ECONOMIC INDICATORS | 2018-2019

SALES TAX REVENUE

- Businesses in Cherry Creek North (CCN) generated almost $11.9 million in retail sales tax revenue for the City and County of Denver in 2018.

- Sales tax collections in CCN increased 3.3% from 2017 to 2018 compared with a 5.5% increase throughout the City and County of Denver.

- The largest category of sales tax collections in CCN was restaurants and hotels, which increased 6.9% from 2017 to 2018 to a total of nearly $4.6 million. Clothing and accessories, the second largest category, generated $3 million, falling 3.8% over-the-year.

- Business and financial services had the largest over-the-year increase, growing at a rate of 35.9%. Furniture & home furnishings (+12.3%) was the second fastest-growing category, followed by electronics/appliances/home improvements and sporting goods/hobby/musical stores, which both grew at a rate of 11.4%.

- Sales tax collections for the first quarter of 2019 were down 0.4% compared with the first quarter of 2018. In contrast, citywide sales tax collections increased 3.7% during the same period.

JOBS

- Businesses in CCN employed 7,370 workers in 2018, a 3.7% increase compared with 2017. Employment increased 2.5% throughout the City and County of Denver.

- Office-related employment in CCN increased 7.3% from 2017 to 2018, primarily due to increased positions in natural resources and construction companies. There were nearly 3,730 office workers in CCN earning an average annual salary of $181,400. The high average salary resulted from a high concentration (63%) of employment in financial services companies.

- Retail, hospitality, and other personal services in CCN employed more than 3,640 workers earning an average annual salary of $34,100. The average retail wage increased 7.5% between 2017 and 2018. Employment increased by 0.3% over-the-year, an increase of 10 employees.

SALES TAX COLLECTIONS BY INDUSTRY, 2018

- Total Revenue $11,865,223 Million
- General Merchandise Stores - 0.3%
- Food & Beverage Stores - 5.4%
- Miscellaneous Retail Trade - 3.7%
- Furniture & Home Furnishings - 16.5%
- Clothing & Accessories - 25.5%
- Restaurants & Hotels - 38.4%
- Business & Financial Services - 0.3%
- Electronics/Appliances/Home Improvement - 2%
- Sporting Goods/Hobby/Book/Music Stores - 3.4%
- Personal & Health Services - 1.3%
- All Other Business Retail Sales - 0.4%
- Health & Personal Care Stores - 2.8%

TOP 10 LARGEST EMPLOYERS IN CHERRY CREEK NORTH

<table>
<thead>
<tr>
<th>COMPANY</th>
<th>PRODUCT/SERVICE</th>
<th>EMPLOYEES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Janus Henderson Investors</td>
<td>Financial services</td>
<td>650</td>
</tr>
<tr>
<td>The Broe Group</td>
<td>Real estate development</td>
<td>370</td>
</tr>
<tr>
<td>Sage Hospitality</td>
<td>Hotel owner &amp; operator</td>
<td>310</td>
</tr>
<tr>
<td>Whole Foods Market</td>
<td>Grocery</td>
<td>260</td>
</tr>
<tr>
<td>Hillstone Restaurant Group</td>
<td>Restaurants</td>
<td>160</td>
</tr>
<tr>
<td>Stonebridge Cos. (The Jacquard Hotel &amp; Rooftop)</td>
<td>Restaurants</td>
<td>150</td>
</tr>
<tr>
<td>True Food Kitchen</td>
<td>Restaurant</td>
<td>130</td>
</tr>
<tr>
<td>BNP Paribas</td>
<td>Financial services</td>
<td>130</td>
</tr>
<tr>
<td>Vision Hospitality Group (Moxy Hotel)</td>
<td>Hotel operator</td>
<td>120</td>
</tr>
</tbody>
</table>

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

- The total assessed valuation in the CCN Business Improvement District of $310.4 million represented 1.7% of the total in the City and County of Denver for the 2018 property tax year.

- Assessed valuation in CCN increased 5.5% from 2017 to 2018, compared with a 2.1% increase throughout the City and County of Denver. As this was not a reassessment year, the increase reflected continued construction activity.

REAL ESTATE

- There was 2.6 million square feet of office and retail property in CCN as of fourth quarter of 2018.

- About 125,000 square feet of new office and retail space, 5 new hotel rooms, and 82 residential units were planned or under construction in CCN as of the end of 2018.

- The 12.6% office vacancy rate in the fourth quarter of 2018 was 1 percentage point higher than the previous year. Additionally, the average office lease rate increased 0.9% over the period, reaching $43.76 per square foot.

- CCN recorded a fourth quarter retail vacancy rate of 3.9%, a decrease of 0.1 percentage point from the fourth quarter of 2017. The average retail lease rate rose 2.9% to $36.69 per square foot in 2018.

- The CCN office vacancy rate was higher than those in the City and County of Denver and the larger Metro Denver area. The retail vacancy rate in CCN was higher than Denver, but lower than the greater Metro Denver area.

AVERAGE RETAIL LEASE RATES PER SQ. FT.

<table>
<thead>
<tr>
<th>Area</th>
<th>4Q17</th>
<th>4Q18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cherry Creek North</td>
<td>$35.66</td>
<td>$36.69</td>
</tr>
<tr>
<td>Denver</td>
<td>$22.79</td>
<td>$24.29</td>
</tr>
<tr>
<td>Metro Denver</td>
<td>$17.94</td>
<td>$19.11</td>
</tr>
</tbody>
</table>

RETAIL VACANCY RATES

<table>
<thead>
<tr>
<th>Area</th>
<th>4Q17</th>
<th>4Q18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cherry Creek North</td>
<td>4.0%</td>
<td>3.9%</td>
</tr>
<tr>
<td>Denver</td>
<td>2.9%</td>
<td>3.1%</td>
</tr>
<tr>
<td>Metro Denver</td>
<td>4.3%</td>
<td>4.1%</td>
</tr>
</tbody>
</table>

Source:

* City and County of Denver, Assessor’s Office
* CoStar Realty Information Inc.; Cherry Creek Area Development Report, February 2019
**Demographics | 2018-2019**

**Population**
- 688 people live in Cherry Creek North (CCN), 7,886 people live in the Cherry Creek Area (CCA), and 35,796 people live in the one-mile radius around CCN.
- Between 2017 and 2018, the population in CCN rose 31.4% as a result of significantly more housing units coming online during the period. The population in both CCA and the one-mile radius have grown at least 4.2% over the past year.
- All three geographies have grown at least 18.2% between 2010 and 2018. Among the three geographies, CCN has grown at the fastest pace, rising an average of 25% per year or adding over 570 people during the period.
- CCN’s population is slightly older than the surrounding areas, with more than 51% of the population over the age of 55, compared with 47% in CCA and 35.2% in the one-mile radius.
- The 55 to 64 year old age group grew the most in CCN between 2010 and 2018, with the share of residents in this age group increasing 6.8 percentage points during the period. Among the three geographies, CCN posted the largest gain in this age group during the period.

**Educational Attainment**
- Nearly 82% of CCN’s population had a bachelor’s degree or higher in 2018, which was higher than in both CCA (75.6%) and the one-mile radius (76.2%).

**Housing**
- 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:
*ESRI Business Analyst; U.S. Census Bureau, American Community Survey; Development Research Partners, SiteStats model*
*ESRI Business Analyst; U.S. Census Bureau, American Community Survey*
*ESRI 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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