

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NORTH CAROLINA
GREENVILLE DIVISION

In re:)	
)	
CROATAN SURF CLUB, LLC,)	
)	Case No. 11-00194-8-SWH
)	(Chapter 11)
Debtor.)	

**DEBTOR'S MOTION TO SELL PROPERTY FREE AND CLEAR OF LIENS AND
OTHER INTERESTS PURSUANT TO 11 U.S.C. § 363(f)**

Croatan Surf Club, LLC (the "Debtor"), by and through its undersigned counsel, hereby respectfully moves the Court for an Order, substantially in the form attached as Exhibit A, authorizing and facilitating the sale of the Property (as defined below), free and clear of any and all liens, claims, encumbrances, liabilities, restrictions and interests of any kind and nature pursuant to 11 U.S.C. § 363(f). In support of this Motion, the Debtor shows as follows:

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).
2. The Debtor filed its petition pursuant to Chapter 11 of the United States Bankruptcy Code on January 10, 2011 and operates as a debtor-in-possession.
3. The Debtor is the owner of 35 condominium units (each, a "Unit" and, collectively, the "Units") in that certain 36-unit residential condominium project known as the Croatan Surf Club and located in Kill Devil Hills, Dare County, North Carolina; all furniture, fixtures, equipment and other personal property located on or associated with such Units; and all rents, profits and income generated or to be generated by the Units (collectively, the "Property").
4. In order to develop the Property, Royal Bank America ("RBA") agreed to extend a loan of \$17,000,000.00 to the Debtor on a senior secured basis pursuant to a Loan and Security

Agreement between RBA and the Debtor dated December 20, 2007 (the "RBA Loan"). RBA took a first security interest in the Property, together with other assets of the Debtor.

5. Edwards Family Partnership, LP ("EFP") provided \$3,000,000.00 in additional "mezzanine" financing to the development (the "EFP Loan"). EFP was granted a security interest in the Property, together with other assets of the Debtor, but EFP's security interest was expressly subordinated to the senior security interest of RBA.

6. KDHWTP, LLC is a limited liability company that provides sewage and waste treatment services to the Debtor and holds a pre-petition claim in the amount of \$10,566.82 for tap fees and other regulatory fees (the "Sewer Claim").

7. The Sewer Claim was the only unsecured claim filed in this bankruptcy case other than possible unsecured claims by EFP and RBA.

8. On or about May 10, 2010, the Debtor, along with Clarence E. Dean, Jr. and Kelly Ann Dean, Kenneth J. Termini, Jeremiah T. Shanahan, Robert E. Coburn and Denise Coburn, BKDean Properties, LLC, Tall Dune Holdings, LLC, Shanahan Properties, LLC, and Coburn Properties, LLC (collectively, the "Guarantors") commenced a lawsuit (the "Dare County Action") by filing a Verified Complaint against RBA and Bank of Currituck, now known as Currituck Resolution Properties, Inc. ("CRP") in the North Carolina General Court of Justice, Superior Court Division.

9. On September 2, 2010 RBA filed its Answer to Verified Complaint, Motion for Temporary Restraining Order, Preliminary Injunction and Permanent Injunction in the Dare County Action.

10. On March 23, 2011, the Debtor removed the Dare County Action to this Court as an adversary proceeding bearing file number 11-00106-8 (the "Adversary Proceeding").

11. On May 10, 2012, the Debtor filed a Motion of the Debtor for an Order Approving Settlement of Adversary Proceeding (the “9019 Motion”), pursuant to which the Debtor requested this Court’s approval of the settlement and dismissal of the Adversary Proceeding pursuant to 11 U.S.C. § 105 and Bankruptcy Rule 9019.

12. On June 28, 2012, this Court entered an Order Approving Motion of Debtor for an Order Approving Settlement of Adversary Proceeding (the “9019 Order”).¹

13. As contemplated by the 9019 Order, RBA and EFP entered into a Mortgage Loan Sale Agreement dated May 31, 2012 (the “Mortgage Loan Sale Agreement”), pursuant to which EFP or its designee agreed to purchase from RBA all right, title and interest in and to the RBA Loan.

