

Appraisal Report

Aarons (previously)
2850 North Market Street
Shreveport, Louisiana 71107

FOR
Walker-Alley & Associates
P.O. Box 1757
Shreveport, Louisiana 71166-1757



Adcock Appraisal Group, LLC
4830 Line Avenue, #105
Shreveport, Louisiana 71106
318-797-0543

Appraisal No.:
I23Z



4830 Line Avenue, #105
Shreveport, Louisiana 71106
318-797-0543 phone
AdcockAppraisalGroup.com

April 8, 2026

Mr. Chris Stokes
Walker-Alley & Associates
P.O. Box 1757
Shreveport, Louisiana 71166-1757

Re: A Real Property Appraisal of the existing
retail property located at 2850 North Market
Street in Shreveport, Louisiana 71107
Appraisal No.: I23Z

Dear Mr. Stokes:

In accordance with your request, I have prepared an opinion of the "As Is" market value of the fee simple estate (excluding mineral rights) interest for the above captioned property. As per your request, I have completed an appraisal of the above referenced property utilizing the income and market data approaches to value. The subject property is more fully analyzed and my opinions and conclusions are presented in attached appraisal report containing 96 pages.

The subject property consists of an existing retail facility containing $\pm 9,918$ square feet (rentable area); situated on a site containing $\pm 98,134$ square feet (± 2.253 acres).. The property is situated along the east side of North Market Street and north side of Interstate 220 Exit Ramp (controlled access), at the south end of the service drive for the North Market Place Shopping Center. The subject property was constructed in 2001 and currently appears to be in average condition.. The subject property can be legally described on Page C1 of the attached appraisal report.

The neighborhood and subject property was visited on October 17, 2025 by Scott H. Adcock, MAI. The descriptions of the subject property are based on information provided via the sources indicated within the report, as well as the appraiser's general on-site observations, and are assumed to be correct, but should be verified by a qualified engineer, architect, or surveyor. However, my/our research does not include a guarantee of the capacity and/or condition of the plumbing, electrical, structural, or mechanical equipment, or any other components of the subject property.



Mr. Chris Stokes
Walker-Alley & Associates
April 8, 2026
Appraisal No.: I23Z

The following appraisal sets forth the most pertinent data gathered, the techniques employed, and the reasoning leading to the opinion of value. The analyses, opinions, and conclusions were developed based on, and this report has been prepared in conformance with, the guidelines and recommendations set forth in the uniform Standards of Professions Appraisal Proactive (USPAP) of the Appraisal Foundation, the requirements of the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute. It also conforms to Title XI Regulations and the Financial Institution Reform, Recovery, and Enforcement Act of 1989 (FIRREA); and the requirements of our client, as we understand them.

The content of this Appraisal Report is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report. As such, it presents summary discussions of the data, reasoning, and analysis that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analysis is retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.

The intended use of this report is for negotiation purposes; and the intended user is Walker-Alley & Associates. No other use or user of the report, its opinions, conclusions or contents, is permitted by any other party for any other purpose. Dissemination of this report by any party to any non-intended user does not extend reliance to any such party and Adcock Appraisal Group, LLC and/or the appraiser will not be responsible for any unauthorized use or reliance upon the report, its conclusions or contents (or any portion thereof). The value opinions reported herein are subject to the definitions, assumptions and limiting conditions, and certification contained in this report.



Mr. Chris Stokes
Walker-Alley & Associates
April 8, 2026
Appraisal No.: I23Z

Based on the analysis contained in the following report, our value opinions are summarized as follows:

		<i>"As Is"</i>
Value Type		market value
Interest Appraised		fee simple estate
Effective Date		October 17, 2025
Value Opinions		
Land (excluding Excess Land)		Not Allocated
Improvements		Not Allocated
Total		\$545,000
Excess Land		<u>\$0</u>
Total Realty Value		\$545,000
Non-Realty Value		<u>Not Appraised</u>
Total Property Value		<u>\$545,000</u>



Mr. Chris Stokes
Walker-Alley & Associates
April 8, 2026
Appraisal No.: I23Z

The values and the appraiser's name should not be used except along with the entire report.

The values stated in this appraisal would be inappropriate for any type of syndication sale or other syndication use.

Thank you for allowing our firm to be of service to you in this matter. If you have any questions concerning the analysis or if we can be of any further service, please contact us.

Sincerely,

Adcock Appraisal Group, LLC

A handwritten signature in black ink, appearing to read 'Scott H. Adcock', written in a cursive style.

Scott H. Adcock, MAI
*Louisiana Certified
General Appraiser
License No. Apr.00982-CGA*

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Certifications

The undersigned appraiser hereby warrants and certifies that:

- The appraisal report attached hereto fully complies with all of the requirements and standards of the appraisal regulation (the "Regulation") adopted by the Bank's federal regulatory agency pursuant to Title XI of the Financial Institutional Reform, Recovery and Enforcement Act of 1989, including but not limited to the applicable Uniform Standards of Professional Appraisal Practice (USPAP) adopted as an appendix to that Regulation, as well as the specific standards set forth in the Regulation and is in conformance with the requirements of the State of Louisiana.
- 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.
- I certify that to the best of my knowledge and belief, my analyses, opinions and conclusions were developed, and this Report complies with the Standards of Valuation Practice
- Scott H. Adcock, MAI has made a personal general observation of the subject property and surrounding neighborhood; none of the comparables are resales within the last three years unless stated in the comparable sale description and analysis.
- The statements of fact contained in the appraisal report are true and correct, to the best of my/our knowledge.
- The reported analysis, opinions and conclusions are limited only by the reported assumptions and contingent limiting conditions and are my personal unbiased professional analysis, opinions and conclusions.
- I have no present or prospective interest in the property that is the subject of the report, and I have no personal interest or bias with respect to the parties involved. I previously prepared an appraisal of this property on October 21, 2025 (date of Letter) for financial lending institution. The undersigned has 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 appraisal requirement was not based on a requested valuation, a specific valuation, or the approval of a loan.
- My compensation is not contingent upon the 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. My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this report.

- My/Our education, experience and knowledge are sufficient to appraise the type of property being appraised. No other appraiser has provided significant professional assistance other than the cosigning appraiser.
- The use of this report is subject to the requirements of the Code of Professional Practice of the Appraisal Institute. As of the date of this appraisal, Scott H. Adcock, MAI has completed the requirements of the continuing education program for Designated Members of the Appraisal Institute. I do not authorize the out-of-context quoting from or partial reprinting of this appraisal report. Further, neither all nor part of this report shall be disseminated to the general public by the use of media for public communications without the prior written consent of the appraiser signing this appraisal report.
- No evidence was found of "natural, cultural, recreational or scientific value," except as stated herein. This appraisal does not include analysis of site contamination, hazardous materials or other potential environmental problems in the neighborhood, or wetlands, because the appraiser is not an expert in these matters. It is assumed in this report that these are not problem areas or cause use restrictions for the subject property. Other assumptions and contingent limiting conditions are located beginning on Page G1 in this report.
- I certify that the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.
- The values stated in this letter would be inappropriate for any type of syndication sale or other syndication use.



Scott H. Adcock, MAI
*Louisiana Certified
General Appraiser
License No. Apr.00982-CGA*

April 8, 2026

Date

Summary of Salient Facts and Conclusions

Appraisal Information

Appraisal Client:	Walker-Alley & Associates
Client Address:	P.O. Box 1757 Shreveport, Louisiana 71166-1757
Effective Date of Appraisal:	October 17, 2025
Date of Site Visit:	October 17, 2025
Date of Letter:	April 8, 2026
Report Type:	appraisal
Interest Appraised:	fee simple estate (excluding mineral rights)
Type Value:	market value
Appraisal No.:	I23Z

Subject Property Information

Property Name:	Aarons (previously)
Property Address:	2850 North Market Street Shreveport, Louisiana 71107
Property Location:	east side of North Market Street and north side of Interstate 220 Exit Ramp (controlled access), at the south end of the service drive for the North Market Place Shopping Center
Property Owner:	USNY Properties, LLC (under contract to transfer to David Ditta Real Estate, LLC)
Property History:	The subject property previously transferred ownership from Sprit Master Funding VII, LLC to USNY Properties, LLC on 10/13/23 for \$362,500 (#2946912).

Site Information

Site Size:	<i>Land in Use</i>	2.253 acres	98,134 square feet
	<i>Excess Land</i>	<u>0.000</u> acres	<u>0</u> square feet
	<i>Total Area</i>	2.253 acres	98,134 square feet
Street Frontage:	141.24' on the east side of N. Market St and 317.65' on the north side of I-220		
Site Shape:	Irregular		
Topography:	Level		
Flood Zone:	Zone X - (Community Panel No.: 22017C0366H)		
Zoning:	C-3; General Commercial Zoning District		

Improvement Information

Building Type:	Retail
Building Size:	9,918 square feet
Construction Type:	<p><i>Exterior:</i> Concrete block construction with steel roof trusses and a membrane roof, on a concrete slab foundation</p> <p><i>Interior:</i> primarily painted gypsum board walls, suspended acoustical ceilings, with recessed fluorescent lighting, and tile floors</p>
Building Condition:	Average
Year Built:	2001
Effective Age:	15 years
Parking Area:	±30,000 square feet of concrete parking and drives

Analysis Conclusions

Highest and Best Use:	<p><i>As Vacant Land:</i> future commercial development, similar to other properties in the area</p> <p><i>As Is:</i> continued use as a retail property, after curing all deferred maintenance, if any.</p>
Marketing Period:	The PwC Real Estate Investor Survey for the 3rd quarter 2025 indicated marketing time from 1.0 to 12.0 months, with an average of 5.9 months for the Retail - Strip Shopping Center Market.

The comparable sales indicate that exposure time (*i.e.*, the length of time the subject property would have been exposed for sale in the market had it sold at the opinion of market value indicated in this analysis, as of the date of this valuation) would have been about 6 to 12 months. The estimated marketing time (*i.e.*, the amount of time it would probably take to sell the subject property if exposed in the market beginning on the date of this valuation) is estimated to be 6 to 12 months. This estimate is based on the surveys discussed above and the volume of similar available properties versus demand in the market, as well as the opinions of real estate professionals who are active in the real estate market.

Property Value Indications:

"As Is"	
Cost Approach	Not Developed
Income Approach	\$540,000
Market Data Approach	\$545,000

Property Value Opinions:

"As Is"	
Value Type	market value
Interest Appraised	fee simple estate
Effective Date	October 17, 2025
Value Opinions	
Land (excluding Excess Land)	Not Allocated
Improvements	Not Allocated
Total	\$545,000
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The content of this Appraisal Report is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report. As such, it presents summary discussions of the data, reasoning, and analysis that were used in the appraisal process to develop the appraiser’s opinion of value. Supporting documentation concerning the data, reasoning, and analysis is retained in the appraiser’s file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.

Legal Description

The subject property can be legally described as follows:

Lot 1, North Market Place, Unit No. 3, a subdivision of the City of Shreveport as recorded in Book 3000, Page 302 of the Conveyance Records of Caddo Parish, Louisiana

Source: *Previous conveyance deed (Instrument #2946912)*

The above description is furnished for identification purposes only and should not be used without competent professional counsel.

Definition of Market Value

"Market Value" is defined by the United States Treasury Department, Comptroller of the Currency 12 CFR 34, & 34.2 (f) as,

"The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and 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:

- (a) Buyer and seller are typically motivated;
- (b) Both parties are well informed or well advised, and acting in what they consider their own best interests;
- (c) A reasonable time is allowed for exposure in the open market;
- (d) 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.

Scope of Work

The beginning point of any appraisal (appraisal, appraisal review, appraisal consulting) assignment is identifying the scope of work to be performed, which includes identifying the problem to be solved and determining the work required to develop credible results.

Identification of the Problem

Identifying the problem to be solved requires the appraiser to gather and analyze information regarding several assignment elements pertinent to the appraisal. The assignment elements necessary to identify the problem to be solved are those indicated in the applicable Standards Rules (SR 1-2, SR 7-2, and SR 9-2). Standard 1-2 deals with "Real Property Appraisal, Development". Each of the other Standard Rules are similar in content, but deal with other aspects of appraisal (*i.e.*, appraisal review, appraisal consulting, mass appraisal, personal property appraisal, and business appraisal). The individual assignment elements, as they relate to this assignment are discussed as follows:

- *Identify the client and other intended users [Standards Rule 1-2(a)]*

As indicated in the Engagement Letter included in the Addenda of this analysis, Walker-Alley & Associates is my client and the intended user for this assignment. This appraisal was prepared for the sole use and benefit of Walker-Alley & Associates. There are no other intended users for this assignment.

- *Identify the intended use of the appraiser's opinions and conclusions [Standards Rule 1-2(b)]*

The opinions and conclusions presented in this appraisal report are to be used only to prepare an opinion of market value of the subject property for negotiation purposes only by Walker-Alley & Associates.

- *Identify the type and definition of value [Standards Rule 1-2(c)]*

The research and analysis prepared for this assignment were completed in order to provide an opinion of market value for the subject property. "Market Value" is defined by the United States Treasury Department, Comptroller of the Currency 12 CFR 34, & 34.2 (f) as,

"The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and 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:

- (a) Buyer and seller are typically motivated;
- (b) Both parties are well informed or well advised, and acting in what they consider their own best interests;

- (c) A reasonable time is allowed for exposure in the open market;
- (d) 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.

- *Identify the effective date of the appraiser's opinions and conclusions [Standards Rule 1-2(d)]*
The effective date of the opinions and conclusions presented in this report (effective date of appraisal) is October 17, 2025.
- *Identify the characteristics of the property that are relevant to the type and definition of value and intended use of the appraisal [Standards Rule 1-2(e)]*
 - *Location, physical, legal, and economic attributes [Standards Rule 1-2(e)(i)]:*
The subject of this analysis is an existing retail facility containing ±9,918 square feet (rentable area); situated on a site containing ±98,134 square feet (±2.253 acres). This property is located at 2850 North Market Street in Shreveport, Louisiana. The subject property can be legally described as indicated on Page C1. The locational, physical, legal, and economic characteristics of the subject property are discussed and analyzed more thoroughly in the body of this report. Additionally, this analysis includes discussions of the city and area and subject neighborhood.
 - *Real property Interest to be appraised [Standards Rules 1-2(e)(ii)]:*
The research and analyses completed for this assignment were prepared to provide an opinion of market value for the fee simple estate (excluding mineral rights) of the subject property.
 - *Personal property, trade fixtures, or intangible items included in the appraisal [Standards Rule 1-2(e)(iii)]:*
The value opinions provided in this analysis and presented in this appraisal report do not include any furniture, fixtures, or equipment (FF&E), personal property, or other intangible items associated with the subject property.
 - *Easements, restrictions, encumbrances, leases, reservations, covenants, contracts, declarations, special assessments, ordinances, etc. [Standards Rule 1-2(e)(iv)]:*
 - Based on the Subdivision Plats additional information provided by the listing agent, as well as the appraiser's general on-site observations, the subject site is affected by a 50' servitude of passage, a 15' sanitary sewer servitude, a 15' water servitude, a 20' SWEPCO servitude, and a 7' wide strip designated as a permanent grassed area. Based on the information researched, the subject site does not appear to be adversely affected by any other known easements or encroachments. The appraiser is aware of no adverse

- easements, encroachments, or flood prone problems inherent in the subject property; and a current survey might be prudent in order to verify these assumptions. However, there are assumed to be typical utility easements at the subject property, similar to other sites in the area. The location of all easements (if any) should be verified by a qualified professional land surveyor and/or an attorney prior to transfer or loan closing.
- As discussed in the Site Analysis section of this report, the subject property is currently zoned C-3: General Commercial Zoning District and is restricted by the current zoning requirements associated with the C-3 designation.
 - Based primarily on information provided by the property owners (or representatives for the property owner) and additional information provided by local government officials (i.e., tax assessor's office, zoning department, etc...), to the best of our knowledge, the subject property is not adversely affected by any other reservations, covenants, contracts, declarations, special assessments, ordinances, or other items of similar nature.
 - Summary of Lease Agreements - The subject property is not currently encumbered by any long-term arm's length lease agreements to our knowledge.
 - Unless otherwise stated in this report, the existence of hazardous materials or other potential environmental problems, which may or may not be present on the property, or in the vicinity, was not observed by the appraiser, except as stated in this appraisal; however, the appraiser is not an expert in this field, as stated in the Assumptions and Contingent Limiting Conditions.
 - Asbestos or other Hazardous materials contamination or other possible environmental problems are not analyzed in this report and no "cost to cure" is included for hazardous materials, if any exists, or for any Americans with Disabilities Act (ADA) requirements, as discussed in the letter of transmittal and Assumptions and Contingent Limiting Conditions. I recommend an environmental study and an ADA study from qualified experts in each field should be completed in order to know the cost to cure any problems that may exist.
 - [Fractional interest, physical segment, or partial holding \[Standards Rule 1-2\(e\)\(v\)\]](#):
The opinions and conclusions presented in this report reflect the 100% whole ownership (less mineral rights) of the subject property; and do not reflect any individual fractional interest (except for leased fee/leasehold interests as discussed above), physical segment, or partial holding.
 - [Identify any extraordinary assumptions necessary in the assignment \[Standards Rule 1-2\(f\)\]](#):
The opinions and conclusions presented in this report are based on the assumptions and contingent limiting conditions identified and discussed in the Assumptions and Contingent Limiting Conditions section of this report.

The analyses, opinion(s), and conclusions presented in this report are not based on any extraordinary assumptions.

- *Identify any hypothetical conditions necessary in the assignment [Standards Rule 1-2(g)]:*

The opinions and conclusions presented in this report are based on the assumptions and contingent limiting conditions identified and discussed in the Assumptions and Contingent Limiting Conditions section of this report.

The analyses, opinion(s), and conclusions presented in this report are not based on any hypothetical conditions.

Given each of the assignment elements identified and discussed above, and the instructions provided by the client, the basic problem to be solved for this assignment is identified to be to provide an estimate of market value for the subject property fee simple estate (excluding mineral rights).

Once the problem to be solved has been identified, the appraisers must determine the scope of work necessary to develop credible results, given the elements of the problem to be solved. The work required to develop credible opinions and conclusions includes but is not limited to identifying and "inspecting" the subject property and researching and analyzing the data relevant to the property.

Extent to which the Property is Identified

The subject property and the appraiser's conception of it are based on the Site Survey (if available), Assessors Plat, legal description, building plans (if available), and other information provided by the property owner, as well as the appraiser's measurements and general on-site observations. The subject property is more fully described and analyzed in the report body. The sources of data provided for this analysis are indicated below.

Item	Sources
Site Data	
Legal Description	Previous conveyance deed (Instrument #2946912)
Site Size	Subdivision Plat (Instrument #1729863)
Improvement Data	
Building Area	Appraisers Measurements
Parking Area	Scaled from Aerial Photographs
Year Built	Aerial Photographs / Property Owner
Economic Data	
Building Cost	N/A
Deferred Maintenance	None Noted

Income History	None Provided
Expense History	None Provided

Extent to which the Property is Inspected

The subject property was visited on October 17, 2025 by Scott H. Adcock. This property visit was made for the purpose of gathering information about the characteristics of the subject property that are relevant to the value of the property. My visit included general visual observations of readily visible areas of the exterior and interior of the subject property buildings and site for the valuation comparison purposes only. My visit did not include the observation of any areas or items which require special testing or equipment. Neither the site visit nor this appraisal is to be construed as or considered equivalent to a building inspection, structural inspection, or pest inspection by inspection professionals. The appraiser is not qualified to complete such inspections. The observations made during my site visit are not technically exhaustive and are not to be construed as a warranty, of any type or form, of the existing or proposed improvements, site improvements, furniture, fixtures, and equipment, or site. My observations do not include a guarantee of the capacity and/or condition of the plumbing, electrical, structural or mechanical equipment associated with the subject property. Complete inspections of the subject property by a qualified building inspector, structural engineer, and pest control professional are recommended.

