

Growing our businesses together with the highest standards of business ethics and dealings.

SBEA Newsletter

March 19, 2024

Volume 52, Issue 10

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Upcoming SBEA Events

March 26, 2024

Classification Talk by Michael Smith, Pioneer Comfort Systems
SBEA Board Meeting

March 28, 2024

SBEA Orientation (11:30 A.M. at East Ridge Country Club)

April 2, 2024

SBEA Family Day (**NO SBEA BREAKFAST MEETING**)

April 9, 2024

Classification Talk by George Fritze, Red River Chevrolet

Our Meeting Today

Attendance was better today. Please continue to make SBEA a weekly commitment. When someone gives their Classification Talk it is better to see a room full rather than a bunch of empty seats! Remember if you will be out, please let the SBEA office know.

This morning we had **53** members at our meeting with the '9' tables listed below 100%!

Table #2—**Cole Smith**, Colvin, Smith & McKay, Attorneys

Table #5—**Mark Porter**, Porter's Cleaners

Table #6—**Leanne Churchman**, Worrell Bros. Promotional Sales

Table #7—**Carolyn Moore**, Carolyn Moore Coaching & Consulting

Table #8—**Charlie Coyle**, Coyle Engineering

Table #9—**Jason Doyle**, Sound Minds

Table #10—**Bill Haynie**, Advanced Cardiovascular Specialists

Table #12—**John Albin**, American Child Preschool & Child Care

Table #13—**Debra Williams**, The Glen Retirement Systems

Please, if you are ill, STAY HOME!

Classification Talk



Mark Sealy of Sealy Real Estate Services is married to Cherie and they have 3 children. Their 2 daughters and their son all live in Shreveport and work in the business with Mark. Sealy & Company recently celebrated their 75th year in

business.

Sealy Real Estate Services was founded in 1946 by Mark's father and grandfather. They started by developing residential lots for soldiers coming back from World War II. Mark's brother joined the family business in 1968 and Mark joined them in 1981 after he graduated from the University of Denver with a degree in Real Estate and Construction Management.

As a fourth-generation family-owned business, today Sealy is a recognized leader in acquiring, developing, and redeveloping industrial/flex, regional distribution warehouses, and other industrial properties.

Since the mid 70's Sealy Real Estate Services has focused primarily on two areas of real estate: Real Estate Brokerage and Property Management Services. Their real estate investments are primarily in the South and Southeast. They currently have regional offices located in Shreveport, Dallas, Houston, and Atlanta. They have 100+ employees in these offices. The Shreveport office serves as the back-office operations for accounting and asset management, as well as local property management and brokerage.

Their core values at Sealy Real Estate Services are passion, innovation, discipline, commitment, and entrepreneurship. At Sealy Real Estate Services, they consider themselves experts in industrial, retail, office, land, and recreational properties. Some of the services they can offer you are:

- Investment Services** (qualified individual investors and institutions, funds, joint ventures, partnerships, and separate accounts);
- Brokerage Services** (sale, lease, buyer and tenant representation and property specific marketing);
- Property Management** (Affiliated and 3rd party owned properties, comprehensive accounting and reporting, annual strategic operating plans, manage property conditions and standards);
- Asset Management** (manage capital and financing requirements, periodic valuations, and in-depth forecasting);
- Construction Management** (space planning, configuration, design and space planning, contract and manage tenant and building improvements);
- Acquisition & Development** (acquisition and development project consulting, identify and execute dispositions, and cultivate deal relationships).

Sealy Real Estate Services, a division of Sealy & Company focuses on Commercial & Industrial sales and leases and buyer/tenant representation exclusively for the industrial office, retail, and land market.

He indicated that there is a minimal new supply of dock high warehouses and suburban office buildings.

Classification Talk, cont.

Mark said the primary factors leading to most of the local development are:

- 1) The ability to borrow cheap money.
- 2) Accumulated savings / improved balance sheets.
- 3) The low return on alternative investments is causing individuals to be their own landlord.

A good lead for Mark is someone looking to buy, sell, or lease property; a business looking to expand or relocate; someone looking to build a property or someone looking for an investment property or a co-tenant for an investment property. If you, or someone you know has any of these needs, please give Mark a call. You can go to <http://www.sealynet.com> to find out more on Sealy & Company.

Mark gave an excellent presentation, so his presentation is included in this write up.




SRES
Sealy Real Estate Services

Commercial Real Estate Exclusively
Since 1946


318.222.8700
www.sres.com


Classification Talk, cont.


