

# The Little Club That Could <sup>(i)</sup>

The story of Pine Knoll Shores' Country Club begins with its incorporation on October 2, 1975, but its genesis extends back to 1969 when the Roosevelt estate conveyed 100 + acres of land to a group of North Carolina developers headed by Gus Wertz. The covenants attached to the deed stipulated that a golf course was to be built on the property.

Construction of the first nine holes of a course known as the Pine Knoll Shores Golf and Country Club began in 1970. The initial planning was rather grandiose. (See the following reproduction of an initial membership offering.) The original members worked tirelessly to bring the plans to fruition. It has been said that some would stop during the course of play to remove rocks and pull weeds.



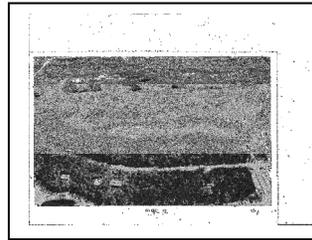
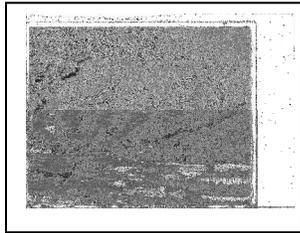
Photo of Area prior to Construction <sup>(ii)</sup>



Cover Page & Application Form <sup>(iii)</sup>



The original developers sold the club to Autry & Associates in July 1972. In 1972 and 1973, Autry built the original small clubhouse, completed the second nine holes, constructed the club's tennis courts and swimming pool and installed sprinkler systems covering portions of the fairways as well as tees and greens.



Aerial Photographs <sup>(iv)</sup>

Despite a recession in business and financial markets in 1974, construction of a two-story pro shop and clubhouse began in March of that year. Meanwhile, the original clubhouse was moved to the tennis court area and has served as the tennis pro shop since that time.



Old Clubhouse & Tennis Shop) <sup>(v)</sup>

At the close of 1974, the club had its new clubhouse but the golf course itself was not in first-class condition, and Autry was in a financial bind. East Federal Savings and Loan, which held a first mortgage on the property, initiated foreclosure proceedings and took possession of the club in the fall of 1975.



“Sale on Courthouse Steps” <sup>(vi)</sup>

Prior to 1975, membership participation in club operations was limited. As Autry's financial troubles mounted, however, this situation changed. A representative of the members was appointed to Autry's board, and in the winter of 1974-75, the members organized their own special committee to develop a plan for the organization and takeover of the club's operations. The plan was approved by the members in August 1975, and the following charter members were elected to serve as the first Board of Directors of Bogue Banks Country Club: Wayne Cleveland, President; Odell Flynn, Vice President and House Committee; Fred Holt, Secretary and Tennis; Jerry Stockard, Treasurer and Social; Jake Brooks, Admissions; Bob Ames, Greens and Grounds; Ray Scoggins, Golf; Janet Robbins, Publicity; and Myrtle Wertz, Membership.

In October 1975, the newly formed corporation offered to purchase the club's properties at a price approximating the amount then owed. In return, East Federal issued a new mortgage loan to Bogue Banks Country Club, which called for payments of \$78,167.74 per annum for 20 years.

To raise operating funds, the members had voted at their August 1975 meeting for a \$500 assessment payable in full or at the rate of \$100 per year. At the club's first annual membership meeting in January 1976, however, a majority voted for a slate of directors who rescinded the assessment program in favor of a drive for new members and an initiation fee of \$250. Their goal was 400 members by April.

The drive met with brief initial success but stalled far short of its goal. Little money was available for operations or fertilizer, and none for weed control. As the year progressed, a number of the newly elected directors resigned. In general, the year 1976 was not a good one for Bogue Banks Country Club. That the golf course itself did not revert to the natural-growth land it had originally been was due in substantial part to an active Greens Committee and its volunteer workforce. By December 1976, the club's bank balance was \$1,541.15. Nothing was available for property taxes or insurance premiums.

In the fall of 1976, the Board of Directors and certain non-board members initiated studies to examine the extent of the club's financial problem and to develop recommendations to correct the situation. Their proposals, which involved \$100 assessments, sale of member certificates at \$100 each, and major reductions in mortgage payments for four or five years, became known as Plan A. The best assurances that could be obtained following a series of conversations with the president of East Federal were that some reduction might be given consideration if that would resolve the problem over the short term.

A special membership meeting was called by the board for January 21, 1977, to consider Plan A. Prior to that meeting, members were notified that East Federal “has informed us that unless our past-due mortgage payments are caught up by February 1, 1977, the bank will begin action to acquire or sell at foreclosure all of the club’s real property and improvements.” At the meeting, Plan A was rejected, six new directors were elected, and an outline of a new plan set forth. This plan, which became known as Plan B, involved the purchase by each member of one Member Equity Certificate (payable in full), one \$1000 bond (payable in full or in installments aggregating \$100 annually), and the sale of a limited number of additional Member Equity Certificates (MECs).

