



urban
Metrics

Retail Market Impact Analysis

9094 Regional Road 25

Halton Hills, Ontario

Prepared for Halton Hills One Limited Partnership

December 8, 2025



Halton Hills One Limited Partnership

This document is available in alternative formats upon request by contacting:
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December 8, 2025

Halton Hills One Limited Partnership
C/O Mr. Michael Mendes
Vice President, Development
75 Tiverton Court
Markham, Ontario, L3R 4M8

Dear Mr. Mendes:

RE: Retail Market Impact Analysis – 9094 Regional Road 25 (Halton Hills, Ontario)

urbanMetrics inc. is pleased to submit this Retail Market Impact Analysis in support of your proposed development at 9094 Regional Road 25 in Halton Hills, Ontario. This report demonstrates that the growing market for retail goods and services in Halton Hills and Milton can support the introduction of the commercial space in your proposed development without negatively impacting the function of existing commercial areas.

We trust that the analysis herein demonstrates that any market created by the proposed development are negligible and provides Town planning staff with the confidence to make an informed decision on your application.

It has been our pleasure to complete this report on your behalf. Please contact us if you have any questions or concerns.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "D. R. Annand".

Douglas R Annand PLE
Partner
urbanMetrics inc.

A handwritten signature in black ink, appearing to read "Tywen Thomas".

Tywen Thomas, MSc. PLE
Senior Project Manager
urbanMetrics inc.

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Executive Summary

- urbanMetrics Inc. has completed a Retail Market Demand & Impact Analysis to assess whether the proposed commercial development at 9094 Regional Road 25 can be supported by market growth and whether it would adversely impact the function of existing commercial areas in Halton Hills and Milton.
- The proposal includes some 568,000 square feet of industrial space across three buildings alongside 218,985 square feet of commercial space, anchored by a 167,000 square foot large-format general merchandise retailer.
- The site's location, at Regional Road 25 and Fifth Side Road, in proximity to Highway 401, gives it regional-scale commercial reach while also serving employees in nearby employment areas. With no competing commercial nodes in the immediate vicinity, the site fills an evident locational void for regional-serving retail north of Highway 401.
- We have delineated a Primary Market Area and Secondary Market Area that are projected to experience significant residential growth of more than 59,300 and 17,000 residents by 2037, respectively. Current per-capita spending levels and strong population growth generate substantial increases in retail expenditure potential across all categories.
- General Merchandise expenditures in the Primary Market Area are projected to increase from \$529M (2025) to \$728M (2037), with total market-wide GM spending (resident + inflow) reaching \$885M by 2037.
- Only three major GM retailers exist within the Primary Market Area today, creating under-representation relative to population size and significant expenditure leakage to surrounding municipalities. Twenty large-format GM stores are located across the Secondary Market Area, confirming that a meaningful share of Primary Area residents shop outside Halton Hills/Milton for GM goods.
- Between 2025 and 2037, a growing population, increased local capture, and higher inflow is projected to increase total Primary Area expenditures by more than 1 billion. Within this, the GM category alone grows by some \$371M, providing ample capacity to support a new large-format entrant while enabling existing stores to maintain and grow their performance.

- The remaining 60,000 square feet of smaller commercial units will primarily serve employees and pass-by traffic; the scale is too small to affect existing neighbourhood- or community-scale commercial centres materially.
- A conservative stress-test assuming the new GM store opens with high sales performance (\$1,750 per square foot) yields only a 10% impact on existing large-format GM retailers and 7.7% on discount GM retailers in 2028—below the 13-15% threshold typically used in municipal retail impact review.
- Impacts are short-lived, with existing operators projected to return to baseline performance levels by 2031, benefitting thereafter from market growth. By 2037, existing GM retailers are projected to achieve 15% to 23% performance growth above 2025 levels, even with the new entrant in place.
- The proposed development addresses a documented gap in the regional GM retail network, reduces expenditure leakage, and supports Halton Hills' long-term commercial structure and employment objectives.

1 Introduction & Background

1.1 Purpose

urbanMetrics has been retained by Halton Hills One Limited Partnership (“the proponent”) to conduct a Retail Market Demand and Impact Analysis in support of Official Plan and Zoning By-law amendment applications to advance a commercial and industrial development (“the proposed development”) on a property referred to herein as 9094 Regional Road 25 (“the Subject Site”) in the Town of Halton Hills, Ontario.

The Town of Halton Hills requires this study to assess future market demand for the proposed retail uses and to evaluate the potential impacts of introducing these retail uses on the commercial function of existing commercial areas within the Town.

1.2 Work Plan

The following work program was completed in preparing this Retail Market Demand and Impact Analysis:

1. Site Suitability Evaluation

We examined the Subject Site and proposed commercial areas to assess their suitability for retail/service and related uses, focusing on their compatibility with surrounding land uses and their accessibility to the market they are expected to serve. While specific tenants have not been identified, we have assumed that a mix of Food Store Retail (FSR) and Non-Food Store Retail (NFSR) facilities will occupy the majority of the proposed commercial space.

2. Market Area Delineation

We delineated a Market Area that is expected to be served by the proposed retail/service space. This area was divided into zones to reflect variations in income, expenditure levels, and expected consumer behaviour.

3. Inventory of Existing and Proposed Competition

Within the Market Area, we inventoried existing FSR and NFSR facilities, with

particular focus on the Primary Zone from which the project would draw most of its sales. We also identified other planned or proposed retail projects through discussions with planning staff and secondary research that would be competitive with the subject proposal.

4. Market Area Characteristics

We compiled data on population, income, and retail expenditure levels for each zone using Statistics Canada and municipal sources. Current and future population and expenditure forecasts were prepared for 2025 (base year), 2028 (first year of operation), and 2036 (long-term horizon).

5. Market Opportunity Analysis

We conducted a residual market analysis to estimate the potential demand for FSR and NFSR facilities. This included:

- Estimating the existing and future Market Area shares for the different types of retail expenditures.
- Forecasting opportunities to increase local capture rates and reduce expenditure outflow.
- Calculating net residual potential in each store category.
- Estimating any potential sales transfers from existing commercial centres where relevant; and
- Identifying inflow from employees working at the proposed on-site employment uses, and visitors from outside the Market Area.

6. Impact Evaluation

We assessed the potential impacts of the proposed retail facilities (and other planned projects) on existing commercial centres, focusing on their ability to maintain their planned function and role within the Market Area hierarchy.

7. Report Preparation

This report was prepared to document the findings of the above analysis, summarizing the results and conclusions.

1.3 Proposed Development

The proposed development consists of 11 single-storey buildings, comprising 8 commercial buildings totalling 218,985 square feet of gross leasable area (“GLA”) and 3 industrial buildings totalling 568,000 square feet of GLA. The distribution of this space in each of the buildings is shown in Figure 1.

Figure 1: Proposed Site Statistics

Retail/Service Commercial	Industrial
A: 167,135 ft ² (15,527 m ²) E: 3,600 ft ² (334 m ²) F: 17,900 ft ² (1,663 m ²) G: 5,400 ft ² (502 m ²) H: 4,550 ft ² (423 m ²) I: 4,500 ft ² (418 m ²) J: 6,300 ft ² (585 m ²) K: 9,600 ft ² (892 m ²)	B: 260,000 ft ² (24,155 m ²) C: 143,000 ft ² (13,285 m ²) D: 165,000 ft ² (15,329 m ²)
218,985 ft ² (20,344 m ²)	568,000 ft ² (52,769 m ²)

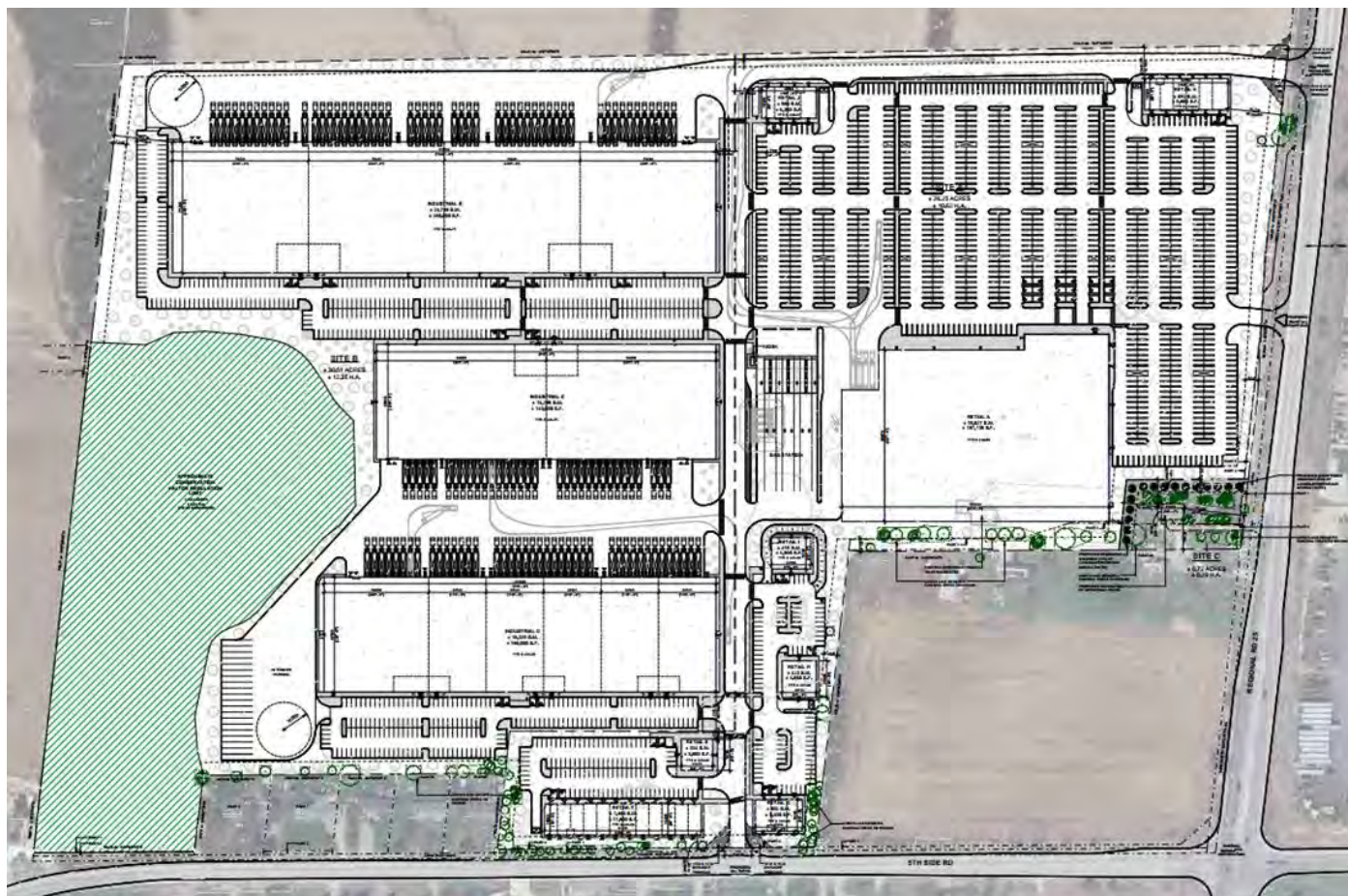
SOURCE: Turner & Fleischer Architects

The proposed development concentrates most of the commercial space in one larger building of approximately 167,135 square feet. This building is intended to function as a large-format General Merchandise (“GM”) store. The remaining smaller commercial units, ranging from 3,600 to 17,900 square feet, will likely be tenanted by a variety of retail and service uses.

The proposed industrial space is distributed across three buildings, with almost half contained in one 260,000-square-foot building and the remainder in buildings of 143,000 and 165,000 square feet.

As shown in Figure 2, the proposal identifies three entrances to the site. Two entrances, including a signalized intersection, will be located off Regional Road 25 north of the intersection with 5th Side Road. The remaining entrance will be via 5th Side Road west of the intersection with Regional Road 25.

Figure 2: Proposed Site Plan



SOURCE: Turner Fleischer Architects

1.4 Policy Context

Under the Town of Halton Hills Official Plan, 2024 (“the OP”), the Subject Site is designated as a Rural-Agricultural area. However, the Subject Site is also located within a Future Strategic Employment Area, as illustrated in Figure 3 in the subsequent section. The purpose of these areas is to protect lands adjacent to existing employment areas that are best suited for employment uses beyond the current OP’s planning horizon. This would include the subject site.

