

CANADJAN OPEN. 2002 • 2007

August 22, 2007

Thank you for the opportunity to submit an Expression of Interest on behalf of Angus Glen Golf Club. We are very excited at the possibility of assuming day to day operations of the Markham Green Golf Course after completion of the 2006 golf season and closure of the facility. Angus Glen Golf Club is committed to the enhancement of the golf experience for those who reside in the community of Markham, and as well as for those who visit the town. Our experience and expertise in customer service, and our involvement in a wide variety of community events, demonstrate our desire to make golf in Markham and Markham Green Golf Course a truly unparalleled experience.

Sincerely,

Kevin Thistle

Vice President and General Manager

Angus Glen Golf Club

Fax: Club House: (905) 887-7471 Fax: Pro Shop: (905) 887-9424

History of Angus Glen

Arthur Stollery, a mining entrepreneur and son of the well-known Toronto clothier, bought the rolling farmland at the corner of Kennedy Road and Major MacKenzie Drive in Markham in 1957 to raise Black Aberdeen Angus cattle and champion thoroughbreds.

He named the property Angus Glen Farm, which later grew to 1800 acres, and became his home. In 1967 he began breeding thoroughbred race horses. For more than two decades, Angus Glen bred horses which achieved racing success both in Canada and internationally; including twelve stakes winners, most notably *Talkin' Man, Kennedy Road* and *Laurie's Dancer*.

After years touring the farmlands, Arthur Stollery, an avid golfer, began building a golf course in 1992, on some of the original horse paddocks and in the valley where Black Angus Cattle one grazed. Parts of the original farm, which still operates, can be seen adjacent to many of the golf holes. Arthur Stollery passed away in 1994, but the Stollery family completed his masterpiece and the course opened to the public in 1995. That year, Golf Digest magazine ranked Angus Glen as the Best New Course in Canada.

In 1996 Gordon Stollery took the vision of his father one step further by building a community around Angus Glen Golf Club. During the building of the community, Angus Glen acquired Kylemore homes which strives to build quality homes while "Exceeding Excellence".

Continuing the tradition of excellence, Angus Glen is known for its' outstanding personal service. Angus Glen provides golfers with the experience of a first class private golf club within a public facility, accessible to all.

Gordon Stollery adds "The Angus Glen Community and the Golf Course symbolize what my father always strove to achieve...excellence while remembering his roots."





Achievements and Awards

"Best New Golf Course in Canada" Golf Digest, 1995

"#1 Best Service at a Public Facility" Score Golf Magazine, 1998

"#1 Best Service at a Public Facility" Score Golf Magazine, 2000

"#1 Best Food at a Halfway House" Score Golf Magazine, 2000

Toronto and Region Conservation Honour Roll Award, 2000

2001 Host of the "Telus Skins Game"

2001 Host of the "Bank of Montreal LPGA Canadian Open"

Host of the "2002 Bell Canadian Open"

UPCOMING HOST OF THE 2007 CANADIAN OPEN

"Best Course" - Score Golf Magazine, 2001

"Best Public Course" - Score Golf Magazine, 2001

"Best Service" - Score Golf Magazine, 2001

"Best food" - Score Golf Magazine, 2001

"Best Public Course" - Golfers' Choice Awards, 2003

"Best Service at a Public Course" - Golfers' Choice Awards, 2003

"Best Clubhouse" - Golfers' Choice Awards, 2003

"Best Half-Way House Meal" - Golfers' Choice Awards, 2003

"Best Service" - Score Golf Magazine, 2004 & 2005











Company Information

Considering Angus Glen Golf Club opened its doors with less than 5 full-time employees, the past 11 years has been a time of significant growth for the golf club— the course has expanded from 18 to 36 holes, the clubhouse was expanded from 13,000 sq.ft. into a 60,000 sq.ft. facility, and the size of Angus Glen's staff has grown with each expansion. Currently there are approximately 350 people employed at Angus Glen Golf Club throughout the golf season (April to November) with 50 other staff members employed full time throughout the year. This total only takes into account Angus Glen Golf Club, and does not include Kylemore home development.

Angus Glen's Current Marketing Strategy

After eleven years of outstanding customer service and success in the golf industry, Angus Glen Golf Club's marketing plan strives to maintain and grow it's current user groups and expand into broader groups through "non-traditional" channels. One of our major goals is to continuously re-invigorate our brand in the market place so that other valuable customer segments will begin to take notice of the service and product that Angus Glen has to offer. Due to financial and budgetary constraints, non-traditional means of marketing is used, such as database marketing, website promotions and internal sales promotions.

