

SoCal Is Trump's New Turf

By Annette Haddad, Times Staff Writer
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The developer breaks ground today on golf course mansions in Rancho Palos Verdes, his first residential project in the state.

Donald Trump is getting into Southern California real estate the only way he knows how – with plenty of flourish.

The New York developer and prime-time TV star will break ground today on his first residential project in the Golden State: 36 multimillion-dollar mansions on some of the last remaining undeveloped coastline in the region.

Located on a golf course with stunning views of the Pacific Ocean, the Estates at Trump National Golf Club in Rancho Palos Verdes officially goes on sale today when the first five properties hit the market.

Three have already been claimed. Trump sold two of the Mediterranean-style split-level homes, whose starting prices range from \$5.2 million to \$8.9 million, to "special customers" who own Trump-branded properties in New York. And the 58-year-old real estate mogul said he intended to keep one of the sites for himself.

"This has been considered the best piece of land in L.A. for many years," said Trump, standing on the green of the 12th hole of his 2.5-mile-long cliff-top course with Santa Catalina Island as his backdrop.

It certainly was one of the best known. The site gained notoriety in 1999 when the 18th hole slid into the sea, causing the former Ocean Trails Golf Course to operate for a while as a 15-hole course.

A master of the art of the deal – and the superlative – Trump is trumpeting how he has turned one of the most landslide-plagued slices of California into a world-class golf destination and luxury residential site.

"This property has really been through the wringer," said Trump, who owns three other courses, in New York, New Jersey and Florida. If there's ever another landslide "I want to be standing on this golf course," he said. "We've gone overboard to build a tremendous structure."

Having a nationally known figure with a penchant for publicity building high-end homes "is saying that L.A. is a good place in which to invest," said Jack Kyser of the Los Angeles County Economic Development Corp. "He will be promoting the region for us. A lot of people will wrinkle their noses at a Trump project in Los Angeles, but I say 'Bring it on, Donald.' "

Trump's estates are in one of the most expensive ZIP Codes in the country, where the median price of a new house was about \$1.8 million in the fourth quarter, according to DataQuick Information Systems.

Sales in Rancho Palos Verdes appear to be slowing; during the fourth quarter, about 110 homes were sold, compared with 160 a year earlier.

But local real estate agent Raju Chhabria said he had received a few inquiries about Trump's development.

"Overall, Trump's project will be good for the region," he said.

It also probably will be worthwhile for the choice few who can afford to buy into the development. Being in a golf course community adds a 15% premium to the value of a house, said Boyd Martin, chairman of real estate consulting firm Market Profiles.

Because the Trump homes will have unobstructed views of the shoreline, that premium probably will grow – whether Trump's name is attached or not.

"There are only so many places like this that exist and this is the final piece along the coast in Southern California," he said.

Trump recently toyed with the notion of building an eponymous high-rise tower on the site of the former Ambassador Hotel near downtown Los Angeles.

He opted instead to enter the local real estate market in 2002 with the purchase of the bankrupt Ocean Trails Golf Course at the tip of the Palos Verdes Peninsula.

Trump got it for what he says was a steal at \$27 million and has since plowed \$55 million into the



property, mostly to further stabilize the land and rebuild the missing holes.

The course has been reconfigured to meet Trump's high standards as a six-handicap golfer.

The 45,000-square-foot clubhouse has been revamped in Trump's ornate decorating style. Crystal chandeliers costing \$85,000 apiece replaced California Mission-style wrought iron fixtures and travertine marble went in over the terra cotta floors.

One change Trump could not affect was turning the public Ocean Trails course into a private Trump National site like his other golf properties, where memberships go for \$300,000. After battling with the city of Rancho Palos Verdes and the state's Coastal Commission, the developer had to maintain the course's public designation. Still, greens fees are expected to start at \$195.

The course is scheduled to reopen in June.

"This course is going to be magnificent, one of the top courses in the country," Trump said without taking a breath. "It will be better than Pebble Beach."

Unlike private clubs, where homeownership has its privileges, buyers of Trump's estates won't have special access to the golf course. They will, however, have a personal concierge on call 24 hours.