



SEARCHCORE, INC.
a Nevada corporation

Current Report
August 22, 2012

CURRENT REPORT

Current Information Regarding

SEARCHCORE, INC.

The following information is provided as to SearchCore, Inc. (referred to as “we,” “us,” “our,” the “Issuer” or the “Company”). This information is provided pursuant to the Guidelines for Providing Adequate Current Information created by OTC Markets Group, Inc., and is intended by the Issuer to be in compliance with Rules 10b-5 and 15c2-11 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and Rule 144 of the Securities Act of 1933 (the “Securities Act”).

1. Entry into a Material Definitive Agreement.

On August 22, 2012, we entered into a First Amended and Restated Letter of Intent (“LOI”) with Sports Asylum, Inc. (“SAI”) pursuant to which we intend to purchase 100% of the issued and outstanding securities of SAI (the “SAI Securities”) for consideration to be determined between the parties. As a deposit for the acquisition of the SAI Securities, we paid SAI \$50,000 (the “Deposit”). The Deposit is fully refundable. Pursuant to the LOI, we will advance additional funds to SAI, up to a maximum of an additional \$250,000 (the “Advance” and, together with the Deposit, the “Loaned Funds”), of which we have already advanced an additional \$60,000. We have entered into a Secured Promissory Note with SAI, covering the full amount of the Loaned Funds, that provides for repayment by SAI in twelve (12) equal monthly payments beginning July 1, 2013, with interest at 1.01% per annum (the “Note”). If the purchase of the SAI Securities is consummated, the Loaned Funds will be offset against the purchase price of the SAI Securities and the Note will be terminated.

Exhibits.

Material Contracts.

<u>Exhibit No.</u>	<u>Description</u>
M-40	First Amended and Restated Letter of Intent, dated August 22, 2012.
M-41	Secured Promissory Note, dated August 22, 2012.

Dated this 17th day of September, 2012, at Newport Beach, California.

SearchCore, Inc.,
a Nevada corporation

By: James Pakulis
Its: President and Chief Executive Officer

Exhibits.

Material Contracts.

<u>Exhibit No.</u>	<u>Description</u>
M-40	First Amended and Restated Letter of Intent, dated August 22, 2012.
M-41	Secured Promissory Note, dated August 22, 2012.

Dated this 17th day of September, 2012, at Newport Beach, California.

SearchCore, Inc.,
a Nevada corporation

By: James Pakulis
Its: President and Chief Executive Officer

Exhibit M-40

First Amended and Restated Letter of Intent

SearchCore, Inc.
[First Amended and Restated Letter of Intent]

August 22, 2012

Sports Asylum, Inc.
453 S. Spring Street, Suite 508
Los Angeles, CA 90013
Attn: Sabas Carrillo, President

Dear Sabas:

This letter of intent shall replace, in its entirety, the letter of intent entered into between the parties dated July 31, 2012 (the “Original LOI”).

This will confirm our understanding concerning the acquisition of Sports Asylum, Inc. (“SAI”) by SearchCore, Inc. (“SearchCore”) (the “Transaction”). This letter does not contain all matters upon which agreement must be reached in order for the Transaction to be consummated, but is intended solely as an outline of certain material provisions. The terms of our understanding are as follows:

1. SearchCore will acquire 100% of the issued and outstanding securities of SAI (the “SAI Securities”), for consideration to be determined between the parties, but likely to be a combination of cash, stock, and a promissory note (the “Purchase Price”);
2. Upon execution of the Original LOI, SearchCore paid to SAI as a deposit toward the Purchase Price, the sum of Fifty Thousand Dollars (\$50,000) (the “Deposit”).

The Deposit is fully refundable if requested by SearchCore at any time between the date hereof and June 1, 2013 (the “Commitment Period”). In addition, during the Commitment Period, SearchCore shall advance additional funds to SAI, at the discretion and agreement of both parties, up to a maximum of an additional Two Hundred Fifty Thousand Dollars (\$250,000) (the “Working Capital Advance” and, together with the Deposit, the “Loaned Funds”).

The parties will enter into a Secured Promissory Note, the form of which is attached hereto as Exhibit A (the “Note”), covering the full amount of the Loaned Funds, that provides for repayment by SAI in twelve (12) equal monthly installments beginning on July 1, 2013, with interest at

1.01% per annum. If the Transaction is consummated, the Loaned Funds will be offset against the Purchase Price and the Note will be terminated.

As consideration for the Loaned Funds, SAI agrees that, during the Commitment Period, it will not enter into discussions or agreements with any other party other than SearchCore, without the written consent of SearchCore.

