

Park Royal Shopping Centre



Demographics & Retail Expenditure Analysis – 2011

Report Structure

- 1.0 Executive Summary
- 2.0 Competition Profile
- 3.0 Trade Area Demographic Analysis
- 4.0 Radius Ring Demographic Analysis
- 5.0 Neighbourhood Statistics
- 6.0 Shopping Centre Performance & Market Penetration

1.0 Executive Summary

1.0 Executive Summary

Competition Profile

- There are only two competing centres within a 10km radius of Park Royal; Capilano Mall and Pacific Centre
- Capilano Mall is a community, convenience oriented destination that lacks Park Royal's critical mass of retail GLA and its exciting tenant mix.
- Pacific Centre is a regional shopping centre located across the Lions Gate Bridge in downtown Vancouver.

Trade Area Demographics

- Park Royal's PTA demographic profile is robust being composed of well-educated, family-oriented high income households.
- The average income in the Primary Trade Area is just over \$120,000, and over 37% of households earn \$100,000 or more.
- Close to 38% of residents are university credentialed, indicating high educational attainment in the PTA.
- Over 64% of Trade Area residents are employed in "creative class" occupations that illustrate the community members economic leadership and entrepreneurial spirit.
- The favourable demographic characteristics of the PTA can be seen manifested in the area's property values which exceed the neighbouring City of Vancouver's property values by over 30%

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1.0 Executive Summary

1.0 Executive Summary

Radius Ring Demographic Analysis

- Park Royal's exceptional location is highlighted further when examining the trend of population demographics between 1 and 10km radius around the Centre.
- Income and age indicators favour Park Royal's surrounding neighbourhoods as opposed to those more than 3 km away from the Centre.
- The surrounding neighbourhoods exhibit household incomes above \$100,000 and a median age in the forties, indicating a family-based population.

Neighbourhood Statistics

- Metro Vancouver is home to several wealthy communities, of which Park Royal has direct access to those in West Vancouver.
- The subset of wealthy neighbourhoods in the North Shore display even greater affluency than those located in the City of Vancouver.
- The average price of homes sold over the last three years in the surveyed neighbourhoods ranges from \$1 million to \$3.4 million.

Shopping Centre Performance & Market Penetration

- Park Royal is a superb performer when examining the market penetration of their retailers.
- The Centre is a top performer in several categories including Apparel (32%), Jewellery & Watches (29%) and Pharmaceuticals (42%).

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Competition Profile

- 2.1 Competition Map & Introduction
- 2.2 Capilano Mall
- 2.3 Pacific Centre

2.0 Competition Profile

2.1 Competition Map & Introduction

- Major competitors within a 10 km radius of Park Royal were identified:
 - Capilano Mall
 - 3.9 km from Park Royal
 - Department store anchored community shopping centre
 - Approximately 400,000 sq.ft. GLA
 - Pacific Centre
 - 7.8 km from Park Royal
 - Department store anchored regional shopping centre
 - Approximately 1.4 million sq.ft GLA
 - Separated from the North Shore by Burrard Inlet
- These centres are profiled in the following pages, with anchor stores, major destination tenants and points of difference (where applicable) highlighted.



Trade Area Demographic Analysis

- 3.1 Trade Area Delineation
- 3.2 Population & Household Profile
- 3.3 Income Profile
- 3.4 Age Distribution
- 3.5 Ethnic Background Composition
- 3.6 Educational Attainment
- 3.7 Labour Force Composition
- 3.8 Home Value Profile
- 3.9 Household Income Mapping

3.1 Trade Area Delineation

- Primary Trade Area
- Capilano University
- Downtown Vancouver
- Highway 1
- Stanley Park
- University of British Columbia
- Park Royal
- Vancouver International Airport (YVR)



3.0 Trade Area Demographic Analysis

3.2 Population & Household Profile

- The population of the PTA is projected to be 180,000 by 2014.
- The PTA is comprised of 73,000 households with roughly 430+ households entering the market next year.
- By 2016, the PTA will exceed 75,000 households.
- The average number of persons per household in the Trade Area is 2.42 compared to the City of Vancouver which is at 2.20.

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	Park Royal PTA
Total Population	
2011 estimated	178,848
2014 estimated	180,417
2016 projected	181,205
2021 projected	183,174
Based on Environics Canadian 2011 data.	

	Park Royal PTA
Annual Population Growth Rate	
2011 to 2014	0.30%
2014 to 2016	0.20%
2016 to 2021	0.20%
Based on Environics Canadian 2011 data.	

	Park Royal PTA
Total Households	
2011 estimated	73,122
2014 projected	74,548
2016 projected	75,346
2021 projected	76,919
Based on Environics Canadian 2011 data.	

	Park Royal PTA
Annual Household Growth Rate	
2011 to 2014	0.60%
2014 to 2016	0.50%
2016 to 2021	0.40%
Based on Environics Canadian 2011 data.	

