

STIRLING PROPERTIES



RETAIL MARKET SURVEY Shreveport-Bossier City

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TABLE OF CONTENTS

- Section I** **Retail Market Assessment**

- Section II** **Shreveport-Bossier City Retail Inventory & Occupancy**

- Section III** **Caddo & Bossier Parish Retail Sales**

- Section IV** **Shreveport-Bossier City Retail Map**

- Section V** **Shreveport-Bossier City Retail Survey**

- Section VI** **Retail Specialists**

- Section VII** **Stirling Properties**

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RETAIL MARKET ASSESSMENT

Welcome to the second edition of the semi-annual Shreveport-Bossier City Retail Survey. This report will provide the reader with detailed information on available square footage, occupancy and rental rates of retail centers greater than twenty thousand (20,000) square feet in the Shreveport-Bossier City market.

All information provided in this report would not be possible without the cooperation of our staff and colleagues and we would like to thank all of those who contributed.

Kroger Marketplace, an anchor tenant for the Bossier City Community Center development on Airline Drive, opened its doors in November and added approximately 123,000 square feet to our market. Additionally, in the prior month, Hobby Lobby opened their doors and added approximately 57,000 square feet of retail inventory too. The remaining two (2) Community Center developments, which are located in Shreveport, anticipate their anchor tenants (Whole Foods and Kroger Marketplace) opening in fall 2016. Upon completion of Phase I, all three (3) of these retail developments will add a total of approximately 438,000 square feet to our market inventory. Future construction phases will be determined based on continued demand for retail growth and absorption.

Additionally, three (3) Walmart Neighborhood Market centers have opened this year, as well as a Walmart Supercenter in Shreveport on Highway 1 just north of the new Interstate 49 extension. Currently, Walmart is trying to obtain rezoning approval for a potential land purchase to accommodate another Walmart Supercenter in Bossier City on Airline Drive at Wemple Road. However, we have yet to see if this will happen due to opposition from the surrounding residential community.

Shreveport-Bossier City’s current, overall occupancy rate of 89% on approximately 7.4 million square feet of multi-tenant retail space has had estimated 2% decrease since mid-2015 due to new developemts, industry consolidations and competition from e-commerce, which is prompting companies to downsize their brick-and-mortar portfolios. However, despite this slight decrease, we continue to see the expansion of quick service restaurants (QSR’s), fast casual restaurants, specialty and discount grocers and discount retailers in our market. Due to the influx of these new retailers, our market has started to see small economic gains such as improvements to local roadways and a



Whole Foods Development, Shreveport



Walmart Neighborhood Market, Shreveport

gain of approximately 1,577 jobs (a 12% increase over 2014).

A traffic signal by the Kroger Marketplace anchored Community Center on Airline Drive at George Dement Boulevard in Bossier City was activated on October 6. In addition, a new road has been created which runs between Hobby Lobby and Kroger Marketplace before meeting at Plantation Drive with an extension from Airline Drive to Viking Drive. It also features a connection to Douglas Drive.

As we review 2015, we see that lease rates have hit an all-time high in our market due to the high demand and rising costs of land as well as new construction. As we prepare our mid-2016 survey, we expect to see a growth in the number of jobs gained in our area as well as lease rates holding steady with a possible increase of Landlord incentives such as: free rent, tenant improvements, etc.

The market area's inventory has been divided into five (5) categories according to analyzed data:

1. Regional Malls: Typically enclosed with inward-facing stores and offer general and/or fashion-oriented merchandise. General anchor tenants include a full-line or junior department store, a mass merchant store, a discount department store and/or a fashion apparel store. Regional Malls total 1,180,000 square feet and represent sixteen percent (16%) of our market with a 90.6% occupancy rate. This is an approximate four percent (4%) decrease in occupancy since our mid-2015 survey. There are approximately 111,500 vacant square feet available for lease in this category.

2. Community Shopping Centers: Often have two (2) or more anchors and offer a wide range of apparel and other soft goods. Typical anchors include a discount store, a drug store and/or a large specialty discount store (i.e. toys, books, electronics, home improvement and/or furniture, sporting, etc.). Community Shopping Centers total 3,457,620 square feet and represent forty-seven percent (47%) of our market with a 92.6% occupancy rate. This is an approximate one percent (1%) decrease



Stirling Bossier, Bossier City



Stirling Bossier, Bossier City

in occupancy since our mid-2015 survey. There are approximately 255,294 vacant square feet available for lease in this category.

3. Neighborhood Shopping Centers: Usually grocery anchored and convenience oriented. Neighborhood Shopping Centers total 1,581,111 square feet and represent twenty-one percent (21%) of our market with an 86% occupancy rate. This is an approximate one percent (1%) decrease in occupancy since our mid-2015 survey. There are approximately 221,930 vacant square feet available for lease in this category.