Following your signature, the parties will cause their respective officers, employees, counsel, agents, investment bankers, accountants, and other representatives working on the Transaction to cooperate with each other with respect to the Transaction until the Transaction is consummated or negotiations with respect thereto are terminated.

Following your signature, SAI agrees that until the Transaction is consummated or negotiations with respect thereto are terminated, to conduct its business and operations in all respects only in the ordinary course unless otherwise consented to in writing by SearchCore.

Following your signature, until the Transaction is consummated or negotiations with respect thereto are terminated, each party will afford to the officers, employees, counsel, agents, investment bankers, accountants, and other representatives of the other party working on the Transaction and lenders, investors, and prospective lenders and investors of SearchCore, free and full access to its properties, books, and records, will permit them to make extracts from and copies of such books and records, and will from time to time furnish them with such additional financial and operating data and other information as to its financial condition, results of operations, business, properties, assets, liabilities, or future prospects as they from time to time may request. SAI will cause its accountants to make available to SearchCore and its independent certified public accountant, the work papers relating to its financial statements.

Each party shall insure that all confidential information which such party or any of its respective officers, directors, employees, counsel, agents, investment bankers, or accountants and, in the case of SearchCore, its lenders, investors, or prospective lenders or investors may now possess or may hereafter create or obtain relating to the financial condition, results of operations, business, properties, assets, liabilities, or future prospects of the other party, any affiliate of the other party, or any customer or supplier of such other party or any such affiliate shall not be published, disclosed, or made accessible by any of them to any other person or entity at any time or used by any of them, in each case without the prior written consent of the other party; provided, however, that the restrictions of this sentence shall not apply (a) as may otherwise be required by law, (b) as may be necessary or appropriate in connection with the enforcement of this Agreement, (c) to the extent such information shall have otherwise become publicly available, or (d) as to SearchCore, to disclose by or on its behalf to lenders, investors, or prospective lenders or investors or to others whose consent may be required or desirable in connection with obtaining the financing or consents which are required or desirable to consummate the Transaction. Each party shall, and shall cause all of such other persons

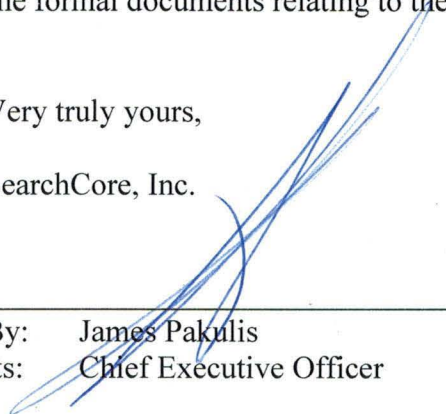
and entities who received confidential data from it to, deliver to the other party all tangible evidence of such confidential information to which the restrictions of the foregoing sentence apply at such time as negotiations with respect to the Transaction are terminated before the parties enter into any formal agreement as contemplated by this letter of intent.

It is understood that this is a letter of intent only and while the parties hereto agree in principle to the contents hereof and agree to proceed in good faith to work out the details of the Transaction, neither of them shall have any legal obligation to the other as a result of this letter (other than those obligations contained in this paragraph or the preceding paragraph of this letter, and the obligations contained in the preceding paragraph and the last sentence of this paragraph shall continue to apply after negotiations with respect to the Transaction are terminated). Accordingly, except as set forth in the preceding sentence, this letter does not constitute a binding agreement nor does it constitute an agreement to enter an agreement and the terms hereof are subject to the execution and delivery of formal agreements. This letter may not be assigned by either of the parties hereto. Neither party shall be responsible for any of the other's expenses in connection with the negotiations, documents, or transactions contemplated hereby.

If this letter accurately reflects our understanding, please so indicate by signing the original and duplicate of this letter, and returning a fully executed copy to me, so that we can promptly commence work on the formal documents relating to the Transaction.

Very truly yours,

SearchCore, Inc.

By:  _____
Its: Chief Executive Officer

Accepted and agreed to:

Sports Asylum, Inc.

By: _____
Its: Sabas Carrillo
Dated: _____
Its: President

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If this letter accurately reflects our understanding, please so indicate by signing the original and duplicate of this letter, and returning a fully executed copy to me, so that we can promptly commence work on the formal documents relating to the Transaction.

Very truly yours,

SearchCore, Inc.

By: James Pakulis
Its: Chief Executive Officer

Accepted and agreed to:

Sports Asylum, Inc.



By: Sabas Carrillo
Its: President
Dated: 8/22/2012

Exhibit M-41

Secured Promissory Note with Sports Asylum, Inc.

