



CSM EXAMINATION CONTENT

GLOBAL PRACTICES

Following is a detailed outline, or blueprint, of the major content areas of the CSM examination. This content outline was derived from an extensive study that defined the knowledge and experience needed for a qualifying candidate to hold the CSM designation, which demonstrates a broad knowledge across various disciplines involving management of retail real estate. The weight of each content area, how much of the exam is devoted to each area, is provided for your reference. The questions on the CSM examination reflect an integration of these areas. Prometric and the CSM Admissions and Governing Committee worked together to define these specifications. Prometric is the recognized global leader in technology-enabled testing and assessment services.

SPECIFICATIONS OUTLINE

| Weight | Content Area | Specifications |
|--------|---|---|
| 62% | 1. Asset Management, Property Management, Development, Leasing & Retailing | <p>1.1 Leasing/Retailing and Development (20%)</p> <p>1.1.1 Types of leases and licenses (e.g., net, gross, ground, temporary/specialty)</p> <p>1.1.2 Agreement interpretation and implications (e.g., reciprocal easement agreement)</p> <p>1.1.3 Market rent</p> <p>1.1.4 Lease clause interpretation and development (e.g., rent abatement, termination, kick out, exclusivity, tenant inducements)</p> <p>1.1.5 Retail store classifications (e.g., apparel, jewelry, gifts) and retailing concepts</p> <p>1.1.6 Read and interpret retailers' financial statements (e.g., capital assets, balance sheet, profit and loss statements, gross profit margin)</p> <p>1.1.7 Retailing terminology (e.g., shrinkage, markups, markdowns, inventory stock turns, sales training)</p> <p>1.1.8 Analysis of occupancy costs</p> <p>1.1.9 Relationship of retail use and sales potential to rent structure and reliability of tenancy)</p> <p>1.1.10 Sales reporting and analysis (e.g., sales-per-square- metre)</p> <p>1.1.11 Refurbishment, expansion, analysing the scheme</p> <p>1.1.12 Site planning, land acquisition, administrative body (municipal) approvals</p> <p>1.1.13 Centre merchandising and tenant mix (e.g., needs, niche, opportunities)</p> <p>1.1.14 Prospecting (e.g., comparative analysis, site visits)</p> <p>1.1.15 Commercialization (e.g., specialty leasing, vending)</p> <p>1.1.16 Leasing agents (e.g., in-house, contract)</p> |



1.2 Physical Facilities Management (15%)

- 1.2.1 Building regulations/Accommodations for persons with disabilities
- 1.2.2 Merchant criteria manual/Tenant Coordination
- 1.2.3 Read and understand blueprints (e.g., for construction compliance, renovation)
- 1.2.4 General and preventive maintenance, schedules and deployment
- 1.2.5 Inventory control (e.g., expense control, on-site supplies, equipment)
- 1.2.6 Contract specifications and scope of work
- 1.2.7 Competitive bid procedures (e.g., requests for proposals, bids, deadlines, frequency)
- 1.2.8 Terminology and working knowledge (including costs) of:
 - a. Heating, ventilation and air-conditioning (HVAC), central plant, rooftop units
 - b. Structural/building systems/clerestory
 - c. Roof/skylight systems
 - d. Fire protection systems
 - e. Electrical systems
 - f. Plumbing systems
 - g. Lighting systems
 - h. Flooring material
 - i. Emergency response systems
 - j. Energy management systems
 - k. Vertical transportation systems/other mechanical systems
 - l. Parking lots
 - m. Parking garage/car park/multi-level parking structures
 - n. Sidewalks
 - o. Interior landscaping
 - p. Exterior landscaping
 - q. Equipment (e.g., vehicles, compactors, lifts, office equipment)
 - r. Housekeeping/janitorial/cleaning
 - s. Information technology (e.g., computer hardware and software)
 - t. Snow removal
 - u. Utilities
 - v. Waste management (e.g., recycling, landfills, incineration)
 - w. Environmental services (e.g., asbestos, abatement, grease reclamation)

