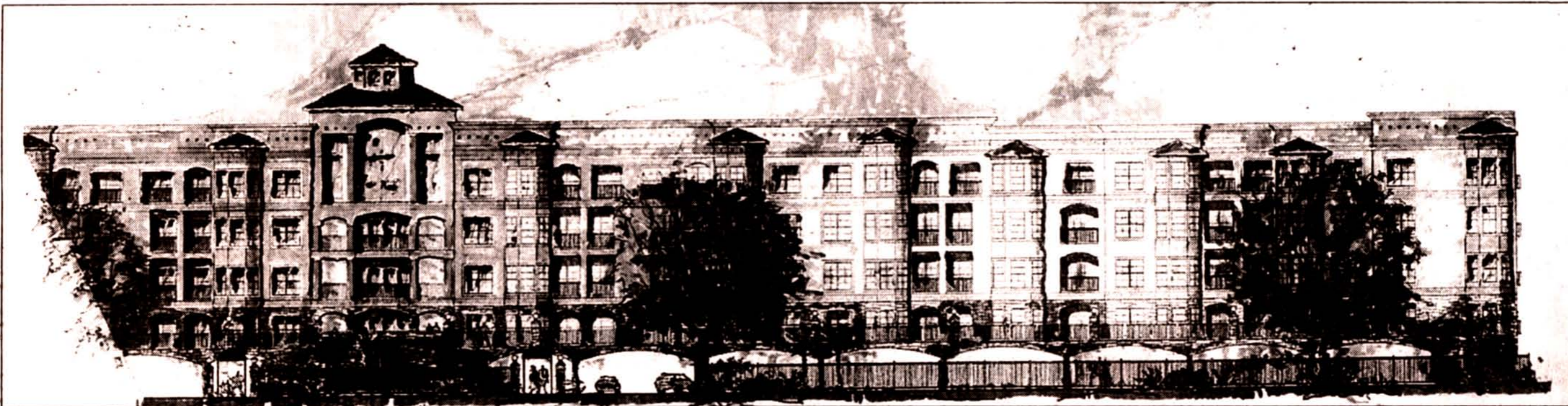


■ You've heard interest rates are rising, but you're not sure what that means. Shannon Buggs breaks down the pros and cons of what investments are right, right now.

Pearland shops follow people



TREE TOP DEVELOPMENT

GRAMERCY PARK CONDOMINIUMS: The four-story development over a level of parking in the Medical Center area will feature a Tuscan theme.

■ Expected growth along Texas 288 brings developers and merchants

Johnson Development was considered a pioneer when it created the Silverlake residential community in Pearland in the mid-1990s.

The project was followed in 2001 with a major retail development by Lasco Development Corp.

The Silverlake Village Shopping Center, at the southeast corner of Texas 288 and FM 518, includes national retailers such as Target, Ross, Marshalls, Linens 'n Things, Kohl's and Chili's.

These developers now have plenty of neighbors.

The Crossing at 518 is well under way at the northeast corner of Texas 288 and FM 518.

Cencor Realty Services is building the 500,000-square-foot retail center, which will have a Best Buy and Bed Bath & Beyond, as well as other restaurants and shops. The project also includes a Walmart Supercenter.

Smaller centers are starting to go up near the Crossing.

Shopping mall developer Simon, which owns the Galleria, has even been rumored to be scouting the area for sites.

The city of Pearland and nearby areas along the Texas 288 corridor are now getting a movie theater, more big box retailers, banks and its first car dealership.

Much of the commercial development is taking shape because of the growing number of rooftops.

Pearland's population is expected to grow from about 50,000 to more than 144,000



CURRY BOUDREAU ARCHITECTS

NEW LOOK: The JMH grocery store in West University will be reconfigured to add a coffee and ice cream shop and outdoor patio.

by 2020, according to CDS and the city of Pearland.

Shadow Creek Ranch, the area's newest master-planned community contains 3,400 acres.