To permit the proposed development, an expansion of the urban boundary and the redesignation of the site from its current Rural-Agricultural designation are required. Section G2.3 of the OP provides that expansion of the urban boundary may be considered provided that:

- a) the expansion area serves as a logical extension to the existing built-up area
- b) the expansion area can be easily integrated with the fabric of the existing built-up area
- c) the expansion area can be appropriately serviced
- d) an appropriate housing mix, as determined by the Municipal Housing Statement, is provided for on the lands
- e) new employment lands are an integral component of the expansion; and
- f) the lands can be easily accessed by existing arterial roads and will not contribute to traffic congestion within the existing community.

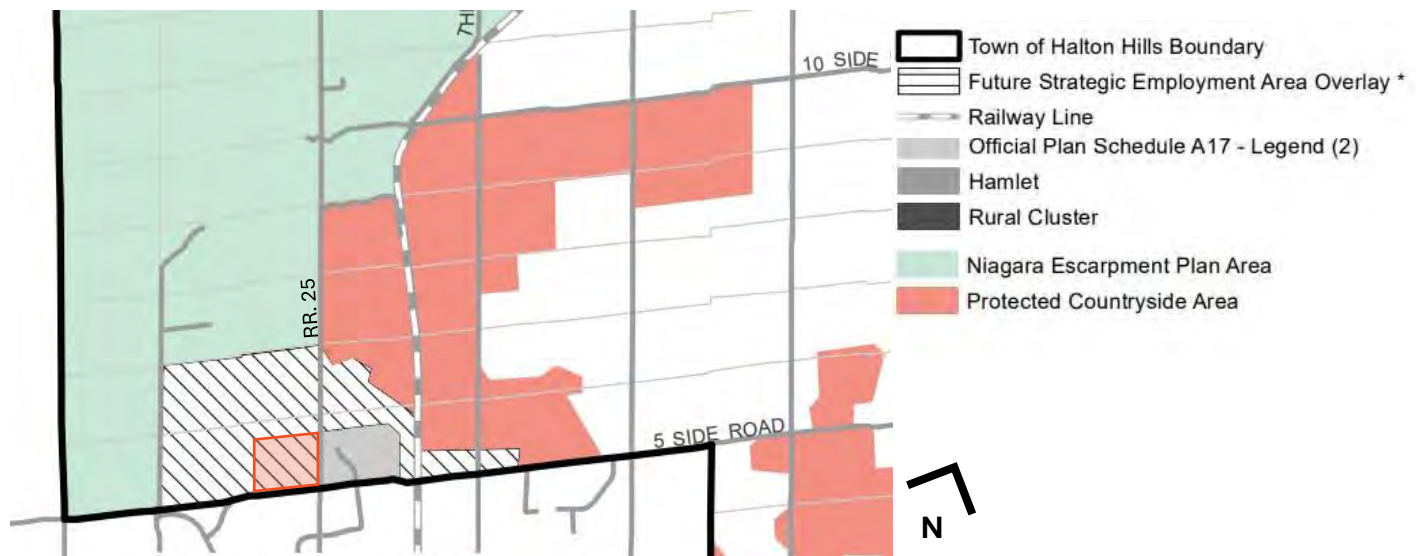
The Subject Site is situated immediately adjacent to the existing urban boundary of the Mansewood employment lands (located at the northeast corner of Highway 25 and 5 Side Road), and its identification as a Future Strategic Employment Area demonstrates its potential to conform to these criteria.

2 Location & Access

The Subject Site is located at the border of the municipal boundary between the Town of Halton Hills and the Town of Milton. It is currently designated Rural-Agricultural with a Future Strategic Employment Area overlay in the Town of Halton Hills Official Plan.

2.1 Surrounding Land Uses

Figure 3: Subject Site Location - Official Plan Schedule A-17



SOURCE: Town of Halton Hills Official Plan Schedule A-19

The following is an overview of the land uses surrounding the subject site:

North – The site's northern boundary is defined by Regional Road 25, which separates it from the Mansewood Employment Area, a 59-hectare employment designation within the urban boundary, comprising 8 businesses with approximately 300 employees. Beyond the employment area are agricultural lands and Protected Countryside Area designations that continue northward.

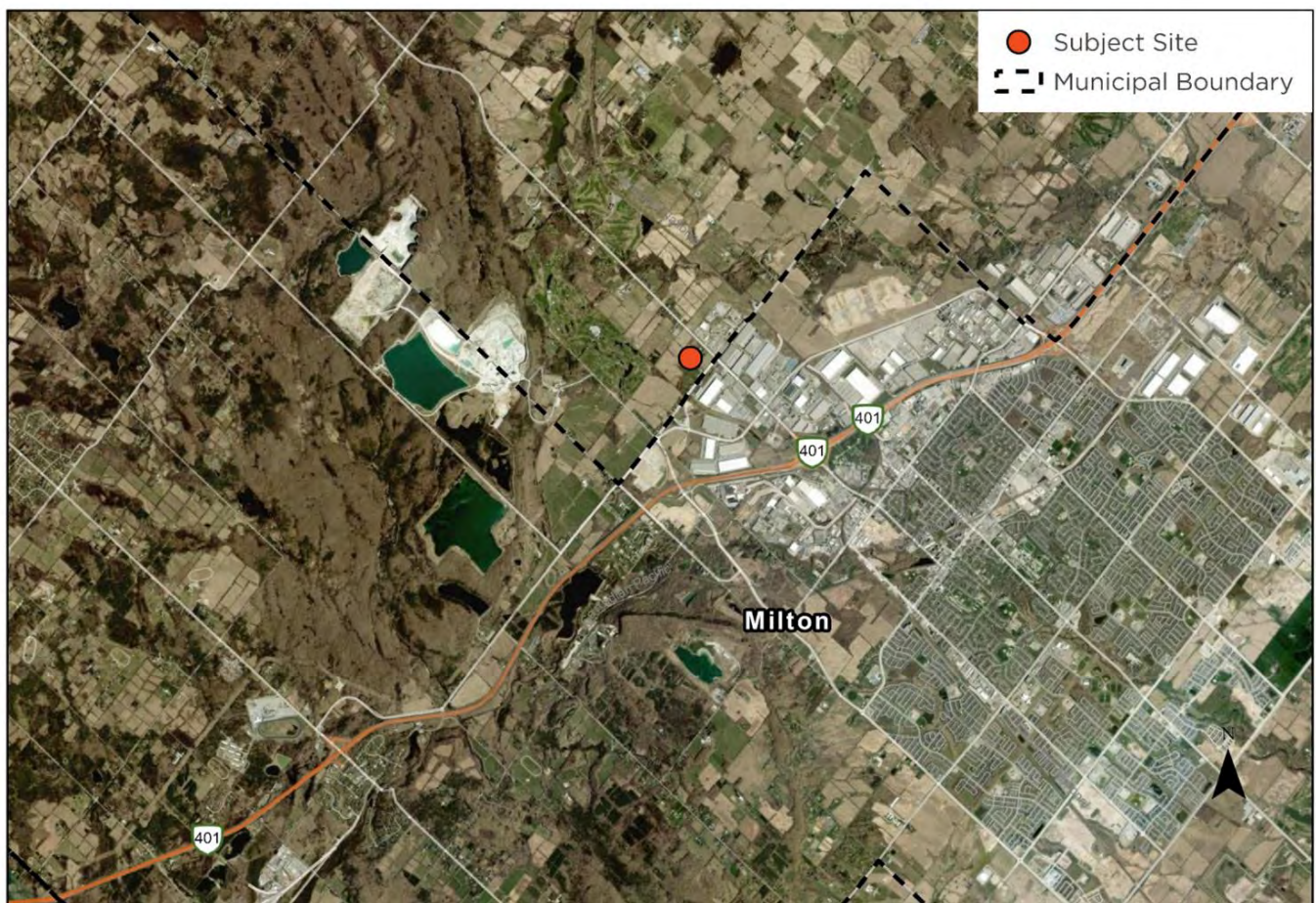
East – To the east, the site borders agricultural lands containing private residences. Further east of these lands, 5 Side Road forms the municipal boundary with Milton,

beyond which Business Park and General Industrial designations apply. This section of Milton is home to many large industrial buildings.

South – The lands south of the subject site within Halton Hills are designated for Agricultural uses and contain a driving range along with private residences primarily fronting onto 5 Side Road. Beyond 5 Side Road in Milton, additional Business Parks and General Industrial lands are located.

West – Agricultural lands border the site to the west, transitioning to Open Space (OS4) conservation zones, two golf clubs, and ultimately to a mineral aggregate operation across the municipal boundary within Milton.

Figure 4: Subject Site Location



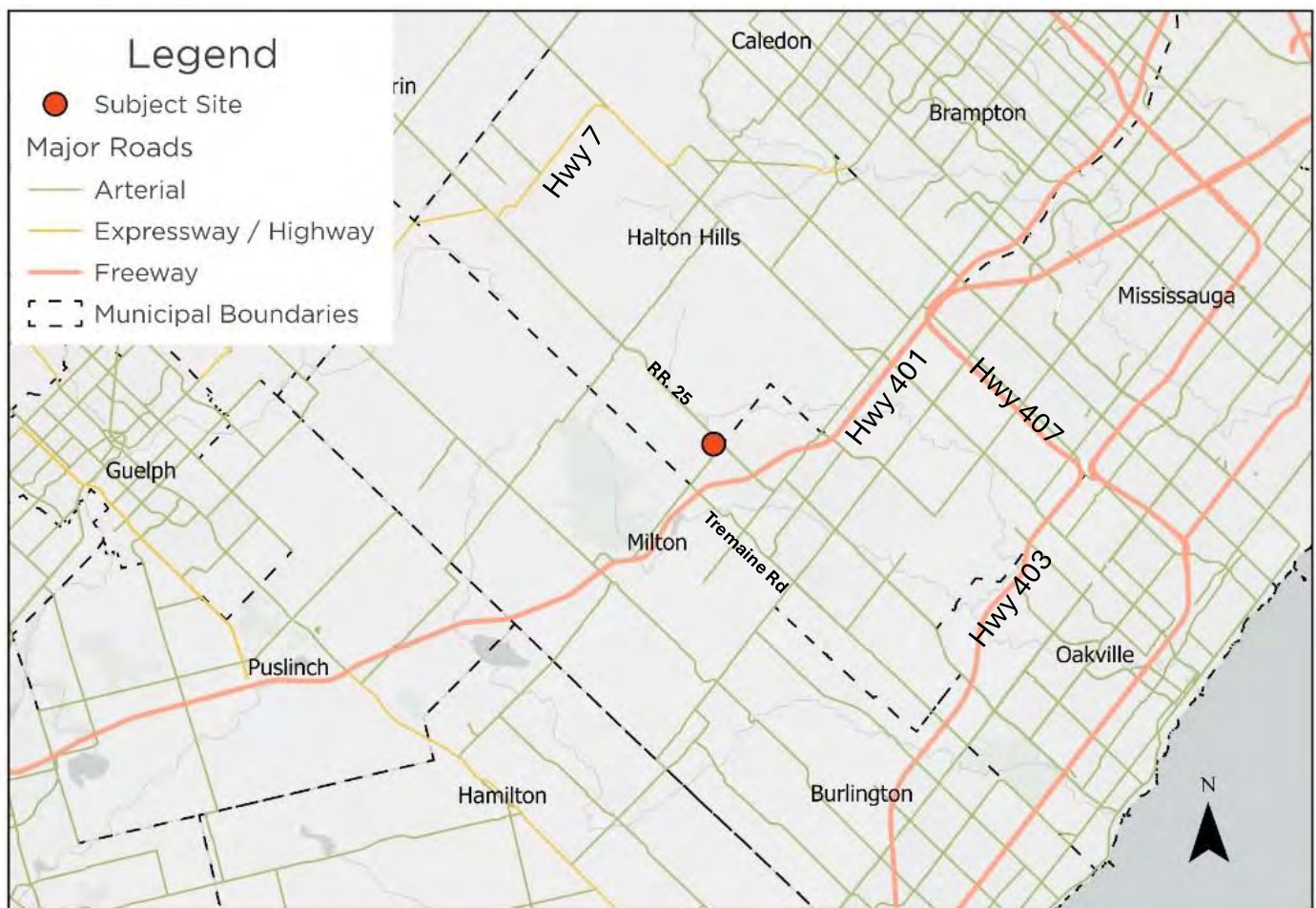
SOURCE: urbanMetrics Inc. with imagery from ESRI & MAXAR

2.2 Transportation Network

The Subject Site is located at the intersection of Regional Road 25 and Fifth Side Road, approximately 2 kilometres north of Highway 401. Regional Road 25 is an arterial road connecting the community of Acton to Highway 401. Fifth Side Road is a rural collector road that runs east-west and connects the more rural parts of Halton Hills with Milton, including the small hamlets of Campbellville, Mansewood, and Boston.

