

<b>UNITED STATES BANKRUPTCY COURT</b> <b>DISTRICT OF SOUTH CAROLINA</b>		<b>PROOF OF CLAIM</b>	
Name of Debtor: <u>THE CLIFFS AT Keowee Vineyards Golf &amp; Country Club, LLC</u>		Case Number: <u>12-01226</u>	
NOTE: See reverse and attached for List of Debtors/Case Numbers/Important details. Other than claims under 11 U.S.C. § 503(b)(9), this form should not be used to make a claim for Administrative Expenses arising after the commencement of the case. A "request" for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503(a).			
Name of Creditor (the person or other entity to whom the debtor owes money or property) : <u>Maugeri, Ronald &amp; Theresa</u>			
Name and address where notices should be sent: 29347868002429 Maugeri, Ron 130 Blossom Hill Trail Sunset, SC 29685		RECEIVED  MAY 23 2012  BMC GROUP	
Creditor Telephone Number ( <u>294 547-4400</u> ) email: <u>Rmaugeri58@gmail.com</u>		If you have already filed a proof of claim with the Bankruptcy Court or BMC, you do not need to file again. <b>THIS SPACE IS FOR COURT USE ONLY</b>	
Name and address where payment should be sent (if different from above): <u>SAME AS ABOVE</u>		<input type="checkbox"/> Check box if you are aware that anyone else has filed a proof of claim relating to your claim. Attach copy of statement giving particulars.  <input type="checkbox"/> Check this box to indicate that this claim amends a previously filed claim. Court Claim Number (if known): _____ Filed on: _____	
Payment Telephone Number ( ) email:			
<b>1. AMOUNT OF CLAIM AS OF DATE CASE FILED</b> \$ <u>100,000.00</u> If all or part of your claim is secured, complete item 4. If all or part of your claim is entitled to priority, complete item 5. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of claim. Attach itemized statement of interest or charges.			
<b>2. BASIS FOR CLAIM:</b> (See instruction #2) <u>Golf membership initiation deposit</u>			
<b>3. LAST FOUR DIGITS OF ANY NUMBER BY WHICH CREDITOR IDENTIFIES DEBTOR:</b> <u>0613</u>		<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 your claim is secured by a lien on property or a right of set off, attach required redacted documents, and provide the requested information. <b>Nature of property or right of setoff:</b> Describe: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other _____ Value of Property: \$ _____ Annual Interest Rate: _____ % <input type="checkbox"/> Fixed or <input type="checkbox"/> Variable (when case was filed) Amount of arrearage and other charges, as of time case filed, included in secured claim, if any: \$ _____ Basis for Perfection: _____ Amount of Secured Claim: \$ _____ Amount Unsecured: \$ _____			
<b>5. Amount of Claim Entitled to Administrative Expense status under 11 U.S.C. § 503(b)(9) or 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 administrative expense or priority and state the amount.</b> Amount entitled to priority: \$ <u>97,400</u> Amount entitled to administrative expense under 11 U.S.C. § 503(b)(9): \$ <u>2,600</u> <b>You MUST specify the priority of the claim:</b> <input type="checkbox"/> Domestic support obligations under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B). <input checked="" type="checkbox"/> Up to \$2,600* 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"/> Wages, salaries, or commissions (up to \$11,725*), earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(4). <input type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8). <input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(5). <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. § 507(a) ( _____ ). <input type="checkbox"/> Value of goods received by the debtor within 20 days before the date of the bankruptcy filing - 11 U.S.C. § 503(b)(9).			
* Amounts are subject to adjustment on 4/1/13 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 making this proof of claim. (See instruction #6)			



**7. DOCUMENTS:** Attached are redacted copies of documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. If the claim is secured, box 4 has been completed, and redacted copies of documents providing evidence of perfection of a security interest are attached. (See instruction #7, and definition of "redacted"). DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.  
If the documents are not available, please explain:

**DATE-STAMPED COPY:** To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.

The original of this completed proof of claim form must be sent by mail or hand delivered (FAXES OR EMAIL NOT ACCEPTED) so that it is actually received on or before 4:00 pm prevailing Eastern Time on May 31, 2012 for Non-Governmental Claimants OR on or before 4:00 pm prevailing Eastern Time on August 27, 2012 for Governmental Claimants.

**BY MAIL TO:**  
BMC Group, Inc  
Attn: Cliffs Claims Processing  
PO Box 3020  
Chanhassen, MN 55317-3020

**BY MESSENGER OR OVERNIGHT DELIVERY TO:**  
BMC Group, Inc  
Attn: Cliffs Claims Processing  
18675 Lake Drive East  
Chanhassen, MN 55317

**8. SIGNATURE:** (See instruction #8)

Check the appropriate box.

☒ I am the creditor. ☐ I am the creditor's authorized agent. ☐ I am the trustee, or the debtor, or their authorized agent. ☐ I am a guarantor, surety, indorser, or other codebtor.  
(Attach copy of power of attorney, if any.) (See Bankruptcy Rule 3004.) (See Bankruptcy Rule 3005.)

I declare under penalty of perjury that the information provided in this claim is true and correct to the best of my knowledge, information, and reasonable belief.

Print Name: Ronald A. Manger  
Title: \_\_\_\_\_  
Company: \_\_\_\_\_

Address and telephone number (if different from notice address above): \_\_\_\_\_

(Signature)

(Date)

Telephone number: (386) 547-4640  
email: \_\_\_\_\_

Rmanger198@gmail.com

Penalty for presenting fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.

**LIST OF DEBTORS:**

Case Name	Case Nbr
The Cliffs Club & Hospitality Group, Inc.	12-01220
CCHG Holdings, Inc.	12-01223
The Cliffs at Mountain Park Golf & Country Club, LLC	12-01225
The Cliffs at Keowee Vineyards Golf & Country Club, LLC	12-01226
The Cliffs at Walnut Cove Golf & Country Club, LLC	12-01227
The Cliffs at Keowee Falls Golf & Country Club, LLC	12-01229
The Cliffs at Keowee Springs Golf & Country Club, LLC	12-01230
The Cliffs at High Carolina Golf & Country Club, LLC	12-01231
The Cliffs at Glassy Golf & Country Club, LLC	12-01234
The Cliffs Valley Golf & Country Club, LLC	12-01236
Cliffs Club & Hospitality Service Company, LLC	12-01237



Luxury Home

Club Membership Addendum

*rh*  
Vineyards

THIS ADDENDUM is executed by and between The Cliffs Keowee Falls Golf & Country Club, LLC on behalf of The Cliffs Club (the "Club") and the below identified "Seller/Builder" (the "Seller") and the below identified "Developer" (the "Developer") and below identified "Purchaser" (the "Purchaser") of the below identified single-family property (the "Property") in the Cliffs Community also identified below (the "Community"), and is an amendment of and addition to that certain Real Estate Sale and Purchase Agreement (the "Contract") between the Seller and Purchaser.

Purchaser: Ronald G. Maueri and Theresa L. Maueri  
Cliffs at Keowee Vineyards

Club/Community:

Section: Vineyard Park

Purchase Agreement date: 8/13/2010

Property #: VP 29 - 130 Blossom Hill Trail

Discount off Deposit \$75,000.00

The Discount shall not exceed the amount of the Membership Initiation Deposit for the Membership selected.

