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# ULTIMATE GUIDE

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*La Quinta Resort & Club and PGA WEST  
La Quinta, Calif.*



# ECONOMY CLASS

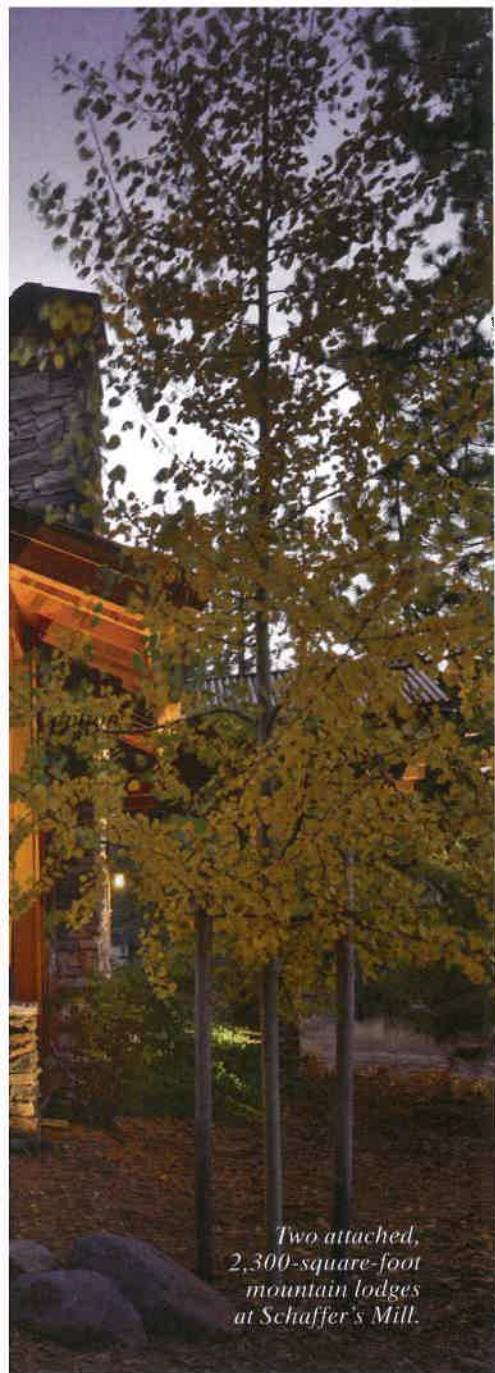
DEVELOPERS ARE SEEING BIGGER DEMAND FOR SMALLER GOLF HOMES

BY EVAN ROTHMAN

Until the last recession, residential golf homes followed the same seemingly unstoppable trajectory as drivers, namely, “bigger is better.” The U.S. Golf Association ultimately stepped in to limit drivers’ cubic centimeters. Developers say that changing consumer finances, attitudes and priorities

— many brought about by the most recent recession — now have come together to bring about a self-imposed rollback on square feet, particularly in terms of secondary residences.

Dale Schossow, broker associate with Fuller Sotheby’s International Realty, is the exclusive broker for the Golf Club at



Two attached, 2,300-square-foot mountain lodges at Schaffer's Mill.

PHOTO BY VANCE FOX

consumers looking for smaller homes — primary, second or otherwise — represents a fundamental, long-term change. He ascribes this demand to lifestyle shifts as well as financial considerations.

“Retirees are still golfing and skiing later in life, but they also go places and are more interested in time, both with their families and their lifestyle,” he says. “That shift in priorities is a new mindset, and it’s the prevalent thought among today’s buyer.”

Despite the recent rebound in personal portfolios, Schossow has found buyers have become “less cavalier” about their spending and more concerned with risk management. Jim Matoska, executive vice president of sales and marketing for Schaffer’s Mill in Truckee, Calif., the redevelopment of a failed project formerly known as Timilick, shares that assessment.

“In the last two years, most folks that visit are requesting homes less than 3,000 square feet,” Matoska says. “Those people who came out of the real-estate slump that began in 2008 still with the ability to look at second homes basically had a wake-up call. They realized what was important was having something the family can all use,

not necessarily having the biggest home on the block. There has been a shift away from decadence to self-awareness. Decisions are rooted in the emotion of having something for the family, something that makes sense in size, price and in a highly desirable area.”

