5740 W. Baseline RD , Laveen AZ 85339

Summary :

STATEMENT OF OWNERSHIP

The current owner of record according to the Maricopa County Assessor’s office, is RCP
Southern Ridge, LLP, an Arizona Limited Liability Partnership.

PROPERTY HISTORY

The subject site was originally an 18-hole layout called Cottonfields Golf Course which opened
in 1982. In April 1993, additional land was purchased for $2,000,000 and a second 18 holes was
added and developed by PohlCat Mountain View Limited Partnership and its principal, Dan
Pohl, a PGA Tour player. The redesigned 18 holes opened in December 1993 and the second
course opened in August 1994. The clubhouse construction was completed in August 1994.
After a shortage of working capital and resources, the ownership defaulted on its loan in 1996
and filed for bankruptcy in February 1997. In May 1998, Lyon Golf, LLC, took over the
property and subsequently reorganized the subject property through the bankruptcy courts.
Subsequently in 2001, a large portion of the property was rezoned into residential for the
development of the 450-unit Cottonfields residential subdivision. 18 holes of the site were
repurposed and the existing 18-hole golf course remained open for operations.

[2] *The Dictionary of Real Estate Appraisal*, 3rd ed. (Chicago; Appraisal Institute, 1993), p. 140.

Introduction

In July 2004, the subject course sold for $1,800,000 (Deed No. 04-0797312) from Cottonfields
Golf, LLC, to the Nowlin Pittman Investment Group, LLC. However, the purchase included the
two earlier referenced parcels on Southern Avenue at the NWC and NEC of the property. The
sale also included all of the parcels on the north side of Baseline Road which was then the
driving range for the subject course. This group operated the golf course for a number of years
but was unsuccessful in making it profitable and subsequently turned it back to the lender. The
lender subsequently sold the course to Jaguar Premium Properties, LLP, who operated the course

until its sale to the MJC Dallas, Inc. in October 2012 for $800,000 (Deed No. 12-0919648). The MJC Dallas, Inc. ownership group sold the course back to Jaguar Premium Properties for minimal consideration as they also were unable to make the course profitable. The date of sale back to Jaguar Premium Properties was not known.

The subject property was listed for sale in mid-2013 for $1,200,000 and subsequently reduced to $950,000 in September 2013. At that time, a local investment group and Elliott Homes made an offer for $800,000 for the subject property contingent upon (1) a change in zoning and HOA approval for up to 450 residential units (single and multi-family) and (2) receiving approval to redesign the course into an 18-hole executive, short course of only Par 3's and Par 4's. A vote of 2/3 of the homeowners in Cottonfields was required in addition to approval by the City of Phoenix. The HOA approval failed and the offer was withdrawn.

The subject course transferred ownership from Jaguar Premium Properties, LLP, to RCP Southern Ridge LLP on October 15, 2015 for an undisclosed amount. This transfer also coincided with the name change of the subject golf course from Bougainvillea Golf Club to the current Southern Ridge Golf Club. Earlier in June 2015, Jaguar Premium Properties sold a 5.91-acre parcel on Baseline Road to Crosswalk Lutheran Ministries, Inc. for $708,732. Another adjacent parcel on Baseline Road at the NEC of Baseline and 59th Avenue sold in February 2017 to Sunwest Federal Credit Union for $978,800.

SCOPE OF WORK

It is the intent of the appraisers to comply with the reporting requirements established under the 2016/2017 Uniform Standards of Professional Appraisal Practice (USPAP) for an Appraisal Report in a self-contained format. As such, it presents information sufficient enough to enable the client and other intended users, as identified, to understand it properly. The depth of discussion contained within this report is specific to the needs of the client and for the intended use stated above.

The scope of this analysis included the following:
Mr. Nick Downs, Manager. *These inspections should be taken as intended, a physical observation of the property as the appraiser is not a certified property inspector*.

- We also relied on information supplied by Mr. Nick Downs, Operations Manager at the
subject course, Ms. Erin Engelbrecht, Property Accountant, Mr. Shifton White of White & Associates (investor), Gabriel Cabrera, Golf Course Superintendent at the subject and other.

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- Collected information from the State of Arizona Department of Business & Industry,
Maricopa County, Arizona and the Site to do Business for background economic data and
information such as demographic analyses and forecasts, current and projected employment, economic growth indicators, etc.;

- Property-specific data was obtained from the offices of the Maricopa County Assessor
and Treasurer, and Planning Department, which provided property assessment, real estate
tax, and zoning information, respectively;

- Our analysis encompasses historic, current and projected supply, and market
share/capture. Information provided by the National Golf Foundation (NGF) and our "inhouse"
golf course and market survey database was the basis for this analysis and valuation. Demographic information pertaining to the primary market area was provided by STDB Online Demographics.

