>>> HELLO, EVERYONE AND WELCOME

TO THE CONFERENCE BROUGHT TO YOU

BY SCORE.

THIS WEBINAR HOW TO CHOOSE THE

PERFECT LOCATION TO ATTRACT MORE

CUSTOMERS IS BEING SPONSORED BY

KIM CO.

MY NAME IS CANDACE AND I'M THE

DIRECTOR OF MARKETING AND I WILL

BE THE MODERATOR FOR THIS

SESSION.

OUR PRESENTER IS JOEL JOHNSON,

WHO IS THE DIRECTOR OF REAL

ESTATE.

BEFORE TURNING THE SESSION OVER

TO JOEL, I WOULD LIKE TO GO OVER

A FEW HOUSEKEEPING ITEMS.

THIS WEBINAR IS BEING RECORDED

AND WILL LAST ABOUT AN HOUR.

A RECORDING AND SLIDE DECK WILL

BE E-MAILED TO ALL PARTICIPANTS.

WE HAVE SET ASIDE TIME FOR Q&A

AT THE END OF THE PRESENTATION.

IF YOU HAVE ANY QUESTIONS,

PLEASE SUBMIT THOSE USING THE

Q&A BOX ON THE LEFT SIDE OF YOUR

SCREEN.

PLEASE USE THE SAME BOX IF YOU

EXPERIENCE TECHNICAL DUFLTTIES

AND NEED ASSISTANCE.

WE WILL NOW BEGIN HOW TO CHOOSE

THE PERFECT LOCATION TO ATTRACT

MORE CUSTOMERS.

THANKS SO MUCH FOR BEING HERE

TODAY, JOEL.

>> THANK YOU FOR HAVING ME.

WE'LL DIVE RIGHT IN AND TALK

ABOUT A LITTLE OVERVIEW OF KIM

COREALTY CORPORATION.

WE ARE IN NEW YORK AND ONE OF

NORTH AMERICA'S LARGEST PUBLICLY

TRADED OWNER AND OPERATORS OF

OWN AIR SHOPPING CENTERS.

AS OF SEPTEMBER 30th OF 2018,

THE COMPANY OWNED INTEREST IN

450 U.S. SHOPPING CENTERS

COMPRISING OF 78 MILLION SQUARE

FEET OF LEASABLE SPACE PRIMARILY

CONCENTRATED IN THE TOP MAJOR

METROPOLITAN MARKET.

WE'RE PUBLICLY TRADED ON THE NEW

YORK STOCK EXCHANGE SINCE 1991

AND INCLUDED IN THE S&P 500

INDEX.

THE COMPANY HAS SPECIALIZED IN

SHOPPING CENTER ACQUISITIONS,

DEVELOPMENT AND MANAGEMENT FOR

60 YEARS.

I'VE BEEN WITH KIMCOSINCE 2013.

I SERVE AS THE DIRECTOR OF REAL

ESTATE FOR THE SAN DIEGO

PORTFOLIO.

I OVERSEE PROPERTY OF 16

PROPERTIES CONSISTENTING OF

APPROXIMATELY 2.7 MILLION SQUARE

FEET.

AND OVER THE NEXT 30 TO 45

MINUTES, WE'LL BE DIVING INTO 14

LITTLE KNOWN BUT IMPORTANT

FACTORS WHEN CHOOSING THE RIGHT

RETAIL LOCATION FOR YOUR

BUSINESS.

WITH THAT, LET'S DIVE RIGHT IN.

I BELIEVE MOST EVERYONE HAS

HEARD OF THE ADAGE LOCATION,

LOCATION, LOCATION.

FOR SMALL BUSINESSES OWNERS,

IT'S OFTEN THE NUMBER ONE FACTOR

THAT INFLUENCES YOUR ABILITY TO

CATAPULT YOUR BUSINESS TO ITS

FULL POTENTIAL.

BEINGEN O THE FROMT LINE IN

RETAIL AND WORKING WITH BUSINESS

DAY-TO-DAY, WE SEE A LOT OF

MISSTEPS WHEN TENANTS START THE

PROCESS OF OPENING THEIR FIRST

BUSINESS.

UNDERSTANDABLY THE BUSINESS

OWNERS OFTEN GET EXCITED AND

SOMETIMES OVERLOCKED ONE OF THE

MOST VITAL PIECES OF THE PUZZLE,

THE LOCATION, AND CHOOSE A

LOCATION THAT IS NOT SUITED FOR

THEIR USE OR ARE SOLELY DRIVEN

BY PRICE AND CHOOSE A LOCATION

THAT'S THE CHEAPEST THAT IT CAN

IN THE LONG RUN COST THEM

ADDITIONAL MONEY.

TODAY WE ARE DIGGING INTO SOME

OF THE FACTORS WHEN CHOOSING THE

RIGHT LOCATION WE WILL COVER THE

FOLLOWING.

DEMOGRAPHIC, CO-TENANCY,

INFRASTRUCTURE, VISIBILITY,

PARKING, COMPETITION, EXPENSES,

ASKING QUESTIONS, WHAT ARE THE

RESTRICTIONS, SAFETY, WHAT'S

INCLUDED IN THE RENT AND THE

LEASE TERMS.

FIRST, DEMOGRAPHICS.

THE SITE SELECTION PROCESS CAN

BE COMPLICATED.

ONE TRICK THAT CAN MAKE IT

EASIER TO NARROW DOWN THE

CHOICES IS TO USE BASIC

DEMOGRAPHIC DA TO TO QUALIFY

SITES THAT YOU MAY BE

CONSIDERING.

WHAT ARE DEMOGRAPHICS?

THEY ARE ACTUAL STATISTICAL

INFORMATION THAT MAKE UP A

DEFINED AREA.

FOR EXAMPLE, HOW MANY PEOPLE

LIVE IN AN AREA, FAMILY

HOUSEHOLDS, WHAT IS THE AVERAGE

HOUSEHOLD INCOME, DAYTIME

POPULATION, DEMOGRAPHICS ARE

IMPORTANT BECAUSE THEY HELP YOU

DETERMINE IF YOUR CUSTOMER IS IN

THE AREA YOU WANT TO OPEN YOUR

BUSINESS.

FOR EXAMPLE, IF YOU'RE LOOKING

TO OPEN A HIGH END CHILDREN'S

CLOTHING BOUTIQUE, YOU WOULD NOT

NECESSARILY WANT TO GO IN AN

AREA WITH A HIGH CONCENTRATION

OF 55 OR OLDER COMMUNITIES OR

AREAS WHERE AVERAGE HOUSEHOLD

INCOMES MAY NOT BE THAT HIGH.

THIS TYPE OF BUSINESS MAY BE

BETTER SUITED FOR A DEMOE SHOW

YOUNG PROFESSIONALS WITH HIGH

INCOME.

