

COMMERCIAL REAL ESTATE REVIEW

U.L. COLEMAN COMPANIES

1973 - 2024

51

YEARS
OF EXCELLENCE

U.L. COLEMAN
COMPANIES



THE U.L. COLEMAN COMPANIES

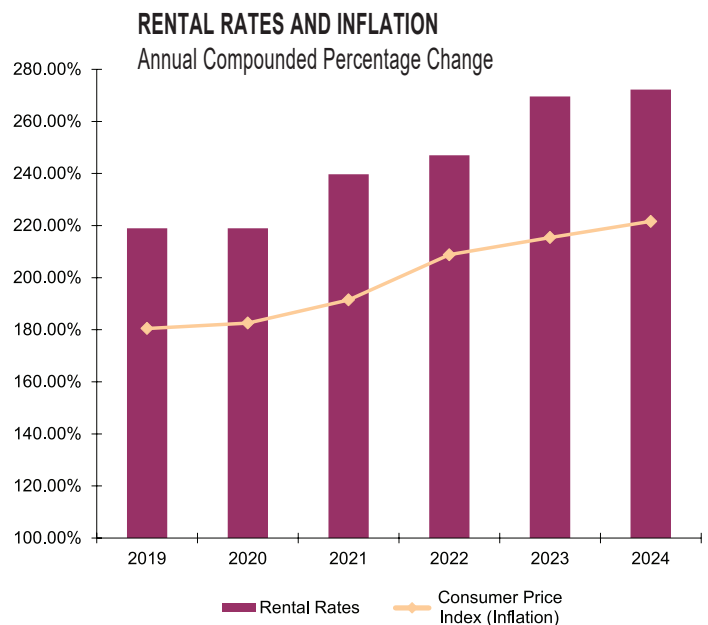
The U.L. Coleman Properties, LLC has served the Louisiana and Texas markets for 51 years in the areas of Real Estate Brokerage, Leasing, Property and Asset Management, Market Research, Consulting, Commercial, Industrial and Multifamily Development, and Construction Services. Over the years, we have compiled market data that is useful to those interested in and affected by the commercial real estate market. The purpose of this report is to inform investors, managers, clients, and business associates of market trends and conditions for the Shreveport-Bossier City Area. All data is based on historical information quoted by building owners and managers. No forecasts or conclusions are provided.

APARTMENT MARKET

The apartment market survey examines properties in the Shreveport-Bossier City Area containing 16,518 units. Five apartment properties were reclassified in the first quarter of 2021. One property, or 240 units, was reclassified in the first quarter of 2023. Twelve properties, or 1,823 units, were reclassified first quarter of 2024. The average age of the inventoried properties is 37 years, with over seventy percent of the inventory being 30 years or older. Two Class A properties were added to the survey in the first quarter 2020, and both are located in downtown Shreveport. Factors affecting reclassification of a property include rental rates, age of property, and overall condition. Overall market average rental rates increased 1.2% from \$1.15 per square foot the fourth quarter 2023 to \$1.17 per square foot the second quarter 2024. Overall market occupancy for the second quarter of 2024 was 90.3%.

No multifamily properties have sold thus far through 2Q24.

The chart shows the increase in rental rates compared to changes in the Consumer Price Index (CPI). These figures represent the annual compounded percentage change compared to 1992 data. Since 1992, rental rates have increased at a faster rate on average than CPI. Over the past year, rental rates increased 1.0% while the CPI increased 2.9% during the same period.



Source: U.L. Coleman Properties, LLC, Quarterly Market Report (Rates), U.S. Department of Labor (CPI) 2019-2024 Rates as of 2nd Quarter.

Figures Above Represent Percentage Increase Compared to 1992 Data.

SINGLE-FAMILY RESIDENTIAL HOUSING - NEW DEVELOPMENT

The market survey includes 123 subdivisions, selected to represent the development of new single-family home subdivisions in the Shreveport-Bossier City Area. This is not intended to represent the entire single-family market, but provides a good representation of market activity by reporting development within new single-family subdivisions. Data is drawn from public records for reported home and lot sales.