- Improved sales were researched and identified in both CoStar Comps and Loopnet. Sales
used in this report were inspected by the appraiser and verified with brokers, sellers or buyers where possible.

- Competitive golf course comparable sales were identified and rate information was
verified with respective golf course managers and/or on-site golf shop personnel.

- All three approaches to value were considered. However, because of the nature of golf
course valuation, only the Sales Comparison and Income approaches to value were developed. The Cost Approach was not developed as most golf course property values

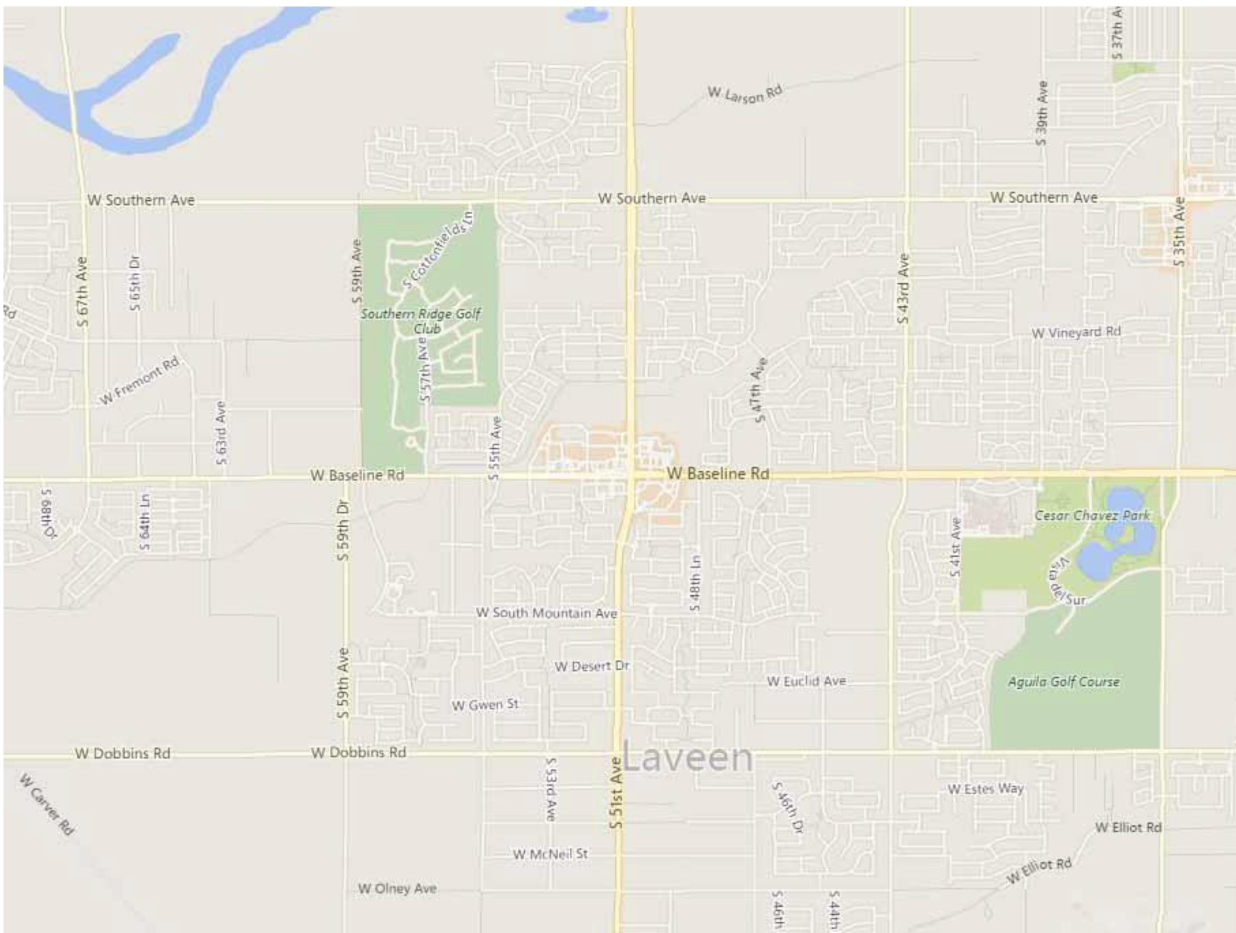
fall under the cost to develop new. In many cases, golf courses are/were built as an enhancement to the surrounding subdivision, increasing lot values.

- Our assignment is to estimate Market Value which is synonymous with Value-in-
Exchange. The exchange can be based upon sales to the members and/or investors. Cost
of the facility typically does not represent market value, unless there is a second party

demand for the golf course/country club. The cost of the facility usually represents a Value-in-Use. Thus, our valuation is of the going concern.

- Prepared an appraisal in a narrative appraisal report format presenting our value conclusions and supporting documentation.