A Full-Service Commercial Real Estate Platform



| | | | | | | |
|---|---------------------|---------|-------------------|---------------|------------|-----------------|
| SIS Capital | Investment Services | Leasing | Construction Mgmt | Property Mgmt | Asset Mgmt | SRES Shreveport |
| Accounting / Administrative / HR / IT / Marketing | | | | | | |

 **ACTIVE MANAGEMENT**
+ Fully-integrated platform
+ Strategic full-cycle asset management.

 **LONG-TERM RELATIONSHIPS**
+ Key relationships developed over decades
+ One of most tenured workforces in the industry

 **INNOVATIVE SYSTEMS**
+ Advanced technology
+ Data-driven decisions manage risk & create efficiencies



Driven By Passion

Family-Owned, Results-Driven

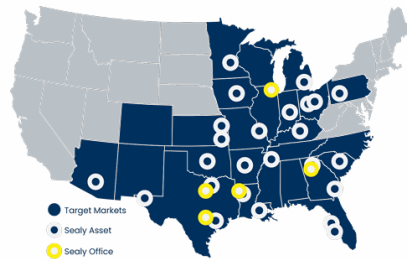
Our Statistics

| | | | |
|----------------------------|-------------------------------|-------------------------------------|--------------------------------|
| 78+ | 300+ | \$6.5B+ | \$2.8B |
| Years of Experience | Partnerships | Investment Volume Since 2001 | Assets Under Management |
| 214 | 33MM | 680 | 97% |
| Buildings | SF Owned & Managed | Tenants | In-Service Occupancy |

Statistics as of 12/31/2023

Classification Talk, cont.

Sealy Portfolio Statistics & Investment Focus



| | | |
|---|--|---|
| 32.7 MM Combined Square Feet ⁵ <i>(\$2.3 MM increase in 2023)</i> | \$2.8 B Assets Under Management ⁵ <i>(\$233.7 MM increase in 2023)</i> | \$134.9 MM Net Operating Income (NOI) |
| 214 Total Buildings | 147,000 Average Building Size | 29 Markets |
| 679 Tenants | 54,100 Average SF Tenant Size | 3.5 Years Weighted Average Lease Term Remaining |
| 38.0% Rental Rate Change | 75.3% Tenant Retention | 96.7% In-Service Occupancy |

- INDUSTRIAL TYPES**
- + Warehouse
 - + Manufacturing
 - + Flex Industrial
 - + Technology Facilities

- CHARACTERISTICS**
- + Core
 - + Core Plus
 - + Value Add
 - + Opportunistic

- DIVERSIFICATION**
- + Single-Tenant
 - + Multi-Tenant
 - + Varying Lease Terms
 - + Geographic
 - + Sector



Comprehensive, in-house team with 300+ YEARS of combined experience

Offering an established network of industry relationships through our 12 EXPERIENCED AGENTS

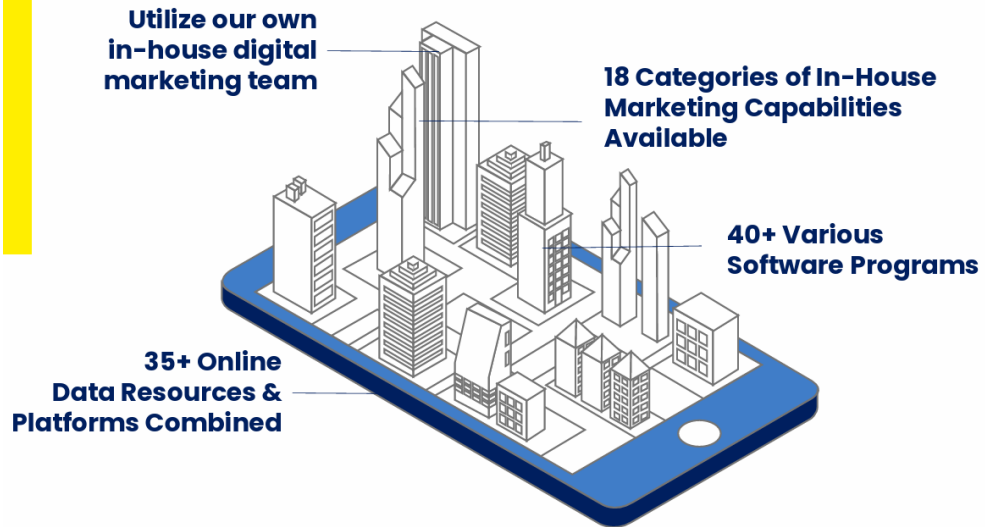
Our Local Brokerage Team

Classification Talk, cont.

SRES Services Platform



Multi-Faceted Marketing



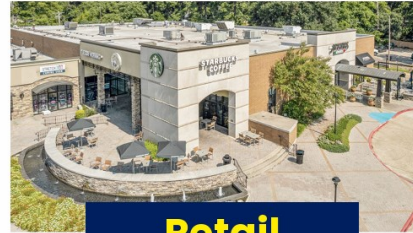
Strategic & Streamlined to Yield Maximum Exposure and Return

Classification Talk, cont.

