



Adam Meyer
Department Manager Redevelopment Real Estate
Port of San Diego
3165 Pacific Highway
San Diego, CA 92101

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Dear Adam,

We are excited about the potential opportunity to bring Topgolf to Harbor Island.

Topgolf is the premier, patent-protected golf entertainment concept where the competition of sport meets your favorite local hangout spot. The Topgolf concept was invented in 1999 outside of London, England with the mission to develop a unique, leisure-based network of sports and entertainment facilities centered on the exciting game of Topgolf. Imagine the competitive, social and inclusive aspects of bowling at a full-size interactive driving range, providing a social entertainment experience that appeals to all, regardless of their skill or ability. Played with real golf balls and clubs, Topgolf uses patented technology to score shots based on their accuracy and distance, allowing a series of competitions to be played, and transforming what can be a mundane visit to a traditional driving range into a fun, unique entertainment experience with universal appeal.

Topgolf is truly everyone's game, with 53 venues entertaining more than 15 million guests annually, original content TV shows, next-gen simulator lounges through Topgolf Swing Suite, the global Topgolf Tour competition, pop-up social experiences like Topgolf Crush, Toptracer technology as seen on TV, and the world's largest digital golf audience.

The great thing about Topgolf is that it appeals to all ages and all skill levels during all seasons. Serious golfers are drawn in to real-time feedback on the accuracy and distance of their golf shots while casual players, even people who have never played golf, are enticed by the uniquely competitive and social elements of the Topgolf experience. In fact, more than half of our guests describe themselves as "non-golfers." Corporate and other groups are drawn by the opportunity to have a dynamic group experience in an exciting, self-contained venue that includes restaurant, bar and event facilities.

- 68% male / 32% female
- 16% youth visits
- 54% ages 18-34
- 14% ages 35-44
- 14% ages 45+
- 8% are avid green grass golfers (25+ rounds annually)
- 14% are moderate green grass golfers (8-24 rounds annually)
- 27% are occasional green grass golfers (1-7 rounds annually)
- 51% are non-golfers (0 rounds annually)

A 2017 National Golf Foundation survey found the following among Topgolf Guests surveyed:

- 29% of golfers say that playing Topgolf leads them to play more traditional golf
- 23% of golfers surveyed follow the sport more closely as a result of playing Topgolf
- 53% of non-golfers surveyed say that playing Topgolf has positively influenced their interest in playing traditional golf



- 23% of new golfers surveyed who have been playing for three years or less started playing golf after their first Topgolf experience. Of those, nearly 75% say Topgolf influenced their decision to play golf
- 75% of non-golfers say they are interested in playing on a course
- 94% of non-golfers feel "comfortable" at a Topgolf venue
- 99% of Topgolf Guests surveyed say they will return
- 96% of Topgolf Guests find the Toptracer technology appealing
- 43% of Topgolf Guests say that Toptracer likely will drive them to visit more frequently

Given the results above and Topgolf's success in engaging avid and novice golfers alike, the company has entered into a strategic alliance with the PGA Tour and LPGA Tour to seek out ways to grow the game further. Through this partnership, both parties will leverage each other's media reach, physical and digital platforms, and content creation to promote and grow the game.

Over the last 19 years, Topgolf has become a leader in the entertainment retail sector and has been recognized across the country, as reflected in the accolades below:

- 2013 Fastest-Growing Private Companies in America list by *Inc.* magazine.
- 2014 Retail Project of the Year by *D* magazine
- 2014 Ernst & Young Entrepreneur of the Year Award for the Southwest Area North region.
- 2014 Fastest-Growing Private Companies in America list by *Inc.* magazine.
- 2014 Best Place to Play and Drink by AZCentral.com
- 2015 Fastest-Growing Private Companies in America list by *Inc.* magazine
- 2015 #39 Best Place to Work in Chicago by the *Chicago Tribune*
- 2015 #2 Best Place to Work in San Antonio by the *San Antonio Express-News*
- 2015 Top 100 Best Place to Work in Austin by the *Austin Business Journal*
- 2015 #20 Best Place to Work in Dallas/Fort Worth by the *Dallas Business Journal*
- 2015 #1 Innovator in Golf Award for CEO Erik Anderson by *Golf Inc.* magazine
- 2016 Employee Engagement Best Practice Award by DecisionWise
- 2016 Changemaker award for Topgolf CEO Ken May by *D* magazine
- 2017 #23 Best Place to Work in Washington, D.C. by *The Washington Post*
- 2017 #17 Best Place to Work in Atlanta by *The Atlanta Journal-Constitution*
- 2017 International Network of Golf Award – Player Development Category
- 2018 100 Most Intriguing Entrepreneurs award for Executive Chairman Erik Anderson by Goldman Sachs
- 2018 National Golf Foundation's Inaugural Top 100 Businesses in Golf Recognition
- 2018 Forbes Best Large Employers
- 2018 Employer of the Year by the National Down Syndrome Congress
- 2018 Davey Award for Public Service and Activism – Hurricane Harvey Relief

Below is a snapshot of our company and our facilities impact on their local communities:

Topgolf Company Statistics

- Concept protected by 5 patents filed internationally in over 60 countries
- U.S. based company with 19-year operating history and over 15,000 associates
- 53 facilities operating world-wide (49 U.S., 3 U.K., 1 Australia)
- 8-10 more planned to break ground each year
- All facilities are company owned and operated
- 45,000 average visits per day in 2018 to a venue
- 44 million games played in-venue in 2018



- Callaway Golf Company – institutional investor
- Strategic relationships with the PGA, LPGA and the First Tee Organization

Topgolf Local Impact

- \$35MM+ construction project
- +/-270 jobs created during construction
- +/-450 jobs created at each new location once operational
- 450-500,000 visitors per year to new prototype facilities
- Premier practice facility for area golf teams and youth organizations
- Premier destination for corporate, charity and group entertainment

Basic Deal Parameters

- Ideally 12-15 acres of land
- Primary Term of 20 years
- Option for minimum of 8, 5-year extensions

Thank you for reviewing our letter of interest. If you have any further questions, please don't hesitate to contact me or any member of our brokerage team.

Warm Regards,

A handwritten signature in black ink, appearing to read "Matt Smith".

Matt Smith
Director of Real Estate
Topgolf