



Golf Course and Driving Range Properties Policy

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Purpose

This Assessment Policy ensures that BC Assessment (BCA) consistently values, classifies, and codes golf course and driving range properties.



Policy Statements

1. Golf course and driving range properties must be valued as per the [Golf Course and Driving Range Valuation Requirements](#).
2. Golf course and driving range property rents, vacancy rates, expense rates, and capitalization rates must be reviewed annually.
3. Golf course and driving range property must have Marshall & Swift cost information for all improvements to the land recorded regardless of the valuation method selected.
4. BCA must send golf courses property owners a Golf Course Income and Expense Request Letter each year allowing a minimum of 21 days to respond.
5. Golf course properties must be classified as per [Golf Course and Driving Range Classification Requirements](#).
6. All Golf Courses must receive a request for income and expenses information each year.



Golf Course and Driving Range Requirements

Golf Course and Driving Range Valuation Requirements

1. Golf course and driving range properties must be valued using capitalized net operating income (NOI) except:
 - in areas where information to support an income valuation is not available, in which case a direct comparison or cost approach must be used; or
 - properties where the current use is not the highest and best use (HBU), in which case it must be valued according to its alternative use or the cost approach.
2. Golf course and driving range properties must be valued using one capitalization rate for the entire property.
3. Golf course and driving range land value must be apportioned using the land residual approach.
4. Golf course and driving range properties must use economic rate as the predominant unit of measure (average rate per round)
5. Economic rates for golf courses must include all golf revenue (e.g., green fees, membership dues, and revenue from the driving range).
6. Lease income approach will be applied to space within golf improvements that are dedicated to business income generation
7. Improvements within a golf course that are dedicated to income-generating business uses must not be included in golf revenue and must be valued using gross leasable area (GLA) as units of measure.
8. Golf course models must have all model expenses combined into one general expense line.
9. Golf course property records valued with an override must have a current Golf Course Valuation spreadsheet attached to justify the override value.
10. For properties valued on the cost approach, add a separate land component for each property class. Use a rate code specific to golf courses land available at the area level
11. For properties valued on the cost approach, the land value should reflect the development cost of creating a Golf Course

Golf Course and Driving Range Classification Requirements

1. Golf course rents (including average rate per round), vacancy rates (for income-generating business uses), expense rates, and capitalization rates must be reviewed annually.
2. Golf courses must have cost information keyed regardless of the valuation method as the cost information is used to calculate land residual.



3. BCA must send golf courses property owners a Golf Course Income and Expense Request Letter each year allowing a minimum of 21 days to respond.
4. Lands devoted to golf play areas as well as parking and driveways solely supporting the outdoor recreation golf use must be classified as Class 08 – Recreational Property/Non-Profit Organization. This includes:
 - Fairways
 - Practice areas
 - Tee-boxes
 - Bunkers
 - Driving range
 - Parking and driveways used solely for golf activities
5. The land area (footprint) directly beneath improvements not used as a part of the outdoor recreation golf facility (e.g., clubhouse, restaurants, pro shops) as well as land used for parking and driveways or additional land needed to support these uses must be classified as Class 06 – Business and Other unless they meet the requirements for another property class.
6. Improvements on golf course or driving range properties must be classified as Class 06 – Business and Other unless they meet the requirements for another property class.



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Resources

Definitions

- Refer to the [BC Assessment Glossary page](#) for term definitions.

Related Policies

- [Highest and Best Use Policy](#)
- [Industrial, Commercial, and Investment \(ICI\) Land Policy](#)
- [Non-Realty Value Policy](#)
- [Retail Properties Policy](#)

