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College of Business
McNeese State University
Dr. Mitchell Adrian, Dean

H.C. Drew Center for Economic
Development Information Services
Dr. Douglas W. McNiel, Director

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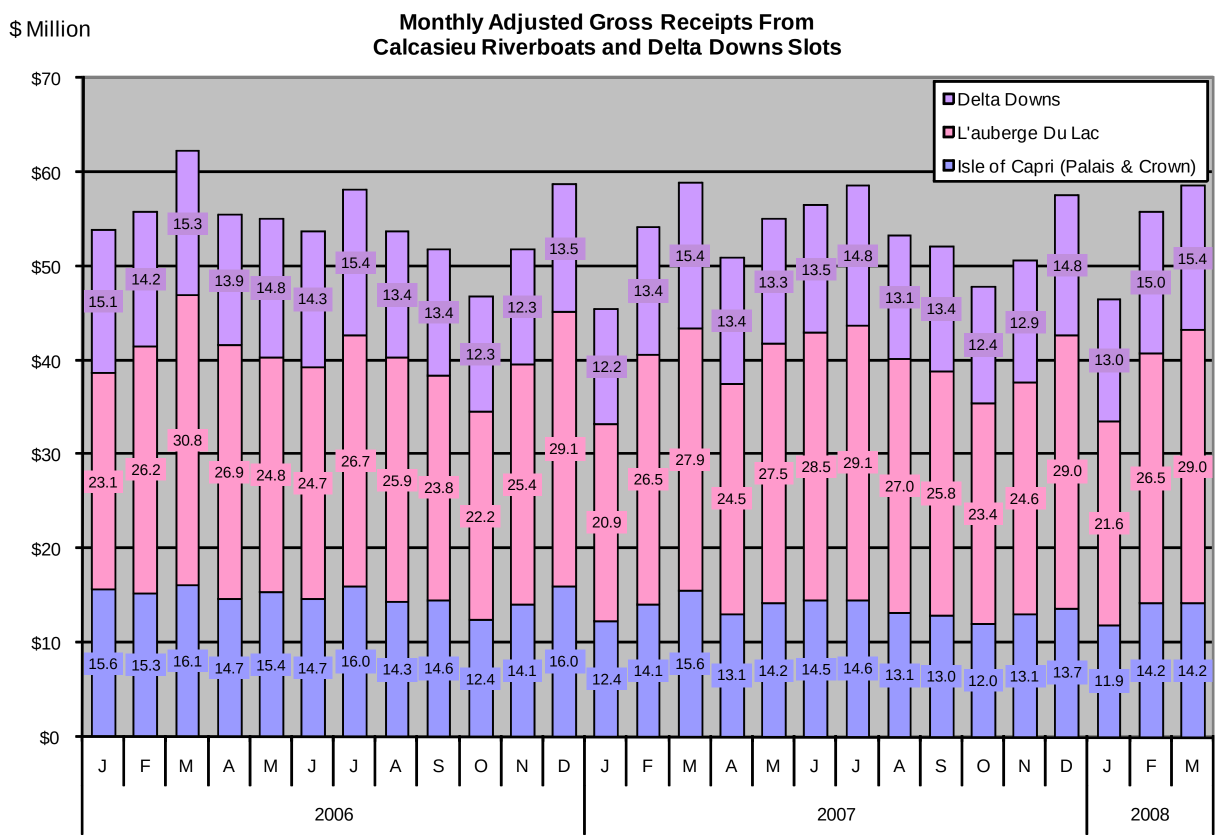
Gaming Activity at Riverboats and Racetrack in Calcasieu Parish

Adjusted gross receipts from gaming activities at the Isle of Capri and L'auberge du Lac riverboat casinos and from slots at the Delta Downs Racetrack over the last 27 months are shown below. Adjusted gross receipts means the difference between dollars taken in and dollars paid out in winnings.

