

News Release

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The Ranch Country Club (Denver, CO) Recapitalizes in Just Four Months with Concert Golf Partners

*“We never would have imagined that we could have permanently solved our club’s long-term capital needs in just four months from our first call to closing,”
said Eric Mott, board treasurer.*

WESTMINSTER, CO – Fresh off a successful \$5.5 million club renovation in 2016, the members of The Ranch Country Club in Denver (www.theranchcc.com) voted 304-9 (97%) to lock in the benefits of that transformational investment in their club's future by recapitalizing with Concert Golf Partners. “The assessment vote for our renovation program was difficult, and we wanted to eliminate assessments for good,” said Board president Kristi Thoutt. “Now our members have reduced dues and no threat of future assessments, so we can just enjoy our newly renovated club. Plus, Concert Golf is going to complete the remaining projects we left out of our renovation program.”

Board treasurer Eric Mott spoke with Concert Golf to learn about the capital partner option in late March, and the Board had a handshake deal just a month later. “We never would have imagined that we could



The Ranch Country Club’s recapitalization with Concert Golf Partners reduced dues, ended member assessments permanently and injected fresh capital to finish incomplete projects from the club’s recent renovation.

have permanently solved our club's long-term capital needs in just 4 months from our first call to closing," said Mr. Mott, a local realtor. "The process was well-organized and straightforward - clearly Concert Golf has done this before."

The Ranch Country Club is the premier family-oriented club on the affluent north side of Denver, just 11 miles from downtown. The club, opened in 1974, has a Richard Phelps-designed 18-hole golf course on 155 acres with rolling terrain and endless vistas of the Rocky Mountains, which plays 6,566 yards from the back tees with a 134 slope. The club also boasts four outdoor and four indoor (bubble) tennis courts, a 25-yard swimming pool with a zero-entry family pool, and a state-of-the-art fitness center.

Membership at The Ranch had declined somewhat in the years after the Great Recession, as successive Boards postponed capital projects and members began discussing a possible renovation program – and the assessments to pay for it. The first assessment vote in 2015 received a 60% "yes" vote, below the required 2/3 in the by-laws. The Board came back 6 months later with a comprehensive messaging effort and the 2nd vote was 90% in favor. But the damage was done – The Ranch lost dozens of members during the turmoil.



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The \$5.5m renovation touched most parts of the club. The kitchen and bar received major upgrades; the new pizza oven was a hit with members. New pool, kids club and fitness improvements were made, all focused on appealing to families. The "crown jewel" golf course needed a clubhouse and other facilities to match. Good news – the renovations were very successful. Members loved the newly upgraded clubhouse and facilities. Families flocked to The Ranch. The club added nearly 100 new members in the two years after the renovations were completed.

Fast forward to 2020. Talk around the club, a much happier place than during the 2016 assessments, centered around "finishing the job" – completing the projects that were left off the final renovation program. The golf course irrigation system still needed work, and there were several greens with severe slopes that needed rebuilding. Bridges on the course needed to be repaired or replaced, and the pool was now so popular that cabanas and a bar expansion made sense to everyone. Probably another \$1-2m of capital was needed. At the same time, Covid-19 hit and the Board saw

some challenges ahead with working capital and their outstanding bank loan. So, treasurer Eric Mott raises his hand at a Board meeting and says, "Why don't we look at potential capital partners?"

Mott was called a "rogue" just 6 months earlier for asking "too many" questions and even suggested that the Board explore a 3rd party management company. That idea never got traction because the Board viewed the concept as an added expense, and did not address the ever-important capital outlook for the club. But after a month of studying this new Concert Golf alternative, calling references, and visiting clubs, the Board voted 9-0 in favor of a recapitalization with Concert Golf Partners just a month later. Why?

For starters, the Board would get its entire loan paid off and the remaining capital projects would all be paid for by Concert Golf and completed within 2 years – at no cost to the members. Member dues would remain the same for the next year and a half, and importantly member assessments would be permanently eliminated at The Ranch.

In addition, according to Board president Kristi Thoutt, "The private club industry is changing. Private club usage is shifting, which has led to a decline in initiation fees nationwide, the key funding mechanism for ongoing capital." At The Ranch, she added that "changing demographics have made people less interested in the internal workings of the Club. Members prefer to enjoy the Club and not worry about Boards, committees and day-to-day operations."

"We did not know how the members would respond to this," said Eric Akerson, a longtime member, competitive amateur golfer and self-proclaimed "Mayor" of The Ranch who lives on the course and is ubiquitous at the club in his bright orange golf cart. "But once we started to socialize the concept of having a partner who would fund and operate the club for us, with written guarantees about all our key issues, members were thrilled." Turnout for the Zoom webinars set records for member participation, and the 304-9 vote in favor of the transaction was a record for member unanimity at The Ranch.

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Concert Golf Partners is a boutique owner-operator of private clubs based in Newport Beach, California. Formed by Nanula, the founder and CEO of Arnold Palmer Golf Management in the 1990s, Concert Golf has amassed \$250 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 for its track record of preserving the identity and traditions of longtime member-owned clubs.

Concert Golf has recently acquired 22 such clubs nationally, including longtime member-owned clubs such as Country Club at Roswell (www.ccrosswell.com) and The Muttontown Club on Long Island (www.themuttontownclub.com). Ranch CC members now enjoy free reciprocal privileges at these and Concert Golf's other upscale clubs, as well as discounted access to more than 500 TPC™ clubs, Executive Golfer Collection™ clubs and Pacific Links International™ clubs worldwide.

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

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