

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA**

In re:

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

Debtors.

CHAPTER 11

Case No. 12-01220

Jointly Administered

DEBTORS' MOTION FOR ENTRY OF AN ORDER PURSUANT TO 11 U.S.C. §§ 105(A) AND 363(B) AUTHORIZING AND APPROVING DEBTORS' (I) LEASE OF OFFICE SPACE, (II) LEASE PURCHASE OF COMPUTERS AND IT, AND (III) LEASE OF KEOWEE TOWN FALLS WELLNESS CENTER

COME NOW The Cliffs Club & Hospitality Group, Inc. and its affiliated debtors in the above-captioned Chapter 11 cases, as debtors and debtors in possession (collectively, the "Debtors"), by and through undersigned counsel, and hereby move the Court (this "Motion"), for the entry of an order the Court for entry of an order pursuant to sections 105(a) and 363(b) of title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the "Bankruptcy Code"), and Rules 6004 and 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") approving the entry by certain of the Debtors into leases negotiated at arm's length with third parties, some of which are non-debtor affiliates of the Debtors, in order to continue using

¹ The Debtors, followed by the last four digits of their respective taxpayer identification numbers and Chapter 11 case numbers, are as follows: The Cliffs Club & Hospitality Group, Inc. (6338) (12-01220); CCHG Holdings, Inc. (1356) (12-01223); The Cliffs at Mountain Park Golf & Country Club, LLC (2842) (12-01225); The Cliffs at Keowee Vineyards Golf & Country Club, LLC (5319) (12-01226); The Cliffs at Walnut Cove Golf & Country Club, LLC (9879) (12-01227); The Cliffs at Keowee Falls Golf & Country Club, LLC (3230) (12-01229); The Cliffs at Keowee Springs Golf & Country Club, LLC (2898) (12-01230); The Cliffs at High Carolina Golf & Country Club, LLC (4293) (12-01231); The Cliffs at Glassy Golf & Country Club, LLC (6559) (12-01234); The Cliffs Valley Golf & Country Club, LLC (6486) (12-01236); Cliffs Club & Hospitality Service Company, LLC (9665) (12-01237).

property that they were using on the Petition Date and that is necessary in the ordinary course of the Debtors' business, namely (i) a Lease between Debtor Cliffs Club & Hospitality Service Company LLC, as lessee, and non-debtor affiliate The Cliffs Commercial Properties, LLC, as lessor, for the use for a period of six months, for the Debtors' office space, (ii) an Equipment Lease and Purchase Option Agreement between Debtor Cliffs Club & Hospitality Service Company LLC, as lessee, and non-debtor affiliate Cliffs Communities, Inc., as lessor, for the lease purchase of computer equipment and IT, and (iii) a Commercial Lease Agreement (Triple Net) between Debtor The Cliffs at Keowee Falls Golf & Country Club, LLC, as lessee, and McCloskey, LLC, as lessor, in order to continue to use for a period of one year the space that is currently used for the operation of a wellness center. In support of the Motion, the Debtors respectfully represent as follows:

JURISDICTION AND VENUE

1. This Court has jurisdiction to consider this Motion under 28 U.S.C. §§ 157 and 1334. This is a core proceeding under 28 U.S.C. § 157(b). Venue is proper before this Court under 28 U.S.C. §§ 1408 and 1409.

2. The statutory predicates for the relief requested herein are sections 105(a) and 363(b) of the Bankruptcy Code.

BACKGROUND

3. On February 29, 2012, the Court entered an order designating the Debtors' Chapter 11 cases as complex Chapter 11 cases pursuant to Rule 2081-2 of the Local Rules for the United States Bankruptcy Court for the District of South Carolina [Docket Entry No. 51]. On March 5, 2012, the Court granted the Debtors' Motion to Jointly Administer these Chapter 11 cases [Docket Entry No. 89].

4. On March 12, 2012, the United States Trustee appointed the Official

Committee of Unsecured Creditors (the "Committee") in these Chapter 11 cases pursuant to that certain Fourth Amended Appointment of Committee of Unsecured Creditors [Docket Entry No. 141]. No trustee or examiner has been appointed in these Chapter 11 cases.

5. The Debtors are authorized to operate their businesses as debtors-in-possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

6. A description of the Debtors' businesses, the reasons for filing these Chapter 11 cases, and the relief sought from this Court to allow for a smooth transition into operations under Chapter 11 are set forth in the Declaration of Timothy P. Cherry in Support of First Day Motions (the "Cherry Declaration") filed with the Court [Docket Entry No. 44].

RELIEF REQUESTED

7. By this Motion, the Debtors seek entry of an order, under Bankruptcy Code sections 105(a) and 363(b), authorizing and approving: (i) the Lease between The Cliffs Commercial Properties, LLC, as Lessor, and Cliffs Club & Hospitality Service Company, LLC, as Lessee, and the Subordination, Non-Disturbance and Attornment Agreement with said Lessor, Lessee and Georgia Bank & Trust Company of Augusta, Lessor's mortgagee, all in the form attached hereto as Exhibit A (the "Office Lease"), (ii) the Equipment Lease and Purchase Option Agreement between The Cliffs Communities, Inc., as Lessor, and The Cliffs Club & Hospitality Service Company, LLC, as Lessee, in the form attached hereto as Exhibit B (the "Equipment Lease"), and (iii) the Commercial Lease Agreement between McCloskey, LLC, as Lessor, and The Cliffs at Keowee Falls Golf & Country Club, LLC, as Lessee, in the form attached hereto to as Exhibit C (the "Wellness Center Lease") (the Office Lease, the Equipment Lease and the Wellness Center Lease are collectively referred to as the "Leases").

BASIS FOR RELIEF REQUESTED

8. The Debtors request authority to enter into and approval of the Leases

pursuant to section 363 of the Bankruptcy Code, which provides in pertinent part: “The trustee, after notice and a hearing, may, use, sell, or lease, other than in the ordinary course of business property of the estate.” 11 U.S.C. § 363(b). Additionally, section 105(a) allows the Court to “issue any order, process, or judgment that is necessary or appropriate to carry out the provisions of [the Bankruptcy Code].” 11 U.S.C. § 105(a). Courts interpreting section 363(b) have held that transactions should be approved pursuant to this provision when, as here, they are supported by management’s sound business judgment. *See, e.g., Meyers v. Martin (In re Martin)*, 91 F.3d 389, 395 (3d Cir. 1996) (citing *Fulton State Bankr. v. Schipper (In re Schipper)*, 933 F.2d 513, 515 (7th Cir. 1991)); *Comm. of Equity Sec. Holders v. Lionel Corp. (In re Lionel Corp.)*, 722 F.2d 1063 (2d Cir. 1983); *In re Daufuskie Island Properties, LLC*, 431 B.R. 626, 637 – 639 (Bankr. D.S.C. 2010); *In re Georgetown Steel Company, LLC*, 306 B.R. 549 (Bankr. D.S.C. 2004) (“Courts often review a debtor’s use, sale of lease of property of the estate outside the ordinary course of business pursuant to the debtor’s demonstration of a sound business purpose.”)

9. Katie Goodman as Chief Restructuring Officer of the Debtors (the “CRO”) has negotiated the Office Lease and the related Subordination, Non-Disturbance and Attornment Agreement (“SNDA”) in order for the Debtors to continue to use the office space that they were using before the Petition Date for a period of six months at a monthly rental rate of \$6,000. The bank that holds the mortgage on the office building has commenced foreclosure proceedings but has agreed to permit the Debtors to remain in possession of the property following a foreclosure sale provided the rent is paid in accordance with the Lease and the SNDA by the Debtors directly to the bank. The lessor is an affiliate of the Debtors that has not filed bankruptcy. The CRO has concluded, after examining other alternative office locations, that remaining in the current office is preferable due primarily to the cost to move the computer

equipment and IT systems.

10. The CRO has also negotiated the Equipment Lease with an affiliate of the Debtors that has not filed bankruptcy. The CRO has concluded that the equipment is necessary for the Debtors to operate in the ordinary course of business during their Chapter 11 cases, and has obtained an appraisal of the equipment on which the Equipment Lease financial terms is based. A copy of the appraisal obtained by the CRO supporting the purchase price is attached as Exhibit D.

11. The CRO has also negotiated the Wellness Center Lease with the purchaser at foreclosure of a non bankruptcy affiliate's shopping center where one of the Debtors leased space for a Wellness Center prior to the Petition Date. The proposed term of the Wellness Center lease is one year and the monthly rental is \$2,422.50 with \$600 CAM payable monthly.

12. The Debtors have determined, in the exercise of their business judgment, that the Leases contain reasonable terms and conditions, are narrowly tailored to facilitate the reorganization and should be approved under section 363 of the Bankruptcy Code.

WAIVER OF BANKRUPTCY RULE 6004(H)

13. The Debtors seek a waiver of any stay of the effectiveness of the order approving this Motion. Pursuant to Bankruptcy Rule 6004(h), "[a]n order authorizing the use, sale, or lease of property other than cash collateral is stayed until the expiration of 14 days after entry of the order, unless the court orders otherwise." Fed. R. Bankr. P. 6004(h). The Debtors submit that cause exists to justify a waiver of the fourteen (14) day stay imposed by Bankruptcy Rule 6004(h) because of the Debtors' need to use the property that is the subject of the Leases in the operation of their business.

NOTICE OF THIS MOTION

14. No trustee or examiner has been appointed in these Chapter 11 cases.

Notice of this Motion will be served pursuant to the Order Establishing Certain Notice, Case Management and Administrative Procedures [Docket Entry No. 121] including each counterparty to the Executory Contracts. A copy of the Motion has been made available on the website of the Debtors' claims and noticing agent, BMC Group, Inc., at www.bmcgroup.com/cliffs. The Debtors submit that, under the circumstances, no other or further notice is required.

NO PRIOR REQUEST

15. No previous request for the relief sought in this Motion has been made to this Court or any other court.

WHEREFORE, the Debtors respectfully request the Court enter an order, substantially in the form attached hereto as Exhibit E authorizing the Debtors to enter into and approving the Leases, and grant such further relief as is just and proper.

[signature follows]

Dated: March 30, 2012

Respectfully submitted,

/s/ Däna Wilkinson

Däna Wilkinson
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-and-

/s/ J. Michael Levensgood

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Attorneys for Debtors and Debtors in Possession

EXHIBIT A

LEASE

THIS LEASE, made as of the 1st day of March, 2012, by and between **THE CLIFFS COMMERCIAL PROPERTIES, LLC**, a South Carolina limited liability company (hereinafter referred to as "**Lessor**"), and **CLIFFS CLUB & HOSPITALITY SERVICE COMPANY, LLC**, a South Carolina limited liability company (hereinafter referred to as "**Lessee**").

FOR AND IN CONSIDERATION of the mutual covenants and conditions contained herein, the parties hereto do hereby agree as follows:

1. **Demised Premises.** Lessor, for and in consideration of the rents, covenants, agreements and stipulations hereinafter mentioned, reserved and contained, to be paid, kept and performed by Lessee, has leased and rented, and by these presents does lease and rent, unto said Lessee, and said Lessee hereby agrees to lease and take upon the terms and conditions which hereinafter appear, the property commonly known as Corporate 1 situated at 3598 Highway 11, Travelers Rest, in the County of Greenville, State of South Carolina, more particularly described on Exhibit "A" attached hereto and made a part hereof, together with all improvements located thereon (hereinafter referred to as the "**Demised Premises**"). Furthermore, Lessor does hereby grant, bargain, sell and convey unto Lessee and its successors, assigns, employees, agents, licensees, contractors, subcontractors and invitees a non-exclusive easement during the Lease Term (as defined below) for all forms of vehicular and pedestrian access and ingress and egress in, on, over, across, under and through any and all existing drives, roads, streets, pathways, sidewalks, and parking areas, paved or unpaved, which are owned by Lessor and adjacent to, or in the vicinity of, the Demised Premises.

2. **Term.** Lessee takes and accepts the Demised Premises from Lessor for a term beginning on the date hereof and ending on August 31, 2012 (hereinafter referred to as the "**Initial Lease Term**"; the Initial Lease Term and the Extension Term, if any, are hereinafter referred to collectively as the "**Lease Term**").

3. **Rental.** Rental ("**Rent**") for the Lease Term shall be Six Thousand and No/100 Dollars (\$6,000.00) per month, paid in advance, on a per diem basis, with payments being made on the first day of each month during the Lease Term, except when that day falls on a weekend or a legal holiday, in which case Rent is due and payable on the next business day (each a "**Rent Payment Date**"). Notwithstanding anything to the contrary in this Lease, no Rent shall become due or payable under this Lease unless and until the Approval Order (as defined below) is obtained (the "**Approval Order Entry Date**") and, with respect to any Rent Payment Date that occurs on or prior to the Approval Order Entry Date, such Rent shall be due and payable within seven (7) days of the Approval Order Entry Date. Payment of Rent shall be made to:

Mr. Dan Blanton, President
c/o Georgia Bank & Trust of Augusta
3530 Wheeler Road
Augusta, GA 30909

Rent is to be paid in cash, wire, money order, cashier's check and/or certified check, at the address set forth above in this Paragraph 3 or pursuant to wire instructions provided

separately to Lessee by said payee. Upon at least ten (10) days advanced written notice from said payee, Lessee shall make payments of Rent to such other person and at such other address (or pursuant to such other wire instructions) as said payee may elect from time to time. Lessor and Lessee hereby acknowledge that Lessor has executed and delivered a mortgage (the "Mortgage") which encumbers the Demised Premises to Georgia Bank & Trust Company of Augusta ("Lender"), that Lessor is in default under the Promissory Note (the "Note") secured by the Mortgage as of the date of this Lease, and that Lender has accelerated the Note and instituted an action to foreclose upon the Mortgage in the Civil Court of Greenville County, South Carolina. Notwithstanding anything in this Lease, the Note, the Mortgage, or any other loan document to the contrary, Lessor and Lessee agree that acceptance of Rent by Lender under this Lease shall not, in any respect: (i) serve as a reinstatement or de-acceleration of the Note; (ii) serve as a waiver of any of Lender's rights under the Note, the Mortgage, or any related loan document; (iii) or serve as a waiver of any of Lender's rights in connection with foreclosure action.

4. Net Lease.

(a) This Lease is intended to be, and shall be construed as, a net lease, whereby Lessee shall, except as otherwise expressly provided herein, be responsible for all costs of operating, maintaining and repairing the Demised Premises for Lessee's occupancy and use (and not Lessor's intended uses) during Lessee's occupancy, and pay as and when due, sewer use charges applicable to the Demised Premises during Lessee's occupancy, Lessee's insurance premiums and the costs of utilities accruing against the Demised Premises which become due and payable during or are attributable to the period of Lessee's occupancy of the Demised Premises.

(b) Utilities and all other expense items relating to the Demised Premises shall be paid for by Lessee as of 12:00 midnight of the day immediately preceding the earlier of the expiration date or any earlier termination of this Lease. Lessee's obligations under this Paragraph 4(b) shall survive the expiration or earlier termination of this Lease.

(c) Notwithstanding anything contained herein to the contrary (outside of ordinary maintenance and repairs), (i) Lessee shall not be responsible for any costs of capital expenditures relating to the operation, maintenance and/or repair of the Demised Premises (A) in excess of Six Thousand and No/100 Dollars (\$6,000.00) in the aggregate for all such capital expenditures during the Lease Term, unless otherwise agreed to in writing by Lessee or (B) after giving or receiving any notice of termination under this Lease and (ii) Lessor shall, at its sole cost and expense, keep in good order and repair the roof, foundation and structural walls of the Demised Premises and Lessee shall have no repair or maintenance obligations with respect to the foregoing except to the extent occasioned by the negligent acts of Lessee, its agents, employees or contractors.

(d) Lessor shall, and hereby does, assign to Lessee the non-exclusive right to enforce all warranties on all equipment serving the Demised Premises (including but not limited to heating, air conditioning, and venting systems).

5. Condition of Demised Premises. Lessee acknowledges that Lessor is entering into this Lease as an accommodation to Lessee, and that Lessee has been in possession of the

Demised Premises prior to the date hereof. Accordingly, Lessee accepts the Demised Premises in its current condition and acknowledges that Lessee is leasing the Demised Premises without any representation or warranty of Lessor of any kind, express or implied, as to the nature or condition of the Demised Premises or its fitness for Lessee's intended use thereof, including, without limitation, any representation or warranty pertaining to the environmental condition or the suitability of the Demised Premises for Lessee's business. Lessee acknowledges and agrees that Lessor has no obligation to make any repairs or new improvements or alterations to the Demised Premises to ready the Demised Premises for Lessee's occupancy, nor is Lessor obligated, other than as expressly set forth herein, to maintain the Demised Premises.

6. Use of Demised Premises. Lessee shall use the Demised Premises only for lawful purposes, and shall, at Lessee's own expense, comply in all material respects with all laws, statutes, ordinances, regulations, rules and orders of all governmental bodies and authorities relating to such use or its occupancy of the Demised Premises. Notwithstanding the forgoing, Lessee shall not use the Demised Premises for the purposes of storing, manufacturing or selling any explosives, flammables or other inherently dangerous substance, chemical, thing or device, other than for purposes of storing substances used in the ordinary course of Lessee's normal business operations and for purposes of performing its obligations hereunder to repair and maintain the Demised Premises.

7. Destruction or Damage to Demised Premises. If the Demised Premises are destroyed or damaged by casualty, this Lease shall, at the option of Lessee, terminate as of the date specified by Lessee in a written notice to Lessor. If the Demised Premises are destroyed or damaged by any casualty and Lessee does not elect to terminate this Lease as provided above, neither Lessee nor Lessor shall have any obligation to restore the Demised Premises to their former condition.

8. Lessee's Property. All movable partitions, other fixtures, business and trade fixtures, machinery and equipment, above ground and underground fuel storage tanks and oil storage tanks, communications equipment and office equipment, including, without limitation, any such items which are attached to or built into the Demised Premises, and all furniture, furnishings and other articles of movable personal property owned by Lessee and located on the Demised Premises (collectively the "**Lessee's Property**") shall be and shall remain the property of Lessee and may be removed by Lessee at any time during the term of this Lease. Any personal property of the Lessee which shall remain on the Demised Premises after Lessee gives up possession of the Demised Premises may, at the option of the Lessor, be deemed to have been abandoned and may be retained by Lessor as its property or may be disposed of without accountability, in such manner as the Lessor may see fit. The terms of this Paragraph 8 shall survive the expiration or earlier termination of this Lease.

9. Condemnation.

(a) If during the Lease Term the whole of the Demised Premises shall be lawfully condemned or taken (hereinafter both are referred to as a "**Taking**" or being "**Taken**") in any manner for any public or quasi-public use or purpose, this Lease and the term and estate hereby granted shall forthwith cease and terminate as of the date of vesting of title pursuant to the Taking.

(b) If a part of the Demised Premises shall be Taken during the Lease Term, then the part so Taken shall no longer constitute part of the Demised Premises, but this Lease shall continue in force and effect as to the part not so Taken; provided, however, that Lessee may elect to terminate this Lease if Lessee reasonably determines that the Taking makes it impractical or inefficient to continue to conduct its business at the Demised Premises. Lessee shall give notice of any election to terminate to Lessor not later than thirty (30) days after notice of such Taking is given by Lessor to Lessee. Upon the date specified in Lessee's notice (which shall not be more than ninety (90) days thereafter), the term of this Lease shall terminate. If a partial Taking does not result in the termination of this Lease, Lessor shall have no obligation to repair, alter or restore the part of the Demised Premises not Taken.

(c) Lessor shall be entitled to receive the entire award in any proceeding with respect to any Taking (other than for a temporary use and occupancy) provided for in this Paragraph 9 which occurs during the Lease Term without deduction therefrom for any estate vested in Lessee by this Lease, and Lessee shall receive no part of and shall and does hereby assign to Lessor any such award, except as hereinafter expressly provided. Lessee shall have the right to make a separate claim with the condemning authority for (i) any moving expenses incurred by Lessee as a result of such condemnation; (ii) any costs incurred and paid by Lessee in connection with any alteration or improvement made by Lessee to the Demised Premises; (iii) the value of any of Lessee's property so Taken; and (iv) any other separate claim which Lessee may be lawfully permitted to make, provided, however, that such other separate claim shall not reduce or adversely affect the amount of Lessor's award.

(d) If all or any part of the Demised Premises shall be temporarily Taken during the Lease Term, then, at the option of Lessee, this Lease shall remain in full force and effect. If Lessee elects not to terminate this Lease, Lessee shall continue to be responsible for all of its obligations hereunder insofar as such obligations are not affected by such Taking. Upon the expiration of any temporary Taking which did not result in a termination of this Lease, Lessor shall have no obligation to restore the Demised Premises to their former condition. All awards applicable to the Demised Premises for any such temporary Taking payable for any period prior to the expiration of this Lease shall be paid to Lessee, and for periods after expiration of this Lease to Lessor.

10. Utilities. Lessee shall be responsible for the payment of all utilities serving the Demised Premises during the Lease Term. Lessor shall not interrupt or interfere with any utility services serving the Demised Premises, including, without limitation, electric, phone, data lines, communication lines, cable, gas, water, sanitary sewer and storm sewer utility services from the applicable public utility provider. Lessor shall have no liability or exposure for any interruptions of utility service to the Demised Premises not caused in whole or in part by the acts or omissions of Lessor, any Lessor Party (as hereinafter defined) or their respective agents, employees, servants, consultants, contractors or subcontractors. Lessee shall contract directly with each utility service provider for the provision of utility services to the Demised Premises. Lessee agrees to terminate any service contracts Lessee may have with respect to such utility services, with such terminations to be effective on or before the day Lessee vacates the Demised Premises. Lessee's liability for the payment of utility services used by Lessee up to and including the day Lessee vacates the Demised Premises shall survive the expiration or termination of the Lease.

11. Insurance.

(a) Lessee shall keep the buildings and improvements located on the Demised Premises insured against loss by fire or other casualty with customary risk coverage (or such coverage as may be required under any mortgage encumbering the Demised Premises), with such coverage insuring Lessee and Lessor, as their interests appear. Upon request by Lessee, Lessor shall furnish Lessee a certificate indicating that such insurance policy is in full force and effect. All policies of insurance required under this Lease shall contain waiver of subrogation clauses in form and content reasonably satisfactory to Lessor and Lessee. Lessor shall receive the proceeds of any fire or casualty insurance payable with respect to the repair and restoration of the buildings and improvements on the Demised Premises caused by any fire or other casualty.

