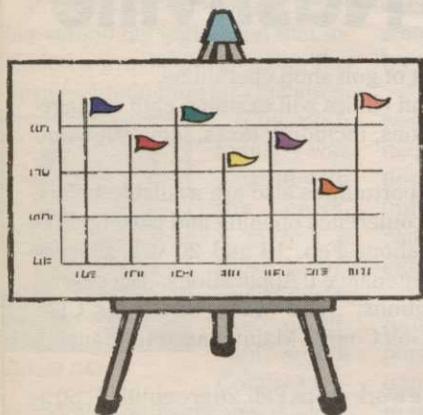


BRIEFS



PALMER MOVES OFFICE

ORLANDO, Fla. — Arnold Palmer Golf Management Co. has moved its corporate offices to Arnold Palmer's Bay Hill Club here. Part of the Bay Hill Lodge was converted into offices for the APGMC staff. The new address is Arnold Palmer Golf Management Co., 9000 Bay Hill Blvd., Suite 300, Orlando, Fla. 32819; telephone 407-876-6700.



Arnold Palmer

PRESTWICK BUSY

Prestwick Golf Properties Ltd. recently participated in the sales of Westport Golf Club in Denver, N.C., Carolina Springs Golf Club in Fountain Inn S.C., Links O'Tryon Golf Club in Campobello, S.C., and Kettle Moraine Golf Club in Dousman, Wis. Prestwick is a national golf course brokerage, management, appraisal and consulting firm with corporate headquarters in Elm Grove, Wis.

FALCOLN'S FIRE NAMES GOLF DIRECTOR

ORLANDO, Fla. — Kenny Winn has been named director of golf at Falcoln's Fire Golf Club at Seralago. Winn has been head pro at Pelican Hills Golf Club in Newport Coast, Calif., since September 1991. He previously worked at Moreno Valley Ranch Golf Club in Moreno Valley, Calif., and PGA West in LaQuinta, Calif. Rees Jones designed Falcoln's Fire, which was developed by Newfield Enterprises International of Los Angeles and is managed by Western Golf Properties Inc. of Scottsdale, Ariz.

TOMMY ARMOUR AWARDS SCHOLARSHIPS

Six Professional Golf Management students at Ferris State University received 1992/93 scholarships from Tommy Armour Golf. Receiving awards at the PGM Student Association banquet were Michael Hinderlifter of Portage, Mich.; Charles Karnolt of Winsted, Conn.; Ken Hartmann of Dallas; Andrew Rogers of Wildwood, Fla.; John German of Grinnell, Iowa; and Jeff Rainey of Tonawanda, N.Y.

CLUBCORP COURSE OPENS

The first course at Jack Nicklaus-designed Indigo Run on Hilton Head Island, S.C., opened recently for limited play. The private golf and residential community is operated by Club Corporation of America and The Melrose Co. Construction of a second course is scheduled to begin this spring.

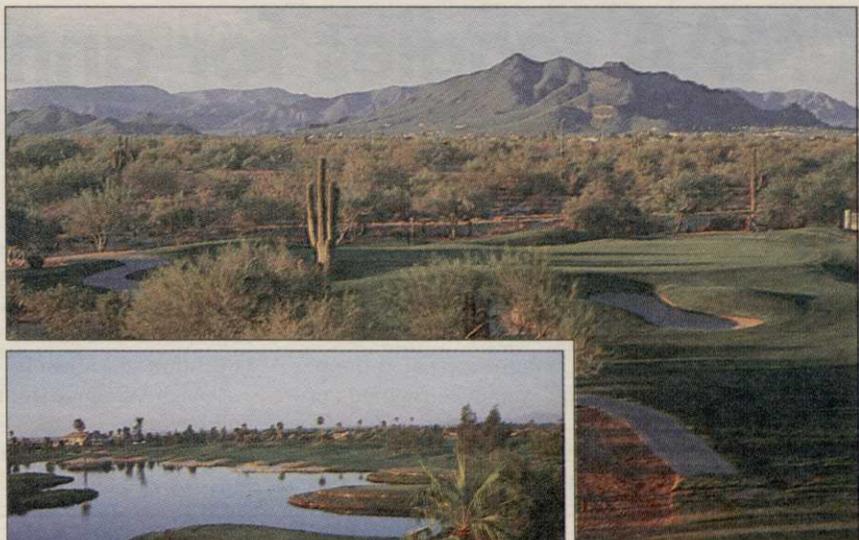
AGC's Arizona holdings reach double digits with Superstition Springs purchase

PHOENIX, Ariz. — American Golf Corp. acquired Superstition Springs Golf Club in Mesa in October, the third Phoenix-area acquisition for the California-based golf course management firm in as many weeks.

