

Rod's Radio Show Notes

November 21st 2012

Next week I will not be around for the show.

Go to: www.rodnolespropertymanagement.com and click on radio notes and sign up to have them emailed each week. If you know of someone looking for rental space, apartments, homes, retail, office or industrial send them to www.rodnolespropertymanagement.com.

You can participate in the show by calling 318-442-8255 (talk) between 8:05 and 8:55 on Wednesday morning. Do not attempt to call Saturday this is our encore performance (fancy way to say taped).

I promised last year to shop at black Friday so I could function as a reporter about the event. Need our audience to call in and suggest what stores and what time I need to show up for the biggest crowds. I am new at this and it is not something that has me wrapped up with excitement. From the little reading I have done on the subject, it seems time has been moved up so if you call and tell me that I missed it that's quite alright.

Announcements and Travel:

75% of licensed real estate agents have not completed their required continuing education as of last Thursday per information from Louisiana Real Estate Commission meeting. We need 12 hours on continuing education with 4 mandatory in advertising and social media. A Realtor member needs an additional 2.5 hours of ethics instruction every 4 year as Realtor to renew National Association of Realtors membership. Also all licenses must be renewed by 12-31-2012 and 90% of people complete this task on line.

Good news regard E&O insurance if you list and sale your own house you will be covered on claims made basis in 2013 under our new policy.

Marilyn and I joined our son and his girlfriend for Tech-Utah game and watched Tech lose before crowd of 25,000 fans in over time. Great game and found my graduation brick to discover that I graduated in 1972 and not 1971.

Ken Moran Holdings, LLC (2426 Broadway Ave., Alex., LA 71302) to Harbor Metal Investment Co., LLC (700 S flower St. ,# 1100, Los Angeles, CA 90017) - Tract in Sec 42, T4NR1W, et al (2426 Broadway Ave., Alex., LA 71302), \$2,900,000.00. Barbara Bonnette

handled this auction and not sure if California Company plans to open roofing plant here or disassemble plant and sell land. If one of our listeners knows more please call.

Red River Bank of Alexandria is Expanding into South Louisiana:

An agreement was announced Thursday for Red River Bancshares Inc. to acquire Fidelity Bancorp Inc. Red River Bancshares is the holding company for Red River Bank. Fidelity Bancorp is the holding company for Baton Rouge-based Fidelity Bank. The merger is expected to be completed in the first quarter of 2013, subject to regulatory approvals. Fidelity Bank has \$126 million in assets, with about 50 employees at five banking centers in the Baton Rouge area. "Baton Rouge is one of the largest markets in the state and one of the most stable, dynamic markets," said Blake Chatelain, president and chief executive officer of Red River Bank. "We have a number of customers in that market. We have had a number of people ask us to come to that market." "This is an exciting day for Fidelity Bank customers and team members," said Fidelity Bank Chief Executive Officer Meg Anderson. "We look forward to a future of growth and expansion opportunities as a result of this partnership." The acquisition will give Red River Bank 20 banking centers -- including its current nine in Central Louisiana and six in the Shreveport-Bossier area, where the bank started expanding about six years ago.

Red River has \$1.1 billion in assets and 241 employees. The bank typically grows by about \$100 million a year, Chatelain said, so the acquisition of Fidelity won't be a huge gain, though it is somewhat outside the box. "Everything we've done in our history has been organic growth," Chatelain said. "We don't typically buy banks. But the more we spoke with Fidelity, the more it seemed like a good fit for both parties." While Red River -- the seventh-largest bank headquartered in Louisiana -- is expected to continue its pattern of growth, Chatelain said other markets are not specifically being targeted for expansion. "Any time we hear our customers say they would like to see us in their market, any time we hear other banks say there may be an opportunity in a market, we're going to look at it," Chatelain said. "But we like the markets we're currently serving." Question for our listeners what is the one and only bank Red River has purchased prior to Fidelity Bank?

---Online: www.redriverbank.net and www.fidelitybankbr.com.