Highway 401 access is provided by an interchange located approximately 2 kilometres to the south with Regional Road 25, as well as through a new interchange with Tremaine Road, approximately 1.89 kilometres to the southwest.

Figure 5: Subject Site & Transportation Network



SOURCE: urbanMetrics Inc. with imagery via MAXAR & ESRI

In straight line distance, the Subject Site is approximately 12 kilometres from the community of Georgetown, 14 kilometres from Acton, and 3.5 kilometres from the bulk of the residential areas of Milton. Via Highway 401, the site is 10 kilometres from the 401/407 interchange and 30 kilometres from the 401/427 interchange.

The site's proximity to the highway system connects it to the broader regional commercial markets, while its location between Milton, Acton, and Georgetown provides excellent access to significant commercial demand from the main residential areas in Halton Hills and Milton.

2.3 Site Plan Considerations

The location of the Subject Site, the nature of its likely commercial tenants, and the orientation of entrances and circulation throughout the site align with this predominantly auto-supportive form of commercial development.

There is a limited residential population in the surrounding area to support direct population-related convenience commercial uses, with the majority of the residential population located south of Highway 401 in Milton, who are unlikely to travel across Highway 401 and past other commercial plazas and shopping centres to visit the Subject Site for smaller commercial convenience purchases.

As a result, customers will be drawn primarily from two categories. Firstly, large-format General Merchandise retailers act as regional draws, attracting visitors from across the western GTA. In addition, smaller retail and service commercial uses support employees on the site, employees in the nearby employment areas, pass by traffic travelling along Regional Road 25 and 5th Side Road, and visitors brought to the site by the large-format General Merchandise anchor.

3 Market Area

3.1 Market Area Delineation

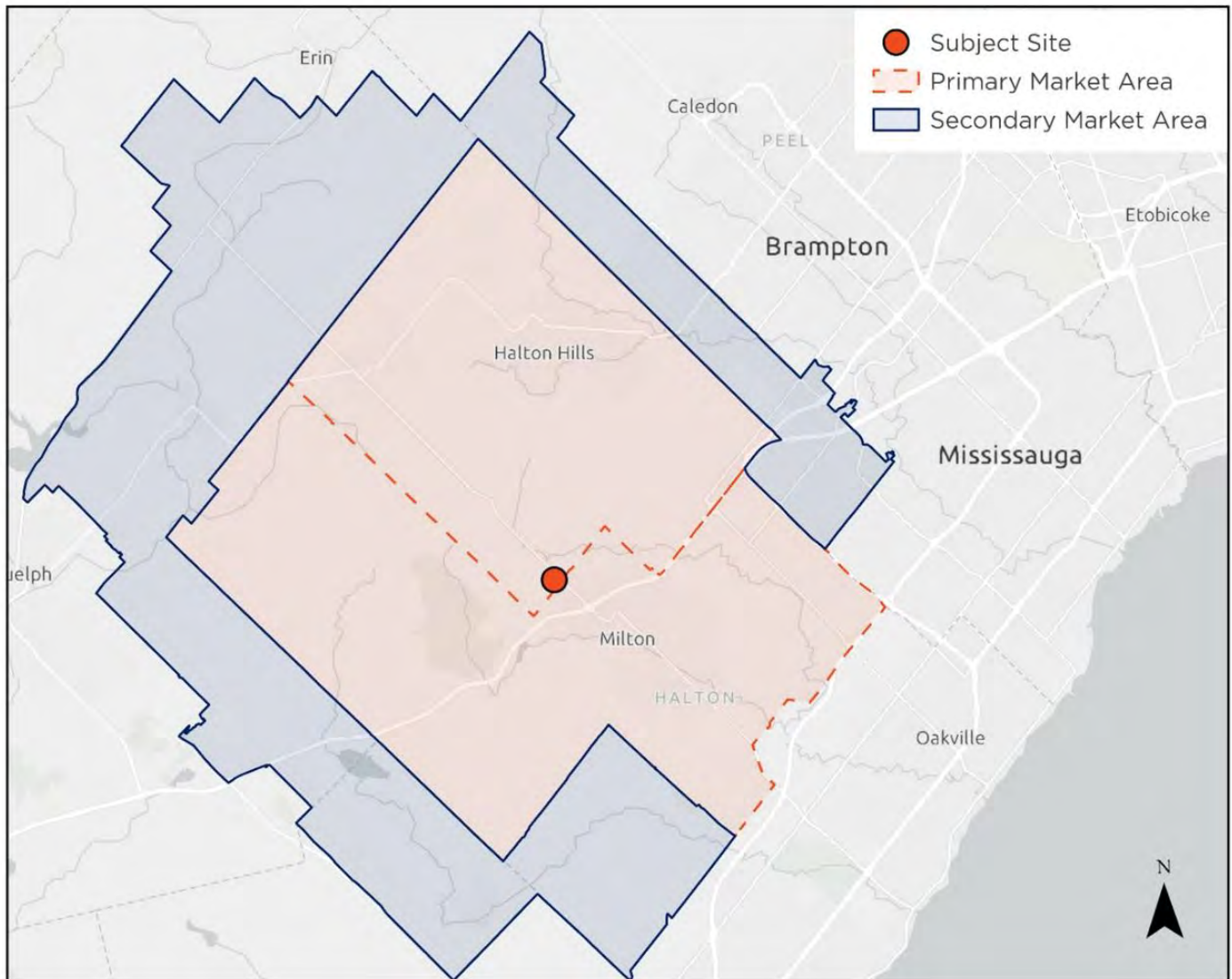
We have defined a Primary Market Area and a Secondary Market Area based on the following criteria:

- Available information and the geographic boundaries of Statistics Canada Dissemination Areas
- An analysis of 20, 30, and 45-minute drive times from the Subject Site
- The population and level of expenditure necessary to support the existing retailers within the area, achieving, at a minimum, their national average level of sales per square foot.
- Our experience with the regional-serving nature of large-format General Merchandise retailers.

After considering the above-noted factors and using our professional judgement, we defined a Market Area consisting of a Primary Area aligned with the boundaries of the Town of Halton and the Town of Milton.

The Secondary Market Area is delineated to include the outlying parts of Halton, Peel, and Wellington Counties located between more densely populated urban centres, where residents have multiple options for accessing large-format General Merchandise retailers. The delineated Market Area used in our analysis is shown in Figure 6 below.

Figure 6: Market Areas Map



SOURCE: urbanMetrics Inc.

3.2 Current Population

To evaluate the size of the market for retail and commercial services within the Market Area we have estimated the 2025 population using census population figures from 2021 and increased these figures to current levels by applying population per unit (“PPU”) estimates to the number of completed housing units within the Market Area as tracked by CMHC and Altus Data Studio.

These estimates are shown in Figure 7. CMHC identified approximately 4,489 unit completions between 2021 and 2025, with 4,289 completions in the Primary Market Area and 200 in the Secondary Market Area.

To estimate the new population associated with these completions, we applied the persons per unit (“PPU”) ratios from the municipality in which the development was completed¹. In total, the Market Area is estimated to have grown by about 12,500 residents between the 2021 census and mid-2025, with 11,900 in the Primary Market Area and 600 in the Secondary Market Area.

Figure 7: 2021 Census and 2025 Population Estimate

Area	2021 Census Population	CMHC Unit Completions	Residents in New Development	2025 Population Estimate
Primary Market Area	202,000	4,289	11,900	213,900
Halton Hills	64,900	715	1,900	66,800
Milton	137,100	3,574	10,000	147,100
Secondary Market Area	110,500	200	600	111,100
Total	312,500	4,489	12,500	325,000

SOURCE: urbanMetrics Inc. from Statistic Canada 2021 Census Profiles, Development Information Unit completions from CMHC Housing Data Portal and Altus Data Studio, and DCBS prepared by relevant municipalities. Census population is adjusted for under-coverage. Numbers may not add due to rounding.

3.3 Population Growth

The 2025 estimated population is then projected forward to 2037 using a similar approach to the 2025 estimate. The Primary Market Area and Secondary Market Area are treated distinctly. In the Primary Area, Development applications tracked by the Town of Halton Hills and Town of Milton were classified as either “Short Term”, “Medium Term”, or “Long Term” based on their current status, the type and scale of development, and current economic and market conditions.

As shown in Figure 8, 2,738 units are considered likely to develop in the short term, 18,566 in the medium term, and 44,750 in the long term. It should be noted that the long-term classification includes Secondary Plan Areas (“SPAs”), where the exact unit count may change as the plan progresses. The unit counts and population for

¹ Includes the Town of Halton Hills, the Town of Milton, the City of Hamilton, the City of Brampton, and Guelph Eramosa Township.

these SPAs are based on the planning documents that inform the development of the Secondary Plans.

Figure 8: Primary Market Area Population Growth

Primary Market Area Municipality	Unit Pipeline			New Residents		
	Short Term	Medium Term	Long Term	Short Term	Medium Term	Long Term
Halton Hills	1,500	5,268	0	3,805	10,388	0
Milton	1,238	13,298	44,750	2,233	20,686	89,500
Total	2,738	18,566	44,750	6,000	31,100	89,500

SOURCE: urbanMetrics Inc. from development application information and Secondary Plan processes provided by the Town of Halton Hills and Town of Milton. Accessed August 2025. Residential population estimated by multiplying units by the persons per unit ratio in each municipality's DCBS. Numbers may not add due to rounding.

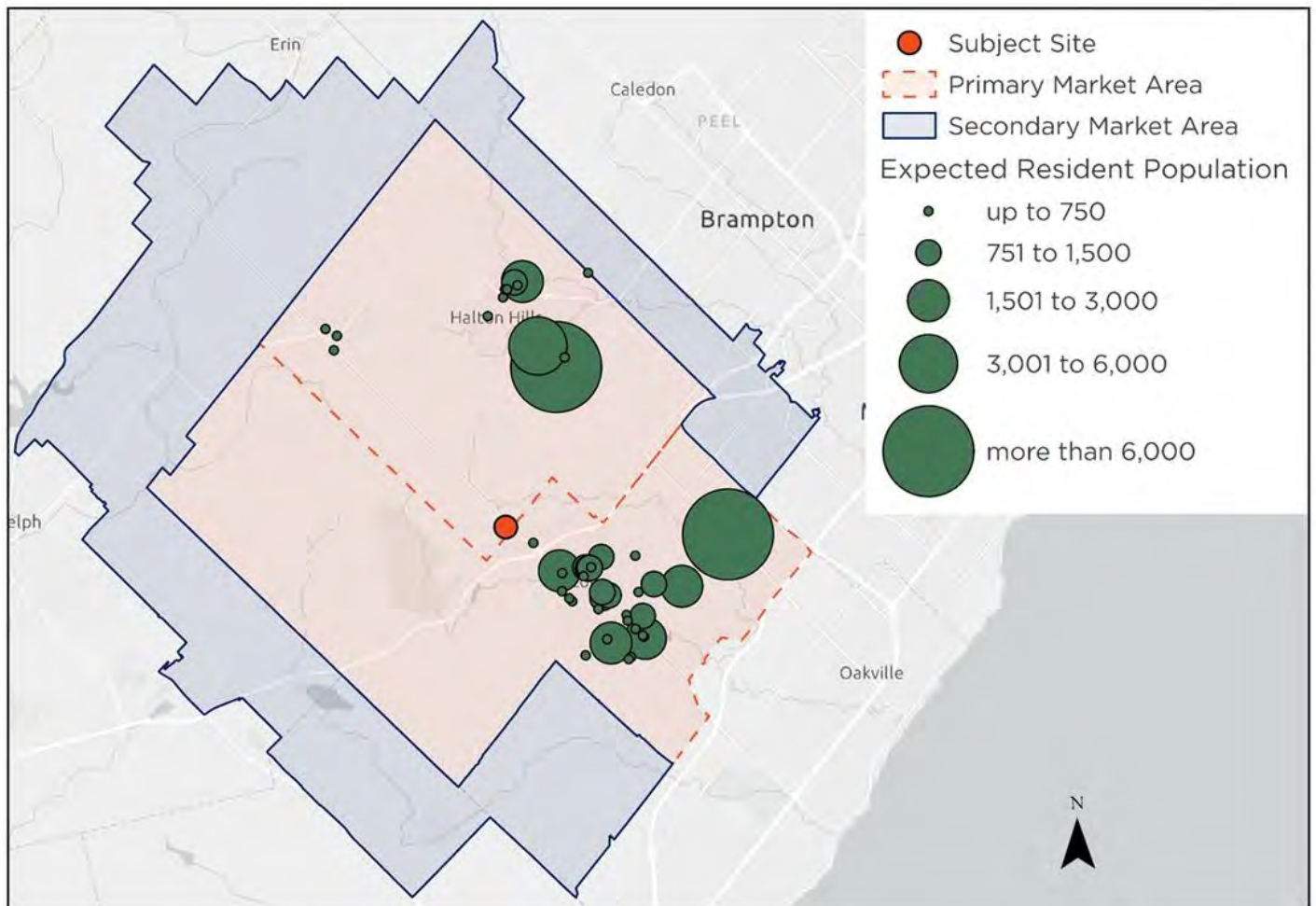
In total, we estimate that the population of the Primary Market Area will increase by some 6,000 people in the short term, assumed to be by the end of 2028, 37,100 people in the medium term, considered to be the end of 2034, and a total of 126,600 people in the long-term, which is assumed to be from 2034 and beyond, considering the quantity of development that will need to be realized to achieve these totals.