Type and Extent of Data Researched

Our research included a review of applicable tax data, zoning requirements, and flood zone designations. Additionally, comparable data was researched via a review of sale deeds and lease memorandums filed in the Caddo and Bossier Parish Court Houses, a review of the Multi-Facts Database, provided by Multi-Facts Research Center, Inc., the Louisiana Commercial Database (LACDB), and Crexi; as well as conversations with real estate appraisers, brokers, agents, property managers, and tenants/owners of numerous properties in the region. Our research revealed several sales and leases of comparable properties; and the most comparable sales and leases were analyzed for this analysis. The information regarding each of the comparable sales and leases used in this analysis was verified with a participant involved in the transaction, when possible. Also, where applicable, income and expense data from national surveys and local comparable properties were reviewed.

Type and Extent of Analysis Applied to Arrive at Opinions/Conclusions

There are three basic approaches to estimating the market value of any property: cost approach, income approach, and market data approach to value. While each of the approaches to value are relevant in the analysis of some properties, one or more of the approaches to value may not be relevant in the analysis of other properties.

The Cost Approach

A value estimate via the cost approach to value is prepared by estimating the replacement (or reproduction) cost new of the subject property improvements, deducting the applicable accrued depreciation, and adding the value of the land.

The Income Approach

A value estimate via the income approach to value is prepared by estimating the rental income achievable from the subject property, deducting an allowance for vacancy/collection loss, and deducting the estimated operating expenses required to operate the facility, which provides and estimated net operating income achievable of the subject property, this projected income stream is then converted to a present value.

The Market Data or Sales Comparison Approach

A value estimate via the market data approach to value is prepared by direct comparison of the subject property to similar properties that have sold in the same or similar markets. This analysis included comparing the important attributes of the comparable properties to the subject property and making adjustments for any differences. Paired sales analysis is the preferred method of extracting adjustment for each of the attributes; however, when sufficient information is not available to achieve paired analysis adjustments are extracted by other methods.

The opinion of Market Value is derived via the income and market data approaches to value. Although the Cost Approach could be utilized in the analysis of this type of property; since the subject property is an older property with a significant amount of accrued incurable physical depreciation, the cost approach is not believed to provide as reliable indication of value as the income and market data approaches. The exclusion of the cost approach does not limit this analysis such that it would be misleading. Income properties are typically best evaluated by income related factors normally considered important to the typical investor, as found in the income approach to value. The income and market data approaches typically give value indications which are much more sensitive to the economic rationale for the property. Therefore, the Income and Market Data Approaches provide reliable estimates of value in this case.

The content of this Appraisal Report is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report. As such, it presents summary discussions of the data, reasoning, and analysis that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analysis is retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.

Appraisal Process

In estimating the value of real property, there are available to the appraiser three recognized approaches or techniques that, when applicable, can be used to process the data considered significant to each of the three approaches into separate value indications. In all instances, the experience of the appraiser, coupled with his objective judgment, plays a major role in arriving at the conclusion of indicated values from which the final opinion of value is made.

The three approaches are commonly known as:

The Cost Approach

A value estimate via the cost approach to value is prepared by estimating the replacement (or reproduction) cost new of the subject property improvements, deducting the applicable accrued depreciation, and adding the value of the land.

The Income Approach

A value estimate via the income approach to value is prepared by estimating the rental income achievable from the subject property, deducting an allowance for vacancy/collection loss, and deducting the estimated operating expenses required to operate the facility, which provides and estimated net operating income achievable of the subject property, this projected income stream is then converted to a present value.

The Market Data or Sales Comparison Approach

A value estimate via the market data approach to value is prepared by direct comparison of the subject property to similar properties that have sold in the same or similar markets. This analysis included comparing the important attributes of the comparable properties to the subject property and making adjustments for any differences. Paired sales analysis is the preferred method of extracting adjustment for each of the attributes; however, when sufficient information is not available to achieve paired analysis adjustments are extracted by other methods.

In each case, when applicable, items such as excess land and deferred maintenance are considered.

The opinion of Market Value is derived via the income and market data approaches to value. Although the Cost Approach could be utilized in the analysis of this type of property; since the subject property is an older property with a significant amount of accrued incurable physical depreciation, the cost approach is not believed to provide as reliable indication of value as the income and market data approaches. The exclusion of the cost approach does not limit this analysis such that it would be misleading. Income properties are typically best evaluated by income related factors normally considered important to the typical investor, as found in the income approach to value. The income and market data approaches typically give value indications which are much more sensitive to the economic rationale for the property. Therefore, the Income and Market Data Approaches provide reliable estimates of value in this case.

Assumptions and Contingent (Limiting) Conditions

This appraisal is made under the following assumptions and contingent (Limiting) conditions:

Assumptions:

- (1) Title to the property is assumed to be free and clear unencumbered, and there are no leases, easements, liens, or other encumbrances on the property other than those listed in this report;
- (2) To the best of my knowledge and belief the statements of fact contained in this appraisal report, upon which the analyses, opinions and conclusions expressed herein are based, are true and correct, but I assume no responsibility for the accuracy of such information as title information, measurements, survey, and other information furnished by you as likewise comparable sales data furnished by the court records and the principals involved in the various transactions;
- (3) It is assumed that the improvements are located on the land described herein and do not overlap this land unless otherwise stated in the appraisal report;
- (4) The management of the property is assumed to be competent and the ownership in responsible hands;
- (5) No responsibility is here assumed for any matters which are legal or political, social, or economic changed conditions which could have an effect on real estate values which changes take place after the date of this valuation;
- (6) Income and expense future projections are estimated to be typical projections by typical purchasers in the market place, rather than the appraisers' personal projections, and no use of these projections should indicate that the appraiser is suggesting that these are my personal projections and market data is assumed to be correct when verified by others;
- (7) Any plat or survey contained in this report is assumed to be true and correct, and it is also assumed that there are no encroachments upon the property appraised except as noted herein. Any sketch prepared by the appraiser and included in the report may show approximate dimensions and is included to assist the reader in visualizing the property; however, the appraiser has not made a survey of the property;
- (8) The appraiser assumes that there are no hidden or unapparent conditions of the property, subsoil, or 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 such factors;

Assumptions (Continued)...

- (9) 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 accordance with referenced plans and specifications;
- (10) Unless otherwise stated in this report, the existence of hazardous materials or other possible environmental problems, which may or may not be present on the property, or in the vicinity, was not observed by the appraiser. The appraiser did not observe any obvious signs of hazardous materials or other possible environmental problems and I have no knowledge of the existence of such materials on or in the subject property, but the appraiser is not an expert in detecting and analyzing hazardous materials. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials, if any exists, may affect the value of the property. The value opinion is predicted on the assumption that there are no such materials or other possible environmental problems on or in the property, or in the vicinity, which would cause a loss in value. The client is urged to retain an expert in this field for the entire building, if desired;
- (11) Physical observations of property was limited to interior areas made available by the manager and/or owner and no responsibility is assumed for any condition of the portion of the building not inspected;
- (12) The valuation of any property that includes, at the time of appraisal, the right to a franchise, certificate of need, certificate of operation, whether government or private or any other ongoing business rights or other business associated privileges is contingent on and assumed to be a continuing circumstance to affect future property values;
- (13) Any zoning maps and/or zoning regulations included in this report are assumed to be correct as of the date of appraisal unless appraiser(s) has/have been otherwise notified by the client and/or subject property owner;
- (14) Costs to complete construction projects that are appraised during construction or during development are based on data provided by others and assumed by the appraiser to be correct, and all costs should be confirmed by a qualified registered civil engineer prior to use of the appraisal, including cost estimates to cure deferred maintenance and/or finish out, and the user of the report accepts the responsibility of verifying these costs with said engineer of the user's choice;

Limiting Conditions:

- (1) This appraisal report sets forth all of the limited conditions (imposed by the terms of my/our assignment or by the undersigned) affecting the analyses, opinions and conclusions contained in the report;
- (2) A current topographic "as built" survey may significantly affect the value opinion, and should be provided if not included in this report, to verify data provided to the appraiser(s) as stated herein and when a survey is not current, the reliability of the report may be limited until a complete survey is provided;
- (3) Any allocations of the aggregate valuation of the report between land and improvements is limited and applies only under the existing program of utilization. The separate valuation for land and building must not be used in conjunction with any other appraisal;
- (4) This assignment is limited to a written report and the appraiser(s) is/are not required to give testimony or appear in court because of having made the appraisal with reference to the property in question unless the appraiser is reasonably compensated therefor, and only if requested by you by separate agreement, for all time related to court preparation, meetings or any court time, whether or not the appraiser actually gives oral testimony;
- (5) Unless otherwise stated in this report, the existence of hazardous materials or other possible environmental problems, which may or may not be present on the property, or in the vicinity, was not observed by the appraiser. The appraiser did not observe any obvious signs of hazardous materials or other possible environmental problems and I have no knowledge of the existence of such materials on or in the subject property, but the appraiser is not an expert in detecting and analyzing hazardous materials. The presence of substances such as asbestos, urea-formaldehyde foam insulation, or other potentially hazardous materials, if any exists, may affect the value of the property. The value opinion is predicted on the assumption that there are no such materials or other possible environmental problems on or in the property, or in the vicinity, which would cause a loss in value. The client is urged to retain an expert in this field for the entire building, if desired;
- (6) It is agreed by the client and any user of this report, that the appraiser's total liability from all causes is limited to the amount of the appraisal fee charged for this report;
- (7) No one may use this report for any other use than the indicated intended use of the appraiser's opinions and conclusions as stated in the Scope of Work section of this report;
- (8) This appraisal is limited to the extent of the accuracy and reliability of any oral or written data provided by others, and the user of this report should verify data with a qualified engineer, attorney, laboratory expert or other qualified professional regarding wetlands, environmental problems, ADA, costs, soils and subsoils, construction quality and condition, functional utility, and other technical matters;

Limiting Conditions (Continued)...

- (9) The Americans with Disabilities Act (ADA) became effective January 26, 1992. I have not made a specific appliance survey and analysis of this property to determine whether or not it is in conformity with the various detailed requirements of the ADA. It is possible that a compliance survey of the property, together with a detailed analysis of the requirements of the ADA, could reveal that the property is not in compliance with one or more of the requirements of the Act. If so, this fact could have a negative effect upon the value of the property. Since I have no direct evidence relating to this issue, I did not consider possible noncompliance with the requirements of ADA in estimating the value of the property;
- (10) Disclosure of the contents of this report is limited and is governed by the by-laws and regulations of the Appraisal Institute; neither all nor any part of the contents of this report (especially any opinions as to value, the identity of the appraiser, or of said firm with which he is connected or any reference to the Appraisal Institute or the MAI designation) 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 previous written consent and approval of the undersigned;
- (11) The content of this Appraisal Report is intended to comply with the reporting requirements set forth under Standards Rule 2-2(a) of the Uniform Standards of Professional Appraisal Practice for an Appraisal Report. As such, it presents summary discussions of the data, reasoning, and analysis that were used in the appraisal process to develop the appraiser's opinion of value. Supporting documentation concerning the data, reasoning, and analysis is retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated in this report. The appraiser is not responsible for unauthorized use of this report.

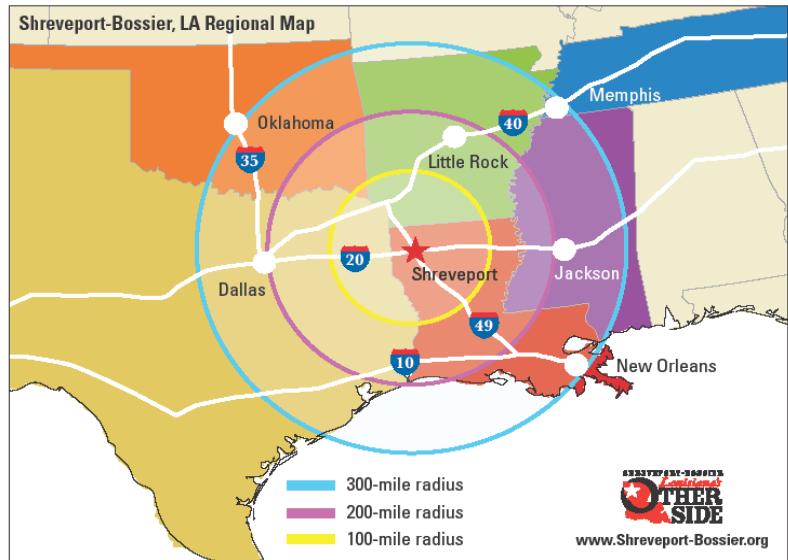
City and Area Analysis

Geographic Location

The Shreveport MSA is located in the northwest sector of Louisiana at the intersection of Interstate 20 and Interstate 49, as well as the proposed route of Interstate 69. Shreveport is the cultural, educational, and financial center of the area.

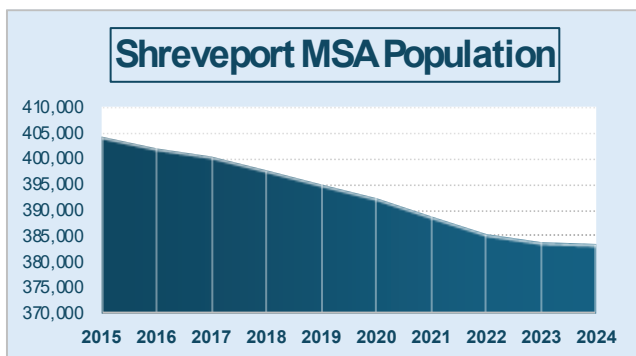
In addition to road service Shreveport-Bossier City is served by air, rail, and water. The Shreveport Regional Airport provides regional jet service and the Downtown Airport is a public use tower controlled facility with one FBO providing fuel, ground handling. Three railways and numerous motor freight companies serve the area.

The Shreveport-Bossier Port, located on the Red River, just south of the Shreveport City limits, began regular operations in April 1997 and provides barge transportation along the Red River to the Mississippi River and ultimately to the Gulf Intercoastal Waterway. Also, in 1985 Shreveport was designated as a U.S. Customs Port of Entry, which means duties on imported products are delayed until the goods reach final destination. This Port of Entry designation along with the use of the Red River Waterway for barge transportation and the good truck/automobile access provided by Interstate 20, Interstate 49, and the proposed Interstate 69 should make Shreveport/Bossier City a competitive distribution center.



Population

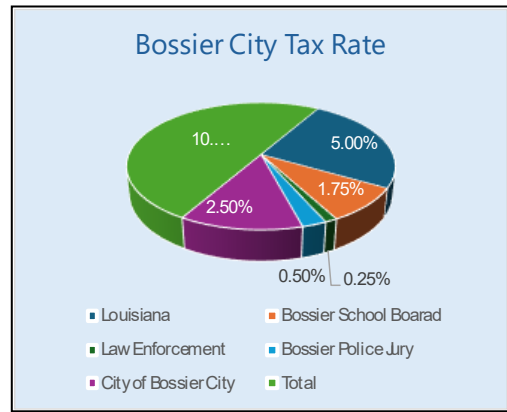
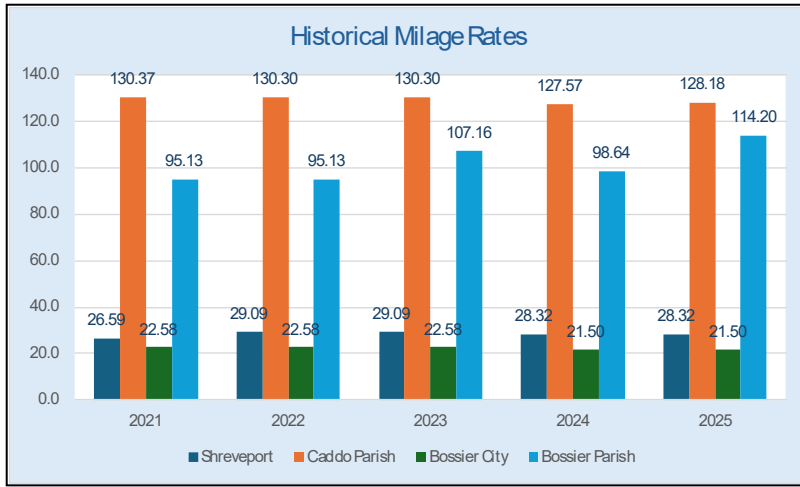
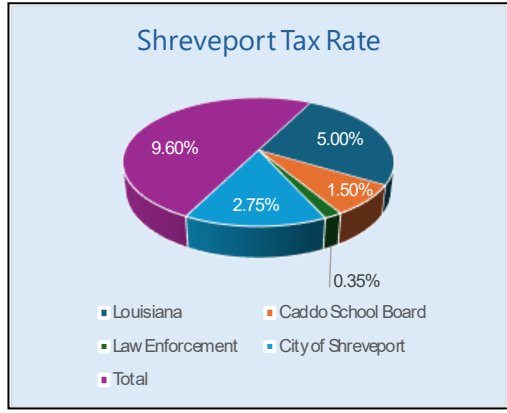
The 2020 census showed the Louisiana population to be 4,657,785 4,533,372 -- an increase of 2.7% over the 2010 census, which ranked Louisiana 25th among the states. The current population density is 107.7 persons per square mile. The 2025 population for Louisiana is estimated to be 4,618,189 people.



Year	Population	# Change	% Change
2020	392,522	-2,726	-0.69%
2021	388,986	-3,536	-0.90%
2022	385,316	-3,670	-0.94%
2023	384,001	-1,315	-0.34%
2024	383,269	-732	-0.19%

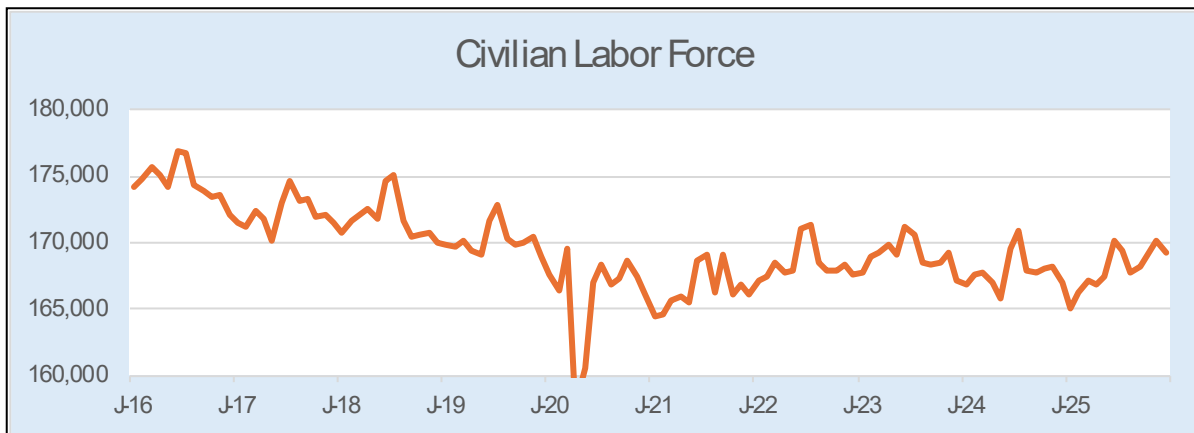
Government Structure

Shreveport and Bossier City are both governed by a mayor-council form of government. Caddo Parish operates through a commission/administrator form of government, while Bossier, and DeSoto Parishes operate through a police jury/administrator. City and Parish operations are significantly funded through a combination of sales tax revenue and ad valorem taxes on real estate and personal property.



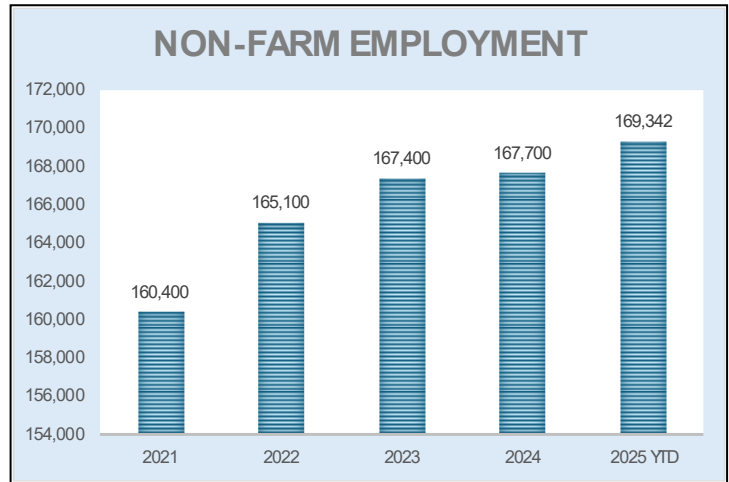
Employment Trends

The Civilian Labor Force for the Shreveport MSA decreased during the late 1980's as a result of the downturn in the oil and gas industry, which had a significant impact on the local and state economy. However, the Civilian Labor Force in the Shreveport MSA peaked in 2008 but experienced an overall decline through 2020.



