

UNITED STATES BANKRUPTCY COURT		PROOF OF CLAIM
Name of Debtor: Cliffs Club and Hospitality Group		Case Number:
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): 932 S Main II LLC aka GP & PHMP, LLC		COURT USE ONLY
Name and address where notices should be sent: GP & PHMP, LLC POB 6104 Greenville, SC 29606 Telephone number: (864) 451-6636 email: LDG@spinx.com		<div style="text-align: center; font-size: 1.2em; font-weight: bold;">RECEIVED</div> <div style="text-align: center; font-size: 1.5em; font-weight: bold;">MAY 30 2012</div> <div style="text-align: center; font-size: 1.2em; font-weight: bold;">BMC GROUP</div> <input checked="" type="checkbox"/> Check this box if this claim amends a previously filed claim. Court Claim Number: _____ (If known) Filed on: <u>05/30/2012</u>
Name and address where payment should be sent (if different from above): Telephone number: _____ email: _____		<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.
1. Amount of Claim as of Date Case Filed: \$ <u>564,300 + 34,383.59</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.		
2. Basis for Claim: <u>master lease</u> (See instruction #2)		
3. Last four digits of any number by which creditor identifies debtor:	3a. Debtor may have scheduled account as: _____ (See instruction #3a)	3b. Uniform Claim Identifier (optional): _____ (See instruction #3b)
4. Secured Claim (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. Nature of property or right of setoff: <input checked="" type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other Describe: Value of Property: \$ <u>2,150,000.00</u> * 1,650,000 Annual Interest Rate _____ % <input type="checkbox"/> Fixed or <input type="checkbox"/> Variable (when case was filed)		Amount of arrearage and other charges, as of the time case was filed, included in secured claim, if any: \$ _____ Basis for perfection: _____ Amount of Secured Claim: \$ <u>1,650,000.00</u> Amount Unsecured: \$ <u>598,683.59</u>
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.		
<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 \$11,725*) 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 \$2,600* 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"/> 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)(____).		
		Amount entitled to priority: \$ _____
*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.		
6. Credits. 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 any 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 the definition of "redacted".)

DO NOT SEND ORIGINAL DOCUMENTS. ATTACHED DOCUMENTS MAY BE DESTROYED AFTER SCANNING.

If the documents are not available, please explain:

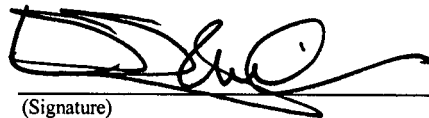
8. Signature: (See instruction #8)

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. (See Bankruptcy Rule 3005.)
 (Attach copy of power of attorney, if any.) (See Bankruptcy Rule 3004.)

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: L S Spinks
 Title: Member
 Company: GP & PHMP, LLC
 Address and telephone number (if different from notice address above):


 (Signature)

5/29/12
 (Date)

Telephone number: (864) 451-6636 email: LDG@spinx.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.

INSTRUCTIONS FOR PROOF OF CLAIM FORM

The instructions and definitions below are general explanations of the law. In certain circumstances, such as bankruptcy cases not filed voluntarily by the debtor, exceptions to these general rules may apply.

Items to be completed in Proof of Claim form

Court, Name of Debtor, and Case Number:

Fill in the federal judicial district in which the bankruptcy case was filed (for example, Central District of California), the debtor's full name, and the case number. If the creditor received a notice of the case from the bankruptcy court, all of this information is at the top of the notice.

Creditor's Name and Address:

Fill in the name of the person or entity asserting a claim and the name and address of the person who should receive notices issued during the bankruptcy case. A separate space is provided for the payment address if it differs from the notice address. The creditor has a continuing obligation to keep the court informed of its current address. See Federal Rule of Bankruptcy Procedure (FRBP) 2002(g).

1. Amount of Claim as of Date Case Filed:

State the total amount owed to the creditor on the date of the bankruptcy filing. Follow the instructions concerning whether to complete items 4 and 5. Check the box if interest or other charges are included in the claim.

2. Basis for Claim:

State the type of debt or how it was incurred. Examples include goods sold, money loaned, services performed, personal injury/wrongful death, car loan, mortgage note, and credit card. If the claim is based on delivering health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information. You may be required to provide additional disclosure if an interested party objects to the claim.

3. Last Four Digits of Any Number by Which Creditor Identifies Debtor:

State only the last four digits of the debtor's account or other number used by the creditor to identify the debtor.

