

Economic Trends

Quarterly Report on the St. Tammany Economy

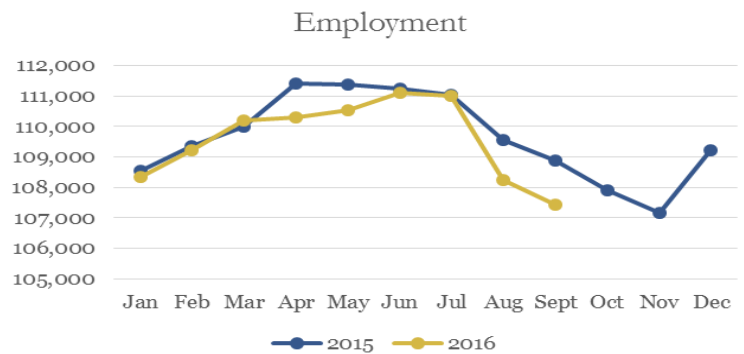
Third Quarter 2016 (3Q16)

CEO UPDATE

The St. Tammany Economic Development Foundation would like to present the “Economic Trends” report for the third quarter of 2016 (3Q16), the **first** economic report produced **in-house** by STEDF. This report analyzes quarter-on-quarter, year-over-year, and year-to-date changes in economic trends. New business incorporations rose 35% year-over-year—from 483 incorporations in 3Q15 to 654 incorporations in 3Q16.

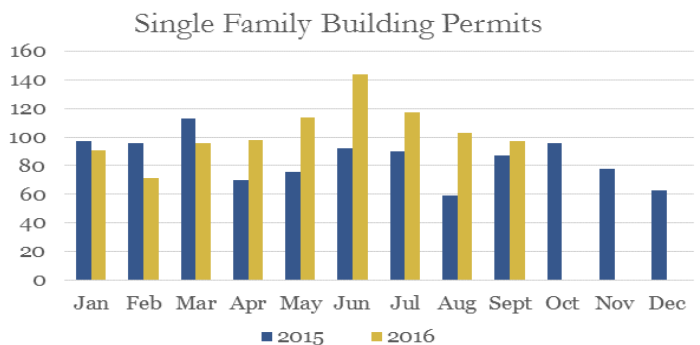
EMPLOYMENT

Total parish employment decreased by 1.6% from the previous quarter and by 0.8% from the third quarter of last year. The average quarterly employment by the end of 3Q15 was 0.5% higher than it was by the end of 3Q16. The unemployment rate in St. Tammany (5.7%) remained lower than the rate for Louisiana (6.3%) but higher than the national rate (4.9%).

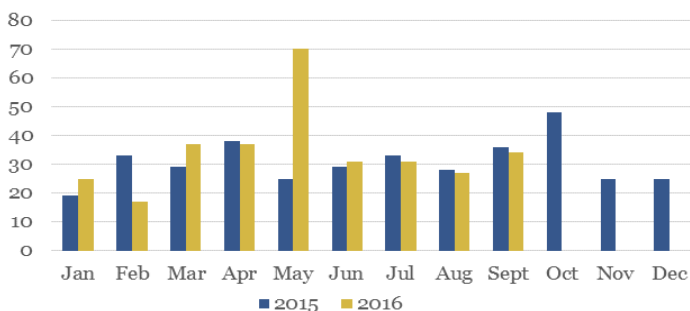


CONSTRUCTION & HOUSING

Though the number of residential building permits issued decreased from the second quarter—a quarter which saw an impressive 40% increase in permits issued—2016 has shown an overall increase in the number of permits issued over 2015. The number of permits issued in 3Q16 increased by 34% year-over-year and by 19% year-to-date.