	Park Royal PTA
Household Size & Composition	
1 Person	21,651
2 Persons	23,423
3 Persons	11,193
4 - 5 Persons	15,861
6 or More Persons	995
Persons Per Household	2.42
Based on Environics Canadian 2011 Data	

3.0 Trade Area Demographic Analysis

3.3 Income Profile

- The average income in the PTA is \$120,646 and the median income is \$72,823.
- This is especially favourable to Park Royal when considering that the City of Vancouver’s average and median incomes are \$83,000 and \$55,000 respectively.
- Within the PTA, 37% of households currently have an income that exceeds \$100,000.
- Household incomes between \$50,000 and \$100,000 make up another estimated 30% of the PTA.

	Park Royal PTA
	%
2011 Households by Income	
Under \$10,000	3.7%
\$ 10,000 - \$19,999	6.2%
\$ 20,000 - \$29,999	6.8%
\$ 30,000 - \$39,999	7.4%
\$ 40,000 - \$49,999	7.8%
\$ 50,000 - \$59,999	8.0%
\$ 60,000 - \$69,999	8.2%
\$ 70,000 - \$79,999	6.9%
\$ 80,000 - \$89,999	4.3%
\$ 90,000 - \$99,999	3.5%
\$ 100,000 and over	37.2%
Average income	\$120,646
Median Income	\$72,823
Based on Environics Canadian 2011 data.	

3.0 Trade Area Demographic Analysis

3.4 Age Distribution

- The median age in the PTA is 43.4 years of age and in the City of Vancouver, it is 38.9.
- Men tend to be younger than women in the PTA based on median age figures.
- The PTA features a high percentage of school-aged youths aged 5-19 years. Almost 17% of residents fall within this age demographic compared to the City of Vancouver's 11.9%.
- Further, the number of children under the age of 14 in PTA households is approximately 29,000.

	Total Population	Park Royal PTA	
		Male	Female
2011 Population by Age & Sex	178,848	86,189 48.19%	92,659 51.81%
0 to 4 years	7,775	3,979 51.18%	3,795 48.81%
5 to 9 years	8,258	4,196 50.81%	4,062 49.19%
10 to 14 years	9,712	5,068 52.18%	4,644 47.82%
15 to 19 years	11,662	5,982 51.29%	5,680 48.71%
20 to 24 years	12,648	6,548 51.77%	6,101 48.24%
25 to 29 years	10,656	5,476 51.39%	5,179 48.60%
30 to 34 years	9,242	4,351 47.08%	4,891 52.92%
35 to 39 years	10,415	4,815 46.23%	5,600 53.77%
40 to 44 years	13,270	6,126 46.16%	7,144 53.84%
45 to 49 years	15,883	7,454 46.93%	8,429 53.07%
50 to 54 years	15,233	7,443 48.86%	7,790 51.14%
55 to 59 years	12,976	6,225 47.97%	6,751 52.03%
60 to 64 years	11,987	5,814 48.50%	6,173 51.50%
65 to 69 years	8,419	4,059 48.21%	4,360 51.79%
70 to 74 years	6,303	2,841 45.07%	3,462 54.93%
75 to 79 years	5,539	2,459 44.39%	3,080 55.61%
80 to 84 years	4,326	1,844 42.63%	2,481 57.35%
85 years and over	4,544	1,508 33.19%	3,036 66.81%
Median Age	43.4	42.2	44.5
Based on Environics Canadian 2011 Data			

	Park Royal PTA
2011 # of Children Under 14 in Households	
Number of Children Under 14 in Households	28,929
Based on Environics Canadian 2011 data.	

3.0 Trade Area Demographic Analysis

3.5 Ethnic Background Composition

- The total visible minority population in the Park Royal PTA amounts to 44,477 people or just over 25% of the PTA population
- The largest ethnic minority represented in the PTA are the Chinese at 11,530 people of Chinese ethnic origin or roughly 26% of the visible minority population.
- The next largest visible minority are those classified as “West Asian” (predominantly of Iranian heritage) amounting to an estimated 22.5% of the minority population in the PTA.

	Park Royal PTA
Ethnic Background Composition	
Total visible minority population	44,477
Chinese	11,530
South Asian	5,338
Black	1,085
Filipino	4,637
Latin American	1,435
Southeast Asian	568
Arab	442
West Asian	10,017
Korean	5,699
Japanese	2,262
Visible minority, n.i.e.	130
Multiple visible minorities	1,333
Not a visible minority	132,554
Based on Environics Canadian 2011 Data	

3.0 Trade Area Demographic Analysis

3.6 Educational Attainment

- The PTA demonstrates a highly educated population with 38% of residents having obtained a University certificate or degree.
- The PTA also demonstrates a significantly lower percentage of residents without a high school diploma or any post secondary education.

	Park Royal PTA
	%
Education Profile	
No certificate, diploma or degree	9.0%
High school certificate or equivalent	22.2%
Apprenticeship or trades certificate or diploma	6.7%
College, CEGEP or other non-university certificate or diploma	16.2%
University certificate or diploma below bachelor	8.1%
University certificate or degree	37.9%
Based on Environics Canadian 2011 data.	