Property Types



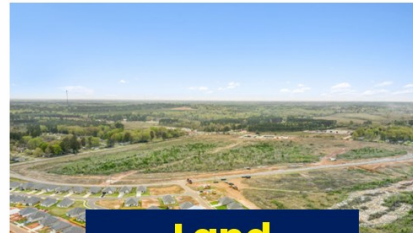
Industrial



Retail



Office



Land

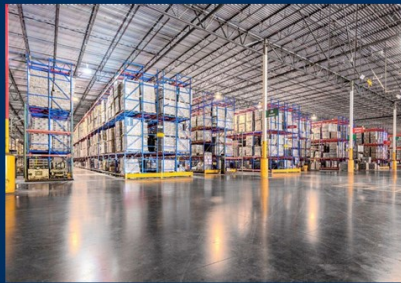
Classification Talk, cont.

Featured Properties

5001 GREENWOOD RD

Industrial for Lease

40,000 - 646,000 SF Available



- 32' Clear
- ESFR Sprinklers
- Expandable to 1,050,000 SF
- 17,010 SF Office Space



Classification Talk, cont.



Uptown Shopping Center

Retail for Lease

2,549 - 10,471 SF Available

- Covered Portico with a Brick Walkway
- Located one of Shreveport's most upscale residential areas
- Near I-49, I-20, Downtown Shreveport, & Shreveport Regional Airport



Classification Talk, cont.

425 Ashley Ridge

Office for Lease

980 – 2,812 SF Available



- Prime suburban office park
- Excellent visibility
- Quick access to LA Hwy 3132 and I-49



I-49 at SOUTHERN LOOP NE & SE CORNER

Land for Sale

95 Acres Available

- Perfect for Development
- Frontage on Southern Loop
- High Visibility
- High Growth Area



Classification Talk, cont.

Slack Industrial Park

Industrial for Lease
49,614 SF Available



- 8 Industrial Warehouses
- 200 Acres
- Access to I-49, LA 3132
- 100% Leased



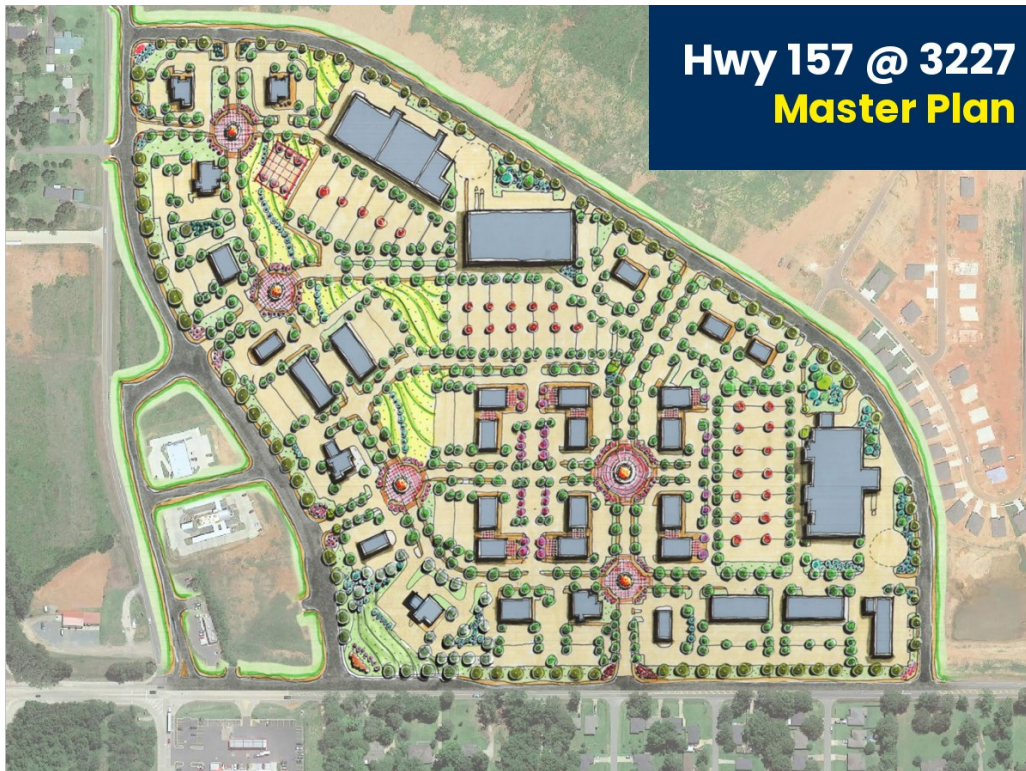
Haughton Hwy 157 @ 3227

Land for Sale
69 Acres Available

- Located in Growing Haughton-7th fastest growing municipality in the state
- Surplus of new residential development surrounding the area
- Commercial development in Haughton just south of the I-20/Hwy 157 interchange
- Variety of size sites available for sale/development
- Various lot size configurations starting at 1-acre

