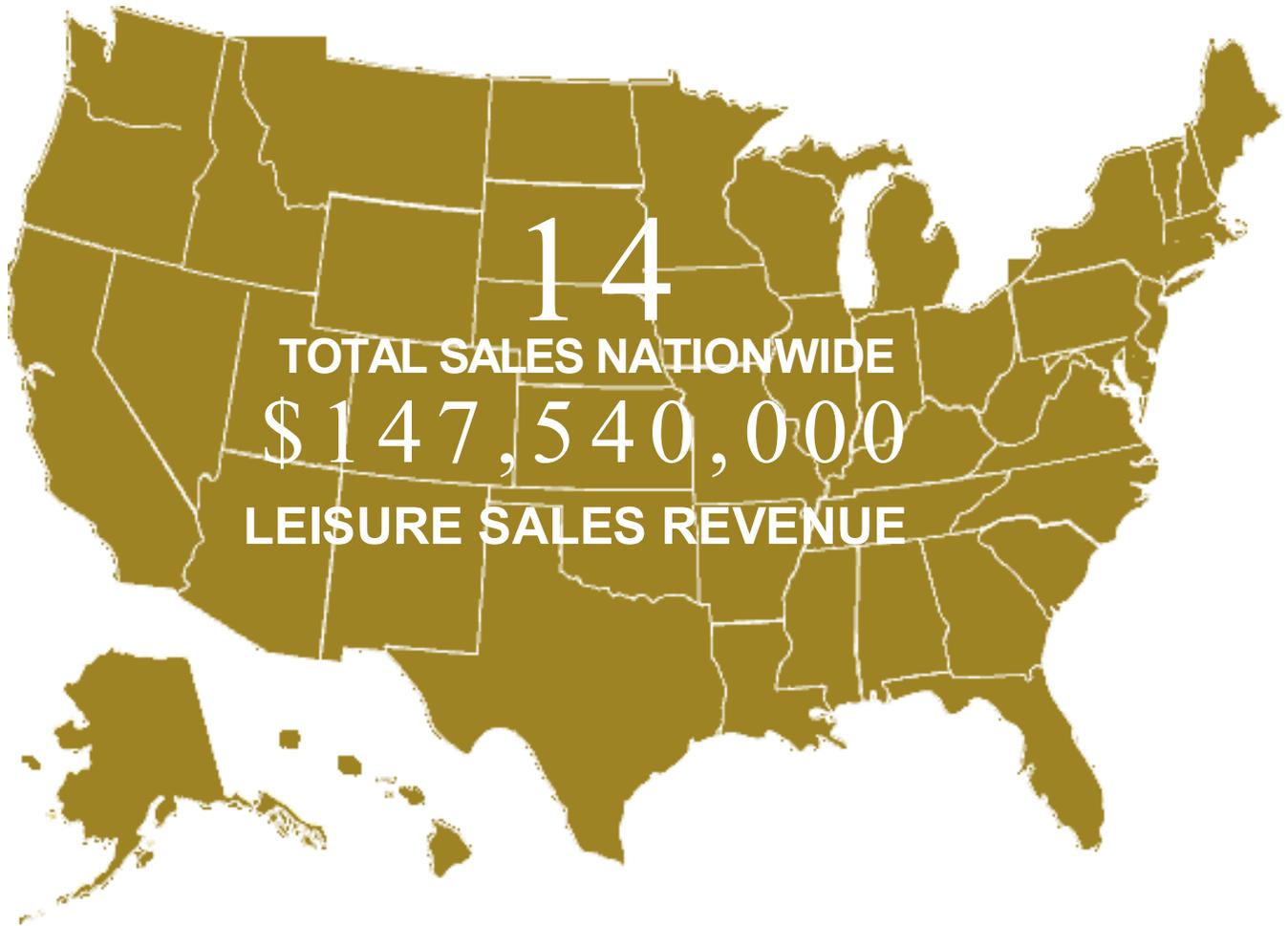


**LIPG**

LEISURE INVESTMENT  
PROPERTIES GROUP

**GOLF  
INVESTMENT  
REPORT**

**2026**



## LIPG ADVISORY TEAM

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Associate  
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**Kody Tibbetts**

Associate  
Golf Division

# VISION

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*To be the preeminent leader in business-driven leisure investment real estate and advisory services.*

# MISSION

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*To help our clients create and preserve wealth. We deliver exceptional transactional expertise, superior market knowledge, and the industry's most powerful marketing platform at a personal level, treating each client's best interests as our own.*

# GUARANTEE

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*Our clients will have the clarity, knowledge, and power to make sound business decisions that will maximize their investment strategies and achieve their vision for the future.*

## A TRUSTED VISION FOR THE FUTURE OF GOLF

Leisure Investment Properties Group (LIPG) was founded in 2009. Formerly known as the National Golf & Resort Properties Group, LIPG has become the recognized industry leader in brokerage and advisory services exclusively to the Leisure Investment Industry which includes golf courses, marinas, master-planned communities, RV Communities, resorts, and other leisure properties. Since its

inception, LIPG has sold more than 200 properties by utilizing its extensive database of prospective buyers, powerful platform, and proactive marketing techniques. The management team has more than 270 years of combined experience brokering golf courses, marinas, master-planned communities, and other commercial real estate assets.

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# EXECUTIVE SUMMARY: A REFLECTION ON 2025 AND A GLIMPSE INTO 2026

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The U.S. golf industry enters 2026 from a position of strength. Participation, utilization, and revenues remain historically high, while supply remains constrained following nearly two decades of net course closures. Golf is firmly established as a core segment of the experiential economy, attracting capital from individual owners, traditional commercial real estate investors, and private equity.

## KEY 2025 GOLF MARKET TAKEAWAYS:

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Revenue:	↑	Participation:	↑
Median Price:	↓	Utilization:	↑
Average Price:	↓	Off-Course Interest:	↑
Number of Transactions:	→	Net Golf Closures:	↓
Interest Rates:	↓	Economy / Stock Market:	↑
Rounds & Membership:	↑	401Ks & Employment:	↑

We are now well past any notion that COVID represented only a short-term bump for golf before a reversion to prior averages. (The WHO declared COVID-19 a global pandemic in March 2020 and declared the public health emergency over in May 2023.) Instead, the industry has entered a period defined by **consistency**: healthier operations, constrained supply, and durable demand.

Structurally, the golf industry is stronger today than at any point in the last two decades.

As with prior LIPG reports, this analysis focuses on **how golf fundamentals drive golf values**, examining demand, supply, capital markets, and the broader economy. Published in the first quarter, this report captures full year 2025 transaction data and provides our outlook for 2026.

Has there been a better time than 2025 to own a golf asset? And will 2026 continue the momentum?



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# Golf State of The Market: A Reflection On 2025 and a Glimpse Into 2026

*Steven Ekovich —Executive Managing Director – Partner*

***Golf's Best Vintage Yet - and 2026 is still aging well. Has there ever been a better time to own a golf asset? And will 2026 continue the momentum?***

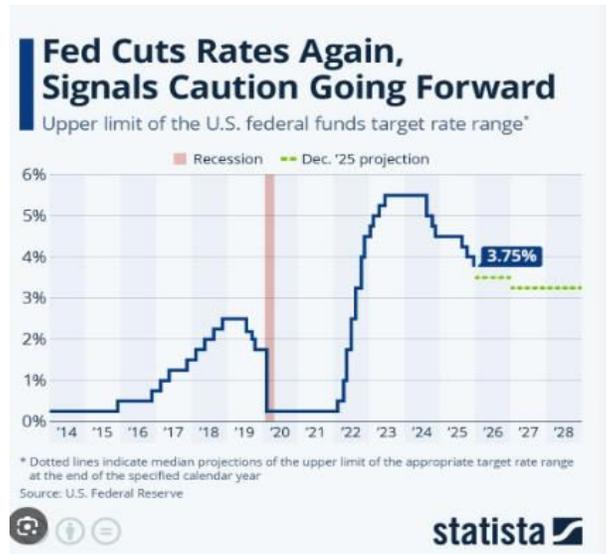
## **GOLF PARTICIPATION REMAINS NEAR RECORD LEVELS**

According to the National Golf Foundation (NGF), total golf participation (on course and off course) now exceeds 48 million people, representing roughly a 50% increase over the past decade. On course participation is at its highest level since the Tiger Woods era peak of the late 1990s and early 2000s. NGF reports that national rounds played reached another all - time high in 2025, marking the fourth record year in the past five, despite the industry operating with approximately 2,000 fewer facilities than during the prior peak. This dynamic continues to drive utilization and pricing discipline. The Pellucid Corporation, using weather normalized data, reports that 2025 set multiple modern era(post 2000) records across key industry performance indicators.

