RETAIL MARKET DEMAND ANALYSIS FOR 2031

BOLTON ,ONTARIO

May 30, 2014

PREPARED FOR:
The Town of Caledon Ontario

KIRCHER
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Land Use & Retail Economists

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Toronto, May 30th, 2014

Mr. Haiqing Xu
Manager Policy & Sustainability
Development Approval & Planning Policy
Town of Caledon
6311 Old Church Road
Caledon, ON
L7C 1J6
.
Dear Mr. Xu

Re: Determination of Retail Space Warranted in Bolton Residential Expansion Areas

We have conducted market research pertaining to the future retail space requirements in Bolton, in order to determine the type and size of retail and related service space that should be included in the Residential Expansion Areas of Bolton. They are referred to as Option 1, comprising a land area of 151 ha and Option 3, with a land area of 165 ha, plus 3 ROA's. This letter summarizes our findings and recommendations.

Our research included an inventory of all retail and related service space located in Bolton. We have also conducted a License Plate Survey at the main retail areas in Bolton, in order to determine local capture rates and inflow of retail volume from beyond the Bolton urban area. It is our finding that approximately 50% of the retail sales made in Bolton are derived from customers residing outside the Bolton urban area, reflecting the strong regional customer attraction of the large plate retailers such as the Wal-Mart Supercentre, Canadian Tire, Home Depot and Zehrs. We have completed a market analysis that resulted in the determination of warranted retail space by 2031.

The population of Bolton, at the most recent Census in 2011, stood at 27,900 persons. Based on current plans, it is expected to increase to approximately 39,900 persons by 2031, an increase of about 12,000 persons. Most of this increase in population is expected to occur between 2021 and 2031. Two distinct geographic areas have been identified as alternative locations to accommodate the expected population growth, either Option 1 or Option 3 as described in this study.

The amount of retail space warranted at either Option area depends largely on the total retail demand available in future years in all of Bolton. Therefore, we have determined the amount of retail and associated service space in Bolton, by 2031, the target year for this study. The Town of Caledon has determined the increase in population that is expected to locate in Bolton by 2031. However, since most of the new population for either Option Area 1 or 3 will establish themselves after 2021, the recommended space should not be built before 2021. In fact a substantial portion of the expected population in either Option area will have to be in place before a major retail development is economically feasible.

As determined in the market analysis contained in the body of this study, the total additional retail and related service space warranted in Bolton, by 2031, consists of:

Supermarket & Grocery Stores	72,000 square feet
Non-Department Store GAFO Retailers (see Table E-6)	217,000 square feet
Pharmacy & Personal Care Stores	39,000 square feet
Beer, Wine & Liquor Stores	15,000 square feet
Building & Outdoor Home Supply Stores	75,000 square feet
Services	238,000 square feet
TOTAL	**656,000 square feet**

Shopping through the internet is having a major impact on the demand for traditional store space resulting in some store closures. Furthermore, many retailers are downsizing their store sizes but at the same time adding electronic terminals to their stores to offer the whole range of merchandise they sell. With few exceptions, most retail categories and related services are experiencing a volume transfer from ‘Bricks & Mortar’ space to the internet. Typical retail service levels i.e. the amount of retail/service space per capita, range between 30 and 50 square feet in Canadian urban areas. In the case of Bolton, it is currently about 60 square feet per capita (Inventory 1,677,700 square feet – Population 28,000). However, as demonstrated by the license plate survey, a large proportion of the sales achieved by Bolton stores are derived from outside Bolton.

We estimate the current replacement of traditional retail space by the internet to range between 1 and 2 square feet per capita. It is growing very rapidly and is expected to account for at least 10% of the average urban service ratio, or about 4 square feet, by 2031. As a minimum, we expect that the traditional demand for retail and related service space in Bolton will be reduced by some 80,000 square feet by 2031 due to the effect of internet shopping. This must be considered as a very conservative estimate. It would reduce the amount of warranted retail and related service space determined in the analysis from 656,000 square feet to 576,000 square feet.

Bolton is currently well served by large scale retailers such as a Wal-Mart Supercentre, Canadian Tire Store and a Home Depot, all of which operate state-of-the-art, modern stores in Bolton. By the end of the study period, Bolton will not be large enough to warrant an additional store for these retailers. Loblaw’s is also well represented in Bolton with a large Zehrs Supermarket that is up to date. Loblaw owns a large property next to Wal-Mart that is zoned for a supermarket. This zoning has been in place for several years. Loblaw’s current plans are unknown.

The existing large scale stores in Bolton represent the full range of such stores for markets of similar size. In order to develop a retail complex exceeding about 300,000 square feet, it is necessary to attract at least one major tenant with a size of 80,000-100,000 square feet. In our opinion, there is currently no retailer not already represented in Bolton, which would fit that profile. There are additional large plate retailers operating in Ontario such as IKEA, Costco, The Bay, Sears, and Target but the Bolton market is too small for such retailers. The lack of a large anchor store limits the amount of space that can be built under either development Options.

The amount of retail space recommended in either of the two Option areas is estimated at about 350,000 square feet. The balance of the warranted space is expected to locate within the existing commercial corridor where there is available land, some of which is already commercially zoned. Some retailers, not yet established in Bolton, or new retailers entering the market between 2013 and 2031, will likely prefer to be near the existing major commercial draws in Bolton rather than at more suburban locations such as the identified Option areas. Furthermore, the retail vacancy level in Bolton is above normal and some of the future demand could locate into currently vacant premises.

The amount of recommended space for the Option areas should consist of a single major centre comprising between 250,000 and 300,000 square feet, with the balance being distributed to convenience locations. The major centre should include a supermarket and specialty food store space, pharmacy and personal care store space, including a drug store, family clothing stores, other GAFO retailers, a hardware store as well as a liquor or beer store, and a large range of retail related services.

The principal commercial facilities under Option 3 could be located at or near the future transit station. Under Option 1, the principal retail facilities should have access and exposure to Highway 50. Because of the good regional accessibility of a retail centre under Option 1, it may be possible to increase the retail space in that area, particularly if an additional mid-size retailer, such as a furniture warehouse or major sporting goods store can be attracted. In that case, the retail and related service commercial space under Option 1 could be increased to about 400,000 square feet. Any retail development of significant size will not only serve the population locating in either Option area but also existing population in nearby residential areas.

Every significant retail development entering the Bolton market will initially impact existing retail centres and the Downtown area. Due to the location of the Option areas and their likely retail development size and type, we do not expect a measurable impact on the existing major retail facilities in the southern part of Bolton. Any impact on retail and service space located Downtown Bolton will be minor, i.e. a small reduction of sales, and of short duration, because of the expected new population in the Option areas. Due to proximity, the impact of a commercial development under Option 1, on the Downtown, would be slightly larger than that caused by such a development on Option 3 lands. However, it is worth noting that Bolton added some 500,000 square feet of modern retail space between 2002 and 2014, while the retail space in the Downtown area remained relatively stable.

We appreciate the opportunity to prepare this market overview as an input into your overall plan for Option 1 or 3 lands and are looking forward to discussing our recommendations with you.

Yours truly,
Kircher Research Associates Ltd.

Hermann J. Kircher
President

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SECTION 1

INTRODUCTION

SECTION 1
INTRODUCTION

This Retail Market Study of Bolton has been prepared for the Town of Caledon, Ontario and is dated May 30th, 2014. It consists of a market potential analysis of warranted retail and related service space in Bolton in total and in the identified Residential Expansion Areas, by the year 2031.

Bolton is undertaking a Residential Expansion Study and has identified two suburban areas, as alternative locations. These may be potentially suitable to accommodate the expected increase in population to 2031, totalling about 12,000 persons. They are referred to as Option 1, comprised of a land area consisting of 151 ha located along Queen Street in the northern part of Bolton; and Option 3, which includes a land area of 165 ha, located along King Street in the western part of Bolton, as well as 3 ROA's.

The primary task of this retail study is to determine the size and type of retail facilities warranted at either expansion area location. Since the total population increase is essentially identical between the two options, access, proximity to nearby existing population areas, impact on the Downtown and the location of other existing and proposed retail facilities will have to be taken into consideration.

Study Approach

The method used to evaluate the market demand for future retail facilities in Bolton is similar to that used by Kircher Research Associates Ltd. in other studies completed throughout Canada. The research approach employed in this study has proven to be an appropriate means of evaluating future retail demand, employing both quantitative and qualitative considerations. The major components of the study include the following:

- A detailed inventory of existing competitive retail facilities located in Bolton was prepared in May 2014.
- May 1-3, 2014, License Plate Surveys were conducted at the major retail facilities in Bolton.

- Historic, current and forecast population levels in the Bolton were determined for selected time intervals between 2006 and 2031.
- The current average per capita income levels of Bolton residents were calculated and were used to estimate their current per capita expenditure levels for various retail categories. Estimated real growth rates in retail expenditures were then used to develop future retail expenditure levels.
- The total retail expenditures of Study Area residents for the various retail categories were calculated by multiplying the current and forecast population levels in the Study Area by the corresponding current and future retail expenditure levels.
- Based on the total demand for retail and related service space in Bolton, by 2031, we have then determined the warranted space at either Option 1 or Option 3 locations.

In any study requiring estimates of future conditions, it is necessary to make certain specific assumptions. These have been stated where appropriate in this study. In addition, there are a number of basic and underlying assumptions which have been stated. These assumptions and definitions, phrases and concepts used in this study should be fully understood in order to avoid any misunderstanding. They have been summarized in Appendix E.

SECTION 2

SITE AND ACCESS

SECTION 2
SITE AND ACCESS

In a standard retail market study, it is necessary to review site characteristics and access patterns of the development site under study, in order to evaluate the future retail market potential. In this case, the total 2031 retail market demand for Bolton has been determined and employed to evaluate the warranted space for either Option. A map identifying the Option 1 & 3 areas is included in this Section of the study. A map of the Bolton Settlement Area Expansion 2021-2031 is included in the next section, and

Site Characteristics and Surrounding Land Uses

The specific site features at either Option location are being described in the Planning Study. For the purposes of the retail study, we observe that Option 1, consisting of 151 ha is located on vacant land, just north of Columbia Way in the Bolton urban area. South of Columbia Way is an existing residential community.

Option 3, comprised of a land area of 165 ha is also vacant. It is situated in the western part of Bolton, north of King Street and west of Humber Station Road. There is a nearby existing residential area south of King Street and west of Coleraine Drive.

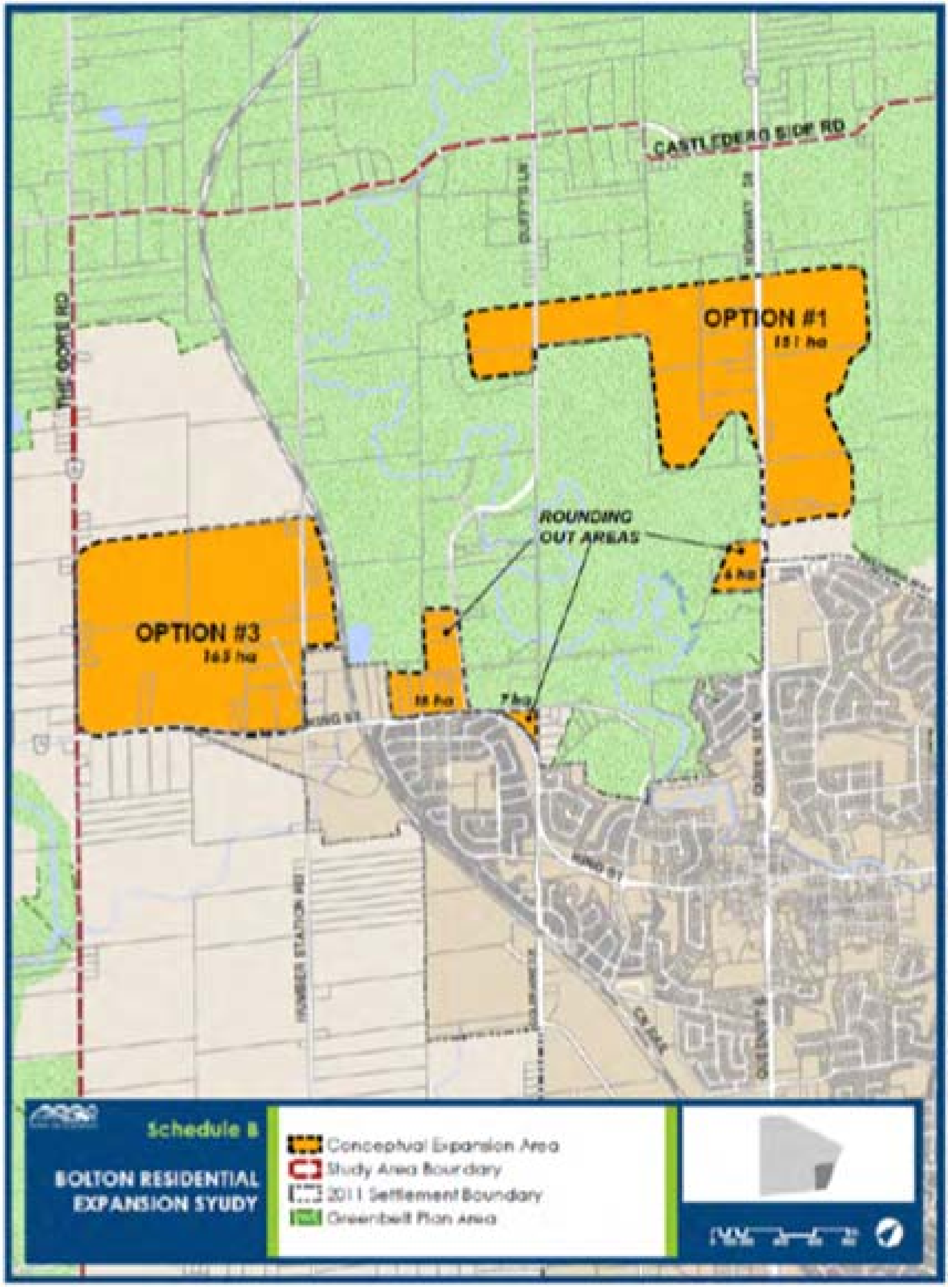
Access Characteristics

Access is an integral part of site location for commercial developments. Good accessibility and visibility are necessary features for successful retail facilities, making potential customers aware of the site and allowing them to travel to and from the site with ease.

The Option 1 lands are located along Queen Street (Highway 50), the main regional north-south route serving Bolton and its surrounding area. Queen Street leads to Downtown Bolton and to the major retail commercial areas in the south of Bolton. Option 1 has very good regional access.

The Option 3 lands are located along King Street, the main east-west street in Bolton. King Street also leads to Downtown Bolton. Option 3 has good regional access.

A recent Metrolinx study included a Bolton Commuter Rail Feasibility Study. The study concluded that there would be insufficient traffic to justify the investment in the short term, i.e. 1-15 year plan, but that the Bolton Commuter Rail line should be included in the long term, 16-25 year plan. Commuter rail service to Bolton remains in Metrolinx long-term plans. We were informed that a Go-Train Station is being considered for lands immediately adjacent to the Option 3 lands.


CASTLEDERG SIDE RD
OPTION #1
151 ha
ROUNDING
OUT AREAS
OPTION #3
KING ST
Schedule B
BOLTON RESIDENTIAL
EXPANSION SYUDY
Conceptual Expansion Area
Study Area Boundary
2011 Settlement Boundary
Greenbelt Plan Area

SECTION 3

STUDY AREA

SECTION 3
STUDY AREA

In order to evaluate the retail market potential for Bolton and the potential at either of the two Option areas, it is necessary to analyze the expenditure patterns of the potential customer base. The market influence attributable to any retail development usually extends beyond the immediate nearby area. In order to make reliable estimates of market support, a well defined Study Area must be delineated.

The geographic area of influence from which a commercial development could typically expect to derive between 70.0% and 95.0% of its total sales volume is defined as its *Study* or *Trade*. The extent of a market area depends on numerous factors, including:

- the size, type and character of the planned retail development;
- accessibility and visibility ;
- natural or man-made barriers, such as rivers or railway lines, which may inhibit or restrict the movement of customers;
- distance and driving times; and,
- the strength and location of existing and proposed competitive retail facilities.

The remaining sales volume is derived from visitors, tourists and local employees living outside the market area. This sales support is referred to as ***inflow*** and has been recognized in this study. Although this study is primarily concerned with the amount of retail and related service space in either of the residential expansion areas, it is necessary to study the total Bolton market demand initially, in order to understand the scale of the total demand. We have, therefore, focused on the future retail space demand of Bolton. Based on a license plate survey, described in the appendix, Bolton retail establishments derive about 50% of their current sales from local residents and 50% from Inflow.

By focusing the market analysis on a well-defined market area, specific population, income and expenditure trends can be identified and measured. Furthermore, the most important competitive influences can be identified. From these assessments, the actual market demand available to future retail developments can be determined.

The study area is the 2011 Bolton Settlement Boundary Area as illustrated below.

