



THE McENERY COMPANY

VALUATION & ADVISORY SERVICES

PREPARED FOR:
Mr. Adam Kurz
DR Horton

PREPARED BY:
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21052 Honeybee Rd.
Slidell, LA 70460

EFFECTIVE DATE OF
MARKET VALUE: October 12, 2022



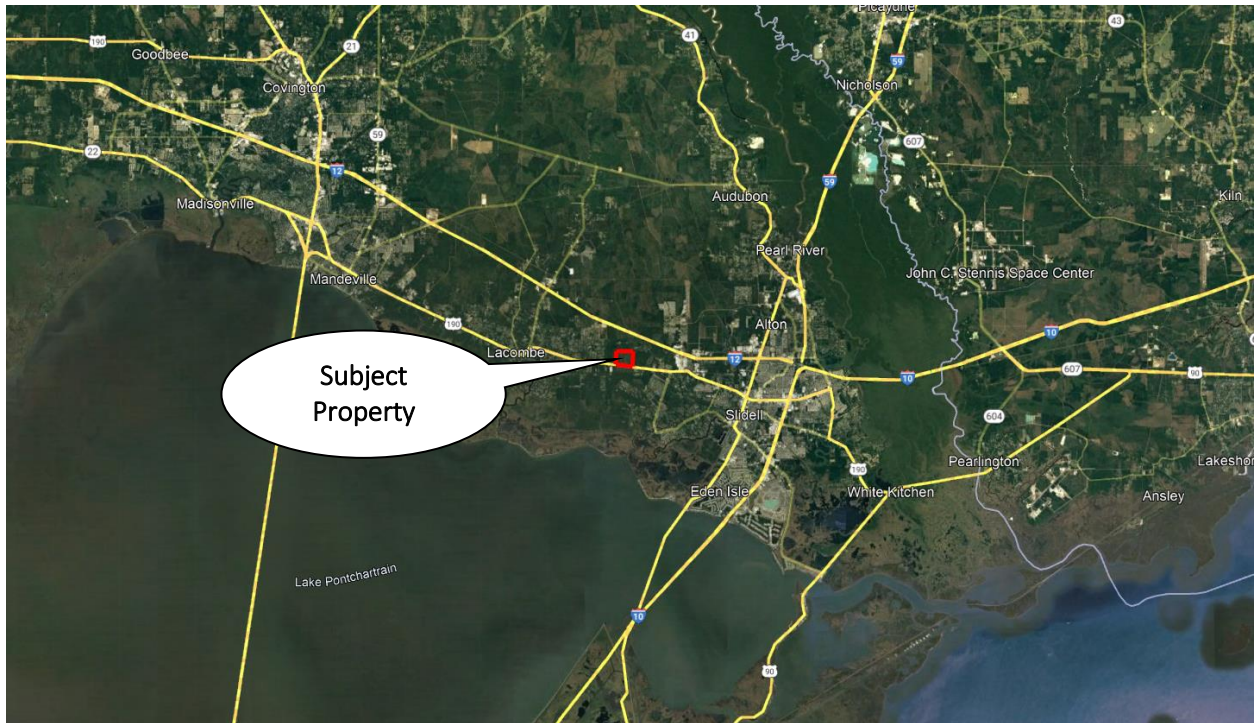
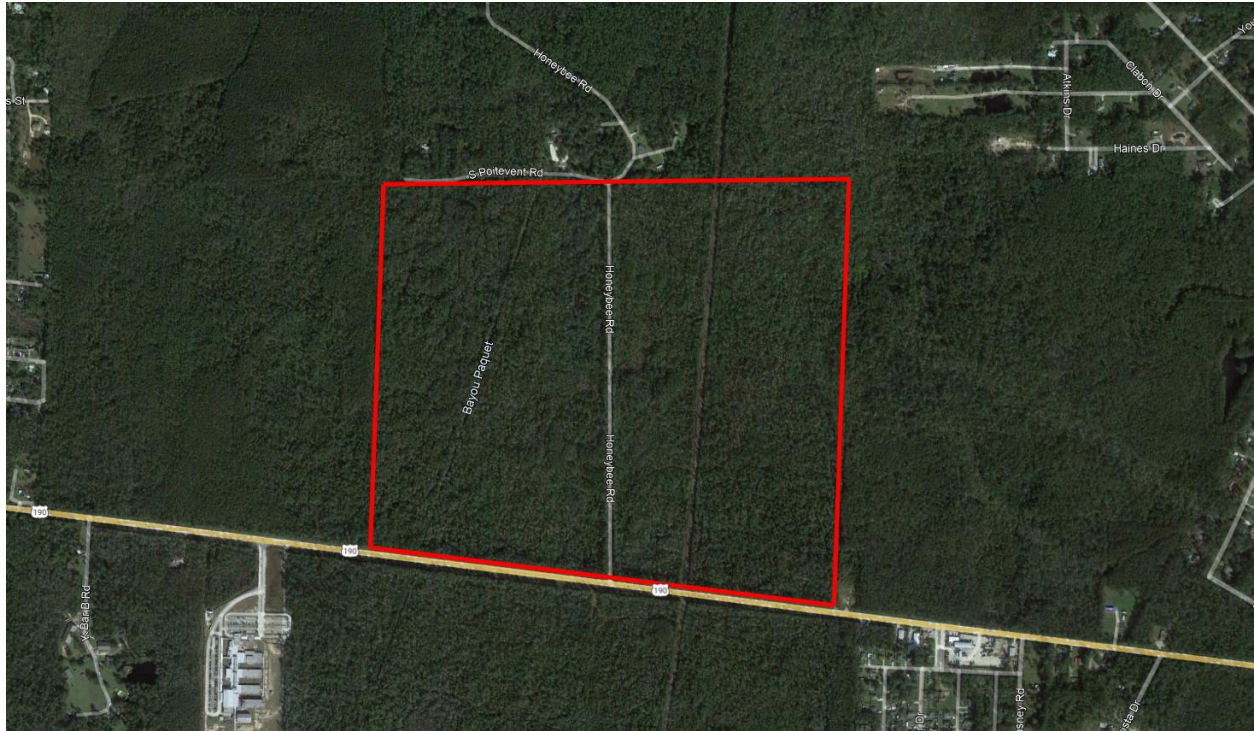
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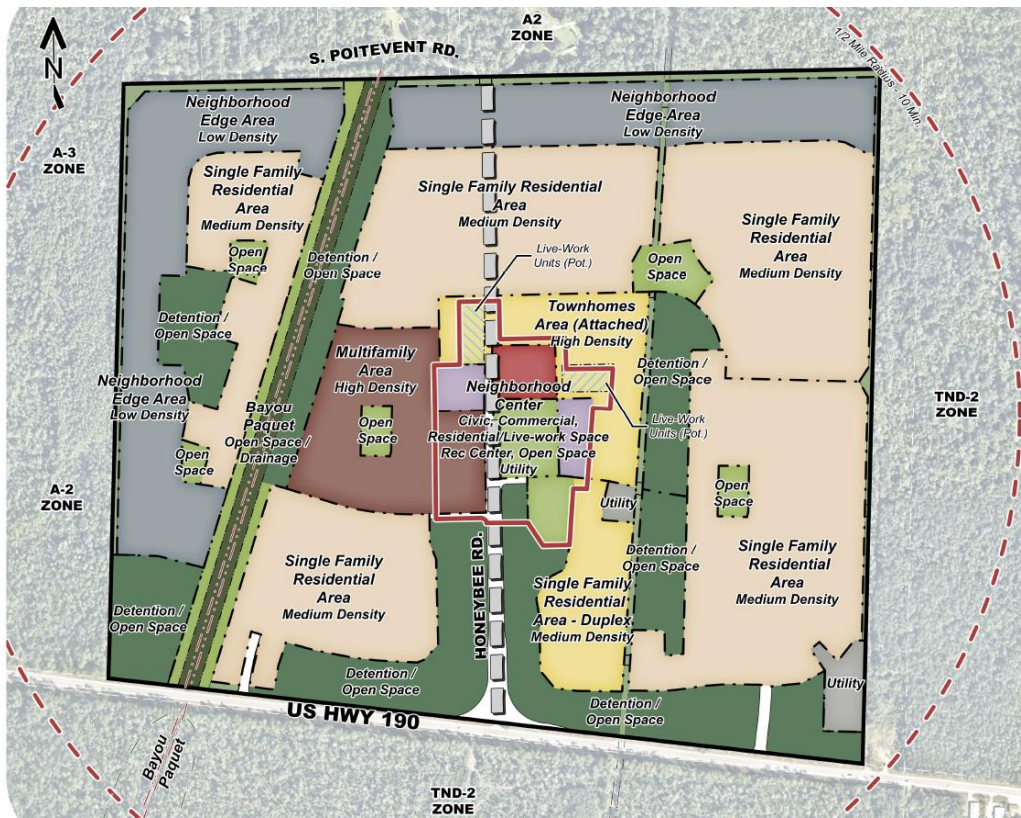
Retail Feasibility Study

Market Rent Study



SUBJECT PHOTOGRAPHS





LAND USE & ACREAGE ANALYSIS

LEGEND

RESIDENTIAL ±141.0 Ac. (51.2%)

	SINGLE FAMILY DETACHED	780 LOTS	±111.4 Ac.
	MULTIFAMILY / ATTACHED	530 UNITS	±29.6 Ac.

NON-RESIDENTIAL ±3.6 Ac. (1.3%)

	COMMERCIAL	±1.3 Ac.
	CIVIC	±2.3 Ac.
	LIVE WORK UNIT AREA (Potential)	

COMMON OPEN SPACE ±72.7 Ac. (26.4%)

	REC. CENTER & PARKS	±13.0 Ac.
	DETENTION / DRAINAGE / LAKE	±47.2 Ac.
	BAYOU PAQUET GREENBELT	±4.7 Ac.
	LANDSCAPE / OPEN SPACE	±7.8 Ac.

UTILITIES & SERVITUDES ±11.5 Ac. (4.2%)

	UTILITY SITES	±2.3 Ac.
	BAYOU PAQUET SERVITUDE	±7.0 Ac.
	PIPELINE SERVITUDE	±2.2 Ac.

ROADWAYS ±46.5 Ac. (16.9%)

COLLECTORS/LOCALS	±46.5 Ac.
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PROJECT TOTAL ±275.3 Ac.



October 19, 2022

Mr. Adam Kurz
DR Horton

Re: 21052 Honeybee Rd.
Slidell, LA 70460

Our File Number:22-1646

Dear Mr. Kurz:

In accordance with your letter of engagement, we have examined the referenced property and analyzed matters applicable to the determination of the requested market value(s). Enclosed is our report that describes our method of approach and contains relevant data gathered and used to reach a final value estimate. This is an appraisal containing a total of 71 numbered pages.

Summary of Subject Property:

The subject of this report is a potential retail component within a proposed mixed-use subdivision to be located at the intersection of Honeybee Road and U.S. Highway 190 in Slidell, Louisiana.

While still in the preliminary stages, the client is estimating that the development upon completion will contain 780 single-family residential lots, 530 multi-family or townhouse residential units, 2.3 acres dedicated to civic use, and 1.3 acres set aside for retail-commercial development.

The purpose of this appraisal is to determine 1) the amount of retail space in square feet supportable by the market, which will comprise the subject of this report and 2) the fair market rent of the Fee Simple Interest in and to the subject property.

Integral to the conclusions herein are the inferences drawn from the included Level C market and marketability analysis. Within this Scope of this assignment, *Fair Market Rent* is defined as:

"The most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of the lease agreement, including permitted uses, use restrictions, expense obligations, term, concessions, renewal, and purchase options, and tenant improvements."



Mr. Kurz
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Implicit in this definition are the following:

- 1. Lessee and lessor 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 lease represents the normal consideration for the property leased unaffected by special or creative financing or sales concessions granted by anyone associated with the lease.*

The opinion of fair market rent expressed in this report is conditioned on the Statement of Certification and the Statement of Assumptions and Limiting Conditions that are included within the report.



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Executive Summary

- The proposed subject property features a vastly inferior location with respect to marketability and capture potential as a proposed retail development. This considers the limited existing residential population in the immediate area, lower traffic volume, and the lack of commercial development in the immediate area.
- Further evidence of the lack of marketability for retail in this immediate market area is best illustrated by the occupancy levels of the neighboring Stirling Slidell Centre and North shore Mall. The Northshore Mall only has 3 remaining department stores occupied and one of its vacant units was recently converted to self-storage indicating a retail application is not viable. It has been publicly acknowledged that the owners are searching for alternative use plans for the property.
- The Stirling Centre is a 22-unit, 345,000 square foot shopping center that is currently achieved an occupancy level of 40%. Both of these centers are the closest in proximity to the subject property and provide a negative outlook for retail space in the immediate area.
- From a more macro perspective, average U.S. retail vacancy fell to 6.1% in 2021 and more retail stores opened than closed in the country for the first time since 1995, according to [a recent Wall Street Journal article](#). This underscores the recent strength of retail sales and consumer demand coming out of the pandemic. With that said, continued competition from e-commerce, high inflation, and the potential for an economic recession in the near future all combine to put these positive trends at risk.
- According to the Site to Do Business, the population within the subject's 15-minute drive time area, which includes the majority of the Slidell market, is currently 56,251. Over, the next five years, it is projected to grow at an annual straight-line rate of 0.32%. At this rate, the population is projected to increase to approximately 57,000. This modest rate of growth is not anticipated to alter demand within the local retail market. Furthermore, , there is more than enough existing retail square footage to accommodate the growth. To highlight this, we point towards the estimated retail square footage per capita in the Slidell market. We have utilized population figures provided by STDB and the current retail inventory figure via CoStar.

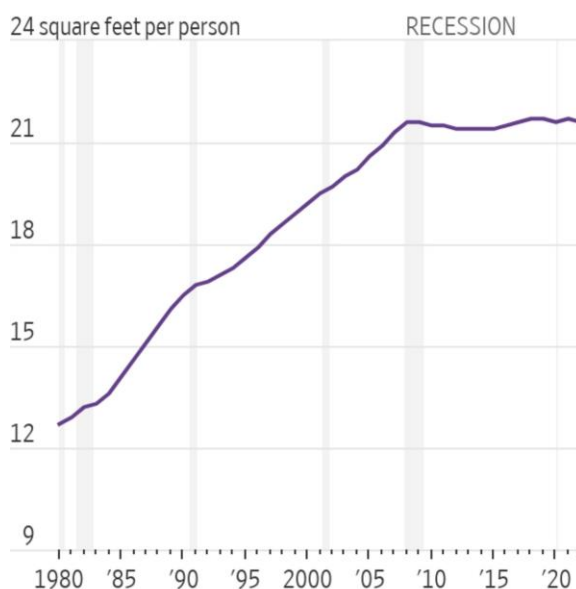


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Retail SF per Capita in Slidell Market		
Year	2022	2027
Population	56,251	57,151
Retail Inventory (SF)	8,100,000	8,100,000
Retail SF per Capita	144.00	141.73

And according to data recently compiled by [the Wall Street Journal](#), the national retail square footage per capita is much lower at 24 square feet.

U.S. retail space per capita



Note: Retail square footage data includes all buildings sold or refinanced since 2000 priced \$2.5 million or higher. 2022 figures as of the second quarter.

Source: MSCI Real Assets

Thus, despite modest projected population growth over the next five years, the extensive level of existing retail space will preclude the feasibility of adding new retail product to the market over this timeframe. The above study indicates the need for population growth and new households to enter the market in order for the existing retail space to reach equilibrium with respect to supply and demand.

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USPAP Requirements Note:

This appraisal complies with the reporting requirements mandated by the 2022-2023 Edition of the United Standards of Professional Appraisal Practice (USPAP) adopted by the Appraisal Standards Board of The Appraisal Foundation. Additionally, as per Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) minimum appraisal standards, we HAVE completed previous appraisals of retail properties similar to the subject property in this area.

Client & Intended User: DR Horton, as represented by Mr. Adam Kurz

We are not responsible for the unauthorized use of this report.

The following table summarizes our opinion(s) of market value based on the data and analyses contained herein.

Report Conclusions	
<u>Component</u>	<u>Conclusion</u>
Amount of Retail Square Footage	No More than 10,000 SF
Fair Market Rent	\$12.00 per square foot

This is to certify that we have no interest, present or contemplated, in the appraised property. Our opinions of value are subject to the General and Special Assumptions and Limiting Conditions, Certification, and Restriction Upon Disclosure and Use which are stated in the body of the report.

Respectfully submitted,



P.M. McEnery, MAI, CRE
Louisiana State Certified
General Real Estate Appraiser #G1102



Baldwin R. Justice
Louisiana State Certified
General Real Estate Appraiser #G3000

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

GENERAL

Property Address:	21052 Honeybee Rd. Slidell, LA 70460
Property Type:	Proposed Retail
Client:	DR Horton, as represented by Mr. Adam Kurz
Ownership:	Honeybee Holdings, LLC
Interest Appraised:	Fee Simple
Type of Value:	Fair Market Rent
Date of Report:	October 19, 2022
Intended Use:	The intended use is for determination of retail penetration/demand and market rent
Intended User(s):	The intended user is DR Horton, as represented by Mr. Adam Kurz
Sale History:	The subject parent property last transferred ownership when it was purchased from St. Tammany Land C.O., LLC, Markle Interests, LLC, Poitevent Interests, LLC, PF Monroe Properties, LLC by Honeybee Holdings, LLC on March 1, 2021 for an undisclosed amount. This sale is recorded under Instrument # 2255656.

Land Summary- Parent Tract				
Parcel ID	Gross Land Area (Acres)	Gross Land Area (Sq Ft)	Topography	Shape
Main Site	275.33	11,993,375	Level	Mostly Rectangular

Legal Description:	A certain 275.33 acre tract of land situated in Section 35, Township 8 South, Range 13 East, Greensburg Land District, St. Tammany Parish, State of Louisiana
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Zoning: TND-2, Traditional Neighborhood Development
St. Tammany Parish Planning and Zoning

Flood Zone: X

VALUE INDICATIONS

Report Conclusions	
<u>Component</u>	<u>Conclusion</u>
Amount of Retail Square Footage	No More than 10,000 SF
Fair Market Rent	\$12.00 per square foot

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CERTIFICATION

We certify that to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- We have no present or prospective interest in the property that is the subject of this appraisal report and we have no personal interest or bias with respect to the parties involved.
- We have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
- Our engagement in this assignment was not contingent upon developing or reporting predetermined results.
- Our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, 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 appraisal.
- We **have** performed **no** other services, as an appraiser or in any other capacity, regarding the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment.
- 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 and Standards of Professional Appraisal Practice of the Appraisal Institute.
- Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
- The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- No one other than associates in this office or outside consultants as noted provided significant professional assistance in the preparation of this report.
- P.M. McEnery, MAI, CRE and Baldwin R. Justice did not make a personal inspection of the property that is the subject of this report.
- Nathaniel L. Prosser has provided significant real property appraisal assistance to the persons signing this certification. A summary of this assistance may be found within the Scope of the Appraisal.
- Ryan P. Ellinghausen provided significant professional assistance in the preparation of this report. A summary of this assistance may be found within the Scope of the Appraisal.
- As of the date of this report, P. M. McEnery, MAI, CRE has completed the continuing education program for Designated Members of the Appraisal Institute.
- P. M. McEnery, MAI, CRE is a licensed real estate broker and is active in the buying and selling of real estate.

Date Signed: October 19, 2022



P.M. McEnery, MAI, CRE
Louisiana State Certified
General Real Estate Appraiser #G1102



Baldwin R. Justice
Louisiana State Certified
General Real Estate Appraiser #G3000



SCOPE OF WORK

According to the Uniform Standards of Professional Appraisal Practice, it is our responsibility to develop and report a scope of work that results in credible results that are appropriate for the appraisal problem and intended user(s). Therefore, we must identify and consider:

- the client and intended users;
- the intended use of the report;
- the type and definition of value;
- the effective date of value;
- assignment conditions;
- typical client expectations; and
- typical appraisal work by peers for similar assignments.

Appraisal Report Details

The purpose of the appraisal is to determine retail penetration and demand as well as fair market rent of the Fee Simple Interest in and to the subject property.

Client:	DR Horton, as represented by Mr. Adam Kurz
Intended Use:	The intended use is for determination of retail penetration/demand and market rent
Intended User(s):	The intended user is DR Horton, as represented by Mr. Adam Kurz
Type of Value:	Fair Market Rent
Effective Date of Value:	October 12, 2022
Report Type:	This is an Appraisal Report as defined by Uniform Standards of Professional Appraisal Practice under Standards Rule 2-2(a). This format provides a summary or description of the appraisal process, subject and market data and valuation analyses.
Inspection:	A site inspection was not performed.
Market Analysis Level:	Level C



Valuation Summary

Valuation Analyses:

This appraisal consultation report has developed a market rent study including the standard analysis which would be applied under a typical income approach in order to determine the market rent and potential gross income of the subject property.

Hypothetical Conditions:

- There are no hypothetical conditions for this appraisal.

Extraordinary Assumptions:

- There are no extraordinary assumptions for this appraisal.



Analysis Note:

In the process of concluding a value, data has been gathered and analyzed by the undersigned appraisers. Comparable sales, rental, and operating data have been analyzed.

The scope is further augmented by the applicable approaches to value employed in this assignment, the analyses resulting in value conclusion(s) rendered which is dependent upon all known information about the subject property and marketing conditions and available market data.

Assistance Note:

Ryan P. Ellinghausen provided significant professional assistance in the preparation of this report. This includes the following:

- Marketing and sales history
- Ad Valorem taxes, zoning designation, legal description, flood zone
- Assistance with subject photos, sketch, aerial imagery

Nathaniel L. Prosser is a licensed certified general appraiser in the State of Louisiana (#G4102) and provided the following:

- Real Property Assistance in preparation of the report
- Comparable data research and confirmation
- Research on current market conditions and assistance in the determination of market value by the signatory appraiser

All pertinent property data has been verified by a signatory appraiser.



SUBJECT PROPERTY DESCRIPTION



SITE ANALYSIS (PARENT TRACT)

Location:	The subject's parent tract is situated on the north side of Highway 190 in Slidell, Louisiana
Current Use of Property:	Land
Site Size:	Total: 275.33 acres; 11,993,375 square feet
Shape:	Mostly Rectangular
Frontage/Access:	<p>The subject property has Average access with frontage as follows:</p> <ul style="list-style-type: none"> U.S. Highway 190: 3,784 feet <p>The site has an average depth of 3,196 feet. It is a corner lot.</p>
Topography:	Level
Utilities:	<p>Electricity: CLECO</p> <p>Sewer: City sewer</p> <p>Water: Municipal Supply</p> <p>Natural Gas: Atmos Energy</p>



Underground Utilities: The site is serviced by above-ground and underground utilities.

Adequacy: The subject's utilities are typical and adequate for the market area.

Flood Zone:

The subject is located in FEMA flood zone X, which is not classified as a flood hazard area.

FEMA Map Number: 22005C0030E

FEMA Map Date: August 16, 2007

Zone X (areas outside of 100 Year flood plain and areas of 500 year flood plain) is the flood insurance rate zone that correspond to areas outside the 1-percent annual chance floodplain, areas of 1-percent annual chance sheet flow flooding where average depths are less than 1 foot, areas of 1-percent annual chance stream flooding where the contributing drainage area is less than 1 square mile, or areas protected from the 1-percent annual chance flood by levees. No base flood elevations or depths are shown within this zone. Insurance purchase is not required in this zone.

Wetlands/Watershed:

The subject site does not appear to be encumbered by areas of wetlands based on the US Fish & Wildlife Service National Wetlands Inventory Map included in this report's Addenda.

Environmental Issues:

We were not provided a Phase I Environmental Impact Assessment. However, no adverse environmental conditions were noted upon inspection.

Encumbrance/Easements:

There are no known adverse encumbrances or easements. Please reference Limiting Conditions and Assumptions.

Opportunity Zone

The subject property is not located in an opportunity zone.

Comments/Conclusions:

The site has average and typical utility. The site is of adequate size and shape to accommodate a variety of large scale uses.



MARKET AREA ANALYSIS

(Economic Base Analysis)

An essential part of every appraisal is an analysis of the subject's regional or local market area with the focus on the neighborhood in which the appraised property is situated along with the components of the economic base, in not only a general manner but with specificity as they may relate to the property being appraised. Regions, neighborhoods, and the market area are all studied under varying degrees of analysis. A broad regional analysis is typically a report on the climate, topography, natural features, governmental frameworks, economic base, and the inter-relations of these to the national and global economies in which we interact.

Definitions and Analysis Type:

Regional analysis is considered under an *economic base analysis* which is defined as: “A survey of the industries and businesses that generate employment and income in a community as well as the rate of population growth and levels of income, both of which are functions of employment. The economic base analysis is used to forecast the level and composition of future economic activity. Specifically, the relationship between basic employment (which brings income into a community) and non-basic employment (which provides services for workers in the basic employment sector) is studied to predict population, income, or other variables that affect real estate values or land utilization.”

A more specific analysis is that of the immediate area or neighborhood in which a property is located. The term "neighborhood" is defined in the Dictionary of Real Estate Appraisal, 7th Edition, published by the Appraisal Institute, dated 2022, as "a group of complementary land uses; a congruous grouping of inhabitants, buildings, or business enterprises." The boundaries of a neighborhood can be identified by determining the area within which the four forces affect all properties in the same manner. A clear distinction can be drawn between a neighborhood and a district. A district is a type of neighborhood that is characterized by homogeneous land use. A residential neighborhood, for example, may contain single-family homes and commercial properties that provide services for residents. Districts are commonly composed of apartments, commercial, or industrial properties. The four forces which create, modify, and destroy the value of real estate are social trends, economic circumstances, government controls and regulations, and environmental conditions.

A “market area analysis” is defined as: “The objective analysis of observable or quantifiable data indicating discernible patterns of urban growth, structure, and change that may detract from or enhance property values; focuses on four sets of considerations that influence value: social, economic, governmental, and environmental factors.” Under the hedonic model testing for the market and the marketability of the subject being appraised, the four sets of considerations that influence value are then analyzed using any of four levels of analysis which are commonly known as Level A, B, C, or D.



Levels A and B are inferred analyses in which very basic data sets may be analyzed and from which inferences may be drawn regarding value. Inferred analyses are applicable within a static data set or the absence of major shifts in trend lines. Levels C and D analyses are more complex and are considered fundamental in that they draw on confirmed and verified data which relates to the four considerations impacting value from which obvious conclusions result and are not dependent on inference alone. Based on the *Scope of Work* under which this appraisal assignment is made, one of the four levels of analysis is performed, and in this case, a Level A Analysis has been performed.

Economic Base and Trends (National):

The most relevant trends, for our purpose of analyzing the economic base, are interest rates, real property prices, the elusive issues of GDP and consumption, employment, median income levels, and external threats to the overall health of the economy.

Real estate markets nationwide are subject to the multitude of pressures and influences created by this interplay.

COVID-19:

In January of 2020, China alerted the World Health Organization of several cases of unusual pneumonia in the City of Wuhan. As cases of the new viral infection began to rise along with deaths, fears increased that this epidemic would become a global pandemic. On January 30th of 2020, the WHO designated the new COVID-19 or “Coronavirus” a global emergency. The sentiment was now – “it is not if the virus will spread to all corners of the globe but when.” Throughout February, the virus began to spread throughout Asia, Europe, and the Middle East. At this time roughly 2,000,000 people had fallen victim to the virus with a total of over 93,000,000 cases throughout 90 countries worldwide. As of late March, the United States took over as the world leader in infections throughout the country and was seeing significant deaths. The COVID virus has now led multiple variants, deaths, and illness worldwide. Undoubtedly, it will be considered one of the most significant effects of the 21st century.

Initially, in response to the abrupt economic shutdowns, markets took a significant hit starting in mid-March 2020. From its all-time high in mid-February to its low at the end of March 2020, the Dow Jones Industrial Average fell more than 38%. By September 2020, the market had nearly recouped all its losses since its high in February. In 2020, the drug company Pfizer announced an experimental COVID-19 vaccine that was found to be more than 90% effective according to clinical results released by the company. The market saw significant gains in a reaction as outlined by [CNBC](#). Since that time multiple vaccines have been distributed and the stock market has returned to all-time highs. Over the course of 2021 and 2022, the stock market began to retreat as inflation permeated throughout the economic system and interest rates were raised by the Federal Reserve.



A YTD snapshot of the S&P 500 through May of 2022 is shown below.

Market Summary > S&P 500

3,757.99

+1,238.63 (49.16%) ↑ past 5 years

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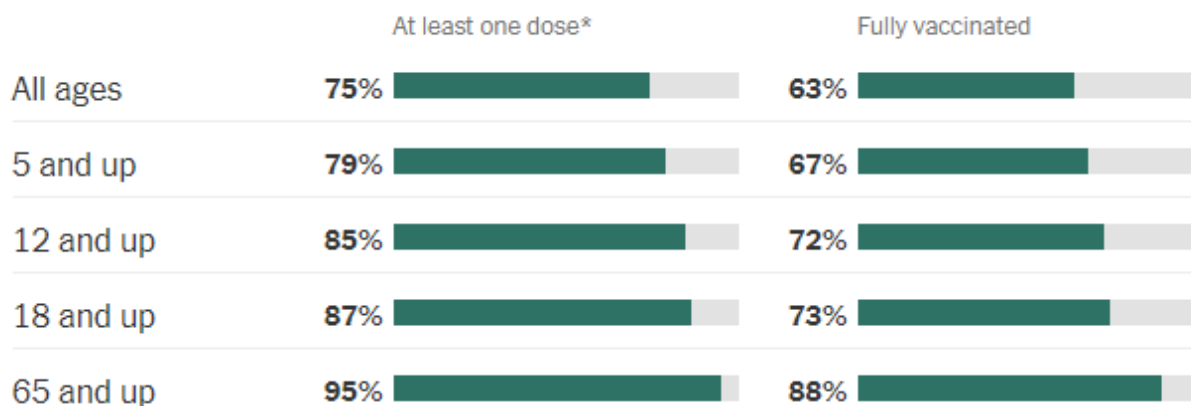
There was a dip in the 2nd quarter of 2020 with a v-shaped recovery and a return to all-time highs. The market recovery corresponded with significant capital infused into the economy by the Federal Government through various stimulus programs, as well as the re-opening and loosening of mandated lockdowns.

In 2022, the stock market began to feel pressure regarding a looming recession. This has been largely tied to the rapid increase in interest rates in order to combat the excessively strong inflation felt throughout the national economy. This has been discussed in greater detail in the following pages. It should be noted that following 2020 – the national economy witnessed several major capital infusions via stimulus packages from President Trump and the President Biden. Additionally, the market began to strengthen as restrictions and mandates were lifted, economies began to open back up, and COVID-19 cases began to subside.

Decisions from the CDC to alter guidelines go hand-in-hand with daily cases, COVID-19 deaths, and the percentage of the population that is currently fully vaccinated. As of January 2022, 63% of American adults were fully vaccinated with 75% have received at least one dose. This number continues to rise as time goes on.



United States vaccinations



The vaccine rollout in the U.S. has been largely a success; however, the efficacy of the vaccine has come into question over the past months. This has in turn pushed for the administering of booster shots, as well as continued restrictions and social distancing.

GDP, Oil Prices, Inflation, Unemployment, & Interest Rates:

Economically speaking, the commencement of 2020 brought an increasingly positive sentiment as the country neared the eleventh year of an aging, yet robust bull market. On February 12, 2020, the Dow Jones Industrial Average hit another record with a 29,551 close, a 15.7% increase from the prior year. National GDP was on track for steady, continued growth just above 2% and interest rates remained low with good access to capital. The national unemployment rate hovered around 3.5%, with a very healthy American consumer. Overall, the fundamentals of the United States economy were very strong at the beginning of 2020.

The national economy quickly ran off the rails midway through the first quarter of 2020 due to the economic uncertainty surrounding COVID-19. On March 23, 2020, the Dow hit a low of 18,592 – a 37% drop from its all-time high less than a month prior. On March 26, 2020, NBC News reported that three million people filed for unemployment in the prior week. As of mid-April, that number reached 22 million people filing for unemployment in the United States. After the fifth consecutive decline as of April 30, 2020, the unemployment numbers hit 30.3 million people filing first-time claims over the previous six weeks. This represents roughly 19% of the total number of employed persons of the U.S. labor force.

The graphs below show the most recently available data from the U.S. Bureau of Labor Statistics. From the data below, it is clear that employment numbers have improved since their high in the Spring of 2020, as the national unemployment rate currently sits at **3.7% as of August of 2022**



Also worth noting is the current unemployment rate over the past 20 years, as shown below:

From [Bureau of Labor Statistics, United States Department of Labor](#) via [Data Commons](#)

Unemployment rate

3.7%

Updated Aug 2022

Total unemployed people

6M

Updated Aug 2022

Unemployment insurance claims

1.4M

Updated Sep 17, 2022

Unemployment rate

Total unemployed people

Unemployment insurance claims



Note that many of these job gains have come in the form of professional and business services which offset the continued losses in the leisure and hospitality, retail trade, healthcare, and transportation and warehousing sectors. Many economists argue that the unemployment statistic is somewhat misleading as it does not capture those that no longer wish to work or have given up trying to find a job.

Below is an excerpt from the Bureau of Labor Statistics recorded in September of 2022:

In August, the unemployment rate rose by 0.2 percentage point to 3.7 percent, and the number of unemployed persons increased by 344,000 to 6.0 million. In July, these measures had returned to their levels in February 2020, prior to the coronavirus (COVID-19) pandemic. (See table A-1.)

The above indicates a trending in the wrong direction for unemployment, which is considered very problematic given the historic events surrounding COVID-19. Furthermore, the BLS provides the following information regarding the labor participation rate, which is considered another key indicator regarding the economy:



The labor force participation rate increased by 0.3 percentage point over the month to 62.4 percent but is 1.0 percentage point below its February 2020 level. The employment-population ratio was little changed at 60.1 percent in August and remains 1.1 percentage points below its February 2020 value. (See table A-1.)

Though this trend appears to be in a positive direction, it does refute the narrative of a strong labor market, as indicated by the low unemployment rate.

A record level of job openings in the U.S. suggests businesses are having difficulty filling positions. Economists have pointed to a variety of factors that could be contributing to constrained job growth. Those issues include some workers' concerns about contracting the coronavirus, child-care responsibilities preventing some parents from returning to work, and a previous \$300-a-week federal supplement for recipients of unemployment benefits.

The CBO had correctly projected the unemployment rate to fall to 3.6% - 3.8% in 2022 or 2023:

Table 2.

CBO's Economic Projections for Calendar Years 2021 to 2031

					Annual Average	
	Actual, 2020	2021	2022	2023	2024– 2025	2026– 2031
			Annual Average			
Unemployment Rate (Percent)	8.1	5.5	3.8	3.7	4.1	4.4

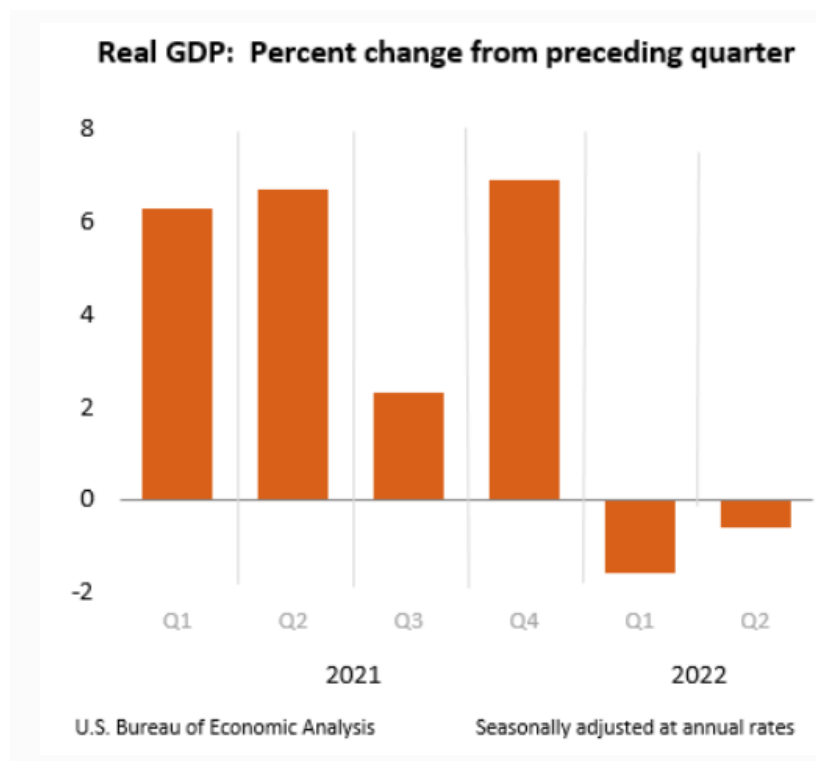
The CBO expects labor market conditions to continue to improve. They believe that as the economy expands, many people will rejoin the civilian labor force who had left it during the pandemic, restoring it to its pre-pandemic size in 2022-2023. They also believe that the unemployment rate will gradually decline throughout the ten-year period, and the number of people employed returns to its pre-pandemic level in 2022-2023.

GDP:

On June 9, 2020, the National Bureau of Economic Research officially announced that the U.S. economy entered a recession in February of 2020. Given the causation, the volatility and fragility of the current markets were unprecedented as compared to the event taking place in 2001, 2005, and 2008. As such, it is difficult to measure the full impact that the mitigation measures will have on the economy and how quickly it will recover in the years to come. It is worth noting that the recession technically ended in April of 2020, however, many view the recovery as uneven and question whether the positive market conditions will be sustained.

Real GDP decreased 3.5% in 2020, compared with an increase of 2.2% in 2019. The total GDP growth in 2021 was 5.7%, according to the Congressional Budget Office. We note that the economy faced headwinds in the first half of 2022 with a decrease in GDP growth by 1.6% in the 1st Quarter and 0.5% in the 2nd Quarter.

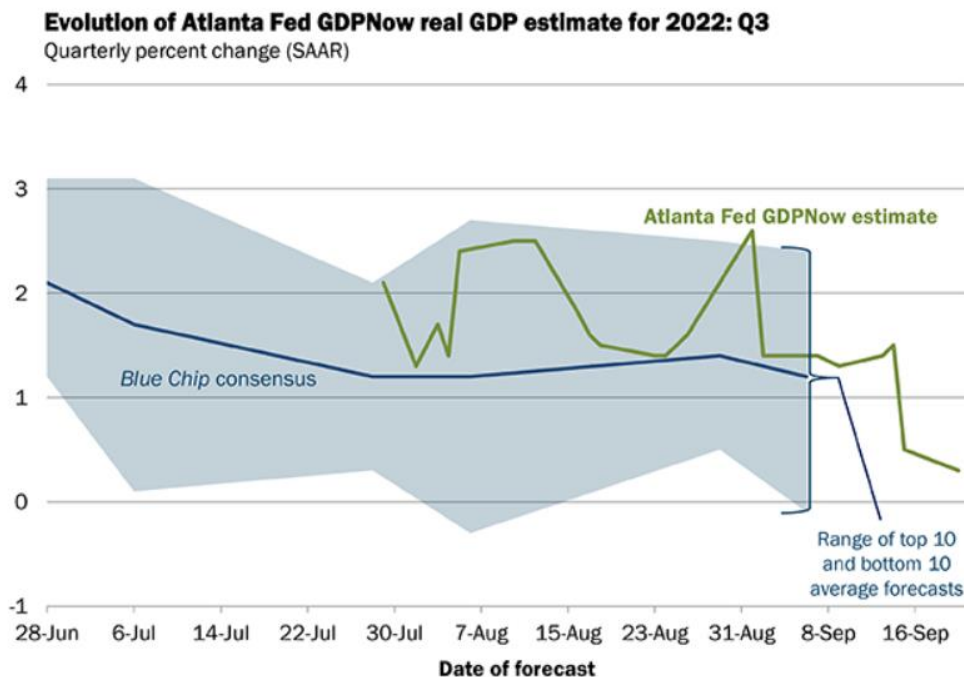




Q2 2022 (2nd)	-0.6%
Q1 2022 (3rd)	-1.6%

With two consecutive quarters of negative growth, the United States economy has technically entered into a recession, however, many pundits and politicians have attempted to dismiss this reality. Recently, the Atlanta Federal Reserve has projected a 3rd Quarter GDP growth rate of 0.3%, which technically would result in the economy pivoting out of a recession. That said, a revised downwards estimate into the negative would result in the official declaration of a 2022 recession.





