

DOWNTOWN SYDNEY

2021

TRADE AREA CHARACTERISTICS & PROJECTIONS



CAPE BRETON
REGIONAL MUNICIPALITY



Sydney Downtown
Development Association



Port of
Sydney
CANADA



Cape Breton
Partnership

TRADE AREA SIZE AND CHARACTERISTICS

Downtown Sydney Retail Trade Area

The information in this document is from these two sources:

1. To identify business opportunities with the strongest potential for attracting private-sector and/or private/public sector investment, the Sydney Downtown Development Association conducted a local market survey in spring 2021 to define consumers' top interests on retail opportunities.
2. Fowler Bauld & Mitchell Ltd. (FBM) was commissioned by the National Trust for Canada to conduct a Retail Market Analysis for Downtown Sydney and the Cape Breton Regional Municipality (CBRM) and the Cape Breton Partnership in 2020.

MARKET GROWTH ESTIMATES IN DOWNTOWN SYDNEY:

5 YEAR GROWTH ESTIMATE

Spending growth across all retail categories is expected to grow between

14% and 17% from 2018-2023

10 YEAR GROWTH ESTIMATE

Spending growth across all retail categories is expected to grow between

31% and 38% from 2018-2028

HIGH DEMAND RETAIL:

According to a local market survey in spring 2021 to define consumers' top interests on retail opportunities, these 5 Retail Businesses are in most demand by the local market:

1. Bakery
2. Butcher / Delicatessen
3. Ladies Apparel (Affordable)
4. Specialty Grocery
5. Athletic Apparel (Affordable)



TRADE AREA SIZE AND CHARACTERISTICS

Downtown Sydney Retail Trade Area

DEMOGRAPHICS:

1. Resident Population: 132,721 in 2018

- a. Average Family Income:.....\$88,410
- b. Average House Value:.....\$172,140
- c. Most Common Consumer Types.....(See Chart)



Renters	28.68% of Cape Breton Households (vs 3.09% of Canadian Households)	<ul style="list-style-type: none"> • Singles + Couples • Public sector/Arts • New Canadians • Want to Own
High Trades	15.41 % of Cape Breton Households (vs 6.69% of Canadian Households)	<ul style="list-style-type: none"> • Skilled Trade • Secondary Education • Hardworking • Family Oriented
Empty Nesters	10.29% Cape Breton Households (vs 6.35% of Canadian Households)	<ul style="list-style-type: none"> • Retirement Age • Golf & Grandkids • Slowing Pace of life • Travel & Recreation
Rural Handymen	9.39% Cape Breton Households (vs 3.35% of Canadian Households)	<ul style="list-style-type: none"> • Blue Collar • Larger Common Law Family • Some Secondary • Older Homes/Pick Trucks

TRADE AREA SIZE AND CHARACTERISTICS

Downtown Sydney Retail Trade Area

2. Visitors

153,000 cruise ship passengers visited Cape Breton in 2019, plus 46,000 visitors entered the province via ferries from Newfoundland. With a brand new second berth, 93 ships carrying up to 186,830 passengers are booked for 2022 (Post of Sydney 2022). Destination Cape Breton Association is projecting a 40 percent increase in registered room and unit nights over 2020 levels - This projection includes cruise, rubber-tire, and all other visitors.

3. Students

CBU was home to nearly 5500 students in 2018 and NSCC's Marconi campus is its second-largest campus in the province, with an enrollment of 1,078 students in September 2019. Both institutions are seeing strong enrollment growth and are expanding in Downtown Sydney.

RETAIL TRADE AREA SPENDING - \$1.61 BILLION IN 2018

The total Retail Trade Area spending (residents plus visitors) is estimated at \$1.61 Billion in 2018.

When excluding Automotive categories this figure comes in at \$1.34 billion. The top spending segments for the Sydney Trade Area are:

1. Grocery & Specialty Foods \$338 million
2. Auto/RV/Motorsports Dealers \$236 million
3. Personal Services \$137 million
4. Restaurants & Pubs \$121 million (\$186 million including Quick Service F&B)
5. Fashion & Accessories \$110 million



DOWNTOWN SYDNEY RETAIL SUMMARY

Data Source: FBM Retail Market Analysis 2020

1 Inventory

229,196 sf of occupied shops and services space

2 Vacancy

19.5%

3 The Top 5 floorspaces categories in Downtown Sydney:

1) Vacant Ground Level "Streetfront".....	72,930 sf
2) Professional & Financial Services.....	72,571 sf
3) Full Service F&B.....	41,086 sf
4) Specialty Retail.....	27,539 sf
5) Limited Service F&B.....	22,615 sf



DOWNTOWN SYDNEY RETAIL SUMMARY

4 Excluding Vacancies and Professional & Financial Services, the Top 5 floorspace categories in Downtown Sydney are:

1) Full Service F&B	41,086 sf
2) Specialty Retail.....	27,539 sf
3) Limited Service F&B	22,615 sf
4) Auto Parts & Accessories.....	20,643 sf
5) Grocery, Convenience & Specialty Foods.....	16,858 sf

5 Business Mix

Sydney has a current mix ratio of 87% Local to 13% Branded.

