

# Rod's Radio Show Notes

## December 12<sup>th</sup> 2012

Go to: [www.rodnolespropertymanagement.com](http://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](http://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 and Travel:

2<sup>nd</sup> Annual Bake Sale Benefit for Johnny Hesni: DECEMBER 12th – bring goodies early! The sale will be located in the lobby of Noles-Frye Real Estate office 9:00 am to 2:00 pm. Atwood bakery is donating 100 pies and my wife has her famous “cheese cake” with opening bid by Bob Merrick CEO at Latter & Blum of \$5,000.

### Rumor of the Day:

Golden Corral Steak House is going where the former Carl Wynn auto leasing center was. This is a pad location in front of Sutherland Lumber Supply next to McDonalds.

### Morning Call Coffee Shop of New Orleans Now Open in City Park:

Owner may call in today and tell us about the history of his family business and how they came to have such a fabulous location.

### Latter & Blum Acquires Denham Springs Real Estate Company:

In an announcement meeting earlier today, M. A. Allen Company founder Mary Ann Allen announced that her company is joining C. J. Brown's Denham Springs Office. Their existing M. A. Allen office at 1208 South Range Ave will now operate as C.J. Brown and, along with our current location, will be managed by Tess Boudreaux. M. A. Allen's 40 Sales Agents will join the 250 + Sales Agents of C. J. Brown in a transaction which closes 12/31/2012. We anticipate that Agents of M. A. Allen will begin affiliating now and continue through the month of December.

Our growth in this manner continues to contribute greatly to our overall success and ability to deliver more tools and services to our Clients and Agents.

Richard C. Haase,  
President  
LATTER & BLUM, INC.

People not Property:

Mike the Unhappy Client:

If you are wondering what happen with client that called in last week I will tell you at the end of our show if time permits. Appreciate the jabs and condolences from many listeners.

**68 Realtors Sold \$1,000,000 or More in Volume for 2012:**

It is possible based on splits and commission rates to earn as little as \$25,000 in gross commissions to reach this milestone. With 300 members this number means 77% of licensed Realtors earned less than \$25,000 in gross commissions.

Tim Flavin President of Flavin Real Estate in Lake Charles:

Will call in today to tell us why Lake Charles market is so Hot!!!

Sasol, a South African energy giant, plans to spend between \$16 billion and \$21 billion to build a plant in Calcasieu Parish that will convert natural gas to liquid fuel and house an ethane cracker complex.

That's roughly double the size of the investment the company first announced in September 2011. The plant, which will be located in Westlake, is set to create more than 1,250 direct jobs with an average annual salary of nearly \$88,000, plus benefits. The Sasol plant will create about 7,000 construction jobs, according to estimates from Louisiana Economic Development.

Sasol's board recently approved going ahead with front-end engineering and design work for the plant. Operations at the facility are set to begin in 2017, and full employment should be reached two years later.

A study commissioned by LED and performed by the LSU Division of Economic Development estimates the Sasol project will have a total economic impact over the next 20 years of \$46.2 billion and the project will be one of the top 10 drivers of the Louisiana economy once it is completed. Gov. Bobby Jindal's office said the project is the largest single manufacturing investment in the state's history and one of the largest in U.S. history.

## Every Deal has a Tale / Tail:

Bussey & Williams Real Estate Partnership (3640 Bayou Rapides, Alex., LA 71303) to Smith, Fontenot & Phillips, LLC (1272 Dorchester Dr., Alex., LA 71303) - Tract fronting 68.96' on Jackson St., Alex., LA (2025 Jackson St., Alex., LA 71301), \$160,000.00 / 2,614 sf = \$61.20 psf. Someone remain these young engineers rehab qualifies for state and federal tax credits.

Gene M & Nellois W Snow (928 Ida St., Alex., LA 71303) to Grace Presbyterian Church, Inc. (4900 Jackson St., Alex., LA 71303) - Lot B & part of Lot A of a resubdivision of Lots 5 & 7, Flynn Subd., \$150,000.00. House on 928 Ida Street to continue campus. Church has 176' on Jackson x 431.94 on Ida now they have 62.42' more for total of 494.36' almost exactly 2 acres. Live on Mohon Calvary Church might buy your house if you live on Ida Grace Presbyterian might buy your house

Crest Natural Resources, LLC (P O Box 6115, Alex., LA 71307) to USA - 265 acres in Sec 3 & 4, T5NR3E, \$371,000.00 / 265 acres = \$1,400 per acre. What does this price per acre tell you?

## Carroll Furniture is Going out of Business:

Priscilla Perry and I just listed Carroll's Furniture at 1819 Memorial Drive today for \$1,600,000. The primary building is 51,110sf of showroom, office and warehouse. The secondary building is a 16,000sf self-sufficient 100% leased, income producing RV storage rental. The storage rents are below market, but still bring in \$60,000 a year in revenue. Both buildings sit on 5 acres. I attached the survey and several pictures for you to take a look at. Carroll's Furniture is going out of business, but will continue to occupy the space until we find the right buyer.

