

UNITED STATES BANKRUPTCY COURT _____ DISTRICT OF <u>South Carolina</u>		PROOF OF CLAIM
Name of Debtor: <u>The Cliffs Club + Hospitality Group, Inc., et al., d/b/a The Cliffs Country Club</u>	Case Number: <u>12-01220</u>	
NOTE: Do not use this form to make a claim for an administrative expense that arises after the bankruptcy filing. You may file a request for payment of an administrative expense according to 11 U.S.C. § 503.		
Name of Creditor (the person or other entity to whom the debtor owes money or property): <u>Joseph P. McEwire and spouse, Jean B. McEwire</u>		COURT USE ONLY
Name and address where notices should be sent: <u>Douglas J. Tate PO Box 3100, Asheville NC 28802</u> Telephone number: <u>828-254-8000</u> email: <u>dtate@mwbavl.com</u>		<input type="checkbox"/> Check this box if this claim amends a previously filed claim. Court Claim Number: _____ (If known) Filed on: _____
Name and address where payment should be sent (if different from above): <u>Same as above</u> Telephone number: _____ email: _____		RECEIVED ' JUN 01 2012 BMC GROUP
1. Amount of Claim as of Date Case Filed: <u>\$ See Exhibits A-C attached hereto.</u> If all or part of the claim is secured, complete item 4. If all or part of the claim is entitled to priority, complete item 5. <input type="checkbox"/> Check this box if the claim includes interest or other charges in addition to the principal amount of the claim. Attach a statement that itemizes interest or charges.		
2. Basis for Claim: <u>offer to purchase and contract</u> (See instruction #2)		
3. Last four digits of any number by which creditor identifies debtor: _____	3a. Debtor may have scheduled account as: _____ (See instruction #3a)	3b. Uniform Claim Identifier (optional): _____ (See instruction #3b)
4. Secured Claim (See instruction #4) Check the appropriate box if the claim is secured by a lien on property or a right of setoff, attach required redacted documents, 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 _____% <input type="checkbox"/> Fixed or <input type="checkbox"/> Variable (when case was filed)		Amount of arrearage and other charges, as of the time case was filed, included in secured claim, if any: \$ _____ Basis for perfection: _____ Amount of Secured Claim: \$ _____ Amount Unsecured: \$ _____
5. Amount of Claim Entitled to Priority under 11 U.S.C. §507(a). If any part of the claim falls into one of the following categories, check the box specifying the priority and state the amount.		
<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 \$11,725*) earned within 180 days before the case was filed or the debtor's business ceased, 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). Amount entitled to priority: \$ _____
<input type="checkbox"/> Up to \$2,600* 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)(____). Amount entitled to priority: \$ _____
*Amounts are subject to adjustment on 4/1/13 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.		
6. Credits. The amount of all payments on this claim has been credited for the purpose of making this proof of claim. (See instruction #6)		



7. Documents: Attached are 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. If the claim is secured, box 4 has been completed, and redacted copies of documents providing evidence of perfection of a security interest are attached. (See instruction #7, and the definition of "redacted".)

DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.

If the documents are not available, please explain:

8. Signature: (See instruction #8)

Check the appropriate box.

- I am the creditor. I am the creditor's authorized agent. I am the trustee, or the debtor, or their authorized agent. I am a guarantor, surety, indorser, or other codebtor. (See Bankruptcy Rule 3005.) (See Bankruptcy Rule 3004.)

I declare under penalty of perjury that the information provided in this claim is true and correct to the best of my knowledge, information, and reasonable belief.

Print Name: Douglas J. Tate
Title: Attorney
Company: McEwire Wood & Bissell PA
Address and telephone number: PO Box 3180, Asheville, NC 28802, 828-254-8800, dtate@mwbavl.com

(Signature) [Handwritten Signature]

(Date) 5/30/12

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

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, exceptions to these general rules may apply.

Items to be completed in Proof of Claim form

Court, Name of Debtor, and Case Number: Fill in the federal judicial district in which the bankruptcy case was filed...
Creditor's Name and Address: Fill in the name of the person or entity asserting a claim...
1. Amount of Claim as of Date Case Filed: State the total amount owed to the creditor...
2. Basis for Claim: State the type of debt or how it was incurred...
3. Last Four Digits of Any Number by Which Creditor Identifies Debtor: State only the last four digits...
3a. Debtor May Have Scheduled Account As: Report a change in the creditor's name...
3b. Uniform Claim Identifier: If you use a uniform claim identifier, you may report it here.

