



2016 Greater New Orleans Annual Office Market Report





Corporate Realty, Inc. is proud to present our Fifth Annual Greater New Orleans Office Market Report.

We publish this report to give the reader a broad understanding of the Greater New Orleans market as well as specific information about occupancy and rental rates of each office building. With data from 2012 - 2016, this report offers a snapshot of the current market and analyzes market trends. This year the graphs include data from 2012 (our first year), 2015 and 2016 to provide historical context.

In addition to listing basic occupancy and rate information for every non-medical office building greater than 20,000 square feet in the Greater New Orleans region, Corporate Realty's office specialists have written narratives of each submarket to share the general story of the market.

Every year, we strive to improve our report and include accurate and comprehensive market data. While the methodology remains consistent to provide comparable historic market data, we use the narratives of each submarket to highlight changes in the market and how it is reflected in our report.

In addition to this annual report, Corporate Realty publishes quarterly reports of the office market compiled by Bruce Sossaman. These reports present an immediate snapshot of the market and can be found on our website alongside previous annual reports at corp-realty.com.

The information contained herein has been obtained from sources that we deem reliable. No representation or warranty is made as to the accuracy thereof, and it is submitted subject to errors, omissions, changes of price or other conditions.

The information in this 2016 report would not be possible without the cooperation of our staff and colleagues, and we would like to thank all of those who contributed. Please contact one of the many Corporate Realty office specialists at 504.581.5005 if you have any questions, or would like more information or need assistance selling or leasing office space in the Greater New Orleans region.

Greater New Orleans Market Overview	2
Central Business District . .	4
Orleans Parish, Non-CBD . .	8
East Metairie	10
West Metairie/Kenner	14
Elmwood	15
North Shore	16
West Bank	18
St. Charles Parish	19
Corporate Realty's Office Specialists	20

Greater New Orleans Market Overview



MIKE SIEGEL, PRESIDENT
CORPORATE REALTY, INC.

“While the New Orleans office market continues to face obstacles, the unparalleled amount of infrastructure improvements and real estate development over the last ten years puts the city in a more solid position to take on these issues.”

MIKE SIEGEL,
President, Corporate Realty, Inc.

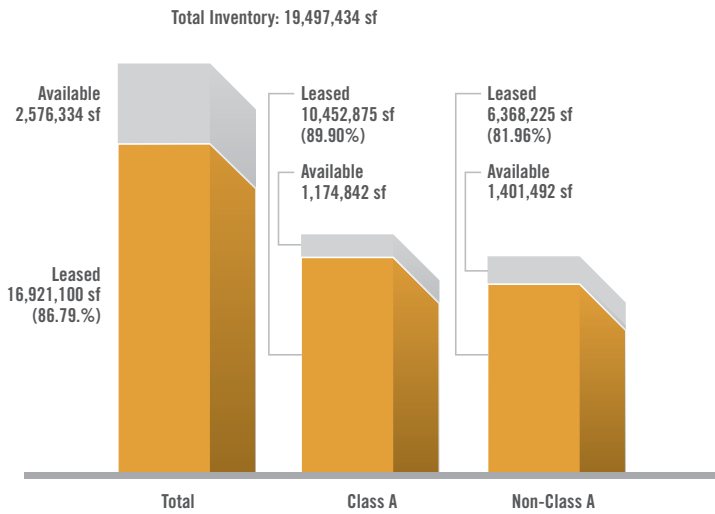
The story of the Greater New Orleans office market continues to be found in the small details. There is little new office product coming to the market and were not many new transactions of great size that took place in 2016. It would be easy to look at those general figures and conclude that the market was stagnant, but this report provides the granular details and insights that show the undercurrent of activity. While most of the market numbers have not changed much in the last year, or since Corporate Realty started tracking this data five years ago, we continue to see movement.

The New Orleans region continues to face the persistent challenges such as crime, growing income inequality and the depressed oil and gas industry, but it has experienced a tremendous amount of growth over the last ten years that provides a more stable base for addressing these problems and

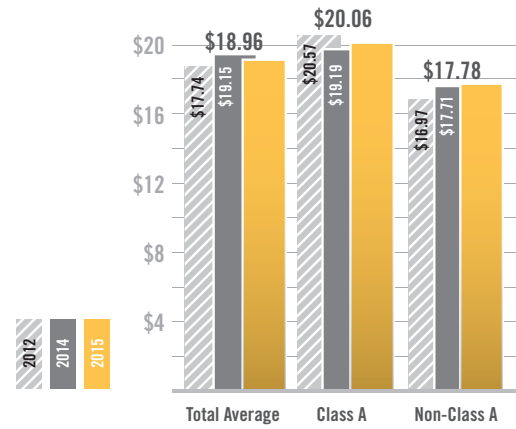
finding ways to continue to grow. Since Katrina, New Orleans has experienced unparalleled amount of new real estate development, a re-invented school system that is a model for other cities in the United States, \$2.0+ billion investment in the new Veterans Administration and University hospitals, and more than \$15 billion of completed infrastructure projects. This progress is being noticed worldwide. Worth named New Orleans the “Most Dynamic City in America.” Travel and Leisure ranked New Orleans the #2 Favorite City in America and the #7 Favorite City in the World. Forbes ranked New Orleans #1 on their list of “America’s Biggest Brain Magnets” for attracting people under 25 with college degrees. These investments, and this enthusiasm, inspire a great deal of optimism about the future of this region.



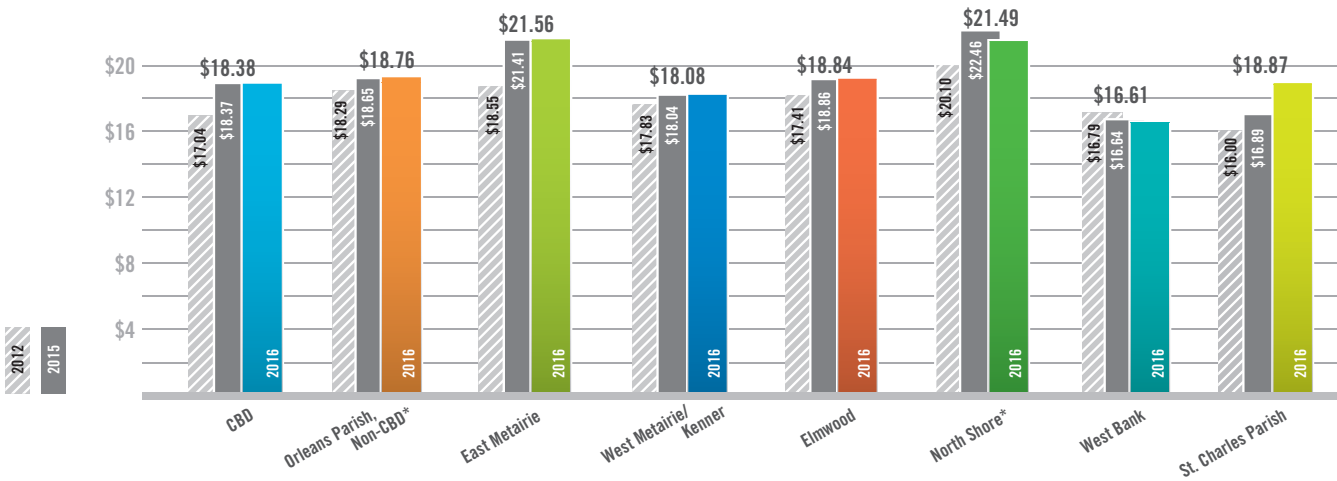
2016 Total Inventory/Total Leased for the Greater New Orleans Market