Non-Farm Employment

The Nonfarm Employment in the Shreveport MSA also indicated significant decreases during the late 1980's as a result of the decline in the oil and gas industry. As indicated in the following graph, Nonfarm Employment increased through the 1990's and early 2000's reaching a peak in 2008, which corresponds to the activity related to the Haynesville Shale. Nonfarm employment experienced an overall slight decline through 2019 and a more significant decline in 2020 as a result of COVID-19.



In more recent years the Nonfarm employment increased 2.93% (4,700 employees) in 2022, increased 1.39% (2,300 employees) in 2023, and increased 0.18% (300 employees) in 2024. The most recent data indicated unchanged of 0 employees (0.00%) between January 2025 and November 2025.

Unemployment Rate

The Shreveport/Bossier City MSA experienced high unemployment rates during the late 1980's, which coincided with the collapse of the oil and gas industry and lagging economy and were similar to the unemployment rates throughout the State of Louisiana. However, the local, as well as state and national, economy improved through the late 1990's and the unemployment rate for the Shreveport/Bossier City MSA decreased to a low 1999. Unemployment rates fluctuated through the early 2000's and experienced an overall decline from 2010 through 2020.



The unemployment rate for the Shreveport MSA for 2025 YTD was 4.5% which is up from 4.4% in 2024 and up from 4.0% in 2023.

Retail Sales

Retail sales provide a comprehensive view of consumer demand for finished goods. This demand can serve as a pulse for the economy indicating its projected path towards expansion or contraction. Higher retail sales typically suggest consumer confidence or a strong economy, while low or declining retail sales suggest lower consumer confidence or an economic downturn.

Shreveport

Year	Retail Sales (\$)	% Change
2022	\$5,840,611,152	- - -
2023	\$5,938,533,215	1.7%
2024	\$5,922,811,318	-0.3%
2025	\$6,008,121,186	1.4%

Caddo Parish

Year	Retail Sales (\$)	% Change
2022	\$7,046,724,965	- - -
2023	\$7,350,009,793	4.3%
2024	\$7,147,803,398	-2.8%
2025	\$7,374,884,915	3.2%

Bossier City

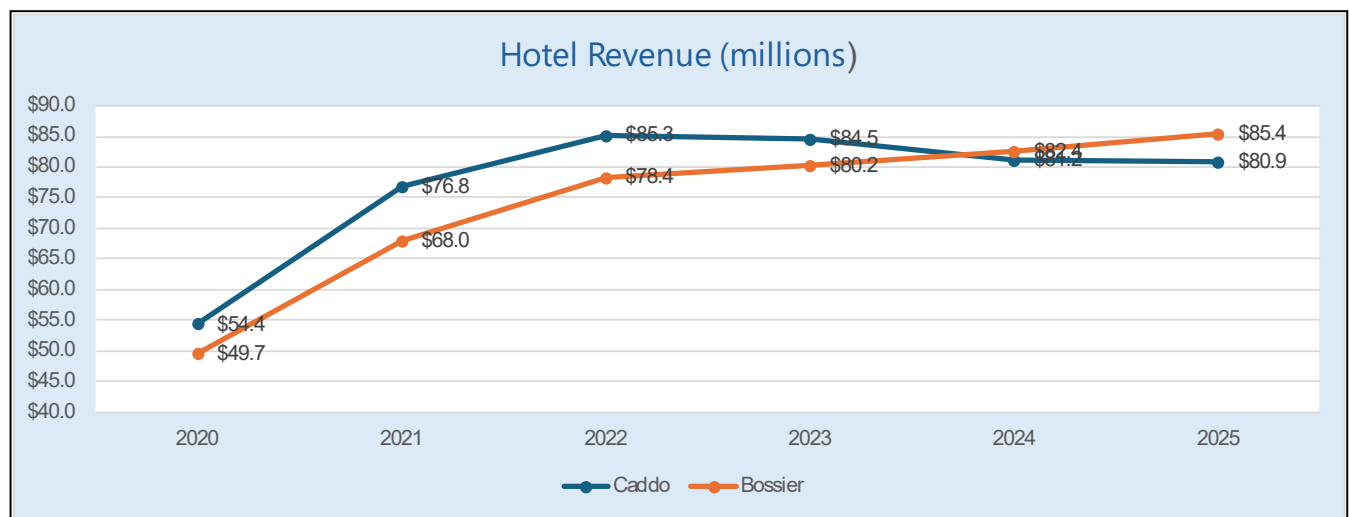
Year	Retail Sales (\$)	% Change
2022	\$2,524,977,600	- - -
2023	\$2,698,575,590	6.9%
2024	\$2,576,549,978	-4.5%
2025	\$2,658,106,513	3.2%

Bossier Parish

Year	Retail Sales (\$)	% Change
2022	\$3,825,787,829	- - -
2023	\$4,038,689,287	5.6%
2024	\$3,753,872,817	-7.1%
2025	\$3,818,853,761	1.7%

Hotel/Motel Revenue

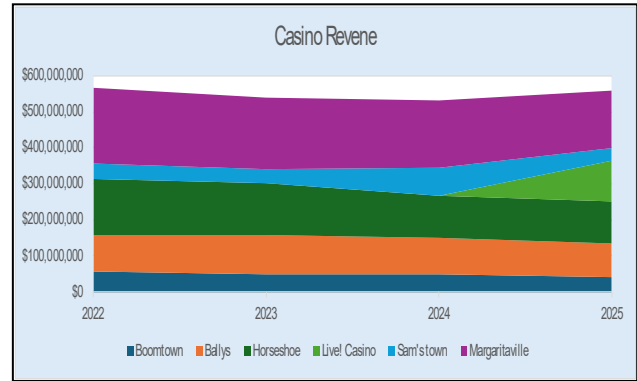
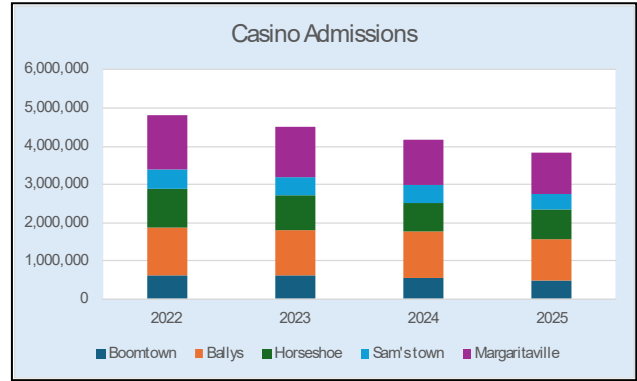
Hotel/motel revenue generates millions in tax revenue to the local parishes and municipalities, which supports public service and infrastructure. Additionally, hotel guests contribute to the economy by spending at local restaurants, retail establishments and local attractions. Hotel revenue is a multifaceted indicator of economic health reflecting consumer spending, tax revenues, and local overall economic stimulation.



Casino Performance

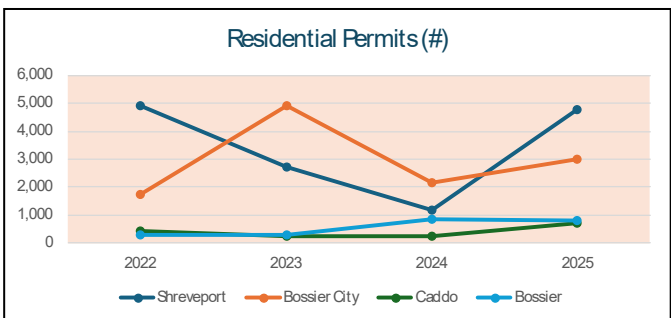
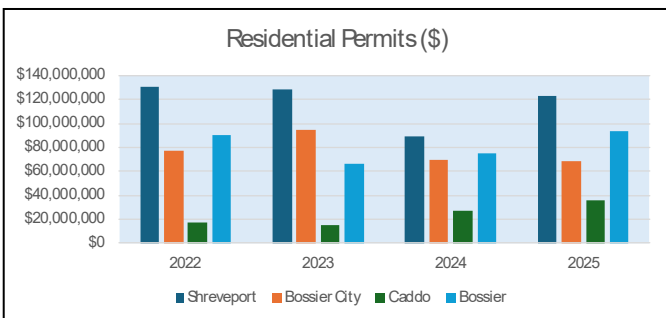
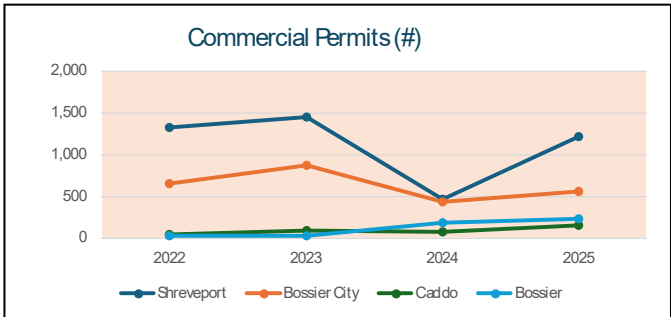
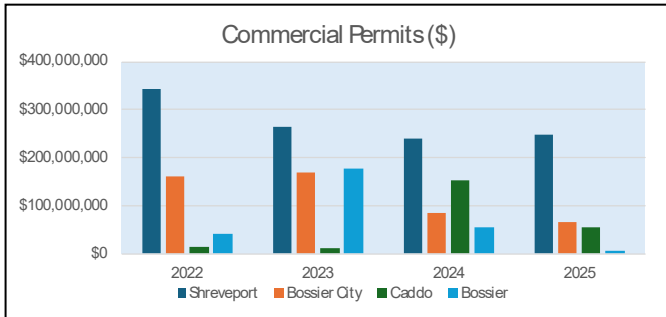
Riverboat casinos were introduced into the Shreveport/Bossier City market in 1994. There are currently three operating riverboat casinos in Bossier City and two operating riverboat casinos in Shreveport. Additionally, the previously closed Diamond Jacks facility is being renovated into a land-based Live! casino facility, which is expected to open in early 2025. Also, the Louisiana Downs Racetrack and Casino offers over 600 video games.

The local casino industry provides a significant contribution to the local economy. In addition to contributing millions in tax revenue, the casino industry represents one of the largest employers in the area. Additionally, many casino patrons come from outside of the local market which generates additional hotel/motel revenue and general retail sales tax revenue,



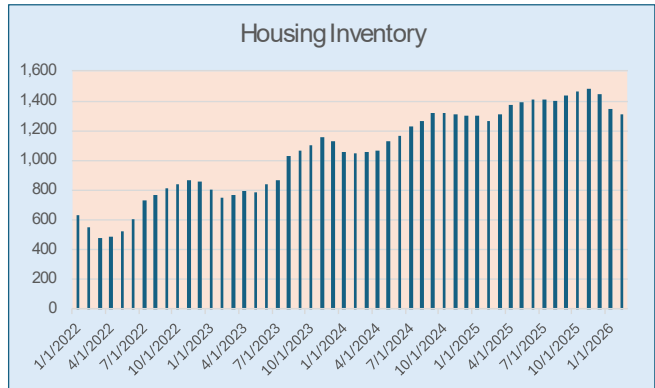
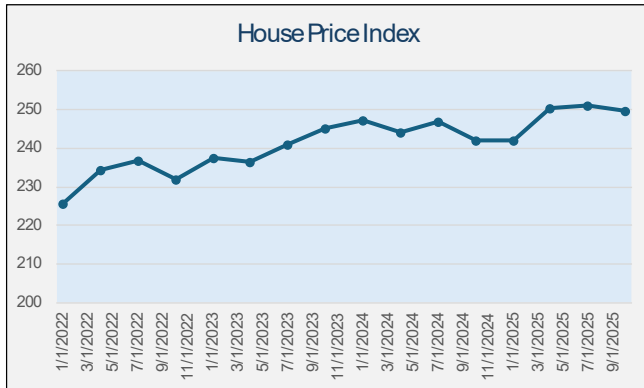
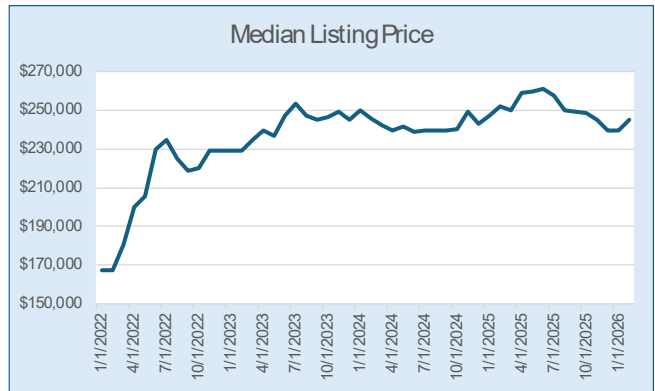
Construction Permits

Information regarding construction permits for the Shreveport-Bossier City MSA have been difficult to secure in recent years. Local permit offices have been unable to provide breakdowns of the total permits between new construction and repairs/renovations. Limited information regarding the total number and total value of construction permits for both commercial and residential properties for each of the local permit offices is indicated in the following graphs.



Housing Market

The housing market is directly affected by many elements of the economy. In particular the housing market is a combined reflection of numerous factors including employment rates, wage growth, spending power, interest rates, inflation, and population growth. The following graphs offer some insight into the recent trend in the local housing market,



Summary

In conclusion, the Shreveport Metropolitan Statistical Area (MSA) demonstrates a robust and diverse economic landscape, driven by its strategic geographic location and well-developed transportation infrastructure. The area’s economic health is significantly influenced by the oil and gas and gaming industries, yet it shows resilience through growth in non-farm employment sectors. Despite fluctuations in the unemployment rate, Shreveport’s retail sales, hospitality revenue, and construction activities indicate a positive economic trajectory. The housing market’s stability further underscores the region’s potential for sustained growth. Overall, Shreveport’s blend of cultural, educational, and financial assets positions it as a vital hub with promising future prospects.

Market Analysis

Overall, the Shreveport/Bossier City market has not experienced any significant new development in recent years. Most of the new commercial development in the Shreveport/Bossier City market since the 1990's has occurred in the southeast sector of Shreveport and the north sector of Bossier City. There has been some limited new commercial development in the extreme southwest and north sectors of Shreveport. The majority of the residential construction in recent years has occurred in the north sector of Bossier City. There has been limited new residential construction occurring in Shreveport in recent years; with this limited development primarily occurring in the Southeast and North sectors of Shreveport.

No published survey data for the rental rates in the immediate area was available. However, a review of comparable lease in our files and conversations with leasing agents and property managers indicated there has been limited activity , with no significant changes in recent years Overall, rental rates for retail properties in the area appear to have remained relatively stable in recent years.

Based on a review of the Multi-Facts Database, there were 25 retail property sales (under 20,000 square feet), with a total of ±142,549 square feet, in Shreveport/Bossier City during 2024. These sales indicated total sales price of \$9,282,175 with a weighted average sale price of \$86.00/sf. This compares to a total of 31 retail property sales (under 20,000 square feet), with ±205,788 square feet and a weighted average sale price of \$95.00/sf, in 2023.

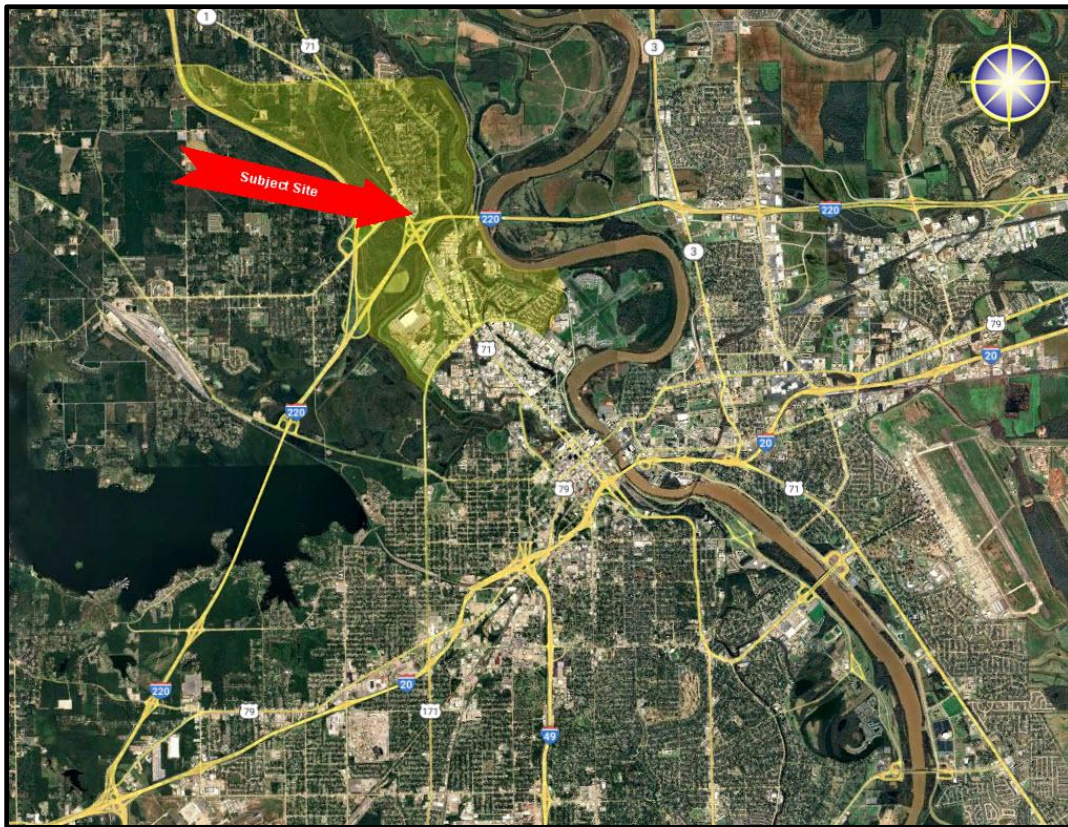
All Sales - Under 20,000 sf

Year	# Sales	% Change	SF	% Change	Average SF	% Change	Avg \$/sf	% Change	Total \$	% Change	Wt Avg \$/sf	% Change
2014	28	- - -	351,775	- - -	12,563	- - -	\$90.83	- - -	\$31,950,186	- - -	\$124.14	- - -
2015	30	7%	441,829	26%	14,728	17%	\$52.35	-42%	\$23,128,052	-28%	\$81.54	-34%
2016	29	-3%	203,576	-54%	7,020	-52%	\$138.69	165%	\$28,233,287	22%	\$133.61	64%
2017	24	-17%	205,950	1%	8,581	22%	\$87.68	-37%	\$18,057,600	-36%	\$72.15	-46%
2018	30	25%	214,634	4%	7,154	-17%	\$69.45	-21%	\$14,906,000	-17%	\$75.61	5%
2019	38	27%	346,486	61%	9,118	27%	\$50.29	-28%	\$17,424,615	17%	\$93.61	24%
2020	37	-3%	314,821	-9%	8,509	-7%	\$81.56	62%	\$25,677,669	47%	\$112.28	20%
2021	44	19%	629,900	100%	14,316	68%	\$76.08	-7%	\$47,920,812	87%	\$100.05	-11%
2022	35	-20%	268,971	-57%	7,685	-46%	\$123.17	62%	\$33,128,678	-31%	\$151.83	52%
2023	31	-11%	205,788	-23%	6,638	-14%	\$79.94	-35%	\$16,449,975	-50%	\$95.00	-37%
2024	25	-19%	142,549	-31%	5,702	-14%	\$65.12	-19%	\$9,282,175	-44%	\$86.00	-9%

A review of the Louisiana Commercial Database (LACDB) indicated a total of 73 small (under 20,000 sf) retail properties containing a total of 410,614 square feet listed for sale in the Shreveport/Bossier City market. These listings indicated asking prices from \$12.29/sf to \$79019/sf, with an average of \$185.39/sf and a median of \$145.14/sf.

