



Established in 1992

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Target Property Fundamentals

Keys to a Successful Location!

- **Class A Centers**
 - Sites located in power centers and freestanding buildings in regional locations'
 - Many sites are on the mall peripheral
 - Newer, in vibrant retail clusters surrounded by dense populations and high incomes

- **Class B**
 - Older constructed in power centers, community centers or freestanding locations.
 - May be in strong areas but have physical traits that negatively impact their desirability

- **Class C**
 - Generally constructed before 1990 and have not been updated since
 - Often in secondary or neighborhood locations

- **Choosing the Location - Site Situated**
 - Conveniently...if not centrally located in Trade Area
 - Accessible by highways or main arterials
 - Visual exposure
 - Easily accessible
 - Minimal congestion
 - Accessible from collector streets
 - Middle of growth?
 - Close to major transportation arteries?
 - Physically attractive without major constraints on construction?
 - Appropriately configured?

- **“Market” AND “Sub – Market” Definition and Understanding**

- **Worst Retail on Best Street**

Target Property Fundamentals

- **Location – Demographics (Awareness) - Layout – Frontage/Depth - Accessibility – Visibility – Traffic Count (ADT 40K) – Traffic Signalization – Parking (ratio) - Signage (Oppty's) Area Activity Generators (Day Time or Night Time Traffic Generation or BOTH) Freeway Proximity, Going to/Away from Freeway**
 - Location
 - Growth rate
 - Accessibility → critical!
 - Premium Retail Location, High Community Visibility
 - Regional Access
 - Competitive Position in Market
 - Best intersection in RTA, corridor offering direct Freeway access
 - Un-Changeables – Hospitals - Civic Centers – Colleges – Schools – Sports Venues
 - High Barriers to Entry...Lack of ability to develop
 - Dense In-Fill Location
 - Demographics / Demographic Changes
 - The Market – The Trade Area – The Intersection Find *Worst Properties on Best Corridors*
 - What's coming
 - Housing
 - Employers
 - Strong Positioning
 - Dominant Intersection
 - "Activity Generators" - Entertainment Generators - "*7-Day Per Weeknight & Weekend Activity*"
 - "Dynamic "Activity" in Trade Area
 - Shopping Environment - Retail Linkage - Retail "Critical Mass" above 300K
 - High levels of activity.
 - Incredible Activity Generator Linkage with abundant retail and restaurant concentrations in immediate ¼ mile ring surrounding site.
 - Intersection Retailers include; ...one of the top X intersections in the area
 - Pedestrian Support

Target Property Fundamentals

- Surrounding Activity Generators / Un-Changables

	1000 LF	2,500 LF	5000 LF
○ Costco			
○ Wal-Mart			
○ Target			
○ Super Markets			
○ Drug Stores			
○ McDonalds			
○ Malls			
○ Hospital			
○ Colleges			
○ Military Bases			

- Demographic Profile (Awareness)

	1-Mile	2-Mile	3-Mile	State Avg.
○ Tapestry Profiles				
○ Residential Population	12,000	25,000	100,000	
• 60K- 3mile LA Fitness				
• 65K - Panda Express/ 50K – Applebee’s				
• 80K - ALDI				
• 150K - Sprouts				
• Crunch	18,000		125,000	
• 100K could justify 2 nd stores for 2 nd Store				
○ Daytime Population	8,000	15,000		
• 30K - Panda Express				
• Arco - 2 –Mile - 18K – Arco				
• Trade Area		150K - Sprouts		
○ Households				
• Total # Households - 2 mile – 13KHH –Arco				
○ Avg. HH Size – 2.5+ avg.				
○ Median Age				
• % 18-34? (Primary Target – 7-11)				
• % 25-49 (Primary Target - Wendy’s, Mama Fu’s.)				
• (Skewed by specific age?)				
• 65 % or greater between 20 and 50				
○ Median HH Income -	\$77,500			
○ College Degree	35%			
○ Job Growth				
○ Consumer Spending				
○ Existing				
○ Projected				
○ Housing in Pipeline				

