



Willow Ridge Country Club
Site Visit and Assessment
January 8, 2021
Report for The Town of Harrison



Qualified, real-world answers



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Section I

Executive Summary Willow Ridge Country Club

Willow Ridge Country Club Report

Executive Summary

Jim McLaughlin - President, True Club Solutions

General

True Club Solutions' (TCS) general obligation was to provide Town of Harrison NY advisory services and a report pertaining to identifying opportunities surrounding the acquisition and go forward performance of the Willow Ridge Country Club.

Work Performed

- A three-man TCS regional team based in New York and Connecticut visited the site November 6 to review the physical property, current operation and existing conditions.
- TCS Sales and Marketing Manager evaluated the current market demographics and competitive landscape to determine challenges/opportunities going forward that support or do not support the various going forward scenarios.
- TCS reviewed the 2019 Appraisal and the recently completed 2020 Appraisal
- TCS was provided and reviewed current financial information from two other close by community owned golf clubs – Lake Isle and Rye Golf Club
- TCS Ops VP visited Lake Isle and Rye Golf Club properties to assess/compare to Willow Ridge
- Based on information above, TCS Financial Analyst created financial models for various go forward scenarios – including but not limited to memberships for residents/nonresidents; daily green fee access to residents who do not want memberships; public access; daily fee for all, with residents getting preferences on tee times and fees.
- TCS Analyst then prepared all with comparables based on industry benchmarks and key metrics. The proforma models include the financial impact/expenses of hiring Troon to manage the Club going forward. The work product provides a 5 year operational and capital needs proforma.
- While this work was being completed, TCS participated in several email exchanges, conference and Zoom calls with Town of Harrison to assist with eminent domain process. This included a Town Hall Zoom call on Dec 17 supporting Town lawyer with presentation to Town Board.
- *Of note on work performed – TCS/Troon have been involved in dozens of club due diligence process's over the years, both as potential buyers representative and as a potential buyer, and we can report that in this case, the Willow Ridge Country Club and their representatives made the due diligence exercise difficult. From a rushed site visit with no access to current department heads, to a poor data room, to little response to normal information requests, the whole process was not up to par or what we are accustomed.*

We offer this Report and review as a record of our visit and follow up work. We would be happy to assist Town of Harrison in preparation of any additional documentation required to make future decisions.

Key Findings Summary: SWOT

The 'New' Willow Ridge Country Club

Internal Factors

STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Long time quality golf club located in one of the most affluent and desirable markets in the State – Westchester County • Fun parkland style layout with lots of undulation and variety that will attract all types of golfers, from relative newcomers to the game looking for the next level in their new sport to long time avid players and low handicappers • Despite challenges to stay afloat as private club over recent years, Golf Course has been kept in good condition • Strong golf demand within 10 miles of course – NGF Indices well over 100 for both households (241 index) and golfing households (249 index) Note - The greater the index over 100 the more favorable is the market. • Local Market underserved with public access golf, especially premium daily fee (>\$70) golf. Zero clubs in that category within 10 miles. • Quality Pool and Tennis operation with F and B snack bar separate and distinct but close to the clubhouse, golf operation and golf food and beverage operation • Relatively recent investment in clubhouse refresh and maintenance facility building • Large 250 capacity banqueting and event space 	<ul style="list-style-type: none"> • A Club of this age and market position, struggling as a member owned private club for many years, normally has no capital reserve study in place and a long list of deferred capital to address by new owner. TCS estimates that this total could be up to approx. \$3.8 Million – New Irrigation system /Parking Lot replacement/ Landscaping/Clubhouse mechanical replacement/Kitchen equipment/Cart paths/bunkers/bridges/drainage/pool resurface • Unclear what is included and not included or assumed in the sale at this time – from current maintenance equipment to IT infrastructure (POS/Phone/AV/wifi etc) Potentially significant immediate investment in addition to deferred capex above • Local Market oversupplied with private clubs (especially higher end private clubs) (16 Private Clubs within 5 miles) • Layout has a few quirks – like a crossover par 3 and steep fairway slopes that will potentially create pace of play issues, limiting the overall number of rounds that can be played in a day without causing backups and delays. • A club of this nature with long term employees is usually overpaying market as no positions capped • Local market used to paying low green fees for inferior product (Maple Moor, Saxon Woods, Lake Isles) little understanding/experience of a premium daily fee experience for \$100 plus except when they travel • Club has most likely lost some brand equity through sale process • No pump house/irrigation storage. Club is tied to municipal line and purchases water comes from municipality, which is expensive. • Selling in COVID Year – not a year to be in the banqueting, large event business • Most of market may already be committed to 2021 annual memberships, summer programs and events by the time sale happens

EXTERNAL FACTORS	
OPPORTUNITIES	THREATS
<ul style="list-style-type: none"> • Transition from a Mid Tier failing private club to the only premium experience public access club in local community • To become a quality recreation asset for the whole community, not a privileged few • Hosting Town of Harrison events/town halls • Hosting Town of Harrison recreation programs (kids camps, learn to swim/play tennis/play golf) • Sell a separate Pool, Tennis, Social resident membership (annual) • Look to possibly re-brand the club going forward to break from any connection to the past operation and promote access to more than golf, open new non golf markets in community Name - The Ridge @ Harrison Tag Line - "Your Community Sport and Social Club" • Hire a professional "3rd party" management company (Like Troon) to operate golf, pool and tennis and food and beverage. Versus leasing to a management company. • Complete a proper 30 year capital reserve study ASAP • Reset the expenses to align with revenue expectations/seasonal flow • Possible renovation/re-allocation of space in clubhouse. Locker rooms no longer needed for Daily Fee course, consider other uses for Town/community – meeting space, fitness studio, cross fit space, golf simulators etc • Operating Model 1 – Transition to a premium (>\$70) Daily fee Model for golf with preferred resident rates (Harbor Links Model) and a separate annual membership for pool, tennis and social • Model 1(a) – Lease out F and B option • Operating Model 2 – Transition to a premium (>\$5,000) Annual Membership/Daily Fee Model with preferred resident rates (Hybrid Model similar to Centennial) and a separate annual membership for pool, tennis and social • See Opportunities Summary Below 	<ul style="list-style-type: none"> • Town not having eyes open on the potential deferred capex costs • Cost of Purchase Plus potential cost of deferred capex and operating equipment being too much for any buyer • Little opportunity to create significant operating profits and any kind of ROI on investment under either a private club or premium daily fee model • Vocal opposition from the current club leadership and residents to the Town of Harrison purchasing club • COVID restrictions on events beyond 2021

Opportunities Summary:

- With the oversupply of private courses and the lack of premium daily fee/public access clubs in one of the most affluent counties in the State of New York, TCS sees the primary opportunity for Town of Harrison as being to transition Willow Ridge from a failing mid tier private club into the premium public access club in local market.
- The current public courses in market (Maple Moor, Saxon Wood, Lake Isles) are not considered premium (>\$70) and TCS believes the golf experience at Willow Ridge is far superior to current public course offerings within 10 miles of club and is more comparable to Harbor Links (owned by Town of North Hempstead, NY), Rye Golf Course and two Troon Affiliated Daily Fee clubs within an hour drive – Mansion Ridge and Centennial. In the big picture of available public golf within 20 miles of Willow Ridge, TCS sees the opportunity for Willow Ridge to be positioned above the current local offering, but below the high-end clubs such as Pound Ridge and Trump Links at Ferry Point which are both above \$200 rack rate in season.
- TCS have created two proforma models in this report for discussion with the Town Committee looking at options:
 1. Operating Model 1 – Represents the transition to a premium (>\$70) Daily fee Model for golf with preferred resident rates (Harbor Links Model) and a separate annual membership for pool, tennis and social
 2. Operating Model 2 – Transition to a premium (>\$5,000) Annual Membership/Daily Fee Model with preferred resident rates (Hybrid Model similar to Centennial) and a separate annual membership for pool, tennis and social
- TCS believes that with the market demand identified, and a complete reset on the current expense model, both models can operate (post transition year) at a surplus and will not be a P and L risk or require operational subsidies from the Town. The Proforma and comparable benchmarks support that belief. Having stated that, both models assume a subsidized transition/stub year and then a surplus beginning in first full year.
- TCS would identify the ongoing risk in both models as being on the capital side of the ledger. TCS has noted in the report that there could be close to \$3.8 million in deferred, immediate capital needs to get the golf course asset and clubhouse amenities up to date. Without knowing at this stage what equipment will be included in the sale, there are also potential costs on operating equipment such as golf carts, maintenance equipment, Point of Sale/IT Hardware and software/Phone/AV systems etc. TCS has put a capital reserve mechanism placeholder in both models but that % may be well short of needs at this point. Immediate and ongoing capital needs will depend on the details of final sale and the available initial capital invested as part of purchase.

- Under both models, with the pool and tennis courts being convenient to the Clubhouse, but separate, TCS sees an opportunity to re-position the club in the market as a community club for all kinds of activities and demographics – not just higher end golfers. TCS would encourage the Town to consider a name change and re-branding to market to and attract a broader audience.
- TCS believes that the market demand and location will attract potential concessionaires and/or leaseholders on both the golf operation and the food and beverage operation. Both options can take some of the P and L risk and/or some of the capital risk if length of term is long enough. TCS has provided model 1 with a leaseholder option on F and B operation.
- Assuming club sale would not close until sometime in Q1 2021, TCS would also recommend as part of either Model that the Town close the majority of the food and beverage operation for first season, resetting the expense model and wages (any clubs biggest expense) to be more in line with premium daily fee market. Other:
 - Closing/Resetting also addresses ongoing COVID challenges in 2021 (events) and breaks current members and current staff that stay of any expectation that things may stay the same
 - Take that first year to complete the majority of the immediate capital needs
- We look forward to presenting our findings and recommendations and discussing both scenarios further.

Section II

Site Visit Discovery and Findings Willow Ridge Country Club

Willow Ridge Country Club Report

Site Visit Discovery and Findings, including Deferred Maintenance Rough Order of Magnitude (ROM) Cost Assessment

Archie Cart – VP Operations, Northeast

Josh Lowney – General Manager, Westchester Hills

Jim Ritorto – Regional Director, Science and Agronomy

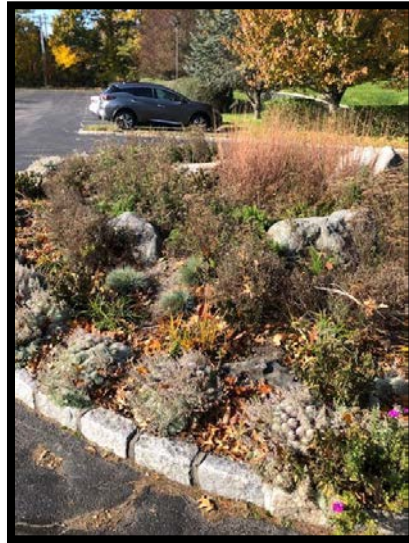
Overall

We arrived on property at Willow Ridge at 8:00 AM on November 6th. We met current club president Laurence Mitzner at the clubhouse. He led us on a guided tour that lasted less than 2 hours. We were given access to any area we thought relevant but could not speak to any current employees or members or do more than a drive by of each area to get some pictures and our eyes on the current conditions. With our limited access, we have done our best, based on recent club renovations within Troon clubs, to allocate worst-case scenario deferred maintenance cost placeholders that will need to be validated as part of the due diligence process going forward.

First Impressions/Arrival

Upon arrival, it was apparent that the parking lot and clubhouse landscape had not received any significant attention for an extended period of time. Building siding needs cleaning, landscape needs upgrade or pruning, at the very least. The parking lot will need significant improvements immediately or at some point in the very near future.

Based on recent parking lot renovations at Troon facilities, TCS would estimate replacement ROM at \$300,000 on high side and \$75,000 on the low side for striping and sealant. \$75,000 for landscaping.



Clubhouse

The clubhouse is not overly impressive, locker rooms are nice enough (relatively new) but broken up as the entire lower level is a bit of a maze (lots of hallways and low ceilings).

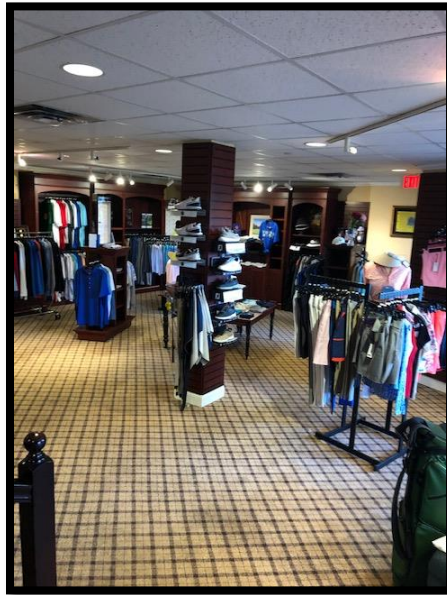


The “19th hole” is a nice space, although the views from within are limited to patio, pool and tennis courts.



They have several meeting/banquet rooms including the largest of three shown above. Proximity to main restaurant space and restrooms do suggest potential for a successful event and catering business.

The golf shop was closed when we first arrived but we later did get a quick glance inside once it did open. The space is adequate and its proximity to first tee works well. Its location on the backside of the building would make it a less than convenient check-in center for a non-member offering.



The back of the house (kitchen, mechanical, loading dock) looked in need of refresh/upgrades



Willow Ridge Country Club 11/14/2011

RTU	Designated Room	Manufacturer	Model #	Filers	Qty	Est. Qty	Notes
1	Club House Lobby	American Standard	YCH00031000L	2507541	2	A7-40	1
2	Computer Room	Carrier High Split	98AUC042003		2	A7-40	1
3	Kitchen	Capitol Air	98AUC042003		2	A7-40	1
4	Cherry Room	Carrier High Split	98AUC042003		2	A7-40	1
5	Kitchen	Carrier High Split	98AUC042003		2	A7-40	1
6	Offices	Carrier High Split	98AUC042003		2	A7-40	1
7	Labour room	Carrier High Split	98AUC042003		2	A7-40	1
8	Labour room	Carrier High Split	98AUC042003		2	A7-40	1
9	Labour room	Carrier High Split	98AUC042003		2	A7-40	1
10	Upper Roof	Carrier High Split	98AUC042003		2	A7-40	1
11	Upper Roof	Carrier High Split	98AUC042003		2	A7-40	1
12	Upper Roof	Carrier High Split	98AUC042003		2	A7-40	1
13	Upper Roof	Carrier High Split	98AUC042003		2	A7-40	1
14	Upper Roof	Carrier High Split	98AUC042003		2	A7-40	1
15	Upper Roof	Carrier High Split	98AUC042003		2	A7-40	1
16	Upper Roof	Carrier High Split	98AUC042003		2	A7-40	1
17	Upper Roof	Carrier High Split	98AUC042003		2	A7-40	1
18	Upper Roof	Carrier High Split	98AUC042003		2	A7-40	1
19	Upper Roof	Carrier High Split	98AUC042003		2	A7-40	1
20	Upper Roof	Carrier High Split	98AUC042003		2	A7-40	1



Based on recent Clubhouse refresh and deferred maintenance needs at Troon facilities, TCS would estimate replacement ROM as follows

Kitchen - \$250,000 – misc equipment-walk in coolers, dishwasher

Mechanical/AC - \$250,000 – replace 7 – 10 units, loading dock

Tennis and Pool

The tennis courts and pool are located together in an area that is below and right (as you drive in) of the main clubhouse. Tennis courts seem to be well maintained. Pool was covered and closed for the season. Both amenities supported by a large snack bar and retail shop (tennis). Lots of well-maintained turf around pool as well as a large canopy for lounges. There also appears to be separate parking areas for these facilities.



Based on recent Clubhouse refresh and deferred maintenance needs at Troon facilities, TCS would estimate replacement ROM as \$100,000 for Tennis and Pool buildings refresh

Maintenance Facility

We toured the maintenance facility /yard. The equipment is a mixed bag of new and old utilizing a smorgasbord of equipment vendors. We have multiple images and a video highlighting equipment inventory. The building seemed organized. The maintenance staff was not on property and had not been for several days due to a positive COVID test. The dry sand storage unit was unexpected (pictured below) and a significant investment. The wash pad and chemical storage areas looked to be up to compliance with State regulatory criteria, so good news there.



Golf Course

We then toured the golf course and practice areas, stopping periodically to examine bunkers, irrigation system (no pump house as water is purchased and pumped in from municipality), turf quality, etc. Very expensive water.





Overall, golf course is interesting but “quirky” in spots which could impact pace of play negatively as a daily fee course (on par 3 one must hit over a fairway/green of another hole, severely sloped and narrow fairways, etc.). Course conditions were good. Infrastructure is old and could use a refresh. Irrigation system looked like it was ancient and in need of a full or partial replacement.

The maintenance equipment on site looks like a very mixed bag of old, outdated equipment (20 plus years old) and newer units (within last 5 years). There also looked to be way more equipment than necessary. To continue operating at current conditioning level, as a private club or as a premier daily fee, the equipment will need to be thinned out (getting rid of old and unnecessary equipment) and replaced over the next three to five years. Assume an annual reinvestment of \$150,000.00 over the next 5 years as a reasonable assessment.