A review of the Louisiana Commercial Database (LACDB) indicated a total of 73 small (under 20,000 sf) retail spaces containing a total of 326,772 square feet listed for lease in the Shreveport/Bossier City market. These listings indicated asking prices from \$0.85/sf to \$30.09/sf, with an average of \$14.60/sf and a median of \$15.00/sf.

Neighborhood Description



Location

North sector of Shreveport

Boundaries

North - Pine Hill Road
South - North Hearne Avenue
East - Red River / Twelve Mile Bayou
West - Interstate 49 / Twelve Mile Bayou

Traffic Arteries

East/West - Interstate 220 / Interstate 20 / North Hearn Avenue / Pine Hill Road
North/South - North Market Street (U.S. Highway 71) / Old Mooringsport Highway

Access to Major Traffic Arteries

North Market Street (U.S. Highway 71) leads north splitting into Louisiana Highway 1 and U.S. Highway 71. Louisiana Highway 1 leads northwest into Texas and U.S. Highway 71 leads north into Arkansas. Also, North Market Street (U.S. Highway 71) leads south to Interstate 220 and continues south through the Central Business District to Interstate 20. North Market Street becomes Youree Drive (Louisiana Highway 1) south of Interstate 20 and continues south through the East sector of Shreveport. North Market Street (U.S. Highway 71) is one of the major north/south arteries in Shreveport. Interstate 220 is located just south of the subject property and is a loop leading around the north side of Shreveport and the north and west sides of Bossier City to Interstate 20. Interstate 49 (leading north) is located just over a mile northwest of the subject property and can be accessed via Interstate 220 or Martin Luther King, Jr. Drive. Interstate 49 leads north from Interstate 220 through the northwest sector of Louisiana and continues north into Arkansas to Interstate 30 in Texarkana. Interstate 20 is located ± 3 miles southeast of the subject property and can be accessed via Market Street (U.S. Highway 71). Interstate 20 leads west through Shreveport and continues west into Texas. Also, Interstate 20 leads east through Bossier City and continues east through North Louisiana and the southeast sector of the United States. Interstate 20 provides good inter and intra city access. Interstate 49 (leading south) is located $\pm 3\frac{1}{2}$ miles south of the subject property and can be accessed via Interstate 20. Interstate 49 leads south from Interstate 20 through the central sector of Shreveport and continues south through the central sector of Louisiana to Interstate 10 in Lafayette. Interstate 49 is one of the primary north/south traffic arteries through Shreveport and intersects most primary east/west arteries in Shreveport, which provides good access to all areas of Shreveport. Overall, the subject property is adequately located with respect to inter and intra city access.

Utilities

The subject neighborhood is adequately served by all public utilities and services.

Community Facilities

The neighborhood is adequately served by all community facilities required, such as police and fire protections, houses of worship, schools, parks, medical care, retail shopping, restaurants, etc...

Parking

Street side parking is not allowed along primary arteries such as North Market Street (U.S. Highway 71). However, most properties in the area appear to have adequate on-site parking.

Public Transportation

The subject neighborhood is adequately served by municipal bus transportation. This is not considered to be a significant factor in this analysis.

Immediate Area

Land uses in the immediate area consist primarily of retail and related commercial uses along the primary arteries and a combination of industrial and residential uses along the secondary arteries.

New Construction

The most recent and significant new development in the subject property neighborhood is the construction of the Amazon Fulfillment Center located west of the subject property. Otherwise there has been little new privately funded construction in the immediate area in recent years. However, there has been a significant amount of new retail development north of the subject property, near the intersection of North Market Street (Louisiana Highway 1) and Interstate 49.

Competition

There are currently several single-tenant retail properties and several multi-tenant retail centers located in the subject property neighborhood.

Employment Centers

The primary employment centers affecting the area are the same as those which affect the entire market. Employment centers in the area include Barksdale Air Force Base, Caddo and Bossier Parish School Boards, Willis-Knighton Health System, Ochsner LSU Health Shreveport, Christus Shreveport-Bossier Health System, United States Department of Veterans Affairs, Teleperformance, General Dynamics Information Technology, Wal-Mart Stores, Cities of Shreveport and Bossier City, State of Louisiana, the five riverboat casino facilities, and the numerous medical, retail, commercial, and industrial properties in the area. Additionally, the new Amazon Fulfillment Center (currently under construction) is reported to add 1,000 new jobs with hiring beginning in 2024.

Nuisances & Hazards

General observations of the neighborhood noted no significant adverse conditions which would affect the area.

Trends

Current trends for this area are expected to be for continued relative stability, with very limited growth in the near future.

Lifecycle

The four lifecycles of a neighborhood include growth, stability, decline, and revitalization. The subject area has not experienced any significant new development in recent years and appears to be in a stable stage. Continued relative stability is anticipated in the near future.

Conclusion

The area has experienced relative stability in recent years. Overall, the outlook for the neighborhood is for growth over the next several years, following the opening and staffing of the Amazon Fulfillment Center. As a result, the demand for existing properties is expected to increase in the near future.

Site Analysis



Site Characteristics

Location East side of North Market Street and north side of Interstate 220 Exit Ramp (controlled access), at the south end of the service drive for the North Market Place Shopping Center

Site Size	<i>Land in Use</i>	2.253 acres	98,134 square feet
	<i>Excess Land</i>	<u>0.000</u> acres	<u>0</u> square feet
	<i>Total Area</i>	2.253 acres	98,134 square feet

Note: The indicated site area is estimated utilizing the deed calls indicated on the Subdivision Plat and Infomatik Mapdraw application and should be verified by a current survey by a qualified professional land surveyor.

	Land in Use	Excess Land
Shape	Irregular	---
Topography	Level	---
Grade	At street grade	---
Drainage	Typical	---
Utilities	All public	---
Interior/Corner	Inside	---
Signalized Intersection	North Market Street at Ravendale Drive/Martin Luther King Jr. Drive	

Street Frontage/Access	Frontage Road	Primary	Secondary
<i>Street Name</i>		N. Market St	I-220
<i>No. Lanes</i>		4	4
<i>Street Type</i>		Asphalt	Asphalt
<i>Median Divided</i>		Yes	Yes
<i>Frontage - Land in Use</i>		141.24'	317.65'
<i>Frontage - Excess Land</i>		- - -	- - -
<i>Frontage Side - Land in Use</i>		East	North
<i>Frontage Side - Excess Land</i>		- - -	- - -
<i>Traffic Count (Cars/Day)</i>		N. Market Street north of I-220 - 25,940 (2024) Interstate 220, east of N. Market Street - 58,434 (2024)	

Note: The subject site frontage along North Market Street is located just north of the Interstate 220 North Bound Exit Ramp and has a control of access. Access to the subject site is via the Service Road for the North Market Place Shopping Center.

Zoning Information

<i>Zoning Jurisdiction</i>	Shreveport
<i>Zoning Designation</i>	C-3 General Commercial Zoning District
<i>Zoning Description</i>	The purpose of the C-3 General Commercial Zoning District is to accommodate regional commercial centers. The C-3 District provides for medium- and large-scale development that may generate a sizeable amount of traffic and typically requires significant off-street parking. Higher density residential uses are also allowed to facilitate mixed-use development where appropriate.

Flood Zone Data

<i>Flood Map Panel Number</i>	22017C0366H
<i>Flood Map Date</i>	May 19, 2014
<i>Flood Zone</i>	Zone X
<i>Flood Zone Description</i>	Area of Minimal Flood Hazard
<i>Flood Note</i>	The exact location of the subject site is difficult to determine in the flood map provided. The exact location of the subject site with respect to flood zone should be determined by a qualified professional land surveyor.

Soil Type

Typical of area

Adjacent Land Uses

<i>North</i>	Multi-Tenant Shopping Center
<i>South</i>	Interstate 220 / Bayou / Industrial
<i>East</i>	Unimproved Land
<i>West</i>	QSR / Unimproved Land

Environmental Issues

Our physical on-site observations did not include a complete environmental, toxic, or other possible hazard materials studies and this is recommended by a qualified expert, as discussed in the Letter of Transmittal and Assumptions and Contingent Limiting Conditions. The value(s) estimated in this report assume(s) there are no environmental conditions associated with the subject property which would cause a loss in value. This analysis assumes there are no environmental conditions which could cause a loss in value

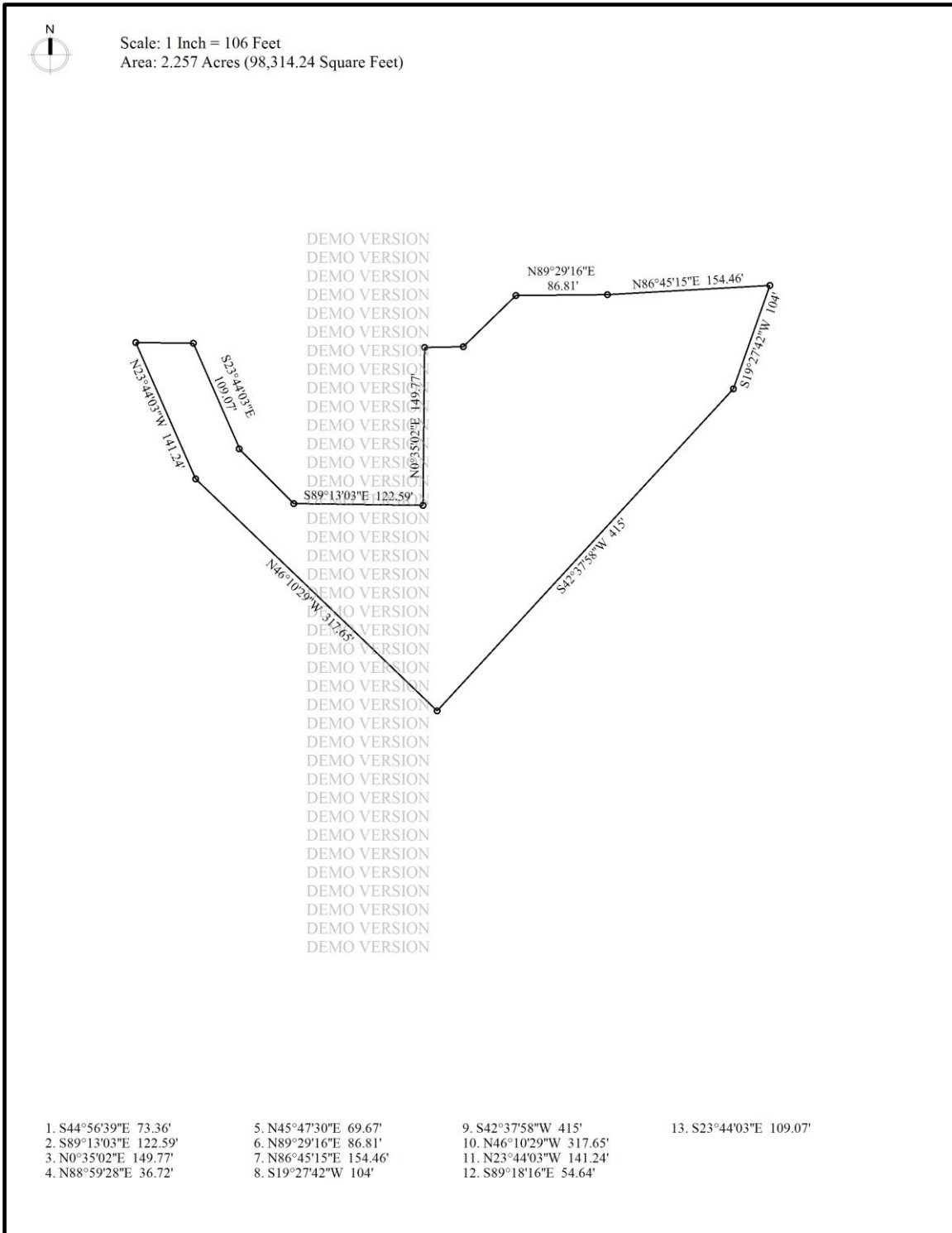
Easements/Encroachments

Based on the Subdivision Plats additional information provided by the listing agent, as well as the appraiser's general on-site observations, the subject site is affected by a 50' servitude of passage, a 15' sanitary sewer servitude, a 15' water servitude, a 20' SWEPCO servitude, and a 7' wide strip designated as a permanent grassed area. Based on the information researched, the subject site does not appear to be adversely affected by any other known easements or encroachments.

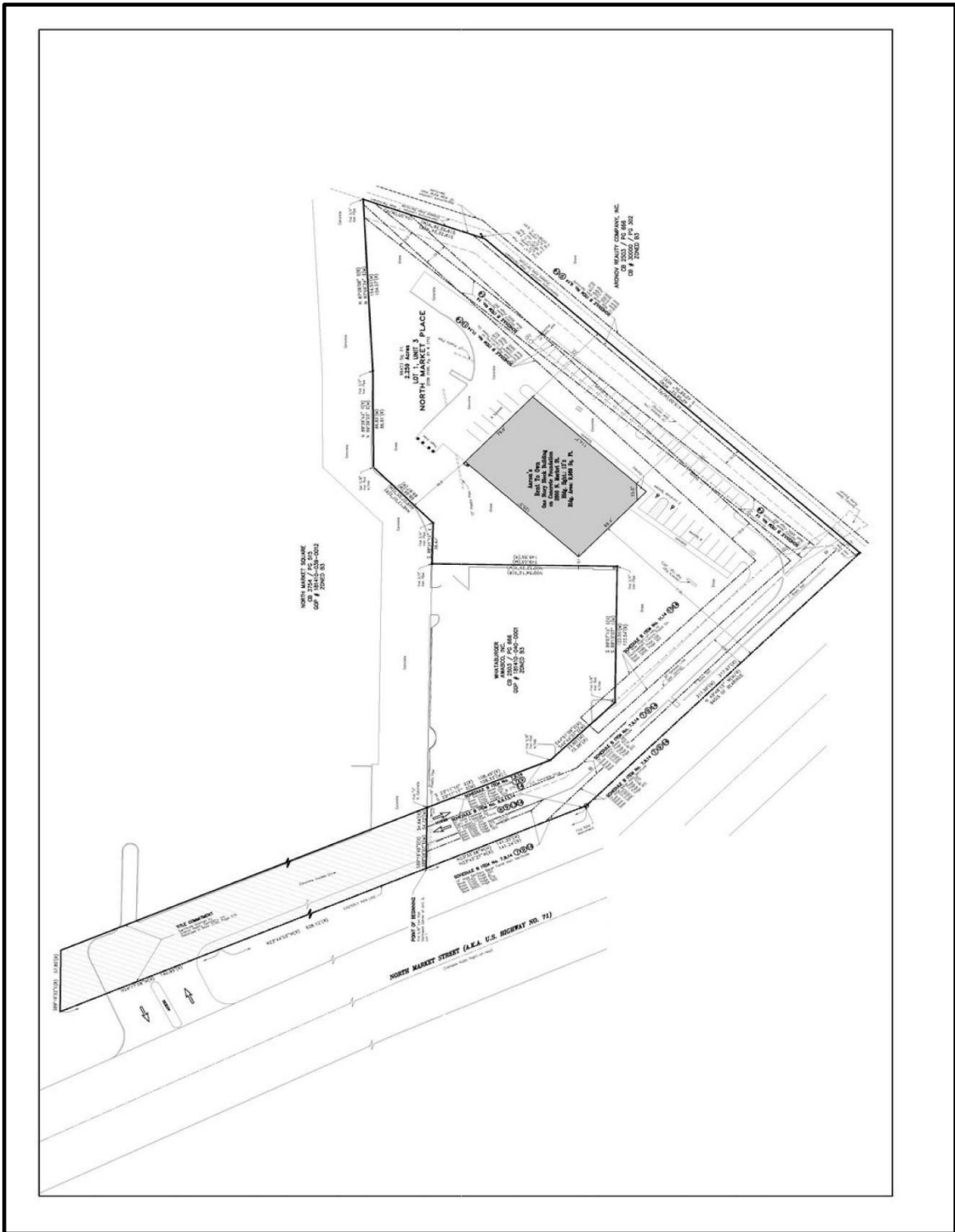
Conclusion

The subject site is adequately located and has average access and visibility to and from the adjacent public artery. There are no known detrimental uses in the immediate area. Overall, there are no known factors which would prevent the site from being developed to its highest and best use, as if vacant, or detrimentally impair the existing improvements.

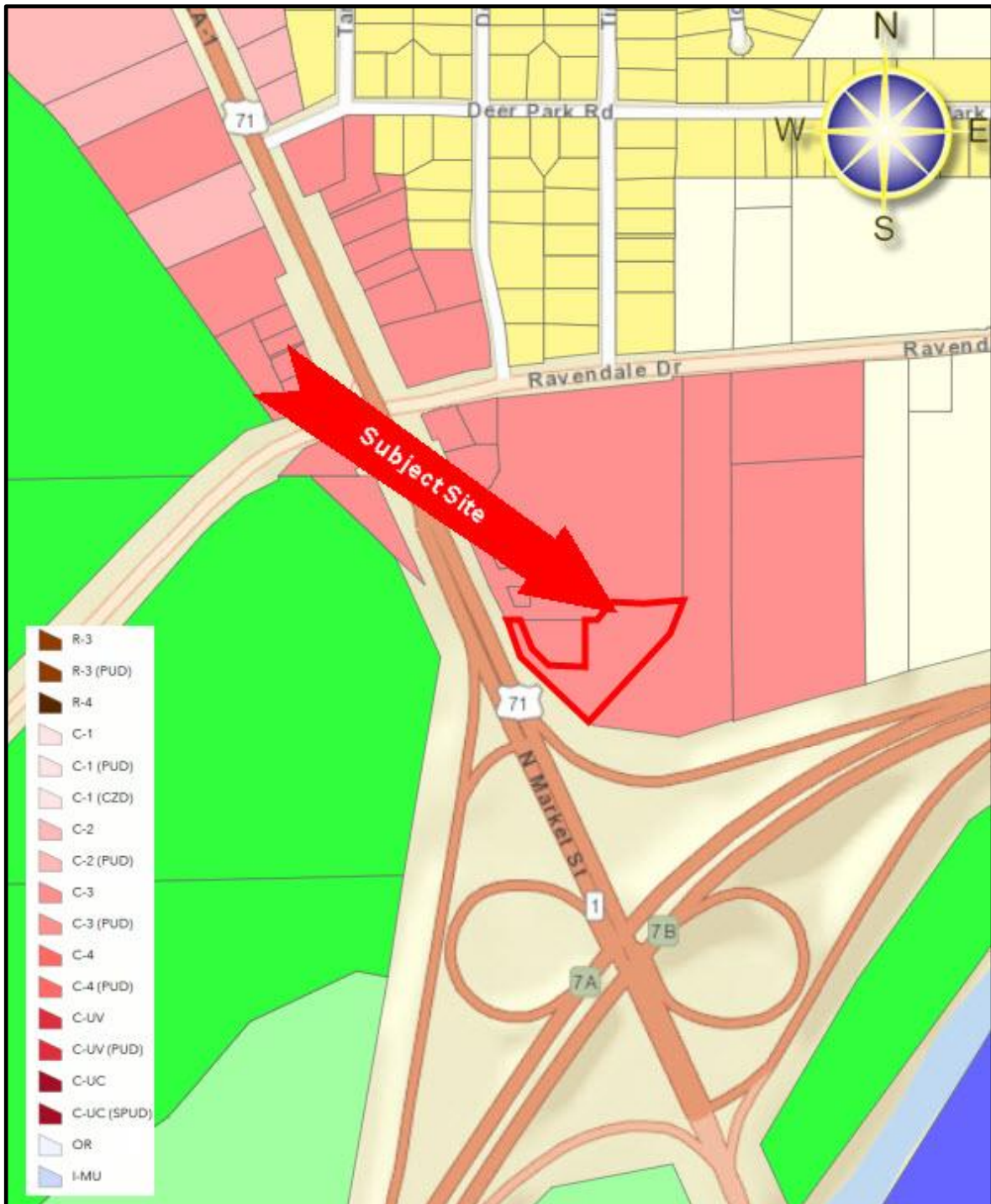
Site Sketch



Survey



Zoning Map



Description of Improvements

The subject property consists of existing retail property containing ±9,918 square feet of gross building area. Please see the following discussions for a more complete description of the subject property improvements.

