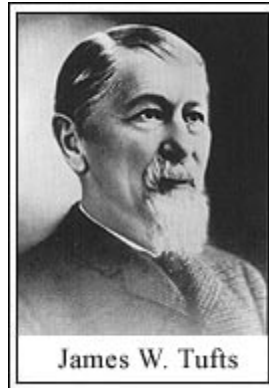




## History

Looking for a place to build a health-orientated resort, James Walker Tufts (head of the America Soda Foundation) stopped in the Sandhills area in the spring of 1895. Despite the fact that the area had been almost completely clear-cut by the timber industry, something about this area moved him, and in June 1895, he bought 598 acres of land for nearly \$1.25 per acre and makes up what is now the Village Center.



*Photo courtesy of Tufts Archives*

On June 20, 1895, Tufts contacted Frederick Law Olmsted, the designer of Central Park in New York and the landscape designer of the Biltmore Estate in Asheville, North Carolina, to help him create a first-rate resort. That summer, with the new plan in hand, 450 men began construction on what was originally referred to as "Tuftstown". Tufts selected the name Pinehurst for his resort out of a list of non-winning names for Martha's Vineyard.

On New Year's Eve 1895, the Holly Inn opened its doors and Pinehurst was on its way.



*Development of Village Center  
Photos courtesy of Tufts Archives*

Since all of the early buildings of Pinehurst stood on barren land, Tufts hired Warren Manning to plant over 222,000 tree seedling and other plants (47,250 of these were imported from France) around Pinehurst to give the resort the natural beauty we all still enjoy today.

For many years, Pinehurst was a privately held resort under sole proprietorship of the Tufts family. The Tufts family controlled all aspects of the resort and closely monitored all types of activities, including the creation of its first 9-hole golf course in February 1898, and the continued acquisition of more land.



Tufts brought in a young Scotsman named Donald Ross to design golf courses, and his No. 2 (originally built in 1902 with only man and mule power and then redesigned by Ross) is still consistently listed among the worlds' finest golf courses. Donald Ross, the father of golf, was a huge part of our heritage and history, as he influenced many golf course designers such as Peter Tufts and Ellis Maples.



*Donald Ross*  
*Photo courtesy of Tufts Archives*

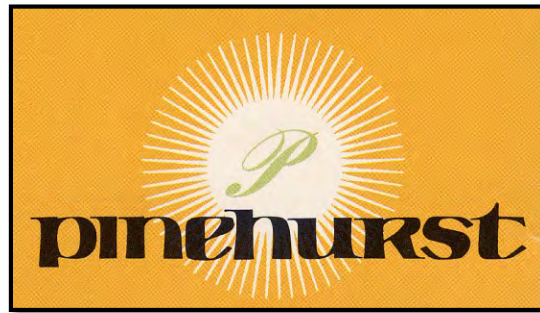
In 1920, a corporate form of ownership was established when a charter for Pinehurst, Inc. was obtained from the North Carolina Secretary of State. Tufts considered incorporating the village as a municipality in 1926, but he felt that a lack of year-round residents and state tax laws would not be able to sustain it.

During the Great Depression, as other resorts began to fail, property owners in Pinehurst agreed to pay more taxes in order to support the resort through the Depression and ensure that it would not fail like the surrounding resorts. During World War II, Pinehurst served as a support area for neighboring Fort Bragg and many servicemen were either residents or visitors.

It was not until 1960 that Pinehurst became a year-round resort with the introduction of air conditioning and swimming pools at the resort facilities. By the late 1960s, however, Pinehurst's days as a paternalistic resort under the Tufts were coming to an end.

Realizing that the resort was 75 years old and in need of significant investment to update and improve the resort facilities, the Tufts heirs sold Pinehurst, Inc., including the resort and approximately 7,500 acres of land, to the Diamondhead Corporation for \$9.2 million in January 1971. It was under Diamondhead's control that the creation and sale of lots with membership rights to the Pinehurst resort facilities began.

Advertisements were placed in newspapers around the country, and people were flown in to play golf and purchase a lot. Lake Pinehurst was created to enhance the residential neighborhood, new recreational improvements were made (including Course Number 6 in the late 1970s), and infrastructure was put into place to support the new development. However, all this activity was not considered to be progress by local residents.



*Old Diamondhead Logo*

Since Pinehurst was not a full municipality, there were no building inspections, no planning or zoning regulations, and no real means for the concerns of the residents to be acted upon. After several years of debate among residents over whether to seek incorporation as a full municipality or continue to allow Diamondhead to coordinate affairs, it was decided by a majority in 1980 that Pinehurst would function most effectively independently of the Diamondhead Corporation.

In 1980, with a population of 1,746 residents, Pinehurst was granted full incorporation as a municipality and was, for the first time, more than just a privately run resort.

According to the U.S. Census Bureau, adjusted for an annexed area effective March 31, 2010, Pinehurst had a population of 14,206 people in the year 2010. The 2010 population is a 61% increase from its population in 2000. Many of these new residents come from across the country, if not the world, to settle in this "village in the forest". When asked what brought them here, many cited ambiance, community character and spirit as their reasons for choosing the area.



*Village of Pinehurst Logo*



## Demographic & Geographic Characteristics

### *Demographic Characteristics*

With a current population of 16,123, the Village of Pinehurst is an integral part of the economy of Moore County, which is well diversified with significant healthcare, retirement, tourism, retail, agriculture, and manufacturing sectors. The Pinehurst area is largely a service-based economy focused on tourism/hospitality, healthcare-related activities, and retail trade.

