

Wyndham Garden

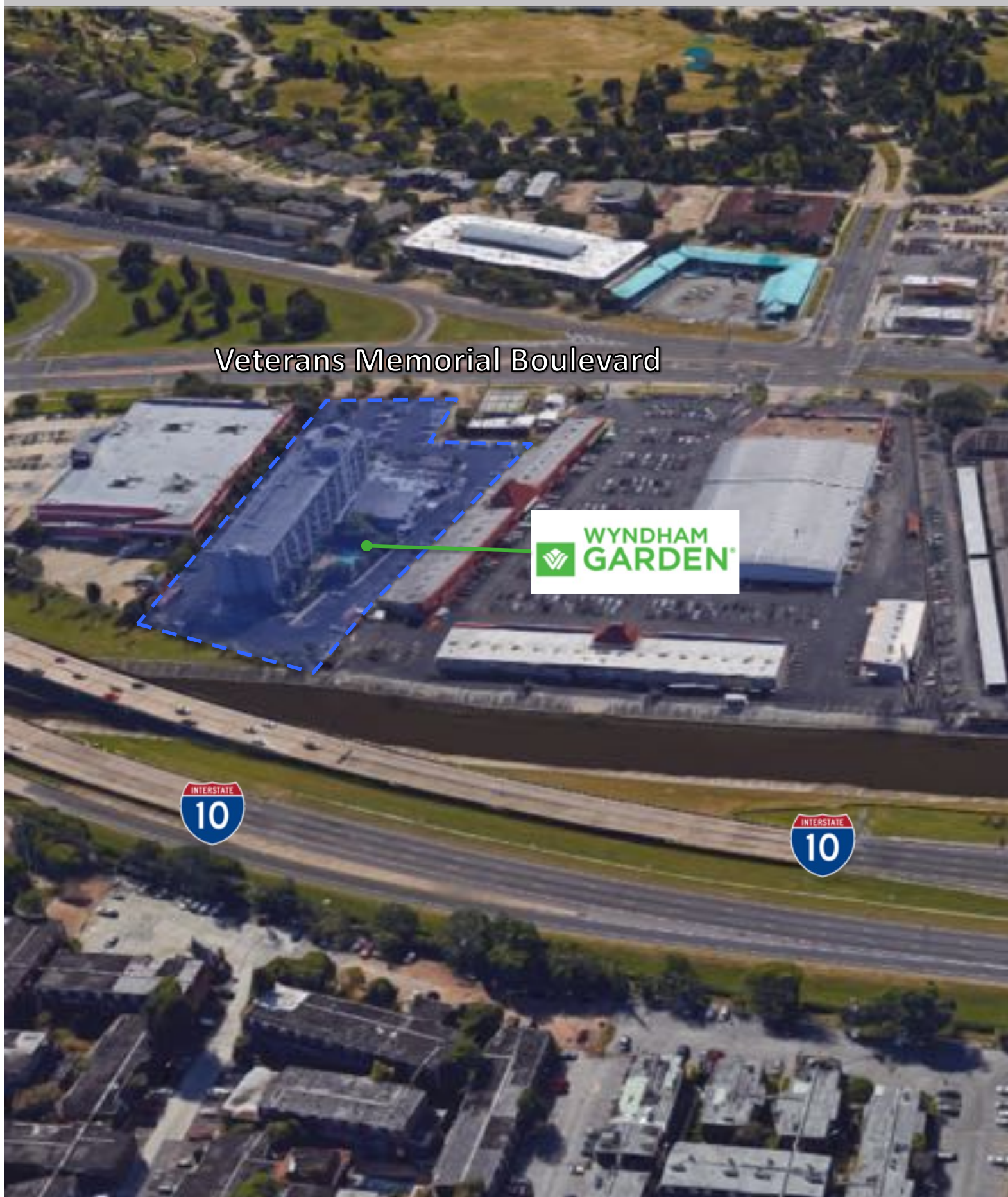
6401 Veterans Memorial Boulevard | New Orleans Airport

OFFERING MEMORANDUM



NAL Latter & Blum
HOSPITALITY ADVISORY SERVICES
— A BOUTIQUE INVESTMENT CONSULTING FIRM —

Wyndham Garden | New Orleans Airport



Veterans Memorial Boulevard





Wyndham Garden New Orleans Airport

6401 Veterans Memorial Boulevard

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EXECUTIVE SUMMARY

The Hospitality Division of NAI Latter & Blum and Ten-X Commercial are pleased to announce the off-market availability of the **Wyndham Garden - New Orleans Airport** located in Kenner, Louisiana on Veterans Memorial Boulevard. This 220-room, full-service hotel sits on a 2.85 acre site in close proximity to the \$850 Million North Terminal of the Louis Armstrong International Airport slated to open in 2019. Situated on the corner of Veterans and I-10, this hotel is situated in one of the best locations for a full-service airport hotel in this sub-market. Situated less than 10 miles from the Central Business District, the famous French Quarter, Harrah's Casino, the Ernest N. Morial Convention Center, and the Mercedes-Benz Superdome, the Wyndham Garden New Orleans Airport is in position to thrive by taking advantage of the year round compression that exists in the Greater New Orleans lodging market.

New Orleans has been transformed into an Institutional lodging market, in a large part because of rising Revenue Per Available Room "RevPAR" growth in 2010-2017 and an overall economic surge in the region. These events have created a higher barrier to market entry and, today, over 77% of the hotels in the market are owned by public or private institutional lodging entities.

