

Radio Show Notes November 30th 2011

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).

Attachments, Announcements, and Travels

I flew to Atlanta for Falcons and Vikings game with our son Jeff. Stayed in Buckhead area and Vikings Team was staying in our hotel. Took Marta from airport to hotel and then Sunday to the game and afterwards back to the airport for all of \$16. I-phone app has maps and satellite for exact time of next train. Site of SEC championship if you are going to the game best route is to take the Marta (cheap, reliable, and safe).

Want to hear some Black Friday stories from our listeners. My wife and her sister Ginger went to Wal-Mart at late in the evening and I still don't believe the stories they shared with us the next day. If you were there, give us a call at (318) 442-8255, next year I will be there "on assignment." Compare the experience I had in New Orleans on the eve of Mardi Gras to attending city court with young friend of our daughter who pleaded guilty to disorderly conduct and paid her fine. This was an event that deserved a short story.

People not properties

Jeff Matthews good job on all 11 stories about our city's neighborhood. Past week story about Enterprise road and Culpepper caused me to think "what can I do an investor to help this area?"

Kent House kudos as the Town Talk stated in Tuesday's paper, "the party started here" kick off for bicentennial was at the Kent House this past Tuesday. If one of our listeners were there please call in and tell us about the event.

Every Deal has a tale / tail

Dr. Rabie has moved into his new medical office directly behind Women's Hospital at Rapides General

3130 former Alexander and Alexander insurance office currently Brown and Brown is now for lease. This building has been a prime spot for an insurance office for nearly 50 years. Brown and Brown is moving to 4615 Parliament Drive next month.

Construction Contracts total of \$4,547,674

City of Alexandria and Griner Drilling Service, Inc. - Restoration of 4 urban water well sites, \$2,248,347.00

Louisiana College (1140 College Dr., Pineville, LA 71360) to Tudor, Inc. (1412 Centre Court, Suite 500, Alex., LA 71301) - Construction of 14,312 sq ft student housing, \$1,807,147.00

Kings Country Village, LLC (109 Northpark Blvd., Suite 300, Covington, LA 70433) to Tudor, Inc. (1412 Centre Court, Suite 500, Alex., LA 71301) - Construction of Rapides Medical, Kings Country Village, \$492,180.00

Bond for deed: (explain what this means)

Lee B Hamilton (8405 Plaintain Court, Arlington, TX 76002) to Sedrick & Amberly Porter (2312 Dogwood Lane, Alex., LA 71301) - Lot 12, Blk B, Martin Park Subd. (3903 Maywood St., Alex., LA 71302), \$134,000.00

(+3) 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. Only the measurement of lot sale ranked positive score and random sales one scored positive the other negative.

Legal recorder data

For five business days November 18, 21,22,23,28 with Thanksgiving I will report partial volume and number of sales multiple times in next two weeks.

- (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.
- (5) Two random residential sales compared to average prices for 2008, 2009 and 2010 that demonstrate increase prices.

(-1) Total sales

Looking for 40 closed deals from previous week market provided volume of \$2,505,384 with 27 sales. Sales during holidays are generally slow this season is no exception.

(-1) Random sales comparison

We track average sales price in certain subdivision for 2008 through 2010 and compare it to a sale this.

Larry J Dazart (339 Ian Johnson Road, Otis, LA 71466) to Scott A Baderstadt (2413 Linnwood Lane, Alex., LA 71301) - Part of Lot 35, Greenway Park (2413 Linnwood Lane, Alex., LA 71301), \$22,000.00. Only 4 sales in past three years average price \$23,875 sale we are tracking is lower at \$22,000 for negative score. This subdivision only has 57 lots total.

Sharon C Lee (610 Chandler Dr., Ball, LA 71405) to Glen R Davis (610 Chandler Dr., Ball, LA 71405) - Lot 24, Buena Vista Subd., \$76,000.00. Three sales since 2-7-2008 average price is \$90,166 sale we are tracking this week is \$76,000 hence negative score. This subdivision has only 21 lots located off Paradise Road.

(+1) New Home sales

Looking for a single sale this week for positive score the market gave us two

Fernwood Homes, Inc. (P O Box 1236, Glenmora, LA 71433) to Shawn S Gorham (308 Nickel Loop, Pineville, LA 71360) - Lot 16, Williams Lane North Subd., Phase II, \$137,500.00. Off of Highway 3128 Where is this?