3a. Debtor May Have Scheduled Account As:

Report a change in the creditor's name, a transferred claim, or any other information that clarifies a difference between this proof of claim and the claim as scheduled by the debtor.

3b. Uniform Claim Identifier:

If you use a uniform claim identifier, you may report it here. A uniform claim identifier is an optional 24-character identifier that certain large creditors use to facilitate electronic payment in chapter 13 cases.

4. Secured Claim:

Check whether the claim is fully or partially secured. Skip this section if the claim is entirely unsecured. (See Definitions.) If the claim is secured, check the box for the nature and value of property that secures the claim, attach copies of lien documentation, and state, as of the date of the bankruptcy filing, the annual interest rate (and whether it is fixed or variable), and the amount past due on the claim.

5. Amount of Claim Entitled to Priority Under 11 U.S.C. § 507 (a).

If any portion of the claim falls into any category shown, check the appropriate box(es) and state the amount entitled to priority. (See Definitions.) A claim may be partly priority and partly non-priority. For example, in some of the categories, the law limits the amount entitled to priority.

6. Credits:

An authorized signature on this proof of claim serves as an acknowledgment that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

7. Documents:

Attach redacted copies of any documents that show the debt exists and a lien secures the debt. You must also attach copies of documents that evidence perfection of any security interest. You may also attach a summary in addition to the documents themselves. FRBP 3001(c) and (d). If the claim is based on delivering health care goods or services, limit disclosing confidential health care information. Do not send original documents, as attachments may be destroyed after scanning.

8. Date and Signature:

The individual completing this proof of claim must sign and date it. FRBP 9011. If the claim is filed electronically, FRBP 5005(a)(2) authorizes courts to establish local rules specifying what constitutes a signature. If you sign this form, you declare under penalty of perjury that the information provided is true and correct to the best of your knowledge, information, and reasonable belief. Your signature is also a certification that the claim meets the requirements of FRBP 9011(b). Whether the claim is filed electronically or in person, if your name is on the signature line, you are responsible for the declaration. Print the name and title, if any, of the creditor or other person authorized to file this claim. State the filer's address and telephone number if it differs from the address given on the top of the form for purposes of receiving notices. If the claim is filed by an authorized agent, attach a complete copy of any power of attorney, and provide both the name of the individual filing the claim and the name of the agent. If the authorized agent is a servicer, identify the corporate servicer as the company. Criminal penalties apply for making a false statement on a proof of claim.

DEFINITIONS

Debtor

A debtor is the person, corporation, or other entity that has filed a bankruptcy case.

Creditor

A creditor is a person, corporation, or other entity to whom debtor owes a debt that was incurred before the date of the bankruptcy filing. See 11 U.S.C. §101 (10).

Claim

A claim is the creditor's right to receive payment for a debt owed by the debtor on the date of the bankruptcy filing. See 11 U.S.C. §101 (5). A claim may be secured or unsecured.

Proof of Claim

A proof of claim is a form used by the creditor to indicate the amount of the debt owed by the debtor on the date of the bankruptcy filing. The creditor must file the form with the clerk of the same bankruptcy court in which the bankruptcy case was filed.

Secured Claim Under 11 U.S.C. § 506 (a)

A secured claim is one backed by a lien on property of the debtor. The claim is secured so long as the creditor has the right to be paid from the property prior to other creditors. The amount of the secured claim cannot exceed the value of the property. Any amount owed to the creditor in excess of the value of the property is an unsecured claim. Examples of liens on property include a mortgage on real estate or a security interest in a car. A lien may be voluntarily granted by a debtor or may be obtained through a court proceeding. In some states, a court judgment is a lien.

A claim also may be secured if the creditor owes the debtor money (has a right to setoff).

Unsecured Claim

An unsecured claim is one that does not meet the requirements of a secured claim. A claim may be partly unsecured if the amount of the claim exceeds the value of the property on which the creditor has a lien.

Claim Entitled to Priority Under 11 U.S.C. § 507 (a)

Priority claims are certain categories of unsecured claims that are paid from the available money or property in a bankruptcy case before other unsecured claims.

Redacted

A document has been redacted when the person filing it has masked, edited out, or otherwise deleted, certain information. A creditor must show only the last four digits of any social-security, individual's tax-identification, or financial-account number, only the initials of a minor's name, and only the year of any person's date of birth. If the claim is based on the delivery of health care goods or services, limit the disclosure of the goods or services so as to avoid embarrassment or the disclosure of confidential health care information.

Evidence of Perfection

Evidence of perfection may include a mortgage, lien, certificate of title, financing statement, or other document showing that the lien has been filed or recorded.