During the last 6-12 months, the hotel has undergone substantial renovations. Taking advantage of the newly renovated space, reducing operating metrics, and returning the hotel to stabilized occupancy, the hotel will experience a drastic increase in revenue upon stabilization.

The prospect of purchasing this Hotel represents an opportunity to acquire a fee simple interest in an institutional quality asset, unencumbered by management, with the opportunity to up-brand. Given the location and existing quality of the property, this hotel has the potential to be converted to brands such as Delta by Marriott, Cambria Suites, or Red Lion Hotels, all of which would result in increased revenues.

INVESTMENT HIGHLIGHTS

- **Value Add Opportunity with an Institutional Quality Asset:** The Wyndham Garden New Orleans Airport represents an exceptional value add opportunity to up-brand the property. Possible brands that would do well at this location in this market include Delta by Marriott, Cambria Suites, and Red Lion Hotels, all of which would drive Average Daily Rate “ADR” up substantially upon stabilization while maintaining occupancy at 76%.
- **Substantial Upside Potential with Operational Enhancements:** whether the Brand is maintained or changed, this hotel offers tremendous upside potential with a reduction in departmental expenses, namely room expenses, other expenses, and administrative & general expenses over the next few years until stabilization in year three (3).
- **Outstanding location with Exceptional Visibility:** The Wyndham Garden is located at the intersection of Veterans Memorial Boulevard and I-10, in close proximity to the \$850 million Louis Armstrong International Airport Terminal scheduled to open in 2019. The Hotel benefits significantly from its strategic location which is only minutes from all major demand generators, including the French Quarter and Bourbon Street, Harrah’s Casino, the Ernest N. Morial Convention Center, and the Mercedes-Benz Superdome.
- **Unencumbered by Management:** This offering represents an exciting opportunity to purchase the Wyndham Garden free and clear of management encumbrance, highlighting the potential to implement aggressive asset management strategies to increase performance and recapture yield in a dramatically surging market.
- **Fee-Simple Asset in excellent physical condition:** Fully renovated in 2015-2016, this hotel features 220 beautiful rooms and over 5,500 square feet of customizable meeting space with four flexible rooms, a full-service restaurant, Laffite’s Restaurant & Lounge, an outdoor pool, on-site parking, dry-cleaning services, and a free local shuttle. The numerous features and amenities, coupled with the location along the I-10 corridor, make this hotel an attractive place to stay to New Orleans Tourists.
- **Robust Lodging Market:** New Orleans was ranked within the top 10 markets nationwide in ADR (\$148) in 2015. With the 6th largest Convention Center in the country, and demand generators such as the French Quarter, the New Orleans lodging market continues to flourish. With the recent opening of the \$3.5 billion Bio-Medical District, the market has been experiencing a surge in weekday business as the hospitality sector remains full every weekend. In sum, the New Orleans market is expected to continually exceed peak performances over the next 3-5 years, with 13 million visitors and over \$8 billion in visitor spending.

DISCLAIMER

This Offering Memorandum has been prepared by NAI Latter & Blum for use by a limited number of parties and has been obtained from sources believed to be reliable. While we do not doubt its accuracy, we have not verified it and make no guarantee, warranty, or representation about it. It is your responsibility to confirm, independently, its accuracy and completeness. All projections have been developed by NAI Latter & Blum and designated sources, and are based upon assumptions relating to the general economy, competition and other factors beyond the control of Ownership, and, therefore, are subject to variation. No representation made by NAI Latter & Blum or Ownership as to the accuracy or completeness of the information contained herein, and nothing containing herein is or shall be relied upon as a promise or representation as to the future performance of the property. Although the information contained herein is believed to be correct, ownership and its employees disclaim any responsibility for inaccuracies and expect prospective purchasers to exercise independent due diligence in verifying all such information. Further, NAI Latter & Blum, Ownership, and its employees disclaim any and all liability for representation and warranties, expressed and implied, contained in, or for omissions from, the Offering Memorandum or any other written or oral communication transmitted or made available to the recipient.

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Additional information and an opportunity to inspect the property will be made available upon written request to interested and qualified prospective investors.

Owner expressly reserves the right, in its sole discretion, to reject any or all expressions of interest or offers regarding the property and/or terminate discussions with any entity at any time without notice. Owner shall have no legal commitment or obligations to any entity reviewing this Offering Memorandum or making an offer to purchase the property unless and until such offer is approved by Owner, a written agreement for the purchase of the property has been fully executed, delivered and approved by Owner and its legal counsel, and any obligations set by Owner thereunder have been satisfied or waived.

This Offering Memorandum and the contents, except such information, which is a matter of public record or is provided in sources available to the public, are of a confidential nature. By accepting this Offering Memorandum, you agree that you will hold and treat it in the strictest confidence, that you will not photocopy or duplicate it, that you will not disclose this Offering Memorandum or any of the contents to any other entity (except to outside advisors retained by you, if necessary, for your determination of whether or not to make a proposal and from whom you have obtained an agreement of confidentiality) without the prior written authorization of Owner or NAI Latter & Blum and that you will use the information in this Offering Memorandum for the sole purpose of evaluating your interest in the property and you will not use the Offering Memorandum or any of the contents in any fashion or manner detrimental to the interest of Owner or NAI Latter & Blum. If you have no interest in the property, please return the Offering Memorandum forthwith.

Wyndham Garden | New Orleans Airport



PROPERTY DESCRIPTION

HOTEL PHYSICAL OVERVIEW

The Wyndham Garden New Orleans Airport opened as a Four Points by Sheraton and was completely converted and renovated into a Wyndham Garden in 2015/2016 featuring 220 rooms, a full-service restaurant, a lobby lounge, over 5,500 square feet of meeting space, an outdoor pool, a fitness center, a business center, and on-site parking.



