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CASE STUDY OF:

LOT ABSORPTION IN LIVINGSTON PARISH

**Prepared for
The Trends in Real Estate Seminar
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EXECUTIVE SUMMARY

This information was prepared and presented in the Trends of Real Estate Seminar, May 1, 2003. It is a case study of lot absorption in Livingston Parish, and should not be construed as a total market analysis for the entire Parish. The study included a total of 1,490 lots in eight different subdivisions in the north and south portions of Livingston Parish. Rather phenomenal absorption rates have been obtained in 2001 and 2002, and the study indicated 336 lots were absorbed in the Year 2001 and 387 lots in 2002.

Significant absorption has occurred in Richmond Place, Crestwood, and South Point in large part because one developer is selling lots at reduced prices to a related construction company. The construction company is then improving the lot with homes ranging in price from \$95,000 to \$125,000. This lower price point for new homes has greatly enhanced absorption of lots and development in Livingston Parish. The low cost of housing combined with a well-respected school system have enhanced lot absorption in Livingston Parish.

The following is an annual absorption of lots in the eight subdivisions studied from 1997 thru 2002.

Subdivision	Total Lots	LOTS SOLD					
		1997	1998	1999	2000	2001	2002
Richmond	355				3	119	118
Crestwood	232				68	27	32
Easterly Lakes	279	58	36	5	4	24	39
Lakes @ Belle Terre	112					107	1
South Point	249						145
Rolling Meadows	88					47	40
Regency Park	25				6	12	7
Woodland Crossing	<u>150</u>						25
Total	1,490	58	36	5	81	336	407

Lots Remaining

Richmond	115
Crestwood	68
Easterly Lakes	66
Lakes @ Belle Terre	4
South Point	104
Rolling Meadow	1
Woodland Crossing	<u>115</u>
Total	473

If absorption is maintained in the 335 to 390 lots per year range (say 350 per year), then there is a 1.35 year supply in the subdivisions studied as of January 1, 2003. This does not include the 6th filing of South Point with an additional 172 lots completed after January 2003.

INDIVIDUAL SUBDIVISION ANALYSIS

The study included when each filing was approved, how many lots were encompassed, and how many total lots have sold as of January 1, 2003. A summary of each subdivision studied follows:

RICHMOND PLACE SUBDIVISION

North Side of La. Highway 1019, Watson

Home Prices	\$95,600 to \$124,000
Lot Prices	\$17,000 (sold to related construction company)
Lot Size	75' x 150'±

Filing	Date Approved	# of Lots
1 st	06/2000	88
2 nd	05/2001	68
3 rd	09/2001	55
5 th	06/2002	53
4 th	02/2003	<u>91</u>
TOTAL		355

Lots Sold, as of January 2003	240
Lot Remaining	115

CRESTWOOD SUBDIVISION

South Side of La. Highway 1022, Watson

Home Prices	\$95,600 to \$124,000
Lot Prices	\$17,000 (sold to related construction company)
Lot Size	75' x 150'±

Filing	Date Approved	# of Lots
1 st	12/1999	182
2 nd	12/2001	<u>50</u>
TOTAL		232

Lots Sold, as of January 2003	164
Lots Remaining	68

EASTERLY LAKES SUBDIVISION

La. Highway 16, Watson

Home Prices \$150,000 to \$190,000
Lot Prices \$20,000 to \$25,000
Lot Size 85' x 170'±

Filing	Date Approved	# of Lots
1 st	01/1997	11
2 nd	11/1997	134
3 rd	01/2000	63
4 th & 5 th	10/2001	<u>71</u>
TOTAL		279

Lots Sold, as of January 2003 **213**
Lots Remaining **66**

LAKES AT BELLE TERRE SUBDIVISION

La. Highway 16, 4 miles north of Denham Springs

Home Prices \$150,000 to \$170,000
Lot Prices \$20,000 to \$25,000
Lot Size 80' x 160'±

Filing	Date Approved	# of Lots
1 st	05/2001	72
2 nd	11/2001	<u>40</u>
TOTAL		112

Lots Sold, as of January 2003 **108**
Lots Remaining **4**

SOUTH POINT SUBDIVISION

Pete's Highway, south of I-12, Denham Springs

Home Prices \$95,600 to \$124,000
Lot Prices \$15,500 (sold to related construction company)
Lot Size 65' x 140'±

Filing	Date Approved	# of Lots
1 st	04/2002	64
2 nd	09/2002	63
3 rd	09/2002	66
4 th	09/2002	35
5 th	09/2002	<u>21</u>
TOTAL		249

Lots Sold, as of January 2003 **145**
Lots Remaining **104**

*6th Filing completed 172 lots after January 2003

ROLLING MEADOW SUBDIVISION

Brown Road, Southeast of Denham Springs

Home Prices \$90,000 to \$120,000
Lot Prices \$15,000 to \$18,000
Lot Size 75' x 190'±

Filing	Date Approved	# of Lots
1 st	10/2000	68
2 nd	02/2002	<u>30</u>
TOTAL		88

Lots Sold, as of January 2003 **87**
Lots Remaining **1**

REGENCY PARK SUBDIVISION

Vincent Road, west of South Range Avenue

Home Prices \$150,000 to \$190,000
Lot Prices \$25,000 to \$27,500
Lot Size 75' x 135'±

