REAACVAL File 4601

Appraisal Report

On

Real Property

Vacant Land
NEC Greenwood Road @ Missouri Avenue
Shreveport, Louisiana

As of

February 20, 2019

Prepared for

Mr. Malcolm Stadtlander, Administrator
Department of Engineering and Environmental Services
Property Management Section
City of Shreveport
505 Travis Street, Suite 300
Shreveport, Louisiana 71101

Client File: Fire Station Tract

Prepared By

Robert L. Russell, MAI, SRA, AI-GRS
Real Estate Appraisal, Analysis, Counseling, Valuation, and Review
Post Office Box 52075
Shreveport, Louisiana 71135-2075

Email:
rob@reaacval.com

Website:
www.reaacval.com

USPAP 2018-2019 Effective 01/2018

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

Real Estate Appraisal, Analysis, Counseling, Valuation and Review
Mailing Address:
Post Office Box 52075
Shreveport, Louisiana 71135-2075

Delivery Address:
1941 East 70th Street
Shreveport, Louisiana 71105

w3w: starter.final.fully

email: rob@reaacval.com

website: www.reaacval.com

Louisiana State Certified General
Appraiser License #2
MAI, SRA, AI-GRS- Appraisal Institute

Telephone: +1.318.798.6993
Fax: +1.318.798.6995
Toll-Free: +1.800.621.9398

March 24, 2019

Mr. Malcolm Stadtlander, Administrator
Department of Engineering and Environmental Services
Property Management Section
City of Shreveport
505 Travis Street, Suite 300
Shreveport, Louisiana 71101

Re: Client File: Fire Station Tract
File 4601
Appraisal Report
Real Property
Vacant Land
NEC Greenwood Road @ Missouri Avenue
Shreveport, Louisiana

Dear Mr. Stadtlander:

In this report, one can find 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, 57 numbered pages, plus other pages, and related exhibits.

The property is as follows.

The site contains approximately 56,400 square feet, assuming the adjacent alleys have been closed, and is described without benefit of a survey. The shape is irregular. It fronts about 230 feet on the north side of Greenwood Road @ Missouri Avenue, with a depth of about 400 feet. It also fronts on the east side of Missouri Avenue. The valuer is not aware of any factors that imply adverse easements, encroachments, or significant site instability. The site is level and at grade. It has service by public utilities. It is zoned I-C Institutional Campus Zoning District, and the current use seems compliant.

Appraisers, also known as valuers are not professionals at inspection, law, or engineering; one assumes a prudent intended user obtains relevant opinions regarding flood status, ownership, property descriptions, and zoning conformance.

Improvements include gravel parking of no value, the Greenwood Road frontage was at one time a restaurant, and historical aerials show four or five residences on the Missouri lots. All improvements, except the gravel and asphalt parking, are removed.

The property description:

Lots 16-28, Block 9, Queensborough Annex Subdivision, in Caddo Parish, Louisiana, with noted deeds referring to AC 002 2532561, 2535647 (Abandoned Penick Road and Abandoned Alley).

The undersigned visually observed the property, on February 20, 2019. This general viewing gave evidence as to the pertinent characteristics relevant to market value. Practically speaking, with any brief visit, observation is limited.

The market anticipates that the property, as vacant land, should sell after 12-36 months of proper marketing. Development of commercially viable tracts generally occurs at about 12 months or so, after purchase. Construction is usually either for owner occupancy or pre-leased tenancy, both relatively immediate. Speculative construction is less likely, and for moderate sized projects, absorption taking longer than 12-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 or regional investor or owner occupant. The likely use is as a speculative or retail property.

This property is effectively vacant land. As of the date of value, the most probable buyer of this property is a local or regional investor or owner occupant. The likely use is as a speculative or retail property. The property uses in the vicinity are typical of the neighborhood. They include some relatively recent construction of retail, medical related offices and in the larger neighborhood, various generic dollar store properties. As a vacant site, the highest and best use is speculative, with construction anticipated in the future. The site currently is Vacant Land. This value estimate 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 vacant development tract, with removal of the gravel and asphalt-parking encumbrance. The interest appraised usually influences the value estimate. The interest appraised herein is the fee simple estate, excluding minerals. Abnormal deviations from typical professional practice in this assignment or special assignment conditions affecting a credible result, given the context of the intended use of this report include-None. 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 real property rights cannot be estimated as easily. An appraisal should consider the possibility of all three.

Exposure time for this property type, in the local market, is 29 months. The procedures necessary to arrive at credible conclusions are considered. The intended use of this report is for negotiated sale, trading or donation 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. The report considers flood zone maps. However, those maps can be ambiguous, difficult to interpret, and subject to periodic change. The site is not 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 plain 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 22017C0456H, dated May 19, 2014.

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. 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. 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 alone developed the conclusions found herein.

The effective date of the opinion of market value of the property is February 20, 2019.

Market Value	**As is**
Land Value	$338,000
Demolition Costs	$18,000
Total Value	$320,000

The analysis makes some assumptions that are assignment specific.

This analysis is for the sole use and benefit of City of Shreveport. This fee simple analysis assumes any information provided by the owner, client, or any others is accurate. The value assumes the areas in the adjacent alleys are a part of the ownership. 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 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. **The assumption made in developing the estimate of value; no adverse environmental issues are present.** A Phase 1 environmental inspection, at a minimum, is prudent and typically recommended. 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.

Thank you for allowing this firm the opportunity to be of service to you.

Sincerely,

Robert L. Russell, MAI, SRA, AI-GRS
Louisiana Certified General Real
Estate Appraiser License #G002

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ADDENDA

REAACVAL

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 $2,800.00**.** The undersigned paid no inducements of any type in order to procure this work.
3. The undersigned visually observed the property, on February 20, 2019. 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 comparables.
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 client should know that 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 Uniform Standards of Professional Appraisal Practice (**USPAP**). For the purposes of standards and regulatory compliance, the Certified General and General Certified designations are synonymous, within the regulations and rules of the Louisiana Real Estate Appraiser's Board (LREAB), the Uniform Standards of Professional Appraisal Practice (USPAP), the Appraisal Practices Board (APB), the Appraiser Qualifications Board (AQB), and the Appraisal Standards Board (ASB). It also conforms to Title XI Regulations and the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) updated in 1994 and further updated by the Interagency Appraisal and Evaluation Guidelines of 2010.
8. Robert L. Russell alone 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, 2022.
11. We do not authorize 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** in type 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. 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.
17. I certify that, to the best of my knowledge and belief, my analyses, opinions and conclusions were developed, and this Report complies with **Standards of Valuation Practice**.

March 24, 2019

Robert L. Russell, MAI, SRA, AI-GRS
Louisiana Certified General Real
Estate Appraiser License #G002

REAACVAL

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, is not found in the state constitution. Any references to "fee simple" made to facilitate communication, are not facts in need of correction or revision.
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 date of its physical viewing.
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.
9. Costs to complete construction projects consider **data provided by others** and assumed by the valuer to be accurate and complete.
10. It is an inherent recommendation to obtain a qualified engineer, architect, or other Americans with Disabilities Act (**ADA**) expert to evaluate the property to determine the level of compliance and estimate the cost to bring the property into compliance, if necessary. The conclusions in this analysis assume the property is in ADA compliance.
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 is Vacant Land. This value estimate 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 vacant development tract, with removal of the gravel and asphalt-parking encumbrance.
14. Abnormal **deviations from typical professional practice** in this assignment or special assignment conditions affecting a credible result, given the context of the intended use of this report include-None.

The analysis makes some assumptions that are assignment specific.

This analysis is for the **sole use and benefit** of City of Shreveport. This fee simple analysis assumes any information provided by the owner, client, or any others is accurate. The value assumes the areas in the adjacent alleys are a part of the ownership. 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.

March 24, 2019

Robert L. Russell, MAI, SRA, AI-GRS
Louisiana Certified General Real
Estate Appraiser License #G002

REAACVAL

Professional Qualifications

ROBERT L. RUSSELL, MAI, SRA, AI-GRS
WEBSITE: www.reaacval.com
EMAIL: rob@reaacval.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-Exam Passed

1976 - Course 1-A, Houston, Texas - Appraisal Theory and Techniques
1976 - Course 1-B, Dallas, Texas - Income Capitalization Techniques
1977 - Course 2, Memphis, Tennessee - Urban Property Appraisal
1980 - Course 4, Bloomington, Indiana - Condemnation Theory
1985 - Course 2-3, Athens, Georgia - Standards Course
2009 – Real Estate Finance, Statistics, & Valuation Modeling Course-Web Based
2014 – Review Theory-General, Chicago, Illinois-Application of the Review Process

Affiliations and Memberships

MAI, SRA, AI-GRS--MAI-February, 1982, SRA-September, 1979, and **AI-GRS-June, 2014**

Appraisal Institute Chapter, President, Shreveport Chapter (1983-84). Louisiana Chapter Secretary (2018), Treasurer (1999 & 2109), Vice President (2000), President (2001), Board of Directors (2015), Treasurer (2019). Member, National Diversity Committee (2008-2009). Candidate Advisor for MAI & AI-GRS Candidates (2015-2019).

MEMBER

Northwest Louisiana and National Association of Realtors- International Right of Way Association

Licensed

Louisiana-Certified General Real Estate Appraiser Cert. #02 and Real Estate Broker since 1977
Appointed member of Louisiana Real Estate Appraisers Board-Term 2018-2021

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. Schools attended include Shreve Island Elementary, Youree Drive Junior High, and Captain Shreve and Byrd High Schools, graduating from the latter; and for post-secondary, initially attended LSU-S, and received a Bachelor of Science from LSU (1975), a Master of Arts in Liberal Arts from LSU-S (2010), and a Master of Business Administration from Centenary College (2012).

REAL ESTATE EXPERIENCE

Experienced in real estate appraisal since January 1976: and self-employed since 1984, with completion of over 5,100 appraisals. Appraiser is qualified as an expert witness in several District Courts, 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 12/31/22. Appraisal Institute Transcript, Clients and Assignment List, are available on request.


Appraisal Institute

MEMBER PROFILE

Robert L. Russell, MAI, SRA, AI-GRS
www.reaacval.com
Robert L. Russell, MAI, SRA
Owner
P.O. Box 52075
Shreveport, LA 71135-2075
1941 E. 70th St. (71105)
(318) 798-6993
Fax: (318) 798-6995
Cell: (318) 455-7390
rob@reaacval.com
Continuing Education Program Completed
Standards & Ethics Education Completed
Accepts Fee Assignments

http://www.myappraisalinstitute.org/findappraiser/show_Member_Profile.aspx?p=iJkiu2Fs5KDKXPeSTZfM0Lr6NFvTqWvXBit2x740it

Summary of Conclusions

ASSIGNMENT CLIENT:	City of Shreveport
SIGNIFICANT ANALYSIS DATES	
DATE OF LETTER:	March 24, 2019
DATE OF VISIT TO PROPERTY:	February 20, 2019
EFFECTIVE DATE OF ANALYSIS:	February 20, 2019
REPORT TYPE:	Appraisal Report
ANALYSIS TYPE:	Real Property
PROPERTY NAME:	Vacant Land
PROPERTY LOCATION:	NEC Greenwood Road @ Missouri Avenue Shreveport, Louisiana
LAND DESCRIPTION:	The site contains approximately 56,400 square feet, assuming the adjacent alleys have been closed, and is described without benefit of a survey. The shape is irregular. It fronts about 230 feet on the north side of Greenwood Road @ Missouri Avenue, with a depth of about 400 feet. It also fronts on the east side of Missouri Avenue. The valuer is not aware of any factors that imply adverse easements, encroachments, or significant site instability. The site is level and at grade. It has service by public utilities. It is zoned I-C Institutional Campus Zoning District, and the current use seems compliant.
IMPROVEMENT DESCRIPTION:	Improvements include gravel parking of no value, the Greenwood Road frontage was at one time a restaurant, and historical aerials show four or five residences on the Missouri lots. All improvements, except the gravel and asphalt parking, are removed.
HIGHEST AND BEST USE:	The four criteria of highest and best use are legal permissibility, physical possibility, financial feasibility, and maximum profitability. As a vacant site, the highest and best use is speculative, with construction anticipated in the future. The site currently is Vacant Land. This value estimate 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 vacant development tract, with removal of the gravel and asphalt-parking encumbrance.

