

Rod's Radio Show Notes

February 15th 2012

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).

Announcements, Attachments and Travels:

I called from Las Vegas last week attending national meeting for NAI. 750 attendees from all over the nation showed up for conference at Caesar's Palace. Locally the commercial name of our company has changed from NAI Noles-Frye to NAI Latter & Blum. Since I am now a broker who list and sells commercial property the name change is much fairer for co-workers that I compete with .

Big news at the conference was a presentation by Andrew Farkas CEO of C-III capital. Mr. Farkas previously owned Insignia and Coldwell Banker Realty. His current company is 10 times larger than these former holdings. C-III capital has \$170 billion assets under management more than 18,000 loans with CMBS financing. Mr. Farkas is projecting 40% default rate majority due to "term default"

For next few weeks will share news from lectures and presentations at the conference with our listeners, hopefully you will find it interesting.

Mykoff Absorption Report:

690 homes on market as of January 1st 62 sold hence 11.1 month supply and 109 new ones came on the market. 690 is lowest supply of homes on the market in past 13 months. The number ranges from a high of 803 to previous low of 739. Volume is near 13 month low at 62 homes sold. Keep in mind we have 270 Realtors. The highest month is 113 and previous low 51 last February

\$400,000 and up price range 28 homes on the market 3 sold 9.3 month supply 1 new home came on the market

\$250,001 to \$400,000 70 homes on the market 3 sold 23.3 month supply 12 new one came on the market

\$150,001 to \$250,000 192 on the market 16 sold 12 month supply 32 came on the market

\$150,000 under price range 400 on the market 40 sold 10 month supply 64 came on the market.

Photo of \$2,000,000 home with view from the lake Rose has former Paul White house at Kincade for sale. This is the first time in our company's history that we have two homes at \$2,000,000 for sale. Former Morgan Walker home on Horseshoe the Evergreen Plantation nearly 9,000 sf of renovation historical property and 8.95 acres. Both properties are over the top beautiful.

Realtor Meeting flyer announcing March 1, 2012 Legislative Outreach meeting

People not Properties:

Chad Bailey new director at Arna Bontemp

Ray Proctor MMR group director at Esler Field 10,000 sf warehouse and 3,000 square foot office relocated from Baton Rouge shared effort with Crest Industries.

Tommy Antoon mayor's appointment to England Authority replacement of Lance Harris, in my opinion great appointment.

My assistant Priscilla Perry attended first CCIM class 101 in Dallas last week and I am proud to report she scored 96% on her exam. Her finance has his CCIM designation and so does her future mother in law but I am curious did either of them score higher than Priscilla?

Every Deal has a Tale / Tail:

Charles R & Maidie M Layssard (271 McGlothin Road, Lena, LA 71447) to Edgar Cason (419 Shop Road, Coushatta, LA 71019) - 230 acres in Sec 57, 23 & 24, T2NR1E, \$460,000.00. This is \$2,000 per acre but from legal recorder cannot tell if the farm has improvements. Paul Maxwell was talking with Colt James at Trustland and during the inquiry of whether Colt had some good listing. Colt was quoted as saying, "I have 50 buyers for every good farm property that might come on the market this year.

Chome & Phounsavanh X Riengxay (12149 Hwy. 165 S, Glenmora, LA 71433) to Plantworx Nursery, LLC (226 Gunter Road, Pineville, LA 71360) - 14 acres in Sec 19, T1NR1W, \$119,000.00. First nursery sale we have seen in long time. For many years no one would sale because business was so good now few can sell for business is so bad.

P S Franklin, Ltd. (1720 Harrison St., 7th Floor, Hollywood, FL 33020) to McDaniel Foods of Tioga, LLC (404 Wall St., Columbia, LA 71418) - 6.377 acres in Sec 26, T5NR1W, \$1,400,000.00. This sale was with 100% owner financing at 3.5% interest 15 years with payments around \$10,000. Some of best retail deals in past couple of years have been done by Mac Fresh Market owner.

Construction Contracts:

State of LA Military Dept. to T L Construction, LLC (5700 Eddie Williams Ave., Alex., LA 71302) - Improvements to West Range Road, Phase II, Camp Beauregard, \$223,545.00

(+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 five business days from time period of February 6th through 10th

- (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, 2010, and 2011 that demonstrate price direction.

(-1) Total sales: looking for 40 closed deals from previous week market provided volume of \$3,409,308 with 20 sales (if you deduct Mac Market sale of \$1,400,000 we are looking at \$2,009,308 in weekly volume which represents a dearth of activity). Six weeks into a new year and we have witness two weeks with \$2,000,000 or less in volume.

(+1) Random sales comparison: We track average sales price in certain subdivision for 2008 through 2011 and compare it to a sale this.

