2018 Best Practices Retreat

Speaker:
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CEO, Founding Partner
Arrow Real Estate Services

STARK & STARK
ATTORNEYS AT LAW

Dare Living Associates, Inc.
Commercial Services

ARROW
Real Estate Services

LANGAN

The Amazon Effect (AE)

- Most active, knowledgeable retail operators see transformation, not annihilation – online at 8%
- AE is about knowledge and convenience: consumers know more about their options than ever before, AE acknowledges and caters to fact that we live in a convenience world
- AE is most applicable to "commodity" and "middle-middle" retail
- Retailers forced to redirect expansion dollars to physical and digital infrastructure

The Amazon Effect (AE)

- Very hard for AE to consistently compete with immediate/daily needs (convenience and perishables), "treasure hunt", and "experiential" retail
- Most consumers instinctively know that the current delivery model is not financially sustainable – "last mile" delivery a big challenge
- Landlords Must: CREATE AN ENVIRONMENT, GIVE CONSUMERS A REASON, BE KNOWLEDGE SPONGES, RECOGNIZE "YELP EFFECT"

PriceWaterhouse 2017 Holiday Shopping Survey

- Generation Z (13-29) vs Millennials
  - 81% Prefer in-store experience
  - Shoppers over 17 split evenly between online and in- store
  - "Fun experiences", "Live Event", "In-Store Specials"
  - It's possible that these trends will change with age, but may signal an ongoing trend

JP Morgan: "Amazon Can't Compete with Off-Price Retailers"

- Fall 2017: JP Morgan upgrades off-price apparel retailers Ross, TJX, Burlington – sees incremental sales growth of $18-19B by 2021
- Department Stores have lost $25B in sales (combined) since 2011
- Argument: Amazon encroachment into apparel most closely resembles department store model

JP Morgan: "Amazon Can't Compete with Off-Price Retailers"

- It is extremely difficult to copy the "treasure hunt" experience online – analysts consistently cite "huge barriers to entry"
- Also note "1,000 buyers worldwide sourcing from 18,000 vendors in 100+ countries"
- Ross, TJX (33 straight Q's of sales growth), Burlington all forecasting same-store sales growth for 2017

Sales Increases For Bricks and Mortar

- 27% of respondents report their brick-and-mortar sales have increased in the last 2 years
- 14 % posting sales gains of 5 percent or more

What's Next For Retail?

- Fewer centers, disappearing "B/C" malls, consolidation around best of class in specific sectors – the US is seriously over-retailed
- In busy world, and with housing and savings a challenge, more consumers will demand experiences – restaurants and bars, health clubs
- Surviving retailers will be omni-channel, will incorporate technology into in-store experience; bricks and mortar will also be distribution and fulfillment

What's Next For Retail?

- Retailers who sell an experience will take away AE advantage – convenience and price – by more effective in-store experience (see Best Buy in-store, Tilly's augmented reality)
- Daily goods retailers will offer multiple platforms – see Wal-Mart, Kroger, Target – as well as Amazon foray into bricks & mortar. Daily goods focus on in-store, prepared foods, private label
- Discretionary Retail will continue to evolve to social experience rather than simply needs fulfillment

The Amazon Affect:

A giant river of commerce changing the very nature and habitat of retail.

FOREVER.

This is the case where the LITTLE BOX murdered the BIG BOX!

Malls used to be filled with people.

… lots of people …

… lots and lots of people …

and people meant lots and lots and lots of RENTAL INCOME!

Malls were filled with people

… what's bigger than a BIG BOX STORE?

Now people are filled …

… with MALLS !!!