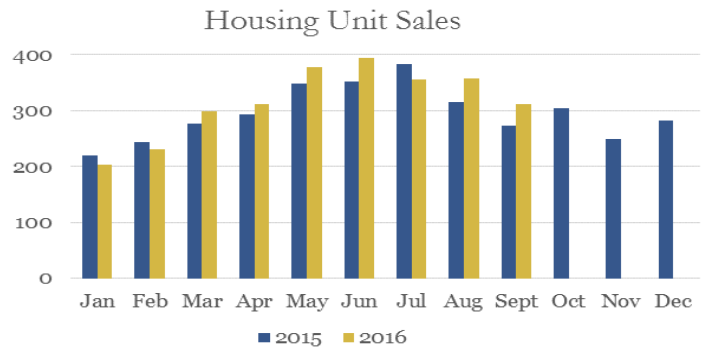


Commercial Building Permits



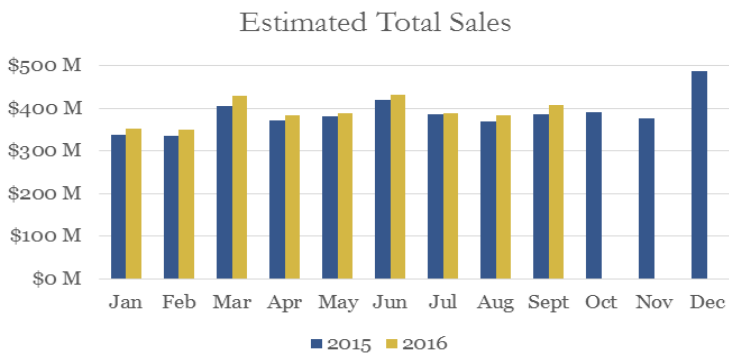
The number of commercial building permits issued in the third quarter decreased quarter-on-quarter (-33%) and year-over-year (-5%) but increased year-to-date (14%). St. Tammany issued 39 more commercial building permits in the first three quarters of 2016 than in the first three quarters of 2015—largely due to the 70 permits issued in May 2016.

The number of houses sold increased by approximately 5% both year-over-year and year-to-date, despite a quarter-on-quarter decrease of 5.6%. The total sales volume increased by 13% from the third quarter of 2015 and 12% year-to-date, despite a small decrease of 3% from the previous quarter. The average sales price of a home in 3Q16 was \$255,446—a 7.5% increase from the same time last year.



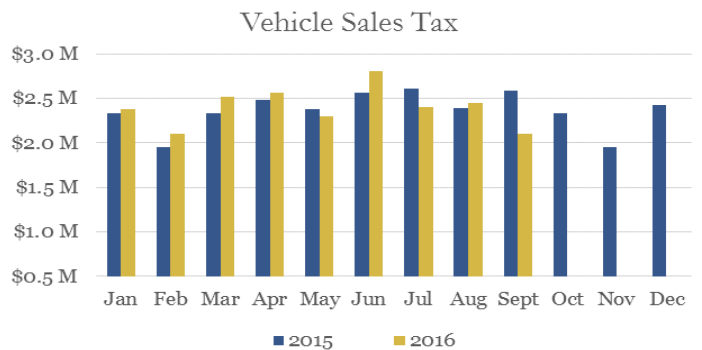
The average apartment rent (\$1,223) increased by almost 3% year-over-year. Average rent is derived from surveyed apartment units located in 10 different complexes throughout the parish that meet housing needs (2 bedrooms, 1.5 or 2 baths) for professional or managerial households.

SALES & TAXES



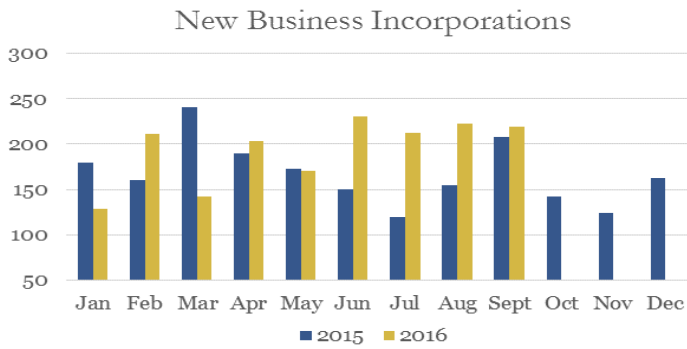
The estimated total sales in the third quarter was over \$1.1 billion, and the total sales tax was over \$56 million. Estimated total sales and sales tax collections decreased 2.2% from the previous quarter but increased 3.2% year-over-year and 3.5% year-to-date.

