

Rod's Radio Show Notes March 7th 2012

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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:

People not Properties:

Sony Gilbert's birthday party in Sicily Island Mr. Gilbert is retired State Senator celebrating 90th birthday told me about \$23,000,000 sale in Concordia and Franklin Parish buyer was from South America I have emailed J.J Keeth with Mossy Oak Properties to tell me more about the sale.

Franklin (Mike) Haas Mikell funeral today at Saint James Episcopal Church today at 3:00. Mike was a prominent businessman in Central La. he loved the land and his family great combination.

Guest Scott Wallace to share with us details about Home Builders show in March 24th and 25th

Malcolm Young LRA executive director and Rick Roberts 2012 state president where in town last Thursday for legislator thank you and update on industry. Function was coordinated by Rhonda Reap Curriel and our turn out was much better than some of the larger markets. Good job Rhonda.

Huey Long, I want to quote the result from his highway study where he was quoted as saying, "I have discovered with our priority study that the experts have determined the most important highway in the state is the one that runs in front of your property." What made me remember this is work on culverts at Lodi road got me to wondering if this was the beginning of roundabout for that intersection. Also removing a crossing is an emotional issue with positions on both sides of the road. Wait and see what happens on 28 West when DOTD begins to remove most of the cross over connections. Road work always causes temporary traffic problems. Pineville has half a dozen in the pipeline Claiborne is under way now \$1.3 million with Progressive and other streets are east and west Shamrock, Donahue Ferry, Jefferson Highway, and Bragg Street.

Every Deal Has a Tale / Tail:

141 sales in February total volume of \$16,000,000. Contrast last month against first four days in March \$5,714,130 and one might expect \$28,000,000 closed

deals by end of March. I am predicting \$25,000,000 with four day sample which is 78% increase. The three most important things about real estate is What? *Location, location, location is not the answer today it is Hold on, hold on, hold on.*

Douglas M Hatch (17740 State Hwy. 16 N, Medina, TX 78055) to Roy O Martin Lumber Co., LLC (P O Box 1110, Alex., LA 71309) - 10 acres in Sec 27, T2NR4W, et al, \$20,000.00

Cynthia D Derrick, et al (456 Isiah Hallman Road, Gilbert, SC 29054) to V & V Properties, LLC (1223 MacArthur Dr., Alex., LA 71303) - 45.96 acres in Sec 57, T4NR2W, et al, \$500,000.00. Joe Bruyninckx estate Rose Steepleton listing Image One sale.

Family Counseling Agency, Inc. (1605 Murray St., Alex., LA) to Saint James Episcopal Church Alexandria, LA - Tract fronting Murray St., Alex., LA, \$60,000.00.

Baco Realty, Inc. Speedy Bancroft (3 Bancroft Circle, Monroe, LA 71201) to RDK Properties, LLC. Brent Pearson (1423 Lee St., Alex., LA 71301) - Part of Lots 9-12, R C Baker Subd., \$225,000.00. Paul Stich listing agent old Bancroft Building on Industrial.

Pavilion Plaza, LLC (P O Box 12993, Alex., LA 71315) to Bake Your Day, LLC (5317 Jacquella Dr., Alex., LA 71301) - Tract known as 4722 Jackson St., Alex., LA 71303 for 2 years \$1,650.00 monthly. Corner of Jackson and MacArthur

Willow bench meeting Place: flyer in the mail this week a very professional piece promoting 638 Main Street in Pineville an old building but new facility for meetings, and receptions. Would appreciate drive by reporters giving us a call with more details about this new business.

Thought it was just me. At recent convention trip in Vegas I told my wife it seems like so many more people have tattoos. See page 16 March 9th issue of "The Week" magazine are the results of tattoo study. Ink this one "Americans with tattoos rose from 14% to 21%. Women are more likely to be inked than men.

64 the number of years it has been since the NFL played a Wednesday night game. September 5th is opening game this year on a Wednesday to avoid conflict with Democratic National Convention.

(5) 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:

Five business days from time period of February 27th through March 2nd.

- (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 subdivision sales compared to averages for 2008, 2009, 2010, 2011, and year to date for 2012.

