

SUPPLEMENTAL AGREEMENT REGARDING MEMBERSHIPS

This SUPPLEMENTAL AGREEMENT REGARDING MEMBERSHIPS (“Supplement”) is made as of the 12th day of May, 2010 by and among **THE CLIFFS COMMUNITIES, INC.**, a South Carolina corporation (“Cliffs Guarantor”), **THE CLIFFS GOLF & COUNTRY CLUB, INC.**, a South Carolina corporation, (“Country Club”), and **JAMES B. ANTHONY**, an individual resident of the State of South Carolina (“Anthony”; Cliffs Guarantor, Country Club and Anthony hereinafter collectively referred to as the “Membership Parties”) and **WORTHINGTON HYDE PARTNERS-II, L.P.**, a Delaware limited partnership (“Lender”).

WITNESSETH:

WHEREAS, Keowee Falls Investment Group, LLC and Keowee Investment Group, LLC (collectively, the “Borrower”), Cliffs Guarantor and Anthony (collectively, the “Guarantors”) and the Lender have entered into that certain Loan Agreement dated August 8, 2008 (as amended, supplemented, or otherwise modified from time to time in accordance with its terms, the “Loan Agreement”), pursuant to which the Lender made a loan (the “Loan”) to the Borrower in the original principal amount of Twenty Million Dollars (\$20,000,000.00);

WHEREAS, Country Club is an affiliate of the Borrower and the Guarantors and will be directly benefitted by the extension of the Loan to the Borrower;

WHEREAS, as a condition to making the Loan to the Borrower, the Lender required, among other things, that the Membership Parties enter into that certain Agreement Regarding Memberships dated August 8, 2008 (the “Membership Agreement”) to provide the Lender with the ability to offer membership rights for sale to those persons who, in the event of a foreclosure of the Property (as defined in the Loan Agreement) or a portion thereof by Lender, shall purchase Platted Lots in Keowee Falls, Glassy, or Keowee Vineyards (all as defined in the Loan Agreement) from the Lender or an affiliate of Lender who shall hold title to the Property after foreclosure;

WHEREAS, the Cliffs Clubs (as such term is defined in the Membership Plan attached to the Loan Agreement [the “Membership Plan”]) have completed a corporate restructuring (the “Company Transaction”) which resulted in the issuance of secured notes (the “Notes”) to certain investors (the “Investors”) who are currently members of the Cliffs Clubs and the granting of mortgages in favor of the Investors encumbering the Club Facilities (as defined in the Membership Plan); and

WHEREAS, the Lender has required that the Membership Parties enter into this Supplement to provide additional confirmations to the Lender with respect to the Company Transaction.

NOW, THEREFORE, in consideration of Ten Dollars (\$10.00) cash in hand paid, the mutual covenants hereinafter contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Membership Parties and Lender, the parties hereto agree as follows:

1. Definitions. All capitalized terms used herein which are not otherwise defined herein shall have the meanings given to such terms in the Loan Agreement.

2. Additional Parties to Membership Agreement. The Membership Parties hereby confirm to Lender that none of CCHG Holdings, Inc., The Cliffs Club & Hospitality Group, Inc. ("ClubCo") or Cliffs Club & Hospitality Service Company, LLC presently has any right to sell or offer for sale any Memberships in the Cliffs Clubs.

