

HALLMARK SITE SELECTION CRITERIA

For Hallmark Gold Crown Stores

CENTER TYPE

Hallmark is interested in the following types of centers:

- **Regional and Super Regional Malls** – Enclosed malls with traditional department store anchors
- **Lifestyle Centers** – Minimum 350,000 sq. ft. GLA with department store and/or big box retailer anchor and national specialty retail tenants
- **Power Centers** – Between 250,000 – 500,000 sq. ft. GLA and prefer supermarket as one of the anchors
- **Community Centers** – Between 150,000 – 300,000 sq. ft. GLA with supermarket anchor and two or three other anchors
- **Neighborhood Centers** – Between 85,000 – 150,000 sq. ft. GLA with supermarket or super drug
- **Downtown Areas** – Strong retail traffic, entertainment

STORE/LOCATION CRITERIA

Regional and Super Regional Malls:

- **Size** – 2,700 – 3,500 square feet
- **Preferred Location** – Mid-mall or better on the fashion anchor wing
- **Visibility** – No obstructions. Visibility of the storefront and sign must be unobstructed
- **Frontage** – 30 feet or more required
- **Maximum Depth** – 100 feet or less
- **Shape** – Rectangular to square, no “L” backs or pie shaped rooms

Lifestyle, Power, Community and Neighborhood Centers and Downtown Areas:

- **Size** – 3,200 – 3,800 square feet
- **Preferred Tenants** – Women’s ready-to-wear fashions, national anchors (e.g. Kohl’s, Target, Super Wal-Mart), first or second tier (market share) grocery anchor
- **Visibility** – No obstructions. Visibility of the storefront and sign must be unobstructed and have clear visibility to the primary road in the corridor
- **Frontage** – Prefer minimum of 30 feet
- **Maximum Depth** – 100 feet
- **Shape** – Rectangular to square, no “L” backs or pie shaped rooms
- **Evening Activity** – Good evening activity providing opportunities for retail, entertainment and dining
- **Corridor** – Premier retail corridor within the market area
- **Ingress/Egress** – Main entrance to center is an intersection with a signal and both left and right turns can be made into and out of the center. Prefer to be able to park directly in front of store

Locations will be evaluated using some or all of the following criteria:

1. Location within the corridor
2. Location within the center
3. Relative strength of anchor stores
4. Strength of center within trade area
5. Demographics
6. Center retail sales per sq. ft., actual or estimated
7. Strength of specialty tenants
8. Visibility, ingress and egress from the corridor
9. Greeting card distribution in the market area

GENERAL REAL ESTATE CRITERIA

Regional and Super Regional Malls:

- **Initial Term** – Center specific ranging from three to ten years
- **Options** – Required if an appropriate termination clause is not obtained
- **Lease Termination** – Right to terminate at the end of the third lease year for new stores and the fifth lease year for renewals
- **Ancillary Rents** – 1.) Pro rata based on leasable; 2.) Base year charges fixed; and 3.) Annual increases capped
- **Marketing/Media Advertising** – No required participation
- **Co-Tenancy** – Opening, major tenant, and specialty tenant co-tenancy
- **Use Restrictions** – Protection against other tenants selling: 1.) Greeting cards; 2.) Gift wrap; 3.) Party supplies; and 4.) Christmas ornaments
- **Radius Restrictions** – None
- **Use** – The right to retail a standardized group of products and services
- **Signage** – Must be able to use ‘Hallmark Gold Crown’ registered trademark

Lifestyle, Power, Community and Neighborhood Centers and Downtown Areas:

- **Initial Term** – No longer than five years, three years preferred
- **Options** – Three to four 5-year options
- **Lease Termination** – Right to terminate at the end of the third lease year
- **Minimum Base Rent** – Evaluated on location-specific basis
- **Percentage Rent** – None
- **Ancillary Rents** (CAM, Taxes, Insurance) – 1.) Paid on a pro rata basis, based on the ratio of premises to the total center’s GLA; 2.) Base year established; 3.) Caps
- **Marketing/Promotional Fund or Advertising** – No required participation
- **Co-Tenancy** – Opening, major tenant, and specialty tenant co-tenancy
- **Use Restrictions** – Protection against other tenants selling: 1.) Greeting cards; 2.) Gift wrap; 3.) Party supplies; 4.) Christmas ornaments
- **Radius Restrictions** – None
- **Use** – The right to retail a standardized group of products and services
- **Signage** – Must be able to use “Hallmark Gold Crown” registered trademark
- **Leasehold Improvements** – “Vanilla” shell/box plus allowance or build to suit

DEMOGRAPHIC CRITERIA

Lifestyle, Power, Community and Neighborhood Centers and Downtown Areas:

	Power Center	Community Center	Neighborhood Center
● Total Households	36,000 within 5 miles	14,000 within 3 miles	14,000 within 3 miles
● Median Household Income	\$50,000	\$50,000	\$50,000