

Landscapes Unlimited emerging as big player in course ownership

By JAY FINEGAN

LINCOLN, Neb. — While earning a stellar reputation as a golf course builder, Landscapes Unlimited has quietly amassed one of the largest course-ownership portfolios in the country.

Founder and CEO Bill Kubly engineered the first deal in 1990, when Landscapes built and then took ownership of Amana Colonies, an 18-hole daily-fee layout in Iowa. Since then, the construction giant has taken full or part ownership of 15 operating golf facilities, plus five more currently under construction.

Kubly has no intention of stopping there. Golf property ownership has emerged as a major component of the company's strategy. "We look at it as a long-term real estate play, an equity buildup play," he said. "As the builder of a golf course, we have the ability to get into ownership for less money than most people could. And the value of the courses builds up over time."

The layouts owned by Landscapes are scattered around the country, with a nucleus of four in Omaha and a fifth Nebraska course under way. Landscapes has either built or renovated each one.

"We've bought several distressed properties and then gone in and rehabbed them," said

Kubly, a landscape architecture graduate of the University of Wisconsin. "If we see some value there — if a course is shopworn or could use some tender loving care — we know where to spend the dollars effectively to get the most out of it."

ADDED-VALUE PARTNERSHIPS

The company's ownership share in the courses averages about 50 percent, with the equity balance held primarily by golf architects, golf management firms or outside investors. "We manage a few courses, but we don't really

want to be in that business," Kubly explained. "We figure other people do that better than we do, so we look to management companies to be our partners. We like someone who can add value to the course, and add value to building up a relationship for future projects. Hence, management companies and architects."

Landscapes Unlimited has ample opportunities to find reliable partners. The company has built or renovated more than 300 courses, and now handles 35 to 40 projects every year. It has existing partnerships with Evergreen Alliance Golf Ltd., Signet Golf Associates and Honours Golf. The fast-growing Troon Golf, of Scottsdale, Ariz., will

share ownership of Sagamore Golf Club, a course Landscapes is currently building in Indianapolis.

OFFERING AFFORDABLE GOLF

According to Kubly, most of the courses are nicely positioned in the affordable range. "The in-vogue thing today is to provide affordable golf, and we feel like we have that ability, again because we build the courses at cost," he said. "Sometimes the envelope gets pushed and we wind up in the high-end arena, or in the mid-range."

Residential builders, eager to provide a golf course as a marketing device and major amenity, have given Kubly a dramatic advantage in course ownership. In many cases, Landscapes gets the land free of charge, and developers often kick in concessions to "sweeten" the deal.

"When home builders call us in to construct a course, we usually pay nothing for the land," Kubly explained. "Very few of them are in the golf course business, and to stay in the afford-

able mode, they have to donate the land. If we had to buy it, we'd end up with too much capital in the project and wouldn't be able to get the return we want. So we'll build the course and then

received \$3,500 per lot in rebates. For every house lot sold, we'd get \$3,500, and that all amounted to \$1.2 million. And the developer did all the rough grading for us on the golf property — they



Bill Kubly (right) on site



Kubly's Wild Marsh Golf Course in Minnesota

own it. In some cases, we actually require the residential developer to pay us to build a course on his land, but then, in the end, we own it."

PALMER ON BOARD AT DEER CREEK

A recent example of Kubly's approach is the Players Club at Deer Creek, which opened last summer. Arnold Palmer designed the course, which is in Omaha, not far from Landscapes' headquarters here in Lincoln.

"The developer gave us the land," Kubly said. "We also re-

moved about 800,000 yards of dirt. They also paid two thirds of Arnold Palmer's design fee. The developer got a minority interest in the golf course for providing all that.

"So then we took the land, sculpted it and finished the course," he said. "We brought all the debt, equity and management to the table. In the case of this golf course, we manage it, because it's in our back yard. And our partner in Deer Creek is Arnold Palmer."

Royal Oaks CC opens Fred Couples signature layout

HOUSTON — A new Fred Couples signature course has opened here at Royal Oaks Country Club, featuring 18 holes of rolling hills, dramatic water features, multi-tiered greens and an impressive number of newly planted trees.

"I love traditional courses," said Couples, who designed the course along with golf architect Brian Curley. "When designing Royal Oaks, we began with tradition, but relied on the latest techniques. The waterfalls, undulating greens, perfect landscaping and challenging yet playable design will make every hole a pleasure for any level of golfer."

Paul K. Levy, general manager and director of golf for Sunrise Colony Company, explained that the entire 7,007-yard layout was sodded and not simply sprigged.

"In our desire to have one of the finest conditioned courses in the world from day one, we sodded more than 120 acres, including tees, greens, roughs, and fairways," he said. "This allows our course to have mature turf conditions, excellent drainage and optimum playing condi-

tions. In addition, all the fairways are sand-capped, which provides excellent drainage."

2,700 TREES TRANSPLANTED

Couples and Curley approached the design with a very technical method of creating movement on the existing flat terrain, on the site of the old Andrau Airport.

"We moved about 1.5 million cubic yards of dirt

so the golf course would feel recessed in its own valley," Curley said. While the design could potentially create drainage problems, great effort and expense went into constructing a sub-grade system of storm pipes, sand capping and other methods to assure good playing conditions year round.

Approximately 2,700 trees were trans-

planted on-site, and 1,300 new trees were installed along the fairways.

Carved from a 490-acre site of dense woodlands west of Houston, the parkland-style layout features manicured turf and landscaping and dazzling water features.

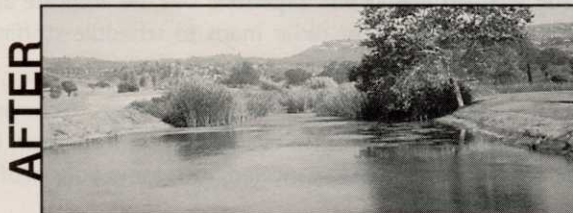


16th hole at Royal Oaks Country Club

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