The value estimates and judgments contained herein are intended to reflect the appraisers' opinions as disinterested third parties. The reader is referred to the Certification section of the report wherein the conditions are stated under which the report has been prepared. The Contingent and Limiting Conditions section of the report presents pertinent caveats.

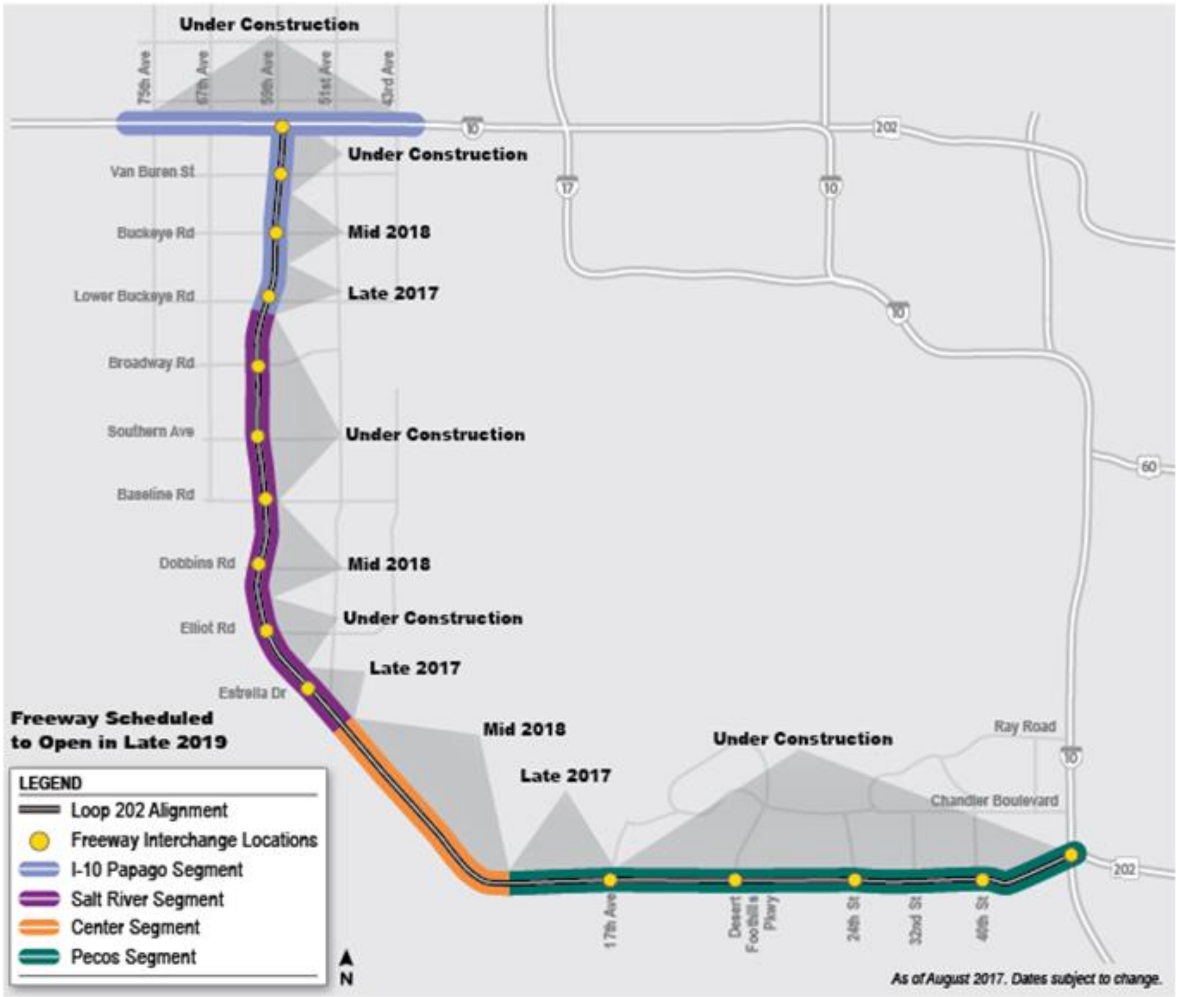


Site map

Over head view.


W Kowalsky Ln
S 57th Dr
W Southern Ave
W Southern
W Pleasan
W T Ryan Ln
S Cottonfields Ln
W Novak Way
S 58th Ave
S 59th Ave
W T Ryan Ln
W Lydia Ln
W St Anne Ave
S 57th Ave
W St Kateri D
W Vineyard Rd
W Glass Ln
S 55th Ln
W Darrel Rd
S 56th Ln
Southern Ridge Golf Club
W Maldonado Rd
S 54th Ln
Cavendish Way
W Carson Rd
S 58th Ave
W Minton Ave
S 55th Dr
W Minton St
W Park St
S 56th Dr
W Park St
S 55th Ln
S 54th Dr
S 55th Ave
W Ellis Dr
W Darrow Dr
W Baseline Rd
Children's Learning Adventure
W Baseline Rd

Anticipated Construction Start Dates



New FWY Site.