We have conservatively assumed that only 25% of the long-term unit pipeline will be realized by 2037, meaning that of the 89,500 new residents expected to move into the Primary Market Area over the long-term, only 22,400 are factored into the demand calculations herein. The remaining 67,100 residents are assumed to move into the area after 2037.

In total the Primary Market Area is projected to grow by:

- 6,000 residents by 2028
- 37,100 residents by 2034, reflecting additional growth of 31,100 residents between 2028 and 2034
- 59,300 residents by 2037, reflecting the realization of a significant proportion of the residential development pipeline in the 2034-2037 period and driving an increase of 22,300 residents between 2034 and 2037.

Figure 9: Active Residential Development Applications



SOURCE: Town of Halton Hills and Town of Milton Development Application Websites.

Geographically, residential development is concentrated on the edge of the existing built-up area in Milton and Georgetown, with some infill development also occurring in Acton, Milton, and Georgetown (Figure 9). As the Subject Site is located on the boundary of an existing Employment Area, there is no residential development activity proximate to the Subject Site. As a result, regardless of population growth, the commercial uses on the Subject Site will be expected to serve as a commercial destination, as well as meeting the convenience needs of drive-by travellers, and employees throughout the Employment Area.

Areas within the Secondary Market Area are assumed to increase by the average projected growth of their municipalities, with the Secondary Market Area as a whole increasing by the blended average of all constituent municipalities, based on

their current share of the total Secondary Market Area population. As shown in Figure 10, this blended average growth is forecast at approximately 1.2% per year.

Figure 10: Projected Market Area Population

	<i>Base Year</i>				
	2025	2028	2031	2034	2037
Primary Market Area					
Population	213,900	219,900	235,400	250,900	273,200
Annual Growth Rate		0.9%	2.2%	2.1%	2.8%
Secondary Market Area					
Population	111,100	115,100	119,300	123,600	128,100
Annual Growth Rate		1.2%	1.2%	1.2%	1.2%
TOTAL					
Population	325,000	335,000	354,700	374,500	401,300
Annual Increase		3,400	6,500	6,600	9,000
Annual Growth		1.0%	1.9%	1.8%	2.3%
Average Annual Growth		1.0%	1.5%	1.6%	1.8%

SOURCE: urbanMetrics Inc. from development application information highlighted in Figure 8 and population projections in the Hamilton, Mississauga, Burlington, and Wellington County Development Charges Background Studies.

In total, the Primary Market Area is estimated to increase by 59,300 residents from a 2025 base year population of 213,900 to 273,200, while the Secondary Market Area is estimated to increase by 17,000 from 111,100 to 128,100.

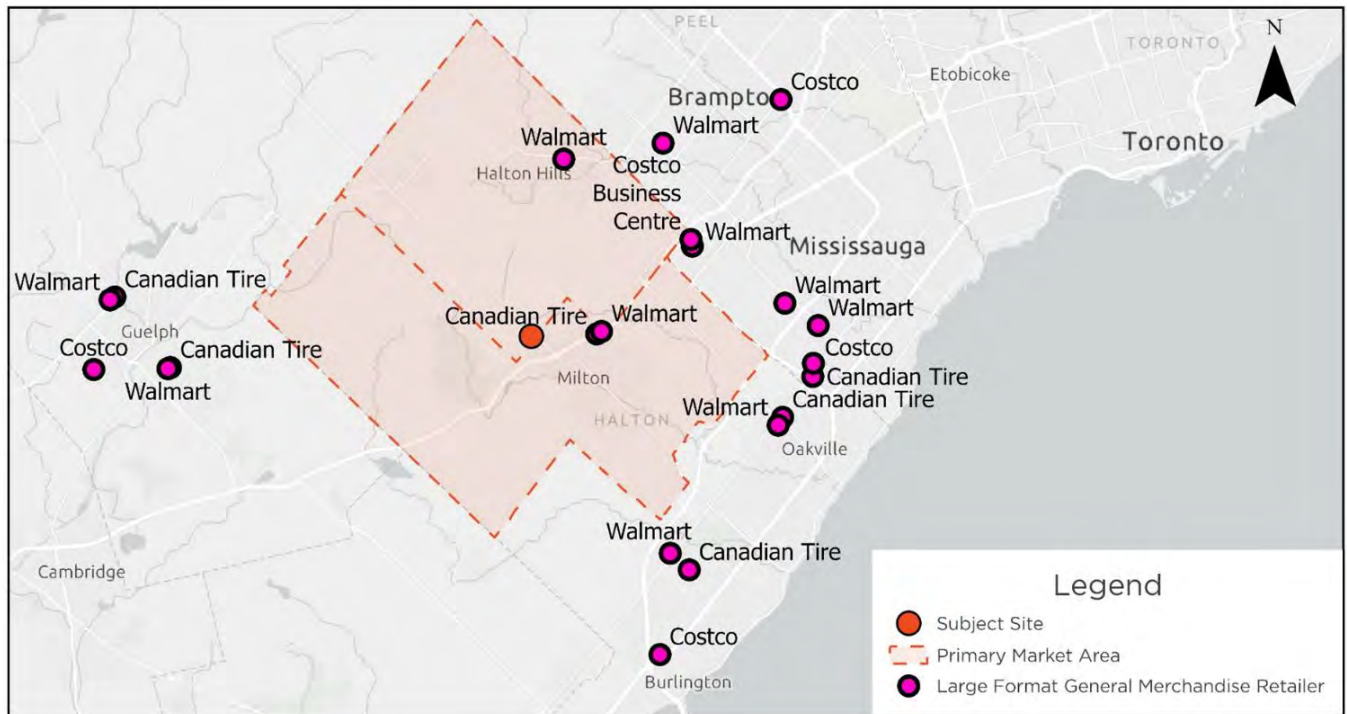
4 Supply Analysis

4.1 Inventory of Existing Facilities

Our inventory of existing commercial properties includes those that likely to compete with the type of uses included in the proposed development. In general, this includes other large-format General Merchandise retailers and other auto-oriented retail/service commercial businesses primarily oriented towards meeting the needs of travellers and employees.

Our inventory of the Market Area and periphery identified twenty large-format General Merchandise retailers (Figure 11). The largest concentrations of these retailers are in south-west Mississauga, Oakville, Burlington, and Guelph, with additional facilities in Brampton. There are currently three large merchandise locations in the Primary Market Area, two Walmart locations and one Canadian Tire.

Figure 11: Market Area Large Format GM Retailers

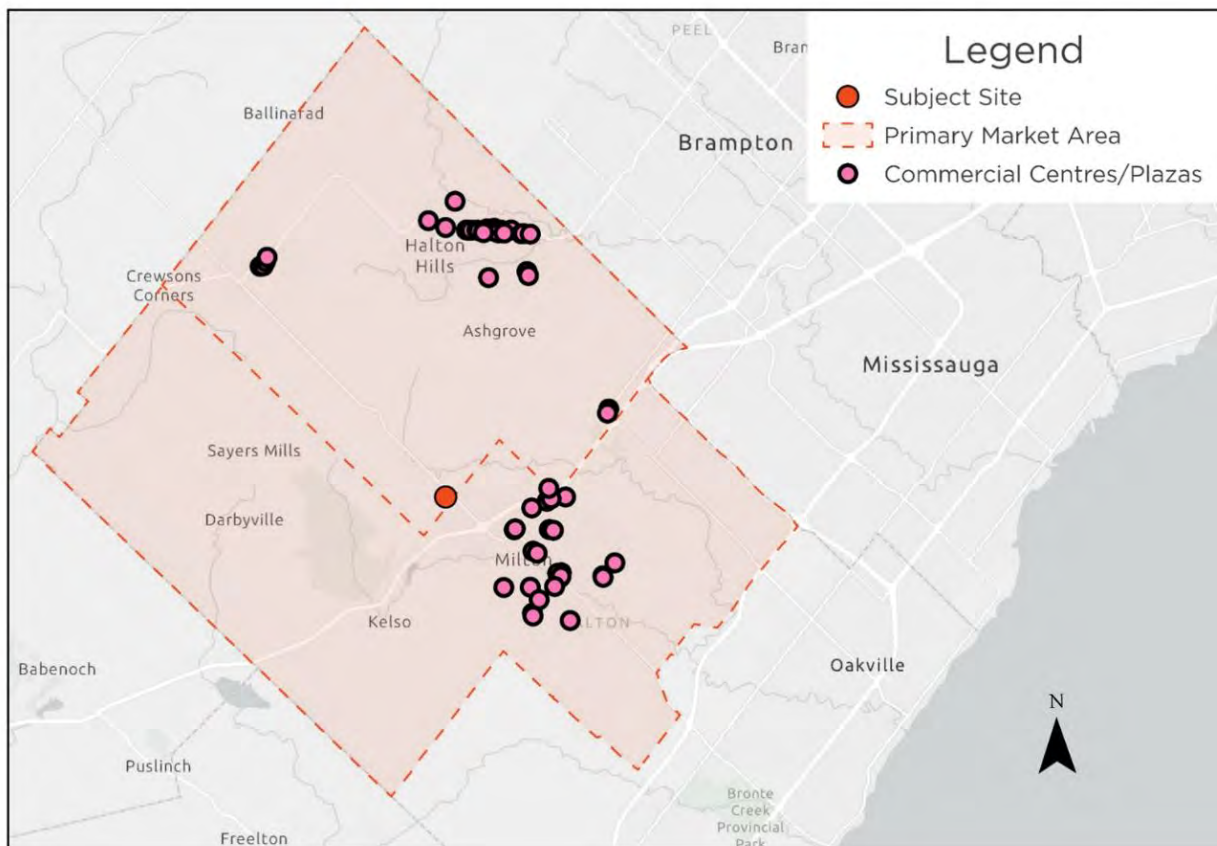


SOURCE: urbanMetrics Inc. with imagery from MAXAR & ESRI

More notable than the three locations within the Primary Market Area is the significant distribution of major GM retailers outside. Many large GM retailers are spread throughout the Secondary Area identified in Figure 10. With the distribution of these competitive locations on the periphery of the Primary Area, it is likely that a significant proportion of expenditures from Primary Area residents are occurring outside of the Primary Area. These expenditures occurring outside the Market Area (“leakages”) offer a competitive opportunity to add another large-format General Merchandise retailer.

In addition to accommodating a large GM retailer, the proposed development will include a variety of smaller units, comprising more locally serving retail and service commercial units. These auto-oriented commercial uses would cater to the needs of pass-by traffic, employees in the nearby employment area (including on-site employees), and the supplementary commercial needs of visitors drawn to the large-format anchor on the property.

Figure 12: Market Area Commercial Centres/Plazas



SOURCE: urbanMetrics Inc. with data from CoStar Group

We have identified fifty-nine multi-tenant commercial plazas with surface parking throughout the Primary Market Area (Figure 12). These properties range from traditional strip plazas of some 40,000 square feet to Power Centres of 300,000-plus square feet and include Neighbourhood and Community-scale plazas of intermediate size. As shown in Figure 12, these plazas are generally located in the established residential areas of Halton Hills and Milton, with some newer development oriented within the Highway 401 corridor.

As shown, there are no similar developments in the vicinity of the Subject Site, with the existing employment area and traffic travelling along Regional Road 25 and Fifth Side Road primarily being served by smaller standalone commercial units. The nearest concentration of commercial uses, which are generally standalone properties, is located along Regional Road 25 (Martin Street) south of Highway 401 between Chisholm Drive and Steeles Avenue East.