PROPERTY INTEREST APPRAISED: The interest appraised usually influences the value estimate. The interest appraised herein is the fee simple estate, excluding minerals.

ESTIMATED EXPOSURE TIME: Approximately 29 months

PROPERTY VALUE CONCLUSIONS:

Market Value	As is
Land Value	$338,000
Demolition Costs	$18,000
Total Value	$320,000

The analysis makes some assumptions that are assignment specific.

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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 this report 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 negotiated sale, trading or donation 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. The effective date of the opinion of market value of the property is February 20, 2019.

The site contains approximately 56,400 square feet, assuming the adjacent alleys have been closed, and is described without benefit of a survey. The shape is irregular. It fronts about 230 feet on the north side of Greenwood Road @ Missouri Avenue, with a depth of about 400 feet. It also fronts on the east side of Missouri Avenue. The valuer is not aware of any factors that imply adverse easements, encroachments, or significant site instability. The site is level and at grade. It has service by public utilities. It is zoned I-C Institutional Campus Zoning District, and the current use seems compliant.

Improvements include gravel parking of no value, the Greenwood Road frontage was at one time a restaurant, and historical aerials show four or five residences on the Missouri lots. All improvements, except the gravel and asphalt parking, are removed.

Exposure time for this property type, in the local market, is 29 months. The procedures necessary to arrive at credible conclusions are considered. The intended use of this report is for negotiated sale, trading or donation 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. The report considers flood zone maps. However, those maps can be ambiguous, difficult to interpret, and subject to periodic change. The site is not 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 plain 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 22017C0456H, dated 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 Work Paper File 4601, and Electronic files in various office folders, that begin with that number, including photographs, other reports, and spreadsheets. General Support found in Paper and Electronic files under the number 4700, is a part of this analysis, as applicable.

As a vacant site, the highest and best use is speculative, with construction anticipated in the future. The site currently is Vacant Land. This value estimate 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 vacant development tract, with removal of the gravel and asphalt-parking encumbrance.

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 estimate 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. 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. Another owner for purchase of a replacement site has approached the owner of this property. This property may be part of a trade. No prices have been discussed as far as one knows. This property has been assembled over many years, as is shown herein.

Date	Address	Subdivision	Lot & Block	Price	Vendor	Vendee	Size	PSF
8/27/93	2756 Greenwood Road-F&B*	QUEENSBOROUGH ANNEX	L16-23 blk 9*		Sherman G Knowles	Willis Knighton	29,300	
10/5/11	3019 Missouri St-Res	QUEENSBOROUGH ANNEX	L24 blk 9	$26,700	CLEO E WILSON	Willis Knighton	5,200	$5.13
5/1/12	3011 Missouri St-Res	QUEENSBOROUGH ANNEX	L26 blk 9	$26,000	Doris Marie Rochel	Willis Knighton	4,800	$5.42
11/26/2014	3015 Missouri St-Res	QUEENSBOROUGH ANNEX	L25 blk 9	$60,000	Ikazi Inc	Willis Knighton	4,800	$12.50
9/4/1992	3003 Missouri St-Vac	QUEENSBOROUGH ANNEX	L28 blk 9	$15,000	Kintzing, Betty	Willis Knighton	4,800	$3.13
10/31/2014	3007 Missouri St-Res	QUEENSBOROUGH ANNEX	L27 blk 9	$45,000	Hammack Properties	Willis Knighton	4,800	$9.38
3/24/1986	2756 Greenwood Road-F&B*	QUEENSBOROUGH ANNEX	L16-23 blk 9*	$130,000	John Samuel Welsh	Sherman G Knowles	29,300	
	*** Triple X Restaurant**			$302,700		As Described Lots	53,700	$5.64
						As is Now	56,400	$5.37

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 analysis makes some assumptions that are assignment specific.

This analysis is for the sole use and benefit of City of Shreveport. This fee simple analysis assumes any information provided by the owner, client, or any others is accurate. The value assumes the areas in the adjacent alleys are a part of the ownership. 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.

REAACVAL

Definition of Market Value

Market value is the major focus of most real property analysis assignments; developing an estimate of market value is the goal of most appraisal assignments. The following definition of market value is used by agencies that regulate federally insured financial institutions in the United States. (TARE page 59) 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

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

DERIVATION
Many definitions of market value derive from a decision by the California Supreme Court, in an eminent domain case (Sacramento Railroad Company vs. Heilbron, 156 Calif. 408, 1909). The definition reads: "The **highest** price in terms of money which a property will bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently, knowledgeably, and assuming the price is not affected by undue stimulus". Over the years, the definition evolved to the most **probable** price.

This value definition is similar to, produces a similar conclusion to the following:

The fair market value is the price at which the property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy or to sell and both having reasonable knowledge of relevant facts. **Treasury Regulations §20.2031-1(b)**

In federal acquisitions except leasehold acquisitions, appraisers use the following federal definition of market value. Market value is the amount in cash, or on terms reasonably equivalent to cash, for which in all probability the property would have sold on the effective date of value, after a reasonable exposure time on the open competitive market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither acting under any compulsion to buy or sell, giving due consideration to all available economic uses of the property. **Source UASFLA-2017**

Louisiana Revised Statute § 47:2321
Fair market value is the price for property which would be agreed upon between a willing and informed buyer and a willing and informed seller under usual and ordinary circumstances; it shall be the highest price estimated in terms of money which property will bring if exposed for sale on the open market with reasonable time allowed to find a purchaser who is buying with knowledge of all the uses and purposes to which the property is best adapted and for which it can be legally used.

The Uniform Standards of Professional Appraisal Practice (USPAP), is published by The Appraisal Foundation, a nonprofit educational organization at the following URL: http://www.appraisalfoundation.org/htm/USPAP2004/toc.htm The Uniform Appraisal Standards for Federal Land Acquisitions(UASFLA) is published by the Interagency Land Acquisition Conference, at http://www.usdoj.gov/enrd/land-ack/toc.htm.

Reasonable Exposure Time is one of a series of conditions in most market value definitions. 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, directly related to a specific assignment, 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 about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of data used in an analysis.

An **Extraordinary Assumption** is an assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis.

Marketing Period and Exposure Time

The estimate 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 REACVAL second triennial study of exposure time shows the overall market requiring more time for consummation of sales, of mostly fee simple improved, properties were 16.5 months or up 4.9%. Leased fee properties generally sell in much faster time. Most of this increase is due to industrial property being 17.4 months, or up 3.7%, while office property was 9.3 months, or down 2.9% and retail at 8.9 months, up slightly at 0.1%. Land exposure time increased to 29 months or plus 2.4%. Typically, marketing periods of zero to eighteen 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 29 months.

Sales in Shreveport-Bossier		**As of 7/21/16**	**Criteria: Closed Sales at >80% of List Price**			
Exposure Time	**Date Range**	**Price Range**	**DOM Range**	**Months**	**Statistical Significance**	
All Improved					Months	
Minimum	1/28/2015	$100,000	2	0.1	(3.9)	MIN
Maximum	5/27/2016	$13,250,000	2,980	98.0	36.8	MAX
Average		$1,336,586	501	**16.5**	20.3	STDEV
Change From 2012-2013				**+4.9**		
Exposure Time	Date Range	Price Range	DOM Range	Months	Statistical Significance	
Industrial					Months	
Minimum	1/28/2015	$250,000	83	2.7	1.0	MIN
Maximum	12/23/2015	$13,250,000	1,317	43.3	33.8	MAX
Average		$2,792,500	529	**17.4**	16.4	STDEV
Change From 2012-2013				**+3.7**		
Exposure Time	Date Range	Price Range	DOM Range	Months	Statistical Significance	
Office					Months	
Minimum	1/26/2012	$79,000	87	2.9	0.5	MIN
Maximum	1/15/2013	$1,725,000	923	30.3	18.2	MAX
Average		$376,306	284	**9.3**	8.9	STDEV
Change From 2012-2013				**-2.9**		
Exposure Time	Date Range	Price Range	DOM Range	Months	Statistical Significance	
Retail					Months	
Minimum	3/30/2015	$95,000	2	0.1	(1.6)	MIN
Maximum	5/27/2016	$2,842,563	1,227	40.3	19.4	MAX
Average		$1,034,207	272	**8.9**	10.5	STDEV
Change From 2012-2013				**+0.1**		
Exposure Time	**Date Range**	**Price Range**	**DOM Range**	**Months**	**Statistical Significance**	
Land	Sales Considered	5			Months	
Minimum	1/16/2015	$80,000	4	0.1	1.5	MIN
Maximum	11/20/2015	$2,326,000	2,814	92.5	56.5	MAX
Average		$2,392,278	882	29.0	27.5	STDEV
Change From 2012-2013				**+2.4**		

REAACVAL

Location, Market Area, and Neighborhood Data

GEOGRAPHIC LOCATION

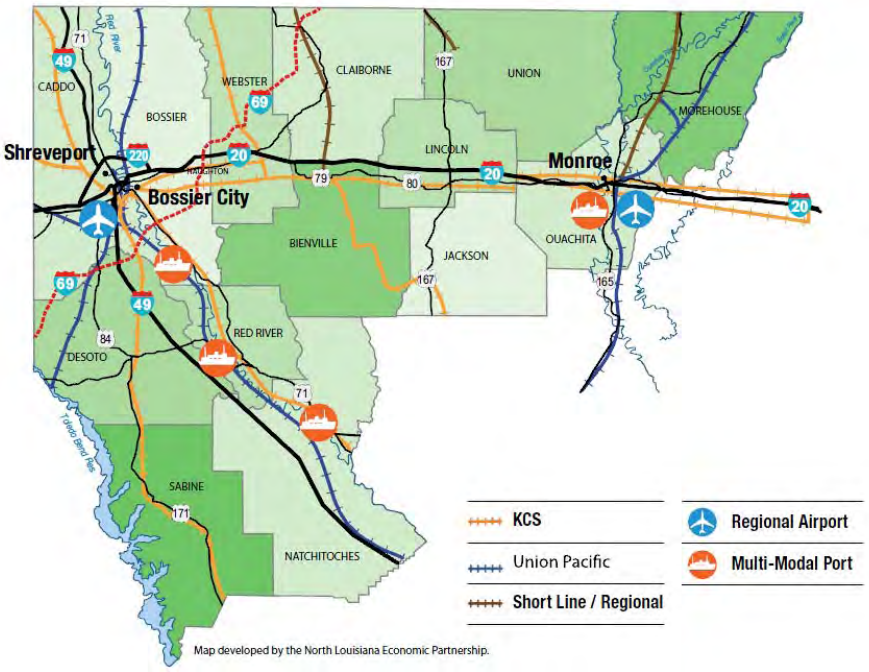
Louisiana, one of the West South Central states of the United States, bounded on the north by Arkansas, on the east by Mississippi, on the south by the Gulf of Mexico, and on the west by Texas. The Mississippi River forms a portion of the eastern border, and the Sabine River forms much of the western 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.

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 seven 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 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 there 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 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 map above shows an extended area called a CSA.

