

### ASSUMPTION AGREEMENT REGARDING MEMBERSHIPS

This ASSUMPTION AGREEMENT REGARDING MEMBERSHIPS ("Assumption Agreement") is made as of the \_\_\_\_ day of August, 2012 by and among **THE CLIFFS CLUB & HOSPITALITY GROUP, INC., THE CLIFFS AT KEOWEE SPRINGS GOLF & COUNTRY CLUB, LLC** ("Keowee Springs"), and each of the Debtors (the "Debtors") in jointly administered Chapter 11 cases pending before the United States Bankruptcy Court for the District of South Carolina (the "Bankruptcy Court") under Case No. 12-1220<sup>1</sup> (the "Chapter 11 Cases"), **KEOWEE INVESTMENT PROPERTIES, LLC**, a South Carolina Limited Liability Company ("KIP") and **CLIFFS CLUB PARTNERS, LLC**, a Delaware limited liability company (the "Plan Sponsor") for the purpose of the Debtors assuming those obligations, as modified hereby, set forth in that certain Irrevocable Easement and Agreement for Access, Use and Enjoyment executed as of August 5, 2011 (the "Easement") by and among KIP, Keowee Springs, and Longview Land Co., LLC ("Longview").

WITNESSETH:

WHEREAS, KIP holds title to certain real estate fronting Lake Keowee more particularly described in Exhibit A (the "Property");

WHEREAS, KIP is in the process of developing the Property for sale as lots suitable for residential development (whether now existing or hereafter created from the Property, the "Platted Lots");

WHEREAS, pursuant to the Easement, KIP and subsequent purchasers of lots developed on the Property by KIP, were granted an irrevocable right, among other things, to purchase club memberships ("Memberships") in the "Cliffs at Keowee Springs Golf and Country Club" (the "Keowee Springs Club"), a country club operated by the Debtor, Keowee Springs;

WHEREAS, on February 28, 2012 (the "Petition Date"), the Debtors filed voluntary petitions under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") and are debtors and debtors in possession in the Bankruptcy Case;

WHEREAS, the Debtors have proposed their *First Amended and Restated Joint Chapter 11 Plan filed by the Debtors and the Plan Sponsor* dated June 30, 2012, and filed July 2, 2012, ("Joint Plan") which provides that the Plan Sponsor will acquire substantially all of the assets of the Debtors, including the Keowee Springs Club and the amenities and facilities of the Club ("Club Facilities"), upon confirmation of the Joint Plan, and will thereafter manage and be in control of the Debtors' clubs and membership therein, which, from and after the Effective Date of the Joint Plan shall be referred to as the "New Cliffs Clubs";

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<sup>1</sup> The Debtors are as follows: The Cliffs Club & Hospitality Group, Inc., CCHG Holdings, Inc., The Cliffs at Glassy Golf & Country Club, LLC, The Cliffs Valley Golf & Country Club, LLC, The Cliffs at Mountain Park Golf & Country Club, LLC, The Cliffs at Keowee Springs Golf & Country Club, LLC, The Cliffs at Keowee Falls Golf & Country Club, LLC, The Cliffs at Keowee Vineyards Golf & Country Club, LLC, The Cliffs at Walnut Cove Golf & Country Club, LLC, The Cliffs at High Carolina Golf & Country Club, LLC.

WHEREAS, during the Bankruptcy Case, KIP filed an unsecured proof of claim against the Debtors for an unliquidated amount representing the damages associated with any breach of the Easement by Keowee Springs, specifically, and the Debtors, generally (the "Easement Claim");

WHEREAS, the Plan Sponsor is willing to be bound by the terms of the agreement set forth in the Easement as modified hereunder following confirmation of the Joint Plan, and to allow KIP to offer memberships in the New Cliffs Clubs to purchasers of the Platted Lots on certain conditions set forth herein;

WHEREAS, in furtherance of the Joint Plan and in compromise and full satisfaction of the Easement Claim, the parties have agreed, pursuant to this Assumption Agreement, the Joint Plan and the order of the Bankruptcy Court confirming the Joint Plan ("Confirmation Order"), to restate the terms of the Easement as they apply to KIP as set forth herein (once restated herein, the Easement shall be referred to as the "Membership Agreement") and for the Debtors to assume the Membership Agreement and for the Membership Agreement to be assigned by the Debtors to the Plan Sponsor pursuant to Section 365 of the Bankruptcy Code.

NOW, THEREFORE, for good and valuable consideration the sufficiency of which is acknowledged by the Debtors, KIP and the Plan Sponsor, the parties hereto agree as follows:

1. Definitions. All capitalized terms used herein which are not otherwise defined herein shall have the meanings given to such terms in the Easement, a copy of which is attached hereto as Exhibit B and incorporated herein. The term "Residential Consumer" shall mean a purchaser of an individual residence or homesite that is purchasing the same for such individual purchaser's non-commercial or personal consumptive use. The term "Anthony Entity" shall mean any entity in which James B. Anthony ("Anthony") or any spouse, child or spouse of any child of Anthony holds a direct or indirect ownership interest, or by which Anthony is employed or to which Anthony renders consulting or other services.
2. Option to Purchase Membership in the New Cliffs Clubs. In the event that any Residential Consumers purchase any Platted Lots from KIP, such Residential Consumers and their successors or assigns who are also Residential Consumers, shall have the right to purchase Memberships in the New Cliffs Clubs on substantially the same terms and shall be offered the same membership rights and privileges as those being offered to Residential Consumers who purchase lots from the Plan Sponsor. Notwithstanding the foregoing, the parties acknowledge and agree that currently such terms include, but are not limited to, the obligation to pay to the New Cliffs Clubs an access fee of eight percent (8%) of the gross purchase price from the sale of the Platted Lot as well as an initiation fee and annual dues charged to club members in accordance with and as dictated by the relevant New Cliffs Clubs membership plan in effect at time of purchase. The parties further acknowledge and agree that the Keowee Springs Club shall initially be such Residential Consumers' "Home Club," as that term is used in Membership Plan (defined below).