DAYTIME POPULATIONS ARE GOOD FOR

PRODUCTS PURCHASED AT WORK OR

DURING THE DAY WHILE NIGHTTIME

POPULATION ARE BETTER MIXES FOR

RETAILERS THAT SELL PRODUCTS

THAT PEOPLE SEND TEND TO BUY ON

THEIR WAY HOME FROM WORK OR AT

NIGHT OR ON THE WEEKENDS.

WHEN LOOKING AT DEMOGRAPHIC

DATA, THE AREA IS DEFINED IN TWO

WAYS.

THE RADIUS OR A CIRCLE AROUND

THE PROPERTY, OR DRIVE TIME.

ANOTHER APPROACH THAT YOU'LL BE

MOST COMMONLY SEEN IS THE

RADIUS.

AND TRADITIONALLY THEY ARE ONE,

THREE AND FIVE-MILE RADIUS

AROUND THE SUBJECT PROPERTY.

SOME ARE SUITED FOR THIS

ANALYSIS BETTER THAN OTHERS.

ANOTHER ONE WE'LL LOOK AT IS

COTE INNOCENT SIT.

AND THINK ABOUT THE WAY YOU WANT

TO BE AWARE.

IT'S A SHOPPING CENTER DESCRIBED

THE MIX OF OTHERS IN THIS IN

RELATION TO YOUR BUSINESS WHAT

MAKES GREAT CO-TENANT SIT.

FOR EXAMPLE, IF YOU'RE OPENING A

SHOE STORE BUSINESS, YOU LOOK

FOR CO-TENANTS THAT SAME THAT

TYPE OF DAILY CUSTOMERS, SUCH AS

OTHER SOFT GOOD RETAILERS, OTHER

CLOTHING RETAILERS, ET CETERA.

YOU PROBABLY WOULD NOT WANT TO

PUT BE IN A PROPERTY WHERE ITS

ANCHORED BY A HOME DEPOT OR

LOWEST BECAUSE THAT WOULDN'T BE

YOUR CUSTOMER OR GENERATE THE

FOOT TRAFFIC NEED FOR YOUR

BUSINESS.

ANOTHER WOULD BE A SPECIALTY

COFFEE SHOP OR SPECIALTY USES

THAT DRIVE TRAFFIC FROM GROCERY

STORES OR DRIVE A LOT OF TRAFFIC

INTO THEIR CENTERS.

THEREFORE, GIVING YOU THE

EXPOSURE AND FOOT TRAFFIC

NEEDED.

IT'S VERY IMPORTANT DEPENDING ON

THE USE AND THE TYPE OF

CUSTOMERS YOU ARE LOOKING FOR.

THE NEXT SLIDE WILL DO SQUARE

FOOTAGE.

HOW MUCH SQUARE FOOTAGE DO I

NEED.

THAT'S A LOT OF TIMES THE

QUESTIONS WE GET FROM RETAILERS.

QUESTIONS THAT ARE STARTING A

NEW BUSINESS.

THE CORRECT ANSWER ASKING WHAT

AMOUNT OF SPACE I NEED TO

MAXIMIZE THE PROFIT FROM A

PARTICULAR LOCATION.

ANOTHER WAY IS LOOKING AT

SIMILAR BUSINESS IN DETERMINING

WHAT THEIR AVERAGE SIZE IS AS

THIS MIGHT BE A GOOD CATER OF

HOW MUCH SPACE YOU'LL NEED.

IF THE SPACE IS TOO SMALL, YOU

WON'T HOLD ENOUGH INVENTORY TO

PROVIDE THE AMENITIES FOR YOUR

SERVICE.

LIMITED SPACE SHOULD NOT LACK

ARTICLES OR LONG WAIT TIMES TO

DETER CUSTOMERS FROM RETURNING

TO YOUR STORE.

IF YOUR SPACE IS TOO LARGE,

YOU'LL BE PAYING FOR SPACE YOU

DON'T NEED, WHICH WILL HURT YOUR

PROFITABILITY.

CONSIDER THE STORE LAYOUT.

TYPICALLY AN ARCHITECT MIGHT BE

A GOOD RESOURCE TO SKETCH OUT

YOUR INTERIOR DESIGN AND

DETERMINE THE RIGHT SIZE BASED

ON THE USE AND THE PURPOSE FOR

THE SPACE.

ANOTHER THING TO CONSIDER IS THE

SHAPE OF THE STORE.

ONCE YOU KNOW THE OPTIMAL SIZE,

IT'S IMPORTANT TO UNDERSTAND THE

OPTIMAL SHAPE OF YOUR STORE

BASED ON THE LAYOUT OR THE

BUILDOUT OF YOUR PARTICULAR USE.

THE AVERAGE SPACE IS BETWEEN 60

TO 100 FEET IN DEPTH BY 15 TO 75

FEET WIDE.

LET'S SAY YOU DETERMINE YOU NEED

1200 SQUARE FEET TO RUN YOUR

BUSINESS.

DEPENDING UPON THE USE OR

PRODUCTS OR SERVICES YOU'LL

SELL, THE SHAPE OF THIS CAN PLAY

A CRITICAL ROLE IN THE BUSINESS

SUCCESS.

IF YOUR SPACE IS 20 BY 60, THAT

MIGHT WORK.

BUT IF IT'S ACTUALLY 12 FEET

WIDE BY 100 FEET DEPTH, IT ONLY

RESULTS IN A NARROW WIDTH, WHICH

MAY NOT ALLOW YOU TO FIT IN AND

NOT PROPERLY MERCHANDISE FIXTURE

RISE AND PROVIDE LESS STORE

FRONT AREA AND SPACE FOR YOUR

USE.

THIS COULD MAKE A NEGATIVE

SHOPPING EXPERIENCE AS IT COULD

FEEL CRAMPED AND CROWDED AND NOT

WELCOMING TO YOUR CUSTOMER.

A 1200 SQUARE FOOT SPACE AT 60

FEET DEEP AND 20 FEET WIDE GIVES

MORE AISLE ROOM AND GREAT

FRONTAGE AND MORE PRESENCE IN

THE SHOPPING CENTER.

NEXT WE'LL TALK ABOUT IS THE

INFRASTRUCTURE ADEQUATE.

WHEN WE TALK ABOUT

INFRASTRUCTURE, WE KIND OF TALK

ABOUT A COUPLE ITEMS.

ONE IS VENTILATION, HEATING AND

COOLING.

COMMONLY REFERRED TO HVAC.

PLUMBING, WATER, IS IS DIFFERENT

OR BECAUSE IT'S DIFFERENT

SERVICES, A USER MIGHT NEED.

RESTAURANTS TYPICALLY REQUIRE

MORE HVAC TO KEEP THE SPACE COOL

AND VENTILATE VERSUS A CLOTHING

STORE OR SMALL OFFICE.

RESTAURANTS WILL REQUIRE MORE

ELECTRIC AND GAS SERVICE TO

POWER THE EQUIPMENT IF THE SPACE

DOES NOT HAVE THE SERVICE AT

ALL.

YOU MAY WANT TO REQUEST A

LANDLORD TO INSTALL IT AS PART

OF A DEAL.

