Chapter 18: Commercial and Industrial Development

Shopping Center Types
- neighborhood shopping center
  o trade area of approximately 1.5 miles with population of 2,500 to 40,000
  o principal tenant is usually a supermarket
  o gross leasable area ranges from 30,000 to 100,000 square feet
- community shopping center
  o trade area of 3 to 5 miles
  o principal tenant is usually a discount store or a junior department store
  o gross leasable area of 100,000 to 300,000 square feet
  o site size of 10 to 30 acres
- regional shopping center
  o usually an enclosed shopping mall
  o one or more full-line department stores
  o 300,000 to 750,000 square feet of leasable area
  o 30 to 50 acre site size
- superregional shopping center
  o in excess of 750,000 square feet
  o multiple full-line department stores
  o trade area of 50 miles or more
- other shopping centers
  o superstore – freestanding, large discount chain stores (Walmart, Target)
  o power centers – strip center with at least one big box retailer (Circuit City) and smaller shops
  o factory outlet centers – usually located on the outskirts of major metropolitan areas and near tourist destinations

Shopping Center Development
- Market and Feasibility Analysis
  o Primary and secondary trade areas
  o Market size
  o Competitive survey
- Site Location
- Tenant Selection

Willow Springs Center Case Study
- Summary in Real Estate Today feature beginning on page 399
- Expense forecast, Table 18.2, page 399
- Income statement, Table 18.3, page 400
- Trade area map, Figure 18.3, page 401
- Site map, Figure 18.4, page 401

Office Buildings
- Location
  o Central business districts
Secondary office nodes
- Office parks
  - Single vs. multi-tenant buildings

Industrial Parks and Distribution Facilities
- manufacturing
- warehousing
- distribution
- analysis technique
  - determine existing and potential supply
  - forecast demand
  - estimate absorption rate
  - compare competitiveness with other projects

Lodging Facilities
- commercial hotels
- highway or airport hotels and motels
- resort hotels