

STATE OF CHERRY CREEK NORTH 2017-2018



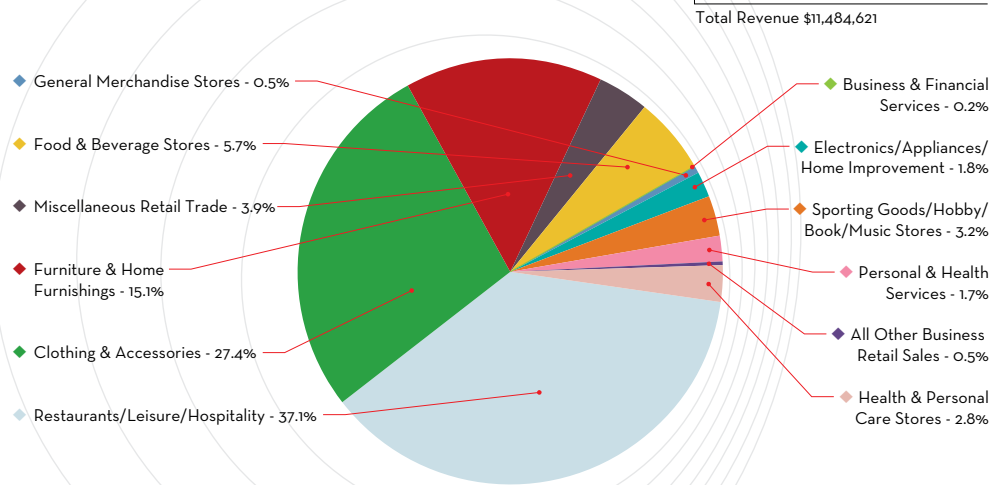
SALES TAX REVENUE¹

- Businesses in Cherry Creek North (CCN) generated almost **\$11.5 million** in retail sales tax revenue for the City and County of Denver in 2017.
- Sales tax collections in CCN increased **6.9%** from 2016 to 2017 compared with a **6%** increase throughout the City and County of Denver.
- The largest category of sales tax collections in CCN was restaurants and hotels, which increased **11.5%** from 2016 to 2017. This category experienced rapid growth due to strong restaurant demand throughout the year, as well as the opening of the Moxy Denver Cherry Creek hotel.
- Clothing & accessories **(+6.3%)** and furniture & home furnishings **(+8.7%)** were the second and third largest categories in CCN, and sales in both categories increased at a faster pace than posted citywide. The City and County of Denver reported clothing & accessories sales increased by **1.9%** from 2016 to 2017, while sales in the furniture & home furnishings sector fell **0.5%** over-the-year.
- Sales tax collections in CCN for the first quarter of 2018 were up by **8.2%** compared with the first three months of 2017. In contrast, citywide sales tax collections increased **6.5%** during the same period.

JOBS²

- Businesses in CCN employed approximately **7,180** workers in 2017, a **1.2%** decrease compared with 2016. Employment increased **2.3%** throughout the City and County of Denver.
- Office-related employment in CCN decreased **5.9%** from 2016 to 2017, due partially to Businessolver and Atwell moving out of CCN. There were **3,530** office workers in CCN earning an average annual salary of **\$171,200**. The high average salary resulted from a high concentration **(65%)** of office employment in financial services companies.
- About **3,650** workers earning an average annual salary of **\$31,700** were employed in retail, hospitality, and other personal services in CCN in 2017. This represented a **6.1%** increase in the average retail wage from 2016 to 2017. Employment increased by **3.7%** between 2016 and 2017, an increase of **130** employees, primarily due to increased hotel and restaurant positions.