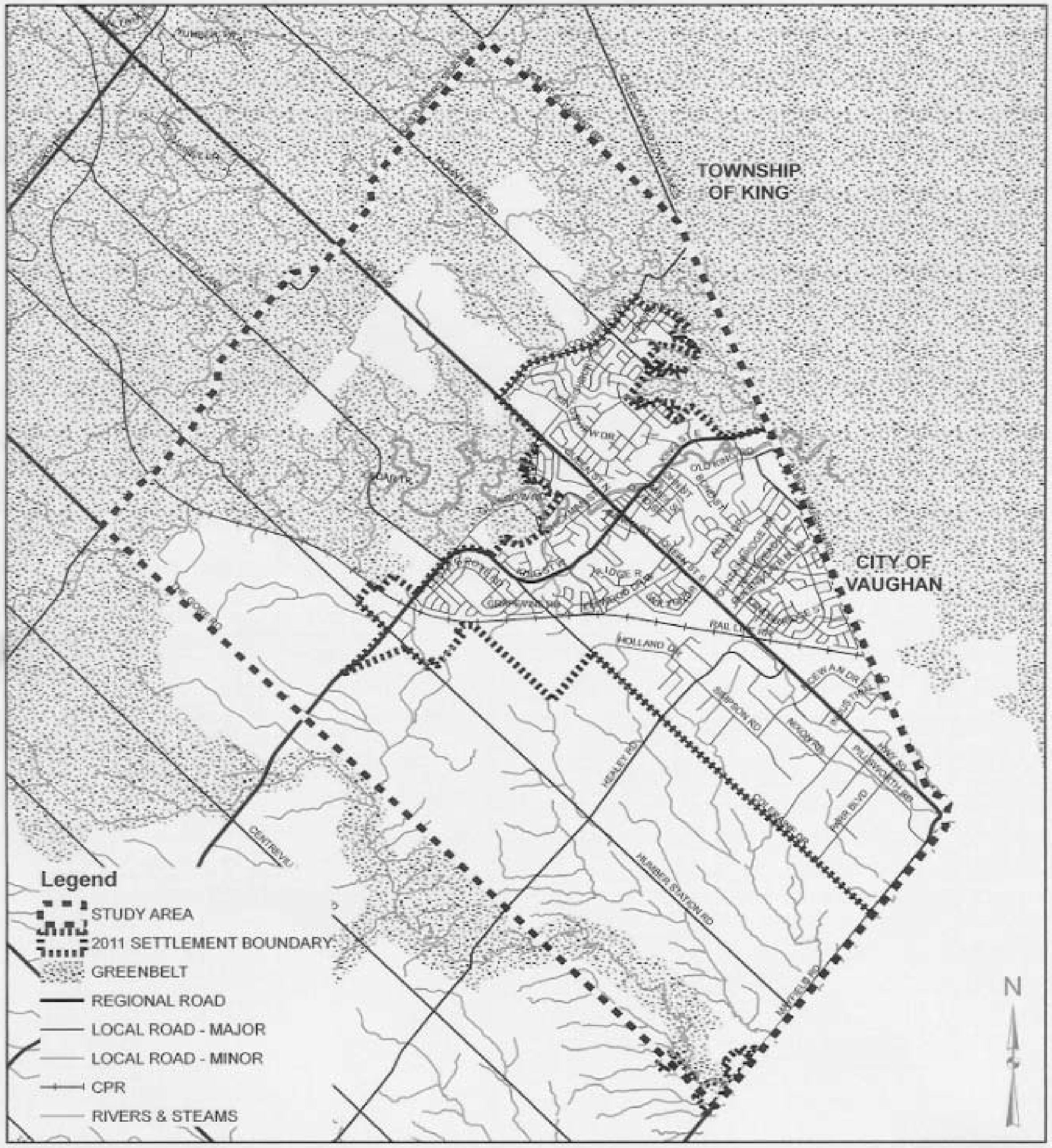


FIGURE 1

LOCATION MAP

TOWN OF CALEDON

Bolton Residential Expansion Study Area

Date: April 2, 2012

(Bolton Settlement Area Expansion 2021-2031)

File No.: Report DP-2012-024

SECTION 4

STUDY AREA POPULATION

SECTION 4
STUDY AREA POPULATION

The current and future population residing in the Study Area is one of the most important factors in determining the sales potential available to existing and future retail facilities in the area under study. Forecast population levels for the market area are usually based on a number of factors, including:

- the future economic development potential within the market area;
- the availability of suitable lands and necessary services to accommodate new residential development;
- historic and forecast trends in population growth and family formation, which will affect the demand for housing; and,
- municipal planning targets.

In the following discussion we review the historic population growth in the study area since 2006 and examine projections of future population levels to 2031.

Historic, Current and Projected Study Area Population

Table 1 present the historic, current and projected population levels for the Study Area. The population figures for 2006 through and 2011 are based on revised intercensal population estimates.

The revised intercensal population estimates include an adjustment to the Census population in order to make them conform to the revised definition of population employed by the Census. This revised definition includes several groups that previously had been excluded from the Census, notably non-permanent residents like refugee claimants and persons holding student or employment authorizations or Minister's permits.

Adjustments have been made to the Census population in order to correct for what Statistics Canada has termed the net "undercoverage" or "undercount". In this case the Census population has been increased by 4.2%.

As noted on Table 1, the population of Bolton totalled 27,300 persons in 2006 and 27,900 in 2011. The year 2013 is the Base Year for our study. We estimate the 2013 population for Bolton at 28,000 persons. The Town of Caledon population forecast for Bolton is 39,900 persons by 2031. The population levels for the Town of Caledon have also been shown for the same years on Table 1.

TABLE 1
CURRENT AND PROJECTED STUDY AREA POPULATION (1

	2006	2011	2013	2031
BOLTON				
Population	**27,300**	**27,900**	**28,000**	**39,900**
Periodic Growth		600	100	11,900
Average Annual Growth		120	50	661
CALEDON				
Population	**59,600**	**61,500**	**64,200**	**110,000**
Periodic Growth		1,900	2,700	45,800
Average Annual Growth		380	1,350	2,544

SOURCE: Kircher Research Associates Ltd.
1) Historic years,2006, based on 2006 Census of Canada. Future years, 2013-2031, based on Town of Bolton / Caledon population forecasts.

SECTION 5

STUDY AREA INCOME

SECTION 5
STUDY AREA INCOME

In addition to the future study area population, residents' income levels are also important in determining the future sales potential available to the existing and any additional retail facilities in the market area. This section of the study contains a discussion of the income levels of study area residents.

It has been our experience, based on previous market research, that average per capita income levels provide a reasonable guide to the expenditure habits of the population living within a defined market area. Although there are several intervening variables influencing consumer habits and shopping preferences, population groupings with similar income characteristics tend to exhibit similar expenditure habits for broad merchandise categories.

Study Area Per Capita and Average Household Income

The average personal per capita income for Canada and Ontario has been indicated in the upper portion of Table 2 for each year between 1991 and 2013. The relationship between the per capita income levels for Canada and Ontario has also been summarized in this table. These income levels reflect the revised intercensal population estimates.

The upper portion of Table 2 indicates that the average per capita income for Canada, in nominal dollar values, has increased from $21,428 in 1991 to an estimated $41,709 in 2013. Similarly, the average per capita income for Ontario has increased from $23,751 in 1991 to an estimated $40,996 in 2013. These figures represent total personal income before tax from all sources, based on the definitions used in Statistics Canada, *National Income and Expenditure Accounts* (Catalogue #13-001).

Between 1991 and 2013, Ontario's average income level generally grew at a slower rate than Canada's. Ontario's average income level has fallen below the national average since 2011. Ontario's average personal per capita income level is currently estimated at 1.7 % below the national average.

The lower portion of Table 2 indicates the average personal per capita income levels for Ontario and the Study Area in 2013. This information was calculated from data published in the 2011 Census of Canada and more recent Canada Revenue Agency taxation statistics. The per capita income levels are used in the expenditure calculations presented in subsequent sections of this study.

The 2013 average per capita income level for Study Area residents is estimated at $38,535 or about 6.0% below the corresponding provincial average. However, the per capita household income of study area residents, at $ 123,310 is 25.3 % above the provincial average. Similar information is provided for the Town of Caledon on Table 2.

TABLE 2
PERSONAL PER CAPITA INCOME

	Canada		Ontario		
Year	**Per Capita Income (1**	**Percentage Increase**	**Per Capita Income (2**	**Percentage Increase**	**Ontario as a % of Canada**
1991	$21,428	--	$23,751	--	110.8
1992	$21,718	1.4%	$24,010	1.1%	110.6
1993	$22,097	1.7%	$23,960	-0.2%	108.4
1994	$22,301	0.9%	$24,095	0.6%	108.0
1995	$22,937	2.9%	$24,785	2.9%	108.1
1996	$23,208	1.2%	$24,930	0.6%	107.4
1997	$23,924	3.1%	$25,786	3.4%	107.8
1998	$24,814	3.7%	$26,801	3.9%	108.0
1999	$25,755	3.8%	$27,959	4.3%	108.6
2000	$27,384	6.3%	$29,751	6.4%	108.6
2001	$28,256	3.2%	$30,360	2.0%	107.4
2002	$28,668	1.5%	$30,553	0.6%	106.6
2003	$29,450	2.7%	$31,132	1.9%	105.7
2004	$30,812	4.6%	$32,363	4.0%	105.0
2005	$32,116	4.2%	$33,480	3.5%	104.2
2006	$33,983	5.8%	$34,956	4.4%	102.9
2007	$35,718	5.1%	$36,512	4.5%	102.2
2008	$36,948	3.4%	$37,199	1.9%	100.7
2009	$36,537	-1.1%	$36,934	-0.7%	101.1
2010	$37,639	3.0%	$38,070	3.1%	101.1
2011	$38,774	3.0%	$38,723	1.7%	99.9
2012	$40,261	3.8%	$39,890	3.0%	99.1
2013	$41,709	3.6%	$40,996	2.8%	98.3

	2013			
	Per Capita Income (3	**Index to Ontario (4**	**Per Household Income (3**	**Index to Ontario (5**
Province of Ontario	$40,996	100.0	$98,390	100.0
Bolton	$38,535	94.0	$123,310	125.3
Other Caledon	$56,780	138.5	$173,180	176.0
TOTAL CALEDON	$48,580	118.5	$151,570	154.1

SOURCE: Kircher Research Associates Ltd.

1) The figures for 1991 to 2013 are based on Statistics Canada, *National Income and Expenditure Accounts, Data Tables 2013* (Catalogue #13-019).

2) The figures for 1991 to 2005 are based on Statistics Canada, *Provinciall and Territorial Economic Accounts, Data Tables 2008 Estimates* (Catalogue #13-018). The figures for 2006 to 2013 are based on Ontario Ministry of Finance, *Ontario Economic Accounts.*

3) Rounded to the nearest $5.00.

4) These indices are Kircher Research Associates Ltd. estimates, based on Statistics Canada,*2006 Census of Canada,* which reports 2005 income; and on a review of Canada Revenue Agency, *Locality Code Statistics, 2002 to 2009* .

5) These indices are Kircher Research Associates Ltd. estimates, based on Statistics Canada, *2006 Census of Canada,* average household size data for the Province & the study area.

SECTION 6

STUDY AREA FOOD STORE EXPENDITURE POTENTIAL

SECTION 6
STUDY AREA FOOD STORE EXPENDITURE POTENTIAL

The food store category can be divided into two major components: supermarkets and grocery stores; and convenience and specialty food stores. We define supermarkets and grocery stores as food stores that sell a wide selection of produce and grocery items, dairy products and fresh meat, as well as household cleaning supplies, and have a central check-out area. Convenience and specialty food stores include jug milk stores, bakeries, delicatessens, meat and fish markets, produce markets and other similar stores.

We have analyzed retail sales as reported by Statistics Canada under the North American Industry Classification System (NAICS). However, we have recognized the grocery components of Wal-Mart Supercentres and Costco in the study.

The food store category as defined in this market study does not include food service facilities such as restaurants or fast food outlets, wholesale food distributors, or the food and grocery components of warehouse membership clubs, general merchandise stores, general stores, variety stores and drug stores. The method used to calculate per capita food store expenditures from Statistics Canada data is presented in Table E-1 of Appendix E. A comprehensive list of all stores in the food store category is shown in Table E-6. This section of the study shows the calculation of the food store expenditure potential in the Study Area.

TABLE 3
PER CAPITA FOOD STORE EXPENDITURE POTENTIAL

	1991	1996	2001	2006	2011	2013
Province of Ontario						
Per Capita Income	$23,751	$24,930	$30,360	$34,956	$38,723	$40,996
Per Capita Food Store Expenditures (1	$1,476	$1,457	$1,593	$1,928	$2,187	$2,276
% of Income	6.2%	5.8%	5.2%	5.5%	5.7%	5.6%

	2013	2031
Bolton		
Per Capita Food Store Expenditures (2	$2,228	$2,230
Population	28,000	39,900
Total Food Store Expenditure Potential ($Millions)	**$62.4**	**$89.0**
TOTAL BOLTON		
Total Food Store Expenditure Potential ($Millions)	**$62.4**	**$89.0**

SOURCE: Kircher Research Associates Ltd.
1) The figures for 2013 are based on Statistics Canada, *Retail Trade* (Catalogue #63-005).
These figures include supermarket and grocery stores and convenience and specialty food store expenditures.
2) The figures for 2013 have been estimated by Kircher Research Associates Ltd., based on the income relationship for the study area to the province, using an elasticity of 0.35. These figures have been forecast to increase in real terms (i.e. excluding inflation) in future years at 0.0% per year. Rounded to the nearest $5.00.

Calculation of Food Store Expenditure Potential

The relationship between per capita income and per capita food store expenditures has been summarized in Table 3 for the Province of Ontario and the Study Area. The upper portion of this table shows the relationship between per capita income and per capita food store expenditures in Ontario for selected years between 1991 and 2013. The per capita food store expenditures shown in Table 3 reflect the revised intercensal population estimates discussed previously and are consistent with the per capita income levels derived from Table 2.

Between 1991 and 2013, per capita income growth in Ontario has been accompanied by increased per capita food store expenditures. However, the share of income represented by food store expenditures has generally declined since 1991. In 1991, Ontario residents spent an average of $1,476 per person in food stores, or about 6.2% of their per capita income of $23,751. By 2013, per capita food store expenditures in Ontario had increased to $2,276, but as a share of the per capita income of $ 40,996, they had declined to 5.6 %.

The 2013 per capita food store expenditures of the Study Area have been indicated in the lower portion of Table 3. These estimates have been calculated based on the income relationship between the province and the Study Area, using an income elasticity factor of 0.35. This means that an income differential of 10% results in an expenditure differential of 3.5%. The derivation of this income elasticity factor has been explained in Appendix D.

Recognizing the difference in income levels between the Study Area and the province, the current per capita food store expenditures are estimated at $2,228. These per capita expenditures have been forecast to remain constant. As expressed in the assumptions underlying this study, future changes in expenditure patterns that are solely due to inflation have not been recognized in our analysis. Future expenditure levels, therefore, reflect the 2013 value of the Canadian dollar. A detailed analysis of historic real growth in food store expenditures is presented in Appendix C.

The total food store expenditure potential has then been calculated for the Study Area by multiplying the per capita food store expenditure level by the population. Based on these calculations, the total food store expenditure potential for the Study Area is estimated at $ 62.4 million in 2113. It is expected to increase to $ 89.0 million by 2031.

Inflow and Outflow

The total food store expenditure potential calculated in Table 3 represents expenditures made by market area residents at all food stores located inside and outside the market area. Additional sales support for stores in the market area will also be derived from persons whose residence is located outside the market area. These additional sales are termed ***inflow***. Inflow expenditures are made by visitors, tourists and local employees living beyond the defined market area boundary. Inflow has been recognized in the supermarket and grocery store residual demand analysis. Recognizing the current availability of grocery stores in Bolton, it is assumed that the outflow will remain constant. The inflow was determined by the license plate survey.

SECTION 7

SUPERMARKET AND GROCERY STORE RESIDUAL DEMAND ANALYSIS

SECTION 7
SUPERMARKET AND GROCERY STORE RESIDUAL DEMAND ANALYSIS

This section of the study presents our analysis of the expenditure potential available for additional supermarkets and grocery stores in Bolton

The inventory of competitive retail space identified the food stores located in the Study Area in Appendix A. It included a total of 69,200 square feet of supermarket and grocery store space, as well as 35,400 square feet of convenience and specialty food store space. As noted earlier, the Wal-Mart Supercentre includes a large grocery component. Its effect is recognized in the department store category.

Distribution of Total Food Store Expenditures

Supermarket and grocery store expenditures account for the majority of total food store expenditures, with the balance attributable to convenience and specialty food stores. The portion of total food store expenditures made at supermarkets and grocery stores is termed the supermarket and grocery store share of total food store expenditures. The portion made at convenience and specialty food stores is termed the convenience and specialty food store share.

The top part of Table 4 presents the percentage distribution of total food store expenditures between supermarkets and grocery stores and convenience and specialty food stores in Ontario for 1991 to 2013. As indicated, the supermarket and grocery store share in Ontario increased from 84.4% in 1991 to 86.4% in 2013, while the convenience and specialty food store share declined from 15.6% to 13.6% in 2013 during this period. The middle part of Table 4 presents a detailed calculation of the 2013 distribution for Ontario.

Based on the historic trends for Ontario and the inventory of existing food store space in the market area, we have estimated the current distribution applicable to the Study area. These figures are presented in Table 4. The supermarket and grocery store share for the Study Area is estimated at 80.0% for 2013, while the convenience and specialty food store share is estimated at 20.0%.

TABLE 4
DISTRIBUTION OF TOTAL FOOD STORE EXPENDITURE POTENTIAL (%)

HISTORIC DISTRIBUTION OF TOTAL FOOD STORE EXPENDITURES FOR ONTARIO (1		
Year	**Supermarket and Grocery Store**	**Convenience and Specialty Food Store**
1991	84.4%	15.6%
1992	86.5%	13.5%
1993	86.8%	13.2%
1994	86.3%	13.7%
1995	83.2%	16.8%
1996	85.7%	14.3%
1997	86.2%	13.8%
1998	86.6%	13.4%
1999	85.9%	14.1%
2000	86.8%	13.2%
2001	85.8%	14.2%
2002	86.8%	13.2%
2003	87.4%	12.6%
2004	88.6%	11.4%
2005	88.7%	11.3%
2006	88.1%	11.9%
2007	87.2%	12.8%
2008	87.5%	12.5%
2009	87.7%	12.3%
2010	86.9%	13.1%
2011	87.1%	12.9%
2012	87.2%	12.8%
2013	86.4%	13.6%

DISTRIBUTION OF ONTARIO TOTAL FOOD STORE EXPENDITURES FOR 2013 (1		
Food Store Category	**Expenditures**	**Distribution**
Supermarket and Grocery Store	$1,967	86.4%
Convenience and Specialty Food Store	$309	13.6%
TOTAL	**$2,276**	**100.0%**

DISTRIBUTION OF STUDY AREA TOTAL FOOD STORE EXPENDITURES FOR 2013 (2		
Zone	**Supermarket and Grocery Store**	**Convenience and Specialty Food Store**
Bolton	80.0%	20.0%
Total Study Area	**80.0%**	**20.0%**

SOURCE: Kircher Research Associates Ltd.

