PERSPECTIVE & CONTEXT

VIEWING CLUB FINANCES

- It is not the activity that generates a surplus
- There are few profit centers in country clubs.

Surplus comes from initiation fees and dues, not from specific activities.

WHAT DO DUES AND INITIATION FEES BUY?

FROM A MEMBER …

"We need to rethink the concept of a "country club" versus a social venue which provides for a wide array of activities. Country Club connotes "old, male, white golf club" and the term is no longer relevant to what we need to focus on. We should consider marketing and identifying ourselves in a different manner rather than being a "country club". We are a quality of life venue which offers a full range of social opportunities for people to engage in - a community people aspire to belong to which increases real estate values because of our full complement of offerings - uniquely nestled in the most vibrant commercial hub in southwest Florida."

GD+ | FROM THE MAGAZINE

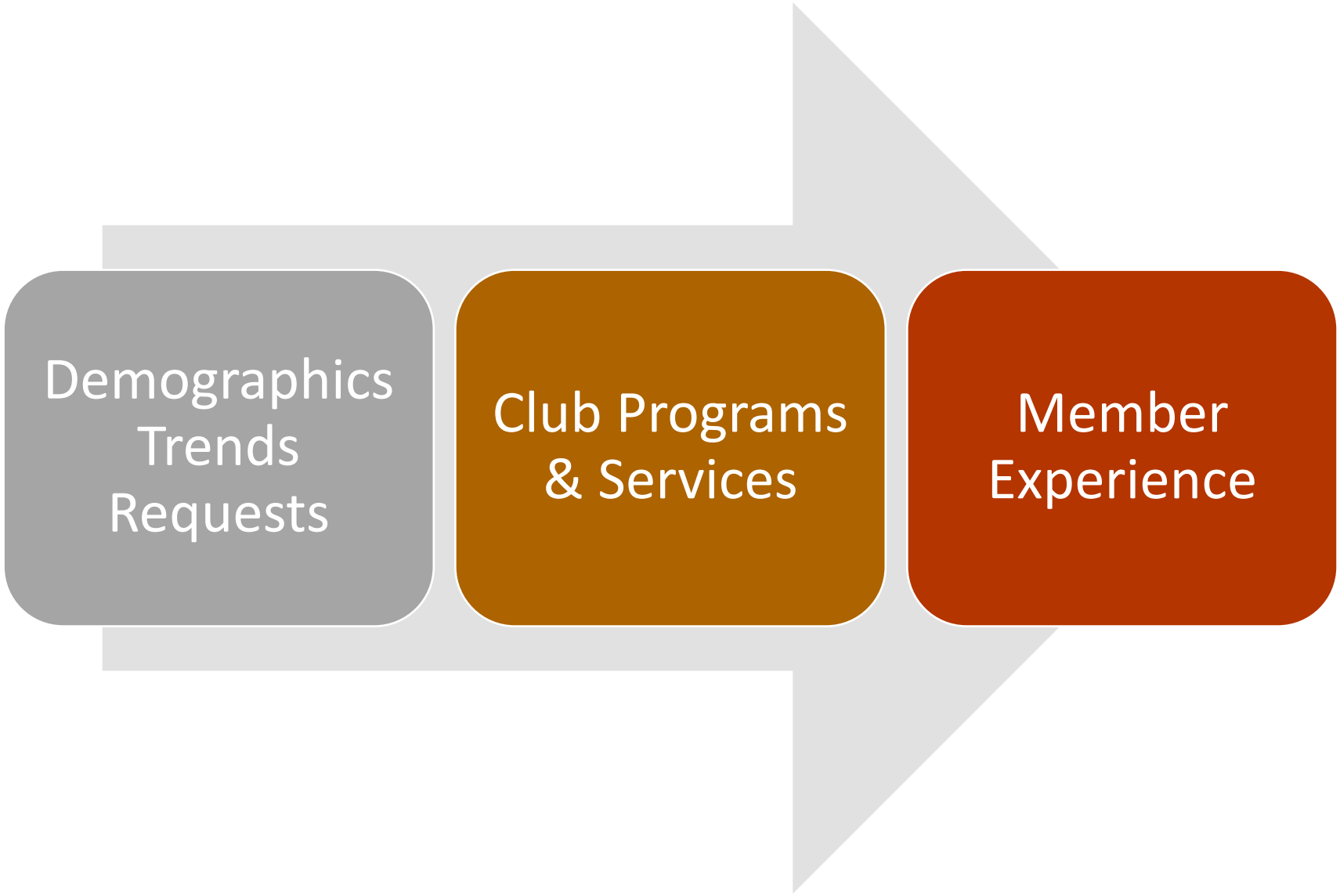
Why so many country clubs are undertaking massive capital-improvement projects

> PERHAPS THE SINGLE BIGGEST REASON FOR THE SPLURGE? A LOT OF CLUBS HAVE REALIZED YOU NEED TO SPEND MONEY TO MAKE MONEY.

Club Benchmarking splits the country-club market into three "buckets": red, yellow and green. "About a quarter of all clubs, the red bucket clubs, are in what we would categorize as severe financial distress. They don't have enough members; they haven't invested in the past 20 years. These are clubs that have dropped or cut their initiation fees and are trying to compete on price. They're kind of worn down. You can see it when you enter the parking lot, with the potholes and the lack of painted stripes."