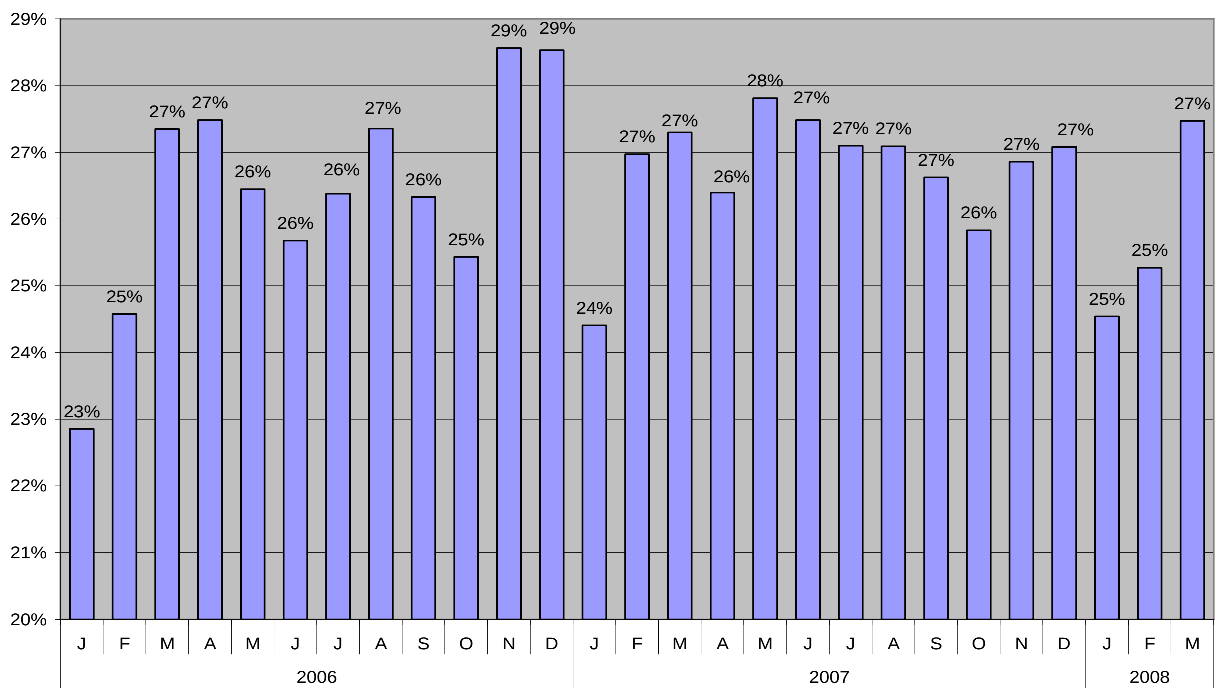


Adjusted gross receipts in March of 2008 were nearly $29 million for the L'auberge facility, over $14 million for the two Isle of Capri riverboat casinos combined, and over $15 million for the slots at the Delta Downs racetrack. Admissions during March were over 391,600 at L'auberge, over 224,000 at the Isle of Capri, and over 142,400 at Delta Downs. State fees generated from these activities were over $6.2 million from

L'auberge, over $3 million from the Isle, and over $2.3 million from slots at Delta Downs. The Delta Downs slots also generated revenue for purse supplements at the racetrack and horse breeders' association contributions amounting to over $2.7 million in March. In the most recent nine months, total state fee remittances were nearly $51 million from L'auberge, nearly $26 million from the Isle, and nearly $19 million from the slots at Delta Downs (which also contributed over $22 million to purse supplements and horse breeders' associations over this period).

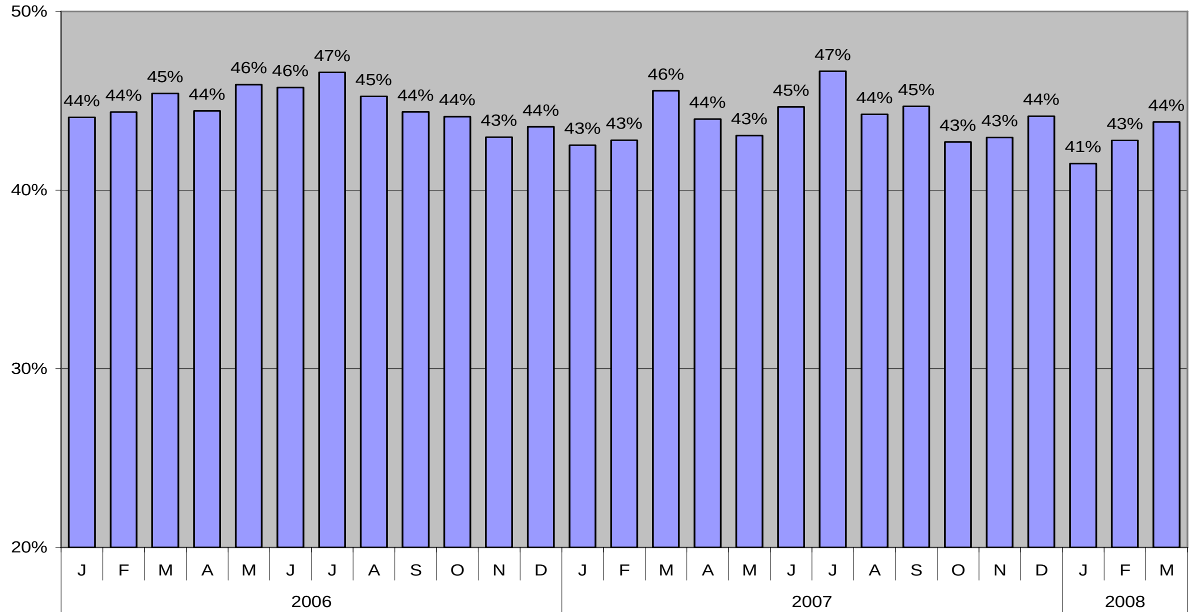
Of the 13 riverboat licenses currently in operation throughout the State of Louisiana, L'auberge is the leader in adjusted gross revenues, admissions, and fee remittances. When the AGR from the two Isle of Capri Calcasieu-based licenses are added to the AGR from the L'auberge license, the Calcasieu share of statewide total riverboat casino AGR was 27% in March of 2008. The chart that follows shows this share varied between 23% and 29% over the last 27 months.

Calcasieu Share of Statewide Riverboat Adjusted Gross Receipts



Of the four racetracks currently licensed throughout the State of Louisiana, Delta Downs is the leader in generating AGR from slots at the racetracks. The chart that follows shows Delta Downs produced 44% of the total statewide AGR from slots at racetracks in March of 2008 and this Calcasieu-based share has varied between 41 and 47 percent over the last 27 months. While Delta Downs leads the state in AGR as well as taxes generated and support for the horse racing industry, both the Evangeline Downs racetrack and the Harrah's Louisiana Downs racetrack report higher admissions than Delta Downs.

Calcasieu Share of Statewide Racino
Adjusted Gross Receipts from Slots at the Tracks



To date, there appears to be no evidence that higher gasoline prices have adversely impacted AGR at the Calcasieu riverboat operations or the slots at Delta Downs. Looking toward the future, however, if gasoline prices continue on a sharply upward trend, this could become a concern since the Calcasieu-based riverboat casinos and the racetrack are very dependent on customers traveling from Texas (particularly the Houston metropolitan area).

