



2022 GOLF MARKET SUMMARY

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Dear Golf Industry Friends:

Golf Property Analysts invites you to review our 2022 Market Summary. This report summarizes observations we've made surveying numerous golf courses and clubs and sales transactions during our consulting, appraisal and brokerage activities.

With golf markets, like in politics, it's all "local", so beware of using broad averages and surveys when making decisions on specific properties in specific markets.

Since our surveys were done in 2021, we have YE 2020 data for most points. Our private club analysis shows trends from a 4-year period at specific clubs through YE 2021. Due to the COVID pandemic, golf had another interesting year in 2021. We hope to use that data to understand market dynamics going forward.

We hope you find the information useful and look forward to being of service to you during the coming year.

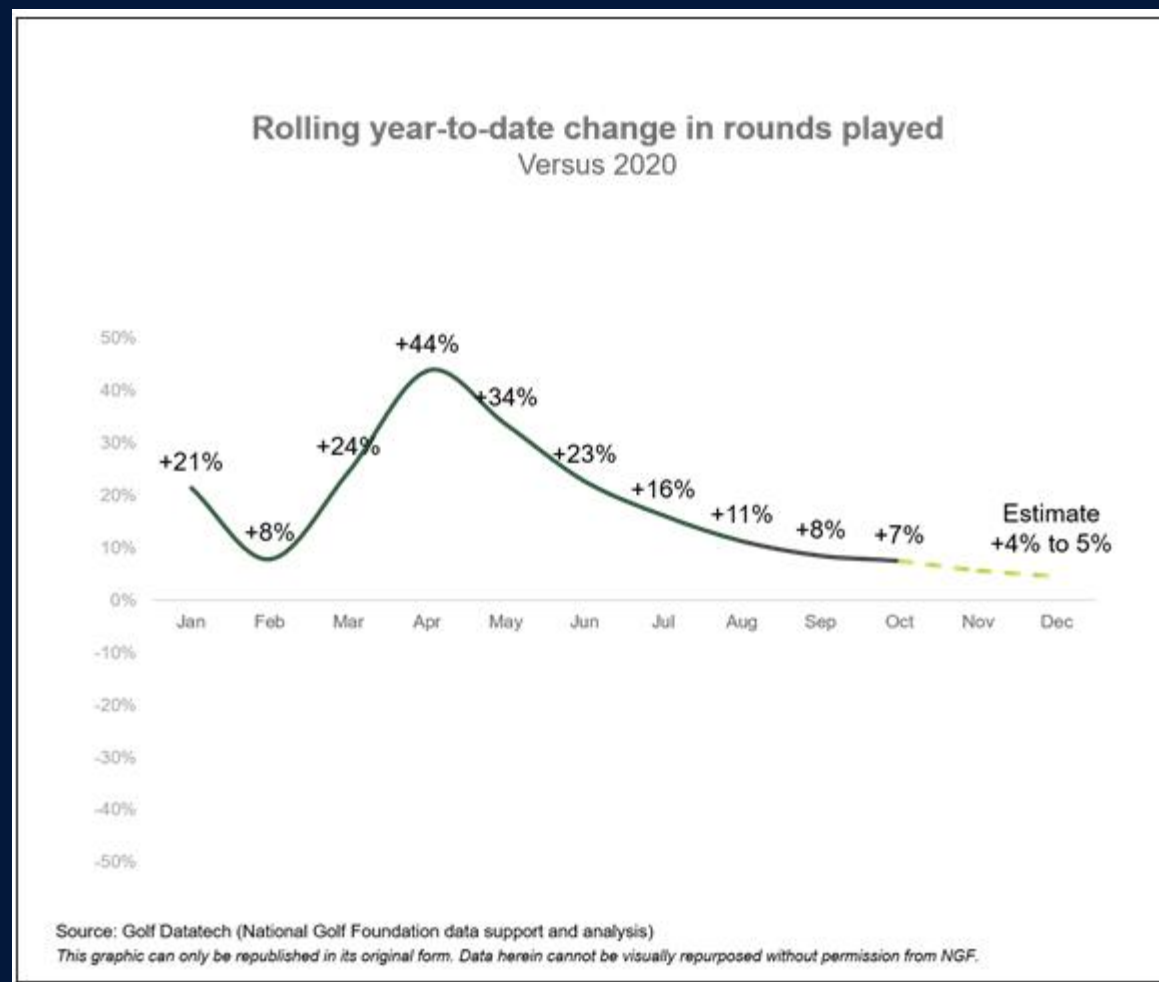
Thank you,

Laurence A. Hirsh

Laurence A. Hirsh, CRE, MAI, SGA

President





Often, the number of rounds played is the first question asked on how a golf course is performing. It's important to understand how rounds are calculated. To many, a round is defined as 18-holes. It's been my experience that most courses count rounds based on "starts". In other words, the number of rounds recorded is typically the number of players that teed off. Whether they play 9-holes, 12-holes or some number other than 18, it's still counted by most courses as a round.

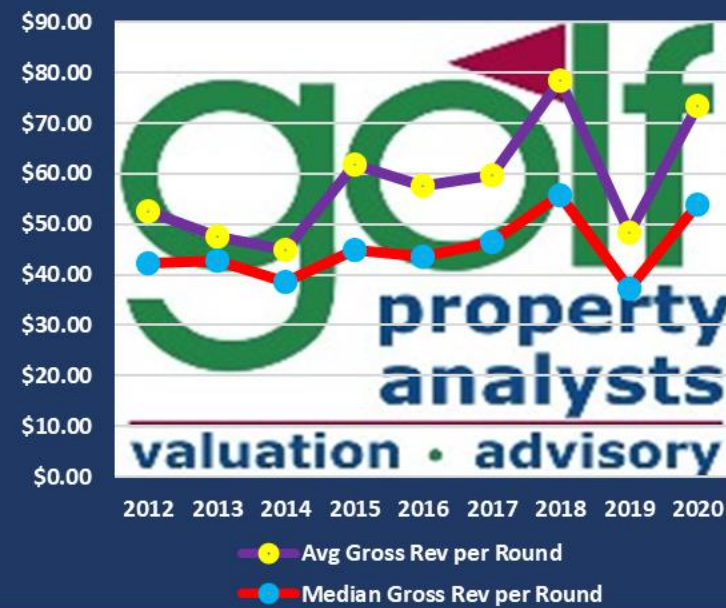
According to Golf Datatech and National Golf Foundation, as of December 16, 2021, rounds played in 2021 were projected to increase at year end over 2020 by 4%-5%. That is significant since 2020 experienced a 14% pandemic-fueled increase over 2019.

Our surveys of over 800 daily-fee and municipal facilities in 23 states from 2015 through 2021 shows an average of 29,641 rounds per year per 18-holes, and a median of 30,000. We feel the six-year snapshot is more telling than one year, when the numbers may be overly affected by weather, and in the case of 2020 and 2021 are impacted by the COVID pandemic. We still don't know how sustainable the surge is. When both the mean and median are similar, this demonstrates a level of credibility in the data from which general overall market conclusions can be formulated.. It is important to note that conclusions in specific markets may vary from these broader averages, which cannot be used precisely to develop conclusions for specific properties.

