

St. Tammany Growth

According to the St. Tammany Economic Development Foundation, the economy grew 5.8 percent overall in the first quarter of 2015 compared to the same period last year. The growth index measures employment, residential and commercial building permits, total parish sales, and housing unit sales. All of these components showed increases in the 1st quarter of 2015.



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Lacombe Business Park

The Lacombe Business Park, LLC, represented by developer Chis Jean, sold 99.7 acres to the Ian Somerhalder Foundation in December 2014 for \$3,190,000. The business park is located south of I-12 on Highway 434. It originally included 187.321 acres after land was swapped with IESI LA Corp (Progressive Waste Solutions) in the highly criticized location of the waste transfer station. The swap gave Lacombe Business Park land fronting Highway 434 in exchange for an off-highway location for the waste transfer station. The developer negotiated with the Concerned Citizens of Lacombe and eventually paid their legal expenses as part

of the agreement. The park includes highway commercial land along Highway 434 and both light and medium industrial use land.

The sale to the Ian Somerhalder Foundation included 30 acres of I-1, Industrial land as well as 69.7 acres of PF-1, Public Facility zoned land along Bayou Lacombe. The purchase price equates to \$31,996 per acre overall with over \$100,000 per acre given to the industrial land. Sites are being marketed from \$4.00 to \$6.00 per square foot.

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4.5 million expansion for Ponchatoula's J&M Industries

Tarp manufacturing company J & M Industries is investing \$4.5 million to build a 120,000-square-foot addition to its Ponchatoula plant, creating 30 new direct jobs. A leader in the production of packing supplies and protective covers, J & M was founded in New Orleans in 1973 and moved to the Ponchatoula Industrial Park in 1992.

Tuscaloosa Shale Oil and Gas

Drilling in the Tuscaloosa Marine Shale has remained strong, but oil prices will ultimately affect the future of the play. Goodrich Petroleum Corp. is the largest operator in the TMS, with 327,000 acres under lease. The company's share price has dropped from a high of \$30.52 per share in June 2014 to \$1.87 per share as of June 2015.

The company still plans to spend \$80-\$100 million in 2015 for drilling and completion. Well cost estimates have been cut from about \$13 million in 2013 to roughly \$10 million. The reduction is due to the time it takes to drill the well from 40 days to an average of 26. The company had three rigs running during the fourth quarter with another recently completed. Three wells are being drilled in Tangipahoa Parish and another one in Washington Parish. Seven TMS wells have been drilled and waiting on completion with plans to begin completion in the first quarter 2015 through early 2016, pending better market conditions.



Northpark Business Park

Northpark Business Park in Covington is currently in the midst of a 40-acre expansion that includes a retail strip center fronting Highway 190. This project is valued at \$1.1 million and will include about 10,000 square feet of retail space for four to five tenants. The retail site is adjacent to a new three-story office building for industrial carbon producers Rain CII. Northpark is undergoing an expansion which will eventually double its size to more than 150 acres.

**City Business*



Whole Foods Market

The first Whole Foods Market location for the Northshore, to be located in the Premier Centre in Mandeville, is projected to open in the first quarter of 2016. The approximately 40,000-square-foot market will offer customers a large selection of natural and organic products with features tailored to the local Louisiana community.

**NOLA and Facebook*



Walmart in Tangipahoa Parish

Walmart has entered two smaller communities in north Tangipahoa Parish. Both Kentwood and Independence will have Neighborhood Markets with stores at nearly 12,000 square feet. The Kentwood store opened in March 2015, and the Independence store will open later this year. Walmart opened five Louisiana stores in January, with other locations in Prairieville, Denham Springs, Baton Rouge, and Clinton.

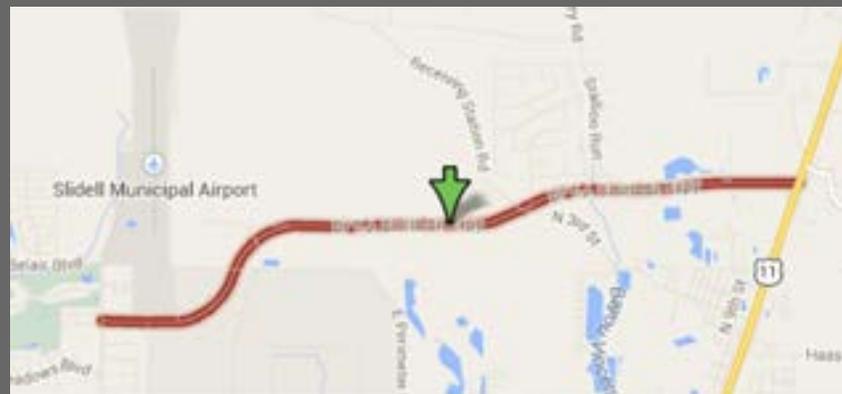
Minnesota Park

A vacant parcel of land containing 10.13 acres on Minnesota Park Road in Hammond was recently purchased by Summerfield of Hammond, LLC, for \$700,000 or \$1.59 per square foot. The site is just outside of the city limits for Hammond, but less than half a mile from both Hammond Square and Interstate 12. Summerfield of Hammond, LLC, has begun site work and intends to develop an assisted living facility.