14. EFP assigned all of its interest in the Mortgage Loan Sale Agreement to View, L.L.C., a Delaware limited liability company wholly owned by EFP (“View LLC”), and on or about June 29, 2012 View LLC purchased all right, title and interest in and to the RBA Loan from RBA pursuant to the Mortgage Loan Sale Agreement. View LLC is the current holder of the note and other loan documents evidencing and securing the RBA Loan, and has filed a Transfer of Claim in this bankruptcy proceeding.

15. All Consummation Events contemplated by the 9019 Order have occurred, including, without limitation, the execution and delivery of the RBA Settlement Agreement, the Lender Releases, and the EFP Settlement Agreement, and the payment to the Debtor of the Release Payment.

16. Following the closing of the Mortgage Loan Sale Agreement, the Debtor paid the Sewer Claim in full.

17. The Debtor, the Guarantors, RBA and CRP have filed a Stipulation of Dismissal

¹ All capitalized terms not defined in this Motion shall have the meanings ascribed to them in the 9019 Order.

With Prejudice of the Adversary Proceeding.

18. As contemplated by the 9019 Order, the Debtor now files this Motion seeking the Court's approval of the sale of the Property by the Debtor to View LLC in lieu of foreclosure of the deed of trust securing the RBA Loan, free and clear of any and all liens, encumbrances, rights, interests, liabilities and claims of any kind and nature pursuant to 11 U.S.C. § 363(f).

19. The sale of the Property has been proposed and negotiated in good faith, without collusion and from arms-length bargaining positions and will be in the best interests of the Debtor's estate and its creditors.

20. The sale of the Property shall be in by deed in lieu of the foreclosure of the security instruments securing the RBA Loan and the EFP Loan. Pursuant to the terms of the EFP Settlement Agreement, any liability of the Debtor and Guarantors under the RBA Loan and the EFP Loan is limited to the Debtor's interest in the Property, and if the sale of the Property to View LLC is approved by the Court and consummated, the Debtor and the Guarantors shall be released from all liability under the RBA Loan and EFP Loan.

21. The Debtor asks that the sale of the Property be made free and clear of any and all liens, encumbrances, claims, rights, liabilities, restrictions and interests of any kind and nature, including but not limited to the following:

- a. Deed of Trust, Assignment of Rents, Security Agreement and Financing Statement by and among Debtor, the Title Company of North Carolina and RBA dated December 20, 2007 and recorded in Book 1753, Page 461, Dare County Registry;
- b. Assignment of Rents and Leases dated December 20, 2007 by Debtor in favor of RBA and recorded in Book 1753, Page 462, Dare County Registry;
- c. UCC-1 Financing Statement by Debtor in favor of RBA and recorded in Book 1753, Page 463, Dare County Registry;
- d. Deed of Trust, Assignment of Rents, Security Agreement and Financing Statement by and among Debtor, the Title Company of North Carolina and EFP dated

December 20, 2007 and recorded in Book 1753, Page 464, Dare County Registry;

e. Subordination and Inter-Creditor Agreement dated December 20, 2007 by and among Debtor, RBA and EFP recorded in Book 1754, Page 85, Dare County Registry; and

f. Any and all other deeds of trust, liens, claims, restrictions, encumbrances, security agreements or UCC filings which may be recorded in the public registry.

22. Notwithstanding the foregoing, View LLC shall take title to the Property solely subject to valid and undisputed 2012 real and personal property taxes due and owing to the Dare County Tax Collector.

23. This Court previously valued the Property, including the Debtor's cash on hand and adequate protection payments held in escrow, at \$19,148,655.²

24. The Court previously found that RBA has an allowed secured claim in the amount of \$18,008,562.66, calculated as follows: \$16,306,399.73 in principal; \$1,328,632.98 in interest; \$370,397.80 for attorneys' fees; and \$3,132.15 in late fees.³

25. The Court allowed RBA a claim for post-petition interest pursuant to Section 506(b) of the Bankruptcy Code in the amount of \$1,140,092.00, reflecting the difference between the value of the Property and the amount of the secured claim.⁴

26. In consideration for the release and dismissal of the Adversary Proceeding, View LLC paid the Release Payment (in excess of \$1,000,000) to the Debtor, and in consideration for the transfer of the Property to View LLC by deed in lieu of foreclosure, View LLC and EFP will release the Debtor and the Guarantors from all liability under the RBA Loan and EFP Loan, and

² The Court previously valued the real property and \$18,500,000. The amounts of adequate protection payments held in escrow and Debtor's cash on hand were derived from testimony at the March 8, 2012 hearing. See Order dated April 30, 2012.