The following site description has been compiled from the Maricopa County Assessor and our physical inspections of the subject property. Additional information was provided by the subject's management and ownership, the Maricopa County Treasurer's office, the Federal Emergency Management Agency, and other area public offices.

Property Address: The subject has a physical address of 5740 West Baseline Road in Laveen, Maricopa County, Arizona. Laveen is considered to be an "Urban Village" within the City of Phoenix.

Location and Access: The subject is located on the north side of Baseline Road which represents the southern boundary of the subject at the intersection of 57th Avenue and Baseline Road. 57th Avenue leads to the clubhouse parking lot. The golf course maintenance building and yard has a physical address of 5845 West Southern Avenue which is the northwest corner of the subject site.

Property Size: The appraisers were not provided with an ALTA Survey of the subject property. Per the Maricopa County Assessor's office, the total site area is approximately 150.652+ acres and is comprised of 32 separate tax parcels for the subject property. *We have utilized the acreage provided by the Maricopa County Assessor's office for purposes of this report.*

Shape: Boundaries for the subject site are highly irregular in shape as the golf course meanders through the surrounding subdivision.

Physical Characteristics/
Topography: The subject site is relatively flat with minimal slopes around some tees and greens created when the course was designed. There are two ponds / lakes which take drainage from the surrounding areas near Hole Nos. 9 and 12 on the golf course. Additional drainage is surface drainage within the Cottonfields neighborhoods.

According to the topographic map provided by STDB Online, the subject property is approximately 1,000 feet above sea level on the west side of the golf course and approximately 1,011 feet above sea level at the east central part of the site thus indicating the property slopes gently from east to west.

Surrounding Land Uses: The subject is located north of Baseline Road and south of Southern Avenue. South of Baseline Road are residential subdivisions and a high school in addition to some commercial uses near 51st Avenue. North of Southern Avenue are residential subdivisions and the Salt River. 59th Avenue alignment is the western boundary of the site. West of the 59th Avenue alignment is

vacant farmland and land to be used in the construction of the
Loop 202 – South Mountain Freeway. East of the subject site are
numerous residential subdivisions.

Utilities/Services: All utilities necessary to facilitate the golf course and clubhouse operations are available to the subject site. The providers for each utility available to the subject property are as follows:

Electricity: Arizona Public Service Co.
Natural Gas: Southwest Gas Company
Telephone: Century Link Communications
Domestic Water: City of Phoenix
Irrigation Water: On Site Well
Sewer: City of Phoenix
Police/Fire: City of Phoenix

Irrigation Water: The subject's irrigation water is supplied by four off-site wells owned by the Peninsula Horowitz Irrigation Company (Rocky Skelton – manager) located west of the subject. Water is delivered to the lake on Hole No. 12 which is approximately 2+ acres. Water from this lake is delivered to the course via the main pumping station. The No.12 pumping station has three 75-hp pumps and one jockey pump. The irrigation system is a Toro Valve and Head, fully automatic system. There is a second pump station located on Hole No. 9 lake which is not being used at the present time. This lake is also approximately 2+ acres. This has two 75-hp pumps and one jockey pump. Water travels from No. 12 to No. 9 via a gravity fed single gate/water line

Flood Plain: The subject property is located within Flood Zone X. Zone "X" is defined as: "Areas determined to be outside the 0.2% annual chance floodplain." The FEMA Map is No. 04013C2195L dated October 16, 2013. Therefore, areas of the subject are not located within the floodplain.

Zoning: The majority of the subject is zoned GC (Golf Course District) according to the City of Phoenix Planning and Zoning Division. There is also a pond/lake which is within the golf course routing plan and adjacent to interior residences that is zoned R1-8 (Residential). A copy of the subject's zoning map is presented on a following page.

Environmental/
Soil Conditions: We were not provided a current Environmental Study. During the site visit, there was no obvious indication of deleterious soil conditions which might cause any negative issues in golf course maintenance or occupancy of the golf clubhouse areas.

The appraisers, however, are not experts in the field of soil and environmental issues and therefore, have assumed there are no *adverse conditions which would preclude the subject from its continued use as a golf course.*

Easements/ Encroachments: An ALTA Survey was not provided for this analysis which typically reveals any deleterious easements or encroachments negatively affecting the subject property or its marketability. The only easements of note of which we are aware are for public utilities and for access between holes as the golf course meanders between the homes within the Cottonfields subdivision. *However, as the appraisers are not experts in the field of easements and encroachments, we have assumed for this report that no adverse situations exist.*

Conclusions

The subject property is comprised of 32 distinct tax parcels encompassing approximately 150.652+ acres according to the Maricopa County Assessor's office. As the golf course meanders through the Cottonfields residential subdivision, it is surrounded by single-family homes and common areas which are an integral part of the overall master plan. Supporting commercial uses are within a short drive on Baseline Road, Southern Avenue and other major arterials. The site has generally flat topography having been developed with various contours typical of golf course design. Because of its location south of the Salt River, the drainage flows in a northerly direction. Gentle contours around the tees and greens were built into the golf course routing plan by the architect. All utilities are to the site and there appear to be no easements or encumbrances which preclude the property from continuing its present use.

