Management firm sees rosy future in ownership

By PETER BLAIS

OLETA, Calif. — The Dec. 7 opening of Glen Annie Golf Club here marks a new direction for Environmental Golf, course ownership. The Calabassas, Calif.-based firm is a subsidiary of 4,000-employee Environmental Industries Inc., a leading national landscape, nursery, maintenance and site-development contractor. Environmental Industries has built more than 400 courses since 1954.

Today, Environmental Golf is building or remodeling 15 to 20 courses annually. It also has maintenance-only contracts at another 30-plus courses nationwide.

But it was just last year that Environmental Golf entered course ownership. In May 1997, the company assumed part ownership of Arnold Palmer-designed Cherokee Run, which Environmental Golf built for the city of Conyers, Ga., and opened in October 1995.

The first planned build/own course is Damiano Pascuzzo and Robert Muir Gravens-designed Glen Annie. Pascuzzo and Gravens are also the architects at Westridge Golf Course (opening September 1998) in Northridge, Calif.

Lahabra while Ronald Frean designed The Links at River Lakes Ranch (opening November 1998) in Bakersfield, a pair of California courses the company will also build and own.

“"We've been building courses for 40-plus years for other owners and maintaining them for more than 20," explained Director of Golf Mike Dingman of his firm’s recent move into ownership. "We just made the decision that it was an industry we were familiar with as far as construction and maintenance and thought it would be a natural progression to get into [overall]."

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N.C. super realizes career dream

By PETER BLAIS

GRIFTON, N.C. — Brad Brooks, 39, recently realized the dream of many golf course superintendents, to own his own course.

Brooks and his three partners purchased Indian Trails Golf Club, a 28-year-old course located between Kinston and Greenville, N.C., a 90-minute car ride south of Raleigh.

The ownership at Indian Trails is a tight-knit group. Brooks is the superintendent and his wife, Margaret, is the administrator. Partner Ed Wheeler was the pro before and after the purchase.

Wheeler's wife, Debra Bryant, is a certified public accountant and serves as controller. Together they are the four equal stockholders and "provide the synergy that we think is special," Brooks said.

The foursome formed an S-Corporation. Fortunately, they had to obtain little financing and purchased the course from a construction company whose owners were ready to sell the facility. Brooks group negotiated a price and had a sufficient down payment to get a loan.

"It isn't as complicated as you would think it is," said Brooks, who took the GCSAA course on owning a golf facility and availed himself of National Golf Foundation reports on course ownership.

"Seventy percent of the work you have to do to please a bank is just legwork and number crunching. There is no secret formula you have to know. If you can..."

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Palmer adds to mgt. portfolio

ORLANDO, Fla. — Arnold Palmer Golf Management has signed an agreement with Paloma Golf Group, acquiring four golf courses in the process — two in Buffalo, N.Y., and single courses in New Jersey and Oregon.

"This is the beginning of a great relationship between Palmer Golf and Paloma," said Peter Manula, chief executive officer of Palmer Golf. "This strategic alliance is the first of many we are currently negotiating, and Paloma and [Paloma Chairman] Garth Chambers are exactly the kind of progressive partners we’re seeking to help grow our network.

"Garth appeals to us as a ‘merchant developer.’ He believes in our vision for bringing a new level of service to..."

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USGC, Golf Ventures complete merger

ORLANDO, Fla. — U.S. Golf Communities and Golf Ventures Inc. have completed their definitive reorganization, in effect a reverse merger, of the two companies. The new company is to be known as Golf Communities of America, Inc. and its corporate headquarters have been relocated to Orlando.

Under the terms of the agreement, Salt Lake City-based Golf Ventures has issued 7.7 million Series D convertible preferred shares which represents 81 percent of the post-transaction shares outstanding; and the assets of privately held U.S. Golf Communities have been merged into Golf Ventures.

The agreement calls for Warren Stanchina, president and chief executive officer of U.S. Golf Communities, to assume the position of chairman of the board, president and chief executive officer of the new company, Duane Marchant, chairman, president and chief executive officer of Golf Ventures, will become a vice president of the company and manager of its western region.

