

Rommel Sanchez works on a cinder block wall in what will soon be a Target.
 STAFF PHOTO BY JOHN ROTTET

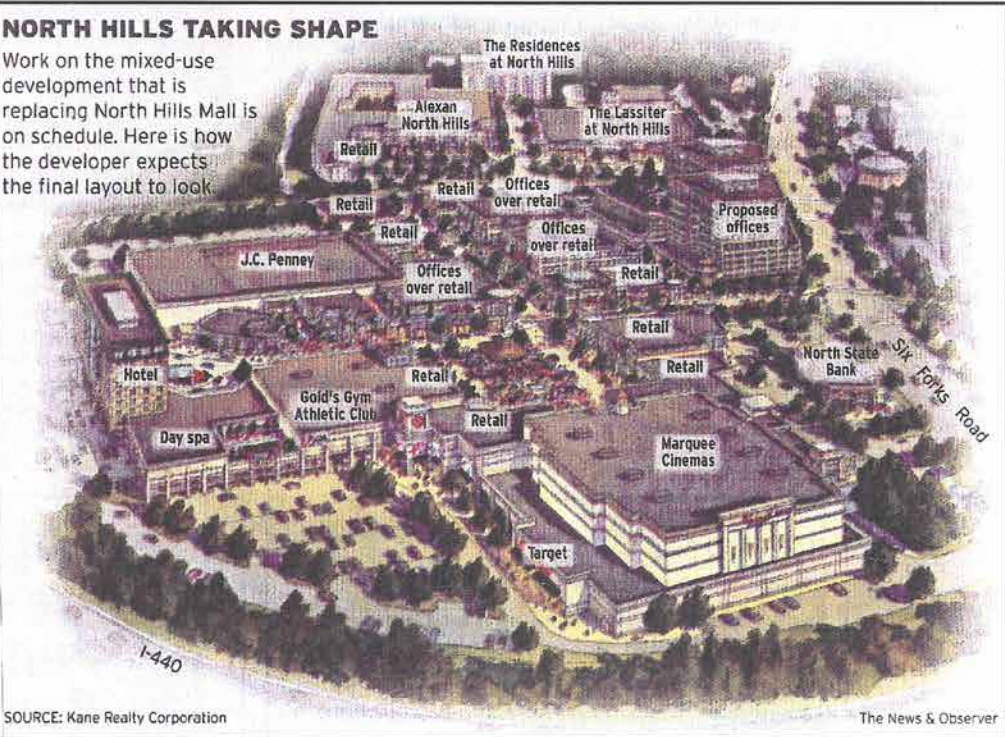
North Hills is on track for '04

AS CONSTRUCTION PROGRESSES ON HUGE PROJECT, DETAILS EMERGE ABOUT WHAT IT WILL LOOK LIKE

BY MELISSA DRAPER
 STAFF WRITER

NORTH HILLS TAKING SHAPE

Work on the mixed-use development that is replacing North Hills Mall is on schedule. Here is how the developer expects the final layout to look.



SOURCE: Kane Realty Corporation

The News & Observer

RALEIGH — Developer John Kane made 2003 a year to remember by demolishing North Hills Mall, a landmark that once drew visitors from throughout the Southeast.

Kane and his crew are poised to make 2004 equally memorable by opening North Hills, an urbanesque, mixed-use development where the Beltline and Six Forks Road meet.

The project's retail and office space will open this fall, and as the project progresses, new details are emerging about Alexan North Hills and The Residences at North Hills — the residential component that makes it a standout.

Though mixed-use developments are the trend now — various residential developments are in progress or planned in downtown Raleigh, including a 10-story condominium at Boylan Avenue and Johnson Street, off Glenwood South — North Hills will be the first to offer one-stop living north of the Beltline.