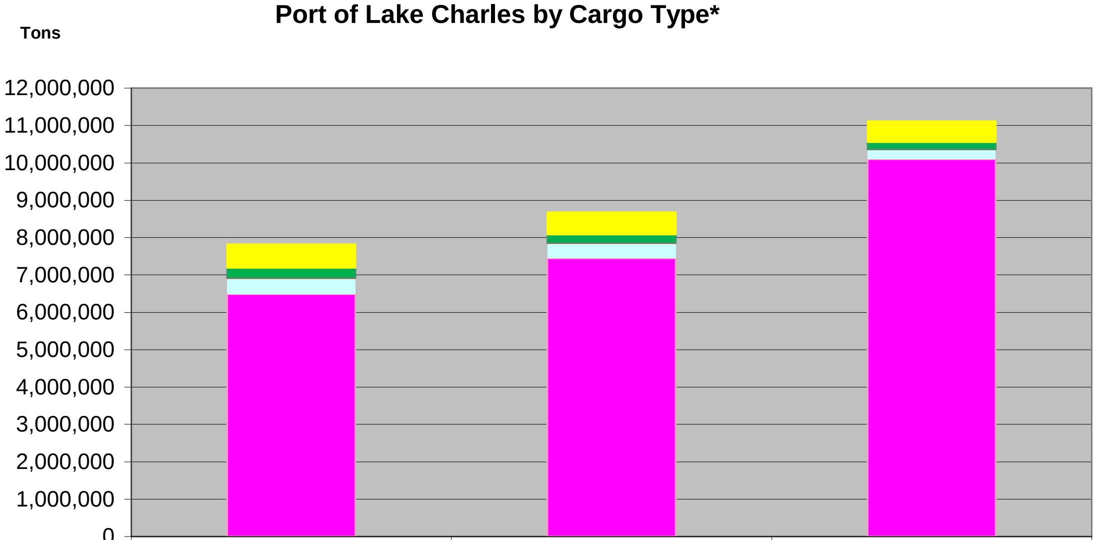
Shipments through the Port of Lake Charles

Shipments through facilities owned-by or leased-from the Lake Charles Harbor and Terminal District have grown steadily over the last three years—from about 7.8 million tons in 2005 to over 11.1 million tons in 2007 (see chart that follows). The reported tonnage figures include two major categories of cargo—breakbulk and bulk.

Tonnage figures in the chart for bulk cargo primarily include coke, limestone, barite, coal, and liquefied natural gas. Bulk cargos are mostly handled at facilities on the west side of the ship channel and along the industrial canal.

Tonnages for four types of breakbulk cargo are also reported—bagged, container, paper products, and other products. Container cargo shipments are currently of no major significance at the Port of Lake Charles. Bagged cargo shipments of most importance include rice, flour, corn soy blend, peas, beans, and lentils. Paper products include lumber as well as paper and pulp. The catch-all other breakbulk products includes mostly rubber and aluminum. For the most part, these breakbulk cargos are handled through the “city docks” area that most people associate with the Port of Lake Charles.

Shipments Through Facilities Owned-by or Leased-from the Port of Lake Charles by Cargo Type*



	2005	2006	2007
Breakbulk-Other	623,940	594,357	557,595
Breakbulk-Paper	268,512	216,289	186,613
Breakbulk-Container	5,531	5,535	5,213
Breakbulk-Bagged	433,886	417,763	270,120
Bulk	6,485,269	7,441,883	10,095,079

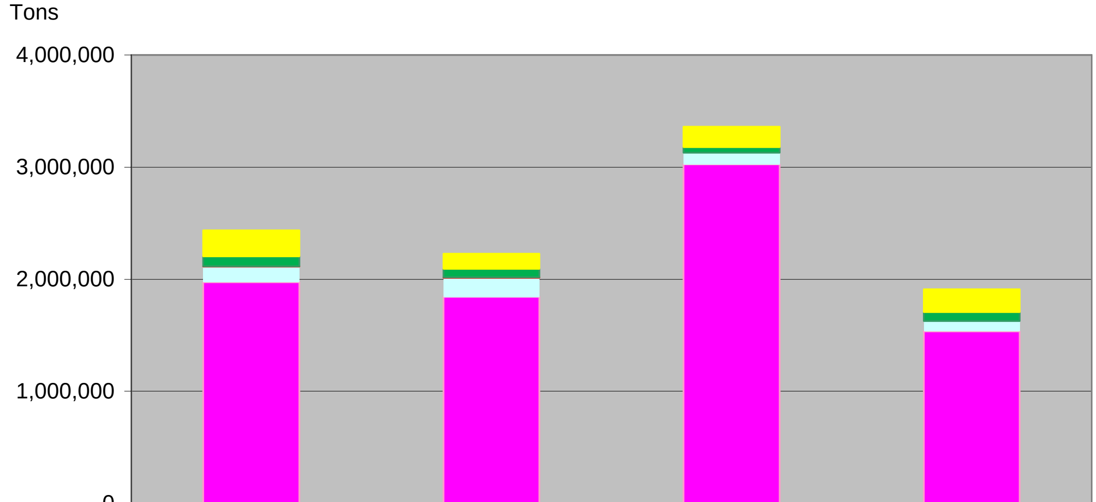
*** Does not include shipments through privately-owned facilities.**

It should be noted that the tonnage figures reported above vastly understate the importance of the port facilities in the Lake Charles Harbor and Terminal District. They only include shipments through facilities owned-by or leased-from the District.

The reported figures do not include shipments through privately-owned facilities in the District such as the privately-owned and privately-operated port facilities that are used to import/export crude oil and other products associated with the vast local refining and chemical industries. Tonnage figures for shipments through privately-owned port facilities in the District have not been available since Hurricane Rita hit the area. Prior to the hurricane, tonnage shipped through privately-owned facilities in the District was over ten times greater than tonnage shipped through facilities owned-by or leased-from the District.

The chart that follows shows year-to-date comparisons for January through April of 2005, 2006, 2007, and 2008. Year-to-date shipments through April of the current year appear to be lagging the record shipments achieved in the same period of 2007. The primary reason for the lag in current year-to-date shipments is a decline in bulk shipments through the Trunkline LNG terminal facility privately operated on property leased-from the Port of Lake Charles. During the first four months of 2007, Trunkline shipments totaled nearly 1.6 million tons. During the same period of 2008 there have been no shipments to this facility. Excluding the Trunkline facility, year-to-date shipments through facilities owned-by or leased-from the Port of Lake Charles are actually up by over 6% compared to the first four months of last year.