3. No Obligation to Cure Easement Claim. Upon entry of the Confirmation Order providing for the assumption by the Debtors and assignment to the Plan Sponsor of the Membership Agreement, the Easement Claim shall be deemed satisfied with no corresponding payment or cure obligation due and shall be expunged in its entirety. KIP further agrees and acknowledges that the transfer of the Debtors' real and personal property assets to the Plan Sponsor pursuant to the Joint Plan and Confirmation Order shall be free and clear of any easement or covenant running with the land created by virtue of the Easement in favor of KIP and all Residential Consumers who purchase land from KIP.
4. Forfeiture of Membership Rights: Any and all rights afforded to KIP, its successors, purchasers or assigns under the Membership Agreement, including, but not limited to, the right of Residential Consumers of Platted Lots to purchase Memberships in the New Cliffs Clubs, shall be immediately forfeited, and shall be null, void and of no effect, upon or in the event that (i) KIP transfers or conveys all or a material portion of the Property, including but not limited to the Platted Lots, to an entity that KIP knew or, after reasonable inquiry should have known, was Anthony or an Anthony Entity; (ii) KIP is, as of the Effective Date of the Debtor's plan of reorganization or thereafter, becomes a party to or enters into a partnership or joint venture with an entity that KIP knew, or after reasonable inquiry should have known, was Anthony or any Anthony Entity for the purpose of development and/or sale of the Property, including but not limited to the Platted Lots; or (iii) Anthony or any Anthony Entity acquires an interest in KIP. Any such forfeiture shall not impact the membership rights of any Residential Consumer purchaser of a Platted Lot from whom the Plan Sponsor or New Cliffs Clubs had, as of the date of such forfeiture, already received the required access fee and initiation fee. Any forfeiture hereunder shall not reinstate the Easement Claim or give rise to any claim against any of the parties to this Assumption Agreement, including, but not limited to, the Debtors or the Plan Sponsor or any of their successors, assigns, agents, employees, servants, affiliates or entities in which any of them hold an interest.
5. Limitations on Changes to Club Membership Documents: The term "Club Membership Documents", as used herein, shall mean the membership plan (the "Membership Plan"), rules and regulations, application and membership agreement, any policies, and any other related documents, current examples of which are attached to the Joint Plan, but with such term including all such membership documents applicable to any and all of the Debtors' Clubs or New Cliffs Clubs. The Debtors for themselves and for all of the Cliffs Clubs, hereby agree that they, and all of their successors and assigns, including, but not limited to, the Plan Sponsor, shall not, without the prior written consent of KIP, which consent shall not be unreasonably withheld, take any of the below actions:
  - (a) convert the New Cliffs Clubs to an equity form of membership or ownership pursuant to Section 2 of the Membership Plan;
  - (b) engage in any action, practice or activity that results in a discriminatory effect towards Residential Consumers who purchase any Platted Lots KIP or their successors or assigns who are also Residential Consumers or the members of the New Cliffs Club at Keowee Springs as compared to the purchasers of Platted Lots from the Plan Sponsor or the members of any of the other New Cliffs Clubs; or

(c) allow use of the Club at Keowee Springs by persons other than in accordance with the Membership Plan as then in effect.

The provisions of this Section shall not limit the right of the New Cliffs Clubs to change the Membership fees and dues structure and amounts from time to time in the New Cliff Club's sole discretion, so long as such changes are universally applied to all members of a particular membership category

6. KIP as Developer. The Debtors for themselves and for all of the Debtors' Clubs, and their successors and assigns, including, but not limited to, the Plan Sponsor, acknowledge and agree that KIP is a "Developer" as that term is used in the Membership Plan. KIP shall continue to enjoy the privileges of being a "Developer" in all Club Membership Documents.
7. No Release of Membership Parties: Nothing herein is intended to release or otherwise limit any action, cause of action, debt, demand, guaranty or liability held by KIP against any third party, other than to provide for the Easement Claim against the Debtors to be expunged.
8. Access Rights to the Cliffs Clubs: The Debtors for themselves and for all of the Cliffs Clubs, hereby agree that they, and their successors and assigns, including, but not limited to, the Plan Sponsor, shall provide to KIP the same rights as any other "Developer" as such term is defined in the Membership Plan to access the New Cliffs Clubs for the purpose of promoting the sale of the Property and the sale of memberships to prospective purchasers of the Property.
9. Severability of Provisions. If any provision of this Assumption Agreement or of the Membership Agreement is construed to be invalid or unenforceable, there shall be substituted therefor another provision regarding the subject matter of the invalid or unenforceable provision, which substitute provision shall be valid and enforceable and as similar as possible to the invalid or unenforceable provision; and the remaining provisions hereof shall not be affected by such invalidity or unenforceability. Each term and provision contained herein, however, is valid and enforceable to the fullest extent permitted by applicable law.
10. Notices, Etc. All notices or demands hereunder shall be in writing and shall be given by (i) personal delivery in which case such notice shall be deemed delivered upon receipt, (ii) commercial overnight delivery service in which case such notice shall be deemed delivered one (1) business day after deposit with such delivery service or (iii) certified mail, return receipt requested in which case such notice shall be deemed delivered on the third (3rd) day after deposit in the mail, to the following addresses:

If to KIP:

Keowee Investment Properties, LLC  
183 Faris Circle

Greenville, SC 29605  
Attention: Gregory A. Saad

With copy to (which shall not constitute notice):

Thomas F. Dugas, Esq.  
Horton Drawdy Ward Mullinax & Farry, PA  
307 Pettigru Street  
Greenville, SC 29601

Rory D. Whelehan, Esq.  
Womble Carlyle Sandridge & Rice, LLP  
P.O. Box 10208  
Greenville, SC 29603-0208

If to the Debtors:

GGG Partners, LLC  
5883 Glenridge Drive NE  
Suite #160  
Atlanta, Georgia 30328