IF NOT, THAT SERVICE MAY NOT BE

LOCATED CLOSE TO YOUR STORE AND

THE COST TO INSTALL COULD BE

STAM.

SAME GOES FOR A RESTAURANT THIS

CAN BE AN OVERLOOKED ITEM IF

YOU'RE NEAR A AN OPENING

BUSINESS.

SOMETIMES IT'S NOT AVAILABLE TO

THE SPACE OR THEY DON'T HAVE THE

CAPACITY.

HVAC IS TALKED ABOUT IN TONS PER

SQUARE FOOT OF THE SPACE AND

AVERAGE TONNAGE FOR REGULAR

RETAIL IS 1 TON FOR 300 SQUARE

FEET.

RESTAURANTS HAVE HIGHER

REQUIREMENTS.

I WOULD ALWAYS RECOMMEND HIRING

A CERTIFIED HVAC CONTRACTOR IN

YOUR LOCAL AREA TO GIVE YOU AN

IDEA OF HOW MUCH HVAC YOU NEED

FOR YOUR BUSINESS.

MAKE SURE YOUR SPACE HAS WHAT

YOU NEED.

IF NOT, IT COULD BE VERY

EXPENSIVE TO INSTALL.

MAKE SURE THE SPACE HAS ADEQUATE

RESTROOM FACILITIES FOR YOUR

USE.

AND MEET CURRENT CODES.

ARE THEY COMPLIANT?

IF NOT, ASK THE LANDLORD TO

UPGRADE THEM AS PART OF THE

DEAL.

NEXT WE'LL TALK ABOUT THE

VISIBILITY.

THE COMMON THINKING ABOUT

SIGNAGE AND VISIBILITY AS YOU

WANT AS MUCH AS YOU CAN GET.

THIS CAN BE TRUE FOR MANY

BUSINESSES TYPICALLY IMPULSES

LIKE COFFEE, FAST FOOD,

CLOTHING, ET ET SET.

MOST CENTERS HAVE SIGN CRITERIA

AND DEDICATE THE MAXIMUM

ALLOWABLE SIGNAGE WITHIN THE

SHOPPING CENTER.

ALL THE VISIBILITY AS THEY ARE

TYPICALLY ORIENTED.

WHILE IT'S NOT BAD TO HAVE AND

WE ARE SEEING MORE OF THESE TYPE

OF USES COME INTO TRADITIONAL

SHOPPING CENTERS, YOU WILL PAY

MORE FOR THE SPACE WITH GREATER

VISIBILITY AND EXPOSURE IN THE

SHOPPING CENTER.

IT IS IMPORTANT TO MAKE SURE

YOUR BUSINESS HAS A MAXIMUM

EXPOSURE FOR YOUR CUSTOMERS TO

GENERATE THE FOOT TRAFFIC NEEDED

FOR PROFITABILITY.

NEXT IS IS PARKING.

YOU NEED A LOT OR YOU NEED A

LITTLE.

PARKING IS ONE OF THE MOST

CRITICAL ASPECTS OF LOCATING IN

A SHOPPING CENTER IN THAT YOU

NEED ENOUGH.

SOME BUSINESSES REQUIRE MORE

THAN OTHERS MAKE SURE THERE'S

ENOUGH FOR YOUR BUSINESS.

WHILE IT IS GREAT TO BE NEXT IT

A HIGH VOLUME GROCERY STORE, YOU

MAY NOT WANT TO BE DIRECTLY NEXT

DOOR BECAUSE YOUR CUSTOMERS WILL

HAVE TO FIGHT FOR PARKING.

IF YOUR BUSINESS REQUIRES A

QUICK STOP SUCH AS A DRY CLEANER

STORE, YOU MAY WANT TO FIND

LOCATIONS WITH STORE FRONT

PARKING.

WHERE THERE'S PARKING STALLS

DIRECTLY IN FRONT OF THE SPACE

FOR CUSTOMER CONVENIENCE.

IF YOUR CUSTOMERS CANNOT EASILY

PARK, THEY WILL GO ELSEWHERE.

NEXT LET'S TALK ABOUT

COMPETITION.

THINK ABOUT THE COMPETITION IN

RELATION TO WHERE YOU WANT TO

LOCATE YOUR BUSINESS.

DEPENDING ON THE USE, YOU MAY

WANT TO BE RIGHT ACROSS THE

STREET OR YOU MAY WANT TO LOCATE

IN AN AREA WHERE YOUR USE IS NOT

CURRENTLY OFFERED IN THE MARKET.

BEING NEAR YOUR COMPETITION CAN

ENABLE YOU TO BENEFIT FROM THE

MARKETING EFFORT TO IMPROVE YOUR

OFFERINGS TO SHARPEN YOUR

COMPETITIVE EDGE.

BUT BEING FAR AWAY CAN ALLOW YOU

TO FILL IN AN UNMET NEED IN THE

COMMUNITY.

IT ALL DEPENDS ON THE BUSINESS.

CLOTHING AND SOFT GOOD RETAILERS

LIKE TO BE NEXT TO EACH OTHER AS

THEY RELY ON CONSUMERS TO CROSS

SHOP.

USERS LIKE GROESHER E RETAILERS,

LIKE TO FEEL UNMET DEMANDS IN

THE MARKET.

SEE WHERE THEY ARE IN RELATION

TO WHERE YOU WANT TO OPEN.

IF THEY ARE NOT IN THE TRADE

AREA, IF YOUR USE IS NOT SERVING

THE TRADE AREA, YOU PROBABLY ARE

FILLING AN UNMET DEMAND.

YOU WANT TO BE LOCATED IN THE

OPTIMAL SITE SPACE SHS THE RIGHT

PROPERTY, THEN IT'S TIME TO RUN

THE NUMBERS.

MAKE SURE YOU'RE PREPARING

DIFFERENT SPACES AND DIFFERENT

PROPERTIES SUCH AS BASE RENT,

MAINTENANCE COSTS, TAXES,

UTILITIES, SECURITY, LOOKING AT

YOUR GROSS MONTHLY RENT AND

INCLUDE ALL COSTS.

ASK YOURSELF IS THIS A TRIPLE

NET OR IS IT A GROSS LEASE.

IF THE LEASE IS TRIPLE NET, IT

MEANS YOU PAY A BASE RENT.

THE RATES CAN FLUCTUATE.

THEY ARE INCLUDED AND GROSS

LEASES ARE ASSOCIATED WITH

OFFICE AND NOT RETAIL.

IT DEPENDS ON HOW THE LANDLORD

OPERATES.

ALWAYS BE AWARE OF RENTAL

INCREASES.

OR THERE'S AN INCREASE EVERY

YEAR.

A FIXED RENT IN THE BEGINNING

MAY GIVE YOU MORE BREATHING ROOM

TO GET YOUR BUSINESS.

OFF THE GROUND.

BUT IT REALLY COMES DOWN TO THE

SUPPLY AND DEMAND OF THE MARKET

AND THE WILLINGNESS OF THE

LANDLORD TO NEGOTIATE.

