

NEW ORLEANS & NORTHSHORE

STATE OF THE COMMERCIAL REAL ESTATE MARKET

APRIL 2026

Paul Hendershot
phendershot@costar.com

Cody Gibbs
cgibbs2@costar.com



Before we get started...



You don't know what you don't know.

~ Socrates

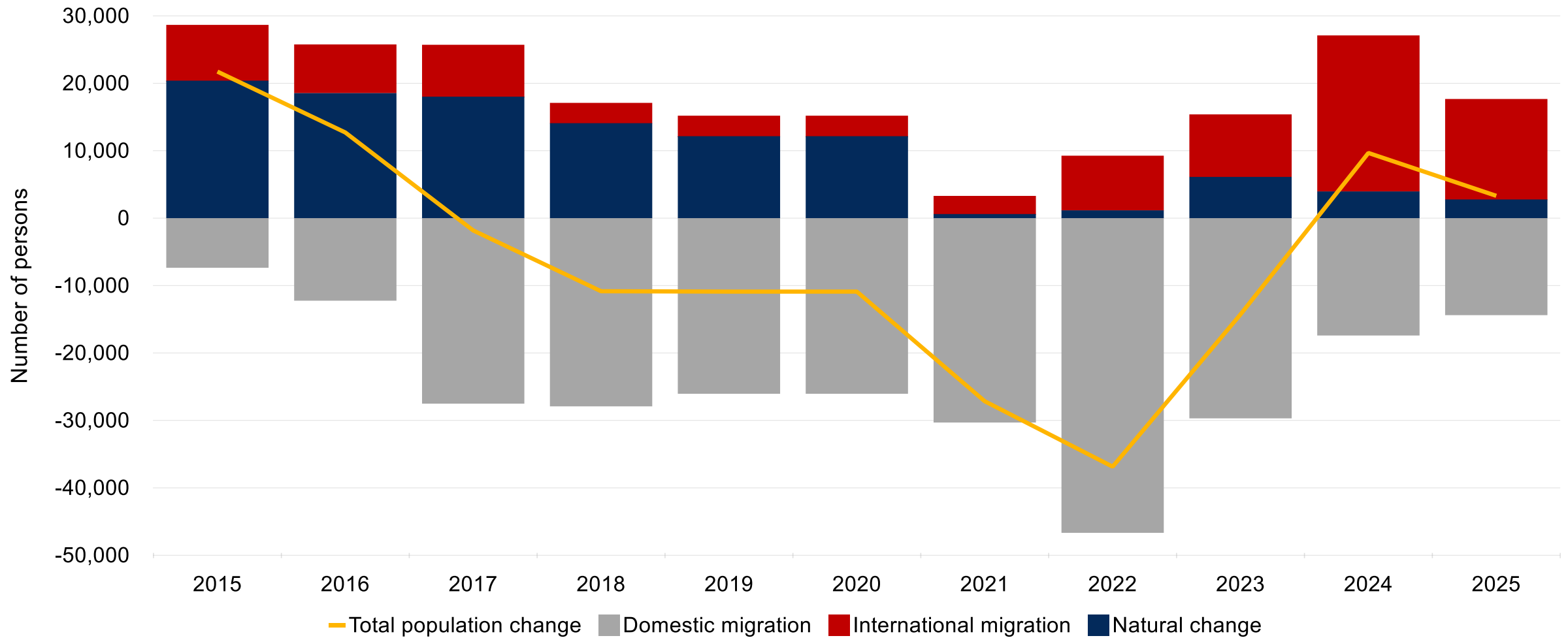


AZ QUOTES

ECONOMY & DEMOGRAPHICS

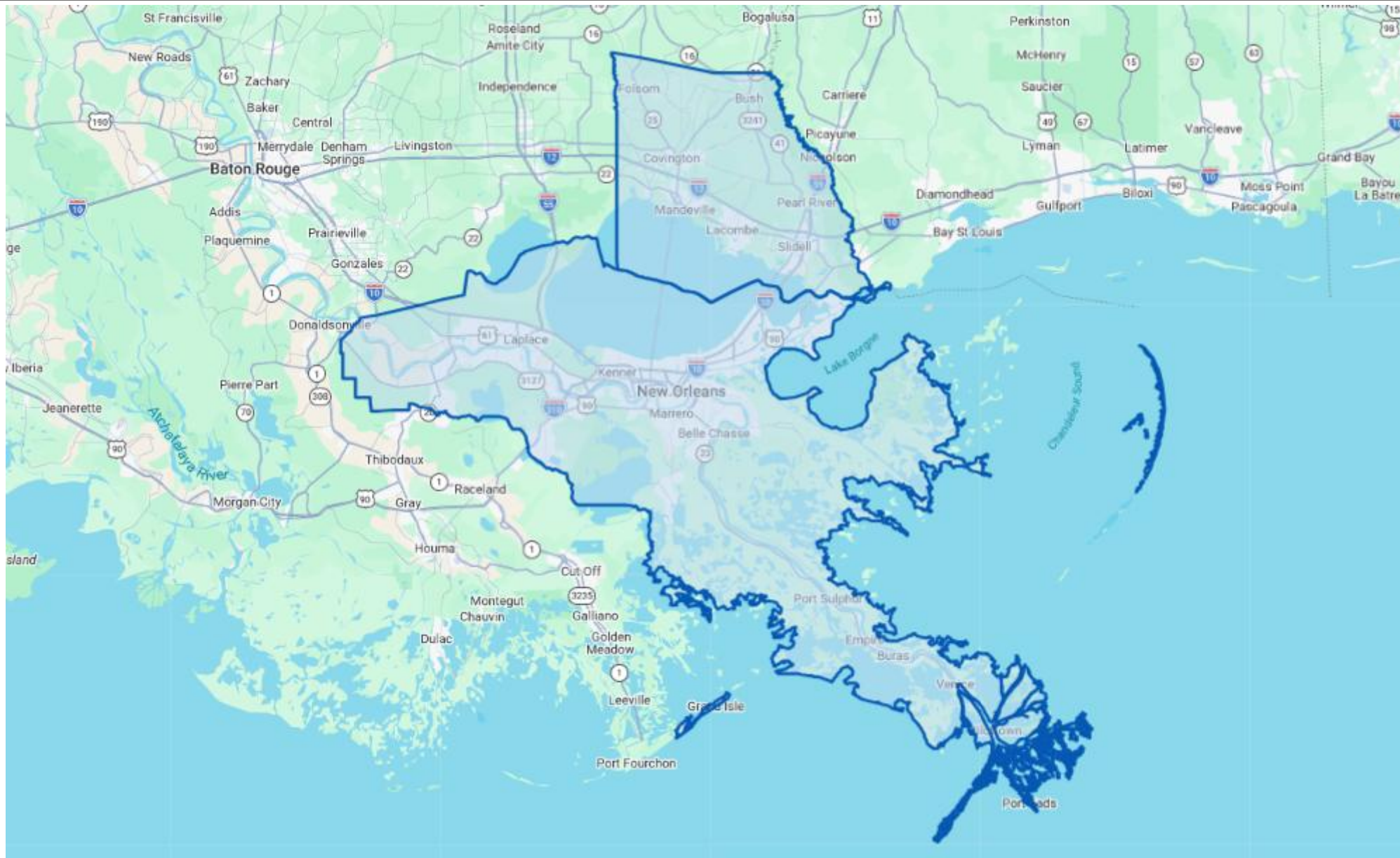


Statewide population growth remains positive in 2025

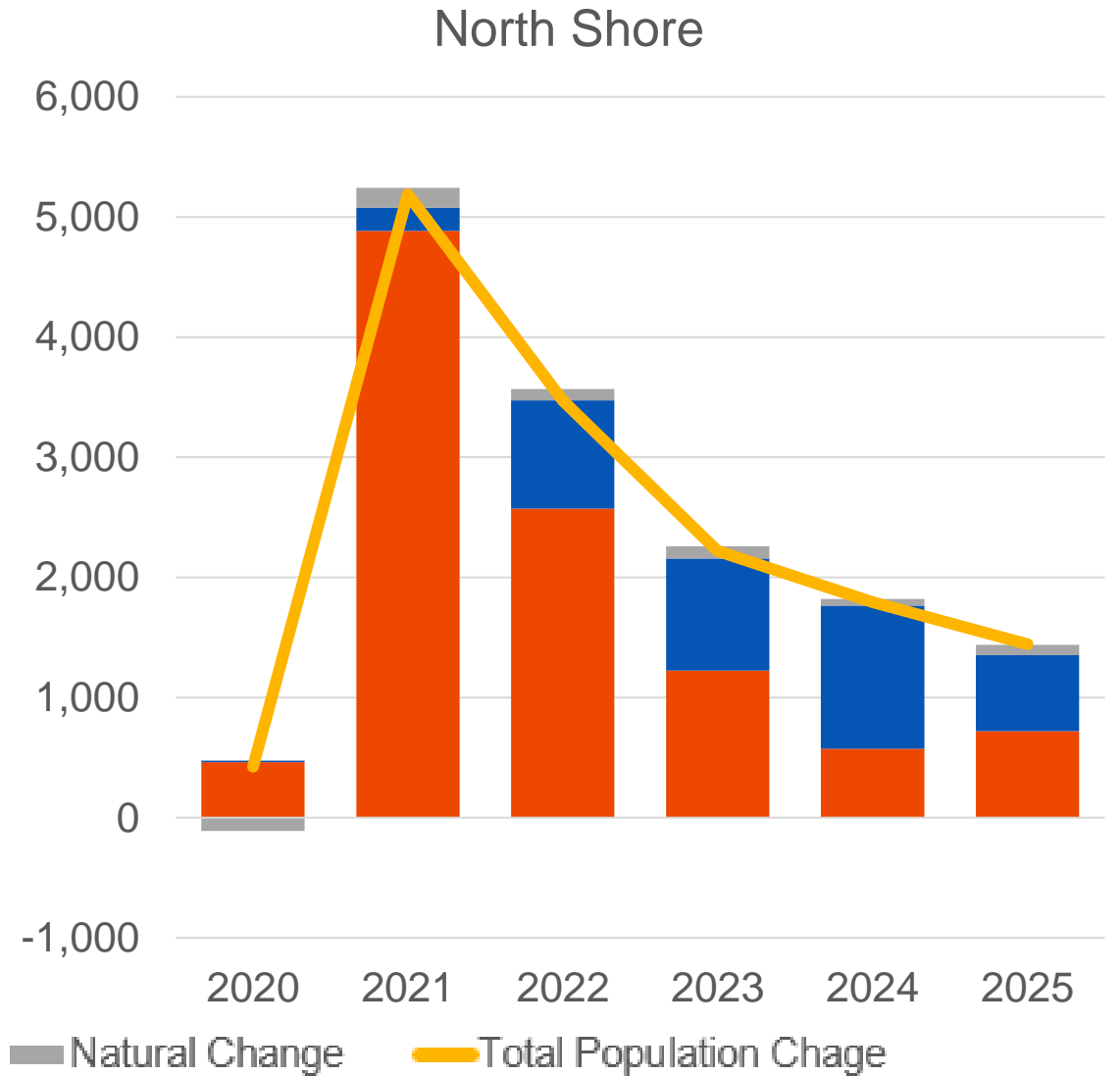
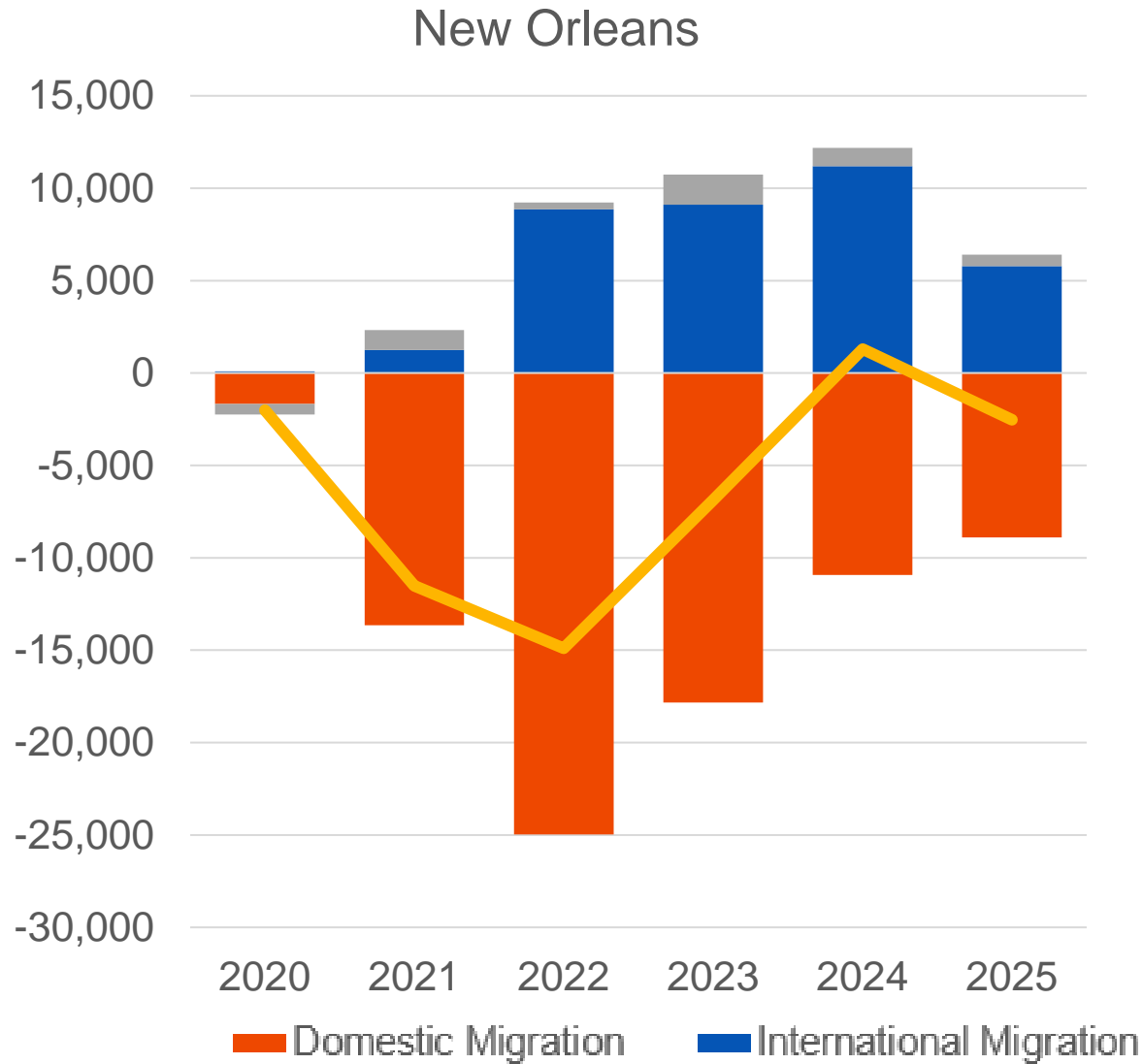


Source: U.S. Census Bureau, 2025

NOLA and North Shore split following CBSA Guidelines



International migration plays a large role in local growth



Retail Headline Numbers for New Orleans and Northshore

NOLA

Inventory: 67.8 million SF

Under Construction: 53,000 SF

Net Absorption (12 Month): -556,000 SF

Vacancy Rate: 4.4%

Market Asking Rent: \$23.70/SF

Northshore

Inventory: 17.8 million SF

Under Construction: 8,500 SF

Net Absorption (12 Month): -170,000 SF

Vacancy Rate: 5.8%

Market Asking Rent: \$19.00/SF



Pictured: Magnolia Marketplace in New Orleans (115,000 SF)

Office Headline Numbers for New Orleans and Northshore



Pictured: Galleria in Metairie (466,000 SF)

NOLA

Inventory: 48.2 million SF

4 & 5 Star Inventory: 10.5 million SF

3 Star Inventory: 18.9 million SF

Under Construction: 124,000 SF

Net Absorption (12 Month): 230,000 SF

Vacancy Rate: 7.6%

Market Asking Rent: \$22.25/SF

Northshore

Inventory: 7.4 million SF

4 & 5 Star Inventory: 328,000 SF

3 Star Inventory: 3.5 million SF

Under Construction: 0 SF

Net Absorption (12 Month): -44,000 SF

Vacancy Rate: 4.0%

Market Asking Rent: \$23.50/SF

Industrial Headline Numbers for New Orleans and Northshore



Pictured: Sealy & Co Distribution Site in Covington (196,000 SF)