(b) Lessor agrees to maintain public liability insurance on the Demised Premises at the minimum limit of Five Hundred Thousand and No/100 Dollars (\$500,000.00) for property damage and in the minimum amount of One Million and No/100 Dollars (\$1,000,000.00) for bodily injuries and death, and shall name Lessee as an additional insured. Upon request by Lessee, Lessor shall furnish Lessee a certificate indicating that the insurance policy is in full force and effect, that Lessee has been named as an additional insured, and that the policy may not be cancelled unless ten (10) days prior written notice of the proposed cancellation has been given to Lessee.

(c) Lessee agrees to insure its personal property and equipment in such amounts as Lessee deems necessary, with any property not so insured being deemed "self insured" by Lessee for purposes of this Lease.

(d) Lessor and Lessee mutually agree to maintain workers' compensation insurance on their respective employees on the Demised Premises with statutorily mandated limits of coverage. Lessor agrees to indemnify and hold Lessee harmless from and against any and all claims, demands, liabilities, losses, costs, expenses (including reasonable attorneys' fees, court costs and litigation expenses) and damages, of any kind or nature, from any injury to Lessor's employees occurring on the Demised Premises which would have been covered by workers' compensation insurance, regardless of whether a claim under such workers' compensation insurance policy is filed. Lessee agrees to indemnify and hold Lessor harmless from and against any and all claims, demands, liabilities, losses, costs, expenses (including reasonable attorneys' fees, court costs and litigation expenses) and damages, of any kind or nature, from any injury to Lessee's employees occurring on the Demised Premises which would have been covered by workers' compensation insurance, regardless of whether a claim under such workers' compensation insurance policy is filed.

(e) Notwithstanding anything to the contrary contained herein, Lessor and Lessee each herewith and hereby releases and relieves the other and waives its entire right of action against the other for loss or damage to the Demised Premises or the property of Lessor or Lessee, which loss or damage is insured or is required pursuant to this Lease to be insured by valid and collectible insurance policies (or which is self-insured in accordance herewith), subject to the condition that this waiver shall be effective only when the waiver is permitted by such insurance policies or when, by the use of good faith effort, such waiver could have been permitted in the applicable insurance policies or when the risk is self-insured.

12. Default: Lessor's Rights and Remedies. If Lessee fails to:

(a) pay Rent or make any other payment of money, costs or expenses when due and payable under this Lease, and such failure continues for ten (10) days after the receipt of written notice from Lessor to Lessee that Lessee is in default hereunder, or

(b) perform any other covenant or agreement of Lessee in this Lease, and such failure continues for thirty (30) days (or such additional time as Lessee shall reasonably require in the event such failure cannot be reasonably cured within such thirty (30) day period and Lessee has within thirty (30) days after notice of default from Lessor commenced to cure said default and is diligently prosecuting same) after the receipt of written notice from Lessor to Lessee that Lessee is in default hereunder,

then Lessor may terminate this Lease by giving to Lessee notice of Lessor's intention to do so, in which event the Lease Term shall end, and all right, title and interest of Lessee hereunder shall expire, on the date stated in such notice. Lessor shall have, in addition to the remedy above provided, any other right or remedy available to Lessor on account of any Lessee default (following the giving of any notice and the expiration of any cure period provided for in this Lease), either in law or equity. Lessor shall use reasonable efforts to mitigate its damages.

13. Assignment of Rent. Lessee acknowledges and agrees that any assignment by Lessor of Lessor's interest in this Lease or in the rent payable under the provisions of this Lease, whether conditioned or otherwise, made to the holder of a mortgage, which includes the Demised Premises, shall not be treated as an assumption by such mortgagee of the obligations and duties of Lessor hereunder unless the mortgagee shall specifically agree with Lessee hereunder and the same shall not be treated as an assumption by said mortgagee of Lessor's obligations hereunder, except upon foreclosure, and the taking of possession of the Demised Premises by the said mortgagee.

14. Assignment. The Lessee may assign or transfer this Lease or any interest herein, voluntarily or by operation of law, and may sublet or license the whole or any part of the Demised Premises with the consent of Lessor, such consent not to be unreasonably withheld, conditioned or delayed; provided, however, no such consent of Lessor shall be required for any assignment, transfer, sublet or license to an entity which controls, is controlled by, or is under common control with Lessee.

15. Entire Agreement; Amendment; Counterparts. This Lease, including any attachments made a part hereof, contains the entire agreement of the parties with respect to the Lessee's use and occupancy of the Demised Premises, and any representations, inducements, promises or agreements, oral or otherwise, between the parties not embodied herein shall be of no force or effect. Any amendments or modifications to this Lease must be in writing and signed by Lessor and Lessee. This Lease may be executed in multiple counterparts, all of which shall be deemed originals and with the same effect as if all parties had signed the same document. All of such counterparts shall be construed together and shall constitute one instrument.

16. Time of Essence. Time is of the essence of this Lease.

17. No Estate in Land. This Lease shall create the relationship of landlord and tenant between Lessor and Lessee, and no estate shall pass out of Lessor.

18. Rights Cumulative. All rights, powers and privileges conferred hereunder upon parties hereto shall be cumulative but not restrictive to those given by law.

19. Holding Over. If Lessee remains in possession after expiration of the Lease Term, with Lessor's acquiescence and without any distinct written agreement of the parties, Lessee shall be a tenant at will at the rental rate in effect at the end of this Lease, and there shall be no renewal of this Lease by operation of law. If Lessee remains in possession after expiration of the Lease Term, without Lessor's acquiescence and without any distinct written agreement of the parties, Lessee shall be a tenant at sufferance, and may be dispossessed from the Demised Premises pursuant to a summary dispossessory proceeding in accordance with South Carolina law.

20. Surrender of Demised Premises. Upon termination of this Lease, Lessee shall surrender the Demised Premises and keys thereto to Lessor in the same condition as at the commencement of the Lease Term, normal wear and tear, condemnation, casualty and removal of Lessee's Property as provided above, only excepted.

21. Notice. All notices, demands, deliveries and communications (herein called a "Notice") under this Lease shall be made in writing and shall be delivered or sent by: (i) first class, registered or certified mail, postage prepaid, return receipt requested, (ii) guaranteed overnight delivery (such as Federal Express or United Parcel Service Next Day Air), or (iii) by hand delivery, addressed to the addresses of the party in question as set forth below or to such other address as either party may designate by Notice given pursuant to this Paragraph 21. Notices shall be effective upon personal delivery or deposit with the United States Postal Service or overnight delivery service as aforesaid, properly addressed and posted, and billed to the sender. The period in which a response to a notice must be given or taken, however, shall run from the date of receipt by the addressee. Rejection, refusal to accept delivery or inability to deliver due to changed address of which no notice has been given in accordance with the provisions hereof shall be deemed receipt by the addressee of the notice so given.

Notices to Lessee:

Cliffs Club & Hospitality Service Company, LLC
3598 Highway 11
Travelers Rest, South Carolina 29690
Attention: Katie Goodman

Plus a copy to:

McKenna, Long & Aldridge LLP
303 Peachtree Street, N.E.
Suite 5300
Atlanta, Georgia 30308
Attention: J. Michael Levengood, Esq.

Notices to Lessor:

The Cliffs Commercial Properties, LLC
3598 Highway 11
Travelers Rest, South Carolina 29690
Attention: Marty Ritsch

22. Quiet Enjoyment. Lessor covenants that it has the right to lease the Demised Premises for the Lease Term, and agrees that if, and so long as, Lessee keeps and performs each and every covenant, agreement, term, provision and condition herein contained on the part or on behalf of Lessee to be kept or performed, then Lessee shall and may peaceably and quietly have, hold and enjoy the Demised Premises without disturbance by Lessor or anyone claiming by, through or under Lessor.

23. Subordination. Lessee shall not subordinate its interest in this Lease to any mortgage and shall not attorn to the purchaser at any foreclosure sale under any mortgage until such mortgagee enters into a written agreement with Lessee to the effect that, in the event of a foreclosure, this Lease and the rights of Lessee hereunder shall not be disturbed but shall continue in full force and effect so long as Lessee shall not be in default hereunder.

24. Definitions. The term “**Lessor**” as used in this Lease shall include Lessor’s executors, administrators, personal representatives, successors, assigns and successors-in-title to the Demised Premises. The term “**Lessee**” as used in this Lease shall include Lessee’s executors, administrators, personal representatives and successors and, if this Lease shall be validly assigned or sublet, shall also include Lessee’s assignees or sublessees, as to that portion of the Demised Premises covered by such assignment or sublease. The term “**Lessor Party**” or “**Lessor Parties**” shall mean and include, (1) Lessor’s investors, affiliates, employees, agents, contractors, subcontractors, lenders, accountants, attorneys and other professionals and consultants, (2) any person or entity who has signed or is negotiating an agreement with Lessor for the purchase of all or a portion of the Demised Premises from Lessor, and (3) any person or entity who has signed or is negotiating an agreement with Lessor for the lease of all or a portion of the Demised Premises from Lessor.

25. Applicable Law. This Lease shall be governed by and construed in accordance with the laws of the State of South Carolina.

26. Severability. If any term, covenant or condition of this Lease or the application thereof to any person or circumstance shall to any extent be invalid or unenforceable, neither the remainder of this Lease nor the application of such term, covenant or condition to any other person or circumstance shall be affected thereby; and each term, covenant or condition of this Lease shall be valid and enforceable to the fullest extent permitted by law.

27. Lessee’s Termination Option. Each of Lessee and Lessor shall have the right and option, exercisable upon not less than sixty (60) days prior notice from such party, to terminate this Lease without payment of any termination fee or other consideration to the other party, which notice of termination shall specify the effective date of termination. Upon termination of this Lease pursuant to this Paragraph 27, neither party shall have any obligation to the other

under the terms of this Lease; provided, however, that notwithstanding any such termination of this Lease, Lessee shall remain liable for (i) all per diem Rent due with respect to Lessee's occupancy of the Demised Premises prior to the effective date of termination of this Lease specified in the notice of termination, and (ii) all matters that by the express terms of this Lease survive the termination.

28. Memorandum of Lease. Promptly following request by Lessee, Lessor shall join Lessee in executing and delivering a memorandum of this Lease, in recordable form, which Lessee may record at Lessee's expense at the applicable Recorder of Deeds or similar office in the County wherein the Demised Premises is located.

29. Liability of Lessor. IF LESSOR, ITS EMPLOYEES, OFFICERS, PARTNERS, MEMBERS OR SHAREHOLDERS ARE ORDERED TO PAY LESSEE A MONEY JUDGMENT BECAUSE OF LESSOR'S DEFAULT, THEN EXCEPT IN THOSE INSTANCES LISTED IN THE NEXT SENTENCE, LESSEE'S SOLE REMEDY TO SATISFY THE JUDGMENT SHALL BE LESSOR'S INTEREST IN THE DEMISED PREMISES, INCLUDING, WITHOUT LIMITATION, (I) THE BUILDINGS AND IMPROVEMENTS THEREON, INCLUDING THE RENTAL INCOME AND OTHER PROCEEDS, (II) ANY SALE PROCEEDS; AND (III) ANY INSURANCE OR CONDEMNATION PROCEEDS RECEIVED BECAUSE OF DAMAGE OR CONDEMNATION TO, OR OF, THE DEMISED PREMISES, OR ANY BUILDINGS OR IMPROVEMENTS THEREON. THE LIMITATION OF REMEDIES SET FORTH ABOVE DOES NOT APPLY WHEN: (I) LESSOR FAILED TO APPLY INSURANCE OR CONDEMNATION PROCEEDS AS REQUIRED BY THIS LEASE; OR (II) LESSOR HAS MISAPPROPRIATED ANY ESCROW FUNDS. NOTHING IN THIS PARAGRAPH 29 SHALL BE INTERPRETED TO MEAN THAT LESSEE CANNOT BE AWARDED SPECIFIC PERFORMANCE, AN INJUNCTION, A TEMPORARY RETRAINING ORDER OR OTHER EQUITABLE RELIEF.

30. Right to Enter. Lessor and its agents, servants, and employees may enter the Demised Premises to perform their normal business duties.

31. Alterations. Lessee shall not make any structural, mechanical or electrical alterations to the Demised Premises without the Lessor's prior written consent, such consent not to be unreasonably withheld, conditioned or delayed. For purposes of this Lease, the removal by Lessee of Lessee's Property shall not be or be deemed an alteration. Alterations made under this paragraph shall be at Lessee's sole cost and expense. The alterations shall belong to Lessee, and Lessee may, at Lessee's option, remove any alterations constituting trade fixtures, fixtures, furniture, equipment, and other personal property at the expiration or termination of the Lease Term. Lessee shall not cause or permit any mechanics' liens, materialmen's liens or other liens to be filed against the Demised Premises as a result of any alterations or other work performed on the Demised Premises, and will cause any such liens to be removed and cleared of record within ten (10) days after notice from Lessor to Lessee of such liens.

32. Brokers. Each party hereto represents and warrants to the other that no broker, agent or commission salesperson is entitled to a commission, fee or similar compensation in connection with the negotiation and procurement of this Lease. Lessee agrees to indemnify and

hold the Lessor harmless from all loss, liability, damage, claim, judgment, cost or expense (including reasonable attorneys' fees) suffered or incurred by Lessor as a result of a claim by any broker, agent or commission salesperson Lessee dealt with. Lessor agrees to indemnify and hold the Lessee harmless from all loss, liability, damage, claim, judgment, cost or expense (including reasonable attorneys' fees) suffered or incurred by Lessee as a result of a claim by any broker, agent or commission salesperson Lessor dealt with.

33. Estoppel Certificate. At any time and from time to time but on not less than ten (10) days prior written request by either party hereto, the other party shall execute, acknowledge and deliver to the requesting party, promptly upon request, a certificate certifying (a) that this Lease is unmodified and in full force and effect (or, if there have been modifications, that this Lease is in full force and effect, as modified, and stating the date and nature of each modification), (b) the date, if any, to which Rent and other sums payable hereunder have been paid, (c) that no notice has been received by such party of any default hereunder which has not been cured, except as to defaults specified in the certificate, and (d) such other matters as may be reasonably requested by the requesting party. Any such certificate may be relied upon by any prospective purchaser, mortgagee or beneficiary under any trust deed of the Demised Premises or any part thereof and by any collateral assignee of this Lease.

34. Bankruptcy Court Approval of Lease. Lessee's execution of this Lease is expressly subject to the approval by the Bankruptcy Court under Section 363 of the Bankruptcy Code in Lessee's Chapter 11 case that is pending in the U.S. Bankruptcy Court for the District of South Carolina (the "**Approval Order**"), and if for any reason whatsoever such Approval Order is not obtained, then this Lease shall be null and void and of no other force or effect. Lessee agrees to file a motion for approval of this Lease in its Chapter 11 case promptly upon the execution of this Lease by all parties thereto.

35. Jury Waiver. Lessor and Lessee waive their right to trial by jury in any action, proceeding or counterclaim brought by either of the parties hereto against the other, or with respect to any defense or issue raised therein, on any matter whatsoever arising out of, on in any way connected to, this Lease, the relationship of the Lessor and Lessee, the Lessee's use and occupancy of the statutory or other statutory remedy.

36. Option to Extend. Lessee shall have the unilateral right and option to extend the Term of this Lease for a period of three (3) months (the "**Extension Term**") beginning immediately after the Initial Lease Term, upon the same terms and conditions of this Lease, by giving Lessor written notice of its exercise of this option at least fifteen (15) days before the expiration of the Initial Lease Term.

(signatures on following page)

IN WITNESS WHEREOF, the parties have hereunto set their hands the day and year first above written.

LESSOR:

**THE CLIFFS COMMERCIAL PROPERTIES,
LLC**, a South Carolina limited liability company

By: _____

Name: MARTY RITSCH

Title: AUTHORIZED SIGNER

LESSEE:

**CLIFFS CLUB & HOSPITALITY SERVICE
COMPANY, LLC**, a South Carolina limited liability
company

By: _____

Name: Katie Goodman

Title: Chief Restructuring Officer

EXHIBIT "A"

(Legal Description)

Exhibit A

ALL that piece, parcel or lot of land lying and being in the State of South Carolina, County of Greenville, being shown and designated as 25.32 acres, more or less, according to plat recorded in the Office of the Register of Deeds for Greenville County in Plat Book 22-Q at Page 93, reference to which plat is hereby made for a complete and accurate description.

Less and Except,

ALL that certain piece parcel or lot of land, conveyed to Miles M. Adair by deed of Ruth V. Satterfield, recorded in Deed Book 1993 ate Page 1804 on May 7, 2002, being shown and designated as 20.00 acres, more or less, according to plat recorded in the Office of the Register of Deeds for Greenville County, in Plat Book 45-N at Page 58, reference to which plat is hereby made for a complete and accurate description.

T.M.S.#: 0662060100100

This being the same property conveyed unto Lessor by deed of Waterfall Investment Group, LLC recorded March 11, 2008 in Deed Book 2316 at Page 160, in the RMC Office for Greenville County, South Carolina.

Drafted by and after recording return to:

J. Michael Levengood, Esq.
McKenna, Long & Aldridge, LLP
303 Peachtree Street, Suite 5300
Atlanta, GA 30308

SUBORDINATION, NON-DISTURBANCE
AND
ATTORNMENMENT AGREEMENT

THIS AGREEMENT, made and entered into as of the 1 day of MARCH, 2012 by and between **GEORGIA BANK & TRUST COMPANY OF AUGUSTA**, with its principal office at 3530 Wheeler Road, Augusta, Georgia 30909 (hereinafter referred to as "**Mortgagee**"), **THE CLIFFS COMMERCIAL PROPERTIES, LLC**, a South Carolina limited liability company, with its principal office at 3598 Highway 11, Travelers Rest, South Carolina 29690, Attention: Marty Ritsch (hereinafter referred to as "**Landlord**") and **CLIFFS CLUB & HOSPITALITY SERVICE COMPANY, LLC**, a South Carolina limited liability company, with its principal office at 3598 Highway 11, Travelers Rest, South Carolina 29690, Attention: Katie Goodman (hereinafter referred to as "**Tenant**");

WITNESSETH

WHEREAS, Tenant has executed that certain Lease dated March 1, 2012, 2012 (hereinafter referred to as the "**Lease**"), with Landlord, as lessor, covering the property described in the Lease consisting of the real property located at 3598 Highway 11, Travelers Rest, in the County of Greenville, State of South Carolina and more particularly described in Exhibit A attached hereto and made a part hereof by this reference, together with all improvements located thereon (hereinafter referred to as the "**Property**").

WHEREAS, Mortgagee has made a loan to Landlord secured by a mortgage encumbering the Property and an assignment of Landlord's interest in the Lease (said mortgage or deed of trust and assignment of leases, together with any amendments, renewals, increases, modifications, substitutions or consolidations of either of them, collectively, the "**Mortgage**")

WHEREAS, Tenant, Landlord and Mortgagee have agreed to the following with respect to their mutual rights and respective obligations pursuant to the Lease and the Mortgage;

NOW THEREFORE, for and in consideration of the mutual covenants and agreements herein contained and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties do hereby covenant and agree as follows:

(1) Tenant's interest in the Lease and all rights of Tenant thereunder shall be and are hereby declared subordinate to the lien of the Mortgage upon the Property. The term "Mortgage" as used herein shall also include any amendment, supplement, modification, renewal or replacement thereof.

(2) In the event of any foreclosure of the Mortgage or any conveyance in lieu of foreclosure (collectively, a "Foreclosure"), the leasehold estate of Tenant created by the Lease shall not be affected in any way, and the Lease shall continue in full force and effect as a direct lease between Tenant and Mortgagee or its nominee or designee, or another purchaser of the Property upon a Foreclosure (any such person or entity, a "Successor Owner"), Successor Owner shall recognize the Lease and Tenant's rights thereunder and Tenant shall not be made a party to any action or proceeding to remove or evict Tenant or to disturb its possession.

(3) After the receipt by Tenant of notice from Mortgagee of any Foreclosure, Tenant will thereafter attorn to and recognize Successor Owner as its substitute landlord, and having thus attorned, Tenant's possession shall not thereafter be disturbed provided, and so long as, Tenant shall continue to pay all rentals under the Lease and otherwise observe and perform the covenants, terms and conditions of the Lease.

(4) In no event shall Successor Owner be liable for any act or omission of the Landlord, nor shall Successor Owner be subject to any offsets or deficiencies which Tenant may be entitled to assert against the Landlord as a result of any act or omission of Landlord occurring prior to Successor Owner's obtaining possession of the Property, except for matters as to which Tenant shall have provided written notice to Mortgagee as hereinafter provided.

(5) Notwithstanding any provision hereof to the contrary, the terms of the Lease shall govern the interpretation of any inconsistency between the provisions of the Lease and the terms of the Mortgage, including without limitation, those which pertain to the disposition of any insurance proceeds or condemnation awards.

(6) Tenant shall give to Mortgagee copies of all notices of Landlord's defaults under the Lease at the same time and in the same manner as, and whenever, Tenant shall give any such notice of default to Landlord. Mortgagee shall have the right to remedy any default of Landlord under the Lease, or to cause any default of Landlord under the Lease to be remedied. Tenant shall accept performance by Mortgagee of any term, covenant, condition or agreement to be performed by Landlord under the Lease with the same force and effect as though performed by Landlord.

(7) Landlord hereby agrees that rentals payable under the Lease shall be paid directly by Tenant to Mortgagee. Tenant shall pay to Mortgagee, or to a third party as validly directed in writing by Mortgagee, all monies due or to become due to Landlord under the Lease. Landlord hereby waives any right, claim or demand it may now or hereafter have against Tenant by reason

of such payment to Mortgagee, and any such payment shall discharge the obligations of Tenant to make such payment to Landlord.

(8) Any notice, election, communication, request or other document or demand required or permitted under this Agreement to Landlord or Tenant shall be in accordance with the terms of the Lease and if to Mortgagee such notice shall be in writing and shall be sent postage prepaid, certified or registered mail, return receipt requested, addressed to Mortgagee at the addresses indicated in the opening paragraph of this Agreement. Mortgagee may from time to time change its address hereunder by notifying the remaining parties in accordance with the provisions of this paragraph.

