



The Cliffs

THE RESIDENCE CLUB AT KEOWEE SPRINGS

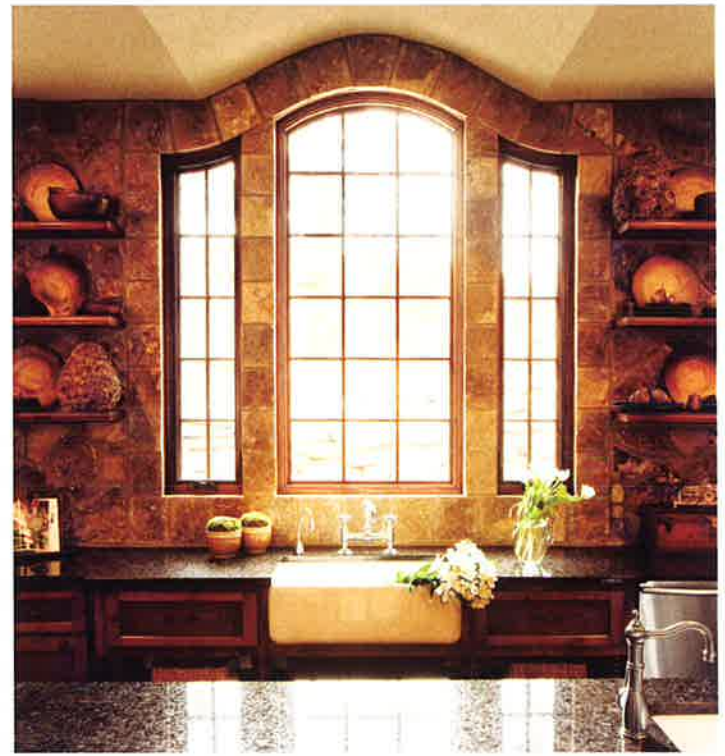




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LAKEFRONT RESIDENCES







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LAKEFRONT RESIDENCES FEATURES

EXTERIOR

Paver driveways are coordinated with home's exterior colors
Outdoor fireplaces per plan

INTERIOR

Natural wood flooring throughout main level
Stone fireplaces with heavy beam mantle and raised hearth
Cedar beams and/or decorative trusses in great rooms
HD Plasma or LCD TVs in the master bedroom, great room and recreation room
Structured wiring package with whole house data, A/V, RG-6, with Cat-5 wiring as standard
Granite countertops in kitchen
Gourmet styled appliances
Wood flooring in bedroom and natural stone radiant heat flooring in bathroom
Shower with glass enclosure and bench seat covered with high-end natural stone and/or ceramic custom tile designs
Rain shower head in master bathroom
Dual vanity in master with granite or marble countertop and undermount sinks
Whirlpool tub in master with separate handheld spray
Custom cabinetry with stained and/or painted finishes
Open air decks with stained tongue and groove wood exterior ceilings
Decorated by professional interior designer
Fully furnished





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LODGE COTTAGES





Photography is representative of our Lodge Cottage offering. Subject to change. Rev. 10/2010



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LODGE COTTAGE FEATURES

EXTERIOR

- Brick paver driveways
- Combinations of stone and cedar siding
- Flagstone or brick paver flooring on covered entry
- Cedar columns and corbel accents

INTERIOR

- Natural wood flooring throughout main level living areas
- Great room features a stone fireplace with wood and slate surround
- HD LCD TVs in the great room and bedrooms
- Granite countertops
- Stainless steel appliances
- Designer level plumbing fixtures
- Custom designed cabinetry
- Hardwood flooring in bedroom and ceramic tile floor in bathroom
- Spa-style shower/tub combination
- Dual vanity with granite, stone or custom wood top
- Stackable washer and dryer
- High-end accessories and lighting
- Walk-in closet
- Decorated by professional interior designer
- Fully furnished
- Professionally designed landscapes
- Conveniently located within Lodge & Spa Village





DEVELOPMENT AND MANAGEMENT TEAM

The Cliffs Communities – Developer

Jim Anthony founded The Cliffs in 1989 with a vision that continues to this day: to create the best place to live, work and play in America. The Cliffs Communities now boasts more than 3,000 Members and offers a unique collection of eight premier communities within three distinct regions of the Blue Ridge Mountains of the Western Carolinas—Asheville, Mountain and Mountain-lake. Cliffs properties stretch across 23,000 acres and are surrounded by hundreds of thousands of acres of protected forests and lakes.

