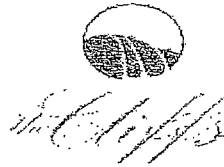


EXHIBIT B



The Cliffs at High Carolina
Founder's Program

Founder's Program Agreement

This Agreement describes the Founder's Program at High Carolina, a unique and limited opportunity that offers many rights, opportunities and benefits associated with a membership in The Cliffs at High Carolina. This Agreement is divided into three parts: (i) summary of the terms of the Founder's Program; (ii) detailed description of the terms and conditions, and (iii) legal disclosures associated with participation in the Founder's Program. If you would like to participate in the Founder's Program, please review this Agreement and sign below.

I. Summary of the Terms

The following is a summary of the primary terms of the Founder's Program at The Cliffs at High Carolina. These are described in greater detail under the Terms and Conditions below.

Initial Deposit

To participate in the Founder's Program, a participant must make an initial deposit of \$2,000,000. It is not required, but this initial deposit may be used towards the purchase of a homesite in The Cliffs at High Carolina.

Program Benefits

Participation in the Founder's Program includes the following benefits.

- Homesite Credit: A \$2,500,000 homesite credit to be used towards the purchase of one or more homesites in the area currently designated as Founder's Ridge or another location in High Carolina.
- Honorary Club Membership: A Lifetime Honorary Full Golf (Founder's) Membership in The Cliffs at High Carolina Golf and Country Club. Membership will allow the participant access to all of the High Carolina facilities, amenities, and golf course (usage fees are applicable). Participants in the Founder's Program will have full reciprocal privileges at all Cliffs Communities, including The Cliffs International properties (usage fees are applicable).
- Preferred Purchase Opportunity: A preferred purchase opportunity for a homesite located in the area currently designated as Founder's Ridge in The Cliffs at High Carolina.
- The ability to offer a Full Golf Club Membership to a potential purchaser with any future sale of your property in The Cliffs at High Carolina.
- Unique Founder's Gift Package and Club Offerings.

II. Terms and Conditions

Homesite Credit.

Each participant in the Founder's Program will be entitled to a \$2,500,000 Homesite Credit towards the purchase price of a homesite located in The Cliffs at High Carolina. The Homesite Credit will be applied to the then current list price of High Carolina property, with any excess to be paid by the participant. If the list price of the lot purchased is less than the amount of the Homesite Credit, the participant may apply the remaining amount of the Homesite Credit towards an additional homesite located in The Cliffs at High Carolina. The Homesite Credit can only be used on homesites in High Carolina. A full Homesite Credit may not be transferred to a third party within one year following the payment of the initial deposit, and thereafter may be transferred to a third party only with the prior written consent of The Cliffs. No partial amount of a Homesite Credit may be transferred to a third party, and there will be no reimbursement for any unused portion of a Homesite Credit.

The Cliffs anticipates that the inaugural release of homesites in High Carolina, excluding those in the area currently designated as Founder's Ridge, will be made available for purchase beginning in November 2008. The Cliffs anticipates that the homesites in the area currently designated as Founder's Ridge will be released and available for purchase beginning in November 2009. A participant in the Founder's Program may apply the Homesite Credit towards the purchase of a homesite at any time following the release of the lots.

If a participant in the Founder's Program does not use the Homesite Credit within three years from the initial release date of homesites in High Carolina, such participant may request a full refund of the initial deposit (\$2,000,000), without interest. No portion of the initial deposit will be refundable prior to the end of the three-year period following the initial release date.

Lifetime Honorary High Carolina Golf and Country Club Membership.

Each participant in the Founder's Program will be provided with an Honorary Club Membership in The Cliffs at High Carolina Golf & Country Club. The Honorary Club Membership will entitle each participant access to the High Carolina club facilities, amenities, and golf course. The Honorary Club Membership will be provided for the lifetime of a participant in the Founder's Program. The Cliffs will waive the membership initiation deposit for all participants in the Founder's Program. In addition, if a participant elects to use the Homesite Credit to purchase a homesite within the area currently designated as Founder's Ridge or a homesite to be released after November 2009, The Cliffs will also waive all subsequent Honorary Club Membership annual club dues for the life of the participant. Participants who elect to purchase a homesite in the initial homesite offering, currently anticipated to be November 2008, and in advance of the homesites being released for sale in the area currently designated as Founder's Ridge, will be required to pay annual club dues (which will begin within 60 days of the opening of The Cliffs at High Carolina golf course). If a participant in the Founder's Program does not use the Homesite Credit within three years from the initial release date of homesites in High Carolina and requests a full refund of the initial deposit, The Cliffs will nevertheless waive all subsequent Honorary Club Membership annual club dues for the life of the participant.