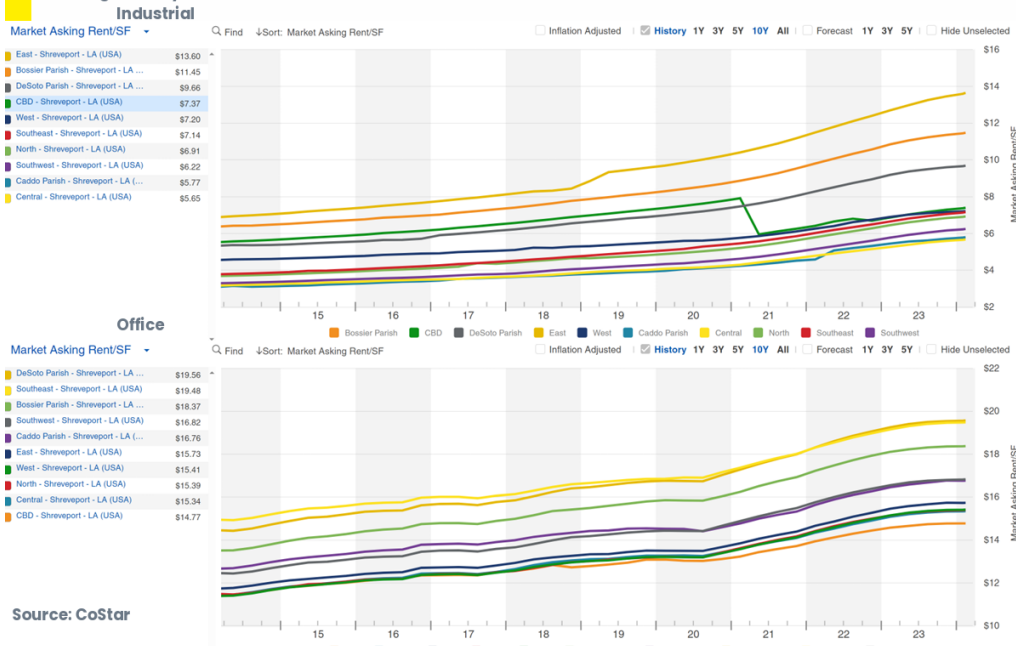


Classification Talk, cont.

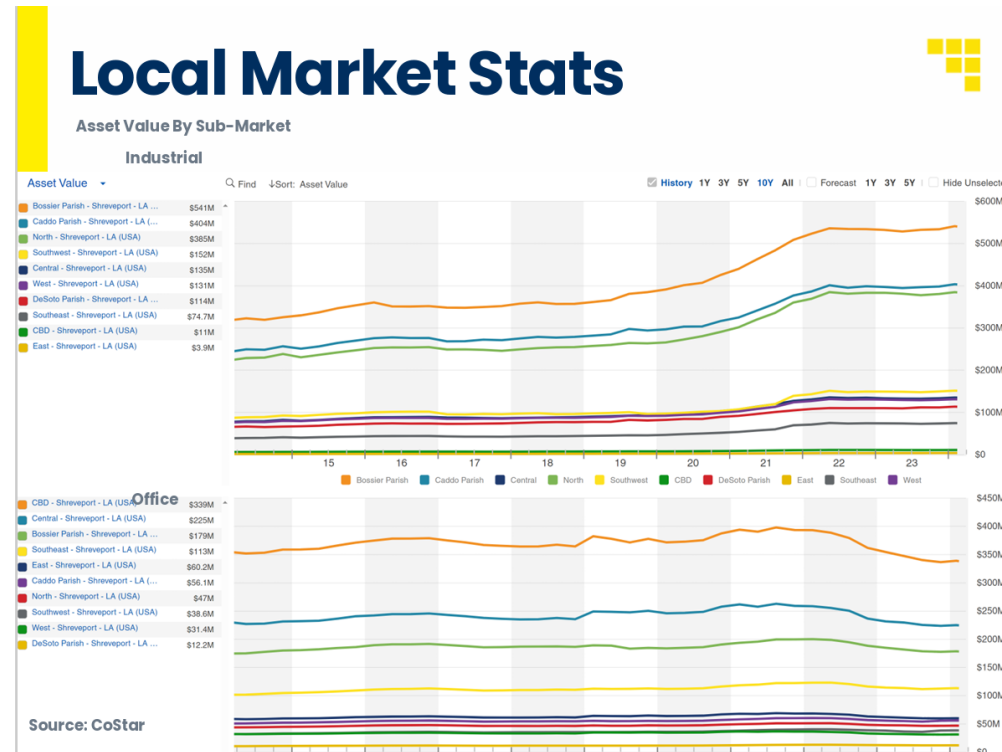
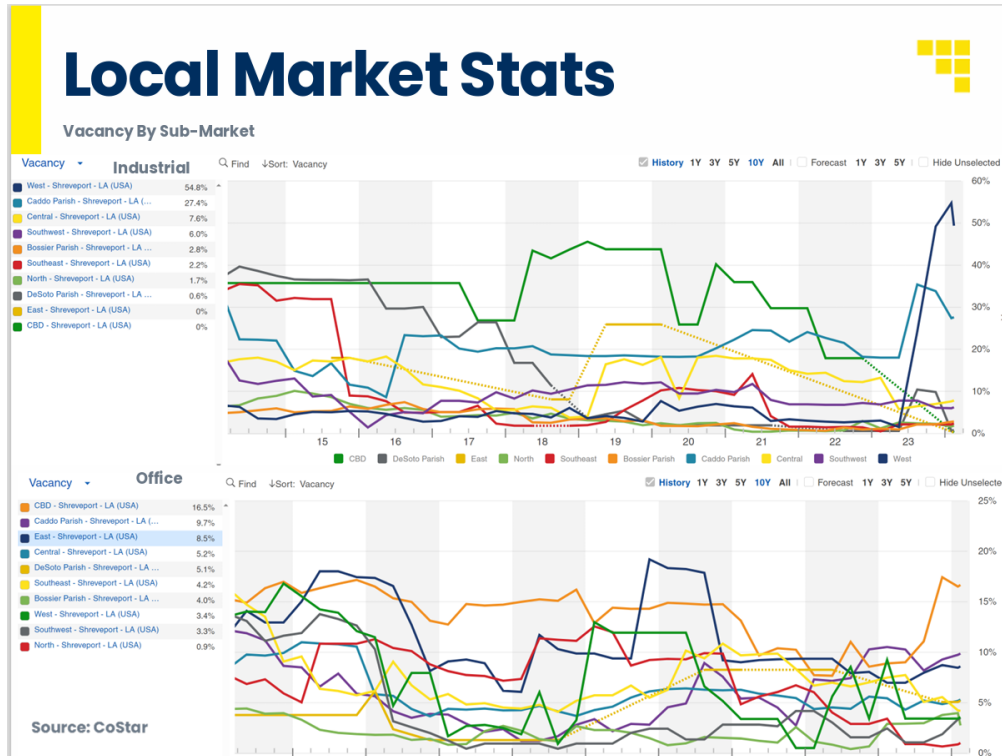


