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Rhoads Golf LLC

Report on Lemoore Golf Course

The golf industry continues to struggle in this current recession. Since 2008, industry rounds started to decline and since then have remained relatively flat. Lemoore has especially felt an impact in the merchandise and food and beverage areas. Many players will come to play the golf course but there is a significant reduction in spending in these departments. Food and beverage has noticed a decrease in outside customers or non players. The merchandise sales have been affected by online discount retailers. However, Lemoore Golf Course continues to hold its own by keeping expenses down while improving the golf course.

For the past three years, Lemoore has aggressively promoted specials to drive rounds and new players to the course. Although running specials lowers the dollars per round, it introduces new players to the golf course and keeps an income stream during quiet times on the tee sheet. Rhoads Golf main focus has always been to increase rounds, create more players, improve the golf course and try and retire the debt. It was reported by the city that the debt payment was met last year.

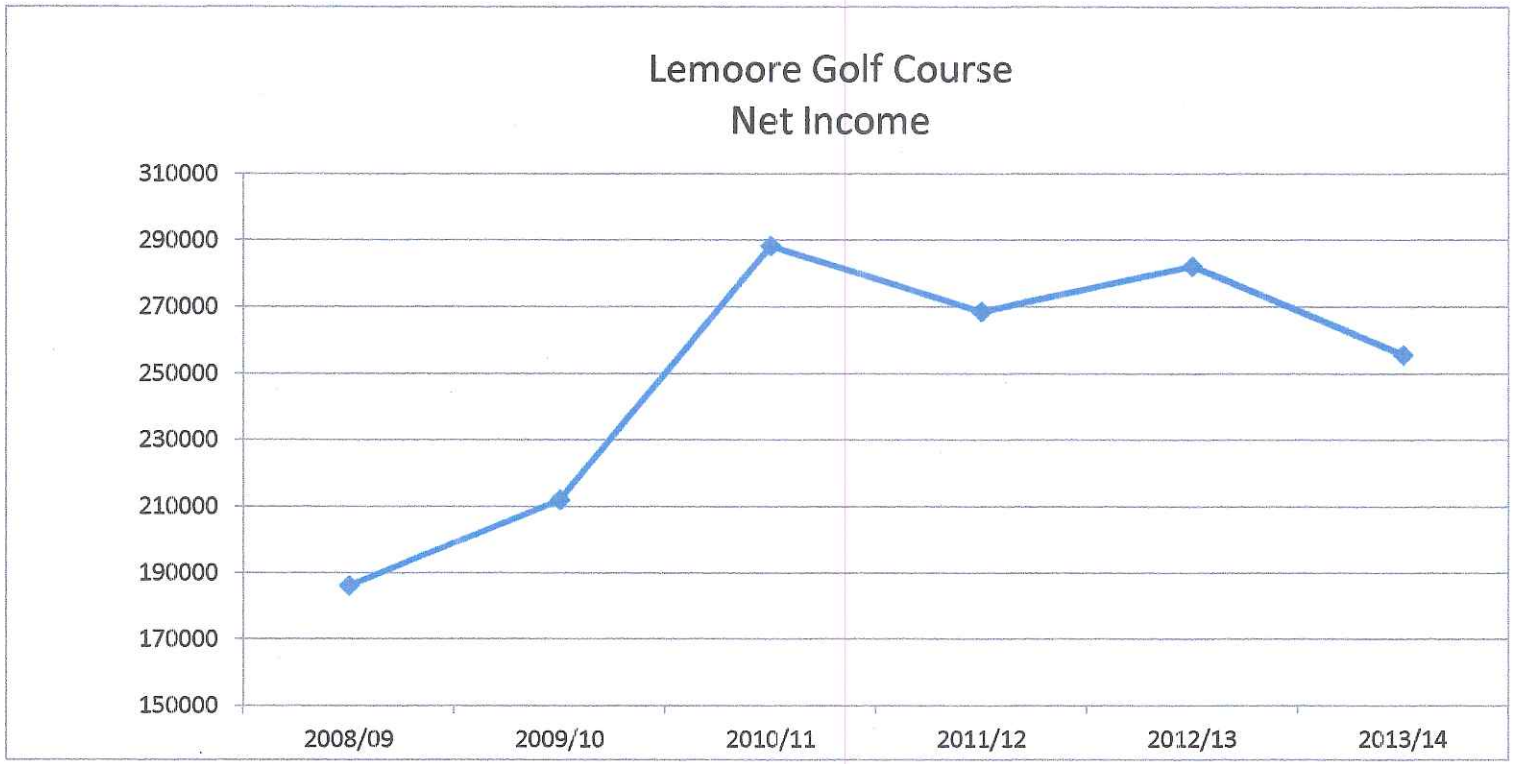
Rhoads Golf took over in the 2010-11 fiscal year. I used 2008-2010 for past comparison since this is when the economy started to decline. The following is a summary of Rhoads Golf four years.

* In year one net income was increased by $77,000.

* The four year average net income with Rhoads Golf was $273,700 or $74,600 higher per year compared to 2008-2010.

* The was a average savings of $80,000 per year in expenses.

It is important to keep in mind that in year two expenses were higher than typical due to improvements that needed to be made to the golf course. All of the sand traps were completely hard and void of sand. All traps were refurbished and filled with sand. Over the years the two putting greens were shrinking and were getting unplayable due to the extreme slope they were built on. We enlarged the putting greens by approximately 40%. Many areas on the golf course have never had proper irrigation coverage. Areas around the residential, along hole # 18 and areas on the front nine needed work. We added irrigation heads and completed these projects to eliminate areas that were dirt. In year four we incurred unexpected expenses when the pump on hole two had to be pulled and repaired.



2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
$186,172	$211,929	$288,355	$268,671	$282,211	$255,707

2008/09	2009/10	2010/11	2011/12	2012/13	2013/14
$1,044,204	$1,053,270	$959,779	$1,002,560	$924,809	$962,926