

HOMES: Affordable housing options growing centrally

FROM PAGE 17

finances as "housing that's designed to serve the bulk" of Austin's citizens.

Most recently Momark completed the first phase of Edgewick, a development two miles south of downtown where homes sell in the \$150,000 range. The initial phase offers 40 homes, and there are plans for an additional 10 units.

Mitchell has also lined up financing for a workforce housing project off Slaughter and Brodie lanes near Circle C Ranch. David Weekly Homes is building the homes.

Meantime, Mitchell is still looking for funding for a South Austin project he hopes to break ground on this year.

Besides Austin, Mitchell and other developers have brought workforce housing to the surrounding suburban areas of Kyle, Hutto and Manor, where land is plentiful and less expensive.

But building in those areas is pushing those home buyers to longer commutes and higher gas bills, which is driving attention back to Central Austin, Mitchell says.

Main Street Homes' Bartholomew agrees that higher gas prices are pushing demand for affordable housing in the inner city.

"It used to be that the cheaper the house, the better and it didn't matter about location, but now buyers want to be closer," Bartholomew says, adding that finding affordable land on which to build in the high-demand central areas remains a challenge.

Main Street has been able to continue to lock in financing for projects from national and local banks, such as Plains Capital Bank, which is the firm's main lender.

Main Street has 10 home developments in Austin and surrounding areas. Homes sell in the \$99,990 to \$160,000 range.

Most recently, Main Street began construction on Hornsby Glen development in Del Valle and Thaxton Place in South Austin.

Bartholomew says home sales have remained relatively steady. The builder continues to close on 15 to 20 homes a week.

Of course, the flood of bad economic news is deterring some would-be home buyers from purchasing right now, he adds.

"Our biggest problem is letting people know that there are affordable homes available, that you can move in with zero down," Bartholomew says. "Some [down payment assistance] programs are going away, but there are others out there."