

Selling RMCC to Improve Our Club

Frequently Asked Questions

1. Question: Why does the Board want to sell the club?

Answer: The RMCC budget provides virtually zero resources to enhance our assets and operations. This likely will continue indefinitely. The Board's overriding responsibility is to make sure RMCC continues to provide a strong, distinctive foundation for our community. Having evaluated many ownership and operational options over the years—always with the goal of ensuring and enhancing the club's future—the Board has unanimously concluded that this proposed transaction provides the best opportunity to provide our membership the high-quality golf courses, services and other amenities that we deserve. We reached this conclusion based on the commitments that Bob Husband is making to our members, and based on the respect Bob has earned in the golf and country club business. Bob's vision for RMCC matches ours . . . to return Rancho Murieta to its place as one of the very best clubs in all of Northern California.

2. Question: Why would we buy the club from the current owners to resell it to Bob Husband?

Answer: The golf course **real estate** is owned by Murieta Club Properties, LLC & Consumnes River Land, LLC, often referred to as “the developers.” The RMCC leases the club property from the developers. Under the terms of the lease, RMCC has the right to purchase the club property from the developers for a price based on independent assessments of club-property value. Any differences between assessed values obtained by RMCC and the developers will be subject to mediation and negotiation. The Board has begun the process of “exercising our option to purchase the club.” If the membership votes to approve this purchase at the ultimate settled price, RMCC will then own the club properties. Only then will RMCC have the right to sell the club to Bob Husband. The membership will simultaneously vote on whether to sell the club to Bob Husband.

3. Question: Is Bob Husband Working for the Developers?

Answer: Bob Husband does not have any personal, business or financial relationship with the developers. His goal in purchasing the club is to add amenities and improve services to a growing membership. Improvements to the club obviously will add value to the community and our homes.

4. How much will members have to pay to buy the club?

Answer. Neither RMCC nor its members will have to pay anything to buy the club. Bob Husband will loan RMCC the funds to buy the club from the developers and will forgive this loan as part of his purchase of the club from RMCC.

5. Question: How do I know that RMCC will remain private?

Answer: It will be a binding condition of the sale to Bob Husband. He firmly believes that country clubs should not offer open public play.

6. Question: What kind of improvements will Bob Husband make to the club?

Answer: Bob Husband has committed to invest at least \$2.5 million for a swimming pool and fitness center and for much needed improvements to our clubhouse and other facilities. Bob also is committed to improving quality of services to members.

7. Question: Will all of this entail an assessment?

Answer: No. The present assessment would be removed following the sale and Bob Husband has committed to never impose assessments on the membership.

8. Question: Will my dues increase?

Answer: There will be no dues increase for one year after the date of sale and no increase in the dues of more than 5 percent per year until improvements are complete. In addition, the special assessment will be eliminated. Bob Husband assures the Board that any future changes in dues will reflect the willingness to pay by existing and potential new members.

9. Question: Will there be a change in the member's current privileges or additional costs for being a member?

Answer: There are no planned changes in privileges and there would be no additional out-of-pocket costs to members.

10. Question: What responsibilities and commitments would Bob Husband have?

Answer: Bob Husband would assume all of RMCC's operating leases and all of its debts on the date of purchase. He will also provide assurances acceptable to the Board of Directors that the pool, fitness center and other improvements will be completed within 24 months.

11. Question: So what am I voting on?

Answer: Members will vote on whether RMCC should both buy the club from the developers and sell the club to Bob Husband. A yes vote means you want both to happen. A no vote means you want neither to happen. The Board unanimously recommends that you vote yes.

12. Question: What is scheduled to happen next?

Answer: The Board notified the developers on February 11, 2016, that RMCC is exercising its option in the lease to purchase the club. The Board also asked the developers for a meeting immediately to establish the steps we will take to make that happen. In mid- March during the sales price negotiation process, the club will mail out ballots to all eligible voters.

13. Will we retain the name Rancho Murieta Country Club?

Answer: The club will remain Rancho Murieta Country Club.