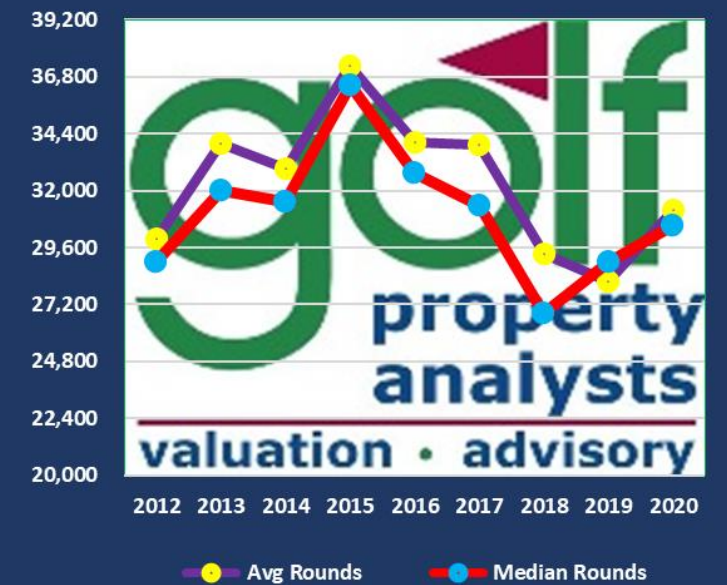
The chart illustrates an analysis of rounds and revenues per round from our surveys.

Survey Year	Avg Rounds	Median Rounds	Avg GR	Median GR	Avg Gross Rev per Round	Median Gross Rev per Round
2012	29,967	29,000	\$1,735,353	\$1,300,000	\$52.62	\$42.39
2013	33,966	32,000	\$1,818,439	\$1,463,002	\$47.49	\$42.80
2014	32,928	31,516	\$1,601,117	\$1,356,223	\$44.84	\$38.67
2015	37,266	36,429	\$2,371,809	\$1,477,682	\$61.87	\$44.98
2016	34,034	32,757	\$1,878,353	\$1,423,632	\$57.66	\$43.63
2017	33,951	31,370	\$1,754,482	\$1,536,674	\$59.80	\$46.53
2018	29,312	26,840	\$1,936,131	\$1,522,135	\$78.47	\$55.85
2019	28,161	29,000	\$1,405,320	\$1,444,264	\$48.37	\$37.27
2020	31,168	30,500	\$2,119,861	\$1,611,307	\$73.31	\$53.91

Gross Revenue per Round



Rounds

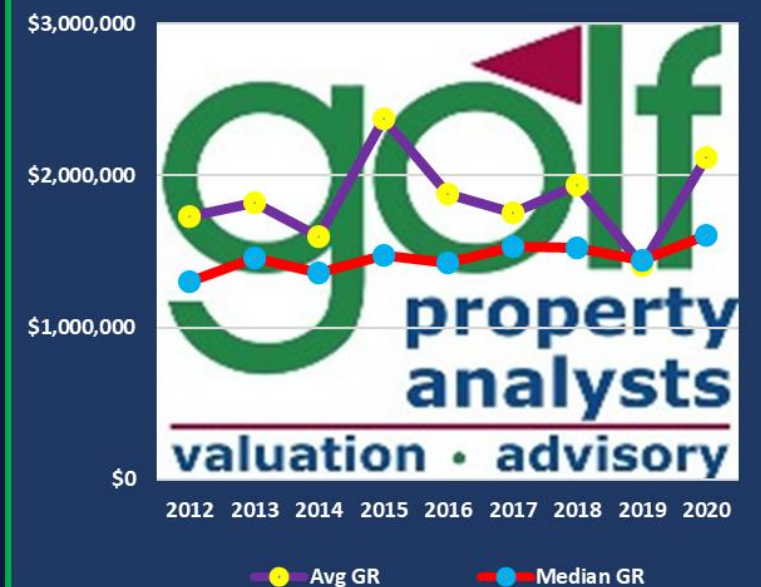


2015-21	Rounds	Rounds per 18 Holes	Gross Revenue	Gross Revenue per Round
AVERAGE	32,264	29,641	\$1,841,592	\$66.06
MEDIAN	31,185	30,000	\$1,496,598	\$46.56
MINIMUM	6,000	7,172	\$173,760	\$7.60
MAXIMUM	95,000	59,965	\$5,311,272	\$322.91



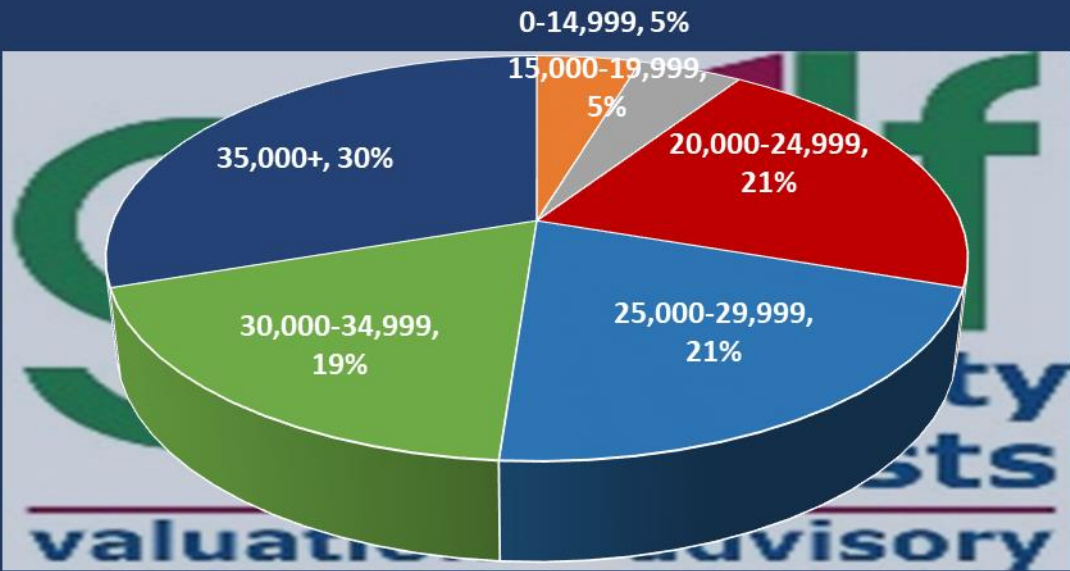
2020	Rounds	Rounds per 18 Holes	Gross Revenue	Gross Revenue per Round	Maintenance Budget	Maintenance Budget per Hole	Maintenance Budget per Round	Maintenance % Gross Revenue
AVERAGE	31,168	28,557	\$2,119,861	\$73.31	\$530,126	\$26,475	\$17.18	26.92%
MEDIAN	31,000	28,500	\$1,611,307	\$53.91	\$457,456	\$25,414	\$16.69	28.14%
MINIMUM	12,338	12,000	\$703,130	\$20.00	\$109,264	\$6,070	\$5.46	7.48%
MAXIMUM	51,000	45,810	\$4,084,699	\$200.00	\$950,000	\$52,778	\$31.67	41.52%