Site


GC
R1-8
GC
GC
GC
R1-8
R-3A *
GC
C-2 HGT/WVR*
GC
HGT/WVR*
C-1 *
R-3A
C-2
SP *
C-1

REAL ESTATE ASSESSMENT AND TAXES

Assessor Parcel Numbers (APN)

The subject site is identified by the Maricopa County Assessor as having 32 separate tax parcels

REAL ESTATE ASSESSMENT AND TAXES

Assessor Parcel Numbers (APN)

The subject site is identified by the Maricopa County Assessor as having 32 separate tax parcels

as shown on the following chart.

Assessed Value and Real Estate Taxes

The mill rate per $100 of valuation in 2017 was 19.2050. Primary Tax rate was 10.4039, the

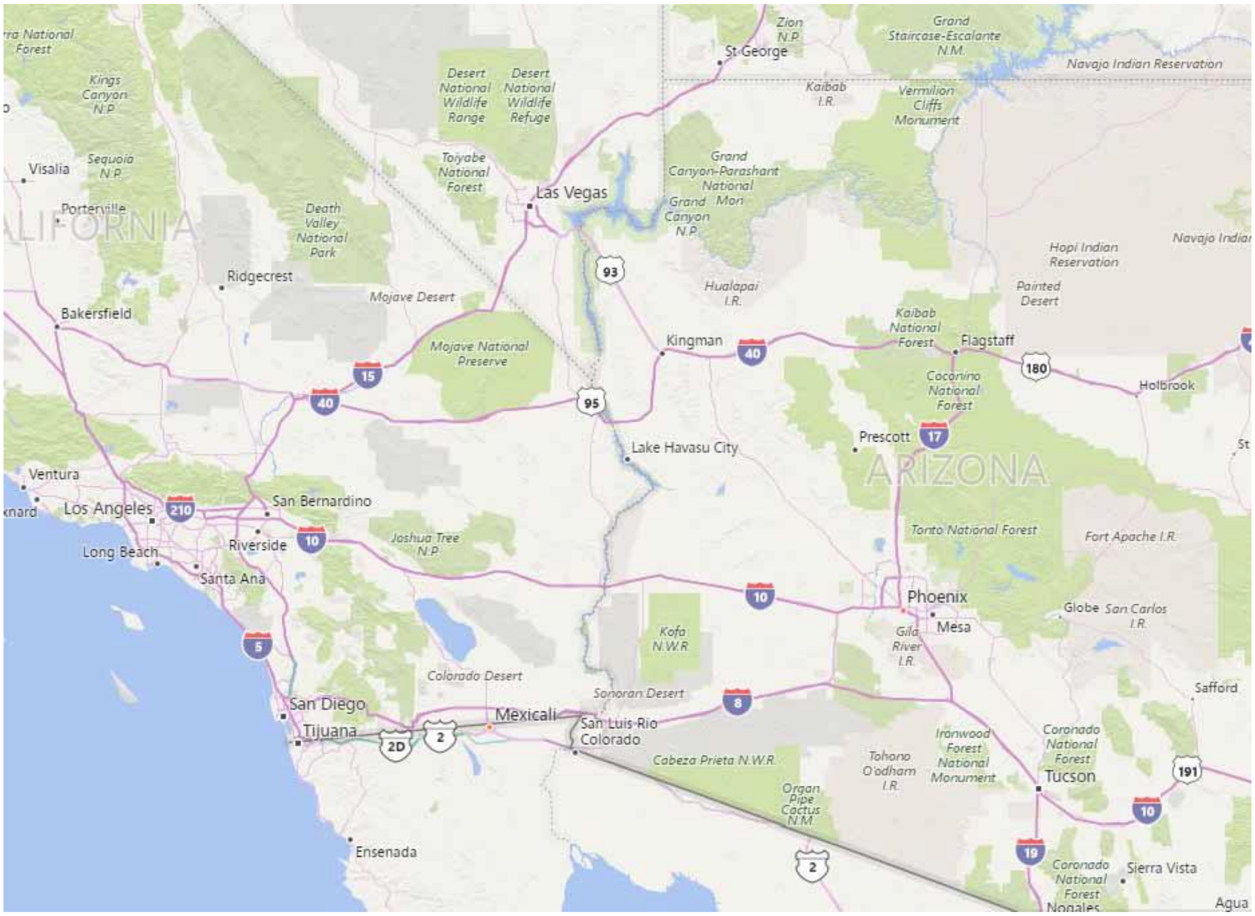
Secondary Rate was 8.8011 and no additional Special District taxes. 2016 and 2017

Full Cash

Values and 2016 and 2017 taxes for the parcels are presented in the following table.

