



THE McENERY COMPANY

VALUATION & ADVISORY SERVICES

PREPARED FOR:

Ms. Leslie Alley
French Market Corporation
1008 North Peters Street
New Orleans, LA 70116

PREPARED BY:

Baldwin R. Justice
The McENERY Company
810 Union Street,
Fourth Floor
New Orleans, LA 70112
mceneryco.com

French Quarter Portfolio
New Orleans, LA 70116

EFFECTIVE DATE OF
MARKET RENT CONCLUSION: September 15, 2023

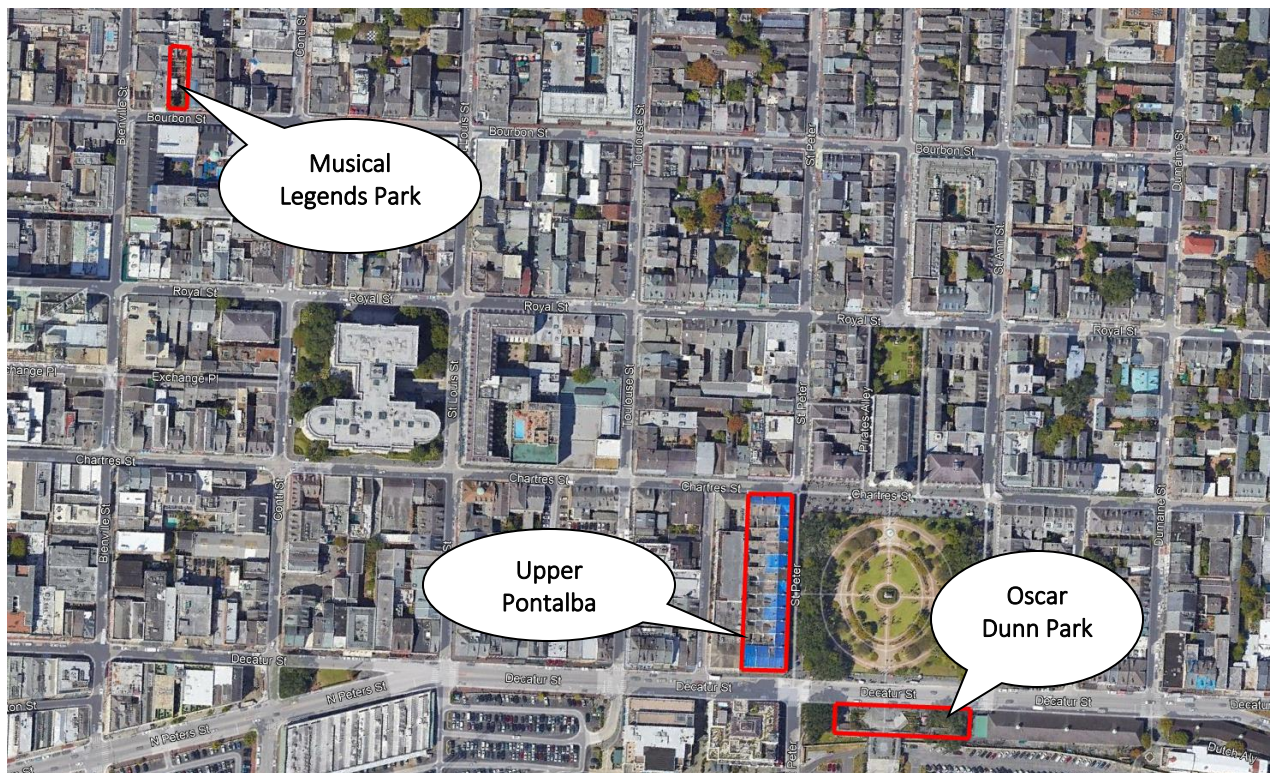
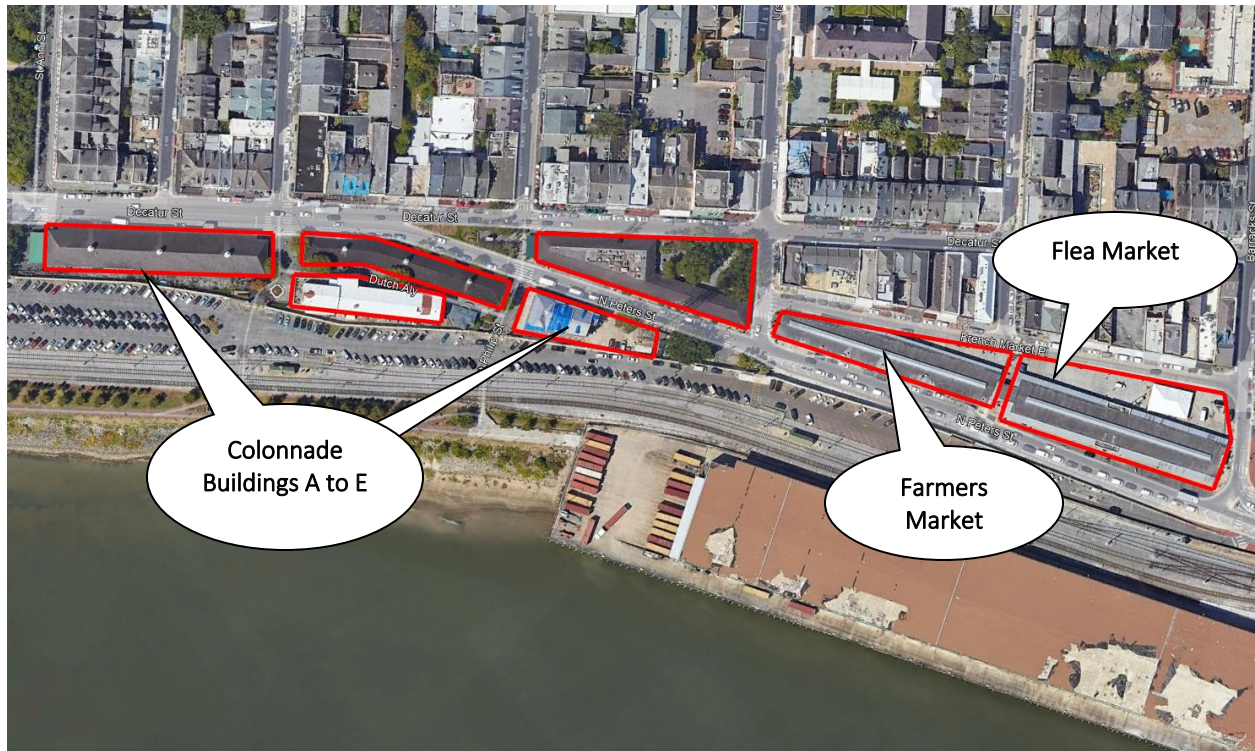


FILE # | 23-1525

APPRAISAL REPORT



SUBJECT PHOTOGRAPHS





Exterior



Exterior



Exterior



Exterior



Exterior



Exterior



Interior



Interior



Interior



Interior



Interior



Interior

December 1, 2023

Ms. Leslie Alley
French Market Corporation
1008 North Peters Street
New Orleans, LA 70116

Re: French Quarter Portfolio
New Orleans, LA 70116

Our File Number:
23-1525

Dear Ms. Alley:

In accordance with the terms outlined in your engagement letter, we have conducted an examination of the subject property and analyzed factors relevant to the determination of the requested market value(s). Attached is our report, which outlines our methodology and presents the data gathered and used to arrive at a final value estimate. This appraisal report comprises a total of 207 pages.

Summary of Subject Property:

The subject of this report is an assemblage of historic French Quarter properties, which are currently operating as multi-tenant retail. The subject property is identified as Legend's Musical Park, the ground floor commercial units in the Upper Pontalba Building, the Colonnade Buildings, Oscar Dunn Park, the Farmers Market, and the Flea Market.

The purpose of this appraisal is to determine the fair market rent of the Fee Simple Interest in and to the subject property. Integral to the conclusions reached herein are inferences drawn from the included Level A market and marketability analysis. Within this Scope of this assignment, *Fair Market Rent* is defined as:

"The most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of the lease agreement, including permitted uses, use restrictions, expense obligations, term, concessions, renewal, and purchase options, and tenant improvements."

Ms. Alley
December 1, 2023

Implicit in this definition are the following:

1. *Lessee and lessor are typically motivated.*
2. *Both parties are well informed or well advised, and acting in what they consider their own best interests.*
3. *A reasonable time is allowed for exposure in the open market;*
4. *Payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and*
5. *The lease represents the normal consideration for the property leased unaffected by special or creative financing or sales concessions granted by anyone associated with the lease.*

The opinion of fair market rent expressed in this report is conditioned on the Statement of Certification and the Statement of Assumptions and Limiting Conditions that are included within the report.

USPAP Requirements Note:

This appraisal complies with the reporting requirements mandated by the 2022-2023 Edition of the United Standards of Professional Appraisal Practice (USPAP) adopted by the Appraisal Standards Board of The Appraisal Foundation. Additionally, as per Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) minimum appraisal standards, we HAVE completed previous appraisals of retail properties similar to the subject property in this area.

Client & Intended User:

The client and intended user of this report is French Market Corporation, as represented by Ms. Leslie Alley. We are not responsible for the unauthorized use of this report.

Ms. Alley
December 1, 2023

The following table summarizes our opinion(s) of market rent based on the data and analyses contained herein.

Property ID	Conclusion	Effective Date	Market Rent	Market Rent/SF
Legend's Musical Park 311 Bourbon Street	Fair Market Rent	September 15, 2023	\$178,422	\$31.68 per land sf
Upper Pontalba Building	Fair Market Rent	September 15, 2023	\$955,563	\$50 to \$120 per sf
Colonnade Building A	Fair Market Rent	September 15, 2023	\$1,495,548	\$65 to \$125 per sf
Colonnade Building B	Fair Market Rent	September 15, 2023	\$504,660	\$70 to \$130 per SF
Colonnade Building C	Fair Market Rent	September 15, 2023	\$519,685	\$30 to \$40 per sf
Colonnade Building D	Fair Market Rent	September 15, 2023	\$808,011	\$60 to \$125 per sf
Colonnade Building E	Fair Market Rent	September 15, 2023	\$121,160	\$20 to \$40 per sf
Oscar Dunn Commercial Park	Fair Market Rent	September 15, 2023	\$355,420	\$100 to \$420
Flea Market	Fair Market Rent	September 15, 2023	See Analysis	See Analysis
Farmer's Market	Fair Market Rent	September 15, 2023	\$695,500	\$ 87 to \$217 per sf

Flea Market Rent Conclusions:

Market Rent Conclusions Weekdays			
Row	Size (sf)	Weekday Rate	Rate per SF
A	54	\$25	\$0.46
B	54	\$20	\$0.37
D	54	\$15	\$0.28
E-L	50	\$10	\$0.20

Market Rent Conclusions Weekends			
Row	Size (sf)	Weekend Daily Rate	Rate per SF
A	54	\$30	\$0.56
B	54	\$25	\$0.46
D	54	\$20	\$0.37
E-L	50	\$15	\$0.30

Per building breakdown of the market rent conclusions are included on the following pages.

This is to certify that we have no interest, present or contemplated, in the appraised property. Our opinions of value are subject to the General and Special Assumptions and Limiting Conditions, Certification, and Restriction Upon Disclosure and Use which are stated in the body of the report.

Respectfully submitted,

Baldwin R. Justice
Louisiana State Certified
General Real Estate Appraiser #G3000

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

GENERAL

Property Address:	French Quarter Portfolio New Orleans, LA 70116
Property Type:	Various retail properties
Client:	French Market Corporation, as represented by Ms. Leslie Alley
Ownership:	City of New Orleans
Interest Appraised:	Fee Simple
Type of Conclusion:	Fair Market Rent
Date of Report:	December 1, 2023
Property Inspected By:	Baldwin R. Justice
Intended Use:	The intended use is for establishing market rent for purposes related to asset management.
Intended User(s):	The intended user is French Market Corporation, as represented by Ms. Leslie Alley
Sale History:	The subject property has not changed ownership within the past three years. To the best of our knowledge, the subject property has not been recently marketed for sale, nor is it known to be encumbered by a pending sale/purchase agreement. Except for the ongoing operations and potential mortgage loan considerations, we are unaware of any other transactions that may affect the property.

Land Summary				
Parcel ID	Gross Land Area (Acres)	Gross Land Area (Sq Ft)	Topography	Shape
Upper Pontalaba (Parent Tract)	0.75	32,580	Generally level	Rectangular
Oscar Dunn Commercial Park	0.87	37,680	Generally level	Irregular
Colonnade Building A	0.49	21,440	Generally level	Rectangular
Colonnade Building B	0.26	11,477	Generally level	Irregular
Colonnade Building C	0.26	11,283	Generally level	Irregular
Colonnade Building D	0.62	27,164	Generally level	Rectangular
Colonnade Building E	0.22	9,440	Generally level	Irregular
Farmers Market	0.53	23,090	Generally level	Irregular
Flea Market	1.09	47,656	Generally level	Irregular
Legends Park	0.13	5,632	Generally level	Rectangular
Totals	5.22	227,442		

Building Summary				
Building Name/ID	Condition	Number of Stories	Gross Building Area	Number of Units
Upper Pontalaba	Average-good	1.0	15,009	11
Oscar Dunn Park	Average	1.0	2,867	3
Colonnade Building A	Good	1.0	16,941	8
Colonnade Building B	Good	1.0	5,859	7
Colonnade Building C	Good	2.0	15,957	3
Colonnade Building D	Good	1.0	11,833	6
Colonnade Building E	Average	3.0	4,258	1
Farmers Market	Average	1.0	5,847	10
Flea Market	Average	1.0	N/A	325

Estimated Marketing and Exposure Time: Less than 12 months

MARKET RENT CONCLUSION

Upper Pontalba - Market Rent Conclusions						
Unit ID	Unit Type	Area	Contract Rent	Market Rent	Rent per SF	Lease Type
500, 502CY, 502S1, 502S2, 502WC St. Peters Street - 633CY, 633S1, 633S2, 635 Decatur Street	Restaurant & Endcap (Allowed Alcohol Sales)	3,147	\$211,612	\$211,612	\$67.24	NNN
514 St. Peters Street	Retail	1,063	\$56,561	\$56,561	\$53.21	NNN
544CY, 544S1, 544S2, 546 St. Peters Street- 632CY, 632S1, 632S2, 634 Chartres Street	Restaurant & Endcap (Allows Alcohol Sales)	3,083	\$227,537	\$227,537	\$73.80	NNN
627CY, 627S1, 631 Decatur Street	Retail	1,288	\$53,730	\$64,400	\$50.00	NNN
542 St. Peters Street	Retail	384	\$19,412	\$46,080	\$120.00	NNN
504 St. Peters Street	Retail	372	\$44,088	\$44,088	\$118.52	NNN
532 St. Peters Street	Retail	1,114	\$69,515	\$61,270	\$55.00	NNN
522 St. Peters Street	Retail	1,087	\$44,425	\$59,785	\$55.00	NNN
536 St. Peters Street	Retail	1,044	\$100,080	\$57,420	\$55.00	NNN
510 St. Peters Street	Retail	1,092	\$22,631	\$60,060	\$55.00	NNN
628CY, 628S1, 628S2, 630 Chartres Street	Retail	1,335	\$41,172	\$66,750	\$50.00	NNN
Totals		15,009		\$955,563		
Average Rent per SF				\$63.67		

This analysis has examined recent comparable leases of similar French Quarter retail and restaurant spaces throughout the immediately competitive market area in order to determine market rent determinations. We have examined the historic total annual rent generated for each space, which factors in the % rent. In total, the market rent determination for these spaces consider whether the rent is generated via a flat rate or a base rental rate with a rider for % of sales rent, as well. ultimately, the reported market rental rates represent the total annual rent that is achievable based on market data from the French Quarter market.

The two smallest spaces have been determined to achieve the highest rental rate on a per square foot basis, which is a function of economies of scale. Smaller retail spaces within the French Quarter market garner the highest rent per square foot due to their smaller size and economies of scale. On the other hand these spaces will also achieve the lowest gross rental rate figure due to their smaller sizes.

The two end cap spaces are functioning restaurant spaces, which are considered the most attractive and marketable spaces within the building. That said, the end cap space with frontage along Chartres and St. Peters Street is considered a more marketable location due to its close proximity to the Cabildo and Cathedral, as well as the surrounding restaurants located within the immediate stretch of Chartres Street. This is also illustrated by the higher historic revenue sales generated by the existing restaurant space. The endcap space, which fronts along Decatur Street has a less attractive location in our opinion, due to it being located at the immediate foot of Jackson Square and the tendency for pedestrians to continue traveling past this property for dining options. It captures strong pedestrian traffic flow, however, its location is not necessarily beneficial, as many pedestrians may be distracted by the attractions of Jackson Square and opt to maneuver past this endcap space.

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New Orleans, Louisiana 70112

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Mandeville, Louisiana 70471

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NNN = Triple Net Lease, which requires the individual tenant to pay additional rent on top of the base rent conclusions to account for reimbursement charges for property taxes, property insurance, and repairs/maintenance. This is the most prevalent leasing structure in the French Quarter market and representative of the market terms for these spaces.

Colonnade Building A Market Rent Conclusion						
Unit Location	Unit Type	Lease Type	Area	Contract Rent	Market Rent	Rent per SF
800-803 Decatur	End Cap - Café	NNN	5,118	\$793,252	\$639,750	\$125.00
810 Decatur Street	Interior Retail	NNN	2,532	\$214,628	\$214,628	\$84.77
812 Decatur Street	Interior Retail	NNN	1,467	\$112,340	\$112,340	\$76.58
816 Decatur Street	Interior Retail	NNN	1,059	\$51,992	\$79,425	\$75.00
820 Decatur Street	Interior Retail	NNN	1,658	\$110,600	\$107,770	\$65.00
824 Decatur Street	Interior Retail	NNN	1,228	\$50,655	\$85,960	\$70.00
832 Decatur Street	Interior Retail	NNN	1,179	\$71,026	\$82,530	\$70.00
848 Decatur Street	End Cap - Retail	NNN	2,037	\$72,529	\$173,145	\$85.00
Totals			16,278		\$1,495,548	\$91.88

This analysis has reviewed primarily premiere located retail spaces from the French Quarter market, as well as similar high-quality retail locations within the CBD such as the South Market District, Canal Place, and the Riverwalk Outlets. Additionally, this analysis has examined the confidential high-quality retail spaces from the immediate French Quarter market. An examination of the historic rental rates generated by the subject units has been performed relative to market indicators to conclude a market rental rate for each space.

With respect to the space located at 800-803 Decatur Street (Café Dumonde) an analysis of leased restaurants has also been performed. We have concluded the highest market rental rate for this space, which is due to its premiere location at the foot of Jackson Square and the high pedestrian traffic, as well as its courtyard area that serves as sellable area. This is considered the most marketable space within the entire portfolio and a market rental rate at the top of the range is justified.

NNN = Triple Net Lease, which requires the individual tenant to pay additional rent on top of the base rent conclusions to account for reimbursement charges for property taxes, property insurance, and repairs/maintenance. This is the most prevalent leasing structure in the French Quarter market and representative of the market terms for these spaces.

Colonnade Building B Market Rent Conclusion						
Unit Location	Unit Type	Lease Type	Area	Contract Rent	Market Rent	Rent per SF
900 Decatur Street	End Unit - Retail	NNN	1,042	\$58,461	\$88,570	\$85.00
910 Decatur Street	Interior Retail	NNN	737	\$62,635	\$73,700	\$100.00
910-B1 Deactur Street	Interior Retail (ATM)	NNN	155	\$11,328	\$20,150	\$130.00
912B Decatur Street	Interior Retail	NNN	410	\$26,645	\$53,300	\$130.00
912, 916 Decatur Street	Interior Retail	NNN	1,368	\$56,213	\$95,760	\$70.00
930 Deactur Street	Interior Retail	NNN	763	\$30,297	\$76,300	\$100.00
936, 940 Decatur Street	End Unit - Retail	NNN	1,384	\$58,632	\$96,880	\$70.00
			5,859		\$504,660	\$86.13

This analysis has reviewed primarily premiere located retail spaces from the French Quarter market, as well as similar high-quality retail locations within the CBD such as the South Market District, Canal Place, and the Riverwalk Outlets. Additionally, this analysis has examined the confidential high-quality retail spaces from the immediate French Quarter market. An examination of the historic rental rates generated by the subject units has been performed relative to market indicators to conclude a market rental rate for each space.

The smallest retail spaces are generating the highest rent per square foot due to economies of scale and the marketable location of these interior retail units. Smaller retail spaces garner the highest rent per square foot in this market; however, they also garner the lowest gross rent figure on an annual basis due to their size.

NNN = Triple Net Lease, which requires the individual tenant to pay additional rent on top of the base rent conclusions to account for reimbursement charges for property taxes, property insurance, and repairs/maintenance. This is the most prevalent leasing structure in the French Quarter market and representative of the market terms for these spaces.

Colonnade Building C Market Rent Roll						
Unit Location	Unit Type	Lease Type	Area	Contract Rent	Market Rent	Rent per SF
912 N. Peters Street	Retail	NNN	3,028	\$104,713	\$121,120	\$40.00
916 N. Peters Street	Retail	NNN	2,139	\$38,502	\$74,865	\$35.00
914-1L, 914-1R, 914-2, 914-2B, 914-M1, 914-M2 N. Peters Street	Restaurant / Event	NNN	10,790	\$183,974	\$323,700	\$30.00
Totals			15,957		\$519,685	\$32.57

This analysis has reviewed primarily premiere located retail spaces from the French Quarter market, as well as similar high-quality retail locations within the CBD such as the South Market District, Canal Place, and the Riverwalk Outlets. Additionally, this analysis has examined the confidential high-quality retail spaces from the immediate French Quarter market. An examination of the historic rental rates generated by the subject units has been performed relative to market indicators to conclude a market rental rate for each space.

The retail units located within this building are considered inferior to the balance of the portfolio largely due to their positioning with limited visibility. As a result, these secondary retail locations have been forecasted to capture market rental rates towards the lower end of the range.

With respect to the 2nd Floor event hall space, we have examined similar larger venue leases from the competitive market area in order to conclude a market rental rate for this event venue space. Though this space does not operate as a restaurant, its strong position with views of the Mississippi River would make it an ideal location for a restaurant type concept. Furthermore, the ability to operate as an event hall space from a physical standpoint allows for this space to compete with leased restaurant locations. Finally, our rental rate analysis considers the ability to serve alcohol, as well as the fact that it is not permitted by right to operate as an event hall space. This does not negatively impact the market rental rate, as it is legally allowed to operate as such, irrespective of the fact that it is a legal non-conforming use.

NNN = Triple Net Lease, which requires the individual tenant to pay additional rent on top of the base rent conclusions to account for reimbursement charges for property taxes, property insurance, and repairs/maintenance. This is the most prevalent leasing structure in the French Quarter market and representative of the market terms for these spaces.

Colonnade Building D Market Rent Conclusion						
Unit Location	Unit Type	Lease Type	Area	Contract Rent	Annual Rent	Rent per SF
1000 Decatur Street	End Unit - Café (Allows for Alcoholic Beverage Sales)	NNN	5,177	\$235,783	\$310,632	\$60.00
1010 Decatur Street	Interior - Retail	NNN	789	\$67,386	\$78,900	\$100.00
1022- 1023 N. Peters Street	Interior - Retail	NNN	268	\$11,878	\$33,500	\$125.00
1016-I- 1016-O- 1018 Decatur Street	Interior Café - Outdoor Seating/Alcohol Sales	NNN	4,843	\$150,180	\$290,604	\$60.00
1025 N. Peters Street	End Unit - Retail	NNN	513	\$57,685	\$64,125	\$125.00
1021 N. Peters Street	Interior - Retail	NNN	242	\$18,454	\$30,250	\$125.00
Totals			11,833		\$808,011	\$68.29

This analysis has reviewed competitive retail spaces from the French Quarter market, as well as similar high-quality retail locations within the CBD such as the South Market District, Canal Place, and the Riverwalk Outlets. Additionally, this analysis has examined the confidential high-quality retail spaces from the immediate French Quarter market. An examination of the historic rental rates generated by the subject units has been performed relative to market indicators to conclude a market rental rate for each space.

This building is located further towards the end of the French Quarter and features an inferior location to the Colonnade Buildings A and B, due to reduced proximity to Jackson Square. As such, the market rental rates determined for this building fall below the achievable market rental rates for the other buildings noted above.

The two café spaces are garnering strong rental rates relative to traditional retail of this size, due to the fact that they are able to serve alcohol and provide outdoor seating as sellable area. The smaller retail units are garnering higher rental rates on a per square foot basis, however, again this is due to the concept of economies of scale, which is proven out as a typical market dynamic by the comparable data.

NNN = Triple Net Lease, which requires the individual tenant to pay additional rent on top of the base rent conclusions to account for reimbursement charges for property taxes, property insurance, and repairs/maintenance. This is the most prevalent leasing structure in the French Quarter market and representative of the market terms for these spaces.

Colonnade Building E Market Rent Roll							
Building	Unit Location	Unit Type	Lease Type	Area	Contract Rent	Market Rent	Rent per SF
E	1008 B N. Peters Street	GF Retail White Box	NNN	1,800	N/A	\$72,000	\$40.00
E	1008 N Peters Upper	Office	NNN	2,458	N/A	\$49,160	\$20.00
Totals				4,258		\$121,160	\$28.45

This building is completely vacant as of the effective date of our market rent study report. We have relied on market rent data in order to reconcile a market rental rate for the proposed vanilla white box retail unit, which will have 1,800 square feet of space. Given the inferior positioning of this building the market rental rate has fallen towards the lower end of the range of competitive indicators.

We have concluded a 2nd floor office space rental rate for the proposed office area that will be renovated in the near future. This is based on comparable high-quality office properties with unique locations. Office space tends to garner much lower rental rates due to the fact that they are not driven by commerce like retail spaces.

NNN = Triple Net Lease, which requires the individual tenant to pay additional rent on top of the base rent conclusions to account for reimbursement charges for property taxes, property insurance, and repairs/maintenance. This is the most prevalent leasing structure in the French Quarter market and representative of the market terms for these spaces.

Oscar Dunn Park Market Rent Roll									
Unit ID	Unit Type	Type	GLA (sf)	Courtyard (sf)	Interior + Courtyard SF	Contract Rent	Market Rent	Annual Rent per GLA (sf)	Rent per Indoor + Outdoor SF
700-1, 700-2	Retail / Tourism	NNN	1,082	487	1,569	\$137,392	\$144,820	\$133.84	\$92.30
702	Retail	NNN	1,685	540	2,225	\$20,682	\$168,500	\$100.00	\$75.73
704	Ticket Booth / Kiosk	Gross	100	--	100	\$36,000	\$42,000	\$420.00	\$420.00
Totals			2,767		3,794		\$355,320		\$93.65

The commercial units located within the Oscar Dunn Park are very unique given their size, but strong location along Decatur Street directly across from Jackson Square. We have examined high-quality retail locations of similar kiosk and small-scale retail properties from the French Quarter and other competitive areas within the downtown neighborhoods. Our analysis has considered the outdoor courtyard areas associated with these two units that allow for marketing and in effect, sellable area.

Additionally, within this analysis, we have reconciled to rental rates for open-space truck/kiosk spaces that could feasibly be temporarily improved on the raised area of the Oscar Dunn Park overlooking the Mississippi River and Jackson Square.

NNN = Triple Net Lease, which requires the individual tenant to pay additional rent on top of the base rent conclusions to account for reimbursement charges for property taxes, property insurance, and repairs/maintenance. This is the most prevalent leasing structure in the French Quarter market and representative of the market terms for these spaces.

Musical Legends Park - Contract Rent											
Tenant	Comm.	Exp.	Size (sf)	Annual Rent	Rent per SF	Annualized % Rent	Total Contract	Contract/SF	Market Rent	Rent/SF	Type
Cafe Beignet	8/1/2014	7/31/2024	5,632.00	\$150,000	\$26.63	\$305,108.00	\$455,108.00	\$80.81	\$178,422.00	\$31.68	NNN

This analysis has examined market rental rates of similar commercial sites throughout the New Orleans metropolitan area with due consideration to the existing site improvements, courtyard space, and modest building improvements to conclude a market rental rate for this component. This property is a modestly improved commercial site that serves as a restaurant courtyard area. The bulk of the marketability of this property is tied to the modestly improved site and the examination of commercially leased sites and a rate of return to the underlying land value is the most appropriate methodology in the conclusion of the market rent for this property.

We note that this site maintains restrictions in place, which result in only 40% of the site permitted or allowed for the commercial sales of food/beverage and retail, while the balance remains open-aired as a park with seating. This is unique, however, this restriction in place is not a substantial hinderance to the property as any food/beverage tenant will prefer outdoor seating area available for patrons as it is sellable space. That said, this does limit the potential uses on the site and has been accounted for in our market rent reconciliation.

As shown above, our market rent determination falls considerably below the current annual rent being achieved via the existing contract agreement in place. This is directly tied to the % rent structure in place, which results in the effective annual rent being considerably strong for the market due to the strength of the business operation in place. Our analysis has provided an opinion of market rent, as if the site was leased to a typical market participant with a flat monthly rental rate on NNN terms.

In light of the strong level of rent generated via the existing contract in place with a base minimum rent of \$150,000 per annum and a percentage rent clause at 7% of the total gross sales, it is our opinion to maintain the existing arrangement in place, as it appears to support a contract rent above market.

NNN = Triple Net Lease, which requires the individual tenant to pay additional rent on top of the base rent conclusions to account for reimbursement charges for property taxes, property insurance, and repairs/maintenance. This is the most prevalent leasing structure in the French Quarter market and representative of the market terms for these spaces.

Farmers Market Market Rent Roll							
Bay ID	Tenant	Notes	Lease Type	Area	Contract Rent	Annual Market Rent	Market Rent Per SF
Bay 11	Alberto's Gourmet Cheese	Food + Alcohol Sales	Gross	329	\$41,208	\$41,208	\$125.25
Bay 25 -26	J's Seafood Dock	Food Sales	Gross	686	\$21,226	\$72,000	\$104.96
Bay 13	Meals From the Heart, LLC	Food + Alcohol Sales	Gross	319	\$61,821	\$61,824	\$193.81
Bay 15-17-19	World Famous N'awlins Cajun and Creole Spice, Inc.	Retail + Food	Gross	1,041	\$91,202	\$91,200	\$87.61
Bay 27-29	Organic Banana LLC	Alcohol Sales	Gross	426	\$92,560	\$92,560	\$217.28
Bay 5A	Paradise Gardens	Retail	Gross	155	\$6,720	\$18,000	\$116.13
Bay 1-2-3-4-5B	French Market Produce	Retail	Gross	1,116	\$34,217	\$96,000	\$86.02
Bay 9	Loretta's Authentic Pralines	Retail	Gross	382	\$65,106	\$65,100	\$170.42
Bay 33-35-37-38	MOTHER NATURE'S CUPBOARD	Food Sales	Gross	1,010	\$35,098	\$108,000	\$106.93
Bay-23	Crepes on the Market LLC	Food Sales	Gross	383	\$49,609	\$49,608	\$129.52
		Totals	Totals	5,847		\$695,500	\$118.95

The Farmers market is highly unique as it operates as an open-aired food court/retail mall establishment with multiple vendors. The bays leased within this open-aired structure are small in nature with several providing the ability for hot-food operations and the sale of alcohol, while other bays only provide for retail functions. In this analysis, we have examined similar quality retail/food establishment operations throughout the downtown neighborhoods and concluded a reliable market rental based on the indicators herein. Furthermore, we recognize that the largest driver of the overall value and ability to secure strong levels of rent is tied to the underlying site, as the improvements are modest in nature. We have performed a supplemental analysis in which the application of a market based capitalization rate is applied to the underlying land in order to derive an estimated annual rent in aggregate for this component of the portfolio. The total rent has been distributed among the units based on a pro-rata share and provides strong support for an overall aggregate market rent figure hovering between \$118 to \$119 per square foot.

Given the variations in bay sizes, restaurant capabilities, and the permitting for alcohol sales in several of the units, it is to be expected that there will be variances in the rental rates for each bay. All of these factors have been taken into consideration in our rent conclusion for each bay, while also confirming the total market rent for the farmers market is reasonable and credible, based on a rate of return to the land analysis.

Flea Market Rent Existing Rates:**Rental Rates (as of 7/3/20)**

ROW	MON – FRI.	SAT. & SUN.
A	\$23.00	\$23.00
B	\$16.00	\$16.00
C	N/A	N/A
D	\$11.00	\$11.00
*Lot (E-K)	\$7.00 each 5X10 square	\$7.00 each 5X10 square
Row C – not available post Covid layout		
* Lot (E-K) – No electricity		

Market Rent Conclusions Weekdays			
Row	Size (sf)	Weekday Rate	Rate per SF
A	54	\$25	\$0.46
B	54	\$20	\$0.37
D	54	\$15	\$0.28
E-L	50	\$10	\$0.20

Market Rent Conclusions Weekends			
Row	Size (sf)	Weekend Daily Rate	Rate per SF
A	54	\$30	\$0.56
B	54	\$25	\$0.46
D	54	\$20	\$0.37
E-L	50	\$15	\$0.30

We have surveyed flea markets throughout the regional market, as a means of analysis for other similar commercial operations in the region. That said, the subject's location is not only far superior within the French Quarter, but also consistently operating daily. Additionally, we have considered the physical amenities of the stall locations for the Flea market and their similarities to kiosk type locations in similar high-end developments such as the Riverwalk and small French Quarter retail spaces. An analysis of the daily rate structure if converted to a monthly rate basis has been performed in order to compare these daily rates to similar high-end retail kiosk locations in the New Orleans market. Overall, this has provided a strong analysis for the reconciled market rent conclusions.

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CERTIFICATION

We certify that to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- We have no present or prospective interest in the property that is the subject of this appraisal report and we have no personal interest or bias with respect to the parties involved.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- We **have** performed **no** other services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- The reported analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- No one other than associates in this office or outside consultants as noted provided significant professional assistance in the preparation of this report.
- Baldwin R. Justice made a personal inspection of the property that is the subject of this report.
- Laird McIver has provided significant real property appraisal assistance to the persons signing this certification. A summary of this assistance may be found within the Scope of the Appraisal.
- Ryan P. Ellinghausen provided significant professional assistance in the preparation of this report. A summary of this assistance may be found within the Scope of the Appraisal.

Date Signed: December 1, 2023



Baldwin R. Justice
Louisiana State Certified
General Real Estate Appraiser #G3000



SCOPE OF WORK

According to the Uniform Standards of Professional Appraisal Practice, it is our responsibility to develop and report a scope of work that results in credible results that are appropriate for the appraisal problem and intended user(s). Therefore, we must identify and consider:

- the client and intended users;
- the intended use of the report;
- the type and definition of value;
- the effective date of value;
- assignment conditions;
- typical client expectations; and
- typical appraisal work by peers for similar assignments.

Appraisal Report Summary

The purpose of the appraisal is to determine the market rent for asset management of the Fee Simple Interest in and to the subject property.

Client:	French Market Corporation, as represented by Ms. Leslie Alley
Intended Use:	The intended use is for establishing market rent for purposes related to asset management.
Intended User(s):	The intended user is French Market Corporation, as represented by Ms. Leslie Alley
Type of Value:	Fair Market Rent
Effective Date of Value:	September 15, 2023
Report Type:	This is an Appraisal Report as defined by Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2(a). This format provides a summary or description of the appraisal process, subject and market data and valuation analyses.
Inspection:	A complete interior and exterior inspection of the subject property has been made, and photographs were taken.
Market Analysis Level:	Level A



Methodology Summary

Analyses:

This appraisal consultation report has developed a market rent study including the standard analysis which would be applied under a typical income approach in order to determine the market rent and potential gross income of the subject property.

Hypothetical Conditions:

- The concluded market rentals determined within this appraisal report are contingent on our analysis in which the spaces are hypothetically vacant and available for lease. Thus, the report has concluded market rent of the fee simple interest for each property. This is contrary to known fact, as the properties are all fully leased. With this in mind, the employment of a hypothetical conditions is necessary for the purposes of this market rent study.

Extraordinary Assumptions:

- It is an extraordinary assumption of this appraisal that all provided contract lease data, unit sizes, and historic % rent revenue figures generated by the existing tenants in place are accurate and reliable.



Marketing and Exposure Time:

The definition of Market Value is based on a reasonable time allowed for exposure to the market. A reasonable time is a subjective period and will vary depending on the type of property, marketing effort, and price. Marketing Time is a prospective perspective or provides a perspective that is futuristic for the date of valuation with a presumed sale of the property under the assumption the property will sell at market value. Exposure Time is an opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the open market before the hypothetical consummation of a sale at market value on the effective date of the appraisal. For purposes of this appraisal, it is assumed that the property would be reasonably priced and aggressively marketed.

- Less than 12 months if priced to the market and aggressively marketed.

Inspection Note:

Baldwin R. Justice visited the subject property on September 15, 2023. A complete interior and exterior inspection of the subject property has been made, and photographs were taken.

Analysis Note:

In the process of determining the market value, the undersigned appraisers have gathered and analyzed comparable sales, rental, and operating data. The assignment's scope is further expanded by the utilization of various approaches to value, resulting in value conclusion(s) that are contingent upon all known information about the subject property, market conditions, and available market data.

Assistance Note:

Ryan P. Ellinghausen provided significant professional assistance in the preparation of this report. This includes the following:

- Marketing and sales history
- Ad Valorem taxes, zoning designation, legal description, flood zone
- Assistance with subject photos, sketch, aerial imagery

Laird McIver is a licensed general appraiser in the State of Louisiana (#G4162) and provided the following:

- Real Property Assistance in preparation of the report
- Comparable data research and confirmation
- Research on current market conditions and assistance in the determination of market value by the signatory appraiser

All pertinent property data has been verified by a signatory appraiser.



Scope of Work Comments:

Analysis Overview:

The purpose of this report is to analyze and determine real estate market rent for multiple retail properties located in the French Quarter market. Reflective of the subject's property types, this analysis incorporates multiple methodologies and data sets.

First, the market rent of the property bearing the address 311 Bourbon Street is concluded through an underlying fee simple site valuation. A reasonable rate of return is next applied to determine market rent for the site.

To conclude market rent for the Upper Pontalba building's ground floor commercial units and the units within the Colonnade Buildings, several data sets are presented. The data focuses on upper-tier French Quarter retail leases. Reflective of the mixed-use nature of some of the subject buildings, the analysis also presents office market and larger restaurant / event venue rental data sets.

Several of the subject units are built out for use as restaurants. This analysis also incorporates a restaurant revenue discussion to provide additional support for the market rent conclusions.

The market rent conclusions for Oscar Dunn Park and The Famers Market are based on retail rental data from small-scale and kiosk-style units in the market. Lastly, the daily rate reconciliations for the Flea Market are based on a competitive survey of like-kind markets. The rate conclusions are checked by an analysis of monthly rates and competitive, localized retail rates.

Prior to a discussion of market rent for each property, the contract rent roll is presented. The subject's contract leases included a percentage rent structure on top of a base rental rate. This is a market-driven approach that incorporates a base rent and percentage rent for each tenant. This lease structure can be indicative of market rent but is not always synonymous with market rent. Many of the subject's contract rents are concluded to be below market in this analysis, and there are a few instances in which the business operation is generating revenues that are viewed as strong from a market rent perspective.

An example of this can be found in the Colonnade Building B with the below rent roll:



Colonnade Building B - Contract Rent Roll								
Building	Unit Location	Lease Name	Lease Type	Area	Base Annual Rent	% Rent*	Effective Annual Annual Rent	Rent per SF
Building B								
B	900 Decatur Street	The Little Toy Shop	Retail Net	1,042	\$42,036	\$16,425	\$58,461	\$56.10
B	910 Decatur Street	Just Fun Socks, LLC	Retail Net	737	\$26,484	\$36,151	\$62,635	\$84.99
B	910-B1 Deactur Street	Liberty Bank & Trust	Retail Net	155	\$8,076	\$3,716	\$11,792	\$76.08
B	912B Decatur Street	Ground Up Retail, LLC	Retail Net	410	\$15,876	\$10,769	\$26,645	\$64.99
B	912, 916 Decatur Street	Red Lester	Retail Net	1,368	\$51,108	\$2,742	\$53,850	\$39.36
B	930 Deactur Street	Baby One	Retail Net	763	\$23,952	\$6,345	\$30,297	\$39.71
B	936, 940 Decatur Street	Pop City	Retail Net	1,384	\$52,224	\$6,408	\$58,632	\$42.36
				5,859	\$219,756		\$302,312	\$51.60
<i>*Percentage rent is an annualized figure based on the 7 or 8 months of provided rent history</i>								

We note the Red Lester, Baby One, and Pop City tenants, which pay a base rent and % of gross sales for effective rental rates ranging from \$39.36 per square foot to \$42.32 per square foot.

Colonnade Building B Market Rent Conclusion						
Unit Location	Unit Type	Lease Type	Area	Contract Rent	Market Rent	Rent per SF
900 Decatur Street	End Unit - Retail	NNN	1,042	\$58,461	\$88,570	\$85.00
910 Decatur Street	Interior Retail	NNN	737	\$62,635	\$73,700	\$100.00
910-B1 Deactur Street	Interior Retail (ATM)	NNN	155	\$11,792	\$27,125	\$175.00
912B Decatur Street	Interior Retail	NNN	410	\$26,645	\$53,300	\$130.00
912, 916 Decatur Street	Interior Retail	NNN	1,368	\$53,850	\$95,760	\$70.00
930 Deactur Street	Interior Retail	NNN	763	\$30,297	\$76,300	\$100.00
936, 940 Decatur Street	End Unit - Retail	NNN	1,384	\$58,632	\$96,880	\$70.00
			5,859		\$511,635	\$87.32

These three tenants are highly marketable retail units, which should capture a far higher market rent on a per square foot basis; however, due to the low business sales of the tenant, the actual paid rent falls below market levels.

Our market rent study has examined all of the subject units with due consideration to their quality, condition, location, and positioning relative to market comparable data. Irrespective of the low lying sales of individual tenants in place, our analysis has concluded market rental rates for the real property only component, without any consideration to tenants or their respective business operations in place.

Music Legends Park – 311 Bourbon Street:

Another unique situation to the analysis is the lease of the property located at 311 Bourbon Street to Café Beignet.

Musical Legends Park - Contract Rent											
Tenant	Comm.	Exp.	Size (sf)	Annual Rent	Rent per SF	Annualized % Rent	Total Contract	Contract/SF	Market Rent	Rent/SF	Type
Cafe Beignet	8/1/2014	7/31/2024	5,632.00	\$150,000	\$26.63	\$305,108.00	\$455,108.00	\$80.81	\$178,422.00	\$31.68	NNN

The base rental rate for this property equates to \$150,000; however, there is a percentage rent clause in place that requires 7% of the total gross revenue/sales to be paid to the French Market Corporation (provided this figure is over and above the base \$150,000).



The analysis and market data contained within this report indicates that a market rent for this property should fall closer to \$178,422 or \$31.68 per square foot on annual basis, as it is largely a courtyard and open aired space with restrictions in place for use of only 40% of the site. Due to the very successful nature of the business operation in place and the prolific sales (as indicated by the July 2023 Year to Date Sales), the existing tenant is paying a rent well above what the market indicates is achievable for the property.

In light of this, we have concluded our opinion of the fair market rent for the subject property; however, recommend the existing percentage rent clause remain in place as it is favorable to the ownership entity. It is not uncommon for leases of commercial restaurant/bar properties to be leased with a % rent clause, as a means of generating the strongest rent as possible. This typical market dynamic is highly advantageous to a landlord, when a very strong tenant in place is generating revenue at the top of the range. Below is a breakdown of sourced information for typical % clause metrics and revenue sales per square foot from restaurant/bar properties in the French Quarter and CBD markets:

Market Survey on Restaurant Rent	
Source	%Rent/Sales
smallbusiness.chron.com	8 - 10%
restaurantrealestateadvisors.com	6 - 10%
azcentral.com (USA Today)	5% - 10%
Jammer Orientas (Owner, Theo's Pizza)	5% - 8%
Lon Marchand (Junior's, Merchant BR)	6% - 8%
Paul Mladenka (Couyons BBQ)	6%
Hunter Whitfield (Moe's BBQ Corporate)	6% - 8%

As illustrated above, an overwhelming restaurant industry standard ratio is 5% - 10% (inclusive of reimbursements/pass-throughs).

The 2023 Year to Date Data indicated a monthly revenue figure by the tenant hovering around approximately \$540,000. As annualized, this figure equates to \$6,480,000 or \$1,151 per square foot if applied to the entire site area.

In an effort to confirm if the subject's revenues are generally on par with comparable restaurants in the New Orleans market, we have researched the following revenues from comparable/competitive establishments:



Comparable Restaurant Revenues					
#	Type	Location	Size (SF)	Average Annual Revenue*	Sales / SF
1	Confidential	Confidential	10,702	\$7,778,950	\$726.87
2	Restaurant - Upscale	French Quarter	9,400	\$8,000,000	\$851.06
3	Restaurant - Upscale	CBD	4,140	\$3,092,240	\$746.92
4	Restaurant - Upscale	CBD	5,050	\$3,402,406	\$673.74
5	Restaurant - Casual	CBD	4,211	\$4,691,545	\$1,114.12
6	Restaurant - Upscale	French Quarter	15,596	\$13,200,000	\$846.37
7	Restaurant - Casual	French Quarter	4,224	\$2,900,956	\$686.78
8	Restaurant - Upscale	Warehouse District	11,834	\$3,000,000	\$253.51
9	Restaurant - Upscale	French Quarter	15,934	\$7,206,292	\$452.26
10	Restaurant - Upscale	French Quarter	10,162	\$4,750,647	\$467.49
				Minimum Sales per SF	\$253.51
				Average Sales per SF	\$681.91
				Maximum Sales per SF	\$1,114.12
<i>*Revenues consist of averages from Years 2017-2019, Pre-COVID figures</i>					

As shown above, the 2023 annualized revenue figures for the operation by the tenant exceed the top of the range of surveyed data from the New Orleans market. With due consideration to the fact that the tenant is restricted to only 40% of the site for commercial applications, as well as the fact that it is modestly improved, this indicates the property is generating substantially high revenue figures, that appear above market.

As a result, the actual rent generated by this space is above our opinion of market rent due to the strength of the tenant operation in place and the percentage rent clause.



ASSESSMENT AND TAXES

Taxing Authority City of New Orleans Bureau of Treasury

Assessment Year 2023

Real Estate Assessment and Taxes						
Tax ID	Subject ID	Land	Improvements	Total Assessment	Tax Rate	Taxes
206103320	Musical Legends Park	\$394,200	\$0	\$394,200	Exempt	Exempt
207100804	Upper Pontabla	\$2,255,300	\$8,057,100	\$10,312,400	Exempt	Exempt
207100405	Colonnade Building A	\$1,295,000	\$2,898,400	\$4,193,400	Exempt	Exempt
208100111	Colonnade Building D	\$1,858,600	\$6,373,200	\$8,231,800	Exempt	Exempt
208100112	Farmer's Market	\$1,503,600	\$618,700	\$2,122,300	Exempt	Exempt
208100218	Flea Market	\$2,946,100	\$1,372,500	\$4,318,600	Exempt	Exempt

Notes: *All of the subject properties are tax exempt. Oscar Dunn Commercial Park and Colonnade Buildings B, C & E do not have assessments per the public records*

As city-owned properties, the subject property has a tax-exempt status. Per the Orleans Parish Assessor's records, several of the subject properties do not have assessments. The available assessments are included in the *Addenda*.



ZONING

According to the New Orleans City Planning Department, the subject properties are zoned as follows:

Subject Zoning Summary		
Subject ID	Zoning	Zoning
Legend's Musical Park	VCE	Vieux Carré Entertainment District
GF Upper Pontalba Building	VCC-1	Vieux Carré Commercial District
Colonnade Building A	VCS	Vieux Carré Service District
Colonnade Building B	VCS	Vieux Carré Service District
Colonnade Building C	VCS	Vieux Carré Service District
Colonnade Building D	VCS	Vieux Carré Service District
Colonnade Building E	VCS	Vieux Carré Service District
Oscar Dunn Park	VCP	Vieux Carré Park District
Farmers Market	VCS	Vieux Carré Service District
Flea Market	VCS	Vieux Carré Service District

The majority of the subject spaces are legal conforming uses, however, there are several which maintain a legal non-conforming use status through the Department of Safety and Permits – Zoning Administration.

A copy of the district regulations is located in the *Addenda* to this report.



SUBJECT PROPERTY DESCRIPTION

UPPER PONTALBA BUILDING – GROUND FLOOR COMMERCIAL UNITS



Exterior



Interior



Exterior



Interior

Legal Description:	Lot 9, Square 25, Second District, City of New Orleans, Orleans Parish, State of Louisiana
Site Size:	Size of Parent Tract: 0.75 acres; 32,580 square feet
Zoning:	VCC-1, Vieux Carre Commercial District
Flood Zone:	<p>The subject is located in FEMA flood zone X, which is not classified as a flood hazard area.</p> <p>FEMA Map Number: 22071C0229F</p> <p>FEMA Map Date: September 16th, 2016</p>



Description of Improvements:

The improvements consist of the ground floor commercial units located in a historic mixed-use building in the French Quarter. Constructed in conjunction with the sister building across Jackson Square, the subject has a purple significance ranking from the Vieux Carre Commission. The property is categorized as a Greek Revival store house.

The Upper Pontalba building's ground floor commercial units feature frontage on Decatur Street, Chartres Street and St. Peter Street, a pedestrian walkway. The subject units are located proximate to several tourist demand drivers, namely St. Louis Cathedral, riverwalk, and Jackson Square.

The unit mix is presented below.

Upper Pontalba Ground Floor Commercial Unit Mix		
Unit ID	Unit Type	Area
500, 502CY, 502S1, 502S2, 502WC St. Peters Street - 633CY, 633S1, 633S2, 635 Decatur Street	Retail - Restaurant & Endcap	3,147
514 St. Peters Street	Retail	1,063
544CY, 544S1, 544S2, 546 St. Peters Street- 632CY, 632S1, 632S2, 634 Chartres Street	Retail - Restaurant & Endcap	3,083
627CY, 627S1, 631 Decatur Street	Retail	1,288
542 St. Peters Street	Retail	384
504 St. Peters Street	Retail	372
532 St. Peters Street	Retail	1,114
522 St. Peters Street	Retail	1,087
536 St. Peters Street	Retail	1,044
510 St. Peters Street	Retail	1,092
628CY, 628S1, 628S2, 630 Chartres Street	Retail	1,335
	NRA	15,009
	Unit Count	11

Two units feature commercial kitchens and are built out for restaurant use. Additionally, these units are permitted to serve alcoholic beverages, which is a marketable component of these units. The balance of the units are built out for general retail use.

Interior finishes include a mixture of tile, wood vinyl, and carpet flooring as well as a mixture of painted sheetrock and brick masonry walling, and a mixture of painted sheetrock and exposed frame ceilings.

Overall, the ground floor commercial units are in average to good condition.



OSCAR DUNN PARK



Exterior



Exterior

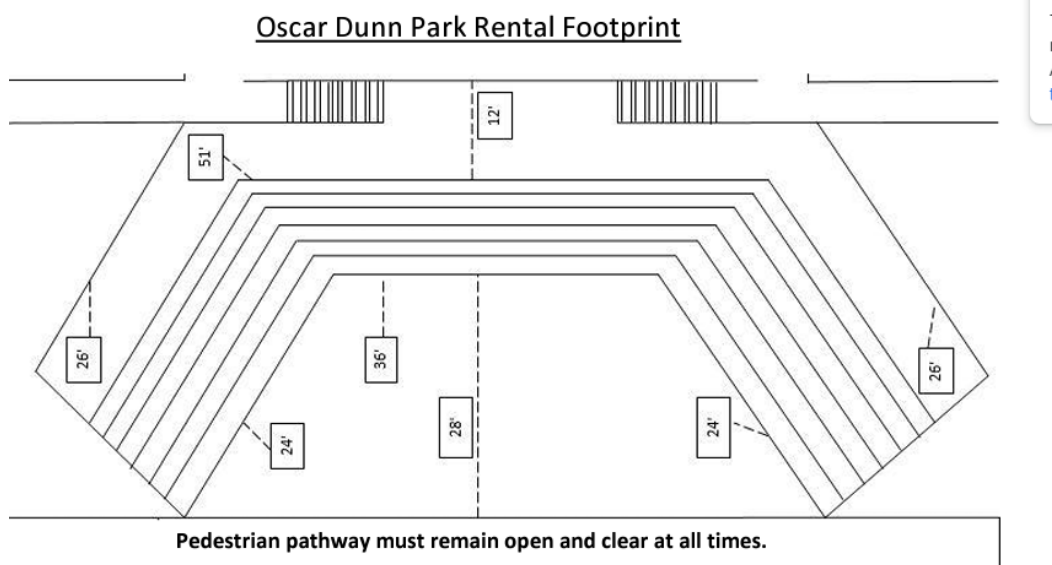


Exterior



Interior

Footprint:



Legal Description: Portions of Oscar Dunn Park, Square 24B, "Washington Artillery Park," tract of land in front of Jackson Square being about 314' in length and 120' in depth, 2nd Municipal District, City of New Orleans, Parish of Orleans, Louisiana

Site Size: Subject Parent Tract: 0.87 acres; 37,680 square feet

Site size for total park taken from legal description per the Vieux Carre Digital Survey's archives

Flood Zone: The subject is located in FEMA flood zone X, which is not classified as a flood hazard area.
FEMA Map Number: 22071C0229F
FEMA Map Date: September 16th, 2016

Description of Improvements:

The subject property is comprised of three commercial units within Oscar Dunn Park, which is a public park situated on Decatur Street across from the historic Jackson Square. The unit mix is included below.

Oscar Dunn Commercial Park			
Unit ID	Tenant	Type	GLA (sf)
700-1, 700-2	iNew Orleans	NNN	1,082
702	Gallery Cayenne	NNN	1,685
704	Gray Line of New Orleans, Inc.	NNN	100
Totals			2,867

Units 700-1/700-2 are retail units with front outdoor courtyard area. Unit 704 is a free-standing ticket booth near Café Du Monde.

The retail units are situated below an exterior stairwell with glass store front windows and an exterior door with a sloped metal roof.

Unit 700-1 / 700-2 also includes public restrooms. This amenity requires a public restroom attendant.

Overall, the improvements are in average condition.



COLONNADE BUILDING A



Exterior



Interior

Colonnade Building A Unit Mix			
uilding	Unit Location	Unit Type	Area
A	800-1, 800-2, 800-3 Deatur Street	End Cap - Café	5,118
A	810 Decatur Street	Interior Retail	2,532
A	812 Decatur Street	Interior Retail	1,467
A	816 Decatur Street	Interior Retail	1,059
A	820 Deatur Street	Interior Retail	1,658
A	824 Decatur Street	Interior Retail	1,228
A	832 Decatur Street	Interior Retail	1,179
A	848 Deatur Street	End Cap - Retail	2,037
Totals			16,278
Unit Count			8

Legal Description: Square 4, Second District, City of New Orleans, Orleans Parish, State of Louisiana

Site Size: Total: 0.49 acres; 21,440 square feet

Flood Zone: The subject is located in FEMA flood zone X, which is not classified as a flood hazard area.
FEMA Map Number: 22071C0229F
FEMA Map Date: September 16th, 2016

Description of Improvements:

Constructed in 1814 as a meat market, Colonnade Building A has a blue historical significance rating. The units are accessible from Decatur Street. The unit closest to Jackson Square is built out as a café, but the balance of the units are built out for general retail use. Exterior features include painted stucco walling, a covered walkway and pitched, shingle roofing.

Overall, the improvements are in good condition.



COLONNADE BUILDING B



Exterior



Interior



Exterior



Interior

Legal Description:

From Vieux Carre Digital Survey:

Square 4 (old number) [called Square 4 when the site of the Bazaar Market and original Red Stores; currently called "undesignated square"]. [N.B: in subsequent transactions, Square 4 is divided into Lots Nos. 1, 2, and 3 (or A), which are bought and sold individually.] Situated between St. Philip and Maine [Dumaine] Sts. 79' 6" on Levee [N. peters] St. 80' on the levee, front to the river. 46' wide on the southwest line. 53' wide on the northeast line, which separates it from property formerly owned by Domingo Gonzales; and containing a surface area of 3,176' 4", all French Measure

Site Size:

Total: 0.26 acres; 11,477 square feet

This size was determined via the Google Earth Polygon Measurement tool

Flood Zone:

The subject is located in FEMA flood zone X, which is not classified as a flood hazard area.

FEMA Map Number: 22071C0229F / FEMA Map Date: September 16th, 2016



Description of Improvements

The subject building identified as Colonnade Building B was reportedly renovated to house retail shops and boutiques in the 1970s. This building has a green significance rating.

Then unit mix is included below.

Colonnade Building B Unit Mix			
Building	Unit Location	Unit Type	Area
B	900 Decatur Street	End Unit - Retail	1,042
B	910 Decatur Street	Interior Retail	737
B	910-B1 Deactur Street	Interior Retail (ATM)	155
B	912B Decatur Street	Interior Retail	410
B	912, 916 Decatur Street	Interior Retail	1,368
B	930 Deactur Street	Interior Retail	763
B	936, 940 Decatur Street	End Unit - Retail	1,384
Total			5,859
Unit Count			7

All units are built out for general retail use and front on Decatur Street. Colonnade building B also fronts on Dutch Alley, which is a pedestrian corridor that is conducive to pedestrian foot traffic flows from the river walk.

Exterior features include covered awnings and walkways along Decatur Street, painted stucco siding, gas lanterns, and pitched shingle roofs. The interiors are built out for general retail use.

Overall, this building is in good condition.



COLONNADE BUILDING C



Exterior



Interior



Exterior



Interior

Legal Description:

From Vieux Carre Digital Survey:

Square 4 (old number) [called Square 4 when the site of the Bazaar Market and original Red Stores; currently called "undesignated square"]. [N.B: in subsequent transactions, Square 4 is divided into Lots Nos. 1, 2, and 3 (or A), which are bought and sold individually.] Situated between St. Philip and Maine [Dumaine] Sts. 79' 6" on Levee [N. peters] St. 80' on the levee, front to the river. 46' wide on the southwest line. 53' wide on the northeast line, which separates it from property formerly owned by Domingo Gonzales; and containing a surface area of 3,176' 4", all French Measure

Site Size:

Total: 0.26 acres; 11,283 square feet

This size was determined via the Google Earth Polygon Measurement tool



THE MCENERY COMPANY
REAL ESTATE APPRAISAL, BROKERAGE AND CONSULTING

Site Analysis

Flood Zone: The subject is located in FEMA flood zone X, which is not classified as a flood hazard area.
 FEMA Map Number: 22071C0229F
 FEMA Map Date: September 16th, 2016

Description of Improvements:

The subject improvement is Building C of the Colonnade Retail Strip along Decatur Street. Colonnade building C was constructed in the 20th century in the Entresol style. The units have frontage on Dutch Alley, a pedestrian corridor that connects the subject building to the balance of the Colonnade retail development as well as to the river walk park.

The building features two stories and three units, as summarized below.

Colonnade Building C Unit Mix			
Building	Unit Location	Unit Type	Area
C	912 N. Peters Street	Retail	3,028
C	916 N. Peters Street	Retail	2,139
C	914-1L, 914-1R, 914-2, 914-2B, 914-M1, 914-M2 N. Peters Street	Restaurant / Event	10,790
Total			15,957
Unit Count			3

The unit bearing the address 916 North Peters Street is leased to the National Parks Service and is built out as an information center and museum. The unit bearing the address 912 North Peters Street has the strongest visibility and is built out for retail use. The third unit spans two floors and is an event space with a commercial kitchen.

Exterior features include outdoor walkway, a courtyard, and a second level balcony on the interior of the building. Other exterior features include painted stucco walling and pitched, shingle roofing. Interior features include retail space for each unit. Interior features include tile flooring, painted sheetrock walling, and exposed frame ceilings.

Overall, this building is in good condition.



COLONNADE BUILDING D



Exterior



Interior

Colonnade Building D Unit Mix			
Building	Unit Location	Unit Type	Area
D	1000 Decatur Street	End Unit - Café	5,177
D	1010 Deactur Street	Interior - Retail	789
D	1022- 1023 N. Peters Street	Interior - Retail	268
D	1016-I- 1016-O- 1018 Decatur Street	Interior Café - Outdoor Seating	4,843
D	1025 N. Peters Street	End Unit - Retail	513
D	1021 N. Peters Street	Interior - Retail	242
Total			11,833
Unit Count			6

Legal Description: Square 11, Second District, City of New Orleans, Orleans Parish, State of Louisiana

Site Size: Total: 0.62 acres; 27,164 square feet
This size was determined via the Google Earth Polygon Measurement tool

Flood Zone: The subject is located in FEMA flood zone X, which is not classified as a flood hazard area.
 FEMA Map Number: 22071C0229F
 FEMA Map Date: September 16th, 2016

Description of Improvements:

The improvements consist of a 6-unit, 11,833 square feet retail development. The building has a blue-significance rating and was originally constructed as a vegetable market arcade. In addition to the rentable area, these units adjoin a public park, which serves as an overflow seating area and greenspace. We note that two of the units are built out as functional restaurant/cafes and are permitted to serve alcoholic beverages, as well as one of the units maintains a “grandfathered” status to allow for live music performances. Overall, the improvements are in good condition.



COLONNADE BUILDING E



Exterior

Legal Description:	A certain lot located in Square 11, 2 nd Municipal District, City of New Orleans, Parish of Orleans, State of Louisiana
Site Size:	Total: 0.22 acres; 9,440 square feet <i>Site size represents parent tract & was determined utilizing the Assessor's GIS and polygon measurement tool</i>
Flood Zone:	The subject is located in FEMA flood zone X, which is not classified as a flood hazard area. FEMA Map Number: 22071C0229F FEMA Map Date: September 16 th , 2016
Description of Improvements	The improvements consist of a 3-story, 4,258 square foot, Class B office building located on North Peters Street. The subject is a portion of a multi-tenant office development. The larger development has use of an adjoining parking lot.



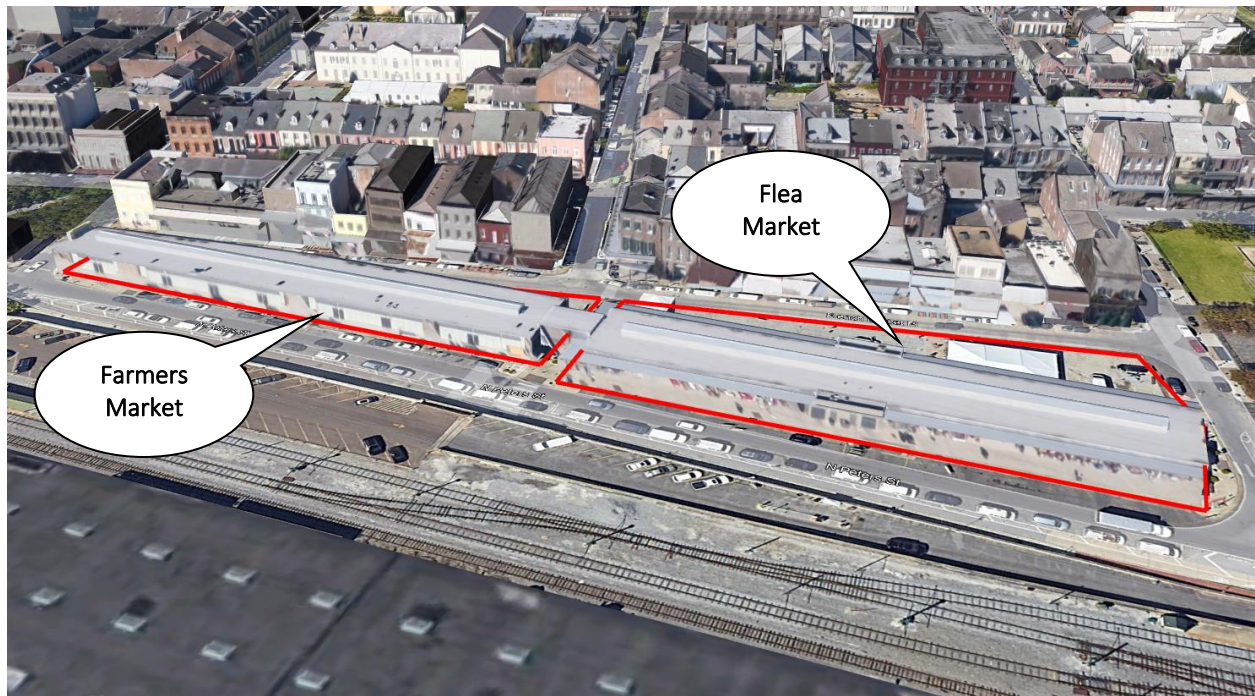
FARMERS & FLEA MARKETS

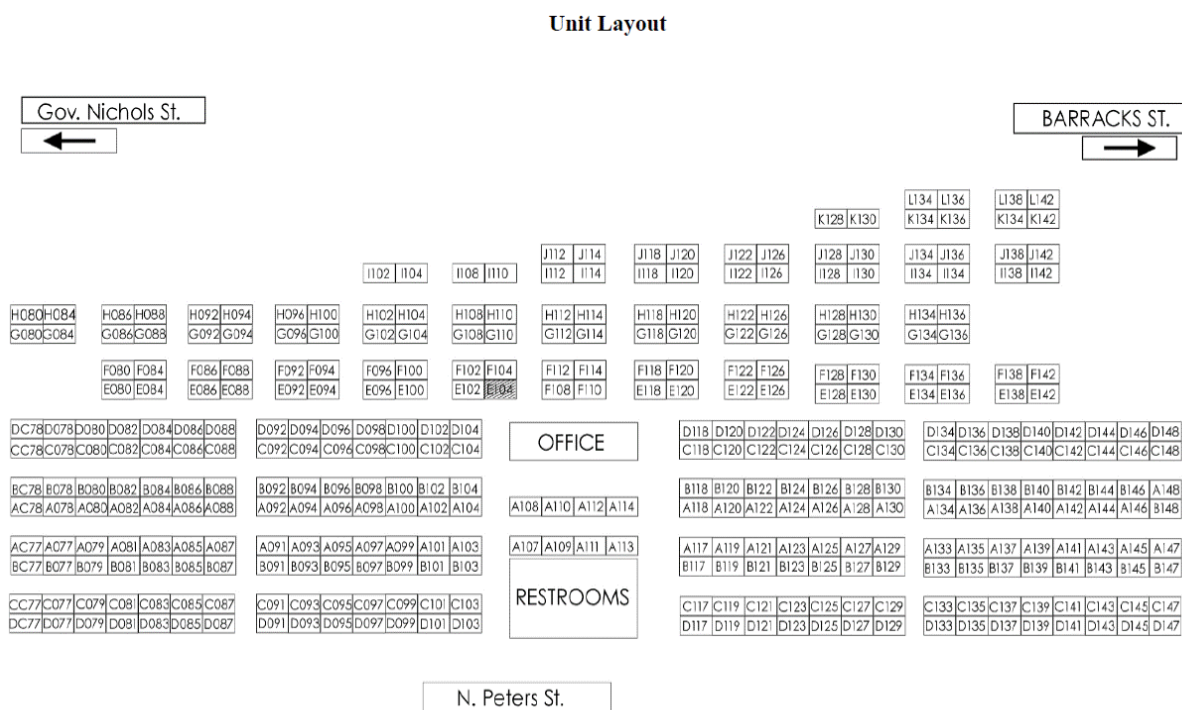


Exterior



Interior



Flea Market Layout:**Legal Description:**

Farmers & Flea Markets: Lots 1 thru. 10, Square 12, as well as Square 15, Ursulines, French Market and Farmers Market, Second District, City of New Orleans, Orleans Parish, State of Louisiana

Site Size:

Farmers Market Size: 23,090 square feet; 0.53 acres
Flea Market: 47,656 square feet; 1.09 acres

Flood Zone:

The subject is located in FEMA flood zone X, which is not classified as a flood hazard area.
FEMA Map Number: 22071C0229F
FEMA Map Date: September 16th, 2016

Description of Improvements

The Farmers and Flea markets are open-air retail buildings that together create the French Market, a long and narrow flea market that runs parallel to the Mississippi River and is a major tourist attraction for shopping in the lower French Quarter.

The Farmers market layout includes open air retail space and built-in/permanent bays, some of which have commercial kitchens while the other bays are general retail applications.

A unit mix is included below.



Farmers Market Unit Mix			
Bay ID	Tenant	Notes	Area
Bay 11	Alberto's Gourmet Cheese	Food + Alcohol Sales	329
Bay 25 -26	J's Seafood Dock	Food Sales	686
Bay 13	Meals From the Heart, LLC	Food + Alcohol Sales	319
Bay 15-17-19	World Famous N'awlins Cajun and Creole Spice, Inc.	Retail + Food Sales	1,041
Bay 27-29	Organic Banana LLC	Alcohol Sales	426
Bay 5A	Paradise Gardens	Retail	155
Bay 1-2-3-4-5B	French Market Produce	Retail	1,116
Bay 9	Loretta's Authentic Pralines, LLC	Retail	382
Bay 33-35-37-38	MOTHER NATURE'S CUPBOARD	Food Sales	1,010
Bay-23	Crepes on the Market LLC	Food Sales	383
Totals			5,847

The Flea Market is broken into the following spaces:

Covered Open-Air Space Breakdown			
Row	# of Units	Dimensions	Size (sf)
A	72	9' x 6'	54
B	64	9' x 6'	54
D	64	9' x 6'	54
Total	200		

Outdoor Space Breakdown			
Row	# of Units	Dimensions	Size (sf)
E	19	10' x 5'	50
F	24	10' x 5'	50
G	22	10' x 5'	50
H	22	10' x 5'	50
I	16	10' x 5'	50
J	12	10' x 5'	50
K	6	10' x 5'	50
L	4	10' x 5'	50
Total	125		

Row A is the most marketable, as it is the middle row that has the highest foot traffic, while Row D is the least attractive for vendors due to its position on the outer edges of the space. The outside spaces are categorized by the letter designations of E through L. Row E is positioned closest to the covered rows, while Row L is closest to the bordering corner of the Flea Market near the intersection of Barracks Street and French Market Place. Due to the outdoor nature of these rows, each has a relatively similar level of marketability in relation to one another.



MUSICAL LEGENDS PARK



Exterior



Interior

Legal Description: Lot W, Square 69, Second Municipal District, City of New Orleans, Orleans Parish, State of Louisiana

Site Size: Total: 5,632 square feet; 0.13 acres

Flood Zone: The subject is located in FEMA flood zone X, which is not classified as a flood hazard area.
FEMA Map Number: 22071C0229F
FEMA Map Date: September 16th, 2016

Description of Improvements

Musical Legends Parks is located on Bourbon Street and is an open-air park area with a leased café and bar space operating as Café Beignet. Per the provided lease documentation, the tenant occupies 6,441 square feet. While this square footage is larger than the site's footprint, we note that the property is improved with a second story patio / seating area.

Situated on a concrete slab foundation, the structure incorporates metal frame construction. Exterior features include patio space, metal frame canopies, exterior signage, and metal & masonry siding. Interior features include commercial kitchen space, dining space, and miscellaneous storage.



MARKET AREA ANALYSIS

The market area analysis is a crucial component of the appraisal process, as it allows us to evaluate the economic health of the subject property's surrounding neighborhood, local, and regional markets. The analysis involves reviewing relevant economic and demographic data to assess the potential for economic growth, stability, or decline within the local market. By quantifying these changes and identifying trends, we can better predict shifts in demand for housing, office, and retail space within specific market segments.

Market Area Definition:

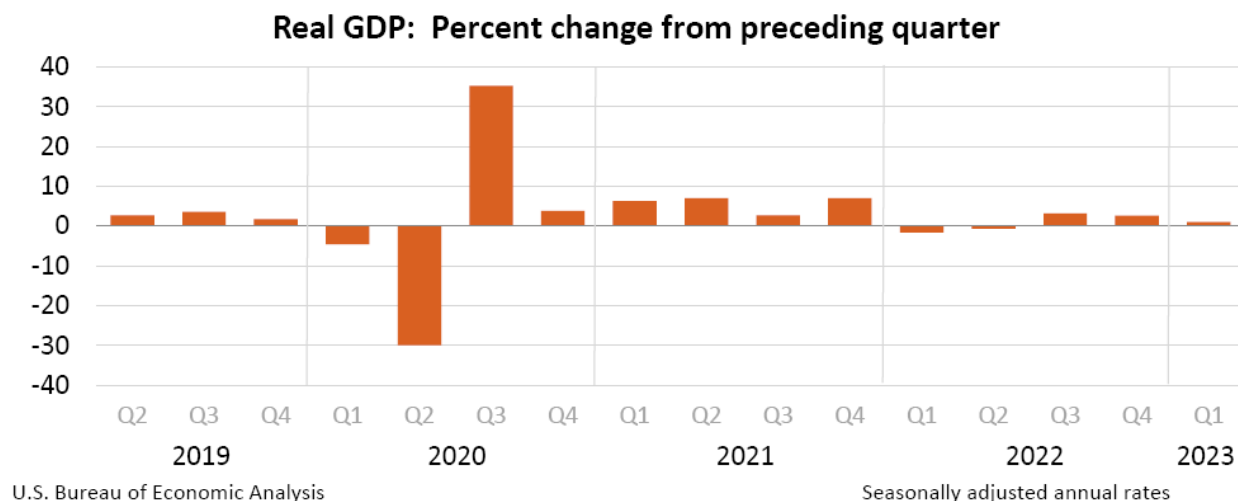
A "market area analysis" is defined as: "The objective analysis of observable or quantifiable data indicating discernible patterns of urban growth, structure, and change that may detract from or enhance property values; focuses on four sets of considerations that influence value: social, economic, governmental, and environmental factors." Under the hedonic model testing for the market and the marketability of the subject property, the four sets of considerations that influence value are then analyzed using any of four analysis levels commonly known as Level A, B, C, or D.

Levels A and B are inferred analyses in which we may analyze fundamental data sets and draw inferences regarding value. Inferred analyses are applicable within a static data set or without significant shifts in trend lines. Levels C and D analyses are more complex. They are foundational because they draw on confirmed and verified data, which relates to the four considerations impacting value from which obvious conclusions result and are not dependent on inference alone. Based on the *Scope of Work*, we have performed a Level A Analysis.

National Economic Trends - GDP

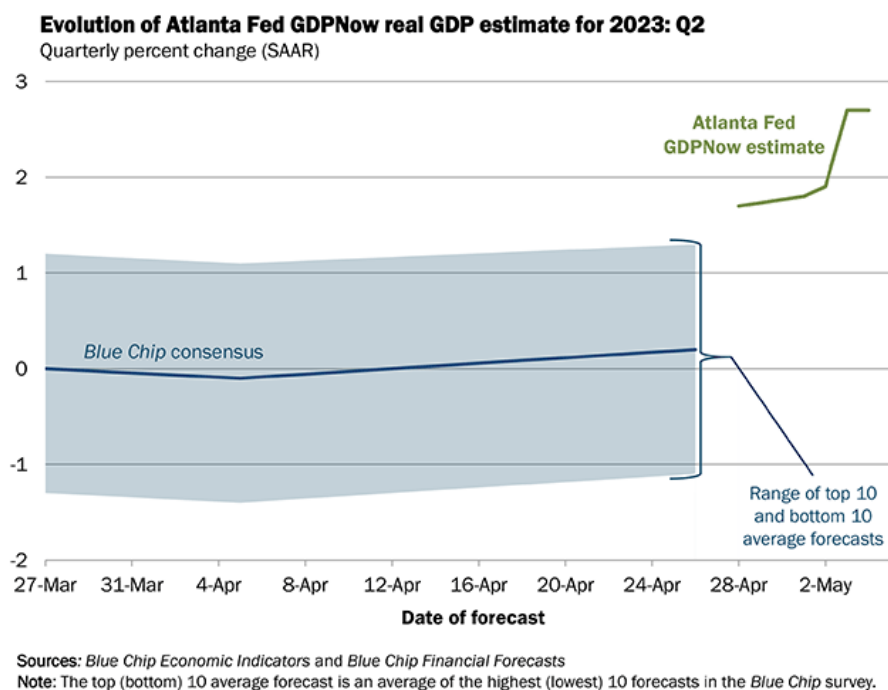
The COVID-19 pandemic resulted in a significant impact on real gross domestic product (GDP) growth, with a contraction of 30% observed from April to June 2020. However, there was a subsequent rebound in growth with a 35% increase in the following quarter. Despite this recovery, the U.S. economy experienced two consecutive quarters of negative growth in 2022, technically placing it in a recession during the first half of the year. Nevertheless, the real GDP growth rate improved to 2.6% in Q4 2022, which slowed to 1.1% in Q1 2023. While it may be subject to debate whether the current market can be classified as a recession, the available economic data does not indicate a strong economy. The most recent GDP growth rates are presented in the figures below.





