

# Ace Golf

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Bill Place

# Who Am I?

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- Bill Place and wife Su own Ace Golf
- Tampa Residents most of lives
- 23 years Tampa Golf Owner/Operators
- Own 3 Golf Courses (all were distressed/closed)
- Own 2 Driving Ranges – Ace-Golf
- Not Developers. Long-Term Owner/Operators

# What Have I Already Done?

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- Pebble Creek Golf Club
- Wentworth Golf Club
- Crescent Oaks Country Club
- 4 Ace Golf Driving Ranges (still have 2)

# So Why Am I Here?

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- Plantation Palms
  - Losing \$250k in 2009 when bought by MJS
  - Overpaid on purchase
- No experience turning around golf courses
  - Too many partners
- Didn't change Business Model
- Inadequate Cash Flow funding
- Didn't Manage Operations properly
- Lacking professional and consistent Marketing
- Lack of community support

# What Will I Do For Plantation Palms

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- Renovate the Course
  - Keep it Public
  - Link Membership with Pebble Creek
- Restore and enhance the Clubhouse
  - Enclose Porch to make Banquet Room. Add Deck.
  - Add Room Divider for multiple functions
  - Brand the Restaurant – family friendly
- Promote a Community Center
- Grow Golf – Kids Club, Adult Golf School
- Possible options
  - Sell Driving Range for Renovation Capital (if not, Light the Range)
  - Look at adding a Mini-Golf

# Benefits to Plantation Palms

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- Staying a Premier Golf Course Community
  - Not becoming a Developer's housing project
  - Not living through 3 – 5 years of construction
- Return of a Clubhouse with a branded Restaurant
  - Theme Dinners, Family Nights, Holiday Events
  - Events, Banquets, Meetings
- Improve home values and resale opportunities
  - Most people's single biggest investment

# Pebble Creek - 2005

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- Course was a mess and failing
- Property values falling
- Residents did not trust at first
  - Touched every part - \$1.8M to date
  - New Greens and Bunkers
  - Renovated Clubhouse
  - Built Mulligans Irish Pub
  - Expanded Banquet Room
  - Built Veranda
- Management – Long Term Staff
- Tried to do Mini-Golf, sold land to HOA
- Profitable in 3<sup>rd</sup> year, improving every year
- Awards –
  - Best Golf Course (silver)
  - Best Pub (silver), Best Burger (gold), Best Happy Hour (gold), Best Kept Secret (silver), Best Wings (bronze)

# Wentworth - 2010

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- Losing \$300k/yr.
- Private Club losing members
- Community of 90 homes paying \$550/mo. plus year end assessments
- Turned Semi-Private
- Fixed Everything
- Built Mulligans
- Expanded Banquet Room
- Built Veranda
- Profitable in 4<sup>th</sup> year
- One of Highest Rated and Most Requested Courses - GolfNow



# Crescent Oaks - 2011

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- Closed for a year
  - Private Club – partner owners ran it into the ground
  - Partnership failed
  - Started renovating in July
  - Opened October
  - New Roof, New Greens, etc.
  - Fixed Everything
- Improved Restaurant, Bar, Banquet Center, outdoor verandah
- Added Fitness
- Profitable in third year
- “15 Year Member – Best Shape Course ever in, Best Operation ever”

# Challenges

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- Developer's Bid based on value as a Development
- Developer Acquisition is their Gain, Your Loss
- It would be highly unlikely that the Developer would get zoning if any community opposition
- Developer could still pull out when they realize this.
- My Bid is based on value as a Golf Course that needs \$1.5M in Renovation and Cash Flow funding
- I can't make my model work with their purchase price
- My bid was also based on gaining \$500,000 in renovation capital from driving range sale
- My bid only works if the Community makes up the first year \$300,000 price difference and funds \$10/mo. per household for 5 years (\$500,000 in renovation capital).
- I would invest up front with a guarantee of payment.
- I would reduce community payments by any reduced purchase price, net amount from land sale or for ongoing \$10/month once the club is making \$250,000/year in EBIDA (\$50k is capital investment).

# Next Steps

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- Community decides which Option
- If choose Ace Golf, need to set up funding guarantees.
- Purchase the course
  - Negotiate with BIA/MJS
- Option of immediate closing
  - Begin renovations on course and clubhouse simultaneously