

INVESTMENT OFFERING MEMORANDUM



FOR SALE

Frenchmen Orleans At 519,
Ascend Hotel Collection – New Orleans, Louisiana

HREC Investment
Advisors®
▪ HOSPITALITY REAL ESTATE COUNSELORS™ ▪



FISHER
AUCTION COMPANY

This is a confidential Investment Offering Memorandum (“Memorandum”), which is intended solely for your limited use and benefit in determining whether you desire to express any further interest in participating in the acquisition of the Frenchmen Orleans At 519, Ascend Hotel Collection (“Properties” or “Hotels”) in New Orleans, LA. You are bound by the Confidentiality Agreement executed in connection with your receipt of this Memorandum. This Memorandum was prepared by HREC Investment Advisors and Fisher Auction Company and has been reviewed by the Owner. It contains select information pertaining to the Property and does not purport to be all-inclusive or to contain all of the information that prospective investors may desire. It should be noted that all the market analysis projections are provided for general reference purposes and are based on assumptions relating to the general economy, competition, and other factors beyond our control and, therefore, are subject to material variation. Additional information and an opportunity to inspect material related to the Property will be made available to interested and qualified prospective investors. Neither the Owner nor HREC Investment Advisors and Fisher Auction Company nor any of their respective officers have made any representation or warranty, expressed or implied, as to the accuracy or completeness of this Memorandum or any of its contents, and no legal commitments or obligations shall arise by reason of this Memorandum or its contents. It is essential that all parties to real estate transactions be aware of the health, liability, and economic impact of environmental factors on real estate. HREC Investment Advisors and Fisher Auction Company does not conduct investigations or analyses of environmental matters and, accordingly, urges interested parties to retain qualified environmental professionals to determine whether hazardous or toxic wastes or substances (such as asbestos, PCBs, and other contaminants or petrochemical products stored in underground tanks) or other undesirable materials or conditions are present at the Property and if so, whether any health danger or other liability exists. Various laws and regulations have been enacted at the federal, state, and local levels dealing with the use, storage, handling, removal, transport, and disposal of toxic or hazardous wastes and substances. Depending on past, current, and proposed uses of the Property, it may be prudent to retain an environmental expert to conduct a site investigation and/or building inspection. If such substances exist or are considered to be used at the Property, special governmental approvals or permits may be required. Consequently, legal counsel and technical experts should be consulted to tell where these substances are or may be present. In this Memorandum, certain documents are described in summary form. The summaries do not purport to be complete descriptions of the full agreements involved, nor do they purport to constitute any legal analysis of the provisions of the documents. This brochure shall not be deemed an indication of the state of affairs of the Owner nor constitute an indication that there has been no change in the business or affairs of the Owner since the date of preparation of this Memorandum. Photocopying or other duplication of the Investment Offering Memorandum in part or entirety is not authorized.

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HREC Investment Advisors (“HREC IA”) and Fisher Auction Company are pleased to offer the opportunity to acquire the fee-simple interest in the 21-unit Frenchmen Orleans at 519, Ascend Hotel Collection (“Hotel” or “Property”), situated at 519 Frenchmen St, New Orleans, LA 70116.

Located along storied Frenchmen Street in the Marigny (“MARE-a-knee”) neighborhood just downriver from the French Quarter, the Frenchmen Orleans at 519 is a multi-purpose asset:

- 1 That currently operates as a transient occupancy hotel under the Ascend Collection (Choice) brand, but
- 2 That has the one- and two-bedroom unit configurations for long-term rentals, and
- 3 The underlying condominium regime documentation such that the units can be sold off to individual investors.

Home to some of the most vaunted live music venues in the City of New Orleans, historic Marigny was also the first suburb to spring up alongside the French Quarter.

The Property is less than a 10-minute walk from Bourbon Street, Café du Monde, Jackson Square, and other points of interest within the center city of New Orleans.

Other demand generators – including Harrah’s Casino, the Convention Center, the Super Dome, the Fairgrounds, and the World War II Museum – are just a short Uber ride away.

On its way back to full recovery, the New Orleans market had a super successful “festival season” in 2023 and looks forward to building on that success in 2024 with robust growth in the groups and international segments (which have been slower to return, across the country, than domestic leisure travel demand).

Property Overview	
Address	519 Frenchmen St, New Orleans, LA 70116
Current Brand	Choice Hotels
Year Opened & Renovated	1968/2019
Units	21
Stories	3
Number of Parking Spaces	6
Major Intersection	Esplanade Ave & Frenchmen St
Features & Amenities	Outdoor Pool, Hot Tub, Patio



Transaction Protocol

Pricing: Please contact either HREC or Fisher Auction for pricing guidance.

Due Diligence Materials: All Due Diligence information is available in Fisher Auction Company’s online data room. You will receive an email with a link to the data room shortly after signing the confidentiality agreement (CA). For a copy of the CA please email Info@fisherauction.com.

Interest: Fee simple interest in all 21 condominium units in the Property. See the “Bundle of Rights to Convey” under The Property section herein.

Multiple Investment Thesis Approach

Given the asset's unit configuration (multi-family style units) and underlying condominium regime, the Property can be underwritten as a transient lodging, multi-family rental, or for-sale condominium play.

Plug-'n-Play Business Plan

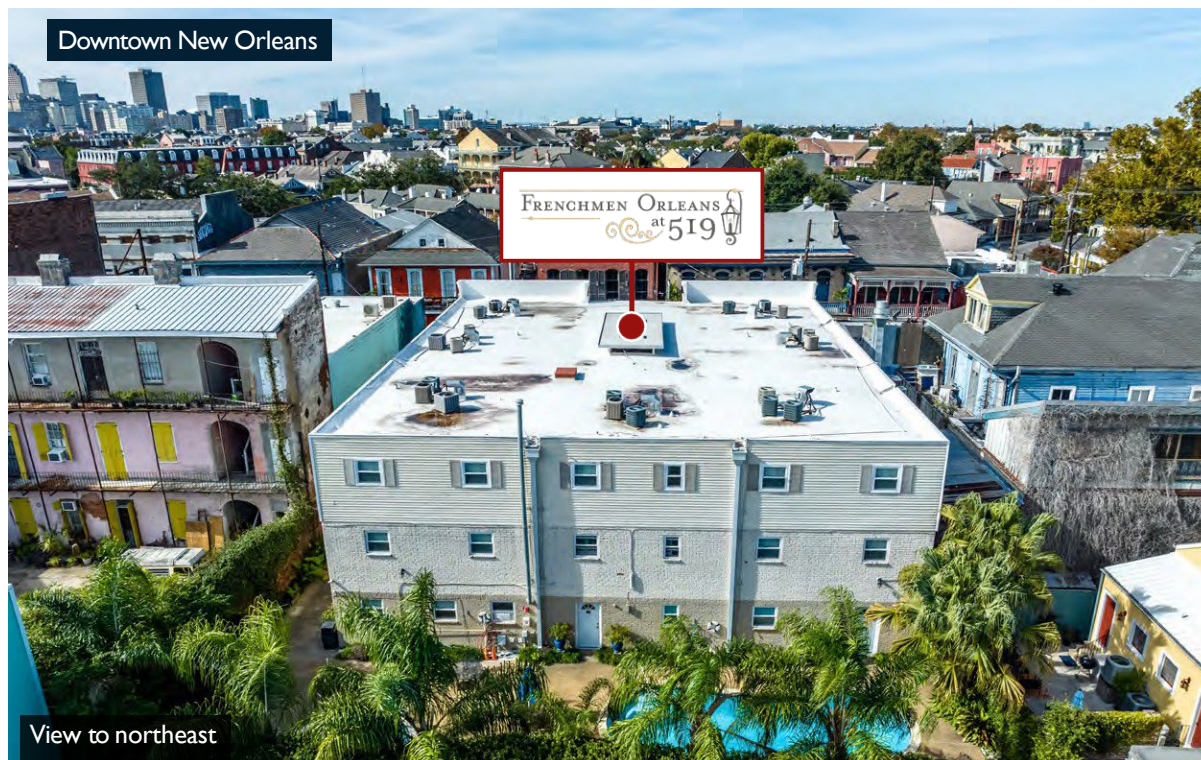
Whatever your business plan might be for the Property, you can plug it in and start playing given the asset's much sought-after occupancy license for hotel use and fully registered condominium documents.

Excellent Location for all "End Users"

The Property's location (that is close-but-not-too-close to party-central Bourbon Street) is perfect for both transient occupancy travelers (who might like to enjoy the nightlife but still want to relax) and for longer-term renters who might work in the French Quarter or just up the street at Medical City. With the Marigny neighborhood quickly gentrifying, conditions are ripe for the sale of individual units to a younger demographic seeking their first real estate investment.