³ See Order dated April 30, 2012.

⁴ See Order dated April 30, 2012.

View LLC will assume liability for valid and undisputed 2012 real and personal property taxes due and owing to the Dare County Tax Collector.

27. EFP consents to the sale of the Property to View LLC free and clear of its liens, interests and claims.

28. If any creditor claiming a lien, encumbrance, claim, right or interest of any kind or nature on, in or against the Property, or against a buyer of the Property, does not object within the time allowed, it should be deemed to have consented to the sale of Property free and clear of its liens, claims, encumbrances, rights and interests.

WHEREFORE, the Debtor prays of the Court as follows:

1. That the Court enter an Order, substantially in the form attached hereto as Exhibit A, authorizing and facilitating the sale of the Property, free and clear of any and all liens, claims, encumbrances, rights, liabilities, restrictions and interests of any kind and nature, including, without limitation, those described herein, solely except for valid and undisputed 2012 real and personal property taxes due and owing to the Dare County Tax Collector.

2. That the Court find and order that View LLC, as buyer of the Property, does not assume, have any liability for, or in any manner be responsible for any claims, liabilities or obligations of the Debtor, whether *in rem claims* or *in personam* claims, except as otherwise expressly agreed to herein.

3. That the Court permanently enjoin all creditors and claimants of the Debtor, and all persons having any interest of any kind or nature derived from or through the Debtor or its Property, from pursuing, directly or indirectly, any claim or action against View LLC, as the buyer of the Property, or against the Property once transferred to View LLC pursuant to an order of this Court.

4. That the Court order that all Debtor's cash on hand, all funds held in the Debtor's DIP account and any funds held by Village Realty with respect to rents received from the Property be paid over to View LLC in connection with the transfer of the Property to View LLC.

5. That the Court grant such other and further relief that the Court deems just and proper.

Respectfully submitted this the 15th day of August, 2012.

/s/ Walter L. Hinson
NC State Bar No. 5664
HINSON & RHYNE, P.A.
Post Office Box 7479
Wilson, North Carolina 27895-7479
Telephone: (252) 291-1746
Facsimile: (252) 291-2521
walterhinson@hinsonrhyne.com
Attorneys for Croatan Surf Club, LLC

Exhibit A

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NORTH CAROLINA
GREENVILLE DIVISION

In re:)	
)	
CROATAN SURF CLUB, LLC,)	
)	Case No. 11-00194-8-SWH
)	(Chapter 11)
Debtor.)	

**ORDER APPROVING DEBTOR'S MOTION TO SELL PROPERTY FREE AND
CLEAR OF LIENS AND OTHER INTERESTS PURSUANT TO 11 U.S.C. § 363(f)**

THIS MATTER, coming on to be heard before the Court upon the Debtor's Motion to Sell Property Free and Clear of Liens and Other Interests Pursuant to 11 U.S.C. § 363(f) (the "Motion"); and it appearing to the Court that proper notice was given to creditors and parties of interest; and it appears as follows:

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).
2. The Debtor filed its petition pursuant to Chapter 11 of the United States Bankruptcy Code on January 10, 2011 and operates as a debtor-in-possession.

3. The Debtor is the owner of 35 condominium units (each, a "Unit" and, collectively, the "Units") in that certain 36-unit residential condominium project known as the Croatan Surf Club and located in Kill Devil Hills, Dare County, North Carolina; all furniture, fixtures, equipment and other personal property located on or associated with such Units; and all rents, profits and income generated or to be generated by the Units (collectively, the "Property").

4. In order to develop the Property, Royal Bank America ("RBA") agreed to extend a loan of \$17,000,000.00 to the Debtor on a senior secured basis pursuant to a Loan and Security Agreement between RBA and the Debtor dated December 20, 2007 (the "RBA Loan"). RBA took a first security interest in the Property, together with other assets of the Debtor.

5. Edwards Family Partnership, LP ("EFP") provided \$3,000,000.00 in additional "mezzanine" financing to the development (the "EFP Loan"). EFP was granted a security interest in the Property, together with other assets of the Debtor, but EFP's security interest was expressly subordinated to the senior security interest of RBA.

