

## CHAPTER 14: Retail Property

### MATCHING:

regional shopping centers  
tax participation clause  
mechanic's lien  
anchor tenants  
neighborhood shopping centers

trade fixtures  
commercial strip centers  
mixed use developments  
supperregional shopping centers  
community shopping centers

1. \_\_\_\_\_ Major department store in a shopping center; important because it draws in many customers who may shop at the smaller stores
2. \_\_\_\_\_ Often referred to as convenience centers, located on edge of urban areas or suburbs consisting of four to ten retail spaces
3. \_\_\_\_\_ A shopping center of about 100,000 to 250,000 square feet (20-70 retail spaces) serving population within 1.5 miles
4. \_\_\_\_\_ A shopping center of about 30,000 to 100,000 square feet (15-20 retail spaces); often anchored by supermarket and small stores serving about 1,000 families
5. \_\_\_\_\_ A lien against the property by unpaid bills for renovation or improvements made by tenants; may be avoided by recording the lease serving notice that tenant has only possession
6. \_\_\_\_\_ A development in the use of property combining office, retail, industrial and residential uses in one specific area
7. \_\_\_\_\_ A large shopping center containing from 70-225 retail spaces and more than 400,000 square feet, housing up to six major department stores, numerous satellite stores
8. \_\_\_\_\_ Largest type of shopping center, housing as much as 1.5 million square feet of shops and adjacent areas
9. \_\_\_\_\_ A lease provision requiring the tenant to pay a pro-rata share of any increase in real estate taxes or assessments in addition to the basic rental
10. \_\_\_\_\_ A fixture installed by a commercial or industrial tenant under the terms of the lease and removable by the tenant before the lease expires

**Chapter 14: True/False**

1. **T F** The off-price center usually has no dominant, key tenant.
2. **T F** Classifying a shopping center is done by square feet and number of retail spaces.
3. **T F** An anchor tenant is not important because it is dragging down the rest of the shopping center.
4. **T F** One owner generally owns the land and the buildings of most shopping centers.
5. **T F** Parking availability of is a major concern when designing shopping centers.
6. **T F** The most cost-effective method of advertising retail space is through classified ads.
7. **T F** Placing two or more competing retail businesses side by side can increase business for all.
8. **T F** The most popular form of charging rents for retail establishments is the gross lease.
9. **T F** Trade fixtures become the property of the shopping center when the tenant moves out.
10. **T F** The owner's legal liabilities should be distinguished from the tenant's before buying insurance.

**Chapter 14: Multiple Choice**

1. **A center that is about 100,000 square feet and is designed to provide convenient shopping for customers in a 1.5-mile radius is called a**
  - a. community center.
  - b. neighborhood center.
  - c. strip mall.
  - d. convenience center.
2. **National firms that sell discounted merchandise are classified as**
  - a. specialty centers.
  - b. power centers.
  - c. discount department stores.
  - d. factory outlets.
3. **Which of the following describe a combination of uses for a single property?**
  - a. Mixed-use development
  - b. Flea market
  - c. Specialty center
  - d. Power center

- 4. The most important form of advertising for a retail center is**
  - a. classified ads.
  - b. brochures.
  - c. signage.
  - d. referrals.
  
- 5. What is the most effective method of finding shopping center tenants?**
  - a. Brochures
  - b. Direct mail
  - c. Newspaper pullout sections
  - d. Personal contact solicitation
  
- 6. A tenant's success in a shopping center will depend on**
  - a. the type of service offered.
  - b. location and tenant mix.
  - c. a specialized customer market.
  - d. shaky financial backing.
  
- 7. A lease in which the percentage rental rate changes according to the volume of business done is a(n)**
  - a. variable scale lease.
  - b. straight percentage lease.
  - c. overage lease.
  - d. maximum percentage lease.
  
- 8. One reason preventive maintenance programs and routine inspections are important to retail centers is because of the**
  - a. design.
  - b. weather.
  - c. heavy traffic.
  - d. structure.
  
- 9. The difference between the operating budget for a retail center and other properties is**
  - a. little variation in potential income.
  - b. flexible budgeting.
  - c. most of the budget can be affected by economic measures.
  - d. capital expenditures must be listed separately.
  
- 10. The insurance for shopping centers can be expensive. Two of the most expensive types of insurance policies are general liability and fire and also**
  - a. pollution insurance.
  - b. automobile insurance.
  - c. extended coverage insurance.
  - d. coinsurance coverage.