

Rod's Radio Show Notes

April 25th 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).

Every Deal has a Tale / Tail:

Vacant Burger King on 28 East is under contract sale has not closed but my taste buds tell me it is another fast food restaurant.

Rosters across from Harley Davidson is closed but the building will not be vacant long good location and lot of retail business can use 10,000 square foot building across from Wal-Mart and on road with good entrance to nearly 2,000,000 square feet of retail activity.

Razor's Edge "Hot news" not sure what to call this segment would ask our listeners to call in with suggestions 318-442-8255. Winner gets a free shoe shine from Charlie (don't just stop in and tell Charlie to bill me. I will call him)

\$57,000 in Clerk of Court fees to record a super pile of oil and gas leases.

Jena Indians casino at Creola is under construction heard about it during my hair cut and I drove out to see for myself. Entrance road is probably one half mile, large site is cleared and concrete trucks were pouring pilings.

B.A.S.S masters only source better than my barber shop: Toledo Bend # 15 in the nation and Red River # 47 complete list go to www.bassmaster.com/news/100-best-bass-lakes

The Alexandria area led the nation in earnings growth over a recent six-month period, according to a report issued from a leading site selection firm. Garner Economic LLC

recently released the report measuring earnings in 372 U.S. metropolitan areas using data from the U.S. Bureau of Labor Statistics. The Alexandria Metropolitan Statistical Area experienced 33 percent growth in annual earnings in the six-month period through February - - tops of any MSA in the U.S. The Alexandria area had average weekly earnings of \$792 in February, placing 70th in the country and ahead of some of the bigger urban areas in the country, including Miami, Pittsburgh, San Antonio, Cincinnati, Cleveland and Las Vegas. Houma-Thibodaux (\$986), New Orleans (\$869) and Lake Charles (\$859) placed in the top 50 among MSA's in weekly earnings. The gains in the report are largely a result of expansions or replacing jobs lost during the recession at companies such as Procter & Gamble, Union Tank Car and Crest Industries. Improving entrepreneurial efforts and the Fort Buhlow Bridge construction project have also contributed, Clinton said.

Tudor wins bid for new city fire station on 28 West low bid was \$2,179,500 could possibly mean lower insurance rates for West side of town. It would certainly mean higher rates without a fire station in west part of town. City owns 50% of parking area between National Guard and Coliseum with the Parish.

People not Properties:

Anthony S. D'Angelo age 94 former public works director in Lanier administration passed away last month. Tony was great to work with and we appreciate his service of 30 years in U.S Navy and several years of public service in city of Alexandria.

Larry W Jeane is d/b/a Red River Landing BBQ (175 Northwood Dr., Pineville, LA 71360)

Gary Perkins executive director of BAS will appear on this morning's show for major business announcement. I hope Gary is not going back into the restaurant business.

Ed Larvadain city councilmen must have wondered when he saw story about blighted house in Town Talk front page Friday 20th "what can I do about house falling in next door to my office?"

Kirk Savoy former Menard picture for accepting God grace for recovery from drug addiction. Redemption is a beautiful thing and drug addiction is so ugly for everyone it is hard to describe. Our son Jeffery once described it a "knife fight with the devil in a phone booth." Kirk Savoy is now back in school pitching for LSU-Eunice our son Jeffery is certified drug rehab

counselor in Rayville, Louisiana.

Construction Contracts:

Our Lady of Prompt Succor Catholic Church (401 21st St., Alex., LA 71301) to Ratcliff Construction Co., LLC (1715 England Dr., Alex., LA 71303) - Our Lady of Prompt Succor Catholic Church-Family Life Center Project, \$2,222,900.00

LA Division of Administration to Central Electric Co. of Alex., Inc. (P O Box 7704, Alex., LA 71306) - Emergency generators & related work, Pinecrest Supports & Services Center, \$858,000.00

Announcements, Attachments and Travels:

I spent Thursday afternoon and Friday morning helping one of the owners of Vintage Properties my friend Alvin Childs in his garden on land that is border by Texas, Desoto Parish, and Caddo Parish. Drove through town of Ketcha (not sure of spelling).

Brief Quarterly Report from ResiReports for Q1 2012:

Apartments National Vacancy at 4.9% locally Paul White new apartments at Pine Highland look great. Office vacant on national basis is down only 10 basis points to 17.2% and locally largest recent lease is Plaza 28 by Maurice Hebert with 7,000 square foot lease. McKesson building lease expires in July 117,000 square feet of great like new space. First quarter for decrease vacancy in retail space since 2Q 2005 locally we did not over build but seems like more space is empty for longer periods of time.