1) The figures for 1991 to 2013 are Kircher Research Associates Ltd. estimates based on Statistics Canada, *Retail Trade* (Catalogue #63-005) data.
2) These figures are Kircher Research Associates Ltd. estimates based on: the historic trends for Ontario and an evaluation of the existing Study Area food store competition.

The total Supermarket and Grocery Store volume derived from Study Area residents amounts to $ 49.9 million in 2013, increasing to $ 75.7 million by 2031.

TABLE 5
DISTRIBUTION OF TOTAL FOOD STORE EXPENDITURE POTENTIAL ($Millions)

			2013	2031
Bolton				
Total Food Store Expenditure Potential			$62.4	$89.0
Supermarket and	@ Current Level @	80.0% (1	$49.9	$71.2
Grocery Store Share	@ Forecast Level @	85.0% (1		$75.7
Convenience and	@ Current Level @	20.0% (1	$12.5	$17.8
Specialty Food Share	@ Forecast Level @	15.0% (1		$13.4

SOURCE: Kircher Research Associates Ltd.

1) The current & forecast supermarket and grocery store and convenience and specialty food expenditure shares are Kircher Research Associates Ltd. estimates.

Supermarket and Grocery Store Residual Demand Analysis

On Table 5 we have summarized the residual demand for additional supermarket space. It should be emphasized that a residual analysis assumes the continued operation of all existing stores in the Study Area. In a competitive market economy, new stores also typically transfer volumes from existing stores, referred to as 'impact'. In this case, because of the distance of the Option areas from the existing major competition, we consider the impact of any new supermarket on existing stores to be minimal.

The difference between the 2013 supermarket potential and that in 2031 is called the residual volume. It represents market growth from Study Area residents only. The residual volume potential totals $ 25.8 million. Based on the results of the license plate survey and earlier research conducted by our firm in Bolton, we estimate the supermarket inflow at about 45 %. This means that 45 % of the total volume achieved by supermarkets in Bolton is derived from outside the Bolton urban area. The total additional supermarket volume in Bolton, by 2031 is estimated at about $ 46.9 million

The available volume has been divided by a typical range of expected sales per square foot levels applicable to new supermarkets in this market area, ranging between $625 and $675 per square foot per annum. This calculation indicates warranted additional supermarket space of about 72,000 square feet by 2031.

TABLE 6
SUPERMARKET AND GROCERY STORE RESIDUAL DEMAND ANALYSIS ($Millions)

		2013	2031
TOTAL BOLTON			
Supermarket and Grocery Store Expenditure Potential		$49.9	$75.7
Residual			$25.8
Plus: Inflow from Outside the Study Area @	45.0% (1		
TOTAL SALES VOLUME			**$46.9**

Warranted Space				**Square Feet GLA (2**
	@	$625	Per Square Foot GLA	75,000
	@	$650	Per Square Foot GLA	72,000
	@	$675	Per Square Foot GLA	69,000

SOURCE: Kircher Research Associates Ltd.

1) The inflow level has been estimated as a percentage of the total sales volume, on Kircher Research Associates Ltd. estimates.

2) Rounded to the nearest 1,000 square feet GLA.

SECTION 8

STUDY AREA GAFO STORE EXPENDITURE POTENTIAL

SECTION 8
STUDY AREA GAFO STORE EXPENDITURE POTENTIAL

GAFO (General Merchandise, Apparel, Furniture and Other Retailers) stores represent a broad selection of retailers such as general merchandise stores; apparel and accessories stores; furniture, home furnishings and electronics stores; and other specialty non-food retailers. For analytical purposes, we differentiate between department stores and other types of general merchandise stores, thus resulting in the following six major GAFO store categories:

- Traditional Department Stores;
- Discount Department Stores;
- Other General Merchandise Stores;
- Apparel and Accessories Stores;
- Furniture, Home Furnishings and Electronics Stores; and,
- Other Retailers.

It should be noted that the Other General Merchandise stores category includes Costco warehouse membership clubs and home and auto supply stores such as Canadian Tire. A comprehensive list of all stores in each of these major store categories is shown in Table E-6 of Appendix E. GAFO stores exclude food stores; pharmacies and personal care stores; beer, wine and liquor stores; and building and outdoor home supply stores. Furthermore, financial institutions, food services, personal and laundry services, as well as all other services are also excluded from the GAFO store category. The calculation of per capita GAFO store expenditures from Statistics Canada data is presented in Table E-2.

GAFO facilities occupy about 485,900 square feet in the Study area as indicated on Table A-1. Due to the overall size of the Study Area and the fact that a Wal-Mart department store is located in Bolton, we do not expect that sufficient market potential arises by 2031 to warrant a second department store. Therefore, our GAFO analysis will focus on the demand for Non-Department Store GAFO space.

TABLE 7
PER CAPITA GAFO EXPENDITURE POTENTIAL

	1991	1996	2001	2006	2011	2013
Province of Ontario						
Per Capita Income	$23,751	$24,930	$30,360	$34,956	$38,723	$40,996
Per Capita GAFO Expenditures (1	$2,202	$2,421	$3,211	$3,644	$3,900	$4,005
% of Income	9.3%	9.7%	10.6%	10.4%	10.2%	9.8%

	2013	2031
Bolton		
Per Capita GAFO Expenditures (2	$3,875	$4,225
Population	28,000	39,900
Total GAFO Expenditure Potential ($Millions)	**$108.5**	**$168.6**
TOTAL BOLTON		
Total GAFO Expenditure Potential ($Millions)	**$108.5**	**$168.6**

SOURCE: Kircher Research Associates Ltd.
1) The figures for 2013 are based on Statistics Canada, *Retail Trade* (Catalogue #63-005).
2) The figures for 2013 have been estimated by Kircher Research Associates Ltd., based on the income relationship for the study area to the province, using an elasticity of 0.55. These figures have been forecast to increase in real terms (i.e. excluding inflation) in future years at 0.5% per year. Rounded to the nearest $5.00.

Calculation of GAFO Store Expenditure Potential

The relationship between per capita income and per capita GAFO store expenditures has been summarized in Table 7 for the Province of Ontario and the Study Area. The upper portion of this table shows the relationship between per capita income and per capita GAFO store expenditures in Ontario for selected years between 1991 and 2013. The per capita GAFO store expenditures shown in Table 7 reflect the revised intercensal population estimates discussed earlier in this study.

Between 1991 and 2013, per capita income growth in Ontario has been accompanied by increased per capita GAFO store expenditures. The share of income represented by GAFO store expenditures has generally increased since 1991. In 1991, Ontario residents spent an average of $2,202 per person in GAFO stores, or about 9.3% of their per capita income of $23,751. By 2013, per capita GAFO store expenditures in Ontario had increased to $4,005, which represents 9.8 % of the per capita income of $ 40,996.

The 2013 per capita GAFO store expenditures for the Study Area are shown in the lower portion of Table 7. These estimates have been calculated based on the income relationship between the province and the Study Area, using an income elasticity factor of 0.55. This means that an income differential of 10% results in an expenditure differential of 5.5%. The derivation of this income elasticity factor has been explained in Appendix D.

Recognizing the difference in income levels between the Study Area and the province, current per capita GAFO store expenditures are estimated at $3,875. These expenditures have been forecast to increase in real terms (i.e. excluding inflation) at 0.5% per year after 2013. Annual growth might be slightly below this estimate in the next year or two, but is expected to average out over the total study period. A detailed analysis of historic real growth in GAFO store expenditures is presented in Appendix C.

The total GAFO store expenditure volume potential has then been calculated for the Study Area. It totals $ 108.5 million in 2013 and is estimated to increase to $ 168.6 million by 2031.

Inflow and Outflow

The total GAFO store volume potential indicated in Table 7 represents expenditures made by market area residents at all such stores located inside and outside the delineated market area. Additional sales support will also be derived from persons whose residence is located outside the Study Area. These additional sales are termed ***inflow***. Inflow expenditures are made by visitors, tourists and local employees living beyond the defined market area boundary. Inflow has been recognized in the GAFO store residual demand analysis following.

Study Area residents also make a portion of their retail purchases at GAFO stores located outside the market area. Due to the presence of a large assortment of GAFO stores in Bolton, and the relatively moderate population growth, we expect the outflow to remain relatively constant. The inflow was determined in the license plate survey.

SECTION 9

NON-DEPARTMENT STORE GAFO RESIDUAL DEMAND ANALYSIS

SECTION 9
NON-DEPARTMENT STORE GAFO RESIDUAL DEMAND ANALYSIS

This section of the study presents our analysis of the additional expenditure potential available to GAFO stores in Bolton. We have recognized the GAFO volume served by department stores but no additional department store is warranted in Bolton by 2031. We have considered the demand for non-department store GAFO retailers, which include other general merchandise stores; apparel and accessories stores; furniture, home furnishings and electronics stores; and other retailers.

Distribution of Total GAFO Store Expenditures

As noted earlier, GAFO facilities are comprised of department stores and non-department store GAFO retailers. Department stores are usually large-space retailers offering a broad selection of merchandise. Statistics Canada generally defines a department store as a retail outlet that sells the following broad lines of merchandise: family clothing and apparel; furniture, appliances and home furnishings; and miscellaneous other goods. Non-department store GAFO facilities are specialty stores that are normally, but not always, much smaller than department stores and usually specialize in narrow lines of merchandise, such as women's apparel or jewellery.

The portion of total GAFO store expenditures that are made in department stores is referred to as the department store share of GAFO store expenditures. This includes all expenditures made at discount and traditional department stores. The portion of total GAFO store expenditures that are not made in department stores is termed the non-department store GAFO share.

The top portion of Table 8 presents the historic department store and non-department store GAFO shares in the Province of Ontario for 1991 to 2013. These figures indicate that the department store share has generally been declining throughout this period. Conversely, the non-department store GAFO share has been increasing.

TABLE 8
DISTRIBUTION OF TOTAL GAFO STORE EXPENDITURE POTENTIAL (%)

HISTORIC DISTRIBUTION OF TOTAL GAFO STORE EXPENDITURES FOR ONTARIO (1		
Year	**Department Store**	**Non-Department Store GAFO**
1991	21.7%	78.3%
1992	21.8%	78.2%
1993	21.4%	78.6%
1994	20.8%	79.2%
1995	21.1%	78.9%
1996	21.6%	78.4%
1997	22.0%	78.0%
1998	21.6%	78.4%
1999	21.5%	78.5%
2000	20.7%	79.3%
2001	21.3%	78.7%
2002	21.3%	78.7%
2003	20.9%	79.1%
2004	20.8%	79.2%
2005	21.0%	79.0%
2006	20.5%	79.5%
2007	20.0%	80.0%
2008	20.0%	80.0%
2009	20.0%	80.0%
2010	-	-
2011	17.4%	82.6%
2012	17.1%	82.9%
2013	17.1%	82.9%

DISTRIBUTION OF STUDY AREA TOTAL GAFO STORE EXPENDITURES FOR 2013 (2		
Zone	**Department Store**	**Non-Department Store GAFO**
Bolton	28.0%	72.0%
Total Study Area	**28.0%**	**72.0%**

SOURCE: Kircher Research Associates Ltd.

1) The figures for 1991 to 2013 are Kircher Research Associates Ltd. estimates, based on Statistics Canada, *Retail Trade* (Catalogue #63-005) data.
2) These figures are Kircher Research Associates Ltd. estimates, based on: the historic trends for Ontario and an evaluation of the existing Study Area GAFO store competition.

Based on the historic trends for Ontario, as well as our previous market experience, we have estimated the department store and non-department store GAFO shares applicable to the total market area. These estimates are presented in the bottom portion of Table 8. The department store share of GAFO is estimated at 28 % for Bolton. This indicates a department store volume generated by Study Area residents of $30.4 million in 2013, increasing to 47.2 million by 2031. Conversely, the non-department store GAFO volume totals $78.1 million in 2013 and is estimated to increase to $ 121.4 million by 2031.

TABLE 9
DISTRIBUTION OF TOTAL GAFO EXPENDITURE POTENTIAL ($Millions)

				2013	2031
Bolton					
Total GAFO Expenditure Potential				$108.5	$168.6
Department Store Share	@	28.0%	(1	$30.4	$47.2
Non-Department Store GAFO Share	@	72.0%	(1	$78.1	$121.4
Department Store Share				**$30.4**	**$47.2**
As a % of Total GAFO Expenditure Potential				**28.0%**	**28.0%**
Non-Department Store GAFO Share				**$78.1**	**$121.4**
As a % of Total GAFO Expenditure Potential				**72.0%**	**72.0%**

SOURCE: Kircher Research Associates Ltd.

1) The current department store and non-department store GAFO shares are based on: Statistics Canada, *Retail Trade* (Catalogue #63-005) and local market conditions.

Non-Department Store GAFO Residual Demand Analysis

The non-department store GAFO expenditures estimated in Table 9 for the Study Area have been transferred to Table 10. The analytical methodology applied for this category to establish warranted space is identical to that explained in the supermarket section. The residual retail volume in this category is estimated at $ 43.3 million by 2013. We have estimated the inflow in this category at 50% reflecting the results of the license plat survey. This results in a total residual volume of $ 86.6 million by 2031. At the mid point of a range of applicable sales per square foot levels, demand for some 217,000 square feet of additional non-department store GAFO space is indicated.

TABLE 10
NON-DEPARTMENT STORE GAFO RESIDUAL DEMAND ANALYSIS ($Millions)

			2013	**2031**
BOLTON				
Non-Department Store GAFO Expenditure Potential			$78.1	$121.4
Residual				$43.3
Plus: Inflow from Outside the Trade Area	@	50.0% (1		
TOTAL SALES VOLUME				**$86.6**

Warranted Space				**Square Feet GLA (2**
	@	$350	Per Square Foot GLA	247,000
	@	$400	Per Square Foot GLA	217,000
	@	$450	Per Square Foot GLA	192,000

SOURCE: Kircher Research Associates Ltd.

1) The inflow level has been estimated as a percentage of the total sales volume, on Kircher Research Associates Ltd. estimates.

2) Rounded to the nearest 1,000 square feet GLA.

SECTION 10

PHARMACY AND PERSONAL CARE STORE RESIDUAL DEMAND ANALYSIS

SECTION 10
PHARMACY AND PERSONAL CARE STORE RESIDUAL DEMAND ANALYSIS

This section of the study examines the expenditure potential that would be available for the Pharmacy and Personal Care Store category. In 2013, there are 50,200 square feet of this type of retail space in Bolton.

<u>Calculation of Pharmacy and Personal Care Store Expenditure Potential</u>

The pharmacy and personal care store category includes expenditures at drug stores, cosmetics stores, opticians; health supplements retailers and medical aid and equipment stores. The method used to calculate per capita pharmacy and personal care store expenditures from Statistics Canada data is presented in Table E-3. The analytical approach used to examine the pharmacy and personal care store category is similar to the approach used for the food and GAFO store categories in preceding sections of this study.

The relationship between per capita income and per capita pharmacy and personal care store expenditures has been summarized in Table 11 for the Province of Ontario and the Study Area. The upper portion of the table shows the relationship between per capita income and per capita pharmacy and personal care store expenditures in Ontario for selected years between 1991 and 2013. As with the food and GAFO store categories analyzed in previous sections of this study, the per capita pharmacy and personal care store expenditures shown in Table 11 reflect the revised intercensal population estimates discussed in Section 4 of this study and are consistent with the per capita income levels derived from Table 2.

Between 1991 and 2013, per capita income growth in Ontario has been accompanied by higher per capita pharmacy and personal care store expenditures. The share of income represented by pharmacy and personal care store expenditures has increased substantially during this period. In 1991, Ontario residents spent an average of $434 per person on pharmacy and personal care store expenditures, or about 1.8% of their per capita income of $23,751. By 20013, per capita pharmacy and personal care store expenditures in Ontario had increased to $ 950, which as a share of the per capita income of $ 40,996 had grown to about 2.3 %**.**

TABLE 11
PER CAPITA PHARMACY AND PERSONAL CARE STORE EXPENDITURE POTENTIAL

	1991	1996	2001	2006	2011	2013
Province of Ontario						
Per Capita Income	$23,751	$24,930	$30,360	$34,956	$38,723	$39,890
Per Capita Pharmacy & Personal Care Store E	$434	$490	$602	$831	$950	$954
% of Income	1.8%	2.0%	2.0%	2.4%	2.5%	2.4%

	2013	2031
Bolton		
Per Capita Pharmacy & Personal Care Store Expenditures (2	$905	$1,150
Population	28,000	39,900
Total Pharmacy & Personal Care Store Expenditure Potential ($Millions)	**$25.3**	**$45.9**
TOTAL BOLTON		
Total Pharmacy & Personal Care Store Expenditure Potential ($Millions)	**$25.3**	**$45.9**

SOURCE: Kircher Research Associates Ltd.
1) The figures for 2013 are based on Statistics Canada, *Retail Trade* (Catalogue #63-005).
2) The figures for 2013 have been estimated by Kircher Research Associates Ltd., based on the income relationship for the study area to the province, using an elasticity of 0.85. These figures have been forecast to increase in real terms (i.e. excluding inflation) in future years at 1.5% per year. Rounded to the nearest $5.00.

The 2013 per capita pharmacy and personal care store expenditures for the Study Area have been indicated in the lower portion of Table 11. This estimate has been calculated based on the income relationship between the province and the Study Area, using an income elasticity factor of 0.85. This means that an income differential of 10% results in an expenditure differential of 8.5 %. The derivation of this income elasticity factor has been explained in Appendix D.