INFORMATION

Acknowledgment of Filing of Claim

To receive acknowledgment of your filing, you may either enclose a stamped self-addressed envelope and a copy of this proof of claim or you may access the court's PACER system (www.pacer.psc.uscourts.gov) for a small fee to view your filed proof of claim.

Offers to Purchase a Claim

Certain entities are in the business of purchasing claims for an amount less than the face value of the claims. One or more of these entities may contact the creditor and offer to purchase the claim. Some of the written communications from these entities may easily be confused with official court documentation or communications from the debtor. These entities do not represent the bankruptcy court or the debtor. The creditor has no obligation to sell its claim. However, if the creditor decides to sell its claim, any transfer of such claim is subject to FRBP 3001(e), any applicable provisions of the Bankruptcy Code (11 U.S.C. § 101 *et seq.*), and any applicable orders of the bankruptcy court.

2011

GREENVILLE COUNTY TAX NOTICE
www.greenvillecounty.org

DIST	TOTAL TAX VALUE	RATIO	ASSESSED VALUE	MILLAGE
352	2260690	6%	135640	.25170

ACCT #: 1100004824977
 DATE PRINTED: 10/26/2011
 MAP #: 0662.03-01-006.09

CURRENT YEAR	
TAXABLE MARKET VALUE:	2,260,690
ASSESSED VALUE:	135,640
TOTAL TAX	\$ 34,140.59
SANITATION	
COUNTY STORMWATER	\$ 243.00
CITY STORMWATER	
HOMESTEAD LESS SCHOOL OPERATIONS	
SCHOOL TAX CREDIT SAVINGS	

6212 1 AV 0.340 *****AUTO**5-DIGIT 29604
 932 S MAIN II LLC 006212
 PO BOX 8624 6212
 GREENVILLE SC 29604-8624 24 77

ALLOCATION OF TAX MONEY		
GREENVILLE COUNTY SCHOOLS	65%	22,041.50
COUNTY OPERATIONS	19%	6,415.77
GLASSY MOUNTAIN FIRE	9%	3,160.41
LIBRARY	3%	1,003.74
GREENVILLE TEC	2%	718.89
GREENVILLE COUNTY RECREATION	2%	637.51
ART MUSEUM	%	162.77
COUNTY STORMWATER FEE		\$ 243.00
TOTAL TAX AND FEES		\$ 34,383.59

PAY THIS AMOUNT ON OR BEFORE JANUARY 15, 2012*		\$ 34,383.59
PAY JAN 16, 2012 - FEB 01, 2012 (INCLUDES ADDITIONAL 3% PENALTY)*		\$ 35,407.80
PAY FEB 02, 2012 - MAR 16, 2012 (INCLUDES ADDITIONAL 7% PENALTY)*		\$ 37,797.64
PAY AFTER MAR 16, 2012 (INCLUDES ADDITIONAL 5% PENALTY PLUS \$40.00 COST)*		\$ 39,544.67

CLIFFS COMMERCIAL PROPERTIES
 932 S MAIN II LLC
 YOUR PROPERTY IS ASSESSED AT 6%
 IF THIS IS YOUR LEGAL RESIDENCE
 CONTACT REAL PROPERTY SERVICES
 AT 864-467-7300.

ACRES: 1.280
 00635 GARDEN MARKET DR
 LOT/TRACT/UNIT 3

Please allow at least 3 weeks for processing

AVOID LINES PAY BY CERTIFIED U.S. MAIL, REGULAR MAIL OR INTERNET
 (http://www.greenvillecounty.org/Tax_Collector/OnlineTax.asp), or use our DROP BOX (located outside of office)
 SAVE TIME - Please read Both sides of bill before calling.

DO NOT PAY- INFORMATION ONLY- AMOUNT DUE IS LISTED ABOVE
 PRIOR YEAR TAXES BILLED: N/A

KEEP THIS STATEMENT FOR YOUR RECORDS

PLEASE DO NOT STAPLE, CLIP, TAPE, FOLD OR MUTILATE DETACH AND RETURN THIS STUB WITH PAYMENT

Make all checks payable to Greenville County Tax Collector

	
1100004824977	34,383.59
MAP #: 0662.03-01-006.09	35,407.80
CLIFFS COMMERCIAL PROPERTIES	37,797.64
	39,544.67

IF YOUR ADDRESS IS NOT CORRECT PLEASE MAKE CHANGES IN THE BOX BELOW

TAX COLLECTOR'S COPY

Greenville County Tax Collector
 Department 390
 PO BOX 100221
 Columbia SC 29202-3221

MASTER LEASE AGREEMENT

THIS MASTER LEASE AGREEMENT (the "Lease") is made as of April 1, 2011 (the "Effective Date") by and between 932 S. MAIN II, LLC, a South Carolina limited liability company ("Landlord"), and CLIFFS COMMERCIAL PROPERTIES, LLC, a South Carolina limited liability company ("Tenant"), as follows.

