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"A home on the Range"

By Jennifer Hiller

Oh, give them a home. Where stray golf balls do roam. Home, home on the range.

Golf course homes -- long the real estate gold standard in social circles of a particular sort -- are as popular as ever in the San Antonio area, which continues to see the building of golf course neighborhoods at an unrelenting pace. "There really are a lot of golf courses in this town," said Lance Elliott of the housing analysis group SA Research.

According to local figures, Bexar County has 32 courses -- 27 with at least 18 holes and five with nine holes. The surrounding counties have 23 courses with at least 18 holes and another six with nine holes. Texas has 850 golf facilities, the third-most in the nation, and 1.3 million golfing households, according to the National Golf Foundation. But Elliott and other real estate analysts think the San Antonio region already has more than enough golf courses to satisfy enthusiasts and home builders.

"I think it's overbuilt," said Elliott, who believes too many additional courses would mean clubs would be stealing golfers from each other. For example, Elliott recently did a golf-course feasibility study for Lytle and concluded that if the city built a course it would only take players away from the courses in nearby Pleasanton and Devine. And although golf remains popular locally -- especially with weather that allows for year-round play -- in the rest of the country, golf participation is holding, not increasing.

The number of avid golfers -- who play at least eight rounds a year -- is hovering between 12 million and 13 million, and dropped by about 300,000 between 2004 and 2005, according to the golf foundation. Even here, many high-end and luxury neighborhoods go the route of Olympic swimming pools, sand volleyball courts, hiking trails, skeet shooting facilities or equestrian centers.

But for some avid golfers, a house right on the course remains the ultimate in real estate. "Golf courses are important for those that like to golf and they will pay a premium, said Missy Stagers, a real estate agent with Coldwell Banker D'Ann Harper Realtors. There's another benefit: the view. "It's beautiful terrain," said real estate agent Stephanie Alvarez, also with Coldwell Banker D'Ann Harper. "It's aesthetically calming and pleasing.

Prices

But placing a value on that view and course access can be difficult. Non-golfers don't much care whether a house is on a course. And most home buyers are not specifically seeking instant access to a golf course. "The majority of people don't want it," Stagers said. "You're just like any other house. You get a few people who will want to pay a little extra. The majority of people won't care."

But Mike Gordon, director of sales at **Horseshoe Bay Resort Realty**, a golf resort near Marble Falls that's popular with San Antonians, said there are enough avid golfers out there to make the lot that's on a course a good investment over time.

"Given the opportunity, and if someone has the means, I would advise waterfront, golf course or properties with a view," he said. A slew of golfing, water-loving baby boomers is nearing retirement, with access to pension funds and inheritances, Gordon said. "People at that age bracket, if they have income, are comfortable on a golf course or a golf course lot," he said. "View-property has escalated in the last few years. If you can combine a view with a golf course, you have hit a home run.

Neighborhood prices

Even non-golfers or those who live on lots away from the course derive some benefit from being in a neighborhood that overlooks a golf course. Because golf is still largely considered a game for the upper-middle class and rich, the presence of a nice golf course automatically elevates the entire neighborhood in a buyer's mind. "It will typically hold a higher value for the neighborhood," Stagers said. "It brings a different stature of amenities to the neighborhoods. "Golf course communities often have pools, tennis courts and private clubs.

"I think to be in the community definitely raises the value in the buyer's mind," Alvarez said. "Many people want to be in the golf course community, but don't want to actually be on the golf course," she added. "They can still get in the golf cart. You'll see that a lot in the Dominion. They want that community life but they don't want it to be in the backyard. "At Mission del Lago, the South Side neighborhood that backs up to a municipal course of the same name, the golf neighborhood has been seen as a turning point for the area.

Joe Gonzalez and George Wilburn, partners in Mission Custom Homes, which has built several golf course homes in Mission del Lago, said the homes range from the \$230,000s to around \$300,000.

"We were both born and raised on the South Side of San Antonio," Wilburn said. "This subdivision has so much potential and we knew we had to be there. We're very proud to have this type of house here.

Drawbacks

The charms of the good view and instant course access don't hold up for all home buyers, even those who love golf. "For the life of me I can't understand why people would want to live on a golf course," said Michael Moore, a neighborhood developer and the vice president of the Greater San Antonio Builders Association, who says golfing is his favorite pastime. "You have people like me going through your yard trying to find the ball that bounced off the barbecue pit."

Occasionally, a homeowner's quiet backyard reverie might be interrupted by a frustrated golfer and a string of cursing. And there are often restrictions about what you can build in your backyard and what sort of fencing -- if any -- is allowed. There's also the issue of people walking by your back porch as you're enjoying your morning

coffee. Alvarez recently had a buyer who was bent on purchasing a home on the course at the Dominion. "He wants to be able to walk outside and be on the golf course," she said. "Other people want their privacy.

"Real estate agent Wanda Davila-Gomez of Realty Executives is listing a \$290,000 golf course home in the Links, a North Side neighborhood on Canyon Springs Golf Course. She said golf-course buyers have one thing in common: They're social. "The (presence of) golfers coming by seems to be important to them," she said.

Financial risks

Golfers may think those courses are built for their benefit. Not true. Golf courses get built as a way to sell real estate, pure and simple. "The golf course drives real estate," said Bob King, general manager of Cordillera Ranch, a luxury neighborhood in Boerne that opened its golf course earlier this year. But it's a huge financial risk for the developer. Building a golf course requires at least 160 to 170 acres and \$5 million -- a conservative estimate -- for construction, said Elliott.

Some courses never quite make it. Others intended to be private have to go public for financial reasons, while some courses attract golfers but not the homeowners to buy the lots. Successful courses and neighborhoods need a developer who is either patient about making the money back or who can come up with the magic formula for a high-end, fast-selling development, Moore said. "You've got to have really strong financing," he said. "It's going to take a long time to make money. "You also need a lot of golfers nearby.

For that reason, Cordillera Ranch waited 10 years to build its golf course. "We waited until we had enough rooftops to start," King said. "Financially it's nice that when you build a course you've already got a membership. "The club has about 90 memberships left before it reaches its cap of 450, he said.

Other amenities

Many of San Antonio's new high-end neighborhoods have opted not to build golf courses. Tom Taylor of Tom Taylor Real Estate, who represents the Rockwall Ranch neighborhood that hosted the New Braunfels Parade of Homes this year, said they didn't want a golf course. Development costs instead went into underground utilities, curbs, pools, the fishing lake, tennis courts and tree-lined streets.

"We wanted a quality development without everyone in the neighborhood having to pay for the golf course," Taylor said. "Everyone that buys in those neighborhoods is paying for the courses, although not everyone likes to golf. "Rockwall Ranch is six years ahead of schedule and has a waiting list of more than 150 people who want to buy a lot when the next phase opens.