### **Most notably:**

- Utilization crossed the 70% threshold for the first time
- Since Pellucid began tracking the metric in 2006, increasing approximately two percentage points year-over-year.

- Golf Revenue per Available Round (GRevPAR) increased approximately 10% year-over-year, driven by an 8% increase in organic Golf Revenue despite national Capacity Rounds being unfavorable by roughly 2%.



**FIGURE 2**

*(Utilization measures rounds played as a percentage of accounting for both course count and weather constraints. Weather maximum playable capacity, is critical, as golf cannot be played in darkness or severe conditions such as snow.)*

By comparison, utilization in 2015, just ten years ago was slightly above 50%. The industry has moved from excess capacity to structural compression. On the demand side of the golfer franchise:

- The golfer base increased approximately 4% (nearly 1 million golfers).
- Participation rate continued to climb due to steady population growth and golfer expansion.

## SHIFTING DEMOGRAPHICS & CULTURAL INFLUENCE

***“Golf’s participant base is broader and younger than ever.”*** NGF reports that more than 8 million women and girls now play on-course an all-time high and a 46% increase since 2019. Participation among People of Color now represents 26% of on-course golfers, while female participation represents 28%, both record levels. Importantly, approximately two thirds of green grass beginners now enter the game through off course experiences, reinforcing off-course



## SUPPLY SIDE:

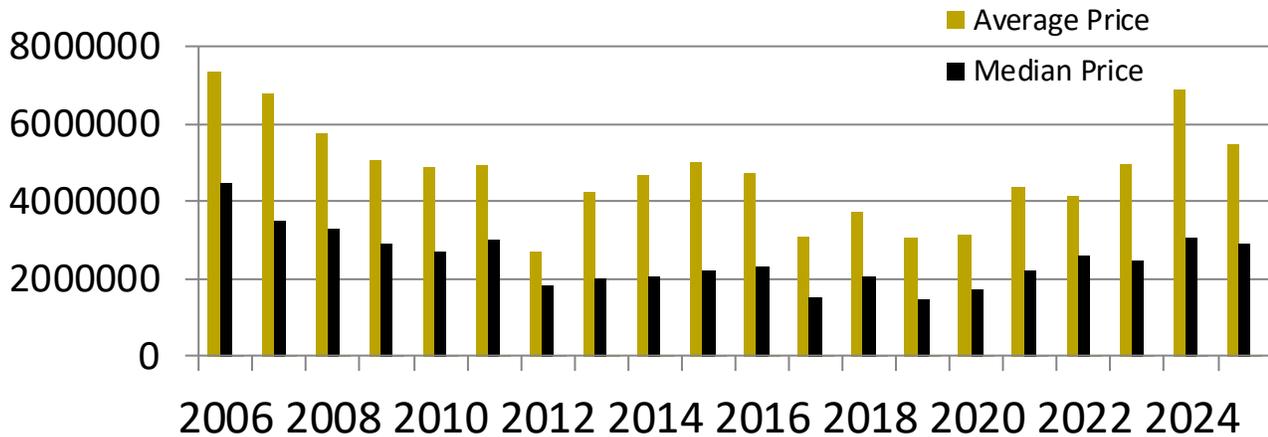
According to National Golf Foundation, the U.S. maintains approximately **16,000 courses across roughly 14,000 facilities**, or about **12,700 eighteen-hole equivalents**. Since 2006, the industry has lost approximately **2,300 facilities**, representing a **13% reduction in supply**. Off course venues serve as a **feeder system rather than a substitute**. NGF was ahead of the curve on this dynamic, incorporating off course participation into total golfer counts years ago.

Golf’s expanding visibility across YouTube, TikTok, broadcast innovation, and lifestyle-oriented marketing continues to reinforce its relevance within the broader experiential economy.

While closures have slowed materially since COVID, new development remains highly selective and skewed toward **private, resort, and high-end experiential golf**.

What limited development we are seeing tends to fall into what we refer to as **“Big Boy Courses”**, private clubs with initiation fees ranging from **\$300,000 to \$1 million**, located in affluent, high-density markets or destination resort assets. Examples of resort golf development include **Unicom Snake River Golf Resort** in Washington State and **Old Shores** in Northwest Florida, developed by Mike Keiser and his sons. Examples of new high end private clubs include **Tepetonka Club** in Minnesota and **Dutchman’s Pipe Club** in South Florida, both reportedly featuring initiation fees approaching **\$1 million**. Public access golf development remains extremely limited. The result is a structurally constrained supply base operating at elevated utilization levels.

## Average & Median Historical Golf Course Prices



\*\*\* Data Courtesy of Leisure Investment Properties Group

## LIPG – National Golf Course Sales History

Year	Sales	Average Price	Lowest Price	Highest Price	Median Price
2006	91	\$7,326,883	\$1,100,000	\$39,500,000	\$4,500,000
2007	97	\$6,778,325	\$559,000	\$58,000,000	\$3,500,000
2008	108	\$5,757,172	\$595,000	\$50,575,000	\$3,300,000
2009	97	\$5,089,742	\$500,000	\$50,000,000	\$2,900,000
2010	144	\$4,873,308	\$250,000	\$40,000,000	\$2,700,000
2011	110	\$4,912,103	\$275,000	\$73,525,000	\$3,000,000
2012	159	\$2,700,215	\$250,000	\$30,000,000	\$1,802,500
2013	145	\$4,211,889	\$366,450	\$48,520,000	\$2,000,000
2014	181	\$4,661,645	\$266,800	\$60,000,000	\$2,045,000
2015	132	\$5,012,316	\$263,250	\$47,000,000	\$2,195,000
2016	123	\$4,718,947	\$500,000	\$50,000,000	\$2,300,000
2017	114	\$3,105,611	\$520,000	\$30,700,000	\$1,525,000
2018	107	\$3,741,962	\$500,000	\$41,948,500	\$2,046,418
2019	96	\$3,050,907	\$500,000	\$16,750,000	\$1,464,291
2020	79	\$3,149,046	\$500,000	\$34,500,000	\$1,700,000
2021	80	\$4,399,889	\$500,000	\$45,333,000	\$2,225,000
2022	98	\$4,129,022	\$550,000	\$47,000,000	\$2,580,900
2023	84	\$4,979,399	\$500,000	\$44,801,090	\$2,465,000
2024	92	\$6,870,417	\$550,000	\$85,250,000	\$3,025,000
2025	85	\$5,488,345	\$733,150	\$61,000,000	\$2,900,000

Note: Outliers below \$500K removed from pricing metrics.

FIGURE 1

## FINANCIAL PERFORMANCE & TRANSACTION TRENDS

According to LIPG research, average and median golf course sale prices in 2025 receded modestly from the exceptional levels achieved in 2024. The **average sale price** was approximately **\$5.33 million**, while the **median sale price** was approximately **\$2.83 million (see figure 1.)**. Importantly, both metrics remain well above long term historical averages and pre-COVID pricing. To put this in perspective, excluding 2024, **the 2025 median sale price was higher than each of the prior 17 years**. The modest pullback reflects fewer ultra-high value single asset transactions relative to 2024. (Portfolio transactions are excluded from this analysis.) For example, in 2024 LIPG sold **Lakewood Ranch Golf & Country Club** for under \$100 million, while in 2025 we sold **The Club at New Seabury** for above \$50 million but below \$100 million. When the average transaction size is approximately \$5 million, a small number of large transactions can meaningfully influence both average and median pricing. (Closing prices remain confidential.) Investor composition continues to evolve as new investors enter the market from core commercial real estate, family offices and institutional capital funds.

### THE US ECONOMY:

The U.S. economy remains supportive of leisure spending. Following solid growth in 2024 and continued expansion through 2025, inflation moderated, and interest rates began to ease. (See **figure 2.**) The Federal Reserve lowered rates by approximately **75 basis points**. Entering 2026, lower borrowing costs, strong employment, and rising household net worth continue to support discretionary spending, particularly in golf. While risks remain including geopolitical conflict, labor availability, tariffs, and policy uncertainty the industry enters 2026 from a position of strength.

