

# 2011 BATON ROUGE INDUSTRIAL MARKET OVERVIEW

Presented by:

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# INDUSTRIAL COMMITTEE MEMBERS

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# INDUSTRIAL COMMITTEE MEMBERS



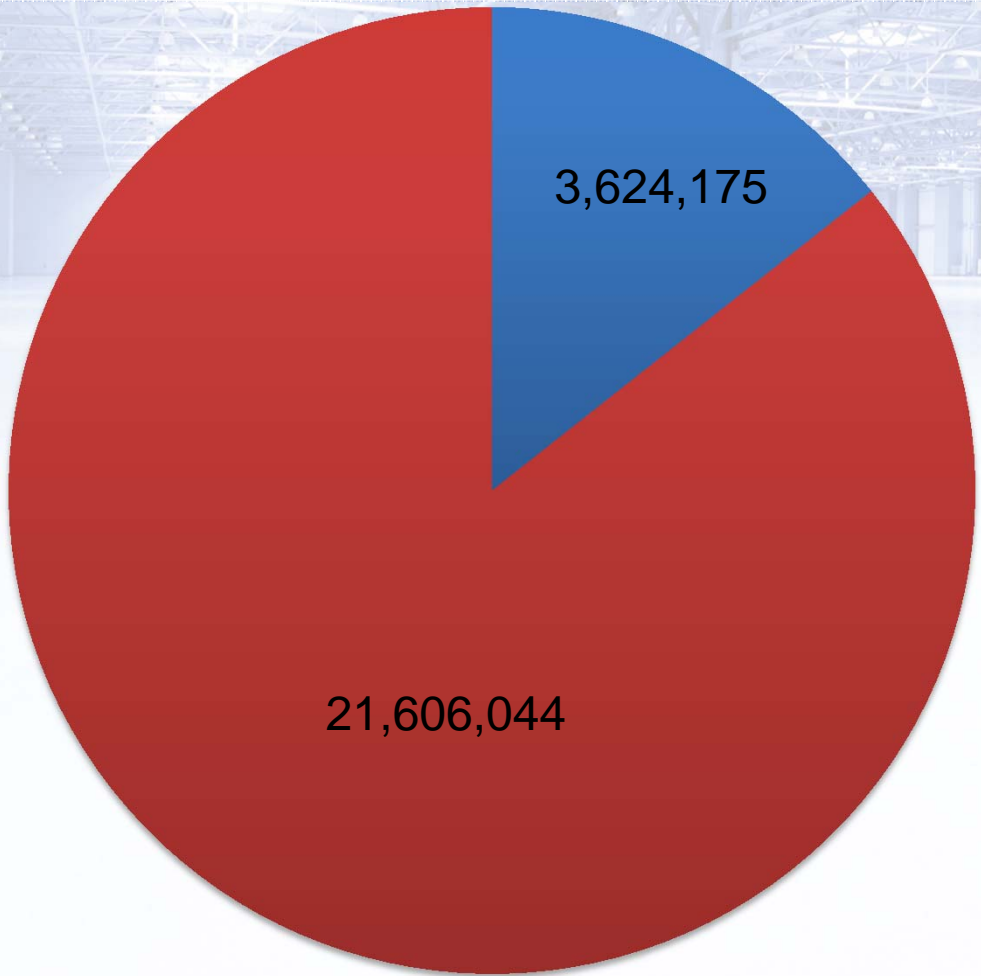
# MARKET AREA: BR MSA





# INVENTORY

Total Inventory as of 12/31/2011: 25,230,219 SF



- Vacant 12/31/11
- Occupied 12/31/11