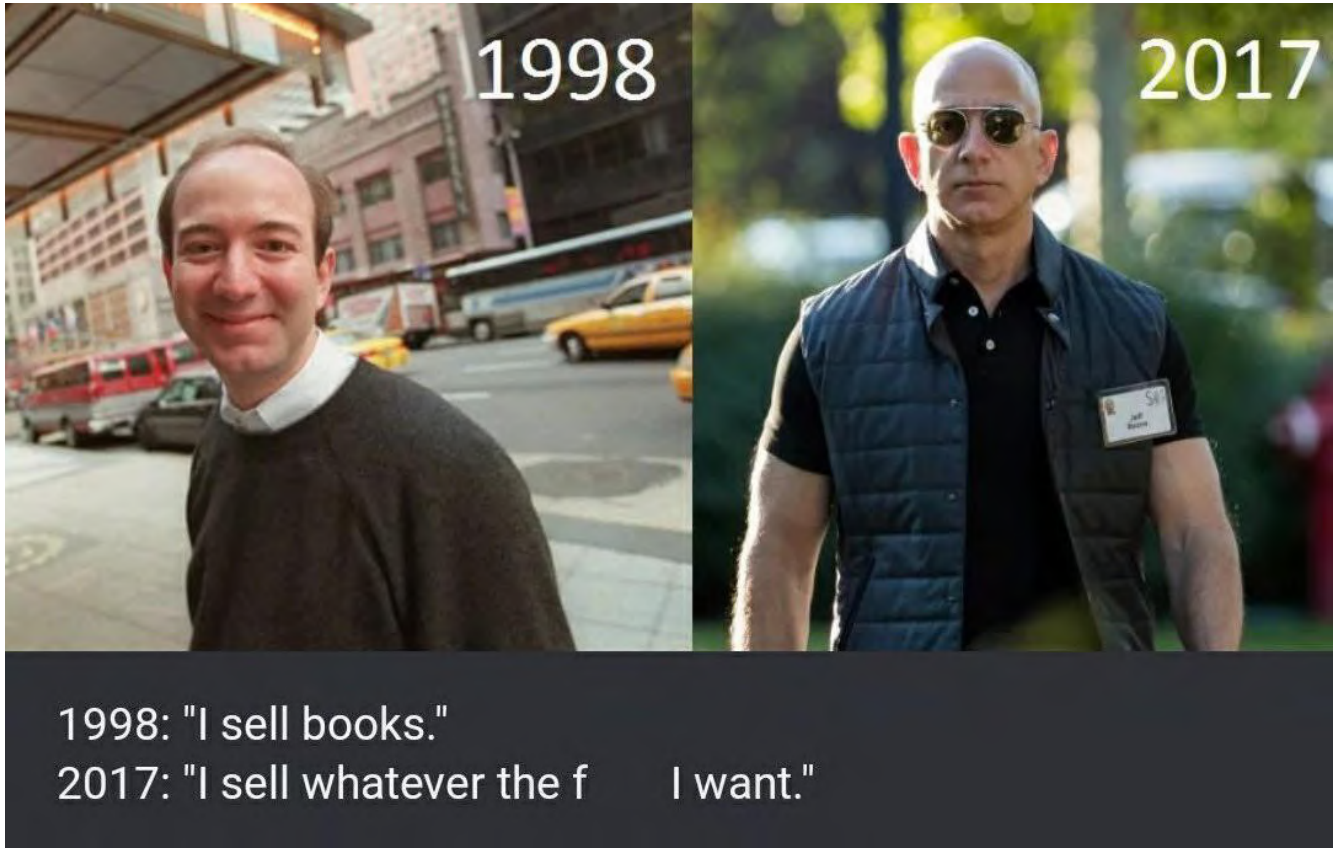
WHAT HAPPENED and WHY?

- THIS is NEW MALL.
- THIS is the GRAND MALL SEISURE!

THIS is THE NEW MALL and it is of INFINITE SQUARE FOOTAGE.

This guy is why BIG BOX stores around the world are closing…

Jeff Bezos. He's not a bad guy. He's just you with a better idea.



Think Yourself Out of the Box

Don't Close Your Mind to the Idea That All These Big Box Closures Could Lead You to the

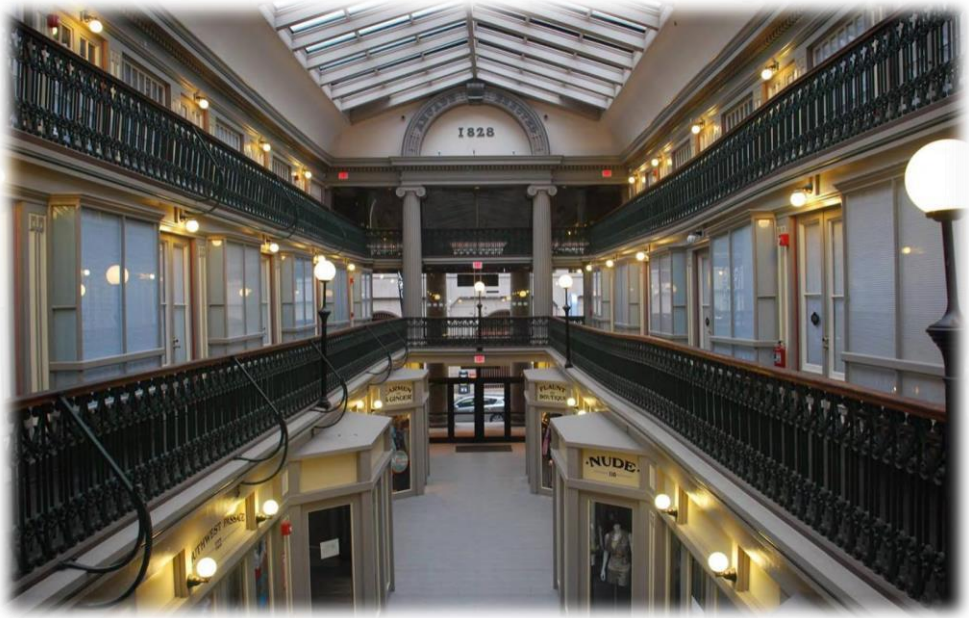
BIG BOX BOOM!