(9) No conveyance of Landlord's interest in the Property or any part thereof to Tenant shall, insofar as Mortgagee is concerned, unless Mortgagee consents thereto in writing, cause the fee estate and leasehold estate created by the Lease to merge, rather said estates shall remain separate and distinct and the Lease shall continue in full force and effect notwithstanding the vesting of the leasehold and fee estates in any single person or entity by reason of such conveyance or otherwise.

(10) Any amendment, modification or supplement to the Lease after the date hereof, without the prior written consent of the Mortgagee, shall not be binding upon Mortgagee.

(11) This Agreement and its terms shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, including without limitation, any Successor Owner.

(12) EACH OF TENANT, MORTGAGEE AND LANDLORD HEREBY IRREVOCABLY WAIVE ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT.

(13) This Agreement contains the entire agreement between the parties and no modifications shall be binding upon any party hereto unless set forth in a document duly executed by or on behalf of such party.

(14) This Agreement may be executed in multiple counterparts, all of which shall be deemed originals and with the same effect as if all parties had signed the same document. All of such counterparts shall be construed together and shall constitute one instrument.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, this Agreement has been fully executed on the day and year first above written.

<p>Witnesses:</p> <p><u>[Signature]</u> Printed Name: <u>F A Townsend, III</u></p> <p><u>[Signature]</u> Printed Name: <u>Robert C. Osborne, Jr.</u></p>	<p><u>MORTGAGEE:</u></p> <p>GEORGIA BANK & TRUST COMPANY OF AUGUSTA</p> <p>By: <u>[Signature]</u> Name: <u>R. Daniel Blanton</u> Title: <u>PRESIDENT & CEO</u></p> <p>(SEAL)</p>
<p>Witnesses:</p> <p><u>[Signature]</u> Printed Name: <u>Kelly Edwards</u></p> <p><u>[Signature]</u> Printed Name: <u>Juliann Jacobson</u></p>	<p><u>TENANT:</u></p> <p>CLIFFS CLUB & HOSPITALITY SERVICE COMPANY, LLC, a South Carolina limited liability company</p> <p>By: <u>[Signature]</u> Name: <u>KATIE GOODMAN</u> Title: <u>CHIEF RESTRUCTURING OFFICER</u></p> <p>(SEAL)</p>
<p>Witnesses:</p> <p><u>[Signature]</u> Printed Name: <u>Libby Carow</u></p> <p><u>[Signature]</u> Printed Name: <u>Felicia Barrett</u></p>	<p><u>LANDLORD:</u></p> <p>THE CLIFFS COMMERCIAL PROPERTIES, LLC, a South Carolina limited liability company</p> <p>By: <u>[Signature]</u> Name: <u>MARY RITSCH</u> Title: <u>TREASURER</u></p> <p>(SEAL)</p>

ACKNOWLEDGMENT

STATE OF Georgia)
COUNTY OF Richmond)

The foregoing instrument was acknowledged before me this 29th day of March, 2012, by R. Daniel Blanton, the President & CEO of Georgia Bank & Trust Company of Augusta, a Georgia banking corporation.

Meghan C. Bishop (SEAL)
NOTARY PUBLIC FOR Richmond Co., GA
MY COMMISSION EXPIRES: 5/22/2012

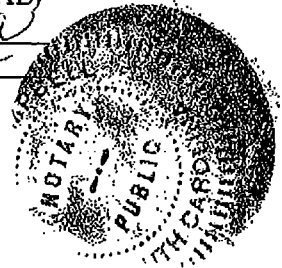


ACKNOWLEDGMENT

STATE OF South Carolina
COUNTY OF Greenville)

The foregoing instrument was acknowledged before me this 27th day of March, 2012, by Katie Goodman, the Chief Restructuring Officer of Cliffs Club & Hospitality Service Company, LLC, a South Carolina limited liability company.

Mary Campbell (SEAL)
NOTARY PUBLIC FOR South Carolina
MY COMMISSION EXPIRES: 7-18-2017



ACKNOWLEDGMENT

STATE OF South Carolina
COUNTY OF Greenville)

The foregoing instrument was acknowledged before me this 27th day of March, 2012, by Marty Lisch, the Authorized Signatory of The Cliffs Commercial Properties, LLC, a South Carolina limited liability company.

Mary Campbell (SEAL)
NOTARY PUBLIC FOR South Carolina
MY COMMISSION EXPIRES: 7-18-2017

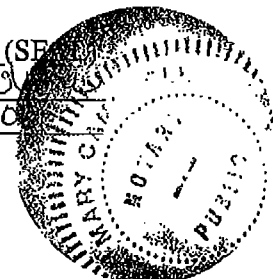


EXHIBIT A

(Legal Description)

Exhibit A

ALL that piece, parcel or lot of land lying and being in the State of South Carolina, County of Greenville, being shown and designated as 25.32 acres, more or less, according to plat recorded in the Office of the Register of Deeds for Greenville County in Plat Book 22-Q at Page 93, reference to which plat is hereby made for a complete and accurate description.

Less and Except,

ALL that certain piece parcel or lot of land, conveyed to Miles M. Adair by deed of Ruth V. Satterfield, recorded in Deed Book 1993 at Page 1804 on May 7, 2002, being shown and designated as 20.00 acres, more or less, according to plat recorded in the Office of the Register of Deeds for Greenville County, in Plat Book 45-N at Page 58, reference to which plat is hereby made for a complete and accurate description.

T.M.S.#: 0662060100100

This being the same property conveyed unto Landlord by deed of Waterfall Investment Group, LLC recorded March 11, 2008 in Deed Book 2316 at Page 160, in the RMC Office for Greenville County, South Carolina.

EXHIBIT B

EQUIPMENT LEASE AND PURCHASE OPTION AGREEMENT

This **EQUIPMENT LEASE AND PURCHASE OPTION AGREEMENT** (this "Agreement") is entered into this ____ day of March, 2012 (the "Commencement Date") by and between The Cliffs Communities, Inc. ("Lessor") and Cliffs Club & Hospitality Service Company, LLC ("Lessee").

WHEREAS, Lessor owns and desires to lease the property set forth on Exhibit A (such property collectively with all software installed on such property, the "Equipment") to Lessee, and Lessee desires to lease the Equipment from Lessor and have the option to purchase the Equipment, upon the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Lease of the Equipment. Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Equipment, to have and to hold for the Lease Term (as defined below). Lessee shall be entitled to full possession and use of the Equipment as of the Commencement Date. Lessor hereby covenants to provide Lessee with quiet use and enjoyment of the Equipment during the Lease Term, and Lessee shall during the Lease Term peaceably and quietly have and hold and enjoy the Equipment, without suit, trouble, or hindrance from Lessor, except as expressly set forth in this Agreement.

2. Lease Term and Termination. The term of this Agreement shall commence on the Commencement Date and shall terminate on the one (1) year anniversary of the Commencement Date unless terminated earlier in accordance with this Agreement (the "Lease Term"). The Lease Term shall terminate upon the earliest of any of the following events:

- (a) the expiration of the Lease Term;
- (b) the exercise by Lessee of the option to purchase the Equipment pursuant to Section 11 of this Agreement and the payment to Lessor of all amounts due thereunder by Lessee;
- (c) the exercise by Lessor of its right to terminate this Agreement upon an Event of Default by Lessee pursuant to Section 13 of this Agreement; and
- (d) as provided in Section 9 of this Agreement.

3. Lease Payments. In consideration for Lessee's rights to use the Equipment, during the Lease Term, Lessee shall pay a monthly rental payment to Lessor in the amount of \$8,507.15 per month (each, a "Rental Payment"), payable on the first day of each month during the Lease Term with the first payment due April 1, 2012, unless this Agreement is terminated earlier as provided herein. Notwithstanding anything in this Agreement to the contrary, no Rental Payment shall become due or payable under this Agreement unless and until the Approval Order (as defined below) is obtained (the date of such entry, the "Approval Order Entry Date") and, with respect to any Rental Payment that is due on or prior to the Approval Order Entry Date,

such Rental Payment shall be due and payable within seven (7) days after the Approval Order Entry Date.

4. Use of the Equipment. Lessee shall only use the Equipment in the operation of Lessee's business and shall not use, operate, or maintain the Equipment improperly, carelessly, in violation of any applicable law or manufacturer's instructions or warranty, or in a manner contrary to that contemplated by this Agreement.

5. Maintenance of Equipment by Lessee. During the Lease Term, Lessee shall, at Lessee's own cost and expense, (a) maintain, preserve, and keep the Equipment in good repair, working order, and condition, (b) make or cause to be made all necessary and proper repairs, replacements, and renewals, (c) pay all electricity, power, utility and other similar charges incurred in the operation, maintenance, use, occupancy, and upkeep of the Equipment. Lessor shall have no responsibility in any of these matters, or for the making of improvements or additions to the Equipment.

6. Warranties. Lessor hereby irrevocably appoints Lessee as its agent and attorney-in-fact during the Lease Term to assert from time to time whatever claims and rights (including, without limitation, warranties with respect to the Equipment) that Lessor may have against any manufacturer of the Equipment as well as the agents or dealers of the manufacturer from whom Lessor purchased the Equipment (each, a "Vendor"). Lessee's sole remedy for the breach of such warranty, indemnification, or representation shall be against the Vendor of the Equipment, and not against Lessor, nor shall such matter have any effect whatsoever on the rights and obligations of Lessor with respect to this Agreement, including the right to receive full and timely payments hereunder. **LESSEE ACKNOWLEDGE THAT LESSOR IS NOT A MANUFACTURER OF OR A DEALER IN THE EQUIPMENT. LESSOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY, INFRINGEMENT, OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY LESSEE OF THE EQUIPMENT, OR ANY OTHER WARRANTY WITH RESPECT THERETO, AND, AS TO THE LESSOR, THE LESSEE LEASES THE EQUIPMENT "AS IS."** In no event shall Lessor be liable for any loss or damage, including incidental, indirect, special, or consequential damage, in connection with or arising out of this Agreement or the existence, furnishing, functioning, or Lessee's use of any of the Equipment.

7. Taxes and Other Governmental Charges. The parties acknowledge and agree that any and all taxes and governmental charges associated with the use, possession, or acquisition of the Equipment shall be the sole responsibility of Lessee.

8. Insurance. Lessee shall acquire and maintain, during the Lease Term, (a) all risk property insurance to provide for rebuilding, repairing and replacing the Equipment in the event of any damage, destruction, loss or theft in an amount at least equal to the Purchase Price (as defined below), and (b) comprehensive general liability insurance including coverage for any bodily injury, death or property damage which may be caused by or related to the Equipment or its operation, in amounts reasonably satisfactory to the parties.

9. Damage, Destruction and Condemnation. Unless Lessee shall have exercised its option to purchase the Equipment as provided herein, if prior to the termination of the Lease

Term (a) the Equipment or any portion thereof is destroyed (in whole or in part) or is damaged by fire or other casualty or (b) title to the Equipment or any part thereof shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm, or corporation acting under governmental authority, Lessee and Lessor shall cause the amount remaining from the gross proceeds of any insurance claim or condemnation award after deducting all expenses (including reasonable attorneys' fees) incurred in connection with such claim or award ("Net Proceeds") to be applied to the prompt repair, restoration, modification, or replacement of the Equipment. After such payment, (i) Lessee shall be entitled to all of Lessor's right, title and interest in the Equipment (as repaired, restored, modified or replaced), (ii) this Agreement shall terminate, and (iii) any balance of the Net Proceeds remaining shall be paid to Lessee.

10. Title to the Equipment. Title to the Equipment shall remain with Lessor at all times during the Lease Term except as otherwise set forth in this Agreement.

11. Option to Purchase.

(a) Option to Purchase. So long as all amounts due Lessor have been paid and no Event of Default has occurred and is continuing, at any time during the Lease Term, Lessee shall be entitled to purchase all of the Equipment from Lessor and all of Lessor's right, title and interest in the Equipment shall be transferred, conveyed, and assigned to Lessee in accordance with the terms of this Agreement. This purchase option shall apply only to a purchase of all of the Equipment and cannot be exercised to purchase any part or portion of the Equipment.

(b) Exercise of Option. To exercise the option to purchase, Lessee shall be required to provide Lessor with 30 days prior written notice setting forth a proposed date after such 30 day period to consummate the purchase. The parties shall mutually determine and finalize the date to consummate such purchase (the "Purchase Option Closing").

(c) Purchase Price for the Equipment. The purchase price for the Equipment required to be paid by Lessee to Lessor shall be an amount equal to (i) \$99,226.00, minus (ii) the aggregate amount of Rental Payments actually paid by Lessee to Lessor under this Agreement prior to the Purchase Option Closing (the "Purchase Price").

(d) Consummation of Purchase. Lessor's right, title and interest in the Equipment will be transferred, conveyed, and assigned to Lessee, and Lessee shall pay the Purchase Price to Lessor at the Purchase Option Closing. At the Purchase Option Closing, Lessor shall deliver to Lessee such deeds, lease terminations, bills of sale, and other documents and instruments as Lessee shall reasonably require to evidence the transfer of all right, title, and interest of Lessor in the Equipment to Lessee free and clear of all liens and encumbrances. Any such transfer of the Equipment by Lessor to Lessee shall be on an "AS IS" and "WHERE IS" basis and without any representation or warranty by Lessor.

12. Assignment.

(a) Assignment by Lessee. This Agreement, and the rights of Lessee under this Agreement, including the purchase option under Section 11 of this Agreement, may be assigned, transferred or otherwise disposed of by Lessee to one or more successors, grantors,

holders, assignees, or subassignees, at any time without the necessity of obtaining the consent of Lessor. Each such assignee shall have all of the rights, remedies, obligations and liabilities of Lessee under this Agreement.

(b) Assignment by Lessor. This Agreement, the rights of Lessor under this Agreement, and the interest of Lessor in the Equipment may not be sold, assigned, transferred or encumbered by Lessor without the prior written consent of Lessee.

13. Events of Default and Remedies.

(a) Events of Default. The following constitute "Events of Default" under this Agreement:

(i) failure by Lessee to pay any Rental Payment within ten (10) days after its due date; and

(ii) failure by Lessee to observe and perform any other covenant, condition, or agreement to be observed or performed by Lessee under this Agreement for a period of thirty (30) days after written notice is given to Lessee by Lessor specifying such failure and requesting that it be remedied; provided, however, that if the failure stated in such notice cannot be corrected within such 30-day period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected.

(b) Remedies On Default. Whenever any Event of Default shall have occurred and be continuing, Lessor shall have the right, at its sole option without any further demand or notice, to take any one or any combination of the following remedial steps:

(i) Terminate this Agreement, retake possession of the Equipment wherever situated, without any court order or other process of law and without liability for entering the premises, and lease, sublease, or make other disposition of the Equipment for use over a term in a commercially reasonable manner, all for the account of Lessee, holding Lessee liable for the difference, if any, between (A) the rents and other amounts payable by Lessee hereunder to the end of the Lease Term and (B) the rent or other amounts paid by a lessee or sublessee of the Equipment pursuant to such lease or sublease.

(ii) Terminate this Agreement and retake possession of the Equipment wherever situated, without any court order or other process of law and without liability for entering the premises, and sell the Equipment in a commercially reasonable manner. All proceeds from such sale shall be applied (A) first, to pay all proper and reasonable costs and expenses of Lessor associated with the recovery, repair, storage, and sale of the Equipment, including reasonable attorneys' fees and expenses actually incurred by Lessor, and (B) second, to pay Lessor the amount of all unpaid Rental Payments, if any, which are then due and owing, together with interest and late charges thereon.

(iii) Take whatever action at law or in equity may appear necessary or desirable to enforce its rights as the owner of the Equipment.

14. Miscellaneous.

(a) Waiver of Breach. The waiver by any party of a breach of any provision of this Agreement by any other party shall not operate or be construed as a waiver of any subsequent or other breach by such other party.

(b) Notices. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given: (i) on the date of service if served personally on the party to whom notice is to be given; (ii) on the day after delivery by the party giving such notice to a reputable overnight courier; or (iii) on the fifth day after mailing, if mailed to the party to whom notice is to be given, by first class mail, registered or certified, postage prepaid and properly addressed, to the party as follows:

If to any Lessee: c/o GGG Partners, LLC
5883 Glenridge Drive NE
Suite 160
Atlanta, GA 30328
Attention: Katie Goodman, Chief Restructuring Officer

If to Lessor: The Cliffs Communities, Inc.
P.O. Box 1279
3598 Highway 11
Travelers Rest, South Carolina 29690
Attention: James B. Anthony

(c) Governing Law; Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of South Carolina. The parties hereby submit to the jurisdiction of the State of South Carolina and the federal and state courts therein, for the purpose of any suit, action, or other proceeding arising out of or relating to this Agreement.

(d) Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

(e) Amendments. The terms of this Agreement shall not be waived, altered, modified, supplemented, or amended in any manner whatsoever except by written instrument signed by Lessor and Lessee.

(f) Entire Agreement. This Agreement constitutes the full understanding of the parties and a complete and exclusive statement of the terms and conditions of their agreement relating to the subject matter hereof and supersedes any and all prior agreements, whether written or oral, that may exist between the parties with respect thereto.

(g) Time of Essence. Time is of the essence of this Agreement.

(h) Counterparts; Execution of this Agreement. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same agreement. The exchange of copies of this Agreement and of signature pages by electronic transmission shall constitute effective execution and delivery of

this Agreement and signatures of the parties transmitted by electronic transmission shall be deemed to be their original signatures (and may be used as such) for all purposes.

(i) Bankruptcy Court Approval. This Agreement is subject to the approval (the "Approval Order") of the United States Bankruptcy Court for the District of South Carolina (the "Bankruptcy Court") and this Agreement shall only be effective and binding on the parties if approved by the Bankruptcy Court.

(Signatures appear on following pages.)

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective officers thereunto duly authorized as of the date first above written.

LESSOR:

~~THE CLIFFS COMMUNITIES, INC.~~

By: 

Name: James B. Anthony

Title: President and CEO

LESSEE:

CLIFFS CLUB & HOSPITALITY SERVICE COMPANY, LLC

By: The Cliffs Club & Hospitality Group, Inc., as sole member

By: 

Name: KATIE GOODMAN

Title: CLIFF RESTRUCTURING OFFICER

EXHIBIT A

Equipment

[See attached.]

Cage Inventory

Serial Number (if known)	Type	Manufacturer	Model	IOS Version	Ports	MAC Address	RF MAC Address	IP Address
7728007003	AP-PTP HC Sales Event	Airstream	PTP-58-LR			00:C0:61:00:BD:29	00:C0:61:00:BD:29	
7601001394	AP-PTP Tower Main to MPSales	Airstream	PTP-58-MR			00:C0:61:00:81:E3	00:C0:61:00:81:E3	
7546001005	AP-PTP Keowee Club Cottage	Airstream	PTP-58-MR			00:C0:61:00:7A:D9	00:C0:61:00:7A:D9	
7835010697	AP-PTP *New in Box*	Airstream	PTP-58-MR			00:C0:61:01:F0:04	00:C0:61:01:F0:04	
7834010633	AP-PTP *New in Box*	Airstream	PTP-58-MR			00:C0:61:01-EF-C0	00:C0:61:01-EF-C1	
7711005830	AP-PTP ZestQuest	Airstream	PTP-58-LR			00:C0:61-00-A9-FE	00:C0:61-00-A9-FF	192.168.152.251
7614002558	AP-PTP from LABASTIDE	Airstream	PTP 58-LR			00:C0:61-00-8F-FB	00:C0:61-00-8F-FA	192.168.24.236
7552001237	AP-PTP MP Sales	Airstream	PTP-58-MR			00:C0:61:00:A9:D0	00:C0:61:00:A9:D1	192.168.200.243
7812009392	AP	Cisco	AIR-LAP1142N-A-K9			00229090C10B		
FTX130SS2H2	AP	Cisco	AIR-LAP1142N-A-K9			00229090C17D		
FTX130SS2HV	Omni-Directional Antenna	Cisco	AIR-ANT24120					
B014L0125	Omni-Directional Antenna	Cisco						
FTX122190M6	AP	Cisco AIRONET	AIR-1252-AG			00:1D:70:4B:AE:3E		
FTX122190MD	AP	Cisco AIRONET	AIR-1252-AG			00:1D:70:4B:AE:EA		
FTX122190M9	Power Injector	Cisco AIRONET	AIR-1252-AG			00:1D:70:4B:AE:EE		
	Power Injector	Cisco	AIR-PWRINJ3					
	Power Injector	Cisco	AIR-PWRINJ3					
	Power Injector	Cisco	AIR-PWRINJ3					
	Radio Upgrade	Cisco	AIR-RM1252A					
FOC12220VCC	ASA/New York	Cisco	ASA-5505			00:1D:70:27:D9:20		
JMX1052K0X6	ASA/Zest Quest	Cisco	ASA-5505					
JMX1110K2C2	Switch	Netgear	GS748TNA		48			
	Switch	Cisco	CAT-2950	12.1(22)EA6	12	00:17:59:72:47:80		
FOC10092812	Switch	Cisco	CAT-3750	12.2(25)SEB4	24	00:16:C8:89:99:80		
CAT10004z02T	Switch	Cisco	CAT-3560	12.2(35)SE5	48	00:22:01:71:AE:00		
FDO1223X2PP	Switch	Cisco	CAT-3550		24	00:0B:8E:56:FA:80		
CHK0651V19K	2.4 GHz 2.2 dbi Dipole St. Antenna		AIR-ANT2422DG-R					
	Access Point / Bridge	Cisco Aironet 1300	AIR-BR1310G				00:18:19:EB:C9:C8	
FTX10270044	Access Point / Bridge	Radio Frequency Sys's	MA0528-19AN					
00392	Access Point / Bridge	PROXIM	40100-685					
00602370	UPS	BELKIN	900VA					

