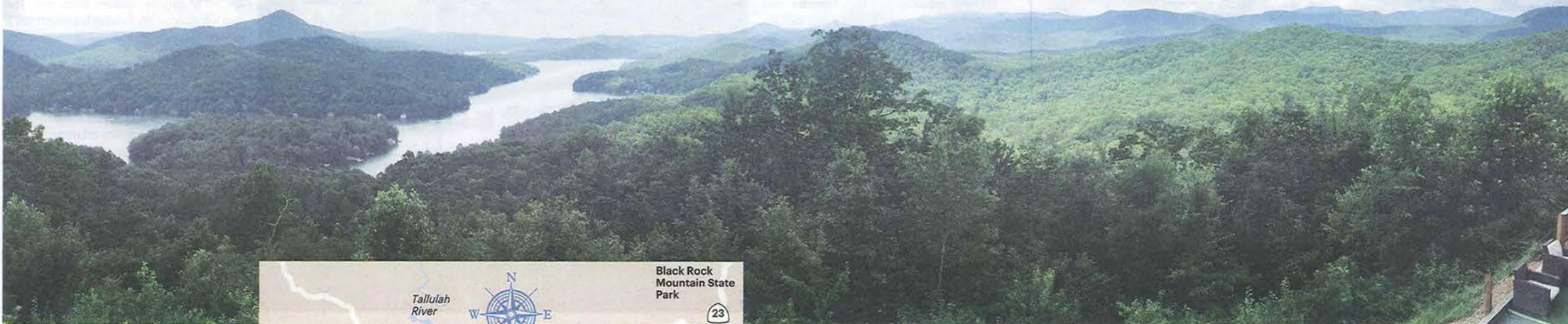


# 'A slice of heaven, less than two hours away'

How Lake Burton became a playground for wealthy Atlanta business people and celebrities



BY AMY WENK  
awenk@bizjournals.com

Lake Burton was created in the early 1900s to generate electricity for the growing city of Atlanta. But today, it is celebrities, sports figures and elite Atlantans that power the ongoing development of the 2,775-acre lake in north Georgia's Rabun County. Riding along its dark-blue waters and stone-walled shorelines is like taking a Who's Who tour of homes.

Country music star **Alan Jackson** has a sprawling mansion there, and his boats fill up an entire wing at the lake's LaPrade's Marina.

**University of Alabama** head coach **Nick Saban** not only owns a massive house there, but he develops multi-million-dollar homes along its shores. **Tennessee Titans** head coach **Ken Whisenhunt** also is among Lake Burton's residents.

Neurosurgeon and CNN Chief Medical Correspondent **Sanjay Gupta** last year bought a prime point along Lake Burton, where real estate agents expect he'll tear down a modest lake house and build a dream one.

Former **University of Georgia** head coach **Vince Dooley** has enjoyed many summers there.

Atlanta executives also come there to play. Many live at or are members of the **Waterfall Club**, a 400-acre golf community nestled high above the lake with amazing mountain views.

"We have men and women who are at the top of their fields," said Waterfall Club General Manager **Jason LeBlanc**. "Our members can live anywhere in the world

and they choose to come here."

That includes **Gus Arrendale**, the president of one of the state's leading chicken producers, **Springer Mountain Farms**, along with the owners of Atlanta's iconic The Varsity restaurant, **Nancy and Steve Simms**.

"What draws people up here is the mountain vistas, clear water and proximity to Atlanta," said **Jeff Jackson**, lake resources manager for northeast Georgia for **Georgia Power Co.**, which created, owns and manages much of Lake Burton.

"It's kind of an under-the-radar, hidden treasure," said **Jon Barnwell**, a long-time resident of Rabun County and real estate agent with **RE/MAX of Rabun**. "Part of what people like about it is they are pretty much not bothered. They are out on the water, on Jet Skis, playing like anybody else. People don't bother them or treat them different."

Its remote setting seems perfect for those trying to escape the hurried pace of the city.