Regardless of whether the economy is classified as recessionary or not, the trending does not suggest a robust economy.

The forecast for economic growth in the first quarter of 2022 began to darken amid the latest wave of COVID-19, as well as consumers grappling with high inflation. Additionally, businesses are forced to now juggle labor and production disruptions.

In 2021, economist had predicted a strong and robust recovery with a growth rate of 3.6% for growth in the GDP in 2022. The combination of higher inflation, supply-chain constraints and the fast-spreading Omicron variant caused economists to trim their forecast for growth to 3.3%. With the 1st half of 2022 now over – it is clear to see that the projections were wildly incorrect with now many predicting a paltry GDP growth rate hovering somewhere between -1% to 1% in growth.





We note the following GDP forecasts by the CBO in there May of 2022 report:

Table C-1.

CBO's Economic Projections, by Calendar Year

Percent

	Actual, 2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
	Change From Year to Year											
Gross Domestic Product												
Real ^a	5.7	3.8	2.8	1.6	1.5	1.4	1.6	1.7	1.8	1.8	1.7	1.7
Nominal	10.1	9.3	5.5	3.8	3.6	3.5	3.7	3.8	3.9	3.9	3.9	3.8

Clearly, the above projections appear to be incorrect for 2022, however, it is worth consideration for the coming years.



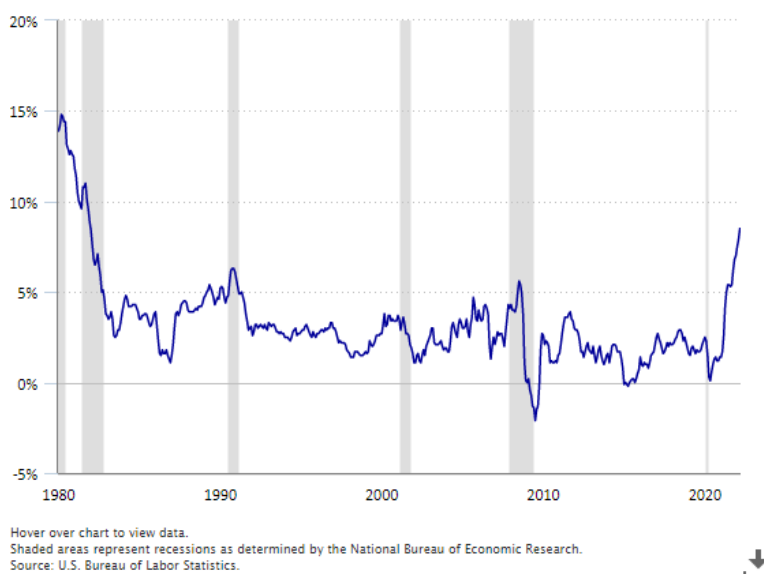
Inflation:

Consumer prices surged in April 2021 by the most in any 12-month period since 2008, shaking investors although the data partly reflect a recovery that is picking up steam as the Covid-19 pandemic eases. Since that time the inflation issues have only worsened as the federal reserve had been slow to take corrective action with interest rates.

The Federal Reserve noted the following statistics as of April 2022:

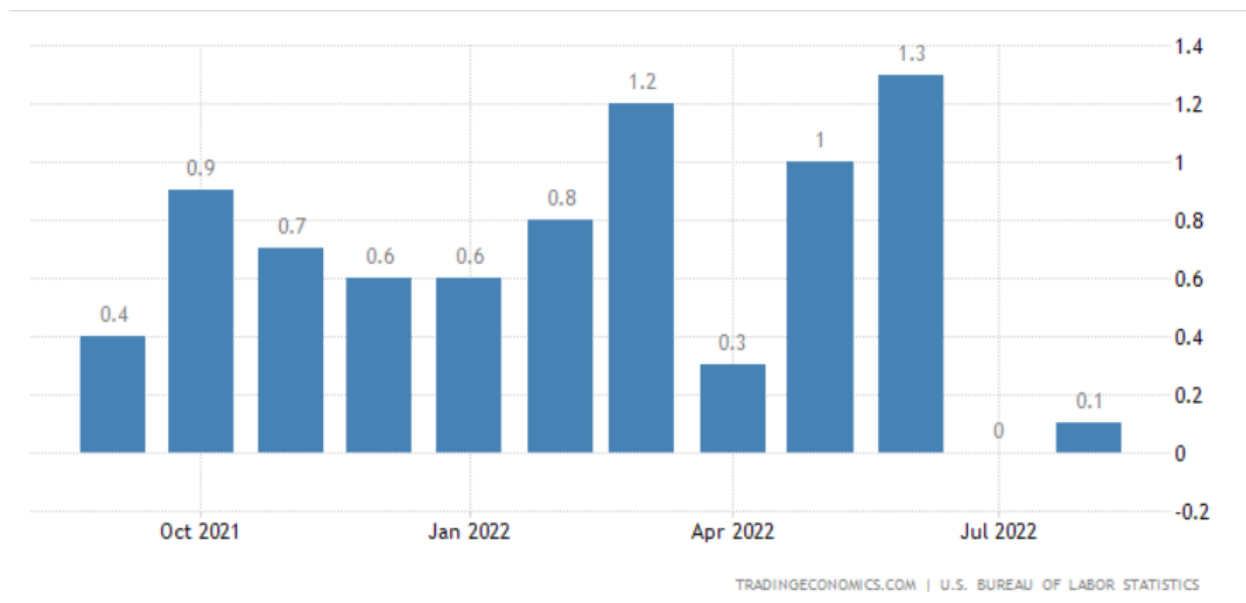
- The consumer price index rose 8.5% for the trailing 12 months since March of 2021. This is the highest increase in CPI since 1981.
- The CPI increased 7.5% from February 2021 to February 2022.

12-month percentage change in Consumer Price Index, January 1980–March 2022



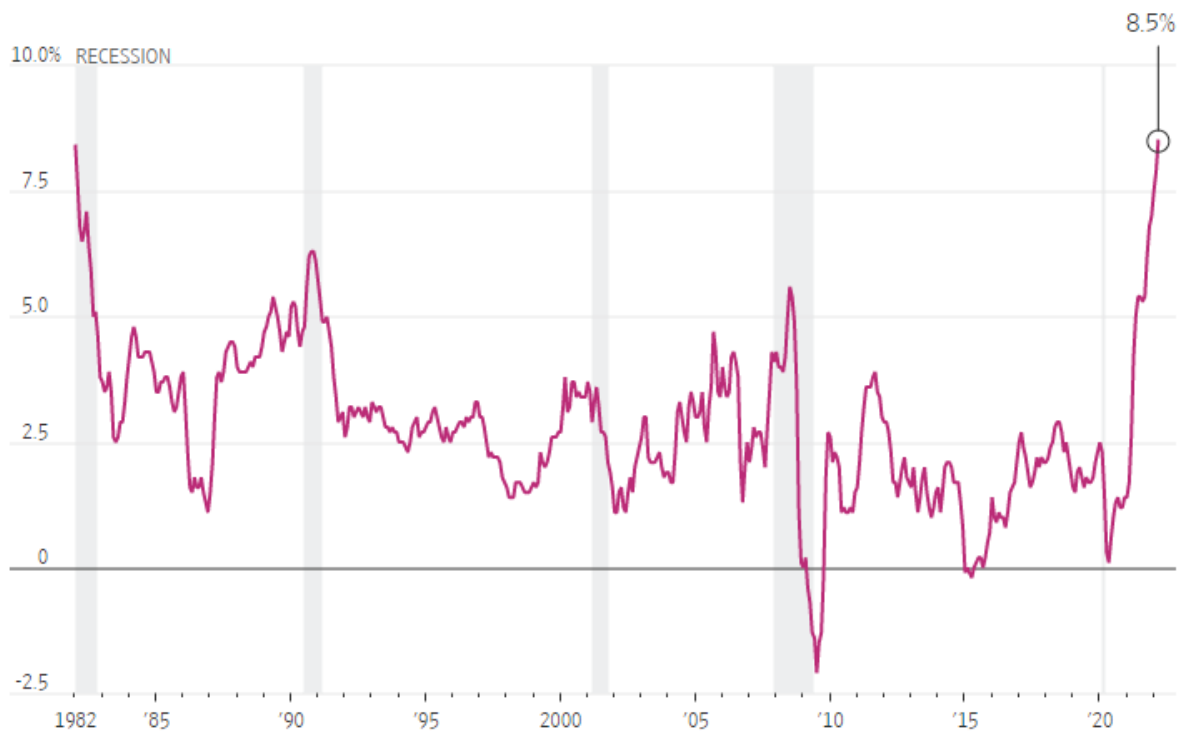
- Personal income rose 0.5% on a monthly basis, outpacing the 0.2% month-over-month increase expected by economists surveyed by Refinitiv, while consumer spending rose 1.1% in March of 2022. That suggests consumers dug into their savings for spending on items like clothes and groceries, and fuel.
- As of August of 2022, the inflation rate hovered around 8.3% year over year from 2021. Additionally, this rate was up 0.1% month over month, which does suggest some level of a cooling effect, however, it still problematic.





A persistent, significant increase in inflation has prompted the Federal Reserve to tighten its easy-money policies earlier than planned, or to react more aggressively later, to achieve its 2% inflation goal.

Consumer-price index, change from a year earlier



Source: Labor Department



High inflation is the downside of a recovery as the economy bounces back from Covid-19, powered in part by low interest rates and government stimulus to counter the pandemic's impact. More so the United States and global economy suffer from consistent supply chain issues and a substantial increases in the cost of energy due to the war in Ukraine amongst various other factors. The inflationary trends likely cannot be mitigated or dissipate until these issues are solved. The excessive capital within the economy is certainly problematic, but likely not the key driving force behind the current inflation issues

Interest Rates:

Over the past decade, interest rates have remained relatively low with intermitted increases until the Federal Reserve lowered the Fed Funds Rate in 2019 to 2.0%. The interest rate cuts were put in place to give the economy a little bit of extra padding in response to the uncertainty created by former President Trump's trade dealings and the economic weakening of Asian and European markets.

In Q1 of 2020, the Fed slashed rates to a range of 0%-0.25% due to the economy shut down amide the COVID-19 pandemic. During 2020, the Fed repeatedly indicated that they intend to keep rates at the current level – near 0% - through at least 2023. The reduction in the federal funds rate in the 1st Quarter of 2020 was tied to the potential for a major contraction in the overall economy as a result of the COVID-19 outbreak.

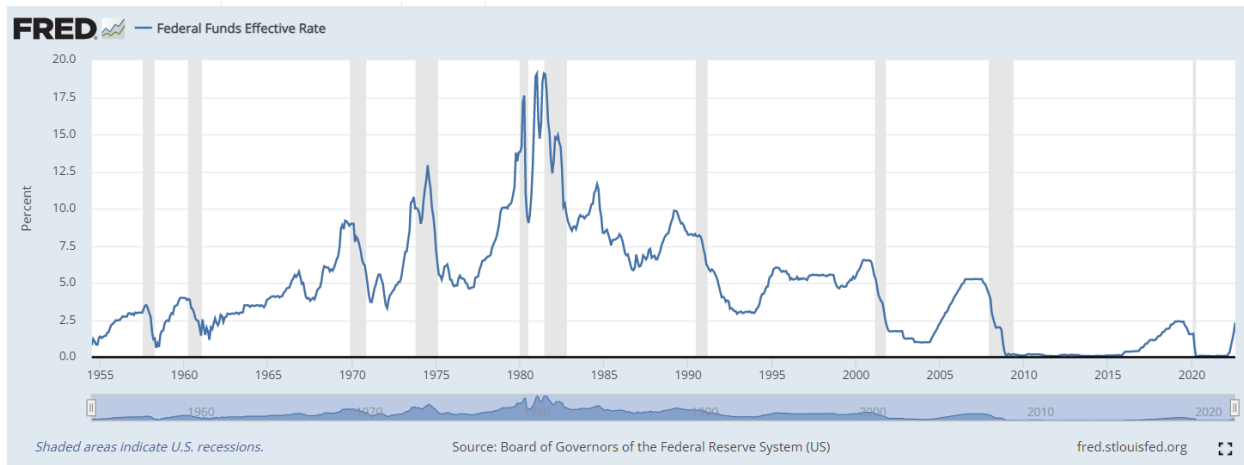
In March 2022, Federal Reserve officials voted to raise interest rates to between 0.25% and 0.5%, the first increase since 2018. They also penciled in six more increases by the end of 2022, the most aggressive pace in more than 15 years. This is done in an escalating effort to slow inflation that is at a 40-year high.

The central bank has raised its benchmark rate five times this year — from near zero to 3.125%. On average, Fed policymakers think rates will climb to about 4.4% by the end of this year and 4.6% by the end of next year.

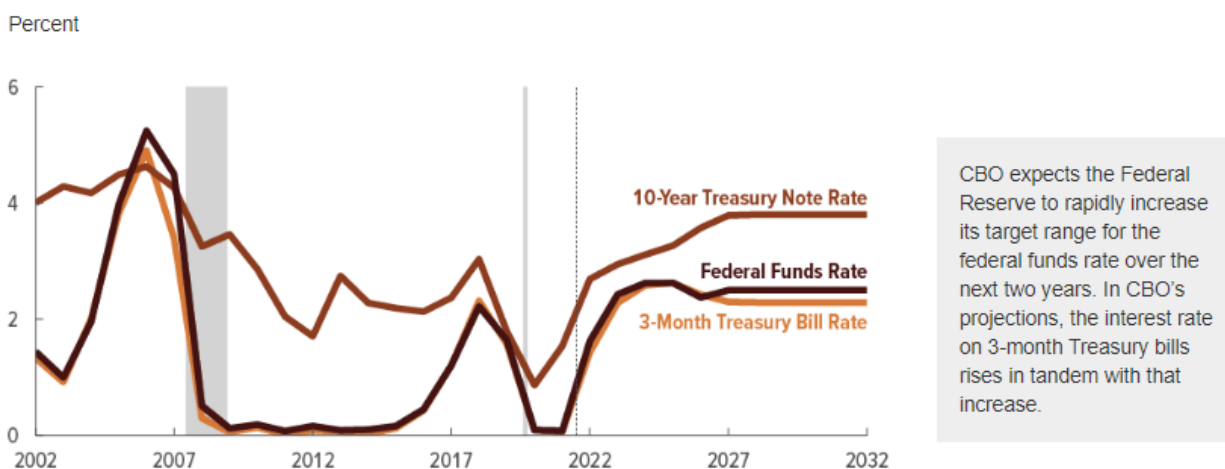
FOMC Meeting Date	Rate Change (bps)	Federal Funds Rate
Sept 21, 2022	+75	3.00% to 3.25%
July 27, 2022	+75	2.25% to 2.5%
June 16, 2022	+75	1.5% to 1.75%
May 5, 2022	+50	0.75% to 1.00%
March 17, 2022	+25	0.25% to 0.50%

Below is the target federal funds rate since 2000, which demonstrates the historically low interest rates set in 2020, as well as the recent uptick in interest rates.





The Congressional Budget Office has recently adjusted their forecasts for interest rates on Treasury securities for the next 10 years, as a result in the shift in monetary policy to combat inflation:



This could very possibly have a deflationary impact on the economy, which could ultimately result in the phenomenon known as “stagflation”, which has not occurred since the 1970s.

The graph below shows the YTD changes in the 10-year Treasury Note as of June 2022, where it currently sits at 3.04%.



U.S. 10 Year Treasury Note

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3.803%

▲ 0.088

Last Updated: Sep 23, 2022 at 7:25 a.m. EDT

PREVIOUS CLOSE

3.715%

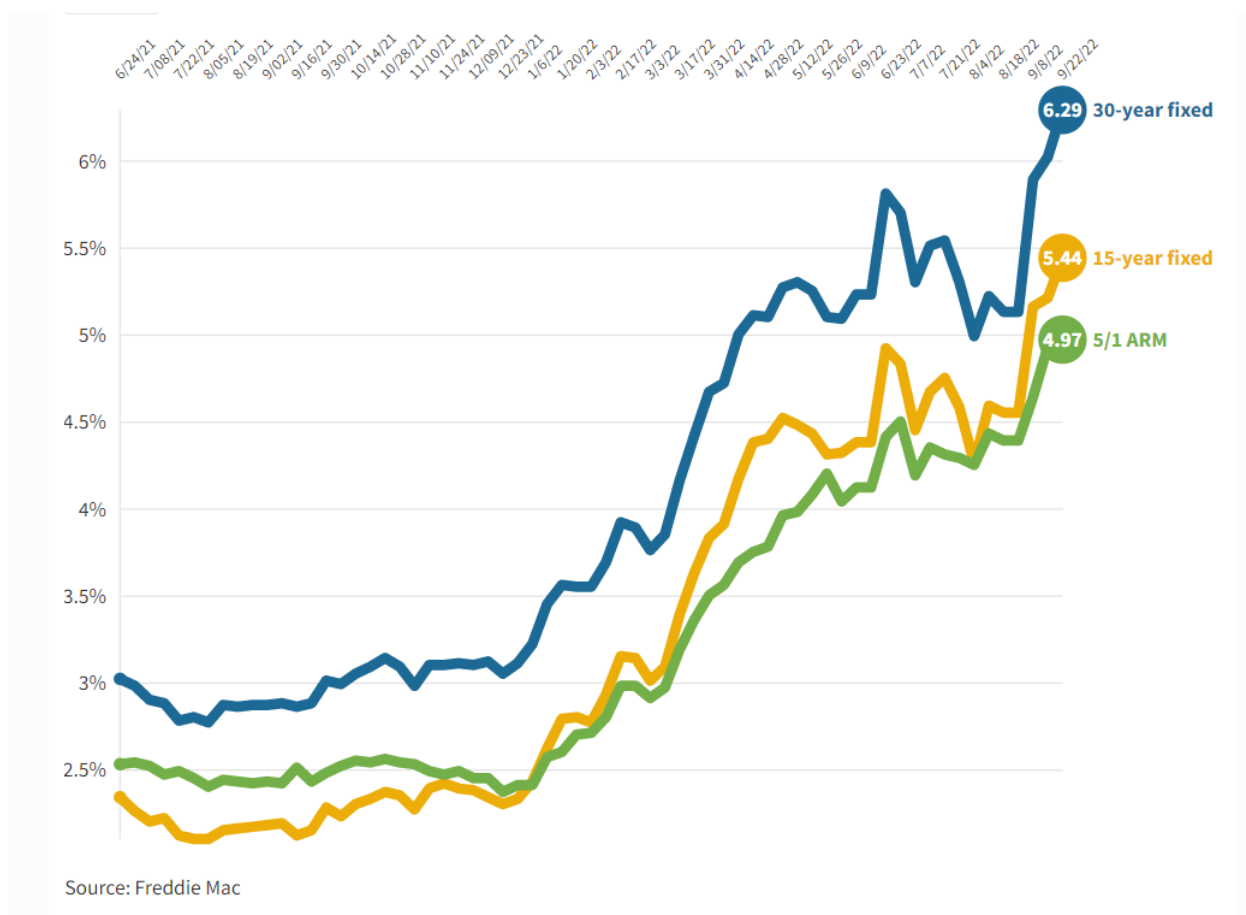


It is clear to see the extreme volatility that took place in 2020 as investors searched for a haven from the sharply dropping stock market and the Fed's policy actions. Since the initial decline, treasury yields have largely rebounded to pre-pandemic levels, however, this is largely due to ongoing inflation concerns by investors, who are anticipating rising interest rates.

What is interesting is, initially, mortgage rates for both residential and commercial real estate loans did not drop substantially. This is due to the sheer volume of refinancing requests that local, regional, and national banks have seen that are pushing beyond capacity. What happened – at least in the immediate short-term – is that the supply and demand are commanding the mortgage yield rate. This was also due to the significant lift that community and regional banks had to make to service the Paycheck Protection Program enacted by congress.

Once banks were able to catch their breath, the cost of borrowing did drop to historic lows. The image below is taken from Freddie Mac and shows rates through September 2022, as well as rates over the past 12 months for residential mortgages. Clearly, the cost of borrowing has increased dramatically within just a short period of time.





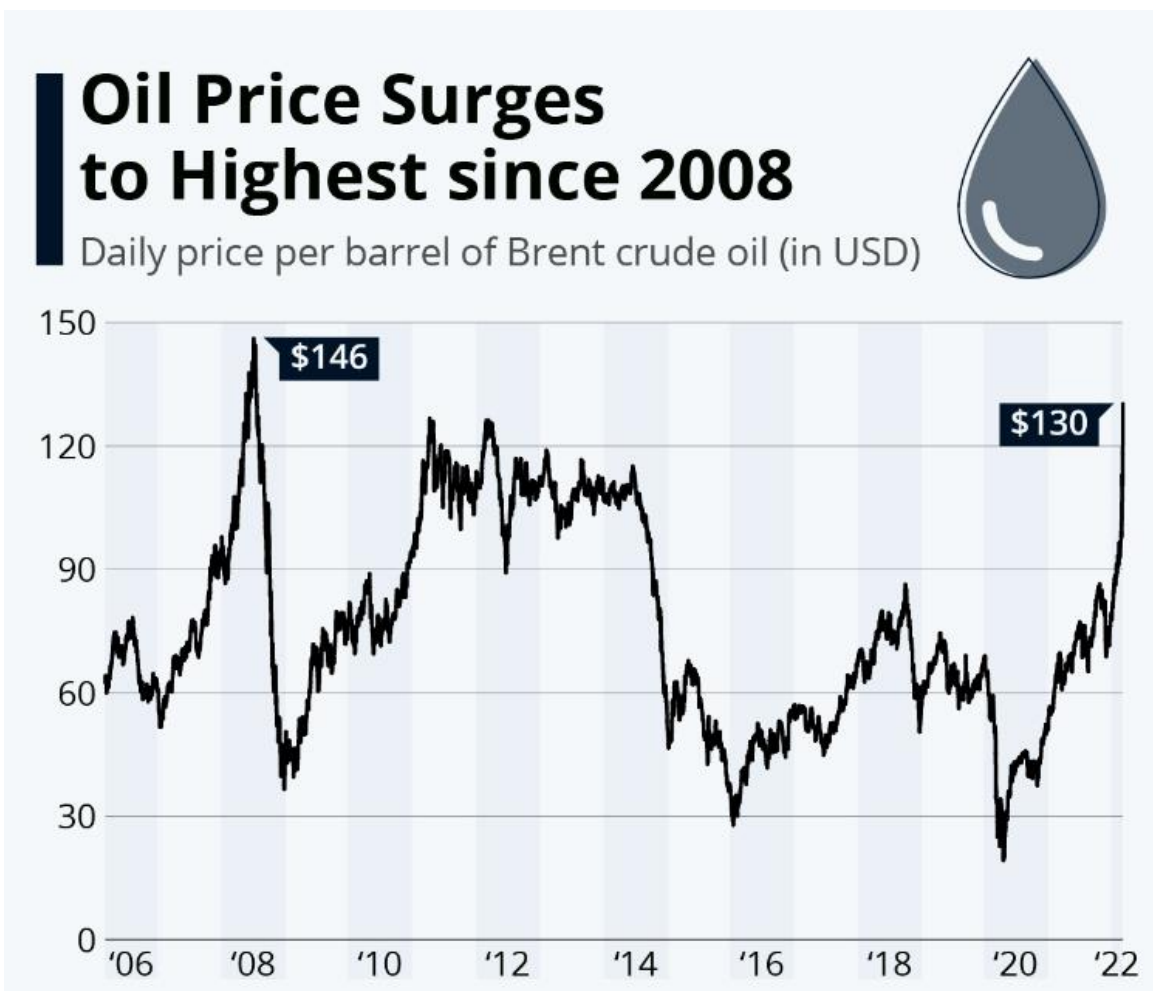
The recent uptick in interest rates is demonstrated by the recent sentiment from the Fed, the 10-year treasury yield, and the prevailing interest rate on a residential mortgage.

The rise in interest rates has resulted in a significant slowdown in the residential home construction market, which has historically remained a bellwether for the trending of the national economy. As pricing and sales have declined, many view this as a sign of a negative trend in the overall economy.

Oil Prices:

Oil plunged to its lowest price level in more than 17 years amid concerns of the economic impact of the outbreak and was further weakened due to production level due to geopolitical tensions in 2020. Oil prices went negative on April 20, 2020, due to the oversupply, lack of storage, and lack of demand given global economic shutdowns. Oil prices recovered to with the WTI Crude price point oscillating around \$65 to \$80 per barrel mark for several months in late 2021 and spiked in early 2022 as part of a reopening economy and war in Ukraine.





The war and the barrage of sanctions that have hit Russia in response to the invasion coupled with stringent regulations and limits to production on federal by the democratically controlled congress have resulted in the oil market's worst supply crisis in decades. The price of a barrel of oil had surged above \$100, heaping pressure on economies already facing surging rates of inflation. In recent months, the price of oil has declined below \$100 per barrel due to the releasing of the Strategic Petroleum reserves by the United States economy, as well as production increases by OPEC; however, many question if the reduction in the price will remain once the U.S. halts the releasing of reserves.

OPEC slashed its forecasts for global economic growth for the year to 3.9% from an earlier assessment of 4.2%, as economies are expected to suffer under the weight of high commodity prices.



Household Income & Earnings:

The following information was provided by the US Census Bureau report, *Income and Poverty in the United States: 2020*

- Median household income was \$67,521 in 2020, a decrease of 2.9 percent from the 2019 median of \$69,560 (Figure 1 and Table A-1). This is the first statistically significant decline in median household income since 2011.
- The 2020 real median incomes of family households and nonfamily households decreased 3.2 percent and 3.1 percent from their respective 2019 estimates (Figure 1 and Table A-1).
- The 2020 real median household incomes of non-Hispanic Whites, Asians, and Hispanics decreased from their 2019 medians, while the changes for Black households was not statistically different (Figure 1 and Table A-1).
- In 2020, real median household incomes decreased 3.2 percent in the Midwest and 2.3 percent in the South and the West from their 2019 medians. The change for the Northeast was not statistically significant (Figure 1 and Table A-1).

Earnings:

- The real median earnings of all workers aged 15 and over with earnings decreased 1.2 percent between 2019 and 2020 from \$42,065 to \$41,535 (Figure 4 and Table A-6).
- The total number of those who worked full-time, year-round declined 13.7 million between 2019 and 2020. The number of female full-time, year-round workers decreased by about 6.2 million, while the decrease for their male counterparts was approximately 7.5 million (Figure 6 and Table A-7).
- In 2020, real median earnings of those who worked full-time, year-round increased 6.9 percent from their 2019 estimate. Median earnings of men (\$61,417) and women (\$50,982) who worked full-time, year-round increased by 5.6 percent and 6.5 percent, respectively (Figure 4 and Table A-6).

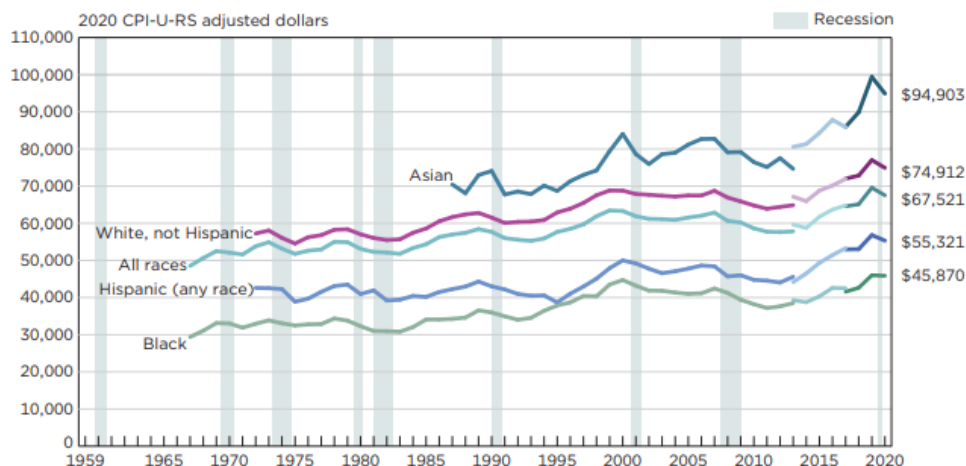


Poverty:

- The official poverty rate in 2020 was 11.4 percent, up 1.0 percentage point from 10.5 percent in 2019. This is the first increase in poverty after five consecutive annual declines (Figure 8 and Table B-4).
- In 2020, there were 37.2 million people in poverty, approximately 3.3 million more than in 2019 (Figure 8 and Table B-1).
- Between 2019 and 2020, the poverty rate increased for non-Hispanic Whites and Hispanics. Among non-Hispanic Whites, 8.2 percent were in poverty in 2020, while Hispanics had a poverty rate of 17.0 percent. Among the major racial groups examined in this report, Blacks had the highest poverty rate (19.5 percent), but did not experience a significant change from 2019. The poverty rate for Asians (8.1 percent) in 2020 was not statistically different from 2019 (Figure 9 and Table B-1).
- Poverty rates for people under the age of 18 increased from 14.4 percent in 2019 to 16.1 percent in 2020. Poverty rates also increased for people aged 18 to 64 from 9.4 percent in 2019 to 10.4 percent in 2020. The poverty rate for people aged 65 and older was 9.0 percent in 2020, not statistically different from 2019 (Figure 9 and Table B-1).
- Between 2019 and 2020, poverty rates increased for married-couple families and families with a female householder. The poverty rate for married-couple families increased from 4.0 percent in 2019 to 4.7 percent in 2020. For families with a female householder, the poverty rate increased from 22.2 percent to 23.4 percent. The poverty rate for families with a male householder was 11.4 percent in 2020, not statistically different from 2019 (Figure 12 and Table B-2).



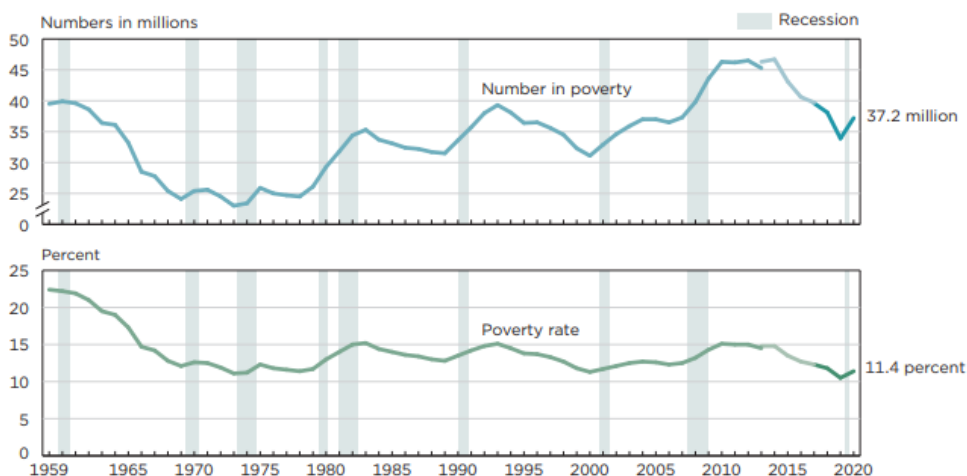
Figure 2.
Real Median Household Income by Race and Hispanic Origin: 1967 to 2020
 (Households as of March of the following year)



Notes: The data for 2017 and beyond reflect the implementation of an updated processing system. The data for 2013 and beyond reflect the implementation of the redesigned income questions. Refer to Table A-2 for historical race footnotes. The data points are placed at the midpoints of the respective years. Median household income data are not available prior to 1967. More information on the CPI-U-RS dollar adjustment and recessions are available in Appendix A. Information on confidentiality protection, sampling error, nonsampling error, and definitions is available at <https://www2.census.gov/programs-surveys/cps/techdocs/cpsmar21.pdf>.

Source: U.S. Census Bureau, Current Population Survey, 1968 to 2021 Annual Social and Economic Supplements (CPS ASEC).

Figure 8.
Number in Poverty and Poverty Rate: 1959 to 2020
 (Population as of March of the following year)



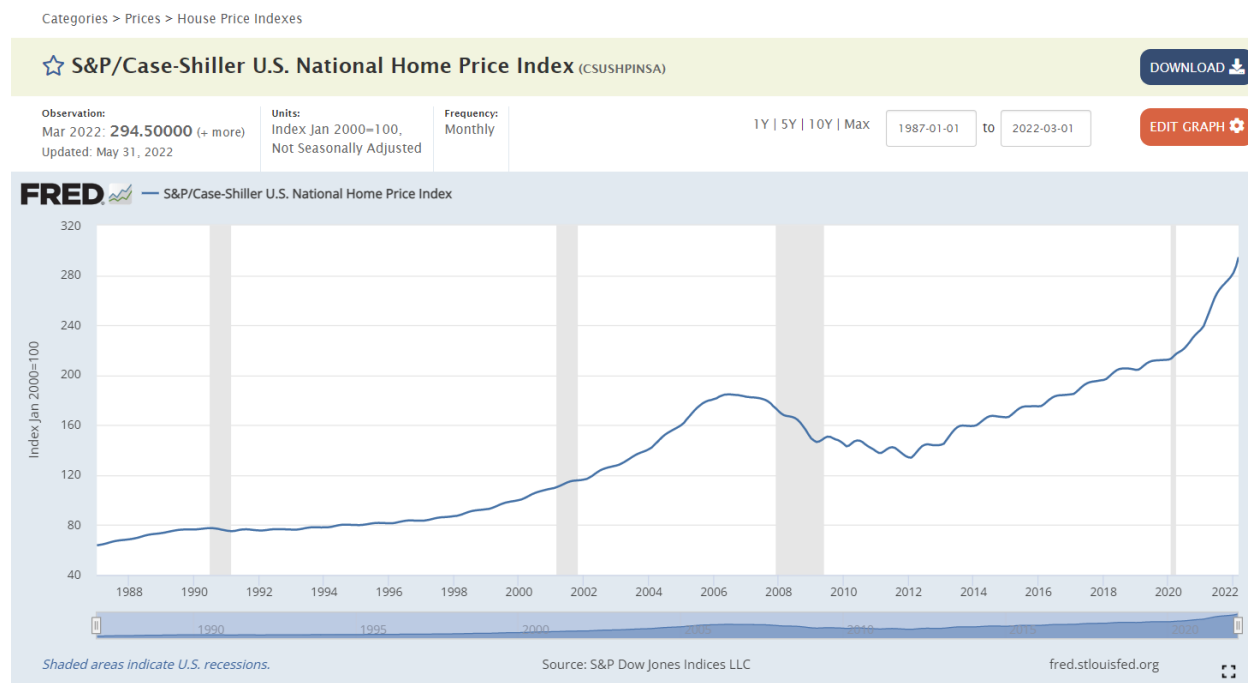
Notes: The data for 2017 and beyond reflect the implementation of an updated processing system. The data for 2013 and beyond reflect the implementation of the redesigned income questions. Refer to Table B-4 for historical footnotes. The data points are placed at the midpoints of the respective years. Information on recessions is available in Appendix A. Information on confidentiality protection, sampling error, nonsampling error, and definitions is available at <https://www2.census.gov/programs-surveys/cps/techdocs/cpsmar21.pdf>.

Source: U.S. Census Bureau, Current Population Survey, 1960 to 2021 Annual Social and Economic Supplements (CPS ASEC).



Real Property Pricing:

A graph below has been taken from the *Standard & Poor's Corelogic Case-Shiller US Nation Home Price NSA Index*.



The market effects have generally been a net positive for the prices of residential real estate given the low interest rate environment and the overall shortage of inventory. With the recent increase in interest rates, pricing will likely come to a plateau if not face declines.



Consumer Debt:

According to the Federal Reserve report dated May 2022, aggregate household debt balances increased by \$266 billion in the first quarter of 2022 with a total aggregate debt of \$15.84 trillion, a \$2.98 trillion increase from the previous 2008 peak of \$12.86 trillion. This figure is also \$1.7 trillion higher than the overall household debt held in 2019 prior to the COVID-19 pandemic.

Other pertinent information is shown below:

Housing Debt

- There was \$859 billion in newly originated mortgage debt in 2022Q1, with 68% of it originated to borrowers with credit scores over 760.
- About 24,000 individuals had a new foreclosure notation added to their credit reports during the first quarter, compared to only 9,000 individuals in the fourth quarter of 2021, reflecting the partial resumption on new foreclosures. Although the hold on foreclosures due to CARES was lifted on July 31st 2021, additional federal and state policies will forestall many foreclosure starts.
- The share of mortgage balances 90+ days past due remained at 0.5%, a historic low.

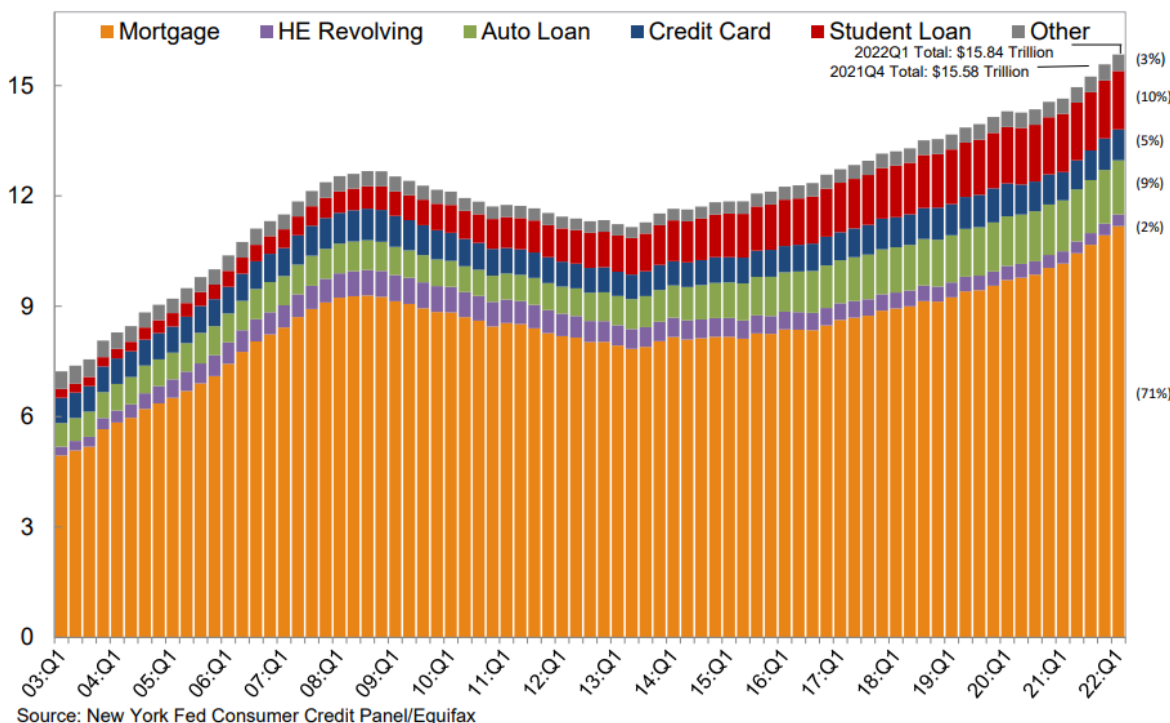
Student Loans

- Outstanding student loan debt stood at \$1.59 trillion in the 2022Q1, a \$14 billion increase from 2021Q4.
- About 5% of aggregate student debt was 90+ days delinquent or in default in 2022Q1.² The lower level of student debt delinquency reflects a Department of Education decision to report current status on loans eligible for CARES Act forbearances.