Based on recent Golf course renovations and deferred maintenance needs at Troon facilities, TCS would estimate replacement ROM as follows:

Irrigation System - \$2,000,000

Course infrastructure – Drainage, cart paths, bridges, bunkers, pond dredging, tree work - \$750,000

Maintenance Building - \$50,000 Misc. upgrades

Maintenance Equipment - \$150,000 annually for 3 – 5 years

Golf Carts

The Club leases 55 golf carts with GPS from Club Car. The carts are in good shape. Cart storage area is simple but adequate.



SUMMARY

The golf course is visually pleasing and looks like it would be enjoyable for those relatively new to the game and those that are avid low handicappers. Having stated that, the course is clearly not among the best courses (architecturally speaking) in Westchester County. The clubhouse can be described similarly. As previously noted, both are in need of capital. The golf course is probably best positioned as a public / annual pass facility. The tennis and pool facilities are excellent and offer a real opportunity in this market.

Post Site Visit:

Through industry connections, TCS was able to discuss the condition of Willow Ridge with a recent manager. See comments below:

- Plan for Tennis bubble did not get approved because of neighbors
- Fire in the gym became storage unit
- AC on roof gives issues in summer. They were always on roof hosing it down to keep it running on hot days
- No heat and ac in hallways on lower level
- Dishwasher machine needed to be replaced
- Make sure you check upstairs old employee housing which is now storage because no fire escape
- Parking lot needs to be repaved
- Pool resurfaced and heater and pump replaced recently
- Course floods a ton on 15. Superintendent did some work for drainage recently
- Loading dock in terrible location
- Maintenance barn 8 years old or so

These comments have been incorporated into the ROM costs noted throughout report.

ROM Potential Immediate Cost Summary - \$3,775,000

- Irrigation System Replacement - \$2,000,000
- Course infrastructure – Drainage, cart paths, bridges, bunkers, pond dredging, tree work - \$750,000
- Parking Lot - \$300,000 replace (or as little as \$75k reseal)
- Landscaping – clubhouse - \$75,000
- Clubhouse - mechanical/AC - \$250,000 – 7 – 10 units, loading dock repairs
- Kitchen - \$250,000 – Misc. equipment-walk in coolers, dishwasher
- Tennis/Pool building - \$100,000 refresh
- Maintenance Building - \$50,000 Misc.

Other Potential Costs Post Purchase

Clearly identifying what Willow Ridge is including or not including in the sale price or transitioning via leases/contracts/licenses that will impact operation capability. Items such as:

- Maintenance equipment – capital leases/owned - \$150,000 annually for three – five years
- Golf cars – Operational leases, fleet expanded to 70 for daily fee - \$85k placeholder covered under expanded lease
- Clubhouse IT/POS/Phones – leases/owned - \$200k placeholder

Other Potential Aspirational Costs

Possible renovation/re-allocation of space in clubhouse. If club does move to a pure daily fee operation then large locker rooms and member rooms no longer needed. Consider other uses for Town/community – meeting space, fitness studio, cross fit space, golf simulators, etc.

Section III

Market Analysis Willow Ridge Country Club

Willow Ridge Country Club Report Market Analysis

Dylan Diewold - Senior Marketing Manager
Jim McLaughlin - President, True Club Solutions

Troon is very familiar with the Westchester county market as we currently manage two private clubs, Westchester Hills and Knollwood Golf and CC. We also have management and marketing affiliations with two nearby premier daily fee clubs – The Club at Mansion Ridge in Monroe, NY and Centennial Golf Club in Carmel Hamlet, NY – both clubs within an hour drive of Willow Ridge.

The first reaction of our regional managers when hearing that Willow Ridge was in the process of selling the failing private club, is that the club is in a great location in one of the most affluent counties in the country, and that it can succeed as a premium daily fee club. We know intuitively from our work in that market that the local market (within 10 miles of club) is oversupplied with higher end private clubs and undersupplied with quality public access and annual membership facilities.

Market Supply

The industry data below (supplied by the National Golf Foundation) supports our thinking. Within a 5 mile radius there are 18.5 – 18 hole equivalent Private clubs and 2.5 equivalent Public access clubs. There are no premium or higher end daily fee golf options (similar to Troon affiliated Mansion Ridge or Centennial) in a 10 mile radius. All of the public access clubs within 10 miles are standard/mid tier public clubs that do not offer the playing conditions or customer experience of a higher end daily fee club. Note: The nearby 18 hole municipally owned Rye Golf Club is identified by NGF as a private club due to the annual membership requirement.

Supply Indicators (18-Hole Equivalent) Fee Category Includes Golf Cart			
	Radial Trade Area, 5 miles	Radial Trade Area, 10 miles	Radial Trade Area, 20 miles
Total Supply	21.0	48.5	134.5
Private	18.5	38.0	96.5
Public: Premium (>\$70)	0.0	4.0	26.5
Public: Standard (\$40-\$70)	2.5	6.5	10.0
Public: Value (<\$40)	0.0	0.0	1.5
Non-Regulation (Executive & Par-3) *	0.5	1.5	6.0

Number of Holes			
	Radial Trade Area, 5 miles	Radial Trade Area, 10 miles	Radial Trade Area, 20 miles
Total	378	873	2,421
Public	45	189	684
Public: Daily Fee	0	9	63
Public: Municipal	36	180	621
Private	333	684	1,737

See complete list of facilities within 10 miles at end of this section.

Market Demand

The NGF data below supports the demand for public access golf in the market. The local median household income identifies the area as one of the most affluent in the US and the type of market that seeks and can afford a higher end daily fee golf experience. The higher than national average golf participation rates and the number of golfing households are very favorable.

Demand Measures			
	Radial Trade Area, 5 miles	Radial Trade Area, 10 miles	Radial Trade Area, 20 miles
Total Households	73,980	322,489	2,437,942
Number of Golfing Households	12,306	45,300	250,209
Projected Golfing Households (2024)	12,729	46,452	254,103
Projected Annual Growth Rate	0.7%	0.5%	0.3%
Seasonal Golfing Households	173	560	2,844
Latent Demand/Interested Non-Golfers	29,880	131,355	1,034,589
Household Participation Rate	16.6%	14.0%	10.3%
Number of Golfers	23,596	82,832	455,598
Rounds Potential (resident golfers)	422,895	1,492,617	7,265,759
Est. Course Rounds (in-market supply)	411,163	1,072,945	3,121,223
Median Household Income	\$117,130	\$91,546	\$71,440
Median Age	41.1	41.1	38.7
US Median Household Income	\$60,522	\$60,522	\$60,522
US Median Age	37.2	37.2	37.2

Supply Demand Index

The NGF looks at all markets in the US on the basis of a 100 Index comparable in that a lower than 100 index is not market favorable while the higher than 100 the number is, the more favorable the market is. The Golfing Household NGF index of 15 within 5 miles for private clubs shows the oversupply and less favorable market to continue as a private club. On the other hand, the 284 index under public golf is very favorable for success as a public access operation.

Golfing Household Indices (National = 100)			
	Radial Trade Area, 5 miles	Radial Trade Area, 10 miles	Radial Trade Area, 20 miles
Total	47	74	148
Public	284	249	380
Private	15	26	57

Recommendation

Between our own market intelligence and the golf market specific data provided through National Golf Foundation our recommendation for any new owner going forward would be to transition the facility from a failing private club model to the premiere daily club in the market.

Based on the competitive set, we would recommend positioning the Club above the lower end (Under \$70 with cart) Maple Moor and Saxon Woods and below the very high end (Over \$200 rack rate) Pound Ridge and Trump Ferry Point. The daily fee market position comparable would be Harbor Links in Port Washington which has a peak rack rate at \$130. The Town of North Hempstead owns Harbor Links. From an annual membership perspective, we would position the new Willow Ridge at equal to or above the municipal owned Rye Golf Club.

Other:

- The market data attached in Appendix also supports the opportunity beyond golf offerings and TCS would recommend that the Pool, Tennis and Social/Dining amenities be offered as a separate package for the non-golfers in the community. The opportunity TCS sees here is on an annual pass/membership basis.
- As demonstrated in the go forward financial models in other sections of this report, TCS can see the golf being successfully marketed and sold on a daily fee (Harbor Links Model) or annual membership basis (Rye Model), or a combination/hybrid of both (Mansion Ridge, Centennial model).
- TCS would encourage new ownership to consider a complete rebranding, from name to logo to colors to font. The opportunity is now to break away from the past model in all aspects to better represent the new community focused, public access model going forward. The opportunity is also to rebuild the negative brand equity from the failed club that members put up for sale.

Thinking something like 'The Ridge at Harrison' as the new name (an ode to the past with a look forward to the community) and a tag line "Your Community Sport and Social Club". The tag line focuses the business on the community and is saying much more is happening here than good golf! Not saying this is it, just to get the thinking/discussion going.

- The timing of the purchase in 2021 will dictate the market and sales success in the first year. Assuming a late Q1 close, the sales window on annual memberships and events (weddings etc) will most likely be lost as market will have already made their purchase decision for the season. The COVID restrictions will also likely be in place for a good portion of 2021. TCS would see 2021 as a transition or stub year where the marketing and sales efforts will be on brand awareness of the Club's new model, geared toward daily fee plan in 2021 and annual pass/membership, and events business bookings for 2022
- TCS has also attached a very early draft of a Sales and Marketing plan for discussion. See Appendix.

Full List of Golf Facilities within 5 Miles and 10 Miles Plus Select Market Comparables Outside 10 miles

- Within 5 Miles (Public Access in red)

Distance Miles	Club	Address	City	State	County	Type	Holes	Fee	Year Open
0.000	Willow Ridge Country Club	123 North St	Harri son	NY	Westchester	PR	18	140	1922
0.577	The Apawamis Club	2 Club R d	Rye	NY	Westchester	PR	18	135	1890
1.290	Westchester Country Club	99 Biltmo re Ave	Rye	NY	Westchester	PR	45	175	1922
1.434	Rye Golf Club	330 Bost on Post R d	Rye	NY	Westchester	MU/PR	18	95	1921
1.942	Maple Moor Golf Course	1128 Nort h St	White Plains	NY	Westchester	MU	18	65	1923
2.895	Westchester Hills Go lf Club	401 Ridg eway	White Plains	NY	Westchester	PR	18	95	1913
3.027	Winged Foot Golf Club	851 Feni more Rd	Mamaroneck	NY	Westchester	PR	36	150	1921
3.196	Saxon Woods Golf Course	315 Mam aroneck Rd	Scarsdale	NY	Westchester	MU	18	70	1931
3.240	Quaker Ridge Golf Club	146 Griff e n Ave	Scarsdale	NY	Westchester	PR	18	175	1915
3.516	Fenway Golf Club	Old Mam aroneck Road	Scarsdale	NY	Westchester	PR	18	125	1924
3.641	Hampshire Country Club	1025 Cov e Rd	Mamaroneck	NY	Westchester	PR	18	105	1928
3.926	Century Country Club	233 Ande rson Hill Rd	Purchase	NY	Westchester	PR	18	118	1908
4.009	Bonnie Briar Country Club	808 Weav er St	Larchmont	NY	Westchester	PR	18	100	1921
4.045	The Blind Brook Club	980 Ande rson Hill Road	Purchase	NY	Westchester	PR	18	50	1917
4.751	Old Oaks Country Club	3100 Pur chase St	Purchase	NY	Westchester	PR	18	180	1927
4.986	Brae Burn Country Club	39 Brae B urn Dr	Purchase	NY	Westchester	PR	18	106	1963

Within 10 Miles

5.047	The Golf Club of Purchase	10 Country Club Dr	Purchase	NY	Westchester	PR	18	150	1996
5.432	Scarsdale Golf Club	53 Club Way	Hartsdale	NY	Westchester	PR	18	165	1898
5.487	Wykagyl Country Club	1195 North Ave	New Rochelle	NY	Westchester	PR	18	140	1898
5.675	Lake Isle Country Club	660 White Plains Rd	Eastchester	NY	Westchester	MU	18	70	1926
5.942	The Milbrook Club	61 Woodside Dr	Greenwich	CT	Fairfield	PR	9	80	1923
5.960	Leewood Golf Club	1 Leewood Dr	Eastchester	NY	Westchester	PR	18	118	1922
6.019	Round Hill Club	33 Round Hill Club Rd	Greenwich	CT	Fairfield	PR	18	100	1924
6.305	Fairview Country Club	1241 King St	Greenwich	CT	Fairfield	PR	18	75	1968
6.395	Sunningdale Country Club	300 Underhill Rd	Scarsdale	NY	Westchester	PR	18	0	1918
6.493	Griffith E. Harris Golf Course	1300 King St	Greenwich	CT	Fairfield	MU	18	78	1963
6.712	Siwanoy Country Club	351 Pondfield Rd	Bronxville	NY	Westchester	PR	18	135	1901
6.726	Metropolis Country Club	289 Dobbs Ferry Rd	White Plains	NY	Westchester	PR	18	130	1904
7.072	Greenwich Country Club	19 Doubting Rd	Greenwich	CT	Fairfield	PR	18	125	1892
7.299	Knollwood Country Club	200 Knollwood Road Ext Ste 2	Elmsford	NY	Westchester	PR	18	90	1894
7.492	Glen Cove Golf Club	109 Lattinatown Rd	Glen Cove	NY	Nassau	MU	18	75	1971
7.609	Tamarack Country Club	55 Locust Rd	Greenwich	CT	Fairfield	PR	18	100	1929

Within 10 Miles Continued

7.678	Sprain Lake Golf Course	290 E Grassy Sprain Rd	Yonkers	NY	Westchester	MU	18	60	1940
7.765	Pelham Country Club	940 Wynnewood Rd	Pelham	NY	Westchester	PR	18	123	1921
7.799	Saint Andrew's Golf Club	10 Old Jackson Ave	Hastings On Hudson	NY	Westchester	PR	18	128	1888
8.172	Innis Arden Golf Club	120 Tomac Ave	Old Greenwich	CT	Fairfield	PR	18	113	1899
8.358	Burning Tree Country Club	120 Perkins Rd	Greenwich	CT	Fairfield	PR	18	95	1962
8.383	Pelham/Split Rock Golf Course	870 Shore Rd	Bronx	NY	Bronx	MU	36	71.5	1898
8.549	Ardsley Country Club	North Mountain Drive	Ardsley On Hudson	NY	Westchester	PR	18	165	1895
8.579	The Creek	1 Horse Hollow Rd	Locust Valley	NY	Nassau	PR	18	125	1923
8.638	Sands Point Golf Club	130 Middle Neck Rd	Sands Point	NY	Nassau	PR	18	90	1918
8.846	Nassau Country Club	30 Saint Andrews Ln	Glen Cove	NY	Nassau	PR	18	120	1896
9.247	The Village Club of Sands Point	1 Thayer Ln	Sands Point	NY	Nassau	PR	18	125	1929
9.267	E. Gaynor Brennan Golf Course	451 Stillwater Rd	Stamford	CT	Fairfield	MU	18	67	1949
9.637	Dunwoodie Golf Course	1 Wasylenko Ln	Yonkers	NY	Westchester	MU	18	70	1903

Comparables Outside 10 miles

11.004	Harbor Links	1 W Fairway Dr	Port Washington	NY	Nassau	MU	27	130	1998
13.631	Trump Golf Links At Ferry Point	500 Hutchinson River Pkwy	Bronx	NY	Bronx	MU	18	260	2015
15.357	Pound Ridge Golf Club	18 High Ridge Rd	Pound Ridge	NY	Westchester	DF	18	230	1936
43.800	Mansion Ridge	1292 Orange Turnpike		NJ	Monroe	DF	18	125	
37.700	Centennial	185 John Simpson Rd		NY	Carmel Hamlet	DF	18	140	

Section IV

Go Forward Financial Models and Assumptions Willow Ridge Country Club

Willow Ridge Country Club

Model 1 and 1a – Five Year Proforma Assumptions

General

- Daily Fee Golf model – premiere experience
- Annual Membership model for Pool, Tennis, Social
- Resident rates for both daily fee golf and annual memberships for Pool, Tennis, Social
- Same clubhouse and golf course amenities as current (nothing aspirational added)
- Majority of deferred maintenance looked after in sale price
- 3rd party management company in place
- No property taxes with Town ownership
- Club rebranded and repositioned in the market as premiere public access club
- Most current Willow Ridge P and L and Rye Golf Club 2020 budget added on summary tab as comparables
- 3% per annum escalator on revenue
- 1.5% per annum escalator on expenses

Stub/Transition Year

- Assume a late Q1 start and loss of sales season
- Assume clubhouse Banquet and Restaurant closed, limited service
- 60% of Year 1 revenue
- Approx 80% of year 1 expenses
- Transition year a good time to reset the expenses and complete any immediate deferred capital

Years 1-5

Golf Revenue – Daily Fee Model

- Rounds start at 26,780 in first full year growing to a conservative 27,878 in year 5
- Avg fee per round starts at \$85.27 and grows to \$88.73 in year 5
- Dynamic pricing model works to peak of \$135 weekends (F/S/S) and holidays
- Daily fee/pay as you play Resident rates are essentially 20% to 25% off rack rates
- Merchandise starts at \$10.00 avg per round similar to Troon comparables
- All other golf revenue items (range, lessons) based on Troon market comparables

Swim/Tennis Revenue – Annual Pass/Membership Model

- Overall Swim/Tennis revenues based on Rye and Lake Isles comparables
- Avg annual resident family membership fees at \$1,450 and a baseline of 750 FME's (Comparable to Rye @ \$1,668 and 679 FME's and Rye does not include tennis)

Food and Beverage Revenues

- Overall model based on past Willow Ridge and Troon market comparables on event business
- Model is different from Willow in that it is more event heavy and has less of a cost base – more in line with Troon daily fee and non member venues
- In Model 1a – F and B outsourced/leased to a 3rd party – revenue is a rent/lease payment placeholder

Golf Expenses

- All Golf expenses in line with experience and revenue expectations and comparable with other Troon affiliated daily fee clubs in market
- Golf maintenance budget is reset and positioned at \$1.1Million annual or \$61,000 a hole which is less than Willow Ridge was at \$1.5M (\$85k per hole). \$61k per hole is the lower end of the private club market but the mid to high end of the daily fee market which starts in the \$40k per hole. We kept water costs at a number close to avg of last three years and closer to Troon comparable in the market that also draws city water.