Time and again, real estate executives say family concerns guide buying decisions. For example, the great rooms where family members can congregate at home remain “high on most buyers’ wish lists,” says Darlene Mohlke, vice president of sales and marketing for Castle & Cooke, which owns Saddle Creek Resort in Copperopolis, Calif. But elsewhere in the home, Mohlke says, buyers are making a tradeoff, passing on extra space that will get little or no use. In amenity-rich golf communities, some home options are not just expensive, but redundant. So Mohlke sees many buyers scaling back and looking for a “lock-and-leave home” that takes less of a toll on budgets.

“They’re saying to themselves, ‘Do I really need that extra bedroom?’ ” Mohlke says. “Or, ‘Is it truly necessary to have that library or study in a vacation home?’ ”

Todd Campbell, general manager of Forest Dunes Golf Club in Roscommon,



A new villa at Denver's Golf Club at Ravenna.

COURTESY OF FULLER SOTHEBY'S INTERNATIONAL REALTY

Ravenna in southwest Denver. This 684-acre property, opened in 2006, has a Jay Morrish-designed course. The club, which has three homes and 166 lots on the market, recently has begun to develop smaller units, including 54 luxury custom villas that weren’t part of the original plan.

“There are 10,000 people turning 65 every day for the next 19 years—people who are active longer, represent a huge amount of saved investment and wealth, and showing up as buyers in the market right now,” Schossow says. “They are asking for a smaller product that they didn’t ask for in the last five to 10 years. They no longer want a large home.”

Schossow believes the sheer number of



*This 3-bedroom model has become a popular addition to Forest Dunes' inventory.*

PHOTO BY BRIAN WALTERS

Mich., which recently has sold six homes in the 1,800-2,400-square-foot range and is building three more of about 2,200 square feet, has found budgets to be at the core of the issue.

"Consumers are attempting to make their money stretch further, realizing that more is not always best," Campbell says. "People are using common sense much more now since the recession."

Price-sensitivity is certainly a consideration, says Dan Whalen, new-home sales manager for Beverly-Hanks, the brokerage for The Fitzgerald at Grove Park Inn in Asheville, N.C., which has sold all but four of its 24 condos, averaging approximately 2,100 square feet. Whalen notes that even buyers who can afford more still want to spend less, with a dash of uncertainty about the economy tempering a feeling of increased confidence versus two or three years ago. Nonetheless, he argues that it's a mistake to read too much into the current vogue for reduced vacation-home size.

"Many developers continue to design and develop smaller footprints with a high level of finishes — that's what prospects are asking for," says Whalen, noting that The Fitzgerald is often a third or fourth residence for its buyers. "History repeats itself. If things continue to improve as they have in the last 12 to 18 months, this will be

a short-term trend for many discriminating second-home buyers."

Cordillera Ranch in the Texas Hill Country historically has been a primary-home community, but its Di Lusso Villas has raised interest in second-home product, according to director of real estate sales Barry Denton. Denton has found that these buyers are more concerned with the amenities and lifestyle offered — as well as security and smart-home/smart-device connectivity — than the home's size.

"If the community has access to a wide variety of recreational and social amenities, people will select product that corresponds to family size versus in-home amenities," he says. "Our communities tend to be more family-oriented, so making sure that the home can accommodate family and friends has been more important."

As for developer-built product, Adelson says that whereas a decade ago buyers were looking for something "down the road," today they want to reduce move-in time.



*The Fitzgerald's 2,100-square-foot units, overlooking Grove Park Inn Golf Club, have sold quickly.*

PHOTO BY STEVEN MCBRIDE

"Our villa product has been very popular with this clientele because of its close proximity to all of the amenities of The Clubs of Cordillera Ranch," he says. "People want convenience to amenities while they're here and peace of mind when they're away."

Discovery Land Co. is one of the country's leading luxury developers, with properties that include Mountaintop in North Carolina, Gozzer Ranch in Idaho, and Hawaii's Kukio. Steve Adelson, a Discovery partner, says that while more people may be looking at entry-level product in the company's communities, the demand for larger, developer-built product remains strong. In his experience, buyers are looking for immediate use or quick semi-custom builds, with the size of the home less important than the efficiency of the design.

"We see people valuing time more than money in Discovery communities," he says. "People are definitely more cautious, but they still want a home that works for them."

Matoska sees an emerging practicality among buyers who have decided they "don't need to pay for a lot of space they infrequently use, and at considerable cost."

"We deal with customers that can afford the best of the best, and still elect to go smaller and more sensible," he said. "After all, the decision-making ability that put them in a category where they can afford a second home is also what tells them a real estate purchase still has to be prudent." ○

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