Below is a graph depicting household debt through Q2 2022:

Total Debt Balance and its Composition

Trillions of Dollars



As of March 2022, mortgage balances, the largest component of household debt, shown on consumer credit reports stood at \$11.18 trillion, a \$250 billion increase from Q4 2021. Balances on home equity lines of credit (HELOC) continued the declining trend that has been in place since 2009, and these balances now stand at \$317 billion.

A note from the Federal Reserve May of 2022 report states the following on delinquencies:

Delinquency & Public Records

Aggregate delinquency rates were unchanged in the first quarter of 2022 and remain very low, after declining sharply through the beginning of the pandemic. Delinquency rates have been low in part due to forbearances (provided by both the CARES Act and voluntarily offered by lenders), which protect borrowers' credit records from the reporting of skipped or deferred payments. Although these forbearances have ended for most types of debts, the pause on student loan payments remains in place. As of late March, 2.7% of outstanding debt was in some stage of delinquency, a 2.0 percentage point decrease from the fourth quarter of 2019, just before the COVID-19 pandemic hit the United States. Of the \$431 billion of debt that is delinquent, \$299 billion is seriously delinquent (at least 90 days late or "severely derogatory", which includes some debts that have been removed from lenders' books but upon which they continue to attempt collection).

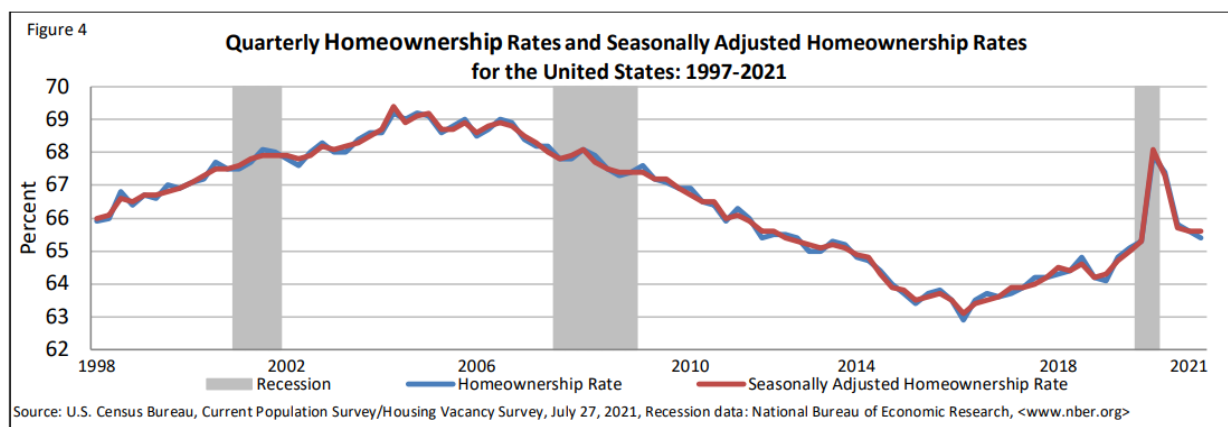
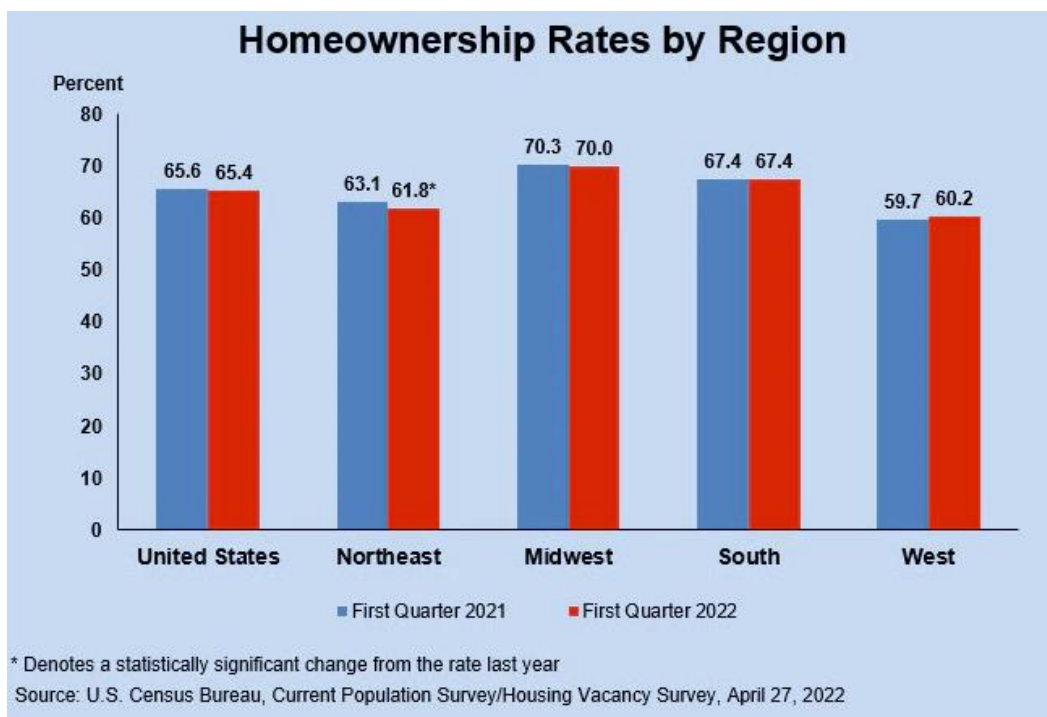
The share of debt transitioning into delinquency increased modestly for nearly all debt types, except student loans, although they remain very low by historic standards. The delinquency transition rate for credit cards increased by 0.2 percentage points, while mortgages, auto loans, and HELOCs all saw 0.1 percentage point increases in their delinquency transition rates. Although foreclosures are very low, there was a small uptick in new foreclosures in 2022Q1.

Delinquency rates by product were mostly flat. The share of student loans that are reported as delinquent continues to decline, as the majority of outstanding federal student loans are covered by CARES Act administrative forbearances, which have been extended through August 31, 2022. These forbearances have the mechanical effect of making previously delinquent debt "current," reducing the overall delinquency rate.

About 91,000 consumers had a bankruptcy notation added to their credit reports in 2022Q1, the lowest level since the series began in 1999. The share of consumers with a 3rd party collection account is also at a new historic low; approximately 6% of consumers have a third party collection account on their credit report, with an average balance of \$1,219.

According to the US Census Bureau, the 1st Quarter of 2022 homeownership rate of 65.6% was a slight decrease from the Q1 2021 rate of 65.6%, and a decline from 2020 numbers hovering around 67.9%





Commercial Real Estate Markets -CBRE Report:

Below we have cited research and data relating to the commercial real estate sector from the CBRE 2022 Report:

Figure 2

Commercial real estate investment volume by sector, Q2 2022 vs. Q2 2021

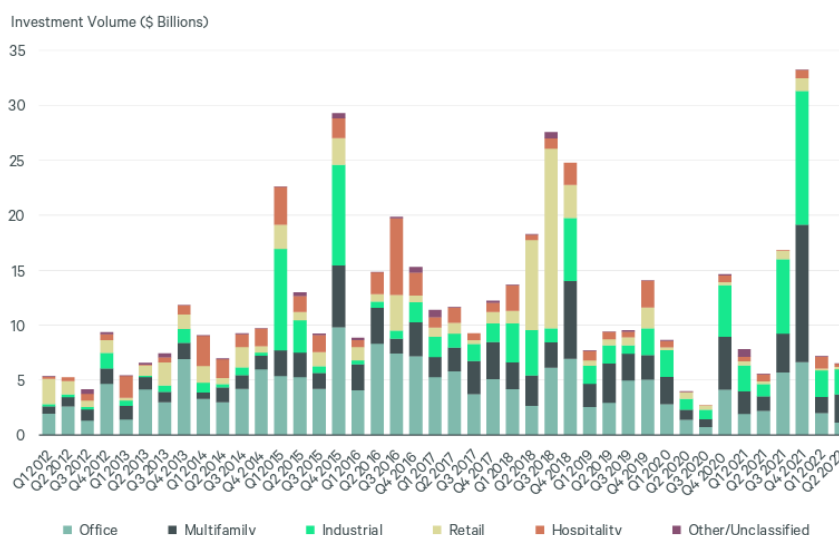
- Multifamily remained the most preferred commercial real estate sector for investment in Q2, with a 32% year-over-year increase in volume to \$78 billion.
- Industrial was the second most-preferred sector with \$32 billion, down by 1% from a year ago.
- Office investment volume fell by 9% year-over-year in Q2 to \$24 billion, with retail with a 41% increase to \$21 billion.

	Total (\$ billions)				Total (\$ billions)			
	Q2 2022	Q2 2021	Change (%)	Market Share (%)	Trailing 4 QTRs ending Q2 '22	Trailing 4 QTRs ending Q2 '21	Change (%)	Market Share (%)
All Types of Investment								
Multifamily	78.3	59.1	32.4	46.9	384.7	189.0	103.5	43.6
Industrial	31.6	32.0	-1.3	18.9	185.0	113.1	63.5	21.0
Office	24.1	26.6	-9.5	14.4	151.5	92.1	64.5	17.2
Retail	21.2	15.0	41.3	12.7	98.4	45.7	115.4	11.2
Hotel	8.6	15.1	-42.9	5.2	44.4	28.7	54.5	5.0
Other	3.1	4.1	-25.3	1.8	17.4	13.5	28.8	2.0
Total	166.8	151.9	9.8	100.0	881.3	482.1	82.8	100.0
Single-Asset Investments Only								
Multifamily	54.1	48.8	10.7	43.8	274.6	149.2	84.1	45.1
Industrial	23.1	24.7	-6.6	18.7	109.7	80.2	36.8	18.0
Office	20.0	20.4	-1.8	16.2	116.2	67.1	73.1	19.1
Retail	17.0	13.3	28.3	13.8	68.5	37.7	81.5	11.2
Hotel	7.2	7.7	-5.8	5.9	32.4	17.4	86.7	5.3
Other	2.0	1.8	15.4	1.6	7.9	5.5	43.5	1.3
Total	123.5	116.7	5.8	100.0	609.4	357.2	70.6	100.0
Portfolio Asset Investments Only								
Total	38.3	29.2	31.5		218.4	116.8	87.1	
Entity-Level Asset Investments Only								
Total	5.0	6.1			53.4	8.2	554.1	

Figure 6

Cross-border investment by property type

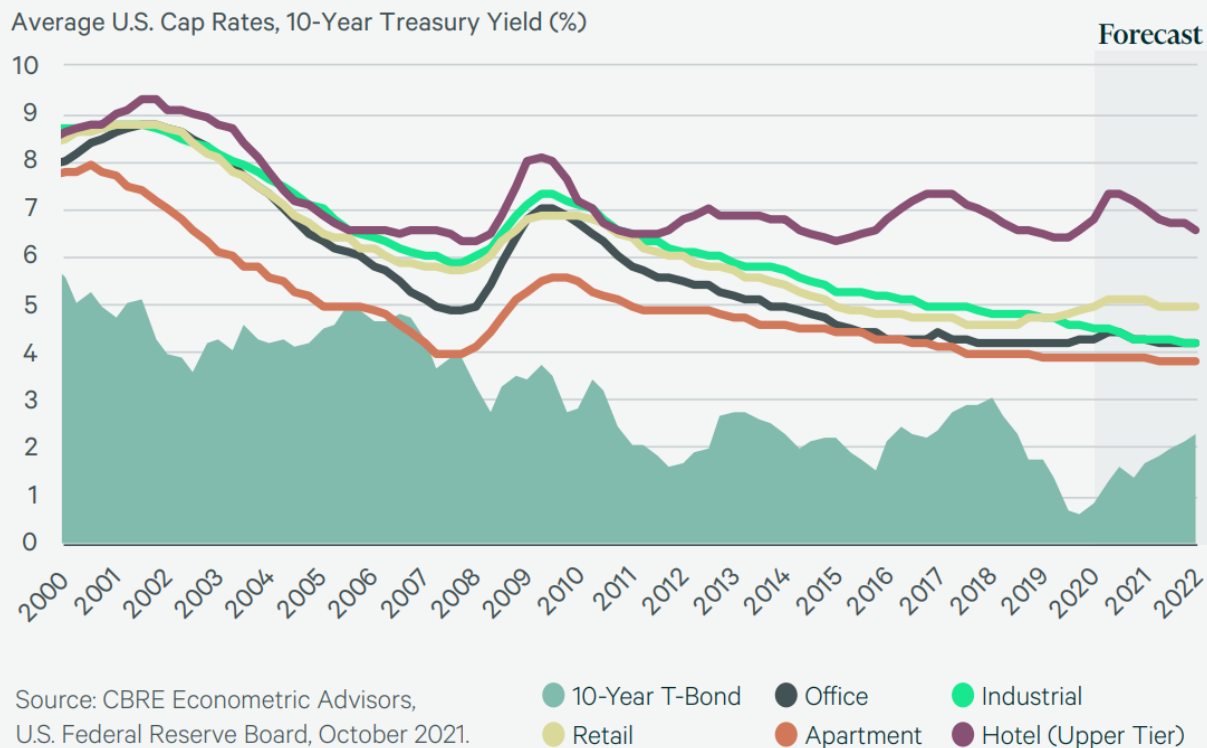
- Multifamily was the leading sector for inbound cross-border investment in Q2 with \$3 billion, followed by industrial with \$2 billion and office with \$1 billion.
- Cross-border retail investment volume of \$248 million in Q2 was up by 28% from Q1.



Source: CBRE Research, Real Capital Analytics, Q2 2022.

- Capital is increasingly being deployed into multi-family and industrial assets, which made up 66% of the total Investments in 2nd Quarter 2022. This has remained consistent throughout 2020 and 2021. Capitalization rates for these asset classes continue to compress due to strong market fundamentals and investor demand. Below is a look at forecasted capitalization rates for 2021 and 2022 by real estate asset type:



FIGURE 5: Spread Over Risk-Free Rate Narrowing but Still Significant


- *The suburban multifamily sector is the property type reporting the most significant capitalization rate compression, while lodging, retail, and office have reported the most cap rate increases. It should be noted that lodging capitalization rates are forecasted to stabilize and return to pre-pandemic levels at the end of 2022.*
- *Investors are placing greater importance on certain investment criteria, particularly: tenant credit quality, length of remaining lease term, and building occupancy.*



Executive Summary

- U.S. commercial real estate investment volume rose by 10% year-over-year in Q2 2022 to \$167 billion.
- Multifamily was the leading sector with \$78 billion in Q2 volume, followed by industrial & logistics with \$32 billion and office with \$24 billion.
- On a trailing-four-quarter basis, New York was the top market with \$67 billion in volume, followed by Los Angeles with \$65 billion.
- Institutional investors were net buyers in Q2 2022, while private investors, REITs and cross-border investors were net sellers.
- Inbound cross-border investment increased by 16% year-over-year in Q2 but was down by 9% from Q1 due to the strengthening U.S. dollar.

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2022: Q2 Realty Rates:

Coincident with an 84 basis point increase in Treasury rates to which most commercial mortgage interest rates are indexed, together with a seven point decrease in equity dividend rates, the RealtyRates.com™ *Investor Survey* Weighted Composite (Cap Rate) Index™ increased 43 basis points from 8.83 to 9.26 percent during the 2nd Quarter of 2022.

The greatest quarter-over-quarter cap rate index increases during the 2nd Quarter were recorded by the Lodging and Self Storage sectors, up 48 basis points, followed by the Mobile Home/RV Park sector, up 46 basis points.

The smallest quarter-over-quarter cap rate index increase during the 2nd Quarter was recorded by the Restaurant sector, up 35 basis points, followed by the Apartment sector, up 37 basis points.

Mortgage lending standards tightened on weaker demand for most commercial real estate loan categories, except those secured by multifamily residential properties, for which demand strengthened during the 2nd Quarter. Weaker demand for construction and land development loans and for non-farm, non-residential loans was also reported. Meanwhile spreads were down six basis points overall, but average permanent mortgage rates were up 78 basis points.

RealtyRates.com INVESTOR SURVEY - 3rd Quarter 2022*																								
CURRENT & HISTORICAL CAP RATE INDICES																								
Method-Weighted* Property Category Indices																								
Year	Apts		Golf		Healthcare Senior Housing		Industrial		Lodging		MH/RV Park		Office		Retail		Restaurant		Self Storage		Special Purpose		Weighted* Composite Indices	
	Rate	BP	Rate	BP	Rate	BP	Rate	BP	Rate	BP	Rate	BP	Rate	BP	Rate	BP	Rate	BP	Rate	BP	Rate	BP	Rate	BP
	Chg		Chg		Chg		Chg		Chg		Chg		Chg		Chg		Chg		Chg		Chg		Chg	
2022	7.74	-9	11.34	-5	8.35	-3	8.67	8	9.62	-6	8.97	6	8.59	11	8.75	-10	11.16	5	9.30	6	11.30	10	9.05	0
2nd Qtr	7.93	37	11.54	40	8.56	43	8.89	43	9.86	48	9.20	46	8.82	45	8.96	43	11.33	35	9.54	48	11.51	42	9.26	43
1st Qtr	7.55	8	11.14	14	8.13	13	8.46	15	9.38	7	8.74	16	8.37	10	8.54	-8	10.98	15	9.05	16	11.09	7	8.83	8
2021	7.83	-59	11.39	-64	8.38	-64	8.60	-59	9.68	-84	8.92	-65	8.49	-55	8.85	-53	11.11	-46	9.24	-62	11.21	-44	9.04	-60
2020	7.50	-43	11.08	-48	8.10	-48	8.32	-40	9.40	-47	8.63	-46	8.16	-38	8.58	-35	10.81	-39	8.91	-49	10.91	-29	8.75	-41
2019	7.92	-50	11.56	-47	8.58	-44	8.72	-47	9.86	-66	9.08	-48	8.54	-50	8.93	-45	11.20	-37	9.40	-46	11.20	-45	9.15	-49
2018	8.42	26	12.02	30	9.01	14	9.19	23	10.53	25	9.56	30	9.04	10	9.38	20	11.57	15	9.86	29	11.64	40	9.64	22
2017	8.16	4	11.73	-2	8.87	-6	8.96	-12	10.28	5	9.26	11	8.94	-22	9.19	-8	11.42	-15	9.57	-9	11.25	4	9.42	-6

In many ways, the pandemic has expedited trends that were already in motion. Brick and mortar retail has been on a downward slid for years and was acutely impacted in 2020 with 30 major retailers filing for bankruptcy. Office occupancies in urban cores throughout the nation hit all-time highs as employees worked remotely and many businesses reduced their physical footprint. Some sectors are expected to return to normal, while others will likely be forever changed as consumers change the way they live and spend money.



Opportunity Zones:

A recent policy change that came with the 2017 tax overhaul and is likely to have a continued dramatic impact on commercial real estate development is the creation of Opportunity Zones throughout the United States. The so-called “Opportunity Zones” aimed to attract tax-advantaged investment in low-income areas, the program has been heralded as favorable and flexible for investors with the potential to spur development in distressed communities across the country.

State governors submitted census tract recommendations to The Treasury Department based on socio-economic benchmarks, specifically at least a 20% poverty rate and median family incomes of no more than 80% of area family income. A census tract that fails to meet these low-income benchmarks may be allowable if it is contiguous with a certified zone and has a median household income that does not exceed 125% of the median income of the contiguous low-income census tract that comprises the opportunity zone. The Treasury Department certified about 9,000 opportunity zones nationally. Almost 35 million Americans live in the designated zones which spread across urban and rural landscapes and include almost all of Puerto Rico.

Investors in the zones gain can defer and lower federal taxes on any type of capital gains. First, they can invest earnings – from any unrelated investment – into a zone and defer capital gains taxes for five years. If the investment is held for less than five years, the tax payments are simply deferred until the opportunity investment is sold or exchanged. But, if the investment is held for five to seven years, 10% of the tax on the existing capital gain is canceled. An increased holding period of seven to ten years translates to a deferred payment with a 15% tax break. Lastly, investors who hold an opportunity zone investment for more than ten years benefit from a 15% capital gains tax break on the initial investment and pay no capital gains taxes on the opportunity zone investment.

A new rule introduced in October 2018 sets up a 70-30 asset split for business eligibility. Provided 70% of a business’s property is in a designated zone, it is considered eligible even if the rest is outside the zone. Together, these regulations incentive investments for place-based businesses such as franchise restaurants or manufacturing. To maximize gains, private dollars can be coupled with existing programs, such as New Market Tax Credits, Enterprise Zones, and Low Income Housing Credits, because regulations allow for benefits to be stacked on top of each other.

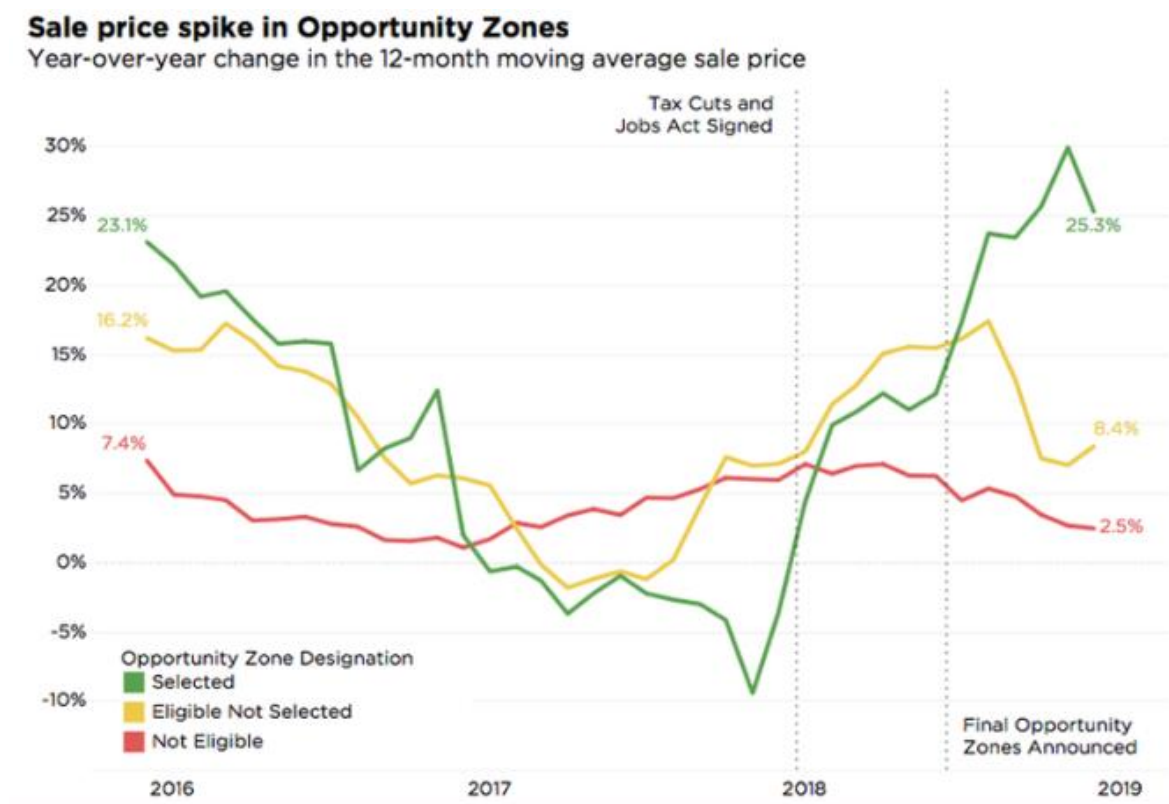
Former Treasury Secretary Steven Mnuchin has predicted the zones will attract over \$100 billion in investments, stating “this will unlock lots of capital that was tied up that never would have been sold to reinvest in these communities.” According to the Joint Committee on Taxation, the program is estimated to reduce federal revenue by \$9.4 billion between 2018 and 2022, though the long-term cost could be smaller as deferred taxes are paid.



Michael Kressig, a partner with Novogradac & Co., of St. Louis, who specializes in community development and affordable housing, said the aim is to get passive capital back into the economy. Kressig said there are more than \$6 trillion in unrealized capital gains from the stock market alone. Billions of dollars have started piling into new real-estate funds targeting opportunity zones. Now that the Treasury has clarified the rules, developers, fund managers, and investors are poised to begin collecting money and investing. Hedge funds Fundrise, EJF Capital in a joint venture with Youngwoo & Associates and EquityMultiple, and RXR Realty have each announced a plan to raise over \$500 million for an opportunity zone investment strategy.

An updated report provided by Novogradac indicates that investment in OZs continues to grow in 2021 with Qualified Opportunity Funds surging past \$17.5 billion in equity raised. This is a 15.5% increase investment from the end of 2020.

Over the past few years, there has been a significant increase in sales in opportunity zones throughout the country. The chart below has been taken from a study by the World Property Journal and clearly shows the pricing premium for properties within a qualified opportunity zone.



ATTOM Data Solutions tracks home property sales in Opportunity Zones and put out the following information in a May 2022 report:



Median prices of single-family houses and condominiums rose from the fourth quarter of 2021 to the first quarter of 2022 in 2,617 (55 percent) of the Opportunity Zones around the U.S. with sufficient data to analyze, and increased from the first quarter of 2021 to same period this year in 3,529 (78 percent) of those zones. By comparison, median prices rose quarterly in 58 percent of census tracts outside of Opportunity Zones and annually in 80 percent. (Among the 5,092 Opportunity Zones included in the report, 4,722 had enough data to generate usable median-price comparisons from the fourth quarter of 2021 to the first quarter of 2022; 4,550 had enough data to make comparisons between the first quarter of 2021 and the first quarter of 2022).

Measured year over year, median home prices rose at least 20 percent in the first quarter of 2022 in 2,231 (49 percent) of Opportunity Zones with sufficient data. Prices rose that much during that time period in 44 percent of other census tracts throughout the country.

Typical single-family home values in 55 percent of Opportunity Zones increased from the first quarter of 2021 to the first quarter of 2022 by more than the jump in the overall national median home price. Nationally, the figure rose 16.6 percent, year over year. Measured quarterly, prices in Opportunity Zones increased at a slower rate than in most of 2021. But 52 percent of zones still saw larger quarterly improvements from late 2021 to early 2022 than the national uptick of 1.7 percent.

We can expect this trend to continue, as investors get creative with converting their tax savings to take on projects that would otherwise fail to pencil. That said, the resounding sentiment is that a property in a qualified OZ does not automatically turn a non-feasible project into a feasible project. We anticipate many unseasoned real estate investors entering the market to mitigate capital gains exposure, which creates the potential for heightened risk.

Overall, the reception of the opportunity zone market has been strong and is expected to inherently create increased activity in the coming years and decades that will ripple through communities across the country.

“The enormity of capital the opportunity funds could channel into these limited and defined geographic areas could really be profound,” said Robert White Jr., the founder of data provider Real Capital. “It is like 1031 on steroids,” he said, referring to the 1031 tax break, which until now has been one of the most popular among commercial property investors.

In Louisiana, all 150 of Governor John Bell Edwards’ nominated zones were certified. “This federal certification means we have new tools at our disposal to bring much-needed investment and new jobs to the areas of Louisiana who need them. Through a collaboration of private investors, state agencies, and local communities, we can work hand-in-hand to ensure that new growth opportunities are created in Louisiana through this program.”



The Future of the 1031 Exchange:

As we look ahead, the commercial real estate world waits in anticipation for the policies that Joe Biden and his administration will implement and their effects on the CRE market. According to an article by [Trepp](#), one of Biden's major policy items would be a rather sizable tax overhaul. This overhaul may include a higher marginal tax rate for wealthy individuals and higher payroll taxes for high-earning individuals. However, a larger item on the agenda impacting commercial real estate would be Biden potentially eliminating 1031 exchanges, a tax bill Trump passed which allows property owners to evade paying capital gains taxes at the time of sale as long as they reinvest the proceeds in properties of similar value and type. Although opportunity zones have proven to be an initially attractive inducement to categorize new project development as well as a stimulus for job growth in lower-income communities, some analysts suggest Biden will find a way to include opportunity zones into a more robust stimulus package rather than eliminating it.

It is also worth noting the impact the stimulus package and potential infrastructure bill will have on the commercial real estate market and the broader economy. As the ramifications of the Covid-19 pandemic continues to impact the lives of millions of Americans on an enormous scale, continuous financial relief efforts will be among the biggest priorities during the Biden administration. The recently passed Inflation Reduction Act will invest substantial capital into multiple facets of "infrastructure", which may potentially and likely will lead to exacerbation of the current inflation issue at hand. Furthermore, the package is proposed to invest more in renewable energy, while continuing to stifle investment in oil and gas activities. This may also worsen the existing inflation issue, as the price of energy may remain elevated for some time to come.

Conclusion:

Our analysis points to large and persistent negative effects of the pandemic on the world economy, with no market area escaping unscathed. These findings point to cautious optimism to the overall recovery of the market with forecasted macroeconomics reaching pre-pandemic levels in one to three years. GDP and the stock market were quick to rebound; however, as time has gone on – these figures have been revised downwards while other metrics, like employment, will likely remain depressed. The rising interest rates and the persistent inflation, as well as lower labor participation rate could be a bellwether for a forthcoming recession – if not already here. Currently, the outlook for the economy is viewed as cautious with a potential recession on the horizon and possibly a slowdown in the commercial real estate sector.



MARKET AND MARKETABILITY ANALYSIS (Level A Analysis)

In 2021, the U.S. economy saw somewhat of a bumpy recovery with lowering of expectations and forecasts for GDP growth and employment, as well as inflationary trends throughout the country. Despite this somewhat sporadic recovery from the 2020 recession, the commercial real estate market had remained strong with historic low interest rates and stability in pricing, as well as growth in asset values for most sectors in 2021. As we move through 2022, the optimism has fallen to fears of a major recession on the horizon. This is a result of the substantial inflation permeating throughout the national economy, which has resulted in significant raising of the federal funds rate and the cost to borrow funds.

In Louisiana, the general sentiment is cautious, given the slow rise in tourism; however, the growth in the port sector and oil gas market provide some level of optimism.

Over the past few years, there had been some signs of recovery in the energy sector and this has only furthered with the rise in oil/gas pricing. The focus of our analysis is the market for similarly positioned vacant land properties in the Slidell market. Putting the snapshot of the national economic base in the proper perspective is the backdrop of the regional economic base. Given the optimistic yet fragile outlook for the economy, it is important to focus on the historic nature of the regional base, one tied to the public employment sector, natural resources, agriculture.

Slidell was originally developed as a bedroom community for New Orleans, with much of the residential housing being constructed to house workers in the computer trade at NASA and Michoud. However, since that time in the 1960's and 1970's, demand has continued to flourish primarily from residents moving from the south shore of Lake Pontchartrain. Slidell was significantly impacted by Hurricane Katrina. Following the hurricane, demand for housing was significant. A prosperous few years subsequent to Katrina was followed by the housing bust and the downturn in the economy. Current levels of demand are nowhere near those seen during the housing boom, but trending is promising with prospects for another expansion cycle. However, most analysts maintain a cautiously optimistic outlook.



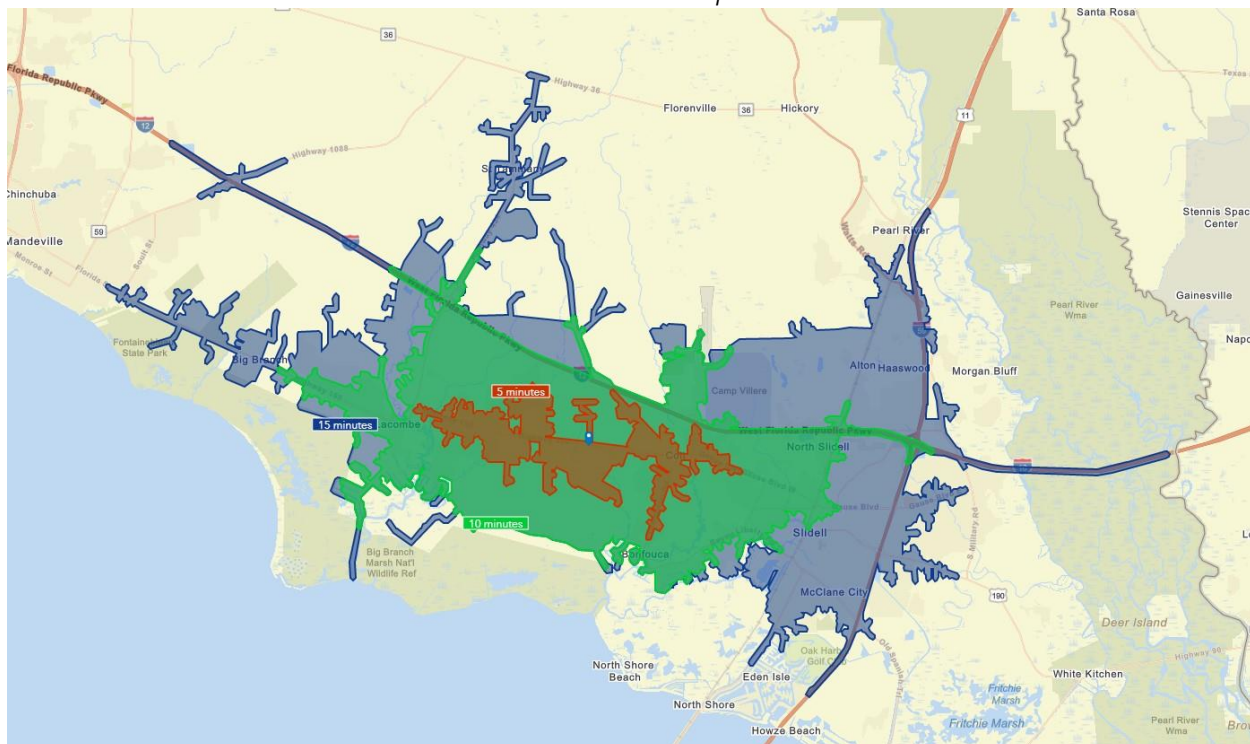
The five steps employed to assess the market and marketability for the subject property are titled as follows:

- *Market Area Delineation*
- *Property Productivity Analysis*
- *Supply and Demand Analysis*
- *Interaction of Supply and Demand*
- *Forecast of Subject Capture*

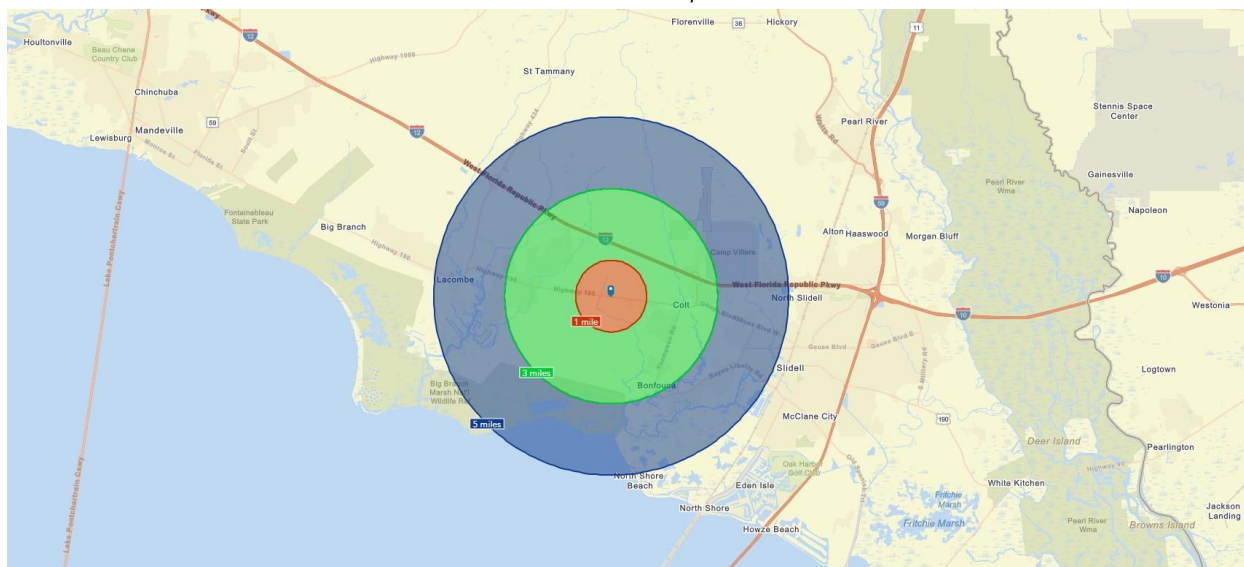
Truncation of these sets presents the analysis in three broad categories, namely the market area delineation, the property's productivity along with its competitive advantages and disadvantages, and a supply/demand analysis, the interaction therein with our forecast for absorption forecast, or subject capture rate.

On the following pages, we present an analysis of the subject's market area concerning demographics, income statistics, and other pertinent data within 5, 10, and 15-minute drive times from the subject as well as within 1, 3, and 5-mile radii of the property. The demographic data contained on the following pages are shown as excerpted from a report generated using the *Site to do Business* (www.STDBOnline.com).

