

Texas firm plans 50 homes on Horseshoe Bay golf course

Amid concerns about economy, developer sees 'a great opportunity.'

By [Shonda Novak](#)

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A Texas-based limited partnership plans to build 50 upscale homes in a gated community near two holes of a Jack Nicklaus signature golf course in Horseshoe Bay, west of Austin on Lake LBJ. And the company plans to acquire other nearby land in an area it says is prime for more growth.

The Reserve at Summit Rock will be the only new golf-course development with amenities that is under way in that part of the region, said Jay Fertig, a general partner in the project, which is being developed by Reserve at Summit Rock LP.

Some real estate experts say the development might be ill-timed, coming as Horseshoe Bay and some surrounding areas such as Marble Falls are seeing a decline in pre-retirement, investment and second home sales stemming from a lack of financing for buyers, as well as a slowdown in subdivision construction.

But Fertig said he and his partners, including Central Texas homebuilder Bob Rowan and an unnamed investor, think demand exists for a project that Fertig calls "a great opportunity on beautiful land at the right time."

Fertig said he set his sights on development in Texas after the Florida market, where he developed residential, retail and commercial projects, dramatically softened in recent years.

"I believe this is a great area," he said of the Hill Country, noting that it is in a region that is adding jobs. "Texans want to return to Texas, as I've learned."

At Summit Rock, homes will be priced from \$475,000 to about \$750,000, Fertig said.

The first two models are expected to be ready by late spring, when the Summit Rock Golf Course is set to open. The homes will have a Hill Country design and top-of-the-line finishes and appliances, Fertig said.

Fertig said he expects potential buyers to include empty-nesters and others wanting to "downsize and upgrade."

Fertig and his partners recently closed on 21 acres near the 17th and 18th holes of the new golf course. Fertig said the seller was the developer of Skywater Over Horseshoe Bay, a large nearby master-planned residential community for which Fertig was a consultant.

Noting that most new name-brand golf course development currently is overseas, Fertig said that "there's not that many opportunities in the U.S. like this" to be in on a signature course.

He also said there is scant new residential construction in the area, and Summit Rock's home prices will be in a sweet spot that will help drive demand.

With site plan and plat approvals from the City of Horseshoe Bay, roads and utilities already are going in, Fertig said.

Fertig is a 25-year real estate veteran and former executive with Atlantic Gulf Communities. Now he is president of Bayshore Land Group Inc., acquiring, financing and disposing of property in Texas.

Fertig said the 50 lots will be developed in phases, with 18 in the first stage, about 13 in the second and the rest in the final phase. When completed in three years, the project will have a sales value of \$35 million to \$37 million, he said.

Fertig said a loan is being completed with a Marble Falls bank to build the model homes. In addition, he and his partners are putting a "substantial sum," more than two-thirds of the amount invested to date, into the project.

Mark Sprague, an executive with Mission Mortgage in Austin, said the project, like others seeking to tap into the second-home market, could be a difficult sell.

"Any community in a second-home area nationally will find it a challenging market with the large inventory of resales on the ground" and planned projects, Sprague said. "Their bread and butter — \$300,000 to \$750,000 — is challenging with lack of financing, and higher property taxes have tarnished waterfront and golf lots."

Summit Rock buyers will have full membership privileges to the neighboring Club at Horseshoe Bay Resort, with the initiation fee waived for those who are approved for membership.

Horseshoe Bay Resort will own and operate Summit Rock Golf Course, along with the three championship courses it now operates, Fertig said.



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Courtesy of JB Goodwin