

Edgar Filing: BLUEGREEN CORP - Form 8-K

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

Timeshare Loan Term Securitization

On September 13, 2012, Bluegreen Corporation (“we” or “the Company”) completed a private offering and sale of \$100 million of investment-grade, timeshare loan-backed notes (the "2012-A Term Securitization"). The 2012-A Term Securitization consisted of the issuance of two tranches of timeshare-loan backed notes: \$79.05 million of Class A and \$20.95 million of Class B notes with note interest rates of 2.66% and 3.99%, respectively, which blended to a weighted average note interest rate of 2.94%. The gross advance rate for this transaction was 89.5%. BB&T Capital Markets acted as the bookrunner, structuring agent and co-lead manager and RBS Securities Inc. acted as co-lead manager. Both BB&T Capital Markets and RBS Securities Inc. acted as initial purchasers.

The amount of the timeshare receivables sold was approximately \$112 million, approximately \$102 million of which was provided at closing and approximately \$10 million is expected to be provided prior to December 13, 2012. The gross proceeds of \$100 million were used to: repay Branch Banking and Trust Company ("BB&T") approximately \$40 million, representing all amounts currently outstanding (including accrued interest) under the Company's existing purchase facility with BB&T (the "BB&T Purchase Facility"); repay Liberty Bank approximately \$35 million, (including accrued interest) under the Company's 2008 Liberty Bank Facility; capitalize a reserve fund; and pay fees and expenses associated with the transaction. The remainder of the proceeds, approximately \$22 million, will be used for general corporate purposes. At the time of the completion of and as a result of the 2012-A Term Securitization, there were (i) no amounts outstanding under the BB&T Purchase Facility, which allows for maximum outstanding receivable-backed borrowings of \$50 million on a revolving basis through December 17, 2012, (ii) no amounts outstanding under the 2008 Liberty Bank Facility and (iii) \$21 million outstanding under the 2011 Liberty Bank Facility, which allows for maximum outstanding receivable-backed borrowings of \$60 million on a revolving basis through February 11, 2013. Additional availability in excess of \$60 million was created under the Company's receivable-backed credit facilities as a result of the 2012-A Term Securitization.

While ownership of the timeshare receivables included in the 2012-A Term Securitization is transferred and sold for legal purposes, the transfer of these timeshare receivables will be accounted for as a secured borrowing for financial accounting purposes.

- BXG
Receivables
Note Trust
2012-A,
Standard
Definitions.
Indenture
between
BXG
Receivables
Note Trust
2012-A as
Issuer,
Bluegreen
Corporation
as Servicer,
Vacation
Trust, Inc. as
Club Trustee,
Concord
- 10.101 - Servicing
Corporation
as Backup
Servicer and
U.S. Bank
National
Association,
as Indenture
Trustee,
Paying
Agent and
Custodian,
dated as of
August 15,
2012.
Sale
Agreement
by and
among
BRFC
2012-A LLC
- 10.102 - as Depositor
and BXG
Receivables
Note Trust
2012-A as
Issuer dated
as of August
15, 2012.
- 10.103 - Transfer
Agreement

by and
among
Bluegreen
Corporation,
BXG
Timeshare
Trust I as
Seller and
BRFC
2012-A LLC
as Depositor,
dated as of
August 15,
2012.

Purchase and
Contribution
Agreement

by and
among
Bluegreen
Corporation,
as Seller and
BRFC
2012-A LLC
as Depositor,
dated as of
August 15,
2012.

10.104 -

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: September 14, 2012

By: /S/ ANTHONY M. PULEO
Anthony M. Puleo
Senior Vice President, Chief Financial Officer & Treasurer