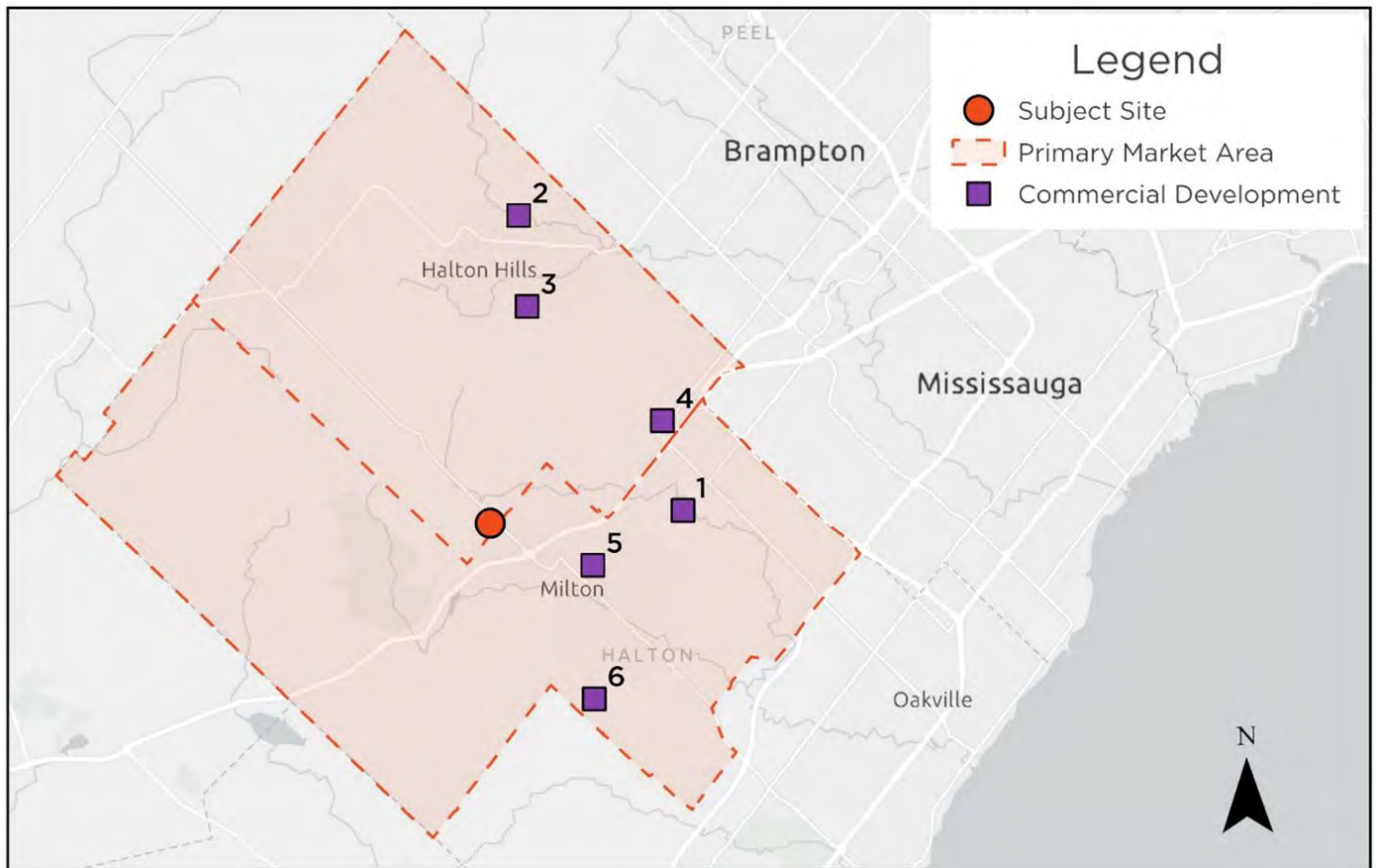
4.2 Proposed Developments

Our review of currently active commercial development applications identified six relevant developments, shown in Figure 13. These developments are spread throughout the Primary Market Area and include a range of commercial uses. These developments are all preliminary in nature and do not have exact commercial gross floor area estimates.

1. 11801 Derry Road - Proposed four-building commercial/industrial development
2. 99 River Drive – Proposed hotel and various commercial units
3. Trafalgar Road – Draft Plan of Subdivision for a complete community including live/work and mixed-use blocks
4. 8079 Eighth Line – Proposed Premier Gateway Entertainment Complex including a waterpark, hotel, convention centre, spa, restaurants, etc.
5. 700-706 Tremaine Road – Proposed multi-tower high-density mixed-use and commercial development intensifying the area near the Milton GO Station
6. Tremaine & Louis St. Laurent – Planned Milton Education Village included significant commercial and institutional uses alongside a variety of residential uses.

The location of these proposed developments is shown in Figure 13 on the next page.

Figure 13: Commercial Development Pipeline



SOURCE: Town of Milton & Town of Halton Hills Development Application

The proposed commercial developments identified in our inventory are not expected to be directly competitive with the proposed development as they are not located in the same local area to compete for pass by traffic to support smaller commercial tenants and do not seem to propose a similar large-format retail space, to compete with the major GM retail space proposed on the Subject Site.

5 Expenditure Potential

5.1 Population & Income

To evaluate the potential market for commercial uses in the proposed development and the possible impacts of this space on existing commercial outlets in the Primary Market Area, we have analyzed 2021 Census income data for residents in the Primary and Secondary Market Areas.

The Primary Market Area, including Halton Hills and Milton, reported average per capita incomes of \$40,842, some 91% of the Ontario average of \$44,747. The Secondary Market Area, comprised of a variety of parts of surrounding municipalities, had an estimated average per capita income of \$55,382, some 24% above the Ontario average (Figure 14). These incomes and their relationship to the provincial average are used to project expenditure levels across different retail categories, which generally change relative to income.

Figure 14: Market Area per Capita Incomes - 2021 Census

	Primary Market Area	Secondary Market Area	Ontario
Average Income per Capita	\$40,842	\$55,382	\$44,747
Index Relative to Province	0.91	1.24	1.00

SOURCE: urbanMetrics Inc. using data from 2021 Statistics Canada Census Profiles

Figure 15 shows the average distribution of per capita expenditures across select retail categories in Ontario. These categories are based on the North America Industry Classification System (“NAICS”). Service categories are typically not evaluated using expenditures, as performance levels and fluctuations in revenue per square foot make this analysis difficult to apply to service categories.

The expenditure figures shown have been adjusted downward by 6% to reflect the ongoing penetration of e-commerce into the retail market. Data from Statistics Canada at the national level for 2024 showed that e-commerce accounted for 4%-

8% of expenditures across all categories. We have made the simplifying assumption of 6% and evenly applied it across all categories.

It should be further noted that the “Other” category shown includes a variety of retail categories, including Furniture & Home Furnishings, Building Material & Garden Equipment & Supplies, Clothing & Clothing Accessories, Sporting Goods & Hobby & Book & Music, Electronics & Appliance Stores, and Motor Vehicle & Auto Parts. These categories have been grouped to focus the analysis on the General Merchandise category and other categories likely to be located on the Subject Site.

Figure 15: Provincial Average Base Year Per Capita Expenditures

<i>Dollars</i>		
Province of Ontario		
Food Store Retail (FSR)	\$ 3,224	28.5%
Supermarkets & Grocery Stores	\$ 2,215	68.7%
Convenience & Specialty Food Stores	\$ 414	12.8%
Beer, Wine and Liquor Stores	\$ 595	18.5%
Selected Non-Food Store Retail (NFSR)	\$ 8,106	71.5%
General Merchandise	\$ 2,500	30.8%
Health & Personal Care Stores	\$ 1,402	17.3%
Miscellaneous Retailers	\$ 973	12.0%
Other	\$ 3,230	39.9%
Total Retail Expenditures	\$ 11,330	100.0%

SOURCE: urbanMetrics Inc. from Statistics Canada Table 11-10-0223-01, 36-10-0588-01

The focus of our expenditure analysis is on the General Merchandise category. This focus is due to limited information as to the type and scale of the other commercial retail and service uses that may locate in the proposed development. In addition, the proposed smaller retail and service units together only account for some 51,950 square feet of commercial space, an amount that is not significant enough to have any measurable impacts on the performance levels of existing stores in the existing and future other local commercial areas.

As shown in Figure 15, the Ontario per capita average expenditure in 2024 was \$3,224 on Food Store Retail and \$8,106 on Non-Food Retail, with some \$2,500 of this Non-Food spending attributed to the General Merchandise category.

The General Merchandise category (NAICS 452) includes retailers such as Walmart, Canadian Tire, Costco, Giant Tiger, Winners, Marshalls, HomeSense, a variety of dollar store brands, and other stores that are “primarily engaged in retailing a

general line of merchandise that may, or may not, include a general line of grocery items²”.

To translate provincial average per capita expenditures into averages for the Primary and Secondary Market Areas, we have applied a regression analysis comparing spending across five income levels corresponding to five quintiles, or five equal groups into which the population can be divided according to its distribution of values. These correspond with the 20% of the population with the lowest income, the 20% with the highest income, and the three groups in between.

The resulting analysis provides regression equations used to estimate an individual's likely expenditure based on their income relative to the provincial average. As shown in Figure 16, the Primary Market Area is estimated to average FSR expenditures of \$3,237 per capita and NFSR expenditures of \$8,025 per capita, with General Merchandise accounting for \$2,475 of NFSR spending.

The Secondary Market Area is estimated to average FSR expenditures of \$3,147 per capita and NFSR expenditures of \$8,227 per capita, with \$2,538 of NFSR spending in the General Merchandise Category.

Figure 16: Market Area Base Year Per Capita Expenditures

<i>Dollars</i>			<i>Dollars</i>		
Primary Market Area			Secondary Market Area		
Food Store Retail (FSR)	\$ 3,237	28.7%	Food Store Retail (FSR)	\$ 3,147	27.7%
Supermarket & Grocery	\$ 2,223	68.7%	Supermarket & Grocery	\$ 2,161	68.7%
Convenience & Specialty Food	\$ 416	12.8%	Convenience & Specialty Food	\$ 404	12.8%
Beer, Wine and Liquor Stores	\$ 598	18.5%	Beer, Wine and Liquor Stores	\$ 581	18.5%
Selected Non-Food Store Retail (NFSR)	\$ 8,025	71.3%	Selected Non-Food Store Retail (NFSR)	\$ 8,227	72.3%
General Merchandise	\$ 2,475	30.8%	General Merchandise	\$ 2,538	30.8%
Health & Personal Care Stores	\$ 1,388	17.3%	Health & Personal Care Stores	\$ 1,423	17.3%
Miscellaneous Retailers	\$ 964	12.0%	Miscellaneous Retailers	\$ 988	12.0%
Other	\$ 3,198	39.9%	Other	\$ 3,279	39.9%
Total Retail Expenditures	\$ 11,262	100.0%	Total Retail Expenditures	\$ 11,374	100.0%

SOURCE: urbanMetrics Inc. from Statistics Canada Table 11-10-0223-01, 36-10-0588-01

It should be noted that typically, expenditures increase with income. However, post-COVID, a trend emerged whereby as incomes increased, individuals reduced spending on food store purchases (grocery, convenience, etc.) and increased spending on food services (food delivery and restaurants). As a result, the

²<https://www23.statcan.gc.ca/imdb/p3VD.pl?Function=getVD&TVD=1181553&CVD=1181576&CPV=452&CST=01012017&CLV=2&MLV=5>

regression equation for FSR is negative, meaning that as incomes rise, expenditures in the FSR category decline and are replaced by expenditures on food services that are not directly included in this analysis.

5.2 Expenditure Potential by Category

Using these estimated per capita expenditures for the population living in the Primary Market Area, these 213,900 residents generate an estimated \$2,408.8 million in total spending in 2025, shown in Figure 17. These expenditures comprise \$692.4 million in the FSR and \$1,716.4 million in the NFSR categories. General Merchandise accounts for \$529.4 million.

As shown in Figure 17, total expenditures are projected to increase by \$904.9 million to \$3,313.7 million by 2037. FSR expenditures are expected to increase by \$260.0 million to \$952.4 million, NFSR expenditures by \$644.9 million to \$2,361.3 million, and, as a portion of this, expenditures in the General Merchandise category are expected to increase by \$198.9 million to \$728.3 million.