RECITALS

A. Tenant has conveyed unto Landlord herewith that certain real property, with improvements thereon, located in the County of Greenville, State of South Carolina, described more fully on Exhibit "A" attached hereto and made a part hereof (the "Property").

B. As a condition to the conveyance of the Property by Tenant to Landlord, Landlord and Tenant have agreed to simultaneously enter into this Lease, with the acknowledgement and understanding that this Lease is a material inducement to the parties for the conveyance of the Property by Tenant to Landlord.

NOW THEREFORE, for and in consideration of the Property, the mutual terms and provisions set forth herein, and the sum of Ten Dollars (\$10.00) in hand paid, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord and Tenant agree as follows:

AGREEMENTS:

1. GRANT OF LEASEHOLD. Landlord hereby leases, lets and demises the Property unto Tenant and Tenant hereby leases and takes the Property from Landlord, for the Term, for the Rent, and upon and subject to all other terms and provisions set forth hereinafter in this Lease.

2. TERM OF LEASE. The term of this Lease (the "Term") shall commence on the Effective Date and shall extend through the earlier date of (i) the close of business on March 31, 2013, or (ii) the close of business on the fifth (5th) business day following the receipt by Tenant of wired funds from the sale by Tenant or its affiliate, parent or subsidiary entity of certain property located in the nation of Chile, unless earlier terminated as hereinafter provided.

3. RENT.

3.1 Base Rent Calculation. Beginning on the 1st day of April, 2011, and continuing on the first day of each and every month thereafter during the Term of this Lease, Tenant shall pay Landlord, in advance, annual Base Rent of Two Hundred Sixty-Four Thousand and no/100 (\$264,000.00) Dollars (payable in monthly installments in the sum of Twenty-Two Thousand and no/100 (\$22,000.00) Dollars ("Base Rent").

3.2 Pro-Rata Base Rent. Any Base Rent payable for a portion of a calendar month shall be prorated based upon the actual number of days in the applicable calendar month.

3.3 Net Rent. All Base Rent payable to Landlord shall be net to Landlord of taxes, insurance, repairs, maintenance or other costs or charges attributable to the Property.

3.4 Late Charges. Any payment of Rent not received by Landlord within ten (10) days of its due date shall bear a late fee equal to five (5%) percent of said payment as Additional Rent.

3.5 Additional Rent. Unless otherwise expressly set forth herein, any Additional Rent becoming due hereunder at any time or from time to time shall become due and payable with the next succeeding monthly installment of Base Rent from Tenant to Landlord.

4. CONDITION OF PROPERTY AT RENT COMMENCEMENT. Tenant takes and accepts the Property in its "AS IS, WHERE IS" condition.

5. USE AND MAINTENANCE OF PROPERTY; OPERATING COVENANTS.

5.1 Use. Tenant shall permit the use and occupancy of the Property solely as and for general office purposes, and solely in accordance with applicable laws, rules, and regulations. Tenant and its subtenants shall at all times comply with all present and future laws, ordinances, and regulations of all applicable governmental bodies having jurisdiction over the Property, Tenant, and/or such subtenants, and with all licenses and permits pertaining to the same.

5.2 Maintenance. Tenant shall at all times maintain the Property in good and clean condition (ordinary wear and tear excepted) and repair.

5.3 Alterations and Improvements. Tenant shall have the right throughout the Term to make alterations and improvements to the Property, provided that (a) such alterations and improvements shall not materially or adversely change the fundamental character or value of the Property, (b) all such proposed alterations and improvements shall be accomplished lien-free and at no cost to Landlord, and (c) no such alterations or improvements shall be undertaken by Tenant without the prior written consent of Landlord, which consent shall not be unreasonably withheld, conditioned, or delayed.

5.4 Condition at Surrender. At the expiration or other termination of this Lease, Tenant agrees to surrender and deliver up the Property, in good and clean condition, normal wear and tear and damage by the elements excepted, with any and all damage to the Property occasioned during the Term having been fully repaired.

