

A Partnership Goes Bad: Horizon Country Club, Rancho Santa Fe, California

By Douglas Wilson

Tucked into the rolling-hills community of Rancho Santa Fe, California is The Bridges at Rancho Santa Fe — a luxury golf course and high-end community of private homes. Yet the property's success today was built on a troubled partnership in its early days and a dispute in which Douglas Wilson Companies was assigned as receiver.

The property, initially known as Horizon Country Club, spans roughly 540 acres in the greater San Diego community of Rancho Santa Fe. The community is known for its sprawling estates and large acreages just miles from the Southern California coast.

Initially owned in the 1980s by a local developer, the property was envisioned as a private home development surrounding a world-class golf course. After purchasing much of the property for the project, the local developer formed a partnership with Northern California financier Ronald Williams and launched the project in 1985.

Soon after, the two partners found themselves facing a major dispute, with the developer claiming Williams was withholding funding for the project and attempting to force him to sell his interest back to Williams at a discount.

The partners went through arbitration, with the arbitration panel appointing a receiver from the panel

to oversee the sale of the property and dissolution of the partnership, in the process ordering Williams to pay damages to the Horizon partnership that could be offset by what Williams was owed on the property.

After the first receiver and a second receiver were unsuccessful, Douglas Wilson Companies was appointed as the third receiver to carry through the resolution.

Since work had stopped on the property — which included a Robert Trent Jones Jr.-designed 18-hole golf course — the receivership spanned the critical component of maintaining the property and preserving its value, including the entitlements held by the partnerships interests in two lawsuits.

Over the course of the roughly five-year receivership, DWC worked to preserve the property entitlements, maintain its facilities and coordinate the release of \$9 million in subdivision improvement security.

Additionally, DWC coordinated legal representation for the partnership in its ongoing lawsuits and created a marketing campaign including a comprehensive due diligence package for the prospective buyers.

Ultimately, the property sold at public auction to national development giant Lennar Corp. for \$21 million, complete the receivership assignment.

