UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF TENNESSEE
NORTHERN DIVISION – KNOXVILLE

Howard H. Baker, Jr., U.S. Courthouse
800 Market Street, Suite 330
Knoxville, TN 37902

To the Honorable Richard Stair, Jr.

In re

PINE MOUNTAIN PROPERTIES, LLC Case No. 10-31898
Chapter 11

DISCLOSURE STATEMENT
July 16, 2010

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Debtor In Possession

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IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TENNESSEE
NORTHERN DIVISION AT KNOXVILLE

IN RE:

PINE MOUNTAIN PROPERTIES, LLC,

Debtor/Debtor In Possession.

Case No. **08-34501**
Chapter 11

DISCLOSURE STATEMENT
DATED: July 16, 2010

Comes now **Pine Mountain Properties, LLC,** the Debtor and Debtor In Possession, and submits the following Disclosure Statement pursuant to 11 U.S.C. §1125(b) and Fed. R. Bankr. P. 3016 and 3017 for consideration of the court and parties in interest:

INTRODUCTION

BACKGROUND & SIGNIFICANT EVENTS IN THE DEBTOR'S CHAPTER 11 CASE

BACKGROUND OF PINE MOUNTAIN PROPERTIES, LLC:

Pine Mountain Properties, LLC is a limited liability corporation. It was formed May 30, 1997 under the name Pine Mountain Properties, LLC. The original members were Michael L. Ross and Dale M. Ross. It was then converted to a general partnership in 1999. The partners were Michael L. Ross and Dale M. Ross. On November 25, 2009 it was re-chartered as a limited liability company. The current members are Michael L. Ross, Estate of Dale M. Ross and Nickajack Shores Holdlings, LLC. Mike Ross is a 14.27% member. The Estate of Dale M. Ross is a 14.27% member. Nickajack Shores Holdings, LLC is a 71.46% member. Mike Ross is the managing member.

Pine Mountain Properties, LLC was formed to develop a residential golf course community in Campbell County on approximately 4,800 acres. It purchased the property in two transactions. The first was in 1997 from Tri-Lake Timber, Co. for $700,050.00. (See Campbell Co. WD 348, page 373). The second was in 2006 from Donn S. Claiborne and Steve L. Claiborne for $550,000.00. (See Campbell Co. WD 426, page3 84). The property borders interstate 75 about 6 miles south of the Kentucky state line.

It commissioned Pete Dye to design an 18 hole champion signature golf course. Construction on the golf course began in 2005. At present, the golf course is approximately 90% complete.

The development plan anticipates mountain village themed pedestrian shopping and restaurants; conference center/meeting rooms; and hotel lodging and spa services. The residential components include vacation homes (cottage/cabin) and custom mountain timber-style homes to be purchased by second-home buyers, and placed with an on site property management program for rental.

The property required a plat for development into the residential lots for its success. The plat was accepted by Campbell Count on July 1, 2006. 34 lots have been sold in the development. Approximately 40% of the roads and other infrastructure are installed. The Debtor estimates that it will require about $2,000,000.00 to complete the golf course and infrastructure.

In 2001, Pine Mountain Properties, LLC provided funding for an engineering firm qualified to complete a feasibility study and analysis required by the Tennessee Department of Transportation and the Federal Highway Administration toward the

construction of better access from interstate 75. Construction began in 2005. New interchange exit 156, Rarity Mountain Road, officially opened in 2008.

During the course of the development, timber and coal were removed from the property. There is also a cell tower lease.

The project encountered regulatory problems as a result of the coal removal which have been resolved. No regulatory issues are known on the project at present.

The project was prime for pre-sales efforts with a sales facility at Exit 156 in the Discovery Center in late 2007. However, the economy turned and further development was stalled.

Green Bank financed the project. It is owed approximately $7,460,470.00. The note is secured in the real property. It is a term note [terms of note]. The note is in default and Green Bank scheduled a foreclosure on the property for April 16, 2010. The chapter 11 case was filed to prevent the loss of the property through foreclosure.

There are five (5) related bankruptcy cases.

Case 10-31897 of PM Properties of Tennessee, LP was filed April 14, 2010. It is a Tennessee Limited Partnership. The general partner is PM Properties of Tennessee, LLC. It owns approximately 667.64 aces of the project as a nature preserve. It values the property at $1,118,330.00. All of the related entity real property is encumbered by the single Green Bank loan of about $7,460,470.00. It owns no personal property. Its only other creditors are real property taxes and an unsecured debt to Pine Mountain Properties, LLC of $18,622.56.

Case 10-31898 is the case of the Debtor - Pine Mountain Properties, LLC. It was filed April 14, 2010. It is a Tennessee Limited Liability Company. The current members

are Michael L. Ross, Estate of Dale M. Ross and Nickajack Shores Holdlings, LLC. Mike Ross is a 14.27% member. The Estate of Dale M. Ross is a 14.27% member. Nickajack Shores Holdings, LLC is a 71.46% member. Mike Ross is the managing member. It owns approximately 4,800 aces. It values the property at $20,000,000.00. All of the related entity real property is encumbered by the single Green Bank loan of about $7,460,470.00. It owns personal property valued at $77,150.00. It sold the cabin lots to RMT Cottages, LLC for $6,115,550.00. It borrowed the funds back to construct the golf course. The balance due from Pine Mountain to RMT Cottages is $4,092,128.12 which is unsecured. Its only other creditors are real property taxes and various unsecured debt totaling $3,992,229.80. [This is minus the debt to RMT Cottages of $4,092,128.12.]

Case 10-31899 of RMT Cottages, LLC was filed April 14, 2010. It is a Tennessee Limited Liability Company. It served as the developer of Phase I. The member is Michael L. Ross. It owns approximately 50 aces of the project developed into home sites. It values the property at $2,900,000.00. All of the related entity real property is encumbered by the single Green Bank loan of about $7,460,470.00. It held $191,013.86 in bank accounts when the case began. Only $780.38 was unrestricted. It claimed accounts receivable of $4,094,128.12 from Pine Mountain Properties, LLC and $1,960,000.00 from Glenn Wright Homes of Tennessee, LLC. It owes First State Financial, Inc. $3,640,000.00 for a letter of credit. The letter has been called. Its only other creditors are real property taxes and general unsecured debt to various creditors of $910,607.31. It had sales in 2008 of $6,284,959.50. It was sued by a group of lot buyers in Colorado. The suit has been settled.

Case 10-32238 of PM Properties No. 2 of Tennessee, LP was filed May 4, 2010. It is a Tennessee Limited Partnership. The general partner is [PM Properties of Tennessee, LLC]. It owns approximately 188 aces of the project as a nature preserve. It values the property at $188,600.00. All of the related entity real property is encumbered by the single Green Bank loan of about $7,460,470.00. The land is also encumbered by a lien of $35,338.81 to Pine Mountain Properties, LLC. It owns no personal property. Its only other creditor is real property taxes.

Case 10-32239 of PM Properties No. 3 of Tennessee, LP was filed May 4, 2010. It is a Tennessee Limited Partnership. The general partner is [PM Properties of Tennessee, LLC]. It owns approximately 290 aces of the project as a nature preserve. It values the property at $290,800.00. All of the related entity real property is encumbered by the single Green Bank loan of about $7,460,470.00. The land is also encumbered by a lien of $1,004.00 to Pine Mountain Properties, LLC. It owns no personal property. Its only other creditor is real property taxes.

