

New neighborhoods coming to Austin suburbs bridge gap between apartment renting, home ownership

By Will Anderson

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A rendering of what the Legacy home rental community in Pflugerville could look like.

As Austin and surrounding communities grapples with how to build enough housing units — and housing types — to handle the huge influx of people moving to the area, two upscale communities are being built for

renters on the suburban fringe — but instead of apartments, they will feature detached single-family homes.

AHV Communities recently began construction on an 83-home property called Legacy in Pflugerville and a 92-home property called Rivers Edge in Georgetown. The homes will range from three to four bedrooms and 1,440 square feet to 1,882 square feet; the first units are expected to deliver in the third quarter.

Rents will be comparable for new two and three-bedroom apartments in the area, meaning they will start somewhere above \$1,600 per month, CEO [Mark Wolf](#) said.

"And that's with a three-bedroom home with an attached two-car garage," he said. "The value proposition is off the charts."

Both communities will function similar to managed apartment complexes, meaning renters won't have to mow the lawn and can report maintenance issues such as broken toilets. AHV executives tout the high-end features of the homes, such as granite kitchen countertops, energy-efficient appliances and LED lighting. There will also be community amenities such as dog parks, fitness centers and pools.

AHV is based in Newport Beach, California, and has an Austin office at 1101 S. Capital Of Texas Highway, where the top executive is [Lance Carosello](#), executive vice president for Texas.

AHV pivoted to single-family-home rentals in the wake of the 2008 financial crisis, which was spurred in part by widespread defaults on home mortgages that had been packaged into securities. The company's communities combine the conveniences of apartment complexes with the additional room and comfort of a single-family home, Wolf said. Demand is high at its other community in Texas, in the San Antonio area.

Additional AHV communities in Texas are slated for New Braunfels and San Antonio while the company is also considering more projects in the Austin area: "It's a market we believe in and one we want to continue to be a part of," Wolf said.

To identify the locations for its developments, AHV searches for markets with strong rent growth and access to jobs, plus nearby attractions and good schools to attract families, he said.

The home-rental concept also makes it easier to win government approval, Wolf said.

"We could never get apartments approved there," he said of the Georgetown location, which is on East Morrow Street, a few miles northeast of the town square and overlooking the San Gabriel River. "We had people speak against the project because they thought it was going to be traditional multifamily: two-story garden apartments with high density. We worked extensively with the neighbors to explain our concept."

"Neighborhoods don't want traditional multifamily projects near them anymore," he added. "It's hard to put an upscale apartment in a traditional residential areas these days. That's why you see them popping up in rural and industrial areas."