

2008

Temporary Tenant Manual

Specialty Leasing

West Acres Shopping Center

Temporary Tenant Manual

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Dear Merchant:

Welcome to West Acres Shopping Center. We are pleased to have you as a participant in our Specialty leasing program and a part of a new and exciting trend in retailing.

Please take some time to familiarize yourself with the Temporary Tenant Manual. You will find it a valuable resource for general information, mall rules and regulations, and suggestions to maximize the effectiveness of your cart.

If there is anything I can do to guide your business toward higher profits or build a more professional image, please do not hesitate to let me know.

Best wishes for a successful year!

Sincerely,

Jim Ross, CSM
Senior Leasing Manager
West Acres Shopping Center

Information Sheet

Rent payments are due on the first of the month unless otherwise noted in the lease. All payments of rent and other charges should be paid to:

West Acres Development, LLP
3902 13th Avenue South, Suite 3717
Fargo North Dakota 58103
Phone: 701.282.2222
Fax: 701.282.2229

Sales reports may be faxed or mailed to the above address. Sales reports and any overage rent payable are due on the date specified in the lease.

The West Acres Management Office is open 8:00am – 5:00pm, Monday – Friday.

Specialty Leasing: Jim Ross, 701.282.2222

Mall Manager: Rusty Papachek, 701.282.2222

Marketing: Tracy Clow, 701.282.2222

Security: 701.282.2222 during mall hours,
701.282.2228 after mall hours.

To report spills or other hazardous conditions, please call 701.282.2222.

Specialty Leasing Merchants who sell loose **food/beverage items** are required to contact the Cass County Health Department:

Address: 401 3rd Ave N
Fargo ND 58102
Telephone: 701.241.1360

West Acres Regional Shopping Center

Mall Management:

Rusty Papachek, Mall Manager
Jim Ross/Rusty Papachek, Tenant
Coordinators, 701.282.2222
701.282.2229 (fax)

Police Department:

City of Fargo Police Department
222 4th Street North
Fargo, ND 58102
701.241.1540

Owner/Developer:

West Acres Development, LLP
3902 13th Ave S, Suite 3717
Fargo, ND 58103

State of North Dakota

Office of State Tax Commissioner
State Capitol, 600 E. Boulevard
Avenue
Bismarck ND 58505-0599
701.328.3474

Electric:

Cass County Electric Cooperative
4100 32nd Ave. SW.
Fargo, ND 58104
701.356.4400

State of North Dakota

Secretary of State
600 E. Boulevard Avenue, Dept 108
Bismarck, ND 58505-0500
701.328.4284

Telephone:

Qwest Communications
800.228.3347
Idea One Telcom Group
701.356.6000

Information:

Fargo Chamber of Commerce
202 1st Ave. N.
Moorhead, MN 56560
218.233.1100

Public Health:

Community Health Center
Fargo, ND 58102
701.241.1360

Convention & Visitors Bureau
2001 44th Street SW, Box 2164
Fargo, ND 58103
701.237.6139

Fire Department:

City of Fargo Fire Department
637 N.P. Avenue
Fargo, ND 58102
701.241.1540

Mall Hours:

Monday – Saturday 10:00 A.M. – 9:00 pm.
Sunday 12:00 P.M. – 6:00 pm
Mall Doors Open 7:00 A.M. Mon.-Sat.
10:00 A.M. Sun.

Mail Delivery:

USPS, Prairiewood Station
1455 32nd Street South
Fargo ND 58103
701.241.6144

**West Acres Shopping Center
Specialty Leasing Program
Visual Resources**

Why do we need Visual Merchandising?

Consumers needs have changed and so have their shopping patterns. The Consumers of the new millenium have never been more time pressed and time-sensitive. The majority of consumers today are “destination shoppers”: they want to find it, buy it, and get on with it. “Destination shoppers” visit stores that have strong identities because they know what kind of merchandise the store carries and don’t have to waste time browsing. The ‘browsing shoppers” usually shop on evenings and weekends and need to be entertained with eye catching visual displays. There are only a few seconds to capture a consumer’s attention, and an exciting visual presentation will do the trick.