Attention: Katie Goodman, CRO

With copy to (which shall not constitute notice):

McKenna, Long & Aldridge LLP  
303 Peachtree Street  
Suite 5300  
Atlanta, Georgia 30308  
Attention: Gary Marsh

If to the Plan Sponsor:

Cliffs Club Partners, LLP  
4200 Marsh Landing Blvd.  
Suite 100  
Jacksonville Beach, Florida 32250  
Attention: John Kunkle

With copy to (which shall not constitute note):

Holland & Knight, LLP

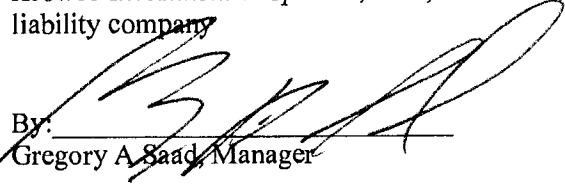
50 North Laura Street  
Suite 3900  
Jacksonville, FL 32202  
Attention: James Main, Esq.

11. Amendments, Etc. Neither this Assumption Agreement nor any provision of the Membership Agreement may be amended, changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against whom enforcement of the change, waiver, discharge or termination is sought.
12. Governing Law. This Assumption Agreement shall be governed by and construed according to the statutes and laws of the State of South Carolina from time to time in effect.
13. Successors and Assigns. This Assumption Agreement and the Membership Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective heirs, successors and assigns. KIP consents to assignment of this Assumption Agreement and the Membership Agreement to the Plan Sponsor, or its designee. The Debtors and Plan Sponsor shall take any and all steps necessary to cause their respective heirs, successors, assigns, and any purchasers of the real estate of Keowee Springs or any of the New Cliffs Clubs to exercise a joinder to this Assumption Agreement and the Membership Agreement, the form of which shall be provided by KIP. Any sale, merger or other disposition of the Plan Sponsor or the real estate of Keowee Springs or any of the New Cliffs Clubs shall be expressly conditioned on the purchaser's or surviving entity's assumption of this Assumption Agreement and the Membership Agreement.
14. Time of the Essence. The parties acknowledge and agree that with respect to performance of their respective duties and obligations under this Assumption Agreement and the Membership Agreement, time is of the essence.
15. Termination. This Assumption Agreement and the Membership Agreement shall terminate upon the earlier of the occurrence of: (a) the cessation of the offering of any memberships by the Debtors, all of their successors and assigns, including, but not limited to, the Plan Sponsor, or its successors or assigns in the Keowee Springs Club or the New Cliffs Club, provided, however, that this Assumption Agreement and the Membership Agreement shall be reinstated and of force and effect should a resumption of the offering of memberships occur after any such cessation; or (b) the events of forfeiture set forth in Paragraph 5 herein; or (c) the thirtieth (30<sup>th</sup>) anniversary of the effective date of the Debtors' plan of reorganization.
16. Continuing Effect of the Membership Agreement: Unless expressly modified or referenced herein, all other terms of the Membership Agreement shall remain in full force and effect and are hereby ratified and incorporated by reference. Notwithstanding the foregoing, if there is any conflict between the terms of the Club Membership Documents or the terms of the Membership Agreement and the terms of this Assumption Agreement, the terms of this Assumption Agreement shall govern and control as among the parties hereto.

[Signatures begin on following page]

IN WITNESS WHEREOF, the parties have executed or have caused this Assumption Agreement to be executed by their duly authorized representatives, under seal, as of the date set forth above.

*Keowee Investment Properties, LLC*, a South Carolina limited liability company

By:   
Gregory A. Saad, Manager

*PLAN SPONSOR:*

*Cliffs Club Partners, LLC*

By: 

Name: *John C. Kunkin*

Title: *Vice President*

*THE DEBTORS:*

Consented to by each of the Debtors:

*The Cliffs Club & Hospitality Group, Inc.*

By: 

Name: Katie S. Goodman, solely in her representative capacity as CRO of the Debtors and not individually

*CCHG Holdings, Inc.*

By: 

Name: Katie S. Goodman, solely in her representative capacity as CRO of the Debtors and not individually



*The Cliffs at Mountain Park Golf & Country Club, LLC*

By: THE CLIFFS CLUB & HOSPITALITY GROUP, INC.,  
AS SOLE MEMBER

By: \_\_\_\_\_

Name: Katie S. Goodman, solely in her representative capacity as  
CRO of the Debtors and not individually

*The Cliffs at Keowee Vineyards Golf & Country Club, LLC*

By: THE CLIFFS CLUB & HOSPITALITY GROUP, INC.,  
AS SOLE MEMBER

By: \_\_\_\_\_

Name: Katie S. Goodman, solely in her representative capacity as  
CRO of the Debtors and not individually

*The Cliffs at Walnut Cove Golf & Country Club, LLC*

By: THE CLIFFS CLUB & HOSPITALITY GROUP, INC.,  
AS SOLE MEMBER

By: \_\_\_\_\_

Name: Katie S. Goodman, solely in her representative capacity as  
CRO of the Debtors and not individually

*The Cliffs at Keowee Falls Golf & Country Club, LLC*

By: THE CLIFFS CLUB & HOSPITALITY GROUP, INC.,  
AS SOLE MEMBER

By: \_\_\_\_\_

Name: Katie S. Goodman, solely in her representative capacity as  
CRO of the Debtors and not individually

*The Cliffs at Keowee Springs Golf & Country Club, LLC*

By: THE CLIFFS CLUB & HOSPITALITY GROUP, INC.,  
AS SOLE MEMBER

By: 

Name: Katie S. Goodman, solely in her representative capacity as  
CRO of the Debtors and not individually

*The Cliffs at High Carolina Golf & Country Club, LLC*

By: THE CLIFFS CLUB & HOSPITALITY GROUP, INC.,  
AS SOLE MEMBER

By: 