Network Engineering Core Switch Inventory

IP Address	Hostname	Serial Number	Type	Manufacturer	Model	IOS Version	Ports	MAC Address
192.168.18.1	Corp2	FOX1203G1SL	Switch	Cisco	WS-C4948-10GE	12.2(31)SGA4	50	
192.168.18.2	Corp2-1	FDO1328Y2MZ	Switch	Cisco	WS-C3560-48PS	12.2(35)SE5	48	00:26:52:97:54:00
192.168.18.3	Corp2-2	FOC1216V6B3	Switch	Cisco	WS-C3560-48PS	12.2(35)SE5	48	00:23:EB:93:6A:80
192.168.18.4	Corp2-3	FOC1216V6D4	Switch	Cisco	WS-C3560-48PS	12.2(35)SE5	48	00:23:EB:91:23:80
192.168.18.5	Corp2-4	FOC1216V6E0	Switch	Cisco	WS-C3560-48PS	12.2(35)SE5	48	00:26:52:94:9F:00
192.168.113.2	Corp2Svr	FOC1229X07X	Switch	Cisco	WS-C2960G-24TC-L	12.2(35)SE5	24	00:22:91:BC:47:00
192.168.113.4	VaultSVRSwitch	FOC1152Z7GR	Switch	Cisco	WS-C2960G-48TC-L	12.2(35)SE5	48	00:1E:F6:97:70:00
192.168.113.5	Corp3	FOC1144Z7DP	Switch	Cisco	WS-C2960G-48TC-L	12.2(35)SE5	48	00:1E:49:42:D8:80
192.168.22.1	KeoweeClubSwitch	CAT1007N211	SWITCH	CISCO	WS-C3560-24TS	12.20	24	00:17:59:00:B7:00
192.168.22.4	Lakehouse	FOC1207Z2TM	Switch/POE	CISCO	WS-C3560-8PC	12.2(35)SE5 IPBASE	8	00:1F:9D:54:09:80
192.168.23.1	Marina	CAT1025NN3M	SWITCH	CISCO	WS-C3560-24TS	12.2(25)SEB4	24	00:0A:B8:38:15:00
192.168.24.1	ValleyClub	CAT1114NHY2	Switch	Cisco	WS-C3560-24TS	12.2(25)SEE2	24	00:1B:8F:F4:23:80
192.168.24.2	Towerswitch	FOC1205Z640	Switch/POE	Cisco	WS-C3560-8PC	12.2(35)SE5 (IPBASE)	8	00:1F:6D:AA:E6:00
192.168.24.4	Lamahouse	FOC1207Z2T5	Switch/POE	Cisco	WS-C3560-8PC	12.2(35)SE5 (IPBASE)	8	00:1F:6D:E0:FF:00
192.168.25.1	GlassySales	CAT1007N1Z4	Switch	Cisco	WS-C3560-24TS	12.2(25)SEB4	24	00:17:59:00:85:00
		FOC1144ZAA	Switch	Cisco	WS-C2960G-48TC-L	12.2(35)SE5	48	00:1E:14:97:56:80
192.168.26.1	GlassyClub	CAT1007N1R5	Switch	Cisco	WS-C3560-24TS	12.2(25)SEB4	24	00:17:59:00:0E:00
192.168.29.2	Switch	FOC1216Z3D1	Switch	Cisco	WS-C2960G-48TC-L	12.2(35)SE5	48	00:21:1C:0F:DA:80
192.168.27.1	FallsClubI	FDO1145Y3KW	Switch	Cisco	WS-C3560-48TS	12.2(35)SE5 (IPBASE)	48	00:1E:79:05:13:00
		FOC1144Z7BD	Switch	Cisco	WS-C2960G-48TC-L	12.2(35)SE5	48	00:1E:14:97:1C:80
		FOC1144Z7DP	Switch	Cisco	WS-C2960G-48TC-L	12.2(35)SE5	48	00:1E:49:42:D8:80
192.168.200.2	MP Sales	FOC1009Z4YP	Switch	Cisco	WS-C3560-24	12.1(22)EA6	24	00:17:59:CA:1C:80
192.168.200.4	MPSales	FOC1207Z2TB	Switch/POE	Cisco	WS-C3560-8PC	12.2(35)SE5 IPBASE	8	00:1F:6D:E0:FF:80
192.168.200.5	PreserveHealth	FOC1217Y5QE	Switch	Cisco	WS-C3560G-48TS	12.2(35)SE5	48	00:21:56:84:A0:00
192.168.20.2	Tavern	FOC1228V6AP	Switch/POE	Cisco	WS-C3560-8PC-S	12.2(35)SE5 IPBASE	8	00:22:56:87:E3:00
192.168.20.4	WCWellness	FOC1307W45M	Switch	CISCO	WS-2960-24LT-L	12.2(44)SE5	24	00:24:C3:96:3F:00

Network Engineering Phone Switch Inventory

IP Address	Hostname	Serial Number	Manufacturer	Model	IOS Version	Ports	MAC Address
192.168.25.3	DOCUMENTSERVICES-1	FOC1331Z2LW	CISCO	WS-C2960	12.2(50)SE2	26	00:26:CA:33:73:80
192.168.25.4	GLASSY SALES-1	FOC1331Z2TT	CISCO	WS-C2960	12.2(50)SE2	26	00:26:CA:35:44:80
192.168.29.5	HIGHCAROLINASALES-1	FOC1331Z2TL	CISCO	WS-C2960	12.2(50)SE2	26	00:26:CA:35:50:00
192.168.22.10	KEOWEECLUB PRO-1	FOC1330Z2KS	CISCO	WS-C2960	12.2(50)SE2	26	00:26:98:96:1E:80
192.168.24.10	LABASTIDE-1	FOC1331Z2T3	CISCO	WS-C2960	12.2(50)SE2	26	00:26:CA:5D:A6:80
192.168.22.5	LAKEHOUSE-1	FOC1331Z2ZK	CISCO	WS-C2960	12.2(50)SE2	26	00:26:CA:5D:37:00
192.168.23.2	MARINA-1	FOC1331Z2TD	CISCO	WS-C2960	12.2(50)SE2	26	00:26:52:23:60:00
192.168.22.8	MARKET-1	FOC1330Z34J	CISCO	WS-C2960	12.2(50)SE2	26	00:26:98:96:4F:80
192.168.28.1	SPRINGS SALES	FOC1330Z287	CISCO	WS-C2960	12.2(50)SE2	26	00:26:CA:33:9C:00
192.90.90.2	SPRINGS CLUB-1	FOC1331Z2IV	CISCO	WS-C2960	12.2(50)SE2	26	00:26:CA:35:5D:00
192.168.24.5	VALLEY CLUB-1	FOC1331Z2V7	CISCO	WS-C2960	12.2(50)SE2	26	00:26:CA:35:3C:80
192.168.24.7	VALLEY CLUB-2	FOC1331Z2R7	CISCO	WS-C2960	12.2(50)SE2	26	00:26:CA:5D:48:80
192.168.24.13	VALLEYWELLNESS-1	FOC1331Z2XZ	CISCO	WS-C2960	12.2(50)SE2	26	00:26:CA:35:4A:80
192.168.22.6	VINEYARDSRESALES-1	FOC1331Z2U2	CISCO	WS-C2960	12.2(50)SE2	26	00:26:CA:5D:8D:00
192.168.23.3	VWELLNESS-1	FOC1331Z2VA	CISCO	WS-C2960	12.2(50)SE2	26	00:26:CA:35:0E:80
192.168.20.5	WALNUTCOVE TAVERN-1	FOC1331Z2S0	CISCO	WS-C2960	12.2(50)SE2	26	00:26:CA:5D:AB:00
192.168.20.3	WC TURNHOUSE-1	FOC1331Z2T6	CISCO	WS-C2960	12.2(50)SE2	26	00:26:CA:5D:7D:80
192.168.20.4	WC WELLNESS-1	FOC1331Z2RU	CISCO	WS-C2960	12.2(50)SE2	26	00:27:0C:42:4B:80
192.168.24.8	VALLEY CLUB-3	FOC133814UT	CISCO	WS-C3560G	12.2(35)SE5	52	00:26:52:94:A6:00
192.168.22.11	VINEYARDS CLUB-1	FDO1328X0BC	CISCO	WS-C3560G	12.2(35)SE5	52	00:26:52:9F:A6:00
192.168.27.2	FALLS CLUB-1	FDO1328Y0RN	CISCO	WS-C3560G	12.2(35)SE5	52	00:26:52:94:A4:80
192.168.22.12	FALLS SALES-1	FDO1328X0B9	CISCO	WS-C3560G	12.2(35)SE5	52	00:26:52:97:54:00
192.168.18.2	CORP2-1	FDO1328Y2MZ	CISCO	WS-C3560G	12.2(35)SE5	52	00:23:EB:93:6A:80
192.168.18.3	CORP2-2	FDO1329Y0PS	CISCO	WS-C3560G	12.2(35)SE5	52	00:23:EB:91:23:80
192.168.18.4	CORP2-3	FDO1328Y2UL	CISCO	WS-C3560G	12.2(35)SE5	52	00:26:52:94:9F:00
192.168.18.5	CORP2-4	FDO13280C77	CISCO	WS-C3560G	12.2(35)SE5	52	00:26:52:9F:E6:80
192.168.119.2	CORP1-1	FDO1328Y0U8	CISCO	WS-C3560G	12.2(35)SE5	52	00:26:52:9F:95:80
192.168.119.3	CORP1-2	FDO1328X0BQ	CISCO	WS-C3560G	12.2(35)SE5	52	00:26:52:97:70:00
192.168.119.4	CORP1-3	FDO1328Y2VG	CISCO	WS-C3560G	12.2(35)SE5	52	00:26:52:9F:66:00
192.168.119.5	CORP1-4	FDO1328X0B8	CISCO	WS-C3560G	12.2(35)SE5	52	00:26:52:9F:B4:80
192.168.119.6	CORP1-5	FDO1328Y0TU	CISCO	WS-C3560G	12.2(35)SE5	52	
192.168.119.7	CORP1-6		CISCO	WS-C3560G	12.2(35)SE5	52	
192.168.119.8	CORP1-7	FDO1329Y006	CISCO	WS-C3560G	12.2(35)SE5	52	00:26:52:FE:66:80
192.168.200.3	PHEALTH-1	FDO1329Y0PT	CISCO	WS-C3560G	12.2(35)SE5	52	00:23:EB:93:6A:00
192.168.20.11	WC SALES-1	FDO1334R0AJ	CISCO	WS-C3560G	12.2(35)SE5	24	00:26:CA:E4:7C:00
192.168.26.2	GLASSY-CLUB1	FDO1328Y0UD	CISCO	WS-C3560G	12.2(35)SE5	48	00:26:52:43:E0:00
192.80.80.2	Springs Turnhouse-1	FOC1207Z2TB	CISCO	WS-C3560-8PC	12.2(35)SE5	8	00:1F:6D:E0:FF:80
192.168.22.13	FallsSales-2	FOC1330Z28J	CISCO	WS-2960-24PC-S	12.2(50)SE2	24	00:26:98:96:4F:80

Doc Services Inventory

Serial Number	Type	Manufacturer	Model	Hostname	MAC Address	MSN
24452	Dish	Radio Wave 5.2 GHz Ant	SPD2-5.2NS			
24455	Dish	Radio Wave 5.2 GHz Ant	SPD2-5.2NS			
	AP PTP	Motorolla PTP 58400 ODU AP	5730BHC Full		000456005DF9	606RHA1835
	AP PTP	Motorolla PTP 58400 ODU AP	5730BHC Full		000456005E00	606RHA1827
1101-778	Lightning Protection	Transector - Adv. Lightning Protection	ALPU-ORT	Quantity = 5		
652504994	surge suppression	Motorolla	PTP 400 Series			
652505236	surge suppression	Motorolla	PTP 400 Series			
FTX1022U023	Access Point / Bridge	Cisco Aironet 1300	AIR-BR1310G		001795142B88	
FTX1034UOCX	Access Point / Bridge	Cisco Aironet 1300	AIR-BR1310G		0019066FBE52	
	AP PTP	Air Point Pro TOTAL	SB2520		00301A 0C4920	
	AP PTP	Air Point Pro TOTAL	SB2520		00301A0C4914	
OO396	Access Point / Bridge	Radio Frequency Sys's	MA0528-19AN			

Firewall Inventory

Manufacturer	Model	Serial Number	IP Address	IOS Version
Cisco	ASA 5505	JMX123Z1QD	192.168.159.1	7.2
Cisco	ASA 5505	JMX120Z1AZ		7.2
Cisco	ASA 5505	JMX1114Z0CC	192.168.148.1	7.2
Cisco	ASA 5505	JMX1145Z0AA	192.168.156.1	7.2
Cisco	PIX 501	810330310		6.3
Cisco	ASA 5505	JMX1145Z0BN	192.168.155.1	7.2
Cisco	ASA 5505	JMX1233Z1PZ	192.168.145.1	7.2
Cisco	PIX 501	809411657		6.3
Cisco	ASA 5505	JMX1122Z0S1	192.168.154.1	7.2
Cisco	ASA 5505	JMX1213Z0JL	192.168.142.1	7.2
Cisco	ASA 5505	JMX1122Z0ST		
Cisco	PIX 501	88810326441		
Cisco	PIX 501	88810411469		
Cisco	PIX 501	88810083641		
Cisco	PIX 501	810330327	192.168.146.1	6.3

Cisco AP Inventory

Location	Product ID	Serial Number
Corp1-IT	AIR-AP1131AG-A-K9	FTX1131T1BC
Corp1-Upstairs-Engineering	AIR-LAP1142N-A-K9	FTX1305S2H2
PreserveHealth	AIR-AP1131AG-A-K9	FTX1217N1PS
Cop1-Upstairs-Purchasing	AIR-AP1131AG-A-K9	FTX1131T1BV
PreserveHealth-Frontdesk	AIR-AP1131AG-A-K9	FTX1217N1Q1
FallsClubProHall	AIR-AP1131AG-A-K9	FTX1211N1RS
FallsClub WomensLounge	AIR-AP1131AG-A-K9	FTX1211N1RK
GlassyClub-Downstairs	AIR-LAP1131AG-A-K9	FTX1140N110
GlassyClub-Ballroom	AIR-LAP1131AG-A-K9	FTX1101T0ME
GlassyClub-Frontdesk	AIR-AP1131AG-A-K9	FTX1217N1QH
WC TavernDining	AIR-LAP1131AG-A-K9	FTX1140N117
WC TavernBar	AIR-LAP1131AG-A-K9	FTX1140N12P
WC TurnMenLounge	AIR-LAP1131AG-A-K9	FTX1101T0LD
WC TavernUpstairs	AIR-LAP1131AG-A-K9	FTX1140T0KW
VineyardsClub-DiningRm	AIR-LAP1131AG-A-K9	FTX1101T0M3
VineyardsClub-ProShopHall	AIR-LAP1131AG-A-K9	FTX1101T0M0
VineyardsClub-FBHall	AIR-LAP1131AG-A-K9	FTX1051T424
VineyardsClub-RestroomHallway	AIR-AP1131AG-A-K9	FTX1227T1QK
WC Wellness	AIR-AP1131AG-A-K9	FTX1227T1QH
Corp1-DownStairs-Bathroom	AIR-LAP1142N-A-K9	FTX1305S2HV
Corp1-IT	AIR-AP1131AG-A-K9	FTX1131T1BC
FallsClubFBHall	AIR-AP1131AG-A-K9	FTX1211N1RT
FallsClubDining	AIR-AP1131AG-A-K9	FTX1211N1RR
WC Sales	AIR-LAP1131AG-A-K9	FTX1101T0LX
ValleyClubUpStairs	AIR-AP1131AG-A-K9	FTX0932T04G
DocServices-AP	AIR-LAP1131AG-A-K9	FTX0940T0NZ
Corp2-BreakRoom	AIR-AP1131AG-A-K9	FTX1217N1PK
Corp2-NearSide	AIR-AP1131AG-A-K9	FTX1227T1QQ
ValleyProShop	AIR-AP1131AG-A-K9	FTX1131T1CE
ValleyClub-Ballroom	AIR-AP1131AG-A-K9	FTX1114T1VM
Corp2-FarSide	AIR-AP1131AG-A-K9	FTX0932T05Y
Marina-Store	AIR-AP1131AG-A-K9	FTX1211N1R6
Falls-Sales	AIR-AP1131AG-A-K9	FTX1131T1DZ
LakehouseAP	AIR-AP1131AG-A-K9	FTX1131T1B9

