

The Weekly Take

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Sultans of Swing: The Popularity and Business of Golf

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Spencer Levy

I'm Spencer Levy, and this is The Weekly Take. Outdoor space. Plenty of room for social distancing. Facilities for exercise and remote work. These features became real estate gold over the past year, and today's topic has all that and more. While some sectors struggled during the pandemic, especially in travel and leisure, we're talking about a game and a business that rediscovered its swing. On this episode, I'm the lucky duffer in a formidable group of pros for an in-depth round of golf.

Beau Welling

Like, who would have thought that it took a global pandemic to sort of breathe life back into the golf business?

Spencer Levy

That's Beau Welling, whose namesake firm is a leading landscape architect and land planner with international reach. Based in Greenville, South Carolina. Beau Welling Design has built over 120 courses around the world and is currently at work on a public private partnership that includes the PGA's future headquarters in Frisco, Texas.

Jeff Woolson

We haven't seen something like this since the Tiger Woods phenomenon when golf really started growing.

Spencer Levy

And that's Jeff Woolson, executive vice president and managing director of Seabreeze Golf and Resort Group. Based in Southern California. Jeff covers the leisure space from marinas to ski resorts and more. But golf is his bread and butter, with three decades of experience in the game, as one of the industry's top sales professionals,

David Gossett

So many wonderful courses out here in the United States and golf is a great venue for connection.

Spencer Levy

Rounding out our foursome, to give us all a few strokes with his perspective on golf is CBRE's own David Gossett. David is a former U.S. amateur champion and member of the U.S. Walker Cup team. On the pro tour, David once shot 59, and his resume also includes making a cut at the Masters. Playing against some of the best the game has ever seen in a U.S. Open at Pebble Beach, a British Open at St. Andrews and more. He started his second career as an office broker with CBRE, originally in Austin, Texas, and now in Nashville, Tennessee. We'll carry a conversation from tee to green, exploring the game and looking at how and why the business of golf is a booming part of the leisure sector. Coming up, we're hitting the links that's right now on The Weekly Take. Welcome to The Weekly Take and this week, we are talking about golf and the business of golf. So let's talk about golf during the pandemic, and I think it's fair to say that the pandemic had a tremendous number of negatives, but maybe there was one positive or a few silver linings. And one of them is that people realized that golf was a pretty healthy sport to get out and play. So Beau from your perspective as an architect, how was your business during the pandemic?

Beau Welling

Well, I can remember coming back from a trip to the northeast on March 13th and coming back and thinking, Oh my goodness, the world is ending. And I remember looking at a spreadsheet just crossing off this project is not happening. This project is not going to happen. This is not going to happen. But a few months later, I started to realize maybe that I was sort of an overreaction because people -- where they were allowed to because half the country could play golf and half the country couldn't play golf -- all of sudden, you start to see people just flocking to golf courses. And it's been a very interesting to sort of see golf go from being a thing that wasn't perceived as growing. And all of a sudden it's perceived as very, extremely growing thing. So it's been a very, very exciting time. Like who would have thought that it took a global pandemic to sort of breathe life back into the golf business? And it's been very interesting and very excited about the future of golf.

Spencer Levy

Well, Jeff, from your perspective, as one of the top, if not the Topgolf sales person in the world, how is the pandemic impacted values of golf courses? How are they selling?

Jeff Woolson

Exactly what Beau said. I think a lot of people were shocked, but when they opened up golf as an activity that someone can play and safe and outdoors, the whole business exploded. We haven't seen something like this since the Tiger Woods phenomenon when golf really started growing. So the big question that is coming up is how much of this play is going to stick.

Spencer Levy

David, from your perspective, as a broker in Nashville, you spent a career in golf. I don't think it's anybody's mystery to know that golf and real estate go hand in hand playing with customers, clients. How have you used your background as being a professional golfer to help you as a broker?

