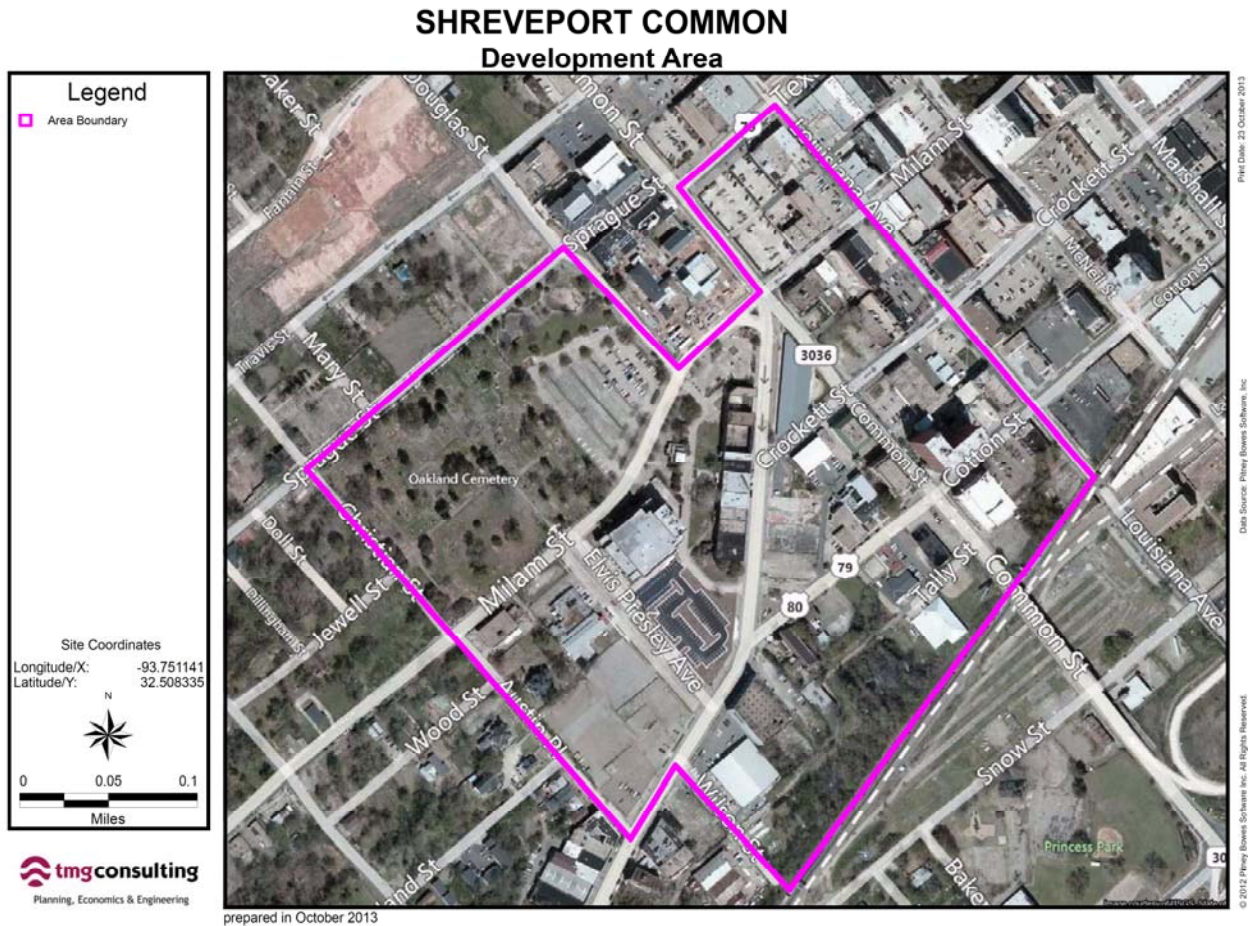


INTRODUCTION

In September 2013, the Downtown Shreveport Development Corporation (DSDC) engaged TMG Consulting to perform a series of analyses for the Shreveport Common Cultural district. Included in our study were assessments of the potential for the district to provide housing as well as to host retail and commercial uses. The goal of this study is to provide the data and information necessary to inform potential investors and project developers while maintaining the focus and overall vision of the plan to sustain an active and engaging Arts & Cultural District in Shreveport.