***"Golf is not recovering, it has recovered and is thriving"***

For the fourth consecutive year, LIPG observed increased participation from traditional commercial real estate investors reallocating capital from multifamily, office, retail, and industrial assets in search of higher cap rates, experiential demand, and durable cash flow.

Private institutional equity and family office interest also continues to broaden, with multiple groups exploring entry through both platform acquisitions and direct asset purchases. Golf has firmly established itself as an institutional grade experiential asset class.



## LIPG PREDICTIONS FOR 2026

### **Stabilizing Pricing, Strong Capital Flows -**

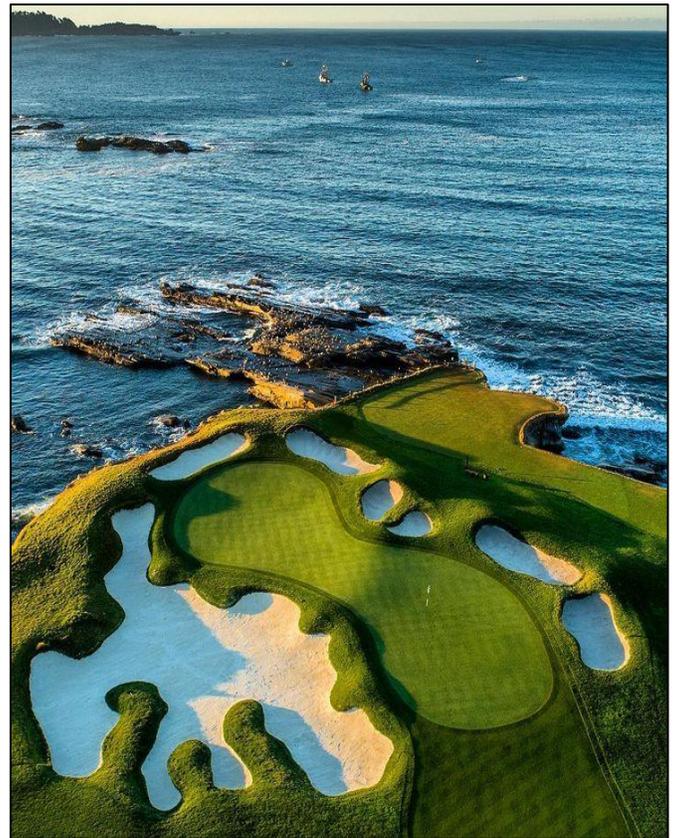
Dues and green fee growth will moderate as the market normalizes, while easing interest rates and durable returns continue attracting institutional and private capital into golf assets.

**Reinvestment Driving Asset Quality** – Ongoing course renovations and facility upgrades will enhance playing conditions, protect long-term value, and support sustained participation.

**Experiential & Technology Integration** – Golf's expansion within the experiential economy will accelerate entertainment concepts, driving range innovation (TrackMan, Toptracer), and structured player development programs.

**Operational Modernization** – Artificial intelligence and robotic maintenance equipment will improve efficiency, optimize tee-sheet management, and offset rising labor costs amid workforce constraints.

- Constrained supply and experiential demand support long-term value
- Institutional and private-equity interest continues to deepen



## KEY TAKEAWAYS

### **For Owners**

- Operating fundamentals remain strong, supported by high utilization and pricing power
- Continued reinvestment in course conditions, amenities, and the overall experience remains critical
- Pricing normalization does not signal weakness; it reflects a healthier and more disciplined market and may largely be attributed to fewer large ticket transactions

### **For Investors**

- Golf continues to offer compelling risk-adjusted returns relative to core CRE (approximately **10-16% cap rates** versus **5-9%** for traditional core assets)



# INVESTOR SENTIMENT

Chris Karamitsos, PGA – Senior Managing Director & Partner

Anyone who has listened to a weather forecast has heard the term “...a mixture of clouds & sun...” You might say that is what we had in the golf transaction market in 2025 and may have in 2026. While the average sales price in the \$1M to \$10M range, (the “Bell Weather Range” for owners), was up almost 11%, the median sales price was down by more than 6%, marking only the second decline since the pandemic. Cap rates followed suit, up marginally by nearly 50 basis points, providing a nearly 700 bps delta to the 10-year vs core CRE cap rates (see Fig 1). Yet, over all the trackable transactions, the average price of golf courses was off 22%.

Interestingly, as the cost of capital increased (especially from mid-2020 through the beginning of 2023) the transaction volume of golf courses remained steady as the average price increased by nearly 70% throughout that period. Dollars go where they’re treated best and ever since the 400-bps hike by the Fed, golf has treated those dollars very well.

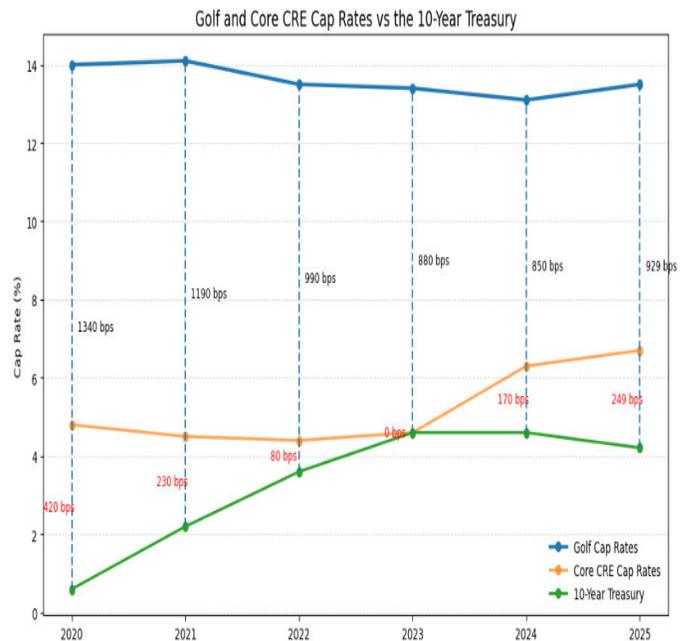


Fig 1 (Source: LIPG Sales Data, US Treasury Dept.)

The reason is that when interest rates went up on core commercial real estate, many of those investors who bought at historically low cap rates were suddenly upside down when the loan term was up. Values of core commercial real estate like apartments, office and retail, retrenched, and sometimes the loans were higher than the value of that real estate. Consequently, core CRE real estate owners looked for higher yielding investments and golf was perfectly suited for their appetite. However, once the fed provided a modicum of rate relief near the end of 2024, some leveling off was to be expected.

The transaction market continues to experience capital migrating out of core CRE into specialty assets like golf, marinas and RV parks, as fundamentals in those sectors remain strong. Plus, it always helps to follow the smart money. The fact that the golf air space remains attractive was punctuated at the end of 2025 with the billion-dollar acquisition of Concert Golf Partners by Bain Capital. Private equity has invested billions of dollars into golf course acquisitions since prior to the pandemic, signaling a strong conviction in the market, which continued through last year.

### Three Things to Watch for in 2026

**Significant Rate Relief** - Kevin Warsh is expected to be confirmed as the new Chairman of the Federal Reserve in June. Most are predicting that it will result in a lowering of interest rates by at least 50 bps to 100 bps within the next 12 months.



**Capital Deployment** – It is estimated that there is over \$7 trillion sitting on the sidelines in money market accounts earning a modest but safe return. After all, as recently as 2023 there was no spread between the 10-year treasury and core CRE cap rates. Any significant downward movement in rates by the Fed will usher in a wave of investing as money makes its way off the sidelines and into more attractive investment vehicles.

**The Double-Edged Sword** – Once rates decrease and are eventually reflected in the rate of the 10-year Treasury, core CRE will become more attractive than it is currently. Investors will have less reason to gravitate toward specialty assets like golf. Irrespective of the cap rate, golf assets still rely on two elements: disposable income of customers and weather; two things, investors have no control over. Eventually, increased deployment of capital into core CRE is likely to lead to some cap rate compression in the sector, which should again prove positive for golf assets.