(+1) Total weekly volume:

Best week this year 50 closed deals total volume \$7,014,016. One home deal north of \$700,000 and one land deal for development above \$500,000. If you pull those two big sales our total volume is \$5,814,016 still best week of the year.

Economists Bump up Some Forecasts as Optimism Rises

Economists are increasingly confident that some pillars of the U.S. economy will improve this year, though they remain cautious when it comes to the overall pace of economic growth. The National Association for Business Economics announced today forecasters have raised their expectations for employment, new home construction and business spending this year. But they held on to their average prediction that America's gross domestic product will grow at a rate of 2.4%. That's an improvement from 2011, when economists believe the economy grew 1.6%. The NABE Outlook Panel of 45 economists was surveyed between Jan. 26 and Feb. 8. The economists forecast unemployment will remain at 8.3% this year, which is lower than the 8.9% forecast from November. The economists expect job growth to accelerate next year, and forecast the unemployment rate will fall to 7.8% in 2013. GDP growth needs to be above 3% to significantly lower unemployment. Other 2012 forecasts from the most recent NABE economic survey include:

- Builders will break ground on 700,000 homes this year, up 15% compared with 2011.
- Business spending will increase by 8.1%, including 3.5% growth in the industrial sector.
- Spending will increase just 2.1%, which is well below the historical average of 2.8%.
- Exports will grow by 4.6%, down from a November prediction of 6.1%.
- Imports will grow by 4.3%, also down from the November forecast of 4.3% growth.

Random Home Sales for the Week:

Douglas S & Lesley A Gathright (4113 Waterford Dr., Alex., LA 71303) to Guy P & Beverly A Porto (5122 Mallard Dr., Alex., LA 71303) - Lot 88, Hunters Grove, Phase II (5122 Mallard Dr., Alex., LA 71303), \$225,000.00. Positive score see numbers below

2008 sales totaled 2 units total volume \$436,500 and average price of \$218,250
2009 sales totaled 1 unit total volume \$215,000 and average price of \$215,000
2010 sales totaled 3 units total volume \$604,250 and average price of \$201,416
2011 sales totaled zero
2012 year to date 1 at \$255,000

Thomas E Tucker (1267 Philadelphia Road, Deville, LA 71328) to Gwendolyn J Cintron (216 Dawn Dr., Pineville, LA 71360) - Part of Lots 73 & 74, Sioux Hills Subd., \$125,000.00. Positive score see numbers below

2008 sales totaled 3 units total volume \$549,500 and average price of \$183,166
2009 sales totaled 3 units total volume \$490,000 and average price of \$163,333
2010 sales totaled 1 unit total volume \$125,000 and average price of \$ 125,000
2011 sales totaled zero
2012 year to date 1 sale at \$255,000

(+1) New Home Sales:

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

V&V Builders, LLC (1223 MacArthur Dr., Alex., LA 71303) to Jonathan H Peyton (200 West Lauren Dr., Alex., LA 71303) - .328 acres in Sec 22, T3NR1W (200 West Lauren Dr., Alex., LA 71303), \$490,000.00

(+1) Lot Sales or Home Site Acreage:

Only need one sale for positive score and this week the market gave it to us.

West Pointe on the Bayou, LLC (P O Box 12846, Alex., LA 71315) to V & V Builders, LLC (P O Box 12846, Alex., LA 71315) - Lot 356, West Pointe on the Bayou Subd., Phase XII (208 West Bronson Dr., Alex., LA 71303), \$22,000.00

Russell W Day (236 Mudge Road, Boyce, LA 71409) to Tina M Price (120 Russ-T Lane, Ball, LA 71405) - 3 acres in Sec 18, T5NR1E, \$10,000.00

Lynn W Marler to DONK, LLC (1580 Hwy. 115, Deville, LA 71328) - 3.4 acres in Sec 18, T3NR3W, \$30,000.00

Scotty L & Jennifer D Whittington (P O Box 155, Turkey Creek, LA 70585) to Charles D Jones (13 Fields Road, Forest Hill, LA 71430) - 5.03 acres in Sec 17, T1NR1W, \$30,000.00