Initially, the new board obtained a delay in foreclosure action from East Federal. Unfortunately, East Federal rejected the \$24,000 in funds Plan B raised, and foreclosure action was, again, initiated.

The board searched for a private buyer who would be satisfactory to the members. One potential buyer, who was both interested in taking over and had membership approval, proposed to use his personal funds to buy out the mortgage at a modest discount from par value. East Federal refused the offer. The membership voted unanimously on April 1 to sell, but no new buyer came forth. The foreclosure date was April 7<sup>th</sup>. Time was limited!

During 1976-77, East Federal’s stated purpose for takeover was to satisfy its mortgage claim by turning a portion, or all, of the property into residential home sites. Presumably, it would solicit golfing fees during the summer of 1977 while it petitioned the courts for permission to develop lots. Whether the courts would have approved the request is unknown. At that time, the course itself was not in good shape, and after a summer—or possibly two summers—of deterioration, it would have been even less appealing.

In an attempt to forestall this possibility, Plan B was amended to include the sale of all the 500 authorized MECs, which if successful would raise \$35,000 in addition to the money already in escrow. East Federal tentatively approved a substantial reduction in mortgage payments for 1977-80 if the \$35,000 were raised. Members were promptly solicited for (1) a verbal pledge to buy additional MECs if offered and (2) a written pledge from at least five members to guarantee the full \$35,000 by paying for all of the 350 MECs not bought by other members.

Directors John Elder and Bill Bosse represented the club at foreclosure proceedings at the Carteret County Courthouse Thursday morning, April 7, 1977. Although only three members had agreed to the \$35,000 underwriting guarantee, further participation was possible if East Federal would commit to specific terms, namely a mortgage payment of \$39,000 for 1977 and a graduated step-up thereafter. That commitment was given together with a limited grace period to secure the required personal guarantees. Friday morning, two more members signed up, and foreclosure was postponed.

On April 12, 1977, East Federal formally accepted the terms discussed at the courthouse. Shortly thereafter, the escrow account was released to the club, and its 142 members were solicited for the slightly over 350 “excess” equity certificates available for sale. By the May 15 settlement date, only one-half of the offered MECs had been subscribed to, and the underwriting group arranged to take up the unsold balance.

The club’s membership grew. By early August 1977, 172 members had paid for at least one MEC and had either bought, or were buying on the installment plan, one \$1,000 bond.

Associate memberships were sold beginning in 1978, but there were times when associate members opted not to continue their memberships, and funding levels continued to be very limited. That the club survived as well as it did in this period was due to a tremendous outpouring of volunteer help in all phases of its operations. When funds were not available for relatively small but absolutely essential capital expenditures, bond buyers or by Club’s very active Ladies Golf Association paid off the outstanding balance,.

In the spring of 1979, the decline in associate memberships slowed, but the budget crunch continued. A fire totaled the club’s cart shed and its contents. While insurance offset the direct loss, normal operations were interrupted for a time. By summer, it was evident that the club could not meet its mortgage obligations for long, and East Federal was notified of a forthcoming default unless mortgage terms were changed enough to permit survival.

Over the succeeding weeks, the bank worked to develop something that would be satisfactory to both parties. The proposal that was ultimately approved involved a new mortgage with a 30-year rather than a 20-year payout and cancellation of the \$66,000 in unpaid interest that had accumulated on the old mortgage. The agreement also required that 1980’s mortgage payment be \$78,167, the full amount

due under the old mortgage. This last proviso was met through yet another successful “please pay up your bond” drive.

Early on, the Roosevelt estate [Is this the same as the Roosevelt Family Trust?] and the developers associated with it had advanced funds to the country club over the current and near term in return for assurance that purchasers of Roosevelt properties could be members of that country club in the 1980s and 1990s if they met the club’s membership standards. Understandably, the Roosevelts were reluctant to execute a long-term agreement with Bogue Banks Country Club when even its near term survival was in doubt. As the club’s prospects appeared reasonably good after the new mortgage was signed, they became more willing to do what they could to insure its long and successful life. In 1980, two contracts were signed with the Roosevelts stipulating payments to the club in return for reserving memberships for purchasers of the Roosevelts’ residential lots, condominiums and other developments.

By year-end 1980, the financial problems that had plagued the club were reasonably well in hand, and there was money in the bank. At the close of its first seven years, the club was not only alive but flourishing. Its golf and clubhouse facilities were far better than in the 70s, its active membership far larger, it was the only golf course on Bogue Banks, and the island’s permanent and transient populations were growing fairly quickly. In short, it had come through a very rough period successfully and could look to the future with confidence.

