

Appraiser File # 5032

79-80

# An Appraisal Report

On

Real Property

A Four Story Office Building  
401 Texas Street  
Shreveport, Louisiana 71101  
USA

As of

December 2, 2024

## Prepared for

Mr. Malcolm Stadtlander, Administrator  
Property Management Section  
City of Shreveport  
505 Travis Street, Suite 300  
Shreveport, Louisiana 71101

Client File: Department of Community Development

## Prepared By

Robert L. Russell, MAI, SRA, AI-GRS  
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USPAP 2024

# ROBERT L. RUSSELL, MAI®, SRA®, AI-GRS®

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July 29, 2025

Mr. Malcolm Stadlander, Administrator  
Property Management Section  
City of Shreveport  
505 Travis Street, Suite 300  
Shreveport, Louisiana 71101

318-673-6048  
[malcolm.stadlander@shreveportla.gov](mailto:malcolm.stadlander@shreveportla.gov)

Re: Department of Community Development  
Appraiser File # 5032  
Appraisal Report- Corrected Version  
Real Property  
Four Story Office Building  
401 Texas Street  
Shreveport, Louisiana 71101

Dear Mr. Stadlander:

In this report, one finds analysis of real property assignment results including opinions regarding value, and limitations, and assumptions, which affect the findings. This letter and report, contains an introduction, 68 numbered pages, plus other pages, addenda, and related exhibits.

## **The property is as follows.**

The site contains approximately 12,057 square feet, described without benefit of a survey, and the shape is rectangular. It fronts about 80.38 feet on the south side of Texas Street, with a depth of brand150 feet, on the west side of Edwards Street, a corner site. The valuer is not aware of any adverse easements or encroachments. The site is level and at grade. It has service by public utilities. It is zoned D-1-CBD Downtown Core Sub-District, and the current use seems compliant.

Improvements include an existing 61,800 square foot property that includes a Four Story Office Building with 37,370 square feet of finished office area and 9,800 square feet of unfinished area, described with benefit of plans, but no written specifications. The municipal address is 401 Texas Street. The construction is concrete and steel with finished marble and concrete exterior walls. The interior includes predominantly painted and vinyl papered panels and drywall, and the flooring is predominantly tile, and carpet. Site improvements include concrete parking and drive area, in the basement, which once served as a drive up banking teller area. The property is in average condition, excepting that the fourth floor is about 82% unfinished. The type of construction is similar to average quality, "steel reinforced masonry" construction.

Appraisers, also known as valuers are not professionals in inspection, law, or engineering. One assumes an intended user obtains relevant opinions regarding flood status, ownership, property descriptions, and zoning conformance.

This report offers no opinion on structural soundness, or the condition and adequacy of mechanical systems, and presumes them operational, unless otherwise noted. This analysis offers no opinions regarding physical, legal, or regulatory issues. One should have the property inspected, for verification. The building, as those used in comparison, was in typical condition, as compared with structures of similar vintage and utility. This valuer is aware of some deferred maintenance, possible needed finish work on the fourth floor.

The property description:

Lots Fifteen (15) and Sixteen (16), Block 32, City of Shreveport in Caddo Parish, Louisiana, as per plat thereof recorded in Book L, Page 444, and re-recorded in Book 250, Page 100 of the Conveyance Records of Caddo Parish, Louisiana

The undersigned visually examined this property, inside and out, on September 9, 2024. This appraiser most recently viewed it on December 2, 2024, from the exterior only. Physical observation assists in identifying relevant property characteristics in valuation services. Practically speaking, with any typical visit, observation is limited.

The market suggests that this property, as **vacant** land, should sell after 12-36 months of proper marketing. Development of viable tracts generally occurs at about 3-5 years or so, after purchase. Construction is usually either for owner use or as parking lots, both relatively immediate. Speculative construction is not likely, and for moderate sized projects, absorption taking longer than 36-months is less likely to be feasible. As of the date of value, the most probable buyer of this site, as if **vacant**, is a local user; that is a developer or speculator. The likely use is as a specialty property, with construction commensurate with the site size and location profile.

This property, as **currently improved**, does **not** have apparent excess or surplus land. The market suggests that the property, as developed, should sell after 12-36 months of proper marketing. Purchase is usually either for owner occupancy or pre-leased tenancy, both relatively immediate. Speculative purchase is less likely, and for moderate sized projects, absorption taking longer than 24-months is less likely to be feasible. As of the date of value, the most probable buyer of this property is a local user; that is a developer or speculator. The likely use is as a converted renovation property.

The property uses in the vicinity are typical of the neighborhood. They include no recent construction of retail or offices in the immediate vicinity. Some older mercantile buildings have converted to apartments and residential condominiums. As a vacant site, the highest and best use is speculative, with construction possible in the future. The site currently includes a Four Story Office Building. This value opinion considers the highest and best use of the property. As of the effective date of analysis, the highest and best use is use as a single or multi-tenant or owner occupied Four Story Office Building with possible finish of any unfinished space. The interest appraised impacts valuation analysis. The interest appraised herein is the **fee simple** estate, excluding minerals. No deviations from typical professional practice appear in this analysis.

Valuers rely on the opinions of others, for the detection and analysis of hazardous substances. Viewing of this property did not reveal any signs of contaminants, with none anticipated. **The assumption made in developing the opinion of value; no adverse environmental issues are present.** Refer to the Certification on page 1 of the attached report; followed by the General Assumptions and Limiting Conditions, as both are critical to understanding this analysis, in addition the Scope of Work discussed in the report body describes methodology employed developing the value opinion.

Exposure time for this property type, in the local market, assuming proper pricing, is 12-36 months. The procedures necessary to arrive at credible conclusions are considered. The intended use of this report is for buy/sell purposes, as identified by the appraiser based on communication with the client at the time of the assignment. That is the intended use, with no other uses contemplated by the undersigned, with

**litigation not** anticipated. The report considers flood zone maps. However, those maps can be ambiguous, difficult to interpret, and subject to periodic change. The site does not appear in a FEMA identified special flood hazard area, according to FEMA Maps, but valuers are not experts at flood plain determination. One notes being in a flood zone does not indicate that a property will flood, and conversely not being in a flood plain does not indicate that one will not flood. This opinion considers data contained on map panel Number 22017C0388H, effective as of May 19, 2014.

The effective date of the opinion of market value of the property is December 2, 2024 . The market value is as of the most recent inspection, on December 2, 2024.

Market Value	As is
Land	\$190,000
Improvements	\$660,000
Total Value	\$850,000

**The analysis makes some assumptions that are assignment specific.**

This analysis is for the sole use and benefit of City of Shreveport, the intended user. This **fee simple** analysis is consistent with use by an owner or investor. It also assumes that no ADA compliance issues will arise due to construction or alteration. The analysis presumes conformity to Building Codes, Zoning, Deed Restrictions and any applicable Historic or Preservation Regulations, except as noted. It assumes any information provided by the owner, client, or any others is accurate. With non-realty, business value, and intangibles considered, this analysis estimated none applicable to this analysis. The intended user should know extraordinary assumptions and hypothetical conditions do affect the reported assignment results. This analysis does not consider mineral interests of any kind.

Valuers, as a matter of Standards, disclose and note in the Report Certification, any services regarding the property, provided in any capacity, during the three years prior to accepting a new assignment. It last transacted in 2003 for \$750,000 when purchased by the City of Shreveport. The undersigned has performed no services, as an appraiser or in any other capacity, regarding the property valued in this report, within the three-year period, immediately preceding acceptance of this assignment, but has appraised it previously outside of that time frame. The client in any analysis may be an individual, an entity, or a group, and may communicate with the undersigned directly or through an agent. This report is for the sole use and benefit of City of Shreveport, the client, and its representatives and employees, most prominently, the addressee. With no other users anticipated by the undersigned, one should know that possession of the report implies no status as an intended user. Robert L. Russell developed the conclusions found herein. Thank you for allowing this firm the opportunity to be of service to you.

Sincerely,



Robert L. Russell, MAI, SRA, AI-GRS  
 Certified General Appraiser  
 Louisiana License #2

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## ADDENDA

Engagement .....	Exhibit "A"
Real Estate Appraisal License .....	Exhibit "B"
Floor Plan, Flood Map, Zoning Map, & Other Photos .....	Exhibit "C"
Comparable Improved Sales .....	Exhibit "D"

## Certification

To the best of one's knowledge, the undersigned valuer does hereby; **certify** to City of Shreveport the following:

1. The undersigned has no present or prospective **interest in or bias to** the property analyzed in neither this report, nor any personal interest or bias towards the parties involved.
2. The compensation is **not contingent** on an action or event resulting from the analyses, opinions or conclusions in, or the use of, this report. The fee paid to the valuer for this assignment was \$4,750.00. The undersigned paid no inducements of any type in order to procure this work.
3. The undersigned visually examined this property, inside and out, on September 9, 2024. The **statements of fact** contained in this report are true and correct. Personal viewing of properties used in comparison is typical, when possible, though less likely for geographically diverse properties.
4. 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 & Standards** of Professional Appraisal Practice of the Appraisal Institute.
5. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the **Uniform Standards of Professional Appraisal Practice**.
6. The Appraisal Institute and the Louisiana Real Estate Appraiser Board have the right to **peer review** the work product in this report, along with all of its conclusions.
7. The analyses, opinions, and conclusions conform to the regulations and rules of the Louisiana Real Estate Appraiser's Board (LREAB). In addition, when applicable, this work follows the Title XI Regulations and the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) updated in 1994, further updated by the Interagency Appraisal and Evaluation Guidelines of 2010, and updated January 1, 2020.
8. Robert L. Russell developed the **conclusions** found herein.
9. The reported analyses, opinions and **conclusions are limited** only by the reported assumptions and limiting conditions, and they are the personal, impartial and unbiased professional analyses, opinions and conclusions of the undersigned.
10. As of the date of this report, Robert L. Russell, MAI, SRA, AI-GRS, has completed the **continuing education** program of the Appraisal Institute, for Designated Members of the Appraisal Institute, through December 31, 2027.
11. There is no authorization given for the **partial reprinting** of this report or issuance of any part of this report.
12. The **client** in any analysis may be an individual, an entity, or a group, and may communicate with the undersigned directly or through an agent. This report is for the sole use and benefit of City of Shreveport, the client, and its representatives and employees, most prominently, the addressee. With no other users anticipated by the undersigned, one should know that possession of the report implies no status as an intended user. Third-party appraisal users should not act on conclusions contained in this document.
13. Robert L. Russell has completed valuation related analysis of **properties similar** to this property.
14. The compensation for completing this assignment is **not contingent** upon the development or reporting of a predetermined value or direction in value favoring the cause of City of Shreveport, 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 report. This engagement in this assignment is not contingent upon developing or reporting predetermined results. The analysis and resulting conclusions are independent; and free from undue influence, coercion, or inappropriate actions by any party to the transaction, or their agent(s).
15. The procedures necessary to arrive at credible conclusions are considered. This is per USPAP Standards Rule 2-2, a **Real Property Appraisal Report**.
16. Valuers, as a matter of Standards, disclose and note in the Report Certification, any **services** regarding the property, provided in any capacity, during the three years prior to accepting a new assignment. It last transacted in 2003 for \$750,000 when purchased by the City of Shreveport. The undersigned has performed no services, as an appraiser or in any other capacity, regarding the property valued in this report, within the three-year period, immediately preceding acceptance of this assignment, but has appraised it previously outside of that time frame.
17. The undersigned certifies that, to the best of one's knowledge and belief, the analyses, opinions, and conclusions were developed, and this Report complies with **Standards of Valuation Practice of the Appraisal Institute**.

Robert L. Russell, MAI, SRA, AI-GRS  
Certified General Appraiser  
Louisiana License #2

July 29, 2025

## General Assumptions and Limiting Conditions

This analysis uses the following additional **general assumptions** and contingent conditions:

1. **Title** to the property is free, clear, and unencumbered, and there are no leases, easements, liens, or other encumbrances on the property other than those listed in this report. In Louisiana Law, this is the whole ownership; reference to “fee simple” title, one understands, absent the state constitution. Any references to “fee simple” made to facilitate communication, are not facts in need of correction or revision. Determining **legal compliance, structural soundness, HVAC, mechanical and utility testing-including any type of service for water, sewerage, natural gas, and electric, web connectivity, etc. - and evaluation, inspection,** and compliance were not part of the scope of work for this assignment.
2. Presumption of accuracy for **information furnished by others is implicit**. This includes title information, measurements, survey, cost estimates, opinions, other information, and any special instructions furnished by the client.
3. It assumes the improvements are located on the land as described herein and do not overlap any other property unless otherwise stated in the report. This analysis assumes no **encroachments** of any kind influence this ownership.
4. No responsibility for **legal matters** and no right to expert **testimony** are included.
5. If the client has any **questions** concerning the conclusions or material contained in this report, the reader should contact the undersigned.
6. The valuer takes **no responsibility** for any events, conditions, or circumstances affecting the property's market value taking place subsequent to the effective date of valuation.
7. The financial forecasts contained in this analysis assume both **responsible ownership and competent management**.
8. Unless otherwise stated in the report, the undersigned is not aware of any **environmental contamination** affecting this property. One takes no responsibility discovery of contamination and has neither expertise nor the technical ability to discover it. The intended user shall retain an expert in this field, if desired.
9. Costs to complete construction projects, remedial costs, and other similar items consider **data provided by others**, assumed by the valuer to be accurate and complete.
10. The conclusions in this analysis assume the property is in **ADA compliance, unless otherwise noted**.
11. With regards to property with the right to a franchise, certificate of need, certificate of operation whether governmental or private, or any other ongoing business rights or other **business-associated** privileges, this analysis presumes continuation of that factor.
12. The undersigned is not aware of any adverse easements, implied or actual, which encumber this property. The undersigned **recommends** a professional opinion to validate these assumptions.
13. The site currently includes a Four Story Office Building. This value opinion considers the highest and best use of the property. As of the effective date of **analysis, the highest and best use** is use as a single or multi-tenant or owner occupied Four Story Office Building with possible finish of any unfinished space.
14. **No deviations from typical professional practice** appear in this analysis.
15. The **scope of work** in this analysis does not include verification of compliance with any laws, ordinances, or regulations. Nor does it include any utility inspection or compliance, or environmental or safety compliance.

### The analysis makes some assumptions that are assignment specific.

This analysis is for the **sole use and benefit** of City of Shreveport, the intended user. This fee simple analysis is consistent with use by an owner or investor. It also assumes that no ADA compliance issues will arise due to construction or alteration. The analysis presumes conformity to Building Codes, Zoning, Deed Restrictions and any applicable Historic or Preservation Regulations, except as noted. It assumes any information provided by the owner, client, or any others is accurate. With non-realty, business value, and intangibles considered, this analysis estimated none applicable to this analysis. The intended user should know extraordinary assumptions and hypothetical conditions do affect the reported assignment results. This analysis does not consider mineral interests of any kind.



Robert L. Russell, MAI, SRA, AI-GRS  
Certified General Appraiser  
Louisiana License #2

July 29, 2025

# Professional Qualifications

**ROBERT L. RUSSELL, MAI, SRA, AI-GRS**

WEBSITE: [www.rlr-appraisals.com](http://www.rlr-appraisals.com)

EMAIL: [rob@rlr-appraisals.com](mailto:rob@rlr-appraisals.com)



## EDUCATION TRADITIONAL-GRADUATED

C.E. Byrd High School, Shreveport, Louisiana, Louisiana State University, Baton Rouge – BS, Louisiana State University-Shreveport – MA, Centenary College-Shreveport – MBA

## PROFESSIONAL-APPRAISAL INSTITUTE-ALL EXAMS PASSED

- Course 1-A Houston, Texas - Appraisal Theory and Techniques
- Course 1-B Dallas, Texas - Income Capitalization Techniques
- Course 2 Memphis, Tennessee - Urban Property Appraisal
- Course 4 Bloomington, Indiana - Condemnation Theory
- Course 2-3 Athens, Georgia - Standards Course
- Real Estate Finance, Statistics, & Valuation Modeling Course-Web Based
- Review Theory-General, Chicago, Illinois-Application of the Review Process
- Uniform Appraisal Standards for Federal Transactions-, New Orleans, LA Yellow Book

**Subject to continuing education requirements since inception in all major organizations**

## MAI, SRA, AI-GRS--MAI, SRA, and AI-GRS

Chapter, President, Shreveport SREA Chapter (1983-84). Louisiana Appraisal Institute Chapter Offices- Secretary (2018), Treasurer (1999 & 2019), Vice President (2000 & 2020), President (2001 & 2021) Member, National Diversity Committee (2008-2009). National Candidate Advisor for MAI & AI-GRS Candidates (2015-2019).

## LICENSED

Louisiana-Certified General Real Estate Appraiser License #02, 1990- Former Real Estate Broker 1977-2024 Past member of the Louisiana Real Estate Appraisers Board-Term 11/2018-11/2023, elected Secretary- 2022 elected Vice Chair- 2023.

## BIOGRAPHICAL SKETCH

Resides and works in Shreveport, and has published socio-political editorials in the *Shreveport Times*, the *New Orleans Times-Picayune*, the *Dallas Morning News*, the *Wall Street Journal*, *USA Today*, and others 1996-2017. Attended Caddo Parish public schools; graduating from C.E. Byrd High School. For post-secondary received a Bachelor of Science from LSU, a Master of Arts in Liberal Arts from LSU-Shreveport, and a Master of Business Administration from Centenary College. Former Adjunct instructor in Real Estate Appraisal-LSU-S

## REAL ESTATE EXPERIENCE

Experienced in real estate appraisal: self-employed since 1984, with completion of approximately 5,500 appraisals. Appraiser is qualified as an expert witness in multiple District Courts, and in Federal, Civil, and Criminal Courts and Federal Bankruptcy Court. Robert L. Russell is active and up to date in the continuing education program of the Appraisal Institute through 12/31/27.

## SPECIALTY EXPERIENCE

Experience includes Food and Beverage, Retail and Hospitality Consultant since 1982. Appraisal Experience includes Hotels, Restaurants, Entertainment Venues, and Bars. Passed Introductory Level Sommelier Course, Court of Master Sommeliers, February 2015- Passed WSET 2 with Merit, Wine and Spirits Educational Trust- July, 2020-online Passed Wine Tasting: Sensory Techniques for Wine Analysis, University California at Davis January 2021-online Attended Le Cordon Bleu seminars, June 2016 (Dallas, TX) and April 2018 (Paris, FR)- Attended Appraising Convenience Stores- January 2005, (New Orleans, LA)- Adjunct instructor in Real Estate Appraisal at LSU-S 1983-84, Master's Thesis on Hotel Development, February 2012. Contributor, as food and beverage columnist to the *Shreveport Times* and *USA Today Network*, (2019-2022-152 columns), and occasionally linked to other Gannett newspapers nationwide on their websites.

## Summary of Conclusions

ASSIGNMENT CLIENT:	City of Shreveport
<b>SIGNIFICANT ANALYSIS DATES</b>	
DATE OF LETTER:	July 29, 2025
DATES OF VISIT TO PROPERTY:	September 9, 2024 and December 2, 2024
EFFECTIVE DATE OF ANALYSIS:	December 2, 2024
PROSPECTIVE DATE OF COMPLETION:	December 2, 2024
REPORT TYPE:	Appraisal Report
ANALYSIS TYPE:	Real Property
PROPERTY NAME:	Four Story Office Building
PROPERTY LOCATION:	401 Texas Street Shreveport, Louisiana 71101
LAND DESCRIPTION:	The site contains approximately 12,057 square feet, described without benefit of a survey, and the shape is rectangular. It fronts about 80.38 feet on the south side of Texas Street, with a depth of brand150 feet, on the west side of Edwards Street, a corner site. The valuer is not aware of any adverse easements or encroachments. The site is level and at grade. It has service by public utilities. It is zoned D-1-CBD Downtown Core Sub-District, and the current use seems compliant.
IMPROVEMENT DESCRIPTION:	Improvements include an existing 61,800 square foot property that includes a Four Story Office Building with 37,370 square feet of finished office area and 9,800 square feet of unfinished area, described with benefit of plans, but no written specifications. The municipal address is 401 Texas Street. The construction is concrete and steel with finished marble and concrete exterior walls. The interior includes predominantly painted and vinyl papered panels and drywall, and the flooring is predominantly tile, and carpet. Site improvements include concrete parking and drive area, in the basement, which once served as a drive up banking teller area. The property is in average condition, excepting that the fourth floor is about 82% unfinished. The type of construction is similar to average quality, "steel reinforced masonry" construction.

**HIGHEST AND BEST USE:**

As a vacant site, the highest and best use is speculative, with construction possible in the future. The site currently includes a Four Story Office Building. This value opinion considers the highest and best use of the property. As of the effective date of analysis, the highest and best use is use as a single or multi-tenant or owner occupied Four Story Office Building with possible finish of any unfinished space.

**PROPERTY INTEREST APPRAISED:**

The interest appraised impacts valuation analysis. The interest appraised herein is the fee simple estate, excluding minerals.

**OPINION OF EXPOSURE TIME:**

Approximately 12-36 months

**PROPERTY VALUE CONCLUSION:**

Market Value	As is
Land	\$190,000
Improvements	\$660,000
Total Value	\$850,000

**The analysis makes some assumptions that are assignment specific.**

This analysis is for the sole use and benefit of City of Shreveport, the intended user. This fee simple analysis is consistent with use by an owner or investor. It also assumes that no ADA compliance issues will arise due to construction or alteration. The analysis presumes conformity to Building Codes, Zoning, Deed Restrictions and any applicable Historic or Preservation Regulations, except as noted. It assumes any information provided by the owner, client, or any others is accurate. With non-realty, business value, and intangibles considered, this analysis estimated none applicable to this analysis. The intended user should know extraordinary assumptions and hypothetical conditions do affect the reported assignment results. This analysis does not consider mineral interests of any kind.

## Identification of the Appraisal Problem

### ELEMENTS OF THE ASSIGNMENT

Different types of value include fair market value, market value, actual value, marketable cash value, replacement value, disposition value, liquidation value, value in use, value in exchange, and others. It is necessary to identify the type of value used in an assignment because each has its own definition. The focus of most appraisal reports is **Market Value**, the current economic definition agreed upon by the agencies regulating federal financial institutions throughout the United States, and is as found in this report, and at Office of Thrift Supervision (OTS) 12 CFR part 564, 564.2(f).

This is information that provides the one with the basis for determining the type and extent of research and analyses to include in the development of an appraisal. Communication with the client is required to establish most of the information necessary for problem identification. However, the identification of relevant characteristics is a judgment, made by the valuer, and it requires competency in that type of assignment. The identification of the assignment elements is, in effect, the process of identifying the appraisal problem. After considering, the elements of the assignment, one can move on to the second step, determining the scope of work necessary to solve the problem. The intended use is the key driver in determining the appropriate scope of work for the assignment.

Assumptions, extraordinary assumptions, hypothetical conditions, and other conditions can affect the scope of work. Laws include constitutions, legislative and court-made law, administrative rules, and ordinances. Regulations include rules or orders, having legal force, issued by an administrative agency, or by a regulatory agency. Thus, assignment conditions can include assumptions, extraordinary assumptions, hypothetical conditions, laws and regulations, jurisdictional exceptions, and other conditions that affect the scope of work.

This report is for the sole use and benefit of City of Shreveport, the client, and its representatives and employees, most prominently, the addressee. With no other users anticipated by the undersigned, one should know that possession of the report implies no status as an intended user. The intended use of this report is for buy/sell purposes, as identified by the appraiser based on communication with the client at the time of the assignment. That is the intended use, with no other uses contemplated by the undersigned, with **litigation not** anticipated. The effective date of the opinion of market value of the property is December 2, 2024 .

The site contains approximately 12,057 square feet, described without benefit of a survey, and the shape is rectangular. It fronts about 80.38 feet on the south side of Texas Street, with a depth of brand150 feet, on the west side of Edwards Street, a corner site. The valuer is not aware of any adverse easements or encroachments. The site is level and at grade. It has service by public utilities. It is zoned D-1-CBD Downtown Core Sub-District, and the current use seems compliant.

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Exposure time for this property type, in the local market, assuming proper pricing, is 12-36 months. The procedures necessary to arrive at credible conclusions are considered. The intended use of this report is for buy/sell purposes, as identified by the appraiser based on communication with the client at the time of the assignment. That is the intended use, with no other uses contemplated by the undersigned, with **litigation not** anticipated. The report considers flood zone maps. However, those maps can be ambiguous, difficult to interpret, and subject to periodic change. The site does not appear in a FEMA identified special flood hazard area, according to FEMA Maps, but valuers are not experts at flood plain determination. One notes being in a flood zone does not indicate that a property will flood, and conversely not being in a flood plain does not indicate that one will not flood. This opinion considers data contained on map panel Number 22017C0388H, effective as of May 19, 2014.

## Scope of Work

Professional appraisal standards historically provided for the possibility of departure or exception from some portion of the standards under certain conditions or Extraordinary Assumptions or Hypothetical Conditions. Conceptually, the current scope of work rule is the opposite of departure, i.e., it focuses on what the valuer does to solve the appraisal problem as opposed to what the valuer does not do. The disclosure requirements apply to the scope of work performed, not the scope of work initially planned by the valuer. The valuer discloses the type and extent of research and analyses actually completed in the development process. Additionally, the information required to allow intended users to understand the scope of work may include disclosure of research and analyses not performed. The Scope of Work Rule states that a valuer's scope of work is acceptable when it meets or exceeds the expectations of parties who are typical intended users for similar assignments: and the consideration of appraisal peer actions would be in performing the same or a similar assignment.

Other data, information, and documentation that support these conclusions and analysis are contained in File # 5032, and electronic files in various office folders, that begin with that number, including photographs, other reports, and spreadsheets. Paper files are generally disposed of after five or so years. General Support found in Paper and electronic files under the number 4700, is a part of this analysis, as applicable.

One assumes the property complies with all applicable federal, state and local laws, ordinances, regulations, building standards, use restrictions and zoning unless a lack thereof appears in this report. **Determining legal compliance is not part of the scope of work for this assignment.**

It is assumed that any water, sewer facilities and utilities; whether existing or proposed, will be in good working order, safe for use, and sufficient to serve any likely use of this property, structures or other improvements. **Utility testing, inspection, and compliance are not part of the scope of work for this assignment.**

Unless otherwise stated, there was no observation of past or current hazardous materials or environmental contamination on, below, or near the subject property. The valuer is not qualified to detect these substances or to make determinations about such presence. Substances such as asbestos, urea-formaldehyde foam insulation and other potentially hazardous materials or environmental contamination may affect the value of property. Unless otherwise stated, the value opinion is predicated on the assumption that there is no such contamination on, below or affecting the property that would cause a loss in value. One takes no responsibility discovery of contamination and has neither expertise nor the technical ability to discover such. The intended user shall retain an expert in this field, if desired. **Environmental and safety compliance is not part of the scope of work for this assignment.**

As a vacant site, the highest and best use is speculative, with construction possible in the future. The site currently includes a Four Story Office Building. This value opinion considers the highest and best use of the property. As of the effective date of analysis, the highest and best use is use as a single or multi-tenant or owner occupied Four Story Office Building with possible finish of any unfinished space.

### **Extent of Data Research**

The analysis included a physical visit to the relevant market area. Data research typically includes review of public records-such as the Assessor or Clerk of Court, contact with real estate agents and other appraisers, database search of in-house comparable data, and the use of Data systems such as CoStar, MLS and other specialty databases as needed.

### **Type and Extent of Analysis**

The credible opinion of market value, after a correlation of the applicable approaches to value found in this report, is subjective professional opinion. In this report, the following are considered.

### **Possible Solution to Problem by Analysis**

The scope of work is adequate when it solves a particular problem, meets the expectations of the client, parties who are regularly intended users of similar assignments, and is consistent with the actions of a valuer's peers in similar situations. The scope of work that would be acceptable to peers is a local standard, relative to credibility. An understanding of what accepted techniques and data other valuers would consider as the basis of an appropriate solution to the client's problem is directly related to professional competency.

### **Application of Solution by Analysis**

The following are techniques typically considered in determining a credible and competent value conclusion.

**Highest and Best Use** The market is the final arbiter of market value. The most crucial determinant of value in the market is highest and best use. The value of vacant land, or as the site and of an improved property, both assume potential purchasers will pay prices reflecting the most profitable use of the land or the property as improved. The most profitable use assumption tends to produce the highest offering prices. The highest and best uses of land, or sites and improved properties, consider various alternative uses.

**Sales History** Data on prior sales of this property can be relevant. When an opinion of market value is to be developed, USPAP requires the valuer to analyze all sales of this property that occurred in the three years prior to the date of value. In addition, analysis of any agreement of sale or contract, option, or listing that is current as of the date of appraisal and available in the normal course of business is required. In this instance, this valuer knows of none.