Big Box Bust

… come on now … THINK!

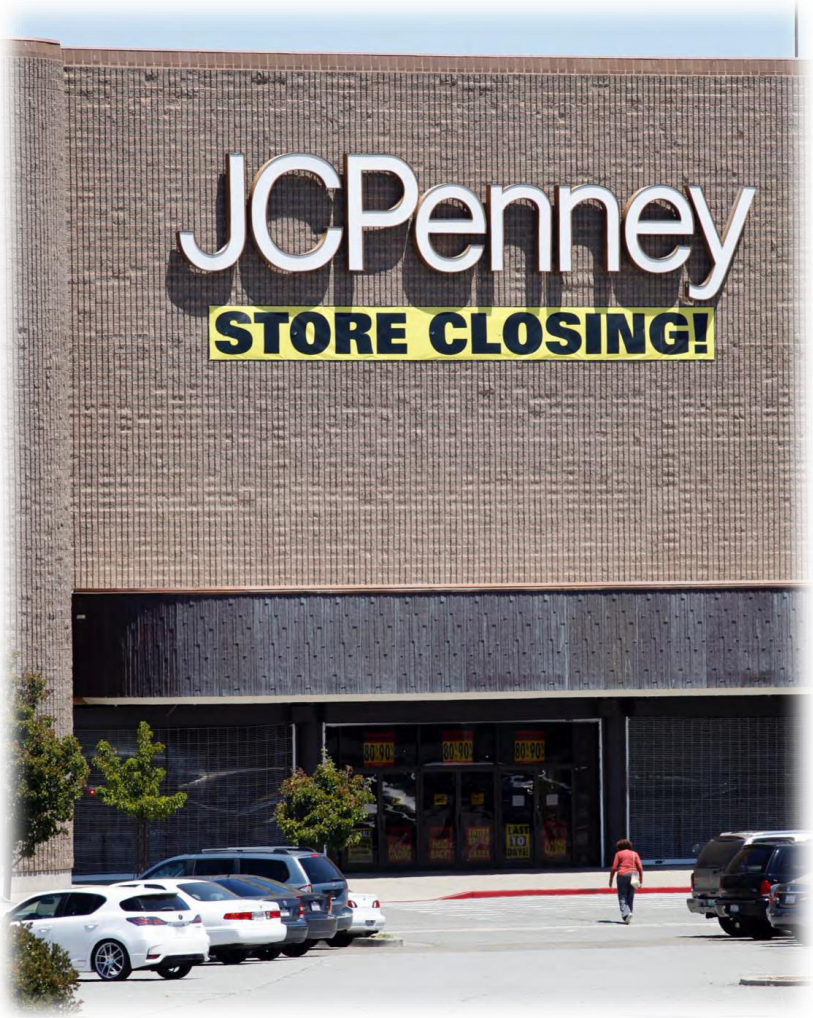
Residences

- ADAPTIVE REUSE …
  - … in an old existing abandoned building construct new space for half the cost. The structure's already there. The slab is there. The parking is there.
  - For every vacant space that exists a new use exists to fill it.
  - It's just that few people know how to link up the people who have dead space and the people who need it.



Housing! BOON!

BUST!



BOON!

BUST!

BOON! … a new library

BUST!

BOON! … new data processing center

Best Buy… BUST BUY…

BOON! … and blessings

BUST! … there is a perfect use for just about every building…

BOON! Medical Offices, Clinics, Specialty Care … fantastic reuse!