Recognizing the difference in income levels between the Study Area and the province, current per capita pharmacy and personal care store expenditures in Bolton are estimated at $ 954. These expenditures are forecast to increase in real terms (i.e. excluding inflation) at 1.5 % per year after 2013.

The total pharmacy and personal care store expenditure potential has then been calculated for the Study Area. It amounts to $ 25.3 million in 2013 and increases to $ 45.9 million by 2013.

Pharmacy and Personal Care Store Residual Demand Analysis

Table 12 following presents the residual demand analysis for the pharmacy and personal care store category. It is based on a similar approach as that previously used for the various food and GAFO store categories. The pharmacy and personal care store expenditure potentials that were calculated in Table 11 for the Study Area, for each year of the study period, have been transferred to this table.

The residual volume potential in this category totals $ 20.6 million. The applicable inflow, recognizing the convenience nature of shopping for such merchandise, is estimated at 30 %. Thus, the total volume potential amounts to $ 29.4 million by 2013. At the mid point of the range of applicable sales per square foot, the warranted space in 2013 is 31,000 square feet.

TABLE 12
PHARMACY AND PERSONAL CARE STORE RESIDUAL DEMAND ANALYSIS ($Millions)

		2013	2031
TOTAL BOLTON			
Pharmacy & Personal Care Store Expenditure Potential		$25.3	$45.9
Residual Potential			$20.6
Plus: Inflow from Outside the Trade Area @	30.0% (1		
TOTAL SALES VOLUME			**$29.4**

Warranted Space				**Square Feet GLA (2**
	@	$725	Per Square Foot GLA	41,000
	@	$750	Per Square Foot GLA	39,000
	@	$775	Per Square Foot GLA	38,000

SOURCE: Kircher Research Associates Ltd.

1) The inflow level has been estimated as a percentage of the total sales volume, on Kircher Research Associates Ltd. estimates.

2) Rounded to the nearest 1,000 square feet GLA.

SECTION 11

BEER, WINE AND LIQUOR STORE RESIDUAL DEMAND ANALYSIS

SECTION 11
BEER, WINE AND LIQUOR STORE RESIDUAL DEMAND ANALYSIS

This section of the study considers the future market potential that would be available to Beer, Wine and Liquor Stores in Bolton. The current inventory totals 13,500 square feet.

<u>Calculation of Beer, Wine and Liquor Store Expenditure Potential</u>

The method used to calculate per capita beer, wine and liquor store expenditures from Statistics Canada data is presented in Table E-4. The analytical approach used to examine the beer, wine and liquor store category is similar to the approach used for other retail categories in the preceding sections of this study.

The relationship between per capita income and per capita beer, wine and liquor store expenditures has been summarized in Table 13 for the Province of Ontario and the Study Area. The upper portion of this table shows the relationship between per capita income and per capita beer, wine and liquor store expenditures in Ontario for selected years between 1991 and 2013. As with the other retail categories analyzed in previous sections of this study, the per capita beer, wine and liquor store expenditures shown in Table 13 reflect the revised intercensal population estimates discussed in Section 4 of this study and are consistent with the per capita income levels derived from Table 2.

Between 1991 and 2013, per capita income growth in Ontario has been accompanied by higher per capita beer, wine and liquor store expenditures. In 1991, Ontario residents spent an average of $363 per person at beer, wine and liquor stores, or about 1.5% of their per capita income of $23,751. By 2013, per capita beer, wine and liquor store expenditures in Ontario had increased to $ 573 but as a share of the per capita income of $ 40,996 had declined to about 1.4%.

Recognizing the income difference between the Study Area and the Province, we have calculated the 2013 per capita expenditures in this category at $ 560 based on an elasticity factor of 0.40. Per capita expenditures are estimated to increase at about 0.8 % per year. The total available volume in this category is estimated at $ 15.7 million in 2013, increasing to $ 25.5 million by 2031.

TABLE 13
PER CAPITA BEER, WINE & LIQUOR STORE EXPENDITURE POTENTIAL

	1991	1996	2001	2006	2011	2013
Province of Ontario						
Per Capita Income	$23,751	$24,930	$30,360	$34,956	$38,723	$40,996
Per Capita Beer, Wine & Liquor Store Expendit	$363	$364	$458	$502	$548	$573
% of Income	1.5%	1.5%	1.5%	1.4%	1.4%	1.4%

	2013	2031
Bolton		
Per Capita Beer, Wine & Liquor Stores Expenditures (2	$560	$640
Population	28,000	39,900
Total Beer, Wine & Liquor Stores Expenditure Potential ($Millions)	**$15.7**	**$25.5**
TOTAL BOLTON		
Total Beer, Wine & Liquor Store Expenditure Potential ($Millions)	**$15.7**	**$25.5**

SOURCE: Kircher Research Associates Ltd.
1) The figures for 2013 are based on Statistics Canada, *Retail Trade* (Catalogue #63-005).
2) The figures for 2013 have been estimated by Kircher Research Associates Ltd., based on the income relationship for the study area to the province, using an elasticity of 0.40. These figures have been forecast to increase in real terms (i.e. excluding inflation) in future years at 0.8% per year. Rounded to the nearest $5.00.

Beer, Wine and Liquor Store Residual Demand Analysis

On Table 14 we have indicated the residual volume available by 2013 totalling $ 9.8 million. Recognizing an inflow of 30 %, the total available volume at the end of the study period is $ 14.0 million. At the mid point of the range of applicable sales per square foot warranted additional space of about 15,000 square feet is indicated by 2031.

TABLE 14
BEER, WINE & LIQUOR STORE RESIDUAL DEMAND ANALYSIS ($Millions)

			2013	2031
BOLTON				
Beer, Wine & Liquor Stores Expenditure Potential			$15.7	$25.5
Residual				$9.8
Plus: Inflow from Outside the Trade Area	@	30.0% (1		$14.0
TOTAL SALES VOLUME				**$14.0**

Warranted Space				**Square Feet GLA (2**
	@	$900	Per Square Foot GLA	16,000
	@	$950	Per Square Foot GLA	15,000
	@	$1,000	Per Square Foot GLA	14,000

SOURCE: Kircher Research Associates Ltd.

1) The inflow level has been estimated as a percentage of the total sales volume, on Kircher Research Associates Ltd. estimates.

2) Rounded to the nearest 1,000 square feet GLA.

SECTION 12

BUILDING AND OUTDOOR HOME SUPPLY STORE RESIDUAL DEMAND ANALYSIS

SECTION 12
BUILDING AND OUTDOOR HOME SUPPLY STORE
RESIDUAL DEMAND ANALYSIS

This section of the study presents our analysis of the expenditure potential that would be available to such a facility at this site. In 2013, the inventory in this category totals 175,200 square feet.

Calculation of Building and Outdoor Home Supply Store Expenditure Potential

The building and outdoor home supply store category includes expenditures at home improvement centres, hardware stores, specialized building materials outlets and garden centres. The method used to calculate per capita building and outdoor home supply store expenditures from Statistics Canada data is presented in Table E-5. The analytical approach used to examine the building and outdoor home supply store category is similar to the approach used for other retail categories in the preceding sections of this study.

The relationship between per capita income and per capita building and outdoor home supply store expenditures has been summarized in Table 15 for the Province of Ontario and the Study Area. The upper portion of this table shows the relationship between per capita income and per capita building and outdoor home supply store expenditures in Ontario for selected years between 1991 and 2013. As with the other retail categories analyzed in previous sections of this study, the per capita building and outdoor home supply store expenditures shown in Table 15 reflect the revised intercensal population estimates discussed in Section 4 of this study and are consistent with the per capita income levels derived from Table 2.

Between 1991 and 2013, per capita income growth in Ontario has been accompanied by higher per capita building and outdoor home supply store expenditures. The share of income represented by building and outdoor home supply store expenditures has increased substantially during this period. In 1991, Ontario residents spent an average of $289 per person on building and outdoor home supply store expenditures, or about 1.2% of their per capita income of $23,751. By 2013, per capita building and outdoor home supply store expenditures in Ontario had increased to $733, or about 1.8 % of their per capita income of $ 40,996.

The 2013 per capita building and outdoor home supply store expenditures for the Study Area have been indicated in the lower portion of Table 15. This estimate has been calculated based on the income relationship between the province and the Study Area, using an income elasticity factor of 1.05. The derivation of this income elasticity factor has been explained in Appendix D. Future per capita expenditures are estimated to increase at 1.0% per year.

TABLE 15
PER CAPITA BUILDING & OUTDOOR HOME SUPPLY STORE EXPENDITURE POTENTIAL

	1991	**1996**	**2001**	**2006**	**2011**	**2013**
Province of Ontario						
Per Capita Income	$23,751	$24,930	$30,360	$34,956	$38,723	$40,996
Per Capita Building & Outdoor Home Supply S	$289	$338	$475	$655	$720	$733
% of Income	1.2%	1.4%	1.6%	1.9%	1.9%	1.8%

	2013	**2031**
Bolton		
Per Capita Building & Outdoor Home Supply Store Expenditures (2	$685	$810
Population	28,000	39,900
Total Building & Outdoor Home Supply Store Expenditure Potential ($Millions)	**$19.2**	**$32.3**
TOTAL BOLTON		
Total Building & Outdoor Home Supply Store Expenditure Potential ($Millions)	**$19.2**	**$32.3**

SOURCE: Kircher Research Associates Ltd.
1) The figures for 2013 are based on Statistics Canada, *Retail Trade* (Catalogue #63-005).
2) The figures for 2013 have been estimated by Kircher Research Associates Ltd., based on the income relationship for the study area to the province, using an elasticity of 1.05. These figures have been forecast to increase in real terms (i.e. excluding inflation) in future years at 1.0% per year. Rounded to the nearest $5.00.

Building and Outdoor Home Supply Store Residual Demand Analysis

The total expenditure potential for Building and Outdoor Home Supply Stores in Bolton is estimated at $ 19.2 million increasing to $ 32.3 million by 2031. On Table 16 we have shown the residual potential totalling $ 13.1 million by 2031. Based on an estimated inflow of 50 % for this category, total additional volume potential amounts to $ 26.2 million. At the mid point of the range of applicable sales per square foot, this would indicate some 75,000 square feet of additional warranted space by 2031.

TABLE 16
BUILDING & OUTDOOR HOME SUPPLY STORE RESIDUAL DEMAND ANALYSIS ($Millions)

			2013	2031
BOLTON				
Building & Outdoor Home Supply Store Expenditure Potential			$19.2	$32.3
Residual				$13.1
Plus: Inflow from Outside the Trade Area	@	50.0% (1		$26.2
TOTAL SALES VOLUME				**$26.2**

Warranted Space				**Square Feet GLA (2**
	@	$300	Per Square Foot GLA	87,000
	@	$350	Per Square Foot GLA	75,000
	@	$400	Per Square Foot GLA	66,000

SOURCE: Kircher Research Associates Ltd.

1) The inflow level has been estimated as a percentage of the total sales volume, on Kircher Research Associates Ltd. estimates.

2) Rounded to the nearest 1,000 square feet GLA.

SECTION 13
SERVICE SPACE DEMAND ANALYSIS

SECTION 13
SERVICE SPACE DEMAND ANALYSIS

Service space related to retail developments includes a very large number of outlets. The most important are Financial Services, Restaurants, Personal Care establishments and Automotive Services. All Services are defined on Table E-6. Service facilities in Bolton are also listed, by type, on Table A-1. In 2013, retail related Service facilities in Bolton comprise some 707,900 square feet. This results in a service space ratio of 25.3 square feet per capita.

Additional Service space will be required as the population increases. The per capita Service space requirements outside the prime commercial core, where the population growth is expected to take place, e.g., either under Option 1 or Option 3, is estimated to be lower than the current average. The Service space ratio is projected to be lower in the Option areas compared to the main business section of Bolton because retail related Service establishments in the principal commercial area benefit by greater Inflow, due to the presence of Big Box stores. Such major customer draws will not locate in the Option areas.

The Service space per capita ratio related to the population growth in either Option area is projected at about 20 square. Based on the expected increase in population, by 2031, the projected additional Service space demand, for all of Bolton, totals about 238,000 square feet. A part of this additional demand will be served in the existing main commercial area, because Service providers are attracted to such locations but a substantial portion of the additional demand can locate at the commercial centre in either Option area.

TABLE 17
SERVICE SPACE (SQ. FT.)

	2013	2031
Population	28,000	39,900
Residual Population		11900
Service Space / Capita		20.0
Additional Service Space		238,000

SOURCE: Kircher Research Associates Ltd.
NOTE: Existing service level is 25.3 sq. ft. / capita (708,000 sq. ft. / 28,000 persons)

APPENDIX A
REVIEW OF COMPETITIVE RETAIL FACILITIES

APPENDIX A
REVIEW OF COMPETITIVE RETAIL FACILITIES

An inventory of competitive retail, service and vacant space was conducted in Bolton in May 2014. Bolton is the defined Study Area for this study. It is recognized that the Bolton Trade Area extends about 25 km to the north and more than 5 km to the south, including East Caledon, Tottenham, Nobleton and other areas. However, for this market analysis, the Study Area to be analysed was limited to Bolton only. The inventory was used to measure and categorize the amount of competitive retail space existing in the market area. The inventory was summarized by retail cluster which have been identified on the following map. We have conducted a similar inventory in 2002 and will be comparing the results in the following discussion.

Table A-1 includes an inventory of competitive retail space located in the Study Area. All retail and related service space has been inventoried in Bolton. It totals 1,677,700 square feet. We have grouped the inventory into three clusters, Downtown Bolton, Queen Street South, and Other South Bolton.

Cluster 1 comprised the historic Bolton Downtown. It consists of numerous small specialty stores and a large selection of services. The current vacancy level of about 17,300 square feet or 10.2% is somewhat above normal, which typically ranges between 5.0% and 7.5%. The total inventory of the Downtown area includes 170,100 square feet. That compares to 199,200 square feet in 2002, when we undertook an inventory of this area. However, at that time it was necessary to inventory office space as well which is not included in this inventory. Excluding the 2002 office space for comparison purposes would show an inventory of 176,800 square feet in 2002. Thus, the decline in retail/service space in Downtown between 2002 and 2014 was about 6,700 square feet. Since the total commercial inventory in Bolton has experienced a very large increase since 2002, the Downtown area total retail and related service space has been relatively constant during that time.

Cluster 2 includes the Queen Street South Strip. It totals 440,700 square feet of retail and related service space. The largest retailer in this area is Zehrs. There is approximately 53,000 square feet of vacant space in cluster 2, indicating a CRU vacancy of 14.3% which is significantly greater than the Downtown vacancy and well above normal. In 2002, this area contained 360,400 square feet. Thus, it experienced a net increase of about 80,600 square feet by 2014.

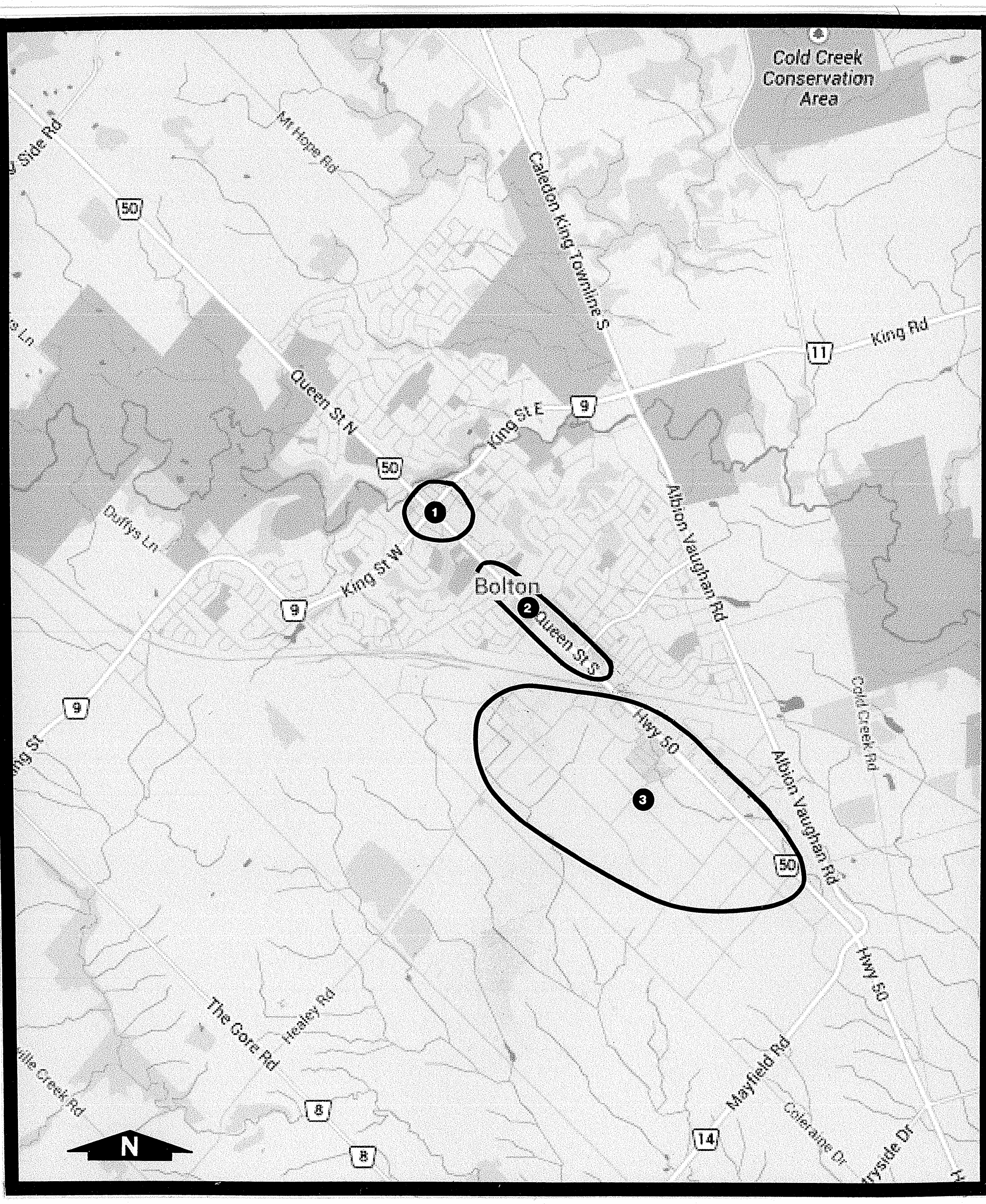
Cluster 3, Other South Bolton, includes 1,066,900 square feet of retail and related service space. This cluster includes the largest 'Big Box' stores in Bolton, e.g. Wal-Mart Supercentre, Canadian Tire and Home Depot. The Cluster's vacancy stands at 66,600 square feet which lies in the normal range. In 2002, our inventory for that area showed 255,500 square feet. However, it must be stressed that there are some significant technical differences between these two inventories. In 2014, we included the retail and related service space in the Industrial Area which was not included in 2002. This industrial retail/service space comprises now approximately 350,000 square feet. Furthermore, in 2014 (for simplicity) we included the Caledon Centre for Recreation and Wellness in this third cluster, even though it is located in North Bolton. It is estimated to comprise about 68,000 square feet. The comparable inventory therefore is 648,900 square feet. Our inventory for cluster 3, in 2002, excluding office space is, 211,500 square feet. By recognizing these differences, we can determine the comparable difference in inventories between 2002 and 2014, for Cluster 3. It totalled some 437,400 square feet (648,900-211,500).

