



LOCATION, LOCATION LOC@ \$#%?

WEDNESDAY, JANUARY 26

SO YOU WANT TO OPEN A STORE?
SECURING A LOCATION
IS ONLY HALF THE BATTLE.

In conjunction with Retail Space Partners, CFDA welcomes you to a diverse discussion on all the elements of opening and planning a retail location. A group of experts will discuss the current state of the market and the various elements of launching and operating retail locations.

Retail.



CFDA

COUNCIL OF FASHION DESIGNERS
OF AMERICA
CORPORATE AFFILIATE

SPEAKER BIOS

ASI CYMBAL

PRESIDENT, CYMBAL DEVELOPMENT

Asi Cymbal is the President and owner of Cymbal Development, a design driven-development and construction company based in Miami. Mr. Cymbal has developed and constructed over 1.5 million square feet and more than \$900 million of mixed-use real estate projects in the last few years. His project list consists of Midtown Center, a retail center spanning an acre and a half across from Midtown Miami that houses gigi and Bardot; Downtown By Philippe Starck, a 1.1 million square foot residential conversion in Manhattan's Financial District; River Lofts, a 200,000 square foot residential redevelopment of a landmarked warehouse attached to an adjoining ground up tower in Tribeca; and Spring, a residential conversion of a 100,000 square foot office building in the heart of SOHO. Mr. Cymbal is also transforming the Miami Design District with a collection of 40 retail boutiques, the neighborhood's first Class A office building, 54 condominium units, and a boutique hotel. Mr. Cymbal is an owner and managing partner of Sra. Martinez, gigi, and Bardot, wildly successful restaurants and bars in the Miami Design District and Wynwood. Mr. Cymbal is a graduate of Vassar College and the UCLA School of Law. He is an experienced real estate and business attorney licensed to practice law in New York, New Jersey, and Washington D.C., and is a licensed General Contractor in the State of Florida

JOHN MULLIKEN

VICE PRESIDENT OF STORE PLANNING, LOUIS VUITTON NORTH AMERICA

John Mulliken, a registered architect and member of the American Institute of Architects joined LVMH Fashion Group Americas as Director of Store Planning in 2000. Previously John worked as Project Architect for the award winning LVMH Tower on 57th Street in New York with designer Christian DePortzamparc. John is currently the Vice President of Store Planning for Louis Vuitton North America, Inc. John oversees the design and construction of all stores in North America. The brand has over 130 stores in their portfolio with notable projects recently completed, including Global Store projects in Vancouver & Atlanta. The past two years, John has served as Leader of Louis Vuitton's North American Sustainability Committee. This Committee oversees all Retail and Corporate operations related to the company's commitment toward Sustainability

SPEAKER BIOS

BRAD MURO

PARTNER, DANZIGER, DANZIGER & MURO LLP

Bradley Muro is a partner in the law firm of Danziger, Danziger & Muro, LLP, a boutique firm specializing in representing luxury brands, high-end restaurant groups, members of the international art world, and Japanese corporations and individuals. The principal practice areas of the Firm consist of corporate law, art law, leasing and other real estate matters, hospitality, lending, construction law, licensing and other IP work, not-for-profit law, litigation and employment law. DDM has an extensive roster of clients, including Richemont (Van Cleef & Arpels, Cartier, Chloe, Shanghai Tang, Dunhill), Chopard, Chado Ralph Rucci, Issey Miyake, Ito En, Restaurant Daniel and its affiliated restaurants, BLT Restaurant Group and its affiliated restaurants, Terrance Brennan and his restaurants, Roasting Plant Coffee, artists such as Hiroshi Sugimoto, Mariko Mori, and numerous art collectors, galleries, private art dealers, and not-for-profit institutions. Prior to joining DDM, Mr. Muro served as Vice President and General Counsel of LaunchCenter 39, an internet incubator/venture capital company. From 1997 to 2000, Mr. Muro was an associate at the law firm of Gibson, Dunn & Crutcher LLP specializing in mergers and acquisitions, corporate finance and venture capital activities. From 1994 to 1997, Mr. Muro was an associate at the law firm of Skadden, Arps, Slate, Meagher & Flom specializing in corporate transactions, executive compensation and employee benefits. Mr. Muro received his BA, cum laude, from Duke University in 1990 and his JD from NYU School of Law in 1994