**Land Value** The value of land influenced by potential highest and best use can consider several procedures: Sales analysis is usually the preferable methodology for developing an opinion of site value. When there are not enough sales of similar parcels for the application of sales comparison, alternative methods such as extraction, allocation, subdivision development, land residual, and ground rent capitalization may be used.

**Cost Approach** In the Cost Approach, one compares the cost of the improvements to the likely cost to develop sales referenced within the report. The cost is adjusted physical differences and market-extracted losses in value. The land value, based on market comparison, and adjusted for

any rights included or excluded in the specified interest in the property. This approach to value is not applied and it is not applicable, due to the age and condition of the improvements and the likely speculative potential use of this property.

**Sales Comparison Approach** In this approach, one develops an opinion of value by analyzing closed sales, listings, or pending sales of similar properties. This approach involves direct comparison with similar sold properties to derive a market value indication of a property. Units of comparison usually include per square foot or per unit. This approach can be persuasive, especially, if the usage, location, and physical conditions have congruity.

**Income Capitalization Approach** Income-producing real estate purchased as an investment and from an investor's point of view earning power is the critical element affecting property value. One basic investment premise holds that the higher the earnings, the higher the value, given that relative risk remains constant. An investor is essentially trading present dollars in cash for the expectation of receiving future dollars such as the periodic NOI and a reversion at the end of holding. This approach to value is not applied and it is not applicable, due to the age and condition of the improvements and the likely speculative potential use of this property.

**Real Property Value Allocation** Property categorization includes three types, i.e., Real property, Tangible personal property, and Intangible property. There is a distinction between real property and real estate. Land and buildings are real estate, while real property is the bundle of rights flowing from the ownership of real estate. Real estate and tangible personal property are directly valued, while the value of real property rights are subjective, a credible opinion is required. An appraisal should consider the possibility of all three. With non-realty, business value, and intangibles considered, this analysis estimated none applicable to this analysis. With non-realty, business value, and intangibles considered, this analysis estimated none applicable to this analysis.

**Reconciliation** This part of the valuation process is where one directly draws upon experience and professional judgment to resolve differences among the value indications derived from the application of any applicable approaches. The credibility of each approach is considered, and reconciliation explains why one or more approach is more significant. It also provides a section of the report in for any other considerations.

**The analysis makes some assumptions that are assignment specific.**

This analysis is for the sole use and benefit of City of Shreveport, the intended user. This fee simple analysis is consistent with use by an owner or investor. It also assumes that no ADA compliance issues will arise due to construction or alteration. The analysis presumes conformity to Building Codes, Zoning, Deed Restrictions and any applicable Historic or Preservation Regulations, except as noted. It assumes any information provided by the owner, client, or any others is accurate. With non-realty, business value, and intangibles considered, this analysis estimated none applicable to this analysis. The intended user should know extraordinary assumptions and hypothetical conditions do affect the reported assignment results. This analysis does not consider mineral interests of any kind.

## Definition of Market Value

Market value is the major focus of most real property analysis assignments; developing an opinion of market value is the goal of most appraisal assignments. The following definition of market value used by agencies that regulate federally insured financial institutions in the United States. (TARE page 49) Market value was defined by the United States Treasury Department, Office of Thrift Supervision (OTS) 12 CFR part 564, 564.2(f) and also the Financial Institution Reform, Recovery and Enforcement Act of 1989 (FIRREA) Effective August 24, 1990. Source: [http://edocket.access.gpo.gov/cfr\\_2003/pdf/12cfr564.1.pdf](http://edocket.access.gpo.gov/cfr_2003/pdf/12cfr564.1.pdf)

“Market value means the most **probable** price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus.

Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- (1) Buyer and seller are **typically motivated**; and
- (2) Both parties are **well informed or well advised** and acting in what they consider their **own best interests**; and
- (3) A reasonable time is allowed for **exposure** in the open market; and
- (4) Payment is made in terms of **cash** in U.S. dollars or in terms of financial arrangements comparable thereto; and
- (5) 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.”

**Reasonable Exposure Time** presumes to precede the effective date of the analysis. Exposure time is the estimated length of time the property interest appraised would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. It is a **retrospective** analysis.

**Reasonable Marketing Time** is 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 analysis. The reasonable marketing time is a function of price, time, and use, anticipated market conditions, such as changes in the cost and availability of funds, and is not an isolated opinion of time alone. It is a **prospective** analysis.

A **Hypothetical Condition** is a condition, which is **contrary to that known** by the valuer to exist on the effective date of the assignment results, but used for the purpose of analysis. Hypothetical conditions are contrary to known facts in an analysis.

An **Extraordinary Assumption** is made 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.

## Marketing Period and Exposure Time

The opinion of marketing time is a relatively subjective one. Historically, properties severely overpriced may not sell for years or even decades. This analysis considers sales that occur at 80% or more of list price. The 98 sales analyzed sold at 90.01% of list price. This Office's second triennial study of exposure time shows the overall market requiring more time for consummation of sales, of mostly fee simple improved, properties were 10.5 months or down 6.0 months. Leased fee properties generally sell in a faster time. Most of this decrease is due to retail property being 6.0 months, or down 2.9 months, while office property was 9.4 months, or up 0.1 months and industrial at 18.2 months, up slightly at 0.8 months. Land exposure time decreased to 24.9 months or minus 4.1 months. Typically, marketing periods of zero to twenty-four months are adequate for the sale of most typical properly priced property. Thus, based on the sales considered and conversations with brokers, it is reasonable to project the marketing period for the property would be similar, if the current trends in the market continue into the future. The exposure time exhibited by the sales referenced in this report and via other significant data is found to be approximately 12-36 months.

Sales in Shreveport-Bossier		As of 5/20/19		Criteria: Closed Sales at >80% of List Price	
Exposure Time	Date Range	Price Range	DOM Range	Months	Statistical Significance
All Improved					Months
Minimum	10/2/2015	\$60,000	2	0.1	(3.0) MIN
Maximum	5/14/2019	\$4,250,000	2,889	95.0	24.0 MAX
Average		\$912,482	319	<b>10.5</b>	13.5 STDEV
<b>Change From 2016-2019</b>				<b>-6.0</b>	<b>92%</b> TYPE/SP/LP
Exposure Time	Date Range	Price Range	DOM Range	Months	Statistical Significance
Industrial					Months
Minimum	8/4/2016	\$130,000	23	0.8	(2.9) MIN
Maximum	5/14/2019	\$4,250,000	2,889	95.0	39.2 MAX
Average		\$873,291	553	<b>18.2</b>	21.1 STDEV
<b>Change From 2016-2019</b>				<b>+0.8</b>	<b>90%</b> TYPE/SP/LP
Exposure Time	Date Range	Price Range	DOM Range	Months	Statistical Significance
Office					Months
Minimum	4/29/2016	\$60,000	42	1.4	2.4 MIN
Maximum	3/1/2019	\$2,000,000	771	25.3	16.4 MAX
Average		\$437,389	286	<b>9.4</b>	7.0 STDEV
<b>Change From 2016-2019</b>				<b>+0.1</b>	<b>90%</b> TYPE/SP/LP
Exposure Time	Date Range	Price Range	DOM Range	Months	Statistical Significance
Retail					Months
Minimum	4/4/2016	\$122,294	63	2.1	1.4 MIN
Maximum	1/18/2019	\$9,620,000	771	25.3	10.6 MAX
Average		\$1,515,408	183	<b>6.0</b>	4.6 STDEV
<b>Change From 2016-2019</b>				<b>-2.9</b>	<b>89%</b> TYPE/SP/LP
Exposure Time	Date Range	Price Range	DOM Range	Months	Statistical Significance
Land	Sales Considered	18			Months
Minimum	5/27/2016	\$60,000	32	1.1	(8.0) MIN
Maximum	4/2/2019	\$2,509,056	3,334	109.6	57.8 MAX
Average		\$592,914	758	24.9	32.9 STDEV
<b>Change From 2016-2019</b>				<b>-4.1</b>	<b>92%</b> TYPE/SP/LP

Exposuretime2019

# Location, Market Area, and Neighborhood Data

## GEOGRAPHIC LOCATION

Louisiana, one of the West South Central states of the United States, bounded on the north by Arkansas, on the east by Mississippi, on the south by the Gulf of Mexico, and on the west by Texas. The Mississippi River forms a portion of the eastern border, and the Sabine River forms much of the western border. Louisiana, with an area of 51,844 square miles, is the thirty-first largest state in the U.S. Of its area, 4.2% is federal property. The state is roughly L-shaped, and its general dimensions are about 267 miles from north to south and about 286 miles from east to west. Elevations range from 8 feet below sea level at New Orleans to a maximum of only 535 feet at the summit of Driskill Mountain in the northern part of the state. The approximate mean elevation is 100 feet. Louisiana's coastline along the Gulf of Mexico is 400 miles long.

Map of Louisiana



Louisiana has 64 parishes, which are similar to the counties of other states. A police jury, elected to 4-year terms, governs almost all parishes. There are more than 300 municipalities in the state. A mayor and a city council govern Shreveport. Louisiana sends two senators and six representatives to the U.S. Congress.

Louisiana traditionally is the second-ranking state (behind Texas) in annual mineral output. Mining accounts for about 12% of the annual gross state product. About 15% of the petroleum and about 28% of the natural gas produced in the U.S. come from Louisiana. The state is the nation's largest producer of salt and is second in the production of sulfur. Other significant minerals include lime, high-silica glass sands, clay, and gravel.

Manufacturing typically accounts for about 16% of the annual gross state product in Louisiana and employ about 174,000 workers. The most important industries, in terms of annual payroll, are chemicals and allied products, transport equipment, petroleum and coal products, paper and allied products, processed foods, and fabricated metals. The principal industrial areas of the state are Shreveport, New Orleans, Baton Rouge, and Lake Charles.

## NORTH LOUISIANA REGIONAL MAP



A network of about 58,620 miles of federal, state, and local roads serves Louisiana. About 1,000 miles of interstate highways cross and connect the southern and northern parts of the state and about 2,490 miles of operated Class 1 railroad track. Louisiana has more than 5,000 miles of navigable waterways. New Orleans's location near the mouth of the Mississippi River, with access to the agricultural and industrial heartland of the U.S., has helped to make it one of the nation's busiest ports. Other ports include Baton Rouge, Shreveport, and Lake Charles. Of special importance is the Louisiana Offshore Oil Port, a petroleum-handling terminal located offshore in the Gulf of Mexico. Opened in 1981, it is capable of berthing tankers too large to dock at any other U.S. port.

Shreveport is located in northwest Louisiana on the west bank of the Red River, some thirty miles south of Arkansas and fifteen miles east of Texas. A portion of the city is in the Red River bottomlands and the remainder in gently rolling hills beginning about one mile west of the river. It is in Caddo Parish, a twin city to Bossier City in Bossier Parish. Sometimes the area is also

described as including Webster and DeSoto Parishes, Minden and Mansfield as their respective seats. Elevations in the Shreveport area range from about 170 to 280 feet above sea level. The average seasonal temperature is 47.5 degrees in winter and 83.7 degrees in summer. The major natural resources in the area are oil and gas, timber and various agricultural crops.

Shreveport is located 185 miles east of Dallas and 320 miles northwest of New Orleans. It is at the crossing point of several major highways. Interstate Highway Number Twenty (I-20) crosses through the center of the city; it connects with Dallas, Texas to the west and Jackson, Mississippi to the east. Louisiana State Highway Number One (LA 1) crosses I-20 south of downtown; it provides access to Texarkana, Texas and Arkansas, to the north and, historically, to Alexandria and Baton Rouge, the state capital, to the south. Interstate Highway Number Forty-Nine (I-49) is now complete providing improved access to points south such as Alexandria and Lafayette. Now completed north to Texarkana, it is fully open with the exception a direct link between I-20 and I-220. Shreveport is located in Caddo Parish and is the parish seat. The CSA Combined Statistical Area includes Caddo, Bossier, Desoto, and Webster Parishes. The main population centers in those parishes are respectively Shreveport, Bossier City, and Minden, which is a Micropolitan Area adjacent to Shreveport. The previous map above shows an extended area called a CSA.

## **RECENTLY IN THE MARKET**

A Louisiana Tech Research Institute hub is planned at the Cyber Innovation Center in Bossier City, where it will bolster Barksdale Air Force Base's Global Strike Command and related defense-sector efforts. Both investments are designed to strengthen the growing bonds among higher education, economic development, and private-sector job growth in Louisiana.

In April 2019, Gateway Development Consortium has revealed plans for a 10-year, \$1 billion mixed-use project, called Cross Bayou Point, that would be located in the opportunity zone near the Convention Center and Hilton Hotel complex in Downtown Shreveport. The council voted 4-3 against a binding memorandum of understanding (MOU) between the City of Shreveport and Gateway Louisiana, LLC. Source: Shreveport Times-1/29/20

The downtown area, known as Old Bossier, i.e. the re-branded as the East Bank District, runs perhaps mile along Barksdale Boulevard from Hamilton Road to Traffic Street, complete with new signage throughout the area. The city re-sized the streets and flow of traffic to make it a slower-paced neighborhood. Barksdale Boulevard is now 25 feet, or two vehicular lanes wide. Becker Spine, on February 3, 2021, announced a \$35 million Spine Center of Excellence is set to break ground on a new facility this year. The center will reportedly be bristling with cutting edge imaging technology, eliminating the need to go to several places before doctors there can assess your back problems. The imaging center will have MRI, CT, X-ray, and other tech to allow the doctors and specialists there precisely determine what the issue is. This base for back relief will be located on a 13.7-acre lot at the corner of Coleman Street and Bearkat Drive in Bossier City's East Bank District. The introduction of mixed uses creates a vibrant downtown district and feed other businesses in the area. Improved circulation, landscaping, user-friendly building entrances, and attractive signage could make this area a destination for locals and potential businesses looking to relocate in Bossier City. This type of development reverts to a more traditional central Main Street or square with a contemporary look, fronted by pathways, civic buildings, specialty retailers, family eateries, a community theater, and plaza with decorative landscaping.

On February 25, 2019, Shreveport Mayor Adrian Perkins announced the creation of the Shreveport Healthcare and Development Corridor board, which will initially focus on auditing the economic impact of the area's healthcare industry. CMIT is expanding its footprint on the Shreveport Healthcare and Technology Corridor with a new 20,000 sq. ft. facility at the corner of

Kings Highway and Mansfield Road, with construction well underway and a likely opening in late 2021. The facility will include an expanded radiopharmaceutical production operation, patient imaging services and a clinical and translational research program. Perkins said he plans for the corridor to include sites from Ochsner LSU Health Shreveport to Willis-Knighton North, but that the boundaries will be adjustable. The goal of creating the corridor will be to make Shreveport healthcare a regional center for patients, professionals, and new technology. Source: The Times, <http://www.shreveporttimes.com>

## MARKET AREA DATA

### POPULATION

Shreveport is the third largest CSA in Louisiana behind New Orleans and Baton Rouge. About 200,000 people live inside the Shreveport city limits with an additional 240,000 considered to be in the general metropolitan area. It would appear growth of the local economy and labor force is a continuing trend as of this date.

Shreveport CSA Trends							
	1970	1975	1980	1985	1990	2000	2010
<i>Population</i>	335,834	357,247	377,944	396,121	375,238	417,796	432,060
<b>Change per Year</b>		1.3%	1.2%	1.0%	-1.1%	0.4%	0.3%
<i>Per Capita Income</i>	\$3,384	\$5,228	\$9,039	\$13,032	\$16,137	\$22,858	\$35,491
<b>Change per Year</b>		10.9%	14.6%	8.8%	4.8%	4.2%	5.5%
<i>Total Employment</i>	149,665	168,563	189,779	205,403	190,051	209,100	209,900
<b>Change per Year</b>		2.5%	2.5%	1.6%	-1.5%	0.1%	0.0%
<i>Unemployment</i>			9.0%	11.5%	5.2%	4.9%	7.7%
<i>Average earnings /job</i>	\$5,820	\$8,734	\$13,721	\$17,733	\$20,915	\$26,884	\$35,235
<b>Change per Year</b>		10.0%	11.4%	5.8%	3.6%	3.4%	3.1%
Note: 2007 and 2000 include DeSoto Parish @ 25,494 persons 2010 est. includes Webster formerly in MSA							
Comparative Data							
<i>Population LA '000's</i>	3,650	3,886	4,223	4,408	4,217	4,468	4,492
<b>Change per Year</b>		1.3%	1.7%	0.9%	-0.9%	0.1%	0.1%
<i>Per Capita Income LA</i>	\$ 3,106	\$ 4,956	\$ 8,833	\$ 12,121	\$ 15,223	\$ 22,848	\$ 36,091
<b>Change per Year</b>		11.9%	15.6%	7.4%	5.1%	0.0%	5.8%
<i>Per Capita Income USA</i>	\$ 4,095	\$ 6,155	\$ 10,183	\$ 14,705	\$ 19,584	\$ 28,542	\$ 39,626
<b>Change per Year</b>		10.1%	13.1%	8.9%	6.6%	0.0%	3.9%
<i>Consumer Price Index</i>	38.8	53.8	82.4	107.6	130.7	172.2	218.8
<b>Change per Year</b>		7.7%	10.6%	6.1%	4.3%	4.0%	2.7%
<i>State Unemployment</i>			7.3%	11.5%	6.3%	5.6%	8.2%
<i>National Unemployment</i>			7.2%	7.2%	5.3%	4.5%	9.8%
Source: US Department of Commerce, Bureau of Economic Analysis							

### Source Historical Data-May conflict with updated data elsewhere in this report

Shreveport Area Population Growth by Parish							Five Year
Parish by year	2011	2012	2013	2014	2015	2016	Net
<b>Bossier</b>	120,039	123,165	123,894	124,894	125,588	126,057	6,018
<b>Caddo</b>	257,005	257,396	255,224	252,747	251,405	248,851	-8,154
<b>De Soto</b>	26,774	26,991	27,026	27,005	27,064	27,149	375
<b>Webster</b>	41,230	40,919	40,665	40,305	40,075	39,710	-1,520
<b>Totals</b>	445,048	448,471	446,809	444,951	444,132	441,767	-3,281
Census Bureau midyear population estimates available as of March 2017.							
Last updated: November 16, 2017 New estimates for 2016; revised estimates for 2010-2015.							

shreveportcsaincome

The LSU Ourso School of Business noted the Shreveport-Bossier MSA did reasonably well during the Great Recession, only losing jobs in 2009 (-2.7 percent). Haynesville Shale action,

U.S. Support and the attraction of the Global Strike Force to Barksdale AFB helped the region. The College of Business since authored the 2019-2020 Louisiana Economic Outlook as developed by Loren Scott. This MSA Shreveport Metropolitan Statistical Area is the fourth largest in the state, behind Lafayette, New Orleans, and Baton Rouge, with an estimated 180,000 non-farm jobs in 2018. It is comprised of Caddo, Bossier, Webster, and Desoto parishes. Loren Scott notes that activity at the Port of Shreveport-Bossier and the tech facility CSRA are bright spots, but the region suffers from a lack of major job announcements for the next two years. A key variable for this MSA is the Haynesville Shale rig count. After peaking at 142 in April 2010, the count plummeted to 15 in June 2016. The statewide rig count has risen to 55, with 34 of them in the Louisiana North region according to TCI Business Capital, as of April 16, 2021. It has the highest concentration of durable goods manufacturing employment in the state, and that tends to make the area much more susceptible to national recessions than the other eight MSAs. Among the large durable goods manufacturers in the area are Sabre Industries (formerly, CellXion and a manufacturer of cellular towers), Frymaster (manufacturer of deep fryers and similar products for McDonalds and KFC), and Ternium---a steel components manufacturer housed at the Port of Caddo Bossier. These and other tenants at the Port employ about 1,000 to 1,500.

<b>Shreveport Area Economic Analysis</b>					
<b>Bureau of Economic Analysis</b>	<b>Bossier</b>	<b>Caddo</b>	<b>De Soto</b>	<b>Webster</b>	<b>CSA Totals</b>
Personal income	\$5,339,764,000	\$11,941,648,000	\$1,025,478,000	\$1,456,490,000	\$19,763,380,000
Population	126,057	248,851	27,149	39,710	441,767
Per capita personal income	\$42,360	\$47,987	\$37,772	\$36,678	\$44,737

*Census Bureau midyear population estimates. Estimates for 2010-2016 reflect county population estimates available as of March 2017.  
Per capita personal income was computed using Census Bureau midyear population estimates. Estimates as of March 2017.  
All dollar estimates are in current dollars (not adjusted for inflation).  
Last updated: November 16, 2017.*

*shreveportcsaincome*

Shreveport is the largest economic entity in the area, with the highest per capita income. Bossier City is the best place to live in Louisiana, according to *Money Magazine*, issue of January 2020.

The Shreveport-Bossier area is the fourth largest in the state and is more dependent on manufacturing than the other MSAs. In April 2020, the MSA lost 23,400 jobs, down 13%. As of June 2021, the area had recovered 57% of the jobs lost to the COVID-19 shutdown. By the end of the year, the area expects to regain 80% of its lost jobs. One of the big wins for Shreveport was Amazon, which is building a \$200-million robotic center that should open in 2022. The area is expected to add 5,500 new jobs in 2022 and 2,800 in 2023.

Another big employer in the MSA is the LSU Health Sciences Center with 5,260 employees. This MSA should reverse its recent trends and return to a growth trajectory, adding 1,300 jobs (+0.7%) in 2018 and 1,500 jobs (+0.8%) in 2019. If achieved, this would rank Shreveport-Bossier as the fifth fastest growing MSA in the state and fourth in absolute jobs gained.

The only significant job growth is the growth spurt of CSRA, formerly General Dynamics IT and the arrival of Glovis American. The award of a Choice Neighborhood Grant to Shreveport of \$24.2 million will upgrade three neighborhoods and part of Shreveport's downtown; will include mixed income and mixed-use development, called Bayou Grande to finish by late 2021 with 328 units where residents will pay based on a percentage of income. Western Global Airlines has moved in at the Regional Airport with an aircraft maintenance, repair, and operations, MRO, at the Shreveport airport. The company proposed a \$3 million investment in Hanger 40. Employment projects to increase from 25 to 275 by the end of 2020.

CSRA presently has 500 employees; this unit should be at 800 by mid-2018. Eatel/Venya is spending \$20 million to build the first tier II data center in Louisiana at the former Selber Brothers Department Store in downtown Shreveport. The company will retain 10 jobs and add 15 more. In July 2017, Network Communications began work on a \$10 million facility that will add 20 new jobs.

The Port signed a Trans-loading Agreement with a company that will significantly increase traffic on the Red River. The Port now has barge traffic on a regular basis. The award of a Choice Neighborhood Grant to Shreveport of \$24.2 million will upgrade three neighborhoods and part of Shreveport's downtown. Western Global Airlines has moved into the Express Jet facility with an aircraft maintenance plant at the Shreveport airport. The company will make a \$3 million investment in Hanger 40. Employment should increase from 25 to 275 by the end of 2020.

Bia Energy Operating Company announced that it is evaluating a \$550 million blue methanol production plant that would be located at the Port of Caddo-Bossier in Shreveport, Louisiana. If the plant becomes operational, the company would create 75 direct new jobs, with an average annual salary of \$80,000, plus benefits.

Ternium USA Inc. is planning to expand its facility at the Port of Caddo-Bossier with an investment of \$98 million. Ternium USA Inc. will be retaining 157 jobs, and will be creating 35 new direct jobs. The Louisiana Economic Development estimates the project will result in 98 indirect jobs, for 133 new jobs in Louisiana's Northwest Region. Ternium will be adding a second coil coating paint line with annual capacity of 120,000 tons, which will increase its production capacity in the U.S. by 53%, among other improvements.

The area's largest employer---**Barksdale AFB**---with 6,394 military personnel and 2,530 civilian employees should have modest growth as the Global Strike Command gets control over Nuclear Command Control and Communications. A \$21 million Communications Squadron complex, is planned and in the design stage, and will start construction soon. Beyond 2020, a \$350 million weapons storage facility is possible. Barksdale Air Force Base, located in Bossier City, is the largest employer in the area. Barksdale covers 22,000 acres and is headquarters for the Strategic Air Command, Eighth Air Force, and Second Bombardment Wing. It serves almost 60,000 active duty, reservist, civilian employees, family members, and retirees living in this region.

After standing vacant, partial use of the old **GM** facility went to Hyundai's Glovis America subsidiary. This company will be an inland distribution center for logistical staging, quality inspections and accessorizing for 75,000 Kia vehicles annually. Already operational, this site will employ 150 people. In Bossier, Sabre Industries, which manufactures engineered structures for the utility and telecommunications industries, spent \$1.6 million on an expansion and is adding 50 new jobs to its 16-person workforce. Brentwood Hospital spent \$1.2 million on its facility. Presently at 400 employees, the hospital plans to add 150 more over the next 15 years.

#### **EMPLOYMENT**

Historically, employment in the Shreveport area has been relatively stable due to a diversified economic base, which includes industry, retail and wholesale trade, government, agriculture, tourism/gaming and mineral production. Current unemployment figures for the CSA are above the national average and at that of the state.

Economists classify **unemployment** into three categories: frictional, structural, and cyclical. Frictional unemployment results when people either are temporarily unemployed, because they are new to the job market or are searching for a better job. Structural unemployment is a

mismatch in the skills held by those looking for work and the skills demanded by those seeking workers. Because workers are always entering the labor force and switching jobs, a certain amount of frictional unemployment is normal. Likewise, changes in technology and preferences guarantee structural unemployment. A certain amount of unemployment is natural. The natural rate of unemployment is the sum of frictional and structural unemployment. Cyclical unemployment is associated with jobs lost due to economic downturn, and is not considered in the **natural rate of unemployment**, often used as a benchmark. The current national estimate is in the 4-5 percent range. Thus, economists suggest that labor markets are now relatively healthy.

Paraphrased from- Making Sense of Unemployment Data-St Louis Federal Reserve Bank

The ratio of employment in durable goods manufacturing to total non-agricultural employment is historically about 10% in Caddo and Bossier Parishes, which is greater than any other city in the state (Houma-Thibodaux - 7%; New Orleans - 5%; Lake Charles - 4%; Alexandria - 4%; Monroe - 4%; Lafayette - 2%; and Baton Rouge - 2%). Certainly, a downturn in purchases of durable goods would have a greater effect here than in other cities in the state. The recent slow-down and possible closing of the General Motors Plant in west Shreveport has been of significance, affecting many satellite suppliers.

In the Shreveport MSA, Caddo Parish is the largest economy, generally about twice the size of Bossier Parish, as shown below, though population growth is shown in Bossier with losses in Caddo.

The Shreveport-Bossier area historically had 23 banks with close to 100 branches. National and large regional banks with the largest local footprint include Capital One, JPMorgan Chase, Regions and Bancorp South. Most of the big banks are closing under-producing branches, while some of the state chartered and regional ones are building branches or converting closed ones purchased on the market. Historically, the national lenders have been active in the area. Nevertheless, local banks are the main providers for lending in the below \$2,000,000 range. Retail sales have fallen slightly from 2015 to 2016, by 0.60%. Hotel/Motel revenue in the same time is up 26.6%.

#### **TRANSPORTATION**

Air transportation is by three major (American, Delta & United), and some seasonal airlines (Allegiant among others) at the Shreveport Regional Airport. The area also has five railroad lines, a Greyhound bus line, twenty motor freight lines and special haulers and several aircraft charter companies. A smaller municipal airport is located adjacent to the CBD.

Access to Shreveport is adequate from the east and west. I-20 connects Shreveport with Dallas and other points west, and Jackson, Mississippi and other points east. Historically, access to the north was by heavily traveled two-lane roadways in modest condition. However, the recent completion of I-49 north has alleviated that. To the south Interstate Highway Number 49 connects Shreveport to Interstate Highway Number I-10 at Lafayette, Louisiana.

Over the past few years, there have been some talks about additional north-south interstate links for the area. Plans are underway for a link of I-49, connecting Shreveport north to Kansas City, Missouri, and it is complete north to I-30 in Arkansas. In addition, a planning corridor was chosen for an Interstate Highway Number Sixty-Nine (I-69), which would connect south from the United States/Mexico border in southeast Texas and go north, near Shreveport, Arkansas, and beyond, to the United States/Canada border. The period for either of these highway links would be in the range of 10-20 years from now, and both of them would be positive, for facilitation of the area as a regional transportation hub.

The Red River, navigable for barge traffic, has a large port facility is located south of Shreveport in Caddo Parish rail and barge traffic continues to increase. Its features include a Foreign Trade Zone, an Enterprise Zone, and a U.S. Customs Port of Entry. Other development on the river includes casino gambling, with two casinos in Shreveport and three in Bossier City. The Sci-Port

Discovery Center, the new convention center, and convention center hotel and several casinos and casino hotels are located on the riverfront, in, or near the Shreveport CBD.