ONE OF THE FIRST STEPS IS ALWAYS

CREATING A BUSINESS PLAN.

THIS HELPS YOU FIND YOUR PATH

AND KNOW WHAT YOUR COSTS ARE

BEFORE YOU GET INTO A POSITION

IN ENTERING A LEASE THAT'S NOT

SUITABLE FOR YOUR BUSINESS.

>> IS IT MOVE IN READY?

THESE ARE SOME OF THE QUESTIONS

YOU'LL HAVE TO ASK AS YOU BEGIN

YOUR PROCESS.

CAN YOU MOVE RIGHT IN OR WILL IT

REQUIRE EXTENSIVE AND PERTINENT

DEPENDENCE UPON YOUR USE AND YOU

MIGHT BE ABLE TO GET AWAY WITH

MINIMAL IMPROVEMENT.

THEY MITE MAY NEED TO GET THE

SPACE REBUILT.

IF YOU'RE LOOKING AT A

RESTAURANT, SOME OF THE COSTLY

IMPROVEMENTS MAY ALREADY BE IN

THE SPACE AND WILL BE LESS

COSTLY THAN BUILDING OUT FROM

THE GROUND UP.

IF SUBSTANTIAL IMPROVEMENTS ARE

REQUIRED, IT'S NOT UNCOMMON TO

ASK THE LANDLORD TO PAY FOR THE

IMPROVEMENTS AND ROLL THOSE

COSTS INTO THE RENT.

THIS ALLOWS YOU TO RETAIN MORE

WORKING CAPITAL AND SPREAD OUT

THE COST OF THE IMPROVEMENTS

OVER THE LIFE OF THE LOWS.

AND THE ACTUAL WORK IMPROVEMENT

ALLOWANCE CAN BE REQUESTED FROM

THE LANDLORD.

THIS IS CASH THE LANDLORD WOULD

ALLOCATE FOR YOUR BUILD OUT.

AND RELIES SOLELY ON

CONSTRUCTION-RELATED COSTS.

THIS IS.

TYPICALLY PAID AS A REIMBURSE

MENT SO MAKE SURE YOU UNDERSTAND

YOU ARE REQUESTING THE LANDLORD

HOW THEY ARE TO BE PAID AND WHAT

DOCUMENTATION YOU'LL NEED TO

PROVIDE.

THE TENANT WOULD BE RESPONSIBLE

TO DO ALL THE CONSTRUCTION FOR

THE BUILD OUT SO THEY WOULD HAVE

TO BE WELL CAPITALIZED TO COVER

THEIR COSTS.

I WOULD HIGHLY RECOMMEND ANY

PROSPECTIVE TENANT, HIRE A

CERTIFIED LICENSED CONTRACTOR TO

GIVE THEM AN ESTIMATE OF THE

BUILD OUT COST BEFORE SIGNING A

LEASE.

DO NOT BE IN A RUSH TO EXECUTE A

LEASE WITHOUT KNOWING WHAT YOUR

COSTS ARE GOING TO BE IN AND

WHAT THE SCOPE OF THE WORK IS

GOING TO BE BECAUSE YOU DON'T

WANT TO GET TO A POINT WHERE YOU

SIGN A LEASE AND FIND OUT THAT

IT'S TOO COSTLY FOR YOU TO MOVE

FORWARD.

FIND OUT ABOUT THE ZONING LAWS

THAT CAN AFFECT YOUR STORE.

ONCE YOU HAVE IDENTIFIED A

PROSPECTIVE SITE, DO A LITTLE

RESEARCH AND CHECK THE ZONING TO

MAKE SURE YOUR BUSINESS CAN

OPERATE IN THAT EXACT LOCATION.

DON'T ASSUME BECAUSE IT'S A.

SHOPPING CENTER THAT ANY

BUSINESS CAN OPERATE THERE.

THERE ARE MANY RESTRICTIONS ON

USE SUCH AS RESTAURANTS,

MEDICAL, FITNESS, HOURS OF

OPERATION OR SIGNAGE, THE

EASIEST THING YOU CAN DO AS A

POTENTIAL TENANT IS DOING YOUR

DUE DILIGENCE IS REACH OUT TO

THE LOCAL MUNICIPALITY OFFICE

AND CHECK THE LOCAL ZONING CODES

OR GO ONLINE AND CHECK AS WELL.

IF YOU NEED ASSISTANCE OR YOU

FEEL YOU'RE STILL UNCLEAR, IT'S

RECOMMENDED THIS YOU CONTACT THE

LOCAL ZONING ATTORNEY TO

NAVIGATE THE PROCESS AND HELP

YOU ALONG THE WAY.

ANOTHER QUESTION IS IS IT SAFE.

WHILE SOME SHOPPING CENTER

SECURITY TENDS TO BE LOW TECH

AND TYPICALLY HAVE ON SITE

SECURITY GUARDS, OTHER CENTERS

OFFER CUTTING EDGE SOPHISTICATED

SUCH AS CAMERAS OR REALTIME

MONITORING CAPABILITIES.

ONE WAY TO COMPLETE SOME NUMBER

DUE DILIGENCE IS TO CALL A LOCAL

POLICE AND CHECK TO SEE WHAT

TYPES OF INCIDENT REPORTS HAVE

BEEN REPOSTED AT THAT SITE.

IT GIVES YOU AN IDEA OF THE

ACTIVITY AROUND THE SHOPPING

CENTER THAT MAY IMPACT YOUR

BUSINESS.

IN ADDITION, MANY SHOPPING

CENTERS ARE UPGRADED TO NEW,

HIGH EFFICIENCY LIGHTS THAT MAKE

PARKING LOTS BRIGHTER AND SAFER

AT NIGHT FOR BOTH YOU AND THE

SHOPPERS.

NEXT WE'LL GET INTO WHAT'S

INCLUDED IN RENT.

WHEN COMPARING COSTS OF SPACE,

UNDERSTAND WHAT IS INCLUDED IN

THE RENTAL QUOTE.

TYPICALLY THIS IS SPELLED OUT IN

THE LETTER OF INTENT OR LETTER

OF INTEREST.

BUT MIGHT NOT BE EASILY SEEN.

IF IT IS A TRIPLE NET LEASE, IT

NORMALLY ENCOMPASSES A BASE RENT

PLUS THE TRIPLE NET CHARGES

WHICH ARE TAX CHARGES.

THIS MAY NOT INCLUDE TRASH OR

UTILITY AS THESE ITEMS CAN BE

SEPARATE.

IF IT'S A GROSS LEASE, IT WILL

INCLUDE MAINTENANCE AND TAXES.

BUT MAY NOT INCLUDE OTHER ITEMS.

IT'S ESSENTIAL YOU KNOW YOUR

COST AS IT WILL DETERMINE THE

VIABILITY OF YOUR BUSINESS

MOVING FORWARD.

IF YOU UNDERESTIMATE YOUR COST,

YOU COULD POTENTIALLY OPERATE IN

A DEFICIT.

