaser deems appropriate in order to determine if radon gas may be or will be present in a residence and the level thereof.

For further information on radon, see the EPA's "A Citizen's Guide to Radon: The Guide to Protecting Yourself and Your Family from Radon," a copy of which may be found at <http://www.epa.gov/radon/pubs/citguide.html#overview>.

By signing below Purchaser acknowledges that he or she has read the foregoing Disclosure Statement, and hereby releases Seller from any and all liability with respect to the above matters.

**PURCHASER'S INITIALS HERE TO EVIDENCE HAVING READ THE RADON DISCLOSURE ABOVE**

  
For Purchaser

**(BALANCE OF PAGE PURPOSELY BLANK)**

**Additional Documents Received By Purchaser.** Pursuant to Section 9.6, the Purchaser acknowledges having Received and reviewed prior to the execution of this Agreement the following (if none, leave blank):

- ☒ Club Membership Addendum
- ☒ Club Credit Addendum, Wellness Addendum, La Bastide Addendum
- ☒ Plat Acknowledgement, HUD
- ☐ \_\_\_\_\_

**PURCHASER'S INITIAL HERE TO EVIDENCE HAVING RECEIVED THE DOCUMENTS LISTED ABOVE**

  
\_\_\_\_\_  
For Purchaser

**YOU HAVE THE OPTION TO CANCEL YOUR CONTRACT OR AGREEMENT OF SALE BY NOTICE TO THE SELLER UNTIL MIDNIGHT OF THE SEVENTH DAY FOLLOWING THE SIGNING OF THE CONTRACT OR AGREEMENT.**


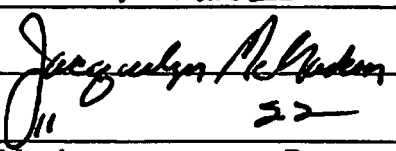
**IF YOU DID NOT RECEIVE A PROPERTY REPORT PREPARED PURSUANT TO THE RULES AND REGULATIONS OF THE OFFICE OF INTERSTATE LAND SALES REGISTRATION, U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, IN ADVANCE OF YOUR SIGNING THE CONTRACT OR AGREEMENT, THE CONTRACT OR AGREEMENT OF SALE MAY BE CANCELLED AT YOUR OPTION FOR TWO YEARS FROM THE DATE OF SIGNING.**

IN WITNESS WHEREOF, Purchaser and the Seller have each caused this instrument to be executed on the day and year set forth below their respective names.

WITNESS:

Purchaser: Ellis and Jacquelyn McCracken

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

  
\_\_\_\_\_  
  
\_\_\_\_\_  
11                      22                      09  
Month                      Day                      Year

The "Closing Date" is: 12/21/2009

Print or Type:

Name: Ellis and Jacquelyn McCracken

Telephone (Work): 904-742-0230

Telephone (Home): 864-836-3844

Address: 106 Peaceful Night Trail, Travelers Rest, SC 29690

FAX Number:

E-mail Address: jackiemc41@bellsouth.net

Name in Which to Title Property.

~~TBD~~ Ellis and Jacquelyn McCracken  
(Insert the name or names to which Purchaser wishes title to the Lot to be deeded)

Name of Real Estate Agent(s):

Graham Worsham

(Insert the name or names of both the Cliffs Real Estate agent representing Seller and any outside agent representing Purchaser)



### Club Membership Addendum

THIS ADDENDUM is executed by and between The Cliffs Golf & Country Club, Inc. on behalf of The Cliffs Club (the "Club") and the below identified "Seller" (the "Seller") and the below identified and below identified "Purchaser" (the "Purchaser") of the below identified single-family property (the "Property") in the Cliffs community also identified below (the "Community"), and is an amendment of and addition to that certain Real Estate Sale and Purchase Agreement (the "Contract") between the Seller and Purchaser.

Purchaser: Ellis and Jaquelyn McCracken  
Walnut Cove

Club/Community: The Cliffs at

Section: Cove Park

Purchase Agreement date: 11/21/2009

Property #: 87

Discount off Deposit \$50,000.00

The Discount shall not exceed the amount of the Membership Initiation Deposit for the Membership selected.

☐ Wellness Membership Initiation Deposit

If checked, Purchaser wishes to acquire Cliffs  
Wellness Membership privileges, and shall pay the  
total required deposit of \$25,000.00: but shall pay, after  
Discount a deposit of

\$ \_\_\_\_\_

☒ Family Membership Initiation Deposit

If checked, Purchaser wishes to acquire Cliffs  
Family Membership privileges, and shall pay the  
total required deposit of \$50,000.00: but shall pay, after  
Discount a deposit of

\$0.00

☐ Golf Membership Initiation Deposit

If checked, Purchaser wishes to acquire Cliffs  
Golf Membership privileges, and shall pay the  
total required deposit of \$150,000.00: but shall pay, after  
Discount a deposit of

\$ \_\_\_\_\_

another purchaser in the event of a resale transaction or to any other entity, person, property or other membership account.