SALES TAX COLLECTIONS BY INDUSTRY, 2017



TOP 10 LARGEST EMPLOYERS IN CHERRY CREEK NORTH³

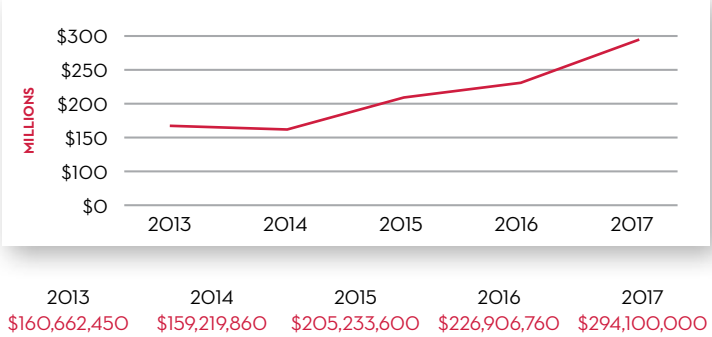
COMPANY	PRODUCT/SERVICE	EMPLOYEES
Janus Henderson Investors	Financial services	590
Sage Hospitality	Hotel owner & operator	370
Whole Foods Market	Grocery	240
The Broe Group	Real estate development	180
Pura Vida Fitness & Spa	Fitness club	160
Hillstone Restaurant Group	Restaurants	160
True Food Kitchen	Restaurant	120
Vision Hospitality Group (Moxy Hotel)	Hotel operator	120
Del Frisco's Grille	Restaurant	120
Cherry Cricket	Restaurant	100

Source:
¹City and County of Denver, Office of the Controller
²Colorado Department of Labor and Employment, Development Research Partners
³Development Research Partners

ASSESSED VALUATION⁴

- The total assessed valuation in CCN of **\$294.1 million** represented **1.7%** of the total in the City and County of Denver for the 2017 property tax year.
- Assessed valuation in CCN increased by **29.6%** from 2016 to 2017, compared with a **19.7%** increase throughout the City and County of Denver. As 2017 was a property reassessment year, the large increase in CCN reflected rising property values as well as significant construction activity.

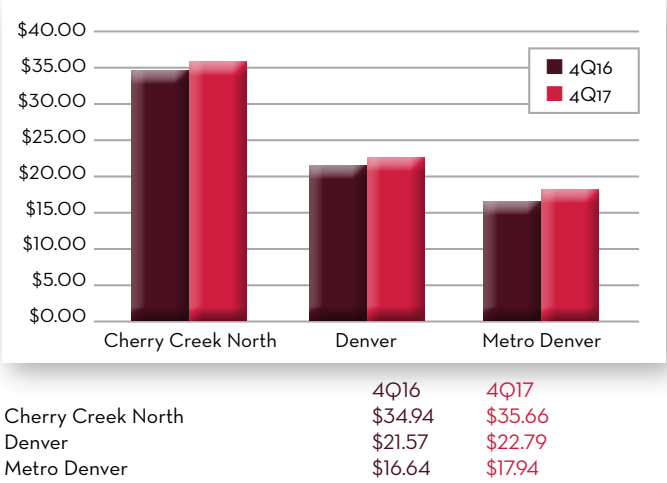
ASSESSED VALUATION 2013 - 2017



REAL ESTATE⁵

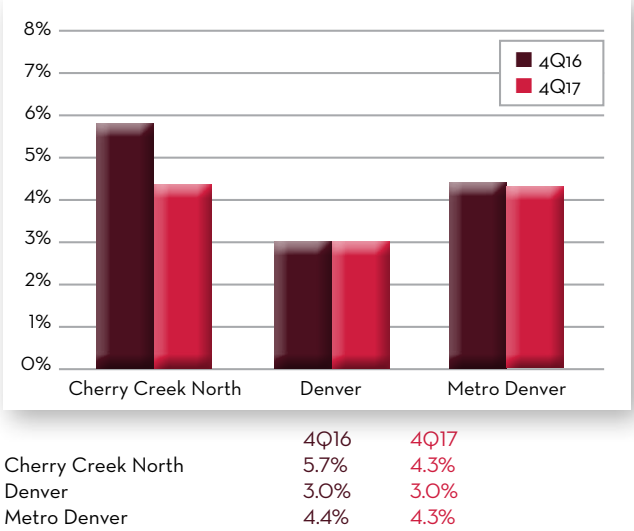
- There was **2.46 million** square feet of office and retail property in CCN during the fourth quarter of 2017.
- About **346,400** square feet of new office and retail space, 201 hotel rooms, and 236 residential units were planned or under construction in CCN as of the end of 2017.
- The **11.4%** office vacancy rate in the fourth quarter of 2017 in CCN was **1.4** percentage points lower than the previous year. Additionally, the average office lease rate increased **4.7%** over the period, reaching **\$41.07** per square foot.
- CCN recorded a fourth quarter retail vacancy rate of **4.3%**, a decrease of **1.4** percentage points from the fourth quarter of 2016. The average retail lease rate rose **2.1%** to **\$35.66** per square foot in 2017.
- The CCN office vacancy rate was higher than those in the City and County of Denver and the greater metro Denver area. The retail vacancy rate in CCN was higher than Denver, but tied with the greater metro area.