Swim/Tennis

- Pool, Tennis expenses based on Rye and Lake Isles comparables

Food and Beverage

- Blended COS starting at 33% and labor @42% are more in line with event focused F and B operation. Private club mindset on costs (amenity) and service (heavy) are eliminated in this proforma
- In Model 1a – F and B outsourced/leased to a 3rd party – all revenues and expenses fall to leaseholder

Building Maintenance

- Separated Building maintenance from G and A
- Assumed close to a \$10 sq ft Troon comparable on a 37,000 sq ft building as baseline (\$8.51).
- Assumed deferred maintenance on mechanical is looked after in first year reducing repairs and maintenance budget

G and A

- Assumed approx. a 9% of revenue Troon comparable G and A cost
- Includes cost of GM and some support staff in accounting supported by management company resources and regional support
- Added Base Management Fee and centralized service costs (payroll/benefits admin) placeholder assuming Troon or similar company to manage
- Kept past property insurance number – potential for less cost here with a management company in place

Below the NOI line

- Capital Reserves - Annual Capex line added to cover ongoing needs - 3% of top line revenue in line with Industry comparables.
- Assumed that any surplus funds would be added to the capital reserve fund going forward

NOTE: If majority of immediate capital needs are not looked after in transition year, this number will need to increase substantially to fund deferred capital needs over first 5 years and beyond.



Model 1

Willow Ridge

Troon Pro Forma

	Willow Ridge	Rye, NY	Stub Year	Troon Year 1	Troon Year 2	Troon Year 3	Troon Year 4	Troon Year 5
Revenues								
Golf Fees	438,454	3,324,000	1,370,057	2,283,428	2,329,325	2,376,144	2,423,905	2,472,625
Range, Rental & Other	193,331	102,950	45,000	75,000	77,250	79,568	81,955	84,413
Golf Lessons	-	-	18,000	30,000	30,900	31,827	32,782	33,765
Merchandise	-	-	160,680	267,800	278,592	289,820	301,499	313,650
Swim/Tennis Membership Dues	3,976,385	1,133,070	652,500	1,087,500	1,109,250	1,131,435	1,154,064	1,177,145
Other Swim/Tennis Revenue	17,435	-	-	-	-	-	-	-
Operating Assessments	313,523	-	-	-	-	-	-	-
Other Member Revenue	47,151	-	-	-	-	-	-	-
Fitness Revenue	-	-	-	-	-	-	-	-
Food & Beverage Sales	2,282,019	-	-	2,022,067	2,088,173	2,156,482	2,227,067	2,300,007
Lease Rental	775,294	420,550	-	-	-	-	-	-
Total Revenues	8,043,592	4,980,570	2,246,237	5,765,795	5,913,491	6,065,275	6,221,272	6,381,606
Cost of Sales								
Golf Lessons	-	-	14,400	24,000	24,720	25,462	26,225	27,012
Merchandise	-	-	104,442	174,070	181,085	188,383	195,975	203,872
Food & Beverage - Total	1,066,177	-	-	673,387	695,470	718,292	741,876	766,250
Total Cost of Sales	1,066,177	-	118,842	871,457	901,275	932,136	964,076	997,135
Gross Profit	6,977,415	4,980,570	2,127,395	4,894,338	5,012,215	5,133,139	5,257,195	5,384,471
Operating Expenses								
Salaries & Wages	3,221,097	1,774,058	1,244,000	2,265,000	2,311,537	2,359,196	2,408,011	2,458,012
Employee Taxes and Benefits	878,546	645,469	285,042	498,303	508,290	518,511	528,974	539,685
Employee Related Expenses	28,126	-	24,000	30,000	30,450	30,907	31,370	31,841
Centralized & Shared Services	-	-	48,306	60,382	61,288	62,207	63,141	64,088
Transition and Travel	-	-	12,000	15,000	10,000	10,150	10,302	10,457
Advertising & Marketing	-	-	32,000	97,000	98,455	99,932	101,431	102,952
"Contractual Costs"	-	806,172	-	-	-	-	-	-
Repairs & Maintenance	-	702,150	301,600	388,000	393,820	399,727	405,723	411,809
Other Operating Expenses	2,568,530	842,116	254,400	469,655	479,383	489,348	499,556	510,014
Total Operating Expenses	6,696,299	4,769,965	2,201,348	3,823,340	3,893,222	3,969,979	4,048,508	4,128,858
Operating Profit	281,116	210,605	(73,953)	1,070,998	1,118,993	1,163,161	1,208,687	1,255,613
Fixed Operating Expenses								
Leases - Carts	-	-	125,000	125,000	125,000	125,000	131,250	131,250
Leases - Equipment	-	31,040	5,000	5,000	5,000	5,000	5,250	5,250
Utilities	-	-	240,000	240,000	243,600	247,254	250,963	254,727
Total Fixed Operating Expenses	-	31,040	370,000	370,000	373,600	377,254	387,463	391,227
Gross Operating Profit	281,116	179,565	(443,953)	700,998	745,393	785,907	821,225	864,385
Other Expenses								
Insurance	135,376	-	136,000	136,000	138,040	140,111	142,212	144,345
Property Taxes	193,946	-	-	-	-	-	-	-
Other Taxes	-	-	2,000	2,000	2,030	2,060	2,091	2,123
Base Management Fees	-	-	120,000	120,000	121,800	123,627	125,481	127,364
Bad Debt	-	-	-	-	-	-	-	-
Total Other Expenses	329,322	-	258,000	258,000	261,870	265,798	269,785	273,832
Net Operating Income	(48,206)	179,565	(701,953)	442,998	483,523	520,109	551,440	590,554
Net Income (Loss)	(1,872,659)	(208,506)	(701,953)	442,998	483,523	520,109	551,440	590,554
(Capital Reserve - 3%)	-	-	-	(172,974)	(177,405)	(181,958)	(186,638)	(191,448)
(Immediate Capital)	-	-		-	-	-	-	-
Depreciation Addback	1,219,002	388,071	-	-	-	-	-	-
Initiation Fees	36,000	-	-	-	-	-	-	-
Capital Assessments	1,113,461	-	-	-	-	-	-	-
Transfer Fees	20,584	-	-	-	-	-	-	-
Net Cash Flow	516,388	179,565	(701,953)	270,024	306,118	338,150	364,801	399,105

The information contained in this pro forma is based on assumptions of future events, and does not take into account, nor make provision for, any rise or decline in local or general economic conditions and other circumstances that may have a significant adverse effect on actual results. The projections have been prepared based on current information available. Troon cannot, and does not, warrant or guarantee the information contained in this pro forma to be a projection of the actual results of the operation of the facility. The information contained in this pro forma is not intended to be used as inducement for action and has been prepared in conjunction with a proposal for Troon's management of the facility.

Golf Operations - Willow Ridge
Model 1

	Troon Year 1	Troon Year 2	Troon Year 3	Troon Year 4	Troon Year 5
Total Rounds	26,780	27,048	27,318	27,591	27,867
Avg Fees per Rd - TOTAL	85.27	86.12	86.98	87.85	88.73
Merchandise Sales Per Rd	10.00	10.30	10.61	10.93	11.26
Golf Fees	2,283,428	2,329,325	2,376,144	2,423,905	2,472,625
Range, Rental & Other	75,000	77,250	79,568	81,955	84,413
Golf Lessons	30,000	30,900	31,827	32,782	33,765
Merchandise Sales	267,800	278,592	289,820	301,499	313,650
(Sales Discounts)	-	-	-	-	-
Total Revenues	2,656,228	2,716,067	2,777,358	2,840,141	2,904,454
Cost of Sales Analysis					
Golf Lessons	80%	80%	80%	80%	80%
Merchandise	65%	65%	65%	65%	65%
Cost of Sales - Golf Lessons	24,000	24,720	25,462	26,225	27,012
Cost of Sales - Merchandise	174,070	181,085	188,383	195,975	203,872
Total Cost of Sales	198,070	205,805	213,844	222,200	230,885
Gross Profit	2,458,158	2,510,262	2,563,514	2,617,940	2,673,569
Salaries & Wages	340,000	345,100	350,277	355,531	360,864
Employee Taxes and Benefits	73,006	74,101	75,213	76,341	77,486
Employee Related Expenses	-	-	-	-	-
Total Employee Expenses	413,006	419,201	425,489	431,872	438,350
Advertising & Marketing	40,000	40,600	41,209	41,827	42,455
R&M	2,000	2,030	2,060	2,091	2,123
Other Operating Expenses	85,000	86,275	87,569	88,883	90,216
Total Other Operating Expenses	127,000	128,905	130,839	132,801	134,793
Total Operating Expenses	540,006	548,106	556,328	564,673	573,143
Operating Profit	1,918,152	1,962,156	2,007,186	2,053,268	2,100,426
Cart Leases - Operating	125,000	125,000	125,000	131,250	131,250
Total Fixed Operating Expenses	125,000	125,000	125,000	131,250	131,250
Gross Operating Profit	1,793,152	1,837,156	1,882,186	1,922,018	1,969,176
% of Golf Dept. Revenues	67.5%	67.6%	67.8%	67.7%	67.8%
Fees, Permits, Licenses	-	-	-	-	-
Net Operating Income (Loss)	1,793,152	1,837,156	1,882,186	1,922,018	1,969,176
Net Income (Loss)	1,793,152	1,837,156	1,882,186	1,922,018	1,969,176
% Employee Taxes and Benefits to Salaries & Wages	21%	21%	21%	21%	21%

Food & Beverage Operations - Willow Ridge
Model 1

	Troon Year 1	Troon Year 2	Troon Year 3	Troon Year 4	Troon Year 5
Cost of Sales Analysis					
COS Food - Restaurant	38%	38%	38%	38%	38%
COS Food - Snack Bar/Beverage Cart	33%	33%	33%	33%	33%
COS Banquets, Private Functions w/ Golf, & Club Events	35%	35%	35%	35%	35%
COS - Beer	27%	27%	27%	27%	27%
COS - Wine	31%	31%	31%	31%	31%
COS - Liquor	21%	21%	21%	21%	21%
COS - Blended Average - F&B Sales	33%	33%	33%	33%	33%
Dining Room Covers					
Food - Restaurant - Revenue per Dining Room Cover	16,000	16,320.00	16,646.40	16,979.33	17,318.91
	24.00	24.48	24.97	25.47	25.98
Total Snack Bar/Bev Cart Covers (Rounds)					
Food - Snack Bar/Beverage Cart - Revenue per Cover	26,780	27,048	27,318	27,591	27,867
Beer - Revenue per Cover	9.50	9.69	9.88	10.08	10.28
Wine - Revenue per Cover	2.65	2.70	2.76	2.81	2.87
Liquor - Revenue per Cover	1.50	1.53	1.56	1.59	1.62
	4.00	4.08	4.16	4.24	4.33
Food (& Non-Alc Bev) Sales					
Food - Restaurant	384,000	399,514	415,654	432,446	449,917
Food - Snack Bar/Beverage Cart	254,410	262,093	270,008	278,163	286,563
Banquets, Private Functions w/ Golf, & Club Events	1,035,000	1,066,050	1,098,032	1,130,972	1,164,902
Total Food Sales	1,673,410	1,727,657	1,783,694	1,841,581	1,901,382
F&B Sales					
Food (& Non-Alc Bev) Sales	1,673,410	1,727,657	1,783,694	1,841,581	1,901,382
Beer	113,367	117,223	121,213	125,342	129,614
Wine	64,170	66,353	68,611	70,948	73,367
Liquor	171,120	176,941	182,963	189,196	195,644
F&B Sales	2,022,067	2,088,173	2,156,482	2,227,067	2,300,007
Unused Minimum	-	-	-	-	-
Lease Rental	-	-	-	-	-
Total F&B Revenues	2,022,067	2,088,173	2,156,482	2,227,067	2,300,007
Cost Of Sales					
Food - Restaurant	145,920	151,815	157,949	164,330	170,969
Food - Snack Bar/Beverage Cart	83,955	86,491	89,103	91,794	94,566
Banquets, Private Functions w/ Golf, & Club Events	357,075	367,787	378,821	390,185	401,891
COS - Beer	30,609	31,650	32,728	33,842	34,996
COS - Wine	19,893	20,569	21,269	21,994	22,744
COS - Liquor	35,935	37,158	38,422	39,731	41,085
Total Cost Of Sales	673,387	695,470	718,292	741,876	766,250
Gross Profit	1,348,680	1,392,703	1,438,190	1,485,191	1,533,757
Employee Expenses					
Salaries & Wages	710,000	733,212	757,197	781,981	807,592
Employee Taxes and Benefits	142,000	146,642	151,439	156,396	161,518
Employee Related Expenses	-	-	-	-	-
Total Employee Expenses	852,000	879,854	908,636	938,377	969,110
Advertising & Marketing	57,000	57,855	58,723	59,604	60,498
Repairs & Maintenance	11,000	11,165	11,332	11,502	11,675
Other Operating Expenses	151,655	156,613	161,736	167,030	172,501
Total Other Operating Expenses	219,655	225,633	231,791	238,136	244,673
Total Operating Expenses	1,071,655	1,105,487	1,140,427	1,176,513	1,213,784
Operating Profit	277,025	287,216	297,763	308,678	319,973
Total Fixed Operating Expenses	-	-	-	-	-
Gross Operating Profit	277,025	287,216	297,763	308,678	319,973
Net Operating Income (Loss)	277,025	287,216	297,763	308,678	319,973
Net Income (Loss)	277,025	287,216	297,763	308,678	319,973
% Salaries & Wages to F&B Sales	35%	35%	35%	35%	35%
% Total Employee Expenses to F&B Sales	42%	42%	42%	42%	42%
% Employee Taxes and Benefits to Salaries & Wages	20%	20%	20%	20%	20%
% Other Operating Expenses to Total F&B Revenues	8%	8%	8%	8%	8%

Maintenance Operations - Willow Ridge
Model 1

	Troon Year 1	Troon Year 2	Troon Year 3	Troon Year 4	Troon Year 5
Employee Expenses					
Salaries & Wages	515,000	522,725	530,566	538,524	546,602
Employee Taxes and Benefits	135,297	137,326	139,386	141,477	143,599
Employee Related Expenses	-	-	-	-	-
Total Employee Expenses	650,297	660,051	669,952	680,001	690,201
Professional Fees	-	-	-	-	-
Total Professional Fees	-	-	-	-	-
Repairs & Maintenance	150,000	152,250	154,534	156,852	159,205
Fertilizer & Chemicals	150,000	152,250	154,534	156,852	159,205
Total Repairs & Maintenance	300,000	304,500	309,068	313,704	318,409
Other Operating Expenses	38,000	38,570	39,149	39,736	40,332
Operating Expenses	338,000	343,070	348,216	353,439	358,741
Total Operating Expenses	988,297	1,003,121	1,018,168	1,033,440	1,048,942
Operating Profit	(988,297)	(1,003,121)	(1,018,168)	(1,033,440)	(1,048,942)
Utilities	25,000	25,375	25,756	26,142	26,534
Water	115,000	116,725	118,476	120,253	122,057
Total Fixed Operating Expenses	140,000	142,100	144,232	146,395	148,591
Gross Operating Profit	(1,128,297)	(1,145,221)	(1,162,399)	(1,179,835)	(1,197,533)
Net Operating Income (Loss)	(1,128,297)	(1,145,221)	(1,162,399)	(1,179,835)	(1,197,533)
Net Income	(1,128,297)	(1,145,221)	(1,162,399)	(1,179,835)	(1,197,533)
% Employee Taxes and Benefits to Salaries & Wages	26%	26%	26%	26%	26%