#### **EDUCATION**

Shreveport has two four-year colleges, Louisiana State University in Shreveport and Centenary College, both of which offer master's level programs, and LSU-S has some Doctorate programs. There are also two junior colleges, Southern University in Shreveport and Bossier Parish Community College. Louisiana Tech University has several satellite locations in the area. The Louisiana State University Medical School is located in Shreveport, with LSU Medical Center serving as its teaching hospital. There is a feasibility program in place to develop a branch of the Southern University Law School on the Southern University campus north Shreveport with a satellite in the CBD. The Shreveport/Bossier Vocational/Technical School provides technical training for careers in industry and trade. Bossier Parish has constructed a new vocational school on Swan Lake Road just north of I-20.

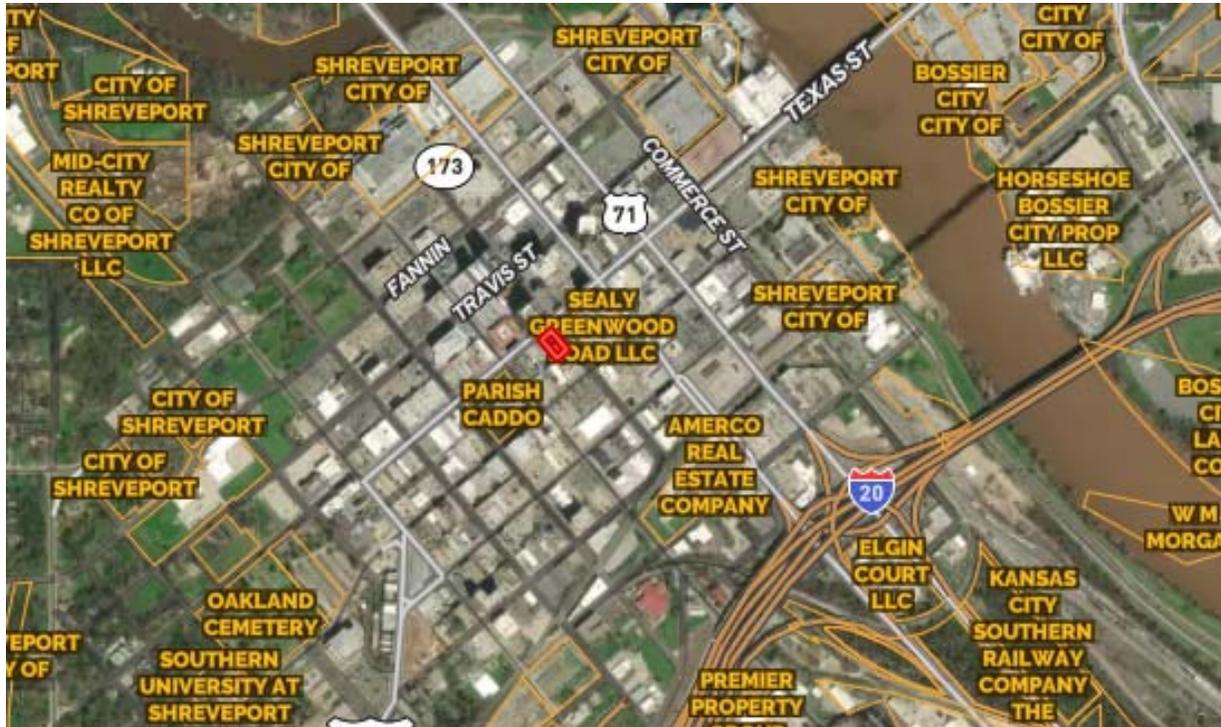
#### **CONCLUSION**

Despite the national trend for consolidation of large employers to major cities, the features in Shreveport-Bossier attracting employers remain in place. Recent data, i.e., the C2ER Cost of Living Index 2020-2<sup>nd</sup> Quarter Average, suggested housing costs in Shreveport are about 91.9% of the national average, and is below the state average. Thus, in the state Shreveport has relatively affordable housing. The cost of housing is 79.6%. The cost of healthcare is 101.1% of the national average with all the other components also being less than average. The composite cost of living is 91.9% of the national cost. It also has relatively stable employment with Government and Military being the major employers, followed closely by the medical and gaming industries. The main drivers for the Shreveport economy are Agriculture, Oil & Gas Production, Real Estate Construction, and Casino Gambling. The Haynesville Shale made a huge difference shielding the area from the national recession. The area is still home to a few offices or subsidiaries of the Fortune 500 firms, and the residual economic base for the metropolitan area is relatively sound. The area does lose jobs to Dallas and Houston, as those areas lose to Atlanta and Chicago, and as the latter lose jobs to places like New York and San Francisco. White-collar jobs in Shreveport have been eroding for the last 20 or 30 years, in keeping with regional trends.

<http://www.nlep.org/Regional-Data/Cost-of-Living.aspx>

## Neighborhood Data

The neighborhood analysis determines how the operation of social, economic, government and environmental forces influence property values in the specific area in which the property is located.



### LOCATION

The Shreveport central business district (CBD) historically the financial and legal center of commerce in the Shreveport metropolitan area. Retail businesses have moved from the Shreveport central business district over the past thirty years, and they have tended to cluster in suburban shopping malls and strip centers. As this has occurred, the business district has become more of a commercial and financial center for the metropolitan area. A main demand generator in the CBD is the Caddo Parish Court House. The most desirable locations have historically been along Texas Street, east from the courthouse, to Market Street. Properties in that area include, and originally known as the AmSouth/Commercial National Bank Building, First National/Bank One Building and the Pioneer Bank Building. Because of the lack of available land, construction in the late 1970s and early 1980s consisted of properties along Travis Street, such as the American Tower, the Hibernia Tower, the First Federal Plaza Building and the Transcontinental Tower. Adaptive re-use of existing older and historical buildings has tended to center on Milam Street and Texas Street, near the Caddo Parish Court House. The Riverfront area has developed into an entertainment area with two casinos, bars, the Sci-Port Discovery Zone, and the permanent Festival site. The area includes a revitalized entertainment district with retail, restaurant, and lounge properties. Some residential development has begun in this neighborhood in an effort to make the area more like other major CBDs in the region.

### TRAFFIC ARTERIES

The main demand generating streets in downtown Shreveport include the east/west traffic arteries of Travis Street, Texas Street and Milam Street. They are streets that generate demand because they are the main public rights of way within the central business district. Other demand-generating streets include Spring Street, a major north-bound traffic artery, and Market Street, a major south-bound traffic artery. These two streets are significant because they provide access both north and south to the central business district from most parts of the city. Spring Street and Market Street are part of the highway system that provides access north to Texarkana,

Texas, and south to Alexandria and Baton Rouge, Louisiana. Just south of the central business district, and crossing these major thoroughfares, is Interstate Highway Number Twenty (I-20), which provides access west to Dallas and east to Jackson, Mississippi.

#### **COMMUNITY FACILITIES**

The subject neighborhood is a central business district, an entertainment area and a financial district. Police protection and fire protection are by the City of Shreveport. The Shreveport Fire Department has its central station located in the central business district at Common Street and Crockett Street. The Shreveport Police Department has its central station about one mile west of the central business district on Texas Avenue near Murphy Street, in conjunction with the Shreveport City Hall. The Caddo Parish Court House is located within the central business district, between Texas and Milam Streets, at the McNeil and Marshall Streets crossing. Various Federal offices and Federal courts are located at the Federal Building. The YMCA has a central office and facilities on Travis Street at McNeil. A major medical neighborhood is located immediately south of the subject neighborhood along Line Avenue, and residential neighborhoods are generally located within a radius of between two and ten miles of the central business district. The residential district most significant to the CBD is located in southeast Shreveport, east of Fairfield Avenue and south of Kings Highway, at a radial distance of five to ten miles south of the central business district.

#### **PUBLIC TRANSPORTATION**

The Shreveport central business district has service by municipal bus transportation. The municipal bus system has a bus terminal on Crockett Street between Marshall and Edwards Streets. The municipal bus system, known as Sportran, provides low-cost bus service to residential areas north, south and west of the central business district within the Shreveport City Limits, along the major traffic arteries.

#### **BOUNDARIES**

The subject neighborhood is rectangular shaped and the boundaries are as follows:

North - Cross Bayou  
South - Lake Street  
East - Clyde Fant Memorial Parkway  
West - Common Street

#### **ACCESS**

The subject neighborhood is well-located with respect to both intercity and intra-city traffic links. However, this access has improved greatly with the completion of the Interstate Highway Number 220 (I-220) loop north of the Shreveport central business district, which provides access to I-20 west of Shreveport and east of Bossier City. In addition, the completion of the Clyde Fant Memorial Parkway, south of the central business district, has improved access to the southeast Shreveport residential and commercial areas. The Fant Parkway also extends north to Airport Drive, thus alleviating some of the heavy traffic through the CBD. Interstate 49 provides access from the I-20 corridor to points south.

#### **UTILITIES**

The subject neighborhood has service by all public utilities and services.

#### **PARKING**

Typical parking for the downtown area consists of garage parking, open service parking lots, metered street, and municipal parking. The large parking lots adjacent to the Exposition Hall, Barnwell Center and the Civic Theater and Convention Hall along Clyde Fant Parkway are used for daytime parking for downtown office workers. About half the major office buildings have attached parking garages. Casino construction has spurred some parking garage construction along the river.

**PERCENT BUILT-UP AND HISTORY**

Initial construction in this vicinity occurred in the mid 1800s. This was the founding section of Shreveport. In recent years, the Shreveport central business district has been the site of new construction and adaptive re-use renovation and/or restoration of older and historical buildings. The Shreveport "Downtown Historic District" consists of properties fronting on Texas and Milam Streets, between Commerce Street to the east and Common Street to the west. About two dozen buildings in this area register as architecturally significant structures, and they enjoy various forms of protection from the Foundation of the National Historic Register of Significant Structures.

**EMPLOYMENT CENTERS**

The Shreveport central business district is the major employment center for the entire metropolitan area, which includes Caddo Parish, Bossier Parish, and Webster Parish. Bossier City has no central business district, and other commercial and financial districts in the area are various scattered office parks, such as the Shreve City Office Park, Bellemeade Center on Youree Drive, the Pierremont Office Park near Line Avenue, the Buckner Square and the former Schumpert Hospital area and the Pines Road area corridor. The central business district has adequate access to those employment centers, and, as a major employment center, the central business district has adequate access to the main residential areas that provide housing for the financial district work force.

**TRENDS**

Current trends for the central business district seem to be for less construction over the next few years, as existing supplies of office and other general commercial space are absorbed by the market. The construction of two river front hotels occurred and the convention center and Hilton Hotel on Market Street along Cross Bayou is operational. There are two projects planned in the CBD vicinity, in addition to the residential conversions of several buildings over the past few years. Pending city council approval, \$1.2 million in funds from the Economic Development Administration have begun constructing the 2.4-acre Green-space Park planned between Texas Avenue, Crockett Street, and Cotton Street. There was also consideration of a planned sports and tourist based development considered for land on Cross Bayou near the Hilton and Convention Center. Phase 1 would include construction of the 3,200-seat sports complex and arena for \$30 million, 250 multi-family housing units for \$38.5 million, a hotel with 125 rooms for \$30 million and 25,000 square feet of retail space for \$7.5 million. Phase 2 would include the construction of 100 more housing units and an additional 25,000 square feet of retail space. As of this date, the project is supposedly not moving forward.

**CONCLUSIONS**

The subject neighborhood is adequate for the continued use of the subject property as projected by this appraiser.

## Land Description

The physical characteristics of a site relate to size, shape, assemblage potential, and corner influence, the presence of excess or surplus land, topography, available utilities, on-site and off-site improvements, location, accessibility, and environment.

### LAND SIZE

<i>Subject Site</i>	<i>Square Footage</i>	<i>Acres</i>
Land Size	12,057	0.277
Parking Lot	0	0.000
Total Size	12,057	0.277

### PROPERTY DESCRIPTION

Lots Fifteen (15) and Sixteen (16), Block 32, City of Shreveport in Caddo Parish, Louisiana, as per plat thereof recorded in Book L, Page 444, and re-recorded in Book 250, Page 100 of the Conveyance Records of Caddo Parish, Louisiana

### SHAPE

The shape is rectangular.

### DIMENSIONS

It fronts about 80.38 feet on the south side of Texas Street, with a depth of brand150 feet, on the west side of Edwards Street, a corner site.

### TOPOGRAPHY

The site is level and at grade.

### DRAINAGE

The site seems to drain adequately. The valuer is unaware of any history of adverse drainage problems. However, interpretations of drainage and flood plain status are engineering problems and a professional engineer should address those questions.

### PUBLIC SERVICES

It has service by public utilities.

### LOCATION IN BLOCK

The site contains approximately 12,057 square feet, described without benefit of a survey, and the shape is rectangular. It fronts about 80.38 feet on the south side of Texas Street, with a depth of brand150 feet, on the west side of Edwards Street, a corner site. The valuer is not aware of any adverse easements or encroachments. The site is level and at grade.

### ACCESS TO TRAFFIC ARTERIES

Access via Texas Street is for foot traffic to the main entrance. Edwards street and the rear alley provide auto access to the basement parking. Ingress and egress for the site seems to be adequate given the criteria dictated by the market for most types of use.

### NUISANCES AND HAZARDS

A brief physical study revealed no adverse conditions as of the date of analysis. Valuers rely on the opinions of others, for the detection and analysis of hazardous substances. Viewing of this property did not reveal any signs of

contaminants, with none anticipated. The assumption made in developing the **opinion of value; no adverse environmental issues are present.** The valuer is aware of no adverse environmental information for this property, except as may be noted herein.

**EASEMENTS & ENCROACHMENTS**

Based upon a physical observation and reference to any available site plans and assessor's plats, the site has no known negative conditions. The valuer is not aware of any adverse easements or encroachments. Typically, utility and other easements along property lines are expected. As a standard assumption, verification by survey prior to transfer or loan closing is expected.

**ZONING**

The site is currently zoned D-1-CBD Downtown Core Sub-District, and the current use seems compliant. The current use conforms to this designation, and it would allow development of the site to its highest and best use.

**FLOOD ZONE**

The report considers flood zone maps. However, those maps can be ambiguous, difficult to interpret, and subject to periodic change. The site does not appear in a FEMA identified special flood hazard area, according to FEMA Maps, but valuers are not experts at flood plain determination. One notes being in a flood zone does not indicate that a property will flood, and conversely not being in a flood plain does not indicate that one will not flood. This opinion considers data contained on map panel Number 22017C0388H, effective as of May 19, 2014. Verification of the flood plain status by survey is prudent.

**PROPERTY USE IN VICINITY**

The property uses in the vicinity are typical of the neighborhood. They include no recent construction of retail or offices in the immediate vicinity. Some older mercantile buildings have converted to apartments and residential condominiums.

**HIGHEST AND BEST USE**

As a vacant site, the highest and best use is speculative, with construction possible in the future. The site currently includes a Four Story Office Building. This value opinion considers the highest and best use of the property. As of the effective date of analysis, the highest and best use is use as a single or multi-tenant or owner occupied Four Story Office Building with possible finish of any unfinished space.

**CONCLUSION**

There are no adverse conditions based on this brief observation of the site. Appraisers, also known as valuers are not professionals in inspection, law, or engineering. One assumes an intended user obtains relevant opinions regarding flood status, ownership, property descriptions, and zoning conformance.

## Zoning

The Shreveport Metropolitan Planning Commission has the authority to regulate all land use in and around Shreveport for the public good. The zoning ordinances, first enacted in 1957, and revised in May 2017. **The districts allowed under the present ordinances are as follows:**

### Residential Districts

R-A	Rural-Agricultural Zoning District
R-E	Residential Estate Zoning District
R-1-12	Single-Family Residential Zoning District
R-1-7	Single-Family Residential Zoning District
R-1-5	Single-Family Residential Zoning District
R-UC	Urban Core Residential Zoning District
R-HU	Highland Urban Conservation Residential Zoning District
R-TH	Townhouse Residential Zoning District
R-2	Multi-Family Residential Zoning District
R-3	Multi-Family Residential Zoning District
R-4	High-Rise Residential Zoning District
R-MHS	Residential Manufactured Home Subdivision Zoning District
R-MHP	Residential Manufactured Home Park Zoning District

### Commercial Districts

C-1	Neighborhood Commercial Zoning District
C-2	Corridor Commercial Zoning District
C-3	General Commercial Zoning District
C-4	Heavy Commercial Zoning District
C-UC	Urban Corridor Zoning District
C-UV	Urban Village Commercial Zoning District
D-1	Downtown Zoning District

### Industrial Districts

OR	Office Research Zoning District
I-MU	Industrial Mixed-Use Zoning District
I-1	Light Industrial Zoning District
I-2	Heavy Industrial Zoning District

### Special Purpose Districts

IC	Institutional Campus Zoning District
NA	Natural Areas Zoning District
OS	Open Space Zoning District
RBO	Riparian Buffer Overlay Zoning District
CLO	Cross Lake Overlay Zoning District
RRO	Red River Overlay Zoning District
RP	Residential Professional Overlay District
CD	Conservation Design Overlay District

For more information:

<http://shreveportcaddompc.com/current-zoning-maps/>

As a rule, the zoning ordinances are strictly enforced. The site zoning as follows:

**D-1-CBD DOWNTOWN CORE SUB-DISTRICT, AND the current use seems compliant.**

D-1-CBD Downtown Core Sub-District establishes standards for the design of structures located within the core of Downtown. The standards recognize that this sub-district is to be the most intensely developed portion of the Downtown.

**CONCLUSION**

This zoning designation is consistent with the estimate of highest and best use for the site. The property seems to be compliant with its zoning. Rezoning can be a political and unpredictable process. This flux may often extend into determination of zoning compliance. A valuer is not an expert on zoning compliance or rezoning or zoning due diligence. Legal advice is mandatory for any zoning questions. The improvements apparently represent a legally and conforming use and, if damaged, most likely can be restored without special permit. Additional information is available from the appropriate authorities. For purposes of this appraisal, the valuer assumes this information is correct.

## Improvement Description

In the quality and condition viewing of a building, valuers analyze and consider the quality and condition of the items described. Each of the analytical approaches considers the character, quality, and appearance of the construction. They have a major influence on the cost new, the accrued depreciation, the ability of the property to produce rental income, and the comparability with other properties in the sales comparison approach. An analysis of the quality of construction is integral to a valuer's consideration of structure, design, and architectural planning.

Improvements include an existing 61,800 square foot property that includes a Four Story Office Building with 37,370 square feet of finished office area and 9,800 square feet of unfinished area, described with benefit of plans, but no written specifications. The municipal address is 401 Texas Street. The construction is concrete and steel with finished marble and concrete exterior walls. The interior includes predominantly painted and vinyl papered panels and drywall, and the flooring is predominantly tile, and carpet. Site improvements include concrete parking and drive area, in the basement, which once served as a drive up banking teller area. The property is in average condition, excepting that the fourth floor is about 82% unfinished. The type of construction is similar to average quality, "steel reinforced masonry" construction. Attention is directed to the property photographs and floor plans located in this report.

### GENERAL DESCRIPTION OF AREAS

Property Type	Office
Building Class	" C "
Building Quality	Avg
Gross Building Area SF	61,800
Office Area SF-Finished	37,370
Levels	5
Percent Finished Office	79.2%
Parking/Aux	13,800
Potential Economic Life	50
Actual Age	40
Physical Effective Age	20
Economic Effective Age	45
Remaining Physical Life	40+
Remaining Economic Life	5

### MECHANICAL AND EQUIPMENT

H.V.A.C.:	Centrally heated and cooled
Plumbing Fixtures:	Typical number and quality –Fourth Floor bath not functional
Electrical Fixtures:	Typical number and quality
Special:	One of the Elevators not functional

### DEFERRED MAINTENANCE

Physical observation assists in identifying relevant property characteristics in valuation services. Practically speaking, with any typical visit, observation is limited. This report offers no opinion on structural soundness, or the condition and adequacy of mechanical systems, and presumes them operational, unless otherwise noted. This analysis offers no opinions regarding physical, legal, or regulatory issues. One should have the property inspected, for verification. The building, as those used in comparison, was in typical condition, as compared with structures of similar vintage and utility. This valuer is aware of some deferred maintenance, possible needed finish work on the fourth floor.

**FUNCTIONAL OBSOLESCENCE**

Functional obsolescence exists because of flaws in the structure, materials, or design of the improvement when compared with the highest and best use and most cost-effective functional design requirements at the time of analysis. A building functional at construction can become inadequate or less appealing as design standards, mechanical systems, and construction materials change over time. The property, in this case, is functional in design, as compared to competitive property. The design of the improvements is reasonably competitive. It has little or no traditional functional obsolescence, however technically the use of similar sales in valuation may imply an obsolescence lumped into total obsolescence as is measured in External Obsolescence. If indeed the case, allocation from extraction is possible, though not necessary in most instances.

**EXTERNAL OBSOLESCENCE**

External obsolescence can be either locational or market-wide obsolescence. It can be temporary or permanent impairment of the utility or salability of an improvement or property due to negative influences outside the property. External obsolescence may result from adverse market conditions. Because of its fixed location, real estate economics consider external influences as uncontrollable. Real estate is a commodity with cyclical trends like stocks and bonds. It generally appreciates in value along with inflation, but the trend does not follow a prescribed path. When rents and improved sales indicate a value less than feasibility levels or physically depreciated cost levels, there is an imbalance. This factor is external obsolescence. The location is consistent with the properties and trends found in this neighborhood. Measurement through analysis of recent building sales as compared with cost adjusted anticipated sale prices or assessed via cost new versus capitalized income potential analysis is the proper analysis for this obsolescence. When sales data is plentiful, the market extraction method provides a reliable and convincing estimate of depreciation. However, the valuer develops a reasonable site value estimate for each of the comparable sales and a defensible estimate of replacement cost for each sale. Additionally, the comparable properties should have physical, functional, and external characteristics similar to the property, and they should have incurred similar amounts and types of depreciation. The measurement of External Obsolescence, optimally derived from the comparable sales, or via feasibility cost versus income analysis, is a critical component of estimating depreciation. The former method is usually preferred, and it relates cost and contributory improvement value.

**CONCLUSIONS**

The construction is **average** quality “**steel reinforced masonry**” per industry indicators.

## Taxes and Assessment Data

State law requires assessments be current. Reviews are mandatory every four-years. It is difficult to predict future assessments.

State law requires assessments based on market value. Market value here refers to the Assessor's opinion of market value and it may not necessarily correlate with our final opinion of market value. Use value applies to specific use properties noted below. The assessment, shown below is applicable to current year taxes. In most parishes and municipalities they are billed on December 1, and due on January 1 of next year. The current assessment might change and the millage can vary from year to year due to local budgetary needs. If the property sold, it is likely the assessment would change. This tax amount opinion includes parish and city (if applicable) taxes. The State of Louisiana has no Ad Valorem taxes.

Assessment Analysis	Current	Equates to	Potential	Ratio
Land	\$18,000	\$180,000	\$20,000	10%
Improvements	\$84,200	\$561,333	\$99,000	15%
Total Realty	\$102,200	\$741,333	\$119,000	
Non Realty	\$0	\$0	\$0	
Total Property	\$102,200	\$741,333	\$119,000	
Millage Rate	0.1749		0.1749	
Indicated Tax Bill	\$17,873		\$20,811	
Rounded	\$17,900		\$20,800	
Tax Bill Used in Valuation Estimate		<b>Exempt</b>	<b>N/A</b>	
<b>Assmt# 181437-138-31</b>				
<b>Ownership: City of Shreveport</b>				

In the State of Louisiana, the assessment ratio for property is usually uniform, as follows:

- All Land Regardless of Use - **10%**
- Business Movables (Inventory, Machines, etc.) - **15%**
- Residential Buildings (Homes, Rentals, Apartments) - **10%**
- Commercial, Industrial, and Hospitality Buildings - **15%**
- Public Utility Properties (Railroads, Energy, etc.) - **25%**

**Use Value** - the value of property in a specific use; property used entirely for a specific purpose or use may entitle the property to be assessed at a different level than others in the same jurisdiction; examples of properties assessed at use value under the statutes include agricultural land, horticultural land, timber land, and marsh land.

# Photographs of Property

September 9, 2024



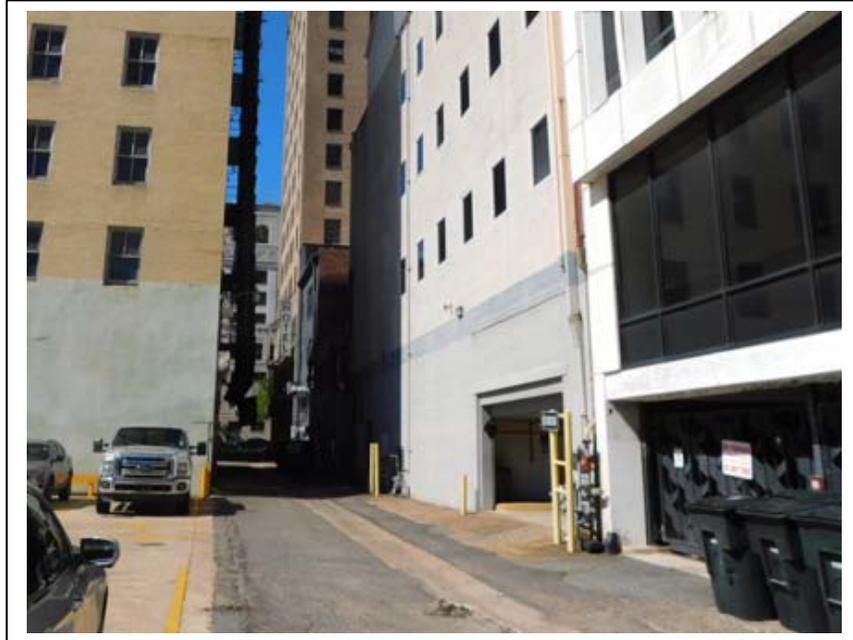
1) Typical elevation of improvements



2) Typical elevation of improvements

# Photographs of Property

September 9, 2024



3) Typical elevation of improvements



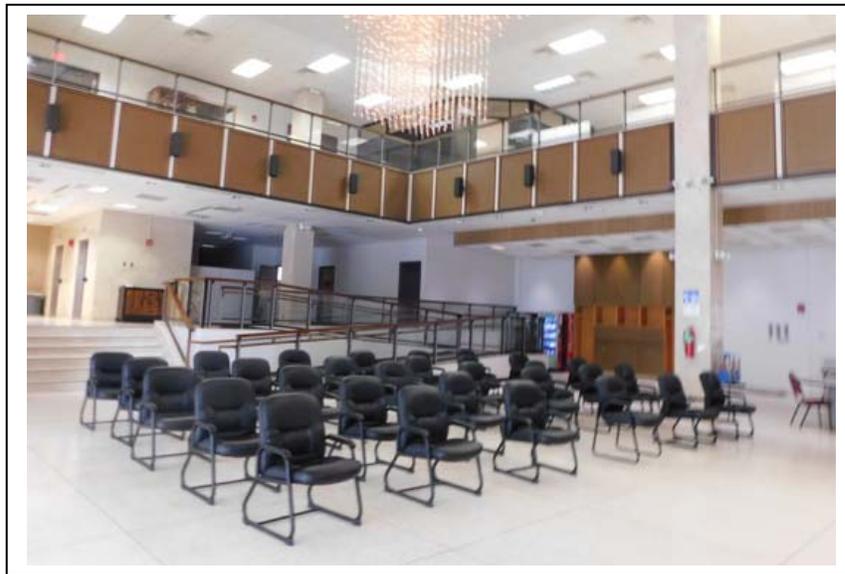
4) Typical elevation of improvements

# Photographs of Property

September 9, 2024



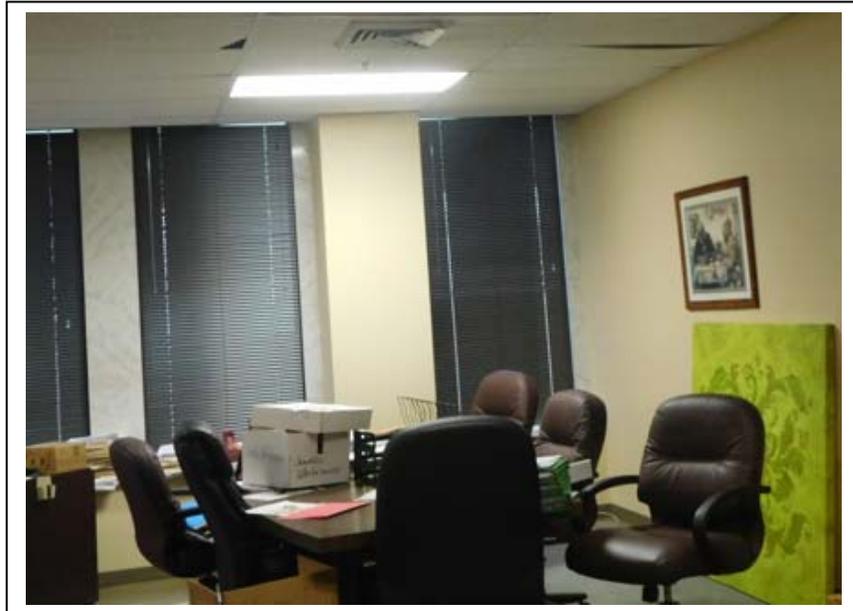
5) Typical interior view



6) Typical interior view

# Photographs of Property

September 9, 2024



7) Typical interior view



8) Typical interior view-Garage

# Photographs of Property

September 9, 2024



9) Street scene at site Texas Street west



10) Street scene at site Edwards Street south

For further visualization of the property, refer to the addenda for the Floor Plan, Flood Map, Zoning Map, & Other Photos

## Analysis of Data and Conclusions

In estimating the value of real property, there are available to the appraiser three recognized approaches or techniques available, and when applicable, they consider significant data and develop separate value indications. The best opinion of market value can develop via a credible correlation of the applicable methods and approaches to value are the goal of every analysis, as described earlier. Real estate appraisal is a combination of quantifying the utility of a property, uncovering data that leads one to a range of value, and selecting a point or range of value that is credible.