6. KDHWTP, LLC is a limited liability company that provides sewage and waste treatment services to the Debtor and holds a pre-petition claim in the amount of \$10,566.82 for tap fees and other regulatory fees (the "Sewer Claim").

7. The Sewer Claim was the only unsecured claim filed in this bankruptcy case other than possible unsecured claims by EFP and RBA.

8. On or about May 10, 2010, the Debtor, along with Clarence E. Dean, Jr. and Kelly Ann Dean, Kenneth J. Termini, Jeremiah T. Shanahan, Robert E. Coburn and Denise Coburn, BKDean Properties, LLC, Tall Dune Holdings, LLC, Shanahan Properties, LLC, and Coburn Properties, LLC (collectively, the "Guarantors") commenced a lawsuit (the "Dare County Action") by filing a Verified Complaint against RBA and Bank of Currituck, now known

as Currituck Resolution Properties, Inc. (“CRP”) in the North Carolina General Court of Justice, Superior Court Division.

9. On September 2, 2010 RBA filed its Answer to Verified Complaint, Motion for Temporary Restraining Order, Preliminary Injunction and Permanent Injunction in the Dare County Action.

10. On March 23, 2011, the Debtor removed the Dare County Action to this Court as an adversary proceeding bearing file number 11-00106-8 (the “Adversary Proceeding”).

11. On May 10, 2012, the Debtor filed a Motion of the Debtor for an Order Approving Settlement of Adversary Proceeding (the “9019 Motion”), pursuant to which the Debtor requested this Court’s approval of the settlement and dismissal of the Adversary Proceeding pursuant to 11 U.S.C. § 105 and Bankruptcy Rule 9019.

12. On June 28, 2012, this Court entered an Order Approving Motion of Debtor for an Order Approving Settlement of Adversary Proceeding (the “9019 Order”).¹

13. As contemplated by the 9019 Order, RBA and EFP entered into a Mortgage Loan Sale Agreement dated May 31, 2012 (the “Mortgage Loan Sale Agreement”), pursuant to which EFP or its designee agreed to purchase from RBA all right, title and interest in and to the RBA Loan.

14. EFP assigned all of its interest in the Mortgage Loan Sale Agreement to View, L.L.C., a Delaware limited liability company wholly owned by EFP (“View LLC”), and on or about June 29, 2012 View LLC purchased all right, title and interest in and to the RBA Loan from RBA pursuant to the Mortgage Loan Sale Agreement. View LLC is the current holder of the note and other loan documents evidencing and securing the RBA Loan, and has filed a Transfer of Claim in this bankruptcy proceeding.

¹ All capitalized terms not defined in this Motion shall have the meanings ascribed to them in the 9019 Order.

15. All Consummation Events contemplated by the 9019 Order have occurred, including, without limitation, the execution and delivery of the RBA Settlement Agreement, the Lender Releases, and the EFP Settlement Agreement, and the payment to the Debtor of the Release Payment.

16. Following the closing of the Mortgage Loan Sale Agreement, the Debtor paid the Sewer Claim in full.

17. The Debtor, the Guarantors, RBA and CRP have filed a Stipulation of Dismissal With Prejudice of the Adversary Proceeding.

18. As contemplated by the 9019 Order, the Debtor filed the Motion seeking the Court's approval of the sale of the Property by the Debtor to View LLC in lieu of foreclosure of the deed of trust securing the RBA Loan, free and clear of any and all liens, encumbrances, rights, interests, liabilities and claims of any kind and nature pursuant to 11 U.S.C. § 363(f).

19. The sale of the Property has been proposed and negotiated in good faith, without collusion and from arms-length bargaining positions and will be in the best interests of the Debtor's estate and its creditors. Accordingly, the Court finds that View LLC is acting in good faith, and as such View LLC is a good faith purchaser under 11 U.S.C. § 363(m). Nothing contained herein shall be construed to subject the sale and transfer of the Property to avoidance pursuant to 11 U.S.C. § 363(n).

20. The sale of the Property shall be in by deed in lieu of the foreclosure of the security instruments securing the RBA Loan and the EFP Loan.