BUST! The key word is that the space is available…

BIG BOON!
… air conditioned storage space …

Just about any use can be designed and built into a building that was designed and built for something else. All it takes is knowing who wants in and how to creatively make them fit.

Theaters

Learning Centers

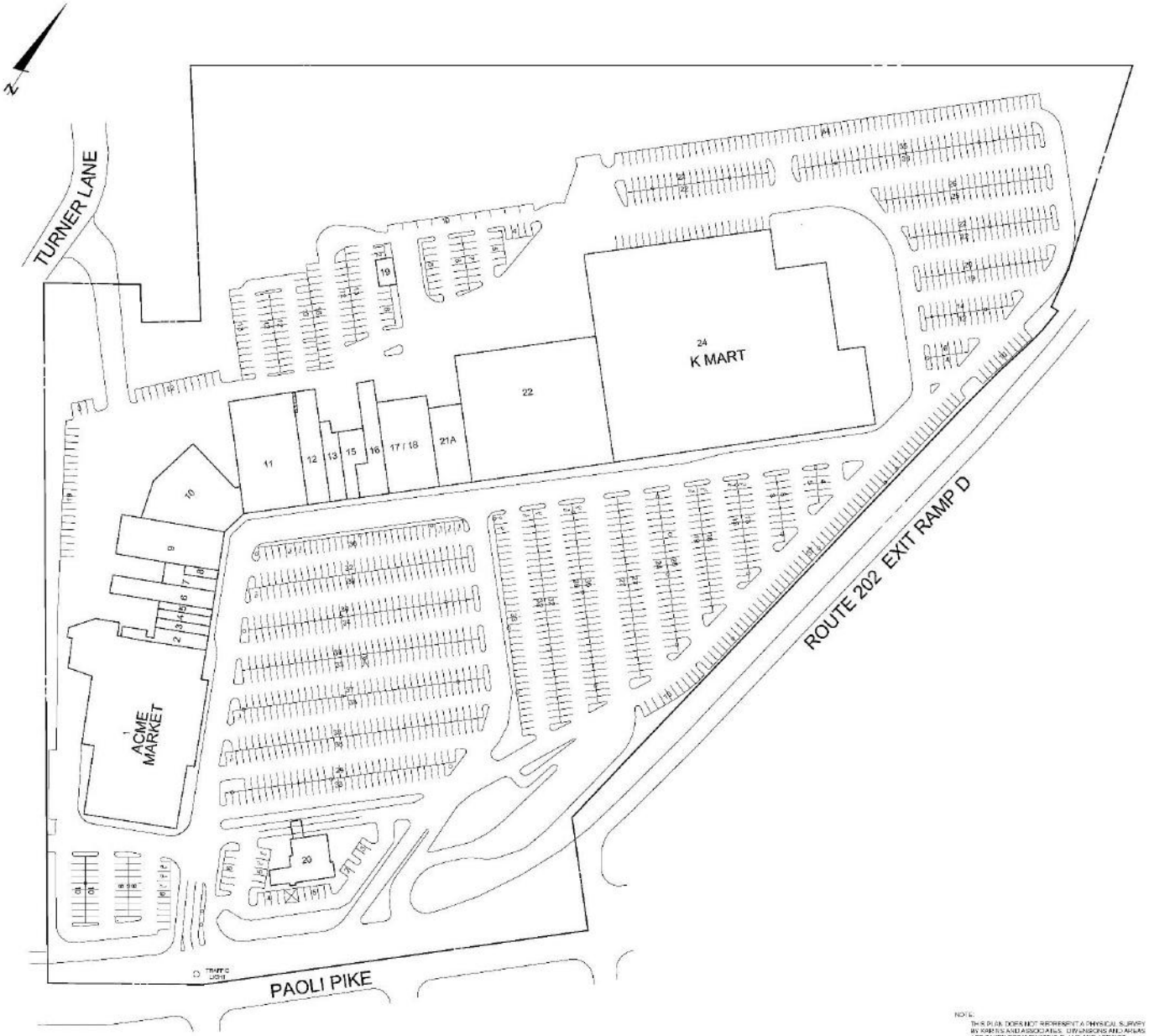
- Schools
- Churches
- Office Buildings

Government Uses

- State
- Local
- Federal

Municipal Buildings

Libraries



STORE NO.	TENANT	FRONTAGE	AREA (SQ.FT) +/-
1	ACME MARKETS	282	47070
2	MICHI	12.7	1861
3	HAIR CUTTERY	13	1109
4	GENERAL NUTRITION CENTER	13	1040
5	AVAILABLE	11	923
6	NORMAN'S HALLMARK	27	4672
7	CHESTER COUNTY OPTICIANS	17	1865
8	STUART JEWELERS	13	641
9	RITE AID	59	9658
10	WINE & SPIRIT OUTLET STORE	40	11840
11	STAPLES	100	17000
12	DOLLAR OR TWO	34	5597
13	CARMINE'S PIZZA & EATERY	24	3040
15	AVAILABLE	15	2504
16	SPRINT	43	5180
17 / 18	PET SUPPLIES PLUS	74	10175
19	MAINTENANCE BUILDING	28	1120
20	WELLS FARGO	100	4982
21A	AVAILABLE	50	6050
22	L A FITNESS	214	49000
24	K-MART	394	105172

HALLWAY AREA

NOTE:
THIS PLAN DOES NOT REPRESENT A PHYSICAL SURVEY BY KARRIS AND ASSOCIATES. DIMENSIONS AND AREAS ARE TAKEN FROM EXISTING PLANS AND ARE NOT REPRESENTED TO BE ACCURATE

LEASE PLAN

WEST GOSHEN SHOPPING CENTER
CAPITAL ENTERPRISES, INC.