SIGNIFICANT EVENTS IN THE DEBTOR'S CHAPTER 11 CASE:

The Debtor began this chapter 11 case with the filing of its petition on April 14, 2010. The U.S. Trustee has not appointed an unsecured creditors' committee. The Debtor continues to serve as a debtor in possession.

The Debtor filed the required Statement of Financial Affairs and Schedules on May 26, 2010. Michael L. Ross, the managing member of the Debtor attended the debtor's conference, together with counsel and Mr. Ross's accountant. Mr. Ross attended the 11 U.S.C. § 341 Meeting of Creditors on June 4, 2010 for the Debtor.

The Debtor is a "single asset real estate" debtor as defined in 11 U.S.C. § 101(51B). As a result, pursuant to 11 U.S.C. § 362(d)(3) it must either file a plan of reorganization that has a reasonable possibility of being confirmed within a reasonable time OR commence monthly payments to Green Bank that are in an amount equal to interest at the applicable non-default contact rate of interest within 90 days of April 14, 2010. The date for such action is therefore July 17, 2010.

The consequence of not undertaking one of the above alternatives is to grant Green Bank the right to relief from the restrictions of the automatic stay of 11 U.S.C. § 362(a). Relief from the automatic stay for Green Bank will result in a foreclosure of its trust deed and the loss of the property.

Four other related petitions were filed at the same time as the Debtor's. These entities are named above. They are related to the Debtor as indicated

DESCRIPTION OF AVAILABLE ASSETS

The Debtor owns the real property in Campbell County described in the Warranty Deed of July 22, 1997 from Tri-Lake Timber, Co. to the Debtor recorded in WB 348, page 373 and the Warranty Deed of May 12, 2006 from Donn S. Claiborne and Steve L. Claiborne to the Debtor recorded in WB 426, page 84 at the commencement of the case and still owns such real property. It owns some equipment. There is an insurance claim for the theft of a portion of the equipment secured to the John Deere Credit, Inc. loan. The claim is approximately $70,000.00.

The Debtor has filed monthly operating reports. They are summarized as follows:

MONTH	INCOME	EXPENSES	MONTHLY NET

April*	$0.00	$106.00	($106.00)
May	$827.00	$25.00	$802.00
June	$827.00	$25.00	$802.00
	* Partial month		
TOTAL	$1,654.00	$156.00	$1,498.00

The Debtor owned the personal property with the scheduled values, and liens reflected on Exhibit 1. The liquidation value of the property is listed on Exhibit 2. The real property of the Debtor is listed in Schedule A with a market value of $15,273,000.00. The Debtor believes that the liquidation value of the property is $[amount].

Information furnished in this disclosure statement is from the Debtor. The value of any property retained by the Debtor is subjective, being estimated by the Debtor based on its liquidation value unless indicated otherwise.

SCHEDULED AND FILED CLAIMS

The Debtor lists priority debt in Schedule E for **Campbell County Trustee** for 2009 real property tax scheduled by the Debtor in the amount of $15,405.00; the **City of Jellico** 2009 real property tax scheduled by the Debtor in the amount of $2,105.00; and the **Tennessee Department of Revenue** 2009 Franchise and Excise tax scheduled by the Debtor in the amount of $21,522.00. The Debtor knows of no other pre-petition priority claims.

The Debtor lists certain unsecured claims in schedules F. Those which are listed as disputed, contingent or unliquidated must file a proof of claim to be allowed. The remaining claims will be paid as allowed unless a claim is filed in a different amount. The amount of the claim will control unless the court orders otherwise. Only one claim

has been filed. It is identified in the Plan within the list of unsecured creditors. No claims were listed as disputed in the schedules

PLAN OF REORGANIZATION

Creditors may vote to approve or to disapprove the Debtor's plan. The vote required for the plan to be approved by creditors is provided in 11 U.S.C. §1126(c). In general, a class of creditors votes to accept the plan if more than one-half in number of claims and two-third's in amount of the allowed voting claims of the class vote to accept the plan.

Administrative claims for professionals shall be paid on the Effective Date of the Plan or upon allowance by the Court, (if allowance is different than the Effective Date), except to the extent that the holder of the Administrative Claim agrees to a different treatment. The amount of claims for professional fees will increase between the date of filing the plan and the Effective Date. The following professionals, whose employment has been previously approved by the Court, have unpaid claims:

Jenkins & Jenkins Attys., PLLC is owed approximately $5,000.00 fees and expenses through 07/15/10 with a retainer balance of $10,000.00.

All fees payable to the United States Trustee pursuant to 28 U.S.C. §1930 shall be paid when due. These fees are current.

The plan provides for the following classes in order of priority:

Class 1	Administrative Chapter 11	Pay in Full at loan closing
Class 2	Priority Tax Claims	Pay in Full at loan closing
Class 3	Secured Green Bank	Pay as a term obligation
Class 4	John Deere Leasing	Pay insurance proceeds and then as a term obligation

Class 5	General Unsecured Class	3% at DIP loan closing then pay balance as a term obligation
Class 6	Deposit Class	Retain right to repayment upon sale of associated lot interest
Class 7	Insider Creditors	Convert to 10% equity pro rata
Class 8	Member Interest	Retain 10% equity pro rata
Class 9	Debtor	Reorganize and continue in business

The assets of the Debtor will be developed in an orderly manner and residential lots and commercial properties sold to the general public. Coast to Coast Closing, LLC, a Florida Limited Liability Company, will make a DIP loan senior to Green Bank pursuant to 11 U.S.C. §364(d)(1) secured in the real assets of the Debtor and the related Debtors to allow completion of the development and associated property. The borrower will be the Debtor. However, the real property taxes owed by the debtors in all five (5) cases will be paid at the closing.

The note to Green Bank will be re-amortized junior to the DIP lending above into a 10 year note with interest at the rate of 3.25% as to all five (5) Debtors. Green Bank will be paid over time. The new note will provide for payment of monthly interest at 3.25% for 60 months. The first payment will be due the 15th of the first month following closing of the plan funding note. The new Green Bank note will then be repaid monthly over 120 months of principal and interest with interest at 3.25%. The creditor will retain its lien until paid in full. Parcels shall be released from the lien upon tender of $25,000.00 per acre or a pro rata amount if less than one acre. From the 61st month to the end of the repayment, the principal portion of the monthly payment shall apply toward the release feature of $25,000.00 per acre. Any guarantor of the present note will remain a guarantor of the replacement note.

John Deere Leasing has a secured loan and three unsecured loans. The secured

claim is secured in equipment. Some of the equipment has been stolen. An insurance claim has been made. All proceeds from insurance shall be paid to John Deere Credit, Inc. and applied to the secured note. The balance of the loan will be paid over 60 months with interest at the rate of 3.25%. The lien of the creditor will remain in place until the secured note is paid in full. Any guarantor of the present note will remain a guarantor of the replacement note.

All unsecured creditors will be paid in full. They will be paid 3% on the 15th day of the first month following closing of the plan funding note. The balance will be amortized over 6 years with interest at the applicable federal judgment interest rate which the Debtor believes to be .44%. The first payment will be on the on the 15th day of the second month following the finality of the order of confirmation.

The DIP loan will be on the terms of the term sheet attached hereto. It will close within 30 days of the day the order of confirmation becoming a final order. It will be paid according to the term sheet attached as Exhibit 3, projection Exhibit 4 and the needs of the plan and project.