# Golf Course Acquisitions: A Logical Target for Family Office Capital

*Rob Waldron – Senior Managing Director – Partner*

In recent years we have seen greater interest in golf course acquisitions from family office capital. Golf properties provide a “strategic fit” as a real estate investment alternative. Golf is a solid investment choice because, like other types of real estate, these properties appreciate over time. Family office capital finds the cash flow from long term recurring income with multiple revenue streams backed by the inherent real estate as attractive. In general, family offices are more flexible in both their underwriting and performance criteria than other investor groups.

## **Acquisition Strategies**

### **Golf Acquisition Targets**

- Single-asset or small portfolio acquisitions
- Distressed, mismanaged, or undermanaged golf courses
- Opportunity to reinvent operation programs (membership, F&B, experience)
- Repositioning course to optimal market niche
- Land-banking with optionality

### **Return Profile Targets**

- Low-to-mid teens cash-on-cash
- Long-term appreciation
- Lifestyle + financial return

## **Benefits of Golf Investments**

### **Control & Flexibility**

- Direct ownership
- Flexibility to make quick decisions
- Ability and willingness to try new models

### **Long-Term Horizon**

- No forced exit timelines
- Ability to ride cycles
- Comfortable with early reinvestment

### **Tangible, Enjoyable Asset**

- Emotional connection “Pride of Ownership”
- Community presence
- Lifestyle alignment



## Edge Over Institutional Investors

- Operational Control
- Willing to be flexible with pricing and memberships
- Hands-on involvement
- Tolerance for trial-and-error

## Lower Return Pressure

- Absolute returns preferred to chasing benchmarks
- Ability to accept uneven cash flow early
- Long term hold strategy

## Creative Capital

- Willing to fund capex to achieve long term returns
- Ability to bridge growth phases
- More forgiving on leverage



## The Importance of Golf Course Management

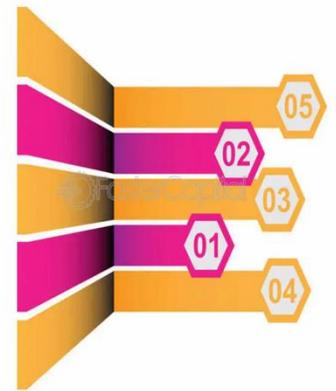
Positive Impact on Local Communities

Enhance Playability

Environmental Sustainability

Improved Course Conditions

Cost-Effective



## Challenges

### Unique Asset Class / Multiple Moving Parts

- Underlying real estate
- Improvements (Golf course design)
- Maintenance Equipment
- Multiple operating businesses: green & cart fees, memberships, driving range, bar & grill, events, banquets, catering and merchandise

### Requires Experienced Management Team

- Retain a third-party golf management company to oversee day-to-day operations
- Build an internal management team structure

## Bottom Line

Golf courses are far from being a passive investment. The acquisition of a golf course is ideally suited for an investor when **patience, control, and creativity** are competitive advantages. The flexibility provided by the Family Office Capital structure is often better suited for golf course investments than institutional capital.





## Acquiring an Existing Course vs Building New

*Rob Waldron – Senior Managing Director – Partner*

Developing a new golf course has become increasingly more complex, time consuming and cost prohibitive when compared to acquiring and upgrading an existing course.

*"The cost to build a new golf course today is often three to four times higher than acquiring and renovating an existing course."*

### Significant Barriers To Entry For New Golf Course Development:

#### Land Availability

- A regulation course requires 120-200+ acres of contiguous land
- Large parcels near population centers are rare
- Land already entitled for higher-density uses
- Opportunity costs favor residential or mixed-use development

#### Environmental Issues

- Golf courses are subject to environmental oversight from government
- Wetlands mitigation and endangered species protection
- Stormwater runoff compliance and water discharge permits

#### Zoning and Entitlement Challenges

- Municipalities unaccustomed to golf zoning
- Rezoning approvals and conditional use permit requirements
- Public hearings and community opposition
- Lengthy review timelines (can often take several years)



## **Water Rights & Availability – water is the most critical aspect of a golf course**

- Limited groundwater access and expensive municipal water contracts
- Water rights acquisition (often capped or frozen)
- Seasonal or drought-based restrictions

## **Significant Capital Requirements – golf courses are extremely expensive to build**

- Land acquisition, course features - earthmoving and shaping, Irrigation systems
- Turf establishment – course grow in
- Vertical structures – Clubhouse, cart storage and maintenance facilities

## **Long Ramp-Up to Stabilized Operations – courses and operation take time to mature**

- Turf needs 2–4 years to fully establish
- Brand awareness builds slowly
- Customer / membership base develops gradually over time

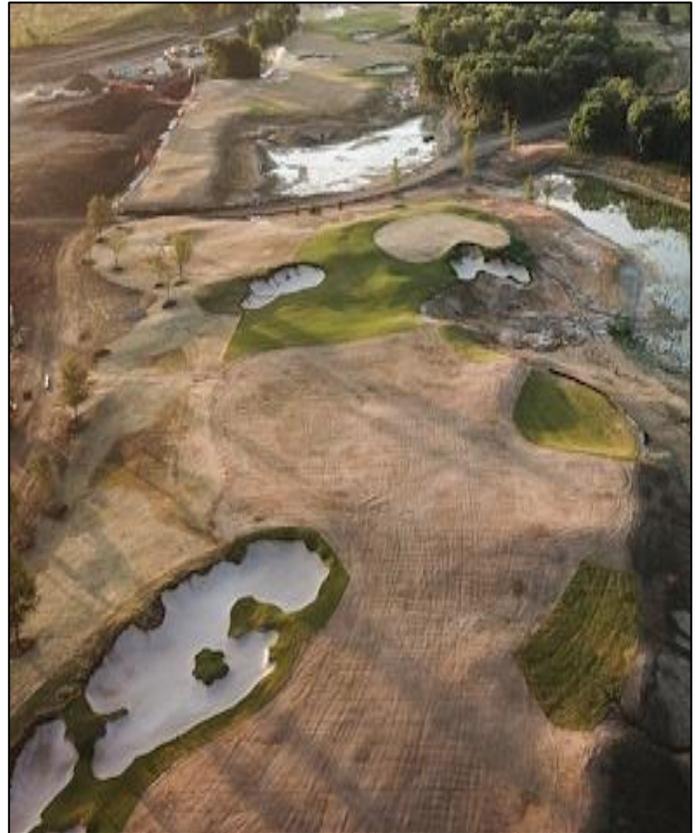
## **Benefits Of Acquiring An Existing Course**

### **Scarcity of Land – courses sit on hundreds of acres of land in prime markets**

- Zoning, water rights, and environmental restrictions typically grandfathered
- Scarcity protects long-term value and limits competition
- Even underperforming courses hold intrinsic land value
- Options for future redevelopment, conservation easements, or rezoning

### **Fragmented Ownership Equates to Opportunity**

- Ownership: families, municipalities, investors, clubs operated like hobbies
- Operational inefficiencies are common and prevalent
- Professional management alone cannot produce significant EBITDA growth



## **Multiple Levers to Improve Profitability – maximize utility / profit of all amenities**

- Maximize tee sheet yield management
- Improved membership structures
- Enhanced F&B and event operation
- Driving range utilization (Player development programs)

## **Post-Pandemic Demand Is Structural, Not a Fad – participation is here to stay**

- Participation growth: families, women, juniors, non-traditional social players
- Rounds continue at historically high levels
- Time-flexible lifestyles support play during off-peak hours
- Stable diversified demand base with long-term tailwinds

## **Strong Cash Flow With Predictable Revenue – Creates Annuity-like Cash Flow**

- Daily greens fees and membership dues
- Cart, range, merchandise and F&B revenue
- Outings, banquets and events



**Ancillary Assets and Amenities:  
Courses Under Monetize Facilities**

- Clubhouses
- Driving ranges
- Event space
- Off-hours capacity
- Programming opportunities

**Changing Risk Perception: Provides Opportunities for Prudent Investors**

- Golf suffers from a dated narrative: slow, expensive, declining participation which no longer reflects reality
- Assets can be acquired at attractive multiples relative to their true cash-flow potential
- Golf courses offer more attractive CAP Rates than other real estate options

**Bottom Line**

Investing in an existing golf course with good bones in a desirable location provides an opportunity to add value and reposition the course to preferred market niche.