Building Maintenance - Willow Ridge
Model 1

	Troon Year 1	Troon Year 2	Troon Year 3	Troon Year 4	Troon Year 5
Employee Expenses					
Salaries & Wages	100,000	101,500	103,023	104,568	106,136
Employee Taxes and Benefits	20,000	20,300	20,605	20,914	21,227
Employee Related Expenses	-	-	-	-	-
Total Employee Expenses	120,000	121,800	123,627	125,481	127,364
 Repairs & Maintenance	 55,000	 55,825	 56,662	 57,512	 58,375
Other Operating Expenses	40,000	40,600	41,209	41,827	42,455
Operating Expenses	95,000	96,425	97,871	99,339	100,830
Total Operating Expenses	215,000	218,225	221,498	224,821	228,193
Operating Profit	(215,000)	(218,225)	(221,498)	(224,821)	(228,193)
 Utilities	 100,000	 101,500	 103,023	 104,568	 106,136
Total Fixed Operating Expenses	100,000	101,500	103,023	104,568	106,136
Gross Operating Profit	(315,000)	(319,725)	(324,521)	(329,389)	(334,330)
Net Operating Income	(315,000)	(319,725)	(324,521)	(329,389)	(334,330)
Net Income (Loss)	(315,000)	(319,725)	(324,521)	(329,389)	(334,330)
 % Employee Taxes and Benefits to Salaries & Wages	 20%	 20%	 20%	 20%	 20%

General & Administrative - Willow Ridge
Model 1

	Troon Year 1	Troon Year 2	Troon Year 3	Troon Year 4	Troon Year 5
Employee Expenses					
Salaries & Wages	200,000	203,000	206,045	209,136	212,273
Employee Taxes and Benefits	40,000	40,600	41,209	41,827	42,455
Employee Related Expenses	30,000	30,450	30,907	31,370	31,841
Total Employee Expenses	270,000	274,050	278,161	282,333	286,568
Centralized & Shared Services	60,382	61,288	62,207	63,141	64,088
Transition and Travel	15,000	10,000	10,150	10,302	10,457
Other Operating Expenses	55,000	55,825	56,662	57,512	58,375
Operating Expenses	130,382	127,113	129,020	130,955	132,919
Total Operating Expenses	400,382	401,163	407,181	413,288	419,488
Operating Profit	(400,382)	(401,163)	(407,181)	(413,288)	(419,488)
Office Equipment Leases	5,000	5,000	5,000	5,250	5,250
Utilities	-	-	-	-	-
Total Fixed Operating Expenses	5,000	5,000	5,000	5,250	5,250
Gross Operating Profit	(405,382)	(406,163)	(412,181)	(418,538)	(424,738)
Insurance	136,000	138,040	140,111	142,212	144,345
Property Taxes	-	-	-	-	-
Other Taxes	2,000	2,030	2,060	2,091	2,123
Base Management Fee	120,000	121,800	123,627	125,481	127,364
Total Other Expenses	258,000	261,870	265,798	269,785	273,832
Net Operating Income	(663,382)	(668,033)	(677,979)	(688,323)	(698,569)
Net Income (Loss)	(663,382)	(668,033)	(677,979)	(688,323)	(698,569)
(Capital Reserve - 3%)	(172,974)	(177,405)	(181,958)	(186,638)	(191,448)
Net Cash Flow	(836,356)	(845,438)	(859,937)	(874,961)	(890,018)
% Employee Taxes & Benefits Expenses to Payroll	20%	20%	20%	20%	20%
% Employee Related Expenses to Payroll	15%	15%	15%	15%	15%

Swim & Tennis - Willow Ridge
Model 1

	Troon Year 1	Troon Year 2	Troon Year 3	Troon Year 4	Troon Year 5
Membership Analysis					
New Member Sales	0	0	0	0	0
Member Attrition	0	0	0	0	0
Cumulative Members	750	750	750	750	750
Annual Average Members	750	750	750	750	750
Annual Member Dues	1,450	1,479	1,509	1,539	1,570
Total Service Revenues	-	-	-	-	-
Swim & Tennis Membership	1,087,500	1,109,250	1,131,435	1,154,064	1,177,145
Swim & Tennis Revenues	1,087,500	1,109,250	1,131,435	1,154,064	1,177,145
Total Merchandise Revenues	-	-	-	-	-
Total Revenues	1,087,500	1,109,250	1,131,435	1,154,064	1,177,145
Total Cost Of Sales	-	-	-	-	-
Gross Profit	1,087,500	1,109,250	1,131,435	1,154,064	1,177,145
Employee Expenses					
Salaries & Wages	400,000	406,000	412,090	418,271	424,545
Employee Taxes and Benefits	88,000	89,320	90,660	92,020	93,400
Employee Related Expenses	-	-	-	-	-
Total Employee Expenses	488,000	495,320	502,750	510,291	517,945
Repairs & Maintenance	20,000	20,300	20,605	20,914	21,227
Other Operating Expenses	100,000	101,500	103,023	104,568	106,136
Total Other Operating Expenses	120,000	121,800	123,627	125,481	127,364
Total Operating Expenses	608,000	617,120	626,377	635,772	645,309
Operating Profit	479,500	492,130	505,058	518,291	531,836
Total Fixed Operating Expenses	-	-	-	-	-
Gross Operating Profit	479,500	492,130	505,058	518,291	531,836
Net Income (Loss)	479,500	492,130	505,058	518,291	531,836
% Employee Taxes and Benefits to Salaries & Wages	22%	22%	22%	22%	22%

CENTRALIZED SERVICES AND SHARED EMPLOYEE COSTS

Model 1

	Cost per Unit	# Employees	# Holes	# Allocations	Annual Cost
Payroll Administration - (per employee / pay period)	\$ 9.15	45.0			\$ 10,705.50
HR Administration - (per employee / pay period)	\$ 10.43	45.0			\$ 12,203.10
HR Compliance - (per 18 holes / month)	\$ 381.87		18		\$ 4,582.44
Technology Oversight - (per 18 holes / month)	\$ 407.17		18		\$ 4,886.04
Controls and Compliance - (per 18 holes / month)	\$ 262.52		18		\$ 3,150.24
Fraud Insurance - (per 18 holes / month)	\$ 102.01		18		\$ 1,224.12
					\$ 36,751.44
Regional Controller Allocation	\$ 16,630.90			1.0	\$ 16,630.90
Area Retail Manager Allocation	\$ 7,000.00			1.0	\$ 7,000.00
					\$ 23,630.90
				TOTAL	\$ 60,382.34

Payroll Administration

Services included relate to the payroll administration and processing of weekly or bi-weekly payroll information, check printing and distribution, remittance of state and federal taxes, set-up and remittance of garnishments, calculation and monitoring of accrued vacation and sick balances, issuance of W-2's and other activities to help ensure compliance with state and federal laws. This component also includes the maintenance and reconciliation of the payroll bank account, new employee set-up and maintenance of employee payroll records and information.

HR Administration

Ongoing services provided includes the administration of all employee benefits, which includes all insurance programs and the Company's 401(k) plan, coordination of employee background checks and drug testing, EEOC reporting, employment eligibility verification under the Immigration and Naturalization Act (Form I-9 collection and monitoring), E-Verify, oversight of worker's compensation claims, Spanish translation and other employee-related issues.

HR Compliance

Troon's elaborate human resources support revolves around the production and presentation of compliance materials for standards implementation, guest services, safety (including OSHA compliance), harassment prevention, CPR and first aid, employee retention and other relevant programs. Also included is the administration of the Company's comprehensive employee rewards and recognition program, as well as assistance with employee recruitment, including posting of job openings. A robust training program is also available consisting of the following training services: • New Hire Orientation • Manager HR Training • Leadership Training • F&B Training • SkillSoft eLearning • Jonas Club Software • Associate Opinion Surveys • Technical/Skills Development • FLSA Categorization/Review • 24 Hour Employee Hotline • Employee Performance Evaluation System

Technology Oversight

Support provided includes access to a computer application "help desk", access controls (user ID administration), systems design/engineering, systems management methodologies, management of enterprise applications and enterprise connectivity. Each facility is also assigned a Troon Technology Manager, who provides oversight and support of all technology needs. This consists of coordinating the implementation of new and upgraded technologies, oversight of hardware/software procurement, establishment of strategic technology goals and monitoring service satisfaction.

Controls and Compliance

Services included within this component are performed by our centralized internal audit function. Internal audit personnel from the company's centralized accounting group perform periodic audits of Troon facilities. Based upon the results of the audit, the facility receives recommendations for new standard policies and improved internal control enhancements related to operational and accounting processes. Additional services include a periodic review of financial performance, benchmarking analysis, periodic communications related to best practices and access to Troon's proprietary financial templates.

Fraud Insurance

This centralized service represents the cost of insurance premiums related to Employee Theft Insurance, which provides coverage against employee fraud and theft, with no deductible.

Regional Controller

The Regional Controller team offers a broad range of expertise in accounting and financial management. Areas of focus include future planning, operational analysis using key performance indicators, GAAP technical knowledge, expertise of controls to mitigate risk and software training. The Regional Controller team utilizes benchmarking data to identify trends and develop strategies, with a focus on long-term viability. Examples include club debt analysis, forecasting, F&B analysis, capital expenditure planning and more. The Regional Controller implements policies and procedures designed to ensure timely and accurate financial reports are being delivered. This service includes a second layer of review of all departmental income statements and balance sheet reconciliations. The Regional Controller collaborates with the General Manager to identify significant variances from budget and analyzes trends in financial results. We partner with the onsite management team throughout the budget and forecast processes and integrate fully into the operations by supervising the day-to-day accounting function, including hiring, training, evaluating and managing the accountant. This level of support also provides contingency planning, in the event the on-site accountant is absent for any reason.

Area Retail Manager

This service includes the support of all facility retail operations and assistance with managing key retail national accounts. The Area Retail Managers establish retail standards, as well as develop policies, procedures and practices to provide consistent direction for the facility. They evaluate financial performance and presentation through retail planning, purchasing, inventory control, training and customer service. This service also includes managing compliance to Troon retail standards and practices, while supporting the achievement of retail revenue and profit margin goals.



Model 1a

Willow Ridge Troon Pro Forma

	Willow Ridge	Rye, NY	Stub Year	Troon Year 1	Troon Year 2	Troon Year 3	Troon Year 4	Troon Year 5
Revenues								
Sales - 18 Hole - Prime	438,454	3,324,000	1,370,057	2,283,428	2,329,325	2,376,144	2,423,905	2,472,625
Range, Rental & Other	193,331	102,950	45,000	75,000	77,250	79,568	81,955	84,413
Golf Lessons	-	-	18,000	30,000	30,900	31,827	32,782	33,765
Merchandise	-	-	160,680	267,800	278,592	289,820	301,499	313,650
Swim/Tennis Membership Dues	3,976,385	1,133,070	652,500	1,087,500	1,109,250	1,131,435	1,154,064	1,177,145
Other Swim/Tennis Revenue	17,435	-	-	-	-	-	-	-
Operating Assessments	313,523	-	-	-	-	-	-	-
Other Member Revenue	47,151	-	-	-	-	-	-	-
Fitness Revenue	-	-	-	-	-	-	-	-
Food & Beverage Sales	2,282,019	-	-	-	-	-	-	-
Lease Rental	775,294	420,550	-	150,000	154,500	159,135	163,909	168,826
Total Revenues	8,043,592	4,980,570	2,246,237	3,893,728	3,979,817	4,067,928	4,158,113	4,250,425
Cost of Sales								
Golf Lessons	-	-	14,400	24,000	24,720	25,462	26,225	27,012
Merchandise	-	-	104,442	174,070	181,085	188,383	195,975	203,872
Food & Beverage - Total	1,066,177	-	-	-	-	-	-	-
Total Cost of Sales	1,066,177	-	118,842	198,070	205,805	213,844	222,200	230,885
Gross Profit	6,977,415	4,980,570	2,127,395	3,695,658	3,774,012	3,854,084	3,935,913	4,019,540
Operating Expenses								
Salaries & Wages	3,221,097	1,774,058	1,244,000	1,555,000	1,578,325	1,602,000	1,626,030	1,650,420
Employee Taxes and Benefits	878,546	645,469	288,242	360,303	365,707	371,193	376,761	382,412
Employee Related Expenses	28,126	-	24,000	30,000	30,450	30,907	31,370	31,841
Centralized & Shared Services	-	-	48,306	60,382	61,288	62,207	63,141	64,088
Transition and Travel	-	-	12,000	15,000	10,000	10,150	10,302	10,457
Advertising & Marketing	-	-	32,000	40,000	40,600	41,209	41,827	42,455
"Contractual Costs"	-	806,172	-	-	-	-	-	-
Repairs & Maintenance	-	702,150	301,600	377,000	382,655	388,395	394,221	400,134
Other Operating Expenses	2,568,530	842,116	254,400	318,000	322,770	327,612	332,526	337,514
Total Operating Expenses	6,696,299	4,769,965	2,204,548	2,755,685	2,791,795	2,833,672	2,876,177	2,919,320
Operating Profit	281,116	210,605	(77,153)	939,973	982,217	1,020,412	1,059,736	1,100,220
Fixed Operating Expenses								
Leases - Carts	-	-	125,000	125,000	125,000	125,000	131,250	131,250
Leases - Equipment	-	31,040	5,000	5,000	5,000	5,000	5,250	5,250
Utilities	-	-	240,000	240,000	243,600	247,254	250,963	254,727
Total Fixed Operating Expenses	-	31,040	370,000	370,000	373,600	377,254	387,463	391,227
Gross Operating Profit	281,116	179,565	(447,153)	569,973	608,617	643,158	672,273	708,993
Other Expenses								
Insurance	135,376	-	136,000	136,000	138,040	140,111	142,212	144,345
Property Taxes	193,946	-	-	-	-	-	-	-
Other Taxes	-	-	2,000	2,000	2,030	2,060	2,091	2,123
Base Management Fees	-	-	120,000	120,000	121,800	123,627	125,481	127,364
Bad Debt	-	-	-	-	-	-	-	-
Total Other Expenses	329,322	-	258,000	258,000	261,870	265,798	269,785	273,832
Net Operating Income	(48,206)	179,565	(705,153)	311,973	346,747	377,360	402,488	435,161
Net Income (Loss)	(1,872,659)	(208,506)	(705,153)	311,973	346,747	377,360	402,488	435,161
(Capital Reserve - 3%)	-	-	-	(116,812)	(119,395)	(122,038)	(124,743)	(127,513)
(Immediate Capital)	-	-	-	-	-	-	-	-
Depreciation Addback	1,219,002	388,071	-	-	-	-	-	-
Initiation Fees	36,000	-	-	-	-	-	-	-
Capital Assessments	1,113,461	-	-	-	-	-	-	-
Transfer Fees	20,584	-	-	-	-	-	-	-
Net Cash Flow	516,388	179,565	(705,153)	195,161	227,352	255,322	277,745	307,648

The information contained in this pro forma is based on assumptions of future events, and does not take into account, nor make provision for, any rise or decline in local or general economic conditions and other circumstances that may have a significant adverse effect on actual results. The projections have been prepared based on current information available. Troon cannot, and does not, warrant or guarantee the information contained in this pro forma to be a projection of the actual results of the operation of the facility. The information contained in this pro forma is not intended to be used as inducement for action and has been prepared in conjunction with a proposal for Troon's management of the facility.