Stirling Bossier, Bossier City

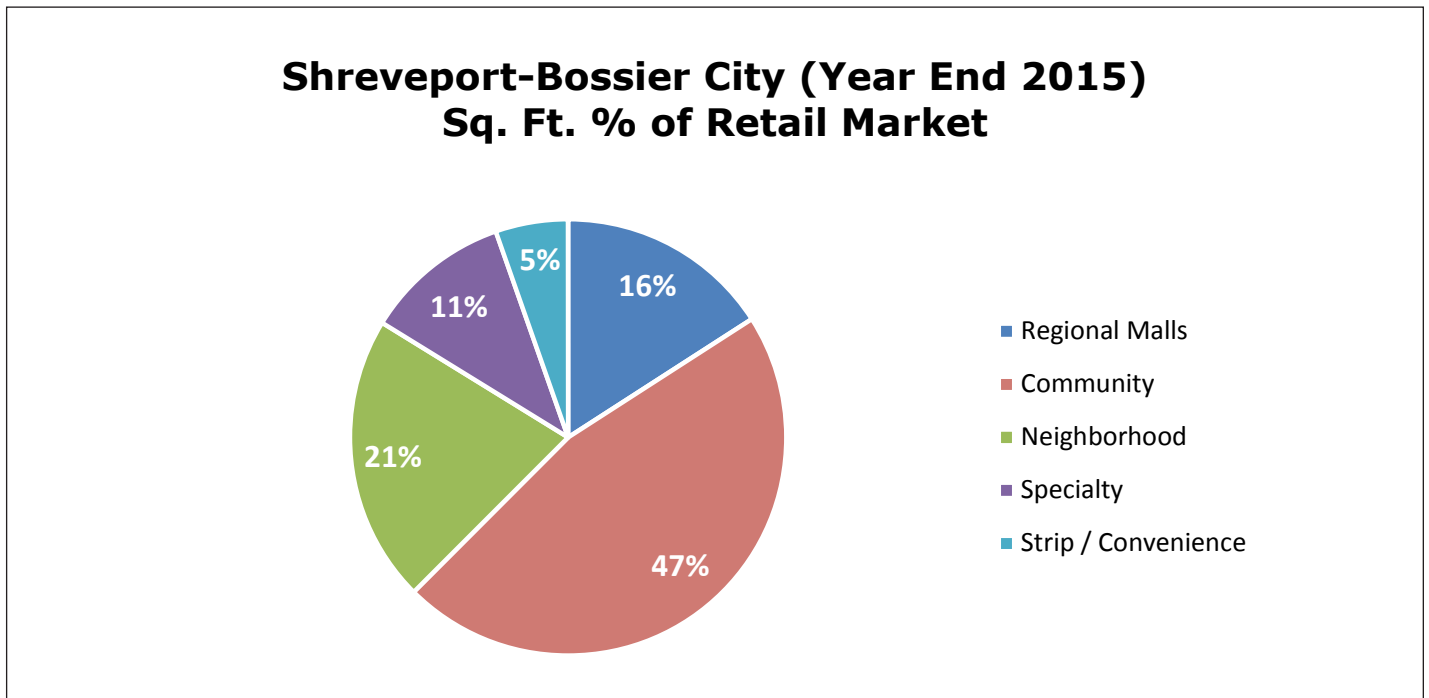
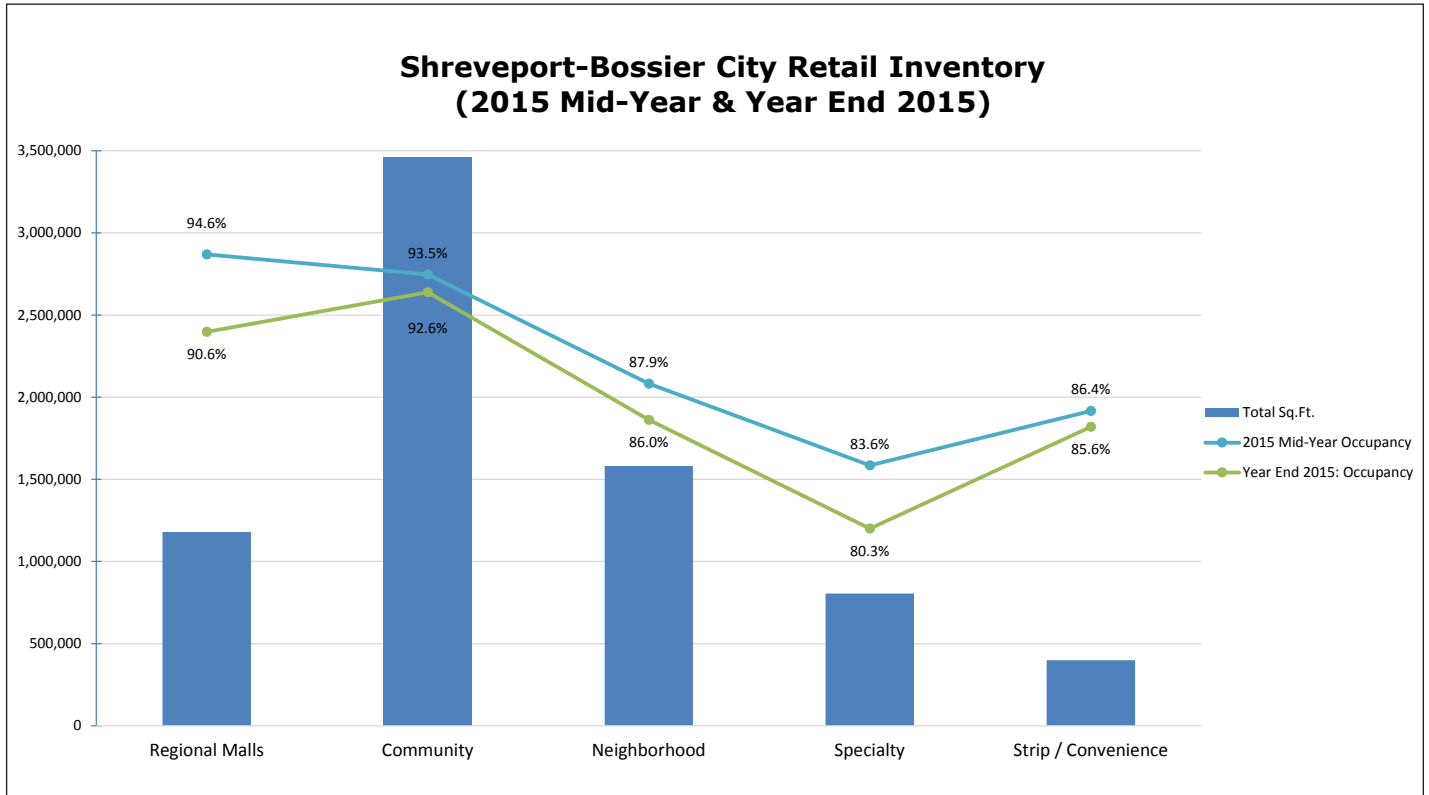
4. Specialty Shopping Centers: Typically range from Lifestyle to Outlet Centers or Theme/Festival Centers. Specialty Shopping Centers total 804,685 square feet and represent eleven percent (11%) of our market with an 80.3% occupancy rate. Occupancy has remained steady since our mid-2015 survey. There are approximately 158,599 vacant square feet available for lease in this category.