Local Market Stats

Asking Rents By Sub-Market



Classification Talk, cont.



Classification Talk, cont.



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Shreveport, LA 71101
www.SRES.com | 318.222.8700

Classification Talk, cont.

Local Market Update – February 2024

A RESEARCH TOOL PROVIDED BY LOUISIANA REALTORS®

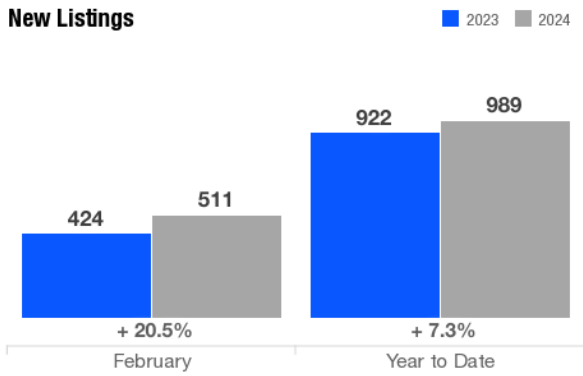


Northwest Louisiana Association of REALTORS®

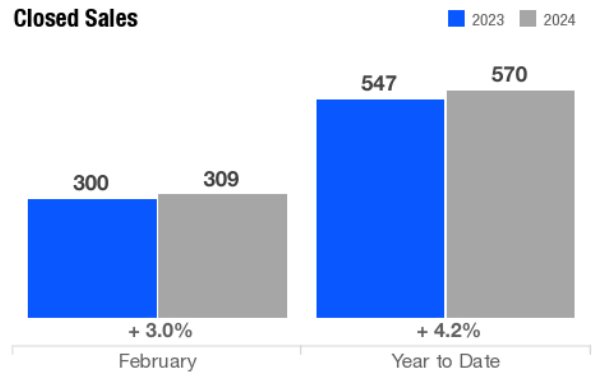
| All Residential Properties Key Metrics | February | | | Year to Date | | |
|---|-----------|-----------|----------|--------------|-------------|----------|
| | 2023 | 2024 | % Change | Thru 2-2023 | Thru 2-2024 | % Change |
| New Listings | 424 | 511 | + 20.5% | 922 | 989 | + 7.3% |
| Pending Sales | 377 | 388 | + 2.9% | 730 | 784 | + 7.4% |
| Closed Sales | 300 | 309 | + 3.0% | 547 | 570 | + 4.2% |
| Days on Market Until Sale | 49 | 58 | + 18.4% | 51 | 59 | + 15.7% |
| Median Sales Price* | \$205,000 | \$210,000 | + 2.4% | \$201,000 | \$205,000 | + 2.0% |
| Average Sales Price* | \$228,586 | \$226,772 | - 0.8% | \$221,351 | \$224,152 | + 1.3% |
| Percent of List Price Received* | 96.9% | 97.2% | + 0.3% | 96.5% | 96.7% | + 0.2% |
| Housing Affordability Index | 139 | 131 | - 5.8% | 142 | 134 | - 5.6% |
| Inventory of Homes for Sale | 993 | 1,263 | + 27.2% | — | — | — |
| Months Supply of Inventory | 2.4 | 3.4 | + 41.7% | — | — | — |

