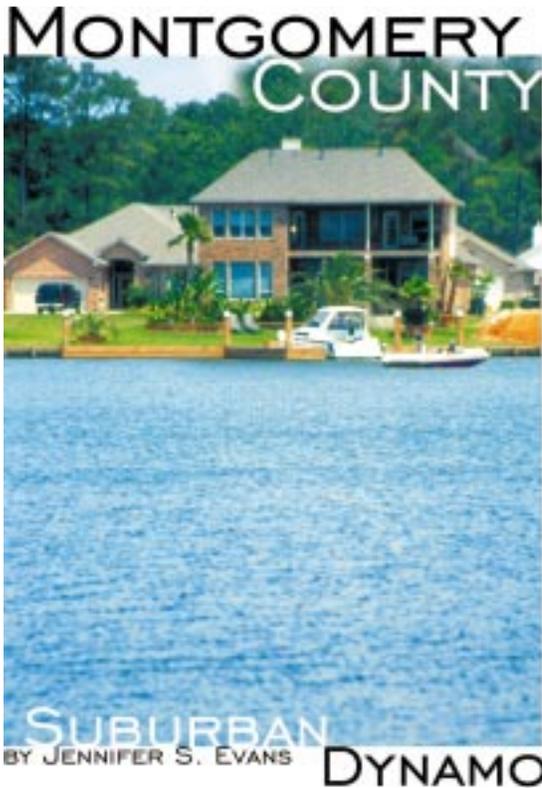


A Reprint from *Tierra Grande*, the Real Estate Center Journal



Rapid growth has occurred in the suburbs north of Houston with many new homes around Lake Conroe and The Woodlands.

**M**ontgomery County, just north of Houston, had a significant population increase from 1990 to 1998. The county had a 1998 population of nearly 271,800 after growing approximately 5.9 percent a year since 1990. This is partly attributable to The Woodlands, the fourth largest planned development in the nation. The increase also reflects substantial growth in Conroe, which increased 28 percent in the past eight years to a 1998 population of 35,353.

Montgomery County employment passed 123,700 in 1998, an increase of more than 4,000 jobs from 1997. Unemployment has remained low for several years. The 1998 county unemployment rate was 3.5 percent, down 0.5 percent from the previous year.

During 1998, Montgomery County added 3,705 new single-family units at an average value of \$141,100. This was up from 1997 when 3,110 new single-family units were built. Through the first half of 1999, more than 2,500 new homes have been permitted.

Most of the new single-family homes are located in The Woodlands and around Lake Conroe. The Woodlands sold 1,450 homes in 1998, more than any other Houston area development. Throughout the county, 4,173 homes were sold during 1998 at an average price of \$140,300.

As of June 1999, there was a 5.7-month inventory of homes for sale.

The rate of apartment construction slowed somewhat in 1998. Throughout the year, 998 apartment permits were issued in Montgomery County, compared to 1,210 in 1997. Construction has remained slow through the first half of 1999 with no units permitted.

The majority of apartment construction has been located within the Conroe city limits. Weingarten Realty Investors is constructing River Pointe Apartments, a 260-unit luxury apartment complex in Conroe. The apartments include a clubhouse and a 30-seat movie theater. The Woodlands has recently constructed Alden Landing Apartments, bringing the total number of apartment complexes in the development to seven.

Four new assisted-living centers have moved into Conroe while another is expanding. Two of the facilities are located on Longmire, one on Wilson and one in the River Pointe area. The assisted-living community in River Pointe is adjacent to the Montgomery County Regional Hospital.

Conroe has been bustling with public projects, according to Craig Lonan, city administrator. City officials are currently working on expanding water and sewer lines to extend the service area. In addition, the city is building a new police

station, service center, water tower and a park. Officials have plans to extend FM 3032 from I-45 to State Highway 105, and construction is expected to begin in 2000 or 2001.

According to city officials, new retailers include Target, Home Depot, Kroger, a car wash, a feed store and several fast-food restaurants. Much of the new retail activity has been concentrated along State Highway 105 and along Frasier.

In The Woodlands, new retailers continue to surround The Woodlands Mall. Alden Bridge Village Center is a new shopping center that has an Albertson's, Walgreen's and a number of other stores and restaurants.

The Woodlands Waterway is a 1.25-mile canal bordered by retail outlets and restaurants. The canal will connect The Woodlands Mall to Lake Woodlands, and boats will carry people from the Cynthia Woods Mitchell Pavilion to nearby restaurants. The first portion of the waterway is expected to be completed in two years. Also, several new motels have located near the giant development, including a new 120-unit Holiday Inn Express.

A number of office projects are underway in The Woodlands. A 35-story office building for Anadarko Petroleum is planned at I-45 and Lake Robbins Drive. The project is expected to be completed in 2002.

Hewitt Associates plans a 77-acre office campus near Lake Woodlands that will contain 1.3 million square feet. Hewitt plans to have 450,000 square feet available for occupancy by the beginning of 2000.

A 100,000-square-foot Class A office building is planned along I-45 near the development. Within The Woodlands, more than two million square feet of office space is available.

There has been considerable industrial activity in the Montgomery County. According to John Hagerman of Hagerman Construction, warehouse development is occurring in Conroe along Longmire Road and State Highway 105 East.

County officials expect strong continued growth as more office and industrial space is constructed around Conroe and The Woodlands. The area offers an attractive place to live and work in close proximity to the economic dynamo in Houston. ☐

*Evans is a research associate for the Real Estate Center at Texas A&M University.*

# REAL ESTATE CENTER

©1999, Real Estate Center. All rights reserved.

**Director**, Dr. R. Malcolm Richards; **Associate Director**, Gary Maler; **Chief Economist**, Dr. Mark G. Dotzour; **Senior Editor**, David S. Jones; **Associate Editor**, Wendell E. Fuqua; **Associate Editor**, Rhonda Snider; **Assistant Editor**, Kammy Baumann; **Art Director**, Robert P. Beals II; **Typography**, Real Estate Center; **Lithography**, Wetmore & Company, Houston.

**Advisory Committee:** Gloria Van Zandt, Arlington, chairman; Joseph A. Adame, Corpus Christi, vice chairman; Celia Goode-Haddock, College Station; Carlos Madrid, Jr., San Antonio; Catherine Miller, Fort Worth; Kay Moore, Big Spring; Angela S. Myres, Houston; Jerry L. Schaffner, Lubbock; John P. Schneider, Jr., Austin; and Jay C. Brummett, Austin, ex-officio representing the Texas Real Estate Commission.

**Tierra Grande** (ISSN 1070-0234), formerly *Real Estate Center Journal*, is published quarterly by the Real Estate Center at Texas A&M University, College Station, Texas 77843-2115.

**Subscriptions** are free to Texas real estate licensees. Other subscribers, \$30 per year, including 12 issues of *Trends*.

**Views expressed** are those of the authors and do not imply endorsement by the Real Estate Center, the Lowry Mays College & Graduate School of Business or Texas A&M University.