Golf Communities of America, Inc. is principally engaged in the acquisition, development and operations management of public, private and resort golf properties and adjacent residential real estate throughout the United States. Shortly after the merger became official, Golf Communities purchased a controlling interest in The Club at Pelican Strand, a residential golf and country club community located in Naples, Fla. The property consists of a 27-hole, Gordon Lewis-designed course, 50,000-square-foot clubhouse, 1,200 residential units and 30 acres of commercial space. The purchase included a combination of cash and stock.

“Golf Communities of America’s purchase of Pelican Strand, valued at a total of over $50 million, marks our first major milestone since our merger last month,” Stanchina said. “This unique real estate exemplifies the type of high-quality golf property we own and operate, and it fits perfectly into our strategic plan of aligning ourselves with quality local developers with strong track records.”

King City, Ontario, Canada — ClubLink Corporation’s Lake Joseph Club property in Muskoka, Ontario has been awarded Canada’s Best New Golf Course in 1997 by Golf Digest magazine.

“We are very pleased that the first course developed and built by ClubLink Corporation has received this kind of recognition,” said Bruce Simmonds, president and chief executive officer of ClubLink Corporation.

Another Thomas McBroom design previously won the award in 1995 for The Links at Crowbush Cove, located on Prince Edward Island. ClubLink is currently constructing a 45-hole, Thomas McBroom-designed private golf course named RattleSnake Point Golf Club in Milton, Ontario. It is scheduled to open in June 1999.

ClubLink’s corporate development plans include expanding upon its presence in Muskoka, Ontario’s premier resort and conference area, continuing its growth in the Ottawa market, and building upon its market share in the Greater Toronto Area by way of introducing daily fee clubs under the trade mark of DAILY MEMBER GOLF(TM).

ClubLink has completed the purchase for $6.95 million of the Aurora Golf & Country Club and is now revitalizing the property, which includes two 18-hole courses, the East and West Courses, and property contiguous with the East Course which is suitable for redevelopment. ClubLink also sold to Armadale Properties Limited and Verdiroc Holdings Limited a 50-percent interest in a joint venture for the redevelopment of a portion of the contiguous property and also sold just over half an acre of the contiguous property.

ClubLink recently announced third-quarter and year-to-date results. Revenue for the third quarter ended Sept. 30, 1997 was $14.8 million, up 51 percent over $9.8 million recorded during the same period in 1996. Income before depreciation, interest and taxes was up 79 percent to $5.5 million for the three months ended Sept. 30 compared to $3.1 million for the third quarter in 1996.

Completion of ClubLink’s previously announced acquisition of 36-hole Aurora Golf and Country Club was scheduled for Nov. 18.

Simmonds also said, “ClubLink continues to increase its investment in GolfSouth through secured loans to GolfSouth for its recent acquisition and current renovation of the 36-hole Foxfire Resort and Country Club in Pinehurst, N.C., and its construction of several new GolfSouth courses in the Washington, D.C. area and at Louisiana State University.”

Palmer

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golf, and will now continue to purchase and develop golf courses with the support of our entire organization.

The courses acquired include Tan Tara Country Club (CC) and Fox Valley CC in Buffalo; Minebrook Golf Club (GC) in Hackettstown, N.J.; and Emerald Valley GC in Eugene, Ore.

In other news, Orlando-based Palmer:

• Reached an agreement with the city of San Francisco to manage Harding Park and Lincoln Park pro shops and guest services, leaving course maintenance to the city.

• Signed a lease and management agreement with Penderbrook Golf Club in Fairfax, Va., the company’s first Virginia operation. Palmer will fund a multi-million-dollar renovation program over the next few months.

• Officially opened Strawberry Farms Golf Club, an 18-hole, Jim Lipe-designed layout in Hopewell, Va., the fourth golf facility to come under the Palmer banner in Southern California. Sand Canyon LLC, headed by Managing Partner Doug DeCinces, is the developer.

• inked a franchise deal with White Hawk Country Club in Crown Point, Ind., a Tim Nugent, 18-hole design scheduled to open this summer.