

# 2019

## GREATER NEW ORLEANS Annual Office Market Report



**CORPORATE REALTY**

*201 St. Charles Avenue, Suite 4411 New Orleans, LA 70170*



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# 2019 OFFICE MARKET OVERVIEW

Corporate Realty, Inc. presents our eighth annual Greater New Orleans Office Market Report. We publish this report to give the reader a broad understanding of the New Orleans office market as well as specific information about occupancy and rental rates of each office building that contains at least 20,000 rentable square feet (rsf). With data from 2012 – 2019, this report offers a snapshot of the current market and analyzes market trends. Most graphs in this report feature data from 2017, 2018, and 2019 to illustrate both immediate and long-term change. In addition to this annual report, Corporate Realty publishes quarterly reports of the office market compiled by Bruce Sossaman. These reports can be found alongside previous annual reports at [corp-realty.com/reports](http://corp-realty.com/reports).

The information in this report was compiled with the cooperation of property owners and their representatives, and we thank all of those who contributed.

Corporate Realty agents are consistently involved in the largest, most complex and most demanding real estate transactions and management assignments in this region, and we pride ourselves on having the top real estate professionals in the market. To find out more about us and our services, visit us at [corp-realty.com](http://corp-realty.com).





# GREATER NEW ORLEANS MARKET OVERVIEW

In ancient Rome, one would go to the Rostra to hear opinions on the day's most important topics. In London, people still go to Speakers' Corner in Hyde Park to listen to individuals present their ideas on issues from personal to global. As with these great traditions, this report is my soapbox to share my thoughts about the New Orleans real estate market

Office building rental rates in New Orleans are among the lowest, if not the lowest, in the 50 largest cities in the United States. This is largely a result of more than 25 years of office consolidation and corporate mergers resulting in fewer major companies in New Orleans and less office demand. Over the past few years, supply and demand numbers have started to balance out, with a handful of significant companies opening offices here (DXC, GE, Accruent) and a number of home-grown companies (most notably Lucid) expanding. At the same time, our supply of office space has continued to shrink with former office buildings being converted to alternative uses. For the first time in over two decades, office building rental rates are going to see significant increases over the next few years. While equilibrium in the office market will contribute to this increase, the real reason

that office building rental rates are increasing is out of **economic necessity** by office building landlords. Over the past two to three decades, operating expenses and basic construction costs in office buildings have more than doubled. Landlords are now increasing rates to keep up with the cost of operating and maintaining quality office buildings. We see rental rates increasing a minimum of 10% per annum for at least the next three years until the basic economics of owning, maintaining, and leasing office buildings once again make sense for real estate investors.

I am quite often asked for my thoughts about the general New Orleans real estate market. My response, my "soapbox," for the past year or so has been and will continue to be that the real estate business is good in New Orleans, and real estate values and capital investment in real estate since Katrina have been exceptional; however, these values and the overall dynamics of our real estate markets are precarious. If we want our real estate markets and values to continue to grow, we need more white-collar jobs in the New Orleans area. While the most immediate and direct beneficiary of this specific job growth is likely to be office building owners, the

creation of more well-paying jobs will trickle down to every aspect of the New Orleans economy.

**More well-paid individuals and families will mean more people renting apartments, more people buying homes, more people shopping, more people sending their kids to our schools (public and private), and more people paying taxes.**

More white-collar jobs will not solve all of the problems in New Orleans, but it is my opinion that this is the single most important endeavor that our community and our economic development entities can undertake. Without creating, implementing, and succeeding in a plan to create and procure more career job opportunities in New Orleans, the growth and improvements we have made in this community since Katrina will cease.