To an incredible degree, every member had a significant part in and can be justifiably proud of that success. Virtually all had pitched in to improve the golf course, to recruit new members, to establish and maintain a highly regarded social program or to organize and carry out all the other things that helped make it possible.

During the late 1980’s and through much of the 1990’s the membership continued to grow along with the growth of Pine Knoll Shores. Bogue Banks Country Club became the focus for the social life of newly retired residents looking to make new friends in their chosen retirement homes. There was, generally, a party, prepared and presented by a small group of members, for each of the major holidays. A small fee was charged by the group responsible in order to cover their cost for the event. In addition, there was a monthly covered dish dinner on Sundays, and on a Thursday night each month, there was “men’s night,” and male members prepared a meal. These events were very well attended.



Typical social event held at BBCC (vii)

While the growth in membership was highly beneficial for the club and its finances, there were some drawbacks. Space in the now aging clubhouse became limited, and many members suddenly found it difficult to buy tickets to certain social activities. Also, the old clubhouse began to suffer from some serious settling problems. This became so extreme that at one point in time the town's building inspector required an engineering test to determine if the building was safe for occupancy. Dissatisfaction began to grow among the members.

As a result of these problems, the club's Board of Directors initiated a plan to design and build a new clubhouse. The plan, while it was implemented, did not meet with the approval of many members due the increased membership fees they anticipated, and membership began to fall. The new clubhouse design period took almost three years, and over that time, membership levels continued to fall and eventually reached the point that the planned construction was delayed for a year to see if conditions would change. Sadly, they did not.

Several years later, the then sitting board decided to construct a new building and proceed with an entirely different design. On August 18, 2007, the grand opening of the new Country Club of the Crystal Coast was celebrated, and so the Bogue Banks Country Club began a new chapter in its life.



Invitation and Program (viii)

Shortly after the grand opening, new management, in the form of new directors on the board and a new general manager, took over the operation of the club. A few lean years were experienced, but membership began to grow once again as other improvements such as a new swimming pool, beautiful dining facilities, better course maintenance and a more congenial atmosphere were put in place. As this story is being prepared, the club has, once again, returned to being a profitable enterprise with a continuously expanding membership.



Country Club of The Crystal Coast <sup>(ix)</sup>  
Clubhouse As Seen From The Parking Lot

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*(i) Much of the information contained on these pages is taken from historical files donated to the PKS History Committee by the Country Club of The Crystal Coast. Individual credits are noted as they apply*

*(ii) Photographer unknown. "Aerial View Proposed Location" in the file for this story. Neither the date this picture was taken, nor who the photographer is, are known. What is today, Salter Path Rd. (NC 58) appears as a light stripe surrounded by trees more or less in the center of the picture.*

*(iii) This is a Charter Membership Offering for the Pine Knoll Shores Golf and Country Club. It was issued sometime soon after July 1973 presumably by the Wertz Development Group. There are two views shown. The front cover is by Tom H. Hutchins, Architect, of Statesville, N.C. and the application form. The brochure was donated to the club (9/22/1997) by Mr. Spencer Jones of Greensboro, N.C. In the note which accompanied the brochure he indicated that he was one of the original group of five which built the club and that he owned a home at number 144 Oakleaf Dr. and was a "non-resident" member of the club. These pictures are identified as "Charter Membership Application Cover Page" and "Charter Membership Application Form" in the file for this story.*

*(iv) Although there is no documented photographer, Beal Marks a former resident of PKS and club member, is known to have taken many aerial photographs of the area.*

*(v) Photographer unknown. Pictures are the BBCC Clubhouse as seen from the parking lot and the tennis shop as viewed from the court area.*

*(vi) Photographer unknown. Sale of the club "on the courthouse steps". A note attached to this photograph indicates that it was taken in October 1975. It also identifies the gentleman to the far left as Odell Flynn and*

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Wayne Cleveland is to his immediate right. Mr. Ken Kirkman appears in the light colored jacket. None of the others are identified.

(vii) Photographers unknown. This picture was taken at the St. Patrick's Day party in 1995.

a. (vii) Photographers unknown. This picture was taken at the St. Patrick's Day party in 1995. Sitting, from left to right – Patti & Charlie Swetz, Jack & Maxine Dickerson, Bill & Judy Poit

b. Standing, from left to right – Jan Webb, Lois Strube, Ruth Dutcher, Ted & Marilyn Lindblad, Bill Strube

(viii) Prepared by CCCC staff. These two images are copies of, (1) the invitation to attend the Grand Opening celebration (held Aug 18, 2007) for the new Country Club of The Crystal Coast and (2) the program of events for the celebration.

(ix) A view of the clubhouse of The Country Club of The Crystal Coast from the parking lot looking north east. Ted Lindblad photo.