

Golf Businessmen Have Chance To Build New Fortunes

But New Boom Calls for Specialists in Planning, Selling and Management of Courses and Real Estate

BY HERB GRAFFIS

NEARLY 15 per cent of golf courses being built are tied up with residential area developments.

According to many architects, golf course-residential projects make up about two-thirds of all the golf construction being planned.

Men with very little experience in golf course design and construction are getting into golf-subdivision deals because property owners don't know enough to pay for the economy of competent services. Furthermore, well qualified golf architects and course builders are pretty well crowded with work and won't take on cheap rush jobs. This leaves some openings for the real estate men.

This year a new high will be set in the number of courses in operation in the U. S. There were 5,853 courses in play in April this year and 315 new courses and additions under construction. The previous high of U. S. golf courses were the 5,856 operating in 1930.

Opportunity and Problems

Suddenly, practical heads in golf business and in real estate business are beginning to realize that this golf-real estate combination represents the greatest opportunity that has been presented to the bright professional who is a sound businessman and, possibly also contains the threat of serious problems as the result of poor planning and lack of foresight.

The quick development of many of the golf course-home site projects already has golf businessmen asking these questions:

What's going to happen to the course when the bordering residential sites are sold?

How are selling, operating and maintenance of golf club memberships and the residential properties to be handled.

What tax setup is there for the club and residential properties? If golf club membership is required of lot purchasers, or if club members have to buy lots, what is the federal and local tax obligation? What's the tax situation of the professional

(or architect or supt.) who goes into a golf-subdivision deal and takes part of his payment in residential property around the course?

30 Pros In It

There are more than 30 professionals now actively engaged in golf course-residential site enterprises. Some of them, such as Jimmy Hines and Pat Markovich, and the veteran amateur, Johnny Dawson, have been in these operations for years. However, they can't be said to be pioneers for the idea of the golf course as the center of a community development goes back to the '90s when golf business was starting to roll in the United States.

Every few days GOLFDOM and the National Golf Foundation hear from professionals who have become involved in some of the real estate deals that have a golf course nucleus. The inquiries have increased since the Small Business Administration announced in February that its business loans programs would be extended to golf courses. The SBA has had more inquiries about golf course loans than about any other type of recreation loans.

Frequently the golf course-residential site deal gets started by a property owner offering land free to whomever will build a course and give higher value and quick saleability to adjacent residential sites. Developers finance construction of courses in their larger subdivisions.

Construction by Membership

If the course is to be built by parties other than the owners of the surrounding residential areas, there are plenty of problems in getting memberships to finance course construction, build the required clubhouse and get legal and tax matters handled so the club will be sound, and buyers of adjacent property won't have any unexpected developments plaguing them with financial, operating or ownership problems as homeowners or club members.

What is being sought in numerous instances is a package deal of organization,

construction and management. It is in this field of work that there is going to be a lot more money made than any pro yet has made out of golf.

Professionals, real estate men, course architects and builders, lawyers, bankers and publicity men, who discuss community development with a golf club as the basis of the project, all come up with a lot of loose ends. A few organizations have been formed to conduct the complete operation from getting club memberships to turning over the course and clubhouse in operating shape. It is generally agreed that the selling of lots and the golf club organizing and development are best done by separate but coordinated staffs.

At this stage in the game there obviously is a need for specialists in golf planning, selling and management. Such men, having sound business judgment and experience in addition to golf savvy, are going to account for a tremendous advance in golf facilities.

They will fit golf wisely into the American community plan now developing and they will make their knowledge of golf business the foundation of some quite substantial fortunes.

Strong Outlines Shop Policy for Tam Members

The membership would be more enlightened and pro shops probably would reap greater profits if more pros would do what Lou Strong of Tam O' Shanter CC, Niles, Ill., did this spring.

Strong outlined his shop policy in the club publication which is distributed monthly to all members. Here are some of the things that the Tam pro emphasized:

The great care taken in the hiring and training of the Tam staff;

The careful analysis that is made of the golfer's physical attributes, swing, etc., in fitting him with clubs;

The shop policy of backing all merchandise and not considering any sale completed until the customer is satisfied;

A discussion of discount sales of clubs that brings out that in many cases discount club prices are overstated and that the advertised markdown is phony. And, Strong continues, when the golfer buys clubs at a discount house he can be sure that the purchase is final;

The shop's trade-in policy that may possibly reduce the cash outlay for new clubs by an amount that will come as a surprise to the golfer.



Charles E. Krampf, Dunes Club President presents the Bob Harlow Trophy to Dan Jenkins, Ft. Worth Press, winner of the 6th annual Golf Writers Championship.

Jenkins Wins Golf Writers' Title at Myrtle Beach

Dan Jenkins, Fort Worth Press, won the sixth annual Golf Writers' Assn. championship, with 41-38, at Dunes Golf & Beach Club, Myrtle Beach, S. C.

A field of 24 golf writers played in the championship which members of the Myrtle Beach club and their pro, Jimmy D'Angelo, put on annually the Monday before the Masters.

John May of Golf Digest won low gross with 91-20-71. Bob Kelly, Wilmington, N. C., with a 70, won guest low gross, and Norm Barry, with a 70, won guest low net.

Charles Bartlett, Chicago Tribune writer and sec., Golf Writers' Assn., presented Jimmy D'Angelo, who originated the writers' tournament, with a clock as evidence of the esteem and affection of the literati.

The tournament began, as usual, with a buffet supper, at the home of Dunes Pres. Charles Krampf, and concluded with the annual banquet at which Mgr. Olin F. Davis and his chef always present the finest southern coastal vittles.

Recreation Conference

National Industrial Recreation Assn. will hold its 18th annual conference at the Bellevue-Stratford Hotel, Philadelphia, May 24-27. Maintenance and operation of golf courses discussion is scheduled for the morning of the 27th with Rex McMorris, executive vp, National Golf Fdn., serving an panel director.