* Does not account for sale concessions and/or downpayment assistance. | Percent changes are calculated using rounded figures and can sometimes look extreme due to small sample size.

New Listings

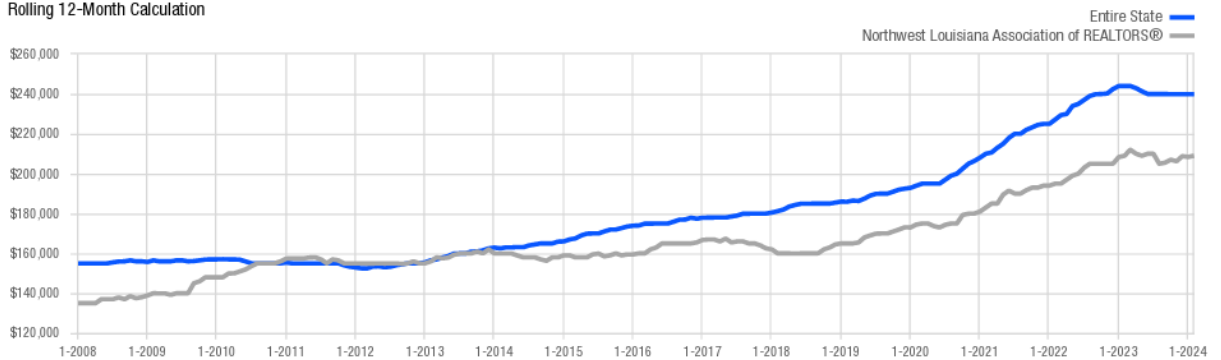


Closed Sales



Median Sales Price


Rolling 12-Month Calculation



A rolling 12-month calculation represents the current month and the 11 months prior in a single data point. If no activity occurred during a month, the line extends to the next available data point.

Current as of March 10, 2024. All data from the Northwest Louisiana Association of REALTORS®. Report © 2024 ShowingTime Plus, LLC.

Classification Talk, cont.



The Leaderboard

Industrial Sector

Real Estate Investment Banking
March 15, 2024

David Gorden - Managing Director
(617) 385-6220
dgorden@key.com

Mark Koster - Managing Director
(770) 510-2150
mkoster@key.com

John Horrigan - Managing Director
(216) 689-4615
jhorrigan@key.com

Ryan Salem - Managing Director
(216) 689-4022
rsalem@key.com

The following presentation provides a detailed analysis of the Equity REIT market, including current trading, total return, leverage, coverage and valuation statistics.

This presentation analyzes 145 Equity REITs within the following 14 sectors:

- Health Care (15)
- Office (23)
- Data Center (2)
- Industrial (11)
- Shopping Center (16)
- Malls (5)
- Manufactured Housing (3)
- Multifamily (14)
- Self Storage (5)
- Lodging (14)
- Triple Net (17)
- Single Family (2)
- Timber (3)
- Specialty (15)

Industry Comps:

Section I presents a series of 52 ranking tables comprised of each of the 145 publicly traded Equity REITs plus the median values for each of the 14 sectors listed above.

Sector Comps:

Section II provides a series of tables which are broken by the 14 sectors listed above.