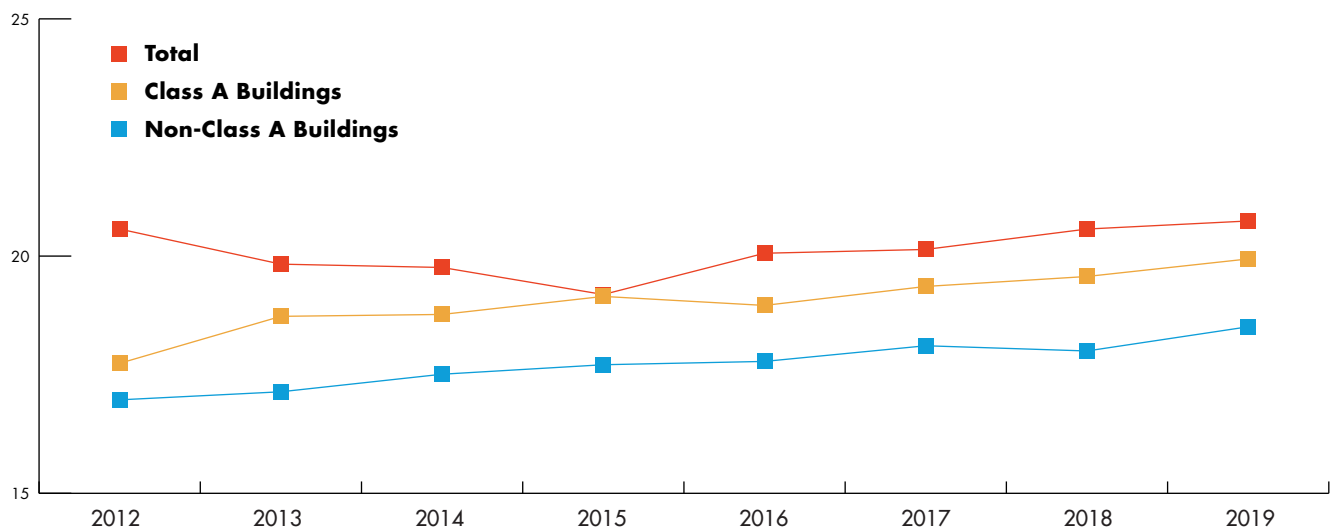
**MICHAEL J. SIEGEL, SIOR**

President & Director  
of Office Leasing

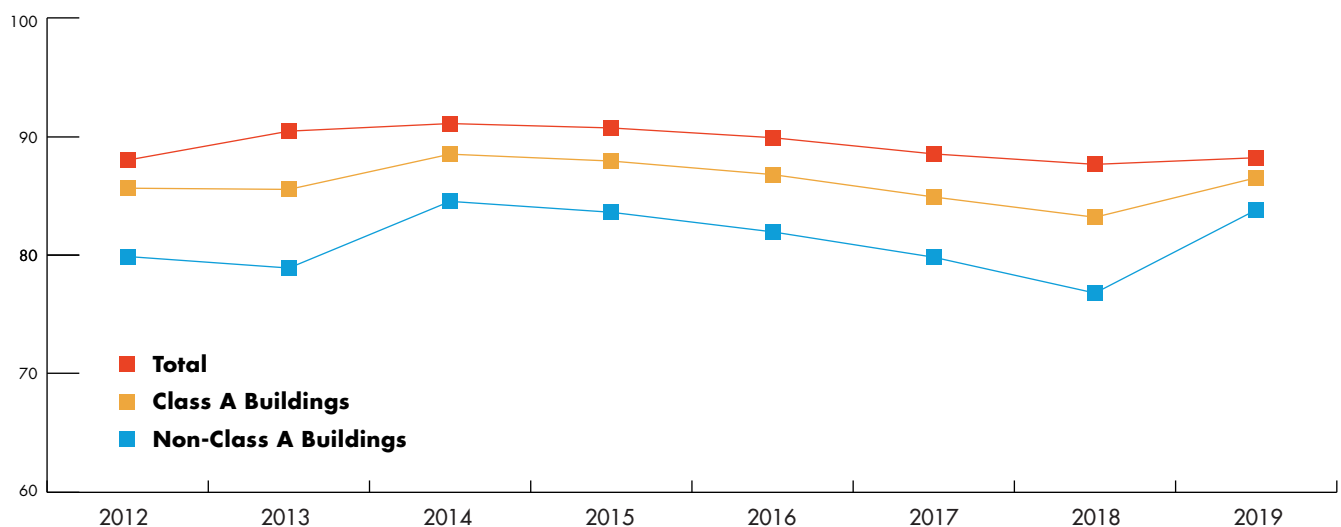


# GREATER NEW ORLEANS OFFICE MARKET TRENDS

TOTAL AVERAGE RENTAL RATES



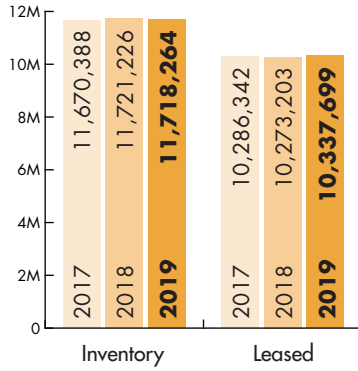
TOTAL AVERAGE OCCUPANCY RATES



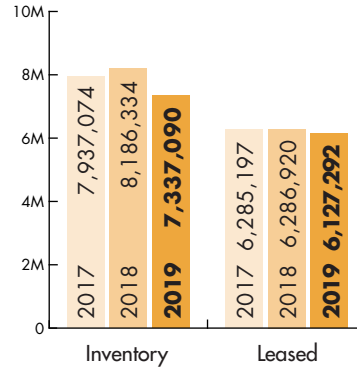




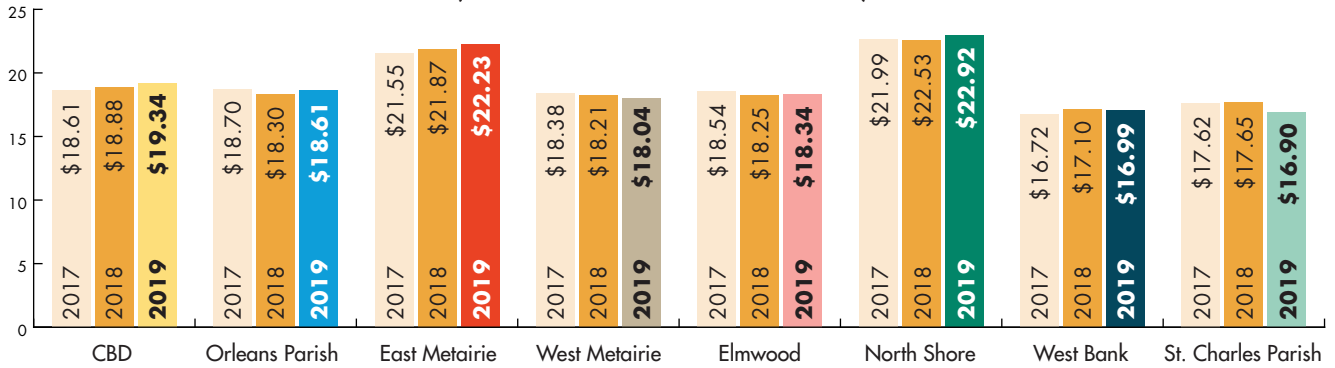
**TOTAL INVENTORY & LEASED**  
(Class A)



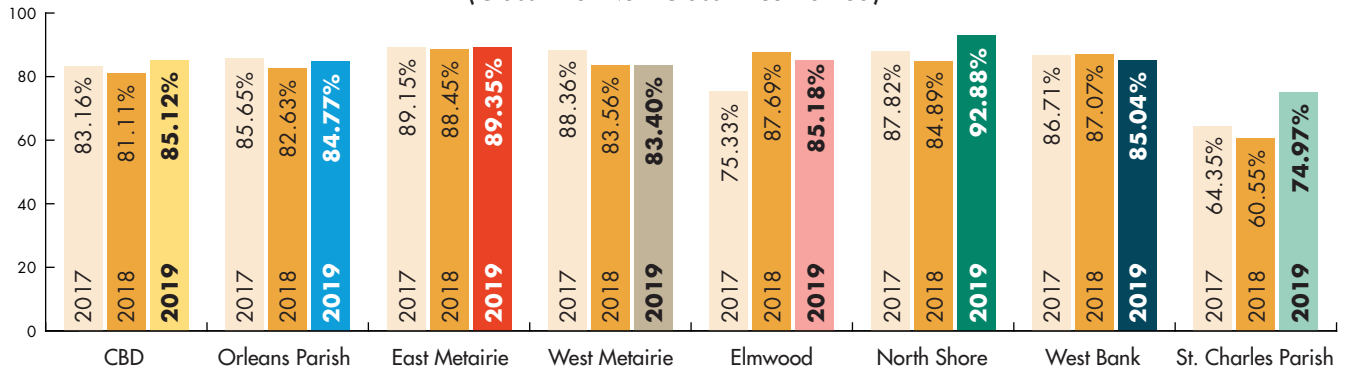
**TOTAL INVENTORY & LEASED**  
(Non-Class A)



**2019 AVERAGE RENTAL RATES FOR SUBMARKETS**  
(Class A & Non-Class A combined)



**2019 TOTAL COMBINED OCCUPANCY RATES FOR SUBMARKETS**  
(Class A & Non-Class A combined)





## CENTRAL BUSINESS DISTRICT

The office market continues to shrink, or perhaps rightsize. The announcement of the shuttering of 1010 Common St., which is slated for hotel redevelopment, caused 50,000 sf of tenants to scramble for new offices. Additionally, 1515 Poydras virtually stopped its leasing efforts as its owners explore the viability of converting roughly 300,000 sf of office space into apartments. 321 St. Charles Avenue was sold in 2019 and vacated for future redevelopment, likely no longer as an office building. Reduced inventory naturally creates higher occupancy as the vacancy rate remains steady. This situation, combined with increasing operating expenses and construction prices, could mean higher rental rates going forward. Rates for Class A office buildings should increase by 10% as current rates are not sustainable for landlords. The good news for tenants is that even with rental rates rising, the New Orleans office market will remain highly affordable as compared to the rest of the nation. Asking rents in Class A buildings, which make up 86% of the total CBD office inventory, averaged \$19.78 per square foot in 2019, far below the average asking rent in other Southern cities of comparable size.

Non-Class A buildings will find the same price squeeze in 2020 as the Class A properties, as construction prices and operating expenses increase. As Class A rates increase, Non-Class A CBD property rents will increase proportionately.



The CBD as a whole remained buoyant in 2019 as hotels and apartments continue to be developed. This trend is a testament to the draw of the CBD as a place to work and live, solidifying an employment base for office tenants.

