

## Management Analysis and Comment

At the nationwide level, August 2010 same store rounds were **down 2.5%**. While down, this is an improvement over results reported for the month of July (down 5.5%). The number of days golf facilities were open for play during August 2010 were in line with days open reported for August 2009. Looking closer, we noted that there was one fewer weekend day in August 2010 (9 days) than August 2009 (10 days). With the exception of Municipal / Military / University golf facilities which were **up 2.0%**, same-store rounds played were down for all other facility types for August 2010 compared to August 2009. Private facilities were **down 5.5%**, Daily Fee / Semi-Private facilities were **down 2.8%**, and Resort facilities were **down 5.2%**. From a Year-To-Date (YTD) perspective rounds played are **down 3.5%** through August 2010 and days open are **down 1.3%**, explaining about half of the rounds played decline. Based on 2008 and 2009 calendar year statistics, August accounts for approximately **13%** of total annual rounds volume and YTD through August accounts for **73%** of total rounds played.

Golf fee revenue responses were submitted by 1,059 facilities for August 2010, this is an increase of 5% more than the paired data responses for July. Median gross golf fee revenue for the month of August was **down 5.7%** nationally compared to August 2009. Despite this decline, merchandise revenue was down **1.7%**, Food and beverage revenue was **up 1.4%** and total facility revenue was **down 3.5%**. Total facility revenue is comprised primarily of Golf, Merchandise, and F&B revenue but does include a variety of other facility revenues and membership fees. On a YTD basis, golf fee revenue remains **down 4.6%**. YTD merchandise and total facility revenue are flat and YTD F&B is **up 1.9%**.

The Performance Factor for August 2010 was **97.5** indicating that rounds played per day open were down. The YTD Performance Factor of **97.7** indicates rounds played per day open are also down in comparison to the prior year.

PerformanceTrak At-a-Glance - August 2010					
August 2010 Highlights	August 2010 <sup>1,2</sup>	August 2009 <sup>1,2</sup>	Change	% Change	Sample Size <sup>3</sup>
Mean (Average) Rounds Played - August	3,146	3,228	↓	-2.5%	2,632
Mean (Average) Days Open - August	29.2	29.2	↑	0.0%	2,632
<b>YTD August 2010 Highlights</b>					
Mean (Average) Rounds Played - YTD	17,699	18,350	↓	-3.5%	2,444
Mean (Average) Days Open - YTD	182.5	184.9	↓	-1.3%	2,444
<b>August 2010 Median Gross Revenue Per Facility<sup>4</sup></b>					
Median Golf Fee Revenue - August	\$95,158	\$100,869	↓	-5.7%	1,059
Median Merchandise Revenue - August	\$14,805	\$15,069	↓	-1.7%	917
Median Food & Beverage Revenue - August	\$48,895	\$48,236	↑	1.4%	647
Median Total Revenue - August	\$200,666	\$207,995	↓	-3.5%	757
<b>YTD August 2010 Median Gross Revenue Per Facility</b>					
Median Golf Fee Revenue - YTD	\$557,281	\$584,271	↓	-4.6%	930
Median Merchandise Revenue - YTD	\$94,317	\$94,166	↑	0.2%	867
Median Food & Beverage Revenue - YTD	\$314,351	\$308,584	↑	1.9%	626
Median Total Revenue - YTD	\$1,306,760	\$1,313,022	↓	-0.5%	737
<b>Performance Factor<sup>5</sup></b>					
	<b>Index</b>				
August 2010	97.5				
YTD August 2010	97.7				

<sup>1</sup>Rounds played, days open, and revenue data are as of September 22, 2010.

<sup>2</sup>Rounds played, days open, and revenue data are weighted by state and facility type.

<sup>3</sup>Sample size is the number of responses or average number of responses for the specified period.

<sup>4</sup>Median gross revenues exclude responses where one value of the paired data was missing (i.e., a \$0 value).

<sup>5</sup>Performance Factor is an index of rounds played per day open, where 100.00 represents consistent play on a per day basis.

## YTD August 2010 State Performance

State-by-state results below are for Year-To-Date (YTD) rounds played and YTD days open. Also reported is the *Performance Factor* which takes into consideration rounds changes and whether days open were up or down. On a YTD basis, there were sufficient responses in 43 states for reporting. 11 states reflected rounds played increases and of these 9 reflected a correlated increase in days open as well. The two exceptions were Pennsylvania and Kentucky in which days open were down slightly. 33 States reported declines compared to YTD July 2009. The greater Northeast region, New England and the Upper Midwest reflected increases in rounds played for the year.