Figure 17: Primary Market Area Expenditure Potential by Category

2024 Dollars	2025	2028	2031	2034	2037
Population	213,900	219,900	235,400	250,900	273,200
Total Retail Expenditure Potential (\$Millions)	\$ 2,408.8	\$ 2,495.0	\$ 2,710.9	\$ 2,954.3	\$ 3,313.7
FSR	\$ 692.4	\$ 717.1	\$ 779.2	\$ 849.0	\$ 952.4
NFSR	\$ 1,716.4	\$ 1,777.9	\$ 1,931.7	\$ 2,105.3	\$ 2,361.3
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
Food Store Retail (\$Millions)	\$ 692.4	\$ 717.2	\$ 779.2	\$ 849.0	\$ 952.4
Supermarkets & Grocery Stores (\$Millions)	\$ 475.6	\$ 492.6	\$ 535.2	\$ 583.2	\$ 654.2
Convenience & Specialty Food Stores (\$Millions)	\$ 88.9	\$ 92.1	\$ 100.1	\$ 109.1	\$ 122.3
Beer, Wine and Liquor Stores (\$Millions)	\$ 127.9	\$ 132.4	\$ 143.9	\$ 156.8	\$ 175.9
Non-Food Store Retail (\$Millions)	\$ 1,716.4	\$ 1,777.9	\$ 1,931.7	\$ 2,105.3	\$ 2,361.3
General Merchandise (\$Millions)	\$ 529.4	\$ 548.4	\$ 595.8	\$ 649.4	\$ 728.3
Health & Personal Care Stores (\$Millions)	\$ 296.8	\$ 307.4	\$ 334.0	\$ 364.1	\$ 408.3
Miscellaneous Retailers (\$Millions)	\$ 206.1	\$ 213.5	\$ 232.0	\$ 252.8	\$ 283.6
Other (\$Millions)	\$ 684.1	\$ 708.6	\$ 769.9	\$ 839.0	\$ 941.1
TOTAL (\$Millions)	\$ 2,408.8	\$ 2,495.1	\$ 2,710.9	\$ 2,954.3	\$ 3,313.7
Cumulative Growth in Expenditures:					
TOTAL RETAIL EXPENDITURES		\$ 86.3	\$ 302.1	\$ 545.5	\$ 904.9
Food Store Retail (\$Millions)		\$ 24.8	\$ 86.8	\$ 156.6	\$ 260.0
Supermarkets & Grocery Stores (\$Millions)		\$ 17.0	\$ 59.6	\$ 107.6	\$ 178.6
Convenience & Specialty Food Stores (\$Millions)		\$ 3.2	\$ 11.2	\$ 20.1	\$ 33.4
Beer, Wine and Liquor Stores (\$Millions)		\$ 4.6	\$ 16.0	\$ 28.9	\$ 48.0
Non-Food Store Retail (\$Millions)		\$ 61.5	\$ 215.3	\$ 388.9	\$ 644.9
General Merchandise (\$Millions)		\$ 19.0	\$ 66.4	\$ 120.0	\$ 198.9
Health & Personal Care Stores (\$Millions)		\$ 10.6	\$ 37.2	\$ 67.3	\$ 111.5
Miscellaneous Retailers (\$Millions)		\$ 7.4	\$ 25.9	\$ 46.7	\$ 77.4
Other (\$Millions)		\$ 24.5	\$ 85.8	\$ 155.0	\$ 257.0

1) The base year percentage distributions are urbanmetrics estimates based on our review of the provincial distribution.

SOURCE: urbanMetrics Inc.

In the Secondary Market Area, the 111,100 residents generate an estimated \$1,251.1 million in total expenditures in 2025, as shown in Figure 18. These expenditures total \$359.6 million in the FSR and \$891.5 million in the NFSR. General Merchandise accounts for \$275.0 million.

As shown in Figure 18, total expenditures are projected to increase by \$302.7 million to \$1,553.8 million by 2037. FSR expenditures are expected to increase by \$87.0 million to \$446.6 million, NFSR expenditures by \$215.7 million to \$1,107.2 million, and expenditures in General Merchandise are expected to increase by \$66.5 million to \$341.5 million.

Figure 18: Secondary Market Area Expenditure Potential by Category

Dollars	2025	2028	2031	2034	2037
Population	111,100	115,100	119,300	123,600	128,100
Total Retail Expenditure Potential (\$Millions)	\$ 1,251.1	\$ 1,305.9	\$ 1,373.9	\$ 1,455.4	\$ 1,553.8
Food Stores	\$ 359.6	\$ 375.3	\$ 394.9	\$ 418.3	\$ 446.6
Non-Food Stores	\$ 891.5	\$ 930.6	\$ 979.0	\$ 1,037.1	\$ 1,107.2
Food Services & Drinking Places	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	100.0%	100.0%	100.0%	100.0%	100.0%
Food Store Retail (\$Millions)	\$ 359.6	\$ 375.3	\$ 394.9	\$ 418.3	\$ 446.6
Supermarkets & Grocery Stores (\$Millions)	\$ 247.0	\$ 257.8	\$ 271.3	\$ 287.3	\$ 306.8
Convenience & Specialty Food Stores (\$Millions)	\$ 46.2	\$ 48.2	\$ 50.7	\$ 53.7	\$ 57.4
Beer, Wine and Liquor Stores (\$Millions)	\$ 66.4	\$ 69.3	\$ 72.9	\$ 77.2	\$ 82.5
Non-Food Store Retail (\$Millions)	\$ 891.5	\$ 930.6	\$ 979.0	\$ 1,037.1	\$ 1,107.2
General Merchandise (\$Millions)	\$ 275.0	\$ 287.0	\$ 302.0	\$ 319.9	\$ 341.5
Health & Personal Care Stores (\$Millions)	\$ 154.2	\$ 160.9	\$ 169.3	\$ 179.3	\$ 191.5
Miscellaneous Retailers (\$Millions)	\$ 107.1	\$ 111.8	\$ 117.6	\$ 124.5	\$ 133.0
Other (\$Millions)	\$ 355.3	\$ 370.9	\$ 390.2	\$ 413.3	\$ 441.3
TOTAL (\$Millions)	\$ 1,251.1	\$ 1,305.9	\$ 1,373.9	\$ 1,455.4	\$ 1,553.8
Cumulative Growth in Expenditures:					
TOTAL RETAIL EXPENDITURES		\$ 54.8	\$ 122.8	\$ 204.3	\$ 302.7
Food Store Retail (\$Millions)		\$ 15.7	\$ 35.3	\$ 58.7	\$ 87.0
Supermarkets & Grocery Stores (\$Millions)		\$ 10.8	\$ 24.2	\$ 40.3	\$ 59.8
Convenience & Specialty Food Stores (\$Millions)		\$ 2.0	\$ 4.5	\$ 7.5	\$ 11.2
Beer, Wine and Liquor Stores (\$Millions)		\$ 2.9	\$ 6.5	\$ 10.8	\$ 16.1
Non-Food Store Retail (\$Millions)		\$ 39.1	\$ 87.5	\$ 145.6	\$ 215.7
General Merchandise (\$Millions)		\$ 12.1	\$ 27.0	\$ 44.9	\$ 66.5
Health & Personal Care Stores (\$Millions)		\$ 6.8	\$ 15.1	\$ 25.2	\$ 37.3
Miscellaneous Retailers (\$Millions)		\$ 4.7	\$ 10.5	\$ 17.5	\$ 25.9
Other (\$Millions)		\$ 15.6	\$ 34.9	\$ 58.0	\$ 86.0

1) The base year percentage distributions are urbanmetrics estimates based on our review of the provincial distribution.

SOURCE: urbanMetrics Inc.

The combined expenditure potential from the Primary and Secondary Market Areas is shown in Figure 19. As shown, total FSR expenditures in 2025 are estimated at \$1,052 million and are projected to increase to \$1,399.0 million by 2037. NFSR expenditures are estimated to grow from \$2,607.9 million to \$3,468.5 million by

2037. General Merchandise is expected to increase from \$804.4 million to almost \$1.1 billion in 2037. The gross expenditure potential of approximately \$3.6 million is expected to increase to roughly \$4.9 billion.

Figure 19: Total Market Area Expenditure Potential

Market Area Growth	2025 Expenditures (\$Millions)	2028 Expenditures (\$Millions)	2031 Expenditures (\$Millions)	2034 Expenditures (\$Millions)	2037 Expenditures (\$Millions)
Food Store Retail (FSR)	\$1,052.0	\$1,092.5	\$1,174.1	\$1,267.3	\$1,399.0
Supermarket & Grocery	\$722.6	\$750.4	\$806.5	\$870.5	\$961.0
Convenience & Specialty Food	\$135.1	\$140.3	\$150.8	\$162.8	\$179.7
Beer, Wine and Liquor Stores	\$194.3	\$201.7	\$216.8	\$234.0	\$258.3
Selected Non-Food Store Retail (NFSR)	\$2,607.9	\$2,708.5	\$2,910.7	\$3,142.4	\$3,468.5
General Merchandise	\$804.4	\$835.4	\$897.8	\$969.3	\$1,069.8
Health & Personal Care Stores	\$451.0	\$468.4	\$503.3	\$543.4	\$599.8
Miscellaneous Retailers	\$313.2	\$325.3	\$349.6	\$377.4	\$416.5
Other	\$1,039.4	\$1,079.4	\$1,160.0	\$1,252.4	\$1,382.3
Total	\$3,659.9	\$3,801.0	\$4,084.8	\$4,409.7	\$4,867.5

SOURCE: urbanMetrics Inc.

6 Market Opportunity

6.1 Expenditures in the Market Area

To estimate the actual market potential available within the Market Area, a capture rate is applied to the total expenditure of Market Area residents identified in Figure 19 based on the expected spending in each category that would occur within the geographic boundaries of the Primary Market Area. For example, in 2025, 62.5% of supermarket and grocery store expenditures made by residents of the Market Area as a whole are estimated to occur within the Primary Market Area. This percentage assumes the remaining 37.5% of spending in this category occurs in the Secondary Market Area, or outside of the Market Area altogether. These expenditures from Area residents that occur outside the area are referred to as “leakages”.

Figure 20: Resident Expenditures in the Market Area

Market Area Growth	2025		2028		2031		2034		2037	
	Capture Rate	Adjusted Expenditures (\$Millions)	Capture Rate	Adjusted Expenditures (\$Millions)	Capture Rate	Adjusted Expenditures (\$Millions)	Capture Rate	Adjusted Expenditures (\$Millions)	Capture Rate	Adjusted Expenditures (\$Millions)
Food Store Retail (FSR)		\$661.80		\$686.33		\$741.83		\$804.69		\$895.90
Supermarkets & Grocery Stores	62.5%	\$454.59	62.5%	\$471.46	62.5%	\$509.56	62.5%	\$552.74	65.0%	\$615.39
Convenience & Specialty Food Stores	62.5%	\$85.01	62.5%	\$88.16	62.5%	\$95.29	62.5%	\$103.37	65.0%	\$115.09
Beer, Wine and Liquor Stores	62.5%	\$122.20	62.5%	\$126.72	62.5%	\$136.98	62.5%	\$148.59	65.0%	\$165.43
Selected Non-Food Store Retail (NFSR)		\$1,587.63		\$1,764.16		\$1,906.39		\$2,068.06		\$2,301.44
General Merchandise	57.5%	\$453.08	70.0%	\$587.47	70.0%	\$634.58	70.0%	\$688.15	72.5%	\$765.35
Health & Personal Care Stores	62.5%	\$283.69	62.5%	\$294.23	62.5%	\$318.02	62.5%	\$345.05	65.0%	\$384.10
Miscellaneous Retailers	62.5%	\$197.02	62.5%	\$204.34	62.5%	\$220.86	62.5%	\$239.63	65.0%	\$266.75
Other	62.5%	\$653.83	62.5%	\$678.12	62.5%	\$732.94	62.5%	\$795.24	65.0%	\$885.24
Total		\$2,249		\$2,450		\$2,648		\$2,873		\$3,197

SOURCE: urbanMetrics Inc.

As shown in Figure 20, resident expenditures within the Market Area are estimated at a 2025 baseline of \$2,249 million that is projected to increase to \$3,197 million by 2037. General Merchandise expenditures are projected to grow from \$453.08 million to \$765.35 million. This increase in GM expenditures is driven by population growth and the assumption that with the introduction of another large-format GM retailer in the Primary Market Area, residents will spend a larger proportion of their GM expenditures within the Primary Market Area. This is reflected in the capture rate in the GM category increasing from 57.5% in 2025 to 72.5% in 2037.

6.2 Inflow

Total expenditure within a market area includes both the spending of market area residents that occurs within the area identified in Figure 20, as well as spending by residents of other areas during their visits to the area. This could include individuals who work in the area, visitors, tourists, or pass-through traffic.

