

Gonzales Albertson's sells

By [Tom Cook](#), *Columnist*

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Walgreens Louisiana Co. Inc. bought 4.77 acres the corner of La. 44 and Airline Highway on March 13. Brent Garrett with Beau Box Commercial Real Estate Company, who brokered the transaction, said several preferred Walgreens developers had looked at the property for purchase. Garrett said six or seven offers were made, which drove up the price of the Albertson's Gonzales location. Walgreens, in effect, stopped the bidding war and purchased the property, and then chose Stirling Properties as their preferred developer. Walgreens will transfer the ownership of the property to Stirling development, which will build a retail store on the site. According to Brent, there will be an additional \$300,000 in demolition, so Walgreen's all-in-purchase price was \$8.47 million. This calculates to a total price per square foot of \$40.77.

According to Brent, the balance of the property will be sold off and Walgreens will occupy the hard corner. If the excess three acres of the property is sold off at less than \$40.77 per square foot, it drives the effective price per square foot on the corner up. For instance, if the rear three acres are sold for \$20 per square foot, then Walgreens will recapture about \$2.6 million. This means they will be in the hard corner for the difference of \$8.5 million and \$2.6 million, or be in the two-acre corner for approximately \$5.9 million. This means their effective cost of the corner will be in excess of \$67 per square foot. It is unclear how the transaction will work out at this point, but the purchase of a 4.77-acre tract for \$40.77 per square foot is certainly one of the highest prices paid in the area. According to Garrett, Walgreens recognized this as an excellent location. It is the "going home corner," and they expect it to be one of their highest-grossing retail stores.



sale price calculates to about \$36,350 per unit, indicating an escalating price for the Melrose East area.

Another recent sale on Titian Avenue in January brought \$600,000 for 20 units or \$30,000 per unit. Bon Carre is approximately 85% occupied, bringing additional personnel in the area.

Willow Grove, for real

In June of 2004, Richard Carmouche purchased the property now being developed as Willow Grove subdivision. The development has been in the news on and off since its original inception. According to Carmouche, 108 of 158 lots have either closed or have purchase agreements in place. Carmouche has recently made bulk sales to six builders--Darryl May, Don Joffrion, Chuck Dupree, Robert Lynch, Larry Jordan, Alan Jordan, and Todd Waguespack. All of the builders have purchased 10 lots or more, and the remaining sales have been made to individual homeowners. "We are going to be very strict about speculative construction and our architectural committee is adamant about maintaining the integrity of the development," Carmouche says. This list of six builders are some of the best in the city, so I expect the development will be one of Baton Rouge's premier subdivisions. According to Carmouche, the most recent purchase was for 10 lots to Don Joffrion for a little over \$1.2 million. Currently they have five slabs poured and the first section of townhouses formed and under construction. Carmouche said the architectural review committee has looked at an additional 15 plans, so homes should be ready for sale in the early summer.

The next phase of the development will consist of 60 condominiums and 25,000 square feet of office and retail space. This will be constructed mostly in three-story buildings around what Carmouche calls the pedestrian-friendly town center, a New Orleans-type feel with a fountain in the center and large green space. Remson Haley Architects is designing the town center, which will allow for block-parties and a farmers market.

Willow Grove consists of more narrow streets, a higher-density residential area with large common areas with green space and parks.

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