4. Secured Claim: Check whether the claim is fully or partially secured...
5. Amount of Claim Entitled to Priority Under 11 U.S.C. §507(a): If any portion of the claim falls into any category shown...
6. Credits: An authorized signature on this proof of claim serves as an acknowledgment...
7. Documents: Attach redacted copies of any documents that show the debt exists...
8. Date and Signature: The individual completing this proof of claim must sign and date it.

Proof of Claim
Case No. 12-01220
The Cliffs Country Club

Creditors, Joseph B. McGuire and spouse, Jean B. McGuire (the "Creditors"), claim no monetary amount owed by Debtor to Creditors, per se. Instead, Creditors claim a lifetime membership to any of The Cliffs properties without monthly dues pursuant to the Offer to Purchase and Contract entered into between James B. Anthony and/or assigns, on behalf of The Cliffs, as Buyer, and Creditors, as Seller. Said lifetime membership is inheritable by the holder's immediate family members (children, siblings, nieces and nephews) without obligation for monthly dues as long as a lot is owned by such holder or his issue.

Creditors claim their rights to the lifetime memberships in place and stead of any monetary amount.



VACANT LOT/LAND - OFFER TO PURCHASE AND CONTRACT

JAMES B. ANTHONY and/or Assigns, as Buyer, hereby offers to purchase and JOSEPH P. McGUIRE, joined by his spouse, JEAN B. McGUIRE, as Seller, upon acceptance of said offer, agrees to sell and convey, all of that plot, piece or parcel of land described below (hereafter referred to as the "Property"), upon the following terms and conditions:

1. **REAL PROPERTY:** Located in FAIRVIEW TOWNSHIP, County of BUNCOMBE, State of North Carolina, being known as and more particularly described as:

Being the one fourth undivided interest of Joseph P. McGuire in a tract of approximately 226 acres (PIN 9697.04-94-1802) and the four fifteenths undivided interest of Joseph P. McGuire in a tract of approximately 72.82 acres (PIN 9697.04-62-8524) along Rocky Fork Stream.

2. **PURCHASE PRICE:** The purchase price is \$ 1,782,783.34 and shall be paid as follows:

(a) \$ 127,341.67 Option Money with this offer by personal check to remain the property of Seller, which Option Money shall apply on the Purchase Price;

(b) \$ 63,670.84 EARNEST MONEY DEPOSIT to be paid to Escrow Agent/Qualified Intermediary no later than NOVEMBER 6, 2006 to be deposited and held in escrow by EXCHANGE ACCOMMODATORS OF THE CAROLINAS, INC., Trustee ("Escrow Agent") until the sale is closed, at which time it will be credited to Buyer, or until this contract is otherwise terminated. In the event: (1) this offer is not accepted; or (2) any of the conditions hereto are not satisfied, then all earnest monies shall be refunded to Buyer. In the event of breach of this contract by Seller, all earnest monies shall be refunded to Buyer upon Buyer's request, but such return shall not affect any other remedies available to Buyer for such breach. In the event of breach of this contract by Buyer, then all earnest monies shall be forfeited to Escrow Agent for the benefit of Seller pursuant to agreement between Seller and Escrow Agent, but such forfeiture shall not affect any other remedies available to Seller for such breach. **NOTE:** In the event of a dispute between Seller and Buyer over the return or forfeiture of earnest money held in escrow as above provided, said Escrow Agent shall retain said earnest money in its escrow account until a written release from the parties consenting to its disposition has been obtained or until disbursement is ordered by a court of competent jurisdiction.

(c) \$ 1,591,770.83 BALANCE of the purchase price at Closing in land exchanges or cash as described below.

At Closing Seller shall receive in exchange for the Balance plus earnest money, real property in any of Buyer's Cliffs developments, said parcel being at Buyer's prices published at the time of identification and selection thereof. Buyer agrees to allow Seller access to Buyer's Cliffs developments beginning at the execution of this Agreement for purposes of identifying and selecting real property to be received at Closing. Buyer agrees that Seller shall have priority to review and reserve lots in any of the Keowee developments, including those to be released in May 2007, within 15 days of being notified that the property is available for sale and that the same will be held for him until Closing.