**BENNETT K. DAVIS**

### SIGNIFICANT LEASES OF 2019

#### 400 Poydras Tower

**INTERNATIONAL-MATEX TANK TERMINALS (IMTT)**

leased 26,907 square feet

#### Place St. Charles

**CAPITAL ONE**

renewed 49,266 square feet

#### Hancock Whitney Center

**ERNST & YOUNG**

leased 23,000 square feet

**MOULEDOUX, BLAND, LEGRAND & BRACKET**

leased 23,000 square feet



## Office Submarket

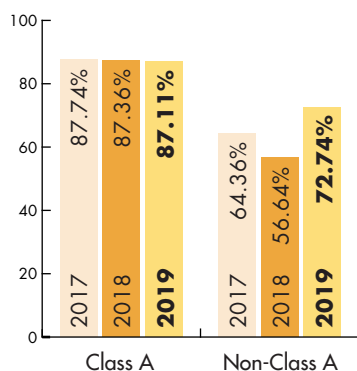
### CLASS A BUILDINGS

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

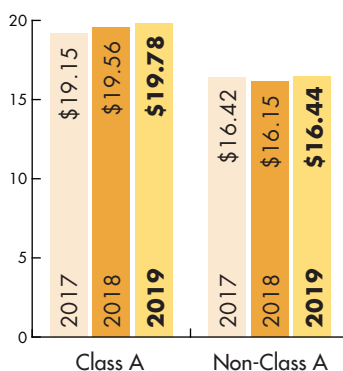
### NON-CLASS A BUILDINGS

16. Orleans Tower
17. 701 Loyola Building
18. Exchange Centre
19. Federal Reserve Bank
20. 615 Baronne Street
21. IP Building
22. 300 Lafayette Building
23. Emeril's Homebase
24. K & B Plaza
25. 864 S. Peters
26. Four Winds Building

2019 OCCUPANCY



2019 RENTAL RATES





## CENTRAL BUSINESS DISTRICT CLASS A

BUILDING NAME	YEAR BUILT/ REMODELED	NUMBER OF FLOORS	TOTAL RSF	TOTAL RSF AVAILABLE	PERCENT LEASED	QUOTED RENTAL RATE	LARGEST CONTIGUOUS BLOCK AVAILABLE	SUBLEASE SPACE AVAILABLE
<b>Hancock Whitney Center</b> 701 Poydras St.	1972	51	1,256,991	91,603	92.71%	\$18.50 – \$20.00	46,000	0
<b>Place St. Charles</b> 201 St. Charles Ave.	1985	52	1,004,484	92,966	90.67%	\$21.00 – \$22.00	14,774	10,000
<b>Energy Centre</b> 1100 Poydras St.	1984	39	761,500	90,710	88.09%	\$19.00 – \$21.00	24,293	8,627
<b>Pan-American Life Center</b> 601 Poydras St.	1980	28	671,883	109,248	83.74%	\$19.00	38,160	10,872
<b>One Canal Place</b> 365 Canal St.	1979	32	630,581	116,897	81.46%	\$18.50 – \$19.50	40,000	0
<b>400 Poydras Tower</b> 400 Poydras St.	1983	32	608,608	74,895	87.69%	\$17.50 – \$20.00	22,594	0
<b>First Bank and Trust Tower</b> 909 Poydras St.	1987	36	545,157	57,113	89.52%	\$19.50 – \$20.00	12,900	20,828
<b>Benson Tower</b> 1450 Poydras St.	1989/2011	26	540,208	0	100.00%	\$20.00 – \$22.00	0	0
<b>1515 Poydras</b> 1515 Poydras St.	1983	27	529,474	217,131	58.99%	\$19.00 – \$20.00	60,000	0
<b>Entergy Corporation Building</b> 639 Loyola Ave.	1983	28	526,041	11,820	97.75%	\$20.00 – \$21.00	5,376	0
<b>1615 Poydras</b> 1615 Poydras St.	1984	23	509,565	24,909	95.11%	\$19.00	7,379	15,186
<b>1555 Poydras</b> 1555 Poydras St.	1982	22	467,671	199,072	57.43%	\$19.00 – \$20.00	112,000	0
<b>Poydras Center</b> 650 Poydras St.	1983	28	453,256	49,379	89.11%	\$18.50 – \$20.00	12,515	2,485
<b>1250 Poydras Building</b> 1250 Poydras St.	1980	24	422,899	29,109	93.12%	\$20.00 – \$21.00	9,371	0
<b>Benson Tower Annex</b> 1400 Poydras St.	1989/2016	3	115,000	0	100.00%	N/A	0	0
<b>TOTAL CLASS A</b>			<b>9,043,318</b>	<b>1,165,596</b>	<b>87.11%</b>	<b>\$19.78</b>		
<b>TOTAL CBD</b>			<b>10,500,592</b>	<b>1,562,892</b>	<b>85.12%</b>	<b>\$19.34</b>		



The information above was collected and provided by Corporate Realty. Visit **CORP-REALTY.COM**.





## CENTRAL BUSINESS DISTRICT NON-CLASS A

BUILDING NAME	YEAR BUILT/ REMODELED	NUMBER OF FLOORS	TOTAL RSF	TOTAL RSF AVAILABLE	PERCENT LEASED	QUOTED RENTAL RATE	LARGEST CONTIGUOUS BLOCK AVAILABLE	SUBLEASE SPACE AVAILABLE
<b>Orleans Tower</b> 1340 Poydras St.	1977	21	378,895	101,733	73.15%	\$14.50 – \$15.50	39,370	0
<b>Exchange Centre</b> 935 Gravier St.	1983	21	355,274	69,436	80.46%	\$16.50 – \$17.00	20,000	10,739
<b>701 Loyola Ave.</b>	1964	14	234,067	92,036	60.68%	\$13.00	29,510	0
<b>Four Winds Building</b> 210 Baronne St	1927/2016	19	106,750	106,750	0.00%	N/A	106,750	0
<b>Federal Reserve Bank of Atlanta</b> 525 St. Charles Ave.	1966	5	100,000	0	100.00%	\$19.00	0	0
<b>IP Building</b> 643 Magazine St.	1900	4	83,974	0	100.00%	\$18.75	0	1,789
<b>K &amp; B Plaza</b> 1055 St. Charles Ave.	1962	7	70,000	16,114	76.98%	\$21.00	10,501	0
<b>Emeril's Homebase Building</b> 839 St. Charles Ave.	1910/1996	3	43,403	6,156	85.82%	\$16.75 – \$17.75	2,285	0
<b>864 S. Peters St.</b>	2016	5	39,815	0	100.00%	\$25.00	0	0
<b>615 Baronne St.</b>	1910	3	25,096	2,327	90.73%	\$18.00	2,327	0
<b>300 Lafayette Building</b> 300 Lafayette St.	1910/1984	2	20,000	2,744	86.28%	\$19.00 – \$20.00	1,524	0
<b>TOTAL NON-CLASS A</b>			<b>1,457,274</b>	<b>397,296</b>	<b>72.74%</b>	<b>\$16.44</b>		
<b>TOTAL CBD</b>			<b>10,492,768</b>	<b>1,562,892</b>	<b>85.11%</b>	<b>\$19.34</b>		

Note: 1010 Common St. and the former Whitney Bank Building have been removed from this report since they are no longer being marketed as office buildings.



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## ORLEANS PARISH, NON-CBD

The Orleans Parish, Non-CBD submarket can be classified as clusters of smaller buildings sprinkled throughout the city.