Target Property Fundamentals

- **Intersection Traffic Counts**
 - **Intersection Traffic Counts** (Market Area Linkages) 40,000 VPD plus (Combined at Intersection)
 - Primary Corridor 25K; Secondary Corridor – 15K
 - AM or PM Traffic determination (far side of light)
 - Going to Work/Home side
 - Car Count – Pedestrian Flow – Residential and Day Time Density...
 - Existing
 - Projected
 - *Success in Retail comes by way of Quantity and Quality of “Traffic”*
- **Location**
 - **Market Characteristics**
- **“Layout”** – Frontage & Depth
- **Accessibility**
 - Freeway Adjacent – Freeway Onramp – Approach to/away from Freeway
- **Signalized Corner**
- **Going Home Side of Road / Right Turn** (far side of intersection best, unless swing corner)
 - Food, Perishables
- **Going to Work Side** (far side of intersection best, unless swing corner)
 - Strips – Coffee – Gas – Donut – Cleaners
- **Visibility**
 - Bldg. Height/Façade - Lighting – Storefronts
- **Parking**
- **Signage Opportunities**
- **Internal Circulation**

Activity Generators – “Demand Drivers” - Un-Changeables

- **DAY – TIME “Activity Generators”**
 - Location – Drive time proximity – Define Market
 - “Unchangeables” – Linkage – “Activity Dynamic”
 - Civic Center
 - Courthouses
 - Post Office
 - DMV
 - Sports Parks
 - Office Concentration
 - Schools – Universities
 - Church Campuses
 - College Towns (Follow Chick – fil – A, Costco, Target, Where Habit is Not)
 - Hospitals – Healthcare Corridors
 - Hospital Sq. Ft. –
 - TBD – Beds
 - TBD - Employees
 - Transit – Mass Transportation
 - Regional Malls
 - Big Box Discounters
 - In the “shadow” of;
 - Super Target
 - Super Wal-Mart
 - Costco
 - Home Depot
 - Lowes
 - Trader Joe’s – Sprouts
 - Chick – fil - A
 - Hotels & Restaurants
 - Landmark Locations
 - New Residential Under Construction
 - Gen Y – Hotspots – “Young Brands” Development Model
 - Neighborhood Corners

Activity Generators – “Demand Drivers” - Un-Changeables

- **EVENING Activity Generators**
(Week night & Week end Activities)

- **Entertainment Generators** *“7-Day Per Weeknight & Weekend End Activity”*
 - Evening Traffic Generators include;
 - Theatres (that have been updated,)
 - Gyms – Food Hall
 - Employment Centers
 - Hospitals

- **“Dynamic “Activity” in Trade Area**
 - **Hotels – Office – Entertainment – Sports Parks**
 - High levels of activity dynamic
(list “Activity Generators” within $\frac{1}{4}$ - $\frac{1}{2}$ - $\frac{3}{4}$ miles away)

- **Seniors Housing / Retirement Communities**

- **Convention Centers**

- **Historic / Landmarks / Tourist Destinations**

- **Gen Y Hot-Spots (Google Gen Y Trends)**
 - High Density Apartments & Condominiums
 - Artist Colonies = Brew Pubs / Wine Bars / Gen X Hot Spots
 - Sports Arenas & Stadiums
 - Recreation Areas – Parks/ Golf Courses/ Sports Fields
 - Mass Transportation / Metro portals / Bus stop / Rail stop / Trolley stop
(Biggest Driver of Mixed-Use in future...train, bus)



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Define Target Property Competitive Advantages

Creating Value at the Property Level

An Investment Strategy and Merchandising Program devised to exploit the Opportunity to Make the Property Stronger and Increase Value!

Great Location – Demographic Theme Oppty. – Activity Generators – Site Layout / Frontage – Accessibility (multiple points) – Signalized Intersection - Visibility – ADT.40K - Parking - Signage – Credit Retail Oppty. - Retail Critical Mass exceeding 300K - Internal Circulation

- ***Investment Strengths of the Property*** ***(Internal, Controlable)***
 - Product Quality. Plan to accentuate
 - Key Investment Site/Location Characteristics
 - Key Market / Site Characteristics
 - Property Fundamentals -> Key Project “Success Features”
 - What Are Investment Strengths / Project Success Features to Improve & Accentuate

- ***Investment Weaknesses of the Property*** ***(Internal, Controllable)***
 - Problems with the Property
 - Probability %...Plan to make it better

- ***Investment (Re) Development Plan Opportunities of the Property*** ***(External, Non-Controllable)***
 - Property’s Competitive Advantages & Plan to Make it Stronger
 - What Are Investment Strengths
 - “Project Success Features” To Improve & Accentuate
 - Identification of Upside Opportunities

- ***Investment Threats of the Property*** ***(External, No Controllable)***

- ***Risk Assessment***

- ***Risk Mitigation Measures***