21. The sale of the Property shall be made free and clear of any and all liens, encumbrances, claims, rights, liabilities, restrictions and interests of any kind and nature, including but not limited to the following:

- a. Deed of Trust, Assignment of Rents, Security Agreement and Financing Statement by and among Debtor, the Title Company of North Carolina and RBA dated December 20, 2007 and recorded in Book 1753, Page 461, Dare County Registry;
- b. Assignment of Rents and Leases dated December 20, 2007 by Debtor in favor of RBA and recorded in Book 1753, Page 462, Dare County Registry;
- c. UCC-1 Financing Statement by Debtor in favor of RBA and recorded in Book 1753, Page 463, Dare County Registry;
- d. Deed of Trust, Assignment of Rents, Security Agreement and Financing Statement by and among Debtor, the Title Company of North Carolina and EFP dated December 20, 2007 and recorded in Book 1753, Page 464, Dare County Registry;
- e. Subordination and Inter-Creditor Agreement dated December 20, 2007 by and among Debtor, RBA and EFP and recorded in Book 1754, Page 85, Dare County Registry;
- f. Any and all other deeds of trust, liens, claims, restrictions, encumbrances, security agreements or UCC filings which may be recorded in the public registry; and
- g. Any excise tax levied on conveyances of real property or instruments conveying an interest in real property, revenue stamps or other State or local land transfer taxes, including such taxes imposed pursuant to N.C.G.S. § 105-228.28, *et seq.* and the Dare County Transfer Tax authorized by Chapter 525, 1985 Session Laws, Senate Bill 716, Section 2.

22. Notwithstanding the foregoing, View LLC shall take title to the Property solely subject to valid and undisputed 2012 real and personal property taxes due and owing to the Dare County Tax Collector.

23. This Court previously valued the Property, including the Debtor's cash on hand and adequate protection payments held in escrow, at \$19,148,655.²

24. The Court previously found that RBA has an allowed secured claim in the amount of \$18,008,562.66, calculated as follows: \$16,306,399.73 in principal; \$1,328,632.98 in interest;

² The Court previously valued the real property and \$18,500,000. The amounts of adequate protection payments held in escrow and Debtor's cash on hand were derived from testimony at the March 8, 2012 hearing. See Order dated April 30, 2012.

\$370,397.80 for attorneys' fees; and \$3,132.15 in late fees.³

25. The Court allowed RBA a claim for post-petition interest pursuant to Section 506(b) of the Bankruptcy Code in the amount of \$1,140,092.00, reflecting the difference between the value of the Property and the amount of the secured claim.⁴

26. In consideration for the release and dismissal of the Adversary Proceeding, View LLC paid the Release Payment (in excess of \$1,000,000) to the Debtor, and in consideration for the transfer of the Property to View LLC by deed in lieu of foreclosure, View LLC and EFP will release the Debtor and the Guarantors from all liability under the RBA Loan and EFP Loan, and View LLC will assume liability for valid and undisputed 2012 real and personal property taxes due and owing to the Dare County Tax Collector.

27. The consideration for the transfer of the Property to View LLC constitutes reasonably equivalent value in exchange for such transfer and fair consideration under the Bankruptcy Code and all other applicable federal and state statutes.

28. EFP consents to the sale of the Property to View LLC free and clear of its liens, interests and claims.

29. All requirements and conditions set forth in 11 U.S.C. § 363(f) have been satisfied and the Debtor is authorized to sell the Property to View LLC pursuant to the terms of this Order.

NOW, THEREFOR, IT IS HEREBY ORDERED, ADJUDGED AND DECREED that:

1. The sale of the Property to View LLC by deed in lieu of foreclosure, free and clear of any and all liens, claims (as that term is defined in 11 U.S.C. § 101(5)), encumbrances,

³ See Order dated April 30, 2012.

⁴ See Order dated April 30, 2012.

rights, liabilities, restrictions and interests of any kind and nature, including, without limitation, any excise tax levied on conveyances of real property or instruments conveying an interest in real property, revenue stamps or other State or local land transfer taxes, including such taxes imposed pursuant to N.C.G.S. § 105-228.28, *et seq.*, and the Dare County Transfer Tax authorized by Chapter 525, 1985 Session Laws, Senate Bill 716, Section 2, and all of the other claims described in Paragraph 21 above, solely except for valid and undisputed 2012 real and personal property taxes due and owing to the Dare County Tax Collector, is hereby APPROVED in all respects pursuant to 11 U.S.C. § 363(b), (f) and (m).