3. Further Agreement of the Membership Parties. After the completion of any foreclosure proceeding resulting in the Investors holding title to one or more Cliffs Clubs, in the event that any one or more of the Membership Parties, the Cliffs Clubs, or any member of the Cliffs Group enters into an agreement with the Investors to provide services related to the operation of the Cliffs Clubs, the management of the Club Facilities or any portion thereof, or the issuance of Memberships, then, as a condition to entering into any such agreement with the Investors to provide such services, the applicable Cliffs Group member shall require the Investors to acknowledge to Lender in writing that the Investors shall be bound by the terms and provisions of the Membership Agreement as if they were originally parties thereto. The provision of any services by any one or more of the Membership Parties, the Cliffs Clubs, or any member of the Cliffs Group prior to the completion of any such foreclosure proceeding under any agreement that will survive such foreclosure proceeding also shall be subject to the requirements of this Section 3; provided however, the foregoing provision does not apply to the covenants and agreements contained in any indenture documents between or among any of the Membership Parties, the Cliffs Clubs, or any member of the Cliffs Group and the Investors which require the Cliffs Group to operate the Club Clubs, manage the Club Facilities or sell Memberships in accordance with the Cliffs Group's customary business practices but which services are not being provided for the direct benefit of or at the direction of the Investors.

4. Severability of Provisions. If any provision of this Supplement is construed to be invalid or unenforceable, there shall be substituted therefor another provision regarding the subject matter of the invalid or unenforceable provision, which substitute provision shall be valid and enforceable and as similar as possible to the invalid or unenforceable provision; and the remaining provisions hereof shall not be affected by such invalidity or unenforceability. Each term and provision contained herein, however, is valid and enforceable to the fullest extent permitted by applicable law.

5. Notices, Etc. All notices or demands hereunder shall be in writing and shall be given in accordance with the terms of the Loan Agreement.

6. Amendments, Etc. Neither this Supplement nor any provision hereof may be amended, changed, waived, discharged or terminated orally, but only by an instrument in writing signed by the party against whom enforcement of the change, waiver, discharge or termination is sought.

7. Governing Law. This Supplement shall be governed by and construed according to the statutes and laws of the State of Georgia from time to time in effect.

8. Successors and Assigns. This Supplement shall be binding upon and inure to the benefit of the parties hereto, and their respective heirs, successors and assigns; provided that, the Membership Parties shall not assign their obligations hereunder, in whole or in part, without the prior written consent of Lender, and any such assignment without said consent shall be void and of no effect. Any assignment by Lender shall be made in accordance with the applicable provisions of the Loan Agreement.

9. Time of the Essence. The parties acknowledge and agree that with respect to performance of their respective duties and obligations under this Supplement, time is of the essence.

10. Termination. This Supplement shall terminate upon the payment in full of all obligations of the Borrower and Guarantors under the Loan Documents.

11. Further Assurances. The parties hereby agree to execute or cause any other member of the Cliffs Group to execute such other documents and perform such other acts as may be reasonably necessary or desirable to carry out the intents and purposes of this Supplement.

12. Terminology; Captions. Wherever used, the singular number shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders, as the context may require. The captions or headings of the paragraphs of this Supplement are inserted for convenience of reference only and shall not be part of this Supplement nor be used to construe or interpret the provisions hereof.

13. Counterparts. This Supplement may be executed in two or more counterparts, each of which shall be an original but such counterparts together shall constitute one and the same instrument notwithstanding that the parties are not signatory to the same counterpart.

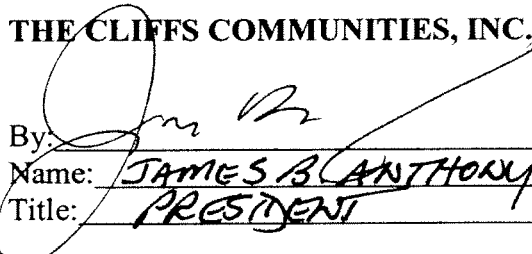
14. Joinder. Each Cliffs Club that is not a party to the Membership Agreement (each a "New Cliffs Club"), by its signature below, becomes a Cliffs Club with the same force and effect as if originally named therein as a Cliffs Club, and each such New Cliffs Club hereby agrees to all the terms thereof applicable to it and warrants that the representations and warranties made by it as a party thereunder are true and correct in all material respects on and as of the date hereof. Each reference to a "Cliffs Club" in the Membership Agreement shall be deemed to include each New Cliffs Club. The Membership Agreement is hereby incorporated by reference.

