

The Investor's Tour



The golf investment outlook for 2026 remains favorable, sustained by record-high participation and institutional appetite. According to National Golf Foundation (NGF) data, total participation is projected to surpass 50 million by year-end, up from the previous high of 48.1 million. This strong demand is reinforced by structural supply-side corrections, with a decade-long contraction of approximately 2,000 courses creating a healthier macroeconomic landscape. Although the broader market continues to lean in favor of sellers, institutional buyers and private equity firms are taking a more selective approach to deployment. Ultimately, the sector continues to reveal optimism, though the investors outlook remains balanced by the lingering concerns regarding affordability and the "stickiness" of inflation. In summary, the 2026 overall results reveal an investor outlook that remains comparatively favorable and stable.

Salient Indicators*

Survey Method:

2026

Overall Capitalization Rate ¹	Range	6.75%	to	16.0%
	Average			10.3%
Terminal / Residual Capitalization Rate ²	Range	7.50%	to	14.5%
	Average			10.7%
Net Income Multiplier ³	Range	5.6	to	14.25
	Average			9.7
Gross Income Multiplier ⁴	Range	0.45	to	3.85
	Average			1.66
Discount Rate	Range	9.0%	to	20.0%
	Average			14.3%
Growth Indicators:				
Income Growth Rate	Range	2.0%	to	8.0%
	Average			3.8%
Expense Growth Rate	Range	2.0%	to	6.5%
	Average			3.6%
Operational Indicators:⁵				
Management Fee as % of Gross Revenue	Range	1.5%	to	6.5%
	Average			3.6%
Capital Reserves as % of Gross Revenue	Range	2.0%	to	
	Average			10.0%
Transaction Indicators:				
Marketing Period (Months)	Range	3 mos.	to	24 mos.
	Average			9.5
Broker Sales Commission	Range	1.0%	to	8.0%
	Average			4.1%

* Excludes Significant Outliers.

1 / Overall Capitalization reflects going-concern operations.

2 / Terminal or going-out Capitalization rates also reflect going-concern operations.

3 / Net Income Multiple (Price / Net Income) is the inverse of the Cap Rate.

4 / Predominate GIM range is 1.0x to 2.0x. GIM dependent on profit margin/loss, total revenue, etc.

Investments with strong profit margin's generally focus on net earnings not GIM indicators.

5 / Most respondents shared views of a three year average rate but some also included a shorter horizon.

The Lenders' Tour



On March 17, 2022, the Federal Reserve embarked on an unprecedented, accelerated rate-hiking cycle, lifting the target federal funds rate from near-zero to a 23-year high of 5.25%–5.50% by July 2023. Following this peak, the Fed pivoted to cuts, lowering rates by 100 basis points in late 2024 and another 75 basis points in 2025, before executing a 25-basis-point increase to 3.75%–4.00% (September 17, 2026). Despite the 25 point increase, the FED indicated during its press conference that the US economy remains strong and the unemployment rate remains historically low when compared to the long term average. The 2026 survey results demonstrate that overall lender criteria has stabilized despite preceding volatility in Federal Reserve rates. Golf course financing continues to exhibit resilience, sustained by a combination of traditional commercial loans, institutional capital, and specialized SBA programs. Interest rates for 2026 span 6.0% to 14.5%, yielding a 9.1% average—marking a nominal decrease from the 9.2% average in the 2023 SGA survey.

Salient Indicators

2026

LTV (Loan-to-Value)	Range	50.0%	to	85.0%
	Average	66.7%		
Interest Rate	Range	6.0%	to	14.5%
	Average	9.1%		

Common Indices:¹

WSJ Prime Rate (9/17/2026)	7.00%
10 Year Treasury Rate (9/17/2026)	4.94%
Federal Funds Rate (9/17/2026)	3.75% to 4.00%
Secured Overnight Financing Rate (9/18/2026) ²	1 Month 3.89%
	3 Month 3.65%

Call Period (Years)	Range	5.0	to	20.0
	Average	7.8		

Amortization Period (Years)	Range	15	to	30
	Average	22.1		

DCR (Debt Coverage Ratio)	Range	1.25	to	2.5
	Average	1.65		

Points	Range	0%	to	4.0%
	Average	1.5%		

1/ WSJ is Wall Street Journal.

2/ Secured Overnight Financing Rate is a secured overnight interest rate. SOFR is a reference rate established as an alternative to LIBOR. 1 month and 3 month rates are reported, but SOFR also reports a 6 and 12 month rate. For comparison, the average 1 month and 3 month SOFRs were higher in the 2023 Edition (March 2023),

