

Member-Owned Club in Palm Beach County Chooses Recapitalization with Concert Golf Partners by 221-2 Vote



Indian Spring Country Club, in Boynton Beach, Florida, became a member-owned club in 1993 after developer Cadillac Fairview handed over control of the prime amenity for the 1,800-home gated community.

Boynton Beach, FL. – Indian Spring Country Club, a leading 36-hole member-owned private club in Palm Beach County, completed its recapitalization with Concert Golf Partners, the boutique owner-operator of high-end private clubs, on June 1st. The transaction, overwhelmingly approved by the club’s Board of Directors and its members, paid off all club debt, lowers equity member dues by 10-15% over a 2-year period, injects more than \$1 million into immediate capital projects at the club and bars any future assessments on the membership.

“Our club was in sound financial shape, with modest debt and a strong membership from the Indian Spring residential community,” explained President Ron Schulman, “but as a Board we wrestled with the right long-term strategy to continue our lifestyle at the Club. When we met Concert Golf, we knew this was the best path for our members.” His membership voted 221-2 in favor of the recapitalization in April.

Developed by Cadillac Fairview in 1988, the Indian Spring master-planned residential community has 15 subdivisions containing 1,800 upscale homes. Its central amenity is the 286-acre country club, featuring two championship golf courses, 26 Har-Tru™ tennis courts

and a modern, 52,000-square-foot Clubhouse with 450-person dining room capacity, and state-of-the-art spa and fitness center.



Indian Spring CC boasts 36 holes of championship golf, and 26 Har-Tru tennis courts.

The membership took ownership of the Club from the developer in 1993, a common transition among Florida golf communities. The rotating Board of elected governors each made its contributions over the years, but explored the best long-term governance and capital structure for the club. “We hired one golf management company to help with the operation, but this was a short-term fix that did not work out well – and it did not address the larger capital and governance issues,” said president Schulman. “We were also approached by homebuilders who wanted to re-develop 9 or 18 holes, but we wanted to keep all of our fabulous golf courses.”

Everything changed when the Board began to visit other clubs owned and operated by Concert Golf, one of the professional club hospitality firms that had made contact with Indian Spring CC. “It dawned on us that these other clubs were in our same position, struggling with part-time volunteer member Boards and trying to raise capital every few years by asking members to pitch in,” according to Board member Elliott Rosenfield. “After Concert Golf came in, capital was available, projects got done quickly, things were run professionally, and there was a noticeable excitement level around these clubs.”

Concert Golf CEO Peter Nanula (www.concertgolfpartners.com) announced that his team would immediately undertake over \$1 million in new capital projects at Indian Spring CC, including new swimming pool amenities; outdoor dining upgrades; clubhouse lobby renovations; expansion of the golf grill; and an expanded and renovated fitness

center. "The Board was very collaborative with the membership on their desired capital projects, and we were pleased to accommodate them all."

"Indian Spring CC is a wonderful club with a very active and involved membership," continued Nanula, "but there are real challenges of governing such a sprawling hospitality business with a volunteer Board." Nanula said. "The leadership was very dedicated, and had strong member support. But just as it would be difficult to run a major hotel or restaurant with inexperienced volunteers, country club governance can be overwhelming for member-owned club Boards. "

According to Dennis Griffin, General Manager of Indian Spring CC and an experienced club operator with prior experience at Toll Brothers Golf, "This recapitalization of Indian Spring brings both capital and operating expertise to our Club." Griffin, who is staying in place as GM, said "We have always had wonderful facilities and amenities, and now our staff will have experts in each area of club management to work with at Concert Golf to provide a great lifestyle for our members at Indian Spring."

Dr. Marty Keller, a nationally renowned psychiatric researcher and professor, helped lead the club's negotiations with Concert Golf. "This is such a fabulous thing for Indian Spring. It has been a pleasure to work with Concert Golf, and I am excited for myself, my family and all members of ISCC that we will be in this true partnership with you and your outstanding Concert Golf team."

Concert Golf Partners is a boutique owner-operator of private clubs based in Newport Beach, Calif. Formed by Nanula, the founder and CEO of Arnold Palmer Golf Management (1993 to 2000), Concert Golf has amassed \$150 million of patient, long-term equity capital to invest in and upgrade large-scale private clubs located in major metro areas. Concert Golf is also unique in operating as an all-cash investor with a dedicated fund, which, Nanula said, allows it to acquire or recapitalize clubs quickly (without incurring debt) and subsequently invest in these properties for the long term.

Concert Golf has recently acquired 16 such clubs nationally, including longtime member-owned clubs such as Blue Hill CC in Boston

(www.bluehillcc.com), White Manor CC (www.whitemanorcc.com) and Philmont CC (www.philmontcc.org) in Philadelphia. Indian Spring CC members now enjoy free reciprocal privileges at these and Concert Golf's other upscale clubs, as well as discounted access to more than 150 TPC™ clubs and Pacific Links International clubs worldwide.

For more information about Concert Golf Partners, visit www.concertgolfpartners.com.