The total retail and related service space in Bolton in 2014 comprises 1,677,700 square feet. As indicated on Table A-1, the inventory has been distributed between the various retail and service categories. The total current vacancy level in Bolton is 136,900 square feet or 9.1%, which is above a normal vacancy level. The inventory differences between 2002 and 2014 were explained above. In summary, the retail and related services pace in Bolton increased by slightly more than 500,000 square feet between 2002 and 2014. During that time period the greater Bolton Study Area, which extends well beyond the Bolton urban area, had reached the threshold where Box stores could enter the market. Between 2002 and 2014, the population in itself Bolton increased by about 8,000 persons.

TABLE A-1
REVIEW OF COMPETITIVE RETAIL FACILITIES
INVENTORY OF COMPETITIVE RETAIL AND SERVICE SPACE IN BOLTON (Square Feet GLA) (1

STORE CATEGORY (2 (3	1 Bolton Downtown	2 Queen Street South Strip	3 Other South Bolton (7	2014 TOTAL INVENTORIED SPACE	2002 TOTAL INVENTORIED SPACE (8	INVENTORY DIFFERENCE
FOOD STORES						
Supermarkets and Grocery Stores	-	69,200	-	**69,200**	**69,200**	**0**
Convenience and Specialty Food Stores	6,000	21,600	7,800	**35,400**	**21,200**	**14,200**
TOTAL FOOD STORES	**6,000**	**90,800**	**7,800**	**104,600**	**90,400**	**14,200**
PHARMACIES AND PERSONAL CARE STORES						
Pharmacies and Cosmetics Stores	-	27,700	7,800	**35,500**	**NA**	**NA**
Personal Care Stores	2,100	7,100	5,500	**14,700**	**NA**	**NA**
TOTAL PHARMACIES AND PERSONAL CARE STORES	**2,100**	**34,800**	**13,300**	**50,200**	**19,500**	**30,700**
BEER, WINE AND LIQUOR STORES						
Beer	-	5,000	-	**5,000**	**NA**	**NA**
Wine	-	-	-	**0**	**NA**	**NA**
Liquor	-	-	8,500	**8,500**	**NA**	**NA**
TOTAL BEER, WINE AND LIQUOR STORES	**0**	**5,000**	**8,500**	**13,500**	**12,500**	**1,000**
GAFO STORES						
Traditional Department Stores	0	0	-	**0**	**0**	**0**
Discount Department Stores	0	0	109,600	**109600**	**0**	**109,600**
Warehouse Membership Clubs	0	0	-	**0**	**0**	**-**
Home and Auto Supply Stores	0	0	109,800	**109,800**	**81,800**	**28,000**
Other General Merchandise Stores	0	20,600	16,600	**37,200**	**39,100**	**-1900**
Apparel and Accessories Stores	4,400	33,800	42,100	**80,300**	**13,700**	**66,600**
Furniture, Home Furnishings and Electronics Stores	8,800	1,800	31,300	**41,900**	**19,300**	**22,600**
Other Retailers	3,200	49,800	54,100	**107,100**	**58,400**	**48,700**
TOTAL GAFO STORES	**16,400**	**106,000**	**363,500**	**485,900**	**212,300**	**273,600**
BUILDING AND OUTDOOR HOME SUPPLY STORES						
Home Centres and Hardware Stores			142,000	**142,000**	**32,000**	**110,000**
Specialized Building Materials and Garden Stores	1,800	2,500	28,900	**33,200**	**NA**	**NA**
TOTAL BUILDING AND OUTDOOR HOME SUPPLY STORES	**1,800**	**2,500**	**170,900**	**175,200**	**32,000**	**143,200**
SERVICES						
Financial Institutions	12,400	14,100	15,400	**41,900**	**20,800**	**21,100**
Other Lending Services			1,300	**1,300**	**NA**	**NA**
Consumer Rental Services			8,600	**8,600**	**NA**	**NA**
Professional Services	15,100	11,800	24,200	**51,100**	**74,000**	**-22,900**
Administrative Services	700	2,200	8,000	**10,900**	**NA**	**NA**
Educational Services	2,800	5,400	35,500	**43,700**	**NA**	**NA**
Health Care Services	17,900	30,800	46,900	**95,600**	**NA**	**NA**
Social Services	11,800	0	19,800	**31,600**	**NA**	**NA**
Arts, Entertainment and Recreation Facilities	900	7,200	112,300	**120,400**	**NA**	**NA**
Food Services	26,900	53,000	64,100	**144,000**	**82,600**	**61,400**
Automotive, Repair and Maintenance Services	8,000	2,200	83,700	**93,900**	**3,600**	**90,300**
Personal Goods Repair and Maintenance Services	3,500	1,200	0	**4,700**	**37,600**	**-32,900**
Other Services	26,500	19,300	14,400	**60,200**	**96,800**	**-36,600**
TOTAL SERVICES	**126,500**	**147,200**	**434,200**	**707,900**	**315,400**	**392,500**
OTHER COMMERICAL SPACE						
Convenience Stores at Gasoline Stations / Other for 2002 (4	0	1,400	2,100	**3,500**	**67,400**	**-63,900**
TOTAL OTHER COMMERICAL SPACE	**0**	**1,400**	**2,100**	**3,500**	**67,400**	**-63,900**
TOTAL OCCUPIED SPACE	**152,800**	**387,700**	**1,000,300**	**1,540,800**	**749,500**	**791,300**
VACANT SPACE	17,300	53,000	66,600	**136,900**	**65,600**	**71,300**
VACANCY RATE (5	**10.2%**	**12.0%**	**6.2%**	**8.2%**	**8.0%**	**NA**
CRU VACANCY RATE (6	**10.2%**	**14.3%**	**7.0%**	**9.1%**	**8.8%**	**NA**
GRAND TOTAL	**170,100**	**440,700**	**1,066,900**	**1,677,700**	**815,100**	**862,600**

SOURCE: Kircher Research Associates Ltd.
1) Based on the inventory of competitive retail and service space in Bolton, which was conducted in May 2014. Rounded to the nearest 100 square feet gross leasable area (GLA).
2) A detailed listing of individual store types in each category can be found in the Appendix.
3) NA = Not Available.
4) Includes office space not inventoried in 2014
5) The vacancy rate expresses vacant space as a percentage of total space.
6) The CRU vacancy space expresses vacant space as a percentage of total space, excluding supermarkets and grocery stores and department stores.
7) Includes Caledon Centre for Recreation & Wellness in North Bolton.
8) Based on inventory conducted in April 2002.



BOLTON
RETAIL COMPETITION

● Existing Retail Clusters

APPENDIX B
LICENSE PLATE SURVEYS

APPENDIX B
LICENCE PLATE SURVEYS

Some 525 Licence plate surveys were conducted at the major retail areas in south Bolton, on Thursday, Friday and Saturday, May 1-3, 2014, covering different opening hour segments of the retail stores. The licence plate numbers were submitted to the Ontario Ministry of Transportation, which provided the dissemination area (DA) corresponding to the address of the registered owner of each surveyed vehicle. The location of each DA has been plotted on the map contained in this appendix.

Licence plate numbers provide information about the locations of the registered owners of vehicles. As such, a survey of this type needs to be treated with caution, since the registered vehicle owner and the shopper may not be the same person. Furthermore, such surveys do not provide information about expenditures. Based on our experience, licence plate surveys and customer interviews at the same location can provide different results. In fact, we know from prior experience in Bolton, that licence plate surveys may overstate the inflow to some extend, particularly for food retailers. For example a license plate survey conducted in 2005 by the Town's consultant at the Zehrs store, indicated a local capture of about 45% which indicates an inflow of 55%. At that time, we conducted an in-store customer survey at the same store which indicated a local capture of about 60% and an inflow of about 40%. Nevertheless, when in-store surveys are not possible, as a general indication of customer draw, licence plate surveys are preferred to pure estimates.

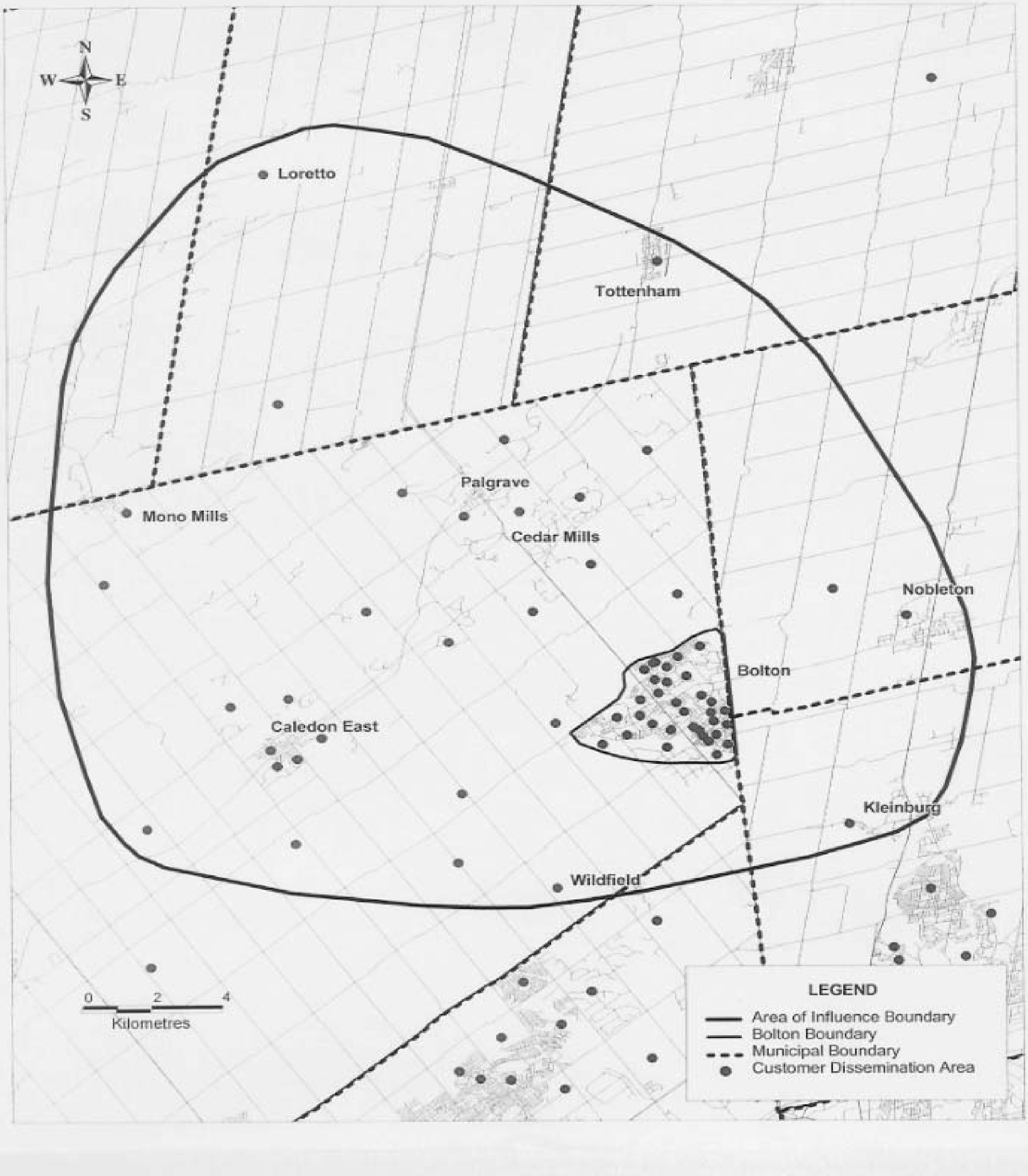
As indicated on Table B-1, about 50.3% of all license plates had a Bolton address. Due to the large box stores located in Bolton, many of their customers come from other residential areas surrounding Bolton. We refer to this as the 'Other Area of Influence', which could be equated to a Secondary Zone, if a comprehensive overall market study was undertaken. Some 25 % of vehicles came from this area. The remaining 24.7 % of customers came from more distant areas.

TABLE B-1
BOLTON LICENCE PLATE SURVEY
PLACE OF RESIDENCE OF SURVEYED VEHICLES' REGISTERED OWNERS

PLACE OF RESIDENCE	FREQUENCY	PERCENT
AREA OF INFLUENCE		
TOTAL BOLTON	264	50.3%
TOTAL OTHER AREA OF INFLUENCE	131	25.0%
TOTAL AREA OF INFLUENCE	**395**	**75.3%**
TOTAL OUTSIDE AREA OF INFLUENCE	130	24.7%
GRAND TOTAL	**525**	**100.0%**

SOURCE: Kircher Research Associates Ltd.

BOLTON LICENCE PLATE SURVEY CUSTOMER DISTRIBUTION



APPENDIX C
HISTORIC REAL GROWTH IN RETAIL EXPENDITURES

APPENDIX C
HISTORIC REAL GROWTH IN RETAIL EXPENDITURES

In order to estimate future retail expenditure levels, we have reviewed the historic changes in consumer spending for the food, GAFO, Pharmacy, Beer/Wine & Liquor store, and Building and Outdoor Home Supply stores categories. These categories are expected to comprise the largest portion of the retail space at any future retail commercial development in Bolton.

Consumer Price Index (CPI) data published by Statistics Canada have been used in this analysis to remove the effect of inflation on retail expenditures, thereby providing expenditure levels that can be compared between different years. CPI data reflect changes in the cost of goods to consumers, including all sales taxes. The per capita retail expenditure estimates presented in this appendix and throughout this study reflect the revised intercensal population estimates discussed earlier in this study.

Historic Real Growth in Food Store Expenditures in Ontario

Table C-1 summarizes the real changes in per capita food store expenditures for the Province of Ontario between 1991 and 2013. The calculation of per capita food store expenditures in Ontario for 2013 has been illustrated in Table E-1 of Appendix E.

The current dollar per capita food store expenditure estimates for each year are shown in the second column of Table C-1. The yearly inflation estimates for Ontario for food purchased from stores, using 1991 and 2002 as the base years, have been indicated in the third and fourth columns of Table C-1. Constant 1991-dollar estimates of per capita food store expenditures have been calculated by removing inflation from the current dollar expenditure levels for each year indicated. These constant 1991-dollar estimates are shown in the fifth column of the table. The final column in the table presents the year-to-year percentage change between the constant 1991-dollar expenditure figures. This represents the real growth or decline in per capita food store expenditures.

Between 1991 and 2013, real per capita food store expenditures in Ontario experienced a net decrease of about 1.6 %, resulting in average annual real decline of 0.1 % during this period. However, between 2004 and 2013, there was an average annual real decline of 0.8%, reflecting the effects of the recent recession and the increasing food sales in non-standard food stores such as Wal-Mart Supercentres, Target, Costco and Shoppers Drug Mart. Grocery sales in such stores are not included in the Food Store Category as defined by Statscan. For future years, we have held per capita Food Store expenditures constant, which may be optimistic.

Historic Real Growth in GAFO Store Expenditures in Ontario

Table C-2 presents the real changes in per capita GAFO store expenditures for the Province of Ontario between 1991 and 2013. The calculation of per capita GAFO store expenditures in Ontario for 2013 has been illustrated in Table E-2 of Appendix E.

Between 1991 and 2013, real per capita GAFO store expenditures in Ontario increased by a total of 27.8 %, or an average of about 1.3% per year. More recently, between 2004 and 2013, the increase averaged only 0.3% per year, reflecting the recent recession. For the future study period, we expect an average growth rate of 0.5% per year.

Historic Real Growth in other Retail Store Expenditures in Ontario

Similar calculations are shown on Tables C-3 through C-5 for the other categories. The growth in Pharmacy and Personal Care stores between 1991 and 20013 averaged 2.5% per year (1.5% between 2004 and 2013). In this study we are projecting 1.5% for future years. In the Beer/Wine & Liquor category the 1991-2013 growth averaged 0.5% per year (0.8 % between 2004 and 2013). We are projecting growth of 0.8% per year for future years. Finally, in the Building and Outdoor Home Supply Store category the average growth in expenditures between 1991 and 2013 was 3.6 % per year (0.9 % between 2004 and 2013). We are projecting this category expenditure to grow at 1.0% per year during the study period.