2. View LLC, as buyer of the Property, does not assume, have any liability for, or in any manner undertake responsibility for any claims, liabilities or obligations of the Debtor, whether *in rem claims* or *in personam* claims, except as otherwise expressly set forth in this Order, and View LLC is a good faith purchaser under 11 U.S.C. § 363(m), and as such is entitled to the full protection afforded hereunder and thereunder.

3. All creditors and claimants of the Debtor, and all persons having any interest of any kind or nature derived from or through the Debtor or its Property, are hereby permanently enjoined from pursuing, directly or indirectly, any claim or action against View LLC, as the buyer of the Property, or against the Property once transferred to View LLC pursuant to this Order.

4. All Debtor's cash on hand, all funds held in the Debtor's DIP account and any funds held by Village Realty with respect to rents received from the Property are to be paid over to View LLC in connection with the transfer of the Property to View LLC.

5. The Debtor is authorized to execute a deed in lieu of foreclosure and any other documents and instruments, and to take such other actions the Debtor deems necessary to

consummate the transactions contemplated by the Motion and this Order.

6. This Order binds, and governs all acts of, the parties, including the Debtor, View LLC, and their respective agents, including any trustee or other representative hereafter appointed for the Debtor's estate or for any subsequent Chapter 7 case, and all governmental agencies, recording offices, the Dare County Tax Administrator, the Dare County Transfer Tax Administrator, the Dare County Land Transfer Tax Office, and the Office of the Register of Deeds of Dare County, North Carolina.

END OF DOCUMENT

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NORTH CAROLINA
GREENVILLE DIVISION

In re:)
)
CROATAN SURF CLUB, LLC,)
) Case No. 11-00194-8-SWH
) (Chapter 11)
Debtor.)

**NOTICE OF DEBTOR'S MOTION TO SELL PROPERTY FREE AND CLEAR OF LIENS AND OTHER
INTERESTS PURSUANT TO 11 U.S.C. § 363(f)**

The Debtor, Croatan Surf Club, LLC, has filed the attached papers with the Court seeking an Order authorizing and facilitating the sale of certain property free and clear of liens pursuant to 11 U.S.C. § 363(f).

Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one, in this bankruptcy case. (If you do not have an attorney, you may wish to consult one.)

If you do not want the Court to authorize the sale of certain property free and clear of liens pursuant to 11 U.S.C. § 363(f), or if you want the Court to consider your views on the motion, then on or before **September 4, 2012**, unless otherwise ordered, you or your attorney must file with the Court, pursuant to Local Rule 9001-1 and 9014-1, a written response, an answer explaining your position, and a request for hearing at:

CLERK, U.S. BANKRUPTCY COURT
EASTERN DISTRICT OF NORTH CAROLINA
1760-A PARKWOOD BOULEVARD
WILSON, NORTH CAROLINA 27893

If you mail your response/objection to the Court for filing, you must mail it early enough so that the Court will receive it on or before the date stated above.

You must also mail a copy to debtor(s), debtor(s)' s attorney, the bankruptcy administrator, and other parties in interest.

If a response and a request for hearing is filed in writing on or before the date set above, a hearing will be conducted on the Motion at a date, time and place to be later set and all parties will be notified accordingly.

If you or your attorney do not take these steps, the Court may decide that you do not oppose the relief sought in the motion or objection and may enter an order granting that relief.

Date: August 15, 2012

/s/ Walter L. Hinson
NC State Bar No. 5664
HINSON & RHYNE, P.A.
Post Office Box 7479
Wilson, North Carolina 27895-7479
Telephone: (252) 291-1746
Facsimile: (252) 291-2521
walterhinson@hinsonrhyme.com
Attorneys for Croatan Surf Club, LLC

CERTIFICATE OF SERVICE

I, Ann B. Hinson of the law firm of HINSON & RHYNE, P.A., hereby certify:

That I am, and at all times hereinafter-mentioned was, more than eighteen (18) years of age;

That on the 15th day of August, 2012, I electronically filed the foregoing document with the Clerk of Court using the CM/ECF system. By filing the pleading using the CM/ECF system, the parties listed below will either receive notification of such filing by way of CM/ECF or by depositing copies thereof in the United States Mail, first class mail, postage prepaid, in an envelope addressed as shown below.