The Honorary Club Membership may be retained even if a participant in the Founder's Program does not purchase a homesite in High Carolina or sells his property in the future. In addition, a participant in the Founder's Program who purchases a homesite in The Cliffs at High Carolina will have the right to offer a Full Golf Membership to a potential purchaser upon the future sale of his property. The potential purchaser would pay the then current membership initiation deposit to The Cliffs at High Carolina Golf and Country Club (not to the participant).

Preferred Purchase Opportunity on Founder's Ridge.

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Each participant in the Founder's Program will have a preferred opportunity to purchase a homesite in the area currently designated as Founder's Ridge. When the homesites in the area currently referred to as Founder's Ridge are released (currently anticipated to be in November 2009), each participant in the Founder's Program who has not previously used the full Homesite Credit will have an opportunity to select a homesite in the area currently designated as Founder's Ridge for purchase. At the appropriate time, The Cliffs will outline the selection process for all properties and notify all participants in the Founder's Program. It is anticipated that the selection process will have components of a lottery selection process to make it fair and equitable for all participants of the Founder's Program. The selection process for property at The Cliffs at High Carolina will be at the sole determination and discretion of The Cliffs.

Unique Founder's Gift Package and Club Offerings

Each participant in the Founder's Program will receive a unique gift package and club offerings only available to participants of the Founder's Program.

Conditions on Participation in the Founder's Program

The Founder's Program is an exclusive program being offering to a limited number of qualified persons. To participate in the Founder's Program, a participant must represent and agree to each of the following statements by setting forth such participant's initials below.

(a) I am an "accredited investor" as defined by Rule 501(a) promulgated under the federal Securities Act of 1933, because I am either (i) a natural person and my individual net worth, or joint net worth with my spouse, at the time of my purchase exceeds \$1,000,000 or I had an individual income in excess of \$200,000 in each of the two most recent years or joint income with my spouse in excess of \$300,000 in each of those years and I have a reasonable expectation of reaching the same income level in the current year, or (ii) an entity that qualifies as an accredited investor. I agree to provide The Cliffs with any additional information it may request to verify that I am an accredited investor.

 [Initial Here]

(b) I have had an opportunity to ask questions of and receive answers from representatives of The Cliffs concerning participation in the Founder's Program. I also understand that The Cliffs will, upon my request, make available to me a copy of any relevant information regarding The Cliffs or the plans for High Carolina and its proposed development which The Cliffs possesses or can obtain without unreasonable expense. I have such knowledge and experience in financial and business matters that I am capable of evaluating the merits and risks of the investment in the Founder's Program. I acknowledge that I have conducted my own due diligence with respect to The Cliffs, the Founder's Program, the development plans for High Carolina, and any other matter which I believe to be material to my decision to participate in the Founder's Program and further acknowledge that I am making my decision to participate based on this due diligence.

 [Initial Here]

(c) I am participating in the Founder's Program for my own account and not with the intent to sell my Homesite Credit to others. I acknowledge that there are restrictions on my ability to transfer my Homesite Credit or the other benefits associated with participation in the Founder's Program, as described above.

 [Initial Here]

(d) I acknowledge that I have read and understand the Legal Disclosures set forth below, including the description of the financial risks that may be associated with my participation in the Founder's Program.

 [Initial Here]

(e) I acknowledge that The Cliffs provided this Agreement to me on a confidential basis solely for me to consider participating in the Founder's Program. I acknowledge that this offer is not transferable to any other person and

I agree on behalf of myself and my representatives to maintain the confidentiality of the information provided to me in connection with my evaluation of the Founder's Program.

EC [Initial Here]

(i) I acknowledge that although I am receiving a Homesite Credit that can be used to purchase real estate in High Carolina, I am under no obligation to purchase this real estate, and no interest in land or real property of any sort is being offered or sold pursuant to this Agreement.

EC [Initial Here]

III. Legal Disclosures

(a) The Cliffs is offering participation in the Founder's Program to a limited number of persons, which will not exceed 40 participants. Deposits from participants will not be held in escrow. The Cliffs intends to use the funds generated from the deposits made by Founder's Program participants for general corporate purposes, including development of The Cliffs at High Carolina, including its facilities, amenities, and golf course. The Cliffs does not anticipate generating sufficient proceeds from these deposits to cover all of the costs of developing High Carolina. The Cliffs anticipates generating the remaining funds necessary for developing High Carolina through cash on hand and lines of credit it believes it can secure. Nevertheless, there is a risk that The Cliffs may not have or be able to raise sufficient funds to complete High Carolina on a timely basis, or at all. If this were to occur, the value of the High Carolina lots and club membership could be negatively affected.