☐ Wellness Membership Initiation Deposit

If checked, Purchaser wishes to acquire Cliffs Wellness Membership privileges, and shall pay the total required deposit of \$25,000.00; but shall pay, after Discount a deposit of

\$

☐ Family Membership Initiation Deposit

If checked, Purchaser wishes to acquire Cliffs Family Membership privileges, and shall pay the total required deposit of \$50,000.00; but shall pay, after Discount a deposit of

\$

☒ Golf Membership Initiation Deposit

If checked, Purchaser wishes to acquire Cliffs Golf Membership privileges, and shall pay the total required deposit of \$100,000.00; but shall pay, after Discount a deposit of

\$ 25,000.00

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## TERMS AND CONDITIONS

**Membership Discount Available.** The Club and Developer have, by special arrangements, agreed that if Purchaser acquires a Club Membership at the Closing with Developer, the Club will discount the Membership Deposit required to be paid by Purchaser and accept the Discount set forth above and in the Agreement from Developer. Purchaser wishes to receive the Discount and acquire a membership, electing a membership as below provided, and agreeing to pay to the Club at the closing with Developer the required Membership Deposit. See the membership check boxes below and Paragraph 4 regarding membership privileges in the Club's facilities. In the event Purchaser fails to enter into this Club Membership Addendum and acquire the membership at the Closing, no discount will be given in the event Purchaser later acquires a membership in the Club. The Discount shall not exceed the amount of the Membership Deposit for the Membership selected. See Paragraphs 3 and 5.

(a) **5-Year Vesting in Full Refundability.** The Club's Membership Plan provides that upon resignation from the Club, a resigned member is normally entitled to receive 100% of the initiation deposit paid to the Club. However, because Developer is agreeing to pay the Discount to the Club as a special incentive, the Discount applied to the membership shall only be refunded to the Purchaser-member upon a resignation occurring more than five (5) years following the Property closing with Developer, or upon a resale closing within the five (5) year vesting period only if the resale buyer acquires a Club membership of an equal or higher category of membership use and access privileges and pays the initiation deposit then required. Any initiation deposit paid by Purchaser in excess of the Discount so applied will be fully refunded as provided in the Club's Membership Plan and without regard to any vesting period; but, the Discount applied to the Membership will only be refunded in accordance with, and within the period required under, the Membership Plan.

☐ **Box #1. PURCHASER ELECTS TO RECEIVE A CLIFFS WELLNESS MEMBERSHIP.** THE DEPOSIT FOR A CLIFFS WELLNESS MEMBERSHIP IS SHOWN OPPOSITE THE FIRST CHECKBOX ABOVE. By checking this box and initialing below, Purchaser acknowledges that a Cliffs Wellness Membership will not be issued and activated until the Club has received the required initiation deposit from the Purchaser. If Purchaser has checked the box above indicating Purchaser wishes to activate the membership at Closing, the Purchaser will deliver the "Membership Amount To Be Paid" stated above which is the required deposit less the amount of the Discount being paid by Developer to the Club, and complete the Club's required forms for a Cliffs Wellness Membership on or before Closing to receive the Initiation Deposit at the rate listed above; otherwise, the Purchaser must deliver the then current membership initiation deposit for a Wellness Membership without any Discount and complete the Club's required forms for a Cliffs Wellness Membership not later than thirty (30) days following the Closing to be guaranteed the availability of such a membership at the then prevailing rate.

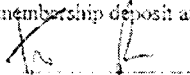
\_\_\_\_\_  
For Purchaser

☐ **Box #2. PURCHASER ELECTS TO RECEIVE A CLIFFS FAMILY MEMBERSHIP.** THE DEPOSIT FOR A CLIFFS FAMILY MEMBERSHIP IS SHOWN OPPOSITE THE SECOND CHECKBOX ABOVE. By checking this box and initialing below, Purchaser acknowledges that a Cliffs Family Membership will not be issued and activated until the Club has received the required initiation deposit from the Purchaser. If Purchaser has checked the box above indicating Purchaser wishes to activate the membership at Closing, the Purchaser will deliver the "Membership Amount To Be Paid" stated above which is the required deposit less the amount of the Discount being paid by Developer to the Club and complete the Club's required forms for a Cliffs Family Membership on or before Closing to receive the Initiation Deposit at the rate listed above; otherwise, the Purchaser must deliver the then current membership initiation deposit for a Family Membership without any Discount and complete the Club's required forms for a Cliffs Family Membership not later than thirty (30) days following the Closing to be guaranteed the availability of such a membership at the then prevailing rate.

\_\_\_\_\_  
For Purchaser

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- ☒ Box #3. PURCHASER ELECTS TO ACQUIRE A CLIFFS GOLF MEMBERSHIP. THE DEPOSIT FOR A CLIFFS GOLF MEMBERSHIP IS SHOWN OPPOSITE THE THIRD CHECKBOX ABOVE. By checking this box and initialing below, Purchaser acknowledges that a Cliffs Golf Membership will not be issued and activated until the Club has received the required initiation deposit from the Purchaser. If Purchaser has checked the box above indicating Purchaser wishes to activate the membership at Closing, the Purchaser will deliver the "Membership Amount To Be Paid" in the manner stated above which is the required deposit less the amount of the Discount being paid by Developer to the Club and complete the Club's required forms for a Cliffs Golf Membership on or before Closing; otherwise, the Purchaser must deliver the then current membership initiation deposit for a Golf Membership without any Discount and complete the Club's required forms for a Cliffs Golf Membership not later than thirty (30) days following the Closing to be guaranteed the availability of such a membership at the then prevailing rate. Purchaser should remember that when Purchaser goes to sell the Property, the resale Purchaser is only guaranteed the ability to get a Cliffs Golf Membership if the Purchaser has one to resign back to the Club (and receive a refund of the initiation deposit) so the Club can immediately re-issue it to Purchaser's resale buyer at the resale closing (subject to Purchaser's resale buyer completing an application and paying the required membership deposit at the resale closing).

  
For Purchaser

- ☐ Box #4. PURCHASER ELECTS TO ACQUIRE A CLIFFS GOLF MEMBERSHIP AND FINANCE THE BALANCE OF \$75,000.00 FOR A TOTAL DEPOSIT OF \$100,000.00. THE DEPOSIT FOR A CLIFFS GOLF MEMBERSHIP IS \$100,000.00. By checking this box and initialing below, Purchaser acknowledges that Purchaser has read Paragraph 3 below. All parties acknowledge this Membership Addendum and Financing Option for the initiation deposit as detailed here:

- Within 45 days of the execution date of the Contract or at Closing, whichever comes first, to acquire Building       , Unit and Floor       , Purchaser shall submit a deposit in the amount of \$25,000 to the escrow agent. Escrow agent shall submit this \$25,000 deposit to the Club.
- On the first anniversary of the date of the Promissory Note Purchaser agrees to pay an amount of \$25,000.
- On the second anniversary of the date of the Promissory Note, Purchaser agrees to pay an amount of \$25,000.
- On the third anniversary of the date of the Promissory Note, Purchase agrees to pay the remaining \$25,000.
- By complying with this payment schedule for the balance of the initiation deposit, Purchaser will incur no finance or interest expenses.