Server Inventory													
Computer Name	Computer Model	Current Operating System	Service Pack Level/Version	Active Network Adapter	Number of Processors	Logical Processor Count	CPU	System Memory (MB)	Video Card	Video Card Memory (MB)	Disk Drive	Disk Drive Size (GB)	Optical Drive
Backbone1	PowerEdge 1850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Intel(R) PRO/1000 MT Network Connection (Local Area Connection)	2	4	Intel(R) Xeon(TM) CPU 3.00GHz, 32 bit	4096	RADSON 7000 SERIES	N/A	DELL PERC 5/E Adapter SCSI Disk Device PERC L0 0 PERCRAID SCSI Disk Device	2500 136	HL-DT-ST CD-ROM GCR-8240N
	PowerEdge 1850	Microsoft(R) Windows(R) Server 2008, Standard Edition	Service Pack 2		2	4	Intel(R) Xeon(TM) CPU 3.00GHz, 32 bit	4096		N/A		280	
	PowerEdge 1400	Microsoft Windows 2000 Server	Service Pack 4	Intel(R) PRO/1000 Network Connection ()	1	1	Intel Pentium III processor, 32 bit	2048	DaneWare Development Mirror RAGE XL PCI	N/A	QUANTUM ATLAS V 18 WLS SCSI Disk Device QUANTUM ATLAS V 18 WLS SCSI Disk Device	16 16	LG CD-ROM CRD-8482B
CLIFFSIRON	PowerEdge 2400	Microsoft Windows 2000 Server	Service Pack 4	Intel(R) PRO/1000 Network Connection ()	1	1	Intel Pentium III processor, 32 bit	2048	ATI Technologies Inc. Rage IIC PCI	N/A	MEGARAID LD 0 RAID 5 SCSI Disk Device	33	NEC CD-ROM DRIVE-466 SCSI CDRom Device GCR-8240N
	PowerEdge 850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection 2)	1	2	Intel(R) Pentium(R) 4 CPU 2.80GHz, 32 bit	2048	XGI Volant 27 v1.02.04 Dell	16	DELL Army SCSI Disk Device	148	HL-DT-ST CD-ROM GCR-8240N
	PowerEdge 830	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Intel 82555-based PCI Ethernet Adapter (10/100) (Local Area Connection)	2	2	x86 Family 15 Model 4 Stepping L2.8 GHz	1024	RAGE XL PCI Family (Microsoft Corporation)	4	QUANTUM ATLAS V 18 WLS SCSI Disk Device	16	LG CD-ROM CRD-8482B
Springe-Club	PowerEdge 1850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Intel(R) PRO/1000 MT Network Connection #2 (Local Area Connection 2)	2	4	Intel(R) Xeon(TM) CPU 3.00GHz, 32 bit	4096	RADSON 7000 SERIES	N/A	PERC L0 0 PERCRAID SCSI Disk Device	136	HL-DT-ST CD-ROM GCR-8240N
	PowerEdge 1850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Intel(R) PRO/1000 MT Network Connection #2 (Local Area Connection 2)	2	4	Intel(R) Xeon(TM) CPU 3.00GHz, 32 bit	4096	RADSON 7000 SERIES	N/A	PERC L0 0 PERCRAID SCSI Disk Device	136	HL-DT-ST CD-ROM GCR-8240N
	PowerEdge 850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Intel(R) PRO/1000 MT Network Connection #2 (Local Area Connection 2)	1	2	Intel(R) Pentium(R) 4 CPU 2.80GHz, 32 bit	2048	XGI Volant 27 v1.02.04 Dell	16	DELL Army SCSI Disk Device	148	HL-DT-ST CD-ROM GCR-8240N
THINCIENT1	PowerEdge 1850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Intel(R) PRO/1000 MT Network Connection #2 (Local Area Connection 2)	2	4	Intel(R) Xeon(TM) CPU 3.00GHz, 32 bit	4096	RADSON 7000 SERIES	N/A	PERC L0 0 PERCRAID SCSI Disk Device	136	HL-DT-ST CD-ROM GCR-8240N
	PowerEdge 850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Intel(R) PRO/1000 MT Network Connection #2 (Local Area Connection 2)	1	2	Intel(R) Pentium(R) 4 CPU 2.80GHz, 32 bit	2048	XGI Volant 27 v1.02.04 Dell	16	DELL Army SCSI Disk Device	148	HL-DT-ST CD-ROM GCR-8240N
	PowerEdge 1850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Intel(R) PRO/1000 MT Network Connection #2 (Local Area Connection 2)	2	4	Intel(R) Xeon(TM) CPU 3.00GHz, 32 bit	4096	RADSON 7000 SERIES	N/A	PERC L0 0 PERCRAID SCSI Disk Device	15073	HL-DT-ST CD-ROM GCR-8240N
Backbone1srv	PowerEdge 1850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	1	Intel(R) Pentium(R) 4 CPU 2.66GHz, 32 bit	4096	RAGE XL PCI Family (Microsoft Corporation)	8	DELL PERC 6/E SCSI Disk Device	114	LG CD-ROM CRD-8245B
	PowerEdge 1950	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom BCM5708C NetXtreme II GigE (NDIS VBD Client) (113 Shared)	2	8	Intel(R) Pentium(R) III Xeon processor, 32 bit	4096	ATI ES1000	16	DELL PERC 6/E SCSI Disk Device	135	HL-DT-ST CD-ROM GCR-8240N
	PowerEdge 8200	Microsoft(R) Windows(R) Server 2003, Standard x64 Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	4	Intel(R) Xeon(TM) CPU X3210 @ 2.13GHz, 64 bit	2048	ATI ES1000	32	WDC WD8000AAJS-18TDA1	74	HL-DT-ST DVD-ROM GDR8084N
Callaway	PowerEdge 1950	Microsoft(R) Windows(R) Server 2003 Enterprise x64 Edition	Service Pack 2	Broadcom BCM5708C NetXtreme II GigE (NDIS VBD Client) (Public)	2	8	Intel(R) Xeon(TM) CPU L5335 @ 2.00GHz, 64 bit	8192	ATI ES1000	16	DELL PERC 6/E SCSI Disk Device	135	HL-DT-ST CD-ROM GCR-8240N
	PowerEdge 1950	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom BCM5708C NetXtreme II GigE (NDIS VBD Client) (Public)	2	8	Intel(R) Xeon(TM) CPU X3210 @ 2.13GHz, 64 bit	8192	ATI ES1000	16	DELL PERC 6/E SCSI Disk Device	135	HL-DT-ST CD-ROM GCR-8240N
	PowerEdge 2950	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom BCM5708C NetXtreme II GigE (NDIS VBD Client) (Local Area Connection)	2	4	Intel(R) Xeon(TM) CPU X3210 @ 2.13GHz, 64 bit	4096	ATI ES1000	16	DELL PERC 6/E SCSI Disk Device	147	HL-DT-ST CD-ROM GCR-8240N
esxhub01	PowerEdge 1950	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom BCM5708C NetXtreme II GigE (NDIS VBD Client) (Local Area Connection)	2	4	Intel(R) Xeon(TM) CPU X3210 @ 2.13GHz, 64 bit	4096	ATI ES1000	16	DELL PERC 6/E SCSI Disk Device	1500	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 2850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet Connection #2 (Local Area Connection 2)	2	2	Intel(R) Xeon(TM) CPU 2.80GHz, 32 bit	4096	RADSON 7000 Series	16	PERC L0 0 PERCRAID SCSI Disk Device	136	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 1850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	2	Intel(R) Pentium(R) III processor, 32 bit	2048	XGI Volant 27 v1.02.04 Dell	16	DELL Army SCSI Disk Device	148	HL-DT-ST CD-ROM GCR-8240N
esxhub01srv	PowerEdge 1950	Microsoft(R) Windows(R) Server 2003, Enterprise Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	4	Intel(R) Xeon(TM) CPU X3210 @ 2.13GHz, 64 bit	4096	ATI ES1000	32	WDC WD8000AAJS-18TDA1	298	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 2850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet Connection #2 (Local Area Connection 2)	2	2	Intel(R) Xeon(TM) CPU 2.80GHz, 32 bit	4096	RADSON 7000 Series	16	PERC L0 0 PERCRAID SCSI Disk Device	136	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 1850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	2	Intel(R) Pentium(R) III processor, 32 bit	2048	XGI Volant 27 v1.02.04 Dell	16	DELL Army SCSI Disk Device	148	HL-DT-ST CD-ROM GCR-8240N
esxhub02srv	PowerEdge 1950	Microsoft(R) Windows(R) Server 2003, Enterprise Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	4	Intel(R) Xeon(TM) CPU X3210 @ 2.13GHz, 64 bit	4096	ATI ES1000	32	WDC WD8000AAJS-18TDA1	298	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 2850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet Connection #2 (Local Area Connection 2)	2	2	Intel(R) Xeon(TM) CPU 2.80GHz, 32 bit	4096	RADSON 7000 Series	16	PERC L0 0 PERCRAID SCSI Disk Device	136	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 1850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	2	Intel(R) Pentium(R) III processor, 32 bit	2048	XGI Volant 27 v1.02.04 Dell	16	DELL Army SCSI Disk Device	148	HL-DT-ST CD-ROM GCR-8240N
esxhub03srv	PowerEdge 1950	Microsoft(R) Windows(R) Server 2003, Enterprise Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	4	Intel(R) Xeon(TM) CPU X3210 @ 2.13GHz, 64 bit	4096	ATI ES1000	32	WDC WD8000AAJS-18TDA1	298	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 2850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet Connection #2 (Local Area Connection 2)	2	2	Intel(R) Xeon(TM) CPU 2.80GHz, 32 bit	4096	RADSON 7000 Series	16	PERC L0 0 PERCRAID SCSI Disk Device	136	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 1850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	2	Intel(R) Pentium(R) III processor, 32 bit	2048	XGI Volant 27 v1.02.04 Dell	16	DELL Army SCSI Disk Device	148	HL-DT-ST CD-ROM GCR-8240N
esxhub04srv	PowerEdge 1950	Microsoft(R) Windows(R) Server 2003, Enterprise Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	4	Intel(R) Xeon(TM) CPU X3210 @ 2.13GHz, 64 bit	4096	ATI ES1000	32	WDC WD8000AAJS-18TDA1	298	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 2850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet Connection #2 (Local Area Connection 2)	2	2	Intel(R) Xeon(TM) CPU 2.80GHz, 32 bit	4096	RADSON 7000 Series	16	PERC L0 0 PERCRAID SCSI Disk Device	136	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 1850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	2	Intel(R) Pentium(R) III processor, 32 bit	2048	XGI Volant 27 v1.02.04 Dell	16	DELL Army SCSI Disk Device	148	HL-DT-ST CD-ROM GCR-8240N
esxhub05srv	PowerEdge 1950	Microsoft(R) Windows(R) Server 2003, Enterprise Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	4	Intel(R) Xeon(TM) CPU X3210 @ 2.13GHz, 64 bit	4096	ATI ES1000	32	WDC WD8000AAJS-18TDA1	298	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 2850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet Connection #2 (Local Area Connection 2)	2	2	Intel(R) Xeon(TM) CPU 2.80GHz, 32 bit	4096	RADSON 7000 Series	16	PERC L0 0 PERCRAID SCSI Disk Device	136	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 1850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	2	Intel(R) Pentium(R) III processor, 32 bit	2048	XGI Volant 27 v1.02.04 Dell	16	DELL Army SCSI Disk Device	148	HL-DT-ST CD-ROM GCR-8240N
esxhub06srv	PowerEdge 1950	Microsoft(R) Windows(R) Server 2003, Enterprise Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	4	Intel(R) Xeon(TM) CPU X3210 @ 2.13GHz, 64 bit	4096	ATI ES1000	32	WDC WD8000AAJS-18TDA1	298	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 2850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet Connection #2 (Local Area Connection 2)	2	2	Intel(R) Xeon(TM) CPU 2.80GHz, 32 bit	4096	RADSON 7000 Series	16	PERC L0 0 PERCRAID SCSI Disk Device	136	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 1850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	2	Intel(R) Pentium(R) III processor, 32 bit	2048	XGI Volant 27 v1.02.04 Dell	16	DELL Army SCSI Disk Device	148	HL-DT-ST CD-ROM GCR-8240N
esxhub07srv	PowerEdge 1950	Microsoft(R) Windows(R) Server 2003, Enterprise Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	4	Intel(R) Xeon(TM) CPU X3210 @ 2.13GHz, 64 bit	4096	ATI ES1000	32	WDC WD8000AAJS-18TDA1	298	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 2850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet Connection #2 (Local Area Connection 2)	2	2	Intel(R) Xeon(TM) CPU 2.80GHz, 32 bit	4096	RADSON 7000 Series	16	PERC L0 0 PERCRAID SCSI Disk Device	136	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 1850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	2	Intel(R) Pentium(R) III processor, 32 bit	2048	XGI Volant 27 v1.02.04 Dell	16	DELL Army SCSI Disk Device	148	HL-DT-ST CD-ROM GCR-8240N
esxhub08srv	PowerEdge 1950	Microsoft(R) Windows(R) Server 2003, Enterprise Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	4	Intel(R) Xeon(TM) CPU X3210 @ 2.13GHz, 64 bit	4096	ATI ES1000	32	WDC WD8000AAJS-18TDA1	298	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 2850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet Connection #2 (Local Area Connection 2)	2	2	Intel(R) Xeon(TM) CPU 2.80GHz, 32 bit	4096	RADSON 7000 Series	16	PERC L0 0 PERCRAID SCSI Disk Device	136	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 1850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	2	Intel(R) Pentium(R) III processor, 32 bit	2048	XGI Volant 27 v1.02.04 Dell	16	DELL Army SCSI Disk Device	148	HL-DT-ST CD-ROM GCR-8240N
esxhub09srv	PowerEdge 1950	Microsoft(R) Windows(R) Server 2003, Enterprise Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	4	Intel(R) Xeon(TM) CPU X3210 @ 2.13GHz, 64 bit	4096	ATI ES1000	32	WDC WD8000AAJS-18TDA1	298	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 2850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet Connection #2 (Local Area Connection 2)	2	2	Intel(R) Xeon(TM) CPU 2.80GHz, 32 bit	4096	RADSON 7000 Series	16	PERC L0 0 PERCRAID SCSI Disk Device	136	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 1850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	2	Intel(R) Pentium(R) III processor, 32 bit	2048	XGI Volant 27 v1.02.04 Dell	16	DELL Army SCSI Disk Device	148	HL-DT-ST CD-ROM GCR-8240N
esxhub10srv	PowerEdge 1950	Microsoft(R) Windows(R) Server 2003, Enterprise Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	4	Intel(R) Xeon(TM) CPU X3210 @ 2.13GHz, 64 bit	4096	ATI ES1000	32	WDC WD8000AAJS-18TDA1	298	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 2850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet Connection #2 (Local Area Connection 2)	2	2	Intel(R) Xeon(TM) CPU 2.80GHz, 32 bit	4096	RADSON 7000 Series	16	PERC L0 0 PERCRAID SCSI Disk Device	136	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 1850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	2	Intel(R) Pentium(R) III processor, 32 bit	2048	XGI Volant 27 v1.02.04 Dell	16	DELL Army SCSI Disk Device	148	HL-DT-ST CD-ROM GCR-8240N
esxhub11srv	PowerEdge 1950	Microsoft(R) Windows(R) Server 2003, Enterprise Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	4	Intel(R) Xeon(TM) CPU X3210 @ 2.13GHz, 64 bit	4096	ATI ES1000	32	WDC WD8000AAJS-18TDA1	298	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 2850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet Connection #2 (Local Area Connection 2)	2	2	Intel(R) Xeon(TM) CPU 2.80GHz, 32 bit	4096	RADSON 7000 Series	16	PERC L0 0 PERCRAID SCSI Disk Device	136	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 1850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	2	Intel(R) Pentium(R) III processor, 32 bit	2048	XGI Volant 27 v1.02.04 Dell	16	DELL Army SCSI Disk Device	148	HL-DT-ST CD-ROM GCR-8240N
esxhub12srv	PowerEdge 1950	Microsoft(R) Windows(R) Server 2003, Enterprise Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	4	Intel(R) Xeon(TM) CPU X3210 @ 2.13GHz, 64 bit	4096	ATI ES1000	32	WDC WD8000AAJS-18TDA1	298	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 2850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet Connection #2 (Local Area Connection 2)	2	2	Intel(R) Xeon(TM) CPU 2.80GHz, 32 bit	4096	RADSON 7000 Series	16	PERC L0 0 PERCRAID SCSI Disk Device	136	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 1850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	2	Intel(R) Pentium(R) III processor, 32 bit	2048	XGI Volant 27 v1.02.04 Dell	16	DELL Army SCSI Disk Device	148	HL-DT-ST CD-ROM GCR-8240N
esxhub13srv	PowerEdge 1950	Microsoft(R) Windows(R) Server 2003, Enterprise Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	4	Intel(R) Xeon(TM) CPU X3210 @ 2.13GHz, 64 bit	4096	ATI ES1000	32	WDC WD8000AAJS-18TDA1	298	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 2850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet Connection #2 (Local Area Connection 2)	2	2	Intel(R) Xeon(TM) CPU 2.80GHz, 32 bit	4096	RADSON 7000 Series	16	PERC L0 0 PERCRAID SCSI Disk Device	136	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 1850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	2	Intel(R) Pentium(R) III processor, 32 bit	2048	XGI Volant 27 v1.02.04 Dell	16	DELL Army SCSI Disk Device	148	HL-DT-ST CD-ROM GCR-8240N
esxhub14srv	PowerEdge 1950	Microsoft(R) Windows(R) Server 2003, Enterprise Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	4	Intel(R) Xeon(TM) CPU X3210 @ 2.13GHz, 64 bit	4096	ATI ES1000	32	WDC WD8000AAJS-18TDA1	298	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 2850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet Connection #2 (Local Area Connection 2)	2	2	Intel(R) Xeon(TM) CPU 2.80GHz, 32 bit	4096	RADSON 7000 Series	16	PERC L0 0 PERCRAID SCSI Disk Device	136	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 1850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	2	Intel(R) Pentium(R) III processor, 32 bit	2048	XGI Volant 27 v1.02.04 Dell	16	DELL Army SCSI Disk Device	148	HL-DT-ST CD-ROM GCR-8240N
esxhub15srv	PowerEdge 1950	Microsoft(R) Windows(R) Server 2003, Enterprise Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	4	Intel(R) Xeon(TM) CPU X3210 @ 2.13GHz, 64 bit	4096	ATI ES1000	32	WDC WD8000AAJS-18TDA1	298	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 2850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet Connection #2 (Local Area Connection 2)	2	2	Intel(R) Xeon(TM) CPU 2.80GHz, 32 bit	4096	RADSON 7000 Series	16	PERC L0 0 PERCRAID SCSI Disk Device	136	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 1850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	2	Intel(R) Pentium(R) III processor, 32 bit	2048	XGI Volant 27 v1.02.04 Dell	16	DELL Army SCSI Disk Device	148	HL-DT-ST CD-ROM GCR-8240N
esxhub16srv	PowerEdge 1950	Microsoft(R) Windows(R) Server 2003, Enterprise Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	4	Intel(R) Xeon(TM) CPU X3210 @ 2.13GHz, 64 bit	4096	ATI ES1000	32	WDC WD8000AAJS-18TDA1	298	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 2850	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet Connection #2 (Local Area Connection 2)	2	2	Intel(R) Xeon(TM) CPU 2.80GHz, 32 bit	4096	RADSON 7000 Series	16	PERC L0 0 PERCRAID SCSI Disk Device	136	HL-DT-ST DVD-ROM GCR-8240N
	PowerEdge 1850	Microsoft(R) Windows											

PowerEdge 1950	Microsoft(R) Windows(R) Server 2003 Enterprise x64 Edition	Service Pack 2	Broadcom BCM5708C NetXtreme II GigE 2 (NDIS VBD Client) (Local Area Connection)	8	Intel(R) Xeon(TM) CPU X3360 @ 3.00GHz, 64 bit	16384	AT1ES1000	16	DELL PERC 6i SCSI Disk Device Pillar Asom 600 Multi-Path Disk Device Pillar Asom 600 Multi-Path Disk Device Pillar Asom 600 Multi-Path Disk Device Pillar Asom 600 Multi-Path Disk Device	135 753 200 150 50	HL-DT-ST CDRW/DVD GCCT10N
vmh0103	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	2	Intel(R) Xeon(TM) CPU 3.00GHz, 32 bit	2048	AT1ES1000	16	ST3750640NS	698	TS-H492C TSSTcorp CDRW/DVD
vmh0404	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	2	Intel(R) Xeon(TM) CPU 3.00GHz, 32 bit	2048	AT1ES1000	16	ST3750640NS	698	TS-H492C TSSTcorp CDRW/DVD
DC02SRV	Microsoft(R) Windows(R) Server 2003, Enterprise Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	Xeon processor, 32 bit	4096	Standard VGA Graphics Adapter	32	ST3320613AS	298	TEAC DVD-ROM DY28SV
cswhub02	Microsoft(R) Windows(R) Server 2003 Standard x64 Edition	Service Pack 2	Network Load Balancing Filter Device (NLB Connection) Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	4 1	Intel(R) Xeon(R) CPU X3210 @ 2.13GHz, 64 bit	2048	AT1ES1000	32	WDC WD800AAJS-18TDA1 WDC WD800AAJS-18TDA1	74 74	HL-DT-ST DVD-ROM GDR8084N
PowerEdge 1950	Microsoft(R) Windows(R) Server 2003 Enterprise x64 Edition	Service Pack 2	Broadcom BCM5708C NetXtreme II GigE 2 (NDIS VBD Client) #2 (Private)	8	Intel(R) Xeon(R) CPU L5335 @ 2.00GHz, 64 bit	8192	AT1ES1000	16	DELL PERC 6i SCSI Disk Device Pillar Asom 600 Multi-Path Disk Device	135 861	HL-DT-ST CDRW/DVD GCCT10N
PowerEdge 1750	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	NDIS VBD Client (Public) Broadcom NetXtreme Gigabit Ethernet #2 (Local Area Connection 2)	4	Intel(R) Xeon(TM) CPU 2.40GHz, 32 bit	4096	DuneWare Development Mirror Driver RAGE XL PCI Family (Microsoft Corporation)	N/A 8	PERC LID 0 PERCRAID SCSI Disk Device Pillar Asom 600 Multi-Path Disk Device Pillar Asom 600 Multi-Path Disk Device Pillar Asom 600 Multi-Path Disk Device Pillar Asom 600 Multi-Path Disk Device	68 2510 2000 2000 1500	TEAC CD-224E
PowerEdge 1950	Microsoft(R) Windows(R) Server 2003 Enterprise x64 Edition	Service Pack 2	Broadcom BCM5708C NetXtreme II GigE 2 (NDIS VBD Client) (Local Area Connection)	8	Intel(R) Xeon(R) CPU X3360 @ 3.00GHz, 64 bit	16384	AT1ES1000	16	DELL PERC 6i SCSI Disk Device Pillar Asom 600 Multi-Path Disk Device Pillar Asom 600 Multi-Path Disk Device Pillar Asom 600 Multi-Path Disk Device Pillar Asom 600 Multi-Path Disk Device	135 203 50 50	HL-DT-ST CDRW/DVD GCCT10N
PowerEdge 1950	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom BCM5708C NetXtreme II (113 Subnet) (NDIS VBD Client)	8	Intel(R) Pentium(R) III Xeon processor, 32 bit	4096	Standard VGA Graphics Adapter	N/A	DELL PERC 6i SCSI Disk Device	135	HL-DT-ST CDRW/DVD GCCT10N
PowerEdge 830	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	Intel(R) Pentium(R) 4 CPU 2.80GHz, 32 bit	1024	XGI Volant Z7 v1.02.04 Dsll	16	Maxtor 7L250S0	232	LITE-ON CD-ROM LITN-489S
PowerEdge 830	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	Intel(R) Pentium(R) 4 CPU 2.80GHz, 32 bit	1024	XGI Volant Z7 v1.02.04 Dsll	16	Maxtor 7L250S0	232	LITE-ON CD-ROM LITN-489S
PowerEdge 830	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	Intel(R) Pentium(R) 4 CPU 2.80GHz, 32 bit	1024	XGI Volant Z7 v1.02.04 Dsll	16	Maxtor 7L250S0	232	LITE-ON CD-ROM LITN-489S
PowerEdge 830	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	Intel(R) Pentium(R) 4 CPU 2.80GHz, 32 bit	1024	XGI Volant Z7 v1.02.04 Dsll	16	Maxtor 7L250S0	232	LITE-ON CD-ROM LITN-489S
PowerEdge 830	Microsoft(R) Windows(R) Server 2003, Standard Edition	Service Pack 2	Broadcom NetXtreme Gigabit Ethernet (Local Area Connection)	1	Intel(R) Pentium(R) 4 CPU 2.80GHz, 32 bit	1024	XGI Volant Z7 v1.02.04 Dsll	16	Maxtor 7L250S0	232	LITE-ON CD-ROM LITN-489S

SAN System Inventory

Axiom 600

Mod, 1U Pilot Server w/mtg brackets, ROHS
Mod, 1U Pilot Server w/mtg brackets, ROHS
Brick, FC Raid (FCR), 12x300GB, 15K RPM Drives, RoHS
Brick, FC Expansion (FCE), 12x300GB, 15K RPM Drives, RoHS
Brick, SATA, 13x1TB, 7200 RPM Drives, RoHS
Brick, SATA, 13x1TB, 7200 RPM Drives, RoHS
Generic Slammer Ax600, RoHS
Generic Slammer Ax600, RoHS
AxiomONE Software - FCP Protocol
AxiomONE Storage Services Manager and OS
AxiomONE Software Path Manager for SAN

Axiom 600

Mod, 1U Pilot Server w/mtg brackets, ROHS
Mod, 1U Pilot Server w/mtg brackets, ROHS
Brick, FC Raid (FCR), 12x300GB, 15K RPM Drives, RoHS
Brick, FC Expansion (FCE), 12x300GB, 15K RPM Drives, RoHS
Brick, SATA, 13x1TB, 7200 RPM Drives, RoHS
Brick, SATA, 13x1TB, 7200 RPM Drives, RoHS
Generic Slammer Ax600, RoHS
AxiomONE Software - FCP Protocol
AxiomONE Storage Services Manager and OS
AxiomONE Software Path Manager for SAN

Other Hardware

<u>Description</u>	<u>Inventory Amount</u>
Desktop computers	132
Laptop computers	87
Monitors	147
Printers	40
Receipt Printers	52
Satellite Receivers	53
Televisions	86
Scanners	7

EXHIBIT C

COMMERCIAL LEASE AGREEMENT (TRIPLE NET)

This Commercial Lease Agreement (Triple Net) (the "Lease") is made as of March 29, 2012 between MCCLOSKEY, LLC, a South Carolina limited liability company ("Lessor"), and THE CLIFFS AT KEOWEE FALLS GOLF & COUNTRY CLUB, LLC, a South Carolina limited liability company ("Lessee"). Lessor and Lessee are hereinafter referred to individually as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, Lessee is the debtor in possession in a case under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101 et seq., (the "Bankruptcy Code") that is pending in the United States Bankruptcy Court for the District of South Carolina (the "Bankruptcy Court") that is being jointly administered under the lead case which is In re The Cliffs Club & Hospitality Group, Inc., et al., Debtors d/b/a Cliffs Golf & Country Club, Chapter 11 Case No. 12-01220-jw (the "Bankruptcy Case"); and

WHEREAS, Lessor and Lessee desire to enter into a lease for the Premises on the terms contained herein.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged by each party to the other, the Parties agree as follows:

1. Premises

Lessor rents to Lessee, and Lessee rents from Lessor, 1,938 square feet of leasable floor area (the "Premises") in Building No. 2 (the "Building") situated at 15740 N. Hwy 11, Salem, SC 29676, in the County of Oconee, State of South Carolina, also described as Keowee Town (the "Shopping Center"), subject to the terms and conditions in this Lease.

2. Term

The term of this Lease (the "Term") commenced on March 22, 2012 (the "Commencement Date") and will end on March 22, 2013, unless sooner terminated as herein set forth or unless extended in accordance with the provisions hereof. Lessor represents that it delivered possession of the Premises to Lessee on the Commencement Date.