Timing is Everything

This is a great time for investing in New Orleans given: (1) the national economy looks to be coming in for a soft landing, with interest rates already coming down, (2) the city is getting back "in rotation" relative to the all-important group market, (3) the return of international travelers is strengthening given better exchange rates (especially between the dollar and the Euro) and more efficient overseas visa processing for inbound travelers.



Bundle of Rights to Convey

The bundle of rights to convey includes:

- Declarant/Developer status as it relates to the established of the condominium regime.
- Insurable title to each of the 21 condominium units, as identified in the Declaration (Exhibit 4) along with all appurtenant rights thereto as described in the body of the Declaration (including proportionate interests -- amounting to 100% of all interests – in the Common Elements and Common Surplus, as well as an obligation to pay for 100% of the Common Expenses).
- 100% membership interest in the Association.

Given these rights, a buyer could, if so desired, further unite title into one fee simple interest covering all the land and improvements contained within the subject parcel.

Property Background

Originally constructed in 1968, the subject property has changed hands several times over the years. Before the Seller's ownership, the Property was subdivided into timeshare interests that were sold to individual purchasers within the context of a deeded timeshare regime.

In 2019, two entities related to the Seller – Festiva Real Estate Holdings, LLC and Festiva Development Group -- were successful in acquiring all of the deeded timeshare interests and were thereby able to unify title under a new/reorganized condominium regime, the governing document of which is entitled "Second Amendment and Restatement of Declaration of Condominium for Frenchmen Orleans at 519, a Condominium" ("Declaration") which was recorded in June 2019 and is still in effect.

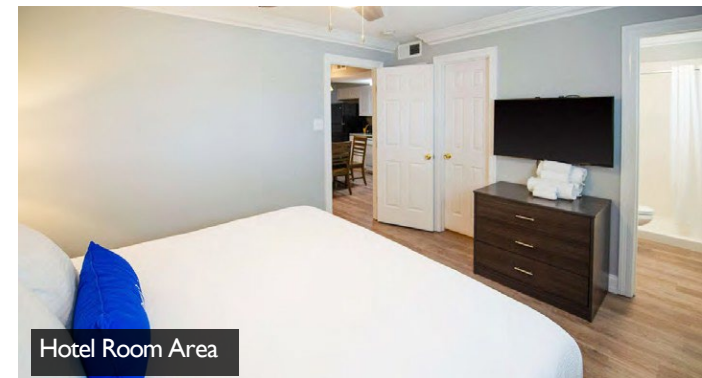
The condominium operating entity created at that time and that continues in operation today is the "Frenchman Street at 519 Condominium Association, Inc." ("Association").

See the due diligence vault for a copy of the Declaration (including the Exhibits thereto) which, among other things:

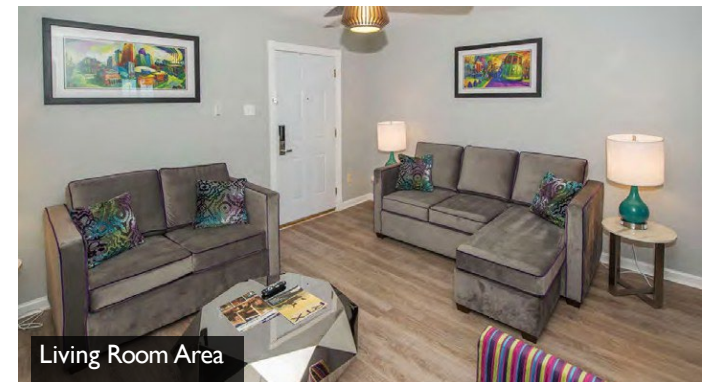
- Establishes Festiva Development Group, Inc. (76%) and Festiva Real Estate Holdings, LLC (24%) as, collectively, the sole/exclusive owners of the entirety of the subject land and improvements.
- Establishes Festiva Development Group, Inc. as the "Developer or Declarant" of the regime.
- Identifies the land and condominium units governed by the Declaration as those being sold as part of this offering.
- Documents the incorporation of the reorganized Association.



Kitchen Dining Area



Hotel Room Area



Living Room Area

Location

As further described in a later section of this Offering Memo, the Property is located on Frenchmen Street – between the storied Esplanade and Elysian Fields Avenues – within the colorful Marigny neighborhood of New Orleans. If the Warehouse District is the “upriver” bookend to the New Orleans CBD/French Quarter, then Marigny is the matching “downriver” bookend. The quickly gentrifying Marigny neighborhood is characterized by single- and (more recently) multi-family residential and transient occupancy (lodging) uses – as well as some of the most iconic local music venues in the city, such as Checkpoint Charlie, Snug Harbor, and Spotted Cat Music Club.

The Frenchmen Orleans at 519 is:

- Situated four blocks from the newly developed Crescent Park, a popular 20-acre linear park that runs along the Mississippi River.
- A 10-minute walk from Jackson Square/Café Du Monde.
- A 10-minute Uber ride to, French Quarter favorites such as, the Acme Oyster House on Iberville St. or the Palace Café on world-famous Canal Street.
- Access to and from I-10 is just five minutes by car; the New Orleans International Airport is less than 30 minutes away.



Hotel Balcony with view of Frenchmen Street

Travel Times					
Center City Destination (walking)	Distance	Center City Destination (walking)	Distance	Center City Destination (walking)	Distance
New Orleans Jazz Museum	2 minutes	Jackson Square	8 minutes	Saenger Theater	26 minutes
Checkpoint Charlie's	2 minutes	Audubon Aquarium	20 minutes	CBD	27 minutes
French Quarter	5 minutes	Harrah's Casino	20 minutes	Canal Street	27 minutes
Café du Monde	8 minutes	Mother's Restaurant	20 minutes	Ernest N. Morial Convention Center	31 minutes
Crescent (Linear) Park	8 minutes	Magazine Street	25 minutes	Warehouse District	31 minutes
Outside Center City Destination (driving)	Distance	Outside Center City Destination (driving)	Distance	Outside Center City Destination (driving)	Distance
Fairgrounds (Site of Jazz Fest)	12 minutes	New Orleans City Park (inc. Louisiana Childrens Museum, New Orleans Museum of Art, New Orleans Botanical Garden)	15 minutes	Loyola University	23 minutes
Caesars Superdome	12 minutes	Garden District (Igor's Bar & Grill)	15 minutes	Audubon Park & Zoo	25 minutes
The National WWII Museum	12 minutes	Commander's Palace	17 minutes	Tulane University	27 minutes
LSU Health New Orleans	12 minutes	Rock 'n' Bowl	18 minutes	New Orleans International Airport	28 minutes
Mardi Gras World	14 minutes	Tipitina's	21 minutes		

Zoning

Currently, the subject HMC – I (Historic Marigny/Treme'/Bywater Commercial District) zoning allows for a variety of uses including residential, retail, commercial, and multifamily uses. The future land use designation is “Mixed-Use Historic District” (MU-HD). Of note, however, the HMC-I zoning does not include hotels/motels as either a “permitted use” or as a “conditional use.” Nonetheless, the Seller is currently operating in good standing as a transient occupancy lodging business under a hotel occupancy license -- which license may be transferable to a buyer.

BUYERS ARE STRONGLY ENCOURAGED TO SEEK THE ADVICE OF A LOCAL ZONING ATTORNEY PRIOR TO MAKING THEIR INVESTMENT DECISION.

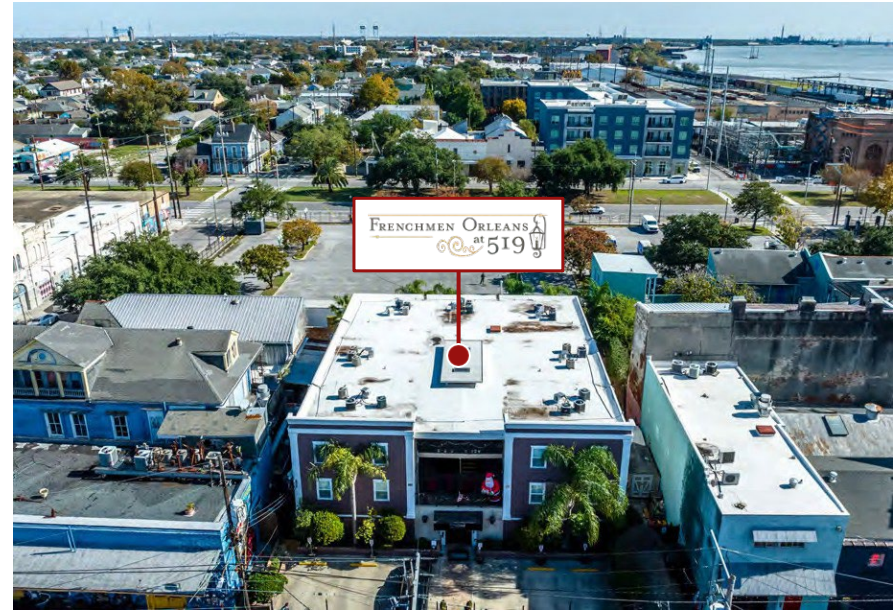
Site

The rectangular-shaped site is roughly one-quarter of an acre (.28 acres). A copy of a 2023 Phase II report – which determined No Further Action at This Time (NFA-ATT) – is located in the due diligence vault.

