

<b>UNITED STATES BANKRUPTCY COURT</b> <b>DISTRICT OF SOUTH CAROLINA</b>		<b>PROOF OF CLAIM</b>		 <b>Your Claim is Scheduled As Follows:</b> Schedule/Claim ID: s13814 <b>AMOUNT/CLASSIFICATION:</b> \$105,000.00 UNSECURED (CONTINGENT)	
<b>Name of Debtor:</b> The Cliffs at Keowee Falls Golf & Country Club, LLC		<b>Case Number:</b> 12-01229		The amounts reflected above constitute your claim as scheduled by the Debtor or pursuant to a filed claim. If you agree with the amounts set forth herein, and have no other claim against the Debtor, you do not need to file this proof of claim EXCEPT as stated below.  If the amounts shown above are listed as Contingent, Unliquidated or Disputed, a proof of claim must be filed except as provided in the accompanying bar date notice.  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>  <input type="checkbox"/> Check this box to indicate that this claim amends a previously filed claim.  <b>Court Claim Number (if known):</b> _____  <b>Filed on:</b> _____	
<small>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).</small>					
<b>Name of Creditor (the person or other entity to whom the debtor owes money or property) :</b>					
<b>Name and address where notices should be sent:</b> 29347866900995 Walter, John 301 Pinehurst Court Seneca, SC 29672					
<b>Creditor Telephone Number ( )</b> _____ <b>email:</b> _____		<div style="border: 1px solid black; padding: 10px; width: fit-content; margin: 0 auto;"> <b>RECEIVED</b>   <b>MAY 31 2012</b>   <b>BMC GROUP</b> </div>			
<b>Name and address where payment should be sent (if different from above):</b> Walter, John 301 Pinehurst CT. Seneca, SC 29672		<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.			
<b>Payment Telephone Number ( )</b> _____ <b>email:</b> _____		<input type="checkbox"/> Check this box to indicate that this claim amends a previously filed claim.  <b>Court Claim Number (if known):</b> _____  <b>Filed on:</b> _____			
<b>1. AMOUNT OF CLAIM AS OF DATE CASE FILED</b> \$ <u>300,000.00</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> <u>Membership Initiation Deposits on lot 3</u> <small>(See instruction #2)</small>					
<b>3. LAST FOUR DIGITS OF ANY NUMBER BY WHICH CREDITOR IDENTIFIES DEBTOR:</b> _____		<b>3a. Debtor may have scheduled account as:</b> _____ <small>(See instruction #3a)</small>			
<b>3b. Uniform Claim Identifier (optional):</b> _____ <small>(See instruction #3b)</small>		<u>45, 46, 47, 48</u>			
<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: <u>Membership Initiation</u> <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input checked="" type="checkbox"/> Other <u>Membership Initiation</u> <b>Value of Property:</b> \$ _____ <b>Amount of Secured Claim:</b> \$ _____ <b>Annual Interest Rate:</b> _____ % <input type="checkbox"/> Fixed or <input type="checkbox"/> Variable (when case was filed) <b>Amount of arrearage and other charges, as of time case filed, included in secured claim, if any:</b> \$ _____ <b>Basis for Perfection:</b> _____ <b>Amount Unsecured:</b> \$ _____					
<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> <table style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <b>Amount entitled to priority:</b> \$ _____   <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 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).           </td> <td style="width: 50%; vertical-align: top;"> <b>Amount entitled to administrative expense under 11 U.S.C. § 503(b)(9):</b> \$ _____  <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).           </td> </tr> </table>				<b>Amount entitled to priority:</b> \$ _____  <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 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).	<b>Amount entitled to administrative expense under 11 U.S.C. § 503(b)(9):</b> \$ _____ <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).
<b>Amount entitled to priority:</b> \$ _____  <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 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).	<b>Amount entitled to administrative expense under 11 U.S.C. § 503(b)(9):</b> \$ _____ <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).				
<small>* 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.</small>					
<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.  
(Attach copy of power of attorney, if any.) ☐ I am the trustee, or the debtor, or  
their authorized agent. ☐ I am a guarantor, surety, indorser, or other codebtor.  
(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: John A. Walter  
Title: \_\_\_\_\_  
Company: \_\_\_\_\_

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

301 Pinehurst Cr  
Seneca, SC 29672

(Signature)

(Date)

Telephone number: \_\_\_\_\_ email: \_\_\_\_\_

864-430-6769

pmgincjohn@aol.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

**THE CLIFFS GOLF & COUNTRY CLUB, INC.  
KEOWEE FALLS GOLF MEMBERSHIP AGREEMENT**

This is to certify that **John Walter** has made application for membership in The Cliffs Golf & Country Club at The Cliffs at Keowee Falls. The membership classification applied for is a **Keowee Falls Golf Membership**.

It is acknowledged that he/she has submitted membership fees in the amount **One Hundred Thousand Dollars (\$100,000)**. The following is the scheduled due dates and amounts of future payments:

**Golf Membership transfer for Section HR, Lot 45  
from Sharon Simmons to John Walter**

It is further agreed that the member(s) understand the membership classification purchased, its privileges and benefits, and refund values associated with a resignation from the club, as outlined in The Cliffs Golf & Country Clubs Master Membership Plan, rules and regulations.

MEMBERSHIP CLASSIFICATION:  
MEMBERSHIP ACCOUNT NUMBER:  
INITIATION DEPOSIT:  
PROPERTY REFERENCE:

**Keowee Falls Golf  
W328  
\$100,000.00  
Section HR Lot 45**

I have received and reviewed official club documents, specifically The Cliffs & Country Club, Inc. Master Membership Plan, rules and regulations outlining the Cliffs Membership Program. I agree to participate and become enrolled as a member of The Cliffs at Keowee Falls Golf & Country Club, Inc., which is managed and operated by The Cliffs Golf & Country Club, Inc. and agree to pay the applicable membership fees in the amount(s) indicated above.

My rights and privileges as a member shall be governed by the plan documents and the club's by-laws, rules and regulations. Membership in the club does not convey any ownership, stock or equity certificate or other rights of ownership. As a member, I cannot be assessed as a matter of contract with the Club, and I assume no liability whatsoever in connection with the membership other than the payment of an applicable membership fee, dues and charges incurred by myself, my family and guests.

The Club reserves the right to set membership classification limitations. The Club has the plenary power to modify classes of memberships, their definitions, privileges, requirements and availability.

I shall be bound by the terms and conditions of the plan documents, as they may be amended from time to time in accordance with their terms and this membership purchase agreement.

I agree to pay the dues, fees and charges applicable to my membership classification(s) set forth by the club ownership, as it may be amended from time to time.

I hereby agree to release and discharge the Club, its ownership, affiliates, employees and agents from any and all claims and causes of actions that I may have against any of them regarding the Club membership program and facilities, except claims and causes of action arising from misrepresentations or omissions in the club documents.

By signing this form, the Member(s) acknowledges, as a matter of record, the type of Membership classification, and its privileges, and the refund value of initiation deposit paid in the event of resignation or transfer of membership. Furthermore, the Member(s) has received a copy of the Clubs Master Membership Plan, rules and regulations, and has an understanding of the same.

3/5/09  
Date

L. Hobbs  
Laura Hobbs  
Membership Sales Executive  
The Cliffs Golf and Country Clubs

3/14/09  
Date

[Signature]  
Member Signature  
[Signature]  
Member Signature



**THE CLIFFS AT KEOWEE FALLS SOUTH GOLF & COUNTRY CLUB  
KEOWEE FALLS SOUTH GOLF ENROLLMENT FORM**

This is to certify **Sharon Simmons** has made application for membership in THE CLIFFS GOLF AND COUNTRY CLUB. The membership classification applied for is Keowee Falls South Golf Membership. It is acknowledged that the applicant will submit a payment of **One Hundred Thousand Dollars (\$100,000.00)**. The following is the scheduled due dates and amounts of future payments:

**Per terms of Real Estate Purchase Agreement &  
Membership Finance Addendum**

By signing this form, the Member(s) acknowledges, as a matter of record, the type of Membership classification, and its privileges, and the refund value of initiation deposit paid in the event of resignation or transfer of membership. Furthermore, the Member(s) has received a copy of the club by-laws, rules and regulations, and has an understanding of the same.