BUILDING

Address:	6401 Veterans Memorial Boulevard Kenner, Louisiana 70062
Year Renovated:	2016
Guestrooms:	220
Food & Beverage:	Lafitte's Restaurant & Lounge

PROPERTY SUMMARY

Hotel Name:	Wyndham Garden New Orleans Airport
Ownership Interest:	Fee Simple
Management:	Unencumbered
Number of Buildings:	1

AMENITIES & SERVICES

Outdoor Swimming Pool	Business Center
Vending Areas	Conference Rooms
Fitness Center	24-Hour Parking

LEGAL

Description:	See Title
Zoning:	C2 - General Commercial
Environmental:	Addressed during due diligence
Acreage:	2.85 Acres



Wyndham Garden | New Orleans Airport



GUESTROOM CONFIGURATION

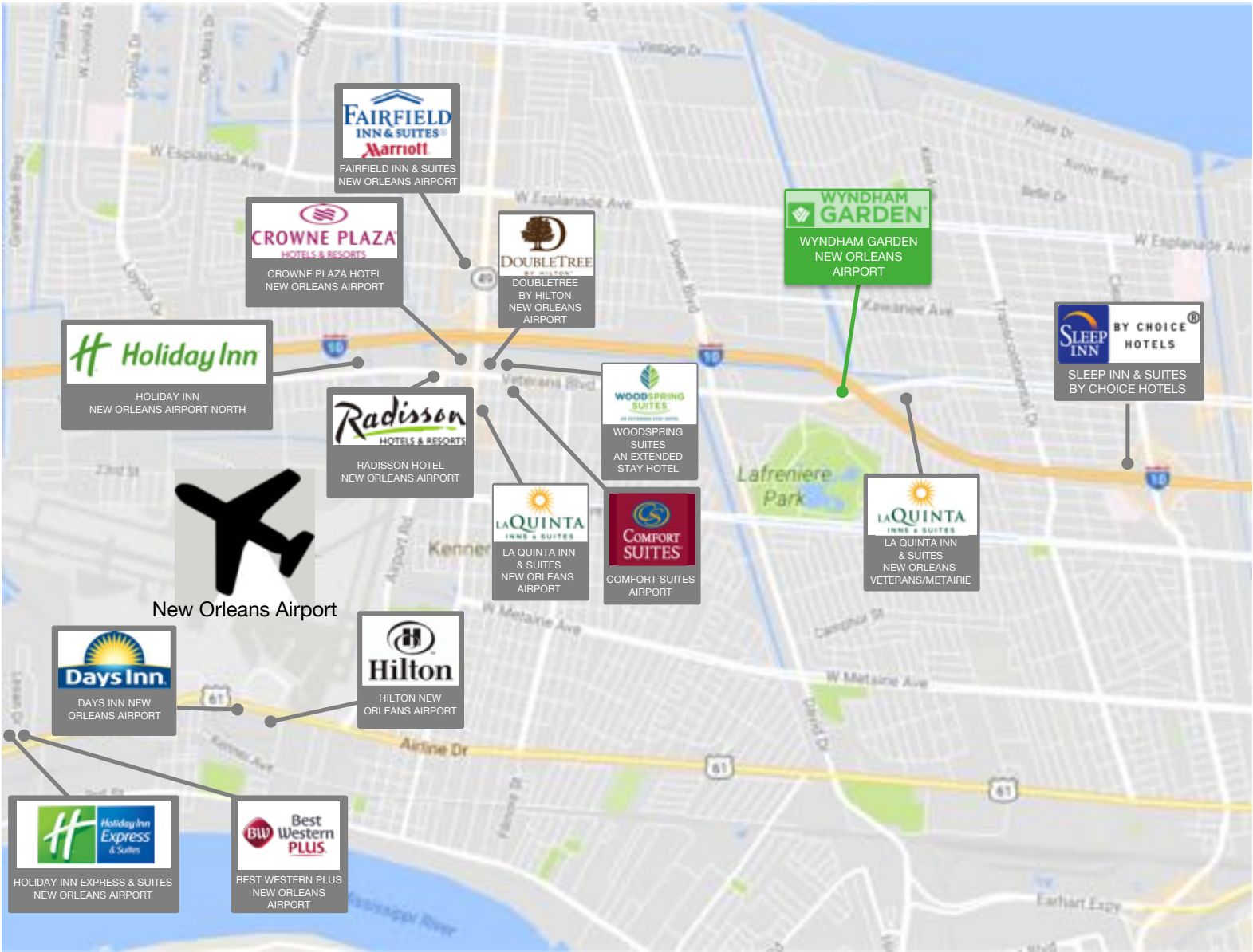
Room Breakdown	Count
King	114
Double/Double	89
Executive King	10
Double (Handicapped)	4
Two-Room Suite	3
Total	220

RESTAURANT / LOUNGE

The facility includes Lafitte's Restaurant & Lounge








Name	Type
Lafitte's Restaurant & Lounge	3 - Meal Restaurant
Lobby Lounge	Bar

AIRPORT HOTELS



COMPETITIVE SET



CURRENT COMPETITIVE SET					
Rooms			Rooms		
	Wyndham Garden New Orleans Airport	220			
	Crowne Plaza New Orleans Airport	292		Courtyard New Orleans Metairie	153
	Doubletree Hotel New Orleans Airport	245		Hilton Garden Inn New Orleans Airport	122
	Holiday Inn Metairie New Orleans Airport	205		Sheraton Hotel Metairie New Orleans	181
TOTAL ROOMS					1,418