V & V Builders, LLC (1223 MacArthur Dr., Alex., LA 71303) to Cui L Zheng, et al (199 West Bronson Dr., Alex., LA 71303) - Lot 328, West Pointe on the Bayou Subd., Phase XII (199 West Bronson Dr., Alex., LA 71303), \$262,000.00

(+1) Lot Sales or home site acreage

Only need one sale for positive score and this week the market gave us eight with 4 from developer's inventory

Vicky H Arnold (239 Williford Road, Ball, LA 71360) to Roy D & Gwendolyn A Schellenger (P O Box 309, Ball, LA 71405) - 4.824 acres in Sec 17, T5NR1E, \$10,000.00

Vanmol & Sons, LLC (P O Box 407, Woodworth, LA 71485) to Yasser A Ghannam (121 Lotus St., Pineville, LA 71360) - Lot 31, Ocho Rios Subd., \$29,000.00. 13 sales in past three years average price \$33,750 last two sales below \$30,000

Bocage Subdivision of Alexandria, LLC (P O Box 12846, Alex., LA 71315) to V & V Builders, LLC (P O Box 12846, Alex., LA 71315) - Lot 232, Bocage Subd., Phase V (5819 Hannah Dr., Alex., LA 71303), \$22,000.00

JTR of Louisiana, Inc. (P O Box 12275, Alex., LA 71315) to Rodney B Kinder (400 Tealwood Dr., Alex., LA) - Lot 153, Fairfield Subd., Phase IV (5235 Rue Maria), \$40,000.00

The Evangeline Bank (P O Box 12900, Alex., LA 71315) to D&J Development of Louisiana and Arkansas, LLC (P O Box 1719, Tioga, LA 71477) - Lot 8 & Tract B & C of Belle Chase Subd., \$85,000.00

James R Teddlie (618 Audubon St., New Orleans, LA 70118) to Blumenstock & Sons, LLC (886 Valentine Lake Road, Elmer, LA 71424) - Lots 7 & 10, Blk 2, A B Burns Subd. Ext. (618 Lallah St., Pineville, LA 71360), \$35,000.00

Ballina Farms, Inc. (P O Box 12487, Alex., LA 71315) to Larry Early & Delyle Baltzer (6422 Bayou Oaks, Alex., LA 71303) - Lot 166, Tennyson Oaks Subd., Phase 7B (TBD Taylor Oaks, Alex., LA 71301), \$57,000.00. Only 23 lots remaining in Tennyson Oaks 8 large lots are on the lake leaving only 15 traditional lots.

James A Franks, Jr. & Theresa B Franks (135 Sandy Lane, Marksville, LA 71351) to Jory P & Sheri T Franks (200 Sandy Lane, Marksville, LA 71351) - 11.797 acres in Sec 35, T2NR2E (200 Sandy Lane, Marksville, LA 71351), \$42,000.00

(+1) Lender total Sales

Score will be positive if lender sales are below 5% of total sales. This week the market gave us a volume of \$85,000 / \$2,505,384 = 4.54%3.39%

The Evangeline Bank (P O Box 12900, Alex., LA 71315) to D&J Development of Louisiana and Arkansas, LLC (P O Box 1719, Tioga, LA 71477) - Lot 8 & Tract B & C of Belle Chase Subd., \$85,000.00

Dept. of HUD (1670 Broadway St., 21st Floor, Denver, CO 80202) to Rantan Properties, LLC (411 Vickie Lane, Alex., LA 71303) - Lot 151, Acadian Village # 3, \$28,988.00

Interest Rates

30 year fixed is 4.04% was 4.02% the 15 year rate is 3.40% was 3.37%. 5/1 ARM is 3.00% was 2.99%.

FHA news

Congress voted to restore loan limits and maximum cap for FHA loan. This action reinstates the loan limit of 125 percent of area median price, up to \$729,750. Editorial this week in Wall Street journal asking "Is FHA the Next Housing Bubble?" article quotes Wharton real-estate finance professor Joseph Gyourko. Professor notes FHA's exposure has grown to \$1 trillion from \$305 billion in 2007 (Rod's comment this was not housing boom time frame) Law says FHA must have 2% capital reserve and they have less than .24%.

FHA has two internal projections (1) record payouts on loans they have backed as borrowers default and (2) \$9 billion of new business. FHA has exposure of \$1 trillion up from \$305 billion. Better job of underwriting in 2007 47% of borrowers had credit score of less than 620 but today that figure is 3.5% and average credit score is 700. FHA backs one-third of all new single family mortgages. FHA is moving toward market dominance and moving away from making housing affordable for lower income families. My concern is a lender who is growing their business with 5% down plan could not weather a down turn in private business.

Total USA debt

The country is working its way through deleveraging by (1) defaulting on loans (2) paying down debt and (3) smaller home loans at purchase or re-financing. July to September debt fell by .60% now at \$11.66 trillion keep in mind FHA has 10% of this total debt. If you take out real estate debt consumer debt rose 1.3% from previous quarter. The value of new mortgages appearing on credit reports fell 17% from the previous quarter and 24.7% from a year earlier. Rod's comment as to what is causing this demand for single family lows is down below 2000 level (turn back clock on that 11 years) (1) values are down (2) people are buying less expensive homes (3) new spec home is at nonexistence level (4) buyers are putting more money down (5) with cash earning less than 1% consumers are re-financing and putting cash into the deal earning 4% to 5% on their money and each payment reduces low balance faster.