5. Strip and/or Convenience Shopping Centers: Usually smallest in square footage, these types of centers provide a

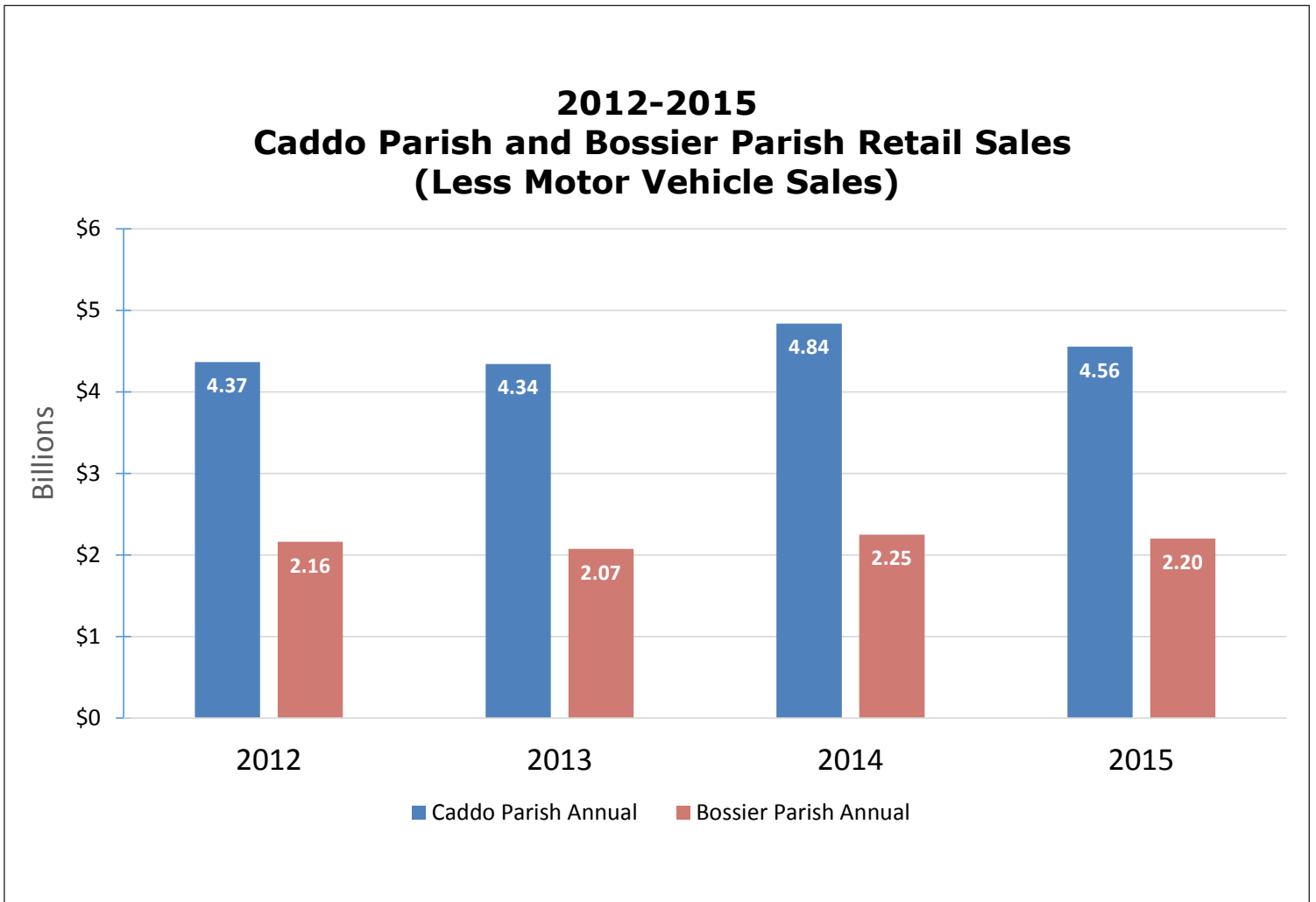
narrow mix of goods and services and generally do not have an "Anchor" Tenant in the center. Strip and/or Convenience Shopping Centers total 398,850 square feet and represent five percent (5%) of our market with an 85.6% occupancy rate. This is an approximate one percent (1%) decrease in occupancy since our mid-2015 survey. There are approximately 57,483 vacant square feet available for lease in this category.

There are a total of fifty-three (53) multi-tenant retail centers with a minimum of twenty thousand (20,000) square feet in Shreveport-Bossier City as of end-year 2015. The following retail inventory chart shows that there has been a slight decrease in occupancy since mid-2015. However, the Community Centers and Regional Malls categories still hold strong with each having occupancy over 90%.