Year-to-Date Shipments Through Facilities Owned-by or Leased-from the Port of Lake Charles by Cargo Type* (Jan--April: 2005, 2006, 2007, 2008)



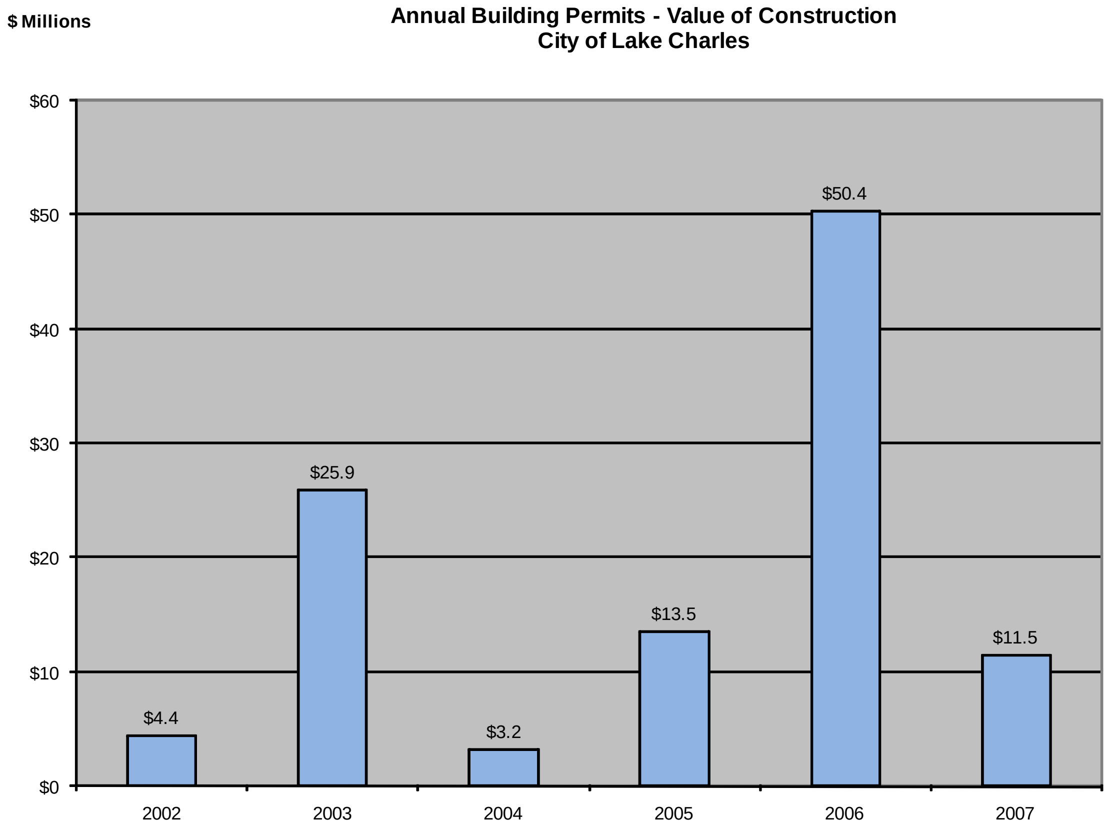
	Jan-Apr 2005	Jan-Apr 2006	Jan-Apr 2007	Jan-Apr 2008
Breakbulk-Other	232,637	133,455	180,760	203,381
Breakbulk-Paper	88,334	77,815	49,759	80,174
Breakbulk-Container	2,193	2,620	0	1,012
Breakbulk-Bagged	139,187	170,007	104,941	92,028
Bulk	1,973,297	1,843,315	3,024,853	1,534,447