6. LIABILITY.

6.1 Public Liability. Landlord shall have no liability or responsibility whatsoever with respect to the use or occupancy of the Property by Tenant or its subtenants or with respect to the condition, maintenance or repair of the Property. Tenant agrees to indemnify and hold Landlord and members and managers from and against all claims, suits, losses or liability to Tenant, its subtenants, and/or any third parties for or on account of damages to property or injuries (including death) to persons caused by, arising out of or occurring during Tenant's or any subtenant's use, conduct, maintenance, repair, operation or occupancy of the Property.

6.2 Liability Insurance. Tenant at its cost shall procure and maintain during the term of this Lease, public liability and Property damage insurance with such carriers and with such reasonable terms and deductibles as Landlord shall approve, with a single combined liability and Property damage limit in any event of not less than Two Million and no/100 (\$2,000,000.00) Dollars, insuring Landlord and Tenant, as their interests may appear, from and against all liability of Tenant, its members, managers, officers, agents, employees, and/or subtenants to any persons whomsoever arising out of and in connection with Tenant's leasing, use, conduct, maintenance, operation, or occupancy of the Property. Tenant shall furnish Landlord with a certificate showing that such insurance is in effect, together with

evidence of payment of premiums, and shall likewise furnish Landlord with renewal certificates therefor as the same are procured. In the event Tenant fails timely to procure or renew any insurance required hereunder, or should such insurance fail to comply with any of the terms required hereunder, Landlord, at its option, shall have the right to procure such insurance coverage or renewal, with any cost thereof to be payable by Tenant as Additional Rent within ten (10) business days following written notice from Landlord.

6.3 Liens and Encumbrances. Tenant shall not have the right or power to subject the interests of Landlord or Tenant's interest in the Property to any mortgage, mechanics' or materialmen's liens, easements, or other liens or encumbrances of any kind whatsoever.

7. DAMAGES.

7.1 Fire And Casualty Insurance. Tenant at its sole cost and expense shall procure and maintain during the term of this Lease, or shall cause its subtenants to procure and maintain during the term of this Lease, all-risk, fire, casualty and extended coverage insurance covering the full replacement cost of all insurable improvements above their foundations upon or forming a part of the Property, which coverage shall include not less than six (6) months' business interruption/rent loss coverage. Such insurance shall be maintained with such carriers and with such reasonable terms and deductibles as Landlord shall approve, and shall specify Landlord and Tenant, as their interests may appear, as the named insureds thereof. Tenant shall herewith furnish Landlord with a certificate showing that such insurance is in effect, together with evidence of payment of premiums, and shall hereafter furnish Landlord with renewal certificates therefor as the same are procured. In the event Tenant or any subtenant fails timely to procure or renew any insurance required hereunder, or should such insurance fail to comply with any of the terms required hereunder, Landlord, at its option, shall have the right to procure such insurance coverage or renewal, with any cost thereof to be payable by Tenant as Additional Rent within ten (10) business days following written notice from Landlord.

7.2 Obligation to Repair. In the event that any buildings or Improvements upon the Property are partially or wholly damaged or destroyed by fire or any other casualty, and provided that Tenant shall not then be in default hereunder, the parties shall apply any insurance proceeds therefrom to the prompt and full repair and restoration of the Property or such portion thereof as shall have been damaged or destroyed, with due allowance being given for reasonable time required for adjustment and settlement of insurance claims, and this Lease shall remain in full force and effect.

7.3 Waiver of Subrogation. Landlord and Tenant mutually waive their respective rights of recovery against each other to the extent that any loss is or would be covered by insurance, and the rights of the insurers shall be subrogated to the rights of the insured under the applicable policy.

8. CONDEMNATION. Upon receipt by either Landlord or Tenant of any notice of the institution of any proceeding for the taking of the Property or any part thereof by the exercise of any power of condemnation or eminent domain, the party receiving notice thereof shall notify the other party in writing within five (5) business days following receipt of such notice. If the Property, or any part thereof, is taken or condemned by any competent public authority, Landlord alone shall have the right to seek and recover an award from the condemning authority for the injury caused by such taking to the Property.

9. ACCESS. Landlord, its members, managers, and agents shall have the right to enter upon the Property during normal business hours, after reasonable notice to Tenant, to inspect the same and for any other purposes permitted herein, so long as such inspection shall not interfere with the conduct of business thereat.