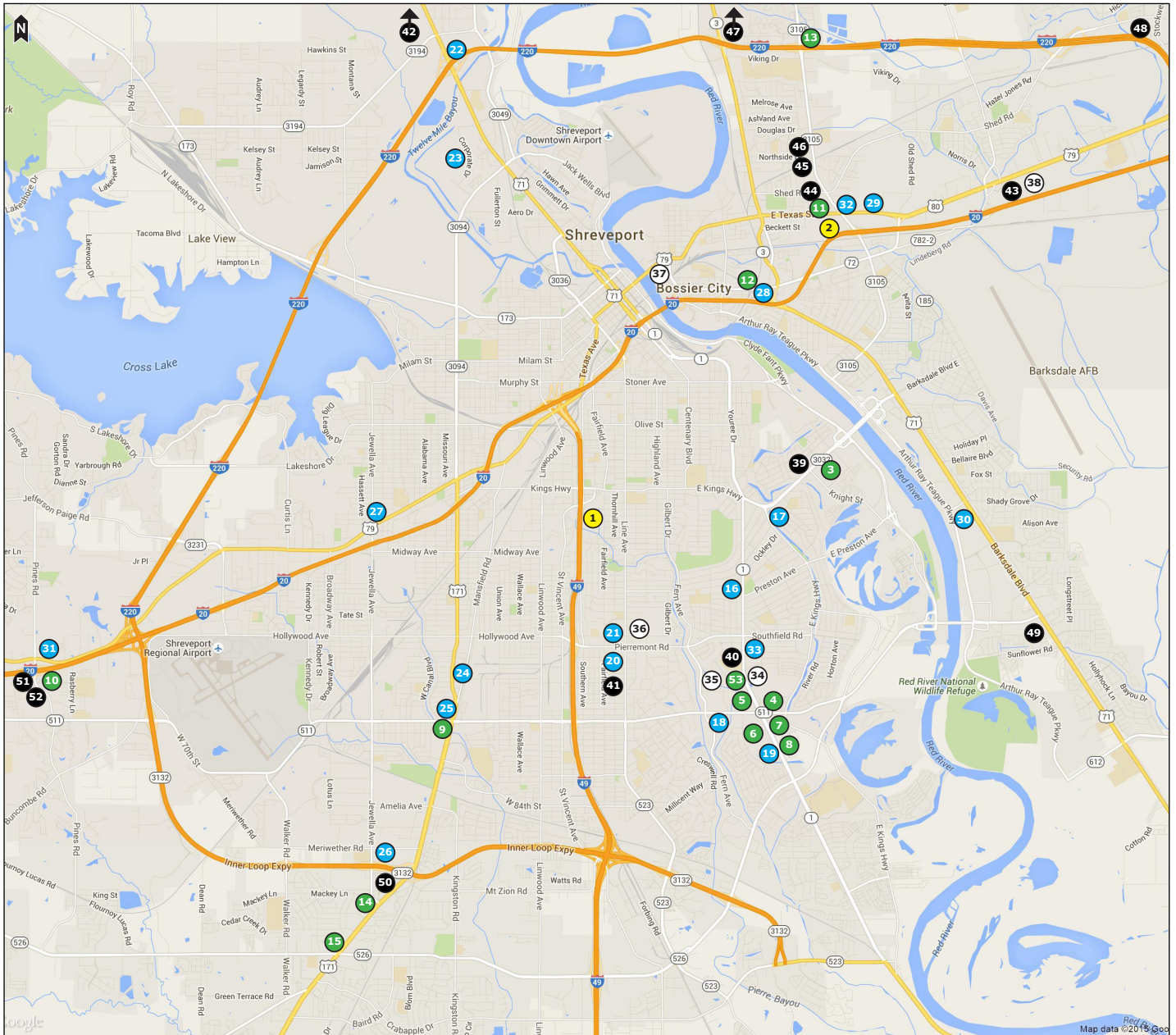
SHREVEPORT-BOSSIER CITY RETAIL INVENTORY & OCCUPANCY



CADDO & BOSSIER PARISH RETAIL SALES



SHREVEPORT-BOSSIER CITY RETAIL MAP



- Regional Malls
- Community Centers
- Neighborhood Centers
- Specialty Centers
- Strip Centers/Convenience Centers

SHREVEPORT-BOSSIER CITY RETAIL SURVEY

REGIONAL MALL

Year End 2015		Total Number of Buildings in Market: 2	Total SF: 1,180,000 SF	Average Occupancy: 90.55%	
MAP #	RETAIL CENTER & ADDRESS	BUILDING SIZE	AVAILABLE SQ. FT.	QUOTED ANNUAL RENT RATE (PSF)	OCCUPANCY RATE
1	Mall St. Vincent 1133 St. Vincent Avenue	530,000 SF	53,000 SF	Negotiable	90%
2	Pierre Bossier Mall 2950 East Texas Street	650,000 SF	58,500 SF	Negotiable	91%

COMMUNITY SHOPPING CENTERS

Year End 2015		Total Number of Buildings in Market: 14	Total SF: 3,457,620 SF		Average Occupancy: 92.62%
MAP #	RETAIL CENTER & ADDRESS	BUILDING SIZE	AVAILABLE SQ. FT.	QUOTED ANNUAL RENT RATE (PSF)	OCCUPANCY RATE
3	Shreve City 1265 Shreveport-Barksdale Highway	547,408 SF	27,920 SF	\$7.50-\$12 NNN (\$3.39)	95%
4	Eastgate Shopping Center Youree Drive at East 70th Street	363,000 SF	21,000 SF	\$13-\$20 NNN (\$3.41)	94%
5	Bayou Walk 6634-6658 Youree Drive	143,667 SF	10,200 SF	Negotiable	93%
53	Bayou Walk II 6590 Youree Drive	29,000 SF	11,000 SF	Negotiable	62%
6	University Place 7080 Youree Drive	205,753 SF	2,780 SF	\$25-\$30 NNN (\$5.50)	99%

COMMUNITY SHOPPING CENTERS CONTINUED

MAP #	RETAIL CENTER & ADDRESS	BUILDING SIZE	AVAILABLE SQ. FT.	QUOTED ANNUAL RENT RATE (PSF)	OCCUPANCY RATE
7	Kings Crossing 7141 Youree Drive	275,000 SF	0	N/A	100%
8	Regal Court Shopping Center 7450 Youree Drive	343,467 SF	12,790 SF	Negotiable	96%
9	Welch Shopping Center 2700 West 70th Street	168,000 SF	45,706 SF	\$4.75-\$6 NNN (\$0.68)	73%
10	Huntington Park Shopping Center 6713 Pines Road	177,895 SF	7,200 SF	\$9.75 NNN (\$3.25)	96%
11	Bossier Corners Shopping Center 2001 Airline Drive	143,060 SF	14,026 SF	Negotiable	90%
12	Heart O'Bossier 1701 Old Minden Road	198,801 SF	68,722 SF	\$4.50-\$10.50 NNN (\$1.74)	65%