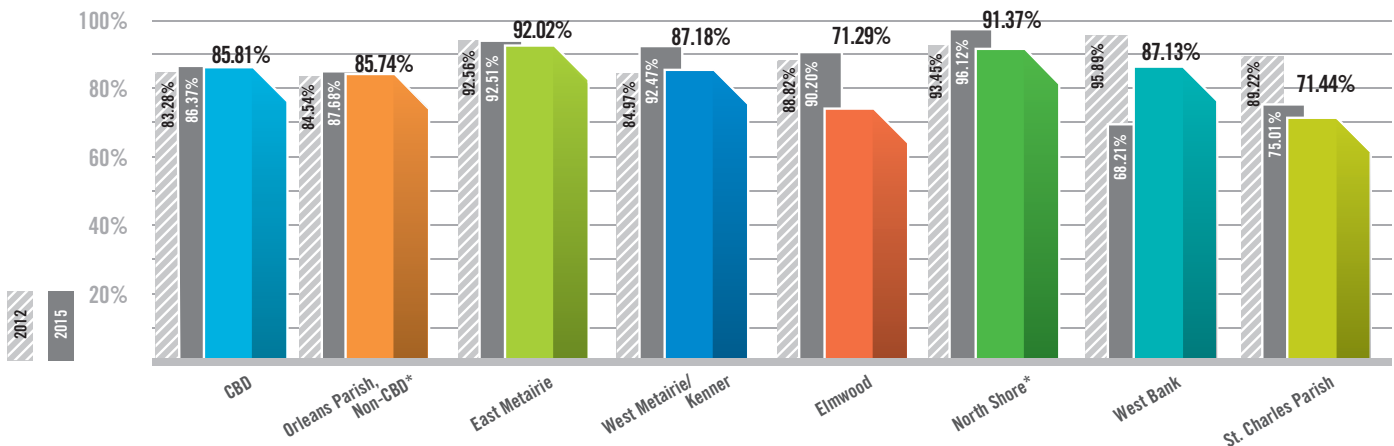
2016 Total Average Rental Rate for the Greater New Orleans Market



2016 Average Rental Rates For Submarkets (Class A And Non-Class A Combined)



2016 Total Combined Occupancy Rates for Submarkets



* The data collected for this submarket was first collected in 2013

Central Business District



“Surprisingly though, considering the state of the oil and gas industry, there has been relatively little sublease space available.”

BENNETT DAVIS,

Director of Leasing, Place St. Charles

Significant Leases of 2016:

First Bank & Trust Tower
Stone Pigman Law Firm New Lease
of 43,517 sf

400 Poydras Building
Reilly Foods New Lease of
24,447 sf

400 Poydras Building
Launch Pad New Lease of
22,594 sf

“A confluence of factors, similar to last year, resulted in rather lackluster activity in New Orleans in 2016.”

MEG CARRONE,

Director of Leasing, Energy Centre

The New Orleans CBD office market is lopsided with a supply of 9,032,980 square feet of Class A office space and only 2,214,487 square feet of non-Class A office space in buildings greater than 20,000 square feet. The oil and gas boom of the early 1980s saw unprecedented development of office space that primarily consisted of high rise buildings along Poydras Street, the main corridor of the CBD. This boom was quickly followed by a bust which hit the occupancy rates of the new Class A office buildings very hard.

As rents in Class A office buildings became competitive with lower classes of buildings, tenants sought very inexpensive upgrade opportunities. This migration of tenants from older office buildings to new ones led to a mass conversion of obsolete office space into other uses, mostly hotels and apartment buildings. The few older buildings that had not been converted by 2005 found a unique avenue for salvation with Hurricane Katrina. Insurance money and disaster relief funds, along with historic and new market tax credits, combined with an unanticipated demand for housing, offered building owners the opportunity to renovate buildings into apartment buildings and a smattering of new hotels. The Non-Class A office market shrunk to 20% of the overall market. Hurricane Katrina also forced tenants out of these older Non-Class A buildings and into the remaining inventory of Class A buildings, bolstering occupancies in these properties. That is where the market has remained. Since 1989, the inventory of Class A office buildings in the CBD has not changed. The barriers to entry such as high cost of land, high cost of construction, the rental

market, and current lending requirements for new construction, make any significant upward change in inventory highly unlikely in the foreseeable future. More likely to happen is a further downsizing of the office market through more use conversions. The Non-Class A market could see a downsizing of nearly 750,000 square feet over the next three to five years while the Class A market could downsize by perhaps 100,000 square feet.

In the last few years, the New Orleans CBD office market has gravitated toward a description of “non-eventful,” and the same occurred in 2016. Retrenchment in the oil and gas sector, the winding down of the BP oil spill claims, and the slowdown in major construction projects created an uneventful office leasing year downtown. The CBD office market held steady with Class A occupancy moving slightly, from 89.5% leased to 88.9% leased, and Non-Class A occupancies reporting 73.97% leased in 2015 to 75.84% leased in 2016.

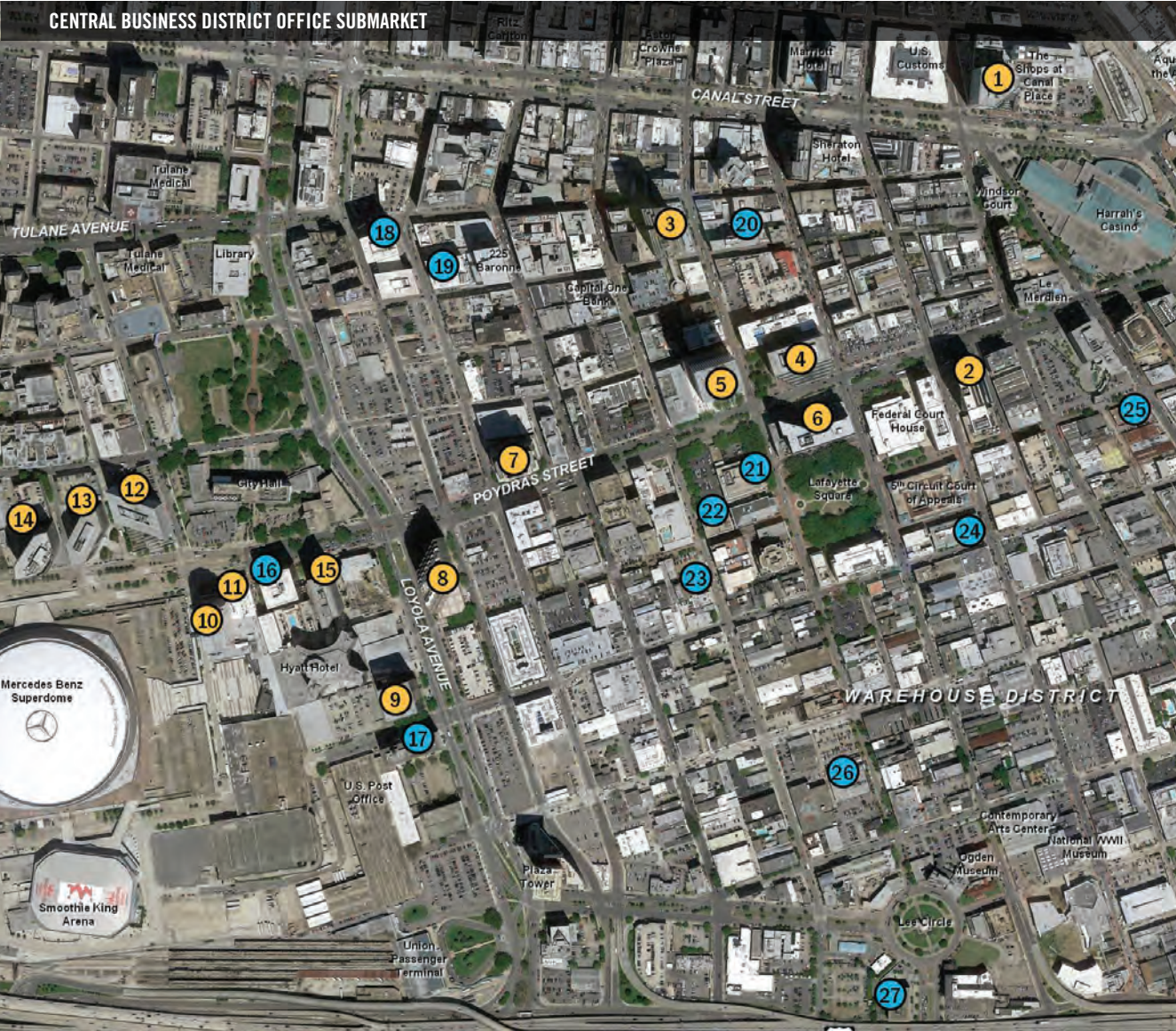
As of the fourth quarter of 2016, there are only 71,194 square feet of sublease space in the CBD for rent, indicating that although growth at this time is very slow, slippage is not occurring either. The New Orleans CBD office market remains consistent.