LLC who are you

The Blue Vase Properties, LLC Mitizi Moreau Taylor (1401 Bonnabel Blvd., Metairie, LA 70005) to Jaunalito M James (1324 Chester St., Alex., LA 71301) - Tract known as 1324 Chester St., Alex., LA 71301, \$48,000.00

James R Teddlie (618 Audubon St., New Orleans, LA 70118) to Blumenstock & Sons, LLC David Blumstock (886 Valentine Lake Road, Elmer, LA 71424) - Lots 7 & 10, Blk 2, A B Burns Subd. Ext. (618 Lallah St., Pineville, LA 71360), \$35,000.00

Fernard John Boone (360 Cedar Lane, Marksville, LA 71351) to Seller's Rentals, LLC Curtis Sellers (13397 Hwy. 28 E, Deville, LA 71328) - Lot 2, Sq D, Crawford Addn. (209 24th St., Alex., LA 71301), \$25,500.00

Sterling C Bain, Jr. & Deborah R Bain (P O Box 250, Bunkie, LA 71322) to SCB, LLC Sterling C. Bain Jr. (807 Sterling Bain Road, Bunkie, LA 71322) - 3.89 acres in Sec 1, T1SR3E, \$165,000.00

Bellares Properties, Inc Christina B. Modares (11 Stokes Road, Pineville, LA 71360) to Rantan Properties, LLC Randy Michiels (411 Vickie Lane, Alex., LA 71303) - Lots 24 & 26, Blk 17, S A Guy Addn. (2222 North City Park Blvd., Alex., LA 71301), \$32,000.00

Ocho Rio Subdivision Study November 2011

- 02/21/2008 1806/394 1362744 Vanmol & Sons, LLC (P O Box 13392, Alex., LA 71315) to Chad W & Shanna L Futch (270 Lee Bridge Road, Pineville, LA 71360) - Lot 4, Ocho Rio Subd., \$35,000.00
- 08/15/2008 1820/789 1378035 VanMol & Sons, LLC (P O Box 13392, Alex., LA 71315) to Cooley Enterprises, LLC (6810 Masonic Dr., Alex., LA 71301) - Lot 16, Ocho Rios Subd., Phase I-A, \$39,500.00
- 08/26/2008 1821/494 1378872 Chad W & Shanna L Futch (405 Ocho Rio Dr., Pineville, LA 71360) to Erich L. Greer (270 Lee Bridge Rd., Pineville, LA 71360) - 8.00 acres, Sec 25, T2NR2E, \$42,000.00
- 08/26/2008 1821/500 1378875 Chad W & Shanna L Futch (405 Ocho Rio Dr., Pineville, LA 71360) to Andrew H & Charlotte W Jordan (11 W. Jordan Rd., Pineville, LA 71360) - 12.609 acres, Sec 25, T5NR2E, \$40,000.00
- 11/25/2008 1827/563 1385228 Vanmol & Sons, LLC (P O Box 13392, Alex., LA 71315) to Cooley Enterprises, LLC (6810 Masonic Dr., Alex., LA 71301) - Lot 49, Ocho Rios Subd., \$39,500.00
- 10/15/2009 1849/11 1409048 Vanmol & Sons, LLC (P O Box 13392, Alex., LA 71315) to Cooley Enterprises, LLC (6810 Masonic Dr., Alex., LA 71301) - Lot 37, Ocho Rios Subd. (814 Tyson Dr., Pineville, LA 71360), \$35,000.00
- 04/05/2010 1858/749 1419594 Vanmol & Sons, LLC (P O Box 13392, Alex., LA 71315) to Cooley Enterprises, LLC (6810 Masonic Dr., Alex., LA 71301) - Lot 3, Ocho Rios Subd. (406 Ocho Rios Dr., Pineville, LA 71360), \$32,000.00
- 08/06/2010 1868/926 1430827 Vanmol & Sons, LLC (P O Box 13392, Alex., LA 71315) to Cooley Enterprises, LLC (6810 Masonic Dr., Alex., LA 71301) - Lot 46, Ocho Rios Subd., Phase IB, \$30,000.00

09/28/2010 1872/443 1434736 Vanmol & Sons, LLC (P O Box 13392, Alex., LA 71315) to Cooley Enterprises, LLC (6810 Masonic Dr., Alex., LA 71301) - Lot 52, Ocho Rios Subd., Phase IB, \$30,000.00

11/18/2010 1875/508 1438288 L & H Enterprises of LA (P O Box 3145, Pineville, LA 71360) to Pamela G Lindsay (4411 Grantham Dr., Pineville, LA 71360) - Lot 47, Ocho Rios Subd., Phase 1B, \$30,000.00

02/03/2011 1880/329 1442953 Vanmol & Sons, LLC (P O Box 407, Woodworth, LA 71485) to Kasey L Leverich (P O Box 11, Hessmer, LA 71341) - Lot 1, Ocho Rios Subd., Phase 1A, \$30,000.00

04/08/2011 1885/177 1447399 L & H Enterprises of Louisiana, LLC (P O Box 3145, Pineville, LA 71361) to Lance C & Laurie M Lopez (1638 Donahue Ferry Road, Pineville, LA 71360) - Lot 45, Ocho Rios Subd. (0 Ocho Rios Dr., Pineville, LA 71360), \$26,750.00

11/22/2011 1901/337 1463672 Vanmol & Sons, LLC (P O Box 407, Woodworth, LA 71485) to Yasser A Ghannam (121 Lotus St., Pineville, LA 71360) - Lot 31, Ocho Rios Subd., \$29,000.00