

LOUISVILLE BUSINESS FIRST

MAY 21, 2010

BusinessFirstofLouisville.com

VOL. 26, NO. 42

Oldham taps Hocker Group to develop 1,000-acre park Hocker has option for 180 acres; retail development planned

Campus plan calls for office, retail, residential uses

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The recession has largely derailed Oldham County's plans to develop a nearly 1,000-acre business and residential park, but officials there are making a move this week that they hope will get the project back on track.

The Oldham-La Grange Development Authority is scheduled to sign a joint venture agreement today, May 21, with The Hocker Group LLC that will allow the Louisville-based real estate investment firm to become the master developer at Oldham Reserve, a mostly empty park located off of Interstate 71 in La Grange.

The deal is contingent on the construction of an interchange to provide access to the park from I-71, according to officials of both parties.

Federal and state transportation officials are studying the need for the interchange, which would be built between exits 18 and 22.

Oldham County also is required in the agreement to build a road to connect the interchange with nearby Ky. 53.

Hocker has option on 180 acres

The public-private partnership is the first for OLDA, which owns the park, and The Hocker Group LLC, a firm formed in 2007 by D. Talmage Hocker, who has worked in retail and real estate development since 1984. Under the terms of the agreement,

Hocker would have the option to buy at least 180 acres in the park to develop for retail purposes.

He and the development authority would market the remaining property to office and residential developers who would build out the campus over the next 20 years.

Plans for Oldham Reserve were announced in 2005 when the city of La Grange and Oldham County issued \$20 million in bonds to finance the purchase of 977 acres and make initial infrastructure improvements to the campus.

In 2007, Oldham Reserve became home to The Rawlings Co. LLC, an insurance subrogation firm that built a 158,000-square-foot headquarters for its 560 employees.

But no other companies have joined Rawlings in the park.

OLDA chairman Don Basham said the authority had been "on the verge" of a deal with Hocker two years ago.

But then the economy tanked, and both groups took a step back.

Now, with an improving economic outlook, the authority and the developer are ready to move the project forward.

"We're trying to get ourselves in a position to take advantage when (the economy) does turn," Basham said. "Nobody knows for certain when that will be. I think most people agree that it's on its way."

Purchase price is \$13.5 million

The deal with Hocker calls for him to make an initial down payment to OLDA of \$75,000 today and a second payment of \$150,000 at the end of the year, when a justification study for the proposed interchange is due from federal and state transportation officials.

If the interchange is approved, Basham said, the deal allows Hocker to make \$525,000 payments each year for up to 10 years to preserve his option on the 180 acres.

The purchase price is set at \$13.5 million, and Hocker can exercise his option anytime during that period.

If the interchange is not approved and Hocker decides to walk away from the deal, he can recover half of his first and second payments.

If Hocker exercises his option for the 180 acres, OLDA and The Hocker Group would form a separate limited liability company, led by Talmage Hocker, to oversee the sale of additional land and the development of the park.