-Drive Time Map-



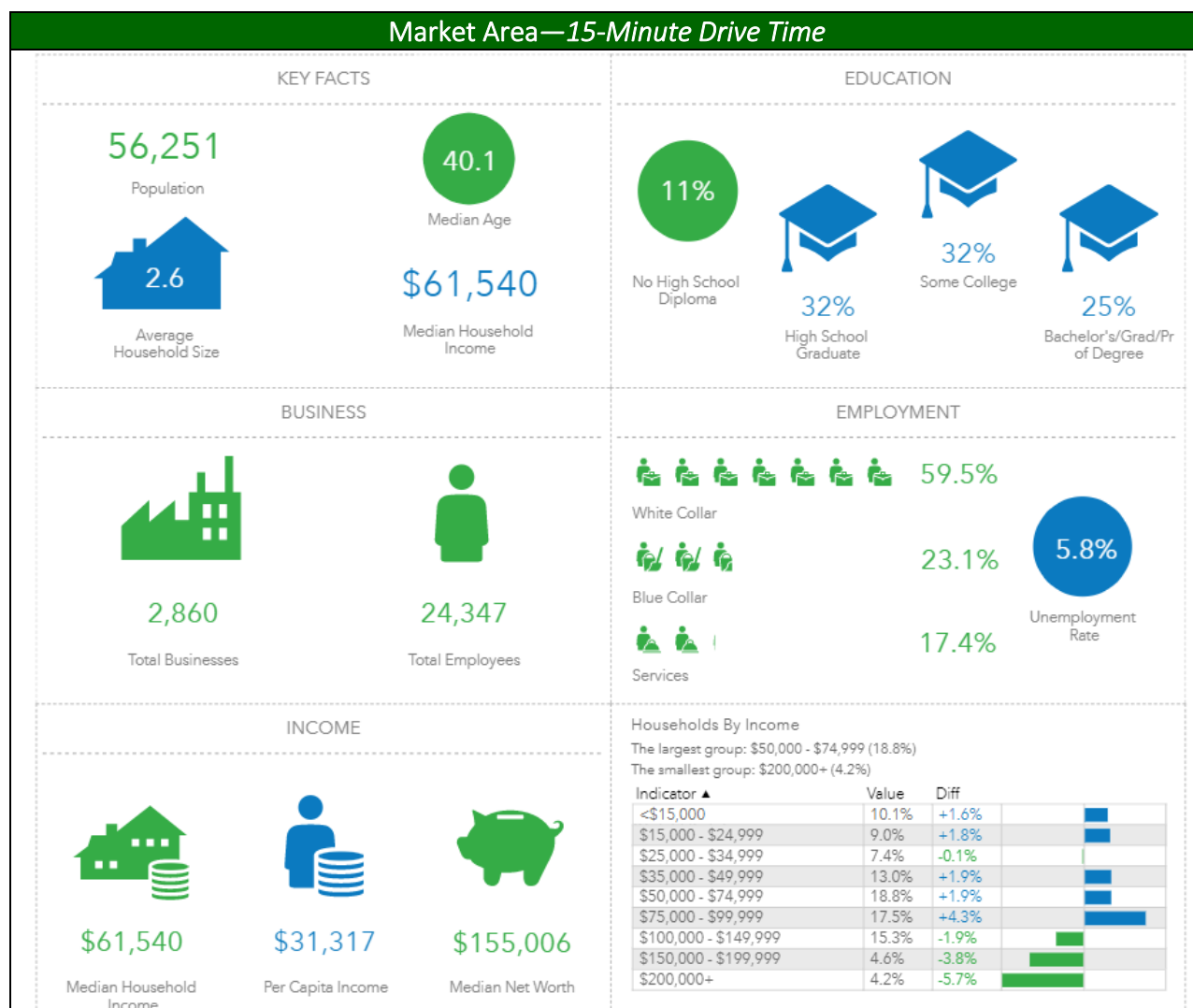
-Radius Map-



Market Area Delineation:

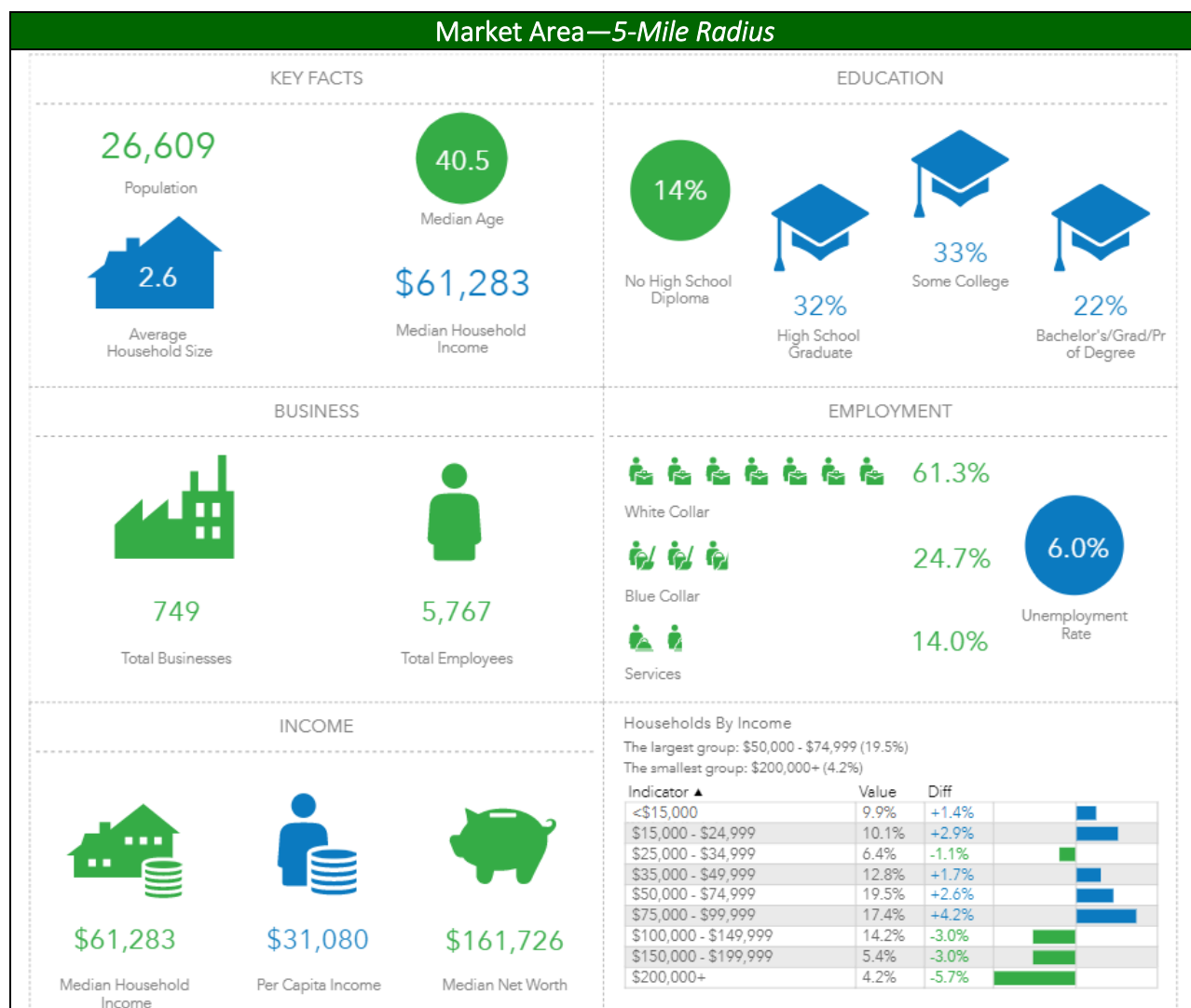
We have delineated the subject property's market area both as a 15-minute drive time and a five-mile radius that encompasses the majority of the Slidell area. The pertinent demographic information for this delineated market area is presented in the infographic below.





Overall, the subject's 15-minute drive time market area features a population of 56,251, a median age of 40.1, an unemployment rate of 5.8%, and a median household income of \$61,540, behind the national median household income of \$68,703.

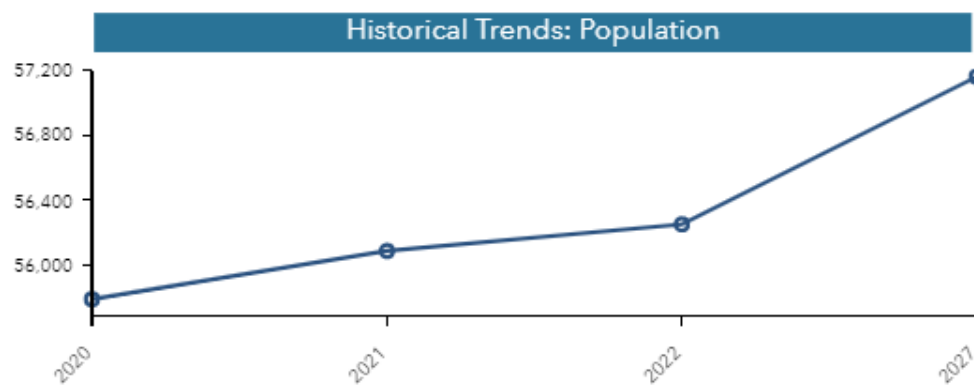
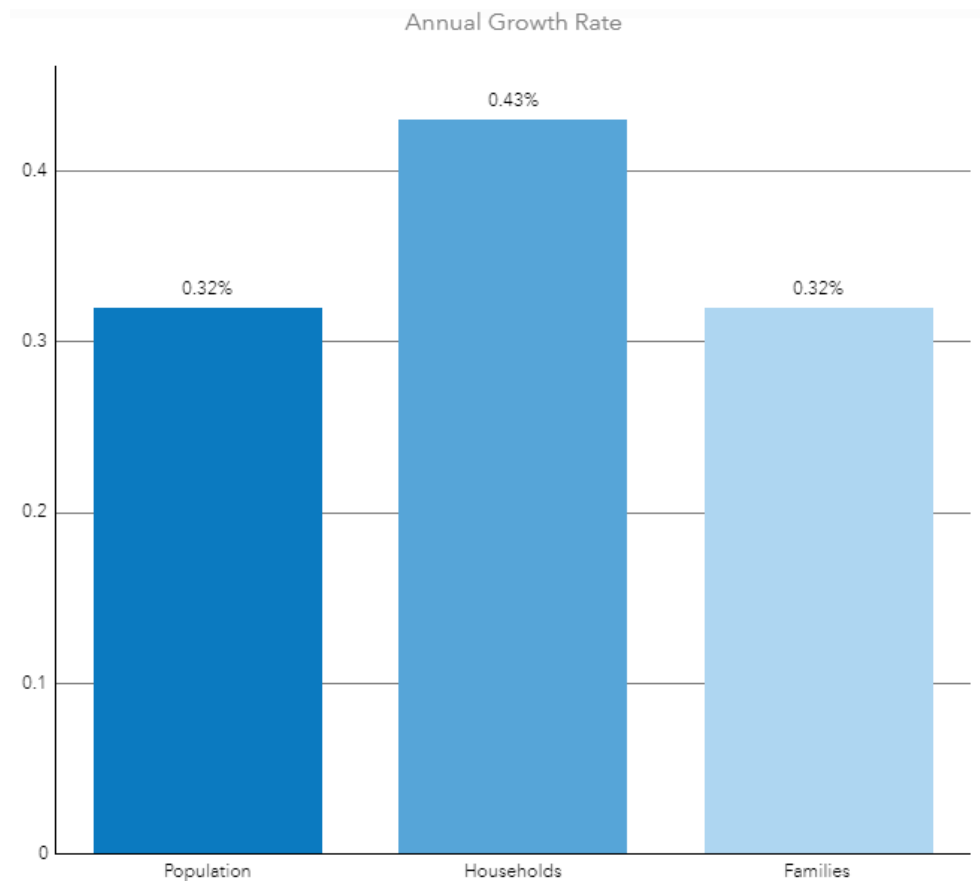




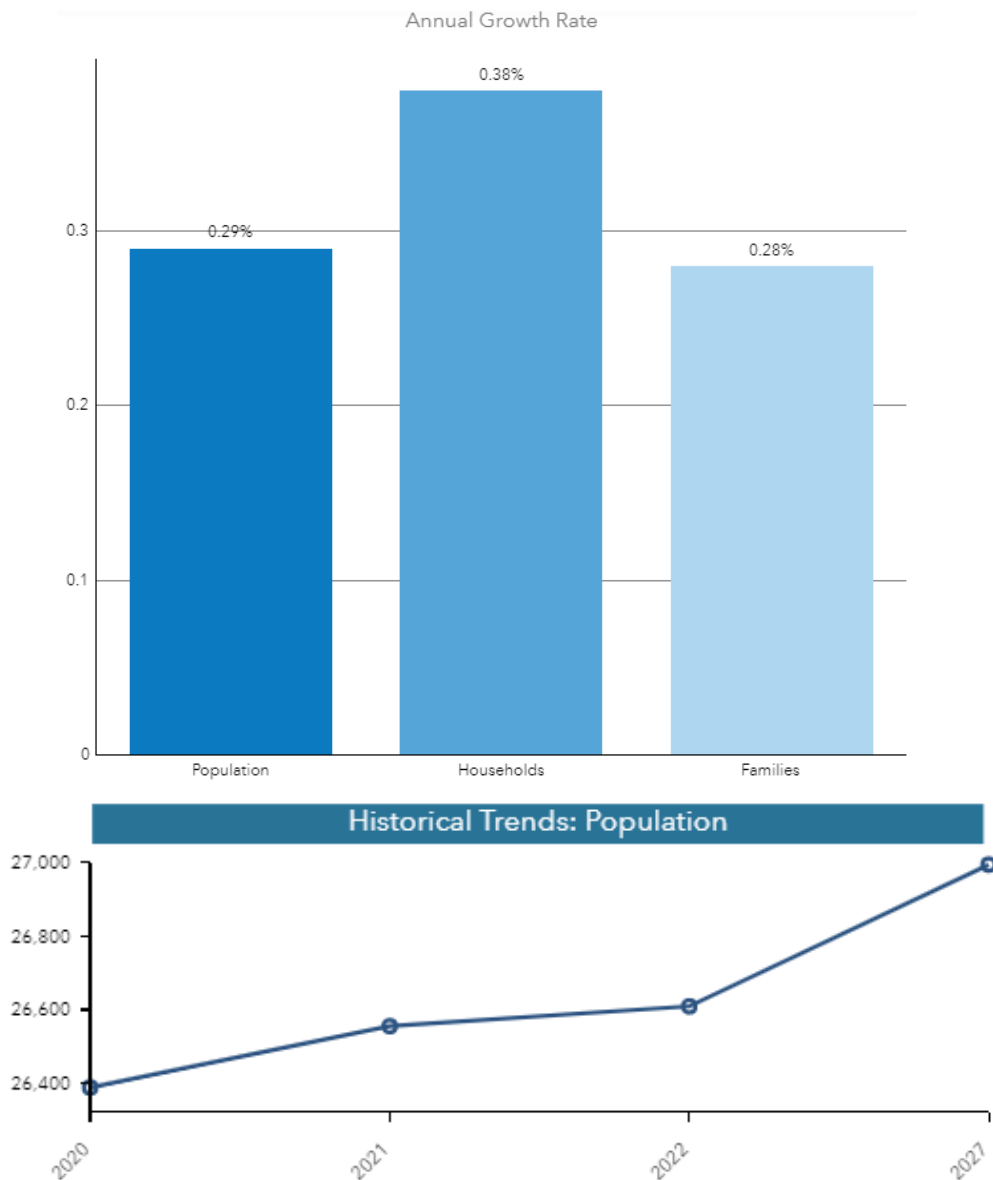
The subject's five-mile radius market area features a population of 26,609, a median age of 40.5, an unemployment rate of 6.0%, and a median household income of \$61,283, behind the national median household income of \$68,703.



The reported annual growth rate for the population in the subject's 15-minute drive time market area is 0.32%, which suggests a population increase from 56,251 to approximately 57,200 by 2027.



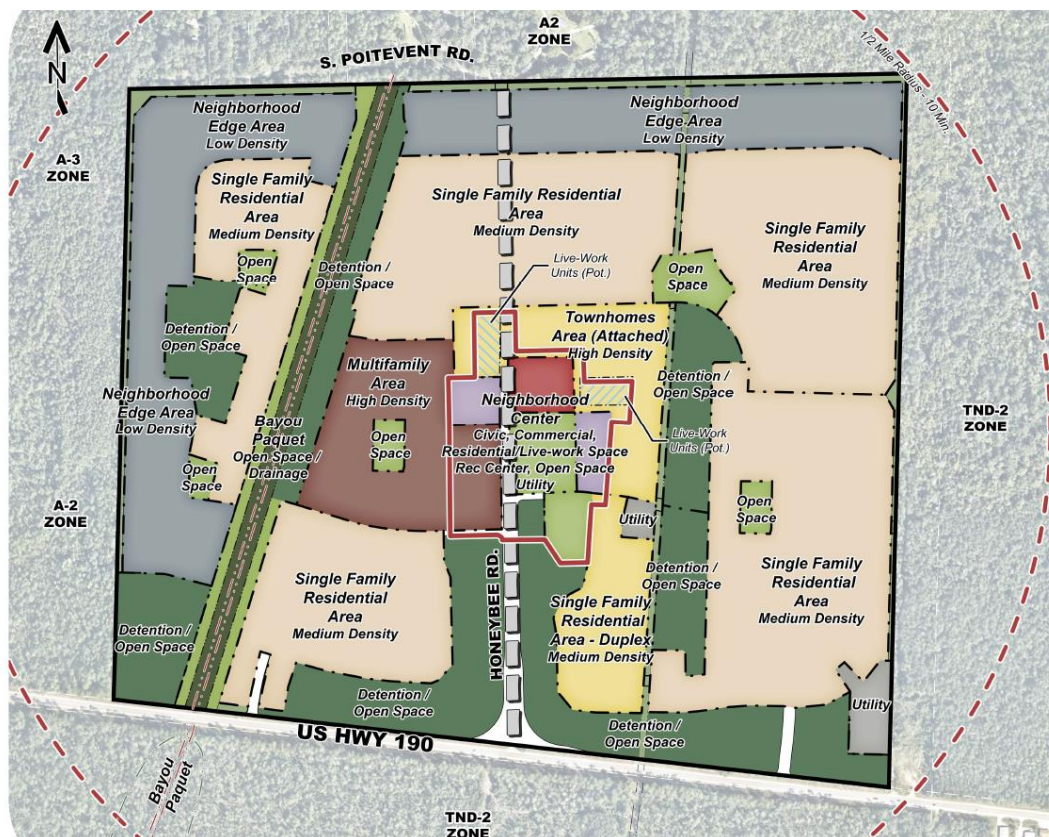
The reported annual growth rate for the population in the subject's five-mile radius market area is 0.29%, which suggests a population increase from 26,609 to approximately 27,000 by 2027.



Property Productivity:

The subject of this report is a potential retail-commercial component with a proposed mixed-use subdivision development centered around Honeybee Road in Slidell, Louisiana. Preliminary designs for this 275-acre development project 780 single-family residential lots and 530 multi-family units, which equates to a total of 1,310 new residential units.





LAND USE & ACREAGE ANALYSIS

LEGEND

RESIDENTIAL ±141.0 Ac. (51.2%)

	SINGLE FAMILY DETACHED	780 LOTS	±111.4 Ac.
	MULTIFAMILY / ATTACHED	530 UNITS	±29.6 Ac.

NON-RESIDENTIAL ±3.6 Ac. (1.3%)

	COMMERCIAL	±1.3 Ac.
	CIVIC	±2.3 Ac.
	LIVE WORK UNIT AREA (Potential)	

COMMON OPEN SPACE ±72.7 Ac. (26.4%)

	REC. CENTER & PARKS	±13.0 Ac.
	DETENTION / DRAINAGE / LAKE	±47.2 Ac.
	BAYOU PAQUET GREENBELT	±4.7 Ac.
	LANDSCAPE / OPEN SPACE	±7.8 Ac.

UTILITIES & SERVITUDES ±11.5 Ac. (4.2%)

	UTILITY SITES	±2.3 Ac.
	BAYOU PAQUET SERVITUDE	±7.0 Ac.
	PIPELINE SERVITUDE	±2.2 Ac.

ROADWAYS ±46.5 Ac. (16.9%)

	COLLECTORS/LOCALS	±46.5 Ac.
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PROJECT TOTAL ±275.3 Ac.



This proposed development is on the north side of Highway 190 and west of Slidell proper. Immediately surrounding land uses largely consist of undeveloped wooded tracts and smaller-scale residential development. While Highway 190 functions as one of the primary corridors in the market, the stretch of highway surrounding the subject is sparsely developed.

From a commercial perspective, this is a below average location. Commercial uses trail off west of Northshore Boulevard to the subject's east, and there is no further substantial retail-commercial development until one reaches Mandeville approximately 12 miles further west of the subject.

The potential retail-commercial development would be positioned within the center of the proposed mixed-use subdivision. With up to 1,310 proposed residential units, it is likely that the proposed Honeybee Road subdivision can generate enough demand for some level of retail development.

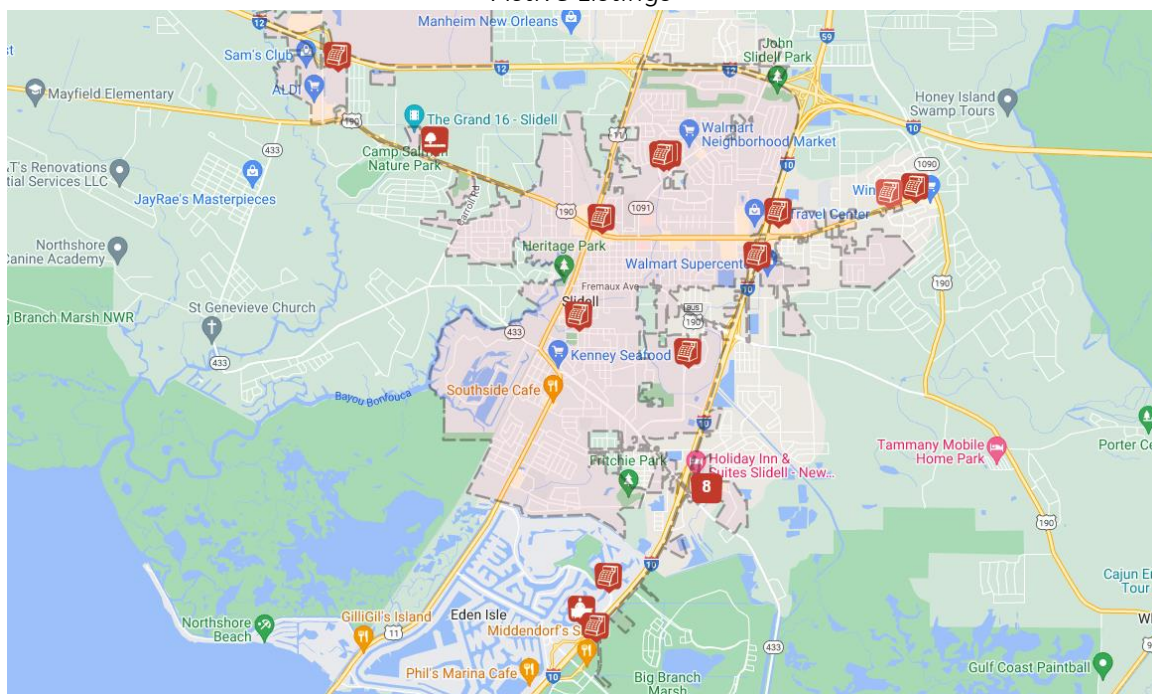
Overall, there is very real risk associated with a proposed commercial component. Given the subject's secondary location, retail development cannot expect to generate significant demand from the surrounding Slidell market. Further, only modest levels of retail development would become feasible only after a significant portion of the residential units of the subdivision were completed. With the combination of declining demand for housing and rises costs of construction, such a large amount of residential development is now also in question.

Supply and Demand Analysis:

For the purposes of analyzing supply and demand for multi-family properties within the subject's market area, we have extensively searched various real estate transaction databases including CoStar, Loopnet, the local MLS, the Louisiana Commercial Database (*LACDB*) and our internal database. Of these resources, LACDB provided the most relevant search results. First, we examined the existing inventory of retail-commercial properties for sale within the subject's market area. We delineated the market to Slidell and have chosen "retail-commercial" and "shopping center" as the property types. Based on the aforementioned search criteria, and after screening for irrelevant search results, we have determined that there are currently 21 active listings of retail-oriented properties. They are highlighted in the map below:

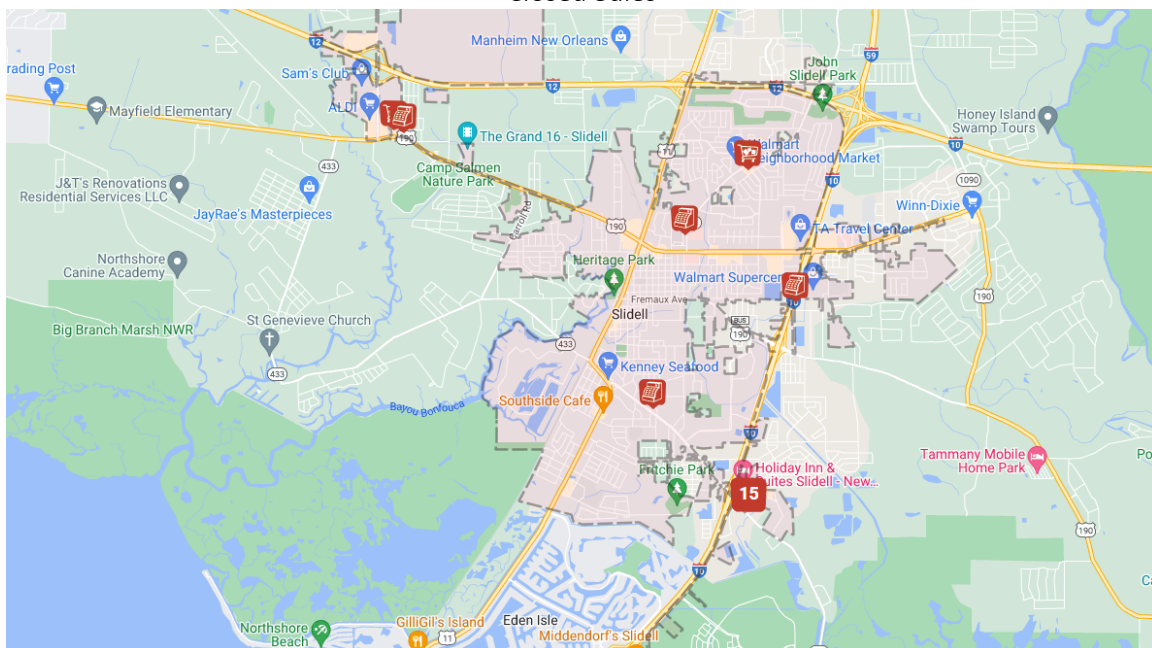


-Active Listings-



In order to ascertain demand, we performed a similar search this time for closed sales within the previous 12 months of comparable properties. This search yielded 21 matches, as outlined on the following map:

-Closed Sales-



On first glance, this exercise suggests that the market for retail space within Slidell is stable and at equilibrium with approximately one year's supply currently on the market.



The number of sales over the past year, however, are inflated by the sale of (13) commercial condominiums within a struggling commercial development at 1000 Caruso Boulevard. These units are being offered at a below-average rate of \$45.00 per square foot and the seller is providing special financing. Excluding these sales, the Slidell retail market appears to be oversupplied.

Further supporting this conclusion is the current retail-commercial rental market in Slidell. In the following table, we have examined the total square footage of retail space currently listed relative to the amount of square footage leased over the past 12 months. This data is extracted from LACDB.

Slidell Retail Square Footage- via LACDB	
SF Actively Listed for Lease	409,008
<i># of Properties Listed</i>	<i>60</i>
SF Leased with Previous 12 Mos.	73,280
<i># of Properties Leased</i>	<i>31</i>
Suggested Absorption (SF per Mo.)	6,107
Months Needed to Absorb Current Supply	67
	(or 5+ years)

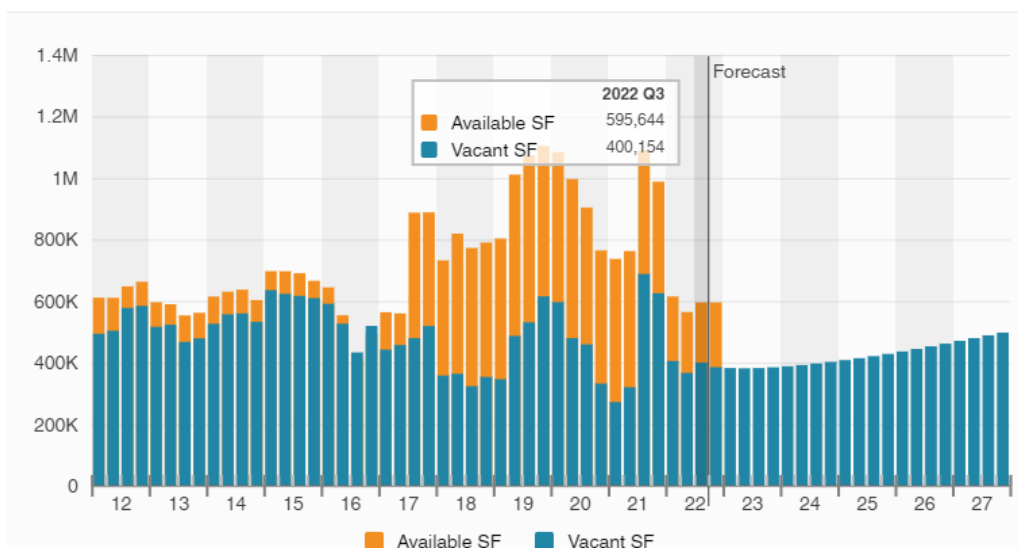
This survey suggests a significant imbalance, with the retail market being very much oversupplied. In fact, based on historic absorption, it will take the market over five years to absorb the current level of supply.

To further understand the current state of the market, we have examined the CoStar retail report for the Slidell market. The market reportedly has a total retail inventory of 8.1 million square feet.

Of this entire inventory, there is currently 595,644 square feet of vacant or potentially available retail space. This is significant for a market of this size and illustrates an oversupply of retail space within the local market area.

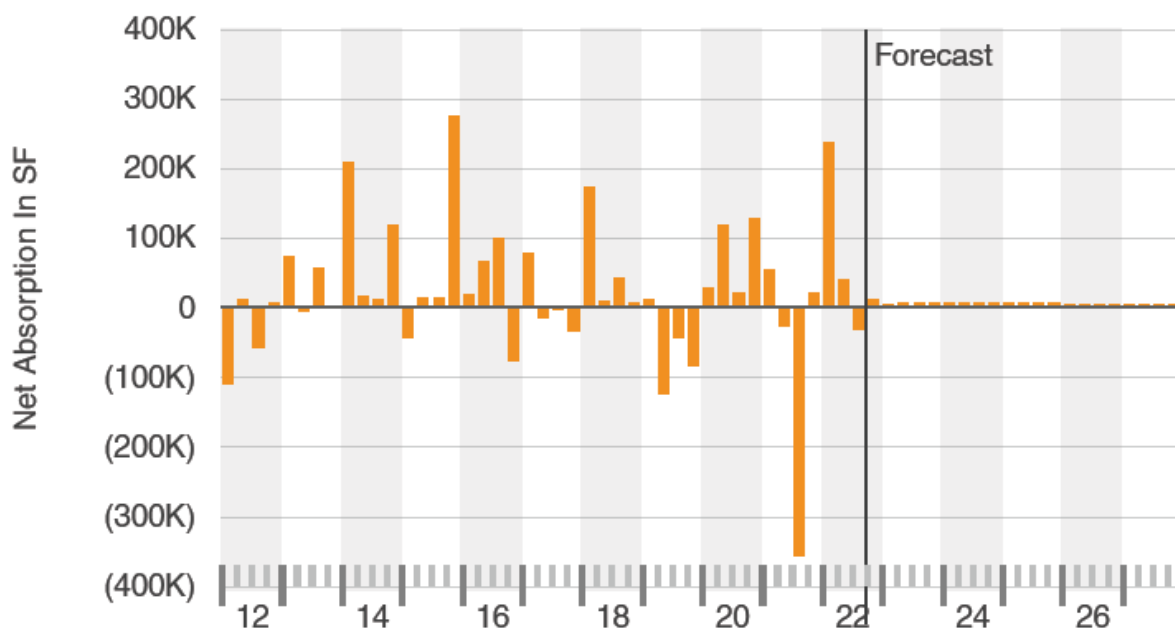


Available & Vacant SF



These numbers generally fall in line with those vacancy numbers reported in our LACDB survey. And after wild swings in net absorption in 2021 and early 2022, CoStar has recorded very modest net absorption figures for the Slidell retail market in later 2022 and going forward.

Net Absorption



With the reported level of vacant and available space in the market and the above projected net absorption rates, the retail market will likely be oversupplied for the foreseeable future.



We also note the following anecdotal pieces of evidence that further suggest that the Slidell retail market is generally oversupplied.

First, we point to the former North Shore Square Mall. Opened in 1985, the 620,000 square foot regional mall was a major player in the retail sector for years; however, over the past 15 years its occupancy and overall operation began declining. And in 2019, the main mall building closed with only three attached department stores still operating: Dillard's Conn's, and At Home.

A 40,000 square foot anchor space in the mall was recently converted to a self-storage facility in 2021. The mall's owner's and city officials have pursued alternative uses for the facility; however, nothing has come to fruition yet.

This is a clear indication of the soft demand levels for retail space within the market. And the above market survey numbers suggesting an oversupplied market do not account for the over 500,000 square feet of space from the mall that has already been removed from the market.

Second, we note the nearby Stirling Slidell Centre. We have surveyed this 22-unit, 345,000 square foot shopping center within the market rent section below. Currently, it is operating at 40% occupancy. This low occupancy is driven by a vacant 125,381 square foot former Target anchor unit. However, there are an additional 12 vacant units at the center.

The property has reportedly received little interest from retail tenants, and property management has recently begun pursuing industrial tenants for the vacant space. This is another clear, real-time indicator of the lack of excessive retail demand within Slidell.

And critically both of these properties—the North Shore Mall and the Stirling Slidell Center—are located at the western end of Slidell and proximate to the subject's proposed site.



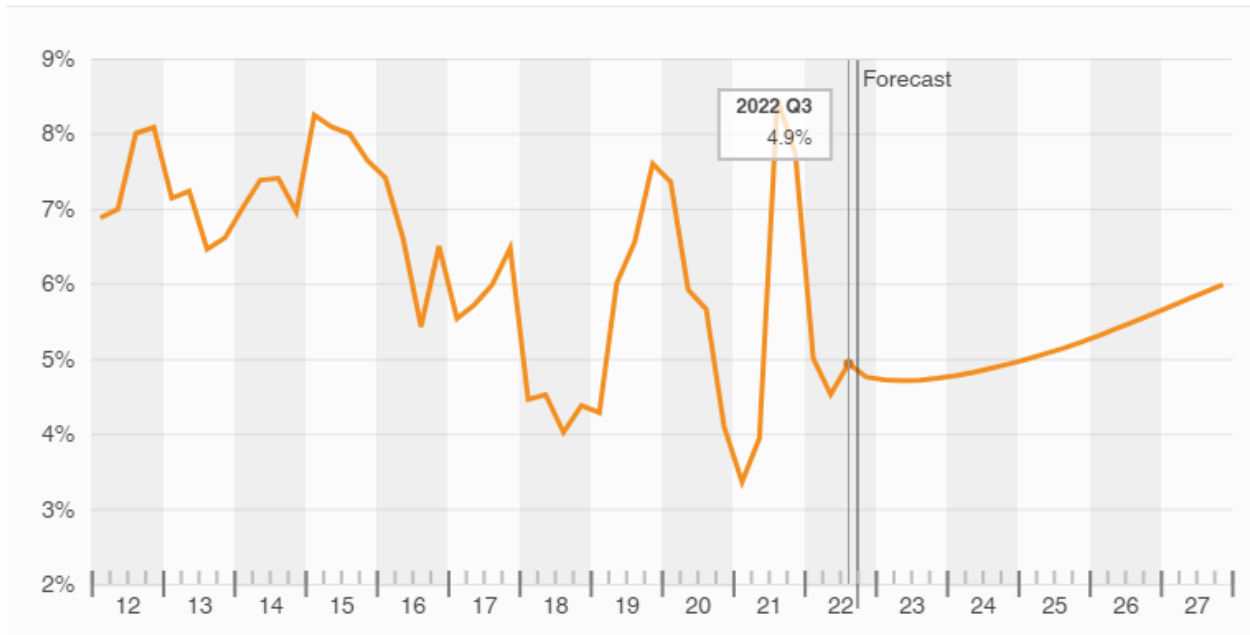


Overall, there is clear market evidence that the Slidell retail market is oversupplied and cannot expect to absorb new retail product within the foreseeable future. This is particularly true for second-tier locations.

It is important to note that despite the above indicators clearly suggesting market oversupply, the Slidell retail market generally remains active with decent levels of demand. We point towards the reported vacancy rate from CoStar's retail report for the Slidell market.

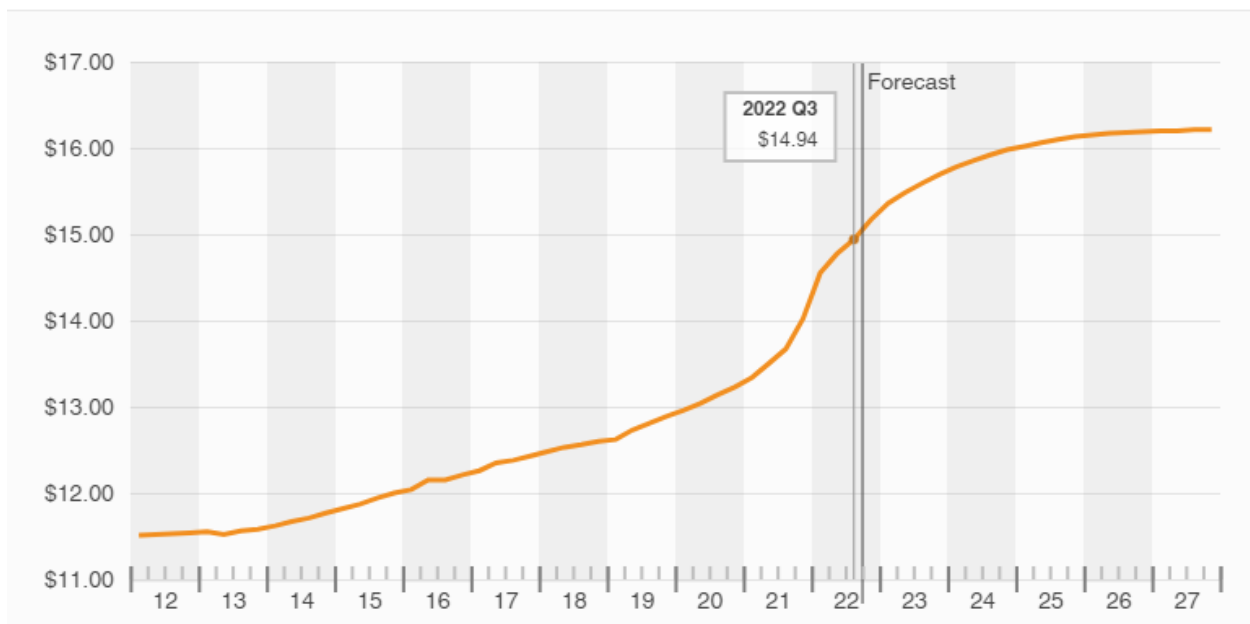


Vacancy Rate



And market rents are expected to continue rising into the near future, although at a decreasing rate.

Market Rent Per SF



From a more macro perspective, average U.S. retail vacancy fell to 6.1% in 2021 and more retail stores opened than closed in the country for the first time since 1995, according to [a recent Wall Street Journal article](#).

This underscores the recent strength of retail sales and consumer demand coming out of the pandemic. With that said, continued competition from e-commerce, high inflation, and the potential for an economic recession in the near future all combine to put these positive trends at risk.

And these trends are supported by the fact that three of the four retail centers surveyed as part of the forthcoming market rent study are operating at high occupancy rates.

Surveyed Occupancy Rates		
Comp	Name	Occupancy Rate
1	Stirling Slidell Centre	40%
2	The Crossing	87%
3	Plaza 190	96%
4	Fremaux Town Center	91%

As can be seen, Comparables 2 – 4 are generating strong occupancy levels, which can be attributed to their well-established natures and central locations. Given competent management, continued successful operation of these centers is reasonable. This is particularly true of Fremaux Town Center given its status as a newer, higher quality mixed-use development.

But as noted previously, Comparable 1, like the subject, features a more secondary location at the western end of the Slidell market. And this center has struggled to maintain stabilized occupancy in recent years. This does not bode well for the subject.

Thus, despite these positive indicators for the retail sector, the fact remains that current conditions within the Slidell market do not justify additional retail space, particularly at the subject's location.