MEMBERSHIP CLASSIFICATION:	<b>Keowee Falls South Golf</b>
MEMBERSHIP ACCOUNT NUMBER:	<b>S510</b>
INITIATION DEPOSIT TO BE PAID:	<b>\$100,000.00</b>
PROPERTY REFERENCE:	<b>Section <u>HR</u> Lot <u>45</u></b>

6-9-06  
Date  
Nate Weyand  
Nate Weyand  
Membership Director  
The Cliffs Golf & Country Clubs

06-16-06  
Date  
Sharon Simmons  
Member Signature  
Member Signature



### Club Membership Addendum

THIS ADDENDUM is executed by and between The Cliffs Golf & Country Club, Inc. in behalf of The Cliffs Club (the "Club") and the below identified "Seller" (the "Seller") 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 "Agreement") between the Seller and Purchaser.

Purchaser: Sharon Simmons Community: Cliffs at Keowee Falls South  
Section: High Ridge  
Agreement Date: \_\_\_\_\_ Property #: 45  
Property List Price \$ 240,000.00  
Property's (\$ 25,000.00)  
Discounted Purchase Price \$ 215,000.00  
☒ Family Membership Privileges, Initiation Deposit.  
If checked, Purchaser will apply at Closing the amount of the discount given for Cliffs Family Membership privileges, and pay \$25,000 balance, for a total \$50,000.00 deposit. \$ 50,000.00  
☒ Golf Membership, Initiation Deposit.  
If checked, Purchaser wishes to upgrade immediately to a Cliffs Golf Membership by paying at the Closing the add-on deposit of \$50,000.00. \$ 50,000.00  
Total Membership Deposit To Be Paid at Closing: \$ 100,000.00

1. **Purchase Price Discounted for Membership.** The Club and Seller have, by special arrangements, agreed that if Purchaser wishes to acquire a membership, Seller will discount the price of the Property by \$25,000. Purchaser wishes to receive the discount and acquire a membership, electing a membership as below provided for either a Cliffs Golf Membership, or a Cliffs Family Membership, and agreeing to pay to the Club at the closing with Seller the required membership deposit. See the membership check boxes below and Paragraph 2 regarding membership privileges in the Clubs' facilities. In the event Purchaser fails to enter into this Club Membership Addendum, thereby declining to acquire a membership, no purchase price discount will be given in the sales transaction between Purchaser and Seller.

(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 Seller is agreeing to discount the price of the Property, then the \$25,000 discount that Purchaser will apply 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 Seller, or upon a resale closing within the five (5) -year vesting period only if the resale buyer acquires a Club Membership and pays the initiation deposit then required. Any initiation deposit paid by Purchaser in excess of the \$25,000 discount so applied to the Property will be fully refunded as provided in the Club's Membership Plan and without regard to any vesting

period; but, the \$25,000 discount applied to the Membership will only be refunded during the vesting period if the resale buyer acquires a Membership, and all refundable amounts will be paid solely in accordance with, and within the period required under, the Membership Plan.

- ☐ Box #1. **PURCHASER ELECTS TO RECEIVE A CLIFFS FAMILY MEMBERSHIP.** THE DEPOSIT FOR A CLIFFS FAMILY MEMBERSHIP IS \$50,000. By checking this box and initialing below, Purchaser acknowledges that Purchaser has read Paragraph 2 below. Purchaser hereby understands that a Cliffs Family Membership will not be issued and activated until the Club has received from the Purchaser the required deposit for the membership. \$25,000 of the deposit will be made at the Property closing as a result of Purchaser receiving a discount from Seller against the price of the Property in an equal amount. The remaining \$25,000 due for a Cliffs Family Membership represents Purchaser's election to receive a Family Membership, which Purchaser must acquire to receive the discount off the Property's price. The Purchaser must deliver the total \$50,000 membership deposit and complete the Club's required forms for a Cliffs Family Membership not later than the Purchaser's Property closing with Seller. If the Club does not receive such funding on or before the closing, the Purchaser will not receive the \$25,000 discount from Seller at the Property closing, and will pay as the Purchase Price for the Property the full Property List Price set forth above, and Purchaser will pay the full deposit required if Purchaser elects after closing to acquire a Family Membership and one is made available by the Club. Purchaser will have no guarantee that a Cliffs Family Membership will be available to Purchaser in the future. Purchaser further understands that a Cliffs Family Membership is subject to availability and that there is no guarantee that a Cliffs Family Membership will be available if Purchaser delays membership acquisition and later wishes to acquire a membership.

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

- ☒ Box #2. **PURCHASER ELECTS TO ACQUIRE A CLIFFS GOLF MEMBERSHIP.** 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 2 below. Purchaser hereby understands that a Cliffs Golf Membership will not be issued and activated until the Club has received from the Purchaser the required deposit for the membership. \$25,000 of the deposit will be made at the Property closing as a result of Purchaser receiving a discount from Seller against the price of the Property in an equal amount. The remaining \$75,000 due for a Cliffs Golf Membership represents Purchaser's election to receive a Golf Membership. The Purchaser must deliver the total \$100,000 membership deposit and complete the Club's required forms for a Cliffs Golf Membership not later than the Purchaser's Property closing with Seller. If the Club does not receive such funding on or before the closing, the Purchaser will not receive the \$25,000 discount from Seller at the Property closing, and will pay as the Purchase Price for the Property the full Property List Price set forth above, and Purchaser will have no guarantee that a Cliffs Golf Membership will be available to Purchaser in the future. Pursuant to the membership Plan, the Purchaser may acquire a Golf Membership within 30 days of the property's Closing for the full amount of the deposit, but if Purchaser elects to do so, Purchaser will have forgone the Seller's discount at the Property's closing. 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).

*ds*  
\_\_\_\_\_  
For Purchaser

2. **The Golf & Country Club.** Purchaser hereby acknowledges the plan of development for the Cliffs Community above identified includes, or may include, the operation of a 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, The Cliffs Golf & Country Club, Inc., 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 of \$100,000 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. **Please note however, because Purchaser is receiving a discount off the list price of the Property, which must be applied toward the membership initiation deposit, Purchaser must acquire the Cliffs Golf Membership on or before the Property closing and may not wait the 30 days otherwise applicable. A total of \$100,000 (includes the \$25,000 Property discount) is due on or before the Property Closing.** 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 by checking Box #2 on page 2, then upon Purchaser making application and funding the required deposit on or before the Closing, 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 by checking Box #1 on page 2 of this Addendum, then upon making application and funding the required deposit at the Purchaser's Property closing with Seller, 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. **Please note however, because Purchaser is receiving a discount off the list price of the Property, which must be applied toward the membership initiation deposit, Purchaser must acquire the Cliffs Family Membership on or before the Property closing and may not wait until after the closing. A total of \$50,000 (\$25,000 from the Property discount) is due on or before the Property Closing.**

(c) **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 membership in the Club, subject to vesting with regard to the \$25,000 discount granted, as provided in Paragraph 1(a) above. In addition, if the resale buyer of Purchaser's Property wishes 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 deposit that Purchaser's resale buyer makes for the issuance of a membership may be more or less than the deposit Purchaser made. 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.

3. **Effective Date.** This Addendum shall become effective the last date executed by a party to be bound hereby, and is subject to all other terms and conditions of the Agreement.

Purchaser:

Sharon. Summer

05      20      2006  
Month      Day      Year

Seller:

Keowee Falls Investment Group, LLC

By:

Marty Selzer  
Its: TREASURER  
5      20      06  
Month      Day      Year

For The Cliffs Club:

The Cliffs Golf & Country Club, Inc.