Gross Revenue

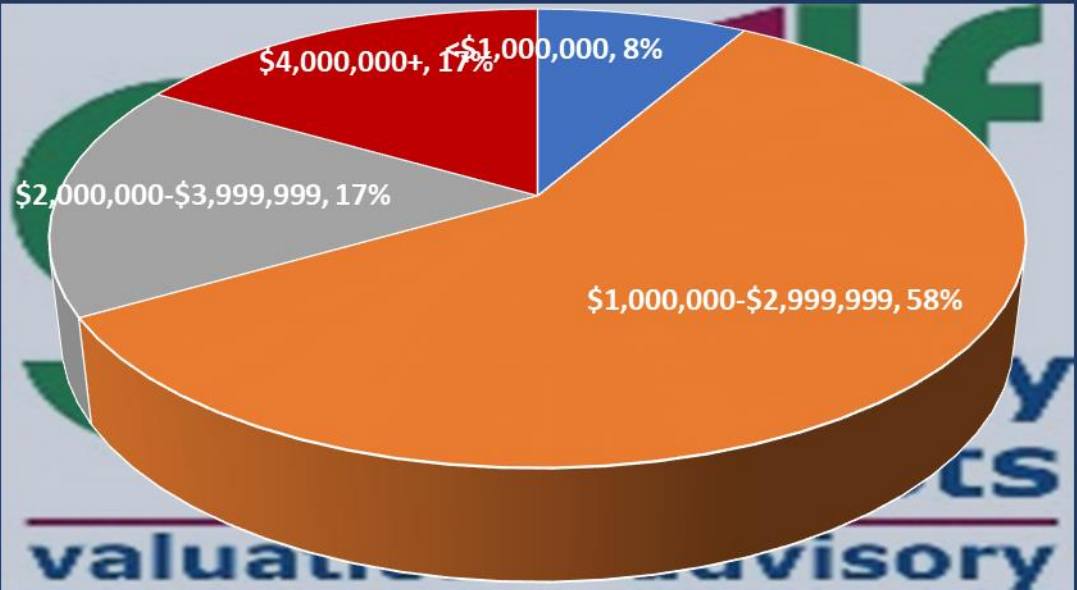


The graphs illustrate gross revenue metric for daily-fee facilities we surveyed in 2021 (2020 #'s) and the distribution of selected ranges. The majority of courses (58%) surveyed generate between \$1 million and \$3 million in gross revenues.

DF ROUNDS per 18 HOLES DISTRIBUTION



DF GROSS REVENUE DISTRIBUTION



Analyzing activity at private clubs requires a bit of a different approach, analyzing on a “per member” basis rather than a “per round” basis. Since private clubs depend on membership dues, and since the impact of COVID is unique to recent years, we’ve decided to analyze private clubs with which we had direct experience in 2021 and for which we had historical data for the past 4 years, including 2021, with some results projected. Comparing the performance of the same clubs to each other for that period should indicate how the market has reacted. Graphs follow.

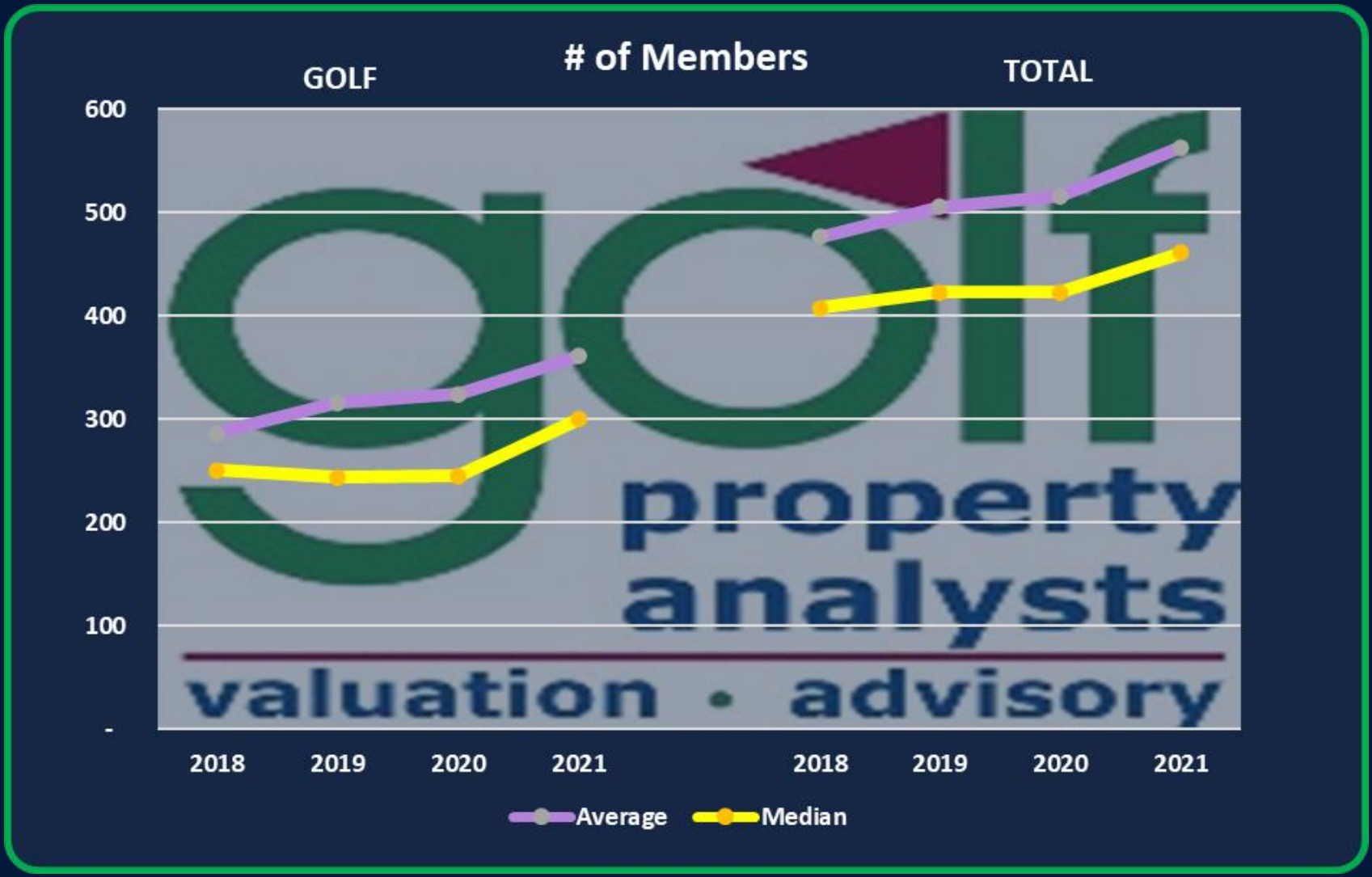
The data from specific clubs is not able to be shared but indicates the following:

- Increases in membership
- Increases in Rounds Played
- Steady to Increasing rounds per membership
- Increasing Maintenance Budgets
- Increasing Gross Revenues and Increasing Revenue per Member

