

BLUEGREEN CORP
Form 8-K
December 27, 2006

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of Earliest Event Reported): November 17, 2006

Commission file number 0-19292

BLUEGREEN CORPORATION

(Exact name of registrant as specified in its charter)

MassachusettsH3-0300793

(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification No.)

4960 Conference Way North, Suite 100, Boca Raton, Florida 33431

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (561) 912-8000

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.

On December 21, 2006, we sold \$33.0 million in vacation ownership receivables pursuant to an existing vacation ownership receivables purchase facility (the "2006-A GE Purchase Facility") with General Electric Capital Corporation ("GE"). The 2006-A GE Purchase Facility utilizes an owner's trust structure, pursuant to which we sell receivables to Bluegreen Receivables Finance Corporation XI, our wholly-owned, special purpose finance subsidiary ("BRFC XI"), and BRFC XI sells the receivables to an owner's trust (a qualified special purpose entity) without recourse to us or BRFC XI except for breaches of certain customary representations and warranties at the time of sale. Under the 2006-A GE Purchase Facility, a variable purchase price of approximately 90% of the principal balance of the receivables sold, subject to certain terms and conditions, is paid at closing in cash. The balance of the purchase price is deferred until such time as GE has received a specified return, a specified overcollateralization ratio is achieved, a cash reserve account is fully funded and all servicing, custodial, agent and similar fees and expenses have been paid. GE earns a return equal to the applicable Swap Rate (which is essentially a published interest swap arrangement rate as defined in the GE Purchase Facility agreements) plus 2.35%, subject to use of alternate return rates in certain circumstances. The 2006-A GE Purchase Facility allows for sales of notes receivable for a cumulative purchase price of up to \$125.0 million for a period that ends in March 2008. Immediately following this sale, the remaining availability under the 2006-A GE Purchase Facility was \$60.2 million of aggregate purchase price, subject to eligibility requirements and fulfillment of conditions precedent. The \$29.7 million in cash proceeds from this sale of receivables will be used for general operating purposes.

As previously disclosed, on September 21, 2006, BB&T Capital Markets, a division of Scott & Stringfellow, Inc., served as initial purchaser and placement agent for a private offering and sale of \$139.2 million of Bluegreen Corporation vacation ownership receivable-backed securities (the "2006 Term Securitization"). In addition, the 2006 Term Securitization allowed for us to sell an additional \$39.3 million in aggregate principal of our qualifying vacation ownership receivables (the "Pre-funded Receivables") to Bluegreen Receivables Finance Corporation XII, our wholly-owned, special purpose finance subsidiary ("BRFC XII") through December 22, 2006. BRFC XII would then sell the Pre-funded receivables to BXG Receivables Note Trust 2006-B, an owner's trust (a qualified special purpose entity), without recourse to us or BRFC XII, except for breaches of certain representations and warranties at the time of sale. The expected proceeds of \$35.7 million (at an advance rate of 91%) as payment for the Pre-funded Receivables were originally deposited into an escrow account by the indenture trustee of the 2006 Term Securitization.

As previously disclosed, on October 23, 2006, we sold \$27.7 million in Pre-funded Receivables to BRFC XII and the \$25.2 million purchase price was disbursed to us from the escrow account.

On November 17, 2006, we sold the remaining \$11.5 million in Pre-funded Receivables to BRFC XII and the \$10.5 million purchase price was disbursed to us from the escrow account. The proceeds were used by us for general operating purposes.

SIGNATURE

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: December 26, 2006 By: /S/ ANTHONY M. PULEO

Senior Vice President,

Chief Financial Officer and Treasurer