3. Site Plan

Except with Lessee's prior written consent (not to be unreasonably withheld, conditioned or delayed), Lessor shall not modify the Site Plan for: (a) any change or additional construction in, or other modifications to, the parking field in front of the Premises; (b) any change to the location, shape or dimensions of the Premises; (c) any change which would adversely affect access to the Premises or the visibility of Lessee's signs or storefronts; and (d) any other changes that would materially and adversely affect Lessee's business from the Premises.

4. Use of Premises and Common Areas

Lessee intends to use the Premises for the operation of a wellness center. Notwithstanding Lessee's intended use as stated above, Lessee may nonetheless use the Premises for any lawful retail or commercial business.

Notwithstanding the foregoing, Lessee shall not (i) devote more than ten percent (10%) of the leasable floor area in the Premises to the retail sales of the following categories of goods: house-wares, tools, hardware, electrical supplies, plumbing supplies, paint and paint sundries, lawn and garden supplies and outdoor living products; or (ii) use the Premises for the purposes of storing, manufacturing or selling any explosives, flammables or other inherently dangerous substance, chemical, thing or device.

Lessee and its employees, vendors, customers, licensees and other invitees shall have nonexclusive rights to use and freely access, without charge, all Common Areas (as defined in Section 11) and all areas of ingress to and egress from the Shopping Center, the Common Areas and the Premises, as shown on the Site Plan.

5. Rent

"Rent" for the Term shall consist of monthly payments of (i) Two Thousand Four Hundred Twenty Two Dollars and Fifty Cents (\$2,422.50), as Fixed Rent, and (ii) Six Hundred Dollars (\$600.00), as Common Area Charges (as defined in Section 11), paid in advance, pro rated on a per diem basis, with payments being made on the first day of each month during the Term, except when that day falls on a weekend or a legal holiday, in which case Rent is due and payable on the next business day (each a "Rent Payment Date"). Notwithstanding anything to the contrary in this Lease, no Rent shall become due or payable under this Lease unless and until the Approval Order (as defined below) is obtained (the date of such entry, the "Approval Order Entry Date") and, with respect to any Rent Payment Date that occurs on or prior to the Approval Order Entry Date, such Rent shall be due and payable within seven (7) days of the Approval Order Entry Date. Notwithstanding the foregoing, Rent shall also include all other amounts applicable to any period payable by Lessee to Lessor hereunder.

6. Late Charges

Subject to the last sentence of this Section, if Lessor does not receive any payment of Rent within ten (10) business days after Lessor's receipt of written notice from Lessor that the same is late, Lessee will pay Lessor a late payment charge equal to four percent (4%) of the amount of the late payment. Further, if Lessee fails to pay any Rent within thirty (30) days after Lessee's receipt of written notice from Lessor that the same is late, such unpaid amounts shall bear interest at the Index Rate (the "Index Rate" means an annual rate of interest equal to the "prime rate" (as published in the Money rates column of *The Wall Street Journal* from time to time) plus one percent (1%)) from the expiration of such thirty (30) day period until paid. Notwithstanding the foregoing, Lessee will not be assessed the foregoing late payment charge on the first late payment in any calendar year if such payments is made within ten (10) business days of Lessee's receipt of notice of nonpayment from Lessor.

7. Utilities

During the Term, Lessee shall pay directly for all water, sanitary sewer, waste disposal service, electricity, telephone service, data service and similar services, and heating, ventilating and air conditioning used by Lessee in the Premises. In addition: (a) with respect to electricity, Lessee's service shall be separately and directly metered and charged to (and paid by Lessee to) the utility company serving the Shopping Center; and (b) with respect to water and sanitary sewer, Lessee's service shall be supplied to the Premises by utility companies serving the area in which the Shopping Center is located, and Lessee's consumption may, at Lessee's election, be individually metered to the Premises or measured by master meters for the Shopping Center maintained in Lessor's name.

8. Impositions

Lessor shall timely and fully pay all real property taxes, assessments (excluding assessments levied prior to the Commencement Date), municipal water and sewer rates and charges, and other governmental levies and charges, whether general or special, ordinary or extraordinary, foreseen or unforeseen, which are assessed, levied or imposed on or against and create a lien upon the Premises, the Shopping Center or any portion thereof (collectively, "Impositions"). Lessee shall pay its proportionate share of any Impositions as a Common Area Charge (see Section 11).

Lessee shall pay all personal property taxes which may be levied against Lessee's merchandise, trade fixtures, Lessee improvements and other personal property in and about the Premises, all sales taxes, all taxes required as a result of its hiring employees, and all transaction privilege, gross receipts and similar taxes imposed on the Fixed Rent paid hereunder.

9. Signage

Lessee may install, maintain, replace and relocate one or more signs, awnings and sign panels on the exterior of the Building in conformity with applicable municipal codes at such locations as designated by Lessee, subject to Lessor's reasonable approval. Lessee shall obtain and pay for all permits and licenses related to such signs or required in connection therewith. In connection with its opening and with efforts to sublet any vacant space within the Premises, Lessee may also maintain at the boundaries of the Shopping Center and on the Building, such temporary signs as it deems appropriate, subject to the reasonable disapproval of Lessor.

10. Insurance

10.1 Lessee's Insurance

During the Term, Lessee at its sole cost shall maintain commercial general liability insurance coverage (or its equivalent) on an occurrence basis, in combined policy limits of not less than One Million Dollars (\$1,000,000) per occurrence and One Million Dollars (\$1,000,000) in the aggregate, insuring Lessee (as named insured) and Lessor (as an additional insured) against all claims, demands, actions, suits or proceedings initiated or made by or for any person as a result of bodily injury (including death), personal injury or property damage occurring upon, in or about the Premises or arising from any acts or omissions of Lessee or any of Lessee's agents or employees.

During the Term, Lessee at its sole cost shall maintain special form ("all risks") property insurance (or its equivalent), in the amount of Twenty Five Thousand Dollars (\$25,000), covering Lessee's personal property in the Premises and leasehold improvements installed in the Premises by Lessee.

Lessee shall carry the statutory amount of workers' compensation and employer's liability insurance required by the State of South Carolina for the benefit of Lessee's employees.

10.2 Lessor's Insurance

During the Term, Lessor shall maintain commercial general liability insurance coverage (or its equivalent) on an occurrence basis, in combined policy limits of not less than One Million Dollars (\$1,000,000) per occurrence and One Million Dollars (\$1,000,000) in the aggregate, insuring Lessor (as named insured) and Lessee (as an additional insured) against all claims, demands, actions, suits or proceedings initiated or made by or for any person as a result of bodily injury (including death), personal injury or property damage occurring in, or arising from the operation of, the Common Areas or arising from any acts or omissions of Lessor or any of Lessor's agents or employees.

During the Term, Lessor shall maintain special form ("all risks") property insurance (or its equivalent) covering the Shopping Center (including the Premises and all other buildings and improvements therein as well as all additions thereto) against loss or damage by fire or other casualty, all in amounts equal to the full replacement cost from time to time.

Lessee shall pay its proportionate share of any Landlord's insurance charges as a Common Area Charge (see Section 11).

10.3 Insurance Requirements

All insurance coverage required to be carried hereunder shall be carried with insurance companies that are (i) licensed to do business in the State of South Carolina and (ii) rated in the then-most current Best's Insurance Guide (or any successor thereto) as having a general policyholder rating of A- or better and a financial rating of "VIII" or better. All commercial general liability insurance policies shall insure for contractual indemnity and contain a cross-liability endorsement. All property insurance policies shall contain a severability of interests clause.

The insurance certificates evidencing the insurance coverage required herein are set forth in **Exhibit A** attached hereto. Each policy of insurance shall bear an endorsement that such policy shall not be cancelled or modified without at least thirty (30) days prior written notice to the other Party. Certificates evidencing renewals of each policy of insurance shall be delivered to the other Party at least twenty (20) days prior to the expiration dates of the respective policies.

Each Party hereby waives, and releases the other Party from, any and all claims, liabilities and rights of action with respect to any property loss caused by the other Party which is covered by the property insurance required to be maintained by such Party under Sections 10.1 or 10.2 (as applicable). Each Party hereby agrees that any such property insurance maintained

by it shall contain a waiver of subrogation clause preventing the insurance company from pursuing the other Party for any property loss caused by that Party.

If either Party fails (i) to maintain any insurance policy required herein, or (ii) to provide evidence thereof (including renewals) within the time provided herein, the other Party may, after providing notice and a reasonable opportunity to cure (not to exceed ten (10) days), secure the appropriate insurance policies, in which event the Party obligated to provide such insurance shall, on demand, reimburse the Party obtaining such insurance for the full cost thereof.

11. Common Area Maintenance

From and after the Commencement Date, Lessee agrees to pay, as Rent, the monthly fee set forth in Section 5 above for Lessee's proportionate share of (i) maintenance and repair, real estate taxes and assessments (see Section 8) and commercial general liability insurance (see Section 10.2) for the Common Areas (as defined below) and (ii) property insurance (see Section 10.2) for the Shopping Center (collectively, "Common Area Charges"). Lessor agrees to limit increases in Common Area Charges herein to five percent (5%) above the preceding year. Such limitation shall be determined each year on a non-cumulative basis.

"Common Areas" shall mean all areas within the exterior boundaries of the Shopping Center which are now or hereafter made available for the general use, convenience and benefit of the tenants of the Shopping Center and their respective employees, vendors, customers and other invitees, including landscaped areas, paved parking areas, paved service areas, sidewalks, ramps, driveways, curb cuts and all similar areas now or hereafter existing.

12. Operation of Shopping Center and Maintenance of Common Areas

During the Term, Lessor shall cause the Shopping Center to be operated and maintained in a manner commensurate with similar retail shopping centers in Oconee County, and Lessor shall provide therefor all such services as are reasonably required, including repairing, resurfacing, repaving, restriping and resealing of the parking areas and drive aisles; repairing all curbing, sidewalks and directional markers; cleaning and sweeping; snow and ice removal before 6:00 a.m. each applicable morning; provision of adequate lighting during all hours of darkness that Lessee shall be open for business; implementation of any security measures that Lessor in its reasonable business judgment may deem prudent; installing, maintaining and replacing landscaping as needed, and any other required maintenance. In addition, Lessor shall adopt and implement a regular program of pest control as may be necessary to keep the areas adjoining the Premises free of pests and rodents.

If Lessor fails to perform any obligation under this Section 12 within seven (7) days after receipt of notice from Lessee of the need therefor (except that no notice shall be required in the event of an emergency, including any snow or ice storm, utility interruption or other event or natural disaster requiring removal of debris), then Lessee may do so on Lessor's behalf and charge Lessor for the reasonable cost thereof. If Lessor does not reimburse Lessee within thirty (30) days after receipt of an invoice with supporting documentation, Lessee may deduct such cost from Fixed Rent and any other sums payable hereunder.

13. Maintenance and Repair of Building and Premises

13.1 Lessor's Maintenance and Repairs

Lessor shall maintain, repair and replace, as necessary to keep the same in good condition and repair, each of the exterior portions and structural portions of the Building, including the roof, roof covering and roof supports, flashings, gutters, downspouts, footings, foundations, structural supports, columns, exterior walls, bearing walls, retaining walls, floor slab, utility meters, exterior canopies, underground and otherwise concealed sewage, plumbing, conduit, electrical, heating, ventilation and air-conditioning systems not exclusively serving the Premises and other utility systems of, or leading to or from, the Premises and the Shopping Center (other than those utility systems within, and exclusively serving, the Premises). Lessor shall perform its obligations pursuant to this Section at Lessor's sole cost, subject to Lessor's right to collect Common Area Charges.

If Lessor fails to make any of the repairs required of Lessor under this Lease within seven (7) days after notice from Lessee of the necessity therefor, Lessee may, without obligation, make such repairs on Lessor's behalf, and charge Lessor for the reasonable cost thereof. If, in an emergency, any such repairs are immediately necessary for the proper use and enjoyment of the Premises (in Lessee's reasonable opinion), no prior seven (7) day notice is required, but Lessee shall give Lessor reasonable notice under the circumstances, and Lessee may make such repairs on Lessor's behalf and charge Lessor for the reasonable cost thereof. If Lessor does not reimburse Lessee amounts so expended within thirty (30) days after receipt of an invoice with supporting documentation, Lessee may deduct the reasonable cost thereof from Rent.

13.2 Lessee's Maintenance and Repairs

From and after the Commencement Date, Lessee, at its sole cost, shall keep in good condition and repair the interior nonstructural portions of the Premises, including fixtures and equipment, the nonstructural portions of any storefront of the Premises (including doors and windows (all plate glass), the ceiling, all plumbing and electrical wiring and conduits located within the interior nonstructural portions of the Premises, the heating, ventilation and air-conditioning systems exclusively serving the Premises. Consistent with the foregoing, Lessee (i) shall keep all exterior and interior storefront surfaces clean and shall maintain the rest of the Premises in a clean and orderly condition and free of insects, rodents, vermin and other pests; (ii) shall not permit accumulations of any refuse, but shall remove the same and keep such refuse in odor-proof, rat-resistant containers within the interior of the Premises shielded from the view of the general public until removed; and (iii) shall not use the plumbing facilities other than for the purposes for which they are constructed.

14. Lessee Alterations

Lessee shall not make any structural or exterior alterations to the Premises except with Lessor's prior written consent. Lessee may, without Lessor's consent, make nonstructural alterations to the interior of the Premises (each, a "Lessee Change") provided that (a) no such Lessee Change shall impair the safety or structural integrity of the Building, (b) all Lessee Changes shall be performed in a good and workmanlike manner and in accordance with all applicable Laws, and (c) Lessee shall obtain all entitlements, and permits and licenses required in connection with the same. Lessee shall give Lessor notice not less than ten (10) days prior to

commencing any alterations in the Premises, and Lessor may enter upon the Premises to post customary notices of non-responsibility. For purposes of this Lease, "Laws" means all applicable laws, statutes, ordinances, codes, rules and regulations of local, state and federal governmental authorities, including those relating to public health and safety, access for persons with disability, fire safety and building codes, and further including Environmental Laws.

15. Compliance with Laws

At Lessor's sole cost, Lessor shall comply with all Laws relating to the Shopping Center and to real property, buildings and retail businesses in general. Lessor shall maintain the Shopping Center (including the Premises and the Common Areas) at all times so as to comply with and conform to all Laws. Lessor shall be responsible, at its sole cost, for compliance with any and all Environmental Laws (as defined in Section 17.1) applicable to the Shopping Center (including the Premises and the Common Areas), other than those obligations expressly assumed by Lessee immediately below and pursuant to Section 17.1.

At Lessee's sole cost, Lessee shall comply with all Laws relating to Lessee's use and occupation of the Premises from and after the Commencement Date. The foregoing covenant of Lessee shall not impose any liability for the presence of Hazardous Substances on the Premises beyond the express liability of Lessee set forth in 17.1. Lessee shall not be required to make structural repairs or modifications, as the Parties have agreed pursuant to Section 13 that such repairs and modifications shall be Lessor's responsibility, if necessary to comply with Laws.

16. Property Damage and Destruction

16.1 Insured Casualty. "Insured Casualty" means a risk or peril covered by the insurance required to be maintained by Lessor as set forth in Section 10.2 or such other insurance then maintained by Lessor. If the Premises are totally or partially damaged or destroyed by an Insured Casualty, Lessor shall diligently proceed to restore the Premises (excluding Lessee's leasehold improvements, trade fixtures equipment and personal property). If such a required restoration cannot reasonably be completed within six (6) months after the date of the casualty, as reasonably determined by a mutually acceptable licensed architect or engineer, Lessor shall notify Lessee of such determination within thirty (30) days after the casualty, in which case Lessee may terminate this Lease by written notice to Lessor given within thirty (30) days after Lessee's receipt of Lessor's notification.

16.2 Uninsured Casualty. "Uninsured Casualty" means a risk or peril not covered by the insurance required to be maintained by Lessor as set forth in Section 10.2 or any other insurance then maintained by Lessor. If the Premises (or the Building, the Common Areas or other buildings to the extent the same affects the structural integrity of the Building or the Premises or the Building systems) are totally or partially damaged or destroyed by an Uninsured Casualty, Lessor shall diligently proceed to Restore the same (excluding Lessee's leasehold improvements, trade fixtures, equipment and personal property). However, if the amount of the damage or destruction to the Premises exceeds twenty-five percent (25%) of the replacement cost thereof, either Lessee or Lessor may terminate this Lease on thirty (30) days written notice to the other Party following the casualty.

16.3 Shopping Center Casualty. If any part of the Shopping Center other than the Premises is damaged or destroyed by a risk or peril of any kind (a "Shopping Center Casualty"), Lessor shall promptly remove all resulting rubble and debris. Following an Insured Casualty, Lessor shall diligently proceed to Restore the damaged or destroyed part of the Shopping Center. If the Shopping Center Casualty is an Uninsured Casualty, Lessor shall either (a) diligently proceed to Restore the Shopping Center or (b) raze the damaged or destroyed part of the Shopping Center and place the same in a clean, neat and safe condition. If Lessor elects to restore and the restoration required cannot reasonably be completed within six (6) months after the casualty, as reasonably determined by a mutually acceptable licensed architect or engineer, Lessor shall notify Lessee within thirty (30) days after the casualty, in which case Lessee may terminate this Lease by written notice to Lessor given within thirty (30) days after Lessee's receipt of Lessor's notification. Notwithstanding the foregoing, if the casualty damages the Common Areas, Lessor shall diligently restore the Common Areas.

16.4 Abatement of Rent. If the Premises or Shopping Center are totally or partially damaged or destroyed by a Casualty, Rent shall be equitably abated based on the nature and extent of the adverse impact on the operation of Lessee's business.

17. Hazardous Substances

17.1 Lessee's Obligations

Lessee shall not use, store or dispose of any Hazardous Substances (defined below) on the Premises (except that Lessee shall be permitted to use and store household cleaners, chemicals and ordinary office supplies used to maintain the Premises and operate Lessee's business even if such products constitute Hazardous Substances, so long as Lessee complies with Laws in doing so). "Hazardous Substances" means any condition or substance that violates or requires action under any applicable Environmental Laws. "Environmental Laws" means any and all federal, state and local laws, regulations, rules, guidelines and ordinances relating to human health, safety, pollution and protection of the indoor or outdoor environment or otherwise relating to the presence, manufacture, processing, distribution, use, treatment, storage, release, transport, handling, recordkeeping, notification, disclosure and reporting requirements of and respecting Hazardous Substances, including, without limitation, the Comprehensive Environmental Response Compensation Liability Act, the Resource Conservation and Recovery Act, the Clean Water Act, the Clean Air Act and the Occupational Safety and Health Act.

If, during the Term, Lessee or any of its employees, agents, contractors or invitees releases any Hazardous Substances in, on or under the Premises (a "Release") or otherwise violates any applicable Environmental Laws affecting the Premises (a "Violation"), then Lessee, at Lessee's sole cost, shall promptly remove, remediate or cure the Release or Violation, in each case to the extent required by and in full compliance with Laws. Lessee shall indemnify and hold harmless Lessor from and against any and all Losses arising out of or in connection with any Release or Violation. For purposes of this Lease, "Losses" shall mean, collectively, claims, demands, actions, suits, proceedings, losses, liabilities, damages, judgments, costs and expenses, including reasonable attorneys' fees and costs.

17.2 Lessor's Obligations

If (i) prior to the Term, any person other than Lessee or any of its employees, agents or contractors has caused or causes a Release or Violation, or (ii) during the Term, Lessor or any other Lessee or occupant of the Shopping Center or any of Lessor's or such other Lessee's or occupant's employees, agents or contractors causes a Release or Violation affecting the Premises, then Lessor, at no cost to Lessee, shall promptly remove or remediate the Release or Violation, in each case to the extent required by and in full compliance with Laws. Lessor shall indemnify and hold harmless Lessee from and against any and all Losses arising out of or in connection with a Release or Violation affecting the Premises that is caused by Landlord or any of its employees, agents or contractors.

If a Release or Violation caused by any Person other than Lessee or any of its employees, agents, contractors or invitees prevents Lessee from operating its business at the Premises in the normal course, then Rent shall abate until such time as Lessee is able to resume operating its business in the normal course. If Lessee is unable to resume normal operation of its business at the Premises within one hundred eighty (180) days after the Release or Violation is discovered, then until such inability to operate in the normal course has ended, Lessee shall have the right to terminate this Lease by giving written notice thereof to Lessor.

Each Party's obligations under this Section 17.2 shall survive the expiration of the Term or the earlier termination of this Lease.

18. Taking

If the use or possession of the entire Premises or any material portion thereof shall be taken in condemnation proceedings, by right of eminent domain or by sale to a condemning authority in lieu of such taking (each, a "Taking"), then this Lease shall automatically terminate when a right to occupancy or possession is acquired by the condemning authority and, upon such termination, all prepaid Rent and other charges payable hereunder shall promptly be repaid by Lessor to Lessee.

If, as a result of a Taking: (i) the parking area of the Shopping Center is reduced either (A) by greater than ten percent (10%) or (B) such that the available parking spaces for standard size automobiles falls below the required minimum parking by Laws; or (ii) any means of ingress or egress to the Premises (including the loading area) is altered so as to adversely affect, in Lessee's judgment, the flow of traffic in, to, from or about the Shopping Center, then Lessee may terminate this Lease by written notice to Lessor given within sixty (60) days after effectiveness of the Taking. Upon such termination, any prepaid Rent and other charges hereunder shall promptly be repaid by Lessor to Lessee.

Lessee hereby waives all rights to condemnation awards, except awards for Lessee's leasehold improvements, fixtures and equipment and, if applicable, awards for Lessee's relocation costs, business interruption and the like, as well as the value of lost goodwill, if awarded separately.

19. Assignment and Subletting

Except as provided herein, Lessee shall not assign the Lease or sublet all or any part of the Premises without the prior written consent of Lessor, not to be unreasonably withheld or

delayed. Notwithstanding any provision hereof, Lessee shall have the right to assign the Lease or further sublet the Premises (or a portion thereof) to (i) any parent, subsidiary or affiliate of Lessee, (ii) any entity resulting from the consolidation or merger of Lessee into or with any other entity, or (iii) any person, firm or entity purchasing all or substantially all of Lessee's assets or outstanding stock, or all or substantially all of the assets, operations or stock of any subsidiary or affiliate of Lessee, without first obtaining the prior consent or approval of Lessor.

