

Topgolf Operational Characteristics

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Topgolf is a premier golf entertainment complex planned on the 12.52-acre parcel in the east portion of the site plan. Topgolf is a 64,232 square foot three-story facility with 102 climate-controlled hitting bays, an outdoor outfield enclosed by netting, full-service restaurant, bar, lounges and corporate/event meeting space and family entertainment area with games.

Concept. Players play in individual hitting bays not unlike what is found in a bowling alley. Each hitting bay can accommodate up to six players at a time but it's not unusual for one or two players in some bays. Hitting bays include comfortable seating, television screens to monitor sporting events and track Topgolf scoring. Topgolf facilities are energetic and upscale with a high quality food and beverage offering delivered restaurant-style table-side to guests playing the game. Topgolf facilities feature a full sports bar atmosphere as well as an upscale, unique corporate entertainment experience.

Game Technology. Topgolf features a five patent technology platform gaming system in which players use golf clubs to hit embedded with a RFID (radio frequency identification) microchip into a 240-yard outfield which features eleven targets at various distances. Microchips in the balls track each player's shot in real time, giving points for accuracy or luck and making the driving range experience competitive and social. Different games are simulated, including a nine-hole golf course and other games designed to appeal players of varying skill levels. The golf experience is a non-intimidating social environment that everyone can enjoy regardless of skill level.

Amenities. Topgolf consists of a 64,232 square foot three-story building and outdoor outfield. The facility has been located on the site so that the tee line is facing east, away from the afternoon sun. The facility includes the following features:

- *Lower Level.* The lower level features 34 hitting bays including bays designated for golf instruction and team practice. The lower level features a family lounge area. This level is at grade on the tee line.
- *Main Level.* The entrance to the building is on the main level. The main level features 34 hitting bays, a full-service bar/restaurant, a 2,900-square foot corporate and event meeting space and lobby area.
- *Upper Level.* The upper level features 34 hitting bays and an open-air rooftop terrace. The rooftop terrace will be furnished with tables, couches and fire pits. Restaurant food service is available on the roof top terrace. The terrace can accommodate live music for events with a small stage on the southern end of the terrace which faces toward the freeway. When live music is offered for events, music will end by 10 pm. The rooftop terrace is enclosed by a four-foot parapet with a three-foot tall plexiglass barrier, which creates a barrier of seven feet to screen noise from adjacent uses.

- **Outfield.** The outfield is approximately four acres and 240 yards from the tee line to the net line. The outfield features eleven illuminated round targets located 20 to 240 yards away from the tee line. The targets are internally illuminated with colored LED lighting.

The outfield perimeter is completely enclosed by a transparent stainless steel mesh net approximately 150 feet high secured by galvanized steel poles. The net is 93% transparent. Net poles range from 90 feet in height near the building and crest to 150 feet at the end of the outfield. The poles are made of high-grade steel painted gray/blue to blend with the color of the sky. The poles on the corners of the outfield are secured by guy wires. Inside the nets, the surface of the outfield consists of synthetic grass surface. Outside the nets, the landscape consists of plant materials.

Lights are mounted directly to the tee line roof on the building and not to the net poles. Special louvers on the lights eliminate light pollution. As a result, foot candles are 0.0 along property lines.

Stairs lead from the parking lot to the front door. A separate handicapped accessible door is located at grade on the north side of the building. A trash enclosure and a delivery door/dock are located on the south side of the front of the building. Fire access is available to the tee line from the sides of the building, between the building and the netting.

Parking. The Topgolf parcel includes 477 parking spaces. The parking demand for Topgolf is estimated to be 439 spaces based on Zoning Code Parking Standards. Based on parking usage and customer counts at other locations, Topgolf estimates its parking demand to be approximately 427 spaces.

Architecture. The Topgolf building combines modern design within a natural materials and color scheme. The building is proposed to be constructed of stone, wood and concrete. The building façade consists of multiple overlapping rectilinear lines with a variety of building material accents including synthetic stucco, metal mesh, stained wood, board-formed concrete and stone. The exterior colors are natural colors in the light beige and dark brown tones. Glazing and decorative features are on all four sides of the building. These materials provide a variety of texture and color.

The front façade will be lit with LED lighting as well as color-changing LED lighting washing metal mesh panels. Although the building is three levels, from most vantages it will appear to be two stories because the lower level is at a lower elevation than the entrance into the main level.

High Tech Experience. Topgolf is a high-tech entertainment experience. The building interior features a digital interior including leader boards distributed through the facility, over 240 televisions with sports and Topgolf scoring. If there is an event (concert, game, presentation), audio and video can be pushed to any or all of the televisions. The technology of the facility is attractive for corporate events. It is not unusual for Topgolf facility to be rented for corporate events because of its digital environment.

Operations. Operating hours are Sunday through Monday from 9 am to 1 am and Saturday and Sundays from 9 am to 2 am. Music on the outdoor terrace on the third level stops at 10 pm, seven days a week. Topgolf will employ approximately 450 employees at operation of which 120 will be full time equivalents. Security will be provided with on-site indoor and outdoor cameras and on-site staff security during operating hours.

Cost. Hitting bays for up to six people are rented by the hour for \$20 per hour off-peak and \$40 per hour during peak hours (after 6 pm Monday through Thursday and from noon until close Friday through Sunday).

Topgolf Locations. Topgolf operates eleven locations including three in the United Kingdom where it originated thirteen years ago and others in Virginia, Illinois and six in Texas, where the company is headquartered. Eleven additional locations are underway in Texas, Arizona, Georgia and Florida. The proposed Roseville location would be the first in California and is targeted for opening in May/June 2015.

Customer Profile. Topgolf attracts all types of customers including the serious and causal golfer, friends, families and groups. Approximately 60% of Topgolf's customers are categorized as non-golfers, meaning they play golf less than three times a year, if at all. 60% of customers are within the 18-34 age range and 75% of customers are within the 18-44 age range. Approximately 25% of revenue is from corporate and group events.

The typical customer flow at Topgolf are retirees during weekday mornings, professionals midday for lunch, young people and golf teams in the afternoon, young professionals in the evening for ball striking and happy hour. Weekdays also attract social, civic and corporate events in the event meeting space. On weekends, the customer profile includes families, groups of friends and date nights.

Attraction to Roseville. Topgolf identified Parcel 49 in Roseville as a desirable location because of its high-visibility location on SR 65 with access via Blue Oaks Boulevard from the freeway. In identifying ideal sites, proximity to existing retail and class A and B office space is important to Topgolf to create the synergies with the corporate environment. Both retail and office uses are located within a short distance of the site and are planned on Parcel 49. In making location decisions, Topgolf looks at incomes and demographic of the community and was attracted to Roseville's incomes and its young professional demographic.

The proximity of Topgolf to a future church on Parcel 49 is an arrangement that no other Topgolf site has but one that will be complementary in terms of peak usage and will provide a family-friendly entertainment option proximate to the church.

Economic Contribution. Topgolf will employ approximately 260 during construction and provide 450 jobs at operation with a total payroll of \$4.7 million annually. The ten-year economic output of Topgolf is estimated at \$264.5 million.