

Economic Indicators Report | 2016-2017

SALES TAX REVENUE¹

- Businesses in Cherry Creek North generated over **\$10.7 million** in retail sales tax revenue for the City and County of Denver in 2016.
- Sales tax collections in Cherry Creek North increased **7.4%** from 2015 to 2016 compared with a **6.2%** increase throughout the City and County of Denver.
- The largest category of sales tax collections in Cherry Creek North was restaurants and hotels, which increased **20.5%** from 2015 to 2016. This category experienced rapid growth due to the opening of Halcyon, a hotel in Cherry Creek, in August 2016 and strong restaurant demand throughout the year.
- Clothing & accessories (**+14.2%**) and furniture & home furnishings (**+17%**) were the second and third largest categories in Cherry Creek North, and sales in both categories increased at a faster pace than posted citywide from 2015 to 2016.
- In the first six months of 2017, sales tax collections were up by **8.8%** compared to the first six months of 2016. In contrast, citywide sales tax collections increased **6.7%** during the same period.

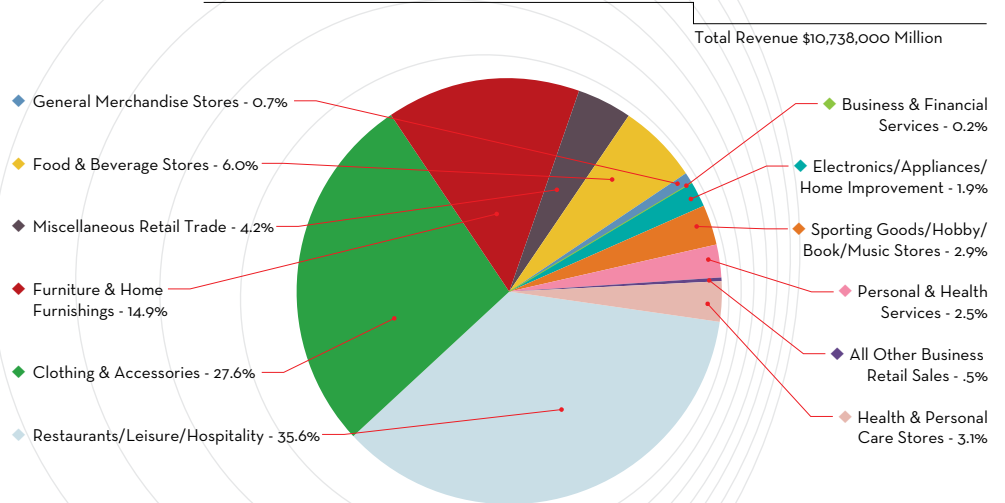
ASSESSED VALUATION²

- The total assessed valuation in the Cherry Creek North Business Improvement District of **\$226.9 million** represented **1.5%** of the total in the City and County of Denver for the 2016 property tax year.
- Assessed valuation in Cherry Creek North increased by **10.6%** from 2015 to 2016, compared with a **1.9%** increase throughout the City and County of Denver. As this was not a property reassessment year, the large increase in Cherry Creek North reflected significant construction activity.

JOBS³

- Businesses in Cherry Creek North employed approximately **7,300** workers in 2016, a **4.3%** increase compared with 2015. Employment increased **3.4%** throughout the City and County of Denver.
- Office-related employment in Cherry Creek North increased **5.2%** from 2015 to 2016. There were **3,750** office workers in Cherry Creek North earning an average annual salary of **\$156,420**. The high average salary resulted from a high concentration (**61%**) of office employment in financial services companies.
- About **3,500** workers earning an average annual salary of **\$29,860** were employed in retail, hospitality, and other personal services in Cherry Creek North in 2016. Employment increased by **3.3%** from 2015 to 2016, an increase of **112** employees, primarily due to increased hotel and restaurant positions.