Focusing on the weather, this was the **seventh warmest** August on record. The majority of the U.S. had **above-average temperatures** during August. Florida, Louisiana (tied) and Tennessee (tied) each had their **second warmest** August on record. Fourteen other states had an August temperature among their **warmest ten percent**. No state experienced an average temperature significantly below its long term average. Regionally, the Southeast had its **third warmest** August on record, while it was the **seventh warmest** in the South and the **eighth warmest** in the East North Central. Of the nine climate regions in the contiguous U.S., only the West and Northwest observed near normal August temperatures.

PerformanceTrak Year-to-Date State Results for August 2010							
State	Rounds Played			Days Open			Performance Factor
	Current Year	Previous Year	% Change	Current Year	Previous Year	% Change	
All United States	17,699	18,350	-3.5%	182.5	184.9	-1.3%	97.7
Alabama	13,631	14,828	-8.1%	210.4	214.8	-2.0%	93.8
Arizona	24,942	25,495	-2.2%	226.5	228.9	-1.0%	98.9
California	27,672	28,873	-4.2%	221.7	227.4	-2.5%	98.3
Colorado	18,727	20,535	-8.8%	160.3	179.7	-10.8%	102.2
Connecticut	17,755	17,301	2.6%	156.9	150.1	4.5%	98.2
Delaware	14,548	14,726	-1.2%	170.7	181.0	-5.7%	104.8
Florida	21,499	23,271	-7.6%	217.6	223.0	-2.4%	94.7
Georgia	14,865	16,528	-10.1%	208.2	210.6	-1.1%	91.0
Hawaii	20,687	22,362	-7.5%	218.3	226.9	-3.8%	96.2
Idaho	15,682	16,767	-6.5%	174.9	170.1	2.8%	91.0
Illinois	16,687	16,639	0.3%	164.4	162.7	1.0%	99.3
Indiana	14,104	14,328	-1.6%	163.5	169.1	-3.3%	101.8
Iowa	15,055	15,698	-4.1%	154.4	156.5	-1.3%	97.2
Kansas	17,462	18,759	-6.9%	184.0	204.1	-9.8%	103.3
Kentucky	14,013	13,990	0.2%	172.4	181.3	-4.9%	105.3
Louisiana	13,989	14,976	-6.6%	200.8	204.1	-1.6%	94.9
Maryland	19,567	20,331	-3.8%	182.5	203.9	-10.5%	107.5
Massachusetts	16,217	15,376	5.5%	155.0	144.1	7.6%	98.1
Michigan	16,259	15,956	1.9%	156.0	146.1	6.8%	95.4
Minnesota	18,949	19,333	-2.0%	150.5	140.5	7.1%	91.5
Mississippi	10,029	11,149	-10.0%	208.8	211.4	-1.2%	91.1
Missouri	15,275	16,229	-5.9%	174.5	187.4	-6.9%	101.1
Montana	15,551	15,566	-0.1%	142.6	141.3	0.9%	99.0
Nebraska	18,200	20,198	-9.9%	159.1	173.5	-8.3%	98.3
Nevada	21,598	22,833	-5.4%	203.5	210.9	-3.5%	98.0
New Hampshire	18,823	17,565	7.2%	155.5	138.6	12.2%	95.5
New Jersey	15,583	14,465	7.7%	167.6	160.3	4.6%	103.0
New Mexico	15,244	17,302	-11.9%	202.7	219.1	-7.5%	95.2
New York	15,726	15,379	2.3%	153.2	149.1	2.7%	99.5
North Carolina	16,368	16,776	-2.4%	202.1	209.4	-3.5%	101.1
Ohio	17,593	17,797	-1.1%	166.0	171.2	-3.0%	102.0
Oklahoma	16,477	19,223	-14.3%	190.3	207.5	-8.3%	93.5
Oregon	19,585	20,749	-5.6%	227.7	219.9	3.5%	91.2
Pennsylvania	15,237	15,092	1.0%	168.6	171.4	-1.6%	102.6
Rhode Island	14,263	13,378	6.6%	135.6	131.9	2.8%	103.7
South Carolina	17,831	19,578	-8.9%	213.1	220.8	-3.5%	94.4
Tennessee	14,738	15,335	-3.9%	192.5	204.0	-5.6%	101.8
Texas	19,876	22,329	-11.0%	210.2	223.1	-5.8%	94.5
Utah	23,341	25,284	-7.7%	172.8	168.3	2.7%	89.9
Vermont	14,793	12,620	17.2%	135.4	121.4	11.5%	105.1
Virginia	16,039	16,571	-3.2%	181.5	193.8	-6.3%	103.3
Washington	20,444	20,945	-2.4%	228.0	210.1	8.5%	89.9
Wisconsin	16,298	16,458	-1.0%	149.8	143.6	4.3%	94.9
Wyoming	14,025	15,613	-10.2%	148.6	149.1	-0.3%	90.1