Visual merchandising is a critical element of a retail business. It generates excitement and gives more life, meaning, and vitality to the merchandise. Visual merchandising is what captures the customers’ attention, generates a curiosity for the merchandise and draws them towards taking a second look. It carries forth the identity of the retail business and tells the story of the merchandise. A well planned visual display provides for a more professional presentation, gives the merchandise a higher level of value, and generates a stronger sales performance.

Signage:

Engraphix
Breck Wilson
PO Box 3103
Fargo ND 58108
701.237.6560
701.237.9044 fax

HMC Display
300 Commerce Drive
Madera CA 93637
800.344.7371
209.675.8149
209.675.8190 fax

Sign Pro
Scott Thuem
3241 Main Avenue
Fargo ND 58103
701.461.7309
701.461.7312 fax

Creations at Dallas
Sharon Loeff
8149 East Evans Road Suite 9
Scottsdale AZ 85206
480.596.0319
480.951.6884 fax

Mathisons
Mary Krage
1213 NP Avenue
PO Box 333
Fargo ND 58107
701.232.8971
701.280.9106 fax

**West Acres Shopping Center
Specialty Leasing Program
Merchant Operations Criteria**

The following policies and procedures have been established to guide your business toward higher profits and build a more professional image for the mall. Any Specialty Merchant in violation of the rules will be asked to remedy the problem. Noncompliance with the following policies and procedures will result in the termination of the merchant's Specialty Lease Agreement and forfeiture of all rents and deposits.

A. Retail Merchandising Units/In-line Stores

Retail merchandising units and in-line store spaces are the property of West Acres Shopping Center and must not be altered in any way.

The carts have been uniquely designed to merchandise all types of items. If your cart is not set up properly, or if changes need to be made, contact the Specialty Leasing Manager immediately.

Absolutely no alterations may be made to the cart or within the leased area, including nails, screws, **tape**, wire, etc. **Use of tape of any kind is not allowed and will result in forfeiture of security deposit.** Any plans to alter in-line premises must be approved **in writing** by West Acres Management.

B. Policies and Procedures

1. Specialty Merchants are required to be open for business during all established mall hours and must be staffed at all times. (Holiday hours may vary; refer to special hours list furnished during all holidays.)

Monday – Saturday: 10:00 am – 9:00pm
Sunday: 12:00 Noon – 6:00pm

All late openings/early closings will be recorded by Security, and a \$50 fine will be assessed for each incident as per license agreement, Section 18.

2. **Set-ups, take-downs, new shipment handling, and restocking are to be done prior to or after mall hours.** Please notify the Mall Office in advance so that they are aware you are in the center.
3. In order to uphold a professional image to customers and maximize sales, drinking, eating, smoking, and the personal use of radio/walkmans or televisions are not permitted in the leased area. Please make any necessary arrangements in scheduling so that employees are able to take adequate breaks and your store or cart is staffed at all times.

4. As representatives of your business, employees are to act and dress in a professional manner at all times, or in a manner complimenting the overall aesthetics of the display area. Blue jeans, sweatsuits, and shorts are not appropriate attire. You never get a second chance to make a first impression!
5. Loitering by friends or off-duty employees, young children, or pets is not permitted in the licensed area. This presents an unprofessional atmosphere as well as making it difficult for customers to shop.
6. Cart merchants are reminded that the leased area is always in customers' view and must be kept clean, orderly, and free of trash at all times. Inventory and all items not directly related to the operations of the display must be concealed from the customers' view. Keep lights, fixtures, and awnings free of dust, cobwebs, dirt, etc. Absolutely no storage is allowed outside the cart, including boxes, tarps, trash, or anything else below outer shelves or along the outside of the cart.

Trash removal is each merchant's responsibility. All trash must be placed in the appropriate container. **No trash from any Specialty Merchant may be placed in mall trash containers.** Information regarding trash disposal is provided elsewhere in this manual.

7. Mall employees are required to register their vehicles with West Acres Mall Office and to park only in areas designated by West Acres Shopping Center Management. These areas are generally those parking lot spaces striped in yellow paint. (Please see attached Map A. Additional parking maps are available from the Mall Office upon request.) Handicapped and fire lane parking regulations are enforced by the Fargo Police Department and West Acres Security. Please see to it that your employees abide by the employee parking regulations so our valuable customers will have every convenience.

During the holiday season, special remote parking will be required. You will be notified in advance of the dates and locations of holiday parking. Overnight parking is prohibited unless approved in advance by West Acres Mall Office.