COMMUNITY SHOPPING CENTERS CONTINUED

MAP #	RETAIL CENTER & ADDRESS	BUILDING SIZE	AVAILABLE SQ. FT.	QUOTED ANNUAL RENT RATE (PSF)	OCCUPANCY RATE
13	Stirling Bossier I-220 and Airline Drive	645,873 SF	0	N/A	100%
14	South Park Village 9034 Mansfield Road	103,269 SF	15,950 SF	\$8-\$12.50 NNN (\$3.24)	85%
15	Summer Grove Shopping Center 9164 Mansfield Road	113,427 SF	18,000 SF	\$8 NNN (\$1.75)	84%

NEIGHBORHOOD SHOPPING CENTERS

Year End 2015		Total Number of Buildings in Market: 18	Total SF: 1,581,111 SF		Average Occupancy: 85.96%
MAP #	RETAIL CENTER & ADDRESS	BUILDING SIZE	AVAILABLE SQ. FT.	QUOTED ANNUAL RENT RATE (PSF)	OCCUPANCY RATE
16	Broadmoor Shopping Center 3950 Youree Drive	60,000 SF	1,905 SF	\$16 NNN (\$4.50)	97%
17	Old River Marketplace 733 Shreveport-Barksdale Highway	138,308 SF	19,088 SF	\$6-\$15 NNN (\$2.20)	86%
18	Pierremont Plaza 1409 East 70th Street	39,394 SF	3,250 SF	Negotiable	92%
19	Eastside Plaza 7460 Youree Drive	78,761 SF	0	N/A	100%
20	Towne Oak Square 855 Pierremont Plaza	76,788 SF	2,350 SF	\$16 NNN (\$3.61)	97%

NEIGHBORHOOD SHOPPING CENTERS CONTINUED

MAP #	RETAIL CENTER & ADDRESS	BUILDING SIZE	AVAILABLE SQ. FT.	QUOTED ANNUAL RENT RATE (PSF)	OCCUPANCY RATE
21	Uptown Shopping Center 4800 - 5800 Line Avenue	125,687 SF	0	N/A	100%
22	North Market Place Shopping Center 3000 North Market Street	88,205 SF	3,410 SF	Negotiable	96%
23	North Market Street Plaza 1909 North Market Street	110,917 SF	45,390 SF	\$3-\$5 NNN (\$1.18)	59%
24	Sunset Village 6363 Hearne Avenue	105,486 SF	42,194 SF	\$5-\$6 NNN	60%
25	Southgate Retail Center 2710 West 70th Street	62,194 SF	17,823 SF	\$4-\$20 NNN (\$1.49)	71%
26	South Park Crossing 8805 Jewella Avenue	48,722 SF	13,322 SF	\$12 NNN (\$1.25)	73%

NEIGHBORHOOD SHOPPING CENTERS CONTINUED

MAP #	RETAIL CENTER & ADDRESS	BUILDING SIZE	AVAILABLE SQ. FT.	QUOTED ANNUAL RENT RATE (PSF)	OCCUPANCY RATE
27	Westwood Shopping Center 3709 Jewella Road	112,000 SF	4,055 SF	\$10-\$11 NNN	96%
28	Bossier Crossroads 1700 Old Minden Road	75,772 SF	9,708 SF	\$9.77 NNN (\$1.50)	87%
29	Albertsons (Bossier Towne Center) Shopping Center 3121 East Texas Street	103,087 SF	5,710 SF	\$14-\$16 NNN (\$3.76)	94%
30	Plantation Plaza Shopping Center 4100 Barksdale Boulevard	118,325 SF	42,225 SF	\$9.75 NNN (\$3.00)	64%
31	Pines Crossing Shopping Center 6138-6140 Greenwood Road	49,057 SF	10,000 SF	\$10 NNN	80%
32	K-mart Center 3045 East Texas Street	131,015 SF	1,500 SF	\$18 NNN (\$2.42)	99%

NEIGHBORHOOD SHOPPING CENTERS CONTINUED

MAP #	RETAIL CENTER & ADDRESS	BUILDING SIZE	AVAILABLE SQ. FT.	QUOTED ANNUAL RENT RATE (PSF)	OCCUPANCY RATE
33	Southfield Shopping Center 5700 Southfield Road	57,393 SF	0	N/A	100%

