

RETAIL BRIEFING MARKET UPDATE FOR 2014



A Cushman & Wakefield Atlantic Publication

2014 YTD SUMMARY



For more information, please contact:

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HALIFAX, NOVA SCOTIA

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RETAIL VACANCY RATE: 8.1%



YEAR TO DATE: RETAIL TRENDS FOR 2014

Statistics Canada is reporting a year to date increase in retail sales for the province of 2.4%, with revenues up \$153.9 million year-over-year. General merchandise sales contributed greatly to this increase with growth of 6.6% with the introduction of new Target stores and Walmart's new grocery offerings in Nova Scotia. RBC has revised its forecasted GDP growth for 2014 to 2.6%, up from their original forecasts of 2.0 and 2.2% earlier this year. A better than expected resurgence in exports this year led by recovering natural gas sales have significantly impacted the economic boost for the province. Nominal merchandise exports were up 41% YTD, an increase of approximately \$984 million dollars over 2013. Seafood products, oil exports, tires and other rubber exports as well as wood pulp exports significantly impacted the economy this year as well. The province is also greatly benefiting by investments in capital projects such as Irving Shipbuilding and the Maritime Link projects, as well as major real estate developments including The Nova Centre, TD Centre, RBC Waterside Centre, and many multi-family development projects in HRM.

Employment is expected to improve for 2015 because of expected hiring in manufacturing, construction and professional services industries. This is expected to boost consumer spending, confidence and should contribute to success in the real estate market as well.

LOCAL MARKET HIGHLIGHTS

- Marshalls has opened two new stores in Bayers Lake and Dartmouth Crossing
- Dollarama to go to former Petcetera space in Dartmouth Crossing in Spring 2015
- Mic Mac Mall welcomes Bench, Forever 21, Stance, La Vie En Rose, Sephora & Justice – closes Jacob
- Halifax Shopping Centre welcomes Michael Kors
- PetSmart has opened a location at Dartmouth Crossing and is set to open in Bayers Lake in Q3 2014
- Prospective new bank coming to Kingswood Business Ctr.
- Development is taking off in Bedford West with Darya Suites and The Avella marketing retail space
- The Shops at Mills and Park Lane have both been marketed for sale in 2014 on Spring Garden Road
- Bowring and Bombay & Co. closing stores in HRM
- BMO moving to Westwood's (former Winsby's building) at the corner of Spring Garden Road and Birmingham

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PROPOSED & UNDER CONSTRUCTION

- Former Winsby's Building – Spring/Summer 2015
- 68 Highfield Park Drive, Summer 2014
- 6112 Quinpool Road, Spring 2017
- 3138 Isleville Street, 2015
- Cunard Block (Proposed)
- Queen's Marque (Proposed)
- The Motherhouse Project (Proposed)
- 527-533 Sackville Drive (Proposed)
- 6100 Young Street (*Proposed redevelopment*)
- Tantallon Plaza Expansion (Proposed)
- 1583 Hollis Street – *Taken off Market, Redevelopment*
- The Roy Building – *Taken off Market, Redevelopment*

NEW SURVEY ADDITIONS THIS QUARTER

DOWNTOWN HALIFAX

BARRINGTON PLACE (EXCLUDING HOTEL SPACE)
ST. PAUL'S BUILDING, BARRINGTON STREET
PRENOR TRUST, 1819 GRANVILLE STREET
ROYAL CENTRE, 5161 GEORGE STREET
SPORT NS BUILDING, 5512 SPRING GARDEN ROAD
THE SHOPS AT MILLS, BUILDING, 5486 SPRING GARDEN RD
1879 HOLLIS STREET

19TWENTY , 1920 BRUNSWICK STREET

HAMPTON INN & HOMEWOOD SUITES, 1960 BRUNSWICK ST

MACKEEN TOWER, 2001 BRUNSWICK STREET

1559 BARRINGTON STREET

THE BRANDER MORRIS BUILDING (ATTICA), 1566 BARRINGTON STREET

1652-1656 BARRINGTON STREET

NS FURNISHINGS BUILDING, 1668-1670 BARRINGTON ST

THE G.M. SMITH BUILDING, 1717 BARRINGTON STREET

SUBURBAN HALIFAX

SPRYFIELD PLAZA, 279-303 HERRING COVE ROAD

BEDFORD/SACKVILLE/HAMMONDS PLAINS

DARYA SUITES, 70 GARY MARTIN DRIVE, BEDFORD

DELLRIDGE PLAZA, 65 DELLRIDGE LANE, BEDFORD

KINGSWOOD BUSINESS CENTRE, HAMMONDS PLAINS ROAD

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C&WA RESEARCH



RETAIL MARKET UPDATE

NOVA SCOTIA

SECOND QUARTER 2014

Total Retail Market - 2nd Quarter 2014

	Total	Halifax	Dartmouth	Bedford	Sackville
		Downtown Hfx, Central Hfx, Clayton Park, Bayers Lake	Portland Street, Burnside, Downtown Dart.		
Area (Square Feet):	9,900,231	3,942,655	3,982,549	1,152,796	822,231
Vacant Space (Square Feet):	801,056	246,965	212,331	163,522	178,238
Vacancy Rate (Percent):	8.1%	6.3%	5.3%	14.2%	21.7%
Occupied Space(Square Feet):	9,099,175	3,695,690	3,770,218	989,274	643,993
Occupancy Rate (Percent):	91.91%	93.74%	94.67%	85.82%	78.32%
Net Rent (Average):	\$18.80	\$22.90	\$19.02	\$18.97	\$14.32
Taxes & Operating Costs (Avg.):	\$9.24	\$10.25	\$9.88	\$10.12	\$6.70
Gross Rents (Average):	\$28.04	\$33.15	\$28.90	\$29.09	\$21.02
New Supply Q2 2014	151,719	16,946	87,914	46,859	0
Total New Supply 2014	151,719	16,946	87,914	46,859	0

Total Retail Market - 4th Quarter 2013

	Total	Halifax	Dartmouth	Bedford	Sackville
		Downtown Hfx, Central Hfx, Clayton Park, Bayers Lake	Portland Street, Burnside, Downtown Dart.		
Area (Square Feet):	9,545,703	3,681,362	3,940,134	1,101,351	822,856
Vacant Space (Square Feet):	683,042	172,608	191,501	116,282	202,651
Vacancy Rate (Percent):	7.2%	4.7%	4.9%	10.6%	24.6%
Occupied Space(Square Feet):	8,862,661	3,508,754	3,748,633	985,069	620,205
Occupancy Rate (Percent):	92.84%	95.31%	95.14%	89.44%	75.37%
Net Rent (Average):	\$25.38	\$49.81	\$19.01	\$18.39	\$14.32
Taxes & Operating Costs (Avg.):	\$9.35	\$10.35	\$9.93	\$10.43	\$6.70
Gross Rents (Average):	\$34.74	\$60.16	\$28.94	\$28.83	\$21.02
New Supply Q2	0	0	0	0	0
New Supply Q4	243,136	10,000	60,979	172,157	0
Total New Supply 2013	243,136	10,000	60,979	172,157	0