Wyndham Garden | New Orleans Airport

Wyndham Garden New Orleans Airport vs. Competitive Set

'Running 12 Month' as of June 2017

		Transient		Group		Contract		Total
Occupancy (%)	My Property	39.8	My Property	8.0	My Property	4.8	My Property	52.5
	Comp Set	51.9	Comp Set	10.1	Comp Set	14.0	Comp Set	76.0
ADR	My Property	89.6	My Property	102.13	My Property	71.48	My Property	89.86
	Comp Set	118.69	Comp Set	120.17	Comp Set	79.25	Comp Set	111.62
RevPAR	My Property	35.62	My Property	8.15	My Property	3.41	My Property	47.18
	Comp Set	61.55	Comp Set	12.19	Comp Set	11.11	Comp Set	84.86

Source: Smith Travel Research (STR)



VALUE ENHANCEMENT OVERVIEW

ROOM REVENUE

The asset has substantial growth potential in occupancy and ADR across all market segments. Based on the June 2017 STR trailing 12, occupancy can be increased by 191.67% in contract travel, 20.40% in transient travel, and 25% in group travel. Additionally, ADR growth can be projected at 24.23%, 32.47%, and 17.66%, in the respective segmentations above. The current underperformance is largely contributed to the extensive renovation of all public areas and guestrooms which rendered the main lobby inaccessible, restaurant to be closed, and loss of vital contracts.

OPERATING STATISTICS

The reduction of several expense categories can attribute substantial gains to the EBITDA. These reduction areas are based on the operating statistics of five comparable hotels within the same submarket. Reduction of departmental expenses include reducing room expense from 31.39% to 30.30% in year one, 29.32% in year two, and 27.35% at stabilization in year three; Other Expenses reduced from 180.0% to 96.22% in year one, 82.53% in year two, and 68.85% at stabilization in year three. In undistributed expenses, Administration and General was reduced from 10.78% of Gross Revenue to 8.84% in year one, 8.36% in year two, and 7.88% at stabilization in year three. Taxes were adjusted from market value to 85% of asking, 10% assessed value, and a millage of .1134.

STRATEGIC REPOSITIONING

In 2017, the hotel achieved an occupancy index (MPI) of 69.1% and ADR index (MPI) of 80.50% based on June 2017 STR trailing 12. The hotel's inability to perform at or above the competitive set highlights opportunity to strategically up-brand the property, while simultaneously taking advantage of the unencumbered management.

MANAGEMENT

Unencumbered by management contract, allowing for an easier transition upon acquisition.

FINANCIAL OVERVIEW

A SUMMARY OF NAI LATTER & BLUM'S PRO FORMA ASSUMPTIONS ARE AS FOLLOWS:

Pro Forma Projections

- Latter & Blum has assumed that the room count of **220** rooms will remain unchanged.
- Latter & Blum has forecasted the Property's performance based on the operating statistics of full-service hotels within the trade area.

Departmental Expenses

- Average Daily Rate (ADR) at the start of the forecast is set at \$111.62 with a 1% increase per annum.
- Occupancy is stabilized at the start of the forecast at 76%.
- Room Revenue is set at \$30,963 Per Available Room (PAR) in year one, increasing to \$31,672 PAR at stabilization with expenses of \$9,382 PAR in year one, reducing to \$8,975 PAR at stabilization.
- Food and Beverage Revenue is set at \$6,888 PAR increasing to \$7,046 PAR at stabilization with expenses of \$6,176 PAR, increasing to \$6,317 PAR.
- Other Operated Revenue is set at \$302 PAR, increasing to \$374 PAR with expenses of \$291 PAR, decreasing to \$257 PAR at stabilization.

Undistributed Expenses

- Administrative and General is set at \$3,372 PAR, decreasing to \$3,080 PAR at stabilization.
- Sales and Marketing is set at \$3,594 PAR in year one, decreasing to \$3,501 PAR at stabilization.
- Repairs and Maintenance is set at \$2,032 PAR in year one, decreasing to \$1,554 PAR at stabilization.
- Energy is set at \$1,874 PAR in year one, decreasing to \$1,474 PAR at stabilization.
- Franchise Fees are projected at 5.0% of total gross revenue through the duration of the projection.

Management Fee

- Management Fee is projected at 3.0% of total gross revenue

Fixed Expenses

- Taxes are based on a market value of 85% of the asking price, an assessed value of 10% of market value, and a millage of .11340
- Insurance is set at \$849 PAR

FINANCIAL ANALYSIS

FINANCIAL PERFORMANCE // PRO FORMA

WYNDHAM GARDEN NEW ORLEANS AIRPORT (FULL-SERVICE)