**Section 11  
Club Credit**

1. Club Credit. The Developer hereby agrees to pay at the Closing of the Property Twenty Five Thousand Dollars (\$25,000) to be applied to the Purchaser's current or active Family or Golf Membership Account. This shall be listed as a credit on the account that may be used for Club dues, Club merchandise and/or food/beverage in the Club's facilities. This amount is non-refundable, not returnable for cash and is non transferable to another purchaser in the event of a resale transaction or to any other entity, person, property or other membership account. If the sale and purchase of the Property does not close within Forty-Five (45) days of the Contract, this Addendum will terminate and be of no further force or effect. An Addendum must be completed for each property purchased. Time is of the essence.

This Addendum is only valid if signed by December 31, 2009.

Seller/Developer:

Purchaser:

By: \_\_\_\_\_

By: Ellis McCrack

Date: \_\_\_\_\_

Date: 11/22/09

Purchaser:

By: Jacqueline McPherson

Date: 11/20/09

The Club's Golf & Country Club, Inc.

By: Marty Risch

Date: 11-30-09

Sales Contract  
Addendum  
showing  
"Club Credit"  
of 25,000

Document 11-11-09: A. United Development, LLC and B. United Development, LLC, jointly, as the Developer, hereby agree to pay to the Purchaser, at the Closing of the Property, the sum of Twenty Five Thousand Dollars (\$25,000) to be applied to the Purchaser's current or active Family or Golf Membership Account. This shall be listed as a credit on the account that may be used for Club dues, Club merchandise and/or food/beverage in the Club's facilities. This amount is non-refundable, not returnable for cash and is non transferable to another purchaser in the event of a resale transaction or to any other entity, person, property or other membership account. If the sale and purchase of the Property does not close within Forty-Five (45) days of the Contract, this Addendum will terminate and be of no further force or effect. An Addendum must be completed for each property purchased. Time is of the essence.

**LABASTIDE INN GIFT CERTIFICATE ADDENDUM**

**For**  
**Company HomeSale Purchase**

This Addendum is attached to and made a part of the Real Estate Sale and Purchase Agreement (the "Contract") entered into as of November 22, 2009 by and between The Cliffs Communities ("Seller" and "Developer"), Ellis and Jacquelyn McCracken ("Purchaser") regarding The Cliffs at Wainut Cove ("Community"), Lot 87, Section Cove Park of Buncombe County, North Carolina ("The Property").

If Purchaser closes the purchase of the Property within 45 days of the date of the Contract, Purchaser shall be entitled to the following consideration:

The Developer of the Property will give a LaBastide Inn accommodation gift certificate with a value of Two Thousand dollars (\$2000.00). The gift certificate shall be valid for 24 months following the date of closing. Reservations and accommodations are subject to availability. This gift certificate is non-refundable, not redeemable for cash and is non-transferable to another purchaser in the event of a resale transaction or to any other entity, person, property or other membership account.

If the sale and purchase of the Property does not close within 45 days of the Contract, this Addendum will terminate and be of no further force or effect. An Addendum must be completed for each property purchased. Time is of the essence.

This Addendum is only valid if signed by December 31, 2009.

Seller/Developer:

By: Christy Retch

Date: 11-30-09

Purchaser:

By: Ellis McCracken

Date: 11/22/09

Purchaser:

By: Jacquelyn McCracken

Date: 11/22/09

**EXHIBIT**  
**WELLNESS PACKAGE ADDENDUM**

THIS IS AN ADDENDUM TO THE REAL ESTATE PURCHASE CONTRACT (this "Contract") dated effective the 22nd day of November, 2009, is executed by The Cliffs Communities, a North Carolina company and/or its assigns ("Seller") and Ellie and Jacquelyn McCracken ("Purchaser" whether one or more). For the purchase of Section Cove Park Lot 87 (Property) in the Community of The Cliffs at Walnut Cove

Purchaser must register for the Wellness Program within 30 days of closing and activate it twelve months from date of the certificate of occupancy OR three years from date of closing, whichever date occurs first. The Seller will pay up to \$4,000.00 for one year of the offered Program on behalf of the Purchaser. If Purchaser does not register for the Program within 30 days of closing, the offer will expire. A Wellness Form will be mailed to Purchaser before closing or may be requested through the Cliffs' Membership office 864-660-1160.