Cliffs Members have an abundance of dining, wellness and outdoor opportunities, along with a collection of courses like no other (with designs by Tom Fazio, Jack Nicklaus, Gary Player and Tiger Woods). The Cliffs is also home to the International Institute of Golf and Gary Player Group's North American Headquarters. In 2007, The Cliffs was named the "World's Best International Development" by *CNBC International Property Awards*. The Cliffs will provide ongoing professional hospitality management for The Cliffs Residence Club at Keowee Springs, offering the superior service and attention-to-detail the company has cultivated for 20-plus years.

Spearheading the club's hospitality initiatives is Ken Perry, Manager of the Residence Club at Keowee Springs. Ken has been in the hospitality industry for 20 years, and was most recently Clubhouse Manager at Mountaintop Golf and Lake Club in Cashiers, North Carolina. Previously, Ken was Assistant Lodge Manager at Lahontan Golf Club in Lake Tahoe, California; Clubhouse Manager at Quail Lodge Resort and Golf Club and Assistant Manager at the Santa Lucia Preserve in Carmel, California. He joined The Cliffs Communities in September of 2008 as Clubhouse Manager at The Cliffs at Keowee Vineyards. Ken lives in the North Carolina mountains with his wife Ellen and their son, Ford.

DCP International, LLC – Residence Club Specialists

DCP International (DCP) specializes in the design, marketing and sale of Equity Residence ClubSM ownerships at prestigious resort and urban locations. It is the pioneer and most experienced company in this rapidly growing segment of the real estate industry. DCP residence clubs have generated more than \$600 million in sales to date. Additionally, DCP residence clubs that have either sold, are actively marketing or are in development have projected sales revenues in excess of \$2 billion.

DCP was instrumental in creating the first resort Equity Residence ClubSM project at Deer Valley Resort in Park City, Utah. DCP has since participated in the design, development and marketing of residence clubs at many other internationally acclaimed sites and is selectively pursuing new club development at other prestigious national and international locations. DCP teamed with Millennium Partners to create The Phillips Club, the country's first urban Equity Residence Club venture located next to Lincoln Center in Manhattan. DCP also created and operates The Elite Alliance, an exclusive exchange network, which offers Cliffs Residence Club owners access to luxury residence clubs at other golf, ski, beach and urban destinations.



FINANCIAL INFORMATION

PRICING

Ownership conveys a 1/8th undivided interest in a fully furnished Club residence with unlimited, flexible usage of all similar residences within your Ownership Category. Ownership is evidenced by a real estate deed that is recorded and guaranteed by a title insurance policy.

<u>Ownership Category:</u>	<u>Initial Pricing per 1/8th ownership*:</u>
Lakefront	\$395,000
Lodge Cottage	\$195,000

COMPREHENSIVE CLUB FEES

The Club fees cover your share of the Club's operating expenses, staffing, utilities, professional management, Master Community Association fees, home & boat maintenance, insurance, real estate taxes, and replacement reserves.

<u>Ownership Category:</u>	<u>Annual fees, paid quarterly in advance*:</u>
Lakefront	\$15,304 per ownership (\$3,826 per quarter)
Lodge Cottage	\$11,175 per ownership (\$2,794 per quarter)

*Excluding optional Cliffs Membership annual amenity dues of \$1,875 per owner.

HOUSEKEEPING SERVICES AND FEES

To equitably allocate the variable expenses associated with housekeeping among owners whose Club usage may vary, each owner pays a housekeeping fee upon departure from all Club vacations. Your Club's housekeeping fee is charged on a per week basis and partial week basis, includes a "tidy service" every other day and a thorough post-occupancy cleaning to prepare the residence for the next arriving owner. The "tidy service" consists of bath linen replenishment, bed making, counter surface cleaning and trash removal. Additional housekeeping services are available upon request to your Club Management.

<u>Ownership Category:</u>	<u>Housekeeping fee:</u>
Lakefront	Full week: \$280, Partial week:* \$180
Lodge Cottage	Full week: \$250, Partial week:* \$150

*Partial week is three nights or less.