Golf Operations - Willow Ridge
Model 1a

	Troon Year 1	Troon Year 2	Troon Year 3	Troon Year 4	Troon Year 5
Total Rounds	26,780	27,048	27,318	27,591	27,867
Avg Fees per Rd - TOTAL	85.27	86.12	86.98	87.85	88.73
Merchandise Sales Per Rd	10.00	10.30	10.61	10.93	11.26
Golf Fees	2,283,428	2,329,325	2,376,144	2,423,905	2,472,625
Range, Rental & Other	75,000	77,250	79,568	81,955	84,413
Golf Lessons	30,000	30,900	31,827	32,782	33,765
Merchandise Sales	267,800	278,592	289,820	301,499	313,650
Total Revenues	2,656,228	2,716,067	2,777,358	2,840,141	2,904,454
Cost of Sales Analysis					
Golf Lessons	80%	80%	80%	80%	80%
Merchandise	65%	65%	65%	65%	65%
Cost of Sales - Golf Lessons	24,000	24,720	25,462	26,225	27,012
Cost of Sales - Merchandise	174,070	181,085	188,383	195,975	203,872
Total Cost of Sales	198,070	205,805	213,844	222,200	230,885
Gross Profit	2,458,158	2,510,262	2,563,514	2,617,940	2,673,569
Salaries & Wages	340,000	345,100	350,277	355,531	360,864
Employee Taxes and Benefits	73,006	74,101	75,213	76,341	77,486
Employee Related Expenses	-	-	-	-	-
Total Employee Expenses	413,006	419,201	425,489	431,872	438,350
Advertising & Marketing	40,000	40,600	41,209	41,827	42,455
R&M	2,000	2,030	2,060	2,091	2,123
Other Operating Expenses	85,000	86,275	87,569	88,883	90,216
Total Other Operating Expenses	127,000	128,905	130,839	132,801	134,793
Total Operating Expenses	540,006	548,106	556,328	564,673	573,143
Operating Profit	1,918,152	1,962,156	2,007,186	2,053,268	2,100,426
Cart Leases - Operating	125,000	125,000	125,000	131,250	131,250
Total Fixed Operating Expenses	125,000	125,000	125,000	131,250	131,250
Gross Operating Profit	1,793,152	1,837,156	1,882,186	1,922,018	1,969,176
% of Golf Dept. Revenues	67.5%	67.6%	67.8%	67.7%	67.8%
Net Operating Income (Loss)	1,793,152	1,837,156	1,882,186	1,922,018	1,969,176
Net Income (Loss)	1,793,152	1,837,156	1,882,186	1,922,018	1,969,176
% Employee Taxes and Benefits to Salaries & Wages	21%	21%	21%	21%	21%

Food & Beverage Operations - Willow Ridge
Model 1a

	Troon Year 1	Troon Year 2	Troon Year 3	Troon Year 4	Troon Year 5
Lease Rental	150,000	154,500	159,135	163,909	168,826
Total F&B Revenues	150,000	154,500	159,135	163,909	168,826
Total Cost Of Sales	-	-	-	-	-
Gross Profit	150,000	154,500	159,135	163,909	168,826
Total Employee Expenses	-	-	-	-	-
Total Other Operating Expenses	-	-	-	-	-
Total Operating Expenses	-	-	-	-	-
Operating Profit	150,000	154,500	159,135	163,909	168,826
Total Fixed Operating Expenses	-	-	-	-	-
Gross Operating Profit	150,000	154,500	159,135	163,909	168,826
Net Operating Income (Loss)	150,000	154,500	159,135	163,909	168,826
Net Income (Loss)	150,000	154,500	159,135	163,909	168,826

**Maintenance Operations - Willow Ridge
Model 1a**

	Troon Year 1	Troon Year 2	Troon Year 3	Troon Year 4	Troon Year 5
Employee Expenses					
Salaries & Wages	515,000	522,725	530,566	538,524	546,602
Employee Taxes and Benefits	135,297	137,326	139,386	141,477	143,599
Employee Related Expenses	-	-	-	-	-
Total Employee Expenses	650,297	660,051	669,952	680,001	690,201
Professional Fees	-	-	-	-	-
Total Professional Fees	-	-	-	-	-
Repairs & Maintenance	150,000	152,250	154,534	156,852	159,205
Fertilizer & Chemicals	150,000	152,250	154,534	156,852	159,205
Total Repairs & Maintenance	300,000	304,500	309,068	313,704	318,409
Other Operating Expenses	38,000	38,570	39,149	39,736	40,332
Operating Expenses	338,000	343,070	348,216	353,439	358,741
Total Operating Expenses	988,297	1,003,121	1,018,168	1,033,440	1,048,942
Operating Profit	(988,297)	(1,003,121)	(1,018,168)	(1,033,440)	(1,048,942)
Equipment Leases - Operating	-	-	-	-	-
Utilities	25,000	25,375	25,756	26,142	26,534
Water	115,000	116,725	118,476	120,253	122,057
Total Fixed Operating Expenses	140,000	142,100	144,232	146,395	148,591
Gross Operating Profit	(1,128,297)	(1,145,221)	(1,162,399)	(1,179,835)	(1,197,533)
Net Operating Income (Loss)	(1,128,297)	(1,145,221)	(1,162,399)	(1,179,835)	(1,197,533)
Net Income	(1,128,297)	(1,145,221)	(1,162,399)	(1,179,835)	(1,197,533)
% Employee Taxes and Benefits to Salaries & Wages	26%	26%	26%	26%	26%

Building Maintenance - Willow Ridge
Model 1a

	Troon Year 1	Troon Year 2	Troon Year 3	Troon Year 4	Troon Year 5
Employee Expenses					
Salaries & Wages	100,000	101,500	103,023	104,568	106,136
Employee Taxes and Benefits	20,000	20,300	20,605	20,914	21,227
Employee Related Expenses	-	-	-	-	-
Total Employee Expenses	120,000	121,800	123,627	125,481	127,364
Repairs & Maintenance	55,000	55,825	56,662	57,512	58,375
Other Operating Expenses	40,000	40,600	41,209	41,827	42,455
Operating Expenses	95,000	96,425	97,871	99,339	100,830
Total Operating Expenses	215,000	218,225	221,498	224,821	228,193
Operating Profit	(215,000)	(218,225)	(221,498)	(224,821)	(228,193)
Equipment Leases	-	-	-	-	-
Utilities	100,000	101,500	103,023	104,568	106,136
Total Fixed Operating Expenses	100,000	101,500	103,023	104,568	106,136
Gross Operating Profit	(315,000)	(319,725)	(324,521)	(329,389)	(334,330)
Fees, Permits, Licenses	-	-	-	-	-
Net Operating Income	(315,000)	(319,725)	(324,521)	(329,389)	(334,330)
Net Income (Loss)	(315,000)	(319,725)	(324,521)	(329,389)	(334,330)
% Employee Taxes and Benefits to Salaries & Wages	20%	20%	20%	20%	20%

General & Administrative - Willow Ridge
Model 1a

	Troon Year 1	Troon Year 2	Troon Year 3	Troon Year 4	Troon Year 5
Employee Expenses					
Salaries & Wages	200,000	203,000	206,045	209,136	212,273
Employee Taxes and Benefits	44,000	44,660	45,330	46,010	46,700
Employee Related Expenses	30,000	30,450	30,907	31,370	31,841
Total Employee Expenses	274,000	278,110	282,282	286,516	290,814
Centralized & Shared Services	60,382	61,288	62,207	63,141	64,088
Transition and Travel	15,000	10,000	10,150	10,302	10,457
Other Operating Expenses	55,000	55,825	56,662	57,512	58,375
Operating Expenses	130,382	127,113	129,020	130,955	132,919
Total Operating Expenses	404,382	405,223	411,301	417,471	423,733
Operating Profit	(404,382)	(405,223)	(411,301)	(417,471)	(423,733)
Office Equipment Leases	5,000	5,000	5,000	5,250	5,250
Utilities	-	-	-	-	-
Total Fixed Operating Expenses	5,000	5,000	5,000	5,250	5,250
Gross Operating Profit	(409,382)	(410,223)	(416,301)	(422,721)	(428,983)
Insurance	136,000	138,040	140,111	142,212	144,345
Property Taxes	-	-	-	-	-
Other Taxes	2,000	2,030	2,060	2,091	2,123
Base Management Fee	120,000	121,800	123,627	125,481	127,364
Bad Debt	-	-	-	-	-
Total Other Expenses	258,000	261,870	265,798	269,785	273,832
Net Operating Income	(667,382)	(672,093)	(682,099)	(692,506)	(702,815)
Net Income (Loss)	(667,382)	(672,093)	(682,099)	(692,506)	(702,815)
(Capital Reserve - 3%)	(116,812)	(119,395)	(122,038)	(124,743)	(127,513)
Net Cash Flow	(784,194)	(791,488)	(804,137)	(817,249)	(830,328)
% Employee Taxes & Benefits Expenses to Payroll	22%	22%	22%	22%	22%
% Employee Related Expenses to Payroll	15%	15%	15%	15%	15%
% G&A Expenses (Less Insurance and Property Taxes) to Total Facility Revenue	14%	14%	14%	14%	14%

Swim & Tennis - Willow Ridge
Model 1a

	Troon Year 1	Troon Year 2	Troon Year 3	Troon Year 4	Troon Year 5
Membership Analysis					
New Member Sales	0	0	0	0	0
Member Attrition	0	0	0	0	0
Cumulative Members	750	750	750	750	750
Annual Average Members	750	750	750	750	750
Annual Member Dues	1,450	1,479	1,509	1,539	1,570
Total Service Revenues	-	-	-	-	-
Swim & Tennis Membership	<u>1,087,500</u>	<u>1,109,250</u>	<u>1,131,435</u>	<u>1,154,064</u>	<u>1,177,145</u>
Swim & Tennis Revenues	1,087,500	1,109,250	1,131,435	1,154,064	1,177,145
Total Merchandise Revenues	-	-	-	-	-
Total Revenues	1,087,500	1,109,250	1,131,435	1,154,064	1,177,145
Total Cost Of Sales	-	-	-	-	-
Gross Profit	1,087,500	1,109,250	1,131,435	1,154,064	1,177,145
Employee Expenses					
Salaries & Wages	400,000	406,000	412,090	418,271	424,545
Employee Taxes and Benefits	88,000	89,320	90,660	92,020	93,400
Employee Related Expenses	-	-	-	-	-
Total Employee Expenses	488,000	495,320	502,750	510,291	517,945
Repairs & Maintenance	20,000	20,300	20,605	20,914	21,227
Other Operating Expenses	<u>100,000</u>	<u>101,500</u>	<u>103,023</u>	<u>104,568</u>	<u>106,136</u>
Total Other Operating Expenses	120,000	121,800	123,627	125,481	127,364
Total Operating Expenses	608,000	617,120	626,377	635,772	645,309
Operating Profit	479,500	492,130	505,058	518,291	531,836
Total Fixed Operating Expenses	-	-	-	-	-
Gross Operating Profit	479,500	492,130	505,058	518,291	531,836
Net Operating Income	479,500	492,130	505,058	518,291	531,836
Net Income (Loss)	479,500	492,130	505,058	518,291	531,836
% Employee Taxes and Benefits to Salaries & Wages	22%	22%	22%	22%	22%

CENTRALIZED SERVICES AND SHARED EMPLOYEE COSTS

Model 1a

	Cost per Unit	# Employees	# Holes	# Allocations	Annual Cost
Payroll Administration - (per employee / pay period)	\$ 9.15	45.0			\$ 10,705.50
HR Administration - (per employee / pay period)	\$ 10.43	45.0			\$ 12,203.10
HR Compliance - (per 18 holes / month)	\$ 381.87		18		\$ 4,582.44
Technology Oversight - (per 18 holes / month)	\$ 407.17		18		\$ 4,886.04
Controls and Compliance - (per 18 holes / month)	\$ 262.52		18		\$ 3,150.24
Fraud Insurance - (per 18 holes / month)	\$ 102.01		18		\$ 1,224.12
					\$ 36,751.44
Regional Controller Allocation	\$ 16,630.90			1.0	\$ 16,630.90
Area Retail Manager Allocation	\$ 7,000.00			1.0	\$ 7,000.00
					\$ 23,630.90
TOTAL					\$ 60,382.34

Payroll Administration

Services included relate to the payroll administration and processing of weekly or bi-weekly payroll information, check printing and distribution, remittance of state and federal taxes, set-up and remittance of garnishments, calculation and monitoring of accrued vacation and sick balances, issuance of W-2's and other activities to help ensure compliance with state and federal laws. This component also includes the maintenance and reconciliation of the payroll bank account, new employee set-up and maintenance of employee payroll records and information.

HR Administration

Ongoing services provided includes the administration of all employee benefits, which includes all insurance programs and the Company's 401(k) plan, coordination of employee background checks and drug testing, EEOC reporting, employment eligibility verification under the Immigration and Naturalization Act (Form I-9 collection and monitoring), E-Verify, oversight of worker's compensation claims, Spanish translation and other employee-related issues.

HR Compliance

Troon's elaborate human resources support revolves around the production and presentation of compliance materials for standards implementation, guest services, safety (including OSHA compliance), harassment prevention, CPR and first aid, employee retention and other relevant programs. Also included is the administration of the Company's comprehensive employee rewards and recognition program, as well as assistance with employee recruitment, including posting of job openings. A robust training program is also available consisting of the following training services: • New Hire Orientation • Manager HR Training • Leadership Training • F&B Training • SkillSoft eLearning • Jonas Club Software • Associate Opinion Surveys • Technical/Skills Development • FLSA Categorization/Review • 24 Hour Employee Hotline • Employee Performance Evaluation System

Technology Oversight

Support provided includes access to a computer application "help desk", access controls (user ID administration), systems design/engineering, systems management methodologies, management of enterprise applications and enterprise connectivity. Each facility is also assigned a Troon Technology Manager, who provides oversight and support of all technology needs. This consists of coordinating the implementation of new and upgraded technologies, oversight of hardware/software procurement, establishment of strategic technology goals and monitoring service satisfaction.

Controls and Compliance

Services included within this component are performed by our centralized internal audit function. Internal audit personnel from the company's centralized accounting group perform periodic audits of Troon facilities. Based upon the results of the audit, the facility receives recommendations for new standard policies and improved internal control enhancements related to operational and accounting processes. Additional services include a periodic review of financial performance, benchmarking analysis, periodic communications related to best practices and access to Troon's proprietary financial templates.

Fraud Insurance

This centralized service represents the cost of insurance premiums related to Employee Theft Insurance, which provides coverage against employee fraud and theft, with no deductible.

Regional Controller

The Regional Controller team offers a broad range of expertise in accounting and financial management. Areas of focus include future planning, operational analysis using key performance indicators, GAAP technical knowledge, expertise of controls to mitigate risk and software training. The Regional Controller team utilizes benchmarking data to identify trends and develop strategies, with a focus on long-term viability. Examples include club debt analysis, forecasting, F&B analysis, capital expenditure planning and more. The Regional Controller implements policies and procedures designed to ensure timely and accurate financial reports are being delivered. This service includes a second layer of review of all departmental income statements and balance sheet reconciliations. The Regional Controller collaborates with the General Manager to identify significant variances from budget and analyzes trends in financial results. We partner with the onsite management team throughout the budget and forecast processes and integrate fully into the operations by supervising the day-to-day accounting function, including hiring, training, evaluating and managing the accountant. This level of support also provides contingency planning, in the event the on-site accountant is absent for any reason.

Area Retail Manager

This service includes the support of all facility retail operations and assistance with managing key retail national accounts. The Area Retail Managers establish retail standards, as well as develop policies, procedures and practices to provide consistent direction for the facility. They evaluate financial performance and presentation through retail planning, purchasing, inventory control, training and customer service. This service also includes managing compliance to Troon retail standards and practices, while supporting the achievement of retail revenue and profit margin goals.

Willow Ridge Country Club

Model 2 (Hybrid) – Five-Year Proforma Assumptions

General

- Annual Membership Golf model – premiere public access experience – on an annual payment basis (similar to Centennial Model)
- Annual Membership model for Pool, Tennis, Social
- Resident rates for both golf annual memberships and annual memberships for Pool, Tennis, Social
- Daily Fee Golf model – premiere experience (Similar to Centennial) for non-residents and residents that do not want to commit to an annual membership
- Same clubhouse and golf course amenities as current (nothing aspirational added)
- Majority of deferred maintenance looked after in sale price
- 3rd party management company in place
- No property taxes with Town ownership
- Club rebranded and repositioned in the market as premiere public access club
- Most current Willow Ridge P and L and Rye Golf Club 2020 budget added on summary tab as comparables
- 3% per annum escalator on revenue
- 1.5% per annum escalator on expenses

Stub/Transition Year

- Assume a late Q1 start and loss of sales season
- Assume clubhouse Banquet and Restaurant closed, limited service
- 60% of Year 1 revenue
- Approx 80% of year 1 expenses
- Transition year a good time to reset the expenses and complete any immediate deferred capital

Years 1-5

Golf Revenue – Annual Pass/Membership Model

- Overall Golf membership offering based on similar offering to Rye Golf Club – top non resident category for Individual Golf just over \$7,000/Comprehensive over \$10,000
- Full Member Equivalents assumed at 250
- Avg rounds per member at 50
- Avg annual membership fee starting at \$5,500 in Year 1
- Avg member Guest rounds per year at 12 per member @avg rate of \$75
- Annual Membership Resident rates are essentially 30% to 35% off non resident rates
- Avg Daily Fee per round starts at \$85.27 and grows to \$88.73 in year 5
- Dynamic pricing model works to peak of \$135 weekends (F/S/S) and holidays

- Daily fee/pay as you play Resident rates are essentially 20% to 25% off rack rates
- 75% of member rounds take golf carts
- 85% of daily fee rounds take golf carts
- Merchandise starts at \$10.00 avg per round similar to Troon comparables
- All other golf revenue items (range, lessons, golf carts) based on Troon market comparables

Note: All other assumptions essentially remains the same as under Model 1 and 1a

Swim/Tennis Revenue – Annual Pass/Membership Model

- Overall Swim/Tennis revenues based on Rye and Lake Isles comparables
- Avg annual resident family membership fees at \$1,450 and a baseline of 450 FME's (Comparable to Rye @ \$1,668 and 679 FME's and Rye does not include tennis)

Food and Beverage Revenues

- Overall model based on past Willow Ridge and Troon market comparables on event business
- Model is different from Willow in that it is more event heavy and has less of a cost base – more in line with Troon daily fee and non member venues

Golf Expenses

- All Golf expenses in line with experience and revenue expectations and comparable with other Troon affiliated daily fee clubs in market
- Golf maintenance budget is reset and positioned at \$1.1Million annual or \$61,000 a hole which is less than Willow Ridge was at \$1.5M (\$85k per hole). \$61k per hole is the lower end of the private club market but the mid to high end of the daily fee market which starts in the \$40k per hole. We kept water costs at a number close to avg of last three years and closer to Troon comparable in the market that also draws city water.

Swim/Tennis

- Pool, Tennis expenses based on Rye and Lake Isles comparables

Food and Beverage

- Blended COS starting at 33% and labor @42% are more in line with event focused F and B operation. Private club mindset on costs (amenity) and service (heavy) are eliminated in this proforma

Building Maintenance

- Separated Building maintenance from G and A
- Assumed close to a \$10 sq ft Troon comparable on a 37,000 sq ft building as baseline (\$8.51).
- Assumed deferred maintenance on mechanical is looked after in first year reducing repairs and maintenance budget

G and A

- Assumed approx. a 9% of revenue Troon comparable G and A cost
- Includes cost of GM and some support staff in accounting supported by management company resources and regional support
- Added Base Management Fee and centralized service costs (payroll/benefits admin) placeholder assuming Troon or similar company to manage
- Kept past property insurance number – potential for less cost here with a management company in place

Below the NOI line

- Capital Reserves - Annual Capex line added to cover ongoing needs - 3% of top line revenue in line with Industry comparables.
- Assumed that any surplus funds would be added to the capital reserve fund going forward

NOTE: If majority of immediate capital needs are not looked after in transition year, this number will need to increase substantially to fund deferred capital needs over first 5 years and beyond.