General Description

Building Size (sf)

Gross Building Area (sf)	
Total Area	9,918

Improvements Age (years)

Actual Age	Effective Age	Remaining Economic Life	Total Economic Life	Incurable Physical Depreciation
24	15	30	45	33.3%

Structural and Exterior Construction Features

Foundation	Concrete slab
Sub-Floor	Concrete
Framing (structural support)	Concrete block
Exterior Walls	Decorative concrete block
Exterior Doors	Plate glass in metal frame at the main entrance/exit, hollow core metal in metal frame at the secondary entrance/exits, and one roll-up at the receiving area
Roof	Membrane
Eave Height	16'
Stairs	None

Interior Construction Features

Interior Wall Partitions	Primarily gypsum board over wood studs
Doors	Solid core wood doors in wood frames
Windows	Plate glass in metal frames
Ceiling Heights	14'
Insulation	Assumed to be typical for this type/age construction

Finish Schedule

Floors	Tile
Walls	Painted gypsum board at most areas
Ceiling	Suspended acoustical ceilings
Trim	None
Lighting	Recessed fluorescent
Window Covering	None

Mechanical Equipment

H.V.A.C.	Package HVAC systems
Plumbing	Adequate quantity and quality, typical of this type/age construction
Electrical Fixtures	Adequate quantity and quality, typical of this type/age construction
Elevators	None
Sprinkler System	None
Other	None

Deferred Maintenance

As discussed above, the subject property appears to be in average condition, with no significant items of deferred maintenance noted

A complete inspection of the physical condition of the subject property by a qualified engineer is recommended. Please note that I have not inspected, nor do I certify the condition or adequacy of any of the electrical, mechanical or structural equipment.

Asbestos or other Hazardous materials contamination are not analyzed in this report and no "cost to cure" is included for hazardous materials, if any exists, or for the Americans with Disabilities Act (ADA) requirements, as discussed in the letter of transmittal and Assumptions and Contingent Limiting Conditions. Both a complete hazardous materials study and an ADA study are recommended by the appraiser.

Functional Obsolescence

The subject property building is assumed to have been adequately designed by a qualified architect and constructed by a licensed contractor. The subject property appears to be adequately designed, typical of other retail properties in this area, and does not appear to suffer from functional obsolescence.

Economic Obsolescence

Given the current demand for retail properties in the immediate area, as measured by the current market rents

and occupancy rates, compared to the current construction cost, it does not appear to be financially feasible to construct an unleased single-tenant retail property on the subject site at this time. Therefore, as discussed in the Highest and Best Use section of this report, the subject property does appear to suffer from some degree of economic obsolescence.

Site Improvements

Parking and Drives

The subject site is improved with ±30,000 square feet of concrete parking and drives. This property has a land to building ratio of 9.89 to 1.0 (based on gross building area), which is within the range of land to building ratios indicated by a survey of comparable and competitive properties in the local market.

Landscaping

The subject site is adequately landscaped with mature grasses, trees, and shrubs, similar to most other properties in the area.

Walkways

There is a concrete walkway along the north, south and west elevations of the building providing access to and from the building entrance/exit.

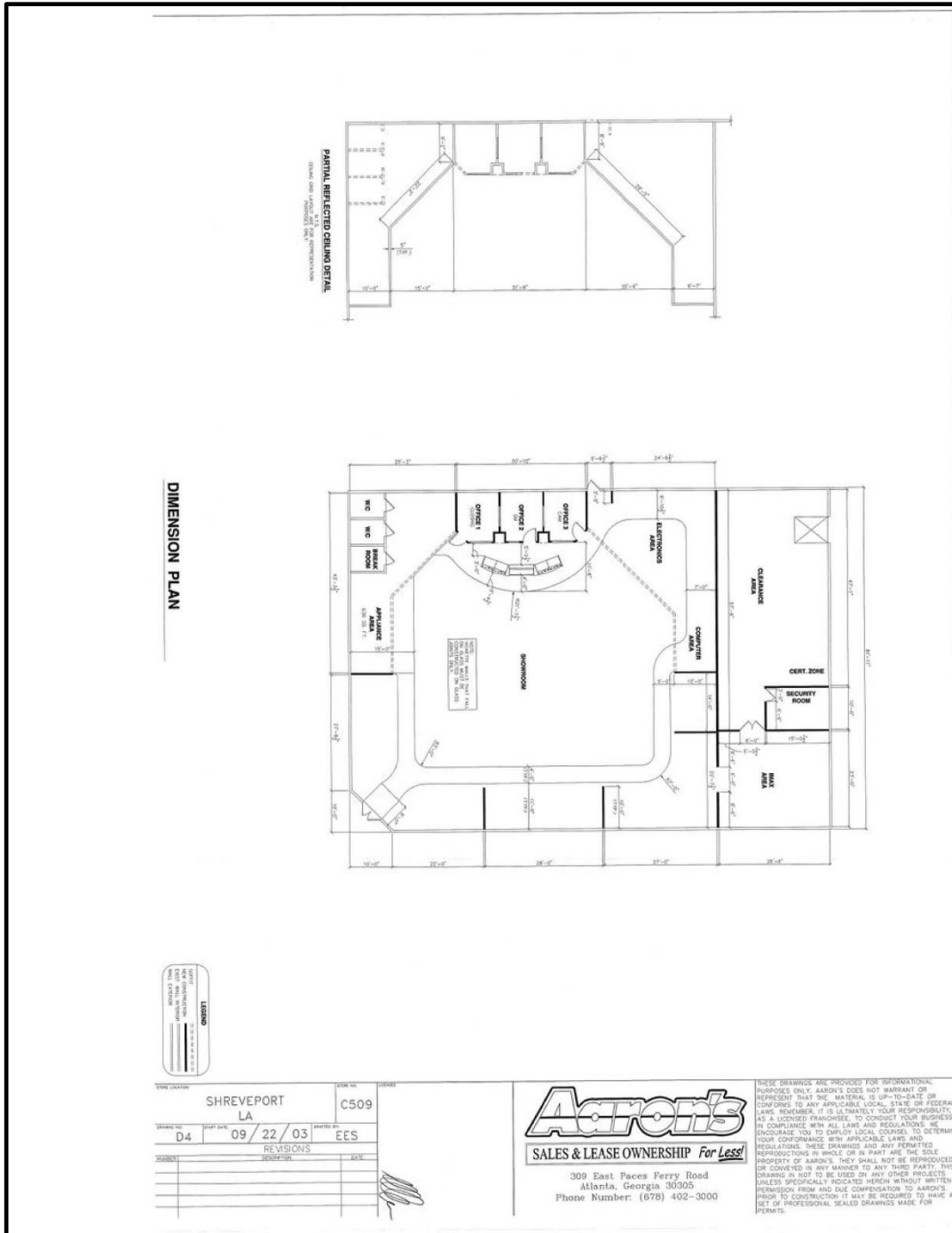
Other

There is a None.

Conclusions

The primary subject improvements can best be classified as an average quality retail building of Class "C" construction, per the nomenclature of the Marshall Valuation Service Cost Book.

Floor Plan



Subject Property Photographs



View of the subject property taken looking northeast from the Access Drive



View of North Market Street, taken looking south from the entrance to the North Market Shopping Center



View of North Market Street, taken looking north from the entrance to the North Market Shopping Center



View of the shopping center Access Drive, taken looking northwest from the subject site



View of the south and east elevations of the subject property building



View of the north and east elevations of the subject property building



View of the south and west elevations of the subject property building



View of the north and west elevations of the subject property building



Interior view of the typical retail area at the subject property



Interior view of the typical retail area at the subject property



Interior view of the typical retail area at the subject property



Interior view of the typical stock area at the subject property



Interior view of a typical restroom at the subject property



Interior view of a typical office at the subject property

Tax Assessment and Analysis

The subject property was assessed on the tax rolls of Caddo Parish in Louisiana, as shown below. Louisiana state law requires that assessments on all land be based on 10% of Market Value of the land. Commercial and industrial property improvements are assessed at 15% of Market Value of the improvements. Market Value here refers to the Assessor's estimate of Market Value and it does not necessarily correlate with my Final opinion of Market Value. The subject property was assessed as indicated in the following chart.

Current Assessment

Assessment #	Land Assessment	Improvement Assessment	Total Assessment	Times Milage Rate (per 1000)	Indicated Tax Bill
181410-046-0001-00	\$124,041	\$240,000	\$364,041		
	\$124,041	\$240,000	\$364,041		
	10%	15%			
Total	\$12,404	\$36,000	\$48,404	155.89	\$7,546
Building Size					9,918
Total Taxes/sf					\$0.76

Based on a review of the Caddo Parish Sheriff’s Department (Parish Tax Collector) and the City of Shreveport (City Tax Collector) records, the 2024 taxes have been paid for the subject property and there are currently no past due taxes for the subject property. The 2025 taxes will be due at the end of 2025.

Based on the value opinion indicated in this analysis, the subject property real estate taxes are estimated in the following chart.

Estimated Assessment

Land Assessment	Improvement Assessment	Total Assessment	Times Milage Rate (per 1000)	Indicated Tax Bill
\$124,041	\$420,959	\$545,000		
10%	15%			
\$12,404	\$63,144	\$75,548	155.89	\$11,777

Property Analysis

I/We have researched the local market via review of sale deeds and lease memorandums filed in the Caddo and Bossier Parish Court Houses, a review of the Multi-Facts Database, provided by Multi-Facts Research Center, Inc., the Louisiana Commercial Database (LACDB), and Crexi; as well as conversations with real estate appraisers, brokers, agents, property managers, and tenants/owners of numerous properties in the region.

Our research revealed several sales and leases of comparable properties; and the most comparable sales and leases were analyzed for this analysis. The information regarding each of the comparable sales and leases used in this analysis was verified with a participant involved in the transaction, when possible. Also, where applicable, income and expense data from national surveys and local comparable properties were reviewed.

Property History

The subject property previously transferred ownership from Sprit Master Funding VII, LLC to USNY Properties, LLC on 10/13/23 for \$362,500 (#2946912). According to information provided by Chris Stokes, this sale was an auction of the property as is, where is, sight unseen with a quick cash close. This transaction appears to be below market terms. However, the transaction does not meet the definition of market term with respect to marketing terms.

Highest and Best Use

Highest and Best Use is the use for a property which fully develops the site's potential utility. It is also known as the most profitable probable use.

As of the effective date of this analysis Highest and Best Use can be explained and defined as "The reasonably probable use that produces the most benefits and highest land value at any given time" (as defined for the Appraisal Institute course *General Appraiser Market Analysis and Highest and Best Use* (2008) and quoted in "The Appraisal of Real Estate - 14th edition," Appraisal Institute, 2013, Page 333). Where a site has existing improvements, the Highest and Best Use may be different from the existing use.

The principle of Highest and Best Use is a correlation of the range of the basic principles of economics that affect the value of real property.

In the analysis of Highest and Best Use, major considerations are required to estimate the Highest and Best Use of a vacant or improved site. These are:

- 1) The use must be **legally permissible** -- private restrictions (protective covenants), zoning regulations, building codes, and easements may restrict development of a site to a certain use.
- 2) The use must be **physically possible** -- physical characteristics, such as location, size, topography, soil and sub-soil conditions, drainage and access can limit utilization.
- 3) The use must be **financially feasible** – it must be able to produce a positive return to the land after considering risk and all costs to create and maintain the use.
- 4) The use must be **maximally productive** – the highest and best use is the use which yields the greatest of the financially feasible uses.

In estimating the Highest and Best Use for a site such as the subject, we must first study existing land use patterns and trends for the area. The subject site is located on the east side of North Market Street and north side of Interstate 220 Exit Ramp (controlled access), at the south end of the service drive for the North Market Place Shopping Center, in the central sector of Shreveport.

Land uses in the immediate area consist primarily of retail and related commercial uses along the primary arteries and a combination of industrial and residential uses along the secondary arteries. The most recent and significant new development in the subject property neighborhood is the construction of the Amazon Fulfillment Center located west of the subject property. Otherwise there has been little new privately funded construction in the immediate area in recent years. However, there has been a significant amount of new retail development north of the subject property, near the intersection of North Market Street (Louisiana Highway 1) and Interstate 49. Current trends for this area are expected to be for continued relative stability, with very limited growth in the near future.

Legally Permissible

The subject property is located inside the city limits of Shreveport; and is zoned C-3; General Commercial Zoning District. The current use conforms to this designation. Additionally, this designation allows for development of the site to its highest and best use. Therefore, the existing use is considered to be legally permissible.

The C-3; General Commercial Zoning District requirements of Shreveport are indicated as follows.

C-3		
Item	Requirement	Subject Property Conformity
Minimum Lot Area	10,000 sf	Yes
Minimum Lot Width	80'	Yes
Maximum Building Height	50'	Yes
Minimum Front Yard	20'	Yes
Minimum Side Yard - Interior	10' / 20' abutting residential	Yes
Minimum Side Yard - Corner	20'	Yes
Minimum Rear Yard	10', unless abutting residential district then 20'	Yes
Required Parking	1 per 300sf GFA	Yes

It is assumed that no private restrictions exist; however, this is subject to a title opinion.

Physically Possible

This gives consideration to the physical aspects of the site itself. The size, location in the block, topography, and soil conditions are factors in this analysis. The size of the parcel, giving consideration to the zoning (or lack thereof) and developers restrictions (if any), has a considerable influence on its ultimate development. In general, the larger the size, the greater its potential to achieve economies of scale and flexibility in development.

The location in the block may be a determining factor in the placement of the improvements with regards to set-back restriction. As previously discussed, the subject property is an inside location on the east side of North Market Street and north side of Interstate 220 Exit Ramp (controlled access), at the south end of the service drive for the North Market Place Shopping Center. An inside location is typically inferior to a corner location.

The topography of the subject site is basically level. This should not pose any significant issues during development. Soil tests have not been made to determine the stability for construction of an retail building; however, based on the improvements currently existing in the area, it does not appear there are any soil conditions which would restrict development.

Financially Feasible

The demand for retail and/or commercial properties in the Shreveport area appears to be relatively stable, with little significant change in recent years.

Based on a general survey of retail and commercial properties in the area, most properties appear to be experiencing average occupancy rates. However, rental rates and/or occupancy rates for retail and/or commercial properties in the local market do not appear at the level required to support speculative construction in the immediate area. Therefore, it does not currently appear to be financially feasible to construct a speculative retail or commercial property on the subject site.

Maximally Productive

As discussed above, development of a speculative retail or commercial property is not currently feasible on the subject site. Considering the size, shape, location, and zoning of the subject property, there are no other uses which are currently legally permissible and financially feasible on the subject site.

As long as the total value of the land and buildings is significantly higher than the vacant land value, the improvements are the Highest and Best Use, generally speaking. In this case, the existing improvements are in average condition and contribute substantial value to the site. In other words, the purchaser would expect to continue to operate the existing subject property improvements as a retail property, after curing all deferred maintenance, if any.

Wetlands, Asbestos, or other Hazardous materials contamination are not analyzed in this report and no "cost to cure" is included for hazardous materials, if any exists, or for the Americans with Disabilities Act (ADA) requirements, as discussed in the letter of transmittal and Assumptions and Contingent Limiting Conditions. A complete current wetlands study, hazardous materials study and an ADA study are recommended by the appraisers.

Conclusions

The subject site "As Vacant" is assumed to be vacant and available for development. In this case, there does not appear to be sufficient demand for retail properties or other commercial use in the immediate area to support speculative development on the subject property. Therefore, as of the effective date of this appraisal, the highest and best use for the subject site "As Vacant" is for future commercial development, similar to other properties in the area.

The existing improvements are legally permissible. While it is not currently financially feasible to construct an unleased retail or commercial property on the subject site, the existing improvements provide significant contributory value to the subject site. Therefore, the highest and best use of the subject property "As Improved" is for continued use as a retail property, after curing all deferred maintenance, if any..

Land Analysis

Several procedures for the valuation of land are available to the appraisers.

The Market Data (Comparative) Approach

Sales of similar vacant parcels are analyzed, compared, and adjusted to derive an indication of value for the land being appraised.

The Allocation (Abstraction) Procedure

Sales of improved properties are analyzed, and the prices are allocated between land and improvements. This allocation is used either:

- a) To establish a typical ratio of land value to total value (allocation), which may be applicable to a property being appraised, or
- b) To derive from the portion of the sale price allocated to land, a land value estimate for use as a comparable land sale (abstraction).

The Anticipated Use (Development) Procedure

Undeveloped land is assumed to be subdivided, developed, and sold. Development costs, incentive costs and carrying charges are subtracted from the estimated proceeds of sale, and the net income projection is then discounted over the estimate period required for market absorption of the developed sites to derive an indication of value for the land being appraised.

The Land Residual Procedure

The land is assumed to be improved to its Highest and Best Use, and the net income imputable to the land after all expenses of operation and return attributable to the other agents in production are capitalized to derive an estimate of land value.

The best method of site valuation is the Market Data, or Comparative Method. This technique calls for comparison weighing and relating sales data to the land being appraised.

In this case, the subject property improvements suffer from some degree of accrued incurable depreciation and the cost approach is not believed to provide as reliable an indication of value as the income and market data approaches. Therefore, the cost approach was not developed in this analysis. Additionally, the existing improvements add significant contributory value to the subject site. Therefore, an independent land analysis for the subject site was not developed in this analysis.

Comparable Land Sales and Location Map

As previously discussed, no Land Analysis was developed in this analysis. Therefore, no Comparable Land Sales Location Map was required in this analysis.

Cost Approach

The Cost Approach is one of the three approaches in the valuation process. Underlying the theory of the Cost Approach is the principle of substitution, which suggests that no prudent person will pay more for a property than the amount for which he or she can obtain, by purchase of a site and construction of a building without undue delay, a property of equal desirability and utility. Consequently, reproduction cost new, prior to any deduction for accrued depreciation, plus land value, tends to set the upper limit of value. For the Cost Approach to produce a valid indication of market value that may be reconciled with the value indications obtained by the other two approaches, it is necessary to consider accrued depreciation due to all causes --- functional, economic, and physical.

The Cost Approach is particularly valuable when used as an analysis technique, to recognize the effect of the components of depreciation on a property, and to provide a basis for proceeding with the other two approaches to value. Essentially, the Cost Approach provides an estimate of the replacement cost (new) of the improvements, less all forms of depreciation, to which is added an estimate of land value.

Steps in the Cost Approach

The basic steps in the procedure of the Cost Approach are:

1. Estimate the cost to reproduce or replace the basic improvements, new.
2. Estimate the dollar amount of accrued depreciation due to:
 - a. Functional Obsolescence
 - b. Physical Deterioration
 - c. Economic Obsolescence (Adverse locational influences)
3. Deduct the total amount of accrued depreciation from the cost new to derive the present depreciation cost of the basic improvements.
4. By the same or similar procedure, estimate the present depreciated cost of other improvements (minor structures or land improvements) excepting any that were included in the land value estimate.
5. Add the land estimate to the depreciated cost of basic and other improvements to arrive at a value indication by the Cost Approach.

The opinion of Market Value is derived via the income and market data approaches. Although the cost approach could be utilized in the analysis of this type of property; since the subject property is an older property with a significant amount of accrued incurable physical depreciation, the cost approach is not believed to provide as reliable indication of value as the income and market data approaches. Therefore, in valuing the subject property, the cost approach was not developed in this analysis.

Income Approach

The Income Approach is a method of converting the anticipated economic benefits of owning property into a value estimate through capitalization. Income-producing property is typically purchased for investment purposes, and the projected net income stream is the critical factor affecting its Market Value. A purchaser of income-producing real estate is in effect spending a sum of present dollars for the right to a stream of future dollars. The principle of "anticipation" underlying this approach is that prudent purchasers recognize a relationship between income and a property's value. This is the process of capitalization.