THE TERMS OF THE LEASE IS THE

ONE OF THE MOST IMPORTANT THINGS

WHEN SELECTING A LOCATION FOR

YOUR BUSINESS.

WE'RE NOT GOING TO GO LINE ITEM

THROUGH CLAUSES OF THE LEASE, AS

THAT WOULD BE TOO MUCH OF AN

IN-DEPTH OF A CONVERSATION FOR

THIS CALL.

TODAY WE WILL FOCUS ON THE

LENGTH OF THE LEASE.

SHORT-TERM AND LONG-TERM LEASES

BOTH HAVE POSITIVE IMPACTS AND

NEGATIVE ONES.

A LONG-TERM LEASE LOCKS IN RENT

AND GUARANTEES YOU WILL HAVE A

SPACE.

IF YOUR BUSINESS DOES NOT

SUCCEED, YOU'LL STILL BE LIABLE

FOR THE LENGTH OF THE TERM OF

THE LEASE.

A SHORT-TERM LEASE ON THE OTHER

HAND, OFFERS MORE FLEXIBILITY.

DWROUL BE STUCK IN A SHORT

AMOUNT OF TIME.

IT MAY HAVE BETTER FLEXIBILITY

WITH RENT AND LEASES VERSUS

SHORT-TERM.

THE BST SOLUTION IS TO FIND OUT

WHICH LENGTH OF LEASE WORKS BEST

FOR YOU.

ON THE FLIP SIDE A SMALL OFFICE

TENANT OR SMALL BOUTIQUE CLOSING

STORE MAY WANT A SHORTER TERM

LEASE AS BUILD OUTS DON'T

REQUIRE A SUBSTANTIAL AMOUNT OF

INVESTMENTS AND THEY COULD BE

EASILY RELOCATE TO ANOTHER

SHOPPING CENTER IF FOR WHATEVER

REASON THAT LOCATION DID NOT

WORK OUT.

.

THAT TAKES US TO THE END OF OUR

PRESENTATION.

I APPRECIATE EVERYONE FOR

PARTICIPATING TODAY.

I'M HAPPY TO ANSWER ANY

QUESTIONS YOU MAY HAVE.

DON'T BE SHY.

FEEL FREE TO ASK ANY QUESTIONS

AS SOMEONE MAY ALSO HAVE THAT

SAME QUESTION.

>> EXCELLENT, THANK YOU SO MUCH

FOR THAT PRESENTATION.

WE'RE NOW GOING TO START THE Q&A

PORTION OF THE WEBINAR.

IF YOU HAVE QUESTIONS FOR JOEL,

PLEASE FEEL FREE TO USE THE Q&A

BOX ON YOUR SCREEN TO SUBMIT

THOSE QUESTIONS.

I'M GOING TO GO THROUGH AS MANY

AS I CAN IN THE TIME REMAINING.

FOR ANY OF THOSE QUESTIONS THAT

WE DON'T GET TO I ENCOURAGE YOU

TO STOP BY THE BOOTH IN THE

HALL.

YOU CAN ALSO WORK ONE-ON-ONE FOR

FREE.

SHOULD I START LOOKING AT

LOCATIONS BEFORE COMPLETING MY

BUSINESS PLAN?

>> GOOD QUESTION.

.

THANK YOU.

TO ANSWER THAT QUESTION, I WOULD

START LOCKING AT LOCATIONS AHEAD

OF TIME BECAUSE AS YOU COMPLETE

YOUR BUSINESS PLAN MOST LIKELY

WITHIN THE BUSINESS PLAN IS WHAT

YOUR COSTS WOULD BE, RENT,

TRIPLE NET.

>> THANKS FOR THAT ANSWER.

>> HOW CAN YOU DETERMINE IN A

TRIPLE NET LEASE WHAT YOUR

EXPENSES WILL BE?

>> TYPICALLY IN A TRIPLE NET

LEASE, THERE'S THREE COMPONENTS

OF THAT.

YOU HAVE YOUR PROPERTY TAXES,

YOUR PROPERTY INSURANCE AND

WHAT'S CALLED THE MAIN SET OF

SHOPPING.

WHEN YOU'RE LOOKING AT YOUR

OVERALL EXPENSES ACCOUNT AND

TALKING WITH DIFFERENT

LANDLORDS, YOU CAN ASK THEM WHAT

THE COSTS ARE.

AND A LOT OF TIMES TO GET A

BASELINE YOU CAN ASK THEM WHAT

THE PATH TO OR THREE-YEAR

AVERAGES HAVE BEEN SO YOU CAN

GET A TREND LINE TO SEE WHERE

THE COSTS ARE GOING.

AND RELATIVELY WHAT THE FLOW IS

FOR THOSE.

SO AGAIN, YOU HAVE TRIPLE NET

ASK GET A QUOTE FROM THE

LANDLORD AND PROVIDE YOU BETTER

HISTORICAL NUMBERS ON THOSE

FIGURES.

>> THE CORE IS THE REFERENCE

WOULD BE IN CAP LOCATION.

IT DEPENDS ON THE USE.

SOME MAY NOT BE THAT VISIBLE.

THEY ARE TYPICALLY MORE

DESIRABLE THAN INLINE LOCATIONS,

THOUGH INLINE LOCATIONS CAN BE

DESIRABLE TOO DEPENDING ON WHERE

YOU'RE LOCATIONED WITHIN THE

BUILDING.

IT DEPENDS ON THE USE AND IT

DEPENDS ON WHAT THE TENANT PLANS

TO DO WITH THE SPACE.

YOU CAN HAVE SOME PAT ET OWE

SEATING AND THERE MAY BE

OPPORTUNITY FOR OUTDOOR PATIO

SEATING.

VERSUS ANOTHER USE WHERE MAY NOT

REQUIRE THAT.

SO IT REALLY DEPENDS ON THE USE.

>> GREAT.

I'M INTERESTED IN OPENING A

RESTAURANT.

CAN YOU TALK ABOUT NEGOTIATING

LEASEHOLD IMPROVEMENTS?

>> OBVIOUSLY, YOU'RE A

RESTAURANT LOOKING TO DO A BUILD

OUT.

IMPROVEMENTS ARE RELATIVELY

EXPENSIVE.

RESTAURANTS ARE ONE OF THE MOST

INTENSE BUILD OUTS FOR A RETAIL

ET TENANT.

IT'S VERY COSTLY TO DO SO.

YOU CAN LOOK AT A SECOND

GENERATION RESTAURANT AND

CAPTURE ON THAT.

MAYBE A A RESTAURANT THAT FAILED

AND THOSE IMPROVEMENTS MIGHT BE.

IN PLACE.

BUT TO YOUR SPECIFIC QUESTION,

TYPICALLY LANDLORDS AREN'T IN

THE CONSTRUCTION BUSINESS.

AND WOULD PREFER TO PROVIDE A

TENANT WHO HAS THE FINANCIAL

MEANS TO PROVIDE THEM A TI

ALLOWANCE TO HELP THEM IN THAT

COST TO BUILD OUT SPACE.