By:

Marty Selzer  
Its: TREASURER  
5      20      06  
Month      Day      Year

<b>A.</b> U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT <b>SETTLEMENT STATEMENT</b>		<b>B. TYPE OF LOAN:</b> 1. <input type="checkbox"/> FHA    2. <input type="checkbox"/> FmHA    3. <input checked="" type="checkbox"/> CONV. UNINS.    4. <input type="checkbox"/> VA    5. <input type="checkbox"/> CONV. INS. 6. FILE NUMBER: 06-0346C    7. LOAN NUMBER: 8. MORTGAGE INS CASE NUMBER:	
<b>C. NOTE:</b> This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "POC" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.			
<b>D. NAME AND ADDRESS OF BORROWER:</b>  Keowee Development, LLC P.O. Box 1765 Clemson, SC 29633		<b>E. NAME AND ADDRESS OF SELLER:</b>  Keowee Falls Investment Group LLC 3598 Highway 11 Travelers Rest, SC 29690 TIN: 27-0034243	
<b>G. PROPERTY LOCATION:</b> Lot 45 High Ridge/Cliffs @ Keowee Falls South Salem, SC Oconee County, South Carolina Lot 45 High Ridge Cliffs @ Keowee Falls South		<b>H. SETTLEMENT AGENT:</b> 57-1014449 Olson, Smith, Jordan & Cox, P.A.  <b>PLACE OF SETTLEMENT</b> 600 College Avenue Clemson, SC 29631	
<b>I. SETTLEMENT DATE:</b>  June 20, 2008			
<b>J. SUMMARY OF BORROWER'S TRANSACTION</b>		<b>K. SUMMARY OF SELLER'S TRANSACTION</b>	
<b>100. GROSS AMOUNT DUE FROM BORROWER:</b>		<b>400. GROSS AMOUNT DUE TO SELLER:</b>	
101. Contract Sales Price	215,000.00	401. Contract Sales Price	215,000.00
102. Personal Property		402. Personal Property	
103. Settlement Charges to Borrower (Line 1400)	3,379.00	403.	
104. Working Capital Contribution to Keowee Falls Props	116.67	404.	
105.		405.	
<i>Adjustments For Items Paid By Seller in advance</i>		<i>Adjustments For Items Paid By Seller in advance</i>	
106. City Taxes to		406. City Taxes to	
107. County Taxes 08/21/06 to 01/01/07	30.46	407. County Taxes 06/21/06 to 01/01/07	30.46
108. Assessments 06/21/06 to 01/01/07	299.68	408. Assessments 06/21/06 to 01/01/07	299.68
109. Family Membership	50,000.00	409. Family Membership	50,000.00
110. Golf Memb. Deferred \$50,000		410. Golf Memb. Deferred \$50,000	
111.		411.	
112.		412.	
<b>120. GROSS AMOUNT DUE FROM BORROWER</b>	<b>268,825.81</b>	<b>420. GROSS AMOUNT DUE TO SELLER</b>	<b>265,330.14</b>
<b>200. AMOUNTS PAID BY OR IN BEHALF OF BORROWER:</b>		<b>500. REDUCTIONS IN AMOUNT DUE TO SELLER:</b>	
201. Deposit or earnest money	10,000.00	501. Excess Deposit (See Instructions)	
202. Principal Amount of New Loan(s)	315,000.00	502. Settlement Charges to Seller (Line 1400)	112,983.10
203. Excluding loan(s) taken subject to		503. Excluding loan(s) taken subject to	
204.		504. Payoff of first Mortgage to Release/Regions	66,173.52
205.		505. Payoff of second Mortgage	
206.		506.	
207. Line of Credit Draw	265,000.00	507. (Deposit disb. as proceeds)	
208.		508.	
209.		509.	
<i>Adjustments For Items Unpaid By Seller</i>		<i>Adjustments For Items Unpaid By Seller</i>	
210. City Taxes to		510. City Taxes to	
211. County Taxes to		511. County Taxes to	
212. Assessments to		512. Assessments to	
213.		513.	
214.		514.	
215.		515.	
216.		516.	
217.		517. Prepaid Club Dues to Cliffs Golf & Country Club	15,000.00
218.		518. Marina Credit to Cliffs Golf & Country Club	5,000.00
219.		519.	
<b>220. TOTAL PAID BY/FOR BORROWER</b>	<b>275,000.00</b>	<b>520. TOTAL REDUCTION AMOUNT DUE SELLER</b>	<b>189,156.62</b>
<b>300. CASH AT SETTLEMENT FROM/TO BORROWER:</b>		<b>600. CASH AT SETTLEMENT TO/FROM SELLER:</b>	
301. Gross Amount Due From Borrower (Line 120)	268,825.81	601. Gross Amount Due To Seller (Line 420)	265,330.14
302. Less Amount Paid By/For Borrower (Line 220)	( 275,000.00 )	602. Less Reductions Due Seller (Line 520)	( 189,156.62 )
<b>303. CASH ( FROM ) ( X TO ) BORROWER</b>	<b>8,174.19</b>	<b>603. CASH ( X TO ) ( FROM ) SELLER</b>	<b>66,173.52</b>

The undersigned hereby acknowledge receipt of a completed copy of pages 182 of this statement & any attachments referred to herein.

Borrower Keowee Development, LLC

BY: Sharon L. Simmons, Member

BY: John A. Walter, Member

BY: Larry D. Large, Member

Seller Keowee Falls Investment Group, LLC

By its Sole-Member:  
The Cliffs Communities, Inc.

BY: 

**THE CLIFFS GOLF & COUNTRY CLUB, INC.  
KEOWEE FALLS GOLF MEMBERSHIP AGREEMENT**

This is to certify that **John Walter** has made application for membership in The Cliffs Golf & Country Club at The Cliffs at Keowee Falls. The membership classification applied for is a **Keowee Falls Golf Membership**.

It is acknowledged that he/she has submitted membership fees in the amount **One Hundred Thousand Dollars (\$100,000)**. The following is the scheduled due dates and amounts of future payments:

**Golf Membership transfer for Section HR, Lot 47  
from Sharon Simmons to John Walter**

It is further agreed that the member(s) understand the membership classification purchased, its privileges and benefits, and refund values associated with a resignation from the club, as outlined in The Cliffs Golf & Country Clubs Master Membership Plan, rules and regulations.

MEMBERSHIP CLASSIFICATION:  
MEMBERSHIP ACCOUNT NUMBER:  
INITIATION DEPOSIT:  
PROPERTY REFERENCE:

**Keowee Falls Golf  
W328  
\$100,000.00  
Section HR Lot 47**

I have received and reviewed official club documents, specifically The Cliffs & Country Club, Inc. Master Membership Plan, rules and regulations outlining the Cliffs Membership Program. I agree to participate and become enrolled as a member of The Cliffs at Keowee Falls Golf & Country Club, Inc., which is managed and operated by The Cliffs Golf & Country Club, Inc. and agree to pay the applicable membership fees in the amount(s) indicated above.

My rights and privileges as a member shall be governed by the plan documents and the club's by-laws, rules and regulations. Membership in the club does not convey any ownership, stock or equity certificate or other rights of ownership. As a member, I cannot be assessed as a matter of contract with the Club, and I assume no liability whatsoever in connection with the membership other than the payment of an applicable membership fee, dues and charges incurred by myself, my family and guests.

The Club reserves the right to set membership classification limitations. The Club has the plenary power to modify classes of memberships, their definitions, privileges, requirements and availability.

I shall be bound by the terms and conditions of the plan documents, as they may be amended from time to time in accordance with their terms and this membership purchase agreement.

I agree to pay the dues, fees and charges applicable to my membership classification(s) set forth by the club ownership, as it may be amended from time to time.

I hereby agree to release and discharge the Club, its ownership, affiliates, employees and agents from any and all claims and causes of actions that I may have against any of them regarding the Club membership program and facilities, except claims and causes of action arising from misrepresentations or omissions in the club documents.

By signing this form, the Member(s) acknowledges, as a matter of record, the type of Membership classification, and its privileges, and the refund value of initiation deposit paid in the event of resignation or transfer of membership. Furthermore, the Member(s) has received a copy of the Clubs Master Membership Plan, rules and regulations, and has an understanding of the same.