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SPECIALTY SHOPPING CENTERS

Year End 2015		Total Number of Buildings in Market: 5	Total SF: 804,685 SF		Average Occupancy: 80.29%
MAP #	RETAIL CENTER & ADDRESS	BUILDING SIZE	AVAILABLE SQ. FT.	QUOTED ANNUAL RENT RATE (PSF)	OCCUPANCY RATE
34	Shoppes at Bellemead 6535 Youree Drive	60,785 SF	8,368 SF	\$28-\$32 NNN (\$11.00)	97%
35	Home Design Center 6969 Fern Loop	73,447 SF	34,913 SF	Negotiable	52%
36	Pierremont Mall 4801 Line Avenue	67,720 SF	7,626 SF	\$18 NNN (\$4.05)	89%
37	The Outlets at Louisiana Boardwalk 540 Boardwalk Boulevard	550,000 SF	87,521 SF	Negotiable	84%
38	Villaggio 5200 East Texas Street	52,733 SF	20,171 SF	\$12 NNN	62%

STRIP/CONVENIENCE SHOPPING CENTERS

Year End 2015		Total Number of Buildings in Market: 14	Total SF: 398,850 SF		Average Occupancy: 85.59%
MAP #	RETAIL CENTER & ADDRESS	BUILDING SIZE	AVAILABLE SQ. FT.	QUOTED ANNUAL RENT RATE (PSF)	OCCUPANCY RATE
39	Shreveport-Barksdale Retail/Office 1020 Shreveport-Barksdale Highway	30,861 SF	6,114 SF	Negotiable	80%
40	Bayou Plaza Shopping Center 6550-6570 Youree Drive	51,400 SF	8,896 SF	\$12-\$18 NNN	83%
41	Evangeline Square 6104-6030 Line Avenue	28,000 SF	2,400 SF	\$17.00 NNN (\$4.25)	91%
42	Northwood Shopping Center 5795 North Market Street	28,000 SF	1,728 SF	\$14-\$15.50 NNN (\$4.13)	94%
43	Brandon Square Shopping Center 4726 East Texas Street	28,000 SF	5,890 SF	\$12-\$14 NNN (\$2.67)	79%

STRIP/CONVENIENCE SHOPPING CENTERS CONTINUED

MAP #	RETAIL CENTER & ADDRESS	BUILDING SIZE	AVAILABLE SQ. FT.	QUOTED ANNUAL RENT RATE (PSF)	OCCUPANCY RATE
44	Airline Marketplace I, II, III 2100 Airline Drive	42,320 SF	7,000 SF	\$25.00 NNN (\$3.25)	83%
45	Airline Plaza 2151 Airline Drive	21,400 SF	2,790 SF	\$19 NNN (\$4.52)	87%
46	Azalea Center 2163 Airline Drive	20,736 SF	755 SF	\$11 NNN (\$3.18)	96%
47	Avery Plaza 5604-5608 Benton Road	29,867 SF	5,250 SF	Negotiable	82%
48	Stockwell Professional Plaza 2091 Stockwell Road	22,812 SF	1,250 SF	\$14.40 NNN	95%
49	River Crest 4970 Barksdale Boulevard	25,640 SF	7,500 SF	\$13 NNN (\$4.50)	71%

STRIP/CONVENIENCE SHOPPING CENTERS CONTINUED

MAP #	RETAIL CENTER & ADDRESS	BUILDING SIZE	AVAILABLE SQ. FT.	QUOTED ANNUAL RENT RATE (PSF)	OCCUPANCY RATE
50	Kilpatrick Plaza 8939 Jewella Avenue	26,000	7,910 SF	\$10.00 NNN (\$1.50)	70%
51	Shreveport Plaza 6204 Westport Avenue	22,814 SF	0	N/A	100%
52	Pines Road Marketplace 6730 Pines Road	21,000 SF	0	N/A	100%

*Information on RSA buildings has not been confirmed.

RETAIL SPECIALISTS



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Karen Hannigan began her real estate career in 2003 specializing in the buying, selling and leasing of retail, office, industrial, investment properties and vacant land. She offers a full-range of leasing and brokerage services including tenant and buyer representation, property listings, as well as site selection and consulting services while working with a plethora of local, regional and national clients. Karen is experienced in the site selection process for national retailers and has assisted numerous clients in securing appropriate locations for their businesses including Aldi, Capital One, Verizon Wireless, Big Lots, Take 5, Sonic Restaurants, Subway, Newk’s Eatery, Jimmy Johns, Moe’s Southwest Grill, Smoothie King and Time It Lube. She has represented prominent property owners, such as: Rouse Properties, the Goldstone Group (multi-franchise operators) and Inland Diversified Real Estate Trust. In addition, she has worked closely with REITS and private ownership groups in the acquisition and disposition of investment properties including shopping centers and single-tenant retail properties.