Q1 2023 (Adv)	+1.1%
Q4 2022 (3rd)	+2.6%

The Atlanta Federal Reserve has recently projected a 4th Quarter GDP growth rate of 2.8%, which continues the economy's pivot out of a recession.



When looking at 2022's overall GDP growth, the modest rates are associated with the global implications of the Ukraine-Russia war, the waning impacts of reopening and pandemic fiscal support, and increasing interest rates.



Looking towards 2023—recession or soft landing? Some forecasters predict a recession in 2023, although many do not think the reset will be a severe recessionary event. This readjustment is perceived as an effect of the excesses of the pandemic. Many industries, such as tech, are poised to be in the crosshairs of recessionary trends and experience the most significant contractions.

We note the following GDP forecasts by the Congressional Budget Office (CBO) in their November 2022 report:

Source	Date of Forecast	Change in Real GDP	
		2023	2024
CBO's Likely Range ^a	Nov. 2022	-2.0 to 1.8	0.7 to 4.2
Survey of Professional Forecasters' Middle Two-Thirds ^c	Nov. 2022	-0.4 to 1.8	n.a.
Federal Reserve's Central Tendency ^d	Sept. 2022	0.5 to 1.5	1.4 to 2.0
Memorandum:			
CBO's Most Recent Baseline	May 2022	2.2	1.5

CBO expects real GDP growth in 2023 to be between -2.0% to 1.8%, which is a more conservative projection than previous reports in 2022. CBO cites slower growth at the year's end and increasing interest rates as justification for their below-baseline GDP predictions.

National Economic Trends – Stock Market Performance

Following a crash at the onset of the pandemic, stocks soared in 2021 and 2022. The stock market has exhibited a volatile pattern, and many risks remain in 2023. A five-year trailing performance history of the S&P 500 is included below and illustrates the dramatic decline in 2020, followed by a strong bull run and several months of ups and downs.

Market Summary > S&P 500

4,061.22

+1,333.50 (48.89%) ↑ past 5 years

May 4, 5:25 PM EDT • Disclaimer

1D | 5D | 1M | 6M | YTD | 1Y | **5Y** | Max



Open	4,082.55	Low	4,048.28	52-wk high	4,325.28
High	4,082.61	Prev close	4,090.75	52-wk low	3,491.58



Market ups and downs are typical from the long-term perspective of returns, but financial assets have faced headwinds from interest rate hikes and inflation. Major benchmarks like the S&P 500 and the Dow Jones Industrial Average ended 2022 in the red.

“This proverbial snowball should continue to gain momentum next year as consumers and [companies] more meaningfully cut discretionary spending and capital investments,” Dubravko Lakos-Brujas, global head of equity macro research at JPMorgan.

Trends zig and zag before the bottom line becomes apparent, and some analysts are optimistic about the stock market's potential by the end of 2023. Investors with a long-term mindset may have a decent entry point during a downcycle with compelling pricing.

Inflation

Over 2022, inflation and price instability were tempered but remained too high. The inflation problem expanded beyond the initial pandemic-driven instability to overheating, with labor demand exceeding supply. A press release from the Bureau of Labor Statistics in April 2023 noted that all items index increased 5.0% over the last 12 months before seasonal adjustment. Historical and current inflation growth rates are illustrated in the below graph as reported by the New York Times.



Year-over-year percentage change in the Consumer Price Index • Source: Bureau of Labor Statistics • By Lazaro Gamio



In a November 2022 speech outlining the path ahead for inflation, Fed chairman Jerome Powell highlighted the need to raise interest rates:

"We anticipate that ongoing increases will be appropriate...for now, I will simply say that we have more ground to cover.

We are tightening the stance of policy to slow growth in aggregate demand. Slowing demand growth should allow supply to catch up with demand and restore the balance that will yield stable prices over time. Restoring that balance is likely to require a sustained period of below-trend growth."

Price increases are not tempering across the board but moderating in critical services and goods like gas and meat. Many price-slowng categories are tied more to the pandemic and healing supply chains than to Fed policy. As inflation begins to curb, investors are wondering just how high the Fed will raise interest rates in 2023—and how long the cost to borrow will remain elevated.

Additionally, the CBO projects that inflation is likely to return to 2% targets in 2024.

Inflation Projections

Percent

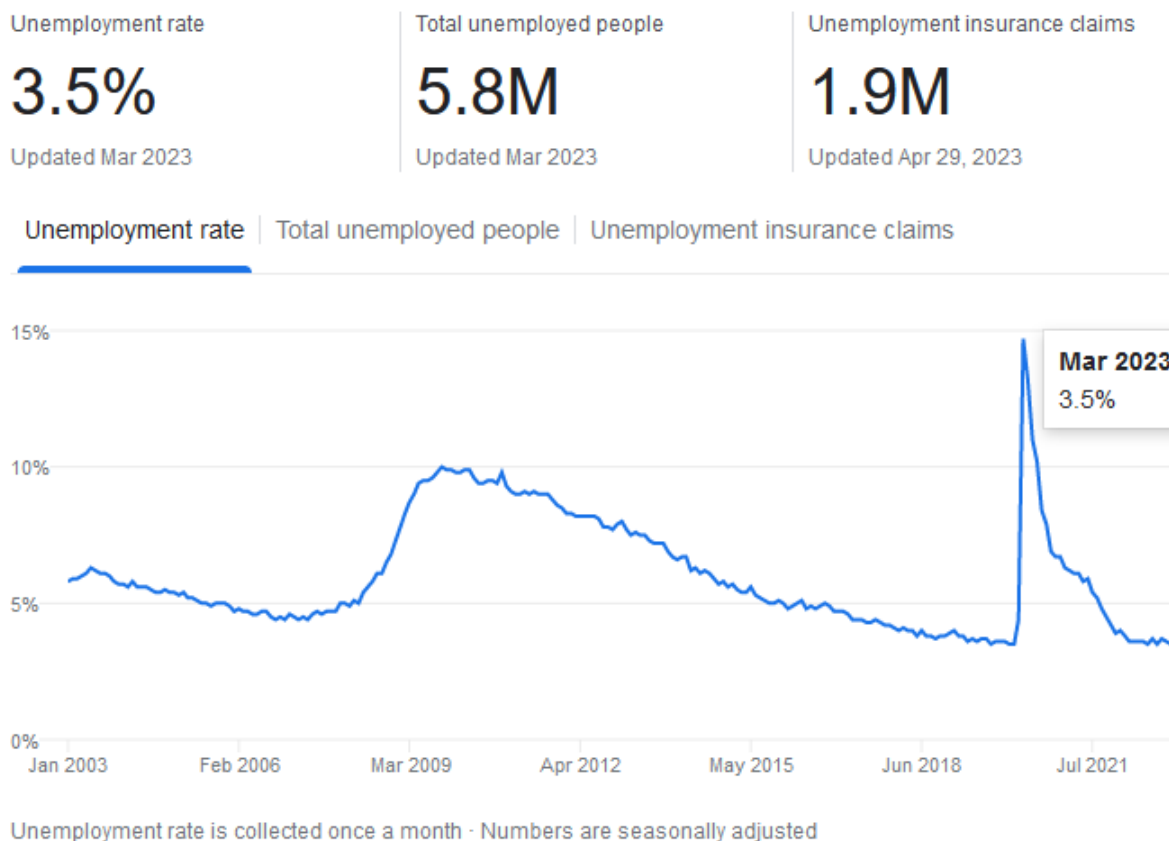
Source	Date of Forecast	PCE Inflation		Core PCE Inflation	
		2023	2024	2023	2024
CBO's Likely Range	Nov. 2022	2.2 to 4.7	1.3 to 4.2	3.6 to 5.8	2.1 to 6.2
Survey of Professional Forecasters' Middle Two-Thirds	Nov. 2022	2.5 to 4.3	n.a.	2.6 to 3.7	n.a.
Federal Reserve's Central Tendency	Sept. 2022	2.6 to 3.5	2.1 to 2.6	3.0 to 3.4	2.2 to 2.5
Memorandum:					
CBO's Most Recent Baseline	May 2022	2.3	2.1	2.5	2.2

The CBO expects the PCE and core PCE inflation rates in 2023 and 2024 to be greater than the rates the agency projected in May 2022. The revisions stem mainly from stronger growth in the prices of housing and other services than projected previously.



Labor Market & Unemployment

Inflation is largely tied to rising wages and the steep drop in unemployment following the COVID-19 pandemic. The U.S. unemployment rate over the past 20 years is shown below.



We returned to pre-pandemic unemployment in July 2022 and once again added jobs in March 2023.

Note that many of these job gains have come in the form of professional and business services which offset the continued losses in the leisure and hospitality, retail trade, healthcare, and transportation and warehousing sectors. Many economists argue that the unemployment statistic is somewhat misleading as it does not capture those that no longer wish to work or have given up trying to find a job.

Furthermore, the BLS stated in their most recent report in January 2023, “the labor force participation rate was little changed at 62.3 percent Both measures have shown little net change since early 2022. These measures are each 1.0 percentage point below their values in February 2020, prior to the coronavirus (COVID-19) pandemic.”



Though this trend appears to be in a positive direction, it does refute the narrative of a strong labor market, as indicated by the low unemployment rate.

The CBO had correctly projected the unemployment rate to fall to 3.6% - 3.8% in 2022 or 2023:

Source	Date of Forecast	Unemployment Rate ^a	
		2023	2024
CBO's Likely Range ^b	Nov. 2022	3.8 to 6.4	3.2 to 6.4
Survey of Professional Forecasters' Middle Two-Thirds ^c	Nov. 2022	4.0 to 5.0	n.a.
Federal Reserve's Central Tendency ^d	Sept. 2022	4.1 to 4.5	4.0 to 4.6
Memorandum:			
CBO's Most Recent Baseline	May 2022	3.6	3.8

The unemployment rate, CBO currently expects, is more likely to be above the ranges of projections from the Survey of Professional Forecasters and the Federal Reserve than below them. CBO expects the unemployment rate in 2023 and 2024 to be greater than the rate the agency projected in May 2022. The revision stems mainly from the estimate of slower economic growth in 2023.

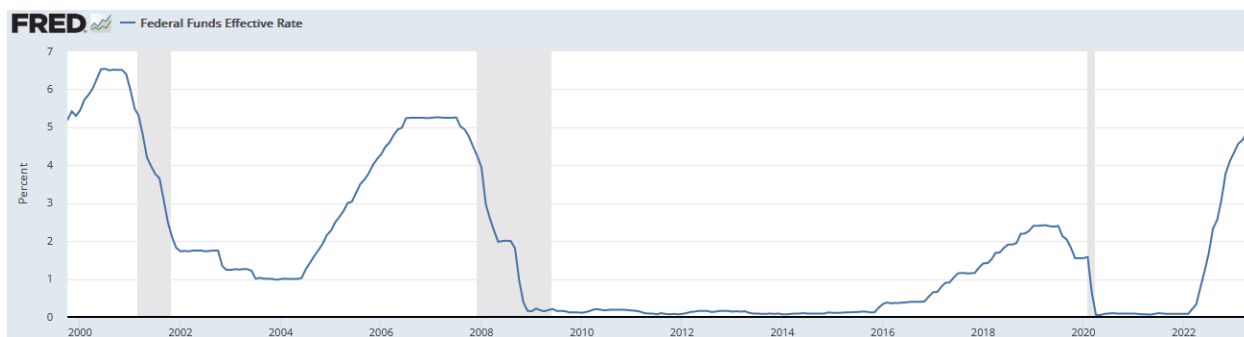


Interest Rates

Over the past decade, interest rates have remained relatively low with intermittent increases until the Federal Reserve lowered the Fed Funds Rate in 2019 to 2.0%. The Fed then slashed rates to a range of 0%-0.25% in Q1 2020 due to the economy shutdown amid the COVID-19 pandemic. During 2020, the Fed repeatedly indicated that they intend to keep rates near 0% through at least 2023. **Instead, the Fed raised interest rates in 2022 at the most aggressive pace in the past 15 years. The Fed did this in an escalating effort to slow 40-year high inflation.**

FOMC Meeting Date	Rate Change (bps)	Federal Funds Rate
May 3, 2023	+25	5.00% to 5.25%
March 2, 2023	+25	4.75% to 5.00%
Feb 1, 2023	+25	4.50% to 4.75%
Dec 14, 2022	+50	4.25% to 4.50%
Nov 2, 2022	+75	3.75% to 4.00%
Sept 21, 2022	+75	3.00% to 3.25%
July 27, 2022	+75	2.25% to 2.50%
June 16, 2022	+75	1.50% to 1.75%
May 5, 2022	+50	0.75% to 1.00%
March 17, 2022	+25	0.25% to 0.50%

Below is the target federal funds rate since 2000, which demonstrates the historically low interest rates set in 2020 and the recent uptick in interest rates.



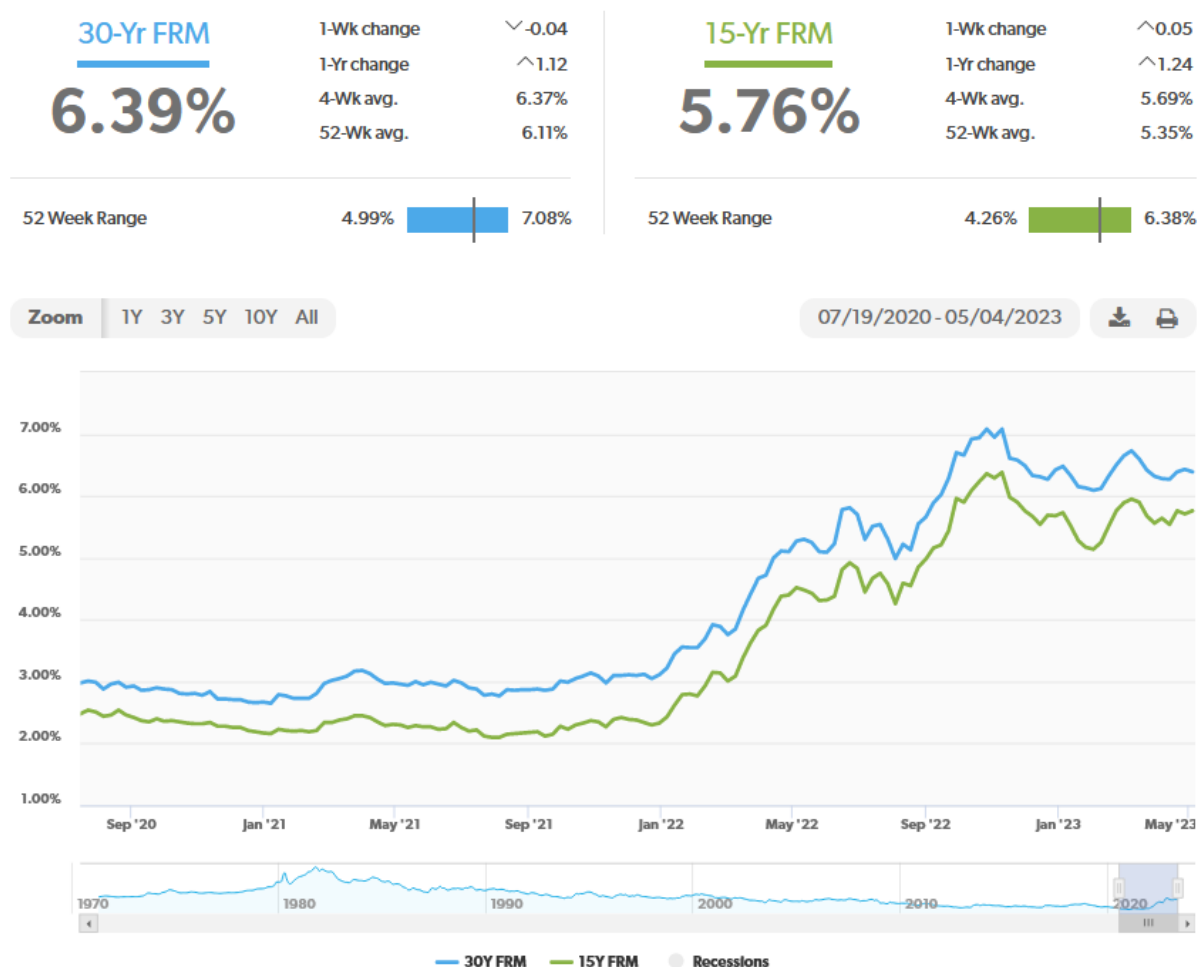
Initially, residential, and commercial real estate loan mortgage rates remained level following the slashing of rates in 2020 due to the sheer volume of refinancing requests by local, regional, and national banks. In the immediate short-term, the supply and demand were commanding the mortgage yield rate. This trend was also due to the significant lift that community and regional banks had to make to service the Paycheck Protection Program enacted by congress.



Once banks could catch their breath, the cost of borrowing did elevate. The image below is taken from Freddie Mac and shows average rates through May 2023. The cost of borrowing has increased dramatically within just a short period.

Primary Mortgage Market Survey®

U.S. weekly averages as of 05/04/2023



The rise in interest rates has resulted in a significant slowdown in the residential home construction market, which has historically remained a bellwether for the trend of the national housing economy. As pricing and sales have declined, economists view this as a negative trend in the overall economy.



Regional Banking Crisis:

In March 2023, a regional banking crisis began in the U.S. and is still ongoing. The crisis has resulted in the failure of several small- to mid-size U.S. banks and was triggered by a number of factors, including the collapse of the cryptocurrency market, rising interest rates, and concerns about the health of the global economy.

Silicon Valley Bank was the first FDIC-insured bank to fail in the last two years. SVB was previously one of the largest banks serving the tech startup industry — and the 16th largest bank in the U.S. overall. After the bank was forced to sell bonds at a loss, its stock price plummeted and depositors panicked, leading to a classic bank run. This was the second-largest bank failure in U.S. history. The third largest came just days later when Signature Bank ceased operations. The FDIC took control of the bank's branches and deposits before First Citizens acquired SVB. And as this played out, New York Community Bankcorp acquired a significant portion of Signature Bank's assets.

Shortly after the failure of SVB, was the failure Silvergate Bank, a cryptocurrency-focused lender. Silvergate had been heavily exposed to the cryptocurrency market, which has been in a state of decline since late 2022. As the cryptocurrency market continued to fall, Silvergate was forced to sell off its assets at a loss, which led to a sharp decline in its share price. Silvergate is currently in a state of insolvency and has been shut down.

The failure of Silvergate Bank triggered a wave of bank runs, as depositors become concerned about the health of other regional banks that are also exposed to the cryptocurrency market. Signature Bank, another cryptocurrency-focused lender, faced a similar run on its deposits. Silicon Valley Bank and First Republic Bank, large regional banks with a significant presence in the technology sector, shared a similar fate.

The failure of these banks sent shockwaves through the global financial system. Global bank stocks are plummeting, and investors are beginning to fear that the crisis could spread to larger banks. In response, regulators are taking several steps to stabilize the financial system, including providing emergency funding to banks and easing regulatory restrictions.

The 2023 regional banking crisis is having a significant impact on the U.S. economy and is leading to a decline in lending, which is slowing economic growth. The crisis is also causing a loss of confidence in the financial system, which is making it more difficult for businesses to raise capital.

In early of May of 2023, First Republic Bank faced a similar situation as SVB and saw a rapid decline in its solvency status, as well as a 75% decline in its market value. This regional bank faced similar issues as SVB with a loss in confidence in its financial viability and a massive bank run ensued. This resulted in a substantial decline in its deposits and its overall market value.



Barely a week later, California regulators on Monday seized First Republic and put it into FDIC receivership alongside the sale of its assets, marking the third major U.S. bank failure in two months and the largest since Washington Mutual in 2008. The bank was acquired by JP Morgan at a reported price of \$10.6 billion.

In May 2023, a planned \$13.4 billion merger between TD Bank and regional bank First Horizon was called off, suggesting additional weakness to regional banks. It has since become clear that investors are not convinced that the regional lenders left standing can remain viable or at a minimum there is some level of a loss in confidence. And though there is no reason for any company to be immediately toppled by falling share prices, the outlook remains uncertain, with investors still bruised from March's initial round of turbulence.

The bigger worry is that the bank failures might lead to doubts about relatively healthy banks, creating a financial contagion that could impact the wider economy. Averting that scenario was the reason the U.S. put tighter restrictions on major banks following the financial crisis 15 years ago.

The Federal Reserve's fight against inflation has played a key role in the banking turmoil. The Fed once again raised its key interest rate by a quarter-point to the highest level in 16 years in May, its tenth consecutive rate hike.

The higher rates have prompted depositors to move money into higher-paying certificates of deposit and money market funds. Prior to the rise in interest rates, many banks were flush with capital and deposits. With historic low interest rates, banks opted to deploy their cash on hand into long-term U.S. Bonds with low rates of return, relative to today. As a result, these long-term bonds were categorized as unrealized losses given their marked down value due to the rise in interest rates. As deposits began to be stripped from lenders and moved to higher-earning investments, banks have been forced to sell off bonds at a loss in order to meet their loan to deposit ratio obligations. Thus, these unrealized losses were then categorized as realized losses and the value of many banks began to fall from a market perspective. Once investors recognized these realized losses on the balance sheet of certain financial institutions, a classic bank run ensued, which has resulted in a total of three bank failures in 2023 with several more on the brink.

The 2023 regional banking crisis is a reminder of the fragility of the financial system. The crisis is being caused by several factors, including the collapse of the cryptocurrency market, rising interest rates, and concerns about the health of the global economy. The 2023 regional banking crisis is a wake-up call for the financial system with many concerned that a contagion effect could occur due to a loss in confidence in the bank system. Many historically strong regional banks that are integral to the flow of capital in the commercial real estate sector are facing a lack of deposits in order to properly lend capital, which has resulted in a slow-down in the lending sector. This coupled with the historically high federal funds rate has resulted in a situation in which banks are trapped.



Without the ability to borrow funds from the federal reserve at low interest rates or a surplus of capital on hand, they are left with limited ability to lend in the commercial real estate sector.

Oil Prices

Oil plunged to its lowest price level in more than 17 years amid concerns about the economic impact of the COVID-19 outbreak in April 2020 and was further weakened due to production level due to the oversupply, lack of storage, and lack of demand given global economic shutdowns. Oil prices spiked in early 2022 as part of a reopening economy and war in Ukraine and hovered around \$75 per barrel at the year's end. Through 2023, oil prices have seen steady declines back to 2021 levels.



Russia's invasion of Ukraine and the barrage of sanctions left oil traders anticipating price escalations; however, new sanctions on Russia have not initially proven to be as big a hit on crude supplies. Sanctions have not removed Russia from the market but encouraged them to produce and sell at market-low prices.



Analysts calculate that global oil demand may decline as central bank interest rate hikes could stifle global economic growth and reduce oil demand. This theory is tied to the assumption that the world's largest energy importer, China, will only gradually rev up and reopen its economy. Another potentially destabilizing concern surrounds the extension of E.U. embargos to Russian-refined products, including diesel, in February 2023.

In the U.S., the Strategic Petroleum Reserves (SPR) sold nearly 200 million barrels of oil in 2022, leaving SPR with the least amount of crude oil since December 1983. But the Biden administration announced plans to acquire three million barrels of crude for the reserve, signaling an end to the administration's effort to bolster the supply and control prices following February's bottoming out.

Russian oil sanctions could still result in a sizeable decline in Russian production, and Moscow may become less receptive to accepting lower prices and consider actions to push them higher. The perceptions of oil markets are altering daily.

Consumer Debt

According to the Federal Reserve of New York report dated November 2022, aggregate household debt balances increased by \$351 billion in the third quarter of 2022 with a total aggregate debt of \$16.51 trillion, a \$2.36 trillion increase from the late 2019 recession.

Other pertinent information is shown below:

Housing Debt

- There was \$633 billion in newly originated mortgage debt in 2022Q3. After two years of historically high volumes of mortgage originations, the Q3 volume more closely resembles pre-pandemic volumes.
- Although the foreclosure moratoria have been lifted nationally, new foreclosures have stayed very low since the CARES Act moratorium was put into place. About 28,500 individuals had new foreclosure notations on their credit reports.

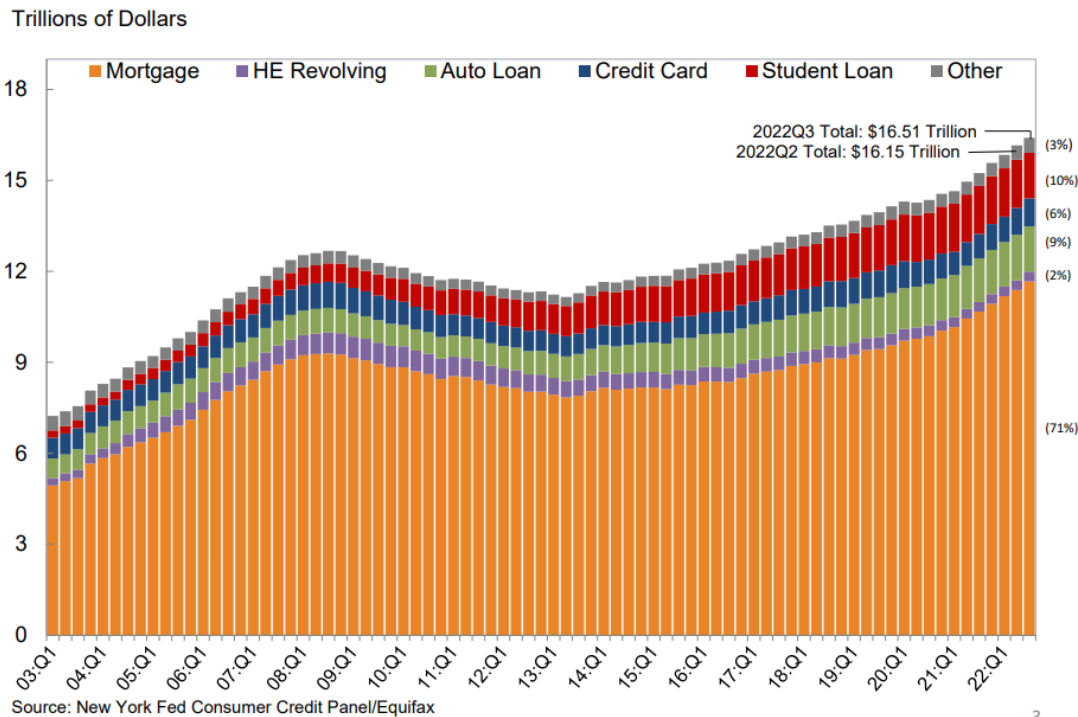
Student Loans

- Outstanding student loan debt stood at \$1.57 trillion in the 2022Q3. The decline likely reflects some of the discharged debt due to Closed School Discharge and Public Service Loan Forgiveness offsetting the typical seasonal academic year originations
- About 4% of aggregate student debt was 90+ days delinquent or in default in 2022Q3.² The lower level of student debt delinquency reflects the continued repayment pause on student loans, which is scheduled to end on January 1, 2023.

We note that the Student Loan Debt relief pause was struckdown on September 30, 2023. Below is a graph depicting household debt through Q3 2022:



Total Debt Balance and its Composition



As of November 2022, mortgage balances, the largest component of household debt, shown on consumer credit reports stood at \$11.67 trillion, a \$282 billion increase from September 2022. Balances on home equity lines of credit (HELOC) increased, reversing a downward trend for two consecutive quarters – a trend that had been in place since 2009. These loans now stand at \$322 billion.

A note from the Federal Reserve May of 2022 report states the following on delinquencies:

Delinquency & Public Records

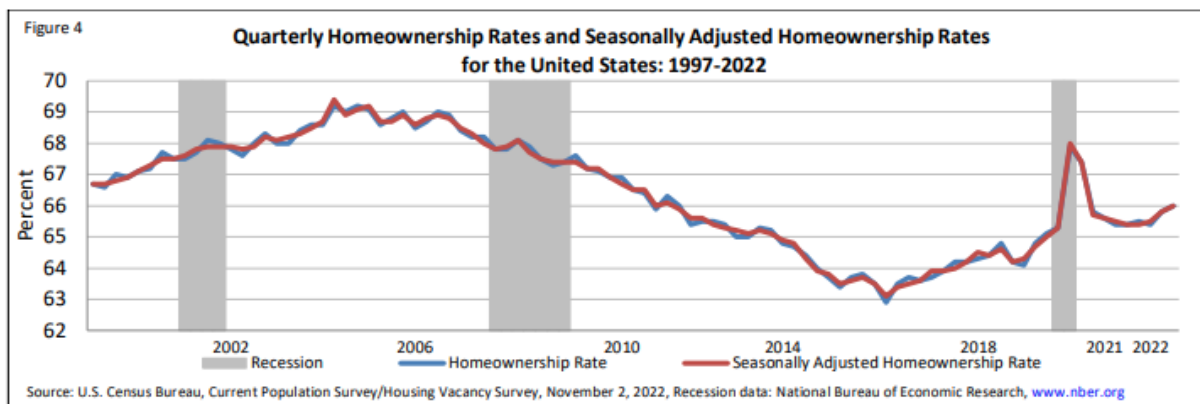
Aggregate delinquency rates were unchanged in the third quarter of 2022 and remained very low, after declining sharply through the beginning of the pandemic. As of September, 2.7% of outstanding debt was in some stage of delinquency, a 2.1 percentage point decrease from the last quarter of 2019, just before the COVID-19 pandemic hit the United States

The share of debt newly transitioning into delinquency increased for nearly all debt types, following two years of historically low delinquency transitions. Transition rates into early delinquency for credit cards and auto loans have increased by about a half of a percentage point, following similarly sized increases in the second quarter.

About 99,000 consumers had a bankruptcy notation added to their credit reports in 2022Q3. New bankruptcy notations dipped below 100,000 for the first time one year ago have remained at historical lows since. The share of consumers with a 3rd party collection declined slightly from 2022Q2 and is at a historic low; approximately 6% of consumers have a 3rd party collection account on their credit report, with an average balance of \$1,266.

According to the US Census Bureau, the 3Q 2022 homeownership rate of 66.0% was a slight increase from the Q2 2022 rate of 65.8%, and a decline from 2020 numbers hovering around 67.9%





Conclusion

Our analysis points to significant and persistent adverse effects of the pandemic, rapid inflation, and rising interest rates on the world economy, with no market area escaping unscathed. Employment and the stock market were quick to rebound after COVID; however, as time has gone on – these figures have been revised downwards, while other metrics, like GDP, will likely remain depressed. The rising interest rates, persistent inflation, and lower labor participation rate could be a bellwether for a forthcoming recession – if not already here. Low homeownership rates and rising consumer debt also suggest negative market conditions. We currently view the macroeconomic outlook with cautious optimism, given the recessionary trends, which could result in a slowdown in our market's commercial real estate sector.



MARKET AND MARKETABILITY ANALYSIS (Level A Analysis)

In 2021 and 2022, the U.S. economy experienced a somewhat unpredictable recovery, characterized by lowered expectations and forecasts for GDP growth and employment, as well as inflationary trends across the country. Despite these fluctuations, the commercial real estate market remained strong, with historic low interest rates, stable pricing, and growth in asset values across most sectors. As we move into 2023, optimism has given way to concerns of an impending recession, due to the widespread inflation affecting the national economy, which has led to an increase in the federal funds rate and the cost of borrowing. In Louisiana, the overall outlook is cautious, with a slow rise in tourism; however, the expansion of the port sector and oil and gas market provide some level of optimism.

Over the past few years, the energy sector has shown signs of recovery, which has been further strengthened by the increase in oil and gas prices. Our analysis focuses on the market for comparable retail properties in the French Quarter market. To properly contextualize the national economic landscape, it is essential to consider the regional economic foundation. Given the cautiously optimistic yet delicate outlook for the economy, it is crucial to focus on the historical characteristics of the regional base, which is closely linked to the public employment sector, natural resources, agriculture, port industry, and tourism.

As one of America's most storied and iconic neighborhoods, there is always a relatively higher level of demand for real estate within the French Quarter. Even in times of economic uncertainty the real estate market has flourished in the French Quarter. As the economy continues to improve it is hard to imagine that the French Quarter will not continue to demonstrate strong performance relative to sales and rental price escalations commensurate with recent trending in the market.

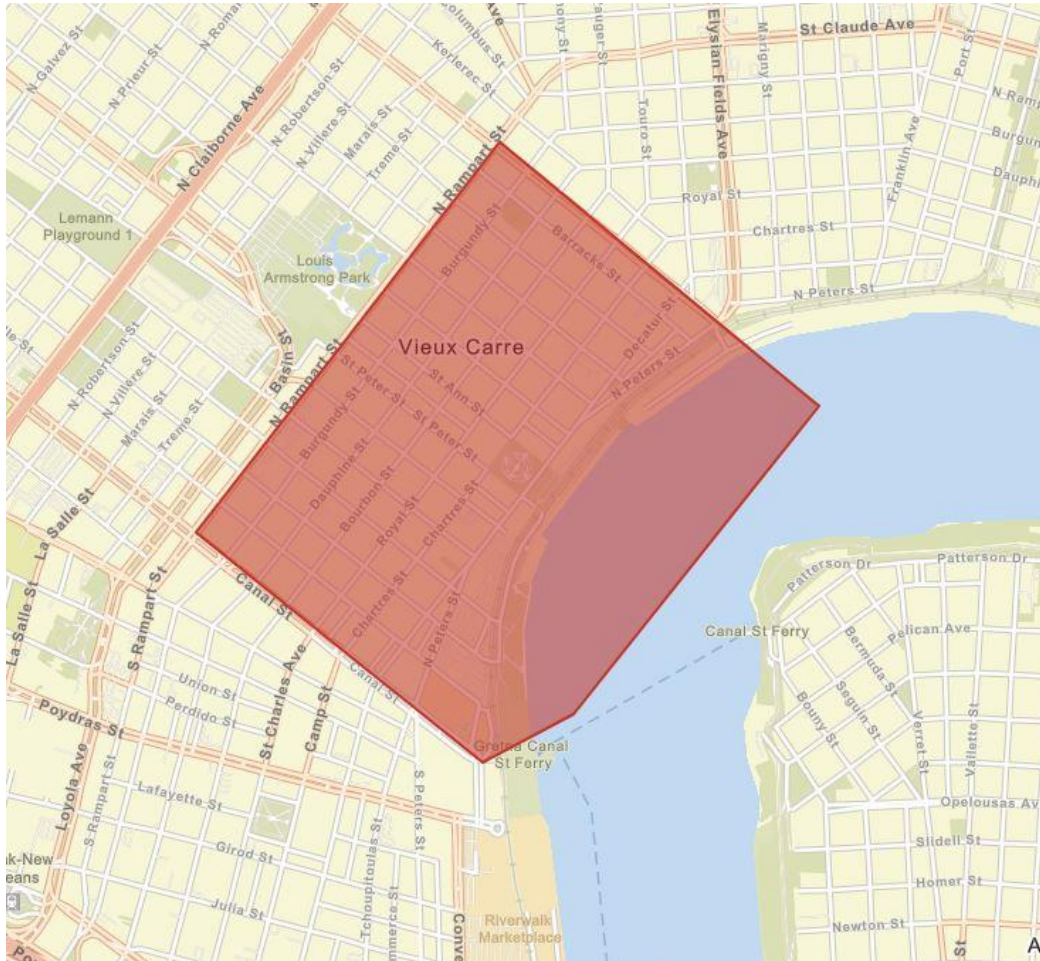
The methodology employed to evaluate the market and marketability of the subject property includes the following five steps:

- *Market Area Delineation*
- *Property Productivity Analysis*
- *Supply and Demand Analysis*
- *Interaction of Supply and Demand*
- *Forecast of Subject Capture*

The analysis is presented in three main categories, following the truncation of the data sets. These categories include: market area delineation, assessment of the property's productivity and competitive strengths and weaknesses, and an analysis of supply and demand, including an estimation of absorption and capture rate for the subject property.

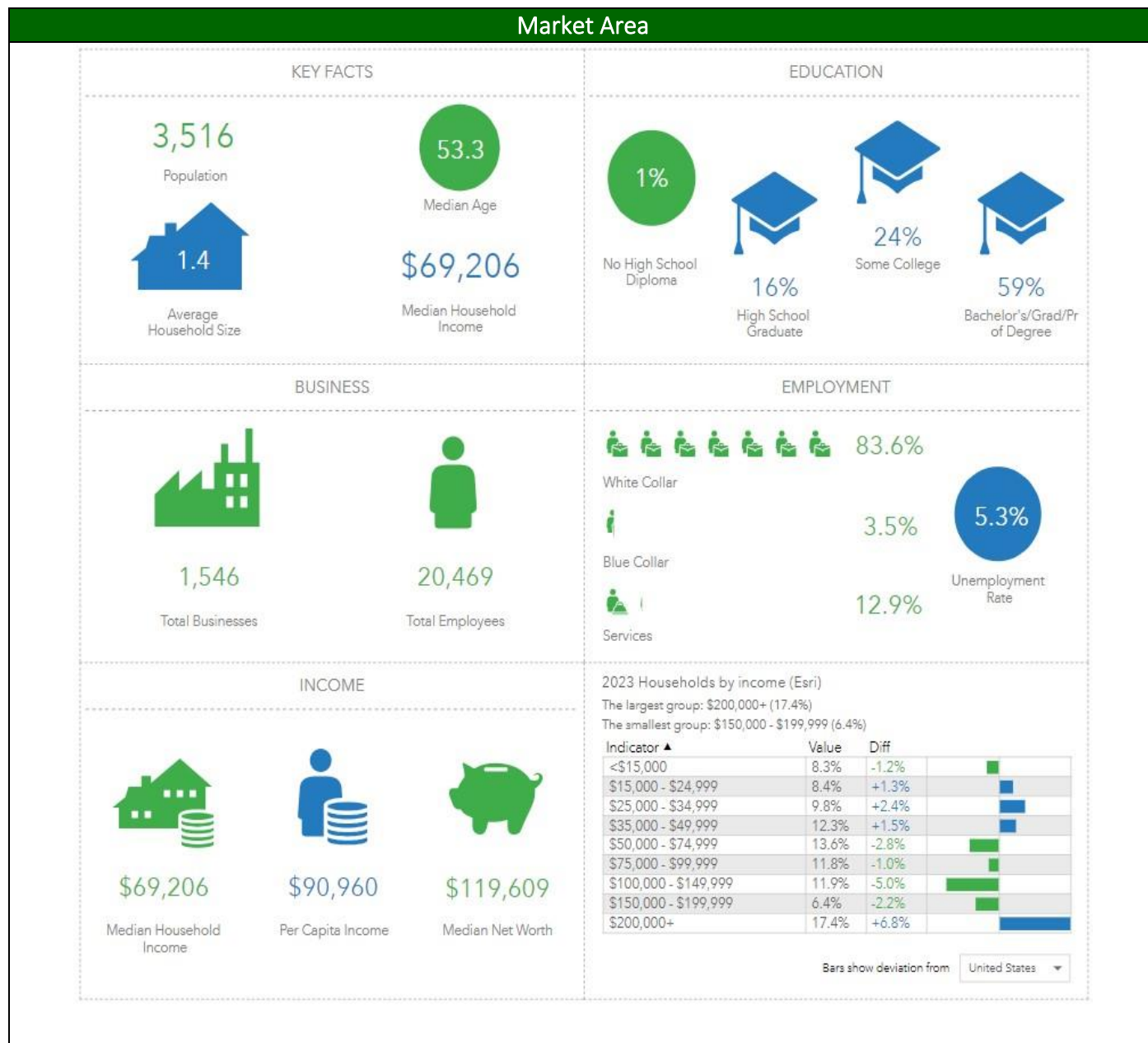


On the following pages, we present an analysis of the subject's market area concerning demographics, income statistics, and other pertinent data within the French Quarter. The demographic data contained on the following pages are shown as excerpted from a report generated using the *Site to do Business* (www.STDBonline.com).



Market Area Delineation:

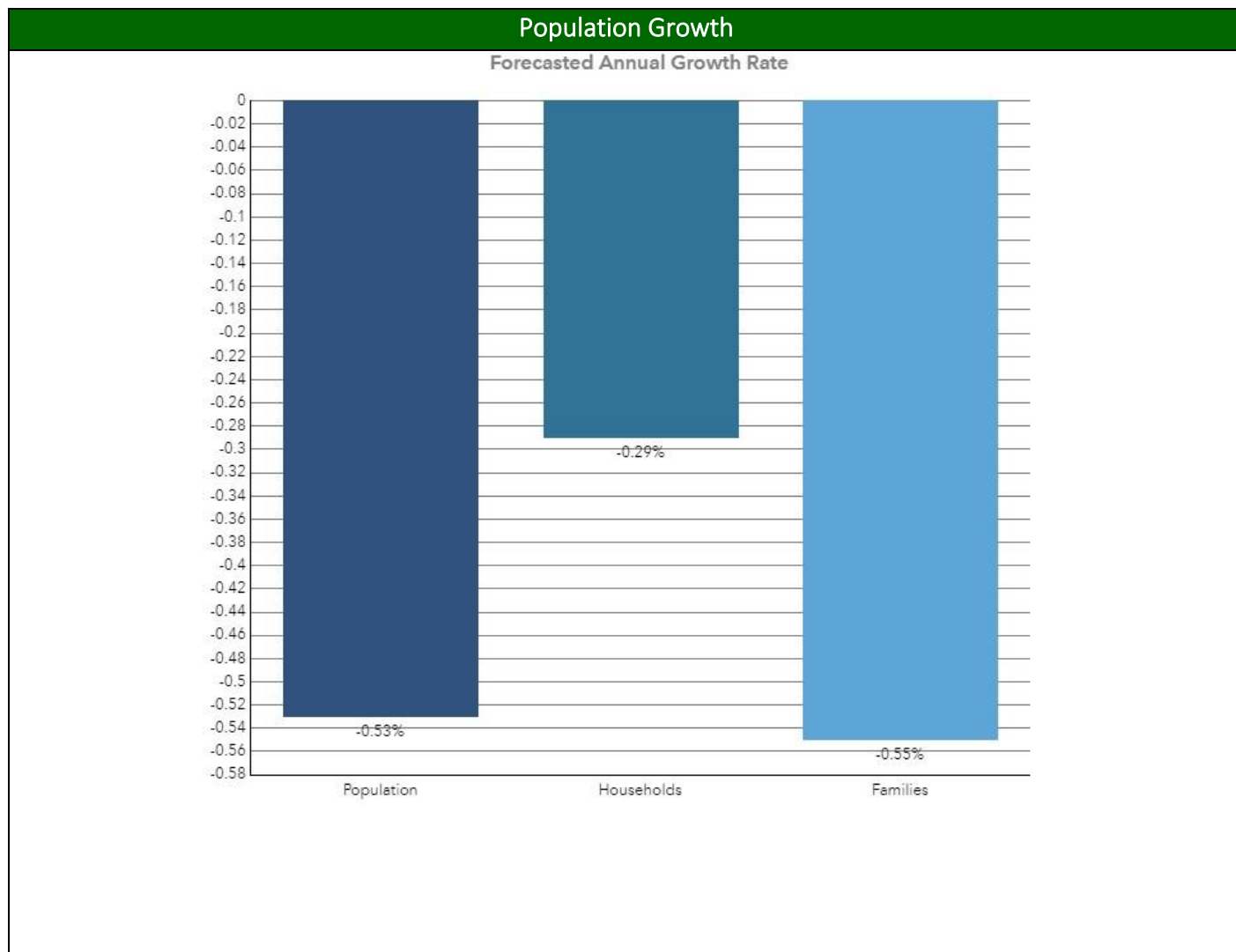
The subject property's market area has been delineated as the French Quarter market. The neighborhood surrounding the subject property is bounded by Esplanade Avenue to the north, Canal Street to the south, the Mississippi River to the east, and North Rampart Street to the west. The pertinent demographic information for this delineated market area is presented in the infographic below.



Overall, the subject's market area features a population of 3,516, a median age of 53.3, an unemployment rate of 5.3%, and a median household income of \$69,206, in line with the national median household income of \$68,703.



Furthermore, the forecasted annual growth rate for the population in the subject's greater market area is -0.53%.



NEW ORLEANS ECONOMIC BASES

Port Industry:

The MSA's port system ranks among the largest globally in terms of tonnage moved and generates over \$100 million in annual revenue through cargo, rail, cruise, and industrial real estate. The most recent figures from 2021's calendar year indicate a 14.8% decline from 2020 in total cargo volume; however, breakbulk and bulk cargo container shipments increased 125% to 1.2 million tons. These figures are up from pre-pandemic levels.

Approximately 19% of the New Orleans workforce can be categorized as employed in the trade, transportation, and utility sector. This is largely tied to the port industry along the Mississippi River. A breakdown of the economic impact of the port is shown below:



Fueled by demand, the Port of New Orleans has completed several expansions and announced new infrastructure investment plans. In 2021, a new \$40 million cold storage terminal was opened on the Industrial Canal in New Orleans East. Frozen poultry is one of the port's top exports, and this facility primarily handles poultry raised throughout Louisiana and Arkansas. To accommodate larger vessels, the Napoleon Terminal is receiving \$130 million to four new cranes. The port also plans to spend \$17 million on three new rail storage yards. Lastly, the Port of New Orleans plans a new 1,100-acre, \$1.5 billion container facility in St. Bernard Parish. This new facility will ease space constraints and will accommodate larger vessels.

More statistics summarizing the economic impact of the port system are presented on the following page.





Film Industry:

Driven by tax incentives, New Orleans has become the fourth top film and television production cities in the nation, behind New York, Los Angeles, and Atlanta. In 2019, New Orleans reportedly did close to \$800 million in film production. LED estimates that about 10,000 Louisianans are employed directly through the film and television industry. Despite storm events and the pandemic, 2021 was a record-breaking year for the film industry with the city hosting \$753 million in production in the first three quarters.

In April 2022, New Orleans-based production company Second Line Stages recently announced an expansion that will triple the size of its Lower Garden District space. One month later, Marvel's most recent 'Captain America' and New Orleans native Anthony Mackie announced the acquisition of 20-acres in New Orleans East for the development of a new film studio.

Tech Industry:

New Orleans market's itself to the tech industry as a low cost/high culture alternative to larger metros. While the local tech industry still accounts for a relatively small ratio of overall jobs, it has expanded over the past few years and is expected to continue to grow. Key industry highlights are summarized by the Greater New Orleans Regional Economic Development group below.



6,641

JOBS

\$75,782

AVERAGE WAGE

13

COLLEGES & UNIVERSITIES

**ECONOMIC
IMPACT****\$887M**

GDP

\$1.3B

TOTAL SALES

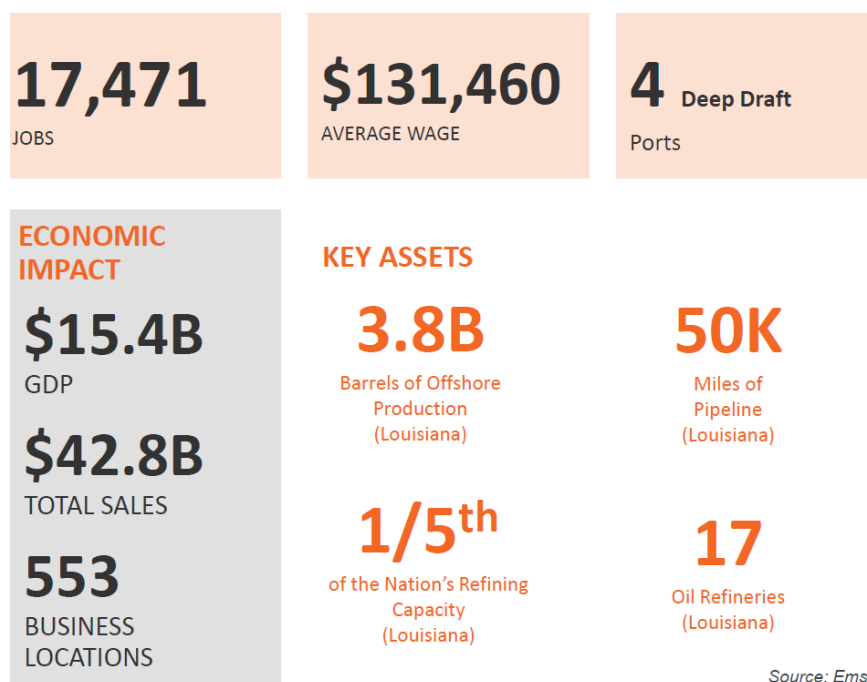
1,447BUSINESS
LOCATIONS**MAJOR ANNOUNCEMENTS**New Orleans tech company
acquired for \$1.1 billionNew Orleans based company
bought out for \$500 millionVideo game development studio will
create 75 new jobs*Source: Emsi*

Lucid's October 2021 sale made international headlines as New Orleans' first "unicorn," and signals to the tech industry that New Orleans is a viable entrepreneurial ecosystem. Accurent, a data-based real estate management company, employs 70 people but is expected to expand to 350 employees in the coming years. DXC Technology opened offices in CBD in 2018 and is growing to a 2,000-person workforce. Testronic Digital Media has recently opened a new 150-job game testing facility in the old Chevron place, and plans to invest \$500,000 in the building. A provider of working capital, Raistone Capital is expected to add 50 jobs in the CBD over the next five years. AxoSim, Cadex Genomics, and Obatala Sciences are all new companies emerging from the UNO/New Orleans Bioinnovation Center that plan to add 153 jobs in the \$60,000 to \$80,000 range.

Oil and Gas Services:

With a strategic location at the mouth of the Mississippi River, the Greater New Orleans economy has strong ties to the oil and gas services industry. Key industry highlights are summarized by the Greater New Orleans Regional Economic Development group below.





There is a renewed interest in building new plants in the region, primarily driven by a plentiful supply of natural gas and a demand for methanol in China. Notably, Venture Global LNG announced that a liquid natural gas facility, Plaquemines LNG, about 30 miles south of New Orleans, on a 632-acre site on the west bank of the Mississippi River with 7,000 feet of river frontage. The facility expects to employ 250 permanent workers and to produce 10 million metric tons of LNG per year.

IGP Methanol also proposes building a \$45-\$48 billion methanol plant in Plaquemines Parish that will eventually employ 325 permanent employees. Upriver in St. James Parish, South Louisiana Methanol plans to construct a \$2.2 billion plant and Syngas Energy Holding proposes constructing a \$350 million methanol plant. CCI Methanol has also announced plans to construct a \$1.2 billion methanol plant on the old AMAX Nickle site in Plaquemines Parish.

Chevron, the Chalmette Refinery, Kinder Morgan Delta Terminal, LLOG Exploration, Marathon Oil, Phillips 66, PosiGen, Shell, Valero, Bollinger Shipyards, Textron Marine Systems and The Dow Chemical Company are just a few of the MSAs top employers and generate billions of dollars in revenues.

Summary:

Overall, the New Orleans market has made great strides in recent years to diversify its economic amongst several key and stable economic bases. These include the port, tourism, tech, healthcare, oil and gas, as well as other smaller but viable sectors.

With a steady and stable economy, the New Orleans metropolitan area should be poised to continue its growth or at a minimum limit any out-migration patterns.



New Orleans Employment Growth Trends:

The New Orleans metro continues to show impressive upward employment and wage growth. In this large metro area, the total wage and salary employment grew by over 40,000 jobs from 2010 through the end of 2019. Over 30,000 jobs in Orleans Parish accounted for 76% of this net growth followed by a 15,000-employment increase in St. Tammany Parish, which accounted for 39% of the region's job growth.

Six business sectors drove most of the region's employment growth from 2010 to 2019. These include retail, professional/scientific, admin/support, healthcare, transportation/warehouse, and the accommodation/food service sector, which continues to expand with the growth of many new restaurants, music venues, and the large expansion of the regions lodging inventory. Retail and tech expansion also reaped job growth benefits in the market, particularly in New Orleans and St. Tammany.

While many sectors experience job growth, some are downward trending, which includes mining, manufacturing, and public administration, which goes hand-in-hand with state and local government budget cuts.

Below we provide the New Orleans metro employment trends, as taken from the UNO Real Estate 2023 analysis.

Parish						Quarterly					
	2006	2010	2015	2020	2021	Q2/2021	Q2/2022	2006 - 2010	2010 - 2020	2020 - 2021	Q2/2021 - Q2/2022
Jefferson	190,379	193,004	194,641	176,685	179,373	180,029	181,236	2,625	-16,319	2,688	1,207
Orleans	151,936	170,413	192,146	171,600	174,323	173,919	183,411	18,477	1,187	2,723	9,492
Plaquemines	13,981	14,437	14,379	11,224	11,126	11,202	11,066	456	-3,213	-98	-136
St. Bernard	7,704	10,854	10,557	9,766	10,105	10,229	10,561	3,150	-1,088	339	332
St. Charles	22,952	23,067	26,799	22,627	22,143	23,442	23,076	115	-440	-484	-366
St. James	7,008	7,739	8,244	7,903	7,657	7,699	7,565	731	164	-246	-134
St. John	14,336	15,247	14,601	13,068	12,658	12,943	12,394	911	-2,179	-410	-549
St. Tammany	69,824	74,968	85,840	85,897	89,648	89,528	91,972	5,144	10,929	3,751	2,444
Total Employment	478,119	509,729	547,206	498,768	507,070	508,990	521,281	31,610	-10,961	8,302	12,291

Note: Total employment indicated here may not equal the sum of the employment for each sector because of non-disclosed data
Source: Labor Market Statistics, Quarterly Census of Employment and Wages Program



Louisiana Economic Forecast^{TM SM}

State and MSAs: 2023 and 2024

Prepared by: Dr. Loren C. Scott, President, Loren C. Scott & Associates, Inc.

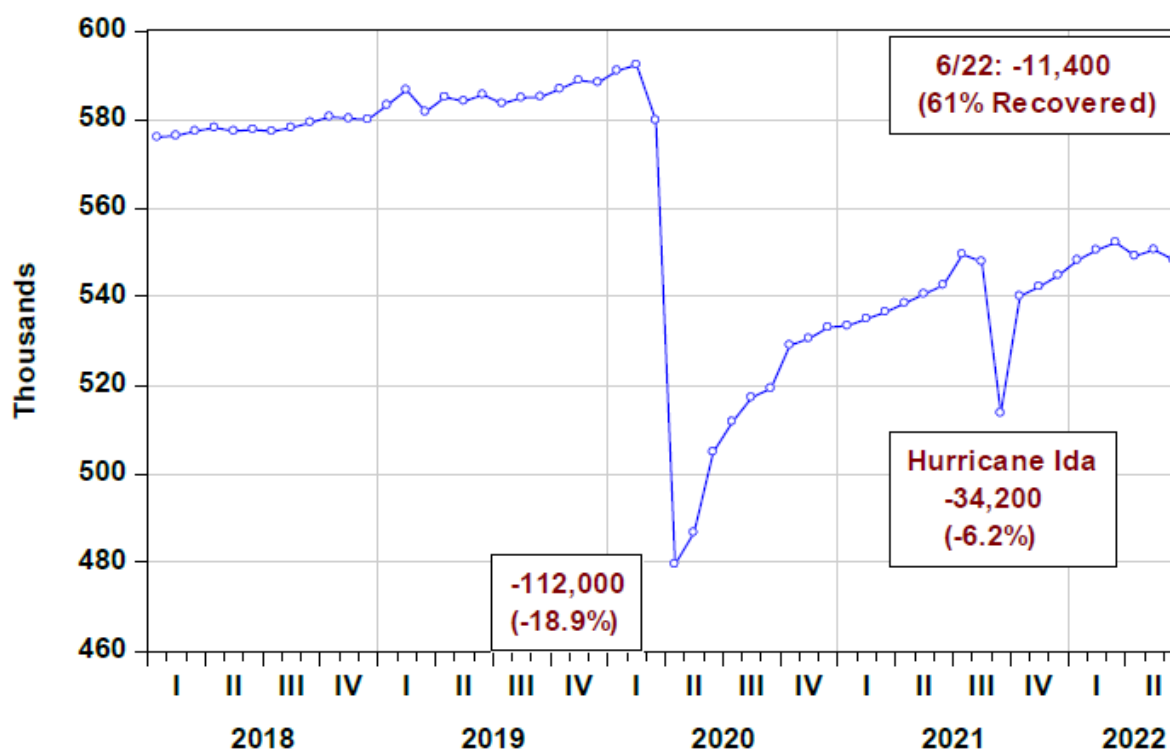


We have provided several key passages pertaining to the New Orleans MSA's health from the Louisiana Economic Outlook 2022-2023 – provided by the ELoren C. Scott & Associates:

This MSA has a good ways to go before recovering the 112,000 jobs lost due to the COVID shutdown. As seen Figure 11, which tracks the MSA's monthly employment (seasonally adjusted), The New Orleans region had recovered only 61% of those 112,000 jobs by June 2022. Only the Houma and Lake Charles MSAs had a poorer recovery performance than this MSA.

Figure 11

New Orleans MSA Nonfarm Employment (SA)



Source: Bureau of Labor Statistics & Loren C. Scott & Associates, Inc.



Big Boost from Industrial Construction

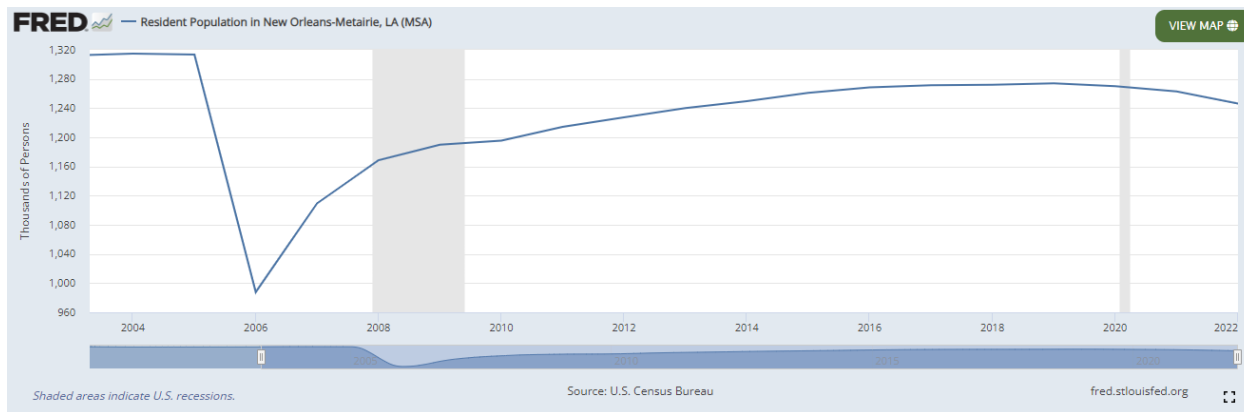
This MSA's recovery from the shutdown would have been even slower had it not been for some \$17+ billion in industrial construction projects underway in the region, including the following:

- **Venture Global (VG)** finally pushed the "go" button on its huge 36-train, \$13.2 billion LNG export terminal in Plaquemines Parish. Several Special Purchase Agreements (SPAs) with customers in Spring 2022 pushed the company over the financial threshold for a May Final Investment Decision (FID). Construction will continue throughout our forecast period.
- VG will need access to a plentiful supply of natural gas for liquefaction. **Enbridge Pipeline** is spending \$400 million to build the Gator Express and Venice Extension Pipelines to service VG's terminal.
- A refinery in Chalmette that has been idle since 2010, will be converted to a renewable diesel production complex. **PBF Energy** is spending \$550 million to convert the unit to make diesel out of non-fossil inputs like soybeans and corn oil and other derived fats. The project will create 20 new jobs paying \$70,000 annually.
- **Koch Chemicals** is in the final stages of building a \$1.85 billion methanol plant in St. James Parish. This is the same as the Yuhang Chemical project mentioned in last year's Louisiana Economic Forecast.
- Also in St. James Parish, **ElementUS** is constructing an \$800 million project to extract rare earths from alumina byproducts at the Atlantic Alumina site. Once completed this project will support 200 new jobs at \$85,000 annually.
- As mentioned in last year's report, **Shell/Equilon** is spending \$234 million over three years on maintenance and upgrades to their facility, an investment that will create five new jobs.
- Finally, **Kinder Morgan** is joining with Neste to build an \$88.6 million plant that will refine waste, residues and other raw materials into renewable fuels and feedstocks for plastics. The investment involves retrofitting several tanks, improving infrastructure, and adding a new boiler. This project is almost complete---scheduled to open in 2023Q1 with 25 new jobs.

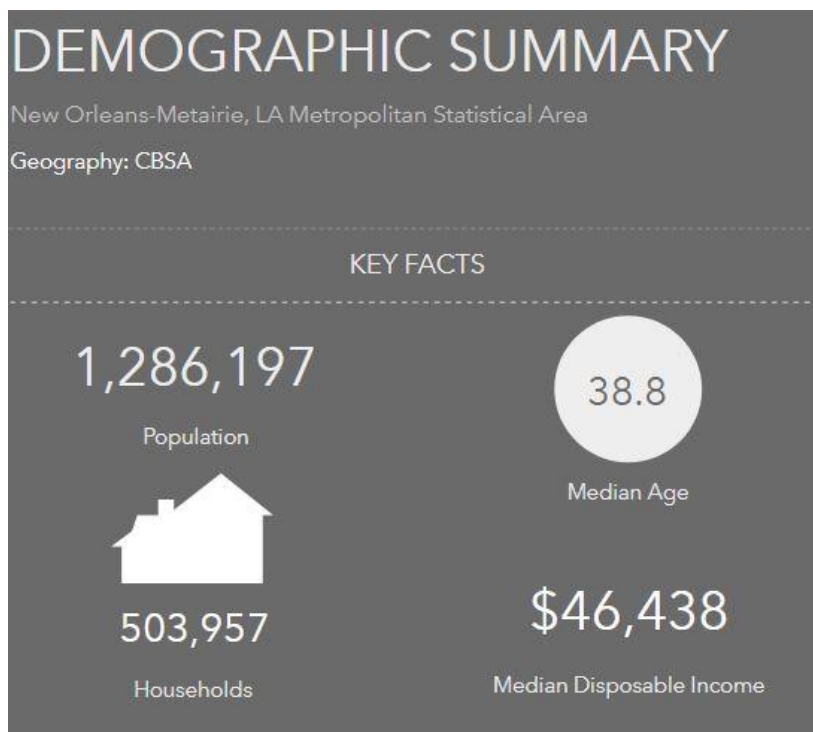


New Orleans Population Growth Trends:

Below we present the New Orleans MSA population chart over the last 20 years. The city has seen strong population growth the last 15 years since Hurricane Katrina, but has plateaued since 2016.

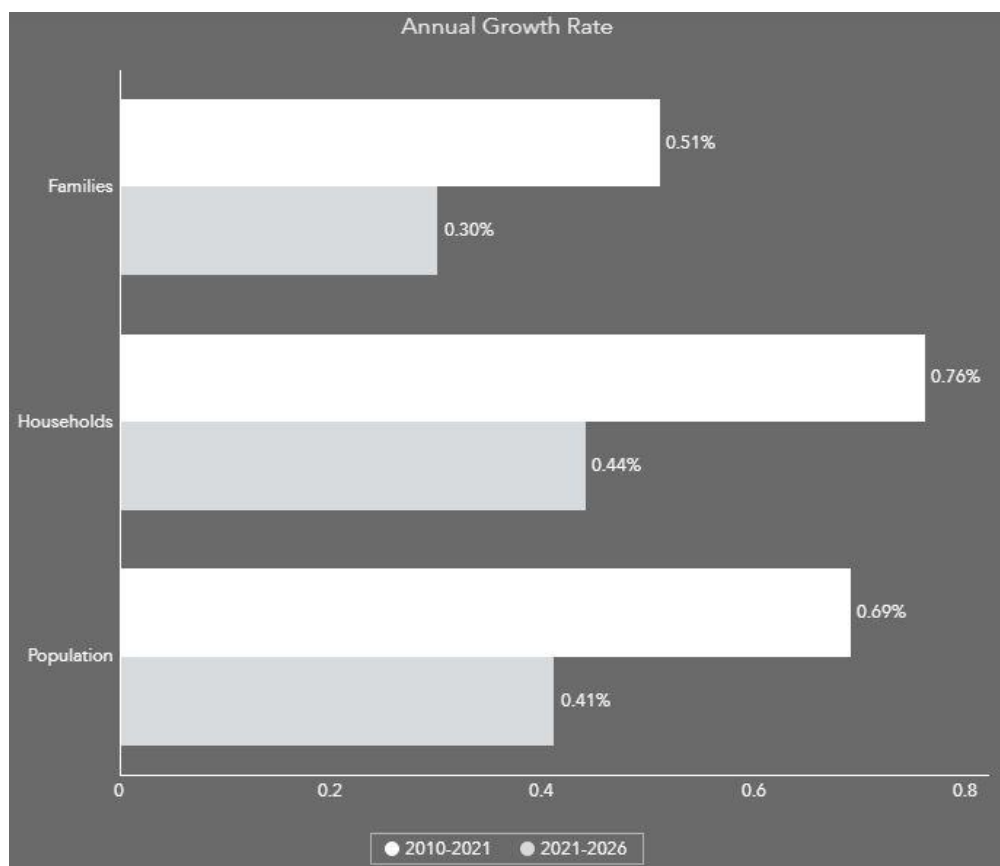


Additionally we have consulted the Site to Do Business for demographic data on the entire New Orleans MSA, outlined below.

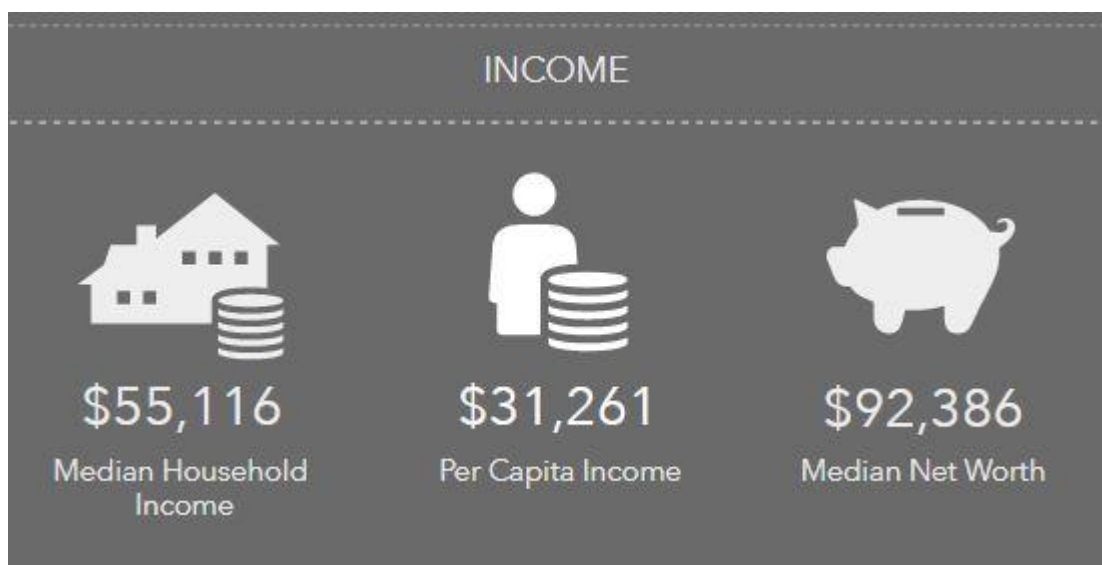


Per STDB, the current population of the New Orleans MSA is 1,286,197 people with a median age of 38.8.





The STDB data also suggests positive trending population growth with a forecasted 0.69% increase over the next 5 years.

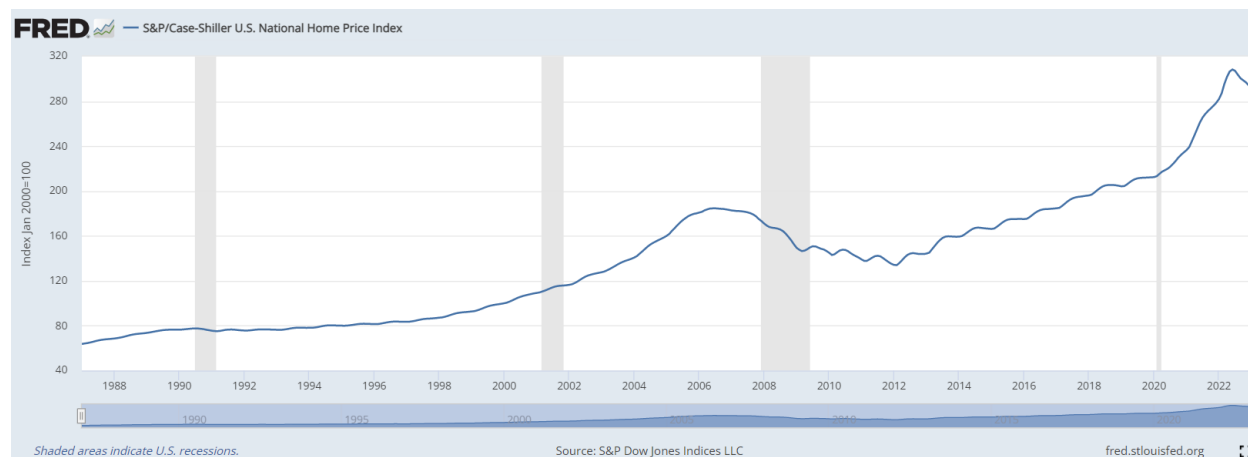


Median income data in the MSA is currently \$55,116 per household with an average per capita income of \$31,261.



Real Property Pricing:

A graph below has been taken from the *Standard & Poor's/Case-Shiller US Nation Home Price NSA Index*.



The market effects have generally been a net positive for the prices of residential real estate given the low interest rate environment and the overall shortage of inventory; however, recent rate increases have had negative effects on pricing. Most market participants are cautiously optimistic about continued price growth given the high levels of inflation and potential for future rate cuts towards the end of the year.



Local Development:

On the following pages are several notable recently completed and ongoing developments near the subject property within downtown New Orleans.

Downtown New Orleans features a diverse array of commercial development, many of which have historical significance. Within the subject's immediate neighborhood, development is primarily a combination of residential condominium/apartment buildings, hospitality properties, multi-level office buildings, ground floor retail outlets, commercial establishments, along with some light industrial properties. Typical buildings within the Central Business and Warehouse District range from two-story to five-story structures, with many utilized as mixed use properties. There are also a handful of 40+ story, high rise buildings located in downtown New Orleans, namely the Entergy Centre, the Pan American Life Building, Place St. Charles, One Shell Square and Poydras Plaza.

The land use in the area is primarily commercial and the subject area's density of commercial activity is reflective of a typical central business district. The juxtaposition of this neighborhood between the French Quarter and the Warehouse District has been a positive influence on the CBD in recent years.

The surrounding Warehouse District / CBD neighborhood is seeing numerous redevelopment projects take place, many of which have already been completed, as has been outlined within this report. These changes are already in the process of giving new life to the immediate area and making this neighborhood one of the more attractive places to live and work in New Orleans. The strong market for residential space in the Warehouse District and CBD, especially for newly renovated units, is demonstrated by the high occupancy figures seen within the downtown market. There is also very high demand for hotel rooms in the local market.

Overall, the subject is situated in a readily accessible neighborhood, aside from large scale tourist events that create significant traffic issues in and around the Central Business District such as the Sugar Bowl, the Bayou Classic, and Mardi Gras. Following a Saints game in the fall and early winter or a Pelican's game, traffic and parking can become more of a problem. The regular pedestrian traffic in the immediate area is a tremendous plus for any property situated between Poydras and Canal Street.

On the following pages are several notable recently completed and ongoing developments near the subject property within downtown New Orleans.



316 St. Charles Avenue - *Residence Inn*



Ground was broken in August 2017 toward development of a new 19-story, 231 room Residence Inn. The underlying 13,511 square foot site was purchased in February 2014 for \$3,990,000 or \$295.31 per square foot, which made it one of the highest prices on a per square foot basis ever in New Orleans. While there has been little publicly disclosed about this development, in addition to upper floor guest rooms, the project features a ground floor bar and restaurant as well as a second-floor terrace overlooking St. Charles Avenue. The *Residence Inn* officially opened on December 10, 2019, and total development costs were reported to be near \$60 million.

228 St. Charles Avenue – *The Whitney Building*



The Whitney Building was built in 1911 and was the home of Whitney Bank until early 2019 when the bank moved into nearby 51-story Hancock Whitney Center. The developer Mike Wampold purchased the building and six nearby structures for an undisclosed amount in early September 2019. The main building is approximately 300,000 square feet and 14 stories. Plans for the building include turning the first 8 floors into a hotel, and the remaining 6 floors set aside for luxury multi-family

residences. Wampold and his team plan to take advantage of the Opportunity Zone capital gains tax breaks, a strategy in which he thinks will lure the right outside investors they need to complete the project. Wampold estimates the Whitney Project to cost around \$100 million. The planning for the new development started in the fall of 2019, with no completion date as of yet.





1315 Gravier – *Former Warwick Hotel* | *Thirteen15*

After over a decade of neglect and vacancy, the former Warwick Hotel building returned to commerce in 2021 as a 154-unit apartment building. The New Orleans Redevelopment Fund (NORF), a New Orleans based private investment group focused on real estate, purchased the approximately 130,000-square-foot building in June of 2019 for

\$16 million.

NORF invested \$55 million to redevelop the property with three commercial units on the ground floor and 154 student housing apartments on the upper floors and master lease the entire development Tulane. NORF is primarily funding the project using Opportunity Zone tax incentive driven capital. This property is a much-needed stabilizer in the immediate area of downtown New Orleans.



317 Baronne Street – *NOPSI Hotel*

The building at 317 Baronne Street was originally constructed in 1927 and housed the headquarters for *New Orleans Service Incorporated (Nopsi)*, the city's utility company. The building, as well as an adjacent two-story building on the corner of Union Street and O'Keefe Street, was purchased in February 2015 for \$11.6 million. The vacant property gained approval in early 2016 for conversion into a 217-

room luxury hotel. The \$30.3 million project includes a ballroom, bar and restaurant, rooftop pool and landscaped courtyard. The Nopsi hotel opened its doors to the public on July 6, 2017.



234 Loyola – The *Pythian Market & Apartments*



The Pythian building measures 123,266 square feet and was purchased in 2014 as a historic building shell; slated for full redevelopment as mixed use property. The property is comprised of two adjoining structures with the front structure on the corner being built in 1909 by The Knights of Pythias to serve as office space for the fraternity. It was designed by New Orleans architects Diboll, Owen, and Goldstein and features a number of design elements that were modern at the time. The rear structure on Gravier Street dates back to 1927.

During the property's earlier years, it contained The Temple Theatre, an epicenter for African-American Vaudeville, and, eventually, jazz performances. Until the mid-1920's, the roof was home to The Pythian Roof Garden, a popular events space. In the 1940s, the Pythian Temple building was converted into a wartime hiring office for Andrew Jackson Higgins, with the top floor space preserved as a dance hall with a mezzanine. Following the closure of the Pythian Temple, the building was utilized by a number of owners, serving primarily as office space. In the 1960s, the building was later updated to add two full stories to the roofline, and glass and metal façade was added to the windows.

The development was completed in 2018 and consists of 9 main floors, as well as a significant mezzanine level between the first and second floors. The first three floors were delivered as white box commercial space with the first-floor housing *Pythian Market*, a food hall consisting of 13 stalls that vendors can rent, as well as one central bar. The top six floors are built-out as residential space with a total of 69 apartment units, 25 of which will be mixed income designated as work force housing. The 8th and 9th floors will house two-story loft units with views toward Duncan Plaza, City Hall, and the Superdome.

In recent years, this property has struggled largely due to COVID-19 and other confidential disputes. As of the effective date of this appraisal, this CBD mixed-use development is currently listed for sale with a call to offers.

730 Julia Street - *The Julia*



The Julia is a \$50 million large-scale mixed-use development in the Warehouse District bounded by Julia Street, Carondelet Street and St. Charles Avenue. The project is a joint venture between Woodward Interest and Audubon Capital Partners and will feature more than 17,000 square feet of ground floor retail space, 197 upper floor apartments as well as 140 indoor garage

parking spaces. The development was completed in early summer of 2019 and residential leasing began on June 1, 2019.