### STATISTICAL ANALYSIS

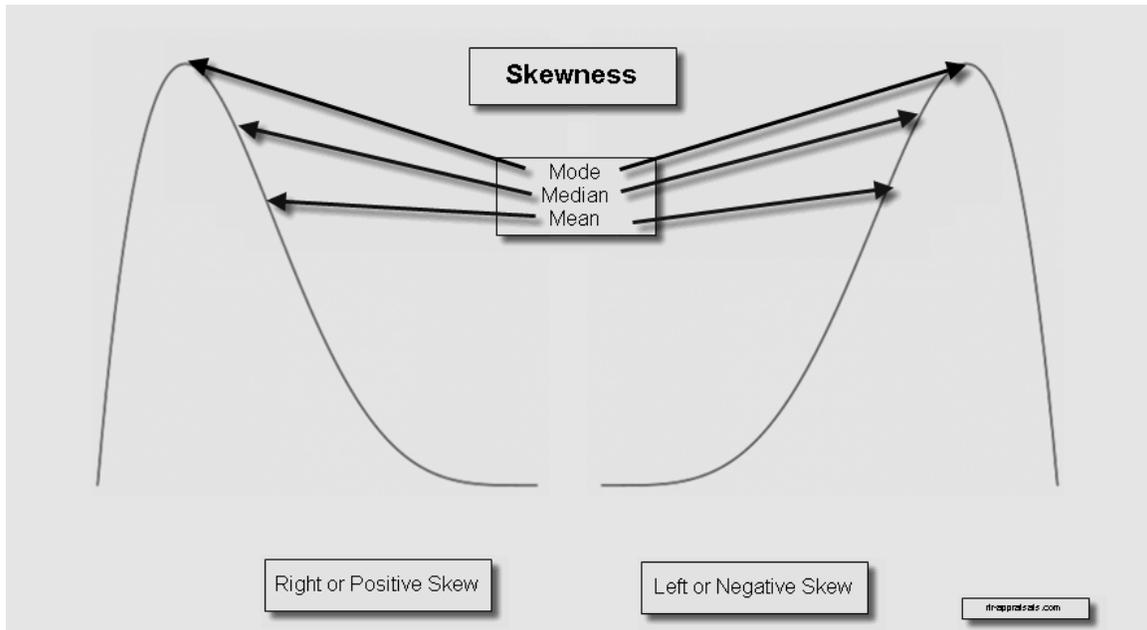
In real property analysis, the consideration of mean and median in ranges or confidence intervals helps appraisers deal with uncertain data and probabilities. Summary statistics useful in describing distributions are measures of central tendency such as the mean or median, measures of dispersion, such as the range, maximum and minimum, or standard deviation, measures of skewness (symmetry), and kurtosis (peakedness). The Microsoft Excel Data Analysis Function calculates summary statistics in this report.

Statistical applications are generally divided into two types—descriptive statistics and inferential statistics. The category of descriptive statistics deals with the use of summary measures, charts, and tables to describe a sample or population. Inferential statistics involves the use of sample data in support of opinions (i.e., inferences) concerning a population represented by a sample. Statistical inferences can include estimates of actual but unknown population central tendency and dispersion, outcome predictions, and the underlying structure of cause-and-effect relationships.

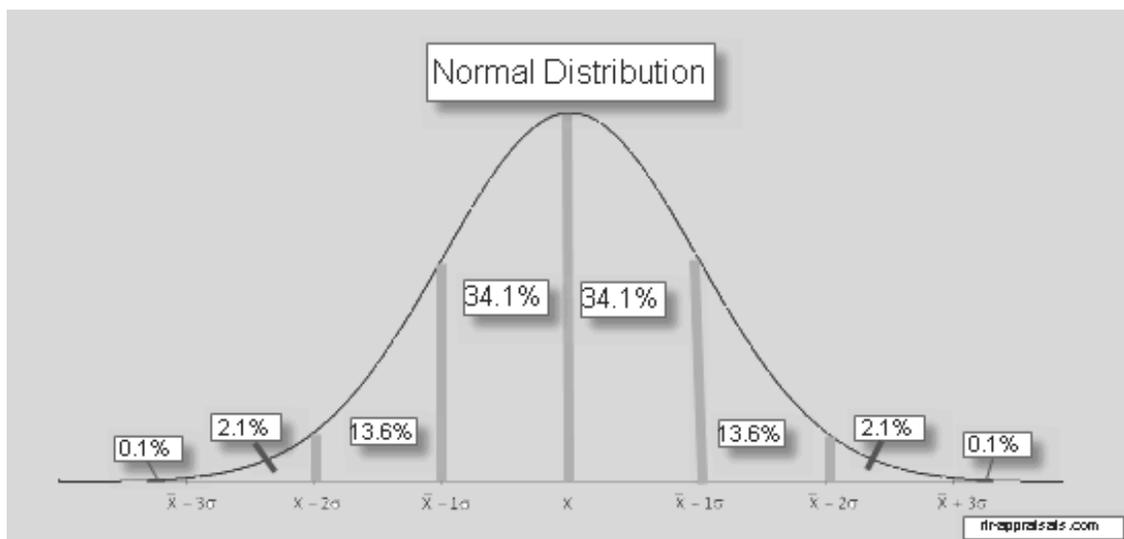
Appraisers do not collect random samples, and do not randomly choose sales from within a set of comparable sales. Statistical modeling does not require random sampling, but it does require an unbiased representative sample. In the case in appraising, when properly selected, a set of comparable sales is an unbiased sample, representative of the population. Each comparable sale price will likely have some degree of noise, randomness, variability, or uncertainty. An unbiased representative sample is the requirement for reliable inferences about population parameters. Representative, based on one's expert judgment, is the standard of care. If the data set is unbiased and represents the comparable market segment, one can make reliable statistical inferences.

Valuers can use a combination of the **mean, standard deviation, and normal probability distribution** to establish tolerance limits, or the ranges in expected value. The most common measures of central location are the mean, median, and mode. The statistical mean of a set of observations is the average of the measurements in a set of data. The population variance is simply the arithmetic mean of the squares of the difference between each data value in the population and the mean. The standard deviation of a set of data is the positive square root of the variance. One generally does not consider a data point statistically significant if it falls outside of a range of two standard deviations (a z score of 1.96); this translates into a 95% confidence interval. Standard error is an estimate of how close to the mean of the population a sample mean is likely to be, whereas standard deviation is the degree to which individuals within the sample differ from the sample mean. Standard error decreases with larger sample sizes, as the estimate of the population mean improves. Standard deviation is unaffected by sample size.

**Skewness** quantifies how symmetrical the distribution is. A symmetrical distribution has a skewness of zero. An asymmetrical distribution with a long tail to the right (higher values) has a positive skew. An asymmetrical distribution with a long tail to the left (lower values) has a negative skew. Most appraiser’s find if the skewness is greater than 1.0 (or less than -1.0), the skewness is substantial, and the distribution is far from symmetrical.



Negative skew shows the left tail is longer; the mass of the distribution is concentrated on the right of the figure. It has relatively few low values. The distribution is said to be left-skewed, left-tailed, or skewed to the left. Positive skew shows the right tail is longer; the mass of the distribution is concentrated on the left of the figure. It has relatively few high values. The distribution is said to be right-skewed, right-tailed, or skewed to the right.



**Kurtosis** quantifies whether the shape of the data distribution matches the Gaussian or Normal Distribution, sometimes called the “Bell Curve.” A Gaussian distribution has a kurtosis of 0.0. A

flatter distribution has a negative kurtosis, and a distribution more peaked than a Gaussian distribution has a positive kurtosis.

Significant data parameters considered are as follows. The **mean** or average value is the sum of the observations divided by the number of observations. Extreme outliers influence the mean. Trimming outliers can help reduce the degree of influence outliers have on the mean. In trimming outliers, one can introduce bias. The alternative measure of central tendency is the **median**, or the value in the middle of a set of observations where 50% of the measurements lie above it and 50% fall below it. Extreme outliers do not influence the median for a data set. The median is more flexible than the mean as well as more resistant to erratic or extreme observations, although it is inferior to the mean with symmetrical distributions near normal. If the sample is small, heavily tailed, or heavily skewed with extreme outliers and thus asymmetrical, the data set is not usually normally distributed. In many cases, the median is the more reliable measure of central tendency, because mean analysis assumes a normal distribution.

The **Central Limit Theorem**, a well-established statistical rule, hypothesizes when sample sizes increase, the distribution tends towards normality or symmetry; or when sample sizes exceed 30, the distribution tends to be **normal or symmetrical**. Most appraisal analyses use data sets with sample sizes in the 3 to 10 sale range. However to offset the limitation, the data is not a true sample, but a subjectively chosen set. Additionally the adjusted mean, usually considered in valuation, includes subjectively derived corrections to the data for market conditions, physical conditions, and location, among others.

In classical statistics, the 68-95-99.7 rule, also known as the **empirical rule**, states for a normal distribution, nearly all values lie within three standard deviations of the mean. About 68.27% of the values lie within one standard deviation of the mean. Similarly, about 95.45% of the values lie within two standard deviations of the mean. Nearly all, 99.73%, of the values lie within three standard deviations of the mean.

This valuer posits that a **credible** practice, is to project or infer, if the real property was available for sale or rent as of the effective date of an analysis, that it is highly (70%) probable it would command a price within the range of mean plus and minus one standard deviation, of a properly developed, adjusted, and representative sample. This assumes it is on the open market, given ample time to sell or rent, in accordance with the definitions of market value and market rent.

## Market Study

The term market analysis in economics describes the identification and study of the market for any particular economic good or service. Relative to real property valuation, it is a process for the examination of the demand for, and supply of, a property type and the geographic market area for that property type. Appraisers generally apply market analysis from both the perspective of a macroeconomic market, and the microeconomic marketability study in which that data considers a specific property or property class.



### COMPETITIVE SUPPLY

A macroeconomic analysis examines the general market conditions of supply, demand, and pricing or the demographics of demand for a specific area or property type. A market study may also include analyses of construction and absorption trends. Most typical market analysis relies upon broadly based surveys of the market for estimating supply and demand and uses quantifiable data as a basis for judgments about highest and best use and timing for the type property appraised herein. The analysis is historical, with inferred supply and demand analysis, ceteris paribus. Demand projected based on historic trends, current market conditions, rates of change and absorption patterns. Demand is usually projected using methods such as net lease up or the time market sales are on the market. The current market leasing or sales pattern projects a continuing residual demand expected for the next few years.

### FINANCIAL TRENDS

Despite the challenges of COVID-19, 2021 was a good year for REITs as the hard-hit, social distancing-sensitive sectors have recovered from 2020 and the digital economy sectors have continued to thrive. As of Dec. 1, 2021, REITs are up nearly 29% for the year with strong performance across sectors. REIT stock total returns since the onset of the pandemic are now in excess of 20%. Paraphrased from <https://www.reit.com/data-research/research/nareit-research/2021-review-whats-ahead-for-2022-reits>

**Overall capitalization rates** Commercial real estate capitalization rates declined across the real estate spectrum last year, reported by CBRE. Their Cap Rate Survey found the industrial sector saw the greatest cap rate compression in 2021, driven by “supercharged” e-commerce and rent growth amid the pandemic. The multifamily sector also saw notable cap rate compression, particularly in suburban areas. “While this was likely attributable to more people migrating to the suburbs during 2020, many renters have now returned to urban neighborhoods and occupancies there have largely returned to pre-pandemic levels,” the report said. Investors continue to target real estate for attractive returns compared to other asset classes and increasingly as an inflation hedge. The firm forecasts investment volumes to increase 10 percent this year compared to 2021. Low cap rates for industrial and multifamily properties reflect solid fundamentals and rent growth prospects. Lingering uncertainty in the office sector suggests there is upward pressure for yields in this asset type. Strong property market fundamentals, fueled by a robust economic recovery, will help maintain cap rates at current levels.

Source: <https://newslink.mba.com/cmf-newslinks/2022/march/mba-commercial-multifamily-newslink-march-17-2022/cbre-cap-rates-down-across-real-estate-spectrum-in-2021/>

Cap rate compression trends for overall rates for all assets fell in 2012-2019, translating in to increasing values. Going forward cap rates presumed, by an exuberant market, appear to be dropping, though it may or may not be the case. In the Shreveport MSA, overall rates have remained stable through late 2021, and all surveys one has found show them remaining relatively stable.

This Office's second triennial study of **exposure** time shows the overall market requiring more time for consummation of sales, of mostly fee simple improved, properties were 10.5 months or down 6.0 months. Leased fee properties generally sell in a faster time. Most of this decrease is due to retail property being 6.0 months, or down 2.9 months, while office property was 9.4 months, or up 0.1 months and industrial at 18.2 months, up slightly at 0.8 months. Land exposure time decreased to 24.9 months or minus 4.1 months.

## LOCATION TRENDS

Trends in real estate sometimes mirror the trends in the national economy. The main drivers for the Shreveport economy are Oil & Gas Production, Real Estate Construction, Retail Sales, Health Care, Agriculture, and Casino Gambling. The Haynesville Shale had a huge impact on the local economy, effectively negating the national recession, locally, with some slowdown in the 2012-2016 period, as the price of natural gas and oil have shown a downward trend, with some increases in natural gas production coming online recently.

The identifiable commercial construction corridors and locations in Shreveport include Industrial Loop near and east of Interstate 49 and Youree Drive from 70<sup>th</sup> Street south to the LSU-S vicinity. Some construction has occurred at the port site south of the city. In Bossier City, the development centers on Airline Drive and Benton Road along Interstate Highway 220. In addition, south Bossier City has had some retail construction near Jimmie Davis and on Highway 71.

Based upon trends in the Shreveport market, new construction of major property types will be slow, over the next few years, except in southeast Shreveport and north and south Bossier City. The apartment market is probably the healthiest of the major markets, followed by the retail market, the office market, and finally, by the industrial market. However, construction of small high dollar owner occupied offices has affected any potential for multi-tenant office property construction. The CBDs of Shreveport and Bossier City have had some rebirth, with older properties re-purposed as apartments, craft breweries, and entertainment destinations. However, there is no feasibility for speculative multi-tenant office construction in either. There is new construction near the I-49 corridor north of Shreveport, along with a healthy market for modest small lot residences in several subdivisions. DeSoto Parish, to the south has been a growing bedroom community for several years and with several commercial construction projects in the Stonewall area, including a new car dealership at its I-49 exit. Mineral production is on the rise in DeSoto, due to apparent proximity to a new pipeline that will supply the LNG facility in Lake Charles.

High visibility sites are candidates for construction of retail, single-tenant, or convenience store type properties; however, construction of multi-tenant office properties will not occur in this market soon. Some small and local tenant retail construction has occurred in southeast Shreveport and Bossier City, though vacancy may be increasing in some pockets. Industrial construction has decreased over the last few years with falling occupancy and rental rates, especially in west Shreveport.

The National Association of Realtors published the following *Commercial Market Insights in the Third Quarter of 2021*, and with paraphrase by this valuer.

**NATIONAL MARKETS** Showing improving market fundamentals, investor acquisitions rose to \$221.8 billion in the third quarter of 2021, up 131% for one year and 26% from the prior quarter. Investor acquisitions increased across all property types. With strong investor demand,

cap rents continued to trend down. As of November 29, the lowest median cap rate was of multifamily properties was 5% while the highest cap rate was of properties was 6.9%. Cap rates have trended downwards compared to pre-pandemic levels even surprisingly for office properties and even though 10-year Treasury yields have remained about the same as of October 2021 at 1.58% compared to 1.5% in February 2020.

**OFFICE** The U.S. Office market, in 2021 showed net positive absorption of office space in the third quarter of 5.5 million square feet followed by another 661,338 million square feet of office space in the following three months. Absorption, while positive, was more modest as the surge in Delta variant cases during the July through September pushed back the return to work schedules of companies, including major tech companies like Apple, Google, Facebook-Meta, and Salesforce. Google expects 20% of its employees to work from home permanently, while Salesforce expects the majority to work from home permanently. However, since 2020 Q2, office occupancy is still down on a net basis by 132.2 million square feet, with the largest losses in the primary metro areas of New York, Los Angeles, San Francisco, Washington DC, Chicago, and Boston.

**LAND** The U.S. Land Index According to NAR, land sales by number of transactions rose 3% in 2020 during the pandemic. The increase in land sales contrasts with a 40% drop in commercial sales transactions of properties or portfolios of at least \$2.5 million. Land sales prices increased by 2% on average in 2020. The index of the properties held by REITS, shows commercial real estate prices fell 6% in 2020. The sales price of residential land rose 6.8% on average in 2020. Recreational land had the next highest price gain, at 3.6%. The price of land for industrial use rose 3.4% while the price of ranch land rose 3.1%.

## OFFICE TRENDS

In reports prior to COVID-19, the national office-sector rents remain steady despite flat listing rates. National office listing rates were flat on a year-over-year basis; the average \$37.85-per-square-foot full-service equivalent rate was unchanged from January 2019, but year-over-year listing rates grew significantly in many markets including Manhattan (up 12.7 percent), Austin, Texas (up 9.9 percent) and Tampa, Fla. (up 9.3 percent). Rates decreased in a few markets, including Boston (down 6.0 percent), Chicago (down 5.7 percent) and Seattle (down 3.0 percent), Cushman & Wakefield, Chicago, called the sector's leasing trends "strong and stable" and said last year's leasing activity remained very close to the volume seen in 2018.

The Shreveport/Bossier City **Office** market has a vacancy rate of 8.8% as of the fourth quarter of 2024. Over the past year, the market's vacancy rate has changed by 0.6%, a result of 32,000 SF of net delivered space and -52,000 SF of net absorption. Shreveport's vacancy rate of 8.8% compares to the market's five-year average of 7.6% and the 10-year average of 8.3%. The Shreveport office market has roughly 1.3 million SF of space listed as available, for an availability rate of 9.7%. As of the fourth quarter of 2024, there is 30,000 SF of office space under construction in Shreveport. In comparison, the market has averaged 88,000 SF of under construction inventory over the past 10 years. The Shreveport office market contains roughly 14.0 million SF of inventory. The market has approximately 1.0 million SF of 4 & 5 Star inventory, 7.7 million SF of 3 Star inventory, and 5.3 million SF of 1 & 2 Star inventory. Market rents in Shreveport are \$16.60/SF. Rents average around \$16.30/SF for 4 & 5 Star buildings, \$16.00/SF for 3 Star properties, and \$17.40/SF for 1 & 2 Star assets. Rents have changed by 1.8% year over year in Shreveport, compared to a change of 1.0% nationally. Market rents have changed by 0.6% in 4 & 5 Star buildings year over year, 2.2% in 3 Star buildings, and 1.6% in 1 & 2 Star buildings. Annual rent growth of 1.8% in Shreveport compares to the market's five-year average of 3.4% and its 10-year average of 2.9%. The Shreveport CBD is in a vacancy crisis. Reported occupancy is overstated in almost all studies. Southeast Shreveport and Bossier City figures skew the totals, as they are relatively healthy and full. **The CBD is in crisis mode. The 5 best CBD buildings have an overall vacancy rate of 36%. The 5 middle of the market have a 50% vacancy. The 5 oldest buildings has 4 that are totally vacant, and the composite of office buildings in the CBD shows a total vacancy of 55%, as of the third quarter of 2024,**

**according to a broker that specializes in the CBD. Anticipation of significant construction is nil.**

## **MEDICAL TRENDS**

Ochsner LSU Health Shreveport in, May 2019 announced a major renovation and opening of a new location at Margaret Place Properties located at 1 Saint Mary Place, which is most commonly known as the former Christus Schumpert Hospital site, and its 75,000 square foot facility. The reclaimed healthcare campus will offer state-of-the-art patient care through its multiple clinics, operating rooms, laboratory, and diagnostic imaging services. Ochsner LSU Health Shreveport is making an initial investment of \$40 million in the property as part of the organization's continued focus to improve access to healthcare and provide more convenient care options.

The trend in **residential real estate** had been healthy since from about 1993 to 2009, with volume declines in 2010 and 2011, with increases since then, except a statistically insignificant decrease in 2014-15. Since 2010, volume increases have averaged 2.6% per year, followed by the number of sales at 1.8%, the median prices at 1.1% and the average prices at 0.8%. The median versus mean discrepancy is likely due to disproportionate activity in higher priced homes and the more affluent areas, coupled with the discrepancy of properties west of I-49 versus east of it, in Shreveport, and the new construction in north Bossier City. A total volume dollar sale of real estate reported by the local MLS indicates a stable market. Interest rates at relatively low levels, has made average housing in the area more affordable now than in previous years, when house prices and interest rates are considered. Most of the residential construction has been in the markets in north Bossier City and in southeast Shreveport, in the Youree Drive-Norris Ferry Roads' corridor. South Bossier has also been a growth area. Annual data shows increasing sales volume over the last three years, especially in the southeast Shreveport and north Bossier markets. The following shows the history of the building permit activity in value, number, and average price from 2011 through 2017, implies a relatively stable market. The total value differential of Shreveport construction is evident along with the higher average prices, though unreported suburban and rural construction probably favors the Bossier side of the equation.

According to, and paraphrased from the National Association of Homebuilders, the 2010s was the lowest decade of single-family construction in the last 60 years. During that 10-year period, single-family home construction totaled 6.8 million units. Single-family starts ranged from 9.3 million units in the 1960s to 12.3 million in the 2000s. The lower amount of single-family home construction in the 2010s is even more striking when considering that the population of the United States has continued to increase over time. While reduced demand in the aftermath of the 2008 Financial Crisis impeded home building, mainly in the first half of the decade, the primary cause that contributed to the relative construction weakness over the last 10 years was due to declining housing affordability, as costs rose faster than income.

Source: <https://nahbnow.com/2020/01/home-building-in-the-2010s-the-long-recovery-and-what-lies-ahead/>

The value of all U.S. owner-occupied homes increased to a record \$29.2 trillion in the third quarter, according to a Federal Reserve report. That was a gain of 4.2% from a year earlier, the slowest annualized increase since 2012. The collective value of U.S. homes is now 21% higher than the bubble peak reached in 2006. Once that bubble popped, it was a decade before values recovered to the same level.

Source: <https://www.housingwire.com/articles/u-s-home-values-rise-to-record-fed-says/>

## Highest and Best Use

The market is the final arbiter of market value. The most crucial determinant of value in the market is highest and best use. The value of vacant land, or as the site and of an improved property, both assume potential purchasers will pay prices reflecting the most profitable use of the land or the property as improved. The most profitable use assumption tends to produce the highest offering prices. The highest and best uses of land, or sites and improved properties, consider various alternative uses.



Highest and best use is, “the reasonably probable and legal use of vacant land or an improved property that is legal, physically possible, appropriately supported, financially feasible, and that results in the highest value. The four criteria the highest & best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity. Alternatively, the probable use of land or improved property – specific with respect to user and timing of the use –that is adequately supported and results in the highest present value.” That segment is from the Jim Amorin 2009 seminar, where he posited that the value could not be right if the highest & best use is wrong. Both the site and the improved property have a highest and best use at any given point in time. The highest and best use of the improved property may or may not be the same as the highest and best use of the site. The determination of highest and best use results from the appraiser's judgment and analytical skills, i.e., the use determined from the analysis represents an opinion, not a fact. The process is graphically as follows.

Highest and best use is **reasonable, probable, and proximate**. Highest and best use can change over time as external market forces change, including effective demand, public tastes, standard land use requirements such as zoning, and competition. In addition, the character of the property or its location itself may change, thereby changing its highest and best use.

In estimating highest and best use, one considers four stages of analysis i.e. what uses are legally permissible, and physically possible, and financially feasible, and maximally productive use of the site.

**Legal** The use must be legal or probable. That is, the use must conform to existing zoning, or there must be a reasonable likelihood that a rezoning or variance may be granted. Private deed restrictions too are considered. Legally permissible uses would usually conform to the current zoning classification, building codes and other relevant regulatory or contractual restrictions on land use.

**Physical** One considers the physical aspects of the site itself, such as size, location in the block, topography and soil conditions. Is there availability of adequate utilities, consideration of a developable shape, and size, and sufficient access? One considers any known physical reasons why the site would not be adequate for development.

**Financial** The most appropriate legally permitted and physical possible uses for the property contrast to identify the use, which produces the highest net return to the land. Given the characteristics revealed by the market and property analysis, those uses which produce any net return to the owner, or positive net present value include a few types of property. Relative to new construction, a real estate project is infeasible even when it sells for more than the cost of production. A project is not feasible if the return on investment is not enough to compensate for the risk that might be involved. The feasibility of a project with market wide external obsolescence usually is negative, except in unique circumstances. Financial feasibility indicated

through market analysis in two ways, it can be **Implied** through market activity, or **Measured** through financial analysis. See Amarin.

**Productive** Of the financially feasible uses of the land as though vacant, the highest and best use is the use that produces the highest residual land value, all else being equal. In the case of an improved property, the current use is usually the maximally productive use. If the value as improved is higher than the value of the site less any demolition costs or costs to convert to another use, the current use is maximally productive. This single-use represents the property's Highest and Best Use. Supply and demand are constantly fluctuating, and it is possible for highest and best use to change over time.

**Users and Usage** One can note who is buying land of this type in this market, i.e. speculators, investors, developers, or users. Are they local, regional, or national in nature? Financial feasibility culls the number of legally permissible and physically possible uses further through consideration of the economic characteristics and development feasibility various alternative uses. Deduced from the market, one asks what the typical uses of these land sales are. Are they building commercial, retail, office or industrial buildings? Is the construction speculative, owner occupied, or build to suit?

**Local Market** In the local real estate market, little or no speculative construction is occurring except in unusual circumstances. There has been speculative construction of smaller strip retail buildings, smaller offices, and small single tenant light industrial shops in selected areas. These trends continue, with construction of owner occupied offices and timely reuse of some national and local space as it comes to the market. The market implies construction is not feasible except for users with an ability to pay cost driven rents as on a business basis. From a real estate view, few uses are feasible without pre-leased or owner occupancy. If any site is vacant, it is likely construction might not occur in the immediate future. A tenant property is most likely feasible if pre-leased. The property uses in the vicinity are typical of the neighborhood. They include no recent construction of retail or offices in the immediate vicinity. Some older mercantile buildings have converted to apartments and residential condominiums. Thus, the highest and best use under this scenario is technically speculative, but likely to be similar to the uses noted in the vicinity and those uses shown through market research as the probable uses of the land sales referenced in this report.

**Best Use** The reality of the concept of highest and best use of property as improved pertains to the use that should be made of an improved property in light of the existing improvements and the ideal improvement described at the conclusion of the analysis of highest and best use as though vacant. Many uses may be physically possible, but only some of those will be legally permissible. Of those, some will be financially feasible. The question ultimately becomes, which of those uses physically possible, legally permissible, financially feasible brings the highest economic return to the owner of the rights to the land, i.e. the maximally productive use.

**Type of Buyers** In his seminar on *Practical Highest and Best Use*, John H. Urubek, MAI, AI-GRS, CCIM identifies the five most likely buyer types, one should identify in Highest and Best Use.

The **owner-user** is very common and their main motive is the use of the space for financial or personal gain. They do not worry about rent levels or vacancy, they typically are a medium to long-term owner, and this can include government owner occupants.

The **secure income investor** is the classic real estate buyer that is motivated by regular cash flow backed by written leases. They have goals concerning tenant quality and its impact on risk and return. They consider value growth, but understand growth occurs by keeping leases in place at market rates, over what may be a medium to long term investment horizon.