The loan will allow the Debtor to complete the project and receive the market return on the investment.

The claim of the Debtor against PM Properties of Tennessee, LP (Case No. 10-31897) of $18,622.56 will be turned into equity.

The Debtor attaches its projection of the use of the loan proceeds and the anticipated progress of the project and its receipt of revenue as Exhibit 4.

LIQUIDATION ANALYSIS

The Debtor believes that the liquidation of its assets in Chapter 7 would result in no meaningful distribution after taxes and administrative claims being received by the holders of unsecured claims. A chart of the Debtor's assets, values, and liens is attached as Exhibit 1. A chart of the liquidation analysis of the Debtor's assets is attached as Exhibit 2. The Debtor believes the distribution proposed under the plan will exceed the amount holders of unsecured claims would receive in a chapter 7 liquidation. The Debtor estimates that the dividend to the General Unsecured Class will be 100% [plus interest at the statutory rate of .44%] under plan which is based upon a total payment before interest of $1,204,968.09.

Pursuant to 11 U.S.C. §1129(a)(7)(A)(ii) the debtor must pay to each dissenting class of creditors an amount over the life of the plan which is greater than the amount they would receive had the debtor's assets been liquidated. In this instance, the debtor asserts that the amount unsecured creditors would have received had the assets been liquidated at the beginning of the case would be $0.00 as reflected on Exhibit 2. The Debtor's plan will provide for payments over not less than 72 months following confirmation as required by 11 U.S.C. §1129(a)(15)(b) which will exceed such amount.

There are no tax consequences under the plan to the knowledge of the Debtor.

ALLOWANCE OF CLAIMS AND TREATMENT OF DISPUTED CLAIMS

Claims listed by the Debtor will be allowed as filed unless listed as contingent, disputed or unliquidated, or the Debtor files an objection thereto with the court. If a creditor filed a claim, the claim will supercede the scheduled claim amount. All claims filed will be deemed allowed unless the court orders otherwise following an objection.

The Debtor has filed various objections as previously stated which have all been resolved. Contingent, disputed or unliquidated claims will be allowed in an estimated amount if agreement can be reached for estimation. Otherwise, the amount will not be allowed until and unless liquidated or the dispute is resolved.

AVOIDANCE AND ADVERSARY ACTIONS

The Debtor believes that there have been no fraudulent conveyance, preference or other potentially avoidable transfer in this case.

GENERAL

No statement or information concerning the debtors or its assets are authorized for consideration with respect to this disclosure statement or the associated plan except as set forth in this disclosure statement and the plan.

If the debtor does not complete the plan, then it will be at risk of a creditor requesting conversion of the case to Chapter 7 or being sued by any creditor for the benefit of the plan. If there is a conversion to Chapter 7, all property of the estate would vest in the Chapter 7 trustee.

The absolute priority rule applies in this case since the debtor is not an individual. 11 U.S.C. §1129(b)(2)(B)(ii).

CONCLUSION

The Debtor's net revenue, expenses and net income are reflected in the June 2010 Monthly Operating Report attached hereto as Exhibit 5. The other monthly operating reports of the Debtor are on file at the United States Bankruptcy Court Clerks' office, Howard H. Baker, Jr., U.S. Courthouse, 800 Market Street, Suite 330, Knoxville, TN.

This July 16, 2010.

Respectfully submitted,

PINE MOUNTAIN PROPERTIES, LLC

/s/ Michael L. Ross
Michael L. Ross, Managing Member

COUNSEL:

/s/ Michael H. Fitzpatrick
Michael H. Fitzpatrick, Esq.
BPR 006033
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2121 First Tennessee Plaza
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865-524-1873 est. 222
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CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Disclosure Statement has been served upon the individuals listed herein below at the indicated addresses by hand delivery, this July 16, 2010:

Patricia C. Foster, Esq.
ATTORNEY FOR THE U.S. TRUSTEE
VIA ECF

/s/ Michael H. Fitzpatrick
Attorney

Disclosure Statement Exhibit 1

Personal Property	Scheduled Value	Lien(s)	Equity
Bank Deposits	$2,950.00	$0.00	$2,950.00
Utility Deposits	$200.00	$200.00	$0.00
Accounts Receivable	$98,635.56	$0.00	$98,635.56
Office Equipment	$5,000.00	$0.00	$5,000.00
Machinery	$69,000.00	$180,304.02	-$111,304.02
TOTAL	$175,785.56	$180,504.02	-$4,718.46

Real Property	Scheduled Value	Lien(s)	Equity
4,800 Acres	$15,273,000.00	$7,477,980.00	$7,795,020.00
TOTAL	$15,273,000.00	$7,477,980.00	$7,795,020.00

Disclosure Statement Exhibit 2

Personal Property	Scheduled Value	Current Auction Liquidation Value	Lien(s)	Liquidation Equity
Bank Deposits	$2,950.00	$2,950.00	$0.00	$2,950.00
Utility Deposits	$200.00	$200.00	$200.00	$0.00
Accounts Receivable*	$98,635.56	$0.00	$0.00	$0.00
Office Equipment	$5,000.00	$1,000.00	$0.00	$1,000.00
Machinery	$69,000.00	$20,000.00	$180,304.02	-$160,304.02
TOTAL	$175,785.56	$24,150.00	$180,504.02	-$156,354.02

Real Property	Scheduled Value	Current Auction Liquidation Value	Lien(s)	Liquidation Equity
2,400 Acres	$15,273,000.00	$6,500,000.00	$7,477,980.00	-$977,980.00
TOTAL	$15,273,000.00	$6,500,000.00	$7,477,980.00	-$977,980.00

* This balance secures 2 customers loans. If the loan is paid then the debtor will receive the funds.

COAST TO COAST CLOSING, LLC
14232 SW 156th Avenue
Miami, Fl 33196

(786) 233-3324 (305) 397-2546

Mr. Michael L. Ross
Pine Mountain Properties, LLC
1010 Wm. Blount Drive
Maryville, TN 37801

July 16, 2010

RE: LETTER OF CREDIT FACILITIES

Dear Mr. Ross:

We are in receipt of your most recent applications directed to us to open letters of credit for your company. We have also received certain agreements from you describing your proposed transactions.

Upon a current review of the pertinent documentation and after additional due diligence by us we have decided to provide your company with a facility for the purchase of your needed financial services.

The credit facility is amenable to providing Pine Mountain Properties, LLC with a total of Eight-Million-Five-Hundred-Thousand ($8,500,000.00) Dollars of DIP Financing where will we occupy a senior position with respect thereto concomitant with our occupying an eighty (80%) percent equity position in the project. We shall also require the release of $25,000.00 upon the respective sale of each and every house lot. The foregoing principal amount shall be paid at the rate of 4.5 % interest per annum over a 10 year period with a balloon payment upon the termination of such period.

Consistent with the foregoing we are prepared to initiate the first transaction on or about August 15, 2010.

Sincerely yours,

Afif Aboulhosn, Mgr.