- Existing courses can be acquired at a fraction of the cost to construct a new course.
- A sales transaction can be completed in months while new construction will take years.
- Existing courses have an established client base while a new course is required to build a following from scratch.



## Golf's Evolution: Technology, Media, and Indoor Golf Venues Are Reshaping Long Term Demand

*Trevor Ekovich – Associate Advisor*

Historically, golf has been viewed as a time intensive, capital heavy sport tied to access to traditional facilities. In recent years, however, simulators, off course entertainment venues, and digital content have materially reshaped participation dynamics. Throughout 2025, these trends accelerated, expanding access, increasing engagement among younger demographics, and reinforcing golf's position as a resilient leisure asset class. Rather than cannibalizing traditional courses, off-course participation and digital exposure are increasingly serving as entry points to long term play, supporting sustained demand for golf real estate.

### **SIMULATORS AND OFF-COURSE VENUES: EXPANDING THE PARTICIPATION BASE**

Off-course venues, including simulators, entertainment ranges, and hybrid concepts are now a permanent component of the golf ecosystem.

These formats reduce time, cost, and skill barriers while encouraging repeat engagement.

According to the National Golf Foundation (NGF), off-course participation is the fastest growing segment of the industry, with tens of millions of Americans engaging annually. Notably most simulator users do not regularly play on-course golf, confirming that off-course formats expand the participation base rather than displace existing demand.

From an investment standpoint, this broadens the future customer pipeline. As new players gain familiarity through accessible formats, a meaningful portion transition to green-grass facilities, supporting rounds, memberships, and ancillary revenue over time.

## **DIGITAL MEDIA / SOCIAL PLATFORMS: DEMOGRAPHIC RELEVANCE & FUTURE DEMAND**

Digital media has become a primary driver of golf's demographic expansion. In 2025, golf content consumption on YouTube, Instagram, and TikTok continued to rise, particularly among participants aged 12–18 (Kids) and 18–30 (young adults).

YouTube and Google Trends data show golf-related content generating billions of annual views, with creator-led channels such as Good Good Golf, Grant Horvat, Garrett Clark, and Bryson DeChambeau achieving engagement levels comparable to traditional broadcasts among younger audiences.

For investors, this shift is meaningful. Younger consumers are developing brand affinity earlier, engaging with golf as entertainment before becoming traditional players. NGF data indicates the average age of new golfers continues to decline, while participation among juniors, women, and diverse audiences increases — reinforcing long-term facility relevance.

## **CREATOR-LED EVENTS AND ALTERNATIVE COMPETITION FORMATS**

Beyond content consumption, creator-led competitions gained momentum in 2025, generating strong viewership and sponsorship interest.

Events such as the Barstool Sports Internet Invitational highlight demand for non-traditional formats distributed primarily through digital platforms. In 2026, the launch of the Good Good Golf Tour further institutionalizes this shift. According to Sports Business Journal and Golf Digest, PGA Tour players are increasingly partnering with creator-driven brands to reach younger audiences.

These developments reflect an evolution in golf's audience development model, supporting long-term engagement growth rather than short-term competitive disruption.

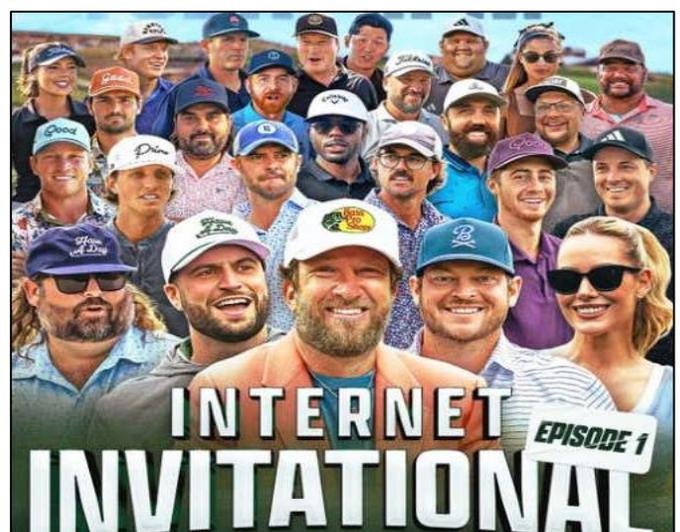
## **TGL: TECHNOLOGY-ENABLED PRO GOLF**

The debut and expansion of the TGL, co-founded by Tiger Woods and Rory McIlroy, further validates technology's role in modernizing golf consumption. By combining simulator play with live competition and faster pacing, the league has attracted incremental viewership, particularly among younger demographics.

Early reporting from ESPN and Sports Business Journal indicates the league exceeded initial expectations, reinforcing demand for innovative, technology-enabled formats. More broadly, the TGL demonstrates that tradition and innovation can coexist, strengthening golf's overall media relevance.

## **MEGLADOME GOLF:**

Megladome structures provide Climate Independent infrastructure accommodating year-round demand. As technology reshapes consumption, facility design is evolving to address delivery. The planned Megladome Golf development near Chicago represents a structural response to seasonality — one of the industry's persistent constraints. Designed as a fully enclosed, climate-controlled nine-hole executive course with integrated practice and entertainment amenities, the project aims to provide authentic play independent of Midwest weather.



In northern markets where outdoor seasons are compressed, this model introduces the potential for year-round utilization. By reducing weather driven volatility, an indoor resort format can support consistent rounds, leagues, instruction, corporate events, and food and beverage programming across all twelve months. From an investment perspective, the value lies in revenue stabilization and improved asset productivity. If successful, Megadome may serve as proof of concept for climate independent golf infrastructure, reinforcing the broader thesis that innovation strengthens rather than replaces traditional demand.

## **IMPLICATIONS FOR GOLF COURSE OWNERS AND INVESTORS**

For owners and investors, these trends present opportunity. While rounds fluctuate by market, facilities that integrate technology and diversify offerings are better positioned to stabilize cash flow and increase utilization. The NGF reports a growing number of courses incorporating simulators and indoor practice areas, particularly in “Frost Belt” markets. Converting underutilized clubhouse space into revenue-generating bays extends the operating season while driving food, beverage, league, and event income. Off-course participation increasingly functions as a feeder system. As players gain exposure through simulators and digital platforms, many transition to traditional play, supporting long-term rounds and membership demand.

## **ECONOMIC IMPACT/ LONGTERM OUTLOOK**

According to the NGF, the U.S. golf industry generates nearly \$200 billion in economic impact, reflecting steady growth despite a modest decline in facility count. Fewer facilities paired with higher total impact indicates improved utilization and diversified revenue streams.

From an investment perspective, the expansion of off-course participation, digital engagement, technology-enabled formats, and climate-independent infrastructure strengthens golf’s demand fundamentals. These forces support longer participation lifecycles, broader demographic reach, and increased resilience across market cycles.

## **2027 OUTLOOK**

Looking ahead to 2027, continued investment in technology-enabled formats, creator-driven engagement, and climate-independent facilities is likely to further institutionalize golf’s modern participation model. As capital flows toward hybrid and year-round concepts, markets that successfully integrate traditional play with experiential and digital touchpoints should see improved asset utilization and more stable cash flow profiles. For investors, golf is increasingly defined not by cyclical rounds played, but by expanding access, diversified revenue streams, and structurally durable demand.

## **CONCLUSION**

Golf’s evolution through simulators, entertainment venues, digital media, alternative competition formats, and innovative facility design reinforces its long-term viability as a leisure investment. These are not temporary trends, but structural enhancements to how golf is introduced and sustained.

For investors and owners, this evolution supports durable demand, diversified revenue streams, and enhanced asset relevance. As participation pathways continue to expand — both digitally and physically — golf properties remain well positioned for long-term growth within the leisure real estate sector.





# NAVIGATING THE EVERCHANGING CAPITAL STACK IN COMMERCIAL REAL ESTATE

*Greg Lewis - Senior Managing Director of Capital Markets*

## Positive Signals Ahead

In **2026**, the commercial real estate (CRE) market is navigating a critical transition period following a significant interest rate cycle. Capital availability, elevated interest rates, and cost of capital are all likely to impact CRE debt markets, as interest rates are still perceived to be higher for longer.