SECURED PROMISSORY NOTE

Up to \$300,000

August 22, 2012
Los Angeles, CA

For value received, Sports Asylum, Inc., a Nevada corporation (the "Company"), promises to pay to SearchCore, Inc., a Nevada corporation, or its assigns (the "Holder") the principal sum of up to Three Hundred Thousand Dollars (\$300,000). The principal hereof shall be due and payable on or before 5:00 p.m., Pacific Standard Time, on June 30, 2014 (the "Maturity Date") (unless such payment date is accelerated as provided in Section 4 hereof). Payment of all amounts due hereunder shall be made to the Holder per the instructions in Section 5 hereof. Interest shall accrue on the outstanding principal amount on an annual basis at a rate of One and One Hundredth Percent (1.01%).

1. HISTORY OF THE NOTE. This Note is being delivered to Holder as consideration under that certain First Amended and Restated Letter of Intent of even date herewith. The parties acknowledge that the Holder has already advanced to the Company the sum of One Hundred Ten Thousand Dollars (\$110,000) as of the date hereof. Additional advances will be made by the Holder on mutual agreement of the parties.

2. PAYMENT OF THE NOTE. The parties agree that, in the event Holder has acquired the Company prior to June 1, 2013 (the "Acquisition"), the repayment of all outstanding principal and accrued interest represented by this Note will be deemed to have occurred as of the purchase date and will be considered part of the purchase price paid by Holder for the Company.

In the event the Acquisition has not taken place by June 1, 2013, then the Company shall repay the outstanding principal and accrued interest represented by this Note in twelve (12) equal monthly payments beginning on July 1, 2013 and continuing on the first (1st) of each month thereafter. All payments shall be made in lawful money of the United States of America.

If any payment of principal or interest under this Note shall not be made within ten (10) business days when due, a late charge of ten percent (10%) of the outstanding payment amount may be charged by Holder for the purpose of defraying the expenses incident to handling such delinquent payments. Such late charge represents a reasonable sum considering all of the circumstances existing on the date of this Note and represents a fair and reasonable estimate of the costs that will be sustained by Holder due to the failure of Company to make timely payments.

3. PREPAYMENT. The Company may, at its option, at any time and from time to time, prepay all or any part of the principal balance of this Note, without penalty or premium.

4. DEFAULT. The occurrence of any one of the following events shall constitute an Event of Default:

(a) The non-payment, when due, of any principal pursuant to this Note;

(b) The material breach of any representation or warranty in this Note;

(c) The breach of any covenant or undertaking, not otherwise provided for in this Section 4;

(d) The commencement by the Company of any voluntary proceeding under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, receivership, dissolution, or liquidation law or statute of any jurisdiction, whether now or hereafter in effect; or the adjudication of the Company as insolvent or bankrupt by a decree of a court of competent jurisdiction; or the petition or application by the Company for, acquiescence in, or consent by the Company to, the appointment of any receiver or trustee for the Company or for all or a substantial part of the property of the Company; or the assignment by the Company for the benefit of creditors; or the written admission of the Company of its inability to pay its debts as they mature; or

(e) The commencement against the Company of any proceeding relating to the Company under any bankruptcy, reorganization, arrangement, insolvency, adjustment of debt, receivership, dissolution or liquidation law or statute of any jurisdiction, whether now or hereafter in effect, provided, however, that the commencement of such a proceeding shall not constitute an Event of Default unless the Company consents to the same or admits in writing the material allegations of same, or said proceeding shall remain undismissed for 20 days; or the issuance of any order, judgment or decree for the appointment of a receiver or trustee for the Company or for all or a substantial part of the property of the Company, which order, judgment or decree remains undismissed for 20 days; or a warrant of attachment, execution, or similar process shall be issued against any substantial part of the property of the Company.

In the event the Holder becomes aware of a breach of Sections 4(a), (b) or (c), then provided such breach is capable of being cured by Company, the Holder shall notify the Company in writing of such breach and the Company shall have thirty (30) calendar days after notice to cure such breach.

Upon the occurrence of any Default or Event of Default, the Holder, may, by written notice to the Company, declare all or any portion of the unpaid principal amount due to Holder, immediately due and payable, in which event it shall immediately be and become due and payable, provided that upon the occurrence of an Event of Default as set forth in paragraph (d) or paragraph (e) hereof, all or any portion of the unpaid principal amount due to Holder shall immediately become due and payable without any such notice.