TABLE C-1
HISTORIC REAL GROWTH
IN FOOD STORE EXPENDITURES IN ONTARIO

Year	Per Capita Food Store Expenditures (1 (Current $)	Consumer Price Index (2 1991 Base	Consumer Price Index (2 2002 Base	Per Capita Food Store Expenditures (Constant 1991 $)	Annual Real Growth
1991	$1,476	100.0	85.3	$1,476	
					0.6%
1992	$1,442	97.1	82.8	$1,485	
					-1.6%
1993	$1,471	100.7	85.9	$1,461	
					3.8%
1994	$1,512	99.7	85.1	$1,517	
					-0.5%
1995	$1,560	103.3	88.1	$1,510	
					-7.0%
1996	$1,457	103.8	88.5	$1,404	
					4.2%
1997	$1,519	103.8	88.5	$1,463	
					1.9%
1998	$1,567	105.1	89.6	$1,491	
					-2.1%
1999	$1,561	106.9	91.2	$1,460	
					0.9%
2000	$1,594	108.2	92.3	$1,473	
					-4.1%
2001	$1,607	113.7	97.0	$1,413	
					1.0%
2002	$1,673	117.2	100.0	$1,427	
					4.0%
2003	$1,763	118.8	101.3	$1,484	
					5.1%
2004	$1,885	120.8	103.0	$1,560	
					-0.3%
2005	$1,937	124.5	106.2	$1,556	
					-1.6%
2006	$1,943	126.9	108.2	$1,531	
					0.4%
2007	$1,994	129.7	110.6	$1,537	
					1.6%
2008	$2,113	135.3	115.4	$1,562	
					-1.3%
2009	$2,194	142.3	121.4	$1,542	
					-3.3%
2010	$2,152	144.3	123.1	$1,491	
					-3.1%
2011	$2,187	151.3	129.1	$1,445	
					-0.4%
2012	$2,226	154.7	132.0	$1,439	
					1.0%
2013	$2,276	156.6	133.6	$1,453	
Net Real Growth, 1991 to 2013					**-1.6%**
Average Annual Real Growth, 1991 to 2013					**-0.1%**
Average Annual Real Growth, 2004 to 2013					**-0.8%**

SOURCE: Kircher Research Associates Ltd.
1) Represents expenditures made in food stores, which include supermarkets, grocery stores, convenience stores and specialty food stores. See Appendix for a complete list of these stores.
2) Represents the Consumer Price Index (CPI) for Ontario for Food Purchased from Stores, based on Statistics Canada, *Consumer Prices and Price Indices* (Catalogue #62-010) and *The Consumer Price Index* (Catalogue #62-001).

TABLE C-2
HISTORIC REAL GROWTH
IN GAFO STORE EXPENDITURES IN ONTARIO

Year	Per Capita GAFO Store Expenditures (1 (Current $)	Consumer Price Index (2 1991 Base	Consumer Price Index (2 2002 Base	Per Capita GAFO Store Expenditures (Constant 1991 $)	Annual Real Growth
1991	$2,202	100.0	83.0	$2,202	
1992	$2,209	101.5	84.2	$2,176	-1.2%
1993	$2,241	103.1	85.5	$2,174	-0.1%
1994	$2,388	103.2	85.6	$2,314	6.4%
1995	$2,404	105.6	87.6	$2,277	-1.6%
1996	$2,421	107.3	89.0	$2,256	-0.9%
1997	$2,637	109.8	91.1	$2,402	6.5%
1998	$2,834	111.2	92.3	$2,549	6.1%
1999	$3,020	113.0	93.7	$2,673	4.9%
2000	$3,171	115.1	95.5	$2,755	3.1%
2001	$3,211	117.6	97.6	$2,730	-0.9%
2002	$3,302	120.6	100.0	$2,738	0.3%
2003	$3,377	123.6	102.6	$2,732	-0.2%
2004	$3,446	125.4	104.0	$2,748	0.6%
2005	$3,498	126.9	105.3	$2,757	0.3%
2006	$3,650	128.5	106.6	$2,840	3.0%
2007	$3,764	130.8	108.5	$2,878	1.3%
2008	$3,816	132.4	109.8	$2,882	0.1%
2009	$3,722	133.9	111.1	$2,780	-3.5%
2010	$3,816	136.7	113.3	$2,792	0.4%
2011	$3,900	139.4	115.6	$2,798	0.2%
2012	$3,937	141.1	117.0	$2,790	-0.3%
2013	$4,005	142.3	118.0	$2,814	0.9%
Net Real Growth, 1991 to 2013					**27.8%**
Average Annual Real Growth, 1991 to 2013					**1.3%**
Average Annual Real Growth, 2004 to 2013					**0.3%**

SOURCE: Kircher Research Associates Ltd.
1) Represents expenditures made in GAFO stores as defined by Kircher Research Associates Ltd. See Appendix for a complete list of these stores.
2) Represents the Consumer Price Index (CPI) for Ontario for All Items Excluding Food and Energy, based on Statistics Canada, *Consumer Prices and Price Indices* (Catalogue #62-010) and *The Consumer Price Index* (Catalogue #62-001).

TABLE C-3
HISTORIC REAL GROWTH
IN PHARMACY AND PERSONAL CARE STORE EXPENDITURES IN ONTARIO

Year	Per Capita Pharmacy and Personal Care Store Expenditures (1 (Current $)	Consumer Price Index (2 1991 Base	2002 Base	Per Capita Pharmacy and Personal Care Store Expenditures (Constant 1991 $)	Annual Real Growth
1991	$434	100.0	83.0	$434	
					6.2%
1992	$468	101.5	84.2	$461	
					3.0%
1993	$490	103.1	85.5	$475	
					0.0%
1994	$490	103.2	85.6	$475	
					-0.4%
1995	$500	105.6	87.6	$473	
					-3.4%
1996	$490	107.3	89.0	$457	
					-0.4%
1997	$500	109.8	91.1	$455	
					10.1%
1998	$557	111.2	92.3	$501	
					3.2%
1999	$584	113.0	93.7	$517	
					-2.5%
2000	$580	115.1	95.5	$504	
					1.6%
2001	$602	117.6	97.6	$512	
					4.3%
2002	$644	120.6	100.0	$534	
					1.5%
2003	$670	123.6	102.6	$542	
					8.7%
2004	$739	125.4	104.0	$589	
					2.7%
2005	$768	126.9	105.3	$605	
					6.3%
2006	$826	128.5	106.6	$643	
					3.0%
2007	$866	130.8	108.5	$662	
					1.2%
2008	$887	132.4	109.8	$670	
					-0.9%
2009	$889	133.9	111.1	$664	
					-0.6%
2010	$902	136.7	113.3	$660	
					3.2%
2011	$950	139.4	115.6	$681	
					-2.5%
2012	$937	141.1	117.0	$664	
					0.9%
2013	$954	142.3	118.0	$670	
Net Real Growth, 1991 to 2013					**54.4%**
Average Annual Real Growth, 1991 to 2013					**2.5%**
Average Annual Real Growth, 2004 to 2013					**1.5%**

SOURCE: Kircher Research Associates Ltd.
1) Represents expenditures made in pharmacies and personal care stores. See Appendix for a complete list of these stores.
2) Represents the Consumer Price Index (CPI) for Ontario for All Items Excluding Food and Energy, based on Statistics Canada, *Consumer Prices and Price Indices* (Catalogue #62-010) and *The Consumer Price Index* (Catalogue #62-001).

TABLE C-4
HISTORIC REAL GROWTH
IN BEER, WINE AND LIQUOR STORE EXPENDITURES IN ONTARIO

Year	Per Capita Beer, Wine and Liquor Store Expenditures (1 (Current $)	Consumer Price Index (2 1991 Base	Consumer Price Index (2 2002 Base	Per Capita Beer, Wine and Liquor Store Expenditures (Constant 1991 $)	Annual Real Growth
1991	$363	100.0	80.8	$363	
1992	$356	104.0	84.1	$342	-5.8%
1993	$347	106.4	86.0	$326	-4.7%
1994	$353	107.2	86.6	$329	0.9%
1995	$361	109.0	88.1	$331	0.6%
1996	$364	110.7	89.4	$329	-0.6%
1997	$376	112.2	90.6	$335	1.8%
1998	$396	114.3	92.4	$346	3.3%
1999	$417	116.5	94.2	$358	3.5%
2000	$436	118.9	96.1	$367	2.5%
2001	$443	121.8	98.4	$364	-0.8%
2002	$455	123.8	100.0	$368	1.1%
2003	$469	126.6	102.3	$370	0.5%
2004	$492	130.8	105.7	$376	1.6%
2005	$496	133.5	107.8	$372	-1.1%
2006	$500	134.1	108.3	$373	0.3%
2007	$518	136.7	110.4	$379	1.6%
2008	$525	137.6	111.1	$382	0.8%
2009	$522	139.5	112.7	$374	-2.1%
2010	$531	138.8	112.1	$383	2.4%
2011	$548	138.6	112.0	$395	3.1%
2012	$564	139.6	112.8	$404	2.3%
2013	$573	142.5	115.1	$402	-0.5%

Net Real Growth, 1991 to 2013	**10.7%**
Average Annual Real Growth, 1991 to 2013	**0.5%**
Average Annual Real Growth, 2004 to 2013	**0.8%**

SOURCE: Kircher Research Associates Ltd.
1) Represents expenditures made in beer, wine and liquor stores.
2) Represents the Consumer Price Index (CPI) for Ontario for Alcoholic Beverages, based on Statistics Canada, *Consumer Prices and Price Indices* (Catalogue #62-010) and *The Consumer Price Index* (Catalogue #62-001).

TABLE C-5
HISTORIC REAL GROWTH
IN BUILDING AND OUTDOOR HOME SUPPLY STORE EXPENDITURES IN ONTARIO

Year	Per Capita Building and Outdoor Home Supply Store Expenditures (1 (Current $)	Consumer Price Index (2 1991 Base	Consumer Price Index (2 2002 Base	Per Capita Building and Outdoor Home Supply Store Expenditures (Constant 1991 $)	Annual Real Growth
1991	$289	100.0	83.0	$289	
1992	$303	101.5	84.2	$299	3.5%
1993	$309	103.1	85.5	$300	0.3%
1994	$341	103.2	85.6	$330	10.0%
1995	$353	105.6	87.6	$334	1.2%
1996	$338	107.3	89.0	$315	-5.7%
1997	$421	109.8	91.1	$383	21.6%
1998	$466	111.2	92.3	$419	9.4%
1999	$494	113.0	93.7	$437	4.3%
2000	$462	115.1	95.5	$401	-8.2%
2001	$475	117.6	97.6	$404	0.7%
2002	$541	120.6	100.0	$449	11.1%
2003	$596	123.6	102.6	$482	7.3%
2004	$600	125.4	104.0	$478	-0.8%
2005	$635	126.9	105.3	$500	4.6%
2006	$665	128.5	106.6	$518	3.6%
2007	$688	130.8	108.5	$526	1.5%
2008	$703	132.4	109.8	$531	1.0%
2009	$728	133.9	111.1	$544	2.4%
2010	$748	136.7	113.3	$547	0.6%
2011	$720	139.4	115.6	$516	-5.7%
2012	$693	141.1	117.0	$491	-4.8%
2013	$733	142.3	118.0	$515	4.9%

Net Real Growth, 1991 to 2013	**78.2%**
Average Annual Real Growth, 1991 to 2013	**3.6%**
Average Annual Real Growth, 2004 to 2013	**0.9%**

SOURCE: Kircher Research Associates Ltd.
1) Represents expenditures made in building and outdoor home supply stores. See Appendix for a complete list of these stores.
2) Represents the Consumer Price Index (CPI) for Ontario for All Items Excluding Food and Energy, based on Statistics Canada, *Consumer Prices and Price Indices* (Catalogue #62-010) and *The Consumer Price Index* (Catalogue #62-001).

APPENDIX D

ELASTICITY OF RETAIL EXPENDITURES TO INCOME

APPENDIX D
ELASTICITY OF RETAIL EXPENDITURES TO INCOME

Statistics Canada regularly publishes *Retail Trade* statistics on a provincial basis, which permits us to calculate the average retail expenditures of the population residing in each province. Tables D-1 through D-5 in Appendix D illustrates these expenditure calculations for the Ontario retail store categories under study.

In order to conduct a market study for a particular Study Area, it is necessary to calculate the average per capita retail expenditures of the population residing in that Study Area. However, statistics comparable to the provincial data produced by Statistics Canada are not readily available for lower levels of geography. It is necessary, therefore, to derive estimates of local average per capita retail expenditures through some other means.

Since there is a clear correlation between income and expenditures, we can use the relationship between the income levels of a particular Study Area and the province to estimate the average per capita retail expenditures in that Study Area from the expenditure levels in the province. This allows us to benefit from the general availability of income statistics at lower levels of geography. For example, provincial and local per capita income levels can be calculated from *Census of Canada* data published for all levels of geography by Statistics Canada every five years, as well as from the Canada Revenue Agency's *Taxation Statistics* data, which provide income statistics for municipalities on an annual basis.

The relationship between income levels and retail expenditures is not a direct one. It is instead influenced by what is referred to as the ***income elasticity*** factor, which is defined as the degree to which a change in retail expenditures results from a change in income. This appendix examines the income elasticity factors for the retail store categories under study for Ontario between 1991 and 2013.
It is important to recognize that retail sales in market analyses deal with sales by store types rather than by product categories. Food store sales are those made in a specifically defined group of stores, but do not include grocery merchandise sales made in stores not defined as food stores by Statistics Canada. Similarly, GAFO store sales are those made in a separate and distinct group of stores.

Calculation of Elasticity to Income for Food Store Expenditures in Ontario

Table D-1 illustrates the calculation of the elasticity of retail expenditures to income for the food store category in Ontario between 1991 and 2013. The current dollar per capita income estimates for each year are shown in the second column of the table, while the third column presents the year-to-year percentage change in the income levels. Similarly, the fourth and fifth columns of the table show the per capita food store expenditures for each year, as well as the annual changes in these expenditures. By comparing the annual change in income to the annual change in expenditures, we can calculate the income elasticity factor for each year. The results of these calculations are presented in the sixth and final column of the table.

For example, Table D-1 shows that between 1996 and 1997 average per capita income in Ontario increased by 3.4% while average per capita food store expenditures increased by 4.3%. This indicates that food store expenditures during this period increased faster on a percentage basis than income, thereby resulting in an elasticity factor of 1.3. During other periods, incomes increased faster than expenditures, resulting in an elasticity factor of less than 1.0. For example, between 1997 and 1998, income increased by 3.9% while food store expenditures increased by 3.2%, resulting in an elasticity factor of about 0.8.

Between 1991 and 2013, incomes increased by a total of 72.6 %, or by 2.5 % on an average annual basis. This compares to a food store expenditure increase totalling 54.2 % over this time period, or about 2.0% per year. This results in an average income elasticity factor for the food store category in Ontario over this time period of about 0.7.

Calculation of Elasticity to Income for GAFO Store Expenditures in Ontario

Table D-2 presents the calculation of the elasticity of retail expenditures to income for the GAFO store category in Ontario between 1991 and 2013. It follows the same methodology as explained for the food store category. As indicated, per capita GAFO store expenditures in Ontario increased by 81.9 % between 1991 and 2013, or an average of 2.8 % per year, while per capita income increased by an average of 2.5% per year. Therefore, the average income elasticity factor for this category in Ontario over this time period is calculated at 1.1.

Calculation of Elasticity to Income for Other Retail Categories in Ontario

Based on the same methodology as explained above, the 1991-2013 average elasticity for Pharmacy and Personal Care Stores (Table D-3) was 1.7. For Beer/Wine & Liquor (Table D-4), it was 0.8; and for Building and Outdoor Home Supply stores (Table D-5), it was 2.1.

Conclusions

There are some limitations to the income elasticity approach outlined above, which can be summarized as follows:

a) Both income and expenditures are expressed in nominal dollar values. If inflation in general varies between total income and expenditures, fluctuations could arise based on that factor.

b) The elasticity factors calculated above are based on different time periods, i.e. 1991 as compared to 1992. The application of an elasticity factor in a market study is usually confined to the same time period.

c) The average annual method employed cannot recognize expenditure variations between income groups during the same time interval.

d) These calculations cannot recognize changes in expenditures resulting from credit purchases, or food store purchases in retail establishments not officially classified as food stores.

e) Income as defined in this analysis does not recognize the monetary value that consumers may obtain from the sale of assets (i.e. capital gains), by leveraging the equity generated by rapidly rising housing values or from inherited funds. Part of these additional funds may be spent on retail expenditures. To the extent that this occurs, average income levels are likely underestimated.

For these reasons, and based on our long term experience that retail expenditures in general tend to grow at a lesser rate than income, we have selected elasticity rates in this market study that are about one half of the figures calculated in Tables D-1 through D-5. This tends to moderate the differences in income and expenditures between different geographic areas, where incomes may vary from the provincial level.

TABLE D-1
CALCULATION OF ELASTICITY OF RETAIL EXPENDITURES TO INCOME FOR FOOD STORE EXPENDITURES IN ONTARIO

Year	Per Capita Income (1	Percentage Increase	Per Capita Food Store Expenditures (2	Percentage Increase	Elasticity of Food Store Expenditures to Income (3
1991	$23,751	--	$1,476	--	--
1992	$24,010	1.1%	$1,442	-2.3%	NA
1993	$23,960	-0.2%	$1,471	2.0%	NA
1994	$24,095	0.6%	$1,512	2.8%	4.7
1995	$24,785	2.9%	$1,560	3.2%	1.1
1996	$24,930	0.6%	$1,457	-6.6%	NA
1997	$25,786	3.4%	$1,519	4.3%	1.3
1998	$26,801	3.9%	$1,567	3.2%	0.8
1999	$27,959	4.3%	$1,561	-0.4%	NA
2000	$29,751	6.4%	$1,594	2.1%	0.3
2001	$30,360	2.0%	$1,607	0.8%	NA
2002	$30,553	0.6%	$1,673	4.1%	6.8
2003	$31,132	1.9%	$1,763	5.4%	2.8
2004	$32,363	4.0%	$1,885	6.9%	1.7
2005	$33,480	3.5%	$1,937	2.8%	0.8
2006	$34,956	4.4%	$1,943	0.3%	0.1
2007	$36,430	4.2%	$1,994	2.6%	0.6
2008	$37,050	1.7%	$2,113	6.0%	3.5
2009	$36,722	-0.9%	$2,194	3.8%	NA
2010	$37,803	2.9%	$2,176	-0.8%	NA
2011	$38,405	1.6%	$2,187	0.5%	0.3
2012	$39,900	3.9%	$2,226	1.8%	0.5
2013	$41,000	2.8%	$2,276	2.2%	0.8
For 1991 to 2013:					
Total Growth		72.6%		54.2%	
Average Annual Compound Growth		2.5%		2.0%	
Expenditure Elasticity					0.7

SOURCE: Kircher Research Associates Ltd.