Willow Ridge - Model 2 (Hybrid)

Troon Pro Forma

	Willow Ridge	Rye, NY	Stub Year	Troon Year 1	Troon Year 2	Troon Year 3	Troon Year 4	Troon Year 5
Revenues								
Golf Fees	438,454	3,324,000	814,912	1,358,187	1,383,214	1,408,722	1,434,719	1,461,215
Membership Dues	-	-	825,000	1,375,000	1,416,250	1,458,738	1,502,500	1,547,575
Cart Fees	-	-	248,058	413,430	419,846	426,372	433,011	439,763
Range, Rental & Other	193,331	102,950	45,000	75,000	77,250	79,568	81,955	84,413
Golf Lessons	-	-	18,000	30,000	30,900	31,827	32,782	33,765
Merchandise	-	-	172,740	287,900	297,906	308,267	318,997	330,108
Swim/Tennis Membership Dues	3,976,385	1,133,070	391,500	652,500	665,550	678,861	692,438	706,287
Other Swim/Tennis Revenue	17,435	-	-	-	-	-	-	-
Operating Assessments	313,523	-	-	-	-	-	-	-
Other Member Revenue	47,151	-	-	-	-	-	-	-
Fitness Revenue	-	-	-	-	-	-	-	-
Food & Beverage Sales	2,282,019	-	-	2,057,544	2,121,931	2,188,412	2,257,059	2,327,944
Lease Rental	775,294	420,550	-	-	-	-	-	-
Total Revenues	8,043,592	4,980,570	2,515,210	6,249,561	6,412,847	6,580,767	6,753,459	6,931,070
Cost of Sales								
Golf Lessons	-	-	14,400	24,000	24,720	25,462	26,225	27,012
Merchandise	-	-	112,281	187,135	193,639	200,374	207,348	214,570
Food & Beverage - Total	1,066,177	-	-	683,750	705,331	727,618	750,637	774,410
Total Cost of Sales	1,066,177	-	126,681	894,885	923,690	953,454	984,210	1,015,992
Gross Profit	6,977,415	4,980,570	2,388,529	5,354,676	5,489,158	5,627,313	5,769,250	5,915,077
Operating Expenses								
Salaries & Wages	3,221,097	1,774,058	1,244,000	2,265,000	2,310,543	2,357,159	2,404,877	2,453,728
Employee Taxes and Benefits	878,546	645,469	288,242	502,303	512,151	522,225	532,530	543,074
Employee Related Expenses	28,126	-	24,000	30,000	30,450	30,907	31,370	31,841
Centralized & Shared Services	-	-	48,306	60,382	61,288	62,207	63,141	64,088
Transition and Travel	-	-	12,000	15,000	10,000	10,150	10,302	10,457
Advertising & Marketing	-	-	32,000	97,000	98,455	99,932	101,431	102,952
Repairs & Maintenance	-	702,150	301,600	388,000	393,820	399,727	405,723	411,809
Other Operating Expenses	2,568,530	842,116	260,267	472,316	481,915	491,742	501,805	512,109
Total Operating Expenses	6,696,299	4,769,965	2,210,415	3,830,001	3,898,622	3,974,050	4,051,180	4,130,057
Operating Profit	281,116	210,605	178,115	1,524,675	1,590,536	1,653,264	1,718,070	1,785,020
Fixed Operating Expenses								
Leases - Carts	-	-	125,000	125,000	125,000	125,000	131,250	131,250
Leases - Equipment	-	31,040	5,000	5,000	5,000	5,000	5,250	5,250
Utilities	-	-	240,000	240,000	243,600	247,254	250,963	254,727
Total Fixed Operating Expenses	-	31,040	370,000	370,000	373,600	377,254	387,463	391,227
Gross Operating Profit	281,116	179,565	(191,885)	1,154,675	1,216,936	1,276,010	1,330,607	1,393,793
Other Expenses								
Insurance	135,376	-	136,000	136,000	138,040	140,111	142,212	144,345
Property Taxes	193,946	-	-	-	-	-	-	-
Other Taxes	-	-	2,000	2,000	2,030	2,060	2,091	2,123
Base Management Fees	-	-	120,000	120,000	121,800	123,627	125,481	127,364
Bad Debt	-	-	-	-	-	-	-	-
Total Other Expenses	329,322	-	258,000	258,000	261,870	265,798	269,785	273,832
Net Operating Income	(48,206)	179,565	(449,885)	896,675	955,066	1,010,212	1,060,822	1,119,961
Net Income (Loss)	(1,872,659)	(208,506)	(449,885)	896,675	955,066	1,010,212	1,060,822	1,119,961
(Capital Reserve - 3%)	-	-	-	(187,487)	(192,385)	(197,423)	(202,604)	(207,932)
(Immediate Capital)	-	-	-	-	-	-	-	-
Depreciation Addback	1,219,002	388,071	-	-	-	-	-	-
Initiation Fees	36,000	-	-	-	-	-	-	-
Capital Assessments	1,113,461	-	-	-	-	-	-	-
Transfer Fees	20,584	-	-	-	-	-	-	-
Net Cash Flow	516,388	179,565	(449,885)	709,188	762,680	812,789	858,218	912,029

The information contained in this pro forma is based on assumptions of future events, and does not take into account, nor make provision for, any rise or decline in local or general economic conditions and other circumstances that may have a significant adverse effect on actual results. The projections have been prepared based on current information available. Troon cannot, and does not, warrant or guarantee the information contained in this pro forma to be a projection of the actual results of the operation of the facility. The information contained in this pro forma is not intended to be used as inducement for action and has been prepared in conjunction with a proposal for Troon's management of the facility.

Golf Operations - Willow Ridge - Model 2 (Hybrid)

	Troon Year 1	Troon Year 2	Troon Year 3	Troon Year 4	Troon Year 5
Membership Assumptions					
Average Annual Members	250	250	250	250	250
Average Annual Member Dues Rate	5,500	5,665	5,835	6,010	6,190
Average Rounds per Member	50	50	50	50	50
Cart Rounds as % of Member Rounds	75%	75%	75%	75%	75%
Guest Rounds per Member	12	12	12	12	12
Rounds					
Sales - Daily Fee Rounds	13,290	13,423	13,557	13,693	13,830
Sales - Member Rounds	12,500	12,500	12,500	12,500	12,500
Sales - Member Guest	3,000	3,000	3,000	3,000	3,000
Total Rounds	28,790	28,923	29,057	29,193	29,330
Avg Fees Rd					
Sales - Daily Fee Rounds	85.27	86.12	86.98	87.85	88.73
Sales - Daily Fee Cart	20.00	20.20	20.40	20.61	20.81
Sales - Member Rounds	20.00	20.20	20.40	20.61	20.81
Sales - Member Guest	75.00	75.75	76.51	77.27	78.05
Avg Fees per Rd - TOTAL	61.54	62.34	63.15	63.98	64.81
Daily Fee Cart Rounds as % of Total	85%	85%	85%	85%	85%
Merchandise Sales Per Rd	10.00	10.30	10.61	10.93	11.26
Golf Fees					
Sales - Daily Fee Rounds	1,133,187	1,155,964	1,179,199	1,202,901	1,227,080
Sales - Daily Fee Cart	225,930	230,471	235,104	239,829	244,650
Sales - Member Cart	187,500	189,375	191,269	193,181	195,113
Sales - Member Guest	225,000	227,250	229,523	231,818	234,136
Golf Fees Total	1,771,617	1,803,061	1,835,094	1,867,730	1,900,979
Membership Dues	1,375,000	1,416,250	1,458,738	1,502,500	1,547,575
Range, Rental & Other	75,000	77,250	79,568	81,955	84,413
Golf Lessons	30,000	30,900	31,827	32,782	33,765
Merchandise Sales	287,900	297,906	308,267	318,997	330,108
(Sales Discounts)	-	-	-	-	-
Total Revenues	3,539,517	3,625,367	3,713,493	3,803,962	3,896,839
Cost of Sales Analysis					
Golf Lessons	80%	80%	80%	80%	80%
Merchandise	65%	65%	65%	65%	65%
Cost of Sales - Golf Lessons	24,000	24,720	25,462	26,225	27,012
Cost of Sales - Merchandise	187,135	193,639	200,374	207,348	214,570
Total Cost of Sales	211,135	218,359	225,835	233,573	241,582
Gross Profit	3,328,382	3,407,008	3,487,658	3,570,389	3,655,257
Salaries & Wages	340,000	345,100	350,277	355,531	360,864
Employee Taxes and Benefits	73,006	74,101	75,213	76,341	77,486
Employee Related Expenses	-	-	-	-	-
Total Employee Expenses	413,006	419,201	425,489	431,872	438,350
Advertising & Marketing	40,000	40,600	41,209	41,827	42,455
R&M	2,000	2,030	2,060	2,091	2,123
Other Operating Expenses	85,000	86,275	87,569	88,883	90,216
Total Other Operating Expenses	127,000	128,905	130,839	132,801	134,793
Total Operating Expenses	540,006	548,106	556,328	564,673	573,143
Operating Profit	2,788,376	2,858,901	2,931,330	3,005,716	3,082,114
Cart Leases - Operating	125,000	125,000	125,000	131,250	131,250
Total Fixed Operating Expenses	125,000	125,000	125,000	131,250	131,250
Gross Operating Profit	2,663,376	2,733,901	2,806,330	2,874,466	2,950,864
% of Golf Dept. Revenues	75.2%	75.4%	75.6%	75.6%	75.7%
Fees, Permits, Licenses	-	-	-	-	-
Net Operating Income (Loss)	2,663,376	2,733,901	2,806,330	2,874,466	2,950,864
Net Income (Loss)	2,663,376	2,733,901	2,806,330	2,874,466	2,950,864
% Employee Taxes and Benefits to Salaries & Wages	21%	21%	21%	21%	21%

Food & Beverage Operations - Willow Ridge - Model 2 (Hybrid)

	Troon Year 1	Troon Year 2	Troon Year 3	Troon Year 4	Troon Year 5
Cost of Sales Analysis					
COS Food - Restaurant	38%	38%	38%	38%	38%
COS Food - Snack Bar/Beverage Cart	33%	33%	33%	33%	33%
COS Banquets, Private Functions w/ Golf, & Club Events	35%	35%	35%	35%	35%
COS - Beer	27%	27%	27%	27%	27%
COS - Wine	31%	31%	31%	31%	31%
COS - Liquor	21%	21%	21%	21%	21%
COS - Blended Average - F&B Sales	33%	33%	33%	33%	33%
Dining Room Covers					
Food - Restaurant - Revenue per Dining Room Cover	16,000	16,320.00	16,646.40	16,979.33	17,318.91
	24.00	24.48	24.97	25.47	25.98
Total Snack Bar/Bev Cart Covers (Rounds)					
Food - Snack Bar/Beverage Cart - Revenue per Cover	28,790	28,923	29,057	29,193	29,330
Beer - Revenue per Cover	9.50	9.69	9.88	10.08	10.28
Wine - Revenue per Cover	2.65	2.70	2.76	2.81	2.87
Liquor - Revenue per Cover	1.50	1.53	1.56	1.59	1.62
	4.00	4.08	4.16	4.24	4.33
Food (& Non-Alc Bev) Sales					
Food - Restaurant	384,000	399,514	415,654	432,446	449,917
Food - Snack Bar/Beverage Cart	273,505	280,263	287,195	294,306	301,600
Banquets, Private Functions w/ Golf, & Club Events	1,035,000	1,066,050	1,098,032	1,130,972	1,164,902
Total Food Sales	1,692,505	1,745,827	1,800,880	1,857,724	1,916,418
F&B Sales					
Food (& Non-Alc Bev) Sales	1,692,505	1,745,827	1,800,880	1,857,724	1,916,418
Beer	118,694	122,292	126,007	129,845	133,809
Wine	67,185	69,222	71,325	73,497	75,741
Liquor	179,160	184,591	190,200	195,993	201,976
F&B Sales	2,057,544	2,121,931	2,188,412	2,257,059	2,327,944
Unused Minimum	-	-	-	-	-
Lease Rental	-	-	-	-	-
Total F&B Revenues	2,057,544	2,121,931	2,188,412	2,257,059	2,327,944
Cost Of Sales					
Food - Restaurant	145,920	151,815	157,949	164,330	170,969
Food - Snack Bar/Beverage Cart	90,257	92,487	94,774	97,121	99,528
Banquets, Private Functions w/ Golf, & Club Events	357,075	367,787	378,821	390,185	401,891
COS - Beer	32,047	33,019	34,022	35,058	36,128
COS - Wine	20,827	21,459	22,111	22,784	23,480
COS - Liquor	37,624	38,764	39,942	41,158	42,415
Total Cost Of Sales	683,750	705,331	727,618	750,637	774,410
Gross Profit	1,373,794	1,416,600	1,460,794	1,506,422	1,553,533
Employee Expenses					
Salaries & Wages	710,000	732,218	755,159	778,847	803,307
Employee Taxes and Benefits	142,000	146,444	151,032	155,769	160,661
Employee Related Expenses	-	-	-	-	-
Total Employee Expenses	852,000	878,662	906,191	934,617	963,969
Advertising & Marketing	57,000	57,855	58,723	59,604	60,498
Repairs & Maintenance	11,000	11,165	11,332	11,502	11,675
Other Operating Expenses	154,316	159,145	164,131	169,279	174,596
Total Other Operating Expenses	222,316	228,165	234,186	240,386	246,768
Total Operating Expenses	1,074,316	1,106,827	1,140,377	1,175,002	1,210,737
Operating Profit	299,478	309,773	320,417	331,420	342,796
Total Fixed Operating Expenses	-	-	-	-	-
Gross Operating Profit	299,478	309,773	320,417	331,420	342,796
Net Operating Income (Loss)	299,478	309,773	320,417	331,420	342,796
Net Income (Loss)	299,478	309,773	320,417	331,420	342,796
% Salaries & Wages to F&B Sales	35%	35%	35%	35%	35%
% Total Employee Expenses to F&B Sales	41%	41%	41%	41%	41%
% Employee Taxes and Benefits to Salaries & Wages	20%	20%	20%	20%	20%
% Other Operating Expenses to Total F&B Revenues	8%	8%	8%	8%	8%

Maintenance Operations - Willow Ridge - Model 2 (Hybrid)

	Troon Year 1	Troon Year 2	Troon Year 3	Troon Year 4	Troon Year 5
Employee Expenses					
Salaries & Wages	515,000	522,725	530,566	538,524	546,602
Employee Taxes and Benefits	135,297	137,326	139,386	141,477	143,599
Employee Related Expenses	-	-	-	-	-
Total Employee Expenses	650,297	660,051	669,952	680,001	690,201
Professional Fees	-	-	-	-	-
Total Professional Fees	-	-	-	-	-
Repairs & Maintenance	150,000	152,250	154,534	156,852	159,205
Fertilizer & Chemicals	150,000	152,250	154,534	156,852	159,205
Total Repairs & Maintenance	300,000	304,500	309,068	313,704	318,409
Other Operating Expenses	38,000	38,570	39,149	39,736	40,332
Operating Expenses	338,000	343,070	348,216	353,439	358,741
Total Operating Expenses	988,297	1,003,121	1,018,168	1,033,440	1,048,942
Operating Profit	(988,297)	(1,003,121)	(1,018,168)	(1,033,440)	(1,048,942)
Utilities	25,000	25,375	25,756	26,142	26,534
Water	115,000	116,725	118,476	120,253	122,057
Total Fixed Operating Expenses	140,000	142,100	144,232	146,395	148,591
Gross Operating Profit	(1,128,297)	(1,145,221)	(1,162,399)	(1,179,835)	(1,197,533)
Net Operating Income (Loss)	(1,128,297)	(1,145,221)	(1,162,399)	(1,179,835)	(1,197,533)
Net Income	(1,128,297)	(1,145,221)	(1,162,399)	(1,179,835)	(1,197,533)
% Employee Taxes and Benefits to Salaries & Wages	26%	26%	26%	26%	26%

Building Maintenance - Willow Ridge - Model 2 (Hybrid)

	Troon Year 1	Troon Year 2	Troon Year 3	Troon Year 4	Troon Year 5
Employee Expenses					
Salaries & Wages	100,000	101,500	103,023	104,568	106,136
Employee Taxes and Benefits	20,000	20,300	20,605	20,914	21,227
Employee Related Expenses	-	-	-	-	-
Total Employee Expenses	120,000	121,800	123,627	125,481	127,364
Repairs & Maintenance	55,000	55,825	56,662	57,512	58,375
Other Operating Expenses	40,000	40,600	41,209	41,827	42,455
Operating Expenses	95,000	96,425	97,871	99,339	100,830
Total Operating Expenses	215,000	218,225	221,498	224,821	228,193
Operating Profit	(215,000)	(218,225)	(221,498)	(224,821)	(228,193)
Utilities	100,000	101,500	103,023	104,568	106,136
Total Fixed Operating Expenses	100,000	101,500	103,023	104,568	106,136
Gross Operating Profit	(315,000)	(319,725)	(324,521)	(329,389)	(334,330)
Net Operating Income	(315,000)	(319,725)	(324,521)	(329,389)	(334,330)
Net Income (Loss)	(315,000)	(319,725)	(324,521)	(329,389)	(334,330)
% Employee Taxes and Benefits to Salaries & Wages	20%	20%	20%	20%	20%