Rarity Mountain
Combined Cash Flow

Rarity Mountain
Combined Cash Flow

Sources of Cash:	Total	1st Month	2nd Month	3rd Month	4th Month	5th Month	6th Month	7th Month	8th Month	9th Month	10th Month	11th Month	12th Month	Year 2	Year 3	Year 4	Year 5
Financing																	
Line of Credit																	
Investor																	
Tower Site Rental	49,560	826	826	826	826	826	826	826	826	826	826	826	826	9,912	9,912	9,912	9,912
Gross Sales (Land)	1,000,000								50,000	50,000	50,000	50,000	50,000	425,000	325,000		
Land Allocation (Units)	1,028,000								51,400	51,400	51,400	51,400	51,400	436,900	334,100		
Restaurant Ops (Net)	2,210,943													411,400	494,380	593,256	711,907
Cottage Rental (Adj Gross @ 50%)	2,562,001										11,750	9,200	2,400	335,050	698,050	735,952	769,599
Golf Club Ops(Net)	2,574,510										32,000			598,680	616,600	647,430	679,800
Sales Cottages (vert only)	12,972,000								648,600	648,600	648,600	648,600	648,600	5,513,100	4,215,900		
Sale of Commercial Tract(s)	6,000,000														2,000,000	2,000,000	2,000,000
Total Sources	**28,397,014**	**826**	**826**	**826**	**826**	**826**	**826**	**826**	**750,826**	**750,826**	**794,576**	**760,026**	**753,226**	**7,730,042**	**8,693,942**	**3,986,550**	**4,171,218**

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Rarity Mountain
Combined Cash Flow

Rarity Mountain
Combined Cash Flow

	Total	1st Month	2nd Month	3rd Month	4th Month	5th Month	6th Month	7th Month	8th Month	9th Month	10th Month	11th Month	12th Month	Year 2	Year 3	Year 4	Year 5
Uses of Cash:																	
Capitalized Development Costs																	
General Development (Land)	76,500	33,500	27,000	12,000	2,000	2,000											
Offsite Improvements/Electric	370,000	60,000			62,000	62,000	62,000	62,000	62,000								
Front Entrance/Sign	20,000						10,000	5,000	5,000								
Gatehouse	219,300	8,500	9,300	30,000	25,000	25,000	25,000	49,000	37,500	10,000							
Road Const. Mt. Vista Way	810,000	10,000	80,000	50,000	50,000	50,000	65,000	85,000	420,000								
Village Center Site Development	939,500	27,500	18,500	120,000	52,000	110,000	142,500	300,000	105,000	55,000							
Public Restaurant Facility	1,040,000	60,000		106,250	106,250	106,250	106,250	106,250	106,250	106,250	236,250						
ProShop/Grill/Office	1,004,500	43,750	20,000	43,750	43,750	26,862	26,864	266,508	266,508	266,508							
Golf Course, Driving Range	1,052,050			275,000	396,000	197,000	184,050										
Maintenance Site & Facility	452,000	9,500	9,000	11,000	70,000	70,000	70,000	75,000	106,000	31,500							
Golf Course, Start UP	1,003,000	34,000	20,000	310,000	64,000	105,000	97,000	97,000	97,000	97,000		37,000	45,000				
Restaurant Start-Up	412,000										150,000	150,000	112,000				
Cottage Site Development	1,030,500	34,350				85,875	85,875				51,525	438,000		334,875			
Phase I - Cottages (4) @$150K	600,000			56,250	93,750	150,000	150,000	93,750	56,250								
Phase II - Cottages (6)@$150K	900,000							93,750	100,000	225,000	275,000	131,250	75,000				
Phase III - Cottages (10)@$150K	1,500,000													1,500,000			
Phase IV - Cottages (7)@$150K	1,050,000													1,050,000			
Phase V - Cottages (4)@$150K	600,000														600,000		
Phase VI - Cottages (2)@$150K	300,000														300,000		
Phase VII - Cottages(7)@$150K	1,050,000														1,050,000		
Residential Product Design	20,000	20,000															
Commercial Tract Development	-																
Furniture Pkg 40@$18K	720,000							36,000	36,000	36,000	36,000	36,000		306,000	234,000		
Subtotal Development	**15,160,350**	**341,100**	**183,800**	**1,014,250**	**964,750**	**989,987**	**1,024,539**	**1,269,258**	**1,397,508**	**827,258**	**748,775**	**792,250**	**232,000**	**3,190,875**	**2,184,000**	**-**	**-**

Rarity Mountain
Combined Cash Flow

Rarity Mountain
Combined Cash Flow

	Total	1st Month	2nd Month	3rd Month	4th Month	5th Month	6th Month	7th Month	8th Month	9th Month	10th Month	11th Month	12th Month	Year 2	Year 3	Year 4	Year 5
Operations																	
Development Ops-Overhead/G&A	1,043,825	25,550	29,146	41,171	40,171	40,300	42,671	40,171	40,171	40,171	42,421	42,421	42,421	288,020	288,020		
Cottage Rental Ops Overhead/G&A	664,178									16,765	16,765	21,765	25,676	140,837	142,070	148,300	152,000
Construction Ops @ 3% 40 Units	494,480	12,930	9,630	9,630	9,630	13,500	13,500	13,500	13,500	13,500	13,500	9,430	9,430	168,660	184,140		
Mktg/Adv Cottages @ 3% 40 Units	450,000	30,000	30,000	30,000	50,000	30,000	25,000	25,000	30,000	30,000	40,000	15,000	25,000	45,000	45,000		
Sales Comm @ 5% 40 Units	750,000								37,500	37,500	37,500	37,500	37,500	318,750	243,750		
	-																
Subtotal Operations	**3,402,483**	**69,480**	**68,776**	**80,801**	**99,801**	**83,800**	**81,171**	**78,671**	**121,171**	**137,936**	**150,186**	**126,116**	**140,027**	**961,267**	**902,980**	**148,300**	**152,000**

Development Operations Based On Project Manager, Accounting Administrator, Security Patrol 7p-7a Gatehouse Attendant 7a-7p beginning June 2011, (3) Labor, Office

Cottage Rental Operations Based On (1) Housekeeping Supervisor, (3) Labor, Linens/Laundry (Rental Manangement included in Golf Office Operation), Includes Rental Start-Up $ in Ap. APR-2011

Cottage Construction Operations Based on 4% of Gross Sales, Includes Construction Superintendent, Purchasing/Accounting Administrator and Warranty Service Expense

Sub Total Net Sources/Uses	**9,834,181**	**-409,754**	**-251,750**	**-1,094,225**	**-1,063,725**	**-1,072,961**	**-1,104,884**	**-1,347,103**	**-767,853**	**-214,368**	**-104,385**	**-158,340**	**381,199**	**3,577,900**	**5,606,962**	**3,838,250**	**4,019,218**

