

RETAIL MARKET HIGHLIGHTS 2012

The City of Summerside has positioned itself to benefit from the structural changes emerging in the Canadian economy. The City's economic development department continues to proactively cultivate current and future economic opportunities in the City and the Retail and Service sector continues to be a cornerstone of economic activity.

Our success is based on a track record for realizing BIG ideas. We utilize innovative industry partnerships and collaborate with all levels of government to create an economic climate that is prime for investment with multiple tax incentives, low operating costs and world-class economic development support.

Summerside is the retail and commercial hub of western Prince Edward Island (PEI), which offers an ideal location to establish your outlet or franchise.

Summerside is PEI's second largest city and represents 11% of the province's population. We are home to over 600 active businesses of which 115 are retail establishments.

In recent years, retail sales for Prince County totaled over \$350 million. More than half of that figure was spent in Summerside.

Did you Know?
In Summerside...

The total number of residential permits increased by 58% over the 2007-2010

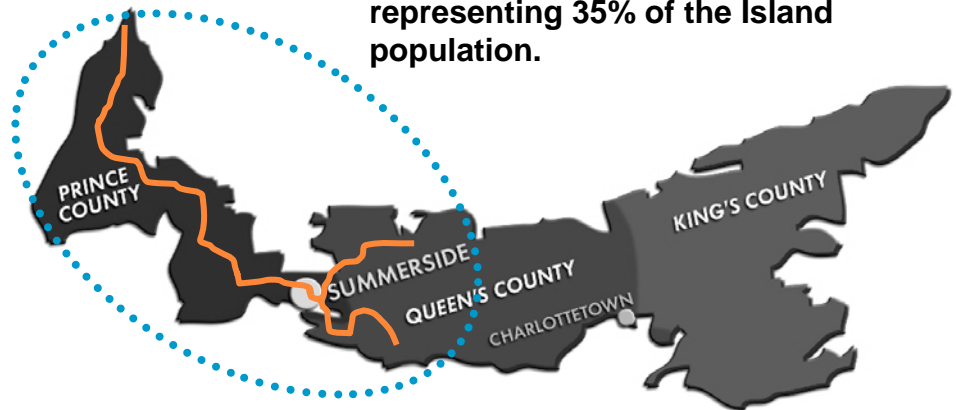
Industrial and Commercial Permits have increased over 220% in value over the same time frame

Overall Summerside has had a 82% overall increase in permit values

One of the most significant recent transactions in Summerside was the purchase of the Waterfront Place Mall in Summerside for an estimated \$1.9 Million in April 2011 by Holland College. Holland College is expanding its operations in downtown Summerside with a \$9.4-million renovation to the Waterfront Mall, creating the Holland College Summerside Waterfront Campus. The College has hired 102 new employees for the Summerside campus, for 260 full-time students and 150 adult learners.

The campus is expected to be open for the September 2012 school year.

Summerside has a captive market trade area of over 45,000 people, representing 35% of the Island population.



	Population Growth Estimates*					
	Prince County			Summerside		
	2010	2021	2031	2010	2021	2031
0 -15 years	7861	7835	7797	2472	2465	2452
15 - 30 years	8486	7537	7339	2812	2506	2432
30 - 45 years	8665	8502	8498	2742	2690	2688
45 - 65 years	13759	13110	11732	4326	4109	3682
65 years +	7213	10791	13969	2735	4096	5385
Total	45985	47774	49334	15087	15867	16640

* Prepared by City Technical Services

Average Expenditure per PEI Household 2006	
Total Expenditures	58,707
Total current consumption	43,836
Food	6,738
Shelter	11,126
Household operation	3,532
Household Furnishings	1,650
Clothing	2,131
Transportation	8,913
Health care	2,040
Personal care	997
Recreation	3,104
Reading materials and other printed matter	260
Education	935
Tobacco/alcohol	1,424

