

B10 (Official Form 10) (04/13)

<b>UNITED STATES BANKRUPTCY COURT</b> <b>Northern District of Alabama</b>		<b>PROOF OF CLAIM</b>
Name of Debtor: <b>Jim Walter Homes, LLC</b>		Case Number: <b>15-02762</b>
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): <b>Alice Benjamin</b>		<b>RECEIVED</b> <b>OCT 13 2015</b> <b>KURTZMAN CARSON CONSULTANTS</b> <b>COURT USE ONLY</b>
Name and address where notices should be sent: <b>Logan and Mayo, PA</b> <b>205 East Church Street</b> <b>Newton, Mississippi 39345</b>		<input type="checkbox"/> Check this box if this claim amends a previously filed claim. Court Claim Number: _____ (If known) Filed on: _____
Telephone number: (601) 683-7888      email: <b>RLogan@newtonmslaw.com</b>		<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.
Name and address where payment should be sent (if different from above): <b>Logan and Mayo, PA</b> <b>205 East Church Street</b> <b>Newton, Mississippi 39345</b>		<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.
Telephone number: (601) 683-7888      email: <b>RLogan@newtonmslaw.com</b>		
<b>1. Amount of Claim as of Date Case Filed:</b> \$ <u>300,000</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.		
<b>2. Basis for Claim:</b> <u>See attached statement.</u> (See instruction #2)		
<b>3. Last four digits of any number by which creditor identifies debtor:</b>	<b>3a. Debtor may have scheduled account as:</b> _____ (See instruction #3a)	<b>3b. Uniform Claim Identifier (optional):</b> _____ (See instruction #3b)
<b>4. Secured Claim</b> (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.		<b>Amount of arrearage and other charges, as of the time case was filed, included in secured claim, if any:</b> \$ _____
Nature of property or right of setoff: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other Describe: _____		Basis for perfection: _____
Value of Property: \$ _____		Amount of Secured Claim: \$ _____
Annual Interest Rate _____% <input type="checkbox"/> Fixed or <input type="checkbox"/> Variable (when case was filed)		Amount Unsecured: \$ <u>300,000</u>
<b>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.</b>		
<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 \$12,475*) 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).
<input type="checkbox"/> Up to \$2,775* 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> \$ _____
*Amounts are subject to adjustment on 4/01/16 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment.		
<b>6. Credits.</b> The amount of all payments on this claim has been credited for the purpose of m		



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Claimants seek redress for their numerous state law claims arising out of their purchase of a home built and originally financed and serviced by Jim Walter Homes, Inc., Jim Walter Homes, LLC, and/or its predecessors. These companies, along with others, participated in a scheme which was unlawful, unconscionable, dishonest, deceptive and deceitful. The Claimants incurred substantial debt and were induced to subject their real property to substantial liens for the construction of a house that was substandard, incomplete, defective, and dangerous. The contract was never substantially completed. Claimants were deceived by the Debtors and others working with them in a scheme to attempt to have the Claimants give up their real property as collateral so that these Debtors and related parties could obtain, package and sell numerous mortgages obtained by the finance of their homes. However, the Debtor failed to accomplish their intended nefarious outcome since their actions were defective to accomplish this purpose.

The home construction was not completed in a good and workmanlike manner, was inadequate in both workmanship and materials, failed to comply with applicable codes and standards, and was generally defective. Claimants were unsophisticated and unsuspecting purchasers who were lured by promises of the sellers, including the Debtors and insurers of these homes. These Debtors conspired with and continue to conspire with related or formerly related companies to solicit the Claimants and others similarly situated for the purpose of acquiring unlawful gains through deception by wrongfully obtaining the Claimants' signatures on contracts, promissory notes, deeds of trust, insurance agreements, completion certificates and other documents that caused the current indebtedness of the Claimants and damaged, inter alia, their credit, in order to finance a house that is defective and requires significant amounts of money to bring it into compliance with the home actually promised them in exchange for the debt.

Additionally, and equally important, the Claimants' deeds of trust and/or mechanics liens were the subject of an improper, illegal, and ineffective purported assignment between Jim Walter Homes Inc and Walter Mortgage Company wherein the assignment was incomplete when signed and/or notarized, was not signed in the presence of the notary, did not include accurate original principal amounts, and contained additional defects. These purported transfers occurred in mass in December 2008 and generally suffer from the same defective notarizations and other defects. This purported assignment attempted to transfer Deeds of Trust and mechanics liens for a portfolio that consisted of hundreds of similar loans in numerous states across the Southeastern section of the country worth millions of dollars. This purported assignment was defective, and these Deeds of Trust may still be assets of the bankruptcy estate.