Building Description

The three-story building is rectangular in configuration. The 21 condominiums are built in a horseshoe shape surrounding a landscaped covered (but open-air) courtyard with an attractive fountain feature. The front entrance faces west and features a cast-iron dual-door French gate. A swimming pool and whirlpool are located on the east side of the building. There are seven condominium units on each of the three floors. Floor plans can be found in the Declaration (Exhibit 3) as presented in the Condominium Documents folder in the due diligence folder. For ease of access, we have also provided a standalone copy of Exhibit 3 which is entitled “Condominium Plan.”

In addition, the first floor contains the lobby/guest registration, admin offices, (which occupy one the condominium units) and guest laundry facilities. The second and third floors feature open-air gathering areas that afford good people-watching views along Frenchmen Street. A small “lobby bar” is also located on the second floor. The condominium units were renovated in 2019 (when the Seller completed the consolidation of ownership) at a reported cost of over \$1M in renovations, including \$253,000 in FF&E for the 20 rentable units. Two central stairways connect the three floors. The Property has no elevator. There are six dedicated parking spaces on the Property.



Condominium Units Description

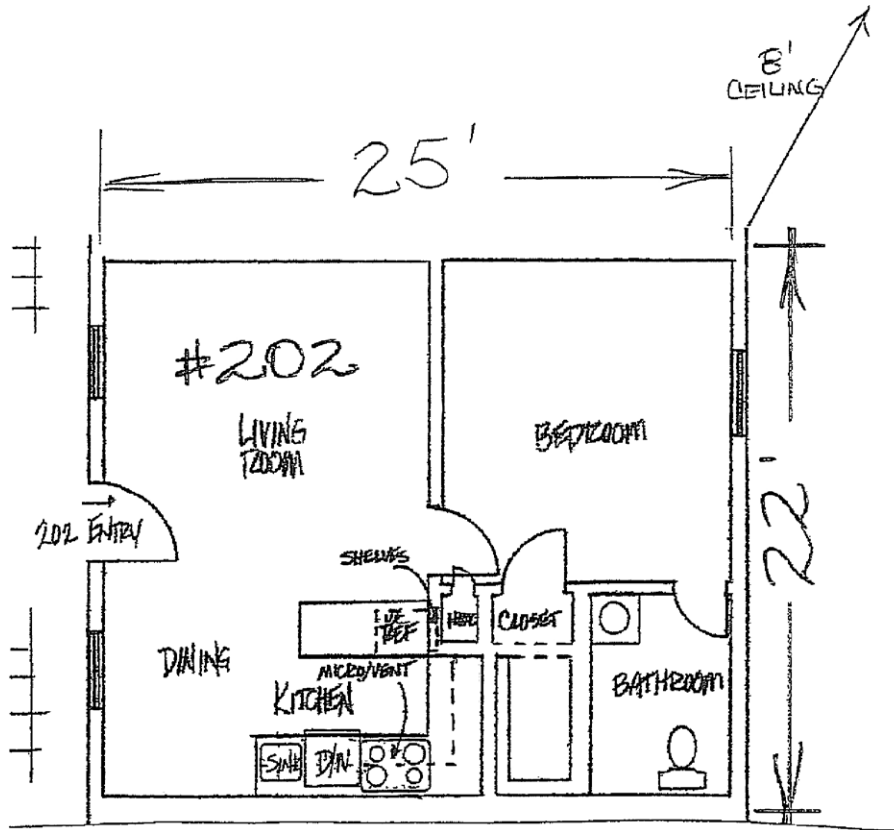
The Property features 10 1BR/1BA units and 11 2BR/1BA units. The one-bedroom units are each 550 SF (one is slightly smaller at 525 SF) and the two-bedroom units are each 750 SF.

All units include:

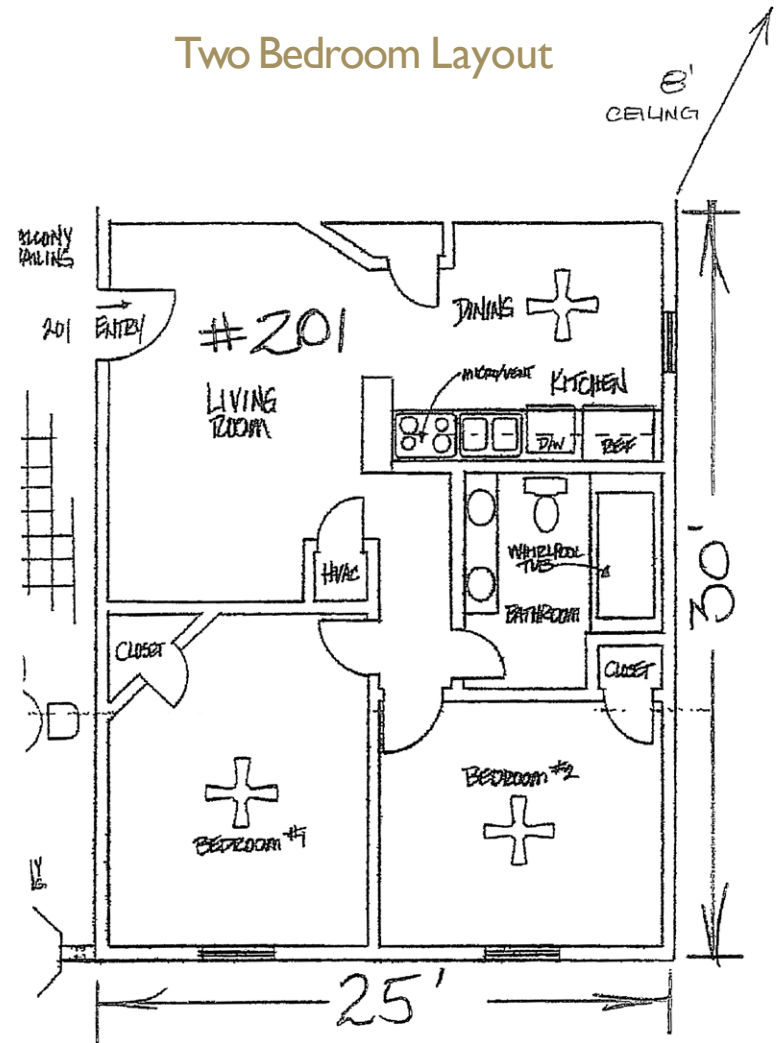
- Separate kitchen, dining room and living room.
- Full kitchen with:
 - Full-sized refrigerator.
 - Microwave oven
 - Stove/oven
 - Full complement of small appliances
 - Dishwasher
 - Set of cooking and dining wares.
- The 1BR units are equipped with a single King bed and the 2BR units include a King bed in one bedroom and two Queen beds in the second bedroom.

The adjacent images show the layouts of the two-unit types.