AGC bought Tatum Ranch Golf Club in Cave Creek and The Legend Golf Resort in Glendale in separate transactions, bringing the total number of courses owned in Arizona to 10.

According to Kevin Roberts, American Golf's senior vice president of operations for the West Coast, AGC has been monitoring the progress of the three Arizona resort courses for several years.

"It has always been our intention to expand our presence in the high-end, resort-type golf courses," said Roberts from the company's Phoenix office at Tatum Ranch.



The purchase of Superstition Springs GC in Mesa, inset, brings AGC's Ariz. holdings to 10. The company also bought Tatum Ranch, above, in Cave Creek in another recent transaction.

Superstition Springs is an 18-hole resort course. According to General Manager Jeff Lessig, the purchase included the par-72, 7,000-yard golf course, clubhouse and practice facilities from Phoenix-based DMB Associates.

The Tatum Ranch purchase includes the par-72, 6,780-yard resort course, clubhouse and existing practice facilities. It will be one of the key Arizona

operations centers of AGC and headed by Gary Klein, regional director for Arizona and Nevada. Klein, a 25-year veteran of the golf industry who has been with American Golf since 1975, comes to Phoenix from the Sahara Country Club in Las Vegas.

The Legend Golf Resort is located in the master-planned community of Arrowhead Ranch in Glendale.

Mich. designer awarded \$2.45 million in Alaskan contract suit

By PETER BLAIS

ANCHORAGE, Alaska — A jury awarded architect William Newcomb \$2.45 million in a breach of contract against the operator of the Anchorage Golf Course.

The course manager, Boyne (Mich.) USA subsidiary The Golf Co., claims the jury misread the evidence and is asking the state Superior Court judge to set aside the verdict.

Newcomb and The Golf Co. formed a partnership in 1984 to construct the course on municipal land with the intention of eventually selling it back to the city, the architect said. It opened in 1987.

"In today's market, that type of arrangement is not unusual," Newcomb said. "Limited funds are available for new construction. Boyne was a good partner the first three years. Then we saw things

differently."

The Ann Arbor, Mich.-based architect filed suit last year saying he was unable to exercise his option to buy The Golf Co.'s interest in the project because it was mismanaged. Lack of maintenance made it impossible to attract investors, he claimed. He predicted he will eventually end up with control of the club.

"We figured to have the course three to four years then sell it back to the community," Newcomb said. "I fought with Boyne for four years. Now we'll have to put a lot more money back into it."

The Golf Co. countered that Newcomb was unable to find investors at the inflated price he was asking and that the company did a good job maintaining and improving the course.

Newcomb's faulty design and construc-

Continued on page 68

Is there life after the RTC?

By HAL PHILLIPS

Ever wonder what happens to financially trouble golf courses — usually real-estate based — that wind up in the hands of lenders, bankruptcy courts or the dreaded Resolution Trust Corporation?

Eventually, these developments are placed at public auctions, like the one recently conducted by Chicago-based NRC Auction, Inc. The Harbor Club, a resort located on Georgia's Lake Oconee, sold for \$3.25 million at an auction conducted by NRC in November.

Pioneer Group, Inc., a real estate investment company based in Bristol, Va., purchased the golf course, equestrian center and 300 acres of undeveloped land at the Atlanta auction, which was ordered by bankruptcy court. Pioneer is affiliated

Continued on page 66

Bankruptcy court to rule soon on Ventana Canyon

By PETER BLAIS

TUCSON, Ariz. — The federal bankruptcy court is expected to confirm Ventana Canyon Golf & Racquet Club's reorganization plan by late February or early March.