*** Does not include shipments through privately-owned facilities.**

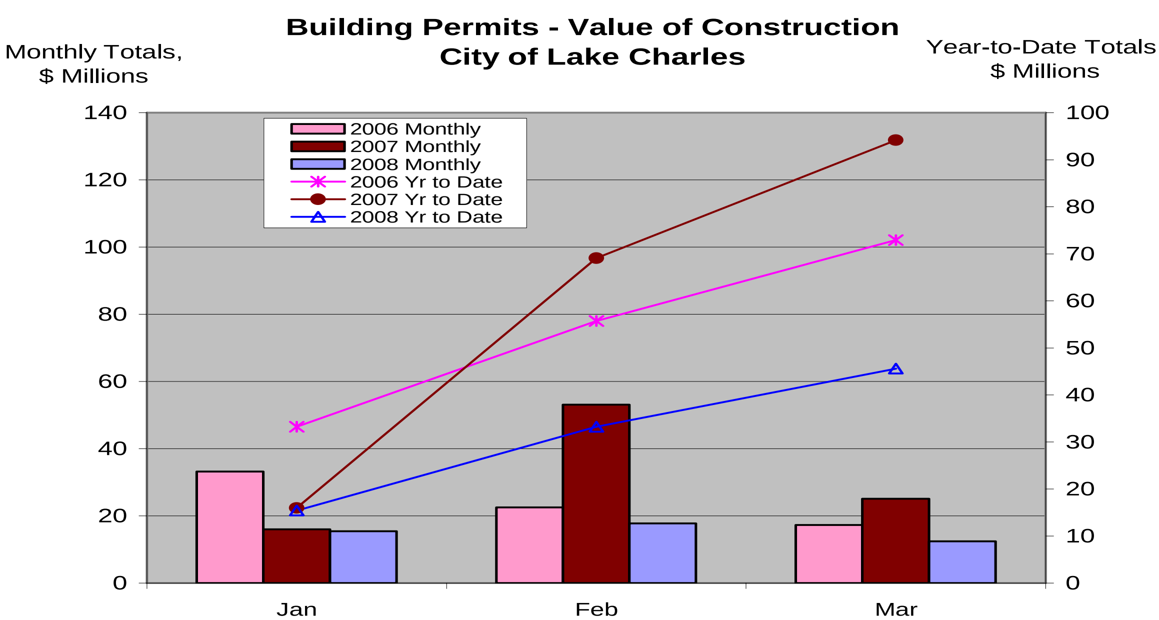
Building Permits

Construction activity is expected to be one of the primary drivers of future economic growth in Southwest Louisiana. The new Sugar Cane Bay facility at L'auberge, additional LNG terminals, a $1.6 billion synthetic gas manufacturing plant on property owned by the Port of Lake Charles, a package of development projects funded by voter approved bonds in City of Lake Charles, expansion of the Shearman Fine Arts Center at McNeese, and a new airport terminal building are just some of the projects anticipated.

The annual dollar value of building permits issued in the City of Lake Charles in 2007 was about $11.5 million. As shown in the chart that follows, the $50.4 million worth of building permits issued in 2006 (the first reconstruction year following Hurricane Rita) set a record that may be a challenge to surpass—depending on the timing of the anticipated projects and the fact that many are located beyond the city limits.

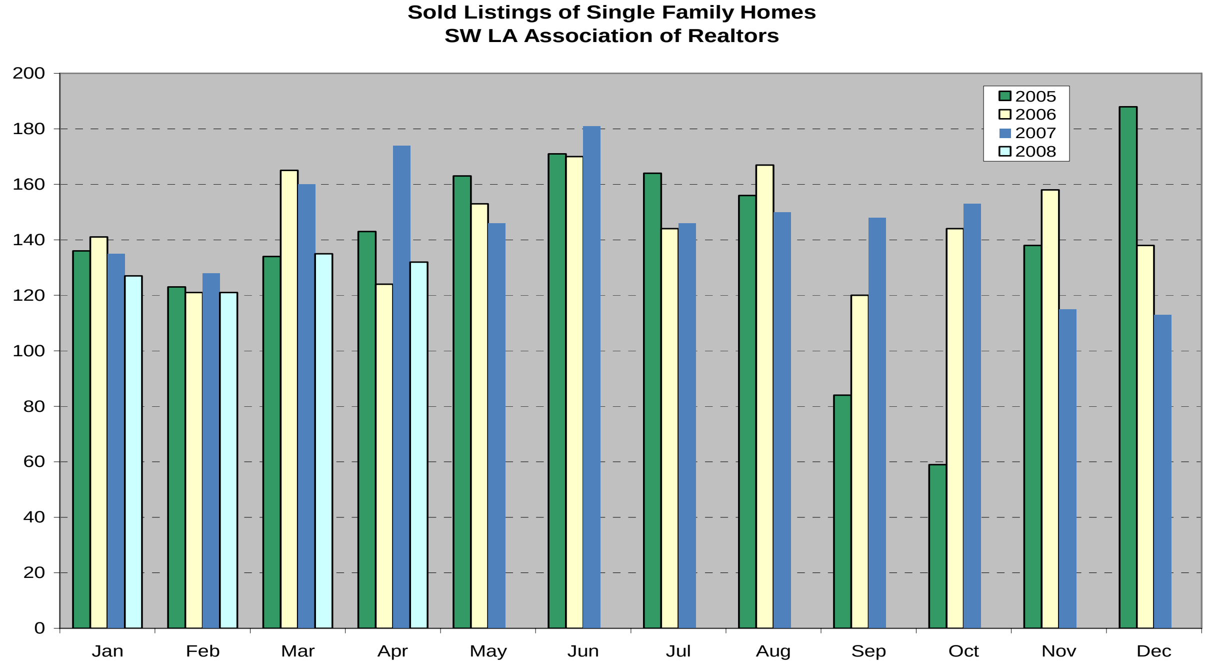


The monthly and year-to-date comparisons of the dollar values for building permits issued in the City of Lake Charles shown in the chart that follows also clearly show the impact of immediate post-hurricane rebuilding. Not unexpectedly, the $45.6 million figure for the January-through-March period in the current year lags the figures shown for the same periods in 2006 and 2007.