10. TAXES. Tenant shall pay all real estate taxes and assessments on the Property and the Improvements thereon as and when due. Landlord shall furnish to Tenant, within five (5) business days following receipt by Landlord, originals or copies of all tax or assessment notices applicable to the Property. Should Tenant fail to pay the same prior to such taxes becoming delinquent, Landlord shall have the right, but not the obligation, to pay the same and to require the amount so paid, together with any penalty, to be reimbursed as Additional Rent within ten (10) business days following written notice from Landlord. In the event of any proposed reassessment of or tax increase applicable to the Property, the parties shall cooperate (at Tenant's sole cost) to protest or contest the same.

11. BANKRUPTCY.

11.1 Events of Bankruptcy. The following shall be events of bankruptcy under this Lease:

(a) Tenant's filing of a voluntary petition under the provisions of Title 11 of the United States Code, Section 101 et. seq. (the "Bankruptcy Code"), (b) the filing of an involuntary petition against Tenant as a subject debtor under the Bankruptcy Code or Insolvency Laws which is either not dismissed within sixty (60) days of filing or results in the issuance of an Order for relief against Tenant, as debtor, whichever is first; or (c) Tenant's making or consenting to an assignment for the benefit of creditors or a common law composition of creditors.

11.2 Landlord Remedies. Upon occurrence of an event of Bankruptcy, Landlord shall have the right to terminate this Lease by given written notice to Tenant; provided, however, that this Section 11.2 shall have no effect while a case in which Tenant is a subject debtor under the Bankruptcy Code is pending, so long as Tenant or its Trustee (i) maintains timely Rent payments hereunder, (ii) promptly cures all defaults under this Lease, (iii) promptly compensates Landlord for all other monetary damages incurred as a result of such default, and (iv) provides adequate assurance of future performance on the part of Tenant as debtor in possession or on the part of the Trustee. In the event that Tenant or its Trustee shall at any time become unable to comply or to continue to comply with the requirements of this Section 11.2, this Lease shall automatically cease and terminate upon such notice and Tenant shall be immediately obligated to quit the Property.

12. DEFAULT.

12.1 Events of Default. Occurrence of either of the following shall be an Event of Default under this Lease:

(a) Failure by Tenant to pay any installment of Base Rent or Additional Rent hereunder by the tenth (10th) day of the month in which it is due; or

(b) Breach by Tenant of any other covenant, condition, warranty, representation, obligation or agreement of Tenant set forth in this Lease which is not cured within thirty (30) days following written notice from Landlord to Tenant specifying the Event of Default.

12.2 Landlord's Remedies. Upon occurrence of an Event of Default hereunder, Landlord at its option shall have the following rights and remedies, in addition to any other rights and remedies allowable at law or in equity:

(a) Landlord may, but shall not be required to, make any payment or perform any act required of Tenant under this Lease, with any such payments made or funds expended by Landlord pursuant to the foregoing grant of authority to be paid by Tenant as Additional Rent within ten (10) business days following written notice from Landlord requiring payment thereof.

(b) Without terminating this Lease or Tenant's right of possession hereunder, Landlord may recover any damages or delinquent Rent payments due hereunder, in separate actions, from time to time or in a single proceeding deferred until the expiration of the Term of this Lease then in effect.

(c) Landlord, at its option, may terminate this Lease by written notice to Tenant, whereupon this Lease shall end and all rights of Tenant hereunder shall expire and terminate, but Tenant shall remain liable as provided in subsection (d) hereof. Upon such termination by Landlord, Tenant immediately shall assign over to Landlord all subleases of all or any portions of the Property and deliver to Landlord all rents and deposits of every nature then held thereunder by Tenant, and shall surrender possession of the Property to Landlord (but subject to any rights of subtenant pursuant to any subleases).

(d) Landlord may terminate Tenant's right of possession (without terminating this Lease unless such termination is effected by operation of law), and may, in accordance with applicable law, enter upon and take possession of the Property and expel or remove Tenant (but subject to the rights of any subtenants pursuant to any subleases), and may re-let the Property for such rent and terms as Landlord may deem advisable. All Rents received by Landlord from any re-letting shall be applied first, to the payment of any reasonable costs and expenses of such re-letting, including brokerage fees, reasonable attorneys fees and the costs of alterations and repairs; second, to the payment of past due and unpaid Rent hereunder; and the residue, if any, shall be held by Landlord and applied in payment of future Rent as the same may become due and payable hereunder. Tenant agrees to pay Landlord, on demand, any deficiency that may arise by reason of such re-letting. Landlord shall use reasonable efforts to re-let the Property. Notwithstanding any such re-letting without termination, Landlord may at any time thereafter elect to terminate this Lease for any prior Event of Default.