Rarity Mountain

Combined Cash Flow

Rarity Mountain
Combined Cash Flow

	Total	1st Month	2nd Month	3rd Month	4th Month	5th Month	6th Month	7th Month	8th Month	9th Month	10th Month	11th Month	12th Month	Year 2	Year 3	Year 4	Year 5
Repayment:																	
Green Bank Loan 7,460,470 (9/2010)			7,460,470	7,460,470	7,460,470	7,460,470	7,460,470	7,460,470	7,460,470	7,460,470	7,460,470	7,460,470	7,460,470	7,460,470	7,460,470	7,460,470	7,460,470
Property Taxes	417,844	417,844															
Court Fees	24,050	1,625			4,875			975			975			3,900	3900	3,900	3,900
Secured Portion John Deere	54,240	904	904	904	904	904	904	904	904	904	904	904	904	10,848	10848	10,848	10,848
Unsecured Creditors	1,083,348	38,897	17,703	17,703	17,703	17,703	17,703	17,703	17,703	17,703	17,703	17,703	17,703	212,431	212,431	212,431	212,431
Interest @3.25% Unpaid Balance	1,212,326	20,205	20,205	20,205	20,205	20,205	20,205	20,205	20,205	20,205	20,205	20,205	20,205	242,465	242,465	242,465	242,465
Subtotal Re-Payment/Interest	**2,791,809**	**479,476**	**38,812**	**38,812**	**43,687**	**38,812**	**38,812**	**39,787**	**38,812**	**38,812**	**39,787**	**38,812**	**38,812**	**469,644**	**469,644**	**469,644**	**469,644**
Subtotal Net Sources/Uses	**7,042,372**	**-889,230**	**-280,562**	**-1,133,037**	**-1,107,412**	**-1,111,773**	**-1,143,696**	**-1,186,890**	**-806,665**	**-253,180**	**-144,172**	**-197,152**	**342,387**	**3,108,256**	**5,137,318**	**3,368,606**	**3,549,574**
Accumulated Cash Requirements			**-1,179,792**	**-2,312,829**	**-3,420,241**	**-4,532,014**	**-5,675,710**	**-7,062,600**	**-7,869,265**	**-8,122,445**	**-8,266,617**	**-8,463,769**	**-8,121,382**	**-5,013,126**	**124,192**	**3,492,798**	**7,042,372**

PROPERTY TAXES

PINE MOUNTAIN PROPERTIES TOTAL DUE:	$41,567.38
RARITY MOUNTAIN COTTAGES TOTAL DUE:	$335,739.24
PM PROP OF TN LP TOTAL DUE:	$13,630.56
PM PROP OF TN LP #2 TOTAL DUE:	$2,125.94
PM PROP OF TN LP #3 TOTAL DUE:	$3,259.32

FRANCHISE & EXCISE TAXES

PINE MOUNTAIN PROPERTIES TOTAL DUE:	$21,522.00

Interest Rate	3 25%
Monthly rate	0 0027083
Monthly Payment	$904 00

Secured - John Deere	50,000 00
Total	$50,000 00

Year	Month	PMT	Prin	Interest	$50,000 00	
2011	1	904 00	768 58	135 42	49,231 42	
	2	904 00	770 67	133 34	48,460 75	12 Months 10,848 00
	3	904 00	772 75	131 25	47,688 00	
	4	904.00	774 85	129 15	46,913 15	
	5	904 00	776 94	127 06	46,136 21	
	6	904 00	779 05	124 95	45,357 16	
	7	904 00	781 16	122 84	44,576 00	
	8	904 00	783 27	120.73	43,792 73	
	9	904 00	785 39	118 61	43,007 34	
	10	904 00	787 52	116 48	42,219 81	
	11	904 00	789 65	114 35	41,430.16	
	12	904.00	791 79	112 21	40,638 37	
	13	904 00	793 94	110 06	39 844 43	
	14	904 00	796 09	107 91	39,048 34	
	15	904 00	798 24	105 76	38,250 10	
	16	904 00	800 41	103 59	37,449 69	
	17	904 00	802 57	101 43	36 647 12	
	18	904 00	804 75	99 25	35,842 37	
	19	904 00	806 93	97.07	35,035 44	
	20	904 00	809 11	94 89	34,226 33	
	21	904 00	811 30	92 70	33,415.03	
	22	904.00	813 50	90 50	32,601 52	
	23	904.00	815 70	88 30	31,785 82	
	24	904.00	817 91	86 09	30,967 91	
	25	904 00	820 13	83 87	30,147 78	
	26	904 00	822 35	81 65	29,325 43	
	27	904 00	824 58	79 42	28,500 85	
	28	904 00	826 81	77 19	27,674 04	
	29	904 00	829.05	74 95	26,844 99	
	30	904 00	831 29	72 71	26,013 70	
	31	904 00	833 55	70 45	25,180 15	
	32	904 00	835 80	68.20	24,344 35	
	33	904 00	838 07	65 93	23.506 28	
	34	904 00	840.34	63.66	22,665 94	
	35	904 00	842.61	61 39	21 823 33	
	36	904 00	844.90	59 10	20.978 43	
	37	904 00	847 18	56 82	20,131 25	
	38	904 00	849 48	54 52	19,281 77	
	39	904 00	851 78	52 22	18,429 99	
	40	904 00	854 09	49 91	17,575 91	
	41	904 00	856.40	47 60	16,719 51	
	42	904.00	858 72	45 28	15,860 79	
	43	904 00	861 04	42.96	14,999 75	
	44	904 00	863.38	40 62	14,136 37	
	45	904 00	865 71	38 29	13,270 66	
	46	904 00	868 06	35 94	12,402 60	
	47	904 00	870 41	33 59	11,532 19	
	48	904.00	872.77	31 23	10,659 42	
	49	904 00	875 13	28 87	9,784.29	
	50	904 00	877 50	26 50	8,906 79	
	51	904 00	879 88	24 12	8,026 91	
	52	904.00	882 26	21 74	7,144 65	
	53	904 00	884 65	19 35	6,260 00	
	54	904 00	887 05	16 95	5,372 95	
	55	904 00	889 45	14 55	4,483 51	
	56	904 00	891 86	12 14	3,591 65	
	57	904 00	894 27	9 73	2,697 38	
	58	904 00	896 69	7 31	1,800 68	
	59	904.00	899 12	4 88	901 56	
	60	904 00	901 56	2 44	0 00	

Interest Rate	0.44%
Monthly rate	0.000366667
Monthly Payment	$17,702.56
RMT Collages unsecured total	$31,870.21
Pine Mountain Properties unsecured total	1,202,035.57
Balance of John Deere	62,671.02
Total	$1,296,576.80