P&G to Add 50 New Jobs:

Powered-detergent operations are being shifted from Augusta Georgia to Pineville Louisiana. In March, P&G completed a \$100 million expansion at its Pineville facility to enable the plant and the company to deliver one of its newest products, Tide Pods, which launched in February. The Pineville site, which opened in 1969, covers nearly 1 million square feet in building space on 112 acres. To secure the expansion, Louisiana offered P&G a performance-based grant of \$3.4 million to offset a portion of the costs for new training facilities, infrastructure and equipment, as well as use of the state's

Retention and Modernization Program, Jindal's office said. The company also is expected to make use of the state's Quality Jobs and Industrial Tax Exemption programs. In addition,

Bakery to close Loss of 250 Local Jobs:

I only know what is printed in Town Talk and Wall Street journal if any of our listeners know more please give us a call. Bakery opened in 1923 and hopefully judges requirement that management and union will work things out. If not hopefully another company will re-open our bakery.

England Authority Deals:

Zero deals done last week but several projects are near completion.

People not Property:

Richard Lipsey talk to Rotary club was just outstanding as young 23 soldier it was Richard's duty to stay with President Kennedy's body from touch at Andrews Air Force Base until the burial the details of this event some 49 years later was simply spell binding.

Louisiana soy bean Farmers who reported record harvest at yield of 44 bushels per acre on 1.1 million acres state wide. At price of \$14 per bushel that is gross income of over \$600 per acre revenue.

David Williams is now the former CEO at Rapides General and I met our new CFO Randy Rogers yesterday at CLEDA meeting. Wish David the very best at his new position.

Every Deal has a Tale / Tail:

Gates LP to Chad J & Pamela M McKay (305 Stovall Road, Alex., LA 71303) - Lot 1, Scottish Turn Subd., \$96,000.00. Jimmy Redfearin was listing agent sale is approximately \$4 psf

No Goats, LLC (1408 Peterman Dr., Alex., LA 71301) to William A Puckett, Jr. (201 West Bronson, Alex., LA 71303) - Lot 37, Metro-Plex Subd., \$225,000.00. William A Puckett, Jr. (201 West Bronson Dr., Alex., LA 71303) to Bank of America (600 N Cleveland Ave., Suite 300, Westerville, OH 43082) - Lot 37, Metro-Plex Subd. (1408 Peterman Dr., Alex., LA 71301), \$350,000.00. Facing Dr. Jeff Bergman building to the right two doors down from Dr. Gary Dewitt.

This is now the 5th small office that has sold in past several weeks, Pro Temp on Parliament, Upton, Draughon, and Bollinger office n Windermere, Alexander and Bolton Office on Jackson, and Lauve / Bussey law firm on Jackson. In addition lot on Legacy drive is most probably for development of a small office.

Weiland Enterprises, LLC (P O Box 1548, Alex., LA 71309) to The Union Bank (P O Box 39, Marksville, LA 71351) - Tract in Sec 47, T4NR1W, et al (713, 715, 717, 719, 721, 723 Toulouse St., Alex., LA 71301), \$1,151,646.83. Several Units at Village of Versailles.

Construction Contracts:

(+2.50) Rod's Economic Indicator Perfect Score is 5:

When top rating of 5 appears week after week I will share with our audience, that "Green Shots" is here and recovery is in full swing.

Legal Recorder Data:

Business days from time period of November 12th through November 19th Court house was closed on Veterans Day

- (1) Total of 40 closed deals for the week has positive score
- (2) At least one new home sale for the week has positive score
- (3) At least one subdivision lot sale for the week garners positive score
- (4) Number of lender sales in market place is less than 5% of the total market sales for the week.

(+1.25) Total Weekly Volume:

\$9,050,968 with 42 transactions highest sale was \$2,900,000 and lowest sale was \$14,000 and research covers 5 business days.

The housing market recovery should continue through the coming years, assuming there are no further limitations on the availability of mortgage credit or a "fiscal cliff," according to forecast presentations at a residential forum at the 2012 REALTORS Conference and Expo.

Lawrence Yun, chief economist of the National Association of REALTORS, said the housing market clearly turned around in 2012. "Existing-home sales, new-home sales

and housing starts are all recording notable gains this year in contrast with suppressed activity in the previous four years, and all of the major home price measures are showing sustained increases," he said. "Disruption from Sandy likely will be temporary, notably in New Jersey and New York, but the market is likely to pick up speed within a few months with the need to build new homes in damaged areas," Yun added.

Yun sees no threatening signs for inflation in 2013, but projects it to be in the range of 4 to 6 percent by 2015. "The huge federal budget deficit is likely to push up borrowing costs and raise inflation well above 2 percent," he said. Rising rents, qualitative easing (the printing of money), federal spending outpacing revenue, and a national debt equal to roughly 10 percent of Gross Domestic Product are all raising inflationary pressures. Mortgage interest rates are forecast to gradually rise and to average 4.0 percent next year, and 4.6 percent in 2014 from the inflationary pressure.