Real Estate Transactions

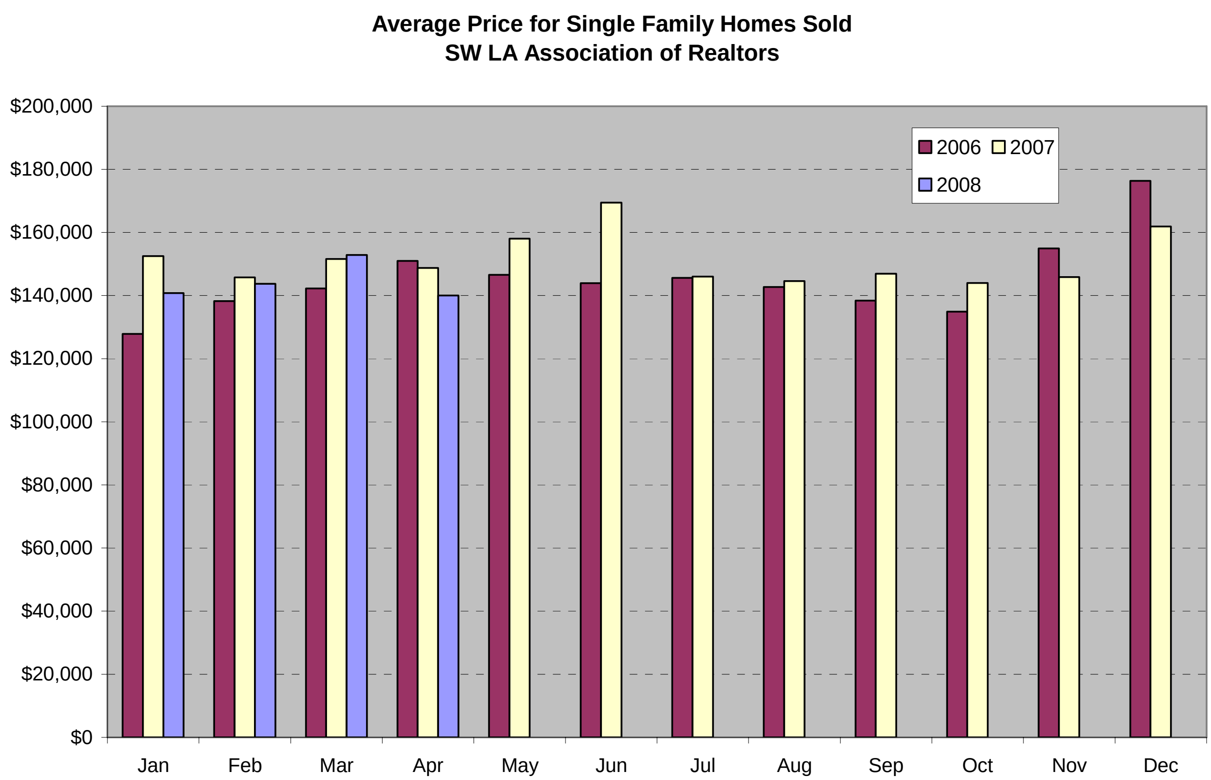
Statistics provided by the Southwest Louisiana Association of Realtors indicate a gradual slow-down in single family home sales since November of 2007. The chart below compares same month sales of single family homes in 2005, 2006, 2007, and 2008.



- The chart shows single family home sales in September and October of 2005 were skewed sharply downward by disruptions associated with the immediate impact of Hurricane Rita which hit the area in late September of 2005.
- In November and especially December of 2005, sales in the aftermath of the hurricane rebounded sharply.
- By January and February of 2006 the post-hurricane single family home market appeared to return to more normal conditions. Notice there is relatively little variation in comparisons of same month sales for January and February of 2005, 2006, and 2007.
- While somewhat erratic, single family home sales generally continued strong until November and December of 2007 when sales in both months dropped significantly compared to the same periods in 2005 and 2006.
- This gap continued, but narrowed considerably in January and February of 2008, then grew larger in March and April of 2008 when compared to same month sales for 2007. The nearly 24% drop in single family homes sold, from 173 in April of 2007 to 132 in April of 2008, could be viewed as a shocking statistic comparable to what has occurred in some hard-hit regional markets in California and Florida. However, this would be an overly pessimistic and mistaken view. Year-to-date sales of single family homes from January through April were 595 in 2007 and 512 in 2008, a decline of less than 14%. While this is no insignificant variation, it should be noted

that in the comparison month of April 2007, sales were remarkably higher than in April of 2005, 2006 and 2008.

On the price side of the market for single family homes, monthly comparisons can be seen in the chart that follows. Only post-hurricane price information beginning in January of 2006 is available.

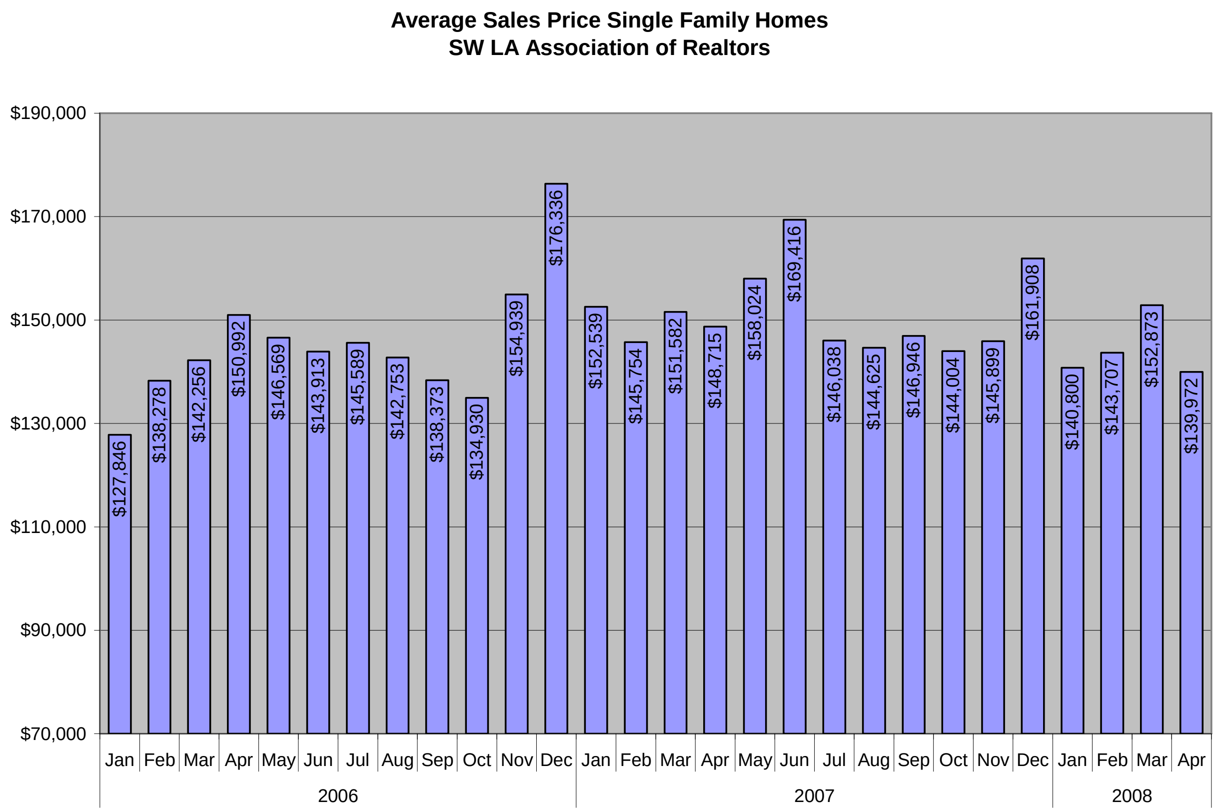


A careful examination of this chart shows:

- The first sign of lagging single family home prices in Southwest Louisiana occurred in November and December of 2007.
- Continuing from November 2007 to the present (comparing to the same month in the previous year), the percentage change in the average single family home price was -5.8% in November of 2007, -8.2% in December of 2007, -7.7% in January of 2008, -1.4% in February of 2008, +0.9% in March 2008, and -5.9% in April of 2008.