	Competitive Set					
	Year 1		Year 2		Year 3	
For the Years Ending						
Number of Rooms	220		220		220	
Available Room Nights	80,300		80,300		80,520	
Occupied Room Nights	61,028		61,028		61,195	
Occupancy Percentage	76.00%		76.00%		76.00%	
ADR	111.62		112.74		113.86	
Implied ADR Growth Rate	N/A		1.00%		1.00%	
RevPAR	84.83		85.68		86.54	
Departmental Revenues	Amount	Ratio	Amount	Ratio	Amount	Ratio
Rooms	6,811,945	81.16%	6,880,065	81.02%	6,967,903	81.02%
F&B	1,515,362	18.05%	1,530,515	18.02%	1,550,055	18.02%
Other	66,428	0.79%	81,198	0.96%	82,235	0.96%
Total Departmental Revenue	8,393,735	100.00%	8,491,778	100.00%	8,600,194	100.00%
Departmental Expenses						
Rooms	2,064,019	30.30%	2,017,008	29.32%	1,974,425	28.34%
F&B	1,358,634	89.66%	1,372,221	89.66%	1,389,740	89.66%
Other	63,917	96.22%	67,011	82.53%	56,615	68.85%
Total Departmental Expense	3,486,571	41.54%	3,456,240	40.70%	3,420,780	39.78%
Total Departmental Income	4,907,164	58.46%	5,035,538	59.30%	5,179,414	60.22%
Undistributed Expenses						
Administrative And General	742,006	8.84%	709,912	8.36%	677,693	7.88%
Sales and Marketing	790,761	9.42%	780,185	9.19%	770,130	8.95%
Repairs and Maintenance	447,006	5.33%	394,867	4.65%	341,858	3.98%
Energy	412,339	4.91%	368,682	4.34%	324,231	3.77%
Franchise Fees	419,687	5.00%	424,589	5.00%	430,010	5.00%
Total Undistributed Expense	2,811,799	33.50%	2,678,234	31.54%	2,543,922	29.58%
Gross Operating Profit	2,095,365	24.96%	2,357,305	27.76%	2,635,492	30.64%
Fixed Expenses						
Insurance	186,819	2.23%	186,819	2.20%	186,819	2.17%
Management Fee	251,812	3.00%	254,753	3.00%	258,006	3.00%
Taxes	192,780	2.78%	192,780	2.74%	192,780	2.71%
Total Fixed Expense	631,411	8.00%	634,352	7.94%	637,605	7.88%
Net Operating Income	1,463,954	17.44%	1,722,953	20.29%	1,997,887	23.23%

Comments

Financials are based on a projected stabilization in year three (3).

ADR and Occupancy are based on the 100% of the index of the June 2017 Running 12 months STR report.

Operating Statistics are based on a sample of individual comparable operating statements from our database of hotel statistics.

Taxes are based on a market value of 85% of the asking price, assessed value of 10% of market value, and a millage of .11340

Wyndham Garden | New Orleans Airport



LODGING MARKET OVERVIEW

NEW ORLEANS PERFORMANCE METRICS

Smith Travel Research (STR) Year-End 2015 Operating Metrics (Ranked by RevPAR)

Market	RevPAR	% Change	ADR	% Change	Occupancy	% Change
New York	\$219.39	(1.70%)	\$259.11	(1.60%)	84.7%	0.0%
San Francisco	\$188.05	7.5%	\$222.90	7.1%	84.4%	0.4%
Oahu Island	\$187.32	4.1%	\$219.55	3.0%	85.3%	1.1%
Miami	\$152.83	6.0%	\$195.75	5.9%	78.1%	0.0%
Boston	\$143.81	7.9%	\$188.08	6.2%	76.5%	1.5%
Los Angeles/Long Beach	\$126.19	8.8%	\$158.37	7.5%	79.7%	1.2%
San Diego	\$115.11	8.6%	\$150.73	6.1%	76.4%	2.4%
Anaheim/Santa Ana	\$113.31	9.4%	\$143.98	6.2%	78.7%	3.0%
Seattle	\$113.14	8.8%	\$148.45	7.8%	76.2%	0.9%
Washington D.C.	\$105.75	5.4%	\$149.64	3.0%	70.7%	2.3%
New Orleans	\$103.30	3.4%	\$148.20	2.3%	69.7%	1.0%
Chicago	\$99.88	6.9%	\$142.69	5.9%	70.0%	1.0%
Austin	\$99.43	8.3%	\$134.76	6.3%	73.8%	1.9%
Nashville	\$93.11	11.1%	\$126.67	8.7%	73.3%	2.2%
Denver	\$91.41	7.9%	\$120.78	7.4%	75.7%	0.5%
Philadelphia	\$87.24	5.5%	\$128.01	4.3%	68.2%	1.2%
Orlando	\$86.19	9.1%	\$112.00	4.8%	77.0%	4.1%
Tampa/St. Petersburg	\$82.28	13.8%	\$114.56	7.7%	71.8%	5.6%
Phoenix	\$79.77	12.8%	\$121.09	8.0%	65.9%	4.4%
Minneapolis/St. Paul	\$76.72	5.8%	\$112.17	4.2%	68.4%	1.5%
Houston	\$74.42	(3.30%)	\$108.63	1.6%	68.5%	(4.80%)
Dallas	\$69.81	10.0%	\$98.91	5.7%	70.6%	4.1%
San Antonio*	\$69.33	3.2%	\$106.83	3.1%	64.9%	0.0%
Atlanta	\$68.40	9.3%	\$97.78	6.4%	69.9%	2.7%
St. Louis	\$64.73	5.3%	\$99.03	3.5%	65.4%	1.8%
Detroit	\$61.91	6.6%	\$94.14	5.5%	65.4%	1.8%
Norfolk/Virginia Beach	\$53.87	7.4%	\$94.45	3.3%	57.0%	4.0%
Top 25 Markets	\$108.47	6.1%	\$147.30	4.3%	73.6%	1.7%
All Other Markets	\$64.88	6.4%	\$104.97	4.5%	61.8%	1.8%
Total United States	\$78.67	6.3%	\$120.01	4.4%	65.6%	1.7%

Source: Smith Travel Research

* Not a Smith Travel Research top 25 Market

Value Add Opportunity – In 2016, the average ADR for the entire metropolitan New Orleans market was \$148. The ADR for the Wyndham Garden was \$93.