NOLA

Inventory: 76.5 million SF

Under Construction: 116,000 SF

Net Absorption (12 Month): 509,000 SF

Vacancy Rate: 3.3%

Market Asking Rent: \$10.60/SF

Northshore

Inventory: 8.2 million SF

Under Construction: 0 SF

Net Absorption (12 Month): 142,000 SF

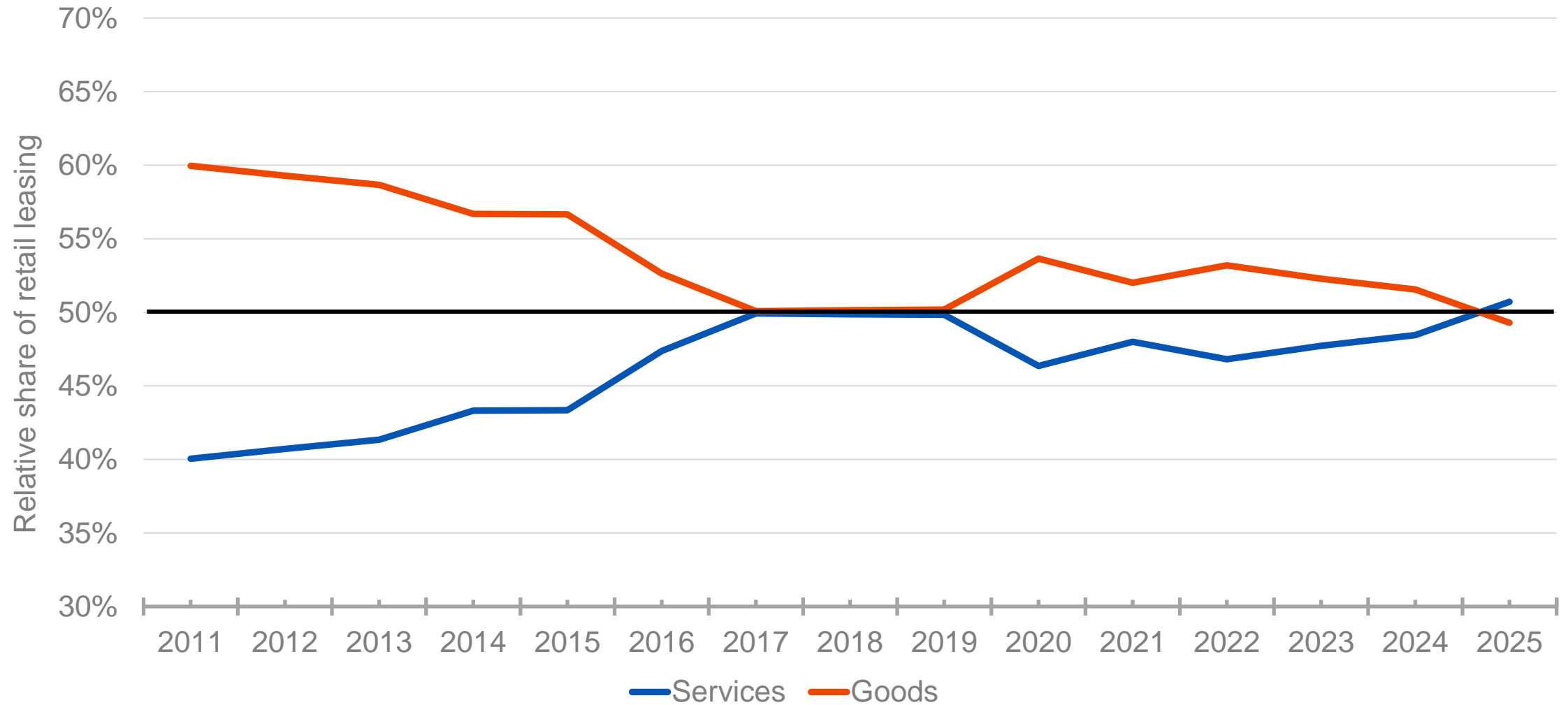
Vacancy Rate: 3.0%

Market Asking Rent: \$12.00/SF

RETAIL

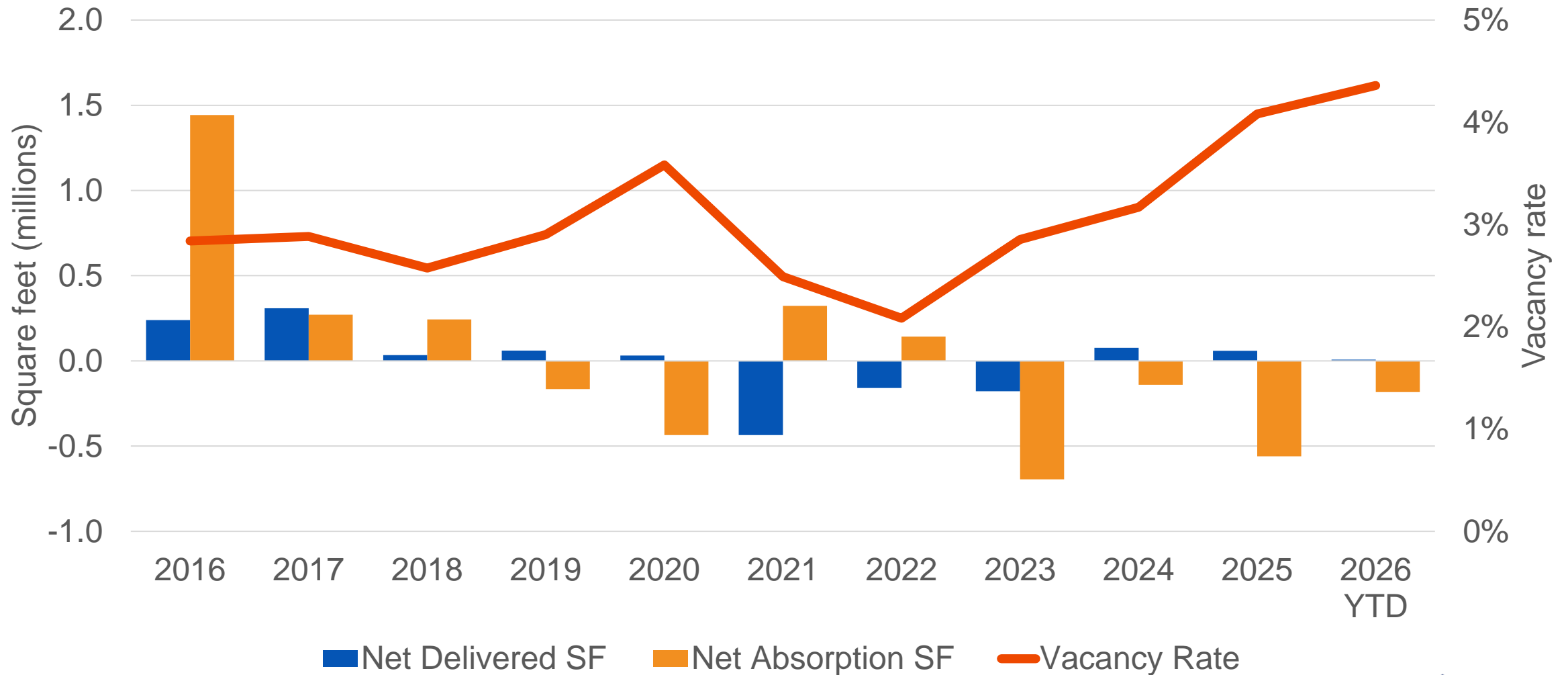


Nationally, demand has shifted to service tenants and fitness



Retail fundamentals through the year

New Orleans - Retail