1031 Canal Street – *The Hard Rock Hotel*



What was anticipated to be one of the most substantial developments in downtown New Orleans in recent history ended in tragedy on October 12, 2019, when The Hard Rock Hotel suddenly collapsed, killing 3 construction workers. This event was a tragedy not only for the workers killed but for the city of New Orleans, as this development was expected to drive tourism and further stabilize the Canal Street corridor. The collapse of the building continues to have rippling

effects for the entire city of New Orleans and its people. Businesses in the near vicinity were closed for months as the streets and walkways to get to them could no longer be accessed. Road closures have created traffic problems that affected surrounding neighborhoods

As of mid-2021, the collapsed improvements were entirely demolished and the site cleared. The cause of this tragedy is still under investigation and will likely be for some time before the cause of collapse is fully known.

The South Market District

The South Market District is the most significant example of mixed use downtown development to be seen in the New Orleans market in decades. This \$500 million project is spearheaded by the *Domain Companies* out of New York which has completed all five of the five phases of development since first breaking ground in 2012. This new market tax credit driven project encompasses a four block area, most of which were previously utilized as surface parking lots. This development when finished will include a total of approximately 200,000 square feet of retail and restaurant space, more than 600 luxury apartments, 635 garage parking spaces and 89 luxury condominiums. A summary of each phase of development is below:





-The Paramount: \$48 million mixed-use building with 209 residential units and ground level shops and restaurants. Opened 2014.



-The Park: 435 parking spaces and approximately 27,000 square feet of retail space anchored by CVS Pharmacy and Arhaus Furniture. Completed October 2014.



-The Beacon: \$40 million mixed-use building featuring 20,000 square feet of ground floor retail/restaurant space and 124 upper floor luxury apartments. Completed March 2016.



-The Standard (Subject's Parent Development): \$80 million 15-Story luxury condominium building featuring 89 upper floor units and 19,293 square feet of ground floor retail space. The 89 condos will feature a mix of one, two and three bedroom units as well as ground floor retail space and a 30,000 square foot amenity deck with pool. The ground up construction of this new building marks the tallest construction project in Downtown New Orleans since the 2010 opening of the nearby 930

Poydras building. Condominium pricing at this development is among the highest in the city and start at \$650,000 for a one bedroom. Opened May 2018.





-The Odeon: *The Odeon is the tallest building to be built in New Orleans over the last thirty years.* This \$106 million mixed-use development 12,000 square feet of ground floor retail space, 200 parking spaces and 271 upper floor apartments. The total building area equates to 414,000 square feet with over 30,000 square feet of amenities such as a pool deck, outdoor lounge, and fitness center. Construction commenced in May 2018, and the building was opened to the public on January 12, 2021.

1500 Canal Street – *The Jung Hotel*

The Jung Hotel, located on the corner of Canal and LaSalle Streets, originally opened in 1907 and is listed on the National Register of Historic Places. The hotel sat vacant for years following flooding damage from Hurricane Katrina. A \$140 million renovation was completed in Q1 2018 which brought the property back into commerce officially as the Jung Hotel & Residences. The property includes 171 hotel rooms and 113 one and two bedroom luxury apartments on the 8th through 19th floor including a top-floor penthouse. The renovated property also includes a 400 car parking garage, fitness center, spa, meeting space, ballroom, lobby bar and full service restaurant.



The project qualified for state and federal historic tax credits and received an RTA (restoration tax abatement) from the City of New Orleans and is the first project in New Orleans to receive EB-5 funding. The McDonnell Group of Metairie served as the primary contractor for the development, which was designed by Trahan Architects. According to The McDonnell Group, over \$700 million in new development has been generated within a two-block radius of The Jung Hotel since the project began in 2015.



WWII Museum Continued Expansion and The Higgins Hotel



The National WWII Museum is in the midst of a \$370 million expansion, with 16 projects on the drawing board and several currently under construction. When the expansion is complete, the six-building campus will expand over three and a half square blocks within the Warehouse District. According to the museum's website,

"Additional stages of the Museum's expansion plan include renovation of the original Louisiana Memorial Pavilion, construction of the Hall of Democracy pavilion for academic and outreach programs and additional exhibit space, and construction of the Liberation Pavilion, focused on end-of-war and postwar experiences. To unify the six-acre campus and create a formal entry to Museum grounds, exterior improvements will include a Founder's Plaza spanning Andrew Higgins Drive and the Bollinger Canopy of Peace, which will symbolize the hope and promise unleashed by the end of WWII hostilities."

As of late 2016, \$80 million in projects were in the planning and design stage. In addition to these expansion projects, the museum plans to build a 107-foot-tall hotel at 1000 Magazine Street for an estimated \$41 million. The building will run the full length of the block and feature a ground-floor bar and restaurant, conference and meeting space, and 234 guest rooms.

The planned hotel was completed in late 2019 and officially opened its doors on December 6, 2019. *The Higgins Hotel* features 230 rooms, four dining outlets, rooftop bar, and 18,000 square feet of meeting and event space.



600-700 Block of Magazine



Developer Brian Gibbs and Reilly Foods have proposed a large mixed-use redevelopment, which will span two city blocks in the Warehouse District. The buildings will feature the existing municipal addresses 618 Magazine, 640 Magazine, and 700 Magazine. The development will include 90 residential units, 27,650 square feet of retail space, and 347 parking spaces. The project was originally proposed in January 2016 and approved by the CBD Historic District Landmarks Commission in April 2016. In 2017, 640 Magazine opened as Stay Lyric, 35 high end Short Term Rentals with 12,000 square feet of commercial space on the ground floor.

In October of 2019, the development on the 700 block of Magazine Street was completed and the structure was deemed the name "*The Kalorama*". *The Kalorama* building is a 47-unit mixed use development with residential and commercial spaces. The building offers large private balconies, grand galleries, landscaped courtyard, rooftop dog walk, fitness center, and restaurants on the ground floor.

The residential units include a wide variety of 1, 2, & 3 bedroom floor plans with prices ranging from \$489,000 to \$2,000,000. These units feature white oak flooring, wine coolers, quartzite countertops, and walk-in closets.



Four Seasons Hotel and Private Residences at the Former World Trade Center



Opened in 2021, the Four Seasons New Orleans marks the redevelopment of the World Trade Center New Orleans building at 2 Canal Street. Formerly known as the International Trade Mart or ITM Building, it was constructed to a design by Edward Durell Stone and in its heyday was home to several foreign consulates as well as the headquarters for the Port of New Orleans. The building is a 33-story, 407 foot tall skyscraper that has been vacant since Hurricane Katrina hit New Orleans in 2005.

Four Seasons Hotels and Resorts operates 95 distinctly iconic five-star hotels and resorts in choice destinations around the world. Travel + Leisure and Zagat Survey rank Four Seasons at the very top of the list of luxury hotels worldwide. Carpenter Company and Woodward Interests were selected as co-developers for the \$450 million redevelopment project. The redevelopment includes a 395 room Four Seasons Hotel, 80 hotel serviced residential condos, a restaurant, an urban green space on top of two newly constructed buildings that will flank the current structure on either side, a public observation deck overlooking the river, and a New Orleans history and cultural attraction.

According to publicized details of the lease agreement with the city, the terms will include a \$1 million nonrefundable deposit at lease signing and a \$4 million deposit in escrow that goes to the city once financing closes. Base rent of \$100,000 per month will be paid during construction. Once the hotel opens, annual rent of \$3.25 million will be paid for ten years, \$3.75 million for the second ten years, then rent adjusts with inflation. Beginning in year 2, in addition to the base rent, 5% of gross revenues from the top floor cultural attraction will be due. In the 11th year and thereafter, 5% of gross revenues from all other revenue generators of the project will become due. This development by a major luxury hotel chain serves as a significant sign of optimism in the downtown New Orleans market.



Canal Street Ferry Terminal

In late 2020, the City of New Orleans broke ground on a new ferry terminal to replace the existing terminal at the foot of Canal Street. This facility provides ferry services to and from Algiers on the Westbank. Upon completion of this project, the Aquarium of the Americas and the entire French Quarter riverwalk park to the north will become seamlessly connected to Spanish Plaza, The Riverwalk Outlet Collection, and the Convention Center to the south. Estimated development costs are \$44 million. The project is ongoing and is expected to be completed in Summer 2022.



101 Magazine Street – Sazerac House

The Sazerac Company broke ground for its new Canal Street redevelopment project, deemed the *Sazerac House*, on January 31, 2017. The redevelopment consisted of a five story, 48,000 square foot building located on the corner of Canal and Magazine Street. The first 3 floors of the building were constructed into a museum dedicated to the history of cocktails, while the remaining 2 floors house The Sazerac Company's corporate offices with over 60 employees. The building had sat vacant for over 30 years until the Sazerac Company, along with architect Trapolin-Peer, created plans to redevelop the building in December 2015. The redevelopment project was finished in early fall of 2019 and officially opened its doors on October 2, 2019. The Sazerac Company is projecting 200,000 visitors during the museum's first year of operation.



The Outlet Collection at the Riverwalk



In the summer of 2022, The Outlet Collection at the Riverwalk sold to a national real estate investment firm, RockStep Capital. When The Hughes Corp. purchased the Riverwalk Marketplace out of bankruptcy in 2011, the group started construction to turn the center into an upscale outlet mall. The center was the nation's first downtown outlet mall. Howard Hughes spent \$70 million on the renovations, which added 50,000 square feet of space to the mall,

bringing it to a total of 250,000 square feet. RockStep Capital plans to add high-end retailers and dining options.

Audubon Aquarium and Insectarium



In the winter of 2022, the Audubon Aquarium of the Americas closed for a six-month, \$34 million renovation project. This project marks the biggest update to the center since its opening in 1990. Plans entail adding 17,000 square feet of exhibit space and another 2,500 square feet of enclosed breezeway space.

In addition to the aquarium, the institute has also proposed a \$7 million facelift to Woldenberg Park, the open space adjoining the aquarium and the Mississippi River. Plans aim to make the park more accommodating to the numerous festivals that are hosted along the riverfront.



1200 Poydras Street – *Dave & Buster's*



Construction of a large mixed-use development containing a 40,000 square foot Dave and Busters at 1200 Poydras Street was completed in May 2017. In addition to the Dave & Busters, the development includes 18,000 square feet of retail and a 400-space parking garage, for a total of 264,000 square feet.

919 St. Charles Avenue – *The Greater New Orleans Foundation*



The Greater New Orleans Foundation completed construction on the new Center for Philanthropy in 2017. The building is prominently located on St. Charles Avenue at Lee Circle. The center houses offices for GNOF as well as a restaurant and spaces for their community of donors, nonprofits and neighborhood leaders to meet and exchange ideas.

840 St. Charles Avenue – *The New Orleans Advocate*



The New Orleans Advocate announced in February 2014 that the newspaper intends to take over a 23,000-square-foot former car dealership turned dance hall at 840 St. Charles Avenue. The structure was erected in the early 1950s for Klein Motors, which sold cars made by the Kaiser-Frazer Corp. The building was remodeled in the 1970s and in its most recent use was Michaul's, a

dance hall and restaurant. The newspaper will move into about one-third of the mid-20th-century building's 17,500 square foot first floor. The design also calls for a commercial kitchen and a coffee shop fronting St. Charles Avenue.



550 Baronne Street – Virgin Hotel



After two years and \$80 million in renovations, the new Virgin Hotel located at 550 Baronne opened in 2021. This project marks the sixth U.S hotel under the Virgin banner. The project showcases a 14-story hotel with 238 rooms and 260 total beds. The building will encompass 146,000 square feet including meeting rooms, bars, restaurants, and a roof top F&B space. The development was completed and opened in late 2021.

The Hyatt Regency Hotel



Affiliates of AllianceBernstein and the Benson family have acquired the 1,193-room hotel for \$398.9 million. After being closed for six years due to damages left by Hurricane Katrina, the hotel underwent \$270.9 million, or \$227,049 per room, in repairs to compete an extensive full-scale renovation. The seller paid \$32 million for the hotel in 2007 following the hurricane and prior to its renovations.

The hotel is situated in a prime location as it is walking distance of the Mercedes-Benz Superdome and the New Orleans Arena as well as a proximity to the French Quarter. The purchase price equates to approximately \$334,370 per room, and lenders on the deal are preparing a new \$325 million securitization offering backed by the property. The new owners plan to spend another \$30 million, or \$25,147 per room, in improvements over the next three years to upgrade the guestrooms, lobby area, meeting/event spaces and mechanical projects. The hotel also features the largest amount of meeting space of any hotel in the city at approximately 200,000 square feet.



The new ownership group consists of AllianceBernstein U.S. Real Estate Partners II and its affiliates with an 80% stake. GMB Properties, owned by Gayle Benson, along with affiliates of local developer The Berger Co. and New Jersey based hotel manager Fulcrum Hospitality, own the remaining 20%. Wells Fargo Bank and Bank of America provided \$325 million in acquisition financing and plan to roll the loan into a commercial mortgage backed securities offering, New Orleans Hotel Trust 2019-HNLA. The loan is a two-year, floating-rate mortgage maturing April 9, 2021, with three one-year extension options. The loan is interest-only for its entire term and has an interest equal to the global benchmark Libor plus 2.65%.

400 Poydras Tower – *Accruent Lease*



Austin-based technology firm Accruent, announced in Summer 2018 a major office expansion into the Central Business District of New Orleans. Accruent has confirmed they would be opening a 350-person office in the iconic Poydras Tower; more than twenty times the size of the 16-member team they have currently housed in New Orleans. The company will create a regional office in the 22,594-square-foot, long-term lease they have closed on, and plan to move the first 150 employees into the new office by Q1 2019. This is a significant addition to the fast-growing tech industry in the Greater New Orleans area. 400 Poydras Tower is a 32-story Class A office building offering 600,000 square feet of office space with rates listing between \$16-21 per square foot.

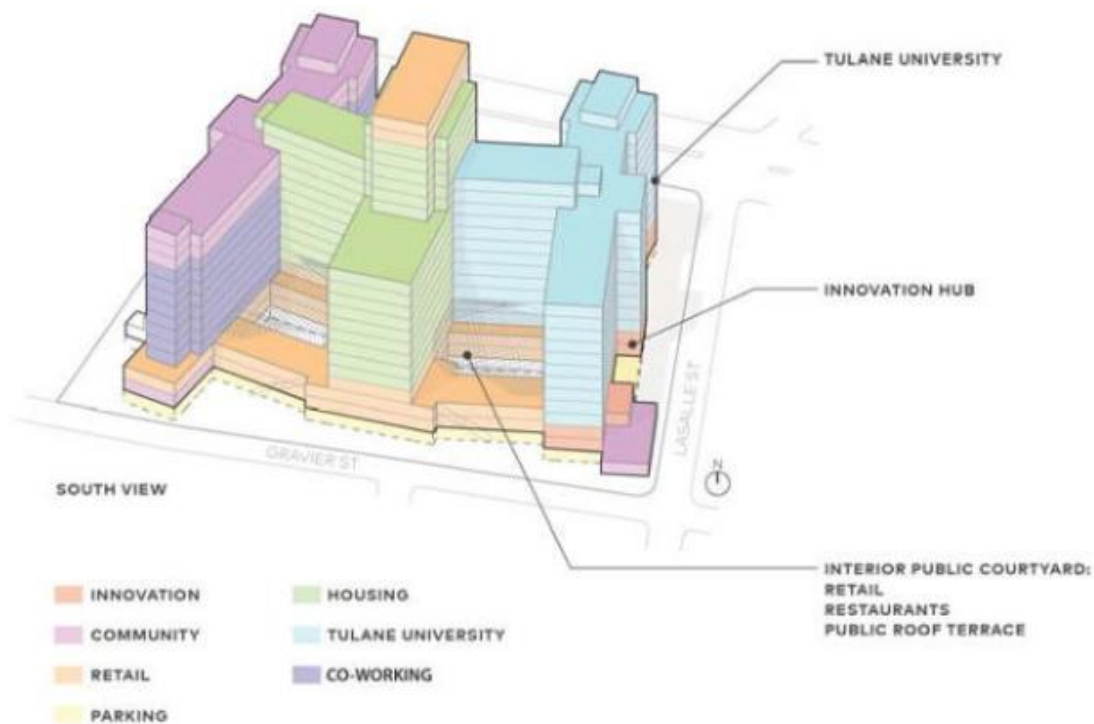
1532 Tulane Avenue – *Charity Hospital*



After almost two decades of neglect, renovations to turn the former, storied Charity Hospital into a mixed-use development commenced in the spring of 2022. This 1-million square foot building is master leased to a private development company for 99 years. The plan calls for 300 residential units as well as retail and restaurants. Tulane is serving as the anchor tenant, renting about one third of the space for student housing and offices. The project is expected to cost \$300 million, which will likely be

funded through a myriad of tax credits and incentives. According to media reports, Tulane hopes to operate in the space in 2025. In addition of the main building, the much smaller ancillary building within the campus will complement the overall development – serving as an “innovation hub” and homeless and mental health services. The image below presents a rough plan for the space.





Caesar's Casino Rebranding Project

The transformation of Harrah's New Orleans Hotel & Casino into Caesars New Orleans began in December 2021. Caesars is the only land-based casino in New Orleans, and the proposed renovation project will total \$325 million and is set to be complete by 2024.

Preliminary plans include a new 340-room hotel tower above the existing valet porte cochere, two new restaurants, building out vacant areas on the second floor, and exterior / interior upgrades. A proposed rendering is included below.



The casino sits on city-owned land, and in 2019 Harrah's was granted an extension on its operating contract to run until 2054. In 2020, Harrah's merged with El Dorado Resorts, and the expansion and renovation project was announced within a year.

Caesars representatives said that this project will create 600 construction jobs and 500 new full-time jobs.

This historic expansionary movement was largely fueled by a compilation of ingredients including the following:

- The pairing of New Market Tax Credit qualifying zip codes into sub-markets that can actually sustain new project development
- Still present federal dollars ear-marked for Katrina recovery
- An existing stock of historic property that could fuel years of Historic Tax Credit driven re-development
- A relatively healthy apartment sector and an expanding employment sector driven by an expanding and improving Charter school system, an accompanying influx of young adults to the City, and a continuously operating local film production industry to boot
- When all of the aforementioned trends are paired with the historic strength of a solid tourism base, international port, off-shore exploration, along with expanding health care and banking sectors, the result is a surprisingly healthy economy

As we move through 2023, the climate for large-scale development in the New Orleans market has become far more challenging. This is largely tied to a significant increase in the cost to borrow funds over the past 12 months, persistently high construction costs, substantial increases in property insurance, as well as a potential recession on the horizon. As a result, proposed projects and overall development has slowed dramatically. This coupled with continued crime issues present major headwinds for commercial real estate in the New Orleans market, however, the long-term outlook is cautiously optimistic with a strong tourism sector as a major stabilizer in the New Orleans market.



Post-COVID New Orleans Tourism:

COVID was particularly harsh on the tourism industry, which served as a growth-driver in the years leading up to the pandemic. To briefly illustrate how badly the city's economy was impacted and the ongoing recovery, convention center data is taken from the Louisiana Economic Forecast report, published Loren C. Scott & Associates, Inc. in October 2022, and included below.

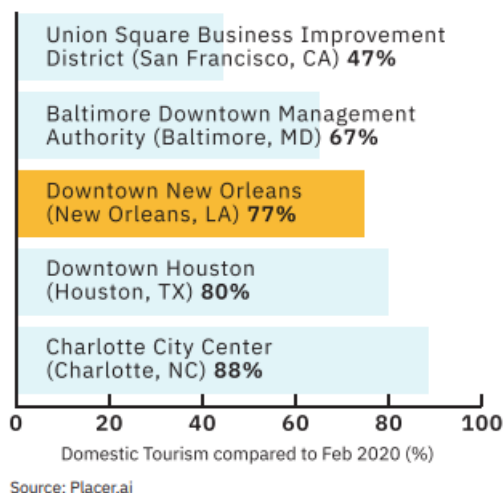
New Orleans Convention Data				
Conventions	2019	2020	2021	2022
Conventions Scheduled	138	155	124	100
Conventions Canceled	0	66	48	0
Virtual	0	46	42	1

Source: EventsinAmerica.com/events/Louisiana/new-orleans/top-trade-shows & Loren C. Scott & Associates, Inc.

The number of scheduled conventions in 2022 was 35% lower than in 2020.

However, more recent data does illustrate tourism's continued recovery with tourism levels chasing pre-pandemic levels. The below statistics were taken from the Downtown Development District's (DDD) 1Q2023 report.

DOMESTIC TOURISM RECOVERY FEB 2023 VS FEB 2020



MSY AIR TRAVEL

	JAN 2023	JAN. 2022	YoY% CHANGE
TOTAL ENPLANED PASSENGERS	460,064	341,114	35%

Source: Louis Armstrong International Airport



The Port of New Orleans also serves as the 6th largest cruise port terminal in the US. Recently, the cruise terminal set a monthly passenger record—surpassing pre-COVID levels.

“The Port of New Orleans said it set a passenger record in March 2023 for oceangoing and river cruises, topping pre-pandemic levels with 155,225 passenger movements and 39 cruise vessel calls for the month. The port’s previous monthly high was set in February 2020 — notably, right before the beginning of the pandemic — with 154,409 passenger movements and 31 vessel calls. The port said it had been on track to meet a record 1.4 million passenger movements in 2020. Now, it’s on pace to welcome a record number of annual passengers in fiscal year 2023.”

— NOLA.COM

The DDD’s 1Q2023 report also reports the following statistics pertaining to hotel market performance:

	Q1 2022	Q1 2023	YoY% CHANGE 2021 Q3 vs 2022 Q3
ROOM DEMAND	353,515	388,378	+10%
ROOM SUPPLY	641,979	643,336	+0.2%
ROOM OCCUPANCY	55.10%	60.4%	+10%
ADR	\$203.01	\$217.85	+7%
RevPAR	\$114.12	\$131.51	+15%

Source: Costar

Data are based on publicly available data sets and are subject to sampling variability.

ADR = Average Daily Rate

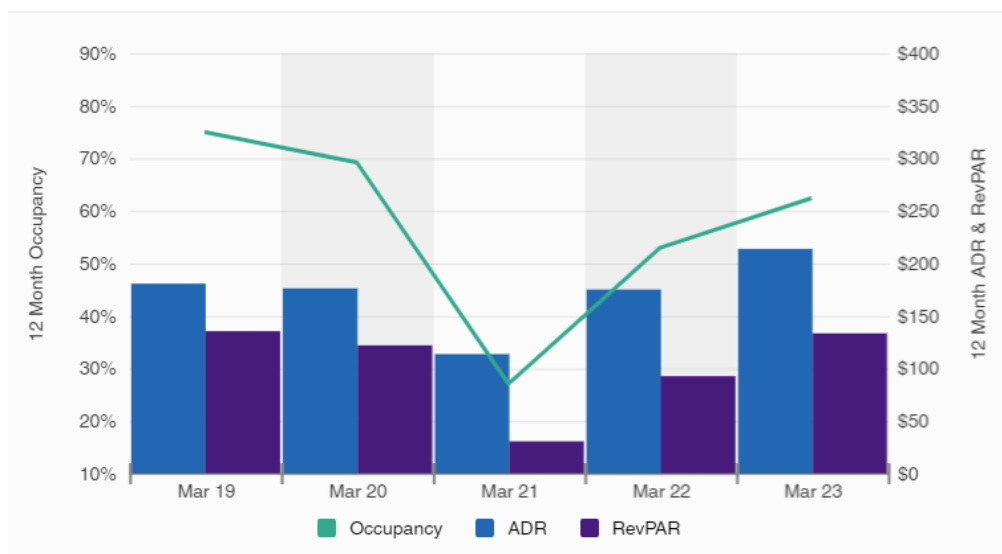
REVPAR = Revenue per Available Room

Relative to 2022, 1Q2023 experienced stronger performance across occupancy, ADR and RevPAR. This table does not include pre-pandemic era statistics but does convey the ongoing recovery.

For deeper insights into the hospitality sector’s current performance relative to pre-pandemic levels, historic occupancy, ADR & RevPAR data is taken from CoStar and presented below. The graph displays changes in average metrics for the New Orleans CBD market across all hotel classes.



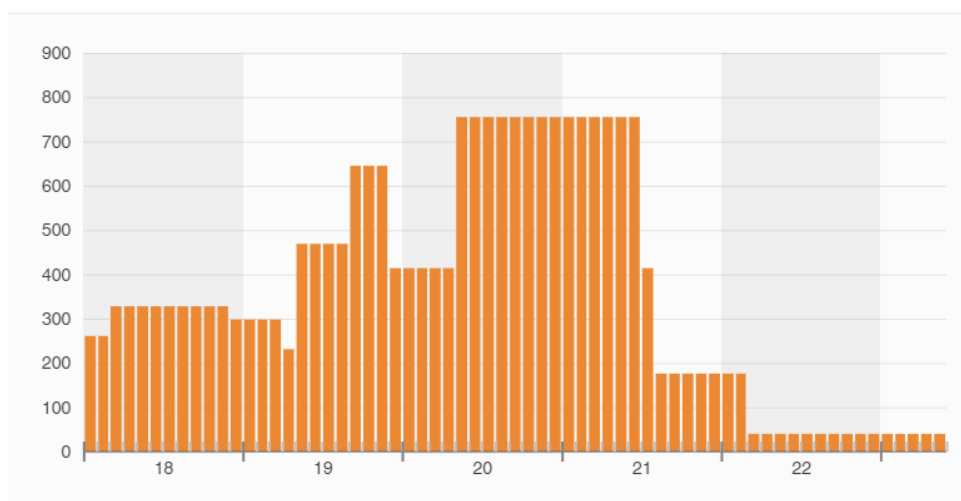
Occupancy, ADR & RevPAR



Recent ADR data from March 2023 indicates the strongest ADR in 4 years, but RevPAR and occupancy still lag. We note that some of the increased ADR costs are likely tied to inflation and increasing operating expenses, including the volatility and increasing premiums within the region's insurance marketplace.

Another image that helps convey the context of the tourism industry's recovery is the below hospitality rooms under construction graph from CoStar.

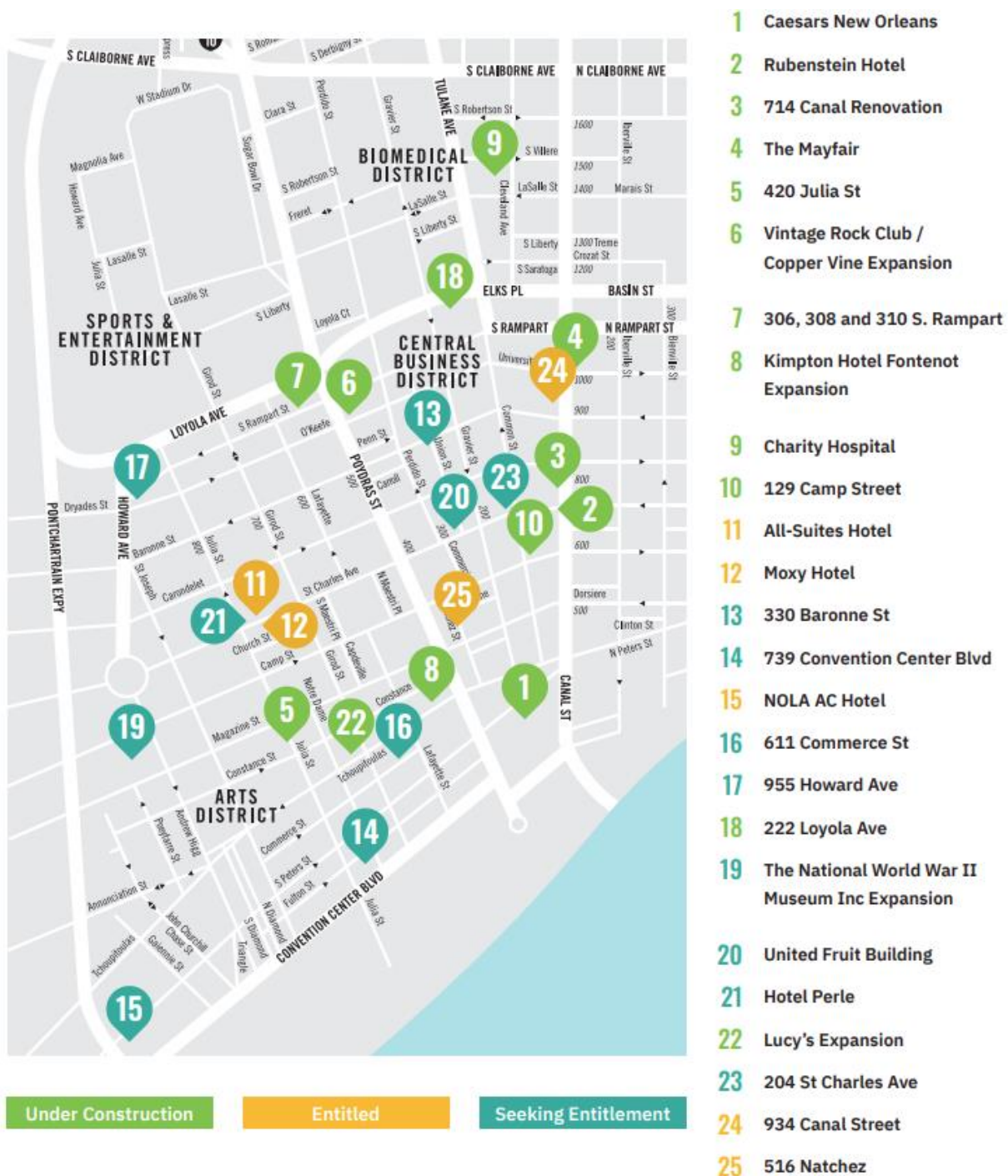
Rooms Under Construction



Clearly, hospitality construction remained strong throughout 2020 and into 2021. The 'rooms under construction' metric has declined, likely given the cost of borrowing and increased construction costs.



Although development, specifically hospitality but also more generally across sectors, has slowed within the CBD, there are several notable ongoing projects that bode well for the area's recovery. The below map and chart on the following page are taken from DDD's 1Q2023 report and highlight the major active developments, several of which are described in more detail on the preceding pages.



Under Construction

Entitled

Seeking Entitlement

Type	Name	Developer	Address	# Stories	Total SF	Total Office SF	Total Retail SF	Residential Units	Hotel Rooms	Construction Cost
Retail / Hotel	129 Camp Street	Risna LLC	129 Camp Street	4	11,307	—	3,250	—	6	\$1,500,000.00
Hotel	Caesars New Orleans	Harrah's New Orleans LLC	8 Canal Street	16	292,149	—	—	—	340	\$325,000,000.00
Retail / Hotel	Rubenstein Hotel	Rubenstein Family / Joe Jaeger	622-638 Canal St, 102 St Charles Ave	3	28,000	—	—	—	38	\$6,000,000.00
Retail / Hotel	714 Canal Renovation	714 Canal LLC	714 Canal St	5	25,238	—	4,115	—	28	\$7,500,000.00
Retail / Hotel	The Mayfair	Mohammed Halum	1001-1015 Canal St	5	64,101	—	13,943	—	32	\$13,837,402.00
Retail / Hotel / Residential	420 Julia St	420 Julia Property Holder LLC	420-428 Julia St	5	116,063	—	27,123	70	43	\$31,014,278.00
Hotel	222 Loyola Ave	Plaza Realty LLC	222 Loyola Ave	9	46,195	—	—	—	31	\$20,174,001.00
Retail / Hotel	Vintage Rock Club / Copper Vine Expansion	1009 Poydras LLC	1009 Poydras St	3	37,165	2,447	27,349	—	11	—
Residential	306, 308 and 310 S. Rampart	Dear Rampart LLC	306, 308 and 310 S. Rampart	3	9,466	—	—	6	—	\$1,575,000.00
Hotel	Kimpton Hotel Fontenot Expansion	Hotel Fontenot	521 Tchoupitoulas	4	12,000	—	—	—	33	\$2,134,000.00
Mixed Use	Charity Hospital	1532 Tulane Partners Inc	1532 Tulane Ave	18	1,000,000	500,000	16,000	300	150	\$245,100,354.00
Retail / Residential	Lucy's Expansion	709 Tchoupitoulas Partners	709 Tchoupitoulas St	3	7,906	—	7,906	1	—	\$2,050,000.00
Hotel	NOLA AC Hotel	Nola Lodging Group LLC	351 Callopie St	6	133,549	—	5,112	—	173	\$40,000,000.00
Retail / Hotel	934 Canal Street	1015 Canal LLC/934 Canal LLC	934 Canal St	4	13,311	—	1,687	—	5	—
Hotel	All-Suites Hotel	747 St Charles Avenue Investment LLC	741-747 St Charles Ave	2	2,072	—	—	—	7	\$3,900,000.00
Hotel	Moxy Hotel	D-Barlo LLC & John Campo, Jr	744 St Charles	5	16,309	—	1,750	—	96	—
Hotel	516 Natchez	MURA, LLC	516 Natchez St	3	3,000	—	—	—	5	\$3,800
Mixed Use	330 Baronne St	Baronne Union Development LLC	330 Baronne St	5	26,062	—	1,083	—	11	\$8,000,000.00
Hotel	739 Convention Center Blvd	739 Convention Center Blvd LLC	739 Convention Center Blvd	4	18,000	—	—	—	5	\$5,000,000.00
Hotel	611 Commerce St	611-613 Commerce LLC	611 Commerce St	6	31,469	—	—	—	23	\$4,193,000.00
Retail / Residential	955 Howard Ave	Vinson Properties#1 LLC	955 Howard Ave	4	27,545	—	4,033	15	—	\$4,200,000.00
Warehouse	The National World War II Museum Inc Expansion	The National World War II Museum Inc	1040 Magazine St	3	24,000	—	—	—	—	\$3,000,000.00
Hotel	United Fruit Building	ERG Enterprises	321 St. Charles Ave	11	101,854	—	6,287	—	51	\$22,000,000.00
Hotel	Hotel Perle	Urban 757 LLC	757 St Charles Ave	3	46,232	—	2,908	—	11	\$250,560.00
Hotel	204 St Charles Ave	204 Staycation LLC	204 St Charles Ave	4	5,669	—	1,225	—	3	\$1,250,000.00
TOTAL					2,080,662	502,447	130,794	392	1102	\$747,682,395.00



A prolonged downturn in the energy industry has taken a toll on the New Orleans office market over the past few years. Class A offices have generally maintained occupancy levels while other office properties have struggled, particularly as some energy-related companies downsize or relocate to Houston and other market. In addition, transforming traditional office space into hotels, shared work environments, or condos has emerged as a popular trend that is offsetting strains in the CBD market.

DXC's presence in New Orleans was heralded as a much-needed step towards economic diversification and a much-needed large-space user in the CBD office market. DXC has fallen short of its promise and appears to be potentially in a position to vacate the recently leased office space along Poydras or sublease the space, as the company has faltered in recent years.

As we move through 2023, the climate for large-scale development in the New Orleans market has become far more challenging. This is largely tied to a significant increase in the cost to borrow funds over the past 12 months, persistently high construction costs, substantial increases in property insurance, as well as a potential recession on the horizon. As a result, proposed projects and overall development has slowed dramatically. This coupled with continued crime issues present major headwinds for commercial real estate in the New Orleans market, however, the long-term outlook is cautiously optimistic with a strong tourism sector as a major stabilizer in the New Orleans market.



FRENCH QUARTER OVERVIEW

As noted, the subject property is situated within the New Orleans' Vieux Carré, or "old square", which is the site of the original French colonial settlement, Nouvelle Orleans (1718), historically defined by the boundaries of the Mississippi River, Canal and Rampart Streets, and Esplanade Avenue. The Vieux Carré, since 1936, has been under the auspices of the Vieux Carré Commission, a city agency enabled by state legislation. The local historic district, however, only extends from the Mississippi River to Rampart Street and from the downriver side of Iberville Street to Esplanade Avenue. The more complete area is listed on the National Register.

The architectural fabric of the historic district represents no single style but includes examples from the French colonial period to the present day. Its high architectural quality, especially considered as an assemblage, is generally acknowledged. Within an area of some ninety blocks, the district incorporates over 2,000 buildings, 15 of which are considered of national architectural and historical significance and approximately 180 of which are deemed of "major architectural and historical significance." The majority of the district's buildings, from early Creole cottages to late Victorian shotgun cottages are rated of "local architectural or historical significance." Most notably, this old colonial site functions today not only as a major mecca for tourists, but also as a city within a city and as adjacent to New Orleans' Central Business District.

The Vieux Carré developed under Spanish and American, as well as French rule. In fact, because of several disastrous fires in the late 1700's, only a handful of buildings of French colonial origin remain.

The French influence in the Vieux Carré, however, remained tenacious and continues even today to give the area its special, continental European flavor. Thus, it is popularly dubbed the "French Quarter." French colonial New Orleans ranks as one of America's first planned cities. The military engineers, who designed the layout of the colonial outpost, used a baroque form of city planning, one that remains visible today in the Quarter's simple gridiron pattern of rectilinear squares separated by narrow, axially arranged streets.

A central focus of a public square (Place d'Armes), flanked by necessary parochial and government buildings, figured prominently on these early plans, and today still dominates the Vieux Carré. The early architecture in this frontier town closely followed the dictates of official French forms. Eventually, however, the colonial builders adjusted the traditional forms and construction methods to local climatic and topographical conditions, and there evolved a recognizable French colonial style in New Orleans, similar to that found in Canada and the West Indies. Madame John's Legacy (632 Dumaine) remains today to exemplify the French colonial style, as developed in New Orleans.



Although France ceded New Orleans to Spain in 1762-63, Gallic influences persisted in the Louisiana colony. The devastating fires of 1788 and 1794, however, practically leveled the old French capital and, in effect, left an architectural tabula rasa, which would be filled primarily during the American era. In 1803, 34 years of easy-going Spanish rule ended abruptly, leaving a city, which remained essentially French in population, language, culture, religion and customs.

During the early 1800's began the gradual transition from a French city to an American city, as well as from an intimate, walking town to a complex city. Despite the unprecedented numbers of Americans who flowed into the city, the Vieux Carré stayed very French. The Creole population held fast to their traditions in the original city while the Americans settled in newer sections of town, upriver from Canal Street. The buildings constructed in the Vieux Carré during the post-colonial period remained essentially French in both plan and style.

Eventually, however, the expansionism of the 1830's reached even into the Vieux Carré. Rows of red brick townhouses appeared, presaging the intensifying American influences. During this transitional period, American stylistic details were applied to buildings that still used the traditional French arrangement of interior space. The most spectacular ante-bellum changes occurred in and around the Place d'Armes.

A number of improvements transformed this highly visible, symbolic public area from haphazardly developed, rather provincial space into an integrated, sophisticated hub of urban activity. The driving force behind the development of the square was the willful, imperious Baroness Pontalba, who built the two block-long rows of sixteen red brick townhouses, still flanking the square.

The civil war checked the prosperity of ante-bellum New Orleans, hitting the French Quarter especially hard. Italian immigrants crowded into the quarter, and the Creole's self-sustained city disintegrated. By 1900 apathy toward the Vieux Carré was pervasive.

Soon after World War I, however, signs of a rekindling interest in the area appeared. Artists, writers and other intellectuals, who settled in the quarter's neighborhoods during the 1920's, focused attention on the area. The push for the legal mechanisms to protect the quarter came out of this mixture of 'Bohemianism' and fashionableness that evolved during the 1920's.

While a new, national interest in preservation emerged during the early depression years, locally the battle to preserve the quarter gained momentum. Finally, in 1936 the efforts of Louisiana's early preservationists succeeded with the creation of the Vieux Carré Commission.

Following Hurricane Katrina, there was concern in the French Quarter relative to the viability of the local businesses in the aftermath of Hurricane Katrina. At the time, some believed that the French Quarter would approach a situation in which supply outweighed demand. The resurgence in the recovery that has been on-going in New Orleans has undoubtedly propped up the Quarter from any such situation. The local tourism market is booming with recent events like the 2022 Final Four and the forthcoming 2025 Super Bowl.



A compilation of “extra-market” ingredients also help drive ongoing development activity including the pairing of New Market Tax Credit qualifying zip codes into sub-markets that spur new project development, the availability of state and federal historic renovation tax credits and a large stock of historic properties capable of fueling Historic Tax Credit driven re-development for years. When all these trends are paired with the historic strength of an international port, tourism, off-shore exploration, along with expanding health care and banking sectors, the result is a surprisingly healthy economy. Furthermore, the coupling of the “extra-market” incentives with the strength of the New Orleans economy and the indicated trending of high income persons migrating into the area suggests the immediate outlook for these districts is healthy.

The French Quarter is expected to remain one of the more highly desirable locations to own property in the region. As such, there are many market participants who are willing to pay above market prices for French Quarter real estate and treat said properties as “Trophy Real Estate”. As a result, the numerous possibilities associated with the French Quarter’s future, real estate professionals remain cautiously optimistic about the future of this area.

Though the French Quarter is not technically controlled by the Vieux Carré Commission, they do have significant level of influence by providing recommendations on approvals for all building permits with respect to exterior architectural design and materials. The purpose of the Commission is to preserve the historical and architectural integrity of the Quarter. Any proposed exterior improvements, however small, typically, requires the commission's approval. In recent years, the City of New Orleans has declared as a long-term goal the re-establishment of the residential character of the Quarter. A growing trend to renovate existing properties for retail, office, and residential uses has been a healthy force for change.

It is very difficult to determine land values in the subject neighborhood as the neighborhood has been developed for over 150 years in most cases. Pertaining to land values, the real question to ask is, how high? There is such a shortage of land in the area that that pricing is very difficult to quantify.

Sales prices for improved properties in the French Quarter are typically high dollar figures, ranging from a low of \$100.00 per square foot to upwards of \$1,000 per square foot for very well located smaller properties. Commercial rental rates in the French Quarter are equally as disperse as properties just a few blocks from one another may rent for anywhere between \$35.00 and \$150.00 per square foot, typically for smaller ground floor retail areas. This is all dependent on the size, condition and location; mainly along the major French Quarter thoroughfares, i.e. Bourbon, Royal, Chartres and Decatur Streets, as well as the terms of the lease.



Bourbon Street is certainly one of, if not the, most recognizable corridors even in comparison to other 'name brand' New Orleans thoroughfares. This results in being one of the most prominent tourist attractions in a city driven by tourism and rental rates for retail spaces along Bourbon Street and comparable French Quarter locations reflect benefit. In addition to Bourbon Street, the area surrounding the French Market and Jackson Square significant levels of tourists daily and is also above average for the French Quarter and other 'name brand' New Orleans locations.



TOURISM/LODGING INDUSTRY

New Orleans has always been considered a top destination for its historic charm and vibrant music scene, but there has been a noteworthy boom in the tourism industry over the last decade until the onset of the Covid-19 pandemic. From 2009 to 2019, New Orleans witnessed a steady rise in both visitors and visitor spending, with each consecutive year outperforming the last. This growth was fueled by the construction of hotels, the unveiling of a new airport terminal, and a run of major sporting and music events. Figures reflective of annualized total number of tourists and amount spent are presented below and provided from D.K. Shifflet and Associates:



The outbreak of the COVID-19 virus has had a tremendous effect on the overall health of the economy. In April 2020, the Louisiana Workforce Commission estimates a loss of 99,000 jobs year-over-year for the MSA—a 17% decline in one month. The lodging and tourism industry are on the front lines of this impact and have seen dramatic changes to the status of their economic health.



Louisiana Visitor Volume and Spending

VOLUME AND SPENDING

Total					
	2020	2019*	2018	% Change 2020/2019	% Change 2019/2018
Total	31.70	53.03	51.27	-40.2%	3.4%
Room-Nights	16.38	22.50	22.30	-27.2%	0.9%
Convention Room Nights					
Airport Enplanements ¹	3.29	8.18	7.83	-59.8%	4.5%
Spending					
Total	\$13,315.44	\$19,631.63	\$18,836.23	-32.2%	4.2%
Transportation	\$3,546.41	\$6,217.01	\$6,030.13	-43.0%	3.1%
Lodging	\$2,605.00	\$3,105.95	\$2,891.97	-16.1%	7.4%
Food & Beverage	\$3,244.20	\$4,466.52	\$4,206.33	-27.4%	6.2%
Shopping	\$1,642.32	\$2,291.15	\$2,303.43	-28.3%	-0.5%
Entertainment	\$1,858.47	\$2,808.57	\$2,678.06	-33.8%	4.9%
Other	\$419.02	\$742.43	\$726.30	-43.6%	2.2%

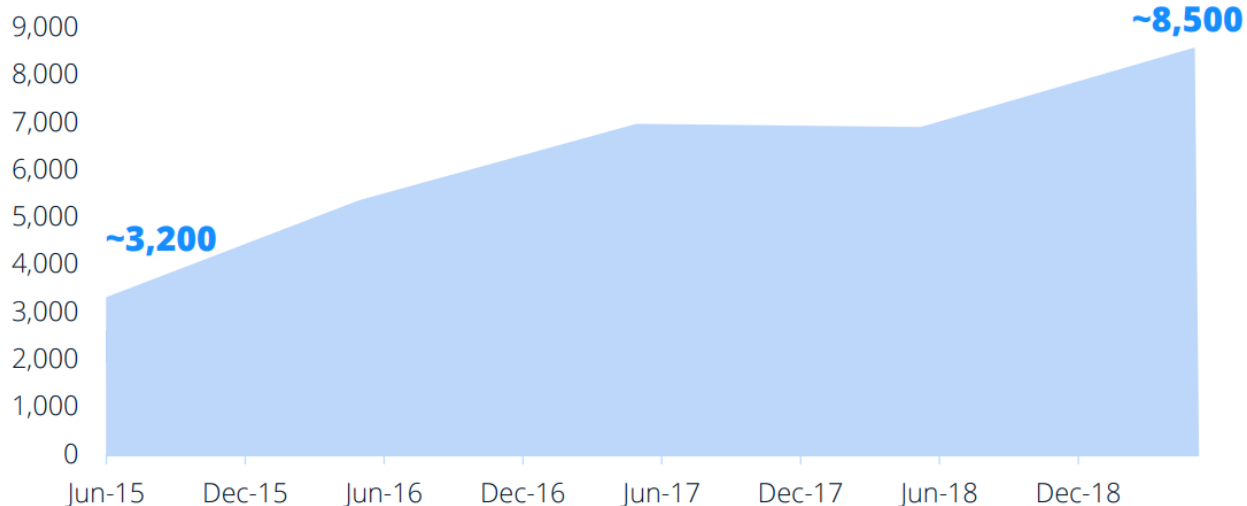
We note a recent report put forth by NOLA.com, which indicated the following hotel inventory statistics for the New Orleans Metro Area:

2021 Hotel Inventory - New Orleans	
Hotel Count:	283
Total Hotel Rooms:	40,000
Rooms Proposed/Under Construction:	6,547
Forecasted Hotel Room Supply:	46,547

Also critical to the appreciation for the entire lodging market in the New Orleans area is the Short-Term Rental (STR) component of the market, a growing and clearly competitive segment. Per a 2019 STR report provided by HRA, there were reportedly 8,500 STR units in the City of New Orleans:



Growth in STR Listings in New Orleans



When added to the total number of hotel rooms city-wide, this indicates a total inventory of roughly 55,047 total lodging units/rooms in the City of New Orleans.

2021 Lodging Inventory - New Orleans	
Total Hotel Rooms:	40,000
Rooms Proposed/Under Construction:	6,547
STR Units	8,500
Total Lodging Units	55,047

Prior to the pandemic, the New Orleans's hotel industry was quickly evolving to match the growing demands of a world-wide tourism industry.



RevPAR Forecasts:

The following statistics pertain to the New Orleans lodging industry as provided by HVS, a nationwide hotel valuation group:

	Historical		Forecast					
	2018	2019	2020	2021	2022	2023	2024	2025
Occupancy	70%	70%	40%	51%	68%	70%	70%	70%
Percent Change		-0.5%	-43%	27%	34%	2%	1%	0%
Average Rate	\$150	\$149	\$117	\$111	\$125	\$135	\$140	\$152
Percent Change		-0.7%	-21%	-6%	13%	8%	4%	9%
RevPAR	\$105	\$104	\$47	\$56	\$85	\$94	\$98	\$107
Percent Change		-1.2%	-55%	20%	51%	11%	5%	9%

The above image indicates a REVPAR figure hovering around \$105 per night in 2018 and 2019 for the New Orleans lodging market. In 2020, HVS indicates a reduction in REVPAR by 55% to \$47 per night, which is forecasted to increase over a 5-year timeline to \$107 per night.

As time has passed and more post-pandemic data is analyzed, a range of recovery projections has emerged: generally, from 2023 – 2025.

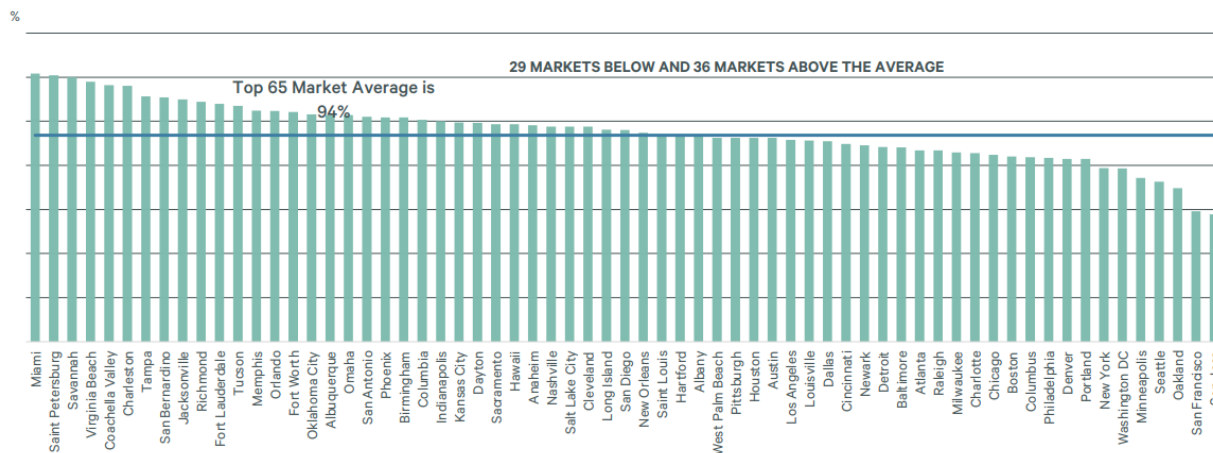
According to a May 19, 2023 article from Hotel News Resource, a recent national STR report indicated that “New Orleans (-9.5% to 66.6%) reported the steepest occupancy decline year over year as well as the largest drop in RevPAR (-21.1% to US\$125.90). New Orleans was also one of two markets with a 12.7% decrease in ADR (to US\$188.91), Miami (to US\$246.12) was the other.”

The article link is as follows: [STR Reports U.S. Hotel Performance for April 2023 Produced Mix Year-over-year Comparisons \(hotelnewsresource.com\)](https://www.hotelnewsresource.com/news/STR-Reports-U.S.-Hotel-Performance-for-April-2023-Produced-Mix-Year-over-year-Comparisons/)



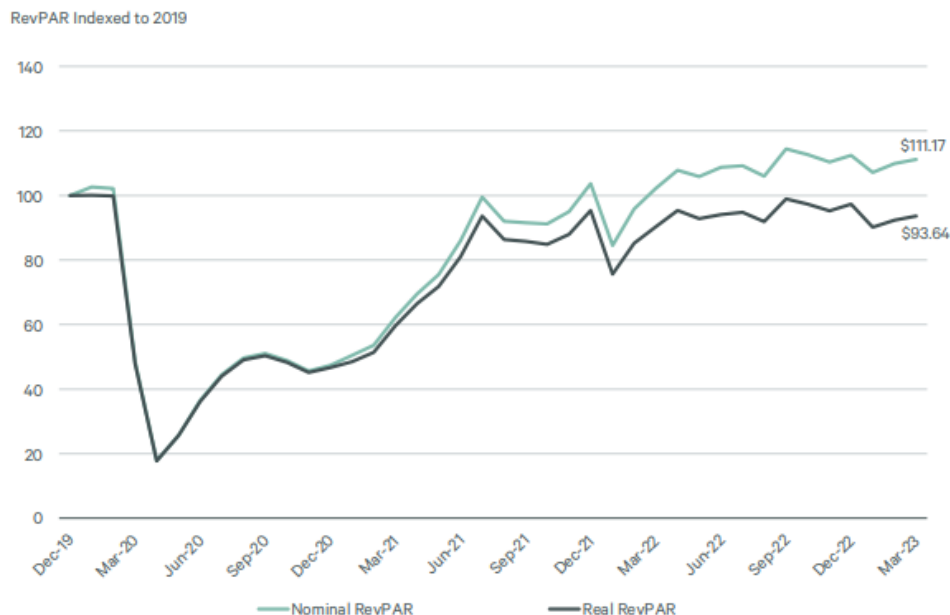
CBRE expects New Orleans to perform in-line with the broad U.S. hospitality market, outlined below.

2022 RevPAR as a Percent of 2019



The data above suggests New Orleans RevPAR output to be approximately 94% of 2019 figures.

Recent nationwide data is the best since the start of the pandemic relative to 2019, however, we are still far off from 2019 numbers. Below we present a percentage change in U.S. hotel RevPAR indexed to 2019.



- An 8.9% increase in nominal RevPAR coupled with 5% inflation resulted in real RevPAR increasing by 3.7% year-over-year in March.
- The spread between the real and nominal RevPAR indices has widened by 235 basis points (bps) from Q4 2022 to Q1 2023.



We must also consider the historic inflation numbers when forecasting and ADR, which should be in-line, if not higher, than current inflation estimates.

Below we depict a recent U.S. travel outlook taken from a May 2022 PwC report.

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Demand growth	2.1%	4.0%	2.4%	1.1%	2.5%	2.2%	1.6%	-36.2%	38.0%	12.1%	3.0%
Supply growth	0.8%	0.6%	0.9%	1.0%	1.9%	1.8%	1.8%	-4.2%	5.3%	2.2%	0.7%
Room starts, % change	26.6%	35.4%	14.7%	14.5%	-4.6%	5.6%	-6.3%	-53.3%	-8.5%	38.7%	21.7%
Occupancy	62.2%	64.3%	65.3%	65.4%	65.8%	66.1%	65.9%	43.9%	57.6%	63.1%	64.5%
% change	1.3%	3.4%	1.5%	0.1%	0.7%	0.4%	-0.2%	-33.4%	31.1%	9.7%	2.2%
Average daily rate	\$109.59	\$114.75	\$119.98	\$123.66	\$126.46	\$129.64	\$131.07	\$103.38	\$124.83	\$145.87	\$152.19
% change	3.8%	4.7%	4.6%	3.1%	2.3%	2.5%	1.1%	-21.1%	20.7%	16.9%	4.3%
RevPAR	\$68.16	\$73.78	\$78.33	\$80.82	\$83.20	\$85.65	\$86.42	\$45.41	\$71.86	\$92.08	\$98.20
% change	5.2%	8.2%	6.2%	3.2%	2.9%	2.9%	0.9%	-47.5%	58.3%	28.1%	6.6%
GDP, % change Q4/Q4	2.5%	2.6%	1.9%	2.0%	2.7%	2.3%	2.6%	-2.3%	5.5%	1.3%	2.4%
Inflation, % change	1.4%	1.5%	0.2%	1.0%	1.8%	2.1%	1.5%	1.2%	3.9%	5.4%	2.5%

Source: STR; Bureau of Economic Analysis; IHS-Markit (forecast released May 2022); MHC Construction Analysis System; PwC

PwC expects 2022 RevPAR to top 2019 figures, which is likely attributable to inflation.

Finally we present data from a recent press release from STR, shown below.

May 2022 (percentage change from May 2019):

- Occupancy: 65.1% (-5.0%)
- Average daily rate (ADR): US\$149.91 (+13.4%)
- Revenue per available room (RevPAR): US\$97.53 (+7.7%)

Per the report, U.S. hotel occupancy lags behind 2019 figures, while ADR and RevPAR appear to have recovered, once again mostly driven by inflationary pressure on ADR.

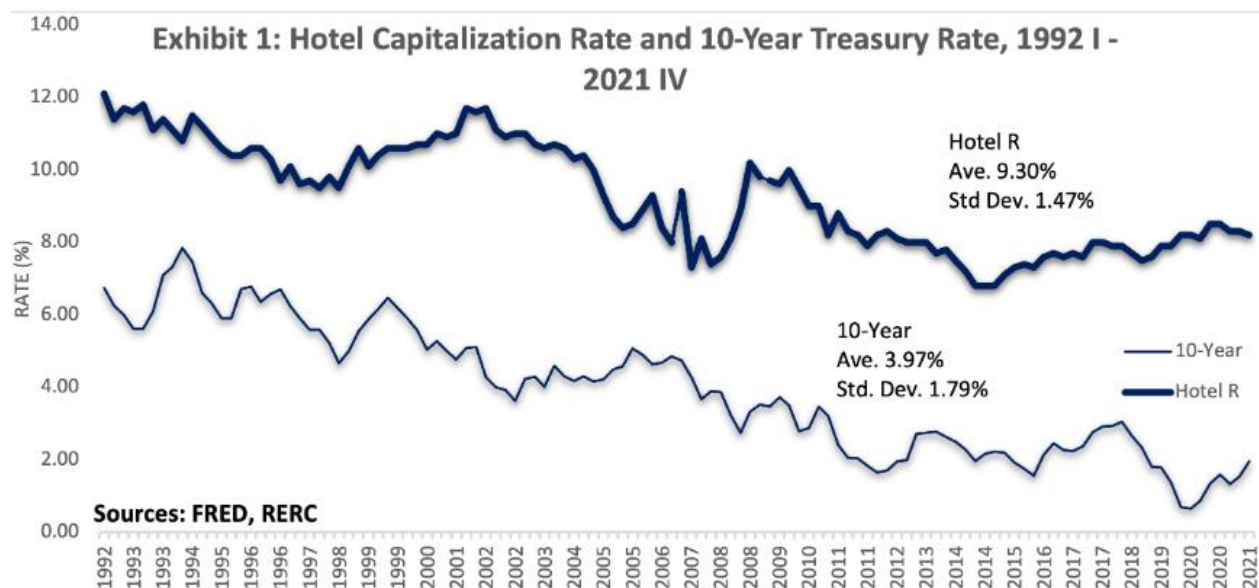


Again to outline inflation's impact on ADR, we present this chart which compares the two.



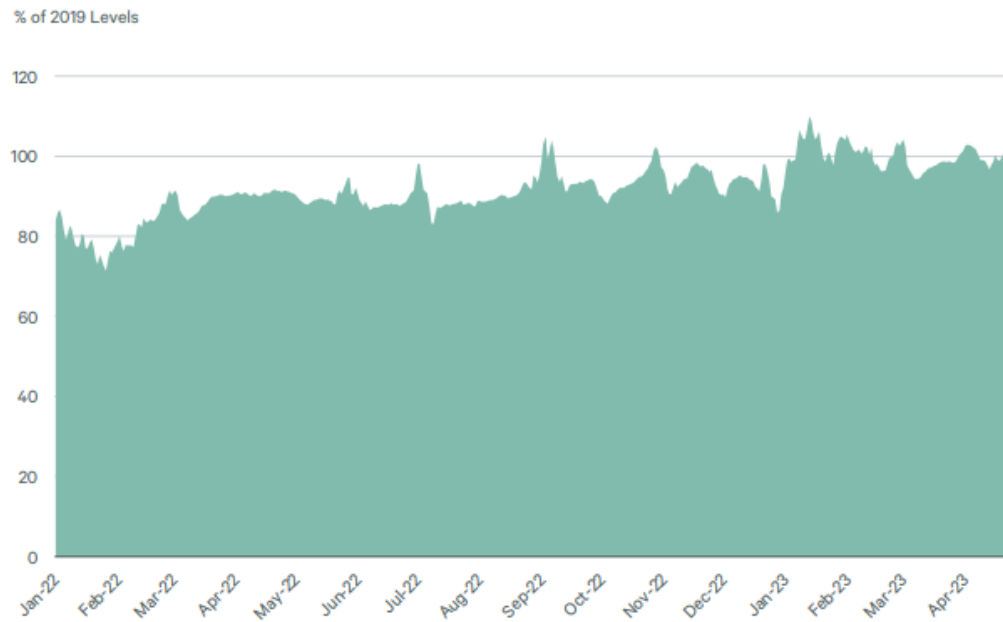
ADR growth outpaced inflation in the U.S for much of 2022.

Below is a grid that compares the 10-year Treasury Rate to average hotel capitalization rates from 1992 to 2021.



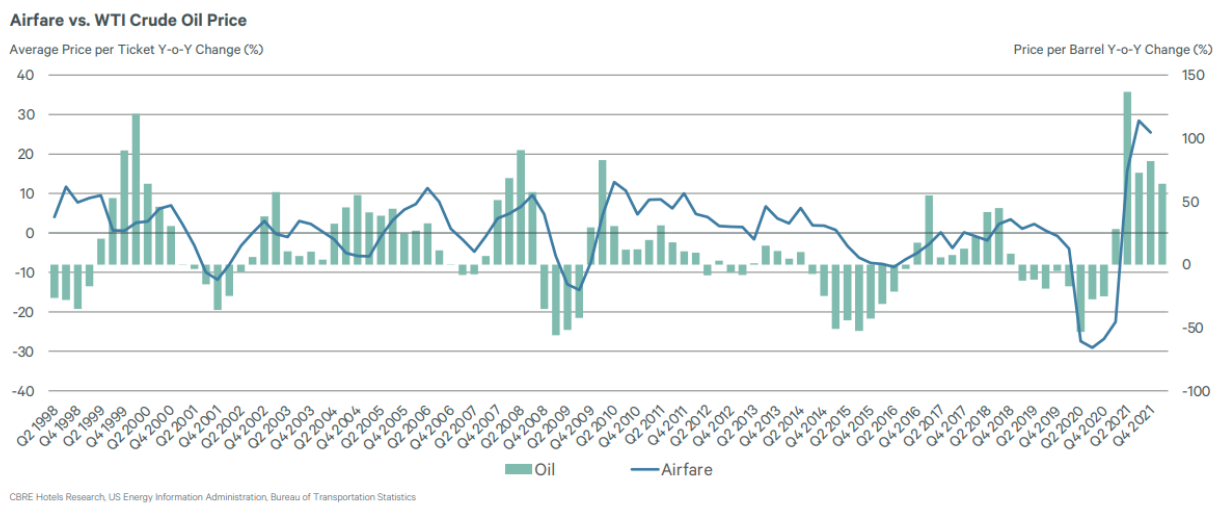
Leading Travel Indicators:

In terms of nationwide travel, we have considered TSA output over the last two years. Currently, TSA is at 100% output when compared to 2019 figures.

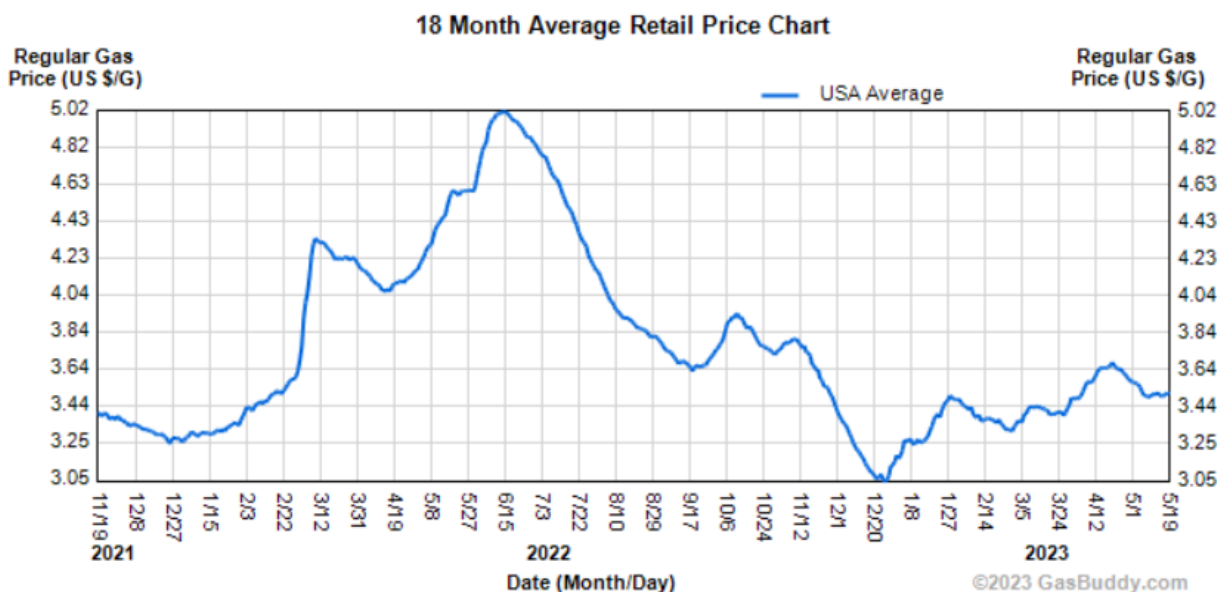


Given the tourism industries strong ties to the newly constructed Louis Armstrong International Airport, TSA output is a leading indicator for nationwide travel to New Orleans.

While air travel appears to have rebounded strongly over the last two years, rising oil prices are set to slow down the travel industry. Below we depict a graph that represents the historic three-month lag between airfare and oil prices.

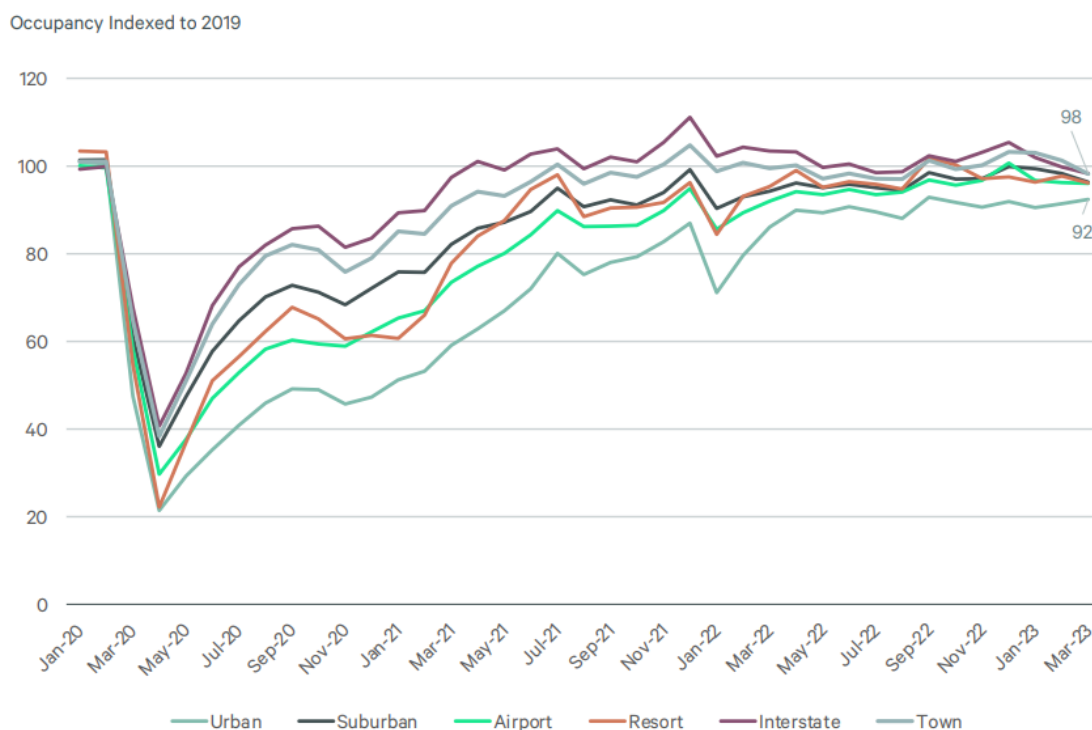


On the same note, average gasoline prices will impact those traveling to New Orleans by vehicle.



Average gasoline prices as of May 2023 are significantly lower than the previous record of over \$5 per gallon in 2022.

On the same hand, we present recent occupancy gains relative to 2019 by sector in the market.

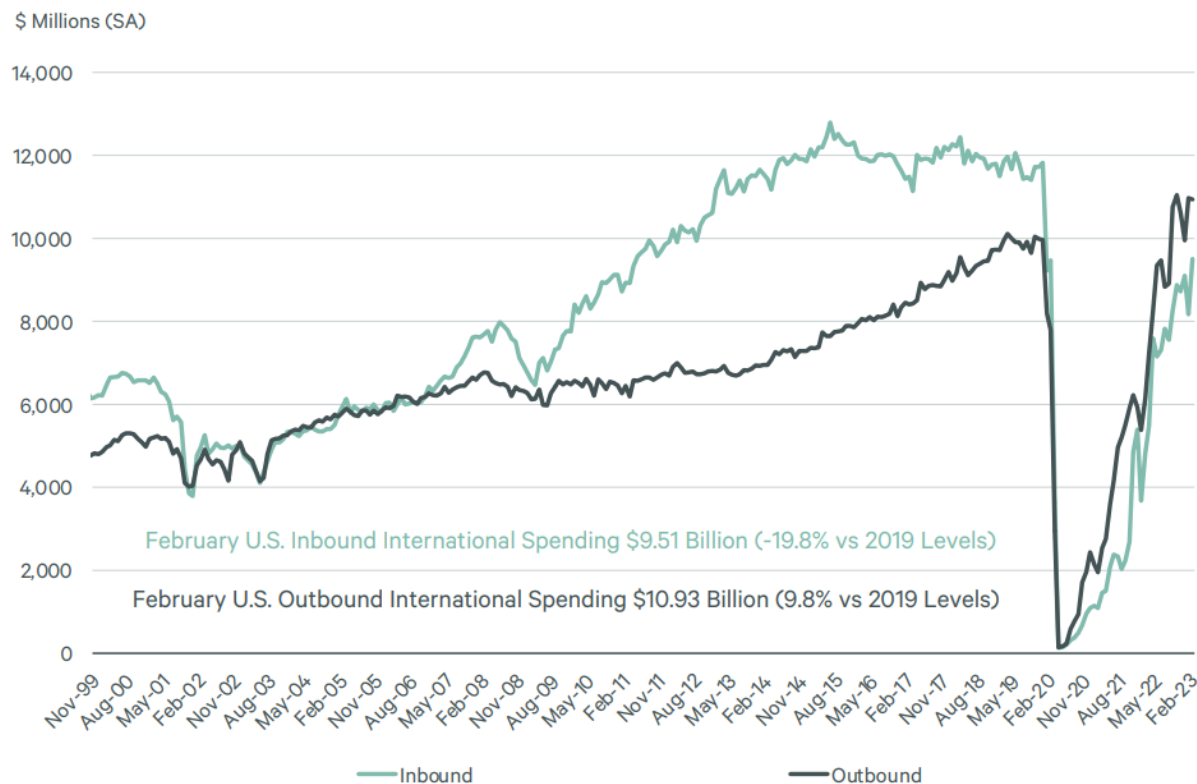


Urban markets appear to be lagging behind other sectors in the market.



International Travel:

Given the direct flights to Europe from MSY, international travel is also relevant to local tourism. Below we present international travel spending in the U.S.



Inbound travel spending is still 20% below the prepandemic levels.



Hotel Operations Data:

Another way to analyze current hotel performance is through delinquency on lodging loans versus the overall commercial real estate market.



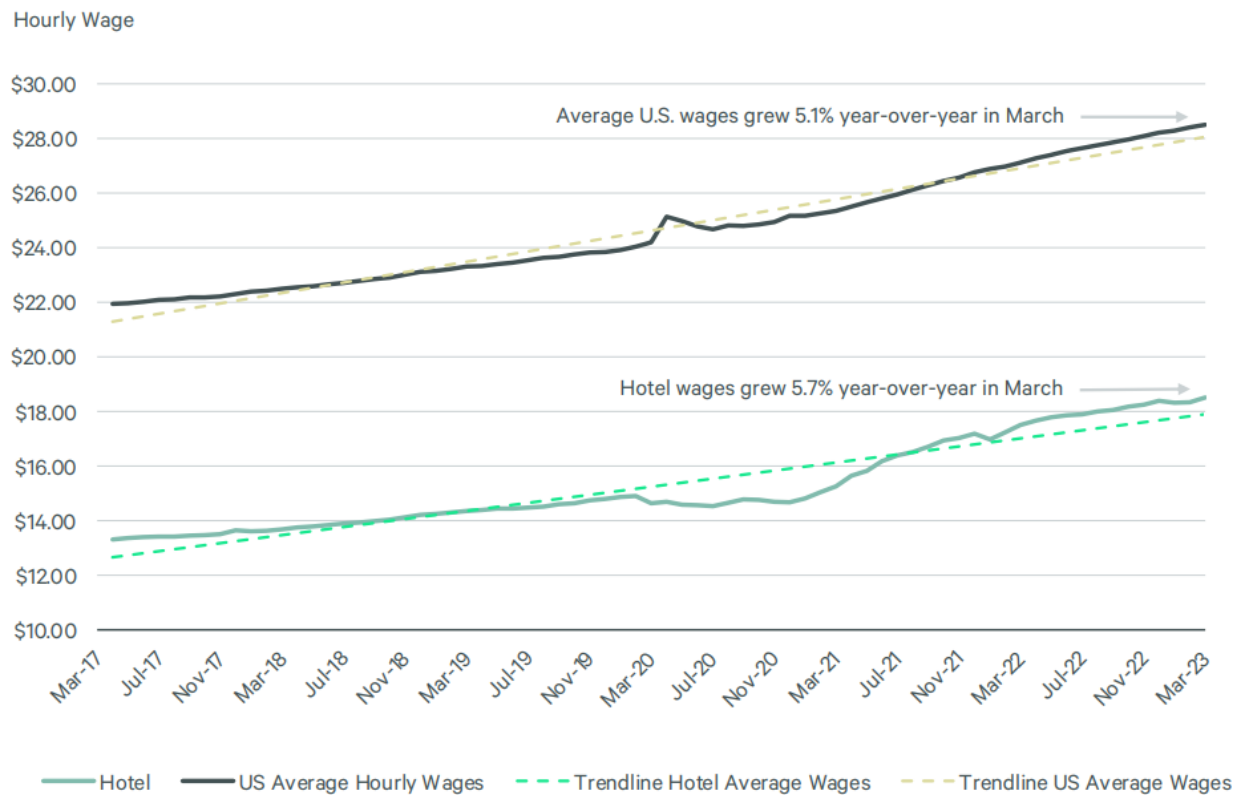
New Orleans ranks #19 nationally with a delinquency rate of 4.58% on 3 of 232 properties.



Furthremore, New Orleans ranks #15 with 40.08% of loans on the watchlist.



Hotel operations, particularly the profit margins, are largely determined by wages of employees. Wage growth has accelerated since the start of the pandemic, particularly in the hospitality industry, outlined below.

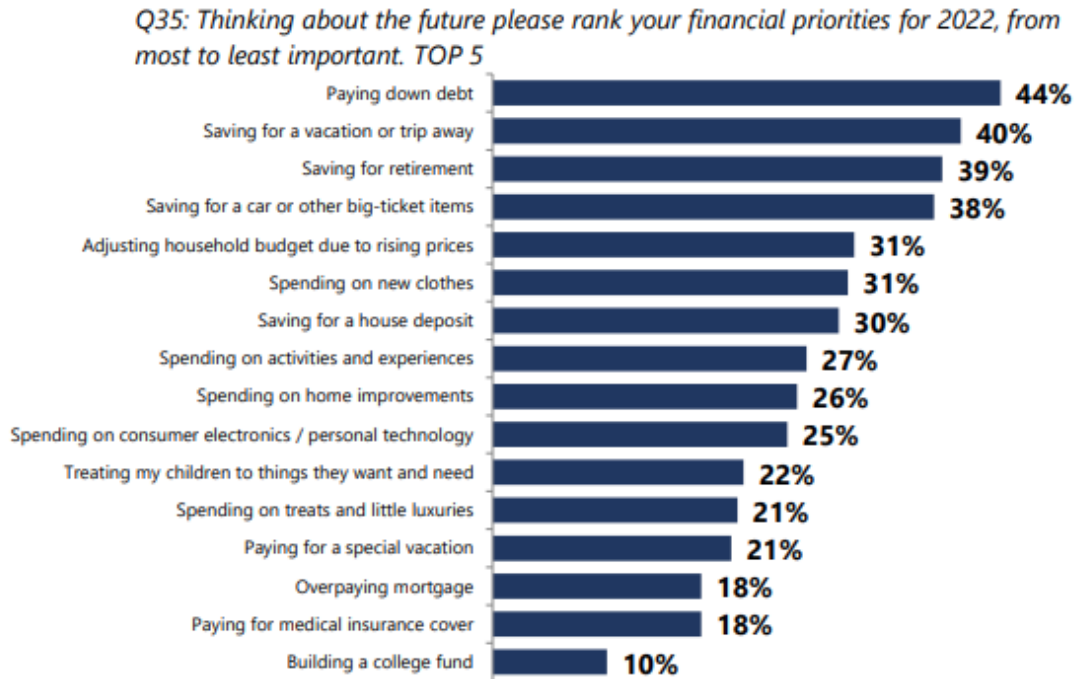


This recent growth in wages will likely contract margins on hotel properties.