It should be quickly noted that these percentage changes are not additive. The biggest negative gap in price comparisons occurred in December of 2007 (-8.2%). The negative gap narrowed in January and February of 2008. The average price in March 2008 was slightly higher than in March 2007, and in April 2008 (the most recent month for which information is available) the average price of a single family home sold in SW Louisiana was 5.9% below the average price in April of 2007.

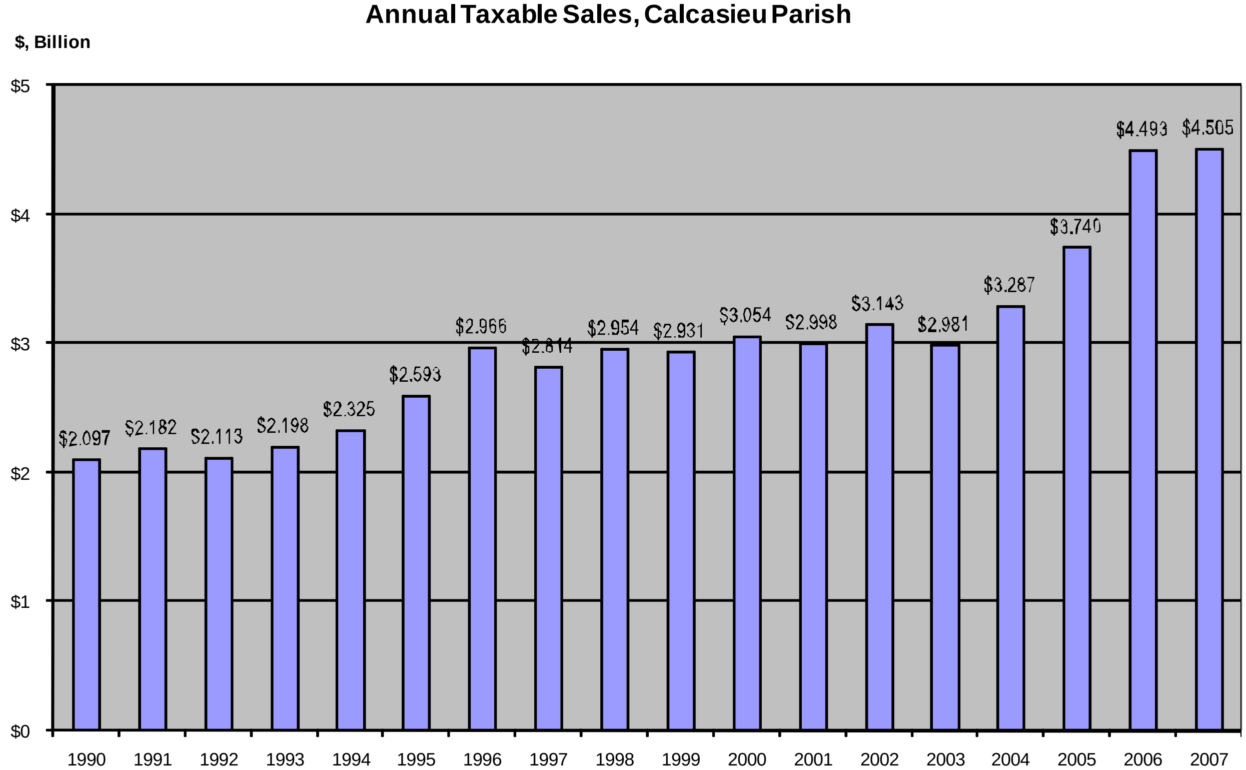
When the data in the previous chart is re-arranged in a monthly time series (shown in the chart that follows), it is apparent there has been no major melt-down in Southwest Louisiana single family home prices. At worst, one might conclude there has been a modest slowdown in recent months. But taking into account that monthly "averages" can be skewed by unusual events (such as several very high- or low-price houses selling in a particular month), perhaps the most remarkable characteristic of the regional housing market is its relative stability.