Karen is a designee of the distinguished Certified Commercial Investment Member (CCIM) and is an active member of the Louisiana Chapter of CCIM, International Council of Shopping Centers (ICSC), Christus Sutton Children’s Women’s Council, Holy Angels Champions for Children, South Highlands Magnet PTA Board and Shreveport Regional Arts Council’s (SRAC) Christmas in the Sky Executive Committee . She is also a graduate of the Greater Shreveport Chamber of Commerce Leadership Program, the Dale Carnegie Program, a former long standing member of the NWLAR Commercial Investment Division (CID) Board of Directors as well as a past chairman of their Real Estate Trends Conference, and a past member of the Louisiana Commercial Database (LACDB) Board of Directors as well as serving a position on the ICSC Centerbuild Steering Committee. Karen received Bachelors of Science in Marketing from the University of Louisiana at Monroe.

RETAIL SPECIALISTS



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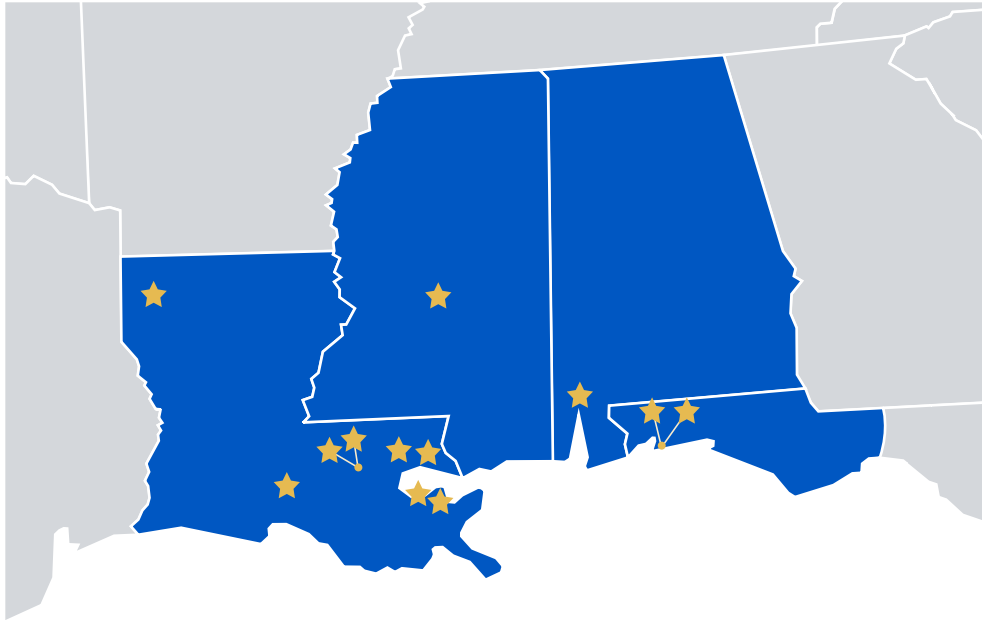
Stacy Odom offers a wealth of knowledge about the Ark-La-Tex market and possesses extensive commercial real estate experience across an array of project types that include: retail, investment sales, as well as office and industrial sectors. As an associate broker in sales and leasing, she is skilled and well-versed in tenant and landlord representation and site selection. Additionally she has supplied consulting and analysis services for, both, REITS and private ownership groups through the acquisition and disposition of investment properties. Her capabilities have allowed her to work with a broad diversity of clients including national and regional retailers, medical service providers, oil and gas companies and developers. Stacy has assisted Aldi, Capital One, Big Lots, Verizon Wireless, Newk's Eatery, Smoothie King, Hutton Developers, Time It Lube, SWEPCO and GE Oil and Gas in their expansions.

Stacy is a licensed real estate broker in the states of Louisiana and Texas, a member of the North Texas Commercial Association of Realtors, International Council of Shopping Centers (ICSC), Retail Brokers Network (RBN) and a Certified Investment Member (CCIM) candidate. She is involved in her community as a graduate of the Greater Shreveport Chamber of Commerce Leadership program, Junior League of Shreveport-Bossier sustainer and former board member of Friends of the Meadows Museum and Samaritan Counseling Center. Stacy received her BA in Real Estate from the University of Texas at Austin.



Section VII

LOCAL EXPERTISE REGIONAL STRENGTH NATIONAL REPUTATION



Your commercial real estate leader in the Gulf South.

Stirling Properties is one of the most comprehensive full-service commercial real estate companies in the country. With more than four decades of experience, we specialize in Brokerage Services, Development and Redevelopment, Acquisitions and Investments, and Property and Asset Management over a wide array of property types across the Gulf South region. We are committed to providing the best possible service to our clients, offering unparalleled market knowledge and product diversity. Our expert team can help you meet any real estate challenge.

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BY THE NUMBERS

99 million square feet
properties and land for sale or lease

\$1.3 billion
volume for the last 5 years

2,255 transactions
in the last 5 years

20 million square feet
developed from the ground up

\$254 million and
1.5 million square feet
properties under development

2.7 million square feet
properties acquired

\$1.3 billion
financing in the last 10 years

17.2 million square feet
properties managed



Shreveport, LA