While the Federal Reserve (Fed) began cutting rates in **2025**, borrowing costs remain structurally higher than the pre-pandemic era, leading to a "new equilibrium" characterized by disciplined underwriting and selective capital flow. As commercial investors face a "new normal" in borrowing costs compared to the last decade, strategies have shifted from relying on cheap debt to prioritizing operational precision and capital agility.

The most recent series of Fed interest rate hikes placed upward pressure on cap rates.

As the cost of capital increased, investors demanded higher returns, which inversely drove down property values, hence more demand for Leisure Assets (golf, marinas, RV parks and boutique hospitality). **2025's** interest rate reductions have led to some cap rate stabilization, and with that, transaction volume began to increase across all asset classes.

The forecast for **2026** is a continued, albeit slower, interest rate reductions beginning mid-year. Investor optimism is expected to continue to improve as will Leisure Properties and CRE activity on both the buy and sell side.

## Leisure Assets Emerge

One growing theme for **2026** in CRE is investors' appetite for high-yielding real estate assets. As this report documents, institutional investors led by private equity giants have been gobbling up Leisure Assets.

This shift toward alternative or nontraditional property types appears well underway. With values of some core-four asset classes waning, a shift to these property types is expected to accelerate over the next decade.

After testing the water on “trophy” assets in recent years, along with rigorous underwriting and portfolio reviews, CRE investors are redeploying significant capital with high conviction into golf course, marinas, hotels and other nontraditional properties.

With cap rates and returns sometimes 3X that of other legacy assets in their portfolios, CRE owners welcome the diversification, and the upside Leisure property types offer. With access to capital continuing to thaw or expand, more investors are expected to explore and invest in Leisure Assets.

### **Access to Debt – A Mixed Bag**

In **2025**, lending expanded with more stringent underwriting parameters and more discriminating asset selection. Although debt liquidity will certainly improve in **2026**, the bulk of capital will continue to flow to sectors with strong fundamentals, such as industrial, multifamily, medical, data centers and increasingly Leisure Assets. While traditional banks will continue to provide the lion’s share of debt, investors and borrowers are increasingly turning to private credit, debt funds, and private equity. These sources often provide the flexibility needed for assets that may not meet current bank underwriting standards.

With more sources of debt available, improved access to capital should help Leisure property values increase. This should prompt all lenders to expand credit terms, specifically and most importantly for borrowers, the loan-to-value or “leverage” on new debt. Leisure Property buyers with dry powder are attuned to the improving capital markets climate and began to act with conviction last year and are actively seeking new opportunities.

## **WE CAN HELP**

Whether you’re an existing owner looking to refinance a current property, or a buyer contemplating redirecting capital into a new asset type, financing for Leisure assets can be challenging. Lenders continue to automate their underwriting process with the use of credit specific software. Many times, financial statements for Leisure assets don’t fit nicely into pre-packaged programs designed to analyze core-four balance sheets and income statements.

We, here at LIPG, are uniquely qualified to access all available credit sources and secure the best possible debt execution for these asset types. Our clients include the largest and most sophisticated buyers in the industry who understand and value the experience and expertise we provide for debt placement.

**In 2025 we helped secure financing for a large multi-course operator that added several properties to their portfolio. We also helped place a \$30 million loan to refinance a nationally renowned trophy private golf club in the Southeast.**

Please visit our website to learn more about our Capital Markets capabilities or feel free to reach out to me directly at [glewis@thelipg.com](mailto:glewis@thelipg.com) or call me at 610-547-3848.



*Greg Lewis*



## GOLF COURSE SALES (CONTINUED)

Zach Teubel - Analyst

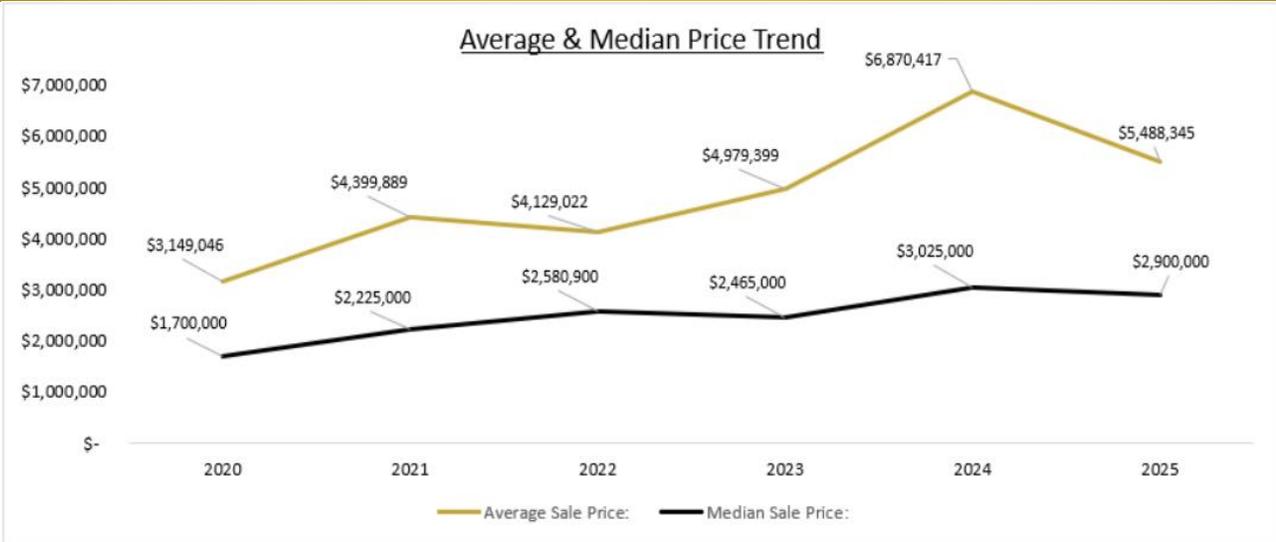
### 2020 - 2025 Transaction Sales

Metric	2020	2021	2022	2023	2024	2025	% vs '24
Transactions	79	80	98	84	92	85	-7.6%
Avg Sale Price	\$3,149,046	\$4,399,889	\$4,129,022	\$4,979,399	\$6,870,417	\$5,488,345	-20.1%
Median Sale Price	\$1,700,000	\$2,225,000	\$2,580,900	\$2,465,000	\$3,025,000	\$2,900,000	-4.1%
Total Sales Volume	\$248,774,648	\$351,991,156	\$404,644,117	\$418,269,537	\$632,078,386	\$466,509,283	-26.2%

In 2025, 85 golf course transactions with available sales data were recorded, a 7.6% decrease from 2024. The average sale price was \$5,488,345, while the median was \$2,900,000, reflecting year over year declines of 20.1% and 4.1%, respectively. The 2024 average was significantly inflated by two high-value sales between \$70M and \$100M (we can't disclose these closing because of confidentiality), which skewed overall figures. When adjusted for these outliers, pricing in 2024 and 2025 appears more aligned. As shown in the table above, golf course values have continued to trend upward since 2019. Demand that surged during and after the pandemic has supported long-term

growth in both average and median sale prices. Despite the slight pullback in 2025, current values remain nearly double those of 2019. This sustained growth is supported by stronger operational performance, a shrinking supply due to course closures, and the sport's rising popularity. Investor sentiment has also shifted, with golf assets now viewed more favorably than in prior years. As interest in the game expands and cap rates remain attractive relative to traditional commercial assets, capital continues to flow into the sector. This renewed enthusiasm echoes the investment momentum seen during the "Tiger Boom" of the early to mid-2000s.

*Disclaimer: The data included in this analysis was pulled from public records. While we strive to provide the most accurate data representative of the entire transaction market, some sales may be unreported, others may reserve price points (primarily non-disclosure states) and lastly, purchase price allocations may impact what is reported on the deed. The goal, of this report is to provide insight into the trend of individual golf club values; therefore, resort and portfolio sales have been excluded from the dataset, as well as any golf course that was sold to be repurposed or redeveloped.*



## TRANSACTION VOLUME

**Transaction Volume Trends:** The market recorded 92 transactions in 2024, the second highest total in the past five years, trailing only 2022. Volume declined to 85 transactions in 2025, a 7.6% year over year decrease.