David Gossett

Well, it's a great starting point for a lot of folks. Golf is nice that you can be outside and get to spend four or five hours in a round of golf with somebody. So I've used that just as an opportunity to get to know folks. Moving to Nashville three and a half years ago, just building a network, joining a club that drove down south of town. Is that a great spot to have a Korn Ferry event there. And then to know that community, getting to know some of the members and playing golf down there when I can? And you know, golf has been helpful in that regard and Spencer just getting out and getting to know folks and building a network of people. So many wonderful courses out here in the United States and golf is a great venue for connection.

Jeff Woolson

Spencer, I think one of the big phenomenons that came out even prior to the pandemic was Topgolf. And it was constantly asked at these conferences. I was just hosting a panel last week at the golfing conference and looking to will Topgolf have an influence on golf and I think most people were kind of nodding along. Yeah, yeah, we think so. We just don't know what kind of influence it will have. Everybody seems to enjoy it. It's unbelievable in popularity. And I think now in hindsight, you can look back and Topgolf and Drive Shack and those entertainment type focused golf activities. Even though it wasn't true golf prepped the millennials for this moment when, gosh, it really is kind of cool to go out there on the golf course and play 18 holes or nine holes. That was the big thing is trying to get the millennials to play golf. Because it took too much time. It wasn't interesting to them. They weren't allowed to play music. And I think Topgolf kind of changed that mentality that they had and prepped them for this moment in time where they're now playing golf like crazy.

Spencer Levy

Well, I'll tell you what I play with my own kids on the golf course, but every time we're in a different city, we hit Topgolf. They love it and Topgolf. For those of you who don't understand what it is, it's essentially a driving range with little targets out there and a full bar and restaurant sitting at your little station. It's self-contained golf and a sort of like a video game kind of setting. So beau, back to you for a moment, I'm gonna go back to a technical term here: cool and neat. Why don't you tell us about some of the cool and neat projects you're working on today?

Beau Welling

We're going to lots of cool stuff, and probably maybe the highest profile thing we're doing right now is so-called PGA Frisco, which is a wonderful collaboration between Omni Hotels, the city of Frisco, Texas, and the PGA of America, which is the club professional organization. So 29,000 members throughout the country are PGA professionals. And so the headquarters is moving to Frisco. There are two Championship golf courses as part of the project. The PGA has committed over 20 championships to the venue. In addition, North Texas section will be located, a 500 room Omni Hotel, as well as, you know, things that are starting to pull off of what Jeff is talking about in terms of golf entertainment. So we've got substantial practice facilities. We've got multiple buildings that are a mix of entertainment as well as hitting. A ten-hole short course called The Swing . A 75,000 square foot putting green called The Dance Floor. And I think the amount of innovation that's going to happen there and the education, the programming and all that's going to kind of go back out to the country. So I think PGA Frisco's have a really positive impact on the game of golf and the PGA of America with these 29,000 boots on the ground are really the group that I think they can kind of drive the growth of golf, continued growth of golf and sort of build upon the momentum that this pandemic has sparked. So it's been a pretty exciting thing.

Spencer Levy

One of the things you mentioned there was innovation in the game of golf. I know that Jeff talked about it, even in traditional golf. it's changing to be more family friendly. Entertaining.

Beau Welling

Absolutely. Like Jeff, I was asked when Topgolf came along, I guess it's going to be good for golf or bad for golf and indifferent to golf. And at first I was like, This is indifferent to golf because it's not really golf. I totally changed my mind because I think Topgolf and these other sort of off-course golf entertainment opportunities have really taught green grass golf some lessons. And that is that people want to have fun. People want to have entertainment. People want to socialize and it needs to be accessible. And I think that's what they've done very well. And so you're starting to see that happen at green grass golf. So we're doing short courses right now. We just did one with Tiger Woods out at Pebble Beach that has been well received and it sort of creates this environment, if you will, that is different than traditional golf.