The combined Shreveport-Bossier City second quarter 2024 year to date permit value decreased 19.0% compared to second quarter 2023. The combined second quarter 2024 year to date total permits decreased 13.8% compared to the same period in 2023. The following table displays a history of the building permit activity in total dollars and number of permits for 2019 through the second quarter of 2024.

SINGLE FAMILY BUILDING PERMIT VALUE AND VOLUME

SHREVEPORT	2019	2020	2021	2022	2023	2024**
Permits, Value*	\$68.8	\$74.1	\$69.8	\$75.5	\$73.5	\$31.2
Permits, Number	279	332	198	200	182	71
BOSSIER CITY						
Permits, Value*	\$40.4	\$48.6	\$57.0	\$44.9	\$53.0	\$20.0
Permits, Number	238	305	283	180	281	122
COMBINED						
Permits, Value*	\$109.2	\$122.7	\$126.8	\$120.4	\$126.4	\$51.2
Permits, Number	517	637	481	380	463	193

*Millions **Source: 2024 permit data as of 2024 Year to Date. 2019-2023 represents year-end data.

The building permit data represents the total area new home construction through the second quarter of 2024. The graph above, "Houses and Lots Sold," presents the number of sales and average home and lot prices from the 123 subdivisions with new construction.

Below is a list of emerging subdivisions being monitored for inclusion in the survey:

- Esplanade – SE Shreveport
- The Crossing – North Bossier City
- Cove at Villagio – North Bossier City
- The Grove at Garret Farms – SE Shreveport
- Provident Oaks – North Bossier City

Below is a list of subdivisions added to the survey since 2020:

- Beauclair
- Canal Place
- Canes Landing
- Enclave at the Preserve
- Estates at the Preserve
- Lost River Estates
- Lucien Field Estates
- Southwind
- Trinity Bluff

Houses and Lots Sold



Source: U.L. Coleman Properties, LLC, Quarterly Market Report
 Note: The data is based on house and lot sales in 123 newly developed subdivisions. The entire market is not represented.
 *2024 Data represents 2nd quarter year-to-date. 2019-2023 values are year-end values.

OFFICE MARKET

DOWNTOWN: U.L. Coleman Properties, LLC conducts surveys at the end of the first and third quarter of each year. The survey includes 20 multi-tenant office buildings, comprising 2.1 million rentable square feet in the Shreveport Central Business District; 446,100 square feet are vacant. Below are select downtown building sales from 2024:

- 712 Milam (12,282 sf) sold for \$480,000 or \$39.08 per square foot

SUBURBAN: The suburban market incorporates 41 multi-tenant office buildings with a total of 1.5 million square feet of rentable space; 190,885 square feet are vacant. Below are select suburban property sales from 2024:

2024 Sales of Interest:

- Porter and Associates at 3109 Alexander (11,200 sf) for \$450,000 or \$40.18 per square foot
- Red River Remodelers at 818 Montrose (3,400 sf) for \$600,000 or \$176.47 per square foot

DOWNTOWN OFFICE MARKET	2019	2020	2021	2022	2023	2024*
Occupancy	76.8%	76.0%	80.7%	76.2%	73.4%	78.5%
Upper Rent, Avg.	\$13.79	\$13.03	\$13.02	\$13.58	\$14.18	\$14.64
Lower Rent, Avg.	\$12.06	\$11.75	\$11.60	\$12.33	\$12.80	\$12.96

SUBURBAN OFFICE MARKET

Occupancy	90.6%	86.8%	87.0%	85.8%	86.1%	87.4%
Upper Rent, Avg.	\$15.58	\$15.29	\$15.68	\$15.10	\$16.93	\$16.38
Lower Rent, Avg.	\$14.72	\$14.38	\$13.97	\$13.84	\$14.92	\$14.69

Source: U.L. Coleman Properties, LLC, Quarterly Market Report; Note: Office sampling is done in the 1st and 3rd quarters. *As of 1st quarter, 2024

RETAIL MARKET

The retail market is comprised of four categories: regional, community, neighborhood, and specialty shopping centers. The current survey contains 72 retail centers, comprising 7.9 million rentable square feet; 1,074,191 square feet are currently vacant.

