National Golf merger pending
National Golf Properties has proposed a merger with its largest tenant, American Golf 

Development slowdown
New construction will continue to soften in 2002, but opportunities still exist

Palmer Golf set to diversify portfolio

BY ANDREW OVERBECK

ORLANDO, Fla. — After spending 2001 opening five courses and dealing with the financial realities of Sept. 11, Arnold Palmer Golf Management is moving full speed ahead into 2002 with a strategy to further diversify its portfolio.

The firm signed its first management contract of the year at Stone Ridge Golf Club in Bowling Green, Ohio, and is looking to add four more facilities before the end of the first quarter. In addition to management deals, Palmer Golf will be paying more attention to acquisitions and will be working more closely with Palmer Course Design.

“Wallace, who joined the staff of the Fairview Farm Golf Course in Harwinton, Conn., Feb. 25 after being let go by Hop Meadow Country Club Sinsbury, Conn., also has thoughts on how superintendents can balance a leadership position with the association while still maintaining their jobs. Golf Course News recently caught up with Wallace to discuss what goals and hurdles are in store for the GCSAA this year. Golf Course News: What are your goals for association this year?

Michael Wallace: The GCSAA is obviously poised. We just finished our 75th year as an association, and tremendous strides have been made in that period of time thanks to all those who have preceded me. The PDI implementation will be taking place July 1.

With financing scarce, builders grapple with equity gamble

BY ANDREW OVERBECK

As golf course development financing has become increasingly scarce, more golf course builders, both large and small, are being asked to take equity positions in projects.

“It seems like seventy percent of the deals we see, the developer is looking for money,” said Robert Steele, president of Scottsdale, Ariz.-based SEMA Golf. “More developers are trying to figure out how they can still have a golf course and not spend their money.”

While larger, established companies such as Lincoln, Neb.-based Landscapes Unlimited and Colorado Springs, Co.-based Niebur Golf have been involved in the equity partnership and ownership game for some time, this trend opens up a whole new set of challenges for medium and small builders which take comparatively larger risks when they trade profits for an equity stake in a project.

Weighing the risks

“It may look like fun,” said Lee Hetrick, executive director of the Golf Course Builders Association of America.