And Jeff asked the question about like, is this stuff, is this pandemic bump going to stick? I happen to believe it is because I think what it's done in an interesting way is that it has brought back lapsed golfers playing more. At the same time, these millennials that Jeff alludes to like they have found green grass golf during the pandemic. We had three million people play golf in the country for the first time ever last year. The numbers have never been anywhere near that. And so, you know, if you look at total rounds and golf last year is up significantly. I really do think that's going to stick. I'm super bullish about golf going forward, going to think really cool, innovative things are happening.

Spencer Levy

Well, are we going to get as innovative as, say, I don't know, Rodney Dangerfield's character in Caddyshack, where he had a bar and music in his golf bag on the course? Or have I gone a step too far?

Beau Welling

I don't know if we'll get it in the golf bag, but I've got three existing member owned clubs we're working with right now to do big, long range master planning processes and all three of them to a tee, having bar integrated into golf and golf practice and outdoor socialization are all three big, very, very important components. And so I think that's really neat and just looking for a dovetail back to what David was talking about early on, golf is this community builder. And I think one of the lessons of the pandemic is that we didn't like being away from other people. And so golf is this great outlet to build relationships and to be active with other humans. And so I think all of that is very, very positive in terms of golf going forward.

Spencer Levy

David, let me turn to you for just a moment as a professional golfer. There have been some rule changes in the last couple of years, including not taking the flag stick out, which was, I think, being planned pre-pandemic and other things, encouraging people to play a forward tee versus playing all the way back. Good for the game of golf, bad for the game of golf. What do you think, David?

David Gossett

I think it's great for the game of golf. Anything we can do to have the overall experience with golf improve, I think it's great. I mean, playing up a tee certainly keeps the pace of play going. I think ultimately, like we were saying about Topgolf, I mean, we want good experiences that doesn't take your entire day. That's sometimes one of the challenges of why don't play more golf just with work and the time it takes to play. I love getting out there, but being able to play nine holes has been a solution for me sometimes. But I certainly think those initiatives are going to help the I know the R and A and USGA are working to find paths to improve experiences, and keeping an open mind will certainly be helpful there.

Spencer Levy

And now let me ask you a controversial question. Are people hitting the ball too far today? Should they limit the drivers? Should they limit the balls?

David Gossett

I think it's fun to watch people hit it so far. I don't think that I would want to deter the ability to hit it so far. I mean, I guess the big debate is the ball. The ball makes a difference, kind of like in baseball, you know, the the pros hit with a wooden bat and you watch college or hitting a metal bat. So I think ultimately it comes down to the golf ball and that's the difference maker. So that's a hot topic. But I love watching these guys ball. But when I turn on the TV and see that ball speed pushing two hundred, it's pretty fun to see how far they're carrying the ball.

Spencer Levy

I agree it is a lot of fun. So Jeff, let me tell you a story. So my dad and I used to play a lot of golf in the West Palm Beach area back in the late 90s, early 2000s, and we played four or five different courses and every course said they were home of the Honda Classic. And then we realized that with the Honda Classic was doing was moving the golf course to a different home communities. Once the community was built, they'd go to another one. I think that speaks to just how inextricably intertwined the golf business is with the real estate business. Would you agree, Jeff?

Jeff Woolson

Most golf courses are created as an amenity for residential development or amenity for a resort in 30 years of doing this. I have never sold a golf course over replacement costs. So most of these are built as an amenity because when you factor in buying the land, building the golf course, building the clubhouse -- and those clubhouses need to be built at a much higher per square foot price than a normal house -- by the time the second or third person comes along, that's the one that can really make the money on.

Spencer Levy

So let's go back to this concept you mentioned before: You've never sold a golf course above replacement cost. Just give us a sense because most people here understand real estate in terms of cap rates in terms of price per square foot. Just give us a range of multiples. How do people value a golf course?