			2017	**2017**	**2018**	**2018**	**2017**	**2016**
	Tax Parcel No.	**Acres**	**FCV**	**LCV**	**FCV**	**LCV**	**Taxes**	**Taxes**
1	104-80-001J	0.005	$3	$3	$3	$3	$0.18	$0.18
2	104-80-001M	0.004	$2	$2	$2	$2	$0.18	$0.18
3	104-80-001N	0. 144	$72	$72	$72	$72	$2.28	$2.30
4	104-80-001P	0.009	$5	$5	$5	$5	$0.18	$0.18
5	104-80-001Q	0.003	$2	$2	$2	$2	$0.18	$0.18
6	104-80-001R	0.453	$227	$227	$227	$227	$7.10	$7.10
7	104-80-001T	0.301	$151	$151	$151	$151	$4.80	$4.80
8	104-80-001V	0.478	$239	$239	$239	$239	$7.50	$7.48
9	104-80-001W	0.207	$104	$104	$104	$104	$3.26	$3.26
10	104-80-001X	0.016	$8	$8	$8	$8	$0.18	$0.18
11	104-80-001Z	0.085	$43	$43	$43	$43	$1.32	$1.36
12	104-80-002	0.035	$18	$18	$18	$18	$0.56	$0.56
13	104-80-503	0.050	$25	$25	$25	$25	$0.74	$0.76
14	104-80-505	0.008	$4	$4	$4	$4	$0.18	$0.18
15	104-80-506	0.127	$64	$64	$64	$64	$2.10	$2.12
16	104-80-510	0.024	$12	$12	$12	$12	$0.38	$0.36
17	104-80-511	0.002	$1	$1	$1	$1	$0.18	$0.18
18	104-80-512	0.009	$5	$5	$5	$5	$0.18	$0.18
19	104-80-514	0.024	$12	$12	$12	$12	$0.38	$0.36
20	104-80-515	0.042	$21	$21	$21	$21	$0.56	$0.56
21	104-80-516	0.023	$12	$12	$12	$12	$0.38	$0.36
22	104-80-517	0.029	$15	$15	$15	$15	$0.38	$0.36
23	104-80-518	0.042	$21	$21	$21	$21	$0.56	$0.56
24	104-80-519	0.018	$9	$9	$9	$9	$0.18	$0.18
25	104-80-520	0.059	$30	$30	$30	$30	$0.94	$0.92
26	104-80-521	0.012	$500	$500	$1,800	$1,103	$14.37	$31.70
27	104-80-523B	0.340	$170	$170	$170	$170	$5.40	$5.40
28	104-80-004D	50.552	$25,276	$25,276	$25,276	$25,276	$801.04	$800.70
29	104-80-003E	76.212	$1,354,426	$1,099,709	$1,403,195	$1,154,694	$34,847.84	$33,173.84
30	104-80-508	12.643	$6,322	$6,322	$6,322	$6,322	$79.90	$79.86
31	104-80-507	5.048	$2,524	$2,524	$2,524	$6,322	$200.30	$200.20
32	104-80-509	3.647	$1,824	$1,824	$1,824	$1,824	$57.80	$57.80
Total		**150.652**	**$1,392,147**	**$1,137,430**	**$1,442,216**	**$1,196,816**	**$36,041.51**	**$34,384.3,384.3**


Rates
SOUTHERN RIDGE GOLF CLUB


Zion N.P.
St George
Grand Staircase-Escalante N.M.
Navajo Indian Reservation
Kaibab I.R.
Vermilion Cliffs Monument
Desert National Wildlife Range
Desert National Wildlife Refuge
Kings Canyon N.P.
Sequoia N.P.
Visalia
Porterville
Toiyabe National Forest
Las Vegas
Grand Canyon-Parashant National Mon
Grand Canyon N.P.
Death Valley National Park
Hopi Indian Reservation
Ridgecrest
Mojave Desert
Hualapai I.R.
Painted Desert
Bakersfield
Mojave National Preserve
Kingman
Kaibab National Forest
Flagstaff
Coconino National Forest
Holbrook
Prescott
Lake Havasu City
ARIZONA
Ventura
Los Angeles
San Bernardino
Tonto National Forest
Fort Apache I.R.
Long Beach
Riverside
Joshua Tree N.P.
Santa Ana
Phoenix
Mesa
Globe
San Carlos I.R.
Gila River I.R.
Kofa N.W.R.
Colorado Desert
Sonoran Desert
Safford
San Diego
Tijuana
Mexicali
San Luis Rio Colorado
Cabeza Prieta N.W.R.
Tohono O'odham I.R.
Ironwood Forest National Monument
Coronado National Forest
Organ Pipe Cactus N.M.
Tucson
Ensenada
Sierra Vista
15
40
93
95
210
10
5
8
2
2D
17
180
19
191