Year	Month	PMT	Prin	Interest	$1,296,576.80	
2011	1	38,897.30	38,897.30		1,257,679.50	
	2	17,702.56	17,241.41	461.15	1,240,438.08	12 Months 212,430.74
	3	17,702.56	17,247.73	454.83	1,223,190.35	
	4	17,702.56	17,254.06	448.50	1,205,936.29	
	5	17,702.56	17,260.39	442.18	1,188,675.90	
	6	17,702.56	17,266.71	435.85	1,171,409.19	
	7	17,702.56	17,273.05	429.52	1,154,136.15	
	8	17,702.56	17,279.38	423.18	1,136,856.77	
	9	17,702.56	17,285.71	416.85	1,119,571.05	
	10	17,702.56	17,292.05	410.51	1,102,279.00	
	11	17,702.56	17,298.39	404.17	1,084,980.61	
	12	17,702.56	17,304.74	397.83	1,067,675.87	
	13	17,702.56	17,311.08	391.48	1,050,364.79	
	14	17,702.56	17,317.43	385.13	1,033,047.36	
	15	17,702.56	17,323.78	378.78	1,015,723.58	
	16	17,702.56	17,330.13	372.43	998,393.45	
	17	17,702.56	17,336.48	366.08	981,056.97	
	18	17,702.56	17,342.84	359.72	963,714.13	
	19	17,702.56	17,349.20	353.36	946,364.93	
	20	17,702.56	17,355.56	347.00	929,009.37	
	21	17,702.56	17,361.93	340.64	911,647.44	
	22	17,702.56	17,368.29	334.27	894,279.15	
	23	17,702.56	17,374.66	327.90	876,904.49	
	24	17,702.56	17,381.03	321.53	859,523.46	
	25	17,702.56	17,387.40	315.16	842,136.06	
	26	17,702.56	17,393.78	308.78	824,742.28	
	27	17,702.56	17,400.16	302.41	807,342.12	
	28	17,702.56	17,406.54	296.03	789,935.59	
	29	17,702.56	17,412.92	289.64	772,522.67	
	30	17,702.56	17,419.30	283.26	755,103.36	
	31	17,702.56	17,425.69	276.87	737,677.67	
	32	17,702.56	17,432.08	270.48	720,245.59	
	33	17,702.56	17,438.47	264.09	702,807.12	
	34	17,702.56	17,444.87	257.70	685,362.26	
	35	17,702.56	17,451.26	251.30	667,910.99	
	36	17,702.56	17,457.66	244.90	650,453.33	
	37	17,702.56	17,464.06	238.50	632,989.27	
	38	17,702.56	17,470.47	232.10	615,518.80	
	39	17,702.56	17,476.87	225.69	598,041.93	
	40	17,702.56	17,483.28	219.28	580,558.65	
	41	17,702.56	17,489.69	212.87	563,068.96	
	42	17,702.56	17,496.10	206.46	545,572.86	
	43	17,702.56	17,502.52	200.04	528,070.34	
	44	17,702.56	17,508.94	193.63	510,561.40	
	45	17,702.56	17,515.36	187.21	493,046.05	
	46	17,702.56	17,521.78	180.78	475,524.27	
	47	17,702.56	17,528.20	174.36	457,996.07	
	48	17,702.56	17,534.63	167.93	440,461.44	
	49	17,702.56	17,541.06	161.50	422,920.38	
	50	17,702.56	17,547.49	155.07	405,372.89	
	51	17,702.56	17,553.93	148.64	387,818.96	
	52	17,702.56	17,560.36	142.20	370,258.60	
	53	17,702.56	17,566.80	135.76	352,691.80	
	54	17,702.56	17,573.24	129.32	335,118.56	
	55	17,702.56	17,579.69	122.88	317,538.87	
	56	17,702.56	17,586.13	116.43	299,952.74	
	57	17,702.56	17,592.58	109.98	282,360.16	
	58	17,702.56	17,599.03	103.53	264,761.13	
	59	17,702.56	17,605.48	97.08	247,155.65	
	60	17,702.56	17,611.94	90.62	229,543.71	
	61	17,702.56	17,618.40	84.17	211,925.31	
	62	17,702.56	17,624.86	77.71	194,300.46	
	63	17,702.56	17,631.32	71.24	176,669.14	
	64	17,702.56	17,637.78	64.78	159,031.36	
	65	17,702.56	17,644.25	58.31	141,387.11	
	66	17,702.56	17,650.72	51.84	123,736.39	
	67	17,702.56	17,657.19	45.37	106,079.19	
	68	17,702.56	17,663.67	38.90	88,415.53	
	69	17,702.56	17,670.14	32.42	70,745.39	
	70	17,702.56	17,676.62	25.94	53,068.76	
	71	17,702.56	17,683.10	19.46	35,385.66	
	72	17,702.56	17,689.59	12.97	17,696.07	
	73	17,702.56	17,696.07	6.49	(0.00)	

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF TENNESSEE

IN RE: Pine Mountain Properties, LLC	)	
	)	Case No. 3:10-BK-31898
	)	
	)	Chapter 11
	)	
	)	
Debtor(s).	)	

MONTHLY OPERATING REPORT

FOR THE PERIOD ENDING June 2010

COMES NOW, _____Pine Mountain Properties, LLC_____, Debtor-In-Possession, and hereby submits its Monthly Operating Report for the period commencing __June 1, 2010_____ and ending __June 30, 2010_____, as shown by the report and exhibits consisting of __11__ pages and containing the following, as indicated:

__X__ Monthly Reporting Questionnaire (Attachments 1, 2 and 3)

__X__ Comparative Balance Sheets (Forms OPR-1 & OPR-2)

__X__ Summary of Accounts Receivable (Form OPR-3)

__X__ Schedule of Postpetition Liabilities (Form OPR-4)

__X__ Statement of Income (Loss) (Form OPR-5)

__X__ Statement of Sources and Uses of Cash (Form OPR-6)

____ Certificate of Service

I declare under penalty of perjury that this report and all attachments are true and

correct to the best of my knowledge and belief. I also hereby certify that the original Monthly Operating Report was filed with the Bankruptcy Court Clerk and a copy delivered to the parties as listed on the attached Certificate of Service.

Date: July 14, 2010

DEBTOR-IN-POSSESSION

By: MLR
(Signature)

Name & Title: Michael L. Ross
President

Address: 1010 William Blount Drive
Maryville, TN 37801

Telephone No. 865.380.8000

NOTE: These report forms are available on our website at http://www.justice.gov/ust/r08/tennessee/chattanooga_staff.htm

For more information, contact:

Tom DuBose
Bankruptcy Analyst
Office of U. S. Trustee
31 E. 11st Street, 4th Floor
Chattanooga, TN 37402
(423) 752-5159
Tom.DuBose@usdoj.gov

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CHAPTER 11
MONTHLY REPORTING QUESTIONNAIRE

ATTACHMENT 1
REV 2/10

CASE NAME: Pine Mountain Properties, LLC MONTH ENDED: June 2010

CASE NUMBER: 3:10-BK-31898

1. Payroll: State the amount of all executive wages paid and taxes withheld and paid during the reporting period.

Name and Title of Executive	Wages and Other Amounts Paid		Taxes	
	Amount Due	Amount Paid	Amount Due	Amount Paid
Totals	0.00	0.00	0.00	0.00

2. Insurance: List all insurance coverage in effect in the schedule below. If any policy has lapsed, been replaced or renewed, attach a copy of the new policy's binder or cover page indicating the amount of coverage and the expiration date.

Type	Carrier's Name	Coverage Amount	Expiration Date	Premium Amounts	Date Coverage Paid Through
Property					
Workers' comp.					
General liab.	Union Insurance Group, LLC	1,000,000/2,000,000	4/1/2011	7,116.28	7/31/2010
Vehicle					
Other (specify):					

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CHAPTER 11
MONTHLY REPORTING QUESTIONNAIRE

ATTACHMENT 2
REV 2/10

CASE NAME: Pine Mountain Properties, LLC

CASE NUMBER: 3:10-BK-31898

MONTH ENDED (OR PERIOD IF NOT CALENDAR MONTH): June 2010

3. Bank Accounts [1]

	Operating Acct	Payroll Acct	Other Acct	Other Acct	Other Acct	Petty Cash	Total	
Name of Bank	Suntrust Bank		1st Volunteer			Office		
Account # [last 4 digits]	4366		8785			N/A		
Beginning book balance	3,575.06		69.90				3,644.96	< MUST AGREE WITH OPR-1
Add: Deposits	826.56		0.01				826.57	
Voided checks								
Transfers in [2]							0.00	
Less: Disbursements [3]		Bank Ser Chge	25.00				25.00	
Transfers out [2]							0.00	
Ending book balance	4,401.62		44.91	0.00	0.00	0.00	4,446.53	< MUST AGREE WITH OPR-1

[1] ATTACH COPIES OF ALL BANK STATEMENTS.

[2] USE TRANSFER LINE ONLY FOR TRANSFERS BETWEEN DEBTOR'S BANK ACCOUNTS. TRANSFERS IN SHOULD EQUAL TRANSFERS OUT IN TOTAL COLUMN.