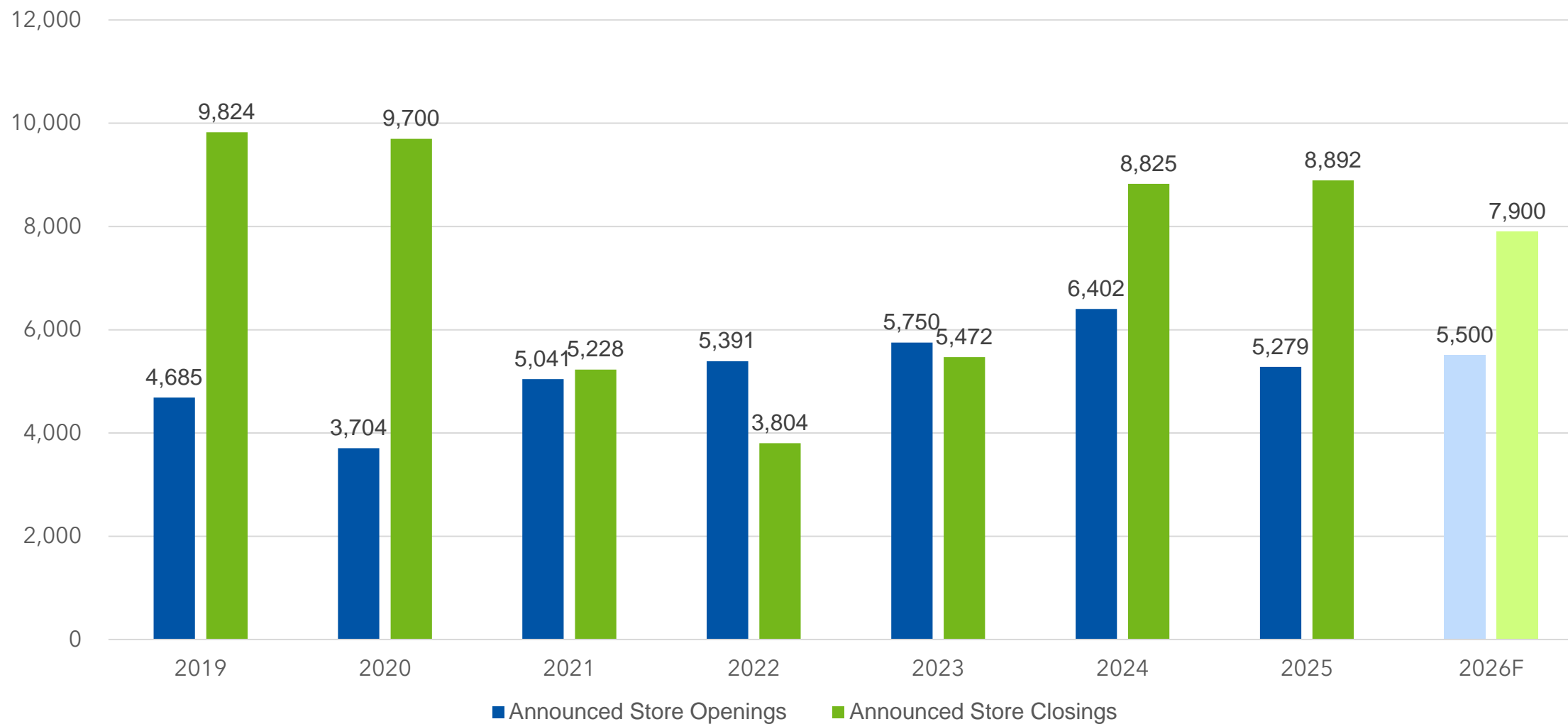


Gauging Tenant Demand for Both Markets



■ 12-mo Net Absorption - New Orleans ■ 12-mo Net Absorption - North Shore

National perspective – store openings vs. closing



Source: Coresite

Source: CoStar, March 2026

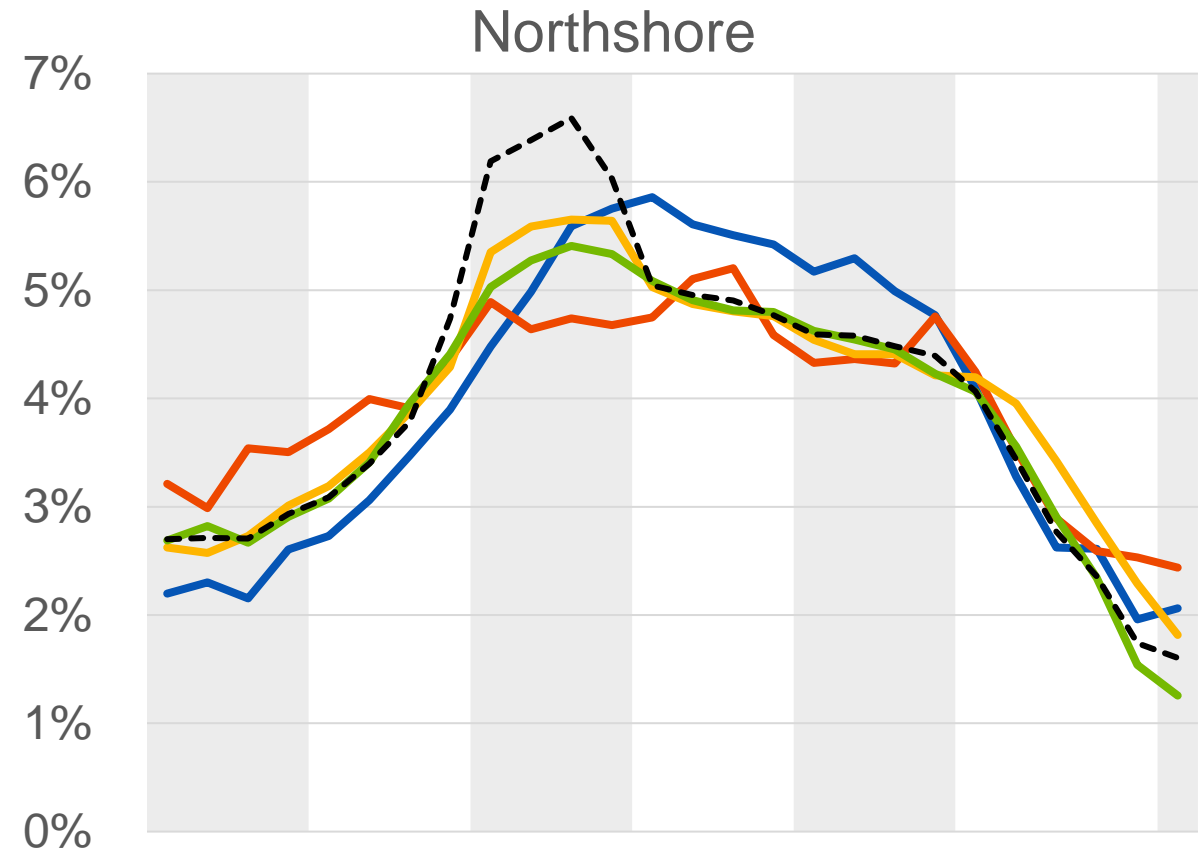
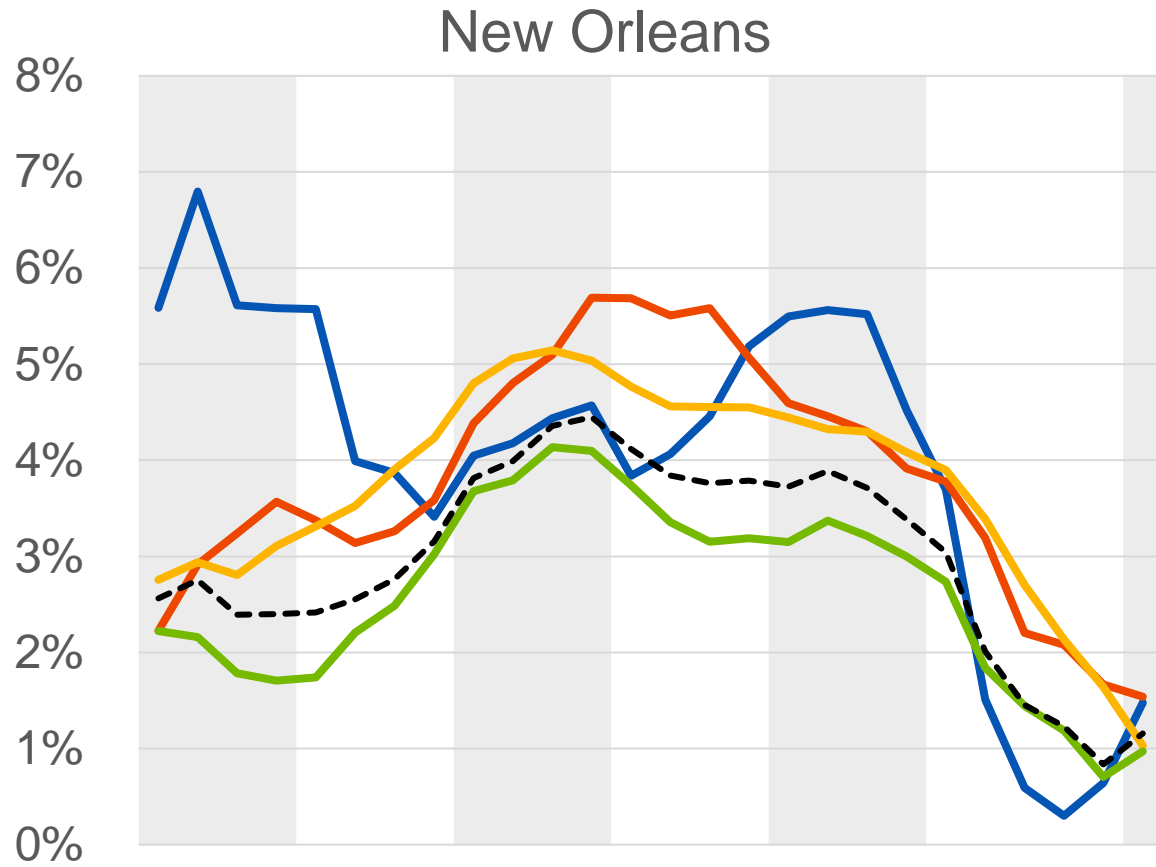


Map of recent delivers and under construction



Source: CoStar, March 2026

Retail Rents Slowdown Observed Across Both Markets



— Power Center — Neighborhood Center — Strip Center — General Retail - - - Market Average