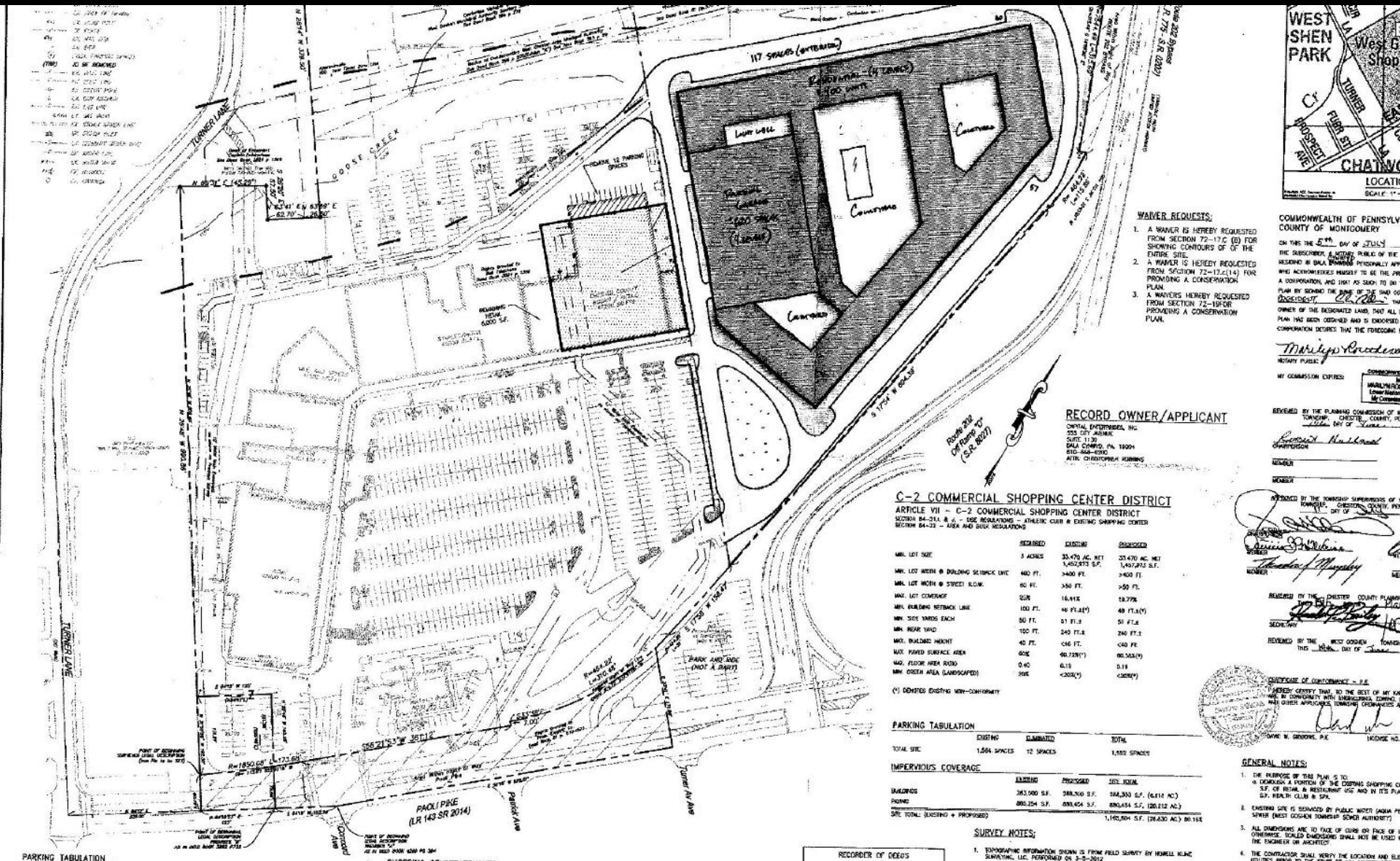
Karris and Associates

revisions	drawn	date
LASTREVISED	DMH	11/30/17

DATE 5/23/98

SCALE 1" = 70'