Some of the buildings in this submarket have unique architectural details because they are often converted homes or other non-traditional office properties. Since the buildings are generally smaller, they provide easier ingress and egress than high rises in the region, and better visibility since they are often single-tenant buildings. Another appealing feature for office tenants is that many of these buildings have free off-street parking spaces nearby for employees and visitors, instead of the paid parking found in the CBD.

No major new office buildings were built in 2019, but a 14,000 sf office building is planned in a highly visible location on Magazine Street in the historic Lower Garden District. If this project comes to fruition, it will likely lead to the construction of other new small office buildings outside of the CBD.

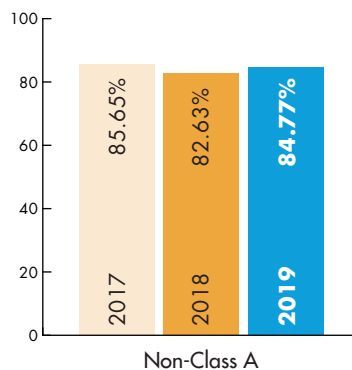
A few buildings that have been dormant for some time have been recently put under contract for purchase and may be coming back into commerce as office buildings. There is a growing demand for office space outside of the CBD as parking rates downtown continue to increase.



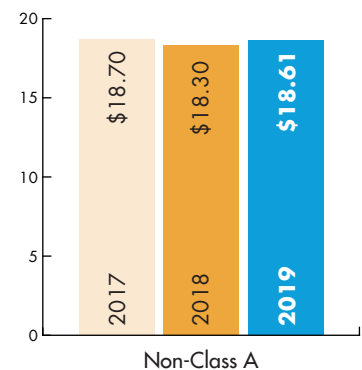
**ANDREA A.  
HUSEMAN,  
CCIM**

While Opportunity Zones have not yet sparked increased demand in development around the city, that may change as the program becomes better understood.

**2019 OCCUPANCY**



**2019 RENTAL RATES**





## ORLEANS PARISH NON-CLASS A

BUILDING NAME	YEAR BUILT/ REMODELED	NUMBER OF FLOORS	BUILDING CLASS	TOTAL RSF	TOTAL RSF AVAILABLE	PERCENT LEASED	QUOTED RENTAL RATE	LARGEST CONTIGUOUS BLOCK AVAILABLE	SUBLEASE SPACE AVAILABLE
<b>1215 Prytania Building</b> 1215 Prytania St.	1952/2006	5	Non-A	119,269	6,500	94.55%	\$12.00 – \$16.00	1,600	0
<b>Executive Plaza</b> 10001 Lake Forest Blvd.	1974	11	Non-A	114,650	61,497	46.36%	\$15.00	11,000	0
<b>Center for Energy Resources Management</b> 2045 Lakeshore Dr.	2002	5	Non-A	104,506	28,399	72.83%	\$20.00 – \$22.00	16,000	0
<b>Information Technology Ctr #1</b> 2219 Lakeshore Dr.	2002	5	Non-A	103,943	8,788	91.55%	\$22.00 – \$25.00	8,788	0
<b>Information Technology Ctr #2</b> 2233 Lakeshore Dr.	1998	5	Non-A	103,943	0	100.00%	N/A	0	0
<b>Information Technology Ctr #3</b> 2251 Lakeshore Dr.	1999	5	Non-A	103,943	0	100.00%	N/A	0	0
<b>Information Technology Ctr #4</b> 2285 Lakeshore Dr.	2000	5	Non-A	103,943	0	100.00%	N/A	0	0
<b>Tulane Tower</b> 2601 Tulane Ave.	1971	10	Non-A	89,376	21,519	75.92%	\$19.00 – \$20.00	9,200	0
<b>Advanced Technology Center</b> 2021 Lakeshore Dr.	2001	5	Non-A	78,860	22,877	70.99%	\$21.00 – \$23.50	7,084	0
<b>Mid-City Center</b> 320 N. Carrollton Ave.	1925/2006	2	Non-A	48,000	0	100.00%	\$23.00	0	0
<b>1231 Prytania Building</b> 1231 Prytania St.	1967	6	Non-A	39,000	7,500	80.77%	\$16.00 – \$18.00	2,500	0
<b>Smith Lupo Center</b> 145 Robert E. Lee Blvd.	1971/2006	5	Non-A	38,000	0	100.00%	\$15.00	0	0
<b>United Way Building</b> 2515 Canal St.	1957/2006	4	Non-A	34,594	10,186	70.56%	\$17.50	10,186	0
<b>101 W. Robert E. Lee Blvd.</b>	1982/2008	4	Non-A	33,380	1,555	95.34%	\$18.00	1,555	0
<b>4640 S. Carrollton Ave.</b>	1950	2	Non-A	26,142	4,669	82.14%	\$18.00 – \$22.00	4,669	0
<b>Lake Willow Professional Building</b> 7240 Crowder Blvd.	1980/2011	4	Non-A	24,000	4,045	83.15%	\$12.50	3,160	0
<b>TOTAL ORLEANS PARISH</b>				<b>1,165,549</b>	<b>177,535</b>	<b>84.77%</b>	<b>\$18.61</b>		

Note: The Norman Mayer Memorial Building was renamed the United Way Building.



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## EAST METAIRIE

The East Metairie submarket is the second-largest office market in the metro area, and it continues to be one of the better performing, both in occupancy and rental rates, in the Greater New Orleans area.

Bernhard MCC consolidated several existing offices into the Galleria, and Herzing University leased a full floor at One Lakeway. Both of these transactions helped the Class A market achieve 37,000 sf of positive absorption and increase occupancy to 90% at the end of the year. The Non-Class A occupancy saw a slight decrease, due mainly to the closure of AT&T's office in Causeway Plaza II, vacating more than 45,000 rsf.

Construction costs for build-out of tenant suites in the metro market continue to increase, resulting in tenants either paying for a portion of these costs or increasing the lease term beyond the standard five years. Parking costs have remained stable in the East Metairie Class A submarket, compared with the Central Business District. While there continues to be conversation about new speculative office construction in the submarket, there is a sizable delta between current rental rates and rates required for new construction.



Tenants looking for flexibility with shorter lease terms do little to create value for building owners and have a negative impact on valuation. To counter the effect of shorter-term leases, landlords are increasing rental rates by over \$1.00 per square foot, above market rates, for lease terms of less than three years.