Finally, we have examined the potential for the Slidell market to accept new retail space over the next several years. To do this we have examined expected population growth and how it relates to retail demand.

As previously noted, the population within the subject's 15-minute drive time area, which includes the majority of the Slidell market, is currently 56,251. Over the next five years, it is projected to grow at an annual straight line rate of 0.32%. At this rate, the population is projected to increase to approximately 57,000. This modest rate of growth is not anticipated to alter demand within the local retail market.

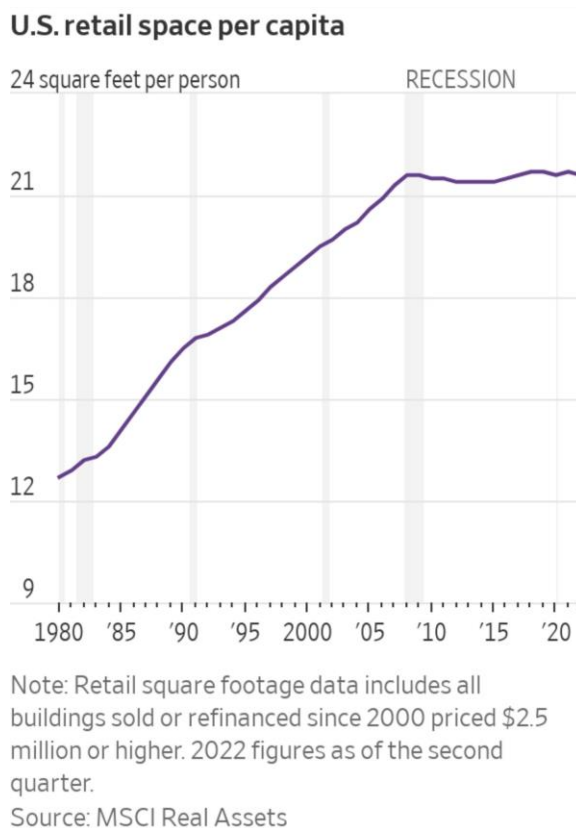
Even in a scenario with far more aggressive population growth, there is more than enough existing retail square footage to accommodate the growth. To highlight this, we point towards



the estimated retail square footage per capita in the Slidell market. We have utilized population figures provided by STDB and the current retail inventory figure via CoStar. Given the state of the market, it is reasonable to assume that retail inventory will not grow.

Retail SF per Capita in Slidell Market		
Year	2022	2027
Population	56,251	57,151
Retail Inventory (SF)	8,100,000	8,100,000
Retail SF per Capita	144.00	141.73

And according to data recently compiled by [the Wall Street Journal](#), the national retail square footage per capita is much lower at 24 square feet.



Thus, despite modest projected population growth over the next five years, the extensive level of existing retail space will preclude the feasibility of adding new retail product to the market over this timeframe.



Conclusion:

As clearly demonstrated within the supply and demand analysis above, the subject's Slidell retail market is currently oversupplied and is projected to remain so in the foreseeable future. While the market is expected to experience modest population growth and well-located and established retail developments are projected to continue their successful operation, the development of additional retail square footage is not currently feasible given the level of existing supply.

These market conditions do not bode well for potential retail development within the subject's proposed Honeybee Road subdivision. The subject's secondary location along a sparsely developed stretch of Highway 190 west of Slidell further hinders the feasibility of retail development.

With that said, the subject's subdivision as proposed will feature 1,310 residential units. Such a large self-contained development will likely be capable of sustaining some level of retail space on its own. Small-scale uses such as grocery/convenience store, restaurant, or other use that provides direct support to the immediately surrounding residents would be possible and could attract potential tenants.

However, given the current state of the overall Slidell retail market and the subject's secondary location, subject retail development would be almost entirely dependent on the consumer demand from the residential component of the subdivision.

Therefore, only in the event that substantial levels of the subdivision's residential components are completed would a modest level of subject retail development become feasible. Under this scenario, it is our opinion that less than 10,000 square feet of retail-commercial space will be feasible within the subject development.



MARKET RENT STUDY


This market rent study will include the standard analysis which would be performed under a typical income approach in order to determine the potential gross income of the subject property. This is accomplished through an intense examination and comparison with comparable retail rental and occupancy data in the subject's immediate Slidell market area. This comparable rental data includes photographs of each comparable property, as well as a location map and comparable rental summary grid.

MARKET RENT

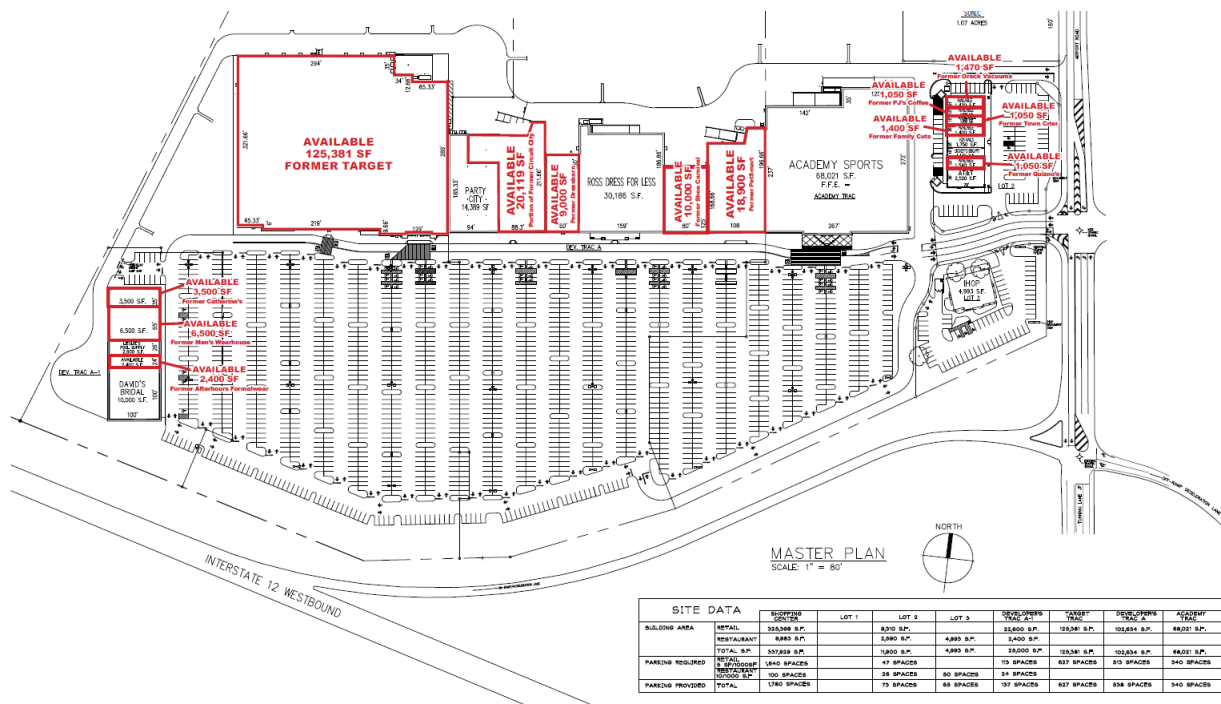
Market Rent Comparables

We have researched four comparables for this analysis; these are documented on the following pages followed by a location map and analysis grid. All competition comparables have been researched through numerous sources, inspected and verified by a party to the transaction.



Comparable Rental Number 1		
	MCECO ID:	43908
	ADDRESS	61103 Airport Road Slidell, LA 70460
	CONDITION	Good
	RENTAL RATE	\$13.00 per square foot
	OCCUPANCY	40%
	LEASE STRUCTURE	NNN
	SIZE	135,579
	ANNUAL RENT	\$1,762,527
	SURVEY DATE	October 7, 2022
Description of Improvements		
<p>The improvements consist of a 22-unit, 345,000 square foot community shopping center. Constructed in 2002, the improvements are situated on 39 acres and feature a total rentable area of 337,399 square feet. There are two anchor units: a 125,381 square foot one and a 68,021 square foot one. Additionally, there is one 4,993 square foot outparcel restaurant unit currently built out as an IHOP. The remaining inline units range from 1,050 square feet to 30,186 square feet.</p>		
Lease Comments		
<p>At the time of our survey, (8) units totaling 135,579 square feet were leased and occupied. While the listing agent could not provide a rent roll breakdown for the property, she noted that the center's average rental rate is in line with the current asking rates, which range from \$12.00 to \$14.00 per square foot. As such, we have utilized an effective market rental rate of \$13.00 per square foot within this write-up. All leases feature NNN terms.</p> <p>A total of (13) units are currently vacant and listed for lease. Inclusive of the 125,381 square foot former Target anchor unit, the vacant units total 201,820 square feet. This suggests a center occupancy of 40%. Asking rates for these units range from \$12.00 to \$14.00 per square foot. The listing agent noted that they have not received strong levels of interest in the vacant space. They have begun to market the vacant spaces to potential industrial tenants.</p>		
Confirmation		
Listing Agent Rhonda Sharkawy (504) 620-8145		





Comparable Rental Number 2



MCECO ID:	33773
ADDRESS	104-110 Gause Boulevard Slidell, LA 70460
CONDITION	Avg/Good
RENTAL RATE	\$12.00 per square foot
OCCUPANCY	87%
LEASE STRUCTURE	NNN
SIZE	55,557
ANNUAL RENT	\$666,684
SURVEY DATE	October 6, 2022

Description of Improvements

The improvements consist of a 113,989 square foot shopping center that is located on West Gause Boulevard in Slidell. The facility includes 12 units ranging from 1,066 square feet and 58,432 square feet. The center is in overall average to good condition. The property is known as the Crossing Shopping Center.

Lease Comments

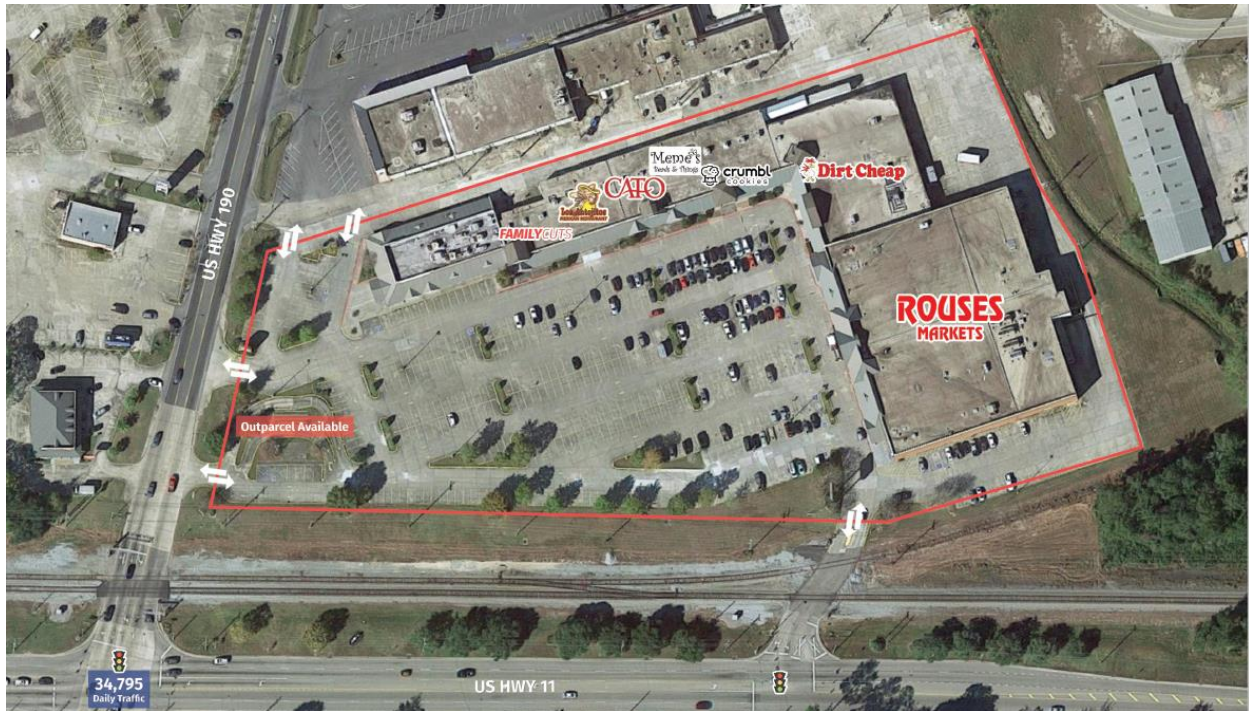
The anchor space is a 58,432 square foot Rouses market and there are several in-line tenants including Dirt Cheap, Meme's Beads, Crumbl Cookies, Cato, Los Antojitos Restaurant, Keep It Moving, and Family Cuts. At the time of this most recent survey, three units totaling 15,376 square feet were vacant, which, when including the Rouses unit, equates to a occupancy rate of 86.51%. These units are currently listed for lease without asking rates. The listing agent indicated that they negotiate rental rates individually with each tenant. That said, recent leases have ranged around \$12.00 - \$14.00 per square foot on NNN terms.

During a previous 2021 survey of the property with the previous management firm, existing units were reportedly leased around \$10.00 - \$11.00 per square foot. Based on these two surveys, rates range from \$10.00 - \$14.00 per square foot. As such, we have reconciled to an average rate of \$12.00 per square foot for this write-up. It should be noted that this range of rates, excludes the Rouses unit, which is reportedly on a long-term ground lease at below market rents.

Confirmation

Listing Agent Will Chadwick (225) 368-7667





Comparable Rental Number 3



MCECO ID:	43081
ADDRESS	176 Gause Boulevard Slidell, LA 70458
CONDITION	Average/Good
RENTAL RATE	\$8.99 per square foot
OCCUPANCY	96%
LEASE STRUCTURE	NNN
SIZE	108,450
ANNUAL RENT	\$974,966
SURVEY DATE	April 30, 2021

Description of Improvements

The improvements consist of a 117,937 square foot, 17 unit shopping center that is located on the corner of Gause Boulevard and Carnation Street in Slidell. The facility includes two shopping center structures, as well as three out parcel buildings. At the time of our site inspection the improvements were in overall average to good condition. There is 114,762 square feet of rentable area.

Lease Comments

This shopping center includes 17-units that range in size from 600 square feet (LC Beauty) to 33,150 square feet (Big Lots). The units range in rent from \$3.97 per square foot to \$20.38 per square foot and all of the leases are NNN.

As of Q4 2022, there were (3) units totaling 4,512 square feet vacant and available for lease. This suggests an occupancy rate of 96%. Additionally, the 10,200 square foot unit leased to Dollar Tree is potentially available. Including this unit within the vacant square footage, the center's occupancy drops to 87%. Current asking rates range from \$8.00 to \$14.00 per square foot.



Tenant	Size	Eff. Rent/SF	Type
Average	108,450	\$8.99	NNN
Jackson Hewitt	2,600	\$14.00	NNN
H&R Block	1,600	\$11.00	NNN
CiCi's Pizza	4,000	\$10.00	NNN
TP Nails	800	\$12.00	NNN
LC Beauty	600	\$10.39	NNN
Tuesday Morning	13,038	\$7.00	NNN
Goodwill	13,500	\$8.50	NNN
Popeye's	2,162	\$20.38	NNN
Rent A Center	7,500	\$7.25	NNN
Big Lots	33,150	\$4.50	NNN
Take 5	1,300	\$18.31	NNN
Dollar Tree	10,200	\$3.97	NNN
Ochsner	18,000	\$19.00	NNN

Confirmation

Owner, Prior McEneryCompany Appraisal



Comparable Rental Number 4



MCECO ID:	35551
ADDRESS	55 Town Center Parkway Slidell, LA 70458
CONDITION	Very Good
RENTAL RATE	\$25.00 per square foot
OCCUPANCY RATE	91%
LEASE STRUCTURE	NNN
SIZE	637,369
ANNUAL RENT	\$15,934,225
SURVEY DATE	July 29, 2020

Description of Improvements

The improvements consist of a 637,369 square foot regional shopping center known as Fremaux Town Center, located in Slidell, Louisiana at the second I-10 exit northeast of New Orleans. Developed between 2014 - 2016, the center is a premier shopping destination for St. Tammany Parish and the regional market. The 80-acre center is anchored by a Kohls, Best Buy and Dick's Sporting Goods. Junior anchors include TJ Maxx, Michael's and PetSmart. Outparcels include Longhorn Steakhouse and Cheddars.

Lease Comments

According to listing agent, Ryan Pecot, the Fremaux Town Center has units that range from 1,177 square feet to upwards of 128,000 square feet (Dillards). The larger spaces are leased at the lower end rates, while the smaller spaces are leased at the higher end rates. Mr. Pecot confirmed that typical rates for medium sized units is \$25.00 per square foot. Smoothie King and Chipotle are reportedly leased in the low \$40's per square foot. Other tenants include Kohl's, Best Buy, Dick's, TJ Maxx, Michael's, Petsmart, Red Robin, Panera Bread, and Walk On's.

As of Q4 2022, the center had (7) vacant units totaling 57,006 square feet. This suggests an occupancy rate of 91%. Asking rental rates range from \$18.00 - \$30.00 per square foot.

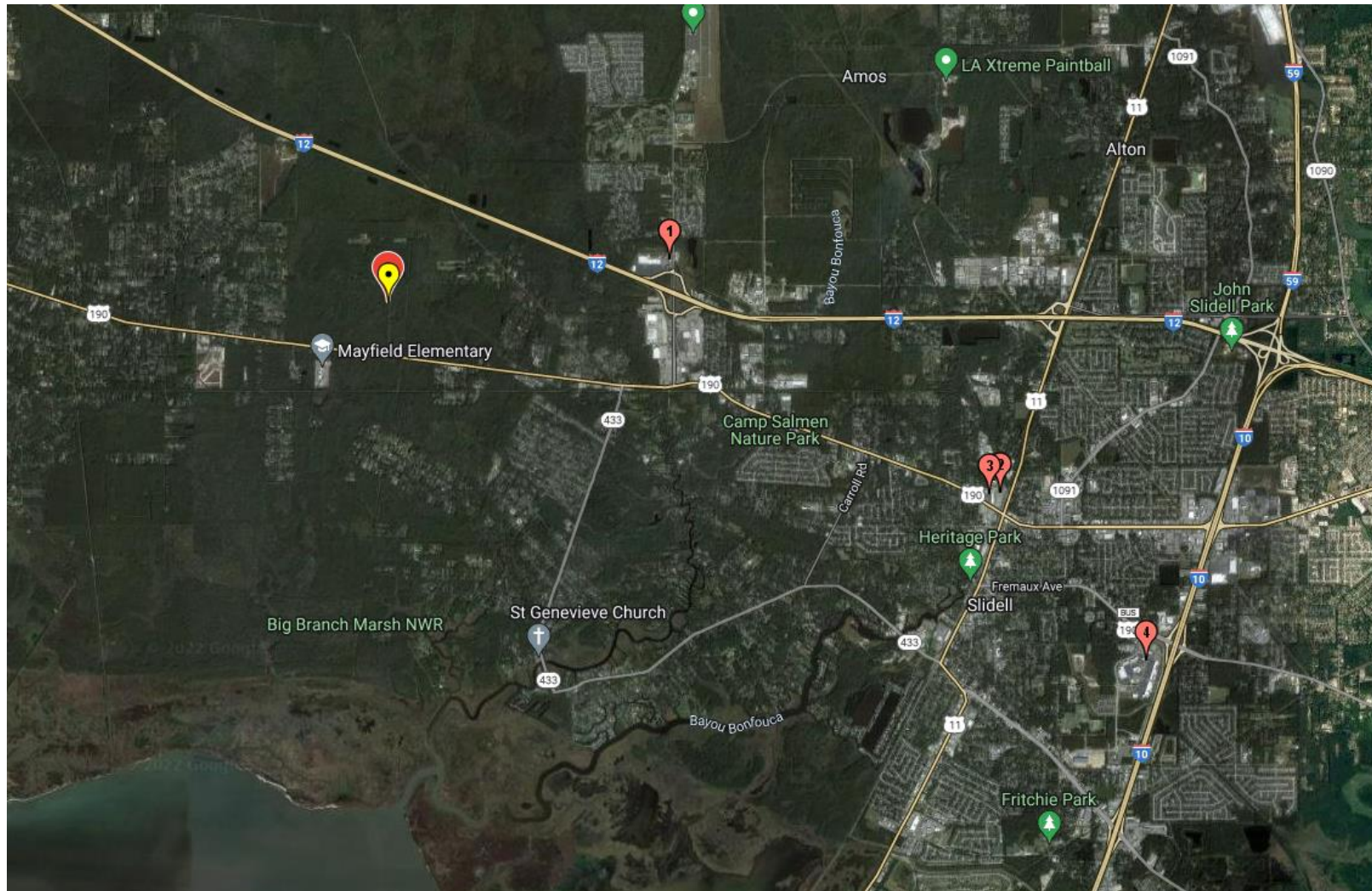
Confirmation

Listing Agent, Ryan Pecot 337-572-0246









COMPETITION COMPARABLES MAP



COMPETITION COMPARABLE ANALYSIS GRID

Lease Analysis Grid	Subject	Comp 1	Comp 2	Comp 3	Comp 4
					
Address	21052 Honeybee Rd.	61103 Airport Road	104-110 Gause Boulevard	176 Gause Boulevard	55 Town Center Parkway
City	Slidell	Slidell	Slidell	Slidell	Slidell
Total Annual Rent		\$1,762,527	\$666,684	\$974,966	\$15,934,225
Monthly Rent		\$146,877	\$55,557	\$81,247	\$1,327,852
Term		Various	Various	Various	Various
Survey Date		10/7/2022	10/6/2022	4/30/2021	7/29/2020
Rented Area (Avg SF)		135,579	55,557	108,450	637,369
Condition		Good	Avg/Good	Average/Good	Very Good
Eff. Rent/SF		\$13.00	\$12.00	\$8.99	\$25.00
Comm 1 Lease Type		NNN	NNN	NNN	NNN
Rent per SF		\$13.00	\$12.00	\$8.99	\$25.00
CAM Charges		\$0.00	\$0.00	\$0.00	\$0.00
Effective Rent Per SF		\$13.00	\$12.00	\$8.99	\$25.00



Discussion of Comparable Rental Data:

The above comparables consist of retail centers within the subject's immediate Slidell area. The dataset presents an average rental rate of \$14.75 per square foot. All leases feature NNN terms.

Comparable Dataset Summary		
Number of Comps:	4	Unadjusted
Low:		\$8.99
High:		\$25.00
Mean:		\$14.75
Median:		\$12.50
St. Dev.:		\$7.04

Comparable 1 presents the strongest indicator for the subject given its proximate location west of the Slidell town center. This comparable is positioned within a well-developed retail node centered around Northshore Boulevard that was developed in the 1980s. However, over the past decade or more, retail demand within the Slidell market has been shifting east towards the I-10 corridor. This trend of declining demand within this retail node is evidenced by the closing of the North Shore regional mall in 2019 as well as Comparable 1's low occupancy rate of 40%.

This trend places downward pressure on retail rates in this area west of Slidell. Although, it is worth noting that a stretch of Northshore Boulevard south of I-12 consists of several shopping center developments operating successfully at high occupancy rates. This area is anchored by Wal-Mart, Sam's Club, and Home Depot and features a number of other junior box retailers.

That said, absent a few outliers, rental rates along this stretch also remain at or below the market average. We note the following center at 105 – 135 Northshore Blvd and known as Village at Northshore. We have not been able to contact the listing agent; however, we compiled the following information from recent marketing materials as well as CoStar. This data suggests an average center rental rate of \$7.37 per square foot.



Supplemental Indicator	
	
Address	105 - 135 Northshore Blvd.
Size (SF)	144,638
Summary of Tenants	JoAnn's Dollar Tree, Marshall's, Ollie's, Hibbett Sports, Boot Barn, Subway, OneMain, Le Nails, Sally Beauty, America's Best Contacts, Mattress Outlet
2021 NOI (via Marketing Materials)	\$1,010,337
2021 PGI (via CoStar)	\$994,626
Occupancy Rate (via Marketing Materials)	94.81%
Suggested Occupied SF	137,131
Suggested Rent per SF via NOI Figure	\$7.37

Overall, both Comparable 1 and the above supplemental indicator suggest a subject rental rate selection at or below the mean of the dataset is warranted.

Comparables 2 and 3 are more centrally located along a heavily developed stretch of Gause Boulevard. This is a superior location relative to the subject. On the other hand, both comparables are of dated construction, which places a limit on the level of rent the centers can achieve. These comparables provide further strong support for a subject rental rate selection below the mean of the dataset.

Comparable 4 consists of a premier retail center within the Slidell market: Freemaux Town Center. Developed less than a decade ago, this large, mixed-use development is well positioned at the I-10 / Highway 190 interchange. It has attracted a large number of national credit tenants and commands top of the market rents. The subject can expect to achieve rates well below this indicator.



Conclusion

As previously discussed, we have determined that the subject's subdivision development can likely accommodate less than 10,000 square feet of retail space. This smaller size of space places upward pressure on a subject rental rate selection. As does the fact that the subject development will be of new construction. On the other hand, the subject features a below average retail location and it will lack any significant exposure to the market. These factors place downward pressure on the rate selection.

With these factors in mind, we have concluded to a subject market rental rate determination of **\$12.00 per square foot** on **NNN** terms.

OPINION OF MARKET RENTAL RATE:

\$12.00 per square foot (NNN)



FINAL RECONCILIATION AND VALUE CONCLUSION

The process of reconciliation involves the analysis of each approach to value. The quality of data applied, the significance of each approach as it relates to market behavior, and the defensibility of each approach is considered and weighed. Finally, each is considered separately and comparatively with the others.

The following table summarizes our opinion(s) based on the data and analyses developed in this appraisal:

Report Conclusions	
<u>Component</u>	<u>Conclusion</u>
Amount of Retail Square Footage	No More than 10,000 SF
Fair Market Rent	\$12.00 per square foot



ASSUMPTIONS AND LIMITING CONDITIONS

This report is subject to the following conditions and such specifications and limiting conditions that also might be outlined in this report. These conditions affect the analyses; opinions, and value conclusions contained in this report.

1. It is assumed that the property is owned in Fee Simple Title. Fee Simple Title implies that the property is owned free and clear, unencumbered and unless otherwise specified. There are to be no leases, liens, easements, encroachments, or other encumbrances on the subject property that have not been specified in this report.
2. No responsibility is assumed for matters of a legal nature affecting the appraised property or title. This appraisal assumes that the subject property is presented with a good and marketable title unless otherwise specified. The appraiser has not rendered an opinion as to the title and does not have the expertise to do so. Data on ownership and legal descriptions were obtained from sources generally considered reliable.
3. The property is appraised assuming it is to be under responsible ownership and competent management. Unless otherwise specified, the property is assumed to be available for its highest and best use.
4. Any survey contained in this report is assumed to be true and correct, and it is also assumed that there are no hidden encroachments upon the property appraised except as noted. Any sketch prepared by the appraiser and included in this report may show approximate dimensions and is included to assist the reader in visualizing the property only. The appraiser has not surveyed the property and does not warrant any surveys or other presented plans or sketches.
5. The appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, or other structures, which would render it more or less valuable. The appraiser assumes no responsibility for such conditions or for engineering which might be required to discover these factors. This includes the presence of unusual/extraordinary mineral deposits or subsurface rights not typically transferred with normal comparable data (i.e., valuable mineral rights associated with oil/gas production, etc., are not part of this assignment).
6. Any distributions of the valuation of the report between land and improvements apply only under the existing program of utilization. The separate valuation for land and building must not be used in conjunction with any other appraisal and are invalid if used in conjunction with any other appraisal.
7. No responsibility is assumed for changes in matters that are legal, political, social, or economic which could affect real estate values that take place after the effective date of this evaluation.

8. Information, estimates, and opinions furnished to the appraiser, and contained in the report, were obtained from sources considered reliable and believed to be true and correct. However, no responsibility for the accuracy of such information furnished to the appraiser during the appraisal process is warranted by the appraiser. The appraiser assumes no responsibility for the accuracy of such information as measurements, survey, title information, and other information furnished by comparable sales data found in courthouse records and information obtained from Realtors and other parties during any type of comparable survey.

9. This report is predicated upon the assumption that the property has reached a stabilized occupancy as of the date of valuation unless otherwise noted.

10. On all appraisals, subject to satisfactory completion, repairs, or alterations, the appraisal report and value conclusion are contingent upon completion of the improvements in a workmanlike manner and in accord with the referred to plans and specifications.

11. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question unless required to do so by a court.

12. Disclosure of the contents of this appraisal report is governed by the By-Laws and Regulations of the Appraisal Institute.

13. Neither all nor any part of the contents of this report, especially any conclusions as to value, the identity of the appraiser or the firm with which he (they) is connected or any reference to the Appraisal Institute shall be disseminated to the public through advertising media, public relations media, news media, sales media, or any other public means of communication without the prior consent of the undersigned.

14. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The appraiser, however, is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials or gases may affect the value of the property. The value estimate is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field if desired. This report further assumes that there are no under/above ground storage tanks of any kind on the property (unless otherwise noted). Possible leakage problems have not been addressed. The site history of the subject property has not been explored, nor has the historical land-use patterns of surrounding properties been investigated. Again, the appraiser has not addressed any environmental issues that might affect value. This report assumes that no such issues of any kind are present or affecting the Fee Simple Value in any manner (unless otherwise noted). The appraiser urges the client to retain an outside environmental expert to determine the subject property's status from this perspective.

15. We have personally inspected the property and found no obvious evidence of structural deficiencies except as stated in the report. However, no responsibility for hidden or unnoticed defects is assumed. No responsibility for conformity to specific governmental requirements (such as fire, building, and safety, earthquake, or occupancy codes) can be assumed without provisions of specific professional or governmental inspections.

16. We have personally inspected the subject property and found no evidence of termite damage or infestation (unless otherwise noted). No termite inspection report was made available to the appraiser; the appraiser is not responsible for damages resulting from any type of insect infestation whatsoever. This is beyond the scope of the appraisal assignment.

ACCEPTANCE OF AND USE OF THIS APPRAISAL REPORT CONSTITUTES ACCEPTANCE OF ABOVE

ADDENDA

Letter of Engagement

Qualifications of the Appraisers

Legal Description

Survey

Zoning Ordinance

Flood Map

Wetlands Map

Regional Map

Neighborhood Map

Letter of Engagement



www.mceneryco.com

September 13, 2022

Baldwin R. Justice
The McEnery Company
810 Union Street, Fourth Floor
New Orleans, Louisiana 70112

RE: Retail Feasibility Study

Client: DR Horton, as represented by Mr. Adam Kurz

Property Location: 21052 Honeybee Road, Slidell, Louisiana

Intended Use: Determine Retail Penetration and Demand (Sf) and Market Rent

Intended User: Client

Draft Reports Due Date: 4 weeks from date of engagement

Retainer / Appraiser's Fee: \$5,000 - (50% Due Upon Engagement)

This letter is put forth in order to confirm our request that you prepare a USPAP compliant appraisal feasibility study for the referenced property under the following scope of work:

Scope of Work

- The appraisal will be USPAP compliant, and the date of value will be as of the date of inspection.
- Site visits will be performed by the McEnery Company and the surrounding neighborhoods will be analyzed.

810 Union Street, Fourth Floor
New Orleans, Louisiana 70112

Telephone: 504-274-2701
Facsimile: 504-274-2702

170 Moores Road
Mandeville, Louisiana 70471

Telephone: 985-246-3900
Facsimile: 985-246-3901

Real Estate Licenses and Certifications held in Louisiana, Mississippi, Alabama, Florida, and Texas

September 13, 2022

Page Two

- Comparable data will be confirmed and verified with easily identifiable maps, as well as analysis grids. An examination of existing retail inventory, current demand (market occupancy), and population growth will be performed. With the analysis of macro-trends, as well as directly competitive retail properties – a feasibility study will be performed.

All documents furnished to the appraiser from this client are to be considered confidential information to the appraiser pursuant to the disclosure requirements in the confidentiality section of USPAP's Ethics Rule.

Sincerely,

Mr. Adam Kurz
DR Horton
7696 Vincent Road,
Denham Springs, LA 70726

x  _____

810 Union Street, Fourth Floor
New Orleans, Louisiana 70112

Telephone: 504-274-2701
Facsimile: 504-274-2702

170 Moores Road
Mandeville, Louisiana 70471

Telephone: 985-246-3900
Facsimile: 985-246-3901

Real Estate Licenses and Certifications held in Louisiana, Mississippi, Alabama, Florida, and Texas

Peter M. McEnery, MAI, CRE

Business Affiliations:

- Farnsworth-Samuel, Ltd. - Commercial Sales Manager (1976 – 1980)
- Murphy, McEnery, and Company, LLC – Member-Manager (2002 - March 2010)
- The McEnery Company, Incorporated, President (1980 - Present)

Related Business Experience:

- First Financial Bank, FSB, New Orleans, Louisiana – Banking Officer (1986 - 1988)

Real Estate Practical Experience:

- Appraisal of all types of commercial properties including:
 - Acreage (timber, swamp, marsh, agricultural)
 - Land Mitigation Banks
 - USWF – NWR (environmentally sensitive large acreage tracts – LA, MS, AL, AR)
 - Subdivision Analysis
 - Shopping and Retail Centers
 - Convenience Stores/Truck Stops/Casinos
 - Office
 - Industrial
 - Multi-family
 - Historic Restorations
 - Deep Water Port Facilities
 - Hotels/Nursing Homes/Hospitals
 - Expropriation (condemnation): Louisiana DOTD; Louisiana Timed Managers
- Litigation Support Services
 - Qualified as Expert Witness: Federal District Court; Federal Bankruptcy Court; State District Courts
- Brokerage/Development:
 - The McEnery Company Incorporated - brokerage and development interests
- Finance and Consulting:
 - Industrial Revenue Bonds (historic restoration financing)
 - Tax Credit Consulting
 - General Real Estate Consulting
- Banking:
 - Managed Commercial REO Portfolio

Memberships, Licenses, Etcetera:

- Member – The Counselors of Real Estate ®, awarded the designation of CRE
- Member – The Appraisal Institute ®, awarded the designation of MAI
- Member – The National Association of Realtors ®

- State of Louisiana Certified General Real Estate Appraiser No.: G-1102
- State of Mississippi Certified General Real Estate Appraiser No.: GA-802
- State of Alabama Certified General Real Property Appraiser No.: G00778

- Louisiana Real Estate Broker License-Broker No.: 23772
- Mississippi Real Estate Broker License-Broker No.: B17298
- Alabama Real Estate Broker License-Broker No.: 95787-0
- Arkansas Real Estate Broker License- Broker No.: PB00079104
- Louisiana DOTD: Real Estate Agent Consultant Panel

- Louisiana DOTD: Real Estate Appraiser Panel
- Southeastern Louisiana University, Instructor, REP, and P (2001)
- LREC approved instructor: Special Seminar CE instructor (2003)
- Land Use Committee, New Direction 2025, St. Tammany Parish, Louisiana
- Central St. Tammany Land Owner's Association
- Member/Manager – M^cEnery Management, LLC
- Member/Manager-M^cEnery Properties, LLC
- Member/Manager-Iolar Holdings, LLC

Education:

Real Estate Continuing Education-thru 2016

Appraisal Institute – Chicago, Illinois

- Course 00A (1-A): Basic Appraisal Principles, Methods, and Techniques
- Course 00B (1-B): Capitalization Theory and Techniques
- Course 410-A: Standards of Professional Appraisal Practice
- Course 420-B: Standard of Professional Appraisal Practice
- Course 510: Advanced Income Capitalization
- Course 520: Highest and Best Use and Market Analysis
- Course 530: Advanced Sales Comparison and Cost Approaches
- Course 540: Report Writing
- Course 550: Advanced Applications
- Course/Seminar – Partial Interest Valuation – Divided
- Course/Seminar – Appraisal Consultation
- Course/Seminar – Real Estate Disclosure
- Course/Seminar – Scope of the Work
- Course/Seminar – Appraising Convenience Stores
- Course/Seminar – Valuation of Conservation Easements
- Course/Seminar - Analyzing the Effects of Environmental Contamination on Real Property
- Course - The Appraiser as an Expert Witness
- Course - Litigation Appraising: Specialized Topics and Applications
- Course - Condemnation Appraising: Principles & Applications
- USPAP – 2016-2017

International Right of Way Association

- Course 501-Residential Relocation Assistance
- Course 502-Business Relocation
- Course 505-Advanced Relocation Assistance I (Residential)

Commercial Investment Real Estate Institute Chicago, Illinois

- Course CI 101: Financial Analysis for Commercial Real Estate
- Course CI 202: Market Analysis for Commercial Real Estate
- Course CI 301: Decision Analysis for Commercial Real Estate
- Course CI 404: Advanced Tax Planning for Commercial Real Estate
- Course CI 405/406: Selling/Negotiation Analysis for Commercial Real Estate

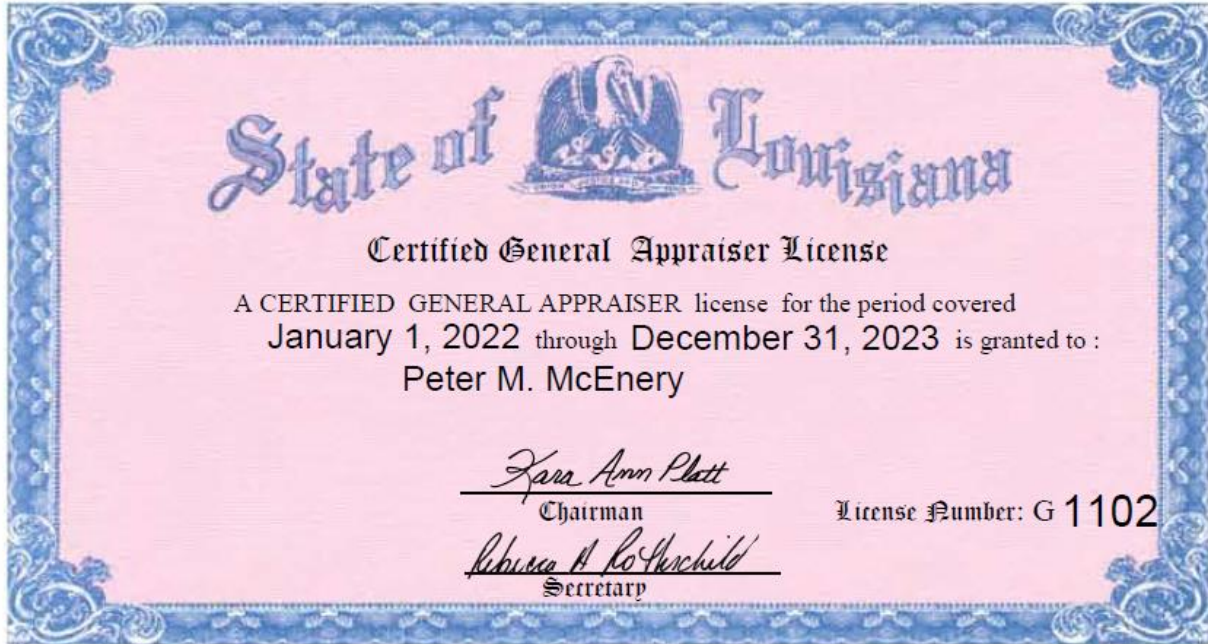
Tulane University – New Orleans, Louisiana

- College of Arts and Sciences, Bachelor of Arts Degree – 1976

Saint Stanislaus College – Bay St. Louis, Mississippi – 1971

Client Summary:

- Private individuals, corporate clients, institutional lenders, public jurisdictions
- (References available upon request)



