**Exhibit E**

Plan Sponsor's Projections

**Exhibit E**

**New ClubCo Projections**

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i) Description of New ClubCo Pro Forma Financial Statements
ii) New ClubCo Pro Forma Financial Statements
iii) Description of Estimated Exit Costs and Funding
iv) Estimated Exit Costs and Funding (i.e. "Sources and Uses")
v) Description of Estimated Equity Investments by Plan Sponsor
vi) Estimated Equity Investments by Sponsor

## i) Description of New ClubCo Pro Forma Financial Statements

Revenues. Revenues consist of membership dues, retail sales, food and beverage sales and ancillary rental and service income. Revenues are based on forecasted New ClubCo membership of approximately 2,325 members in 2012. This is an increase in member count over the current 1,937 discussed in the Disclosure Statement due to additional members drawn from the resigned member pool and non-member property owner pool. Based on consultation with the Plan Sponsor's outside golf expert and consultant, the following conversion of existing members is assumed:

- Active Residential Members: 90%
- Active Non-Residential Members: 80%
- Resigned Members: 50%
- Non Member Property Owners: 30%*
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*Note that 93% of Non-Member Property Owners who are forecast to join the Clubs are at the Wellness or Social level, which is a minimally priced level of membership.

Note that the Plan requires annualized dues at Close to be $16.5 million per year.

Membership is forecast to increase to 2,382 in 2013 and continues to increase over the projection period. Total membership in 2023 is forecast as 3,710. Note that an annual dues increase of 3% per annum is forecast.

The revenue line does not include Access Fees and Initiation Fees. Access fees are discussed in more detail below. Transfer fees, reinstatement fees and activation fees are one time fees used to partially cover the costs of exiting from chapter 11. These fees total $10.2 million and are calculated as follows:

Transfer Fees to New Club: $9.3 million

Resigned Reinstatement Fees: $0.5 million

Activation Non-Member Fees: $0.4 million

Operating Expenses. Operating expenses include primarily the costs relating to retail and food and beverage sales, and expenses relating to personnel, repairs and supplies, and general and operations and administration. These expenses are largely driven by the numbers of members and the number of facilities (for example, personnel costs increase when facilities are opened at Mountain Park). While certain cost savings may be achieved over time, the pro forma does not assume any material cost savings as compared to current operations.

<u>Gross Profit</u>. Gross profit excludes Access Fees and Initiation Fees, and is therefore negative for the first 5 years of the projection period as the membership increases to a sustainable level.

<u>Access Fees</u>. New ClubCo will receive Access Fees of 8% of the gross purchase price of all 'new' ("first generation") lot sales. Access fees are highly dependent on real estate sales. Historically, real estate sales are as follows:

| Year | Lots | Revenue | Average Price |
|---|---|---|---|
| 2004 | 253 | $ 95,600,000 | $ 377,866 |
| 2005 | 412 | $ 182,300,000 | $ 442,476 |
| 2006 | 349 | $ 164,400,000 | $ 471,060 |
| 2007 | 260 | $ 144,600,000 | $ 556,154 |
| 2008 | 117 | $ 70,300,000 | $ 600,855 |
| 2009 | 85 | $ 46,200,000 | $ 543,529 |
| 2010 | 46 | $ 25,200,000 | $ 547,826 |
| 2011 | 25 | $ 11,500,000 | $ 460,000 |
| Avg | **193** | | $ **499,971** |

The pro forma assumes that lot sales paces is approximately 40% of peak while lot pricing is approximately 55% of peak. *Lot sales are never assumed or forecast to reach 2005 – 2007 levels.*

| Year | Lots | Revenue | Average Price |
|---|---|---|---|
| 2012 | 14 | $ 4,915,000 | $ 351,071 |
| 2013 | 63 | $ 20,715,000 | $ 328,810 |
| 2014 | 84 | $ 27,650,000 | $ 329,167 |
| 2015 | 115 | $ 40,210,000 | $ 349,652 |
| 2016 | 130 | $ 44,935,000 | $ 345,654 |
| 2017 | 155 | $ 55,005,000 | $ 354,871 |
| 2018 | 155 | $ 55,005,000 | $ 354,871 |
| 2019 | 158 | $ 55,655,000 | $ 352,247 |
| 2020 | 165 | $ 57,255,000 | $ 347,000 |
| 2021 | 165 | $ 57,255,000 | $ 347,000 |
| 2022 | 165 | $ 57,255,000 | $ 347,000 |
| 2023 | 165 | $ 57,255,000 | $ 347,000 |
| Avg | **128** | | $ **346,195** |

