

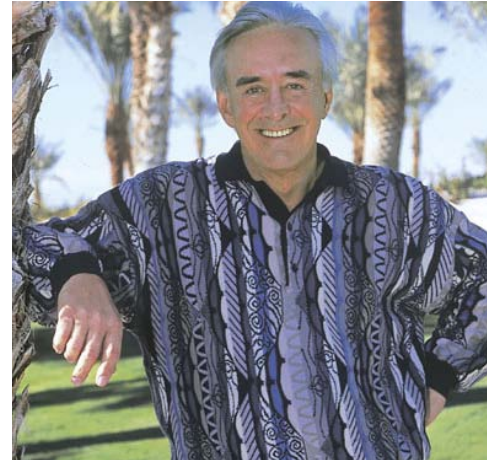
## FEATURED INTERVIEW

Here's what Las Vegas honcho Bill Walters has to say about the economic stimulus efforts and banks; the new administration in Washington; and his plan to build a world-class private club in Southern California.

BY EDWARD F. PAZDUR, CHAIRMAN & CEO  
HONORARY LIFE MEMBER, PGA OF AMERICA

LAS VEGAS, NEVADA: To most Nevadans, entrepreneur Bill Walters is a paradox. To most businessmen, he's an exacting administrator, a risk taker, a golf enthusiast, a sports gambler, and a valuable asset to Las Vegas. He's also generous philanthropically and judicious politically.

I flew to Vegas for an interview with Walters and discovered there was more to his personality than his peers realize. He's intensely active in politics, concerned about Congressional bailout policies, uncertain with President Obama, troubled about America's economic crisis, and angry that Vegas banks fall into two categories: the haves and have-nots. I asked him for a realistic evaluation of today's business economy and the possible danger to America's civic freedom. His keen perception of America's democracy and current business philosophy has been hardened after 27 years of activity to become successful.



BILL WALTERS, FOUNDER & CEO  
THE WALTERS GROUP

Walters and his lovely wife Susan left Louisville, Kentucky, for Las Vegas in 1982 to fulfill his lifelong dream to become a professional gambler. They arrived broke. Now, 27 years later, Walters, 62, is founder and CEO of The Walters Group, an investment company that owns and operates golf courses; owns an auto dealership, a Gulfstream 200 jet, and has other investment and business ventures.

### A PERSONAL GOAL AND PRESIDENT OBAMA

Walters is currently looking for property in Southern California to build a distinguished golf club that would compare to other world-class facilities and to possibly attract a PGA Tour major. "I'm not interested in buying any golf courses to own and operate from a commercial standpoint," said Walters. "I have this huge personal interest in being part of developing a special, pure golf experience in Southern California. If I can find property along the Pacific Ocean, I'll have something exceptional and I'm on my way." He unflinchingly said: "We'll build it. We'll develop it. We'll keep it private. We'll have a membership of good people who love and respect the game, and it won't be based upon their financial where-with-all. That's my goal, to be a part of something like that."

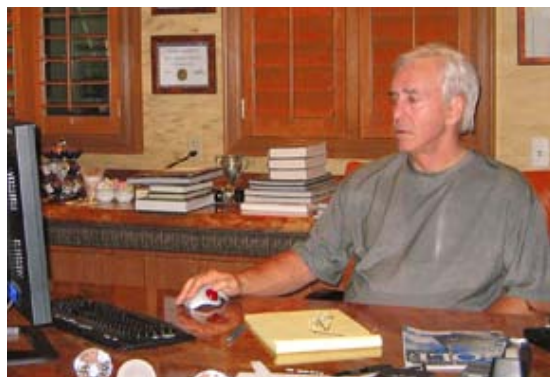
"WHOA!" I interrupted. "You're planning a huge development in today's sagging economy knowing President Obama's stimulus packages may change our democratic system into a socialistic one. Doesn't that worry you?" I asked. "I'd like to know how you feel about this, and I'll keep it off the record if you wish."