AVERAGE RETAIL LEASE RATES PER SQ. FT.



Source:
⁴City and County of Denver, Assessor's Office
⁵CoStar Realty Information Inc.; Cherry Creek Area Development Report, January 2018

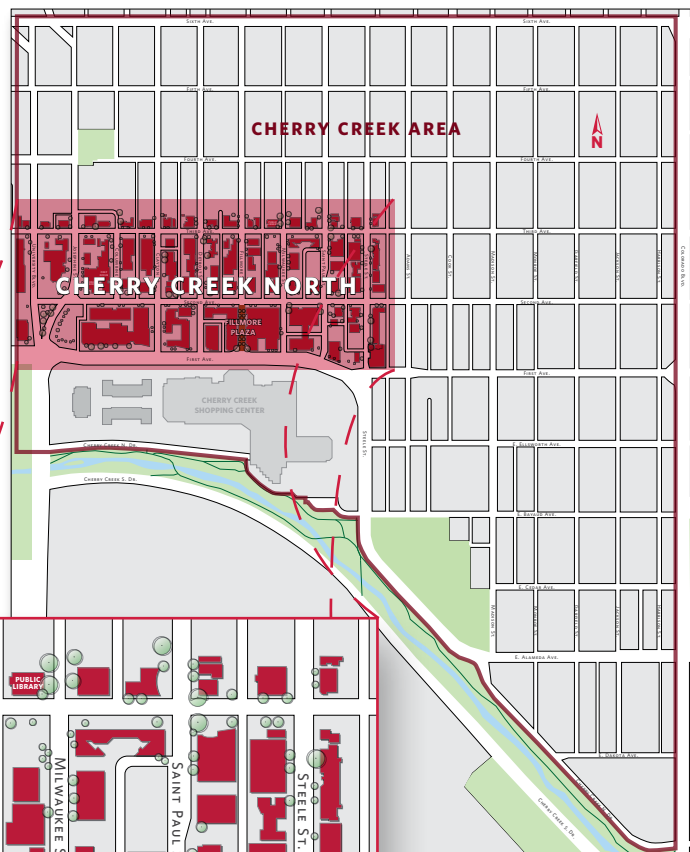
RETAIL VACANCY RATES



Demographics | 2017-2018

POPULATION⁶

- **524** people live in Cherry Creek North (CCN), **7,273** people live in the Cherry Creek Area (CCA), and **34,338** people live in the one-mile radius around CCN.
- Between 2010 and 2017, all three geographies have grown at least **13%**. Among the three geographies, CCN has grown at the fastest pace, rising an average of **24.1%** per year or adding over **400** people during the period.
- CCN's population is slightly older than the surrounding areas, with nearly **47%** of the population over the age of 55.
- Between 2010 and 2017, the 25- to 34-year-old age group grew at the fastest pace in CCN, with the share of residents in this age group increasing **3.2** percentage points during the period. This was the only geography to post an increasing share of the population in this age group during the period.



EDUCATIONAL ATTAINMENT⁷

- About **84%** of CCN's population had a bachelor's degree or higher in 2017, which was higher than in both the CCA (**75.2%**) and the one-mile radius (**77.2%**).

HOUSING⁸

- The average household income was the highest in CCN (**\$194,715**), compared with **\$144,705** in CCA and **\$136,428** in the one-mile radius.
- Approximately **62%** of households in CCN earned an income over **\$100,000**, compared with **44.2%** in CCA and **44%** in the one-mile radius.
- Of the **374** residential units in CCN, **57%** were renter-occupied units with an average value of **\$378,300** per unit and **43%** were owner-occupied units with an average value of **\$1.4 million** per unit.

Source:

⁶ESRI Business Analyst; U.S. Census Bureau, American Community Survey; Development Research Partners, SiteStats model

⁷ESRI Business Analyst; U.S. Census Bureau, American Community Survey

⁸ESRI Business Analyst; US Census Bureau, American Community Survey; City and County of Denver, Denver Property Taxation and Assessment System, Real Property Data

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