

UNITED STATES BANKRUPTCY COURT _____ DISTRICT OF <u>South Carolina</u>		<b>PROOF OF CLAIM</b>
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>	<input type="checkbox"/> Check this box if this claim amends a previously filed claim.  Court Claim Number: _____ (If known)  Filed on: _____
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>Brenda S. McEwire, Single</u>		
Name and address where notices should be sent: <u>Douglas J. Tate PO Box 3180, Asheville NC 28802</u>  Telephone number: <u>828-254-8800</u> email: <u>dtate@mwbavl.com</u>		<b>COURT USE ONLY</b>
Name and address where payment should be sent (if different from above): <u>Same as above</u>  Telephone number: _____ email: _____		<div style="border: 1px solid black; padding: 5px; display: inline-block;"> <b>RECEIVED</b>   <b>JUN 01 2012</b>   <b>BMC GROUP</b> </div> <input type="checkbox"/> Check this box if you are aware that anyone else has filed a proof of claim relating to this claim. Attach copy of statement giving particulars.
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"/> 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"/> 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"/> Taxes or penalties owed to governmental units - 11 U.S.C. §507 (a)(8).	<input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. §507 (a)(5).  <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.
- (Attach copy of power of attorney, if any.) (See Bankruptcy Rule 3004.) (See Bankruptcy Rule 3005.)

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: McGuire Wood + Bissell  
 Address and telephone number (if different from notice address above): \_\_\_\_\_

Douglas J. Tate  
 (Signature)

5/30/12  
 (Date)

Telephone number: \_\_\_\_\_ email: \_\_\_\_\_

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 (for example, Central District of California), the debtor's full name, and the case number. If the creditor received a notice of the case from the bankruptcy court, all of this information is 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. If the claim is based on delivering health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information. You may be required to provide additional disclosure if an interested party objects to the claim.

**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:**  
 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.

**3b. Uniform Claim Identifier:**  
 If you use a uniform claim identifier, you may report it here. A uniform claim identifier is an optional 24-character identifier that certain large creditors use to facilitate electronic payment in chapter 13 cases.

**4. Secured Claim:**  
 Check whether the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See Definitions.) If the claim is secured, check the box for the nature and value of property that secures the claim, attach copies of lien documentation, and state, as of the date of the bankruptcy filing, the annual interest rate (and whether it is fixed or variable), and the amount past due on the claim.

**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, check the appropriate box(es) and state the amount entitled to priority. (See Definitions.) 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.

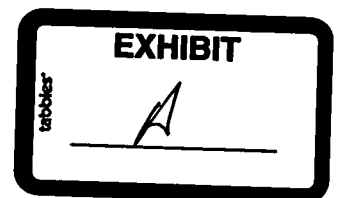
**7. Documents:**  
 Attach redacted copies of any documents that show the debt exists and a lien secures the debt. You must also attach copies of documents that evidence perfection of any security interest. You may also attach a summary in addition to the documents themselves. FRBP 3001(c) and (d). If the claim is based on delivering health care goods or services, limit disclosing confidential health care information. Do not send original documents, as attachments may be destroyed after scanning.

**8. Date and Signature:**  
 The individual completing 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. If you sign this form, you declare under penalty of perjury that the information provided is true and correct to the best of your knowledge, information, and reasonable belief. Your signature is also a certification that the claim meets the requirements of FRBP 9011(b). Whether the claim is filed electronically or in person, if your name is on the signature line, you are responsible for the declaration. 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. If the claim is filed by an authorized agent, attach a complete copy of any power of attorney, and provide both the name of the individual filing the claim and the name of the agent. If the authorized agent is a servicer, identify the corporate servicer as the company. Criminal penalties apply for making a false statement on a proof of claim.

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

Creditor, Brenda S. McGuire (the "Creditor"), claim no monetary amount owed by Debtor to Creditor, per se. Instead, Creditor claims 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 Creditor, 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.

Creditor claims her 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 BRENDA S. McGUIRE, Single, 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 twelfth undivided interest of Brenda S. McGuire in a tract of approximately 226 acres (PIN 9697.04-94-1802) along Rocky Fork Stream.

**2. PURCHASE PRICE:** The purchase price is \$ 419,416.66 and shall be paid as follows:

(a) \$29,958.33 Option Money with this offer by personal check to remain the property of Seller, which Option Money shall apply on the Purchase Price;

(b) \$14,979.18 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) \$374,479.15 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 her until Closing.

Seller may elect to receive any remaining Balance due at Closing in cash and may designate any cash she 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 the holder, 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 her issue.

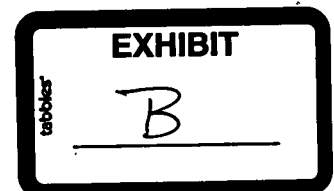
(ii) One guided fishing tour to The Cliffs at Hakai Beach in British Columbia.

**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.



**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.

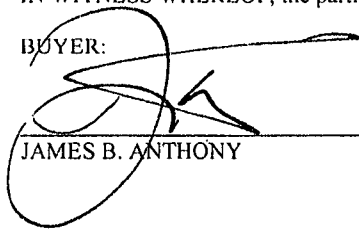
**13. ENTIRE AGREEMENT:** This contract contains the entire agreement of the parties and there are no representations, inducements or other provisions other than those expressed herein. All changes, additions or deletions hereto must be in writing and signed by all parties.

**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 each REALTOR® or broker hereto, and the parties adopt the word "SEAL" beside their signatures below.

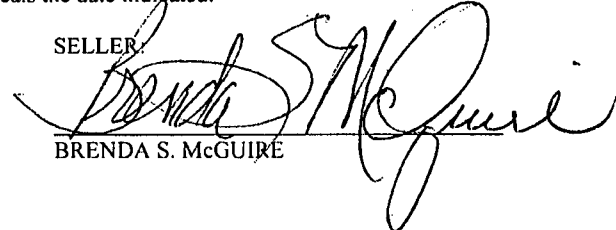
**15. OTHER PROVISIONS AND CONDITIONS:** This Offer to Purchase and Contract is made in conjunction with and shall be performed simultaneously with Offers to Purchase and Contract between the same Buyer and Walter R. McGuire, Walter F. McGuire, Leslie B. McGuire and Joseph P. McGuire for their interest in the same Property.

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

BUYER:

  
\_\_\_\_\_  
JAMES B. ANTHONY

SELLER:

  
\_\_\_\_\_  
BRENDA S. MCGUIRE

DATE: SEPTEMBER 6, 2006

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 \_\_\_\_\_

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.

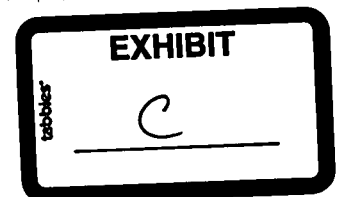
This letter shall also serve as notice that this offer is extended to the interested parties of the original transaction(s) between the McGuire Family and Mr. Anthony.

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](http://www.cliffscommunities.com)



# FedEx

# Express

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



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/WS062010  
Account#: S\*\*\*\*\*1025  
REF: 777

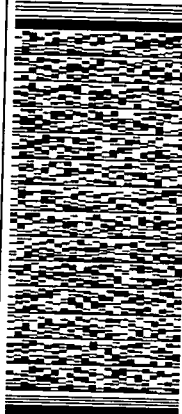


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JUN 01 2012

BMC GROUP

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