CURRICULUM VITAE
BALDWIN R. JUSTICE

Primary Real Estate Business Experience:

- The McEnery Company, Inc., New Orleans, Louisiana – Director of Valuation Services
(April 2010 - Present)

Practical Real Estate Experience - Institutional Lending/Private Client Appraisal:

- Medical and Office Buildings
- Mixed-Use Buildings
- Industrial Warehouses, Office Warehouses, Warehouse Condominiums
- Land – Commercial Lots, Bulk Acreage and Subdivision Analyses
- Multi-family Buildings
- Special Use Properties (Marinas, RV Parks, Shipyards, Bowling Centers)
- Net Leased Properties
- Bed and Breakfast Properties/Hotel Properties
- Convenience Stores-Gasoline Stations
- Self-Storage Facilities
- Funeral Homes
- Subdivisions
- Acreage tracts
- Timberland
- Industrial Shipyards
- High-Rise Office Buildings

Memberships, Licenses, Etcetera:

- State of Louisiana Certified General Real Estate Appraiser #G3000
- State of Mississippi Certified General Real Estate Appraiser #GA-1208
- State of Alabama Certified General Real Estate Appraiser #G01336
- State of Florida Certified General Real Estate Appraiser #RZ4260
- State of Texas Certified General Real Estate Appraiser #TX1381113G
- Candidate for MAI Designation

Primary Education:

- University of Alabama – Tuscaloosa, Al
 - Culverhouse College of Commerce and Business Administration – (August 2005 – December 2009)
 - Department of Economics, Finance, and Legal Studies
 - Bachelor of Science (December 2009)

- Major: Finance / Concentration Areas: Real Estate
- Real Estate Related Courses: FI 331/Principles of Real Estate; FI 334/Introduction to Real Estate Property Management; FI 432/Real Estate Appraisal; FI 436/ Real Estate Finance

Real Estate Related Education:

- Appraisal Institute – Chicago, Illinois – 2010 – Present
 - Course 110 - Appraisal Principles (Nashville, TN – 2010)
 - Course 120 - Appraisal Procedures (Nashville, TN – 2010)
 - 15 Hour National USPAP (Nashville, TN – 2010)
 - Course 300 - Real Estate Finance, Statistics, and Valuation Modeling (Online – 2012)
 - Course 401G - General Appraiser Sales Comparison Approach (Dallas, TX – 2012)
 - Course 400G - General Appraiser Market Analysis and H & B Use (Ft. Lauderdale, FL – 2012)
 - Course 402G - General Appraiser Site Valuation & Cost Approach (Online – 2014)
 - Course 403G - General Appraiser Income Approach/Part 1 (Online - 2014)
 - General Appraiser Report Writing and Case Studies (Online - 2014)
 - General Appraiser Income Approach/ Part 2 (Online - 2015)
 - Advanced Market Area Analysis and Highest and Best Use (Atlanta, GA – September 2015)
 - Advanced Income Capitalization (Atlanta, GA – April 2018)
 - Quantitative Analysis (Houston, TX – August 2019)
 - Advanced Concepts & Case Studies (New Orleans, LA – February 2022)

Qualified as Expert Witness in Real Estate Appraising:

United States District Court Eastern District of Louisiana

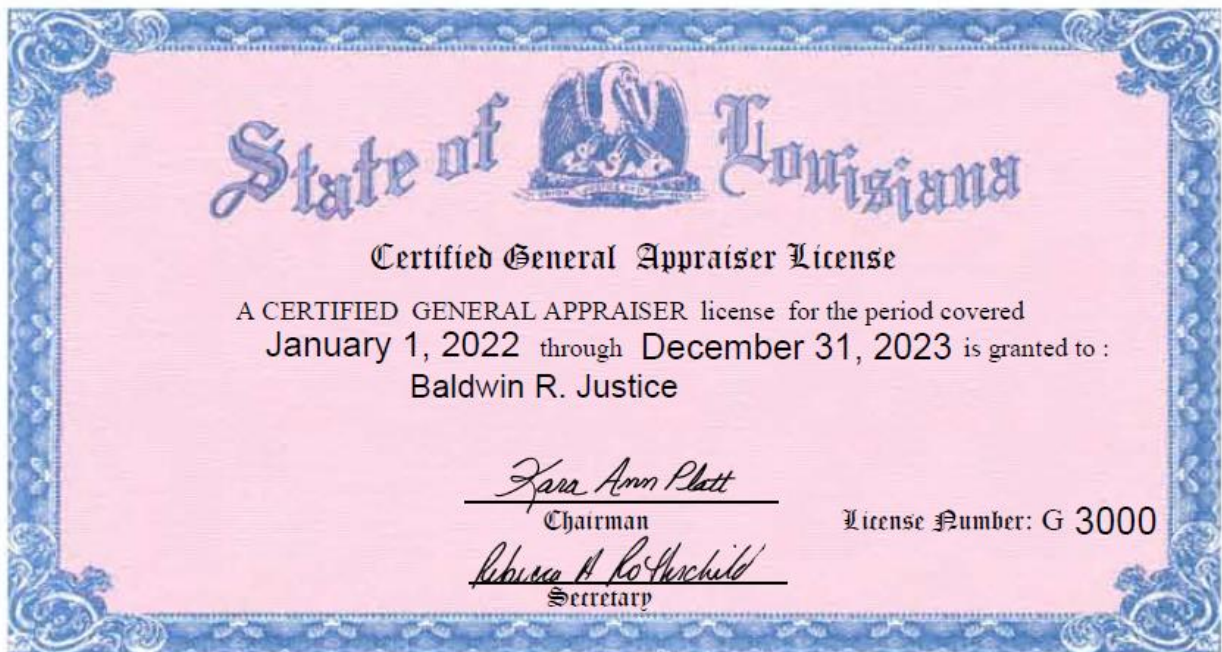
United States Bankruptcy Court for the Southern District of Mississippi

24th Judicial District Court for the Parish of Jefferson, Louisiana

19th Louisiana Judicial District Court, Parish of East Baton Rouge, Louisiana

22nd Judicial District Court Parish of St. Tammany, Louisiana

Email: Baldwin@mceneryco.com



Legal Description

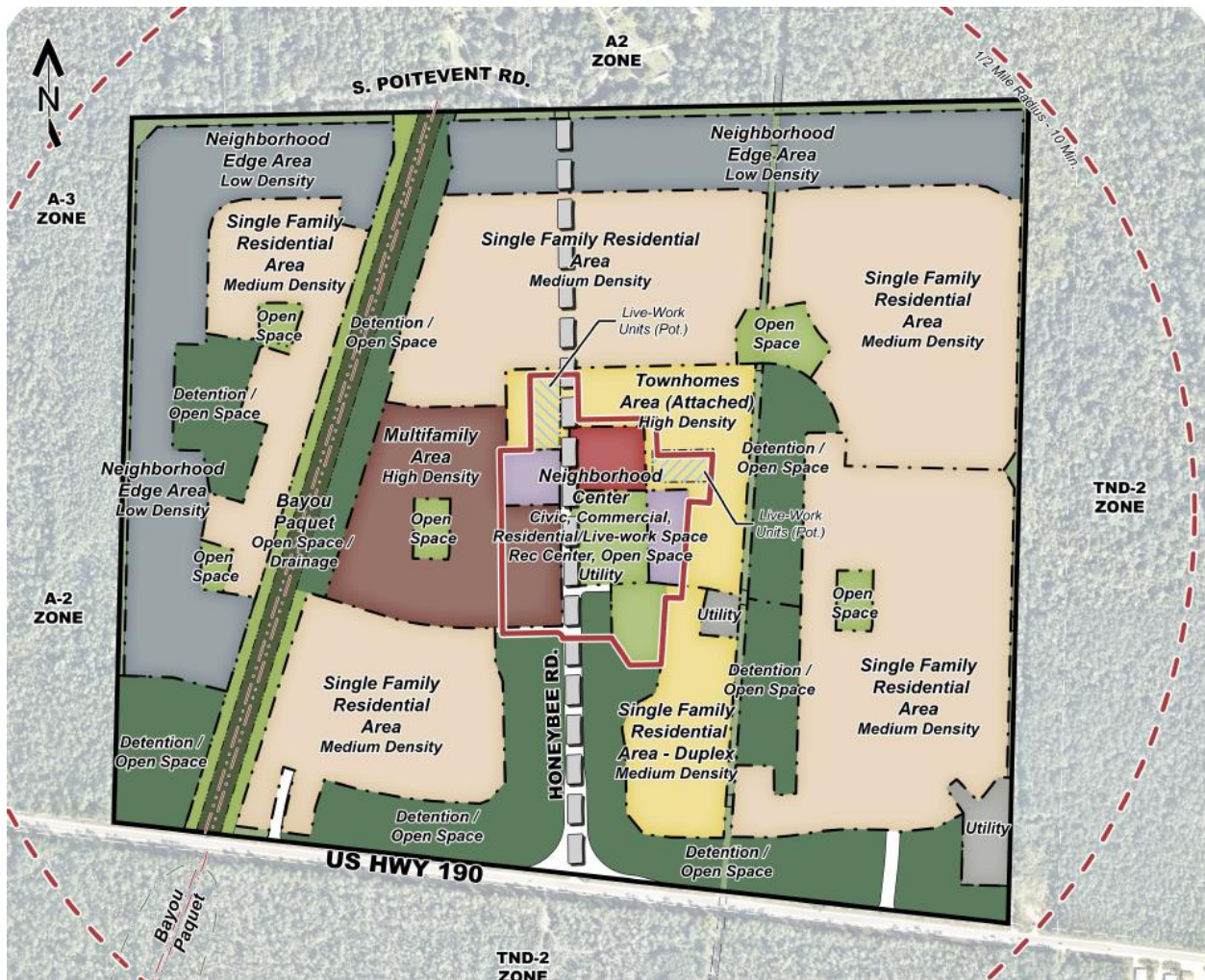
ITEM I:

A CERTAIN PIECE OR PARCEL OF LAND BEING THAT PORTION OF THE WEST HALF AND THE WEST HALF OF THE EAST HALF, LESS AND EXCEPT A STRIP ONE ACRE WIDE ON THE EAST SIDE, LYING NORTH OF US HIGHWAY 190, SECTION 35, TOWNSHIP 8 SOUTH, RANGE 13 EAST, GREENSBURG LAND DISTRICT, ST. TAMMANY PARISH, LOUISIANA AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A 1 1/2" IRON PIPE FOUND NEXT TO A 5/8" IRON ROD AT THE NORTHWEST CORNER OF SAID SECTION 35; THENCE N88°50'54"E ALONG THE NORTH LINE OF SAID SECTION 35 A DISTANCE OF 3755.30 FEET TO A 1/2" IRON ROD FOUND; THENCE LEAVING SAID NORTH LINE OF SAID SECTION S01°27'08"W A DISTANCE OF 3446.01 FEET TO A 1/2" IRON ROD FOUND ON THE NORTH RIGHT OF WAY LINE OF US HIGHWAY 190; THENCE N83°33'25"W ALONG SAID NORTH RIGHT OF WAY LINE A DISTANCE OF 3766.48 FEET TO A 5/8" IRON ROD SET ON THE WEST LINE OF SAID SECTION 35; THENCE N01°36'31"E ALONG THE WEST LINE OF SAID SECTION 35 A DISTANCE OF 203.67 FEET TO A 1/2" IRON ROD FOUND AT THE QUARTER CORNER COMMON TO SECTION 26, TOWNSHIP 8 SOUTH, RANGE 13 EAST AND SAID SECTION 35; THENCE N01°27'25"E ALONG THE WEST LINE OF SAID SECTION 35 A DISTANCE OF 2744.07 FEET TO THE POINT OF BEGINNING.

THE ABOVE DESCRIBED PARCEL CONTAINS 275.33 ACRES, INCLUSIVE OF ANY PORTION IN THE RIGHT OF WAY FOR HONEYBEE ROAD, AS SURVEYED BY DUPLANTIS DESIGN GROUP, PC, PROJECT NO. 20-889, DATED DECEMBER 28, 2020, AND IS SUBJECT TO ANY SERVITUDES OR RESTRICTIONS OF RECORD.

Survey



Zoning Ordinance

Sec. 130-1527. - Violations.



Any violation of the general implementation plan and/or specific implementation plan or any other phase or plan adopted as part of the amendment to the development code shall constitute a violation of this chapter. Any person or legal entity violating any provision of this chapter, or who shall violate or fail to comply with any order made hereunder; or who shall continue to work upon any structure after having received written notice from the director of planning and development to cease work, shall be guilty of a misdemeanor and punishable by a fine not to exceed \$500.00 per violation. Each day such violation shall be permitted to exist shall constitute a separate offense. Notice of violation shall be sufficient if directed to such owner, the agent of the owner, or the contractor and/or left at his known place of residence or place of business.

(Code 1998, app. C, § 5.3519A; Ord. No. 07-1548, § 5.3519A, 5-3-2007; Ord. No. 10-2186, 1-7-2010)

Sec. 130-1528. - Appeal.



An applicant may appeal the findings and recommendations of the commissions or director of planning and development, as applicable, by filing an objection in writing to the council within five days of receipt of the commissions' or director of planning and development's recommendations. The council shall grant or deny the appeal, and the council's decision shall be final. If the council grants the appeal, the council shall submit a notice to the commissions or director of planning and development stating reasons for its grant of the appeal.

(Code 1998, app. C, § 5.3520A; Ord. No. 07-1548, § 5.3520A, 5-3-2007; Ord. No. 10-2186, 1-7-2010)

Sec. 130-1529. - Rezoning of property designated "TND-2 Planned."



The director of planning and development shall request that the council initiate the rezoning of property designated "TND-2 Planned," only as to that portion of the property which has not been developed, if:

- (1) Upon final review, an application for approval of a specific implementation plan for a portion of the property has been denied;
- (2) A specific implementation plan was not timely submitted in accordance with the provisions of [section 130-1519](#); or
- (3) An approved specific implementation plan expires or lapses, pursuant to the provisions of [section 130-1524](#).

(Code 1998, app. C, § 5.3521A; Ord. No. 07-1548, § 5.3521A, 5-3-2007; Ord. No. 10-2186, 1-7-2010)

Sec. 130-1530. - Relation to zoning districts.



An approved traditional neighborhood development shall be considered to be a separate zoning district in which the development plan, as approved, establishes the restrictions and regulations according to which development shall occur, and may depart from the normal procedures, standards, and other requirements of the other sections of the zoning ordinance and subdivision regulations to the extent provided herein. Upon approval of the general implementation plan, the official zoning map will be changed to indicate the area as "TND-2 Planned," or if final approval granted then as "TND-2." Every approval of a traditional neighborhood development shall be considered an amendment to the zoning ordinance.

(Code 1998, app. C, § 5.3522A; Ord. No. 07-1548, § 5.3522A, 5-3-2007; Ord. No. 10-2186, 1-7-2010)

Sec. 130-1531. - Comprehensive rezoning and subsequent designation procedure.



- (a) Any property designated as traditional neighborhood development as part of the comprehensive rezoning process shall be designated as "TND-2 Concept," until said property has undergone the application procedure and approval process as outlined in [section 130-1516](#), except that in such cases, the commission decision relative to the general implementation plan will be considered the final determination, subject to appeal to the parish council in accordance with [section 130-1528](#).
- (b) Other than through the comprehensive rezoning process set forth in subsection (a) of this section, a parcel of property may only be designated as TND-2 Concept when, within one year following the effective date of an ordinance establishing the comprehensive rezoning of a specific area under the Unified Development Code, the process of amending or changing the designation of the property to TND-2 Concept has been initiated in accordance with [section 130-54](#). The review of any amendment or change shall be conducted in accordance with article II, division 2, of this chapter.

(Code 1998, app. C, § 5.3523A; Ord. No. 07-1548, § 5.3523A, 5-3-2007; Ord. No. 10-2186, 1-7-2010)

- (5) Any agreement by the applicant or association to maintain all common open space at no cost to the parish.
- (d) *Development schedule.* The development schedule shall contain the following information:
 - (1) The order of construction of the proposed stages delineated in the specific implementation plan.
 - (2) The proposed date for the beginning of construction of each stage.
 - (3) The proposed date for the completion of construction of each stage.
 - (4) The proposed schedule for the construction and improvement of common area within each stage including any accessory buildings.
- (e) *Enforcement of the development schedule.* The construction and provision of all common open spaces and public facilities and infrastructure which are shown on the specific implementation plan must proceed at no slower a rate than the construction of dwelling units or other structures of a commercial nature. The planning commission may, at any time, compare the actual development accomplished with the approved development schedule. If the planning commission finds that the rate of construction of dwelling units or other commercial structures is substantially greater than the rate at which common open spaces and public facilities and infrastructure have been constructed and provided, then either or both of the following actions may be taken:
 - (1) The planning commission shall cease to approve any additional specific implementation plans for subsequent phases; and/or
 - (2) The building official shall discontinue issuance of building permits.In any instance where the above actions are taken, the planning commission shall gain assurance that the relationship between the construction of dwellings or other structures of a commercial nature and the provision of common open spaces and public facilities and infrastructure are brought into adequate balance prior to the continuance of construction.
- (f) *Permits.* No building permit for a structure other than a temporary contractor's office or temporary storage building shall be issued for a lot or parcel within an approved traditional neighborhood development prior to a determination by the fire marshal or designee that adequate fire protection and access for construction needs exists. No occupancy permit for a structure other than a temporary contractor's office or other approved temporary building shall be issued for a structure on a lot or parcel within an approved traditional neighborhood development prior to final inspection and approval of all required improvements which will serve such lot or parcel to the satisfaction of the director of the department of public works and the building official.

(Code 1998, app. C, § 5.3515A; Ord. No. 07-1548, § 5.3515A, 5-3-2007; Ord. No. 10-2186, 1-7-2010)

Sec. 130-1524. - Expiration and lapse of specific implementation plans.



Specific implementation plan approval shall expire three years from the date of planning commission approval of a specific implementation plan. The applicant may request an extension from the planning commission for not more than one year if the project is not complete after three years. Nothing herein shall be construed to limit the time limitations for phased developments as set forth in [section 130-1519\(e\)](#).

(Code 1998, app. C, § 5.3516A; Ord. No. 07-1548, § 5.3516A, 5-3-2007; Ord. No. 10-2186, 1-7-2010)

Sec. 130-1525. - The approved final development plan.



Development restrictions and/or conditions, as required by the commissions and/or the council, shall be recorded by the applicant with the parish clerk of court within 15 days of the date of the final approval of the general implementation plan and/or the specific implementation plan by the commissions or council, as the case may be. Certified copies of these documents shall also be filed with the office of the commissions. The applicant shall record development restrictions and other required documents, which pertain to a subdivision within the approved specific implementation plan, with the parish clerk of court within 15 days of the signing of the final plat, as provided in this section.

(Code 1998, app. C, § 5.3517A; Ord. No. 07-1548, § 5.3517A, 5-3-2007; Ord. No. 10-2186, 1-7-2010)

Sec. 130-1526. - Filing and distribution of specific implementation plan final plat.



The applicant shall have a total of ten blackline prints of the approved final plat to be disbursed as required by the commissions' staff.

(Code 1998, app. C, § 5.3518A; Ord. No. 07-1548, § 5.3518A, 5-3-2007; Ord. No. 10-2186, 1-7-2010)

(2) *Major site changes.*

- a. *Application for major site changes.* The owner of record of the property shall file an application with the director of planning and development, upon a form prescribed therefor, which shall contain the reason for the classification of the change as a major site change, as described in subsection (c) of this section, and the resulting impacts from the major site change on the development.
- b. *Public hearing.* Upon receipt and verification of the completion of the application by the director of planning and development, the director of planning and development shall forward the application to the planning commission. The planning commission shall issue a notice of public hearing by posting the affected site in a conspicuous place at least ten days prior to the hearing date. A record of information and materials presented at the public hearing shall be kept and maintained by the planning commission as part of the applicant's permanent record.
- c. *Findings and recommendations.* The planning commission shall make its findings on the major site change based on the information set forth in the application and the approval criteria set forth in subsection (c) of this section. The planning commission shall forward a copy of its findings and recommendations to the applicant.
- d. *Appeal.* The applicant may appeal the decision by the planning commission pursuant to [section 130-1528](#).

(3) *Minor changes.*

- a. *Application.* The owner of record of the property shall file an application with the director of planning and development, upon a form prescribed therefor, which shall contain the reason for the classification of the change as a minor change, as described in subsection (d) of this section, and the resulting immaterial impacts from the change on the development, if any.
- b. *Findings and recommendations.* Upon receipt and verification of the completion of the application by the director of planning and development, the director of planning and development shall make its findings based on the information set forth in the application and the approval criteria set forth in subsection (d) of this section, and notify the applicant of its decision. If the director of planning and development determines the change to be a minor change, the director of planning and development's decision shall be final and no appeal shall be available.

(4) *Appeal of classification as major use change or major site change.* If the director of planning and development determines the change to be a major use change or a major site change, the applicant may appeal the decision by the director of planning and development pursuant to [section 130-1528](#).

- (g) *Subdivision of land.* If the TND district involves the subdivision of land as defined in [chapter 125](#), pertaining to subdivisions, the applicant shall submit all required land division documents in accordance with the requirements of said [chapter 125](#). If there is a conflict between the design standards of [chapter 125](#) and the design guidelines of this chapter, the provisions of this chapter shall apply. It being understood that the size and configuration of lots within a TND district may otherwise be disallowed under the subdivision regulations of [chapter 125](#), but encouraged and permitted within a TND district.

(Code 1998, app. C, § 5.3514A; Ord. No. 07-1548, § 5.3514A, 5-3-2007; Ord. No. 10-2186, 1-7-2010)

Sec. 130-1523. - Maintaining a specific implementation plan.



- (a) *Ownership and maintenance of public space.* Provision shall be made for the ownership and maintenance of public thoroughfares, squares, parks, open space, and other public spaces in a TND district by dedication to the parish and/or association.
- (b) *Construction.* Construction may take place only within such portion of a traditional neighborhood development for which a current specific implementation plan is in effect.
- (c) *Development agreement.* All TND zoning granted on the basis of specific implementation plan approval shall be subject to a parish/applicant agreement prior to or contemporaneous with final plat approval. Prior to final approval, the applicant shall be required to enter into a parish/applicant agreement with the parish. This agreement is designed and intended to reflect the agreement of the parish and the applicant as to the phasing of construction to ensure the timely and adequate provisions of public works facilities and public type improvements. This parish/applicant agreement is also intended to ensure balanced intensity of development to avoid overloading existing public facilities during the construction phase. This parish/applicant agreement will be individually negotiated for each project, but should address the following issues:
 - (1) Any agreement on cost sharing for the installation or oversizing of major utility systems, lines or facilities.
 - (2) Any agreement on cost sharing for the installation of interior or perimeter roadways or thoroughfare network.
 - (3) Any agreement as to a mandatory construction or dedication schedule for common open space area or improvements, school site, landscaping or greenbelt development or other comparable items to be dedicated or constructed for each acre of property within the traditional neighborhood development released for construction by specific implementation plan approval. This requirement is intended to allow the parish to ensure that pre-planned public type facilities, improvements or amenities are installed concurrently with other development on the basis of a negotiated formula.
 - (4) Any agreement as to the establishment of a maximum residential density or commercial intensity of use during the construction process. This requirement is intended to allow the parish to establish a maximum development intensity that cannot be exceeded while each phase of the project is being completed. Under this provision, the parish may establish a maximum overall density for each phase of the project to be applicable only during the construction phase of the traditional neighborhood development. This restriction would require concurrent development of lower density or intensity of use activities with higher density or intensity of use activities.
- (5) Change in the layout of a thoroughfare network, if the director of planning and development determines that:
 - a. The basic layout remains the same; and
 - b. The revised layout functions as well as the previous layout;
- (6) Change in the location or size of a private open space, if the overall amount of private open space acreage does not decrease by more than ten percent, and the director of planning and development determines that the quality and functionality of the revised private open space is the same or better. The director of planning and development may not approve a revision that includes the deletion of a private open space within 500 feet of an area that is part of a final plat in a mixed residential area or neighborhood edge area;
- (7) Change in the location or size of a public open space, if the overall amount of public open space acreage does not decrease by more than ten percent, and the director of planning and development determines that the quality and functionality of the revised public open space is the same or better. The director of planning and development may not approve a revision that includes the deletion of a public open space within 500 feet of an area that is part of a final plat in a mixed residential area or neighborhood edge area;
- (8) Change in the location or description of a major private open space improvement, if the director of planning and development determines that the revised improvement is as beneficial to the residents as the previous improvement;
- (9) Change in a construction phasing plan for major private open space improvements if the change extends a deadline by not more than 24 months;
- (10) Change in the location or type of a drainage or water quality control, if the director of planning and development determines that:
 - a. The basic layout of the TND district remains the same; and
 - b. The revised location or type of control functions as well as the previous location or type of control;
- (11) Change in the location of a 100-year floodplain, if the director of planning and development determines that the revision more accurately describes the location of the floodplain;
- (12) Change in the locations of major utility facilities and easements, if the director of planning and development determines that the revised locations are more appropriate or functional;
- (13) Change in a preliminary architectural standard, if the director of planning and development determines that the revised standard is consistent with the architectural character of the TND district;
- (14) Reduction of the size of any building;
- (15) Movement of buildings and/or signs by no more than ten feet, but in no event in required buffers and/or setbacks;
- (16) Landscaping approved in the specific implementation plan that is replaced by similar landscaping to an equal or greater extent;
- (17) Changes in nonresidential floor plans, of up to five percent of the total floor area, which do not alter the character of the use or increase the amount of required parking;
- (18) Internal rearrangement of a parking lot that does not affect the number of parking spaces or alter access locations or design;
- (19) Changes required or requested by the parish and other state or federal authorities in order to conform to other laws or regulations;
- (20) On balance, compared to the approved traditional neighborhood development, the change will equally or better meet the purposes and approval criteria set forth in sections [130-1509](#), [130-1510](#) and [130-1512](#) in the opinion of the director of planning and development; and/or
- (21) Any adverse impacts caused by the change are mitigated to the satisfaction of the director of planning and development.
- (e) *Permitted uses.* Any changes to the permitted uses within the TND district must be approved by the council.
- (f) *Review procedures.* Requests for changes to an approved traditional neighborhood development are processed as follows:
 - (1) *Major use changes.*
 - a. *Application for major use changes.* The owner of record of the property shall file an application with the director of planning and development, upon a form prescribed therefor, which shall contain the reason for the classification of the change as a major use change, as described in subsection (b) of this section, and the resulting impacts from the major use change on the development.
 - b. *Public hearing.* Upon receipt and verification of the completion of the application by the director of planning and development, the director of planning and development shall forward the application to the commissions. The commissions shall issue a notice of public hearing by posting the affected site in a conspicuous place at least ten days prior to the hearing date. A record of information and materials presented at the public hearing shall be kept and maintained by the commissions as part of the applicant's permanent record.
 - c. *Findings and recommendations.* The commissions shall make their findings on the major use change based on the information set forth in the application and the approval criteria set forth in subsection (b) of this section, and submit recommendations to the council within 15 days from the hearing date. The commissions shall forward a copy of their findings and recommendations to the applicant.
 - d. *Adoption of major use change.* The council shall adopt or reject the proposed major use change within 15 days from receipt of the recommendations from the commissions. The council shall submit reasons for its decision to the applicant.

- (b) *Major use change.* A major use change ("major use change") is one that will have significant impacts on the approved uses within the traditional neighborhood development, or on the site surrounding the traditional neighborhood development. Major use changes include, but are not limited to:
- (1) An increase in the development site area of more than five percent;
 - (2) An increase in density of any permitted land use, including the number of housing units, by more than five percent;
 - (3) In residential areas, a change in the mix of single-dwelling and multi-dwelling structures by more than five percent;
 - (4) An increase in the amount of land in nonresidential uses by more than five percent;
 - (5) Involve any land use not specified on the approved general implementation plan or the list of permitted uses;
 - (6) Substantial and material reduction in the amenities proffered by the applicant; and/or
 - (7) Material changes in the permitted land use authorized in the traditional neighborhood development which in the opinion of the zoning officer will have a material adverse change with the traditional neighborhood development or on the site surrounding the traditional neighborhood development.
- (c) *Major site change.* A major site change ("major site change") is a major change (other than a major use change) that will have significant impact on the site and layout of the development in the traditional neighborhood development which is not a major use change, or on the site surrounding the traditional neighborhood development. Major site changes include, but are not limited to:
- (1) Changes that vary the individual lot area requirement as submitted in the general implementation plan by more than ten percent;
 - (2) Changes in nonresidential floor areas by more than five percent of the total floor area within a component of the traditional neighborhood development;
 - (3) Deleting or changing the purpose of flood hazard servitudes or easements;
 - (4) Changes to the thoroughfare network which result in a significant adverse change in the amount or location of thoroughfares and shared driveways, common parking areas, circulation patterns, and access to the traditional neighborhood development;
 - (5) Changes in the allocation of prescribed land uses such that it would result in an increase in the number of vehicle trips generated in excess of ten percent;
 - (6) Changes which are material in the typical sections of thoroughfare design;
 - (7) Changes in the designation of thoroughfares between private and public; and/or
 - (8) Material changes in the approved overall layout of the site plan and/or matters related to onsite and/or offsite infrastructure requirements authorized in the traditional neighborhood development which in the opinion of the zoning officer will have a material adverse change with the traditional neighborhood development or on the site surrounding the traditional neighborhood development.
- (d) *Minor change.* A minor change ("minor change") is a change that will not alter the basic design and character of the traditional neighborhood development, nor any specified conditions imposed as part of the original approval. Minor changes include, but are not limited to:
- (1) Changes in location of the neighborhood center area, a mixed residential area, a neighborhood edge area, a civic area, green area, common open space or other designated areas, if the director of planning and development determines that:
 - a. The basic layout of the TND district remains the same; and
 - b. The TND district functions as well as before the revision;
 - (2) Changes in size of a neighborhood center area, a mixed residential area, a neighborhood edge area, a civic area, green area, common open space or other designated areas, if the size is increased or decreased by not more than ten percent, and the director of planning and development determines that:
 - a. The basic layout of the TND district remains the same; and
 - b. The district functions as well as before the revision;
 - (3) Changes in the general location of a major civic use, if the director of planning and development determines that:
 - a. The revised location is appropriate; and
 - b. The thoroughfare network, the infrastructure, and the overall land use mix are not adversely affected.The director of planning and development may not approve a revision that includes the addition of a major civic use within 500 feet of an area that is part of a final plat in a mixed residential area or neighborhood edge area;
 - (4) Changes in the location of a commercial use in a mixed residential area, if the director of planning and development determines that the revised location is appropriate;
- (e) *Substantial compliance of specific implementation plan.* The specific implementation plan shall be in substantial compliance with the general implementation plan. It is not intended that the traditional neighborhood development so approved shall be inflexibly applied, but rather, the traditional neighborhood development shall be in conformance with the general implementation plan subject to modification due to changed economic, social, market or demographic conditions. The burden shall be upon the applicant to show the planning commission good cause for major change (as defined below) between the general implementation plan and the specific implementation plan as submitted for final approval. If the specific implementation plan, as submitted, contains substantial variations from the general implementation plan, or major changes as defined in [section 130-1522](#), the planning commission may, after a meeting with the applicant, within five days of such meeting, advise the applicant in writing why said variations are not in the public interest, and deny the proposed variations. Nothing contained herein shall prohibit an applicant from requesting a change to an approved traditional neighborhood development as set forth in [section 130-1522](#).
- (f) *Procedure for approval.* The specific implementation plan and final plat shall follow the procedure for planning items going to the planning commission with a public hearing. Procedure for approval of a specific implementation plan and final plat for a traditional neighborhood development shall be processed in the following manner:
- (1) The department of engineering shall review and approve the construction plans for any public improvements shown on the specific implementation plan prior to any construction. Improvements may be completed or bonded for final approval in the same manner as required under [chapter 125](#), pertaining to subdivisions.
 - (2) The planning commission shall issue a notice of public hearing by posting the affected site in a conspicuous place at least ten days prior to the hearing date. A record of information and materials presented at the public hearing shall be kept and maintained by the commission as part of the applicant's permanent record.
 - (3) Following required public notice, the planning commission shall hold a public hearing on the proposed specific implementation plan and final plat. Following the hearing, the planning commission shall review the specific implementation plan and final plat request and any comments submitted by any adjoining property owners and shall approve, approve with conditions, or deny the request.
 - (4) Upon such approval and subsequent amendment of the specific implementation plan, construction may proceed for public and/or approved private thoroughfares, utility installations, common open space, recreational facilities, governmental structures, and similar uses provided that a preliminary subdivision plat has also been approved for the development in accordance with the development code.
 - (5) Any other proposed modifications, including yard variances and/or setback waivers, affecting the traditional neighborhood development's legal description shall require a review and approval of the traditional neighborhood development specific implementation plan and/or the final plat by the commission's staff. The burden shall be upon the applicant to demonstrate to the planning commission justification for any variation from the approved specific implementation plan.
 - (6) Upon approval of a specific implementation plan and the final plat, the property shall be redesignated from "TND-2 Planned" to "TND-2" on the official zoning map. Once land is designated "TND-2" on the official zoning map, the provisions of this chapter are mandatory.

(Code 1998, app. C, § 5.3511A; Ord. No. 07-1548, § 5.3511A, 5-3-2007; Ord. No. 10-2186, 1-7-2010)

Sec. 130-1520. - Consolidated general implementation plan and specific implementation plan.



The applicant may file a general implementation plan, specific implementation plan and final plat simultaneously with the specific implementation plan conforming in all respects to the requirements of the general implementation plan.

(Code 1998, app. C, § 5.3512A; Ord. No. 07-1548, § 5.3512A, 5-3-2007; Ord. No. 10-2186, 1-7-2010)

Sec. 130-1521. - Additional regulations for phased developments.



A traditional neighborhood development may be developed in phases or stages in accordance with the following requirements:

- (1) *Boundaries.* The boundaries of all proposed traditional neighborhood development phases shall be shown on the general implementation plan.
- (2) *Data.* All data required for the project, as a whole, shall be given for each phase shown on the general implementation plan.
- (3) *Improvements.* The phasing plan shall be consistent with the traffic circulation, drainage, common open space, and utilities plans for the entire traditional neighborhood development. Traditional neighborhood developments that are to be developed in phases or stages shall be required to provide public improvements, common open space, and other amenities attributed to such phase at the same time as or before the construction of principal buildings and structures associated with individual phases. The nature, type, and amount of public improvements, common open space, and other project amenities provided during an individual phase of the project shall be commensurate with and proportionate to the overall development of the phase.

(Code 1998, app. C, § 5.3513A; Ord. No. 07-1548, § 5.3513A, 5-3-2007; Ord. No. 10-2186, 1-7-2010)

Sec. 130-1522. - Changes to an approved specific implementation plan.



- (a) *Types of changes.* There are three types of changes: major use change, major site change, and minor change. A major use change and a major site change are collectively referred to herein as a "major change." Any measurement used to establish a percentage of change shall utilize the original specific implementation plan as the baseline.

Sec. 130-1518. - General implementation plan.



Following the pre-application conference, the applicant shall submit a completed application (general implementation plan) to the director of planning and development. When the director of planning and development determines the application to be complete, the application shall be sent to the commission for a public workshop session if deemed necessary by the director of planning and development, followed at a later date by a public hearing. The general implementation plan shall contain all information required in the general implementation plan checklist, including architectural design guidelines as described in [section 130-1512\(i\)](#).

(1) *Procedures for general implementation plan approval.* All applications for traditional neighborhood developments shall be processed in the following manner:

- a. The general implementation plan shall follow the procedures for approval of planning items before the planning commission and zoning cases before the zoning commission and the council which are not in conflict with this section.
- b. At least 14 days prior to review and determination by the commissions, all abutting property owners shall be notified by regular mail of the traditional neighborhood development and given an opportunity to submit written comments. Notice shall also be published in the parish's official journal at least ten days prior to the review.
- c. Following required public notice, the commissions shall hold a public hearing on the proposed traditional neighborhood development. Following the hearing, the commissions shall review traditional neighborhood development request and general implementation plan and any comments submitted by any adjoining property owners and shall make a recommendation to the council to approve, approve with conditions, or deny the general implementation plan. In its recommendation to the council, the commissions shall include the reasons for such recommendation.

(2) *Approval of a general implementation plan.*

- a. After receiving the recommendation of the commissions, the council shall review the application, including the general implementation plan, the record of the commissions' proceedings and the recommendation, and shall approve, approve with conditions, or deny the application in accordance with the standards and purposes set forth in sections [130-1509](#), [130-1510](#) and [130-1512](#). An approval with conditions shall not be considered final (and the rezoning is not final until such time) until the applicant submits a written acceptance of the conditions and all necessary revisions to the general implementation plan to the council.
- b. If approved by the council, the general implementation plan and all other information and material formally submitted with the application shall be adopted as an amendment to this development code and shall become the standards of development for the traditional neighborhood development. All future development shall conform to the standards adopted for the traditional neighborhood development regardless of changes in ownership.
- c. Upon approval of the general implementation plan, the property shall be designated "TND-2 Planned" on the official zoning map.

(Code 1998, app. C, § 5.3510A; Ord. No. 07-1548, § 5.3510A, 5-3-2007; Ord. No. 10-2186, 1-7-2010)

Sec. 130-1519. - Specific implementation plan and final plat.



(a) *Submittal.* Within 36 months of the council's approval of the general implementation plan, and except as permitted under general implementation plan approval, the applicant shall submit a specific implementation plan to the director of planning and development prior to commencing construction on property designated "TND-2 Planned." The applicant may request an extension of up to 12 additional months from the council if the specific implementation plan has not been approved. If the applicant fails to submit a specific implementation plan within the time allowed, then the general implementation plan (not the "TND-2 Concept" designation) shall be invalid. If the traditional neighborhood development is to be developed in phases, the applicant must submit a specific implementation plan for the first phase within 36 months of the council's approval of the general implementation plan, and within consecutive 12-month periods thereafter for each subsequent phase. If the applicant fails to submit a specific implementation plan, then the general implementation plan incorporating all phases not already approved as a specific implementation plan shall be invalid. The specific implementation plan shall contain all information required in the specific implementation plan checklist.

(b) *Certification.* The following design professionals shall certify direct involvement in the preparation of the specific implementation plan. A final plat shall be certified by a:

- (1) Architect or civil engineer, and
- (2) Landscape architect.

(c) *Final plat.*

- (1) A final plat shall be submitted with the specific implementation plan, drawn in ink to a scale of one inch equals 100 feet in one or more sheets whose dimensions are 24 inches by 36 inches, and contain the information required by [chapter 125](#), pertaining to subdivisions, under the development code.
- (2) The title of the final plat shall read "Final Plat of [Name of Traditional Neighborhood Development], [Section, Township, and Range]."
- (3) Where the traditional neighborhood development is of unusual size or shape, the commission may permit a variation in the scale or size of the final plat.

(d) *Landscape plan.* A landscape plan is required for all traditional neighborhood development specific implementation plans.

Sec. 130-1515. - Unified control.



All land included in any TND district shall be under the complete, unified and legal control of the applicant, whether the applicant be an individual, partnership, limited liability company, corporation and/or other person. Upon request by the parish, the applicant shall furnish the parish sufficient evidence to the satisfaction of the parish that the applicant is in the complete, legal and unified control of the entire area of the proposed traditional neighborhood development. Upon request by the parish, the applicant shall provide the parish all agreements, contracts, guarantees and other necessary documents and information that may be required by the parish to assure the parish that the development project may be lawfully completed according to the plans sought to be approved.