**Political & Market Context:** The 2025 pullback may reflect investor caution during the first year of a new U.S. presidency and broader geopolitical uncertainty. Conversely, the 2024 election cycle may have encouraged some owners to sell ahead of potential policy changes.

**Total Sales Volume & Pricing Impact:** Aggregate sales reached \$466.5 million in 2025, down 26.2% from 2024 but still approximately 60% higher than 2019 levels. The elevated 2024 total sale volume was largely driven by two high-value transactions exceeding \$80 million each, which significantly boosted that year's total.

## AVERAGE SALE PRICE

**Average Sale Price Movement:** The average sale price in 2025 was \$5,488,345, a 20.1% decrease compared to 2024.

This decline was largely driven by the absence of two exceptional 2024 transactions, each exceeding \$80 million, along with fewer high-end sales overall.

## Adjusted Pricing Perspective:

When those two outliers are removed, the 2025 average sale price surpasses that of 2024. Because averages can be heavily influenced by extreme values, the median sale price remains a more reliable indicator of long-term market trends.

## MEDIAN SALE PRICE

After reaching elevated levels in 2024, the median sale price declined approximately 4.1% in 2025 to \$2,900,000. While modestly lower year-over-year pricing remains nearly 18% above 2023 levels and 98% higher than pre-COVID 2019.

The 2024 spike was largely driven by a higher concentration of transactions exceeding \$10 million, whereas 2025 reflects a more balanced mix of sales. Despite continued inflation and labor pressures, strong operating performance and steady investor demand continue to support historically elevated valuations.

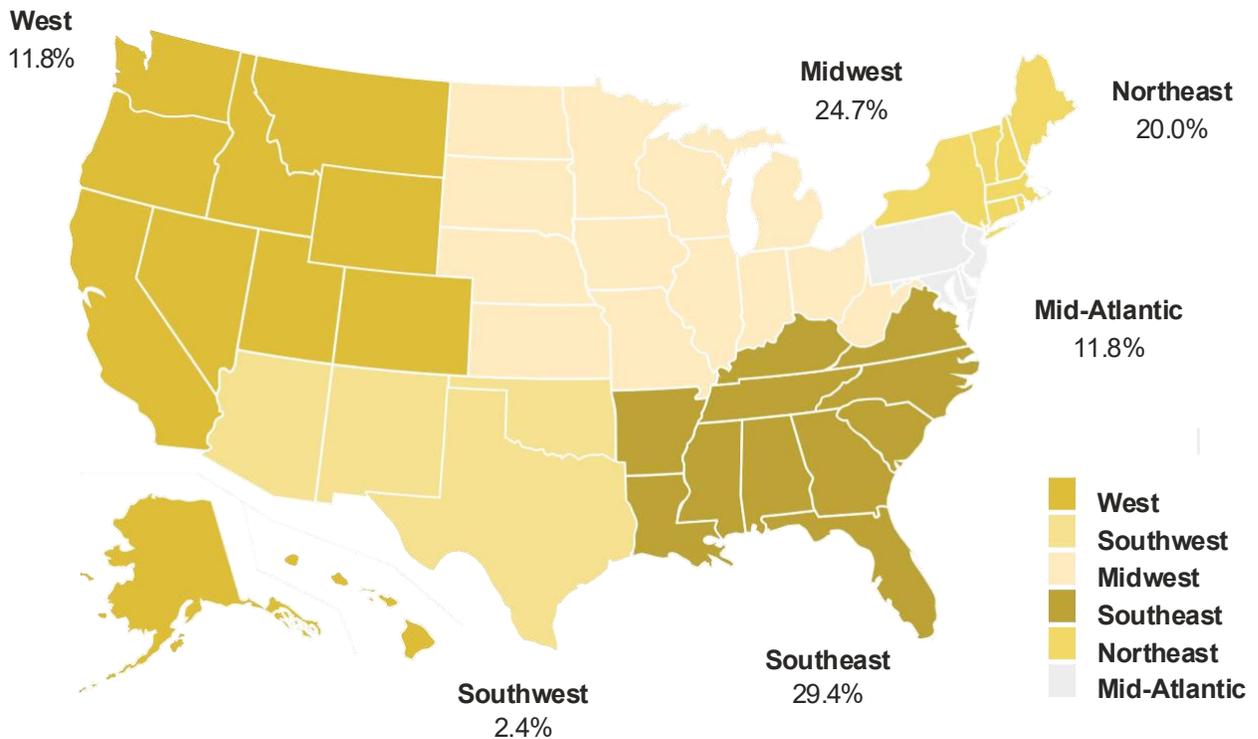
## 2025 Sales Tranche Breakdown

Sales Tranche	# Transactions	% Share	Average Sale Price	Median Sale Price
<b>Core Tranche (\$1M–\$10M)</b>	<b>76</b>	<b>89%</b>	<b>\$3,929,313</b>	<b>\$2,825,000</b>
\$500K–\$999K	3	3.5%	\$756,050	\$735,000
\$1M–\$2.99M	40	47.1%	\$1,931,763	\$1,991,500
\$3M–\$4.99M	13	15.3%	\$4,010,385	\$4,100,000
\$5M–\$9.99M	23	27.1%	\$7,357,492	\$7,500,000
\$10M+	7	8.2%	\$25,044,759	\$14,913,312

## Core Tranche (\$1M–\$10M) Year-over-Year Comparison

Metric	2024	2025	YoY % Change
Transactions	72	76	5.6%
Average Sale Price	\$3,504,071	\$3,929,313	12.1%
Median Sale Price	\$2,986,400	\$2,825,000	-5.4%

## Percentage of Golf Course Transactions by Region



## THE “CORE” \$1M - \$10M INVESTMENT TRANCHE

The “Core” \$1M–\$9.99M tranche continues to serve as the most reliable barometer of performance in the golf investment market, accounting for 76 of 85 total transactions in 2025, approximately 90% of overall activity. Within this range, the average sale price rose 12.1% year-over-year to \$3,929,313, signaling continued strength in asset values. However, the median declined 5.4% to \$2,825,000 due to a shift in transaction mix. Nearly 49% of core deals closed between \$1M and \$2.99M, increasing the concentration of lower-priced transactions and pulling the median downward despite gains in the average.



# The Profit Power of Range Technology

Kody Tibetts - Associate Advisor

## A New Era of Golf Participation

Over the past two decades, the golf industry has undergone a structural transformation with the adoption of technology enhanced entertainment facilities. According to the National Golf Foundation (NGF), participation in off course forms of the game including indoor simulators, technology enabled ranges and golf entertainment venues have eclipsed on course participation in each of the past four years. In 2025, total off course participation reached 37.9 million, up from 14.3 million in 2014.

For several years, industry experts questioned whether off course entertainment venues like Top golf were an additive or a threat to the traditional golf course business. Optimists would argue that these venues are expanding the player base by introducing the game to beginners, eventually translating to on-course participation. Pessimists would argue that the cost, skill, and time required to play at a traditional golf course still exists which would limit carry over.

In truth, both sides of the argument have merit, and is one of the many reasons why forward-looking owner/operators of traditional golf courses are tapping into that off-course demand by installing ball-tracking technology like Top tracer at their practice facilities. Once integrated, driving range technology can be a strategic lever capable of attracting non-core golfers, extending time spent on property, and increasing per-visit spending.

### *Estimated Initial Investment*

Infrastructure Costs (Required)	Amount
Concrete Pad	\$30,000
Tower Footers	—
Structure	\$125,000
Power/Data	\$40,000
Synthetic Turf	\$8,000
<b>Subtotal – Required Infrastructure</b>	<b>\$203,000</b>

**Total Estimated Investment: \$203,000**

***Please Note:*** Initial costs to build out a range depend on several factors, including the construction of a poured concrete platform with mats, a covered structure, and bringing electricity to the range. For a setup of ten bays, the estimated buildout cost ranges from \$200k - \$300k, with higher costs possible in more populated areas or where construction conditions are more complex.