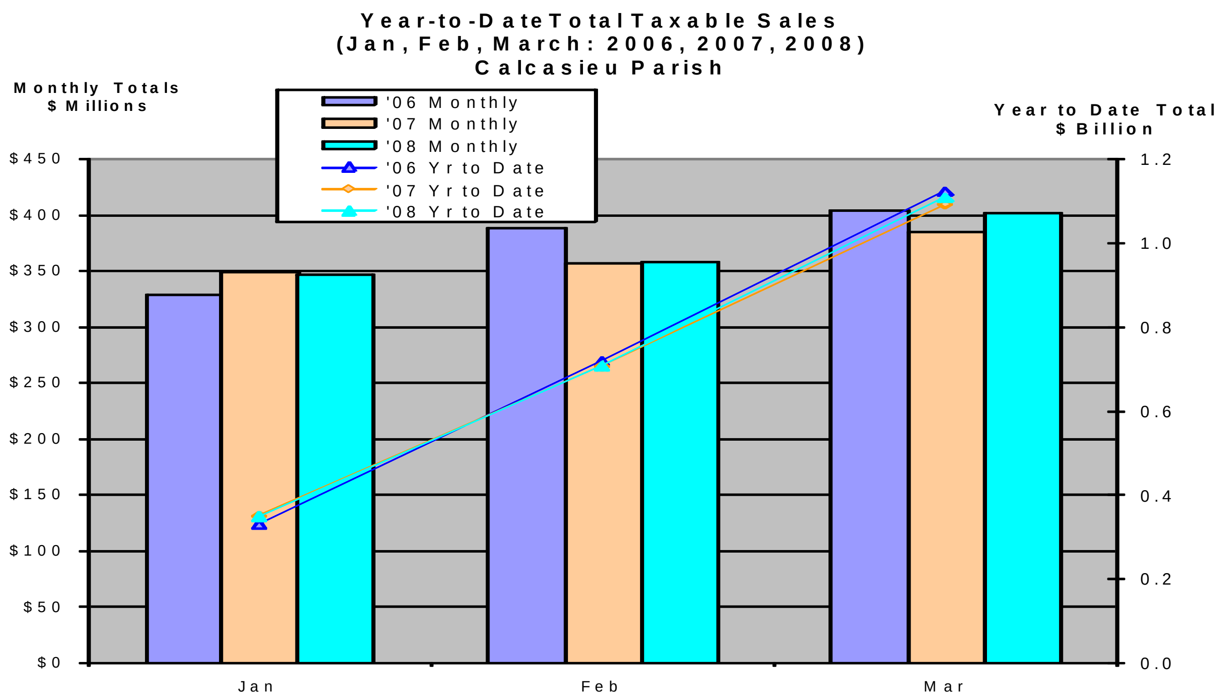
Taxable Sales

Taxable sales are an indication of spending in the parish and one of the most immediate indicators of regional economic activity. Annual taxable sales in Calcasieu Parish from 1990 through 2007 are shown in the chart that follows.

The $4.505 billion total taxable sales for 2007 topped the total for the previous year by only $11.8 million or less than 0.3%. But this was no slight achievement given the $754 million or 20% increase in taxable sales that occurred in 2006, the first year of recovery spending after Hurricane Rita hit the parish.



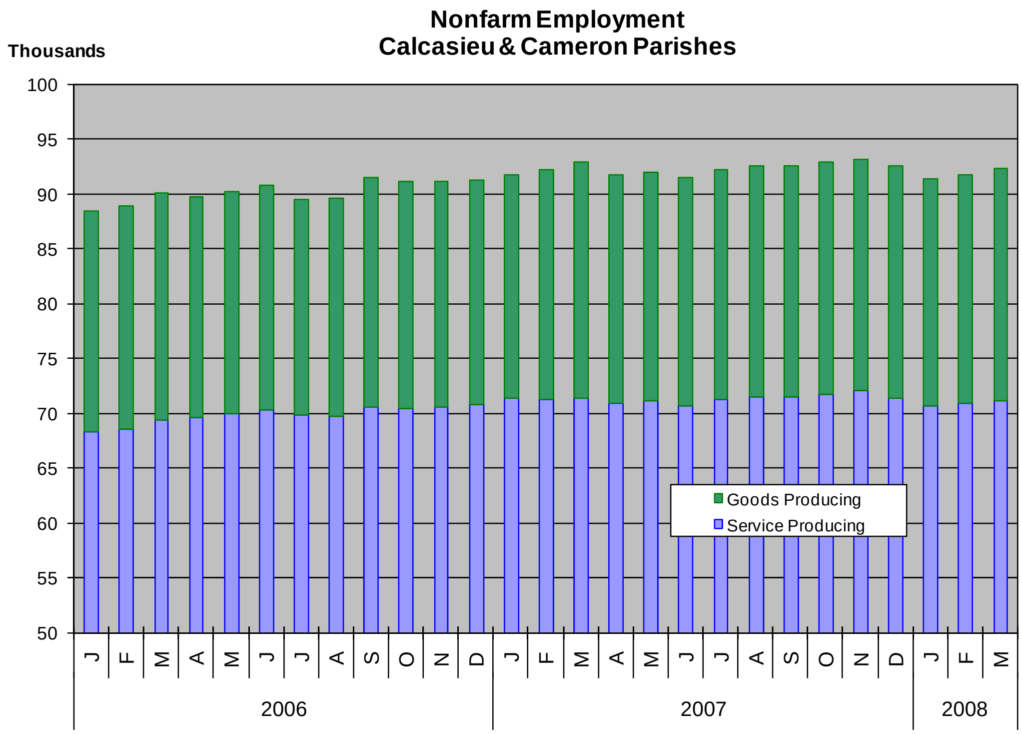
The chart that follows indicates that the $1.1 billion in taxable sales for the first three months of 2008 closely matches sales in the same period of 2006 and 2007.



Includes transactions subject to Calcasieu Parish sales and use taxes.

Employment

Monthly non-farm employment from January 2006 through March 2008 in Calcasieu and Cameron Parishes is shown in the chart that follows. In March of 2008, total non-farm employment was about 92,400. This represented an increase of 500 jobs from the previous month, and a decrease of 600 jobs from the same month in 2007. As can be seen from the chart, employment has generally trended upward since January of 2006.



Sectors registering the largest gains in employment over the last year are trade-transportation-utilities, manufacturing, and government. Sectors showing job losses over the last year include natural resources and mining, construction, and professional and business services. Employment in the leisure and hospitality sector remained the same over the last year.

The *Southwest Louisiana Economic Indicators* report is distributed electronically through the **H.C. Drew Center for Economic Development Information Services** in the College of Business at McNeese State University in Lake Charles, Louisiana. Visit our webpage for more detailed information depicting recent economic trends in Southwest Louisiana—including Calcasieu, Cameron, Allen, Beauregard, and Jefferson Davis Parishes.

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