**BRUCE SOSSAMAN, SIOR**

### SIGNIFICANT LEASES OF 2019

#### Galleria

**BERNHARD MCC**

leased 41,540 square feet

#### Executive Office Tower

**KEYSTONE ENGINEERING**

renewed 17,267 square feet

#### Causeway Plaza II

**GCR & ASSOCIATES**

leased 15,546 square feet

#### One Lakeway

**HERZING UNIVERSITY**

leased 26,045 square feet

#### Heritage Plaza

**OCHSNER FITNESS CENTER**

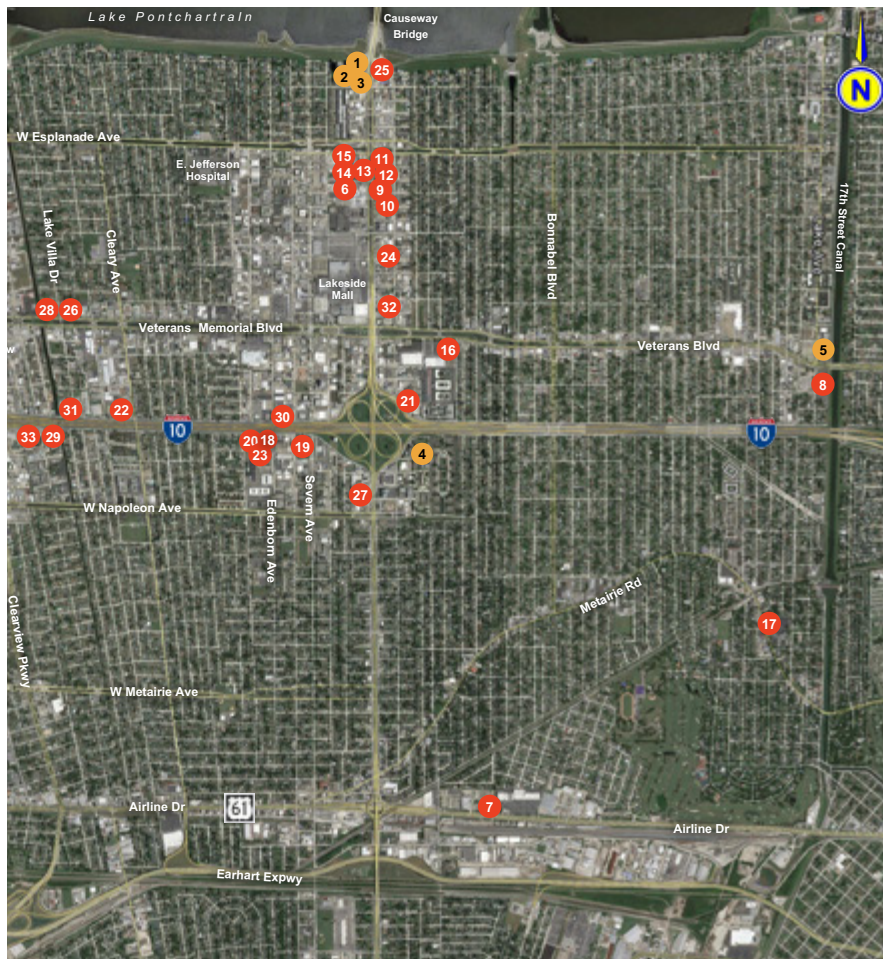
renewed 19,969 square feet

#### Three Lakeway

**UPSTREAM EXPLORATION**

renewed 11,260 square feet





## Office Submarket

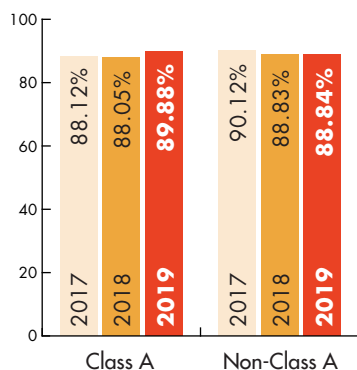
### CLASS A BUILDINGS

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

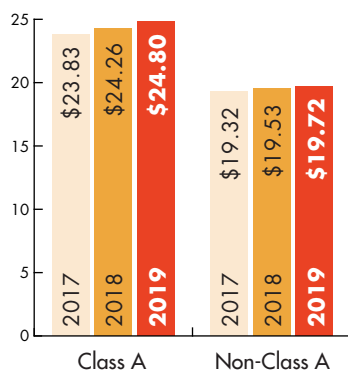
### NON-CLASS A BUILDINGS

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

### 2019 OCCUPANCY



### 2019 RENTAL RATES





## EAST METAIRIE CLASS A &amp; NON-CLASS A

BUILDING NAME	YEAR BUILT/ REMODELED	NUMBER OF FLOORS	BUILDING CLASS	TOTAL RSF	TOTAL RSF AVAILABLE	PERCENT LEASED	QUOTED RENTAL RATE	LARGEST CONTIGUOUS BLOCK AVAILABLE	SUBLEASE SPACE AVAILABLE
<b>Three Lakeway Center</b> 3838 N. Causeway Blvd	1987	34	A	471,745	28,659	93.92%	\$25.00 – \$26.50	8,901	0
<b>Galleria</b> One Galleria Blvd.	1986	22	A	465,985	36,516	92.16%	\$24.00 – \$25.00	7,010	4,500
<b>Two Lakeway Center</b> 3850 N. Causeway Blvd.	1984	19	A	449,309	76,552	82.96%	\$24.50 – \$25.50	27,000	0
<b>Heritage Plaza</b> 111 Veterans Blvd.	1983	18	A	353,003	21,442	93.93%	\$23.00 – \$24.00	6,473	0
<b>One Lakeway Center</b> 3900 N. Causeway Blvd.	1981	14	A	300,816	43,315	85.60%	\$24.50 – \$25.50	13,000	0
<b>Executive Tower</b> 3500 N. Causeway Blvd.	1972	14	Non-A	185,463	24,333	86.88%	\$19.50	11,187	0
<b>Burns and Wilcox Center</b> 2121 Airline Dr.	1987	6	Non-A	123,360	4,884	96.04%	\$22.00	4,884	1,457
<b>110 Veterans Building</b> 110 Veterans Blvd.	1972	5	Non-A	129,000	3,168	97.54%	\$19.50 – \$21.50	2,172	0
<b>3445 N. Causeway Blvd.</b>	1969	10	Non-A	127,887	23,716	81.46%	\$19.50	6,515	0
<b>3421 North Causeway Blvd.</b>	1973	10	Non-A	125,243	12,158	90.29%	\$19.00	3,711	0
<b>Regions Bank Building</b> 3525 N. Causeway Blvd.	1970	10	Non-A	123,000	30,992	74.80%	\$16.50	6,318	0
<b>3501 N. Causeway Blvd.</b>	1973	10	Non-A	112,741	20,075	82.19%	\$19.50	4,259	2,800
<b>Causeway Plaza I</b> 3510 N. Causeway Blvd.	1982	6	Non-A	108,718	0	100.00%	\$22.00	0	0
<b>Causeway Plaza II</b> 3300 W. Esplanade Ave.	1982	6	Non-A	108,718	24,702	77.28%	\$22.00	18,466	0
<b>Causeway Plaza III</b> 3330 W. Esplanade Ave.	1983	6	Non-A	108,718	10,989	89.89%	\$22.00	5,781	0
<b>Latter Center West</b> 2800 Veterans Blvd.	1978	3	Non-A	96,979	4,107	95.11%	\$20.00 – \$23.00	1,384	9,656
<b>Metairie Tower</b> 433 Metairie Rd.	1970	6	Non-A	94,083	0	100.00%	\$22.00 – \$22.50	0	0
<b>Metairie Centre</b> 2424 Edenborn Ave.	1986	6	Non-A	90,657	10,959	87.82%	\$19.50	9,624	0
<b>Seyern Place</b> 2450 Seyern Ave.	1982	5	Non-A	86,219	13,374	84.36%	\$19.75	8,043	0
<b>3636 S. I - 10 Service Rd.</b>	1980/2017	3	Non-A	60,000	2,400	96.00%	\$18.00 – \$18.50	2,400	0