AIRPORT EXPANSION OVERVIEW

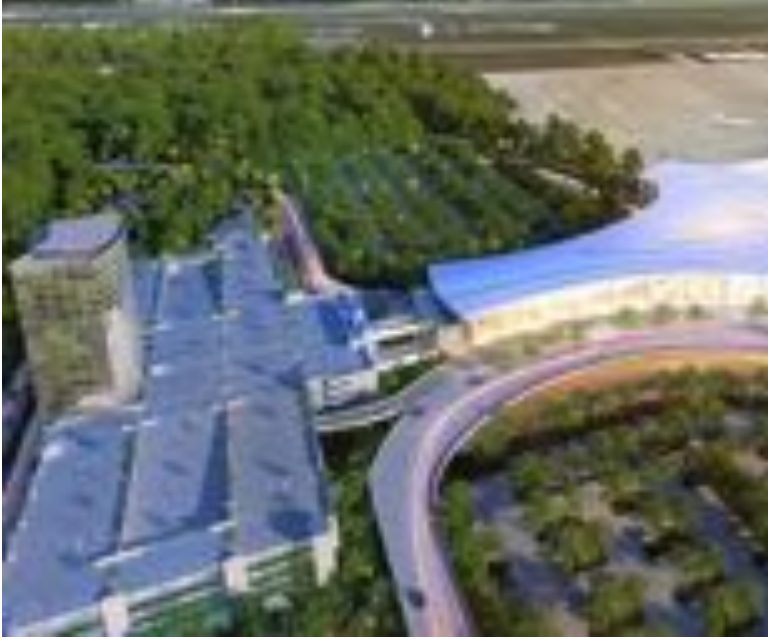


Recognizing the airport's role as the most important economic engine for the region, New Orleans officials recently broke ground on the new North Terminal, an expansion of MSY to accommodate ever increasing demand. The project is estimated to cost approximately \$1 Billion and will include:

- 650,000 square-foot facility – non-International main terminal
- 30 gates, eventually to be expanded to 42 gates
- 2,000-car parking garage
- Interstate-10 highway connections via new access roads and a flyover ramp
- Retail development
- Consolidated security checkpoint
- In-line baggage handling system
- Central utility plant

MSY ANNUAL PASSENGER VOLUME		
YEAR	PASSENGERS	% INCREASE
2009	7,787,373	-
2010	8,203,305	5.3%
2011	8,548,375	4.2%
2012	8,600,989	0.6%
2013	9,207,636	7.1%
2014	9,785,394	6.3%
2015	10,673,301	9.1%
2016	11,139,421	4.4%

MSY NEW DESTINATION ANNOUNCEMENTS IN 2017	
Airline	New Destination
Alaska Airlines	San Francisco
Frontier Airlines	Islip, Providence, San Antonio, and Austin
British Airways	London-Heathrow
Spirit Airlines	Boston, Tampa, Newark, Minneapolis-St. Paul, Baltimore, Cleveland, and Orlando
Delta Air Lines	Seattle and Boston
Southwest Airlines	Sacramento, San Jose, Cancun, Columbus, Indianapolis, Pittsburgh, Raleigh-Durham