\_\_\_\_\_  
For Purchaser

**2. Failure to Pay Promissory Note.** Upon the occurrence of an Event of Default (as defined in the Note), The Cliffs SELECT CLUB Golf & Country Club, LLC may immediately take any or all such action as may be set forth in the Membership Plan (including without limitation paragraph 16 thereof) or under applicable law. If such Event of Default continues for a period of forty five (45) days, the Club may expel or terminate your membership at any or all Cliffs Clubs. This process is at the sole discretion and authority of the management of the Club.

**3. Initiation Deposit Amount.** Purchaser must pay the Membership Initiation Deposit within 45 days of Contract or at Closing, whichever occurs first in order to guarantee the Initiation Deposit at the rate listed above, otherwise Purchaser shall be required to pay the then prevailing rate in full with no finance option. If financed by Promissory Note the note must be signed within 45 days of Contract or at Closing, whichever occurs first in order to guarantee the Initiation Deposit at the rate listed above, otherwise Purchaser shall be required to pay the then prevailing rate.

**4. The Golf & Country Club.** Purchaser hereby acknowledges the plan of development for the Cliffs Community above identified includes, or may include, the operation of commercial, private golf and country club facility within or in

proximity to the boundaries of the Community. Purchaser further acknowledges that the Club's recreational facilities are owned by a related third party and operated by or in concert with its affiliate as a commercial business, and not as a non-profit enterprise, that Purchaser will have a license to use the facilities as herein described if Purchaser acquires a membership to do so, and that neither Purchaser nor any property owners' association of which Purchaser may be a member has or will receive any ownership interest in the Club's facilities by virtue of Purchaser's acquisition of the Property or membership in any such property owners' association. The Club may, but will not be required to, add additional recreational facilities in the future. The Club operates and offers membership opportunities pursuant to a published Membership Plan, which the Club may supplement, amend, delete and change in its sole discretion at any time. If Purchaser wishes to become a member, Purchaser should take the time to read the Membership Plan prior to acquiring a membership.

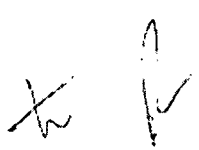
(a) **Golf Membership.** The ability to acquire permanent golf privileges is reserved to those who elect to acquire a Cliffs Golf Membership. Acquisition of a Cliffs Golf Membership is subject to availability at the time Purchaser may wish to acquire one, but Purchaser is guaranteed the availability of a Cliffs Golf Membership if the Purchaser's application and the required deposit are received within thirty (30) days following the Property Closing. If the Purchaser wants its resale buyer of the Property in a resale transaction to be guaranteed the ability to acquire a Cliffs Golf Membership, following the Purchaser's membership resignation and the Club's re-issuance of the resigned membership to its resale buyer at the resale closing pursuant to the requirements of the Club's Membership Plan, the Purchaser must acquire the Cliffs Golf Membership. A Golf Membership is subject to availability at all times as determined by the Club. If Purchaser has elected to receive a Cliffs Golf Membership in accordance with the payment terms provided, then upon Purchaser making application and funding the required deposit, Purchaser will be issued a Cliffs Golf Membership in the Club. Purchaser's monthly membership dues will commence with the issuance of the membership, and the monthly dues may change from time to time at the Club's sole discretion. The privileges of membership in the Club are dependent upon the facilities available and the rules and regulations adopted for their use, as the Club may modify the same from time to time.

(b) **Cliffs Family Membership.** If Purchaser has elected to receive a Cliffs Family Membership in accordance with the payment terms provided, then upon making application and funding the required deposit, Purchaser will be issued a Cliffs Family Membership in the Club. Monthly membership dues will commence with the issuance of the membership to Purchaser, and the monthly dues may change from time to time at the Club's sole discretion. The privileges of membership in the Club are dependent upon the facilities available and the rules and regulations adopted for their use, as the Club may modify the same from time to time.

(c) **Cliffs Wellness Membership.** If Purchaser has elected to receive a Cliffs Wellness Membership in accordance with the payment terms provided, then upon making application and funding the required deposit, Purchaser will be issued a Cliffs Wellness Membership in the Club. Monthly membership dues will commence with the issuance of the membership to Purchaser, and the monthly dues may change from time to time at the Club's sole discretion. The privileges of membership in the Club are dependent upon the facilities available and the rules and regulations adopted for their use, as the Club may modify the same from time to time.

(d) **Club's Membership Plan.** The governing documents of the Club require that upon resale of the Property, all of Purchaser's membership privileges in the Club must be resigned. When Purchaser sells the Property, and so long as Purchaser is a Club member in good standing, Purchaser will be entitled to a refund equal to one hundred percent (100%) of the initiation deposit made for a Wellness, Family or Golf Membership. In addition, if the resale buyer of Purchaser's Property wishes to acquire a membership, he or she will have to acquire a membership directly from the Club at the then prevailing rates for the membership desired, and subject to availability and the rules and regulations of the Club. The membership initiation payment that Purchaser's resale buyer makes for the issuance of a membership may be more or less than the initiation amount Purchaser paid. As previously indicated, a Cliffs Golf Membership is not guaranteed to be available to Purchaser's resale buyer if Purchaser does not acquire one at Purchaser's property closing pursuant to subparagraph (a) above.

**5. Addendum Null and Void.** If Purchaser fails to close as defined in the Real Estate Purchase Agreement this Addendum will terminate and be null and void ab initio and of no further force or effect. An Addendum must be completed for each property purchased. **TIME IS OF THE ESSENCE.**

Handwritten signature and initials in black ink, located at the bottom left of the page.



ADDENDUM

To contract between Ronald G. Maugeri, Trust, and Theresa L. Maugeri, Purchasers and Keowee Investment Group, LLC, Dated August 13, 2010

In reference to the Agreement to Buy and Sell Real Estate covering the real property known as:  
Lot 29 Section Vineyard Park Cottages Subdivision Cliffs at Keowee  
Vineyards  
Address 130 Blossom Hill Trail  
Tax Map # \_\_\_\_\_ City Six Mile Zip 29685  
County of Pickens State of South Carolina.

The undersigned Parties hereby agree as follows:

- (1) Purchasers to pay all cash at closing and close not later than 30 business days of signing by all parties of this agreement.
- (2) Seller to provide survey of the lot.
- (3) Seller to provide copy of approved Septic permit.
- (4) Seller to provide termite bond.
- (5) Seller to provide 1 year Builder Warranty
- (6) Seller to provide warranties on appliances.
- (7) All appliances, fixtures, plumbing to be in good working order.
- (8) Seller to include \$75,000 toward a FULL GOLF MEMBERSHIP and allow Purchaser to pay an additional \$25,000 for a total Initiation Deposit of \$100,000 for that Membership.
- (9) With regard to the Membership, any 5 year vesting period to be waived. Should Purchaser choose to resign Membership prior to 5 years, the full \$100,000 shall be repaid to Purchaser.
- (10) Purchaser to do a final "walkthrough" not less than 5 days prior to closing and agreement is subject to Buyer's final inspection and approval of the property and shall allow Seller no less than 5 business days should anything need to be corrected for Purchaser's approval.
- (11) Seller to complete (at Seller's) expense Punch List items per Attached Exhibit "A"

The herein agreement upon its execution by both parties, is herewith made and integral part of the aforementioned Agreement.