Consumer Sentiment:

Given the recent lockdowns of 2020 and 2021, consumers are reallocating their spending toward vacations to make up for time lost inside. Below we present a recent survey of financial priorities of consumers when planning for 2022.



Source: Accenture 2021 US Holiday Shopping Survey

Traveling has moved up on consumers' priorities, with 40% planning to focus on saving for a vacation or trip away in the future. There is large pent-up demand in 2022, which has been coined "revenge travel."



Conclusion:

- *From 2009 to 2019, New Orleans saw steady growth in its hospitality industry. There are currently over 50,000 hotel rooms and short-term rental units in the city.*
- *Despite downward pressure on economic growth, hotel recovery has continued into 2022.*
- *Most RevPAR recovery from 2019 levels is led by inflationary pressure on rising nightly rates.*
- *ADR growth will likely outpace inflation in the near term. This could be offset by continued labor shortages, resulting in higher wages and margin pressure.*
- *TSA output is currently 100% of 2019 levels, suggesting recovery in air travel supported by recent drops in the price of oil.*
- *International travel to the U.S. lags American travel overseas.*

Our discussions with local hoteliers, lenders, brokers, appraisers, and other relevant market participants indicate a general forecast of roughly 1-3 years in terms of recovery from our effective date of valuation; and with reliance on the market sourced analytics extracted from the recovery timelines following similarly disruptive market events like 9/11, the Financial Crisis, and Hurricane Katrina, we project REVPAR re-stabilization for the market in general into 2024.

Recently, strong increases in occupancy and RevPAR suggest that demand for hospitality rooms is recovering. With that said, ADR will likely remain depressed for a longer period. More worrying for the industry are the lagging profit and revenue figures. For most large markets, current YTD profit and revenue numbers still below pre-pandemic 2019 levels in most major markets; however, this gap is shrinking. Until group and business travel pick up, these revenue numbers are likely to be muted. Increasing inflation and hiring woes have only further added to the pinch on hotel revenues.



Property Productivity

In terms of productivity, the subject property is a grouping of multiple historic retail properties in the French Quarter neighborhood. The French Quarter neighborhood is one of the most in demand markets for real estate assets of all types. While there are variances between locations, each property's location within the French Quarter is a primary driver behind its marketability and revenue potential. Key factors for each property are summarized below.

Musical Legends Park – 311 Bourbon Street:

While improved with open-air seating structures, a bar, and second floor patio-style seating, this property is primarily unimproved, open-air space. The current use as a café / bar compliments the surrounding land uses well; however, the highest and best use is for eventual development. The improvements are considered secondary relative to the contributory value of the underlying site. Reflective of this property's highest and best use conclusion, the market rent is best determined through an underlying site valuation with a reasonable rate of return applied to the underlying site value.

Upper Pontalba Building's Ground Floor Commercial Spaces:

The Upper Pontalba building is a highly marketable, iconic French Quarter asset. The property benefits from proximity to St. Louis Cathedral and Jackson Square, which are considered primary tourism traffic drivers in this market. Furthermore, the Upper Pontalba building is considered historically significant. While the dated nature of the building may correlate to increase maintenance issues, historic curb appeal is also a marketability enhancement in this market.

Within the Upper Pontalba building, the units carry varying levels of marketability. The two corner units are built out as restaurants. If listed for lease, these units are anticipated to capture stronger annual rents relative to the balance of the general retail units. The restaurant unit with frontage on Chartres Street is viewed as having the strongest marketability. This unit's location is bolstered by views of St. Louis Cathedral and high-quality surrounding users on this immediate block.

The general retail units are marketable to boutique, art gallery, general retail, or tourism-related users. When analyzing the market rent potential of the Upper Pontalba building's commercial units, these units are viewed as falling short of top-tier retail rents for this market. These units are in average-good condition, and not all of these units have restrooms. Furthermore, several of the smaller units may be 'passed over' by pedestrians as they do not have strong visibility.

Colonnade Buildings A-E:

Together, the Colonnade Buildings create an outdoor mall-type development. Again, there are discrepancies between the market rent potential of units within this development depending on location, size, and build out. Broadly speaking, these units are anticipated to capture top-tier retail rates if listed for lease.



Specifically, the Café Du Monde unit is perhaps one of the most marketable café/restaurant locations in the entire metro market. The current tenant has name recognition and is a very popular tourist destination. The strong performance of this business operation does enhance the marketability of the real estate, although this unit would retain strong marketability and revenue potential even if Café Du Monde were to vacate.

Colonnade buildings B and D feature similar construction as building A. As Building A is closest to Jackson Square, it is viewed as carrying the strongest market rent potential. Building B features all general retail units with several small-scale units. Building D features 2 restaurant units, both of which are permitted to sell alcohol. Building D specifically benefits from its location adjoining a public park. Pedestrians and customers can enjoy this public space as overflow seating. Additionally, the restaurant / bar tenant sets up additional tables in the walkway adjoining the park, expanding their revenue producing space.

Colonnade building C has the weakest visibility out of the Colonnade development. Currently, this building is occupied by a retail tenant, a national parks office and museum, and a restaurant / event space. The maximally productive use of the national park museum unit is for retail use, and the forthcoming market rent analysis concludes a market rent for this space utilizing the retail data set.

Colonnade building E has historically been utilized as an office space. Reflective of the proposed renovation plans, this analysis concludes a market rental rate for the proposed 1,800 square foot white box space and upper floor office space. The renovated units will have a competitive advantage in light of their proposed conditions, but this location is still considered second-tier for retail space in the French Quarter. Additionally, the French Quarter is dominated by retail and mixed-use developments but lacks an active office rental market. As such, the office market survey is comprised of top-tier rental rates from the New Orleans market.

Farmers Market and Flea Market:

The Farmers Market and Flea Market are open air retail developments with a few permanent bays / stalls and daily space rentals. Of note is that several of the permanent stalls are built out for general retail use while several feature commercial kitchens. Additionally, three of the bays are permitted to sell alcohol, which bolsters the tenant's revenue potential and the marketability of the rental space. We note that the unit occupied by Alberto's Gourmet Cheese and Meals from the Heart are permitted by right to sell alcoholic beverages, while the Organic Banana maintains a legal non-conforming status with the ability to sell alcoholic beverages.

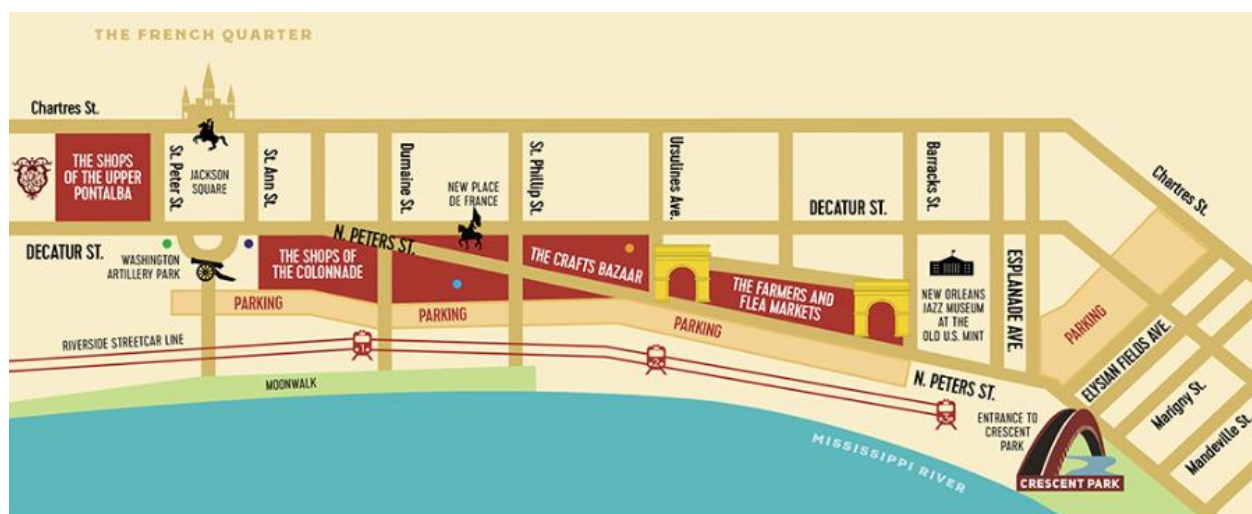
As historic markets revamped into modern retail environments, these markets are tourist attractions. However, the open-air retail environment and quality of the structure does not lend the development towards national credit tenants, which also does not reportedly align with the interest of the French Market Corporation. The vendors are mostly characterized as local artist or souvenir vendors.



Oscar Dunn Park:

Oscar Dunn Park features two retail units and one ticket booth. The marketability of these units is driven by their strong locations. However, the units themselves are in average condition and quality. Of note is that one of the units shares space with public restrooms. This is not perceived as a marketability detraction, but the public restrooms do require a full-time attendant. Additionally, we note that these units feature front courtyard/outdoor space. This space is a marketability enhancement as it can be used in conjunction with the indoor space.

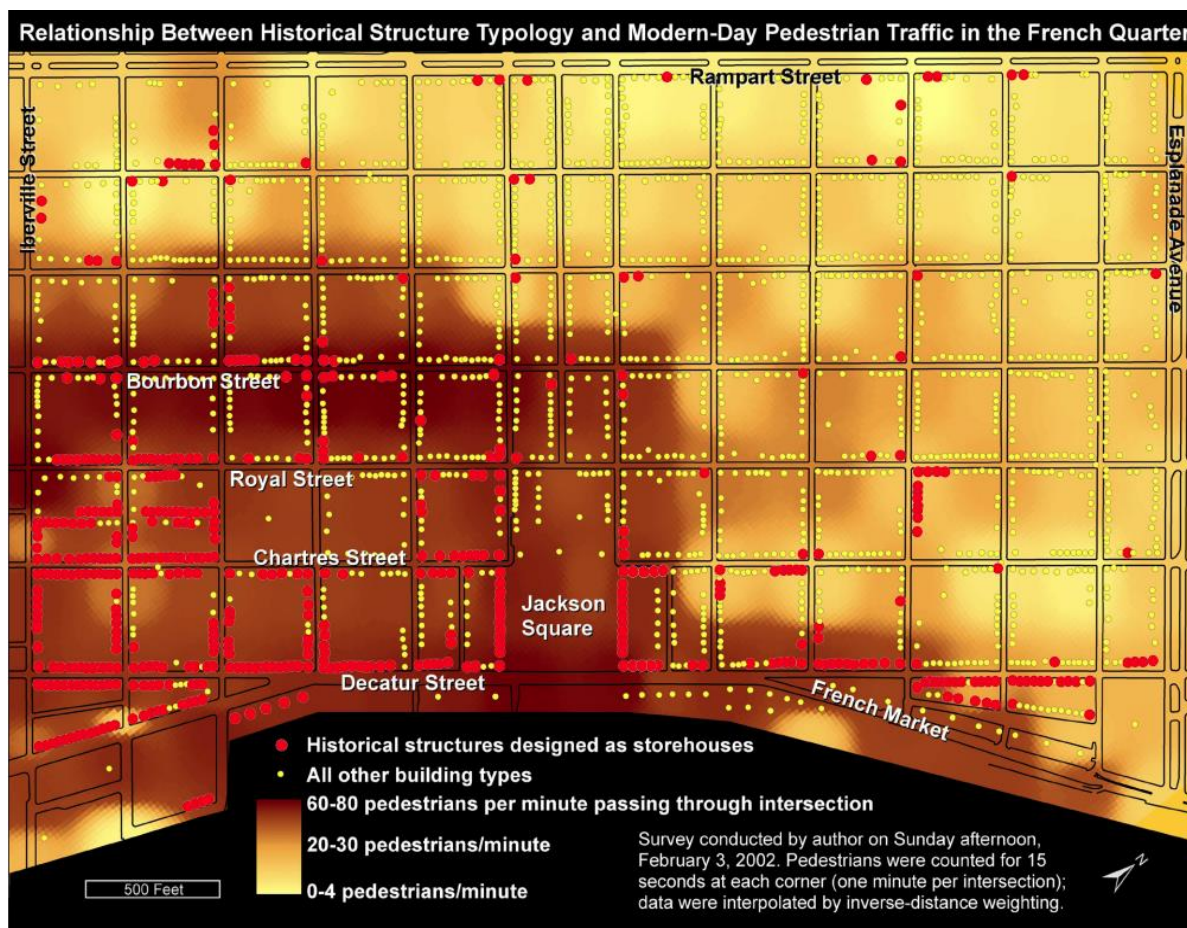
A map is taken from the French Market District's website and presented below.



As illustrated above, several of the subject properties create an outdoor mall-like development.

Additionally, a map is taken from the May 2020 Preservation in Print magazine and presented on the following page. This map depicts the relationship between modern pedestrian traffic patterns and historic buildings in the French Quarter. The data was collected by Richard Campanella, a geographer with the Tulane School of Architecture and author.





This heat map is based on a survey conducted in 2002. While this survey is dated, it is the clearest representation of French Quarter foot traffic flows available. The trends depicted in this heat map are still viewed as indicative of pedestrian flows in the Quarter—with the primary exception being there are undoubtedly more tourists today relative to the survey date. This is true even in light of the COVID-19 pandemic’s disruption to the travel industry.

Overall, each subject property has its own unique marketability draws and detractors. To accurately conclude a market rent for each property, several data sets are compiled and presented in the forthcoming analysis. Even though there are disparities between condition and quality within the subject property, we note that the subject emerges as a highly marketable retail portfolio. The properties are anticipated to capture upper-tier retail rents relative to the metro market’s retail performance.

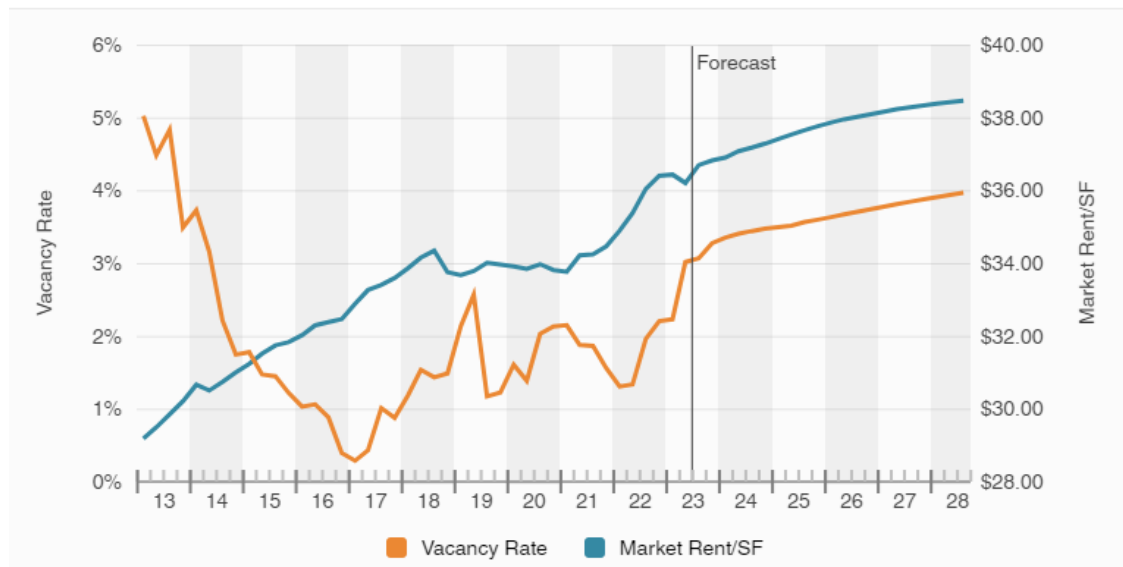
Additionally, the subject’s lease agreements are based on a percentage rent structure. This percentage rent lease structure is a market-driven approach that can be indicative of market rent, but this approach is also dependent on the tenant’s performance and is not always synonymous with market rent.



Interaction of Supply and Demand:

Prior to an analysis of the comparable data, statistics reflective of the health of the French Quarter's retail market are taken from CoStar and presented below.

Vacancy & Market Rent Per SF



Per this source, the French Quarter's retail submarket currently exhibits a vacancy rate of 3.0% and an average rent per square foot \$36.64 per square foot. While there are discrepancies between each subject property, we would anticipate each subject property to capture a market rental rate above the market wide average. This is attributable to the strong locations of each subject property within the neighborhood.

Conclusion:

Based on the above discussion and data, the inferences that can be drawn are as follows:

- *As a reaction to persistent inflation, the US Federal Reserve has raised interest 11 times since March 2022. Some experts point to these measures as successfully aiding a 'soft landing' for the national economy, but the elevated interest rate environment is problematic for the health of the commercial real estate sector.*
- *The subject property is a grouping of several French Quarter retail developments. Although the macro economy has slowed down, the French Quarter has proven to one of the most in demand neighborhoods for retail assets of all types. The health of the French Quarter market bodes well for the subject's marketability.*
- *There is a perceived strong demand for retail space in the French Quarter market. While there are disparities in marketability between the subject properties, they are all viewed as having strong locations and appeal.*



HIGHEST AND BEST USE

The most recent interpretation of this concept which defines value in use in real estate defines the highest and best use of a property according to The Appraisal of Real Estate, The Fourteenth Edition, Page 332, as "the reasonably probable use of property that results in the highest value." The Fourteenth Edition goes on to say "to be reasonably probable, a use must meet certain conditions:

- The use must be *physically possible* (or it is reasonably probable to render it so).
- The use must be *legally permissible* (or it is reasonably probable to render it so).
- The use must be *financially feasible*.

Uses that meet the three criteria of reasonably probable uses are tested for economic *productivity*, and the reasonably probable use with the highest value is the highest and best use." The level of analysis under the Highest and Best Use for the subject site is a level "A" analysis.

As Vacant:

When determining the highest and best use of the subject property, four factors must be tested; they are as follows:

- *Legal Permissibility*: the first consideration relative to the determination of the highest and best use "as vacant" is to determine whether or not a proposed use would be allowed under the zoning designation in which the subject property is situated. The subject property is zoned:

Subject Zoning Summary		
Subject ID	Zoning	Zoning
Legend's Musical Park	VCE	Vieux Carré Entertainment District
GF Upper Pontabla Building	VCC-1	Vieux Carré Commercial District
Colonnade Building A	VCS	Vieux Carré Service District
Colonnade Building B	VCS	Vieux Carré Service District
Colonnade Building C	VCS	Vieux Carré Service District
Colonnade Building D	VCS	Vieux Carré Service District
Colonnade Building E	VCS	Vieux Carré Service District
Oscar Dunn Park	VCP	Vieux Carré Park District
Farmer's Market	VCS	Vieux Carré Service District
Flea Market	VCS	Vieux Carré Service District

The Vieux Carre Entertainment District aims "to provide for entertainment places and restricted retail stores that attract and serve visitors and local residents." Permitted uses include but are not limited to bars, live entertainment venues, restaurants, and retail establishments.



The VCC-1 District provides “provide for entertainment places and restricted retail stores along Decatur and N. Peters Streets that attract and serve visitors and local residents.” Permitted uses include but are not limited to art galleries and studios, grocery stores, restaurants, offices, and retail good establishments.

The VCS District “is intended to provide for the redevelopment of areas near the Mississippi River that were historically developed with industrial and commercial uses as a mixed-use area, with ground-floor retail and commercial uses and residential uses above...” Permitted uses include but are not limited to art studios, grocery store, public stores, restaurants, cultural facilities and parks.

The VCP District “is intended to provide for parks, public facilities, and associated uses in the Vieux Carré and along the Vieux Carré riverfront. Parks and open space are encouraged and are permitted uses. Conditional use review is required for all other uses to ensure compatibility of the character of the Vieux Carré with the maritime use and scale of the waterfront.”

- *Physical Possibility:* the next consideration relative to the determination of the highest and best use "as vacant" determines whether or not a proposed use would be physically possible relative to the shape and size of the subject site. The subject property is comprised of several independent sites ranging from 5,632 square feet to over an acre in size. They can potentially accommodate a variety of small to medium scale uses.
- *Financial Feasibility:* this consideration is integral in determining the proposed use of a vacant site. This test determines whether or not construction costs and land acquisition are justified by the anticipated cash flows associated with a proposed subject property. In light of the strength of the French Quarter market, development on each site is considered financially feasible. When legally permissible, the application that would yield the greatest returns to the developer would be retail use including general retail, entertainment venues, mixed-use, or restaurant / bar use. For Oscar Dunn Park, development is not legally permissible absent conditional use approval.
- *Maximum Productivity:* this test determines the land use that would attribute the highest value to the land. If the subject sites were vacant, the maximally productive use of each site would be for small to medium-scale general retail, entertainment, restaurant / bar use, or mixed-use commercial development. This is the maximally productive use of each subject site, noting that development of any kind on Oscar Dunn Park will require a conditional use permit.

Thus, the highest and best use of the subject site "as vacant" is for small to medium-scale commercial development.



As Improved:

When determining the highest and best use of the subject property, the same four factors tested above must again be tested. A discussion of each property is included below:

Upper Pontalba Buildings:

Current use of the ground floor units as general retail and restaurant units is legally permissible, and the existing use fits well with the surrounding land uses. Retail use is considered the most productive use of the improvements in light of their location along a high foot-trafficked corridor in the French Quarter. The highest and best use of the subject is for continued operation as a retail development.

Colonnade Buildings A-E:

Colonnade Buildings A to E are an outdoor mall-like development with retail and restaurant units. Retail and restaurant / café use fits well within the confines of the site areas and surrounding land uses. Continued use as retail developments is considered financially feasible and the maximally productive use of the improvements.

Colonnade building E features a unit that operates as a national parks office and museum. While this use certainly appeals to the strong tourist presence, it is not viewed as the maximally productive use of this unit. The maximally productive use of this unit is for retail use. The market rent conclusion for this space is based on retail rental rates.

Musical Legends Park:

The improvements consist of an open-air bar / café buildings with a small roof-top patio with additional seating. While the current use as a bar and café is a legally conforming use, it is considered an interim use. The maximally productive use of the site would entail a development, likely a restaurant / bar or event venue, that would more efficiently utilize the entire site and maximum building height restrictions. The highest and best use of this site is for redevelopment. This would likely be geared towards an entertainment, mixed-use or retail application.

Oscar Dunn Park:

Oscar Dunn Park is a public park area with several retail units and revenue-generating spaces built in. Commercial uses are only legally permissible if granted conditional use status. The units built into Oscar Dunn Park operate as retail and tourism-related retail operations. Continued use in their current capacity is the maximally productive use of the property.

Farmers Market and Flea Market:

The Farmers market is an open-air, covered structure with built-in retail and kitchen bays. The current use as an open-air Farmers market is a legally conforming use. The flea market is a similar open-air retail building that generates revenues through daily space rentals.



For both of these properties, the improvements are considered secondary and the primary driver behind marketability is the location. If demolition were legally permissible, these properties would be strong candidates for eventual redevelopment. However, these structures are deemed historically significant and demolition is not legally permissible. As such, the highest and best use of these properties is for continued operation as retail markets.

The market participant(s) likely to purchase the subject property would be a well-capitalized investor. The most likely exposure and marketing time is estimated to be less than 12 months.



MARKET RENT ANALYSIS – 311 BOURBON STREET

Musical Legends Park

Property Overview: This portion of the market analysis will conclude a market rental rate for the subject property bearing the address 311 Bourbon Street. As a review, the areal imagery is included below.



In line with this property's highest and best use for eventual development, the first step in this analysis is to conclude the underlying value of the site. Furthermore, this property is modestly improved with a courtyard area and bar space, which allows for outdoor entertainment. Overall, the marketability and market rent is best viewed as an improved site with its market rent based on a rate of return applied to the improved land value.

Following an underlying land value conclusion, we will analyze rates of return to conclude a market-based rental rate.

Restrictions Note:

As per the provided lease agreement from the client, the subject property is provided with the permitted uses to sell commercial food, beverages, retail services, but only up to 40% of the site area with the balance remaining as open-air park area. Furthermore, the commercial activity on the site is not permitted to include any form of adult entertainment, clothing, or other goods relating in any manner to sexual or scatological matters,



LAND/SITE VALUATION – 311 BOURBON STREET

The subject's land value has been developed via the sales comparison approach.

Sales Comparison Approach – Land Valuation

The Sales Comparison Approach is premised on the idea that a buyer would not pay more for a specific property than the cost of acquiring a property with the same quality, utility, and perceived benefits of ownership. It is based on the principles of supply and demand, equilibrium, substitution, and externalities. The following steps outline the process of the Sales Comparison Approach as applied.

- The market in which the subject property competes is investigated; comparable sales, contracts for sale, and current offerings are reviewed.
- The most pertinent data is further analyzed, and the quality of the transaction is determined.
- The most meaningful unit of value for the subject property is determined.
- Each comparable sale is analyzed and where appropriate, adjusted to equate with the subject property.
- The value indication of each comparable sale is analyzed, and the data reconciled for a final indication of value via the Sales Comparison Approach.



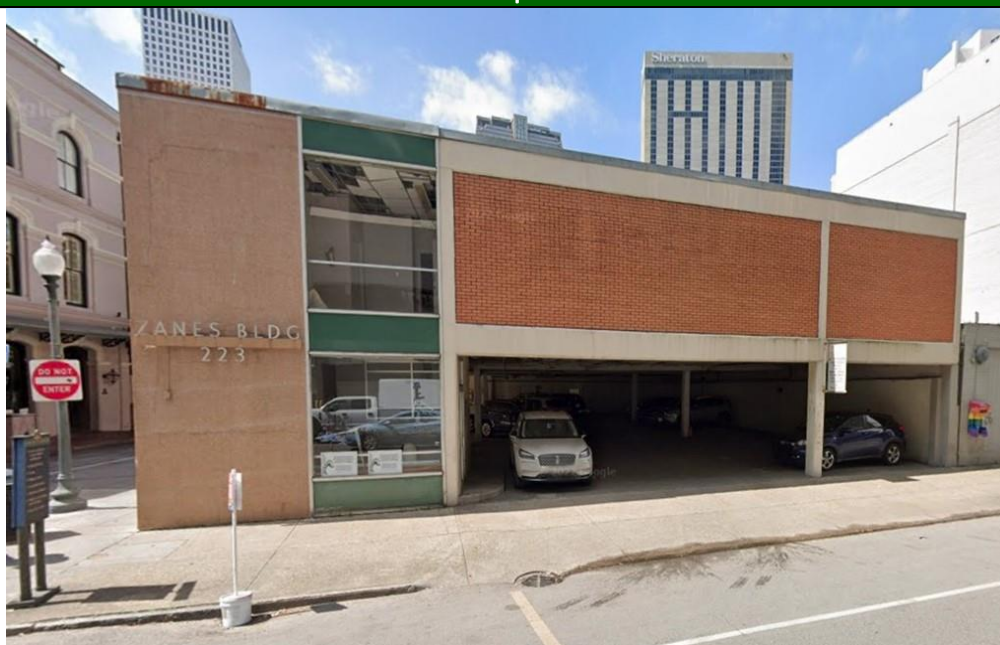
Land Comparables

We have researched seven comparables for this analysis; these are documented on the following pages followed by a location map and analysis grid. All sales have been researched through numerous sources and verified by a party to the transaction unless otherwise noted.

Comp	Address	Date	Acres	Land SF
	City	Price	Price per Acre	Price Per Land SF
Subject	311 Bourbon Street		0.13	5,632
	New Orleans			
1	223 Tchoupitoulas Street	7/28/2023	0.16	6,776
	New Orleans	\$2,775,000	\$17,838,776	\$409.53
2	329 North Diamond	3/11/2022	0.17	7,319
	New Orleans	\$1,413,600	\$8,413,284	\$193.14
3	739 Convention Center Boulevard	9/20/2021	0.14	6,032
	New Orleans	\$1,275,000	\$9,207,106	\$211.37
4	749 St. Charles Avenue	1/26/2017	0.15	6,426
	New Orleans	\$1,825,000	\$12,371,204	\$284.00
5	632 Tchoupitoulas Street	7/10/2014	0.42	18,193
	New Orleans	\$4,300,000	\$10,238,095	\$236.35
6	316 St. Charles Avenue	2/24/2014	0.31	13,511
	New Orleans	\$3,990,000	\$12,863,913	\$295.31
7	517-519 Conti St.	Pending Contract	0.20	8,854
	New Orleans	\$3,100,000	\$15,251,402	\$350.12



Land Comparable 1



Transaction			
ID	30261	Date	7/28/2023
Address	223 Tchoupitoulas Street	Price	\$2,775,000
City	New Orleans	Price Per Land SF	\$409.53
State	LA	Price Per Acre	\$17,838,776
Zip	70130	Transaction Type	Closed Sale
Grantor	INTERVAL REALTY LTD	Property Rights	Fee Simple
Grantee	Maison Tchoupitoulas, LLC	Book/Page or Reference	2023-23657
Legal Description	A certain 0.16 acre parcel of land situated in Lot 1, Square 132, 1st Municipal District, City of New Orleans, Orleans Parish, State of Louisiana		
Confirmation	Copy of Purchase Agreement		
Site			
Acres	0.16	Zoning	CBD-2, Historic
Land SF	6,776	Flood Zone	X
Shape	Irregular	Road Frontage	65 & 111
Comments			
This dated office building is under contract for \$2,775,000 and is reportedly being acquired for lodging development; however, it does benefit from an existing foundation that can support development vertically however, the reality is this is largely a land play. When the sales price is applied to the 6,776 square foot site it equates to roughly \$410 per square foot.			



Land Comparable 2



Transaction			
ID	42045	Date	3/11/2022
Address	329 North Diamond	Price	\$1,413,600
City	New Orleans	Price Per Land SF	\$193.14
State	LA	Price Per Acre	\$8,413,284
Zip	70130	Transaction Type	Closed Sale
Grantor	Landcraft, LLC	Property Rights	Fee Simple
Grantee	320 St. Joseph, LLC &	Book/Page or Reference	2022-10688 & 2022-
Days On Market	13 Months	Proposed Use	Redevelopment
Legal Description	Lot 9A, Square 53, First Municipal District, City of New Orleans, Parish of Orleans, Louisiana		
Confirmation	Prior McEnery Appraisal		

Site			
Acres	0.17	Zoning	CBD-6, Urban Core
Land SF	7,319	Flood Zone	X
Shape	Rectangle	Road Frontage	63 & 63

Comments	
This property was listed for \$1,463,600 in January 2021 and sold for its full list price. The purchaser plans to subdivide the site and construct short-term rental townhouses. We have deducted an estimated \$50,000 demolition cost to the sale price to arrive at a vacant land value.	



Land Comparable 3



Transaction			
ID	40176	Date	9/20/2021
Address	739 Convention Center	Price	\$1,275,000
City	New Orleans	Price Per Land SF	\$211.37
State	LA	Price Per Acre	\$9,207,106
Zip	70130	Transaction Type	Closed Sale
Grantor	Jennifer B. Gerarve, et al.	Property Rights	Fee Simple
Grantee	739 Convention Center	Book/Page or Reference	NA #2021-37960
Days On Market	96	Proposed Use	Hospitality
Legal Description	Lots 1 and 2, Square 7, First Municipal District of the City of New Orleans, Orleans Parish, State of Louisiana		
Confirmation	Listing Agent, Matt Eaton 504-339-2136		

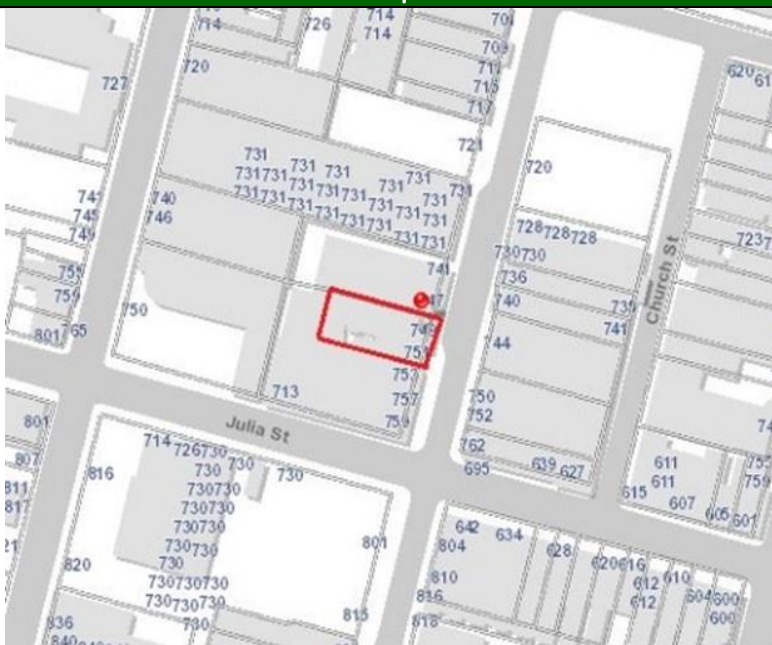
Site			
Acres	0.14	Zoning	CBD-2
Land SF	6,032	Flood Zone	X
Shape	Trapezoid	Road Frontage	122 & 50

Comments

The property was listed for \$1,275,000 and on the market for 96 days. The listing agent confirmed the purchase price. The purchasers intend to construct a hotel on the site.



Land Comparable 4



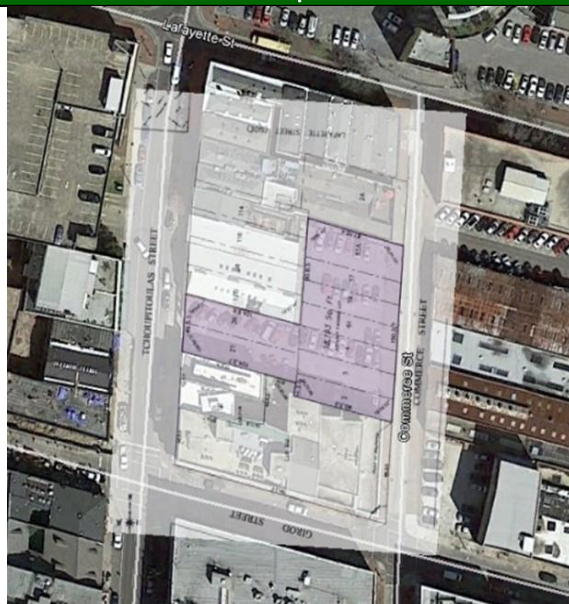
Transaction			
ID	29664	Date	1/26/2017
Address	749 St. Charles Avenue	Price	\$1,825,000
City	New Orleans	Price Per Land SF	\$284.00
State	LA	Price Per Acre	\$12,371,204
Zip	70130	Transaction Type	Closed Sale
Grantor	Lepre Properties, LLC	Property Rights	Fee Simple
Grantee	749 St. Charles Avenue,	Book/Page or Reference	NA# 2017-03553
Days On Market	60	Proposed Use	Condo Development
Legal Description	Lots 4 and 5, of Square 218, 1st Municipal District, Orleans Parish, State of Louisiana.		
Confirmation	Listing Agent- Eric Hernandez - 504-259-7945		

Site			
Acres	0.15	Zoning	CBD-5, Urban Core
Land SF	6,426	Flood Zone	X
Shape	Rectangular	Road Frontage	51.4

Comments
This is the sale of a small interior lot that was marketed for sale as a redevelopment site with an original asking price of \$2,100,000. The lot was purchased with plans in place for a condominium development. The purchaser is planning a condominium development on this lot and offered the best price at \$1,825,000. The property was on the market for 2 months prior to being placed under contract.



Land Comparable 5



Transaction			
ID	21089	Date	7/10/2014
Address	632 Tchoupitoulas Street	Price	\$4,300,000
City	New Orleans	Price Per Land SF	\$236.35
State	LA	Price Per Acre	\$10,238,095
Zip	70130	Transaction Type	Closed Sale
Grantor	Ambassador Parking, LLC		
Grantee	FC 632 632 Tchoup, LLC	Book/Page or Reference	NA #: 2014-27206
Legal Description	Lots 2, 3, 4, 26, 27, 55A, 57, 59 & 61, Square 60, First Municipal District of New Orleans, Orleans Parish, State of Louisiana		
Confirmation	Lisa Blank - (203) 858-6315		

Site			
Acres	0.42	Zoning	CBD-8 Central Business
Land SF	18,193	Flood Zone	X

Comments	
<p>This is the sale of an 18,193 square foot interior parcel that stretches the east-west length of Square 60 with 49 feet 5 inches of frontage along the east side of Tchoupitoulas Street and 150 feet 2 inches along the west side of Commerce Street. The site is fully paved and has historically been utilized as a surface parking lot. The purchasers initially planned to develop a 178 room Cambria Suites hotel on the site, which would be divided into two buildings; one of which would be 95 feet in height on Commerce Street, while the other would have a height of 65 feet on Tchoupitoulas Street. However, the site is subject to the HT-5 Interim Zoning District, which limits development to 5 stories or 65 feet and thus, the purchasers offered a scaled back version of their variance request which would lower the height of the Commerce Street building from 95 feet to 75 feet. After, that plan was met by additional opposition by the surrounding residents, the developers lowered the proposed height to 65 feet for both buildings in order for the City Council to approve the plans in July of 2014. The updated room count for this new hotel design has not been made public, although we assume that the initial proposal of 178 rooms has been decreased somewhat. We have not been able to reach either party directly related to the sale. However, we have confirmed all of the details of the transaction with the Orleans Parish Civil District Court. In addition, there have numerous articles written about the plans for the proposed hotel development upon the site, as well as the issues surrounding the City Council's eventual approval of said plans. Lisa Blank, who specializes in hotel site acquisition and development, also confirmed the details of this sale.</p>	



Land Comparable 6



Transaction			
ID	20595	Date	2/24/2014
Address	316 St. Charles Avenue	Price	\$3,990,000
City	New Orleans	Price Per Land SF	\$295.31
State	LA	Price Per Acre	\$12,863,913
Zip	70130	Transaction Type	Closed Sale
Grantor	Phi New O, LLC & John	Property Rights	Fee Simple
Grantee	St. Charles Ave. Prime	Book/Page or Reference	2014-07519
		Proposed Use	Hospitality
Legal Description	Lot W-1, Square 172, First Municipal District of the City of New Orleans, Parish of Orleans, State of Louisiana		
Confirmation	Buyer - Mr. David Bansmer 912-223-8103		

Site			
Acres	0.31	Zoning	CBD-1 Central Business
Land SF	13,511	Flood Zone	X
Shape	Rectangular	Road Frontage	168 & 80.5

Comments	
<p>This is a 13,511 square foot tract situated on the easterly right-of-way of St. Charles Avenue in the CBD of New Orleans. The site is currently used as a parking lot for Premium Parking and provides ingress and egress access to a garage that is adjacent to the rear site boundary. The site is encumbered by a 3,816 square foot (47' 6" x 80' 3"/80' 4") servitude agreement that prohibits development to an elevation of 34.5 feet above surface grade, or 9 feet above the floor of the parking garage entrance which is 25.5 feet above street grade. It could be argued that this 3,816 square foot servitude should be deducted from the total site area, which would result in an effective site size of 9,695 SF, or a price of \$411.55 per square foot. However, the purchaser stated that they plan to build up where the air rights of the servitude end and thus, he is treating the land as a 13,511 square foot site. Due to the lack of height restrictions in this CBD-1 zoning district, this is possible. As such, we have incorporated the entire site size of 13,511 square feet within our analysis. The buyer confirmed that the plans consist of the development of a high rise hotel with between 200 and 250 rooms. For the purpose of potentially analyzing the property on a proposed room count basis, the average figure of 225 rooms is realistic.</p>	



Land Comparable 7



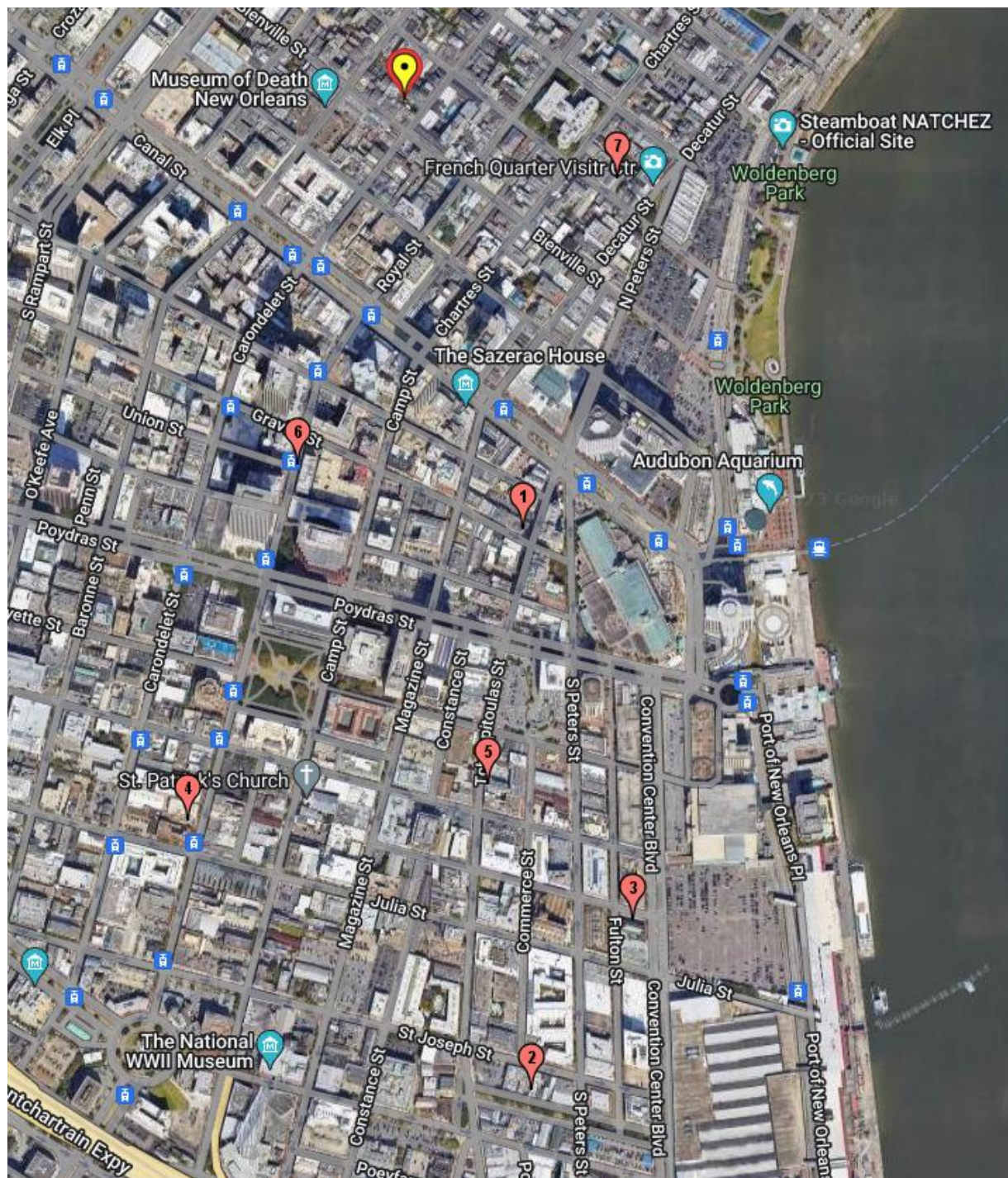
Transaction			
ID	48407	Date	Pending Contract
Address	517-519 Conti St.	Price	\$3,100,000
City	New Orleans	Price Per Land SF	\$350.12
		Price Per Acre	\$15,251,402
Zip	70130	Transaction Type	Pending Contract
Grantor	Decatur Realty	Property Rights	Fee Simple
Grantee	Decatur-Conti LLC	Book/Page or Reference	Pending Contract
Legal Description	Lot W-1, Square 172, First Municipal District of the City of New Orleans, Parish of Orleans, State of Louisiana		
Confirmation	McEnery Company Appraisal		

Site			
Acres	0.20	Zoning	VCC-2
Land SF	8,854	Flood Zone	X
Shape	Irregular	Road Frontage	52

Comments	
<p>This site is under contract for \$3,100,000. It was not listed openly on the market. The buyer became aware of the seller's interest in purchasing the site through a real estate agent. The site was historically utilized as an open surface parking lot. At the time of sale, the lease agreement for the parking lot operator was on annual renewal periods. The rent total annual rent was \$70,269, and the rent is based on the CPI every renewal period. Although the site was historically utilized as a leased parking lot, its highest and best use is for development. Use as a parking lot is considered an interim use.</p>	



Land Comparables Map



Land Comparables Analysis Grid

Analysis Grid	Subject	1	2	3	4	5	6	7
Date		7/28/2023	3/11/2022	9/20/2021	1/26/2017	7/10/2014	2/24/2014	Pending Contract
Address	311 Bourbon Street	223 Tchoupitoulas	329 North Diamond	739 Convention	749 St. Charles	632 Tchoupitoulas Street	316 St. Charles	517-519 Conti St.
City	New Orleans	New Orleans	New Orleans	New Orleans	New Orleans	New Orleans	New Orleans	New Orleans
Sales Price		\$2,775,000	\$1,413,600	\$1,275,000	\$1,825,000	\$4,300,000	\$3,990,000	\$3,100,000
Land SF	5,632	6,776	7,319	6,032	6,426	18,193	13,511	8,854
Acres	0.13	0.16	0.17	0.14	0.15	0.42	0.31	0.20
Flood Zone	X	X	X	X	X	X	X	X
Zoning	VCE	CBD-2, Historic	CBD-6, Urban Core	CBD-2	CBD-5, Urban Core	CBD-8 Central Business	CBD-1 Central	VCC-2
Road Frontage	44	65 & 111	63 & 63	122 & 50	51	50 & 150	168 & 80.5	52
Corner	No	Yes	No	Yes	No	No	Yes	No
Land SF Unit Price		\$409.53	\$193.14	\$211.37	\$284.00	\$236.35	\$295.31	\$350.12
COS/Market Adj.		0.00%	0.00%	0.00%	0.00%	10.00%	10.00%	0.00%
Adjusted Land SF Unit Price		\$409.53	\$193.14	\$211.37	\$284.00	\$259.99	\$324.85	\$350.12
Physical Adjustments								
Size		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Location		15.00%	20.00%	15.00%	10.00%	10.00%	10.00%	5.00%
Flood Zone		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Zoning		-2.50%	-2.50%	-2.50%	-2.50%	-2.50%	-2.50%	2.50%
Other Considerations		-15.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Gross Adjustment		32.50%	22.50%	17.50%	12.50%	12.50%	12.50%	7.50%
Composite Adjustment		-2.50%	17.50%	12.50%	7.50%	7.50%	7.50%	7.50%
Adjusted Land SF Unit Price		\$399.30	\$226.94	\$237.79	\$305.30	\$279.49	\$349.21	\$376.38



COMPARABLE SALE ADJUSTMENTS

The sales data has been analyzed and compared to the subject property. Adjustments were made in the following areas:

- Property Rights Sold
- Financing
- Conditions of Sale
- Market Trends
- Location
- Physical Characteristics

Conditions of Sale

All of the comparable sales were confirmed to be arm's length transactions and no adjustments were necessary for conditions of sale.

Property Rights

No adjustments are applied on the basis of property rights. Although Comp 7 is leased, the lease is scheduled to end in December 2023.

Market Trends

The current market conditions indicate a softening for demand in overall commercial real estate. This is largely tied to the national economic recessionary trending, as well as the recent significant increases in the cost to borrow funds. Despite this trending, the data has yet to suggest a need for a significant adjustment for market conditions, as similar scale vacant land properties appear to be holding value in recent months. Nevertheless, we recognize the current market conditions and considered the overall softening of real estate demand in our final opinion of value.

From 2010 to 2014, there was a significant increase in the prices that were paid for sites in the subject neighborhood. One prime example of this is a paired sales analysis of a site located at 744 St. Charles and another site immediately next door at 750 St. Charles, which are almost identical in size and shape with the same zoning and means of access, that sold on 9/5/2012 for \$89.50 per square foot compared to the \$206.95 per square foot value of the 2014 sale. Clearly, this major increase in pricing will not be the case for every property in this immediate market and we cannot expect a similar level of growth to occur over the next few years, but the indicators are nonetheless very noteworthy in this analysis.

That said, an 10% adjustment is warranted for Sales #5 and 6 for improvements in market conditions since these sales conveyed almost ten years ago.

Size

Adjustments have been applied based on the principle of *economies of scale*.



Location

Perhaps the most difficult-to-quantify factor driving the subject's marketability is its location on the iconic Bourbon Street. This is a top-tier location within the French Quarter market. In light of the fully developed nature of this area, the market presents a limited amount of localized data from which to derive a land value. As such, the data set includes the most recent and applicable land sales from the French Quarter and CBD neighborhoods.

Upwards adjustments are applied to Comps 1-7. Comps 1-6 warrant upwards adjustments given their locations outside of the French Quarter. While Comp 1 is located outside of the French Quarter, a more modest adjustment is applied. This site is located near a primary demand driver, the casino. Comp 7 is located within the French Quarter; however, this location lacks the name recognition and appeal of the subject's location. A modest upwards adjustment is applied.

Zoning

The subject property is situated in a VCE, Vieux Carre Entertainment District. According to municipal ordinances, permitted uses include but are not limited to art galleries, adult use, live entertainment, retail goods, and restaurants, among others. The maximum building height is 50'.

After reviewing the zoning regulations, downwards adjustments are applied to Comps 1-6 to account for their less restrictive zoning regulations. These CBD sites are less restricted by building height limitations. Conversely, an upwards adjustment is applied to Comp 7. This site's zoning district permits a more restrictive range of commercial uses relative to the subject's zoning.

Other Considerations

Sale #1 included an improved office building, which may present it interim cash flow prior to full development of a proposed lodging use. Furthermore, this property was previously permitted for development of a lodging application and the existing concrete infrastructure presents it with a foundational benefit for future construction. In light of these enhancements, a downwards adjustment is necessary to account for these other considerations. That said, this property was effectively acquired as a redevelopment site with the value primarily allocated to the underlying site.



LAND/SITE VALUATION RECONCILIATION AND CONCLUSION

Land Value Ranges & Reconciled Value				
Number of Comparables:	7	Unadjusted	Adjusted	% Δ
Low:		\$193.14	\$226.94	18%
High:		\$409.53	\$399.30	-3%
Average:		\$282.83	\$310.63	10%
Median:		\$284.00	\$305.30	8%
St. Dev.		\$77.51	\$67.06	-13%
Reconciled Value/Unit Value:			\$400.00	
Subject Size:			5,632	
Indicated Value:			\$2,252,800	
Reconciled Final Value:			\$2,255,000	
Two Million Two Hundred Fifty Five Thousand Dollars				

The comparable dataset is comprised of six land sales and one pending sale from the downtown and French Quarter market neighborhoods. Given the infrequency of vacant land sales in this market due to the mostly developed nature of the area, dated sales are applicable and have been included in this analysis. Adjustments are applied to the comparable sales to account for discrepancies and following the application of adjustments, the suggested value range tightens.

Central to the subject's marketability is its location within the French Quarter. The subject property is located in a fully developed, in-demand neighborhood. Its top-tier location places upwards pressure on its market value conclusion.

Examining the data set following adjustments, primary weight is placed on Comps 1 and 7. Comp 1 is the most recently closed sale and pricing indicator. While this site is not located within the French Quarter, this property has a marketable location proximate to a major demand driver—the casino. Partial weight is placed on Comp 1.

Partial weight is also placed on Comp 7. This indicator represents a pending contract for a vacant site in the French Quarter. This indicator emerges as a highly credible value indicator for the subject.

The strong pricing seen in Comps 1 and 7 relative to the balance of the data set reflects pricing premiums tied to top-tier locations. The subject property is viewed as having a similarly strong, highly competitive location within the marketplace. Additionally, the strong pricing seen in Comps 1 and 7 illustrates the resilience of pricing for vacant land parcels in this market, even in the face of slowing market conditions.

With primary weight on Comps 1 and 7, a value reconciliation of \$400 per square foot is well supported. Applying this figure to the subject's 5,632 square feet of land equates to \$2,252,800 – rounded to \$2,255,000.

INDICATION OF MARKET VALUE: **\$2,255,000 | Underlying Value of 311 Bourbon**



MARKET RENT – GROUND RENT ANALYSIS

The preceding market value reflects the fee simple value of the underlying subject site. To determine a reasonable market rent conclusion for the site, a rate of return will be applied to the underlying site value.

Capitalization Rate Discussion:

First, we have considered surveyed capitalization rates provided by the 3rd Quarter 2023 Survey of Realty Rates:

RealtyRates.com INVESTOR SURVEY - 3rd Quarter 2023*						
LAND LEASES						
Property Type	Capitalization Rates			Discount Rates		
	Min.	Max.	Avg.	Min.	Max.	Avg.
Apartments	3.72%	10.37%	7.86%	6.32%	10.87%	8.86%
Golf	4.27%	15.52%	10.01%	6.87%	16.02%	11.01%
Health Care/Senior Housing	4.27%	11.67%	8.49%	6.87%	12.17%	9.49%
Industrial	4.07%	11.37%	8.28%	6.67%	11.87%	9.28%
Lodging	4.22%	15.44%	8.57%	6.82%	15.94%	9.57%
Mobile Home/RV Park	4.12%	14.07%	9.12%	6.72%	14.57%	10.12%
Office	4.07%	11.22%	7.95%	6.67%	11.72%	8.95%
Restaurant	4.77%	17.57%	9.80%	7.37%	18.07%	10.80%
Retail	3.92%	11.47%	8.38%	6.52%	11.97%	9.38%
Self-Storage	4.04%	11.47%	9.30%	6.64%	11.97%	10.30%
Special Purpose	5.00%	17.17%	10.12%	7.26%	19.77%	10.44%
All Properties	3.72%	17.57%	8.90%	6.32%	18.07%	9.78%

*2nd Quarter 2023 Data

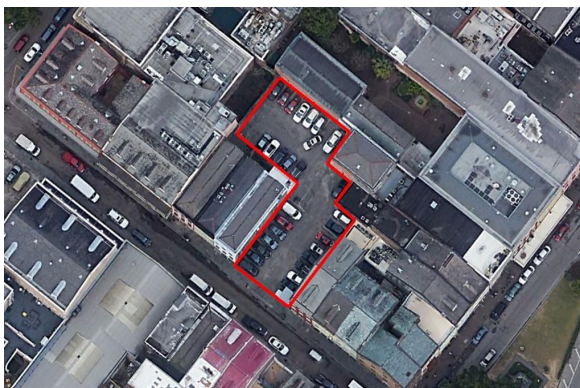
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When looking at the ‘all properties’ category, the data indicates a range of 3.72% to 17.57% with an overall average of 8.90%. Another segment to note is the retail category with a range of 3.92% to 11.47% with an average of 8.38%.

The above survey data reflects the national market and admittedly presents a wide range; however, the subject emerges a low-risk property given the historic strength of the French Quarter market. The reality is that historic French Quarter properties within the market are routinely acquired based on “romance and appreciation” with purchasers less concerned with true investment rates of return. French Quarter properties tend to hold their value with pricing frequently based on the price per square foot basis and in line with comparable sales. This often times leads to capitalization rates at the low-end of the range. Additionally, downwards pressure is placed on capitalization rates based on the potential for appreciation in values, much lower risk tied to the desirability of French Quarter properties.



The immediate market presents a severe lack of locally extracted OARs ground lease cap rates. However, there is one inferred rate summarized below. This indicator was Comp 7 in our comparable data set.



Cap Rate 517 - 519 Conti	
Contract Price	\$3,100,000
Total Annual Revenue*	\$90,218
Less: MGMT @ 2.00%	(\$1,804)
NOI	\$88,414
Cap Rate	2.85%
<i>*Annual rent is based on the forecasted rental rate for the 2nd option period commencing in 1Q2024</i>	

This French Quarter parking lot is under contract with an inferred cap rate of 2.85% when analyzing the contract price and contract rent. That said, this is a true vacant lot development, whereas the subject property is a retail bar courtyard area, which is far more marketable. In this context, the above ground lease indicator is not truly comparable.

Given the survey data provided on the page below for retail/restaurant properties falling between 8.0% to 9.0%, we have elected a rate towards the top of the range. This is due to the high-quality location of the subject property, as well as the fact that it is an improved commercial site and not strictly vacant land. Thus, a rental rate will consider these attributes if leased on the open market.

For the purpose of this analysis, a more conservative rate is warranted. A rate reconciliation of **9.00%** is applied to the fee simple value in the below table.

Inferred Cap Rate & Ground Rent	
Fee Simple Value	\$2,255,000
Cap Rate	9.00%
Inferred Ground Rent	\$202,950
Site (sf)	5,632
Rent per SF	\$36

The forecasted market rent equates to **\$36 per square foot**.

As a check for this rental rate conclusion, we present several ground rent comparables on the following pages.



Comparable Ground Rents:

The dataset first includes a highly localized ground lease agreement followed by one recently signed comparable.

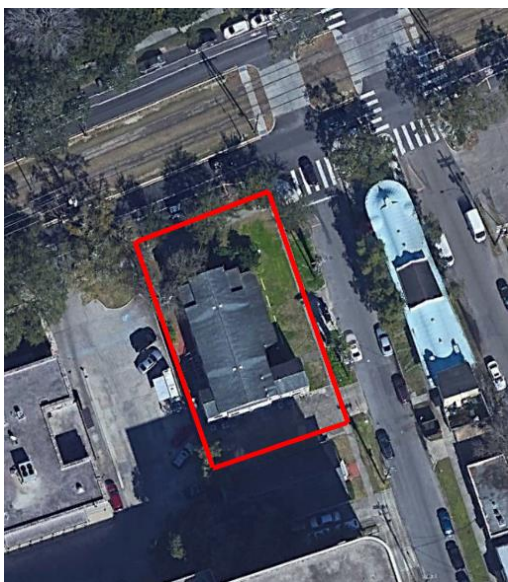
Ground Lease Comparables							
Address	Size (sf)	Annual Rate	Rent per SF	Use	Term	Notes	Photo
730 Julia Street, New Orleans, LA	63,412	\$608,755	\$9.60	Mixed Use	N/A	N/A	
6001 Magazine Street, New Orleans	19,200	\$152,920	\$7.96	Retail Center	40 Years; Commenced in 2018	Current base rent is \$150,000, but the agreement includes percentage rent	
St. Charles Avenue	14,400	\$177,579	\$12.33	Bank Branch	30 Years	Confidential	Confidential
Confidential, New Orleans, LA	389,426	\$780,000	\$2.00	Entertainment	60 Years	Confidential	Confidential
St Charles Avenue, New Orleans	8,064	\$69,060	\$8.56	Parking & Greenspace	40 Years	Confidential	Confidential
1406 St. Charles Avenue, New Orleans	16,117	\$250,523	\$15.54	QSR	40 Years	None	

The above indicators represent ground lease agreements from the New Orleans area and present a range from a low of \$2.00 per square foot to \$15.54 per square foot with a mean of \$9.33 per square foot. The reality is that the subject property is more akin to an improved commercial site with a small restaurant/bar location along Bourbon Street. As such, a rental rate well above these indicators is justified for the subject property.



Ground Lease Comparable – Proposed Hotel Site at 3500 St. Charles Avenue:

This agreement pertains to an in-construction hotel on St. Charles Avenue. The agreement is summarized below.



Ground Lease Synopsis	
Lessor	Dynasty Properties, LLC
Lessee	3500 St. Charles Holdings, LLC
Site Size (SF)	9,503
Initial Term	49 Years
Option Periods	(5) 10-Year Periods
Commencement Date	Q1 2022
Base Monthly Rate	\$7,916.67
Base Annual Rate	\$95,000
Base Rent per SF	\$10.00
Percentage Rent Summary	
<i>Tier 1:</i>	
Natural Breakpoint	\$1,187,500
Max	\$2,000,000
Percentage Rent	8%
<i>Tier 2:</i>	
Natural Breakpoint	\$2,000,000
Max	\$2,444,444
Percentage Rent	9%
Hard Cap Total Annual Rent	\$200,000
Hard Cap Rent per SF	\$21.05

Once construction is complete, the initial stabilized rent will be \$10.00 per square foot with percentage rent payments based on natural breakpoints in the hotel's net operating profit. Regardless of these percentage rent clauses, the total annual rental rate will not exceed \$21.05 per square foot. The percentage rent natural breakpoints, the ground base rent, and the total annual rent cap will all increase by 8% every five years.

This property is not yet operational, and the annual effective rent figure is not available. However, we note that the agreement outlines rental payments with a low-end threshold of \$10.00 per square foot and a high-end cap of \$21.05 per square foot.

Restrictions Note:

As explained at the beginning of this analysis, the subject property is permitted only to operate in a commercial capacity on 40% of the subject site.

The balance of the site remains an open park, however, the reality is that much of this subject property remains open-aired with seating for patrons to utilize, as they enjoy beverages and food. Effectively, this area is utilized as sellable area for a food/beverage operation and is marketable to a user for this reason even if they are not permitted to utilize this area for the active sale of food/beverages. Nevertheless, we have considered a discount of 20% to the rent per square foot for the 60% of the site area, which must remain as sellable outdoor seating area.



A 20% discount accounts for the fact that this portion of the site area must remain outdoor seating area and cannot be improved or utilized for the commercial sale of food/beverage or retail; however, the reality is that this is not a major detriment to an operation that will require this level of seating area to properly function and operate.

Component	%	Site Area	Rent/SF	Total Rent
Unrestricted	40.00%	2,253	\$36.00	\$81,101
Restricted	60.00%	3,379	\$28.80	\$97,321
			Total	\$178,422
			Rent/SF	\$31.68

The subject's market rent conclusion of \$31.68 per square foot falls towards the high-end of this range; however, it is considered well supported in light of the subject's strong location and smaller size relative to the data set. These ground rent comparables provide additional support for the market rent conclusion.

INDICATION OF MARKET RENT:

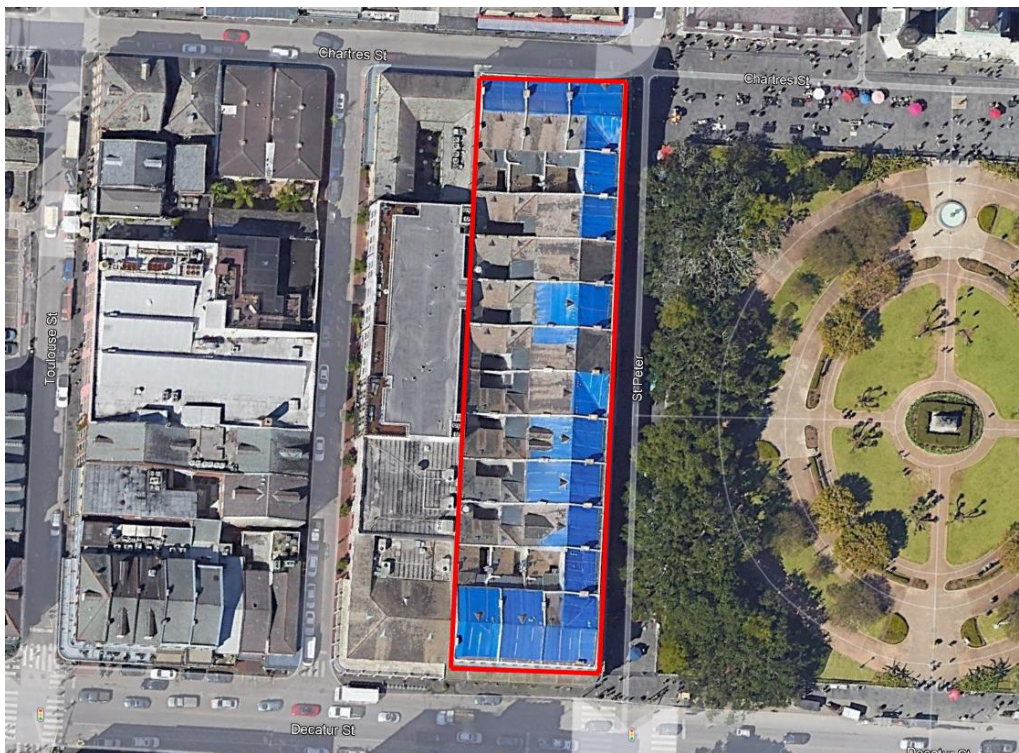
\$178,422 | \$31.68 per SF

Market Rent Conclusion of Musical Legends Park



MARKET RENT ANALYSIS – UPPER PONTALBA BUILDING COMMERCIAL UNITS

Subject Overview: The first data set included in this analysis reflects market rental rates for the Upper Pontalba building's ground floor commercial units. As a review, areal imagery and the unit mix is included below.




Upper Pontalba Ground Floor Commercial Unit Mix		
Unit ID	Unit Type	Area
500, 502CY, 502S1, 502S2, 502WC St. Peters Street - 633CY, 633S1, 633S2, 635 Decatur Street	Retail - Restaurant & Endcap	3,147
514 St. Peters Street	Retail	1,063
544CY, 544S1, 544S2, 546 St. Peters Street- 632CY, 632S1, 632S2, 634 Chartres Street	Retail - Restaurant & Endcap	3,083
627CY, 627S1, 631 Decatur Street	Retail	1,288
542 St. Peters Street	Retail	384
504 St. Peters Street	Retail	372
532 St. Peters Street	Retail	1,114
522 St. Peters Street	Retail	1,087
536 St. Peters Street	Retail	1,044
510 St. Peters Street	Retail	1,092
628CY, 628S1, 628S2, 630 Chartres Street	Retail	1,335
	NRA	15,009
	Unit Count	11



Market Rent Comparables

We have selected nine comparable properties for this analysis, which are presented on the following pages, along with a location map and an analysis grid. All competitive comparable data have been sourced from multiple sources, inspected and verified by a transaction participant.

Comparable Rental Number 1 Retail		
	MCECO ID:	42912
	ADDRESS	305 Royal Street New Orleans, LA 70130
	CONDITION	Good
	RENTAL RATE	\$68.57 per square foot
	LEASE STRUCTURE	NNN
	SIZE	2,100
	ANNUAL RENT	\$143,997
	SURVEY DATE	May 12, 2022
Description of Improvements		
The improvements consist of a 2,100 square foot ground floor retail unit located in a historic mixed-use building on Royal Street. The unit is built out for general retail use. Interior finishes generally include tile floors, painted plaster walls and ceilings with exposed wood beam elements. Overall, the unit is in good condition.		
Lease Comments		
This lease agreement has a base annual rent of \$144,000 or \$68.57 per square foot. This is a NNN lease whereas the tenant is responsible for their pro-rata share of property tax, insurance and CAM reimbursements.		
Confirmation		
Landlord Peter Moss		



Comparable Rental Number 2 | Retail



MCECO ID:	35751
ADDRESS	501 Royal Street New Orleans, LA 70130
CONDITION	Good
RENTAL RATE	\$82.50 per square foot
LEASE STRUCTURE	NN
SIZE	1,600
ANNUAL RENT	\$132,000
SURVEY DATE	November 2022

Description of Improvements

The improvements consist of a 1,600 square foot retail unit located at the hard corner of Royal and St. Louis Street in the French Quarter. The unit is part of a larger historic mixed-use development, and is occupied by an art gallery tenant. The interior features wood-like tile and commercial carpet flooring, painted sheetrock walls, acoustic tile ceilings, decorative light fixtures, and track lighting. Overall, the unit is in good condition.

Lease Comments

This lease agreement initially commenced in July of 2011 and is operating on a 5-year extension. The current annual rent is \$132,000 or \$82.50 per square foot. This is a NN lease with the tenant responsible for insurance and CAM reimbursements. The landlord pays property tax expenses.

Confirmation

Q3 2020 & Q4 2022 McEnery Company Appraisal; Copy of Lease



Comparable Rental Number 3 | Retail



MCECO ID:	40254
ADDRESS	710-714 St. Louis Street New Orleans, LA 70130
CONDITION	Average-good
RENTAL RATE	\$54.40 per square foot
LEASE STRUCTURE	NNN
SIZE	2,272
ANNUAL RENT	\$123,600
SURVEY DATE	September 22, 2021; Updated 3Q2023

Description of Improvements

The improvements consist of two retail units located on St. Louis Street in the French Quarter. The unit bearing the address 714 St. Louis Street contains 1,418 square feet; this figure includes a mezzanine space that is considered rentable area. The unit bearing the address 710 St. Louis Street contains 854 square feet. Both units are in average-good condition and built out for retail use.

Lease Comments

This comparable pertains to two ground floor retail units. Leah's Candy Kitchen occupies 1,418 square feet for \$52.47 per square foot. This is currently on a 5-year renewal period that is set to expire on April 30, 2027. This is a NNN lease with the tenant responsible for their pro-rata share of property taxes, insurance and CAM expenses. Of note is that the landlord and tenant agreed to a reduced-rent payment plan as a result of market conditions tied to 2020's recession. As of May 1, 2021, the rent returned to the base returned to the initial contract rate.

Sweet Saint operates an ice cream store. This lease commenced in 2021 and the only 3-year extension commenced on August 1, 2023. The rent over the duration of the lease extension is as follows: \$4,100 per month from August 1, 2023 to July 31, 2024, \$4,300 per month from August 1, 2024 to July 31, 2025, and \$4,500 per month from August 1, 2025 to July 31, 2026. The current rent of \$49,200 per annum or \$57.61 per square foot will be utilized herein.

Tenant	Size	Eff.\$/SF/Mo	Eff.\$/SF	Type
Leah's Candy Kitchen	1,418	\$4.37	\$52.47	NNN
Sweet saint	854	\$4.80	\$57.61	NNN
Totals	2,272	\$4.53	\$54.40	NNN

Confirmation

Copy of Leases; Q3 2021 McEnery Company Appraisal; Updated 2023



Comparable Rental Number 4 | Retail



MCECO ID:	42911
ADDRESS	329 Royal Street New Orleans, LA 70130
CONDITION	Average
RENTAL RATE	\$55.38 per square foot
LEASE STRUCTURE	NNN
SIZE	2,600
ANNUAL RENT	\$143,988
SURVEY DATE	May 12, 2022

Description of Improvements

The improvements consist of a 2,600 square foot retail unit located on Royal Street in the French Quarter. The ground floor unit is comprised primarily of open retail space with carpet and wood-like vinyl flooring, painted sheetrock walls with a retail peg board, and exposed structural ceilings. Overall, the improvements are in average condition.

Lease Comments

This unit is leased to a retail store, d.b.a. Vintage 329. The monthly rent is reportedly \$12,000 which equates to an annual rent of \$144,000. This is a NNN lease with the tenant responsible for their pro-rata share of property taxes, insurance and CAM.

Confirmation

Landlord Peter Moss



Comparable Rental Number 5 | Retail



MCECO ID:	41568
ADDRESS	719 Royal Street New Orleans, LA 70116
CONDITION	Average
RENTAL RATE	\$62.92 per square foot
LEASE STRUCTURE	NNN
SIZE	1,621
ANNUAL RENT	\$101,993
SURVEY DATE	November 1, 2021

Description of Improvements

The improvements consist of a 1,621 square foot, ground floor commercial unit within an historic, mixed-use building. It is oriented on the corner of Royal Street and Orleans Avenue. The unit is lightly finished with concrete floors and painted gypsum board walls and ceilings.

Lease Comments

This unit was listed for lease for \$8,500 per month and leased at the asking rate after 42 days on the market. This is a NNN lease in which the tenant is responsible for their pro rata share of taxes, insurance, and CAM expenses. The lease was signed in October 2021 on a five year lease term. We have been unable to reach the listing agent, Steve Richards; however, we have verified the lease information with the local MLS.

Confirmation

Local MLS



Comparable Rental Number 6 | Retail



MCECO ID:	43694
ADDRESS	214 Decatur Street, Unit 1 New Orleans, LA 70130
CONDITION	Good
RENTAL RATE	\$45.00 per square foot
LEASE STRUCTURE	NNN
SIZE	1,947
ANNUAL RENT	\$87,615
SURVEY DATE	September 6, 2022

Description of Improvements

The improvements consist of a 1,947 square foot, ground floor commercial unit within an historic mixed-used building. The unit features access to Decatur Street and Clinton Street to the rear. Finishes generally include concrete floors painted gypsum board and exposed brick walls, and painted gypsum board ceilings.

Lease Comments

This commercial unit leased after over a year on the market and leased in December 2021. The lease features a three year primary term. The first year's rate is \$22.50 per square foot. The listing agent stated that this was a reduced 'COVID' rate that reflected the decreased levels of traffic to the subject's stretch of Decatur. Starting in Year 2, the lease rate steps up to a stabilized rate of \$45.00 per square foot and increases 3% annually from there. We have utilized this stabilized rate herein. Additionally, this is a NNN lease with estimated CAM charges of \$431 per month or \$2.66 per square foot annually.

Confirmation

Listing Agent Scott Graf 504-581-5005



Comparable Rental Number 7 | Restaurant



MCECO ID:	43965
ADDRESS	329 Decatur St. New Orleans, LA 70130
CONDITION	Good
RENTAL RATE	\$50.89 per square foot
LEASE STRUCTURE	NNN
SIZE	1,849
ANNUAL RENT	\$94,100
SURVEY DATE	June 29, 2023

Description of Improvements

The improvements consist of an 1,849 square foot historic French Quarter building situated on the northwest side of Decatur Street. The building currently operates as Evangeline, a Louisiana style bar and restaurant. The interior has typical, high quality restaurant/bar build-out. It contains stained concrete floors, painted gypsum board and exposed brick walls, a combination of incandescent and gas lantern lighting, and a painted gypsum board ceiling. The space is primarily comprised three spaces: the main bar area, the kitchen, and the rear 1,952 square foot patio area.

Lease Comments

The property is currently encumbered by a long-term lease agreement with Acadia Restaurant Services, Inc., d.b.a. Evangeline. The lease is on NNN terms, whereas the tenant is responsible for all expenses. The lease commenced on May 1, 2014 and is currently in a 5-year option that expires April 30, 2024. The current rental rate is \$7,841.67 per month or \$94,100.04 per annum. This equates to \$50.89 per square foot.

Confirmation

Previous Appraisal



Comparable Rental Number 8 | Restaurant



MCECO ID:	35235
ADDRESS	601 Chartres Street New Orleans, LA 70130
CONDITION	Good
RENTAL RATE	\$52.95 per square foot
LEASE STRUCTURE	NNN
SIZE	6,202
ANNUAL RENT	\$328,396
SURVEY DATE	June 8, 2020

Description of Improvements

The improvements consist of a two-story retail space located on Chartres Street in New Orleans. The building is situated on poured concrete slab and consist of masonry and wood construction. The exterior features painted stucco with a pitched shingle roof. Overall, the improvements are in good condition.

Lease Comments

This is a two-story bar and restaurant operating as Chartres House. Includes a ground floor bar and dining room with additional second floor dining as well as patio and balcony space. There is an auxiliary structure which houses the kitchen and storage areas. The space is leased to Chartres House, LLC on NNN terms.

Confirmation

Commercial Appraisal 2017



Comparable Rental Number 9 | Bar



MCECO ID:	33016
ADDRESS	435 Bourbon Street New Orleans, LA 70130
CONDITION	Good
RENTAL RATE	\$70.65 per square foot
LEASE STRUCTURE	NNN
SIZE	3,027
ANNUAL RENT	\$213,864
SURVEY DATE	February 24, 2023

Description of Improvements

The improvements consist of a 3,027 square foot, historical mixed-use building situated along Bourbon Street in New Orleans, LA. The facility is contained in two buildings that include a 3-story 2,435 square foot structure fronting Bourbon Street and a two-story rear structure with 591 square feet. Both structures are situated on concrete slab foundations and incorporate masonry and wood frame construction. The exteriors feature brick and stucco siding with sloped asphalt shingle roofs. Interior finishes include hardwood, tile and concrete flooring, as well as plaster and sheetrock walls and ceilings. Site improvements include a small courtyard between the two buildings. At the time of our site visit, the structure was in overall average condition.