DMV sales tax collections decreased 9.3% from the previous quarter and 8.5% from the third quarter of last year. A minimal year-to-date increase of 0.1% shows that DMV sales tax collections have remained approximately unchanged from 2015, despite the 3Q16 decrease.



Data on vehicle sales tax revenue is taken from all vehicle sales by residents living in the parish and registered in the parish, whether the sale occurred inside or outside the parish. Total vehicle sales tax is calculated from records of vehicles purchased, titled, and licensed in the parish, including vehicles licensed and titled in St. Tammany though purchased elsewhere. Any computation of vehicle sales using vehicle sales tax data is likely to be overstated, as it would include sales occurring outside the parish.

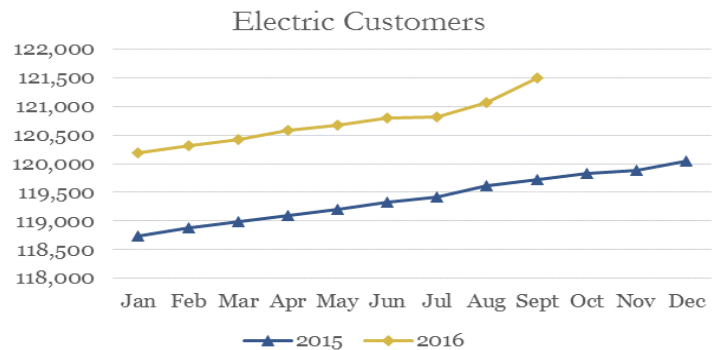
NEW BUSINESS



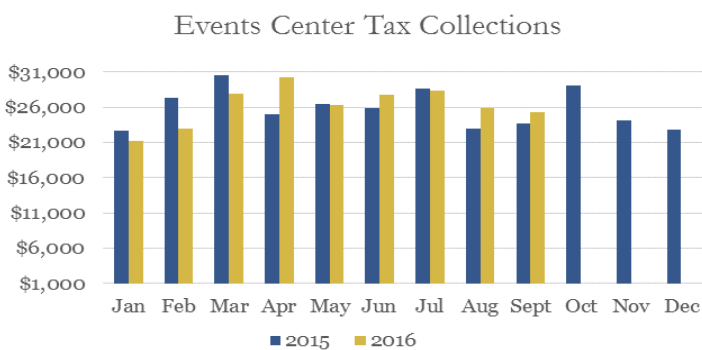
654 new businesses were incorporated in St. Tammany in the third quarter of 2016, increasing by 8% quarter-on-quarter, by 35% year-over-year, and by 10% year-to-date. The largest increase in the third quarter occurred in July, when 92 more permits were issued in 2016 than in 2015.

ELECTRIC CUSTOMERS

The number of electric customer accounts in St. Tammany increased somewhat in 3Q16 to 121,132 accounts from 120,689 in the previous quarter and 119,591 in 3Q15.



HOTELS & EVENTS CENTER



Tax collections from the Northshore Harbor Center decreased 5.7% quarter-on-quarter but increased 5.9% year-over-year and 1.3% year-to-date. August and September saw increases over the corresponding months last year—13.2% and 7.1% respectively—with July decreasing 1%.

Hotel sales increased 4.1% over the previous quarter and 26.7% over the third quarter of last year. Year-to-date, 2016 has seen a 9.0% increase in hotel sales over 2015. August and September saw significant increases over the corresponding months in 2015—38% and 58% respectively.

CONSUMER PRICE INDEX & INFLATION RATE

The inflation rate for the southern region of the United States rose to 0.7% from 0.5% in the previous quarter and from -0.8% in the third quarter of 2015.

The “Economic Trends” report is compiled and published quarterly by the St. Tammany Economic Development Foundation. Data is collected from a range of sources, including governmental entities, private corporations, and public listings.