# YEAR-TO-YEAR CHANGE IN INDUSTRIAL INVENTORY DATA

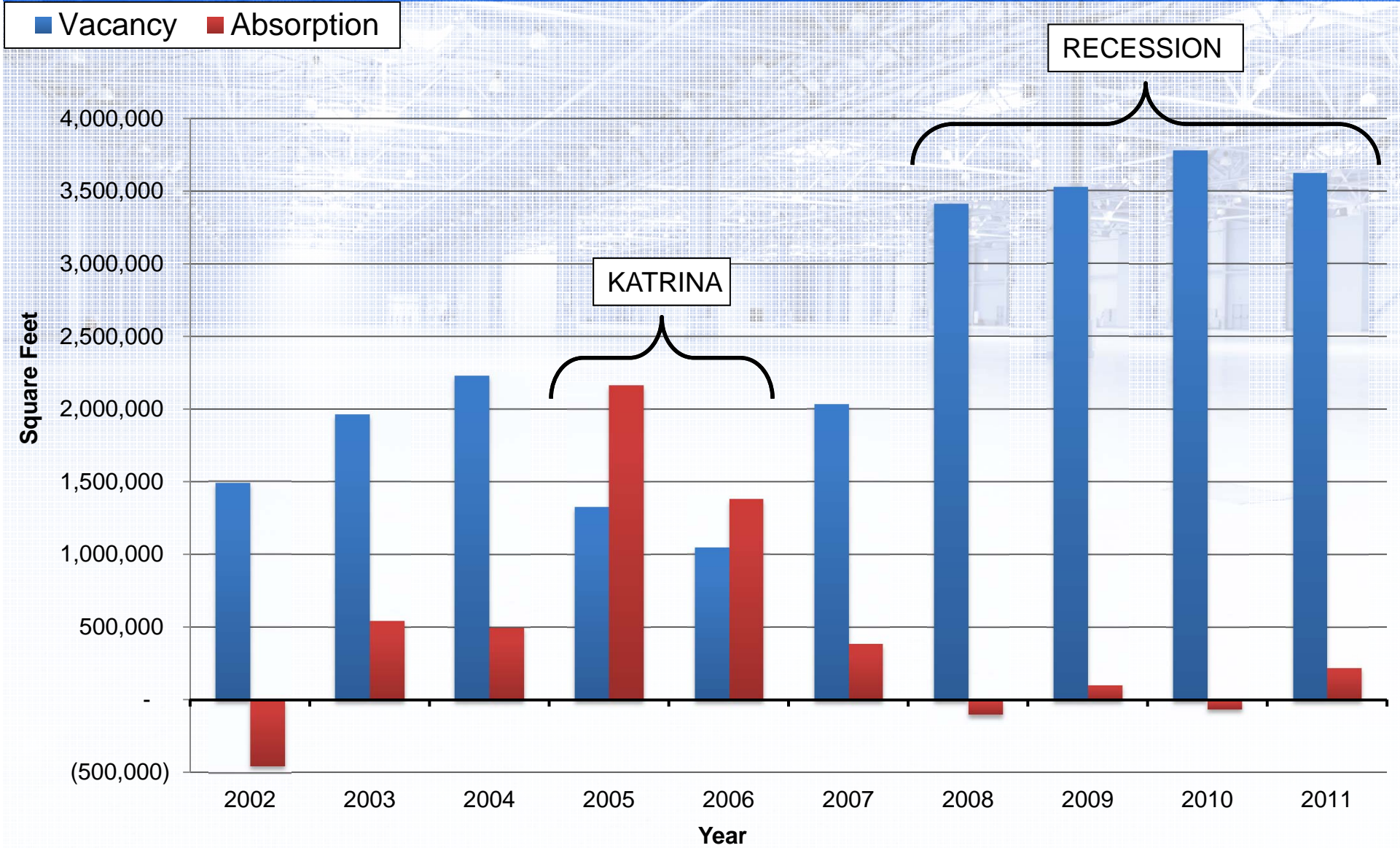
MEMO	2010	2011	% CHANGE
<b>TOTAL INVENTORY</b>	25,168,274 SF	25,230,219 SF	<b>0.25%</b>
<b>VACANT S.F.</b>	3,783,175 SF	3,624,175 SF	<b>-4.20%</b>
<b>OCCUPIED S.F.</b>	21, 385,099 SF	21,606,044 SF	<b>1.03%</b>
<b>VACANT %</b>	15.03%	14.36%	<b>(4.46)%</b>
<b>NET ABSORPTION</b>	(62,748) SF	220,945 SF	<b>452%</b>
<b>UNDER CONSTRUCTION</b>	32,777 SF	184,246 SF	<b>462.12%</b>