(+1) Lender Sales as Percent of Total Sales:

Rates positive score if lender sales are below 5% of total sales, this week market gave us three sales with total volume of \$199,900 / \$7,014,016 = 2.85%

Federal Home Loan Mtg. Corp. to Wayne Ryder (406 Highland Dr., Pineville, LA 71360) - Lot 45, Third Section of Meadowdale Subd., \$58,000.00

J P Morgan Chase Bank (7255 Baymeadows Way, Jacksonville, FL 32256) to Federal National Mtg. Assoc. (P O Box 650043, Dallas, TX 75265) - 1 acre in Sec 3 & 4, T3NR1E (7676 Hwy. 1 S, Alex., LA 71302), \$77,000.00

Federal National Mtg. Assoc. (14221 Dallas Parkway, Suite 1000, Dallas, TX 75254) to Leif R Bruner (7676 Hwy. 1 S, Alex., LA 71302) - 1 acre in Sec 3 & 4, T3NR1E, \$64,900.00

Interest Rates:

30 year fixed is 3.86% was 3.85% the 15 year rate is 3.15% was 3.14% 5/1 ARM is 2.78% was 2.82%. Even with low rates mortgage applications are down 10% from same time last February.

FDIC: Bank earnings hit 5-year high in 2011

A surge in bank earnings at the end of last year made 2011 the most profitable time for the industry in five years. More earnings and fewer troubled banks suggest the industry has healed since the 2008 financial crisis. The Federal Deposit Insurance Corp. says bank earnings rose in the October-December quarter to \$26.3 billion: That's 23% higher than earnings in the final quarter of 2010. About 63% of banks reported improved earnings. Only 19% were unprofitable. For the year, earnings hit \$119.5 billion—the most since 2006. The number of banks on the FDIC's confidential "problem" list fell in the fourth quarter to 813, or around 11% of all federally insured banks. That compares favorably with 844 troubled banks in the previous quarter.

Mortgage activity for the week: Total mortgage loans were 49 with closed volume of \$7,551,620 / \$7,014,016 = 1.08 ratio of loans to sales.

LA. Ranked No. 2 for New Firms, No. 10 for Mature Firms:

Louisiana is one of just two Southern states to rank in the top 10 for new and mature firms in an analysis released today by the Tax Foundation and KPMG that examines business tax burdens in each state. Louisiana Economic Development says the report indicates Louisiana's business tax competitiveness has improved significantly over the past few years, as exemplified by the pair of top 10 rankings. The study, called "Location Matters: A Comparative Analysis of State Tax Costs on Business," presents state/local tax burdens for seven firm types, including corporate headquarters, research-and-development facilities, retail operations, call centers, distribution facilities, capital-intensive manufacturers and labor-intensive manufacturers. Financial data, tax rates, exemptions and incentives for the 50 states were then applied to both new operations and pre-existing businesses. A 2002 study by the Public Affairs Research Council of Louisiana—which ranked Louisiana 10th of 12 Southern states for business tax competitiveness—utilized a largely similar approach.

Louisiana's No. 2 ranking for new firms and No. 10 ranking for existing, or mature, firms in the new report represents a significant improvement. Aside from Louisiana, Georgia was the only other Southern state to break into the top 10 in two categories in the Tax Foundation and KPMG study,

All Areas of the Country Show Growth, Fed Reports:

The U.S. economy started the year off well with busier factories, higher retail sales, more jobs and growth in home sales, according to a new publication from the nation's central bank. The Federal Reserve says all 12 of its banking districts reported some level of growth in January and the first half of February.

Manufacturing output rose in all districts. Auto manufacturing, steel makers and other metal producers all reported strong growth. Home sales increased in at least half of the districts, a notable improvement on the Fed's last report in January. Some manufacturers did express concerns about Europe's financial crisis, the Fed says in its report, known as the Beige Book. The Beige Book is released eight times a year. The findings from each of the Fed's regional bank districts are all anecdotal; there are no numbers. The closest regional district for Louisiana is Dallas, which attests to moderate economic growth over January and February and a mostly positive outlook.