

SCHEDULE A
TO
CONSULTING AGREEMENT
BY AND BETWEEN
THE CITY OF LAKE CHARLES
AND
ZHA, INC.

SCOPE OF SERVICES

PHASE I: PROJECT INITIATION

Task 1.1 Data Collection

Existing data and existing relevant studies will be collected from the City of Lake Charles (the "City") and reviewed prior to our fieldwork in Lake Charles.

Task 1.2 Meeting

ZHA representatives will meet with the City. The primary purpose of the meeting is to ensure that ZHA possesses all existing pertinent data and studies regarding the commercial market. Development objectives, milestone dates, and schedule will be discussed at the meeting.

A brief overview of the interview candidates will also take place at this meeting. A preliminary list of interview candidates will be developed at this meeting.

Task 1.3 Tour

With one or more representatives of the City, ZHA will tour the Study Area and relevant environs. The purpose of the tour will be to familiarize the Team with the Subject Site, existing buildings, access and the overall market context.

PHASE II: STUDY AREA PROFILE

Task 2.1 Interviews

Real estate professionals and others familiar with the nuances of the region and, specifically, Downtown Lake Charles will be interviewed for their opinions on market opportunities and barriers.

Task 2.2 Economic Framework

ZHA will evaluate the economic framework within which the Study Area functions. This is a regional analysis designed to provide an overall economic context for development potential. The region's economic base is assessed for strengths and weaknesses. The competitive strengths and weaknesses of the Study Area in light of regional trends are assessed in this task.

PHASE III: DEVELOPMENT OPPORTUNITIES AND IMPLEMENTATION CONSIDERATIONS

Task 3.1 Retail Market Analysis

Market Supply

The character of the existing retail in the Downtown and surrounding areas will be assessed. Traffic counts in and around the Study Area will be analyzed. For the various types of retail, trade areas will be identified. Interviews with retail managers, business owners, and residents will help to determine the trade areas for various retail types. Competitive retail locations will be identified. The competitive market will be described in terms of rent, size, occupancy, approximate age and access to various market segments. The competitive position of the Study Area in light of the competition will be assessed.

Market Demand

Given potential market positions (regional retail, specialty retail, community retail, and neighborhood retail) retail demand by store-type will be determined for the trade area over a 10-year period. Spending potential will be compared to existing sales estimates to determine strengths and weaknesses in the Study Area's retail economy. Opportunities will be identified as well as potential niches.

Niche market potential will be assessed from two perspectives: depth of the niche market (spending potential) and niche competition. Areas competing for the same niche will also be analyzed as to their competitive advantages and/or disadvantages.

Retail Development Potential by Store Type

Retail development potential will be quantified in terms of store type, supportable sales volume and associated square feet. Retail development potential will be quantified for a 10-year period. Specific siting parameters will be highlighted to maximize the Study Area's competitive position.

Task 3.2 Office Market Reconnaissance

The office market reconnaissance is not a detailed market analysis, but, instead, an overview of the office market to inform the development programming and urban design process. ZHA will analyze the existing office supply in terms of building sizes, office cluster locations, prices, absorption and average tenant sizes. The role of Downtown in the office economy will be diagnosed. The potential for additional office at the Subject Site will be identified on an order-of-magnitude basis given office-inclined employment projections.

Task 3.3 Conclusions

The market analysis will conclude with the following:

- Supportable Retail by Product Type and Square Feet Next 10 Years;
- Office Market Competitive Position of the Subject Site and Development Potential;
- Optimum Market Position at Build-Out;
- Location of Supportable Land Uses;
- Strategies for Strategically Located Parcels;
- Economic Feasibility Ranking (High, Medium, Low) by Land Use;
- Target Projects; and,
- Initiatives Needed to Support Optimum Market Position (Ranked in Order of Importance).