RETAIL RENTAL RANGE BY TYPE

		2019	2020	2021	2022	2023	2024*
Regional	High:	\$26.50	\$26.50	\$26.50	\$20.00	\$23.77	\$16.00
	Low:	\$21.50	\$21.50	\$21.50	\$14.00	\$8.00	\$8.00
Community	High:	\$14.56	\$15.53	\$18.00	\$15.94	\$18.32	\$19.27
	Low:	\$9.50	\$9.38	\$11.60	\$12.19	\$11.16	\$12.34
Neighborhood	High:	\$14.43	\$16.56	\$15.73	\$15.93	\$15.51	\$13.14
	Low:	\$11.07	\$12.98	\$14.18	\$12.93	\$12.36	\$10.39
Specialty	High:	\$16.67	\$16.71	\$17.92	\$18.39	\$17.54	\$16.96
	Low:	\$15.65	\$14.69	\$15.59	\$15.76	\$15.50	\$15.24

Source: U.L.Coleman Properties, LLC Quarterly Market Report *As of 2nd quarter 2024

The accompanying table and graph provide the individual shopping center types by occupancy and range of rental rates. Rates are quoted by managers who often quote a range of rents that encompass larger and smaller lease spaces. Below are properties that have sold recently:

There have been no inventoried properties sold thus far through 2Q24.

2023 Inventoried Properties:

- Evangeline Square (27,831 sf) for \$3,250,000 or \$116.78 per square foot

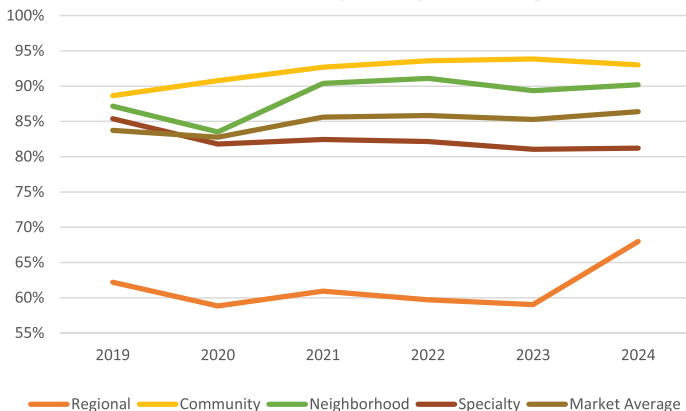
2022 Inventoried Properties:

- Kingston Corner (Avery Plaza) at 5604 Benton Road (45,825 sf) for \$6,900,000 or \$150.57 per square foot
- Airline Plaza at 2151 Airline (22,057 sf) for \$4,500,000 or \$204.02 per square foot
- Viniso Plaza at 4080-4128 Airline (19,442 sf) for \$2,550,000 or \$131.16 per square foot

2021 Inventoried Properties:

- The Shoppes at Bellemead (79,328 sf) for \$11,800,000 or \$148.75 per sf
- Regal Court Shopping Center Shadow Box (6,600 sf) for \$2,300,000 or \$348.48 per sf
- Southgate Retail Center (85,645 sf) for \$4,300,000 or \$50.21 per sf
- 5510 Airline Strip Mall (9,000 sf) for \$2,400,000 or \$266.67 per sf
- Glendale Plaza (12,600 sf) for \$2,100,000 or \$166.67 per sf

Retail Occupancy Averages



INDUSTRIAL MARKET

The industrial market is comprised of two categories: office/service center and bulk warehouse. The current survey contains 73 properties, of which 15 are office/service centers and 58 are bulk warehouses. The quarterly survey now samples 448,631 square feet of office/service center space, and 7,643,236 square feet of bulk warehouse space. The table is provided to illustrate trends in occupancy and rental rates from 2019 through second quarter 2024.