The Wellness Program offered may change or no longer be available to new participants and Purchaser agrees that the Program presented at the time of sale or registration may be different upon activation.

Should Purchaser not register and/or does not wish to participate in the Wellness Program, Purchaser understands and agrees that there will be no refund of money or exchange and that the Program is not transferable unless specifically stated in the Program offered.

EXECUTED as of the date first written above

**PURCHASER:** Ellie and Jacquelyn McCracken

**WITNESSES:**

By: Ellie McCracken

Printed name: Ellie McCracken

By: Jacquelyn McCracken

Printed name: Jacquelyn McCracken

**WITNESSES:**

**SELLER:** The Cliffs at Walnut Cove, LLC

By: Marty Ritsch

Printed name: Marty Ritsch



<b>A.</b> <b>U.S. DEPARTMENT OF HOUSING &amp; URBAN DEVELOPMENT</b>  <b>SETTLEMENT STATEMENT</b>	<b>B. TYPE OF LOAN:</b>				
	1. <input type="checkbox"/> FHA	2. <input type="checkbox"/> FmHA	3. <input type="checkbox"/> CONV. UNINS.	4. <input type="checkbox"/> VA	5. <input type="checkbox"/> CONV. INS.
	6. FILE NUMBER: 35269.87			7. LOAN NUMBER:	
	8. MORTGAGE INS CASE NUMBER:				

**C. NOTE:** This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "[POC]" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.

1.0 3/88 (CWC LT 87 COVE PARK SALE PFD/35269.87/17)

<b>D. NAME AND ADDRESS OF BUYER:</b>  Ellis McCracken and Jacquelyn McCracken, married to each other 108 Peaceful Night Trail Travelers Rest, SC 29690	<b>E. NAME AND ADDRESS OF SELLER:</b>  The Cliffs at Walnut Cove, LLC 3598 Highway 11 Travelers Rest, SC 29690	<b>F. NAME AND ADDRESS OF LENDER:</b>  
<b>G. PROPERTY LOCATION:</b> Lot 87 Cove Park, The Cliffs at Walnut Cove Arden, NC 28704 Buncombe County, North Carolina PIN 9633-08-5819-00000	<b>H. SETTLEMENT AGENT:</b> 56-1154253 McGuire, Wood & Bissette, P.A.  <b>PLACE OF SETTLEMENT</b> 48 Patton Avenue Asheville, NC 28801	<b>I. SETTLEMENT DATE:</b>  December 21, 2009

J. SUMMARY OF BUYER'S TRANSACTION	
<b>100. GROSS AMOUNT DUE FROM BUYER:</b>	
101. Contract Sales Price	250,000.00
102. Personal Property	
103. Settlement Charges to Buyer (Line 1400)	1,412.48
104.	
105.	
<i>Adjustments For Items Paid By Seller In advance</i>	
106. City/Town Taxes to	
107. County Taxes 12/21/09 to 01/01/10	47.76
108. Assessments to	
109.	
110.	
111.	
112.	
<b>120. GROSS AMOUNT DUE FROM BUYER</b>	<b>251,460.24</b>
<b>200. AMOUNTS PAID BY OR IN BEHALF OF BUYER:</b>	
201. Deposit or earnest money	25,000.00
202. Principal Amount of New Loan(s)	
203. Existing loan(s) taken subject to	
204.	
205.	
206.	
207.	
208.	
209.	
<i>Adjustments For Items Unpaid By Seller</i>	
210. City/Town Taxes to	
211. County Taxes to	
212. Assessments to	
213.	
214.	
215.	
216.	
217.	
218.	
219.	
<b>220. TOTAL PAID BY/FOR BUYER</b>	<b>25,000.00</b>
<b>300. CASH AT SETTLEMENT FROM/TO BUYER:</b>	
301. Gross Amount Due From Buyer (Line 120)	251,460.24
302. Less Amount Paid By/For Buyer (Line 220)	( 25,000.00)
<b>303. CASH ( X FROM ) ( TO ) BUYER</b>	<b>226,460.24</b>