** Notes: The Benson Tower Annex has been added to the report. Formerly a retail space occupied by Lord & Taylor, it is now being redeveloped as an office building.*

The 615 Baronne Building has been added back to the report. It was removed in 2015 as plans called for it to be redeveloped as multi-family, but it continues to serve as an office building.

818 Howard has been removed as it is being redeveloped as multi-family in 2016.

CENTRAL BUSINESS DISTRICT OFFICE SUBMARKET



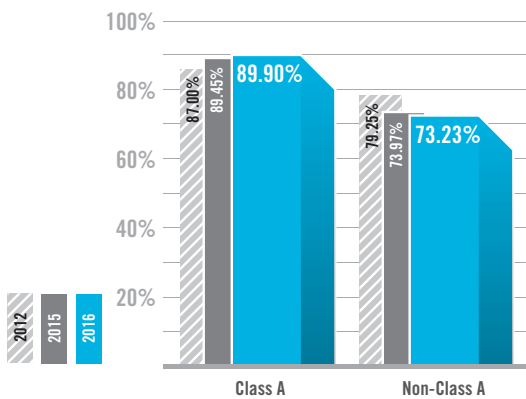
Class A Buildings

1. One Canal Place
2. 400 Poydras Tower
3. Place St. Charles
4. Pan-American Life Center
5. One Shell Square
6. Poydras Center
7. First Bank and Trust Tower
8. Energy Centre
9. Entergy Building
10. Benson Tower
11. Benson Tower Annex
12. 1515 Poydras
13. 1555 Poydras
14. 1615 Poydras
15. 1250 Poydras

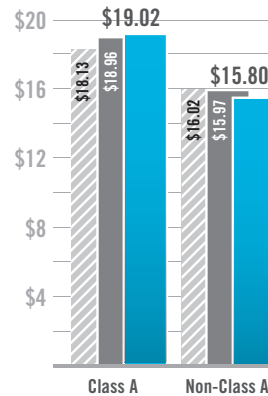
Non-Class A Buildings

16. Orleans Tower
17. 701 Loyola Ave.
18. 1010 Common Building
19. Exchange Centre
20. Whitney Bank Building
21. Federal Reserve Bank
22. Stone Pigman Building
23. 615 Baronne St.
24. IP Building
25. 300 Lafayette Building
26. Emeril's Homebase Building
27. K & B Plaza

2016 Occupancy



2016 Average Rental Rates



Central Business District Class A

Building Name	Year Built/Year Renovated	No. of Floors	Total Rentable Square Feet	Total Rentable Square Feet Available	Percent Leased	Quoted Rental Rate (psf)	Largest Contiguous Block Available	Sublease Space Available
One Shell Square 701 Poydras St.	1972	51	1,256,991	46,151	96.33%	\$18.50 - \$20.00	10,434	0
Place St. Charles 201 St. Charles Ave.	1985	52	1,004,484	87,012	91.34%	\$20.00 - \$21.00	49,266	24,633
Energy Centre 1100 Poydras St.	1984	39	761,500	74,110	90.27%	\$18.50 - \$20.00	14,179	0
Pan-American Life Center 601 Poydras St.	1980	28	671,883	70,173	89.56%	\$19.00	38,160	0
One Canal Place 365 Canal St.	1979	32	630,581	105,314	83.30%	\$18.00 - \$19.00	40,000	15,427
400 Poydras Building 400 Poydras St.	1983	32	606,608	97,121	83.99%	\$17.00 - \$18.00	45,000	0
First Bank and Trust Tower 909 Poydras St.	1987	36	545,157	74,789	86.28%	\$18.00 - \$19.00	20,200	5,903
Benson Tower 1450 Poydras St.	1989/ 2011	26	531,871	0	100%	\$18.50 - \$19.00	0	0
1515 Poydras	1983	27	529,474	131,458	75.10%	\$19.00 - \$20.00	60,000	2,666
Entergy Building 639 Loyola Ave.	1983	28	526,041	9,400	98.21%	\$19.50	4,225	0
1615 Poydras	1984	23	509,565	85,232	83.27%	\$17.00 - \$18.00	45,130	22,565
1555 Poydras	1982	22	467,671	113,448	75.74%	\$19.00 - \$20.00	59,911	0
Poydras Center 650 Poydras St.	1983	28	453,255	52,599	88.40%	\$18.00 - \$19.00	11,050	0
1250 Poydras	1980	24	422,899	56,147	86.72%	\$18.50 - \$19.50	13,336	0
Benson Tower Annex 1400 Poydras St.	1989/ 2016	3	115,000	0	100%	N/A	0	0
TOTAL CLASS A			9,032,980	1,002,954	88.90%	\$19.02		

Central Business District Non-Class A

Building Name	Year Built/Year Renovated	No. of Floors	Total Rentable Square Feet	Total Rentable Square Feet Available	Percent Leased	Quoted Rental Rate (psf)	Largest Contiguous Block Available	Sublease Space Available
1010 Common Building 1010 Common St.	1971	31	512,593	266,726	47.97%	\$15.00	167,981	0
Orleans Tower 1340 Poydras St.	1977	21	378,895	140,039	63.04%	\$14.50 - \$15.00	39,382	0
Exchange Centre 935 Gravier St.	1983	21	355,274	63,949	82%	\$16.00 - \$18.00	20,811	0
Whitney Bank Building 228 St. Charles Ave.	1910/ 1996	14	339,504	25,767	93.29%	\$16.50	9,632	0
701 Loyola Ave.	1964	14	234,067	81,923	65.00%	\$13.50	18,723	0
The Federal Reserve Bank of Atlanta 525 St. Charles Ave.	1966	5	100,000	3,430	96.57%	\$18.00 - \$19.00	3,430	0
IP Building 643 Magazine St.	1900	4	84,585	0	100%	\$18.50	0	0
K & B Plaza 1055 St. Charles Ave.	1962	7	70,000	10,322	85.25%	\$19.00 - \$20.00	7,312	0
Stone Pigman Building 546 Carondelet St.	1910/ 2007	6	51,081	0	100%	\$10.80	0	0
Emeril's Homebase Building 839 St. Charles Ave.	1910/ 1996	3	43,403	1,442	96.68%	\$18.00 - \$19.00	0	0
615 Baronne St.	1910	3	25,096	2,327	90.73%	\$16.00	2,327	0
300 Lafayette Building 300 Lafayette St.	1910/ 1984	2	20,000	0	100%	\$18.00 - \$19.00	0	0
TOTAL NON-CLASS A			2,214,489	592,925	73.23%	\$15.80		
TOTAL/AVERAGE OF THE CBD			11,247,478	1,595,879	85.81%	\$18.38		

Orleans Parish, Non-CBD

“There remains limited office options in Orleans Parish outside of the CBD, but there are opportunities for tenants who are willing to be creative.”