OFFICE/SERVICE CENTER	2019	2020	2021	2022	2023	2024*
Occupancy	94.6%	96.8%	97.1%	95.1%	93.6%	93.5%
Upper Rent, Avg.	\$6.83	\$8.00	\$8.00	\$9.00	\$10.30	\$9.25
Lower Rent, Avg.	\$6.16	\$6.50	\$6.50	\$7.00	\$7.88	\$7.88

MULTI-TENANT BULK WAREHOUSE

	2019	2020	2021	2022	2023	2024*
Occupancy	89.5%	75.4%	81.1%	85.5%	91.6%	95.4%
Upper Rent, Avg.	\$3.32	\$3.27	\$3.37	\$3.58	\$4.25	\$5.24
Lower Rent, Avg.	\$3.10	\$3.24	\$3.31	\$3.42	\$3.75	\$4.74

Source: U.L.Coleman Properties, LLC Quarterly Market Report *As of the 2nd quarter, 2024

LOCAL ECONOMIC UPDATE (SELECTED FACTS)

BANKRUPTCY: Shreveport-Bossier City had 5 commercial bankruptcies in 2023, the same number of bankruptcies as 2022. Shreveport-Bossier City personal bankruptcies for 2023 increased 2.7% from 2022.

POPULATION:

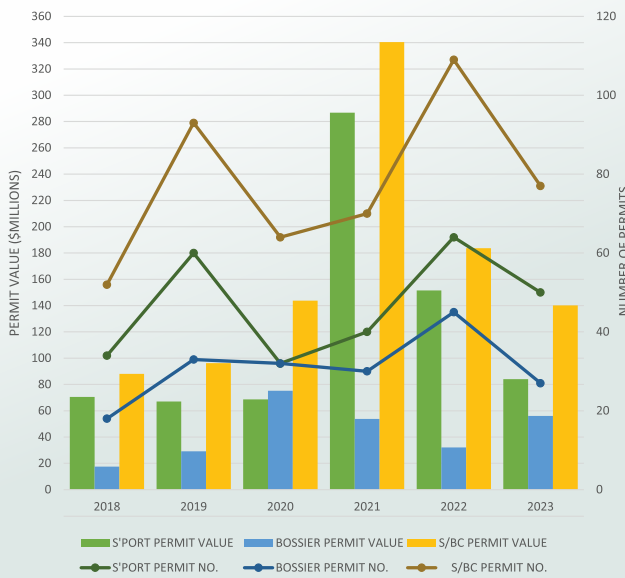
This table provides a three-decade review of the population statistics for the Shreveport-Bossier City area and compares them with state and national figures. 2023 population estimate data has been added for the same purpose.

POPULATION (IN 1,000's)	2000	2010	2020	2023*
United States	281,422	308,758	331,449	334,915
% Change From Prior Period	13.1%	9.7%	7.3%	1.0%
Louisiana	4,469.0	4,533.5	4,657.8	4,573.7
% Change From Prior Period	5.9%	1.4%	2.7%	(1.8%)
Shreveport	200.1	201.0	187.6	178.0
% Change From Prior Period	0.8%	0.4%	(6.7%)	(5.1%)
Bossier City	56.5	61.8	62.7	62.7
% Change From Prior Period	7.2%	9.3%	1.5%	0.1%
Caddo Parish	252.1	254.9	237.8	226.4
% Change From Prior Period	1.6%	1.1%	(6.7%)	(4.8%)
Bossier Parish	98.4	117.0	128.7	129.8
% Change From Prior Period	14.2%	19.0%	10.0%	0.8%
Caddo and Bossier Combined	350.5	372.0	366.6	356.2
% Change From Prior Period	4.8%	6.1%	(1.4%)	(2.8%)

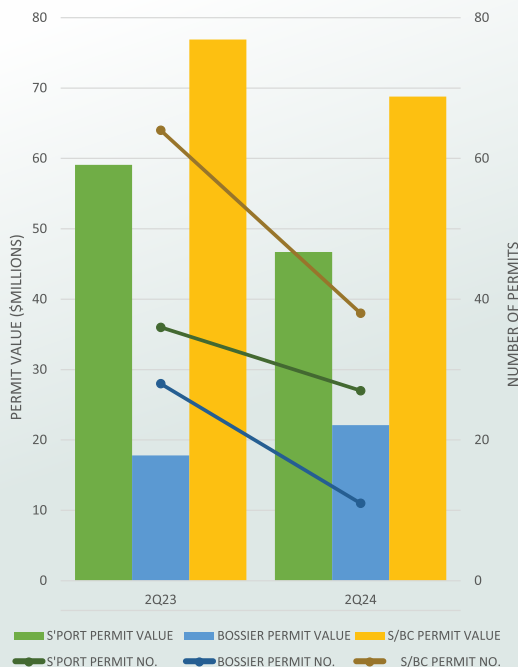
Source: U.S. Census Bureau: State and county quick facts; *2023 data from most recent U.S. Census Bureau Estimates