Notwithstanding the foregoing, any such assignment shall only be effective if the assignee, in writing, assumes this Lease and Lessee's obligations herein and assignee becomes liable for the nonperformance thereof accruing from the date of assignment. Notwithstanding any such assignment, Lessee shall remain liable for the obligations of Lessee hereunder unless the Bankruptcy Court approves the assumption and assignment of this Lease in which event the provisions of section 365(k) of the Bankruptcy Code shall apply.

20. Defaults

20.1 By Lessor

The following shall be deemed an event of default by Lessor (each such occurrence, after the expiration of any applicable notice and cure period, a "Lessor Default"): Default in performance of any covenant or condition of Lessor hereunder which continues for a period of thirty (30) days after notice from Lessee of the default or inaccuracy. Upon the occurrence of any Lessor Default, Lessee may, at its option and in addition to all of Lessee's other rights and remedies at law or in equity, do any of the following: (a) terminate this Lease upon notice to Lessor; (b) incur, and deduct from succeeding Rent, the cost necessary to perform any obligation that Lessor has failed to perform; and (c) exercise any other remedy explicitly provided in this Lease for the breach of a specific term or condition.

20.2 Default by Lessee

Each of the following shall be deemed an event of default by Lessee (each such occurrence, after the expiration of any applicable notice and cure period, a "Lessee Default"):

- (a) Default in payment of Rent continuing for ten (10) days after Lessor's notice of such default.
- (b) Default in performance of any other covenant or condition of Lessee hereunder, which continues for a period of thirty (30) days after notice from Lessor of the default.
- (c) The making by Lessee of any general assignment for the benefit of creditors; the filing by or against Lessee of a petition to have Lessee adjudged bankrupt or insolvent or of a petition for reorganization or arrangement under any federal or state bankruptcy or other insolvency law (unless, in the case of a petition filed against Lessee, the same is dismissed within sixty (60) days after filing); the appointment of a trustee or receiver to take possession of all or substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease and possession is not

restored to Lessee within sixty (60) days thereafter; or the attachment, execution or other judicial seizure of substantially all of Lessee's assets located at the Premises or of Lessee's interest in this Lease and possession is not restored to Lessee within sixty (60) days thereafter.

Upon the occurrence of any Lessee Default, Lessor shall have, in addition to Lessor's other rights and remedies at law or in equity, all of the following rights:

- (i) Lessor shall have the right at any time thereafter to give notice of termination to Lessee, and on the date specified in such notice (which shall not be less than 30 days after the giving of such notice) this Lease shall terminate. If any such termination of this Lease occurs, Lessor may then or any time thereafter re-enter the Premises by summary proceedings or otherwise, remove therefrom all persons and property, and repossess and enjoy the Premises, without prejudice to any other remedies that Lessor may have by reason of Lessee's Default or of such termination.
- (ii) Lessor shall have the right, without terminating this Lease, to re-enter the Premises by summary proceedings or otherwise if allowed by Laws and remove all persons and property, and Lessee shall remain liable as hereinafter provided.

No commencement and prosecution of any action by Lessor in unlawful detainer, ejectment or otherwise, or execution of any judgment or decree obtained in any action to recover possession of the Premises, nor any re-entry by Lessor, shall be construed as an election to terminate this Lease, unless Lessor shall give notice to Lessee of such intention.

Should Lessor terminate this Lease for default as set forth above, Lessor shall be entitled, at Lessor's election, to damages as provided by Law.

In the event of any re-entry of the Premises or termination of this Lease as set forth above, Lessor shall use commercially reasonable and diligent efforts to relet the Premises as soon as practicable. Lessor may execute any lease made pursuant to the terms of this Section in Lessor's own name, and Lessee shall have no right or authority whatsoever to collect any rent from such new Lessee or Lessee. The provisions of this Section shall survive the expiration of the Term or the earlier termination of this Lease.

21. Lessor's Right to Access

In the event of an emergency, to make repairs or improvements or to show the Premises to prospective buyers or lessees or for purposes of inspection to determine Lessee's compliance with this Lease or to conduct an annual inspection or to address a safety or maintenance problem, for the purposes of inspecting the same, Lessor or Lessor's agents may enter the Premises at reasonable hours, provided Lessor shall not unreasonably interfere with Lessee's business on the Premises. Except in cases of emergency, Lessee's abandonment of the Premises, court order or where it is impractical to do so, Lessor shall give Lessee reasonable notice before entering.

Upon a Lessee Default, Lessor may at its option (but shall not be required to) enter upon the Premises and take all such action thereon as may be necessary therefore and any amounts paid by Lessor in connection therewith shall be deemed Rent due on the next rent day after such payment together with interest thereon at the Index Rate from the date of payment thereof.

22. Liens

Lessee shall pay all costs for work performed by or on its account and shall keep the Premises free and clear of Liens (as defined below). Lessee shall give Lessor immediate notice of any such Lien, to the extent Lessor's interests could be affected. If Lessee fails to discharge any such Lien, Lessor may (without obligation and in addition to all other rights and remedies hereunder), after ten (10) days prior notice to Lessee, either pay and discharge such Lien, or procure and cause to be recorded a statutory lien release bond and collect from Lessee all costs and expenses incurred by Lessor in paying and discharging such Lien, or in procuring such bond, including reasonable attorneys' fees and costs, recording fees and administrative costs and expenses. As used herein, "Lien" shall mean any mechanics' or materialmen's liens, or any other liens or claims which arise out of or are based on any work or material supplied to Lessee or the efforts of any person claiming through Lessee that could affect the Premises, or Lessor or its interest in the Premises, where such Lien arises out of any payment due, or purported to be due, for any labor, services, materials, supplies or equipment alleged to have been furnished.

23. Surrender of Possession

On or before the last day of the Term (whether by expiration or termination): (i) Lessee shall surrender the Premises to Lessor in a clean and orderly condition, subject to reasonable wear and tear, damage by casualty and any eminent domain; (ii) Lessee shall remove all personal property and fixtures of any kind installed or otherwise placed by Lessee in or upon the Premises ("Trade Fixtures") and shall repair all damage caused by such removal; and (iii) Lessee shall remove any signage or other Trade Fixtures located in the Common Areas. If Lessee does not remove such Trade Fixtures from the Premises prior to the end of the Term, Lessor may, at its option, remove the same and deliver the same to any other place of business of Lessee or warehouse the same, and Lessee shall pay the cost of such removal (including the repair of any injury or damage to the Premises or the Building resulting from such removal), delivery and warehousing to Lessor on demand, or Lessor may treat such Trade Fixtures as having been conveyed to Lessor with this Lease as a bill of sale, without further payment or credit by Lessor or Lessee.

24. Holding Over

If Lessee shall hold over after the expiration date of the Term, or if Lessee shall hold over after the date specified in any termination notice given by Lessee then, in either such event, Lessee shall be a month-to-month Lessee on the same terms as herein provided, except that the monthly Fixed Rent will be one hundred twenty-five percent (125%) of the monthly Fixed Rent payable by Lessee for the last full calendar month of Lessee's tenancy hereunder.

25. Option to Renew - Right of First Opportunity

Prior to offering the Premises for let to third parties following the expiration of the Term, Lessor may first offer to re-lease the Premises to Lessee by delivering notice thereof to Lessee not less than one hundred twenty (120) days prior to the expiration of the Term, with the Fixed Rent during such renewal term equal to the then fair market rental value of the Premises not to exceed five percent (5%) over prior year and otherwise on the same terms and conditions set forth herein.

26. Subordination

This Lease shall be subject and subordinate to the lien of any mortgage or deed of trust in favor of a bank or other institutional lender now or hereafter in force against the fee estate in the Shopping Center, and to all advances made upon the security thereof, provided that such lender executes and delivers to Lessee a subordination, nondisturbance and attornment agreement in form and substance reasonably acceptable to Lessee and such lender.

27. Mutual Indemnity

Each Party (the "Indemnifying Party") hereby agrees to indemnify, defend and hold harmless the other Party and its employees, agents and contractors (the "Indemnified Parties") from and against any and all Losses which (a) arise from any willful, negligent or tortious act or omission of the Indemnifying Party or its employees, agents or contractors on, about or concerning the Premises or the Shopping Center, (b) result from any breach of or default under this Lease by the Indemnifying Party or its employees, agents or contractors, or (c) result from bodily injury (including death) to any person or damage to any property arising out of any testing, inspections, construction, reconstruction, restoration, maintenance or other work performed or required to be performed hereunder by the Indemnifying Party or its employees, agents or contractors. The Indemnifying Party's obligations under this Section shall not apply to any Losses caused solely by the act or omission of any of the Indemnified Parties. Notwithstanding the foregoing, the obligation of the Indemnifying Party to indemnify and hold harmless the Indemnified Parties shall not extend to any matter against which the Indemnified Parties shall be effectively protected by insurance or any matter which was insurable and which was required to be insured but the Indemnified Party did not carry the insurance required; provided, however, that if the liability related to any such matter exceeds the amount of the effective and collectible insurance in question (or the amount that would have been effective and collectible if the Indemnified Party had carried the insurance required), the Indemnifying Party's indemnity obligation hereunder shall apply to such excess. Each Party's obligations described above shall survive the expiration of the Term or the earlier termination of this Lease.

28. Miscellaneous Provisions

28.1 Notice

Any notice, which either Party may or is required to give, may be given by express mail, reputable courier service, telefacsimile, or registered or certified mail (with return receipt requested and postage prepaid) to:

Katie S. Goodman, CRO, on behalf of Lessee, at the following address:
3598 Hwy 11, Travelers Rest, SC 29690

28.2 Brokers

The Parties hereto agree that no brokers or finders have been involved in the transaction described in this Lease and Lessor and Lessee agree that in the event any broker, salesperson or other person makes any claim for any commission or finder's fee based upon this Lease or any other items or interests contemplated by this Lease, the Party through whom said broker, salesperson or other person makes its claim shall defend, indemnify and hold harmless the other Party from said claim and all liabilities, costs and expenses relating thereto, including reasonable attorneys' fees, which may be incurred by such other Party in connection with such claim.

28.3 Estoppel Certificate

Upon the written request of either Party from time to time, the other Party, within thirty (30) days after receipt thereof, shall execute and deliver to the requesting Party a commercially reasonable estoppel certificate.

28.4 Quiet Enjoyment

During the Term and subject to the terms of this Lease, Lessee shall lawfully and quietly hold, occupy and enjoy the Premises and its rights in the Common Areas without hindrance, ejection or molestation by Lessor or any other person lawfully claiming under Lessor.

28.5 Headings

The headings of particular paragraphs and subparagraphs are inserted only for convenience and are not part of this Lease and are not to act as a limitation on the scope of the particular paragraph to which the heading refers.

28.6 Attorneys Fees

If any action or proceeding is instituted to enforce or interpret this Lease, the prevailing Party shall be entitled to recover, from the losing Party, the reasonable charges for services actually performed and rendered by independent outside legal counsel who are not the employees of the Party in question as well as related reasonable costs and expenses.

28.7 Recovery by Lessee

Lessee shall look solely to the Shopping Center (and the rents, issues and profits thereof, insurance and condemnation proceeds) and to no other assets of Lessor for satisfaction of any liability in respect to this Lease, and Lessee shall not make any claims against any shareholder, officer, director, member, manager, partner, trustee (in its individual capacity as opposed to its capacity as trustee), beneficiary or joint venturer of Lessor.

28.8 Governing Law and Venue

This Lease shall be governed by and construed in accordance with the laws of the State of South Carolina (excluding any choice of law rules that may direct the application of the laws of another jurisdiction). If a suit shall be brought by either Party to this Lease, the Parties agree that venue shall be exclusively vested in the state or federal courts located in the County of Oconee.

28.9 Binding on Successors

The provisions of this Lease shall inure to the benefit of and shall bind the successors and assigns of the Parties, except to the extent expressly provided otherwise in the Section 19.

28.10 Jury Waiver

The Parties waive their right to trial by jury in any action, proceeding or counterclaim brought by either of the Parties against the other, or with respect to any defense or issue raised, on any matter whatsoever arising out of, or in any way connected to, this Lease, the relationship of the Parties, or Lessee's use of the Premises.

28.11 Time is of the Essence

Time is of the essence with respect to every provision of this Lease.

28.12 Entire Agreement; Amendments

This Lease (together with any prior confidentiality, nondisclosure or similar agreement between the Parties) constitutes the entire agreement of the Parties, superseding all prior agreements and understandings with respect to the subject matter hereof. Any modifications to this Lease must be made in writing and signed by both Lessor and Lessee.

28.13 Severability

Should any provision herein be determined to be illegal or unenforceable, all other provisions shall nevertheless be effective.

28.14 Audit

If Lessee is not satisfied with any statement, estimate or evidence of payment furnished by Lessor under any provision of this Lease, or wishes to challenge the accuracy or validity of any items therein, Lessee shall give Lessor notice and may audit Lessor's books and records, not occur more frequently than once per calendar year. Access to Landlord's books and records shall be provided within 30 days after Tenant's written request. If access is not provided, Tenant shall be relieved of its obligation to pay Rent (other than Fixed Rent) until access is provided.

28.15 Bankruptcy Court Approval

This Lease is subject to the approval of the Bankruptcy Court (as defined in the first Recital) and this Lease shall only be effective and binding on the Parties upon the Bankruptcy Court's entry of an order granting a motion to be filed by the Debtors to seek approval of the Lease (the "Approval Order").

28.16 Rules and Regulations

Lessor shall have the right to establish and, from time to time, to change, alter and amend, and to enforce against Lessee and the other users of the Common Areas, such reasonable rules and regulations as may be deemed necessary by Lessor for the proper and efficient operation and maintenance of the Common Areas. Lessee agrees to conform to and abide by all such rules and regulations in its use of the Common Areas, to the extent such rules and regulations are not in conflict with this Lease. All such rules and regulations shall apply equally and without discrimination to all persons entitled to the use of the Common Areas generally.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the Parties hereby execute this Lease as of the date stated above.

Lessor:

MCCLOSKEY, LLC,
a South Carolina limited liability company

By: 

Title: 

Print name: Michael McCloskey

Lessee:

CLIFFS AT KEOWEE FALLS GOLF &
COUNTRY CLUB, LLC,
a South Carolina limited liability company

By: _____

Title: _____

IN WITNESS WHEREOF, the Parties hereby execute this Lease as of the date stated above.

Lessor:

MCCLOSKEY, LLC,
a South Carolina limited liability company

By: _____
Title: _____
Print name: _____

Lessee:

CLIFFS AT KEOWEE FALLS GOLF &
COUNTRY CLUB, LLC,
a South Carolina limited liability company

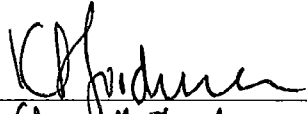
By:  _____
Title: Chief Instructional Officer

EXHIBIT A
INSURANCE CERTIFICATE

EXHIBIT D

The Cliffs Clubs & Hospitality Group et. al

MACHINERY & EQUIPMENT (IT) DESKTOP APPRAISAL

FAIR MARKET VALUE-REMOVED AS OF MARCH 29, 2012

March 29, 2012



Heritage Global Partners
VALUATIONS



Heritage Global Partners
VALUATIONS

March 29, 2012

Katie Goodman
Chief Restructuring Officer
The Cliffs Clubs & Hospitality Group et. al.
3598 Highway 11. Travelers Rest, SC 29690

RE: MACHINERY & EQUIPMENT (IT) APPRAISAL – THE CLIFFS CLUBS & HOSPITALITY GROUP ET. AL.

Dear Ms. Goodman,

Thank you for giving Heritage Global Valuations ("HGV"), a division of Heritage Global Partners, Inc. the opportunity of submitting the following appraisal report pertaining to the Machinery & Equipment ("M&E") of The Cliffs Clubs & Hospitality Group et. al. located at 3598 Highway 11. Travelers Rest, SC 29690. The purpose of this appraisal is to provide a disinterested statement of the value of the subject assets based on current market conditions utilizing a Fair Market Value-Removed concept.

HGV performed the appraisal in accordance with the guidelines established by the Uniform Standards of Professional Appraisal Practice. The effective date of this appraisal is March 29, 2012. This report is delivered to you solely for your use and for the purpose stated therein, and may not be distributed to or relied upon by any other person or entity. The Valuation Report is our expressed opinion at the time of observation, with no warranties or guarantees of the outcome if values are tested at any future date. This appraisal sets forth our findings and conclusions which are based upon our observation of conditions affecting value and which are subject to the Appraiser's Commentary, the Statement of Limiting Conditions, and Definitions sections contained in the following report. Without reading and understanding these sections, the Report could be erroneously interpreted. Based on the analysis discussed herein, please note our Final Estimate of Value:

FAIR MARKET VALUE- REMOVED VALUE: \$99,225

We appreciate the opportunity to provide The Cliffs Clubs & Hospitality Group et. al with professional valuation services. If you have any questions, please call me at (678) 621-6021 or via e-mail at cseeley@hgpvaluation.com.

Very truly yours,

Heritage Global Valuations

Charles L. Seeley, ASA
Managing Director

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Description of Assets Appraised

The assets appraised as part of this valuation assignment consists of various IT equipment including "SAN" (Storage Area Network) storage systems, servers, antennas, wireless point to point links, controllers, ethernet bridges, adaptive security appliances ("firewalls") and switches. All items were provided to HGV by client.

Effective Date of Appraisal

The effective date of the appraisal is March 29, 2012. This is the date that HGV completed its valuation of the assets.

Location of Assets

Assets appraised are located at the following addresses:

- 3598 Highway 11. Travelers Rest, SC 29690

Value Definition(s)

This appraisal has been performed under a Fair Market Value – Removed scenario. Fair Market Value – Removed is defined as follows by the American Society of Appraisers:

Fair Market Value - Removed

"An opinion, expressed in terms of money, at which the property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of relevant facts, considering removal of the property to another location, as of a specific date."

Specific date is understood to be the effective date of the appraisal. The conclusions assume a prospective buyer's consideration of location, difficulty of removal, condition, adaptability, specialization, marketability, overall appearance and psychological appeal in their decision making. All assets are to be sold on a piecemeal basis 'as is, where is' with the purchaser being responsible for removal of the assets at their own risk and expense. Any deletions or additions to the assets appraised or other conditions of sale could change the psychological and/or monetary appeal necessary to attain the value(s) estimated.

Desktop Appraisal

"A Desktop appraisal is an evaluation that estimates the value of the assets that are the subject of the report without the appraiser having had the benefit of conducting a physical inspection of the assets".

Identification of Client and/or Intended User and Intended Use of the Appraisal

HGV has been contracted by Katie Goodman, Chief Restructuring Officer, The Cliffs Clubs & Hospitality Group et. al. (Client) to perform a valuation of the assets contained in this appraisal. HGV recognizes only Katie Goodman of The Cliffs Clubs & Hospitality Group et. al. as the intended user of this appraisal and

does not recognize any other person or entity as an authorized user of this appraisal. HGV does not accept any responsibility to any other parties' reliance on this appraisal in whole or in part. The intended use of this appraisal report is for evaluating a lease or purchase of IT equipment contained in this appraisal.

Appraisal Report Format

This appraisal report is being presented in a summary report format as defined in the Uniform Standards of Professional Appraisal Practice (USPAP).

Appraisal Methodology

There are three generally accepted valuation approaches that are used to derive an indication of the value of assets. These approaches include the Cost Approach, Sales Comparison Approach, and Income Approach to value. These approaches are defined as follows:

Cost Approach

The Cost Approach is a set of procedures in which an appraiser derives a value indication by estimating the current cost to reproduce or replace the personal property, deducting for all depreciation, including physical deterioration, functional obsolescence, and external/economic obsolescence. Depreciation includes loss in value due to physical deterioration as well as functional and economic obsolescence. Functional obsolescence is the decreased capacity of the item to perform the function for which it is intended in terms of current standards and specifications. Functional obsolescence may stem either from a deficiency within the items such as poor design or outmoded style or may result from super-adequacy or over-design. Economic obsolescence represents a loss in value from factors outside the item appraised, such as a depressed market for the end product. These factors generally are characterized as "negative external forces," which have an impact upon the item appraised. The Cost Approach is utilized primarily as a secondary value indicator since it often fails to quantify the inherent loss in value under liquidation conditions. Comparisons are sometimes made to cost when comparable sales are not found under the appraisal concept.

Sales Comparison Approach

The Sales Comparison Approach, sometimes referred as the Market Approach, is a set of procedures in which an appraiser derives a value indication by comparing the personal property being appraised to similar assets that have been recently sold, or are currently available for sale, applying appropriate units of comparison, and making adjustments based on the elements of comparison to the sale prices of the comparable. Marketability of each item is also a determinant of value. Marketability, as a measure of demand, is approximated through recent sales under similar sale conditions. Where actual sales are not available, relationships are often established based upon used equipment prices for comparable items, with subsequent adjustments for similar sale conditions.

Income Capitalization Approach

The Income Approach is a set of procedures in which an appraiser derives a value indication for income-producing personal property by converting anticipated benefits into value. This conversion is accomplished either by: (1) capitalizing a single year's income expectancy or an annual average of several years income expectancies at a market derived capitalization rate or capitalization rate that reflects a specified income pattern, return on investment, and change in value of the investment; or (2) discounting the annual cash flows for the holding period and the reversion at a specified yield rate. The Income Approach is not typically applied when estimating liquidation values.

The Sales Comparison Approach was the primary basis upon which the assets were appraised due to the availability of comparable data. The Cost Approach was used to a much lesser extent when market data was not available or in the event the item being appraised was fairly new. In these instances, the Cost

Approach was considered and given some weight in the value conclusion. The Income Approach was not utilized since this approach gives consideration to income-generating criteria, and is very limited in its application to the appraisal of machinery and equipment being sold on a piecemeal basis. This is due to the difficulty in determining what portion of the total income and expense stream of a given plant would be attributable to a specific piece of equipment. This type of analysis is not appropriate to the scope of this appraisal.

Scope of Work

This appraisal was performed on a desktop basis. HGV has relied on information provided by the client to perform the appraisal. No physical inspection of any of the assets was made. HGV has assumed all IT and other equipment to be in average condition and working order unless otherwise noted.

