

No Mulligans: Budget Woes Close More University Links

By [Andrew McIntyre](#) · 2025-09-08 19:32:09 -0400 · [Listen to article](#)

The University of Minnesota is the latest higher education institution to announce a golf course sale or closure as colleges and universities increasingly look to realize proceeds from underused assets amid mounting financial pressures and dwindling enrollments.



The University of Minnesota earlier this year announced plans to sell its Les Bolstad golf course. (Andrew McIntyre | Law360)

The university earlier this year announced plans to sell roughly 140.9 acres in Falcon Heights, Minnesota — land that includes its Les Bolstad golf course — and said the course will not reopen in 2026.

Colleges and universities are grappling with declining international enrollment amid uncertainty over the Trump administration's immigration policies, as well as a highly anticipated "demographic cliff" next year — 18 years after the birth rate dropped in 2008 during the Great Recession.

Facing these challenges, various institutions of higher education have been realizing capital by selling off or repurposing assets such as golf courses.

"There are all kinds of reasons that any seller would sell, and then particularly for a university in terms of the trend, it's not one reason. Each university is coming to its own conclusion as to why it makes sense to sell," said Steven Lurie of [Greenberg Glusker LLP](#).

"In some cases, I would say the golf course is not part of the university's mission," Lurie added. "They may need cash. Just a practical decision. In other cases, they may need the land for other purposes. Additional housing. Educational facilities. Other facilities. The amount of money and effort to keep a golf course running, it's a lot."

The trend has been afoot for more than a decade, as the cost and water needed to maintain golf courses has proved challenging.

In 2011, Southwestern University closed its course, followed by Wichita State University in 2014. Methodist College sold its course in 2016, and Kent State University later that year also announced it was closing its course. Bowling Green State University followed suit a year later.

In a statement to Law360, the University of Minnesota said Les Bolstad "holds generations of memories."

"This decision reflects careful consideration and was made in light of today's challenging financial environment," the university said. "As a public university, we have a responsibility to ensure that our land and resources are aligned with our core mission: supporting students, advancing research, and serving the state of Minnesota."

There are various options for colleges and universities that seek to monetize golf courses.

While an outright sale is one, closing the course and building something else on the land is another. Yet another is a ground-lease, typically for 99 years, to a developer, which gives the school an income stream but also allows the school to retain an interest in the property.

The University of Minnesota intends to issue a request for proposals, or RFP, later this year and is holding a community open house on the matter later this month.

Guy Maisnik of [Jeffer Mangels Butler & Mitchell LLP](#) said the university was in a "tough financial situation."

"They have \$10 million in deferred maintenance and can't generate sufficient revenue to cover the upkeep. They need capital for other reasons."

"Under-use is a trend," he added. "That seems to be what's going on. A lot of these properties, including Les Bolstad, are really ripe for residential development."

The sale of Les Bolstad follows a long line of prior sales or closures over the past decade.

Arizona State University closed its course in 2019, just before the COVID-19 pandemic. Dartmouth College shuttered its course in 2020, followed by the University of Montevallo in 2021.

"Before the pandemic, there was a real oversupply of golf courses," Lurie of Greenberg Glusker said.

"Analogizing to universities, ... based on what it costs to upkeep and the amount of land that's available for other purposes, ... in some cases, the course has more value as an alternate use than as a golf course."

"In some cases, it's an opportune time to sell," he added. "Golf has done well since the pandemic."

Such deals come with various legal questions.

From the college or university's point of view as the seller, there is often a statutory framework, particularly for public schools, for selling underutilized or unused property, according to Julie Workman of [Saul Ewing LLP](#).

"Universities across the board are really wise to figure out where they have underutilized parcels of land and monetize them. Whether it's a building or golf course, I think it's a really smart way to generate revenue for a school," Workman said. "It's a great way for the university to generate revenue. If there's a parcel of land that's lying fallow, why not sell it?"

Board approval for such sales is also generally required.

"It's a combination between a real estate transaction and a business transaction," Lurie said. "You've got membership issues. Refundable deposit issues. It's unique in that golf is an operating business. You have your normal real estate due diligence and then your golf due diligence. The issues are different."

Meanwhile, on the developer side, if a would-be buyer is planning to convert the property to another use, gaining entitlements is key, and a buyer would likely secure most if not all entitlements before agreeing to a purchase. There may also be environmental concerns and a need to clean up contaminated soil if a developer wants to convert to, say, residential use, Workman said.

"It is the sale of a business with a significant real estate asset. And it turns out, actually, the golf business is doing really well right now," said Michael Whitton of [Troutman Pepper Locke LLP](#). "Schools may be suffering, but their core business is not running and operating golf and country clubs. Not for profit. There are buyers out there. I represent some of them."

Buyers also need to be aware of what contracts and liabilities they may be assuming by buying both a business and a piece of land, Whitton said.

"What's going on fits into a wider pattern in the golf industry," Maisnik said. "Courses are closing at about 1% annually. You had last year about 72 closures versus 22 openings — because of the high cost of water, labor, maintenance, coupled with golf preferences shifting away from older facilities."

In 2023, the [University of South Florida](#) announced it was closing its course. Then in early 2024, Wells College announced it was selling its golf course. Just months later, that school closed for good.

Workman said developers can be hard-pressed to find large parcels of land in prime locations, and golf courses, which are often more than 100 acres, often fit that bill.

"I'm curious to know whether this is going to be part of a new wave," Workman said. "Obviously, football and basketball really carry the day at some of these colleges. ... I don't know if golf is on the



chopping block. If it is, it kind of makes sense. You've got your football and basketball teams bringing in revenue."

And with financial pressure mounting on colleges and universities, more golf course sales could come.

"Some of these golf courses that were acquired over the years ... have started to become a bit of a drain," said Whitton, who works both in the golf course and higher education spaces, and has worked in the golf course sector for more than two decades. "I'm seeing this happen 20 years later, and wondering if there are more [sales] to come. A lot of those developments were tied to the universities."

--Editing by Marygrace Anderson.