In order to value the anticipated economic benefits of a particular property, potential income and expenses must be estimated and the most appropriate capitalization technique selected.

The two most common techniques of converting net income into value are direct capitalization and discounted cash-flow analysis (yield capitalization). In direct capitalization, net operating income is divided by an overall rate extracted directly from market sales to indicate a value. In the discounted cash-flow analysis, anticipated future net income streams and a reversionary value are discounted to an estimated present value.

Direct Capitalization

In estimating the value of commercial buildings such as the subject by the Income Approach, the appraisers must first estimate the annual income that can be expected to be derived from the property, estimate and deduct from estimated income those expenses that will be incurred in producing the income, and finally, capitalize the resulting net operating income into an estimate of value for the property. The capitalization of this income figure is based upon an overall capitalization rate which recognizes current economic conditions and current investor criteria.

In the case of a property appraisal that includes contract lease terms that are different than current market rent terms, this would be the valuation of the Leased Fee Estate, and the Direct Capitalization Approach would tend to be less accurate than the Discounted Cash Flow Analysis for properties in which contract leases differ substantially from market (economic) rental terms.

Discounted Cash-Flow Analysis (Yield Capitalization)

My valuation endeavors to reflect the most likely actions of typical buyers and sellers in this market. Typical buyers of multi-tenant properties with leases at rates different than market terms would typically utilize a discounted cash flow (DCF) analysis to analyze this type of investment prior to purchase. A DCF involves forecasting the anticipated income stream and estimating a reversion at the termination of the forecasting period and this capitalization process may be applied to derive a value that a purchaser would pay to receive the particular income stream. The total value estimate relates to the right to receive these cash flow benefits. Discounting is defined in the Real Estate Appraisal Terminology as follows:

"A concept of time preference which holds that future income or benefits are worth less than the same income or benefits now and that they decrease in value systematically as the time for their receipt is further deferred into the future. In appraisal analysis, discounting is the arithmetic procedure of applying a specific rate (usually) derived from the market to the anticipated future income stream in order to develop a present worth estimate."

In valuing the subject property, it is my opinion that if the income approach to value were utilized, the direct capitalization method would be most appropriate; since the subject property is a single tenant property; and investors of this type of property, under these conditions, would typically use the direct capitalization method if they analyzed the property by the Income Approach prior to purchase.

Subject Property Lease

The subject property is not currently encumbered by any long-term arm's length lease agreements to our knowledge. .

Market Rent

Several leases of retail properties were surveyed for this analysis. Each of the comparable leases used in this analysis is considered comparable to the subject property and are summarized in the chart below.

Comparable #	LEASE #1	LEASE #2	LEASE #3	LEASE #4	LEASE #5
Building Name	1913 N. Market	2121 E. Texas	3168 Greenwood Rd	1837 N. Market St	1935 N. Market
Date	Jan-25	Aug-25	Feb-22	Jan-24	Listing
Lease Size (sf)	11,999	6,478	2,000	16,600	7,000
Expense Terms	NNN	NNN	NNN	Tx. Ins. SM	NNN
Unadjusted Rent	\$6.17	\$11.11	\$10.00	\$4.34	\$7.00
Adjusted Rent	\$6.48	\$6.67	\$6.87	\$5.21	\$6.30

Conclusion of Market Rent

As indicated in the adjustment chart on the following page, each of the comparable leases reflects recent leases of comparable/competitive buildings in the competitive market. The comparable leases indicated a range from \$5.21/sf to \$6.87/sf (adjusted) with an average of \$6.30/sf (adjusted). Comparable Lease #1 at \$6.48/sf (adjusted) had the lowest gross adjustments and was the most recent lease. Therefore, based on these comparable leases, I/we have estimated a market rent of \$6.50/sf for the subject property. The estimated market rent assumes a triple net basis (*i.e.*, landlord in responsible for management fees, structural maintenance, and administrative expenses).

Rental Adjustment Chart

- 2850 North Market Street -

DESCRIPTION	SUBJECT	LEASE #1	LEASE #2	LEASE #3	LEASE #4	LEASE #5
Building Location	2850 North Market Street	1913 N. Market	2121 E. Texas	3168 Greenwood Rd	1837 N. Market St	1935 N. Market
City, State	Shreveport, Louisiana	Shreveport, LA	Bossier City, LA	Shreveport, LA	Shreveport, LA	Shreveport, LA
Date	Oct-25	Jan-25	Aug-25	Feb-22	Jan-24	Listing
Annual Rental Rate	N/A	\$74,034	\$72,000	\$20,000	\$72,044	\$49,000
Annual Rent Per SF	N/A	\$6.17	\$11.11	\$10.00	\$4.34	\$7.00
1. Location/Neighborhood	Good	Similar	Superior	Similar	Similar	Similar
2. Visibility/View/Access	Good	Superior	Superior	Superior	Inferior	Superior
3. Effective Age/Condition	15 years / average	Inferior	Superior	Similar	Inferior	Similar
4. Quality/Amenities	Good	Similar	Similar	Similar	Similar	Similar
5. Expenses by Lessor (market)	NNN	NNN	NNN	NNN	Tx. Ins. SM	NNN
6. Rentable Area (SF)	9,918	11,999	6,478	2,000	16,600	7,000

VALUATION						
Annual Rental Rate		\$6.17	\$11.11	\$10.00	\$4.34	\$7.00
Motivation		0%	0%	0%	0%	0%
Unit Price		\$6.17	\$11.11	\$10.00	\$4.34	\$7.00
	Month (s) Time	9.5	2.5	44.2	21.5	0.0
Market Conditions Adjustments		0.0%	0.0%	5.7%	0.0%	0.0%
Adjusted Rental Rate		\$6.17	\$11.11	\$10.57	\$4.34	\$7.00

ADJUSTMENTS						
	1. Location/Neighborhood	0%	-15%	0%	0%	0%
	2. Visibility/View/Access	-10%	-10%	-5%	5%	-5%
	3. Effective Age/Condition	10%	-10%	0%	20%	0%
	4. Quality/Amenities	0%	0%	0%	0%	0%
	5. Expenses by Lessor (market)	0%	0%	-5%	-10%	0%
	6. Rentable Area (SF)	5%	-5%	-25%	5%	-5%
Net Adjustments		5%	-40%	-35%	20%	-10%
Adjusted Rental Rate/SF		\$6.48	\$6.67	\$6.87	\$5.21	\$6.30
Gross Adjustments		25%	40%	41%	40%	10%

ANALYSIS						
Indicated Range		\$5.21 /sf to \$6.87 /sf				
Average of Comparables	5 Comps	\$6.30 /sf				
Lowest Gross Adjustments:	Comp. # 1	\$6.48 /sf				
	Comp. # 1	<u>\$6.48</u> /sf				
The average of these comparables is:		\$6.48 /sf				

RECONCILIATION						
Indicated Market Rental Rate Per Building Square Foot		\$6.50				

Vacancy and Collection Loss

Having arrived at this estimate of full potential rent expectancy, the appraiser then estimates the probable actual rent to be received or the anticipated future effective gross income.

In practice, a building is not expected to be fully occupied throughout its useful life or any major portion of it, except under a blanket lease. Frequently a new tenant is not found until after the old tenant vacates. Rental income from a tenant's inability or unwillingness to pay may accumulate before the owner can resort to remedial measures. With occasional exceptions, the appraisers recognize an allowance, which is usually estimated as a percentage of potential gross income, varies according to the type of property, the tenancy and general conditions.

The subject property was historically occupied by a furniture/appliance rental facility and is currently vacant. Based on a general survey of the area, retail properties in the immediate area appear to have a relatively stable demand with some vacant spaces in the immediate area. A survey of the Louisiana Commercial Database (LACDB), indicates a total of 4 retail spaces, with 11,717 square feet of retail space listed for lease in the market.

Therefore, considering the subject property current and historical occupancy rate as well as the occupancy rates in the immediate area, the quality of the subject property, and the location of the subject property, it is my/our opinion that a proper estimate of stabilized occupancy would be 95%, which indicates an estimated vacancy/collection loss of 5% of the gross rents is reasonable for the subject property.

Estimation of Operating Expenses

The subject property is owner occupied and the expenses associated with the real estate are included within the operation of the owner's business. Therefore, no history of expenses was provided.

A review of comparable properties indicated typical office/warehouse leases in this area appear to be on NNN terms, with the lessor being responsible for only management, structural maintenance, and administrative expenses. While the tenants are typically directly responsible for all taxes, insurance, utilities and routine maintenance expense. Therefore, I have projected the lease terms for the subject property to be NNN with the lessor being responsible for management fees, structural maintenance, and administrative expenses.

Also, experienced property owners and managers counsel that a reserve for replacement should be set aside in early years to fund replacement of short-lived items in future years. Based on the projected replacement cost and economic life of the short lived-items, and a sinking fund factor, the reserves for replacements are estimated to be \$0.35/sf. However, reserves for replacements are typically deducted after the calculation of net

Estimated Expenses

Less Fixed Expenses

Total Property Taxes	\$0.00 /SF
Fire and Extended Coverage Insurance	\$0.00 /SF

Less Variable Expenses

Management & Leasing	5.00% of EGI
Building Maintenance	\$0.20 /SF
Utilities	\$0.00 /SF
Administrative & Miscellaneous	\$0.20 /SF
Property Owners Association	\$0.00 /SF

Total Expenses

(\$0.71)

operating income (below the line); therefore, the reserve for replacement expense is deducted after the calculation of net operating income. Additionally, it is common for property owners to pay a leasing commission on multi-tenant properties, such as the subject property. Based on discussions with local leasing agents and actual leasing commissions paid on comparable leases, typical leasing commissions range from 3% to 6%. Also, renewals typically pay lower commissions. Therefore, I have estimated an average leasing commission expense of 4% to reflect a typical mix of new leases and renewals. However, leasing commissions are typically deducted after the calculation of net operating income (below the line); therefore, the leasing commission expense is deducted after the calculation of net operating income.

All properties are not typically managed exactly the same and while one property may include a certain expense in one category another property may include the expense in a different category. Therefore, the individual expense estimates are not as important as the total estimated expenses.

Deferred Maintenance

As previously discussed, the subject property appears to be in average condition, with no significant items of deferred maintenance noted.

A complete inspection of the physical condition of the subject property by a qualified engineer is recommended. Please note that I have not inspected, nor do I certify the condition or adequacy of any of the electrical, mechanical or structural equipment.

Asbestos or other Hazardous materials contamination are not analyzed in this report and no "cost to cure" is included for hazardous materials, if any exists, or for the Americans with Disabilities Act (ADA) requirements, as discussed in the letter of transmittal and Assumptions and Contingent Limiting Conditions. Both a complete hazardous materials study and an ADA study are recommended by the appraiser.

Estimation of Overall Rate (R_o)

Method #1 - Band of Investments

Normally, an excellent method of estimating or developing capitalization rates is a refinement of the Debt/Equity Band of Investment Method. This is a very realistic method of selecting a capitalization rate. This refinement employs two elements: the debt constant and the equity dividend. The logic of this method is very persuasive because it recognizes that the market is not a free and clear market, but rather a market dependent upon financing, which as we have noted over the first few years can be widely fluctuating. Further, this method recognizes that interest rates and terms may change from property to property, from time to time or from location to location. Finally, this method recognizes the predisposition of investors to measure the equity cash flow (dividends) available on the required equity investment. This method is attractive because it can easily be adapted to any change in the money market or the equity market. It is simple to document accurately, therefore, the opportunities for error are reduced tremendously.

Relatively considering yields of competitive type investments, such as stocks and bonds, and based on various sales of income-producing properties with which we are familiar, putting the most significance on properties which have income streams similar to the subject, it is our opinion that an acceptable equity dividend on a cash-on-cash basis for this type of property would be around 11.00% giving the age and location of the subject property improvements.

Mortgage Component			
LTV			70%
Interest Rate			8.00%
Term (yrs)			25
Payment		0.0077	
x 12 months			<u>12</u>
Annual Mortgage Constant		0.0926 x 70% =	0.0648
Equity Component			
Equity Yield		11.00% x 30% =	0.0330
Estimated Overall Rate			9.783%
		<i>Rounded</i>	9.8%

Commercial and industrial loan interest rates

fluctuate with the FED's discount rate and are adjusted upward based on return requirements of the lending institution, such as banks and major insurance companies, and perceived risk involved in the loan. Thus, in weak markets and areas where there is oversupply in the type of real estate, which is to be mortgaged, the risk of default typically is higher which in turn drives up the loan rate. These terms are taken from a survey of selected national lenders for commercial and industrial property with intermediate term fixed loans. Those interviewed quoted rates between approximately 5.24% and 10.38%. Therefore, based on the most current rates for this type of property, the typical mortgage loan for the subject property is estimated to be at 8.00%. Based on this information a typical financing package for the subject as of the effective date of this appraisal would be through a 25-year amortization period with a 5-10 year call, 8.00% mortgage loan for 70% of appraised value. These terms are taken from a survey of national lenders for commercial and industrial property with long term fixed loans. Considering current loan terms and equity return requirements, the Band of Investments method indicated an overall rate of 9.8% for the subject property.

Method #2 - Industry Standards

Realty Rates					PwC		
Quarter	3rd				3rd		
Year	2025				2025		
Property Type	Retail - Free Standing				Retail - Strip Shopping Center		
Loan Terms	Int Rate	LTV	Amtz	Y _e	Mkt Time	RentΔ	ExpΔ
Minimum	5.24%	50%	15	7.46%	1.0	0.00%	2.00%
Maximum	10.38%	80%	40	16.05%	12.0	5.00%	5.00%
Average	8.14%	70%	25	11.33%	5.9	2.15%	3.30%
	R _o	R _r	Y _o		R _o	R _r	Y _o
Minimum	6.18%		8.87%		5.50%	5.50%	6.00%
Maximum	13.46%		15.70%		10.00%	10.00%	12.00%
Average	10.39%		12.86%		7.10%	7.43%	8.08%

Considering each of these surveys, an estimated overall capitalization rate of 10.0% is believed to be reasonable for the subject property, considering the age, quality, and location of the subject building.

Method #3 - Market Extraction (Comparable Sales)

Overall rates extracted from the market are generally the most reliable source if adequate information is available. The following improved sales provide market evidence of typical overall rates for real estate investors.

Comparable sales of all types of real estate in the area indicate a range of overall rates from 5.00% to 16.50%, with an average of 7.95%. The most recent industrial property sales in the region market indicated a range from 5.20% to 13.20%, with an average of 8.98%.

The survey of historical industrial sales in the local market is heavily weighted with older properties in secondary locations compared to the subject property. Therefore, considering the age, quality, and location of the building, an estimated overall rate of 10.0% appears to be reasonable for the subject property via the market extraction method.

Overall Rate (R_o) Summary

Band of Investments	9.8%
Industry Standards	10.0%
Comparable Improved Sales	10.0%
Average	9.9%

Conclusion of Capitalization Rates (R_o)

Based on this information, as well as the other methods, an estimated going-in overall rate of 10.0% appears reasonable for the subject property valuation. The rate estimated for the subject property is within the range indicated by the comparable sales, and is believed to be reasonable considering the age, quality, and location of the building.

Conclusion of Value by the Income Approach

As seen in the chart on the following page, as of October 17, 2025 the "As Is" market value of the subject property fee simple estate (excluding mineral rights) indicated by the Income Approach was estimated to be \$540,000.

Income Approach - Direct Capitalization

2850 North Market Street
Effective Date: 10/17/25

Estimated Gross Potential Income

Building	9,918 SF	\$6.50 /sf	\$64,467
Gross Rental Income	9,918 SF		\$64,467
Less Vacancy and Collection Loss @		5.00%	(\$3,223)
Effective Gross Rental Income			\$61,244
Add Expense Reimbursements		\$0.00 /sf	<u>\$0</u>
Effective Gross Income			\$61,244

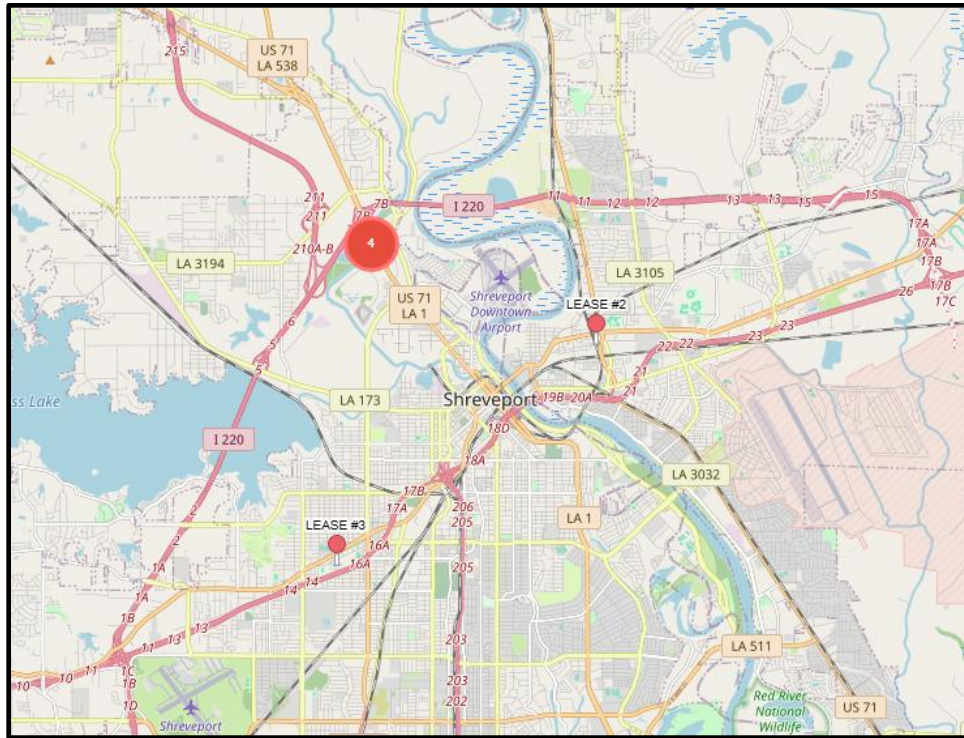
Estimated Expenses

Less Fixed Expenses			
Total Property Taxes	\$0.00 /SF		\$0
Fire and Extended Coverage Insurance	\$0.00 /SF		\$0
Less Variable Expenses			
Management & Leasing	5.00% of EGI		\$3,062
Building Maintenance	\$0.20 /SF		\$1,984
Utilities	\$0.00 /SF		\$0
Administrative & Miscellaneous	\$0.20 /SF		\$1,984
Property Owners Association	\$0.00 /SF		<u>\$0</u>
Total Expenses	(\$0.71)		(\$7,029)
Estimated Net Operating Income			\$54,214

Capitalization

Capitalized at	10.0%		
		Total Value Estimate - "As Stabilized"	\$542,143
		Rounded	\$540,000
		Rent Loss to Lease-up (from current occupancy)	<u>\$0</u>
		Total Value Estimate - "As Cured"	\$542,143
		Rounded	\$540,000
		Less Estimated Cost to Cure Deferred Maintenance	<u>\$0</u>
		Total Value Estimate "As Is"	\$542,143
		Rounded	\$540,000

Improved Comparable Leases and Location Map



Improved Comparable Lease No. 1



PROPERTY LOCATION DATA

Name	Citi Trends
Address	1913 North Market Street, Shreveport, Louisiana
Location	West side of North Market Street, north side of Nelson Street and south of Interstate 220

LEASE DATA

Lessor	North Market Plaza SC, LLC	Recordation	N/A
Lessee	Citi Trends	Lease Rate	\$6.17
Begin Date	January 1, 2025	Expense Terms	NNN
End Date	December 31, 2027	Options	None
Term	3 years	Verification	Listing Packet

PROPERTY DATA

Site Size (sf)	447,361	Lease Area (sf)	11,999
Site Survey (ac)	10.27	Year Built	1970
L/B Ratio	3.90	Condition	Average
Elevation	Level	Structure	Metal/Metal
Utilities	All public		
Zoning	C-3		

REMARKS

This is a lease in a multi-tenant shopping center containing 114,834 square feet.