Katherine S Rachall, et al (1704 Magnolia Dr., Alex., LA 71301) to NoMo, LLC (4615 Parliament Dr., Suite 100, Alex., LA 71301) - Lot 179A, Grundy Cooper Subd. (5628 Benjamin St., Alex., LA 71303), \$100,000.00

2008 sales totaled 8 with volume of \$721,557 and average sales price being \$90,194

2009 sales totaled 11 with volume of \$1,067,000 and average sales price being \$97,027

2010 sales totaled 10 with volume of \$1,028,900 and average sales price being \$102,890

2011 sales totaled 6 with volume of \$442,500 and average sales price being \$73,750

2012 sales so far has been only one at \$100,000

Average price over 37 sales has been \$90,809

W Ross & Elizabeth E Foote (3420 Calument Dr., Shreveport, LA 71107) to Shirley W & Elizabeth F Trammell (1678 South City Park Blvd., Alex., LA 71301) - Part of Lots 2-4, Blk 3, Park Place Subd. (1678 South City Park Blvd., Alex., LA 71301), \$360,000.00

2008 sales totaled with volume of \$285,000 and average sales price being \$285,000

2009 sales totaled 4 with volume of \$ 669,000 and average sales price being \$167,250

2010 sales totaled 2 with volume of \$145,000 and average sales price being \$72,500

2011 sales totaled 3 with volume of \$468,000 and average sales price being \$156,033

2012 sales totaled one so far at \$360,000. With only 11 sales in past four years average price is \$175,181

Real Estate Weekly: La. home sales end 2011 up 4.8% on the year Riding an 11.7% increase in the fourth quarter, home sales across the state ended 2011 up 4.8% over 2010 figures, according to Louisiana Realtors. The average sales price was \$180,846 in 2011, down 1.8% from the previous year. The Houma-Thibodaux market saw the largest increase in sales in the state, up 18.9% over 2010; followed by Lake Charles, up 9.5%; the Greater New Orleans metro area, up 9.3%; and the Greater Baton Rouge area, up 3.7%, which is slightly higher than the roughly 3.3% sales growth the Greater Baton Rouge Association of Realtors reports for 2011. Both the state and local associations lump eight parishes into the Baton Rouge region; the state association, however, includes St. Helena Parish and excludes Livingston Parish, while the GBRAR does the opposite. GBRAR reports a larger average sales price locally than the state average in 2011, at \$190,245, but it was nonetheless down about 2.7% from the year previous. According to Louisiana Realtors, the northwest part of the state was the lone area to see sales declines in 2011, with the Shreveport-Bossier City area down 3.7%. Monroe was the only area to see sales slip in the fourth quarter (down 4.7%), but still ended the year up 2%; in contrast, a strong fourth quarter for the Alexandria area (up 4.4%) pushed 2011 sales over 2010 figures by a scant 0.3%. Lafayette ended the year up 2.9%. Central La. not mentioned in this study.

(-1) New Home sales: Looking for a single sale this week for positive score the market gave us zero

(+1) Lot Sales or home site acreage: Only need one sale for positive score and this week the market gave us five sales four of which were from developer's inventory.

DONK, LLC (1580 Hwy. 115, Deville, LA 71328) to Douglas D & Teresa B Airhart (286 Northwood Lane, Natchitoches, LA 71457) - 1.76 acres in Sec 17, T4NR1E, \$26,000.00

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 245, Bocage Subd., Phase V (5926 Hannah Dr., Alex., LA 71303), \$22,000.00

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 241, Bocage Subd., Phase V (5902 Hannah Dr., Alex., LA 71303), \$22,000.00

New Way Investments, LLC to Mary E Skains (6046 Twin Bridges Road # 52, Alex., LA 71303) - Lot 1, Tylin Acres in Sec 47, T4NR3W, \$55,000.00

Rogelio C & Maria A Patino (7 Birdie Carter Road, Forest Hill, LA 71430) to James B & Melissa A Wilson (124 Fish Hatchery Road, Forest Hill, LA 71430) - 1.24 acres in sec 12, T1NR2W, \$17,000.00

(+1) Lender Total Sales: rates positive score if lender sales are below 5% of total sales, this week market gave us zero. Big foreclosure news is Billy Gunn story of Whitney Bank lawsuit with Ken Moran.

Interest Rates: 30 year fixed is 3.84% was 3.88% the 15 year rate is 3.16% was 3.21%. 5/1 ARM is 2.84% was 2.88%.

La. restaurants expected to lead industry growth this year
Despite sluggish recovery in the nation's economy at large, the restaurant industry is projected to tally record sales in 2012, according to the National Restaurant Association's 2012 Restaurant Industry Forecast. Total sales are expected to reach a record high of \$632 billion in 2012—a 3.5% increase over 2011—making it the second consecutive year that industry sales top \$600 billion. Of the nine U.S. regions into which the NRA is divided, the Southwest—which includes Louisiana, Texas, Oklahoma and Arkansas—is forecast to lead the sales growth, with a projected 3.9%. According to NRA data, Louisiana's restaurants hit \$6.2 billion in sales last year, and the 182,200 people working in the industry