Jeff Woolson

Well, most operators, investors like to buy a golf course from the developer who's been running it as an amenity. They aren't looking to make a profit, so they have this large revenue, but they spend a lot of money too, more money than they really need to, and it either loses money or breaks even. An operator will go in there and they'll understand the metrics of how they're going to operate it better. And they know they're going to get to a certain cash flow. Depending on how much revenue is and where it's located and synergistic qualities to the properties they own, it could be anywhere from 10 percent to 30 percent margin. They're looking to pay a multiple on that margin, but first they're going to pay it on a gross revenue multiplier and that number is one. It goes up to one, one and a half. If it's a great location but synergistic to their holdings, it doesn't need a lot of capital improvements. If the revenue's below three million, it could go below one. We're starting to see more and more golf courses -- this was talked about at the conference last week, which we haven't had a long time -- prior to 2008 we used to sell golf courses that cash flow it all the time. And we're starting to see more of that now more profitable. One thing the recession did -- 2008 and even the brief COVID recession we had when everybody started cutting back -- these golf operators really learned how to operate golf courses more efficiently. And there were big discussion about going over to Scotland and playing one of those golf courses and their maintenance budget versus the maintenance budget of some of these golf courses here in the United States that could be two or \$3 million where you go over to Scotland, it's a million dollars. But that's what you expect. It's the playing conditions. And David, I'd be interested to hear you played on some of the greatest golf courses in the world. What do you think about the playing conditions? Do you think that people are going to be interested in playing something that's less than perfect, like when you go over to Scotland or Ireland and start playing some of those links courses?

David Gossett

Yeah, I think a lot of people don't know what to expect when they travel abroad and know that the Greens are a little bit slower there in Scotland, but they're taking in everything, so they're not as attuned to everything being immaculate. That's kind of what the appeal is, really. I enjoy putting on greens that are smooth and consistent, but certainly that's something different when you travel to Scotland.

Spencer Levy

Well, I will say that I was supposed to for my 50th birthday -- which, by the way, I'm going to continue to have my 50th birthday until I can celebrate properly -- two years ago, I was supposed to go to Ireland and play golf, which was the best week I ever had in my life. So I love it. But you're right, Jeff and David, these courses are in a very different shape than American courses, but that's part of their charm. And I love that even though the first time I played Lahinch, I lost 12 balls on the front side.

Jeff Woolson

Exactly. And I think that these operators have learned to operate these properties at a profit. Now it's going to be operated differently than the developer. The developer's got, you know, every third hole has got a tequila stand and he's got all this crazy stuff to sell real estate because he doesn't care how much money he loses on the golf course. He cares

about how much he's going to price that lot for. And so it's not the same operating model. They're both good models. One's making the money on the real estate. The other one's actually making money running the golf course operations.

Spencer Levy

So let's stay on this topic for just a moment about the cost of running a course. And Beau, how much does the maintenance of the course go into consideration when you're designing a course? And what specifically I'm talking about here is you go into a desert environment that has less grass, in part because of less water usage. How are those issues coming into play today versus maybe 10, 20 years ago?

Jeff Woolson

I think the industry has got a lot more intelligent, if you will, about how to build things, how to operate things. And at the end of the day, to me, it's about delivering value to the consumer. And one of the things it's hard to talk about golf is lots of different segments of the market. I mean, there're public golf courses, there're private golf courses, resort golf courses, and there's different segments within all of that. But I think it's much more value-driven in terms of what you're looking at and in terms of maintenance itself, you know, maintenance creates challenges. You alluded to water and supply and air in places, but I think one of the things we're facing right now, like, like many industries, is the challenges with labor because it's important for these assets that we build or help create, we want them to be sustainable long term, both financially as well as impact on environment. So any event, we're working really hard right now to try to design things and do things that can be maintained at a very high level and a very consistent level and a simplistic level based on scarcity of resources that we feel like we're increasingly finding. So I think that's evolved in my career. When I first started there was maybe lip service to some of that, but it was just like, Go do what you think is the best. And I just think it's smarter now than it used to be.

Spencer Levy

So Jeff was pricing today versus pre-COVID.

