



MASTER CLASS - Hammond Developer James E. Maurin teaches best practices in shopping center development at Stirling Covington Center in St. Tammany Parish to an international team of young developers who visited Louisiana to learn from the Stirling Properties executives. From left, are Marcos Carvalho, from Rio de Janeiro, Brazil; Elliott Bross Umann, from San Pedro Garza Garca, Mexico; Maurin; Gar Herring, from Dallas; and G. Lamont Blackstone, from Mt. Vernon, N.Y.

July 27, 2007 -- Covington, LA

Back in 1985, American shopping center pioneer James Wilson Rouse taught the last Master Developer educational program for the International Council of Shopping Centers in Columbia, Md., to then-young entrepreneurial developers John L. Bucksbaum and James E. Maurin.

Today, both of those students of the historic man head up their own successful shopping center development companies and throughout their careers have held many volunteer positions with the global trade association known as ICSC.

Bucksbaum, chairman and CEO of Chicago-based General Growth Properties, was ICSC chairman from 2006 to 2007 and Maurin, chairman of Covington-based Stirling Properties, served as ICSC chairman from 2004 to 2005.

This summer, after more than two decades of hiatus, ICSC resumed the Master Developer program, and Maurin, better known as Jimmy, assumed Rouse's role of the master developer instructor to give back to a new generation of developers.

The restructured two-day program was held at the headquarters of Stirling Properties in Covington on July 18 and 19. It covered such topics as structuring a real estate organization, corporate culture, retail site selection, development techniques, tenant mix, leasing, finance and developing a financial pro forma, according to Rudolph E. Milian, ICSC senior staff vice president, who organized the effort.

One full day was devoted to case studies of two properties, a ground-up development of Stirling Covington power center in St. Tammany Parish and the de-malling of Hammond Square in Hammond. The latter is in the early stages of demolition to convert the 1976 three-level mall, now closed, into a retail urban village.

The first part of the case study was covered in a classroom discussion.

The second part consisted of shuttling the participants to tour both properties for a first-hand on-site inspection with the Stirling executives, each of them pointing out various development tactics as students took notes.

"The students had a once-in-a-lifetime opportunity to see a real estate company from the inside that only company insiders ever get to experience," said Milian.

Assisting Maurin as master developer faculty were Stirling Properties senior executives Jeffrey L. Marshall, vice president of development and finance, Martin A. Mayer, president and chief executive officer (and ICSC Louisiana state director), Peter D. Aamodt, director of single property development; Grady Brame, vice president of asset management, Lewis W. Stirling III, SCLS, executive vice president and partner, and Gerald E. "Chip" Songy, executive vice president and partner.

The invited participants came from various states as well as Canada, Mexico, Brazil and Chile to learn from the Stirling executives. They were selected from a list of recommendations from ICSC's five divisional vice presidents covering the southern, central, western, eastern and Canadian divisions.

In making these recommendations, these officials considered involvement by the invitees in ICSC activities within their divisions and the potential these individuals offer to influence development of shopping centers over the next decade.

Several of the students are second-generation developers of retail real estate now holding senior positions in their own companies formerly run by their fathers. Part of the course included understanding real estate cycles known for soaring peaks followed by deep troughs, which Louisiana experienced in the 1980s but some of the younger participants have never witnessed.

"You not only need to have a growth strategy but a survival strategy as well for bad times," Maurin told the students.

New York-based International Council of Shopping Centers is the trade association of the shopping center industry with more than 71,000 members in 95 countries. Stirling Properties is a regional company headquartered on the North Shore of New Orleans, in Covington.

Stirling began developing shopping centers in 1975. Today, Stirling offers many real estate services - including brokerage, development and management - dedicated to various real estate asset classes including residential, retail, office and hotel.

Stirling Covington

Covington, LA

Stirling Covington Center is a ground-up development of a power center, which opened its first phase in March 2004. This mostly big-box retail project fronts the busy Interstate 12 and Louisiana Highway 21.

Phase I (390,230 square feet) anchors include Belk, Cost Plus World Market, Dress Barn, J.C. Penney, Marshall's, Ross Dress for Less, Shoe Carnival and Target.

Phase II (94,256 square feet) anchors are Kirkland's, Linens-N-Things and a yet unannounced anchor. Best Buy and Hollywood Theater anchor Phase III (80,030 square feet).

Hammond Square

Hammond, LA

This once-enclosed 31-year-old regional mall Hammond Square is in the process of being demolished and rebuilt into a modern open-air center shaped like an urban retail village aesthetically designed to satisfy today's customer preferences and lifestyles. Phase I comprises 699,543 square feet of retail. Existing anchors, Sears and Dillard's, will remain in their current locations with Dillard's footprint being expanded by 25,000 square feet.

Additional new anchors include Best Buy, J. C. Penney, TJM Maxx, Old Navy and a 126,800 square-foot Target.

An existing 37,493 square-foot 10-screen AMC Theater that offers stadium seating and an existing 11,261 square-foot Rite Aid will also anchor Phase I.

Two 80,600 square-foot anchors are planned for Phase II and Phase III, respectively, a possible sports-oriented large store and The Home Depot.

Stirling's master development plan calls for 863,595 square feet of retail when Hammond Square is fully developed. The project sits by the Southwest Railroad Avenue exit of Interstate 12. This development in Hammond will serve a current primary trade area population of 120,700 likely to extend when the project is fully completed.

Estimated area population figures have been adjusted for post-Katrina migration into the desirable Hammond area. This primary trade area consists of a consumer demand of \$1.49 billion in retail sales (including automobile, gasoline, food and beverage and other Non-GAFO sales) of which almost \$77 million comes from outside the area.