Construction crews will break ground on the Alexan in March, said Tom Barker, senior managing director for Trammell Crow Residential in Raleigh. The Atlanta-based company will build a four-story, \$30 million-plus luxury apartment building on Lassiter Mill Road, behind The Lassiter at North Hills.

The Alexan will have 40,000 square feet of retail space on the lower level, facing Lassiter Mill. Its closed-loop building design will feature 297 units, interior courtyards, a swimming pool

SEE NORTH HILLS, PAGE 4N

'It's a really fascinating project because it's part of a 45-acre redevelopment . It's going to give 297 units that are going to be living right there [an opportunity] to participate or to just have all those services and amenities and entertainment within walking distance.'

TOM BARKER

EXECUTIVE WITH TRAMMELL CROW

NORTH HILLS

CONTINUED FROM PAGE 1N

and an integrated garage that offers same-level parking on each floor and climate-controlled corridors leading residents from their vehicles to their front doors.

Kane calls it a "true, urban lifestyle." Barker calls it good business. He said that rents for the 650-to 1,100-square-foot apartments will probably range from \$800 to \$1,500, and he believes that the Alexan's poshness and the new North Hills setting will be a leasee-luring combination.

"There's nothing in town like this," Barker said, citing Charlotte and Atlanta as the nearest cities with comparable projects.

"It's a really fascinating project because it's part of a 45-acre redevelopment ... It's going to give 297 units that are going to be living right there [an opportunity] to participate or to just have all those services and amenities and entertainment within walking distance," Barker said.

The Alexan is scheduled to open spring 2005 and will be followed a little more than a year later by the opening of The Residences at North Hills, an eight-story condominium building being developed by Kane Realty on the north side of The Lassiter shopping center.

A street-level pedestrian crossing will connect the southern and northern sides of the entire North Hills project — which are bisected by Lassiter Mill — to facilitate walkability.

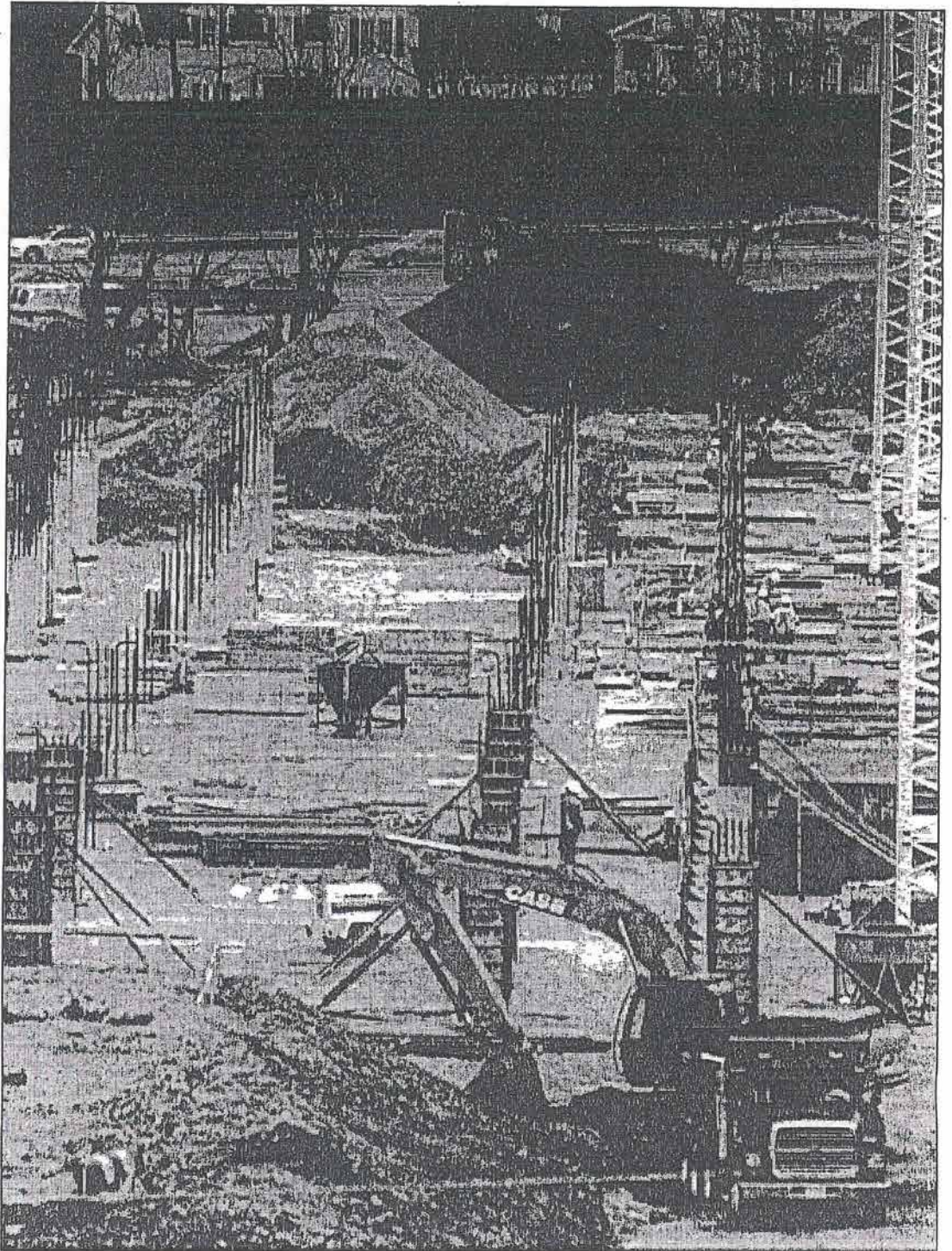
So far, the North Hills construction site bears little resemblance to the the open-air, European atmosphere that Kane is trying to create. Only the Target store on the backside of the project, facing the Belt-line, is enclosed, with steel atop it set for the 14-screen Marquee Cinemas.