Jeff Woolson

How has golf investment increased? You know, we were talking about that at the conference. We haven't had a whole lot of comps. We took out a couple of properties right at the beginning of COVID and sold them at the smack dab in the middle of. And I would have gotten more for those properties now than I would have during COVID because, you know, you couldn't travel to go to some of these places and see these properties. We had a very high end property in Hawaii that we're marketing. People couldn't even go there and see it, so we had to delay things. But that delay also caused a huge demand, not only in the real estate that we were selling -- the second home real estate, which also just exploded. We've never seen anything like what has happened since pre 2008 with second home real estate, the sales volume, sales prices, people realizing that now they can work somewhere else, they're buying second homes and they're playing golf,

and that has boded well for investment sales in property. So I would say prices have come up individually on golf courses a bit. The multiples are starting to creep up. And based on my conversations with some of the buyers this week at this conference, it sounds like they're starting to move off -- when they're buying cash flow, Spencer, they were buying a six to 10 times net income or an EBITDA number. We use a multiple instead of a cap rate because if you use a cap rate, it sounds just crazy. We're buying what you're selling at about 10 to 14 caps. The reason why it is that is, because there's very little debt on golf courses. Before 2008, B of A, Textron, Pacific Life, you could call five or six groups that would lend money on a golf course. Since 2008, it still is extremely difficult to get debt on any golf courses. So therefore they trade at a multiple that's closer to a business opportunity. But just so happens this business opportunity is attached to a gigantic piece of real estate, and pretty often it's the only thing you can do with that real estate. So it's a business opportunity you're buying.

Spencer Levy

Well, shifting gears here a little bit, David, I want to take you back to some of your highlights. Shooting 59 and winning the U.S. Amateur. Can you just walk us through what you were thinking and how you stayed in the moment towards the end of both of those rounds?

David Gossett

Sure. Yeah. 59 was fun. I birdied the last hole to shoot 13 under par in Tour School, the fourth round of tour school in La Quinta. You know, Spencer, when you kind of got the drains going with your putter and I had a hole in one that round. I did par two par 5s. But you know, everything's going well. And those days you just kind of keep plugging along and you just kind of try to stay out of your way. Ultimately, it's the annoying interview that you hear all the pros say: one shot at a time. There's truth to that. So I think the consistency factor for Pebble when I played the U.S. Amateur and got on a run there in the match play, I just had a really good game plan ahead. Andrew Martinez a good caddie who knew the course well and a pro caddie. When I was a young kid, that was really helpful to have him guide me around and know how to dissect each hole and each opponent and just kind of gear down on the gameplan. So that's kind of what carried me through. It didn't hurt that I was putting lights out as well, so that was kind of what got me through on those wins.

Spencer Levy

So super focus and a lights out putter, maybe top just about everything. But let me take you to a different setting now because so much of what we do in this business, David, is a team sport and basically everything we do here is a team sport. And you also participated in the Walker Cup. How did your mindset change in that type of setting, whether it was fourball or alternate shot versus how you normally play? And how might it inform you for team play in the real estate setting?

David Gossett

Golf is still an individual game, but I see it kind of like as a team game played by an individual is how I looked at it. I had coaches, my family, business partners, trainers, friends that helped me when I played the professional game. As an amateur playing in the Walker Cup. I'm still doing my individual portion to help my teammate as we were getting beat by Luke Donald and Paul Casey in alternate shot. We lost one down in that match. But, you know, representing United States, playing against Great Britain and Ireland and the Walker Cup matches was a great thrill and a highlight of my amateur career. And I think ultimately how that translates to commercial real estate is you can't do it alone and you need a team. And that's one of the reasons why I selected CBRE because they're world class and has been such a great team to be a part of.

Spencer Levy

And by the way, David, when you asked me my handicap, it was much lower before I had three kids, much like yours was probably much lower before you had four. So Beau, as a noted golf course designer, I'm sure you still do a lot of traditional courses. But how many of your courses are now taking into consideration the speed of play, other innovative aspects to take into consideration the changes in lifestyle?