| (median) | Healthcare | Office | Data Center | Industrial | Shopping Center | Malls | Manfact. Housing | Multi-Family | Self Storage | Lodging | Triple Net | Single Family | Timber | Specialty | All REITs |
|----------------------------|------------|-----------|-------------|------------|-----------------|-----------|------------------|--------------|--------------|----------|------------|---------------|----------|-----------|-------------|
| Market Data | | | | | | | | | | | | | | | |
| Current Yield | 6.96% | 5.78% | 2.73% | 3.25% | 4.49% | 4.22% | 2.92% | 4.36% | 4.77% | 3.33% | 5.98% | 3.04% | 3.45% | 4.48% | 4.54% |
| Market Cap | \$2.63B | \$1.24B | \$62.68B | \$6.90B | \$1.88B | \$3.21B | \$12.79B | \$4.31B | \$9.67B | \$1.83B | \$2.26B | \$18.29B | \$4.99B | \$1.74B | \$2.64B |
| Aggregate | \$110.1 B | \$68.4 B | \$125.4 B | \$175.5 B | \$62.8 B | \$63.4 B | \$30.5 B | \$120.5 B | \$94.0 B | \$39.9 B | \$90.2 B | \$36.6 B | \$33.6 B | \$217.1 B | \$1,268.1 B |
| Enterprise Value | \$4.67A | \$4.54B | \$80.94B | \$9.35B | \$4.00B | \$4.89B | \$16.33B | \$7.46B | \$12.91B | \$3.45B | \$4.82B | \$24.60B | \$6.34B | \$7.07B | \$5.51B |
| Aggregate | \$178.4 B | \$168.6 B | \$161.9 B | \$232.3 B | \$103.6 B | \$107.2 B | \$43.6 B | \$173.9 B | \$127.3 B | \$69.9 B | \$145.9 B | \$49.2 B | \$39.8 B | \$362.5 B | \$1,964.3 B |
| Total Return | | | | | | | | | | | | | | | |
| 1 Week Total Return | -1.85% | -1.93% | -3.60% | -2.42% | -2.49% | -0.28% | -1.87% | -1.55% | -4.03% | -2.36% | -1.70% | -0.37% | -4.29% | -1.78% | -2.11% |
| 3 Month Total Return | -6.06% | -12.50% | 6.90% | -3.57% | -6.12% | 5.16% | -1.64% | -1.73% | -5.49% | 2.49% | -6.35% | 2.91% | 0.92% | -4.91% | -4.05% |
| LTM Total Return | 0.86% | 2.04% | 31.95% | 6.73% | 9.09% | 54.71% | 1.78% | -2.84% | -7.52% | 13.07% | -3.43% | 18.32% | 6.72% | 0.86% | 2.52% |
| 2 Year Total Return | -18.57% | -44.71% | 19.51% | -9.73% | -7.23% | 28.18% | -20.07% | -30.70% | -12.73% | -12.82% | -9.41% | -3.47% | -9.13% | -12.24% | -17.18% |
| 3 Year Total Return | -21.04% | -39.87% | 25.34% | 15.90% | 3.06% | 40.16% | -6.77% | -8.41% | 16.32% | -26.99% | -1.47% | 19.37% | 9.58% | -17.94% | -9.37% |
| 4 Year Total Return | 16.00% | -36.49% | 30.63% | 65.96% | 37.51% | 65.76% | 7.80% | -0.33% | 55.67% | 43.46% | 22.67% | 40.90% | 73.86% | 20.48% | 19.96% |
| 5 Year Total Return | -2.31% | -43.47% | 78.24% | 62.40% | 9.05% | -15.10% | 28.97% | 5.27% | 62.46% | -26.61% | 0.07% | 68.53% | 61.41% | 17.62% | 2.45% |
| Leverage / Coverage | | | | | | | | | | | | | | | |
| EBITDA / (IE + Pfd) | 3.52x | 2.94x | 6.67x | 5.46x | 3.73x | 2.42x | 3.88x | 3.94x | 6.20x | 2.73x | 4.36x | 4.69x | 5.86x | 2.57x | 3.56x |
| (Debt + Pfd.) / EV | 42.80% | 65.83% | 22.88% | 23.54% | 40.51% | 65.71% | 32.81% | 35.32% | 24.42% | 53.13% | 38.74% | 25.38% | 18.81% | 38.61% | 42.26% |
| Valuation | | | | | | | | | | | | | | | |
| P / '24 FFO | 11.24x | 8.28x | 27.53x | 19.99x | 12.83x | 10.70x | 18.27x | 14.61x | 16.23x | 8.86x | 12.16x | 19.77x | 19.12x | 13.95x | 12.26x |
| P / '25 FFO | 10.40x | 8.60x | 25.40x | 17.99x | 12.07x | 12.06x | 17.26x | 14.19x | 15.56x | 8.84x | 11.72x | 18.77x | 19.23x | 13.21x | 11.93x |
| P / '24 AFFO | 11.61x | 10.60x | 23.65x | 21.97x | 16.54x | 13.77x | 20.64x | 16.27x | 17.46x | 12.40x | 11.82x | 22.92x | 25.04x | 15.26x | 14.26x |
| P / '25 AFFO | 11.03x | 11.47x | 21.88x | 19.96x | 15.32x | 13.34x | 19.23x | 15.76x | 16.55x | 11.72x | 11.45x | 21.75x | 22.15x | 15.53x | 13.63x |
| '24 FFO Payout | 77.9% | 47.0% | 70.6% | 69.9% | 55.0% | 43.9% | 66.1% | 65.6% | 78.6% | 31.1% | 72.8% | 59.8% | 65.9% | 68.6% | 61.9% |
| '24 AFFO Payout | 78.4% | 66.8% | 64.2% | 78.0% | 76.0% | 64.2% | 77.3% | 73.4% | 82.8% | 40.6% | 73.5% | 69.4% | 79.0% | 71.4% | 72.6% |

Looking for New Members



This morning, we highlighted a fence contractor for a possible new member. We currently have 69 member firms and 10 associate members. We now don't have an Ear, Nose and Throat Physician. We need a florist and there are so many other open classifications. A good number of members for SBEA is 85-90. So please remember, we are always looking for new members. If you know of someone who would make a good member for SBEA, please contact the SBEA office.