1.3 Marketing, Promotions, Community and Public Relations (17%)

- 1.3.1 Five steps in a marketing plan (e.g., situation analysis,



- problems and opportunities, goals and objectives, strategies, and tactics)
- 1.3.2 Budgeting guidelines (e.g., allocations by type, allocations by month)
- 1.3.3 Research terminology (e.g., sales contribution, relative draw index (RDI), vehicular and footfall counts, postal code penetration, catchment area, capture rate, demographics, psychographics)
- 1.3.4 Merchant relations and communications/Customer service
- 1.3.5 Knowledge of competition
- 1.3.6 Results measurement of marketing efforts
- 1.3.7 Marketing funds structures
- 1.3.8 Media fund vs. lease required advertising
- 1.3.9 Market positioning (e.g., image projection, branding)
- 1.3.10 Opportunities for strategic partnerships/sponsorships and alternative revenue
- 1.3.11 Community leaders and organizations
- 1.3.12 Public relations (e.g., news releases, media training)
- 1.3.13 Terminology and working knowledge (including costs) of:
 - a. Advertising media (e.g., print, outdoor, electronic)
 - b. E-commerce (e.g., web pages, reward programs, online shopping)
- 1.4 Managing the Asset (10%)
 - 1.4.1 Owner's objectives and business plan
 - 1.4.2 Benchmarking
 - 1.4.3 Value enhancement
 - 1.4.4 Management agreement

Weight
8%

Content Area
2. Risk Management/Security/Insurance and Legal Considerations

Specifications

- 2.1 Risk Management (5%)
 - 2.1.1 Underground storage tanks
 - 2.1.2 Health and safety compliance
 - 2.1.3 Proof of coverage (e.g., certificates of insurance, additional insureds)
 - 2.1.4 Loss prevention survey
 - 2.1.5 Liability claims reduction plans (e.g., policies, procedures, safety committees)
 - 2.1.6 Liens
 - 2.1.7 Public access policies and enforcement
 - 2.1.8 Security audit (e.g., physical inspection, crime analysis, deployment analysis)
 - 2.1.9 Security resources (e.g., labor, equipment, visibility, deployment, policies and procedures, statistical reporting)
 - 2.1.10 Crisis management and planning
- 2.2 Insurance Terms and Concepts (3%)
 - 2.2.1 Subrogation



Weight 10% **Content Area** 3. People and Services

- 2.2.2 Replacement and actual cash value
- 2.2.3 Hold harmless/Indemnification
- 2.2.4 Types of insurance coverage (e.g., liability; fidelity bonds, errors and omissions, umbrella, property, boiler, fire, worker's compensation)

Specifications

- 3.1 Human Resources (5%)
 - 3.1.1 Labor Practices
 - 3.1.2 Leadership, teamwork
 - 3.1.3 Organizational skills
- 3.2 Practices for: (5%)
 - 3.2.1 Recruiting, hiring, compensation, separation
 - 3.2.2 Training and development
 - 3.2.3 Staff performance evaluations

Weight 20% **Content Area** 4. Lease Administration, Accounting, Finance and Financial Reporting

Specifications

- 4.1 Accounting, Financial Reporting and Valuation (10%)
 - 4.1.1 Methods of financing (e.g., pre- and post-development), acquisitions and dispositions
 - 4.1.2 Centre valuation (e.g., rate of capitalisation [cap rates using income approach], cost approach, comparable transactions, other forms)
 - 4.1.3 Investment return analysis (e.g., return on investment [ROI], internal rate of return [IRR], cash flow return on investment [CFROI]), return on equity [ROE])
 - 4.1.4 Property income (e.g., net operating income [NOI], funds from operations [FFO])
 - 4.1.5 Annual mortgage payments, mortgage constant, debt service
 - 4.1.6 Present value of money
 - 4.1.7 Balance sheet (e.g., assets, liabilities, stockholders equity)
 - 4.1.8 Income statement (e.g., current revenue and expenses)
 - 4.1.9 Collection (e.g., outside firms, lease audits, calculation of late fees)
 - 4.1.10 Cash management (e.g., check handling, electronic transfers, petty cash, statement reconciliation, deposits, gift cards)
 - 4.1.11 Property tax assessments (e.g., tax rate, appraisal methods)
- 4.2 Lease Administration (10%)
 - 4.2.1 Enforcement procedures and lease clauses (e.g., tenant notification, defaults, cure periods, common area usage)
 - 4.2.2 Methods of calculating tenant rents and prorata share (e.g., gross leasable vs. gross leased area, landlord absorption of costs)
 - 4.2.3 Reconciliation methods (e.g., CAM settlements, caps, offsets, year-end adjustments)
 - 4.2.4 Rent adjustments (e.g., step rents, overage rents, CPI - consumer price index)



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- 4.2.5 Minimum and overage rent
- 4.2.6 Natural vs. artificial breakpoints
- 4.2.7 Percentage vs. overage rents
- 4.2.8 Gross vs. net lease
- 4.2.9 Common area maintenance/service charges (CAM)
- 4.2.10 Real estate taxes (RET)