The **developer** is a unique buyer. They purchase property to make physical changes in order to increase the potential sale price or to build an investment that to sell to a secure income investor within a relatively short-term project.

The **speculator**, also known as the speculative investor, has one goal, to buy low and sell high. Because they incur excess risk, they shop bargain priced property. The goal is subsequently to sell as soon as possible, usually with short to medium term holding. They make the best investments during market troughs, and do not prioritize income produced by rent.

The **value growth investor** seeks rapid appreciation. The reward is at the termination of the investment, at the end of short to medium term, and they thrive during strong market conditions, where purchases occur based without consideration of income production.

The **most likely users** include a wide variety of occupants. Local owner occupants are the most typical in older low intensity locations. Government agencies can be an owner or an occupant as a tenant. Local tenants can be low intensity or high intensity. National retailers, include various restaurants, pharmacies, and smaller retail including convenience stores. Local service businesses can include a variety of locally owned businesses or franchisees.

Thus in the market, **typical purchasers** typically include owner-users, secure income investors, developers, speculators, and value growth investors, and likely users are owners and tenants, with a mix of regional and national tenancy.

## HIGHEST AND BEST USE AS IF VACANT

The site contains approximately 12,057 square feet, described without benefit of a survey, and the shape is rectangular. It fronts about 80.38 feet on the south side of Texas Street, with a depth of brand150 feet, on the west side of Edwards Street, a corner site. The valuer is not aware of any adverse easements or encroachments. The site is level and at grade. It has service by public utilities. It is zoned D-1-CBD Downtown Core Sub-District, and the current use seems compliant.

Analysis of highest and best use of the land as though vacant helps one identify comparable properties. With the property compared to similar ones that have sold recently in the same market, those sales lead one to an opinion of likely use within that market. Potentially comparable properties that do not have the same highest and best use eliminate from further analysis. Estimating the land's highest and best use as though vacant is a necessary part of deriving an opinion of land value.

## LEGAL PERMISSIBILITY

This site is zoned D-1-CBD Downtown Core Sub-District, and the current use seems compliant.

## PHYSICAL POSSIBILITY

Existing structures on similar sites provides evidence that there is physical possibility of development. The site is physically adequate for most of the typical uses found in the vicinity. The subject's service by utilities, with an adequate shape, size, and access, appears to be a separately developable site. There are no known physical reasons why the subject site would not support any legally probable development and it appears adequate for development. Structures on similar sites provide additional evidence for the physical possibility of development. The property uses in the vicinity are typical of the neighborhood. They include no recent construction of retail or offices in the immediate vicinity. Some older mercantile buildings have converted to apartments and residential condominiums.

## FINANCIAL FEASIBILITY

The most appropriate legally permitted and physical possible uses for the property contrast to identify the use, which produces the highest net return to the land. Alternative uses include other uses, and development of a build-to-suit structure for a specific tenant/owner is usually

financially feasible.

### **MAXIMUM PRODUCTIVITY**

Of the financially feasible uses of the land as though vacant, the highest and best use is the use that produces the highest residual land value, all else being equal. Usually demonstrated by contrasting the uses of land sales used in comparison in the analysis at hand. In the case of an improved property, the current use is usually the maximally productive use.

### **HIGHEST AND BEST USE OF THE SITE AS IF VACANT**

The reality of the concept of highest and best use of property as vacant pertains to the use that should be made of a vacant property in light of the market as of the date of value. Many uses may be physically possible, but only some of those will be legally permissible. Of those, some will be financially feasible. The question ultimately becomes, which of those uses physically possible, legally permissible, financially feasible brings the highest economic return to the owner of the rights to the land, i.e. the maximally productive use.

### **TIME FRAME**

The market suggests that this property, as **vacant** land, should sell after 12-36 months of proper marketing. Development of viable tracts generally occurs at about 3-5 years or so, after purchase. Construction is usually either for owner use or as parking lots, both relatively immediate. Speculative construction is not likely, and for moderate sized projects, absorption taking longer than 36-months is less likely to be feasible.

### **MOST PROBABLE BUYER & USER**

As of the date of value, the most probable buyer of this site, as if **vacant**, is a local, user; that is a developer or speculator. The likely use is as a specialty property, with construction commensurate with the site size and location profile.

### **HIGHEST AND BEST USE AS IMPROVED**

There are two reasons to analyze the highest and best use of the property as improved. The first is to help identify potentially comparable properties. Each improved property should have a similar highest and best use as the improved property, both as though vacant and as improved. The second reason to analyze the highest and best use of the property as improved is to decide the most credible method of valuation.

Improvements include an existing 61,800 square foot property that includes a Four Story Office Building with 37,370 square feet of finished office area and 9,800 square feet of unfinished area, described with benefit of plans, but no written specifications. The municipal address is 401 Texas Street. The construction is concrete and steel with finished marble and concrete exterior walls. The interior includes predominantly painted and vinyl papered panels and drywall, and the flooring is predominantly tile, and carpet. Site improvements include concrete parking and drive area, in the basement, which once served as a drive up banking teller area. The property is in average condition, excepting that the fourth floor is about 82% unfinished. The type of construction is similar to average quality, "steel reinforced masonry" construction.

### **LEGAL PERMISSIBILITY**

This site is zoned D-1-CBD Downtown Core Sub-District, and the current use seems compliant.

### **PHYSICAL POSSIBILITY**

One considers the physical aspects of the site itself. The site is physically adequate for the current use. Physically it appears to be an optimum use. Is physical excess or surplus land of any significance noted?

### **FINANCIAL FEASIBILITY**

The most appropriate legally permitted and physical possible uses for the property contrast to

identify the use, which produces the highest net return to the land. No alternative uses would appear to be more financially feasible than the current one, and the use is feasible.

### **MAXIMUM PRODUCTIVITY**

This concept determines what would the most probable buyer of this improved site do with the improvements would do, if he is motivated and making a real estate decision. One might keep using the improvements as they exist, or make modifications to the existing improvements, such as conversion of the property to an alternative use, renovation of the improvements, alteration of the property, or demolition of the existing improvements to produce a vacant site.

### **HIGHEST AND BEST USE OF THE SITE AS IMPROVED**

In market value appraisals of improved property, typically one considers alternative uses of the existing improvements: maintain the improvements as is, cure items of deferred maintenance and retain the improvements, modification via renovation, modernization, conversion, or demolition the improvements. One might consider retaining the existing improvements and continuation of the current use as an interim use. The current use is the highest and best use as improved.

### **HIGHEST AND BEST USE CONCLUSION**

As a vacant site, the highest and best use is speculative, with construction possible in the future. The site currently includes a Four Story Office Building. This value opinion considers the highest and best use of the property. As of the effective date of analysis, the highest and best use is use as a single or multi-tenant or owner occupied Four Story Office Building with possible finish of any unfinished space.

### **EXCESS/SURPLUS LAND**

This property, as **currently improved**, does **not** have apparent excess or surplus land.

### **TIME FRAME**

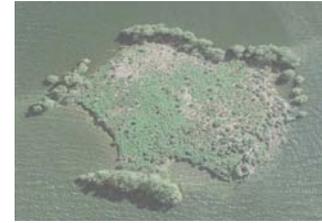
The market suggests that the property, as developed, should sell after 12-36 months of proper marketing. Purchase is usually either for owner occupancy or pre-leased tenancy, both relatively immediate. Speculative purchase is less likely, and for moderate sized projects, absorption taking longer than 24-months is less likely to be feasible.

### **MOST PROBABLE BUYER & USER**

As of the date of value, the most probable buyer of this property is a local user; that is a developer or speculator. The likely use is as a converted renovation property.

## Land Value

**Land Value** The value of land influenced by potential highest and best use can consider several procedures: Sales analysis is usually the preferable methodology for developing an opinion of site value. When there are not enough sales of similar parcels for the application of sales comparison, alternative methods such as extraction, allocation, subdivision development, land residual, and ground rent capitalization may be used.



The valuation of land considers the conclusions of highest and best use analysis. An improved site is valued as though vacant and available for development to its highest and best use. Consideration of the site as though vacant facilitates the analysis and in most cases, land is to be valued separately. The highest and best use of a competitive site on the date of sale is significant to the comparability of that site. A physically similar site is not directly comparable if it does not have a similar highest and best use as this property. In the case where many sites sell as speculative sites, a cross use analysis may be justified in order to determine highest and best use from the market.

Raw land becomes a site when the parcel of land is improved and ready for development. The physical characteristics of a site, the utilities available, and the site improvements affect the use and value of the land. The physical characteristics of a parcel of land that an appraiser considers include size, shape frontage, soils, location, view, and topographical characteristics such as contour, grade, and drainage.

A site may have both on-site and off-site improvements that make it suitable for its intended use or for new construction. Access is usually via some type of street or road, whether public or private. Water, sewer, electricity, natural gas, and telephone and data lines also influence the use and development potential of a parcel of land.

**The most reliable method of estimating the value of the site is by comparison with relatively recent sales of comparable sites.**

### ADJUSTMENTS

The local market generally shows a preference for sites based on consistent criteria that follow. They are also the basis for adjustments when the sales considered vary from the site. Adjustments equalize the factors of the sale to the conditions noted for the site. If a sale is superior, a negative adjustment is used. If a sale is inferior, a positive adjustment is used. The sample used in a typical real estate analysis is not large enough to draw true statistical conclusions. However, the mean of the sample and the standard deviation do provide points of reference to allow subjective choice of a value opinion. Additionally, the market at some times lacks cohesiveness. It may not allow verification of adjustments through the tightening of ranges of value.

**Typically, adjustments are in a logical order—i.e., transactional adjustments for property rights, financing, and sale and market conditions then property adjustments for location and physical characteristics.**

## Transactional Adjustments

**Real Property Rights Conveyed** This adjustment considers any conveyances other than the fee simple estate or unencumbered whole ownership. No adjustments are noted, as all of the sales were for whole ownership.

**Financing/Cash Equivalency** This adjustment is for atypical or non-market favorable financing and its effect on the sale price of the noted comparable sale. This produces a “cash equivalent” sale price.

**Conditions of Sale/Motivation** Many factors may cause a buyer or seller to make an atypical transaction. These can include assemblage of several tracts, which typically cause the buyer to pay a premium; or a distressed seller, which may cause the seller to sell at below market value.

**Expenditures Made after Purchase** A knowledgeable buyer considers expenditures anticipated upon purchase of a property because these costs affect the price the buyer agrees to pay. With land sales, such expenditures may include costs to demolish existing improvements, costs to obtain a zoning change, purchase of an additional site, or costs to remediate environmental contamination, among others. The relevant figure is not the actual cost incurred but the cost anticipated at sale. Scope of work determines whether the adjustment is necessary to the assignment on a case-by-case basis.

## Property Adjustments

**Market Conditions (Time or Date)** Real estate as a commodity changes in value with trends in the market place. Many types of real estate have seen increases in value over recent history. These increases are due to increased prices paid for various property types. High visibility land with increased demand for construction may trend upward. Lower intensity land may have with no demand for construction can be relatively flat in trends of value.

**Location** This adjustment considers past and likely activity in an area. Access and visibility, too are basic components of location. When there is demand for construction, either new or re-use in an area, the land may be more valuable than a property in an area with little or no construction activity. If the area is expanding and there is a possibility of value appreciation in the future, the price paid can reflect this. The adjustment is typical for such factors as superior street improvements or a higher traffic count. The properties are all located in the CBD; there is no adjustment.

**Corner** Produced by a property location at or near the intersection of two streets, the increment of value or loss in value resulting from this location or proximity is a corner adjustment. A corner site is usually superior to an interior site. The corner site generally has more visibility and usability. The adjustment for a corner location is usually 10% in this market.

**Site Size** The site size adjustment corrects for the difference between the size of the site and the size of the comparable sites. Generally, as the size of the property increases, the unit price decreases, and as the size decreases, the unit price increases, assuming all other characteristics are equal. Most land uses have an optimal site size.

### COMPARABLE LAND SALES MAP



## Transactional Adjustments

Land Sale	Transactional Adjustments Prior to Market Conditions						Add Land	
No.	Property Location	Sale Date	Deed Price	Rights	Financing	Conditions	Expenditures	CEP/ADJ
1	SES Caddo SW of N Market	14-Jan-19	\$336,000	\$0	\$0	\$0	\$0	\$336,000
2	SES Caddo SW of N Market	31-Dec-19	\$400,000	\$0	\$0	\$0	\$0	\$400,000
3	SES Crockett SW of N Market	15-Jun-21	\$150,000	\$0	\$0	\$0	-\$10,000	\$140,000
4	SES Crockett NES Edwards	11-Aug-21	\$85,000	\$0	\$0	\$0	\$0	\$85,000

**Real Property Rights Conveyed** This adjustment considers any conveyances other than the fee simple estate or unencumbered whole ownership. No adjustments are noted, as all of the sales were for whole ownership.

**Financing/Cash Equivalency** This adjustment is for atypical or non-market favorable financing and its effect on the sale price of the noted comparable sale. This produces a “cash equivalent” sale price.

**Conditions of Sale/Motivation** Many factors may cause a buyer or seller to make an atypical transaction. These can include assemblage of several tracts, which typically cause the buyer to pay a premium; or a distressed seller, which may cause the seller to sell at below market value.

**Expenditures Made after Purchase** Many sales are in anticipation of correction of deferred maintenance or additional property purchase or construction, in order to make a property usable as intended by the buyer. The costs might include purchase of an additional site and addition of parking, and are an integral part of finding a cash equivalent price, if the comparison to a fully functional structure or site. Additionally ignoring the expenditures might be proper, if one is valuing an inadequate site or property, thus scope of work determines whether the adjustment is necessary to the assignment on a case-by-case basis. Sale 3 is adjusted for assemblage reasons.

## Property Adjustments

**Market Conditions (Time or Date)** Real estate as a commodity changes in value with trends in the market place. Many types of real estate have seen increases in value over recent history. These increases are due to increased prices paid for various property types.

**Location** This adjustment considers past and likely activity in an area. Access and visibility, too are basic components of location. When there is demand for construction, either new or re-use in an area, the land may be more valuable than a property in an area with little or no construction activity.

**Corner** Produced by a property location at or near the intersection of two streets, the increment of value or loss in value resulting from this location or proximity is a corner adjustment. A corner site is usually superior to an interior site. The corner site generally has more visibility and usability. The adjustment for a corner location is 10% in this market.

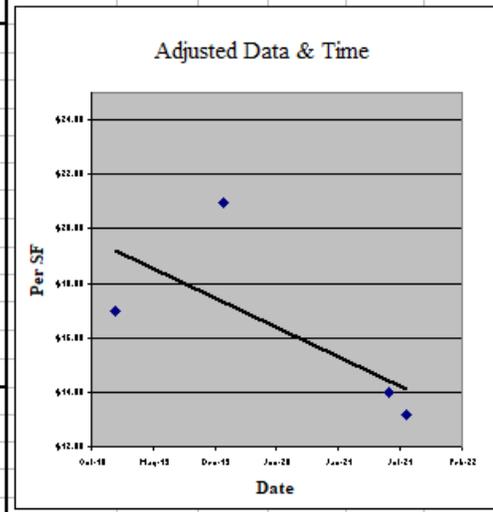
**Site Size** The site size adjustment corrects for the difference between the size of the site and the size of the comparable sites. Generally, as the size of the property increases, the unit price decreases, and as the size decreases, the unit price increases, assuming all other characteristics are equal.

**Other** The sites have concrete on them and are adjusted minus 5% as they are not truly vacant and in this market that alternative use has some utility, though perhaps not long term.

The land sales studied are below.

### COMPARABLE LAND SALES ADJUSTMENT CHART

Land Sale No.	Property Location	Sale Date	CEP/ADJ Price	Size (sf)	Size (acres)	CEP Price Per SF	Adjustments Market Conditions	Physical Characteristics Location	Cor ner	Site Size	Other	Adjusted Per sf
1	SES Caddo SW of N Market	14-Jan-19	\$336,000	21,780	0.50	\$15.43	0%	0%	10%	5%	-5%	\$16.97
2	SES Caddo SW of N Market	31-Dec-19	\$400,000	21,000	0.48	\$19.05	0%	0%	10%	5%	-5%	\$20.95
3	SES Crockett SW of N Market	15-Jun-21	\$140,000	10,500	0.24	\$13.33	0%	0%	10%	0%	-5%	\$14.00
4	SES Crockett NES Edwards	11-Aug-21	\$85,000	5,800	0.13	\$14.66	0%	0%	0%	-5%	-5%	\$13.19
Descriptive Statistics for All of the Data			Price	Square Feet	Acres	Per sf						Adj/SF
Mean			\$240,250	14,770	0.34	\$15.62						\$16.28
Standard Deviation			\$151,482	7,888	0.18	\$2.45						\$3.51
Median			\$238,000	15,750	0.36	\$15.04						\$15.48
Low Indication			\$85,000	5,800	0.13	\$13.33						\$13.19
High Indication			\$400,000	21,780	0.50	\$19.05						\$20.95
Coefficient of Variance			63.05%	53.40%	53.40%	15.66%						21.59%
Lower Limit of Significance			\$88,768	6,882	0.16	\$13.17						\$12.76
Upper Limit of Significance			\$391,732	22,658	0.52	\$18.06						\$19.79
Descriptive Statistics For Adjusted Mean			Adjusted Mean Data Range									
By Excel & RLR			Sample Mean			\$16.28						
			Standard Error			\$1.76						
Mean	16.27793327	Low Mean				\$14.52						
Standard Error	1.757257327	High Mean				\$18.04						
Median	15.48484848	Confidence Level	95%			5.59						
Mode	#N/A	Low Indication				\$13.19						
Standard Deviation	3.514514653	High Indication				\$20.95						
Sample Variance	12.35181325	Range				\$7.76						
Kurtosis	-0.488029263	Minimum				\$13.19						
Skewness	0.93979116	Maximum				\$20.95						
Range	7.76272578	Count				4						
Minimum	13.18965517	A distribution with a tail to the left has a negative skew. The inverse is true of a positive skew.										
Maximum	20.95238095	A flatter distribution has a negative kurtosis, and a distribution more peaked has a positive kurtosis.										
Sum	65.11173309	A normal distribution has a kurtosis of 0.0.										
Count	4											
Largest(1)	20.95238095											
Smallest(1)	13.18965517											
Confidence Level(95.0%)	5.592377086											



## ANALYSIS & CONCLUSIONS

The scope of data analyzed is as is shown. Adjustments made to the sample were for perceived differences. The sample seemed statistically significant as shown. The sample indicates, if the site is available for sale as of the effective date of analysis on the open market, given ample time to sell, it is highly (70%) probable it will command a price in the range. This analysis makes some use of statistical inference to achieve a range of probable values in analysis of real estate market transactions or data.

With the nature and size of the local market, random sampling is not practical. However, subjective analysis of carefully picked data can lead to a convincing value estimate.

Sale	Relative Comparability Statistics				
	Adjustments		Indication	Sub/Comp	Years
	Gross	Net	ADJ	Relative Size	Variance
1	20%	10%	\$16.97	55%	5.89
2	20%	10%	\$20.95	57%	4.93
3	15%	5%	\$14.00	115%	3.47
4	10%	-10%	\$13.19	208%	3.31
Mean	16%	4%	\$16.28	109%	4.40

The final decision on any single value estimate relies on opinion and subjective interpretation. In reconciling a value indication in sales comparison, one evaluates the number, direction, and magnitude of adjustments, along with the importance of the individual elements of comparison in the market, to judge significance particular comparables have in reasoned analysis. If a comparable transaction requires fewer adjustments than the others do and the magnitude of the adjustments is approximately the same, an appraiser may attribute greater accuracy and give more weight to the value indications obtained from the transaction with the fewest adjustments. Similarly, the gross adjustment amount can be a significant factor in the reconciliation of various value indications. If sales are similar otherwise, application of less significance to the comparable property requiring the greatest gross adjustment percentages is logical. Magnitude of net adjustments is less reliable as an indicator for comparability. Lower net adjustments can be inconclusive, as one cannot assume potential flaws in the adjustment process cancel each other out. Given as a part of the valuation process, the appraiser subjectively chooses the data presented, the mean and median adjusted indications can provide a relatively reasoned indication for correlation.

According to the Shreveport Advocate, Curtis “50 Cent” Jackson, has purchased a prime located vacant lot on the south side of the Bakowski Bridge of Lights/Texas Street Bridge. This unimproved lot, which once housed buildings that made up a portion of an entertainment district known as Shreve Square, has been for sale since the early 2010s. At one point, the city of Shreveport considered using it for a small urban greenspace, but with those plans discarded, the site was back on the market. While it has no buildings on it, the ebb and flow of building foundations and lack there of make it inferior for a parking lot. Andrew Cordaro was the listing agent for the property and stated the 150-by-150-foot lot sold for \$281,250, or \$12.50 per square foot. The other property to change hands is just across Commerce Street from the former Expo Hall, a paved surface parking lot and unimproved grassy lot that encompass a full city block. The sale of 13 parcels and a portion of an abandoned alley sold for \$1,020,000, or \$12.25 per square foot, for the 1.91-acre parking lot. Witt Caruthers, who represented the sellers, confirmed the terms of sale. Neither of these sales is particularly comparable with the subject, a small corner lot, but they represent diligence in recent research.

The data parameters considered in land valuation are as follows. The mean or average value is the sum of the observations divided by the number of observations. In this analysis, the mean adjusted value per square foot is \$16.28. Extreme outliers influence the mean. Trimming outliers

can help reduce the degree of influence outliers have on the mean. In trimming outliers, one can introduce bias. The alternative measure of central tendency is the median, or the value in the middle of a set of observations where 50% of the measurements lie above it and 50% fall below it. The median of this adjusted sample is \$15.48. Thus, concluding that the mean plus and minus one standard deviation should contain the bulk or 2/3rds of the likely values, with perhaps a 16% chance that the value is below that range and the same above it, that is the range of statistical significance, and the most conservative value in that in that range is the adjusted mean, as it is the most probable outcome statistically. The lower limit of significance per square foot is \$12.76. The upper limit of significance per square foot is \$19.79. Accordingly, on a value basis the indicated mean value estimate is \$196,000. The lower limit of significance is \$154,000. The upper limit of significance is \$239,000. The median indication is \$187,000. Given as a part of the valuation process, the appraiser subjectively chooses the data presented, the mean and median adjusted indications can provide a relatively reasoned indication for correlation.

With the sales considered equally, the rounded mean of the sample can be a reasonable conclusion, as can the median in many cases. Statistically speaking, it is the most conservative estimate, as about half of the likely values are both below and above that, data point. Considering the noted ranges of indications and statistical significance, the property is valued as follows.

#### **APPLICATION OF THE SALES COMPARISON APPROACH-LAND VALUE**

<b>Conclusions</b>	<b>Adjusted Mean</b>	<b>Applied RD</b>
Sample Average	\$16.28	\$196,000
Standard Deviation	\$3.51	\$42,000
Lower Limit of Significance	\$12.76	\$154,000
Upper Limit of Significance	\$19.79	\$239,000
<b>Median</b>	<b>\$15.48</b>	<b>\$187,000</b>
<b>Summary</b>	<b>Size SF</b>	<b>PSF</b>
Land Size	12,057	\$16.00
<b>Conclusion</b>		
Land Value	\$192,912	\$190,000

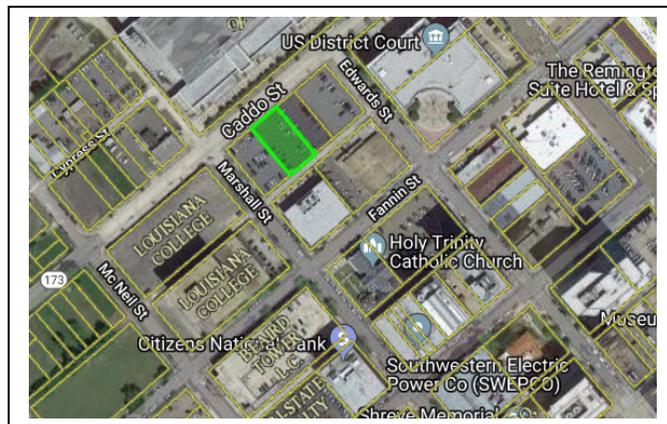
**The comparable land sales studied in this analysis are on the following pages.**

**COMPARABLE LAND SALE 1**

**Land** D0-SS-0867  
**Tax Acct.** 181437141

**Sale Date:** January 14, 2019  
**Instrument** 2729564  
**Total Price:** \$336,000.00  
**Adjustments to Price:** \$0.00  
**Cash Equivalent Price:** \$336,000.00  
**Terms:** Cash Deed  
**State:** LA  
**Parish:** Caddo  
**City:** Shreveport  
**Address:** Caddo St.  
**Location:** SE side, SW of N. Market  
**Legal Description:** Lots 11, 12, 13 and SW/2 of Lot 14, Block 35, City of Shreve

**Vendor/Grantor:** CASBE Company, LP  
**Vendee/Grantee:** 415 Caddo Street Parking, LLC  
**Verified:** Vendor  
**Shape:** Rectangular  
**Site Area:** 0.5 Acres 21,780 Sq Ft  
**Frontage:** 40 Feet \$8,400.00 / Front Foot  
**Unit Price:** \$672,000 / Acre \$15.43 / Sq Ft  
**Zoning:** D-1-CDB  
**Utilities:** All city  
**Topography:** Level at street grade  
**Highest and Best Use:** Parking Lot/Commercial Dev.  
**Improvements:** Paved for Parking  
**Remarks:** Property presently used as a parking lot. TAX ACCT. #'s: 181437141001300; 001100. Vendor retains all mineral rights.



**COMPARABLE LAND SALE 2**

**Land Sale:** D0-SS-0875  
**Tax Acct.** 181437141001100

**Sale Date:** December 31, 2019  
**Instrument** 2772584  
**Total Price:** \$400,000.00  
**Adjustments to Price:** \$0.00  
**Cash Equivalent** \$400,000.00  
**Terms:** Special Warranty  
**State:** LA  
**Parish:** Caddo  
**City:** Shreveport  
**Address:** Caddo,415  
**Location:** SE side, NE of Marshall St.  
**Legal Description:** Lots 11, 12, 13 and SW/2 of Lot 14, Block 35, City of Shreveport.

**Vendor/Grantor:** 415 Caddo Street Parking, LLC  
**Vendee/Grantee:** Master Shreveport Caddo Street  
**Verified:** Vendee  
**Shape:** Rectangular  
**Site Area:** 0.4821 Acre 21,000 Sq Ft  
**Frontage:** 140 Feet \$2,857.14 / Front Foot  
**Unit Price:** \$829,703 / Acre \$19.05 / Sq Ft  
**Zoning:** D-1-CDB  
**Utilities:** All city  
**Topography** Level at street grade  
**Highest and Best Use:** Fee Parking Lot  
**Improvements:** Paved for Parking-Asphalt  
**Remarks:** Tax Acct. #'s: 181437141001100 and 001300.



**COMPARABLE LAND SALE 3**

**Land Sale:** D0-SS-0896  
**Tax Acct.** 181437149

**Sale Date:** June 15, 2021  
**Instrument** 2840427  
**Total Price:** \$150,000.00  
**Adjustments to Price:** (\$10,000.00)  
**Cash Equivalent** \$140,000.00  
**Terms:** Cash Deed  
**State:** LA  
**Parish:** Caddo  
**City:** Shreveport  
**Address:** Crockett,325  
**Location:** SE side, NE of Edwards & SW of Market  
**Legal Description:** Lot 7 & 8, Block 43, City of Shreveport.

**Vendor/Grantor:** Giddens-Lane Co., Inc.  
**Vendee/Grantee:** New Shreveport Renewal, LLC  
**Verified:** Vendor  
**Shape:** Rectangular  
**Site Area:** 0.241 Acre 10,500 Sq Ft  
**Frontage:** 70 Feet \$2,000.00 / Front Foot  
**Unit Price:** \$580,913 / Acre \$13.33 / Sq Ft  
**Zoning:** D-1-CBD  
**Utilities:** All public  
**Topography** Gently sloping  
**Highest and Best Use:** Parking lot  
**Improvements:** Parking lot  
**Remarks:** United Jewelers Apts. entrance/portion of parking lot. Vendee previously leased property. See Inst. #2840429 for sale of United Jewelers Apts.  
**Adjusted as an assemblage.**



**COMPARABLE LAND SALE 4**

**Land Sale:** D0-PS-0719  
**Tax Acct.** 181437149000500

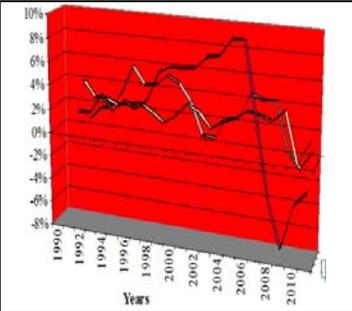
**Sale Date:** August 11, 2021  
**Instrument:** 2849265  
**Total Price:** \$85,000.00  
**Adjustments to Price:** \$0.00  
**Cash Equivalent:** \$85,000.00  
**Terms:** Cash Deed  
**State:** LA  
**Parish:** Caddo  
**City:** Shreveport  
**Address:** Crockett,329  
**Location:** SE side, NE side of Edwards  
**Legal Description:** Lot 5, Blk. 43, City of Shreveport, L/E southeasterly 5' thereof.