More than 700 homes are currently occupied, and 1,200 more are under contract or under construction.

Ultimately the community will have 12,000 homes, including townhomes, apartments and senior living units, according to the developer.

Last year alone, residential developers applied for more than 1,680 building permits, compared with 818 in 2000.

Hospitals have been jockeying to get in on the land grab.

HCA purchased more than 40 acres near Shadow Creek Parkway and Texas 288.

Memorial Hermann Health-care System also controls a large tract at the corner of FM 518 and Texas 288.

Medical Center changes

Areas around the Texas Medical Center are overflowing with apartments populated by workers and students who are often there for a short time.

But as inner-city land

becomes scarcer, investors are starting to convert some of the apartments to condominiums.

Now a developer is skipping that process altogether and building a four-story condominium project.

Tree Top Development is building Gramercy Park Condominiums, a 224-unit complex at 2600 Gramercy, a block from the Kirby and Holcombe intersection.

Irvine Team, G.T. Leach Construction and Hoff Architects are also involved.

The complex will be built over a level of parking on just less than three acres.

Gramercy Park will have a Tuscan theme. Units will range from 780 square feet to 1,600 square feet.

Prices have not been determined yet.

The project is expected to break ground this fall.

Tree Top Development is led by Tracy Suttles, a local investor who has plans to build Shamrock Tower, a 32-story condominium tower in downtown Houston.

Old-grocer updates

It won't exactly be an Eatzi's, the hybrid market/cafe concept on Post Oak Boulevard,

but a group that just bought the old JMH grocery store in West University wants to give the old-fashioned store a new look for the 21st century.

Aside from exterior renovations, the new owners are planning to spiff up the interior and add some gourmet items to its offerings.

"We're going to focus a little bit on higher-end products — better wines, beers, cheeses," said Todd Mason, one of the new owners, who will also add a gourmet deli counter.

The 11,000-square-foot building at 3636 Rice Blvd. will be slightly reconfigured to add a Southwest Bank of Texas

branch, a coffee and ice cream shop, and an outdoor patio.

A partnership led by Mason and Jim Reid purchased the West University icon from Charles and Janet Wilson for an undisclosed amount.

Janet Wilson, who owns the nearby Edloe Street Deli, has been providing takeout food to the grocery for years and will continue to do so.

The original JMH market opened in the late 1930s just east of downtown Houston.

It moved to its first spot in West University in the 1940s.

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WHAT'S THAT?



E. JOSEPH DEERING : CHRONICLE

NEW TONY'S: Legendary restaurant's brand-new location is under construction in Greenway Plaza.

■ **Location:** 3755 Richmond

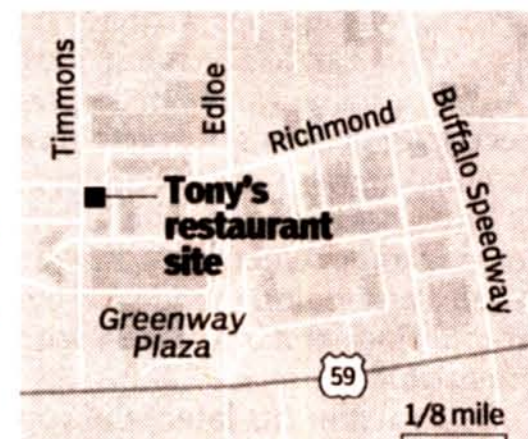
■ **Size:** 12,000 square feet

■ **Completion date:** January 2005

■ **Architect:** Shafik Rifaat

■ **General Contractor:** John Cibic and Leo Parker

■ **Etc.:** After about three decades, this Houston dining institution will move to Greenway Plaza from Post Oak Boulevard.



EDWIN LOUIE : CHRONICLE

"What's that?" is a weekly glance at significant real estate projects shaping Houston's future. Send ideas to nancy.sarnoff@chron.com.