3-5-09  
Date  
Laura Hobbs  
Laura Hobbs  
Membership Sales Executive  
The Cliffs Golf and Country Clubs

3/14/09  
Date  
J-L Walth  
Member Signature  
Member Signature



**THE CLIFFS AT KEOWEE FALLS SOUTH GOLF & COUNTRY CLUB  
KEOWEE FALLS SOUTH GOLF ENROLLMENT FORM**

This is to certify **Sharon Simmons** has made application for membership in THE CLIFFS GOLF AND COUNTRY CLUB. The membership classification applied for is Keowee Falls South Golf Membership. It is acknowledged that the applicant will submit a payment of **One Hundred Thousand Dollars (\$100,000.00)**. The following is the scheduled due dates and amounts of future payments:

**Per terms of Real Estate Purchase Agreement &  
Membership Finance Addendum**

By signing this form, the Member(s) acknowledges, as a matter of record, the type of Membership classification, and its privileges, and the refund value of initiation deposit paid in the event of resignation or transfer of membership. Furthermore, the Member(s) has received a copy of the club by-laws, rules and regulations, and has an understanding of the same.

MEMBERSHIP CLASSIFICATION:	<b>Keowee Falls South Golf</b>
MEMBERSHIP ACCOUNT NUMBER:	<b>S510</b>
INITIATION DEPOSIT TO BE PAID:	<b>\$100,000.00</b>
PROPERTY REFERENCE:	<b>Section <u>HR</u> Lot <u>47</u></b>

6-9-06  
Date  
Nate Weyand  
Nate Weyand  
Membership Director  
The Cliffs Golf & Country Clubs

06-16-06  
Date  
Sharon Simmons  
Member Signature  
\_\_\_\_\_  
Member Signature



### Club Membership Addendum

THIS ADDENDUM is executed by and between The Cliffs Golf & Country Club, Inc. in behalf of The Cliffs Club (the "Club") and the below identified "Seller" (the "Seller") 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 "Agreement") between the Seller and Purchaser.

Purchaser: Sharon Simmons Community: Cliffs at Keowee Falls South  
Section: High Ridge  
Agreement Date: \_\_\_\_\_ Property #: 47  
Property List Price \$ 220,000.00  
Property's (\$ 25,000.00) Discounted Purchase Price \$ 195,000.00  
☒ Family Membership Privileges, Initiation Deposit.  
If checked, Purchaser will apply at Closing the amount of the discount given for Cliffs Family Membership privileges, and pay \$25,000 balance, for a total \$50,000.00 deposit. \$ 50,000.00  
☒ Golf Membership, Initiation Deposit.  
If checked, Purchaser wishes to upgrade immediately to a Cliffs Golf Membership by paying at the Closing the add-on deposit of \$50,000.00. \$ 50,000.00  
Total Membership Deposit To Be Paid at Closing: \$ 100,000.00

1. **Purchase Price Discounted for Membership.** The Club and Seller have, by special arrangements, agreed that if Purchaser wishes to acquire a membership, Seller will discount the price of the Property by \$25,000. Purchaser wishes to receive the discount and acquire a membership, electing a membership as below provided for either a Cliffs Golf Membership, or a Cliffs Family Membership, and agreeing to pay to the Club at the closing with Seller the required membership deposit. See the membership check boxes below and Paragraph 2 regarding membership privileges in the Clubs' facilities. In the event Purchaser fails to enter into this Club Membership Addendum, thereby declining to acquire a membership, no purchase price discount will be given in the sales transaction between Purchaser and Seller.

- (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 Seller is agreeing to discount the price of the Property, then the \$25,000 discount that Purchaser will apply 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 Seller, or upon a resale closing within the five (5)-year vesting period only if the resale buyer acquires a Club Membership and pays the initiation deposit then required. Any initiation deposit paid by Purchaser in excess of the \$25,000 discount so applied to the Property will be fully refunded as provided in the Club's Membership Plan and without regard to any vesting

period; but, the \$25,000 discount applied to the Membership will only be refunded during the vesting period if the resale buyer acquires a Membership, and all refundable amounts will be paid solely in accordance with, and within the period required under, the Membership Plan.

- ☐ Box #1. PURCHASER ELECTS TO RECEIVE A **CLIFFS FAMILY MEMBERSHIP**. THE DEPOSIT FOR A CLIFFS FAMILY MEMBERSHIP IS \$50,000. By checking this box and initialing below, Purchaser acknowledges that Purchaser has read Paragraph 2 below. Purchaser hereby understands that a Cliffs Family Membership will not be issued and activated until the Club has received from the Purchaser the required deposit for the membership. \$25,000 of the deposit will be made at the Property closing as a result of Purchaser receiving a discount from Seller against the price of the Property in an equal amount. The remaining \$25,000 due for a Cliffs Family Membership represents Purchaser's election to receive a Family Membership, which Purchaser must acquire to receive the discount off the Property's price. The Purchaser must deliver the total \$50,000 membership deposit and complete the Club's required forms for a Cliffs Family Membership not later than the Purchaser's Property closing with Seller. If the Club does not receive such funding on or before the closing, the Purchaser will not receive the \$25,000 discount from Seller at the Property closing, and will pay as the Purchase Price for the Property the full Property List Price set forth above, and Purchaser will pay the full deposit required if Purchaser elects after closing to acquire a Family Membership and one is made available by the Club. Purchaser will have no guarantee that a Cliffs Family Membership will be available to Purchaser in the future. Purchaser further understands that a Cliffs Family Membership is subject to availability and that there is no guarantee that a Cliffs Family Membership will be available if Purchaser delays membership acquisition and later wishes to acquire a membership.

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

- ☒ Box #2. PURCHASER ELECTS TO ACQUIRE A **CLIFFS GOLF MEMBERSHIP**. 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 2 below. Purchaser hereby understands that a Cliffs Golf Membership will not be issued and activated until the Club has received from the Purchaser the required deposit for the membership. \$25,000 of the deposit will be made at the Property closing as a result of Purchaser receiving a discount from Seller against the price of the Property in an equal amount. The remaining \$75,000 due for a Cliffs Golf Membership represents Purchaser's election to receive a Golf Membership. The Purchaser must deliver the total \$100,000 membership deposit and complete the Club's required forms for a Cliffs Golf Membership not later than the Purchaser's Property closing with Seller. If the Club does not receive such funding on or before the closing, the Purchaser will not receive the \$25,000 discount from Seller at the Property closing, and will pay as the Purchase Price for the Property the full Property List Price set forth above, and Purchaser will have no guarantee that a Cliffs Golf Membership will be available to Purchaser in the future. Pursuant to the membership Plan, the Purchaser may acquire a Golf Membership within 30 days of the property's Closing for the full amount of the deposit, but if Purchaser elects to do so, Purchaser will have forgone the Seller's discount at the Property's closing. 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).

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

2. **The Golf & Country Club.** Purchaser hereby acknowledges the plan of development for the Cliffs Community above identified includes, or may include, the operation of a 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, The Cliffs Golf & Country Club, Inc., 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 of \$100,000 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. **Please note however, because Purchaser is receiving a discount off the list price of the Property, which must be applied toward the membership initiation deposit, Purchaser must acquire the Cliffs Golf Membership on or before the Property closing and may not wait the 30 days otherwise applicable. A total of \$100,000 (includes the \$25,000 Property discount) is due on or before the Property Closing.** 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 by checking Box #2 on page 2, then upon Purchaser making application and funding the required deposit on or before the Closing, 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 by checking Box #1 on page 2 of this Addendum, then upon making application and funding the required deposit at the Purchaser's Property closing with Seller, 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. **Please note however, because Purchaser is receiving a discount off the list price of the Property, which must be applied toward the membership initiation deposit, Purchaser must acquire the Cliffs Family Membership on or before the Property closing and may not wait until after the closing. A total of \$50,000 (\$25,000 from the Property discount) is due on or before the Property Closing.**

(c) **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 membership in the Club, subject to vesting with regard to the \$25,000 discount granted, as provided in Paragraph 1(a) above. In addition, if the resale buyer of Purchaser's Property wishes 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 deposit that Purchaser's resale buyer makes for the issuance of a membership may be more or less than the deposit Purchaser made. 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.

3. **Effective Date.** This Addendum shall become effective the last date executed by a party to be bound hereby, and is subject to all other terms and conditions of the Agreement.

Purchaser:

Sharon L. Sumner

Month

05

Day

20

Year

2006

Seller:

Keowee Falls Investment Group, LLC

By:

Anthony P. Pata

Its:

TREASURER

Month

5

Day

20

Year

06

For The Cliffs Club:

The Cliffs Golf & Country Club, Inc.