Improved Golf Course Sales									
Sale No.	Golf Course Location	Course Type	Sale Date	Cash Equiv. Sales Price	No. of Holes	GIM	GRM	OAR	Price Pe Hole
	Mission Royale Golf Course	Daily Fee	11/2017	$1,500,000	18	n/a	n/a	n/a	$83,33
	Casa Grande, Arizona								
	Club West	Daily Fee	10/2017	$1,400,000	18	n/a	n/a	n/a	$77,77
	Phoenix, Arizona								
1	**London Bridge Golf Club**	Daily Fee	06/2017	$3,000,000	36	1.34	1.55	7.30%	$83,33
	Lake Havasu City, Arizona								
	Augusta Ranch Golf Club	Daily Fee	06/2017	$2,200,000	18	n/a	n/a	n/a	$122,22
	Mesa, Arizona								
2	**Ocotillo Golf Club**	Daily Fee	05/2017	$1,900,000	27	1.06	1.44	6.96%	$70,37
	Chandler, Arizona								
	Coffee Creek Golf Club	Daily Fee	01/2017	$1,250,000	18	0.88	n/a	8.00%	$69,44
	Edmond, Oklahoma								
	Gallery Golf Club	Private	11/2016	$7,100,000	36	1.13	n/a	Negative	$197,22
	Marana, Arizona								
	Fairbanks Ranch Country Club	Private	07/2016	$9,800,000	27	0.98	n/a	Negative	$362,96
	Rancho Santa Fe, California								
3	**Sunland Springs Village Golf Club**	Daily Fee	12/2015	$1,200,000	27	0.85	0.87	8.10%	$44,44
	Mesa, Arizona								
	Southern Ridge Golf Club	Daily Fee	10/2015	$10	18	n/a	n/a	n/a	$1
	Laveen, Arizona								
4	**Palmbrook Country Club**	Private	08/2015	$1,500,000	18	0.73	0.98	6.50%	$83,33
	Sun City, Arizona								
	The Bog Golf Club	Daily Fee	07/2015	$1,992,000	18	1.27	1.72	6.00%	$110,66
	Saukville, Wisconsin								
5	**Dove Valley Ranch Golf Club**	Daily Fee	07/2015	$2,700,000	18	1.20	1.33	5.65%	$150,00
	Cave Creek, Arizona								
	Eagle Ridge Golf Club	Daily Fee	06/2015	$3,875,000	18	1.55	n/a	6.50%	$215,27
	Gilroy, California								
	El Conquistador Country Club	Semi-Private	05/2015	$1,000,000	36	n/a	n/a	n/a	$27,77
	Tucson, Arizona								
6	**Tuscany Golf Club**	Daily Fee	04/2015	$4,000,000	18	1.31	n/a	1.75%	$222,22
	Henderson, Nevada								
7	**Legacy Golf Club**	Daily Fee	11/2014	$5,200,100	18	1.11	1.49	10.96%	$288,89
	Phoenix, Arizona								
	Southern Ridge Golf Club	Daily Fee			18				$72,222.22
	Laveen, Arizona								

The golf course sales listed above are meant to provide secondary support for our value estimate.
This is due to the difficulty of obtaining truly comparable data when comparing golf course
properties. Therefore, most of the data was used to help establish a reasonable range of value for
the subject course. The sales data utilized in our analysis using the Sales Comparison Approach
include the following:

Sale No. 1 is the sale of ***London Bridge Golf Club*** in Lake Havasu City, Arizona, a daily fee operation. This is a 36-hole facility which had been sold for an undisclosed amount in 2014 as a part of a portfolio purchase from CNL Golf to ARCIS Golf Properties. The Olde London Course is 400+ yards longer and slightly more difficult. Water hazards come into play on 6 holes and there are numerous bunkers throughout the course. Jack Snyder redesigned four holes in 1984. Management charged lower fees to play the Nassau Course because of its shorter length. These are the only two regulation courses open to the public in Lake Havasu City. According to the ALTA Survey the courses total approximately 221.022 acres. The Premier membership program has no initiation fee but
charges $175 per month for individuals and $250 per month for families. The GIM was 1.34 and the GRM was 1.55 with expense ratio of 89.9 percent. Gross revenues were $2,247,019 in 2016. The OAR was 7.30 percent.