Note that the sales breakdown is forecast as 39% of lots that are currently owned by the Plan Sponsor and 61% of either Plan Sponsor land or land / lots currently owned by other parties.

Other Income. Other Income includes Non-refundable initiation fees, net of refunds paid to transferring members pursuant to the Membership Agreement and Historic Member Addendum.

Operating Profit. New Clubco is consistently profitable, enabling payment of senior debt and all current obligations.

Payments to Class 5 (General Unsecured) Creditors. There are three equal payments to holders of allowed general unsecured claims. The first is included in exit costs (described below). The second and third payments are made in 2013 and 2014.

Exit Facility. An Exit Facility is provided for under the Plan to make up for any cash shortfall in Exit Costs after the Initial Equity Investment and the Transfer Fees are taken into account. The Exit Facility is repaid by all free cash flows of New ClubCo until paid in full (*with the exception of the minimum payment due to Class 1 creditors -- the Note Holder claims*). Based on the Pro Forma Financial Statements, the Exit Facility will be paid in full in 2014.

Mountain Park Facility. The Mountain Park Facility is provided for under the Plan to pay for the completion of the golf course located at Mountain Park. The forecast anticipates that construction will begin in 2012 and be completed in 2013. The Mountain Park Facility is to be repaid by all free cash flows of New ClubCo *after the full repayment of the Exit Facility* until paid in full (*with the exception of the minimum payment due to Class 1 creditors -- the Note Holder claims*). Based on the Pro Forma Financial Statements, the Mountain Park Facility will be paid in full in 2015.

Class 1 Payments (Note Holders). Pursuant to the Plan, the Note Holders are forecasted to receive the greater of $1 million per year or 50% of free cash flow after the repayment of the Exit Facility and Mountain Park Facility. Based on the Pro Forma Financial Statements, Class 1 creditors will be paid in full in 2023.

