

# Austin developer breaks ground on another big apartment complex

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Austin apartment developer [Oden Hughes](#) LLC broke ground Aug. 30 on 660 apartment units in South Austin near Southpark Meadows Shopping Center.

Lenox Springs will initially include 400 units along the southbound I-35 Frontage Road between Old San Antonio Road and FM 1626. Those units should be completed in fall 2017.

The company plans to build an additional 260 units at a later date.

[Oden Hughes](#) is currently building Lenox Boardwalk, 339 units at 1500 S. Pleasant Valley Road, in an area that is rapidly gentrifying and expecting even more changes with the [construction of Oracle Corp.'s new offices](#). The 550,000-square-foot corporate campus, located just around the corner from Lenox Boardwalk, is expected to deliver sometime next year.



ODEN HUGHES  
Lenox Springs will eventually contain 660 apartments between Southpark Meadows shopping center and Buda.

The Lenox Springs and Lenox Boardwalk projects are in areas where growth has been exponential — along the East Riverside Drive corridor between downtown and Austin-Bergstrom International Airport and on the South Austin fringe near Hays County, one of the fastest-growing areas in the country.

Austin Investor Interests LLC, an Austin-based multifamily research firm, sheds some interesting light on the south and southeast submarkets.

The south submarket — south of Texas Highway 71 primarily between I-35 and Brodie Lane — has 13,089 units currently — the most outside of the north and northwest submarkets. By comparison, the northwest submarket in the area of The Domain toward Lakeline Mall has 27,324 units — the largest in the metro area.

Occupancy in the south submarket is currently 93 percent with an average monthly rent of \$1,136.

The southeast submarket — south of Lady Bird Lake to Texas Highway 71 between I-35 and U.S. 183 — has a total current inventory of 3,748 units, one of the smallest submarkets by total inventory. It's about 88 percent occupied with an average monthly rent of \$1,052.

Expect to see significant increases in rents in that area when Oracle brings hundreds of new jobs. The company has never revealed precisely how many jobs will be at the new facility, but initial estimates are in the 500 to 600 range.

Other areas where major apartment construction is occurring are the northeast submarket — north of U.S. 290 and east of I-35; Cedar Park and Leander; Round Rock and the east central submarket — just to the east of downtown.

According to Austin Investor Interests, 18,893 units are underway in 67 properties.

**Jan Buchholz**  
Senior Staff Writer  
*Austin Business Journal*