IN WITNESS WHEREOF, this Addendum has been duly executed by the parties,

BUYER: \_\_\_\_\_ DATE: 8/14/10 WITNESS: Theresa Maugeri

BUYER: R. Maugeri DATE: 8/13/10 WITNESS: Theresa Maugeri

SELLER: \_\_\_\_\_ DATE: \_\_\_\_\_ WITNESS: \_\_\_\_\_

SELLER: \_\_\_\_\_ DATE: \_\_\_\_\_ WITNESS: \_\_\_\_\_

**THE CLIFFS AT KEOWEE VINEYARDS  
REAL ESTATE PURCHASE CONTRACT**

THIS REAL ESTATE PURCHASE CONTRACT (this "Contract") dated effective the 13 day of August, 2010, is executed by Keowee Investment Group, LLC, a South Carolina Limited Liability Corporation, and/or its assigns ("Seller") and Ronald G. Maugeri, Trust, and Theresa L. Maugeri, (equally) 3126 Spruce Creek Blvd, Port Orange, FL 32128 ("Purchaser," whether one or more).

**1. PURCHASE.**

(1) Property. Seller hereby agrees to sell and Purchaser hereby agrees to buy for the price, and on the terms and conditions set forth in this Contract, the lot depicted as Residential Lot # 29 on the site plan attached as Exhibit A (the "Lot") within The VINEYARD PARK COTTAGES (the "Project") located in the planned community known as "THE CLIFFS AT KEOWEE VINEYARDS" (the "Community"), in Pickens County, South Carolina, together with a dwelling unit to be constructed on the Lot (the "Residence") (the Lot and Residence sometimes collectively referred to as the "Property").

(2) Title in Purchaser. If Purchaser is comprised of two or more individuals, Purchaser will take title to the Property as tenants in common, unless Purchaser specifically designates a different form of ownership on the line below:  
none (if none, write "None").

**2. PURCHASE PRICE AND METHOD OF PAYMENT.**

1) Purchase Price. The purchase price of the Property (the "Purchase Price") shall be Four Hundred Seventy-Eight Thousand Dollars (\$478,000.00), which is the base price of the property not including options or membership monies due. See itemized Purchaser Information Sheet for calculation of amounts due on Exhibit F.

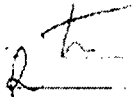
2) Down Payment. Upon executing this Contract, Purchaser shall pay to Seller the Down Payment in an amount that equals ten percent (10%) of the Purchase Price. Except as provided in this Contract, the Down Payment shall not be refundable. All Down Payments paid in connection with this Contract shall be made payable to Olson, Smith, Jordan, & Cox, Attorneys at Law (Closing Attorney). At Closing, the Down Payment will be credited toward the Purchase Price of the Property (excluding interest).

**3. THE CLIFFS AT KEOWEE VINEYARDS COMMUNITY.**

(1) The Community. The Lot is located in The Cliffs at Keowee Vineyards Community. However, Developer reserves the right to change the name of the Community and in such event Purchaser shall have no right to terminate or cancel this Contract.

Seller:

Purchaser:





(2) The Cliffs At Keowee Vineyards. Pursuant to the Declaration of Covenants, Conditions and Restrictions for The Cliffs At Keowee Vineyards, (the "Master Declaration") recorded in the Office of the Register of Deeds of Pickens County, South Carolina, on the 22<sup>nd</sup> day of July, 2005 in Book 390 at Page 163, and in the Office of Register of Deeds for Oconee County in Deed Book 1003 at Page 65, and all amendments and supplements thereto, The Cliffs At Keowee Vineyards, (the "Master Association") has been formed to perform certain functions and to hold and maintain certain property for the common benefit of all owners or lessees within the Community. Purchaser acknowledges and understands that the Property is subject to the Master Declaration, and upon purchase of the Property, Purchaser will automatically become a member of the Master Association, and Purchaser will be entitled to the benefits and subject to the obligations of a member. Such obligations shall include, but not be limited to, the obligation to comply with all covenants, conditions, restrictions, easements, uses, limitations, rules and regulations and the obligation to pay common, civic and special assessments and other charges as set forth in the Master Declaration, and the Articles of Incorporation, Bylaws and Rules and Regulations of the Master Association, as such instruments may be amended (collectively, the "Master Association Documents").

#### 4. INFRASTRUCTURE

(1) Purchaser's Periodic Utility Charges and Costs. Purchaser acknowledges that by owning the Property, Purchaser will be liable for the periodic assessment and service charges levied by public authorities and utilities. Purchaser specifically acknowledges that the water, electrical, and telephone services are provided by public utilities, and that by owning the Lot, the Purchaser is liable to the service providers for the payment of user fees for service, in amounts applicable at the time of payment, which are subject to change.

(2) Septic System. The Residence has a septic system and Purchaser shall be solely responsible for and will provide ongoing inspection, maintenance, pumping, repair and replacement of such system as needed. In addition, the Residence has an individual pump serving the system and Purchaser shall be solely responsible for the operating, pumping, maintenance and repair of the pump.

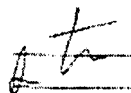
(3) Cable Television. The Project will not have cable television lines and Seller will not construct any cable improvements as a part of the Project.

#### 5. TITLE AND CONVEYANCE

(1) Title Commitment. As soon as reasonably practicable after Purchaser executes this Contract, Seller will deliver to Purchaser a commitment for a standard ALTA owner's policy of title insurance covering the Property in the amount of the Purchase Price. The title insurance commitment will commit to insure title in Purchaser, at Purchaser's cost at Closing.

Seller:

Purchaser:



(2) Title Review. Title to the Property shall be marketable by Seller on the date of Closing. If the title commitment discloses defects rendering title to the Property unmarketable, Purchaser shall give Seller written notice of such defects within ten (10) days after delivery of the title commitment or the update disclosing such defect. Purchaser acknowledges and accepts as encumbrances to the Property the documents discussed in Section 3 above, all utilities easements benefiting and burdening the Property, the restrictions and easements contained in the recorded Plat (to which Purchaser expressly waives the right to object), those items listed on Exhibit D, and the standard printed exceptions found in the title insurance commitment. If no notice of defect is given by Purchaser within said ten (10) day period, Purchaser shall be deemed to have accepted title as shown on the title commitment. Seller shall have forty-five (45) days after notice of such defects to attempt to cure the defects and render title marketable, or to attempt to obtain a commitment for an owner's title insurance policy providing protection against such defects, and the date of the Closing shall be postponed during the forty-five (45) day period if necessary. In the event that Seller is unable to render title marketable or obtain title insurance protection, Purchaser shall elect any one of the following actions which shall be Purchaser's sole and exclusive remedy in the event title is unmarketable:

- [1] Waive such exceptions to title and proceed to Closing; or
- [2] Terminate this Contract, in which event Seller and Developer shall return the Down-Payment to Purchaser, with interest, if any, and the parties shall be released from all further obligations under this Contract.