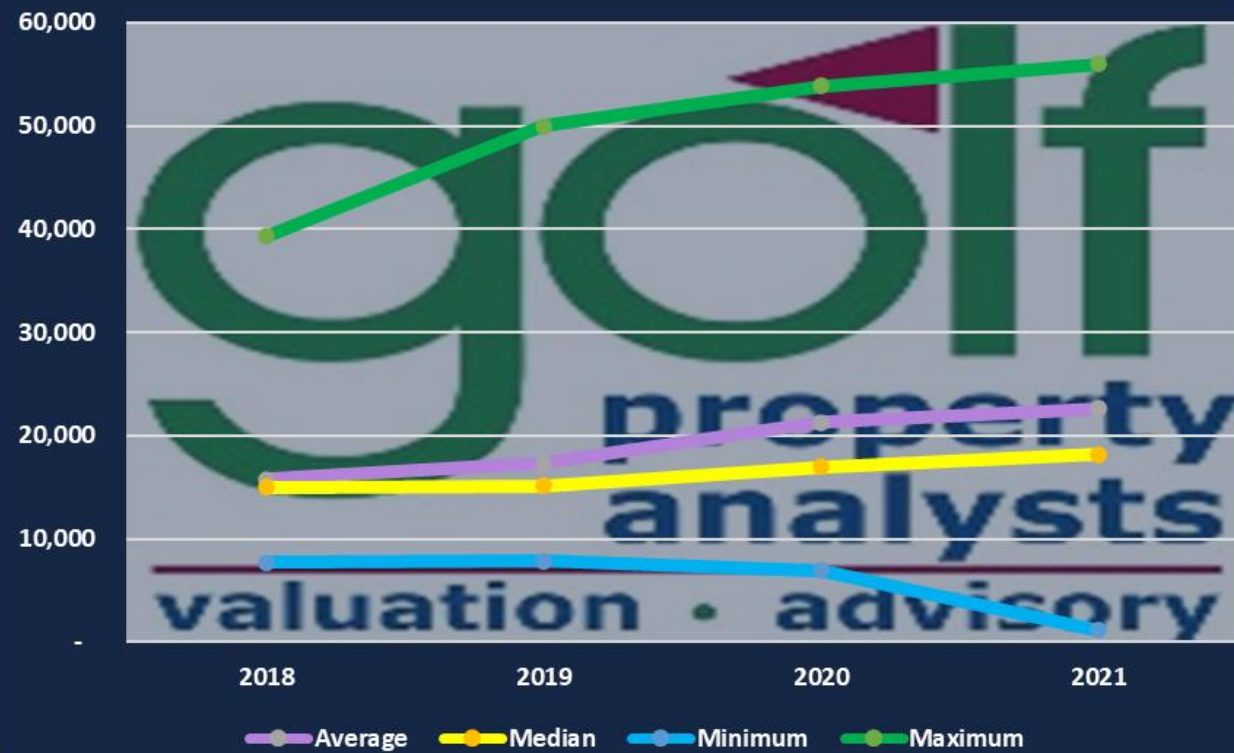


	2018	2019	2020	2021		2018	2019	2020	2021		2018	2019	2020	2021		2018	2019	2020	2021
	Golf Mbrs					Tot. Mbrs					Rounds					Rds./ Mbr.			
Average	287	316	324	361		477	506	516	563		15,792	17,294	21,263	22,604		77.16	67.48	76.71	73.59
Median	251	244	245	300		408	423	423	461		14,976	15,164	16,952	18,175		56.94	59.67	68.82	64.65
Minimum	95	99	117	136		237	202	219	250		7,700	7,844	6,953	1,100		19.92	17.55	20.49	2.42
Maximum	602	800	800	839		1,241	1,256	1,255	1,249		39,307	49,979	53,844	56,000		389.18	202.26	263.94	257.35

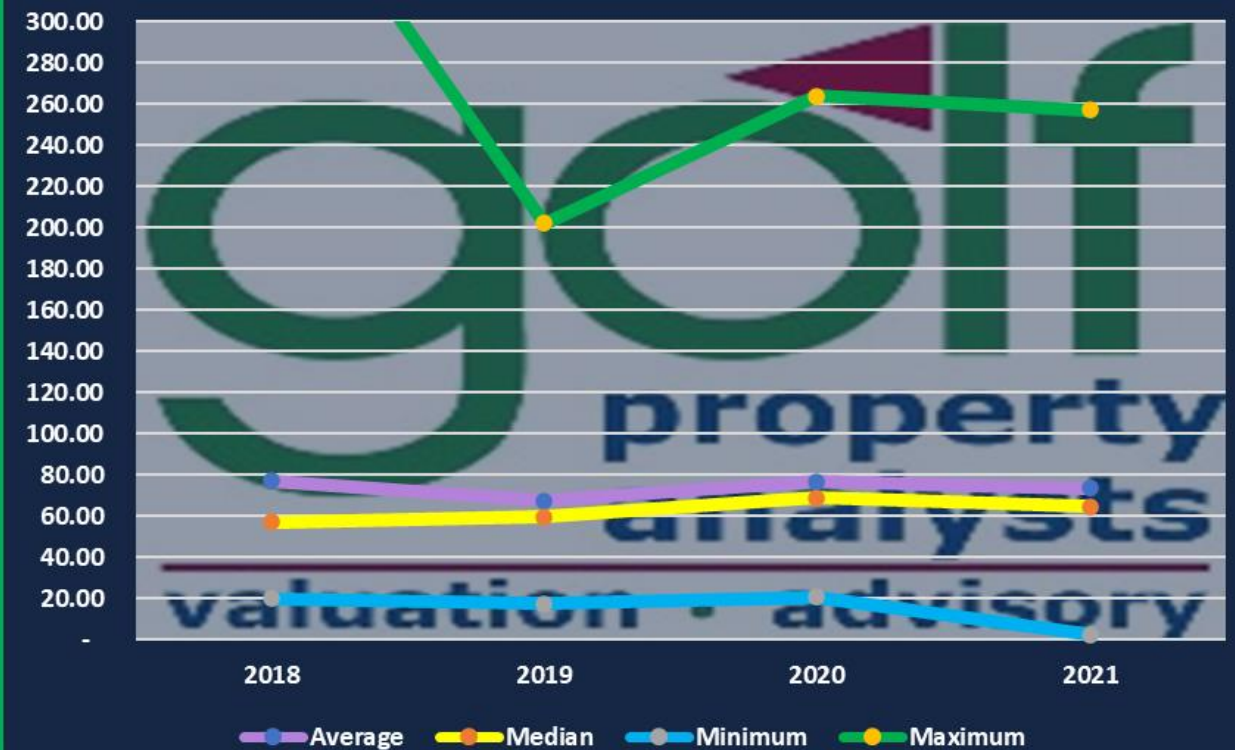
	2018	2019	2020	2021		2018	2019	2020	2021		2018	2019	2020	2021
	Maint. Cost					Gross Rev.					Rev/Mbr.			
Average	\$1,246,280	\$1,341,277	\$1,361,709	\$1,596,098		\$5,936,029	\$6,284,794	\$6,038,771	\$7,913,636		\$14,260	\$14,263	\$13,030	\$14,424
Median	\$1,051,681	\$1,164,481	\$1,060,120	\$1,325,000		\$4,909,050	\$5,725,878	\$4,480,915	\$5,724,438		\$10,164	\$11,048	\$10,048	\$11,825
Minimum	\$390,968	\$497,993	\$492,490	\$500,000		\$1,944,071	\$1,888,666	\$2,092,025	\$2,430,250		\$5,959	\$6,370	\$3,502	\$3,967
Maximum	\$3,007,671	\$2,994,987	\$2,932,337	\$3,200,000		\$15,062,242	\$17,199,217	\$17,671,262	\$23,392,700		\$35,686	\$37,939	\$36,038	\$32,452



of Golf Rounds



Rounds per Membership



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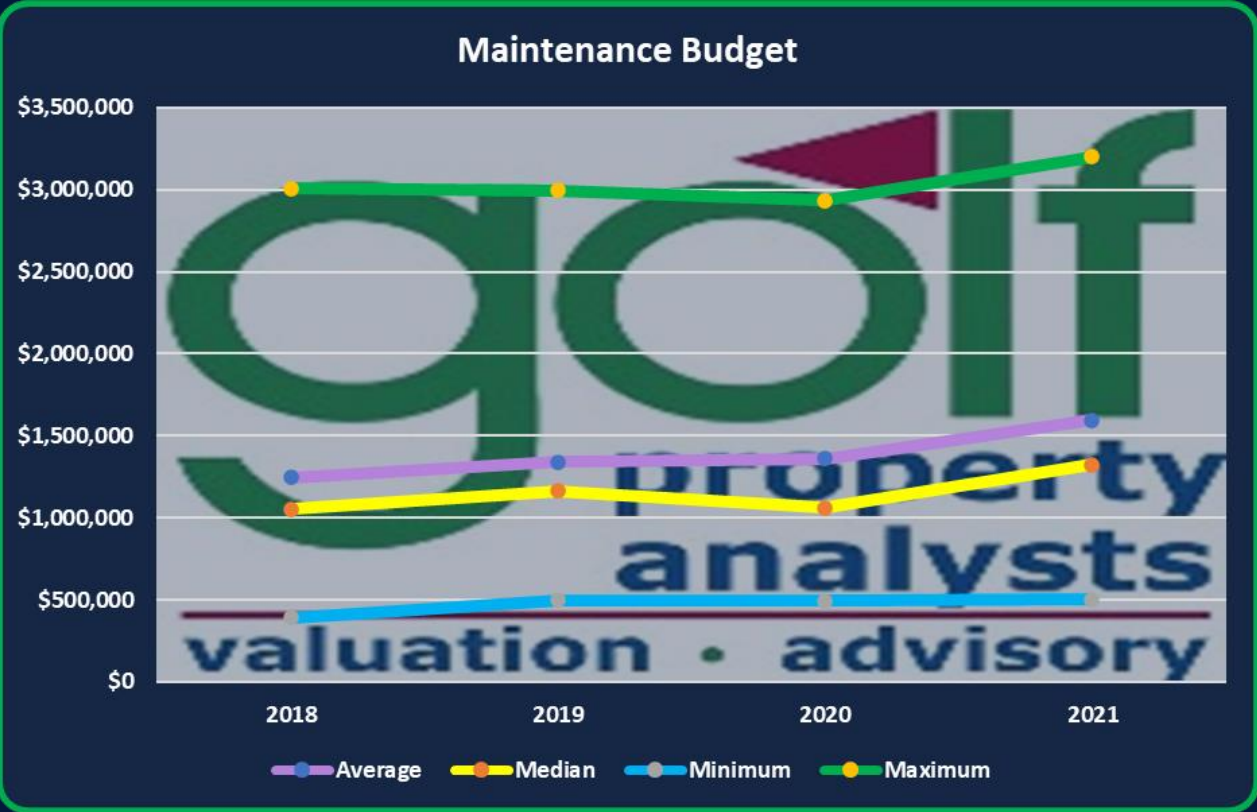
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Gross Annual Revenue

