

DUNN GOLF GROUP / CYPRESS FOREST PUD

- Dunn Golf Group (“DGG”) owns and operates the Bentwood Country Club in San Angelo (“BCC”), the Rockwall Golf & Athletic Club in Rockwall (“RGAC”), and the Tascosa Golf Club in Amarillo (“TGC”). In addition to exceptional golf courses, each of BCC, RGAC, and TGC offers family friendly dining, resort-style swimming pools, commercial-grade fitness facilities, tennis and pickleball, and extensive community-based social programming.
- All four DGG projects are in Texas. All were “failed” properties when purchased by DGG. The La Paloma course at TGC was purchased in 1997, BCC in 2002, the Tascosa course at TGC in 2010, and RGAC in 2011. Each property has been reinvented with strategic investments since acquired.
- The hallmarks of DGG’s investment strategy have been:
 - Adjacent communities to support the envisioned club
 - Long term and patient commitment to the plan
 - Initial focus on creating social membership value for young families
 - Subsequent investment in golf to create necessary synergy between social and golf
 - Building membership demand through consistent investment
 - Creation of unmatched value propositions within each respective market driven by quality and affordability
 - Access to capital through DGG’s financial strength to execute the future capital improvements necessary to remain a value within the market
- After twenty-five years of operation and investment, TGC’s La Paloma course is hosting the PGA Korn Ferry Tour’s OccuNet Classic this June. TGC’s residential development affiliate, The Trails at Tascosa Golf Club, has quickly become an enclave of high-end housing fueled by the extraordinary lifestyle offered by TGC’s amenities. TGC offers the most popular swimming pool complex in Amarillo and a recently completed 9,500 square foot commercial-grade fitness facility as anchors for the extraordinary value its memberships provide to young families.
- DGG’s investment in BCC’s swimming pool complex, clubhouse and fitness center from 2012 through 2016 created a unique and affordable social membership value for young families. Following these investments, BCC’s residential development affiliate, Bentwood Country Club Estates, forged a dominant position in the residential housing market with 80-90% of homes over \$400,000 in value being constructed within the Bentwood Country Club Estates. BCC won the United States Tennis Association’s “Feature Facility” award in 2017 for its innovative approach to tennis, pickleball, fitness, youth play areas and swimming.
- After 14 years of DGG investments, the once failed RGAC course has hosted the PGA Korn Ferry Tour Qualifying School since 2022. RGAC is now approaching its golf membership capacity and is building a new \$10,000,000 clubhouse. RGAC was recently recognized as one of the best “Club” values in the DFW metroplex.
- John W. Dunn, Jr., the CEO and largest equityholder of DGG, has over 29 years of experience developing, owning, and operating private golf clubs in Texas. DGG has never sold one of its clubs.
- James Havens, the second largest equityholder of DGG, has over 40 years of experience in the golf business, is a former owner of seven different golf clubs including Raveneaux Country Club and Champions Golf Club, and lives in the Champions community.
- Jeffrey D. Blume was DGG’s golf course architect at BCC, RGAC, and TGC, and prepared the golf course routing plan for the New Club. Blume resides in Spring, Texas, has participated in over 15 golf course projects in the Houston area, is a past President of the American Society of Golf Course Architects (2018-2019), and is the current President of the ASGCA Foundation.
- DGG intends to invest \$40,000,000 to construct a first-class golf and athletic club (“New Club”) on the former Raveneaux Country Club site. DGG’s plans include a championship caliber golf course and social/athletic amenities valued by today’s consumers. Contemplated amenities include a one-acre social putting course, an instructional golf center with indoor hitting bays, driving range with “Trackman

technology”, a 3-4 acre short-game area, 13,977 square foot clubhouse (including golf pro shop, locker rooms, dining room, pub, and covered patios), 12,591 square foot athletic pavilion with a family restaurant anchored by a “Pizza Oven”, 3,000 square foot fitness facility with adjacent exercise lawn, resort style swimming pool complex with in-pool basketball, in-pool volleyball, a “wade-in” beach entry with water toys for small children, an area for lap swimming to supplement fitness programming and to support a Club swim team, 8 pickleball courts, 4 of which will be covered, 5 tennis courts, a wiffle ball field, a youth soccer pitch, and an area for open child play in a safe environment. **Go to “dunnolfgroup.com” to access a link with conceptual plans for the New Club. Another link contains a gallery of pictures from BCC, RGAC, and TGC.**

- DGG expects its New Club investment and the incentives provided to PUD homeowners to create demand for homes within the PUD and increase the value of homes within the PUD, just as similar investment has in Amarillo, San Angelo, and Rockwall.
- PUD homeowners will have the exclusive right to purchase golf memberships for \$18,750 and social memberships for \$1,875 for a 90-day period prior to the public. Throughout the remainder of the construction period, PUD homeowners will receive a 25% discount off the then-published initiation fees for golf and social memberships. This incentive will end when New Club opens.
- New Club will reserve a golf or social membership for purchasers of homes within the PUD provided that the new homeowner joins New Club within 30 days of his or her home purchase.
- Individuals who purchase the home of a New Club member located within the PUD will receive a credit against the initiation fee for a golf membership equal to 20% of the golf membership initiation fee paid by the New Club member selling his/her home.
- Members of New Club will be permitted to play golf at and use certain other facilities of BCC, RGAC, and TGC.
- PUD homeowners will receive a 10% discount off New Club monthly membership dues. New Club expects to set its initial social dues at \$250 per month. With the 10% discount, PUD homeowners who become New Club social members would initially pay \$225 per month. New Club expects to set its initial junior golf membership (under 40 years old) dues at \$650 per month and its initial full golf membership dues at \$750 per month. With the 10% discount, a PUD homeowner who becomes a junior golf member would initially pay \$585 per month and a PUD homeowner who becomes a full golf member would initially pay \$675 per month.
- PUD homeowners who are not members of New Club will be permitted to play up to 6 rounds of golf per calendar year at a price not to exceed New Club’s then-current guest fee plus \$50.
- PUD homeowners who are social members of New Club will be permitted to play up to 6 rounds of golf per calendar year at a price equal to New Club’s then-current guest fee.
- New Club’s pool area will include 4 exercise lanes and a diving well to accommodate a youth swim team for the PUD.
- Following a 5-year rent-free period, New Club will pay the PUD annual base rent equal to 1% of New Club’s gross revenue during the previous calendar year.