3.0 Trade Area Demographic Analysis

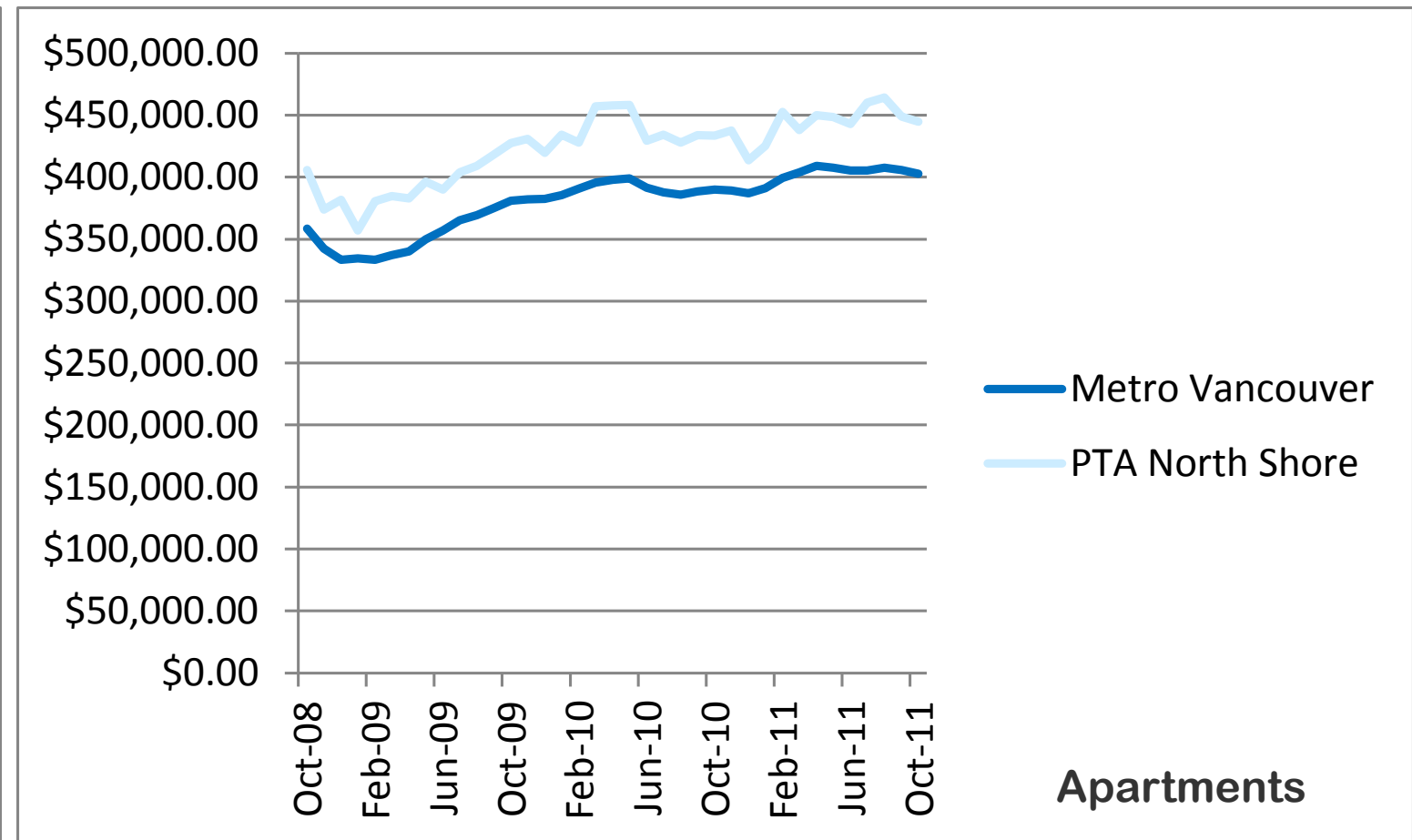