Mall employees who do not comply with employee parking regulations are subject to having their vehicle ticketed and/or towed at their expense.

8. Barking or hawking sales techniques and passing out paper flyers will not be permitted. Product demonstrations will take place at the cart only after approval by Mall Management.
9. Specialty Merchants may sell only the items outlined in the Lease Agreement's use clause. Any new items must be approved by the Leasing Manager or will be considered a default of the agreement.

10. All signage must be of professional quality; no handwritten signs, oversized signs, or banners will be allowed. **All signage is subject to pre-approval by Mall Management.** Holiday decorations are not allowed for tenants in the common area as well as all carts. West Acres Shopping Center may provide a special, consistent décor for the common area tenants that will match that of the overall mall presentation.
11. Rent must be paid by *certified check or money order* on the first day of the month/term unless otherwise specified. All payments received after the fifth day of the month/term will be charged a \$100 late fee, plus any additional penalty as per lease agreement.
12. Specialty Leasing Merchants shall, at their own expense, obtain the following insurance coverages, which shall remain in effect throughout the term of the Lease Agreement:
 - Comprehensive general liability insurance policy - \$1,000,000; and
 - Workers' Compensation/Employer's Liability insurance as required by the State of North Dakota.

Specialty Leasing Merchants are required to provide an original signed Certificate of Insurance 15 days prior to the commencement date of the License Agreement, naming the following entities as additional insureds:

West Acres Development, LLP
West Acres Shopping Center

13. It is the Specialty Leasing Merchant's responsibility to comply with all Federal, State, City and County requirements including permit fees, taxes and ordinances.
14. All cart merchandising displays shall require prior approval from Mall Management. No merchandise, bags or décor may be hung from the sign band of the unit. Nothing shall be hung from the cart structure at any time.
15. Specialty Leasing Merchants shall not use sirens, bells, amplifiers, flashing lights, megaphones, sound equipment, musical instruments, radios, televisions, microphones, loud speakers, or any other equipment causing noise or annoyance.
16. The Specialty Leasing Merchant is responsible for the security of its merchandise and valuables. Carts are supplied with rip-stop nylon security covers; merchants must supply two padlocks (one for the top and one for the bottom) to secure these covers at night.

C. Location

Specialty Leasing Merchant locations are assigned by West Acres Management. We will try to grant location requests. However, the following items must be considered when placing each merchant in the shopping center.

- Lease restrictions by permanent merchants.
- Use clause of Specialty Leasing Merchant's License Agreement.
- Date on which the Lease Agreement was executed.

Specialty Merchants must check with the Specialty Leasing Manager prior to arrival time for their cart placement.

D. Sales Reports

Each merchant is responsible for reporting sales on a monthly basis to the West Acres Management Office by the fifth day of the following month (except during holiday leasing times when sales reports will be on a weekly basis due each Monday morning before noon). Please use sales report forms provided; extra forms are available at the West Acres Mall Office. **Merchants who fail to comply are subject to a \$50 fine for each late report.**

The final sales report is due within one week after the expiration date of the Lease Agreement with any percentage rent due at the time, payable *by certified check or money order*.

Holiday Sales Tips

Capture customers and set sales soaring this holiday season! Here are some tips to help entice impulse purchases among holiday shoppers.

- Keep displays and themes fresh. Once-a-week changes during the holiday season keep customers exposed to new merchandise.
- Create easy-to-shop, pre-wrapped gift displays.
- Use convenient, user-friendly merchandise displays with easy-to-find stock nearby.
- Place impulse items at cash wrap or near checkout areas, displaying a different item each day.
- Locate companion merchandise together in displays to encourage cross-merchandising; for example, cocoa mix next to ceramic mugs or hosiery near shoes.
- Theme displays strongly at your storefront or on your cart; it's your first impression and your one chance to lure the customers.
- Group merchandise by price point for quick, easy purchasing with large point of purchase signs (e.g., "Gifts under \$5").
- Keep return policies clear, simple and customer-friendly.
- Promote products that offer guarantees/warranties. It's an important motivating benefit to customers.
- Use clear informational signage to call attention to promotional and new items, such as uses/benefits of products.
- Feature special services and conveniences such as free gift-wrap, free alterations, gift certificates, etc., with prominent signage.
- **KEEP STOCK LEVELS STRONG!** Massive, abundant displays encourage impulse purchasing.