AFTER FINANCIALLY ANALYZING OVER 1,000 NORTH AMERICAN CLUBS …

"We've studied it for 12 years now. We really understand it. We've kind of cracked the code of sustainable financial success based on that work*. It's all about capital investment, believe it or not."*


Demographics
Trends
Requests
Club Programs
& Services
Member
Experience

- Remodel aging facilities (Dining)
- Expand dining service & options
- Fix the parking lot
- Outdoor bar
- Expand the Fitness Center
- More fitness activities
- Pickleball courts
- Modernize the Varsity Club
- Evolve to serve younger members
- More social opportunities
- Convert the Pro Shop

SOURCE: 2019 Member Survey

RESEARCH POINTS US TO THE FUTURE

YOUNGER DEMOGRAPHIC COMING

Average age of new members in retirement area clubs: 60

Currently, in University Park 80% + are over 65

RESEARCH POINTS US TO THE FUTURE

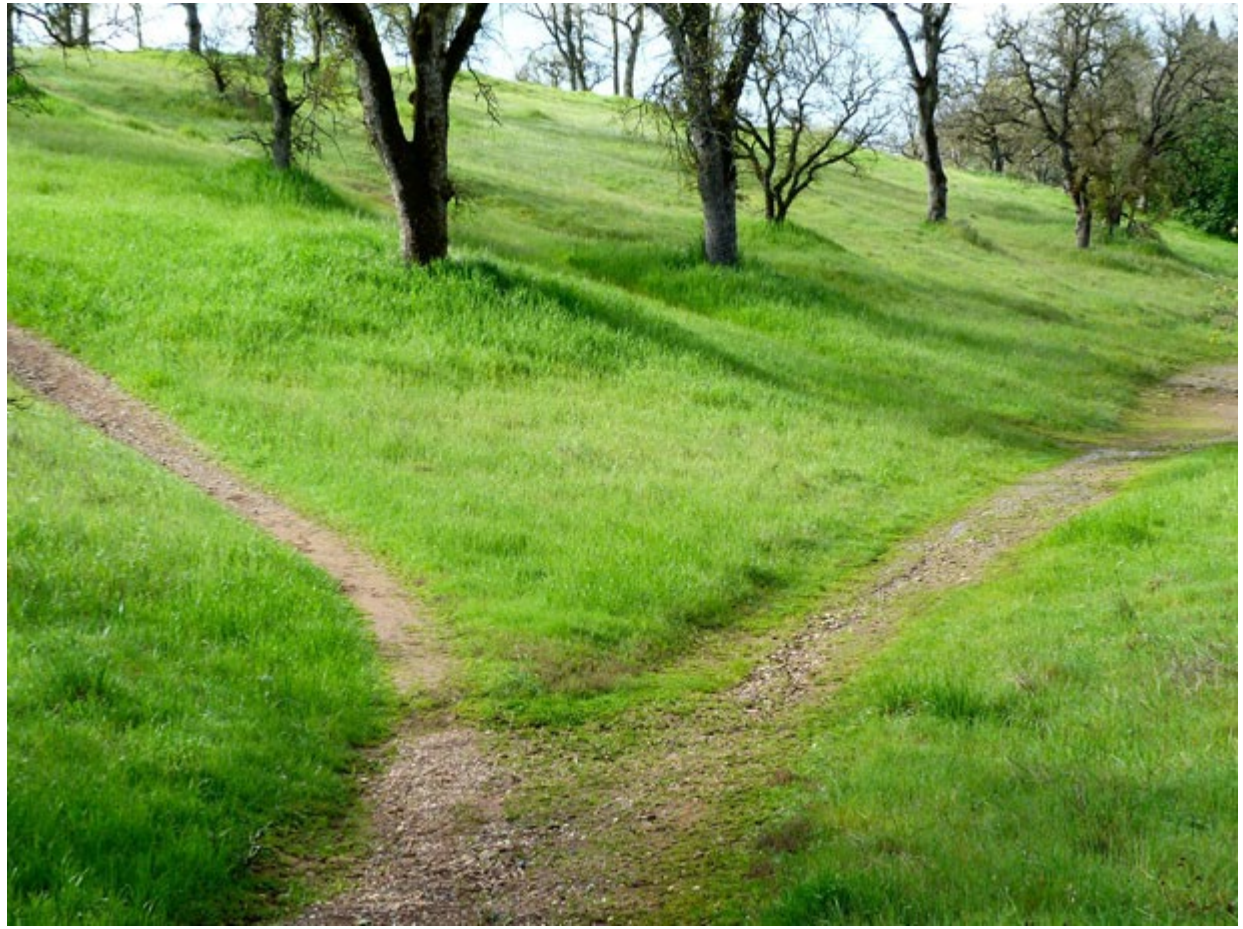
Amenity Trends of Top Tier Clubs

- Upscale spas, fitness centers, locker rooms
- More racquet sports options
- Yoga & Pilates studios
- Physical Therapy
- Golf training centers
- More outdoor areas
- Golf simulators set up for leagues & socialization
- More casual dining options

SOURCES: Club Benchmarking, Club Design Group, Optimal Design Systems, Staff Surveys of Local Clubs, Personal Visits

HARD REALITY OF THE PRESENT

MORE REALITY

$15,000,000

WHICH PATH DO YOU CHOOSE?