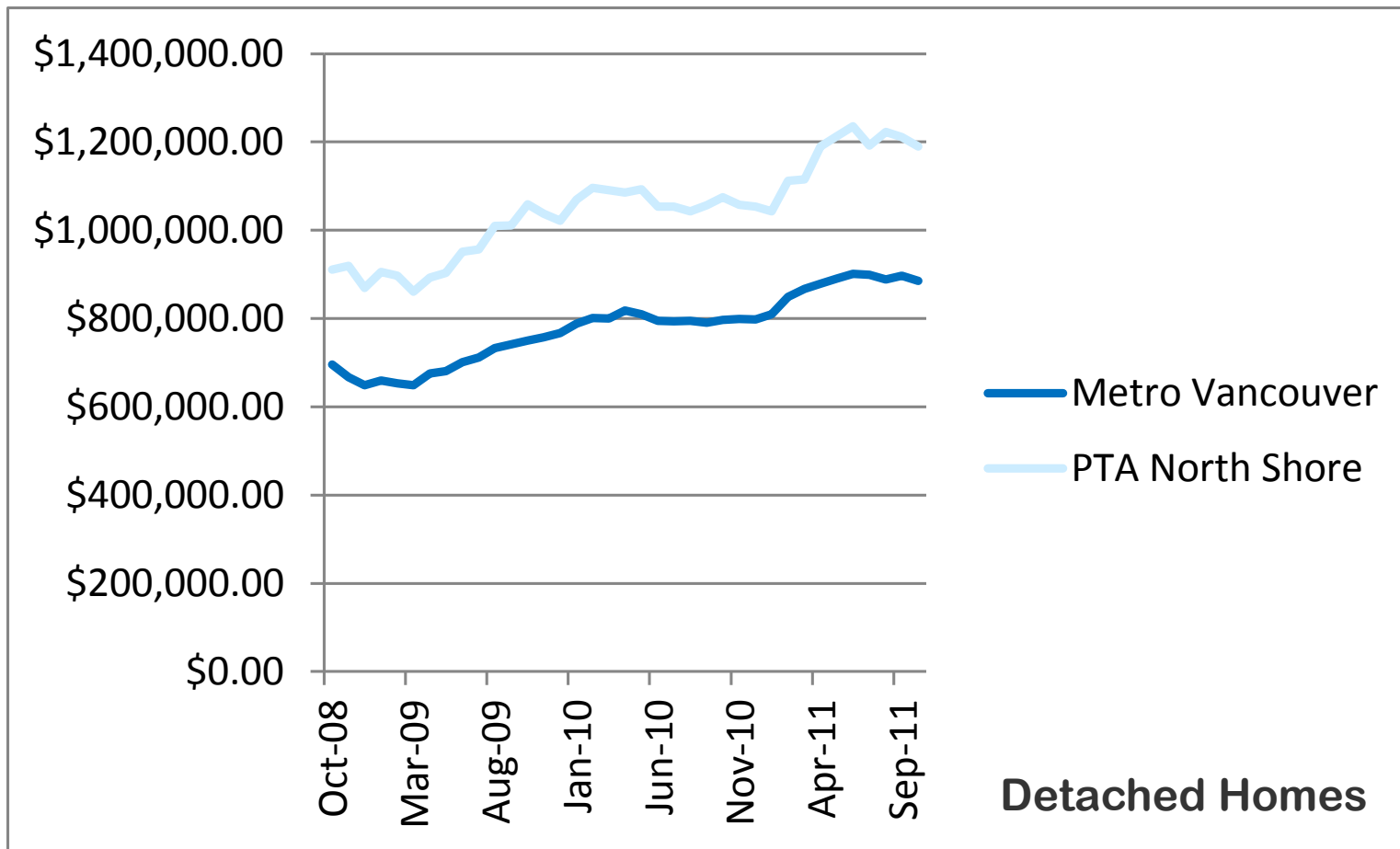
3.7 Labour Force Composition