Beau Welling

We talk about time all the time in golf. If you can kind of look at recreational activities that have really exploded in the United States over the last decade, they're all things that are sort of unstructured in time. Like, you can decide how long you want to go do that so you can go biking for an hour or for five hours, and you can do that with people or with other people and golf. Traditionally, it's been much more like the four of us have to agree that at 10:10, we're going to show up and go out for four or five hours. So we've been pushing really hard to try to address that and have more opportunities for different quantas of golf, if you will. So for example, one of the things we're trying to do on new, bigger golf courses is loop them back to the clubhouse more frequently than just nine holes so that you're creating opportunities to play a smaller number of holes. Any place that we're working that has opportunity to do a short course or par three course -- and I don't really use par three course much, I use short course because the holes we're doing are all really short, like 50 to 100 yards. And so you can play nine holes of that in 45-50 minutes. I think putting is another thing that is something we're seeing more and more emphasis on large putting experiences. And then just going back to the big golf as well, like trying to create sort of extreme playability is something that we think is important because that speeds up the game. Nobody likes looking for a golf ball. So we're trying to create situations where that doesn't happen. Because that takes time and that's time that's not cool and neat and not fun. We, at least in my company, are trying to look at it from that perspective. I think in general, the industry as a whole, we're trying to get our assets prepared to be able to offer whatever time you have to spend, we've got something that we can offer to you.

Spencer Levy

Jeff, a lot of the things that Bob mentioned about changing the way he designs complexes so that you can have speedier play. I presume there's also a movement towards capex for existing complexes that you're selling. How often is that

discussion happening with your potential sellers, Jeff, and potential buyers of saying, Gee, I'm going to put X million dollars of capex into this to turn it into a more modern facility?

Jeff Woolson

Almost everybody or any company that buys a golf course, they like to come in with a big splash. They buy the property and then they say, Here's what we're going to do. We're going to put new F, F and E in the clubhouse. Or we're going to redo the driving range. So it's something that happens naturally, organically. But then there's also the situations where selling golf courses where, for example, a private, member-owned club or an equity club, we'll sell those and we'll represent the members selling them to them. And typically, when we get the call from the member equity club, they're in the middle of their death spiral. They need new furniture. They need new greens, they need new bunkers. But they can't. They don't have enough members to assess or what they do, assess them. A bunch of them left. And now we're trying to find somebody to come in and take over the operations and sell the golf course to a private operator. And typically, that involves quite a bit of capex because it's been neglected. We call it deferred capital improvements. And they've deferred to improve things because the golf course is so depreciating asset. It always is going to need something. It's never nothing. And it's always expensive.

Spencer Levy

So Beau, there is a lot of things that are happening now. You've already talked about the short course, you've talked about Topgolf. You talked about all these other things. But still, there's a vibrant business for traditional golf courses. So is it a bifurcated business now where some of it is still this elite golf and some of it is this more family oriented innovation? Or are we seeing the two come together?

Beau Welling

I think a bit of both. There's obviously been a great development in the last 15 years, the sort of destination type places that are very pure golf, if you will. But I think we're seeing an incredible amount of activity, more in primary markets of people wanting to have this family type experience. It's sort of like to me that the survivors have survived, and now many of them are sort of doubling down and doing big capex projects with the idea of, you know, money's relatively cheap and available right now. Memberships are full. There're waiting lists. And hey, let's prepare for the next 30 years because it's easy to defer all this maintenance and capex in the golf world because, you know, if you have to replace an irrigation system, replace greens like you have to literally close the golf course. And so we're seeing a lot of activity of resetting at many private clubs in major markets. All of the things we've been talking about here -- planning for the future, being more accessible, playing faster, having more forward tees for it to be more accessible for slower swing speed people -- like, all these things are being talked about and happening, and I think that's a good thing for golf. It's positive for golf.

Spencer Levy

I suspect there's certain parts of the country, Beau, that are more active than others. Want to give us a flavor for how the hot areas for golf may have been shifting over the last decade?