Dr. T.J. Smith Sr. Highway

A new 4.5 mile Highway that connects Airport road and U.S. Highway 11 in Slidell opened in December 2014. The Highway is named after Dr. T.J. Smith Sr., a civil rights activist and president of the first St. Tammany Parish NAACP. The \$15 million road offers a number of benefits, providing another route to and from several neighborhoods along Airport Road, reducing traffic on Airport



Road and Interstate 12, and opening up tracts of land for future growth.

**Slidell New Bureau*



Stirling Fremaux Town Center

The second phase in Fremaux Town Center in Slidell has been announced. Site work started in June last year; opening is scheduled for October 2015. Phase II will include 285,000 square feet of additional retail space anchored by a 128,000-square-foot Dillard's. Other already executed leases included Red Robin, Zales, Aveda and Francesca's.

Phase I of Fremaux Town Center opened in March last year with approximately 350,000 square feet of retail space anchored by Dick's Sporting Goods, Michaels, T.J. Maxx, and Kohl's. The entire development includes over 80 acres of land, with a total of 635,000-square feet upon completion.

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FedEx Distribution Center

A FedEx distribution center is being constructed in the Northpointe Business Park located on Highways 1077 and 1085. The developers, Northpointe Business Park, LLC and St. Tammany Economic Development Foundation, sold 19.191 acres to JDC Covington, LLC, which has the contract to build the proposed 175,000 square foot distribution center. The overall purchase price was \$3,112,827, equating to \$3.72 per square foot. The land, zoned I-2, Industrial, is rectangular-shaped with 1,324.34 feet on the north side of Northpointe Court. According to the St. Tammany Parish Economic Office, the building should be finished in late 2015 or early 2016. A total of 800 new jobs are expected.



Elmer Candy Corporation Expansion

Elmer Candy Corporation will spend \$40 million to expand its production facility in Ponchatoula by 70,000 square feet. Elmer's was started in 1844 in New Orleans and moved its production to Ponchatoula in the early 1960s. This expansion on North 5th Street will add 10 new employee jobs and will increase the plant, administrative headquarters and distribution center to a total of 400,000 square feet.

Expansion of Oak Alley Subdivision

Lonesome Development has acquired additional land next to its Oak Alley Development off of Ronald Reagan Highway in Covington. The property includes a total of 87.06 acres located to the west of the existing subdivision; 203 lots will be added. There will be access along Highway 190 with commercial development along the highway and another access point from Orchard Way in the existing Oak Alley subdivision. The price paid for the land was \$3,100,000, or \$35,608 per acre. The land will need to be rezoned and annexed into the city of Covington.

Pruden Creek

Pruden Creek Partners, LLC, is currently developing a single-family subdivision on 24.381 acres situated on the south side of Penn Mill Road in Covington, Louisiana. The development, known as Pruden Creek, is zoned for a PUD, Planned Unit Development and contains 59 single-family residential lots. The 59 lots will average 60 feet of frontage with a depth of 120

feet of an area of 7,200 square feet.

The subdivision will feature a pond and green space. The property was purchased for subdivision development by M Properties, LLC, in 2005, but the subdivision stalled until Pruden Creek Partners, LLC, purchased the property for \$275,000 in 2013.



Developers plan \$200 million business hub in Covington

Developers are hoping that a 92-acre business park on the North Shore located on the northwest corner of Interstate 12 and Highway 190 has the potential to be the central business district of St. Tammany Parish. Once completed, the 200 million business hub will include 16 lots that would house retail, residential, medical offices and hospitals. Some lots have pre-sales pending, while the rest are being marketed to potential tenants.

Developers said they will be marketed regionally and nationally.

Michael Saucier, president of Gulf States Real Estate Services, and Terry Blackwell, a commercial real estate agent at Gulf States Real Estate Services, have partnered in the Versailles Business Park. The cost of the land development will be about \$6 million, while infrastructure will total between \$150 and \$200 million. Construction will begin in July and the expected completion date is the first quarter of 2016.

**Courtesy Gulf States*

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