

THE McENERY COMPANY

VALUATION & ADVISORY SERVICES



**1476 Magazine Street
New Orleans, LA 70130**

EFFECTIVE DATE OF MARKET RENT:

December 29, 2017

PREPARED FOR:

**Mr. Chuck Rutledge
5703 Laurel Street
New Orleans, Louisiana 70115**

PREPARED BY:

**P.M. McEnery, MAI, CRE
Baldwin Justice
The McEnery Company
810 Union Street, Fourth Floor
New Orleans, LA 70112**

FILE # 17-1724

Market Rate & Occupancy Study—Proposed (9) Room Bed and Breakfast



THE MCENERY COMPANY

ESTABLISHED 1980

WWW.MCENERYCO.COM

December 31, 2017

Mr. Chuck Rutledge
5703 Laurel Street
New Orleans, Louisiana 70115

Re: 1476 Magazine Street
New Orleans, LA 70130

Our File Number: 17-1724

Dear Mr. Rutledge:

In accordance with your letter of engagement, we have examined the referenced property and analyzed matters applicable to the determination of its current Average Daily Rate and Occupancy Rate. The body of this report contains a total of 47 numbered pages. This report is intended for use only by Mr. Chuck Rutledge. We are not responsible for unauthorized use of this report.

This report complies with the reporting requirements mandated by the 2016-2017 Edition of the United Standards of Professional Appraisal Practice (USPAP) adopted by the Appraisal Standards Board of The Appraisal Foundation. Additionally, as per Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) minimum appraisal standards, we HAVE completed previous appraisals of bed & breakfast properties similar to the subject property in this area.

The project is a proposed nine room, artists' co-op bed and breakfast concept to be developed on a vacant parcel of ground forming the Downtown / River corner of the intersection of Magazine Street and Race Street in the Lower Garden District Neighborhood of New Orleans, Louisiana. The address of the project location is 1476 Magazine Street, New Orleans, LA 70130. The project contemplates a three-story structure to be developed on the site, measuring a total estimated area of 8,074 square feet to include a total of 9 guest rooms. In addition to this space is a four bedroom / two bathroom, third floor apartment floorplan intended to house the noted artists responsible for operation and on-site management of the bed and breakfast. Additionally, the ground floor will house the noted approximately 1,420 square feet of retail space for lease. Preliminary plans provided by the development group are included for reference within the following pages. As per the dictated scope of work, we have performed a market rate (Average Daily Rate) and occupancy study and related market study.

810 UNION STREET, FOURTH FLOOR
NEW ORLEANS, LOUISIANA 70112
TELEPHONE: 504-274-2701
FACSIMILE: 504-274-2702

170 MOORES ROAD
MANDEVILLE, LOUISIANA 70471
TELEPHONE: 985-246-3900
FACSIMILE: 985-246-3901

REAL ESTATE LICENSES AND CERTIFICATIONS HELD IN LOUISIANA, MISSISSIPPI, ALABAMA, FLORIDA, TEXAS AND ARKANSAS

Mr. Rutledge
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December 31, 2017

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

Based on the data and analyses developed herein, it is our opinion that the **Market Rate and Occupancy Rate** for the bed and breakfast component of the subject of this report as of December 29, 2017 is:

ADR : \$185 per night

Occupancy: 62.50%

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

Respectfully submitted,



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



Baldwin Justice
Louisiana State Certified General
Real Estate Appraiser #G3000

SUMMARY OF SALIENT FACTS AND CONCLUSIONS

GENERAL

Property Address: 1476 Magazine Street
New Orleans, LA 70130

Client: Mr. Chuck Rutledge

Ownership: Magazine Race, LLC

Date of Report: December 31, 2017

Property Inspected By: Nathaniel L. Prosser

Intended Use: The intended use is for specific uses as determined by the client for project planning purposes.