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St. Tammany Economic Indicators

Economic Indicators	3Q16	2Q16	Q/Q	3Q15	Y/Y	2016 YTD	2015 YTD	YTD
Retail Sales (a)								
Estimated Total Sales	\$1,176,977,947	\$1,203,727,275	-2.2%	\$1,140,798,449	3.2%	\$3,510,051,721	\$3,390,978,029	3.5%
Total Sales Tax	\$56,141,848	\$57,417,791	-2.2%	\$54,416,086	3.2%	\$167,429,467	\$161,749,652	3.5%
DMV Sales Tax (a)	\$6,951,748	\$7,668,589	-9.3%	\$7,597,142	-8.5%	\$21,628,524	\$21,646,303	-0.1%
Share of Total Sales Tax	12.4%	13.4%		14.0%		12.9%	13.4%	
New Business Incorporations (b)	654	604	8.3%	483	35.4%	1,740	1,576	10.4%
Non-Agricultural Employment (Revised) (c)								
Total Employment*	108,894	110,646	-1.6%	109,824	-0.8%	109,600	110,155	-0.5%
Unemployed*	6,580	6,074	8.3%	6,259	5.1%	6,148	6,556	-6.2%
Labor Force*	115,474	116,720	-1.1%	116,083	-0.5%	115,749	116,711	-0.8%
Unemployment Rate (Revised) (c)								
St. Tammany Parish*	5.7%	5.2%		5.4%		5.3%	5.6%	
Louisiana*	6.3%	6.3%		6.4%		6.2%	6.5%	
United States*	4.9%	4.8%		5.2%		5.0%	5.5%	
Unemployment Insurance Claims (c)	n.a.	n.a.		235		n.a.	711	
Building Permits (Unincorporated Area) (d)								
New Single Family Permits	317	356	-11.0%	236	34.3%	931	780	19.4%
New Commercial Permits	92	138	-33.3%	97	-5.2%	309	270	14.4%
Residential Real Estate (e)								
Total Sales Volume	\$261,321,126	\$269,574,100	-3.1%	\$231,160,800	13.0%	\$705,459,726	\$632,802,000	11.5%
Number of Houses Sold	1,023	1,084	-5.6%	973	5.1%	2,840	2,708	4.9%
Average Sales Price*	\$255,446	\$248,685	2.7%	\$237,575	7.5%	\$248,401	\$233,679	6.3%
Housing Inventory/Listings	1,430	n.a.		1,496	-4.4%	1,361.8	1,486.56	-8.4%
Housing Inventory Months	4.2	n.a.		4.7	-11.1%	4.6	5.1	-9.4%
Total Permitted & Sold	1,340	1,440	-6.9%	1,209	10.8%	3,771	3,488	8.1%
Average Apartment Rent* (f)	\$1,223	\$1,227	-0.3%	\$1,191	2.7%	\$1,220	\$1,192	2.4%
Utilities								
Total Electric Accounts* (g)	121,132	120,689	0.4%	119,591	1.3%	120,708	119,224	1.2%
Hotel Sales (h)	\$14,874,696	\$14,286,359	4.1%	\$11,742,664	26.7%	\$41,085,609	\$37,708,973	9.0%
Events Center Tax Collections (a)	\$79,643	\$84,496	-5.7%	\$75,207	5.9%	\$236,230	\$233,108	1.3%
Inflation Rate, Southern Region (i)								
Consumer Price Index*	229.6	229.0		228.0		228.1	226.8	
Inflation Rate*	0.7%	0.5%		-0.8%		0.6%	-0.9%	

* Year-to-date data is an average.

N.A. = not applicable; n.a. = not available

Sources: (a) St. Tammany Parish Sheriff's Office; (b) LA Dept. of State, Secretary of State; (c) Louisiana Workforce Commission; (d) St. Tammany Parish Department of Planning & Development; (e) Latter & Blum, Inc. Realtors through the Gulf South Real Estate Information Network, Inc., may not represent all single family real estate transaction in St. Tammany for reported periods; (f) www.forrent.com, www.apartments.com, www.apartmentfinder.com; (g) Washington-St. Tammany Electric Co-op, CLECO; (h) St. Tammany Parish Tourist & Convention Commission; (i) U.S. Dept. of Labor, Bureau of Labor Statistics