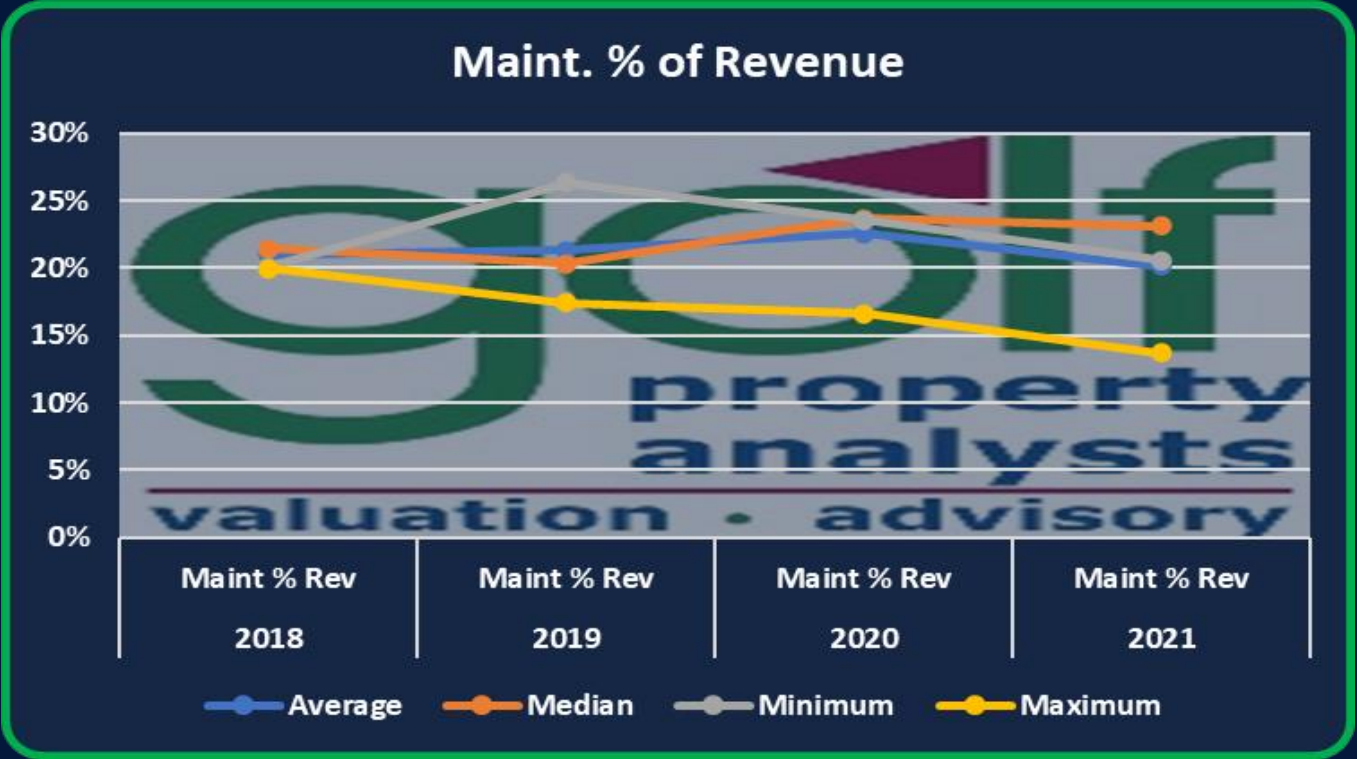


Revenue per Member





Private club golf course maintenance trends are shown in the adjacent graphs



Maintenance Cost per Hole



Private club golf course maintenance trends are shown in the adjacent graphs

Maintenance Cost per Round



Developing operating expense guidelines is more challenging than other metrics. Since many facilities (both private and daily-fee) are not stabilized, and in some cases cash flow negative, and many courses have wide variances in their operations, such as large or small food & beverage, banquet facilities and different size pro shop operations the data doesn't allow the development of meaningful trends in operating expense ratios.

It is critical in estimating operating expenses to be site and line-item specific. That said, in some cases benchmarking operating expense ratios from those properties that are stabilized can be helpful.

Generally, we observe stabilized, private, not-for-profit clubs stabilizing at near 100% of gross revenues for operating expenses. For-profit clubs generally stabilize in the mid to upper 80%'s while daily-fee facilities can stabilize over a wide range of operating expense percentages.

There are several sources for operating expense studies. We find it best to combine an analysis of a specific property's historical expenses with those clubs considered competitive and stabilized to develop an accurate pro-forma.



We have identified more than 1,500 golf property sales in our database since 2012 and compiled statistics from these sales. Overall, these sales indicated the following:

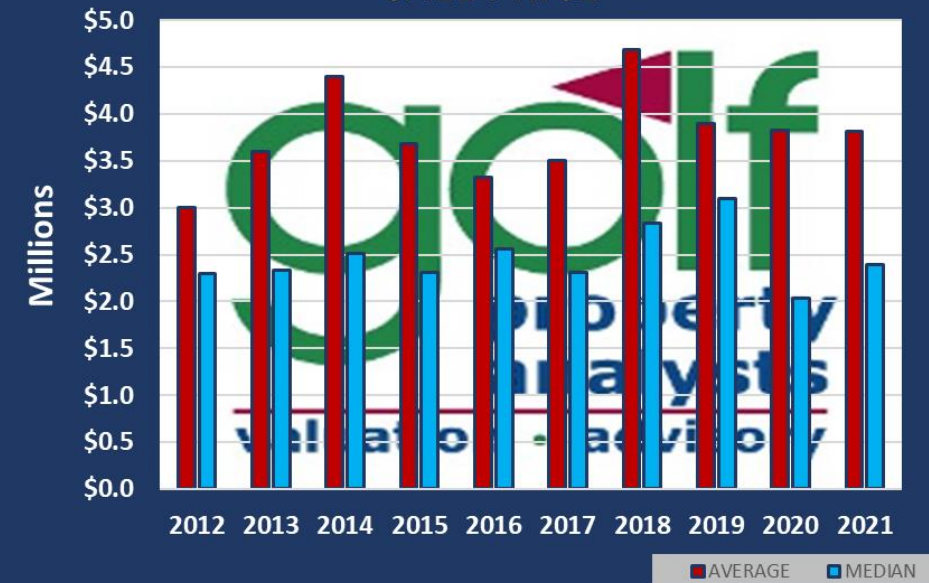
Further analysis on a year by year basis as shown in the adjacent chart shows both upward and downward movement in the averages, but more than anything else, stability, with GIM's ranging from 1.22 to 1.77 on average for the period with minor fluctuations.