ANDREA HUSEMAN,
Director of Leasing, One Canal Place



EXECUTIVE PLAZA

“Office tenants in the Orleans Parish, Non-CBD submarket consist largely of smaller companies and non-profits.”

WILLIAM SADLER,
Research Analyst

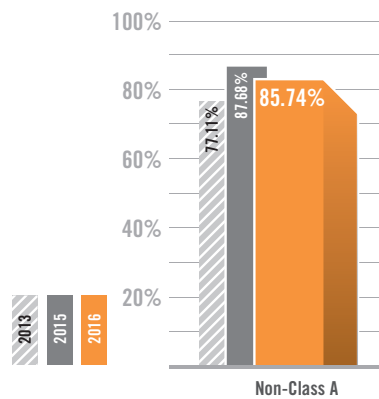
As a submarket created for this report, the Orleans Parish, Non-CBD consists of a number of small clusters of office buildings in various parts of the city. While each area is unique, the common theme is the availability of free, or low cost, parking in a surface lot or on the street. This is becoming more important to businesses as the price of parking continues to increase in the CBD and options continue to dwindle.

While there are no new buildings greater than 20,000 square feet that have been added to this report in 2016, some smaller developments have opened recently. These smaller buildings are generally owner-

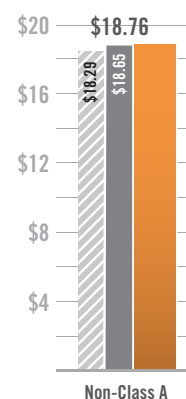
occupied, but also include redevelopments of some older commercial buildings that have brought office space, particularly co-working spaces, into new neighborhoods like the Bywater and Mid-City.

The New Orleans East market continues to lag, but retail development in this area is picking up and might spur the demand for additional office space. Corporate Realty is now marketing the Executive Plaza Office Building, the largest office building in the East for sale. New ownership of this project may bring a freshening up of the site and increased marketing efforts, which should increase occupancy levels.

2016 Occupancy



2016 Average Rental Rates



Orleans Parish, Non-CBD

Building Name	Year Built/Year Renovated	No. of Floors	Total Rentable Square Feet	Total Rentable Square Feet Available	Percent Leased	Quoted Rental Rate (psf)	Largest Contiguous Block Available	Sublease Space Available
1215 Prytania Building 1215 Prytania St.	1952	5	119,269	9,000	92.45%	\$15.00 - \$18.00	3,202	0
Executive Plaza 10001 Lake Forest Blvd.	1974	11	114,650	68,474	40.28%	\$14.00 - \$17.00	N/A	0
Center for Energy Resources Management 2045 Lakeshore Dr.	2002	5	104,506	39,602	62.11%	\$20.00 - \$22.00	13,179	0
Information Technology Ctr #1 2219 Lakeshore Dr.	2002	5	103,943	16,797	83.84%	\$22.00 - \$25.00	8,788	0
Information Technology Ctr #2 2233 Lakeshore Dr.	1998	5	103,943	0	100%	N/A	0	0
Information Technology Ctr #3 2251 Lakeshore Dr.	1999	5	103,943	0	100%	N/A	0	0
Information Technology Ctr #4 2285 Lakeshore Dr.	2000	5	103,943	0	100%	N/A	0	0
Advanced Technology Center 2021 Lakeshore Dr.	2001	5	78,500	16,039	79.57%	\$21.00 - \$23.50	7,084	0
Mid-City Center 320 N. Carrollton Ave.	1925/ 2006	2	48,000	0	100%	\$18.50	0	0
1231 Prytania Building 1231 Prytania St.	1967	6	39,000	0	100%	\$16.00 - \$20.00	0	0
Smith Lupo Center 145 Robert E. Lee Blvd.	1971/ 2006	5	38,000	0	100%	\$15.00	0	0
Norman Mayer Memorial Building 2515 Canal St.	1957/ 2006	4	34,594	0	100%	N/A	0	0
101 W. Robert E. Lee Blvd.	1982/ 2008	4	33,380	0	100%	\$18.00	0	0
4640 S. Carrollton Ave.	1950	2	26,142	0	100%	N/A	0	0
Lake Willow Professional Building 7240 Crowder Blvd.	1980/ 2011	4	24,000	3,500	84.42%	\$12.50	2,500	0
TOTAL/AVERAGE OF ORLEANS PARISH, NON-CBD			1,075,813	153,412	85.74%	\$18.76		

East Metairie



Significant Leases of 2016:

Galleria

LAMMICO Lease Renewal of 42,000 sf

One Lakeway Center

EDG Consulting Engineers Lease Renewal of 38,000 sf

Causeway Plaza

Jacobs Engineering Lease Renewal of 37,000 sf

Burns & Wilcox Center

Crescent Bank & Trust New Lease of 33,000 sf

Executive Tower

Keystone Engineering Lease Renewal of 28,000 sf

Three Lakeway

Duplass, Zwain, Bourgeois, Pfister, Weinstock, & Bogart Lease Renewal 21,000 sf

One Lakeway

IBERIABANK New Lease of 18,000 sf

Galleria

Regus New Lease of 14,000 sf

While the East Metairie

submarket continues to be one of the strongest office markets in the Greater New Orleans area, the recent drop in oil and gas prices has led to a reduction of office space used by engineering and exploration companies as their leases expire and are renegotiated. Some regional and national companies in related fields have also reduced their footprint for office space.

Metairie Centre, a 90,000 square foot Non-Class A office building, which is 89% leased, recently sold for approximately \$111 per rentable square feet. The sales price is in line with the earlier sales of 2121 Airline Building (\$111 per rentable square feet) and Severn Place (\$101 per rentable square feet).

Sublease space in the East Metairie submarket totals approximately 85,980 rentable square feet, equaling about 2% of the inventory, a slight increase from the prior year in the amount of sublease space coming to market.

Parking and construction costs are ongoing concerns in this submarket. While

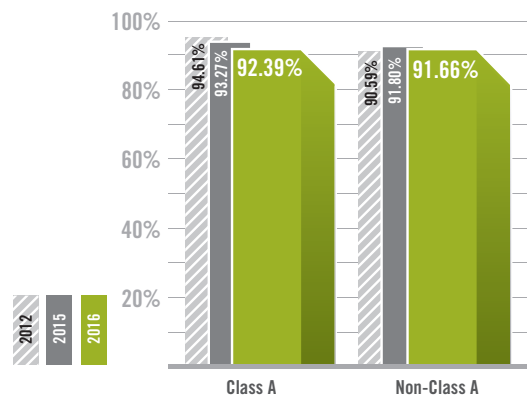
parking costs remain flat, higher density users are creating increased demand. With limited options for most buildings to expand parking, this pressure will continue to impact the East Metairie office market.

The cost to construct tenant improvements continues to increase, outpacing increases in rent. For tenants relocating to new space, or new tenants, the increased build out cost is resulting in increased costs for tenants and longer terms to help amortize these costs.

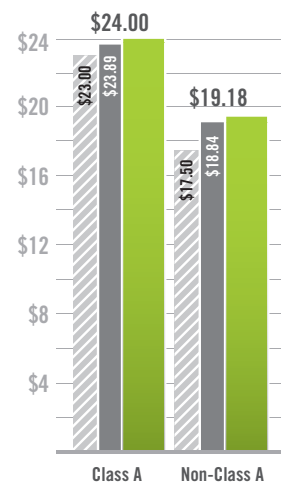
New office construction will be limited to owner-occupied buildings, special use buildings (e.g. medical), and speculative office construction will be confined to smaller buildings in niche areas such as Old Metairie. Current rents do not support ground-up development of larger Class A or Non-Class A office buildings at this time.

** Notes: The Cox Communications Building (2121 Airline Dr.) was sold and renamed Burns & Wilcox Center.*

2016 Occupancy



2016 Average Rental Rates



“The area boasts excellent demographics for employers looking for a skilled work force.”