Mall Card Training Checklist

Every person in West Acres who will work at point of sale needs to confidently perform the following:

- Find the balance by checking the back of the card.
- Find the balance by calling 1-800-755-0085. (It's on the back of the cards).
- Find the balance by swiping a penny transaction (if telephones are not available at POS).
- Process the transaction if the purchase is for less than the balance on the card.
- Process the transaction if the purchase is for **more** than the balance on the card.
 - If the difference is paid by check, process the check first.
 - If the difference is paid by cash, process the cash first.
 - If the difference is paid by a credit card, process credit card first.
- Process a return for an item purchased with the card.
 - Your store return policies govern.
 - If your policy is to put the balance back on the card:
 - Call StoreFinancial merchant support at **1-866-755-2974** before you process the return.
 - Notify the customer that it will take 3-5 business days to process.
- Record the new card balance on the back of the card and be in the habit of reading the balance to the customer when you pass them the card.
 - The authorization code on the transaction receipt shows the card balance by substituting the decimal point with an X. For example 27X35 indicates a \$27.35 balance. It will read EMPTY if the card is fully used.
- If your store cannot handle transactions with multiple mall cards, inform the customer that West Acres Customer Service will combine the cards into one.*
- If your store's POS system and card scanner are linked, canceling a transaction after a card has been swiped does NOT put the balance back on the card. You must call StoreFinancial merchant support at **1-866-755-2974**.*
- If you receive tips, know that the card will be authorized for the exact dollar amount swiped; a tip cannot be added later (like credit cards).*
- Know the StoreFinancial's 24/7 merchant support line **1-866-755-2974**. If you have questions call them for help. They may be able to fix mistakes on the spot.

Call 1-800-755-0085 for card balances
Call 1-866-755-2974 for merchant support

Please provide a copy of this checklist for each associate to complete as a part of his or her training program. Additional copies are available at Customer Service or the Mall Office.

Customer Service Tips

In retail today, customers are seeking out those merchants who provide the highest level of service. They rally around the sales associate who understands the product and can make informed recommendations. They also rave about the store that takes back an item after the posted return date.

Research has proven that it is more profitable to retain good customers than to try to find new ones. Building loyalty and repeat business should be every retailer's goal. Outstanding service is one of the primary means of achieving that goal and we would like to recommend the following tips for providing customer service.

- **The customer is always right:** Even when they are wrong, to argue or disagree with a customer can cause lost sales and future business.
- **No matter what the problem is, try to fix it:** Go above and beyond the customer's expectations in addressing a problem.
- **Follow through with a promise:** If you tell customers that you will get back to them with an answer, do so, even if it is to tell them you are still working on it.
- **Listen to the customer:** On a daily basis, your customers give you invaluable feedback about your products and services.
- **Spend time with your customer:** Personal attention and TLC will go a long way in establishing customer loyalty.
- **Get it right the first time:** The only opportunity you have to satisfy a customer is the first opportunity.
- **Stand behind your product or service:** Have a sensible return policy and then be willing to bend the rules. At the very least, your return policy must comply with the license agreement.
- **Have a great attitude:** If you project a positive, upbeat attitude, your customers will most often respond in kind.

Visual Merchandising Tips

Common area tenants have only 3 – 5 seconds to catch the attention of prospective customers and draw them to their units. Retailers with attention to detail and creativity usually get the job done. Here are some tips on how to achieve a professional, eye-catching presentation.

PLACE KEY MERCHANDISE AT EYE LEVEL – Appeal to the customers' direct line of vision by building key merchandise displays. At this height, you will keep the customers' eyes from wandering through your cart and to the next cart. Complimentary merchandise should be placed on the lower shelving around the unit. If key items are placed too high or too low, it will not be convenient for the shopper to admire. This can dramatically affect the sales at the cart.

USE VARYING HEIGHTS – Consider building multiple display levels with risers, cubes, baskets, glass cubes, etc., rather than laying your product flat on the counter.