6 Downtown Sydney's Retailer Sales productivity

\$182 per square foot per year.

7 The average annualized rates

(including annual maintenances and taxes): from \$8 a square foot per year to \$18 a square foot per year which applies to space less than 1,500 square feet in Downtown Sydney.

8 Downtown Sydney Trade Area and Visitors - Market Share and Demand Estimates

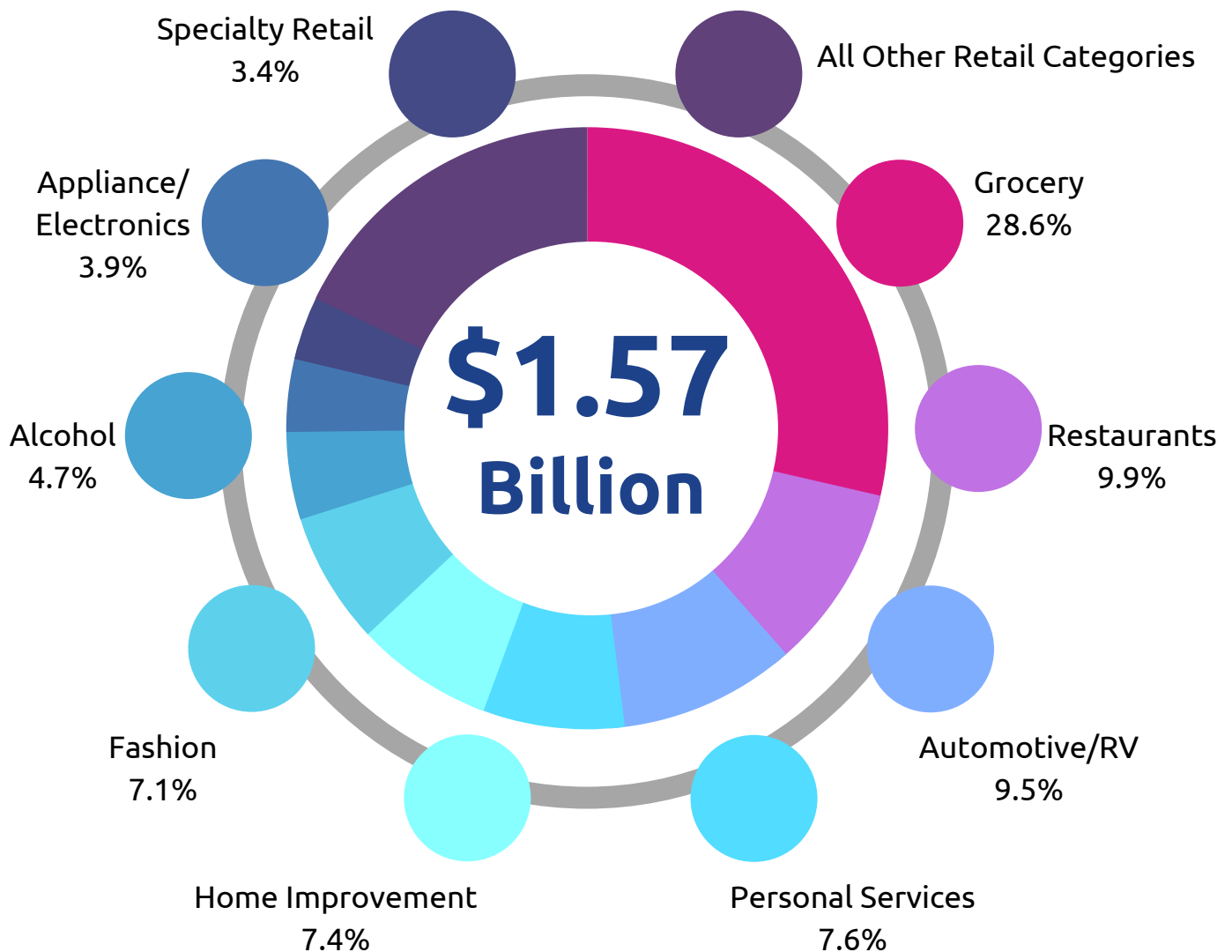
Year	Estimated Local Market Share	Estimated Retail Sales \$ (Inflow)
2018	35%	\$584,436,977
2023	38%	\$669,860,798
2028	42%	\$769,293,062



