A worker at Sweetwater Country Club in Sugarland, Texas removes bermudagrass sod from a green damaged by this winter's record cold. The facility was among numerous Southern courses that suffered extensive winterkill repairing greens to be torn up and replanted. The extent of the damage wasn't known in many areas until the bermudagrass emerged from dormancy this spring.

Kill costs courses millions

BY PETER BLAIS

The winter freeze cost Southern courses millions of dollars, forcing many to reseed greens and some to close for as long as two months.

The cold temperatures that struck in early December killed much of the bermudagrass on courses from Texas to South Carolina. Unfortunately the problem went undetected until spring when the overseeded ryegrass began to die out and the Bermuda traditionally starts to grow. Only this time the Bermuda never greened up.

"It just stayed dirt brown once the ryegrass died off," said Gilbert Medrano, head superintendent at First Colony's new public course in Houston.

The damage was so bad First Colony closed its doors May 29 and wasn't scheduled to re-open until July 26. It cost $25,000 to reseed all 18 greens. Assistant pro Scott Redblake pegged lost business at another $180,000. Most courses were able to remain open, but had to resort to temporary greens. Nearby Sweetwater Country Club in Sugarland was "pretty severely" damaged but continued play on temporaries, eventually getting them up, fumigated, contoured and resprigged. We planted June 22 and they look good. They are about 80 percent covered. It's worse here because we didn't have anything to kill the snow from, said Bob Ronan, head superintendent at Sweetwater Country Club.

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S&L crisis hits golf

Let's make a deal goes nationwide...

BY PETER BLAIS

Golf courses nationwide are available at bargain-basement prices thanks to a savings and loan crisis that has left several courses in the hands of the Resolution Trust Corporation.

In the Phoenix, Ariz., area alone, two courses are for sale. Superstition Springs in Mesa and Happy Trails Resort in Surprise were the property of Western Savings, which was placed into receivership May 31, according to Western Savings Vice President of Real Estate Investment and Sales Paul Timm. They are being marketed by the RTC, which is responsible for selling off closed savings and loan properties.

Superstition Springs is a 646-acre project undertaken by Western Savings and Loan Association in the early 1970s. The 18-hole Greg Nash-designed course was pegged lost business at another $180,000. Most courses were able to remain open, but had to resort to temporary greens. Nearby Sweetwater Country Club in Sugarland was "pretty severely" damaged but continued play on temporaries, eventually getting them up, fumigated, contoured and resprigged. We planted June 22 and they look good. They are about 80 percent covered. It's worse here because we didn't have anything to kill the snow from, said Bob Ronan, head superintendent at Sweetwater Country Club.

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...as foreigners, pensions pick up slack

BY PETER BLAIS

Foreign investors and pension funds are replacing beleaguered savings and loans and commercial banks as major funding sources for existing courses and new course construction.

"With the S&L crisis, those institutions are basically out of the golf course business. A lot of money used to come from the S&Ls. Now they're history," said Stanton Abrams, president of Senior Tour Players Inc., a Boston-based company involved in golf course communities and representing many famous Senior players.

"Commercial banks have had a lot of problems with bad loans. So that money has basically dried up, too."

Foreign investment

Led by the Japanese, foreign investors and pension funds are now filling a large part of the funding void. The Japanese have bought the land and are now lending the money.
continued from page 1 championship course was completed in 1986. It hosts 45,000 rounds a year, breaks even financially and includes an 11,000-square-foot clubhouse with locker rooms, restaurant and lounge, said Timm.

The course sits on 198 acres. The rest of the land is available for commercial development. The RTC is asking $35 million for the entire project. It had received three offers through mid-July.

"If a buyer isn't found in the next two to three months, we'll begin splitting up the property," explained Timm. "There's been a lot of interest in the course. It's a full-grass course. Many of the new courses here are target courses.

"It is also piped for effluent water, which is a plus with the new laws coming along requiring effluent use on golf courses. And it's in a fast-growing area, East Mesa."

"A regional mall is opening in the vicinity this fall and the highway is supposed to be extended another three miles in 1991. That should allow for a lot more traffic."

The course alone is valued at $7 million and an adjacent, 15-acre resort parcel at $2 million, said Timm.

Western Savings was established over 60 years ago, said Timm. It eventually became the second-largest savings and loan in Arizona. Its asset base grew to between $6 billion and $7 billion in the early 1980s with the deregulation of the banking industry.

But the downturn in the Arizona real-estate market in the second half of the decade eroded the company's equity base. It was placed into conservatorship last summer and receivership May 31 after the Bank of America purchased its 61 branches and deposits. Happy Trails was among the assets that remained.

Begun as a recreational vehicle resort in 1982 for "Snowbirds" escaping the Midwest's winter snow and cold, Western Savings and its partners began marketing 1,900 lots as part of the first phase of development, according to Western Savings Operations Manager Jerry Shambaugh.

The June issue of Golf Course News incorrectly reported that the Fort Dix (N.J.) golf course was closing. It was a source error. According to a Fort Dix spokesperson, the Trenton facility is "having its training mission realigned by the Army but will remain open for other missions under a semi-active status... current plans are to keep the 18-hole golf course open to serve the permanent staff that will remain after realignment and also the thousands of military retirees in South Jersey who frequent the course."

The property has been appraised at $12 million. A second appraisal was scheduled for completion in late July. "We've had a lot of interest, somewhere between 100 and 150 calls already," said Shambaugh. "We've had three solid offers. But we can't accept any until we get the second appraisal. We feel we'll get another 10 to 12 offers almost immediately."

"It's an excellent opportunity for someone to pick up a valuable piece of property for about $12 million, sit on it for a couple of years and then sell for around $35 million."

For more information on these properties call Paul Timm at 602-468-4034 or Jerry Shambaugh at 602-468-5800.

The RTC had other courses available in Texas and South Carolina as of mid-July. For more information, contact the regional RTC offices in those areas.

().  continued from page 26 specialized in golf course financing," added Abrams, who has worked with, among others, San Francisco-based GATX Golf Capital (telephone 415-955-3200). "They're good. But they're incredibly selective."

The National Golf Foundation lists 10 companies, including GATX, as potential financing sources. They are:

Alternative Mortgage of Longwood, Fla. (607-774-0000); The Balco Co. of Skokie, Ill. (708-676-6923); BLB Associates, Inc. of Acton, Mass. (508-635-0400); First Golf Capital of Denver, Colo. (303-421-9454); G.E. Capital - HRFS of Charlotte, N.C. (704-541-4906); Greyhound Financial of Phoenix, Ariz. (602-952-4525); The Investment Matchmaker of Van Nuys, Calif. (818-780-1034); Maloney Golf Finance, Inc. of Kansas City, Mo. (816-444-2350); and The Prestwick Group of Northbrook, Ill. (708-676-6874).

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