Course operator Everett Home-town Limited originally filed for Chapter 11 protection last spring. The filing in no way affected Loews Ventana Canyon Resort, a nearby 398-room hotel.

"The course was simply unable to generate enough cash flow to cover the debt (\$20 million) it was

Continued on page 66



HOOK A KID
NYSCA President and Chief Executive Officer Fred Engh, left, discusses the Leawood (Kan.) Hook A Kid On Golf Learning Center plans with golf course designer Michael Hurdzan, center, and Scott Whitaker, director of parks and recreation.

The Harbor Club finds its way to the RTC auction block

Continued from page 61

with Rapoca Energy Co., a diversified coal and energy company with operations in Virginia, Kentucky and West Virginia.

NRC also coordinated the auction earlier this year of Hope Plantation, the first RTC-held golf course to be auctioned off.

"As a result of our two sales this year, we have been contacted by other institutions that have foreclosed on these types of properties," explained Evan Gladstone, executive vice president of NRC

Auctions, who has an interesting cross-regional perspective on the real-estate bust of the 1980s.

"There was a lot of money being thrown into these properties during the 80s," he said. "But the economics of these developments were predicated on the buyers coming from the Northeast. When the recession hit the Northeast, it really killed the real estate aspect of many projects down South."

The plight of bankrupt golf course resort communities has received added publicity since

RTC moved in on Landmark last September. According to Gladstone, NRC bid on the right to organize the auction of Landmark properties, but lost out to Kidder, Peabody & Co.

Anne Freeman, an RTC spokesperson, indicated Kidder, Peabody is expected to submit a marketing plan for Landmark in mid-January. In November 1992, RTC filed a bankruptcy plan with the federal district court in Charleston, S.C. Sometime on or around March 15, the court is

expected to approve the plan, thus clearing the way for RTC to receive bids, Freeman explained.

Gladstone said RTC held 17 golf course properties before the fall of Oak Tree, Kiawah, PGA West and other former Landmark venues. And the lengthy delays in readying bankrupt properties for auction is par for the course, he said.

"There seems to be a standard response for properties of this sort," Gladstone said. "By the time it gets into the lender's hands, or

RTC's, the projects tend to have substantial real estate, environmental, legal and zoning problems. Getting them ready for sale is a tough process — it can take months."

For example, the Harbor Club filed for Chapter 7 liquidation and the bankruptcy court subsequently ordered the public auction. However, it was not offered for public bid in a timely fashion because, as Gladstone noted, it took four months to iron out the details.

"There were a number of problems at the Harbor Club. For instance, there was a cart path that ran right through a lot that had been sold. We couldn't move the cart path because of the lake. We finally had to trade two unsold lots for the cart path lot."

Chip Barker, vice president of Pioneer Group, said the firm planned to operate the Harbor Club property as it was originally envisioned: A golf course/resort area that becomes a golf destination.

The club opened in mid-1989 on 1,000 acres of land with six miles of shoreline fronting Lake Oconee, a 19,000-acre man-made lake. Barker said an emphasis will be placed on the course — designed by Tom Weiskopf and Jay Morrish — and various uses will be explored at the equestrian center.

Ventana Canyon

Continued from page 61

carrying. It's a fantastic club. But the amount of debt was more than revenues could support," said Ennis Dale, vice president of TEM Corp., the project's asset manager.

Everett and lender Greyhound Real Estate Finance Co. submitted the joint reorganization plan in late November. The initial hearing was scheduled for Jan. 4 with the confirmation hearing expected six to seven weeks later.

Tucson businessman Bill Estes developed the two Tom Fazio-designed courses and 48-unit hotel that opened in 1984.

An Estes real estate company was supposed to subsidize the course operation. But it ran into financial difficulties of its own, Dale explained. That eventually led to the course's funding problems.

"The golf course wasn't the problem," agreed Arizona Golf Association Executive Director Ed Gowan. "It was the real estate."

Greyhound is searching for a third party to operate the club when the reorganization plan is accepted.

The money problems have not affected the quality or quantity of play, Dale said.

"The course has continued operating at the same or better conditions than before the bankruptcy filing," he added.



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