Lease Comments

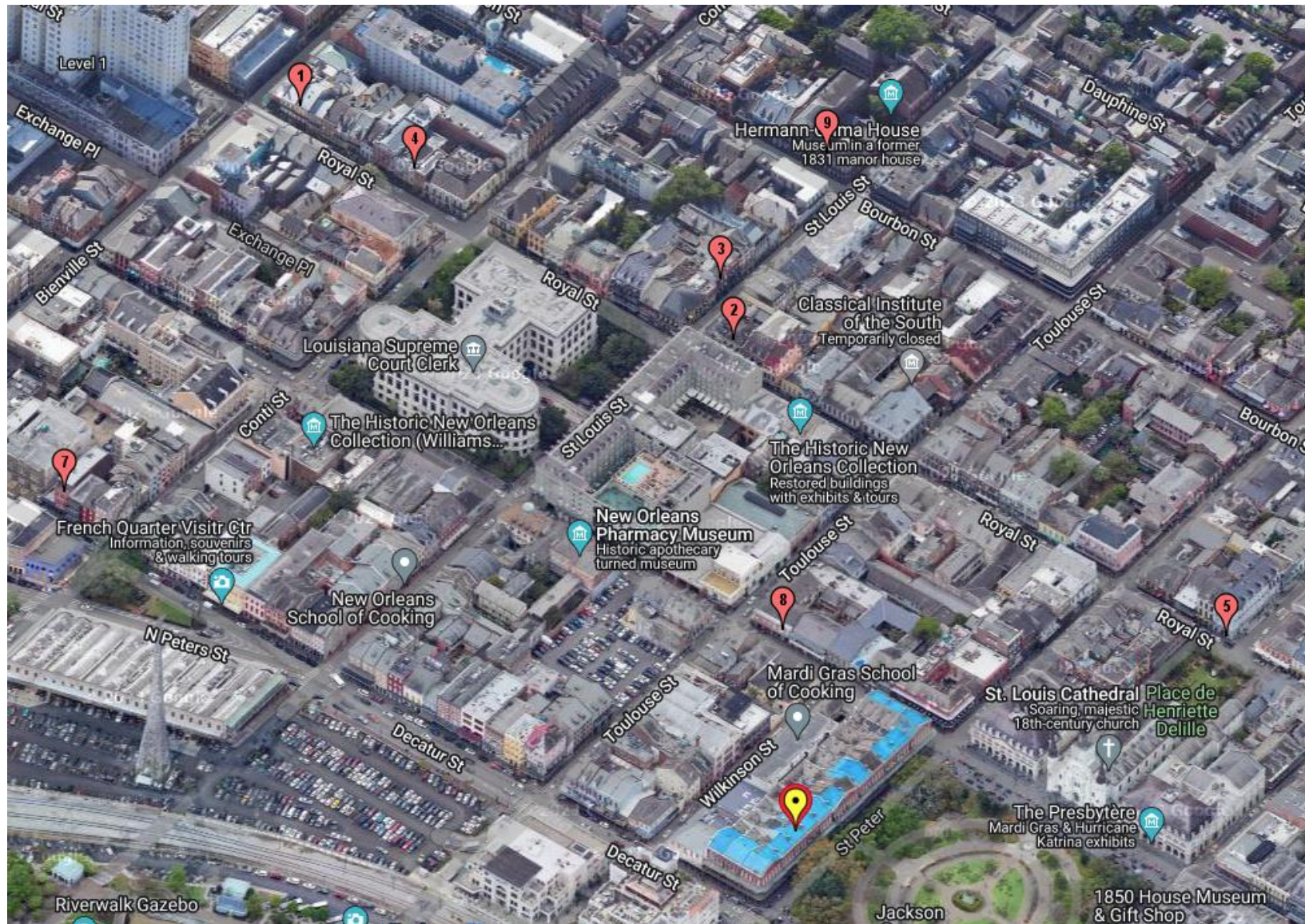
This is a NNN lease agreement where the tenant is responsible for all expenses associated with the property inclusive of property taxes, insurance, and maintenance of the building. This is a long-term lease agreement with 3% annual base rent escalations. The rent increases are scheduled for August. As of August 2023, the rent has increased to \$220,280 per annum or \$72.77. The tenant operates as a bar and grill.

Confirmation

McEneryco Appraisal Q2 2019



COMPETITION COMPARABLES MAP



COMPETITION COMPARABLE ANALYSIS GRID

Lease Analysis Grid		Subject	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Comp 6	Comp 7	Comp 8	Comp 9
Category			Retail	Retail Hard Corner	Retail	Retail	Retail Hard Corner	Retail	Restaurant	Restaurant Hard Corner	Bar
											
Address		St. Peters, Chartres & Decatur Streets	305 Royal Street	501 Royal Street	710-714 St. Louis Street	329 Royal Street	719 Royal Street	214 Decatur Street, Unit 1	329 Decatur St.	601 Chartres Street	435 Bourbon Street
City		New Orleans	New Orleans	New Orleans	New Orleans	New Orleans	New Orleans	New Orleans	New Orleans	New Orleans	New Orleans
Total Annual Rent			\$143,997	\$132,000	\$123,600	\$143,988	\$101,993	\$87,615	\$94,100	\$328,396	\$213,864
Monthly Rent			\$12,000	\$11,000	\$10,300	\$11,999	\$8,499	\$7,301	\$7,842	\$27,366	\$17,822
Rented Area (Avg SF)		15,009	2,100	1,600	2,272	2,600	1,621	1,947	1,849	6,202	3,027
Condition			Good	Good	Average-good	Average	Average	Good	Good	Good	Good
Eff. Rent/SF			\$68.57	\$82.50	\$54.40	\$55.38	\$62.92	\$45.00	\$50.89	\$52.95	\$70.65
Comm 1 Lease Type			NNN	NN	NNN	NNN	NNN	NNN	NNN	NNN	NNN
Rent per SF			\$68.57	\$82.50	\$54.40	\$55.38	\$62.92	\$45.00	\$50.89	\$52.95	\$70.65
CAM Charges			\$0.00	-\$3.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Effective Rent Per SF			\$68.57	\$79.50	\$54.40	\$55.38	\$62.92	\$45.00	\$50.89	\$52.95	\$70.65



Discussion of Comparable Rental Data – Upper Pontalba Building

Prior to a discussion of the comparable data, the subject's contract rent roll is presented below.

Upper Pontalba Contract Rent Roll - Ground Floor Commercial Units								
Unit ID	Tenant	Lease Type	Area	Annual Base Rent	Base Rent per SF	% Rent*	Total Rent	Rent Per SF
500, 502CY, 502S1, 502S2, 502WC St. Peters Street - 633CY, 633S1, 633S2, 635 Decatur Street	Corner Oyster House	NNN	3,147	\$123,750	\$39.32	\$87,862	\$211,612	\$67.24
514 St. Peters Street	Cella's Boutique (Latin's Hand Inc.)	NNN	1,063	\$54,368	\$51.15	\$2,192	\$56,561	\$53.21
544CY, 544S1, 544S2, 546 St. Peters Street- 632CY, 632S1, 632S2, 634 Chartres Street	Cafe Pontalba	NNN	3,083	\$123,070	\$39.92	\$104,467	\$227,537	\$73.80
627CY, 627S1, 631 Decatur Street	The Fudgery, Inc	NNN	1,288	\$49,559	\$38.48	\$4,171	\$53,730	\$41.72
542 St. Peters Street	OMG LLC	NNN	384	\$18,223	\$47.46	\$1,189	\$19,412	\$50.55
504 St. Peters Street	Socks on the Sqaure	NNN	372	\$19,026	\$51.15	\$25,061	\$44,088	\$118.52
532 St. Peters Street	Muse Inspired Fashion	NNN	1,114	\$33,420	\$30.00	\$36,095	\$69,515	\$62.40
522 St. Peters Street	Rendezvous Enterprise Inc	NNN	1,087	\$41,304	\$38.00	\$3,121	\$44,425	\$40.87
536 St. Peters Street	Chapel Headwear LLC	NNN	1,044	\$43,848	\$42.00	\$56,232	\$100,080	\$95.86
510 St. Peters Street	Shoe Be Do NoLa LLC	NNN	1,092	\$19,026	\$17.42	\$3,604	\$22,631	\$20.72
628CY, 628S1, 628S2, 630 Chartres Street	Dirty Coast	NNN	1,335	\$41,172	\$30.84	\$0	\$41,172	\$30.84
Totals			15,009	\$566,767			\$890,763	
Average Rent Per SF			\$37.76				\$59.35	

*% Rent payments are annualized figured based on 7 or 8 months of rent history provided

The subject property's lease agreements are based on a percentage rent structure. This percentage rent lease structure is a market-driven approach that can be indicative of market rent, but this approach is also dependent on the tenant's performance and is not always synonymous with market rent.

The subject is viewed as carrying a competitive advantage within the French Quarter marketplace. A factor driving the subject's marketability and rental income potential is its strong location along a pedestrian mall and Jackson Square. This is a strategic location with strong exposure to pedestrian traffic flows between tourism demand drivers. Additionally, the subject itself is a historic building with significant curb appeal. These factors place upwards pressure on the subject's rent potential.

The data set is comprised of retail and restaurant/bar leases from the French Quarter market. As NNN is the dominant lease structure surveyed, the subject's opinion of market rent will be concluded based on a NNN lease type. A lease type adjustment is applied to Comp 2 to bring it in line NNN rates. Following the application of adjustments, the data indicates a rental rate range of \$45.00 to \$79.50 per square foot. The ranges and measures of central tendency are presented below.

Ranges & Measures of Central Tendency		
Number of Comps:	9	Adjusted
	Low:	\$45.00
	High:	\$79.50
	Mean:	\$58.70
	Median:	\$54.89
	St. Dev.:	\$11.08

The data set admittedly presents a wide range of rent indicators; however, the subject units are anticipated to capture different rents based on their build out, size, positioning and location.



Market Rent Conclusion – Restaurant Units:

The subject includes two restaurant / café units with corner locations and legal permitting to sell alcoholic beverages. If listed for lease, the unit with Chartres Street frontage is anticipated to capture a stronger rental rate than the corner unit with Decatur Street frontage. This is attributable to historic rents on Chartres Street relative to Decatur Street as well as the superior quality of surrounding users.

When considering the base rent and percentage rent on the contract rent roll, the Corner Oyster House unit (St. Peters & Decatur Street) is achieving \$67.24 per square foot. The Café Pontalba unit (Chartres Street & St. Peters Street) is achieving \$73.80 per square foot in rent.

When examining the market rent potential for the subject's restaurant end cap units, Comps 7 to 9 are particularly noteworthy. Comps 8 and 9 represent restaurant or bar leases with top-tier locations in this market.

Comp 8 is located proximate to the subject. However, this comparable is much larger than the subject units. Given size discrepancies, reasonable market rent conclusions for the subject units will fall above Comp 8's indication.

Comp 7 represents the rent tied to a restaurant unit, but this unit has an inferior location relative to the subject's central location. Comp 9 represents a bar property on Bourbon Street. This is a top-tier, highly marketable location. Partial weight is placed on this indicator.

We note that all restaurant and rent comparables examined within this analysis were permitted to sell alcoholic beverages.

With weight applied to the comparable data, the historic rent figures for the end cap restaurant units appear to align with market rents. The contract rents will be incorporated into the market-based rent roll. In this instance, the historic rental figures, which are based on percentage rent lease agreements, are viewed as in line with market rents. It is a typical occurrence to utilize a base rental rate with percentage rent clauses and based; however, ultimately the total contract figures secured by these spaces in recent years is congruent with market rent.

Upper Pontalba - Market Rent Conclusions							
Unit ID	Unit Type	Area	Contract Rent	Market Rent	Rent per SF	Lease Type	
500, 502CY, 502S1, 502S2, 502WC St. Peters Street - 633CY, 633S1, 633S2, 635 Decatur Street	Restaurant & Endcap (Allowed Alcohol Sales)	3,147	\$211,612	\$211,612	\$67.24	NNN	
544CY, 544S1, 544S2, 546 St. Peters Street- 632CY, 632S1, 632S2, 634 Chartres Street	Restaurant & Endcap (Allows Alcohol Sales)	3,083	\$227,537	\$227,537	\$73.80	NNN	



Market Rent Conclusion – Interior Retail Units:

The contract rent roll for the general retail units is presented below.

Upper Pontalba Contract Rent Roll - Ground Floor Commercial Units								
Unit ID	Tenant	Lease Type	Area	Annual Base Rent	Base Rent per SF	% Rent*	Total Rent	Rent Per SF
514 St. Peters Street	Cella's Boutique (Latin's Hand Inc.)	NNN	1,063	\$54,368	\$51.15	\$2,192	\$56,561	\$53.21
627CY, 627S1, 631 Decatur Street	The Fudgery, Inc	NNN	1,288	\$49,559	\$38.48	\$4,171	\$53,730	\$41.72
542 St. Peters Street	OMG LLC	NNN	384	\$18,223	\$47.46	\$1,189	\$19,412	\$50.55
504 St. Peters Street	Socks on the Square	NNN	372	\$19,026	\$51.15	\$25,061	\$44,088	\$118.52
532 St. Peters Street	Muse Inspired Fashion	NNN	1,114	\$33,420	\$30.00	\$36,095	\$69,515	\$62.40
522 St. Peters Street	Rendezvous Enterprise Inc	NNN	1,087	\$41,304	\$38.00	\$3,121	\$44,425	\$40.87
536 St. Peters Street	Chapel Headwear LLC	NNN	1,044	\$43,848	\$42.00	\$56,232	\$100,080	\$95.86
510 St. Peters Street	Shoe Be Do NoLa LLC	NNN	1,092	\$19,026	\$17.42	\$3,604	\$22,631	\$20.72
628CY, 628S1, 628S2, 630 Chartres Street	Dirty Coast	NNN	1,335	\$41,172	\$30.84	\$0	\$41,172	\$30.84

In addition to the primary data set, a supplemental data set of small-scale retail comparables is included below.

Small-Scale FQ Retail	Comp A	Comp B	Comp C	Comp D	Comp E
Description	Souvenir Shop	Retail (Vape Store)	Tour Guide Office / Sales	Grocery/Corner Store	Gift Shop
					
Address	629 St. Peter Street	926-928 Canal Street	315 Decatur Street	730 St. Louis Street	711 Bourbon Street
City	New Orleans	New Orleans	New Orleans	New Orleans	New Orleans
Total Annual Rent	\$71,999	\$127,194	\$76,803	\$168,003	\$113,999
Monthly Rent	\$6,000	\$10,600	\$6,400	\$14,000	\$9,500
Rented Area (Avg SF)	560	850	671	1,505	630
Condition	Good	Good	Good	Average	Average to good
Eff. Rent/SF	\$128.57	\$149.64	\$114.46	\$111.63	\$180.95
Comm 1 Lease Type	Gross	Gross	NNN	Gross	Gross
Rent per SF	\$128.57	\$149.64	\$114.46	\$111.63	\$180.95
CAM Charges	-\$10.00	-\$10.00	\$0.00	-\$10.00	-\$10.00
Effective Rent Per SF	\$118.57	\$139.64	\$114.46	\$101.63	\$170.95

The subject's 372 square foot unit has a contract rent of **\$118.52 per square foot**. This rate is considered very well supported by Comp A, which is located 1 block away from the subject. This contract rent appears to align with market rents and will be incorporated into the market rent conclusion.

A market-based rental rate of **\$120.00 per square foot** will be applied to the subject's 384 square foot space. This equates to a monthly rent of \$3,840. While this falls just below the data set's monthly range, it is in line with the range when considering size discrepancies.

The subject's retail units front on Chartres Street, St. Peters Street and Decatur Street. These units range in size from 1,044 to 1,335 square feet. From the primary data set, Comps 1 to 6 represent lease agreements for general retail units, and Comps 1, 3 and 4 represent lease agreements for interior units.



Comparables 1, 2, 4 and 5 represent rental rates for retail units on Royal Street, a corridor with strong pedestrian foot traffic and a healthy retail environment.

Comp 2 sets the high-end of the range. This comp has credibility as a market rent indicator for the subject units, although we note that Comp 2's marketability is bolstered by its hard corner location and excellent visibility.

Comp 4 represents the rent tied to an average quality unit with an interior location on Royal Street.

Comp 5 has a very strategic location between Bourbon Street and St. Louis Cathedral. This unit also has a hard corner, high visible location. Comp 5 is a highly credible market rent indicator for upper tier rents in this market.

Similarly, Comp 3 has an interior-block location on a high-trafficked corridor near several tourism demand drivers. While it has a strong location, this development appears to be slightly inferior in quality relative to the subject.

The comparable data provides excellent support for market rent conclusions of **\$50 to \$55.00 per square foot**.

For these units, we note that the subject's contract rent roll indicates a wide range of contract rents from \$20.72 to \$95.86 per square foot. Based on the ranges presented in the data set, several of these contract rents are considered below market. Alternatively, several of the contract rental rates are viewed as strong relative to the comparable data. This is tied to the successful business operations of the tenant. While the landlord is benefitting, the strong contract rents are not necessarily indicative of market rents. The data supports modest rents for several of the subject units, as summarized below.

Total Market Rent Conclusion – Upper Pontalba Commercial Units:

The preceding discourse is summarized in the below table.

Upper Pontalba - Market Rent Conclusions						
Unit ID	Unit Type	Area	Contract Rent	Market Rent	Rent per SF	Lease Type
500, 502CY, 502S1, 502S2, 502WC St. Peters Street - 633CY, 633S1, 633S2, 635 Decatur Street	Restaurant & Endcap (Allowed Alcohol Sales)	3,147	\$211,612	\$211,612	\$67.24	NNN
514 St. Peters Street	Retail	1,063	\$56,561	\$56,561	\$53.21	NNN
544CY, 544S1, 544S2, 546 St. Peters Street- 632CY, 632S1, 632S2, 634 Chartres Street	Restaurant & Endcap (Allows Alcohol Sales)	3,083	\$227,537	\$227,537	\$73.80	NNN
627CY, 627S1, 631 Decatur Street	Retail	1,288	\$53,730	\$64,400	\$50.00	NNN
542 St. Peters Street	Retail	384	\$19,412	\$46,080	\$120.00	NNN
504 St. Peters Street	Retail	372	\$44,088	\$44,088	\$118.52	NNN
532 St. Peters Street	Retail	1,114	\$69,515	\$61,270	\$55.00	NNN
522 St. Peters Street	Retail	1,087	\$44,425	\$59,785	\$55.00	NNN
536 St. Peters Street	Retail	1,044	\$100,080	\$57,420	\$55.00	NNN
510 St. Peters Street	Retail	1,092	\$22,631	\$60,060	\$55.00	NNN
628CY, 628S1, 628S2, 630 Chartres Street	Retail	1,335	\$41,172	\$66,750	\$50.00	NNN
Totals		15,009		\$955,563		
Average Rent per SF				\$63.67		



With market-based rental rates applied to the subject units, the PGI equates to \$955,563 or \$63.67 per square foot.

Understanding that retail developments of this scale will have varying rental rates, we also note that the total forecasted market rent of \$63.67 per square foot is well supported by the comparable data.

It is also worth noting that Units 542 and 504 feature the highest market rent per square foot conclusion, which is a direct product of their smaller unit sizes at 384 and 372 square feet, respectively. Smaller interior retail units tend to garner the highest rent per square foot figures within the French Quarter due to economies of scale, as well as the high demand for any level of retail space within the French Quarter. As a consequence, the gross rent figures for these two units fall towards the low end of the range, however, their rent per square foot is far higher. This is a product of economies of scale and a typical market dynamic for retail space within the French Quarter. This has been addressed and illustrated by the smaller retail space comparables shown on page 136 above.

Confidential Retail Rental Rates – French Quarter:

As further support for our conclusions of market rent, we offer the following confidential rental rates for a retail development within the subject's immediate vicinity in the French Quarter:

Confidential Comparable - Ground Floor Retail Leases						
Suite	Unit / Description	GLA (sf)	Base Rent	Rent / SF	Type	Exp.
101	Retail - 2-story unit	32,017	\$1,353,728.40	\$42.28	NNN	1/31/2024
103	Retail	6,433	\$418,145.04	\$65.00	NNN	1/31/2028
104	Retail	3,016	\$278,197.44	\$92.24	NNN	9/29/2025
106	Retail	12,000	\$637,478.28	\$53.12	NNN	9/27/2026
Totals		53,466	\$2,687,549			
		Average Rent per SF	\$50.27			

Confidential Comparable - Ground Floor Retail Leases					
Suite	Tenant	GLA (sf)	Annual Base Rent	Rent per SF	Type
101	Retail End Cap - Café	2,770	\$274,230.00	\$99.00	NNN
102	Retail	1,189	\$105,728.04	\$88.92	NNN
104	Retail	2,687	\$240,312.96	\$89.44	NNN
106	Retail	2,264	\$204,920.64	\$90.51	NNN
107A	Retail - Interior Access	1,375	\$48,219.24	\$35.07	NNN
108	Vacant - Interior access	431	--	--	--
110	Retail - Interior Access	3,767	\$239,187.24	\$63.50	NNN
111	Retail - Interior Access	440	\$38,400.00	\$87.27	Gross
112	Vacant - Interior access	166	--	--	--
Occupied SF & Total Contract Rent		14,492	\$1,150,998		
		Average Rent Per Occupied SF	\$79.42		

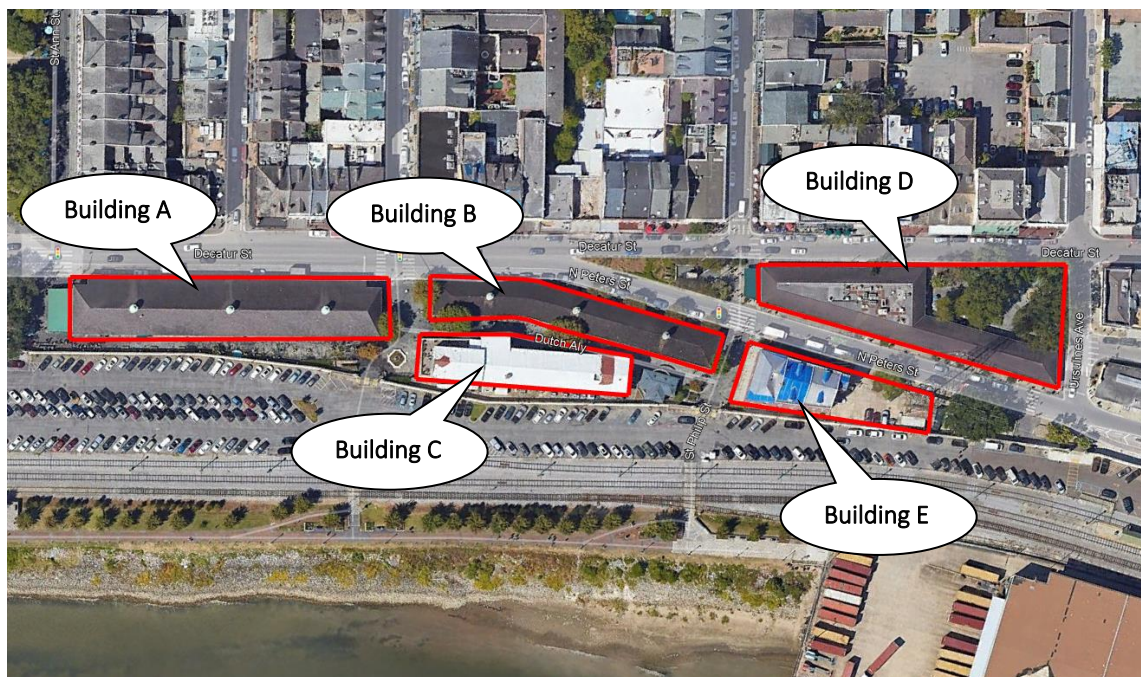
These rental rates provide additional strong support for our forecasted market rent; however, we are not liberty to disclose the location or any further information on this property due to a non-disclosure agreement.



MARKET RENT – COLONNADE BUILDINGS

Subject Overview: Prior to a presentation of the comparable data, a review of the Colonnade Buildings is presented below. The data set presented on the following pages summarizes market rent indicators for Colonnade buildings A, B and D. This development is unique to the New Orleans market given its strong location within the French Quarter and adjoining Jackson Square. In some respect, this location is considered ground zero for tourism, pedestrian traffic flow, and retail shopping. The subject development is akin to an outdoor mall in some respect, but with interior retail spaces.

Buildings C and E are mixed-use buildings with retail and office or event/restaurant spaces. The same retail comparables will be utilized to determine a market rental rate for the retail spaces in buildings C and E, but additional datasets of office and large-scale restaurant / event space are presented to accurately estimate market rent for these spaces.



Prior to a presentation of the retail market survey data, the contract rent rolls are included on the following page.

As will be discussed in the market rent reconciliations, the subject's retail lease agreements are based on a percentage rent structure. The following rent rolls include the base rent, percentage rent, and total effective rent breakdowns. This percentage rent lease structure is a market-driven approach that can be indicative of market rent, but this approach is also dependent on the tenant's performance and is not always synonymous with market rent.



Colonnade Building A - Contract Rent Roll								
Building	Unit Location	Lease Name	Lease Type	Area	Base Annual Rent	% Rent*	Effective Annual Rent	Rent per SF
A	824 Decatur Street	What's New	Retail Net	1,228	\$47,190	\$3,465	\$50,655	\$41.25
A	820 Decatur Street	Merry Christmas and All that Jazz	Retail Net	1,658	\$71,235	\$39,365	\$110,600	\$66.71
A	810 Decatur Street	Aunt Sally's Praline Shop, Inc.	Retail Net	2,532	\$122,543	\$92,085	\$214,628	\$84.77
A	816 Decatur Street	Head To Toe	Retail Net	1,059	\$38,424	\$13,568	\$51,992	\$49.10
A	832 Decatur Street	Belle Louisiane	Retail Net	1,179	\$55,916	\$15,110	\$71,026	\$60.24
A	812 Decatur Street	VooDoo Harley Davidson	Retail Net	1,467	\$61,305	\$51,034	\$112,340	\$76.58
A	800-803 Decatur	Café Du Monde	Retail Net	5,118	\$201,300	\$591,952	\$793,252	\$154.99
A	848 Decatur	Evan's Candy	Retail Net	2,037	\$61,104	\$11,425	\$72,529	\$35.61
Totals				16,278	\$659,018		\$1,477,021	\$90.74
*Percentage rent is an annualized figure based on the 7 or 8 months of provided rent history with Exception of Café Dumonde								

Colonnade Building B - Contract Rent Roll								
Building	Unit Location	Lease Name	Lease Type	Area	Base Annual Rent	% Rent*	Effective Annual Annual Rent	Rent per SF
Building B								
B	900 Decatur Street	The Little Toy Shop	Retail Net	1,042	\$42,036	\$16,425	\$58,461	\$56.10
B	910 Decatur Street	Just Fun Socks, LLC	Retail Net	737	\$26,484	\$36,151	\$62,635	\$84.99
B	910-B1 Decatur Street	Liberty Bank & Trust	Retail Net	155	\$8,076	\$3,716	\$11,792	\$76.08
B	912B Decatur Street	Ground Up Retail, LLC	Retail Net	410	\$15,876	\$10,769	\$26,645	\$64.99
B	912, 916 Decatur Street	Red Lester	Retail Net	1,368	\$51,108	\$2,742	\$53,850	\$39.36
B	930 Decatur Street	Baby One	Retail Net	763	\$23,952	\$6,345	\$30,297	\$39.71
B	936, 940 Decatur Street	Pop City	Retail Net	1,384	\$52,224	\$6,408	\$58,632	\$42.36
				5,859	\$219,756		\$302,312	\$51.60
*Percentage rent is an annualized figure based on the 7 or 8 months of provided rent history								



Colonnade Building C - Contract Rent Roll								
Building	Unit Location	Lease Name	Lease Type	Area	Base Annual Rent	% Rent*	Effective Annual Annual Rent	Rent per SF
C	912 N. Peters Street	Dutch Alley Artist's Co-Op	Retail Net	3,028	\$88,029	\$16,684	\$104,713	\$34.58
C	916 N. Peters Street	U.S. General Services Administration	Office Gross	2,139	\$38,502	\$0	\$38,502	\$18.00
C	914-1L, 914-1R, 914-2, 914-2B, 914-M1, 914-M2 N. Peters	Marche	Retail Net	10,790	\$168,000	\$15,974	\$183,974	\$17.05
				15,957	\$294,531		\$327,189	\$20.50
*Percentage rent is an annualized figure based on the 7 or 8 months of provided rent history								

Colonnade Building D - Contract Rent Roll								
Building	Unit Location	Lease Name	Lease Type	Area	Base Annual Rent	% Rent*	Effective Annual Annual Rent	Rent per SF
D	1000 Decatur Street	Market Café	Retail Net	5,177	\$117,756	\$118,027	\$235,783	\$45.54
D	1010 Deactur Street	Southern Candy Company of Louisiana, Inc	Retail Net	789	\$44,890	\$22,496	\$67,386	\$85.41
D	1022- 1023 N. Peters Street	Lalosh Silver, LLC	Retail Net	268	\$10,629	\$1,248	\$11,878	\$44.32
D	1016-I- 1016-O- 1018 Decatur Street	The Gazebo Cafe, LLC	Retail Net	4,843	\$74,832	\$75,348	\$150,180	\$31.01
D	1025 N. Peters Street	Latin Hand's	Retail Net	513	\$32,282	\$25,403	\$57,685	\$112.45
D	1021 N. Peters Street	African Art	Retail Net	242	\$13,150	\$5,304	\$18,454	\$76.26
				Totals	11,833	\$293,540	\$541,366	\$45.75
*Percentage rent is an annualized figure based on the 7 or 8 months of provided rent history								


Colonnade Building E - Contract Rent Roll								
Building	Unit Location	Lease Name	Lease Type	Area	Base Annual Rent	% Rent*	Effective Annual Annual Rent	Rent per SF
E	1008 B N. Peters Street	Friends of WWOZ, Inc.	Office Fixed	4,258	\$43,438	\$0	\$43,438	\$10.20

The Colonnade Building E is a vacant building, as of the effective date of this market rent study has the WWOZ tenant has vacated the space.



Market Rent Comparables

We have selected seven comparable properties for this analysis, which are presented on the following pages, along with a location map and an analysis grid. All competitive comparable data have been sourced from multiple sources, inspected and verified by a transaction participant.

Comparable Rental Number 1 Retail		
	MCECO ID:	47515
	ADDRESS	619 Canal Street New Orleans, LA 70130
	CONDITION	Good
	RENTAL RATE	\$106.88 per square foot
	LEASE STRUCTURE	Modified Gross
	SIZE	2,470
	ANNUAL RENT	\$263,994
	SURVEY DATE	February 1, 2023
Description of Improvements		
The improvements consist of a historic mixed use building located on the corner of Canal Street and Exchange Place in the CBD. The ground floor includes 2,470 square feet that is occupied by Popeyes.		
Lease Comments		
This property is leased to Popeyes. The reported rental rate is \$264,000 per annum. Based on the ground floor area of 2,470 square feet, this equates to \$106.88 per square foot. The lease is reportedly on modified gross terms where the rental rate includes taxes and insurance.		
Confirmation		
Market Participant Coleman Adler		



Comparable Rental Number 2



MCECO ID:	33411
ADDRESS	738 Canal Street New Orleans, LA 70130
CONDITION	Good
RENTAL RATE	\$78.74 per square foot
LEASE STRUCTURE	NNN
SIZE	3,368
ANNUAL RENT	\$265,196
SURVEY DATE	January 1, 2021

Description of Improvements

The improvements consist of a 3,062 square foot ground floor retail unit with direct frontage and access on Canal Street in the Central Business District of New Orleans, Louisiana. In the retail area, the interior finishes consist of tile floors, painted sheetrock walls with built-in shelving, and a metal panel ceiling. The tenant also has access to the upper floor units, which are utilized as storage and not included in the GBA. Overall, the improvements are considered to be in good condition.

Lease Comments

As of January 2021, the Kids Foot Locker unit is leased for \$22,816.67 per month, which equates to \$273,800 per annum or \$89.42 per square foot. The lease is on NNN terms where the tenant is responsible for the reimbursement of property taxes, insurance, and maintenance. The lease runs through 2027 and has an additional five year option.

Confirmation

Previous Appraisal, The McEnery Company



Comparable Rental Number 3



MCECO ID:	33476
ADDRESS	801-5 Canal Street New Orleans, LA 70112
CONDITION	Very good
RENTAL RATE	\$85.50 per square foot
LEASE STRUCTURE	NNN
SIZE	5,342
ANNUAL RENT	\$456,741
SURVEY DATE	September 25, 2019

Description of Improvements

The improvements consist of three adjoined historic commercial buildings located on the high-traffic, high-visibility intersection of Bourbon and Canal Streets in downtown New Orleans. The buildings are constructed along the sidewalk in a continuous streetscape and were combined in 2014 to establish a single ground-floor retail space. The structures have a total size of 21,662 square feet with a first floor GBA of 5,342 square feet. The upper levels remain unoccupied. Exterior elements include glass storefront windows on Canal Street, awnings, and other traditional Greek Revival features. The ground floor is built out for retail use and is in overall very good condition.

Lease Comments

The ground floor retail unit is occupied by Walgreens for \$456,756 per annum or \$85.50 per FFGBA. This is a long-term lease and the last rental escalation was March 1, 2019. This is a NNN lease with the tenant responsible for all operating expenses.

Confirmation

Property Manager Heather Grant (504) 526-2764



Comparable Rental Number 4



MCECO ID:	41553
ADDRESS	211-219 Royal Street New Orleans , LA 70130
CONDITION	Excellent
RENTAL RATE	\$113.87 per square foot
LEASE STRUCTURE	NNN
SIZE	4,661
ANNUAL RENT	\$530,748
SURVEY DATE	November 5, 2021

Description of Improvements

The improvements consist of a 40,195 square foot, 18-unit historic French Quarter property comprised of two originally distinct buildings. The extensive renovation of the property was completed in 2019/20. The ground floor is comprised of (3) commercial units. Unit 213 is 1,336 square feet; Unit 215 is 2,177 square feet; and Unit 217 is 1,148 square feet. The second floor is comprised of a 9,463 square foot event venue/restaurant, while remaining upper floors feature 14 residential units.

Lease Comments

This recently renovated, mixed-use building features three ground floor commercial units that are 100% leased. All leases are on NNN terms. Unit 213 is leased to a general retailer (Italy Direct) for \$13,500 per month or \$121.26 per square foot. Unit 215 is leased to another retailer (Fischer-Gambino) at a rate of \$15,727.67 per month or \$86.69 per square foot. Unit 217 is leased to a restaurant (Sucre) at a rate of \$15,000 or \$156.79 per square foot. The average rental rate equates to \$113.87 per square foot.

Tenant	Size	Eff.\$/SF	Type
Average (Ground Floor)	4,661	\$113.87	NNN
Italy Direct	1,336	\$121.26	NNN
WGM	2,177	\$86.69	NNN
Sucre	1,148	\$156.79	NNN

Confirmation

Previous 2021 McEnery Co. Appraisal



Comparable Rental Number 5 | South Market District



MCECO ID:	38872
ADDRESS	Girod Street & Julia Street New Orleans, LA 70113
CONDITION	Excellent
RENTAL RATE	\$39.99 per square foot
LEASE STRUCTURE	NNN
SIZE	48,320
ANNUAL RENT	\$1,932,204
SURVEY DATE	June 29, 2021

Description of Improvements

South Market consists of a multi-building, mixed-use development featuring approximately 200,000 square feet of ground floor retail and approximately 700 upper floor residential apartments and condos. Begun in 2012, the five-phase development was completed in Q4 2021.

Lease Comments

A rent roll featuring a selection of units within this development has been summarized below.



South Market Selected Rent Roll					
Unit	Size (SF)	Tenant	Monthly Rent	Annual Rent	Rent per SF
<i>The Standard</i>					
101	2,760	Terry Dental	\$5,203	\$62,436	\$22.62
102	4,250	Eustis	\$14,167	\$170,000	\$40.00
107	3,365	Otra Vez	\$10,109.02	\$121,308	\$36.05
108	2,200	Rye 51	\$8,250	\$99,000	\$45.00
112A	1,556	Fidelity	\$5,188	\$62,250	\$40.01
<i>The Paramount</i>					
10	1,824	Magasin	\$7,030	\$84,364	\$46.25
11	4,218	Willa Jean	\$15,000	\$180,000	\$42.67
2	3,392	Maypop	\$11,307	\$135,680	\$40.00
3	2,156	Nola Barre	\$5,631	\$67,572	\$31.34
7	2,881	District	\$10,973	\$131,670	\$45.70
8	2,102	Backfilled Rest.	\$8,536	\$102,432	\$48.73
9	2,402	Blaze	\$8,367	\$100,404	\$41.80
<i>The Beacon</i>					
1	2,502	Nightwater	\$9,383	\$112,590	\$45.00
2	1,791	Zeus's	\$4,627	\$55,521	\$31.00
3	1,824	Lukka	\$5,168	\$62,016	\$34.00
4A	2,145	Starbucks (Closed)	\$8,401	\$100,815	\$47.00
4B	1,000	Aqua S	\$3,333	\$40,000	\$40.00
6A	1,346	Daily Beet	\$5,160	\$61,916	\$46.00
6B	730	Blanc	\$2,433	\$29,200	\$40.00
7	1,374	Hair Loft	\$5,038	\$60,456	\$44.00
8	2,502	Body B Fit	\$7,715	\$92,574	\$37.00
Average					\$39.99
Confirmation					
Representative of the Landlord- The Domain Companies; Previous McEnery Co.					



Comparable Rental Number 6 | The Outlet Collection at Riverwalk



MCECO ID:	42658
ADDRESS	500 Port of New Orleans Place New Orleans, LA 70130
CONDITION	Very good
RENTAL RATE	\$32.18 per square foot
LEASE STRUCTURE	NNN
SIZE	186,516
ANNUAL RENT	\$6,001,268
SURVEY DATE	2Q2022

Description of Improvements

The focus of this comparable includes 43 long-term leases within the Outlet Collection at Riverwalk in New Orleans, LA. This outlet center was constructed in 1986 and renovated in 2014. The development includes over 75 retailers and restaurants including Polo Ralph Lauren, Nordstrom Rack, Levi's, Coach, Forever 21, Under Armor, and Tommy Hilfiger.

Lease Comments

At the time of our survey, this development was occupied with long-term and short-term tenants. The short-term leases have been disregarded in this analysis. Inclusive of the annual base rent and percentage rent, the total rent per square foot is \$32.18. A rent roll summary is included below.

Rent Roll Summary - Long Term Tenants Only								
Type	Unit Count	NRA	Monthly Rent	Annual Rent	Rent per SF	Annual % Rent	Effective Rent	Rent per SF
Base Rent Retail	43	141,548	\$402,158	\$4,825,898	\$34.09	\$105,710	\$4,931,608	\$34.84
Percentage Rent Retail	3	39,554	\$43,421	\$521,057	\$13.17	n/a	\$521,057	\$13.17
Food Court	6	4,820	\$31,702	\$380,424	\$78.93	\$34,644	\$415,068	\$86.11
Kiosk	2	594	\$11,128	\$133,536	\$224.81	\$0	\$133,536	\$224.81
Total Long-Term Units	54	186,516	\$488,410	\$5,860,915	\$31.42	\$140,354	\$6,001,268	\$32.18

In addition to this condensed rent roll, the entire rent roll is presented on the following page.

Confirmation

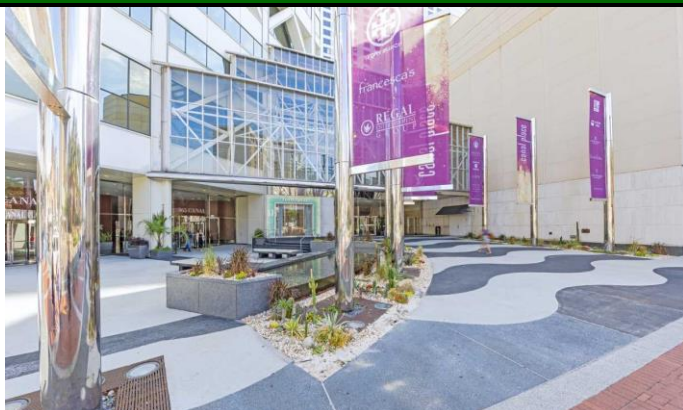
McEnery Co. Appraisal



Detailed Rent Roll Breakdown - The Outlets at Riverwalk												
Long-Term Retail Units												
Suite	Tenant	Size (SF)	Lease Commence	Lease Termination	Monthly Rent	Annual Rent	Rent per SF	Percentage Rent	Effective Annual Rent	Effective Rent per SF	% of Sales Rent	Breakpoint
115	Chico's	2,982	4/1/2020	1/31/2025	\$8,499	\$101,984	\$34.20	\$0.00	\$101,984	\$34.20	5%	\$2,039,688
117	Kate Spade	2,000	8/28/2019	1/31/2030	\$5,863	\$70,353	\$35.18	\$0.00	\$70,353	\$35.18	3.50%	\$2,857,143
118	Samsonite	1,425	6/26/2019	1/31/2025	\$3,943	\$47,319	\$33.21	\$0.00	\$47,319	\$33.21	4%	\$1,182,985
118B	The Cosmetics Co.	1,571	8/15/2020	8/31/2030	\$4,006	\$48,073	\$30.60	\$0.00	\$48,073	\$30.60	Unknown	Unknown
120	Fossil	3,000	5/22/2014	1/31/2025	\$8,000	\$96,000	\$32.00	\$0.00	\$96,000	\$32.00	5%	\$1,920,000
121	Levi's	3,426	9/14/2018	1/31/2024	\$10,919	\$131,029	\$38.25	\$0.00	\$131,029	\$38.25	5%	\$2,620,578
123	Luxury Studio	892	6/1/2022	5/30/2027	\$3,345	\$40,140	\$45.00	\$0.00	\$40,140	\$45.00	8%	\$501,750
122	Skechers	3,609	7/29/2019	1/31/2025	\$8,421	\$101,052	\$28.00	\$0.00	\$101,052	\$28.00	5%	\$2,021,040
130A	Gap	8,842	5/22/2014	5/31/2024	\$16,210	\$194,524	\$22.00	\$0.00	\$194,524	\$22.00	5%	\$5,067,080
132	Locker Room	2,707	5/22/2014	1/31/2025	\$8,588	\$103,055	\$38.07	\$0.00	\$103,055	\$38.07	6%	\$1,717,580
138	Quality Fragrance Group	1,349	2/20/2020	1/31/2025	\$4,839	\$58,068	\$43.05	\$0.00	\$58,068	\$43.05	6%	\$691,291
140	Café Dumonde	1,995	5/22/2014	1/31/2025	\$9,144	\$109,725	\$55.00	\$64,672	\$174,397	\$87.42	10%	\$1,097,250
144	Nola Tropical Winery	945	7/1/2019	1/31/2025	\$3,583	\$42,999	\$45.50	\$0.00	\$42,999	\$45.50	6%	\$974,359
146	Guess	7,052	5/22/2014	1/31/2024	\$20,962	\$251,545	\$35.67	\$0.00	\$251,545	\$35.67	5%	\$5,030,897
148	Tommy Bahama	4,500	6/1/2021	1/31/2025	\$11,250	\$135,000	\$30.00	\$0.00	\$135,000	\$30.00	6%	\$2,250,000
150	It'Sugar	1,505	5/22/2014	4/30/2025	\$5,861	\$70,336	\$46.73	\$0.00	\$70,336	\$46.73	5%	\$1,406,730
156	Johnson & Murphy	2,142	5/22/2014	1/31/2025	\$6,806	\$81,666	\$38.13	\$2,411	\$84,077	\$39.25	6%	\$1,361,101
158	Calvin Klein	2,090	10/20/2017	1/31/2028	\$6,861	\$82,331	\$39.39	\$0.00	\$82,331	\$39.39	Unknown	Unknown
159	Francesca's	1,516	9/12/2017	2/29/2028	\$4,977	\$59,719	\$39.39	\$0.00	\$59,719	\$39.39	5%	\$1,194,390
160	Sunglass Hut	1,087	5/22/2014	1/31/2025	\$4,167	\$50,002	\$46.00	\$2,646	\$52,648	\$48.43	6%	\$833,367
162	Puma	4,771	4/1/2020	1/31/2026	\$13,701	\$164,411	\$34.46	\$0.00	\$164,411	\$34.46	6%	\$2,740,190
165	Le Creuset	1,828	12/22/2015	1/31/2027	\$7,064	\$84,766	\$46.37	\$0.00	\$84,766	\$46.37	5%	\$1,695,322
200	Nola & Co.	2,395	4/1/2020	1/31/2026	\$7,364	\$88,366	\$36.90	\$850	\$89,216	\$37.25	10%	\$883,664
202	Crabby Jacks	2,000	9/13/2014	1/31/2025	\$6,126	\$73,516	\$36.76	\$20,407	\$93,923	\$46.96	8%	\$918,949
203	Carter's	3,920	5/22/2014	5/31/2024	\$10,447	\$125,362	\$31.98	\$0.00	\$125,362	\$31.98	6%	\$2,195,735
205	Tao Spa	1,594	5/11/2021	1/31/2027	\$3,321	\$39,850	\$25.00	\$0.00	\$39,850	\$25.00	8%	\$498,125
207	Lids	970	2/26/2018	1/31/2029	\$5,591	\$67,088	\$69.16	\$0.00	\$67,088	\$69.16	6%	\$1,118,128
208	Journeys	2,000	12/21/2015	1/31/2027	\$8,358	\$100,300	\$50.15	\$0.00	\$100,300	\$50.15	7%	\$1,432,863
209	Great American Cookies	347	5/22/2014	1/31/2025	\$1,417	\$17,003	\$49.00	\$0.00	\$17,003	\$49.00	Unknown	Unknown
210	The Fudgery	913	5/22/2014	1/31/2025	\$4,211	\$50,529	\$55.34	\$0.00	\$50,529	\$55.34	10%	\$505,294
218	Crocs	1,800	5/22/2014	1/31/2025	\$6,088	\$73,055	\$40.59	\$0.00	\$73,055	\$40.59	7%	\$1,043,636
222	Mardi Gras Masquerade	3,400	6/1/2020	7/31/2026	\$8,866	\$106,386	\$31.29	\$0.00	\$106,386	\$31.29	6%	\$1,773,100
226	Haagen Dazs	507	4/1/2020	7/31/2025	\$4,044	\$48,532	\$95.72	\$0.00	\$48,532	\$95.72	10%	\$485,320
245	Nordstrom Rack	34,456	10/6/2016	10/31/2016	\$82,120	\$985,442	\$28.60	\$0.00	\$985,442	\$28.60	None	Unknown
247	Fat Tuesday	665	5/22/2014	1/31/2026	\$4,771	\$57,251	\$86.09	\$14,724	\$71,975	\$108.23	10%	\$572,506.28
249	Smoothie King	404	5/22/2014	1/31/2025	\$7,062	\$84,738	\$209.75	\$0.00	\$84,738	\$209.75	10%	\$1,008,497
257	Tommy Hilfiger	6,000	9/25/2017	1/31/2028	\$16,883	\$202,592	\$33.77	\$0.00	\$202,592	\$33.77	5%	\$4,051,832
263	Steve Madden	2,275	5/22/2014	1/31/2025	\$5,829	\$69,949	\$30.75	\$0.00	\$69,949	\$30.75	6%	\$1,165,818
267	Under Armour	7,000	3/13/2019	1/31/2025	\$17,500	\$210,000	\$30.00	\$0.00	\$210,000	\$30.00	5%	\$4,200,000
268	Lavelier	2,630	1/29/2021	1/31/2026	\$8,578	\$102,938	\$39.14	\$0.00	\$102,938	\$39.14	8%	\$1,286,728
270	Famous Footwear	5,240	4/1/2020	5/31/2025	\$12,633	\$151,600	\$28.93	\$0.00	\$151,600	\$28.93	5%	\$3,039,200
280	Rock n Roll Sushi	1,198	11/12/2019	6/30/2025	\$3,707	\$44,484	\$37.13	\$0.00	\$44,484	\$37.13	6%	\$800,000
287	Louisiana Tax Free	600	5/22/2014	5/21/2024	\$235	\$2,820	\$4.70	\$0.00	\$2,820	\$4.70	Unknown	Unknown
Total Retail		141,548			\$402,158	\$4,825,898	\$34.09	\$105,710	\$4,931,608	\$34.84		
Food Court												
227	Auntie Anne's	500	5/22/2014	1/31/2025	\$2,562	\$30,747	\$61.49	\$0.00	\$30,747	\$61.49	6%	\$512,447.44
230	Villa Fresh Italian Kitchen	752	5/22/2014	1/31/2027	\$4,939	\$59,266	\$78.81	\$0.00	\$59,266	\$78.81	Unknown	Unknown
231	South Philly Steaks & Fries	760	2/18/2013	1/31/2027	\$4,991	\$59,897	\$78.81	\$0.00	\$59,897	\$78.81	Unknown	Unknown
232	The Market by Villa	784	5/22/2014	1/31/2027	\$5,149	\$61,788	\$78.81	\$0.00	\$61,788	\$78.81	Unknown	Unknown
234	Mandarin Express	924	5/22/2014	1/31/2025	\$6,056	\$72,673	\$78.65	\$34,644	\$107,317	\$116.14	8%	\$908,407.50
242	Raising Cane's	1,100	5/22/2014	1/31/2025	\$8,004	\$96,053	\$87.32	\$0.00	\$96,053	\$87.32	7%	\$1,372,188
Total Food Court		4,820			\$31,702	\$380,424	\$78.93	\$34,644	\$415,068.00	\$86.11		
Kiosk												
9122	River Bar	522	4/22/2021	7/31/2026	\$5,628	\$67,536	\$129.38	\$0.00	\$67,536	\$129.38	10%	\$655,680
C300	Nola Wireless Accessories	72	6/1/2020	5/31/2023	\$5,500	\$66,000	\$916.67	\$0.00	\$66,000	\$916.67	Unknown	Unknown
Total Kiosk		594			\$11,128	\$133,536	\$224.81	n/a	\$133,536	\$224.81		



Comparable Rental Number 7 | The Shops at Canal Mall



MCECO ID:	46341
ADDRESS	333 Canal Street New Orleans, LA 70130
CONDITION	Very good
RENTAL RATE	\$54.03 per square foot
LEASE STRUCTURE	NNN
SIZE	216,938
ANNUAL RENT	\$11,720,967
SURVEY DATE	September 2023

Description of Improvements

The Shops at Canal place consist of 216,938 square feet of a larger 2.15 million square foot, mixed-use development. Other portions of this development include a 438-room, full-service Westin hotel; a 1,606 space parking garage; and a 641,415 square foot, 32-story office tower.

This high-end retail center features approximately 31 units across three levels. Originally constructed around 1982, the facility was renovated to its current layout in 2006. The property's primary anchor tenant units have been summarized below.

Anchor Tenant Spaces	
<u>Tenant</u>	<u>SF</u>
Saks Fifth Ave.	106,682
Prytania Theatre	21,734
Westin Conference Center	17,578
Anthropologie	13,653
Banana Republic	8,808

Lease Comments

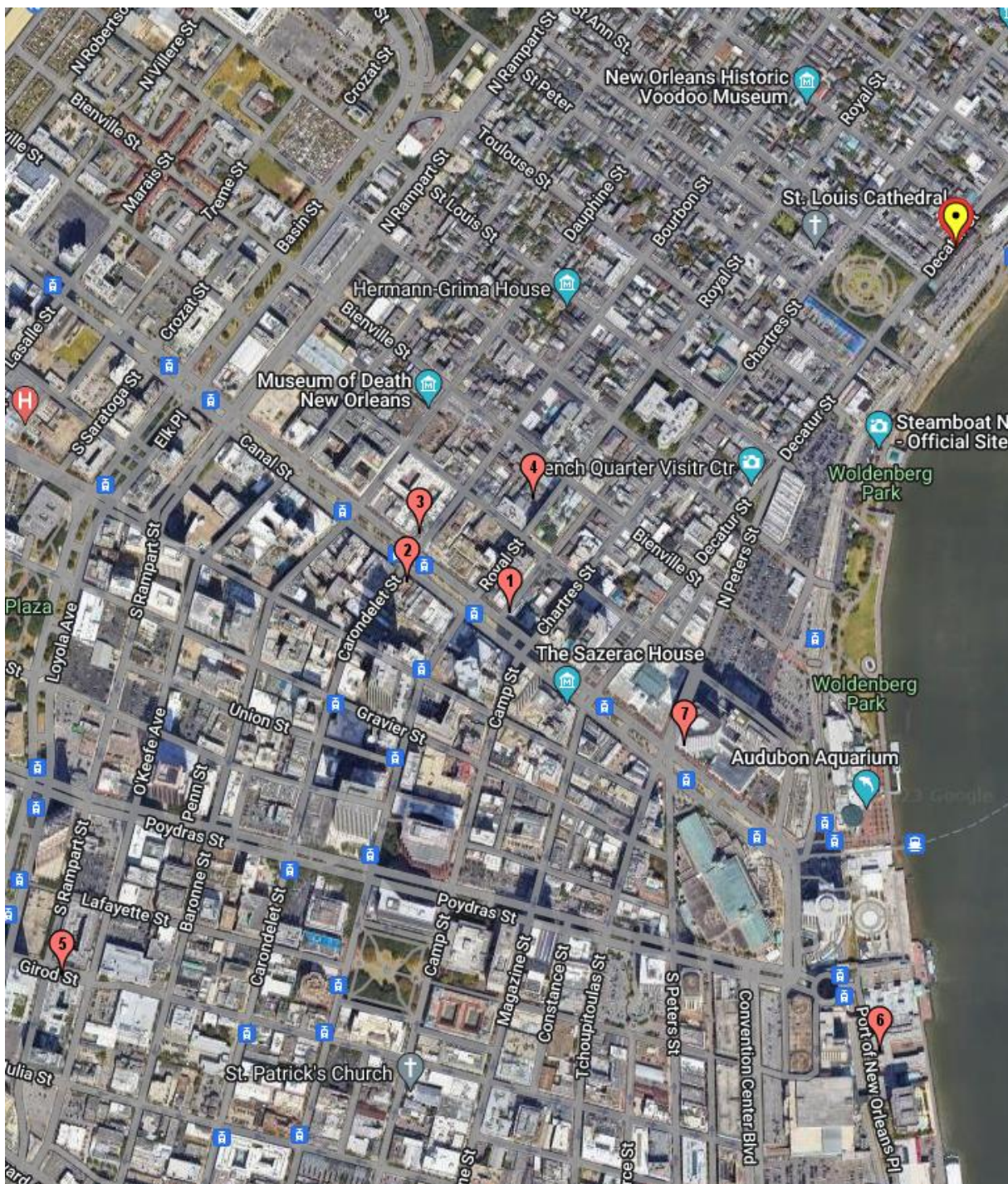
Revenue and occupancy revenue figures provided by Trepp have been summarized below.



Operating Summary				
	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>
Base Rent	\$11,720,967	\$8,578,671	\$7,951,794	\$11,600,904
Rent per SF	\$54.03	\$39.54	\$36.65	\$53.48
Tenant Reimbursements	\$1,757,746	\$1,424,748	\$1,330,251	\$1,727,827
<i>Reimbursements per SF</i>	<i>\$8.10</i>	<i>\$6.57</i>	<i>\$6.13</i>	<i>\$7.96</i>
Occupancy	98%	97%	97%	85%
Confirmation				
Trepp				



COMPETITION COMPARABLES MAP



COMPETITION COMPARABLE ANALYSIS GRID

Lease Analysis Grid		Subject	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Comp 6	Comp 7
			Restaurant	Retail	Retail	Retail	MT Retail	Mall	Mall
									
Address	Decatur & N. Peters Streets	619 Canal Street	738 Canal Street	801-5 Canal Street	211-219 Royal Street	Girod & Julia Streets	500 Port of New Orleans Place	333 Canal Street	
City	New Orleans	New Orleans	New Orleans	New Orleans	New Orleans	New Orleans	New Orleans	New Orleans	
Total Annual Rent		\$263,994	\$265,196	\$456,741	\$530,748	\$1,932,204	\$6,001,268	\$11,720,967	
Monthly Rent		\$21,999	\$22,100	\$38,062	\$44,229	\$161,017	\$500,106	\$976,747	
Rented Area (Avg SF)		2,470	3,368	5,342	4,661	48,320	186,516	216,938	
Condition	Average/Good	Good	Good	Very good	Excellent	Excellent	Very good	Very good	
Eff. Rent/SF		\$106.88	\$78.74	\$85.50	\$113.87	\$39.99	\$32.18	\$54.03	
Comm 1 Lease Type		Modified Gross	NNN	NNN	NNN	NNN	NNN	NNN	
Rent per SF		\$106.88	\$78.74	\$85.50	\$113.87	\$39.99	\$32.18	\$54.03	
CAM Charges		-\$5.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
Effective Rent Per SF		\$101.88	\$78.74	\$85.50	\$113.87	\$39.99	\$32.18	\$54.03	



Discussion of Comparable Rental Data – Colonnade Buildings A, B & D:

Prior to a discussion of the comparable data and each Colonnade building, a confidential comparable is presented below.

Supplemental Confidential Comparables:

In addition to the data set, we present two confidential comparables below. The exact locations and tenant mixes will remain confidential; however, we note that the below rent rolls reflect retail units in mixed-use commercial developments on Decatur Street.

Confidential Comparable - Ground Floor Retail Leases						
Suite	Unit / Description	GLA (sf)	Base Rent	Rent / SF	Type	Exp.
101	Retail - 2-story unit	32,017	\$1,353,728.40	\$42.28	NNN	1/31/2024
103	Retail	6,433	\$418,145.04	\$65.00	NNN	1/31/2028
104	Retail	3,016	\$278,197.44	\$92.24	NNN	9/29/2025
106	Retail	12,000	\$637,478.28	\$53.12	NNN	9/27/2026
Totals		53,466	\$2,687,549			
Average Rent per SF			\$50.27			

Confidential Comparable - Ground Floor Retail Leases					
Suite	Tenant	GLA (sf)	Annual Base Rent	Rent per SF	Type
101	Retail End Cap - Café	2,770	\$274,230.00	\$99.00	NNN
102	Retail	1,189	\$105,728.04	\$88.92	NNN
104	Retail	2,687	\$240,312.96	\$89.44	NNN
106	Retail	2,264	\$204,920.64	\$90.51	NNN
107A	Retail - Interior Access	1,375	\$48,219.24	\$35.07	NNN
108	Vacant - Interior access	431	--	--	--
110	Retail - Interior Access	3,767	\$239,187.24	\$63.50	NNN
111	Retail - Interior Access	440	\$38,400.00	\$87.27	Gross
112	Vacant - Interior access	166	--	--	--
Occupied SF & Total Contract Rent		14,492	\$1,150,998		
Average Rent Per Occupied SF			\$79.42		

While we cannot disclose additional details on these two confidential rent rolls, they are highly credible market rent indicators for the subject.

Together, the Colonnade buildings create a pedestrian-friendly outdoor mall-type development. Colonnade Buildings A, B and D all feature exterior-access retail units with premier locations in the French Quarter.



Colonnade Building A – Café Du Monde Unit:

Colonnade Building A's end cap café unit is perhaps one of the premier restaurant / café locations in the metro market. The unit is comprised of 5,118 square feet with sizes as outlined below.

800 DECATUR STREET	
FRENCH MARKET BUILDING A	
AREA: CONDITIONED	
■ Ground Floor	1,946.61 SF
■ Second Floor	0 SF
■ Total	1,946.61 SF
AREA: NON-CONDITIONED	
■ Patio Seating	2,024.93 SF
■ Awning Seating	1,146.75 SF
■ Total	3,171.68 SF
■ Total Area: Under Roof	5,118.29 SF

While much of the rentable area is not conditioned, the space is still viewed as highly marketable. In a highly regulated and historic market such as the French Quarter where there is a scarcity of developable land and expansion room, outdoor seating and patio spaces are categorized as revenue generating space. This unit is also strategically positioned to benefit from pedestrian traffic flows from major tourism demand drivers, namely Jackson Square, St. Louis Cathedral, and the riverfront pedestrian walking path. Although we note that this unit does benefit from the name recognition of its current tenant, the unit would certainly retain strong marketability absent Café Du Monde's tenancy.

The contract lease agreement is based on a percentage rent clause. This lease structure is advantageous in a dynamic market such as the French Quarter where sales may fluctuate seasonally or due to special events. This arrangement offers flexibility and better capital management for the tenant. Based on historic revenue figures, the Café Dumonde space is paying typically \$793,525 or \$155 per square foot on net terms.

The contract rent aligns with the upper-tier of the market rental rate range. This is to be expected in light of the unit's premier location.

In the competitive market survey grid, the average rental rate for Comp 6 is presented. However, we note that this development also includes a unit leased to Café Du Monde. Inclusive of base and percentage rent charges, this tenant is paying \$87.42 per square foot for a 1,995 square foot space. While the subject's contract rent falls above this indicator, the subject has a superior and iconic location.

In addition, we present the food court rental rates within the Outlets at Riverwalk.



Food Court Rent Roll Breakdown - The Outlets at Riverwalk									
<u>Suite</u>	<u>Tenant</u>	<u>Monthly Rent</u>	<u>Annual Rent</u>	<u>Rent per SF</u>	<u>Percentage Rent</u>	<u>Effective Annual Rent</u>	<u>Effective Rent per SF</u>	<u>% of Sales Rent</u>	<u>Breakpoint</u>
Food Court									
227	Auntie Anne's	\$2,562	\$30,747	\$61.49	\$0.00	\$30,747	\$61.49	6%	\$512,447.44
230	Villa Fresh Italian Kitchen	\$4,939	\$59,266	\$78.81	\$0.00	\$59,266	\$78.81	Unknown	Unknown
231	South Philly Steaks & Fries	\$4,991	\$59,897	\$78.81	\$0.00	\$59,897	\$78.81	Unknown	Unknown
232	The Market by Villa	\$5,149	\$61,788	\$78.81	\$0.00	\$61,788	\$78.81	Unknown	Unknown
234	Mandarin Express	\$6,056	\$72,673	\$78.65	\$34,644	\$107,317	\$116.14	8%	\$908,407.50
242	Raising Cane's	\$8,004	\$96,053	\$87.32	\$0.00	\$96,053	\$87.32	7%	\$1,372,188
Total Food Court		\$31,702	\$380,424	\$78.93	\$34,644	\$415,068.00	\$86.11		

The strongest rental rate in this development is \$116 per square foot and provides support for the subject's historic rent.

Additionally, we point to the café rental rate within the confidential rent rolls. The café unit is leased for \$99 per square foot with a base rental rate only and no percentage rent payments.

A high-end reconciliation for the subject unit is justified. A market-based rent of \$125 per square foot will has been reconciled for market rent based on the current market indicators.

This market rental rate conclusion is analyzed in terms of the restaurant's revenue potential following the market rent discussions for the balance of the Colonnade development.



Colonnade Building A – Retail Units:

The balance of this building's units are general retail spaces with sizes ranging from 1,059 square feet to 2,532 square feet. These units are also leased with a percentage rent structure. As previously explained, this structure can be indicative of market rent. However, this structure does not automatically correlate to market rent as it is partially dependent upon the performance of each individual tenant.

Within the Colonnade Building A, the unit bearing the address 810 Decatur Street is positioned close to Café Du Monde. As the addresses increase, the locations move farther down Decatur Street. The units closer to Café Du Monde and Jackson Square carry superior marketability relative to the units farther down Decatur Street.

Keeping this trend in mind as well as the strength of the tenants and percentage rent clauses, the contract rents for 810 and 812 Decatur Streets are viewed as in line with market rent. These contract rental rates are well supported by Comps 1 to 4 and the confidential comparables.

Subject units 816 to 832 Decatur Street are viewed as having contract rental rates that fall below market rents. While these units are anticipated to achieve rental rates that fall below the Café Du Monde unit, the contract rental rates are viewed as below market in light of the ranges supported by the comparable data.

As shown below, market-based reconciliations of \$65 to \$85 per square foot are applied to these spaces.

Colonnade Building A Market Rent Conclusion						
Unit Location	Unit Type	Lease Type	Area	Contract Rent	Market Rent	Rent per SF
800-803 Decatur	End Cap - Café	NNN	5,118	\$793,252	\$639,750	\$125.00
810 Decatur Street	Interior Retail	NNN	2,532	\$214,628	\$214,628	\$84.77
812 Decatur Street	Interior Retail	NNN	1,467	\$112,340	\$112,340	\$76.58
816 Decatur Street	Interior Retail	NNN	1,059	\$51,992	\$79,425	\$75.00
820 Decatur Street	Interior Retail	NNN	1,658	\$110,600	\$107,770	\$65.00
824 Decatur Street	Interior Retail	NNN	1,228	\$50,655	\$85,960	\$70.00
832 Decatur Street	Interior Retail	NNN	1,179	\$71,026	\$82,530	\$70.00
848 Decatur Street	End Cap - Retail	NNN	2,037	\$72,529	\$173,145	\$85.00
Totals			16,278		\$1,495,548	\$91.88

When looking at the total PGI, the rent per square foot equates to \$91.88 This figure is well supported by the primary comparable dataset.



Colonnade Building B:

As a review, the contract rent roll for Colonnade Building B is included below.

Colonnade Building B - Contract Rent Roll								
Building	Unit Location	Lease Name	Lease Type	Area	Base Annual Rent	% Rent*	Effective Annual Annual Rent	Rent per SF
Building B								
B	900 Decatur Street	The Little Toy Shop	Retail Net	1,042	\$42,036	\$16,425	\$58,461	\$56.10
B	910 Decatur Street	Just Fun Socks, LLC	Retail Net	737	\$26,484	\$36,151	\$62,635	\$84.99
B	910-B1 Deactur Street	Liberty Bank & Trust	Retail Net	155	\$8,076	\$3,252	\$11,328	\$73.08
B	912B Decatur Street	Ground Up Retail, LLC	Retail Net	410	\$15,876	\$10,769	\$26,645	\$64.99
B	912, 916 Decatur Street	Red Lester	Retail Net	1,368	\$53,471	\$2,742	\$56,213	\$41.09
B	930 Deactur Street	Baby One	Retail Net	763	\$23,952	\$6,345	\$30,297	\$39.71
B	936, 940 Decatur Street	Pop City	Retail Net	1,384	\$52,224	\$6,408	\$58,632	\$42.36
				5,859	\$222,119		\$304,211	\$51.92
*Percentage rent is an annualized figure based on the 7 or 8 months of provided rent history								

To analyze the retail units, the preceding retail data sets are considered.






Colonnade Building B – Standard Sized Units:

The preceding retail datasets are indicative of market rents for the units bearing the following addresses: 900 Decatur, 912 & 916 Decatur and 936 & 940 Decatur.

Based on the retail rental rates presented on the preceding pages, market rental rates for these units will likely range from **\$70.00 to \$85.00 per square foot**. These reconciliations consider the small sizes of these units and location along Decatur Street.

Colonnade Building B – Small Scale Units:

Colonnade unit B features several small-scale retail units. In addition to the dataset presented on the preceding pages, several small-scale retail comparables from the French Quarter are presented below.

Small-Scale FQ Retail	Comp A	Comp B	Comp C	Comp D	Comp E
Description	Souvenir Shop	Retail (Vape Store)	Tour Guide Office / Sales	Grocery/Corner Store	Gift Shop
					
Address	629 St. Peter Street	926-928 Canal Street	315 Decatur Street	730 St. Louis Street	711 Bourbon Street
City	New Orleans	New Orleans	New Orleans	New Orleans	New Orleans
Total Annual Rent	\$71,999	\$127,194	\$76,803	\$168,003	\$113,999
Monthly Rent	\$6,000	\$10,600	\$6,400	\$14,000	\$9,500
Rented Area (Avg SF)	560	850	671	1,505	630
Condition	Good	Good	Good	Average	Average to good
Eff. Rent/SF	\$128.57	\$149.64	\$114.46	\$111.63	\$180.95
Comm 1 Lease Type	Gross	Gross	NNN	Gross	Gross
Rent per SF	\$128.57	\$149.64	\$114.46	\$111.63	\$180.95
CAM Charges	-\$10.00	-\$10.00	\$0.00	-\$10.00	-\$10.00
Effective Rent Per SF	\$118.57	\$139.64	\$114.46	\$101.63	\$170.95



After lease type adjustments are applied to the above dataset, the range suggests market rents from \$69.43 to \$170.95 per square foot.

Examining this data set relative to the subject's small-scale units, Comp E emerges as a high-end indicator. The subject units feature very strong locations in this market, but Comp F's location on Bourbon Street is viewed as superior to the subject's Decatur Street frontage. In the French Quarter market, rents can vary dramatically depending on the immediate block and quality of the surrounding users.

Another factor to consider is the rent per month metric. For smaller units, the rent per square foot figure can change dramatically based on size. The data set indicates a monthly rental rate range of \$6,000 to \$14,000.

This range is also considered in our market rent conclusions of **\$100 to \$130 per square foot** (\$1,679 to \$6,358 per month).

The market rent roll is presented below.

Colonnade Building B Market Rent Conclusion						
Unit Location	Unit Type	Lease Type	Area	Contract Rent	Market Rent	Rent per SF
900 Decatur Street	End Unit - Retail	NNN	1,042	\$58,461	\$88,570	\$85.00
910 Decatur Street	Interior Retail	NNN	737	\$62,635	\$73,700	\$100.00
910-B1 Decatur Street	Interior Retail (ATM)	NNN	155	\$11,328	\$20,150	\$130.00
912B Decatur Street	Interior Retail	NNN	410	\$26,645	\$53,300	\$130.00
912, 916 Decatur Street	Interior Retail	NNN	1,368	\$56,213	\$95,760	\$70.00
930 Decatur Street	Interior Retail	NNN	763	\$30,297	\$76,300	\$100.00
936, 940 Decatur Street	End Unit - Retail	NNN	1,384	\$58,632	\$96,880	\$70.00
			5,859		\$504,660	\$86.13



Colonnade Building D:

Prior to a discussion of the comparable data, the contract rent roll and historic rent information is summarized below.

Colonnade Building D - Contract Rent Roll								
Building	Unit Location	Lease Name	Lease Type	Area	Base Annual Rent	% Rent*	Effective Annual Rent	Rent per SF
D	1000 Decatur Street	Market Café	Retail Net	5,177	\$117,756	\$118,027	\$235,783	\$45.54
D	1010 Decatur Street	Southern Candy Company of Louisiana, Inc	Retail Net	789	\$44,890	\$22,496	\$67,386	\$85.41
D	1022- 1023 N. Peters Street	Lalosh Silver, LLC	Retail Net	268	\$10,629	\$1,248	\$11,878	\$44.32
D	1016-I- 1016-O- 1018 Decatur Street	The Gazebo Cafe, LLC	Retail Net	4,843	\$74,832	\$75,348	\$150,180	\$31.01
D	1025 N. Peters Street	Latin Hand's	Retail Net	513	\$32,282	\$25,403	\$57,685	\$112.45
D	1021 N. Peters Street	African Art	Retail Net	242	\$13,150	\$5,304	\$18,454	\$76.26
Totals				11,833	\$293,540		\$541,366	\$45.75

**Percentage rent is an annualized figure based on the 7 or 8 months of provided rent history*

Colonnade Building D – Larger Restaurant Unit Discussion:

Even when considering the percentage rent figures, the above contract rental rates for the units located at 1000 and 1016-I / 1016-O / 1018 Decatur Street (Market Café and The Gazebo Café) are viewed as below market. That said, it is worth noting that this building and its retail spaces are considered inferior in terms of location, relative to Buildings A & B. This is due to its location further east of Jackson Square and the reduction in pedestrian traffic flow. As such, rental rates below those achieved by Buildings A and B is applicable.

Enhancing the marketability of both of these spaces is the fact that they are permitted to serve alcoholic beverages, as well as maintain legal non-conforming statuses that allow for live entertainment and music.

Both units feature outdoor / patio seating areas. The interior unit further benefits from positioning along a public park. In addition to placing tables in this park space, pedestrian / café patrons can easily find overflow seating in this public space. The positioning near this public amenity enhances this unit's appeal.

When looking at the comparable data, we note Comp 1 from the dataset. This indicator is leased to Popeyes for an adjusted rental rate of about \$102 per square foot NNN. Another strong market rent indicator for these units is Suite 101 from the confidential dataset. This is a 2,770 square foot café that is generating \$99.00 per square foot NNN.

Within The Outlet at Riverwalk's rent roll, the food court tenants are achieving an average of \$86.11 per square foot (total NRA of 4,820 square feet).

With weight on these indicators as well as considering the size of the restaurant units, market rents ranging from **\$60 per square foot** are well supported. This rental rate conclusion considers the quality of the space and the added benefit of the park amenity.



Colonnade Building D – Small-Scale Unit Discussion:

Lastly, building D includes small-scale retail units. When looking at the preceding small-scale retail unit data set, the adjusted range suggests market rents from \$69.43 to \$170.95 per square foot.

Rental rates from \$100 to \$125 per square foot will be applied to Building D's small-scale retail units in the following table. These rates equate to monthly rents of \$2521 to \$6,575 per month.

The market rent roll is presented below.

Colonnade Building D Market Rent Conclusion						
Unit Location	Unit Type	Lease Type	Area	Contract Rent	Annual Rent	Rent per SF
1000 Decatur Street	End Unit - Café (Allows for Alcoholic Beverage Sales)	NNN	5,177	\$235,783	\$310,632	\$60.00
1010 Decatur Street	Interior - Retail	NNN	789	\$67,386	\$78,900	\$100.00
1022- 1023 N. Peters Street	Interior - Retail	NNN	268	\$11,878	\$33,500	\$125.00
1016-I- 1016-O- 1018 Decatur Street	Interior Café - Outdoor Seating/Alcohol Sales	NNN	4,843	\$150,180	\$290,604	\$60.00
1025 N. Peters Street	End Unit - Retail	NNN	513	\$57,685	\$64,125	\$125.00
1021 N. Peters Street	Interior - Retail	NNN	242	\$18,454	\$30,250	\$125.00
Totals			11,833		\$808,011	\$68.29

When analyzing the total forecasted annual rent, the rent per square foot equates to \$68.29. This figure is further supported by the rent ranges presented in the comparable data set.



Market Rent Discussion – Colonnade Buildings C & E:

Colonnade Building C Review:

As a review, images and the contract rent roll for building C are presented below.

Colonnade Building C - Contract Rent Roll								
Building	Unit Location	Lease Name	Lease Type	Area	Base Annual Rent	% Rent*	Effective Annual Annual Rent	Rent per SF
C	912 N. Peters Street	Dutch Alley Artist's Co-Op	Retail Net	3,028	\$88,029	\$16,684	\$104,713	\$34.58
C	916 N. Peters Street	U.S. General Services Administration	Office Gross	2,139	\$38,502	\$0	\$38,502	\$18.00
C	914-1L, 914-1R, 914-2, 914-2B, 914-M1, 914-M2 N. Peters	Marche	Retail Net	10,790	\$168,000	\$15,974	\$183,974	\$17.05
				15,957	\$294,531		\$327,189	\$20.50

*Percentage rent is an annualized figure based on the 7 or 8 months of provided rent history



Exterior Building C



Interior – 916 North Peters Street

Colonnade Building C – Retail Unit Discussion:

The units bearing the addresses 912 and 916 North Peters Street are categorized as retail units. Under the current leasing scenario, 916 North Peters Street is leased as office space. This space operates as a national parks information center and museum. The highest and best use for this space is for retail applications. Reflective of the maximally productive use of this space, the retail data set will be utilized to conclude a market rent for this unit.

Colonnade Building C lacks street frontage but is accessible from Dutch Alley, a pedestrian walkway. This building's market rental rates are anticipated to fall below the average rental rate conclusions for Colonnade Buildings A, B and D.

Additionally, these units are larger than many of the subject units in the balance of the Colonnade building and the Upper Pontalba building. The larger sizes place downwards pressure on a reasonable rent per square foot reconciliation.

The unit located at 912 North Peters Street benefits from corner positioning and superior visibility. If listed for lease, it could likely capture a rental rate around **\$40.00 per square foot**.



With less visibility and an interior positioning, the unit bearing the address 916 North Peters Street would likely generate **\$35.00 per square foot**.

Colonnade Building C – Restaurant / Event Space Discussion:

Colonnade Building C also includes a 10,790 square foot restaurant / event space unit. Three market-extracted rental rates that are indicative of market rent for this unit are presented below.