REAACVAL

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
Population	335,834	357,247	377,944	396,121	375,238	417,796	432,060
Change per Year		1.3%	1.2%	1.0%	-1.1%	0.4%	0.3%
Per Capita Income	$3,384	$5,228	$9,039	$13,032	$16,137	$22,858	$35,491
Change per Year		10.9%	14.6%	8.8%	4.8%	4.2%	5.5%
Total Employment	149,665	168,563	189,779	205,403	190,051	209,100	209,900
Change per Year		2.5%	2.5%	1.6%	-1.5%	0.1%	0.0%
Unemployment			9.0%	11.5%	5.2%	4.9%	7.7%
Average earnings /job	$5,820	$8,734	$13,721	$17,733	$20,915	$26,884	$35,235
Change per Year		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							
Population LA '000's	3,650	3,886	4,223	4,408	4,217	4,468	4,492
Change per Year		1.3%	1.7%	0.9%	-0.9%	0.1%	0.1%
Per Capita Income LA	$ 3,106	$ 4,956	$ 8,833	$ 12,121	$ 15,223	$ 22,848	$ 36,091
Change per Year		11.9%	15.6%	7.4%	5.1%	0.0%	5.8%
Per Capita Income USA	$ 4,095	$ 6,155	$ 10,183	$ 14,705	$ 19,584	$ 28,542	$ 39,626
Change per Year		10.1%	13.1%	8.9%	6.6%	0.0%	3.9%
Consumer Price Index	38.8	53.8	82.4	107.6	130.7	172.2	218.8
Change per Year		7.7%	10.6%	6.1%	4.3%	4.0%	2.7%
State Unemployment			7.3%	11.5%	6.3%	5.6%	8.2%
National Unemployment			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**
Bossier	120,039	123,165	123,894	124,894	125,588	126,057	6,018
Caddo	257,005	257,396	255,224	252,747	251,405	248,851	-8,154
De Soto	26,774	26,991	27,026	27,005	27,064	27,149	375
Webster	41,230	40,919	40,665	40,305	40,075	39,710	-1,520
Totals	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, 2017New 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 2018-2019 Louisiana Economic Outlook as developed by Loren Scott. This MSA is currently the fourth largest MSA in Louisiana with an estimated 179,200 non-farm jobs in 2017, behind Lafayette, New Orleans and Baton Rouge. Shreveport-Bossier 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), Ternium---a steel components manufacturer, and Benteler Steel, the latter two housed at the Port of Caddo Bossier. These and other tenants at the Port employ about 1,500.

Shreveport Area Economic Analysis

Bureau of Economic Analysis	Bossier	Caddo	De Soto	Webster	CSA Totals
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. However, Bossier Parish is the area leader in attracting new population. Bossier City is the best place to live in Louisiana, according to *Money Magazine*, issue of January 19, 2018.

Shreveport and Bossier City is home to the largest and most successful casino market in the state. This MSA now has six large riverboat casinos and the Harrah's Racetrack, which together employed about 5,153 people in 2017. Bossier City, is home for Barksdale Air Force Base, an employer of 9,155 military/civilian workers and an important economic driver for the area. 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.

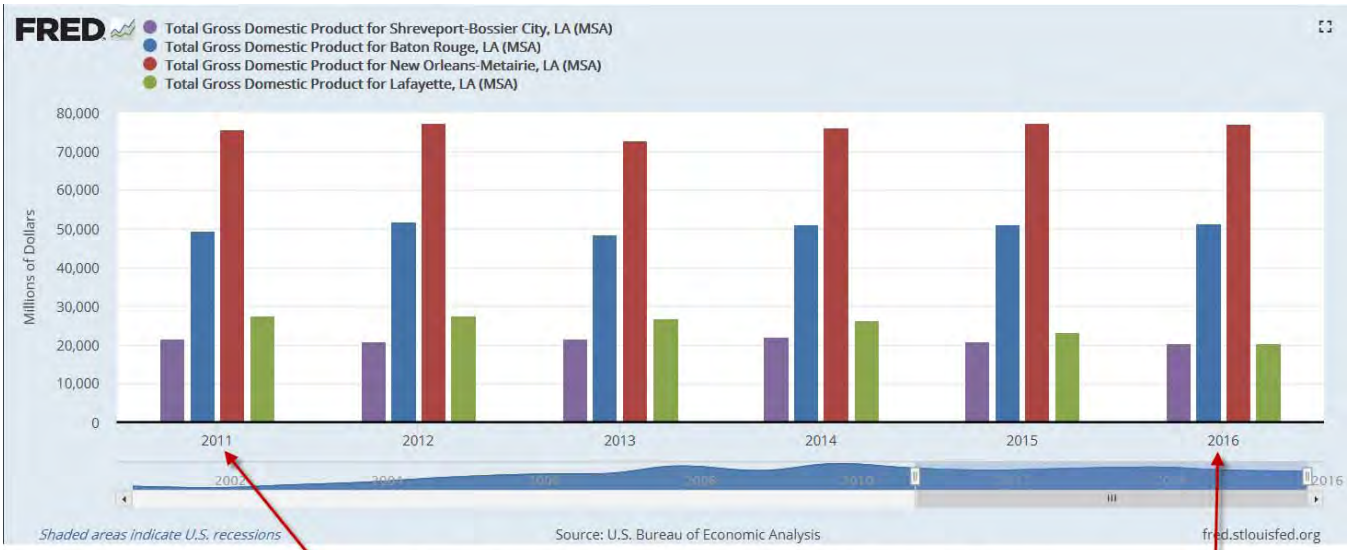
Haynesville Shale development, after peaking at 142 active rigs in April 2010, included only 16 rigs in June of 2016. A revival is now underway, with the rig count in July 2017 at 43 active rigs and rising. The Haynesville Shale is geographically close to LNG export facilities in south Louisiana and to pipelines that are exporting natural gas into Mexico. The latter is especially important because these exports are increasing exponentially as Mexico converts its electric power generation from fuel oil to natural gas.

CSRA presently has 500 employees; this unit should be at 800 by mid-2018. Eatel/Venyu 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 singed 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 areas largest employer---**Barksdale AFB**---with 6,394 military personnel and 2,530 civilian employees should have modest growth in 2018-2019. There are about 200 new employees anticipated 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 2019, 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. 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.

ECONOMIC OVERVIEW

The Shreveport-Bossier economy reached a peak in 1979 and a secondary or lesser peak again in 1984. The economy has been generally positive since the mid 1990s, though not at the booming rate found in areas that are more dynamic. All said; economic downturns in the national economy do not affect this area as much as in other areas, and over the last 6 years local and state growth has lagged the national economy. The largest economies in the state are New Orleans and Baton Rouge, with New Orleans by far the leader. Shreveport and Lafayette are at about the same level, though Shreveport is more consistent and Lafayette more cyclical, with heavy dependence on the oil industry.



Total Gross Domestic Product for Shreveport-Bossier City, LA (MSA): 2011 **21,608**

Total Gross Domestic Product for Baton Rouge, LA (MSA): 2011 **49,471**

Total Gross Domestic Product for New Orleans-Metairie, LA (MSA): 2011 **75,441**

Total Gross Domestic Product for Lafayette, LA (MSA): 2011 **27,664**

Frequency: Annual-- Total Gross Domestic Product, Millions of Dollars, Annual, Not Seasonally Adjusted

Date of Data	Shreveport MSA	Baton Rouge MSA	New Orleans MSA	Lafayette MSA	Totals	National
2011-01-01	$21,608	$49,471	$75,441	$27,664	$174,184	$15,238,371,000
2012-01-01	$20,862	$51,669	$77,396	$27,804	$177,731	$15,973,881,000
2013-01-01	$21,602	$48,357	$72,714	$26,832	$169,505	$16,475,440,000
2014-01-01	$22,074	$51,030	$76,095	$26,327	$175,526	$17,031,324,000
2015-01-01	$20,802	$51,096	$77,452	$23,282	$172,632	$17,874,715,000
2016-01-01	$20,437	$51,456	$77,163	$20,645	$169,701	$18,325,187,000
Overall Growth	-5%	4%	2%	-25%	-3%	20%

Total Gross Domestic Product for Shreveport-Bossier City, LA (MSA): 2016 **20,437**

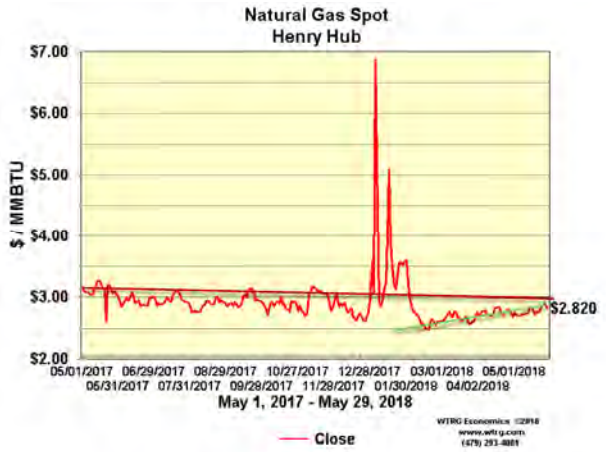
Total Gross Domestic Product for Baton Rouge, LA (MSA): 2016 **51,456**

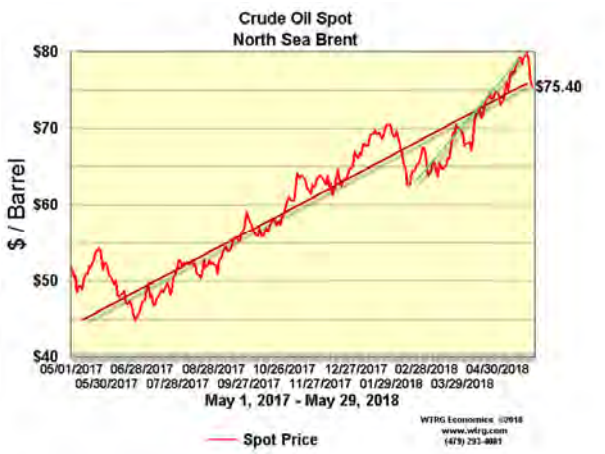
Total Gross Domestic Product for New Orleans-Metairie, LA (MSA): 2016 **77,163**

Total Gross Domestic Product for Lafayette, LA (MSA): 2016 **20,645**

Updated 6/26/2018

The long term (red line) and shorter-term (green line) shows trends in energy prices as follows.





Source: http://www.wtrg.com

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

Unemployment Comparison

Year	2011	2012	2013	2014	2015	2016	2017
Labor Force	203,100	202,500	200,300	199,700	188,600	187,000	190,000
Number Employed	186,100	185,300	182,800	184,300	178,200	176,300	181,260
Caddo/Bossier MSA	6.10%	5.70%	5.00%	6.50%	5.51%	5.70%	4.60%
Louisiana	6.60%	5.50%	5.40%	6.70%	6.10%	6.00%	4.60%
United States	8.30%	7.60%	6.70%	5.60%	5.00%	4.70%	4.10%
State Variance SHV	0.50%	-0.20%	0.40%	0.20%	0.59%	0.30%	0.00%
National Variance SHV	2.20%	1.90%	1.70%	-0.90%	-0.51%	-1.00%	-0.50%

Source: 2018 City Charts

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. Statewide, First NBC Bank in New Orleans is the costliest bank failure since the financial crisis, a $5 billion bank. Its underwriting showed an overly optimistic extrapolation of post–Hurricane Katrina demand growth indefinitely into the future. The local economic base could not reasonably sustain the expansion. The Federal Deposit Insurance Corp., which expects to spend $1 billion on the closure. 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.

Source: stirlingproperties.com

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. 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 also 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. 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 2016 Annual Average, suggests housing costs in Shreveport are about 84% of the national average, and is below the state average. Thus, in the state Shreveport has relatively affordable housing. The cost of healthcare is 92.1% of the national average with all the other components also being less than average. The composite cost of livening is 89.5% 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.

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Neighborhood Data

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

LOCATION

The subject neighborhood, known as southwest urban Shreveport, is located south and west of the Shreveport central business district. This area generally includes the residential neighborhoods of Caddo Heights, Ingleside, Cedar Grove, Garden Valley, Hollywood, and Queensborough. With few exceptions, this area consists mainly of modest low-cost residential properties with mostly older commercial development along the major thoroughfares. The area adjacent to the Central Business District, developed in the late 1800's and the early 1900's, with development in the southern parts of the neighborhood being more oriented to the post World War II residences built in the late 1940's through the 1960's. The area is home to the Louisiana State Fairgrounds, Independence Stadium (Football), Fairgrounds Field (Baseball), Cargill Park (Softball), Willis Knighton Hospital, LSU Medical Center and the Shreveport Regional Airport. The A, T & T and General Motors Plants have closed, along with the iconic South Park Mall, all south and or west of this vicinity.