By:

Anthony P. Pata

Its:

TREASURER

Month

5

Day

20

Year

06

The undersigned hereby acknowledge receipt of a completed copy of pages 1&2 of this statement & any attachments referred to herein.

BY: Shirley K. [Signature]

**THE CLIFFS GOLF & COUNTRY CLUB, INC.**  
**KEOWEE FALLS GOLF MEMBERSHIP AGREEMENT**

This is to certify that **John Walter** has made application for membership in The Cliffs Golf & Country Club at The Cliffs at Keowee Falls. The membership classification applied for is a **Keowee Falls Golf Membership**.

It is acknowledged that he/she has submitted membership fees in the amount **One Hundred Thousand Dollars (\$100,000)**. The following is the scheduled due dates and amounts of future payments:

**Golf Membership transfer for Section HR, Lot 46  
from Sharon Simmons to John Walter**

It is further agreed that the member(s) understand the membership classification purchased, its privileges and benefits, and refund values associated with a resignation from the club, as outlined in The Cliffs Golf & Country Clubs Master Membership Plan, rules and regulations.

MEMBERSHIP CLASSIFICATION:  
MEMBERSHIP ACCOUNT NUMBER:  
INITIATION DEPOSIT:  
PROPERTY REFERENCE:

**Keowee Falls Golf  
W328  
\$100,000.00  
Section HR Lot 46**

I have received and reviewed official club documents, specifically The Cliffs & Country Club, Inc. Master Membership Plan, rules and regulations outlining the Cliffs Membership Program. I agree to participate and become enrolled as a member of The Cliffs at Keowee Falls Golf & Country Club, Inc., which is managed and operated by The Cliffs Golf & Country Club, Inc. and agree to pay the applicable membership fees in the amount(s) indicated above.

My rights and privileges as a member shall be governed by the plan documents and the club's by-laws, rules and regulations. Membership in the club does not convey any ownership, stock or equity certificate or other rights of ownership. As a member, I cannot be assessed as a matter of contract with the Club, and I assume no liability whatsoever in connection with the membership other than the payment of an applicable membership fee, dues and charges incurred by myself, my family and guests.

The Club reserves the right to set membership classification limitations. The Club has the plenary power to modify classes of memberships, their definitions, privileges, requirements and availability.

I shall be bound by the terms and conditions of the plan documents, as they may be amended from time to time in accordance with their terms and this membership purchase agreement.

I agree to pay the dues, fees and charges applicable to my membership classification(s) set forth by the club ownership, as it may be amended from time to time.

I hereby agree to release and discharge the Club, its ownership, affiliates, employees and agents from any and all claims and causes of actions that I may have against any of them regarding the Club membership program and facilities, except claims and causes of action arising from misrepresentations or omissions in the club documents.

By signing this form, the Member(s) acknowledges, as a matter of record, the type of Membership classification, and its privileges, and the refund value of initiation deposit paid in the event of resignation or transfer of membership. Furthermore, the Member(s) has received a copy of the Clubs Master Membership Plan, rules and regulations, and has an understanding of the same.

3/5/09  
Date  
L. Hobbs  
Laura Hobbs  
Membership Sales Executive  
The Cliffs Golf and Country Clubs

3/9/09  
Date  
J. A. Walth  
Member Signature  
Member Signature



**THE CLIFFS AT KEOWEE FALLS SOUTH GOLF & COUNTRY CLUB  
KEOWEE FALLS SOUTH GOLF ENROLLMENT FORM**

This is to certify **Sharon Simmons** has made application for membership in THE CLIFFS GOLF AND COUNTRY CLUB. The membership classification applied for is Keowee Falls South Golf Membership. It is acknowledged that the applicant will submit a payment of **One Hundred Thousand Dollars (\$100,000.00)**. The following is the scheduled due dates and amounts of future payments:

**Per terms of Real Estate Purchase Agreement &  
Membership Finance Addendum**

By signing this form, the Member(s) acknowledges, as a matter of record, the type of Membership classification, and its privileges, and the refund value of initiation deposit paid in the event of resignation or transfer of membership. Furthermore, the Member(s) has received a copy of the club by-laws, rules and regulations, and has an understanding of the same.

MEMBERSHIP CLASSIFICATION:	<b>Keowee Falls South Golf</b>
MEMBERSHIP ACCOUNT NUMBER:	<b>S510</b>
INITIATION DEPOSIT TO BE PAID:	<b>\$100,000.00</b>
PROPERTY REFERENCE:	<b>Section <u>HR</u> Lot <u>46</u></b>

6-9-06  
Date

Nate Weyand

Nate Weyand  
Membership Director  
The Cliffs Golf & Country Clubs

06-16-06  
Date

Sharon Simmons

Member Signature

Member Signature



### Club Membership Addendum

THIS ADDENDUM is executed by and between The Cliffs Golf & Country Club, Inc. in behalf of The Cliffs Club (the "Club") and the below identified "Seller" (the "Seller") 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 "Agreement") between the Seller and Purchaser.

Purchaser: Sharon Simmons Community: Cliffs at Keowee Falls South  
Section: High Ridge  
Agreement Date: \_\_\_\_\_ Property #: 46  
Property List Price \$ 230,000.00  
Property's (\$ 25,000.00)  
Discounted Purchase Price \$ 205,000.00  
☒ **Family Membership Privileges, Initiation Deposit.**  
If checked, Purchaser will apply at Closing the amount of the discount given for Cliffs Family Membership privileges, and pay \$25,000 balance, for a total \$50,000.00 deposit. \$ 50,000.00  
☒ **Golf Membership, Initiation Deposit.**  
If checked, Purchaser wishes to upgrade immediately to a Cliffs Golf Membership by paying at the Closing the add-on deposit of \$50,000.00. \$ 50,000.00  
Total Membership Deposit To Be Paid at Closing: \$ 100,000.00

1. **Purchase Price Discounted for Membership.** The Club and Seller have, by special arrangements, agreed that if Purchaser wishes to acquire a membership, Seller will discount the price of the Property by \$25,000. Purchaser wishes to receive the discount and acquire a membership, electing a membership as below provided for either a Cliffs Golf Membership, or a Cliffs Family Membership, and agreeing to pay to the Club at the closing with Seller the required membership deposit. See the membership check boxes below and Paragraph 2 regarding membership privileges in the Clubs' facilities. In the event Purchaser fails to enter into this Club Membership Addendum, thereby declining to acquire a membership, no purchase price discount will be given in the sales transaction between Purchaser and Seller.

(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 Seller is agreeing to discount the price of the Property, then the \$25,000 discount that Purchaser will apply 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 Seller, or upon a resale closing within the five (5)-year vesting period only if the resale buyer acquires a Club Membership and pays the initiation deposit then required. Any initiation deposit paid by Purchaser in excess of the \$25,000 discount so applied to the Property will be fully refunded as provided in the Club's Membership Plan and without regard to any vesting

period; but, the \$25,000 discount applied to the Membership will only be refunded during the vesting period if the resale buyer acquires a Membership, and all refundable amounts will be paid solely in accordance with, and within the period required under, the Membership Plan.



Box #1. PURCHASER ELECTS TO RECEIVE A **CLIFFS FAMILY MEMBERSHIP**. THE DEPOSIT FOR A CLIFFS FAMILY MEMBERSHIP IS \$50,000. By checking this box and initialing below, Purchaser acknowledges that Purchaser has read Paragraph 2 below. Purchaser hereby understands that a Cliffs Family Membership will not be issued and activated until the Club has received from the Purchaser the required deposit for the membership. \$25,000 of the deposit will be made at the Property closing as a result of Purchaser receiving a discount from Seller against the price of the Property in an equal amount. The remaining \$25,000 due for a Cliffs Family Membership represents Purchaser's election to receive a Family Membership, which Purchaser must acquire to receive the discount off the Property's price. The Purchaser must deliver the total \$50,000 membership deposit and complete the Club's required forms for a Cliffs Family Membership not later than the Purchaser's Property closing with Seller. If the Club does not receive such funding on or before the closing, the Purchaser will not receive the \$25,000 discount from Seller at the Property closing, and will pay as the Purchase Price for the Property the full Property List Price set forth above, and Purchaser will pay the full deposit required if Purchaser elects after closing to acquire a Family Membership and one is made available by the Club. Purchaser will have no guarantee that a Cliffs Family Membership will be available to Purchaser in the future. Purchaser further understands that a Cliffs Family Membership is subject to availability and that there is no guarantee that a Cliffs Family Membership will be available if Purchaser delays membership acquisition and later wishes to acquire a membership.