One Bedroom Layout



Two Bedroom Layout





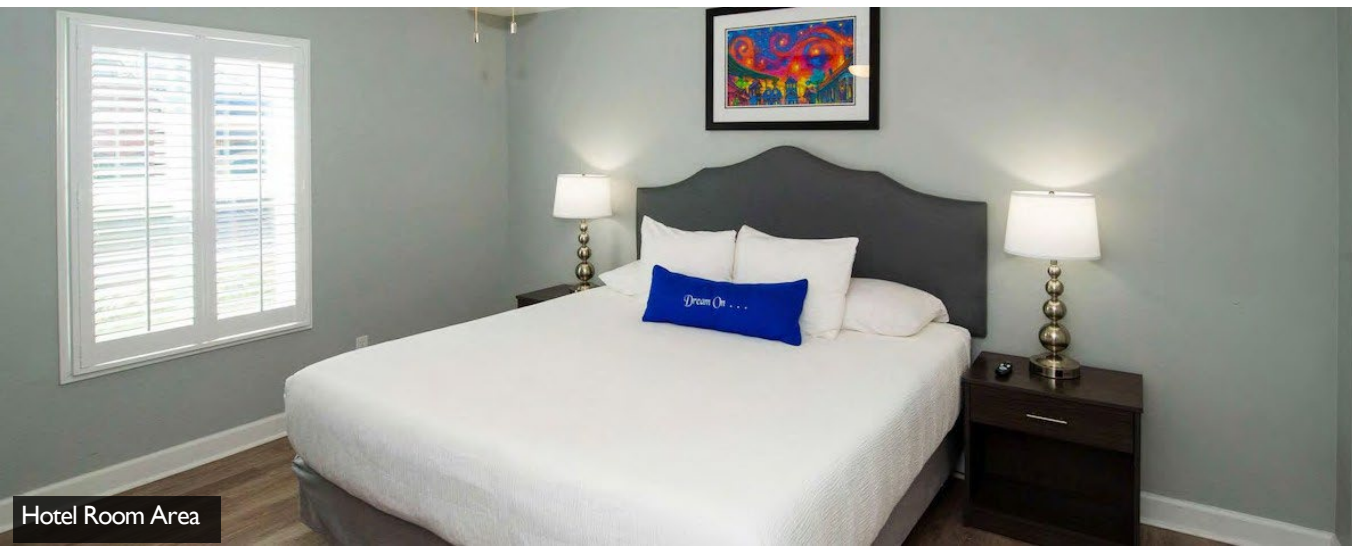
Living Room Area



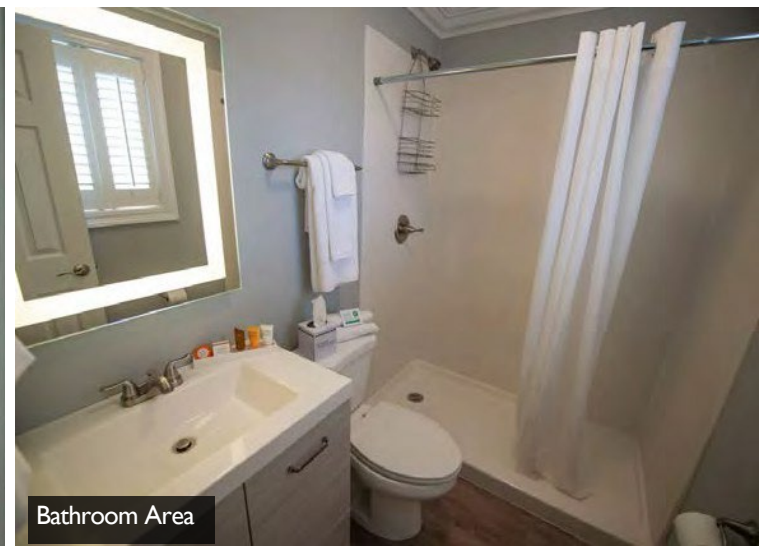
Hotel Pool



Hotel Atrium



Hotel Room Area



Bathroom Area

Housing Resiliency

The New Orleans Market has seen a significant rebound from the Pandemic and remains one of the most highly sought-after locations to live in. Not only do forward-looking projections remain strong for asking rent growth downtown, but multifamily sales in the downtown submarket stand at nearly double the metro average.

According to the Census Bureau, New Orleans was one of the fastest-growing large cities in the country between 2010 and 2021. The current metro area population for New Orleans has increased nearly 1% since 2022, signifying continuous and solid growth in the region. New Orleans has significantly rebounded since Hurricane Katrina and successfully sustained the Recession, leaving no doubt that the city has recovered from the COVID-19 pandemic with forward-facing projections looking increasingly positive.

New Orleans-Area Hotels Reported Solid Numbers Before Coronavirus

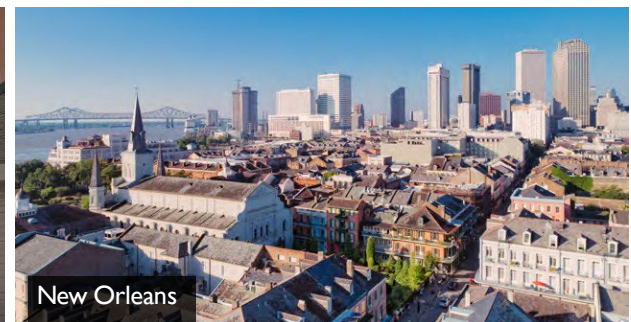
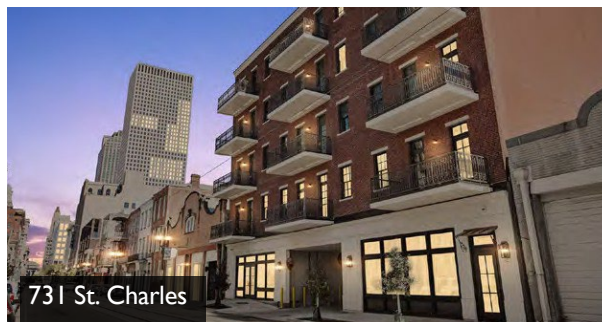
Hotels in the New Orleans area joined other Top 25 markets in reporting solid numbers in the weeks before coronavirus started impacting the hospitality and tourism industry. Average daily rates in New Orleans in February were \$168.93, a 3.2% increase from February 2019's rate of \$163.76. Revenue per room was \$126.99, a 6.3% increase. Occupancy stood at 75.2%, a 3% percent bump from February 2019.

Vacancy & Market Asking Rent Per Unit



Population Estimates							
	2020	2021	2022	2023	Percent Change		
					2020-2021	2021-2022	2022-2023
New Orleans MSA	992,000	998,000	1,005,000	1,013,000	0.6%	0.7%	0.8%

Source: Bureau Labor of Statistics and US Census



New Orleans stands as one of the greatest cities in North America – an iconic melting pot of diverse culture, rich history, and world-renowned festivals. This unique allure has earned the city prestigious recognitions for 2022 such as the No. 2 U.S. city to visit by Tourism + Leisure and the No. 2 Happiest Destination in North America by Club Med. Known for its acclaimed food scene, vibrant music, and historic French Quarter, the city attracts millions of tourists annually, ensuring consistent demand and steady revenues for the hospitality industry. With ongoing urban revitalization projects and robust tourism growth, investment in New Orleans hotels represents a strategic opportunity for steady returns and long-term asset appreciation.

Thriving Tourism/Leisure Market

The tourism industry in New Orleans has exceeded pre-Katrina levels and continues to be one of the city's largest economic drivers. Pre-Hurricane Katrina, New Orleans broke its visitation record with 10.1 million visitors in 2004 and then saw that number shrink to a mere 3.7 million visitors after the hurricane in 2006. Since the aftermath of Hurricane Katrina, New Orleans has seen increases in total visitors each year and is again one of the top leisure destinations in the country. In 2019 before the onset of the pandemic, New Orleans welcomed 19.75 million visitors, accounting for a total amount of money spent of \$10.5 billion – the most in the city's history.

Strong Business Demand

Due to low operating costs, aggressive sales tax credits, and cooperation among city, state, and federal officials, New Orleans has been able to revitalize business since Katrina in 2005 and the economic downturn in 2008. Recently, the Wall Street Journal called New Orleans the "Most Improved City for Business," while Forbes listed it as one of the "Top 15 Cities for Jobs." Additional accolades for NOLA include:

2023 DESTINATION AWARDS AND HONORS

- New Orleans named top U.S. City for Neighborhood Restaurants by Food & Wine Global Tastemakers for 2023.
- New Orleans named the #1 Best of the Best - Best Food Destination in the US (and #9 in the World) in the 2023 Travelers' Choice Awards, TripAdvisor, 2023
- AFAR Magazine named New Orleans one of the 10 best places in the world to travel in April, because of Jazz Fest. New Orleans was one of only two U.S. cities recommended, along with international destinations Rome, Jordan, Spain, Iceland, and French Polynesia.
- New Orleans & Company, in partnership with Dentsu Creative, was awarded a Gold Addy for Best of Show - Mosaic at the American Advertising Federations 2023 American Advertising Awards for its Plus One campaign. The Mosaic Award speaks to the diversity and inclusion that was an integral part of the campaign. The Plus One campaign also has a cutting-edge long-form virtual reality (VR) version, marking the first time a destination marketing organization has used VR. Plus, one tells the story of New Orleans' unique creativity through its people.
- New Orleans is featured in Southern Living's Best of the South issue in April 2023. The seventh annual awards recognize readers' favorite Southern destinations, hotels, restaurants, and more. The cover story features Hoda Kotb and why she loves New Orleans and wants her daughters to love New Orleans as well. Also honored:
 - Commander's Palace – Best Locally Owned Restaurant in Louisiana
 - The Chandelier Bar at the Four Seasons – Best New Hotel Bar in New Orleans
 - The Joint – Best BBQ in Louisiana
 - Hotel Monteleone – Top 10 of the South's Best Hotels
 - Parkway Bakery & Tavern – The Best PoBoys In New Orleans
- The Louis Armstrong New Orleans International Airport (MSY) received a top industry award for Best Airport in North America (5 to 15 million passengers per year) from the Airports Council International (ACI) World's 2022 Airport Service Quality (ASQ) program. The ASQ awards highlight the world's best airports as judged by their customers who are surveyed while they are in the airport. This is the second year in a row that MSY was awarded Best Airport in North America. MSY is one of only three airports in North America to win Best Airport recognition among those serving 5 to 15 million passengers per year.