Name: Katie S. Goodman, solely in her representative capacity as  
CRO of the Debtors and not individually

*The Cliffs at Glassy Golf & Country Club, LLC*

By: THE CLIFFS CLUB & HOSPITALITY GROUP, INC.,  
AS SOLE MEMBER

By: 

Name: Katie S. Goodman, solely in her representative capacity as  
CRO of the Debtors and not individually

*The Cliffs Valley Golf & Country Club, LLC*

By: THE CLIFFS CLUB & HOSPITALITY GROUP, INC.,  
AS SOLE MEMBER

By: 

Name: Katie S. Goodman, solely in her representative capacity as  
CRO of the Debtors and not individually

*Cliffs Club & Hospitality Service Company, LLC*

By: THE CLIFFS CLUB & HOSPITALITY GROUP, INC.,  
AS SOLE MEMBER

By: 

Name: Katie S. Goodman, solely in her representative capacity as  
CRO of the Debtors and not individually

**EXHIBIT "A"**

The Property

All those certain pieces, parcels or tracts of land situate, lying and being in the State of South Carolina, County of Pickens, being shown and designated as **Parcel #1, containing 102.39 acres**, more or less, **Parcel #2, containing 113.89 acres**, more or less, **Parcel #3, containing 102.39 acres**, more or less, and **Parcel #4, containing 69.59 acres**, more or less, upon a plat entitled "Boundary Survey for Longview Land Co., LLC", dated April, 2002, revised August 22, 2008, prepared by CBS Surveying & Mapping, Inc., recorded in the Office of the Register of Deeds for Pickens County, SC on August 27, 2008 in Plat Book 592 at Page 257; reference to said plat being made for a more complete metes and bounds description thereof.

ALSO:

All that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Pickens, being shown and designated as **Parcel #5, containing 188.31 acres**, more or less, upon a plat entitled "Boundary Survey for Longview Land Co., LLC", dated April, 2002, revised August 22, 2008, prepared by CBS Surveying & Mapping, Inc., recorded in the Office of the Register of Deeds for Pickens County, SC on August 27, 2008 in Plat Book 592 at Page 257; reference to said plat being made for a more complete metes and bounds description thereof.

ALSO:

All that certain piece, parcel or lot of land situate, lying and being in the State of South Carolina, County of Pickens, being shown and designated as **Parcel "B"**, containing 0.437 acres (19,041.41 sq ft) upon a plat entitled "Survey for Roger D. Kelley & Longview Land Company, LLC", dated August 21, 2009, prepared by Lindsey & Associates, Inc., of record in the Office of the Register of Deeds for Pickens County, SC on May 7, 2010 in Plat Book 595 at Page 24; reference being hereby made to said plat for a more complete and accurate metes and bounds description.

LESS HOWEVER:

All that certain piece, parcel or lot of land situate, lying and being in the State of South Carolina, County of Pickens, being shown and designated as **Parcel "A"**, containing 0.077 acres (3,370.16 sq ft) upon a plat entitled "Survey for Roger D. Kelley & Longview Land Company, LLC", dated August 21, 2009, prepared by Lindsey & Associates, Inc., of record in the Office of the Register of Deeds for Pickens County, SC on May 7, 2010 in Plat Book 595 at Page 24; reference being hereby made to said plat for a more complete and accurate metes and bounds description.

**EXHIBIT "B"**

The Easement

Inst # 201111066 DocType:D/EASE Page 1  
of 12 BKD:1401 PG:102 08/09/2011 at  
10:42:33 AM, Fee:\$18.00 PAUL MCGUFFIN  
REGISTER OF DEEDS PICKENS CO., SC

**IRREVOCABLE EASEMENT AND AGREEMENT FOR  
ACCESS, USE AND ENJOYMENT**

**THIS IRREVOCABLE EASEMENT AND AGREEMENT FOR ACCESS, USE AND ENJOYMENT** (this "*Agreement*") is made this 5th day of August, 2011 (the "*Effective Date*"), by and among **The Cliffs at Keowee Springs Golf & Country Club, LLC**, a South Carolina limited liability company ("*Grantor*"), **Longview Land Co., LLC** ("*Longview*") and **Keowee Investment Properties, LLC**, ("*KIP*") a South Carolina limited liability company (hereinafter collectively "*Grantee*").

**WITNESSETH:**

**WHEREAS**, Grantor is the owner and operator of The Cliffs at Keowee Springs Golf & Country Club (the "*Club*") and all real property and improvements associated therewith located in Pickens County, South Carolina, as more fully described on Exhibit A attached hereto (collectively, the "*Club Property*");

**WHEREAS**, Grantor is responsible for, among other things, (i) the operation and maintenance of all facilities and other amenities appurtenant to the Club (collectively, the "*Club Facilities*"), and (ii) the sales and issuance of memberships for the Club ("*Club Memberships*") together with the administration of all other documents and contract rights related to Club Memberships, including, without limitation, all membership agreements governing existing and future Club members (collectively, the "*Membership Plan*");

**WHEREAS**, Grantee is the owner of that certain real property located in Pickens County, South Carolina (as more fully described on Exhibit B attached hereto, (the "*Development Property*") which is contiguous to the residential development known as The Cliffs at Keowee Springs and which is contiguous and adjacent to the Club Property; and

**WHEREAS**, pursuant to that certain Restated and Amended Agreement dated February 26, 2009, as amended by that First Amendment to Restated and Amended Agreement dated October 29, 2010 (hereinafter "*Prior Agreements*"), Grantor agreed to hold in reserve up to two hundred forty (240) Full Golf and/or Family Memberships for the benefit of KIP; and

**WHEREAS**, Grantor and Grantee desire to ratify the Prior Agreements and have agreed that the Easement (as defined below) and the Lot Rights (as defined below) are necessary for the successful development of the Development Property, and also are in the best interest of the Club.

