

BOARD OF DIRECTOR'S ACTION

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Several months ago one of our directors heard that the owner of the golf course was planning to sell off the driving range and part of the parking lot to a developer for single family homes. Her first thought was that this would not only diminish the appearance and value of the golf course, but could lead to the entire course being closed and developed in the future. She approached the owner of the course to see why this was being done and to find out if there was an alternative. The response was a simple one, "buy the course." The next call was to our board president to see what she thought and to see what, if anything, the association could do. The president remembered a study that was done in 2011 under the direction of our past president, Dennis Pilkington. This study, performed by Gerald Teel and Associates showed that property values would decline anywhere from three to twenty-seven per cent if the golf course were to close. Knowing that the primary duty of the board of directors is to protect the property values for every resident, her direction was to see if it will work without increasing the monthly assessments. Thus began weeks of due diligence. The due diligence wasn't just looking at numbers; it included an inspection of the property, estimating cost to bring the course into good shape, finding the right operator, and most of all determining benefits for the community. Once all of this was completed, it was presented to the entire board. At the meeting on August 26, 2015 a motion was made to purchase the golf course. The motion passed unanimously.

We want each property owner to know that this decision was made with the best interest of the community in mind. Newport has always been known as a "golf course community" and property values are based on this. During our due diligence, in speaking to experts on the subject, it was brought to our attention that should this golf course close, every property value in this community would decrease by a minimum of \$10,000 and we, as a board felt that we needed to do whatever was necessary to protect our values without diminishing any of our existing amenities.

The facility will be owned by the Association. The golf course will remain open to the public. Residents will receive discounted golf beginning January, 2016. The discount will be recommended by the new general manager and approved by the board of directors. Events held in the main building will also be open to the public.

In addition, the fitness center located in the second building will not be open to the public. It will become a fitness center for Newport residents only at no charge provided they are in good standing with the Association. There will be a community room in the second building that can be used for a nominal fee by any Newport resident for parties. It is our hope to have these facilities operational by January 1, 2016.

During the first six months repairs and face lifts will be made to both the course and event center. As we move forward, we anticipate having family nights, two or three times a month where you can enjoy dinner at affordable costs. It is our goal to have this amenity serve the entire community not just those who play golf.

We ask for your patience as we bring this newest amenity to its full potential.