Intended User(s): Mr. Chuck Rutledge

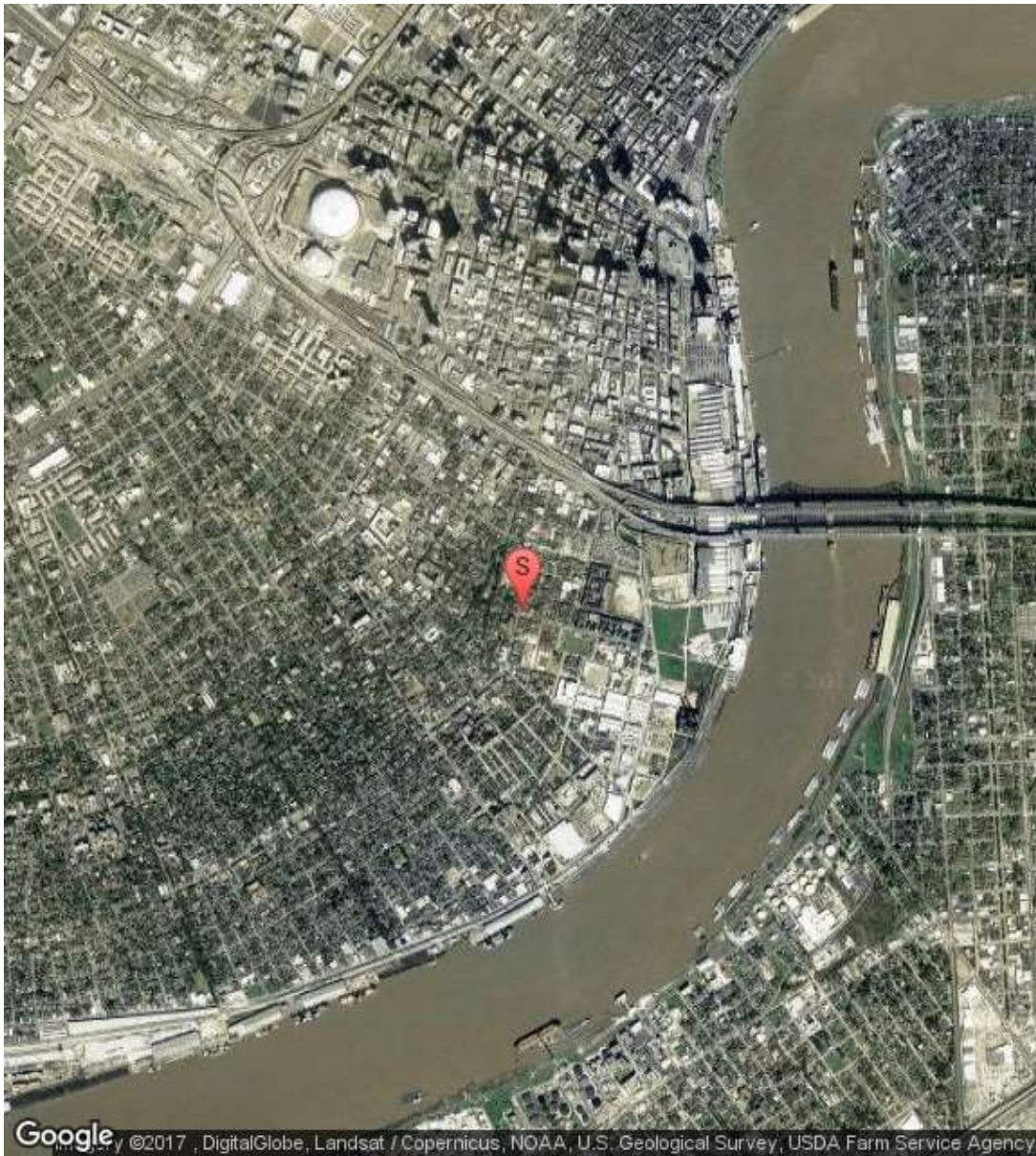
Land Summary				
Parcel ID	Gross Land Area (Acres)	Gross Land Area (Sq Ft)	Topography	Shape
Main Site	0.10	4,250	Generally Level	Rectangular