French Quarter

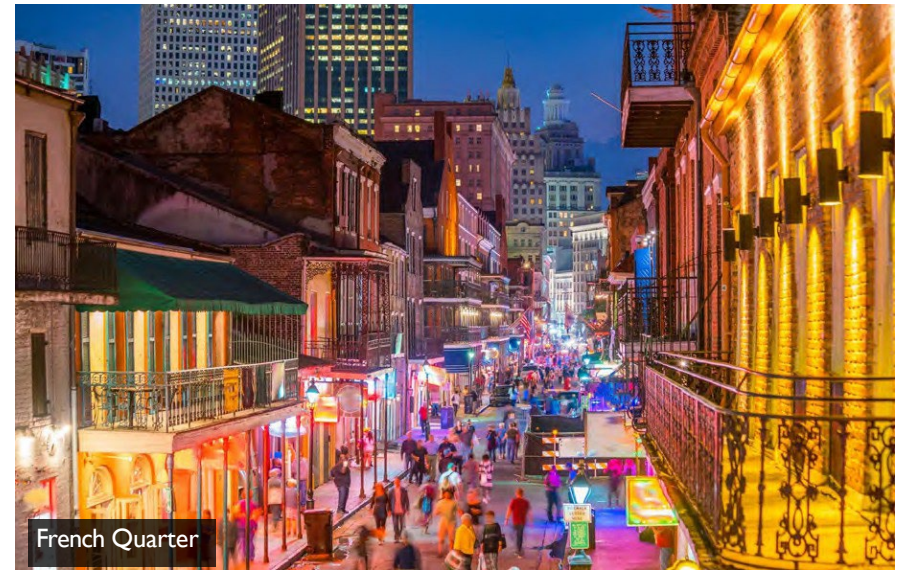
Established in 1718, the French Quarter is the oldest neighborhood in New Orleans and is one of the city's largest attractions. The area is known as the birthplace of jazz and is home to many world-renowned jazz clubs, bars, lounges, retail stores, and destination restaurants, and serves as the epicenter of the City's many festivals. The French Quarter is comprised of a 10 by 15 block area just east of the CBD, which was the original boundary of the City of New Orleans. The French Quarter also stages Mardi Gras, the world-famous celebration held annually in New Orleans that draws people from all over the world and is aptly described as "the greatest free show on earth." Economic impact reports indicate that Mardi Gras generates over \$1 billion in annual tourist spending.

Ernest N. Morial Convention Center

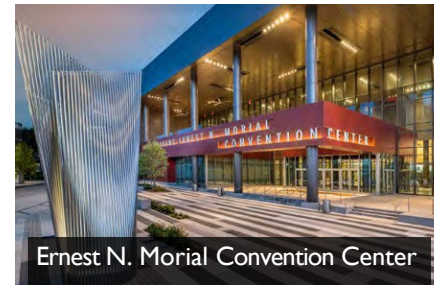
The Ernest Morial Convention Center completed a \$42 million renovation in 2023 and provides the area with 1.5 million square feet of convention space, making it the sixth-largest convention center in the nation. The facility contains the largest ballroom in New Orleans and consistently ranks in the country's top ten facilities in terms of event attendance. The Convention Center is projected to begin the \$40 million roof replacement project in Q3 2022. The remaining \$557 million of the CIP is currently going towards even more major renovations at the Convention Center. The Convention Center's event activity has produced \$81.7 billion in economic impact since its 1985 opening, including \$5.1 billion in new tax revenue for state and local governments.

Casinos

The gaming industry employs over 15,000 workers and generates approximately \$2.4 billion-plus per year to the state in gaming tax revenues. Harrah's New Orleans Casino is located near the foot of Canal St, adjacent to the bank of the Mississippi River. The 115,000 sq. ft. casino contains approximately 2,100 slot machines, over 90 table games, and a poker room. There is a large variety of dining options on the property ranging from buffet-style to fine dining. Harrah's is the only land-based casino in New Orleans and is directly responsible for approximately \$11 million in room sales annually to other lodging properties in the area.



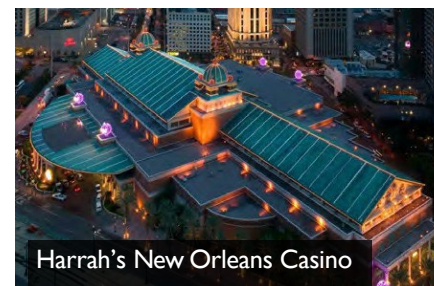
French Quarter



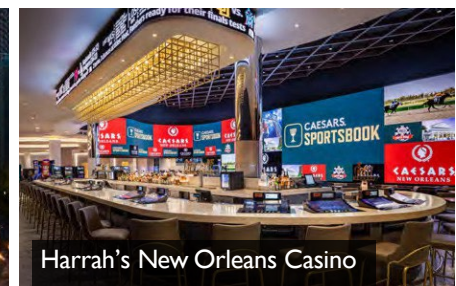
Ernest N. Morial Convention Center



Ernest N. Morial Convention Center



Harrah's New Orleans Casino



Harrah's New Orleans Casino



Festivals

New Orleans is home to world-renowned annual events including Mardi Gras, the New Orleans Jazz Festival, and the Essence of Music Festival. Half a million people attended the New Orleans Jazz and Heritage Festival in 2019. An economic impact study completed by the University of New Orleans estimated that Mardi Gras generates over \$1 billion in revenue annually for the City. There are 50 festivals in New Orleans annually, with Mardi Gras being back in full swing in 2022 since the onset of the pandemic.

World Famous Cuisine

New Orleans is known for its unique French-inspired Cajun and Creole regional cuisine ranging from fresh seafood to decadent pastries. The city has over 1,500 restaurants, including three operated by famed New Orleans Chef Emeril Lagasse. Currently, there are 50% more restaurants open in New Orleans than before Katrina.

Caesars Superdome (formerly Mercedes-Benz Superdome)

From 2006 to 2017, approximately \$376 million was spent on improvements and upgrades to fully modernize and keep the Superdome on par with newer stadiums around the country. Home of the New Orleans Saints, the Superdome is also the current host of the Allstate Sugar Bowl and has hosted events such as the Men’s NCAA National Basketball Championship (including the 2022 tournament), the 2013 Super Bowl, and the upcoming Super Bowl in 2024.

Smoothie King Center

Located adjacent to Caesars Superdome is the Smoothie King Center, home to the New Orleans Pelicans NBA team. The stadium seats roughly 18,000 people and hosts other events including major college sports events, Arena football, MMA, Boxing, and Wrestling. The stadium has also been home to the 2008, 2014, and 2017 NBA All-Star games.



Caesars Superdome



Smoothie King Center



French Quarter Festival



New Orleans Jazz Festival



Emeril's




Month	Conventions	Peak
January	American Economic Association	7,500
	Shoppers Drug Mart/Pharmaprix	2,342
	LRP Publications	4,000
	American Library Association	3,000
	National Cattlemen's Beef Association	2,500
February	American Bar Association	2,075
	Tampa Volleball Events, LLC	4,334
March	American College Of Cardiology	9,000
	American Academy of Dermatology	7,500
	Ellucian Live	6,800
April	Alpha Kappa Alpha Sorority, Inc.	2,100
	Association Of Fundraising Professionals	3,150
	Association For Research In Vision & Ophthalmology	5,400
	Informa	2,550
May	Heart Rhythm Society	4,800
	The American Clean Power Association	3,800
June	Southern Baptist Convention	4,000
	Association of Women's Health, Obstetric and Neonatal Nurses	2,000
	American Association Of Nurse Practitioners	4,200
August	Bronner Brothers International	2,750
October	Autodesk, Inc.	5,775
	American Academy Of Optometry	3,000
	American Society For Reproductive Medicine	3,200
	National Safety Council	5,600
November	International Workboat Show	3,200
December	NeurIPS (Neural Information Processing Systems)	2,200