General & Administrative - Willow Ridge - Model 2 (Hybrid)

	Troon Year 1	Troon Year 2	Troon Year 3	Troon Year 4	Troon Year 5
Employee Expenses					
Salaries & Wages	200,000	203,000	206,045	209,136	212,273
Employee Taxes and Benefits	44,000	44,660	45,330	46,010	46,700
Employee Related Expenses	30,000	30,450	30,907	31,370	31,841
Total Employee Expenses	274,000	278,110	282,282	286,516	290,814
Centralized & Shared Services	60,382	61,288	62,207	63,141	64,088
Transition and Travel	15,000	10,000	10,150	10,302	10,457
Other Operating Expenses	55,000	55,825	56,662	57,512	58,375
Operating Expenses	130,382	127,113	129,020	130,955	132,919
Total Operating Expenses	404,382	405,223	411,301	417,471	423,733
Operating Profit	(404,382)	(405,223)	(411,301)	(417,471)	(423,733)
Office Equipment Leases	5,000	5,000	5,000	5,250	5,250
Utilities	-	-	-	-	-
Total Fixed Operating Expenses	5,000	5,000	5,000	5,250	5,250
Gross Operating Profit	(409,382)	(410,223)	(416,301)	(422,721)	(428,983)
Insurance	136,000	138,040	140,111	142,212	144,345
Property Taxes	-	-	-	-	-
Other Taxes	2,000	2,030	2,060	2,091	2,123
Base Management Fee	120,000	121,800	123,627	125,481	127,364
Total Other Expenses	258,000	261,870	265,798	269,785	273,832
Net Operating Income	(667,382)	(672,093)	(682,099)	(692,506)	(702,815)
Net Income (Loss)	(667,382)	(672,093)	(682,099)	(692,506)	(702,815)
(Capital Reserve - 3%)	(187,487)	(192,385)	(197,423)	(202,604)	(207,932)
Net Cash Flow	(854,869)	(864,478)	(879,522)	(895,110)	(910,747)
% Employee Taxes & Benefits Expenses to Payroll	22%	22%	22%	22%	22%
% Employee Related Expenses to Payroll	15%	15%	15%	15%	15%

Swim & Tennis - Willow Ridge - Model 2 (Hybrid)

	Troon Year 1	Troon Year 2	Troon Year 3	Troon Year 4	Troon Year 5
Membership Analysis					
New Member Sales	0	0	0	0	0
Member Attrition	0	0	0	0	0
Cumulative Members	450	450	450	450	450
Annual Average Members	450	450	450	450	450
Annual Member Dues	1,450	1,479	1,509	1,539	1,570
Total Service Revenues	-	-	-	-	-
Swim & Tennis Membership	652,500	665,550	678,861	692,438	706,287
Swim & Tennis Revenues	652,500	665,550	678,861	692,438	706,287
Total Merchandise Revenues	-	-	-	-	-
Total Revenues	652,500	665,550	678,861	692,438	706,287
Total Cost Of Sales	-	-	-	-	-
Gross Profit	652,500	665,550	678,861	692,438	706,287
Employee Expenses					
Salaries & Wages	400,000	406,000	412,090	418,271	424,545
Employee Taxes and Benefits	88,000	89,320	90,660	92,020	93,400
Employee Related Expenses	-	-	-	-	-
Total Employee Expenses	488,000	495,320	502,750	510,291	517,945
Repairs & Maintenance	20,000	20,300	20,605	20,914	21,227
Other Operating Expenses	100,000	101,500	103,023	104,568	106,136
Total Other Operating Expenses	120,000	121,800	123,627	125,481	127,364
Total Operating Expenses	608,000	617,120	626,377	635,772	645,309
Operating Profit	44,500	48,430	52,484	56,666	60,978
Total Fixed Operating Expenses	-	-	-	-	-
Gross Operating Profit	44,500	48,430	52,484	56,666	60,978
Net Income (Loss)	44,500	48,430	52,484	56,666	60,978
% Employee Taxes and Benefits to Salaries & Wages	22%	22%	22%	22%	22%

CENTRALIZED SERVICES AND SHARED EMPLOYEE COSTS

	Cost per Unit	# Employees	# Holes	# Allocations	Annual Cost
Payroll Administration - (per employee / pay period)	\$ 9.15	45.0			\$ 10,705.50
HR Administration - (per employee / pay period)	\$ 10.43	45.0			\$ 12,203.10
HR Compliance - (per 18 holes / month)	\$ 381.87		18		\$ 4,582.44
Technology Oversight - (per 18 holes / month)	\$ 407.17		18		\$ 4,886.04
Controls and Compliance - (per 18 holes / month)	\$ 262.52		18		\$ 3,150.24
Fraud Insurance - (per 18 holes / month)	\$ 102.01		18		\$ 1,224.12
					\$ 36,751.44
Regional Controller Allocation	\$ 16,630.90			1.0	\$ 16,630.90
Area Retail Manager Allocation	\$ 7,000.00			1.0	\$ 7,000.00
					\$ 23,630.90
				TOTAL	\$ 60,382.34

Payroll Administration

Services included relate to the payroll administration and processing of weekly or bi-weekly payroll information, check printing and distribution, remittance of state and federal taxes, set-up and remittance of garnishments, calculation and monitoring of accrued vacation and sick balances, issuance of W-2's and other activities to help ensure compliance with state and federal laws. This component also includes the maintenance and reconciliation of the payroll bank account, new employee set-up and maintenance of employee payroll records and information.

HR Administration

Ongoing services provided includes the administration of all employee benefits, which includes all insurance programs and the Company's 401(k) plan, coordination of employee background checks and drug testing, EEOC reporting, employment eligibility verification under the Immigration and Naturalization Act (Form I-9 collection and monitoring), E-Verify, oversight of worker's compensation claims, Spanish translation and other employee-related issues.

HR Compliance

Troon's elaborate human resources support revolves around the production and presentation of compliance materials for standards implementation, guest services, safety (including OSHA compliance), harassment prevention, CPR and first aid, employee retention and other relevant programs. Also included is the administration of the Company's comprehensive employee rewards and recognition program, as well as assistance with employee recruitment, including posting of job openings. A robust training program is also available consisting of the following training services: • New Hire Orientation • Manager HR Training • Leadership Training • F&B Training • SkillSoft eLearning • Jonas Club Software • Associate Opinion Surveys • Technical/Skills Development • FLSA Categorization/Review • 24 Hour Employee Hotline • Employee Performance Evaluation System

Technology Oversight

Support provided includes access to a computer application "help desk", access controls (user ID administration), systems design/engineering, systems management methodologies, management of enterprise applications and enterprise connectivity. Each facility is also assigned a Troon Technology Manager, who provides oversight and support of all technology needs. This consists of coordinating the implementation of new and upgraded technologies, oversight of hardware/software procurement, establishment of strategic technology goals and monitoring service satisfaction.

Controls and Compliance

Services included within this component are performed by our centralized internal audit function. Internal audit personnel from the company's centralized accounting group perform periodic audits of Troon facilities. Based upon the results of the audit, the facility receives recommendations for new standard policies and improved internal control enhancements related to operational and accounting processes. Additional services include a periodic review of financial performance, benchmarking analysis, periodic communications related to best practices and access to Troon's proprietary financial templates.

Fraud Insurance

This centralized service represents the cost of insurance premiums related to Employee Theft Insurance, which provides coverage against employee fraud and theft, with no deductible.

Regional Controller

The Regional Controller team offers a broad range of expertise in accounting and financial management. Areas of focus include future planning, operational analysis using key performance indicators, GAAP technical knowledge, expertise of controls to mitigate risk and software training. The Regional Controller team utilizes benchmarking data to identify trends and develop strategies, with a focus on long-term viability. Examples include club debt analysis, forecasting, F&B analysis, capital expenditure planning and more. The Regional Controller implements policies and procedures designed to ensure timely and accurate financial reports are being delivered. This service includes a second layer of review of all departmental income statements and balance sheet reconciliations. The Regional Controller collaborates with the General Manager to identify significant variances from budget and analyzes trends in financial results. We partner with the onsite management team throughout the budget and forecast processes and integrate fully into the operations by supervising the day-to-day accounting function, including hiring, training, evaluating and managing the accountant. This level of support also provides contingency planning, in the event the on-site accountant is absent for any reason.

Area Retail Manager

This service includes the support of all facility retail operations and assistance with managing key retail national accounts. The Area Retail Managers establish retail standards, as well as develop policies, procedures and practices to provide consistent direction for the facility. They evaluate financial performance and presentation through retail planning, purchasing, inventory control, training and customer service. This service also includes managing compliance to Troon retail standards and practices, while supporting the achievement of retail revenue and profit margin goals.

Section V

Appendix

Market Analysis Supporting Docs

Market Demand Measures (Assuming Willow Ridge goes from Fully Private to Daily Fee Public)						
	Radial Trade Area: 5 Miles		Radial Trade Area: 10 Miles		Radial Trade Area: 20 Miles	
Estimated Course Rounds (In-Market Supply)	411,163		1,072,945		3,121,223	
# of Public Golf Courses that exist	3		11		36	
Total Available Public Rounds*	58,737		243,353		835,416	
Est. Course Rounds (in-market supply) per PUBLIC 18 hole facility	19,579		22,123		23,206	
Avg. Total Weekday (M-Th) Rounds Per Facility	11,188		12,642		13,261	
Avg. Total Weekend (Fri-Sun, Holid) Rounds Per Facility	8,391		9,481		9,945	
* Total Available Public rounds per facility were calculated by multiplying the estimated course rounds per public 18 hole facility by the number of public facilities (including WRCC as a PUBLIC course)						
Avg. Weekday (M-Th) Gross Revenue Per 18 Holes (\$105 ADR)	\$1,174,740		\$1,327,380		\$1,392,360	
Avg. Weekday (M-Th) Gross Revenue Per 18 Holes (\$110 ADR)	\$1,230,680		\$1,390,589		\$1,458,663	
Avg. Weekday (M-Th) Gross Revenue Per 18 Holes (\$115 ADR)	\$1,286,620		\$1,453,797		\$1,524,966	
* Avg. Weekday (M-Th) Gross Revenue Per 18 Holes is configured by the avg. total weekday rounds per facility times the average daily rate (ADR)						
Avg. Weekend (F-S, Holi.) Gross Revenue Per 18 Holes (\$130 ADR)	\$1,090,830		\$1,232,567		\$1,292,906	
Avg. Weekend (F-S, Holi.) Gross Revenue Per 18 Holes (\$135 ADR)	\$1,132,785		\$1,279,974		\$1,342,633	
Avg. Weekend (F-S, Holi.) Gross Revenue Per 18 Holes (\$140 ADR)	\$1,174,740		\$1,327,380		\$1,392,360	
* Avg. Weekend (F-S, Holi) Gross Revenue Per 18 Holes is configured by the avg. total weekend rounds per facility times the average daily rate (ADR)						
Total Avg. Weekly Gross Revenue Per 18 Holes (Weekday \$105 ADR & Weekend \$130 ADR)	\$2,265,570		\$2,559,947		\$2,685,266	
Total Avg. Weekly Gross Revenue Per 18 Holes (Weekday \$110 ADR & Weekend \$135 ADR)	\$2,363,465		\$2,670,562		\$2,801,296	
Total Avg. Weekly Gross Revenue Per 18 Holes (Weekday \$115 ADR & Weekend \$140 ADR)	\$2,461,360		\$2,781,177		\$2,917,326	
	# of Holes	% of Total	# of Holes	% of Total	# of Holes	% of Total
Total Number of Public Holes Available	63		207		702	
Total Public Daily Fee Holes Available (including WRCC)	27	42.86%	27	13.04%	81	11.54%
* Total Number of Public Holes Available was generated by adding 18 holes to each Public Hole Availability # to account for Willow Ridge as a Public Facility						

Number of Golf Facilities						
	Radial Trade Area: 5 Miles		Radial Trade Area: 10 Miles		Radial Trade Area: 20 Miles	
	# of Facilities	% of Total	# of Facilities	% of Total	# of Facilities	% of Total
Total	18		46		128	
Public Total	3	16.67%	11	23.91%	36	28.13%
Public: Daily Fee	1*	#VALUE!	2	4.35%	5	3.91%
Public: Municipal	4	22.22%	9	19.57%	31	24.22%
* Willow Ridge (assumed as a would be Daily Fee facility)						
Private	15	83.33%	35	76.09%	92	71.88%
* Willow Ridge not reflected as a Private facility						

Number of Public Golf Facilities by Price Point			
	Radial Trade Area: 5 Miles	Radial Trade Area: 10 Miles	Radial Trade Area: 20 Miles
Premium (>\$70)	1*	4	22
Standard (\$40-\$70)	3	7	12
Value (<\$40)	0	0	2
* Willow Ridge has an opportunity to be the only Premium Golf Facility in a radial trade area of 5 miles			

Net Change			
	Radial Trade Area: 5 Miles	Radial Trade Area: 10 Miles	Radial Trade Area: 20 Miles
Total Holes Pst 5 Years	-9	-45	-27
Percentage Total Holes Past 5 Years	-2.30%	-4.90%	-1.10%
Total Holes Past 10 Years	-27	-63	-81
Percentage Total Holes Past 10 Years	-6.7%%	-6.70%	-3.20%
Demand for golf continues to rise with a trend of golf hole availability trending down in this area.			

Figure 1			
	Proposed Willow Ridge Category	Willow Ridge Fee	
		Mon - Thur	Fri - Sun, Holidays
Daily Fee Golf	18 Hole	\$90	\$105
	18 Holes (Non-Resident)	\$110	\$135
	9 Holes	\$60	\$85
	9 Holes (Non-Resident)	\$85	\$95
	Twilight	\$55	\$105
	Twilight (Non-Resident)	\$60	\$110
	Cart 18 Holes	\$30	\$30
	Senior Golf		\$75
	Senior Golf (Non-Resident)		\$85
	Military	\$65	\$70
	Military (Non-Resident)	\$70	\$90
		Average Daily Rate	
		\$85.27	

Figure 1

This figure shows possible daily fee golf rates based off of other rates at comparable golf courses in the area. These rates are determined based on the quality of the Willow Ridge golf course in comparison to other comparable local public facilities. An average net fee of \$85.27 dollars is in line with other comparable public facilities along with other regional Troon managed facilities in the market. This also fulfills the assumption that Willow Ridge has the opportunity to be the only premium public golf facility in a 5 mile radius. Premium public golf are facilities with a \$70 price point or higher. A Dynamic Pricing model is also recommended which would cause variances in rates depending on time of day, day, and current demand. This allows the golf course to achieve the highest dollar amount per round possible.

Figure 2			
	Radial Trade Area: 5 Miles	Radial Trade Area: 10 Miles	Radial Trade Area: 20 Miles
Est. Course Rounds (in-market supply) per PUBLIC 18 hole facility from National Golf Foundation	19,579	22,123	23,206
2021 Average Budgeted Rounds from other Troon managed regional facilities	31,000		
Est. Annual Course Rounds for Willow Ridge	26,780		

Figure 2

A combination of data from the National Golf Foundation and other regional Troon managed facilities shows us the estimated range of available golf rounds available in the market. The average budgeted rounds from other regional Troon facilities is based on two facilities that have budgeted 27,000 and 35,000 rounds for the 2021 season.

Figure 3	
Est. Annual Course Rounds for Willow Ridge	26,780 rounds
Average Daily Rate	\$85.27
Est. Golf Revenue Fees	\$2,283,423
Figure 3	
The estimated golf revenues are based on the estimated # of available rounds times the average daily rate.	

Figure 4.1 - ESRI Entertainment/Recreation Fees & Admissions			
Fees for Recreational Lessons	0 - 15 minute radius		
	Spending Potential Index	Average Amount Spent	Total
	234	\$338.68	\$31,304,776
Figure 4.1			
ESRI demographic data shows an average amount spent for fees for recreational lessons in a 0-15 minute radius from Willow Ridge at ~ \$338.68			

Figure 4.2	
Estimated Average Rate per Golf Lesson	\$67.74
Estimated # of golf lessons given per year	445
Estimated Golf Lessons Revenue	\$30,143
Figure 4.2	
National Golf Foundation - "The quest to get better [at golf] led more than four million golfers to take lessons last year in the U.S., a figure that represents almost 17 percent of the overall participation base... There were approximately 21 million total lessons given in the past year as golfers, on average, take about five lessons at a cost of approximately \$50 apiece." The estimated average rate per golf lesson is measured by dividing the average amount spent by five, the average lessons per golfer. The estimated number of golf lessons given per year is determined by data from comparable regional troon managed facilities.	

Figure 5	
Total Est. Merchandise Sales Year 1	\$267,800.00
Total Est. Rounds Year	26,780
Avg. Merchandise Dollar Per Round	\$10
Figure 5	
The average merchandise dollar per round is in line with comparable regional Troon managed facilities. Total estimated merchandise sales in year 1 were figured by multiplyin the average merchandise dollar per round by the total estimated rounds for the year.	