BRUCE SOSSAMAN,

Director of Leasing, Lakeway Complex and One Shell Square

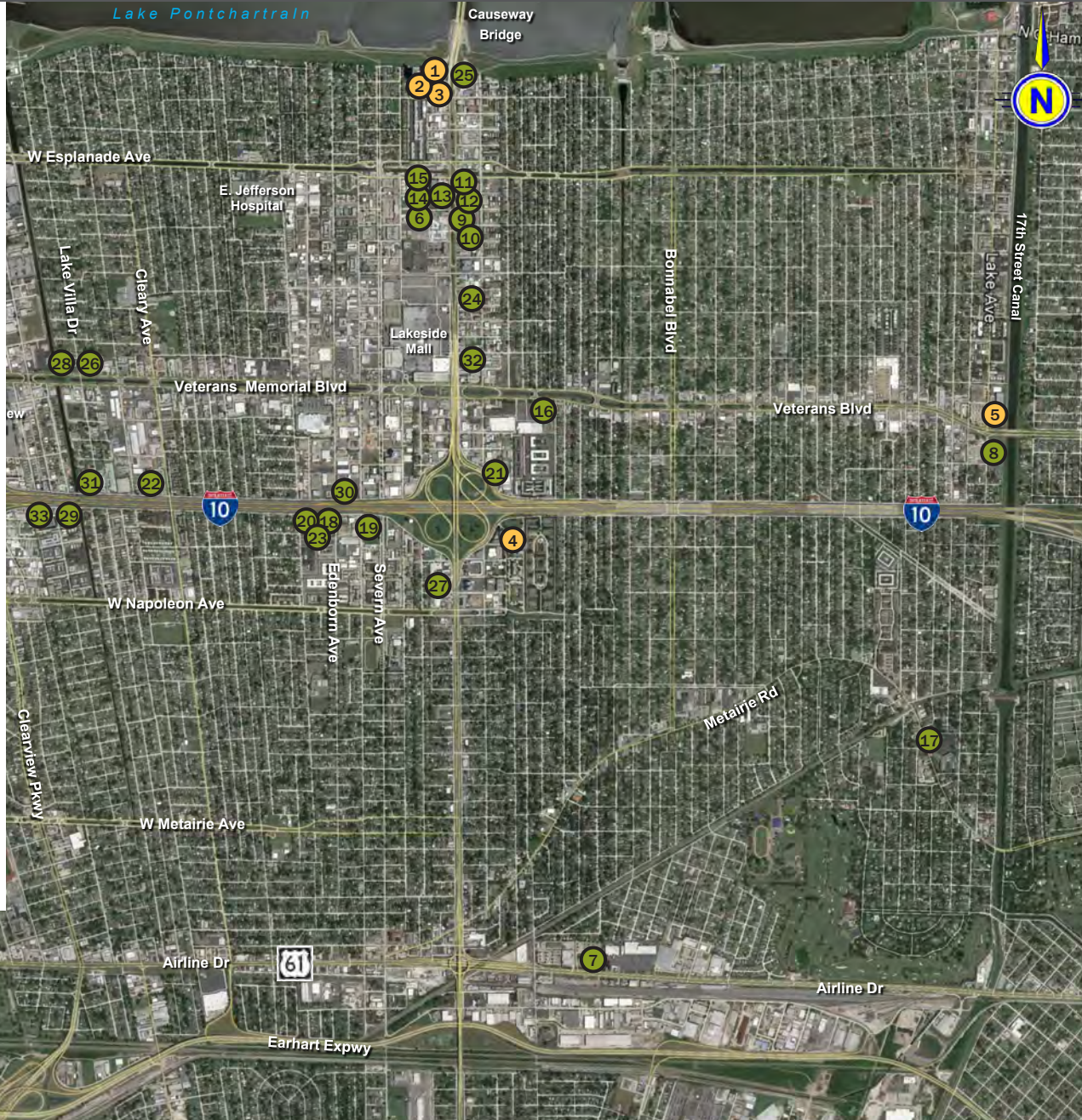
EAST METAIRIE OFFICE SUBMARKET

Class A Buildings

1. One Lakeway Center
2. Two Lakeway Center
3. Three Lakeway Center
4. Galleria
5. Heritage Plaza

Non-Class A Buildings

6. Executive Tower
7. Burns & Wilcox Center
8. 110 Veterans Building
9. 3445 N. Causeway Blvd.
10. 3421 N. Causeway Blvd.
11. Regions Bank Building
12. 3501 N. Causeway Blvd.
13. Causeway Plaza I
14. Causeway Plaza II
15. Causeway Plaza III
16. Latter Center West
17. Metairie Tower
18. Metairie Centre
19. Severn Place
20. 3636 S. I-10 Service Rd.
21. 3131 N. I-10 Service Rd.
22. Favrot & Shane Building
23. 3616 S. I-10 Service Rd.
24. 3200 Ridgelake Building
25. 3939 N. Causeway Blvd.
26. Coldwell Banker Building
27. Causeway West
28. 4141 Veterans Blvd.
29. The Boy Scouts Building
30. Crutcher-Tufts Building
31. NY-II Office Building
32. 2900 Ridgelake Dr.
33. F&S Building



East Metairie

Building Name	Year Built	No. of Floors	Building Class	Total Rentable Square Feet	Total Rentable Square Feet Available	Percent Leased	Quoted Rental Rate (nsf)	Largest Contiguous Block Available	Sublease Space Available
Three Lakeway Center 3838 N. Causeway Blvd.	1987	34	A	471,745	24,957	94.71%	\$24.00 - \$25.00	8,901	0
Galleria One Galleria Blvd.	1986	22	A	465,985	16,645	96.43%	\$25.00	7,010	0
Two Lakeway Center 3850 N. Causeway Blvd.	1984	19	A	449,309	68,250	84.81%	\$24.00 - \$24.50	13,668	18,174
Heritage Plaza 111 Veterans Blvd.	1983	18	A	353,003	22,718	93.56%	\$21.00 - \$22.00	6,379	18,841
One Lakeway Center 3900 N. Causeway Blvd.	1981	14	A	300,816	22,668	92.46%	\$24.00 - \$24.50	22,668	7,909
Executive Tower 3500 N. Causeway Blvd.	1972	14	Non-A	185,463	22,843	87.68%	\$18.00	10,647	14,354
110 Veterans Building 110 Veterans Blvd.	1972	5	Non-A	129,000	3,821	97.04%	\$19.00 - \$20.00	2,495	0
AAA Building 3445 N. Causeway Blvd.	1969	10	Non-A	127,887	14,773	88.45%	\$19.00	3,922	0
3421 N. Causeway Blvd.	1973	10	Non-A	125,243	8,300	93.37%	\$18.50	4,216	0
Burns & Wilcox Center 2121 Airline Dr.	1987	6	Non-A	123,360	12,226	90.09%	\$22.00	44,730	0
Regions Bank Building 3525 N. Causeway Blvd.	1970	10	Non-A	123,000	33,070	73.11%	\$17.00 - \$18.50	6,318	7,662
3501 N. Causeway Blvd.	1973	10	Non-A	112,741	18,709	83.41%	\$19.50	8,576	17,840
Causeway Plaza I 3510 N. Causeway Blvd.	1982	6	Non-A	108,718	6,656	93.88%	\$20.00	4,603	0
Causeway Plaza II 3330 W. Esplanade Ave.	1982	6	Non-A	108,718	845	99.02%	\$20.00	845	0
Causeway Plaza III 3300 W. Esplanade Ave.	1983	6	Non-A	108,718	8,443	92.23%	\$20.00	8,443	0
Latter Center West 2800 Veterans Blvd.	1978	3	Non-A	96,979	6,3576	93.44%	\$20.00	3,460	0
Metairie Tower 433 Metairie Rd.	1970	6	Non-A	94,055	2,493	97.35%	\$20.00	1,500	0

