



September 1, 2021

**To Rock Creek POA Residents:**

As principal and founder of GolfcoPartners, LLC, the owner of the Rock Creek Golf Club (Golfco SC HHL, LLC), I am delighted to share with each RC POA resident some exciting news. As a follow up to our Town Hall meeting in June and the overwhelming positive responses, the vision of a newly renovated clubhouse amenity may soon be a reality. We are **providing a business proposal to exchange 'value for value'** between Golfco and the RCPOA residents to vote on resolving uncertainties related to the future of the golf club and its impact on property values.

In the coming weeks, Golfco will hold informational sessions (9/12 – 9/15) and email broadcasts providing details about our business proposal. Pursuant to the requirements of the Covenants Conditions and Restrictions ("CCR's) for the Rock Creek POA, each resident will be receiving a ballot for a final vote that can simply returned via the pre-paid self-addressed envelope or deposited into the ballot box at the clubhouse. **Please note, the ballot must be returned by the prescribed timelines on the ballot.**

This business proposal is a **'value for value exchange'** and is a result of many months of research and discussions in response to interests expressed by the RCPOA. This means Golfco is exchanging something of great value in return for something of great value from the RCPOA.

**We will provide property value protection by *restricting our deed* to preserve Rock Creek as a golf club. We will renovate the clubhouse and grounds to become a social center for Rock Creek. We will provide economic incentives for residents to engage with the club and mitigate RCPOA resident contributions with significant discounts for usage. In return, we will secure a long-term cash flow from the RCPOA in the form a lease to secure financing to modernize the clubhouse and grounds. Through this process we hope to expand our golf business by getting more residents to just engage with the club.**

Over the past weeks, we have worked with RCPOA Board to shape a final proposal. At our June meeting, we introduced a 'Resident Rewards' card concept/idea as an alternative to an economic incentive associated with or Social Membership program. This feature would provide residents with preloaded card with \$30 of 'use or lose' funding per month to fully offset the resident's \$360 annual commitment. The card could be used at the club in the restaurant and bar. The key purpose behind this approach was to provide commensurate value back to residents and incentivize engagement of the residents at the club. **Even though the 'Resident Reward' card was *our preferred option*, further loan underwriting due diligence determined this feature was not feasible for the following key reasons:**

- The feature is not financeable by the banks unless the duration of the agreement was 30 years
- The business economics of a suggested shorter duration deal (e.g., 5-10 years) without outside financing does not work as a stand-alone program. It would put too much financial stress on the business and significantly elongate the construction process (e.g., years) to deliver the plan



As a result, the final proposal was aligned to a shorter fixed duration and include the other benefits as originally presented in June.

**The basic structure of the proposal is a 15-year lease between the RCPOA and Golfco SC HHL, LLC. The following are the revised principal components for consideration –**

**For \$1/day or \$360 per year per household for 15 years, Rock Creek POA residents will lease the clubhouse/grounds and in return -**

- Obtain a **deed restriction/legally binding commitment from club ownership** that the club must remain a golf club for the duration of the lease
- Enjoy **property value protection** through the deed restriction
- Receive the benefits of a **renovated and modernized clubhouse and grounds** including proposed features such as:
  - ☑ Revamped dining room
  - ☑ New bar and casual dining area overlooking the first hole where the current pro shop resides
  - ☑ Grab n’ Go area
  - ☑ Remodeled restrooms
  - ☑ Expanded and improved meeting room(s)
  - ☑ New social lounge area for casual socialization
  - ☑ Upgrade of the outdoor areas of clubhouse (final design plan and budget dependent)
- Attain **Social Member status** and the associated significant **discounts and other features** (RCPOA residents will have no initiation fee, only annual dues during the lease period). **The current retail pricing of the club Social Membership program is \$150 per month.** Refer to our website Membership page for more specifics.
- Secure an option for **renewal including term renegotiation** at the end of the lease term

**Important. ALL FUNDS provided through this lease agreement will be utilized for debt service** to renovate the clubhouse & grounds (the immediate areas around the clubhouse not including the golf course). Ongoing maintenance will be the responsibility of Golfco SC HHL, LLC (the club). Should there be any residual funds because of gaps between debt service and lease payments, we would collaborate and agree with the RCPOA Board in terms of its use. We would advocate reserving the funds for emergencies or directing them towards incentives/rewards for the F&B staff to provide higher quality service. We would explore introducing some sort of funds matching program from Golfco SC HHL, LLC (the club) once final specifics of the financing are complete.

**\*\*\* PLEASE CONNECT TO THE CLUB WEBSITE “COMMUNITY PAGE” FOR FURTHER DETAILS ON OUR PROPOSAL AND THE VISION AND CONCEPTUAL RENDERINGS FOR THE PROPOSED MODERNIZATION**

[www.rockcreekgolf.com](http://www.rockcreekgolf.com)



We are scheduling several Information Sessions beginning on Sunday, September 12 and concluding on Wednesday, September 15. In addition, I will be onsite in the dining room area during that time to engage with any resident who wishes to have a more extended conversation.

In summary, we believe this is a Win/Win opportunity for the Rock Creek POA and the club. In addition to the investment and significant work we have done on the course over the past year, we believe this proposal brings the additional means to provide a great asset/amenity for the RCPOA residents and property value protection through a deed restriction for Rock Creek to remain a golf club. We encourage everyone to review the information that will be distributed through our emails and **visit our website Community Page** to review other information.

We believe this is an important decision for the Rock Creek POA. The golf club is **the single most important influencer** on property values in the community. Support for this proposal is a strategic and selfless decision benefitting the current and future generations of residents living in Rock Creek. **This will be your opportunity to secure property values and remove the uncertainties regarding the future of the golf club.** Should there not be enough ballots cast, there will not be a valid vote and this opportunity will be lost. So, it will be important for you to simply vote your decision by mailing the return ballot by **September 30<sup>th</sup>** to reach Landmark for the ballot receipt deadline of **October 8<sup>th</sup>** or dropping it off in the ballot box at the clubhouse by **October 8<sup>th</sup>**. Again, I encourage you to attend one of the informational sessions at the club. I am happy to respond to all questions you may have.

As our final message...Please **VOTE!!! VOTE!!! VOTE!!!!**

Very Truly Yours,

Patrick O. Schneider  
Managing Partner  
GolfcoPartners, LLC