- 35% of PTA residents are employed in business, finance or management occupations.
- An additional 30% of residents are employed in science, health, education, government or culture.
- Collectively, more than 64% of the PTA would be considered a member of the “creative class” and are employed in knowledge-based occupations.

	Park Royal PTA
	%
Labour Force Composition	
Business, Finance & Management	34.6%
Natural & Applied Sciences, Health, Education, Government, Culture & Recreation	29.6%
Sales And Service	23.2%
Primary Industry, Manufacturing & Trades	11.1%
Occupation - Not applicable	1.5%
Based on Environics Canadian 2011 data.	

3.0 Trade Area Demographic Analysis

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3.8 Home Value Profile

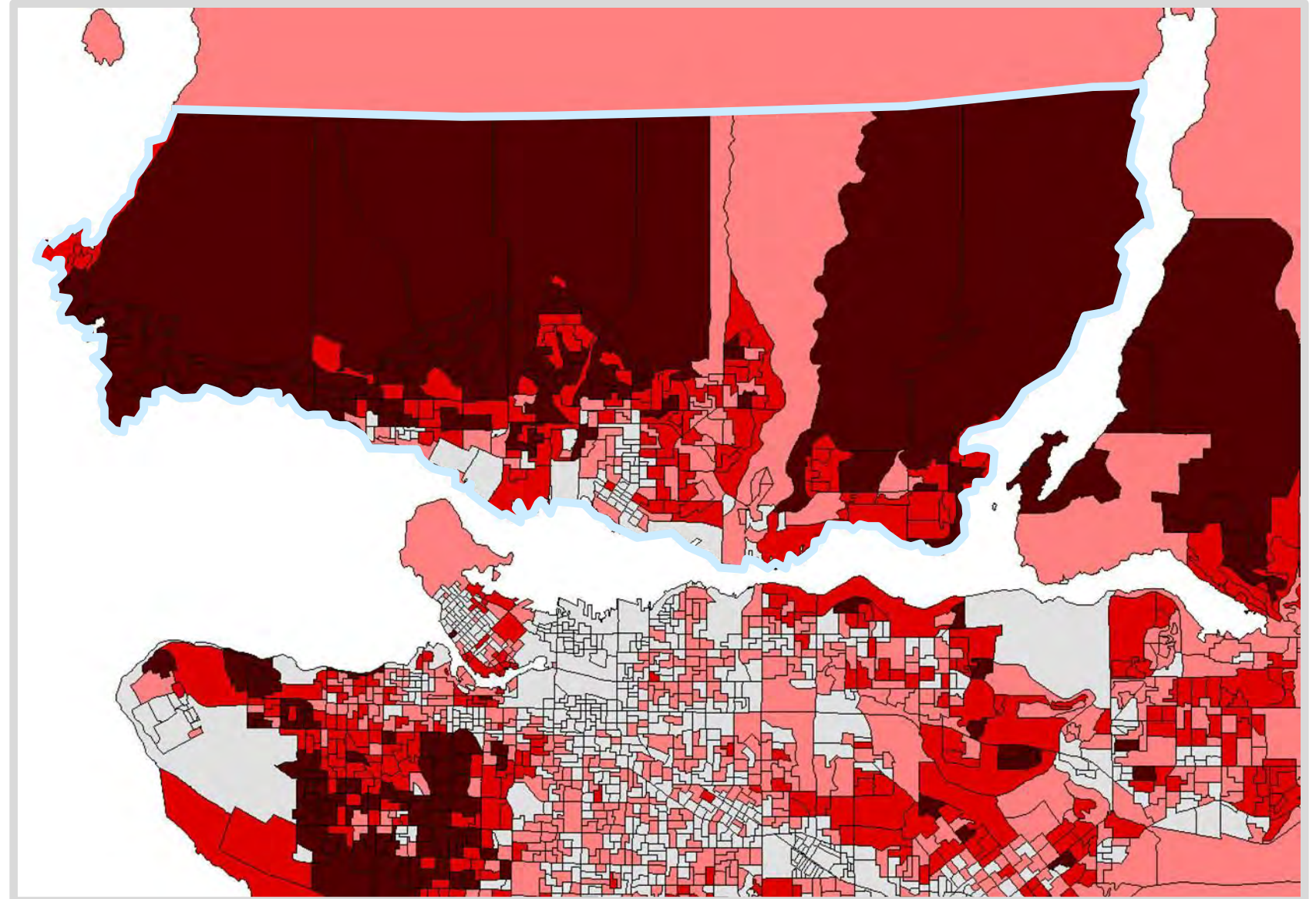
- Home values were compared between the Park Royal Primary Trade Area and the Metro Vancouver region for detached houses and apartments (also referred to as condominiums) over a three year period.
- In both cases, home values are higher than the regional benchmark.
- Upon close examination of detached homes, the Park Royal Primary Trade Area dwellings are approximately 35% more valuable than similar dwellings in Metro Vancouver.
- Based on the Real Estate Board of Greater Vancouver’s Multiple Listing Service data for November 2011, the value for the benchmark (a typical property in a given market where age, lot size, number of rooms etc. are taken into account) detached home in West Vancouver was \$1,759,616 and in North Vancouver it was \$985,731.
- According to the Canex Canadian 2011 data, of the 73,122 households in the PTA, 51,454 were owner-occupied private dwellings.

3.0 Trade Area Demographic Analysis

3.9 Household Income Mapping

- Household income data has been mapped and illustrated according to the latest Census Dissemination Areas.
- Four income brackets were used to illustrate of the income distribution in the Trade Area (delineated in light blue).
- Consistent with other positive indicators, the Trade Area exhibits primarily high income households in its Census DA's.
- The data used to create this map is from the Environics Canada 2011 Census data, the latest census projections available.

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Household Income Thematic Map for Greater Vancouver (\$)

■	150,000 to 1,200,000	(253)
■	100,000 to 150,000	(853)
■	75,000 to 100,000	(1130)
■	0 to 75,000	(5233)

Radius Ring Demographic Analysis

4.1 Radius Ring Demographic Analysis

4.0 Radius Ring Demographic Analysis

4.1 Radius Ring Demographic Analysis

- The total estimated population within a 10 km radius of Park Royal is 485,144 people.
- Both average and median household income are highest within a 3 km radius of Park Royal with these numbers reducing as you move beyond that.
- The median age of populations decrease as you move away from Park Royal indicating the neighbourhoods closest to Park Royal are more likely to be family oriented.
- The percentage of people under 10 years of age within a 10km radius of Park Royal is estimated to be 9%.

	Park Royal Radius Analysis			
	1 kilometer ring	3 kilometer ring	5 kilometer ring	10 kilometer ring
Total Population				
2011 estimated	5,470	30,399	97,482	411,793
2014 projected	5,449	30,492	101,171	421,150
2016 projected	5,433	30,499	103,231	426,984
2021 projected	5,375	30,399	106,756	440,752
Based on Environics Canadian 2011 data.				

	Park Royal Radius Analysis			
	1 kilometer ring	3 kilometer ring	5 kilometer ring	10 kilometer ring
2011 Household Income				
Avg. Household Income	\$104,762	\$121,908	\$82,322	\$90,734
Median Household Income	\$68,613	\$68,545	\$54,000	\$57,683
Based on Environics Canadian 2011 data.				