1.4M
ATTENDEES



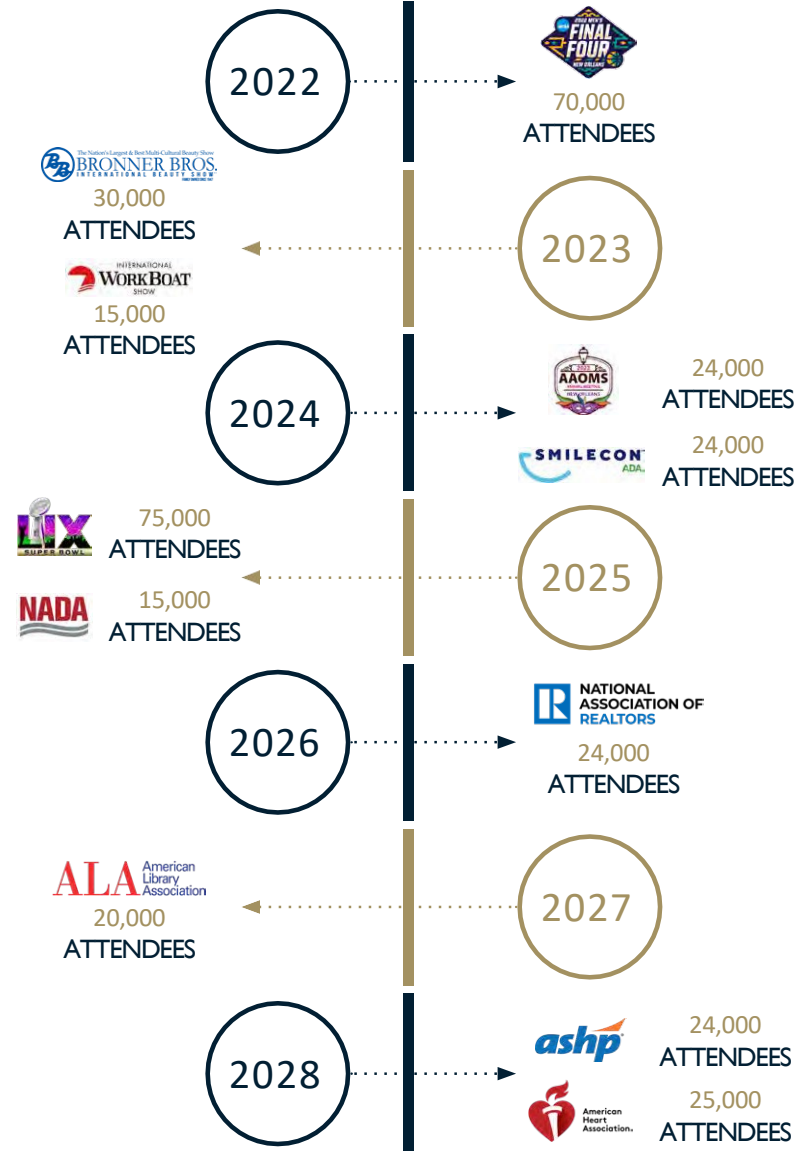
825K
ATTENDEES



475K
ATTENDEES



72K
ATTENDEES



Biosciences

New Orleans is seen as a favorable research environment for scientists given the strong presence of colleges and universities with biotech-related degrees and programs in areas such as cancer research, gene therapy, neurosciences, biostatistics, and tropical medicine. New developments in the Medical District include approved LSU and VA hospitals, which will create 6,000 jobs and \$1.2 billion in annual revenue.

Advanced Manufacturing

Advanced manufacturing in the area focuses on the design, production, and assembly of military ground transportation vehicles, civilian and military aircraft, space vehicles, and both naval and commercial ships and boats. New Orleans is home to NASA's Michoud Assembly Facility, major high-tech manufacturers, and a highly educated and talented workforce making it one of the only places in the world equipped to manufacture these advanced products.

Oil and Gas Offshore Industry

New Orleans hotels surrounding the airport thrive, serving oil and gas and maritime corporate clients. According to the Greater New Orleans Regional Economic Development, Louisiana is one of the largest producers of crude oil in the nation and the number two producer of gas. About 88% of the nation's offshore oil rigs are located off the Louisiana coast and provide 50 million tons of oil which is then distributed throughout the country. The return of the oil and gas industry in the Gulf is one of the major contributors to recent increases in occupancy at the hotels in the submarket.

Education & Healthcare

New Orleans is home to nine major colleges and universities with graduate study programs and nationally recognized research centers including Tulane University, Louisiana State University, and University Medical Center. A collaborative spirit among major health institutions has created a premier center for biomedical and biotechnology research in New Orleans.

The LSU Medical Center and Tulane University Health Sciences Center have together created a hub for medical research and a thriving corridor of medical service companies. Located primarily Downtown, New Orleans' research centers attract world-class experts to conduct groundbreaking research, fueling a boom in the biomedical and technology sectors in southeast Louisiana. Other major four-year universities in the area are the University of New Orleans, Loyola University, Southern Louisiana University, Southern University, Xavier University, and Dillard University.



New Orleans Top 20 Employers

Company	# of Employees	Company	# of Employees
Louisiana State University Health	7,000	West Jefferson Medical Center	1,904
Northrop Grumman Ship Systems	6,000	Jefferson Parish Sheriff	1,800
Tulane University	5,000	Dow Chemical Company	1,700
US Postal Service	4,000	Jefferson Parish Permits ABO	1,500
University of New Orleans	3,114	Chevron Production	1,500
North Oaks Health System	2,700	New Orleans Police Risk Management	1,400
Harrah's New Orleans Casino	2,700	US Army Corps of Engineers	1,300
New Orleans Police Superintendent	2,185	Children's Hospital	1,300
St. Tammany Parish Sheriff	2,000	Chalmette Refinery LLC	1,200
NASA Michoud	2,000	Shell Pipeline Corporation	1,199

Sports & Entertainment

New Orleans has always been a popular host for sporting events and entertainment, hosting the BCS National Championship (2011), the Super Bowl (2013), the NBA All-Star Games (2008,'14,'17), and annually hosts the NCAA Sugar Bowl and March Madness tournaments. New Orleans also hosted Super Bowl XLVII in February 2013, which generated an estimated \$185 million in spending in the city during the one-week period. The 2024 Superbowl will be held at the Superdome. With the addition of a unique superstar, Zion Williamson, to the New Orleans Pelicans, this opportunity could drive the Pelican's \$150 million economic impact even higher.

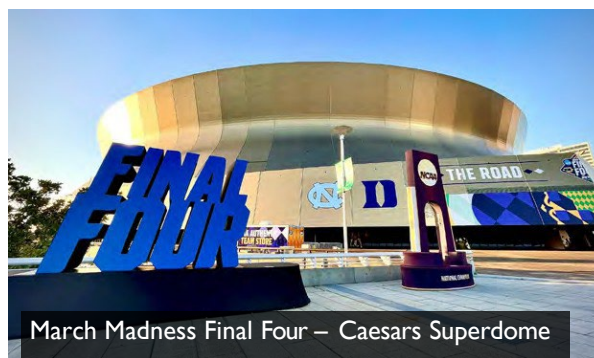
Additionally, other important sporting events that take place in New Orleans include the Crescent City Classic (10K marathon with two expo and post-race festivals in March), Bayou Classic (annual historic football rivalry between Southern University and Grambling State in November), and the New Orleans Bowl (NCAA football bowl game between Sun Belt and Conference USA champions). Additionally, events take place at the Mercedes-Benz Superdome, which underwent a renovation in 2016/2017, expanding its seating capacity to 76,468.

Film

The State of Louisiana created a tax incentive package in 2002, which leads the nation in available tax incentives for film production companies, with benefits including a 30% tax credit on qualified direct production expenses and an additional 5% tax credit for payroll expenditures to Louisiana residents with no annual limit. These tax credits, along with the unique aesthetics of the city and renowned talent have turned the region into a highly desired location for film and television production. Louisiana sits behind New York and Los Angeles as the third-highest film production location in the nation.



March Madness Final Four – Caesars Superdome



March Madness Final Four – Caesars Superdome



French Film Festival – New Orleans



Caesars Superdome

The Caesars Superdome (previously named the Mercedes-Benz Superdome and renamed in August of 2021) completed an \$85 million renovation; part of an overall \$336 million renovation that began in 2006. Key significant enhancements include an expansion of the Plaza Level concourse by 50 feet, 135 additional new women’s restrooms, additional concession points of sale on the Plaza Level, 3,100 additional Plaza Level seats, 186 digital concourse monitors, and two new premium bunker club lounges.

Harrah’s Casino Conversion

Harrah’s New Orleans Casino is set to become a Caesars Casino by 2024 in a \$325 million expansion. Preliminary plans for the casino include an all-new 340-room hotel tower above the existing casino, new culinary and hospitality offerings within the casino, additional development of the unoccupied area on the second floor of the casino, and full exterior and interior architectural and design enhancements. The redevelopment is set to be completed in 2024.



Harrah’s Casino Conversion

New Developments				
Property Name	Property Use	Description	Status	Location
Two Saints Apartment Complex	4-Star Mid Rise Apartments	223 Units	Proposed	855 Saint Charles Ave
1304 Saint Charles Ave Apartments	3-Star Mid Rise Apartments	5 Stories of Urban Apartments	Proposed	1304 Saint Charles Ave
Commerce St Hotel	Independent Branded Hotel	Urban Hotel on .11 Acre Lot	U/C - Delivers Dec 2023	611 Commerce St
Tchoupitoulas St Apartments	4-Star Mid Rise Apartments	10 Stories of Urban Apartments	Proposed	1035 Tchoupitoulas St
Rubenstein Hotel	Independent Branded Hotel	40 Rooms	U/C - Delivers Mar 2024	622 Canal St

Festival Plaza – Champions Square

In one of the most innovative downtown developments in recent years, the pedestrian mall adjacent to the Superdome has been redeveloped into a 53,000 sq. foot sports and entertainment plaza with digital capabilities, food and beverage service, and performance space. It is a popular gathering place for fans to congregate and get pumped up for the many events at the Dome and Smoothie King Center. This revitalization of a high-profile area on the Poydras Street corridor creates one of the most “happening” places in a city that loves to have a good time.