BOUNDARIES

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

North - Shreveport central business district and Cross Lake
South - Inner Loop Expressway
East - Interstate Highway Number Forty-Nine (I-49) corridor
West - Inner Loop Expressway and Interstate Highway Number 220 (I-220)

ACCESS

The subject neighborhood is well-located with respect to both intercity and intracity traffic links. Access east and west was greatly improved during the mid 1960's with the construction of I-20

in the north part of this neighborhood. It provides improved access to and from such major property uses as the Louisiana State Fairgrounds near Hearne Avenue and Greenwood Road, the Shreveport Regional Airport near Hollywood Avenue at Monkhouse Drive, and the Willis-Knighton Hospital near Greenwood Road and Kings Highway. The completion of I-49 along this neighborhood's eastern boundary has greatly enhanced access south within the city and for intrastate connections. I-49 connects I-20 with both the Inner Loop and the Industrial Loop parkways around southern Shreveport, and it connects south to Alexandria and Lafayette, Louisiana. Access within the neighborhood is reasonably well achieved by Kings Highway, Hollywood Avenue and 70th Street, major east-west traffic arteries, and Hearne and Jewella Avenues and Mansfield Road, which are the major north-south traffic arteries.

COMMUNITY FACILITIES

The subject neighborhood served by all community facilities such as police and fire protection, schools, churches, medical and recreational facilities. Fire protection is by several stations within the neighborhood, and the Shreveport Central Station located north of the subject neighborhood adjacent to the Central Business District provides police projection. The neighborhood includes two major medical areas for public health care. The Louisiana State University Medical Center (LSUMC) is located at Kings Highway and Linwood. It is a 470-bed public teaching hospital giving priority to indigent care to north Louisiana residents. It is a top regional medical school and hospital. Adjacent to Interstate 20 at Greenwood Road is the location of the Willis-Knighton Memorial Hospital. A privately owned regional medical center has progressive programs in cardiac care, vision maintenance and general medical programs. Willis-Knighton Hospital is a top regional hospital, and it has attracted a healthy population of doctors and specialists to the office neighborhood that surrounds it. The Greater Shreveport Regional Airport is located on Hollywood Avenue at Monkhouse Drive, just south of its I-20 interchange. Cross Lake, at the north end of the neighborhood, serves as the city's water supply and is a recreational attraction. Shreveport Regional Airport Industrial Park has a 24-hour FAA operated control tower monitoring domestic travel, as well as industrial flights. It also features a CAT II, Instrument Landing System, high-intensity runway lights, an approach lighting system, a non-directional beacon, runway visual range, radar, a localizer/DME approach, VASIs, PAPIs, REILs, and lighted windsocks. Runway 14/32 is 8,350 feet long and 200 feet wide with grooved pavement and Category II lighting, while Runway 5/23 is 6,200 feet long and 150 feet wide. The runways and taxiways have the highest weight-bearing capacity called for by the FAA and are able to accommodate the largest of aircraft. Because Shreveport Regional Airport is a commercial airport, the facility provides the superior systems in aircraft rescue and fire-fighting facilities that meet an Index E, the FAA’s highest requirement.

PERCENT BUILT-UP AND HISTORY

Construction in the subject neighborhood began in the early 1900’s adjacent to and west of the Shreveport Central Business District, and it stretched to the west and south over the ensuing fifty years. Most of the original construction within the neighborhood during that period was residential in nature with commercial and industrial property being located along the major traffic arteries which have already been mentioned. Major employment centers within the neighborhood include the aforementioned hospitals and the Louisiana State Fairgrounds.

EMPLOYMENT CENTERS

Major employment centers that affect the subject neighborhood include Willis-Knighton Medical Center, Louisiana State University Medical Center, the Libbey Glass Factory, and the Greater Shreveport Regional Airport. The subject neighborhood is located only a few miles south of the Shreveport Central Business District, and that, too, is a major employment center that affects the subject area. Access to the north Shreveport and Bossier City work markets was improved with the completion of the I-220 Bridge over Cross Lake.

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NUISANCES AND HAZARDS

A thorough physical inspection of the neighborhood noted no significant adverse conditions that would affect the subject or the area. This entire neighborhood is noted to be a relatively old and stable, if not economically stagnant, area of the city. It is the site of the Louisiana State Fairgrounds, and the Fairgrounds football and baseball fields. To the west major properties, include the Regional Airport and several large heavy industrial type plants. Through the north of the neighborhood is Interstate Highway 20. While this is certainly not a peaceful or quiet area, these potentially adverse factors are merely by-products of the commercial activity within the neighborhood, its source of financial well-being. In essence, central urban Shreveport is a large residential neighborhood with large commercial and industrial land uses that are located here due to this location. It is not the most desirable residential or commercial area within the city; however, it is well located, access to points within the city is adequate, and no adverse locational factors are noted that influences real estate beyond that implied by the nature of the neighborhood itself.

TRENDS

Construction in the subject neighborhood has been limited to several property types. In the last 5-years, construction has included several churches, various medical buildings, and miscellaneous commercial and light industrial construction. There has been significant construction associated with Willis-Knighton Medical Center. Citywide construction has been limited to medical properties and high-visibility retail type properties. That trend would appear to be consistent also in the subject neighborhood, and there is no significant industrial, office or retail construction anticipated in the neighborhood.

CONCLUSIONS

The subject neighborhood is adequate for the use of the subject as is projected by this valuer.

Land Description

In site description and analysis, a valuer describes and interprets the value influences of the physical characteristics of a site, including the physical relationship of the improvements to the land and to neighboring properties. 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

Subject Site	*Square Footage*	*Acres*
Land Size	56,400	1.295
Excess/Surplus Land	0	0.000
Total Size	56,400	1.295

PROPERTY DESCRIPTION

Lots 16-28, Block 9, Queensborough Annex Subdivision, in Caddo Parish, Louisiana, with noted deeds referring to AC 002 2532561, 2535647 (Abandoned Penick Road and Abandoned Alley).

SHAPE The shape is irregular.

DIMENSIONS It fronts about 230 feet on the north side of Greenwood Road @ Missouri Avenue, with a depth of about 400 feet.

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 56,400 square feet, assuming the adjacent alleys have been closed, and is described without benefit of a survey. The shape is irregular. It fronts about 230 feet on the north side of Greenwood Road @ Missouri Avenue, with a depth of about 400 feet. It also fronts on the east side of Missouri Avenue. The valuer is not aware of any factors that imply adverse easements, encroachments, or significant site instability. The site is level and at grade.

ACCESS TO TRAFFIC ARTERIES Greenwood Road @ Missouri Avenue is a true corner and access to and from the site seems to be adequate given the criteria dictated by the market for any likely 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. The assumption made in developing the estimate 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

The valuer is not aware of any factors that imply adverse easements, encroachments, or significant site instability. 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 I-C Institutional Campus Zoning 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 is not 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 plain 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 22017C0456H, dated 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 some relatively recent construction of retail, medical related offices and in the larger neighborhood, various generic dollar store properties.

HIGHEST AND BEST USE

As a vacant site, the highest and best use is speculative, with construction anticipated in the future. The site currently is Vacant Land. This value estimate 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 vacant development tract, with removal of the gravel and asphalt-parking encumbrance.

IMPROVEMENTS

Improvements include gravel parking of no value, the Greenwood Road frontage was at one time a restaurant, and historical aerials show four or five residences on the Missouri lots. All improvements, except the gravel and asphalt parking, are removed.

CONCLUSION

There are no adverse conditions based on this brief observation of the site. Appraisers, also known as valuers are not professionals at inspection, law, or engineering; one assumes a prudent 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 were first enacted in 1957, and were 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:

I-C INSTITUTIONAL CAMPUS ZONING DISTRICT, and the current use seems compliant.

The IC Institutional Campus Zoning District is intended to accommodate large institutional uses, such as universities, select vocational educational facilities, and healthcare institutions, to allow for their expansion in a planned manner while protecting the surrounding neighborhoods.

POTENTIAL USES AS FOUND IN ARTICLE 5 OF THE UDC CODE AND THIS DESIGNATION IS NOT VERY RESTRICTIVE. THE PROPOSED SUE AS A FIRE STATION AS PERMITTED UNDER THE USE CALLED PUBLIC SAFETY FACILITY.

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.

Photographs of Property

February 20, 2019

1) Typical elevation of site

2) Typical elevation of site

Photographs of Property

February 20, 2019

3) Typical elevation of site

4) Typical elevation of site

Photographs of Property

February 20, 2019

5) Street scene at site -West

6) Street scene at site- East

For further visualization of the property, refer to the addenda for the Flood Map, Zoning Map, Aerial, & 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 estimate of market value is through a correlation of the applicable methods and approaches to value are the goal of every analysis, as described earlier.

STATISTICAL ANALYSIS

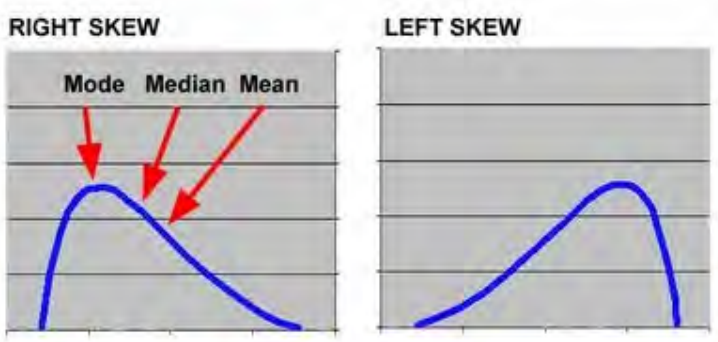
In real property analysis, the consideration of mean and median in ranges or confidence intervals helps appraisers deal with uncertain data and probabilities. Summary statistics useful in describing distributions are measures of central tendency such as the mean or median, measures of dispersion, such 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.

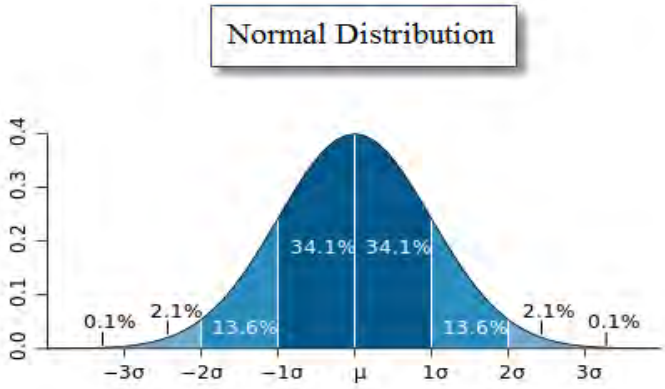
Skewness quantifies how symmetrical the distribution is. A symmetrical distribution has a skewness of zero. An asymmetrical distribution with a long tail to the right (higher values) has a positive skew. An asymmetrical distribution with a long tail to the left (lower values) has a negative skew. Most 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.



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.

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 know 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, 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 based on history, 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 as a continuing residual demand expected for the next few years.