1) The figures for 1991 to 2005 are based on Statistics Canada, *Provincial and Territorial Economic Accounts: Data Tables, 2008 Estimates* (Catalogue #13-018). The figures for 2006 to 2011 are based on Ontario Ministry of Finance, *Ontario Economic Accounts, Third Quarter of 2011. Estimated 2012.* Figures for 2012-2013 are based on CANSIM - Table 380-0063, Gross Domest Product, Income Based (seasonally adjusted).

2) The figures for 1991 to 2013 are based on Statistics Canada, *Retail Trade* (Catalogue #63-005).

3) These figures have been calculated by dividing the percentage increase in per capita food store expenditures by the corresponding percentage increase in per capita income.

TABLE D-2
CALCULATION OF ELASTICITY OF RETAIL EXPENDITURES TO INCOME
FOR GAFO STORE EXPENDITURES IN ONTARIO

Year	Per Capita Income (1	Percentage Increase	Per Capita GAFO Store Expenditures (2	Percentage Increase	Elasticity of GAFO Store Expenditures to Income (3
1991	$23,751	--	$2,202	--	--
1992	$24,010	1.1%	$2,209	0.3%	0.3
1993	$23,960	-0.2%	$2,241	1.4%	NA
1994	$24,095	0.6%	$2,388	6.6%	11.0
1995	$24,785	2.9%	$2,404	0.7%	0.2
1996	$24,930	0.6%	$2,421	0.7%	1.2
1997	$25,786	3.4%	$2,637	8.9%	2.6
1998	$26,801	3.9%	$2,834	7.5%	1.9
1999	$27,959	4.3%	$3,020	6.6%	1.5
2000	$29,751	6.4%	$3,171	5.0%	0.8
2001	$30,360	2.0%	$3,211	1.3%	0.7
2002	$30,553	0.6%	$3,302	2.8%	4.7
2003	$31,132	1.9%	$3,377	2.3%	1.2
2004	$32,363	4.0%	$3,446	2.0%	0.5
2005	$33,480	3.5%	$3,498	1.5%	0.4
2006	$34,956	4.4%	$3,650	4.3%	1.0
2007	$36,430	4.2%	$3,764	3.1%	0.7
2008	$37,050	1.7%	$3,816	1.4%	0.8
2009	$36,722	-0.9%	$3,722	-2.5%	2.8
2010	$37,803	2.9%	$3,858	3.7%	1.3
2011	$38,405	1.6%	$3,900	1.1%	0.7
2012	$39,900	3.9%	$3,937	0.9%	0.2
2013	$41,000	2.8%	$4,005	1.7%	0.6

For 1991 to 2013:					
Total Growth		72.6%		81.9%	
Average Annual Compound Growth		2.5%		2.8%	
Expenditure Elasticity					1.1

SOURCE: Kircher Research Associates Ltd.

1) The figures for 1991 to 2005 are based on Statistics Canada, *Provincial and Territorial Economic Accounts: Data Tables, 2008 Estimates* (Catalogue #13-018). The figures for 2006 to 2011 are based on Ontario Ministry of Finance, *Ontario Economic Accounts, Third Quarter of 2011. Estimated 2012.* Figures for 2012-2013 are based on CANSIM - Table 380-0063, Gross Domest Product, Income Based (seasonally adjusted).

2) The figures for 1991 to 2013 are based on Statistics Canada, *Retail Trade* (Catalogue #63-005).

3) These figures have been calculated by dividing the percentage increase in per capita GAFO store expenditures by the corresponding percentage increase in per capita income.

TABLE D-3
CALCULATION OF ELASTICITY OF RETAIL EXPENDITURES TO INCOME
FOR PHARMACY AND PERSONAL CARE STORE EXPENDITURES IN ONTARIO

Year	Per Capita Income (1	Percentage Increase	Per Capita Pharmacy and Personal Care Store Expenditures (2	Percentage Increase	Elasticity of Pharmacy and Personal Care Store Expenditures to Income (3
1991	$23,751	--	$434	--	--
1992	$24,010	1.1%	$468	7.8%	7.1
1993	$23,960	-0.2%	$490	4.7%	NA
1994	$24,095	0.6%	$490	0.0%	0.0
1995	$24,785	2.9%	$500	2.0%	0.7
1996	$24,930	0.6%	$490	-2.0%	NA
1997	$25,786	3.4%	$500	2.0%	0.6
1998	$26,801	3.9%	$557	11.4%	2.9
1999	$27,959	4.3%	$584	4.8%	1.1
2000	$29,751	6.4%	$580	-0.7%	NA
2001	$30,360	2.0%	$602	3.8%	1.9
2002	$30,553	0.6%	$644	7.0%	11.7
2003	$31,132	1.9%	$670	4.0%	2.1
2004	$32,363	4.0%	$739	10.3%	2.6
2005	$33,480	3.5%	$768	3.9%	1.1
2006	$34,956	4.4%	$826	7.6%	1.7
2007	$36,430	4.2%	$866	4.8%	1.1
2008	$37,050	1.7%	$887	2.4%	1.4
2009	$36,722	-0.9%	$889	0.2%	NA
2010	$37,803	2.9%	$912	2.6%	0.9
2011	$38,405	1.6%	$950	4.2%	2.6
2012	$39,900	3.9%	$937	-1.4%	NA
2013	$41,000	2.8%	$954	1.8%	0.6
For 1991 to 2013:					
Total Growth		72.6%		119.8%	
Average Annual Compound Growth		2.5%		3.6%	
Expenditure Elasticity					1.7

SOURCE: Kircher Research Associates Ltd.

1) The figures for 1991 to 2005 are based on Statistics Canada, *Provincial and Territorial Economic Accounts: Data Tables, 2008 Estimates* (Catalogue #13-018). The figures for 2006 to 2011 are based on Ontario Ministry of Finance, *Ontario Economic Accounts, Third Quarter of 2011. Estimated 2012.* Figures for 2012-2013 are based on CANSIM - Table 380-0063, Gross Domest Product, Income Based (seasonally adjusted).

2) The figures for 1991 to 2013 are based on Statistics Canada, *Retail Trade* (Catalogue #63-005).

3) These figures have been calculated by dividing the percentage increase in per capita pharmacy and personal care store expenditures by the corresponding percentage increase in per capita income.

TABLE D-4
CALCULATION OF ELASTICITY OF RETAIL EXPENDITURES TO INCOME
FOR BEER, WINE AND LIQUOR STORE EXPENDITURES IN ONTARIO

Year	Per Capita Income (1	Percentage Increase	Per Capita Beer, Wine and Liquor Store Expenditures (2	Percentage Increase	Elasticity of Beer, Wine and Liquor Store Expenditures to Income (3
1991	$23,751	--	$363	--	--
1992	$24,010	1.1%	$356	-1.9%	NA
1993	$23,960	-0.2%	$347	-2.5%	12.5
1994	$24,095	0.6%	$353	1.7%	2.8
1995	$24,785	2.9%	$361	2.3%	0.8
1996	$24,930	0.6%	$364	0.8%	1.3
1997	$25,786	3.4%	$376	3.3%	1.0
1998	$26,801	3.9%	$396	5.3%	1.4
1999	$27,959	4.3%	$417	5.3%	1.2
2000	$29,751	6.4%	$436	4.6%	0.7
2001	$30,360	2.0%	$443	1.6%	0.8
2002	$30,553	0.6%	$455	2.7%	4.5
2003	$31,132	1.9%	$469	3.1%	1.6
2004	$32,363	4.0%	$492	4.9%	1.2
2005	$33,480	3.5%	$496	0.8%	0.2
2006	$34,956	4.4%	$500	0.8%	0.2
2007	$36,430	4.2%	$518	3.6%	0.9
2008	$37,050	1.7%	$525	1.4%	0.8
2009	$36,722	-0.9%	$522	-0.6%	0.7
2010	$37,803	2.9%	$536	2.7%	0.9
2011	$38,405	1.6%	$548	2.2%	1.4
2012	$39,900	3.9%	$564	2.9%	0.7
2013	$41,000	2.8%	$573	1.6%	0.6

For 1991 to 2013:			
Total Growth	72.6%	57.9%	
Average Annual Compound Growth	2.5%	2.1%	
Expenditure Elasticity			0.8

SOURCE: Kircher Research Associates Ltd.

1) The figures for 1991 to 2005 are based on Statistics Canada, *Provincial and Territorial Economic Accounts: Data Tables, 2008 Estimates* (Catalogue #13-018). The figures for 2006 to 2011 are based on Ontario Ministry of Finance, *Ontario Economic Accounts, Third Quarter of 2011. Estimated 2012.* Figures for 2012-2013 are based on CANSIM - Table 380-0063, Gross Domest Product, Income Based (seasonally adjusted).

2) The figures for 1991 to 2013 are based on Statistics Canada, *Retail Trade* (Catalogue #63-005).

3) These figures have been calculated by dividing the percentage increase in per capita beer, wine and liquor store expenditures by the corresponding percentage increase in per capita income.

TABLE D-5
CALCULATION OF ELASTICITY OF RETAIL EXPENDITURES TO INCOME
FOR BUILDING AND OUTDOOR HOME SUPPLY STORE EXPENDITURES IN ONTARIO

Year	Per Capita Income (1	Percentage Increase	Per Capita Building and Outdoor Home Supply Store Expenditures (2	Percentage Increase	Elasticity of Building and Outdoor Home Supply Store Expenditures to Income (3
1991	$23,751	--	$289	--	--
1992	$24,010	1.1%	$303	4.8%	4.4
1993	$23,960	-0.2%	$309	2.0%	NA
1994	$24,095	0.6%	$341	10.4%	17.3
1995	$24,785	2.9%	$353	3.5%	1.2
1996	$24,930	0.6%	$338	-4.2%	NA
1997	$25,786	3.4%	$421	24.6%	7.2
1998	$26,801	3.9%	$466	10.7%	2.7
1999	$27,959	4.3%	$494	6.0%	1.4
2000	$29,751	6.4%	$462	-6.5%	NA
2001	$30,360	2.0%	$475	2.8%	1.4
2002	$30,553	0.6%	$541	13.9%	23.2
2003	$31,132	1.9%	$596	10.2%	5.4
2004	$32,363	4.0%	$600	0.7%	0.2
2005	$33,480	3.5%	$635	5.8%	1.7
2006	$34,956	4.4%	$665	4.7%	1.1
2007	$36,430	4.2%	$688	3.5%	0.8
2008	$37,050	1.7%	$703	2.2%	1.3
2009	$36,722	-0.9%	$728	3.6%	NA
2010	$37,803	2.9%	$756	3.8%	1.3
2011	$38,405	1.6%	$720	-4.8%	NA
2012	$39,900	3.9%	$693	-3.8%	NA
2013	$41,000	2.8%	$733	5.8%	2.1
For 1991 to 2013:					
Total Growth		72.6%		153.6%	
Average Annual Compound Growth		2.5%		4.3%	
Expenditure Elasticity					2.1

SOURCE: Kircher Research Associates Ltd.

1) The figures for 1991 to 2005 are based on Statistics Canada, *Provincial and Territorial Economic Accounts: Data Tables, 2008 Estimates* (Catalogue #13-018). The figures for 2006 to 2011 are based on Ontario Ministry of Finance, *Ontario Economic Accounts, Third Quarter of 2011. Estimated 2012.* Figures for 2012-2013 are based on CANSIM - Table 380-0063, Gross Domest Product, Income Based (seasonally adjusted).

2) The figures for 1991 to 2013 are based on Statistics Canada, *Retail Trade* (Catalogue #63-005).

3) These figures have been calculated by dividing the percentage increase in per capita building and outdoor home supply store expenditures by the corresponding percentage increase in per capita income.

APPENDIX E

BASIC ASSUMPTIONS AND DEFINITION OF TERMS

APPENDIX E
BASIC ASSUMPTIONS AND DEFINITION OF TERMS

In this appendix we have itemized the key assumptions on which we have based our analysis. In addition, we have provided a glossary of terms to facilitate understanding of this study.

Basic Assumptions

There are a number of underlying basic assumptions upon which the validity of the findings and recommendations presented in this study depend. We recognize and appreciate the problems associated with making broad and generalized assumptions about future conditions. Undoubtedly, deviations from historic and current trends will take place in future years. However, basic assumptions are required regarding the possible extent of such deviations in order to prepare any estimates of future conditions. These basic assumptions are:

1) During the forecast period covered by this study, a reasonable degree of economic stability will prevail in the Province of Ontario and the market area. We recognize that the Canadian economy experiences intermittent periods of economic slowdown and recession during which unemployment levels rise, average personal income levels are restrained and retail expenditures decline. Such periods of economic downturn are consistent with longer-term cyclical fluctuations in the economy. They have been experienced many times in the past and have occurred recently. However, over the long term, such periods of economic slowdown tend to be offset by periods of growth. Therefore, for the purposes of this study, we have assumed that, on average, relative economic stability and moderate growth in retail expenditures will prevail throughout the future study period.

2) References to the Canadian dollar dealing with both the present and future period reflect its 2013 value. Since this analysis deals with future retail space additions, inflation has been eliminated. It has no influence on the physical space used by retail facilities. We recognize that fluctuations in the absolute value and purchasing power of the dollar will likely occur in the future. It is assumed, however, that the relationship between per capita income and expenditure levels, the value of the dollar and store operating levels will remain more or less constant during the period analyzed.

3) Historic population estimates used in this study are based on revised intercensal population estimates published by Statistics Canada. Estimates of future population contained in this study are based on information provided by the Town of Caledon.

4) If major changes should occur that influence the basic assumptions stated above, then the conclusions and recommendations contained in this study should be reviewed in light of such changed conditions and revised if necessary.

Definition of Terms

The following definitions have been prepared in order to acquaint the reader with the intended meaning of various terms, phrases or concepts as used in this study. They have been included in order to avoid misunderstandings of the various items or methodology discussed in the analysis.

1) Study Area

The geographic area of influence from which a retail development could normally expect to derive between 70.0% and 95.0% of its total sales volume is normally defined as its trade or market area. However, because Bolton has a large Secondary Zone, which was not analysed in this study, the total retail volume proportion derived from the defined Study Area is less, as indicated in the analysis. The extent of a market area depends on numerous factors, including:

- the size, type and character of the retail development;
- the accessibility and visibility of the site provided by the existing and proposed regional and local road network;
- natural or man-made barriers, such as rivers or railway lines, which may inhibit or restrict the movement of customers;
- distance and driving times; and,
- the strength and location of existing and proposed competitive retail facilities.

The remaining market support, referred to as ***inflow***, is derived from visitors, tourists and local employees living outside the market area, and in this case, in the Secondary Zone of the Bolton Study Area.

2) Per Capita Income

Per capita income represents average total personal income before tax, as defined by Statistics Canada. It has been calculated from Statistics Canada, *National Income and Expenditure Accounts* (Catalogue #13-001) data, as well as Ontario Ministry of Finance, *Ontario Economic Accounts* statistics.

Income indices for the Study Area are based on the results of the 2011 Census of Canada. Recent changes in these indices, as reflected by Revenue Canada / Canada Revenue Agency, *Taxation Statistics, Tax Statistics on Individuals* and *Income Statistics* data, have been consulted to update these indices to 2013 levels.

3) Calculation of Per Capita Retail Expenditures

Tables E-1 through E-5, which are presented on the following pages, illustrate the methodology used to calculate the average per capita retail store expenditures for the categories under study, as applicable in the Province of Ontario in 2013, the last year for which complete data are available. These tables have been derived from current Statistics Canada *Retail Trade* (Catalogue #63-005) data and reflect the store definitions described in Statistics Canada's *North American Industry Classification System 2002* (Catalogue #12-501). Based on this information, per capita food store expenditures in Ontario averaged $2,276 in 2013, while per capita GAFO store expenditures averaged $4,005, Pharmacy and Personal Care Stores $ 954; Beer/Wine & Liquor Stores, $ 573; and Building and Outdoor Home Supply Stores $ 733.

TABLE E-1
CALCULATION OF PER CAPITA
FOOD STORE EXPENDITURES IN ONTARIO, 2013 (1

NAICS Category	**2013 Total Sales ($Thousands)**
44511 - Supermarkets and Other Grocery (except Convenience) Stores	$26,616,400
44512 - Convenience Stores	$1,952,200
4452 - Specialty Food Stores	$2,245,000
Total Food Stores	$30,813,600
Population (2	13,537,994
2013 PER CAPITA FOOD STORE EXPENDITURES	**$2,276**

SOURCE: Kircher Research Associates Ltd.
1) Based on Statistics Canada, *Retail Trade* (Catalogue #63-005).
2) Based on Statistics Canada, *Annual Demographic Estimates: Canada, Provinces and Territories 2013* (Catalogue #91-215).

TABLE E-2
CALCULATION OF PER CAPITA
GAFO STORE EXPENDITURES IN ONTARIO, 2013 (1

NAICS Category	**2013 Total Sales ($Thousands)**
4413 - Automotive Parts, Accessories and Tire Stores	$1,884,000
442 - Furniture and Home Furnishings Stores	$5,642,700
443 - Electronics and Appliance Stores	$5,743,600
448 - Clothing and Clothing Accessories Stores	$10,568,900
451 - Sporting Goods, Hobby, Book and Music Stores	$3,765,500
452 - General Merchandise Stores (2	$22,571,100
453 - Miscellaneous Store Retailers	$4,042,500
Total GAFO Stores	$54,218,300
Population (3	13,537,994
2013 PER CAPITA GAFO EXPENDITURES	**$4,005**

SOURCE: Kircher Research Associates Ltd.
1) Based on Statistics Canada, *Retail Trade* (Catalogue #63-005).
2) Includes department stores.
3) Based on Statistics Canada, *Annual Demographic Estimates: Canada, Provinces and Territories 2013* (Catalogue #91-215).