# INVENTORY & ABSORPTION

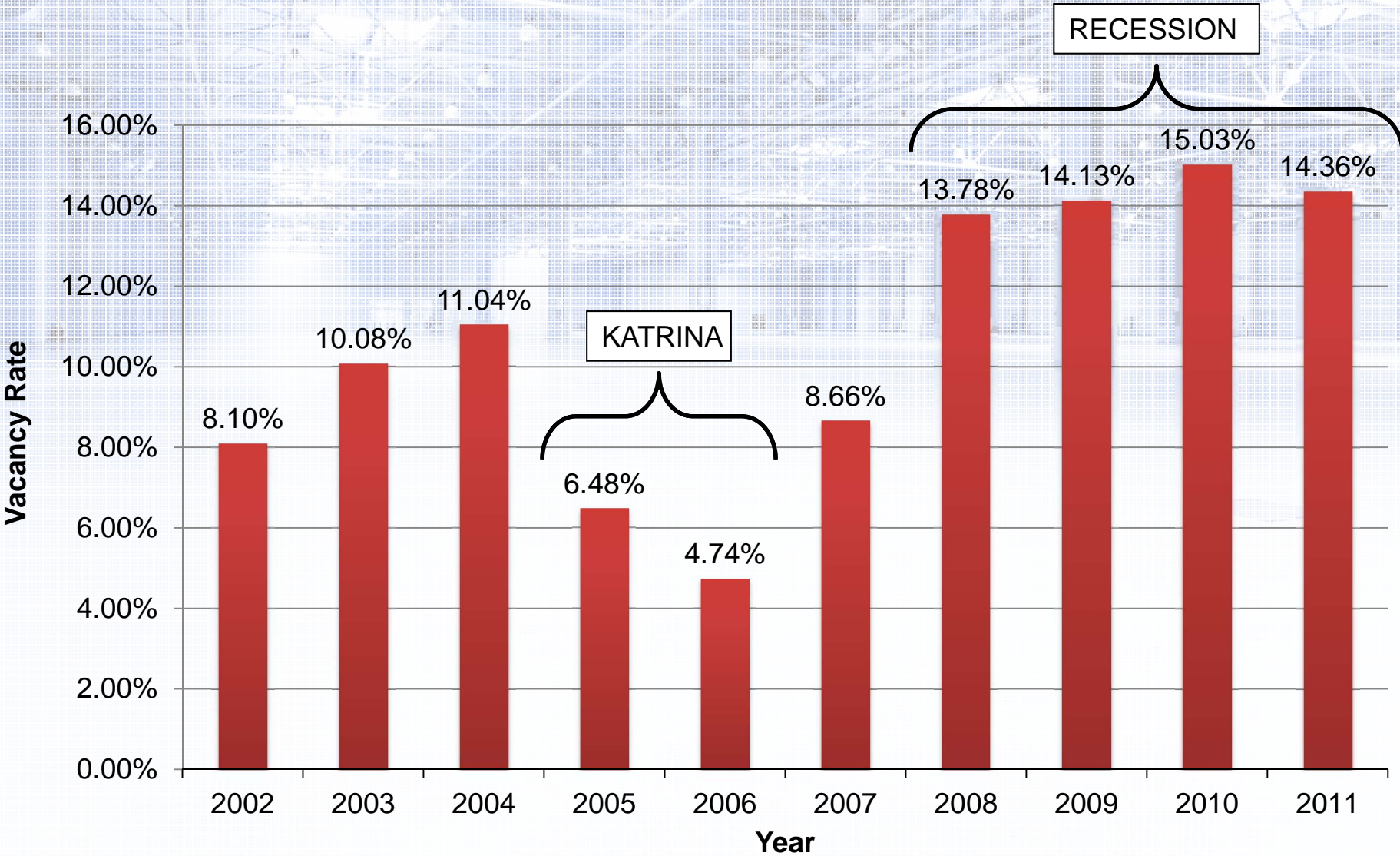
YEAR	% INVENTORY VACANT	NET ABSORPTION	MEMO
2004	11.04%	496,335 SF	
2005	6.48%	2,162,949 SF	Katrina Impact
2006	4.74%	1,381,015 SF	Katrina Impact
2007	8.66%	386,483 SF	
2008	13.78%	(100,616) SF	Economic Recession
2009	14.13%	102,359 SF	Economic Recession
2010	15.03%	(62,748) SF	Economic Recession
2011	14.36%	220,945 SF	Economic Recession

# INVENTORY & ABSORPTION





# VACANCY RATE



# EAST BATON ROUGE PARISH BUILDING PERMITS DATA

	2009	2010	2011
NUMBER OF PERMITS	21,649	22,565	21,759
VALUE OF PERMITS (\$)	\$375,597,425	\$710,536,043	\$729,876,485
PERMIT FEES (\$)	\$4,151,897	\$4,878,466	\$5,214,726



# SAMPLE LEASE RATES

Product Type	Size/Sq. Ft.	Lease Rate /\$Sq. Ft.	Lease Type
Flex Space	1,000 – 15,000	\$10 - \$12	Net
Office Warehouse Older	5,000 – 10,000	\$4 - \$6	Net
Office Warehouse New	5,000 – 10,000	\$6 - \$8	Net
Warehouse Older	5,000 – 10,000	\$2 - \$4	Modified Gross
Warehouse Older	10,000 – Plus	\$2 - \$3	Modified Gross
Warehouse New	10,000 – Plus	\$4	Net



# NOTEWORTHY PROJECTS

- **Union Pacific Expansion**
- **Ascension Parish Plant Additions**
- **Louisiana Scrap WBR Parish**
- **HD Supply 100,000 S.F. New Warehouse**
- **Tyco Safety 62,500 S. F. New Warehouse**
- **East Jordan Iron Site Denham Springs Sold**
- **Baton Rouge West Warehouse Leases**
- **Port Greater BR Warehouse Leases**
- **SNF Plaquemine Polymer Plant**
- **Louis Dreyfus Replaces Cargill**
- **Nucor Steel New Iron Plant**



# HD SUPPLY & TYCO





# HD SUPPLY & TYCO





# BATON ROUGE WEST





# BATON ROUGE WEST





# PORT OF BATON ROUGE





# LOUISIANA SCRAP





# LOUISIANA SCRAP





# SNF FLOPAM





# ORMET ALUMINA PLANT

BURNSIDE TERMINAL







ASCENSION PARISH

NUCOR



# TRENDS AND FORECAST

- Slight Upward Trend in Absorption and Decreased Vacancy
- Continued Large Capital Investments from Petro Chemical Industry
- New Service Companies Entering the Market
- Cheaper & Stabilized Natural Gas Prices
- Competitors Buying One Another and Consignment
- Improved Lending Environment for Industrial Projects
- Landlord Concessions Continue