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



Box #2. PURCHASER ELECTS TO ACQUIRE A **CLIFFS GOLF MEMBERSHIP**. 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 2 below. Purchaser hereby understands that a Cliffs Golf Membership will not be issued and activated until the Club has received from the Purchaser the required deposit for the membership. \$25,000 of the deposit will be made at the Property closing as a result of Purchaser receiving a discount from Seller against the price of the Property in an equal amount. The remaining \$75,000 due for a Cliffs Golf Membership represents Purchaser's election to receive a Golf Membership. The Purchaser must deliver the total \$100,000 membership deposit and complete the Club's required forms for a Cliffs Golf Membership not later than the Purchaser's Property closing with Seller. If the Club does not receive such funding on or before the closing, the Purchaser will not receive the \$25,000 discount from Seller at the Property closing, and will pay as the Purchase Price for the Property the full Property List Price set forth above, and Purchaser will have no guarantee that a Cliffs Golf Membership will be available to Purchaser in the future. Pursuant to the membership Plan, the Purchaser may acquire a Golf Membership within 30 days of the property's Closing for the full amount of the deposit, but if Purchaser elects to do so, Purchaser will have forgone the Seller's discount at the Property's closing. 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

2. **The Golf & Country Club.** Purchaser hereby acknowledges the plan of development for the Cliffs Community above identified includes, or may include, the operation of a 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, The Cliffs Golf & Country Club, Inc., 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 of \$100,000 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. Please note however, because Purchaser is receiving a discount off the list price of the Property, which must be applied toward the membership initiation deposit, Purchaser must acquire the Cliffs Golf Membership on or before the Property closing and may not wait the 30 days otherwise applicable. A total of \$100,000 (includes the \$25,000 Property discount) is due on or before the Property Closing. 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 by checking Box #2 on page 2, then upon Purchaser making application and funding the required deposit on or before the Closing, 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 by checking Box #1 on page 2 of this Addendum, then upon making application and funding the required deposit at the Purchaser's Property closing with Seller, 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. Please note however, because Purchaser is receiving a discount off the list price of the Property, which must be applied toward the membership initiation deposit, Purchaser must acquire the Cliffs Family Membership on or before the Property closing and may not wait until after the closing. A total of \$50,000 (\$25,000 from the Property discount) is due on or before the Property Closing.

(c) **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 membership in the Club, subject to vesting with regard to the \$25,000 discount granted, as provided in Paragraph 1(a) above. In addition, if the resale buyer of Purchaser's Property wishes 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 deposit that Purchaser's resale buyer makes for the issuance of a membership may be more or less than the deposit Purchaser made. 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.

3. **Effective Date.** This Addendum shall become effective the last date executed by a party to be bound hereby, and is subject to all other terms and conditions of the Agreement.

Purchaser:

Shawn L. Snider

05      20      2006  
Month      Day      Year

Seller:

Keowee Falls Investment Group, LLC

By:

Marty Petrich

Its:

TREASURER  
5      20      06  
Month      Day      Year

For The Cliffs Club:

The Cliffs Golf & Country Club, Inc.

By:

Marty Petrich

Its:

TREASURER  
5      20      06  
Month      Day      Year

A. U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT <b>SETTLEMENT STATEMENT</b>		B. TYPE OF LOAN:				
		1. <input type="checkbox"/> FHA 2. <input type="checkbox"/> FmHA 3. <input checked="" type="checkbox"/> CONV. UNINS. 4. <input type="checkbox"/> VA 5. <input type="checkbox"/> CONV. INS.				
		6. FILE NUMBER: 08-0349C		7. LOAN NUMBER:		
		8. MORTGAGE INS CASE NUMBER:				
C. NOTE: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "POC" were paid outside the closing; they are shown here for informational purposes and are not included in the totals. 1.0 3.00 (08-0349C-PFD08-03-0021)						
D. NAME AND ADDRESS OF BORROWER:		E. NAME AND ADDRESS OF SELLER:		F. NAME AND ADDRESS OF LENDER:		
Keowee Development, LLC P.O. Box 1765 Clemson, SC 29633		Keowee Falls Investment Group LLC 3598 Highway 11 Travelers Rest, SC 29690 TIN: 27-0034243		NBSC		
G. PROPERTY LOCATION: Lot 46 High Ridge/Cliffs @ Keowee Falls South Salem, SC Oconee County, South Carolina Lot 46 High Ridge Cliffs @ Keowee Falls South		H. SETTLEMENT AGENT: 57-1014448 Olson, Smith, Jordan & Cox, P.A.  PLACE OF SETTLEMENT 600 College Avenue Clemson, SC 29631			I. SETTLEMENT DATE:  June 20, 2006	
J. SUMMARY OF BORROWER'S TRANSACTION				K. SUMMARY OF SELLER'S TRANSACTION		
100. GROSS AMOUNT DUE FROM BORROWER:				400. GROSS AMOUNT DUE TO SELLER:		
101. Contract Sales Price 205,000.00				401. Contract Sales Price 205,000.00		
102. Personal Property				402. Personal Property		
103. Settlement Charges to Borrower (Line 1400) 3,311.00				403.		
104. Working Capital Contribution to Keowee Falls Prope 116.67				404.		
105.				405.		
Adjustments For Items Paid By Seller in advance				Adjustments For Items Paid By Seller in advance		
106. City Taxes to				406. City Taxes to		
107. County Taxes 06/21/06 to 01/01/07 37.06				407. County Taxes 06/21/06 to 01/01/07 37.06		
108. Assessments 06/21/06 to 01/01/07 299.68				408. Assessments 06/21/06 to 01/01/07 299.68		
109. Family Membership 50,000.00				409. Family Membership 50,000.00		
110. Golf Memb. Deferred \$50,000				410. Golf Memb. Deferred \$50,000		
111.				411.		
112.				412.		
120. GROSS AMOUNT DUE FROM BORROWER 258,784.41				420. GROSS AMOUNT DUE TO SELLER 256,336.74		
200. AMOUNTS PAID BY OR IN BEHALF OF BORROWER:				500. REDUCTIONS IN AMOUNT DUE TO SELLER:		
201. Deposit or earnest money 10,000.00				501. Excess Deposit (See Instructions)		
202. Principal Amount of New Loan(s) 305,000.00				502. Settlement Charges to Seller (Line 1400) 110,628.20		
203. Existing loan(s) taken subject to				503. Existing loan(s) taken subject to		
204.				504. Payoff of first Mortgage to Release/Refunds 62,354.27		
205.				505. Payoff of second Mortgage		
206.				506.		
207. Line of Credit Draw 255,000.00				507. (Deposit disb. as proceeds)		
208.				508.		
209.				509.		
Adjustments For Items Unpaid By Seller				Adjustments For Items Unpaid By Seller		
210. City Taxes to				510. City Taxes to		
211. County Taxes to				511. County Taxes to		
212. Assessments to				512. Assessments to		
213.				513.		
214.				514.		
215.				515.		
216.				516.		
217.				517. Prepaid Club Dues to Cliffs Golf & Country Club 15,000.00		
218.				518. Marine Credit to Cliffs Golf & Country Club 5,000.00		
219.				519.		
220. TOTAL PAID BY/FOR BORROWER 265,000.00				520. TOTAL REDUCTION AMOUNT DUE SELLER 192,982.47		
300. CASH AT SETTLEMENT FROM/TO BORROWER:				600. CASH AT SETTLEMENT TO/FROM SELLER:		
301. Gross Amount Due From Borrower (Line 120) 258,784.41				601. Gross Amount Due To Seller (Line 420) 255,336.74		
302. Less Amount Paid By/FOR Borrower (Line 220) ( 265,000.00)				602. Less Reductions Due Seller (Line 520) ( 192,982.47)		
303. CASH ( FROM ) ( X TO ) BORROWER 6,235.59				603. CASH ( X TO ) ( FROM ) SELLER 62,354.27		

The undersigned hereby acknowledge receipt of a completed copy of pages 1&2 of this statement & any attachments referred to herein.