(3) Conveyances. Seller will convey title to the Property by limited warranty deed (the "Deed"), and title to any personal property encompassed in the Property by limited warranty bill of sale.

## 6. ASSOCIATION MATTERS.

(1) Documents. By signing this Contract, Purchaser acknowledges receipt and acceptance of current drafts of the following documents:

- [1] The Master Association Documents.

(2) Reservation of Right to Make Changes. Purchaser acknowledges that Developer has reserved the right to amend the Association Documents at any time or from time to time prior to the Closing, or so long as the amendments do not materially adversely affect the value of the Property. Purchaser further acknowledges that Developer has reserved the right, at any time after Closing, to amend the Declaration and the Association Documents for the purposes and under the conditions outlined in those documents.

Seller:  
Purchaser:



7. AMENITIES/MEMBERSHIPS.

The recreational facilities located, or to be located, within the Cliffs at Keowee Vineyards are owned by a third party, operating as a membership club and not by the Property Owners Association. Use of these recreational facilities is only available to persons acquiring a membership in the Club. Membership in the Club and use of the recreational facilities are not included in the Purchase Price of the Property. Currently Property Owners are entitled to apply for membership subject to availability, and payment of the membership fees, dues, and use fees as set by the Owner of the Club. Further information regarding the recreational facilities can be found in the current Property Report dated August 6, 2009.

8. CLOSING OF TRANSACTION.

(1) Closing. Closing shall be on a date specified by Seller and shall occur after the appropriate authorities of Pickens County, South Carolina, have issued a certificate of occupancy or similar document for the Residence. If at the time of Closing Seller and Purchaser agree that any further work on the Residence is necessary, Seller agrees to complete said work within a reasonable period of time after the Closing. Said work must be listed on an inspection checklist which is signed by both parties at or prior to Closing. Purchaser understands that Closing will not be delayed if minor items of exterior work such as landscaping, exterior finish or paving have not been completed. Purchaser's refusal to close this transaction due to the need for reasonable further work (to be noted on the inspection checklist) shall constitute a default by Purchaser under this Contract.

(2) Delay in Closing.

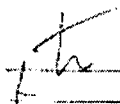
[1] Should Purchaser not fully perform all of his payment and performance obligations on or before the date set for Closing, then in addition to all other amounts payable under this Contract, Purchaser shall pay to Seller, to compensate Seller for the delay, interest at twenty percent (20%) per annum on the entire unpaid portion of the Purchase Price from the date such payment was due to the date that this transaction is actually Closed, unless Seller elects to terminate this Contract pursuant to Section 9(3) below.

[2] Seller shall not be liable to Purchaser for any costs, expenses, liabilities, losses or damages incurred by Purchaser as a result of any delay in the Closing, including but not limited to any loss or damage as a result of any increase in loan commitment fees, points or interest rates assessed or charged by any lender, and attorneys' fees or costs.

(3) Place of Closing. The Closing shall be held in the office of Purchaser's attorney (the "Closing Attorney"), or at such other location as Seller and Purchaser may mutually agree.

(4) Purchaser's Closing Costs. Purchaser shall pay the following at Closing:

Seller:  
Purchaser:



[1] All recording fees, documentary stamps, and document preparation fees applicable to the Closing and transfer of title, including all fees charged by Closing Attorney for closing the transaction, providing settlement services and preparing the Purchaser's closing documents and the Seller's closing documents.

[2] The Purchaser's portion of applicable assessments and working capital contributions.

[3] Any transfer assessment or tax imposed by any governmental or quasi-governmental entity.

[4] If it is necessary to deliver any Closing documents to Purchaser outside of Pickens County, South Carolina, all costs incurred by Seller or Seller's agent in delivering said items, including, without limitation, the costs of any courier service or postage.

[5] Such Closing costs or fees as may be required or charged by any lending institution providing mortgage financing for Purchaser.

[6] All title insurance premiums, owners' and loan policy title insurance premiums and commitment fees and title examination fees and costs.

[7] Such other charges customarily paid by a purchaser in a real estate transaction in South Carolina.

[8] Purchaser hereby acknowledges that the following assessments and working capital contributions are applicable at the Closing.

- |     |   |                 |
|-----|---|-----------------|
| (a) | <u>Keowee Vineyards Property Owners' Association Assessments</u><br>(Prorated at Closing; prorated)                             | \$1200 per year |
| (b) | <u>Keowee Vineyards Property Owners' Association Working Capital Due at Closing</u><br>(2-Months of the regular POA assessment) | \$500.00        |

(5) Sellers Closing Costs. At Closing, Seller shall pay the cost of recording any release documents.

(6) Prorations. General property taxes, dues and assessments and other items of prepaid expense for the year of Closing and all assessments imposed on the Project or the Property by any governmental, quasi-governmental or other entity and periodic association assessments shall

Seller:  
Purchaser:



be apportioned between Seller and Purchaser to the date of Closing based upon the most recent assessments, assessed value and mill levy. If property taxes have not been assessed specifically to the Property in such year, Seller may reasonably estimate the amount of such taxes attributable to the Property based on the prior year's tax bill. All prorrations shall be considered a final settlement. **PURCHASER IS RESPONSIBLE FOR APPLYING FOR ANY APPLICABLE TAX EXEMPTIONS.**

(7) Delivery of Possession. Seller will deliver possession of the Property to Purchaser at Closing. Possession of the Property shall remain exclusively with Seller until the Closing, and Purchaser shall not have the right to take possession or occupancy of the Property or to perform or cause to be performed any custom or other work on the Residence prior to the Closing.

(8) Good Funds. All payments at Closing shall be made either by wire transfer or by certified check or cashier's check, or equivalent good funds, drawn on a bank in the Greenville, South Carolina metropolitan area and acceptable to the Closing Attorney.

## 9. **DEFAULT AND REMEDIES.**

(1) Time of the Essence. Time is of the essence with regard to the performance of the obligations of Seller and Purchaser under this Contract. If the date for any such performance falls on a Saturday, Sunday, or legal holiday observed in South Carolina, the date of performance shall be extended to the next regular business day.

(2) Default by Purchaser. If, due to circumstances other than Seller's failure to perform any term or condition of this Contract, Purchaser fails to make any payment when due or to timely perform any other term or condition of this Contract, and such failure continues for five (5) days from the date such payment or performance was due, then at the expiration of such curative period, Seller may seek any remedy provided by law and/or in equity (including without limitation specific performance), and Seller shall also have the right, as an additional available remedy, to elect to terminate this Contract and retain all Down-Payment and change order monies paid by Purchaser as of the date of termination (together with any accrued interest) as liquidated damages (and not as a penalty), in consideration for (among other things) administering this Contract, taking the Property off the market and, if applicable, purchasing and installing options, it being acknowledged that the actual damages to Seller would be extremely difficult and impractical to ascertain.