[3] FOR EACH ACCOUNT ATTACH COPY OF CASH DISBURSEMENTS JOURNAL OR OTHER RECORD SHOWING DATE, PAYEE, PURPOSE AND AMOUNT FOR ALL CASH OR CHECK DISBURSEMENTS. LIST OF DISBURSEMENTS MUST SHOW TOTAL THAT AGREES TO EACH DISBURSEMENT AMOUNT ABOVE.

4. Special Payments: List and explain any payments to professionals (attorneys, accountants, etc.) and payments on prepetition debts in the schedule below (attach separate sheet if necessary)

Professional/prepetition creditor	Amount	Date	Authority (Court order dated _____, e.g.)

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CASE NAME: Pine Mountain Properties, LLC

CASE NUMBER: 3:10-BK-31898

Attachment 3
Revised 5/5/05

Has any property of the debtor been sold or otherwise transferred other than in the ordinary course of the debtor's business?

YES_____ NO___X___

If so, give a description of the property, to whom it was transferred, the date of the transfer, costs and expenses associated with the transfer (including all seller closing costs and loan payoff amounts) and the net amount received. If available, attach a copy of the settlement statement associated with the closing.

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CASE NAME: Pine Mountain Properties, LLC

COMPARATIVE BALANCE SHEETS

FORM OPR-1
REV 5/5/05

CASE NUMBER: 3:10-BK-31898

MONTH ENDED: June 2010

	FILING DATE	MONTH	MONTH	MONTH	MONTH	MONTH	MONTH
	4/16/2010	April 2010	May 2010	June 2010	July 2010	August 2010	September 2010
ASSETS							
CURRENT ASSETS							
Cash (Attachment 2)	2,950	2,844	3,645	4,447			
Accounts receivable, net (OPR-3)	98,636	98,636	98,636	98,636			
Inventory, at lower of cost or market	0	0	0				
Prepaid expenses and deposits	0	0	0				
Other: Utility Deposit	200	200	200	200			
	0	0	0				
TOTAL CURRENT ASSETS	101,786	101,680	102,481	103,282	0	0	0
PROPERTY, PLANT AND EQUIPMENT, AT COS	74,000	74,000	74,000	74,000			
Less accumulated depreciation	0	0	0	0	0	0	0
NET PROPERTY, PLANT AND EQUIPMENT	74,000	74,000	74,000	74,000	0	0	0
OTHER ASSETS (Itemize)							
Approx 3136 5 Acres in Improved Golf course and Golf course Fifth(5th) Civil Dist of Campbell County, TN	15,273,000	15,273,000	15,273,000	15,273,000			
	0	0	0	0	0	0	0
TOTAL ASSETS	15,448,786	15,448,680	15,449,481	15,450,282	$ -	$ -	$ -

Account Receivable barance was corrected to reflected total less doubtful accounts

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CASE NAME: Pine Mountain Properties, LLC

COMPARATIVE BALANCE SHEETS

FORM OPR-2
REV 5/5/05

CASE NUMBER: 3:10-BK-31898

MONTH ENDED June 2010

	FILING DATE 4/16/2010	MONTH April 2010	MONTH May 2010	MONTH June 2010	MONTH July 2010	MONTH August 2010	MONTH September 2010
LIABILITIES							
POST PETITION LIABILITIES (OPR-4)	0	0	0	0			
PRE PETITION LIABILITIES							
Secured debt (petition schedule D)	7,821,078	7,821,078	7,821,078	7,821,078			
Priority debt (petition schedule E)	39,032	39,032	39,032	39,032			
Unsecured debt (petition schedule F)	8,542,524	8,542,524	8,542,524	8,542,524			
Other:	0	0	0	0			
TOTAL PRE PETITION LIABILITIES	16,402,634	16,402,634	16,402,634	16,402,634			
TOTAL LIABILITIES	16,402,634	16,402,634	16,402,634	16,402,634			
SHAREHOLDERS' EQUITY (DEFICIT)							
PREFERRED STOCK	0	0	0				
COMMON STOCK	0	0	0				
PAID-IN CAPITAL	0	0	0				
RETAINED EARNINGS							
As of filing date (same amount in all blanks)	(953,848)	(953,848)	(953,848)	(953,848)			
Post filing date (changes each month)	0	(106)	696	1,497			
TOTAL SHAREHOLDERS' EQUITY	(953,848)	(953,954)	(953,153)	(952,351)			
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	15,448,786	15,448,680	15,449,481	15,450,283			

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CASE NAME Pine Mountain Properties, LLC

SUMMARY OF ACCOUNTS RECEIVABLE

FORM OPR-3
REV 5/5/05

CASE NUMBER: 3:10-BK-31898

MONTH ENDED June 2010

	TOTAL ACCOUNTS RECEIVABLE	0-30 DAYS	31-60 DAYS	61-90 DAYS	OVER 90 DAYS
DATE OF FILING:	98,635.56				98,635.56
Allowance for doubtful accounts	98,595.56				
MONTH: April 2010	98,635.56				98,635.56
Allowance for doubtful accounts	98,595.56				
MONTH: May 2010	98,635.56				98,635.56
Allowance for doubtful accounts	98,595.56				
MONTH: June 2010	98,635.56				98,635.56
Allowance for doubtful accounts	98,595.56				
MONTH:					
Allowance for doubtful accounts	( )				
MONTH:					
Allowance for doubtful accounts	( )				
MONTH:					
Allowance for doubtful accounts	( )				

NOTE Total accounts receivable less allowance for doubtful accounts must agree with Accounts Receivable on OPR-1

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CASE NAME: Pine Mountain Properties, LLC

CASE NUMBER _____ 3:10-BK-31898

SCHEDULE OF POST PETITION LIABILITIES

MONTH ENDED June 2010

FORM OPR-4
REV 7/09

	PURPOSE	DATE INCURRED	DATE DUE	TOTAL AMOUNT DUE	0-30 DAYS	31-60 DAYS	61-90 DAYS	OVER 90 DAYS
Taxes Payable:								
Payroll tax				0.00	0.00			
[Total paid during current period _____; attach copies of deposit receipts]								
Sales tax				0.00	0.00			
Property tax				0.00	0.00			
Postpetition Loans to Debtor (requires Court order):								
Secured loans				0.00	0.00			
Unsecured loans				0.00	0.00			
Accrued interest on above loans				0.00	0.00			
Trade Accounts Payable & Other:								
(Itemize):								
See attached list				0.00	0.00			
TOTALS	NONE			0.00	0.00	0.00	0.00	0.00

* Attach separate page if necessary.

NOTE: Total postpetition liabilities must agree with same item on OPR-2.