"We love Lake Burton," said **Sylvia Russell**, the wife of the late Atlanta developer Herman J. Russell, who has a home on Lake Burton with her children. "We enjoy that we have a place that is so beautiful and peaceful, like a slice of heaven, less than two hours away."

**Mike Egan**, senior vice president and general counsel for **Arthur Blank's AMB Group LLC** (the owner of the **Atlanta Falcons**) bought a home at Lake Burton in 2005, after spending one Fourth of July there with friends. The holiday is one of the most popular at Lake Burton, a time when boats cover the water as fireworks are shot off from Billy Goat Island.

"It's an easy place to fall in love with," Egan said, explaining it's a popular summer and weekend retreat for his wife and four adult children. "We just love the sense of community up there. It's very social if you want it to be. It can also be an escape if you want to come by yourself."

It's a similar story for **Fred Cerrone**, chairman and CEO of Atlanta-based **Hotel Equities**, which owns or manages some 90 hotels across the country. Since 2005, he has owned a lake home on Charlie Mountain, one of the highest



PHOTO/AMY WENK

## \$1.8 million

Average home price in the Lake Burton area.

points along Lake Burton that overlooks the Appalachian Trail.

"We had some friends that had a place up there," Cerrone said. "My wife and I fell in love with it ... It's kind of a hidden jewel. I travel a lot around the world and have stayed in very nice hotels. But this is definitely one of my favorite places in the world."

For a man who leads a rapidly growing company, Lake Burton represents a needed place of relaxation, he said. "I feel the weight of the world coming off me when I'm driving into the mountains."

One thing that sets Lake Burton apart from other lake communities is its ownership. Georgia Power owns 80 percent of the shoreline, or more than 800 lots, for which it signs 15-year land leases with homeowners.

"That's really the striking difference," said Barnwell, adding Georgia Power handles management of Lake Burton differently than the **U.S. Army Corps of Engineers** that built and operates such Georgia lakes as Lake Lanier and Lake Allatoona.

To create Lake Burton, the power company's predecessor, Georgia Railway and Electric Co., in 1919 had to purchase the



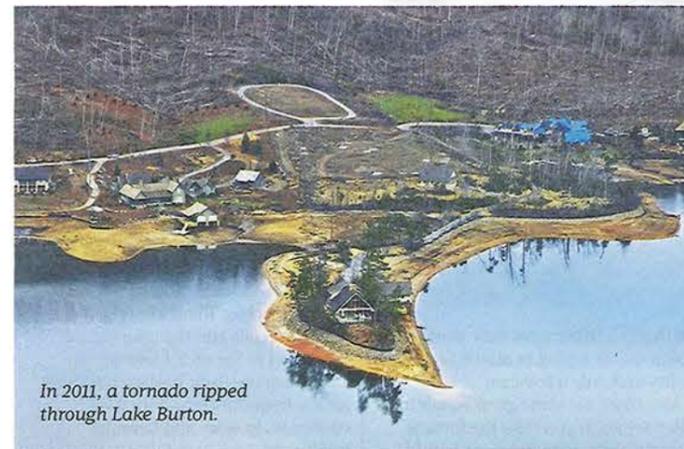
The Waterfall Club is Lake Burton's only country club and features an 18-hole golf course and mountain views. Its membership now is on the rise with the improving economy.

PHOTO/SPECIAL

## LAKE BURTON BY THE NUMBERS

- ▶ Leased Lots: 844
- ▶ Fee-Simple Lots: 328
- ▶ Total Lots: 1,172
- ▶ Shoreline: 62 miles
- ▶ Elevation: 1,866.6 feet
- ▶ Acreage: 2,775 acres
- ▶ Year Impounded: 1919

SOURCE: HARRY NORMAN REALTORS



In 2011, a tornado ripped through Lake Burton.

PHOTO/SHUTTERSTOCK

small farming community of Burton and surrounding lands, including the homesteads of 65 families. It began producing electricity there in 1927, according to Georgia Power.