TABLE E-3
CALCULATION OF PER CAPITA
PHARMACY AND PERSONAL CARE STORE EXPENDITURES IN ONTARIO, 2013 (1

NAICS Category	**2013 Total Sales ($Thousands)**
446 **-** Health and Personal Care Stores	$12,908,700
Population (2	13,537,994
2013 PER CAPITA PHARMACY AND PERSONAL CARE STORE EXPENDITURES	**$954**

SOURCE: Kircher Research Associates Ltd.
1) Based on Statistics Canada, *Retail Trade* (Catalogue #63-005).
2) Based on Statistics Canada, *Annual Demographic Estimates: Canada, Provinces and Territories 2013* (Catalogue #91-215).

TABLE E-4
CALCULATION OF PER CAPITA
BEER, WINE AND LIQUOR STORE EXPENDITURES IN ONTARIO, 2013 (1

NAICS Category	**2013 Total Sales ($Thousands)**
4453 - Beer, Wine and Liquor Stores	$7,750,600
Population (2	13,537,994
2013 PER CAPITA BEER, WINE AND LIQUOR STORE EXPENDITURES	**$573**

SOURCE: Kircher Research Associates Ltd.
1) Based on Statistics Canada, *Retail Trade* (Catalogue #63-005).
2) Based on Statistics Canada, *Annual Demographic Estimates: Canada, Provinces and Territories 2013* (Catalogue #91-215).

TABLE E-5
CALCULATION OF PER CAPITA
BUILDING AND OUTDOOR HOME SUPPLY STORE EXPENDITURES IN ONTARIO, 2013 (1

NAICS Category	2013 Total Sales ($Thousands)
444 - Building Material and Garden Equipment and Supplies Dealers	$9,917,800
Population (2	13,537,994
2013 PER CAPITA BUILDING AND OUTDOOR HOME SUPPLY STORE EXPENDITURES	**$733**

SOURCE: Kircher Research Associates Ltd.
1) Based on Statistics Canada, *Retail Trade* (Catalogue #63-005).
2) Based on Statistics Canada, *Annual Demographic Estimates: Canada, Provinces and Territories 2013* (Catalogue #91-215).

4) <u>Retail Expenditure Potential</u>

Retail expenditure potential represents the total annual retail expenditures made by Study Area residents at stores in a specific retail category. It includes purchases made both inside and outside the Study Area. It is calculated by multiplying the average per capita expenditure in the Study Area by the total population for that area.

5) <u>Residual Potential and the Residual Method of Study</u>

Residual potential represents the difference between existing and forecast local shares. It is that portion of the future local share that is in excess of that presently being attracted by existing local stores. Thus, the residual method of study recognizes the existing and continued effectiveness of stores currently operating in Bolton.

The residual approach does not necessarily maximize the opportunity for a specific retailer. Other factors must be considered in the overall market strategy of a specific tenant.

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6) <u>Gross Leasable Area (GLA)</u>

Gross leasable area (GLA) is the total retail floor area designed for tenant occupancy and exclusive use, including basements, upper floors and mezzanines. It is expressed in square feet and is measured from the centre line of joint partitions and from outside wall faces.

GLA is the area on which tenants pay rent and is the area that produces income for a tenant. Since it lends itself readily to measurement and comparison, GLA has been adopted by the shopping centre industry as its standard for statistical comparison.

7) <u>Competitive Retail Inventory</u>

The competitive retail inventory is a detailed classification of competitive retail space by store type and location. The results of the inventory are illustrated in Table A-1 of Appendix A.

8) <u>Retail Store and Service Classification by Type</u>

Table E-6 presents our listing of retail stores and services by category and by individual type. It is based on the store definitions described in Statistics Canada's *North American Industry Classification System 2002* (Catalogue #12-501).

TABLE E-6
RETAIL STORE AND SERVICE CLASSIFICATION BY TYPE (NAICS 2002-BASED)

Retail Sector	Store Category	Store Type	NAICS Code	KRA Code
FOOD STORES				
	Supermarkets and Grocery Stores			
		Supermarket	44511	1
		Grocery Store	44511	2
	Convenience and Specialty Food Stores			
		Convenience Store	44512	3
		Meat	44521	4
		Fish and Seafood	44522	5
		Fruits and Vegetables	44523	6
		Bakery	445291	7
		Candy and Nut	445292	8
		Herbs and Spices	445299	9
		Milk / Cheese / Ice Cream / Dairy Products	445299	10
		Coffee and Tea	445299	11
		Soft Drinks	445299	12
		Health Food (not supplements) (e.g. Noah's Natural Foods)	445299	13
		Delicatessen	445299	14
		Bulk Food	445299	15
		Other Specialty Food	445299	16
PHARMACIES AND PERSONAL CARE STORES				
	Pharmacies			
		Pharmacy / Drug Store	44611	17
		Cosmetics / Beauty Supply / Perfume	44612	18
	Personal Care Stores			
		Optician	44613	19
		Health Supplements (not food) (e.g. General Nutrition Centre, Nutrition House)	446191	20
		Medical Aids and Equipment (e.g. hearing aids, orthopaedic aids, oxygen)	446199	21
BEER, WINE AND LIQUOR STORES				
		Beer	44531	22
		Wine	44531	23
		Liquor	44531	24
GAFO: GENERAL MERCHANDISE STORES				
	Department Stores			
		Traditional Department Store	45211	25
		Discount Department Store	45211	26
	Warehouse Membership Clubs			
		Warehouse Membership Club	45291	27
	Home and Auto Supply Stores			
		Home and Auto Supply (e.g. Canadian Tire, TSC Stores)	452991	28
		Automotive Parts and Accessories	44131	29
		Tires	44132	30
	Other General Merchandise Stores			
		Catalogue Sales Showroom (e.g. Sears Catalogue and Sears Dealer stores)	452999	31
		Dollar Store (e.g. Dollarama, Buck or Two)	452999	32
		Variety Store (e.g. Bargain Shop, Giant Tiger, Liquidation World)	452999	33
		General Store (e.g. Co-Op, Country Depot, "farmer's supply" stores)	452999	34

TABLE E-6 (Continued)
RETAIL STORE AND SERVICE CLASSIFICATION BY TYPE (NAICS 2002-BASED)

Retail Sector	Store Category	Store Type	NAICS Code	KRA Code
GAFO: APPAREL AND ACCESSORIES STORES				
	Clothing Stores			
		Men's Clothing	44811	35
		Women's Clothing	44812	36
		Children's and Infants' Clothing	44813	37
		Family Clothing	44814	38
		Athletic Clothing (not uniforms)	448199	39
		Fur	448191	40
		Leather Apparel	448199	41
		Bridal	448199	42
		Lingerie	448199	43
		Maternity	44812	44
		Outerwear	448199	45
		Swimwear	448199	46
		Uniforms and Work Clothing	448199	47
		Other Clothing	448199	48
	Shoe Stores			
		Men's Shoes	44821	49
		Women's Shoes	44821	50
		Children's Shoes	44821	51
		Family Shoes	44821	52
		Athletic Shoes	44821	53
	Clothing Accessories and Jewellery Stores			
		Costume Jewellery	44815	54
		Clothing Accessories (e.g. handbags, hosiery, hats, scarves, ties, gloves, umbrellas)	44815	55
		Jewellery	44831	56
		Luggage and Leather Goods	44832	57
GAFO: FURNITURE, HOME FURNISHINGS AND ELECTRONICS STORES				
	Furniture Stores			
		Household Furniture	44211	58
		Household Furniture and Appliance	44211	59
		Office Furniture (if it sells to consumers)	44211	60
		Outdoor Furniture	44211	61
		Mattress	44211	62
	Home Furnishings Stores			
		Floor Coverings (e.g. carpet, tile, wood, linoleum)	44221	63
		Window Treatments (e.g. drapery, curtain, blinds)	442291	64
		Print and Picture Frame	442292	65
		Bedding / Linen / Bath	442298	66
		China / Glassware / Cutlery / Kitchenware	442298	67
		Housewares	442298	68
		Mirrors	442298	69
		Pottery	442298	70
		Lamps and Lighting Fixtures	442298	71
		Fireplace Accessories	442298	72
	Computer and Software Stores			
		Computer Hardware and Software (e.g. CompuSmart)	44312	73
	Home Electronics and Appliance Stores			
		Household Appliance	44311	74
		Consumer Electronics (e.g. TV, radio, stereo)	44311	75
		Household Appliance and Electronics	44311	76
		Satellite Receivers	44311	77
		Telephone (including cellular phone)	44311	78
		Personal Care Appliance	44311	79
		Sewing Machines	44311	80
		Vacuum Cleaners	44311	81
		Room Air Conditioners	44311	82
		Camera and Photography Supply	44313	83

TABLE E-6 (Continued)
RETAIL STORE AND SERVICE CLASSIFICATION BY TYPE (NAICS 2002-BASED)

Retail Sector	Store Category	Store Type	NAICS Code	KRA Code
GAFO: OTHER RETAILERS				
	Sporting Goods, Hobby, Music and Book Stores			
		Bicycles	45111	84
		Fitness Equipment	45111	85
		Bait and Tackle / Firearms	45111	86
		Other Sporting Goods (including uniforms)	45111	87
		Hobby, Toy and Game (including arts and crafts, console game stores) (e.g. EB Games, MicroPlay)	45112	88
		Sewing, Needlework and Piece Goods (including yarn and fabric)	45113	89
		Musical Instruments and Supplies	45114	90
		Books and News	45121	91
		Pre-Recorded Tapes, Compact Discs and Records	45122	92
	Miscellaneous Store Retailers			
		Florist	45311	93
		Office Supply and Stationery (including office furniture if not selling to consumers)	45321	94
		Gift, Novelty and Souvenir	45322	95
		Greeting Cards	45322	96
		Used Clothing	45331	97
		Used Furniture / Antiques	45331	98
		Used Appliances	45331	99
		Used Books	45331	100
		Other Used Merchandise (not pawnshops)	45331	101
		Pet and Pet Supply	45391	102
		Art Dealer	45392	103
		Beer and Wine-Making Supply	453992	104
		Art Supply	453999	105
		Auctioneering	453999	106
		Hot Tubs / Whirlpools / Swimming Pools	453999	107
		Coins and Stamps	453999	108
		Autographs, Cards and Collectibles	453999	109
		Party Supply	453999	110
		Tobacco	453999	111
		Tombstones	453999	112
		Other Miscellaneous Retailer (including water systems)	453999	113
BUILDING AND OUTDOOR HOME SUPPLIES STORES				
	Home Centres and Hardware Stores			
		Home Improvement Centre	44411	114
		Hardware Store	44413	115
	Specialized Building Materials and Garden Stores			
		Paint and Wallpaper	44412	116
		Kitchen Cabinets / Doors and Windows	44419	117
		Electrical Supply	44419	118
		Plumbing	44419	119
		Lumber	44419	120
		Other Building Materials (e.g. brick and tile, fencing, glass, roofing)	44419	121
		Outdoor Power Equipment (e.g. lawnmowers)	44421	122
		Nursery / Garden Centre (including lawn ornaments)	44422	123

TABLE E-6 (Continued)
RETAIL STORE AND SERVICE CLASSIFICATION BY TYPE (NAICS 2002-BASED)

Retail Sector	Store Category	Store Type	NAICS Code	KRA Code
SERVICES				
	Financial Institutions			
		Bank	52211	124
		Credit Union	52213	125
		Other Depository Institution (e.g. provincial savings and loans)	52219	126
	Other Lending Services			
		Consumer Lending (e.g. personal credit and loan companies)	522291	127
		Pawnbroker	522299	128
		Mortgage and Loan Broker	52231	129
		Cheque Cashing Service	52239	130
	Consumer Rental Services			
		Car Rental	53211	131
		Electronics and Appliance Rental	53221	132
		Formal Wear and Costume Rental	53222	133
		Video Tape and Disc Rental	53223	134
		Other Consumer Goods Rental (e.g. furniture, sports equipment, party supply)	53229	135
		General Rental Centre	53231	136
	Professional Services			
		Investment Advice / Financial Planning	52393	137
		Insurance Agent / Broker	52421	138
		Real Estate Agent / Broker	53121	139
		Legal (e.g. lawyer, notary, paralegal)	5411	140
		Accounting (e.g. accountant, tax preparer, bookkeeper, payroll service)	5412	141
		Photographer	54192	142
		Veterinarian	54194	143
	Administrative Services			
		Employment Service	5613	144
		Business Service Centre (e.g. photocopying service, private mail centre)	56143	145
		Travel Service (e.g. travel agent, tour operator, auto club, ticket agent, tourist bureau)	5615	146
	Educational Services			
		Business and Secretarial School	61141	147
		Computer Training	61142	148
		Athletic Instruction (e.g. gymnastics club, martial arts club)	61162	149
		Other School (e.g. driver training, tutoring)	61169	150
	Health Care Services			
		Physician (including psychiatrist)	6211	151
		Dentist	6212	152
		Other Health Practitioner (e.g. chiropractor, optometrist, psychologist, other therapist)	6213	153
		Out-Patient Care Centre (e.g. family planning,, substance abuse, community health)	6214	154
		Medical and Diagnostic Laboratory	6215	155
	Social Services			
		Individual and Family Service (e.g. family counselling, big brothers and sisters)	6241	156
		Community Food, Housing, Emergency Relief Service (e.g. food bank, meals on wheels)	6242	157
		Vocational Rehabilitation Service	6243	158
		Child Day-Care Service	6244	159
	Arts, Entertainment and Recreation Facilities			
		Movie Theatre / Cinema	51213	160
		Live Theatre	711311	161
		Sports Arena / Stadium	711319	162
		Amusement Arcade	71312	163
		Casino	71321	164
		Lottery Ticket Vendor	713291	165
		Other Gambling Facility (e.g. bingo parlour, off-track betting)	713299	166
		Marina	71393	167
		Fitness and Recreational Sports Centre	71394	168
		Bowling Alley	71395	169
		Billiard Hall	71399	170
		Other Amusement and Recreation Facility (e.g. amusement rides, miniature golf)	71399	171

TABLE E-6 (Continued)
RETAIL STORE AND SERVICE CLASSIFICATION BY TYPE (NAICS 2002-BASED)

Retail Sector	Store Category	Store Type	NAICS Code	KRA Code
SERVICES (Continued)				
	Food Services			
		Full-Service Restaurant	7221	172
		Limited-Service Eating Place (e.g. fast food, take-out, doughnut shop, cafeteria)	7222	173
		Drinking Places (e.g. bars, pubs, lounges, night clubs, taverns)	7224	174
	Automotive Repair and Maintenance			
		Mechanical and Electrical (e.g. general repair, specialty repair of muffler, brake, transmission)	81111	175
		Body, Paint, Interior and Glass	81112	176
		Car Wash	811192	177
		Other Automotive Repair and Maintenance (e.g. lubrication, emission testing, undercoating)	811199	178
	Personal Goods Repair and Maintenance			
		Home and Garden Equipment	811411	179
		Appliance (including consumer electronics)	811412	180
		Reupholstery and Furniture Repair (including furniture refinishing)	81142	181
		Footwear and Leather Goods Repair	81143	182
		Other Personal and Household Goods (e.g. garments, bicycles, jewellery, watches, key duplication)	81149	183
	Personal and Laundry Services			
		Barber Shop (i.e. men only)	812114	184
		Beauty Salon (i.e. women only; includes nail salons, manicures, pedicures)	812115	185
		Unisex Hair Salon (i.e. men and women)	812116	186
		Weight Loss Centre (e.g. Jenny Craig, Herbal Magic)	81219	187
		Hair Removal / Hair Replacement	81219	188
		Ear Piercing / Tattooing / Tanning Salon	81219	189
		Other Personal Care Service (e.g. bath house, massage parlour)	81219	190
		Coin-Operated Laundry	81231	191
		Dry Cleaning	81232	192
		Linen and Uniform Supply	81233	193
		Pet Care (e.g. animal shelter, boarding kennel, pet grooming)	81291	194
		Photo Finishing Service (e.g. one hour photo finishing services, not camera shops)	81292	195
		All Other Personal Service (e.g. party planning, personal shopping, psychic, shoe shine, escorts)	81299	196
VACANT SPACE			NA	200
OTHER NON-RETAIL SPACE			NA	201
GENERAL OFFICE SPACE			NA	202
GAFO: OTHER RETAILERS [EXCLUDED]				
	Miscellaneous Store Retailers [EXCLUDED]			
		Mobile Homes	45393	NA
AUTOMOTIVE [EXCLUDING AUTOMOTIVE PARTS AND ACCESSORIES STORES AND TIRE DEALERS]				
	Vehicle Dealers [EXCLUDING AUTOMOTIVE PARTS AND ACCESSORIES STORES AND TIRE DEALERS]			
		New Cars	44111	NA
		Used Cars	44112	NA
		Recreational Vehicles	44121	NA
		Motorcycles	44122	NA
		Boats	44122	NA
		Other Motor Vehicles (e.g. ATVs, snowmobiles, trailers, aircraft)	44122	NA
	Gasoline Stations			
		Gasoline Station with Convenience Store	44711	203
		Gasoline Station without Convenience Store	44719	NA
NON-STORE RETAILERS				
		Electronic Shopping and Mail-Order Houses	45411	NA
		Vending Machine Operators	45421	NA
		Fuel Dealer	45431	NA
		Other Direct Selling Establishments	45439	NA

SOURCE: Kircher Research Associates Ltd., based on Statistics Canada, *North American Industry Classification System 2002* (Catalogue #12-501).