Improved Comparable Lease No. 2



PROPERTY LOCATION DATA

Name	Beauty Supply (previously)
Address	2121 East Texas Street, Shreveport, Louisiana
Location	North side of East Texas Street, west of Benton Road

LEASE DATA

Lessor	Highland K, LLC	Recordation	N/A
Lessee	N/A	Lease Rate	\$11.11
Begin Date	August 1, 2025	Expense Terms	NNN
End Date	N/A	Options	None
Term	N/A	Verification	LACDB

PROPERTY DATA

Site Size (sf)	39,727	Lease Area (sf)	6,478
Site Survey (ac)	0.912	Year Built	2000 / 2015
L/B Ratio	6.13	Condition	Average
Elevation	Level	Structure	Masonry
Utilities	All public		
Zoning	B-3		

REMARKS

This is a former Family Dollar retail store.

Improved Comparable Lease No. 3



PROPERTY LOCATION DATA

Name	160 Driving Academy
Address	6138 Greenwood Road, Shreveport, Louisiana
Location	North side of Greenwood Road, east of Pines Road, and north of Interstate 20

LEASE DATA

Lessor	Pines Crossing Shopping Center, LLC	Recordation	N/A
Lessee	160 Driving Academy	Lease Rate	\$10.00
Begin Date	February 11, 2022	Expense Terms	NNN
End Date	N/A	Options	None
Term	N/A	Verification	LACDB

PROPERTY DATA

Site Size (sf)	235,224	Lease Area (sf)	2,000
Site Survey (ac)	5.40	Year Built	1980/2009
L/B Ratio	4.79	Condition	Average
Elevation	Level	Structure	Masonry/Metal
Utilities	All public		
Zoning	C-3		

REMARKS

This is a lease in a multi-tenant shopping center containing 49,139 square feet.

Improved Comparable Lease No. 4



PROPERTY LOCATION DATA

Name	160 Driving Academy
Address	6138 Greenwood Road, Shreveport, Louisiana
Location	North side of Greenwood Road, east of Pines Road, and north of Interstate 20

LEASE DATA

Lessor	Pines Crossing Shopping Center, LLC	Recordation	N/A
Lessee	160 Driving Academy	Lease Rate	\$10.00
Begin Date	February 11, 2022	Expense Terms	NNN
End Date	N/A	Options	None
Term	N/A	Verification	LACDB

PROPERTY DATA

Site Size (sf)	235,224	Lease Area (sf)	2,000
Site Survey (ac)	5.40	Year Built	1980/2009
L/B Ratio	4.79	Condition	Average
Elevation	Level	Structure	Masonry/Metal
Utilities	All public		
Zoning	C-3		

REMARKS

This is a lease in a multi-tenant shopping center containing 49,139 square feet.

Improved Comparable Lease No. 4



PROPERTY LOCATION DATA

Name	Sam’s Furniture
Address	1837 North Market Street, Shreveport, Louisiana
Location	West side of North Market Street, south of Nelson Street

LEASE DATA

Lessor	Roros’s La Investment, Inc.	Recordation	N/A
Lessee	Sam’s Furniture	Lease Rate	\$4.34
Begin Date	January 1, 2024	Expense Terms	Lessor pays Tx Ins, SM
End Date	December 31, 2028	Options	N/A
Term	5 years	Verification	Lease Agreement

PROPERTY DATA

Site Size (sf)	81,969	Lease Area (sf)	16,600
Site Survey (ac)	1.88	Year Built	1984
L/B Ratio	4.94	Condition	Fair/Average
Elevation	Level	Structure	Masonry/Metal
Utilities	All public		
Zoning	C-3		

REMARKS

This lease agreement was executed; however, the tenant never occupied the property.

Improved Comparable Lease No. 5



PROPERTY LOCATION DATA

Name	Former Auto Zone
Address	1935 North Market Street, Shreveport, Louisiana
Location	West side of North Market Street, north of Nelson Street and south of Interstate 220

LEASE DATA

Lessor	Thomas J. Keith, etux	Recordation	N/A
Lessee	Listing	Lease Rate	\$7.00
Begin Date	Listing	Expense Terms	NNN
End Date	Listing	Options	N/A
Term	N/A - Listing	Verification	LACDB

PROPERTY DATA

Site Size (sf)	35,201	Lease Area (sf)	7,000
Site Survey (ac)	0.8081	Year Built	2000
L/B Ratio	5.03	Condition	Average
Elevation	Level	Structure	Masonry/Metal
Utilities	All public		
Zoning	C-3		

REMARKS

This is the listing of a former Auto Zone retail building.

Market Data Approach

The Market Data Approach involves direct comparison of the property being appraised to similar properties that have sold in the same or in a similar market in order to derive a market value indication for the property being appraised. This approach is also called the Direct Sales Comparison Approach.

Carefully verified and analyzed market data is good evidence of value when it represents typical actions and reactions of buyers, sellers, users and investors. The Market Value estimate has been categorized as an interpretation of the reactions of typical users and investors in the market. The Market Data Approach, like the Cost Approach, is based on the principle of substitution. In this approach, it implies that a prudent person will not pay more to buy a property than it will cost to buy a comparable substitute property. The price a typical purchaser pays is usually the result of an extensive shopping process in which available alternates are compared. The property purchased typically represents the best available balance between the buyer's specifications and the purchase price. Asking price may be more than a seller expects to realize because there is the possibility that a non-typical purchaser may be found willing to pay more. Without success, the seller may reduce the price or accept an offer that is less than the asking price. Although individual sales may deviate from a market norm, a sufficient number of sales tend to produce a pattern indicating the action of typical buyers and sellers in the market. When information about a sufficient number of similar property sales made in the current market is available, the resulting pattern provides a good indication of Market Value.

Steps in the Market Data Approach

The Market Data Approach may be applied in five steps:

1. Research the market to identify similar competitive properties for which pertinent sale, listing, offering and/or rental data is available.
2. Qualify the prices as to terms, motivating forces and bonafide nature.
3. Compare each of the comparable properties' important attributes to the corresponding ones of the property being appraised, under the general categories of time, location, physical characteristics and conditions of sale. These comparisons are often made on a "unit price" method, such as price-per-square-foot, price-per-room, price-per-rental unit, price-per-bed, etc...
4. Consider all dissimilarities including financing and their probable effect on the price of each sale property to derive individual market value indications for the property being appraised.
5. From the pattern developed, formulate an opinion of market value for the property being appraised.

Comparable Improved Sales Data

The result of my/our search of public records, property sale/listing databases, and conversations with local real estate professionals, revealed the following comparable improved sales, which are judged to be the most applicable to develop an indication of market value for the subject property.

The most comparable sales are summarized in the adjustment grid at the end of this section. The adjustment grids analyze the subject property as it compares to the comparable sales based on Location/View, Access/Streets, Age/Condition, Quality/Amenities, Building Size (square feet), and Land to Building Ratio.

Summary of Comparable Improved Sales

Comparable #	Sale #1	Sale #2	Sale #3	Sale #4
Location	3310 Line Ave	1837 N. Market St	3025 Bert Kouns	1850 N. Market St
Date	09/26/25	01/08/24	03/15/23	03/12/21
Sale Price (\$)	\$375,000	\$410,000	\$410,000	\$670,000
Building Size (sf)	6,200	16,600	10,000	13,389
Unadjusted Price/sf	\$60.48	\$27.29	\$41.00	\$50.04
Adjusted Price/sf	\$57.46	\$34.11	\$54.57	\$51.54

Discussion of Adjustments

Cash Equivalency

When a sale involves a seller financing at terms that are more favorable than the open market terms available for a third party, the sale price is adjusted to reflect the value of the financing. This is not a strictly mathematical calculation in most cases, but includes the typical market reaction to special financing, including interest rates, rate indexes, length, call options, options to renew, and other related considerations. Each of the comparables involved sold on either an all cash basis or typical market financing and required no cash equivalency adjustment.

Motivation

Motivation adjustments are made when there are driving forces behind the sale of a property that are not typical of the market. These forces include, but are not limited to expansion, distressed sales, accelerated sales, assemblages, etc... This adjustment can be either positive or negative. Occasionally these adjustments are offsetting and have a net zero effect. Current listings, if used, are adjusted downward to allow for negotiation of price when appropriate.

Market Conditions (Time)

Typically improving economic conditions lead to increased demand, which in turn leads to increasing real estate values. However, this market conditions adjustment varies with the location of the specific property. For instance, property on secondary roads may have declined or been stable in value, whereas values may have increased on major streets, during the same period. Superior sites are generally less affected by a

negative economy than inferior site locations in deteriorated neighborhoods.

Analysis of the historical sales data for the local market and a review of other economic indicators reflects some positive pressure on market values in the area through 2023. However, no significant change was noted between 2023 and present. Therefore, a 3% annual market conditions adjustment was made through 2023.

Location/View

The location/view adjustment considers activity in the neighborhood and the state of the area. When there is a more intensive land use activity around a property the property is generally more valuable as compared to a property that is secluded but is equal in every other aspect. Also, the state of the neighborhood's life cycle has a bearing on its value. If the area is expanding and there is a possibility of value appreciation in the future, the price paid will reflect this. If the neighborhood is declining and there is a possibility of depreciation in value this is also reflected. A central location in the city is usually more desirable than a remote site. Nearby influences may require positive or negative adjustments. Additionally, this adjustment considers the differences between the subject property and comparables with respect to visibility of the property from the neighborhood and the view of the neighborhood from the subject property. When a property is hidden either by man-made or natural obstructions or set back from the neighborhood and does not have good visibility from the neighborhood this generally tends to have a negative effect on value.

Access/Streets

This adjustment accounts for differences between the subject property and comparables with respect to ease of access to primary traffic arteries in the area. Additionally, ease of ingress and egress are also critical "access" adjustments when either the subject or the comparables have a problem that prevents immediate ingress or egress, such as a street median divider or other obstruction.

Effective Age/Condition

This adjustment accounts for differences between the subject property and comparables with regards to the effective age and overall condition of the properties. While the actual age of a property is important, the effective age gives consideration to the remaining economic life of the property and is therefore considered relevant in the analysis of a property. All else equal, properties with lower effective ages typically, have longer remaining economic lives. Therefore, positive effective age/condition adjustments are typically required for comparable properties with effective ages higher than the subject property and negative adjustments are required for comparable properties with effective ages lower than the subject.

Age/Condition Analysis	Sale #1	Sale #2	Sale #3	Sale #4
Year of Construction	1976	1984	1990	1999
Actual Age	49	40	32	24
Effective Age	25	25	20	15
Economic Life	45	45	45	45
Estimated Physical Dep	56%	56%	44%	33%
Subject Property Phy Dep	33%	33%	33%	33%
Difference	22%	22%	11%	0%
Estimated Adjustment	20.0%	20.0%	10.0%	0.0%

Quality/Amenities

This adjustment considers the differences between the subject property and the comparable properties with respect to the quality of construction and the amenities associated with the properties. Differences in quality of construction can result from differences in design, materials, and/or workmanship. With regard to industrial properties, differences in amenities can include craneways, dock high loading docks, amount of heated/cooled space in the warehouse area, amount of stabilized yard, etc...

Building Size (sf)

The size adjustment corrects for the normal price variances between the size of the subject property and the size of the comparables. As the size of property increases the cost per square foot decreases, and as the size decreases the cost per square foot increases. Therefore, when the subject property is smaller than a comparable, a positive adjustment is made, and when the subject property is larger than a comparable a negative adjustment is made.

Size Adjustment	Sale #1	Sale #1	Sale #1	Sale #1
Subject Property Size (sf)	9,918	9,918	9,918	9,918
Comparable Size (sf)	6,200	16,600	10,000	13,389
# Times Doubled/Halved	-0.68	0.74	0.01	0.43
Change per 100% in Size	10%	10%	10%	10%
Indicated Adjustment	-6.8%	7.4%	0.1%	4.3%
Estimated Adjustment (rnd)	-5.0%	5.0%	0.0%	5.0%

Land to Building Ratio

The land to building ratio adjustment is utilized to adjust for properties which have a substantially different amount of land area in relation to the size of the building. Market evidence indicates that properties with larger land to building ratios usually experience higher sale prices compared to otherwise similar properties with smaller land to building ratios. The land to building ratio adjustments for this analysis are based on the estimated land values for the comparable properties applied to the difference in the actual land area for the comparable properties versus the land area which would be required for those properties to have the same land to building ratio as the subject property.

There were no other types of adjustments found to have a significant influence on the comparables or the subject property value.

Conclusion of Market Data Approach

The adjusted comparables range from \$34.11/sf to \$57.64/sf, with an average of \$49.42/sf. Comparable #1 at \$57.46/sf (adjusted) was the most recent sale and Comparable Sale #4 at \$51.54/sf (adjusted) had the lowest gross adjustments. Therefore, considering each of the comparable sales, the subject property value is estimated based on \$55.00/sf, which indicates a total "As Is" property value of \$545,000.

Market Data Approach

- 2850 North Market Street -

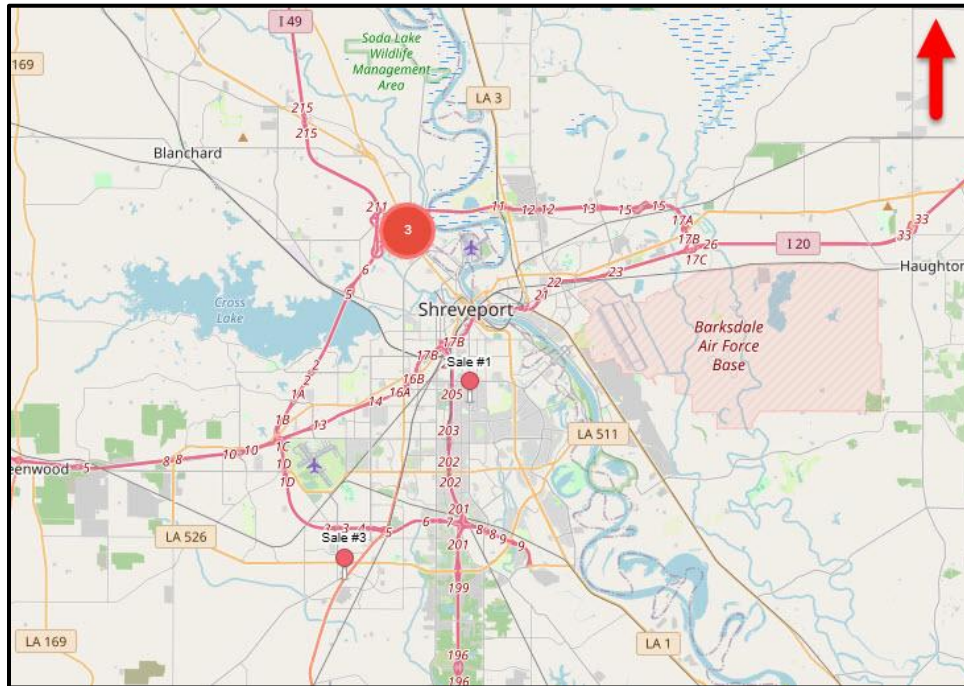
DESCRIPTION	SUBJECT	Sale #1	Sale #2	Sale #3	Sale #4
Street	2850 North Market Street	3310 Line Ave	1837 N. Market St	3025 Bert Kouns	1850 N. Market St
City	Shreveport, Louisiana	Shreveport, LA	Shreveport, LA	Shreveport, LA	Shreveport, LA
Date	10/17/25	09/26/25	01/08/24	03/15/23	03/12/21
Motivation	Typical	Typical	Typical	Typical	Typical
Interest Conveyed	fee simple	fee simple	leased fee	fee simple	fee simple
Deed Price	N/A	\$375,000	\$410,000	\$410,000	\$670,000
Deed Price/sf	N/A	\$60.48	\$24.70	\$41.00	\$50.04
1. Location/View	Average	Superior	Similar	Inferior	Similar
2. Access	Average	Similar	Similar	Similar	Superior
3. Age/Condition	15 years / average	Inferior	Inferior	Inferior	Similar
4. Quality/Amenities	Good	Similar	Similar	Inferior	Similar
5. Building Size	9,918	6,200	16,600	10,000	13,389
Site Size/Square Feet	98,134	22,400	81,969	41,044	109,365
6. Land to Building Ratio	9.89	3.61	4.94	4.10	8.17

VALUATION					
Adjustment for Excess/Surplus Land		---	---	---	---
Adjustment for Rent Loss/Advantage		---	---	---	---
Adjustment for Rights Conveyed		---	\$43,000	---	---
Adjustment for Financing		---	---	---	---
Adjustment for Conditions of Sale		---	---	---	---
Immediate Buyer Expenditures		---	---	---	---
Cash Equivalent Sale Price		\$375,000	\$453,000	\$410,000	\$670,000
Cash Equivalent Sale Price/sf		\$60.48	\$27.29	\$41.00	\$50.04
Market Conditions Adjustment		0%	0%	2%	8%
Updated Price/sf		\$60.48	\$27.29	\$41.98	\$54.25

ADJUSTMENTS					
1. Location/View		-20%	0%	15%	0%
2. Access/Streets		0%	0%	0%	-5%
3. Age/Condition		20%	20%	10%	0%
4. Quality/Amenities		0%	0%	5%	0%
5. Building Size (sf)		-5%	5%	0%	5%
6. Land to Building Ratio		0%	0%	0%	-5%
Net Adjustments		-5%	25%	30%	-5%
Adjusted Price/sf		\$57.46	\$34.11	\$54.57	\$51.54
Gross Adjustments		45%	25%	32%	23%

CONCLUSION					
Indicated Range	Minimum		\$34.11 /sf		
	Maximum		\$57.46 /sf		
Number of Comparables			4		
Average of Comparables			\$49.42 /sf		
Lowest gross adjustments:	Comp. #	4	\$51.54 /sf		
Most recent sale:	Comp. #	1	<u>\$57.46</u> /sf		
The average of these comparables is:			\$54.50 /sf		
Total Building Size (sf)			9,918		
Estimated Price per Square Foot			<u>\$55.00</u>		
Indicated Value (Square Footage x Price/sf)			\$545,490		
Add Estimated Excess Land Value			<u>\$0</u>		
Estimated Market Value "As Stabilized" - Fee Simple Estate			\$545,490		
	Rounded		\$545,000		
Less Rent Loss/Advantage to Lease-up/Existing Leases			<u>\$0</u>		
Estimated Market Value "As Cured" with Current Occupancy			\$545,490		
	Rounded		\$545,000		
Less Estimated Cost to Cure Deferred Maintenance			<u>\$0</u>		
Estimated Market Value "As Is"			\$545,490		
	Rounded		\$545,000		

Improved Comparable Sales and Location Map



IMPROVED COMPARABLE SALE NO. 1



PROPERTY IDENTIFICATION

Name	Glenwood Tea Room (Prev.)
Address	3310 Line Aven
City, State	Shreveport, LA
County	Caddo

SALE INFORMATION

Sale Date	9/26/2025	Terms	Cash Deed
Vendor	Munoz Enterprises, LLC	Deed Price	\$375,000
Vendee	Tokon Industries & Investments	Cash Equivalency Adj	\$0
Recordation #	3025144	Immediate Expenditures	\$0
Property Rights	Fee Simple Estate	Post Sale Expenses	\$0
Condition of Sale	Arm's Length/Typical	Adjusted Price	\$375,000

PROPERTY DESCRIPTION

Site Area (ac)	0.514	Gross Building Area (sf)	6,200
Site Area (sf)	22,400	Stories	1
L/B Ratio	3.61	Year Built	1976
Zoning	C-UC	Condition	Average
		Quality	Average

DESCRIPTION OF IMPROVEMENTS

Masonry construction with a membrane roof on a concrete slab foundation.

UNIT PRICES

Price per SF of GBA	\$60.48	Confirmed with	Public Records
		Confirmed by	SHA

REMARKS

This property previously transferred ownership from Baird Interests, LLC to Munoz Enterprises, LLC in February 2023 for \$375,000 (Instrument #2918093). Roof replaced in 2016. Site size from SD plat. Building includes an additional +/- 472sq ft of storage (not included in the gross building area) Listed by Vintage Realty.