CHRISTINE PARK

COO FOR ROGAN AND LOOMSTATE

A leader in New York City's fashion and charitable communities for over ten years, Park's sharp creative and business acumen often mingles with her passion for socially responsible platforms—most notably her long and successful relationship with Housing Works, Inc. She recently served as Fashion Director for Gen Art, overseeing the creative division and fostering strong relations with their well-curated community of emerging designers. Past accomplishments also include her role as COO for boutique brand Steven Alan and as partner of the women's fashion line Jean Darc. A New Yorker through and through, Park attended Stuyvesant High School and is a graduate of New York University

SPEAKER BIOS

DAVE RAYNER

VICE PRESIDENT OF REAL ESTATE, ULTA INC.

Dave Rayner is Vice President of Real Estate for Ulta Beauty, a national 400 store retail chain, which features both mass and better cosmetics, personal care products, fine fragrances and a hair salon. Prior to joining Ulta four years ago, Dave spent seven years with Borders Books and Music where he did the Borders deals at Time Warner Center, Penn Station and 100 Broadway. Overall, Dave has 30 years of retail real estate experience with companies such as Marriott, Loews Movie Theatres, Loehmann's, Kmart, and Volkswagen. He holds both a JD and an MBA from Fordham University in New York.

CFDA

ABOUT THE COUNCIL OF FASHION DESIGNERS OF AMERICA, INC.

The Council of Fashion Designers of America, Inc. (CFDA) is a not-for-profit trade association that leads industry-wide initiatives and whose membership consists of more than 370 of America's foremost womenswear, menswear, jewelry, and accessory designers. In addition to hosting the annual CFDA Fashion Awards, which recognize the top creative talent in the industry, the organization offers programs which support professional development and scholarships, including the CFDA/Vogue Fashion Fund, the Geoffrey Beene Design Scholar Award, the Liz Claiborne Scholarship Award, and the CFDA/Teen Vogue Scholarship. Member support is provided through the Business Services Network, a high-profile group of companies offering designers strategic opportunities.

The CFDA Foundation, Inc. is a separate, not-for-profit organized to mobilize the membership to raise funds for charitable causes. Through the Foundation, the CFDA created and manages Fashion Targets Breast Cancer; raises funds for HIV/AIDS organizations with 7th on Sale; addresses the issue of model health with The CFDA Health Initiative; and is a key participant in other programs such as the annual Fashion's Night Out. www.cfda.com

RETAIL SPACE PARTNERS, LLC

ABOUT RETAIL SPACE PARTNERS, LLC

Retail Space Partners, LLC provides all the elements necessary to navigate the complexities of the NYC real estate market in order to close deals originating from destinations both domestic and abroad. Backed by over 30 years of combined experience, our goal is to establish long-term relationships with all of our clients; relationships founded on a professionalism and transparency which pervade the entire negotiating process. Coupled with our international and market savvy workforce, Retail Space Partners possesses the crucial expertise and specialized knowledge of Manhattan needed to analyze the objective, pinpoint the right property and ultimately get a business up, running and well-positioned for success in the highly lucrative market that is New York City. www.retailspaceny.com

DEAL OUTLINE

LANDLORD

Re: ADDRESS OF PROPERTY

Dear _____:

Your Company is interested in leasing space at the location described above (the “Shopping Center”). The purpose of this letter is to set forth the mutual intent of and understanding between the landlord named below (“Landlord”) and Tenant relative to such lease. The following terms and conditions will serve as an outline of the proposed lease agreement and the basis for the preparation and negotiation of a final lease agreement (the “Lease”) acceptable to both parties.

NAME AND ADDRESS OF LANDLORD:

NAME AND ADDRESS OF TENANT:

DESCRIPTION OF PREMISES: property address, site and floor plans, square footage, dimensions

LEASE TERM: base term, option term—how long a term do you want?