SO YOU'RE TALKING ABOUT HAVING

ALL OF THE INFRASTRUCTURE.

SO A LOT OF TIMES TENANTS HAVE A

BETTER IDEA OF WHERE THEY WANT

SO IT'S LIKELY THAT LANDLORD IS

IS GOING TO WANT TO COMPLETE

THAT.

JUST PARTICIPATE IN THE FORM OF

A TI ALLOWANCE.

>> CAN YOU TALK ABOUT LEASE TO

OWN OPTIONS?

IS IS THIS AVAILABLE FOR SMALL

BUSINESS OWNERS?

>> NOT IN TRADITIONAL SHOPPING

CENTERS.

WE DON'T HAVE NEVER BEEN A PART

OF A LEASE TO OWN SET IS NAR

OWE.

THAT I HAVE SEEN.

I'M NOT SAYING IT'S NOT OUT

THERE.

WHAT I WOULD SUGGEST IS MAYBE

CONTACTING A BROKER IN THE

MARKET AND SEEING IT THERE'S

LANDLORDS THAT MAYBE THAT HAVE

OWNED A PIECE OF PROPERTY THAT

THEY WOULD BE LOOKING TO OPEN

THATS AS AN OPTION.

>> EARLIER YOU TALKED ABOUT

ADEQUATE INFRASTRUCTURE.

HOW DO YOU DETERMINE WHAT IS

ADEQUATE FOR YOUR SPECIFIC

BUSINESS?

>> IT KIND OF COMES DOWN TO WHAT

THE INTENT OF THE TENANT AND

WHAT THEIR BUILD OUT IS GOING TO

LOOK LIKE AND MORE SPECIFICALLY

THEIR USE.

YOU MAY NOT NEED A LARGE AMOUNT

OF INFRASTRUCTURE RELATING TO

WATER.

YOU MAY NOT NEED A LOT OF HVAC

OPPOSED TO A RESTAURANT.

SO REALLY DEPENDS ON THE USE.

BUT AGAIN, ANOTHER WHAT YOU

COULD LOOK TO DO IS MEET WITH A

LOCAL CONTRACTOR AND LOCAL

PLANNING DEPARTMENT TO KIND OF

HELP YOU DETERMINE WHAT YOU'D

NEED BASED ON THE USE AND WHAT

YOU PLAN TO DO OUT OF THAT

SPACE.

>> WHAT ARE SOME GOOD SOURCES

FOR DEMOGRAPHIC DATA FOR

SPECIFIC SITES?

>> GOOD QUESTION.

THERE ARE A COUPLE SOURCES.

ONE DIRECTLY FROM THE LANDLORD.

A LOT OF TIMES THEY WILL HAVE

THIS INFORMATION AVAILABLE AND

PROVIDE IT RARELY.

THEY ARE HAPPY TO PROVIDE THEIR

MARKETING BROCHURE, WHICH HAS

THAT INFORMATION INCORPORATED

INTO THAT.

ANOTHER THING IS THE ECONOMIC

DEVELOPMENT DEPARTMENT OF THAT

PARTICULAR AREA.

THEY CAN MEET WITH YOU AND

PROVIDE YOU DEMOGRAPHIC

INFORMATION, ANOTHER SOURCE IS

LOCAL BROKERS.

YOU CAN CONTACT THEM IN THE

MARKET AND THEY WOULD BE HAPPY

TO PROVIDE YOU INFORMATION AS

WELL ON LOCAL DEMOGRAPHICS.

>> CAN YOU PROVIDE A FEW

SUGGESTIONS FOR FINANCING A

LARGE BUILD OUT?

>> THERE COULD BE A COUPLE

OPTIONS.

ONE WOULD BE WE HAVE SEEN IN THE

PAST IS HOME EQUITY LAIN OF

CREDIT.

WHERE TENANTS HAVE USED THE

EQUITY IN THEIR HOME AS A MEANS

TO BUILD OUT.

ONE THROUGH SAVINGS DEPENDING ON

WHAT THEY HAVE.

THE OTHER WOULD BE GETTING A

LOAN, SO MEETING WITH FINANCIAL

INSTITUTION AND DISCUSSING

WHAT'S AVAILABLE TO THEM IN

OBTAINING A LOAN TO DO THEIR

BUILD OUT.

THOSE ARE SOME OF THE AVENUES.

IT'S NOT ALL OF THEM, BUT IT'S A

FEW WE HAVE SEEN IN THE

INDUSTRY.

>> WHEN IT'S TIME TO DO A BUILD

OUT, DOES THE LANDLORD OR STET

NANT RESPONSIBLE FOR FINDING AND

HIRING THE CONTRACTOR?

>> THE TENANT.

THE TENANT IS RESPONSIBLE FOR

DOING THAT.

THEY WANT TO MAKE SURE THAT THE

CONTRACTOR THAT'S DOING THE WORK

IS A QUALIFIED INSURED,

LICENSED, WHEN DOING THE WORK.

>> DO YOU OFFER EASIER COMMENT

TO FIND TEMPORARY LEASES FOR

PROFIT PROJECTS LIKE A POP UP

FOR MARKETING AND EXPERIMENTAL

PURPOSES?

>> IT'S INTERESTING THAT YOU

BRING THAT UP.

KIMCO HAS A POP IT UP PROGRAM.

AND THAT'S SOMETHING THAT'S NOT

EVERY LANDLORD.

THAT'S REALLY SPECIFIC.

BUT I KNOW KIMCO HAS A POP IT UP

PROGRAM THAT WE DO HAVE AND HAVE

SPECIFIC PEOPLE IN OUR COMPANY

THAT HANDLE THAT LEASING.

>> ONE OF OUR PARTICIPANTS

WRITES, I'M WORKING FROM HOME.

DOES KIMCO OFFER SOLUTIONS FOR

TIMES I NEED A CORPORATE MEETING

SPACE?

>> NO.

THE SHORT ANSWER IS NO.

I HAVEN'T SEEN THAT DONE.

THERE ARE OFFICE USES THAT DO

HAVE THAT SORT OF CONCEPT AND WE

HAVE SEEN THOSE IN SHOPPING

CENTERS.

WHERE IT'S KIND OF A PLUG AND GO

TYPE CONCEPT THAT WE HAVE SEEN

COME INTO SOME RETAIL CENTERS

WHERE IT'S AN OFFICE THAT PEOPLE

HAVE BEEN GOING INTO AND PLUG

AND GO, BUT SPECIFICALLY ON OUR

VACANCIES, AN INDIVIDUAL LOOKING

TO LEASE IT FOR AN OFFICE FOR A

DAY OR SO IS SOMETHING WE

HAVEN'T DONE.

>> HOW LONG IS THE TYPICAL

LEASE?

DO YOU DO ANY OF THE SHARED

LEASING OPPORTUNITIES.

SO A TYPICAL LEASE IS DEPENDING

ON THE USE.