FINANCIAL TRENDS

Valuations of **REITs** have been trending at slight discounts since late 2016. This is below the sector's 2-3% long-term average premiums and its close-to-zero average premium since 2005. Property sales suggest that prices continue increase. Most commercial real estate sectors are performing well, though after multiple years of recovery, property-level growth is slowing marginally. With the third quarter earnings season effectively complete, 2017 expectations have held steady with approximately 80% of REITs meeting or beating third quarter estimates and 57% raising 2017 guidance. There has historically been a wide yearly performance gap between different sectors, but 2017 is proving a continuation with distinct delineation. On the positive side, industrials, and multifamily have been the leading sectors. The retail REITs are battling negative sentiment and select erosion in some fundamentals due to underlying retail tenant health. Paraphrased from-Lazard Global Real Estate Securities US Real Estate Indicators Report-November, 2017

Overall capitalization rates in the net lease market decreased somewhat as the economy recovered from the 2008-2009 recession, with single tenant retail properties experiencing the most significant drop. However, the rates for all property types stabilized about 18 months ago, and signs now point to increases in the coming year. In a recent national survey conducted by The Boulder Group, a Northbrook, IL-based net lease firm, the vast majority of active **net lease participants** expect cap rates to rise in 2018. According to 39% of the respondents, rates will increase between 25 and 49 bps by the end of 2018, and another 22% say rates will go up by more than 50 bps. Just 9% think rates will move down. The Federal Reserve could have impact in 2018by gradually tightening monetary policy. Overall rates in the fourth quarter of 2017 for the single tenant net lease retail sector reached a new historic low rate of 6.07%, according to

Boulder. During the same time, cap rates for the office sector increased by two bps to 7.0% and rates for the industrial sector decreased by two bps to 7.25%. Cap rates in all three sectors were at their lowest point of the year. The majority of demand remains for the higher quality assets. Nevertheless, the market appears to be is in the late stages of the current real estate cycle, and many property owners have decided to sell at these historically low cap rates.
Paraphrased from http://www.globest.com/sites/brianjrogal/2018/01/03/net-lease-cap-rates-headed-up-in-2018/

Cap rate compression trends of the 2003-2008 timeframe reversed in late 2008, and nationally overall rates for all assets rose in 2009-2010, translating in to slightly lower values. This was not the case in Shreveport-Bossier, as the Haynesville Shale helped the economy through the financial collapse. Going forward cap rates are not presumed, by an exuberant market, to be dropping, though it may be the case. The reason for the 2008 adjustment was the displacement of the highly leveraged buyers in the marketplace by changes in the debt markets. This change forced both property buyers and sellers to re-think their valuation premises. In the Shreveport MSA, overall rates have remained stable through late 2018.

The REACVAL second triennial study of **exposure** time shows the overall market requiring more time for consummation of sales, of mostly fee simple improved, properties were 16.5 months or up 4.9%. Leased fee properties generally sell in much faster time. Most of this increase is due to industrial property being 17.4 months, or up 3.7%, while office property was 9.3 months, or down 2.9% and retail at 8.9 months, up slightly at 0.1%. Land exposure time increased to 29 months or plus 2.4%.

LOCATION TRENDS

Trends in real estate sometimes mirror the trends in the national economy. The area like many others has its booms and busts. Historically low points in real estate occurred in the mid to late 1950's, the early to mid 1970's and the mid to late 1980's. Demand for local tenant real estate in this metropolitan area had been relatively low from 1988 to 1996, with significant up-tick in the in the early 2000s.

Historical construction of car dealerships, hospitals, and casinos commercial construction was typical of this region in the 1990s and early 2000s. That boom ebbed, and one saw an increase in national tenant big box retailers and the surrounding typical shadow tenants. The last few years slowed this development and but, there has been some re-absorption of big boxes in premium locations. Medical offices are taking advantage of multiple hospital locations and with some small office parks, developing mainly in the southeast part of Shreveport and north Bossier City, and the hospitals have begun to expand again. Recently Ochsner Health System, from the New Orleans area has taken charge of the safety net hospitals in Shreveport and Monroe. The goal of the management change is to stabilize operations at the hospitals and the LSU Medical School in Shreveport.

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 in the 2017-2018 period.

The identifiable commercial construction corridors and locations in Shreveport include Industrial Loop near and east of Interstate 49 and Youree Drive from 70th 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.

RETAIL TRENDS

The **U.S. Retail market** experienced a slight improvement in market conditions in the fourth quarter 2017. The vacancy rate went from 4.7% in the previous quarter to 4.5% in the current quarter. Net absorption was positive 33,851,242 square feet, and vacant sublease space decreased by (1,704,600) square feet. Quoted rental rates increased from third quarter 2017 levels, ending at $16.45 per square foot per year. Nationally 975 retail buildings with 18,031,905 square feet of retail space delivered to the market in the quarter, with 77,289,004 square feet still under construction at the end of the quarter. Retail net absorption was strong in U.S. fourth quarter 2017, with positive 33,851,242 square feet absorbed in the quarter. In third quarter 2017, net absorption was positive 14,313,328 square feet, while in second quarter 2017; absorption came in at positive 18,970,500 square feet. In first quarter 2017, positive 18,777,342 square feet was absorbed in the market. Average quoted asking rental rates in the U.S. retail market are up over previous quarter levels, and up from their levels four quarters ago. Quoted rents ended the fourth quarter 2017 at $16.45 per square foot per year. That compares to $16.18 per square foot in the third quarter 2017, and $15.81 per square foot at the end of the first quarter 2017. This represents a 1.7% increase in rental rates in the current quarter, and a 3.89% increase from four quarters ago

The Shreveport/Bossier City **Retail** market did not experience much change in market conditions in the fourth quarter 2018. The vacancy rate remained unchanged at 5.0% in the previous quarter as well as in the current quarter. Net absorption was positive 5,654 square feet. Quoted rental rates increased from third quarter 2018 levels, ending at $11.06 per square foot per year. One retail building with 7,300 square feet of retail space delivered to the market in the quarter, with 10,000 square feet still under construction at the end of the quarter. Retail net absorption was flat in Shreveport/ Bossier City fourth quarter 2018, with positive 5,654 square feet absorbed in the quarter. In third quarter 2018, net absorption was negative 24,988 square feet, while in second quarter 2018, absorption came in at positive 88,695 square feet. In first quarter 2018, positive 215,024 square feet was absorbed in the market. Shreveport/Bossier City's retail vacancy rate changed in the fourth quarter 2018, ending the quarter at 5.0%. Over the past four quarters, the market has seen an overall decrease in the vacancy rate, with the rate going from 5.1% in the first quarter 2018, to 4.8% at the end of the second quarter 2018, 5.0% at the end of the third and fourth quarter 2018. Total retail inventory in the Shreveport/Bossier City market area amounted to 26,801,252 square feet in 2,142 buildings and 176 centers as of the end of the fourth quarter 2018. **The Caddo Parish retail market is about 3 times larger than the Bossier Parish market. The Bossier Parish market has a 4.0% vacancy according to this data, and Caddo**

Parish has a 5.53% vacancy, both Caddo and Bossier Parishes up slightly from last year. In the last few years, national retailers expanded in north and Bossier and south east Shreveport, including Wal-Mart, Kroger and Brookshire premium grocery stores and Whole Foods. Costco is contemplating a south Shreveport location.

The dramatic shift to online shopping that has affected traditional **retail** stores in recent years now threatens the investments that funded the brick and mortar locations that many visit less frequently. Weak core retail sales, which strip out auto and gasoline sales, provide an indication of the anticipations that the holders of mall debt face, as traditional retailers discount to maintain market share. About $128 billion of commercial real estate loans, about 25% of which went to finance shopping malls 10-years ago to be refinanced by the end of 2017, according to Morningstar Credit Ratings. Wells Fargo estimates that retailers bundled them into commercial mortgage-backed securities and sold the paper to institutional investors. Morgan Stanley, Deutsche Bank and other underwriters estimate that perhaps 50% of CMBS maturing in 2017 will struggle to get new financing. **Hotels** are always volatile because the rents reset every single night. If there is any change in the local economy, it is reflected in the hotel market. There is this a constant cycle of build, overbuild, stop, reassess and invariably something will happen that will trigger a hotel to be transferred. The default rates on hotels are higher, the loss severity on hotels is higher, and it is a difficult asset class. As cited and paraphrased from:
https://commercialobserver.com/2017/10/morningstars-lea-overby-on-the-abcs-of-cmbs/

After a prolonged period of growth, fueled by cash inflows from equity firms, many experts and participants say there are too many fast food and casual dining **restaurants**. Since the tech bust of the late 1990s, banks, private equity firms and other financial institutions have invested billions in the restaurant industry as a hedge to offset risk. They sought more stable tangible real property based enterprises to offset the potentially high return intellectual property start-ups, found on both coasts. There are now more than 600,000 casual restaurants in the United States, according to the Bureau of Labor Statistics, and that number growing at about twice the rate of the population, is unsustainable. Industry sales are up nationally, but growth has slowed to its lowest rate in a half dozen years. Sales at chain restaurants, compared with a year earlier, began dropping in early 2016. Many restaurants reported sales growth in just four of the last 22 monthly surveys from the National Restaurant Association. Most restaurants had reported growth for 20 consecutive months, from March 2014 through October 2015. Since 2010, restaurants have accounted for one out of every seven new jobs. In mid-summer of 2017, the Applebee's chain announced it would close more than 100 locations. In 2016 Subway, the nation's largest fast-food chain by location count, closed more locations than it opened, the first time in its history that had happened. Paraphrased from New York Times ABRAMS and GEBELOFF-OCT. 31, 2017.

Lost among traditional retail closure announcements last year was the closure of many branch banks. There is a record amount of non-traditional closed retail square footage, as U.S. **banks** accelerated their pace of **branch consolidation** in 2017, closing a net 2,069 locations, an 18% increase over the net number closed in 2016. Banks closing the most branch locations (net) in 2017, include Wells Fargo Bank, 194 JPMorgan Chase Bank, 137, The Huntington National Bank, 134, First-Citizens Bank & Trust Co., 127, Bank of America, 119, SunTrust Bank, 119, Key Bank, 112, PNC Bank, 109, Branch Banking and Trust Co. (BB&T), 92, and Capital One, 73. Paraphrased-CoStar- JANUARY 24, 2018 by MARK HESCHMEYER.

Additionally, in the southeast Shreveport market, several **restaurants** closed in 2016-2017. In July TGI-Fridays, Bone Heads, and Grimaldi's Pizza closed in south Shreveport. In March, that area also lost Sake Sushi, Krispy Kreme, and Smash Burger. Locally owned George's Grill and Blue Southern Comfort also closed in 2017, and the Zaxby's Chicken on Youree Drive is severely underperforming, as it lags its main competition in the vicinity. In Bossier City, Ruby Tuesday's closed along with Ryan's Steakhouse, along with a half dozen others.

In 2018, several local and national restaurant chains closed. Cloud 9 Café, at the Shreveport Downtown Airport runway, closed last spring. Stone Forks Seafood and Steakhouse, in the old Brocato's, on Kings Highway closed after about two years. The Halal Guys on 70th Street, in the

Whole Foods center, closed after never finding its market. The Green House Salad Company on Youree Drive, temporarily closed, but will reopen the same location under new ownership. In Bossier City, Godfather's Pizza and Twisted Root Burger Co. closed on Airline Drive. Fortunately, Twisted Root's Shreveport location on Line Avenue remains open. On Flournoy Lucas Road, Wine Country Bottle Shop and Zocolo Neighborhood Eatery and Drinkery, closed as two separate businesses, with a new operation expanding to both sides of the structure planned, after remodeling.

RESIDENTIAL TRENDS

Caddo Bossier Parishes Residential Trends

All Single Family and Townhouse Sales					Changes			
Year	Sales	Median Price	Average Price	Volume	Volume	Average	Median	# Sales
2010	3,694	$160,000	$177,760	$656,643,885				
2011	3,510	$160,000	$178,311	$625,871,868	-4.7%	0.3%	0.0%	-5.0%
2012	3,823	$161,000	$175,568	$671,198,309	7.2%	-1.5%	0.6%	8.9%
2013	3,745	$168,000	$181,647	$680,269,480	1.4%	3.5%	4.3%	-2.0%
2014	3,846	$167,500	$183,622	$706,211,771	3.8%	1.1%	-0.3%	2.7%
2015	3,852	$167,950	$183,260	$705,918,808	0.0%	-0.2%	0.3%	0.2%
2016	3,949	$175,000	$190,813	$753,520,403	6.7%	4.1%	4.2%	2.5%
2017	4,042	$174,900	$188,282	$761,034,220	1.0%	-1.3%	-0.1%	2.4%
2018	4,227	$174,500	$189,405	$800,612,860	5.2%	0.6%	-0.2%	4.6%
Averages	3,854	$167,650	$183,185	$706,809,067	2.6%	0.8%	1.1%	1.8%

Restrends

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. 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.

