

Summary of the Proposed Benderson Lease Agreement

- **Full Ownership Retained**
The Meadows Community Association (MCA) maintains complete ownership of all property leased to **Benderson Development Corporation**.
- **MCA Approval Rights Preserved**
MCA retains the right to review and approve any proposed changes to the leased property.
- **Professional Golf Operations**
Benderson will engage a major, professional golf management firm to operate and maintain all three Meadows golf courses.
- **Triple-Net Lease Structure**
Benderson will operate under a triple-net lease, meaning they are responsible for **all operating costs**, including insurance, taxes, staffing, equipment, maintenance, and any capital expenditures they choose to undertake.
- **Improvements Revert to MCA**
Any improvements made by Benderson become the property of MCA upon termination of the lease.
- **Annual Rent + Revenue Participation**
Benderson will pay annual base rent to MCA, with increases tied to CPI (capped at 3%), **plus** a revenue participation and growth formula that can generate additional income for the Association.
- **Immediate Operational Relief**
Benderson is prepared to begin operations within approximately two weeks, reducing MCA's current-year costs related to the unbudgeted expenses caused by the former club's closure.
- **Debt Refinancing Support**
Benderson will provide financing to refinance MCA's existing debt at a significantly lower interest rate.
- **Conservation Easements (Optional)**
Benderson may purchase conservation easements on nine identified parcels. Independent appraisals have been obtained to ensure fair market value.
 - Purchase price: **\$3,000,000**
 - Proceeds applied directly to debt reduction
 - Remaining debt interest rate reduced to **3%**