Expenditures by non-residents are referred to as “in-flow” expenditures. The intensity of inflow, or the proportion of total market area expenditures, varies by location and retail category. For this analysis, inflow is assumed to be typical for a General Merchandise store locating in a southern Ontario market. It ranges between 8% and 15%, with higher inflow rates for General Merchandise stores to reflect the broader draw that large General Merchandise retailers such as Canadian Tire, Walmart, and Costco have. Additional information on inflow rates can be found in the Appendix.

As shown in Figure 21, an estimated \$251 million in inflow expenditures increases the available market from \$2,249 million to \$2,501 million. General Merchandise spending is estimated to increase by \$52 million from \$453 million to \$505 million.

By 2037, projected inflow expenditure of \$331 million is added to total resident spending of \$3,197 million, increasing the total retail market in the Primary Market Area to \$3,528 million. In the same period, General Merchandise inflow of \$120 million adds to resident expenditures of \$765 million for a total GM market potential of \$885 million.

Figure 21: Resident & Inflow Expenditures

Market Area Expenditures (\$Millions)	2025			2028			2031			2034			2037		
	Resident	Inflow	Total	Resident	Inflow	Total	Resident	Inflow	Total	Resident	Inflow	Total	Resident	Inflow	Total
Food Store Retail (FSR)	\$662	\$74	\$735	\$686	\$76	\$763	\$742	\$82	\$824	\$805	\$80	\$884	\$896	\$78	\$974
Supermarkets & Grocery Stores	\$455	\$51	\$505	\$471	\$52	\$524	\$510	\$57	\$566	\$553	\$55	\$607	\$615	\$54	\$669
Convenience & Specialty Food Stores	\$85	\$9	\$94	\$88	\$10	\$98	\$95	\$11	\$106	\$103	\$10	\$114	\$115	\$10	\$125
Beer, Wine and Liquor Stores	\$122	\$14	\$136	\$127	\$14	\$141	\$137	\$15	\$152	\$149	\$15	\$163	\$165	\$14	\$180
Selected Non-Food Store Retail (NFSR)	\$1,588	\$178	\$1,766	\$1,764	\$238	\$2,002	\$1,906	\$262	\$2,168	\$2,068	\$259	\$2,327	\$2,301	\$253	\$2,555
General Merchandise	\$453	\$52	\$505	\$587	\$108	\$695	\$635	\$120	\$755	\$688	\$122	\$811	\$765	\$120	\$885
Health & Personal Care Stores	\$284	\$32	\$315	\$294	\$33	\$327	\$318	\$35	\$353	\$345	\$34	\$379	\$384	\$33	\$417
Miscellaneous Retailers	\$197	\$22	\$219	\$204	\$23	\$227	\$221	\$25	\$245	\$240	\$24	\$263	\$267	\$23	\$290
Other	\$654	\$73	\$726	\$678	\$75	\$753	\$733	\$81	\$814	\$795	\$79	\$874	\$885	\$77	\$962
Total	\$2,249	\$251	\$2,501	\$2,450	\$315	\$2,765	\$2,648	\$344	\$2,992	\$2,873	\$338	\$3,211	\$3,197	\$331	\$3,528

SOURCE: urbanMetrics Inc. Numbers may not add due to rounding.

6.3 Residual Market Calculation

The residual market potential includes the total amount of expenditures available to support growth, including new entrants into the market and improvements in the sales performance of existing retailers. This total takes the total expenditure potential in (Figure 19), adjusts it based on capture rates (Figure 20), and adds estimated additional inflow expenditure from other market areas (Figure 21).

Figure 22 summarizes the incremental expenditure growth per period. As indicated, the overall retail market is projected to increase by \$262 million through 2028 and by more than \$1,019 million through 2037. The General Merchandise category is projected to increase by \$188 million by 2028 and \$371 million by 2037.

Figure 22: Incremental Market Growth Projections

Market Area Expenditures Including Inflow (\$Millions)	Total Baseline Expenditures	2028 Incremental Expenditure Growth	2031 Incremental Expenditure Growth	2034 Incremental Expenditure Growth	2037 Incremental Expenditure Growth
Food Store Retail (FSR)	\$735	\$27	\$89	\$149	\$238
Supermarkets & Grocery Stores	\$505	\$19	\$61	\$102	\$164
Convenience & Specialty Food Stores	\$94	\$3	\$11	\$19	\$31
Beer, Wine and Liquor Stores	\$136	\$5	\$16	\$28	\$44
Selected Non-Food Store Retail (NFSR)	\$1,764	\$235	\$396	\$562	\$780
General Merchandise	\$503	\$188	\$243	\$306	\$371
Health & Personal Care Stores	\$315	\$12	\$38	\$64	\$102
Miscellaneous Retailers	\$219	\$8	\$26	\$44	\$71
Other	\$726	\$27	\$88	\$147	\$236
Total	\$2,499	\$262	\$485	\$711	\$1,019

SOURCE: urbanMetrics Inc. (\$Millions). Numbers may not add due to rounding.

Notably, population and expenditure growth are projected to create market potential across a variety of categories, predominantly in Supermarkets & Grocery, General Merchandise, Health & Personal Care Stores, and the multiple categories captured in “Other”. This incremental market growth is sufficient to support new entrants in the General Merchandise category, such as the large-format retailer on the Subject Site, but also across multiple categories.

6.4 Sales Transfer Estimates

In addition to evaluating the market overall, we have conducted a sales transfer impact analysis to assess the potential impacts of introducing an additional 167,000-square-foot large-format GM retailer on existing GM retailers in the Primary Market Area.

This analysis uses sales-per-square-foot performance metrics to evaluate the potential impact of this change on the performance of two subcategories within the GM category – Large Format and Discount.

Large-format GM retailers include Walmart, Costco, and Canadian Tire, which together account for more than 60% of GM category sales nationally. As national leaders in the category, these brands' sales per square foot levels exceed those of other retailers and typically range from \$450 to more than \$2,000 per square foot. Discount GM retailers include dollar stores, Marshalls, Winners, HomeSense, and Giant Tiger, as well as smaller brands and independent stores. These retailers typically achieve performance levels of between \$200 and \$500 per square foot.

Figure 23 demonstrates the impact of introducing a large-format GM retailer on the Subject Site on the marketplace. In 2025, existing large-format retailers in the Market Area are assumed to be achieving a baseline performance level of approximately \$750 per square foot and discount retailers \$325 per square foot, in line with national averages.

In 2028, the approximately 167,000 square foot large-format GM retailer on the Subject Site is assumed to enter the market. To test a conservative (worst-case) scenario, we have used an elevated performance level of \$1,750 per square foot. This serves to stress-test the market and maximize the potential to identify negative impacts on existing retailers as part of a thorough study.

As shown, despite this significant increase in space at a performance level of \$1,750 per square foot, the short-term impacts of this new entrant are limited to a 10% decrease in sales per square foot at existing large-format GM retailers and a 7.7% decrease at discount GM retailers. While this reflects a loss of sales to the market entrant, it falls within the typically acceptable competitive range for an impact analysis, typically between 13% and 15%.

Figure 23: Market Area Sales Transfer Impacts by Category - Select Periods

2025	Market Area	Large-Format	Discount	Subject Site	Secondary Market Area
Market Area Expenditure Potential - GM (Adjusted)	\$453.1	\$226.5	\$34.0		\$192.6
Share of Total Market Expenditures	100%	50.0%	7.5%		42.5%
Inflow	10.0%	17.5%	10.0%		
Total Sales	\$504.9	\$274.6	\$37.8		\$192.6
Square Footage	484,700	367,500	117,200		
Baseline Sales per sq. ft.		\$750	\$325		

2028 (Assumed Subject Site Opening)	Market Area	Large-Format	Discount	Subject Site	Secondary Market Area
Market Area Expenditure Potential - GM (Adjusted)	\$587.5	\$220.3	\$32.3	\$220.3	\$114.6
Share of Total Market Expenditures	100%	37.5%	5.5%	37.5%	19.5%
Inflow	15.0%	12.5%	7.5%	25.0%	
Total Sales	\$695.0	\$251.8	\$34.9	\$293.7	\$114.6
Square Footage	651,700	367,500	117,200	167,000	
Sales per sq. ft.		\$675	\$300	\$1,750	
% Change Sales per sq. ft. from baseline		-10.0%	-7.7%	n/a	

2031	Market Area	Large-Format	Discount	Subject Site	Secondary Market Area
Market Area Expenditure Potential - GM (Adjusted)	\$634.6	\$238.0	\$34.9	\$253.8	\$107.9
Share of Total Market Expenditures	100%	37.5%	5.5%	40.0%	17.0%
Inflow	15.0%	12.5%	5.0%	25.0%	
Total Sales	\$755.0	\$272.0	\$36.7	\$338.4	\$107.9
Square Footage	651,700	367,500	117,200	167,000	
Sales per sq. ft.		\$750	\$325	\$2,025	
% Change Sales per sq. ft. from baseline		0.0%	0.0%	15.7%	

2034	Market Area	Large-Format	Discount	Subject Site	Secondary Market Area
Market Area Expenditure Potential - GM (Adjusted)	\$688.2	\$258.1	\$37.8	\$275.3	\$117.0
Share of Total Market Expenditures	100%	37.5%	5.5%	40.0%	17.0%
Inflow	15.0%	10.0%	5.0%	25.0%	
Total Sales	\$810.6	\$286.7	\$39.8	\$367.0	\$117.0
Square Footage	651,700	367,500	117,200	167,000	
Sales per sq. ft.		\$775	\$350	\$2,200	
% Change Sales per sq. ft. from baseline		3.3%	7.7%	25.7%	

2037	Market Area	Large-Format	Discount	Subject Site	Secondary Market Area
Market Area Expenditure Potential - GM (Adjusted)	\$765.4	\$306.1	\$42.1	\$287.0	\$130.1
Share of Total Market Expenditures	100%	40.0%	5.5%	37.5%	17.0%
Inflow	12.5%	10.0%	5.0%	22.5%	
Total Sales	\$884.9	\$340.2	\$44.3	\$370.3	\$130.1
Square Footage	651,700	367,500	117,200	167,000	
Sales per sq. ft.		\$925	\$375	\$2,225	
% Change Sales per sq. ft. from baseline		23.3%	15.4%	27.1%	

SOURCE: urbanMetrics Inc.

Figure 23 illustrates that any negative impacts on performance levels are estimated to be short-lived, with sales performance returning to pre-entrant levels by 2031, and increasing thereafter. By 2037, market growth is expected to drive increases in sales performance levels for all GM retailers, with large-format and discount GM retailers' sales per square foot increasing by 23.3% and 15.4% respectively, from the 2025 baseline.

The potential negative impacts of the new store's introduction are mitigated by a significant portion of the market entrant's sales coming from reduced leakages from the Primary Market Area to the Secondary Area or outside the market (an increase in the capture rate), and the presence of this new regional-scale outlet driving visitation from other areas (an increase in the inflow rate).

7 Conclusions

7.1 Residual Market Opportunity

The projected growth in spending within the General Merchandise category is sufficient to support a significant new entrant without negatively impacting existing commercial areas or other large-format GM retailers. There remains other opportunities for smaller entrants across the retail spectrum. Two primary factors drive these opportunities:

- Increases in population growth in the Market Area
- A relative lack of large-format GM competition in the Primary Market Area.

Overall expenditures in the Market Area, after adjusting for capture rates and inflow expenditures, are projected to increase from \$2,501 million in 2025 to \$3,528 million in 2037, an increase of more than \$1,028 million. In the GM category, 2025 sales of \$505 million are projected to increase by \$190 million by 2028 when the Subject Site is assumed to develop, and by a further \$190 million through 2037.

This increase is driven by population growth and by the introduction of this large-format GM outlet on the subject site, allowing a larger proportion of resident expenditures in this category to occur within the Primary Area, supporting both new and existing retailers. In addition, the introduction of the largest single retailer in the market at 167,000 square feet will drive inflow spending from visitors from outside of the Market Area.

7.2 Sales Transfers

Assuming national-average sales performance as a 2025 baseline and a store opening in 2028, the introduction of another large-format GM retailer on the Subject Site is projected to have minimal short-term impact on the sales per square foot performance of existing GM retailers. However, this impact is projected to become neutral within three years, with all existing retailers able to achieve current performance levels by 2031.

This analysis assumed an introductory elevated sales performance of \$1,750 per square foot for a new large-format GM retailer on the Subject Site. This is significantly higher than the \$750 per square foot assumed for existing large-

format GM retailers and \$325 for discount GM retailers. This assumption was made as a conservative measure to stress-test the market's response to a highly significant, extremely competitive new entrant.