I update an Excel Workbook whenever there are changes. This workbook has phone numbers, home and business addresses, classifications, and websites. This way you can check all of your information and make sure it is all correct, but you can also check on the classifications. If you aren't for sure if a classification is open, still submit any new members you may have on your mind and it will be checked to make sure the classification is not taken.

Please **DO NOT TELL People that you are going to propose them for membership!** The process takes 3-4 weeks in order to get the new member approved for publication. After a new member proposal is published to the membership and has passed the 15 working days of publication without any issues you will then be asked to invite them to a meeting. In case a person or firm does not pass all the steps this process helps prevent hurt feelings.

If you would like to propose someone, let the SBEA office know and a new member proposal form will be sent to you or you can go to the SBEA website and fill out the form. Also there are forms in the table books every Tuesday.



March 18 - Doug Rountree
 March 25 - Charlie Pippin
 March 28 - David Clark
 March 29 - Adam Rimmer
 April 7 - Mark Eldredge
 Carolyn Moore
 April 9 - Charlie Coyle
 April 16 - Debbie Frey
 April 19 - Gerald Adams
 Thomas Sanders
 April 25 - Chris Fultz

Leads Program

Keith Payne led us in our Leads Program this morning. As you can see leads were slim. Next week a \$50 gift certificate to Smith Farms will be the prize. So you can get you some good steaks!

Please bring leads to share with the membership. That is what SBEA is all about! Even if you are unable to attend the SBEA meetings, email or text your leads to the SBEA office so they can be published in the newsletters.

SPLIT THE POT DRAWINGS

Remember to bring money each Tuesday for the Split-the-Pot drawing. The tickets are \$1.00 each or 6 tickets for \$5.00. The money collected is divided and the winner each week wins half the monies and the other half goes to pay for the beer and wine for the SBEA Christmas party. So bring money to help run the pot up each Tuesday!

This morning **Moss Duvall** was the lucky winner of \$24.00.

Construction Leads

New Tractor Supply—
 Nacogdoches, TX.
 Lloyd Hoover

General Leads

6 lots for sale in Pecan Estate in Bethany, The 7th pending sale—5 of the other 6 have offer but not accepted. \$15,000 asking per lot, the others can be sold as group at a reduced price.
 Lloyd Hoover

Vacation Getaways

We would love to work directly with anyone in the group that is interested in a Gulf Shores vacation. We have 4 properties to choose from - 3 bed/3 bath across the street from beach, 4 bed/3 bath directly on beach, 6 bed/6 bath directly on beach and 9 bed/9 + bath directly on beach. All 4 houses have a pool. We manage our properties personally so there are no surprises.



To view the properties, visit our website www.portersmark.com

We have had numerous weddings and corporate retreats at Porter's Mark. Several of our SBEA members have either visited or stayed in one of our properties. Feel free to ask Debbie Frey, Ricky Rogers, Robert Poindexter or Bryan Roppolo for their feedback. We are very proud of these properties and feel confident that your beach experience and memories will exceed your expectations.

Kate & I look forward to hosting your next beach vacation.

Mark Porter

If you would like to put your vacation condo or home in the SBEA newsletter please send the information to debbie@sbea.biz and you can get the same free advertising.



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E-mail: debbie@sbea.biz

**Growing our businesses together
with the highest standards of
business ethics and dealings.**

SBEA is.....

A business service organization, operating for the individual benefit of its member firms, not for profit as an organization or for philanthropic pursuits.

An organization with one primary purpose... to produce business leads for its fellow members.

An organization that provides its members with dependable sources of supply. Members trust each other to provide the highest quality of products and services at a reasonable price. When a fellow member is satisfied with the service, they will recommend the member(s) to their other business and personal contacts.

Shreveport Bossier Executives should be thought of as an extension of your business, and part of your marketing plan! You have an extended "executive sales force" that you meet with each week. As with any sales force, they need to be educated and trained to maximize their potential for developing leads that turn into business for you! Use your SBEA membership to its full advantage!

Make Your Membership Count

- Target different members each week
- Share your contacts
- Exchange ideas
- Give quality leads
- Follow up on leads you receive
- Say clearly who you are
- Thank members publicly for all leads
- Ask for the business
- Tell them what you do
- Share your business information
- Participate during table discussions
- Be interested in what others say and do
- Prepare an info-mercial
- Propose a quality firm for membership
- Report all Direct Business and New Leads