Rest./Event Comps	Comp 1	Comp 2	Comp 3
			
Address	209 Bourbon Street	716 Iberville Street	215-225 Decatur Street
City	New Orleans	New Orleans	New Orleans
Total Annual Rent	\$389,018	\$265,926	\$522,393
Monthly Rent	\$32,418	\$22,161	\$43,533
Term	28 years	41 Years	35 Years
Rented Area (Avg SF)	10,702	9,400	23,166
Condition	Very good	Very Good	Good
Eff. Rent/SF	\$36.35	\$28.29	\$22.55
Comm 1 Lease Type	NNN	NNN	NNN
Rent per SF	\$36.35	\$28.29	\$22.55

Comparable 1 represents the rental rate for a three-story restaurant and event space on Bourbon Street. Elements of this agreement are between related parties; however, based on our conversations with the parties involved, the lease agreement is legally binding. The annual rent is based on 5% of gross sales from the business operations. The available annual rent is as follows: \$378,559 or \$35.37 per square foot in 2017, \$400,174 or \$37.39 per square foot in 2018, and \$388,409 or \$36.29 per square foot in 2019. For the purpose of this analysis, we have reconciled to the average rent per square foot figure of \$36.35.

Comp 1 is viewed as superior to the subject unit in terms of quality and location. A reasonable market rent for the subject unit will fall below this indicator.

Comparable 2 is also a lease agreement for a high-end, French Quarter restaurant. The annual base rent is \$120,000 throughout the term of the lease. In addition to this base rent, the tenant must pay percentage rent. The percentage rent is calculated by applying a 3% rate to annual gross sales figures above a breakpoint (\$4,166,000). As of our survey date, the business averaged roughly \$8,000,000. Additionally, the tenant reportedly spent approximately \$2,600,000 in build-out costs. This expense does not account for any F, F, & E costs. If the \$2,600,000 cost figure is amortized over the 41-year life of the lease, it equates to \$63,415 per year, or \$6.75 per square foot.



When this figure is amortized over 41 years at a safe rate of 4%, it equates to \$1,267,859 or \$30,923 per annum. Applying this figure to the 9,400 square foot space results in an additional \$3.29 per square foot, which will be added to the base rent of \$25.00 per square foot, resulting in a \$28.29 per square foot effective rental rate, or \$265,926 per annum.

Comp 2 has credibility as a market rent indicator for the subject unit. In addition to having a similar size, this property has a second-tier location in the French Quarter.

Comparable 3 is leased to House of Blues, a division of Live Nation Entertainment. The rental rate changes every year based on changes in the CPI. This is a NNN agreement in which the tenant is responsible for their pro-rata share of property tax, insurance and CAM expenses. Additionally, the lease includes a percentage rent at 4% over and above a break point, but the landlord reported that this threshold has not been met since 2005.

Comp 3 is also a credible market rent indicator for the subject unit. Even though Comp 3 has a superior location, it is also more than double the subject's size. A reasonable market rent conclusion for the subject unit will fall above Comp 3's indication.

With applied to Comps 1-3, a reasonable market rent conclusion for the subject's restaurant / event venue space is **\$30.00 per square foot**.

The market rent roll is presented below.

Colonnade Building C Market Rent Roll						
Building	Unit Location	Unit Type	Lease Type	Area	Annual Rent	Rent per SF
C	912 N. Peters Street	Retail	NNN	3,028	\$121,120	\$40.00
C	916 N. Peters Street	Retail	NNN	2,139	\$74,865	\$35.00
C	914-1L, 914-1R, 914-2, 914-2B, 914-M1, 914-M2 N. Peters Street	Restaurant / Event	NNN	10,790	\$323,700	\$30.00
Totals				15,957	\$519,685	\$32.57



Colonnade Building E Review:

In its as-is condition, Colonnade Building E is an office building. The rent roll is presented below.

Colonnade Building E - Contract Rent Roll								
Building	Unit Location	Lease Name	Lease Type	Area	Base Annual Rent	% Rent*	Effective Annual Rent	Rent per SF
E	1008 B N. Peters Street	Friends of WWOZ, Inc.	Office Fixed	4,258	\$43,438	\$0	\$43,438	\$10.20

The above tenant has effectively vacated this space and the building is reportedly completely vacant. To reflect proposed renovations, this analysis will conclude a market rental rate for the proposed 1,800 square foot, as a white box retail unit.

Colonnade Building E Market Rent Discussion – Retail Space:

When determining the marketability of this proposed retail unit, we note that this space will not benefit from the cumulative draw of adjoining retail suites. However, it will still benefit from proximity to the balance of the Colonnade buildings as well as positioning near a pedestrian access point to the Riverwalk.

A rental rate of **\$40.00 per square foot** is considered reasonable for this space.

Colonnade Building E Market Rent Discussion – Office Space:

Below are six lease agreements that emerge as market rent indicators for the subject's office space.

Office Lease Grid	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Comp 6
						
Address	1539 Jackson	1240 Camp Street	1320 Magazine	1029 Oretha Castle	2832 Royal Street	6024 Magazine
City	New Orleans	New Orleans	New Orleans	New Orleans	New Orleans	New Orleans
Total Annual Rent	\$646,089	\$207,360	\$185,341	\$78,000	\$112,800	\$65,000
Monthly Rent	\$53,841	\$17,280	\$15,445	\$6,500	\$9,400	\$5,417
Rented Area (Avg SF)	23,762	8,640	6,994	4,000	5,640	2,600
Condition	Average/Good	Excellent	Excellent	Very Good	Very Good	Excellent
Eff. Rent/SF	\$27.19	\$24.00	\$26.50	\$19.50	\$20.00	\$25.00
Comm 1 Lease Type	FSG	NNN	NNN	NNN	NNN	NNN
Rent per SF	\$27.19	\$24.00	\$26.50	\$19.50	\$20.00	\$25.00
CAM Charges	-\$5.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Effective Rent Per SF	\$22.19	\$24.00	\$26.50	\$19.50	\$20.00	\$25.00

The comparable dataset is comprised of six large-scale office/commercial lease agreements from the New Orleans marketplace. As triple net is the dominate lease structure surveyed, the subject's market rent forecast will be based on a NNN rental rate. A lease type adjustment is applied to Comp 1 to bring it in line with NNN rents.

The dataset presents a market rental rate range of \$19.50 to \$26.50 per square foot on a triple net basis.



Perhaps the greatest challenge when reconciling to a market rental rate for the subject is its size and location—the French Quarter is dominated by retail and mixed-use developments but lacks an active office rental market. As such, the dataset is comprised of top-tier rental rates from the New Orleans market.

Comparables 1-6 are office rental rates and present a market rent range of \$19.50 to \$26.50 per square foot.

Comparable 1 represents the rent tied to a good-quality, multi-tenant office development with a strong location in the New Orleans market, and Comp 1 is perceived as a credible market rent indicator for the subject.

Comparables 2 and 3 are credible market rent indicators for the subject and serve to represent top-tier office rents for newly renovated/developed, well-appointed spaces. Although these comparables are located outside of the French Quarter neighborhood, they realistically represent the subject's competition if listed for lease on the market. Weight is also placed on comps 2 and 3 in our final rental rate reconciliation.

Comparable 5 represents the rental income tied to an office space that currently operates as a museum. Partial weight is placed on comp 5; however, a reasonable reconciliation for the subject will likely fall above \$20 per square foot given the subject's superior quality. *Comparable 4* is also perceived as a low-end indicator given this building's inferior location relative to the subject.

Comparable 6 is a small-scale lease of a white box/newly renovated space along Magazine Street. Partial weight is placed on comp 6 in our final rental rate reconciliation.

Comparables 1-6 suggest a market rental rate range of \$19.50 to \$26.50 per square foot. Within this range, a high-end reconciliation is justified for the subject. This is attributable to the subject's overall condition and quality as well as location. Even considering the subject's larger size relative to the dataset, a high-end rental rate reconciliation is still warranted.

Based on the preceding discourse, a rental rate of **\$20.00 per square foot** is well supported by Comps 1-6. This is a NNN lease with the tenant responsible for property tax, insurance and CAM reimbursements.

Colonnade Building E Market Rent Reconciliation:

The market rent conclusions for Colonnade Building E are summarized below.

Colonnade Building E Market Rent Roll						
Building	Unit Location	Unit Type	Lease Type	Area	Annual Rent	Rent per SF
E	1008 B N. Peters Street	GF Retail White Box	NNN	1,800	\$72,000	\$40.00
E	1008 N Peters Upper	Office	NNN	2,458	\$49,160	\$20.00
Totals				4,258	\$121,160	\$28.45



RESTAURANT REVENUE DISCUSSION & ANALYSIS

The subject's restaurant units and market rent conclusions are summarized below.

Restaurant Unit Market Rent Review				
Building	Unit	Size (sf)	Rent per SF	PGI
Colonnade A	800 Decatur	5,118	\$125.00	\$639,750
Colonnade D	1000 Decatur - Market Café	5,177	\$60.00	\$310,620
Colonnade D	1016 Decatur - Gazebo Cafe	4,843	\$60.00	\$290,580
Colonnade C	914 St. Peters - Marche	10,790	\$30.00	\$323,700
Upper Pontalba	500 Decatur - Corner Oyster	3,147	\$67.24	\$211,612
Upper Pontalba	544 St. Peters - Pontalba Café	3,083	\$73.80	\$227,537

We have previously provided several lease comps of restaurant and bar properties in order to determine the market rent for each individual space. In order to further support, the above market rental rate determinations, we have included several additional restaurant/bar lease comparable rental indicators from the French Quarter and CBD market:



Lease Analysis Grid	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Comp 6	Comp 7	Comp 8
Category	Bar/Event Space	Bar/Restaurant	Restaurant	Restaurant & Bar	Bar	Bar	Restaurant	Restaurant
								
Address	501 Bourbon Street	239-241 Bourbon Street	209 Bourbon Street	301 Royal Street	227 Bourbon Street	420 Bourbon Street	1000 Girod Street	411 Bourbon St.
City	New Orleans	New Orleans	New Orleans	New Orleans	New Orleans	New Orleans	New Orleans	New Orleans
Total Annual Rent	\$1,068,096	\$428,418	\$389,018	\$240,261	\$913,468	\$548,099	\$61,916	\$600,021
Monthly Rent	\$89,008	\$35,702	\$32,418	\$20,022	\$76,122	\$45,675	\$5,160	\$50,002
Rented Area (Avg SF)	11,718	7,398	10,702	4,224	6,175	5,430	1,346	9,390
Condition	Good	Good	Very good	Good-Very Good	Good	Good	Excellent	Good
Eff. Rent/SF	\$91.15	\$57.91	\$36.35	\$56.88	\$147.93	\$100.94	\$46.00	\$63.90
Comm 1 Lease Type	NNN	NNN	NNN	NNN	NNN	NNN	NNN	NNN
Rent per SF	\$91.15	\$57.91	\$36.35	\$56.88	\$147.93	\$100.94	\$46.00	\$63.90

The above indicators present a wide range of market rental rates, which is a market norm for the local market area due to the sporadic shifts in demand for restaurant/bar space on a block to block basis in the French Quarter.

The Café Dumonde space maintains a premiere location, which is generally congruent with quality locations along Bourbon Street. With this in mind, our market rent calculation is well supported by Comparables #1, 5, and 6.

The Upper Pontalba restaurant locations feature inferior locations for the reasons discussed in the preceding pages due to their position at the edge of Jackson Square and more limited visibility. The market rental rates determined for these two spaces are well supported by Comparables #2, 3, 7, and 8.

The two café spaces leased within the Colonnade Buildings are inferior to the Upper Pontalba restaurant spaces but supported by the same comparable data set. With due consideration to their inferior locations, but their courtyard areas and permitting to sell alcoholic beverages and hold live entertainment, market based rental rates of \$60 per square foot is credible and supportable.

Finally, the event hall space features a less visible location in the Colonnade Building C and a 2nd floor location. Given the size and limited visibility, this market rental rate is well supported by Comparable #3, which also features multi-floor areas and a similar larger building area, but a superior location.



As a check for the reasonableness of these conclusions, we have summarized the gross revenue vs. rent ratios of several restaurants in the downtown market.

Rent and Sales Ratio:

The following table summarizes research/interviews with restaurant professionals about the “rule of thumb” relationship between rent and gross revenues most operators seeks:

Market Survey on Restaurant Rent	
Source	%Rent/Sales
smallbusiness.chron.com	8 - 10%
restaurantrealestateadvisors.com	6 - 10%
azcentral.com (USA Today)	5% - 10%
Jammer Orientas (Owner, Theo's Pizza)	5% - 8%
Lon Marchand (Junior's, Merchant BR)	6% - 8%
Paul Mladenka (Couyons BBQ)	6%
Hunter Whitfield (Moe's BBQ Corporate)	6% - 8%

As illustrated above, an overwhelming restaurant industry standard ratio is 5% - 10% (inclusive of reimbursements/pass-throughs).

If we apply a market-standard 8% to the restaurant spaces forecasted annual rent, the forecasted restaurant revenues are as follows:

Restaurant Revenue per SF Forecasts							
Building	Unit	Size (sf)	Rent per SF	Annual Rent	Ratio	Forecasted Revenues	Revenue per SF
Colonnade A	800 Decatur	5,118	\$125.00	\$639,750	8%	\$7,996,875	\$1,563
Colonnade D	1000 Decatur - Market Café	5,177	\$60.00	\$310,620	8%	\$3,882,750	\$750
Colonnade D	1016 Decatur - Gazebo Cafe	4,843	\$60.00	\$290,580	8%	\$3,632,250	\$750
Colonnade E	914 St. Peters - Marche	10,790	\$30.00	\$323,700	8%	\$4,046,250	\$375
Upper Pontalba	500 Decatur - Corner Oyster	3,147	\$67.24	\$211,612	8%	\$2,645,150	\$841
Upper Pontalba	544 St. Peters - Pontalba Café	3,083	\$73.80	\$227,537	8%	\$2,844,213	\$923

In an effort to confirm if the subject's revenues are generally on par with comparable restaurants in the New Orleans market, we have researched the following revenues from comparable/competitive establishments:



Comparable Restaurant Revenues					
#	Type	Location	Size (SF)	Average Annual Revenue*	Sales / SF
1	Confidential	Confidential	10,702	\$7,778,950	\$726.87
2	Restaurant - Upscale	French Quarter	9,400	\$8,000,000	\$851.06
3	Restaurant - Upscale	CBD	4,140	\$3,092,240	\$746.92
4	Restaurant - Upscale	CBD	5,050	\$3,402,406	\$673.74
5	Restaurant - Casual	CBD	4,211	\$4,691,545	\$1,114.12
6	Restaurant - Upscale	French Quarter	15,596	\$13,200,000	\$846.37
7	Restaurant - Casual	French Quarter	4,224	\$2,900,956	\$686.78
8	Restaurant - Upscale	Warehouse District	11,834	\$3,000,000	\$253.51
9	Restaurant - Upscale	French Quarter	15,934	\$7,206,292	\$452.26
10	Restaurant - Upscale	French Quarter	10,162	\$4,750,647	\$467.49
				Minimum Sales per SF	\$253.51
				Average Sales per SF	\$681.91
				Maximum Sales per SF	\$1,114.12
<i>*Revenues consist of averages from Years 2017-2019, Pre-COVID figures</i>					

The above data presents a wide range of forecasted restaurant revenues. And the surveyed restaurants are on average larger than several of the subject units, and there may be some level of diminishing returns at play. However, the data does serve to bracket the projected revenues for the subject units, providing excellent market rent support for the preceding rent conclusions.

The market rent conclusions for the restaurant spaces would suggest that revenues for the existing operations should fall between \$750 to 923 on average. These certainly fall towards the higher-end of the range, however, they are generally supported by the restaurant revenue sales/square foot of restaurant properties throughout the subject's competitive market area. Furthermore, given the strong locations of these units they are supportable, which indicates that the determine market rent conclusions are supportable.

The event hall space falls towards the low end of the range, which is also justified given the fact that this property type tends to have sporadic events rather than daily revenue generation. Finally, the Café Dumonde space falls at the very upper echelon of revenue generation for comparable restaurant properties in this market.

The reality is that this is one of the premiere locations in the French Quarter market given its proximity to Jackson Square and a high-end revenue/sf figure is reasonable and supportable.

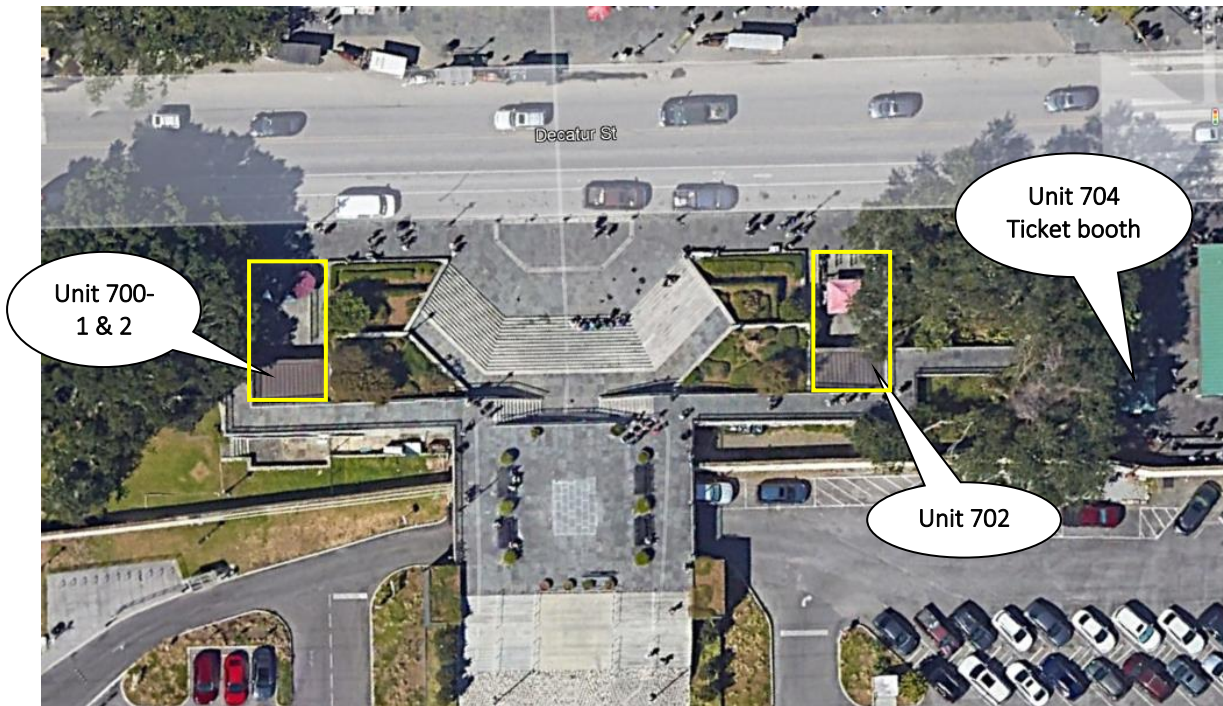
The restaurant revenue analysis provides additional support for the market-based rent conclusions herein.



MARKET RENT – OSCAR DUNN PARK

Oscar Dunn Park Overview:

Oscar Dunn Park is a public space with three spaces, two retail units and one ticket booth, that are generating revenues. Imagery is included below.



In addition to the retail space, units 700 and 702 benefit from exterior courtyard space. This space is akin to a courtyard. In the French Quarter market, a neighborhood characterized by a scarcity of vacant land, courtyards and patios are viewed as marketable amenities that can enhance revenues for businesses. This location specifically benefits from this outdoor space / amenity given its location and ability to capture tourist foot traffic. The retail units within this park are well suited to serve tourist-related activities.

The provided rent roll is included below.

Oscar Dunn Commercial Park - Contract Rent Roll								
Unit ID	Tenant	Type	GLA (sf)	Annual Base	% Rent*	Effective Annual Rent	Effective Monthly	Rent per SF
Unit 700-2	iNew Orleans	NNN	1,082	\$14,392	\$123,000	\$137,392	\$11,449	\$126.98
702	Gallery Cayenne	NNN	1,685	\$20,682	\$0	\$20,682	\$1,724	\$12.28
704	Gray Line of New Orleans, Inc.	NNN	100	\$36,000	\$0	\$36,000	\$3,000	\$360.00
Totals			2,867	\$71,075				




In addition to the above rent roll, we have measured the outdoor patio spaces utilizing Google Earth's polygon tool. These measurements exclude the handicap ramp space. The total contract rent is applied to the combined indoor and outdoor square footage in the below grid.

Oscar Dunn Commercial Park - Contract Rent Roll										
Unit ID	Tenant	Type	GLA (sf)	Courtyard (sf)	Interior + Courtyard SF	Monthly Base	Annual Base	% Rent*	Effective Annual Rent	Rent per Indoor + Outdoor SF
700-1, 700-2	iNew Orleans	NNN	1,082	487	1,569	\$1,199.36	\$14,392	\$123,000	\$137,392	\$87.57
702	Gallery Cayenne	NNN	1,685	540	2,225	\$1,723.52	\$20,682	\$0	\$20,682	\$9.30
Totals			2,767		3,794		\$35,075		\$158,075	\$41.67

Comparable Market Data – Retail Units:

To gauge market-based retail rents for these units, several indicators are presented below.

The first rent roll included below represents Comp 4 in the preceding dataset. The comparable includes three high-end lease agreements for a multi-tenant retail building on Royal Street.

Lease Analysis Grid		Comp 4
		Retail
		
Address	211-219 Royal Street	
City	New Orleans	
Total Annual Rent	\$530,748	
Monthly Rent	\$44,229	
Rented Area (Avg SF)	4,661	
Condition	Excellent	
Eff. Rent/SF	\$113.87	
Comm 1 Lease Type	NNN	
Rent per SF	\$113.87	

Rent Roll

Tenant	Size	Eff.\$/SF	Type
Average (Ground Floor)	4,661	\$113.87	NNN
Italy Direct	1,336	\$121.26	NNN
WGM	2,177	\$86.69	NNN
Sucre	1,148	\$156.79	NNN

The above leases are for gift shops / art galleries and a café. Additionally, the small-scale French Quarter retail leases are re-presented below.



Small-Scale FQ Retail	Comp A	Comp B	Comp C	Comp D	Comp E
Description	Souvenir Shop	Retail (Vape Store)	Tour Guide Office / Sales	Grocery/Corner Store	Gift Shop
					
Address	629 St. Peter Street	926-928 Canal Street	315 Decatur Street	730 St. Louis Street	711 Bourbon Street
City	New Orleans	New Orleans	New Orleans	New Orleans	New Orleans
Total Annual Rent	\$71,999	\$127,194	\$76,803	\$168,003	\$113,999
Monthly Rent	\$6,000	\$10,600	\$6,400	\$14,000	\$9,500
Rented Area (Avg SF)	560	850	671	1,505	630
Condition	Good	Good	Good	Average	Average to good
Eff. Rent/SF	\$128.57	\$149.64	\$114.46	\$111.63	\$180.95
Comm 1 Lease Type	Gross	Gross	NNN	Gross	Gross
Rent per SF	\$128.57	\$149.64	\$114.46	\$111.63	\$180.95
CAM Charges	-\$10.00	-\$10.00	\$0.00	-\$10.00	-\$10.00
Effective Rent Per SF	\$118.57	\$139.64	\$114.46	\$101.63	\$170.95

After the application of lease type adjustments, the data set presents a range of \$101.63 to \$170.95 per square foot. This dataset represents a range of uses and users that would be attracted to the subject units if they were listed for lease.

Regarding subject units 700-1 / 700-2, this unit is leased to a tenant that benefits from proximity to frontage along Decatur Street with a location to secure tourists for bus guided tours. This unit also is serviced by public restrooms, which is an added benefit. However, the restrooms require a full-time attendant, which has been accounted for in the contract rent reconciliation above.

In light of this 700-1/700-2 unit's percentage rent arrangement, strong location, and the rental rates exhibited by the comparables, the contract rent appears to align with market rents.

This unit's total contract rent equates to approximately \$137,392 or \$126.98 per square foot, when applied to just the building area that is leased. This is strong but supported by the market data presented herein. This space also benefits from a courtyard area that is available for marketing and quasi-sellable area. If this area is included, the "leased area" equates to \$87.57 per square foot. Recognizing that this outdoor area is not air-conditioned space or enclosed, this rental rate across the entire leasable area is justified and supportable. A small exercise is shown below, which provides further support:

Component	Size	Rental Rate/SF	Annual Rent
Building	1,082	\$115.00	\$124,430.00
Courtyard	487	\$40.00	\$19,480.00
Total			\$143,910.00
Rent/SF			\$91.72



This analysis serves in support of the concluded market rental rate in line with the contract rental rate of \$137,392 or \$87.57 per square foot (when applied to both the building and the courtyard area).

If subject unit 702 were to be leased, it could very likely generate a stronger rental rate. The data supports a rental rate of **\$100 per square foot**. A slightly lower rent per square foot is reasonable considering the subject's less visible location, but closer proximity to Café Dumonde.

This results in a total annual market rental rate of \$168,500 per annum. Applying this annual rental rate to the leasable area and the corresponding courtyard area with this space, results in an effective rent per square foot of \$75.73 which is well supported by the analysis above.

Comparable Market Data – Ticket Booth:

The subject's ticket booth is leased for \$3,000 per month. Four market-extracted comparables are presented below.

Riverwalk Contract Rent Roll Kiosk Tenants									
Suite	Tenant	Type	Size (SF)	Monthly Rent	Annual Rent	Rent per SF	Percentage Rent	% of Sales Rent	Breakpoint
<i>Kiosk</i>									
9122	River Bar	Kiosk	522	\$5,628	\$67,536	\$129.38	\$0.00	10%	\$655,680
C300	Nola Wireless Accessories	Kiosk	72	\$5,500	\$66,000	\$916.67	\$0.00	Unknown	Unknown
Total Kiosk			594	\$11,128	\$133,536	\$224.81	n/a		

Confidential Kiosk Comparables		
Confidential Kiosk	A	B
Location	Decatur Street	Decatur Street
Description	Multi-tenant Development with Interior Kiosks	Multi-tenant Development with Interior Kiosks
Monthly Rent	\$590	\$950
Annual Rent	\$7,080	\$11,400

The first dataset presented represents kiosk rents from a regional mall located in downtown New Orleans. This center is leasing kiosks for between \$5,500 and \$5,628 per month. The second table includes two confidential kiosk comparables with rates ranging from \$590 to \$950 per month.

When analyzing the local rental market, there is a lack of truly comparable kiosk-style lease data. This unique property type is not frequently marketed for lease. The market-extracted data presents an admittedly large range, but this is the most applicable data to analyze the subject's ticket booth rent.

When considering the subject's market rent, we note that this ticket booth is located close to Café Du Monde and Jackson Square. This unit is well positioned to serve tourist foot traffic and has use of a nearby public bathroom in Oscar Dunn Park.



The second dataset of confidential comparables presents a lower market rental rate range. In light of the subject's historic rent and the kiosk rents in the River Walk mall, the confidential comparables are viewed as low-end indicators.

Keeping in mind the subject's condition and quality as well as the market-extracted rents seen in the Riverwalk Outlet Mall, a market rent of **\$3,500 per month** will be applied to the subject's ticket booth-style unit.



The market rental rate conclusions are shown below:

Oscar Dunn Park Market Rent Roll									
Unit ID	Unit Type	Type	GLA (sf)	Courtyard (sf)	Interior + Courtyard SF	Contract Rent	Market Rent	Annual Rent per GLA (sf)	Rent per Indoor + Outdoor SF
700-1, 700-2	Retail / Tourism	NNN	1,082	487	1,569	\$137,392	\$144,820	\$133.84	\$92.30
702	Retail	NNN	1,685	540	2,225	\$20,682	\$168,500	\$100.00	\$75.73
704	Ticket Booth / Kiosk	Gross	100	--	100	\$36,000	\$42,000	\$420.00	\$420.00
Totals			2,767		3,794		\$355,320		\$93.65



Vendor Rental Rates – Open Aired Rental Spaces:

The client of this market study has requested a determination of market rent for Vendor spaces on a daily basis for the elevated area within the park that overlooks Jackson Square shown below:



Based on our site visit and review of the park, this space could feasibly support 3-5 daily vendors during special events as kiosk type retail rental rates.

We previously concluded a monthly rental rate for the ticketbooth space located within the park of \$3,500 per month, which is supported by the following Kiosk rentals from the Riverwalk:

Riverwalk Contract Rent Roll Kiosk Tenants									
<u>Suite</u>	<u>Tenant</u>	<u>Type</u>	<u>Size (SF)</u>	<u>Monthly Rent</u>	<u>Annual Rent</u>	<u>Rent per SF</u>	<u>Percentage Rent</u>	<u>% of Sales Rent</u>	<u>Breakpoint</u>
<i>Kiosk</i>									
9122	River Bar	Kiosk	522	\$5,628	\$67,536	\$129.38	\$0.00	10%	\$655,680
C300	Nola Wireless Accessories	Kiosk	72	\$5,500	\$66,000	\$916.67	\$0.00	Unknown	Unknown
Total Kiosk			594	\$11,128	\$133,536	\$224.81	n/a		

If this is broken down over a typical 30 month period it equates to \$116.67 per day. Given the high visibility and strong location of this space, a more reasonable market rental rate forecast of \$150 per day is appropriate. This would reflect a monthly rental rate, after conversion, of \$4,500 per month, which is well supported by the Kiosk rentals shown above. Recognizing that this is open-aired space with no existing infrastructure in place, a monthly rental rate below the above two indicators is appropriate.

Additionally, it is certainly feasible that a higher rate could be achieved, but it would result in a lower occupancy level, which would effectively translate to a similar effective gross income. The concluded market rental rate of \$150 per day indicates a rate figure that will achieve a market-based occupancy on most if not all available days. Of course, during special events, such as the Superbowl, a higher rate could be achieved likely in the range of \$250 to \$500 per day.

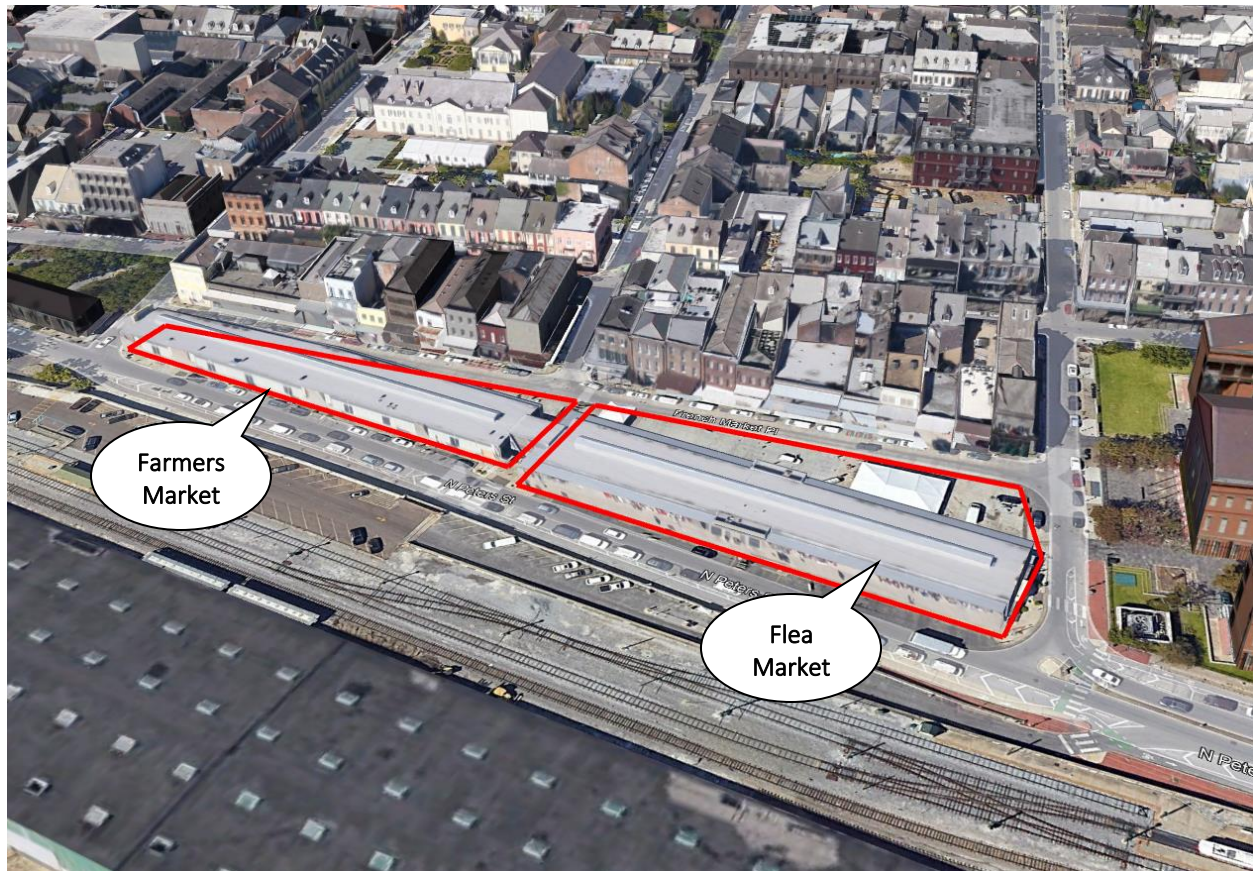
DAILY VENDOR RATES FOR OSCAR DUNN PARK:

\$150 per Day



MARKET RENT – FARMERS MARKET & FLEA MARKET

Subject Property Overview: The Farmers market and flea market are identified below.



Discussion of Market Rent – Farmers Market:

The Farmers market features 10 permanent bays or stalls with lease agreements as outlined below.

Farmers Market - Contract Rent Roll									
Bay ID	Tenant	Notes	Area	Monthly Base Rent	Annual Base	% Rent*	Effective Annual Rent	Effective Monthly	Effective Rent Per SF
Bay 11	Alberto's Gourmet Cheese	Food + Alcohol Sales	329	\$1,055	\$12,660	\$28,548	\$41,208	\$3,434	\$125.25
Bay 25 -26	J's Seafood Dock	Food Sales	686	\$1,709	\$20,510	\$716	\$21,226	\$1,769	\$30.94
Bay 13	Meals From the Heart, LLC	Food Sales	319	\$1,038	\$12,453	\$49,367	\$61,821	\$5,152	\$193.79
Bay 15-17-19	World Famous N'awlins Cajun and Creole Spice, Inc.	Retail	1,041	\$3,172	\$38,061	\$53,141	\$91,202	\$7,600	\$87.61
Bay 27-29	Organic Banana LLC	Alcohol Sales	426	\$1,593	\$19,110	\$73,450	\$92,560	\$7,713	\$217.28
Bay 5A	Paradise Gardens	Retail	155	\$502	\$6,023	\$698	\$6,720	\$560	\$43.36
Bay 1-2-3-4-5B	French Market Produce	Retail	1,116	\$2,292	\$27,503	\$6,714	\$34,217	\$2,851	\$30.66
Bay 9	Loretta's Authentic Pralines	Retail	382	\$1,188	\$14,257	\$50,849	\$65,106	\$5,425	\$170.43
Bay 33-35-37-38	MOTHER NATURE'S CUPBOARD	Food Sales	1,010	\$2,720	\$32,642	\$2,456	\$35,098	\$2,925	\$34.75
Bay-23	Crepes on the Market LLC	Food Sales	383	\$1,196	\$14,355	\$35,254	\$49,609	\$4,134	\$129.53
Totals			5,847				\$498,767		\$85.30

*% Rent incorporated in rent roll is annualization of provided 7 months of sales data



As noted above, four of the spaces are general retail vendors with neither kitchen nor food preparation capacity. Two stalls have alcohol sales permits, which enhances their revenue potential and marketability. Additionally, each of these stalls benefits from seating areas within the market.

When examining market rent for these spaces, we first re-present the kiosk and food court rental rates from The Outlets at Riverwalk.

Riverwalk Contract Rent Roll Food Court and Kiosk Tenants									
Long-Term Retail Units									
Suite	Tenant	Type	Size (SF)	Monthly Rent	Annual Rent	Rent per SF	Percentage Rent	% of Sales Rent	Breakpoint
Food Court									
227	Auntie Anne's	Foodcourt	500	\$2,562	\$30,747	\$61.49	\$0.00	6%	\$512,447.44
230	Villa Fresh Italian Kitchen	Foodcourt	752	\$4,939	\$59,266	\$78.81	\$0.00	Unknown	Unknown
231	South Philly Steaks & Fries	Foodcourt	760	\$4,991	\$59,897	\$78.81	\$0.00	Unknown	Unknown
232	The Market by Villa	Foodcourt	784	\$5,149	\$61,788	\$78.81	\$0.00	Unknown	Unknown
234	Mandarin Express	Foodcourt	924	\$6,056	\$72,673	\$78.65	\$0	8%	\$908,407.50
242	Raising Cane's	Foodcourt	1,100	\$8,004	\$96,053	\$87.32	\$0.00	7%	\$1,372,188
Total Food Court			4,820	\$31,702	\$380,424	\$78.93	\$0		
Kiosk									
9122	River Bar	Kiosk	522	\$5,628	\$67,536	\$129.38	\$0.00	10%	\$655,680
C300	Nola Wireless Accessories	Kiosk	72	\$5,500	\$66,000	\$916.67	\$0.00	Unknown	Unknown
Total Kiosk			594	\$11,128	\$133,536	\$224.81	n/a		

Additionally, the small-scale French Quarter retail leases are re-presented below.

Small-Scale FQ Retail	Comp A	Comp B	Comp C	Comp D	Comp E
Description	Souvenir Shop	Retail (Vape Store)	Tour Guide Office / Sales	Grocery/Corner Store	Gift Shop
					
Address	629 St. Peter Street	926-928 Canal Street	315 Decatur Street	730 St. Louis Street	711 Bourbon Street
City	New Orleans	New Orleans	New Orleans	New Orleans	New Orleans
Total Annual Rent	\$71,999	\$127,194	\$76,803	\$168,003	\$113,999
Monthly Rent	\$6,000	\$10,600	\$6,400	\$14,000	\$9,500
Rented Area (Avg SF)	560	850	671	1,505	630
Condition	Good	Good	Good	Average	Average to good
Eff. Rent/SF	\$128.57	\$149.64	\$114.46	\$111.63	\$180.95
Comm 1 Lease Type	Gross	Gross	NNN	Gross	Gross
Rent per SF	\$128.57	\$149.64	\$114.46	\$111.63	\$180.95

The rent per square foot metric can be skewed for small-scale units, and the rent per month metric serves to bracket a reasonable market rent range for the subject units.

The subject's bays are non-conditioned space. The subject bays are inferior in quality relative to the above dataset's. However, we also note that the subject bays benefit from the cumulative draw of a multi-tenant retail development and historic appeal.

Additionally, the subject is currently leased with a percentage rent arrangement. This is a market-driven approach that can be but is not always indicative of market rent for a space.



Furthermore, the subject's bays are anticipated to see varying rental rates depending on their build out. The bays with alcohol permits carry superior marketability and revenue potential, and the general retail bays are viewed as having inferior marketability.

When looking at the subject's contract rent roll and comparable data, the contract rents for the following bays appear to align with market rents: Bay 11, Bay 13, Bay 15-19, Bays 27-29, Bay 9, and Bay 23. Stronger rental rates will be applied to the balance of these units.

In light of the condition and quality of these spaces, the most likely leasing scenario entails a gross lease structure with the landlord responsible for property taxes, insurance, and common area upkeep expenses. The market rent conclusions are presented in the below table.

Farmers Market Market Rent Roll							
Bay ID	Tenant	Notes	Lease Type	Area	Contract Rent	Annual Market Rent	Market Rent Per SF
Bay 11	Alberto's Gourmet Cheese	Food + Alcohol Sales	Gross	329	\$41,208	\$41,208	\$125.25
Bay 25 -26	J's Seafood Dock	Food Sales	Gross	686	\$21,226	\$72,000	\$104.96
Bay 13	Meals From the Heart, LLC	Food + Alcohol Sales	Gross	319	\$61,821	\$61,824	\$193.81
Bay 15-17-19	World Famous N'awlins Cajun and Creole Spice, Inc.	Retail + Food	Gross	1,041	\$91,202	\$91,200	\$87.61
Bay 27-29	Organic Banana LLC	Alcohol Sales	Gross	426	\$92,560	\$92,560	\$217.28
Bay 5A	Paradise Gardens	Retail	Gross	155	\$6,720	\$18,000	\$116.13
Bay 1-2-3-4-5B	French Market Produce	Retail	Gross	1,116	\$34,217	\$96,000	\$86.02
Bay 9	Loretta's Authentic Pralines	Retail	Gross	382	\$65,106	\$65,100	\$170.42
Bay 33-35-37-38	MOTHER NATURE'S CUPBOARD	Food Sales	Gross	1,010	\$35,098	\$108,000	\$106.93
Bay-23	Crepes on the Market LLC	Food Sales	Gross	383	\$49,609	\$49,608	\$129.52
		Totals	Totals	5,847		\$695,500	\$118.95

The total PGI equates to \$118.95 per square foot, which is well supported by the preceding comparable data sets.

Underlying Site Rent Allocation Discussion:

To provide additional support for the preceding market rent conclusion, an underlying site market rent and improvement allocation discussion is included below. The subject property is an open-air retail structure with a very strong location. Demolition of the subject improvements is not legally permissible given its historic significance. However, an analysis of the property's underlying site value is still applicable in its market rent analysis given the fact that this comprises a large portion of the overall market value.

First, comparable land sales that reflect the subject's underlying site value are presented below.

Analysis Grid	1	2	3	4	5	6	7
Date	7/28/2023	3/11/2022	9/20/2021	1/26/2017	7/10/2014	2/24/2014	Pending Contract
Address	223 Tchoupitoulas	329 North Diamond	739 Convention	749 St. Charles	632 Tchoupitoulas Street	316 St. Charles	517-519 Conti St.
City	New Orleans	New Orleans	New Orleans	New Orleans	New Orleans	New Orleans	New Orleans
Sales Price	\$2,775,000	\$1,413,600	\$1,275,000	\$1,825,000	\$4,300,000	\$3,990,000	\$3,100,000
Land SF	6,776	7,319	6,032	6,426	18,193	13,511	8,854
Acres	0.16	0.17	0.14	0.15	0.42	0.31	0.20
Flood Zone	X	X	X	X	X	X	X
Zoning	CBD-2, Historic	CBD-6, Urban Core	CBD-2	CBD-5, Urban Core	CBD-8 Central Business	CBD-1 Central	VCC-2
Road Frontage	65 & 111	63 & 63	122 & 50	51	50 & 150	168 & 80.5	52
Corner	Yes	No	Yes	No	No	Yes	No
Land SF Unit Price	\$409.53	\$193.14	\$211.37	\$284.00	\$236.35	\$295.31	\$350.12
COS/Market Adj.	0.00%	0.00%	0.00%	0.00%	10.00%	10.00%	0.00%
Adjusted Land SF Unit Price	\$409.53	\$193.14	\$211.37	\$284.00	\$259.99	\$324.85	\$350.12



If the vacant site were listed for sale, it would likely capture a strong price point, even in light of its large size of 23,090 square feet. This analysis will incorporate a land value estimate of **\$375 per square foot**.

Utilizing a land value of \$375 per square foot and a rate of return of 8.00%, the implied annual rent attributable to the subject site is \$692,700.

Farmer's Market	
Site SF	23,090
Price per SF	\$375
Implied Site Value	\$8,658,750
Rate of Return	8.00%
Implied Annual Rent	\$692,700

If we allocate the pro-rata share of each bay's square footage to this annual rent forecast, the average rent per square foot equates to \$118 per square foot.

Pro-Rata Breakdown								
Bay ID	Tenant	Notes	Lease Type	Area	%	Implied Annual Rent to Site	Pro-Rata Share	Per SF
Bay 11	Alberto's Gourmet Cheese	Food + Alcohol Sales	Gross	329	5.63%	\$692,700	\$38,977	\$118.47
Bay 25 -26	J's Seafood Dock	Food Sales	Gross	686	11.73%	\$692,700	\$81,271	\$118.47
Bay 13	Meals From the Heart, LLC	Food Sales	Gross	319	5.46%	\$692,700	\$37,792	\$118.47
Bay 15-17-19	World Famous N'awlins Cajun and Creole Spice, Inc.	Retail	Gross	1,041	17.80%	\$692,700	\$123,328	\$118.47
Bay 27-29	Organic Banana LLC	Alcohol Sales	Gross	426	7.29%	\$692,700	\$50,469	\$118.47
Bay 5A	Paradise Gardens	Retail	Gross	155	2.65%	\$692,700	\$18,363	\$118.47
Bay 1-2-3-4-5B	French Market Produce	Retail	Gross	1,116	19.09%	\$692,700	\$132,214	\$118.47
Bay 9	Loretta's Authentic Pralines	Retail	Gross	382	6.53%	\$692,700	\$45,256	\$118.47
Bay 33-35-37-38	MOTHER NATURE'S CUPBOARD	Food Sales	Gross	1,010	17.27%	\$692,700	\$119,656	\$118.47
Bay-23	Crepes on the Market LLC	Food Sales	Gross	383	6.55%	\$692,700	\$45,374	\$118.47
Totals/Avg.				5,847	100.00%		\$692,700	\$118.47

The total rent per square foot figure for each subject bay equates to \$118, which aligns with the average PGI conclusion in the preceding market rent table. We note that the market rent discussion accounts for variance between the subject bays. This pro-rata breakdown does not account for variance, but instead serves to broadly support the annual PGI conclusion for the subject.



Discussion of Market Rent – Flea Market:

The Flea Market property is an open-air structure with daily rentals. Per the property's website, the current rental rates are included below.

Rental Rates (as of 7/3/20)

ROW	MON – FRI.	SAT. & SUN.
A	\$23.00	\$23.00
B	\$16.00	\$16.00
C	N/A	N/A
D	\$11.00	\$11.00
*Lot (E-K)	\$7.00 each 5X10 square	\$7.00 each 5X10 square
Row C – not available post Covid layout		
* Lot (E-K) – No electricity		

Covered Open-Air Space Breakdown			
Row	# of Units	Dimensions	Size (sf)
A	72	9' x 6'	54
B	64	9' x 6'	54
D	64	9' x 6'	54
Total	200		

Outdoor Space Breakdown			
Row	# of Units	Dimensions	Size (sf)
E	19	10' x 5'	50
F	24	10' x 5'	50
G	22	10' x 5'	50
H	22	10' x 5'	50
I	16	10' x 5'	50
J	12	10' x 5'	50
K	6	10' x 5'	50
L	4	10' x 5'	50
Total	125		

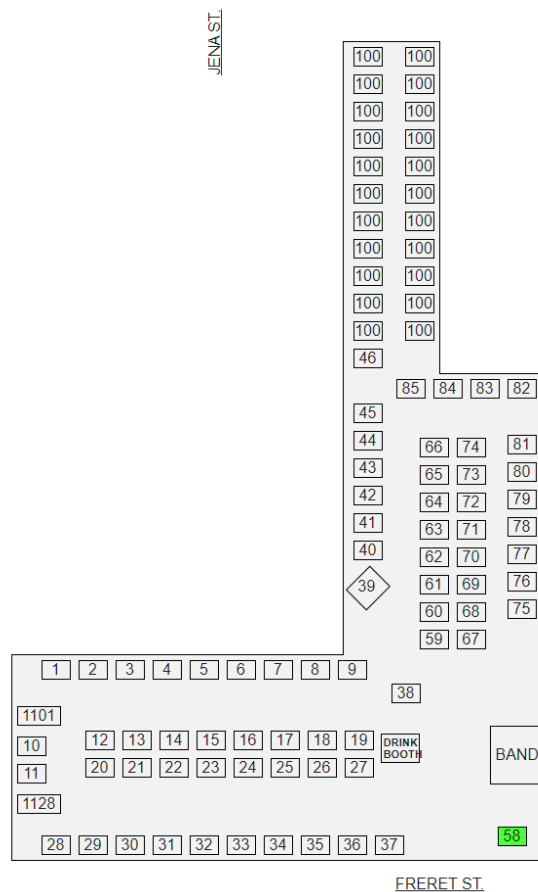
In light of the limited available data reflective of the Flea Market's rent potential, this analysis first includes a review of two similar markets from New Orleans. Following a discussion of the data, the subject's income potential will be analyzed based on



Competitive Market Rent 1 – Freret Market

Freret Street, New Orleans, LA

1st Saturday of every month from October to February



Notes:

Per the website, this market last featured 78 vendors out of a possible 95 booths. In addition to the rental fee, each vendor must pay for a Special Event Occupational License Fee. This license is \$50 and are good for a full fiscal year.

Freret Street Market		
Total Booths	95	
Booth Size	10' x 10'	
Occupancy	82.11%	
	<u>Daily Rent</u>	<u>Rent per SF</u>
Hot Food	\$100	\$1.00
Non-Profits	\$20	\$0.20
All Other	\$60	\$0.60
Notes	Plus Special Event Occupational License Fee	



Competitive Market 2 – Arts Market of New Orleans

City Park & Marsalis Harmony Park, New Orleans

Once per month in City Park & Marsalis Harmony

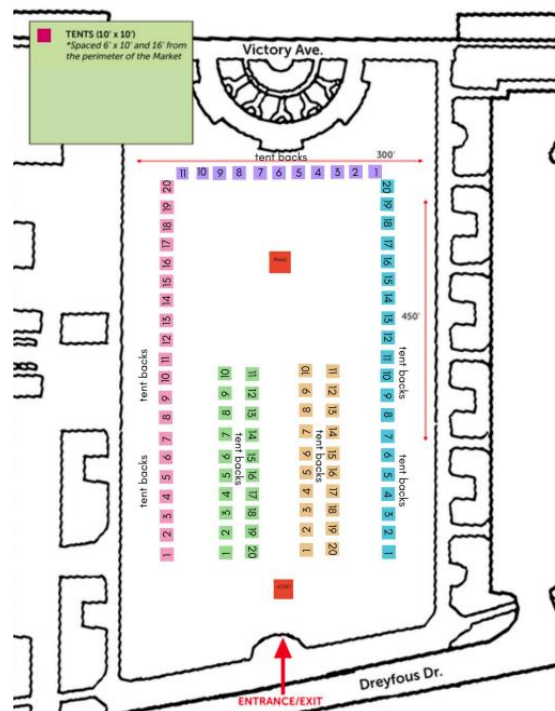
Fees for participation in the weekend only arts markets are summarized below. These art markets are in three locations, two of which are monthly and one of which is tied to a holiday season festival.

Fee Schedule:

Normal Markets	January, February, March, April, May, September, October	Member \$75/ Nonmember \$100
Summer Markets	June, July, August	Member \$65/ Nonmember \$90
Holiday Markets	November, December	Single Day- Member \$100/ Nonmember \$125 Whole Weekend- Member \$200/ Nonmember \$250
LUNA Fête Market	December	Four-Day Only- \$375/ Nonmember \$425

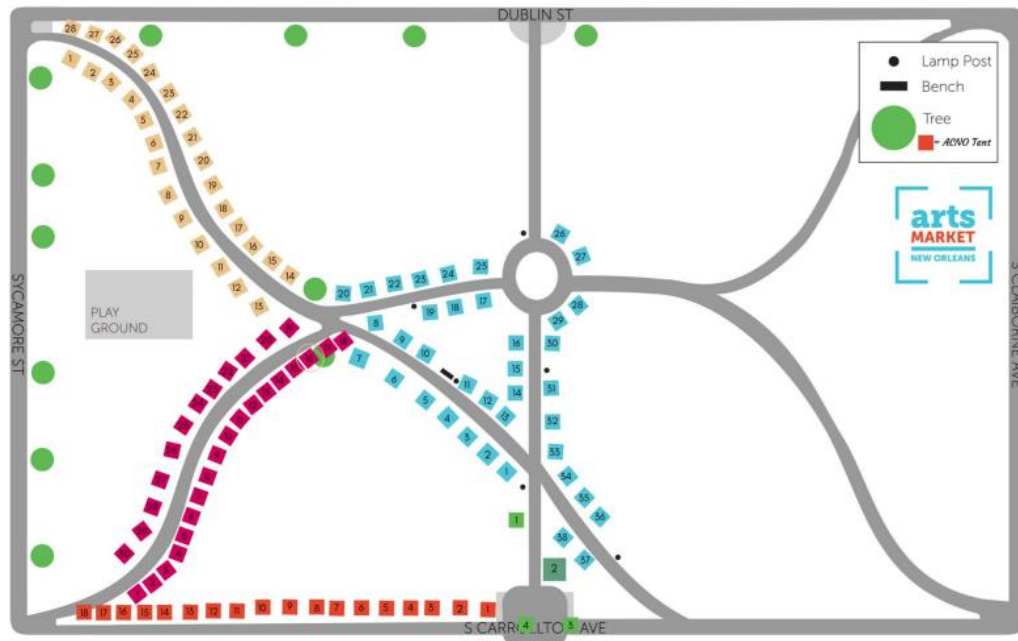
Example Map from City Park:

CITY PARK
EXAMPLE MAP



Example Map from Harmony Park:

MARSALIS HARMONY PARK
EXAMPLE MAP



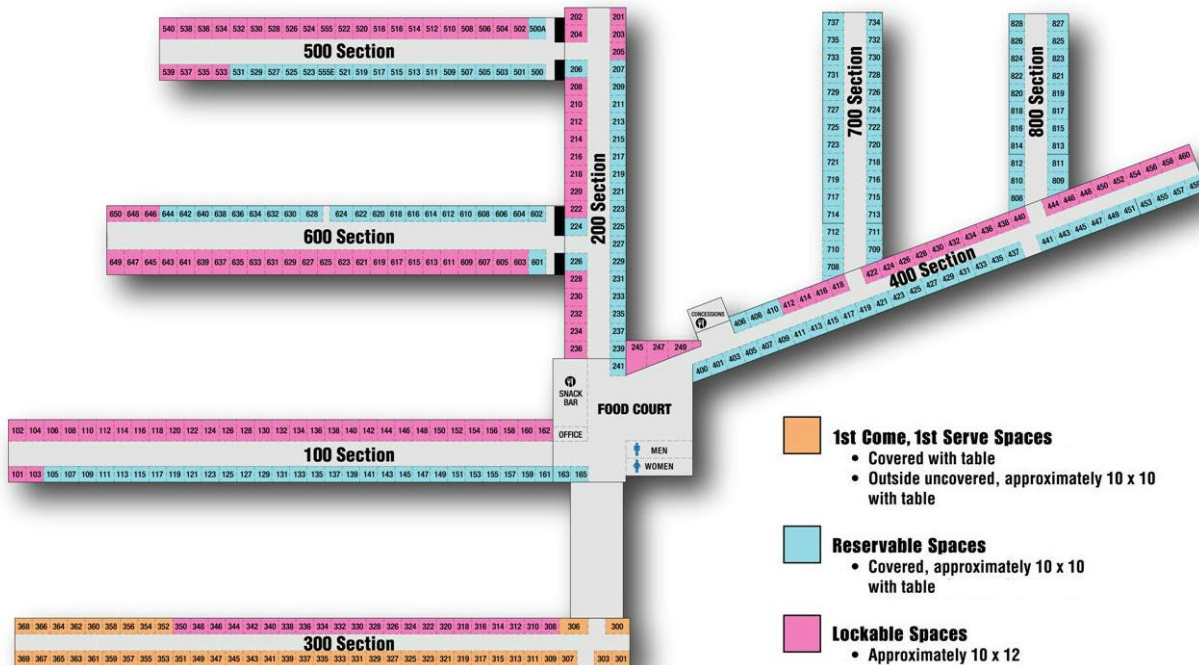
Arts Market of New Orleans		
Total Booths	Varies per Market	
Booth Size	10' x 10'	
	<u>Daily Rent (non-members)</u>	<u>Rent per SF</u>
Jan. to October	\$100	\$1.00
Summer	\$90	\$0.90
Holiday	\$125	\$1.25
Notes	Plus Special Event Occupational License Fee	



Competitive Market 3 – Lafayette Jockey Lot

3011 NW Evangeline Thoroughway, Lafayette, LA

Every Saturday & Sunday



The Jockey Lot Flea Market is hosted every Saturday and Sunday from 8 am to 5pm. Vendors have access to electrical outlets for light duty electrical equipment. Rent includes one table. An additional table can be rented for an additional \$3.00. The flea market includes over 500 booths.

Jockey Lot			
Type	Size	Rate	Per SF
First Come First Serve	10' x 10'	\$15	\$0.15
Reservable Spaces	10' x 10'	\$15	\$0.15
Lockable Spaces	10' x 12'	\$22	\$0.22



Competitive Market 4 – Flea Market at Menge

8095 Menge Avenue, Pass Christian, MS

Every Saturday & Sunday



Space rentals are as follows:

Menge Flea Market					
Type	Size	Fee per day	Fee per SF	Fee per Weekend	Fee per SF
Pavilions	10' x 10'	\$30	\$0.30	\$45	\$0.45
Canopies	12' x 10'	\$25	\$0.21	\$35	\$0.29

Fees include 1 table and electricity. There is a 10% up-charge for corner spaces.



Reconciliation:

In light of the limited available data reflective of the Flea Market, this analysis first includes a review of two similar markets from New Orleans and two competitive markets from the regional marketplace. Following a discussion of the data, the subject's revenue potential per month will be analyzed.

The subject property is a unique outdoors / covered market with daily space rentals. The subject property is well positioned to serve tourism traffic flows. We acknowledge that the preceding comparables are not exactly an apples-to-apples comparison for the subject; however, they emerge as some market-based basis from which to derive a market-rental rate.

For the localized comparables, the vendor spaces are 100 square feet. The subject's vendor spaces are smaller at 50 or 54 square feet. The Freret Street market leases non-food service spaces for \$60 or \$0.60 per square foot. The second comparable leases 100 square foot spaces for between \$90 and \$125, or \$0.90 to \$1.25 per square foot.

The regional markets both feature inferior locations but larger 100 square foot space rentals for rates \$15 to \$30 daily rates.

These rates reflect markets that meet monthly and whereas the subject is open for operation daily. The subject benefits from a strong location in a heavily trafficked area, but the subject's daily operation does place downwards pressure on its revenue potential relative to the comparables. Daily operation certainly maximizes the subject's revenue potential, but an affordability dilemma emerges for the vendors—how much rent can each vendor afford to pay every day and still yield a profit from their sales?

Comp 2 supports stronger daily rental rates for competitive booth-style rentals in the immediate market; however, we hesitate to place full weight on this indicator. Increasing the daily rental fee for the subject's booths to around \$100 may cause affordability issues for the subject's vendors, which would impact occupancy and overall market rent in aggregate. Comp 2 represents a market that meets on certain Saturdays of the month. As a market operating daily, a more modest rate reconciliation is justified.

The subject property's marketability is bolstered by its location, but the facility's marketability is also impacted by its overall quality.

Reflective of variance in marketability between each subject row, differing rates will be applied to each subject row. This trend is also evident in the comparable data.

When considering the location, size and quality of the subject's rentals, the following market rent reconciliations are supported by the comparable data.



Market Rent Conclusions Weekdays			
Row	Size (sf)	Weekday Rate	Rate per SF
A	54	\$25	\$0.46
B	54	\$20	\$0.37
D	54	\$15	\$0.28
E-L	50	\$10	\$0.20

Market Rent Conclusions Weekends			
Row	Size (sf)	Weekend Daily Rate	Rate per SF
A	54	\$30	\$0.56
B	54	\$25	\$0.46
D	54	\$20	\$0.37
E-L	50	\$15	\$0.30

Monthly Rent Discussion:

As a check on affordability for the preceding conclusions, we have considered the daily rates as monthly rents. These are calculated below.

Daily Rent & Monthly Rent Table								
Row	Size (sf)	Number of Units	Weekday Rent	x 5 Weekdays	Weekend Rent	x 2 Wkend Days	Weekly Rent	Monthly Rent
A	54	72	\$25	\$125	\$30	\$60	\$185	\$740
B	54	64	\$20	\$100	\$25	\$50	\$150	\$600
D	54	64	\$15	\$75	\$20	\$40	\$115	\$460
E-L	50	125	\$10	\$50	\$15	\$30	\$80	\$320

As a check, we present the below kiosk comparables.

Confidential Kiosk Comparables		
Confidential Kiosk	A	B
Location	Decatur Street	Decatur Street
Description	Multi-tenant Development with Interior Kiosks	Multi-tenant Development with Interior Kiosks
Monthly Rent	\$590	\$950
Annual Rent	\$7,080	\$11,400

The exact location of this development cannot be disclosed, but we will note that this is a multi-tenant commercial development in the French Quarter. These kiosks are interior spaces inside a climate-controlled building.

The subject property's rentals are inferior with no climate control and tent/table-style rentals, but this kiosk dataset does provide market-extracted support for the preceding rent conclusions.



FINAL RECONCILIATION AND CONCLUSION

Market Rent Indications

The following table summarizes our opinion(s) of market rent based on the data and analyses developed in this report:

Musical Legends Park - Contract Rent											
Tenant	Comm.	Exp.	Size (sf)	Annual Rent	Rent per SF	Annualized % Rent	Total Contract	Contract/SF	Market Rent	Rent/SF	Type
Cafe Beignet	8/1/2014	7/31/2024	5,632.00	\$150,000	\$26.63	\$305,108.00	\$455,108.00	\$80.81	\$178,422.00	\$31.68	NNN

Upper Pontalba - Market Rent Conclusions						
Unit ID	Unit Type	Area	Contract Rent	Market Rent	Rent per SF	Lease Type
500, 502CY, 502S1, 502S2, 502WC St. Peters Street - 633CY, 633S1, 633S2, 635 Decatur Street	Restaurant & Endcap (Allowed Alcohol Sales)	3,147	\$211,612	\$211,612	\$67.24	NNN
514 St. Peters Street	Retail	1,063	\$56,561	\$56,561	\$53.21	NNN
544CY, 544S1, 544S2, 546 St. Peters Street- 632CY, 632S1, 632S2, 634 Chartres Street	Restaurant & Endcap (Allows Alcohol Sales)	3,083	\$227,537	\$227,537	\$73.80	NNN
627CY, 627S1, 631 Decatur Street	Retail	1,288	\$53,730	\$64,400	\$50.00	NNN
542 St. Peters Street	Retail	384	\$19,412	\$46,080	\$120.00	NNN
504 St. Peters Street	Retail	372	\$44,088	\$44,088	\$118.52	NNN
532 St. Peters Street	Retail	1,114	\$69,515	\$61,270	\$55.00	NNN
522 St. Peters Street	Retail	1,087	\$44,425	\$59,785	\$55.00	NNN
536 St. Peters Street	Retail	1,044	\$100,080	\$57,420	\$55.00	NNN
510 St. Peters Street	Retail	1,092	\$22,631	\$60,060	\$55.00	NNN
3CY, 628S1, 628S2, 630 Chartres Street	Retail	1,335	\$41,172	\$66,750	\$50.00	NNN
Totals		15,009		\$955,563		
Average Rent per SF				\$63.67		

Colonnade Building A Market Rent Conclusion						
Unit Location	Unit Type	Lease Type	Area	Contract Rent	Market Rent	Rent per SF
800-803 Decatur	End Cap - Café	NNN	5,118	\$793,252	\$639,750	\$125.00
810 Decatur Street	Interior Retail	NNN	2,532	\$214,628	\$214,628	\$84.77
812 Decatur Street	Interior Retail	NNN	1,467	\$112,340	\$112,340	\$76.58
816 Decatur Street	Interior Retail	NNN	1,059	\$51,992	\$79,425	\$75.00
820 Decatur Street	Interior Retail	NNN	1,658	\$110,600	\$107,770	\$65.00
824 Decatur Street	Interior Retail	NNN	1,228	\$50,655	\$85,960	\$70.00
832 Decatur Street	Interior Retail	NNN	1,179	\$71,026	\$82,530	\$70.00
848 Decatur Street	End Cap - Retail	NNN	2,037	\$72,529	\$173,145	\$85.00
Totals			16,278		\$1,495,548	\$91.88

Colonnade Building B Market Rent Conclusion						
Unit Location	Unit Type	Lease Type	Area	Contract Rent	Market Rent	Rent per SF
900 Decatur Street	End Unit - Retail	NNN	1,042	\$58,461	\$88,570	\$85.00
910 Decatur Street	Interior Retail	NNN	737	\$62,635	\$73,700	\$100.00
910-B1 Decatur Street	Interior Retail (ATM)	NNN	155	\$11,328	\$20,150	\$130.00
912B Decatur Street	Interior Retail	NNN	410	\$26,645	\$53,300	\$130.00
912, 916 Decatur Street	Interior Retail	NNN	1,368	\$56,213	\$95,760	\$70.00
930 Decatur Street	Interior Retail	NNN	763	\$30,297	\$76,300	\$100.00
936, 940 Decatur Street	End Unit - Retail	NNN	1,384	\$58,632	\$96,880	\$70.00
			5,859		\$504,660	\$86.13



Colonnade Building C Market Rent Roll						
Unit Location	Unit Type	Lease Type	Area	Contract Rent	Market Rent	Rent per SF
912 N. Peters Street	Retail	NNN	3,028	\$104,713	\$121,120	\$40.00
916 N. Peters Street	Retail	NNN	2,139	\$38,502	\$74,865	\$35.00
914-1L, 914-1R, 914-2, 914-2B, 914-M1, 914-M2 N. Peters Street	Restaurant / Event	NNN	10,790	\$183,974	\$323,700	\$30.00
Totals			15,957		\$519,685	\$32.57

Colonnade Building D Market Rent Conclusion						
Unit Location	Unit Type	Lease Type	Area	Contract Rent	Annual Rent	Rent per SF
1000 Decatur Street	End Unit - Café (Allows for Alcoholic Beverage Sales)	NNN	5,177	\$235,783	\$310,632	\$60.00
1010 Deactur Street	Interior - Retail	NNN	789	\$67,386	\$78,900	\$100.00
1022- 1023 N. Peters Street	Interior - Retail	NNN	268	\$11,878	\$33,500	\$125.00
16-I- 1016-O- 1018 Decatur Street	Interior Café - Outdoor Seating/Alcohol Sales	NNN	4,843	\$150,180	\$290,604	\$60.00
1025 N. Peters Street	End Unit - Retail	NNN	513	\$57,685	\$64,125	\$125.00
1021 N. Peters Street	Interior - Retail	NNN	242	\$18,454	\$30,250	\$125.00
Totals			11,833		\$808,011	\$68.29

Colonnade Building E Market Rent Roll						
Building	Unit Location	Unit Type	Lease	Area	Contract Rent	Rent per SF
E	1008 B N. Peters Street	GF Retail White Box	NNN	1,800	N/A	\$40.00
E	1008 N Peters Upper	Office	NNN	2,458	N/A	\$20.00
Totals				4,258		\$28.45

Oscar Dunn Park Market Rent Roll									
Unit ID	Unit Type	Type	GLA (sf)	Courtyard (sf)	Interior + Courtyard SF	Contract Rent	Market Rent	Annual Rent per GLA (sf)	Rent per Indoor + Outdoor SF
700-1, 700-2	Retail / Tourism	NNN	1,082	487	1,569	\$137,392	\$144,820	\$133.84	\$92.30
702	Retail	NNN	1,685	540	2,225	\$20,682	\$168,500	\$100.00	\$75.73
704	Ticket Booth / Kiosk	Gross	100	--	100	\$36,000	\$42,000	\$420.00	\$420.00
Totals			2,767		3,794		\$355,320		\$93.65

Farmers Market Market Rent Roll							
Bay ID	Tenant	Notes	Lease Type	Area	Contract Rent	Annual Market Rent	Market Rent Per SF
Bay 11	Alberto's Gourmet Cheese	Food + Alcohol Sales	Gross	329	\$41,208	\$41,208	\$125.25
Bay 25 -26	J's Seafood Dock	Food Sales	Gross	686	\$21,226	\$72,000	\$104.96
Bay 13	Meals From the Heart, LLC	Food + Alcohol Sales	Gross	319	\$61,821	\$61,824	\$193.81
Bay 15-17-19	World Famous N'awlins Cajun and Creole Spice, Inc.	Retail + Food	Gross	1,041	\$91,202	\$91,200	\$87.61
Bay 27-29	Organic Banana LLC	Alcohol Sales	Gross	426	\$92,560	\$92,560	\$217.28
Bay 5A	Paradise Gardens	Retail	Gross	155	\$6,720	\$18,000	\$116.13
Bay 1-2-3-4-5B	French Market Produce	Retail	Gross	1,116	\$34,217	\$96,000	\$86.02
Bay 9	Loretta's Authentic Pralines	Retail	Gross	382	\$65,106	\$65,100	\$170.42
Bay 33-35-37-38	MOTHER NATURE'S CUPBOARD	Food Sales	Gross	1,010	\$35,098	\$108,000	\$106.93
Bay-23	Crepes on the Market LLC	Food Sales	Gross	383	\$49,609	\$49,608	\$129.52
Totals			Totals	5,847		\$695,500	\$118.95



Flea Market Rent Conclusions:

Market Rent Conclusions Weekdays			
Row	Size (sf)	Weekday Rate	Rate per SF
A	54	\$25	\$0.46
B	54	\$20	\$0.37
D	54	\$15	\$0.28
E-L	50	\$10	\$0.20

Market Rent Conclusions Weekends			
Row	Size (sf)	Weekend Daily Rate	Rate per SF
A	54	\$30	\$0.56
B	54	\$25	\$0.46
D	54	\$20	\$0.37
E-L	50	\$15	\$0.30



ASSUMPTIONS AND LIMITING CONDITIONS

This report is subject to the following conditions and such specifications and limiting conditions that also might be outlined in this report. These conditions affect the analyses; opinions, and value conclusions contained in this report.

1. It is assumed that the property is owned in Fee Simple Title. Fee Simple Title implies that the property is owned free and clear, unencumbered and unless otherwise specified. There are to be no leases, liens, easements, encroachments, or other encumbrances on the subject property that have not been specified in this report.
2. No responsibility is assumed for matters of a legal nature affecting the appraised property or title. This appraisal assumes that the subject property is presented with a good and marketable title unless otherwise specified. The appraiser has not rendered an opinion as to the title and does not have the expertise to do so. Data on ownership and legal descriptions were obtained from sources generally considered reliable.
3. The property is appraised assuming it is to be under responsible ownership and competent management. Unless otherwise specified, the property is assumed to be available for its highest and best use.
4. Any survey contained in this report is assumed to be true and correct, and it is also assumed that there are no hidden encroachments upon the property appraised except as noted. Any sketch prepared by the appraiser and included in this report may show approximate dimensions and is included to assist the reader in visualizing the property only. The appraiser has not surveyed the property and does not warrant any surveys or other presented plans or sketches.
5. The appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, or other structures, which would render it more or less valuable. The appraiser assumes no responsibility for such conditions or for engineering which might be required to discover these factors. This includes the presence of unusual/extraordinary mineral deposits or subsurface rights not typically transferred with normal comparable data (i.e., valuable mineral rights associated with oil/gas production, etc., are not part of this assignment).
6. Any distributions of the valuation of the report between land and improvements apply only under the existing program of utilization. The separate valuation for land and building must not be used in conjunction with any other appraisal and are invalid if used in conjunction with any other appraisal.
7. No responsibility is assumed for changes in matters that are legal, political, social, or economic which could affect real estate values that take place after the effective date of this evaluation.

8. Information, estimates, and opinions furnished to the appraiser, and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for the accuracy of such information furnished to the appraiser during the appraisal process is warranted by the appraiser. The appraiser assumes no responsibility for the accuracy of such information as measurements, survey, title information, and other information furnished by comparable sales data found in courthouse records and information obtained from Realtors and other parties during any type of comparable survey.

9. This report is predicated upon the assumption that the property has reached a stabilized occupancy as of the date of valuation unless otherwise noted.

10. On all appraisals, subject to satisfactory completion, repairs, or alterations, the appraisal report and value conclusion are contingent upon completion of the improvements in a workmanlike manner and in accord with the referred to plans and specifications.

11. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question unless required to do so by a court.

12. Disclosure of the contents of this appraisal report is governed by the By-Laws and Regulations of the Appraisal Institute.

13. Neither all nor any part of the contents of this report, especially any conclusions as to value, the identity of the appraiser or the firm with which he (they) is connected or any reference to the Appraisal Institute shall be disseminated to the public through advertising media, public relations media, news media, sales media, or any other public means of communication without the prior consent of the undersigned.

14. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials or gases may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field if desired. This report further assumes that there are no under/above ground storage tanks of any kind on the property (unless otherwise noted). Possible leakage problems have not been addressed. The site history of the subject property has not been explored, nor has the historical land-use patterns of surrounding properties been investigated. Again, the appraiser has not addressed any environmental issues that might affect value. This report assumes that no such issues of any kind are present or affecting the Fee Simple Value in any manner (unless otherwise noted). The appraiser urges the client to retain an outside environmental expert to determine the subject property's status from this perspective.

15. We have personally inspected the property and found no obvious evidence of structural deficiencies except as stated in the report. However, no responsibility for hidden or unnoticed defects is assumed. No responsibility for conformity to specific governmental requirements (such as fire, building, and safety, earthquake, or occupancy codes) can be assumed without provisions of specific professional or governmental inspections.

16. We have personally inspected the subject property and found no evidence of termite damage or infestation (unless otherwise noted). No termite inspection report was made available to the appraiser; the appraiser is not responsible for damages resulting from any type of insect infestation whatsoever. This is beyond the scope of the appraisal assignment.

