

## **PGG&CC Status Report**

CEO Jack Rose writes: "We're moving forward on two fronts in the bankruptcy. Regarding the lender liability litigation against Nara Bank, we have completed and filed our disclosure statement with the bankruptcy court. The bank wants to complete some discovery before we start the settlement negotiations. So we started the discovery process, which is going very well. We have a former bank employee who has given us a statement and is prepared to testify against the bank.

"Regarding the clubhouse facelift and the redesign of the three problematic holes, we completed our financial analysis some time ago and asked Nara Bank to support our financing package. If we can get the clubhouse fixed up and the food and beverage services up and running, it will not only make the clubhouse a much more attractive facility, but will also increase revenues. This is good for everyone involved with Peacock Gap, including the lender. The bank has our proposal under advisement and we hope to get their support. We have held off the court filing until we get a response from the bank, but if we don't hear something by next week we can't wait any longer and will have to proceed.

"Our revenues in May are significantly ahead of our May revenues for 2009, despite the unusual number of rainy days (El Nino is tough on the golf business). Summer is almost here, and we look forward to some better weather. We have continued to attract annual members, and very much appreciate the continuing support from the community. We are making steady progress."

*Contributed by William Braznell*