2021 sales show the highest multiples of the period.

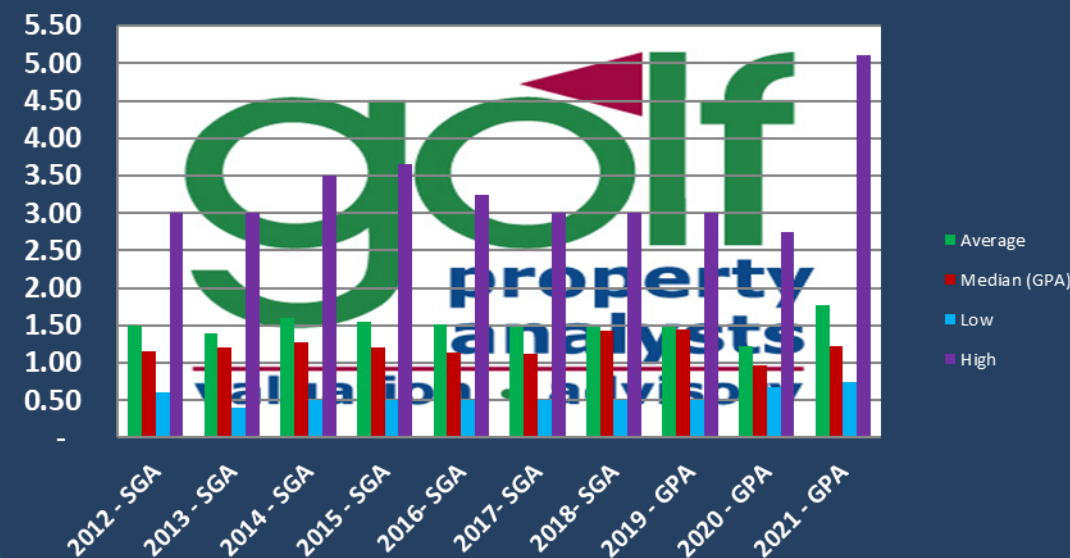
SALE PRICE				
YEAR	AVERAGE	MEDIAN	MINIMUM	MAXIMUM
2012	\$2,999,367	\$2,300,000	\$68,000	\$14,200,000
2013	\$3,595,955	\$2,329,000	\$354,834	\$21,500,000
2014	\$4,398,503	\$2,515,514	\$154,195	\$23,000,000
2015	\$3,688,528	\$2,310,000	\$160,000	\$21,000,000
2016	\$3,328,012	\$2,560,000	\$500,000	\$10,500,000
2017	\$3,499,195	\$2,312,500	\$134,000	\$24,000,000
2018	\$4,688,632	\$2,832,000	\$985,000	\$20,000,000
2019	\$3,900,961	\$3,100,000	\$400,000	\$8,308,653
2020	\$3,824,136	\$2,030,875	\$364,268	\$29,800,000
2021	\$3,812,513	\$2,397,000	\$68,000	\$35,000,000

GIM				
YEAR	AVERAGE	MEDIAN	MINIMUM	MAXIMUM
2012	1.27	1.16	0.06	3.13
2013	1.45	1.21	0.01	3.71
2014	1.53	1.28	0.42	6.41
2015	1.53	1.21	0.43	12.67
2016	1.41	1.13	0.60	5.11
2017	1.61	1.12	0.60	7.41
2018	1.56	1.43	0.70	3.00
2019	1.36	1.45	0.89	1.66
2020	1.22	0.96	0.67	2.74
2021	1.77	1.22	0.74	5.11

SALE PRICE



Gross Income Multipliers





Golf Course Sales 2012-2021				
	Daily Fee	Semi Private	Private	ALL
Avg Sale Price	\$2,695,733	\$2,853,099	\$5,687,142	\$3,812,513
Median Sale Price	\$1,750,000	\$2,044,186	\$4,714,000	\$2,397,000
Avg Gross Revenue	\$1,974,968	\$2,456,881	\$4,383,329	\$3,080,407
Median Gross Revenue	\$1,500,000	\$2,044,186	\$4,050,000	\$2,258,189
Avg GIM	1.78	1.18	1.33	1.48
Median GIM	1.40	1.07	1.09	1.20

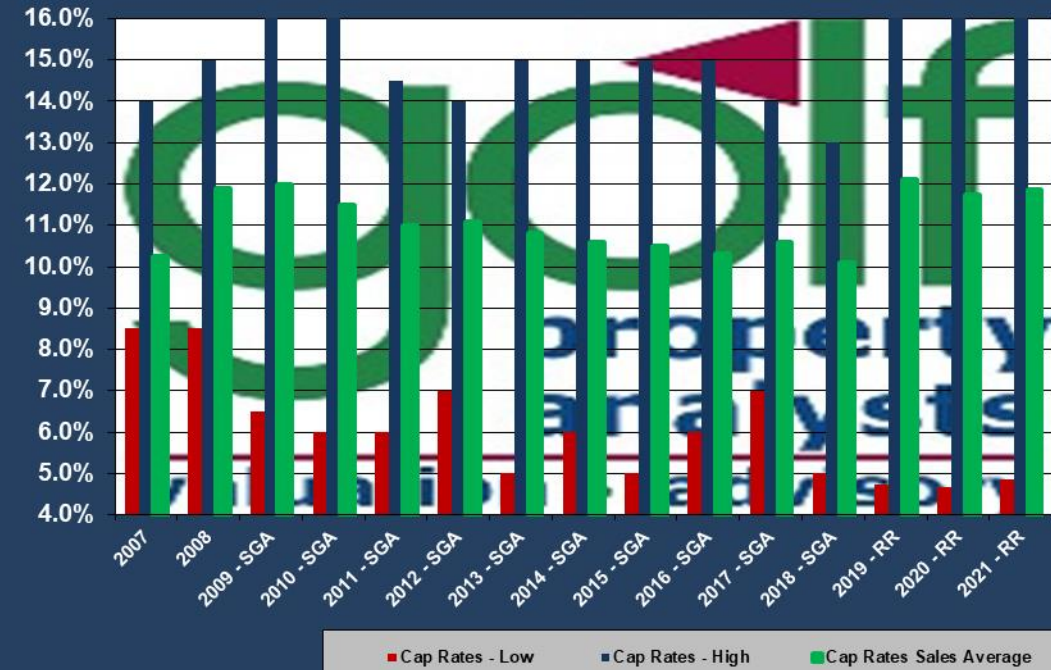
2021 Sales	Sale Price	Gross revenue	GIM	GIM PR	GIM DF	GIM SPR
Average	\$6,281,427	\$4,903,774	1.77	1.47	2.78	1.01
Median	\$3,600,000	\$3,385,533	1.22	1.15	2.67	1.01
Minimum	\$600,000	\$284,091	0.74	0.74	0.82	0.78
Maximum	\$35,000,000	\$15,600,000	5.11	3.96	5.11	1.25