East Metairie (continued)

Building Name	Year Built	No. of Floors	Building Class	Total Rentable Square Feet	Total Rentable Square Feet Available	Percent Leased	Quoted Rental Rate (psf)	Largest Contiguous Block Available	Sublease Space Available
Metairie Centre 2424 Edenborn Ave.	1986	6	Non-A	90,637	9,791	89.20%	\$19.75	3,297	0
Severn Place 2450 Severn Ave.	1982	5	Non-A	86,219	0	100%	\$19.75	0	0
3636 S. I-10 Service Rd.	1980	3	Non-A	60,000	0	100%	\$18.50	0	0
3131 N. I-10 Service Rd.	1979	4	Non-A	48,250	0	100%	\$18.50	0	0
Favrot & Shane Building 3925 N. I-10 Service Rd.	1981	2	Non-A	44,992	2,572	94.28%	\$18.00 - \$20.00	2,286	0
3616 S. I-10 Service Rd.	1979	2	Non-A	40,000	0	100%	N/A	0	0
3200 Ridgelake Building 3200 Ridgelake Dr.	1984	4	Non-A	40,000	1,124	97.19%	\$17.50	1,124	0
3939 N. Causeway Blvd.	1979	4	Non-A	40,000	0	100%	\$21.00	0	0
Coldwell Banker Building 4051 Veterans Blvd.	1970	4	Non-A	40,000	2,930	92.68%	\$15.00 - \$19.00	2,136	1,200
Causeway West 3229 36th St.	1974	2	Non-A	40,000	20,000	50%	\$18.00	20,000	0
4141 Veterans Blvd.	1969	3	Non-A	32,755	0	100%	\$18.50	0	0
The Boy Scouts Building 4200 S. I-10 Service Rd.	1984	2	Non-A	31,947	656	97.95%	\$14.50	656	0
Crutcher-Tufts Building 3545 N. I-10 Service Rd.	1970	3	Non-A	30,940	0	100%	\$18.50	0	0
NY-II Office Building 2750 Lake Villa Dr.	1985	3	Non-A	30,114	3,312	89%	\$18.50	2,601	0
2900 Ridgelake Dr.	1982	4	Non-A	30,000	0	100%	N/A	0	0
FGS Building 4300 S. I-10 Service Rd.	1981	2	Non-A	25,026	726	97.10%	\$17.00 - \$19.00	549	0
TOTAL CLASS A				2,040,858	155,238	92.39%	\$24.00		
TOTAL NON-CLASS A				2,154,762	179,647	91.66%	\$19.18		
TOTAL/AVERAGE OF EAST METAIRIE				4,195,620	334,885	92.02%	\$21.56		

West Metairie/Kenner



2400 VETERANS BLVD.

Occupancy in the West Metairie/Kenner market declined in 2016. While there was a general lull across the board, three large tenants vacated space. State Farm vacated 17,000 rentable square feet at 2400 Veterans Blvd.; Ricoh vacated 10,000 rentable square feet; and a vocational school vacated 10,000 rentable square feet at 6620 Riverside Dr. State Farm is

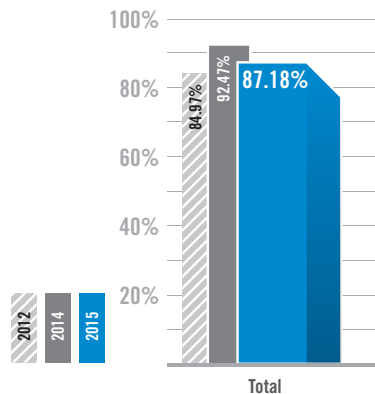
still under contract for their space, but it is available for sublease. Since this is a smaller submarket, these three movements had a noticeable impact on its occupancy numbers.

To date, these spaces have not been filled and should make a significant impact on the submarket in 2017 as well.

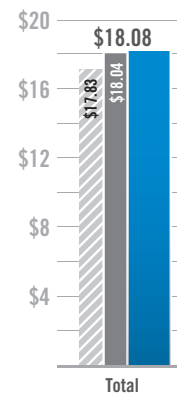
“The West Metairie/Kenner submarket remains an attractive option for office tenants who want proximity to I-10 at a more attractive price point than found in East Metairie.”

JEFF COHN, Sales and Leasing Associate,
Galleria, Causeway Plaza and 3445 N. Causeway

2016 Occupancy



2016 Average Rental Rates



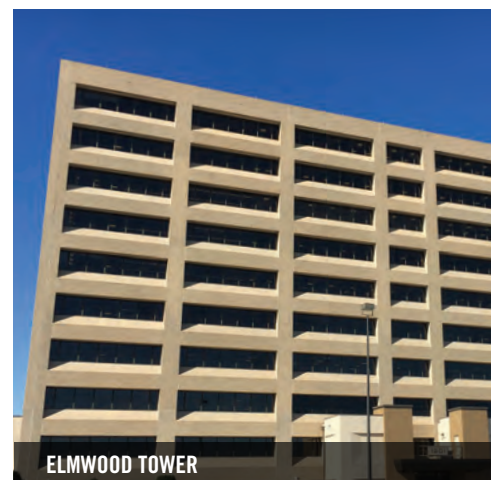
Building Name	Year Built/Year Renovated	No. of Floors	Total Rentable Square Feet	Total Rentable Square Feet Available	Percent Leased	Quoted Rental Rate (psf)	Largest Contiguous Block Available	Sublease Space Available
2400 Veterans Blvd.	1982/2014	5	133,195	13,408	89.93%	\$18.50	17,664	17,664
Riverside II 6620 Riverside Dr.	1983	3	58,057	14,744	74.60%	\$18.50	7,350	0
2200 Veterans Building 2200 Veterans Blvd.	1985	2	44,874	8,062	82.03%	\$15.25 - \$16.75	4,521	0
Riverside I 6660 Riverside Dr.	1980	3	32,181	1,169	96.37%	\$18.50	948	0
Metairie Bank Building 7809 Airline Dr.	1967	3	23,250	0	100%	N/A	0	0
TOTAL/AVERAGE OF WEST METAIRIE/KENNER			291,557	37,383	87.18%	\$18.08		

The Elmwood submarket saw strong leasing activity in 2016, however much of the movement was from existing tenants moving to new buildings in the submarket. The most notable action in this submarket was the re-entry of 1333 South Clearview Parkway to the market. The building had been owner occupied for years, but now has spaces ranging from 4,000 to 45,000 square feet available after the company was sold. This building offers abundant free parking, which is in high demand.

While rental rates have mostly remained static, operating costs and the costs of improving space continue to rise. These costs are passed along to tenants, making moving more expensive and increasing the likelihood that tenants stay put unless their needs change dramatically.

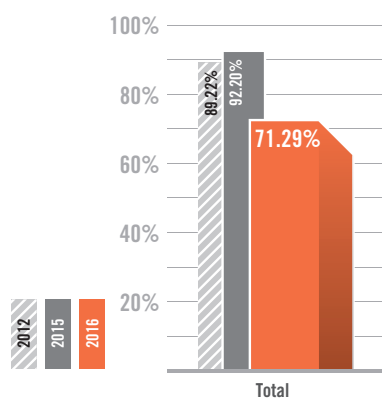
Much of the office opportunities in this submarket exist in flex buildings which are not tracked since they offer less than 20,000 square feet of office space.

*Notes: 5401 Jefferson Hwy. has been added to this report.

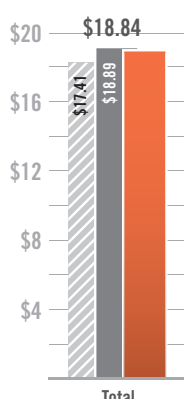


ELMWOOD TOWER

2016 Occupancy



2016 Average Rental Rates



“Tenants have many product choices in Elmwood, from multi-level office buildings to low-rise flex buildings, keeping it a tenants’ market for the near future.”