Legal Description: Lots 1 and 2, Square 144, First District of the City of New Orleans, Orleans Parish, State of Louisiana

Zoning: HU-B1, Historic Urban Neighborhood Business
City of New Orleans Planning and Zoning

Flood Zone: X

AERIAL VIEW

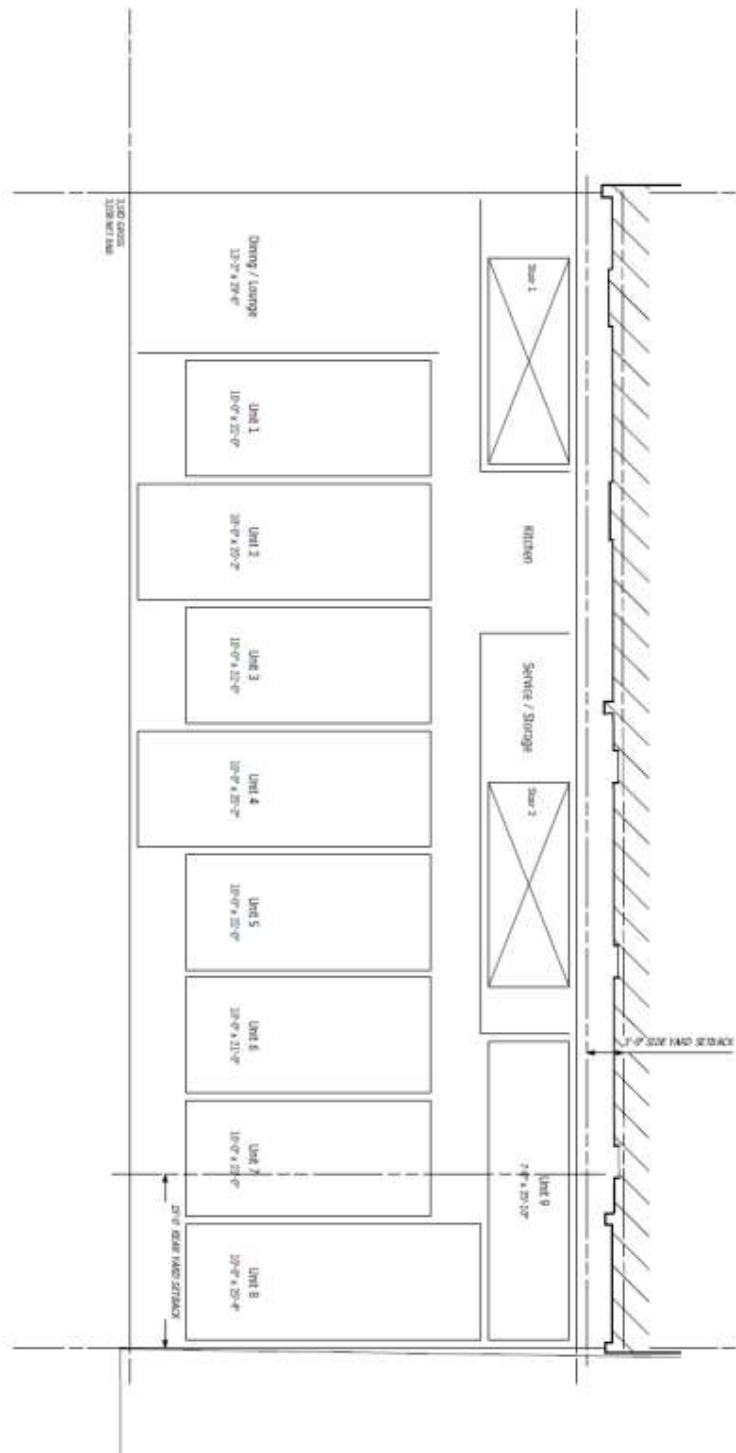




-Site Boundaries Are Approximate-

PROPOSED PLANS





SECOND FLOOR PLAN
SCALE: 1/8" = 1'-0"

SITE VIEWS



