

Good News. Cordillera Ranch, One of America's Prime Golf Communities in The Hill Country of Texas, is Thriving!



Last year, The New York Times ranked The Hill Country of Texas the No. 1 place to visit, let alone to live. Cordillera Ranch is where heritage, tradition, family, and pride prevail.

BY MARK PAZDUR, PUBLISHER

BOERNE, TEXAS, is a city named in honor of German author Ludwig Boerne after it was established by German settlers in 1849. It was laid out in 1852 within the beautiful Hill Country of Texas, just 30 miles northwest of San Antonio. It's also home to Cordillera Ranch, one of the world's largest and most successful private residential golf communities. Cordillera Ranch has a Jack Nicklaus signature golf course with fourteen holes offering 25-mile views.

David Hill, president of DH Investment Company, the developer of Cordillera Ranch, optimistically says, "The Texas economy, and especially the greater San Antonio area, has continued to expand during this difficult national economy. Our area has had net job increases and almost every real estate study ranks San Antonio as one of the most stable, growing markets in the country. We never had the unsustainable price bubble," said David, "so we never had a bubble burst. Yes, things have slowed down because of the national economy, but because we have a fairly balanced equilibrium of supply and demand of housing, I believe San Antonio and nearby Austin will be some of the first real estate markets in the country to start showing meaningful growth and price appreciation as the national economy recovers."

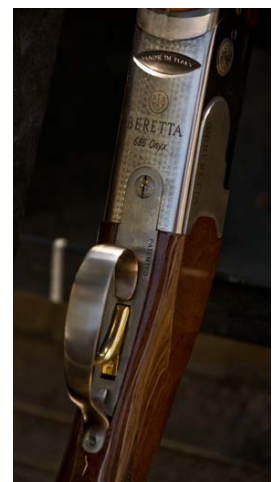
A CORDILLERA PANORAMA

The Ranch is immense, covering 8,700 acres and stretching 12 miles from east to west. It includes 35 miles of paved roads within the private gates and four and one-half miles of beautiful Guadalupe River frontage carved into limestone canyons and lined with majestic Cypress trees.

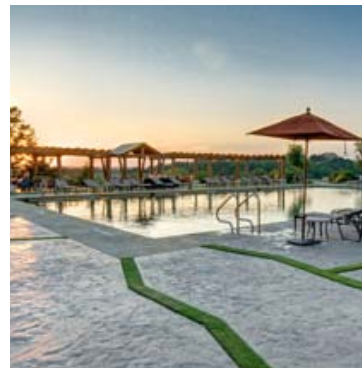
The San Antonio area has a rich Spanish heritage having been explored by Spanish expeditions in the early 1700s who established multiple Spanish missions in the area in the 18th century.

"Cordillera in Spanish means a system of ridges or mountains," said Hill, "thus the name represented both the areas's Spanish heritage and topography.

"The Hill Country of Texas was subsequently settled by German immigrants in the 1800s who established towns nearby with names like Fredericksburg, Bergheim and Boerne. They would construct one building at a time and add small structures as their villages grew. Back in the 1870s, Carl and Sophia George lived in a settler's home near what is now our 9th hole. Amazingly, their homestead is still standing," said David, sounding awestruck.



Cordillera Ranch is family owned and operated. David Hill and his sons, Chris and Charlie, are partners in DH Investment Company and actively involved in the development, and all live in Cordillera Ranch. The original 4,200 acres of the development was owned by Carla Northington's family since the 1940s. David and his wife Barbara became close friends with Mac and Carla Northington in college at the University of Texas. They often hunted and canoed on the ranch as college friends.



In 1997 the Hills and the Northingtons partnered together to develop Cordillera Ranch. Mac and Carla also make their home in Cordillera Ranch. Cordillera was an instant success, so much so, they acquired another 4,400 adjoining acres just two years later in 1999.



PROTECTING A GRAND TRADITION

"While building the course," said David, "we restored the original Carl and Sophia George house as a testament to our land's history and to continue its colorful tradition. We designed our Clubhouse Village to resemble an old Texas ranch compound by using cave limestone, huge timber beams, and standing-seam galvanized metal roofs throughout our buildings," recalled David.