PEI Total Retail Sales
 2009: \$1.7 billion
 2010: \$1.8 billion
 2011: \$1.5 billion Oct.YTD

PEI Retail Sales (in thousands)		
	Seasonally Adjusted	Annual Growth (SA)
1997	\$1,037,087	8.3
1998	\$1,087,910	4.9
1999	\$1,194,747	9.8
2000	\$1,273,895	6.6
2001	\$1,324,603	4.0
2002	\$1,368,978	3.4
2003	\$1,382,649	1.0
2004	\$1,385,773	0.2
2005	\$1,423,545	2.7
2006	\$1,509,030	6.0
2007	\$1,620,778	7.4
2008	\$1,702,884	5.1
2009	\$1,681,419	-1.3
2010	\$2,052,893	22.1

DOWNTOWN

Our downtown is experiencing a renaissance.

New infrastructure, artfully concealed by cobblestones, benches, and numerous plantings combine with, as ever, our stunning ocean views to present a most inviting atmosphere.

The Downtown of Summerside is home to the financial, professional district of the City. The Holman Centre for Health IT, an urban-style renovation of a century building with over 100,000 sf of Class A office space anchors this district, housing over 300 professionals employed at Enable Healthcare, Advantage Communications, and the Provincial Department of Education. Additional employees in the Downtown number over 2000^.



Clustering is a key factor in the strategy for downtown development and currently additional niche retail/entrepreneurs are being sought. Clothiers, boutiques, gift shops, specialty shops, florists, jewelers, restaurants and cafés line the main thoroughfare, travelled by in excess of 5500

^Downtown Summerside

* Annual Average Daily Traffic Report/City Technical Services

UPTOWN



This established retail zone continues to grow and expand and a selection of sites are available for lease and/or development.

Options include Big Box such as Wal-Mart, Superstore and Canadian Tire which have pad sites or consider the largest mall in Prince County—County Fair Mall.

This structure features over 200,000 sf of retail and office space, anchored by Zellers, Sobeys and PEI Liquor.

Granville Street Plaza includes Shoppers Drug Mart, Mark's Work Warehouse, Pizza Delight and Dollarama in over 120,000 sf plus pad sites, both occupied and available.

New construction in Uptown includes a number of mini-malls and professional buildings.

AROUND TOWN

We are a small city with big ideas, big ambition and big opportunity.

With our highly-skilled workforce, low cost operating environment and aggressive incentive packages for business, Summerside is quickly becoming the "city to watch" for growth and investment in Atlantic Canada.

Enjoy Summerside as a safe, healthy community with an abundance of recreation, sports, cultural and learning opportunities.



CUSTOMERS

In addition to our market of 45,000 residents, we also have a thriving visitor cohort. Visitor numbers increased by 3% 2010/2011 according to Tourism Summerside.

Total Overnight Visitation to Summerside, 2008	
Tourism Markets	Visitors
New Brunswick	31,500
Nova Scotia	50,000
Quebec	13,200
Ontario	25,000
Rest of Canada	3,300
Domestic	122,900
New England	3,000
Rest of US	3,800
United States	6,800
International	2,700
Overnight Pleasure Visits	132,400
Total Overnight to Summerside	138,000
Total Overnight to PEI (est)	638,000
<i>Source: Tourism Research Centre, UPEI</i>	

Population	Prince County		Summerside	
	Male	Female	Male	Female
0-4 years	1160	1130	365	360
5 - 9 years	1420	1320	465	405
10 - 14 years	1600	1530	485	485
15 - 19 years	1625	1610	510	480
20 - 24 years	1225	1320	400	505
25 - 29 years	1090	1160	370	385
30 - 34 years	1270	1345	395	440
35 - 39 years	1405	1460	430	460
40 - 44 years	1720	1820	530	605
45 - 49 years	1740	1825	500	640
50 - 54 years	1610	1615	505	510
55 - 59 years	1555	1650	470	540
60 - 64 years	1215	1195	355	380
65+	3070	3815	1035	1480
Total	21690	22810	6815	7690

Total # private dwellings	
Prince County	Summerside
16,950	5,950

When we say Big Opportunity, we mean it.