SINGLE FAMILY PERMITS

MUNICIPALITY		2011	2012	2013	2014	2015	2016	2017*
SHREVEPORT	Value	$74,600,000	$65,100,000	$48,800,000	$58,500,000	$52,900,000	$52,200,000	$65,200,000
	Number	297	249	199	232	245	200	254
	Average	$251,178	$261,446	$245,226	$252,155	$215,918	$261,000	$256,693
BOSSIER CITY	Value	$53,500,000	$57,400,000	$46,700,000	$43,000,000	$36,200,000	$40,800,000	$40,600,000
	Number	361	347	277	265	242	258	246
	Average	$148,199	$165,418	$168,592	$162,264	$149,587	$158,140	$165,041
BOTH CITIES	Value	$128,100,000	$122,500,000	$95,500,000	$101,500,000	$89,100,000	$93,000,000	$105,800,000
	Number	658	596	476	497	487	458	500
	Average	$194,681	$205,537	$200,630	$204,225	$182,957	$203,057	$211,600

Source: SFPERMITS

* 6 months annualized

SUPPLY AND DEMAND

Trends of positive net lease up, lower vacancy and relatively stable effective income levels, paired with the anticipation of no anticipated construction in this market leads one to believe Office, Retail and Apartment markets are stable and somewhat in equilibrium. The Industrial market appears to be in some distress, especially in Caddo Parish. The Highest and Best Use analysis that follows is effectively a microeconomic study that examines the marketability of a given property, usually focuses on market segment in which the property is likely to generate demand. Marketability studies are useful in determining a specific highest & best use, testing development proposals, and projecting an appropriate tenant mix.

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 Jim Amorin's 2009 seminar, who also 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. Development of land potentially may include different uses. Those uses, which produce a positive net return over time with acceptable risk, are financially viable. 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. It is the reciprocal of entrepreneurial profit and measured in the same way-by comparing the cost of a project to its probable selling price or its probable rental income. Entrepreneurial profit and market wide external obsolescence are products of, not components of, market value. Financial feasibility indicated through market analysis in two ways, it can be **Implied** through market activity, or **Measured** through financial analysis. See Amorin.

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. 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. 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. Such is the case in this instance, demolition would imply negative improvement value and the applicable valuation techniques imply positive improvement value. Of those, that satisfy the three criteria, there is only one use, which produces the greatest return with the least risk. 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 notes 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?

Practically speaking, physically possible uses are land uses that are not possible or likely due to inadequate physical characteristics of the land such as improper site size, shape, topography, or soil quality. The remaining options are candidates for the test of maximum productivity, the criteria for the highest and best use of both the land as though vacant and the property as improved.

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 some relatively recent construction of retail, medical related offices and in the larger neighborhood, various generic dollar store properties. 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.

HIGHEST AND BEST USE AS IF VACANT

The site contains approximately 56,400 square feet, assuming the adjacent alleys have been closed, and is described without benefit of a survey. The shape is irregular. It fronts about 230 feet on the north side of Greenwood Road @ Missouri Avenue, with a depth of about 400 feet. It also fronts on the east side of Missouri Avenue. The valuer is not aware of any factors that imply adverse easements, encroachments, or significant site instability. The site is level and at grade. It has service by public utilities. It is zoned I-C Institutional Campus Zoning 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 estimate 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 I-C Institutional Campus Zoning 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 some relatively recent construction of retail, medical related offices and in the larger neighborhood, various generic dollar store properties.

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 anticipates that the property, as vacant land, should sell after 12-36 months of proper marketing. Development of commercially viable tracts generally occurs at about 12 months or so, after purchase. Construction is usually either for owner occupancy or pre-leased tenancy,

both relatively immediate. Speculative construction is less likely, and for moderate sized projects, absorption taking longer than 12-months is less likely to be feasible.

MOST PROBABLE BUYER

As of the date of value, the most probable buyer of this site, as if vacant, is a local or regional investor or owner occupant. The likely use is as a speculative or retail property.

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 economical method of valuation.

Improvements include gravel parking of no value, the Greenwood Road frontage was at one time a restaurant, and historical aerials show four or five residences on the Missouri lots. All improvements, except the gravel and asphalt parking, are removed. The site is effectively vacant.

HIGHEST AND BEST USE CONCLUSION

As a vacant site, the highest and best use is speculative, with construction anticipated in the future. The site currently is Vacant Land. This value estimate 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 vacant development tract, with removal of the gravel and asphalt-parking encumbrance.

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.

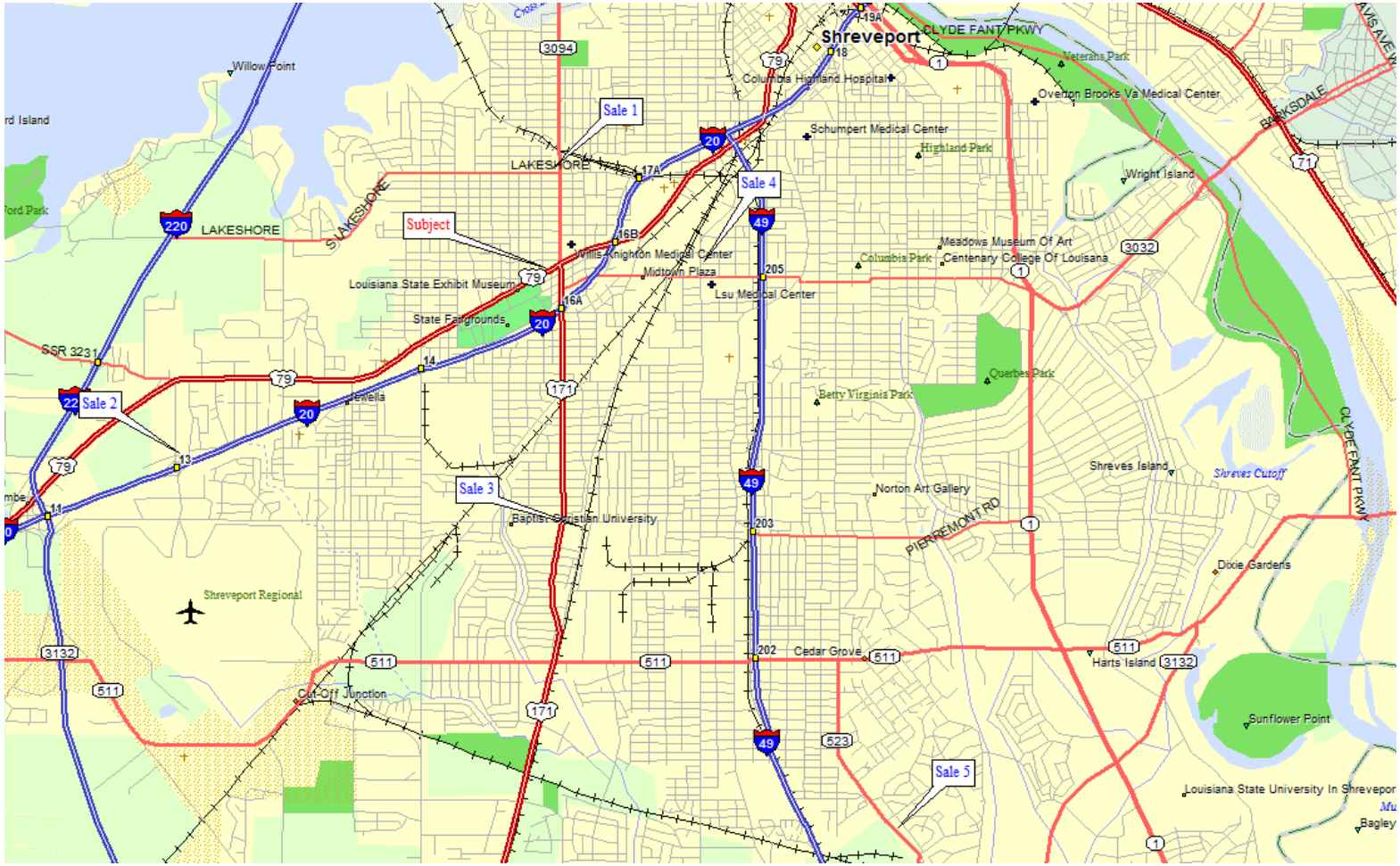
ADJUSTMENTS

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 estimate. 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.

REAACVAL

COMPARABLE LAND SALES MAP



REAACVAL

Transactional Adjustments

Land Sale No.	Transactional Adjustments Prior to Market Conditions Property Location	Sale Date	Deed Price	Rights	Financing	Conditions	Demolition Expenditures	CEP/ADJ
1	N/S Lakeshore W/S Hearne	27-Sep-13	$390,000	$0	$0	$0	$56,000	$446,000
2	NEC Monkhouse @ Lyba	09-Feb-15	$340,000	$0	$0	$0	$8,000	$348,000
3	SWC Hollywood @ Old Mansfield	16-Aug-16	$200,000	$0	$0	$0	$30,000	$230,000
4	NEC Linwood @ Glen Oak	22-Feb-17	$148,000	$0	$0	$0	$18,000	$166,000
5	NEC Line Avenue @ Millicent	22-Jan-18	$836,682	$0	$0	$0	$12,000	$848,682

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. Each of the properties had demolition or extra costs to develop and considered as discussed and added to the deed price to develop a cash equivalent price for a developable site.

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. The sales considered herein gave a graphic indication on the previous page.

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.

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. This determination could change depending on the use anticipated for the site. Corners can have more flexibility and higher visibility than interior properties. A retail site on a corner may have the advantage of direct access from both

streets and prominent corner visibility and exposure. Corner exposure can provide advantageous ingress and egress.

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. If the site is too large, the value of the surplus land tends to decline at an accelerating rate. Therefore, when the property is smaller than a comparable property, there is a positive adjustment, and, when the site is larger than a comparable site, there is a negative size adjustment. Because sales of different sizes may have different unit prices, appraisers ideally give more weight to sales that bracket the size of the property.

Visibility/Access: This adjustment accounts for differences between the property and comparable properties considering visibility of the property from the neighborhood and the view of the neighborhood from the site in question. When a property hidden by man made or natural obstructions does not have optimum visibility, this generally tends to have a negative effect on value.

Shape: If a site has an irregular shape atypical of a property for a specific use, it could affect the price a purchaser would be willing to pay for the site. An appraisal should when significant, state site dimensions, street frontage, width, and depth, and list any advantages or disadvantages caused by these physical characteristics. Adjustments for characteristics that are unusual for the neighborhood are typical. The effects of the size and shape of a property vary with its probable use. For example, an odd-shaped parcel may be appropriate for one use, but unacceptable for others.

Utilities: Utilities may be public or private, and there may be a need for on-site utility systems such as septic tanks and private water wells. This adjustment compares and adjusts for differences in utilities, such as no utilities, versus all public or partial public. The more public utilities available either on the site or generally available has a positive effect on values.

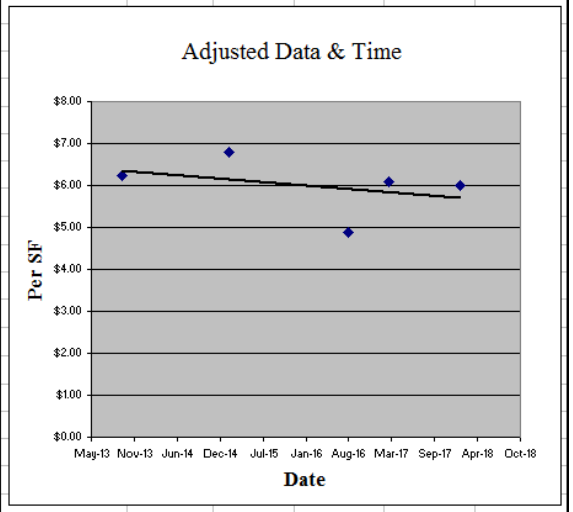
Topography: Topographical studies provide information about land’s contour, grading, natural drainage, geological characteristics, view, and general physical usefulness. Sites may differ in value due to these physical characteristics. Steep slopes often impede building construction. Natural drainage may be advantageous, or not. The topography adjustment in this market is generally for low areas in need of fill or grading, either on the property or on the comparable sites.