5. NOTICES. All notices provided for in this Agreement shall be in writing signed by the party giving such notice, and delivered personally or sent by overnight courier or messenger or by facsimile transmission. Notices shall be deemed to have been received on the date of personal delivery or facsimile transmission. Notices shall be sent to the addresses set forth below:

If to the Holder:

SearchCore, Inc.
1300 Dove Street, Suite 100
Newport Beach, CA 92660
Attn: Jim Pakulis
Email: jpakulis@searchcore.com

with a copy to:

The Lebrecht Group, APLC
9900 Research Drive
Irvine, CA 92688
Attn: Brian A. Lebrecht, Esq.
Facsimile (949) 635-1244

If to the Company:

Sports Asylum, Inc.
453 S. Spring Street, Suite 508
Los Angeles, CA 90013
Attn: Sabas Carrillo
Email: sabascarrillo@gmail.com

or at such other address as the Company or Holder may designate by ten (10) days advance written notice to the other Party hereto.

6. ASSIGNMENT. In the event Company sells substantially all of its assets owned at the time of execution of this Note, Holder hereby agrees to the assignment of the Note to the buyer or transferee of the assets of the Company, provided that the assignee in such transaction assumes all of the Company's obligations under this Note, the Pledge and Security Agreement, and the First Amended and Restated Letter of Intent of even date herewith. The Company will execute or obtain all documents reasonably requested by the Holder in furtherance of such purported assignee's assumption of obligations.

7. GOVERNING LAW; VENUE. This Note is executed pursuant to and shall be interpreted and governed for all purposes under the laws of the State of California. Any cause of action brought to enforce any provision of this Note shall be brought in the appropriate court in Orange County, California. If any provision of this

Agreement is declared void, such provision shall be deemed severed from this Note, which shall otherwise remain in full force and effect. This Note shall supersede any previous agreements, written or oral, expressed or implied, between the parties relating to the subject matter hereof.

8. ATTORNEY'S FEES. The Company agreed to pay the following costs, expenses, and attorneys' fees paid or incurred by Holder, or adjudged by a court: (i) reasonable costs of collection, costs, and expenses, and attorneys' fees paid or incurred in connection with the collection or enforcement of this Note, and (ii) costs of suit and such sum as the court may adjudge as attorneys' fees in any action to enforce payment of this Note or any part of it.

9. CONFORMITY WITH LAW. It is the intention of the Company and of the Holder to conform strictly to applicable usury and similar laws. Accordingly, notwithstanding anything to the contrary in this Note, it is agreed that the aggregate of all charges which constitute interest under applicable usury and similar laws that are contracted for, chargeable or receivable under or in respect of this Note, shall under no circumstances exceed the maximum amount of interest permitted by such laws, and any excess, whether occasioned by acceleration or maturity of this Note or otherwise, shall be canceled automatically, and if theretofore paid, shall be either refunded to the Company or credited on the principal amount of this Note.

10. MODIFICATION; WAIVER. No modification or waiver of any provision of this Note or consent to departure therefrom shall be effective unless in writing and approved by the Company and the Holder. No delay or omission by Holder in exercising any right hereunder shall operate as a waiver of such right or any other right of Holder. A waiver on one occasion shall not be construed as a bar to or waiver of any right in the future.

11. SECURITY. This Note is secured by the Collateral as described in that certain Pledge and Security Agreement of even date herewith.

12. SEVERABILITY; REFORMATION. In case any one or more of the provisions or parts of a provision contained in this Agreement shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision or part of a provision of this Agreement; and this Agreement shall, to the fullest extent lawful, be reformed and construed as if such invalid or illegal or unenforceable provision, or part of a provision, had never been contained herein, and such provision or part reformed so that it would be valid, legal and enforceable to the maximum extent possible. Without limiting the foregoing, if any provision (or part of provision) contained in this Agreement shall for any reason be held to be excessively broad as to duration, activity or subject, it shall be construed by limiting and reducing it, so as to be enforceable to the fullest extent compatible with then existing applicable law.

13. TRIAL BY JURY. COMPANY (A) AGREES NOT TO ELECT A TRIAL BY JURY WITH RESPECT TO ANY ISSUE ARISING OUT OF THIS

NOTE OR THE RELATIONSHIP BETWEEN THE PARTIES AS LENDER AND BORROWER THAT IS TRIABLE OF RIGHT BY A JURY AND (B) WAIVE ANY RIGHT TO TRIAL BY JURY WITH RESPECT TO SUCH ISSUE TO THE EXTENT THAT ANY SUCH RIGHT EXISTS NOW OR IN THE FUTURE. THIS WAIVER OF RIGHT TO TRIAL BY JURY IS SEPARATELY GIVEN BY COMPANY, KNOWINGLY AND VOLUNTARILY.

IN WITNESS WHEREOF, Company has executed this Promissory Note as of the date first written above.

"Company"

Sports Asylum, Inc.
a Nevada corporation



By: Sabas Carrillo
Its: President

Acknowledged:

SearchCore, Inc.
a Nevada corporation

By: James Pakulis
Its: President and
Chief Executive Officer

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