

Designer Dollars

Which golf-course architect boosts home value the most?

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In December 2000, Greg Norman was about to unveil his first course design in Arizona-called Stonehaven, in Scottsdale-when the project was sold to Discovery Land Company, a developer of golf communities. Discovery's CEO, Michael Meldman, quickly decided to blow up Norman's course and start anew. Unsurprisingly, the Shark bared his teeth. "It was the greatest course ever built that nobody will play," he said angrily.

Meldman hired Tom Fazio, whose layout is now the centerpiece of a successful community, Mirabel. "His courses commanded the highest real estate prices," Meldman says, explaining his switch to Fazio. "He understands perfectly what our members want."

What members want is more than a good course; they want to maximize their investment. And often that is all about the value of a name. Having the right architect attached to your golf course has a major effect on property values. But is Fazio a homeowner's best friend? Not quite, but you certainly wouldn't want to kick him out of the neighborhood.



Jack Nicklaus' The Bear's Club in Jupiter, Florida. LC Lambrecht

Colin Hegarty, president of Golf Research Group, studies the impact of golf-course architects on property values and says that the best value-added brand is Jack Nicklaus. Since 2000, Nicklaus has designed 75 residential courses with an average net value of the overall project (golf and real estate) of \$245.9 million. Fazio comes in second at \$214.4 million.

The Nicklaus Effect	1999	2000
Value of the average American home	\$166,400	\$274,500

Value of the average golf-course home	\$201,000	\$640,000
Value of home on Nicklaus course	\$536,000	\$1,200,000

"Architect value numbers are relevant when you're thinking of buying a home at one community versus another," Hegarty says. "Homes at Nicklaus communities are like blue-chip stocks-their value grows dependably every year. Buying into one community can be a much better investment than another community."

Choosing a name architect is often more about marketing than the course. Just ask Ken Kavanaugh. He was two weeks from starting construction on a course in Sedona, Ariz., when the property was sold and the new owners bounced him in favor of Tom Weiskopf. "There's a niche out there which shops exclusively for designer labels, whether it's Gucci, Prada or a golf-course architect," Kavanaugh says. "A Timex and a Cartier both keep the same time, and I think there's room for both in the marketplace, but some folks aren't going to buy unless it's a Cartier."

Inside The Numbers: 3,600

The number of golf communities in the United States, totaling more than 1.45 million homes.

Money Men

According to Golf Research Group' *U.S. Golf Real Estate Report*, here are the Top 5 architects whose names add value as well as luster to your community:

1. Jack Nicklaus
2. Tom Fazio
3. Tom Weiskopf
4. Robert Trent Jones, Jr.
5. Gary Player