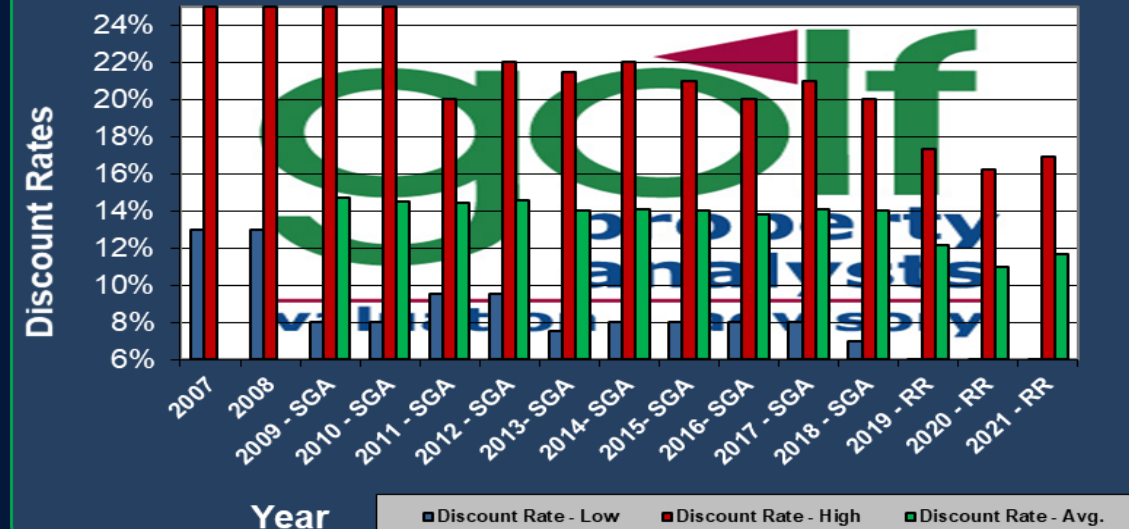
RealtyRates.com INVESTOR SURVEY - 4th Quarter 2021*									
GOLF COURSES & COUNTRY CLUBS - ALL TYPES									
Item	Input								OAR
Minimum									
Spread Over 10-Year Treasury	1.32%	DCR Technique		1.20	0.040439	0.80			3.88
Debt Coverage Ratio	1.20	Band of Investment Technique							
Interest Rate	2.63%	Mortgage		80%	0.040439	0.032351			
Amortization	40	Equity		20%	0.094163	0.018833			
Mortgage Constant	0.040439	OAR							5.12
Loan-to-Value Ratio	80%	Surveyed Rates							4.86
Equity Dividend Rate	9.42%								
Maximum									
Spread Over 10-Year Treasury	11.32%	DCR Technique		2.15	0.148919	0.50			16.01
Debt Coverage Ratio	2.15	Band of Investment Technique							
Interest Rate	12.63%	Mortgage		50%	0.148919	0.074460			
Amortization	15	Equity		50%	0.221776	0.110888			
Mortgage Constant	0.148919	OAR							18.53
Loan-to-Value Ratio	50%	Surveyed Rates							17.61
Equity Dividend Rate	22.18%								
Average									
Spread Over 10-Year Treasury	5.72%	DCR Technique		1.56	0.085819	0.67			8.88
Debt Coverage Ratio	1.56	Band of Investment Technique							
Interest Rate	6.78%	Mortgage		67%	0.085819	0.057363			
Amortization	23	Equity		33%	0.164350	0.054495			
Mortgage Constant	0.085819	OAR							11.19
Loan-to-Value Ratio	66.8%	Surveyed Rates							11.85
Equity Dividend Rate	16.43%								
*3rd Quarter 2021 Data					Copyright 2021 RealtyRates.com™				

RealtyRates.com INVESTOR SURVEY - 4th Quarter 2021*									
DISCOUNT RATES									
Property Type	New Development			Acquisitions			Recapitalizations		
	Min.	Max.	Avg.	Min.	Max.	Avg.	Min.	Max.	Avg.
Golf	5.70%	19.41%	13.39%	4.96%	16.89%	11.65%	5.64%	19.22%	13.25%
Public Daily Fee Courses	8.16%	19.16%	13.16%	7.10%	16.67%	11.45%	8.08%	18.97%	13.03%
Semi-Private Clubs	6.35%	19.41%	13.58%	5.53%	16.89%	11.81%	6.29%	19.22%	13.44%
Private Clubs	5.70%	17.71%	12.53%	4.96%	15.41%	10.90%	5.64%	17.53%	12.40%

Cap Rates



Discount Rates

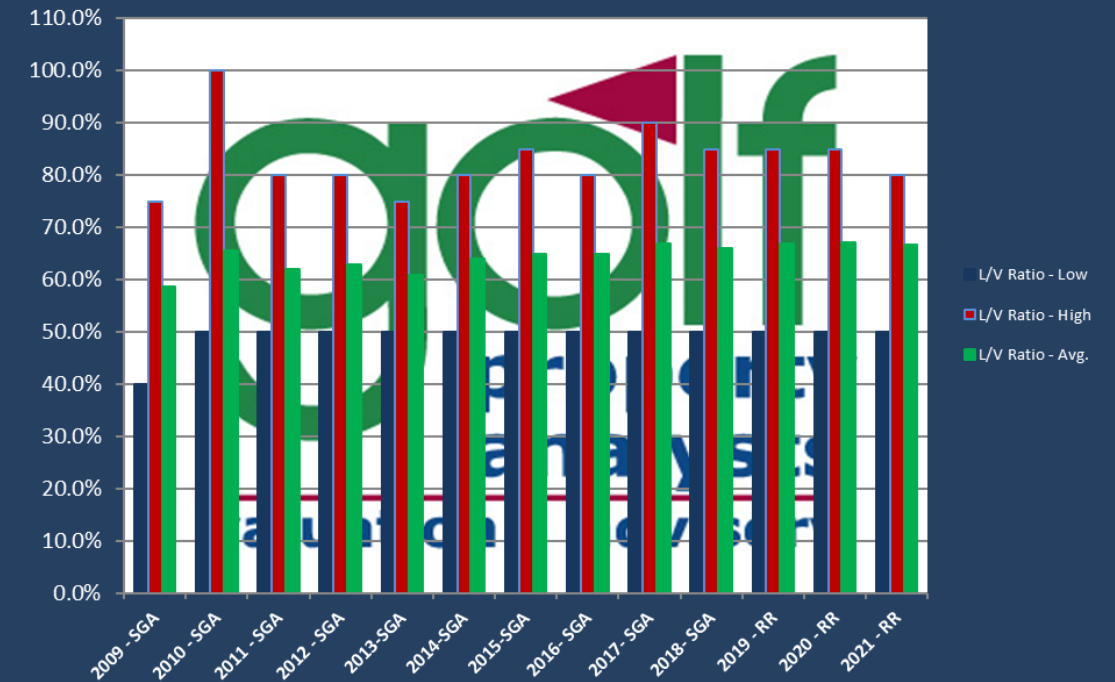


The SGA tracked available debt financing for golf projects through 2018. Data since is from RealtyRates.com. As shown in the adjacent graphs average loan to value (LTV) ratios have hovered in the 60-70% range for the past 10 years. While interest rates have ranged generally from 4% to 10%, averaging between 7% and 9%. The reason for this wide range is that many loans are based on the borrower's strength rather than the collateral value. It is not unusual for a strong borrower with a banking relationship to acquire financing more consistent with traditional investment property rates.

Golf property debt financing is still considered difficult but for cash flowing properties is available through a variety of sources, including commercial banks, secondary specialty lenders and private sources.