13. SUBORDINATION, NON-DISTURBANCE, ATTORNMENT. This Lease shall be subject and subordinate to all record mortgages of the Landlord now or hereafter placed of record upon the Property, and to all renewals, modifications, consolidations, replacements and extensions thereof, provided Tenant receives a reasonably acceptable nondisturbance and attornment agreement from the mortgagee. Tenant covenants and agrees to attorn to any successor to Landlord's ownership of the Property, and in such event, this Lease shall continue as a direct lease between Tenant herein and such successor. Landlord shall cause Landlord and any mortgagee of Landlord's title to the Property to acknowledge to Tenant in writing that so long as Tenant shall not be in default under this Lease, neither this Lease nor Tenant's right to remain in exclusive possession of the Property pursuant to this Lease shall be affected or disturbed by reason of any default by Landlord under any mortgage of its title to the Property. If any such mortgage be foreclosed, Tenant shall not be named as a party defendant in such foreclosure action, this Lease shall survive such foreclosure, and this Lease shall continue thereafter in full force and effect. In such event, Tenant shall be authorized to make all Rent payments hereunder directly to such mortgagee or the purchaser of the Property at foreclosure to be applied by such mortgagee to Landlord's indebtedness, which payments shall fulfill all requirements of this Lease for Rent payments by Tenant to Landlord.

14. TENANT HOLDOVER. Should Tenant hold over the Property after the expiration of the Term of this Lease, unless otherwise agreed in writing, such holding over shall constitute a tenancy from month to month only, subject to the terms hereof and to the payment of monthly Base Rent equal to two hundred (200%) percent of the Base Rent payable for the last month of this Lease prior to such holding over. In a holdover situation, each party agrees to give to the other thirty (30) days prior written notice that the party giving notice is terminating this Lease, in which case Tenant shall vacate the Property prior to expiration of said thirty (30) day period.

15. QUIET ENJOYMENT. So long as Tenant shall pay all Rents and observe and perform all covenants and provisions hereof, Tenant shall peacefully and quietly have and enjoy possession of the Property without any encumbrance or hindrance by, from or through Landlord, except that Landlord shall have the right to enter upon the Property during regular business hours, upon reasonable notice, for inspection purposes so long as such entry shall in no way disrupt the conduct of any business thereat.

16. LICENSES AND UTILITIES. Tenant shall pay all sums as and when due on account of utility service provided to the Property. Should Tenant fail to pay the same prior to the same becoming delinquent, Landlord shall have the right, but not the obligation, to pay the same and to require the amount so paid, together with any penalty, to be reimbursed as Additional Rent within ten (10) business days following written notice from Landlord.

17. ASSIGNMENT OR SUBLETTING. Tenant shall not have any right to assign all or any portion of this Lease, except with the written consent of Landlord in its sole discretion. However, Landlord acknowledges that Tenant, as prior owner of the Property, has leased all or portions of the Property to existing tenants thereof ("Subtenants") who are presently occupying the same pursuant to existing leases thereof (the "Subleases"). Tenant shall continue to have the right during the Term of this Lease to further sublet all or portions of the Property to other and further Subtenants, subject to the prior written consent of Landlord, which shall not to be unreasonably withheld, conditioned, or delayed.

18. NOTICES.

18.1 Method of Notice. All written notices required or desired to be given hereunder by either party to the other shall be given by United States certified or registered mail, return receipt, postage prepaid, addressed to the other party at the following addresses:

As To Landlord:

932 S. Main II, LLC
1414 East Washington Street, Suite N
Greenville, South Carolina 29607
ATTN: L. S. Spinks

As To Tenant:

Cliffs Commercial Properties, LLC
3598 Highway 11
Travelers Rest, South Carolina 29690
ATT: Timothy Cherry

In the alternative, any notice may be given by personal delivery thereof to the other party at said party's aforesaid address. Either party may, by like written notice, designate a new address to which such notices shall thereafter be directed.

18.2 Effective Date of Notice. Any required notice herein shall be deemed to have been given on the second day following the date of deposit of the same in the United States mail, or on the date of actual delivery to the other party in hand or by nationally recognized overnight courier service, in compliance with the foregoing provisions.

19. MISCELLANEOUS. This Lease contains all the complete agreement of the parties and may not be modified orally or in any manner other than by a written signed agreement. Any unenforceable, invalid

or illegal provision hereof shall not render any other provision hereof unenforceable, invalid or illegal. This Lease is binding upon and shall be enforceable by the parties hereto, and their respective heirs, personal representatives, successors and assigns. This Lease is entered into and shall be construed in accordance with the laws of the State of South Carolina and any action or Proceeding arising hereunder shall be brought in the County of Greenville, State of South Carolina, to which jurisdiction Tenant hereby irrevocably consents.