Note 1: States displayed are those that have sufficient sample size and sufficient days open for reporting. Regardless of display, all responses are included in the "All States" value for nationwide results.

Note 2: Results are based on weighting by facility type and state.

## YTD August 2010 Rounds Played

The PerformanceTrak rounds played comparison report for Year-To-Date (YTD) August 2010 is below with statistics by facility type including average rounds played, same month year-to-year comparison, days open, and days open change. YTD results remain down across all facility types. Private facilities and Municipal / Military / University facilities are down the most at -4.4% and -4.8%, respectively. Daily Fee / Semi-Private Facilities are down 2.8% which is unchanged from last month. Resort facilities are currently the best performers, with a decline in rounds played of -1.1% YTD which is down slightly from last month. On a YTD basis, days open are down 1.3%. The days open decline explains a portion of the rounds played decline. During the month of data collection, the PerformanceTrak Customer Service Team once again heard numerous examples of heat index related rounds declines, along with some course and hole closures due to turf issues from heat and humidity.

Year-to-Date Average Rounds Played / Days Open Comparison						
Facility Type	YTD 2010 Rounds Played	YTD 2009 Rounds Played	% Change	YTD 2010 Days Open	YTD 2009 Days Open	% Change
Private	13,635	14,261	-4.4%	178.4	182.7	-2.4%
Daily Fee	18,645	19,184	-2.8%	183.6	184.9	-0.7%
Muni/Mil/Univ	22,735	23,872	-4.8%	185.8	188.2	-1.3%
Resort	15,728	15,898	-1.1%	187.1	188.1	-0.5%
<b>All Facility Types</b>	<b>17,699</b>	<b>18,350</b>	<b>-3.5%</b>	<b>182.5</b>	<b>184.9</b>	<b>-1.3%</b>

## YTD August 2010 Golf Fee Revenue

YTD median gross golf fee revenue and YTD golf fee revenue per round are reported below and are also segmented by facility type. YTD revenue per round is reported based on those facilities that reported both rounds played and golf fee revenue and reported it for both current year and prior year. For this sample, YTD gross golf fee revenue weighted for all facilities is down 4.6% compared to YTD 2009. Revenue for Private facilities is down fractionally at -0.5%. Golf fee revenue declines at public-access facility types ranges from -2.7% YTD at Resort facilities to -6.3% YTD at Municipal / Military / University facilities.

Year-to-Date Golf Fee Revenue and Golf Fee Revenue Per Round						
	Current 2010 Year-to-Date	Prior 2009 Year-to-Date		Current 2010 Year-to-Date	Prior 2009 Year-to-Date	
	Gross Golf Fee Revenue			Golf Fee Revenue Per Round		
Facility Type	Median	Median	% Change	Median	Median	% Change
Private	\$387,026	\$389,156	-0.5%	\$25.33	\$24.96	1.5%
Daily Fee	\$578,064	\$613,615	-5.8%	\$27.35	\$27.92	-2.0%
Muni/Mil/Univ	\$676,152	\$721,883	-6.3%	\$25.36	\$24.75	2.5%
Resort	\$1,161,788	\$1,193,892	-2.7%	\$56.56	\$56.89	-0.6%
<b>All Facility Types</b>	<b>\$557,281</b>	<b>\$584,271</b>	<b>-4.6%</b>	<b>\$27.14</b>	<b>\$27.02</b>	<b>0.4%</b>

## About PerformanceTrak

**PGA PerformanceTrak in Cooperation with the NGCOA** is the industry's leading rounds and revenue data collection and benchmarking service. Reports are available for 41 PGA Sections, 50 States and 60 local markets. NGCOA report packages are also available for certain local competitive golf markets (CGMs) and where there is sufficient sample, for rate sets within CGMs.

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