



PROPOSAL OVERVIEW

\$7.45M RECAPITALIZATION PROPOSAL

- **Initial Capital Projects (\$5.0M+)**
 - Concert Golf is committing an estimated **\$5.0M+** to fund and complete a list of agreed-upon capital improvements (summarized to the right) within 12-36 months of closing
- **Payment of Debt (\$1.9M)**
 - Concert has committed to eliminate the burden of the Club's **\$1.9M** of debt by paying off all bank loans and equipment lease obligations at Closing
- **Equity Member Repurchase (\$539k)**
 - Concert will assume the estimated **\$539k** obligation of future Equity Member repurchase payments for those members who joined the club prior to 2002 who hold that right, as well as servicing honorary memberships

Project	Timeline after Closing
Golf Course	
Bunkers	Within 12-24 months
Cart Paths	Within 12-24 months
Beautification	Within 12-18 months
Tee Boxes	Within 12-24 months
Drainage	Within 12-24 months
House	
Clubhouse Event Space	Within 18-36 months
Indoor/Outdoor All-Season Dining	Within 18-36 months
Kitchen	Within 18-36 months
Parking Lot	Within 12 months
Pool	
Pool Area Refresh	Within 12-36 months
Racquets	
Fencing	Within 12 months
Tennis Courts	Within 12 months
Pickleball Courts	Within 12 months
Clay Court Irrigation	Within 12 months
Beautification	Within 12 months
Total Investment	\$5M+

MEMBER PROTECTIONS – KEY COVENANTS & COMMITMENTS

Private Club: The Country Club will remain a private club

Capital Projects: Estimated \$5.0M of capital projects in the first 36 months

No Assessments: Concert Golf will never assess members, ever

Dues Rates: Dues increases contractually limited, and frozen for the first year post recapitalization

Memberships: Existing Lifetime and 10-Year Memberships will be honored

Capital Reserve: A capital reserve funded annually with 3-4% of revenue for future capital needs

Reciprocal Privileges: Reciprocal access to Concert Golf Clubs and 1000+ additional clubs in network

Member Buyback: Should Concert decide to sell RHCC in the future, members will have an opportunity to purchase the club

Employees: Virtually all current employees will be hired under Concert Golf

Advisory Board: Creation of an Advisory Board for member input and feedback

Veteran's Charity Event: Continuance of the current Veteran's Charity Event

USGA Greens: Greens elevated to USGA standards

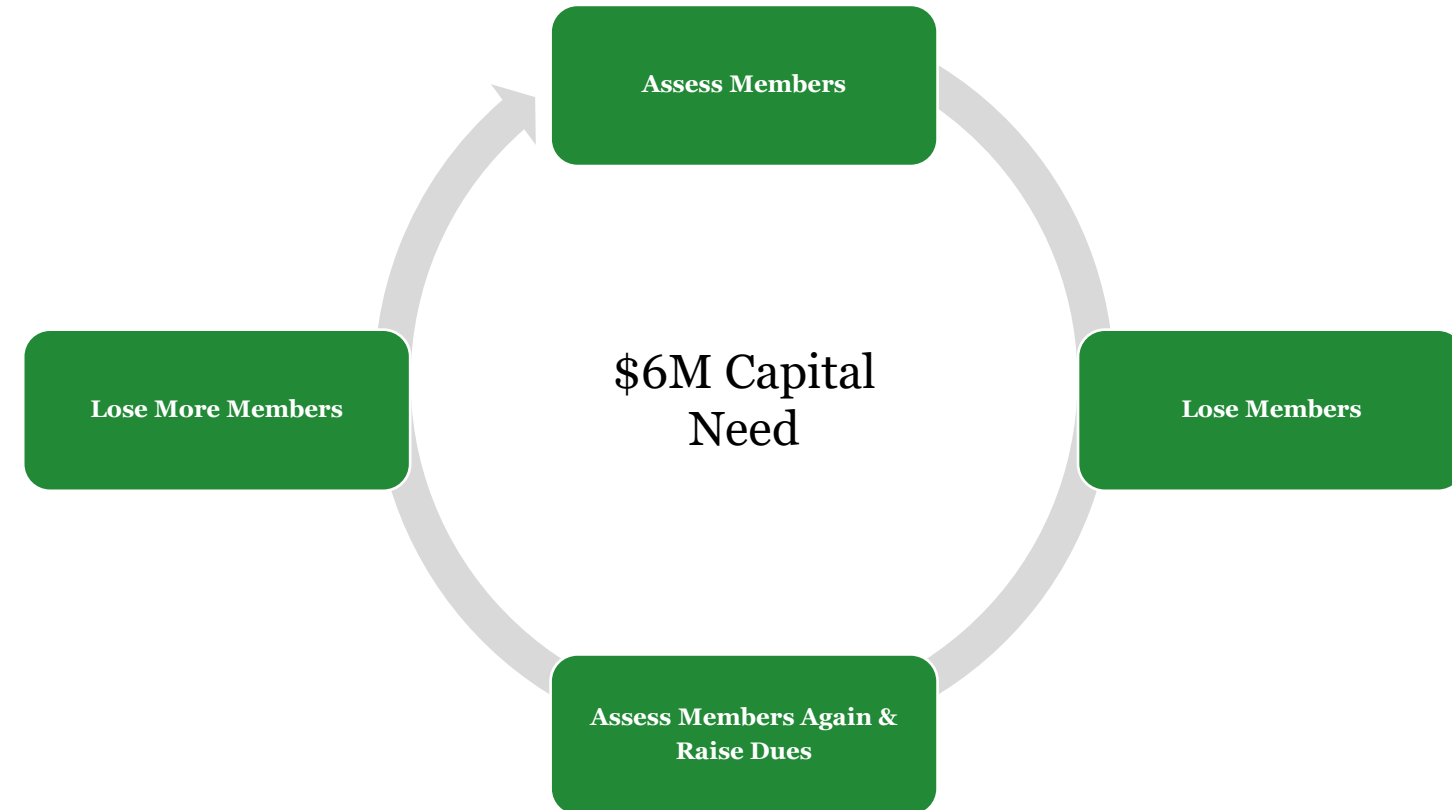
WHY NOW?

Avoid a Large Assessment

- Capital projects needed by the Club would require an assessment of up to **\$12,000+¹ per Full Golf member, with additional Capital Fees of \$6,000+**
- With Concert Golf, significant capital will be invested without River Hills members ever being assessed

Prevent Member Attrition

- All too often, large member assessments trigger a **downward spiral** at clubs
- Members who don't want to pay assessments leave the club, resulting in larger assessments for remaining members and further attrition



WHY NOW?

Better Staff Retention

- Insufficient capital investment and/or high member attrition **impacts staff retention**
- Over the long-run, the Club could harm its ability to attract and retain high-level talent

Improved Project Management

- Past capital investment projects have experienced **delays and budget overages** (e.g. bunkers)
- Concert Golf will ensure projects are completed in timely and cost-effective manner

No Club Debt

- River Hills is currently has almost \$2M of club debt – this will be **completely paid off**
- Concert Golf will ensure the club is **never in debt again**, while also continuously investing capital

Accelerated Capital Project Timeline

- During other recaps, members have realized they don't want to **wait 7-10 years** to see improvement to their amenities
- Concert Golf will ensure all agreed upon projects will be overseen and **completed within 36 months of closing** by our experienced project management team