(4.5) 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 April 16th through April 20th

- (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 Was:

Closed transactions totaled 29 with volume of \$3,612,325 which gave us a negative score for the week.

(.50) Random Home Sales for the Week:

John M & Stephanie W Neal (4036 Huntwick Blvd., Alex., LA 71303) to Ryan C & Jillian L Donaghey (2070 Iris Park Dr., Pineville, LA 71360) - Lot 24, Iris Park Subd., \$157,000.00. Only 7 sales in over 4 years and sale we are tracking does not indicate decline in average value price, hence a positive score.

2008 total sales were 3 the average price was \$120,000 the lowest price, \$114,000 and the highest price \$130,000

2009 total sales were zero.

2010 total sales were 3 the average price was \$159,966, the lowest price \$134,900, and the highest price \$165,000

2011 total sales were zero sales.

2012 total sales year is one at \$157,000

Joe M Reeves (858 S Clearview Parkway # 126, River Ridge, LA 70123) to Sandra G Chambley (121 Seneca Court, Pineville, LA 71360) - Lots 16 & 17, Sioux Hills, Unit 4, \$175,500.00. In past 4 years market has witnessed 13 sales with average price of \$160,307. Three years sales have trended down but sale this week is back near 2008 average for subdivision positive score.

2008 total sales were 3 the average price was \$183,166, the lowest price \$151,500, and the highest price \$210,000

2009 total sales were 4 the average price was \$160,750, the lowest price \$117,000, and the highest price \$215,000

2010 total sales were 2 the average price was \$147,500, the lowest price \$140,000 and the highest price \$150,000

2011 there was a single sale at \$150,000

2012 there have been 3 sales with average price of \$148,833 the lowest price was \$125,000, and the highest price \$175,000

(+1) Lot Sales:

To rank positive score need one sale market gave us 4 lot sales but only one from developer's inventory. One sale rates a positive score for the week.

New Way Investments, LLC (3786 Old Marksville Hwy., Pineville, LA 71360) to Gary J & Karen R Guillory (385 Moss Point Dr., Boyce, LA 71409) - Lot 5, Tylin Acres Subd., \$25,000.00

Terry L Lee (473 14th St., Springhill, LA 71075) to Wayne E & Dejena F Barton (1970 Hwy. 121, Hineston, LA 71438) - 1.42 acres in Sec 14, T2NR4W, \$38,000.00

Tammie G Neie (13322 Larkhill Gardens Lane, Sugarland, TX 77498) to David L Walker (162 Lakeland Dr., Pineville, LA 71360) - Tract in Sec 7, T4NR1E, \$37,000.00

Andrew D Powell (2010 Wesley Circle, Woodworth, LA 71485) to John E Marler (156 Bayou Clear, Woodworth, LA 71485) - 1.07 acres in Sec 19, T2NR1W (172 Bayou Clear, Woodworth, LA 71485), \$30,000.00

(+1) New Home Sales:

To rank positive score need one sale last week market provided one new home sales for positive score.

V & V Builders, LLC (P O Box 12846, Alex., LA 71315) to Chad G & Sabrina A Travis (5819 Hannah Dr., Alex., LA 71303) - Lot 232, Bocage Subd., Phase V, \$233,000.00

New home construction is improving but not nearly at 800,000 starts required to signal full recovery. Rents are higher, construction lending has improved, and looks like more homes will be built this year than at any point in past 3 ½ years. Seasonally adjusted annual rate of 747,000 permits as of March with 462,000 of those single family homes.

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

Rates positive score if lender sales are below 5% of total sales, total number of sales for the week was \$167,751 / \$3,612,325 = 4.64% for positive score

Federal National Mtg. Assoc. to C J Coop, LLC - Lot 11, Judies Subd., # 3, \$53,001.00

Bank of America, et al to Vivian J O'Neal (1443 Melder Road, Glenmora, LA 71433) - 7.5 acres in Sec 32, T1NR2W (1443 Melder Road, Glenmora, LA 71433), \$69,250.00

Homesales, Inc. (1400 East Newport Center Dr., Deerfield Beach, FL 33442) to Register'd Taylor'd Properties, LLC (746 Old Valentine Road, Elmer, LA 71424) - .93 acres in Sec 31, T2NR3W (132 Frey Road, Elmer, LA 71424), \$45,500.00

Louisiana's delinquency fell 0.39 points on the month to 6.36%, while the U.S. delinquency rate slipped 0.59 points to 7.24%. This is the percentage of home loans more than three months past due.