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	N/S Lakeshore W/S Hearne	27-Sep-13	$446,000	78,678	1.81	$5.67	0%	0%	0%	10%	0%	$6.24
2	NEC Monkhouse @ Lyba	09-Feb-15	$348,000	48,744	1.12	$7.14	0%	0%	0%	-5%	0%	$6.78
3	SWC Hollywood @ Old Mansfield	16-Aug-16	$230,000	44,823	1.03	$5.13	0%	0%	0%	-5%	0%	$4.87
4	NEC Linwood @ Glen Oak	22-Feb-17	$166,000	24,524	0.56	$6.77	0%	0%	0%	-10%	0%	$6.09
5	NEC Line Avenue @ Millicent	22-Jan-18	$848,682	134,125	3.08	$6.33	0%	-20%	0%	15%	0%	$6.01
	Descriptive Statistics for All of the Data		Price	Square Feet	Acres	Per sf						Adj/SF
	Mean		$407,736	66,179	1.52	$6.21						**$6.00**
	Standard Deviation		$269,022	42,627	0.98	$0.81						$0.70
	Median		$348,000	48,744	1.12	$6.33						$6.09
	Low Indication		$166,000	24,524	0.56	$5.13						$4.87
	High Indication		$848,682	134,125	3.08	$7.14						$6.78
	Coefficient of Variance		65.98%	64.41%	64.41%	13.10%						11.62%
	Lower Limit of Significance		$138,714	23,552	0.54	$5.39						$5.30
	Upper Limit of Significance		$676,759	108,805	2.50	$7.02						$6.70

Descriptive Statistics For Adjusted Mean		**Adjusted Mean Data Range**		
By Excel & REAACVAL		Sample Mean		$6.00
		Standard Error		$0.31
Mean	5.999160901	Low Mean		$5.69
Standard Error	0.311641252	High Mean		$6.31
Median	6.091991519			
Mode	#N/A	Confidence Level	95%	0.87
Standard Deviation	0.696851024	Low Indication		$4.87
Sample Variance	0.48560135	High Indication		$6.78
Kurtosis	2.485477413			
Skewness	-1.141700812	Range		$1.91
Range	1.907643724	Minimum		$4.87
Minimum	4.874729492	Maximum		$6.78
Maximum	6.782373215	Count	5	
Sum	29.9958045	A distribution with a tail to the left has a negative		
Count	5	**skew**. The inverse is true of a positive **skew**.		
Largest(1)	6.782373215	A flatter distribution has a negative **kurtosis**, and a		
Smallest(1)	4.874729492	distribution more peaked has a positive **kurtosis**.		
Confidence Level(95.0%)	0.865254829	A normal distribution has a **kurtosis of 0.0**.		



REAACVAL

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.

	Relative Comparability Statistics				
Sale	Adjustments		Indication	Sub/Comp	Years
	Gross	Net	ADJ	Relative Size	Variance
1	10%	10%	$6.24	72%	5.40
2	5%	-5%	$6.78	116%	4.03
3	5%	-5%	$4.87	126%	2.52
4	10%	-10%	$6.09	230%	1.99
5	35%	-5%	$6.01	42%	1.08
Mean	13%	-3%	$6.00	117%	3.00

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.

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 $6.00. 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 $6.09. 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 $5.30. The upper limit of significance per square foot is $6.70. Accordingly, on a value basis the indicated mean value estimate is $338,000. The lower limit of significance is $299,000. The upper limit of significance is $378,000. The median indication is $344,000. 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.

SITE VALUE "AS IF" VACANT

Conclusions	Adjusted Mean	Applied RD
Sample Average	$6.00	$338,000
Standard Deviation	$0.70	$39,000
Lower Limit of Significance	$5.30	$299,000
Upper Limit of Significance	$6.70	$378,000
Median	$6.09	$344,000
Summary	Size SF	PSF
Land Size	56,400	$6.00
Conclusion		
Land Value	$338,400	$338,000

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

REAACVAL

COMPARABLE LAND SALE NO. 1 **Land** C8-RS-0397
Tax Acct. 171403187000100

Sale Date:	September 27, 2013
Conveyance Book &	4695 / 215
Instrument	2476629
Total Price:	$390,000.00
Adjustments to Price:	$56,000.00
Cash Equivalent Price:	$446,000.00
Terms:	Cash Deed
State:	LA
Parish:	Caddo
City:	Shreveport
Address:	Lakeshore Dr.
Location:	N. side, W. side Hearne Ave.
Legal Description:	C. W. Lane Subdivision
Vendor/Grantor:	C.W. Lane Properties, LLC
Vendee/Grantee:	HRES Lake Shore, LLC
Verified:	Vendor
Shape:	L-shaped
Site Area:	1.8062 Acres 78,678 Sq Ft
Unit Price:	$246,927 / Acre $5.67 / Sq Ft
Zoning:	B-2
Utilities:	All city
Topography:	Level
Highest and Best Use:	Family Dollar
Improvements:	None
Remarks:	9,000 sf Family Dollar built. Site size from plat. Demolition after sale is estimated at $56,000 for an 8,000 sf building and 16,000sf of concrete parking.

REAACVAL

COMPARABLE LAND SALE NO. 2 **Land** C6-RS-0395
Tax Acct. 171417-24-112

Sale Date:	February 9, 2015
Conveyance Book &	4803 / 657
Instrument	2536198
Total Price:	$340,000.00
Adjustments to Price:	$8,000.00
Cash Equivalent Price:	$348,000.00
Terms:	Cash Deed
State:	LA
Parish:	Caddo
City:	Shreveport
Address:	Monkhouse,4923
Location:	NE cor. Lyba
Legal Description:	Lot 1 Redbud Heights

Vendor/Grantor:	Monkhouse, LLC			
Vendee/Grantee:	HRES Monkhouse, LLC			
Verified:	Vendee			
Shape:	Basically rectangular			
Site Area:	1.119	Acres	48,744	Sq Ft
Frontage:	190	Feet	$1,831.58	/ Front Foot
Unit Price:	$310,992	/ Acre	$7.14	/ Sq Ft
Zoning:	B-3			
Utilities:	All city			
Topography:	Level			
Highest and Best Use:	Family Dollar			
Improvements:	None			
Remarks:	8,320 sf Family Dollar built and later sold for $1,765,000. Seller reserves all mineral rights. Demolition after sale is estimated at $8,000 for 4,000 sf of entry drives that were removed.			

REAACVAL

COMPARABLE LAND SALE NO. 3 **Land** C4-RS-0432
Tax Acct. 171422083000100

Sale Date:	August 16, 2016
Conveyance Book &	4918 / 522
Instrument	2612388
Total Price:	$200,000.00
Adjustments to Price:	$30,000.00
Cash Equivalent Price:	$230,000.00
Terms:	Cash Deed
State:	LA
Parish:	Caddo
City:	Shreveport
Address:	Hollywood
Location:	SW cor. Old Mansfield Rd.
Legal Description:	Crawfords Commercial S/D 2 & 3
Vendor/Grantor:	Abdelltif,,Mohamed
Vendee/Grantee:	HRES Hollywood, LLC
Verified:	Seller
Shape:	Irregular
Site Area:	1.12 Acres 44,823 Sq Ft
Unit Price:	$205,357 / Acre $5.13 / Sq Ft
Zoning:	B-2
Utilities:	All city
Topography:	Level
Highest and Best Use:	Family Dollar
Improvements:	None
Remarks:	Family Dollar. Demolition estimated at $30,000 for concrete and asphalt onsite. There was no slab at sale.

REAACVAL

COMPARABLE LAND SALE NO. 4 **Land** C2-PS-0559
Tax Acct. 171412026003100

Sale Date:	February 22, 2017
Instrument	2636853
Total Price:	$148,000.00
Adjustments to Price:	$18,000.00
Cash Equivalent Price:	$166,000.00
Terms:	Cash Deed
State:	LA
Parish:	Caddo
City:	Shreveport
Address:	Linwood
Location:	NE cor. Glen Oak Pl.
Legal Description:	Lot 4, Fullilove S/D

Vendor/Grantor:	Dance,Claude, Estate of			
Vendee/Grantee:	Southern Oaks Properties, LLC			
Verified:	Vendor			
Shape:	Irregular			
Site Area:	0.5614	Acres	24,452	Sq Ft
Frontage:	150	Feet	$1,106.67	/ Front Foot
Unit Price:	$295,689	/ Acre	$6.79	/ Sq Ft
Zoning:	B-3			
Utilities:	All city			
Topography:	Level			
Highest and Best Use:	Speculative			
Improvements:	None			
Remarks:	Former restaurant demolished after sale at an estimated cost of $18,000. Used as parking lot for adjacent group home. Thus this was an expansion sale, but no premium is noted. Secondary has 160 feet frontage.			

COMPARABLE LAND SALE NO. 5 **Land** C3-OB-RR18
Tax Acct. 171338-17-25

Sale Date:	January 22, 2018
Conveyance Book &	N/A / N/A
Instrument	2684260
Total Price:	$836,682.00
Adjustments to Price:	$12,000.00
Cash Equivalent Price:	$848,682.00
Terms:	Cash Deed
State:	LA
Parish:	Caddo
City:	Shreveport
Address:	NEC Line Ave.
Location:	@ Millicent
Legal Description:	Tract Sec 38 (17-13)

Vendor/Grantor:	Motor Finance Company, LLC
Vendee/Grantee:	Line Ave Interests LLC
Verified:	Vendor
Shape:	Rectangular
Site Area:	3.079 Acres 134,125 Sq Ft
Frontage:	725 Feet $1,170.60 / Front Foot
Unit Price:	$275,636 / Acre $6.33 / Sq Ft
Zoning:	C-2
Utilities:	All city
Topography:	Level
Highest and Best Use:	Office/Medical
Improvements:	None
Remarks:	Site size from plat. Vendor reserves all oil, gas and other minerals. Gross size is 3.895 acres. Rear is encumbered with a drainage easement. Vendee explored piping the area to get more usable area, but the cost was prohibitive. Excess cost to develop of $12,000, as the tract was heavily wooded at sale.

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 real property rights cannot be estimated as easily. An appraisal should consider the possibility of all three.

PERSONAL PROPERTY

None Noted

DEMOLITION COSTS

Demolition Costs	Amount
Demolition Grav/Paving SF	30,000
Cost to cure per sf	$0.50
Demolition Other SF	0
Cost to cure per sf	$0.00
Total Cost	$15,000
Contingency	20%
Total Estimate RD	$18,000

IDENTIFICATION OF INTANGIBLES

Contract-based intangible assets established by contracts include Licensing, royalty, standstill agreements, Advertising, construction, management, service or supply, Contracts, Lease agreements, Construction permits, Franchise agreements, Operating and broadcast rights, Servicing contracts such as mortgage servicing contracts, Employment contracts, Use rights such as drilling, water, air, timber cutting, and route authorities. Source: FASB Accounting Standards Codification Topic 805 (ASC 805), Business Combinations, defines guidance on business combinations

None Noted

The analysis makes some assumptions that are assignment specific.

This analysis is for the sole use and benefit of City of Shreveport. This fee simple analysis assumes any information provided by the owner, client, or any others is accurate. The value assumes the areas in the adjacent alleys are a part of the ownership. 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 Estimate of Exposure Time consistent with this value estimate is 29 months. In a stable market, the Marketing Time for this asset would be a similar period.

Bibliography

AI-Dictionary-6th. *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-14th. *The appraisal of real estate*. Chicago, IL: Appraisal Institute, 2013. Print.

USPAP (2017-2018). *Uniform standards of professional appraisal practice*. Washington, D.C: Appraisal Foundation, 2017. Print.

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

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

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

National Association of REALTORS®: http://www.realtor.org/research/research/ehsdata

National Association of REALTORS®
http://www.realtor.org/research/research/commercialhome

Northwest Louisiana Association of REALTORS®:
http://www3.nwlar.org/propertysearch-residential.cfm

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 57 of the report proper and the addenda follow.