**Vendor/Grantor:** HRI Shreveport Parking, LLC  
**Vendee/Grantee:** Anglin and Batte Properties  
**Verified:** Greg Batte  
**Shape:** Rectangular  
**Site Area:** 0.1331 Acre 5,800 Sq Ft  
**Frontage:** 40 Feet \$2,125.00 / Front Foot  
**Unit Price:** \$638,618 / Acre \$14.66 / Sq Ft  
**Zoning:** D-1-CBD  
**Utilities:** All public  
**Topography:** Level  
**Highest and Best Use:** Parking  
**Improvements:** Concrete parking  
**Remarks:** The vendee owns the adjacent office building. Leased prior to purchase.



## Sales Comparison Approach

**Sales Comparison Approach** In this approach, one develops an opinion of value by analyzing closed sales, listings, or pending sales of similar properties. This approach involves direct comparison with similar sold properties to derive a market value indication of a property. Units of comparison usually include per square foot or per unit. This approach can be persuasive, especially, if the usage, location, and physical conditions have congruity.



Comparative analysis of properties and transactions focuses on similarities and differences that affect value, called elements of comparison, which may include variations in property rights, financing terms, market conditions, and physical characteristics, among others. Appraisers examine market evidence using paired data analysis, trend analysis, statistics, and other techniques to identify which elements of comparison within the data set of comparable sales are responsible for value differences. In applying the Sales Comparison Approach, an appraiser follows a systematic procedure. The appraiser compares like with like. The appraiser adjusts each comparable to this property to impute an indicated value to it.

### The steps of the procedure are as follows:

1. Research the market to obtain information about transactions, listings, and other offerings of properties similar to the property.
2. Verify the information by considering whether the data obtained are factually accurate, and the transactions reflect arm's-length market considerations.
3. Determine relevant units of comparison and develop a comparative analysis for each unit.
4. Compare the property and comparable sales according to the elements of comparison and adjust the sale price of each comparable as appropriate.
5. Reconcile the multiple value indications from the comparables into a single value indication.

Sales Comparison is applicable to all property types for which there are a sufficient number of reliable transactions to create value patterns in a market. The sales comparison approach is applicable to most types of real property interests when there are sufficient recent, reliable transactions to indicate value patterns or trends in the market. For property types bought and sold regularly, the sales comparison approach provides a credible indication of market value. When data is available, sales comparison can be the most straightforward and simple way to explain and support an opinion of market value.

### Adjustments

Adjustments made to equalize the factors of the sale to the conditions noted for the property are necessary. If a sale is superior, a negative adjustment is used. If a sale is inferior, a positive adjustment is used. The sample used in a typical real estate valuation analysis is not large enough to draw true statistical conclusions. Samples of real estate transactions hardly ever qualify for true statistical analysis. However, the mean of the sample and the standard deviation do provide points of reference to allow subjective choice of a value opinion. This merely shows real estate is a commodity in a relatively inefficient market.

Typically, adjustments are in a logical order—i.e., transactional adjustments for property rights, financing, and sale and market conditions then property adjustments for location and physical characteristics.

## Transactional Adjustments

Transactional Adjustments Prior to Market Conditions									
	<i>Property Name</i>	<i>Property Location</i>	<i>Sale Date</i>	<i>Deed Price</i>	<i>Rights</i>	<i>Financing</i>	<i>Conditions</i>	<i>Expenditures</i>	<i>CEP/ADJ</i>
1	Law Office Listing-UC	513-515 Spring Street	12/02/24	\$375,000	\$0	\$0	\$0	\$0	\$375,000
2	Office	312 Texas Street	08/31/22	\$210,000	\$0	\$0	\$0	\$0	\$210,000
3	Louisiana Tower	401 Edwards Street	12/29/21	\$7,500,000	\$0	\$0	\$0	\$0	\$7,500,000
4	Dorsett Expansion	323 Market Street	10/01/21	\$450,000	\$0	\$0	\$0	\$0	\$450,000
5	State Office Building	500 Fannin Street	09/02/22	\$1,750,000	\$0	\$0	\$0	\$0	\$1,750,000
6	Chase Building	400 Texas Street	12/05/22	\$2,214,500	\$0	\$0	\$0	\$0	\$2,214,500

**Real Property Rights Conveyed** This adjustment considers any conveyances other than the fee simple estate or unencumbered whole ownership. The possibilities generally include fee simple estate, leased fee interest, leasehold interest, and “quit claim” sales.

**Financing/Cash Equivalency** Cash equivalency analysis investigates the sale prices of comparable properties sold with non-market financing to determine whether adjustments would better reflect typical market terms at the time of sale. This adjustment is for atypical or non-market favorable financing and its effect on the sale price of the noted comparable sale. This produces a “cash equivalent” sale price.

**Conditions of Sale/Motivation** The definition of market value used in most assignments requires “typical motivations of buyers and sellers” with no pressure on either party to consummate the sale. An adjustment for conditions of sale usually reflects the motivation of either a buyer or a seller who is under undue duress to complete the transaction. Many factors may cause a buyer or seller to make an atypical transaction. These can include assemblage of several tracts, which typically cause the buyer to pay a premium; or a distressed seller, which may cause the seller to sell at below market value.

**Expenditures Made after Purchase** A knowledgeable buyer considers expenditures anticipated upon purchase of a property because these costs affect the price the buyer agrees to pay. With improved sales, such expenditures may include costs to cure deferred maintenance, costs to demolish dysfunctional improvement components, costs for additions of improvements to the property, costs to obtain a zoning change, cost to purchase of an additional site for addition of parking, or costs to remediate environmental contamination. Others might include cost of obtaining entitlements, or large capital improvements needed at the time of sale. The relevant figure is not the actual cost incurred but that anticipated at sale. Scope of work determines whether the adjustment is necessary to the assignment on a case-by-case basis.

## Property Adjustments

**Market Conditions (Time or Date)** Real estate is a commodity sensitive to trends in the market place. Many types of real estate have seen increases in value over recent history. These increases are due to increased prices paid for various property types. Regional economies influence local market conditions, but local markets do not necessarily parallel regional markets. Macroeconomic studies, which are concerned with broad areas such as cities and regions, are important to understanding real estate and real estate trends. This differs from microeconomic studies, where one evaluates the factors influencing the market value of a particular real estate parcel. This process attempts to measure changes in supply and demand.

Cap rate compression trends for overall rates for all assets fell in 2012-2019, translating in to increasing values. Going forward cap rates presumed, by an exuberant market, appear to be dropping, though it may or may not be the case. In the Shreveport MSA, overall rates have remained stable through late 2021, and all surveys one has found show them remaining relatively stable.

These national trends appear not to have affected local user and local tenant Shreveport MSA property values at this time. Several groups of paired sales support a relatively strong local user property market. This is likely because of the influence of increased natural gas exploration in the Hayneville Shale area of this region.

**The CBD is in crisis mode. The 5 best CBD buildings have an overall vacancy rate of 36%. The 5 middle of the market have a 50% vacancy. The 5 oldest buildings has 4 that are totally vacant, and the composite of office buildings in the CBD shows a total vacancy of 55%, as of the third quarter of 2024, according to a broker that specializes in the CBD.**

**Finish** Consideration of this item from more than one perspective is possible. In most instances, the percentage of building is most significant. Some types of buildings have varying degrees of finish as a matter of design. They include the proportion of office space to shop area in an industrial setting and the proportion of showroom to stock area in a retail property. Some properties built with unfinished space to finish later require adjustment. Most arrays of sales show a correlation- finished space contributes about twice as much per square foot as does the unfinished area. Also considered by this item is the quality of interior finish; a more subjective adjustment usually based on the cost of finish. However, cost does not equal value, and the effect of the finish on the basis it might affect the rent level or the final sale price of a property is most significant.

**Location** This adjustment considers activity in and visibility of an area. When there is construction of new or renovation activity in an area, the property is likely more valuable than a property, which is in an area with little or no construction activity. Thus, the state of the area's life cycle has a bearing on its value. If the area is expanding and there is a possibility of value appreciation in the future, the price paid will reflect this. If the area is declining and there is a possibility of depreciation in value, this reflects a potential adjustment. The adjustment is typical for such factors as superior street improvements or a higher traffic count. These factors affect value, as they affect the potential income a property can command.

**Improvements Age/Condition** The age of the improvements in the comparable sales is critical, when comparing them to the property, and older properties tend to sell for lower unit prices than do newer ones. This relates to the concept of depreciation, as considered in the Cost Approach to Value, and it relates directly to the concept of newer buildings with higher rental rates than older buildings.

**Size** The size of the buildings is usually a significant factor in analysis. This adjustment considers the diseconomies of scale. Most arrays of sales show this factor clearly. A larger building is usually sells at a lower price per square foot in this market. On a cost basis, the doubling of a building size usually decreases construction cost per square foot by 3-5%, the size adjustment is subjectively higher than that as the market demand for larger buildings lowers for most property types.

**Parking** Onsite parking is adjusted at 5%.

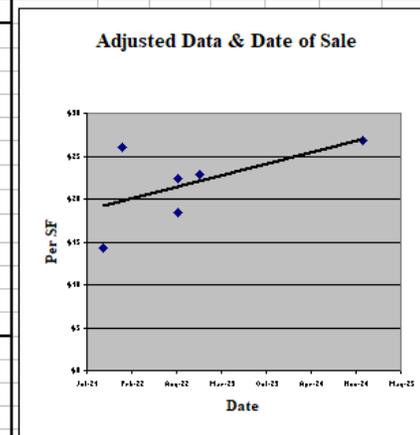
### COMPARABLE IMPROVED SALES MAP



The description and adjustment of the comparable improved sales studied are below.

### COMPARABLE IMPROVED SALES ADJUSTMENT CHART

Comparable Improved Sales Adjustment Chart Whole Property Analysis				CEP	Gross	CEP	Adjustment:	Physical Characteristics					Adjusted	
Sale				Sale	Area	Price	Market	Finish	Loc-	Cond	Imps.	Other		
No.	Property Name	Property Location	Sale Date	Price	(sf)	Per sf	Conditions		ation	Age	Size	Parking	Per sf	
1	Law Office Listing-UC	513-515 Spring Street	12/2/2024	\$375,000	14,000	\$26.79	0%	0%	0%	5%	-10%	5%	\$26.79	
2	Office	312 Texas Street	8/31/2022	\$210,000	8,906	\$23.58	0%	0%	0%	0%	-10%	5%	\$22.40	
3	Louisiana Tower	401 Edwards Street	12/29/2021	\$7,500,000	345,000	\$21.74	0%	0%	0%	0%	15%	5%	\$26.09	
4	Dorsett Expansion	323 Market Street	10/1/2021	\$450,000	33,000	\$13.64	0%	0%	0%	5%	-5%	5%	\$14.32	
5	State Office Building	500 Fannin Street	9/2/2022	\$1,750,000	152,205	\$11.50	0%	50%	0%	0%	10%	0%	\$18.40	
6	Chase Building	400 Texas Street	12/5/2022	\$2,214,500	106,722	\$20.75	0%	0%	0%	0%	10%	0%	\$22.83	
				Average	109,972	\$19.66							\$21.80	
				Standard Deviation		\$5.91								\$4.74
Descriptive Statistics for All of the Data				Price	SF	Per SF							Adj/SF	
Mean				\$2,083,250	109,972	\$19.66							\$21.80	
Standard Deviation				\$2,777,198	128,360	\$5.91	Contract Sale 1 to close on 12/27/24.						\$4.74	
Median				\$1,100,000	69,861	\$21.24								\$22.61
Mode				#N/A	#N/A	#N/A								#N/A
Low Indication				\$210,000	8,906	\$11.50								\$14.32
High Indication				\$7,500,000	345,000	\$26.79								\$26.79
Coefficient of Variance				133.31%	116.72%	30.05%								21.73%
Lower Limit of Significance				-\$693,948	-18,388	\$13.76								\$17.06
Upper Limit of Significance				\$4,860,448	238,333	\$25.57								\$26.54
Descriptive Statistics For Adjusted Mean			Adjusted Mean Data Range											
By Excel & REAACVAL			Sample Mean		\$21.80									
			Standard Error		\$1.93									
Mean		21.80	Low Mean		\$19.87									
Standard Error		1.93	High Mean		\$23.74									
Median		22.61	Confidence Level(95.0%)		\$4.97									
Mode		#N/A	Low Mean		\$16.83									
Standard Deviation		4.74	High Mean		\$26.77									
Sample Variance		22.44	Range		\$12.47									
Kurtosis		-0.38	Minimum		\$14.32									
Skewness		-0.72	Maximum		\$26.79									
Range		12.47	Count		6									
Minimum		14.32	A distribution with a tail to the left has a negative skew. The inverse is true of a positive skew.											
Maximum		26.79	A flatter distribution has a negative kurtosis, and a distribution more peaked has a positive kurtosis.											
Sum		130.81	A normal distribution has a kurtosis of 0.0.											
Count		6.00												
Largest(1)		26.79												
Smallest(1)		14.32												
Confidence Level(95.0%)		4.97												



### ANALYSIS AND CONCLUSIONS

The scope of data analyzed is as shown. Adjustments made to the sample were for economic differences. The sample seemed statistically significant as shown. The sample indicates, if the site is available for sale as of the effective date of analysis on the open market, given ample time to sell, it is highly (70%) probable it will command a price in the range. This analysis makes some use of statistical inference to achieve a range of probable values in analysis of real estate market transactions or data. True random sampling is not practical. However, subjective analysis of carefully picked data can lead to a convincing value opinion.

Comparability of Sales DSC		Objective Comparability Statistics					
Land to Building Ratio		Adjustments		Indication	Sub/Comp	Years	
Sale No.	Ratio	Gross	Net	ADJ	Relative Size	Variance	
1	1.00	20%	0%	\$26.79	267%	0.00	
2	0.68	15%	-5%	\$22.40	420%	2.26	
3	0.07	20%	20%	\$26.09	11%	2.93	
4	0.37	15%	5%	\$14.32	113%	3.17	
5	0.67	60%	60%	\$18.40	25%	2.25	
6	1.00	10%	10%	\$22.83	35%	1.99	
Average	0.63	23%	15%	\$21.80	145%	2.10	
Std.Dev.	0.36	18%	24%	\$4.74	165%	1.12	
Benchmark Subject							
	0.20						

The final decision on any single value opinion relies on opinion and subjective interpretation. In reconciling a value indication in sales comparison, one evaluates the number, direction, and magnitude of adjustments, along with the importance of the individual elements of comparison in the market, and one finds significance in reasoned analysis. If a comparable transaction requires fewer adjustments than the others do and the magnitude of the adjustments is approximately the same, an appraiser may attribute greater accuracy and give more weight to the value indications obtained from the transaction with the fewest adjustments. Similarly, the gross adjustment amount can be a significant factor in the reconciliation of various value indications. If sales are similar otherwise, application of less significance to the comparable property requiring the greatest gross adjustment percentages is logical. Magnitude of net adjustments is less reliable as an indicator for comparability. Lower net adjustments can be inconclusive, as one cannot assume potential flaws in the adjustment process cancel each other out. Given as a part of the valuation process, the appraiser subjectively chooses the data presented, the mean and median adjusted indications can provide a relatively reasoned indication for correlation.

The data parameters, in improved sale analysis, considered are as follows. The mean or average value is the sum of the observations divided by the number of observations. In this analysis, the mean adjusted value per square foot is \$21.80. Extreme outliers influence the mean. Trimming outliers can help reduce the degree of influence outliers have on the mean. In trimming outliers, one can introduce bias. The alternative measure of central tendency is the median, or the value in the middle of a set of observations where 50% of the measurements lie above it and 50% fall below it. The median of this adjusted sample is \$22.61. Thus, concluding that the mean plus and minus one standard deviation should contain the bulk or 2/3rds of the likely values, with perhaps a 16% chance that the value is below that range and the same above it, that is the range of statistical significance, and the most conservative value in that in that range is the adjusted mean, as it is the most probable outcome statistically. The lower limit of significance per square foot is \$17.06. The upper limit of significance per square foot is \$26.54. Accordingly, on a value basis the indicated mean value estimate is \$815,000. The lower limit of significance is \$638,000. The upper limit of significance is \$992,000. The median indication is \$845,000. Given as a part of the valuation process, the appraiser subjectively chooses the data presented, the mean and median adjusted indications can provide a relatively reasoned indication for correlation.

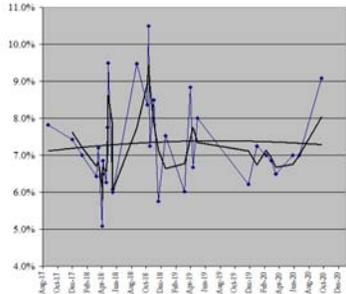
With the sales considered equally, the rounded mean of the sample can be a reasonable conclusion, as can the median in many cases. Statistically speaking, it is the most conservative opinion, as about half of the likely values are both below and above that, data point. Subjectively the most significant data point per square foot is about \$20.00. the unfinished space is valued at ½ of that, not so much to allow for the cost to finish, but to consider if it may not ever be finished but used only as storage. Considering the noted ranges of indications and statistical significance, the property is valued as follows.

### APPLICATION OF THE SALES COMPARISON APPROACH

Conclusions	Adjusted Mean	Applied RD
Sample Mean	\$21.80	\$815,000
Standard Deviation	\$4.74	\$177,000
Lower Limit of Significance	\$17.06	\$638,000
Upper Limit of Significance	\$26.54	\$992,000
Median	\$22.61	\$845,000
Mean Error Adjusted Low	\$19.87	\$742,000
Mean Error Adjusted High	\$23.74	\$887,000
Summary	Size SF	Applied RD
Improvements Size Finished Office	37,370	\$20.00
Size Unfinished Office	9,800	\$10.00
Finished		\$747,400
Unfinished		\$98,000
Indicated Value	\$845,400	\$850,000

The comparable improved sales studied in this analysis are in the addenda.

## Income Capitalization Approach

<p><b>Income Capitalization Approach</b> Income-producing real estate purchased as an investment and from an investor’s point of view earning power is the critical element affecting property value. One basic investment premise holds that the higher the earnings, the higher the value, given that relative risk remains constant. An investor is essentially trading present dollars in cash for the expectation of receiving future dollars such as the periodic NOI and a reversion at the end of holding. This approach to value is not applied and it is not applicable, due to the age and condition of the improvements and the likely speculative potential use of this property.</p>	
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## Cost Approach

<p><b>Cost Approach</b> In the Cost Approach, one compares the cost of the improvements to the likely cost to develop sales referenced within the report. The cost is adjusted physical differences and market-extracted losses in value. The land value, based on market comparison, and adjusted for any rights included or excluded in the specified interest in the property. This approach to value is not applied and it is not applicable, due to the age and condition of the improvements and the likely speculative potential use of this property.</p>	
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## Real Property Value Allocation

Property categorization includes three types, i.e., Real property, Tangible personal property, and Intangible property. There is a distinction between real property and real estate. Land and buildings are real estate, while real property is the bundle of rights flowing from the ownership of real estate. Real estate and tangible personal property are directly valued, while the value of real property rights are subjective, a credible opinion is required. An appraisal should consider the possibility of all three. With non-realty, business value, and intangibles considered, this analysis estimated none applicable to this analysis.

**PERSONAL PROPERTY**

**None is considered.**

**BUSINESS VALUE**

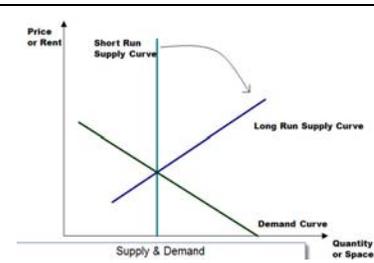
**None is noted.**

**IDENTIFICATION OF INTANGIBLES**

**None are noted.**

## Reconciliation of the Value Indications and Final Opinion of Value

**Reconciliation** This part of the valuation process is where one directly draws upon experience and professional judgment to resolve differences among the value indications derived from the application of any applicable approaches. The credibility of each approach is considered, and reconciliation explains why one or more approach is more significant. It also provides a section of the report in for any other considerations.



In the valuation process, more than one approach to value is usually applied, and each approach typically provides an indication of value. If two or more approaches are used, the valuer reconciles the value indications. The final value opinion is not some type of weighted mean of the different value indications derived. No mechanical formula is adequate to select an indication. The value indications for the approaches are below.

### SALES HISTORY

Data on prior sales of this property can be relevant. When an opinion of market value is to be developed, USPAP requires the valuer to analyze all sales of this property that occurred in the three years prior to the date of value. In addition, analysis of any agreement of sale or contract, option, or listing that is current as of the date of appraisal and available in the normal course of business is required. In this instance, this valuer knows of none.

**Land Value** The value of land influenced by potential highest and best use can consider several procedures: Sales analysis is usually the preferable methodology for developing an opinion of site value. When there are not enough sales of similar parcels for the application of sales comparison, alternative methods such as extraction, allocation, subdivision development, land residual, and ground rent capitalization may be used.

**Cost Approach** In the Cost Approach, one compares the cost of the improvements to the likely cost to develop sales referenced within the report. The cost is adjusted physical differences and market-extracted losses in value. The land value, based on market comparison, and adjusted for any rights included or excluded in the specified interest in the property. This approach to value is not applied and it is not applicable, due to the age and condition of the improvements and the likely speculative potential use of this property.

**Sales Comparison Approach** In this approach, one develops an opinion of value by analyzing closed sales, listings, or pending sales of similar properties. This approach involves direct comparison with similar sold properties to derive a market value indication of a property. Units of comparison usually include per square foot or per unit. This approach can be persuasive, especially, if the usage, location, and physical conditions have congruity.

**Income Capitalization Approach** Income-producing real estate purchased as an investment and from an investor's point of view earning power is the critical element affecting property value. One basic investment premise holds that the higher the earnings, the higher the value, given that relative risk remains constant. An investor is essentially trading present dollars in cash for the expectation of receiving future dollars such as the periodic NOI and a reversion at the end of holding. This approach to value is not applied and it is not applicable, due to the age and condition of the improvements and the likely speculative potential use of this property.

The basis of this analysis considers the opinion of value via the Sales Comparison Approach. The market value of the property as described in this report, **assuming all noted contingent and limiting conditions in this report**, as of September 9, 2024, is as follows.

Market Value	As is
Land	\$190,000
Improvements	\$660,000
Total Value	\$850,000

The analysis makes some assumptions that are assignment specific.

This analysis is for the sole use and benefit of City of Shreveport, the intended user. This fee simple analysis is consistent with use by an owner or investor. It also assumes that no ADA compliance issues will arise due to construction or alteration. The analysis presumes conformity to Building Codes, Zoning, Deed Restrictions and any applicable Historic or Preservation Regulations, except as noted. It assumes any information provided by the owner, client, or any others is accurate. With non-realty, business value, and intangibles considered, this analysis estimated none applicable to this analysis. The intended user should know extraordinary assumptions and hypothetical conditions do affect the reported assignment results. This analysis does not consider mineral interests of any kind.

The Opinion of Exposure Time consistent with this value opinion is 12-36 months. In a stable market, the Marketing Time for this asset would be a similar period. In a declining market, it would be presumed, longer; and in an improving, market shorter.

## Bibliography

AI-Dictionary-6<sup>th</sup>. *The dictionary of real estate appraisal*. Chicago, IL: Appraisal Institute, 2015. Print.

Amorin, Jim, MAI, SRA. General Appraiser Market Analysis and Highest & Best Use, Summary Version of Seminar, 2009.

TARE-15th. *The appraisal of real estate*. Chicago, IL: Appraisal Institute, 2020. Print.

USPAP (2020-2021). *Uniform standards of professional appraisal practice*. Washington, D.C: Appraisal Foundation, 2019. Print. *Remains in force until Dec. 31, 2023*

Webster, Joseph M, MAI. Excess Land Concepts and Theory, *The Appraisal Journal*, Spring 2015, Pages 103-112.

Wolverton, Marvin. *An introduction to statistics for appraisers*. Chicago, IL: Appraisal Institute, 2009. Print.

## WEBSITES OF INTEREST

Appraisal Institute: [http://www.appraisalinstitute.org/ano/econ\\_indicator/indicators.aspx](http://www.appraisalinstitute.org/ano/econ_indicator/indicators.aspx)

Bossier Parish Assessor: <http://www.bossierparishassessor.org>

Caddo Parish Assessor: <http://www.caddoassessor.org>

Louisiana Association of Tax Administrators:  
[http://www.laota.com/index.php?option=com\\_content&view=article&id=93&Itemid=101](http://www.laota.com/index.php?option=com_content&view=article&id=93&Itemid=101)

LSU-S Center for Business and Economic Research: <http://www.lsus.edu/cber/>

Office of Thrift Supervision, Treasury-PART 564—APPRAISALS:  
[http://edocket.access.gpo.gov/cfr\\_2003/pdf/12cfr564.1.pdf](http://edocket.access.gpo.gov/cfr_2003/pdf/12cfr564.1.pdf)

Shreveport Regional Airport: <http://www.ci.shreveport.la.us/dept/airport/index.htm>

Shreveport Zoning Ordinance:  
<http://www.municode.com/resources/gateway.asp?sid=18&pid=10151>

This is page 68 of the report proper and the addenda follow.



**ADDENDA**

**Engagement**

**EXHIBIT "A"**

Rob,

Please proceed with the appraisal. Let me know if you need anything from me.