IT COULD BE A THREE-YEAR LEASE,

FIVE-YEAR LEASE OR TEN-YEAR

LEASE.

IT'S REALLY DEPENDENT ON HOW

LONG THE TENANT IS LOOKING TO

SIGN FOR.

AGAIN, IN OUR INDUSTRY, TYPICAL

IN A RESTAURANT THAT INVENTS A

HUGE AMOUNT OF MONEY INTO THEIR

SPACE.

THEY ARE GOING TO WANT TO SEE A

TEN-YEAR LEASE AND LOCK IN A

THEIR TERM LONG-TERM BECAUSE

THEY WANT TO AMORTIZE THOSE

COSTS OVER THE TROPICAL STORM OF

THE LEASE.

OR SOME SORT OF BUSINESS THAT

MAY NOT NEED A LONG-TERM LEASE.

ON AVERAGE TYPICALLY IT'S A

FIVE-YEAR LEASE.

>> ARE RATES TYPICALLY

GAUCHABLE?

>> YES.

IT COMES DOWN TO THE FINANCIAL

WHEREWITHAL, THE TENANTS, THE

RISK AND HOW A DEAL IS

STRUCTURED.

IT'S GOING TO ALLOW THEM TO DO

SOME WORK.

THAT ALWAYS FLUCTUATES ON WHAT

THE RENT IS GOING TO BE.

THE RATE CAN'T BE NEGOTIATED.

>> ARE YOU ABLE TO CHOOSE THE

TYPE OF LEASE FOR A PARTICULAR

PROPERTY.

>> MAJORITY OF RETAIL LEASES,

THEY ARE A TRIPLE NET LEASE.

THEY TEND TO BE ON A TRIPLE NET

BASIS.

THERE'S SOME INSTANCES WHERE YOU

MAY HAVE A SHOPPING CENTER AND A

SECOND STORY OFFICE.

AND I HAVE SEEN WHERE THAT COULD

ON A GROSS LEASE.

IT'S REALLY DEPENDENT ON HOW

FLEXIBLE THE LANDLORD IS.

BUT IN RETAIL YOU'RE GOING TO BE

A TRIPLE NET LEASE.

>> TYPICALLY THERE'S PARKING

ORDINANCES AND THERE IS CERTAIN

CERTAIN LAWS THAT HAVE TO ADHERE

TO PARKING.

AGAIN.

I'M NOT AN ATTORNEY, BUT TO

ANSWER THE QUESTION, THERE ARE.

>> IF MY CURRENT RETAIL SPACE

DOES NOT MEET THAT MINIMUM, DO

YOU OFFER ANY SUGGESTIONS OTHER

THAN MOVING ELSEWHERE?

>> IT DEPENDS ON THE SITUATION

THEY ARE IN.

IF IT'S SOMETHING THAT IS

IMPACTING THEIR BUSINESS I WOULD

HAVE THEM LOOK AND REACH OUT TO

THE LANDLORD AND BRING UP THAT

ISSUE.

IF THAT IS THE CASE.

NOT KNOWING THE SPECIFICS OF

THAT IT'S HARD TO ASSESS THE

BEST SCENARIO.

>> SURE, WE HAVE A RELATED

QUESTION.

HOW DO YOU KNOW IF YOU NEED A

PUBLIC RESTROOM?

WOULD THE SAME RESPONSE APPLY OR

OFFER SOMETHING DIFFERENT?

>> IT WOULD BE SOMETHING

DIFFERENT.

A PUBLIC RESTROOM TYPICALLY IF

YOU LOOK AT A PUBLIC RESTROOM,

YOU'RE GOING TO MEET WITH THE

CITY WHEN YOU'RE DOING YOUR

BUILD OUT AND HAVE TO SUBMIT

PLANS TO GET APPROVED.

THEY ARE THE ONES THAT WOULD

TELL YOU IF THE REQUIREMENTS FOR

THE RESTROOM IF THAT'S A

SPECIFIC QUESTION, I WOULD

HIGHLY RECOMMEND GAIN OF

CONTRACTOR IN THE SPACE BASED ON

THE USE.

A LOT OF TIMES THEY WORK WITH

THE MUNICIPALITY IN ABLE TO TELL

YOU YOU'RE GOING TO NEED A

RESTROOM OR YOU WON'T NEED A

PUBLIC RESTROOM.

THEY ARE A GOOD RESOURCE TO USE

WHEN YOU'RE DOING YOUR INITIAL

COST ASSESSMENT.

IN DETERMINING WHETHER A PUBLIC

RESTROOM IS NEEDED FOR YOUR

BUILD OUT.

>> I HAVE A NEW RESTAURANT

BUSINESS.

WHAT ARE REASONABLE IMPROVEMENTS

A TENANT MIGHT BE ABLE TO

REQUEST FROM A LANDLORD.

TYPICALLY A REQUEST MIGHT BE A

GREASE TRAP, A GREASE

INTERCEPTOR.

THAT WOULD BE PROBABLY SOMETHING

THAT THEY WOULD LOOK TO DO

MAKING SURE THERE'S ADEQUATE

PLUMBING FOR THE INTENDED USE.

MAYBE AN HVAC THAT'S ADEQUATE

ENOUGH FOR THE INTENDED USE AS

WELL.

THOSE ARE A FEW THAT COULD BE

POTENTIALLY NEGOTIATED.

AGAIN, IT REALLY COMES DOWN TO

COST.

>> WOULD YOU RECOMMEND HIRING A

REALTOR TO HELP WITH PURCHASING

OR LEASING EVEN IF YOU KNOW THE

LOCATION.

I WOULD RECOMMEND IF YOU'RE

UNFAMILIAR WITH THE PROCESS AND

YOUR FIRST TIME AND YOU DON'T

KNOW WHERE TO GO, THERE ARE

COMMERCIAL BROKERS AND WHEN YOU

LOOK AT HIRING A PROFESSIONAL,

IF YOU'RE GOING IN A RETAIL,

HIRE SOMEONE THAT THIS IS WHAT

THEY DO.

THAT'S TYPICALLY A COMMERCIAL

RETAIL BROKER.

THEY CAN NAVIGATE THE PROCESS

WITH YOU.

>> HOW MUCH SHOULD YOU EXPECT TO

PAY WHEN LEASING SPACE?

>> IT DEPENDS ON THE MARKET THAT

YOU'RE LOOKING AT.

WHAT I WOULD.

WANT.

TO KNOW WHAT TO EXPECT, I WOULD

CALL ON A LOT OF COMPETING

SHOPPING CENTERS AND THAT YOU

WANT TO LOCATE YOUR BUSINESS.

AND THEN KIND OF ASK WHAT THEY

ARE ASKING RATES ARE.

SO IT'S AN IDEA OF WHAT THE

MARKET MIGHT BE FOR THAT

PARTICULAR AREA AND START

CALLING ON THOSE AND ASK WHAT

THE THEY ARE GOING TO BE.

