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December 27, 2012

Ms. Holly Henry Perry, Clerk  
Rabun County Superior Court  
25 Courthouse Square, Suite 105  
Clayton, GA 30525

via Federal Express

*Re: United Community Bank, Plaintiff, and GC Lot Loan, LLC and RL Prop 2011-I Investments, LLC, Intervenor and Plaintiffs v. SELAF Waterfall Development Co., LLC, SELAF Waterfall Country Club, LLC, SELAF Waterfall Water and Sewer, LLC, and SELAF Waterfall Holding Co., LLC, Defendants; Superior Court of Rabun County, Civil Action No. 2012-CV-0315-S (the "Civil Action")*

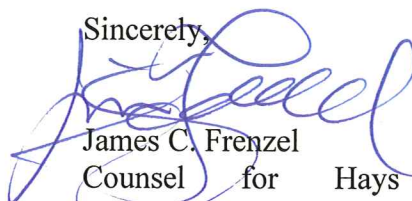
Dear Ms. Perry:

Enclosed herewith are the checks of the Receiver appointed by the Court for the Receivership pending in the above captioned Civil Action in the total amount of \$77,230.00 tendered to be deposited in the registry of the Court in accordance with the Order of December 3, 2012 (the "December Order") entered by Judge Russell Smith.

Accompanying the enclosed checks, we enclose for filing in the Civil Action the First Amendment and Supplement to Final Report of the Receiver containing a summary of the expenses paid by the Receiver from the Receivership accounts after December 3, 2012, pursuant to the December Order.

We thank you in advance for your assistance and request that you return the enclosed copy of the First Amendment and Supplement bearing filing information and an acknowledgement of receipt of the enclosed checks in the enclosed return envelope at your earliest convenience. Best personal regards and best wishes for a Happy New Year.

Sincerely,



James C. Frenzel

Counsel for Hays Financial  
Consulting, LLC, Receiver for  
SELAF, et al., Defendants

Cc (with enclosures): The Honorable Russell Smith, Superior Court Judge  
Mr. S. Gregory Hays  
R. Bruce Russell, Esq.  
Mindy C. Waitsman, Esq.  
Clayton Howell, Esq.  
Paul G. Durdaller, Esq.  
Bradley J. Denson, Esq.  
Kinsley F. Nyce, Esq.

IN THE SUPERIOR COURT OF RABUN COUNTY  
STATE OF GEORGIA

UNITED COMMUNITY BANK,

Plaintiff,

GC LOT LOAN, LLC, a Georgia limited liability  
Company and RL PROP 2011-1 INVESTMENTS  
LLC, a Delaware limited liability company,

Intervenors and Plaintiffs,

v.

SELAF WATERFALL DEVELOPMENT CO.,  
LLC, SELAF WATERFALL COUNTRY CLUB,  
LLC, SELAF WATERFALL WATER AND  
SEWER, LLC, and SELAF WATERFALL  
HOLDING CO., LLC,

Defendants

Civil Action

File No. 2012-CV-0315-S

**FIRST AMENDMENT AND SUPPLEMENT TO FINAL REPORT OF THE RECEIVER**

Hays Financial Consulting, LLC, the Receiver (the "Receiver") for the real and personal Property of the Defendants (the "Property") in this Proceeding hereby files the following First Amendment and Supplement to the Final Report of the Receiver:

**I. FIRST AMENDMENT**

The last sentence of the second paragraph of the Section headed "Waterfall Property Owners Association, Inc. ("POA")" is amended and revised to state as follows:

"After physically inspecting the roads in question, the Receiver determined that the condition of the roads did not create a life safety issue and the Receiver informed the POA that ongoing maintenance and repairs of the roads would not be funded by the Receiver."

**II. SUPPLEMENT**

The Receiver hereby supplements the Final Report with regard to the payment of the remaining funds of the Receivership into the registry of the Court in accordance with the Order of December 3, 2012 (the "December Order"), with the following information regarding the amounts remitted to the Clerk for deposit into the registry:

A.

Check drawn on SunTrust	\$75,099.00
Check drawn on UCB	\$2,131.00

Total deposit to the registry \$77,230.00

B.

Payments by the Receiver from funds on hand after December 3, 2012, in accordance with the December Order:

Payee	Date	Amount
ETS	12/04/12	\$89.47
Reynolds Companies (Cobra)	12/04/12	\$14,798.71
Williams-Rhineheart, LLC	12/05/12	\$2,500.00
Georgia Commerce Bank	12/07/12	\$15.00
ADP- Payroll for pay date 12/13/12	12/12/12	\$56,216.60
ADP, Inc.	12/14/12	\$491.50
Georgia Department of Revenue	12/17/12	\$1,648.73
SunTrust Bank	12/20/12	\$55.00

Amount reserved in bank accounts for closing costs \$2,000.00


Total paid or reserved: \$77,815.01

Respectfully submitted, this 27<sup>th</sup> day of December, 2012.

Hays Financial Consulting, LLC, Receiver  
for SELAF, et al., Defendants

By   
S. Gregory Hays, Director

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Counsel for Hays Financial Consulting,  
LLC, Receiver for SELAF, et al.,  
Defendants

Of Counsel:

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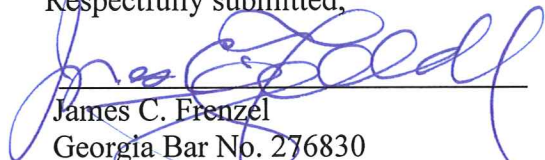
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This, the 27<sup>th</sup> day of December, 2012.

Respectfully submitted,



James C. Frenzel  
Georgia Bar No. 276830  
Counsel for Hays Financial Consulting, LLC,  
Receiver for SELAF, et al., Defendants

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