(Code 1998, app. C, § 5.3507A; Ord. No. 07-1548, § 5.3507A, 5-3-2007; Ord. No. 10-2186, 1-7-2010)

Sec. 130-1516. - Application procedure and approval process; general.



(a) Prior to the issuance of any permits for development of a traditional neighborhood development, the following four steps shall be completed according to the procedures outlined in this division:

- (1) Pre-application conference;
- (2) Approval of a general implementation plan by the commissions and the council for the entire traditional neighborhood development;
- (3) Approval of a specific implementation plan by the planning commission; and
- (4) Approval of a final plat by the planning commission.

(b) If the development includes the division of property into lots, the specific implementation plan shall be approved concurrently with a preliminary plat.

(c) Subdivisions of property within a TND district after general implementation plan approval, but prior to specific implementation plan approval, shall meet the zoning requirements of the most restrictive zoning district allowed for each designated use for that portion of the general implementation plan. These subdivisions shall require planning commission approval and will not allow development or building permit approval until a specific implementation plan is approved.

(d) Where the development is to be developed in phases, the general implementation plan that is presented for review and approval shall be the general implementation plan for the entire development and shall identify the proposed phasing. Each phase of a development shall have an individual specific implementation plan.

(e) Independent consultants may be retained by the commissions and/or the council to seek assistance to properly review the general implementation plans and specific implementation plans. The reasonable cost of such review shall be reimbursed by the applicant. The applicant shall be advised of the estimated fees and costs and may withdraw their request from consideration at that time. All required fees must be paid regardless of whether the proposed plans are approved, amended, rejected or withdrawn.

(Code 1998, app. C, § 5.3508A; Ord. No. 07-1548, § 5.3508A, 5-3-2007; Ord. No. 10-2186, 1-7-2010)

Sec. 130-1517. - Pre-application conference.



(a) The pre-application conference shall be held with the director of planning and development or the director of planning and development's designee for the purpose of exchanging information, providing guidance to the applicant and determining the eligibility of the request for consideration as a traditional neighborhood development.

(b) A request for a pre-application conference shall be made to the director of planning and development. As part of the pre-application conference, the applicant shall submit five copies of a proposed general implementation plan, at least ten days in advance of the pre-application conference, which shows the property location, boundaries, significant natural features, thoroughfare network (vehicular and pedestrian circulation), land use for the entire site, and a statement indicating financial responsibility sufficient to complete the public improvements shown on the conceptual plan.

(c) The director of planning and development or the director of planning and development's designee shall advise the applicant of the proposed general implementation plan for the traditional neighborhood development with the intent and objectives of a traditional neighborhood development, whether it appears to qualify under the minimum requirements of sections [130-1509](#), [130-1510](#) and [130-1512](#), and whether the general plan appears to be substantially consistent with the parish master plan and the parish land use plan. No formal action will be taken at a pre-application conference, nor will statements made at the pre-application conference be considered legally binding commitments.

(Code 1998, app. C, § 5.3509A; Ord. No. 07-1548, § 5.3509A, 5-3-2007; Ord. No. 10-2186, 1-7-2010)

(4) *Parking area landscaping and screening.*

- a. All parking and loading areas fronting public thoroughfares or sidewalks, and all parking and loading areas abutting residential districts or users, shall provide a landscaped area at least five feet wide along the public thoroughfare or sidewalk; screening at least three feet in height and not less than 50 percent opaque; and one tree for each 25 linear feet of parking lot frontage.
- b. Parking area interior landscaping. The corners of parking lots, "islands," and all other areas not used for parking or vehicular circulation shall be landscaped. Vegetation may include turf grass, native grasses or other perennial flowering plants, vines, shrubs or trees. Such spaces may include architectural features such as benches, kiosks or bicycle parking.
- c. For all parking lots with more than six spaces, the landscaped area shall be comprised of a minimum of 20 percent of the total parking lot area.
- d. In large parking lots containing more than 200 parking spaces, an additional landscaped area of at least 200 square feet shall be provided for each 25 parking spaces or fraction thereof, containing one native shade tree or canopy tree. The remainder shall be covered with turf grass, native grasses or other perennial flowering plants, vines or shrubs.

(5) *Landscape materials.* Landscape materials that are used for screening shall be of a size that allows growth to the desired height and opacity within two years.

- (o) *Environmental standards.* All uses in the traditional neighborhood development shall conform to all applicable federal, state and local laws and regulations regarding the environment such as laws and regulations concerning noise, air quality, water quality, radiation, and radioactivity.

(Code 1998, app. C, § 5.3504A; Ord. No. 07-1548, § 5.3504A, 5-3-2007; Ord. No. 10-2186, 1-7-2010)

Sec. 130-1513. - Fees.

The council may, by resolution, establish fees for the administration of this chapter.

(Code 1998, app. C, § 5.3505A; Ord. No. 07-1548, § 5.3505A, 5-3-2007; Ord. No. 10-2186, 1-7-2010)

Sec. 130-1514. - Other code and ordinances applicability.

- (a) These development regulations and [chapter 125](#), pertaining to subdivisions ("other codes and ordinances") apply to a TND district unless:
 - (1) This chapter expressly provides otherwise; and
 - (2) Only as long as such other codes and ordinances do not impede the accomplishment of the stated purpose of the TND district as described in this chapter.
- (b) The requirements of this article supersede any inconsistent provision of any other codes and ordinances.
- (c) A TND district is a separate and distinct zoning district which shall allow the permitted uses as provided in the general implementation plan, notwithstanding any other zoning classification provided in other codes and ordinances.

(Code 1998, app. C, § 5.3506A; Ord. No. 07-1548, § 5.3506A, 5-3-2007; Ord. No. 10-2186, 1-7-2010)

Sec. 130-1515. - Unified control.

All land included in any TND district shall be under the complete, unified and legal control of the applicant, whether the applicant be an individual, partnership, limited liability company, corporation and/or other person. Upon request by the parish, the applicant shall furnish the parish sufficient evidence to the satisfaction of the parish that the applicant is in the complete, legal and unified control of the entire area of the proposed traditional neighborhood development. Upon request by the parish, the applicant shall provide the parish all agreements, contracts, guarantees and other necessary documents and information that may be required by the parish to assure the parish that the development project may be lawfully completed according to the plans sought to be approved.

(Code 1998, app. C, § 5.3507A; Ord. No. 07-1548, § 5.3507A, 5-3-2007; Ord. No. 10-2186, 1-7-2010)

8. Building wall materials may be combined on each façade only horizontally, with the heavier generally below the lighter.
9. Walls along thoroughfares shall be made of brick, or block and stucco, or other material to match the façade of the principal building.
10. Windows shall use clear glass panels.
11. All openings including porches, galleries, arcades and windows, with the exception of storefronts, shall be square or vertical in proportion.
12. Openings above the first story shall not exceed 50 percent of the total building wall area, with each façade being calculated independently.
13. The façades on retail frontages shall be detailed as storefronts and glazed no less than 50 percent of the sidewalk-level story.
14. Doors and windows that operate as sliders are prohibited along frontages.
15. Pitched roofs, if provided, shall be symmetrically sloped no less than 5:12, except that porches may be attached sheds with slopes no less than 2:12.
16. Flat roofs shall be enclosed by parapets a minimum of 42 inches high, or as required to conceal mechanical equipment to the satisfaction of the developer, board of directors and architectural control committee.

c. *Dwelling units.* Dwelling units may be constructed above the ground floor in commercial and office buildings.

d. *Commercial and office development.* Commercial and office development within the TND shall have an architectural design compatible with the design of residential buildings.

(3) *Utilities.* All utilities shall be placed underground and/or shall run within alley easements within the TND.

(k) *Guidelines for garages and secondary dwelling units.* Garages and secondary dwelling units may be placed on a single-family detached residential lot within the principal building or an accessory building provided that the secondary dwelling unit shall not exceed 800 square feet. Garage doors shall have a minimum setback of 20 feet.

(l) *Guidelines for exterior signage.* Comprehensive sign guidelines are required for the entire TND district which establishes a uniform sign theme. Such guidelines shall be submitted to the board of directors of the architectural control committee, if any, for approval. Signs shall share a common style, as to size, shape, and material. In the mixed-use area, all signs shall be wall signs or cantilever signs; provided, however, that no billboards shall be allowed within the TND. Cantilever signs shall be mounted perpendicular to the building face and shall not exceed eight square feet.

(m) *Guidelines for lighting.*

- (1) *Lighting along thoroughfares.* Lighting along thoroughfares, including pedestrian scale lighting, shall be provided along all thoroughfares. Generally more, smaller lights, as opposed to fewer, high-intensity lights, should be used. Lights shall be installed on both sides of streets at intervals of no greater than 75 feet apart. The lighting design shall meet the minimum standards developed by the Illumination Engineering Society.
- (2) *Exterior lighting.* Exterior lighting shall be directed downward in order to reduce glare onto adjacent properties.

(n) *Landscaping and screening standards.*

- (1) *Overall composition and location.* Overall composition and location of landscaping shall complement the scale of the development and its surroundings. In general, larger, well placed contiguous planting areas shall be preferred to smaller, disconnected areas. Where screening is required by this chapter, it shall be at least three feet in height, unless otherwise specified. Required screening shall be at least 50 percent opaque throughout the year. Required screening shall be satisfied by one or some combination of a decorative fence not less than 50 percent behind a continuous landscaped area, a masonry wall, or a hedge.

- (2) *Yards.* A yard 1,000 square feet or less in size is not required to be landscaped.

(3) *Trees along thoroughfares.*

- a. A minimum of one deciduous canopy tree per 40 feet of frontage, or fraction thereof, shall be required. Trees can be clustered and do not need to be evenly spaced, subject to further provisions as set forth herein.
- b. Trees should preferably be located between the sidewalk and the curb, within the landscaped area of a boulevard, or in tree wells installed in pavement or concrete.
- c. If placement of trees within the right-of-way will interfere with utility lines, trees may be planted within the front yard setback adjacent to the sidewalk.
- d. Native shade trees which grow to a minimum height of 40 feet at maturity shall be planted along all streets at a maximum average spacing of 30 feet on center.
- e. Trees shall have a minimum caliper of 2½ inches at the time of planting.

- (8) In residential areas, garage doors which face the front of a lot shall be placed 20 feet beyond the setback of the principal structure. However, the commissions may modify this requirement for no more than 20 percent of the dwelling units if warranted by topography or other environmental conditions.
- (9) In nonresidential areas, parking lots shall be located to the rear or side of buildings. Side parking lots shall account for no more than 25 percent of parking, and shall be screened from sidewalks by a combination of low walls or fences and landscaping.
- (10) In the case of commercial or office uses which have shop fronts or storefronts adjacent to sidewalks and thoroughfares, parking along the thoroughfare directly in front of the lot shall count toward fulfilling the parking requirements.
- (11) The required number of spaces for commercial and office uses may be further reduced by demonstrating the use of shared parking.
- (12) If a developer desires additional customer parking for nonresidential uses, it shall be provided on grassy, pervious surfaces (of reinforced plastic grid, reinforced block or similar material) which are adequate to sustain parked vehicles.
- (13) Off-street parking shall be located in mid-block parking lots located behind the buildings.
- (14) Parking shall be accessed by alley or rear lane, when available. However, there shall be no parking in an alley or lane.
- (15) Parking shall be prohibited within 30 feet of intersections to enable public service and emergency vehicles adequate turning radii, and in mid-block sections such that emergency vehicles can park and operate within 125 feet of all buildings on the block.
- (16) Required parking may be provided within a five-minute (one-quarter mile) radius of the site which it serves.
- (17) The location of permitted parking along thoroughfares should be coordinated to allow access to mail boxes.
- (18) One bicycle rack space shall be provided for every ten vehicular parking spaces.
- (19) Parking lots greater than two double loaded parking rows should be carefully arranged to minimize breaks between pedestrian destinations.
- (20) Shared parking.
 - a. If an office use and a retail sales and service use share parking, the parking requirement for the retail sales and service use may be reduced by 20 percent, provided that the reduction shall not exceed the minimum parking requirement for the office use.
 - b. If a residential use shares parking with a retail and service use other than lodging uses, eating and drinking establishments or entertainment uses, the parking requirement for the residential use may be reduced by 30 percent, provided that the reduction does not exceed the minimum parking requirement for the retail and service use.
 - c. If an office and a residential use share off-street (or other thoroughfare) parking, the parking requirement for the residential use may be reduced by 50 percent, provided that the reduction shall not exceed the minimum parking requirement for the office use.
- (j) *Architectural standards.* A variety of architectural features and building materials is encouraged to give each building or group of buildings a distinct character. In order to achieve harmonious design throughout the TND district, architectural design guidelines for the residential, commercial, office and civic and institutional uses shall be submitted to the commissions and used in creating the development by the developer, as set forth in [section 130-1518](#) and in the general implementation plan checklist.
 - (1) *Guidelines for existing structures.*
 - a. Existing structures, if determined to be historic or architecturally significant, shall be protected from demolition or encroachment by incompatible structures or landscape development.
 - b. The U.S. Secretary of the Interior's Standards for Rehabilitation of Historic Properties shall be used as the criteria for renovating historic or architecturally significant structures.
 - (2) *Guidelines for new structures.*
 - a. *Height.* New structures within a TND district shall be no more than three stories for single-family residential, or five stories for commercial, multi-family residential, or mixed use.
 - b. *Entries, façades, windows, doors and roofs.*
 - 1. The architectural features, materials, and the articulation of a façade of a building shall be continued on all sides visible from a public thoroughfare.
 - 2. The front façade of the principal building on any lot in a TND district shall face onto a public thoroughfare.
 - 3. The front façade shall not be oriented to face directly toward a parking lot.
 - 4. Porches, pent roofs, roof overhangs, hooded front doors or other similar architectural elements shall define the front entrance to all residences.
 - 5. For commercial buildings, a minimum of 50 percent of the front façade on the ground floor shall be glass (transparent), including window or door openings allowing views into and out of the interior.
 - 6. New structures on opposite sides of the same thoroughfare should follow similar design guidelines. This provision shall not apply to buildings bordering civic uses.
 - 7. Building and parking placement within the neighborhood center, or town center, should be arranged to create appropriately scaled continuous building façades with as few non-pedestrian oriented breaks as possible.
 - c. *Disabled accessibility.* Sidewalks shall comply with the applicable requirements of the Americans with Disabilities Act.
 - d. *Crosswalks.* Intersections of sidewalks with thoroughfares shall be designed with clearly defined edges. Crosswalks shall be well lit and clearly marked with contrasting paving materials at the edges or with striping.
 - (5) *Bicycle circulation.* Bicycle circulation shall be accommodated on streets and/or on dedicated bicycle paths. Where feasible, any existing bicycle routes through the site shall be preserved and enhanced. Facilities for bicycle travel may include off-street bicycle paths (generally shared with pedestrians and other non-motorized users) and separate, striped, four-foot bicycle lanes on streets. If a bicycle lane is combined with a lane for parking, the combined width should be 14 feet.
 - (6) *Public transit access.* Where public transit service is available or planned, convenient access to transit stops shall be provided. Where transit shelters are provided, they shall be placed in highly visible locations that promote security through surveillance, and shall be well lighted.
 - (7) *Motor vehicle circulation.* Motor vehicle circulation shall be designed to minimize conflicts with pedestrians and bicycles. Traffic calming features such as "queuing streets," curb extensions, traffic circles, and medians may be used to encourage slow traffic speeds.
 - (8) *Connection.* The thoroughfare network of the TND shall be connected to existing thoroughfares, unless the commissions and council determine that topography, requirements of traffic circulation or other considerations make such connections impractical. In suburban areas, TND streets should be laid out to allow extensions to future neighborhoods. Dead-end streets are prohibited unless the commissions and council determine otherwise.
 - (9) *Design of thoroughfares.*
 - a. *General.*
 - 1. Thoroughfares consist of moving lanes, parking lanes, curbs or swales, planters, trees, street lights and sidewalks.
 - 2. Thoroughfare types shall be designated in the specific implementation plan.
 - 3. Roads, streets, and commercial streets may be modified to become avenues, boulevards and drives.
 - 4. Thoroughfares passing from one use area to another shall change appropriately except those designated as a "connector" in the specific implementation plan.
 - 5. The exact locations of trees and lights along thoroughfares may be adjusted for specific conditions, such as building entrances.
 - 6. Thoroughfares that exist in or near a TND at the time of rezoning and are consistent with the intent of this chapter may become an approved standard for use in that TND. An example of such a condition is commonly found in a nearby historic neighborhood.
 - 7. If striped, on-street parallel parking spaces shall be striped collectively, not individually.
 - 8. The full width of all paths, passages, rural lanes, lanes and alleys shall be designated a utility easement. Only in the absence of these thoroughfare types are utility easements permitted elsewhere.
 - 9. Traffic signals shall be timed on 60-second/30-second intervals, with exceptions only for unorthodox intersections with an unusually high number of turning motions as determined by the department of engineering.
 - 10. All thoroughfares within a TND shall terminate at other thoroughfares, forming a network. Cul-de-sacs shall be granted only when justified by site conditions.
 - b. *Design of thoroughfares in commercial areas.*
 - 1. All lots shall enfront on a thoroughfare, except that a maximum of 20 percent of lots served by a real lane or alley may enfront a path or passage.
 - 2. Thoroughfares may intersect at non-orthogonal angles as acute as 30 degrees.
 - c. *Design of thoroughfares in civic areas.* Thoroughfares affronting civic buildings or civic spaces shall follow the standards of the underlying use area.
 - (i) *Parking requirements.* Parking areas for shared or community use should be encouraged. On-street parking shall count toward the parking requirements. Side and rear parking shall be allowed. In addition:
 - (1) In the mixed-use area, any parking lot shall be located at the rear or side of a building. If located at the side, screening shall be provided as specified in subsection (n) of this section.
 - (2) A parking lot or garage may not be adjacent to or opposite a street, or other thoroughfare, intersection.
 - (3) In the mixed-use area, a commercial use must provide one parking space for every 500 feet of gross building area.
 - (4) Parking lots or garages must provide not less than one bicycle parking space for every ten motor vehicle parking spaces.
 - (5) Adjacent on-street parking may apply toward the minimum parking requirements.
 - (6) In the mixed residential areas, parking may be provided on site. One off-street parking space with unrestricted ingress and egress shall be provided for each secondary dwelling unit.
 - (7) Multi-family uses must provide one parking space for every dwelling unit and 0.5 parking space for each additional bedroom.

- (6) In the event land shown on a specific implementation plan (as hereinafter defined) as common open space is dedicated to the parish, the council may, but shall not be required to, accept the open space provided:
 - a. Such land is accessible to the residents of the parish;
 - b. There is no cost of acquisition other than the costs incidental to the transfer of ownership; and
 - c. The parish agrees to and has access to maintain such lands.
- (7) Common open space shall be protected against building development and environmental damage by conveying to the municipality, parish, association, or land trust an open space servitude restricting the area in perpetuity against any future building and against the removal of soil, trees and other natural features, except as the commissions determine is consistent with conservation or recreational purposes.
- (f) **Stormwater management.** The design and development of the TND district should minimize off-site stormwater runoff, promote on-site filtration, and minimize the discharge of pollutants to groundwater and surface water. Natural topography and existing land cover should be maintained/protected to the maximum extent practicable. New development and redevelopment shall meet the following requirements:
 - (1) Untreated, direct stormwater discharges to wetlands or surface waters are not allowed.
 - (2) A drainage analysis shall be submitted in conformance with [chapter 125](#), pertaining to subdivisions, and/or [chapter 115](#), pertaining to drainage and flood control.
 - (3) Erosion and sediment controls must be implemented.
 - (4) Redevelopment stormwater management systems should improve existing conditions and meet standards to the extent practicable.
 - (5) All treatment systems or BMPs must have operation and maintenance plans to ensure that systems function as designed.
- (g) **Lot and block standards.**
 - (1) **Block and lot size diversity.** Thoroughfare layouts should provide for perimeter blocks that are generally in the range of 200 to 400 feet deep by 400 to 800 feet long. Block length shall not exceed 2,000 feet in perimeter. The commissions may approve block perimeters of more than 2,000 feet if required because of existing topography. A block longer than 500 feet in length shall be traversed near the midpoint by a pedestrian path. A variety of lot sizes should be provided to facilitate housing diversity and choice and meet the projected requirements of people with different housing needs.
 - (2) **Lot widths.** Lot widths should create a relatively symmetrical street or road cross section that reinforces the public space of the street or road as a simple, unified public space.
 - (3) **Building setback, front—Mixed use area.** Structures in the mixed-use area have no minimum setback. Commercial and civic or institutional buildings should abut the sidewalks in the mixed-use area.
 - (4) **Building setback, front—Areas of mixed residential uses.** Single-family detached residences shall have a building setback in the front as specified in the conditions, covenants and restrictions (CCR). The CCR must establish a specific or range of setback between zero and 25 feet in depth. Single-family attached residences and multi-family residences shall have a building setback in the front between zero and 15 feet.
 - (5) **Building setback, rear—Areas of mixed residential uses.** The principal building on lots devoted to single-family detached residences shall be set back no less than 30 feet from the rear lot line.
 - (6) **Side setbacks.** Provision for zero lot line single-family dwellings should be made, provided that a reciprocal access easement is recorded for both lots and townhomes or other attached dwellings, provided that all dwellings have pedestrian access to the rear yard through means other than the principal structure.
- (h) **Thoroughfare network.**
 - (1) **Modes of transportation.** The circulation system shall allow for different modes of transportation.
 - (2) **Circulation system.** The circulation system shall provide functional and visual links within the residential areas, mixed-use area, and open space of the TND district and shall be connected to existing and proposed external development. The circulation system shall provide adequate traffic capacity, provide connected pedestrian and bicycle routes, especially off-street bicycle or multi-use paths or bicycle lanes on the streets where required and ADA-approved crosswalks and sidewalks, control through traffic, provide adequate transit stops, limit lot access to streets of lower traffic volumes, and promote safe and efficient mobility through the TND district.
 - (3) **Street design guidelines.** The general requirements of [section 130-1532](#) shall apply, which may be modified by the commissions.
 - (4) **Pedestrian circulation.** Convenient pedestrian circulation systems that minimize pedestrian-motor vehicle conflicts shall be provided continuously throughout the TND. Where feasible, any existing pedestrian routes through the site shall be preserved and enhanced. All streets, except for alleys, shall be bordered by sidewalks on both sides in accordance with the specifications listed in [section 130-1532](#). The following provisions also apply:
 - a. **Sidewalks in residential areas.** Clear and well-lighted sidewalks, three to five feet in width, depending on projected pedestrian traffic, shall connect all dwelling entrances to the adjacent public sidewalk. Sidewalks shall be provided along both sides of each street in residential areas. For pedestrian safety, sidewalks shall be separated at least seven feet from the curb.
 - b. **Sidewalks in mixed-use areas.** Clear and well-lighted walkways shall connect building entrances to the adjacent public sidewalk and to associated parking areas. Such walkways shall be a minimum of five feet in width. Sidewalks shall be provided along both sides of each thoroughfare type located within a mixed-use area. For pedestrian safety, sidewalks shall be separated at least seven feet from the curb.
- (e) **Additional common open space requirements.** At least 20 percent of the gross acreage of the TND district must be open space. At least 25 percent of the common open space must be dedicated to the public for parkland. Ninety percent of the lots within the areas devoted to mixed residential uses shall be within one-half mile or a 15-minute walk from common open space.
 - (1) The following uses may account for common open space with the stated limitations:
 - a. Parks and other open greenbelt areas which are readily accessible must account for not less than 25 percent of the common open space.
 - b. Trees along thoroughfare types located within designated landscape common areas or landscape servitude and located within a street right-of-way may not exceed 25 percent of the common open space. There shall be one street tree per 40 feet of frontage. However, common open space within vehicle use areas or any noncontiguous green area of less than 1,000 square feet may not be included.
 - c. Lake and ponds, including stormwater wet detention basins provided that they are designed so that a minimum of 20 percent of the abutting shoreline is made accessible for the common use of the development, but in no event less than 300 feet of frontage.
 - d. Stormwater dry detention basins of not less than one acre, but may not exceed 25 percent of the common open space and must be designed to provide for acceptable maintenance and upkeep of the detention basin.
 - e. Golf courses may account for up to 50 percent of the common open space.
 - f. Wetlands with not less than 50 percent bottomland hardwood, pine savannah, and/or brackish marshland.
 - g. Hard surface recreation areas such as recreational courts and pedestrian plazas may account for up to 25 percent of the common open space.
 - h. Areas including servitudes with existing below-ground utilities and/or facilities with a width of not less than 50 feet.
 - i. Electrical transmission line servitudes with a width of not less than 150 feet.
 - j. School sites, excluding the area devoted to buildings.
 - k. An existing building or buildings that have historical or cultural significance may be located in a common area space; however, the enclosed building area may not be included in the common open space requirement.
 - l. Common open space for the use by the general public, if agreed to by the appropriate governmental authority, in each case in an amount to be determined by the commissions.
 - (2) Common open space shall not include:
 - a. **Required:**
 1. Yards which are not accessible for the common use of the development;
 2. Parking areas;
 3. Drives;
 4. Utility with above-ground improvements or road easements/servitudes except as specified above;
 - b. Structures (unless a part of the open space such as gazebos);
 - c. Drainage ditches or canals; and
 - d. Areas reserved for the exclusive use and benefit of an individual tenant or owner.
 - (3) No more than 20 percent of the common open space shall be devoted to paved areas and structures such as courts or recreation buildings. Parking lots and on-street parking shall not be located within or along the side of a street or road bordering parks, greens and squares.
 - (4) Common open space shall be permanently set aside for the sole benefit, use, and enjoyment of present and future occupants of the traditional neighborhood development through covenant, deed restriction, open space servitude, or similar legal instrument; or, if agreed to by governmental agency, the open space may be conveyed to a governmental agency for the use of the general public.
 - (5) The commissions may consider a traditional neighborhood development with a lesser amount of common open space if it is clear that the proposed traditional neighborhood development substantially provides for the intent of a traditional neighborhood development. It is noted that common open space is a very important element of a traditional neighborhood development and reductions to the common open space provision should be granted only as a result of specific, clearly documented reasons (i.e., the traditional neighborhood development may be located on a relatively small site in an area where a respective 15 percent or 20 percent provision would detract from building continuity or historic preservation efforts).

- d. Office which may include the following:
 1. Art galleries and studios;
 2. Banks;
 3. Child care centers;
 4. Clubs;
 5. Offices;
 6. Medical clinics.
 - e. Open space uses may include the following:
 1. Central square;
 2. Neighborhood parks;
 3. Recreational facilities; and
 4. Playgrounds.
- (3) Open space. Uses identified below should be incorporated in the TND district as appropriate. Large outdoor recreation areas should be located at the periphery of neighborhoods rather than central locations. Common open space is more particularly described in subsection (e) of this section.
- a. Environmental corridors;
 - b. Protected natural areas;
 - c. Community parks;
 - d. Streams, ponds, and other water bodies; and
 - e. Stormwater detention/retention facilities.
- (d) Development units. The number of residential dwelling units and the amount of nonresidential development, excluding open spaces, shall be determined as follows, provided that single-family detached dwellings shall account for at least 50 percent of the total number of residential units in the TND, and two-family units, townhomes, and multi-family units shall comprise less than 50 percent of the units:
- (1) In areas devoted to mixed residential uses:
 - a. The number of single-family attached and detached units permitted shall be 5 to 8+ dwelling units per net acre.
 - b. The number of multi-family units shall be eight to 40 dwelling units per net acre.
 - c. Secondary dwelling units shall be permissible in addition to the number of dwelling units authorized under this section. However, the total number of secondary dwelling units shall not be more than ten percent of the total number of single-family attached and detached units.
 - d. For each affordable housing unit provided under this section, one additional dwelling unit shall be permitted, up to a maximum 15 percent increase in dwelling units.
 - (2) In mixed-use areas:
 - a. The number of single-family and multi-family dwelling units permitted shall be calculated the same as above plus an additional number of units not to exceed ten percent of the amount permitted above.
 - b. All dwelling units constructed above commercial uses shall be permissible in addition to the number of dwelling units authorized under this section. However, the total number of dwelling units shall not be increased by more than ten dwelling units or ten percent, whichever is greater.
 - c. The total ground floor area of nonresidential development uses, including off-street parking areas, shall not exceed 25 percent of the TND district.
- g. Provide for the ownership, development, management, and maintenance of private open space (except plazas owned by individual property owners), community parking facilities, community meeting hall, and other common areas;
 - h. Provide for a maintenance program for all property within the TND, including landscaping and trees within the streetscape;
 - i. Require the collection of assessments from members in an amount sufficient to pay for its functions; and
 - j. Be effective for a term of not less than 50 years.
- (b) Land use allocations. Each lot within a TND district must be allocated particular permitted land use categories. Areas which would permit the sale or consumption of alcohol must be approved for an alcohol license by the alcohol and beverage board.
- (c) Neighborhood uses. In order to achieve the proximity necessary to make neighborhoods walkable, it is important to mix land uses. A TND district should consist of a mix of residential uses, a mixed use area, and open space as provided below:
- (1) A mix of residential uses of the following types can occur anywhere in the TND district, provided that attached or detached single-family dwellings shall account for at least 50 percent of the residential units in the TND. For infill development, the mix of residential uses may be satisfied by existing residential uses adjacent to the TND district by including some and/or all of the following:
 - a. Single-family detached dwellings, including manufactured homes;
 - b. Single-family attached dwellings, including duplexes, townhomes, rowhouses;
 - c. Multi-family dwellings, including senior housing;
 - d. Secondary dwelling units ("granny flats");
 - e. "Special needs" housing, such as community living arrangements and assisted living facilities;
 - f. Residential units above commercial uses, which shall be considered multi-family units.
 - (2) Mixed use area, of commercial, residential, civic or institutional, and open space uses as identified below. All residents should be within approximately one-half mile or a 15-minute walk from existing or proposed commercial, civic, and open space areas.
 - a. Commercial uses may include the following:
 1. Food services (including, without limitation, neighborhood grocery stores, butcher shops, bakeries; restaurants (including the sale and consumption of alcohol), not including drive throughs; cafes; coffee shops; neighborhood taverns, bars or pubs); delis, ice cream parlors, specialty foods, and/or outside dining patios and areas;
 2. Retail uses (including, without limitation, retail sales, florists or nurseries; gas stations, hardware stores, stationery stores; book stores; galleries, studios and shops of artists and artisans, drug stores, apparel, antiques, furniture, music, pets, farmers market, and toys);
 3. Services (including, without limitation, child care centers; music, dance or exercise studios; offices, including professional and medical offices; financial and banks; medical clinics, barber; laundromats; educational, hair salon; dry cleaning, health or fitness, dry cleaners, tailor shops, repair and service shops, and postal);
 4. Accommodations (bed and breakfast establishments, small hotels or inns); and
 5. Clubs and organizations, including fraternal organizations.
 - b. Residential uses may include the following, for sale or rent:
 1. Single family attached dwellings, including duplexes, townhomes, rowhouses;
 2. Multi-family dwellings, including senior housing;
 3. Residential units located on upper floors above commercial uses or to the rear of storefronts;
 4. Live/work units that combine a residence and the resident's workplace; and
 5. "Special needs" housing, such as community living arrangements and assisted living facilities.
 - c. Civic or institutional uses may include the following:
 1. Municipal offices, fire stations, libraries, museums, community meeting facilities, and post offices;
 2. Places of worship;
 3. Transit shelters;
 4. Philanthropic institutions; and
 5. Educational facilities.

Subdivision means any division, subdivision or redivision of a subdivision, tract, parcel, or lot of land into two or more lots, plots, sites, parts, or other division of land by means of mapping, platting, conveyance, or change of rearrangement of boundaries for the purpose of sale, lease or development, whether immediate or future. All subdivisions are also developments.

Thoroughfare means a paved vehicular way with moving lanes and parking lanes accompanied by streetscapes at the sides, both within and outside of a public right-of-way, and including all of the thoroughfare types as set forth and described herein.

Thoroughfare types means boulevards, roads, rural roads, streets, commercial streets, collectors, driveways, highways, passages, paths, rear alleys, and rear lanes.

Townhome means two or more attached living units with common or party sidewalks between units, designated so that each unit may be sold independently as a lot with its own yards and parking spaces.

Traditional neighborhood or traditional neighborhood development means a compact, walkable, mixed-use neighborhood where residential, commercial and civic buildings are within close proximity to each other as contemplated under this chapter.

(1) *TND-2 Concept*. The designation of property for development as a traditional neighborhood development through the comprehensive rezoning process or in accordance with the time limitations and procedures set forth in [section 130-1531](#).

(2) *TND-2 Planned*. The designation of property for development as a traditional neighborhood development following approval of the general implementation plan.

(3) *TND-2*. The redesignation of property for "TND Planned" on the official map, upon approval of a specific implementation plan and the final plat.

Transit stop means a location where passengers board and alight. Transit stops can serve one or more routes and include various levels of amenities depending on the level of actual or anticipated riders. Amenities can include transit stop sign pole, benches, trash receptacles, shelters and lighting. Transit stops can be placed within the public right-of-way or on private property depending on service needs and passenger comfort.

Tree means any self-supporting perennial woody plant that is at least four inches in diameter.

Urban street means a typical urban condition which comprises a street with raised curbs drained by inlets. A narrower, continuous planter separates wide sidewalks along both sides from the thoroughfare. Trees along urban streets consist of a single species aligned in a row.

Use means the purpose or activity for which land or any building thereon is designed, arranged, or intended, or for which it is occupied or maintained.

Variance means permission to depart from the literal requirements of this chapter granted by the council.

Zoning commission means that body of appointed officials granted the authority to administer land use regulations in accordance with under title 33, sections 101 through 119, Louisiana Revised Statutes Annotated (R.S. 33:101—33:119), as amended, and under title 33, sections 4776.40 through 4776.50, Louisiana Revised Statutes Annotated (R.S. 33:4776.40—33:4776.50), as amended, the St. Tammany Parish Home Rule Charter Commission, adopted under the authority of article VI, section 5, of the Constitution of Louisiana and R.S. 33:1395, as amended and article I of these regulations.

(Code 1998, app. C, § 5.3503A; Ord. No. 07-1548, § 5.3503A, 5-3-2007; Ord. No. 10-2186, 1-7-2010)

Sec. 130-1512. - TND-2 district design requirements.



(a) Association.

(1) Conditions, covenants, and restrictions for all the property within a TND-2 district must be filed in the parish records by the owner before a lot is sold and/or a building permit is issued.

(2) In addition to other terms and conditions acceptable to the applicant, the conditions, covenants, and restrictions must create one or more property owners associations with mandatory membership for each property owner, governed by articles of incorporation and bylaws, which shall:

- a. Be organized by the applicant and operated with a financial subsidy from the applicant before the sale of any lots within the TND district;
- b. Provide for the conditions and timing of transferring control of the association from the applicant to the property owners;
- c. Be responsible for maintenance of insurance and taxes on all common open space, enforceable by liens placed on the association by the parish, as provided in the association bylaws;
- d. At all times, cause all owners to have access to the common open space within the TND district;
- e. Establish architectural standards that are in conformity with the requirements of this chapter which shall be subject to review and approval by the board of directors of the association or the architectural control committee, as described below;
- f. Create an architectural control committee to review development for compliance with the architectural standards, to issue certificates of approval, and to review and approve the development's architect, designer, and/or other professionals contributing to the development;

Planning staff or commissions staff means professional and non-professional personnel employed by the parish government to carry out and fulfill the directives and responsibilities of the commissions. Staff functions may be conducted by private or public consultants.

Principal building means a building in which the principal use of the lot on which the building is located is conducted or intended to be conducted.

Principal use means the specific primary purpose for which land is used.

Public improvement means any improvement, facility, or service, together with customary improvements and appurtenances thereto, necessary to provide for such public needs as vehicular and pedestrian circulation systems, storm sewers, flood control improvements, water supply and distribution facilities, sanitary sewage disposal and treatment, public utility, and energy services.

Queueing means the use of one travel lane on local streets with parking, usually an intermittent parking pattern, on both sides.

Rear alley means a narrow service accessway to the rear of more urban buildings providing service areas, parking access, and utility easements. Alleys, as they are used by trucks and must accommodate dumpsters, should be paved from building face to building face, with drainage by inverted crown at the center. Buildings facing the alley must have windows.

Rear lane means a vehicular accessway located to the rear of a lot providing access to parking and outbuildings as well as easements for utilities. Rear lanes are paved as lightly as possible to driveway standards or with gravel. Rear lanes should be as rural as possible in character. Buildings facing the rear lane must have windows. Posted speed should equal design speed.

Rear lot line means that lot line which is parallel to and most distant from the front lot line of the lot, in the case of an irregular or triangular lot, a line 20 feet in length, entirely within the lot, parallel to and at the maximum possible distance from the front line, shall be considered to be the rear lot line. In the case of lots which have frontage on more than one road or street, the rear lot line shall be opposite the lot line along which the lot takes access to a street.

Restrictive, more (less) means a regulation imposed by this chapter is more (less) restrictive than another if it prohibits or limits development to a greater (lesser) extent or by means of more (less) detailed specifications.

Right-of-way means a strip of ground dedicated by the developer for public use, title to which shall rest in the public for the purpose stated in the dedication.

Road means a thoroughfare with open swales drained by runoff percolation and an informal walking path or bicycle trail along one side. Trees along roads consist of multiple species composed in clusters. Roads have low pedestrian use. Design speed can exceed the posted speed.

Rural road means a thoroughfare with open swales drained by runoff percolation and no separate pedestrian path. Trees along rural roads consist of multiple species composed in clusters.

Secondary dwelling unit means an additional dwelling unit located within the principal dwelling on the lot, in a freestanding building or above a residential garage.

Servitude or easement means a strip existing or to be reserved by the developer for public utilities, drainage and other public purposes, the title to which shall remain with the property owner, subject to the right of use designated in the reservation of servitude; or a strip of ground designated or intended to be used for access to buildings and other portions of property.

Side lot line means any lot line other than a front or rear lot line.

Sign means any structure, part thereof, or device attached thereto or painted or represented thereon, or any material or thing, illuminated or otherwise, which displays or includes any numeral, letter, word, model, pennant, streamer, banner, emblem, insignia, device, trademark or other representation used as, or in the nature of, an announcement, advertisement, direction or designation of any person, firm, group, organization, place, commodity, product, service, business, profession, enterprise or industry which is located upon any land or on any building.

Story or stories means a space in a building between the surface of any floor and the surface of the next floor above, or if there is no such floor above, then the space between such floor and the ceiling or roof above.

Street means a strip of land, including the entire right-of-way, publicly or privately owned, serving as a means of slow vehicular travel, and furnishing access to abutting properties, which may also be used to provide space for sewers, public utilities, shade trees, and sidewalks. A street may be public or private.

Structure means an object, including a mobile object, constructed or installed by man, including but without limitation, buildings, towers, cranes, and overhead transmission lines.

Flood or flooding means a general and temporary condition of partial or complete inundation of normally dry land areas from the overflow of inland or tidal waters, or the unusual and rapid accumulation or runoff of surface waters from any source.

Floor area means the sum of the gross floor area for each of a building's or structure's stories measured from the exterior limits of the faces of the building or structure. The floor areas of the building include the basement floor area. The floor area includes the attic only if it is habitable floor area.

General implementation plan means the initial plan of development for a TND which an applicant/developer submits to the commissions containing all those items described in the general implementation plan checklist, including written and graphic documents, which represents a general plan of the proposed land uses and their overall impact on the land and surrounding land for redesignation of the land to TND-2 Planned.