I certify under penalty of perjury that the foregoing is true and correct.

This the 15th day of August, 2012.

/s/ Ann B. Hinson

Ann B. Hinson

HINSON & RHYNE, P.A.

Post Office Box 7479

Wilson, North Carolina 27895-7479

Telephone: (252) 291-1746

Facsimile: (252) 291-2521

RECIPIENTS:

Bankruptcy Administrator
1760-B Parkwood Boulevard
Wilson, North Carolina 27893

Attached Matrix

Croatan Surf Club, LLC
Attn: Managing Agent
P.O. Box 107
Kill Devil Hills, NC 27948

Bankruptcy Administrator
1760-B Parkwood Blvd.
Wilson, NC 27893

North Carolina Dept. of Revenue
Attn: Bankruptcy Section
P.O. Box 1168
Raleigh, NC 27602

Employment Security Commission
P.O. Box 26504
Raleigh, NC 27611

Securities & Exchange Commission
Branch of Reorganization
Suite 1000, 3475 Lennox Rd. NE
Atlanta, GA 30326-1232

Secretary of the Treasury
1500 Pennsylvania Ave., NW
Washington, DC 20220

Internal Revenue Service
P.O. Box 7346
Philadelphia, PA 19101-7346

IRS/Office of Chief Council
Alamance Bldg, Mail Stop 9
4905 Koger Blvd.
Greensboro, NC 27407-3726

Civil Process Clerk of US Attorney
310 New Bern Avenue
Federal Bldg., Suite 800
Raleigh, NC 27601-1461

Attorney General
5137 Robert F. Kennedy Bldg.
10th & Constitution Ave. NW
Washington, DC 20530

Attorney General of NC
901 Mail Service Center
114 W. Edenton Street
Raleigh, NC 27699

Bank of Currituck
Attn: Managing Agent
250 Caratoke Highway
Moyock, NC 27958

BKDean Properties, LLC
Attn: Managing Agent
808 Swamp Road
Furlong, PA 18925

BKDean Properties, LLC
Attn: Managing Agent
P.O. Box 107
Kill Devil Hills, NC 27948

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1100 Crescent Green
Suite 200
Cary, NC 27511

Mr. Clarence E. Dean, Jr.
Ms. Kelly Dean
P.O. Box 107
Kill Devil Hills, NC 27948

Coburn Properties
Attn: Managing Agent
718 Fox Trail Court
New Hope, PA 18938

Dare County Tax Collector
Attn: Managing Agent
P.O. Box 1000
Manteo, NC 27954

Edwards Family Partnership, LP
Attn: Managing Agent
3907 Greenway
Baltimore, MD 21218

Mr. Jeremiah T. Shanahan
1107 Sherbrooke Drive
West Chester, PA 19382

Mr. Kenneth J. Termini
527 Ashwood Drive
Nazareth, PA 18064

Mr. Robert Coburn
Ms. Denise Coburn
718 Fox Tail Court
New Hope, PA 18938

Royal Bank America
Attn: Managing Agent
732 Montgomery Avenue
Narberth, PA 19072

Shanahan Properties, LLC
Attn: Managing Agent
1107 Sherbrooke Drive
West Chester, PA 19382

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Attn: James Gale and Brett Hanna
P.O. Box 27525
Raleigh, NC 27611

Tall Dune Holdings, LLC
Attn: Managing Agent
527 Ashwood Drive
Nazareth, PA 18064

Village Realty & Management Service
Attn: Managing Agent
P.O. Box 1807
Nags Head, NC 27959

Weir & Partners, LLC
Attn: Kenneth E. Aaron, Esq.
The Widener Building, Suite 500
Philadelphia, PA 19107

Womble Carlyle Sandridge & Rice
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Winston-Salem, NC 27101

Womble Carlyle Sandridge & Rice
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William E. Burton, III, Esq.
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Greensboro, NC 27420

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St. Davids, PA 19087

Kevin J. Silverang, Esq.
Silverang & Donohoe, LLC
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St. Davids, PA 19087

William C. Smith, Jr., Esq.
P.O. Box 20389
Raleigh, NC 27619

Joseph N. Callaway, Esq.
Atty for KDHWTP, LLC
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