



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

NEW PHCC OPTIONAL TRANSFERABLE MEMBERSHIP PLANS

Full Family Golf and Club ("FGT") 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.**



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 Full Family Golf and Club ("FGT") Membership

Monthly Club Dues: \$370 Quarterly F&B Minimum: \$210

INITIATION FEE: A transferable and sellable full NON-EQUITY family golf membership with an initiation fee of **\$4,500**.

FAMILY MEMBERSHIP: This FGT membership is a family membership for married couples or couples living together at one residence and it allows the 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.

INITIATION OPTION: SGM will offer initiation fee payment terms for new or existing members who sign up for the FGT membership. Basic terms - \$400 first-month payment with 21 monthly payments of \$230 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.

MONTHLY FEES: The FGT member will receive a monthly club fee structure equal to the current 2019 membership monthly fee structure for four (4) years if the member stays current with their monthly PHCC payment obligations throughout the four-year period. The FGT member will also 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.

CLUB CHARGING: The FGT membership allows each designated FGT member to have charging privileges at the club if the member stays current with their PHCC club obligations. A credit card will be required to guarantee timely club payments should a member become delinquent on their payments. If the FGT member 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 FGT member will agree to forfeit their discounted guest, merchandise and golf cart fee benefit and allow their minimum monthly fee structure to convert to the current 2019 fees being charged at that time to non-FGT golf members.

PHCC STATEMENTS: The FGT monthly dues structure is based on the member agreeing to electronic billing for their monthly statements. If the FGT member requires monthly statements prepared and delivered by mail, then PHCC will require an administrative charge of \$15 per month. If the member does not want electronic billing and instead would like to pick up their monthly billing statement at the club, 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 FGT member may sell this membership in the future to any potential new member approved by PHCC for membership at any price they like. If the membership is sold during the initial four-year membership period, 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 FGT member after the initial four-year membership period, the new member would receive the same fee structure for the same type of "Initiation Fee" membership being offered to other FGT members.



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TRANSFER FEE: Any FGT member who sells their membership to a new prospective member who is approved by PHCC for membership will agree to pay PHCC a \$500 administrative transfer fee. Any FGT member can request PHCC to sell their membership on behalf of the FGT 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 FGT member approves and accepts.

SURRENDER: Should any FGT member desire to surrender their membership to the club, then they may surrender their membership and they 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. FGT 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: FGT members cannot sell their memberships to individuals that have been previously solicited by PHCC to buy a PHCC membership without prior written consent of PHCC. Solicitation by PHCC means that an individual has shown an interest with key PHCC staff members and that individual, family member or 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 2020 fees starting February 1, 2020. PHCC reserves the right from time to time to adjust the fees as necessary.

GOLFCART 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 and 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**

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**