"No," Walters laughed. "I want it to be on the record."

"I was opposed to President Obama when he ran for President because of his lack of experience and the things he stood for. I worked hard to get John McCain elected. I gave him a lot of money and raised a lot of money for him. However, Ed, as I sit here today, I've got to tell you that I believe we have elected the wrong man."

"Why do you say that?"

"Because of his recent speeches and controversial Cabinet appointments," said Walters with conviction. "His lack of experience is becoming apparent, and he has yet to demonstrate leadership. I've watched his body language and I'm getting worried about his capability to be the President of the United States."



WALTERS' DAY STARTS AT 6 A.M. WITH A WORKOUT BEFORE GOING INTO THE OFFICE.

"What Cabinet appointments worry you?" I asked.

"Tim Geithner for one. He shows lack of experience, maturity and leadership," smirked Walters. "He has not instilled a sense of confidence in me because he has not yet outlined a detailed game plan. Because the country's chief concern today is the economy, it is essential that we have a Treasury Secretary in the Cabinet equivalent to the role of WWII's Secretary of Defense," expressed Walters. Geithner and the President are risking over a trillion of our tax dollars into American and British financial institutions that have cut their cost of funds and collateral to almost zilch."

"Bill, are you familiar with our founding fathers?"

"Yes, indeed," Walters answered, somewhat miffed at the naivety of the question.

"I would say Thomas Jefferson was the greatest of them all with the possible exception of George Washington. Would you agree?"

"Possibly," acknowledged Walters. "Jefferson did, after all, write the Declaration of Independence and was our third President."

I should have guessed he was an enlightened historian.

#### ARE BANKS MORE DANGEROUS THAN ARMIES?

I pressed the point that Jefferson's political philosophy is why Obama worries me. "President Obama," I said, "may be the reason you might not be able to build that Southern California haven."



WALTERS CATCHES UP ON SOME READING ABOARD HIS SLEEK GULFSTREAM 200 JET.

"I know about Jefferson and respect him," replied Walters.

"Then," I insisted, "listen to this. A large number of our readers, like you, are executive golfers and businessmen. They will find Jefferson's words, stated over 233 years ago, to be an advance warning. He said, 'Banking institutions are more dangerous to our liberties than standing armies; and if American people allow private banks to control the issue of their currency, the banks and corporations will deprive people of their property.'

"How prophetic! Have you heard this quote before?"

"Yes," he said, "I have it framed on the wall."

Walter's answer was surprising and it caught me off guard. "You're obviously more than just an admirer of Jefferson's political philosophy. How do you feel about his statement that banks will deprive people of their property? I call it foreclosure."

"Actually," said Walters, "The world of banks is made up of haves and have-nots. In other words, you have banks with lots of liquidity and you have banks struggling to stay afloat with little or no opinion of where to put their money. The recent government bailout was not well thought out. I'm not Monday morning quarterbacking, but when they released \$350 billion, there were no contingencies attached to that money. Instead of loaning money to people, businessmen and institutions, they simply bought struggling banks at big discounts or paid dividends to their shareholders. The end result is a small number of banks make it more difficult to obtain a loan. They have become more selective in lending money and have tripled their rate from what it was a year ago. I'll give you an example right here in Las Vegas.

"MGM just raised some money from Bank of America and UBS, their business partners for many years. MGM borrowed around \$650 million and had to put up the first mortgage on their Vegas New York-New York Hotel plus a whopping 15 percent interest and substantial fees. Their long relationship meant nothing and it became irrelevant because business is business. And, there were no competitive banks MGM could have turned to," said Walters.

"How is Las Vegas doing?"

"Across the board, I would say it's down about 25 percent. Tourists who stayed four days, now stay three."

"How are Steve Wynn and his new Encore doing?"

"I did ask one of Encore's key executives," mused Walters. "I understand they are doing very well."