THE CLIFFS RESIDENCE CLUB AT KEOWEE SPRINGS MEMBERSHIP

Membership Privileges

1. A Member must be *in residence at the Residence Club to access all Member privileges*. To be considered in residence, the Member must have a confirmed reservation at The Cliffs Residence Club at Keowee Springs and be physically present in order to have access to all Member privileges. If the Member is not staying in a Club Residence via their assigned pre-arranged reservation they will not have access to Member privileges, with the exception of dining.
2. Members will have full use of The Cliffs wellness centers, clubhouses, golfing, dining, equestrian, beach club and marina facilities; and full access to outdoor activity areas, including hiking and walking trails, private parks and pavilions.
3. The Member's home course will be The Cliffs at Keowee Springs. The Member will enjoy 30-day advance tee times, participation in Club-sponsored Member golf events and playing privileges for cart fee only at The Cliffs at Keowee Springs golf course.
4. Members will have golf access at the Reciprocal Courses by paying the current Cliffs Residence Club Reciprocal Fee at each course and will have 5-day advance tee time access.

Initiation Deposit and Membership Dues

1. The current Initiation Deposit for a Residence Club Membership is Twenty-Five Thousand Dollars (\$25,000.00). This Initiation Deposit is refundable subject to the policies identified in The Cliffs Clubs Master Membership Plan and the Rules and Regulations.
2. The Club dues will be payable annually and will be billed separately from the Residence Club assessments. Charges to the Member's Club membership account will be billed monthly.

All other privileges, rights, responsibilities and conditions not specifically outlined above will be subject to the current edition of The Cliffs Clubs Master Membership Plan and the Rules and Regulations.

Cliffs Residence Club Membership

Schedule of Fees – Residence Club Member Home Course (The Cliffs at Keowee Springs)

Green Fees	<u>18-Hole</u>	<u>9-Hole</u>
Residence Club Members	included in dues	included in dues
Cart Fees	22	14
Guest Fees (including cart fee)		
Relative	56	34
Junior (23 and under)	45	26
Escorted	90	49
Unescorted	165	90
Tee Times	<u>Weekday</u>	<u>Weekend</u>
Escorted Guest Play	Anytime	After 10:30am
Unescorted Guest Play	After 10:30am	After 12:00pm

Schedule of Fees – Residence Club Member Reciprocal Course

Green Fees (including cart fee)	<u>18-Hole</u>	<u>9-Hole</u>
Residence Club Members (Cliffs Residence Club Reciprocal Fee)	50	30
Guest Fees (including cart fee)		
Relative	56	34
Junior (23 and under)	45	26
Escorted	90	49
Tee Times	<u>Weekday</u>	<u>Weekend</u>
Reciprocal Play	After 10:00am	After 11:00am

Schedule of Fees – Exchange Club Guest Home Course (only) (The Cliffs at Keowee Springs)

	<u>18-Hole</u>	<u>9-Hole</u>
Guest Fees (including cart fee)	165	90



FREQUENTLY ASKED QUESTIONS

What is The Cliffs Residence Club at Keowee Springs?

The Cliffs Residence Club at Keowee Springs is a luxurious Equity Residence ClubSM comprised of elegant, fully furnished three and four bedroom homes located within the resort section of The Cliffs at Keowee Springs. There are two ownership categories – Lakefront and Lodge Cottage. Each Residence Club Member, when in residence, will have full recreational privileges at Keowee Springs and additional privileges at other Cliffs Communities, subject to a Visiting Owner Fee. There will be only eight Residence Club Owners per residence and each will enjoy frequent and flexible lodging privileges at The Cliffs Residence Club at Keowee Springs.

Do The Residence Club buyers own real estate?

Yes. Ownership is evidenced by a real estate deed, which is recorded and guaranteed by a title insurance policy. Each Owner is conveyed a one-eighth, debt-free, undivided deeded interest in one of The Residence Club's fully furnished residences with usage of all Club Residences in their respective ownership category.

Have Equity Residence Clubs been developed at other well-known resorts and communities?