Borrower Keowee Development, LLC

BY: Sharon L. Simmons, Member

BY: John A. Walter, Member

BY: Larry D. Largo, Member

Seller Keowee Falls Investment Group, LLC

By Its Sole Member:  
The Cliffs Communities, Inc.

BY: *Sharon L. Simmons*

**Magan Boggs**

**From:** Lakelifestyles [lakelifestyles@aol.com]  
**Sent:** Friday, February 20, 2009 2:55 PM  
**To:** Magan Boggs  
**Cc:** pmgincJOHN  
**Subject:** Transfer of M'ship & Dues Credit

Meagan -

Please note that I would like cancel my club account and transfer all dues/membership/marina/etc. credits to JOHN WALTER effective immediately. Please call if you have any questions. Thanks --

-Sharon

**Sharon Simmons**

REALTOR®, Broker in Charge

864.420.0135 c

864.654.7222 o

864.752.1275 f

[www.sharon-simmons.com](http://www.sharon-simmons.com)

[www.carolinainlivingrealty.com](http://www.carolinainlivingrealty.com)

*Marketing and Representing the Finest Properties on Lake Keowee*



2/20/2009



**THE CLIFFS AT KEOWEE FALLS SOUTH GOLF & COUNTRY CLUB  
KEOWEE FALLS SOUTH GOLF ENROLLMENT FORM**

This is to certify **Larry Large** has made application for membership in THE CLIFFS GOLF AND COUNTRY CLUB. The membership classification applied for is Keowee Falls South Golf Membership. It is acknowledged that the applicant will submit a payment of **One Hundred Thousand Dollars (\$100,000)**. The following is the scheduled due dates and amounts of future payments:

**Per terms of Real Estate Purchase Agreement &  
Membership Finance Addendum**

By signing this form, the Member(s) acknowledges, as a matter of record, the type of Membership classification, and its privileges, and the refund value of initiation deposit paid in the event of resignation or transfer of membership. Furthermore, the Member(s) has received a copy of the club by-laws, rules and regulations, and has an understanding of the same.

MEMBERSHIP CLASSIFICATION:	<b>Keowee Falls South Golf</b>
MEMBERSHIP ACCOUNT NUMBER:	<b>L187</b>
INITIATION DEPOSIT TO BE PAID:	<b>\$100,000</b>
PROPERTY REFERENCE:	<b>Section <u>HR</u> Lot <u>48</u></b>

6-16-06  
Date  
Nate Weyand  
Nate Weyand  
Membership Director  
The Cliffs Golf & Country Clubs

6.20.06  
Date  
[Signature]  
Member Signature  
Member Signature



### Club Membership Addendum

THIS ADDENDUM is executed by and between The Cliffs Golf & Country Club, Inc. in behalf of The Cliffs Club (the "Club") and the below identified "Seller" (the "Seller") 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 "Agreement") between the Seller and Purchaser.

Purchaser: Sharon Simmons Community: Cliffs at Keowee Falls South  
Section: High Ridge  
Agreement Date: \_\_\_\_\_ Property #: 48  
Property List Price \$ 210,000.00  
Property's (\$ 25,000.00)  
Discounted Purchase Price \$ 185,000.00  
☒ Family Membership Privileges, Initiation Deposit.  
If checked, Purchaser will apply at Closing the amount of the discount given for Cliffs Family Membership privileges, and pay \$25,000 balance, for a total \$50,000.00 deposit. \$ 50,000.00  
☒ Golf Membership, Initiation Deposit.  
If checked, Purchaser wishes to upgrade immediately to a Cliffs Golf Membership by paying at the Closing the add-on deposit of \$50,000.00. \$ 50,000.00  
Total Membership Deposit To Be Paid at Closing: \$ 100,000.00

1. **Purchase Price Discounted for Membership.** The Club and Seller have, by special arrangements, agreed that if Purchaser wishes to acquire a membership, Seller will discount the price of the Property by \$25,000. Purchaser wishes to receive the discount and acquire a membership, electing a membership as below provided for either a Cliffs Golf Membership, or a Cliffs Family Membership, and agreeing to pay to the Club at the closing with Seller the required membership deposit. See the membership check boxes below and Paragraph 2 regarding membership privileges in the Clubs' facilities. In the event Purchaser fails to enter into this Club Membership Addendum, thereby declining to acquire a membership, no purchase price discount will be given in the sales transaction between Purchaser and Seller.

(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 Seller is agreeing to discount the price of the Property, then the \$25,000 discount that Purchaser will apply 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 Seller, or upon a resale closing within the five (5) -year vesting period only if the resale buyer acquires a Club Membership and pays the initiation deposit then required. Any initiation deposit paid by Purchaser in excess of the \$25,000 discount so applied to the Property will be fully refunded as provided in the Club's Membership Plan and without regard to any vesting

period; but, the \$25,000 discount applied to the Membership will only be refunded during the vesting period if the resale buyer acquires a Membership, and all refundable amounts will be paid solely in accordance with, and within the period required under, the Membership Plan.



Box #1. PURCHASER ELECTS TO RECEIVE A CLIFFS FAMILY MEMBERSHIP. THE DEPOSIT FOR A CLIFFS FAMILY MEMBERSHIP IS \$50,000. By checking this box and initialing below, Purchaser acknowledges that Purchaser has read Paragraph 2 below. Purchaser hereby understands that a Cliffs Family Membership will not be issued and activated until the Club has received from the Purchaser the required deposit for the membership. \$25,000 of the deposit will be made at the Property closing as a result of Purchaser receiving a discount from Seller against the price of the Property in an equal amount. The remaining \$25,000 due for a Cliffs Family Membership represents Purchaser's election to receive a Family Membership, which Purchaser must acquire to receive the discount off the Property's price. The Purchaser must deliver the total \$50,000 membership deposit and complete the Club's required forms for a Cliffs Family Membership not later than the Purchaser's Property closing with Seller. If the Club does not receive such funding on or before the closing, the Purchaser will not receive the \$25,000 discount from Seller at the Property closing, and will pay as the Purchase Price for the Property the full Property List Price set forth above, and Purchaser will pay the full deposit required if Purchaser elects after closing to acquire a Family Membership and one is made available by the Club. Purchaser will have no guarantee that a Cliffs Family Membership will be available to Purchaser in the future. Purchaser further understands that a Cliffs Family Membership is subject to availability and that there is no guarantee that a Cliffs Family Membership will be available if Purchaser delays membership acquisition and later wishes to acquire a membership.

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



Box #2. PURCHASER ELECTS TO ACQUIRE A CLIFFS GOLF MEMBERSHIP. 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 2 below. Purchaser hereby understands that a Cliffs Golf Membership will not be issued and activated until the Club has received from the Purchaser the required deposit for the membership. \$25,000 of the deposit will be made at the Property closing as a result of Purchaser receiving a discount from Seller against the price of the Property in an equal amount. The remaining \$75,000 due for a Cliffs Golf Membership represents Purchaser's election to receive a Golf Membership. The Purchaser must deliver the total \$100,000 membership deposit and complete the Club's required forms for a Cliffs Golf Membership not later than the Purchaser's Property closing with Seller. If the Club does not receive such funding on or before the closing, the Purchaser will not receive the \$25,000 discount from Seller at the Property closing, and will pay as the Purchase Price for the Property the full Property List Price set forth above, and Purchaser will have no guarantee that a Cliffs Golf Membership will be available to Purchaser in the future. Pursuant to the membership Plan, the Purchaser may acquire a Golf Membership within 30 days of the property's Closing for the full amount of the deposit, but if Purchaser elects to do so, Purchaser will have forgone the Seller's discount at the Property's closing. 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

2. **The Golf & Country Club.** Purchaser hereby acknowledges the plan of development for the Cliffs Community above identified includes, or may include, the operation of a 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, The Cliffs Golf & Country Club, Inc., 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 of \$100,000 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. Please note however, because Purchaser is receiving a discount off the list price of the Property, which must be applied toward the membership initiation deposit, Purchaser must acquire the Cliffs Golf Membership on or before the Property closing and may not wait the 30 days otherwise applicable. A total of \$100,000 (includes the \$25,000 Property discount) is due on or before the Property Closing. 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 by checking Box #2 on page 2, then upon Purchaser making application and funding the required deposit on or before the Closing, 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 by checking Box #1 on page 2 of this Addendum, then upon making application and funding the required deposit at the Purchaser's Property closing with Seller, 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. Please note however, because Purchaser is receiving a discount off the list price of the Property, which must be applied toward the membership initiation deposit, Purchaser must acquire the Cliffs Family Membership on or before the Property closing and may not wait until after the closing. A total of \$50,000 (\$25,000 from the Property discount) is due on or before the Property Closing.