TENANT PROVIDED FIXTURES/LIKE NEW CONDITION – The most common mistake temporary retailers make is purchasing used equipment and fixtures in poor condition. The money saved buying used fixtures will often be lost in missed sales because shoppers do not have a good impression of the display. There is nothing wrong with purchasing used fixtures if they are in good condition or if the merchant intends to invest in refurbishing the fixtures to a like new condition.

USE SPECIAL TOUCHES TO ROMANCE THE PRODUCT – Enhance your merchandise with your display materials. For example, if a merchant is selling Potpourri Pies, they might consider using antiques or other rustic shelving to build the display. Informational signage could be placed in rustic picture frames. Use fabric (gingham, quilt-look) to cover the shelving or risers to achieve a quaint, country look. These finishing details will pull a display together and appeal to customers.

MERCHANDISE ALL SIDES OF THE UNIT – Your customer should NEVER see an empty/dead side of your unit (the cash wrap area). This is the area where add-on sales are possible and should be as inviting as the portion of the unit that first attracted the customer's attention. Small impulse items ranging from \$1 to \$10 can be displayed in this area to help boost sales. Use the poles and sides of the unit to creatively display additional merchandise. This area should be as attractive and functional as the rest of the unit. (Commonly used as a workstation, the cash wrap area should be kept clean and uncluttered; boxes and trash should be stored in the interior storage area of the unit.)

USE OF FEATURE & BENEFIT SIGNAGE – The merchandise should be the focal point of the display. Only use signs that are absolutely necessary to give customers additional product or service information. All signs should be professionally made and should coordinate with the theme, color and quality of the merchandise. Credit card acceptance stickers should be posted at the cash wrap area of the cart ONLY, and are NEVER to be

affixed to the unit itself. If additional signage is deemed necessary, it should be limited to no more than three (3) signs; again, professionally made and NEVER handwritten.

MAINTAIN THE DISPLAY AREA ON A REGULAR BASIS – It doesn't take much to destroy a display: an exceptionally busy day, a holiday weekend, promotional events held at your mall, etc. Merchants should be prepared to restock and re-merchandise their units as necessary to maintain a professional, appealing look and a fully stocked display. Customers often view low inventory units as high-risk merchants on the verge of going out of business.

Ask yourself, "What will make my operation memorable? How will I make it special from other operations selling similar merchandise?"

Three things contribute to a successful cart:

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Three things contribute to a successful cart:

- 1. Quality product**
- 2. Great customer service**
- 3. Eye catching displays**

DO's and DON'Ts of CARTS

Take this list home and police your cart. See if you can find ways to make your retail venture more profitable. Good luck.

DO...

DON'T...

Pick a niche not over-retailed, such as

Services

- Astrology
- Cleaning
- Chiropractic

High Tech

- Computers
- Cellular phones
- Electronics

Pick a strong **theme** that supports your products – be a **duck**

Name your cart with something that reveals your line of trade and captures the customers attention. For example:

- Lingerie: Babes in Toyland
(with very happy toy soldiers)
- Cookware: Some Like It Haute
(with large frying & flame graphics)
- Mexican Handcrafts : La Cucaracha
- Gourmet Coffee: The Daily Grind
(with black and white, 9 to 5 theme)

Romance the product:

Create a signature scent for your theme

Use **props** that enhance its appeal

Remember to entertain. Allow the cart to have a **personality**

Fill up vertical space by using the entire cube.

Select the appropriate **fixtures** for your products to maximize your retail selling space. (Remember the wrong type of fixture for your merchandise can have a negative price perception of up to 20% !)

Go for **organized abundance**

Use the **purchase visibility curve**. Make sure that products are appropriately placed in terms of their importance and margin contribution on the cart

Pick an over-run category, such as

Coffee and mugs

- T-Shirts
- Earrings
- Glass balls

Confuse your customers with no strong theme, or an illogical one

Forget to give your cart an **identity**

Ever place products on the floor

Let your cart be overlooked because it has no **soul**

Lay products flat on top of the cart

Forget to use build-ups and props

Forget the “one donut never sells’ RULE

Sell “the wheel”

Place high-margin or expensive items beneath the customers sightline

Trash Disposal

Transportation of any trash through the mall is prohibited during mall hours. All discarded materials must be taken directly from your unit and placed in the proper containers or compactor. Please do not use the trash receptacles in the mall to dispose of trash of cardboard. No materials are to be stored in exit corridors, hallways or on sidewalks.