Seller must receive a minimum of 50% of the Balance plus earnest money in real property, but beyond that amount may elect to receive any remaining Balance due at Closing in cash and may designate any cash he elects to receive at closing to a qualified intermediary for purposes of a 1031 exchange.

In addition to the above, Buyer shall furnish the following additional consideration:

(i) One Family Membership to any of The Cliffs properties, without monthly dues, for the lifetime of Joseph P. McGuire, to be issued upon application after January 1, 2007. Such membership is inheritable by the holder's immediate family members (children, siblings, nieces and nephews) without obligation for monthly dues as long as a lot is owned by such holder or his issue.

(ii) One guided fishing tour to The Cliffs at Hakai Beach in British Columbia.

3. **CONDITIONS:** (State N/A in each blank that is not a condition to this contract.)

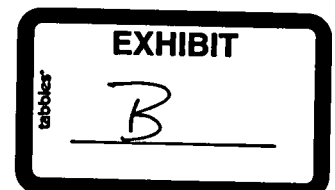
(a) The Property must be in substantially the same or better condition at Closing as on the date of this offer, reasonable wear and tear excepted.

(b) All deeds of trust, liens and other charges against the Property, not assumed by Buyer, must be paid by Seller prior Closing such that cancellation may be promptly obtained following Closing. Seller shall remain obligated to obtain any such cancellations following Closing.

(c) Title must be delivered at Closing by GENERAL WARRANTY DEED unless otherwise stated herein, and must be fee simple marketable and insurable title, free of all encumbrances except: ad valorem taxes for the current year (prorated through the date of Closing); utility easements and unviolated restrictive covenants that do not materially affect the value of the Property; and such other encumbrances as may be assumed or specifically approved by Buyer. The Property must have legal access to a public right of way.

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4. **PRORATIONS AND ADJUSTMENTS:** Unless otherwise provided, the following items shall be prorated and either adjusted between the parties or paid at Closing: (a) Ad valorem taxes on real property shall be prorated on a calendar year basis through the date of Closing; (b) All late listing penalties, if any, shall be paid by Seller; (c) Rents, if any, for the Property shall be prorated through the date of Closing; (d) owners association dues and other like charges shall be prorated through the date of Closing.

5. **EXPENSES:** Unless otherwise agreed, Buyer shall be responsible for all costs with respect to any loan obtained by Buyer, title search, title insurance, recording the deed and for preparation and recording of all instruments required to secure the balance of the purchase price unpaid at Closing. Seller shall pay for preparation of a deed and all other documents necessary to perform Seller's obligations under this agreement, and for excise tax (revenue stamps) required by law.

6. **LABOR AND MATERIAL:** Seller shall furnish at Closing an affidavit and indemnification agreement in form satisfactory to Buyer showing that all labor and materials, if any, furnished to the Property within 120 days prior to the date of Closing have been paid for and agreeing to indemnify Buyer against all loss from any cause or claim arising therefrom.

7. **CLOSING:** Closing shall be defined as the date and time of recording of the deed. All parties agree to execute any and all documents and papers necessary in connection with Closing and transfer of title on or before SEPTEMBER 6, 2007. at a place designated by Buyer. The deed is to be made to BUYER OR AN ENTITY OF WHICH BUYER OWNS 50% OR MORE.

8. **POSSESSION:** Unless otherwise provided herein, possession shall be delivered at Closing. No alterations, excavations, tree removal or other such activities may be done before possession is delivered.

9. **RISK OF LOSS:** The risk of loss or damage by fire or other casualty prior to Closing shall be upon Seller.

10. **ASSIGNMENTS:** This contract may not be assigned without the written consent of all parties, but if assigned by agreement, then this contract shall be binding on the assignee and his heirs and successors.

11. **PARTIES:** This contract shall be binding upon and shall inure to the benefit of the parties, i.e., Buyer and Seller and their heirs, successors and assigns. As used herein, words in the singular include the plural and the masculine includes the feminine and neuter genders, as appropriate.

12. **SURVIVAL:** If any provision herein contained which by its nature and effect is required to be observed, kept or performed after the Closing, it shall survive the Closing and remain binding upon and for the benefit of the parties hereto until fully observed, kept or performed.