(c) **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 membership in the Club, subject to vesting with regard to the \$25,000 discount granted, as provided in Paragraph 1(a) above. In addition, if the resale buyer of Purchaser's Property wishes 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 deposit that Purchaser's resale buyer makes for the issuance of a membership may be more or less than the deposit Purchaser made. 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.

3. **Effective Date.** This Addendum shall become effective the last date executed by a party to be bound hereby, and is subject to all other terms and conditions of the Agreement.

Purchaser:

Sharon L. Sumner

05      20      2006  
Month      Day      Year

Seller:

Keowee Falls Investment Group, LLC

By:

Monty Setch

Its:

TREASURER

05      20      06  
Month      Day      Year

For The Cliffs Club:

The Cliffs Golf & Country Club, Inc.

By:

Monty Setch

Its:

TREASURER

05      20      06  
Month      Day      Year

A. U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT <b>SETTLEMENT STATEMENT</b>		B. TYPE OF LOAN:				
		1. <input type="checkbox"/> FHA 2. <input type="checkbox"/> FmHA 3. <input checked="" type="checkbox"/> CONV. UNINS. 4. <input type="checkbox"/> VA 5. <input type="checkbox"/> CONV. INS.				
		6. FILE NUMBER: 06-0948C		7. LOAN NUMBER:		
		8. MORTGAGE INS CASE NUMBER:				
C. NOTE: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "POC" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.						
D. NAME AND ADDRESS OF BORROWER:		E. NAME AND ADDRESS OF SELLER:		F. NAME AND ADDRESS OF LENDER:		
Keowee Development, LLC P.O. Box 1765 Clemson, SC 29633		Keowee Falls Investment Group LLC 3598 Highway 11 Travelers Rest, SC 29690 TIN: 27-0034243		NBSC		
G. PROPERTY LOCATION: Lot 48 High Ridge/Ciffs @ Keowee Falls South Salem, SC Oconee County, South Carolina Lot 48 High Ridge Ciffs @ Keowee Falls South		H. SETTLEMENT AGENT: 57-1014449 Olson, Smith, Jordan & Cox, P.A.  PLACE OF SETTLEMENT 600 College Avenue Clemson, SC 29631			I. SETTLEMENT DATE:  June 20, 2006	
J. SUMMARY OF BORROWER'S TRANSACTION				K. SUMMARY OF SELLER'S TRANSACTION		
100. GROSS AMOUNT DUE FROM BORROWER:				400. GROSS AMOUNT DUE TO SELLER:		
101. Contract Sales Price 185,000.00				401. Contract Sales Price 185,000.00		
102. Personal Property				402. Personal Property		
103. Settlement Charges to Borrower (Line 1400) 3,155.00				403.		
104. Working Capital Contribution to Keowee Falls Propa 116.87				404.		
105.				405.		
Adjustments For Items Paid By Seller in advance				Adjustments For Items Paid By Seller in advance		
106. City Taxes to				406. City Taxes to		
107. County Taxes 06/21/06 to 01/01/07 47.22				407. County Taxes 06/21/06 to 01/01/07 47.22		
108. Assessments 06/21/06 to 01/01/07 299.68				408. Assessments 06/21/06 to 01/01/07 299.68		
109. Family Membership 50,000.00				409. Family Membership 50,000.00		
110. Golf Memb. Deferred \$50,000				410. Golf Memb. Deferred \$50,000		
111.				411.		
112.				412.		
120. GROSS AMOUNT DUE FROM BORROWER 238,618.57				420. GROSS AMOUNT DUE TO SELLER 235,346.90		
200. AMOUNTS PAID BY OR IN BEHALF OF BORROWER:				500. REDUCTIONS IN AMOUNT DUE TO SELLER:		
201. Deposit or earnest money 10,000.00				501. Excess Deposit (See Instructions)		
202. Principal Amount of New Loan(s) 285,000.00				502. Settlement Charges to Seller (Line 1400) 105,918.40		
203. Existing loan(s) taken subject to				503. Existing loan(s) taken subject to		
204.				504. Payoff of first Mortgage to Release/Regions 54,714.25		
205.				505. Payoff of second Mortgage		
206.				506.		
207. Line of Credit Draw 235,000.00				507. (Deposit disp. as proceeds)		
208.				508.		
209.				509.		
Adjustments For Items Unpaid By Seller				Adjustments For Items Unpaid By Seller		
210. City Taxes to				510. City Taxes to		
211. County Taxes to				511. County Taxes to		
212. Assessments to				512. Assessments to		
213.				513.		
214.				514.		
215.				515.		
216.				516.		
217.				517. Prepaid Club Dues to Cliffs Golf & Country Club 15,000.00		
218.				518. Marine Credit to Cliffs Golf & Country Club 5,000.00		
219.				519.		
220. TOTAL PAID BY/FOR BORROWER 245,000.00				520. TOTAL REDUCTION AMOUNT DUE SELLER 180,632.65		
300. CASH AT SETTLEMENT FROM/TO BORROWER:				600. CASH AT SETTLEMENT TO/FROM SELLER:		
301. Gross Amount Due From Borrower (Line 120) 238,618.57				601. Gross Amount Due To Seller (Line 420) 235,346.90		
302. Less Amount Paid By/For Borrower (Line 220) ( 245,000.00)				602. Less Reductions Due Seller (Line 520) ( 180,632.65)		
303. CASH ( FROM ) ( X TO ) BORROWER 6,381.43				603. CASH ( X TO ) ( FROM ) SELLER 54,714.25		

The undersigned hereby acknowledge receipt of a completed copy of pages 1&2 of this statement & any attachments referred to herein.

Borrower Keowee Development, LLC

BY: Sharon L. Simmons, Member

BY: John A. Walter, Member

BY: Larry D. Large, Member

Seller Keowee Falls Investment Group, LLC  
By its Sole Member:  
The Cliffs Communities, Inc.

BY: 

earthsmart

FedEx carbon-neutral  
envelope shipping

Express

ORIGIN ID: ANDA (864) 654-1717  
JOHN WALTER  
PAK MAIL CENTER  
1085 OLD CLEMSON HWY STE E  
SENECA, SC 29672  
UNITED STATES US

SHIP DATE: 30MAY12  
ACTWGT: 0.1 LB  
CAD: 101773201/MSX12250  
BILL SENDER

TO ATTN: CLIFFS CLAIMS PROCESSING

BMC GROUP, INC.  
18675 LAKE DRIVE EAST

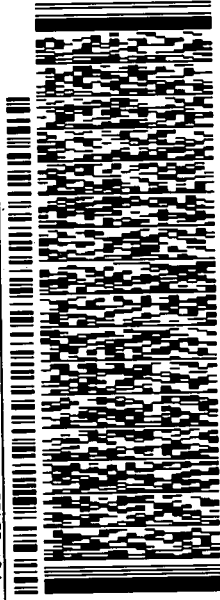
RECEIVED

MAY 31 2012

CHANHASSEN MN 55317

(864) 654-1717 REF: 8644386768  
INV: 32466  
PO: 32456

BMC GROUP



FedEx  
Express



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THU - 31 MAY A1  
PRIORITY OVERNIGHT

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NA FBLA

55317  
MN-US MSP



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