COMMERCIAL CONSTRUCTION: The charts illustrate construction activity in both cities from 2018 through second quarter 2024. Comparing the second quarter year to date totals for 2024 versus 2023, the dollar value of commercial construction permits issued decreased 21.0% in Shreveport and increased 24.4% in Bossier City. The result was a 10.5% overall decrease in commercial construction permit value. During the same period, the total number of commercial and industrial construction permits issued decreased 40.6%. Comparing the 2023 to 2024 second quarter year to date totals, the total dollar value of permits decreased from \$76.9 million to \$68.8 million, while the number of permits decreased from 64 to 38.

COMMERCIAL & INDUSTRIAL VALUE/VOLUME
2018-2023



2Q23-2Q24 COMPARISON
YEAR TO DATE



EMPLOYMENT: The accompanying table provides employment and unemployment data for Caddo/Bossier MSA, Louisiana, and U.S. figures from 2019 through the second quarter of 2024.

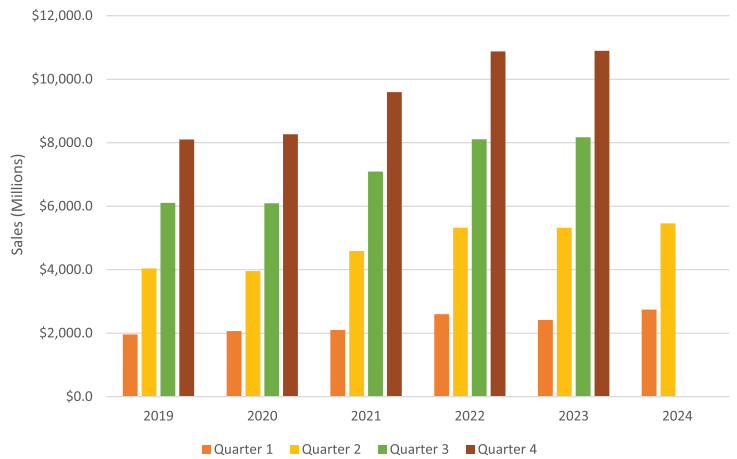
Year (As of end of the year)	2019	2020	2021	2022	2023	2024*
Caddo / Bossier MSA**						
Labor Force (1,000's)	184.9	181.7	181.6	182.9	182.2	185.6
Number Employed (1,000's)	176.2	169.3	175.5	176.8	175.0	177.0
Unemployment Rate	4.7%	6.8%	3.3%	3.3%	4.0%	4.7%
Louisiana Unemployment Rate	4.8%	7.4%	4.1%	3.6%	4.0%	4.0%
United States Unemployment Rate	3.6%	6.7%	3.9%	3.5%	3.7%	4.1%

Source: Louisiana Department of Labor, Office, of Employment Security. 2019-2023 values as of 4th quarter. *2024 values as of 2nd quarter. **MSA includes Caddo, Bossier, DeSoto, and Webster Parishes

RIVERBOAT CASINOS: Casino River boat admissions increased 8.5% for second quarter 2024 year to date compared to second quarter 2023. Casino revenues increased 6.4% during the same period.

RETAIL: Retail sales for the second quarter of 2024 decreased 6.7% compared to 2023. Retail sales for Caddo Parish decreased 5.3% and Bossier Parish retail sales decreased 9.2% compared to 2023. The chart provides annual retail sales through the second quarter of 2024.

Combined Caddo and Bossier Retail Sales



The chart above represents the cumulative Caddo and Bossier retail sales by quarter year-to-date for each year.

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ADDITIONAL INFORMATION. A full report is available by subscription. Leasing and brokerage, property and asset management, consulting, development, and construction services are also available by contacting U.L.Coleman Companies at 207 Milam St., Ste. C, Shreveport, LA 71101, phone (318-221-0541), fax (318-221-0568), or e-mail (ulcoleman@ulcoleman.com). You may also visit our web site at <http://www.ulcoleman.com>.