K. SUMMARY OF SELLER'S TRANSACTION	
<b>400. GROSS AMOUNT DUE TO SELLER:</b>	
401. Contract Sales Price	250,000.00
402. Personal Property	
403.	
404.	
405.	
<i>Adjustments For Items Paid By Seller In advance</i>	
406. City/Town Taxes to	
407. County Taxes to	
408. Assessments to	
409.	
410.	
411.	
412.	
<b>420. GROSS AMOUNT DUE TO SELLER</b>	<b>250,000.00</b>
<b>500. REDUCTIONS IN AMOUNT DUE TO SELLER:</b>	
501. Excess Deposit (See Instructions)	
502. Settlement Charges to Seller (Line 1400)	60,862.35
503. Existing loan(s) taken subject to	
504. Payoff of first Mortgage	
505. Payoff of second Mortgage	
506.	
507. (Deposit disb. as proceeds)	
508.	
509.	
<i>Adjustments For Items Unpaid By Seller</i>	
510. City/Town Taxes to	
511. County Taxes 01/01/09 to 12/21/09	1,536.92
512. Assessments to	
513.	
514.	
515.	
516.	
517. Mortgage Release fee to NBSC	53,352.20
518. Interest Reserve to NBSC	11,856.04
519.	
<b>520. TOTAL REDUCTION AMOUNT DUE SELLER</b>	<b>117,607.51</b>
<b>600. CASH AT SETTLEMENT TO/FROM SELLER:</b>	
601. Gross Amount Due To Seller (Line 420)	250,000.00
602. Less Reductions Due Seller (Line 520)	( 117,607.51)
<b>603. CASH ( X TO ) ( FROM ) SELLER</b>	<b>132,392.49</b>



## L. SETTLEMENT CHARGES

<b>700. TOTAL COMMISSION Based on Price</b>		\$ 169,000.00 @ 12.0000 %	20,280.00	PAID FROM BUYER'S FUNDS AT SETTLEMENT	PAID FROM SELLER'S FUNDS AT SETTLEMENT
<i>Division of Commission (line 700) as Follows:</i>					
701. \$ 16,477.50	to Cliffs Real Estate, Inc.				
702. \$ 3,802.50	to WGill, Inc				
703. Commission Paid at Settlement					20,280.00
704.	to				
<b>800. ITEMS PAYABLE IN CONNECTION WITH LOAN</b>					
801. Loan Origination Fee	% to				
802. Loan Discount	% to				
803. Appraisal Fee	to				
804. Credit Report	to				
805. Lender's Inspection Fee	to				
806. Mortgage Ins. App. Fee	to				
807. Assumption Fee	to				
808.					
809.					
810.					
811.					
<b>900. ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE</b>					
901. Interest From	to @ \$	/day ( days %)			
902. MIP Totlins. for LifeOfLoan	for months to				
903. Hazard Insurance Premium for	1.0 years to				
904.					
905.					
<b>1000. RESERVES DEPOSITED WITH LENDER</b>					
1001. Hazard Insurance	months @ \$	per month			
1002. Mortgage Insurance	months @ \$	per month			
1003. City/Town Taxes	months @ \$	per month			
1004. County Taxes	months @ \$	per month			
1005. Assessments	months @ \$	per month			
1006.	months @ \$	per month			
1007.	months @ \$	per month			
1008.	months @ \$	per month			
<b>1100. TITLE CHARGES</b>					
1101. Settlement or Closing Fee	to McGuire, Wood & Bisette, P.A.		550.00		
1102. Abstract or Title Search	to				
1103. Title Examination	to McGuire, Wood & Bisette, P.A.		150.00		
1104. Title Insurance Binder	to				
1105. Document Preparation	to McGuire, Wood & Bisette, P.A.				295.00
1106. Notary Fees	to				
1107. Attorney's Fees	to				
(includes above item numbers:		)			
1108. Title Insurance	to Heritage Title, LLC		425.00		
(includes above item numbers:		)			
1109. Lender's Coverage	\$				
1110. Owner's Coverage	\$				
1111.					
1112.					
1113.					
<b>1200. GOVERNMENT RECORDING AND TRANSFER CHARGES</b>					
1201. Recording Fees: Deed \$ 22.00; Mortgage \$ ; Releases \$			22.00		
1202. City/County Tax/Stamps: Deed ; Mortgage					
1203. State Tax/Stamps: Revenue Stamps 500.00; Mortgage					500.00
1204. Record Release Deed	to Buncombe County Register of Deeds				25.00
1205. UCC	to Buncombe County Register of Deeds				38.00
<b>1300. ADDITIONAL SETTLEMENT CHARGES</b>					
1301. Survey	to				
1302. Pest Inspection	to				
1303. POA	to The Cliffs at Walnut Cove POA Lot 87 Cove Park		40.65		1,308.39
1304. Club Credit	to Cliffs Golf and Country Club, Inc				25,000.00
1305. See addit'l disb. exhibit	to		224.83		3,416.00
<b>1400. TOTAL SETTLEMENT CHARGES (Enter on Lines 103, Section J and 502, Section K)</b>			1,412.48		50,862.35

Certified to be a true copy.

