

UNITED STATES BANKRUPTCY COURT

DISTRICT OF SOUTH CAROLINA

In re:

The Cliffs Club & Hospitality Group, Inc., *et al.*,<sup>1</sup>  
*d/b/a* The Cliffs Golf & Country Club,

Debtors.

CHAPTER 11

Case No. 12-01220

Jointly Administered

**CARLILE DEVELOPMENT GROUP'S NOTICE OF TIMELY COMPLIANCE WITH  
MARCH 16, 2012 DEADLINES IN BIDDING PROCEDURES ORDER**

The Carlile Development Group ("Carlile") hereby gives notice of timely compliance with following the March 16, 2012 deadlines:

1. On March 16, 2012, the Court entered the Order (A) Approving Bidding Procedures for Auction to Become the Designated Sponsor of the Debtors' Chapter 11 Plan of Reorganization; (B) Approving Break Up Fee and Expenses Payable in Certain Circumstances to the Carlile Development Group; and (C) Approving the "Substitution Conditions" Contained in the DIP Loan Agreement (the "Bidding Procedures Order") [Docket No. 182]. The Bidding Procedures Order approves the bidding procedures (the "Bidding Procedures") set forth as Exhibit A [ Docket No. 42-1] to the bidding procedures motion filed on February 28, 2012 [Docket No. 42].

2. The Bidding Procedures provide in Section VI (on page 6, or page 7 of 32 of the filed document, Docket No. 42-1) as follows (emphasis original):

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<sup>1</sup> The Debtors, followed by the last four digits of their respective taxpayer identification numbers, are as follows: The Cliffs Club & Hospitality Group, Inc. (6338); CCHG Holdings, Inc. (1356); The Cliffs at Mountain Park Golf & Country Club, LLC (2842); The Cliffs at Keowee Vineyards Golf & Country Club, LLC (5319); The Cliffs at Walnut Cove Golf & Country Club, LLC (9879); The Cliffs at Keowee Falls Golf & Country Club, LLC (3230); The Cliffs at Keowee Springs Golf & Country Club, LLC (2898); The Cliffs at High Carolina Golf & Country Club, LLC (4293); The Cliffs at Glassy Golf & Country Club, LLC (6559); The Cliffs Valley Golf & Country Club, LLC (6486); Cliffs Club & Hospitality Service Company, LLC (9665).

. . . “Carlile Transaction Documents” means (i) except as set forth in subsection (iii) below, ad definitive asset purchase agreement with all schedules and exhibits attached with respect to the proposed Chapter 11 plan; (ii) the form of an assumption agreement with respect to the treatment of the senior debt administered by the Indenture Trustee; and (iii) to the extent not already explained fully in the Carlile Term Sheet, a description of the Carlile Group’s new member plan and related agreements. No later than March 16, 2012, the Carlile Group shall deliver the Carlile Transaction Documents contemporaneously to the Debtors, the Indenture Trustee, and the Committee, except that the Carlile Group need only deliver substantially all the schedules and exhibits to the asset purchase agreement, and need not deliver amendments to the Carlile Term Sheet’s description of the new membership plan and related agreements.

/s/ Julio E. Mendoza, Jr.

Julio E. Mendoza, Jr. (I.D. No. 3365)  
NEXSEN PRUET, LLC  
1230 Main Street, Suite 700 (29201)  
Post Office Drawer 2426  
Columbia, SC 29202  
Telephone: 803-540-2026  
Facsimile: 803-727-1478  
E-mail: rmendoza@nexsenpruet.com

William L. Rothschild  
Georgia Bar No. 616150  
Ogier, Rothschild, Rosenfeld & Ellis-Monro, P.C.  
170 Mitchell Street, S.W.  
Atlanta, GA 30303-3424  
Telephone: 404-525-4000  
E-mail: br@orrem.com

Counsel for Carlile Development Group

March 19, 2012

Columbia, South Carolina

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**CERTIFICATE OF SERVICE**

I, Julio E. Mendoza, Jr., do hereby certify that the **CARLILE DEVELOPMENT GROUP'S NOTICE OF TIMELY COMPLIANCE WITH MARCH 16, 2012 DEADLINES IN BIDDING PROCEDURES ORDER** was electronically served upon the debtors, creditors, and parties in interest via the CM/ECF System and via electronic mail, on March 19, 2012.

/s/ Julio E. Mendoza, Jr.

Julio E. Mendoza, Jr. (I.D. No. 3365)

Nexsen Pruet, LLC

1230 Main Street, Suite 700 (29201)

Post Office Drawer 2426

Columbia, SC 29202

Telephone: 803-540-2026

Facsimile: 803-727-1478

E-mail: [rmendoza@nexsenpruet.com](mailto:rmendoza@nexsenpruet.com)

March 19, 2012  
Columbia, South Carolina

Counsel for Carlile Development Group