Each segment of Angus Glen's business has its own mini-marketing objectives and strategies. Each department is essentially a small organization within the larger Golf Club structure. Every department is responsible for its own projects, promotions and media purchasing. In order to facilitate a strategic marketing plan across the entire organization it is imperative that one item must be in sync with the other; this calls for one strategic Marketing Plan and Campaign.

By implementing a well-thought out and strategic marketing plan that places an emphasis on attracting new and unique user-groups with a company-wide marketing campaign focused on the grass root tradition and family values, the end result will be a brand strengthened in the marketplace, a database that will grow and an increase in sales.





Creating a Marketing Plan for Markham Green

Angus Glen has experienced great success with our marketing plan for the 2006 season. Most notably, the size of our online database has doubled in size. This has been the most cost-effective and efficient way of reaching potential and existing clients.

The database is sent an e-newsletter twice per month reminding the reader about upcoming promotions, specials and events at Angus Glen. Angus Glen's guests can sign up for the online newsletter when they visit the club through the restaurant, pro-shop or by filling out a customer comment card. Guests can also sign up directly through Angus Glen's website.

Targeting the core group of users who already frequent Markham Green, as well as enticing new users through the website, local advertising and in-house promotions will be the focus of the Markham Green marketing plan.

Relevant Experience

Angus Glen Golf Club has enjoyed a highly successful track record as one of the top public golf facilities in the Greater Toronto area. Throughout the past 11 years there have been an immeasurable amount of public rounds played, and approximately 6,000 tournaments, weddings, meetings and other special events hosted. Furthermore, Angus Glen has been the proud host of three major events: The 2001 Telus Skins Game, the 2001 BMO Canadian Women's Open, the 2002 Bell Canadian Open and will be hosting the 2007 Canadian Open in less than one year's time.

In addition to Angus Glen Golf Club in Markham, Gordon Stollery is in the midst of opening a new golf facility in Uxbridge, Ontario as well as an additional golf course in Montreal, Quebec.

Capital Improvements

All capital expenditures will be in partnership with the Town of Markham.





Equipment

Angus Glen Golf Club's superintendent Ernie Amsler, has reviewed the current inventory list of the Markham Green Golf Course and is confident that the existing equipment is sufficient for successful operation of the facility. Any additional equipment that may be needed in the maintenance of the golf course can be loaned from Angus Glen Golf Club to the Markham Green Golf Course.

Strategy to Enhance Customer Service and Satisfaction

Angus Glen Golf Club is recognized as a premier golf and event venue with an enviable reputation for guest satisfaction. The core values and beliefs of Angus Glen, where our primary responsibility is to meet the needs of our guests, provide the guests with an exceptional experience.

Should Angus Glen Golf Club be fortunate enough to assume the operations of the Markham Green Golf Club we will continuously improve each and every aspect of the business. We will work to eliminate waste and bureaucracy. Every staff member will be encouraged to contribute new and better ideas for improved performance in all areas of the business, with each accountable for personal and organizational success. We will ensure financial success in a continuously changing market and business environment.

Our team leaders will instill their passion for the job in every employee and lead by example. The success of Angus Glen Golf Club is due to the team that works together. Every department is indispensable. The greens' staff, the office staff, the hospitality staff and the golf staff each perform unique functions that contribute to the success that we have received.

Angus Glen Golf Club's vision is to provide increased opportunities for community members to come to Markham Green Golf Course and participate in events designed for seasoned golfers and beginning golfers alike. Through promotion of exciting clinics for junior golfers and senior golfers, and community nights or nine and dine events, the residents of the Town of Markham will realize the wonderful opportunity for golf at the Markham Green Golf Course.





Commitment to the Environment

Angus Glen Golf Club is committed to maintaining superior environmental standards, and has been recognized with two Toronto and Region Conservation Honour Roll Awards.

Angus Glen Financial Documents

Financial documents to demonstrate the financial stability of Angus Glen Golf Club will be available upon request.

Water Taking Plan

Angus Glen Golf Club would like to eventually see a well drilled to provide irrigation waters to the Markham Green Golf Course. In lieu of such a well, the Permit to Take Water must be renewed from the Ministry of the Environment. If irrigation waters continue to be taken from the Rouge River, we anticipate the volume of water taken would remain similar to that taken on the current Permit to Take Water.

Financial Compensation to the Town of Markham

Angus Glen Golf Club proposes a five year lease agreement with the Town of Markham for the operation of Markham Green Golf Course, with the option to renew for an additional five years. The yearly lease payment to the Town of Markham would be \$100,000.00. The amount would be open to renegotiation after five years, based on actual financials. We propose bi-annual lease payments of \$50,000.00 payable on July 1 and \$50,000.00 payable on December 1.

