

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA**

IN RE:

CCHG Liquidation Co.,

Debtor

CHAPTER 11

Case No. 12-01220

Substantively Consolidated

CCHG Liquidation Co.,

Movant,

v.

Contested Matter

**Urbana Fund I, LLC, - Claim Nos. 850, 851, 852,
853, 854, 855, 856, 857, 858, and 859**

Respondent

**DEBTOR'S OBJECTION TO THE ALLOWANCE OF CLAIM NOS. 850, 851, 852, 853,
854, 855, 856, 857, 858, AND 859 FILED BY URBANA FUND I, LLC**

COMES NOW CCHG Liquidation Co., the above-captioned substantively consolidated debtor (the "Debtor"), and hereby objects (this "Objection") to the allowance of claims filed by Urbana Fund I, LLC ("Urbana") in the chapter 11 cases of The Cliffs Club & Hospitality Group, Inc. and its affiliated debtors.¹ In support of this Objection, the Debtor shows the Court as follows:

¹ The debtors (now substantively consolidated as the single Debtor), followed by the last four digits of their respective taxpayer identification numbers and chapter 11 case numbers, are as follows: The Cliffs Club & Hospitality Group, Inc. n/k/a CCHG Liquidation Co. (6338) (12-01220); CCHG Holdings, Inc. (1356) (12-01223); The Cliffs at Mountain Park Golf & Country Club, LLC n/k/a CCHG Liquidation Co. II, LLC (2842) (12-01225); The Cliffs at Keowee Vineyards Golf & Country Club, LLC n/k/a CCHG Liquidation Co. III, LLC (5319) (12-01226); The Cliffs at Walnut Cove Golf & Country Club, LLC n/k/a CCHG Liquidation Co. IV, LLC (9879) (12-

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I. Relief Requested

1. By this Objection, the Debtor respectfully requests the entry of an order, pursuant to Section 502 of the Bankruptcy Code and Federal Rule of Bankruptcy Procedure 3007, disallowing claims filed by Urbana.

II. Jurisdiction

2. This Court has jurisdiction over this Objection under 28 U.S.C. § 1334. Venue of this proceeding is proper pursuant to 28 U.S.C. §§ 1408 and 1409. This is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).

III. Background

3. On February 28, 2012 (the “Petition Date”), The Cliffs Club & Hospitality Group, Inc. and its above-shown affiliated debtors filed voluntary petitions for relief under Chapter 11 of the Bankruptcy Code.

4. On March 12, 2012, the United States Trustee appointed the Official Committee of Unsecured Creditors (the “Committee”) pursuant to that certain Fourth Amended Appointment of Committee of Unsecured Creditors [Docket Entry No. 141]. No trustee or examiner has been appointed.

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01227); The Cliffs at Keowee Falls Golf & Country Club, LLC n/k/a CCHG Liquidation Co. V, LLC (3230) (12-01229); The Cliffs at Keowee Springs Golf & Country Club, LLC n/k/a CCHG Liquidation Co. VI, LLC (2898) (12-01230); The Cliffs at High Carolina Golf & Country Club, LLC n/k/a CCHG Liquidation Co. VII, LLC (7576) (12-01231); The Cliffs at Glassy Golf & Country Club, LLC n/k/a CCHG Liquidation Co. VIII, LLC (6559) (12-01234); The Cliffs Valley Golf & Country Club, LLC n/k/a CCHG Liquidation Co. IX, LLC (6486) (12-01236); and Cliffs Club & Hospitality Service Company, LLC n/k/a CCHG Liquidation Co. X, LLC (9665) (12-01237).

5. On April 10, 2012, the Court established May 31, 2012 (the “Claims Bar Date”) as the deadline for non-governmental-entity creditors wishing to assert pre-petition claims against the debtors to file their proofs of claim with BMC Group, Inc., the claims and noticing agent (the “Claims Agent”) [Docket Entry No. 278].

6. On or about May 23, 2012, Urbana filed ten (10) unsecured non-priority claims against the debtors, each in an unliquidated amount (the “Urbana Claims”). The Urbana Claims were assigned as claims numbered 850, 851, 852, 853, 854, 855, 856, 857, 858, and 859 by the Claims Agent.

7. On July 2, 2012, the debtors filed their First Amended and Restated Joint Chapter 11 Plan filed by the Debtors and the Plan Sponsor dated June 30, 2012, as amended [Docket Entry No. 616, Ex. A] (the “Plan”) and the First Amended and Restated Disclosure Statement to Accompany the First Amended and Restated Joint Chapter 11 Plan filed by the Debtors and the Plan Sponsor [Docket Entry No. 480] (the “Disclosure Statement”).

8. On August 17, 2012, this Court entered that certain Order Confirming First Amended and Restated Joint Chapter 11 Plan filed by the Debtors and the Plan Sponsor (the “Confirmation Order”).

9. On August 31, 2012, the Debtors filed that certain Notice of Occurrence of Effective Date of Chapter 11 Plan; Limitation of Notice; and Related Matters, reflecting that the Effective Date of the Plan occurred on August 23, 2012.