DOWNTOWN SYDNEY RETAIL SUMMARY

TOP SPENDING SEGMENTS FOR THE SYDNEY TRADE AREA (2019)

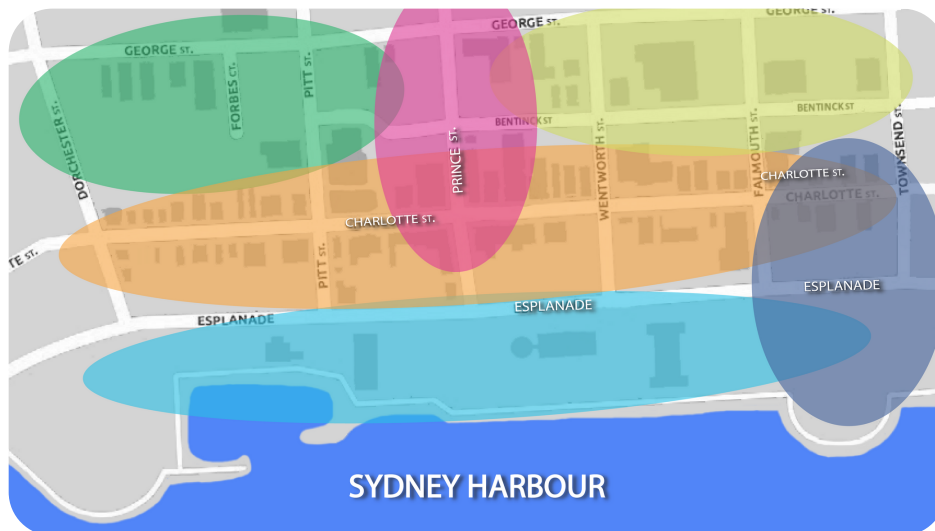
The Retail Trade Area spending (residents plus visitors) is estimated at \$1.57 billion (2019 year-end estimate).



DOWNTOWN SYDNEY TOMORROW

Downtown Sydney is an essential hub for shopping, a retail focal point of Cape Breton Island, and a destination for visitors.

Different areas of Downtown Sydney have natural advantages for specific business types. Based on current trends according to FBM's retail study in 2020, the following clusters of related businesses are expected to emerge. Local businesses and new investors, Downtown Sydney, the Cape Breton Regional Municipality (CBRM), the Cape Breton Partnership, and other supporters, are working to grow this vision into a reality.



Academic Quarter

Target Business Types: Co-working/incubator spaces for education/community use, limited/full service restaurants
Target Ratio (Local to Brands): 95:5
Target Retail Sizes: 250 sf to 1,500+ sf

Harbour Landing

Target Business Types: Restaurants, breweries/cideries, specialty & seasonal temporary kiosks that provide experiential offers along the boardwalk
Target Ratio (Local to Brands): 80:20
Target Retail Sizes: 1,000 sf to 4,000+ sf

Destination Main Street

Target Business Types: Destination and experiential retail, restaurants, boutiques. Professional/personal services, preferably on 2nd level
Target Ratio (Local to Brands): 80:20
Target Retail Sizes: 1,000 sf to 3,000+ sf

Retail, Arts & Theatre

Target Business Types: Curated merchandise, specialty apparel/fashion, artisan crafts, casual restaurants and bars
Target Ratio (Local to Brands): 100:0
Target Retail Sizes: 500 sf to 1,500+ sf

Leisure & Convenience

Target Business Types: Professional/personal services, limited food & beverage, highway commercial retail and specialty foods, new franchise brands
Target Ratio (Local to Brands): 70:30
Target Retail Sizes: 1,000 sf to 3,000+ sf

Offices & Services

Target Business Types: Professional/personal services, limited/full service restaurants
Target Ratio (Local to Brands): 90:10
Target Retail Sizes: 1,000 sf to 3,000+ sf

INVEST IN DOWNTOWN SYDNEY

Available space for lease, purchase or development to serve a growing and vibrant market

Base your business in available lease space or build your own custom space to serve a growing and vibrant market.

For more information please contact us:



**Sydney Downtown
Development Association**

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