IMPROVED COMPARABLE SALE NO. 2



PROPERTY IDENTIFICATION

Name	Former Top Dollar Pawn
Address	1837 N. Market (US Hwy 71
City, State	Shreveport, LA
County	Caddo

SALE INFORMATION

Sale Date	1/8/2024	Terms	Cash Deed
Vendor	JV Holding, Inc	Deed Price	\$410,000
Vendee	Roro's LA Investment, Inc	Cash Equivalency Adj	\$0
Recordation #	2954401	Immediate Expenditures	\$0
Property Rights	Leased Fee Estate	Post Sale Expenses	\$0
Condition of Sale	Typical	Adjusted Price	\$410,000

PROPERTY DESCRIPTION

Site Area (ac)	1.882	Gross Building Area (sf)	16,600
Site Area (sf)	81,969	Stories	1
L/B Ratio	4.94	Year Built	1984
Zoning	C-3	Condition	Average
		Quality	Average

DESCRIPTION OF IMPROVEMENTS

Masonry construction with a built-up roof on a concrete slab foundation.

UNIT PRICES

Price per SF of GBA	\$24.70	Confirmed with	Tina Balentine, Agent
		Confirmed by	SHA

REMARKS

There were no arms lenth transfers of this property in the 3 years prior to this sale to our knowledge. This property was reportedly leased at the time of sale. Site Source from legal Description. Building size from Appraiser.

IMPROVED COMPARABLE SALE NO. 3



PROPERTY IDENTIFICATION

Name	Ranchland Western Store (prev.)
Address	3025 Industrial Loop
City, State	Shreveport, LA
County	Caddo

SALE INFORMATION

Sale Date	3/15/2023	Terms	Cash Deed
Vendor	Woodson's Properties, LLC	Deed Price	\$410,000
Vendee	Gold Culture Performance, LLC	Cash Equivalency Adj	\$0
Recordation #	2922033	Immediate Expenditures	\$0
Property Rights	Fee Simple Estate	Post Sale Expenses	\$0
Condition of Sale	Arm's Length/Typical	Adjusted Price	\$410,000

PROPERTY DESCRIPTION

Site Area (ac)	0.942	Gross Building Area (sf)	10,000
Site Area (sf)	41,044	Stories	1
L/B Ratio	4.10	Year Built	1990
Zoning	C-2	Condition	Average
		Quality	Average

DESCRIPTION OF IMPROVEMENTS

Pre-engineered steel frame construction with metal/wood siding and a sloping metal roof on a concrete slab foundation.

UNIT PRICES

Price per SF of GBA	\$41.00	Confirmed with	Paul Draper, Agent
		Confirmed by	SHA

REMARKS

This property had not transferred ownership in the three years prior to this sale to our knowledge. Approximately 8,000 square feet was finished retail space and 2,000 was warehouse area. The vendee plans to convert the building into a baseball practice facility.

IMPROVED COMPARABLE SALE NO. 4



PROPERTY IDENTIFICATION

Name	Rite Aid Drug Store
Address	1850 N. Market St
City, State	Shreveport, LA
County	Caddo

SALE INFORMATION

Sale Date	3/12/2021	Terms	Special Warranty
Vendor	Founders Realty II, LLC	Deed Price	\$670,000
Vendee	L & T Real Estate, LLC	Cash Equivalency Adj	\$0
Recordation #	2826201	Immediate Expenditures	\$0
Property Rights	Fee Simple Estate	Post Sale Expenses	\$0
Condition of Sale	Arm's Length/Typical	Adjusted Price	\$670,000

PROPERTY DESCRIPTION

Site Area (ac)	2.511	Gross Building Area (sf)	13,389
Site Area (sf)	109,365	Stories	1
L/B Ratio	8.17	Year Built	1999
Zoning	C-2	Condition	Average
		Quality	Average

DESCRIPTION OF IMPROVEMENTS

Concrete block and EFIS over masonry construction with steel roof trusses, membrane roof, on a concrete slab foundation

UNIT PRICES

Price per SF of GBA	\$50.04	Confirmed with	Jackson Wheless, agent
		Confirmed by	SHA

REMARKS

This property has not transferred ownership in the previous three years, to our knowledge. This is a former Rite Aid Building.

Reconciliation and Final Value Opinion

Reconciliation is the process by which the most reliable single opinion of value is derived from the value range indicated by the recognized approaches to value. If all of the approaches were applied properly and each indicated the same answer, reconciliation would not be necessary. But in the market, some approaches to value are more applicable than others because of the inherent weaknesses of the assumptions made and because of market variances.

The value indications for the approaches under each of the discussed premises as indicated below must be weighed against each other for relative reliability.

	"As Is"
Cost Approach	Not Developed
Income Approach	\$540,000
Market Data Approach	\$545,000

An attempt has been made throughout this appraisal analysis to test the subject property in the light of marketplace reactions. All three approaches have used actual data obtained from the market in formulating value estimates. The question here is which one or ones reflect more the attitudes and behavior of buyers and sellers. Value is determined by the market; the appraiser simply analyzes and interprets. Other factors which are less quantifiable such as supply and demand, trends of locations, and availability of financing are also considered by these approaches to value.

The opinion of Market Value is derived via the income and market data approaches to value. Although the Cost Approach could be utilized in the analysis of this type of property; since the subject property is an older property with a significant amount of accrued incurable physical depreciation, the cost approach is not believed to provide as reliable indication of value as the income and market data approaches. The exclusion of the cost approach does not limit this analysis such that it would be misleading. Income properties are typically best evaluated by income related factors normally considered important to the typical investor, as found in the income approach to value. The income and market data approaches typically give value indications which are much more sensitive to the economic rationale for the property. Therefore, the Income and Market Data Approaches provide reliable estimates of value in this case.

Based on the analysis contained in the foregoing report, the value opinions for the subject property are summarized as follows:

"As Is"	
Value Type	market value
Interest Appraised	fee simple estate
Effective Date	October 17, 2025
Value Opinions	
Land (excluding Excess Land)	Not Allocated
Improvements	Not Allocated
Total	\$545,000
Excess Land	<u>\$0</u>
Total Realty Value	\$545,000
Non-Realty Value	<u>Not Appraised</u>
Total Property Value	<u>\$545,000</u>

Addenda

Appraisal Qualifications Of Scott H. Adcock, MAI

PERSONAL HISTORY

Born in Shreveport, Louisiana. Lifetime resident of Shreveport, married in 1998 and father of two sons and one daughter.

EDUCATION

Graduated from Southwood High School in May of 1986; received Bachelors of Science degree in finance and management administration from Louisiana State University in Shreveport in 1991. Successfully completed all appraisal requirements for the MAI appraisal designation awarded by the Appraisal Institute. Successfully completed examinations and courses or seminars related to real estate appraisals are as follows:

Louisiana State University in Shreveport	06/89	Finance 342 - Appraisal of Real Property
Society of Real Estate Appraisers	06/89	SREA 101 - Introduction to Appraising Real Estate
Appraisal Institute (Houston, Texas Chapter)	12/93	Course 410 - Standards of Professional Practice (Part A)
Appraisal Institute (Houston Texas Chapter)	12/93	Course 420 - Standards of Professional Practice (Part B)
Appraisal Institute (Dallas, Texas Chapter)	10/98	Course 430 - Standards of Professional Practice (Part C)
Appraisal Institute (National - Dallas, Texas)	01/99	Course 310 - Basic Income Capitalization
Appraisal Institute (National - Dallas, Texas)	01/99	Demonstration Report Writing Seminar
Appraisal Institute (San Diego, California Chapter)	06/99	Course 510 - Advanced Income Capitalization
Appraisal Institute (Houston, Texas Chapter)	05/00	Course 550 - Advanced Applications
Appraisal Institute (Houston Texas Chapter)	05/00	Course 540 - Report Writing and Valuation Analysis
Louisiana Real Estate Commission (Bossier City, LA)	06/00	Real Estate Finance
Louisiana Real Estate Commission (Bossier City, LA)	11/00	USPAP 2000 Update
Appraisal Institute (National - Dallas, Texas)	02/01	Comprehensive Examination for MAI Designation
Appraisal Institute (Louisiana Chapter - Shreveport)	10/01	Valuing Immature Timber Stands
Louisiana Real Estate Commission (Bossier City, LA)	11/01	USPAP 2001 Update
Louisiana Board of Realtors	08/02	Town Hall Meeting
Louisiana Real Estate Commission (Bossier City, LA)	10/02	Real Estate Fraud
Appraisal Institute (Louisiana Chapter - Lafayette, LA)	10/02	Appraisal Consulting, A solutions Approach for Professionals
Appraisal Institute (San Diego, California Chapter)	07/03	Course 800 – Separating Real/Personal Property from Intangible Business Assets
Appraisal Institute (Dallas, Texas Chapter)	10/03	Analyzing Commercial Lease Clauses
Foundation of Real Estate Appraisers (On-line)	10/04	National USPAP Update Course
Appraisal Institute (Gulfport, Mississippi Chapter)	06/05	Site to do Business Seminar
Appraisal Institute (Shreveport, Louisiana Chapter)	11/05	Future of Appraising Seminar
Appraisal Institute (Shreveport, Louisiana Chapter)	11/05	Cool Tools Seminar
Appraisal Institute (Louisiana Chapter)	05/06	Art & Science of Real Estate Feasibility
Louisiana Real Estate Commission (Bossier City, LA)	06/06	National USPAP Course
Appraisal Institute (Online)	10/06	National USPAP Course
Appraisal Institute (Online)	11/06	Course 420 – Business Practice & Ethics
Appraisal Institute (Online)	12/06	Appraising Convenience Stores

Scott H. Adcock, MAI

Appraisal Qualifications (Continued...)

Appraisal Institute (Online)	12/06	Introduction to GIS Applications for Real Estate Appraisal
Appraisal Institute (Online)	12/06	Analyzing Distressed Real Estate
Appraisal Institute (Louisiana Chapter – New Orleans)	11/07	Forecasting Revenue
Appraisal Institute (Louisiana Chapter)	01/08	Office Building Valuation: A Contemporary Prospective
Appraisal Institute (Louisiana Chapter)	04/08	Quality Assurance in Residential Appraisals
Appraisal Institute (Online)	10/08	National USPAP Course
Appraisal Institute (Louisiana Chapter)	11/08	Appraisal Challenges: Declining Markets and Sales Concessions
Appraisal Institute (Online)	09/10	Supervising Appraisal Trainees
Appraisal Institute (Online)	09/10	Business Practices and Ethics
Appraisal Institute (Online)	10/10	National USPAP Course
Appraisal Institute (Online)	10/10	Subdivision Valuation
Appraisal Institute (Online)	10/10	Comparative Analysis
Appraisal Institute (Online)	12/11	Appraisal Curriculum Overview - Residential
Appraisal Institute (Online)	12/11	Appraisal Curriculum Overview - General
Appraisal Institute (Louisiana Chapter)	02/12	Uniform Standard of Professional Appraisal Practice
Appraisal Institute (Louisiana Chapter)	06/12	Appraising the Appraisal: Appraisal Review - Residential
Louisiana Real Estate Commission	10/12	New AMC & Appraiser Law and Rules
Appraisal Institute (Online)	09/14	Subdivision Valuation
Louisiana Real Estate Commission	10/14	USPAP Course & Appraiser Law and Rules
Appraisal Institute (Louisiana Chapter)	10/14	The Appraiser as an Expert Witness
Louisiana Real Estate Commission	09/16	Common Appraisal Errors
Appraisal Institute (Online)	10/16	Business Practices and Ethics
Appraisal Institute (Online)	10/16	USPAP Update
Appraisal Institute (Online)	10/16	Discounted Cash Flow Modell: Concepts, Issues, and Apps.
Appraisal Institute (Online)	10/16	Data Verification Methods
Appraisal Institute (Louisiana Chapter)	09/17	What's up in Technology for Appraisers
Louisiana Real Estate Commission	05/18	2018-2019 USPAP Course & Appraiser Law and Rules
Appraisal Institute (Online)	10/18	Small Hotel/Motel Valuation
Appraisal Institute (Online)	10/18	Eminent Domain and Condemnation
Appraisal Institute (Online)	10/18	Cool Tools: New Technology for Real Estate Appraisers
Appraisal Institute (Louisiana Chapter)	11/19	Raiser Your Appraiser IQ
Louisiana Real Estate Commission	10/20	2020-2021 USPAP Course & Appraiser Law and Rules
Appraisal Institute (Online)	10/20	Rates and Ratios: Making Sense of GIM's OAR, and DCF
Appraisal Institute (Online)	11/20	Using Your HP-12C Financial Calculator!
Appraisal Institute (Online)	01/21	Analyzing Operating Expenses
Louisiana Real Estate Commission	05/21	2020-2021 USPAP Course & Appraiser Law and Rules
Appraisal Institute (Online)	12/21	Business Practices and Ethics
Appraisal Institute (Online)	10/22	Appraising Automobile Dealerships
Louisiana Real Estate Commission	10/22	2020-2023 USPAP Course & Appraiser Law and Rules
Appraisal Institute (Online)	10/22	Fundamentals of Apartment Appraising
Louisiana Real Estate Commission	04/24	2024-2025 USPAP Course & Appraiser Law and Rules
Appraisal Institute (Louisiana Chapter)	04/24	Artificial Intelligence, Blockchain, and the Metaverse: Implications for Valuation
Appraisal Institute (Online)	10/24	Excel Applications for Valuation
Appraisal Institute (Louisiana Chapter)	10/24	Business Practices and Ethics
Louisiana Real Estate Commission	04/25	2024-2025 USPAP Course & Appraiser Law and Rules

Scott H. Adcock, MAI

Appraisal Qualifications (Continued...)

Scott Adcock has completed continuing education requirements for the State of Louisiana (General Certification) through December 31, 2026 and for the Appraisal Institute (MAI Designation) through December 31, 2026.

PROFESSIONAL EXPERIENCE

President and real estate appraiser with Adcock Appraisal Group, LLC (previously Graham & Adcock, LLC), a company engaged in real estate appraisal, research, consulting and market studies. Previously Senior Managing Director with Valbridge Property Advisors - Argote, Derbes, Graham, Shuffield & Tatje, Inc. Principal with Argote, Derbes, Graham, Shuffield & Tatje, Inc. which operates offices in Shreveport, Baton Rouge and New Orleans, Louisiana.

President of Multi-Facts Research Center, a computer based data service, which has been providing verified real estate research to real estate companies and major lending institutions in Louisiana for over 25 years.

1991 to 2001 - Vice President and real estate appraiser with Marshall F. Graham & Associates, Inc. a company engaged in real estate appraisal, research, consulting, and market studies.

Appraisal experience to date includes appraisals of apartment complexes, shopping centers, office buildings, industrial buildings, mini-storage facilities, nursing homes, motels/hotels, restaurants, mobile home parks, residential subdivisions, and unimproved residential and non-residential land, as well as numerous special purpose properties including golf courses, truck stops (with video gaming), hospitals, schools, airports, churches, parking garages, and automobile dealerships.

Recent appraisals of significance include the Morgan Keegan Building (previously American Tower), Beck Building, Chase Tower (formerly Bank One Tower), Regions (formerly AmSouth) Tower and Building all in the Shreveport Central Business District, as well as Eastgate Shopping Center, One Belmead Centre, The Towers Apartments, Slack Industrial Park, Marshall Memorial Hospital, Palmetto Golf and Country Club, Northwood Country Club (golf course), East Ridge Golf Course and Country Club, Shreveport Country Club, Olde Oaks Golf Course, Stonebridge Golf Course, Stonebridge Tennis and Fitness Center, Pierremont Tennis Center, and Red River Marina.

SELECTED CLIENTS

JPMorgan Chase Bank, N.A.

b1 Bank

Regions Bank

First Bank and Trust

Citibank

Standard Mortgage

Wells Fargo

GMAC Financial

Principal Mutual Life Insurance Company

Mutual of Omaha

First Commerce Corporation

Union Pacific Railroad

Scott H. Adcock, MAI

Appraisal Qualifications (Continued...)

Hancock Whitney Bank	Small Business Administration
Origin Bank	Louisiana Housing Finance Corporation
Bonz/REA, Inc.	Louisiana Tech University
Central Park Capital	Bossier Parish School Board
Capital One	City of Bossier City
LaSalle Bank	City of Shreveport
First Union National Bank	McDonald's Corporation
Texas Capital Bank	International Paper Company
ORIX Capital Markets	Louisiana Department of Transportation and Development
GE Business Asset Funding	W.D. Schock Company
Citizens National Bank	State of Louisiana Facility Planning and Control
Citizens Bank	Ark-La-Tex Investment and Development Corporation
Bank of Oklahoma	DOW Chemical Company

PROFESSIONAL AFFILIATIONS

MAI Designated Member of the Appraisal Institute (#11736)
Louisiana Certified General Appraiser - License No. Apr.00982-CGA
2003-2004 Membership Development Chair, Louisiana Chapter of the Appraisal Institute
2006 Treasurer for the Louisiana Chapter of the Appraisal Institute
2007 Vice President for the Louisiana Chapter of the Appraisal Institute
2008 President for the Louisiana Chapter of the Appraisal Institute
2009 Past President for the Louisiana Chapter of the Appraisal Institute and member of the Board
2008-2010 Member of the Finance Team for Summer Grove Baptist Church
2010-2013 Member of the Board of Trustees of Summer Grove Baptist Church

Louisiana Real Estate Appraisers Board

Having complied with the requirements of Chapter 51 of Title 37 of the Louisiana Revised Statutes of 1950 and the requirements of the Louisiana Real Estate Appraisers Board,

Certified General Appraiser

license is hereby granted to

Scott H Adcock

License Number - APR.00982-CGA

First Issuance Date - 06/30/1999

Expiration Date - 12/31/2026

J. Tracy Wilkinson

Chairperson

J. C. H. H. H.

Secretary





FW: 2850 N Market Appraisal Request

From Chris Stokes <chris@walkeralley.com>

Date Tue 4/7/2026 5:17 PM

To Scott Adcock <scott@arevg.com>

Hello Scott,
Please provide an Appraisal for Walker Alley & Associates done for 2850 N Market the former Arron's Rent to own prepared approximately 4 months ago.

Thanks,
Chris Stokes

Client Walker-Alley & Associates
Please send invoice via email to chris@walkeralley.com

H. Chris Stokes
Commercial Realtor
Associate Broker
Walker Alley & Associates
P. O. Box 1757
Shreveport, LA 71166-1757
American Tower Suite 1010
Shreveport, LA 71101
Licensed by La Real Estate Commission
318-222-2022 Ext. 2094
318-564-7906 cell



Insurable Replacement Cost

- 2850 North Market Street -

Effective Date:

10/17/25

Multipliers and Unit Costs

Class/Quality	retail C <u>average</u>
1. Area/Perimeter	0.947
2. Wall Height	1.085
3. Current Multiplier	1.020
4. Local (Shreveport)	<u>0.930</u>
Net Multiplier	0.974
Unadjusted Cost per Square Foot	<u>\$117.00</u>
Adjusted Cost per Square Foot	\$114.00

Note: All four adjustments are shown above even if the multiplier is 1.000, to illustrate that none of the factors were inadvertently omitted.

Based on this estimated building unit cost calculations, the Cost Approach is as follows:

Insurable Replacement Cost New

Building Area	9,918	SF @	\$114.00	=	\$1,130,652
Sprinkler System	9,918	SF @	\$0.00	=	\$0
Parking, Drives, and Walkways	30,000	SF @	\$0.00	=	\$0
Landscaping, Fencing, Etc.			0.0%		<u>\$0</u>
Subtotal					\$1,130,652
Developers Profit			0.0%		<u>\$0</u>
Total Replacement Cost New (RCV)					\$1,130,652

Plus Additions

Demolition	3.25%	<u>\$36,746</u>
Total Additions		\$36,746

Less Exclusions

Foundations, Below Grade Piping, Etc.	3.40%	\$38,442
Architectural/Engineering Fees	6.17%	\$69,805
Miscellaneous	0.00%	<u>\$0</u>
Total Exclusions		\$108,247

Insurable Replacement Cost

Total		\$1,059,151
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