"Our Clubhouse Village," chimed in Chris, "is situated at an elevation of 1,400 feet on top of one of the highest hills, with four separate buildings to house our swim club, tennis center, clubhouse and fitness center. These four buildings have one thing in common," he said. "They all have great views of our Nicklaus golf course."

THE SEVEN CLUBS AT CORDILLERA

"We paid careful attention to the 'flow' of members throughout the Clubhouse Village," continued Chris. "We are not a retirement community, nor just a golf community, nor a young children's community, although we have a lot of all three. We installed a water park for the kids, some distance from the terrace, to make sure adults were not disturbed while having lunch. Our membership feedback about the Clubhouse Village has been very positive," he said. "More than one member has referred to the Village as 'Camp Cordillera' because it offers a wider array of activities and amenities than many high-end destinations. Our resort-like clubs include the golf club, a social club, the tennis and swim club, the equestrian club, the rod and gun club, a spa and athletic club, and the river club. There's something for everyone," said Chris.

WEATHERING TODAY'S ECONOMY

David Hill plans for good and bad times. "From my long career in the business," he said, "I have come to appreciate the cyclical nature of real estate. I knew our community would have to weather several cycles of ups and downs. Thus, our planning has been conservative, cautious and calculated. We wanted to ensure the success of Cordillera Ranch on the front-end instead of rolling the dice on future lot sales. Most of our amenities were built and paid off in cash, so we carry a limited amount of debt on the club today," stated David.

"We polled our property owners about adding a Jack Nicklaus golf course and private club. We needed 150 property owners to become golf club members and got 200 at the initial membership offering," smiled David. "This vali-

dated our belief that there was a significant pent-up demand for these amenities and that we could proceed to build the golf course and start construction on the clubhouse with the confidence of success.”

CORDILLERA IS THRIVING

“Cordillera Ranch is a thriving and growing community. Last year, 2008, was a tough year for residential golf communities, but we were fortunate to have added 62 new golf members and only had 12 resignations,” said David. “We didn’t offer price incentives or funky discounts. This year we are adding, on average, about five new members per month. We currently have over 900 property owners, 500 occupied homes, about 50 homes under construction, approximately 420 Golf Members in a golf club capped at 450, plus around 180 Ranch Members [social] for a total membership of about 600 current members.”

“Not bad for a Club whose golf course opened in 2007 and completed the Clubhouse in 2009,” added Chris with a large smile. “Our balanced mix of social and golf members allows us to operate in a fiscally responsible way. I think it’s important to have a viable club operation in order to protect your real estate value.”

LET’S NOT MESS IT UP

The challenge for Jack Nicklaus was not designing the golf course, but it was making the best use of the site’s natural attributes. His first reaction, after touring the property, was more like a kid dropped into a candy store. Jack happily extolled that Cordillera had “great trees and streams, moving terrain, natural drainage, limestone canyons, rock outcroppings and a natural waterfall area. It was less about what you could create,” said Nicklaus, “and more about how to not mess it up. The golf course was there. We just needed to find it. Judging from comments made by members who play the course, I think we successfully found it and built it to their standards.”

A CLUBHOUSE TO MATCH IT

The 40,000 square-foot Cordillera Clubhouse Village was designed by renowned clubhouse architect, Mike Marsh, and his associates at MAI. Marsh has taken his wife Paula to all of his developments around the world. None clicked with her. “One day,” said Marsh, “after returning from a trip to Cordillera Ranch, I told her about seeing the most beautiful place on earth. I took Paula to Cordillera Ranch and Chris Hill introduced her to the Ranch. As soon as we returned home, she wrote a check to purchase 50 acres upon which we built our home.”

Marsh shares Nicklaus’s enthusiasm about the property. He too, instantly knew the Village had to architecturally translate into Texas Hill Country. “It now consists of four buildings to house seven clubs,” said Marsh. “We completely redesigned it four times with a special focus on the clubhouse. We strived to bring back the truly historic architecture that highlights Cordillera Ranch’s richness and have Marsh & Associates become a beacon for new trends in Texas Hill Country architecture.”

“MOST OF OUR AMENITIES WERE BUILT AND PAID OFF IN CASH. WE CARRY LIMITED DEBT ON THE CLUB. LAST YEAR, A TOUGH YEAR, WE ADDED 62 NEW GOLF MEMBERS.” — DAVID HILL



For more information, phone toll free (888) 667-2624 or visit cordilleraranch.com.