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Great Homes

Destinations

HOME AWAY

Gaining Admittance to the Club

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As second home developers continue to build communities geared to popular pastimes like golf, tennis, horseback riding and fishing, property ownership often includes a club membership application.

A background check to play tennis? Country clubs have long been a part of American leisure, but increasingly the club aspect is being tied to real estate. While most second home clubs do not apply the scrutiny of a Manhattan co-op board, developers noted that such clubs are looking to create a cohesiveness in the community.

Screening potential club members is well underway, for instance, at Chileno Bay, a seaside development in Los Cabos, Mexico, with a Tom Fazio-designed golf course. Construction has not begun, but

management is already putting buyers through the rigors of the club membership process. A willingness to plunk down \$200,000 for a golf membership does not guarantee acceptance.

In Big Sky, Mont., Jim Dolan, the developer of the Club at Spanish Peaks, requires potential members to fill out an application that includes details on their family and hobbies. Potential applicants must also submit to a phone interview. The club, he said, is looking for “interesting people like ourselves, who we might want to have cocktail with.” More importantly, he said the interview can help reveal how a buyer hopes to use the club and insure that it is compatible with the vision of the development, which in addition to a Tom Weiskopf-designed golf course, offers skiing, and access to an outdoor concierge that can arrange guided trips into nearby Yellowstone National Park complete with chefs in tow.

One potential member was rejected after the interview revealed that the buyer hoped to use the house for business retreats. In instances where the membership is rejected, the real estate sale is also halted because all buyers need to be members.

Not all clubs require that potential members undergo an interview, but most involve a certain amount of financial due diligence. “The clubs in general are going to look at your credit history and many of them will look to see if you have a criminal background,” said Jonathan Gilbert, an attorney with Gunster Yoakley, which works with private club owners and developers. The club may also ask applicants for bank references, he said, in an effort to “make sure they have the financial capital to become a member and maintain a membership.”

Referrals are also a way to gain acceptance. Indeed, some clubs are “by invitation only” or require an owner to get a reference from a current member. Potential members who do not have contacts at a particular club may rely on their real estate agent to create a connection to a current member. Dennis Alaburda, a real estate agent with Sterling Fine Homes and Land in Scottsdale, Ariz., said that he and his team have sold

properties in most of the 200 golf communities in Scottsdale and Phoenix. “We have someone who is a member who would be able to sponsor a buyer,” he said.

Clubs with an invitation-only policy for membership do not automatically turn away those without contacts. Membership at Seven Canyons in Sedona, Ariz., is \$175,000 for a full golf membership and is “by invitation only,” but Jim Blum, the director of sales and marketing, said that if a home owner is interested, they can apply. “No one is going to be unreasonably turned away,” said Mr. Blum.

For Paul Kinsey, the toughest part of securing membership at the Peninsula Golf and Country Club on the Indian River Bay in Millsboro, Del., near Rehoboth Beach, was choosing among the three levels that range from \$7,500 for a social membership to \$60,000 for a golf membership. The latter offers access to preferred tee times on an 18-hole Jack Nicklaus Signature course and no greens fees.

Mr. Kinsey, an avid golfer, was reluctant to buy a full golf membership because he is already a member at another golf community outside of Annapolis, Md., so he opted for the mid-range sports membership. “I had already laid down a chunk of change for a private membership where I’m golfing most for the time” said Mr. Kinsey, noting that he liked the flexibility to choose a less expensive sports membership and still get access to the golf course. “Without that, there isn’t a whole lot of incentive to buy a second home.”