>> CAN YOU OFFER ANY TIPS ABOUT

NEGOTIATING LEASE RENEWALS?

>> KNOW WHAT THE MARKET IS FOR

YOUR RETAIL SPACE.

KNOW IF YOU HAVE ANY LEVERAGE IF

IT IS A HIGH AMOUNT OF VACANCIES

IN THE SHOPPING CENTER.

YOU MAY HAVE MORE LEVERAGE TO

POTENTIALLY IF IT'S ABOVE MARKET

TO BRING THAT TO MARKET.

B GIVEN THE VACANCY IN THE BUILD

BILLING THAT THEY MAY WANT TO

TRY TO RETAIN YOU AND MORE

WILLING TO NEGOTIATE ON THAT.

AND THE FLIP SIDE IF IT'S A HIGH

DEMAND SHOPPING CENTER HIGH

VACANCIES AND REALLY DEPENDS ON

THE SPECIFIC MARKET.

BUT KNOWING YOUR MARKET IS A

HUGE IMPORTANT FACTOR WHEN

YOU'RE GOING TO NEGOTIATE A

RENEWAL.

IF YOU'RE GOING TO REQUEST THE

LANDLORD, RENT REDUCTION BASED

ON SALES, HAVE THOSE IN HAND AND

PROVIDE THEM TO THE LANDLORD.

SO HE CAN REVIEW THOSE

INTERNALLY AND DETERMINE WHAT

MIGHT BE YOUR RATIO TO SEE IF IT

IS A VIABLE REQUEST.

>> IS THERE A WEBSITE THAT I CAN

VISIT OR PLACE US CAN GO TO FIND

POTENTIAL RETAIL SITES?

>> YES, THERE ARE SEVERAL OUT

THERE.

THERE'S COSTAR, THERE'S IN

ADDITION TO THAT, A LOT OF THE

PROPERTIES ARE LISTED ON.

ANOTHER WAY IS TO DRIVE THE

MARKET.

A LOT OF TIMES THE LANDLORD HAS

SIGNS UP.

AND YOU CAN PULL THE WEBSITE OFF

THERE AND GET INFORMATION

ASSOCIATED WITH THAT PROPERTY.

OR GOOD OPTIONS.

>> DOES KIMCO REALTY HAVE

PROPERTY NATIONWIDE?

>> YES, WE DO.

>> IS IT REASONABLE TO REQUEST

TO NOT PAY RENT FOR A PERIOD OF

TIME UNTIL A BUILD OUT IS IS

COMPLETE AND THE BUSINESS IS

READY TO OPEN?

>> YES, THAT'S A REASONABLE

REQUEST.

TYPICALLY A LANDLORD MAY PROVIDE

WHAT'S CALLED A BUILD OUT

PERIOD.

SO FOR INSTANCE, UPON EXECUTION

OF THE LEASE, THE DATE YOUR

LEASE DPINS IS A RENT COMMENCE

MENT DATE, WHICH IS TIED TO

THAT.

IN BETWEEN THAT, YOU'D HAVE A

BUILD OUT PERIOD SO YOU'RE

BUILDING OUT YOUR SPACE AND NOT

HAVING TO PAY RENT IN TRIPLE NET

AS WELL AS YOU ET GET YOUR

BUSINESS OPEN AND OPERATING.

TYPICALLY TENDS TO HAPPEN.

ONCE YOU'RE OPEN FOR BUSINESS,

THAT'S WHEN IT STARTS.

IT REALLY DEPENDS ON HOW A LEASE

IS STRUCTURED AND NEGOTIATE.

S.

BUT IT'S NOT UNREASONABLE TO

REQUEST A BUILD OUT PERIOD AS

YOU LOOK TO BUILD OUT YOUR

BUSINESS OR YOUR SPACE.

>> IS SHARING SPACE WITH ANOTHER

BUSINESS CENTER WOULD YOU

RECOMMEND HAVING JOINT INSURANCE

POLICY FOR THE STORE?

>> I'M NOT SURE WHAT THEY MEAN

BY JOINT VENTURE.

IF IT'S TWO TENANTS JOINING

FORCES TO OPEN A BUSINESS, IT'S

AN INSURANCE REQUIREMENT PER THE

LEASE.

US WOULD SAY LOOK TO THAT

PROVISION.

THE LANDLORD WOULD LET MY

INSURANCE REQUIREMENTS ARE AND

THEN CONTACT YOUR LOCAL

INSURANCE BROKER AND ET GET A

POLICY QUOTE ON THAT SO YOU KNOW

WHAT THE COST IS FOR THAT.

>> IF YOU'RE INTERESTED IN A

RETAIL SPACE THAT'S BEEN VACANT

FOR ALMOST TEN YEARS AND NEEDS

TO BE COMPLETELY RENOVATED, IS

IT NORMAL FOR THE LANDLORD TO

ASK FOR FIRST, LAST AND SECURITY

ON THE SIX MONTHS BEFORE THE

SPACE WOULD BE READY TO DO A

BUILD OUT?

>> COULD YOU REPEAT THAT?

>> IS IT NORMAL FOR A LANDLORD

TO REQUEST FIRST MONTH, LAST

MONTH LEASE AND SECURITY DEPOSIT

IS FOR A SPACE THAT ISN'T READY

TO BE OCCUPIED?

>> SO IF I'M UNDERSTANDING THIS

CORRECTLY, THEY ARE REQUESTING

OCCUPY THE SPACE.

THAT'S NOT UNREASONABLE.

ESPECIALLY DEPENDS ON THE LEASE.

IT'S NOT UNREASONABLE FROM THE

LANDLORD.

>> GREAT.

ONE MORE TIME JUST BECAUSE WE

DIDN'T HAVE THEM LISTED ON A

SLIDE.

WILL YOU PLEASE REPEAT THE

WEBSITES WHERE OUR PARTICIPANTS

CAN GO TO FIND POTENTIAL RETAIL

SITES?

>> SURE.

ONE IS LOOP NET.

AND COSTAR.

THOSE ARE TWO WEBSITES WITHIN

OUR INDUSTRY THAT PEOPLE TEND TO

USE WHEN THEY ARE LOOKING AT

COMMERCIAL PROPERTY.

>> EXCELLENT.

JOEL, THANK YOU SO MUCH FOR A

GREAT PRESENTATION AND FOR

REPRESENTING KIMCO REALTY IN THE

VIRTUAL CONFERENCE TODAY.

THAT'S ALL THE TIME WE HAVE FOR

QUESTIONS.

IF WE DIDN'T HAVE A CHANCE TO

GET TO YOUR QUESTION, I

ENCOURAGE YOU TO VISIT THE BOOTH

IN THE EXHIBIT HALL.

AND IF YOU HAVE OTHER BUSINESS.

QUESTIONS, THIS IS THE MENTORING

HALL TO CONNECT WITH A FREE

SCORE BUSINESS.

THANK YOU FOR YOUR TIME AND

ATTENTION TODAY.

ENJOY THE REST OF THE EVENT.