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# 2019 OFFICE MARKET REPORT



BUILDING NAME	YEAR BUILT/ REMODELED	NUMBER OF FLOORS	BUILDING CLASS	TOTAL RSF	TOTAL RSF AVAILABLE	PERCENT LEASED	QUOTED RENTAL RATE	LARGEST CONTIGUOUS BLOCK AVAILABLE	SUBLEASE SPACE AVAILABLE
<b>3131 N. I-10 Service Rd.</b>	1979/2009	4	Non-A	48,250	6,528	87.00%	\$16.75 – \$19	6,528	0
<b>Favrot &amp; Shane Building</b> 3925 N. I-10 Service Rd.	1981	2	Non-A	44,992	2,854	93.66%	\$18.50 – \$20.75	1,432	0
<b>3616 S. I-10 Service Rd.</b> (owner occupied)	1979/2015	2	Non-A	40,000	0	100.00%	N/A	0	0
<b>3200 Ridgelake Building</b> 3200 Ridgelake Dr.	1984	4	Non-A	40,000	0	100.00%	\$16.00	0	0
<b>3939 N. Causeway Blvd.</b>	1979/2017	4	Non-A	40,000	6,848	82.88%	\$18.00	5,000	0
<b>Coldwell Banker Building</b> 4051 Veterans Blvd.	1970	4	Non-A	40,000	4,183	89.54%	\$15.00	2,086	0
<b>Causeway West</b> 3229 36th St.	1974	2	Non-A	40,000	9,000	77.50%	\$17.50	9,000	0
<b>4141 Veterans Blvd.</b>	1969	3	Non-A	32,755	0	100.00%	\$19.50	0	0
<b>The Boy Scouts Building</b> 4200 S. I-10 Service Rd.	1984	2	Non-A	31,947	2,059	93.55%	\$14.50	2,059	0
<b>Crutcher-Tufts Building</b> 3545 N. I-10 Service Rd.	1970/2006	3	Non-A	30,940	9,848	68.17%	\$18.75	9,848	0
<b>NY-II Office Building</b> 2750 Lake Villa Dr.	1985/2013	3	Non-A	30,114	6,370	78.85%	\$18.75	2,601	0
<b>2900 Ridgelake Dr.</b>	1982	4	Non-A	30,000	0	100.00%	N/A	0	0
<b>FGS Building</b> 4300 S. I-10 Service Rd.	1981	2	Non-A	25,026	6,953	72.22%	\$17.75 – \$19.75	1,562	0
<b>TOTAL CLASS A</b>				<b>2,040,858</b>	<b>206,484</b>	<b>89.88%</b>	<b>\$24.80</b>		
<b>TOTAL NON-CLASS A</b>				<b>2,154,810</b>	<b>240,245</b>	<b>88.84%</b>	<b>\$19.72</b>		
<b>TOTAL EAST METAIRIE</b>				<b>4,195,668</b>	<b>446,984</b>	<b>89.34%</b>	<b>\$22.23</b>		



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## WEST METAIRIE/KENNER

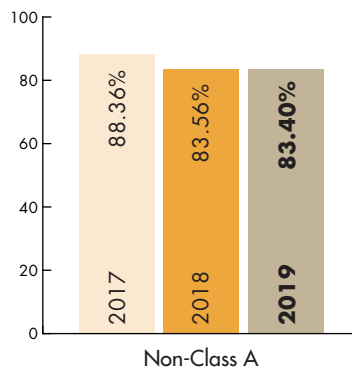
While the West Metairie/Kenner submarket remained relatively stable, it saw a couple of larger wins, including UP Professional Solutions leasing 10,000 sf at 2400 Veterans Blvd. and Aetna renewing 15,000 sf in the same building. Riverside I and II had little activity and have not had much success in backfilling any of the vacancies from 2019.



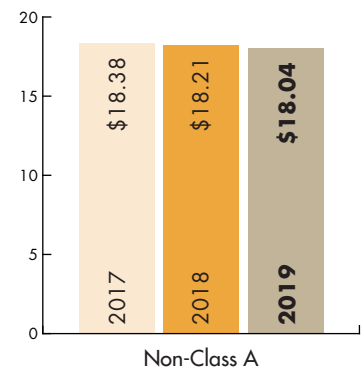
**JEFF  
COHN**

The opening of the new terminal at Louis Armstrong New Orleans International Airport provides a major upgrade for travelers, but it is not expected to have an immediate impact on the office market.

**2019 OCCUPANCY**



**2019 RENTAL RATES**



## WEST METAIRIE/KENNER NON-CLASS A

BUILDING NAME	YEAR BUILT/ REMODELED	NUMBER OF FLOORS	BUILDING CLASS	TOTAL RSF	TOTAL RSF AVAILABLE	PERCENT LEASED	QUOTED RENTAL RATE	LARGEST CONTIGUOUS BLOCK AVAILABLE	SUBLEASE SPACE AVAILABLE
<b>2400 Veterans Blvd.</b>	1982/2014	5	Non-A	133,195	3,867	97.10%	\$18.50 – \$19.00	1,797	0
<b>Riverside II</b> 6620 Riverside Dr.	1983	3	Non-A	58,057	15,546	73.22%	\$17.50 – \$18.50	7,350	0
<b>2200 Veterans Building</b> 2200 Veterans Blvd.	1985	2	Non-A	44,874	6,019	86.59%	\$14.75 – \$17.25	2,915	2,662
<b>Riverside I</b> 6660 Riverside Dr.	1980	3	Non-A	32,181	20,472	36.38%	\$17.50 – \$18.50	18,963	0
<b>Metairie Bank Building</b> 7809 Airline Dr.	1967	3	Non-A	23,250	2,500	89.25%	N/A	2,500	0
<b>TOTAL WEST METAIRIE/KENNER</b>				<b>291,557</b>	<b>48,404</b>	<b>83.40%</b>	<b>\$18.04</b>		



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## ELMWOOD

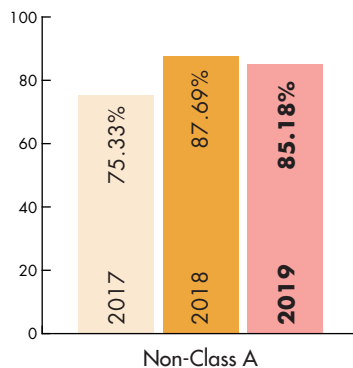
The Elmwood submarket remained steady in 2019, with much of the activity concentrated in a couple of buildings. 990 N. Corporate Drive added roughly 35,000 sf of leases with four new tenants in 2019, three of whom were governmental agencies. The tenants in this submarket generally lease larger amounts of office space resulting in greater overall submarket swings when they move.



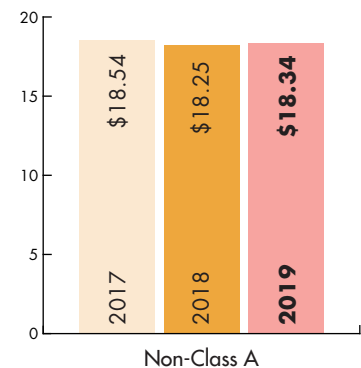
**SCOTT  
GRAF,  
CCIM**

New plans for the Elmwood Shopping Center call for more of an urban town center feel with landscaping and mixed-use buildings, while the aging office buildings continue to see capital expenditure allocation to attract new tenants to the area.