Interest Rates:

30 year fixed is 3.82% as 3.86% the 15 year rate is 3.07% was 3.10% 5/1 ARM is 2.72% was 2.72%.

Mortgage of Interest:

Carlo J Spera Building Alexandria, LLC (5412 South Maple Place, Broken Arrow, OK 74011) to Bank of Oklahoma (3237 South Peoria Ave., Tulsa, OK 74105) - Lot 1, Bacon Place Addn., et al (3001 Masonic Dr., Alex., LA 71301), \$525,000.00

Thames Properties (3515 Castle Road, Alex., LA 71303) to Colfax Banking co. (P O Box 247, Colfax, LA 71417) - Tract in Sec 31, T4NR1W (3515 Castle Road, Alex., LA 71303), \$580,000.00

Norm Thompson Properties, LLC (2238 Worley Dr., Alex., LA 71301) to Red River Bank (1412 Centre Court, Alex., LA 71301) - 226.3 acres in Sec 29, 26, 25, & 30, T3NR1W (2 Hwy 165 & 3 Hwy. 165, Alex., LA 71301), \$1,139,944.29

Mortgage Activity for the Week:

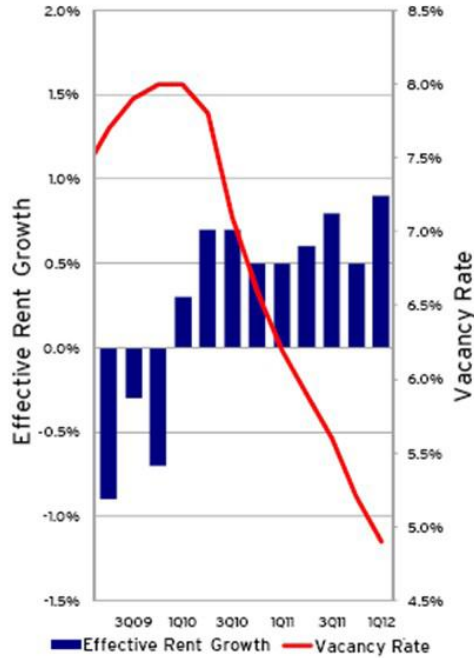
Total of 59 mortgage loans for volume of \$11,278,739 / \$3,612,325 = 3.12: 1 ratio highest this year. What does this tell us when loan volume is three times higher than closed sales?

On May 1st, ReisReports will be releasing Q1 2012 findings on commercial real estate markets across the nation. Take a first glance at some national trends in this newsletter, learn which markets changed the most on our blog, and take advantage of a [7-Day Free Trial](#) for more in depth market reports on your area.

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Apartment Vacancy and Rent Growth



Apartment Sector Still Strong

The strong performance of the apartment sector has yet to show signs of letting up; **national vacancies fell by 30 basis points in the first quarter to 4.9%**, a level last observed more than ten years ago, back in 2001. This is only the third time in Reis's 31+ years of history that national vacancies have fallen below 5%.

National asking and effective rent growth remained healthy, with effective rents increasing at its fastest pace since end-2007. **Asking rents grew by 0.5% and effective rents increased by 0.9% in the first quarter.** Reis expects effective rent growth to accelerate even more as vacancies tighten within the 4% band; with availability so scarce, landlords have little incentive to offer concessions, and the gap between asking and effective rent levels is narrowing very quickly.