(3) Default by Seller. If, due to circumstances other than Purchaser's failure to perform any term or condition of this Contract, Seller fails to timely perform any term or condition of this Contract, Purchaser shall deliver to Seller written notice detailing Seller's failure of performance. Seller shall have thirty (30) days from receipt of such notice from Purchaser within which to remedy the failure of performance; provided, however, that in the event more than thirty (30) days is needed to remedy the failure of performance, Seller shall have within that time

Seller: \_\_\_\_\_

Purchaser: \_\_\_\_\_

undertaken to remedy the failure and diligently pursues same until completion. If, at the expiration of such curative period, Seller has not cured such failure of performance, Purchaser may elect as Purchaser's sole and exclusive remedies either (i) to cancel this Contract, in which event Seller shall cause the Down Payment and any change order monies to be refunded to Purchaser with interest thereon, if any, and Seller shall pay to Purchaser a default fee of \$100 and Seller shall have no other liability, or (ii) in the event that title has been conveyed to Purchaser, Purchaser may bring an action against Seller for Purchaser's actual and reasonable damages incurred by Purchaser to cure Seller's uncured default; provided, however, in the event that Purchaser brings an action for damages against Seller as provided above, Seller, at Seller's sole option, shall have the right to require Purchaser to seek the remedy of rescission of the purchase of the Property and the return to Purchaser of the Purchase Price. Notwithstanding the foregoing, Purchaser specifically waives the right to seek specific performance of this Contract, consequential damages and punitive damages.

(4) No Waiver. Waiver of any one default will not be deemed to be a waiver of any other default of the same or any other covenant under this Contract.

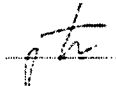
(5) Effect of Termination. If either party cancels this Contract as authorized hereunder, Purchaser shall have no further right, title, or interest in or to the Property.

#### 10. NOTICES.

All notices to be given by either party to the other shall be in writing and shall be served (i) by personal delivery, (ii) by depositing such notice in the United States mail, certified and postage prepaid, addressed to the party to receive the notice at the address set forth in this Contract below, (iii) by depositing such notice with an overnight courier service, addressed to the party to receive the notice at the address set forth in this Contract below, (iv) by facsimile transmission to the party to receive the notice at the fax number set forth in this Contract below, or (v) subject to the limitations herein, by electronic mail transmission sent with delivery receipt and read receipt requested to the party to receive the notice at the electronic mail address set forth in this Contract below. By written notice given in accordance with this Section, a party may specify a new address or number where notices to such party are to be served. Notices by personal delivery, facsimile transmission or electronic mail transmission shall be deemed delivered and effective upon receipt. Notices sent certified mail as set forth above shall be deemed delivered and effective upon the third business day following the day on which such notice is deposited for delivery in any United States Postal Service mail box or branch office established by the United States Postal Service, as evidenced by the postmark. Notices by overnight courier service will be deemed delivered and effective on the next business day following the day on which such notice is deposited for delivery with the courier service, as evidenced on the courier's invoice. Notice sent by electronic mail transmission must state that "This message is being sent as a notice pursuant to the Real Estate Purchase Contract" or other substantially similar language.

Seller:

Purchaser:



11. LIMITED WARRANTY; LIMITATION OF DAMAGES.

Seller warrants that all materials incorporated in and made a part of the structure of the Residence shall be new as of the date of installation and shall remain free from defect in workmanship or quality for a period of one year from the date of Closing. Seller represents that Seller will cause to be remedied, by repair or replacement, any structural defects in the Residence which appear within the structural warranty period required by the State of South Carolina, provided that Purchaser gives Seller written notice of such defect within ten (10) days after Purchaser's discovery of the defect. Any such notice shall be addressed to Seller at the address or such other addresses for notice furnished to Purchaser in accordance with Section 10 above. Purchaser's sole remedy (in lieu of all remedies implied by law or otherwise) against Seller in connection with such defects will be to require Seller to correct the defective material or workmanship during the first year, and thereafter, to pursue Purchaser's rights under the structural warranty.

SELLER DISCLAIMS ALL WARRANTIES INCLUDING, BUT NOT LIMITED TO, THOSE OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH REGARD TO ANY APPLIANCES OR ITEMS OF TANGIBLE PERSONAL PROPERTY. Seller will assign to Purchaser at Closing any unexpired warranties Seller has received from the manufacturers of such appliances and items of tangible personal property, to the extent such warranties are assignable. Seller shall not be responsible for the performance of any such manufacturer under the manufacturer's warranties.

SELLER MAKES NO REPRESENTATION OR WARRANTY CONCERNING ANY GEOLOGICAL OR ENVIRONMENTAL MATTERS AND SPECIFICALLY EXCLUDES GEOLOGICAL AND ENVIRONMENTAL MATTERS FROM ANY WARRANTIES GIVEN UNDER THIS CONTRACT.

EXCEPT AS SPECIFICALLY STATED IN THIS SECTION, SELLER MAKES NO WARRANTY OR REPRESENTATION OF ANY NATURE, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, THOSE OF WORKMANLIKE CONSTRUCTION, HABITABILITY, DESIGN, CONDITION OR QUALITY AS TO THE PROPERTY UNDERLYING THE PROJECT, THE RESIDENCE OR THE OTHER IMPROVEMENTS CONSTITUTING THE PROJECT, AND SELLER HEREBY EXPRESSLY DISCLAIMS ANY SUCH REPRESENTATIONS OR WARRANTIES.

DAMAGES, WHETHER FOR BREACH OF CONTRACT, BREACH OF WARRANTY, NEGLIGENCE, TORT, STATUTORY CLAIMS, REGULATORY CLAIMS, PURSUANT TO EQUITY OR OTHERWISE, SHALL BE LIMITED TO AN AMOUNT EQUAL TO THE ACTUAL DAMAGES NECESSARY TO COMPENSATE THE INJURED PARTY, AND IN NO EVENT SHALL CONSEQUENTIAL, INCIDENTAL, TREBLE DAMAGES (OR DAMAGES BASED UPON ANY OTHER MULTIPLIER), OR PUNITIVE DAMAGES BE RECOVERABLE. PURCHASER AND SELLER WAIVE, RELEASE AND

Seller:  
Purchaser:



COVENANT NOT TO ASSERT ANY RIGHT OR CLAIM TO CONSEQUENTIAL, INCIDENTAL, TREBLE (OR OTHER MULTIPLIER), OR PUNITIVE DAMAGES. IN NO EVENT AND UNDER NO CIRCUMSTANCES SHALL DAMAGES EVER EXCEED THE PRICE PAID BY PURCHASER FOR THE PROPERTY. PURCHASER EXPRESSLY UNDERSTANDS AND AGREES THAT THE TERMS OF THIS ANTICIPATORY RELEASE AND THE DAMAGE LIMITATIONS CONTAINED HEREIN ARE THE RESULT OF A KNOWING ALLOCATION OF RISK BETWEEN THE PURCHASER AND SELLER BASED UPON THE PURCHASE PRICE. THE PARTIES ACKNOWLEDGE AND AGREE THAT WITHOUT THESE DAMAGE LIMITATIONS THE PURCHASE PRICE AND OTHER CONSIDERATION WOULD HAVE BEEN HIGHER OR DIFFERENT, AND THESE LIMITATIONS ARE A REASONABLE MANNER OF RISK ALLOCATION BETWEEN THE PARTIES. PURCHASER AND SELLER INTEND THAT THESE DAMAGE LIMITATIONS WILL OR COULD BE ENFORCED, EVEN IF ANY WARRANTY OR REMEDY FAILS OF ITS ESSENTIAL PURPOSE. PURCHASER AND SELLER ACKNOWLEDGE AND AGREE THAT THIS DAMAGE LIMITATION AND ANY RELEASE GIVEN HEREIN SHALL HAVE BEEN GIVEN FOR AND IN CONSIDERATION OF A NEGOTIATED ARMS LENGTH TRANSACTION UPON WHICH EACH OF THE PARTIES HAD A FULL AND COMPLETE OPPORTUNITY TO NEGOTIATE.