(b) The Cliffs anticipates that homesites in The Cliffs at High Carolina will become available for purchase beginning in November 2008, and homesites in the area currently designated as Founder's Ridge will become available for purchase beginning in November 2009. In addition, The Cliffs anticipates that the High Carolina golf course will be completed and open for play in 2010. However, The Cliffs makes no assurances that these dates will be achieved. Real estate construction can be subject to delays due to many factors, including conditions beyond The Cliffs' control such as environmental issues, third party delays, government regulation, weather, and other natural conditions. The occurrence or re-occurrence of any such conditions may require increased capital expenditures by The Cliffs and could cause delays in the proposed release dates and opening date. If any of these events were to occur, the value of the High Carolina lots and club membership could be negatively affected.

(c) The Homesite Credit may be used towards the purchase of a homesite in High Carolina at The Cliffs' then current list price for the homesites. The Cliffs makes no representation that this list price will be equal to or greater than the fair market value of the homesites. In addition, The Cliffs makes no assurances that any participant in the Founder's Program will be able to sell any homesite at a price equal to or greater than the price at which the homesite was purchased. Golf is a discretionary recreational activity with relatively high participation costs. A severe economic downturn could weaken sales of the real estate and in turn reduce the value of the real estate in The Cliffs at High Carolina.

(d) A participant in the Founder's Program may request a full refund of such participant's deposit, without interest, if such participant does not use the Homesite Credit within three years of the initial release date of the High Carolina properties. This repurchase obligation would be an unsecured liability of The Cliffs at High Carolina, LLC, which is a subsidiary of The Cliffs Communities, Inc. There can be no assurances that The Cliffs at High Carolina, LLC will have sufficient available funds to repay this deposit in full upon demand, or even at all.

(e) This Agreement shall be governed by and construed in accordance with the domestic laws of the State of South Carolina without giving effect to any choice or conflict of law provision or rule (whether of the State of South Carolina or any other jurisdiction) that would cause the application to this Agreement of the laws of any jurisdiction other than the State of South Carolina. Subject to the provisions of Section (f) below, all legal proceedings arising out of or relating to this Agreement or any other transactions contemplated hereby shall be brought either in the United States District Court of South Carolina, Greenville Division, or in any court in Greenville County of the State of South Carolina having jurisdiction thereof. The parties consent and waive all objections to the personal jurisdiction of, and venue in, any such court.

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(f) Except as may be otherwise set forth herein, any dispute, controversy, difference or claim arising out of or relating to or in connection with this Agreement or the transactions contemplated hereby shall be finally settled by arbitration in accordance with the then existing Rules for Commercial Arbitration of the American Arbitration Association or any successor thereto. Any such arbitration shall be submitted to a three member panel selected through the rules governing selection and appointment of such panels of the American Arbitration Association or any successor thereto. The arbitration shall be conducted in Greenville, South Carolina, or such other place as the parties thereto may agree. The award rendered by the arbitrators in the arbitration proceeding shall be final and binding upon the parties thereto and a judgment thereon may be entered in any court of competent jurisdiction.

(g) This Agreement shall constitute the entire agreement between the parties hereto with respect to the subject matter hereof. This Agreement may be amended or modified only by a writing executed by the party to be bound thereby. This Agreement may be executed in multiple counterparts, each of which shall constitute an original but all of which shall constitute but one and the same instrument. This Agreement may be executed and delivered by facsimile transmission, which will constitute the legal delivery hereof. This Agreement shall be governed by and construed in accordance with the laws of the State of South Carolina.



SIGNATURE PAGE
TO

THE FOUNDER'S PROGRAM AGREEMENT WITH THE CLIFFS AT HIGH CAROLINA, LLC

IN WITNESS WHEREOF, the undersigned has executed this Founder's Program Agreement and delivered the required initial deposit as of the date set forth below:

[Signature]
Witness
[Signature]
Witness

[Signature]
Name: Brian A. Cassidy, Jr.
Title: Partner Redacted

State of Residence or Incorporation:

Ohio

TAPPAH RANCH EXCLUSIVE HOMES, LLC

Address: 8312 W. 11th Park Road

Sum. OH 43188

Email: BCASSIDYJR@VARCO.COM

Phone Number: Redacted.

S.S.#: Redacted

Date: April 14, 2008

Accepted:

THE CLIFFS AT HIGH CAROLINA, LLC

By: [Signature]
Name: Scott D. Beville
Its: Executive Vice President, Cliffs Communities, Inc.
President, Cliffs Real Estate, Inc.

Date:

4/14/08