**NOW, THEREFORE**, in consideration of the sum of Ten and No/100 Dollars (\$10.00), and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Grantor and Grantee hereby agree as follows:

1. Grant of Irrevocable Easement of Access, Use and Enjoyment. Grantor does hereby give, grant and convey to Grantee and each Eligible Owner (defined below) and to the Development Property (or portions thereof subdivided into residential lots, individually a "Lot" and collectively

the "Lots"), an irrevocable and alienable non-exclusive easement for the access, use and enjoyment of the Club Property, the Club Facilities, and any other improvements now or hereafter located thereon and therein (the "*Easement*") and does hereby give, grant and convey to the Grantee and each Eligible Owner and to the Development Property an irrevocable and alienable right for the access, use and enjoyment of the Club Property, the Club Facilities and other improvements now or hereafter located thereon and therein (the "*Lot Rights*"); provided Grantee or such Eligible Owner purchases a Club Membership from Grantor in accordance with this Agreement.

As used herein, the term "*Eligible Owner*" shall mean the Grantee, the owner of the Development Property, a Lot, or Lots who either: (i) acquires the Development Property, Lot or Lots directly from Grantee; or (ii) any Purchaser who acquires the Development Property, Lot, or Lots from an Eligible Owner.

2. Option to Purchase Club Membership Interest. Grantor hereby grants Grantee and each Eligible Owner the right and option to purchase an applicable Club Membership in accordance with the terms of this Agreement and the Membership Plan ("*Option to Purchase*"). Memberships offered by the Grantor in the Membership Plan as of the date of this Agreement are Wellness, Family, and Full Golf. The Option to Purchase shall run with the title to the Development Property, a Lot, or Lots and may be exercised by Grantee or any Eligible Owner at anytime. The purchase price for such Club Membership shall equal the lesser of the price set forth in the Membership Plan or the lowest price for such Club Membership that is otherwise available at the time of the exercise of the Option to Purchase, in each case for the specific category of Club Membership sought to be purchased ("*Membership Fee*"). Grantee or the Eligible Owner may exercise the Option to Purchase by submitting a membership application to the Grantee based upon the then-current application form, provided, however, that, notwithstanding the terms of any such application form or the terms of the Membership Plan, the Grantee or Eligible Owner, as applicable, shall not be denied a Club Membership for any reason other than failure to make application and to pay the Membership Fee within the required time periods as set out in the Membership Plan, or, thereafter, (a) failure to pay the applicable dues (which dues shall be the same dues as are otherwise paid by the other Club Members within the same category of membership) and applicable usage charges and fees; or (b) failure to comply with the general membership standards, practices and policies of the Membership Plan. In no event shall Grantor discriminate against the Grantee or Eligible Owner(s) in favor of other members or prospective members. Notwithstanding anything to the contrary in the Membership Plan, all applicable categories of Club Membership shall be available to Grantee or any Eligible Owner for purchase under the terms of this Agreement provided that such Grantee or Eligible Owner submits the required application and fees for the purchase of a Club Membership in accordance with this Agreement.

**GRANTOR ACKNOWLEDGES AND CONFIRMS THAT TWO HUNDRED FORTY (240) FULL GOLF/FAMILY/WELLNESS MEMBERSHIPS ARE IN RESERVE FOR THE SOLE BENEFIT OF GRANTEE AND ANY ELIGIBLE LOT OWNER TO PURCHASE PURSUANT TO THE TERMS AND CONDITIONS SET FORTH HEREIN.**

3. Reservation of Rights. Grantor reserves the right for itself, its employees, agents, contractors, invitees, tenants, and successors in title to the Club Property and the Club Facilities, and all current and future members of the Club in good standing pursuant to the Membership Plan

(collectively, "*Club Members*"), to use the Club Property and Club Facilities in any lawful manner which will not materially interfere with the Easement rights and Lot Rights of Grantee and any Eligible Owner granted herein.

4. Covenants Running with the Land. The Easement, the Lot Rights, and the Option to Purchase shall burden all of the Club Property and the Club Facilities, and shall forever be appurtenant to and benefit the Development Property, Lot or Lots. The Easement, the Lot Rights, the Option to Purchase and all other rights granted herein shall constitute covenants running with the land, and shall apply to, inure to the benefit of, and be binding upon Grantor and Grantee, and their respective successors, successors-in-title, assigns, and mortgagees, including, without limitation, (a) any Applicable Mortgagee; and (b) any Eligible Owner.

5. Estoppel. Each party hereto agrees, at any time and from time to time, upon not less than fifteen (15) day's prior written notice by any other party, to execute, acknowledge and deliver to the requesting party a statement in writing certifying (a) that this Agreement is unmodified and in full force and effect (or if there have been modifications, that the same is in full force and effect as modified and stating the modifications) (or specifying the ground for claiming that this Agreement is not in force and effect), (b) whether there are then existing any defaults of any of the terms, covenants or conditions hereof upon the part of the other party (and if so, specifying the same) and (c) whether, to the best knowledge of the certifying party, the requesting party is in default in its performance of any covenant, agreement or condition contained in this Agreement and, if so, specifying each such default of which the certifying party may have knowledge, and (d) such other matters as the requesting party may reasonably request.