### Annual Operating Assumptions

Bucket Size	Buckets Sold	Balls/Bucket	Current Price	New Price (35%)
Small	4,500	25	\$7.00	\$9.45
Medium	5,550	50	\$9.50	\$12.83
Large	4,950	75	\$15.00	\$20.25

### Annual Revenue w/ Added Driving Range Technology

Growth Rate	Current	No Growth	Conservative 10%	Moderate 25%	Aggressive 40%
Total Buckets Sold	15,000	15,000	16,500	18,750	21,000
Average Bucket Price	\$10.57	\$14.26	\$14.26	\$14.26	\$14.26
<b>Bucket Revenue</b>	<b>\$158,475</b>	<b>\$213,941</b>	<b>\$235,335</b>	<b>\$267,427</b>	<b>\$299,518</b>

### 5-Year Pro Forma & ROI Analysis (Moderate 25% Growth Scenario)

	Year 1	Year 2	Year 3	Year 4	Year 5
Initial Investment	(\$203,000)				
Incremental Bucket Revenue	\$108,952	\$111,131	\$113,353	-.42%	-.44%
Technology Lease	(\$27,600)	(\$27,600)	(\$27,600)	(27,600)	(\$27,600)
<b>Net Cash Flow</b>	<b>(\$121,648)</b>	<b>\$83,531</b>	<b>\$85,753</b>	<b>\$88,020</b>	<b>\$90,333</b>

### Pro Forma Summary & Hypothetical Future Sale of Club

<b>ROI:</b>	<b>111%</b>
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In this Pro Forma Analysis, ROI was calculated by applying the 25% Moderate Growth Rate Scenario which includes 18,750 buckets sold at an average price of \$14.26. As a result, incremental revenue growth was a net increase of \$108,952 in year one. The initial investment is paid back in approximately 36 months and by end of year five the Return on Investment (ROI) is 111%. Please keep in mind that this analysis only includes incremental revenue growth in range sales, but there are several new revenue opportunities that can be achieved such as creating new driving range memberships, events (tournaments, leagues, social events, and corporate meetings), teaching/coaching fees, fittings and equipment sales, and food and beverage.

In a hypothetical sale scenario, on average, golf courses trade between 6 – 8x EBITDA. Assuming an owner/operator achieved the results outlined above and wanted to sell their club by end of year five, \$117,933 in added net cash flow could yield between \$707,598 (6x) and \$943,464 (8x) in added value.

### Gain A Competitive Advantage by Transforming Your Driving Range

Over the past four years, owner/operators of traditional golf facilities have had the luxury of pricing power for the first time since the early 2000's when demand was at its peak. Today, most private clubs still have waiting lists to join and are seeing little to no pushback on dues increases, but daily fee clubs on the other hand, might already be asking how much upside is left to push rates. Continuing to innovate should be top-of-mind for owner/operators because the revenue growth achieved by many clubs in recent years will become increasingly difficult to sustain.

Early adopters of range technology will gain a competitive advantage, realize outsized profits, and most importantly, increase customer frequency and retention. What was once considered a low-margin practice amenity is rapidly becoming one of the most powerful revenue drivers in the modern golf business model.



## **DO NOT Hire a Generalist To Appraise Golf Assets**

*Jeff Dugas - Senior Managing Director of Leisure Appraisal*

Sears was once the most prized and dominant retail chain in America - a true icon that shaped consumer culture, suburban life, and even the American economy for much of the 20th century. Its beloved catalog revolutionized shopping long before e-commerce existed.

Sears transformed from a mail order company to a retailer in the 1920-1970s, then into the largest retailer in the US through the 1980's, with massive market share. At its peak they employed 350,000 and built the Sears Tower (now Willis Tower) in Chicago, then the world's tallest building, as a symbol of its dominance.

Sears' decline wasn't caused by one single factor, but the rise of specialized competitors played a key role in eroding their core strengths. Sears was a generalist giant: It sold appliances, tools, clothing, toys, electronics, hardware, and more in large mall-based stores. This model worked brilliantly in the mid-20th century when consumers wanted one-stop shopping and Sears had strong private brands like Craftsman (tools), Kenmore (appliances), and Die Hard (batteries).

But they lost massive market share by the late 1980 and 1990s because specialty retailers and big-box category killers outperformed them in specific product categories. Companies like Home Depot (home improvement and tools), Best Buy (electronics and appliances), and Toys "R" Us (toys) captured demand that Sears had previously dominated as a "generalist."

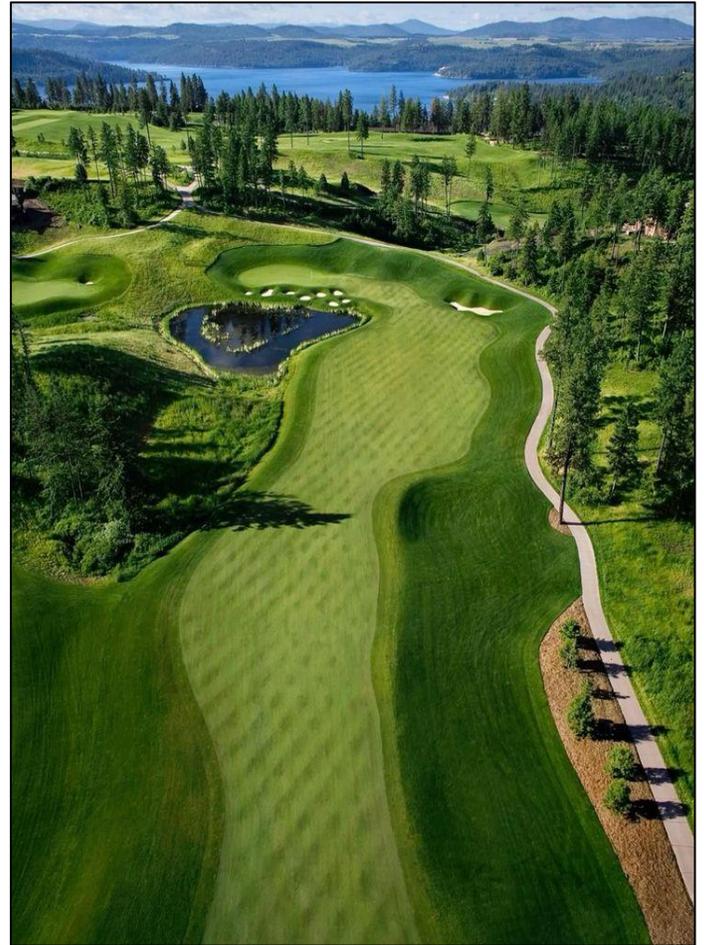
They were no longer the cheapest (like Walmart/Target), not the most specialized (like Home Depot), and not premium enough to create a feel of excitement to attract new customers. This pattern chokes in other industries: Generalists often lose to focused players who own the category. This is true in golf, marinas, RV and other leisure and hospitality industries.

In today's competitive real estate market, being a generalist is increasingly risky. Agents, brokers, investors, developers and appraisers who specialize in a specific niche consistently outperform those who try to be all things to all people. The big question you may be thinking when reading this?

Specialization builds deeper expertise, better networking, stronger personal brands, targeted marketing, greater trust from their clients and a better understanding of the assets. Industry experts have better insight into the nuances that can arise when selling, financing or appraising a specialty asset.

Variables unique to the property type, such as recognizing the impact of membership liabilities on a private club, planning for reserves to address an outdated irrigation system, selecting the appropriate capitalization rate reflective of the cash flow risk, oral locating value between realty and nonrealty. Generalists typically have not earned the trust, nor can they speak the language of the market specialist participants.

I started my appraisal career as a generalist, tackling assignments that included various real estate classes to include offices, shopping centers, industrial properties and apartments. But after working for five years with no real direction, but I was fortunate to discover the vacuum apparent in the practice of golf property analysis.



*Jeff Dugas*

In the following decades, I have ridden the Tiger Woods wave, followed the economic ups and downs as they affect golf from the impact of 9/11 and the 2008 housing/credit crisis, and witnessed the resurgence of golf from the post pandemic. Just as Home Depot, Best Buy, and Toys "R" Us beat Sears by dominating one category, golf appraisal specialists like myself can outperform generalists by owning a specific niche instead of trying to serve everyone.

***Leisure Appraisal*** has access to extensive market data, better verification sources, and input from other golf experts in brokerage and finance (LIPG) which enhances the credibility of our work. As such, we strongly urge that you refrain from hiring a generalist for your golf advisory needs, but instead retain a golf course specialist with over 35 years of specific golf experience, and hire the professionals at ***Leisure Appraisal and Leisure Investment Property Group***



LEISURE INVESTMENT  
PROPERTIES GROUP

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