

GOLFWEEK'S

ULTIMATE
GUIDE
TO GOLF COURSE LIVING
AND GREAT ESCAPES

BY MARTIN KAUFMANN

Michael Meldman likes to say, “I don’t want to hear about the labor pains, just show me the baby.” That line – borrowed by Al Pacino for his turn in “Ocean’s Thirteen,” in which Meldman had a bit part – gives some sense of the hard-charging style that has made Discovery Land Co., the real estate development firm that Meldman founded, a leader in luxury golf communities.

Those communities include Mountaintop in Cashiers, N.C., and Gozzer Ranch in Arrowpoint, Idaho, home to top-five layouts on the *Golfweek’s* Best Residential Courses list. Discovery Land’s

amenity-rich properties revolve around the golf courses, typically designed by Meldman’s go-to architect, Tom Fazio. While the courses are highly regarded, they’re perhaps best known for their elaborate “comfort stations,” where guests will find everything from soft-serve ice cream sundaes (Meldman’s favorite) to freshly grilled shrimp tacos at El Dorado in Los Cabos, Mexico, to even more elaborate fare.

Meldman, 52, talked with *Golfweek* about his company’s expansion plans, his improving golf game and his disdain for wearing suits and going to meetings.

GW: What is your assessment of the state of the luxury real estate market?

MM: It depends what type of luxury. Our projects are actually selling well right now. We’re happy. The highest-end projects we have – the Kukios (in Hawaii), the El Dorado, the Baker’s Bays (in the Bahamas), the Madisons (in La Quinta, Calif.) and the Yellowstones (in Montana), which are probably the highest price points – are actually selling at pretty good velocities. At Cabo, prices are actually going up. In other places, prices are more elastic.



*El Dorado Golf & Beach Club
Los Cabos, Mexico*

Developing story

Discovery Land CEO Michael Meldman discusses selling luxury golf real estate in a lagging economy

*Hole #18 at Baker’s Bay
Abaco, Bahamas*

GW: What percentage of residents live in multiple Discovery Land communities?

MM: It’s probably 20 to 25 percent. When you have 5,000, 6,000 members, that’s a considerable amount. But the nice luxury about that is when you have nice geographic locations – when people live in the winters in La Quinta or Scottsdale and they want to summer in Montana or Idaho – we have a lot of complementary seasons as well.

GW: Tom Fazio said one of the things he loves about working for you is that you let him pick the land for the golf course, then leave him alone. What’s your philosophy on that?

MM: My philosophy is, you hire the best, then you let them do their jobs. I’m not going to micromanage him or tell him how to design the golf course when he knows a lot more about it than I do. Now, the one thing I do have to control him on is he’ll design the golf course on property we don’t own. He just says, “Buy more property.” And it’s not that easy.



El Dorado Golf & Beach Club



Chairman/CEO of Discovery Land Company Michael Meldman and his sons Will and Hunter.

GW: Are you a believer in corporate culture, and if so, what is the culture you've cultivated at Discovery Land?

MM: I'm a big believer in it. Our culture has been casual elegance with family fun. The big amenity obviously is golf. But then you factor in all of the other amenities that go with the area. Gozzer Ranch, for example, sits on a lake, so we have wakeboarding instructors and fly-fishing instructors and a lot of boating and whitewater rafting and other activities that are indigenous to the area. So if you're in the mountains, the idea is not only for you and your family to have a great golf experience, but also have the great mountain experience.

The whole idea behind this is like the old country club, where the grandfather, father and grandkids were all there. Since these (properties) are new, it's hard to create that generational feel. So what we did was create a generational membership. So if I'm the member, my kids are members and my parents are members. That way, if you have this big investment in your house, everyone gets to enjoy it and become part of the culture. I tell people when they're buying, they're rewarding themselves for hard work and success, but most importantly, they're investing in their family. That's been the main focus of our culture.

GW: On a personal note, you've been playing more golf recently and participating in more member-guest events. Are you enjoying the game?

MM: So much more. When I started in this business, I didn't golf at all. That's why a lot of our places are a lot more casual and there's a lot more fun aspects introduced to the golf experience than just golf, like our comfort stations and our casualness on the golf course. I don't make you wear a golf shirt because when we started, I couldn't get my kids to wear golf shirts. They just wore T-shirts, so I decided, why fight it? The good news is I've been working the past 2 1/2 years with Hank Haney. He's actually gotten me to the point where I can play golf and enjoy the game, which makes my job a lot more fun.

GW: How did the concept for the comfort stations evolve?

MM: It started at Estancia, which was my first project. I'd go out there with my kids, and they were very young at the time, so they weren't really golfing. So I put coolers on every tee box. I had water and Cokes and candy bars. It kept my kids on the golf course with me. Even though they weren't golfing, they were just sprinting down the golf hole to get to the next candy bar. It started with that, and it evolved into what we have now, which is basically full bars and restaurants. A lot of the places bring back candies and root-beer floats that you had as a kid. So it makes you feel like golfing at one of our places is a rare treat and brings back great memories.