## Former Lowes in Leesville under contract:

Multiple offers were received and Greg Thompson wrote successful purchase agreement. Jack Hodges and Jimmy Redfearin shared the listing.

## **UPS Midstream Services Announces \$3.9 Million Capital Investment, 95 New Jobs In Central Louisiana**

JENA, La. - Today, Gov. Bobby Jindal and UPS Midstream Services Inc. announced the company plans to invest more than \$3.9 million in Jena to construct and develop a new full-service machine facility to provide welding, fabrication, and equipment overhaul and repair. UPS's facility, part of the Universal Plant Services Inc. family of companies, will create 95 new direct jobs paying an average salary of more than \$73,000, plus benefits. LED estimates the project will result in an additional 121 new indirect jobs, for a total of more than

200 new jobs in the Central Louisiana region and surrounding areas. The new UPS Midstream Services facility in Jena will manufacture reciprocating compressor equipment, commonly used in many different industries, including refineries, power plants and companies in the petrochemical industry. The Jena facility will work primarily with companies that service pipelines across the United States.

UPS also selected Jena for the new facility in order to better reach its customers in the South. The new direct jobs created by the construction of the facility will be added to UPS's 400 current employees. Based in Deer Park, Texas, the company operates other facilities in Baton Rouge, Los Angeles, San Francisco, Modesto, Calif., Mount Vernon, Wa., and Beaumont, Texas. The majority of its customers are based out-of-state, including several regional and nationwide accounts.

The company also is expected to utilize the Quality Jobs and Industrial Tax Exemption incentive programs for its Jena project. "Universal Plant Services will offer good new jobs and rewarding careers for the residents of the region," said President and CEO Jim Clinton of the Central Louisiana Economic Development Alliance. "CLEDA extends sincere congratulations to Mayor Murphy McMillin, the Town of Jena and the LaSalle Economic Development District on this important economic development victory. Jena is quickly becoming an emerging success story in Central Louisiana, both as a place to live and a place of economic opportunity."

Construction of the new UPS facility will begin in January 2013 and be completed in June 2013. Hiring for the project is under way, with 35 jobs to be filled in the first year, increasing to 95 jobs by 2017.

"Nearly a hundred new jobs is absolutely huge for a town like Jena," McMillin said. "The high-quality team at UPS is full of talent. They were aggressive and bold in their thinking. We want them - and the new talent they will recruit - to feel at home here. We will continue our efforts to create an environment that encourages additional manufacturing jobs and later becomes regional headquarters for Universal Plant Services right here in Jena, Louisiana."

### **About Universal Plant Services**

Founded in 1986, Universal Plant Services Inc. (UPS) is the leading provider of rotating and reciprocating machinery services in the industry, delivering more than 1.4 million man-hours of service annually. Customers trust UPS with the care of their business-critical turbines, pumps, compressors and components because of the company's commitment to safety and quality. The in-depth knowledge of UPS expert craftsmen provides innovative solutions to customer repair or maintenance needs. Headquartered in Deer Park, Texas, UPS has seven full-service facilities throughout the Gulf Coast and West Coast regions.

Family owned, privately held and customer-focused, UPS provides the personal attention of a trusted business ally.

### Construction Contracts:

\$3,600,000 in construction contracts for the week.

LA DOTD to Jack B Harper Electrical, LLC - Traffic loop detector maintenance on various routes in District 08, \$67,500.00

Cenla Entertainment, LLC (P O Box 12653, Alex., LA 71315) to Tudor, Inc. (1412 Centre Court, Suite 500, Alex., LA 71301) - Addition to existing theatre building located at 2039 N Mall Dr., Alex., LA, \$1,564,000.00

Rapides Parish Police Jury to Rylee Contracting, Inc. - Pineville Gravity Sewer, Plugged and Sealed Abandoned Outfall Project, \$117,000.00

LA DOTD to Jack B Harper Contractor, LLC - Statewide Impact Attenuator Repair, \$1,413,288.00

LA DOTD to Command Construction Industries, LLC - Retainer Contract for Repair & Replacement of Guardrail in District 08, \$438,774.00.

(+3.75) 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 December 3<sup>rd</sup> through 7th

- (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:

\$3,330,004 with 32 closed transactions slow week and negative score.

(+1.25) Lot Sales:

To rank positive score need one sale per week the market gave us two sales for positive score.

Palmetto Enterprises, LLC to Johnny Porter Builder, Inc. (42 Philadelphia Road, Pineville, LA 71360) - Lot 12, Shady Crest Subd., Phase II, \$27,500.00

Ballina Farms, Inc. (P O Box 12487, Alex., LA 71315) to Marcus R & Kai W Brown (6408 Genevieve Dr., Alex., LA 71301) - Lot 174, Tennyson Oaks, Phase 7E, \$80,000.00. There are 8 lots on the lake and 4 are now sold.

### (+1.25) New Home Sales:

Looking for one new home sale per week for positive score market provided two for positive score.