Thanks,

Malcolm

***Malcolm Stadlander***

Property Management Administrator#

City of Shreveport  
505 Travis St. Suite 300  
Shreveport, LA 71101

318-673-6048

[malcolm.stadlander@shreveportla.gov](mailto:malcolm.stadlander@shreveportla.gov)#

**From:** [rob@rlr-appraisals.com](mailto:rob@rlr-appraisals.com) <[rob@rlr-appraisals.com](mailto:rob@rlr-appraisals.com)>

**Sent:** Tuesday, September 3, 2024 12:00 PM

**To:** Malcolm Stadlander <[Malcolm.Stadlander@shreveportla.gov](mailto:Malcolm.Stadlander@shreveportla.gov)>

**Subject:** 401 Texas#

Malcolm, I can appraise the captioned four story office building for \$4,750 and it will take about 40-45-days.....I will need an access contact and any available plans or sketches, as the two times I have appraised it in the past predate my maintenance of such information (Plans and Plats) in my permanent files. Thank you for allowing the opportunity to consider this assignment. RR#

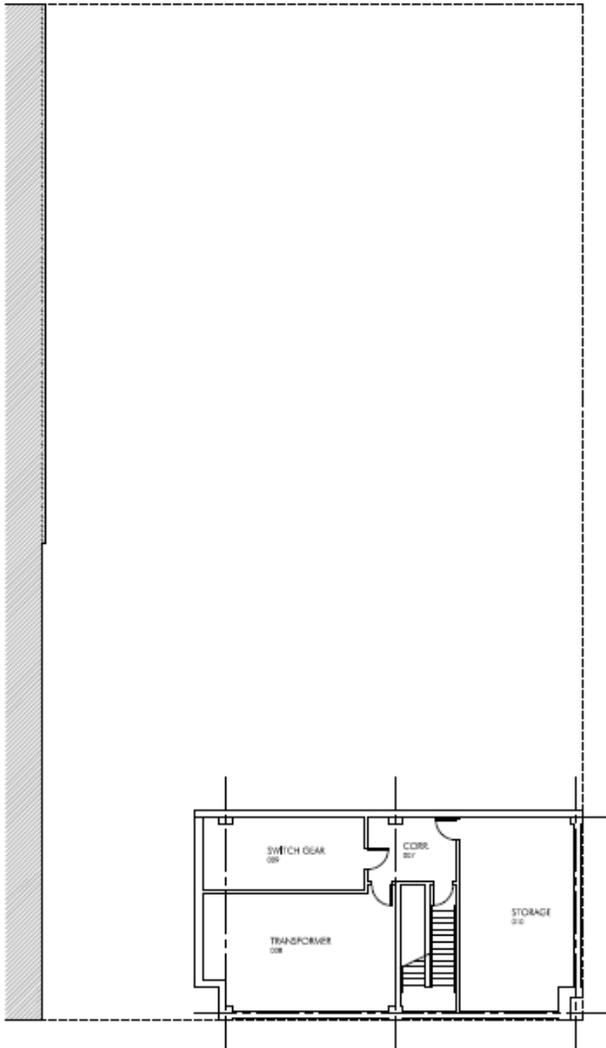
Robert L. Russell  
Professional- MAI, SRA, AI-GRS  
Academic- BS, MA, MBA  
318-455-7390 -Cell  
9657 Catawba Drive  
Shreveport, LA 71115  
Broker-Licensed in Louisiana, USA  
Appraiser-General Certified  
Louisiana Certificate # 0002  
[rob@rlr-appraisals.com](mailto:rob@rlr-appraisals.com)



**Floor Plan, Flood Map, Zoning Map, & Other Photos**

**Exhibit "C"**

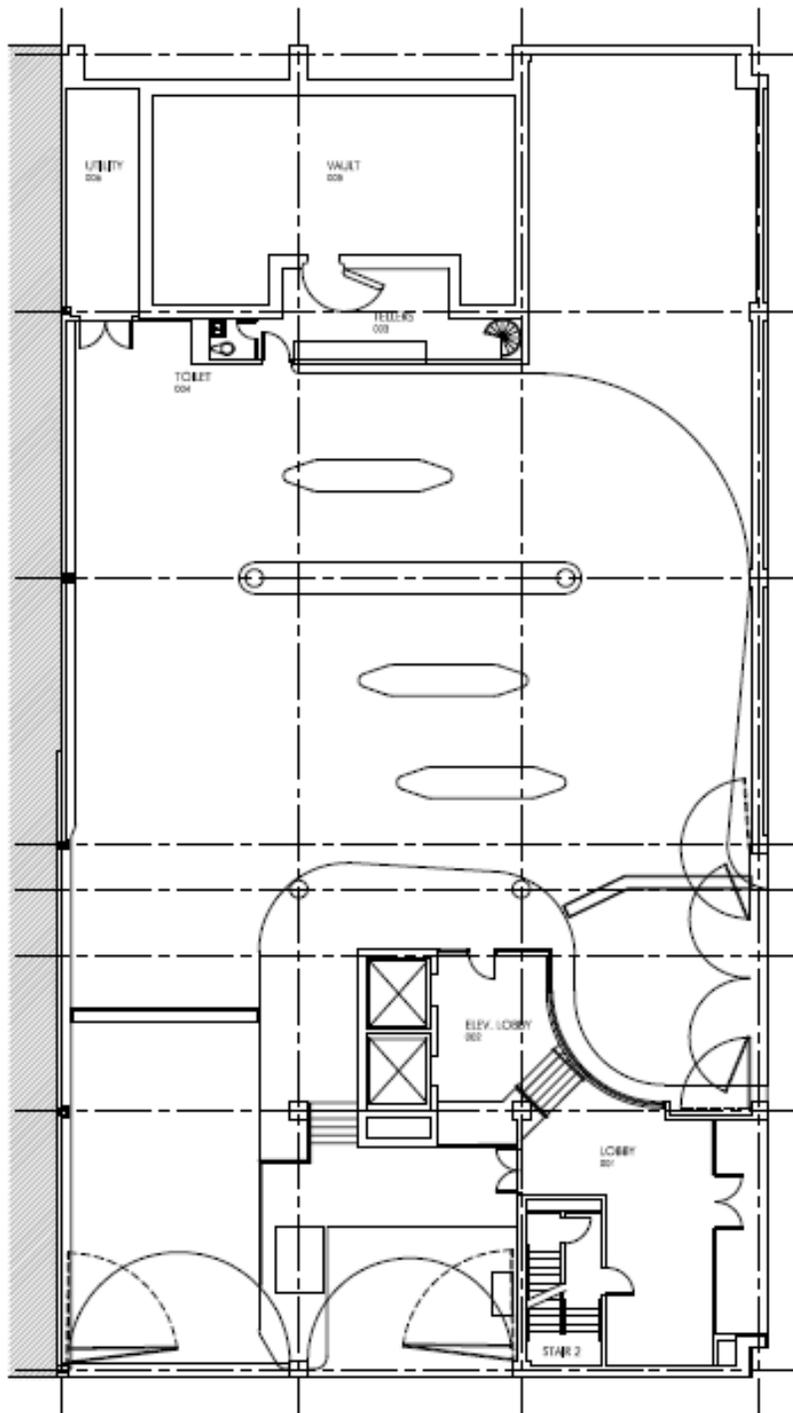
**BASEMENT STORAGE**



SUB-BASEMENT

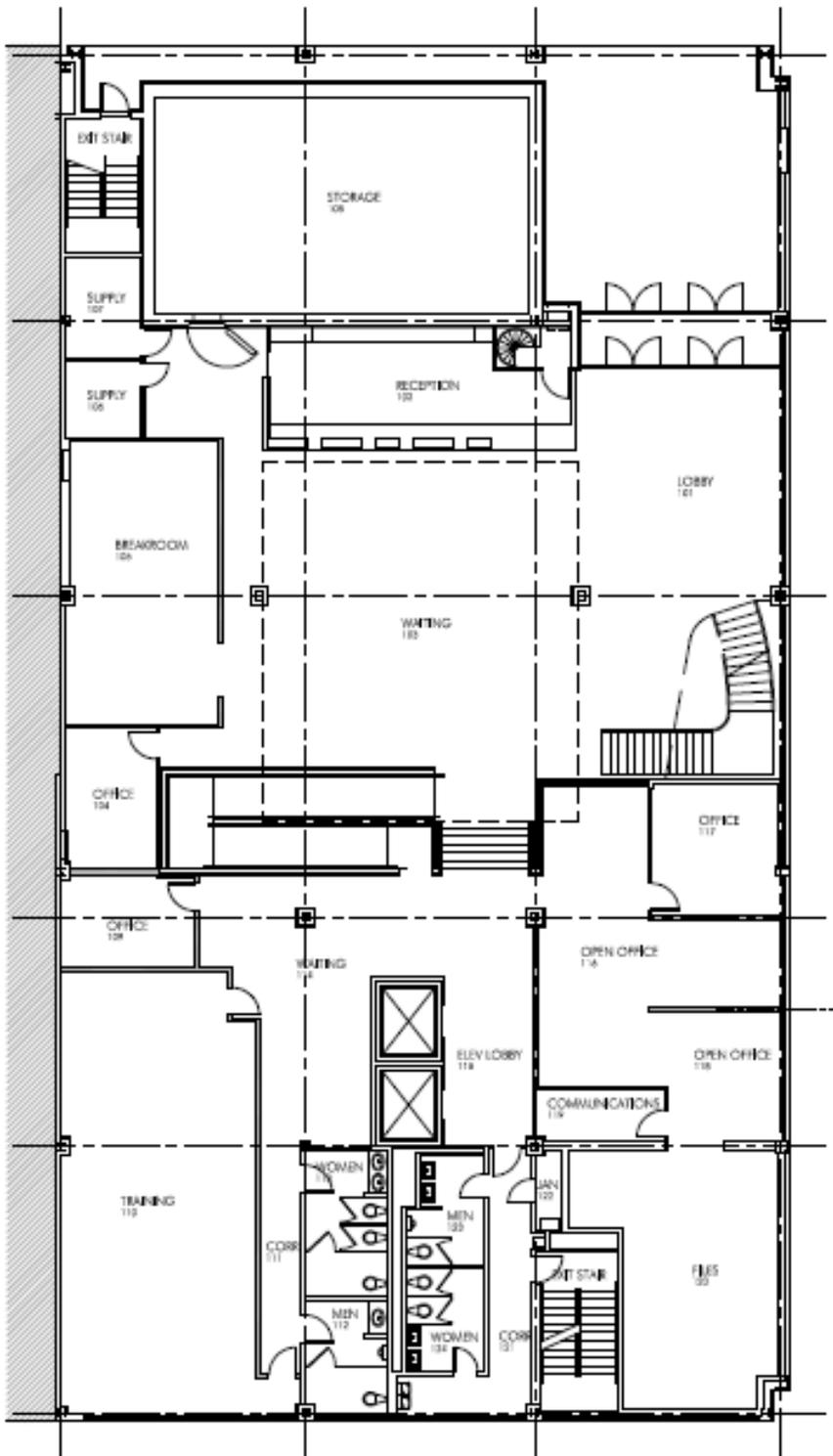
Area	Gross	Unfinished/Porch	Useable/Finished
Basement Storage	1,800	0	1,800
Basement Parking-Teller	12,000	0	12,000
First Floor	12,000	830	11,170
Second Floor	12,000	0	12,000
Third Floor	12,000	0	12,000
Fourth Floor	12,000	9800	2,200
	61,800	10,630	51,170
			37,370
		Finished-Office	37,370
		Unfinished -Office	9,800
			47,170
		Unfinished	21%

# BASEMENT PARKING



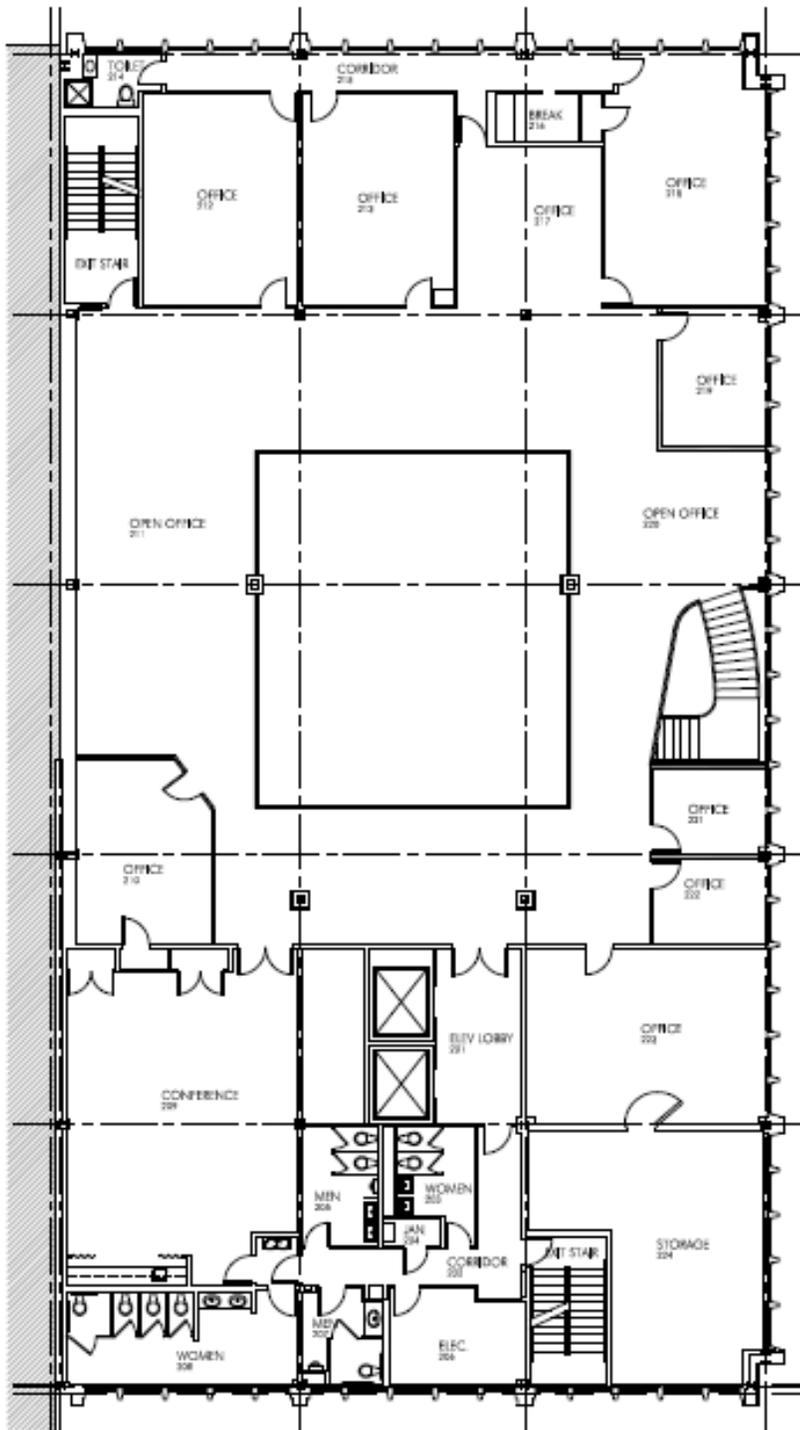
BASEMENT (PARKING LEVEL)

# FIRST FLOOR



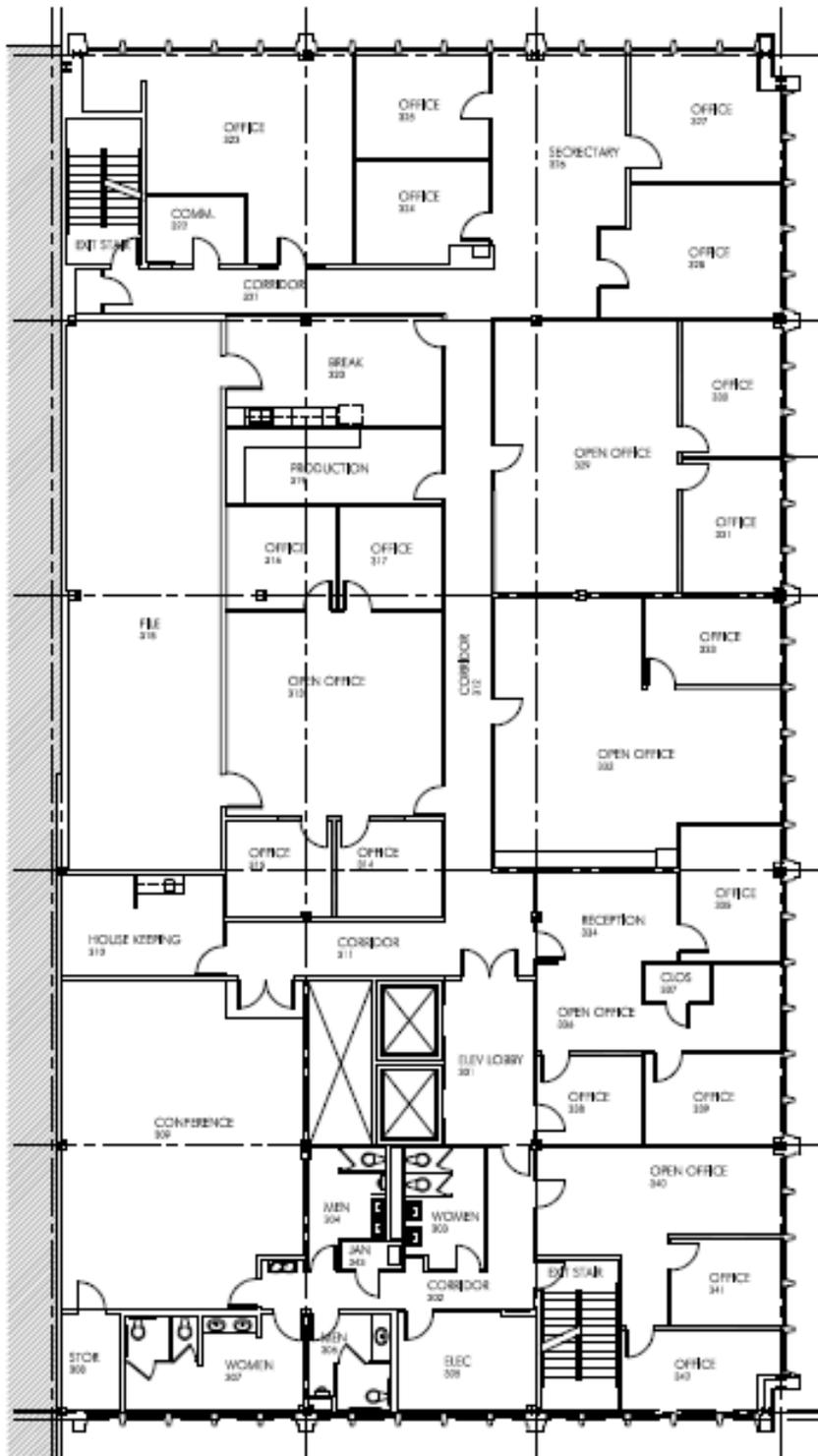
FIRST FLOOR LEVEL

# SECOND FLOOR



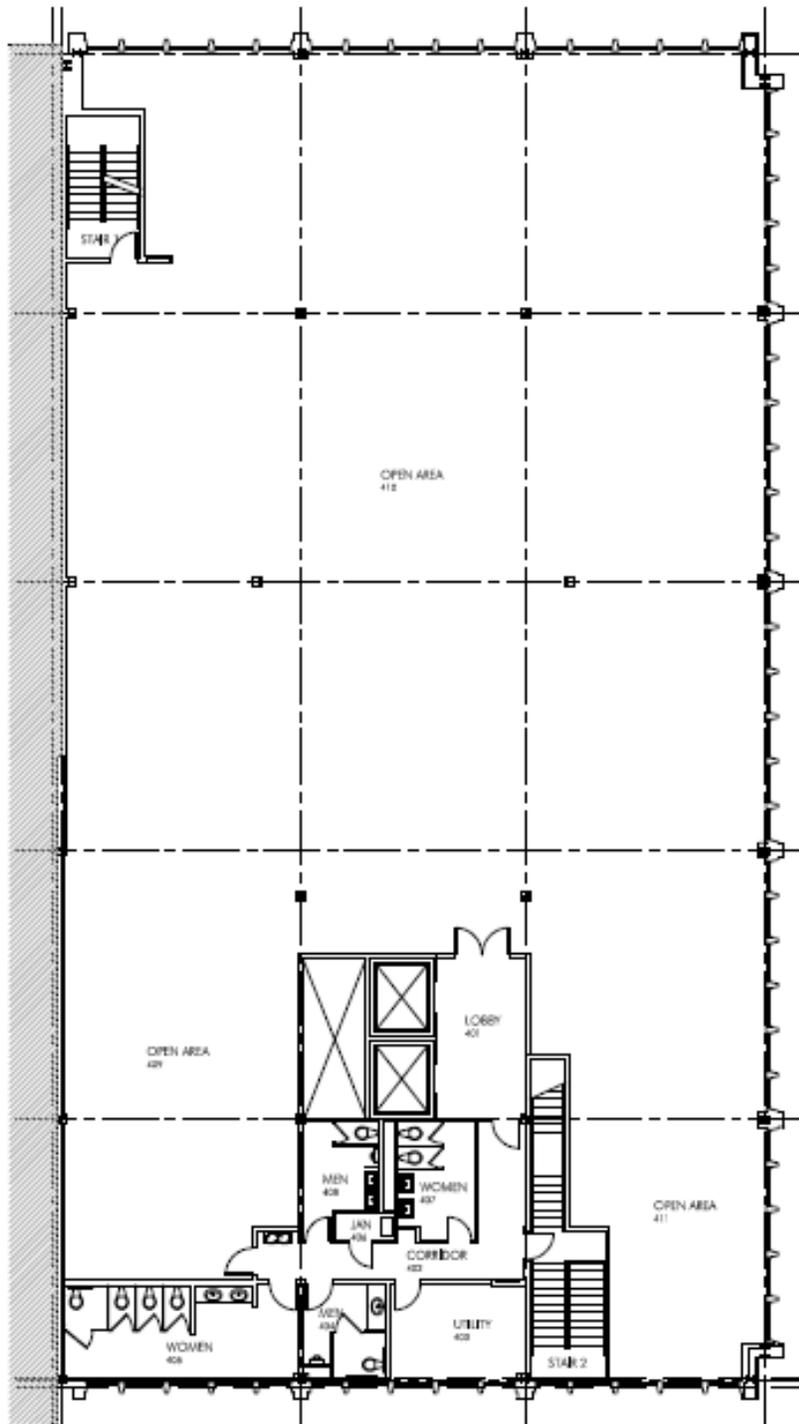
SECOND FLOOR LEVEL

# THIRD FLOOR



THIRD FLOOR LEVEL

# FOURTH FLOOR



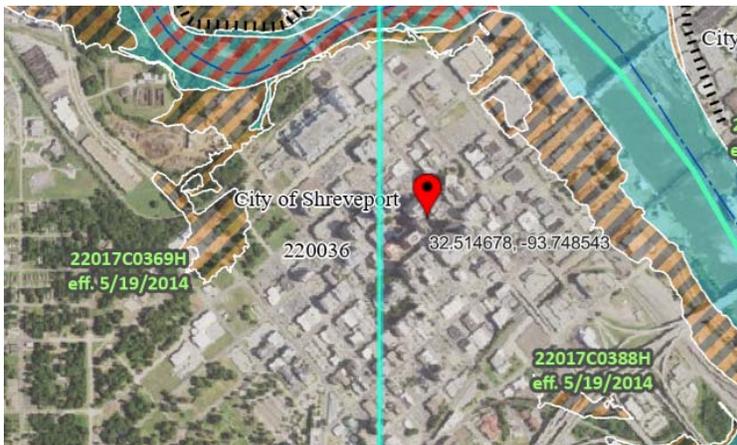
FOURTH FLOOR LEVEL

## ZONING MAP

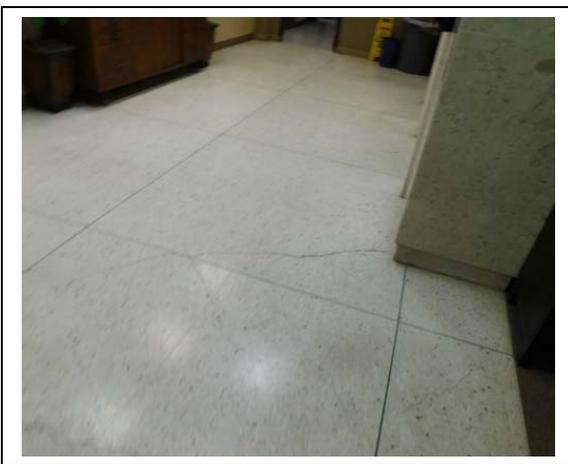
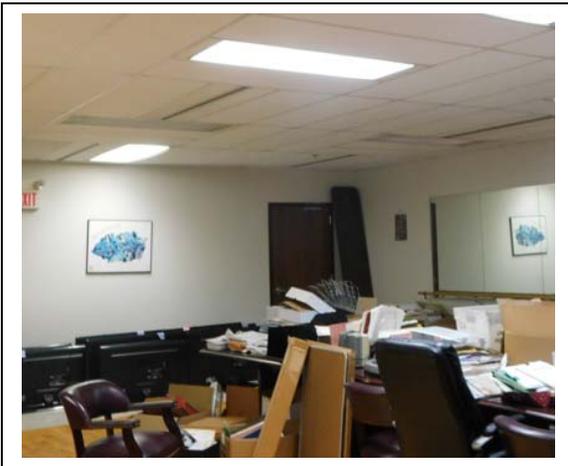
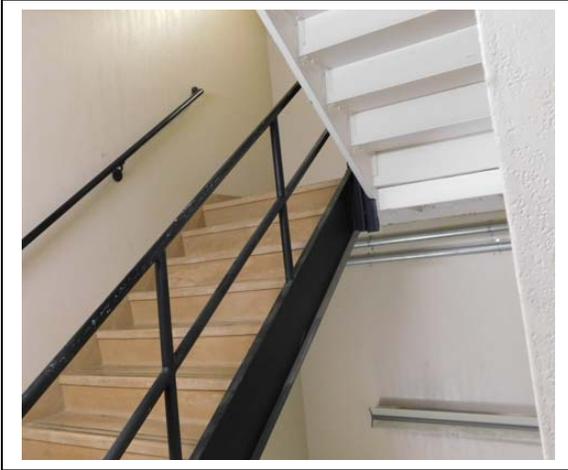
D-1-CBD Downtown Core Sub-District -The D-1-CBD Downtown Core Sub-District is intended to establish standards for the design of structures located within the core of Downtown. The standards recognize that this sub-district is to be the most intensely developed portion of the Downtown.



## FLOOD MAP



**OTHER PROPERTY PHOTOGRAPHS-September 9, 2024**



**Comparable Improved Sales**

**Exhibit "D"**

**Follow this Page**

1

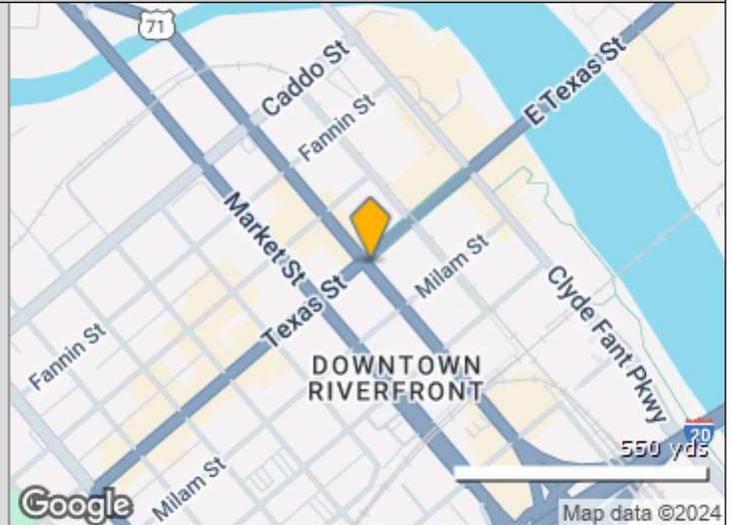
### 513-515 Spring St - Harrison Building

**UNDER CONTRACT**

Shreveport, LA 71101

14,000 SF Office Building Built in 1865

Property is for sale at \$465,000 (\$33.21/SF)



#### Sale Contacts

Sales Co: **RE/MAX UNITED**

Sales Contact 1: John Lorick  
(318) 684-3030

425 Ashley Ridge Blvd  
Shreveport, LA 71106

(318) 684-3030

#### For Sale Data

Asking Price: **\$465,000**  
Price/SF: **\$33.21**  
Days on Market: **89**  
Sale Status: **Under Contract**  
Percent Leased: **100.0%**  
Tenancy: **Multi**

Sale Type: **Investment Or Owner User**  
Bldg Status: **Built in 1865**  
RBA: **14,000 SF**

Parcel No: **181437-165-0046-00**

#### Current Building Information

ID: 1361429

Bldg Type: **Office**  
Class: **C**  
Total Avail: **0 SF**  
Bldg Vacant: **0 SF**  
Tenancy: **Multi**  
Owner Type: **Other - Private**  
Owner Occupied: **No**  
Zoning: **B-4**  
Land Area: **0.32 AC**

Bldg Status: **Built in 1865**  
RBA: **14,000 SF**  
% Leased: **100.0%**  
Rent/SF/Yr: **For Sale Only**  
Elevators: **0**  
Core Factor: **-**  
Stories: **2**  
Typical Floor Size: **7,000 SF**  
Building FAR: **1.00**

Expenses: **2021 Tax @ \$0.55/sf**

#### Location Information

Metro Market: **Shreveport/Bossier City**

## 513-515 Spring St - Harrison Building

Property is for sale at \$465,000 (\$33.21/SF) (con't)

**UNDER  
CONTRACT**

Submarket: **CBD/CBD**  
County: **Caddo**  
CBSA: **Shreveport-Bossier City, LA**  
DMA: **Shreveport, LA-AR-TX-OK**

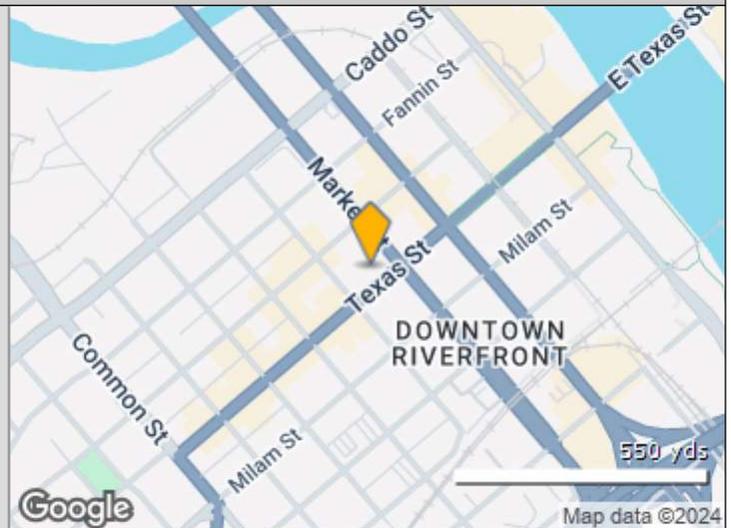
# 312 Texas St

**SOLD**

2

Shreveport, LA 71101

Sale on 8/31/2022 for \$210,000 (\$23.58/SF) - Public Record  
8,906 SF Class C Office Building Built in 1978



### Buyer & Seller Contact Info

Recorded Buyer: **Papillion Enterizes Llc**

True Buyer: -

Recorded Seller: **Shreveport-Bossier Community R  
Shreveport 312 Dg Development Llc**

