

CORE:**2011 Income Statement - Modified Cash Basis (1)**

(000's)

	Actual YTD
Net Change in Members	79
Revenue	
Membership - New	2,257
Membership Renewals	4,977
F&B Restaurant	1,684
F&B Events	2,115
Accomodations	283
Wellness Revenue	837
Sponsorships & Other Revenue	332
Gross Revenue	12,485
Founding Member Cr & Dscnts	(621)
Other Discounts & Allowances	-
Less Discounts & Allowances	(621)
Net Revenue	11,864
Membership Direct Expenses	2,095
F&B Direct Costs	3,163
Accomodations Direct Expenses	203
Wellness Direct Expenses	1,116
Sponsorships & Other Revenue	78
Direct Expenses	6,656
Membership	5,139
Food & Beverage	635
Accomodations	80
Wellness	(279)
Sponsorships & Other Revenue	254
Discounts & Allowances	(621)
Gross Profit	5,208
% of Revenue	43.9%

General & Admin Expenses (excl Depr/Amort)	
Payroll, Taxes & Benefits - Gross	4,268
Less Charged to Direct Expenses	(3,538)
G&A Wages, Taxes & Benefits	730
Bonuses (for all elig employees)	-
Contract Labor	29
G&A Wages, Taxes & Benefits	759
Occupancy Costs	2,651
Professional Fees	84
Other G&A Costs	576
Total G&A Costs	4,070
Sales & Marketing	310
Total SG&A	4,380
Operating Profit / (Loss)	829
% of Revenue	7.0%
Debt Forgiveness	-
Restructuring Costs (One-Time Charge)	-
Other Income/(Expense)	-
Depreciation/Amortization	(2,064)
Property & Equipment	(2,064)
Start up costs, net	-
Trademark, net of accumulated amortization	-
Loan acquisition costs, net of accumulated amortization	-
Other	-
Interest Income/(Expense) (2)	(129)
Net Profit / (Loss)	(1,365)
% of Revenue	-11.5%

(1) All revenue and costs are recorded on an incurred (accrual) basis, except for membership fees. Membership fees (initiation fees and dues) are recorded in the month the member signs up or renews. Accordingly rent expense (\$149K per month) is reflected each month, although payment is deferred until September.