## ii) New ClubCo Proforma Financial Statements

**ClubCo Proforma**
**Effective Date:** August, 2012
**Prepared:** May, 2012

| | 4 Mo 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Revenues | $ 9,561,023 | $29,019,701 | $30,925,250 | $33,135,160 | $35,526,443 | $38,224,101 | $41,151,896 | $44,149,234 | $47,471,522 | $50,818,705 | $54,406,183 | $58,251,476 |
| Operating Expenses | $10,911,189 | $32,896,808 | $35,446,286 | $37,774,613 | $38,882,509 | $40,048,536 | $41,109,009 | $42,198,938 | $43,330,898 | $44,484,859 | $45,676,854 | $46,908,489 |
| Gross Profit | $ (1,350,165) | $ (3,877,107) | $ (4,521,036) | $ (4,639,453) | $ (3,356,066) | $ (1,824,435) | $ 42,887 | $ 1,950,296 | $ 4,140,624 | $ 6,333,845 | $ 8,729,329 | $11,342,987 |
| Access Fees | $ 393,200 | $ 1,657,200 | $ 2,212,000 | $ 3,216,800 | $ 3,594,800 | $ 4,400,400 | $ 4,400,400 | $ 4,452,400 | $ 4,580,400 | $ 4,580,400 | $ 4,580,400 | $ 4,580,400 |
| Other Income | $ 1,290,128 | $ 4,574,802 | $ 5,306,802 | $ 6,315,752 | $ 6,907,752 | $ 7,639,752 | $ 7,849,752 | $ 8,077,752 | $ 8,207,752 | $ 8,257,752 | $ 8,257,752 | $ 8,257,752 |
| Operating Profit | $ 333,163 | $ 2,354,895 | $ 2,997,766 | $ 4,893,099 | $ 7,146,486 | $10,215,717 | $12,293,039 | $14,480,448 | $16,928,776 | $19,171,997 | $21,567,481 | $24,181,139 |
| **Other Payments** | | | | | | | | | | | | |
| *Class 4 Payments* | | | | | | | | | | | | |
| Beginning Balance | $ 1,907,733 | $ 1,907,733 | $ 953,867 | | | | | | | | | |
| Payments | $ - | $ 953,867 | $ 953,867 | | | | | | | | | |
| Ending Balance | $ 1,907,733 | $ 953,867 | $ - | | | | | | | | | |
| *Exit Facility* | | | | | | | | | | | | |
| *Beginning Balance* | $ 3,440,078 | $ 3,278,920 | $ 1,087,970 | | | | | | | | | |
| Payments | $ 333,163 | $ 2,354,895 | $ 1,142,369 | | | | | | | | | |
| Ending Balance | $ 3,278,920 | $ 1,087,970 | $ - | | | | | | | | | |
| *Mtn Park Facility* | | | | | | | | | | | | |
| Beginning Balance | $ - | $ 1,666,667 | $ 5,000,000 | $ 3,144,603 | | | | | | | | |
| Payments | $ - | $ - | $ 1,855,397 | $ 3,144,603 | | | | | | | | |
| Ending Balance | $ 1,666,667 | $ 5,000,000 | $ 3,144,603 | $ - | | | | | | | | |
| *Class 1 Payments* | | | | | | | | | | | | |
| Beginning Balance | $64,050,000 | $64,050,000 | $63,050,000 | $62,050,000 | $61,050,000 | $57,476,757 | $52,368,898 | $46,222,379 | $38,982,155 | $30,517,767 | $20,931,768 | $10,148,028 |
| Payments | $ - | $ 1,000,000 | $ 1,000,000 | $ 1,000,000 | $ 3,573,243 | $ 5,107,858 | $ 6,146,519 | $ 7,240,224 | $ 8,464,388 | $ 9,585,999 | $10,783,741 | $10,148,028 |
| Ending Balance | $64,050,000 | $63,050,000 | $62,050,000 | $61,050,000 | $57,476,757 | $52,368,898 | $46,222,379 | $38,982,155 | $30,517,767 | $20,931,768 | $10,148,028 | $ - |

iii) **Description of Estimated Exit Costs and Funding**

**Exit Costs**

Real Estate Taxes. Real estate taxes which remain unpaid plus the estimated accrued 2012 property taxes through the Effective Date.

Class 3 payment (Mechanics Liens). Class 3 payments are payments made to holders of claims in this class, totaling approximately $1.5 million.

Class 5 payment (General Unsecured Creditors). Class 5 payment is for the first of three payments to General Unsecured Creditors, the first payment is made as part of the Exit Costs, and the remaining two payments are paid by equity infusions in 2013 and 2014.

Class 6 payment (Administrative Convenience Class). Administrative Convenience Class is made up of allowed general unsecured claims less than, or equal to, $1,000 and is estimated to be $55,870.

Class 7 payment. Payments to rejecting club members with contingent membership deposit claims.

Cure Costs. Cure Costs represent amounts paid by New ClubCo for assumed executory contracts.

DIP Facility. The DIP Loan, interest and fees, is repaid. For modeling purposes only, it is assumed that the DIP Loan is fully drawn in order to pay all administrative claims, other than those assumed by the Plan Sponsor (DIP Loan, interest and fees *plus* administrative claims is $7,771,000).

Bridge Loan. The Bridge Loan, interest and fees, is repaid.

Post Effective Date Administration Plan Sponsor Funding. This is a fund to pay professional fees and expenses of the Debtors relating to post Effective Date matters in the amount of $100,000.

**Exit Funding**

Transfer Fees. Transfer fees is based on attaining approximately 2,325 members to New Clubco.