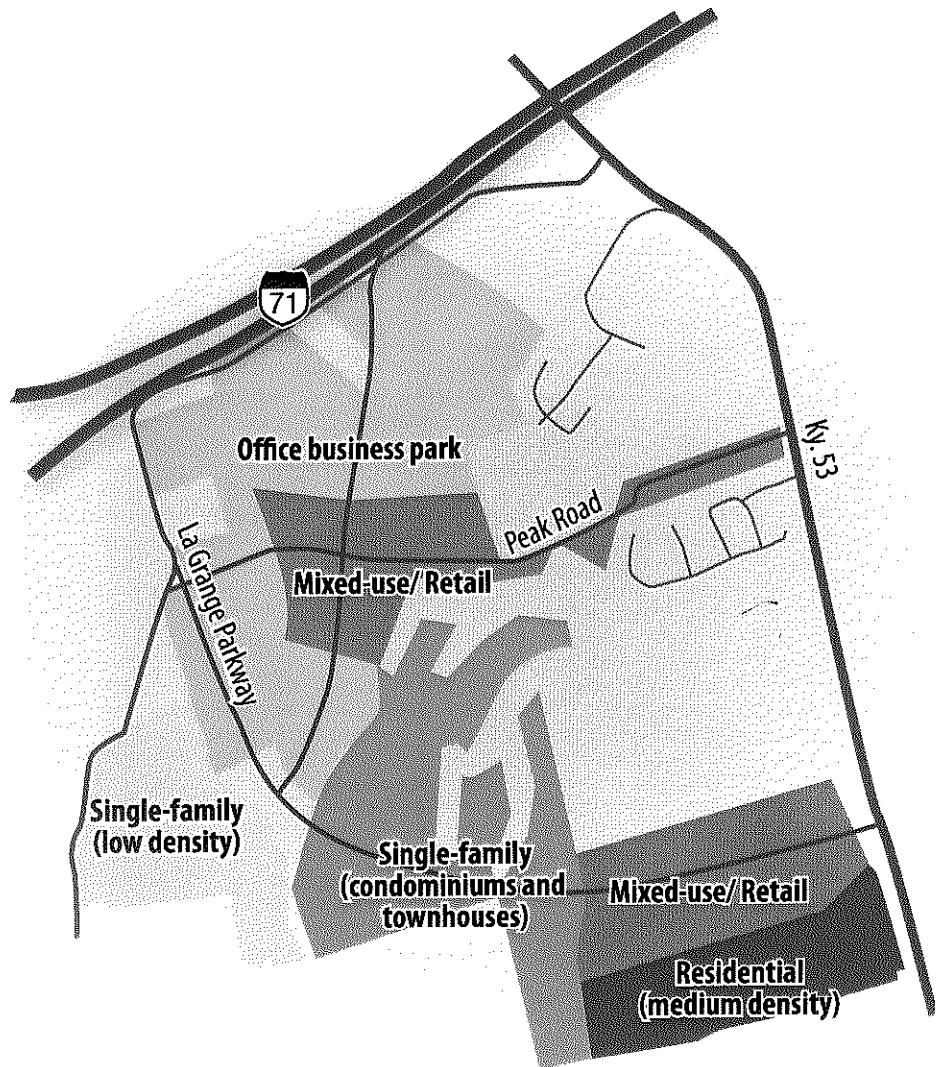
Department stores, restaurants, hotels part of plan

Hocker, president and founder of The Hocker Group, said he envisions the retail portion of Oldham Reserve housing a power center that would have department and discount stores, restaurants, hotels and possibly a movie theater.

Offices and different types of housing would create an environment where "everybody can shop and live and play in one location," he said.

Currently, most Oldham County residents must drive as much as 30 minutes

OLDHAM RESERVE



BUSINESS FIRST FILE MAP

to work, shop or visit restaurants and entertainment venues in Jefferson County, Hocker said.

Oldham Reserve has "tremendous potential" to alleviate that need to travel, he added. "It's going to be fantastic for Oldham County and La Grange."

Hocker bought Springhurst last year

Hocker is a familiar name in commercial real estate circles across the state.

Last year, he and a group of partners bought Springhurst Towne Center in Louisville for \$42.4 million.

Hocker formerly was president and chief operating officer of Owensboro, Ky.-based David Hocker & Associates Inc., a firm operated by his father, David Hocker.

Hocker & Associates has owned or developed 45 shopping centers in 14 states. It also managed Oxmoor Center in Louisville for six years.

An affiliate of the company, Hocker Oxmoor LLC, owned the Shelbyville Road mall from 2003 until 2004, when it sold it to The Rouse Co., a Baltimore-based real estate investment trust, for \$123 million.

Oxmoor now is owned by Chicago-based General Growth Properties Inc.

Park could support 11,000 jobs

Deana Epperly Karem, executive director of the newly formed Oldham Chamber & Economic Development agency, said she believes Hocker has the "energy level" and "standard of excellence" to get the Oldham Reserve project moving.

She called the business park Oldham County's "premier economic development asset."

Basham said he believes Oldham County is uniquely positioned for growth as Jefferson County's population continues to push eastward.

He pointed to a 2008 study by University of Louisville economist Paul Coomes, which said that if the master plan for Oldham Reserve is followed, it could create between 4,000 and 11,000 jobs with a new base payroll of between \$150 million and \$470 million.

"We've been very encouraged by his findings," Basham said. "Those are pretty good-sized numbers." |



Karem