[Signatures begin on following page]

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

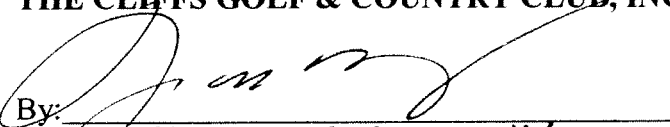
MEMBERSHIP PARTIES:

THE CLIFFS COMMUNITIES, INC.

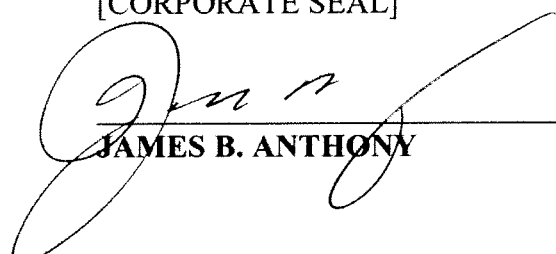
By: 
Name: JAMES B. ANTHONY
Title: PRESIDENT

[CORPORATE SEAL]

THE CLIFFS GOLF & COUNTRY CLUB, INC.

By: 
Name: JAMES B. ANTHONY
Title: PRESIDENT

[CORPORATE SEAL]



JAMES B. ANTHONY

LENDER:

WORTHINGTON HYDE PARTNERS-II, L.P.
a Delaware limited liability company

BY: Worthington Hyde, LLC
its sole general partner


BY: Pittco Management, LLC,
its Manager

By: 
Robert W. Worthington
Executive Vice President of
Real Estate

The Cliffs Clubs execute this Supplement for the purpose of acknowledging their consent and agreement to the terms and provisions contained herein.

THE CLIFFS AT KEOWEE VINEYARDS
GOLF & COUNTRY CLUB, LLC

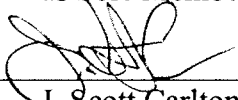
By: The Cliffs Club & Hospitality Group, Inc.,
as Sole Member

By: 

J. Scott Carlton
President

THE CLIFFS AT WALNUT COVE
GOLF & COUNTRY CLUB, LLC

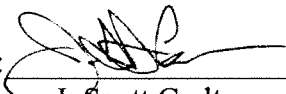
By: The Cliffs Club & Hospitality Group, Inc.,
as Sole Member

By: 

J. Scott Carlton
President

THE CLIFFS AT MOUNTAIN PARK
GOLF & COUNTRY CLUB, LLC


By: The Cliffs Club & Hospitality Group, Inc.,
as Sole Member

By: 

J. Scott Carlton
President

THE CLIFFS AT KEOWEE FALLS
GOLF & COUNTRY CLUB, LLC


By: The Cliffs Club & Hospitality Group, Inc.,
as Sole Member

By: 

J. Scott Carlton
President

THE CLIFFS AT KEOWEE SPRINGS
GOLF & COUNTRY CLUB, LLC

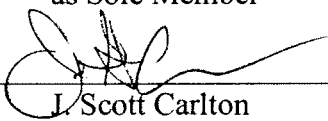
By: The Cliffs Club & Hospitality Group, Inc.,
as Sole Member

By: 

J. Scott Carlton
President

THE CLIFFS AT HIGH CAROLINA
GOLF & COUNTRY CLUB, LLC


By: The Cliffs Club & Hospitality Group, Inc.,
as Sole Member

By: 

J. Scott Carlton
President

THE CLIFFS AT GLASSY
GOLF & COUNTRY CLUB, LLC

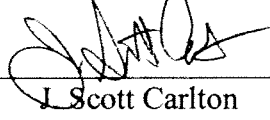
By: The Cliffs Club & Hospitality Group, Inc.,
as Sole Member

By: 

J. Scott Carlton
President

THE CLIFFS VALLEY
GOLF & COUNTRY CLUB, LLC

By: The Cliffs Club & Hospitality Group, Inc.,
as Sole Member

By: 

J. Scott Carlton
President