Beau Welling

Historically, it's always, you know, sort of new golf has been Sun Belt places, and I think you see that right now and you see a lot of influx of people from colder places to warmer places. So we're very busy looking at things in Florida, lots of things in Texas, the Carolinas. And I feel like a lot of times like the market for these people are people that are coming to these markets. Jeff mentioned being at ULI last week and ULI economists put up like the top eight markets in the country that have a positive outlook. I do resonate with me because every single one of those markets was a place I got a call from about either a new golf course or a substantial renovation of the existing golf course.

Spencer Levy

Well, I think as we're on this call, they've already built two new golf courses in Myrtle Beach. I think they might have 200 golf courses there, I'm not sure, but they keep building more of them. David, I want to go back to something you said before about why you chose CBRE, and I'm going to go back to something again to your golf career. I read what I thought was one of the best articles I've ever read. It was in Sports Illustrated and it was about you, about some of the challenges you had later on in your career in golf, and you had to make that transition from being a professional golfer full time to being a real estate broker. So how did your experience shifting from being a golfer to being a broker reflect who you are and what you're trying to do here as a professional CBRE?

David Gossett

Well, being at CBRE has been a great start to a commercial real estate career. I chose commercial real estate just because I knew a lot of guys at the golf course at Spanish Oaks in Austin, Texas, where I was a member that were in the industry and they seemingly loved it and thought that it would be a good fit. I think a lot of athletes tend to get into commercial real estate just because it's people centric. It's competitive. Relationships do matter. A lot of times you're dealing with decision makers, and I kind of like that. I had a lot to learn, like in golf, you start out slow. Golf takes time to learn and golf you miss a lot and it takes time to learn the task at hand. And I've enjoyed that process as well. And getting out of the domain and golf was something that I wanted to kind of regroup as I looked at a second career. I had to drop back and punt because I made a habit of shooting over par, Spencer. So to feed these four kids and stay married, I wanted to pick another path that would allow me to be home more frequently. And being with CBRE has been a really good fit for our family and I've enjoyed the experience. One thing that helped me, too, is one of my coaches said, you know, What you dwell on grows. What you really focus on -- gratitude has been a healthy thing for me just to kind of take stock and inventory of who I am and what the big picture is for me as I made that transition. Because it was challenging to make that transition initially. But it's been really great to be with CB and I've enjoyed the path thus far and it's been a good journey.

Spencer Levy

Well, that's great, David, for every reason, but one because for every time we've talked on today's podcast, you've tried to talk about how your game has gotten worse. You're still not going to give me less shots because I just want you to know I've learned that little trick of people trying to sandbag me. So nice try, David.

David Gossett

OK, we'll come to Nashville. We'll tee it up.

Spencer Levy

So fellows, I'd like to ask you a crystal ball question, which I ask most of our guests of looking back. Five years from now, let's look back to where we are today. What are the major changes you see in the golf industry, starting with you Beau. Five years from now, looking back, what are the big changes you think you're going to see in the industry?

Beau Welling

I think you just see more of what we've been talking about. I think you're going to see green field golf become more and more accessible and programmatically try to attract more and more people and be broader. If you go look at -- one of the interesting dynamics -- you go look at juniors right now, you know, girls make up about 35 percent of junior golfers and non-Caucasians make up about 25 percent. That's three and four times what it would have been 20 years ago. And so there's interesting dynamics shifting. There's incredible latent demand among females in particular. Looking back in five years what I think you're going to see is like more accessible golf courses, different groups of people playing golf. More of these fun activated social things happening on green field golf, more influenced from the off-course, Topgolf stuff happening at green field golf. And I think you're going to see active, busy, busy things. And golf will have been on a nice little five year run. And I think it all gets back to what I tried to talk to you about before is this idea of value. And I think the industry's gotten smarter and realizes that, Hey, we've got to continue to deliver value to our members, to our users, to our consumers. And so I really think golf is about to be on a big fun ride.

Spencer Levy

Great. Well, thank you both. So next to you, Jeff.