7. Notices. Each notice to any party concerning the subject matter of this Agreement shall be in writing and shall be deemed to have been properly given or serviced by (i) the deposit of the same with the United States Postal Service, or any official successor thereto, designated as registered or certified mail, return receipt requested, bearing adequate postage and addressed as hereinafter provided or (ii) delivery by UPS, Federal Express, Airborne or other reputable overnight commercial courier with receipt for delivery obtained by courier. Each notice shall be effective upon being deposited as aforesaid and shall be deemed to have been received three (3) business days from and after such deposit. Each notice may also be served by personal service addressed as hereinafter provided. By giving each of the other parties at least ten (10) days prior written notice thereof, and party shall have the right from time to time to change the address(es) (other than to a post office box) thereof and to specify as the address(es) therefore any other address(es) within the United States of America. Any written notice from a party's attorney-at-law given in the manner specified herein shall be deemed to constitute notice from such party. Notices shall be addressed as follows:

|          |  |
|----------|--|
| Grantor: | The Cliffs at Keowee Springs Golf & Country Club, LLC<br>3598 Highway 11<br>Travelers Rest, SC 29690<br>Attn: Jonathan Scott Carlton |
|----------|--|

Grantee: Kcowee Investment Properties, LLC  
183 Faris Circle  
Greenville, SC 29605  
Attn: Gregory A. Saad

Grantee: Longview Land Co., LLC  
3598 Highway 11  
Travelers Rest, SC 29690  
Attn: James B. Anthony

with a copy to: Thomas F. Dugas  
Horton Drawdy Ward Mullinax & Farry, PA  
307 Pettigru Street  
Greenville, SC 29601

8. Authority. Grantor represents and warrants that it is the lawful owner of fee title to the Club Property and Club Facilities, and has all right and authority to enter into this Agreement and grant the Easement and the Lot Rights and Option to Purchase herein. Grantee hereby represents and warrants that Grantee has the right and authority to enter into this Agreement and accept the benefits of the Easement and the Lot Rights and Option to Purchase granted herein. Grantor hereby represents and warrants that Grantor has obtained all necessary consents authorizing the execution of this Agreement, including without limitation, any consents required pursuant to the holder or beneficiary under any encumbrance affecting title to the Club Property that is senior to this Agreement.

9. Non-Contravention of Organizational Documents. The execution of this Agreement by Grantor and the Easement and the Lot Rights and Option to Purchase granted herein, or Grantor's execution of any other documentation or instruments relating to this Agreement and its respective performance thereunder, will not violate or contravene Grantor's organizational documents, any applicable law or regulation, or any agreement of any kind to which Grantor or affiliates of Grantor is a party.

10. Ownership, Control and Conversion to Equity Member-Owned Club. As of the date hereof, Grantor hereby represents and warrants that the ownership and control of the Club Property and Club Facilities, including, without limitation, the issuance of the Club Memberships, is vested solely with Grantor, and Grantor has not provided written or oral notice to any other person or entity of Grantor's intention to convert the Club to an equity member-owned club (as such action is specifically reserved in the Membership Plan), and Grantor will not take any action to cause the Club to be converted to an equity member-owned club without the prior written consent of Developer and any Eligible Owner (which consent may be withheld in its sole and absolute discretion). For so long as the Option to Purchase remains in effect, Grantor will not cause the Club Property or the Club Facilities to be directly or indirectly transferred, conveyed, assigned, mortgaged, pledged, hypothecated, subjected to any other liens, options or otherwise divest Grantor's interest therein to any other person or entity.

11. Additional Documents. Grantor shall execute and deliver to Grantee or any Eligible Owner, upon demand, such additional assurances, writings or other instruments as may be reasonably



required by Grantee to evidence the Easement and the Lot Rights and Option to Purchase granted herein.

12. No Waiver. No consent or waiver, express or implied, by any party to or of any breach or default by any other party in the performance by such other party of the obligations thereof under this Agreement shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance by such other party of the same or any other obligations of such other party under this Agreement. Failure on the part of one of the parties hereto to complain of any act or failure to act of any of the other parties or to declare such other party in default, irrespective of how long such failure continues, shall not constitute a waiver of such party of the rights thereof under this Agreement.

13. Severability. If any provision of this Agreement or the application thereof to any entity or circumstance shall be invalid or unenforceable to any extent and such invalid provision does not materially affect the right of the parties hereto, the remainder of this Agreement and the application of such provision to any other entity or circumstance shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

14. Applicable Law. This Agreement shall be interpreted, construed and enforced in accordance with the substantive laws, not the conflicts laws or choice of law rules, of the State of South Carolina.

15. Rule Against Perpetuities. Grantor and Grantee have created the future-interests contained herein by a nondonative transfer, and each intend for this Agreement created herein to be exempt from the Uniform Statutory Rule Against Perpetuities (the "Rule") pursuant to S.C. Code of Laws §27-6-50. Nevertheless, if a court of competent jurisdiction holds that the Statutory Rule Against Perpetuities applies to this Agreement, then any future interests shall terminate on the later of (i) twenty-one (21) years following the death of James B. Anthony, and (ii) the last day of the period allowed for vesting under the Rule, such that the future interests created herein shall thereby be deemed valid under the Rule.

16. Modification or Amendment. No provision of this Agreement or the Easement or the Lot Rights or Option to Purchase granted herein may be released, subordinated, modified, rescinded or amended in whole or in part by Grantor without the prior written consent of Grantee. No provision of the Membership Plan shall be modified or amended in any manner that would have a material, adverse effect on Grantee or any Eligible Owner without their prior written consent, unless such modification or amendment is universally applied to all persons eligible for a Membership pursuant to the Membership Plan. The provisions of this Section shall not limit the right of the Grantor to change the Membership fees and dues structure and amounts from time to time in the Grantor's sole discretion, so long as such changes are universally applied to all Members of a particular Membership category.

17. Entire Agreement. This Agreement contains the entire agreement of the parties hereto with respect to the Easements, the Lot Rights, and other agreements contained herein, and no representations, inducements, promises or agreements, oral or otherwise, between the parties not embodied herein or incorporated herein by reference shall be of any force or effect.

18. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same instrument.

19. Time of the Essence. Time shall be of the essence of this Agreement and each and every term and condition thereof.

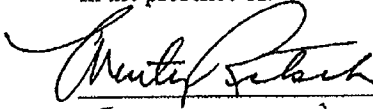
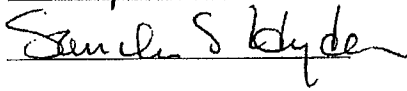
20. Remedies. If any of the parties violates any covenant set forth herein or otherwise defaults under this Agreement after reasonable notice and opportunity to cure (in no event less than 20 business days), the non-defaulting party or parties (as applicable) shall have the right (but not any duty) to exercise, on a cumulative basis, any or all rights or remedies available at law or equity, including, without limitation, the right to obtain restraining orders, injunctions and decrees of specific performance with respect to any such uncured violation or default. Should any party prevail in the enforcement of any rights conferred herein, that party will be entitled to recover the reasonable expenses associated with enforcing those rights from the party or parties (as applicable) that it prevailed against, including but not limited to reasonable attorney's fees.