GW: Are you looking for more domestic projects, or are you focused on developing what you have in place?

MM: We're looking at domestic stuff. If you find something, it's a good time to buy. But we're also looking in Asia and the Middle East and South America.

GW: Are you looking at China?

MM: Yeah, we're looking at China fairly heavily.

GW: Anything imminent?

MM: We're under MOUs (memorandum of understanding) in three or four different places. That's the beginning of the process. I don't know how long that process takes.

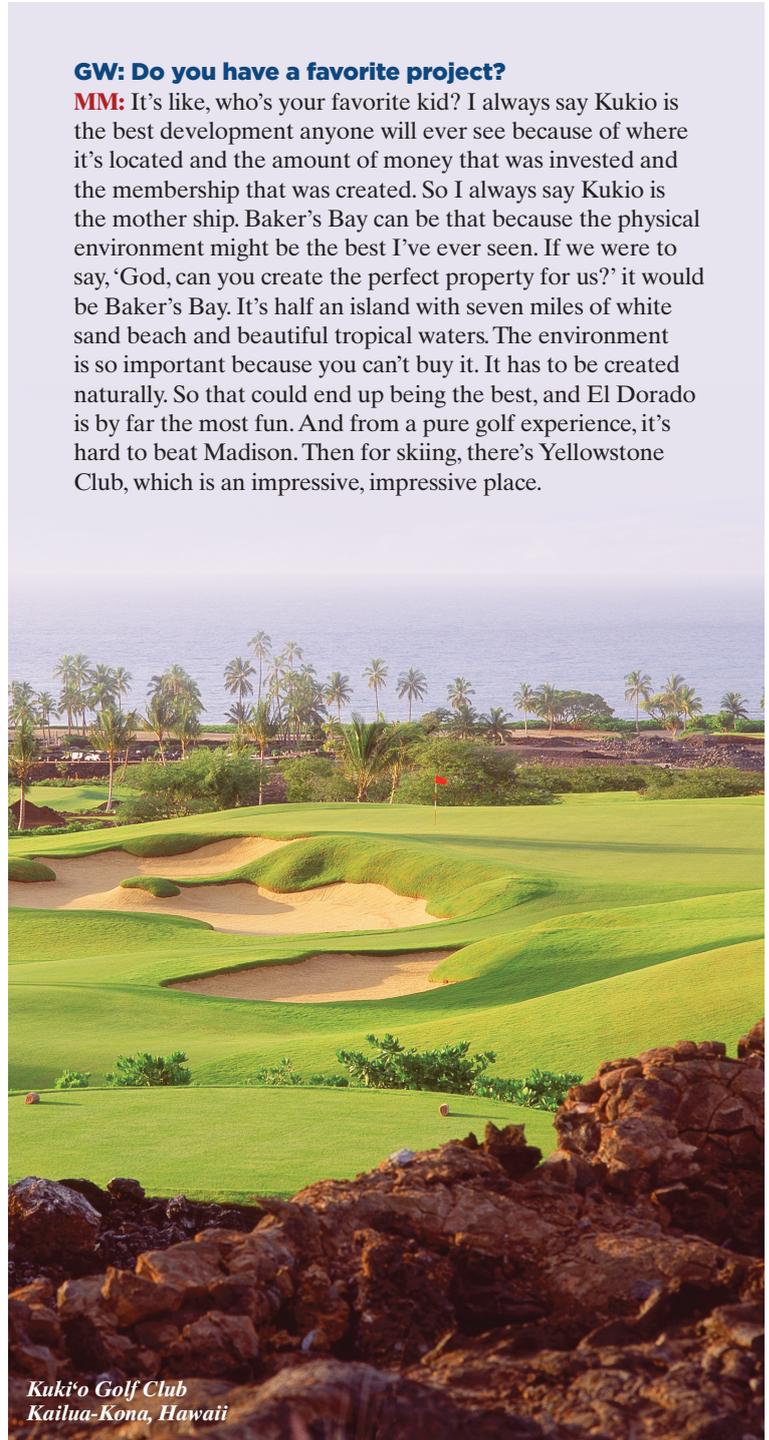
GW: You mentioned the casual nature that you cultivate at your clubs. Tom Fazio recalled a preview for Mountaintop years ago in Atlanta at which you

showed up in shorts, sandals and unshaven. Tom said he had to take you to Brooks Brothers to buy you a suit. Are you always that casual?