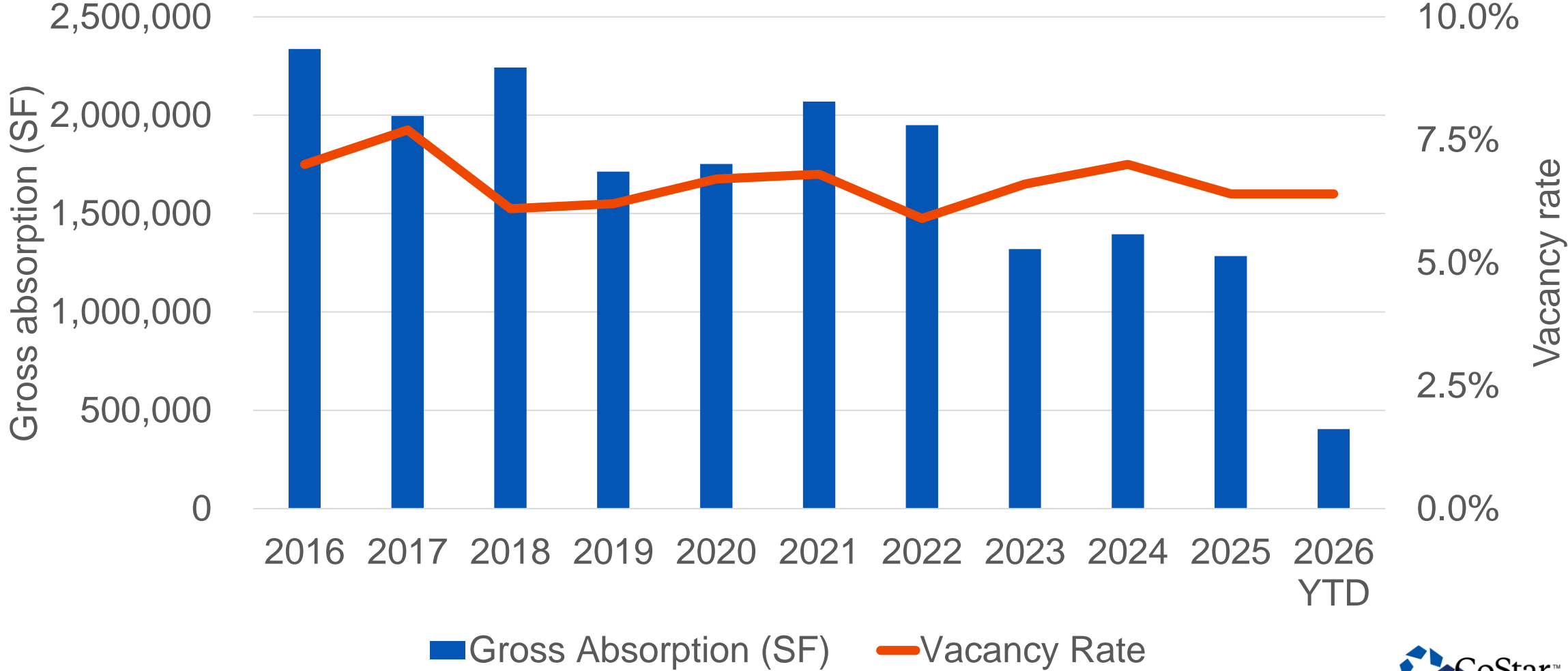


OFFICE

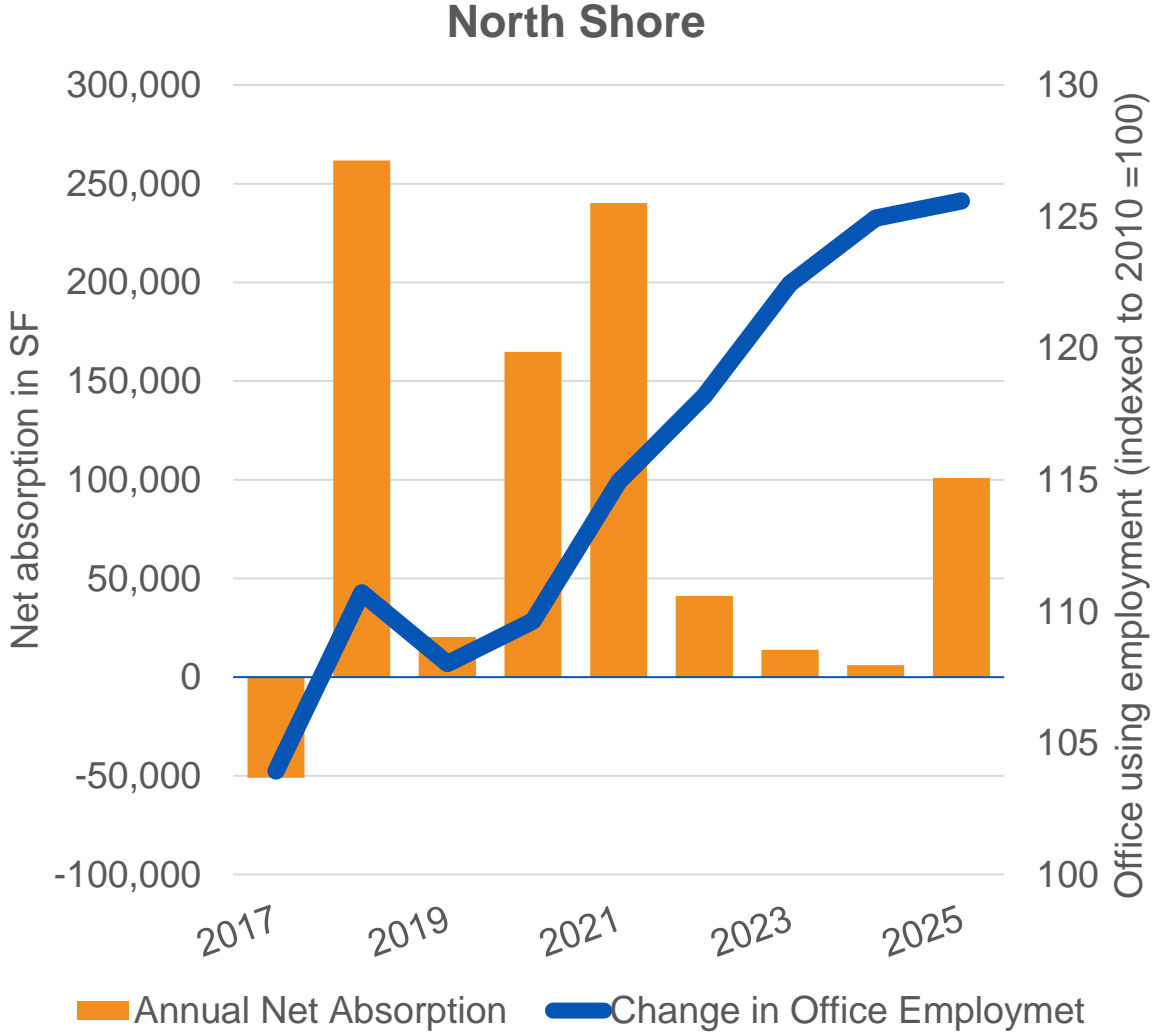
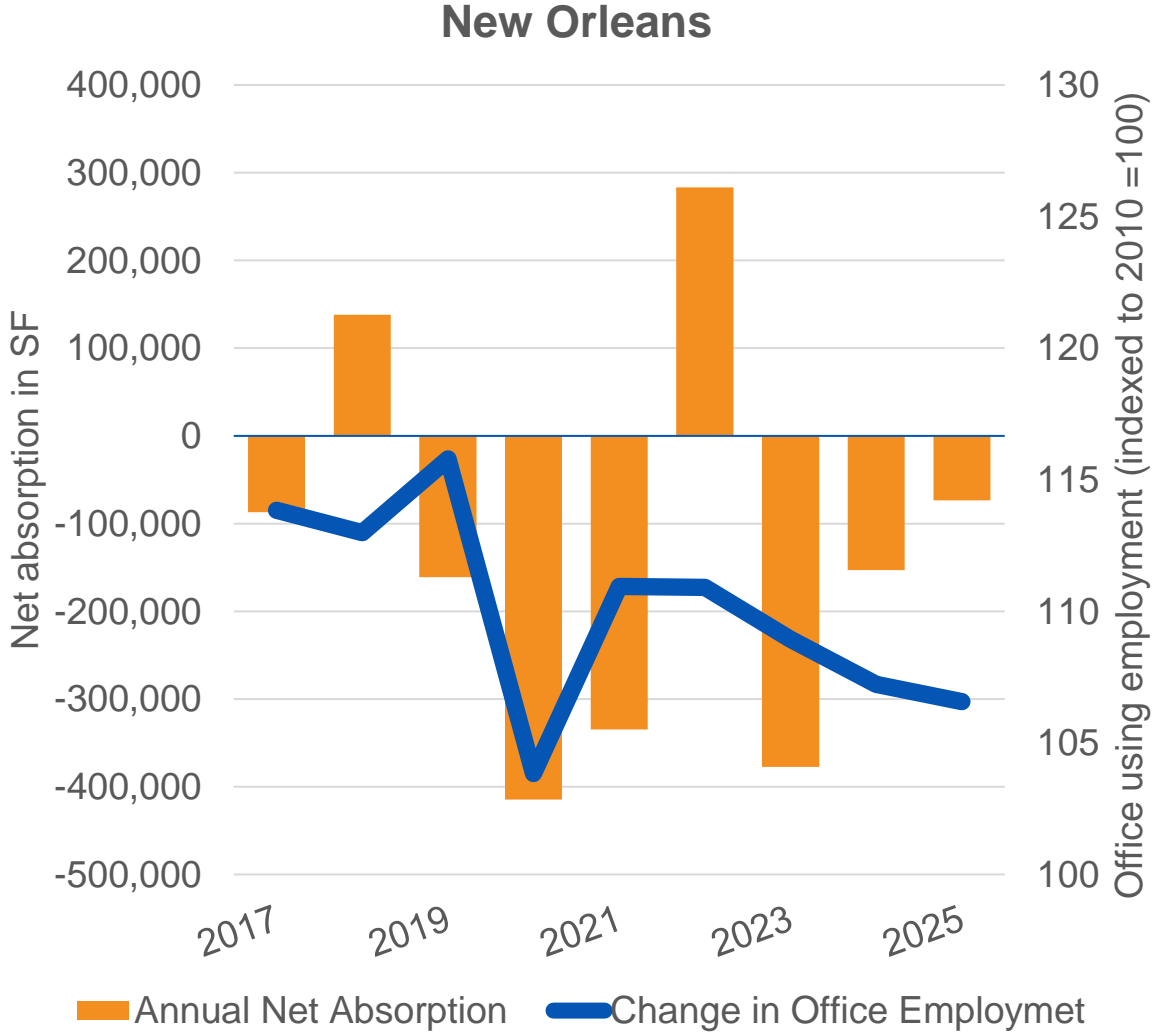


Overall fundamentals for NOLA and Northshore in 2025

Office activity



Office-using employment as a proxy for tenant demand



Source: CoStar, April 2026

Biggest new leases in 2025



1555 Poydras St
Housing Authority of New Orleans
New 5-year Lease signed Q3 2025
22,500 SF @ \$22/SF (Asking)



110 Veterans Memorial Blvd.
NAI Rampart
New lease signed Q3 2025
11,150 SF @ \$20/SF (Asking)



Energy Centre -1100 Poydras St
New lease signed 25Q1 for 25Q2 move-in
15,300 SF @ \$20/SF FS (Starting)

Starting off 2026 Strong



Saronic Technologies
Place Saint Charles
New lease signed Q1 2026
14,490 SF @ \$24/SF (Starting)