10. On October 1, 2012, this Court entered that certain Order Pursuant To Confirmed Plan Amending Case Dockets To Reflect Amended Corporate Names Of Debtors And Closing Substantively Consolidated Cases.

11. The Debtor has the authority to pursue claims litigation with respect to claims filed in the debtors' bankruptcy cases. The Debtor has reviewed proofs of claim filed in the debtors' bankruptcy cases. This Objection is the result of the Debtor's review.

IV. Basis for Relief Requested

12. The documents and materials submitted with the Urbana Claims reflect that the claims are unliquidated claims filed "for precautionary reasons" to preserve the claimant's rights with respect to the debtors. The Debtor understands and believes that Urbana is affiliated with SunTx Urbana GP I, L.P., which, along with Arendale Holdings Corp. and Carlile Cliffs Investment, LLC, are the members of Silver Sun, LLC. Silver Sun, LLC is the indirect parent of Cliffs Club Partners, LLC, which entity acquired substantially all of the assets of the debtors pursuant to the Plan. Accordingly, pursuant to the Plan and related documents, Urbana is now part of a conglomerate that owns substantially all of the debtors' assets, and any of Urbana's rights sought to be preserved by the Urbana Claims are now subject to the terms of the Plan and/or any separate agreement(s) between Urbana and its Silver Sun, LLC affiliates. None of the debtors has any remaining obligations to Urbana; therefore, the Urbana Claims are unenforceable against the debtors. Unless the Urbana Claims are disallowed, Urbana may receive a larger recovery than that to which it is entitled.

V. Reservation of Rights

13. The Debtor reserves the right to supplement this Objection and to subsequently object to the Urbana Claims on any other appropriate ground, whether or not stated herein. In addition, the Debtor reserves the right to object to any and all other claims filed in the debtors' cases, and any other claims asserted by Urbana.

VI. Notice

14. Notice of this Objection has been provided to Urbana and each other party entitled to notice, as listed in the certificate of service filed in connection herewith. In light of the nature of the relief requested, the Debtor submits that no other or further notice is necessary.

WHEREFORE, the Debtor respectfully requests that this Court:

1. enter the proposed order attached hereto as Exhibit "A";
2. disallow the Urbana Claims; and
3. grant the Debtor such other and further relief as is just and proper.

[signature follows]

This 29th day of March, 2013.

/s/ Däna Wilkinson

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EXHIBIT "A"

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA**

Case No. 12-01220

**ORDER APPROVING DEBTOR'S OBJECTION
TO THE ALLOWANCE OF CLAIM NOS. 850, 851, 852, 853, 854, 855, 856, 857, 858,
AND 859 FILED BY URBANA FUND I, LLC**

The relief set forth on the following pages, for a total of 4 pages including this page, is hereby ORDERED.

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA**

IN RE:

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**ORDER APPROVING DEBTOR'S OBJECTION
TO THE ALLOWANCE OF CLAIM NOS. 850, 851, 852, 853, 854, 855, 856, 857, 858,
AND 859 FILED BY URBANA FUND I, LLC**

Upon the Objection [Docket Entry # ____] (the "Objection") of CCHG Liquidation Co., the above-captioned substantively consolidated debtor (the "Debtor"), requesting the entry of an order disallowing claims filed by Urbana Fund I, LLC in the chapter 11 cases of The Cliffs Club & Hospitality Group, Inc. and its affiliated debtors;¹ the Court having jurisdiction to

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consider the Objection and the relief requested therein; a hearing having been held on _____, 2013 to consider the Objection; due notice of the Objection and hearing having been given to all parties entitled thereto, as listed in the certificate of service attached to the Objection and filed with the Court; it appearing that no other or further notice need be provided; no objections having been filed or asserted; the Court having determined that the relief sought in the Objection is in the best interests of the Debtor's substantively consolidated bankruptcy estate, its creditors, and all parties in interest; and after due deliberation and sufficient cause appearing therefor, it is hereby ORDERED as follows:

1. The Objection is GRANTED.
2. Claims numbered 850, 851, 852, 853, 854, 855, 856, 857, 858, and 859 filed by Urbana Fund I, LLC in the debtors' bankruptcy cases are disallowed.
3. This Court shall retain jurisdiction to hear and determine all matters arising from the implementation of this Order.

AND IT IS SO ORDERED.

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01229); The Cliffs at Keowee Springs Golf & Country Club, LLC n/k/a CCHG Liquidation Co. VI, LLC (2898) (12-01230); The Cliffs at High Carolina Golf & Country Club, LLC n/k/a CCHG Liquidation Co. VII, LLC (7576) (12-01231); The Cliffs at Glassy Golf & Country Club, LLC n/k/a CCHG Liquidation Co. VIII, LLC (6559) (12-01234); The Cliffs Valley Golf & Country Club, LLC n/k/a CCHG Liquidation Co. IX, LLC (6486) (12-01236); and Cliffs Club & Hospitality Service Company, LLC n/k/a CCHG Liquidation Co. X, LLC (9665) (12-01237).

PREPARED AND PRESENTED BY:

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