Fernwood Homes, Inc. (4615 Parliament Dr., Suite 100, Alex., LA 71301) to Shawn P Reiszner (5904 Tall Pine Drive, Ball, LA 71405) - Lot 26, W L Moore Subd. # 2 (5904 Tall Pine Dr., Ball, LA 71405), \$137,500.00

Team Realty, LLC (1408 Metro Dr., Suite B, Alex., LA 71303) to Jameson C Finn (6519 Arden Oaks, Alex., LA 71301) - Lot 196, Tennyson Oaks, Phase 9 (6519 Arden Oaks, Alex., LA 71301), \$282,000.00

### (+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 two sales and volume of \$130,000 / \$3,300,000 = 3.94% for positive score.

LPP Mtg. Ltd. (7195 Dallas Parkway, Plano, TX 75024) to James W Smith (4007 Clinton St., Alex., LA 71301) - Lot 79, Jefferson Subd. (4528 Hargis St., Alex., LA 71302), \$10,000.00

J P Morgan Chase Bank (270 Park Ave., New York, NY 10017) to Darrell R Bass (66 Hwy. 462, Pitkin, LA 70656) - 2.03 acres in Sec 17, T1SR3W (1015 West River Road, Glenmora, LA 71433), \$120,000.00

Interest rates: 30 year rate was 3.42% this week is 3.39%, the 15 year rate was 2.81% this week it is 2.85%, the 5/1 ARM was 2.82% now 2.76%.

### Mykoff Absorption Rate:

5.95 Total Market beginning of November 660 homes on market 138 sold = 5.95 sell off time

- 7.25 Market \$400,001 and up 29 on market 3 sold = 7.25 sell off time
- 6.7 Market between \$250,001 and \$400,000 67 on market 17 sold = 6.7 sell off time
- 6.13 Market between \$150,001 and \$250,000 number on market 190 and 41 sold = 6.13 sell off time
- 5.52 Market below \$150,000 on market 364 and 66 sold = 5.52 sell off time

Total market 111 properties sold in November within Central Louisiana MLS and 138 new properties came on the market.

### Acreage Sales:

7 sales for the week, we are seeing more and more rural acreage sales. Money moves where it is treated best.

John L Lacombe, et al (661 Hwy. 1, Marksville, LA 71351) to Rowdy L & Rhonda L Andress (161 Don Dr., Cottonport, LA 71327) - 1 acre in Sec 35, T2NR2E, \$10,000.00

Tory A Maillet (4150 Hwy. 451, Moreauville, LA 71355) to Angela V Burke (26 John Lacombe Road, Alex., LA 71302) - 1.7 acres in Sec 26, T2NR2E, \$76,500.00

Ricky D & Dana M Elliott (P O Box 434, Forest Hill, LA 71430) to Antonio D Olvera-Escobedo and Julia Juarez, et al (129 Chuckee Lane, Forest Hill, LA 71430) - 19 acres in Sec 28, T1SR2W, \$115,000.00

Valerie E Zangla (5886 Bayou Rapides Road, Alex., LA 71303) to Frank B Zangla (1458 Wildwood Dr., Pineville, LA 71360) - 2.54 acres in Sec 83, T4NR1W, \$25,000.00

Crest Natural Resources, LLC (P O Box 6115, Alex., LA 71307) to USA - 265 acres in Sec 3 & 4, T5NR3E, \$371,000.00

Vincent C & Rebecca A Verzwyvelt (P O Box 201, Ball, LA 71405) to Benchmark South, LLC (P O Box 69, Tioga, LA 71477) - 2.321 acres in Sec 38, T5NR3E (594 Hwy. 1207, Deville, LA 71328), \$45,000.00

Mark B & Jennifer M Beaubouef (1752 Hwy. 115, Deville, LA 71328) to Benchmark South, LLC (P O Box 69, Tioga, LA 71477) - 10 acres in Sec 32, T5NR2E, \$140,000.00

### Indices

	Last	Last Week	YTD return %
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DJIA	13074.04	13021.82	7.01%
NASDAQ	2989.27	3012.027	14.74%
S&P 500	1413.94	1415.95	12.43%
MSCI EAFE	1569.46	1554.47	11.11%
Russell 2000	821.79	823.20	10.91%

### Consumer Money Rates

	Last	1-year ago
Prime Rate	3.25	3.25
Fed Funds	0.17	0.08
30-year mortgage	3.34	3.98

### Currencies

	Last	1-year ago
Dollars per British Pound	1.604	1.558
Dollars per Euro	1.295	1.340
Japanese Yen per Dollar	82.380	77.720
Canadian Dollars per Dollar	0.992	1.012
Mexican Peso per Dollar	12.925	13.496

### Commodities

	Last	1-year ago
Crude Oil	86.26	101.28
Gold	1698.25	1724.95





<b>Under \$150,000</b>											
Currently listed	400	384	377	370	356	354	364	353	349	360	356
Sold	40	50	71	48	64	54	66	57	49	56	51
Came on the Market	64	72	70	71	70	86	77	64	64	71	61
Current Monthly Supply	10	7.68	5.31	7.71	5.56	6.56	5.52	6.19	7.12	6.43	6.98