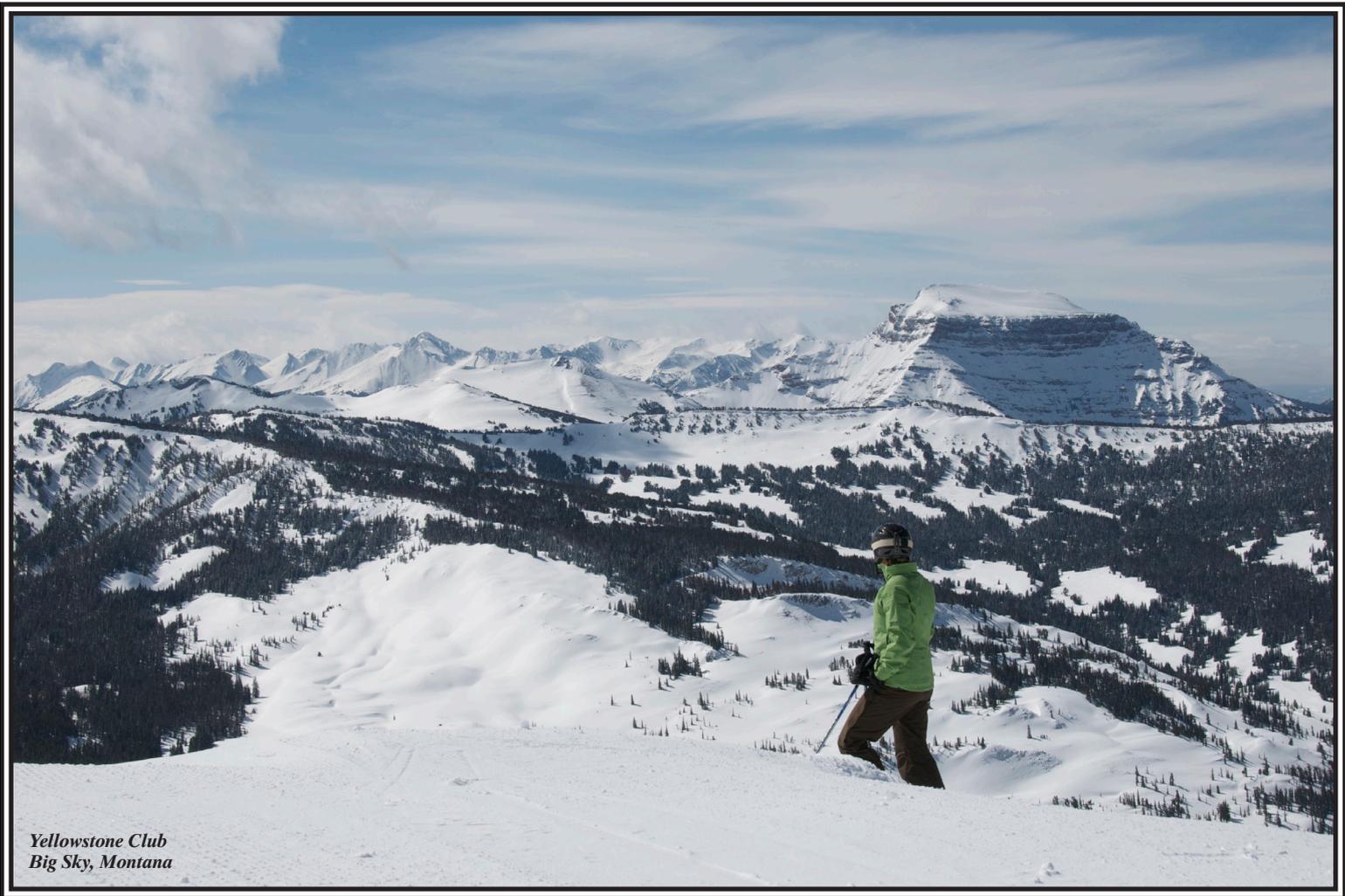
MM: I showed up and my shtick didn't work very well in the South. But it grew on everyone and Mountaintop became a huge success. I actually know how to dress and act, but people sometimes are scared that I don't. But Tom did have to save me there. ○

GW: Do you have a favorite project?

MM: It's like, who's your favorite kid? I always say Kukio is the best development anyone will ever see because of where it's located and the amount of money that was invested and the membership that was created. So I always say Kukio is the mother ship. Baker's Bay can be that because the physical environment might be the best I've ever seen. If we were to say, 'God, can you create the perfect property for us?' it would be Baker's Bay. It's half an island with seven miles of white sand beach and beautiful tropical waters. The environment is so important because you can't buy it. It has to be created naturally. So that could end up being the best, and El Dorado is by far the most fun. And from a pure golf experience, it's hard to beat Madison. Then for skiing, there's Yellowstone Club, which is an impressive, impressive place.



*Kukio Golf Club
Kailua-Kona, Hawaii*



Yellowstone Club
Big Sky, Montana



YELLOWSTONE CLUB



— THE —
MADISON
CLUB



GOZZIER RANCH
GOLF AND LAKE CLUB



EL DORADO
GOLF & BEACH CLUB



Baker's Bay
GOLF & OCEAN CLUB



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For information on any of these Discovery properties please contact Discovery Land Company at 866.937.8756.