True Seller: **Shreveport-Bossier Community R**

1700 Buckner St  
Shreveport, LA 71101  
(318) 222-2555

Seller Type: **Developer - National**

Listing Broker: **Coldwell Banker Commercial Apex  
Realtors**

**Denny Reedy**  
(318) 861-2461

### Transaction Details

ID: 6138742

Sale Date: **08/31/2022 (3,457 days on market)**

Escrow Length: -

Sale Price: **\$210,000-Confirmed**

Asking Price: **\$239,900**

Price/SF: **\$23.58**

Price/AC Land Gross: **\$1,500,000.00**

Percent Leased: **100.0%**

Tenancy: **Multi**

Sale Conditions: **Building in Shell Condition**

Sale Type: **Owner User**

Bldg Type: **Office**

Year Built/Age: **Built in 1978 Age: 44**

RBA: **8,906 SF**

Land Area: **0.14 AC (6,098 SF)**

Percent Improved: **45.5%**

Total Value Assessed: **\$16,500 in 2022**

Improved Value Assessed: **\$7,500**

Land Value Assessed: **\$9,000**

Land Assessed/AC: **\$64,285**

Parcel No: **181437-146-0009-00**

Document No: **000002901683**

**312 Texas St****SOLD**

8,906 SF Class C Office Building Built in 1978 (con't)

**Current Building Information**

ID: 1428528

Bldg Type:	<b>Office</b>	Bldg Status:	<b>Built in 1978</b>
Class:	<b>C</b>	RBA:	<b>8,906 SF</b>
Total Avail:	<b>0 SF</b>	% Leased:	<b>100.0%</b>
Bldg Vacant:	<b>0 SF</b>	Rent/SF/Yr:	<b>-</b>
Tenancy:	<b>Single</b>	Elevators:	<b>0</b>
Owner Type:	<b>-</b>	Core Factor:	<b>-</b>
Owner Occupied:	<b>No</b>	Stories:	<b>2</b>
Zoning:	<b>B-4</b>	Typical Floor Size:	<b>4,453 SF</b>
Land Area:	<b>0.14 AC</b>	Building FAR:	<b>1.46</b>
		Const Type:	<b>Masonry</b>
Expenses:	<b>2021 Tax @ \$0.31/sf</b>		
Parking:	<b>5 Surface Spaces are available; Ratio of 0.56/1,000 SF</b>		
Amenities:	<b>Security System</b>		

**Location Information**

Metro Market: **Shreveport/Bossier City**  
 Submarket: **CBD/CBD**  
 County: **Caddo**  
 CBSA: **Shreveport-Bossier City, LA**  
 DMA: **Shreveport, LA-AR-TX-OK**

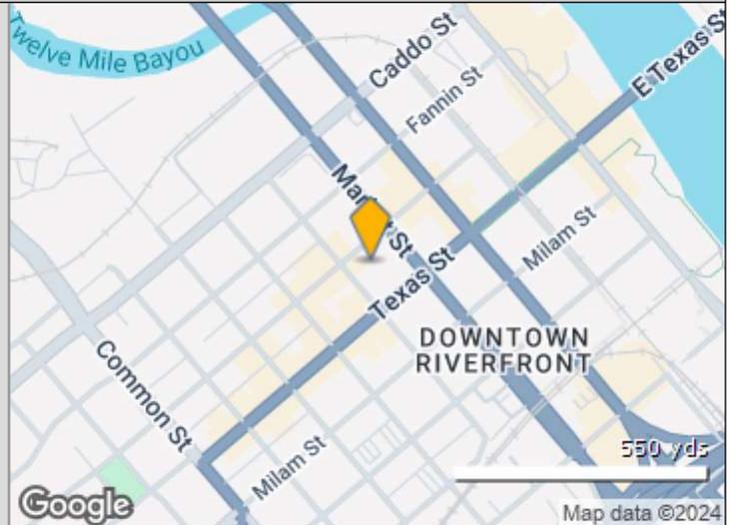
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### 401 Edwards St - Louisiana Tower

**SOLD**

Shreveport, LA 71101

Sale on 12/29/2021 for \$7,500,000 (\$21.74/SF) - Research Complete  
345,000 SF Class B Office Building Built in 1984



#### Buyer & Seller Contact Info

Recorded Buyer: **R.D.Sharma**  
True Buyer: **R.D.Sharma**  
**R.D. Sharma**  
361 NW 17th St  
Atlanta, GA 30363  
(770) 328-6187

Buyer Type: **Other - Private**

Recorded Seller: **LOUISIANA TOWER OPERATING LLC**  
True Seller: **Gemini Rosemont Commercial Real Estate**  
**Ian Brownlow**  
330 Garfield St  
Santa Fe, NM 87501  
(505) 992-5100

Seller Type: **Investment Manager**  
Listing Broker: **EDGE Realty Capital Markets**  
**Mart Martindale**  
(214) 545-6917  
**Wilson Stafford**  
(214) 545-6933  
**John David Cobb**  
(214) 545-6962

#### Transaction Details

ID: 5822414

Sale Date: **12/29/2021 (110 days on market)**  
Escrow Length: -  
Sale Price: **\$7,500,000-Confirmed**  
Asking Price: -  
Price/SF: **\$21.74**  
Price/AC Land Gross: **\$13,888,888.89**

Sale Type: **Investment**  
Bldg Type: **Office**  
Year Built/Age: **Built in 1984 Age: 37**  
RBA: **345,000 SF**  
Land Area: **0.54 AC (23,522 SF)**

Percent Leased: **68.4%**  
Tenancy: **Multi**  
Sale Conditions: **Auction Sale, Short Sale**

Percent Improved: **80.9%**  
Total Value Assessed: **\$1,441,653 in 2021**  
Improved Value Assessed: **\$1,166,935**  
Land Value Assessed: **\$274,718**  
Land Assessed/AC: **\$508,737**

No. of Tenants: **33**

**401 Edwards St - Louisiana Tower****SOLD**

345,000 SF Class B Office Building Built in 1984 (con't)

Tenants at time of sale: **Allied Universal; Benefit Consultants of North Louisiana; Bonton Associates; Bradley Murchison; Brown Petroleum; Bundero Investment Company; Casten & Pearce, APLC; CGM Insurance; Cheesecakes & More Deli; Choice Copy Service; Clark Energy; Clark Energy Company, Inc.; Community Foundation; Douglas Parking LLC; Drug Enforcement Administration; Fairway Partners; Graphic Arts Credit Union; Hargrove, Smelley & Strickland; Infrastructure Rehabilitation, Inc.; Kinsey Interest; Latter & Blum Inc.; Marlin Exploration, LLC; Merrill; Nelson Energy Inc; New York Life Insurance Company; Sklar Exploration Company, LLC; Stephens Inc.; Sugar Lou's Southern Creole Cuisine; Sunland Production Co; TDX Energy LLC; Technologix Group, LLC; Thomas Soileau Jackson Cole; Warren & Baker LLC**

Parcel No: **181437-146-0031-00, 181437-146-9031-00**  
 Document No: **2867981**  
 Sale History: **Sold on 5/19/2022**  
**Sold for \$7,500,000 (\$21.74/SF) on 12/29/2021**  
**Portfolio sale of 144 properties sold for \$2,000,000,000 on 8/22/2015**  
**Sold on 4/28/2011 Non-Arms Length**

**Transaction Notes**

On December 29th 2021 the Louisiana Tower in Shreveport, LA sold. The seller was Louisiana Tower Operating LLC and they were represented by Mart Martindale, Wilson Stafford, John David Cobb with Edge Capital Markets. The buyer of the 345,000 square foot office building was R.D. Sharma.

**Income Expense Data**

<b>Expenses</b>	- Taxes	<b>\$45,603</b>
	- Operating Expenses	
	<b>Total Expenses</b>	<b>\$45,603</b>

**Current Building Information**

ID: 1443720

Bldg Type: <b>Office</b>	Bldg Status: <b>Built in 1984</b>
Class: <b>B</b>	RBA: <b>345,000 SF</b>
Total Avail: <b>110,083 SF</b>	% Leased: <b>68.1%</b>
Bldg Vacant: <b>110,083 SF</b>	Rent/SF/Yr: <b>\$15.51</b>
Tenancy: <b>Multi</b>	Elevators: <b>7 with 1 frt</b>
Owner Type: <b>-</b>	Core Factor: <b>17.0%</b>
Owner Occupied: <b>No</b>	Stories: <b>21</b>
Zoning: <b>B-4</b>	Typical Floor Size: <b>16,429 SF</b>
Land Area: <b>0.54 AC</b>	Building FAR: <b>14.67</b>
	Const Type: <b>Steel</b>
Expenses: <b>2021 Tax @ \$0.13/sf</b>	
Parking: <b>453 Covered Spaces are available; Ratio of 1.31/1,000 SF</b>	
Amenities: <b>24 Hour Access, Balcony, Banking, Bus Line, Conferencing Facility, Property Manager on Site, Restaurant, Security System</b>	

**Location Information**

Second Address: **333 Travis St**  
 Metro Market: **Shreveport/Bossier City**  
 Submarket: **CBD/CBD**  
 County: **Caddo**  
 CBSA: **Shreveport-Bossier City, LA**  
 DMA: **Shreveport, LA-AR-TX-OK**

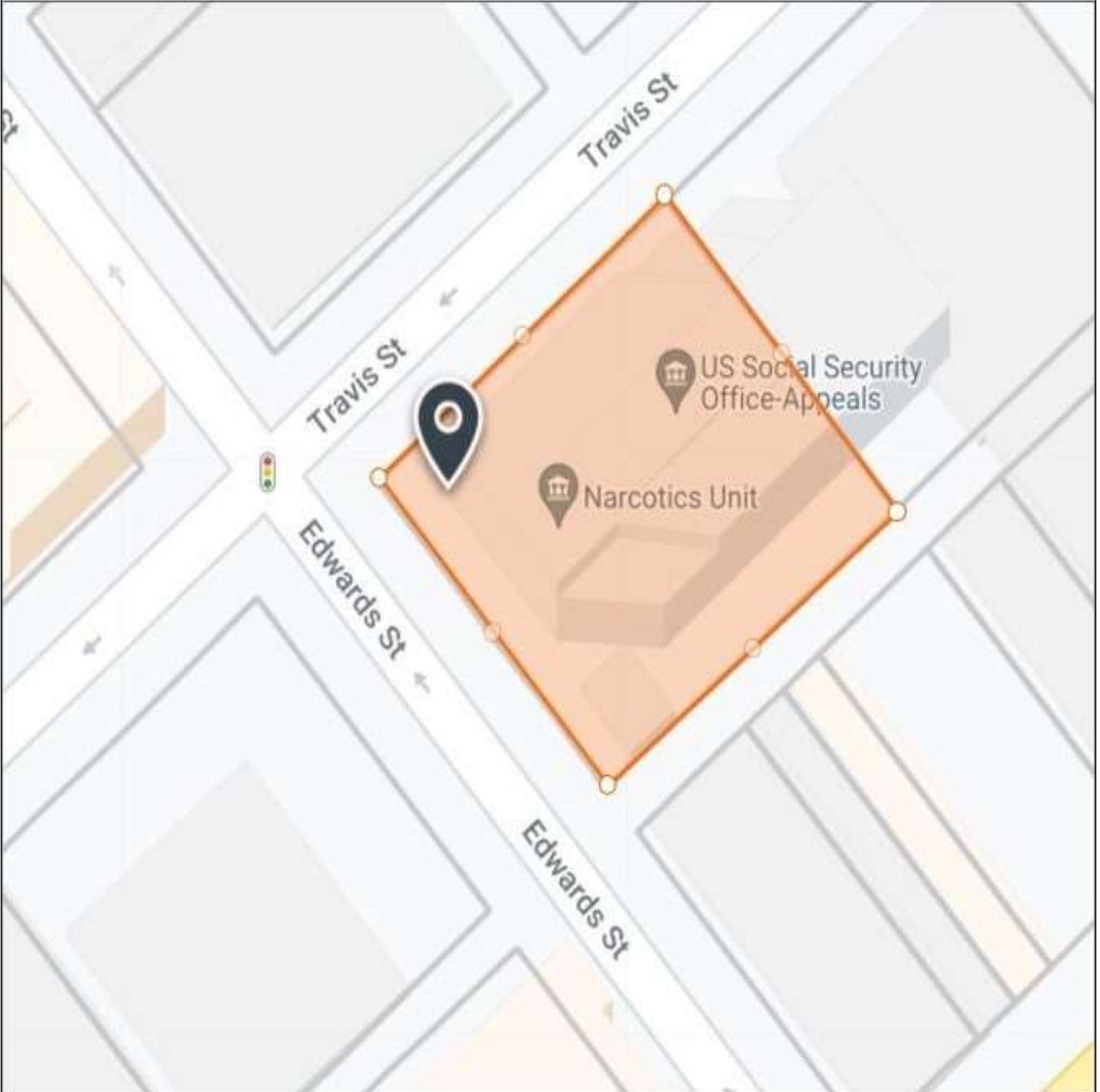
# 401 Edwards St - Louisiana Tower

**SOLD**

345,000 SF Class B Office Building Built in 1984 (con't)

Parcel Number: **181437-146-0031-00, 181437-146-9031-00**  
Legal Description: -  
County: **Caddo**

## Plat Map: 401 Edwards St



# 323 Market St - Downtown Shreveport Office Building

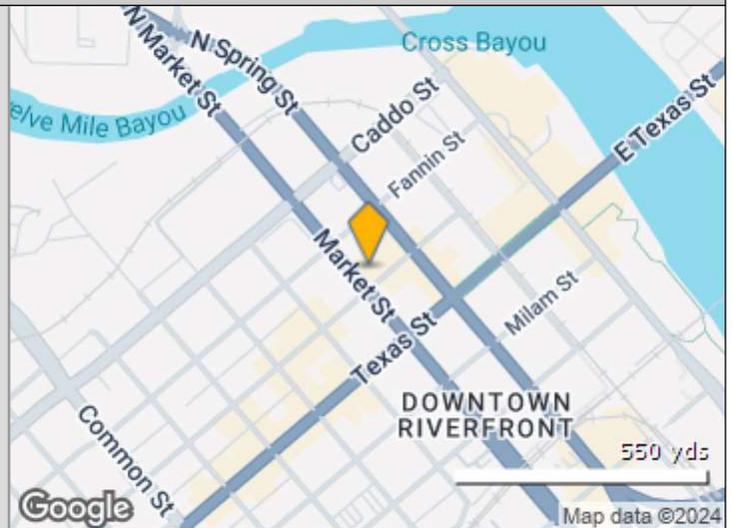
**SOLD**

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Shreveport, LA 71101

Sale on 10/1/2021 for \$450,000 (\$13.64/SF) - Public Record

33,000 SF Class C Office Building Built in 1970



## Buyer & Seller Contact Info

Recorded Buyer: **Dorsett Properties Lp**

220 Travis St  
Shreveport, LA 71101

True Buyer: -

Recorded Seller: **Kk & M L L C**

**K K & M Llc**

True Seller: **Kennys Auto Sales**

**Ken Canatella**

3105 Bert Kouns Industrial Loop  
Shreveport, LA 71118  
(318) 686-4800

Seller Type: **Developer - Regional**

Listing Broker: **Sealy & Company**

**Melissa Riddick**

(318) 698-1110

**Roland Ricou**

(318) 698-1109

## Transaction Details

ID: 5703846

Sale Date: **10/01/2021 (1,002 days on market)**

Escrow Length: -

Sale Price: **\$450,000**

Asking Price: **\$575,000**

Price/SF: **\$13.64**

Price/AC Land Gross: **\$1,607,142.86**

Percent Leased: **100.0%**

Tenancy: **Multi**

Sale Type: **Investment**

Bldg Type: **Office**

Year Built/Age: **Built in 1970 Age: 51**

RBA: **33,000 SF**

Land Area: **0.28 AC (12,197 SF)**

Percent Improved: **52.3%**

Total Value Assessed: **\$20,738 in 2020**

Improved Value Assessed: **\$10,838**

Land Value Assessed: **\$9,900**

Land Assessed/AC: **\$35,357**

No. of Tenants: **1**

Tenants at time of sale: **Oj Relaxing Soot**

**323 Market St - Downtown Shreveport Office Building****SOLD**

33,000 SF Class C Office Building Built in 1970 (con't)

Parcel No: **181437-158-0037-00**  
Document No: **000002856004****Income Expense Data**

<b>Expenses</b>	- Taxes	<b>\$3,442</b>
	- Operating Expenses	
	<b>Total Expenses</b>	<b>\$3,442</b>

**Current Building Information**

ID: 5890181

Bldg Type: <b>Office</b>	Bldg Status: <b>Built in 1970</b>
Class: <b>C</b>	RBA: <b>33,000 SF</b>
Total Avail: <b>0 SF</b>	% Leased: <b>100.0%</b>
Bldg Vacant: <b>0 SF</b>	Rent/SF/Yr: <b>-</b>
Tenancy: <b>Multi</b>	Elevators: <b>0</b>
Owner Type: <b>-</b>	Core Factor: <b>-</b>
Owner Occupied: <b>No</b>	Stories: <b>3</b>
Zoning: <b>D-1CBD</b>	Typical Floor Size: <b>10,800 SF</b>
Land Area: <b>0.28 AC</b>	Building FAR: <b>2.71</b>
	Const Type: <b>Reinforced Concrete</b>

Property Mix: **Office** ( )  
**General Retail** ( )  
Expenses: **2021 Tax @ \$0.10/sf, 2011 Est Tax @ \$0.09/sf; 2012 Est Ops @ \$0.39/sf**  
Parking: **7 Surface Spaces are available; Ratio of 0.21/1,000 SF**  
Amenities: **Security System**

**Location Information**

Cross Street: **Travis Street**  
Metro Market: **Shreveport/Bossier City**  
Submarket: **CBD/CBD**  
County: **Caddo**  
CBSA: **Shreveport-Bossier City, LA**  
DMA: **Shreveport, LA-AR-TX-OK**

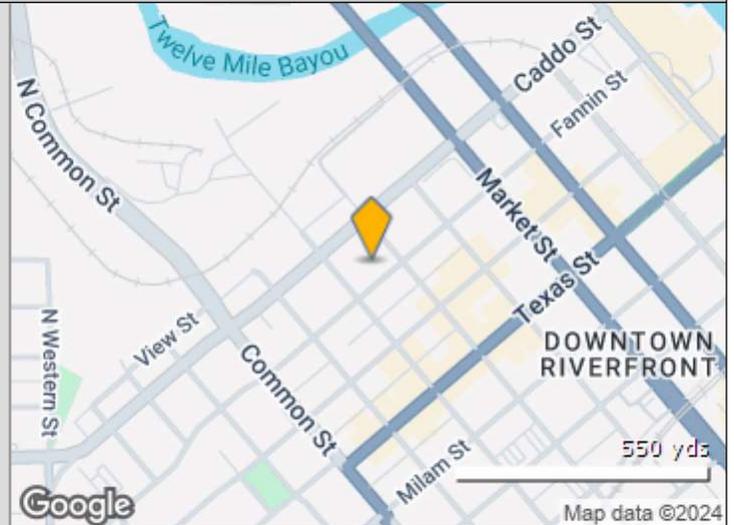
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### 500 Fannin St

**SOLD**

Shreveport, LA 71101

Sale on 9/2/2022 for \$1,750,000 (\$11.50/SF) - Research Complete  
152,205 SF Class C Office Building Built in 1974



#### Buyer & Seller Contact Info

Recorded Buyer: **Office Facilities Corporation**  
 True Buyer: **State Of Louisiana**  
**Jay Dardenne**  
 1201 N Third St  
 Baton Rouge, LA 70802  
 (800) 354-9548

Buyer Type: **Government**  
 Buyer Broker: **No Buyer Broker on Deal**

Recorded Seller: **Louisiana College**  
 True Seller: **Louisiana College**  
**Stephen Morehart**  
 1140 College Dr  
 Pineville, LA 71359  
 (318) 487-7728

Seller Type: **Educational**  
 Listing Broker: **Beth King Real Estate, LLC**  
**Beth King**  
 (318) 636-8500

#### Transaction Details

ID: 6138574

Sale Date: **09/02/2022 (3,424 days on market)**  
 Escrow Length: -  
 Sale Price: **\$1,750,000-Confirmed**  
 Asking Price: **\$2,995,000**  
 Price/SF: **\$11.50**  
 Price/AC Land Gross: **\$744,680.85**

Percent Leased: **100.0%**

Sale Type: **Investment**  
 Bldg Type: **Office**  
 Year Built/Age: **Built in 1974 Age: 48**  
 RBA: **152,205 SF**  
 Land Area: **2.35 AC (102,366 SF)**

Percent Improved: **84.6%**  
 Total Value Assessed: **\$53,192 in 2022**  
 Improved Value Assessed: **\$45,000**  
 Land Value Assessed: **\$8,192**  
 Land Assessed/AC: **\$3,485**

Financing: **Down payment of \$0.00 (0.0%)**  
 Parcel No: **181437-125-0023-00**  
 Document No: **2901655**  
 Sale History: **Sold for \$1,750,000 (\$11.50/SF) on 9/2/2022**  
**Sold for \$400,000 (\$2.63/SF) on 2/11/2011**

**500 Fannin St****SOLD**

152,205 SF Class C Office Building Built in 1974 (con't)

**Transaction Notes**

On 9/2/2022, the Louisiana College sold the 152,205-square-foot office property to the State of Louisiana for \$1.75 million. The Class B office property was built in 1974, and sits on a 2.35-acre parcel of land at the corner of Fannin Street and Marshall Street. It is unknown at this time of the publication if the buyer was represented by an agent in the transaction. Details of the sale were confirmed by the listing broker.

**Current Building Information**

ID: 5949167

Bldg Type:	<b>Office</b>	Bldg Status:	<b>Built in 1974</b>
Class:	<b>C</b>	RBA:	<b>152,205 SF</b>
Total Avail:	<b>0 SF</b>	% Leased:	<b>100.0%</b>
Bldg Vacant:	<b>0 SF</b>	Rent/SF/Yr:	<b>-</b>
Tenancy:	<b>Multi</b>	Elevators:	<b>4</b>
Owner Type:	<b>Government</b>	Core Factor:	<b>-</b>
Owner Occupied:	<b>No</b>	Stories:	<b>8</b>
Zoning:	<b>D-1-CBD</b>	Typical Floor Size:	<b>19,026 SF</b>
Land Area:	<b>2.35 AC</b>	Building FAR:	<b>1.49</b>
Lot Dimensions:	<b>320x320</b>	Const Type:	<b>Reinforced Concrete</b>
Expenses:	<b>2021 Tax @ \$0.06/sf</b>		
Parking:	<b>220 Surface Spaces are available; 80 Covered Spaces are available; Ratio of 1.97/1,000 SF</b>		
Amenities:	<b>Reception</b>		

**Location Information**

Metro Market: **Shreveport/Bossier City**  
 Submarket: **CBD/CBD**  
 County: **Caddo**  
 CBSA: **Shreveport-Bossier City, LA**  
 DMA: **Shreveport, LA-AR-TX-OK**

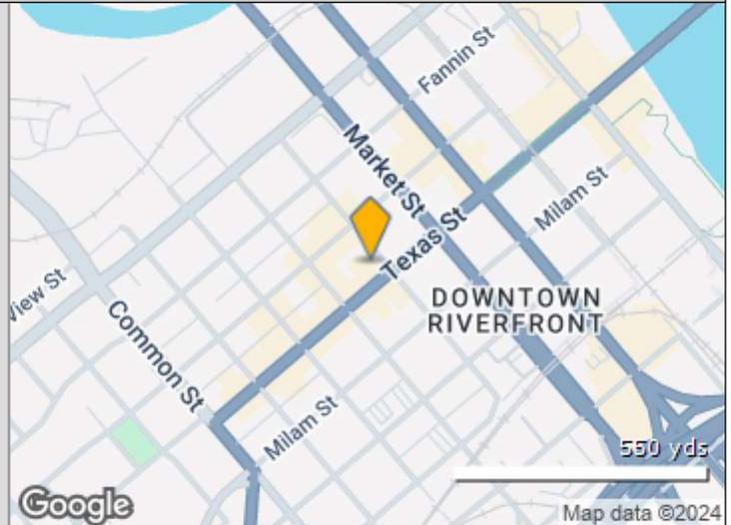
# 400 Texas St - Chase

**SOLD**

6

Shreveport, LA 71101

Sale on 12/5/2022 for \$2,214,500 (\$10.91/SF) - Research Complete  
203,000 SF Class A Office Building Built in 1976, Renov 2013



### Buyer & Seller Contact Info

Recorded Buyer: **Lafitte Investments, L.L.C.**  
 True Buyer: **North American Land Development Corporation**  
**Joseph Hakim**  
 3030 Aurora Ave  
 Monroe, LA 71201  
 (318) 338-3127

Buyer Type: **Developer - Regional**  
 Buyer Broker: **Sealy & Company**  
**Joseph Fleming**  
 (318) 698-1108

Recorded Seller: **The Arena Group, LP**  
 True Seller: **Boxer Property**  
**Andrew Segal**  
 7324 Southwest Fwy  
 Houston, TX 77074  
 (713) 777-7368

Seller Type: **Developer - National**  
 Listing Broker: **EDGE Realty Capital Markets**  
**Mart Martindale**  
 (214) 545-6917  
**John David Cobb**  
 (214) 545-6962  
**Sealy & Company**  
**Joseph Fleming**  
 (318) 698-1108

### Transaction Details

ID: 6236778

Sale Date:	<b>12/05/2022 (80 days on market)</b>	Sale Type:	<b>Investment</b>
Escrow Length:	-	Bldg Type:	<b>Office</b>
Sale Price:	<b>\$2,214,500-Confirmed</b>	Year Built/Age:	<b>Built in 1976, Renov 2013 Age: 46</b>
Asking Price:	-	RBA:	<b>203,000 SF</b>
Price/SF:	<b>\$10.91</b>	Land Area:	<b>2.45 AC (106,722 SF)</b>
Price/AC Land Gross:	<b>\$903,877.55</b>		
Percent Leased:	<b>100.0%</b>	Percent Improved:	<b>93.8%</b>
Tenancy:	<b>Multi</b>	Total Value Assessed:	<b>\$673,429 in 2022</b>
Sale Conditions:	<b>Auction Sale</b>	Improved Value Assessed:	<b>\$631,429</b>
		Land Value Assessed:	<b>\$42,000</b>
		Land Assessed/AC:	<b>\$17,142</b>

No. of Tenants: 6

**400 Texas St - Chase****SOLD**

203,000 SF Class A Office Building Built in 1976, Renov 2013 (con't)

Tenants at time of sale: **Brammer Engineering, Inc.; Bureau of Alcohol, Tobacco Firearms & Explosives; Dept Of Homeland Security; Hunt Guillot & Associates Llc; Leavitt Group-Risk Services Of Louisiana; Pettiette Armand Dunkelman**

Parcel No: **181437-139-0023-00**  
 Document No: **2912180**  
 Sale History: **Sold for \$2,214,500 (\$10.91/SF) on 12/5/2022**  
**Sold for \$2,100,000 (\$10.34/SF) on 11/20/2019 Non-Arms Length**

**Transaction Notes**

On December 5, 2022, this 203,787 square foot Office Building at 400 Texas St was sold for \$2,214,500. This Class B Office Building was built in 1976 and renovated in 2013. The property sits on 2.45 acres.

This property was sold in an auction sale, and the buyer was motivated to acquire the high-vacancy property due to a great deal on the building itself.

All details mentioned above were verified and deemed correct by sources deemed reliable.

**Current Building Information**

ID: 5952437

Bldg Type: <b>Office</b>	Bldg Status: <b>Built in 1976, Renov 2013</b>
Class: <b>A</b>	RBA: <b>203,000 SF</b>
Total Avail: <b>130,038 SF</b>	% Leased: <b>35.9%</b>
Bldg Vacant: <b>130,038 SF</b>	Rent/SF/Yr: <b>\$12.69</b>
Tenancy: <b>Multi</b>	Elevators: <b>0</b>
Owner Type: <b>Developer - Regional</b>	Core Factor: <b>-</b>
Owner Occupied: <b>No</b>	Stories: <b>15</b>
Zoning: <b>B-4</b>	Typical Floor Size: <b>16,399 SF</b>
Land Area: <b>2.45 AC</b>	Building FAR: <b>1.90</b>
	Const Type: <b>Masonry</b>
Expenses: <b>2021 Tax @ \$0.55/sf</b>	
Parking: <b>330 Reserved Spaces are available; Ratio of 1.34/1,000 SF</b>	
Amenities: <b>24 Hour Access, Property Manager on Site, Security System</b>	

**Location Information**

Metro Market: **Shreveport/Bossier City**  
 Submarket: **CBD/CBD**  
 County: **Caddo**  
 CBSA: **Shreveport-Bossier City, LA**  
 DMA: **Shreveport, LA-AR-TX-OK**