**2019 OCCUPANCY**



**2019 RENTAL RATES**



## ELMWOOD NON-CLASS A

BUILDING NAME	YEAR BUILT/ REMODELED	NUMBER OF FLOORS	BUILDING CLASS	TOTAL RSF	TOTAL RSF AVAILABLE	PERCENT LEASED	QUOTED RENTAL RATE	LARGEST CONTIGUOUS BLOCK AVAILABLE	SUBLEASE SPACE AVAILABLE
Elmwood Tower 1201 Elmwood Park Blvd.	1982	10	Non-A	205,313	0	100.00%	N/A	0	0
5401 Jefferson Hwy.	1982	1	Non-A	100,000	30,000	70.00%	\$12.00 – \$20.00	30,000	0
880 Commerce Rd. West	1979	5	Non-A	93,629	21,876	76.64%	\$18.50	21,098	0
800 Commerce Rd. West	1979	5	Non-A	91,628	14,671	83.99%	\$19.50	5,273	0
1333 S. Clearview Pkwy.	1974	5	Non-A	90,000	0	100.00%	N/A	0	0
990 N. Corporate Dr.	1979	3	Non-A	56,005	22,782	59.32%	\$18.50 – \$19.50	18,400	0
800 Commerce Rd. East	1979	3	Non-A	53,024	0	100.00%	N/A	0	0
824 Elmwood Park Blvd.	1984	2	Non-A	39,355	1,036	97.37%	\$20.00 – \$20.50	1,036	0
<b>TOTAL ELMWOOD</b>				<b>728,949</b>	<b>108,040</b>	<b>85.18%</b>	<b>\$18.34</b>		

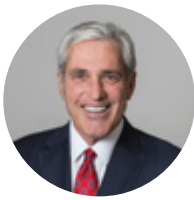


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## NORTH SHORE

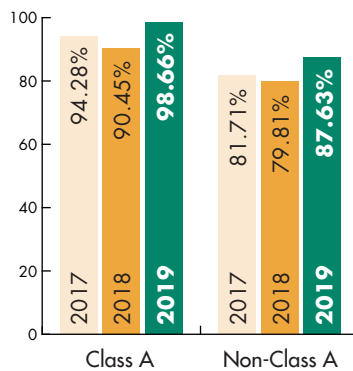
2019 was a year of steady growth for the North Shore submarket. There is a great deal of optimism for 2020, led by the recent announcements of the Medline Industries expansion just north of I-12, bringing 460 new direct jobs. Additional positive news included Ampirical Solutions' plan for a 78,000 sf headquarters in the same area.



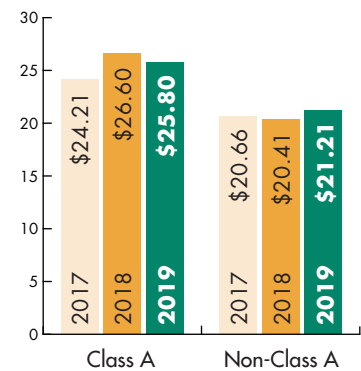
**RANDALL  
R. WHITE**

The expansions announced for 2020 are reflective of general demand in this submarket and should be an indicator of more progress to come in the next few years.

**2019 OCCUPANCY**



**2019 RENTAL RATES**



## NORTH SHORE CLASS A & NON-CLASS A

BUILDING NAME	YEAR BUILT/ REMODELED	NUMBER OF FLOORS	BUILDING CLASS	TOTAL RSF	TOTAL RSF AVAILABLE	PERCENT LEASED	QUOTED RENTAL RATE	LARGEST CONTIGUOUS BLOCK AVAILABLE	SUBLEASE SPACE AVAILABLE
<b>Chevron Building</b> 100 Northpark Blvd.	2009	4	A	290,500	0	100.00%	N/A	0	0
<b>Northpark Corporate Center</b> 109 Northpark Blvd.	1986	5	A	103,222	0	100.00%	\$25.00	0	0
<b>Cypress Bend Office Building</b> 1001 Ochsner Blvd.	2009	4	A	102,195	5,801	94.32%	\$28.00	5,801	0
<b>Gray Insurance Building</b> 1625 West Causeway Approach	2006	2	A	55,000	0	100.00%	\$26.00	0	0
<b>Offices at River Chase</b> 16564 E. Brewster Rd.	2017	2	A	42,671	2,684	93.71%	\$22.00	2,684	0
<b>300 Holiday Square Blvd.</b>	2007	3	A	40,500	0	100.00%	\$26.00	0	0
<b>1010 W. Gause Blvd.</b>	1968	2	Non-A	100,000	0	100.00%	\$20.00	0	0
<b>Northpark Corporate II</b> 103 Northpark Blvd.	1998	3	Non-A	69,905	0	100.00%	\$24.00 – \$26.00	0	0



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# 2019 OFFICE MARKET REPORT



BUILDING NAME	YEAR BUILT/ REMODELED	NUMBER OF FLOORS	BUILDING CLASS	TOTAL RSF	TOTAL RSF AVAILABLE	PERCENT LEASED	QUOTED RENTAL RATE	LARGEST CONTIGUOUS BLOCK AVAILABLE	SUBLEASE SPACE AVAILABLE
<b>Bodet Place I</b> 1001 Northpark Blvd.	2016	4	Non-A	50,000	8,000	84.00%	N/A	8,000	0
<b>Resource Bank Building</b> 5100 Village Walk	2001	3	Non-A	43,405	7,379	83.00%	\$19.00	6,556	0
<b>830 West Causeway Approach</b>	2006	2	Non-A	40,000	4,000	90.00%	\$25.00 – \$26.00	4,000	0
<b>3840 Emerald Rd.</b>	N/A	4	Non-A	40,268	20,000	50.33%	\$22.00	20,000	0
<b>Zen-Noh Grain Building</b> 1127 Hwy. 190 East Service Rd.	2002	3	Non-A	39,000	0	100.00%	N/A	0	0
<b>Greengate One Office Building</b> 1330 Greengate Dr.	2014	3	Non-A	36,908	0	100.00%	\$21.00	0	0
<b>Greengate Two Office Building</b> 1404 Greengate Dr.	2016	3	Non-A	35,386	5,100	85.59%	\$21.00	3,300	0
<b>800 N. Causeway Blvd.</b>	2001	2	Non-A	31,100	4,700	84.89%	\$14.00 – \$16.00	4,700	0
<b>Loop Building</b> 137 Northpark Blvd.	2009	2	Non-A	30,000	0	100.00%	N/A	0	0
<b>205 Holiday Blvd.</b>	1988	2	Non-A	28,885	28,885	0.00%	\$16.00 – \$18.00	28,885	0
<b>Northlake Corporate Center</b> 1001 Hwy. 190 East Service Rd.	1984/2007	2	Non-A	28,800	1,776	93.83%	\$23.00 – \$24.00	1,776	0
<b>No. 2 Sanctuary Blvd. Building</b> 2 Sanctuary Blvd.	1998	3	Non-A	21,000	0	100.00%	\$21.00	0	0
<b>No. 3 Sanctuary Blvd. Building</b> 3 Sanctuary Blvd.	2000	3	Non-A	21,000	0	100.00%	\$21.00	0	0
<b>No. 4 Sanctuary Blvd. Building</b> 4 Sanctuary Blvd.	2004	3	Non-A	21,000	0	100.00%	\$21.00	0	0
<b>No. 5 Sanctuary Blvd. Building</b> 5 Sanctuary Blvd.	2006	3	Non-A	21,000	6,509	69.00%	\$21.00	6,509	0
<b>The Allstate Building</b> 111 Park Place	1998	1	Non-A	20,153	0	100.00%	\$25.00	0	0
<b>2050 E. Gause Blvd.</b>	2006	2	Non-A	20,000	0	100.00%	\$19.00	0	0
<b>TOTAL CLASS A</b>				<b>634,088</b>	<b>8,485</b>	<b>98.66%</b>	<b>\$25.80</b>		
<b>TOTAL NON-CLASS A</b>				<b>697,810</b>	<b>86,349</b>	<b>87.63%</b>	<b>\$21.21</b>		
<b>TOTAL NORTH SHORE</b>				<b>1,331,898</b>	<b>94,834</b>	<b>92.88%</b>	<b>\$22.92</b>		