	Park Royal Radius Analysis			
	1 kilometer ring	3 kilometer ring	5 kilometer ring	10 kilometer ring
2011 Age Profile				
Median Age	49.5	47.3	40.5	39.6
Based on Environics Canadian 2011 data.				

	Park Royal Radius Analysis			
	1 kilometer ring	3 kilometer ring	5 kilometer ring	10 kilometer ring
2011 Children Profile				
Children Under 10	320	2,242	6,551	34,777
Based on Environics Canadian 2011 data.				

Neighbourhood Statistics

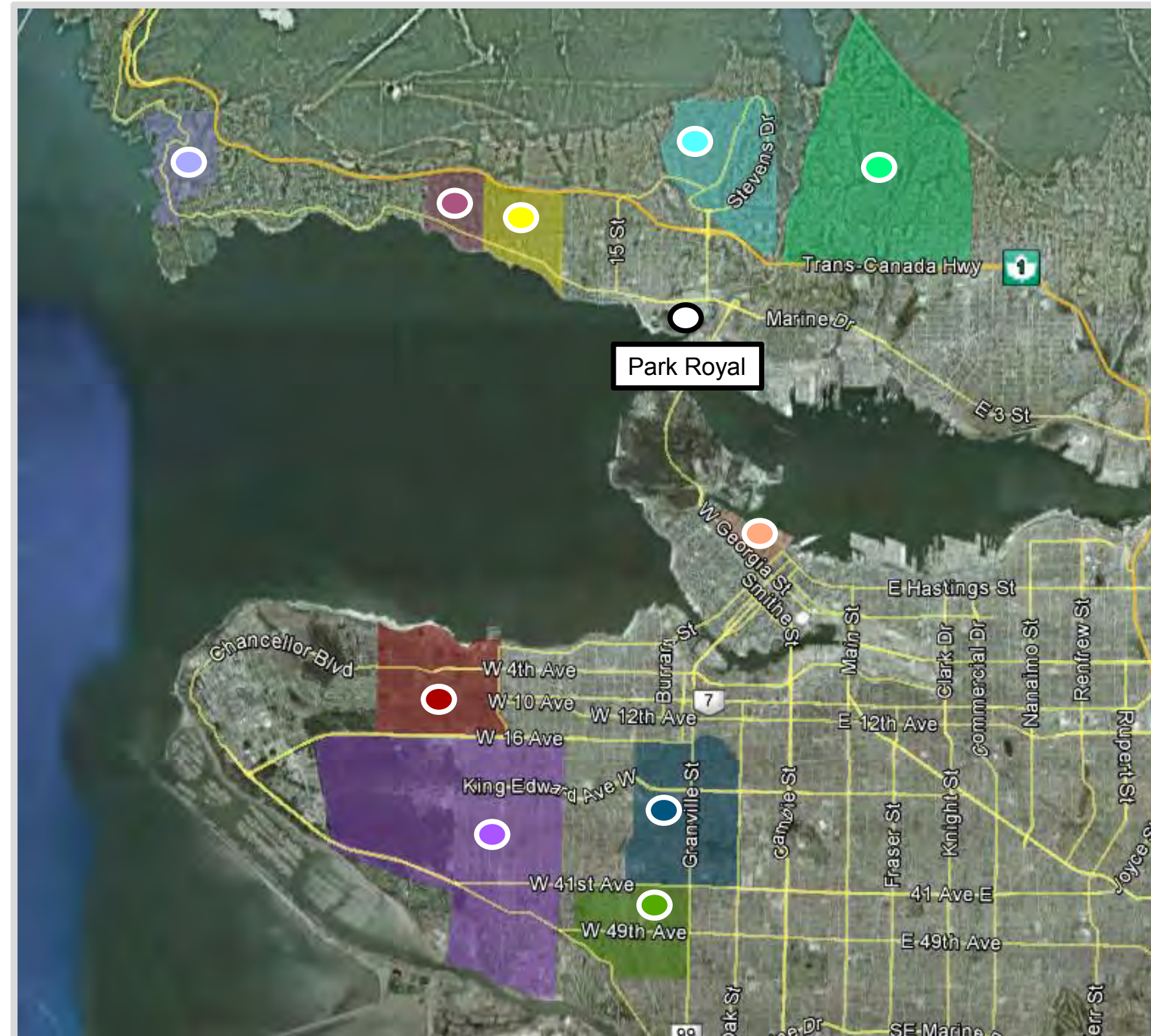
- 5.1 Neighbourhoods Introduction & Map
- 5.2 Population, Household Growth & Income Profiles
- 5.3 Education, Labour Force, & Home Value Profiles

5.0 Neighbourhood Statistics

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5.1 Neighbourhoods Introduction & Map

- High income neighbourhoods within Vancouver, West Vancouver, and North Vancouver were identified and key demographic indicators for these areas have been compiled in the following two pages.
- The neighbourhoods that were surveyed are as follows:
 - Point Grey
 - Shaughnessy
 - Marine Dr./Southlands
 - Kerrisdale
 - Coal Harbour
 - British Properties
 - Altamont
 - Dundarave
 - Caulfield
 - Upper Lonsdale
- All datasets were compiled using Environics Canadian 2011 data except for home values.



