



6861 Via Campestre Las Cruces, NM 88007 Phone: (575) 523-8641

NEW PHCC OPTIONAL TRANSFERABLE MEMBERSHIP PLANS

Corporate ("CGT") 2020 Membership

INTRODUCTION

Spirit Golf Management, LLC (SGM), owned by Todd Barranger and Richard Holcomb, has closed on the purchase of Picacho Hills Country Club (PHCC) from Organ View Properties, LLC (OVP). As part of this purchase agreement, **SGM agreed with OVP to continue providing membership privileges to all existing classifications of PHCC memberships that are in good standing when SGM assumed ownership of PHCC. In addition, SGM intends to continue offering the existing basic membership programs to existing and potential new members.**

SGM now offers existing and future members an optional **TRANSFERABLE MEMBERSHIP** offering that can be sold by the member later if the member is in good standing with the club at the time of the membership sale and transfer. Specific terms and conditions will be included in the membership agreement and are detailed below. **The new transferable memberships will require an INITIATION FEE as detailed below.**

MISSION STATEMENT & PLEDGE

The PHCC property needs considerable improvements. The current SGM business plan allows for limited improvements in 2020, but SGM has already exceeded planned improvement expenditures, which include the liquor license, bar/restaurant renovations and bar/restaurant furniture.

All initiation fees received in 2019 have been deposited in a PHCC capital projects escrow account that only releases funds for PHCC capital projects. The funds will be applied to the 2020 planned improvement expenditures to date.

Basic PHCC Improvement Spending from initiation fees raised in 2019 were prioritized as follows: First \$800K to be spent on the PHCC clubhouse for essential improvements, **including a new full-service liquor license and furniture, fixtures and equipment (FF&E) replacement.** The second \$500K raised is to be spent on **golf maintenance facility improvements.**



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Initiation Fee

The initiation fee may be paid by check (payable to Picacho Hills Country Club), ACH (direct payment), or debit/credit card (3% service fee).

New Transferable Corporate ("CGT") Membership

Monthly Golf and Club Dues - FAMILY:	\$370	Quarterly F&B Minimum:	\$210
Monthly Golf and Club Dues – INDIVIDUAL:	\$250	Quarterly F&B Minimum:	\$180
Monthly Club Dues – FAMILY/SOCIAL ONLY:	\$100	Quarterly F&B Minimum:	\$120

INITIATION FEE: A transferable and sellable full NON-EQUITY Corporate Golf or Social and Tennis membership with an initiation fee of **\$7,000**.

ENTITY DESIGNATION: The CGT membership allows a business entity ("Primary Member") to join the club and include up to a total of four (4) designated partners or owners of the business or any selected officers, employees or agents as PHCC members ("Designated Members"). The Designated Members will select to receive either full PHCC membership privileges or PHCC social membership (includes, tennis, pickle ball and pool access) for either an individual or their family (family status would be any couple living together at one location and it would include children living at home under the age of 23). The Designated Members can only be changed or removed as a member after at least 12 months of membership designation. At the discretion of the Club, should there be an unexpected condition whereby the Designate Member must relinquish membership in the Club during the first 12 months of their membership, then the Club would allow a new Designated Member to be selected to replace the member who relinquished his/her membership. This substitution benefit only would apply once in any 12-month period. The business entity CGT Primary Member is responsible for the monthly fee obligations for each of the Designated Members should that Designated Member become delinquent in their financial obligations to PHCC. Complete CGT terms and conditions will be outlined in the membership agreement.

INITIATION OPTION: SGM will offer initiation fee payment terms for new or existing members who sign up for the CGT membership. Basic terms - \$1,000 first-month payment with 21 monthly payments of \$350 each month. Payment terms are in addition to the normal monthly dues and service charges due from the member. Final terms and conditions will be outlined in the membership agreement.

DESIGNATED MEMBER OPTIONS: The Designated CGT Membership is offered as (1) an individual golf and club membership at a lower monthly fee rate, (2) a golf and club membership for a family or (3) a social club and tennis membership for the family. Each designation has a different club fee obligation shown above. The family membership status is for married couples or couples living together at one residence and it allows the Designated Member, their spouse or significant other and any children living full time at home under the age of 23 to have full PHCC membership privileges.

MONTHLY FEES: CGT member's club dues payment level will remain the same for the first four (4) years of their membership if the Designated CGT Member stays current with their PHCC financial obligations. Future dues payments will be subject to the current corporate member golf fees being charged by PHCC at that time. The CGT Primary Member and their designees will receive guest fees, merchandise purchases and golf cart rentals at a 10% discount for the first four (4) years of their new membership if the membership is in good standing and not in default.