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CASE NAME Pine Mountain Properties, LLC

STATEMENT OF INCOME (LOSS)

FORM OPR-5
REV 2/10

CASE NUMBER. _____ 3:10-BK-31898

MONTH ENDEI June 2010

	MONTH	MONTH April 2010	MONTH May 2010	MONTH June 2010	MONTH July 2010	MONTH August 2010	Filing To Date
GROSS REVENUE - INCOME	0		827	827	0	0	1,653
COST OF GOODS SOLD							
Materials	0	0					0
Labor - Direct	0						0
Manufacturing Overhead	0	0					0
TOTAL COST OF GOODS SOLD	0	0	0	0	0	0	0
GROSS PROFIT	0	0					0
OPERATING EXPENSES							
Selling and Marketing	0	0					0
General and Administrative	0	0					0
Other: ___ Bank service charges	0	106	25	25			156
TOTAL OPERATING EXPENSES	0	106	25	25	0	0	156
INCOME BEFORE INTEREST, DEPRECIATION, TAXES OR EXTRAORDINARY EXPENSES	0	(106)	802	802	0	0	1,497
INTEREST EXPENSE	0	0					0
DEPRECIATION	0	0					0
INCOME TAX EXPENSE (BENEFIT)	0	0					0
EXTRAORDINARY INCOME (EXPENSE) *	0	0					0
NET INCOME (LOSS) **	0	(106)	802	802	0	0	1,497

* Requires Footnote

** Differences between net income "filing to date" and retained earnings "post filing date" on OPR-2 should be explained.

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CASE NAME Pine Mountain Properties, LLC
CASE NUME 3:10-BK-31898

STATEMENT OF SOURCES AND USES OF CASH
MONTH ENDED: June 2010

FORM OPR-6
Rev 2/10

	MONTH	MONTH April 2010	MONTH May 2010	MONTH June 2010	MONTH July 2010	MONTH August 2010
SOURCES OF CASH						
Income (Loss) From Operations	0	0	827	827		
Add: Depreciation, Amortization	0	0				
& Other Non-Cash Items	0	0				
CASH GENERATED FROM OPERATIONS	0	0	827	827	0	0
Add: Decrease in Assets:						
Accounts Receivable	0	0				
Inventory	0	0				
Prepaid Expenses & Deposits	0	0				
Property, Plant & Equipment	0	0				
Other:	0	0				
Increase in Liabilities:						
Pre Petition Liabilities	0	0				
Post Petition Liabilities	0	0				
TOTAL SOURCES OF CASH (A)	0	0	827	827	0	0
USES OF CASH						
Increase in Assets:						
Accounts Receivable	0	0				
Notes Receivable & Advances	0	0				
Inventory	0	0				
Prepaid Expenses & Deposits	0	0				
Property, Plant & Equipment	0	0				
Other Bank Service charges	0	0	25	25		
Decrease in Liabilities:						
Pre Petition Liabilities	0	0				
Post Petition Liabilities	0	0				
TOTAL USES OF CASH (B)	0	0				
NET SOURCE (USE) OF CASH (A-B=NET)	0	0				
CASH - BEGINNING BALANCE (OPR-1)	2,950	2,844	2,844	3,645		
CASH - ENDING BALANCE (OPR-1)	2,950	2,844	3,645	4,447		

CERTIFICATE OF SERVICE

I hereby certify that a true copy of the foregoing Monthly Operating Report was sent by U. S. Mail properly addressed and with correct postage to the persons or offices listed below.

Done this 14th day of July, 2010.

Mr Ross

(Signature)
Michael L. Ross
(Printed name)
1010 William Blount Drive
(Street address)
Maryville, TN 37801
(City, state, zip)
865.380.8000
(Telephone)

ORIGINAL FILED WITH:
U. S. Bankruptcy Court
31 E. 11th Street
Chattanooga, TN 37402

COPIES MAILED TO:

[CASES WITH DEBT TO IRS]
Internal Revenue Service
SB/SE - Insolvency
801 Broadway, MDP 146
Nashville, TN 37203

Members of Creditors Committee
(if applicable list names and addresses on separate sheet)

FIRST VOLUNTEER BANK
728 East Broad Street, P.O. Box 11167, Chattanooga, TN 37402

Campbell County: 423-562-7200 24 Hr. Banking: 423-566-1234
Fentress County: 931-879-8103 24 Hr. Banking: 931-879-3276
Hamilton County: 423-668-4500 24 Hr. Banking: 423-668-4515
Knox County: 865-362-7200 24 Hr. Banking: 865-362-7215
Lawrence County: 931-762-8300 24 Hr. Banking: 931-762-2265
Marion County: 423-668-4504 24 Hr. Banking: 423-668-4515
McMinn County: 423-263-3900 24 Hr. Banking: 423-263-3915
Polk County: 423-338-3200 24 Hr. Banking: 423-338-3215
Putnam County: 931-646-5500 24 Hr. Banking: 931-646-5515

**********AUTO**SCH 3-DIGIT 377
01015 1 AT 00.357 5 1 262
PINE MOUNTAIN PROPERTIES LLC
PO BOX 5958
MARYVILLE TN 37802

Date 6/30/10 Page 1
Account Number 401128785
Enclosures

Ask Us About Our Great Mortgage Rates!

---- CHECKING ACCOUNTS ----

MONEY MARKET		Number of Enclosures	0
Account Number	401128785	Statement Dates 6/01/10 thru	6/30/10
Previous Balance	69.90	Days in the statement period	30
Deposits/Credits	.00	Average Ledger	68
1 Checks/Debits	15.00	Average Collected	68
Service Charge	10.00	Interest Earned	.01
Interest Paid	.01	Annual Percentage Yield Earned	0.18%
Ending Balance	44.91	2010 Interest Paid	.21

****

Deposits and Additions

Date	Description	Amount
6/30	INTEREST PAID 30 DAYS	.01 IE

****

Checks and Withdrawals

Date	Description	Amount
6/30	BUSINESS ONLINE FEE NOT ON ANALYSIS	15.00
6/30	SERVICE CHARGE MAINTENANCE FEE	10.00 SC 10.00-

****

Daily Balance Information

Date	Balance	Date	Balance
6/01	69.90	6/30	44.91

****

Interest Rate Summary

Date	Interest Rate
5/31	.25%

Have you Opted In? New Federal Regulations could impact the processing of your transactions. Let us know your choice by July 15, 2010. Please call us at (866)668-4700 or visit your local branch.

SUNTRUST BANK
P O BOX 622227
ORLANDO FL 32862-2227

66/E00/0175/0 /53
1000106934366
06/30/2010

SUNTRUST

Account Statement

MICHAEL LEE ROSS OR
GREGORY P BAKER CHAPTER 11 TRUSTEE
PINE MOUNTAIN PROP LLC CASE 310-BK-31898
PO BOX 5958
MARYVILLE TN 37802-5958

Questions? Please call
1-800-786-8787

THANK YOU FOR BANKING WITH SUNTRUST. TO LEARN MORE ABOUT HOW SUNTRUST CAN MEET YOUR FINANCIAL SERVICES NEEDS, PLEASE VISIT OUR WEBSITE AT WWW.SUNTRUST.COM

Account Summary

Account Type	Account Number	Statement Period
FREE BUSINESS CHECKING	1000106934366	06/01/2010 - 06/30/2010

Description	Amount	Description	Amount
Beginning Balance	$3,575.06	Average Balance	$4,043.44
Deposits/Credits	$826.56	Average Collected Balance	$4,015.91
Checks	$.00	Number of Days in Statement Period	30
Withdrawals/Debits	$.00		
Ending Balance	$4,401.62		

Deposits/ Credits

Date	Amount	Serial #		Date	Amount	Serial #
06/14	826.56		DEPOSIT			

Deposits/Credits: 1 Total Items Deposited: 1

Balance Activity History

Date	Balance	Collected Balance	Date	Balance	Collected Balance
06/01	3,575.06	3,575.06	06/15	4,401.62	4,401.62
06/14	4,401.62	3,575.62			

193855

Member FDIC

Continued on next page