In order to assess the potential for the desired uses, TMG Consulting reviewed the Shreveport Common Vision Plan, conducted three site visits covering six days, and performed extensive research and analyses. During these site visits TMG conducted interviews with local developers, real estate professionals, bankers, artists, City officials, economic development professionals, officials from the Shreveport Regional Arts Council, and DSDC/Downtown Development Authority (DDA) staff to further our understanding of the development site, existing facilities and location, regional trends and attitudes,

needs and desires of all parties with relation to Shreveport Common, and any plans for future development. Data was gathered with regard to future area development plans, the existing customer base, and on the local and tourist populations. Locally competitive facilities were evaluated. Detailed demographic and consumer spending data was obtained from proprietary sources and mapped using our in-house GIS capabilities, showing population density and income levels as they relate to the Shreveport Common. Where possible, pricing and performance data from competitive and comparable developments and businesses were gathered and trends reviewed.

TMG Consulting utilized the data gathered in order to perform market assessments for each of the potential uses for the site. The market demand, utilization and revenue potential for each of these uses was projected. The following study details our research and analyses, including methodology, inputs, and forecasts for the potential utilization and revenue potential of the area's proposed housing and retail/commercial uses.

EXECUTIVE SUMMARY

In our analysis, TMG Consulting (TMG) concludes that the Shreveport Common Cultural District should be capable of supporting significant housing and retail or commercial uses. This conclusion is dependent on significant infrastructure improvements in and marketing of the area, as well as on continued growth of the greater Shreveport-Bossier region.

Housing Market Assessment

In our assessment of the potential for housing in the Shreveport Common area, TMG developed both “Low” and “High” forecasts. With a full build-out of 250 rental units in the area, TMG projects that approximately 177 to 222 units could reasonably be occupied, generating between \$1.3 million and \$2.4 million in rental revenues annually. Of the occupied units, between 11 and 17 could potentially be occupied by artists.

Shreveport Common Adjusted Fair Share Projections

Category	0-1 Mile (LOW)	0-15 Mile (HIGH)
Shreveport Common's Fair Share of Occupied Rental Units	161	222
Discount/Premium to Fair Share	1.1	1.0
Forecast of Occupied Units in the Shreveport Common	177	222

Source: TMG Consulting

Potential for Artist Units in Shreveport Common

Category	Low	High
Shreveport Common Occupied Units	177	222
New Artist Renters Captured	11	17
Potential % of Occupied Units	6%	8%

Source: TMG Consulting

Summary of Projected Rental Revenue

Scenario	Revenue Generating Units	PSF	Occupancy Rate	Potential Annual Revenue
Scenario 1	177	\$0.76	71%	\$1,299,228
Scenario 2	177	\$1.14	71%	\$1,904,329
Scenario 3	222	\$0.76	89%	\$1,636,275
Scenario 4	222	\$1.14	89%	\$2,398,342

Source: TMG Consulting

Retail and Commercial Market Assessment

The Shreveport Common Cultural District is expected to capture a portion of the demand for retail and non-retail commercial property in the Downtown Shreveport area. As outlined in the 2011 Shreveport Common Vision Plan, the Shreveport Common Cultural District is expected have approximately 138,000 square feet available for commercial use by 2017.

Total Potential New Businesses Demanded in Downtown Shreveport

Category	Retail	Non-Retail	Total
Unsatisfied Demand (2012) (Number of Businesses)	6.5	8.2	14.7
Anticipated Growth (2017) (Number of Businesses)	1.6	4.3	5.9
Total Potential New Businesses Demanded in Downtown Shreveport	8.1	12.5	20.6

Source: TMG Consulting Analysis

Summary of Retail and Commercial Market Fair Share Analysis for Shreveport Common

Category	Retail	Non-Retail	Total
Total Potential New Businesses Demanded in Downtown Shreveport	8.1	12.5	20.6
Estimated Capture by the Rest of Downtown Shreveport	2.4	9.8	12.2
Estimated Capture by Shreveport Common (# of businesses)	5.7	2.7	8.4

Source: TMG Consulting Analysis

The Shreveport Common Cultural District is expected to capture approximately 8.4 business by 2017 if sufficient infrastructure improvements and adequate marketing efforts are made that make it equally competitive with other new and renovated buildings in the Downtown Shreveport Area.

At an average rate of \$13.50 per square foot for retail property and an average rate of \$12.50 per square foot for non-retail property (based on Caddo Parish September 2013 levels), the resulting anticipated annual revenue that can be expected from new Shreveport Common retail and non-retail commercial properties is approximately \$555,550 per year (in 2013 dollars).

Summary of Retail and Commercial Market Assessment for Shreveport Common – Square Footage and Revenue Projection

Category	Retail	Non-Retail	Total
Estimated Capture by Shreveport Common	5.7	2.7	8.4
Estimated Square Feet Per Business	5,000	5,000	5,000
Estimated Square Feet of Real Estate Demanded	28,637	13,516	42,153
September 2013 Market Rental Rate per Square Foot	\$ 13.50	\$ 12.50	\$ 13.18
Total Estimated Annual Revenue	\$ 386,606	\$ 168,945	\$ 555,550

Source: TMG Consulting Analysis