Figure 6				
Competitor FME				
Golf Course	Price of Most Highly Privileged Category of Membership	Total Dues Revenue	FME Count	Notes
Rye	\$1,668	\$1,133,070	679	* Total Dues Rev. is the sum of 2020 budgeted Golf Course Ops & Pool Ops.
Lake Isle	\$1,470	N/A	N/A	* Pool/Tennis Family Resident Rate
Proposed for Willow Ridge				
Willow Ridge	\$1,450	\$1,087,500	750	* Estimated highest dues amount times estimated FME score.
Figure 6				
It is recommended that golf not be included as a party of a membership or season pass. This is to maximize revenues based on demand for premiere golf in the area.				

Figure 7 - Competitive Set Daily Fee Rates

	Categories	City of Rye		Lake Isle		Harbor Links Championship Course			Trump Golf Links		Pound Ridge	
		Resident	Non-Resident	Mon - Thur	Fri - Sun, Holidays	Mon - Thur	Fri	Sat & Sun	Mon - Thur	Fri - Sun, Holidays	Mon - Thur	Fri - Sun, Holidays
Daily Fee Golf	18 Holes			\$40.00	\$50.00	\$46.00	\$76.00	\$100.00	\$154.00	\$185.00	\$230.00	
	18 Holes (End of Season Walking Only)										\$125.00	
	18 Holes (Non-Resident)					\$71.00	\$110.00	\$130.00	\$197.00	\$225.00		
	9 Holes			\$30.00	\$35.00							
	9 Holes (End of Season Walking Only)		Daily Fee N/A.								\$70.00	
	9 Holes (Non-Resident)		Please see Figure 8 for Membership Rates									
	Reservation Fee						\$5.00					
	Twilight			\$30.00	\$35.00	\$43.00	\$43.00		\$105.00	\$135.00		
	Twilight (Non-Resident)					\$53.00	\$53.00		\$136.00	\$166.00		
	Twilight Per Person Registration Fee						\$2.00					
	Sunset								\$88.00	\$98.00		
	Cart 18 Holes			\$25.00	per person	\$18.00	\$18.00	\$18.00				
	Cart 18 Holes (with GPS)								\$33.00	per rider		
	Cart 9 Holes	\$24.00		\$15.00	per person							
	Cart 9 Holes (Senior)	\$18.00										
	Senior Golf					\$30.00	\$76.00	\$100.00	\$95.00			
	Senior Golf (Non-Resident)								\$128.00			
	Juniors					\$30.00	\$76.00	\$100.00	\$60.00			
	Juniors (Non-Resident)								\$83.00			
	Military								\$95.00			
	Military (Non-Resident)								\$128.00			
	Non-Round Practice Facility Fee								\$59.00			
Daily Fees	Swimming Individual Avg. Rate			\$25.00	\$30.00							
Swimming	Swimming Child Avg. Rate			\$10.00	\$15.00							

Figure 8 - Competitive Set Membership Rates

	Categories	City of Rye		Lake Isle	
		Adopted 2019	2020 Budgeted	Mon - Thur	Fri - Sun, Holidays
Memberships/ Season Passes Golf, Pool, Tennis, Clubhouse	Comprehensive (Golf, Pool, Tennis, Clubhouse)	\$5,175	\$5,710		\$2,670
	Comprehensive (Golf, Pool, Tennis, Clubhouse) (Non-Resident)	\$9,200	\$10,145		
	Individual Daily Golf	\$3,565	\$3,940		
	Individual Daily Golf (Non-Resident)	\$6,440	\$7,105		
	Individual Weekday Golf	\$2,185	\$2,295		
	Individual Weekday Golf (Non-Resident)	\$3,910	\$4,105		
	Legacy Comprehensive	\$700	\$750		
	Executive Membership	\$2,100	\$2,250		
	Executive Membership (Non-Resident)	\$3,250	\$3,485		
	Add On Membership (Golf)	\$155	\$155		
	Add On Membership (Junior)	\$600	\$600		
	Comprehensive Individual (Golf, Pool, Tennis, Clubhouse)		\$2,205		
			Young Executive		\$2,150
	Family Pool	\$1,668	\$1,845		\$755
	Pool for Two	\$1,357	\$1,500		
	Individual Pool	\$863	\$955		\$545
			\$325		
	Junior Pool	\$300	Legacy Pool		\$485
	Early Morning Lap Swim	\$400	\$400		
	Family Pool & Tennis	No Tennis	No Tennis		\$1,470
	Individual Pool & Tennis	No Tennis	No Tennis		\$910
	Senior Family				\$610
	Senior Individual				\$375
	Business Family Pool				\$1,410
	Business Individual Pool				\$895
	Child Care Worker (Base)	\$425	\$425		\$360
	Business Pool & Tennis	No Tennis	No Tennis		\$2,335
	Business Pool & Tennis (Individual)	No Tennis	No Tennis		\$1,410
	Business Pool & Tennis (Senior)	No Tennis	No Tennis		
	Clubhouse	\$400	\$475		

Willow Ridge Country Club

Draft/Sample Sales and Marketing Plan

Sales, Marketing & Communications Plan

An effective way to promote a golf property is to follow a strategic plan made up of integrated components. A Sales & Marketing Plan supports the facility in achieving its forecasted goals for sales, revenues, player satisfaction, and customer retention.

A club's customers are one of its most important assets, so goals for retention are included with sales and revenue targets. Golf properties become sustainable when the experiences they create are memorable and enrich people's lives by connecting them with family, friends, and one another. A golf club must also understand the customer's preferences to drive utilization in all areas of your property. Lastly, communicating with your guests positively affects assimilation, retention, and referrals, establishing a Communications Plan defines the strategy, schedule and process for all mediums utilized to communicate with your database and community.

Sales is everyone's responsibility, and momentum occurs when everyone is onboard, and the associates recognize the role they play in growing the business. Having an onsite Sales or Marketing Manager helps ensure daily execution for courses that can grow a sales dedicated teammate. All decisions related to sales and marketing activities should be made utilizing data that is collected as part of the Sales Platform. Leads should be tracked and nurtured with the goal of conversion into a customer and/or tournament and/or event. Clubs should have a defined process for the Sales Journey and use a professional CRM tool and Sales Activity Report. The Communications Plan defines a flow of pertinent data from Sales Leader to GM, then to Committees and, ultimately, to Ownership. The report should highlight sales, prospect pipeline, marketing and events, leads by source, and other related sales activity.

Suggested Target Segments

1. Transient Golfers
2. Annual Membership & Pass Programs
3. Tournaments & Outings (Golf Events)
4. Weddings, Banquets & Meetings (Non-Golf Events)
5. Junior Golfers & Families

Transient Golfers

- Institute a revenue management / dynamic pricing model to maximize revenues during busy days/times
- Ensure third party distribution channels (GolfNow & TeeOff.com, Golf Pac, Golf Zoo, Tee Times USA, etc.) are priced correctly and marketing benefits are taken advantage of at all times.
- Creation and implementation of new promotions to drive rounds of golf. Could include: Bundle Rounds, Promo code usage, Bouncebacks for group events, Golf/merchandise, and Golf/F&B offers, walking rates, etc.
- Create relationships with top destination management companies (DMC's) in the area.

Annual Membership & Pass Programs

- Create annual memberships and pass programs for different target segments that maximize revenue while creating value for golfers. In the case of Willow Ridge, we recommend annual memberships for pool and tennis. In other instances, this can be in the form of a Membership that is all inclusive of unlimited golf, use of all amenities, and access discounted rates on dining and room rentals. You can also offer passes that are amenity specific such as golf only, or social passes that are pool and tennis only, or might include access to social events held at the Clubhouse.
- Create specific programs for Jr. Golfers to promote "growing the game" and maximize inclusion.
- Enhance annual membership offerings and create referral programs, create a staff incentive and aggressive marketing of the annual membership and pass programs.

Tournaments & Outings (Golf Events)

- Create a new database and lead tracking processes.
- If contact leads become available from previous years, follow-up with them for future bookings.
- Follow up with all group leads (via phone/club website/social media) within 24 hours, all while maintaining organization in your lead database.
- Upsell all groups on additional rounds of golf, merchandise, rental clubs and food & beverage.
- Yield manage group pricing based on time of year, day of week and morning/afternoon start times.
- Leverage group promoters/contacts for referrals for future golf events.
- Find local group leads through in-person appointments, internet searches, IRS list, magazines, donation letter requests, Google searches, competitor course events, etc.

- Solicit businesses from various lead sources including The Book of Lists, local newspapers, local charities, non-profits, schools and educational facilities, and other local businesses.
- Actively participate in chamber of commerce mixers, events and meetings.
- Host a Group Contact Appreciation Event in the fall with group contacts and prospective clients.
- Create tournaments for local golfers, themed around holidays or golf events that fill the tee sheet during needed times.
- Host Charity Seminar to charity event planners.
- If list of previous year events is available, Rebook all prior year golf events.

Weddings, Banquets & Meetings (Non-Golf Events)

- Create new database and lead tracking process
- Proactively contact all qualified convention leads from the Chamber of Commerce and Travelers and Visitors Bureau. Participate in events that are sponsored by these local organizations.
- Create relationships with local transportation companies who can assist in generating leads for group events, proposals, and contracts.
- Post content on your website and social media and use appropriate key words with professional photography to showcase your properties decor, clubhouse, food, beverage, or other stylistic features that make the property unique.
- Search Engine Optimization on the website is key to fine tuning how your facility appears in search engine results.

Junior & Family Golf Programs

- Property should address “access” and “affordability” for families and Jr. Golfers. Customary to offer complimentary and/or low-cost golf to juniors during specific time frames considering high season / off season and weekday versus weekend.
- Becoming a host for the First Tee can help introduce many young kids to golf and bring additional golfers and revenue because of this partnership.
- Summer Clinics
- Wellness programs – walking 9 holes

Priority Marketing Tasks for Willow Ridge

- Consider rebranding strategy and new name to reposition the Club in the communities mind
- Update and/or build standalone website that includes expanded content about the operations of the facility, lead forms to help generate and help organize qualified leads, and analytics to help track progress

- Utilize Pay Per Click and/or Search Engine Optimization marketing by applying best practices to the website user interface and keywords in written content.
- Consideration for new golf course photography and videos.
- Consistent email marketing to database (twice weekly).
- Robust Social Media presence.
- Facebook Ad Word or Paid campaign to drive traffic to website and drive brand awareness of daily fee status.
- Leverage unique programming to generate incremental local business
- Creation of Press Releases creation for all newsworthy events at the club including renovation, large charity events, etc.

Willow Ridge Golf Course (Daily Fee): Year 1 Marketing & Advertising Budget

Projected Cost to Date: \$ 97,000.00

Actual Cost to Date: N/A

Campaign Type	Project Goals	Target Audience	Dates Active	Notes	Projected Cost	
Local Marketing					SUBTOTAL	\$24,000.00
Local Newspaper	Brand Awareness for Public Golf and Pool/Tennis Membership Sales. Include food and beverage pending final creative direction or other sales priority.	Local golfers and local families in a 0-10 mile radius.	Spring 2021. Start of Golf Season (weather pending).	Build relationship with local news publication.	\$ 2,500.00	
Radio	Brand Awareness for Public Golf and Pool/Tennis Membership Sales. Include food and beverage pending final creative direction or other sales priority.	Local golfers and local families in a 0-20 mile radius.	Spring 2021. Start of Golf Season (weather pending) up until Memorial Day Weekend.	Radio can be local broadcast or internet radio (eg. iHeart Radio, Pandora, or Spotify). Consider trade out options if available with local stations for remote broadcasts.	\$ 3,000.00	
Other Local Print Publications	Brand Awareness for Public Golf and Pool/Tennis Membership Sales. Include food and beverage pending final creative direction or other sales priority.	Local golfers and local families in a 0-10 mile radius.	Spring 2021. Start of Golf Season (weather pending).	Dates active are TBD based on publication run dates. These publications can should have a target audience of golfers and or local families.	\$ 4,000.00	
TV	Brand Awareness for Public Golf and Pool/Tennis Membership Sales. Include food and beverage pending final creative direction or other sales priority.	Local golfers and local families in a 0-20 mile radius.	Spring 2021. Start of Golf Season (weather pending).	Build relationship with local station.	\$ 7,000.00	
Direct Mail	Brand Awareness for Public Golf and Pool/Tennis Membership Sales. Include food and beverage pending final creative direction or other sales priority.	HHL of \$115K+ in a 0-10 mile radius.	Spring 2021. Start of Golf Season (weather pending).	Recommended vendor to use is EDDM service through the USPS website.	\$ 7,500.00	
Public Relations					SUBTOTAL	\$ 2,750.00
Sponsorships	Increase qualified leads for golf and non-golf events. Brand Awareness campaign to increase facility visibility to new potential customers.	Chamber of Commerce, Local Convention Visitors Bureau.	Monthly.	Sponsor monthly gatherings or luncheons and invite local businesses, community organizers, and nonprofits. Provide incentive for someone to book a future event day of.	\$ 2,000.00	
Press Releases	Announce major changes and important updates to the local community.	Local Community in a 10 mile radius.	Annually.	Recommended four (4) per year.	\$ 750.00	
Digital & Social Media					SUBTOTAL	\$58,000.00
Facebook	Promote golf facility culture, golf events, rates, and social events. Encourage follower engagement. Increase website visits.	Page Followers and General Local Community.	Weekly.	Posting 2-3 times a week organically, and then boosting at least one post a week to reach your entire audience is recommended.	\$ 5,000.00	
Instagram	Share photography that shows lifestyle at facility - promotes rounds of golf, golf events such as outings, and non-golf events such as banquets and weddings.	Account Followers and General Local Community.	Weekly.	Posting 2-3 times a week during peak season, and then once weekly in the off season. Boosting posts about 2-3 times per month during peak season to reach greater audiences.	\$ 5,000.00	
PPC (Pay Per Click)	Increase website conversions for golf rounds, golf and non-golf event leads, and daily fee brand awareness.	Local community, Local Golfers, Qualified Event Leads.	"Always On".	This includes search term examples such as "golf near me" or "event venues near me". Having an always on strategy allows facility to more easily capture users and leads when the user is in the moment seeking out business services. Total amount of \$48,000 is considered to be \$4,000 per month and will cover key search terms for various services for the business including but not limited to: golf, golf events, outings, non-golf events, weddings, banquets, meetings, pool, tennis, food and beverage, etc.).	\$ 48,000.00	
Email Marketing	Update database and patrons on news, updates, announcements, promotions, and special offers at the golf course.	Facility Database.	Bi-Weekly / Weekly during Holidays (eg. Memorial Day, 4th of July, Labor Day).	Cost TBD pending provider. Free options with tee sheet and point of sale providers.	\$ -	
Online					SUBTOTAL	\$ 6,000.00
Mobile App	Grow database and patronage through mobile app use.	Patrons.	Annually.	A mobile app allows direct to consumer communication through push notifications, allows for course GPS, and potential for tournament software for the golf shop.	\$ 3,500.00	
Website	Digital storefront for the facility. Offers information about the golf course, their rates and amenity offerings. Captures qualified leads.	Golfers, Qualified Leads, Community Members.	Annually.	Consider major providers or explore website hosting service through your tee sheet or point of sales provider.	\$ 1,000.00	
Wifi Data Capture	Build facility database by offering guest wifi users to opt-in to facility communications.	Guests using in-house wifi.	Annually.	Consider vendors such as Zenreach for wifi data collection technology solutions.	\$ 1,500.00	
Market Research					SUBTOTAL	\$ 1,000.00
Patron Surveys / Benchmarking	Provide avenue for customer feedback, and compare customer experience ratings to benchmark of other public golf courses in the nation.	Customers.	Annually.	Survey tools such as Player's 1st allow the golf course to collect important information about customer experience and allows facility to benchmark their offerings compared to other golf courses across the nation.	\$ 1,000.00	
Collateral & Creative Assets					SUBTOTAL	\$ 5,250.00
Photography	Capture layout of golf course, clubhouse, and lifestyle interactions of customers at the facility.	Customers, Community and Potential Customers.	Mid-Summer (or whenever golf course conditions are at their peak).	Helps refresh the brand and set the stakes for a "new daily fee" facility in the community.	\$ 750.00	
Videography	Capture layout of golf course, clubhouse, and lifestyle interactions of customers at the facility.	Customers, Community and Potential Customers.	Mid-Summer (or whenever golf course conditions are at their peak).	Helps refresh the brand and set the stakes for a "new daily fee" facility in the community.	\$ 1,000.00	
Brochures / Flyers	Communicate WR is now a daily fee, public facility.	Customers, Community and Potential Customers.	Annually.	Included as sales collateral.	\$ 1,000.00	
Business Cards / Thank You Cards	Provide a customer with contact information, and build client relationship with hand written thank you notes. Helps with customer loyalty and continued business.	Customers, Community and Potential Customers.	Annually.		\$ 500.00	
In-House Signage	Communicate necessary updates, events, and promotions at the facility.	Customers, Patrons, and Guests.	During Season.	Can also include directional signage and marketing signage. Consider going to a digital display to limit print costs.	\$ 2,000.00	