DELIVERY DATES: when will you take possession—outside date, if no delivery deal is over, if LL doesn’t deliver what are the penalties, does LL pay your legal fees, architect? Early delivery-do you have to take it before you’re ready?

BASE RENT SCHEDULE:

INITIAL TERM RENTAL PERIOD

Years 1 - 2
Years 3-5

ANNUAL BASE RENT

PER SQ FT, MONTHLY, ANNUALLY

OPTION TERM RENTAL PERIOD

Years 6-10

RENT COMMENCEMENT DATE: does rent begin when you open? How many days do you get free to build out your store? TCO?

BLACKOUT PERIOD: do you want to open in the middle of winter? If you do, is there reduced rent?

TENANT’S CONSTRUCTION PERIOD: number of days from landlord delivery, receipt of building permits, landlord approval of your plans

CO-TENANCY: who are your neighbors? If they weren’t there, would you want to be there? If 30% of neighboring space vacant, do you get a rent reduction?

PERMITTED USE: what do you sell? What will you sell? Any lawful retail use? See assignment and sublet. Exit strategy.

OPENING OBLIGATION: do you have to open? Continuously operate? Closed for renovations?

GO DARK/RECAPTURE: can you close for renovations? Assignment? If you close does the ll have the right to take the space back from you?

DEVELOPMENT RESTRICTIONS: protect your access and visibility. Roads, parking, sitelines, delivery access.

PARKING: what’s the minimum?

PROHIBITED USES: asking the LL to keep out bad boy nuisances. Noise, smoke, porn stores, bars.

EXCLUSIVE USE: no one else gets to sell your stuff!

PENALTIES: Pay half rent, terminate the lease

TENANT’S STOREFRONT/SIGNAGE: have the LL approve your signage! Blade signs, storefront signs, wall signs. Get the drawings attached to the lease.

COMMON AREA COSTS; REAL ESTATE TAXES; INSURANCE: know what these costs are, limit their amount for the first year, and then cap them thereafter. 5% Per annum. Fight for this. Time warner center.

MAINTENANCE OF TENANT’S PREMISES: landlord gets the structure, what about the HVAC, and tenant maintains within the four walls.

SNDA: if the landlord goes bankrupt, can the bank throw you out?

ASSIGNMENT & SUBLETTING: exit strategy—you’re on the hook—can’t get off hook unless you have these rights. See use clause and construction modification provisions.

NOTES

LANDLORD'S WAIVER: no rights to your personal property.

LANDLORD'S WORK: HVAC, electrical supply, floors, bathrooms, dropped ceiling, lighting.....

TENANT'S WORK: tenant shall have the right to perform all work (that is not a part of landlord's work) in order to ready the premises for opening for business by tenant in the premises.

TENANT ALLOWANCE: getting cash from the landlord to do your construction buildout. Can you get it? Free rent vs cash. Will you use it for things that the landlord can reuse? Can you get paid during the construction process or must you wait until after you're open? Lien waivers.

REPRESENTATIONS:

ENVIRONMENTAL: asbestos, phase 1. Don't be responsible for any hazardous condition that you haven't created

BROKER: landlord pays the broker usually pursuant to separate agreement but you pay in the rental. Brokerage commissions are negotiable.

DUE DILIGENCE: title policy, survey, environmental reports, building drawings, "as built"

TERMS AND FORM OF LEASE: you'll be using the landlord's lease form. It is not written to protect you. Get a good lawyer. Remember until the lease is signed, you don't have a deal. This works both ways. The landlord can leave you "standing at the altar". Happens all the time

DISCLAIMER: need this in all your writings about the property. This letter of intent does not constitute a binding contract. No contract is intended to arise unless and until the lease is fully executed by all parties. If landlord and tenant are unable, for any reason, to execute a full and final lease agreement relative to the premises, neither party will have any claim against the other for any reason. If the above terms and conditions are accurate and acceptable to you, please acknowledge your interest by executing the enclosed copy of this letter. Where indicated and returning it to the undersigned.

Sincerely,

Tenant

NOTES

A series of horizontal dotted lines for writing notes.