Two of the largest employers in Moore County are located in Pinehurst and are service-related: FirstHealth of the Carolinas and Pinehurst Resort. FirstHealth of the Carolinas is a private, not-for-profit health care network serving 15 counties in the mid-Carolinas. Pinehurst Resort, owned by Pinehurst, LLC operates nine championship golf courses in the Village, including the famous Pinehurst No. 2 course (site of the 1999 and 2005 U.S. Open Championships). Pinehurst Resort also hosted 14 days of championship play in June 2014, with back to back U.S. Open and U.S. Women's Open Championships – for the first time in history.

The Village also provides other recreational opportunities for residents. The Village owns and operates a 111 acre Harness Track facility, which is used for winter training of standardbred horses and horse shows at various times throughout the year. The Village has 3 major parks that include an in-line hockey rink, tennis courts, ball diamonds and concession stands, playgrounds and disc golf. The Village also has an extensive Greenway System. The Greenway System will eventually connect most of the Village via a pedestrian and bicycle pathway.



### *Geographic Characteristics*

The Village of Pinehurst is located in the Sandhills Region of North Carolina, 60 miles southwest of Raleigh and about 75 miles east of Charlotte. The city spans approximately 17 square miles and is locally recognized as an outstanding residential community and major golf resort. The central location of Pinehurst allows quick and easy access to the beautiful Blue Ridge Mountains and the white, sandy beaches of North and South Carolina.



## Demographic and Economic Statistics Last Ten Calendar Years

<u>Fiscal Year</u>	<u>Calendar Year</u>	<u>Population (1)</u>	<u>Personal Income</u>	<u>Per Capita Income (2)</u>	<u>Median Age (2)</u>	<u>Unemployment Rate (3)</u>
2007	2006	11,026	\$ 542,145,667	\$ 49,170	60.4	4.8%
2008	2007	11,316	572,262,434	50,571	60.4	4.5%
2009	2008	11,632	610,890,250	52,518	60.4	6.2%
2010	2009	13,277	694,911,723	52,340	60.4	10.3%
2011	2010	13,601	434,198,324	31,924	58.4	9.5%
2012	2011	14,783	526,777,422	35,634	58.4	8.9%
2013	2012	14,979	608,671,665	40,635	60.6	8.6%
2014	2013	15,150	650,586,450	42,943	60.9	6.3%
2015	2014	15,525	708,033,150	45,606	60.8	5.4%
2016	2015	15,763	778,093,206	49,362	61.1	5.1%

### Sources:

- (1) Office of State Budget and Management.
- (2) U.S. Census Bureau.
- (3) North Carolina Employment Security Commission.

### Notes:

Per Capita Income is adjusted annually after the Decennial Census calendar year by the annual average inflation rate.

Unemployment rate information is a calendar year adjusted annual average in Southern Pines-Pinehurst area.

A change in municipal boundary effective March 31, 2010 increased the certified population in fiscal year 2010 by 1,482.



## Principal Property Tax Payers

### Principal Property Tax Payers Current Year and Nine Years Ago

Taxpayer	2016		2007	
	Taxable Assessed Value	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Percentage of Total Taxable Assessed Value
Pinehurst LLC	\$ 166,587,331	4.98%	\$ 122,539,053	5.61%
Pinehurst Surgical Clinic	25,473,350	0.76%	-	-
Pinehurst Medical	24,510,010	0.73%	12,866,622	0.59%
Country Club of North Carolina	17,324,070	0.52%	19,753,635	0.90%
Duke Energy Progress, Inc.	12,548,486	0.38%	11,272,640	0.52%
Pinewild Project Limited PTNS	10,234,391	0.31%	-	-
Quail Haven Properties of Pinehurst, LLC	10,020,530	0.30%	-	-
MTMM Associates (Carolina Eye Assoc.)	8,677,480	0.26%	8,524,575	0.39%
Pinehurst Nursing Center	5,649,311	0.17%	-	-
SCOP (Surgery Center of Pinehurst)	5,622,480	0.17%	-	-
Branch Banking and Trust Co.	4,914,230	0.15%	4,356,157	0.20%
Pleasant Living Health Care (Quail Haven)	-	-	8,265,503	0.38%
FirstHealth of the Carolinas	-	-	7,037,500	0.32%
Francis Maser	-	-	5,876,600	0.27%
Carolina Telephone and Telegraph	-	-	4,790,254	0.22%
<b>Total</b>	<b>\$ 291,561,669</b>	<b>8.72%</b>	<b>\$ 205,282,539</b>	<b>9.40%</b>

**Sources:** Moore County Tax Department.

**Notes:** 2016 and 2007 data are for tax years 2015 and 2006, respectively.

Pinehurst, LLC includes: Resorts of Pinehurst, Inc., Pinehurst, Inc., Pinehurst LLC and Resorts of Pinehurst, Inc.



## Principal Employers Current Year and Nine Years Ago

Employer	2016		2007	
	Employees	Percentage of Total Employment	Employees	Percentage of Total Employment
First Health of the Carolinas (1)	3,502	62.97%	2,567	53.22%
Pinehurst, LLC (2)	1,306	23.49%	1,178	24.43%
Total		86.46%		77.65%

### Sources:

- (1) Human Resources Department at First Health of the Carolinas.
- (2) Human Resources Department at Pinehurst, LLC f/n/a Resorts of Pinehurst Inc.

### Notes:

2016 employment is based on calendar year 2015.

GASB 44 requires comparative data for the current calendar year and nine years prior. 2010 adjusted Census Data was used for 2007 and 2016 to estimate the percentage of total employment.



*The Carolina Hotel*