

SESSION

The Art and Science Behind Site Selection & Leasing

SPEAKER



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LOCATION, LOCATION, LOCATION

We have all heard the expression.

But there are **SIX** variables that are the most important.



- **Demographics**
- **Square Footage**
- **Accessibility**
- **Visibility**
- **Parking**
- **Economics**

Which is the most important?
The one you compromised on.

Let's break them down, one at a time.



DEMOGRAPHICS: **Income** vs Price Points





SQUARE FOOTAGE

Measure the space: 30 years never mirrored lease.

Example:

2,000 : 20' x 100' space.

If width 6" off x 100' = 50 sq. ft. x \$30 base and NNN \$1500 annually

Did you measure your space at turnover?

Numerator / Denominator in every lease
(subject to field measurement confirmation)



Member Example:

6,000 leased in 80,000 square foot center = 7.5% prorata share

Turned out center was expanded twice and the center was 240,000

not 80,000 = 2.5% prorata share \$45,000 over charged



ACCESSIBILITY

- AM vs PM side of highway
- No U-Turns
- Drive all four directions

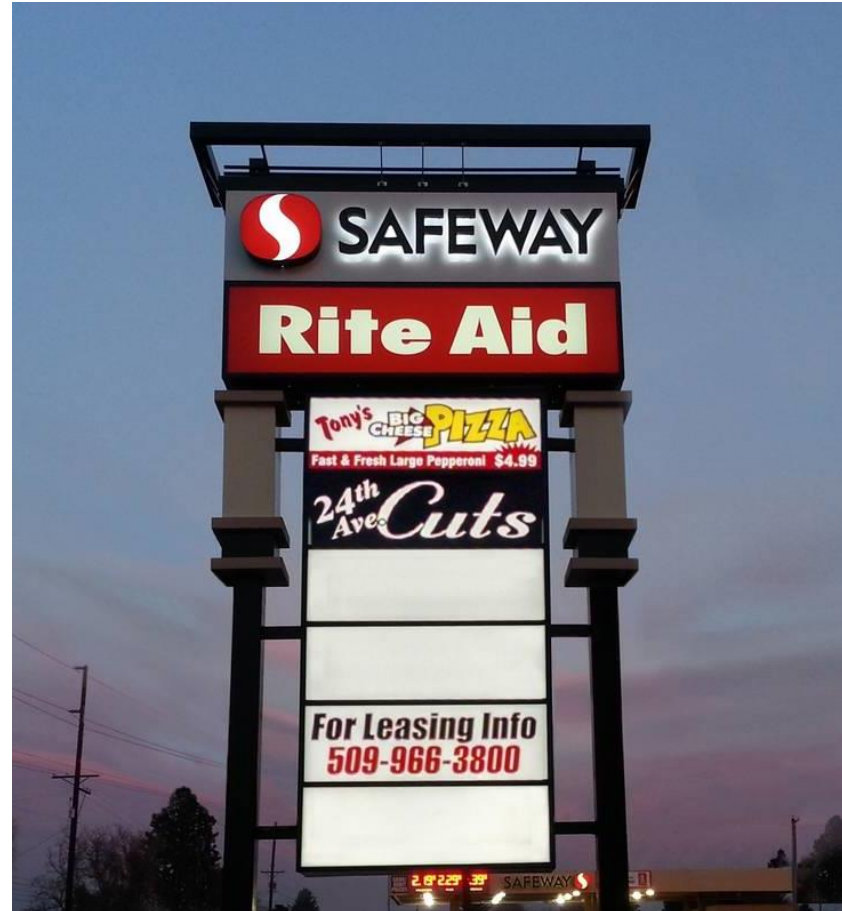




VISIBILITY

Is Storefront Visible / Trees vs
Bushes to block sign band

Right of First Refusal on Pylon or
Monument Sign





PARKING

Number of Spaces vs Tenant needs

Assigned dedicated spaces
(Requested)





The most frequent comment we hear from members is

“ I didn’t know that.”

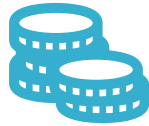


There are fatal flaws or omissions in leasing.

Fatal flaws will bankrupt your business and
omissions will cap your upside potential.



Let's address some of the most common mistakes.



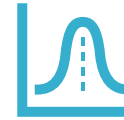
ECONOMICS



**LEASE LANGUAGE
VARIABLES**



**SITE SELECTION
VARIABLES**



**CONSTRUCTION
VARIABLES**



ECONOMICS

- Dead Rent vs. Free Rent
- Missed RCD normally tied to architect at LOI vs lease stage
- Fixed Rent vs. CPI or worse Market Rents
- Tenant Rent Formula used against you



LEASE LANGUAGE VARIABLES

- ✓ Attorneys have Specialties just like doctors
- ✓ Exclusive
- ✓ Sales Reporting Clause
- ✓ Personal Guarantee
- ✓ Financing Contingency
- ✓ Anchor Opening Contingency
- ✓ Relocation Clause
- ✓ Leased vs Leasable for NNN charges



SITE SELECTION VARIABLES

- Off Market Opportunities
- Norm in Leasing
- No More Options: Timeline even more important



CONSTRUCTION VARIABLES

- Inspection during LOI process
- Utilities to Premises, Building or Parcel
- HVAC Warranty



AAFD mission aligns with Premier Retail Support to
“Bring Fairness to Franchising.”

Premier Retail Support is decoding
the Art & Science behind Site Selection and Leasing



Road to Success!



I hope you found this presentation informative and valuable. In addition to everything shared today, the PRS website also includes:

- Money Saving Tips
- Did You Forget to Ask Questions
- List of 24 Industry Support Providers covering 17 facets of the Development Process
- One-on-One Consultation

... plus much more!

Join Premier Retail Support now!

Only \$299 for a 3-year membership.

**Scan the QR code on the lens cleaning cloth
in your conference bag.**

Thank you for your time today!