Loan /Value Ratios



Mtg. Interest Rates



Selected Assignments

- Army Navy Country Club (VA)
- Bandon Dunes Golf Resort (OR)
- Bedford Springs Golf Resort (PA)
- Blackwolf Run GC (WI)
- Boston GC (MA)
- Caves Valley GC (MD)
- Coral Creek Club (FL)
- Crosby Club (CA)
- Dallas National GC (TX)
- Daufuskie Island Club (SC)
- DuPont CC (DE)
- Forsgate CC (NJ)
- Germantown CC (TN)
- Golf Club of Cape Cod (MA)
- Golf Club of New England (NH)
- Hershey Country Club (PA)
- Hidden Creek GC (NJ)
- Isleworth CC (FL)
- Kingsley Club (MI)
- Lake Nona CC (FL)
- Latrobe CC (PA)
- MacArthur GC (FL)
- Metedeconk National GC (NJ)
- Mid Pines/Pine Needles (NC)
- Mountain Ridge CC (NJ)
- Myopia Hunt Club (MA)
- Newcastle GC (WA)
- Oakhurst Links (WV)
- Old Collier GC (FL)
- Pete Dye GC (WV)
- Palm Aire CC (FL)
- Palm Desert CC (CA)
- Peninsula Club (DE)
- Philadelphia Cricket Club (PA)
- Pocono Manor GC (PA)
- Refuge G & CC (AZ)
- Reunion Resort (FL)
- The Ridge at Back Brook (NJ)
- Ritz Carlton Club Jupiter (FL)
- Roaring Fork Club (CO)
- Shark's Tooth GC (FL)
- Shooting Star Club (WY)
- Sleepy Hollow CC (NY)
- The Club at Cordillera (CO)
- The Governors Club (TN)
- The Legends Club (SC)
- The Silverleaf Club (AZ)
- The Virginian Club (VA)
- The Woodlands (MI)
- TPC Wakefield Plantation (NC)
- TPC Michigan (MI)
- TPC Piper Glen (NC)
- TOC Stonebrae (CA)
- Treyburn CC (NC)
- Trump National GC Bedminster (NJ)
- Trump National GC Westchester (NY)
- Turnberry Isle Yacht Club (FL)
- Vellano CC (CA)
- Victoria National GC (IN)
- Washington National GC (WA)
- Washington G & CC (VA)
- Westchester CC (NY)
- Whistling Straits GC (WI)
- White Clay Creek GC (DE)
- Williamsburg National GC (VA)
- Windemere CC (FL)
- Winged Foot GC (NY)
- Woodmoor Pines G & CC (CO)

[Click Here for an Expanded Assignment Listing](#)

ABOUT US

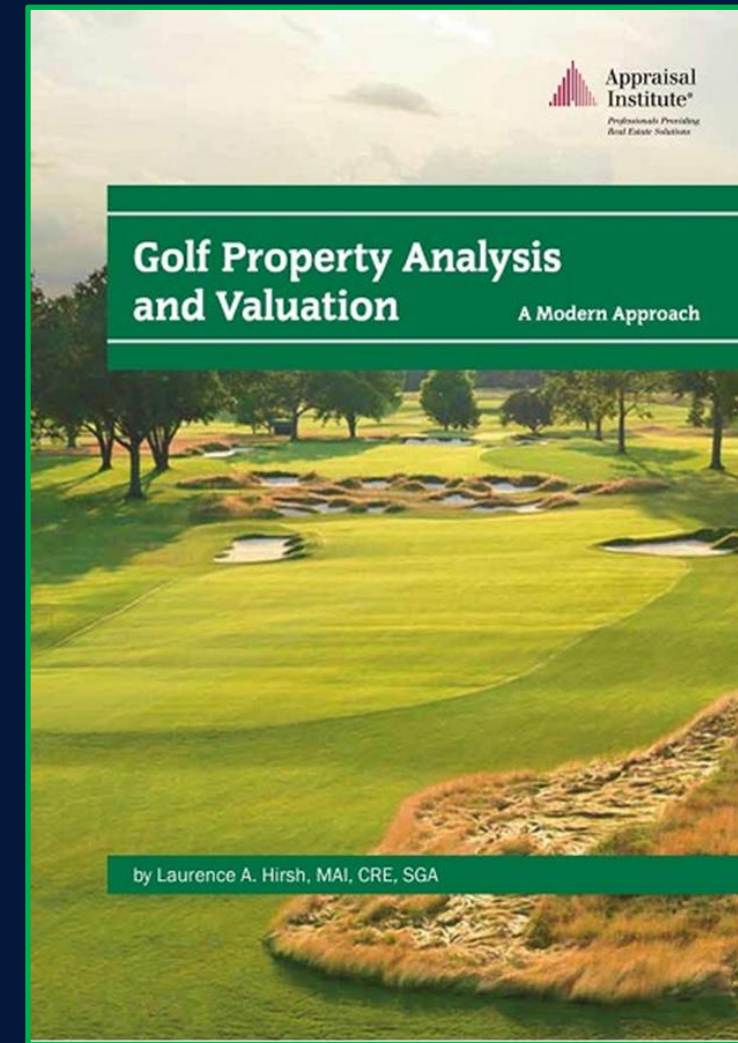
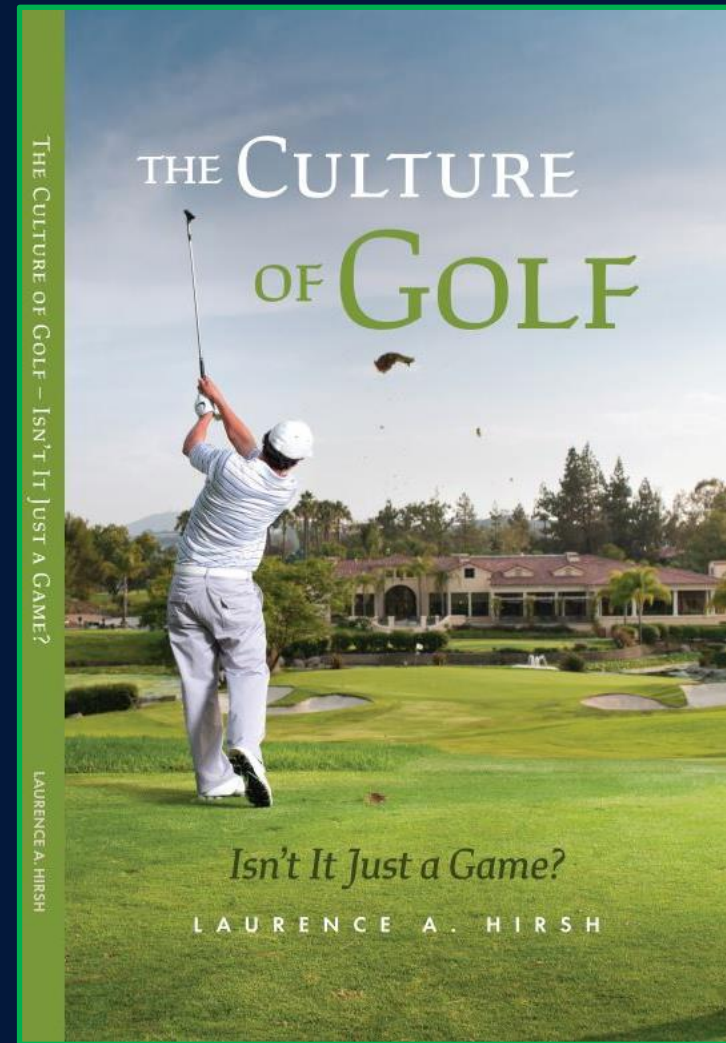
Golf Property Analysts brings a unique and focused perspective to the golf and private club industries. Specializing in economic strategies, advisory, consulting, appraisal, value maximization and brokerage for golf and club properties, we are uniquely qualified to assist clubs with:

- Real Estate Tax Assessment Management
- Market Analysis and Market Positioning
- Operational Review
- Economic Analysis of Renovations
- Facilities Analysis
- Debt Financing Analysis
- Valuation
- Property Acquisition and Disposition

From more than 3,000 assignments in 45 states and beyond, we've "seen it all" and have the data, knowledge and experience to assist our clients' decision-making.

To learn more about us, log on to: www.golfprop.com

"We Wrote The Books"



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