Jeff Woolson

Golf five years, looking back? Well, I hope that I will have played more golf. I'm now an official empty nester with a daughter at TCU and a son at Biola, who's a pitcher. So I'm enjoying playing golf. In fact, after this podcast, I'm going to

play golf. So I'm hoping that I got more golf in my future. But as Beau said, you know, and I'm going to steal a phrase from an appraiser that was talking at this conference I was at. He called it the three M's: the millennials, the moms and the minorities. If we can get them playing golf, I think golf has got a great future. I am concerned about the cost of golf. I think there was a universal feeling at this conference that golf is going to get more expensive. Therefore, it's incumbent on guys like Beau to make golf courses that are less expensive to maintain. Because labor is a huge issue right now. And if they start raising minimum wage across the country, a blanket minimum wage, the golf industry is concerned that, Wow, you know, even we were kicked in the teeth for so long, and all of a sudden now we got our day in the sunshine, and now we're just going to get killed with the cost of labor. So that's something that we need to keep our eye on. But if we can get the three Ms playing golf, I think it's going to be a great thing for the sport.

Spencer Levy

Well, I can tell you one person for whom the cost of golf isn't going to go up, and that's me, because no matter what David says, he's still giving me a load of strokes when we play our next round together, no matter what he says. But David, as you are still relatively early in your real estate brokerage career, where would you like to be in five years and how do you think golf is going to play a role in that?

David Gossett

Well, in five years time, I'd like to be doing what I'm doing now. I really like CBRE and doing office tenant rep work in Nashville. Tennessee has been a great thing. And I would like to play more golf and get my kids playing more golf with me as well. I think with the advent of like Topgolf, we're going to continue to see the coolness of golf grow and I think we'll see from a real estate perspective, groups starting avenues for golf in mixed use developments, even hotels as amenities. I think we'll see some like golf clubs that are even in office spaces. So I think golf is looking good in the future.

Jeff Woolson

Let me add one more thing Spencer and I think Beau would agree with this. And David, you need to stay with what you're doing because there's an old axiom in the business of golf, in the golf business. If you want to stop playing golf, get in the golf business and Beau will nod his head and anybody in the golf business will recognize, I don't know what it is, but us in the golf business really don't play that much golf. Golf is spectacular for building relationships and for like office leasing and everything that David's doing. I think that's more applicable than being in the golf business.

Spencer Levy

Well, on behalf of The Weekly Take, we hope you enjoyed today's golf episode, where we heard about the sport and real estate from three different perspectives. First, from the architect's perspective, we had Beau Welling, CEO of Beau Welling Design. Beau, thank you for joining us.

Beau Welling

Thanks, Spencer. It was great. A lot of fun.

Spencer Levy

Thanks for coming. And then from the sales perspective, one of the Topgolf sales professionals in the world. Great friend of mine Jeff Woolson, Executive Vice President, Managing Director, CBRE Golf and Resort Group. Jeff, thanks for coming out.

Jeff Woolson

Thank you, Spencer. It was great.

Spencer Levy

And then last but not least, the man who is now giving me more and more strokes the more times we talk on today's episode, David Gossett, U.S. Amateur Champion, Walker Cupper, PGA Tour winner and I'm proud to say my friend and colleague David. Thank you for joining us.

David Gossett

Thanks, Spencer. Good being with you.

Spencer Levy

We hope you enjoyed our inaugural Weekly Take golf outing. And if you'd like to learn more, we invite you to join us in our version of the 19th hole -- our web site that is -- at [CBRE dot com slash The Weekly Take](https://www.cbre.com/TheWeeklyTake). Please share your feedback and of course, subscribe rate and review the show wherever you listen. We're already teeing up new episodes as we play through the rest of the year, including extensive coverage of the retail sector and how it has been working to hit its way out of trouble during the recovery. We've got a couple of retail shows on tap just in time for the holiday season, and lots more. Thanks again for joining us. I'm Spencer Levy. Be smart. Be safe, be well.