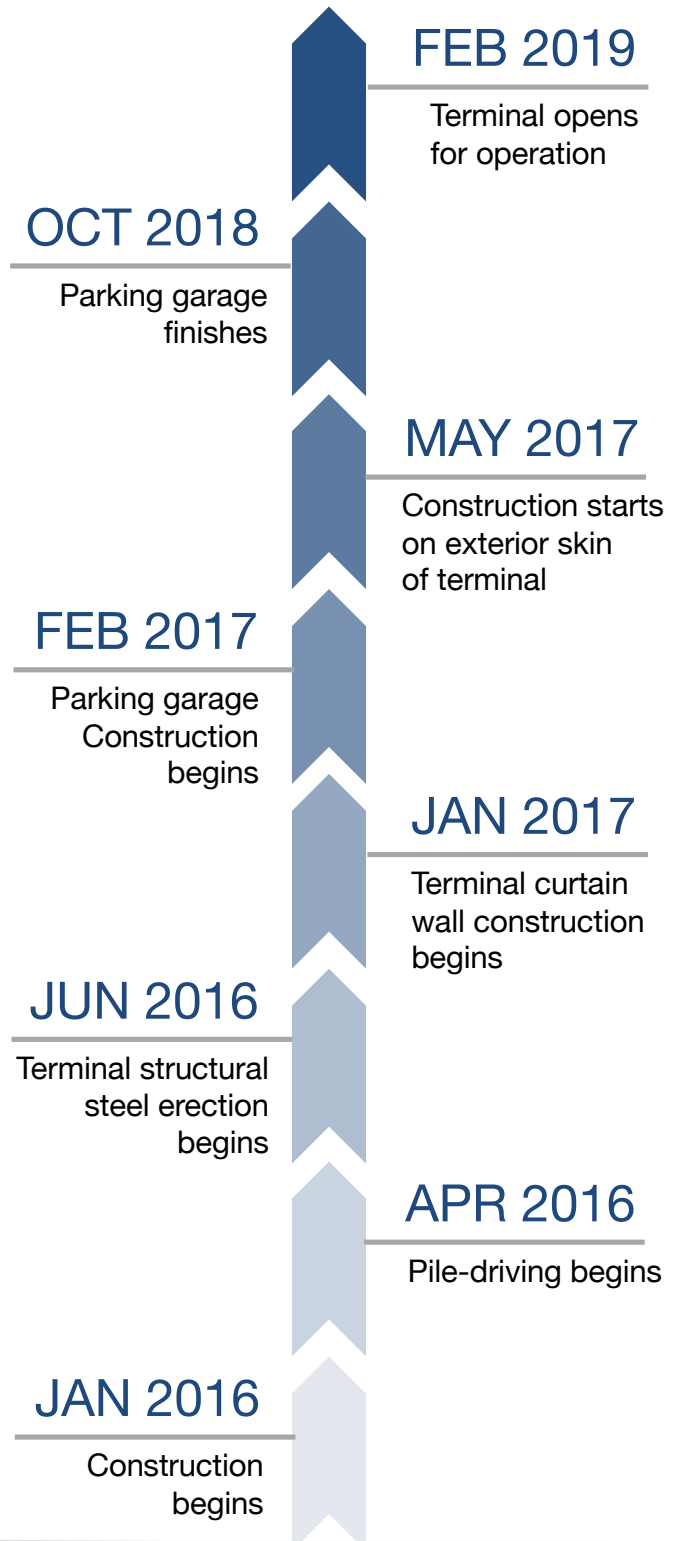


New Orleans' Mayor Landrieu has called the North Terminal development "the most transformative project for New Orleans since the Superdome."

The direct and indirect jobs created by this project will generate a significant economic impact to 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

AIRPORT EXPANSION TIMELINE





LOCAL MARKET DEMAND GENERATORS

- **Robust Tourism/Leisure Market** – With 10.45 million visitors in 2016, the \$7.41 billion tourism industry has exceeded pre-Katrina visitor levels and continues to be one of the area's largest economic drivers. the City of New Orleans launched a strategic plan in 2010 with the goal of attracting 13 million visitors and creating \$11 billion in direct spending, 33,000 additional jobs, and \$700 million in tax revenue by the City's 300th anniversary in 2018.
- **Strong Business Demand** – Due to low operating costs, aggressive state tax credits, and cooperation among city, state, and federal leaders, New Orleans has been successful in revitalizing business. Recently, the Wall Street Journal called New Orleans the "Most Improved City for Business" and Forbes Magazine listed it as one of the "Top 15 Big Cities for Jobs."
- **Oil and Gas Offshore Industry** – The Hotel has a thriving business serving oil and gas and maritime corporate clients. The oil and gas industry in the Gulf is one of the major contributors to the increase in RevPAR.
- **Convention Center** – The newly renovated Ernest N. Morial Convention Center provides 1.1 million square feet of contiguous exhibit space, making it the sixth largest convention facility in the nation. The venue consistently ranks in the country's top ten facilities in terms of attendance.
- **French Quarter** – Established in 1718, the French Quarter is the oldest neighborhood in New Orleans and is one of the City's primary tourist 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.



- **Festivals** – The City is host to world-renowned events, including Mardi Gras, The New Orleans Jazz and Heritage Festival, and Essence Music Festival. The University of New Orleans released an economic impact study which estimated that Mardi Gras generates over \$840 million annually.
- **Mercedes-Benz Superdome** – Since 2006, a total of \$336 million was spent on upgrades and improvements to fully modernize the stadium. Home to the NFL's New Orleans Saints, the Superdome is also the host of the Allstate Sugar Bowl and has been host to the Super Bowl and NCAA Men's Basketball National Championship.
- **World Famous Cuisine** – New Orleans is known for its unique French-inspired Cajun and Creole regional cuisine and boasts more than 1,300 restaurants, including three run by famed New Orleans chef Emeril Lagasse. Currently, there are 50% more restaurants open in New Orleans than before Katrina.

Conclusion

New Orleans has made a Full Recovery from the effects of Hurricane Katrina, and the 2008/2009 Financial Crisis. Because of the robust nature of its Convention Business and strong leisure growth via recurring special events, the City's glamour is fully present again today. With the advent of the new \$850 million Louis Armstrong International Airport Terminal due to open in 2019, the Wyndham Garden New Orleans Airport is the Right Asset, in the Right Location, at the Right Time.



NEW ORLEANS ECONOMIC OVERVIEW

An economic and social renaissance is underway in New Orleans, thanks to the convergence of a number of factors — education reform, an influx of young entrepreneurial talent, a motivated labor force, a business-friendly governor and an energetic emphasis on regional cooperation in the wake of Katrina. According to the director of economic development for Jefferson Parish, over 7,000 businesses have sprouted up in Jefferson Parish since 2005.

The following are notable points about the New Orleans MSA:

Continued Capital Investment — Since Hurricane Katrina, the region has seen approximately \$30 billion in investments. Most of these projects are ongoing and will continue contributing to the local economy.

New Relocations — An influx of professionals into the city has caught the attention of several major companies looking to relocate. In the past few years, New Orleans has welcomed Globalstar, Blade Dynamics, Gameloft, and General Electric. These companies account for more than 1,500 new jobs.

Diverse Local Economy — The New Orleans region has a diverse economy with major presences in many sectors including oil/gas, tourism, port, film, and aerospace manufacturing. The federal government also has a significant presence in the area. NASA's Michoud Assembly Facility is located in New Orleans East and is operated by Lockheed Martin.

Significant Port Activity — The Port of New Orleans is the sixth largest port in the United States based on volume of cargo handled, second largest in the state after the Port of South Louisiana, and 12th-largest in the U.S., based on value of cargo. The Port of South Louisiana, also based in the New Orleans area, is the world's busiest in terms of bulk tonnage and, when combined with the Port of New Orleans, it forms the eighth largest port system in volume handled.

Tourism Hub — Tourism is a major staple of New Orleans economy, a \$7-billion industry that accounts for 40% of New Orleans' tax revenues.