COLLEEN LEWIS, Sales and Leasing Associate

Building Name	Year Built	No. of Floors	Total Rentable Square Feet	Total Rentable Square Feet Available	Percent Leased	Quoted Rental Rate(psf)	Largest Contiguous Block Available	Sublease Space Available
Elmwood Tower 1201 Elmwood Park Blvd.	1982	10	205,313	0	100%	N/A	0	0
5401 Jefferson Hwy.	1982	1	100,000	60,000	40%	\$18.00 - \$20.00	60,000	0
880 Commerce Rd. West	1979	5	93,629	23,405	75%	\$18.50	13,360	0
800 Commerce Rd. West	1979	5	91,628	20,959	77.13%	\$19.50	18,400	0
Stewart Services Center 1333 S. Clearview Pkwy.	1974	5	90,000	45,000	50%	N/A	40,000	0
990 N. Corporate Park Rd.	1979	3	58,646	58,646	0%	\$18.50	58,646	0
800 Commerce Rd. East	1979	3	53,024	0	100%	N/A	0	0
824 Elmwood Park Blvd.	1984	2	39,600	2,090	94.72%	\$19.00	0	0
TOTAL/AVERAGE OF ELMWOOD			731,840	210,100	71.29%	\$18.84		

North Shore



BODET PLACE I

The forecast for the North Shore office market at the close of 2016 was “challenging” due to the prospect of a continual recession affecting the oil and gas industry. In retrospect, the market fared reasonably well. Two new office buildings opened for business: Greengate Two – Northpark; and Bodet Place I – 1155 Hwy 190 E. Service Rd. Both buildings achieved 50% lease up levels with good prospects for 2017. One additional office building has broken ground in River Chase – a two-story, 44,500 square foot Class A property. All three of these new structures represent different geographic areas of the North Shore market and do not appear to provide direct competition to each other’s leasing success.

In 2016, the existing market maintained healthy levels of occupancy and rate structure. At the heart of the North Shore market lies the Northpark development with three of the four largest office buildings in the entire market: Chevron, Northpark Corporate Center, and Northpark Corporate II.

The sublease market on the North Shore is not as great of a concern as was feared at the end of 2015. There was a total of 3,941 rentable square feet available in Cypress Bend 13,499 rentable square feet in the Allstate Building (leased by Chevron through the end of 2017). The only

question mark on the sublease front for 2017 may be what happens with Hornbeck Offshore. An immediate turnaround in oil prices will alleviate the most pressing issues for all tenants in the industry.

There remains two significant planned/announced development projects on hold purportedly due to the questionable economic conditions surrounding office and mixed use demand. The first one is the Versailles Business Center located at the NW Quadrant of I-12 and Hwy 190. This is a Gulf States PUD development covering a total of sixty acres. Several lots have been sold; however, no ground breaking has occurred to date. Global Star purchased a site recently and may have plans to break ground in the fourth quarter of 2017.

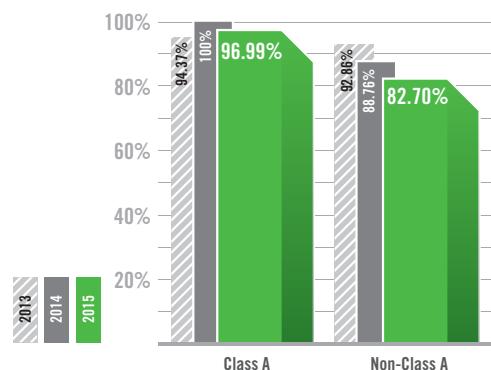
The second development is located in the NW Quadrant of I-12 and Hwy 1088 in the eastern portion of St. Tammany Parish. This development is spearheaded by The Azby Fund and Wadsworth Estates, LLC. This development is also PUD zoned. The residential component may not come to fruition, though the intent is to move forward with a business park and other commercial developments. In both cases, additional economic traction will have to occur for projects of this magnitude to commence.

** Note: Bodet Place I, Greengate Tower and 800 N. Causeway were added to this report.*

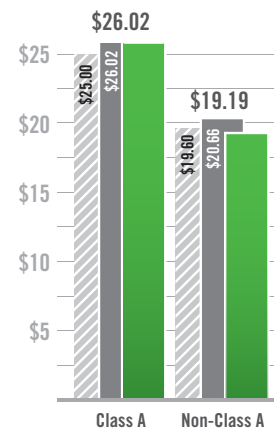
“The upside to the general office market on the North Shore is that the market has more diversity than in other regional markets and has the ability and the population to expand East, West and North.”

RANDALL WHITE,
Sales and Leasing Associate, Tenant Representation

2016 Occupancy



2016 Average Rental Rates



North Shore

Building Name	Year Built	No. of Floors	Building Class	Total Rentable Square Feet	Total Rentable Square Feet Available	Percent Leased	Quoted Rental Rate (psf)	Largest Contiguous Block Available	Sublease Space Available
Chevron Building 1001 Northpark Blvd.	2009	4	A	290,500	0	100%	N/A	0	0
Cypress Bend Office Building 1001 Ochsner Blvd.	2009	4	A	105,157	0	100%	\$28.00	0	3,941
Northpark Corporate Center 109 Northpark Blvd.	1986	5	A	103,222	16,650	83.87%	\$24.00	10,082	0
FARA Insurance Building 1625 West Causeway Approach	2006	2	A	55,000	0	100%	N/A	0	0
1010 W. Gause Blvd.	1968	2	Non-A	100,000	0	100%	\$14.25	0	0
Northpark Corporate II 103 Northpark Blvd.	1998	3	Non-A	69,905	0	100%	N/A	0	0
Bodet Place I 1155 Hwy 190 E. Service Rd.	2016	4	Non-A	50,000	0	100%	N/A	0	0
Resource Bank Building 5100 Village Walk	2001	3	Non-A	43,405	8,809	79.71%	\$21.00	8,809	0
830 West Causeway Approach	2006	2	Non-A	40,000	5,642	85.90%	\$24.00	5,642	0
Greengate One Office Building 1330 Greengate Dr.	2014	3	Non-A	36,908	5,014	86.41%	\$21.00	4,010	0
Greengate Two Office Building	2016	3	Non-A	35,386	18,431	47.91%	\$21.00	12,004	0
Loop Building 137 Northpark Blvd.	2009	2	Non-A	30,000	0	100%	N/A	0	0
800 N. Causeway	2001	2	Non-A	29,543	21,543	27.08%	\$16.00	8,000	0
No. 2 Sanctuary Blvd. Building 2 Sanctuary Blvd.	1998	3	Non-A	21,000	0	100%	\$21.00	0	0
No. 3 Sanctuary Blvd. Building 3 Sanctuary Blvd.	2000	3	Non-A	21,000	0	100%	\$21.00	0	0
No. 4 Sanctuary Blvd. Building 4 Sanctuary Blvd.	2004	3	Non-A	21,000	0	100%	\$21.00	0	0
No. 5 Sanctuary Blvd. Building 5 Sanctuary Blvd.	2006	3	Non-A	21,000	0	100%	\$21.00	0	0
The Allstate Building 111 Park Place	1998	1	Non-A	20,153	0	100%	\$22.00	0	13,499
2050 E. Gause Blvd.	2006	2	Non-A	20,000	20,000	0%	\$18.00	20,000	0
TOTAL CLASS A				553,879	16,650	96.99%	\$26.02		
TOTAL NON-CLASS A				459,300	79,439	82.70%	\$19.19		
TOTAL/AVERAGE OF NORTH SHORE				1,113,179	96,089	91.37%	\$21.49		

West Bank



OAKWOOD CORPORATE CENTER

“With no new development planned, and relatively little vacancy, more of the same is expected in 2017.”