General implementation plan checklist means a list containing items which must be included in a general implementation plan submitted to the commissions for TND approval.

Highway means a long-distance, speed-movement thoroughfare designed for vehicle use, traversing open countryside. A highway should be relatively free of intersections, driveways and adjacent buildings, otherwise it becomes strip development which interferes with traffic flow and human comfort. Variants include freeways, expressways and parkways.

Live/work unit means those dwelling structures or units that combine a residence and a workplace, as permitted in this chapter.

Lot means a parcel of land undivided by any street or private road and occupied or intended for occupancy by, or designated to be developed for, one building or principal use and the accessory buildings or accessory uses customarily incidental to such building, use or development, including such open spaces and yards as are designed and arranged or required by this chapter for such building use or development.

Lot area means the area contained within the boundary lines of a lot.

Lot line means a line bounding a lot which divides one lot from another or from a street or any public or private space.

Lot width means the horizontal distance between side lot lines measured at the front setback. Where there is only one side lot line, lot width shall be measured between such lot line and the opposite lot line or future right-of-way line.

Major change means a change to an approved traditional neighborhood development as set forth in [section 130-1522\(a\)](#), (b) and (c).

Minor change means a change to an approved traditional neighborhood development as set forth in [section 130-1522\(d\)](#).

Net acre means an acre of land excluding street rights-of-way and other publicly dedicated improvements such as parks, open space, and stormwater detention and retention facilities.

Owner means the person having the right of legal title to, or beneficial interest in, a lot or parcel of land.

Parcel means the area within the boundary lines of a development.

Parish means the Parish of St. Tammany, State of Louisiana.

Passage means a pedestrian connector passing between buildings. Passages provide shortcuts through long blocks and connect rear parking areas with street frontages. Passages may be roofed over and lined by shopfronts. Variants include courts, a passage that is wide enough to be landscaped, being the frontage for buildings which are otherwise provided with vehicular access only by rear alleys.

Path means a pedestrian way traversing a park or the countryside. Paths should connect directly with the sidewalk network at the urban edge.

Person means an individual, firm, partnership, corporation, company, association, joint stock association or government entity, including a trustee, a receiver, and assignee, or a similar representative of any of them.

Planning commission means the body duly appointed by the parish government and charged with the responsibility of formulating a comprehensive plan, to keep it up to date, and to prescribe and administer necessary rules and regulations for the successful implementation of the comprehensive plan, a part of which being the subdivision regulations in accordance with R.S. 33:101—33:120.1.

Application means an application filed by a developer/applicant for TND district zoning.

Association or associations means the association or associations of all the owners of property in the TND-2 district charged with the ownership and maintenance of common open space and associated facilities and operated pursuant to articles of incorporation and bylaws. Initially, the developer shall maintain control of the association until such time as two-thirds of lots in the TND have been sold, or as otherwise set forth in its articles or bylaws. A TND-2 district may have a residential association and a commercial association.

Block means a unit of land bounded by thoroughfares or by a combination of thoroughfare types, public land, railroad rights-of-way, waterways, or any other barrier to the continuity of development.

Boulevard means a major thoroughfare for carrying a large volume of through traffic in the area, normally controlled by traffic signs and signals with relatively few intersections and/or drives.

Buffer or buffer yard means a unit of land, together with a specified type and amount of planting and any fencing which may be required between land uses to minimize conflicts between them.

Building means a structure built, maintained, or intended for use as a shelter or enclosure of persons, animals, or property. The term includes any part of the structure. Where independent units with separate entrances are divided by party walls, each unit is a building.

Building height or height means the vertical distance measured from the lowest ground elevation to the highest point of the building or structure. The building height may be prescribed as a maximum number of stories or as a dimension from sidewalk grade to the eave. The height limit shall not apply to chimneys.

Building setback means the distance from the street right-of-way line to the closest point of the foundation of a building or projection thereof.

Collector means a street designed to carry moderate volumes of traffic from local streets to boulevards or from boulevard to boulevard. Collectors are also referred to as avenues. (See standards in [section 130-1532](#).)

Commercial street means a very urban condition which comprises a street with raised curbs drained by inlets. Wide sidewalks along both sides are separated from the thoroughfare by small separate tree wells. Trees along the commercial street consist of a single species aligned in a row or rows. Tree spacing may be irregular to stay clear of shop entrances. Commercial streets have the highest pedestrian use.

Commissions means the planning commission and the zoning commission, individually and collectively.

Common open space means a parcel or parcels of land and/or an area of water within a development that are held in some form of common ownership and designated, designed and intended for benefit, use or enjoyment of the occupants of the development. It may contain such complementary structures and improvements as necessary and appropriate for the benefit and enjoyment of the occupants of such development as set forth in [section 130-1512\(e\)](#), including those uses set forth in section 10.1.1, III., B of the Development Code.

Council means the St. Tammany Parish Council.

Density means a measure of the intensity of development. In this chapter, density for residential development is calculated in terms of units per acre.

Developer means the legal or beneficial owner of a lot or parcel of any land proposed for inclusion in a development, including the holder of an option or contract to purchase.

Development means the division of a parcel of land into two or more parcels; the construction, reconstruction, conversion, structural alteration, relocation, or enlargement of any buildings or structures; any use or change in use of any buildings or land; or any extension of any use of land or any clearing, grading, or other movement of land.

Development Code means the St. Tammany Parish Unified Development Code and Subdivision Regulations.

Drainage means the removal of surface water or groundwater from land by drains, grading, or other means. Drainage includes the control of runoff to minimize erosion and sedimentation during and after development and includes the means necessary for water supply preservation or the prevention or alleviation of flooding.

Drive or driveway means, for the purposes of this division only, a vehicular accessway within a lot.

Dwelling means any building or portion of a building which is designated or used for residential purposes.

Dwelling, multi- or multi-family means a building that contains more than one dwelling unit.

Dwelling, single- or single-family means a building that contains only one living unit, including attached buildings in the case of townhomes when said living units are each on a separate legal lot or parcel.

- (e) A "neighborhood edge area" is the least dense portion of a TND-2 district, with larger lots and greater setbacks than the rest of the neighborhood. Alleys are not required, and direct vehicular access to streets is permitted. Only single-family residential dwellings (attached or detached) are permitted. A neighborhood edge area is appropriate along the perimeter of the neighborhood. A portion of a TND-2 district that adjoins existing or platted conventional low density housing must be designated as a neighborhood edge area.
- (f) Large office, low-impact manufacturing uses and industrial uses that are not appropriate for a neighborhood center area or a mixed residential area but which serve the local residents may be located in a specified district.
- (g) Civic uses that are oriented to the general public are permitted in a neighborhood center area and a mixed residential area. These uses are essential components of the social and physical fabric of a TND-2 district. Civic space shall be integrated in residential and commercial areas in the TND. TND-2 districts shall incorporate civic common open spaces to be maintained by the municipality and/or private open spaces to be maintained by the community or landowners within the TND-2 district. Special attention should be paid to the location of government offices, libraries, museums, schools, churches, and other prominent public buildings to create focal points and landmarks for the community. The locations of these major public civic uses are designated on the development plan at the time of commission approval of a particular development.
- (h) Open space is a significant part of a TND-2 district design. Formal and informal open spaces are required. These serve as areas for community gatherings, landmarks, and as organizing elements for the neighborhood. Open space includes squares, plazas, greens, preserves, parks, and greenbelts.
- (i) A TND-2 district is designed to be pedestrian oriented. To accomplish this goal, pattern and design of the various thoroughfare types are used to reduce vehicle travel speeds and encourage pedestrian activity. An interconnected network of streets, and other thoroughfare types, is required. Streets may be smaller than in conventional development and more varied in size and form to control traffic and give character to the neighborhood.
- (j) Thoroughfares and utilities in TND-2 districts shall connect to existing thoroughfares and utilities, or dead-end as stubs intended for connection to future thoroughfares, unless otherwise prohibited by topography, environmental constraints or other considerations, as further described in [section 130-1512\(h\)](#).

(Code 1998, app. C, § 5.3502A; Ord. No. 07-1548, § 5.3502A, 5-3-2007; Ord. No. 10-2186, 1-7-2010; [Ord. No. 21-4592](#), 7-8-2021)

Sec. 130-1511. - TND-2 district definitions.

For the purposes of this division only, the following definitions shall be observed and applied, except when the context clearly indicates otherwise. Words used in the present tense shall include the future tense. Words used in the singular form shall include the plural form. Words used in the plural form shall include the singular.

Abutting means having a border with, or being separated from such common border by, an alley or easement.

Access means an entry to or exit from a property, lot, building, parking lot, or other area within the TND-2 district.

Accessory building means a building which is:

- (1) Subordinate to and serves a principal structure or principal use;
- (2) Subordinate in area, extent and purpose to the principal structure or principal use;
- (3) Located on the same lot as the principal structure or principal use; and
- (4) Customarily incidental to the principal structure or principal use. Any portion of a principal building which is devoted to an accessory use is not an accessory building.

Accessory use means a use which is:

- (1) Is subordinate to and serves a principal structure or principal use;
- (2) Is subordinate in area, extent, and purpose to the principal structure or principal use served;
- (3) Is located on the same lot as the principal structure or principal use served except as otherwise expressly authorized by provisions of this chapter; and
- (4) Is customarily incidental to the principal structure or principal use.

Acre means 43,560 square feet.

Alley means a public or private way permanently reserved as a secondary means of access to abutting property. (See standards in [section 130-1532](#).)

Appeal means a means for obtaining review of a decision, determination, order, or failure to act under the terms of this chapter.

DIVISION 46. - TND-2 TRADITIONAL NEIGHBORHOOD DEVELOPMENT ZONING DISTRICT

Sec. 130-1509. - Purpose.

The purpose of a TND-2 Traditional Neighborhood Development Zoning District ("TND-2 district") is to encourage mixed-use, compact development and facilitate the efficient use of services. A TND-2 district diversifies and integrates land uses within close proximity to each other, and it provides for the daily recreational and shopping needs of the residents. A TND-2 district is a sustainable, long-term community that provides economic opportunity and environmental and social equity for the residents. This division's intent is to encourage its use by providing incentives, rather than prohibiting conventional development. Traditional neighborhood development:

- (1) Is designed for the human scale;
- (2) Provides a mix of uses, including residential, commercial, civic, and open space uses in close proximity to one another within the neighborhood;
- (3) Provides a variety of housing types, and sizes to accommodate households of all ages, sizes, and incomes;
- (4) Includes residences, shops, workplaces and civic buildings interwoven within the neighborhood, all within close proximity;
- (5) Incorporates a system of relatively narrow, interconnected streets, roads, drives, and other thoroughfare types with sidewalks and bikeways, that offer multiple routes for motorists, pedestrians, and bicyclists and provides for the connections of those thoroughfare types to existing and future developments;
- (6) Includes compatibility of buildings and other improvements as determined by their arrangement, bulk, form, character and landscaping to establish a livable, harmonious and diverse environment;
- (7) Incorporates environmental features into the design;
- (8) Coordinates transportation systems with a hierarchy of appropriately designed facilities for pedestrians, bicycles, and vehicles;
- (9) Provides well-configured squares, plazas, greens, landscaped streets, preserves, greenbelts and parks woven into the pattern of the neighborhood;
- (10) Incorporates architecture, landscape, lighting and signage standards integrated with the zoning provisions that respond to the unique character of the region; and
- (11) Provides an increased range of options than are allowed by conventional zoning.

(Code 1998, app. C, § 5.3501A; Ord. No. 07-1548, § 5.3501A, 5-3-2007; Ord. No. 10-2186, 1-7-2010)

Sec. 130-1510. - Overview.

- (a) A TND-2 district consists of an area of not less than 50 contiguous acres. In this article, property is considered contiguous even if separated by a public roadway.
- (b) A TND-2 district is divided into at least two types of areas, and each type of area has different land use and site development regulations. A TND-2 district must have one neighborhood center area (also sometimes referred to as town center or village center) and at least one mixed residential area. A TND-2 district may also have a neighborhood edge area, civic spaces and green spaces.
- (c) A "neighborhood center area" serves as the focal point of a TND-2 district, containing retail, commercial, civic, and/or public services to meet the daily needs of community residents. A neighborhood center is pedestrian-oriented, and it is designed to encourage pedestrian movement. A square may be located in a neighborhood center area. Retail and commercial uses should generally be located adjacent to a square. The neighborhood center uses include retail shops, restaurants, offices, banks, hotels, post office, governmental offices, churches, community centers, and attached residential dwellings.
- (d) A "mixed residential area" includes a variety of residential land uses, including single-family residential, duplex, townhome, and multi-family. Residential scale retail and commercial uses are permitted within a mixed residential area with strict architectural and land use controls. Retail and commercial uses in a mixed residential area are required to blend into the residential character of the neighborhood. A mixed residential area includes open spaces including small squares, pocket parks, community parks, and greenbelts. A mixed residential area promotes pedestrian activity through well designed and varied streetscapes that also provide for the safe and efficient movement of vehicular traffic. Mixed residential area uses include single-family homes, condominiums, townhomes, apartments, offices, short-term rentals, restaurants, neighborhood scale retail, and civic uses. Mixed residential areas often utilize alleys.

Sec. 130-1532. - Street design guidelines in a TND district.



Table 130-1532: Street Design Guidelines in a TND District
(Each subject to modification by the commissions)

EXPAND

	Collector or Avenue	Subcollector or Drive	Local Street or Road	Alley
Average daily trips	750 or more	250—750	Less than 250	Not applicable
Right-of-way	76—88 feet	58—72 feet	35—50 feet	15—30 feet
Auto travel lanes	2 or 3 12-foot lanes	2 10-foot lanes	2 10-foot lanes, or 1 14-foot (queuing) lane	2 8-foot lanes for two-way traffic, or 1 12-foot lane for yield traffic
Bicycle lanes	2 6-foot lanes combined with parking lanes	4-foot lanes with no parking, or 6-foot lanes combined with parking lanes	None	None
Parking	Both sides, 8 feet	None, one, or both sides, 8 feet	None or one both side, 8 feet	None (access to individual drives and garages outside right-of-way)
Curb and gutter	Required	Required	Not required	Not required
Planting strips	Minimum 6 feet	Minimum 6 feet	Minimum 3 feet	None
Sidewalks	Both sides, 5 feet minimum	Both sides, 3—5 feet	Both sides, 3—5 feet	None

(Code 1998, app. C, § 5.35A, tbl. 1; Ord. No. 07-1548, § 5.35A, tbl. 1, 5-3-2007)

Secs. 130-1533—130-1550. - Reserved.



Flood Map

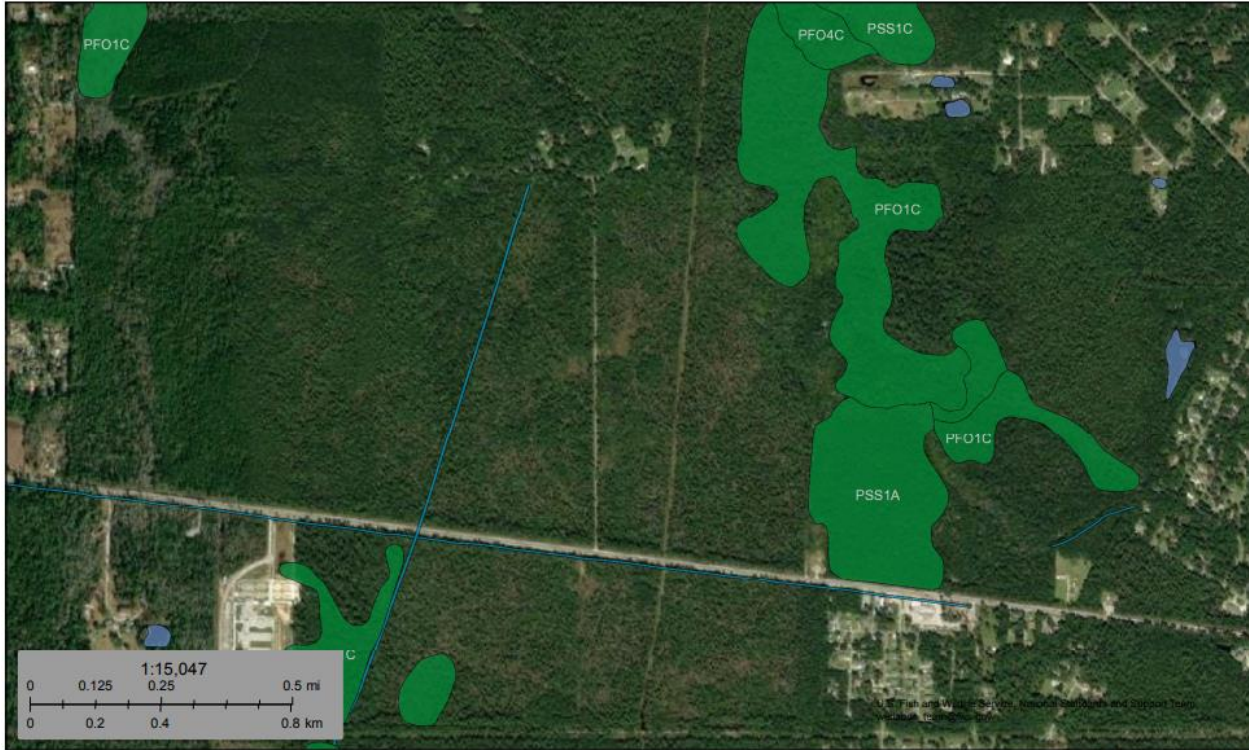


The flood map for the selected area is number **2252050415C**, effective on **04/02/1991** [?](#)

Wetlands Map



Wetlands



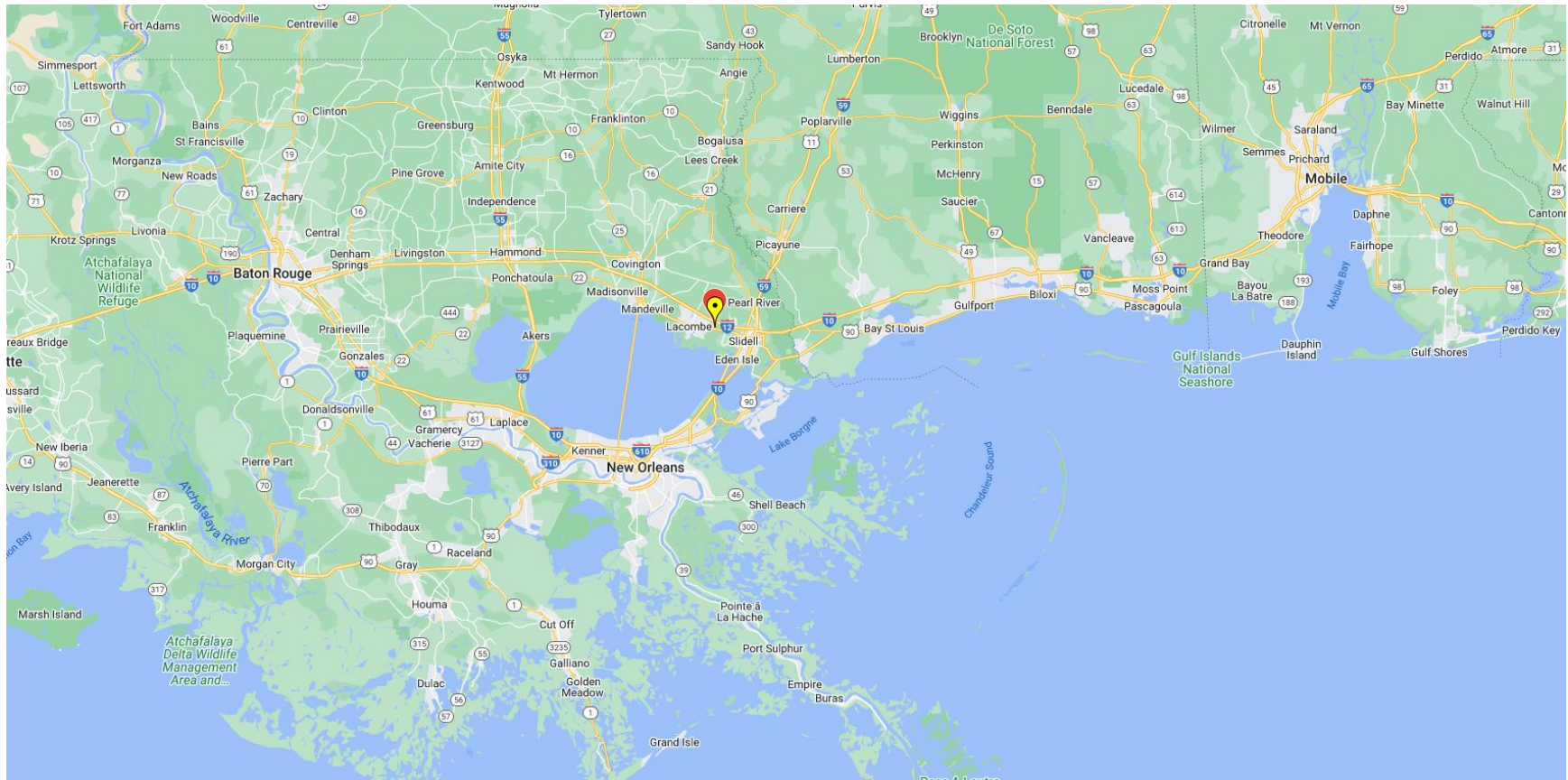
October 4, 2022

Wetlands

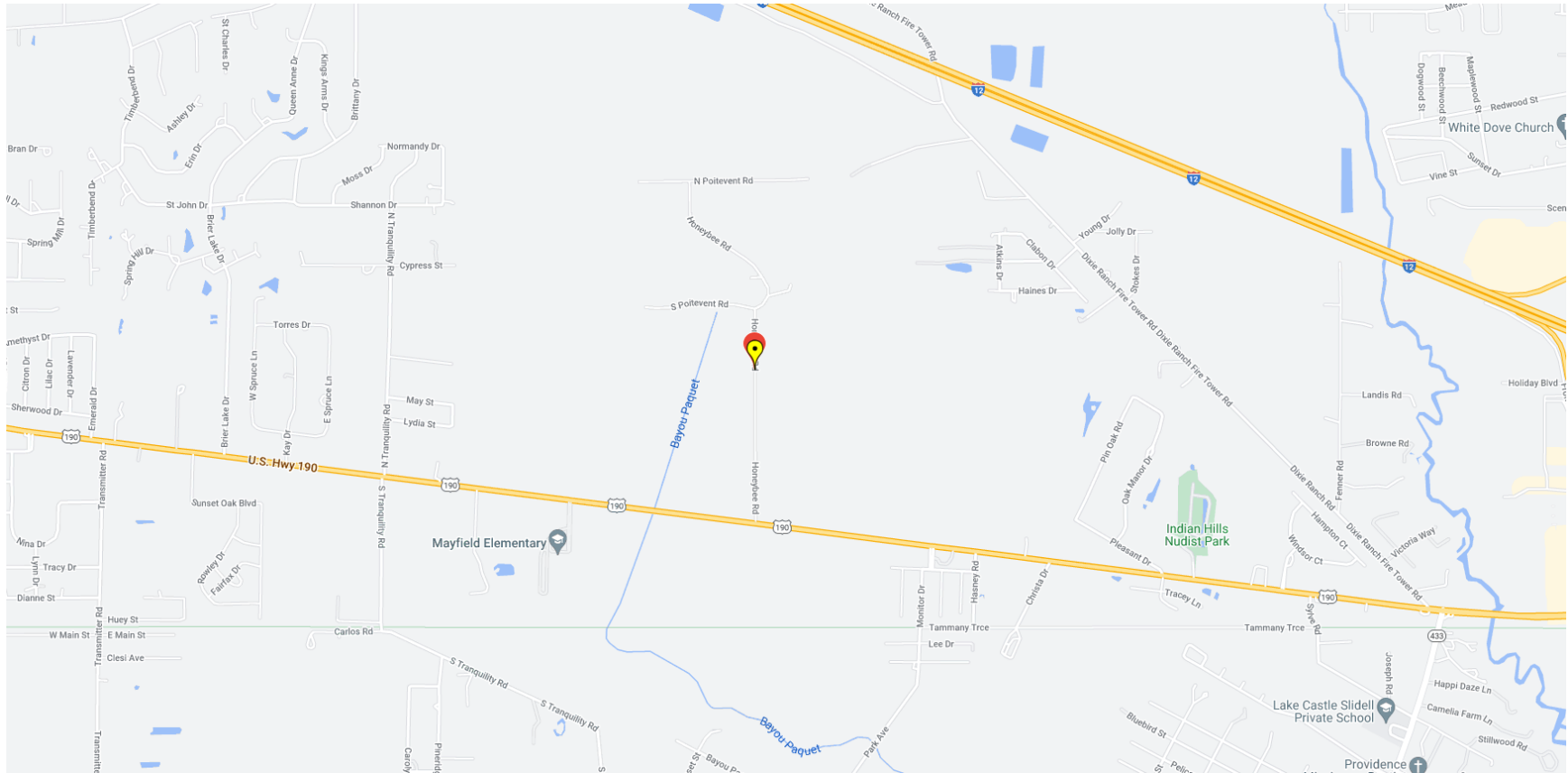
- | | | |
|--------------------------------|-----------------------------------|----------|
| Estuarine and Marine Deepwater | Freshwater Emergent Wetland | Lake |
| Estuarine and Marine Wetland | Freshwater Forested/Shrub Wetland | Other |
| | Freshwater Pond | Riverine |

This map is for general reference only. The US Fish and Wildlife Service is not responsible for the accuracy or currentness of the base data shown on this map. All wetlands related data should be used in accordance with the layer metadata found on the Wetlands Mapper web site.

Regional Map



Neighborhood Map



GLOSSARY

This glossary contains the definitions of common words and phrases, used throughout the appraisal industry, as applied within this document. Please refer to the publications listed in the **Works Cited** section below for more information.

Works Cited:

- Appraisal Institute. *The Appraisal of Real Estate*. 13th ed. Chicago: Appraisal Institute, 2008. Print.
- Appraisal Institute. *The Dictionary of Real Estate Appraisal*. 7th ed. 2022. Print.

Band of Investment

A technique in which the capitalization rates attributable to components of capital investment are weighted and combined to derive a weighted-average rate attributable to the total investment (i.e., debt and equity, land and improvements). (Dictionary, 7th Edition)

tenant pays for shared services and facilities such as electricity, security, and maintenance of parking lots. Items charged to common area maintenance may include cleaning services, parking lot sweeping and maintenances, snow removal, security, and upkeep. (ICSC) (Dictionary, 7th Edition)

Common Area

1. The total area within a property that is not designed for sale or rental but is available for common use by all owners, tenants, or their invitees, e.g., parking and its appurtenances, malls, sidewalks, landscaped areas, recreation areas, public toilets, truck and service facilities.
2. In a shopping center, the walkways and areas onto which the stores face and which conduct the flow of customer traffic. (ICSC) (Dictionary, 7th Edition)

Debt Coverage Ratio (DCR)

The ratio of net operating income to annual debt service ($DCR = NOI/Im$), which measures the relative ability of a property to meet its debt service out of net operating income; also called debt service coverage ratio (DSCR). A larger DCR typically indicates a greater ability for a property to withstand a reduction of income, providing an improved safety margin for a lender. (Dictionary, 7th Edition)

Common Area Maintenance (CAM)

1. The expense of operating and maintaining common areas; may or may not include management charges and usually does not include capital expenditures on tenant improvements or other improvements to the property.
2. The amount of money charged to tenants for their shares of maintaining a center's common area. The charge that a

Discount Rate

A rate of return on capital used to convert future payments or receipts into present value; usually considered to be a synonym for *yield rate*. (Dictionary, 7th Edition)

Effective Age

The age of property that is based on the amount of observed deterioration and obsolescence it has sustained, which may be

different from its chronological age. (Dictionary, 7th Edition)

Effective Date

1. The date to which an appraiser's analyses, opinions, and conclusions apply; also referred to as the date of value. (2022-2023 USPAP)
2. The date that a lease goes into effect (Dictionary, 7th Edition)

Exposure Time

An opinion, based on supporting market data, of the length of time that the property interest being appraised would have been offered on the open market prior to the hypothetical consummation of a sale at market value on the effective date of the appraisal. (2022–2023 USPAP)

Excess Land

Land that is not needed to serve or support the existing use. The highest and best use of the excess land may or may not be the same as the highest and best use of the improved parcel. Excess land may have the potential to be sold separately and is valued separately. (Dictionary 7th Edition)

External Obsolescence

A type of depreciation; a diminution in value caused by negative external influences and generally incurable on the part of the owner, landlord, or tenant. The external influence may be either temporary or permanent. There are two forms of external obsolescence: economic and locational (Dictionary, 7th Edition)

Extraordinary Assumption

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. Comment: 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 about the integrity of data used in an analysis. (USPAP, 2022-2023 ed.) (Dictionary, 7th Edition)

Fee Simple Estate

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat. (Dictionary, 7th Edition)

Functional Obsolescence

The impairment of functional capacity of improvements according to market tastes and standards. (Dictionary, 7th Edition)

Functional Utility

The ability of a property or building to be useful and to perform the function for which it is intended according to current market tastes and standards; the efficiency of a building's use in terms of architectural style, design and layout, traffic patterns, and the size and type of rooms. (Dictionary, 7th Edition)

Going-Concern Value

An outdated label for the market value of all the tangible and intangible assets of an established and operating business with an indefinite life, as if sold in aggregate; more accurately termed the market value of the going concern or market value of the total assets of the business. (Dictionary, 7th Edition)

Gross Building Area (GBA)

1. Total floor area of a building, excluding unenclosed areas, measured from the exterior of the walls of the above-grade area. This includes mezzanines and basements if and when typically included in the market area of the type of property involved.
2. Gross leasable area plus all common areas.
3. For residential space, the total area of all floor levels measured from the exterior of the walls and including the super-structure and substructure basement; typically does not include garage space. (Dictionary, 7th Edition)

Gross Leasable Area (GLA)

Total floor area designed for the occupancy and exclusive use of tenants, including basements and mezzanines; measured from the center of joint partitioning to the outside wall surfaces. (Dictionary, 7th Edition)

Highest & Best Use

1. The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.
2. The use of an asset that maximizes its potential and that is possible, legally permissible, and financially feasible. The highest and best use may be for continuation of an asset's existing use or for some alternative use. This is determined by the use that a market participant would have in mind for the asset when formulating the price that it would be willing to bid. (IVS)

3. [The] highest and most profitable use for which the property is adaptable and needed or likely to be needed in the reasonably near future. (Uniform Appraisal Standards for Federal Land Acquisitions)

4. [For fair value determination] The use of a nonfinancial asset by market participants that would maximize the value of the asset or the group of assets and liabilities (for example, a business) within which the asset would be used. (FASB Glossary) The highest and best use of a nonfinancial asset takes into account the use that is physically possible, legally permissible, and financially feasible. (FASB 820-10-35-10B). The highest and best use of a nonfinancial asset establishes the valuation premise used to measure the fair value of the asset, as follows: (a) The highest and best use of a nonfinancial asset might provide maximum value to market participants through its use in combination with other assets as a group (as installed or otherwise configured for use) or in combination with other assets and liabilities (for example, a business). (b) The highest and best use of the asset might provide maximum value to market participants on a standalone basis. (FASB 820-10-35-10E) (Dictionary, 7th Edition)

Highest and Best Use of Land or a Site as Though Vacant

Among all reasonable, alternative uses, the use that yields the highest present land value, after payments are made for labor, capital, and coordination. The use of a property based on the assumption that the parcel of land is vacant or can be made vacant by demolishing any improvements. (Dictionary, 5th Edition)

Highest and Best Use of Property as Improved

The use that should be made of a property as it exists. An existing improvement should be renovated or retained as is so long as it continues to contribute to the total market value of the property, or until the return from a new improvement would more than offset the cost of demolishing the existing building and constructing a new one. (Dictionary, 5th Edition)

Hypothetical Condition

1. A condition that is presumed to be true when it is known to be false. (SVP)
2. A condition, directly related to a specific assignment, which is contrary to what is known by the appraiser to exist on the effective date of the assignment results, but is used for the purpose of analysis. Comment: 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. (USPAP, 2022-2023 ed.) (Dictionary, 7th Edition)

Investment Value

1. The value of a property to a particular investor or class of investors based on the investor's specific requirements. Investment value may be different from market value because it depends on a set of investment criteria that are not necessarily typical of the market.
2. The value of an asset to the owner or a prospective owner for individual investment or operational objectives. (may also be known as worth) (IVS) (Dictionary, 7th Edition)

Leased Fee Interest

The ownership interest t held by the lessor, which includes the right to receive the contract rent specified in the lease plus the reversionary right when the lease expires. (Dictionary, 7th Edition)

Leasehold Estate

The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease. (Dictionary, 7th Edition)

Market Area

The geographic region from which a majority of demand comes and in which the majority of competition is located. Depending on the market, a market area may be further subdivided into components such as primary, secondary, and tertiary market areas, or the competitive market area may be distinguished from the general market area. (Dictionary, 7th Edition)

Market Rent

The most probable rent that a property should bring in a competitive and open market under all conditions requisite to a fair lease transaction, the lessee and lessor each acting prudently and knowledgeably, and assuming the rent is not affected by undue stimulus. Implicit in this definition is the execution market support of a lease as of a specified date under conditions whereby

- Lessee and lessor are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their best interests;
- Payment is made in terms of cash or in terms of financial arrangements comparable thereto; and

- The rent reflects specified terms and conditions typically found in that market, such as permitted uses, use restrictions, expense obligations, duration, concessions, rental adjustments and revaluations, renewal and purchase options, frequency of payments (annual, monthly, etc.), and tenant improvements (TIs). (Dictionary, 7th Edition)

Market Value

A type of value that is the major focus of most real property appraisal assignments. Both economic and legal definitions of market value have been developed and refined, such as the following.

1. The most widely accepted components of market value are incorporated in the following definition: The most probable price, as of a specified date, in cash, or in terms of equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress.
2. Market value is described in the Uniform Standards of Professional Appraisal Practice (USPAP) as follows: A type of value, stated as an opinion, that presumes the transfer of a property (i.e., a right of ownership or a bundle of such rights), as of a certain date, under specific conditions set forth in the value definition that is identified by the appraiser as applicable in an appraisal. (USPAP, 2022-2023 ed.)

USPAP also requires that certain items be included in every appraisal report. Among

these items, the following are directly related to the definition of market value:

- Identification of the specific property rights to be appraised.
 - Statement of the effective date of the value opinion.
 - Specification as to whether cash, terms equivalent to cash, or other precisely described financing terms are assumed as the basis of the appraisal.
 - If the appraisal is conditioned upon financing or other terms, specification as to whether the financing or terms are at, below, or above-market interest rates and/or contain unusual conditions or incentives. The terms of above—or below-market interest rates and/or other special incentives must be clearly set forth; their contribution to, or negative influence on, the value must be described and estimated; and the market data supporting the opinion of value must be described and explained.
3. The following definition of market value is used by agencies that regulate federally insured financial institutions in the United States: The most probable price that a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and the seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:
 - Buyer and seller are typically motivated;

- Both parties are well informed or well advised, and acting in what they consider their best interests;
 - A reasonable time is allowed for exposure in the open market;
 - Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and
 - 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. (12 C.F.R. Part 34.42(g); 55 Federal Register 34696, August 24, 1990, as amended at 57 Federal Register 12202, April 9, 1992; 59 Federal Register 29499, June 7, 1994)
4. The International Valuation Standards Council defines market value for the purpose of international standards as follows: The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion. (International Valuation Standards, 8th ed., 2007)
 5. The Uniform Standards for Federal Land Acquisitions defines market value as follows: 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 the appraisal, after a reasonable exposure of 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 at the time of the appraisal. (Uniform Standards for Federal Land Acquisitions) (Dictionary, 7th Edition)

Marketing Time

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 appraisal. Marketing time differs from exposure time, which is always presumed to precede the effective date of an appraisal. (Advisory Opinion 7 of the Appraisal Standards Board of The Appraisal Foundation and Statement on Appraisal Standards No. 6, "Reasonable Exposure Time in Real Property and Personal Property Market Value Opinions" address the determination of reasonable exposure and marketing time.) (Dictionary, 7th Edition)

Net Operating Income (NOI)

The actual or anticipated net income that remains after all operating expenses are deducted from effective gross income but before mortgage debt service and book depreciation are deducted. Note: This definition mirrors the convention used in corporate finance and business valuation for EBITDA (earnings before interest, taxes, depreciation, and amortization). (Dictionary, 7th Edition)

Obsolescence

One cause of depreciation; an impairment of desirability and usefulness caused by new inventions, changes in design, improved

processes for production, or external factors that make a property less desirable and valuable for a continued use; may be either functional or external. (Dictionary, 7th Edition)

Parking Ratio

A ratio of parking area or parking spaces to an economic or physical unit of comparison. Minimum required parking ratios for various land uses are often stated in zoning ordinances. (Dictionary, 7th Edition)

Prospective Opinion of Value

A value opinion effective as of a specified future date. The term does not define a type of value. Instead, it identifies a value opinion as being effective at some specific future date. An opinion of value as of a prospective date is frequently sought in connection with projects that are proposed, under construction, or under conversion to a new use, or those that have not yet achieved sellout or a stabilized level of long-term occupancy. (Dictionary, 7th Edition)

Rentable Area

For office buildings, the tenant's pro-rata portion of the entire office floor, excluding elements of the building that penetrate through the floor to the areas below. The rentable area of a floor is computed by measuring to the inside finished surface of the dominant portion of the permanent building walls, excluding any major vertical penetrations of the floor. Alternatively, the amount of space on which the rent is based; calculated according to local practice (Dictionary, 7th Edition)

Replacement Cost

The estimated cost to construct, at current prices as of a specific date, a substitute for a building or other improvement, using

modern materials and current standards, design, and layout. (Dictionary, 7th Edition)

Retrospective Value Opinion

A value opinion effective as of a specified historical date. The term retrospective does not define a type of value. Instead, it identifies a value opinion as being effective at some specific prior date. Value as of a historical date is frequently sought in connection with property tax appeals, damage models, lease renegotiation, deficiency judgments, estate tax, and condemnation. Inclusion of the type of value with this term is appropriate, e.g., "retrospective market value opinion." (Dictionary, 7th Edition)

Scope of Work

1. The type of data and the extent of research and analyses. (SVP)
2. The type and extent of research and analyses in an appraisal or appraisal review assignment. (USPAP, 2022-2023 ed.) (Dictionary, 7th Edition)

Stabilized Occupancy

1. The occupancy of a property that would be expected at a particular point in time, considering its relative competitive strength and supply and demand conditions at the time, and presuming it is priced at market rent and has had reasonable market exposure. A property is at stabilized occupancy when it is capturing its appropriate share of market demand.
2. An expression of the average or typical occupancy that would be expected for a property over a specified projection period or over its economic life. (Dictionary, 7th Edition)

Surplus Land

Land that is not currently needed to support the existing use but cannot be separated from the property and sold off for another use. Surplus land does not have an independent highest and best use and may or may not contribute value to the improved parcel. (Dictionary 7th Edition)

Tenant Improvements (TIs)

1. Fixed improvements to the land or structures installed and paid for use by a lessee.
2. The original installation of finished tenant space in a construction project; subject to periodic change for succeeding tenants. (Dictionary, 7th Edition)

Vacancy and Collection Loss

A deduction from potential gross income (PGI) made to reflect income reductions due to vacancies, tenant turnover, and nonpayment of rent; also called vacancy and credit loss or vacancy and contingency loss. (Dictionary, 7th Edition).