But the visage will change soon. A mostly subterranean parking lot with 2,500 spaces is almost to the point that workers can begin building North Hills' plaza-level retailers and offices.

"In the next few weeks, you'll start to see this Main Street start to develop," Kane said, pointing to a pedestrian-friendly model of the project in the Kane Realty Corporation office, in the BTI building overlooking North Hills.

Restaurants and retailers covering 220,000 square feet will line the project's Main Street, and above that will be 124,000 square feet of class-A office space.

Add to the mix a day spa and a 30,000-square-foot health club, and you have a fuller picture of what will open in the fall.



Construction of the new North Hills is shown from the eighth floor of the BTI building, across Six Forks Road.

STAFF PHOTO BY JOHN ROTTET

Kane said that many people are surprised to hear the project is moving so swiftly.

"The weather's been very cooperative, which has been great ... It's been exciting," Kane said. "We've been able to keep it on the same timetable we've had it on all along, which doesn't typically happen with construction."

He said that 83 percent of the retail and office space is committed but wouldn't give names other than the restaurants already announced: Q Shack, Firebirds

Rocky Mountain Grill and Johnny Rockets. Additional tenants will be announced within a month or so, Kane said.

North Hills' final missing pieces are tandem nine-story office buildings fronting Six Forks Road and a 150-room hotel on the site's southwest corner, near J.C. Penney. Kane said that negotiations with hotel chains are ongoing, but plans for the office buildings have not been approved by the city. Getting those OKs will be the next step after a substantial part of the buildings' space has been released, he added.

For people who still have a hard time imagining what it will be like to visit North Hills this fall, Kane points to The Lassiter, which he redeveloped in 2001, and in doing so created a thriving, upscale hub of a neighborhood center.

"That's the kind of environment we're trying to create for the whole place — just more of that," he said.

Staff writer Melissa Draper can be reached at 836-4951 or mdrapar@newsobserver.com.