PURCHASER EXPRESSLY ACKNOWLEDGES THAT THE ABOVE LIMITED WARRANTY SHALL BE THE EXCLUSIVE REMEDY OF THE PURCHASER AND THAT NO OTHER CLAIMS OF ANY NATURE MAY BE BROUGHT AGAINST SELLER. Purchaser hereby accepts such disclaimers and agrees to waive any and all rights Purchaser may have by virtue of the representations and warranties disclaimed. Except as otherwise provided in this Limited Warranty, Purchaser assumes the risk of damage occurring in the Residence after the Closing regardless of the cause.

**12. NO FINANCING CONTINGENCY.**

Purchaser understands and agrees that this Contract is not contingent upon Purchaser obtaining financing for Closing.

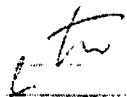
**13. RISK OF LOSS.**

(1) Allocation of Risk. Seller shall bear all risk of loss to the Residence until the date of Closing. Thereafter, Purchaser shall bear all such risk of loss.

(2) Seller's Election Following Damage. If the Project or the Residence shall be damaged by fire or other casualty prior to Closing, and if the cost of the damage to the Residence does not exceed ten percent (10%) of the total Purchase Price, Seller shall be obligated to repair the damage, and the Closing shall be delayed until those repairs are completed. Notwithstanding the foregoing, if the cost of damage exceeds ten percent (10%) of the Purchase Price of the Residence, and if Seller elects not to repair such damage, this Contract may be terminated at the

Seller:

Purchaser:





option of either Seller or Purchaser, in which event, all sums paid by Purchaser to Seller pursuant to this Contract, including any interest (if any) accrued thereon, shall be returned to Purchaser.

#### 14. MISCELLANEOUS.

(1) Governing Law; Venue. This Contract has been executed in the State of South Carolina and shall be governed by the laws of the State of South Carolina. Purchaser willingly and voluntarily agrees that any and all actions arising out of or related to this Contract shall only be brought and maintained in the courts of Greenville County, South Carolina, and Purchaser freely consents to jurisdiction and venue in such courts.

(2) No Recording. Purchaser shall not record this Contract in whole or in part, nor may Purchaser place any notice of this Contract of record in Pickens County, South Carolina, or elsewhere. If Purchaser causes this Contract or a portion or notice of this Contract to be recorded, Seller, at its option, may declare Purchaser in default or breach of this Contract and pursue its remedies hereunder, as well as all other remedies available at law, in equity, or otherwise.

(3) Force Majeure. The time required hereunder for any obligation imposed upon Seller will be extended for any delays, or any obligation hereunder imposed upon Seller will be forgiven for any nonperformance of such obligation, due to reasons beyond Seller's control, including, but not limited to, delays caused by weather, unavailability of or delay in receiving labor or materials, labor shortages, strikes, work stoppages, acts of God, governmental regulations, delay in governmental approvals, failure to secure any necessary governmental approvals despite Seller's good faith diligent efforts, contractor's or subcontractor's breaches of contract, court orders, fire or other casualty and Purchaser change orders permitted by Seller in Seller's sole discretion.

(4) Assignment. This Contract is personal to Purchaser, and Purchaser may not assign this Contract without the prior written consent of Seller. Any purported assignment of this Contract without Seller's written consent shall be voidable at the option of Seller. Seller's refusal to consent to an assignment of this Contract shall not entitle Purchaser to terminate this Contract or give rise to any claim for damages against Seller. Seller may assign its right and obligations under this Contract without Purchaser's consent, including without limitation assigning or collaterally assigning Seller's interest in this Contract to any lender providing construction financing for the Residence.

(5) Binding Effect. The provisions of this Contract will inure to the benefit of and be binding upon Purchaser and Seller and their respective heirs, representatives, successors and assigns, but the provisions of this Section shall not be construed as consent by Seller to an assignment of all or part of Purchaser's interest in this Contract.

(6) Joint and Several Liability. If two or more persons are named in this Contract as Purchaser, their obligation shall be joint and several.

Seller:

Purchaser:



(7) Gender and Number. Any term of gender used in this Contract shall include all genders and legal entities, and the plural shall include the singular and the singular shall include the plural.

(8) Severability. The invalidity of any provision of this Contract shall not affect the validity or enforceability of any other provision set forth in this Contract.

(9) Section Headings. The section headings contained in this Contract are for the purpose of identification only and shall not be considered in construing this Contract.

(10) Survival of Representations, Warranties, and Covenants. All representations, warranties, and covenants set forth in Sections this Contract shall survive the Closing.

(11) Entire Agreement. This Contract and any documents incorporated herein by express reference constitute the sole and entire agreement between Purchaser and Seller and supersedes all prior oral representations, promises, covenants, understandings, or other agreements between the parties or their agents.

(12) Attorneys' Fees and Costs. In the event of any litigation or arbitration between the parties arising out of this Contract, the prevailing party shall be entitled to recover its costs and expenses relating to such proceeding, including, but not limited to costs and reasonable attorneys' fees.

(13) Eminent Domain. No taking by eminent domain of a portion of the Project which does not substantially interfere with or diminish the practical enjoyment and use by Purchaser of the Property shall be deemed grounds for cancellation of this Contract. In the event, however, that a taking by eminent domain results in a taking of the Property or the taking of a substantial portion of the Project, this Contract shall be deemed to have automatically terminated, in which event all amounts paid to Seller hereunder shall be returned to Purchaser, and neither party shall have any further obligations under this Contract.

(14) Exhibits. All exhibits referenced in this Contract are incorporated into this Contract by such reference.

(15) Purchaser Claims. Any action or claim to be commenced by Purchaser against Seller under or on account of this Contract shall be commenced, if at all, within one (1) year after the date set for closing of title, (or, if title actually closes, within one (1) year after such closing); otherwise, any such action or claim shall be deemed waived and released by Purchaser. In any such action or claim, Purchaser's remedies shall be limited as provided in Section 9 above.

**15. BROKERAGE.**

Seller:

Purchaser:



Each party represents to the other that no real estate broker other than the current brokerage company at The Cliffs Communities (the "Cliffs Broker" or "Seller's Broker"), and N/A (the "Purchaser's Broker") (If None, please write None) has any claim for compensation or expenses as a result of this transaction and each party shall indemnify the other against any claims for commissions or other compensation by any other broker with whom the indemnifying party has dealt.

**16. REPRESENTATIONS & WARRANTIES OF PURCHASER.**

(1) Acknowledgment. Purchaser acknowledges that it has reviewed and understands all documents referenced in this Contract. Further, Purchaser acknowledges that Seller has advised Purchaser to obtain legal counsel to review all aspects of the transaction contemplated by this Contract, and to represent Purchaser in connection with the examination of title and the Closing.