With rising demand and an ongoing decline in housing inventory, Yun expects meaningfully higher home prices. The national median existing-home price should rise 6.0 percent to \$176,100 for all of 2012, and increase another 5.1 percent next year to \$185,200; comparable gains are seen in 2014. "Real estate will be a hedge against inflation, with values rising 15 percent cumulatively over the next three years, also meaning there will be fewer upside-down home owners," Yun said. "Today is a perfect opportunity for moderate-income renters to become successful home owners, but stringent mortgage credit conditions are holding them back." Existing-home sales this year are forecast to rise 9.0 percent to 4.64 million, followed by an 8.7 percent increase to 5.05 million in 2013; a total of about 5.3 million are seen in 2014.

New-home sales are expected to increase to 368,000 this year from a record low 301,000 in 2011, and grow strongly to 575,000 in 2013. Housing starts are forecast to rise to 776,000 in 2012 from 612,000 last year, and reach 1.13 million next year. "The growth in new construction sounds very impressive, and it does mark a genuine recovery, but it must be kept in mind that the anticipated volume remains below long-term underlying demand," Yun said. "Unless building activity returns to normal levels in the next couple years, housing shortages could cause home prices to accelerate, and the movement of home prices will be closely tied to the level of housing starts." "Home sales and construction activity depend on steady job growth, which we are seeing, but thus far we've only regained half of the jobs lost during the recession," Yun said.

Also speaking was Mark Vitner, managing director and senior economist at Wells Fargo, who said the fiscal cliff is the biggest situation that needs to be addressed. "Beyond concerns about the fiscal cliff, the economic improvement seems to be broadening," he said. "Housing will strengthen in 2013 even if the economy weakens because there is a demand for more construction, and the demand for apartments is rising at a faster rate than the need for more single-family homes," Vitner said. "Unfortunately, apartment construction is focused on about 15 submarkets, so additions to supply will be uneven. Even with declining market shares of foreclosures and short sales, Vitner said they will

continue. "Distressed homes right now are like an after-Christmas sale most of the best stuff has been picked over, but make no mistake they'll be with us for a while."

Yun projects the market share of distressed sales will decline from about 25 percent in 2012 to 8 percent in 2014.

For more information, visit www.realtor.org.

(+1.25) Lot Sales:

To rank positive score need one sale per week, the market gave us five sales.

The Lake District, LLC (P O Box 12487, Alex., LA 71315) to Gregory B & Hope E O'Quin (2018 Horseshoe Dr., Alex., LA 71301) - Lots 85-A & 86-A, The Lake District, Phase 1, 4th filing, \$66,000.00

Lambert Recreational Properties, LLC (P O Box 215, Hessmer, LA 71341) to Wendy R Hyatt (820 Iberia St., Youngsville, LA 70592) - Lot 5-B, Elza Hebert Estates, \$42,000.00

Louisiana Conference Center of the United Methodist Church (2350 Methodist Parkway, Woodworth, LA 71485) to Marvin C Cassell (1945 Tom Cassell Road, Woodworth, LA 71485) - Lot 154, Country Club Place, Phase VI, \$36,500.00

Inspirational Properties, LLC (6211 Cobblestone Dr., Alex., LA 71303) to Mary A Pinkston (5703 Jackson St., Apt. 134, Alex., LA 71303) - Lot 98, St. Andrews Links Estates, Phase 3, \$33,000.00

(+1.25) New Home Sales:

Looking for one new home sale per week for positive score and market gave us 1.

Floyd C Hebert, Inc. (4033 Waterford Dr., Alex., LA 71303) to Donald R & Mary J Brown (5445 Provine Place, Apt. 1013, Alex., LA 71303) - Lot 95, Woodlake Subd., Phase V-B (184 Woodwind Dr., Pineville, LA 71360), \$250,150.00.

National survey shows builders more confident now than they have been in past 6.5 years or 78 month confidence high. . Lowe's reported surge in net income. Confidence indexes below 50 indicate negative sentiment and it last reached this level in 2006 lowest level was 17 so we have witness 29 point increase in pst several months. Seasonally adjusted annual rate of previously occupied homes is at 4.79 million still below 5.5 million that is consistent with a healthy market. Pace is 11% better than last

year at same time.