ACCEPTANCE OF AND USE OF THIS APPRAISAL REPORT CONSTITUTES ACCEPTANCE OF ABOVE

ADDENDA

Qualifications of the Appraisers

Legal Description

Survey

Sketch

Rent Roll

Operating Statement

Zoning Ordinance

Flood Map

Wetlands Map

Regional Map

Neighborhood Map

Subject Photos

CURRICULUM VITAE
BALDWIN R. JUSTICE

Primary Real Estate Business Experience:

- The McEnery Company, Inc., New Orleans, Louisiana – Director of Valuation Services
(April 2010 - Present)

Practical Real Estate Experience - Institutional Lending/Private Client Appraisal:

- Medical and Office Buildings
- Mixed-Use Buildings
- Industrial Warehouses, Office Warehouses, Warehouse Condominiums
- Land – Commercial Lots, Bulk Acreage and Subdivision Analyses
- Multi-family Buildings
- Special Use Properties (Marinas, RV Parks, Shipyards, Bowling Centers)
- Net Leased Properties
- Bed and Breakfast Properties/Hotel Properties
- Convenience Stores-Gasoline Stations
- Self-Storage Facilities
- Funeral Homes
- Subdivisions
- Acreage tracts
- Timberland
- Industrial Shipyards
- High-Rise Office Buildings

Memberships, Licenses, Etcetera:

- State of Louisiana Certified General Real Estate Appraiser #G3000
- State of Mississippi Certified General Real Estate Appraiser #GA-1208
- State of Alabama Certified General Real Estate Appraiser #G01336
- State of Florida Certified General Real Estate Appraiser #RZ4260
- State of Texas Certified General Real Estate Appraiser #TX1381113G
- Candidate for MAI Designation

Primary Education:

- University of Alabama – Tuscaloosa, AL
 - Culverhouse College of Commerce and Business Administration – (August 2005 – December 2009)
 - Department of Economics, Finance, and Legal Studies
 - Bachelor of Science (December 2009)
 - Major: Finance / Concentration Areas: Real Estate

- Real Estate Related Courses: FI 331/Principles of Real Estate; FI 334/Introduction to Real Estate Property Management; FI 432/Real Estate Appraisal; FI 436/ Real Estate Finance

Real Estate Related Education:

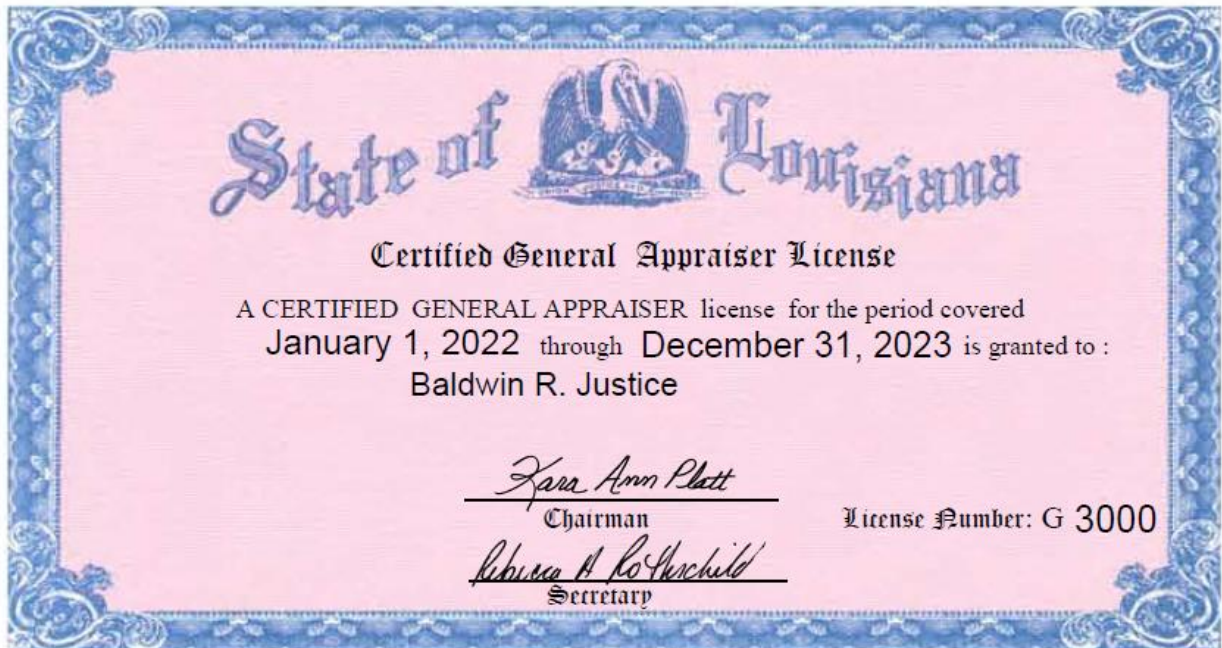
- Appraisal Institute – Chicago, Illinois – 2010 – Present
 - Course 110 - Appraisal Principles (Nashville, TN – 2010)
 - Course 120 - Appraisal Procedures (Nashville, TN – 2010)
 - 15 Hour National USPAP (Nashville, TN – 2010)
 - Course 300 - Real Estate Finance, Statistics, and Valuation Modeling (Online – 2012)
 - Course 401G - General Appraiser Sales Comparison Approach (Dallas, TX – 2012)
 - Course 400G - General Appraiser Market Analysis and H & B Use (Ft. Lauderdale, FL – 2012)
 - Course 402G - General Appraiser Site Valuation & Cost Approach (Online – 2014)
 - Course 403G - General Appraiser Income Approach/Part 1 (Online - 2014)
 - General Appraiser Report Writing and Case Studies (Online - 2014)
 - General Appraiser Income Approach/ Part 2 (Online - 2015)
 - Advanced Market Area Analysis and Highest and Best Use (Atlanta, GA – September 2015)
 - Advanced Income Capitalization (Atlanta, GA – April 2018)
 - Quantitative Analysis (Houston, TX – August 2019)
 - Advanced Concepts & Case Studies (New Orleans, LA – February 2022)

- Appraisal of Self-storage facilities – McKissock Learning (2017)
- Basic Hotel Appraising - McKissock (2017)
- Appraisal of Land Subject to Ground Leases - McKissock (2017)
- Appraisal of Fast-Food Facilities – McKissock (2021)
- Appraisal of REO & Foreclosure Properties - McKissock (2021)
- Complex Properties - McKissock (2021)

Qualified as Expert Witness in Real Estate Appraising:

- United States District Court Eastern District of Louisiana
- United States Bankruptcy Court for the Southern District of Mississippi
- 24th Judicial District Court for the Parish of Jefferson, Louisiana
- 19th Louisiana Judicial District Court, Parish of East Baton Rouge
- 22nd Judicial District Court Parish of St. Tammany

Email: Baldwin@mceneryco.com



Legal Description

Upper Pontalba:

Inc., that certain portion of ground and the improvements thereon known as the Upper Pontalba Building and fixing the terms and conditions controlling and affecting said donation.

Whereas, the Pontalba Building Museum Association, Inc, has tendered to the City of New Orleans that portion of ground measuring 362 feet, 4 inches and 6 lines front on St. Peter Street, with a width in the rear of 362 feet, 6 inches and 4 lines, by a depth and front on Decatur Street of 89 feet, 11 inches and 1 line and a depth and front on Chartres Street of 89 feet, 6 inches upon which is located the improvements known as the Upper Pontalba Buildings; all as more fully appears by reference to a communication addressed to the Hon. T. Semmes Walmsley, Acting Mayor of the City of New Orleans, on January 13, 1930, which said letter forms part of the proceedings of the special session of the Council held January 21, 1930; and,

A PORTION OF GROUND, with all the improvements thereon and all the rights, ways, privileges, servitudes, appurtenances and advantages thereunto belonging or in anywise appertaining, situated in the SECOND DISTRICT of this City, in Square 25, bounded by St. Peter, Wilkinson (formerly Jefferson), Chartres and Decatur Streets. Said portion of ground measures three hundred sixty-two feet, four inches and six lines (362'4"6") front on St. Peter Street, three hundred sixty-two feet, six inches and four lines (362'6"4") wide in the rear, by a depth and front on Decatur Street of eighty-nine feet, eleven inches and one line (89'11"1") and a depth and front on Chartres Street of eighty-nine feet, six inches (89'6"). The buildings thereon are known as the Pontalba Building (St. Peter Street side,)

Musical Legends Park:

A certain portion of ground together with all of the buildings and improvements thereon and all of the rights, ways, privileges, servitudes, advantages and appurtenances thereunto belonging or in anywise appertaining, situated in the Second Municipal District of the City of New Orleans in Square 69, which is bounded by Bourbon, Bienville, Dauphine and Conti Streets and designated by the letter 'W' on a certain plan or certificate of survey made by Frank H. Maddill, Civil Engineer and Surveyor, dated May 31, 1907; which lot begins at a distance of 67' 6" 3"" from the corner of Bienville and Bourbon Streets and measures thence 43' 8" 2"" front on Bourbon Street, same width in the rear, by a depth of 127' 10" 4"" between equal and parallel lines.

Being the same property acquired by DCMR from Railways Realty Company by Act passed before Dufour Bayle, Notary Public, on September 30, 1935, registered in C.O.B. 486, Folio 361, Parish of Orleans, Louisiana.

Oscar Dunn Park (legal description for parent tract / Washington Artillery Park):

Brief Description: [Square 24B, "Washington Artillery Park"] COB 743H/262-265. Tract of land in front of Jackson Square being about 314' 0" 0"" in length and 120' 0" 0"" in depth. Restrictive Covenant in favor of Secretary of Housing and Urban Development. Property may not be sold, leased, or otherwise transferred without the prior written approval of the Secretary of Housing and Urban Development. [N.B: act applies to Square 24, "Jackson Square," Square 24B, "Washington Artillery Park," and various other property owned by the City of New Orleans]

Colonnade Building A:

Brief Description: Square 3 (old number) [N.B: "Square 10-11" was an erroneous designation, apparently invented by the VCS; this square was known for over a century as "The Meat Market," and is now best known for housing the Café du Monde. When last mentioned in the records of the City Office of Property Management (in the 1940s), it was called Square 3 (not to be confused with Square 3, or .1B between Bienville and Iberville on N. Peters); in this 1973 act, it is referred to only as one of two "undesignated" squares.] COB 718D/9-11 Ordinance: Calendar No. 5061, No. 4745 Ordinance 14,182, 15,701 40 yr. Franchise and Lease [price not given] to various properties [Squares 3 (Café du Monde), 4 (Bazaar/Red Stores), 10, 11, 12, and 15] comprising the French Market Complex. Undesignated Square, 2nd District, bb. Decatur, St. Ann, and Dumaine Sts. and the river - more fully described in Survey and Street Research (on file with the Engineering Division of the Dept. of streets of the City of New Orleans) of L. Noel, surveyor, dated Nov. 19, 1970, a copy attached, also included in this lease is all property lying on the Mississippi River side of the retaining wall except those portions used for port and railroad purposes [N.B: this square was originally about 337' in length, but now extends some 30' into St. Ann St. south of Decatur, and some 12' into Dumaine St. south of Decatur.]. Owned by the City of New Orleans as far back as 1858. No prior record.

Colonnade Building B & C:

Brief Description: Square 4 (old number) [called Square 4 when the site of the Bazaar Market and original Red Stores; currently called "undesignated square"]. [N.B: in subsequent transactions, Square 4 is divided into Lots Nos. 1, 2, and 3 (or A), which are bought and sold individually.] Situated between St. Philip and Maine [Dumaine] Sts. 79' 6" on Levee [N. Peters] St. 80' on the levee, front to the river. 46' wide on the southwest line. 53' wide on the northeast line, which separates it from property formerly owned by Domingo Gonzales; and containing a surface area of 3,176' 4", all French Measure.

Colonnade Building D:

Brief Description: Square 11. COB 718D/9-11. Ordinance: Calendar No. 5061, No. 4745. Ordinance 14,182, 15,701. Square 11, 2nd District, bb. Ursulines, N. Peters, St. Philip, and Decatur Sts. 40 yr. Franchise and Lease [price not given] to various properties [Squares 3 (Café du Monde), 4 (Bazaar/Red Stores), 10, 11, 12, and 15] comprising the French Market Complex. Owned by the City of New Orleans from 1857 - no prior record. No COB in City Engineer's office. Part of Square 11 consists of Morning Call Coffee and vegetable market. The area in front of the Ursulines Convent and perhaps the entire public batture between the levee and Decatur St. was referred to in the records of the Cabildo as early as March 1792 as "Los Naranjos," the Orange Grove, or the "Alameda." As of 1808 no building existed between Levee Street and the river except 2 forts, the old Custom House, and the Market. 1718 [?? should read 1798 ??] - Framework and details of fish market in Cabildo papers. 1808 - New market planned. 1812 - Jacques Tanasse, city surveyor, built new market. 1822 - Vegetable market designed by Joseph Pilié, built by Felix Pinson.

FarmersMarket & Flea Market:

Brief Description: Square 12 COB 718D/9-11 Ordinance: Calendar No. 5061, No. 4745 Ordinance 14,182, 15,701 40 yr. Franchise and Lease [price not given] to various properties [Squares 3 (Café du Monde), 4 (Bazaar/Red Stores), 10, 11, 12, and 15] comprising the French Market Complex. Square 12, 2nd District, bb. N. Peters St., French Market Pl. [late Gallatin St.], Gov. Nicholls St., and Ursulines St. and more fully described in Survey and Street Research (on file with the Engineering Division of the Dept. of streets of the City of New Orleans) of L. Noel, surveyor, dated Nov. 19, 1970, a copy attached, also included in this lease is all property lying on the Mississippi River side of the retaining wall except those portions used for port and railroad purposes.

Site Sketches

362'-4"



Subject Site
32579.9 sf

89'-1"

127'-9"

Subject Site
5567.7 sf

43'-7"

Rent Rolls

Rent Roll - Lease Charges

From Date: 05/15/2023 To: Present

Div(s)	Lease	Lease	Lease	Lease	Security	Letter of Credit Amount	Amendment	Area	Area	Term	Amendment	Amendment	Charge	Charge From	Charge To	Monthly Amount	Mgmt Fee	Gross Amount	Net	Accumulated Amt	Gross Amount	Net	
	Type	From	To	Deposit			Type	Label		From		To	Code										
001 Colorado, New Orleans	Cafe Du Monde	Rental Net	6/1/2020	3/31/2042	15,446.00	0.00	Removal	ABD-2, ABD-4, ABD-1, ABD-3	GA	7,818.00	204.00	6/1/2020	3/31/2042	retenant	3/1/2023	3/31/2042	21,862.00	0.00	12,962.00	1.85	19,437.00	18.80	
Total								ABD-2, ABD-4, ABD-1, ABD-3	GA	7,818.00								21,862.00	0.00	12,962.00	1.85	19,437.00	
ABD	Aunt Sully's Produce Shop, Inc.	Rental Net	3/1/2015	3/31/2025	11,094.00	0.00	Original Lease	ABD	GA	2,532.00	120.00	3/1/2015	3/31/2025	retenant	3/1/2023	3/31/2025	4,405.00	0.00	4,405.00	1.24	12,851.00	20.85	
Total								ABD	GA	2,532.00	120.00	3/1/2015	3/31/2025	retenant	3/1/2023	3/31/2025	19,311.00	0.00	19,311.00	4.22	12,851.00	20.85	
ABD	Vacuos Harley Davidson	Rental Net	7/1/2014	6/30/2024	4,378.75	0.00	Removal	ABD	GA	1,467.00	60.00	7/1/2019	6/30/2024	retenant	3/1/2023	6/30/2024	2,143.24	0.00	2,143.24	1.74	16,761.00	28.85	
ABD								ABD	GA	1,467.00								7,638.13	0.00	7,638.13			
ABD	Head To Toe	Rental Net	8/1/2012	7/31/2027	5,000.00	0.00	Removal	ABD	GA	1,859.00	60.00	8/1/2022	7/31/2027	retenant	3/1/2023	7/31/2027	1,446.32	0.00	1,446.32	1.74	22,884.00	20.85	
Total								ABD	GA	1,859.00	60.00	8/1/2022	7/31/2027	retenant	3/1/2023	7/31/2027	3,297.68	0.00	3,297.68	1.11	19,165.00		
ABD								ABD	GA	1,859.00								11,337.46	0.00	11,337.46			
ABD	Merry Christmas and What Jazz	Rental Net	11/1/2014	10/31/2024	4,538.00	0.00	Removal	ABD	GA	1,658.00	60.00	11/1/2019	10/31/2024	retenant	3/1/2023	10/31/2024	2,861.36	0.00	2,861.36	1.74	24,574.12		
Total								ABD	GA	1,658.00	60.00	11/1/2019	10/31/2024	retenant	3/1/2023	10/31/2024	5,956.25	0.00	5,956.25	1.58	17,225.07	43.96	
ABD	What's New	Rental Net	12/1/2014	11/30/2025	0.00	0.00	Removal	ABD	GA	1,238.00	60.00	12/1/2020	11/30/2025	retenant	3/1/2023	11/30/2025	2,114.61	0.00	2,114.61	1.74	25,688.12	20.85	
ABD								ABD	GA	1,238.00								2,052.48	0.00	2,052.48			
ABD	Rob Lockhouse	Rental Net	11/1/2019	10/31/2024	3,440.00	0.00	Removal	ABD	GA	1,179.00	60.00	11/1/2019	10/31/2024	retenant	3/1/2023	10/31/2024	2,948.85	0.00	2,948.85	1.74	24,586.12	20.85	
Total								ABD	GA	1,179.00	60.00	11/1/2019	10/31/2024	retenant	3/1/2023	10/31/2024	4,655.64	0.00	4,655.64	1.95	35,054.14	47.43	
BB0	The Little Toy Shop	Rental Net	6/1/2015	4/30/2025	3,907.00	0.00	Removal	BB0	GA	1,942.00	60.00	5/1/2020	4/30/2025	retenant	3/1/2023	4/30/2025	1,610.76	0.00	1,610.76	1.74	21,729.36	20.85	
BB0								BB0	GA	1,942.00								5,163.41	0.00	5,163.41			
BB0	Just Fun Sports LLC	Rental Net	3/1/2012	6/30/2028	1,394.25	0.00	Removal	BB0	GA	737.00	60.00	3/1/2013	6/30/2028	retenant	3/1/2023	6/30/2028	1,388.75	0.00	1,388.75	1.74	13,369.00	20.85	
Total								BB0	GA	737.00	60.00	3/1/2013	6/30/2028	retenant	3/1/2023	6/30/2028	3,286.38	0.00	3,286.38	3.10	27,455.19	37.23	
BB0								BB0	GA	737.00								3,567.60	0.00	3,567.60			
BB0	Liberty Bank & Trust	Rental Net	11/1/2011	10/31/2024	516.07	0.00	Removal	BB0	GA	155.00	30.00	11/1/2011	10/31/2024	retenant	3/1/2023	10/31/2024	150.00	0.00	150.00	0.97	8,800.00	11.61	
Total								BB0	GA	155.00								202.12	0.00	202.12	1.72	3,297.49	20.79
BB0								BB0	GA	155.00								672.32	0.00	672.32	4.34	6,027.10	10.08
BB0								BB0	GA	155.00								1,509.04	0.00	1,509.04			
BB0								BB0	GA	155.00													
BB0								BB0	GA	155.00													
BB0								BB0	GA	155.00													
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BB0								BB0	GA	155.00													
BB0								BB0	GA	155.00													

Editor Park, New Orleans																						
311	Cafe Regret	Retail Net	8/1/2014	7/31/2024	0.00	0.00	Renewal	311	GA	6,441.00	60.00	8/1/2019	7/31/2024	contract	8/1/2020	7/31/2024	12,500.00	0.00	12,500.00	1.94	150,000.00	23.29
					0.00	0.00																
Summary by Charge Code					Amount																	
contract					12,500.00																	
Total					12,500.00																	
Farmers - Farmers' Market, New Orleans																						
1100-1, 1100-2, 1100-3, 1100-4, 1100-5	French Market Produce	Retail Net	10/1/2014	9/30/2023	5,000.00	0.00	Renewal	1100-1, 1100-2, 1100-3, 1100-4, 1100-5	GA	1,118.00	24.00	10/1/2021	9/30/2023	renewal	5/1/2023	9/30/2023	1,200.00	0.00	1,200.00	1.35	15,004.10	15.80
					0.00	0.00	Renewal	1100-1, 1100-2, 1100-3, 1100-4, 1100-5	GA	1,118.00	24.00	10/1/2021	9/30/2023	renewal	10/1/2023	9/30/2024	2,201.00	0.00	2,201.00	2.05	27,902.76	24.64
Total																	12,500.00	0.00	12,500.00		150,000.00	
1100-11	Alberti's Gourmet Cheese x	Retail Net	11/1/2012		825.00	0.00	Hold/Chrg	1100-11	GA	320.00	0.00	1/1/2023		renewal	1/1/2023		460.18	0.00	460.18	1.40	5,522.16	16.78
					0.00	0.00	Renewal	1100-11	GA	320.00				renewal	1/1/2023		1,055.03	0.00	1,055.03	3.21	12,600.37	35.40
Total																	1,515.21	0.00	1,515.21		16,122.53	
1100-13	Meats From the Heart, LLC	Retail Net	9/1/2012	12/31/2027	796.00	0.00	Renewal	1100-13	GA	319.00	60.00	1/1/2023	12/31/2027	renewal	3/1/2023	12/31/2027	935.46	0.00	935.46	1.74	6,405.52	20.90
					0.00	0.00	Renewal	1100-13	GA	319.00				renewal	1/1/2023	12/31/2027	1,037.78	0.00	1,037.78	3.12	14,451.41	39.14
Total																	1,893.34	0.00	1,893.34		19,118.93	
1100-15, 1100-17, 1100-19	World Famous Nardus Capon and Cecile Spies, Inc.	Retail Net	9/1/2014	8/31/2024	1,480.00	0.00	Renewal	1100-15, 1100-17, 1100-19	GA	1,841.00	60.00	9/1/2019	8/31/2024	renewal	9/1/2023	8/31/2024	3,812.84	0.00	3,812.84	1.74	27,751.68	39.16
					0.00	0.00	Renewal	1100-15, 1100-17, 1100-19	GA	1,841.00				renewal	9/1/2023	8/31/2024	5,171.76	0.00	5,171.76	3.05	38,061.09	36.56
Total																	4,984.60	0.00	4,984.60		59,812.77	
1100-23	Crepes on the Market LLC	Retail Net	9/21/2018	9/30/2024	1,021.34	0.00	Renewal	1100-23	GA	381.00	37.00	9/21/2023	9/30/2024	renewal	3/1/2023	9/30/2024	666.90	0.00	666.90	1.74	8,002.50	20.80
					0.00	0.00	Renewal	1100-23	GA	381.00				renewal	10/1/2023	9/30/2024	1,196.21	0.00	1,196.21	3.12	14,204.41	37.12
Total																	1,863.11	0.00	1,863.11		22,207.26	
1100-25, 1100-26	J's Seafood Dock	Retail Net	3/1/2014	4/30/2024	1,715.00	0.00	Renewal	1100-25, 1100-26	GA	686.00	60.00	5/1/2019	4/30/2024	renewal	3/1/2023	4/30/2024	1,194.30	0.00	1,194.30	1.74	14,234.00	20.80
					0.00	0.00	Renewal	1100-25, 1100-26	GA	686.00				renewal	3/1/2023	4/30/2024	1,709.16	0.00	1,709.16	2.49	20,509.92	29.90
Total																	2,903.46	0.00	2,903.46		34,943.92	
1100-27, 1100-29	Organic Bananas LLC	Retail Net	9/1/2012	8/31/2023	1,065.00	0.00	Renewal	1100-27, 1100-29	GA	426.00	36.00	9/1/2020	8/31/2023	renewal	3/1/2023	8/31/2023	741.77	0.00	741.77	1.46	8,961.24	25.85
					0.00	0.00	Renewal	1100-27, 1100-29	GA	426.00				renewal	9/1/2023	8/31/2023	1,092.34	0.00	1,092.34	3.74	19,130.49	40.89
Total																	1,834.11	0.00	1,834.11		28,117.79	
1100-31, 1100-35, 1100-37, 1100-38	MOTHER NATURE'S CUPBOARD	Retail Net	6/1/2013		2,289.24	0.00	Renewal	1100-31, 1100-35, 1100-37, 1100-38	GA	1,610.00	0.00	6/1/2018		renewal	3/1/2023		1,758.86	0.00	1,758.86	1.74	21,103.10	20.80
					0.00	0.00	Renewal	1100-31, 1100-35, 1100-37, 1100-38	GA	1,610.00				renewal	6/1/2023		2,170.19	0.00	2,170.19	3.12	24,294.41	31.12
Total																	4,478.94	0.00	4,478.94		53,746.11	
1100-5A	Paradise Gardens	Retail Net	4/1/2015	3/31/2024	413.34	0.00	Renewal	1100-5A	GA	155.00	36.00	4/1/2021	3/31/2024	renewal	3/1/2023	3/31/2024	269.90	0.00	269.90	1.74	3,238.80	20.90
					0.00	0.00	Renewal	1100-5A	GA	155.00				renewal	4/1/2023	3/31/2024	501.90	0.00	501.90	3.24	6,022.86	35.85
Total																	771.80	0.00	771.80		9,261.66	
1100-9	Loretta's Authentic Potholes, LLC	Retail Net	5/1/2014	09/31/2026	860.00	0.00	Renewal	1100-9	GA	382.00	60.00	1/1/2023	09/31/2026	renewal	3/1/2023	10/31/2026	665.16	0.00	665.16	1.74	7,981.92	20.90
					0.00	0.00	Renewal	1100-9	GA	382.00				renewal	10/1/2023	10/31/2026	1,188.00	0.00	1,188.00	3.12	14,204.41	37.12
Total																	1,853.25	0.00	1,853.25		22,207.26	
1210-3	Liberty Bank & Trust	Retail Net	11/1/2011	10/31/2024	153.33	0.00	Renewal	1210-3	GA	46.00	36.00	11/1/2023	10/31/2024	renewal	3/1/2023	10/31/2024	76.45	0.00	76.45	1.46	917.40	12.94
					0.00	0.00	Renewal	1210-3	GA	46.00				renewal	11/1/2023	10/31/2024	199.05	0.00	199.05	4.34	2,395.76	55.08
Total																	276.50	0.00	276.50		3,313.16	
Summary by Charge Code					Amount																	
contract					16,654.20																	
renewal					6,493.62																	
Total					23,147.82																	
idp - Clear Dome Park, New Orleans																						
700-1, 700-2	New Orleans	Retail Net	1/1/2012	3/31/2025	0.00	0.00	Renewal	700-1, 700-2	GA	1,682.00	36.00	4/1/2022	3/31/2025	gross	4/1/2022	3/31/2025	-4,333.00	0.00	-4,333.00	-4.00	-51,996.00	-46.06
					0.00	0.00	Renewal	700-1, 700-2	GA	1,682.00				net	4/1/2022	3/31/2025	50.00	0.00	50.00	0.05	600.00	0.55
					0.00	0.00	Renewal	700-1, 700-2	GA	1,682.00				renewal	3/1/2023	3/31/2025	1,999.36	0.00	1,999.36	1.11	14,362.31	13.30
					0.00	0.00	Renewal	700-1, 700-2	GA	1,682.00				renewal	4/1/2023	3/31/2025	1,882.48	0.00	1,882.48	1.74	22,302.19	20.80
Total																	-1,200.96	0.00	-1,200.96		-14,411.51	
702	Galaxy Ceyenne	Retail Net	12/1/2013	10/31/2023	0.00	0.00	Renewal	702	GA	1,694.50	36.00	11/1/2020	10/31/2023	renewal	11/1/2022	10/31/2023	1,723.52	0.00	1,723.52	1.92	20,682.23	12.28
					0.00	0.00	Renewal	702	GA	1,694.50				renewal	11/1/2023	10/31/2023	0.00	0.00	0.00	0.00	0.00	0.00
Total																	1,723.52	0.00	1,723.52		20,682.23	
704	Gray Line of New Orleans, Inc.	Retail Net	1/1/2015	12/31/2024	0.00	0.00	Renewal	704	GA	100.00	60.00	1/1/2020	12/31/2024	renewal	3/1/2023	12/31/2024	173.78	0.00	173.78	1.74	2,085.36	20.85
					0.00	0.00	Renewal	704	GA	100.00				renewal	1/1/2020	12/31/2024	3,000.00	0.00	3,000.00	3.00	36,000.00	30.00
Total																	3,173.78	0.00	3,173.78		38,085.36	
Summary by Charge Code					Amount																	
contract					0.00																	
renewal					5,512.88																	
gross					2,056.46																	
net					-4,333.00																	
Total					2,696.34																	
idpcom - Upper Potomac Commercial, New Orleans																						
500, 502CY, 502S1, 502S2, 502NH, 631CY, 632S1, 632S2, 639	Corner Office House	Retail Net	8/1/2012	7/31/2027	8,776.00	0.00	Renewal	500HC	GA	42.00	60.00	8/1/2022	7/31/2027	renewal	8/1/2022	7/31/2027	35.00	0.00	35.00	0.63	420.00	10.00
					0.00	0.00	Renewal	632S1	GA	94.00				renewal	8/1/2022	7/31/2027	78.33	0.00	78.33	0.83	940.00	10.00
					0.00	0.00	Renewal	502S1	GA	125.00				renewal	8/1/2022	7/31/2027	104.17	0.00	104.17	0.83	1,250.00	10.00
					0.00	0.00	Renewal	502CY	GA	183.00				renewal	8/1/2022	7/31/2027	152.50	0.00	152.50	0.83	1,830.00	10.00
					0.00	0.00	Renewal	632CY	GA	183.00				renewal	8/1/2022	7/31/2027	152.50	0.00	152.50	0.83	1,830.00	10.00
					0.00	0.00	Renewal	632S2	GA	210.00				renewal	8/1/2022	7/31/2027	177.50	0.00	177.50	0.83	2,100.00	10.00
					0.00	0.00	Renewal	639	GA	1,682.00				renewal	3/1/2023	7/31/2027	802.41	0.00	802.41	0.26	9,628.92	3.16
					0.00	0.00	Renewal	639	GA	1,682.00				renewal	8/1/2022	7/31/2027	5,476.63	4.17	5,476.63	4.17	64,520.00	50.00
					0.00	0.00	Renewal	500	GA	1,426.00				renewal	8/1/2022	7/31/2027	5,941.67	0.00	5,941.67	4.17	71,300.00	50.00
Total																	11,644.91	0.00	11,644.91		133,078.92	
504	Socks on the Square	Retail Net	10/1/2012	9/30/2027	1,302.00	0.00	Renewal	504	GA	372.00	60.00	10/1/2022	9/30/2027	renewal	9/1/2022	9/30/2027	97.96	0.00	97.96	0.26	1,175.12	3.16
					0.00	0.00	Renewal	504	GA	372.00				renewal	10/1/2022	9/30/2027	1,085.13	0.00	1,085.13	4.26	12,826.39	11.15
Total																	1,463.49	0.00	1,463.49		20,201.51	
508S1	Lee Tudor	Storage Net	1/1/2015		0.00	0.00	Original/Lease	508S1	GA	175.00	1/1/2015			renewal	8/1/2015		80.00	0.00	80.00	0.46	960.00	5.49
					0.00	0.00	Original/Lease	508S1	GA	175.00				renewal	8/1/2015		80.00	0.00	80.00	0.46	960.00	5.49
Total																	80.00	0.00	80.00		960.00	
510	Shoe Be No Idea LLC	Retail Net	9/1/2018	8/31/2023	3,822.00	0.00	Original/Lease	510	GA	1,092.00	60.00	9/1/2018	8/31/2023	renewal	3/1/2023	8/31/2023	387.36	0.00	387.36	0.36	4,647.13	45.87
					0.00	0.00	Original/Lease	510	GA	1,092.00				renewal	10/1/2023	8/31/2023	4,538.09	0.00	4,538.09	4.		

Property Name	Unit Location	Lease Name	Lease Type	Lease Expiration Date	Area	Base Rent
Upper Pontalba Commercial	500, 502CY, 502S1, 502S2, 502WC St. Peters Street - 633CY, 633S1, 633S2, 635 Decatur Street	Corner Oyster House	Retail Net	7/31/2027	3,147.0000	\$10,312.50
Upper Pontalba Commercial	514 St. Peters Street	Cella's Boutique (Latin's Hand Inc.)	Retail Net	MONTH TO MONTH	1,063.0000	\$4,530.70
Upper Pontalba Commercial	544CY, 544S1, 544S2, 546 St. Peters Street- 632CY, 632S1, 632S2, 634 Chartres Street	Cafe Pontalba	Retail Net	7/31/2027	3,083.0000	\$10,255.83
Upper Pontalba Commercial	627CY, 627S1, 631 Decatur Street	The Fudgery, Inc.	Retail Net	7/31/2027	1,288.0000	\$4,129.92
Upper Pontalba Commercial	542 St. Peters Street	OMG LLC	Retail Net	12/31/2023	384.0000	\$1,518.60
Upper Pontalba Commercial	504 St. Peters Street	Socks on the Sgaure	Retail Net	9/30/2027	372.0000	\$1,585.53
Upper Pontalba Commercial	532 St. Peters Street	Muse Inspired Fashion	Retail Net	7/31/2026	1,114.0000	\$2,785.00
Upper Pontalba Commercial	522 St. Peters Street	Rendezvous Enterprise Inc	Retail Net	7/31/2025	1,087.0000	\$3,442.00
Upper Pontalba Commercial	536 St. Peters Street	Chapel Headwear LLC	Retail Net	9/30/2027	1,044.0000	\$3,654.00
Upper Pontalba Commercial	510 St. Peters Street	Shoe Be Do Nola LLC	Retail Net	8/31/2023	1,092.0000	\$1,585.53
Upper Pontalba Commercial	628CY, 628S1, 628S2, 630 Chartres Street	Dirty Coast	Retail Net	1/31/2028	1,335.0000	\$3,431.00
Farmers Market	1100 N. Peters Street- Bay 11	Alberto's Gourmet Cheese s	Retail Net	MONTH TO MONTH	329.0000	\$1,055.03
Farmers Market	1100 N. Peters Street -Bay 25 -26	J's Seafood Dock	Retail Net	4/30/2024	686.0000	\$1,709.16
Farmers Market	1100 N. Peters Street -Bay 13	Meals From the Heart, LLC	Retail Net	12/31/2027	319.0000	\$1,037.78
Farmers Market	1100 N. Peters Street -Bay 15-17-19	World Famous Nawlins Cajun and Creole Spice, Inc.	Retail Net	8/31/2024	1,041.0000	\$3,171.76
Farmers Market	1100 N. Peters Street Bay-27-29	Organic Banane LLC	Retail Net	8/31/2023	426.0000	\$1,592.54
Farmers Market	1100 N. Peters Street -Bay 5A	Paradise Gardens	Retail Net	3/31/2024	155.0000	\$501.90
Farmers Market	1100 N. Peters Street -Bay 1-2-3-4-5B	French Market Produce	Retail Net	9/30/2023	1,116.0000	\$2,291.90
Farmers Market	1100 N. Peters Street -Bay 9	Loretta's Authentic Pralines, LLC	Retail Net	10/31/2026	382.0000	\$1,188.09
Farmers Market	1100 N. Peters Street -Bay 33-35-37-38	MOTHER NATURE'S CUPBOARD	Retail Net	MONTH TO MONTH	1,010.0000	\$2,720.18
Farmers Market	1100 N. Peters Street Bay-23	Crepes on the Market LLC	Retail Net	9/30/2024	383.0000	\$1,196.21
Farmers Market	1235 N. Peters Street - Bay 3	Liberty Bank & Trust	Retail Net	10/31/2024	46.0000	\$199.65
Colonnade Building A	824 Decatur Street	What's New	Retail Net	11/30/2025	1,228.0000	\$3,932.48
Colonnade Building B	930 Decatur Street	Baby One	Retail Net	1/31/2028	763.0000	\$1,996.00
Colonnade Building B	912, 916 Decatur Street	Red Lester	Retail Net	5/31/2024	1,368.0000	\$4,455.92
Colonnade Building B	936, 940 Deactur Street	Pop City	Retail Net	MONTH TO MONTH	1,384.0000	\$4,351.73
Colonnade Building B	910 Decatur Street	Just Fun Socks LLC	Retail Net	6/30/2028	737.0000	\$2,286.30
Colonnade Building A	820 Decatur Street	Merry Christmas and All that Jazz	Retail Net	10/31/2024	1,658.0000	\$5,936.26
Colonnade Building A	810 Decatur Street	Aunt Sally's Praline Shop, Inc.	Retail Net	1/31/2025	2,532.0000	\$10,211.92
Colonnade Building A	816 Decatur Street	Head To Toe	Retail Net	7/31/2027	1,059.0000	\$3,297.16
Colonnade Building D	1000 Decatur Street	Market Café	Retail Net	5/31/2030	5,177.2000	\$9,813.00
Colonnade Building B	912B Decatur Street	Ground Up Retail, LLC	Retail Net	3/31/2024	410.0000	\$1,323.01
Colonnade Building A	832 Deactur Street	Belle Louisiane	Retail Net	10/31/2024	1,179.0000	\$4,659.68
Colonnade Building D	1010 Deactur Street	Southern Candy Company of Louisiana, Inc	Retail Net	1/31/2024	789.0000	\$3,740.86
Colonnade Building C	912 N. Peters Street	Dutch Alley Artist's Co-Op	Retail Net	8/31/2025	3,028.0000	\$7,335.74
Colonnade Building A	812 Decatur Street	VooDoo Harley Davidson	Retail Net	6/30/2024	1,467.0000	\$5,108.79
Colonnade Building D	1022- 1023 N. Peters Street	Lalosh Silver, LLC	Retail Net	12/31/2025	268.0000	\$885.78
Colonnade Building D	1016-I- 1016-O- 1018 Decatur Street	The Gazebo Cafe, LLC	Retail Net	5/31/2030	4,843.4000	\$6,236.00
Colonnade Building D	1025 N. Peters Street	Latin Hand's	Retail Net	5/31/2025	513.0000	\$2,690.18
Colonnade Building D	1021 N. Peters Street	African Art	Retail Net	4/30/2025	242.0000	\$1,095.84
Colonnade Building E	1008 B N. Peters Street	Friends of WWOZ, Inc.	Office Fixed	8/31/2023	4,258.0000	\$3,619.85
Colonnade Building C	916 N. Peters Street	U.S. General Services Administration	Office Gross	12/31/2031	2,139.0000	\$3,208.50
Colonnade Building C	914-1L, 914-1R, 914-2, 914-2B, 914-M1, 914-M2 N. Peters Street	Marche	Retail Net	3/31/2026	10,790.0000	\$14,000.00
Colonnade Building B	950 Decatur Street	Toro Vertical LLC	Office Fixed	5/31/2033	9.0000	\$25.00
Colonnade Building A	800-1, 800-2, 800-3, 848 Deactur Street	Cafe Du Monde	Retail Net	3/31/2042	7,818.0000	\$21,867.00
Colonnade Building B	910-B1 Deactur Street	Liberty Bank & Trust	Retail Net	10/31/2024	155.0000	\$672.72
Colonnade Building B	900 Decatur Street	The Little Toy Shop	Retail Net	4/30/2025	1,042.0000	\$3,503.43
Oscar Dunn Park	704 Decatur Street	Gray Line of New Orleans, Inc.	Retail Net	12/31/2024	100.0000	\$3,000.00
Oscar Dunn Park	702 Decatur Street	Gallery Cayenne	Retail Net	10/31/2023	1,684.5000	\$1,723.52
Oscar Dunn Park	700-1, 700-2 Decatur Street	iNew Orleans	Retail Net	3/31/2025	1,082.0000	\$1,199.36

Property Name	Unit Location	Lease Name	Lease Type	Lease Expiration Date	Area	Base Rent
Oscar Dunn Park	704 Decatur Street	Gray Line of New Orleans, Inc.	Retail Net	12/31/2024	100.0000	\$3,000.00
Oscar Dunn Park	702 Decatur Street	Gallery Cayenne	Retail Net	10/31/2023	1,684.5000	\$1,723.52
Oscar Dunn Park	700-1, 700-2 Decatur Street	iNew Orleans	Retail Net	3/31/2025	1,082.0000	\$1,199.36

Property Name	Unit Location	Lease Name	Lease Type	Lease Expiration	Area	Base Rent
Colonnade Building A	824 Decatur Street	What's New	Retail Net	11/30/2025	1,228.0000	\$3,932.48
Colonnade Building B	930 Decatur Street	Baby One	Retail Net	1/31/2028	763.0000	\$1,996.00
Colonnade Building B	912, 916 Decatur Street	Red Lester	Retail Net	5/31/2024	1,368.0000	\$4,455.92
Colonnade Building B	936, 940 Deactur Street	Pop City	Retail Net	MONTH TO MONTH	1,384.0000	\$4,351.73
Colonnade Building B	910 Decatur Street	Just Fun Socks LLC	Retail Net	6/30/2028	737.0000	\$2,286.30
Colonnade Building A	820 Decatur Street	Merry Christmas and All that Jazz	Retail Net	10/31/2024	1,658.0000	\$5,936.26
Colonnade Building A	810 Decatur Street	Aunt Sally's Praline Shop, Inc.	Retail Net	1/31/2025	2,532.0000	\$10,211.92
Colonnade Building A	816 Decatur Street	Head To Toe	Retail Net	7/31/2027	1,059.0000	\$3,297.16
Colonnade Building D	1000 Decatur Street	Market Café	Retail Net	5/31/2030	5,177.2000	\$9,813.00
Colonnade Building B	912B Decatur Street	Ground Up Retail, LLC	Retail Net	3/31/2024	410.0000	\$1,323.01
Colonnade Building A	832 Deactur Street	Belle Louisiane	Retail Net	10/31/2024	1,179.0000	\$4,659.68
Colonnade Building D	1010 Deactur Street	Southern Candy Company of Louisiana, Inc	Retail Net	1/31/2024	789.0000	\$3,740.86
Colonnade Building C	912 N. Peters Street	Dutch Alley Artist's Co-Op	Retail Net	8/31/2025	3,028.0000	\$7,335.74
Colonnade Building A	812 Decatur Street	VooDoo Harley Davidson	Retail Net	6/30/2024	1,467.0000	\$5,108.79
Colonnade Building D	1022- 1023 N. Peters Street	Lalosh Silver, LLC	Retail Net	12/31/2025	268.0000	\$885.78
Colonnade Building D	1016-I- 1016-O- 1018 Decatur Street	The Gazebo Cafe, LLC	Retail Net	5/31/2030	4,843.4000	\$6,236.00
Colonnade Building D	1025 N. Peters Street	Latin Hand's	Retail Net	5/31/2025	513.0000	\$2,690.18
Colonnade Building D	1021 N. Peters Street	African Art	Retail Net	4/30/2025	242.0000	\$1,095.84
Colonnade Building E	1008 B N. Peters Street	Friends of WWOZ, Inc.	Office Fixed	8/31/2023	4,258.0000	\$3,619.85
Colonnade Building C	916 N. Peters Street	U.S. General Services Administration	Office Gross	12/31/2031	2,139.0000	\$3,208.50
Colonnade Building C	914-1L, 914-1R, 914-2, 914-2B, 914-M1, 914-M2 N. Peters Street	Marche	Retail Net	3/31/2026	10,790.0000	\$14,000.00
Colonnade Building B	950 Decatur Street	Toro Vertical LLC	Office Fixed	5/31/2033	9.0000	\$25.00
Colonnade Building A	800-1, 800-2, 800-3, 848 Deactur Street	Cafe Du Monde	Retail Net	3/31/2042	7,818.0000	\$21,867.00
Colonnade Building B	910-B1 Deactur Street	Liberty Bank & Trust	Retail Net	10/31/2024	155.0000	\$672.72
Colonnade Building B	900 Decatur Street	The Little Toy Shop	Retail Net	4/30/2025	1,042.0000	\$3,503.43

Property Name	Unit Location	Lease Name	Lease Type	Lease Expiration Date	Area	Base Rent
Farmers Market	1100 N. Peters Street- Bay 11	Alberto's Gourmet Cheese s	Retail Net	MONTH TO MONTH	329.0000	\$1,055.03
Farmers Market	1100 N. Peters Street -Bay 25 -26	J's Seafood Dock	Retail Net	4/30/2024	686.0000	\$1,709.16
Farmers Market	1100 N. Peters Street -Bay 13	Meals From the Heart, LLC	Retail Net	12/31/2027	319.0000	\$1,037.78
Farmers Market	1100 N. Peters Street -Bay 15-17-19	World Famous Nawlins Cajun and Creole Spice, Inc.	Retail Net	8/31/2024	1,041.0000	\$3,171.76
Farmers Market	1100 N. Peters Street Bay-27-29	Organic Banana LLC	Retail Net	8/31/2023	426.0000	\$1,592.54
Farmers Market	1100 N. Peters Street -Bay 5A	Paradise Gardens	Retail Net	3/31/2024	155.0000	\$501.90
Farmers Market	1100 N. Peters Street -Bay 1-2-3-4-5B	French Market Produce	Retail Net	9/30/2023	1,116.0000	\$2,291.90
Farmers Market	1100 N. Peters Street -Bay 9	Loretta's Authentic Pralines, LLC	Retail Net	10/31/2026	382.0000	\$1,188.09
Farmers Market	1100 N. Peters Street -Bay 33-35-37-38	MOTHER NATURE'S CUPBOARD	Retail Net	MONTH TO MONTH	1,010.0000	\$2,720.18
Farmers Market	1100 N. Peters Street Bay-23	Crepes on the Market LLC	Retail Net	9/30/2024	383.0000	\$1,196.21
Farmers Market	1235 N. Peters Street - Bay 3	Liberty Bank & Trust	Retail Net	10/31/2024	46.0000	\$199.65

Operating Statement

French Market Security (security)

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Budget Comparison

Period = Jan 2022-Dec 2022

Book = Accrual,GASB-87 ; Tree = Is

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
40000	OPERATING INCOME									
50000	OPERATING EXPENSE									
51000	STAFFING EXPENSES									
51130	Salaries-Regular	9,434.53	0.00	-9,434.53	N/A	9,434.53	0.00	-9,434.53	N/A	0.00
51135	Salaries-Regular-Common Area	-10,244.48	700,000.00	710,244.48	101.46	-10,244.48	700,000.00	710,244.48	101.46	700,000.00
51160	Salaries-Overtime	2,196.78	0.00	-2,196.78	N/A	2,196.78	0.00	-2,196.78	N/A	0.00
51165	Salaries-Overtime-Common Area	-2,619.26	0.00	2,619.26	N/A	-2,619.26	0.00	2,619.26	N/A	0.00
51180	Salaries-Sick Pay	522.29	0.00	-522.29	N/A	522.29	0.00	-522.29	N/A	0.00
51185	Salaries-Sick Pay-Common Area	-310.06	0.00	310.06	N/A	-310.06	0.00	310.06	N/A	0.00
51240	Medicare Tax	172.45	0.00	-172.45	N/A	172.45	0.00	-172.45	N/A	0.00
51245	Medicare Tax-Common Area	-187.12	0.00	187.12	N/A	-187.12	0.00	187.12	N/A	0.00
51280	FICA	737.37	0.00	-737.37	N/A	737.37	0.00	-737.37	N/A	0.00
51285	FICA-Common Area	-737.71	0.00	737.71	N/A	-737.71	0.00	737.71	N/A	0.00
51310	Hospitalization	1,903.88	0.00	-1,903.88	N/A	1,903.88	0.00	-1,903.88	N/A	0.00
51315	Hospitalization-Common Area	-2,423.12	0.00	2,423.12	N/A	-2,423.12	0.00	2,423.12	N/A	0.00
51320	Workmans Compensation	755.77	0.00	-755.77	N/A	755.77	0.00	-755.77	N/A	0.00
51325	Workmans Compensation-Common Area	-1,326.92	0.00	1,326.92	N/A	-1,326.92	0.00	1,326.92	N/A	0.00
51330	Pension	1,358.19	0.00	-1,358.19	N/A	1,358.19	0.00	-1,358.19	N/A	0.00
51335	Pension-Common Area	-1,396.29	0.00	1,396.29	N/A	-1,396.29	0.00	1,396.29	N/A	0.00
51340	Unemployment Compensation	11.77	0.00	-11.77	N/A	11.77	0.00	-11.77	N/A	0.00
51345	Unemployment Compensation-Common	-14.98	0.00	14.98	N/A	-14.98	0.00	14.98	N/A	0.00
	Area									
51350	Life Insurance	18.59	0.00	-18.59	N/A	18.59	0.00	-18.59	N/A	0.00
51355	Life Insurance-Common Area	-23.66	0.00	23.66	N/A	-23.66	0.00	23.66	N/A	0.00
51415	Uniforms-Common Area	6,310.48	20,000.00	13,689.52	68.45	6,310.48	20,000.00	13,689.52	68.45	20,000.00
51515	Contracted Staffing Expense-Common	27.00	0.00	-27.00	N/A	27.00	0.00	-27.00	N/A	0.00
	Area									
51710	Personnel Services	640.00	0.00	-640.00	N/A	640.00	0.00	-640.00	N/A	0.00
51715	Personnel Services-Common Area	199.44	0.00	-199.44	N/A	199.44	0.00	-199.44	N/A	0.00
51999	TOTAL STAFFING EXPENSES	5,004.94	720,000.00	714,995.06	99.30	5,004.94	720,000.00	714,995.06	99.30	720,000.00
52000	PROFESSIONAL SERVICE EXPENSES									
52190	Prof. Services-Other	159,540.36	250,000.00	90,459.64	36.18	159,540.36	250,000.00	90,459.64	36.18	250,000.00
52999	TOTAL PROFESSIONAL SERVICE EXPENSES	159,540.36	250,000.00	90,459.64	36.18	159,540.36	250,000.00	90,459.64	36.18	250,000.00
53000	REPAIR AND MAINTENANCE EXPENSE									
54100	EQUIPMENT EXPENSE									
54110	Equipment Expense	20,801.96	0.00	-20,801.96	N/A	20,801.96	0.00	-20,801.96	N/A	0.00
54115	Equipment Expense-Common Area	1,005.34	0.00	-1,005.34	N/A	1,005.34	0.00	-1,005.34	N/A	0.00
54125	Equipment Repairs-Common Area	663.58	0.00	-663.58	N/A	663.58	0.00	-663.58	N/A	0.00
54130	Equipment Supplies	1,078.49	25,000.00	23,921.51	95.69	1,078.49	25,000.00	23,921.51	95.69	25,000.00
54199	TOTAL EQUIPMENT EXPENSE	23,549.37	25,000.00	1,450.63	5.80	23,549.37	25,000.00	1,450.63	5.80	25,000.00

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09:41 AM

French Market Security (security)

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Budget Comparison

Period = Jan 2022-Dec 2022

Book = Accrual,GASB-87 ; Tree = Is

	PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual	
54400	SAFETY SERVICES									
54425	Security System-Contract-Common Area	1,058.36	0.00	-1,058.36	N/A	1,058.36	0.00	-1,058.36	N/A	0.00
54499	TOTAL SAFETY SERVICES	1,058.36	0.00	-1,058.36	N/A	1,058.36	0.00	-1,058.36	N/A	0.00
54999	TOTAL REPAIR AND MAINTENANCE EXPENSE	24,607.73	25,000.00	392.27	1.57	24,607.73	25,000.00	392.27	1.57	25,000.00
56000	GENERAL AND ADMINISTRATIVE EXPENSES									
56150	Meeting Expense	68.07	0.00	-68.07	N/A	68.07	0.00	-68.07	N/A	0.00
56320	Office Supplies	684.35	0.00	-684.35	N/A	684.35	0.00	-684.35	N/A	0.00
56410	Auto/Truck Repair	707.57	0.00	-707.57	N/A	707.57	0.00	-707.57	N/A	0.00
56999	TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	1,459.99	0.00	-1,459.99	N/A	1,459.99	0.00	-1,459.99	N/A	0.00
59000	TECHNOLOGY EXPENSE									
59120	Computer Supplies	138.19	0.00	-138.19	N/A	138.19	0.00	-138.19	N/A	0.00
59150	Telephone	1,125.78	0.00	-1,125.78	N/A	1,125.78	0.00	-1,125.78	N/A	0.00
59299	TOTAL TECHNOLOGY EXPENSE	1,263.97	0.00	-1,263.97	N/A	1,263.97	0.00	-1,263.97	N/A	0.00
69000	OTHER EXPENSE									
69210	Depreciation Expense	3,705.32	0.00	-3,705.32	N/A	3,705.32	0.00	-3,705.32	N/A	0.00
69999	TOTAL OTHER EXPENSE	3,705.32	0.00	-3,705.32	N/A	3,705.32	0.00	-3,705.32	N/A	0.00
69999	TOTAL OPERATING EXPENSE	195,582.31	995,000.00	799,417.69	80.34	195,582.31	995,000.00	799,417.69	80.34	995,000.00
89999	NET OPERATING INCOME	-195,582.31	-995,000.00	799,417.69	80.34	-195,582.31	-995,000.00	799,417.69	80.34	-995,000.00

Budget Comparison

Period = Jan 2022-Dec 2022

Book = Accrual,GASB-87 ; Tree = is

	PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
40000 OPERATING INCOME									
40001 REVENUE									
41000 OPERATING REVENUE									
41000 RENT REVENUE									
41100 COMMERCIAL RENT REVENUE									
41110 Commercial Base Rent Revenue	-49.98	0.00	-49.98	N/A	-49.98	0.00	-49.98	N/A	0.00
41111 Lease Revenue- GASB 87	75,349.75	0.00	75,349.75	N/A	75,349.75	0.00	75,349.75	N/A	0.00
41120 Commercial Coverage Rent Revenue	43,289.55	0.00	43,289.55	N/A	43,289.55	0.00	43,289.55	N/A	0.00
41199 TOTAL COMMERCIAL RENT REVENUE	118,590.32	0.00	118,590.32	N/A	118,590.32	0.00	118,590.32	N/A	0.00
41999 TOTAL RENT REVENUE	118,590.32	0.00	118,590.32	N/A	118,590.32	0.00	118,590.32	N/A	0.00
42000 REIMB EXPENSE REVENUE									
42100 RECOVERY ESTIMATES									
42110 Recovery - Operating	21,266.16	0.00	21,266.16	N/A	21,266.16	0.00	21,266.16	N/A	0.00
42199 TOTAL RECOVERY ESTIMATES	21,266.16	0.00	21,266.16	N/A	21,266.16	0.00	21,266.16	N/A	0.00
42210 Prior Year Recovery Revenue	448.47	0.00	448.47	N/A	448.47	0.00	448.47	N/A	0.00
42400 UTILITY REVENUE									
42420 Utility-Electric	600.00	0.00	600.00	N/A	600.00	0.00	600.00	N/A	0.00
42499 TOTAL UTILITY REVENUE	600.00	0.00	600.00	N/A	600.00	0.00	600.00	N/A	0.00
42999 TOTAL REIMB EXPENSE REVENUE	22,314.63	0.00	22,314.63	N/A	22,314.63	0.00	22,314.63	N/A	0.00
46000 MARKETING REVENUE									
46110 Advertising Revenue-Rent	10,624.60	5,000.00	5,624.60	112.49	10,624.60	5,000.00	5,624.60	112.49	5,000.00
46999 TOTAL MARKETING REVENUE	10,624.60	5,000.00	5,624.60	112.49	10,624.60	5,000.00	5,624.60	112.49	5,000.00
48999 TOTAL OPERATING REVENUE	151,529.55	5,000.00	146,529.55	2,930.59	151,529.55	5,000.00	146,529.55	2,930.59	5,000.00
49000 OTHER REVENUE									
49510 Interest Income-Lease	-8,674.59	0.00	8,674.59	N/A	-8,674.59	0.00	8,674.59	N/A	0.00
49999 TOTAL OTHER REVENUE	8,674.59	0.00	8,674.59	N/A	8,674.59	0.00	8,674.59	N/A	0.00
50000 OPERATING EXPENSE	160,204.14	5,000.00	155,204.14	3,104.08	160,204.14	5,000.00	155,204.14	3,104.08	5,000.00
51000 STAFFING EXPENSES									
51130 Salaries-Regular	4,022.58	0.00	-4,022.58	N/A	4,022.58	0.00	-4,022.58	N/A	0.00
51135 Salaries-Regular-Common Area	6,033.88	0.00	-6,033.88	N/A	6,033.88	0.00	-6,033.88	N/A	0.00
51160 Salaries-Overtime	938.33	0.00	-938.33	N/A	938.33	0.00	-938.33	N/A	0.00
51165 Salaries-Overtime-Common Area	1,407.49	0.00	-1,407.49	N/A	1,407.49	0.00	-1,407.49	N/A	0.00
51180 Salaries-Sick Pay	135.64	0.00	-135.64	N/A	135.64	0.00	-135.64	N/A	0.00
51185 Salaries-Sick Pay-Common Area	203.45	0.00	-203.45	N/A	203.45	0.00	-203.45	N/A	0.00
51240 Medicare Tax	71.74	0.00	-71.74	N/A	71.74	0.00	-71.74	N/A	0.00
51245 Medicare Tax-Common Area	107.62	0.00	-107.62	N/A	107.62	0.00	-107.62	N/A	0.00
51280 FICA	305.82	0.00	-305.82	N/A	305.82	0.00	-305.82	N/A	0.00
51285 FICA-Common Area	458.74	0.00	-458.74	N/A	458.74	0.00	-458.74	N/A	0.00

Budget Comparison

Period = Jan 2022-Dec 2022

Book = Accrual,GASB-87 ; Tree = is

	PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
51310 Hospitalization	920.40	0.00	-920.40	N/A	920.40	0.00	-920.40	N/A	0.00
51315 Hospitalization-Common Area	1,380.61	0.00	-1,380.61	N/A	1,380.61	0.00	-1,380.61	N/A	0.00
51320 Workmans Compensation	402.34	0.00	-402.34	N/A	402.34	0.00	-402.34	N/A	0.00
51325 Workmans Compensation-Common Area	603.50	0.00	-603.50	N/A	603.50	0.00	-603.50	N/A	0.00
51330 Pension	622.49	0.00	-622.49	N/A	622.49	0.00	-622.49	N/A	0.00
51335 Pension-Common Area	933.74	0.00	-933.74	N/A	933.74	0.00	-933.74	N/A	0.00
51340 Unemployment Compensation	5.52	0.00	-5.52	N/A	5.52	0.00	-5.52	N/A	0.00
51345 Unemployment Compensation-Common Area	8.27	0.00	-8.27	N/A	8.27	0.00	-8.27	N/A	0.00
51350 Life Insurance	8.64	0.00	-8.64	N/A	8.64	0.00	-8.64	N/A	0.00
51355 Life Insurance-Common Area	12.95	0.00	-12.95	N/A	12.95	0.00	-12.95	N/A	0.00
51420 Terminal Leave	43.02	0.00	-43.02	N/A	43.02	0.00	-43.02	N/A	0.00
51425 Terminal Leave-Common Area	64.54	0.00	-64.54	N/A	64.54	0.00	-64.54	N/A	0.00
51999 TOTAL STAFFING EXPENSES	18,691.31	0.00	-18,691.31	N/A	18,691.31	0.00	-18,691.31	N/A	0.00
52000 PROFESSIONAL SERVICE EXPENSES									
52190 Prof. Services-Other	9,500.00	0.00	-9,500.00	N/A	9,500.00	0.00	-9,500.00	N/A	0.00
52999 TOTAL PROFESSIONAL SERVICE EXPENSES	9,500.00	0.00	-9,500.00	N/A	9,500.00	0.00	-9,500.00	N/A	0.00
53000 REPAIR AND MAINTENANCE EXPENSE									
53100 GENERAL REPAIRS AND MAINTENANCE									
53145 Plumbing-Contract-Common Area	787.79	0.00	-787.79	N/A	787.79	0.00	-787.79	N/A	0.00
53165 HVAC-Contract-Common Area	1,482.00	0.00	-1,482.00	N/A	1,482.00	0.00	-1,482.00	N/A	0.00
53185 Electrical-Contract-Common Area	3,490.00	0.00	-3,490.00	N/A	3,490.00	0.00	-3,490.00	N/A	0.00
53205 Elevator-Contract-Common Area	1,050.00	0.00	-1,050.00	N/A	1,050.00	0.00	-1,050.00	N/A	0.00
53225 Painting-Supplies-Common Area	807.38	0.00	-807.38	N/A	807.38	0.00	-807.38	N/A	0.00
53265 Access Control-Supplies-Common Area	6.55	0.00	-6.55	N/A	6.55	0.00	-6.55	N/A	0.00
53275 Repair Other-Contract-Common Area	9,481.00	0.00	-9,481.00	N/A	9,481.00	0.00	-9,481.00	N/A	0.00
53285 Repair Other-Supplies-Common Area	40.53	0.00	-40.53	N/A	40.53	0.00	-40.53	N/A	0.00
53999 TOTAL GENERAL REPAIRS AND MAINTENANCE	17,145.25	0.00	-17,145.25	N/A	17,145.25	0.00	-17,145.25	N/A	0.00
54999 TOTAL REPAIR AND MAINTENANCE EXPENSE	17,145.25	0.00	-17,145.25	N/A	17,145.25	0.00	-17,145.25	N/A	0.00
55000 UTILITIES EXPENSE									
55015 Electric-Common Area	5,104.41	0.00	-5,104.41	N/A	5,104.41	0.00	-5,104.41	N/A	0.00
55099 TOTAL UTILITIES EXPENSE	5,104.41	0.00	-5,104.41	N/A	5,104.41	0.00	-5,104.41	N/A	0.00
69000 OTHER EXPENSE									
69210 Depreciation Expense	1,362.50	0.00	-1,362.50	N/A	1,362.50	0.00	-1,362.50	N/A	0.00
69990 Miscellaneous Expense	12,000.00	0.00	-12,000.00	N/A	12,000.00	0.00	-12,000.00	N/A	0.00
69998 TOTAL OTHER EXPENSE	13,362.50	0.00	-13,362.50	N/A	13,362.50	0.00	-13,362.50	N/A	0.00
69999 TOTAL OPERATING EXPENSE	63,803.47	0.00	-63,803.47	N/A	63,803.47	0.00	-63,803.47	N/A	0.00
89999 NET OPERATING INCOME	96,400.67	5,000.00	91,400.67	1,828.01	96,400.67	5,000.00	91,400.67	1,828.01	5,000.00

Budget Comparison

Period = Jan 2022-Dec 2022

Book = Accrual,GASB-87 ; Tree = is

		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
40000	OPERATING INCOME									
40001	REVENUE									
40100	OPERATING REVENUE									
41000	RENT REVENUE									
41100	COMMERCIAL RENT REVENUE									
41110	Commercial Base Rent Revenue	0.00	175,000.00	-175,000.00	-100.00	0.00	175,000.00	-175,000.00	-100.00	175,000.00
41111	Lease Revenue- GASB 87	169,717.64	0.00	169,717.64	N/A	169,717.64	0.00	169,717.64	N/A	0.00
41120	Commercial Overage Rent Revenue	208,181.19	0.00	208,181.19	N/A	208,181.19	0.00	208,181.19	N/A	0.00
41199	TOTAL COMMERCIAL RENT	377,898.83	175,000.00	202,898.83	115.94	377,898.83	175,000.00	202,898.83	115.94	175,000.00
41999	REVENUE	377,898.83	175,000.00	202,898.83	115.94	377,898.83	175,000.00	202,898.83	115.94	175,000.00
42000	TOTAL RENT REVENUE									
42100	REIMB EXPENSE REVENUE									
42100	RECOVERY ESTIMATES									
42110	Recovery - Operating	89,817.04	0.00	89,817.04	N/A	89,817.04	0.00	89,817.04	N/A	0.00
42199	TOTAL RECOVERY ESTIMATES	89,817.04	0.00	89,817.04	N/A	89,817.04	0.00	89,817.04	N/A	0.00
42210	Prior Year Recovery Revenue	25,458.59	0.00	25,458.59	N/A	25,458.59	0.00	25,458.59	N/A	0.00
42999	TOTAL REIMB EXPENSE REVENUE	115,275.63	0.00	115,275.63	N/A	115,275.63	0.00	115,275.63	N/A	0.00
43000	OTHER RENTAL REVENUE									
43130	NSF Fee Revenue	100.00	0.00	100.00	N/A	100.00	0.00	100.00	N/A	0.00
43140	Access Card/Key Fee Revenue	300.00	0.00	300.00	N/A	300.00	0.00	300.00	N/A	0.00
43999	TOTAL OTHER RENTAL REVENUE	400.00	0.00	400.00	N/A	400.00	0.00	400.00	N/A	0.00
46000	MARKETING REVENUE									
46110	Advertising Revenue-Rent	45,189.52	30,000.00	15,189.52	50.63	45,189.52	30,000.00	15,189.52	50.63	30,000.00
46999	TOTAL MARKETING REVENUE	45,189.52	30,000.00	15,189.52	50.63	45,189.52	30,000.00	15,189.52	50.63	30,000.00
48999	TOTAL OPERATING REVENUE	538,763.98	205,000.00	333,763.98	162.81	538,763.98	205,000.00	333,763.98	162.81	205,000.00
49000	OTHER REVENUE									
49510	Interest Income-Lease	-33,740.83	0.00	33,740.83	N/A	-33,740.83	0.00	33,740.83	N/A	0.00
49999	TOTAL OTHER REVENUE	33,740.83	0.00	33,740.83	N/A	33,740.83	0.00	33,740.83	N/A	0.00
49999	TOTAL REVENUE	572,504.81	205,000.00	367,504.81	179.27	572,504.81	205,000.00	367,504.81	179.27	205,000.00
50000	OPERATING EXPENSE									
51000	STAFFING EXPENSES									
51130	Salaries-Regular	40,440.72	0.00	-40,440.72	N/A	40,440.72	0.00	-40,440.72	N/A	0.00
51135	Salaries-Regular-Common Area	351,759.95	0.00	-351,759.95	N/A	351,759.95	0.00	-351,759.95	N/A	0.00
51160	Salaries-Overtime	2,758.12	0.00	-2,758.12	N/A	2,758.12	0.00	-2,758.12	N/A	0.00
51165	Salaries-Overtime-Common Area	88,729.33	0.00	-88,729.33	N/A	88,729.33	0.00	-88,729.33	N/A	0.00
51180	Salaries-Sick Pay	4,383.81	0.00	-4,383.81	N/A	4,383.81	0.00	-4,383.81	N/A	0.00
51185	Salaries-Sick Pay-Common Area	8,840.25	0.00	-8,840.25	N/A	8,840.25	0.00	-8,840.25	N/A	0.00
51240	Medicare Tax	710.19	0.00	-710.19	N/A	710.19	0.00	-710.19	N/A	0.00
51245	Medicare Tax-Common Area	6,285.74	0.00	-6,285.74	N/A	6,285.74	0.00	-6,285.74	N/A	0.00
51280	FICA	3,036.68	0.00	-3,036.68	N/A	3,036.68	0.00	-3,036.68	N/A	0.00

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		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
51285	FICA-Common Area	26,781.13	0.00	-26,781.13	N/A	26,781.13	0.00	-26,781.13	N/A	0.00
51310	Hospitalization	9,138.36	0.00	-9,138.36	N/A	9,138.36	0.00	-9,138.36	N/A	0.00
51315	Hospitalization-Common Area	80,599.82	0.00	-80,599.82	N/A	80,599.82	0.00	-80,599.82	N/A	0.00
51320	Workmans Compensation	2,630.78	0.00	-2,630.78	N/A	2,630.78	0.00	-2,630.78	N/A	0.00
51325	Workmans Compensation-Common Area	36,597.12	0.00	-36,597.12	N/A	36,597.12	0.00	-36,597.12	N/A	0.00
51330	Pension	7,603.59	0.00	-7,603.59	N/A	7,603.59	0.00	-7,603.59	N/A	0.00
51335	Pension-Common Area	53,087.90	0.00	-53,087.90	N/A	53,087.90	0.00	-53,087.90	N/A	0.00
51340	Unemployment Compensation	213.36	0.00	-213.36	N/A	213.36	0.00	-213.36	N/A	0.00
51345	Unemployment Compensation-Common	322.24	0.00	-322.24	N/A	322.24	0.00	-322.24	N/A	0.00
51350	Area									
51350	Life Insurance	89.23	0.00	-89.23	N/A	89.23	0.00	-89.23	N/A	0.00
51355	Life Insurance-Common Area	752.74	0.00	-752.74	N/A	752.74	0.00	-752.74	N/A	0.00
51420	Terminal Leave	5,112.08	0.00	-5,112.08	N/A	5,112.08	0.00	-5,112.08	N/A	0.00
51425	Terminal Leave-Common Area	-917.05	0.00	917.05	N/A	-917.05	0.00	917.05	N/A	0.00
51999	TOTAL STAFFING EXPENSES	728,956.09	0.00	-728,956.09	N/A	728,956.09	0.00	-728,956.09	N/A	0.00
52000	PROFESSIONAL SERVICE EXPENSES									
52190	Prof. Services-Other	255,499.45	52,500.00	-202,999.45	-386.67	255,499.45	52,500.00	-202,999.45	-386.67	52,500.00
52999	TOTAL PROFESSIONAL SERVICE EXPENSES	255,499.45	52,500.00	-202,999.45	-386.67	255,499.45	52,500.00	-202,999.45	-386.67	52,500.00
53000	REPAIR AND MAINTENANCE EXPENSE									
53100	GENERAL REPAIRS AND MAINTENANCE									
53115	Janitorial-Contract-Common Area	0.00	14,000.00	14,000.00	100.00	0.00	14,000.00	14,000.00	100.00	14,000.00
53135	Pest Control-Common Area	3,488.00	0.00	-3,488.00	N/A	3,488.00	0.00	-3,488.00	N/A	0.00
53145	Plumbing-Contract-Common Area	11,839.82	0.00	-11,839.82	N/A	11,839.82	0.00	-11,839.82	N/A	0.00
53155	Plumbing-Supplies-Common Area	3,600.00	0.00	-3,600.00	N/A	3,600.00	0.00	-3,600.00	N/A	0.00
53165	HVAC-Contract-Common Area	1,139.00	0.00	-1,139.00	N/A	1,139.00	0.00	-1,139.00	N/A	0.00
53185	Electrical-Contract-Common Area	625.00	0.00	-625.00	N/A	625.00	0.00	-625.00	N/A	0.00
53225	Painting-Supplies-Common Area	478.86	0.00	-478.86	N/A	478.86	0.00	-478.86	N/A	0.00
53255	Access Control-Contract-Common Area	2,190.50	0.00	-2,190.50	N/A	2,190.50	0.00	-2,190.50	N/A	0.00
53265	Access Control-Supplies-Common Area	965.46	0.00	-965.46	N/A	965.46	0.00	-965.46	N/A	0.00
53275	Repair Other-Contract-Common Area	7,311.00	104,000.00	96,689.00	92.97	7,311.00	104,000.00	96,689.00	92.97	104,000.00
53285	Repair Other-Supplies-Common Area	15.36	0.00	-15.36	N/A	15.36	0.00	-15.36	N/A	0.00
53999	TOTAL GENERAL REPAIRS AND MAINTENANCE	31,653.00	118,000.00	86,347.00	73.18	31,653.00	118,000.00	86,347.00	73.18	118,000.00
54100	EQUIPMENT EXPENSE									
54125	Equipment Repairs-Common Area	4,316.00	0.00	-4,316.00	N/A	4,316.00	0.00	-4,316.00	N/A	0.00
54199	TOTAL EQUIPMENT EXPENSE	4,316.00	0.00	-4,316.00	N/A	4,316.00	0.00	-4,316.00	N/A	0.00
54999	TOTAL REPAIR AND MAINTENANCE EXPENSE	35,969.00	118,000.00	82,031.00	69.52	35,969.00	118,000.00	82,031.00	69.52	118,000.00
55000	UTILITIES EXPENSE									
55015	Electric-Common Area	20,277.58	9,000.00	-11,277.58	-125.31	20,277.58	9,000.00	-11,277.58	-125.31	9,000.00

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	PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
55035 Water and Sewerage-Common Area	49,608.28	15,000.00	-34,608.28	-230.72	49,608.28	15,000.00	-34,608.28	-230.72	15,000.00
55045 Trash Removal-Common Area	15,722.92	0.00	-15,722.92	N/A	15,722.92	0.00	-15,722.92	N/A	0.00
55055 Grease Trap/Oil Service-Common Area	2,380.30	0.00	-2,380.30	N/A	2,380.30	0.00	-2,380.30	N/A	0.00
55099 TOTAL UTILITIES EXPENSE	87,989.08	24,000.00	-63,989.08	-266.62	87,989.08	24,000.00	-63,989.08	-266.62	24,000.00
56000 GENERAL AND ADMINISTRATIVE EXPENSES									
56240 Fees and Taxes	4.00	0.00	-4.00	N/A	4.00	0.00	-4.00	N/A	0.00
56999 TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	4.00	0.00	-4.00	N/A	4.00	0.00	-4.00	N/A	0.00
69000 OTHER EXPENSE									
69210 Depreciation Expense	241,866.52	0.00	-241,866.52	N/A	241,866.52	0.00	-241,866.52	N/A	0.00
69998 TOTAL OTHER EXPENSE	241,866.52	0.00	-241,866.52	N/A	241,866.52	0.00	-241,866.52	N/A	0.00
69999 TOTAL OPERATING EXPENSE	1,350,284.14	194,500.00	-1,155,784.14	-594.23	1,350,284.14	194,500.00	-1,155,784.14	-594.23	194,500.00
89999 NET OPERATING INCOME	-777,779.33	10,500.00	-788,279.33	-7,507.42	-777,779.33	10,500.00	-788,279.33	-7,507.42	10,500.00

Edison Park (edison)

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40000 OPERATING INCOME									
40001 REVENUE									
40100 OPERATING REVENUE									
41000 RENT REVENUE									
41100 COMMERCIAL RENT REVENUE									
41110 Commercial Base Rent Revenue	24,166.57	0.00	24,166.57	N/A	24,166.57	0.00	24,166.57	N/A	0.00
41111 Lease Revenue- GASB 87	118,870.80	0.00	118,870.80	N/A	118,870.80	0.00	118,870.80	N/A	0.00
41120 Commercial Overage Rent Revenue	38,146.48	0.00	38,146.48	N/A	38,146.48	0.00	38,146.48	N/A	0.00
41199 TOTAL COMMERCIAL RENT REVENUE	181,183.85	0.00	181,183.85	N/A	181,183.85	0.00	181,183.85	N/A	0.00
41999 TOTAL RENT REVENUE	181,183.85	0.00	181,183.85	N/A	181,183.85	0.00	181,183.85	N/A	0.00
48999 TOTAL OPERATING REVENUE	181,183.85	0.00	181,183.85	N/A	181,183.85	0.00	181,183.85	N/A	0.00
49000 OTHER REVENUE									
49510 Interest Income-Lease	-34,965.46	0.00	34,965.46	N/A	-34,965.46	0.00	34,965.46	N/A	0.00
49998 TOTAL OTHER REVENUE	34,965.46	0.00	34,965.46	N/A	34,965.46	0.00	34,965.46	N/A	0.00
49999 TOTAL REVENUE	216,149.31	0.00	216,149.31	N/A	216,149.31	0.00	216,149.31	N/A	0.00
89999 NET OPERATING INCOME	216,149.31	0.00	216,149.31	N/A	216,149.31	0.00	216,149.31	N/A	0.00

Colonnade (col)

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	PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
40000 OPERATING INCOME									
40001 REVENUE									
40100 OPERATING REVENUE									
41000 RENT REVENUE									
41100 COMMERCIAL RENT REVENUE									
41110 Commercial Base Rent Revenue	54,320.59	1,663,278.00	-1,608,957.41	-96.73	54,320.59	1,663,278.00	-1,608,957.41	-96.73	1,663,278.00
41111 Lease Revenue- GASB 87	1,049,219.62	0.00	1,049,219.62	N/A	1,049,219.62	0.00	1,049,219.62	N/A	0.00
41120 Commercial Overage Rent Revenue	900,417.02	1,110,000.00	-209,582.98	-18.88	900,417.02	1,110,000.00	-209,582.98	-18.88	1,110,000.00
41199 TOTAL COMMERCIAL RENT REVENUE	2,003,957.23	2,773,278.00	-769,320.77	-27.74	2,003,957.23	2,773,278.00	-769,320.77	-27.74	2,773,278.00
41999 TOTAL RENT REVENUE	2,003,957.23	2,773,278.00	-769,320.77	-27.74	2,003,957.23	2,773,278.00	-769,320.77	-27.74	2,773,278.00
42000 REIMB EXPENSE REVENUE									
42100 RECOVERY ESTIMATES									
42110 Recovery - Operating	699,192.80	841,678.00	-142,485.20	-16.93	699,192.80	841,678.00	-142,485.20	-16.93	841,678.00
42199 TOTAL RECOVERY ESTIMATES	699,192.80	841,678.00	-142,485.20	-16.93	699,192.80	841,678.00	-142,485.20	-16.93	841,678.00
42210 Prior Year Recovery Revenue	192,209.83	0.00	192,209.83	N/A	192,209.83	0.00	192,209.83	N/A	0.00
42999 TOTAL REIMB EXPENSE REVENUE	891,402.63	841,678.00	49,724.63	5.91	891,402.63	841,678.00	49,724.63	5.91	841,678.00
43000 OTHER RENTAL REVENUE									
43140 Access Card/Key Fee Revenue	50.00	0.00	50.00	N/A	50.00	0.00	50.00	N/A	0.00
43160 Damages/Cleaning Fee	-2,586.16	0.00	-2,586.16	N/A	-2,586.16	0.00	-2,586.16	N/A	0.00
43990 Other Fees	7,420.52	0.00	7,420.52	N/A	7,420.52	0.00	7,420.52	N/A	0.00
43999 TOTAL OTHER RENTAL REVENUE	4,884.36	0.00	4,884.36	N/A	4,884.36	0.00	4,884.36	N/A	0.00
46000 MARKETING REVENUE									
46110 Advertising Revenue-Rent	289,890.50	215,000.00	74,890.50	34.83	289,890.50	215,000.00	74,890.50	34.83	215,000.00
46310 Event Venue Rental Revenue	0.00	100,000.00	-100,000.00	-100.00	0.00	100,000.00	-100,000.00	-100.00	100,000.00
46998 TOTAL MARKETING REVENUE	289,890.50	315,000.00	-25,109.50	-7.97	289,890.50	315,000.00	-25,109.50	-7.97	315,000.00
48999 TOTAL OPERATING REVENUE	3,190,134.72	3,929,956.00	-739,821.28	-18.83	3,190,134.72	3,929,956.00	-739,821.28	-18.83	3,929,956.00
49000 OTHER REVENUE									
49510 Interest Income-Lease	-512,707.31	0.00	512,707.31	N/A	-512,707.31	0.00	512,707.31	N/A	0.00
49700 Insurance Proceeds	375,584.62	0.00	375,584.62	N/A	375,584.62	0.00	375,584.62	N/A	0.00
49998 TOTAL OTHER REVENUE	888,291.93	0.00	888,291.93	N/A	888,291.93	0.00	888,291.93	N/A	0.00
49999 TOTAL REVENUE	4,078,426.65	3,929,956.00	148,470.65	3.78	4,078,426.65	3,929,956.00	148,470.65	3.78	3,929,956.00
50000 OPERATING EXPENSES									
51000 STAFFING EXPENSES									
51130 Salaries-Regular	241,354.26	0.00	-241,354.26	N/A	241,354.26	0.00	-241,354.26	N/A	0.00
51135 Salaries-Regular-Common Area	362,031.39	671,257.00	-309,225.61	46.07	362,031.39	671,257.00	-309,225.61	46.07	671,257.00
51160 Salaries-Overtime	56,299.94	0.00	-56,299.94	N/A	56,299.94	0.00	-56,299.94	N/A	0.00
51165 Salaries-Overtime-Common Area	84,449.92	135,528.00	-51,078.08	37.69	84,449.92	135,528.00	-51,078.08	37.69	135,528.00
51180 Salaries-Sick Pay	8,137.86	0.00	-8,137.86	N/A	8,137.86	0.00	-8,137.86	N/A	0.00
51185 Salaries-Sick Pay-Common Area	12,206.80	0.00	-12,206.80	N/A	12,206.80	0.00	-12,206.80	N/A	0.00