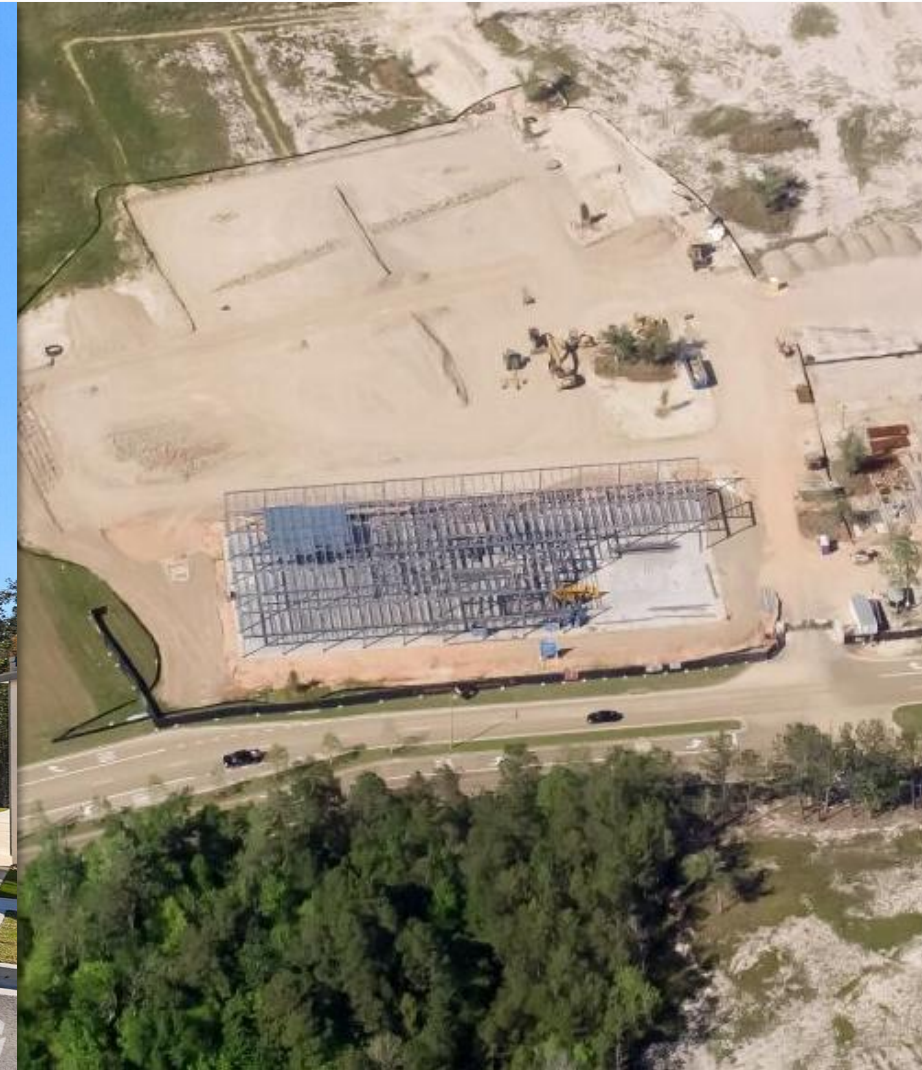
Globalstar
Corporate Headquarters
put on sale in Q1 as
NNN Investment Opport.
66,000 SF on 10-year
lease that expires '29



Shell's Gulf of Mexico HQ driving construction pipeline



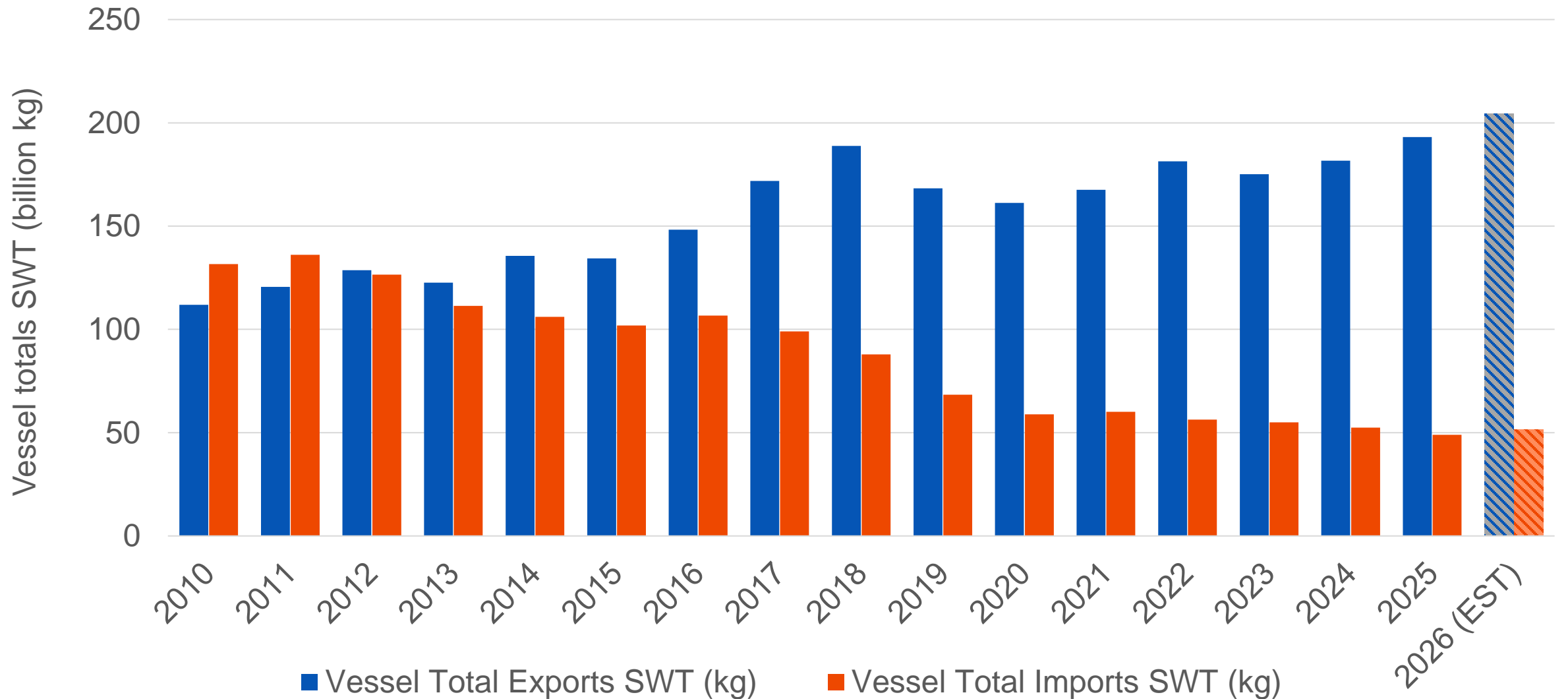
Deliveries on the Northshore – Riverchase II