New Orleans Children’s Hospital’s \$225 Million Campus Expansion

In 2018 the Children’s Hospital of New Orleans began phase one of its expansion and property renovation. The Hospital implemented the expansion to enhance its specialty pediatric care. The end of construction marks the end of a 1,300 period, and the 229-bed facility will emerge with a brand new 28-room cardiac intensive care unit, 12 operating rooms, 45 emergency rooms, 24 rooms in the new cancer center, and significantly updated equipment for MRI’s, CT scans, and infusions.



Festival Plaza – Champions Square



New Orleans Children’s Hospital’s Campus Expansion



New Orleans Children’s Hospital’s Campus Expansion



New Orleans Children’s Hospital’s Campus Expansion

Streetcar

The Julia at Carondelet Streetcar Stop is conveniently located a few blocks from the hotels. It is part of the St. Charles Avenue line, traveling through various neighborhoods, including the Central Business District, Warehouse District, Garden District, and Uptown. The line terminates at South Carrollton Avenue, allowing passengers to explore different parts of the city along the route.

New Orleans Accessibility

New Orleans is the financial and cultural center of the Gulf region of the United States, serving as a transportation hub and vital seaport. The city is located midway between Dallas and Miami, approximately 90 miles north of where the mouth of the Mississippi River opens into the Gulf of Mexico, providing the city with logistical advantages and global accessibility from a shipping standpoint. New Orleans benefits from complex transportation infrastructure providing both national and global access. The region contains the largest port complex in the world, an international airport, several major highways, and all six Class One railroads operating in North America.

Highways

There are nine major interstates and highways in Louisiana that provide direct access to New Orleans. Interstate 10 cuts through New Orleans and provides access from the Mississippi state line to the Texas state line near the Sabine River. Interstate 12 provides access just north of New Orleans from I-10 in Baton Rouge to I-12 in Slidell. Interstate 55 provides access from I-10 in New Orleans north to the Mississippi state line. Interstate 59 begins near New Orleans East at the I-10/I-12 junction near Slidell and ends at the Mississippi state line.

Port of New Orleans

The Maritime industry is a crucial part of the New Orleans area economy, accommodating an average of 11,000 vessels that move through the Lower Mississippi River each year. The Port of New Orleans has deep water access and is located at the confluence of two inland waterway systems in the Mississippi River and the Gulf of Mexico's Intracoastal Waterway. The Port of New Orleans is the only seaport in the U.S. served by six class one railroads.

The combined tonnage of public and private port terminals in the area exceeds that of all other ports in the world, making the Port of New Orleans one of the largest. In order to keep pace with increasing demands and to position the industry for future growth, the Port of New Orleans has invested more than \$400 million in new state-of-the-art facilities over the last 10 years.



According to a study conducted by Martin Associates, maritime activity within the Port of New Orleans is responsible for 160,500 jobs, \$8 billion in earnings, \$17 billion of spending, and \$800 million in taxes statewide. Recent changes in maritime technology have created numerous new port-related jobs. Many of these new jobs are related to data processing of international transactions and are in high-paying areas such as banking, legal, insurance, and freight forwarding.

New Orleans is also one of America's fastest-growing cruise ports serving more than 850,000 passengers annually on charters such as Carnival Cruise Lines, Norwegian Cruise Lines, and Royal Caribbean Cruise Lines.

Louis Armstrong International Airport

Located approximately 15 miles west of the Hotel, Louis Armstrong International Airport continues to show exceptionally strong year-over-year growth, aligning with the greater tourism industry of New Orleans. The Louis Armstrong International Airport (MSY) serves as the primary commercial airport for the New Orleans metropolitan area and southeast Louisiana. The Airport served over 11.8 million passengers in 2022, which is a significant increase from the prior year (up 47.5%). This airport is still showing strong signs of recovery with August 2023 YTD passenger traffic up 9.8% from the same period in 2022, with nearly 8.5 million enplanements in August 2023 YTD.

Recognizing the airport’s role as the most important economic engine for the region, New Orleans officials completed the new North Terminal, an expansion of MSY to accommodate ever-increasing demand. New Orleans’ Mayor Landrieu has called the North Terminal development “the most transformative project for New Orleans since the Superdome.” The project cost approximately \$1 billion and includes:

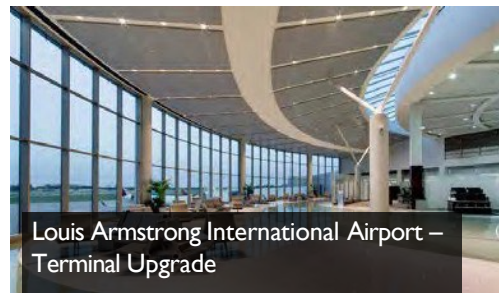
- 694,000-square-foot facility – an International main terminal
- 35 gates
- 2,190-car parking garage
- Interstate-10 highway connections via new access roads and a flyover ramp
- Retail development
- Consolidated security checkpoint, up to 17 security lanes open at once
- Football field-sized screening area
- In-line baggage handling system
- Airline ticket offices and ticketing hall
- Central utility plant

The direct and indirect jobs created by this project will generate a significant economic impact on the local economy. Officials estimate it will create:

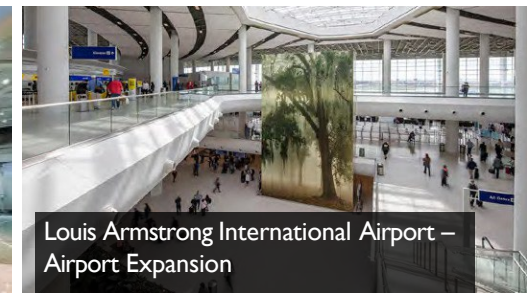
- 13,000 construction jobs
- \$1.7-billion economic impact from construction
- \$3.2-billion boost from increased tourism



Louis Armstrong International Airport – Development



Louis Armstrong International Airport – Terminal Upgrade



Louis Armstrong International Airport – Airport Expansion

Louis Armstrong New Orleans International Airport Passenger Traffic					
Year	Passengers	% Change	Year	Passengers	% Change
2008	7,967,997	-	2017	12,009,512	7.8%
2009	7,787,373	-2.3%	2018	13,122,762	9.3%
2010	8,203,305	5.3%	2019	13,644,666	4.0%
2011	8,548,375	4.2%	2020	5,278,752	-61.3%
2012	8,600,989	0.6%	2021	8,066,869	52.8%
2013	9,207,636	7.1%	2022	11,895,985	47.5%
2014	9,785,394	6.3%	Aug 2022 YTD	7,709,481	-
2015	10,673,301	9.1%	Aug 2023 YTD	8,468,447	9.8%
2016	11,139,421	4.4%	-	-	-

Source: flymsy.com

Overview

Here in this small wedge of real estate located just downriver from the French Quarter, you'll find everything that makes New Orleans a uniquely wonderful place. The jazz clubs lining Frenchmen Street are world-famous, and every night you can hear big-name acts jamming with the hippest stars of tomorrow.

The Marigny is home to some of the city's trendiest restaurants: places where new chefs constantly reinvent the city's cuisine. Neighborhood galleries and antique stores offer gems for every pocketbook, from museum-quality art to thrift shop chic. The area's eclectic late Georgian, Creole, and Greek Revival houses nestle closely together, forming a fascinating and varied cityscape.

The Marigny neighborhood is bordered to the west by the French Quarter and, as such, is popular with visitors and locals alike who want to be close to the action, but not too close.

Background

As one of the original suburbs of New Orleans (reportedly faubourg is an old French term for suburb), the neighborhood was initially developed in the late 1700s by Bernard Xavier Philippe de Marigny de Mandeville on a portion of land that was part of the family's original plantation. The Elysian Fields Avenue was named after the Champs-Elysees in Paris. Over the years, the neighborhood developed into a mix of residential and light industrial and warehousing uses (especially along the Mississippi River).

The Neighborhood Today

Marigny remains a vibrant residential neighborhood, albeit now with significant overflow from the French Quarter in terms of complimentary land uses.