DRAWING NO. 1358-W01


117 SPACES (INTERIOR)
LAWN WELL
CONTINUO
CONTINUO
CONTINUO
GOOSE CREEK
TURNER LANE
PAOLI PIKE
(LR 143 SR 2014)
PARK AND RIDE
(NOT A PART)
ROUTE 202
OFF RAMP "D"
(S.R. 8027)
WAIVER REQUESTS:
1. A WAIVER IS HEREBY REQUESTED FROM SECTION 72-17.C (B) FOR SHOWING CONTOURS OF OF THE ENTIRE SITE.
2. A WAIVER IS HEREBY REQUESTED FROM SECTION 72-17.c(14) FOR PROVIDING A CONSERVATION PLAN.
3. A WAIVERS HEREBY REQUESTED FROM SECTION 72-19F.DR PROVIDING A CONSERVATION PLAN.
RECORD OWNER/APPLICANT
CAPITAL ENTERPRISES, INC.
555 CITY AVENUE
SUITE 1130
BALA CYNWYD, PA 19004
610-668-6300
ATTN: CHRISTOPHER HOBBINS
C-2 COMMERCIAL SHOPPING CENTER DISTRICT
ARTICLE VII – C-2 COMMERCIAL SHOPPING CENTER DISTRICT
SECTION 84-211 & 4. – USE REGULATIONS – ATHLETIC CLUB & EXISTING SHOPPING CENTER
SECTION 84-22 – AREA AND BULK REGULATIONS
	REQUIRED	EXISTING	PROPOSED
MIN. LOT SIZE	3 ACRES	33.470 AC. NET 1,457,973 S.F.	33.470 AC. NET 1,457,973 S.F.
MIN. LOT WIDTH @ BUILDING SETBACK LINE	400 FT.	>400 FT.	>400 FT.
MIN. LOT WIDTH @ STREET R.O.W.	60 FT.	>50 FT.	>50 FT.
MAX. LOT COVERAGE	25%	16.91%	19.77%
MIN. BUILDING SETBACK LINE	100 FT.	48 FT.±(*)	48 FT.±(*)
MIN. SIDE YARDS EACH	50 FT.	51 FT.±	51 FT.±
MIN. REAR YARD	100 FT.	240 FT.±	240 FT.±
MAX. BUILDING HEIGHT	40 FT.	<40 FT.	<40 FT.
MAX. PAVED SURFACE AREA	80%	80.73%(*)	80.33%(*)
MAX. FLOOR AREA RATIO	0.40	0.19	0.19
MIN. GREEN AREA (LANDSCAPED)	20%	<20%(*)	<20%(*)
(*) DENOTES EXISTING NON-CONFORMITY
PARKING TABULATION
	EXISTING	ELIMINATED	TOTAL
TOTAL SITE	1,584 SPACES	32 SPACES	1,552 SPACES
IMPERVIOUS COVERAGE
	EXISTING	PROPOSED	SITE TOTAL
BUILDINGS	283,000 S.F.	288,300 S.F.	288,300 S.F. (6.616 AC.)
PAVING	885,254 S.F.	888,454 S.F.	888,454 S.F. (20.212 AC.)
SITE TOTAL (EXISTING + PROPOSED)			1,176,754 S.F. (26.830 AC.) 80.16%
SURVEY NOTES:
1. TOPOGRAPHIC INFORMATION SHOWN IS FROM FIELD SURVEY BY HOWELL KLINE SURVEYING, LLC. PERFORMED ON 3-5-2012.
2. CONTOURS PLOTTED FROM FIELD RUN TOPOGRAPHIC SURVEY BY HOWELL KLINE SURVEYING, LLC. DATUM: NAVD 88. SITE BENCH = RIM OF SANITARY MANHOLE LOCATED BEHIND STAPLES/RETAIL STORE. ELEVATION= 451.10'. CONTOUR INTERVAL: 1 FEET.