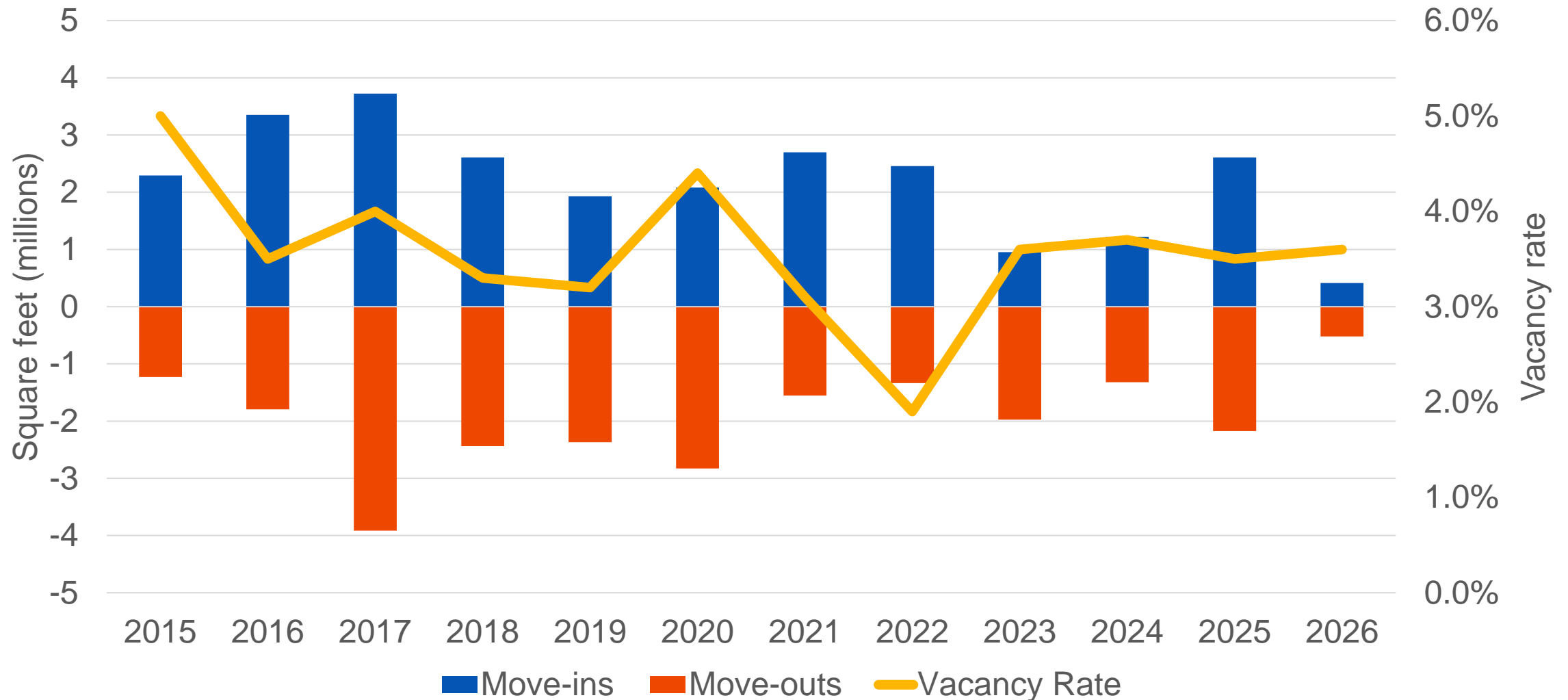
INDUSTRIAL



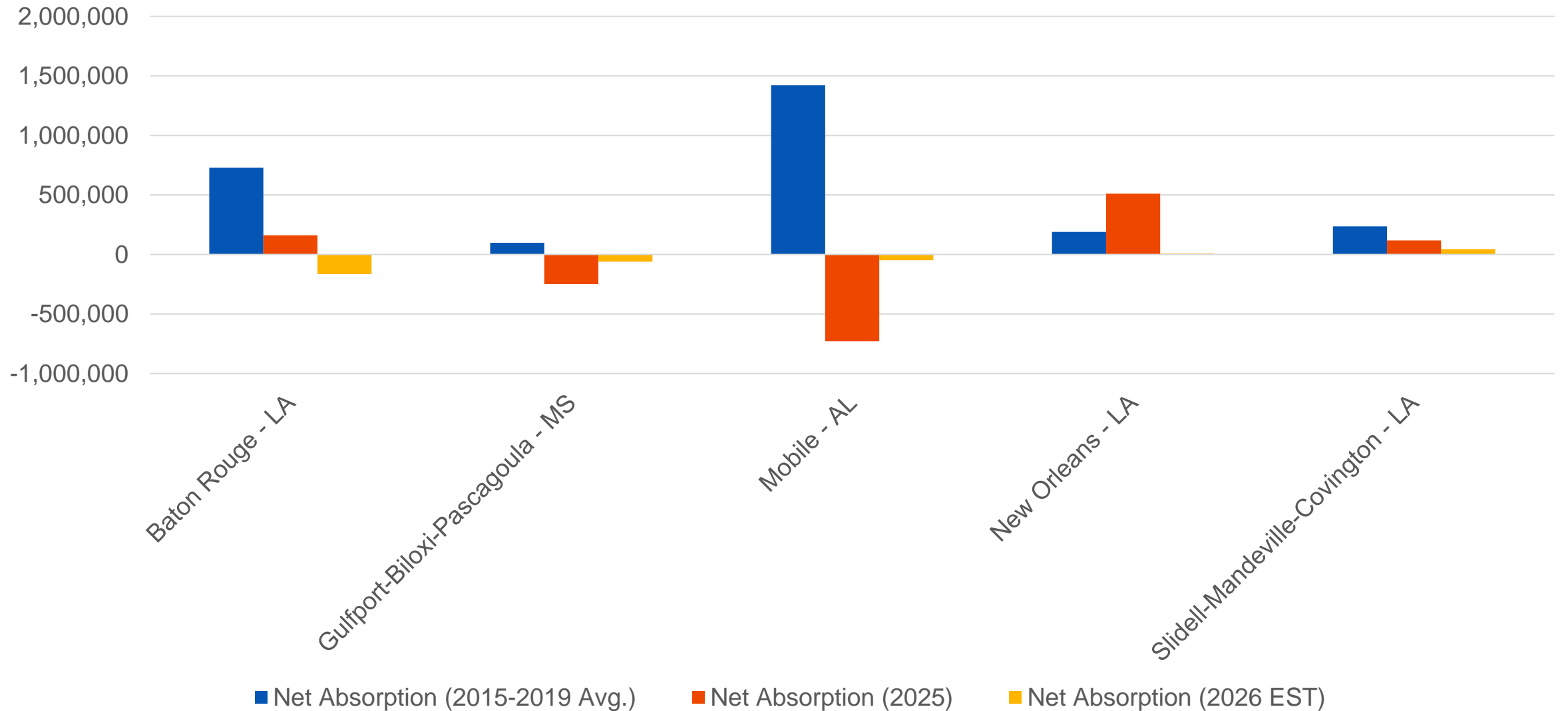
Port of New Orleans orients towards more export activity



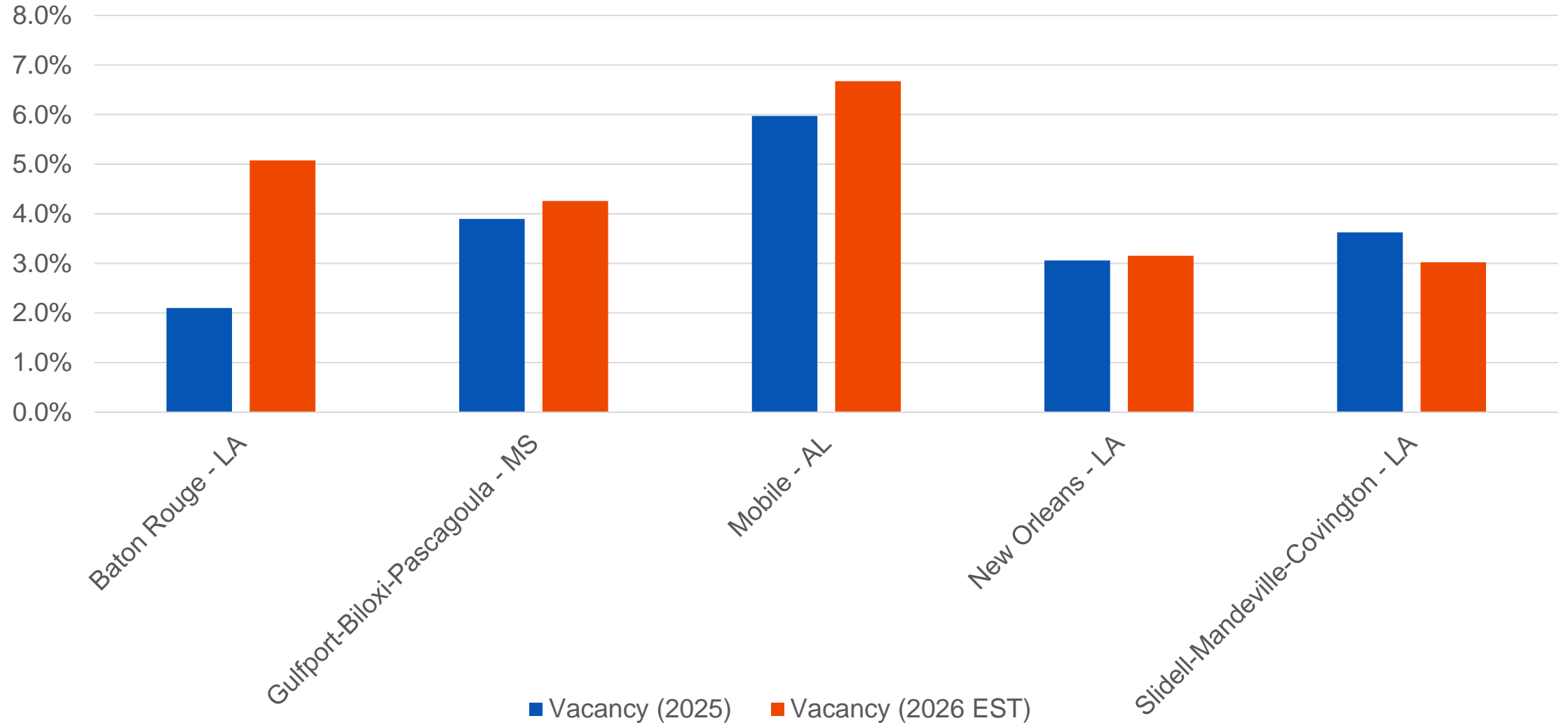
Tight vacancy rates for NOLA/North Shore Industrial



Ranking of New Orleans compared to Gulf Peers



Ranking of Gulf Vacancy



Over 35% of the inventory is within two miles of the Mississippi



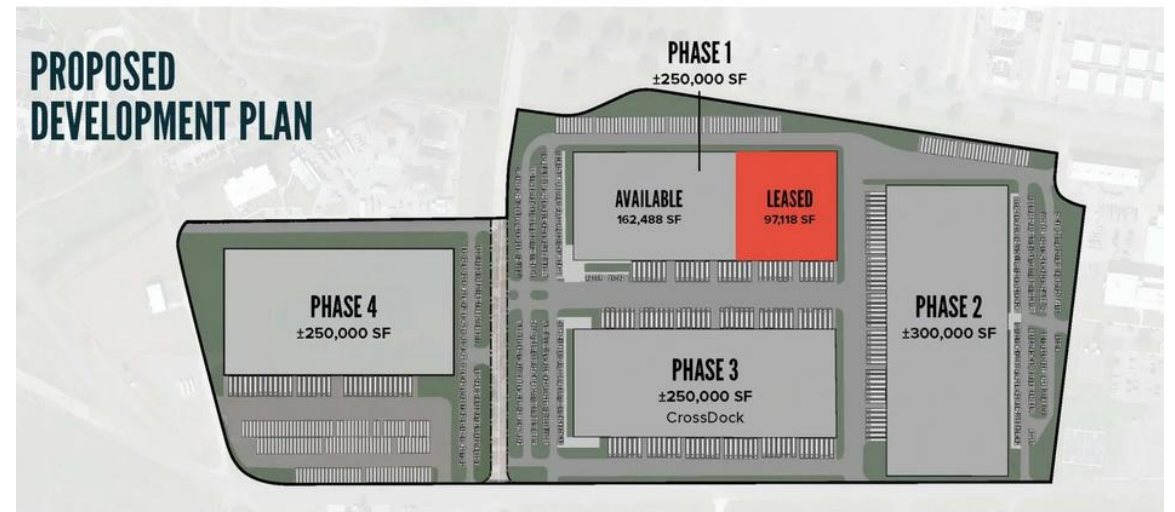
From The Crescent City to the Stars!