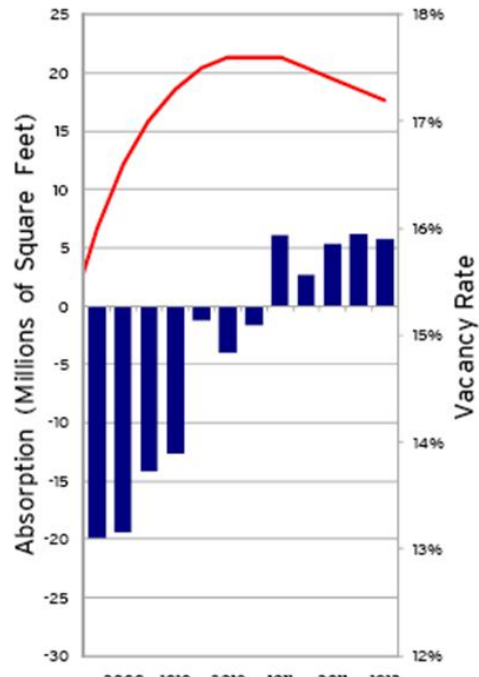
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A Slow Start for Office Properties

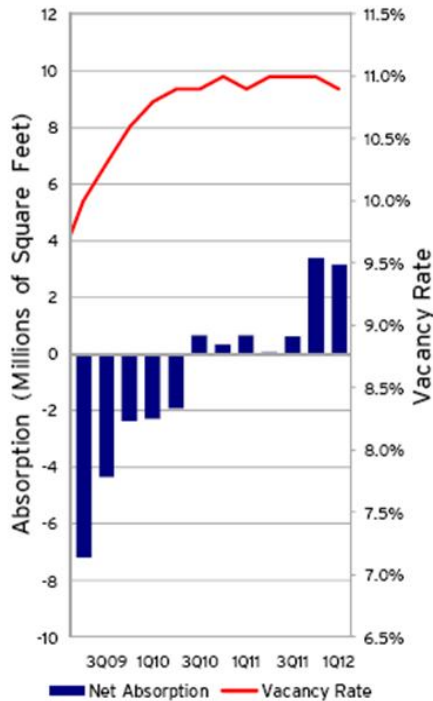
The national vacancy rate fell by 10 basis points, to 17.2% at the end of the first quarter of 2012. The sector absorbed about 6 million SF, the fifth consecutive quarterly gain in occupied stock since the beginning of 2011. Although net absorption levels remain muted, five consecutive quarters of positive net absorption provide fairly consistent evidence that the sector is indeed recovering. Granted these levels are a far cry from what the sector is capable of attaining during healthier periods; the past five quarters reflect both weak economic growth and anemic labor market recovery.

Given the rate of improvement the sector is experiencing, it will still be years before it is able to recover the space that was vacated during the recession. The national vacancy rate has regressed back to levels unseen since 1993 and remains well above the cyclical low of 12.5% from 2007 before the onset of the recession.

Office Net Absorption and Vacancy



Retail Net Absorption and Vacancy



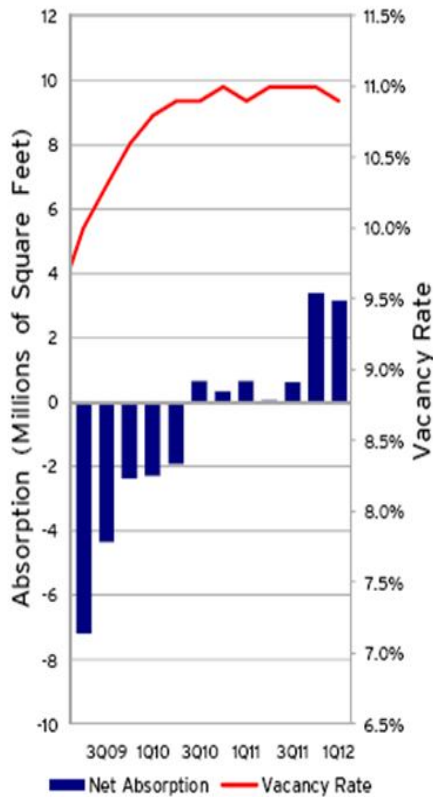
Hopeful Signs of Recovery

The first quarter produced another glimmer of hope that a slow recovery in neighborhood and community shopping was underway. **Occupied stock increased by 3.141 million SF in the first quarter.** This is the second-largest positive value for net absorption since the sector began losing occupied space in the first quarter of 2008.

Vacancies finally began to fall during the first quarter, declining by 10 bps. This is the first quarterly decline in the vacancy rate since the second quarter of 2005. In the periods leading up to the recession, excess building was to blame for the increase in vacancies. Since the advent of the recession, supply growth has been virtually non-existent, but negative net absorption drove vacancies upward. With supply growth remaining at minimal levels, the swing back to positive net absorption finally reached tipping point for the vacancy during the first quarter.

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Retail Net Absorption and Vacancy



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