21. Recitals. The parties hereto hereby represent that, to the best of their knowledge, the recitals set forth at the beginning of this Agreement are true and correct as of the date hereof.


[Signature Page Follows]

IN WITNESS WHEREOF, each of the parties hereto has duly signed, sealed and delivered this Agreement, as of the day and year first above written.

In the presence of:

GRANTOR:

The Cliffs at Keowee Springs Golf &  
Country Club, LLC,  
a South Carolina limited liability company  
By: The Cliffs Club & Hospitality Group, Inc,  
Its: Sole Member  
By:   
Jonathan Scott Carlton  
Title: President

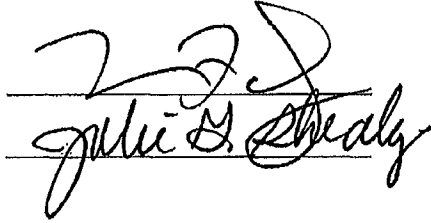
State of South Carolina  
County of Greenville

The foregoing instrument was acknowledged before me this 5th day of August, 2011 by Jonathan Scott Carlton, President of The Cliffs Club & Hospitality Group, Inc., Sole Member of The Cliffs at Keowee Springs Golf & Country Club, LLC, a South Carolina limited liability company, on behalf of the limited liability company.

  
Notary Public for South Carolina

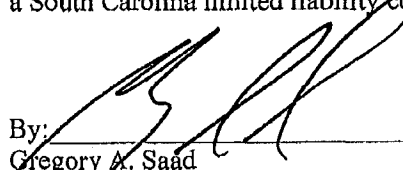
My commission expires: 8-31-19

In the presence of:

  
\_\_\_\_\_

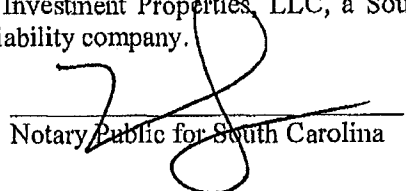
**GRANTEE:**

Keowee Investment Group, LLC,  
a South Carolina limited liability company

By:   
\_\_\_\_\_  
Gregory A. Saad  
Manager

State of South Carolina  
County of Greenville

The foregoing instrument was acknowledged before me this 5th day of August, 2011 by Gregory A. Saad, as Manager of Keowee Investment Properties, LLC, a South Carolina limited liability company, on behalf of the limited liability company.

  
\_\_\_\_\_  
Notary Public for South Carolina

My commission expires: 10/16/16

In the presence of:

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

**GRANTEE:**

Longview Land Co., LLC,  
a South Carolina limited liability company

By: \_\_\_\_\_  
James B. Anthony  
Manager

State of South Carolina  
County of Greenville

The foregoing instrument was acknowledged before me this 5th day of August, 2011 by James B. Anthony, as Manager of Longview Land Co., LLC, a South Carolina limited liability company, on behalf of the limited liability company.

\_\_\_\_\_  
Notary Public for South Carolina

My commission expires: \_\_\_\_\_

In the presence of:

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

**GRANTEE:**

Keowee Investment Group, LLC,  
a South Carolina limited liability company

By: \_\_\_\_\_  
Gregory A. Saad  
Manager

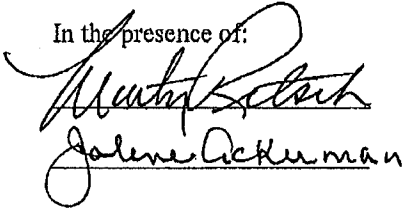
State of South Carolina  
County of Greenville

The foregoing instrument was acknowledged before me this 5th day of August, 2011 by  
Gregory A. Saad, as Manager of Keowee Investment Properties, LLC, a South Carolina limited  
liability company, on behalf of the limited liability company.

\_\_\_\_\_  
Notary Public for South Carolina

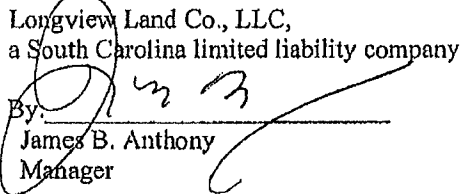
My commission expires: \_\_\_\_\_

In the presence of:

  
Jolene Ackerman

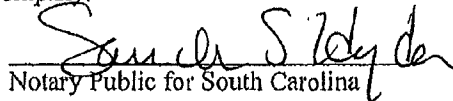
**GRANTEE:**

Longview Land Co., LLC,  
a South Carolina limited liability company

By:   
James B. Anthony  
Manager

State of South Carolina  
County of Greenville

The foregoing instrument was acknowledged before me this 5th day of August, 2011 by  
James B. Anthony, as Manager of Longview Land Co., LLC, a South Carolina limited liability  
company, on behalf of the limited liability company.

  
Notary Public for South Carolina

My commission expires: 8-31-19

EXHIBIT A

"Club Property"

**BEACH HOUSE:**

ALL that certain piece, parcel or lot of land with all improvements thereon or hereafter constructed thereon situate, lying and being in the County of Pickens, State of South Carolina, being shown and designated as 4.29 acres, more or less, on plat entitled "Survey for The Cliffs at Keowee Springs Golf and Country Club, LLC, Property of Cliffs at Keowee Springs, LLC" prepared by Lindsey and Associates, Inc., dated February 9, 2010 and recorded in the Register of Deeds Office for Pickens County, State of South Carolina, in Plat Book 594 at Page 304, reference to said plat is hereby made for a more complete metes and bounds description thereof.