The appraisal only included the subject items of IT equipment no other assets were included. The valuation of any replacement or spare parts or inventory was beyond the scope of this assignment and therefore not included in this appraisal. No product line dedicated tooling or software has been included in this report.

This valuation included analysis of transactions involving sales of similar assets where available. HGV analyzed available information as to the availability of competitive assets in the open market. The condition of the subject assets with those available or sold on the open market was also considered.

Our research also included searches of comparable assets sales databases. Heritage may have during the course of its research also contacted original equipment manufacturers and or their representatives, used machinery dealers, and liquidation companies. Conversations with these market participants may have included discussions regarding overall market conditions, specific conditions related to the specific assets being appraised.

HGV analyzed all comparable and other sales and market data gathered during the research phase and the approaches to value most appropriate to the scope and purpose of this assignment were then developed utilizing this information.

Statement of Ownership

HGV has assumed all of the appraised assets to be owned by The Cliffs Clubs & Hospitality Group et. al. unless otherwise stated in the appraisal and that all company representations regarding ownership of the assets were accurate and truthful. No Uniform Commercial Code (UCC) searches to determine ownership were conducted by HGV. A UCC search was considered to be outside the scope of this assignment and HGV makes no warranties expressed or implied regarding the ownership of any assets. HGV strongly suggests that any parties with a current or contemplated interest in the assets appraised conduct a UCC search to determine ownership and possible impact to marketability and/or value of any encumbrances to the appraised assets. All assets appraised are being done so on a fee simple interest free of any encumbrances.

Condition of the Assets

This appraisal is being performed on a desktop basis; no physical inspection of the assets was made. HGV has assumed that the assets are in average condition unless otherwise noted.

OSHA and Environmental Considerations

No allowance has been made nor has any consideration been given to the impact, if any, of environmental issues or those associated with the Occupational Safety and Health Administration

("OSHA") that would have an effect on the salability and/or use of the equipment. Furthermore, compliance or non-compliance with regulatory agencies that may have jurisdiction in this area has not been considered.

It should be clearly understood that HGV is not an environmental consulting firm and is not qualified to recognize or test for hazardous substances or conditions. Furthermore, HGV is not qualified to identify or value occupational safety hazards. It is recommended that any parties with or considering an interest in the assets contract with a qualified consulting firm to conduct any studies deemed necessary to ensure that any issues are properly addressed.

Evaluation Considerations/Appraisers Commentary

Founded in 1991, The Cliffs Communities, Inc. is a real estate development and property Management Company with communities located from Asheville, North Carolina to Greenville, South Carolina. The assets appraised consisted of Information Technology (IT) equipment such as, data storage, processing, security, networking and communications. The equipment was comprised of "SAN" (Storage Area Network) storage systems, servers, antennas, wireless point to point links, controllers, ethernet bridges, adaptive security appliances ("firewalls") and switches.

The average reported age of the assets was from 3 to 5 years old. The equipment was assumed to be in average condition. Proper equipment maintenance is necessary to sustain the normal useful life of the machinery & equipment and HGV has assumed this has occurred. The appraisal is being submitted on a "Desktop" basis and HGV Personnel have made no physical inspection of the assets appraised. HGV has relied solely upon information provided by company management. HGV has assumed that all of the equipment is operable, unless otherwise specifically indicated by company management.

All of the assets are subject to rapid technological obsolescence. Generally, the normal useful life for IT items such as were appraised is approximately 5 years. Many items in the appraisal provided are at or approaching the end of their useful lives and in some cases have exceeded their expected useful life. The assets appraised will likely continue to decline in value rapidly.

After conducting interviews with industry contacts, another issue adversely affecting the value of some of the assets are licensing renewals. According to research conducted the cost for renewing licenses can equate to as much as 70% to 90% of original costs. The items most adversely affected by this situation are the "SAN" systems, and according to company management these systems have reached the end of their original licensing agreements. Industry contacts stated that often times this will prevent potential willing buyers from acquiring this type of equipment in the used marketplace, as they can purchase a new system for close the price it would cost to renew the licensing agreements. High reliance on value was placed on cost information and market information provided from a variety of sources familiar with the SAN systems. The lack of in place current warranties, support and licensing has severely hampered the Fair Market Value of these units in the opinion the appraiser.

Significant research has been conducted to gather information to assist in the analysis of the salability and potential value of the subject assets. Although there is in many cases a subsequent amount of used equipment listed for sale, the market appears to be steady. A diligent effort has been made to reach value conclusions that are supportable and representative of the market as it currently exists, based on the best information available.

In some cases enough information was not provided to value certain assets. The "other hardware" tab of spreadsheets provided was a specific instance of this. Not enough information was provided to value these items thus they were excluded from the appraisal.

The Appraisal has also assumed that all of the equipment appraised is disconnected, de-installed and available for sale.

Equipment List

Item #	Quantity	Description	Manufacturer	Model	Serial Number
1	2	SAN Storage Systems	Pillar Data Systems	Axiom 600	A002134BAP & A002135BWL (2008)
2	5	Servers	Dell	PowerEdge 1850	Unknown
3	2	Servers	Dell	PowerEdge 1400	Unknown
4	1	Server	Dell	PowerEdge 2400	Unknown
5	3	Servers	Dell	PowerEdge 850	Unknown
6	6	Servers	Dell	PowerEdge 830	Unknown
7	7	Servers	Dell	PowerEdge 1950	Unknown
8	4	Servers	Dell	R200	Unknown
9	1	Server	Dell	PowerEdge 2950	Unknown
10	1	Server	Dell	PowerEdge SC1435	Unknown
11	2	Servers	Dell	PowerEdge SC1430	Unknown
12	1	Server	Dell	PowerEdge 2850	Unknown
13	1	Server	Dell	PowerEdge 1750	Unknown
14	1	Server	IBM	867 362X	Unknown
15	4	Power Injectors	Cisco	AIR-PWRINJ3	FTX122190M9 & (3) Unknown
16	1	Radio Module	Cisco	AIR-RM1252A	Unknown
17	1	540-Watt UPS	BELKIN	900VA	OO602370
18	1	2 2.4 GHz 2.2 dbi Dipole St. Antenna	Cisco	AIR-ANT2422DG-R	CHK0651V19K
19	2	Omni-Directional Antennas	Cisco	AIR-ANT24120	FTX1305S2HV & B014L0125
20	2	Parabolic Antennas	Radio Waves	SPD2-5.2NS	24452 & 24455
21	3	Wireless Access Point to Point Links	Airstream	PTP-58-LR	7728007003, 7711005830 & 7614002558
22	5	Wireless Access Point to Point Links	Airstream	PTP-58-MR	7601001394, 7546001005, 7835010697, 7834010633 & 755201237

Item #	Quantity	Description	Manufacturer	Model	Serial Number
23	35	Wireless Access Point to Point Links	Cisco	AIR-LAP1142N-A-K9	7806009008, 7728007018, 7728007014, 7631003941, 7546001012, 7711005865, 7805008990, 7805008961, 7625003650, 7711005807, 7812009348, 7812009392, 7732007234, 7727006790, 7610002215, 7541000706, 7728007007, 7728007066, 7817009740, 7817009744, 7617002949, 7614002699, 7631004041, 7735007322, 7725006495, 7726006517, 7630003840, 7711005873, 7728007028, 7728007020, FTX1305S2H2, FTX1305S2HV, FTX1029B0WU, FTX1029B0L3 & FTX130SS2H2

Item #	Quantity	Description	Manufacturer	Model	Serial Number
24	32	Wireless Access Point to Point Links	Cisco	AIR-AP1131AG-A-K9	FTX1131T1BC, FTX1217N1PS, FTX1131T1BV, FTX1217N1Q1, FTX1211N1RS, FTX1211N1RK, FTX1140N110, FTX1101T0ME, FTX1217N1QH, FTX1140N117, FTX1140N12P, FTX1101T0LD, FTX1140T0KW, FTX1101T0M3, FTX1101T0M0, FTX1051T424, FTX1227T1QK, FTX1227T1QH, FTX1131T1BC, FTX1211N1RT, FTX1211N1RR, FTX1101T0LX, FTX0932T04G, FTX0940T0NZ, FTX1217N1PK, FTX1227T1QQ, FTX1131T1CE, FTX1114T1VM, FTX0932T05Y, FTX1211N1R6, FTX1131T1DZ & FTX1131T1B9
25	3	Wireless Access Point to Point Links	Cisco	AIR-1252-AG	FTX122190M6, FTX122190MD, (1) Unknown
26	2	Wireless Access Point to Point Links	Air Point Pro Total	SB2520	S/N's Unknown
27	1	Wireless LAN Controller	Cisco	AIR-WLC4402-25-K9	FOC1052F0EL
28	1	Wireless LAN Controller	Cisco	AIR-CT5508-K9	FCW1327L053
29	3	Wireless Ethernet Bridges	Cisco	AIR-BR1310G	FTX1022U023, FTX1034UOCX & Unknown
30	1	Wireless Ethernet Bridge	Radio Frequency Systems	MA0528-19AN	FXT10270044
31	1	Wireless Ethernet Bridge	Proxim	40100-685	00392
32	2	Point to Point Wireless Ethernet Bridges	Motorola	PTP 58400 (5730BHC)	S/N's Unknown
33	2	Point to Point Wireless Ethernet Bridges	Motorola	PTP 400	652504994 & 652505236

Item #	Quantity	Description	Manufacturer	Model	Serial Number
34	9	Adaptive Security Appliances "Firewalls"	Cisco	ASA 5505	JMX1202Z1AZ, JMX1122ZOST, JMX1114Z0CC, JMX123Z1QD, JMX1122ZOS1, JMX1145Z0AA, JMX1145Z0BN, JMX1213Z0JL & JMX1233Z1PZ
35	1	Adaptive Security Appliance "Firewall"	Cisco	ASA 5520	JMX1208L0F6
36	6	Adaptive Security Appliances "Firewalls"	Cisco	PIX 501	810330310, 809411657, 88810326441, 88810411469, 88810083641 & 810330327
37	1	Adaptive Security Appliance "Firewall"	Cisco	PIX 515E	809432285
38	5	CAT5 Surge Protectors	Transtector Orthogon	ALUP-ORT	1101-778
39	1	48-Port External Switch	Netgear	GS748TNA	JMX1110K2C2
40	1	24-Port External Switch	Cisco	WS-C3750	FOC10092812
41	1	24-Port External Switch	Cisco	WS-C3550	FDO1223X2PP
42	9	48-Port External Switches	Cisco	WS-C3560-48PS	CAT10004Z02T, FDO1328Y0UD, FDO1328Y2MZ, FOC1216V6B3, FOC1216V6D4, FOC1216V6EO, FOC1338Z2HW, FDO1145Y3KW & FOC1217Y5QE
43	7	24-Port External Switches	Cisco	WS-C3560-24TS	CAT1007N211, CAT1025NN3M, CAT1114NHY2, CAT1007N1Z4, CAT1007N1R5, FOC1009Z4YB & FDO1334R0AJ
44	6	8-Port External Switches	Cisco	WS-C3560-8PC	FOC1207Z2TB, FOC1228V6AP, FOC12007Z2T5, FOC1205Z640, FOC1207Z2TM & FOC1205Z62U

Item #	Quantity	Description	Manufacturer	Model	Serial Number
45	15	52-Port External Switches	Cisco	WS-C3560G	FOC13814UT, FOD1328X0BC, FOD1328Y0RN, FOD1328X0B9, FOD1328Y2MZ, FOD1328Y2UL, FOD13280C77, FOD1328Y0U8, FOD1328X0BQ, FOD1328Y2VG, FOD1328X0B8, FOD1328Y0TU, FOD1329Y0PS, FOD1329Y0Q6 & FOD1329Y0PT
46	18	26-Port External Switches	Cisco	WS-C2960	FOC1331Z2, FOC1331Z2, FOC1331Z2LW, FOC1331Z2TT, FOC1331Z2TL, FOC1331Z2KST3, FOC1331Z2ZK, FOC1331Z2TD, FOC1331Z2JV, FOC1331Z2V7R7, FOC1331Z2XZ, FOC1331Z2U2, FOC1331Z2VA, FOC1331Z2S0, FOC1331Z2T6, FOC1331Z2RU, FOC1330Z34J & FOC1330Z287
47	3	24-Port External Switches	Cisco	WS-C2960-24	FOC1330Z28J, FOC1229X07X & FOC1307W45M
48	6	48-Port External Switches	Cisco	WS-C2960-48TC	FOC1152Z7GR, FOC1144Z7DP, FOC1144ZAA, FOC1216Z3D1, FOC1144Z7BD & FOC1144Z7DP
49	2	48-Port External Switches	Cisco	WS-C4948-10GE	FOX1203G1SL & FOX1152GVWC
		TOTAL: \$99,225.00			

Qualifications of Appraiser

Charles Seeley, ASA is one of Heritage Global Valuations founding partners. Mr. Seeley is a 22 year veteran of the appraisal & liquidation industry with a strong background in the valuation of machinery & equipment and inventory. He has previously worked for leading asset based lender, Fleet Capital (now Bank of America) as part of an in-house appraisal team as well as with nationally recognized valuation firms Daley-Hodkin, DoveBid Valuation Services and AccuVal Associates.

In his 22 year appraisal career Mr. Seeley has appraised capital assets and inventory at companies in the plastics, metalworking, transportation, high-tech, printing, woodworking, chemical processing and food & beverage industries as well as many others. His appraisals have been relied on by leading lenders, companies, attorneys, turnaround professionals and private equity groups.

Mr. Seeley graduated with a Bachelor's degree from Dowling College and holds an Accredited Senior Appraiser Designation (ASA) in Machinery and Technical Specialties with the American Society of Appraisers. He is a member of the Turnaround Management Association and (TMA), Association for Corporate Growth (ACG) and also currently sits on the board of the Atlanta Chapter of the Commercial Finance Association (CFA).

Keith Holbrook has more than 14 years of continuous professional appraisal and equipment management experience, including assignments throughout North America, and internationally in Europe, Australia, Canada, Greenland, Mexico, South America, and The Greater Antilles has posed an in-depth knowledge of high-tech systems and equipment with a diverse background in a multiplicity of process systems and distinctive equipment types. Many of the tangible asset valuation projects specializing in personal property (machinery and equipment) analyses have included - for sale or disposal of property, financing and secured lending transactions, sale/leaseback transactions, loan and lease portfolio acquisitions, purchase price allocations for mergers and acquisitions, due diligence support, fresh start accounting, goodwill testing, impairment studies for long-lived assets, cost segregation/depreciation analysis, insurable values, ad-valorem property tax, residual forecast analysis, end of lease negotiations, liquidations, asset based lending and charitable donations.

Certification of Value

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions set forth in this report are limited only by the reported assumptions and limiting conditions(imposed by the terms of the assignment or by the undersigned) set forth by this report, and are our personal, unbiased, professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the Client, the amount of the value opinion, the attainment of a stipulated result, or occurrence of a subsequent event relating to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice ("USPAP").
- This appraisal report has been made in conformity with and is subject to the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Uniform Standards of Professional Appraisal Practice ("USPAP") adopted by the Appraisal Standards Board of the Appraisal Foundation, and the Principles of Appraisal Practice and Code of Ethics of the American Society of Appraisers.
- The use of this report is subject to the requirements of the American Society of Appraisers relating to review by its duly authorized representatives. Disclosure of the contents of the appraisal report is governed by the Bylaws and Administrative Rules of the American Society of Appraisers.
- I disclaim knowledge as to the appraised asset(s) operability, historical performance, and/or existence of any hidden, latent, or undisclosed defects.
- Any statement(s) of condition are the result of visual inspection only and should not be construed as an opinion of operability or utility.
- The appraiser has not performed any services related to the subject assets in the preceding three year period.
- The American Society of Appraisers has a mandatory re-certification program for all of its Senior Members. Charles Seeley, ASA is in compliance with this program.
- No one provided significant personal property appraisal assistance to the person(s) signing this certification
- The undersigned, unless denoted by an (*), has made an inspection of the personal property that is the subject of this report.



Charles Seeley, ASA*
Managing Director*

3/29/2012

Date



Mr. Keith Holbrook*
Appraiser

3/29/2012

Date

General Assumptions and Limiting Conditions

- No investigation has been made by Heritage Global Valuations of, and no responsibility is or will be assumed by Heritage for, the legal description of any of the assets or for any legal matters pertaining to the assets, including, without limitation, title or encumbrances pertaining to the assets. Title to the assets is assumed by Heritage to be good and marketable unless otherwise expressly stated in the report. The assets are further assumed to be free and clear of any and all liens, encumbrances and easements unless otherwise expressly stated in the report.
- Information furnished by the other parties in the course of Heritage Global Valuations appraisal, upon which all or portions of the report may be based, is assumed to be reliable. No warranty is given as to the accuracy of such information.
- Heritage shall neither have nor accept any responsibility for changes in market conditions and Heritage Global Valuations' shall have no obligation to revise the report to reflect events or conditions that occur subsequent to the effective date of the report. Any such changes could render the report and its conclusions inaccurate.
- Without investigation or analysis, Heritage Global Valuations can and has assumed that (a) there has been and will continue to be responsible ownership and competent management of the assets, (b) all assets are maintained to industry standards and expectations, (c) there has been and will continue to be compliance with all applicable local, state and federal zoning, use, environmental and similar laws and regulations, and (d) all licenses, certificates of occupancy, consents or other approvals from any applicable local, state or federal governmental agency or authority or any applicable private entity or organization have been obtained and will remain in current force and effect for any use on which the valuation opinion contained in the appraisal report is or may be based.
- The report shall be solely for the purpose stated herein and, except as expressly set forth above, shall not be disseminated to or used by any other person or entity without the prior consent and approval of 'Heritage Global Valuations'.
- All opinions of value in the report shall be predicated on the ability to resell, convey or transfer the assets to a buyer free and clear of any toxic contaminants or hazardous waste issues or problems, without any subsequent liability to the seller or liquidator.
- Neither Heritage Valuations nor any agent of Heritage Global Valuations shall be required by reason of the report to give testimony or appear in court in connection with any legal proceedings, unless separate and specific arrangements have been made therefore for an additional fee.
- The report is termed a fractional appraisal in that there is no consideration given for business goodwill, royalties, licensing, intangible technology or any other type of intangible asset associated with the assets or the business wherein the assets are used or located.
- All values stated in the report constitute estimates of value presented as Heritage Global Valuations considered opinion based upon information obtained during the appraisal process, all subject to the Limiting Conditions set forth herein.
- The estimates of value contained in the report shall apply to this engagement only. Such estimates may not be applicable outside the context in which they are presented, and any such use is prohibited.
- In all events and circumstances, Heritage Global Valuations maximum liability for the breach of any provisions of this engagement letter, or for any and all damages of any type or nature (whether sounding or arising in contract or tort, and whether compensatory, consequential or punitive in nature) sustained or claimed by client in connection with this engagement of Heritage Global Valuations or the report, shall be the fee actually paid to and received by Heritage Global Valuations under this engagement letter. In no event or circumstances shall Heritage Global Valuations have any liability to client or any other person or entity in excess of the fee actually paid to and received by Heritage under this engagement letter.
- Heritage Global Valuations reserves the right to recall all copies of the appraisal report to correct any omission or errors.

EXHIBIT E

PROPOSED ORDER

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF SOUTH CAROLINA**

In re:

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

Debtors.

CHAPTER 11

Case No. 12-01220-jw

Jointly Administered

**ORDER AUTHORIZING AND APPROVING DEBTORS' (I) LEASE OF OFFICE
SPACE, (II) LEASE PURCHASE OF COMPUTERS AND IT AND (III) LEASE OF
WELLNESS CENTER**

Upon consideration of the motion [Docket Entry No. ____] (the "Motion")² of the above-captioned debtors (the "Debtors") for entry of an order authorizing and approving the entry by certain of the Debtors into leases with third parties, some of whom are non-debtor affiliates of the Debtors, in order to continue using property that they were using on the Petition Date and that is necessary in the ordinary course of the Debtors' business, namely (i) a Lease between Debtor Cliffs Club & Hospitality Service Company LLC, as lessee, and non-debtor affiliate The Cliffs Commercial Properties, LLC, as lessor, for the use for a period of six months of the Debtors' office space, (ii) an Equipment Lease and Purchase Option Agreement between Debtor Cliffs Club & Hospitality Service Company LLC, as lessee, and non-debtor affiliate Cliffs

¹ 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 Debtors, LLC (9665).

² Capitalized terms used but not defined herein shall have the same meanings ascribed to them in the Motion.

Communities, Inc., as lessor, for the lease purchase of computer equipment and IT, and (iii) a Commercial Lease Agreement (Triple Net) between Debtor The Cliffs at Keowee Falls Golf & Country Club, LLC, as lessee, and McCloskey, LLC, as lessor, in order to continue to use for a period of one year the space currently used for the operation of a wellness center; and it appearing that the relief requested is in the best interests of the Debtors' estates, their creditors, and other parties in interest; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that this Motion is a core proceeding pursuant to 28 U.S.C. § 157; and adequate notice of the Motion and opportunity for objection having been given; and it appearing that no other notice need be given; and the Court having determined that the relief sought in the Motion is in the best interests of the Debtors, their creditors, and all parties in interest; and after due deliberation and sufficient cause therefore, it is hereby:

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Motion is granted.
2. The Debtors are authorized to enter into the Leases attached to the Motion as Exhibits A, B and C.
3. The Leases are approved.
4. Notwithstanding anything to the contrary contained herein, any payment to be made, or authorization contained, hereunder shall be subject to the requirements imposed on the Debtors under any approved debtor in possession financing facility, any budget in connection therewith, and any order regarding the use of cash collateral.
5. Notwithstanding the possible application of the Bankruptcy Rules, including Bankruptcy Rule 6004(h), the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

6. This Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

7. The Debtors shall, within three (3) business days hereof, serve a copy of this Order on all parties that received notice of the Motion, as well as all parties that have appeared in these cases and requested notice since the Debtors filed the Motion, and file a certificate of service evidencing such service.

AND IT IS SO ORDERED.

Prepared and presented by:

/s/ Däna Wilkinson

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District Court I.D. No. 4663
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-and-

/s/ J. Michael Levengood

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