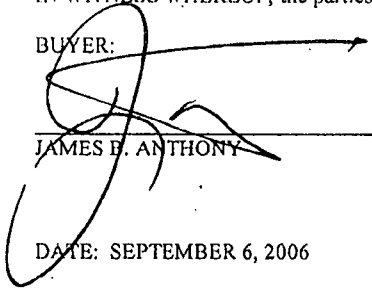
13. **ENTIRE AGREEMENT:** This contract contains the entire agreement of the parties and there are no representations, inducements or other provisions other than those expressed herein. All changes, additions or deletions hereto must be in writing and signed by all parties.

14. **NOTICE AND EXECUTION:** Any notice or communication to be given to a party herein may be given to the party or to such Party's agent. This offer shall become a binding contract (the "Effective Date") when signed by both Buyer and Seller and such signing is communicated to the offering party. This contract is executed under seal in signed multiple originals, all of which together constitute one and the same instrument, with a signed original being retained by each party, and the parties adopt the word "SEAL" beside their signatures below.

15. **OTHER PROVISIONS AND CONDITIONS:** : This Offer to Purchase and Contract is made in conjunction with and shall be performed simultaneously with Offers to Purchase and Contract between the same Buyer and Walter R. McGuire, Walter F. McGuire, Leslie B. McGuire and Brenda McGuire for their interest in the same Property. The beneficial owner of the Property is Joseph P. McGuire. The spouse of Joseph P. McGuire joins herein for the purpose of expressing her assent thereto.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the date indicated.

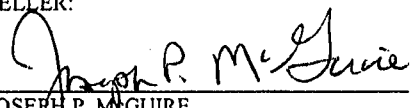
BUYER:



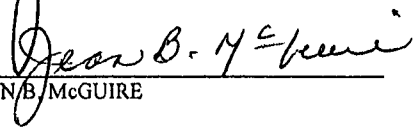
JAMES F. ANTHONY

DATE: SEPTEMBER 6, 2006

SELLER:



JOSEPH P. MCGUIRE



JEAN B. MCGUIRE

DATE: SEPTEMBER 6, 2006

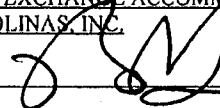
Escrow Agent acknowledges receipt of the earnest money and agrees to hold and disburse the same in accordance with the terms hereof.

Date

11/13/06

Firm: EXCHANGE ACCOMMODATORS OF THE CAROLINAS, INC.

By:



(Signature)



October 21, 2008

Mr. Walt McGuire
2303 Furman Avenue
Charleston, SC 29414

Dear Mr. McGuire,

As a follow up to our most recent conversation regarding the status of your membership at The Cliffs, please know that I have spoken with Mr. Anthony and he has agreed to the following:

- An Honorary Lifetime Family Membership will continue to be available to you, even if you sell Towne Landing, Lot 56 at The Cliffs at Keowee Falls.
- If you sell Lot 56, your heirs or assigns are not eligible for the Honorary Lifetime Family Membership.
- If you retain Lot 56, your heirs or assigns are eligible for the Honorary Lifetime Family Membership.
- A Golf or Family Membership is available to the future resale purchaser of your property for the prevailing rate.

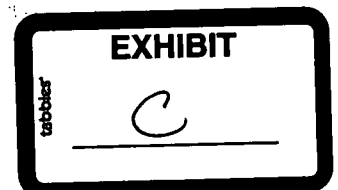
This letter shall also serve as notice that this offer is extended to the interested parties of the original transaction(s) between the McGuire Family and Mr. Anthony.

Thank you for the opportunity to provide clarification on these matters. Please call upon me in the future if I can be of further assistance.

Best regards,

Nate Weyand
Membership Director

The Cliffs Golf and Country Clubs
Membership Office
3598 Highway 11, Travelers Rest, South Carolina 29690
(864) 660-1100
www.cliffscommunities.com



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Express

From: (828)254-8800
Douglas J. Tate/Sir
McGuire, Wood & Bissette, PA
48 Patton Ave
Asheville, NC - 28801

FedEx
Express



TO: (828)254-8800
BMC Group, Inc.
Attn: Cliff Claims Processing
18675 Lake Drive East

Chanhassen, MN - 55317

Ship Date: 30MAY12
Actual Wgt: 1.00 LB MAN-WGT
System#: 103483901/MS062010
Account#: S *****1025

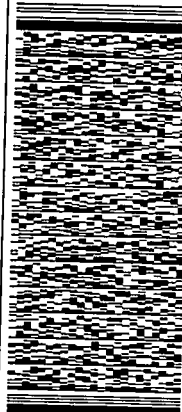
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