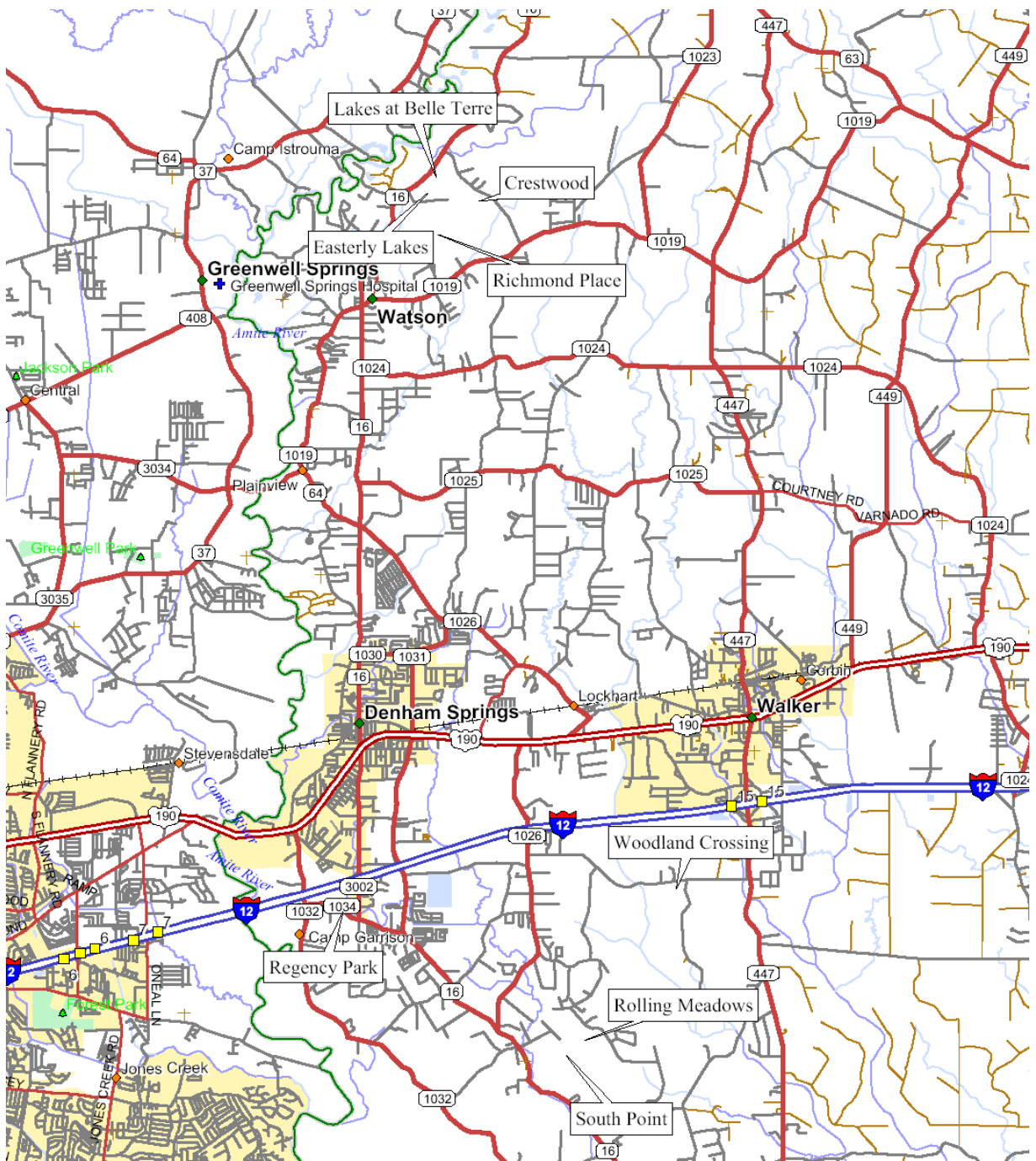
Filing	Date Approved	# of Lots
1 st	06/2001	25
TOTAL		25
Lots Sold, as of January 2003		25
Lots Remaining		0

WOODLAND CROSSING SUBDIVISION

South Side of Buddy Ellis Road off La. Highway 447
Between Denham Springs & Walker

Home Prices \$95,600 to \$124,000
Lot Prices \$15,000 (sold to related construction company)
Lot Size 60' x 150'±

Filing	Date Approved	# of Lots
1 st	01/2001	150
TOTAL		25
Lots Sold, as of January 2003		105
Lots Remaining		140



CONCLUSION

In conclusion, it is observed that the Livingston Parish market has experienced significant absorption of single family lots especially in the Year 2001 and 2002. Within the total 1,490 lots studied, the Parish is experiencing an absorption between 336 and 387 lots per year. This results in a 1.35¹ year supply, based upon a 350 per year absorption rate. Most of the unsold lots are within Woodland Crossing. Woodland Crossing is being developed by the same development company that completed Richmond, Crestwood, and South Point. Lots within Woodland Crossing will be sold to a related construction company and primarily improved residences for sale.

These figures do not include the 6th filing of South Point with 172 lots completed after January 1, 2003.

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