FOOD & BEVERAGE: The member's food and beverage minimum spending requirement is tracked quarterly up to the point the member has reached a total spending in food and beverage for that 12-month period equal to the total annual requirement, at which point the member would not have a minimum spending requirement for the remainder of that 12-month period.



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CLUB CHARGING: The CGT membership allows each Designated CGT Member to have charging privileges at the club if the member stays current with their PHCC club obligations. If the Primary CGT Member or any of its Designated Members becomes more than 20 days delinquent on their payment obligations to PHCC, they will receive a notice and warning and then, after any subsequent PHCC billing delinquencies of more than 20 days, that Designated CGT Member or members will agree to forfeit their discounted guest, golf cart and merchandise benefit and allow their minimum monthly fee structure to convert to the current 2019 fees being charged at that time to non-CGT golf members.

PHCC STATEMENTS: The CGT monthly dues structure is based on the member agreeing to electronic billing for their monthly statements. If the CGT member requires monthly statements prepared and delivered by mail, then PHCC will require an administrative charge of \$15 per month per designated member. If the member does not want electronic billing and instead would prefer to pick up their monthly billing statement at the club, then that service would not require an administrative fee, but the member would agree to allow automatic credit card payments for their monthly billing.

TRANSFERABILITY: The Primary CGT Member (the business entity holding the membership) may sell this membership in the future to any potential new corporate member approved by PHCC for membership at any price they like. If the membership is sold during the initial four-year monthly fee structure, then that new member would receive the benefit of that fee structure until the end of the initial four-year fee period. If the membership is sold by the CGT member after the initial four-year membership period, then the new member would receive the same fee structure for the same type of "Initiation Fee" membership being offered to other CGT members.

TRANSFER FEE: A CGT member who sells their membership or asks PHCC to sell their membership will agree to pay PHCC a \$750 administrative transfer fee. Any Primary CGT Member can request PHCC to sell their membership on behalf of the CGT member to a new prospective member who is approved by PHCC for membership and will agree to pay PHCC a transfer fee equal to 50% of the new member sales price that the existing CGT member approves and accepts.

SURRENDER: Should any Primary CGT Member desire to surrender their membership to the club, then they may surrender their membership and will no longer be responsible for future PHCC membership fees if they are current with all of their PHCC financial obligations at the time they surrender their membership. CGT Primary Members who surrender their membership to PHCC agree that they waive their rights or claims to any proceeds from the re-sale of their membership.

SOLICITATION: Primary CGT members cannot sell their memberships to entities which have been previously solicited by PHCC to buy a PHCC corporate membership without prior written consent of PHCC. Solicitation by PHCC means that a corporate representative has shown an interest with key PHCC staff members and that corporate entity representative has met with PHCC or communicated via mail, e-mail or phone with PHCC staff members.

GENERAL PHCC GOLF FEES

These are the anticipated fees starting February 1, 2020. PHCC reserves the right from time to time to adjust the fees as necessary.

GOLF CART RENTAL **18 Holes \$17 / 9 Holes \$11**

Cart fees are PER PERSON and golf cart fees are based on two riders per cart

GUEST GOLF FEES W/MEMBER **18 Holes \$60 / 9 Holes \$40**

All guest golf fees include a golf cart; PHCC requires two riders per cart when possible

GUEST GOLF FEES Without MEMBER **18 Holes \$70 / 9 Holes \$50**

Based on space available; members may sponsor unaccompanied guests

JUNIOR GUEST GOLF FEES W / MEMBER **18 Holes \$20 / 9 Holes \$10**

Based on space available; members may sponsor unaccompanied guests



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IMMEDIATE FAMILY GUEST GOLF FEES W/MEMBER **18 Holes \$40 / 9 Holes \$25**
Only immediate family members not living at home are eligible for the family guest fee.

ANNUAL GOLF CART TRAIL FEE **Family \$1,500 / Single \$1,200**
Trail Fee is for one personal-use golf cart; this fee does not apply to club-owned golf carts.

RENTAL GOLF CLUBS	18 Holes \$40 / 9 Holes \$20
GOLF HANDICAP SERVICES ANNUALLY	\$100 per person
CLUBHOUSE LOCKER FEE	\$10 per month per person
CLUBHOUSE GOLF BAG STORAGE	\$10 per month per person