# DISBURSEMENTS SUMMARY / BALANCE SHEET

**Buyer:** Ellis McCracken and Jacquelyn McCracken, married to each other  
**Seller:** The Cliffs at Walnut Cove, LLC  
**Settlement Agent:** McGuire, Wood & Bissette, P.A.  
 (828)254-8800  
**Place of Settlement:** 48 Patton Avenue  
 Asheville, NC 28801  
**Settlement Date:** December 21, 2009  
**Property Location:** Lot 87 Cove Park, The Cliffs at Walnut Cove  
 Arden, NC 28704  
 Buncombe County, North Carolina  
 PIN 9633-08-5819-00000

## INCOMING FUNDS

Ellis McCracken and Jacquelyn McCracken, married to each other	226,460.24	
Deposit/Earnest money	25,000.00	
<b>Total Incoming Funds</b>		<b>251,460.24</b>

## DISBURSEMENTS

Cliffs Real Estate, Inc.		16,477.50	16,477.50
Commission			
WGIII, Inc			3,802.50
Commission		3,802.50	
Buncombe County Register of Deeds	Record Release Deed		25.00
The Cliffs at Walnut Cove POA	POA		1,349.00
Cliffs Golf and Country Club, Inc	Club Credit		25,000.00
Walnut Cove Community Association Reserve	Working Capital		224.83
Southern Appalachian Highlands Conservancy	Donation		36.00
South Carolina Teacher Renewal Center	Charity Donation		3,380.00
W NBSC	Mortgage Release fee		53,352.20
W NBSC	Interest Reserve		11,856.04
Buncombe County Tax Collector	County Taxes		1,584.68
The Cliffs at Walnut Cove, LLC	Closing Proceeds		132,392.49
McGuire, Wood & Bissette, P.A.	Settlement Agents Fees		995.00
Settlement or Closing Fee		550.00	
Title Examination		150.00	
Document Preparation		295.00	
Heritage Title, LLC	Title Charges		425.00
Title Insurance		425.00	
Buncombe County Register of Deeds	Government Charges		560.00
Recording Fees		22.00	
State Tax/Stamps		500.00	
UCC		38.00	

Number of checks - 13

<b>Total Disbursements</b>	<b>251,460.24</b>
----------------------------	-------------------

# CLAUER LAW FIRM, LLC

GEORGE L. CLAUER III

BANKRUPTCY AND  
DEBTOR-CREDITOR LAW

POST OFFICE BOX 477  
SALEM, SC 29676-0477

TELEPHONE: (864) 719-4296  
TOLL FREE FROM ANY (864) NUMBER

FACSIMILE: (864) 944-5494

DELIVERY ADDRESS:  
84 STARBOARD TACK DRIVE  
SALEM, SC 29676-4036

SKYPE.COM: *clauerlaw*

E-MAIL: *gc\_clauerlaw@bellsouth.net*

May 24, 2012

BMC Group, Inc  
Attn: Cliffs Claims Processing  
PO Box 3020  
Chanhassen, MN 55317-3020

Re: Proofs of Claim to File

Dear BMC Group, Inc.:

Please file the enclosed proofs of claim in the Cliffs Group cases.

Yours very truly,

  
George L. Clauer III



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Flat Rate <input type="checkbox"/> or Waiver <input type="checkbox"/>	Military <input type="checkbox"/> 2nd Day <input type="checkbox"/> 3rd Day <input type="checkbox"/>	Total Postage & Fees
179	Int'l Alpha Country Code	\$
	Accumulated	\$

FROM: (PLEASE PRINT) PHONE:

George L. CLALLIE  
A.O. Box 479  
Salem, SC 29676

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Delivery Attempt	Time	Employee Signature
5 Day	9:44 PM	Bluscar
Delivery Date	Time	Employee Signature
5 Day	9:44 PM	Bluscar

CUSTOMER USE ONLY

NO DELIVERY ☐

Signature

Signature

Signature

Signature

Signature

Signature

Signature

Signature

Signature

Signature

TO: (PLEASE PRINT) PHONE:

BMC Group, Inc.  
Attn: Chris Adams  
A.O. Box 3020  
Chambers, MI

55317 + 3020

FOR INTERNATIONAL DESTINATION, WRITE COUNTRY NAME BELOW.



USPS packaging products have been awarded Credit to Cradle Certification for their ecologically intelligent design. For more information go to [mbdc.com/loops](http://mbdc.com/loops)

Please recycle.



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