

**ADDENDUM TO SECOND PROOF OF CLAIM/INTEREST OF
FOCUS SOUTH GROUP, LLC**

**In re South Edge, LLC,
Case No. 10-32968**

The attached proof of claim/interest (the "Claim") of Focus South Group, LLC ("Focus") sets forth the claims of Focus against South Edge, LLC, the above-captioned debtor (the "Debtor"), in addition to claims asserted in Proof of Claim No. 12, and is based on the following facts:

1. Focus is a party to that certain Amended and Restated Operating Agreement of South Edge, LLC dated as of May 3, 2004 (as amended from time to time, the "Operating Agreement"), which, in part, governs the affairs of the Debtor. Pursuant to the Operating Agreement, Focus holds 15.59% of the Percentage Interests of South Edge and hereby files this Claim as a proof of interest regarding such ownership.

2. Focus is also a party to the following agreements that concern the Debtor: (a) that certain Purchase and Sale Agreement and Joint Escrow Instructions (as amended from time to time, the "Acquisition Agreement") dated as of October 29, 2004 by and between Focus and the Debtor; (b) that certain Cross-Indemnity Agreement (the "Indemnity Agreement") dated as of October 30, 2004 by and among Focus, Holdings Manager, LLC, the other members of the Debtor and their respective parent guarantors; (c) that certain Agreement Regarding Allocation of Residential Units Within Inspirada Town Center ("Allocation Agreement") dated November 28, 2007 by and between Focus and certain other members of the Debtor; (d) that certain Mass Grading Agreement (the "Mass Grading Agreement") dated as of January 1, 2007 among the members of the Debtor concerning the Debtor and (e) that certain Completion Guaranty (the "Completion Guaranty") dated November 1, 2004 issued by Focus for the benefit of JPMorgan

Chase Bank, N.A., and certain lenders. The Operating Agreement, the Acquisition Agreement, the Indemnity Agreement, the Allocation Agreement, the Mass Grading Agreement, the Completion Guaranty and any other agreements to which Focus is a party concerning the Debtor are referred to herein collectively as the “Agreements.”

3. Focus hereby files this Claim, in an abundance of caution, to preserve all claims and rights that it might have against South Edge arising from or related to the Agreements, including claims for money damages, rights to equitable relief, rights to indemnification and reimbursement, development rights and any other claims or rights arising from or under such Agreements, except to the extent any such claims have already been asserted in Proof of Claim 12 previously filed by Focus.

4. Focus expressly reserves the right to amend and supplement this Claim in any respect at any time including with respect to costs and expenses as they are determined. Nothing herein shall constitute a waiver of any of Focus’s rights; all such rights are expressly reserved.

5. Moreover, Focus has been compelled to file this Claim in light of claims bar date established in the Debtor’s bankruptcy case. The filing of this Claim, however, is not: (a) intended to waive Focus’s right to demand a jury trial with respect to any of the claims set forth herein or to file any motion to withdraw the reference with respect to any such claims, or (b) a waiver of Focus’s right to contest the jurisdiction of the United States Bankruptcy Court for the District of Nevada over either Focus or the subject matter of this Claim.

District of Nevada Claims Register

10-32968-bam SOUTH EDGE, LLC

Judge: BRUCE A. MARKELL **Chapter:** 11
Office: Las Vegas **Last Date to file claims:** 06/29/2011
Trustee: CYNTHIA NELSON **Last Date to file (Govt):**

<i>Creditor:</i> (6978170) FOCUS SOUTH GROUP, LLC 3455 CLIFF SHADOWS PARKWAY SUITE 220 LAS VEGAS, NV 89129 USA	Claim No: 35 <i>Original Filed</i> <i>Date:</i> 06/29/2011 <i>Original Entered</i> <i>Date:</i> 06/29/2011	<i>Status:</i> <i>Filed by:</i> CR <i>Entered by:</i> BOGATZ, I <i>Modified:</i>
Total claimed:		

<i>History:</i>
<u>Details</u> <u>35-1</u> 06/29/2011 Claim #35 filed by FOCUS SOUTH GROUP, LLC, total amount claimed: \$0 (BOGATZ, I)
<i>Description:</i> (35-1) Focus South Group, LLC Second Proof of Claim
<i>Remarks:</i>

Claims Register Summary

Case Name: SOUTH EDGE, LLC
Case Number: 10-32968-bam
Chapter: 11
Date Filed: 12/09/2010
Total Number Of Claims: 1

	Total Amount Claimed	Total Amount Allowed
Unsecured		
Secured		
Priority		
Unknown		
Administrative		
Total	\$0.00	\$0.00