Sale No. 2 is the sale of ***Ocotillo Golf Club*** in Chandler, Arizona, a 27-hole daily fee golf course. This facility is part of Phase One of the 1,082-acre Ocotillo master planned community. The course was purchased by a partnership comprised of Phil Mickelson, Steve Loy (Mickelson's manager) and Tim Mickelson (Phil's brother). The purchase price was $1,900,000 plus the cost of installing a new irrigation system which was $3,626,610. The purchase price also included removal of underground fuel tanks and installation of new above-ground fuel tanks at the golf maintenance area. The course is one of the more popular courses in the Southeast Valley and has many water hazards and
bunkers in the design. The sale also included an Arizona Type 6 liquor license. The GIM was 1.06 and the expense ratio was 93.5 percent with an OAR of 6.96 percent.

Sale No. 3 is the sale of the ***Sunland Springs Village Golf Club*** located in Mesa, Arizona. The course sold from the developer (Farnsworth Companies) to a group of 400 Sunland Springs HOA members. The entire development with homes is 900+ acres and is planned for 2,800+ residents at full build out. The clubhouse has a very limited snack bar operation next to the golf shop. The course has two Certificates of Grandfathered Groundwater Rights by ownership. One provides for 434.00 acre-feet of groundwater annually and the second provides for 337.00 acre-feet of groundwater annually. Both are "Type 2 Non-Irrigation Grandfathered Rights". The course sold for $1,200,000 ($945,000 real property / $225,000 FF & E). The GIM was 0.85 and the overall rate of return was 8.1 percent based on the most recent financials from year end 2014.

Sale No. 4 is the sale of ***Palmbrook Country Club*** in Sun City, Arizona. This is a nonequity private country club which has been one of the established clubs in Sun City, Arizona for many years. It fell victim to other newer courses being built around it over the years and subsequently suffered lack of being competitive with the more updated

clubs in the immediate area such as Sun City Grand and other competition. The club sold
in August 2015 for $1,500,000 and had an expense ratio of 95.3 percent. The GIM was

0.73 and the overall rate of return was 6.50 percent. The course generated roughly 31,000 rounds annually.

Sale No. 5 is the sale of ***Dove Valley Ranch Club*** in Cave Creek, Arizona. This facility is part of the 850-acre Dove Valley Ranch master planned community. The course was closed part of 2015 for turf and green renovation. Annual membership rates vary depending on the category. DVR Gold Card included 20 rounds, no restrictions for $1,600/yr. Annual Single unlimited play sells for $3,600/yr. Family unlimited sells for $5,750/yr. The golf course is a target course meandering in and out of the Sonoran desert. The greens are large and undulating which is typical of Robert Trent Jones designs. The course receives potable water from the City of Phoenix and in 2013 used 319.78+ acre-feet of water. The cost of water in 2013 was $471,745. The estimated cost of water in 2014 was expected to be roughly $261,000. The high cost of water has kept the course from producing a reasonable net operating income. The GIM was estimated to be 1.20 with an expense ratio of 93.2 percent. The OAR was 5.65 percent.

Sale No. 6 is the sale of the ***Tuscany Golf Club*** in Henderson, Arizona. The facility is a Daily Fee, 18-hole facility. The club opened in 2003 with a temporary clubhouse and maintenance facility. The new clubhouse was scheduled to open in 2007, but never was built due to economic conditions at that time. It has continued to operate from a temporary clubhouse. The course is part of a masterplan community of 2,000± homesites. The sale included FF&E and minimal inventory in the golf shop and restaurant. The Gross Income was reported at $3,000,000 to $3,100,000 with minimal Net Income of $70,000±. Thus, the purchase price was 1.31 times gross income.

Sale No. 7 is the sale of the ***Legacy Golf Club*** in Phoenix, Arizona. The course is a daily fee/resort property which has 18 holes designed by Gary Panks. The GIM was 1.11 and the expense ratio was 87.8 percent. This golf course was built on a site, which was a cotton field. Extensive earthwork was done to create mounds, lakes, and retention basins.
The site is the former Heard farmstead, from which the concrete silos have been retained
as landmarks. The golf course is affiliated with the Legacy Resort a timeshare condominium development by Shell Vacations. Timeshare owners receive a 25% discount on green fees. The course is in the "Top 100 Courses for Women" and is in the "Top 50 Great Service Facilities in the U.S." by Golf Digest Magazine. The golf course sold at Trustee's Sale as of March 2011 according to public records. This course resold at arms-length from Wyndham Vacations to Concert Phoenix Legacy, LLC, as of November 2014 for $5,200,100 and had an OAR of 10.96 percent.
Most buyers purchase golf courses based upon existing or projected gross and net revenues, and operating expenses. Two different types of multipliers are most commonly utilized: The Gross Income Multiplier (GIM), and the Golf Revenue Multiplier (GRM). The GRM is particularly useful when a golf course derives the majority of its gross or net income from golf related sources (green fees, cart fees, retail, etc.). When a significant amount of the gross revenues are