Yes. This innovative ownership concept has been enthusiastically embraced by affluent buyers at premier resorts, in locations such as Aspen, Vail, Telluride, and Steamboat Springs, Colorado, Deer Valley, Utah, Napa Valley and La Quinta, California, Los Cabos, Mexico and Tucker's Town, Bermuda. There are also luxurious residence clubs in Manhattan and Florence, Italy. The Cliffs Residence Club at Keowee Springs will be owned and operated much like these prestigious residence clubs. Similar residence clubs are in development in a variety of other beach, golf, mountain and urban destinations. DCP International (www.dcp-international.com), creators of the Equity Residence ClubSM concept, is assisting The Cliffs team in all aspects of The Cliffs Residence Club at Keowee Springs development.

Why is The Cliffs introducing residence club ownership at Keowee Springs?

It is being created in response to those, including absentee Property Owners, who have told us they want to enjoy The Cliffs lifestyle and be part of our community but do not currently have enough leisure time to justify full ownership.

Is The Residence Club a typical timeshare development?

No. The Residence Club is owned and enjoyed much like a private golf club. Timeshare typically offers the right to use only a specific week(s) and lodging is limited to a specific unit. Residence Club Owners have access to all Residence Club residences within their ownership category (Lakefront or Lodge Cottage) with the right to use at anytime, subject to the reservation policies and availability.

How many ownerships will be sold?

The Cliffs Residence Club at Keowee Springs strictly limits the number of ownerships to no more than eight per residence. A planned cluster of thirty-four Residence Club homes will be built within the resort section of Keowee Springs just south of the Beach Club.

How often can Owners vacation at The Residence Club?

As often as they wish, subject to The Residence Club's reservation policies. Owners have the flexibility of reserving Club vacations well in advance and also on a short-notice basis. There is no limit to the amount of use. If some Owners visit their Residence Club less, other Owners can visit more. Owners pay only the published housekeeping fees anytime they are in residence at The Residence Club.

What if the number of Owners wishing to stay at The Residence Club during certain time periods exceeds the number of residences available?

The Residence Club reservation policies have been designed to equitably allocate peak-period vacations when demand for lodging may exceed supply. A Rotating Priority System® developed by DCP International ensures that all Residence Club Owners have equal access to peak-period vacations over the years. This priority system has proven to be fair and effective at other residence clubs for more than 17 years.

Do the Residence Club Owners have guest privileges?

Yes. Residence Club Owners may invite guests to stay with them during their Residence Club vacations and they also may invite unaccompanied guests to use any of their confirmed Planned Vacations.

Will the residences be open to the public?

The Residence Club is privately owned and operated for the exclusive enjoyment of its Owners and their guests. Prior to full subscription of ownerships, limited public use will be permitted for marketing purposes similar to our current Discovery Program. The lodging rights of Residence Club Owners will not be diminished by such use.

Do the Residence Club Owners pay Club Initiation Deposits and Dues?

Yes.

Do The Residence Club Owners have golf privileges at Cliffs golf courses other than Keowee Springs?

Yes, Owners have the ability to acquire a Residence Club membership. Members must be in residence in order to secure tee times at any Cliffs course, including their home course of Keowee Springs. Additionally, tee times made available to Members will be managed to protect the peak tee times for home Golf Members as is similarly done with our current reciprocal program. Also, Residence Club Owners will be charged a Visiting Member Fee to benefit the course being played.

Do Residence Club Owners pay any lodging charges when they vacation at Keowee Springs?

No, as an Owner there are no lodging charges when in residence.

Do the Residence Club Owners pay any other charges when they stay at Keowee Springs?

Yes. Housekeeping fees will be charged per visit based on a full week and partial week (three nights or less) occupancy. This fee includes a "tidy service" every other day that consists of trash removal, towel replenishment, surface cleaning and bed making. Owners and guests may request full maid service at an additional charge.

Do the Residence Club Owners pay annual fees?

Yes. The annual fees pay for the professional management and operation of the residences and facilities. Included in these annual fees are funds for staff salaries, supplies, maintenance, window washing, trash removal, legal/accounting, utilities, property taxes and replacement and/or refurbishing of facilities.

Who establishes the fees and controls the affairs of the Residence Club?

An Owner-elected Board of Directors establishes budgets and fees on an annual basis.