20. MEMORANDUM OF LEASE. The parties agree that this Lease shall not be recorded, but that Landlord and Tenant shall execute and record herewith a Memorandum of this Lease which shall identify the parties, the Property, the Term of this Lease, and any other matters contained herein that the parties may then agree to stipulate in such Memorandum.

IN WITNESS WHEREOF, the parties hereto have executed the Lease Agreement as of the day and year first above written.

LANDLORD:

~~Enigma Corporation~~

By:


L. S. Spinks

Title: C.E.O.

TENANT:

Cliffs Commercial Properties, LLC

By: The Cliffs Communities, Inc.
Its: Sole Member

By: _____ (Seal)

Name: _____

Title: _____

IN WITNESS WHEREOF, the parties hereto have executed the Lease Agreement as of the day and year first above written.

LANDLORD:

932 S. Main II, LLC

By: _____
L. S. Spinks
Title: Member/Manager

TENANT:

Cliffs Commercial Properties, LLC

By: The Cliffs Communities, Inc.
Its: Sole Member

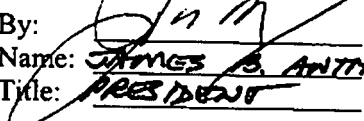
By:  (Seal)
Name: JAMES B. ANTHONY
Title: PRESIDENT

EXHIBIT "A"

The Property

Gary Player Building

ALL that piece, parcel, lot or tract of land lying and being in Greenville County, South Carolina and shown and designated as a "Village at Mountain Park, Parcel 3, 1.28 acres" on a plat entitled "Group Development Plan Village at Mountain Park" by Lindsey & Associates, Inc., dated April 7, 2010 and recorded in the Register of Deeds Office for Greenville County in Plat Book 1101 at Page 57.

TMS#0662030100609

Linda Gysin
Executive Assistant and
Community Development

O: (864) 451-6636
F: (864) 255-5650
ldg@myspinx.com

P.O. Box 8624
Greenville, SC 29604
www.myspinx.com



From: (864) 233-5421
JULIA CARON
THE SPINX COMPANY, INC.
1414 E. WASHINGTON STREET
SUITE N
GREENVILLE, SC 29607

Origin ID: GSPA



J12101112190225

Ship Date: 29MAY12
ActWgt: 1.0 LB
CAD: 9603267/INET3250

Delivery Address Bar Code



RECEIVED
MAY 30 2012
BMC GROUP

SHIP TO: (864) 233-5421 **BILL SENDER**
ATTN: CLIFFS CLAIMS PROCESSING
BMC GROUP, INC.
PO Box 3020

Ref # LINDA GYSIN
Invoice #
PO #
Dept #

CHANHASSEN, MN 55317

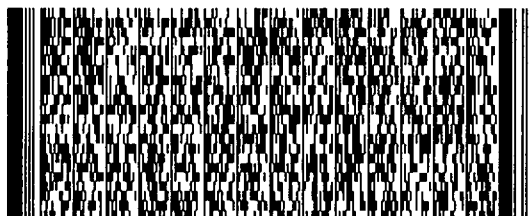
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After printing this label:

1. Use the 'Print' button on this page to print your label to your laser or inkjet printer.
2. Fold the printed page along the horizontal line.
3. Place label in shipping pouch and affix it to your shipment so that the barcode portion of the label can be read and scanned.

Warning: Use only the printed original label for shipping. Using a photocopy of this label for shipping purposes is fraudulent and could result in additional billing charges, along with the cancellation of your FedEx account number.

Use of this system constitutes your agreement to the service conditions in the current FedEx Service Guide, available on fedex.com. FedEx will not be responsible for any claim in excess of \$100 per package, whether the result of loss, damage, delay, non-delivery, misdelivery, or misinformation, unless you declare a higher value, pay an additional charge, document your actual loss and file a timely claim. Limitations found in the current FedEx Service Guide apply. Your right to recover from FedEx for any loss, including intrinsic value of the package, loss of sales, income interest, profit, attorney's fees, costs, and other forms of damage whether direct, incidental, consequential, or special is limited to the greater of \$100 or the authorized declared value. Recovery cannot exceed actual documented loss. Maximum for items of extraordinary value is \$500, e.g. jewelry, precious metals, negotiable instruments and other items listed in our Service Guide. Written claims must be filed within strict time limits, see current FedEx Service Guide.