Lake Burton was part of a three-lake reservoir system created from the Tallulah River that also included Lake Rabun and Lake Seed. In total there were six plants in Rabun County, which produced the majority of the electricity for Atlanta, including powering the then-streetcar system in downtown Atlanta.

Homes, in the form of small fishing cabins, began to spring up along Lake Burton in the 1920s, Jackson said.

"Over the years, it just gradually became more and more developed," he said. "It was small homes in the '60s, ranch homes in the '70s and '80s, and larger modern homes in the '90s."

Home prices have certainly soared over the years.

"Lake Burton has really developed in the high end in the last 30 years," said **Ed Poss**, owner of RE/MAX of Rabun and a long-time resident of the area, having

built his first home there around 1965.

Poss cited one example of a cabin that in 1977 sold for \$35,000. Ten years later, it sold again for \$300,000. The cabin was in part torn down and a new house was rebuilt around it, Poss said. Today, the property (owned by **Ron Sharbo** of Atlanta) is on the market for \$3.15 million.

"The reason for the value of lake homes to increase is due to the stewardship of Georgia Power and the large Georgia Power lots," Poss said. "Most lots have 200-plus feet of lake frontage."

Georgia Power maintains its own set of design standards along the lake and residents must obtain permits from the power company to build on its lots.

"We have a set of guidelines that basically dictate size and dimensions," Jackson said. "We also regulate materials. We don't want to see anyone with shiny galvanized roofing. It does not blend into the scenery or the shoreline as well as earth tones or cedar shakes."

A hallmark of the lake is its many boathouses that echo in architecture the mansions that line its shores. It can

cost in excess of \$100,000 to construct a boathouse.

Lake Burton hasn't been without its challenges.

In 2011, a tornado ripped through the lake area, damaging at least 100 homes.

"It was terrible," Barnwell said. "But it's coming back. It's been a boon for local builders."

Like other areas of the state, Lake Burton home values suffered during the Great Recession. One of the hardest hit areas was the lake's only country club, the Waterfall Club.

In 2010, Waterfall Country Club LLC and its developer **J.T. Williams Jr.** (who created Eagle's Landing in Henry County) filed for bankruptcy. The club that features an 18-hole golf course, mountain lodge, sports facility and 200 lots later was acquired by Atlanta-based **Reynolds Capital Group**, a division of the **Reynolds Cos.**

But since then, the country club and its membership were taken over by three of its residents, while the land around the club was sold off separately.

It seems to be a good recipe for the

club, as its membership has grown by 120 members in the past two years. "The place is suddenly bustling," said LeBlanc.

Barnwell said 2014 represented a huge year of recovery for Lake Burton, Lake Rabun and Lake Seed with 63 homes sold. Before, about 45 homes sold per year.

This year, according to a MLS report, 15 homes have sold on Lake Burton between \$620,000 and \$4.7 million, with the average home sale price at nearly \$1.8 million.

Today, the affluence of Lake Burton is beginning to draw some of Atlanta's top chefs, who see the area as an up-and-coming mountain destination like Highlands, N.C.

**Tyler Williams**, formerly a chef with lauded Atlanta restaurants Woodfire Grill and Abattoir, this summer opened By Hand pizzeria at Lake Burton's LaPrade's Marina. He also plans to develop a 26-acre farm and sustainable restaurant along Highway 76 in the nearby town of Clayton.

"They told me there was a need for more restaurants — something more fresh, more farm to table," Williams said. Rabun County, this year named Georgia's Farm-to-Table Capital in a resolution by the state's House of Representatives, seemed like the perfect fit for his ambitions.

"I was looking at Atlanta and there's such a saturation," Williams said, referring to all the chef-driven restaurants crowding the city's intown neighborhoods. "The lifestyle up here is relaxed. For a high-end restaurateur, there are a lot of people that can support that type of business. It's a great need to fill."

He added, "In Atlanta, it's a rat race. But up here, it's different." ☞