#### THE VEGAS GOLF EXPERIENCE

From a personal perspective, he feels when people think about golf in Vegas, they think of \$500 rounds. "What people don't realize," said Walters, "is that they have options. There are entry-level hotels and entry-level golf clubs with entry-level prices. There's no other city in the world that offers the accessibility Vegas does."

"What are the top five golf courses in Vegas, regardless of cost?"

"I would say Shadow Creek, Bali Hai, Cascata, Wynn, and Royal Links—not necessarily in that order," said Walters. "Shadow Creek is rated in the world's top 20 and it's expensive. You have to be a guest of the MGM properties to play it. Las Vegas golfers have rated our Bali Hai, a public course, the best golf course in Vegas."

"What's your biggest problem in Las Vegas?"



WALTERS GOLF THREE THEMED GOLF COURSES (FROM TOP) BALI HAI GOLF CLUB; DESERT PINES GOLF CLUB; AND ROYAL LINKS GOLF CLUB.

“Our problem is to overcome the notion that you come to Las Vegas to gamble, savor great food, enjoy dazzling shows and shop. Not golf. I would not be foolish enough to say that Vegas will become America’s top golf destination. I will project that one day it will become one of America’s top golf destinations. Nothing is ever going to be bigger than gaming in Vegas.”

#### LIKELIHOOD OF NEW COURSES IS ZERO

“The possibility of more golf courses in Vegas is almost non-existent and there are multiple reasons for it,” continued Walters. “One is water availability, another is cost of land, and third is cost to build it. Did you know, for instance, we have over 50 courses in Vegas now?”

“No. Of those 50, did you include private clubs?”

“No, just courses accessible to non-residents.”

“How many are yours?”

“I now operate three. We had seven,” said Walters. “We converted some to residential use and sold others.”

#### THREE THEMED PUBLIC GOLF COURSES

“I’m very proud of our three themed golf courses; Bali Hai, Royal Links, and Desert Pines, all of which received high marks by Golf Inc.’s national survey of golf courses. Their survey is unique and respected by the industry because the panel of judges are golf purists who pay for all of their expenses!” said Walters. “To me, it has to be the most legitimate golf course survey in the game. They are knowledgeable, impartial paying patrons. Golf, Inc. included my three themed clubs; Bali Hai as No. 6; Royal Links as No. 14; and Desert Pines as No. 50.”

Bali Hai (No. 6), located right on The Strip adjacent to the Mandalay Bay Hotel, offers a memorable taste of the South Pacific with black volcanic rock, white sand and blue lagoons. Royal Links (No. 14) features 18 replicas of the most famous golf holes played in the British Open rotation of clubs. Included are such renowned sites as The Road Hole and Hell Bunker at St. Andrews and The Postage Stamp at Royal Troon.

Desert Pines (No. 50) pays homage to Pinehurst with thousands of transplanted pine trees and bales of straw. A two-tiered, automatic teeing, climate controlled 55-stall driving range makes life easier.

#### THANK YOU, SUSAN

After 32 years of marriage, Walters still alludes to his wife, Susan, with gratitude and affection. She knew of her husband’s powerful entrepreneurial instincts and passion for gambling long before they were married in Louisville. They excelled in Louisville. Life was good. But, Walters was unhappy. He yearned to go to Las Vegas where he felt he could unleash his entrepreneurial and gambling vitality.



SUSAN AND BILL WALTERS.

Susan is a bright and attractive lady who has provided strong support for her husband for over 32 years.

“We made quite a bit of money in Louisville and I lost it in Louisville because of gambling,” recalled Walters. “We came to Vegas dead broke.”

“Susan stuck with you all the way. You’re lucky.”

“Oh yes,” sighed Walters. “She means everything in the world to me.”

*To contact Bill Walters, you may phone toll free (888) 397-2499, or please visit [waltersgolf.com](http://waltersgolf.com).*