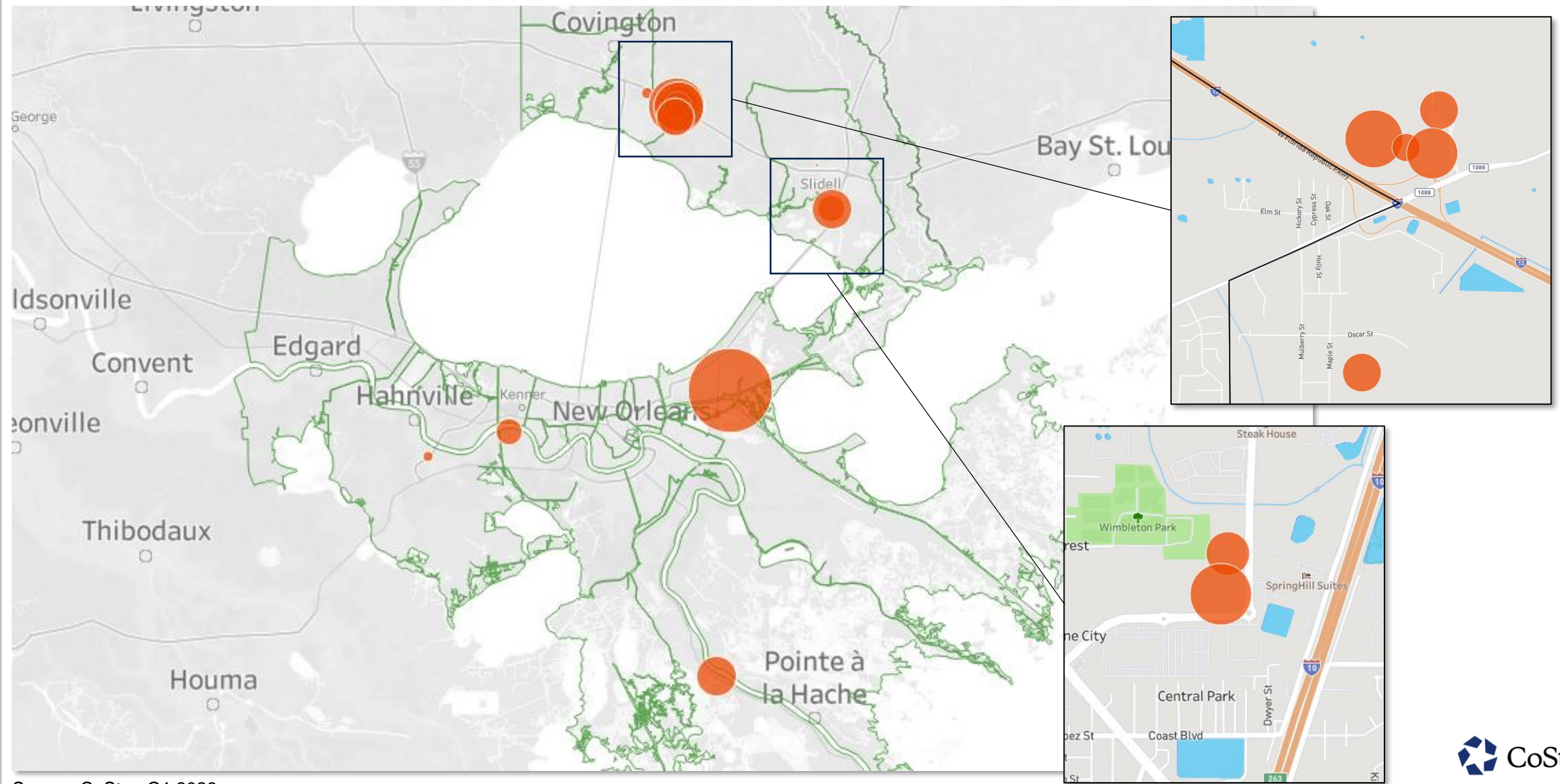
- 50-acre campus in New Orleans East on land owned by Federal Government
- First major development in this area in over 20 years. Upwards of 1 million SF of industrial space upon completion.



TEXTRON Systems **TEMCO**



Proposed industrial sites shift northward



Source: CoStar, Q1 2026

Gulf South Commerce Park

- One of four FastSites in the region
- PPP between Crosby Develop. and St. Tammany Corp.
- Well-positioned asset located off of I-12 with close connectivity to I-10 and I-55
- Phase 1 has three pad-ready sites (41.85 acres) and one shovel-ready site (33.5 acres)



Fremaux Business Park

- Located in a primary labor market with close proximity to several major ports, rail lines, and transportation hubs.
- 26 miles near the planned Louisiana International Terminal.
- Existing nearby industrial users include an Amazon Distribution center just south of the site.
- 5 total parcels: two speculative sites prepared for Parcel 2 (222,000 SF) and Parcel 3 (111,000 SF).

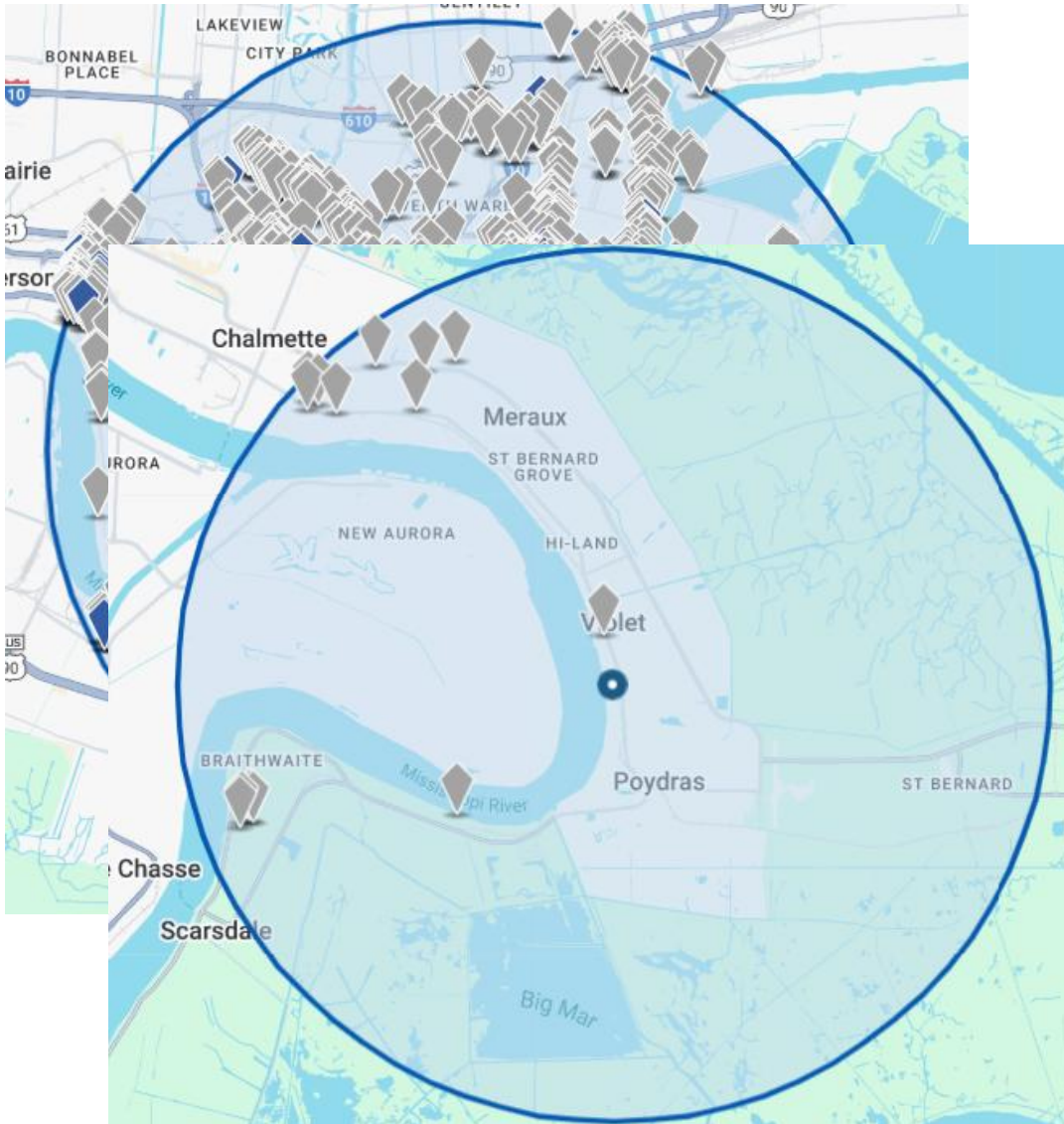


On the Horizon: Louisiana International Terminal



- Proposed **\$1.8 billion** container terminal in St. Bernard Parish.
- Handle up to **1.2 million containers** per year at full capacity.
- Open port to new, **modern vessel** sizes from the Panama Canal.
- Create **18,000** new direct and indirect jobs.

Next Big Industrial Hub?



- **Port of New Orleans** – Roughly 27.4 million SF of industrial space within 5 miles. Fourth largest port in the United States and sees cruise passengers and international cargo.
- **Louisiana International Terminal** – Located in Violet, further along the Mississippi River. Currently less than a quarter of a million square feet of industrial space within 5 miles of the proposed site. Paired with the St. Bernard Transportation Corridor elevated-roadway project to connect St. Bernard Parish to the interstate system.



Presented by:

Paul Hendershot

Managing Director of Market Analytics, Southwest Region

phendershot@costar.com

 <https://www.linkedin.com/in/paul-hendershot-a529234/>

Cody Gibbs

Director of Market Analytics, Dallas-Fort Worth, Oklahoma, Arkansas, Louisiana

cgibbs2@costar.com

 <https://www.linkedin.com/in/codydgibbs/>

CRE Survey



These materials contain financial and other information from a variety of public and proprietary sources. CoStar Group, Inc. and its affiliates (collectively, “CoStar”) have assumed and relied upon, without independent verification, the accuracy and completeness of such third party information in preparing these materials. The modeling, calculations, forecasts, projections, evaluations, analyses, simulations, or other forward-looking information prepared by CoStar and presented herein (the “Materials”) are based on various assumptions concerning future events and circumstances, which are speculative, uncertain and subject to change without notice.

CoStar does not represent, warrant or guaranty the accuracy or completeness of the information provided herein and shall not be held responsible for any errors in such information. Any user of the information provided herein accepts the information “AS IS” without any warranties whatsoever. To the maximum extent permitted by law, CoStar disclaims any and all liability in the event any information provided herein proves to be inaccurate, incomplete or unreliable.

© 2022 CoStar Realty Information, Inc. No reproduction or distribution without permission.