5.0 Neighbourhood Statistics

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5.2 Population, Household Growth & Income Profiles

- Vancouver's high-income neighbourhoods typically feature populations between 12,000 to 14,000 people with the exception of Southlands & Marine Drive at over 20,000.
- West Vancouver neighbourhoods exhibit lower populations as a function of lower urban density.
- Growth rates in these high-income neighbourhoods are slower-paced.
- As would be expected of this sample group, the income levels are exceptionally high with Shaughnessy and Altamont leading the group with average incomes of \$270,000 and \$367,000 respectively.

	West Point Grey	Shaughnessy	Southlands & Marine Drive	Kerrisdale	Coal Harbour	British Properties	Dundarave	Caulfeild	Altamont	Upper Lonsdale
Total Population										
2011 estimated	13,987	13,545	22,554	12,017	5,549	3,358	5,073	2,127	934	24,215
2014 estimated	13,923	13,734	22,547	12,099	6,092	3,371	5,090	2,130	936	24,393
2016 projected	13,913	13,865	22,578	12,162	6,398	3,376	5,091	2,130	937	24,511
2021 projected	13,949	14,470	22,851	12,410	7,328	3,395	5,086	2,130	937	24,887

	West Point Grey	Shaughnessy	Southlands & Marine Drive	Kerrisdale	Coal Harbour	British Properties	Dundarave	Caulfeild	Altamont	Upper Lonsdale
Household Growth Rate										
2011 to 2014	0.10%	1.00%	0.30%	0.50%	3.90%	0.10%	0.10%	0.00%	0.00%	0.70%
2014 to 2016	0.10%	0.80%	0.20%	0.40%	2.90%	0.00%	0.00%	0.00%	0.00%	0.60%
2016 to 2021	0.10%	1.00%	0.30%	0.40%	3.10%	0.10%	0.00%	0.00%	0.00%	0.60%

	West Point Grey	Shaughnessy	Southlands & Marine Drive	Kerrisdale	Coal Harbour	British Properties	Dundarave	Caulfeild	Altamont	Upper Lonsdale
2011 Households by Income (Current Year \$)	5,933	4,803	7,829	4,721	2,877	1,153	2,072	796	300	8,692
Under \$10,000	283	157	83	187	49	22	74	7	10	87
\$ 10,000 - \$19,999	370	207	140	243	100	105	195	76	14	190
\$ 20,000 - \$29,999	275	215	160	270	120	144	171	46	8	311
\$ 30,000 - \$39,999	279	233	255	300	178	112	137	27	5	446
\$ 40,000 - \$49,999	272	228	314	265	214	34	44	28	9	512
\$ 50,000 - \$59,999	251	221	379	255	233	8	0	24	6	513
\$ 60,000 - \$69,999	266	200	424	253	219	8	119	21	3	518
\$ 70,000 - \$79,999	322	187	457	231	210	0	152	15	7	542
\$ 80,000 - \$89,999	379	190	526	233	228	0	0	3	10	553
\$ 90,000 - \$99,999	433	273	654	285	230	0	0	5	9	546
\$ 100,000 and over	2,803	2,691	4,437	2,199	1,098	720	1,181	546	219	4,475
Average income	\$132,318	\$269,430	\$159,894	\$150,273	\$109,000	\$183,932	\$175,967	\$273,426	\$366,839	\$143,395
Median Income	\$96,217	\$103,589	\$103,928	\$94,333	\$85,121	\$106,638	\$104,081	\$109,017	\$110,484	\$100,960

5.0 Neighbourhood Statistics

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5.3 Education, Labour Force & Home Value Profiles

- The large majority of these neighbourhoods feature populations where over 50% of people hold a university certificate or degree.
- In every neighbourhood surveyed, over 60% of the population were employed in sectors that are considered to be part of the “creative class”.
- The average and median price that detached homes sold for in the examined high-income neighbourhoods over the last three years is listed in the bottom most table.
- The minimum average selling price is impressive in the data set, at just over \$1 million.

	West Point Grey	Shaughnessy	Southlands & Marine Drive	Kerrisdale	Coal Harbour	British Properties	Dundarave	Caulfeild	Altamont	Upper Lonsdale
Educational Attainment										
No certificate, diploma or degree	851	1,091	1,730	1,001	243	194	290	115	45	1,753
High school certificate or equivalent	2,424	2,058	3,745	2,430	957	518	799	215	105	4,219
Apprenticeship or trades certificate or diploma	445	307	554	340	173	72	168	72	1	1,090
College, CEGEP or other non-university certificate or diploma	1,352	1,393	2,183	1,221	660	238	493	220	52	3,313
University certificate or diploma below bachelor	790	873	1,124	741	424	235	445	112	60	1,364
University certificate or degree	6,182	5,433	9,387	4,706	2,426	1,620	2,185	1,064	499	8,489