T.M.S. # P/O 4130-00-57-7163

**LODGE & SPA TRACT:**

ALL that certain piece, parcel or lot of land with all improvements thereon or hereafter constructed thereon situate, lying and being in the County of Pickens, State of South Carolina, being shown and designated as 11.03 acres, more or less, shown on plat entitled "Survey for The Cliffs at Keowee Springs Golf and Country Club, LLC" prepared by Lindsey and Associates, Inc., dated February 18, 2010 and recorded in the Register of Deeds Office for Pickens County, State of South Carolina, in Plat Book 594 at Page 324, reference to said plat is hereby made for a more complete metes and bounds description thereof.

T.M.S. # 4130-00-66-0735

**CLUBHOUSE/WEELNESS CENTER:**

ALL that certain piece, parcel or lot of land with all improvements thereon or hereafter constructed thereon situate, lying and being in the County of Pickens, State of South Carolina, being shown and designated as 28.29 acres, more or less, on plat entitled "Property of Keowee Springs Golf & Country Club, LLC & Waterfall Investment Group, LLC, Survey for Keowee Springs Golf & Country Club, LLC" prepared by Lindsey and Associates, Inc., dated February 23, 2010, revised on \_\_\_\_\_, and recorded in the Register of Deeds Office for Pickens County, State of South Carolina, in Plat Book \_\_\_\_\_ at Page \_\_\_\_\_, reference to said plat is hereby made for a more complete metes and bounds description thereof.

**MARINA & GRILLE:**

ALL that certain piece, parcel or lot of land with all improvements thereon or hereafter constructed thereon situate, lying and being in the County of Pickens, State of South Carolina, being shown and designated as 2.03 acres, more or less, on that plat entitled "Survey for Waterfall Investment Group, LLC, Survey for The Cliffs at Keowee Springs Golf & Country Club, LLC" prepared by Lindsey and Associates, Inc., dated April 8, 2010 and recorded in the Register of Deeds Office for Pickens

County, State of South Carolina, in Plat Book 594 at Page 340, reference to said plat is hereby made for a more complete metes and bounds description thereof.

T.M.S. # P/O 4140-00-14-2051

TURN HOUSE SITE:

ALL that certain piece, parcel or lot of land with all improvements thereon or hereafter constructed thereon situate, lying and being in the County of Pickens, State of South Carolina, being shown and designated as 1.80 acres, more or less, on plat entitled "Survey of Keowee Springs Turn House Site, Survey for Waterfall Investment Group, LLC" prepared by Lindsey & Associates, Inc., dated August 1, 2007, revised April 10, 2008 and recorded in the Register of Deeds Office for Pickens County, State of South Carolina, in Plat Book 591 at Page 348, reference to said plat is hereby made for a more complete metes and bounds description thereof.

T.M.S. # 4140-00-28-8109

GOLF TRAINING FACILITY

All that certain piece, parcel or lot of land with all improvements thereon or hereafter constructed thereon situate, lying and being in the County of Pickens, State of South Carolina, being shown and designated as 3.30 acres, more or less, shown on plat entitled "Property of Cliffs Golf Course Holding Company, LLC, Survey for Cliffs at Keowee Springs Golf & Country Club, LLC" prepared by Lindsey and Associates, Inc., dated December 2, 2008 and recorded in the Register of Deeds Office for Pickens County, State of South Carolina, in Plat Book 593 at Page 322, reference to said plat is hereby made for a more complete metes and bounds description thereof.

T.M.S. #4130-00-75-8146

EXHIBIT "B"

All those certain pieces, parcels or tracts of land situate, lying and being in the State of South Carolina, County of Pickens, being shown and designated as **Parcel #1, containing 102.39 acres**, more or less, **Parcel #2, containing 113.89 acres**, more or less, **Parcel #3, containing 102.39 acres**, more or less, and **Parcel #4, containing 69.59 acres**, more or less, upon a plat entitled "Boundary Survey for Longview Land Co., LLC", dated April, 2002, revised August 22, 2008, prepared by CBS Surveying & Mapping, Inc., recorded in the Office of the Register of Deeds for Pickens County, SC on August 27, 2008 in Plat Book 592 at Page 257; reference to said plat being made for a more complete metes and bounds description thereof.

ALSO:

All that certain piece, parcel or tract of land situate, lying and being in the State of South Carolina, County of Pickens, being shown and designated as **Parcel #5, containing 188.31 acres**, more or less, upon a plat entitled "Boundary Survey for Longview Land Co., LLC", dated April, 2002, revised August 22, 2008, prepared by CBS Surveying & Mapping, Inc., recorded in the Office of the Register of Deeds for Pickens County, SC on August 27, 2008 in Plat Book 592 at Page 257; reference to said plat being made for a more complete metes and bounds description thereof.

ALSO:

All that certain piece, parcel or lot of land situate, lying and being in the State of South Carolina, County of Pickens, being shown and designated as **Parcel "B"**, containing 0.437 acres (19,041.41 sq ft) upon a plat entitled "Survey for Roger D. Kelley & Longview Land Company, LLC", dated August 21, 2009, prepared by Lindsey & Associates, Inc., of record in the Office of the Register of Deeds for Pickens County, SC on May 7, 2010 in Plat Book 595 at Page 24; reference being hereby made to said plat for a more complete and accurate metes and bounds description.

LESS HOWEVER:

All that certain piece, parcel or lot of land situate, lying and being in the State of South Carolina, County of Pickens, being shown and designated as **Parcel "A"**, containing 0.077 acres (3,370.16 sq ft) upon a plat entitled "Survey for Roger D. Kelley & Longview Land Company, LLC", dated August 21, 2009, prepared by Lindsey & Associates, Inc., of record in the Office of the Register of Deeds for Pickens County, SC on May 7, 2010 in Plat Book 595 at Page 24; reference being hereby made to said plat for a more complete and accurate metes and bounds description.