The introduction of a 167,000-square-foot large-format GM store on the Subject Site is projected to reduce the short-term sales per square foot performance levels of large and discount GM retailers by 10% and 7.7%.

We project that these negative impacts are likely to be eliminated by 2031, with market growth allowing existing retailers to achieve their baseline performance levels despite the presence of the new market entrant. Market growth and increases in sales performance levels are then projected to continue from 2031 through 2037, with the potential for increases of 23.3% and 15.4% from 2025 levels by 2037.

7.3 Market Impacts

The expenditure analysis summarized in Figure 22 demonstrates that there is sufficient market opportunity to support the introduction of an additional large-format General Merchandise retailer, on the Subject Site, without any negative impacts on the functions of existing commercial areas or other GM retailers.

In 2025, the Primary Market Area is underrepresented in the large-format GM category, with recent residential growth in Halton Hills and Milton outpacing commercial development in this category, and a significant proportion of residents' GM expenditures likely occurring at large-format retailers outside of the Primary Market Area.

As these communities that comprise the Primary Market Area continue to grow, the additional expenditure potential will create an even greater market opportunity for the retailer on the Subject Site and other large-format GM retailers than exists today.

The sales transfer analysis shown in Figure 23 demonstrates that even if the large-format retailer on the Subject Site achieves elevated performance levels, existing GM retailers will be able to mitigate short-term impacts on sales performance by continuing to capture market growth and serving the growing needs of Halton Hills and Milton.

Combined, the expenditure analysis and sales transfer analysis demonstrate that the development of a 167,000-square-foot large-format GM retailer on the Subject

Site will not cause significant negative impacts on the function of existing commercial areas or on existing retailers.

The remaining approximately 60,000 square feet of commercial space proposed on the Subject Site is limited in scale and will serve a distinct market segment of drive-by traffic and employees within the nearby Employment Area, including the future employees on the Subject Site. For these reasons, it is unlikely that the smaller commercial units comprising the additional 60,000 square feet of commercial space will cause any negative impacts on existing retailers or the function of existing commercial areas.

A1 Retail Expenditure Inputs

Figure 24: Capture Rate Calculations

Primary Market Area	2025	Capture Rate	2025	2028	Capture Rate	2028	2031	Capture Rate	2031	2034	Capture Rate	2034	2037	Capture Rate	2037
	Expenditures (\$Millions)		Expenditures (\$Millions) Adjusted	Expenditures (\$Millions)		Expenditures (\$Millions) Adjusted	Expenditures (\$Millions)		Expenditures (\$Millions) Adjusted	Expenditures (\$Millions)		Expenditures (\$Millions) Adjusted	Expenditures (\$Millions)		Expenditures (\$Millions) Adjusted
Food Store Retail (FSR)	\$692.4		\$553.9	\$717.2		\$573.7	\$779.2		\$623.4	\$848.0		\$678.2	\$853.4		\$781.9
	Supermarkets & Grocery Stores	\$0.8	\$0.8	\$492.6	\$0.8	\$394.1	\$535.2	\$0.8	\$428.2	\$583.2	\$0.8	\$466.5	\$634.2	\$0.8	\$523.4
	Convenience & Specialty Food Store	\$0.8	\$0.8	\$92.1	\$0.8	\$73.7	\$100.1	\$0.8	\$90.1	\$109.1	\$0.8	\$87.2	\$122.3	\$0.8	\$97.9
	Beverage, Wine and Liquor Stores	\$0.8	\$0.8	\$132.4	\$0.8	\$105.9	\$143.9	\$0.8	\$115.1	\$156.8	\$0.8	\$125.4	\$175.9	\$0.8	\$140.7
	Selected Non-Food Store Retail (NFSR)	\$1716.4		\$1,320.2		\$1,463.4	\$1,591.7		\$1,590.0	\$2,105.3		\$1,723.9	\$2,361.3		\$1,943.7
	General Merchandise	\$529.4	\$0.7	\$370.6	\$0.9	\$479.8	\$595.8	\$0.9	\$521.3	\$649.4	\$0.9	\$568.2	\$728.3	\$0.9	\$637.3
	Health & Personal Care Stores	\$296.8	\$0.8	\$227.4	\$0.8	\$246.0	\$334.0	\$0.8	\$267.2	\$364.1	\$0.8	\$291.2	\$408.3	\$0.8	\$266.7
	Miscellaneous Retailers	\$206.1	\$0.8	\$164.9	\$0.8	\$170.8	\$232.0	\$0.8	\$165.6	\$252.8	\$0.8	\$202.3	\$283.6	\$0.8	\$265.9
	Other	\$694.1	\$0.8	\$547.2	\$0.8	\$565.9	\$769.9	\$0.8	\$615.9	\$839.0	\$0.8	\$671.2	\$941.1	\$0.8	\$792.9
Total	\$2,408.8		\$1,874.1	\$2,495.1		\$2,037.2	\$2,710.9		\$2,213.4	\$2,954.3		\$2,412.1	\$3,313.7		\$2,705.6

Secondary Market Area	2025	Capture Rate	2025	2028	Capture Rate	2028	2031	Capture Rate	2031	2034	Capture Rate	2034	2037	Capture Rate	2037
	Expenditures (\$Millions)		Expenditures (\$Millions) Adjusted	Expenditures (\$Millions)		Expenditures (\$Millions) Adjusted	Expenditures (\$Millions)		Expenditures (\$Millions) Adjusted	Expenditures (\$Millions)		Expenditures (\$Millions) Adjusted	Expenditures (\$Millions)		Expenditures (\$Millions) Adjusted
Food Store Retail (FSR)	\$339.6		\$107.9	\$375.3		\$112.6	\$394.9		\$118.5	\$418.3		\$125.5	\$446.6		\$134.0
	Supermarkets & Grocery Stores	\$0.3	\$0.3	\$297.8	\$0.3	\$277.3	\$271.3	\$0.3	\$251.4	\$267.3	\$0.3	\$262.2	\$295.6	\$0.3	\$270.0
	Convenience & Specialty Food Store	\$0.3	\$0.3	\$13.9	\$0.3	\$14.5	\$9.7	\$0.3	\$15.2	\$33.7	\$0.3	\$16.1	\$57.4	\$0.3	\$17.2
	Beverage, Wine and Liquor Stores	\$0.3	\$0.3	\$19.9	\$0.3	\$20.8	\$7.9	\$0.3	\$21.9	\$7.2	\$0.3	\$23.2	\$8.5	\$0.3	\$24.7
	Selected Non-Food Store Retail (NFSR)	\$891.5		\$687.5		\$690.7	\$979.0		\$616.3	\$1,037.1		\$639.1	\$1,107.2		\$637.8
	General Merchandise	\$275.0	\$0.3	\$82.5	\$0.4	\$107.6	\$302.0	\$0.4	\$113.2	\$319.9	\$0.4	\$120.0	\$341.5	\$0.4	\$128.1
	Health & Personal Care Stores	\$154.2	\$0.3	\$46.2	\$0.3	\$48.3	\$169.3	\$0.3	\$50.6	\$179.3	\$0.3	\$53.8	\$191.5	\$0.3	\$57.4
	Miscellaneous Retailers	\$107.1	\$0.3	\$32.1	\$0.3	\$33.5	\$117.6	\$0.3	\$35.3	\$124.5	\$0.3	\$37.4	\$133.0	\$0.3	\$39.9
	Other	\$355.3	\$0.3	\$106.6	\$0.3	\$111.3	\$390.2	\$0.3	\$117.1	\$413.3	\$0.3	\$124.0	\$441.3	\$0.3	\$132.4
Total	\$1,231.1		\$375.3	\$1,205.9		\$413.2	\$1,372.9		\$624.8	\$1,455.4		\$460.6	\$1,552.8		\$491.8

Figure 25: Inflow Calculations

2025	Resident Expenditures (\$Millions)	Inflow	Inflow Expenditures (\$Millions)	Total Expenditures (\$Millions)
Food Store Retail (FSR)	\$661.8		\$73.5	\$735.3
Supermarkets & Grocery Stores	\$454.6	10%	\$50.5	\$505.1
Convenience & Specialty Food Stores	\$85.0	10%	\$9.4	\$94.5
Beer, Wine and Liquor Stores	\$122.2	10%	\$13.6	\$135.8
Selected Non-Food Store Retail (NFSR)	\$1,587.6		\$177.9	\$1,765.5
General Merchandise	\$453.1	10%	\$51.8	\$504.9
Health & Personal Care Stores	\$283.7	10%	\$31.5	\$315.2
Miscellaneous Retailers	\$197.0	10%	\$21.9	\$218.9
Other	\$653.8	10%	\$72.6	\$726.5
Total	\$2,249.4		\$251.4	\$2,500.9

2028	Resident Expenditures (\$Millions)	Inflow	Inflow Expenditures (\$Millions)	Total Expenditures (\$Millions)
Food Store Retail (FSR)	\$686.3		\$76.3	\$762.6
Supermarkets & Grocery Stores	\$471.5	10%	\$52.4	\$523.8
Convenience & Specialty Food Stores	\$88.2	10%	\$9.8	\$98.0
Beer, Wine and Liquor Stores	\$126.7	10%	\$14.1	\$140.8
Selected Non-Food Store Retail (NFSR)	\$1,764.2		\$238.3	\$2,002.4
General Merchandise	\$587.5	15%	\$107.5	\$695.0
Health & Personal Care Stores	\$294.2	10%	\$32.7	\$326.9
Miscellaneous Retailers	\$204.3	10%	\$22.7	\$227.0
Other	\$678.1	10%	\$75.3	\$753.5
Total	\$2,450.5		\$314.5	\$2,765.0

2031	Resident Expenditures (\$Millions)	Inflow	Inflow Expenditures (\$Millions)	Total Expenditures (\$Millions)
Food Store Retail (FSR)	\$741.8		\$82.4	\$824.3
Supermarkets & Grocery Stores	\$509.6	10%	\$56.6	\$566.2
Convenience & Specialty Food Stores	\$95.3	10%	\$10.6	\$105.9
Beer, Wine and Liquor Stores	\$137.0	10%	\$15.2	\$152.2
Selected Non-Food Store Retail (NFSR)	\$1,906.4		\$261.8	\$2,168.1
General Merchandise	\$634.6	15%	\$120.4	\$755.0
Health & Personal Care Stores	\$318.0	10%	\$35.3	\$353.4
Miscellaneous Retailers	\$220.9	10%	\$24.5	\$245.4
Other	\$732.9	10%	\$81.4	\$814.4
Total	\$2,648.2		\$344.2	\$2,992.4

2034	Resident Expenditures (\$Millions)	Inflow	Inflow Expenditures (\$Millions)	Total Expenditures (\$Millions)
Food Store Retail (FSR)	\$804.7		\$79.6	\$884.3
Supermarkets & Grocery Stores	\$552.7	9.0%	\$54.7	\$607.4
Convenience & Specialty Food Stores	\$103.4	9.0%	\$10.2	\$113.6
Beer, Wine and Liquor Stores	\$148.6	9.0%	\$14.7	\$163.3
Selected Non-Food Store Retail (NFSR)	\$2,068.1		\$258.9	\$2,327.0
General Merchandise	\$688.2	15.0%	\$122.4	\$810.6
Health & Personal Care Stores	\$345.0	9.0%	\$34.1	\$379.2
Miscellaneous Retailers	\$239.6	9.0%	\$23.7	\$263.3
Other	\$795.2	9.0%	\$78.6	\$873.9
Total	\$2,872.8		\$338.5	\$3,211.2

2037	Resident Expenditures (\$Millions)	Inflow	Inflow Expenditures (\$Millions)	Total Expenditures (\$Millions)
Food Store Retail (FSR)	\$895.9		\$77.9	\$973.8
Supermarkets & Grocery Stores	\$615.4	8.0%	\$53.5	\$668.9
Convenience & Specialty Food Stores	\$115.1	8.0%	\$10.0	\$125.1
Beer, Wine and Liquor Stores	\$165.4	8.0%	\$14.4	\$179.8
Selected Non-Food Store Retail (NFSR)	\$2,301.4		\$253.1	\$2,554.6
General Merchandise	\$765.4	12.5%	\$119.6	\$884.9
Health & Personal Care Stores	\$384.1	8.0%	\$33.4	\$417.5
Miscellaneous Retailers	\$266.7	8.0%	\$23.2	\$289.9
Other	\$885.2	8.0%	\$77.0	\$962.2
Total	\$3,197.3		\$331.0	\$3,528.4

Figure 26: Regression Equations

FSR	Y= 108.25	-	0.086 X	where x = income index
NFSR	Y= 92.11	+	0.076 X	where x = income index