D.R Horton largest U.S home builder based on annual closings announces most profitable year since 2006. The Down Jones U.S Home Construction Index which tracks 7 builder stocks has risen about 80% this year.

Home Depot stock up 49%.

(-1.25) Lender Sales as Percent of Total Sales:

Rates positive score if lender sales are below 5% of total sales, the market gave us 9 sales with total volume of \$1,011,484 / \$9,050,968 = 11.18%

Federal National Mtg. Assoc. (14221 Dallas Parkway, Suite 1000Dallas, TX 75254) to Megan D Basco (502 Bayou Marie Road, Pineville, LA 71360) - Tract in Sec 23, T4NR1W (502 Bayou Marie Road, Pineville, LA 71360), \$18,900.00

Sec. of HUD (1670 Broadway St., 21st Floor, Denver, CO 80202) to Bradley D & Ashley M Pilcher (1813 Stanford St., Alex., LA 71301) - Lot 6, Sq 21, S A Guy Addn., \$64,900.00

Sec. of HUD (1670 Broadway St., 21st Floor, Denver, CO 80202) to Donna M Crooks (350 Flowers Road, Pineville, LA 71360) - Part of Lot A-2 of a resubdivision of Lot 50, Flaggon Hills Subd. (350 Flowers Road, Pineville, LA 71360), \$34,890.00

U S Bank (8480 Stagecoach Circle, Frederic, MD 21701) to Bino Real Estate, LLC (107 Hospital Dr., Oakdale, LA 71463) - Part of Lots 10 & 11, Blk 3, Shirley Park Addn. (3460 Wainwright St., Alex., LA 71301), \$84,000.00

Fannie Mae (14221 Dallas Parkway, Suite 1000Dallas, TX 75254) to Marcy B Lemoine (70 Town & Country Road, Alex., LA 71302) - 4.03 acres in Sec 16, T2NR2E (70 Town & Country Road, Alex., LA 71302), \$169,900.00

PNC Bank (3232 Ndeemark Dr., Miamisburg, OH 45342) to Federal National Mtg. Assoc. (P O Box 650043, Dallas, TX 75265) - Lot 20, Blk A, Kelley Land Subd. (1705 Tullamore St., Alex., LA 71303), \$37,667.00

Sec. of Veterans Affairs to Craig & Melissa Sikes (4037 Legacy Loop, Pineville, LA 71360) - Lot 101, Legacy Pointe Subd., Phase V (4037 Legacy Loop, Pineville, LA 71360), \$267,000.00

Sec. of HUD (1670 Broadway St., 21st Floor, Denver, CO 80202) to Mark K Funderburk (1823 Shannon Road, Alex., LA 71301) - Lot 84, Fourleaf Village (1823 Shannon Road, Alex., LA 71301), \$31,977.00

First Federal Bank of LA (2141 North Mall Dr., Alex., LA 71301) to Henry E & Darlene E Clark (417 Grant Dr., Ball, LA 71405) - Tract in sec 17, T5NR1E (0 Williford Road, Ball, LA 71405), \$302,250.00

Acreage sales:

Interest rates: 30 year rate was 3.47% this week is 3.41%, the 15 year rate was 2.85% this week it is 2.83%, the 5/1 ARM was 2.96% now 2.93%.

Indices

	Last	Last Week	YTD return %
DJIA	12542.38	12811.32	2.66%
NASDAQ	2836.94	2895.59	8.90%
S&P 500	1353.33	1377.51	7.61%
MSCI EAFE	1479.42	1503.15	4.73%
Russell 2000	769.48	793.65	3.85%

Consumer Money Rates

	Last	1-year ago
Prime Rate	3.25	3.25
Fed Funds	0.17	0.06
30-year mortgage	3.34	4.00

Currencies

	Last	1-year ago
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Dollars per British Pound	1.586	1.584
Dollars per Euro	1.277	1.354
Japanese Yen per Dollar	81.130	77.030
Canadian Dollars per Dollar	1.003	1.022
Mexican Peso per Dollar	13.257	13.549

Commodities

	Last	1-year ago
Crude Oil	85.45	99.37
Gold	1712.92	1781.65

Bond Rates

	Last	1-month ago
2-year treasury	0.24	0.29
10-year treasury	0.61	1.80
10-year municipal (TEY)	2.78	2.89