(2) Expansion or Contraction of Project and/or Community. Purchaser acknowledges that, despite any depiction of the Project and/or the Community as set forth on the site plan attached as Exhibit A and/or on marketing materials prepared by Seller or Master Developer, the size and dimensions of the Project and/or the Community and the number of residences contained in the Project and/or the Community may at Seller's sole discretion, without obligation, be expanded or contracted.

(3) Construction Activities. The Property is located in an area that may be subject to or near ongoing construction activities relating to the development of adjacent properties, private roads and/or other activities (the "Construction Activities"). The Construction Activities are expected to generate an unpredictable amount of visible, audible and odorous impacts and disturbances. Purchaser agrees that Purchaser will not have the right to rescind this Agreement or to claim any breach of this Agreement on account of the existence or occurrence of the Construction Activities or the impacts and disturbances generated thereby. Purchaser forever waives and releases any claims Purchaser, and its heirs, successors and assigns, may have against Seller, Seller's managers, officers, agents and contractors which in any way arise out of or relate to the Construction Activities. This provision shall survive Closing.

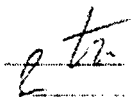
**17. DUES.**

The estimated homeowner's assessments for the Property are 1200.00 per year to the Master Association. Purchaser acknowledges that these monthly assessments are an estimate only and the actual monthly assessments may vary from this estimate. Seller does not guarantee that these fees will remain the same, and the estimate for the Master Association is based upon an estimate given to Seller by representatives of the Master Developer.

**18. TERMITES.**

Seller:

Purchaser:



DURING CONSTRUCTION OF THE RESIDENCE, SELLER HAS TREATED THE AREA WHERE THE FOUNDATION OF THE RESIDENCE IS LOCATED BY SOIL POISONING FOR THE PREVENTION OF TERMITES AND WOOD DESTROYING ORGANISMS. EXCEPT FOR THIS TREATMENT OBLIGATION ABOVE, SELLER SHALL HAVE NO OBLIGATIONS OR DUTIES REGARDING THE PREVENTION OF TERMITES AND WOOD DESTROYING ORGANISMS WITH RESPECT TO THE RESIDENCE, AND PURCHASER SHALL BE SOLELY RESPONSIBLE FOR TAKING MAINTENANCE AND PREVENTIVE MEASURES WITH RESPECT TO TERMITES AND WOOD DESTROYING ORGANISMS.

**19. RADON DISCLOSURE.**


The U.S. Environmental Protection Agency, the U.S. Department of Health and Human Services, and the U.S. Public Health Service have expressed concern over the presence of radon gas in homes. Prolonged exposure to high levels of indoor radon or its progeny may affect the health of residents. Although such conditions may exist at the community, Seller has made no investigation to determine whether radon gas is or will be present in a premises constructed on a lot within the community, and the Seller makes no representation or warranty as to (a) the presence or lack of radon or hazardous environmental conditions nor (b) the effect of radon or any such condition on the regime. Seller recommends that the Purchaser, at its sole expense, conduct its own investigation and consult with such experts as the Purchaser deems appropriate in order to determine if radon gas may be or will be present in a residence and the level thereof.

For further information on radon, see the EPA's "A Citizen's Guide to Radon: The Guide to Protecting Yourself and Your Family from Radon," a copy of which may be found at <http://www.epa.gov/radon/pubs/citguide.html#overview>.

By initialing or signing below Purchaser acknowledges that he or she has read the foregoing Disclosure Statement, and hereby releases Seller from any and all liability with respect to the above matters.

[Signatures on Next Page]

Seller:  
Purchaser:



EXECUTED as of the date first written above.

PURCHASER:

WITNESSES:

Cheryl Smith  
49 Laurel Oaks Ct  
OB, HI 32174

Ronald G. Maugeri  
Printed name: Ronald G. Maugeri, Trust, and Theresa L. Maugeri  
Address: 3126 Spruce Creek Blvd  
Date: 8-13-10  
Telephone: 386-547-4640  
Fax:  
E-Mail: rmaugeri@tile-it.net

SELLER: Keowee Investment Group, LLC

WITNESSES:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_  
Address: \_\_\_\_\_  
  
Telephone: \_\_\_\_\_  
Fax: \_\_\_\_\_  
E-Mail: \_\_\_\_\_

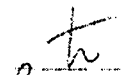

Seller: \_\_\_\_\_  
Purchaser: R

LIST OF EXHIBITS

Exhibit A.....Site Plan - Insert Site Plan and have Purchaser Initial  
Exhibit B .....Not Applicable  
Exhibit C.....Not Applicable  
Exhibit D.....Title Exceptions  
Exhibit E.....Purchaser Information Sheet  
Exhibit F.....Furniture  
Exhibit G.....Not Applicable

Seller:

Purchaser:

**EXHIBIT D**

**TITLE EXCEPTIONS**

Rights or claims of parties in possession not shown by the public records.

Easements or claims of easements, not shown by the public records.

Discrepancies, conflicts in boundary lines, shortage in area, encroachments, and any facts which a correct survey and inspection of the premises would disclose and which are not shown by the public records.

Any lien or right to a lien, for services, labor or material theretofore or hereafter furnished, imposed by law and not shown by the public records.


Real property taxes and assessments for the year of closing and subsequent years, a lien not yet due and payable.

Liens for unpaid water and sewer charges, if any.

All other matters of record in the Pickens County Register of Deeds Office affecting title to the Property or shown on any recorded plat or based on a visual inspection of the Property

Seller:

Purchaser:

  
\_\_\_\_\_

Ronald Wauger  
130 Blossom Hill Trail  
Sunset, SC 29685

BMC Group, Inc  
Attn: Giff's Chain Processing  
18675 Lake Drive East  
Charlottesville, MN 55317

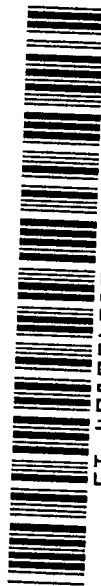


PLEASE PRESS FIRMLY

PLEASE P



UNITED STATES POSTAL SERVICE



EI 498704387 US

# Flat Rate Mailing Envelope

For Domestic and International Use

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UNITED STATES POSTAL SERVICE®  
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Mailing Label  
Label 11-B, March 2004

<b>ORIGIN (POSTAL SERVICE USE ONLY)</b>	
PO ZIP Code 32114	Day of Delivery <input checked="" type="checkbox"/> 1st <input type="checkbox"/> 2nd <input type="checkbox"/> 3rd
Date Accepted May 22, 2012	Scheduled Date of Delivery May 23
Time Accepted 1:57 PM	Scheduled Time of Delivery <input checked="" type="checkbox"/> Noon <input type="checkbox"/> AM <input type="checkbox"/> PM
Flat Rate Weight 1.57 lbs.	Flat Rate \$18.95
Postage \$18.95	Return Receipt Fee \$
COD Fee \$	Insurance Fee \$
Military <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Total Postage & Fees \$18.95
Int'l Alpha Country Code 025	Acceptance Emp. Initials CARECEIVE

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