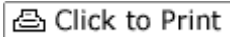


CPN

 PRINT THISPowered by  Clickability

SAVE THIS | EMAIL THIS | Close

Las Vegas Golf Course TIC Finalized

May 18, 2006

By Dees Stribling, Special Correspondent

In what may be the first-ever tenant-in-common deal involving a golf course, the course at Stallion Mountain Country Club in Las Vegas has been sold to TIC investors for about \$25 million. Roughly \$10 million of that total represents the investors' equity, with the balance as debt financing.

Under the terms of the transaction, the TIC investors will lease the course back to a master lessee controlled by a senior executive of the seller (a private Las Vegas-based group) and a principal of the company hired to manage the course. The master lessee, which will pay rent over the lease term, will also have the option to acquire the course in the future at its fair market value. The deal is structured so that the investors will receive a return of between 8.25% and 8.75%.

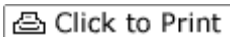
"There's a lot of interest now in golf courses as TIC opportunities," Stephen Burr, a partner in the Boston office of Foley & Lardner L.L.P. who oversaw the structuring of the deal, told *CPN* this afternoon. "This is the first one, but in the next 12 months there will probably be 10 to 12 golf courses sold to TIC investors nationwide."

Burr said that TIC investors are now looking hard at asset classes that "aren't vanilla and offer a higher return than deals involving office, industrial or retail properties," he said. In addition to golf course, he cited as alternative assets hotels, self-storage properties and seniors housing.

Links referenced within this article

Find this article at:

http://www.cpnonline.com/cpn/property_type/article_display.jsp?vnu_content_id=1002538990



SAVE THIS | EMAIL THIS | Close

 Uncheck the box to remove the list of links referenced in the article.

© 2006 VNU eMedia Inc. All rights reserved.