	West Point Grey	Shaughnessy	Southlands & Marine Drive	Kerrisdale	Coal Harbour	British Properties	Dundarave	Caulfeild	Altamont	Upper Lonsdale
Labour Force Composition										
Business, finance and Management	31.24%	35.59%	33.25%	33.01%	36.70%	40.71%	37.12%	45.80%	41.20%	34.31%
Sales & services	16.05%	18.03%	18.67%	20.49%	22.14%	18.68%	22.99%	13.81%	15.10%	22.48%
Natural and applied sciences, Health, Education, Government, Culture & Recreation	47.31%	34.28%	41.42%	34.08%	32.19%	28.82%	32.02%	35.63%	32.95%	31.92%
Primary Industry, Manufacturing & Trades	5.40%	6.37%	5.45%	5.30%	3.28%	3.27%	6.37%	4.76%	3.43%	9.15%

	West Point Grey	Shaughnessy	Southlands & Marine Drive	Kerrisdale	Coal Harbour	British Properties	Dundarave	Caulfeild	Altamont	Upper Lonsdale
Detached Home Prices (Dec '08 - Dec '11)										
Average Price	\$2,273,696	\$3,413,131	\$1,831,635	\$2,002,048	-	\$2,152,698	\$1,964,866	\$2,199,000	\$3,150,666	\$1,065,468
Median Price	\$1,910,000	\$2,980,000	\$1,660,000	\$1,810,000	-	\$1,627,500	\$1,820,000	\$1,841,500	\$2,587,500	\$979,000
Based on MLS Data from the Real Estate Board of Greater Vancouver & Other Realty Sources										

Mall Performance & Market Penetration

- 5.1 Mall Performance Benchmarks
- 5.2 Market Penetration

6.0 Sales Performance & Market Penetration

6.1 Shopping Centre Benchmark Performance Indicators

- National shopping centre performance indicators were procured for both Canada and the United States in order to compare it with Park Royal’s performance statistics.
- Average dwell time in Canada was 71.4 minutes and 77.9 minutes in the United States
- Average spend per visit was \$78.60 in Canada and \$76.68 in the United States.
- Canadians visited shopping centres approximately 4.6 times a month and Americans visited malls approximately 3.2 times a month.

	Park Royal	Canada*	USA**
Performance Indicators			
Avg. Dwell Time (minutes)	N/A	71.4	77.9
Avg. Spend (Dollars per Visit)	N/A	\$78.60	\$76.68
Monthly Visitation Frequency	N/A	4.6	3.2
*Based on ICSC 2011 data **Based on ICSC aggregated data between 1996-2007			

6.0 Mall Performance & Market Penetration

6.2 Market Penetration

- The following analysis estimates the level of market penetration based on Park Royal's retail sales and PTA expenditure.
- Park Royal sales data for 2011 was broken down by Thomas Consultants Inc.'s retail expenditure categories.
- The final penetration estimates take in to account an estimated 31% of visitors to Park Royal Shopping Centre as originating outside of the Primary Trade Area*.
- Park Royal's sales originating from the PTA are therefore, 69% of the values listed under "Total Sales".
- This number was compared to Park Royal's total Primary Trade Area sale.
- Park Royal's advantages in location and minimal trade area competition have resulted in a significant capture of consumer expenditure in several categories, including but not limited to Pharmaceuticals, Apparel, and Jewellery & Watches.

*This is based on the most recent origin survey provided by the Mustel Group.

**By excluding Entertainment & Leisure

	Park Royal PTA	Park Royal Shopping Centre	Park Royal Shopping Centre
	Total Expenditure*	Total Sales	Market Penetration
Grocery & Specialty Food	\$534,354,208	\$109,122,127	14.09%
Pharmacy	\$68,740,815	\$36,772,867	36.91%
Alcohol & Tobacco	\$109,976,966	\$24,382,804	15.30%
Services	\$91,040,186	\$28,704,213	21.76%
Apparel	\$231,941,733	\$94,584,495	28.14%
Footwear, Luggage & Clothing Accessories	\$72,302,230	\$20,631,293	19.69%
Cosmetics, Health, Bath & Beauty	\$124,409,589	\$3,783,237	2.10%
Jewelry & Watches	\$35,706,135	\$13,415,678	25.93%
Home Improvement	\$143,716,913	\$22,637,655	10.87%
Home Furnishings & Accessories	\$184,880,971	\$37,458,456	13.98%
Electronics & Appliances	\$161,969,054	\$55,138,472	23.49%
Toys, Hobbies & Pets	\$40,445,022	\$7,764,779	13.25%
Sports & Recreational Goods	\$45,716,464	\$14,516,932	21.91%
Multimedia, Books & Music	\$57,245,146	\$10,367,096	12.50%
Restaurants	\$191,042,324	\$37,582,961	13.57%
Entertainment	\$77,060,210	\$0	0.00%
Leisure	\$60,203,116	\$0	0.00%
Total TCI Category Expenditures	\$2,230,751,081	\$516,863,063	15.99%

*Based on Environics Canadian 2011 Data



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