

# Southpark Meadows gears up for building homes

## Residences will be following retail rooftops.

By [Shonda Novak](#)

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In a twist on the adage that retail follows rooftops, homes and apartments soon will be following scores of stores at the sprawling Southpark Meadows shopping center in South Austin.

Construction of the residential portion is about to kick off at the 1.6 million-square-foot shopping center being developed by Austin-based Endeavor Real Estate Group LLC at Interstate 35 and Slaughter Lane.

**Lennar Homes Inc. anticipates building 383 homes in all, and Fairfield Residential LLC will build 670 apartments on land purchased from Endeavor at the 425-acre site. The shopping center, one of the biggest retail centers in the city and the first major retail complex in South Austin, is bringing even more people to an already rapidly growing area, said Chris Ellis, a principal with Endeavor.**

"I think what's creating demand in this area is the location, close to brand-new retail, close to downtown and with amenities in that center that haven't been provided previously," Ellis said.

Grand Prairie-based Fairfield Residential plans to start grading work in the next couple of weeks for the first of two apartment projects.

The 426 units in the initial phase are expected to be ready by March or **April of 2008**, said Scott Sherwood, vice president of development for Fairfield. Units in the second phase should be ready by May 2008, with final construction wrapping up on both in late 2008.

Fairfield hasn't yet named the projects or set rents. However, the average-size unit in phase one, 879 square feet, will rent for about \$990, Sherwood said; the average-size phase two unit, 926 square feet, will rent for about \$1,075 a month.

Lennar's project, the Reserve at Southpark Meadows, will be built on 80 acres that the Miami-based national home builder bought from Endeavor.

"This is a diamond in the rough to us," said Ryan Mattox, a project manager in the land development department of Lennar's Austin-San Antonio division. "We love that South Austin position."

Lennar expects to start on preparations for streets, utilities and drainage for the first 121 lots in early June.

Construction on the homes would start about six months later, with the first buyers expected to move in by April or May of 2008, Mattox said.

Prices are estimated to range from \$280,000 to \$350,000, which is in the midrange of Lennar's price scale. The company builds about 2,000 homes a year in Central Texas, priced from \$100,000 entry-level homes to \$500,000 homes on 2-acre sites.

A second phase, and possibly a third, would add about 260 homes with similar price ranges, Mattox said.

Mattox said the first phase will take about a year and a half to complete; the first homes in the second phase would be ready by late 2009.

Lennar typically builds in suburban areas, Mattox said. But Southpark Meadows, he said, affords "a rare opportunity for the company to be involved with a mixed-use project of this magnitude," in a location closer to downtown.

"It's kind of a happening place," Mattox said, likening Southpark Meadows' appeal to that of condominiums downtown, where people are moving to be near its stores, restaurants and other amenities.

Ellis said 1.2 million of the 1.6 million square feet of retail is leased, with another 400,000 square feet to go.

A 14-screen Cinemark movie theater, a Border's Books & Music, a SuperTarget and a Waterloo Ice House will join other stores and restaurants at Southpark Meadows, now home to Wal-Mart, Bed Bath & Beyond and J.C. Penney, among others.

Ellis said he is finalizing deals with Marshalls and Bealls, and another large anchor, a sporting goods store. All three retailers are expected to open in April 2008, wrapping up the center's second phase, Ellis said.

Southern Travis County has been the most active market in Central Texas for housing starts for a number of years, said Eldon Rude, director of the Austin office of Metrostudy, which tracks such construction.

More than 1,300 homes, condos and townhomes were started in 2006, representing nearly 8 percent of the total home starts in the region.

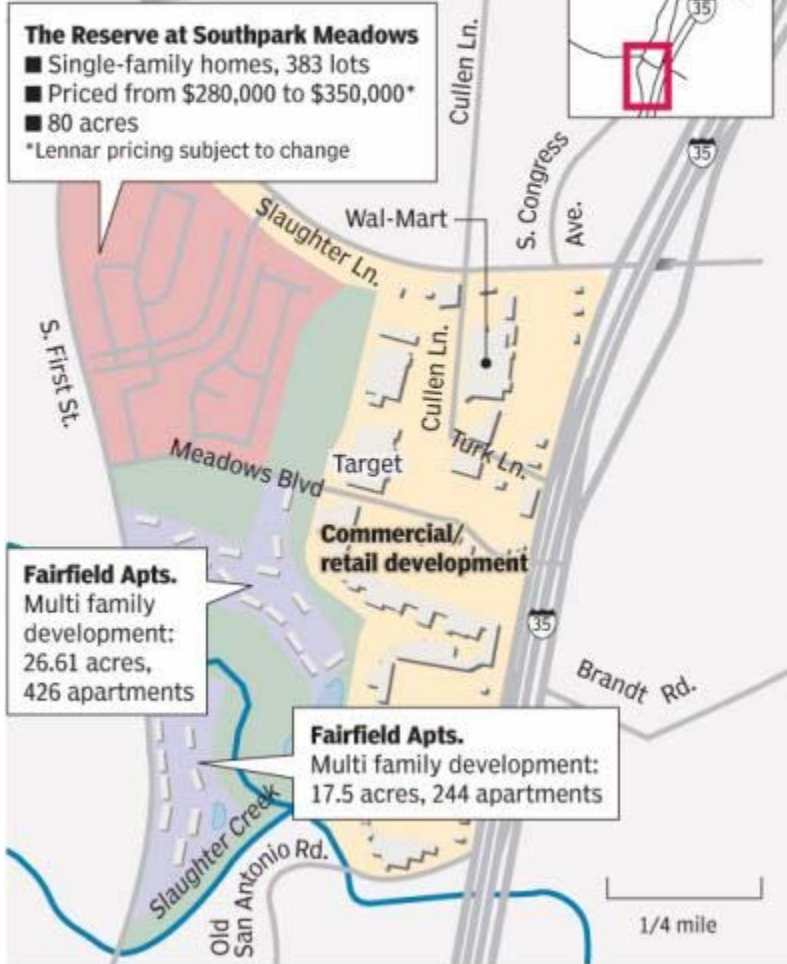
New home prices in southern Travis County have been increasing sharply in recent years because of its proximity to Central Austin and the tight supply of lots ready to build on, Rude said.

In 2005, 45 percent of home starts were priced below \$200,000, Rude said. By the end of 2006, only 22 percent of starts were priced below that amount, he said.

Southern Travis County also has the tightest market for developed lots in the area, with less than a 12-month supply compared with a 17-month supply overall as of late 2006.

**Courtesy of JB Goodwin**

## Southpark Meadows residential development



Source: Southpark Meadows

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