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	PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
51240 Medicare Tax	4,305.18	0.00	-4,305.18	N/A	4,305.18	0.00	-4,305.18	N/A	0.00
51245 Medicare Tax-Common Area	6,457.76	12,072.00	5,614.24	46.51	6,457.76	12,072.00	5,614.24	46.51	12,072.00
51280 FICA	18,349.45	0.00	-18,349.45	N/A	18,349.45	0.00	-18,349.45	N/A	0.00
51285 FICA-Common Area	27,524.17	51,618.00	24,093.83	46.68	27,524.17	51,618.00	24,093.83	46.68	51,618.00
51310 Hospitalization	55,223.47	0.00	-55,223.47	N/A	55,223.47	0.00	-55,223.47	N/A	0.00
51315 Hospitalization-Common Area	82,835.21	180,000.00	97,164.79	53.98	82,835.21	180,000.00	97,164.79	53.98	180,000.00
51320 Workmans Compensation	24,140.24	0.00	-24,140.24	N/A	24,140.24	0.00	-24,140.24	N/A	0.00
51325 Workmans Compensation-Common Area	36,210.35	54,000.00	17,789.65	32.94	36,210.35	54,000.00	17,789.65	32.94	54,000.00
51330 Pension	37,348.59	0.00	-37,348.59	N/A	37,348.59	0.00	-37,348.59	N/A	0.00
51335 Pension-Common Area	56,022.89	157,386.00	101,363.11	64.40	56,022.89	157,386.00	101,363.11	64.40	157,386.00
51340 Unemployment Compensation	329.57	0.00	-329.57	N/A	329.57	0.00	-329.57	N/A	0.00
51345 Unemployment Compensation-Common Area	494.36	1,800.00	1,305.64	72.54	494.36	1,800.00	1,305.64	72.54	1,800.00
51350 Life Insurance	518.15	0.00	-518.15	N/A	518.15	0.00	-518.15	N/A	0.00
51355 Life Insurance-Common Area	777.22	1,480.00	702.78	47.49	777.22	1,480.00	702.78	47.49	1,480.00
51410 Uniforms	323.28	9,000.00	8,676.72	96.41	323.28	9,000.00	8,676.72	96.41	9,000.00
51415 Uniforms-Common Area	484.92	4,500.00	4,015.08	89.22	484.92	4,500.00	4,015.08	89.22	4,500.00
51425 Terminal Leave-Common Area	6,453.91	0.00	-6,453.91	N/A	6,453.91	0.00	-6,453.91	N/A	0.00
51999 TOTAL STAFFING EXPENSES	1,122,278.89	1,278,641.00	156,362.11	12.23	1,122,278.89	1,278,641.00	156,362.11	12.23	1,278,641.00
52000 PROFESSIONAL SERVICE EXPENSES									
52190 Prof. Services-Other	35,567.18	0.00	-35,567.18	N/A	35,567.18	0.00	-35,567.18	N/A	0.00
52999 TOTAL PROFESSIONAL SERVICE EXPENSES	35,567.18	0.00	-35,567.18	N/A	35,567.18	0.00	-35,567.18	N/A	0.00
53000 REPAIR AND MAINTENANCE EXPENSE									
53100 GENERAL REPAIRS AND MAINTENANCE									
53115 Janitorial-Contract-Common Area	10,934.00	0.00	-10,934.00	N/A	10,934.00	0.00	-10,934.00	N/A	0.00
53120 Janitorial-Supplies	2,100.00	0.00	-2,100.00	N/A	2,100.00	0.00	-2,100.00	N/A	0.00
53125 Janitorial-Supplies-Common Area	69,127.21	14,000.00	-55,127.21	-393.77	69,127.21	14,000.00	-55,127.21	-393.77	14,000.00
53135 Pest Control-Common Area	9,500.00	22,500.00	13,000.00	57.78	9,500.00	22,500.00	13,000.00	57.78	22,500.00
53145 Plumbing-Contract-Common Area	23,603.57	0.00	-23,603.57	N/A	23,603.57	0.00	-23,603.57	N/A	0.00
53165 HVAC-Contract-Common Area	8,331.00	0.00	-8,331.00	N/A	8,331.00	0.00	-8,331.00	N/A	0.00
53175 HVAC-Supplies-Common Area	16.42	0.00	-16.42	N/A	16.42	0.00	-16.42	N/A	0.00
53185 Electrical-Contract-Common Area	26,051.92	0.00	-26,051.92	N/A	26,051.92	0.00	-26,051.92	N/A	0.00
53195 Electrical-Supplies-Common Area	245.78	25,000.00	24,754.22	99.02	245.78	25,000.00	24,754.22	99.02	25,000.00
53200 Elevator-Contract	485.00	0.00	-485.00	N/A	485.00	0.00	-485.00	N/A	0.00
53205 Elevator-Contract-Common Area	2,766.20	0.00	-2,766.20	N/A	2,766.20	0.00	-2,766.20	N/A	0.00
53215 Painting-Contract-Common Area	3,550.00	0.00	-3,550.00	N/A	3,550.00	0.00	-3,550.00	N/A	0.00
53225 Painting-Supplies-Common Area	8,649.66	0.00	-8,649.66	N/A	8,649.66	0.00	-8,649.66	N/A	0.00
53255 Access Control-Contract-Common Area	3,857.65	0.00	-3,857.65	N/A	3,857.65	0.00	-3,857.65	N/A	0.00
53265 Access Control-Supplies-Common Area	638.70	0.00	-638.70	N/A	638.70	0.00	-638.70	N/A	0.00

Budget Comparison

Period = Jan 2022-Dec 2022

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	PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
53270 Repair Other-Contract	7,134.14	0.00	-7,134.14	N/A	7,134.14	0.00	-7,134.14	N/A	0.00
53275 Repair Other-Contract-Common Area	63,825.33	114,000.00	50,174.67	44.01	63,825.33	114,000.00	50,174.67	44.01	114,000.00
53285 Repair Other-Supplies-Common Area	13,550.85	50,000.00	36,449.15	72.90	13,550.85	50,000.00	36,449.15	72.90	50,000.00
53295 Light Bulbs and Ballast-Common Area	2,975.20	0.00	-2,975.20	N/A	2,975.20	0.00	-2,975.20	N/A	0.00
53305 Window Cleaning-Common Area	19,960.00	0.00	-19,960.00	N/A	19,960.00	0.00	-19,960.00	N/A	0.00
53999 TOTAL GENERAL REPAIRS AND MAINTENANCE	277,302.63	225,500.00	-51,802.63	-22.97	277,302.63	225,500.00	-51,802.63	-22.97	225,500.00
54100 EQUIPMENT EXPENSE									
54115 Equipment Expense-Common Area	235.20	0.00	-235.20	N/A	235.20	0.00	-235.20	N/A	0.00
54125 Equipment Repairs-Common Area	5,382.22	0.00	-5,382.22	N/A	5,382.22	0.00	-5,382.22	N/A	0.00
54135 Equipment Supplies-Common Area	1,120.08	0.00	-1,120.08	N/A	1,120.08	0.00	-1,120.08	N/A	0.00
54145 Equipment Service Agreements-Common Area	10,944.60	0.00	-10,944.60	N/A	10,944.60	0.00	-10,944.60	N/A	0.00
54155 Equipment Leasing-Common Area	3,250.00	25,000.00	21,750.00	87.00	3,250.00	25,000.00	21,750.00	87.00	25,000.00
54199 TOTAL EQUIPMENT EXPENSE	20,932.10	25,000.00	4,067.90	16.27	20,932.10	25,000.00	4,067.90	16.27	25,000.00
54300 LANDSCAPING AND GROUNDS									
54340 Landscaping Contract	0.00	150,000.00	150,000.00	100.00	0.00	150,000.00	150,000.00	100.00	150,000.00
54345 Landscaping Contract-CAM	20,702.00	0.00	-20,702.00	N/A	20,702.00	0.00	-20,702.00	N/A	0.00
54365 Landscaping Supplies-CAM	956.49	0.00	-956.49	N/A	956.49	0.00	-956.49	N/A	0.00
54399 TOTAL LANDSCAPING AND GROUNDS	21,658.49	150,000.00	128,341.51	85.56	21,658.49	150,000.00	128,341.51	85.56	150,000.00
54400 SAFETY SERVICES									
54425 Security System-Contract-Common Area	550.00	0.00	-550.00	N/A	550.00	0.00	-550.00	N/A	0.00
54435 Security System-Supplies-Common Area	18.80	0.00	-18.80	N/A	18.80	0.00	-18.80	N/A	0.00
54445 Fire Suppression System-Contract-Common Area	4,208.20	0.00	-4,208.20	N/A	4,208.20	0.00	-4,208.20	N/A	0.00
54455 Fire Suppression System-Supplies-Common Area	761.20	0.00	-761.20	N/A	761.20	0.00	-761.20	N/A	0.00
54499 TOTAL SAFETY SERVICES	5,538.20	0.00	-5,538.20	N/A	5,538.20	0.00	-5,538.20	N/A	0.00
54999 TOTAL REPAIR AND MAINTENANCE EXPENSE	325,431.42	400,500.00	75,068.58	18.74	325,431.42	400,500.00	75,068.58	18.74	400,500.00
55000 UTILITIES EXPENSE									
55010 Electric-Other	0.00	296,000.00	296,000.00	100.00	0.00	296,000.00	296,000.00	100.00	296,000.00
55015 Electric-Common Area	44,994.06	0.00	-44,994.06	N/A	44,994.06	0.00	-44,994.06	N/A	0.00
55025 Gas-Common Area	0.00	5,000.00	5,000.00	100.00	0.00	5,000.00	5,000.00	100.00	5,000.00
55030 Water and Sewerage-Other	0.00	55,000.00	55,000.00	100.00	0.00	55,000.00	55,000.00	100.00	55,000.00
55035 Water and Sewerage-Common Area	101,672.94	0.00	-101,672.94	N/A	101,672.94	0.00	-101,672.94	N/A	0.00
55045 Trash Removal-Common Area	45,894.14	30,000.00	-15,894.14	-52.98	45,894.14	30,000.00	-15,894.14	-52.98	30,000.00
55055 Grease Trap/Oil Service-Common Area	2,127.34	0.00	-2,127.34	N/A	2,127.34	0.00	-2,127.34	N/A	0.00
55099 TOTAL UTILITIES EXPENSE	194,688.48	386,000.00	191,311.52	49.56	194,688.48	386,000.00	191,311.52	49.56	386,000.00
56000 GENERAL AND ADMINISTRATIVE EXPENSES									
56240 Fees and Taxes	24.00	0.00	-24.00	N/A	24.00	0.00	-24.00	N/A	0.00

Budget Comparison

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	PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
56310 Printing	100.00	0.00	-100.00	N/A	100.00	0.00	-100.00	N/A	0.00
56320 Office Supplies	3,129.38	0.00	-3,129.38	N/A	3,129.38	0.00	-3,129.38	N/A	0.00
56410 Auto/Truck Repair	5,186.34	10,000.00	4,813.66	48.14	5,186.34	10,000.00	4,813.66	48.14	10,000.00
56999 TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	8,439.72	10,000.00	1,560.28	15.60	8,439.72	10,000.00	1,560.28	15.60	10,000.00
59000 TECHNOLOGY EXPENSE									
59150 Telephone	717.94	0.00	-717.94	N/A	717.94	0.00	-717.94	N/A	0.00
59299 TOTAL TECHNOLOGY EXPENSE	717.94	0.00	-717.94	N/A	717.94	0.00	-717.94	N/A	0.00
69000 OTHER EXPENSE									
69210 Depreciation Expense	433,094.16	0.00	-433,094.16	N/A	433,094.16	0.00	-433,094.16	N/A	0.00
69990 Miscellaneous Expense	246,450.20	0.00	-246,450.20	N/A	246,450.20	0.00	-246,450.20	N/A	0.00
69998 TOTAL OTHER EXPENSE	679,544.36	0.00	-679,544.36	N/A	679,544.36	0.00	-679,544.36	N/A	0.00
69999 TOTAL OPERATING EXPENSE	2,366,667.99	2,075,141.00	-291,526.99	-14.05	2,366,667.99	2,075,141.00	-291,526.99	-14.05	2,075,141.00
89999 NET OPERATING INCOME	1,711,758.66	1,854,815.00	-143,056.34	-7.71	1,711,758.66	1,854,815.00	-143,056.34	-7.71	1,854,815.00

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	PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
40000 OPERATING INCOME									
40001 REVENUE									
40100 OPERATING REVENUE									
42000 REIMB EXPENSE REVENUE									
42400 UTILITY REVENUE									
42420 Utility-Electric	50.00	0.00	50.00	N/A	50.00	0.00	50.00	N/A	0.00
42499 TOTAL UTILITY REVENUE	50.00	0.00	50.00	N/A	50.00	0.00	50.00	N/A	0.00
42999 TOTAL REIMB EXPENSE REVENUE	50.00	0.00	50.00	N/A	50.00	0.00	50.00	N/A	0.00
43000 OTHER RENTAL REVENUE									
43990 Other Fees	119.98	0.00	119.98	N/A	119.98	0.00	119.98	N/A	0.00
43999 TOTAL OTHER RENTAL REVENUE	119.98	0.00	119.98	N/A	119.98	0.00	119.98	N/A	0.00
46000 MARKETING REVENUE									
46210 Special Event Revenue	320.00	0.00	320.00	N/A	320.00	0.00	320.00	N/A	0.00
46310 Event Venue Rental Revenue	2,918.00	0.00	2,918.00	N/A	2,918.00	0.00	2,918.00	N/A	0.00
46998 TOTAL MARKETING REVENUE	3,238.00	0.00	3,238.00	N/A	3,238.00	0.00	3,238.00	N/A	0.00
48999 TOTAL OPERATING REVENUE	3,407.98	0.00	3,407.98	N/A	3,407.98	0.00	3,407.98	N/A	0.00
49000 OTHER REVENUE									
49500 Interest Income	50,988.88	0.00	50,988.88	N/A	50,988.88	0.00	50,988.88	N/A	0.00
49700 Insurance Proceeds	-866,915.12	0.00	-866,915.12	N/A	-866,915.12	0.00	-866,915.12	N/A	0.00
49998 TOTAL OTHER REVENUE	-815,926.24	0.00	-815,926.24	N/A	-815,926.24	0.00	-815,926.24	N/A	0.00
49999 TOTAL REVENUE	-812,518.26	0.00	-812,518.26	N/A	-812,518.26	0.00	-812,518.26	N/A	0.00
50000 OPERATING EXPENSES									
51000 STAFFING EXPENSES									
51130 Salaries-Regular	708,588.53	942,238.00	233,649.47	24.80	708,588.53	942,238.00	233,649.47	24.80	942,238.00
51160 Salaries-Overtime	5,295.43	0.00	-5,295.43	N/A	5,295.43	0.00	-5,295.43	N/A	0.00
51180 Salaries-Sick Pay	22,443.02	0.00	-22,443.02	N/A	22,443.02	0.00	-22,443.02	N/A	0.00
51240 Medicare Tax	10,227.71	13,914.00	3,686.29	26.49	10,227.71	13,914.00	3,686.29	26.49	13,914.00
51280 FICA	43,460.16	57,308.00	13,847.84	24.16	43,460.16	57,308.00	13,847.84	24.16	57,308.00
51310 Hospitalization	82,741.54	126,000.00	43,258.46	34.33	82,741.54	126,000.00	43,258.46	34.33	126,000.00
51320 Workmans Compensation	2,688.86	4,400.00	1,711.14	38.89	2,688.86	4,400.00	1,711.14	38.89	4,400.00
51330 Pension	-753,901.86	216,368.00	970,269.86	448.44	-753,901.86	216,368.00	970,269.86	448.44	216,368.00
51340 Unemployment Compensation	513.93	1,260.00	746.07	59.21	513.93	1,260.00	746.07	59.21	1,260.00
51350 Life Insurance	807.96	1,036.00	228.04	22.01	807.96	1,036.00	228.04	22.01	1,036.00
51410 Uniforms	623.25	0.00	-623.25	N/A	623.25	0.00	-623.25	N/A	0.00
51420 Terminal Leave	59,652.08	0.00	-59,652.08	N/A	59,652.08	0.00	-59,652.08	N/A	0.00
51510 Contracted Staffing Expense	695.50	0.00	-695.50	N/A	695.50	0.00	-695.50	N/A	0.00
51710 Personnel Services	387.50	0.00	-387.50	N/A	387.50	0.00	-387.50	N/A	0.00
51999 TOTAL STAFFING EXPENSES	184,223.61	1,362,524.00	1,178,300.39	86.48	184,223.61	1,362,524.00	1,178,300.39	86.48	1,362,524.00
52000 PROFESSIONAL SERVICE EXPENSES									
52110 Prof. Services-Legal Expense	40,112.76	75,000.00	34,887.24	46.52	40,112.76	75,000.00	34,887.24	46.52	75,000.00

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		PTD Actual	PTD Budget	Variance	% Var	YTD Actual	YTD Budget	Variance	% Var	Annual
52120	Prof. Services-Accounting Expense	46,500.00	50,000.00	3,500.00	7.00	46,500.00	50,000.00	3,500.00	7.00	50,000.00
52130	Prof. Services-Architectural Expense	0.00	60,000.00	60,000.00	100.00	0.00	60,000.00	60,000.00	100.00	60,000.00
52140	Prof. Services-Computer	13,800.60	36,000.00	22,199.40	61.66	13,800.60	36,000.00	22,199.40	61.66	36,000.00
52150	Prof. Services-Appraisals	0.00	8,000.00	8,000.00	100.00	0.00	8,000.00	8,000.00	100.00	8,000.00
52190	Prof. Services-Other	63,606.00	66,500.00	2,894.00	4.35	63,606.00	66,500.00	2,894.00	4.35	66,500.00
52999	TOTAL PROFESSIONAL SERVICE EXPENSES	164,019.36	295,500.00	131,480.64	44.49	164,019.36	295,500.00	131,480.64	44.49	295,500.00
53000	REPAIR AND MAINTENANCE EXPENSE									
53100	GENERAL REPAIRS AND MAINTENANCE									
53110	Janitorial-Contract	124.45	0.00	-124.45	N/A	124.45	0.00	-124.45	N/A	0.00
53120	Janitorial-Supplies	33.89	0.00	-33.89	N/A	33.89	0.00	-33.89	N/A	0.00
53130	Pest Control	462.00	0.00	-462.00	N/A	462.00	0.00	-462.00	N/A	0.00
53160	HVAC-Contract	1,175.20	0.00	-1,175.20	N/A	1,175.20	0.00	-1,175.20	N/A	0.00
53170	HVAC-Supplies	987.84	0.00	-987.84	N/A	987.84	0.00	-987.84	N/A	0.00
53210	Painting-Contract	450.00	0.00	-450.00	N/A	450.00	0.00	-450.00	N/A	0.00
53220	Painting-Supplies	21.50	0.00	-21.50	N/A	21.50	0.00	-21.50	N/A	0.00
53240	Appliance-Supplies	363.72	0.00	-363.72	N/A	363.72	0.00	-363.72	N/A	0.00
53260	Access Control-Supplies	312.00	0.00	-312.00	N/A	312.00	0.00	-312.00	N/A	0.00
53270	Repair Other-Contract	6,681.00	0.00	-6,681.00	N/A	6,681.00	0.00	-6,681.00	N/A	0.00
53280	Repair Other-Supplies	5.47	0.00	-5.47	N/A	5.47	0.00	-5.47	N/A	0.00
53999	TOTAL GENERAL REPAIRS AND MAINTENANCE	10,617.07	0.00	-10,617.07	N/A	10,617.07	0.00	-10,617.07	N/A	0.00
54100	EQUIPMENT EXPENSE									
54110	Equipment Expense	10,503.88	0.00	-10,503.88	N/A	10,503.88	0.00	-10,503.88	N/A	0.00
54130	Equipment Supplies	599.99	0.00	-599.99	N/A	599.99	0.00	-599.99	N/A	0.00
54150	Equipment Leasing	1,174.65	0.00	-1,174.65	N/A	1,174.65	0.00	-1,174.65	N/A	0.00
54199	TOTAL EQUIPMENT EXPENSE	12,278.52	0.00	-12,278.52	N/A	12,278.52	0.00	-12,278.52	N/A	0.00
54999	TOTAL REPAIR AND MAINTENANCE EXPENSE	22,895.59	0.00	-22,895.59	N/A	22,895.59	0.00	-22,895.59	N/A	0.00
55000	UTILITIES EXPENSE									
55010	Electric-Other	17,703.31	0.00	-17,703.31	N/A	17,703.31	0.00	-17,703.31	N/A	0.00
55030	Water and Sewerage-Other	584.97	0.00	-584.97	N/A	584.97	0.00	-584.97	N/A	0.00
55099	TOTAL UTILITIES EXPENSE	18,288.28	0.00	-18,288.28	N/A	18,288.28	0.00	-18,288.28	N/A	0.00
56000	GENERAL AND ADMINISTRATIVE EXPENSES									
56110	Dues and Subscriptions	2,339.36	2,500.00	160.64	6.43	2,339.36	2,500.00	160.64	6.43	2,500.00
56120	Training and Education	75.03	10,000.00	9,924.97	99.25	75.03	10,000.00	9,924.97	99.25	10,000.00
56130	Conference and Network Events	3,191.03	25,000.00	21,808.97	87.24	3,191.03	25,000.00	21,808.97	87.24	25,000.00
56140	Memberships	1,146.82	0.00	-1,146.82	N/A	1,146.82	0.00	-1,146.82	N/A	0.00
56150	Meeting Expense	7,525.25	2,500.00	-5,025.25	-201.01	7,525.25	2,500.00	-5,025.25	-201.01	2,500.00
56210	Bank Charges	13,910.92	0.00	-13,910.92	N/A	13,910.92	0.00	-13,910.92	N/A	0.00

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56230	Property Insurance	761,024.16	550,000.00	-211,024.16	-38.37	761,024.16	550,000.00	-211,024.16	-38.37	550,000.00
56240	Fees and Taxes	6,817.18	85,000.00	78,182.82	91.98	6,817.18	85,000.00	78,182.82	91.98	85,000.00
56310	Printing	0.00	12,000.00	12,000.00	100.00	0.00	12,000.00	12,000.00	100.00	12,000.00
56320	Office Supplies	14,020.95	55,000.00	40,979.05	74.51	14,020.95	55,000.00	40,979.05	74.51	55,000.00
56330	Postage/Freight	1,944.77	2,500.00	555.23	22.21	1,944.77	2,500.00	555.23	22.21	2,500.00
56340	Reports/Publications	119.80	0.00	-119.80	N/A	119.80	0.00	-119.80	N/A	0.00
56410	Auto/Truck Repair	12.00	0.00	-12.00	N/A	12.00	0.00	-12.00	N/A	0.00
56520	Rent-CNO	100,000.00	100,000.00	0.00	0.00	100,000.00	100,000.00	0.00	0.00	100,000.00
56530	City Apartment	1,977.77	0.00	-1,977.77	N/A	1,977.77	0.00	-1,977.77	N/A	0.00
56999	TOTAL GENERAL AND ADMINISTRATIVE EXPENSES	914,105.04	844,500.00	-69,605.04	-8.24	914,105.04	844,500.00	-69,605.04	-8.24	844,500.00
58000	MARKETING AND PROMOTION EXPENSE									
58900	OTHER MARKETING EXPENSES									
58920	Memberships	813.70	0.00	-813.70	N/A	813.70	0.00	-813.70	N/A	0.00
58940	Promotional Materials	68.99	0.00	-68.99	N/A	68.99	0.00	-68.99	N/A	0.00
58999	TOTAL OTHER MARKETING EXPENSES	882.69	0.00	-882.69	N/A	882.69	0.00	-882.69	N/A	0.00
58999	TOTAL MARKETING AND PROMOTION EXPENSE	882.69	0.00	-882.69	N/A	882.69	0.00	-882.69	N/A	0.00
59000	TECHNOLOGY EXPENSE									
59110	Computer Equipment	14,043.45	0.00	-14,043.45	N/A	14,043.45	0.00	-14,043.45	N/A	0.00
59120	Computer Supplies	1,118.39	0.00	-1,118.39	N/A	1,118.39	0.00	-1,118.39	N/A	0.00
59140	Computer Software	5,463.11	0.00	-5,463.11	N/A	5,463.11	0.00	-5,463.11	N/A	0.00
59150	Telephone	16,131.47	60,000.00	43,868.53	73.11	16,131.47	60,000.00	43,868.53	73.11	60,000.00
59160	Cellular/Mobile Technology	17,738.76	0.00	-17,738.76	N/A	17,738.76	0.00	-17,738.76	N/A	0.00
59170	Internet/Networking Services	13,715.68	68,000.00	54,284.32	79.83	13,715.68	68,000.00	54,284.32	79.83	68,000.00
59299	TOTAL TECHNOLOGY EXPENSE	68,210.86	128,000.00	59,789.14	46.71	68,210.86	128,000.00	59,789.14	46.71	128,000.00
69000	OTHER EXPENSE									
69210	Depreciation Expense	95,361.19	0.00	-95,361.19	N/A	95,361.19	0.00	-95,361.19	N/A	0.00
69710	Claims/Settlements	2,739.90	0.00	-2,739.90	N/A	2,739.90	0.00	-2,739.90	N/A	0.00
69800	RECONCILIATION DISCREPANCY EXPENSE									
69895	Inter-property Clearing	59,874.50	0.00	-59,874.50	N/A	59,874.50	0.00	-59,874.50	N/A	0.00
69899	TOTAL RECONCILIATION DISCREPANCY EXPENSE	59,874.50	0.00	-59,874.50	N/A	59,874.50	0.00	-59,874.50	N/A	0.00
69990	Miscellaneous Expense	-2,139.55	20,000.00	22,139.55	110.70	-2,139.55	20,000.00	22,139.55	110.70	20,000.00
69998	TOTAL OTHER EXPENSE	155,836.04	20,000.00	-135,836.04	-679.18	155,836.04	20,000.00	-135,836.04	-679.18	20,000.00
69999	TOTAL OPERATING EXPENSE CONTINGENCIES	1,528,461.47	2,650,524.00	1,122,062.53	42.33	1,528,461.47	2,650,524.00	1,122,062.53	42.33	2,650,524.00
89810	Operating Expense Contingency	0.00	158,130.00	158,130.00	100.00	0.00	158,130.00	158,130.00	100.00	158,130.00
89999	TOTAL CONTINGENCIES	0.00	158,130.00	158,130.00	100.00	0.00	158,130.00	158,130.00	100.00	158,130.00
89999	NET OPERATING INCOME	-2,340,979.73	-2,808,654.00	467,674.27	16.65	-2,340,979.73	-2,808,654.00	467,674.27	16.65	-2,808,654.00

Zoning Ordinance

10.2.A PERMITTED AND CONDITIONAL USES

Only those uses of land listed under Table 10-1: Permitted and Conditional Uses as permitted uses or conditional uses are allowed within the Historic Core Neighborhood Districts. A “P” indicates that a use is permitted within that zoning district. A “C” indicates that a use is a conditional use in that zoning district and would require a conditional use approval as required in Section 4.3 (Conditional Use). No letter (i.e., a blank space) or the absence of the use from the table indicates that use is not permitted within that zoning district.

Table 10-1: Permitted and Conditional Uses											
Table 10-1: Permitted and Conditional Uses											
USE ¹	VCC-1	VCC-2	VCE	VCE-1	VCS	VCS-1	VCP	HMC-1	HMC-2	HM-MU	USE STANDARDS
RESIDENTIAL USE											
Bed and Breakfast – Accessory			C					C	C	C	Section 20.3.I
Bed and Breakfast – Principal			C					C	C	C	Section 20.3.I
Day Care Home, Adult – Small	P	P			P	P		P	P	P	Section 20.3.T
Day Care Home, Adult – Large	C	C			C	C		C	C	C	Section 20.3.T
Dwelling, Above the Ground Floor	P	P	P	P	P	P		P	P	P	
Dwelling, Single-Family	P	P			P	P		P	P	P	
Dwelling, Two-Family	P	P			P	P		P	P	P	Section 20.3.Y
Dwelling, Multi-Family	P	P			P	P		P	P	P	
Dwelling, Small Multi-Family Affordable								P	P	P	Section 20.3.SSS
Group Home, Small	P	P			P	P		P	P	P	Section 20.3.GG
Group Home, Large	P	P			P	P		P	P	P	Section 20.3.GG
Group Home, Congregate	C	C			C	C		P	P	P	Section 20.3.GG
Home Based Child Care, Small	P	P			P	P		P	P	P	Section 20.3.T
Home Based Child Care, Large	C	C			P	P		P	P	P	Section 20.3.T
Permanent Supportive Housing	P	P			P	P		P	P	P	Section 20.3. PP
Residential Care Facility	P	P			P	P		P	P	P	Section 20.3.YY
COMMERCIAL USE											
Adult Use			C,P ²								Section 20.3.B
Amusement Facility, Indoor			P	P	P	P		C	C	C	Section 20.3.E
Animal Hospital		P			P	P				P	
Art Gallery	P	P	P	P	P	P		P	P	P	
Arts Studio	P	P	P	P	P	P		P	P	P	
Bar			P	C	C	C		C	C	C	Section 20.3.G
Broadcast Studio									P	P	
Catering Kitchen	P	P	P	P	P	P		P	P	P	
Child Care Center, Small	P	P			P	P		P	P	P	Section 20.3.S
Child Care Center, Large	C	C			P	P		P	P	P	Section 20.3.S
Cigar Bar		C ⁴									
Day Care Center, Adult – Small	P	P			P	P		P	P	P	Section 20.3.S
Day Care Center, Adult – Large	C	C			C	C		P	P	P	Section 20.3.S
Day Care Center, Adult – Commercial	C	C			C	C		C	C	C	Section 20.3.S
Financial Institution	P	P			P	P		P	P	P	
Funeral Home									P		
Grocery Store	P	P	P	P	P	P		P	P	P	
Health Club		P			P	P		P	P	P	
Heavy Sales, Rental & Service										P	
Hostel									P		
Hotel/Motel									P	C	
Live Entertainment – Secondary Use			P	P					C ²	C	Section 20.3.JJ
Live Performance Venue			P	P					C ²	C	Section 20.3.JJ
Maritime Use		C			C	C	C			C	
Medical/Dental Clinic		P			P	P		P	P	P	
Micro-Brewery									P	P	
Micro-Distillery									P	P	
Motor Vehicle Dealership, Small									P		
Motor Vehicle Service and Repair, Minor										P	Section 20.3.MM

Off-Track Betting Facility				C							
Office	P	P	C	C	P	P		P	P	P	
Outdoor Live Entertainment - Secondary Use									C	C	Section 20.3.WWW
Personal Service Establishment	P	P	P ¹		P	P		P	P	P	
Pet Day Care Service	P	P	P	P	P			P	P	P	
Public Market		P			P	P		P	P	P	Section 20.3.TT
Reception Facility									C		Section 20.3.WW
Recording Studio		P			P	P			P	P	
Restaurant, Specialty	P	P	P	P	P	P		P	P	P	Section 20.3.ZZ
Restaurant, Standard	P	P	P	P	P	P		P	P	P	Section 20.3.ZZ
Retail Goods Establishment	P	P	P	P	P	P		P	P	P	
Retail Sales of Packaged Alcoholic Beverages					C	C		C	C	C	
Short Term Rental, Commercial			P					C	P	P	Section 20.3.LLL
Small Box Variety Store								C	C	C	Section 20.3.NNN
Winery									P	P	
Wine Shop					C				C		Section 20.3.PPP
INDUSTRIAL USE											
Brewery									p ⁵	p ⁵	
Distillery									p ⁵	p ⁵	
Food Processing											P
Manufacturing, Artisan								P	P	P	
Manufacturing, Light											P
Mardi Gras Den											P
Marine Terminal							C				
Maritime Use							C				
Mini-Warehouse		C			C	C					P
Printing Establishment					P	P		P	P	P	
Research & Development					P	P					P
Warehouse											P
Wholesale Goods Establishment					P	P		P	P	P	
INSTITUTIONAL USE											
City Hall		C			C	C	C		C	C	
Community Center	C	C	C	C	C	C	C	P	P	P	
Convent and Monastery	P	P			P	P		P	P		
Cultural Facility	C	P	C	C	P	P	C	P	P	P	Section 20.3.R
Educational Facility, Vocational		P			P	P		P	P	P	Section 20.3.Z
Educational Facility, Primary	P	P			P	P		P	P	P	Section 20.3.Z
Educational Facility, Secondary	P	P			P	P		P	P	P	Section 20.3.Z
Government Offices		P			P	P		P	P	P	
Hospitality Center		P			P	P			P	P	
Place of Worship	P	P			P	P		P	P	P	
Public Works and Safety Facility		C			C	C		C	C	P	
Social Club or Lodge								P	P	P	Section 20.3.CCC
OPEN SPACE USE											
Agriculture – No Livestock	P	P	P	P	P	P	P	P	P	P	Section 20.3.C
Horse Stables (Commercial)								C	C	C	Section 20.3.HH
Parks and Playgrounds	P	P	P	P	P	P	P	P	P	P	
Stormwater Management (Principal Use)	C	C	C	C	C	C	C	P	P	P	
OTHER											
EV Charging Station (Principal Use)					C	C			C	C	Section 20.3.YYY
Parking Lot (Accessory Use)	p ¹	p ⁵	p ¹	p ¹	p ¹	p ⁵	p ⁵	p ¹	p ¹		
Parking Lot (Principal Use)					C	C			C	C	Section 20.3.OO
Parking Structure (Principal Use)		C			C	C		P	P	P	Section 20.3.OO
Planned Development	C	C	C	C	C	C		C	C	C	Article 5
Pumping Station	P	P	P	P	P	P	P	P	P	P	Section 20.3.UU
Utilities	P	P	P	P	P	P	P	P	P	P	Section 20.3.GGG
Wireless Telecommunications Antenna & Facility	C,p ⁴	C,p ⁴	C,p ⁴	C,p ⁴	C,p ⁴	C, p ⁴	C,p ⁴	C,p ⁴	C,p ⁴	C,p ⁴	Section 20.3.JJJ

INSTITUTIONAL USE											
City Hall		C			C	C	C		C	C	
Community Center	C	C	C	C	C	C	C	P	P	P	
Convent and Monastery	P	P			P	P		P	P		
Cultural Facility	C	P	C	C	P	P	C	P	P	P	Section 20.3.R
Educational Facility, Vocational		P			P	P		P	P	P	Section 20.3.Z
Educational Facility, Primary	P	P			P	P		P	P	P	Section 20.3.Z
Educational Facility, Secondary	P	P			P	P		P	P	P	Section 20.3.Z
Government Offices		P			P	P		P	P	P	
Hospitality Center		P			P	P			P	P	
Place of Worship	P	P			P	P		P	P	P	
Public Works and Safety Facility		C			C	C		C	C	P	
Social Club or Lodge								P	P	P	Section 20.3.CCC
OPEN SPACE USE											
Agriculture – No Livestock	P	P	P	P	P	P	P	P	P	P	Section 20.3.C
Horse Stables (Commercial)								C	C	C	Section 20.3.HH
Parks and Playgrounds	P	P	P	P	P	P	P	P	P	P	
Stormwater Management (Principal Use)	C	C	C	C	C	C	C	P	P	P	
OTHER											
EV Charging Station (Principal Use)					C	C			C	C	Section 20.3.YYY
Parking Lot (Accessory Use)	p ⁵	p ⁵	p ⁵	p ⁵	p ⁵	p ⁵	p ⁵	p ⁵	p ⁵		
Parking Lot (Principal Use)					C	C			C	C	Section 20.3.OO
Parking Structure (Principal Use)		C			C	C		P	P	P	Section 20.3.OO
Planned Development	C	C	C	C	C	C		C	C	C	Article 5
Pumping Station	P	P	P	P	P	P	P	P	P	P	Section 20.3.UU
Utilities	P	P	P	P	P	P	P	P	P	P	Section 20.3.GGG
Wireless Telecommunications Antenna & Facility	C, P ⁴	C, P ⁴	C, P ⁴	C, P ⁴	C, P ⁴	C, P ⁴	C, P ⁴	C, P ⁴	C, P ⁴	C, P ⁴	Section 20.3.JJJ
Wireless Telecommunications Tower & Facility	C	C	C	C	C	C	C	C	C	C	Section 20.3.JJJ

TABLE 10-1 FOOTNOTES

¹ The terms in this column ("Use") are defined in Article 26.

² Subject to the use restrictions in Section 10.2.B.7.

³ Subject to the use restriction in Section 10.2.B.4.

⁴ Only wireless telecommunications antennas that comply with the stealth design standards of Section 20.3.JJJ are considered permitted uses.

⁵ Subject to the use restrictions in Section 10.2.B.10.

⁶ Subject to the use restrictions in Section 10.2.B.9.

⁷ All Adult Uses are Permitted Uses except for Adult Live Performance Venue use that is classified as a Conditional Use. Please refer to [Article 19.4.A.1.b.](#)

⁸ As authorized in Article 22, Section 22.8.B.2.a

Adopted by Aug. 22, 2019, Zoning Docket 47/19, Ord. MCS, Sec. 1; April 15, 2016, Zoning Docket 120-15, Ord. 26,866 MCS - May 27, 2016, Zoning Docket 018-16, Ord. 26,921 MCS - May 27, 2016, Zoning Docket 019-16, Ord. 26,923 MCS; Ord. No. 27,209, §1, Dec. 7, 2016, Zoning Docket 61/16; Ord. No. 27,707, §1, April 2, 2018, Zoning Docket 001/18; Ord. 28036 MCS, Sec. 1, ZD#112/18, March 28, 2019; Ord. 28176, Sept. 5, 2019, ZD 58/19; Ord. No. 28,156 MCS, §4, August 8, 2019, Zoning Docket 026/19 & 027/19; Ord. 28432 MCS, §6-6-20, ZD 38/20; Ord. 28696 MCS, §6-3-21, ZD 16/21; Ord. 28943 MCS, 2-17-22, ZD 96/21; Ord. 28905 MCS, 1-6-22, ZD 83/21; Ord. No. 28,911, §2, January 6, 2022, Zoning Docket 084/21; Ord. No. 29,126, August 12, 2022, Zoning Docket 016/22; Ord. 29157 9-15-22, ZD 030/22; Ordinance No. 29382, March 23, 2023, Zoning Docket 02/23; Ord. 29528, 7-24-23, Zoning Docket 13/23

10.2.B USE RESTRICTIONS

10.2.B.1 EXISTING HOTEL USES IN THE VIEUX CARRÉ DISTRICTS

Existing hotels in the VCC-2, VCE, and VCS Districts containing more than thirty (30) rooms may provide live entertainment subject to applicable ordinances relative to licensing procedures. All entertainment shall be within an enclosed structure.

10.2.B.2 ADULT USE RESTRICTIONS IN THE VIEUX CARRÉ DISTRICTS

Adult uses are prohibited in the area bounded by Ursuline, Barracks, Decatur, and North Peters Streets.

10.2.B.3 VCS AND VCS-1 DISTRICT FLOOR AREA LIMITATION

In the VCS and VCS-1 Districts, a wholesale goods establishment is limited to twenty-five thousand (25,000) square feet of floor area.

10.2.B.4 PERSONAL SERVICE ESTABLISHMENTS IN THE VCE DISTRICT

In the VCE District, massage establishments are prohibited.

Table 10-2: Bulk & Yard Regulations											
Table 10-2: Bulk & Yard Regulations											
BULK & YARD REGULATIONS	DISTRICTS										
	VCC-1	VCC-2	VCE	VCE-1	VCS	VCS-1	VCP	HMC-1	HMC-2	HM-MU	
BULK REGULATIONS											
MINIMUM LOT AREA	SF: 1,500sf/du MF – 3 Units: 1,000sf/du MF – 4+ Units: 800sf/du 600sf/du Non-Residential: None	SF: 1,500sf/du 2F: 1,000sf/du MF – 3 Units: 800sf/du MF – 4+ Units: 600sf/du Non-Residential: None	SF: 1,500sf/du 2F: 1,000sf/du MF – 3 Units: 800sf/du MF – 4+ Units: 600sf/du Non-Residential: None	SF: 1,500sf/du 2F: 1,000sf/du MF – 3 Units: 800sf/du MF – 4+ Units: 600sf/du Non-Residential: None	SF: 1,500sf/du 2F: 1,000sf/du MF – 3 Units: 800sf/du MF – 4+ Units: 600sf/du Non-Residential: None	SF: 1,500sf/du 2F: 1,000sf/du MF – 3 Units: 800sf/du MF – 4+ Units: 600sf/du Non-Residential: None	None	SF: 1,500sf/du 2F: 1,200sf/du MF: 900sf/du Small MF Affordable: None Non-Residential: None	SF: 1,500sf/du 2F: 1,000sf/du MF – 3 Units: 800sf/du MF – 4+ Units: 600sf/du Non-Residential: None Small MF Affordable: None Non-Residential: None	SF: 1,500sf/du 2F: 1,000sf/du MF – 3 Units: 800sf/du MF – 4+ Units: 600sf/du Non-Residential: None Small MF Affordable: None Non-Residential: None	
A MAXIMUM BUILDING HEIGHT	50'	50'	50'	50'	50'	50'	50'	40'	50'	55'	
MINIMUM OPEN SPACE RATIO	By Lot Type Corner: .20 Interior: .30	By Lot Type Corner: .20 Interior: .30	By Lot Type Corner: .20 Interior: .30	By Lot Type Corner: .20 Interior: .30	By Lot Type Corner: .20 Interior: .30	By Lot Type Corner: .20 Interior: .30	By Lot Type Corner: .20 Interior: .30	By Lot Type Corner: .20 Interior: .30	Residential or Mixed-Use: .30 Non-Residential: .20	Residential or Mixed-Use: .30 Non-Residential: None	Residential or Mixed-Use: .30 Non-Residential: None
MINIMUM PERMEABLE OPEN SPACE	None	None	None	None	None	None	None	15% of lot area	15% of lot area	15% of lot area	
MAXIMUM FAR	None	None	None	None	None	None	None	1.4	2.2	2.5	
MAXIMUM TOTAL FLOOR AREA¹								Non-Residential: 3,000sf	Non-Residential: Any use over 10,000sf is a conditional use		
MINIMUM YARD REQUIREMENTS											

MINIMUM YARD REQUIREMENTS

B	FRONT YARD	None	None	None	None	None	None	None	None	None	None
C	INTERIOR SIDE YARD	None	None	None	None	None	None	None	None	None	None
D	CORNER SIDE YARD	None	None	None	None	None	None	None	None	None	None
E	REAR YARD	None	None	None	None	None	None	None	None	None	None

TABLE 10-2 FOOTNOTES

¹Total floor area limits per commercial use

Table 10-3: The Mandatory Inclusionary Zoning Sub-District (MIZ) regulations establish mandatory inclusionary unit thresholds, set aside requirements, and Area Medium Income (AMI) levels and is required for any development that contains residential development of 10 or more dwelling units, including rental and homeownership dwelling units. Affordable Housing Units shall be in accordance with the standards outlined in the table below. All other bulk and yard regulations for the sub-districts are subject to the corresponding non-inclusionary zoning base district regulations.

Table 10-3: Historic Core Neighborhoods Non-Residential Inclusionary Zoning Sub-District Regulations ¹					
Zoning Sub-District	Minimum Lot Area Requirement	Affordable Housing Unit Threshold	Set Aside Requirement %	Area Medium Income (AMI) Rental Units (%)	Area Medium Income AMI Homeownership (%)
VCC-1-IZ	600 sf/du	10	10	60	60
VCC-2-IZ	600 sf/du	10	10	60	60
VCS-1-IZ	600 sf/du	10	10	60	60
VCS-1-1-IZ	600 sf/du	10	10	60	60
HMC-1-1-IZ	900 sf/du	10	5	60	60
HMC-2-IZ	600 sf/du	10	5	60	60
HM-MU-IZ	600 sf/du	10	5	60	60

TABLE 10-3 FOOTNOTE

¹The terms for the Mandatory Inclusionary Zoning Sub-Districts in this section are outlined in Article 28.

TABLE 10-2 FOOTNOTES

¹Total floor area limits per commercial use

Table 10-3: The Mandatory Inclusionary Zoning Sub-District (MIZ) regulations establish mandatory inclusionary unit thresholds, set aside requirements, and Area Medium Income (AMI) levels and is required for any development that contains residential development of 10 or more dwelling units, including rental and homeownership dwelling units. Affordable Housing Units shall be in accordance with the standards outlined in the table below. All other bulk and yard regulations for the sub-districts are subject to the corresponding non-inclusionary zoning base district regulations.

Table 10-3: Historic Core Neighborhoods Non-Residential Inclusionary Zoning Sub-District Regulations ¹					
Zoning Sub-District	Minimum Lot Area Requirement	Affordable Housing Unit Threshold	Set Aside Requirement %	Area Medium Income (AMI) Rental Units (%)	Area Medium Income AMI Homeownership (%)
VCC-1-IZ	600 sf/du	10	10	60	60
VCC-2-IZ	600 sf/du	10	10	60	60
VCS-IZ	600 sf/du	10	10	60	60
VCS-1-IZ	600 sf/du	10	10	60	60
HMC-1-IZ	900 sf/du	10	5	60	60
HMC-2-IZ	600 sf/du	10	5	60	60
HM-MU-IZ	600 sf/du	10	5	60	60

TABLE 10-3 FOOTNOTE

¹The terms for the Mandatory Inclusionary Zoning Sub-Districts in this section are outlined in Article 28.

Historic Core Neighborhoods - Commercial (Vieux Carré Districts)

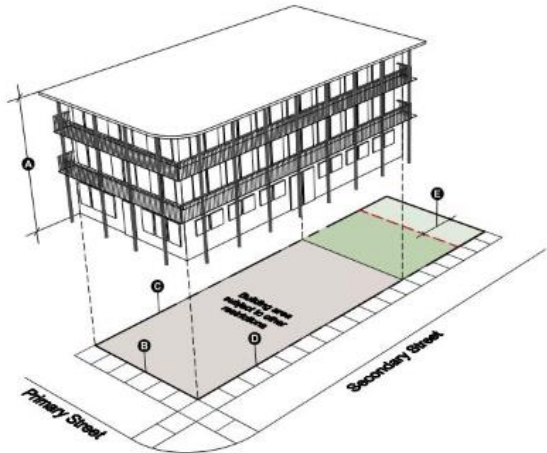


Illustration of site development standards



Range of potential building forms (not all development outcomes represented)

Photographs may be substituted at the discretion of the Executive Director of the City Planning Commission with the approval of the City Planning Commission.

Historic Core Neighborhoods - Commercial (Historic Marigny/Tremé/Bywater Districts)

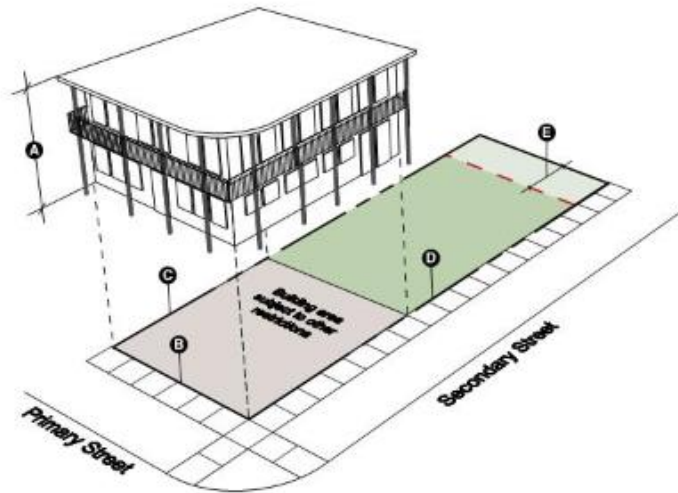


Illustration of site development standards



Range of potential building forms (not all development outcomes represented)

Photographs may be substituted at the discretion of the Executive Director of the City Planning Commission with the approval of the City Planning Commission.

10.3.B BUILDING HEIGHT IN VIEUX CARRÉ DISTRICTS

Buildings of a lesser height than that permitted in Table 10-2 may be required by the Vieux Carré Commission. These height regulations do not apply to public utilities.

10.3.C OPEN SPACE

All required open space shall be permeable.

Adopted by Ord. 27,722 MCS, §3, April 11, 2018, Zoning Docket 113-17

10.3.D OPEN SPACE RATIO

1. In the Vieux Carré Districts, all yards and courts may be included as open space when computing the open space ratio. However, this open space shall be unobstructed from grade level to the sky. Where balconies, roof overhangs, galleries, stairways, storage areas, or similar projections are located in a yard or court, the area of the projection cannot be counted as open space for the open space ratio calculation.

2. For residential uses in the Historic Core Neighborhood Districts, heating, ventilation, and air conditioning (HVAC) equipment is excluded from the open space ratio calculation (i.e., it will be considered qualifying open space) when it meets the following standards:

- a. The equipment is ground-mounted.
- b. The equipment is a single-condenser unit.
- c. The equipment is located and screened according to the requirements of Section 21.6.T (Mechanical Equipment).

10.3.E ENCROACHMENT INTO PUBLIC RIGHT-OF-WAY

Within the Historic Core Neighborhood Districts, new construction is encouraged to include common architectural features that encroach into the public right-of-way, such as galleries, stoops, and balconies, in keeping with the established development pattern. A long-term grant of servitude from the Department of Property Management is required for this type of encroachment.

10.4 REQUIRED OPEN SPACE IN THE VCP DISTRICT

A. All land and water areas shall be maintained as open space in the area of the VCP District bounded by the floodwall, the Mississippi River, St. Peter Street (extended), and Ursulines Street (extended). Enclosed structures, with the exception of accessory buildings, and off-street parking areas are prohibited.

B. Seventy-five percent (75%) of the land area shall be maintained as open space in the area of the VCP Park District bounded by the floodwall, Esplanade Avenue (extended), the Mississippi River, and Ursulines Street (extended). The open space area may not be encumbered by enclosed structures or off-street parking areas, except for building service areas, including loading docks and staging areas, etc. Street rights-of-way are not calculated in the open space requirement.

C. Seventy-five percent (75%) of the land area shall be maintained as open space in the area of the VCP District bounded by the floodwall, Canal Street, the Mississippi River, and St. Peter Street (extended). The open space area may not be encumbered by enclosed structures or off-street parking areas, except building service areas, including loading docks and staging areas, etc.

10.5 PERMITTED RESIDENTIAL CONVERSIONS IN THE VIEUX CARRÉ DISTRICTS

A. In the Vieux Carré Districts, upon approval of the Vieux Carré Commission and the Board of Zoning Adjustments, an existing structure with a floor area ratio that equals or exceeds three (3), may be converted to a multi-family dwelling provided that the minimum lot area is four hundred (400) square feet per dwelling unit.

B. When a proposed conversion scheme provides verification that the exterior building envelope will not be increased, except for minor expansions necessary to allow compliance with applicable building codes, such as exterior stairwells or similar means of access, the following additional standards shall be met:

1. The minimum dwelling unit size is eight-hundred (800) square feet.
2. The minimum lot area is three-hundred forty (340) square feet per dwelling unit.

10.6 DESIGN STANDARDS FOR VIEUX CARRÉ DISTRICTS

The Vieux Carré Commission's Design Guidelines contain the procedures and compatible architectural details for properties located in the Vieux Carré Historic District.

10.7 DESIGN STANDARDS FOR HISTORIC MARIGNY/TREMÉ/BYWATER DISTRICTS

The following standards shall apply to all sites, except single and two-family residential dwellings:

- A. For new construction, ADA accessible ramps and lifts shall be visually unobtrusive, preferably through internalized ramps or sloped walkways.
- B. All buildings shall be oriented towards a public or private street in terms of architectural interest and building access.

10.8 GENERAL STANDARDS OF APPLICABILITY

All Historic Core Neighborhood Districts are subject to the following standards:

10.8.A ACCESSORY STRUCTURES AND USES

See Section 21.6 for standards governing accessory structures and uses.

10.8.B TEMPORARY USES

See Section 21.8 for standards governing temporary uses.

10.8.C SITE DEVELOPMENT STANDARDS

See Article 21 for additional site development standards such as exterior lighting, environmental performance standards, and permitted encroachments.

10.8.D OFF-STREET PARKING AND LOADING

See Article 22 for standards governing off-street parking and loading.

10.8.E LANDSCAPE, STORMWATER MANAGEMENT, AND SCREENING

See Article 23 for standards governing landscape, stormwater management, and screening.

10.8.F SIGNS

See Article 24 for standards governing signs.

10.8.G OVERLAY DISTRICTS

See Article 18 for additional overlay district regulations, when applicable.

10.8.H NONCONFORMITIES

See Article 25 for regulations governing nonconformities.

10.8.I VOLUNTARY INCLUSIONARY ZONING FOR FOR-SALE PROPERTIES IN HISTORIC CORE NON-RESIDENTIAL DISTRICTS.

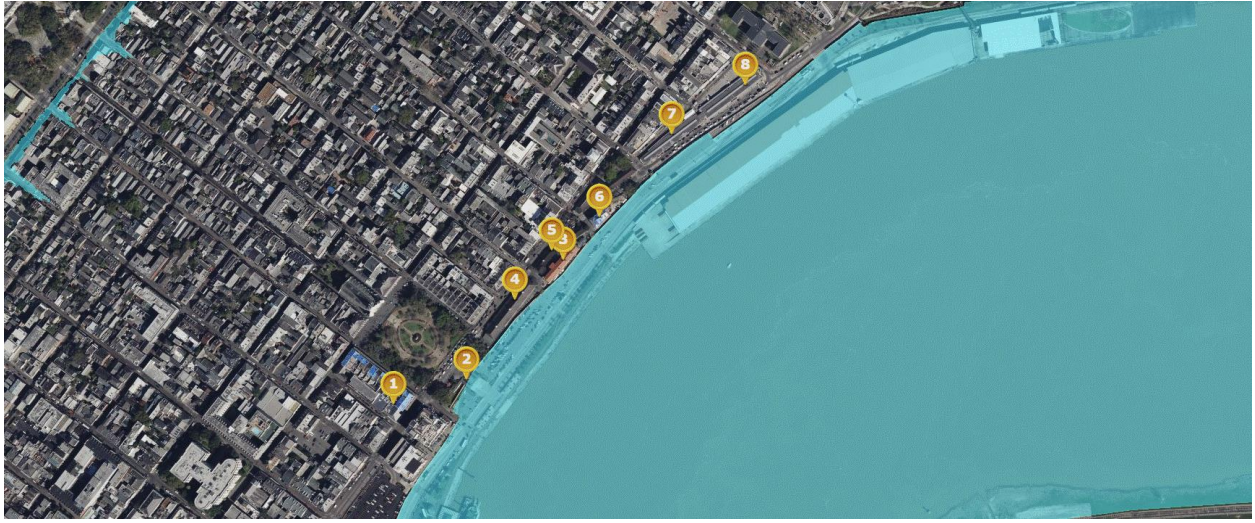
Residential properties with an affordable for-sale component may avail themselves to the provisions provided herein.

In order to incentivize the construction of for-sale housing with the inclusion of affordable dwelling units, in the Historic Core Non-Residential Districts, density bonus and parking reductions shall be granted in exchange for the voluntary provision of affordable for-sale dwelling units. Developments containing fewer than ten (10) for-sale dwelling units that set aside at least one (1) unit OR developments containing ten (10) or more for-sale dwelling units that set-aside at least ten percent (10%) of units up to 120% Area Medium Income (AMI) or less shall be awarded a maximum of thirty percent (30%) reduction in the minimum lot area per dwelling unit requirements, a thirty percent (30%) reduction in required minimum lot width requirements and a thirty percent (30%) increase in the floor area ratio (FAR). Developments that meet these requirements and are subject to the off-street parking requirements of Article 22 shall be granted a fifty percent (50%) reduction of the required parking.

Developments opting to participate in the for-sale voluntary IZ program shall be developed in accordance with Article 28.

Adopted by Ord. 29566, 8-1-23, Zoning Docket 014-23

Flood Map



Pt. 1 (29.9566, -90.0633)

Community: New Orleans

Effective FIRM (Effective: 9/30/2016)

Flood Zone: X PROTECTED BY LEVEE

FIRM Panel ID: 22071C0229F

FIRM Panel Date: 9/30/2016

Ground Elevation¹: 7.8 ft

Wetlands Map



U.S. Fish and Wildlife Service

National Wetlands Inventory

Subject Property



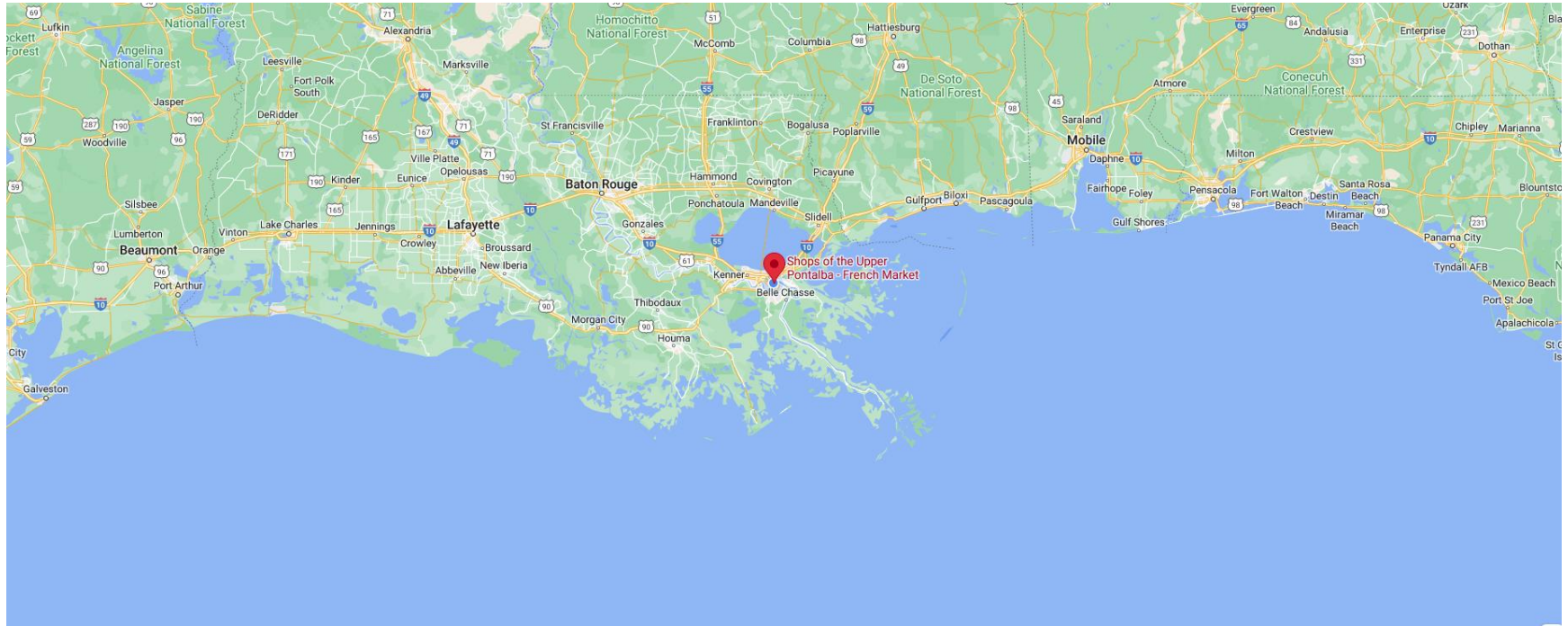
September 20, 2023

Wetlands

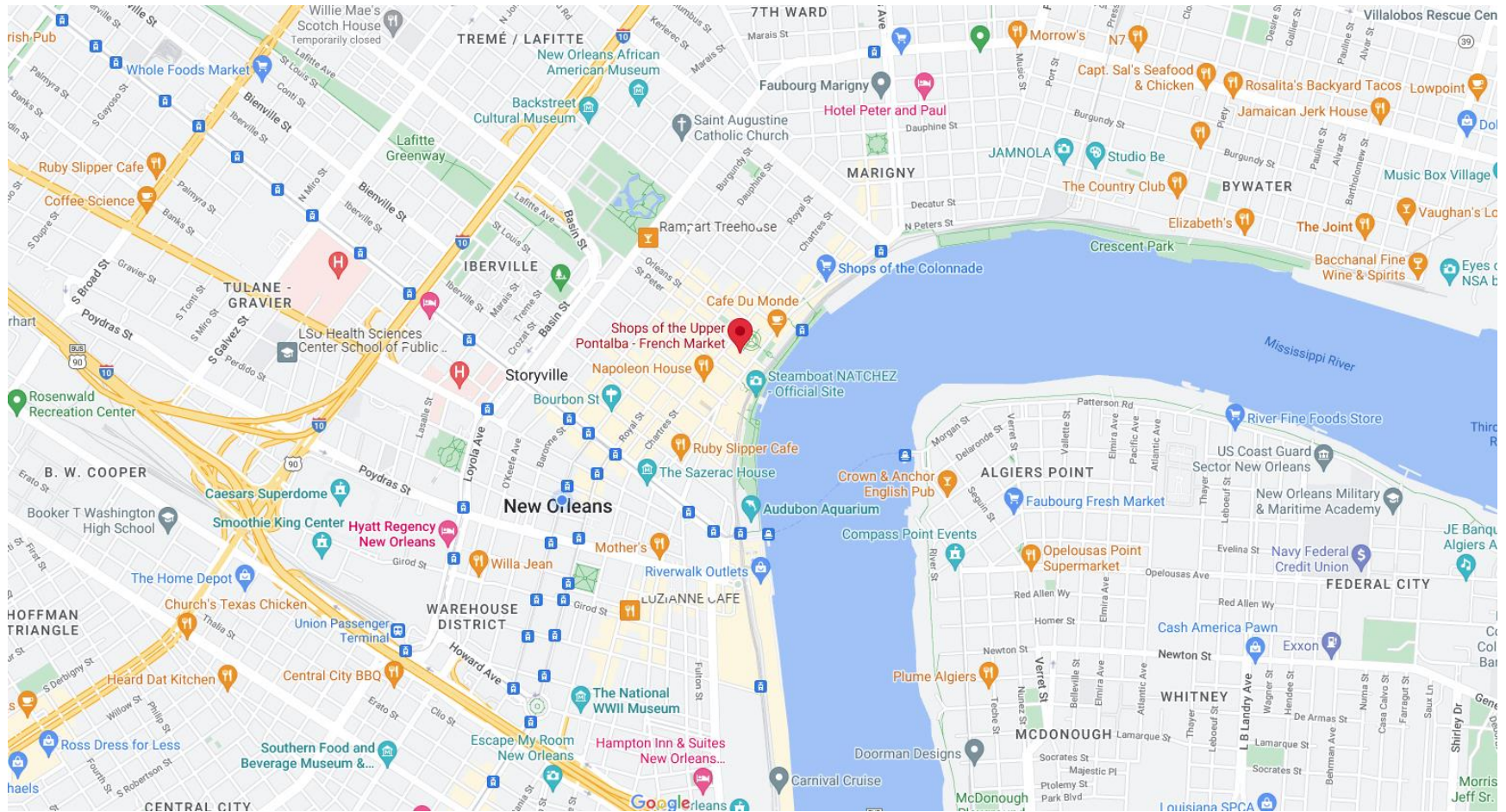
- | | | |
|--|---|--|
|  Estuarine and Marine Deepwater |  Freshwater Emergent Wetland |  Lake |
|  Estuarine and Marine Wetland |  Freshwater Forested/Shrub Wetland |  Other |
| |  Freshwater Pond |  Riverine |

This map is for general reference only. The US Fish and Wildlife Service is not responsible for the accuracy or currentness of the base data shown on this map. All wetlands related data should be used in accordance with the layer metadata found on the Wetlands Mapper web site.

Regional Map



Neighborhood Map



Subject Photographs





















































GLOSSARY

This glossary contains the definitions of common words and phrases, used throughout the appraisal industry, as applied within this document. Please refer to the publications listed in the **Works Cited** section below for more information.

Works Cited

- Appraisal Institute. *The Appraisal of Real Estate*. 13th ed. Chicago: Appraisal Institute, 2008. Print.
- Appraisal Institute. *The Dictionary of Real Estate Appraisal*. 7th ed. 2022. Print.

Band of Investment

A technique in which the capitalization rates attributable to components of capital investment are weighted and combined to derive a weighted-average rate attributable to the total investment (i.e., debt and equity, land and improvements). (Dictionary, 7th Edition)

tenant pays for shared services and facilities such as electricity, security, and maintenance of parking lots. Items charged to common area maintenance may include cleaning services, parking lot sweeping and maintenances, snow removal, security, and upkeep. (ICSC) (Dictionary, 7th Edition)

Common Area

1. The total area within a property that is not designed for sale or rental but is available for common use by all owners, tenants, or their invitees, e.g., parking and its appurtenances, malls, sidewalks, landscaped areas, recreation areas, public toilets, truck and service facilities.
2. In a shopping center, the walkways and areas onto which the stores face and which conduct the flow of customer traffic. (ICSC) (Dictionary, 7th Edition)

Debt Coverage Ratio (DCR)

The ratio of net operating income to annual debt service ($DCR = NOI/Im$), which measures the relative ability of a property to meet its debt service out of net operating income; also called debt service coverage ratio (DSCR). A larger DCR typically indicates a greater ability for a property to withstand a reduction of income, providing an improved safety margin for a lender. (Dictionary, 7th Edition)

Common Area Maintenance (CAM)

1. The expense of operating and maintaining common areas; may or may not include management charges and usually does not include capital expenditures on tenant improvements or other improvements to the property.
2. The amount of money charged to tenants for their shares of maintaining a center's common area. The charge that a

Discount Rate

A rate of return on capital used to convert future payments or receipts into present value; usually considered to be a synonym for *yield rate*. (Dictionary, 7th Edition)

Effective Age

The age of property that is based on the amount of observed deterioration and obsolescence it has sustained, which may be

different from its chronological age. (Dictionary, 7th Edition)

Effective Date

1. The date to which an appraiser's analyses, opinions, and conclusions apply; also referred to as the date of value. (2022-2023 USPAP)
2. The date that a lease goes into effect (Dictionary, 7th Edition)

Exposure Time

An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the open market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. (2022–2023 USPAP)

Excess Land

Land that is not needed to serve or support the existing use. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land may have the potential to be sold separately and is valued separately. (Dictionary 7th Edition)

External Obsolescence

A type of depreciation; a diminution in value caused by negative external influences and generally incurable on the part of the owner, landlord, or tenant. The external influence may be either temporary or permanent. There are two forms of external obsolescence: economic and locational (Dictionary, 7th Edition)

Extraordinary Assumption

An assignment-specific assumption as of the effective date regarding uncertain Information used in an analysis which, if

found to be false, could alter the appraiser's opinions or conclusions. Comment: Uncertain information might include physical, legal, or economic characteristics of the subject property, or conditions external to the property, such as market conditions or trends, or about the integrity of data used in an analysis. (USPAP, 2022-2023 ed.) (Dictionary, 7th Edition)

Fee Simple Estate

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat. (Dictionary, 7th Edition)

Functional Obsolescence

The impairment of functional capacity of improvements according to market tastes and standards. (Dictionary, 7th Edition)

Functional Utility

The ability of a property or building to be useful and to perform the function for which it is intended according to current market tastes and standards; the efficiency of a building's use in terms of architectural style, design and layout, traffic patterns, and the size and type of rooms. (Dictionary, 7th Edition)

Going-Concern Value

An outdated label for the market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the market value of the going concern or market value of the total assets of the business. (Dictionary, 7th Edition)

Gross Building Area (GBA)

1. Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved.
2. Gross leasable area plus all common areas.
3. For residential space, the total area of all floor levels measured from the exterior of the walls and including the super-structure and substructure basement; typically does not include garage space. (Dictionary, 7th Edition)

Gross Leasable Area (GLA)

Total floor area designed for the occupancy and exclusive use of tenants, including basements and mezzanines; measured from the center of joint partitioning to the outside wall surfaces. (Dictionary, 7th Edition)

Highest & Best Use

1. The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.
2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (IVS)

3. [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions)

4. [For fair value determination] The use of a nonfinancial asset by market participants that would maximize the value of the asset or the group of assets and liabilities (for example, a business) within which the asset would be used. (FASB Glossary) The highest and best use of a nonfinancial asset takes into account the use that is physically possible, legally permissible, and financially feasible. (FASB 820-10-35-10B). The highest and best use of a nonfinancial asset establishes the valuation premise used to measure the fair value of the asset, as follows: (a) The highest and best use of a nonfinancial asset might provide maximum value to market participants through its use in combination with other assets as a group (as installed or otherwise configured for use) or in combination with other assets and liabilities (for example, a business). (b) The highest and best use of the asset might provide maximum value to market participants on a standalone basis. (FASB 820-10-35-10E) (Dictionary, 7th Edition)

Highest and Best Use of Land or a Site as Though Vacant

Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements. (Dictionary, 5th Edition)

Highest and Best Use of Property as Improved

The use that should be made of a property as it exists. An existing improvement should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one. (Dictionary, 5th Edition)

Hypothetical Condition

1. A condition that is presumed to be true when it is known to be false. (SVP)
2. A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Comment: Hypothetical conditions are contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis. (USPAP, 2022-2023 ed.) (Dictionary, 7th Edition)

Investment Value

1. The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market.
2. The value of an asset to the owner or a prospective owner for individual investment or operational objectives. (may also be known as worth) (IVS) (Dictionary, 7th Edition)

Leased Fee Interest

The ownership interest held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires. (Dictionary, 7th Edition)

Leasehold Estate

The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease. (Dictionary, 7th Edition)

Market Area

The geographic region from which a majority of demand comes and in which the majority of competition is located. Depending on the market, a market area may be further subdivided into components such as primary, secondary, and tertiary market areas, or the competitive market area may be distinguished from the general market area. (Dictionary, 7th Edition)

Market Rent

The most probable rent that a property should bring in a competitive and open market under all conditions requisite to a fair lease transaction, the lessee and lessor each acting prudently and knowledgeably, and assuming the rent is not affected by undue stimulus. Implicit in this definition is the execution market support of a lease as of a specified date under conditions whereby

- Lessee and lessor are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their best interests;
- Payment is made in terms of cash or in terms of financial arrangements comparable thereto; and

- The rent reflects specified terms and conditions typically found in that market, such as permitted uses, use restrictions, expense obligations, duration, concessions, rental adjustments and revaluations, renewal and purchase options, frequency of payments (annual, monthly, etc.), and tenant improvements (TIs). (Dictionary, 7th Edition)

Market Value

A type of value that is the major focus of most real property appraisal assignments. Both economic and legal definitions of market value have been developed and refined, such as the following.

1. The most widely accepted components of market value are incorporated in the following definition: The most probable price, as of a specified date, in cash, or in terms of equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress.
2. Market value is described in the Uniform Standards of Professional Appraisal Practice (USPAP) as follows: A type of value, stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership or a bundle of such rights), as of a certain date, under specific conditions set forth in the value definition that is identified by the appraiser as applicable in an appraisal. (USPAP, 2022-2023 ed.)

USPAP also requires that certain items be included in every appraisal report. Among

these items, the following are directly related to the definition of market value:

- Identification of the specific property rights to be appraised.
 - Statement of the effective date of the value opinion.
 - Specification as to whether cash, terms equivalent to cash, or other precisely described financing terms are assumed as the basis of the appraisal.
 - If the appraisal is conditioned upon financing or other terms, specification as to whether the financing or terms are at, below, or above-market interest rates and/or contain unusual conditions or incentives. The terms of above—or below-market interest rates and/or other special incentives must be clearly set forth; their contribution to, or negative influence on, the value must be described and estimated; and the market data supporting the opinion of value must be described and explained.
3. The following definition of market value is used by agencies that regulate federally insured financial institutions in the United States: The most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and the seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:
 - Buyer and seller are typically motivated;

- Both parties are well informed or well advised, and acting in what they consider their best interests;
 - A reasonable time is allowed for exposure in the open market;
 - Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
 - The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale. (12 C.F.R. Part 34.42(g); 55 Federal Register 34696, August 24, 1990, as amended at 57 Federal Register 12202, April 9, 1992; 59 Federal Register 29499, June 7, 1994)
4. The International Valuation Standards Council defines market value for the purpose of international standards as follows: The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion. (International Valuation Standards, 8th ed., 2007)
 5. The Uniform Standards for Federal Land Acquisitions defines market value as follows: Market value is the amount in cash, or on terms reasonably equivalent to cash, for which in all probability the property would have sold on the effective date of the appraisal, after a reasonable exposure of time on the open competitive market, from a willing

and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither acting under any compulsion to buy or sell, giving due consideration to all available economic uses of the property at the time of the appraisal. (Uniform Standards for Federal Land Acquisitions) (Dictionary, 7th Edition)

Marketing Time

An opinion of the amount of time it might take to sell a real or personal property interest at the concluded market value level during the period immediately after the effective date of an appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Appraisal Standards Board of The Appraisal Foundation and Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions" address the determination of reasonable exposure and marketing time.) (Dictionary, 7th Edition)

Net Operating Income (NOI)

The actual or anticipated net income that remains after all operating expenses are deducted from effective gross income but before mortgage debt service and book depreciation are deducted. Note: This definition mirrors the convention used in corporate finance and business valuation for EBITDA (earnings before interest, taxes, depreciation, and amortization). (Dictionary, 7th Edition)

Obsolescence

One cause of depreciation; an impairment of desirability and usefulness caused by new inventions, changes in design, improved

processes for production, or external factors that make a property less desirable and valuable for a continued use; may be either functional or external. (Dictionary, 7th Edition)

Parking Ratio

A ratio of parking area or parking spaces to an economic or physical unit of comparison. Minimum required parking ratios for various land uses are often stated in zoning ordinances. (Dictionary, 7th Edition)

Prospective Opinion of Value

A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy. (Dictionary, 7th Edition)

Rentable Area

For office buildings, the tenant's pro-rata portion of the entire office floor, excluding elements of the building that penetrate through the floor to the areas below. The rentable area of a floor is computed by measuring to the inside finished surface of the dominant portion of the permanent building walls, excluding any major vertical penetrations of the floor. Alternatively, the amount of space on which the rent is based; calculated according to local practice (Dictionary, 7th Edition)

Replacement Cost

The estimated cost to construct, at current prices as of a specific date, a substitute for a building or other improvement, using

modern materials and current standards, design, and layout. (Dictionary, 7th Edition)

Retrospective Value Opinion

A value opinion effective as of a specified historical date. The term retrospective does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion." (Dictionary, 7th Edition)

Scope of Work

1. The type of data and the extent of research and analyses. (SVP)
2. The type and extent of research and analyses in an appraisal or appraisal review assignment. (USPAP, 2022-2023 ed.) (Dictionary, 7th Edition)

Stabilized Occupancy

1. The occupancy of a property that would be expected at a particular point in time, considering its relative competitive strength and supply and demand conditions at the time, and presuming it is priced at market rent and has had reasonable market exposure. A property is at stabilized occupancy when it is capturing its appropriate share of market demand.
2. An expression of the average or typical occupancy that would be expected for a property over a specified projection period or over its economic life. (Dictionary, 7th Edition)

Surplus Land

Land that is not currently needed to support the existing use but cannot be separated from the property and sold off for another use. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel. (Dictionary 7th Edition)

Tenant Improvements (TIs)

1. Fixed improvements to the land or structures installed and paid for use by a lessee.
2. The original installation of finished tenant space in a construction project; subject to periodic change for succeeding tenants. (Dictionary, 7th Edition)

Vacancy and Collection Loss

A deduction from potential gross income (PGI) made to reflect income reductions due to vacancies, tenant turnover, and nonpayment of rent; also called vacancy and credit loss or vacancy and contingency loss. (Dictionary, 7th Edition).



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