Initial Equity. Plan Sponsor exit equity of $1.5 million.

Exit Facility. Exit facility bridges any shortfall between other exit funding sources and exit costs:

**iv) Estimated Exit Costs and Funding (i.e. “Sources & Uses”)***

| **New ClubCo Exit Costs and Funding** | | |
|---|---|---|
| **Effective Date:** | | **August, 2012** |
| **Prepared:** | | **May, 2012** |
| | | |
| **Exit Costs** | | |
| Real Estate Taxes | | $ 1,943,432 |
| Class 3 Payment | | $ 1,500,000 |
| Class 5 Payment | | $ 953,867 |
| Class 7 Payment | | $ 100,000 |
| Class 6 Payment | | $ 55,870 |
| Cure Costs | | $ 383,494 |
| DIP Loan | | $ 7,771,000 |
| Bridge Loan | | $ 2,291,507 |
| Post ED Funding | | $ 100,000 |
| Total | | $15,099,169 |
| | | |
| **Exit Funding** | | |
| Transfer Fees | | $10,159,091 |
| Initial Equity | | $ 1,500,000 |
| Exit Facility | | $ 3,440,078 |
| Total | | $15,099,169 |

* Cash on hand as of the Effective Date is estimated not to exceed the balances owed on the DIP Loan and Bridge Loan. To the extent any cash exists, such cash will be used by the Plan Sponsor to satisfy Effective Date obligations assumed by the Plan Sponsor under the Plan.

**Exit Costs - (Initial Equity + Transfer Fees) = Exit Facility**

## v) Description of Estimated Equity Investments by Plan Sponsor

Initial Equity. Initial Equity of $1.5 million injected pursuant to the Plan, which is used to fund the Exit Costs.

Capital Reserve. Capital Reserve established of $1,000,000 as a broad cash reserve for capital improvements, maintenance, repairs, renovations and construction of amenities.

Class 5 Payments (General Unsecured Creditors). The second and third payments to Class 5 creditors are funded by additional equity investments by the Plan Sponsor.

Class 1 Payments (Note Holders). Class 1 (Note Holders) creditors are paid the greater of 50% of free cash flow or $1 million per year. Due to cash short falls from New ClubCo operations in the first years of the New ClubCo Pro Forma Financial Statements, the Plan Sponsor is projected to invest equity to cover these payments totaling $2.2 million.

Amenity Construction. This includes forecasted *additional* construction at Mountain Park, and other amenities to continue to attract and retain club membership. At this time, the Plan Sponsor has several plans for the timing and staging of amenities and understands that membership has a serious interest in understanding these plans. The Plan Sponsor is committed to sharing plans as soon as they are sufficiently well vetted and staged as to provide detailed and accurate information. With the exception of the initial completion of the golf course at Mountain Park, these plans will be subject to the recommendation of the management and Board of New ClubCo. Note the Board of New ClubCo will include 2 elected members (one note holder member and one non-note holder member). The estimated future amenity construction of $26.9 million mentioned on the next page is a projection of what is intended by the Plan Sponsor to be spent on amenity construction over a period of years, but is not an absolute commitment.

## vi) Estimated Equity Investments by Plan Sponsor

**New Clubco Estimated Equity Investment**

| | |
|---|---|
| **Effective Date:** | **August, 2012** |
| **Prepared:** | **May, 2012** |

(Note: solely related to Debtor entities)

| | |
|---|---|
| Initial Equity | $1,500,000 |
| Capital Reserve | $1,000,000 |
| Class 5 Payments | $1,907,733 |
| Class 1 Payments | $2,067,871 |
| Amenity Construction | $26,900,000 |
| Total | $33,375,604 |

Other investment by Plan Sponsor:

The plan sponsor has its overall restructuring of the Debtor's by capitalizing its real estate development plan with $85 million in real estate holdings.

Other assumed liabilities of Plan Sponsor:

The Plan Sponsor is proposing to pay the face value of the notes: $64,050,000.

Total equity and assumed liabilities: **$182,425,604**.