Thriving Location for Start Up, Tech, & Film Industries

— New Orleans has aggressively pursued new businesses by offering tax credits refunding 30% of start-up costs. The high-tech sector is flourishing as "Hollywood South" now represents the third largest film industry behind Los Angeles and New York.

TOURISM & CONVENTIONS

Over the past 20 years, the tourism industry in the New Orleans region has more than doubled. The tourism industry generates approximately 40% of the area's tax revenues and \$7 billion in visitor spending per year.

ERNEST N. MORIAL CONVENTION CENTER

One of the largest components of visitors to New Orleans is convention business. The Ernest N. Morial Convention Center is a world class structure with 1.1 million square feet of contiguous exhibit space, a 4,032-seat auditorium, two luxury ballrooms and 140 separate meeting rooms. A \$250-million expansion adding 411,000 square feet of exhibit space and 73 meeting rooms was completed in 1998 making Ernest N. Morial among the five largest in the United States. Additionally, in 2012 the convention center received another \$50-million upgrade in preparation of the Super Bowl. According to the New Orleans CVB, pre-bookings for 2017/2018 are tracking well ahead of pace and when compared to 2016 in terms of 10,000+ peak room nights (only one in 2016), the next two years are on track for up to 10 (four definite as of January 2016).



CASINOS

An additional source of tourism growth and revenue generation has been the gaming industry, which opened up its doors in Louisiana in the early 1990s. New Orleans' casinos employ over 15,000 workers locally and generate approximately \$2.4 billion-plus per year.



FRENCH QUARTER

New Orleans is a city rich in history, world renowned for its Cajun and Creole influence, Dixieland jazz, and annual festivals like famed Mardi Gras. The French Quarter, which was founded in 1718 and comprises a 10 by 15 block area just east of the CBD, is the original boundary of the City of New Orleans. Today it is a popular tourist destination as well as an important residential area and business district. Flush with historic structures such as St. Louis Cathedral and the Pontalba Apartments (said to be the oldest apartments in North America), the French Quarter represents both the past and present of New Orleans, and has remained the central point for much of the city's activity. 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 tourist spending.

MAJOR CAPITAL PROJECTS

The incredible recovery of New Orleans has been driven largely by billions of dollars in federal funds. Eleven years after Hurricane Katrina flooded 80% of the city and displaced 400,000 residences, New Orleans has become one of the fastest-growing US commercial real estate markets. Luxury housing, retail and office projects are under way in a construction boom fueled by \$120.5 billion in federal funds. Major projects such as the Bio-District, a 1,500-acre downtown development that will include two hospitals, research facilities, offices, and retail, as well as the \$1-billion Louis Armstrong International Airport expansion are redefining the city and reigniting growth, which has in-turn attracted significant private institutional investment to the market.

The following are some of the largest ongoing and recently completed construction projects in New Orleans totaling \$8.73 billion:

Top Construction Projects	Description	Cost	Estimated Completion Date
1 Orleans Parish Public School System Rebuild	Public school rehab and rebuild	\$1.8 billion	Completed
2 Huey P. Long Bridge Widening	Widening bridge from 2 to 3 lanes in each direction.	\$1.2 billion	Completed
3 Public Housing Rebuild	Rebuild 4 public housing projects to create mixed-income communities	\$1.2 billion	Completed
4 University Medical Center	560,000 SF Hospital 746,000 SF Diagnostic Center 254,000 SF Ambulatory Care Building 1,346-Car Parking Structure	\$1.06 billion	Completed
5 Louis Armstrong North Terminal	Addition of the new 30-gate North Terminal at Louis Armstrong International Airport	\$1 billion	2019
6 VA Complex (Bio-District)	30-Acre Veterans Affairs Hospital in lower Mid-City Serving the Gulf Coast	\$1 billion	Completed
7 New Orleans Street Repairs	Road reconstruction and resurfacing including streetscape and sidewalk projects	\$997 million	Various
8 National WWII Museum Expansion	A multiphase expansion featuring six pavillions	\$370 million	Completed
9 Port of New Orleans Expansion	Cold storage facility, cargo crane installation, intermodal freight yard, Julia Street terminal expansion	\$103 million	Completed

National WWII Museum Expansion



New Orleans Bio-District



ACCOLADES...

Fodor's: #1 in the Top 25 Places to Go in 2013

ABC Travel Guides for Kids: Top Seven US Family Destinations for 2013

Southern Living: "Tastiest Towns in the South" for 2013

Orbitz.com: #3 Sexiest Cities 2013

Brookings Institutions: #1 Metro Area for overall economic recovery

Brookings Institution: #1 Growing Metro Area for employment

*2012 World Tourism Award for
outstanding accomplishments in the travel industry*

Forbes Magazine: Top 15 big cities for jobs in 2012

Yahoo!: Top Ten destinations searched for in 2012

Travel+Leisure Magazine: "America's Favorite City 2012 Overall"

Group Today: "Best Southern Destination" in the 2012 Reader's choice awards

Forbes Magazine: #4 Metro Area for overall job growth in the USA

Away.com: "One of the Five Most Affordable U.S. Cities for Travelers"

Conde Nast: "Top 10 Cities in the United States" by Traveler's Readers' Choice

Forbes Magazine: Top 10 Best Cities for Working Mothers

Bloomberg Businessweek: Top 15 in "Best Cities in America" Rankings

U.S. Census: Fastest Growing major U.S. City

Kiplinger: New Orleans as the Best City for Retirees

Travel+Leisure: "Best U.S. city for shopping based on consumer experience"

AAA Southern Traveler's Annual Best of the South: Best Large City for a Weekend



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