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## WEST BANK

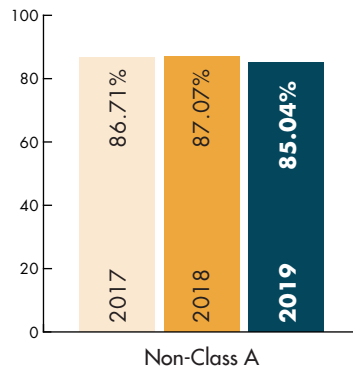
The West Bank remains one of the most affordable submarkets for office tenants, and local agents highlight the price differential as a reason why some companies have recently signed leases in this submarket. The owner of Oakwood Corporate Center is finishing a building-wide renovation that keeps this building at the top of the submarket in terms of quality and competitive with Non-Class A buildings across the region.



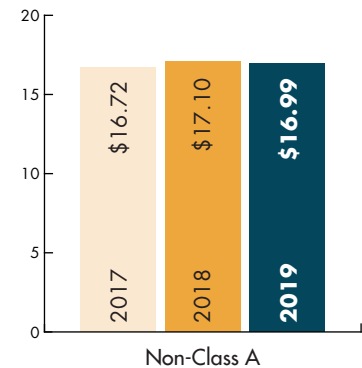
**AUSTIN  
LAVIN,  
CCIM**

This submarket remains relatively stable with much of the activity coming from tenants leasing 1,000 – 5,000 sf office spaces.

**2019 OCCUPANCY**



**2019 RENTAL RATES**



## WEST BANK NON-CLASS A

BUILDING NAME	YEAR BUILT/ REMODELED	NUMBER OF FLOORS	BUILDING CLASS	TOTAL RSF	TOTAL RSF AVAILABLE	PERCENT LEASED	QUOTED RENTAL RATE	LARGEST CONTIGUOUS BLOCK AVAILABLE	SUBLEASE SPACE AVAILABLE
<b>Oakwood Corporate Center</b> 401 Whitney Ave.	1985	6	Non-A	132,550	26,416	80.07%	\$19.00 – \$20.00	8,028	0
<b>Timbers Office Building</b> 2401 Westbend Parkway	1985	5	Non-A	128,163	15,890	87.60%	\$14.00	4,500	0
<b>Westpark Office Building</b> 1 Seine Crt.	1983	6	Non-A	108,889	0	100.00%	\$18.00	0	0
<b>Manhattan Place</b> 2439 Manhattan Blvd.	1978	5	Non-A	62,066	12,825	79.34%	\$15.00 – \$20.00	3,598	0
<b>2550 Belle Chasse Hwy.</b>	1983	3	Non-A	45,000	5,000	88.89%	\$16.00	5,000	0
<b>Stone Plaza</b> 1601 Belle Chasse Hwy	1984	3	Non-A	32,653	0	100.00%	\$16.50	0	0
<b>Mac Arthur Professional Building</b> 3712 Mac Arthur Blvd.	1982	2	Non-A	27,766	1,000	96.40%	\$18.00	1,000	0
<b>Cypress Park</b> 405 Gretna Blvd.	1976	2	Non-A	24,248	20,368	16.00%	\$14.00 – \$16.00	12,000	0
<b>Marrero Land Office Plaza</b> 5201 Westbank Expy.	1971	4	Non-A	23,310	5,980	74.35%	\$15.00 – \$18.00	2,164	0
<b>TOTAL WEST BANK</b>				<b>584,645</b>	<b>87,479</b>	<b>85.04%</b>	<b>\$16.99</b>		



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## ST. CHARLES PARISH

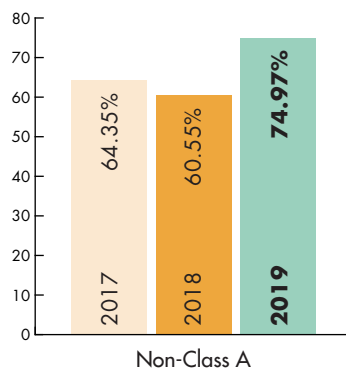
Riverlands Insurance was projecting to build a new 15,000 sf building in 2018, but instead purchased the former ITT Technical Institute building for its own use. The most significant office leases in 2019 occurred in the James Business Park, which changed ownership in April 2019. The largest transaction was Ochsner Health, which leased the majority of the 43,000 sf at 100 James Drive (formerly One James Park); the balance is now occupied by three additional tenants, resulting in 100% occupancy.



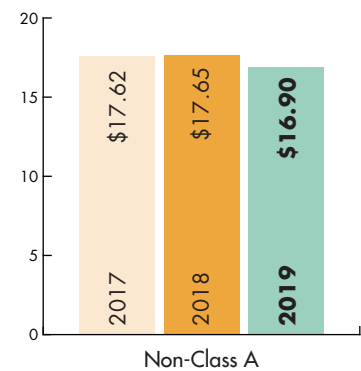
**DONNA  
WHALEN  
LITTLE**

James Business Park was sold in 2019, and the new landlords are aggressively marketing available space.

**2019 OCCUPANCY**



**2019 RENTAL RATES**



## ST. CHARLES PARISH NON-CLASS A

BUILDING NAME	YEAR BUILT/ REMODELED	NUMBER OF FLOORS	BUILDING CLASS	TOTAL RSF	TOTAL RSF AVAILABLE	PERCENT LEASED	QUOTED RENTAL RATE	LARGEST CONTIGUOUS BLOCK AVAILABLE	SUBLEASE SPACE AVAILABLE
<b>Kongsberg Maritime Building</b> 145 James Drive East	2016	3	Non-A	84,000	28,000	66.67%	\$19.75	28,000	0
<b>120 Mallard Street</b>	1981	3	Non-A	53,520	8,038	84.98%	\$16.50 – \$17.50	4,160	0
<b>100 James Drive</b>	1980	3	Non-A	43,055	0	100.00%	\$16.50 – \$17.50	0	0
<b>104 Campus Drive East</b>	1982	2	Non-A	26,066	1,700	93.48%	\$17.50 – \$18.50	1,700	0
<b>160 James Drive East</b>	1981	1	Non-A	25,772	9,340	63.76%	\$16.75 – \$17.50	9,340	0
<b>110 James Drive West</b>	1983	2	Non-A	24,018	17,117	28.73%	\$5.00	7,338	0
<b>TOTAL ST. CHARLES PARISH</b>				<b>256,431</b>	<b>64,195</b>	<b>74.97%</b>	<b>\$16.90</b>		

NOTE: One James Park was renamed 100 James Drive, and Two James Park was renamed 120 Mallard Street.



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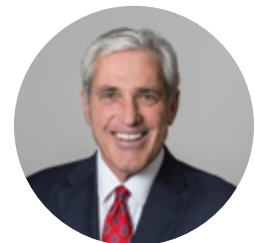
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