3. UNDERGROUND UTILITIES SHOWN WERE PLOTTED FROM OBSERVABLE EVIDENCE AT THE TIME OF SURVEY AND INFORMATION FROM PLANS SUPPLIED BY OTHERS.
RECORDER OF DEEDS
LAND DEVELOPMENT PLAN
SCALE: 1" = 80'
PARKING TABULATION
	S.F. PER USE	REQUIRED
BANK	4.0 PER 1,000 S.F. GFA	5,000 S.F. 20 SPACES
RETAIL SALES OF CONSUMED OR PERISHABLE ITEMS (ACME, WINE & SPIRITS)	3.5 PER 1,000 S.F. GFA	54,100 S.F. 190 SPACES
SHOPPING CENTER TENANTS
	SQUARE FOOTAGE
ACME	42,800
RETAIL	22,200
WINE & SPIRITS	11,600
GENERAL NOTES:
1. THE PURPOSE OF THIS PLAN IS TO:
a. DEMOLISH A PORTION OF THE EXISTING SHOPPING C
S.F. OF RETAIL & RESTAURANT USE AND IN ITS PLA
S.F. HEALTH CLUB & SPA.
2. EXISTING SITE IS SERVICED BY PUBLIC WATER (AQUA PE
SEWER (WEST GOSHEN TOWNSHIP SEWER AUTHORITY)
3. ALL DIMENSIONS ARE TO FACE OF CURB OR FACE OF
OTHERWISE. SCALED DIMENSIONS SHALL NOT BE USED
THE ENGINEER OR ARCHITECT.
4. THE CONTRACTOR SHALL VERIFY THE LOCATION AND EL
UTILITIES PRIOR TO THE START OF ANY CONSTRUCTION.
PERFORM A PENNSYLVANIA ONE CALL IN ACCORDANCE W
5. D.L. HOWELL & ASSOCIATES, INC. DOES NOT GUARANTEE
LOCATIONS OF THE EXISTING SUBSURFACE UTILITY STRUC
PLANS. NOR DOES D.L. HOWELL & ASSOCIATES, INC. O
SUBSURFACE STRUCTURES ARE SHOWN. THE CONTRACTO
LOCATION AND ELEVATION OF ALL UNDERGROUND UTILITI
OF THE WORK.
COMMONWEALTH OF PENNSYLV
COUNTY OF MONTGOMERY
ON THIS THE 5TH DAY OF JULY
THE SUBSCRIBER, A NOTARY PUBLIC OF THE
RESIDING IN BALA CYNWYD PERSONALLY AP
WHO ACKNOWLEDGES HIMSELF TO BE THE PR
A CORPORATION, AND THAT AS SUCH TO DO
PLAN BY SIGNING THE NAME OF THE SAID CO
PRESIDENT
OWNER OF THE DESIGNATED LAND, THAT ALL
PLAN HAS BEEN ORDAINED AND IS ENDORSED
CORPORATION DESIRES THAT THE FOREGOING
NOTARY PUBLIC
MY COMMISSION EXPIRES
REVIEWED BY THE PLANNING COMMISSION OF
TOWNSHIP, CHESTER COUNTY, P
DAY OF
CHAIRMAN
MEMBER
MEMBER
APPROVED BY THE TOWNSHIP SUPERVISORS OF
TOWNSHIP, CHESTER COUNTY, PE
DAY OF
CHAIRMAN
MEMBER
MEMBER
REVIEWED BY THE CHESTER COUNTY PLANNING
SECRETARY
REVIEWED BY THE WEST GOSHEN TOWNSH
THIS DAY OF
CERTIFICATE OF CONFORMANCE - P.E.
I HEREBY CERTIFY THAT, TO THE BEST OF MY KN
AND IN CONFORMITY WITH ENGINEERING, ZONING,
AND OTHER APPLICABLE TOWNSHIP ORDINANCES
DAVID W. GIBBONS, P.E.
LICENSE NO.