

COMMUNITIES PONY UP

Quick: what's the top amenity at any golf resort community? Golf, you say? Nay. It's the open space that more than 70% of visitors care about. Knowing as much, **REQ Center LLC**, **M3 Cos.** and **The Gray Group of Colorado LLC** buy into the equestrian resort community concept that's picking up steam. Why? It conserves open space, highlights the natural environment and gives developers long-term project sustainability. With its fingers already in an increasing number of domestic equine developments, **Equestrian Services LLC** even branches out into Central America. As is the case in golf communities — where the overwhelming majority of owners don't golf — only 25% of residence owners at equestrian communities ride or own horses. But unlike non-golfers in the saturated golf resort market, non-riders/owners can interact with animals and attend equestrian-themed events in an environmentally friendly environment, another plus in an ever-increasingly eco-friendly development climate.

In an era when baby boomers are the most lucrative second-home demographic, equestrian communities appeal to this crowd's fascination with Western themes and childhood memories of Old-West movies and television series. Approximately two million people own horses in the U.S., and more than 40% of those are baby boomers. Horses have become an attractive marketing tool by helping baby boomers reconnect with their roots, despite the fact the majority of this target market didn't own these animals while growing up. Despite the equestrian industry having a \$40B economic impact, industry insiders seem to regard it as invisible, scattered and full of substandard facilities that riders have grown accustomed to.

REQ Center LLC

Its \$50M to \$80M **Regional Equestrian Center** in Southwest Washington's town of Winlock doesn't include a residential component in the initial phases of the development, but Project Director **Larry Hewitt** leaves the door open to the possibility. Although REQ believes such a component would be extremely lucrative (and fully expects the region to become an equine residential area), a moratorium on residential developments within Lewis County prevents the company from pursuing that avenue right now. REQ is talking with developers, however, who would be interested in condos and/or other residential units when the development freeze lifts. As for now, Hewitt focuses on seeing the initial phases of his brainchild see the light of day.

The equine project's master plan calls for upward of 600 horse stalls and a 5,000-seat to 7,000-seat climate controlled, indoor arena to host rodeo, bull riding, equestrian and agricultural expositions. Also expect the construction of an indoor market place, and a 2,000-seat training area that can double as an arena for small-scale events. REQ plans to market itself as a drive-to-destination to the more than six million residents living within a two-hour drive of Winlock, which is sandwiched between Portland and Seattle.

M3 Cos.

Managing Partner **Bill Brownlee** shoots for a 2010 groundbreaking for M3's unnamed equestrian community in Eagle, Idaho. Eagle annexes the 6,800 acres of ranchland M3 owns there, and the town budgets nearly \$20K to purchase nearly 2,000 acres adjacent to M3's property. Eagle's parcel will be added to the development site and serve as the open space park hosting the equestrian facilities, events center and hiking trails. Expect M3 to brand it under its **American Ranch** flag. Equestrian projects represent a shift in strategy for M3, which previously focused on golf community developments. Now it looks to maneuver out of the overbuilt and-no-so-lucrative golf market.

The company also develops the **Sandstone Ranch** equine communities in Larkspur, Colo., Albuquerque and Wickenburg, Ariz., which range from 2,000 acres to 4,000 acres. In Eagle, however, M3 shoots for the stars. The city council gives the green light to begin detail planning of an 8,800-acre master planned equestrian community featuring upwards of 12,000 homes. The project doubles Eagle's population and produce \$42M/year for city coffers. With Boise as one of the fastest growing cities in America, expect open-space oriented resort developments to continue springing up across Idaho, especially those looking to market themselves as locations that are easily accessible from the city.

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The Gray Group of Colorado LLC

The Gray Group believes its residential development experience will lead to success out on the polo fields. Founder **Robert Gray** plans constructing the 1,300-acre **High Prairie International Polo Club** outside of Parker, Colo., where he banks on the state's large horse-owning population and tourists looking for scenic charm. The master plan calls for 60 residences situated on plots ranging from two acres to 10 acres and starting at \$1.5M.

Look for the construction of a trio of polo fields, 60 horse stalls inside of a 100,000-s.f. equestrian facility. With Colorado's devotion to preserving its open space and the equestrian industry's propensity for low-density developments, expect equine-oriented resort proposals to find fertile ground in the Centennial State.

Equestrian Services LLC

Equestrian Services and Principal **Jennifer Donovan** teams with Cushing Development down in Costa Rica. Equestrian Services helps design the luxury resort **Montaña del Mar** in Guanacaste, consisting of a 1,200-ft., 770-acre mountain with equine amenities and three miles of ridgeline overlooking the Pacific Ocean. Equestrian Services and Cushing believe the resort in a tropical setting will appeal to an international clientele with its LEED-certified product, which has yet to be tried in the region. Equestrian Services also plans equine resorts in North Carolina, Florida, Texas and California.

CONTACTS

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