Residential

Residential uses in the neighborhood include mostly single-family and low- to mid-rise multi-family buildings. Several of the old light industrial land uses have been converted to multi-family developments – including the Rice Mill Lofts, a former rice mill, and Baker's Row which was developed on the site of the former Hubig's Pies production facility. Other higher-density multi-family projects have been recently completed or are in the works. Not surprisingly for New Orleans, many older mansions in the neighborhood have been converted into bed and breakfast businesses. Other former residential buildings have been converted to various commercial uses oriented to both locals and visitors to the city.



Lodging

The district has an array of transient occupancy businesses, including hotels, many bed and breakfast businesses, and short-term rental units. In addition to the Frenchmen Orleans at 519, popular hotels include the Royal Frenchmen, the Frenchmen Hotel, the Hotel de la Monnaie, and the Hampton Inn New Orleans French Quarter Market Area.

Music Clubs

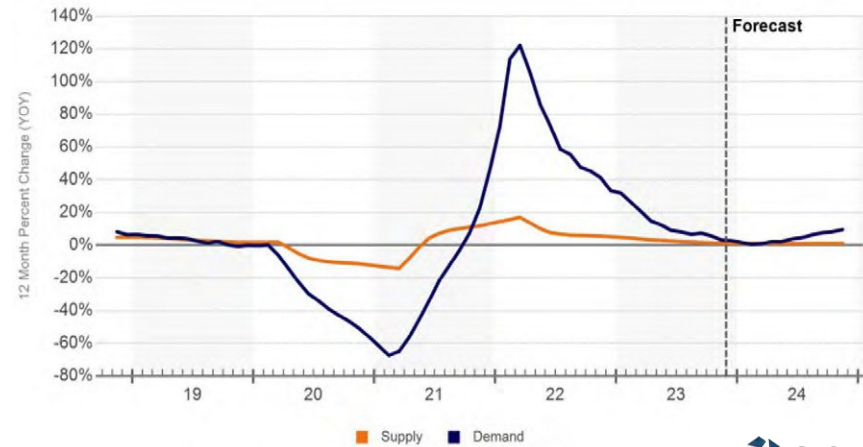
Although many first-time visitors seek out their live music at Preservation Hall or even the House of Blues, those "in the know" head to the clubs in Marigny. These include Snug Harbor Jazz Bistro (Frenchmen St.), The Spotted Cat Music Club (Frenchmen St.), Apple Barrel Bar (Frenchmen St.), Blue Nile (Frenchmen St.), Balcony Music Club (Decatur St.) and Check Point Charlie (Esplanade Ave.).

Special Land Uses

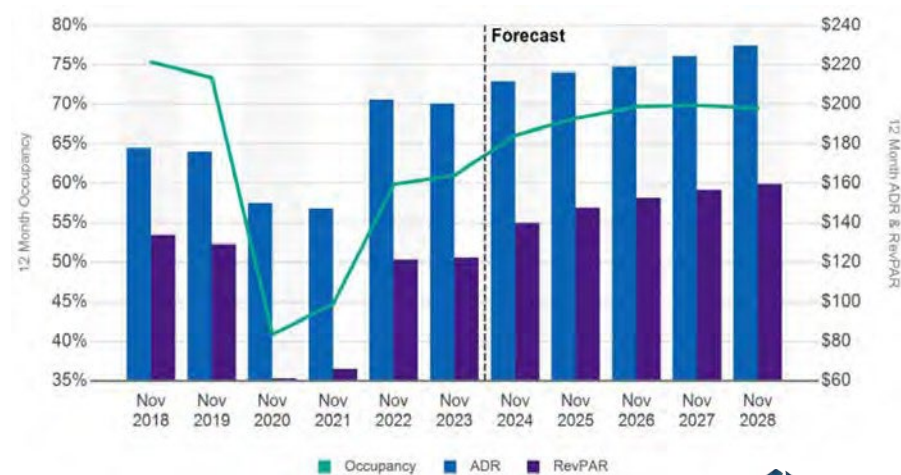
Located adjacent to the Rice Mill Lofts overlooking the Mississippi River is the New Orleans Center for Creative Arts (NOCCA), an adaptive reuse of an older warehousing facility. The NOCCA is nationally renowned for its quality creative arts offerings for local high school facilities.

According to Smith Travel Research, New Orleans is again seeing normalcy to top-line metrics, with 2023 showing strength and a return of travel. RevPAR was up, versus the same periods in 2022, due to increasing ADR and occupancy rates. Stronger demand growth in the latter half of 2022 and Q3 2023 have set a strong course for the market's recovery for the remainder of the year. Despite strong RevPAR and ADR growth, the market's occupancy recovery has been slower overall due to recovering demand levels. Demand is forecast to reach full recovery levels in 2024, followed by a return to 2019 benchmarked levels in 2025. Like most major U.S. markets, New Orleans suffered occupancy setbacks due to headwinds from low demand levels in 2021 and five years of increased room deliveries. New Orleans made strong headways through May with a total return in major metrics. ADR and RevPAR was lifted due to the annual citywide events like Mardi Gras and Jazz Fest in May. Additionally, a return of conventions has helped raise group travel back to full recovery. This starkly contrasts with 2022, when major citywide events were returning to normal, and crowds slowly returned. After a few room openings in 2022 (176), compared to 2021 (772), the market shows a minor slowdown in new room deliveries in 2023. A slower 2023 pipeline is expected to continue as ongoing economic concerns and five years of increased room deliveries have slowed the pipeline.

Supply & Demand Change



Occupancy, ADR & RevPAR



Condo Comp Sales						
Address	Sold Price	Sold Date	Square Feet	SP\$/SqFt	Bed	Age
919 Ursulines Ave #919	\$875,000	Jul-23	1550	\$564.52	2	130
533 Governor Nicholls St	\$750,000	Aug-23	784	\$956.63	1	174
941 Saint Philip St	\$657,500	Aug-23	2720	\$241.73	2	60
610 Burgundy St #A	\$639,000	Sep-23	2404	\$265.81	2	170
528 Governor Nicholls St #C	\$599,000	Sep-23	1033	\$579.86	2	172
528 Bienville St #4A	\$570,000	Nov-23	1098	\$519.13	2	100
805 Burgundy St #805	\$560,000	Sep-23	1287	\$435.12	2	140
808 Dauphine St	\$550,000	Aug-23	1085	\$506.91	2	143
734 Barracks St	\$495,000	Nov-23	1299	\$381.06	2	117
1020 Esplanade Ave #104	\$489,000	Aug-23	1194	\$409.55	2	150
822 N Rampart St #201	\$460,000	Oct-23	1000	\$460.00	2	70
831 St Louis St #E	\$450,000	Nov-23	783	\$574.71	1	150
1133 Royal St #3	\$450,000	Aug-23	1032	\$436.05	2	100
936 Conti St #11	\$445,000	Aug-23	1070	\$415.89	2	30
726 Barracks St #B	\$432,000	Jul-23	1012	\$426.88	2	100
1307 Decatur St #2	\$429,000	Jul-23	857	\$500.58	2	189
822 Gov Nicholls St #3	\$415,000	Nov-23	857	\$484.25	1	120
718 Ursulines Ave #A	\$400,000	Oct-23	682	\$586.51	1	120
831 St Louis St #D	\$398,000	Nov-23	696	\$571.84	1	150
931 Orleans Ave #A	\$385,000	Sep-23	586	\$657.00	1	52
941 Ursulines Ave	\$375,000	Oct-23	800	\$468.75	1	130
813 St Peter St	\$353,000	Jun-23	667	\$529.24	1	120
1031 Barracks St #4	\$350,000	Oct-23	886	\$395.03	1	200
1228 Royal St #6	\$320,000	Jun-23	500	\$640.00	1	165
525 Governor Nicholls St #204	\$299,000	Sep-23	430	\$695.35	2	178
1301 Chartres St #4	\$295,000	Aug-23	592	\$498.31	2	150
935 Dumaine St #3	\$279,000	Oct-23	817	\$341.49	1	185
1350 Bourbon St #17	\$278,000	Sep-23	724	\$383.98	1	100
812 Esplanade Ave #4	\$275,000	Sep-23	484	\$568.18	1	100
411 Bienville St. St #303	\$267,000	Jul-23	796	\$335.43	1	7
1127 Dauphine St #101	\$259,000	Jul-23	405	\$639.51	1	100
919 Governor Nicholls St #3	\$258,000	Jun-23	810	\$318.52	1	154
1350 Bourbon St #24	\$250,000	Oct-23	525	\$476.19	1	150
1224 Bourbon St #2	\$235,000	Aug-23	483	\$486.54	1	193
718 Barracks St #1	\$232,000	Jun-23	413	\$561.74	1	129
621 Dauphine St #14	\$205,000	Jul-23	465	\$440.86	1	100
916 St Louis St #C	\$200,000	Dec-23	588	\$340.14	1	178
919 St Philip St #1	\$200,000	Aug-23	390	\$512.82	1	41
Average	\$404,697	-	890	\$490	-	127

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