A recent retail study, including a Market Threshold Analysis, indicates that Summerside retail is leaking approximately 10%.

However, retail sales continue to increase, incomes continue to rise and we have set the table in terms of infrastructure: a new wind farm, new hospital, new college campus, new wastewater treatment plant, new community centre, new secondary school trades centre, new seniors living complex, new Oceanside boardwalk. That's our news.

Your turn.

Household income in 2005		
	Prince County	Summerside
Under \$30,000	5170	1895
\$30 K - \$70 K	8065	2685
\$70 K - \$100 K	2615	885
\$100,000 +	1430	490

MARKET THRESHOLD ANALYSIS

To fully understand the requirements of the marketplace and to determine the most probable successes, Summerside has conducted a number of studies in the past decade. The Retail Market Analysis of '03 and the Market Threshold Analysis of '09 illuminated the Retail sector, with emphasis on the requirements of Summerside shoppers, their needs, spending patterns and retail service gaps.

In summary, the trade area capture was defined at an established 45,000 people. The retail leakage from Summerside/Prince County

was estimated at \$40 million /year.

Gaps were identified in clothing stores, sporting goods, full-service restaurants, accommodations and various professional services.

The complete report is available on line:

<http://www.bigpossibilities.ca/sectors-of-excellence/retail>



LABOUR FORCE

Labour Force Survey PEI	Dec-11	Dec-10	% Change
Population	119.8	118.4	1.2
Labour force	82.8	80.4	3.0
Employment	73.4	70.7	3.8
Full-time	61.5	58.6	4.9
Part-time	11.9	12.1	-1.7
Unemployment	9.4	9.6	-2.1
Participation rate	69.1	67.9	1.8
Unemployment rate	11.4	11.9	-4.2
Employment rate	61.3	59.7	2.7

THE RETAIL INDUSTRY IS THE LARGEST PRIVATE SECTOR EMPLOYER ON PEI.

MINIMUM WAGE \$10/HR EFFECTIVE APRIL 1, 2012

Industry Sector Employment	2006	
	Employees	% of Total
Retail & Wholesale Trade	1,335	15.50%
Manufacturing Industries	1,140	13.20%
Health Care & Social Assistance	1,015	11.80%
Government Service Industries	920	10.70%
Primary Industries	520	6.00%
Educational Services	420	4.90%
Construction	385	4.50%
Finance, Insurance & Real Estate	355	4.10%
Transportation & Public Utility	255	3.00%
Other Services	2,285	26.50%
Total Labour Force 15 Years & Older	8,630	100.00%

Source: City of Summerside Business Directory - 2011

2011 Top Employers in Summerside (Over 50 Full-Time Employees)		
Company	Full-Time	Part-Time
Private Sector		
Cavendish Farms	655	
Vector Aerospace	400	10
Schurman Building	300	100
Amalgamated Dairies Limited	250	25
Testori Americas	208	5
Curran & Briggs Limited	165	
Honeywell Aerospatiale	90	1
MDS-PRAD	57	
Slemon Park Corporation	50	20
RadNet	25	
Public Sector		
Summerside GSTCentre	346	347
Prince County Hospital	451	
Western School Board	300	
Provincial Department of Education	110	
City of Summerside	108	103
Holland College	95	
Access PEI	88	
Three Oaks Senior High	65	
P.E.I. Youth Centre	60	10

Source: City of Summerside Business Listings - June 2011

USEFUL LINKS



<http://twitter.com/summersidepei>



<http://www.facebook.com/CityofSummerside>



Prince Edward Island

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Summerside Traffic Counts:

<http://www.bigpossibilities.ca/data-centre>

Summerside Sites

<http://summerside.availablesites.ca>

Summerside Labour

<http://summerside.skillsmatcher.ca/>