AUSTIN LAVIN,
Sales and Leasing Associate

Over the past couple of years, the story of the West Bank submarket has been the Westpark Office Building. This large building was occupied by the Federal Emergency Management Agency (FEMA) until they vacated in 2015; it was then sold and leased by Corporate Realty to the Louisiana Children’s Medical Center in 2016. The quick lease of a large single-

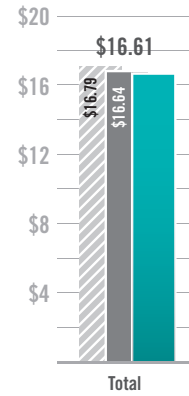
tenant building bodes well for the West Bank market as it will keep unneeded vacancy from flooding the market.

The submarket otherwise remains stable with limited activity. Many of the transactions over the course of the past year were smaller building tenants moving within the submarket.

2016 Occupancy



2016 Average Rental Rates



Building Name	Year Built	No. of Floors	Total Rentable Square Feet	Total Rentable Square Feet Available	Percent Leased	Quoted Rental Rate (psf)	Largest Contiguous Block Available	Sublease Space Available
Oakwood Corporate Center 401 Whitney Ave.	1985	6	133,421	13,998	89.51%	\$19.00 - \$19.50	8,082	0
Timbers Office Building 3520 General Degaulle Dr.	1985	5	128,163	22,433	82.50%	\$14.00	20,942	0
Westpark Office Building 1 Seine Ct.	1983	6	108,889	0	100%	\$16.00 - \$18.00	0	0
Manhattan Place 2439 Manhattan Blvd.	1978	5	62,066	5,652	90.89%	\$18.00	2,400	0
2550 Belle Chasse Hwy.	1983	3	45,000	0	100%	\$16.50 - \$17.00	0	0
Stone Plaza 1601 Belle Chasse Hwy.	1984	3	32,653	0	100%	\$15.50	0	0
Mac Arthur Professional Bldg. 3712 Mac Arthur Blvd.	1971	2	27,766	7,894	71.57%	\$15.00	4,564	0
Cypress Park 405 Gretna Blvd.	1976	2	24,248	16,974	30%	\$15.00	6,000	0
Marrero Land Office Plaza 5201 Westbank Expy.	1971	4	23,310	8,400	63.96%	\$12.00 - \$18.50	3,500	0
TOTAL/AVERAGE OF WESTBANK			585,516	75,351	87.13%	\$16.61		

St. Charles Parish

The small office submarket in St. Charles Parish was unusually volatile in 2016 because of three large transactions. Kongsberg Maritime completed its 82,980 square foot office building and failed to occupy 28,000 square feet of the building, putting it on the market. ITT Technical Institute vacated its campus in James Business Park, leaving a 28,000 square foot

vacancy, and Bollinger Enterprises vacated 20,000 square feet in James Business Park.

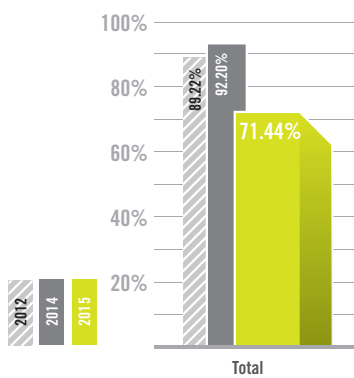
These vacancies provide opportunities for tenants, but they were all built with very user-specific designs that will require the right tenant, and term, to make a new lease work.

** Note: The Kongsberg Maritime Building was added to this report.*

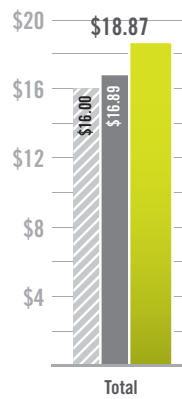


KONGSBERG MARITIME BUILDING

2016 Occupancy



2016 Average Rental Rates



“The third floor of the Kongsberg Maritime project became available for sublease in 2016, before the building was even completed.”

DONNA WHALEN LITTLE,
Sales and Leasing Associate, Tenant Representation

Building Name	Year Built	No. of Floors	Total Rentable Square Feet	Total Rentable Square Feet Available	Percent Leased	Quoted Rental Rate (psf)	Largest Contiguous Block Available	Sublease Space Available
Kongsberg Maritime Bldg. 145 James Drive East	1981	3	84,000	28,000	66.67%	\$23.00	28,000	0
Two James Park 120 Mallard St.	1981	3	53,520	9,786	81.72%	\$17.00	4,160	0
One James Park 100 James Dr.	1980	3	43,055	16,459	61.77%	\$17.00	6,949	0
Campus Center 104 Campus Dr. E.	1982	2	26,066	0	100%	\$17.50	0	0
160 James Dr. E.	1981	1	25,772	9,340	63.76%	\$16.50	9,340	0
Five James Park 110 James Dr. W.	1983	2	24,018	9,650	59.82%	\$16.00	7,338	0
TOTAL/AVERAGE OF ST. CHARLES PARISH			256,431	73,235	71.44%	\$18.87		

Corporate Realty's Office Specialists



Michael J. Siegel, SIOR
President and Director of Office Leasing
504.581.5005



Meg Carrone, CPM, CCIM
Director of Leasing, Energy Centre
504.569.2052



Jeff Cohn
Sales and Leasing Associate,
Galleria, Causeway Plaza and
3445 N. Causeway
504.581.5005



Bennett K. Davis, CCIM
Director of Leasing, Place St. Charles
504.582.1416



Andrea A. Huseman, CCIM
Director of Leasing, One Canal Place
504.587.1450



Austin Lavin, CCIM
Sales and Leasing Associate,
Tenant Representation
504.581.5005



Colleen Lewis, CCIM, SIOR
Broker Associate
504.581.5005



Donna Whalen Little
Sales and Leasing Associate,
Tenant Representation
504.581.5005



William 'Bill' Moody
Broker Associate
504.581.5005



William Sadler
Research Analyst
504.581.5005



Bruce Sossaman, SIOR
Director of Leasing, Lakeway Complex
and One Shell Square
504.219.5842



Randall R. White
Sales and Leasing Associate,
Tenant Representation
504.581.5005

Corporate Realty, Inc. is a full-service commercial real estate company headquartered in New Orleans. We have been in existence for over 25 years, and our predecessor company was in the commercial real estate business in New Orleans since the 1950s. We have approximately 75 employees, 17 of whom are active, full-time commercial real estate agents.

We have agents that specialize in:

- Office Leasing and Brokerage (Landlord and Tenant Representation)
- Retail Leasing and Brokerage (Landlord and Tenant Representation)
- Investment Brokerage (Buyers and Sellers Representation)

We also provide property management services to:

- Office Building Owners
- Retail Property Owners
- Apartment and Condo Owners
- Special Purpose Property Owners

Additionally, we offer our clients support services including:

- Construction Consulting and Supervision
- Development Services
- Engineering Support

Corporate Realty agents are consistently involved in the largest, most complex and most demanding real estate brokerage transactions in this region, and we pride ourselves on having the top real estate professionals in the market. Call us today at 504.581.5005 to find out how we can help you solve your real estate needs.

Corporate Realty is a Licensed Real Estate brokerage firm in Alabama, Arkansas, Louisiana, Mississippi and Texas.





201 St. Charles Ave. Suite 4411, New Orleans, LA 70170
504.581.5005 • info@corp-realty.com • corp-realty.com

Follow us:



[Facebook.com/CorporateRealty](https://www.facebook.com/CorporateRealty)



[@CorporateRealty](https://twitter.com/CorporateRealty)

The information contained herein has been obtained from sources that we deem reliable. No representation or warranty is made as to the accuracy thereof, and it is submitted subject to errors, omissions and changes.

This report is property of Corporate Realty, Inc. Any re-use of this report shall not be made without the express written consent of Corporate Realty, Inc.