ADDENDA

Engagement **EXHIBIT "A"**

Malcolm Stadtlander
Property Management Administrator

318-673-6048
malcolm.stadtlander@shreveportla.gov

From: Shelly Ragle
Sent: Monday, February 04, 2019 8:39 AM
To: Wes Wyche; Malcolm Stadtlander; Patrick Furlong; Alan Clarke
Cc: Scott Wolverton; Russell Delancy
Subject: RE: New Fire Station 8

This is the site of the proposed new fire station 8. Alan will check this location for compliance with the UDC?

Shelly Ragle
318-673-7779

From: Wes Wyche
Sent: Monday, February 04, 2019 8:38 AM
To: Shelly Ragle; Malcolm Stadtlander; Patrick Furlong; Alan Clarke
Cc: Scott Wolverton; Russell Delancy
Subject: RE: New Fire Station 8

Shelly, I'll put together a spec and get some quotes. We don't have any more grant money for assessments. I think a Phase 1 should be in the $5000 or less price range. We'll still need to have one done even if one already exists. If there's a street address or legal description handy, that would help. If not, Malcolm, can you help with that?

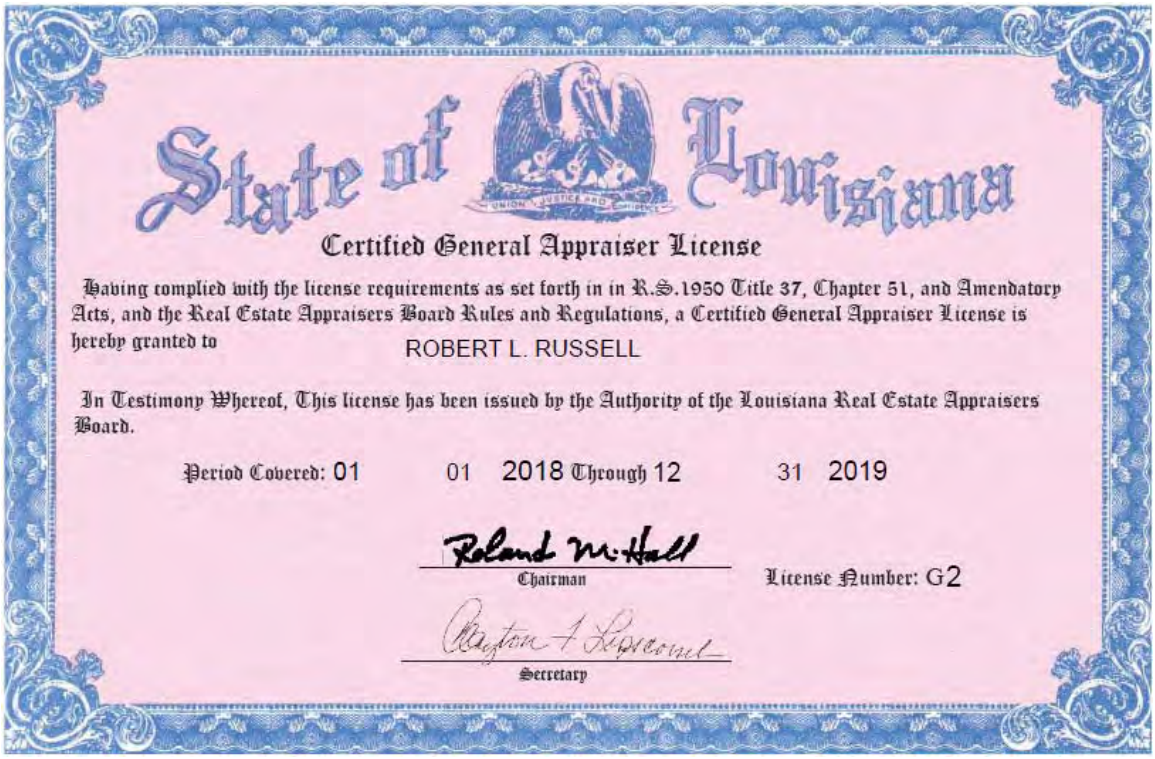
From: Shelly Ragle
Sent: Friday, February 01, 2019 3:57 PM
To: Malcolm Stadtlander; Patrick Furlong
Cc: Scott Wolverton; Russell Delancy
Subject: New Fire Station 8

Willis Knighton is willing to donate property to the City of Shreveport at the corner of Missouri and Greenwood Road for the relocation of Fire Station 8. They would like Fire Station 8 to face Greenwood Road, this will require existing onto Greenwood Road. Currently there are curb cuts along the proposed site, but we need to be sure the State we will allow a curb cut on the property. In return ; WK would like for the old Fire Station # and the property to be donated to them.

Malcolm, do you think that we need an appraisal on both pieces of property? I talked to Karen and she is checking, but I think we do so we can compare like parcels. If so, can you order the appraisals or do you want to give us the names and we can do it?

I have attached a PDF of the current Fire 8. This is a project that we want to fast track. Russell will send you a map with the layout of the station and the approximate location of the curb cut. Thanks and let me know if you have any questions.

Real Estate Appraisal License **EXHIBIT "B"**



State of Louisiana

Certified General Appraiser License

Having complied with the license requirements as set forth in in R.S.1950 Title 37, Chapter 51, and Amendatory Acts, and the Real Estate Appraisers Board Rules and Regulations, a Certified General Appraiser License is hereby granted to ROBERT L. RUSSELL

In Testimony Whereof, This license has been issued by the Authority of the Louisiana Real Estate Appraisers Board.

Period Covered: 01 01 2018 Through 12 31 2019

Roland M. Hall
Chairman

License Number: G2

Secretary

State of Louisiana

Louisiana Real Estate Commission

A **REAL ESTATE BROKER** license for the period ending December 31, 2019 is hereby granted to:
ROBERT L. RUSSELL

PO BOX 52075
SHREVEPORT, LA 71135

01/01/2019
Date

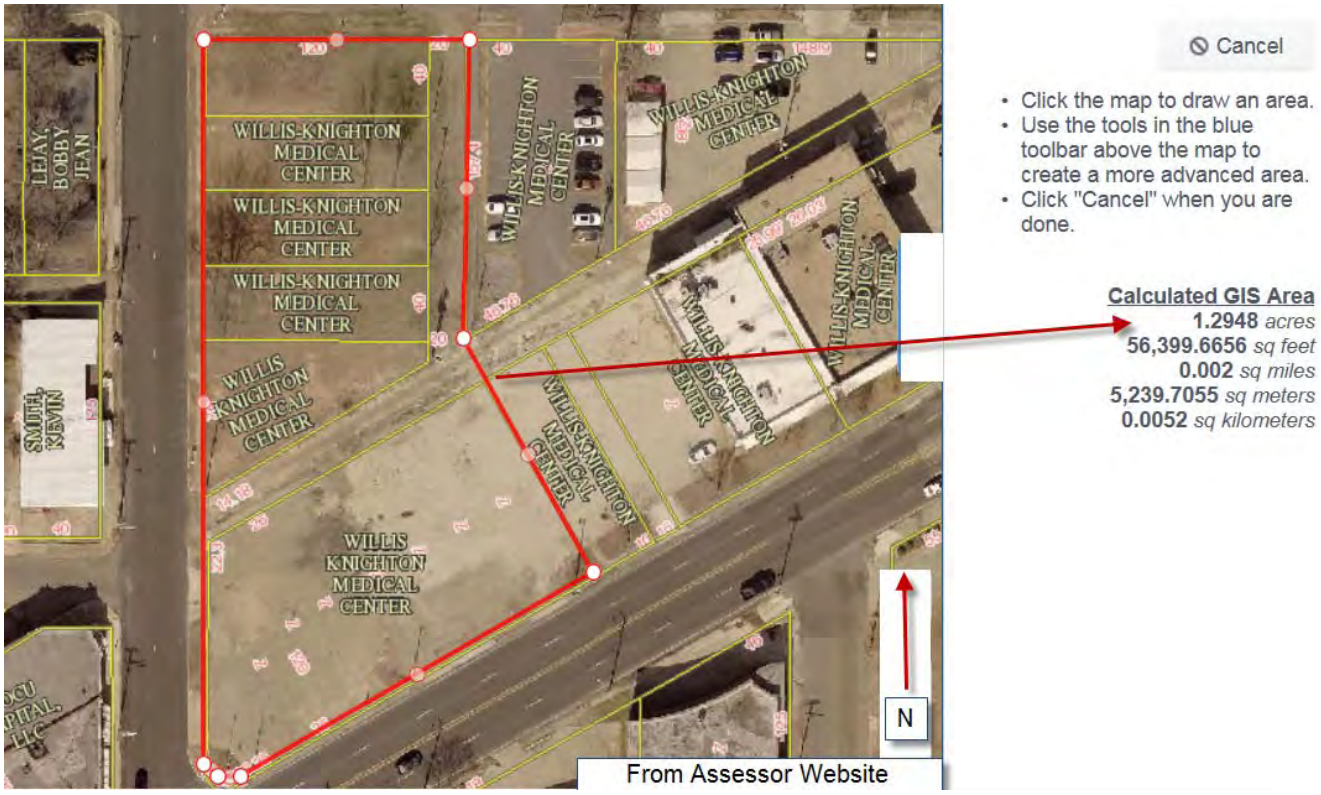
BRE

Evelyn Wayford
Chairman

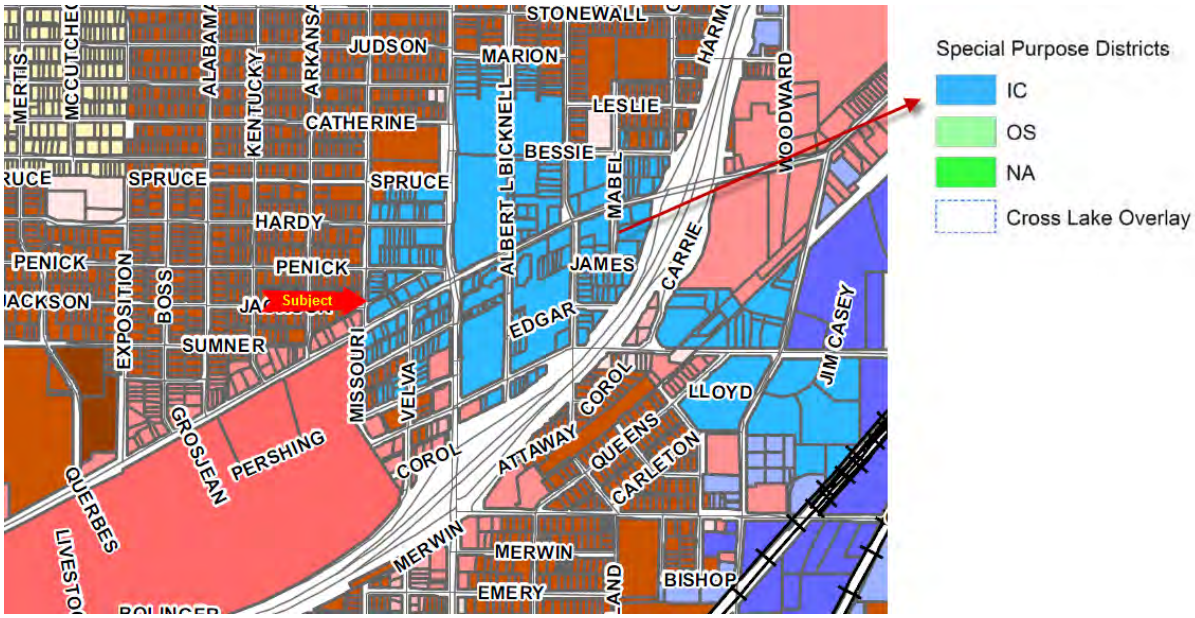
Secretary

License Number
BROK.0000012590.A-ACT

Flood Map, Zoning Map, Aerial, & Other Photos **Exhibit "C"**



ZONING MAP



FLOOD MAP

AERIAL

FROM CLIENT