SALES TAX COLLECTIONS BY INDUSTRY, 2016



TOP 10 LARGEST EMPLOYERS IN CHERRY CREEK NORTH⁴

COMPANY	PRODUCT/SERVICE	EMPLOYEES
Janus Henderson Investors	Financial services	930
Whole Foods Market	Grocery	330
Fox Restaurant Concepts	Restaurants	180
The Broe Group	Real estate development	180
Pura Vida Fitness & Spa	Fitness club	160
Hillstone Restaurant Group	Restaurants	150
Sage Hospitality	Hotel owner & operator	120
talentReef	Talent management software & solutions	120
Del Frisco's Grille	Restaurant	120
ANB Bank	Financial services	90

Source:

¹City and County of Denver, Office of the Controller

²City and County of Denver, Assessor's Office

³Colorado Department of Labor and Employment

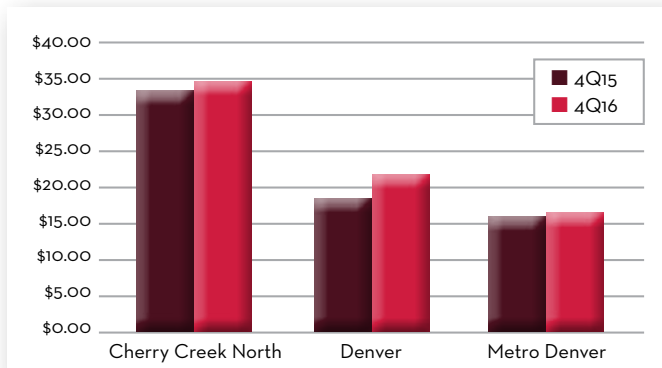
⁴Development Research Partners

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REAL ESTATE⁵

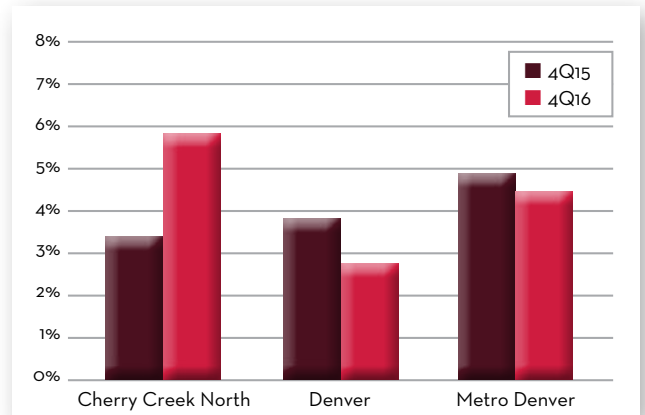
- There was **2.46 million** square feet of office and retail property in Cherry Creek North during the fourth quarter of 2016.
- Nearly **383,000** square feet of new office and retail space, **370** hotel rooms, and almost **236** residential units were planned or under construction in Cherry Creek North as of the end of 2016.
- The **12.6%** office vacancy rate in the fourth quarter of 2016 in Cherry Creek North was **0.8%** higher than the previous year. Nonetheless, the average office lease rate increased **1.1%** over the period, reaching **\$38.69** per square foot.
- Cherry Creek North recorded a fourth quarter retail vacancy rate of **5.8%** in 2016, an increase of **2.5%** from the fourth quarter of 2015. The average retail lease rate rose **5.7%** to **\$34.94** per square foot in 2016.
- Cherry Creek North retail and office vacancy rates were higher than those throughout Metro Denver and the City and County of Denver at the end of 2016.

AVERAGE RETAIL LEASE RATES PER SQ. FT.



	4Q15	4Q16
Cherry Creek North	\$33.06	\$34.94
Denver	\$18.64	\$21.93
Metro Denver	\$16.00	\$16.57

RETAIL VACANCY RATES



	4Q15	4Q16
Cherry Creek North	3.3%	5.8%
Denver	3.9%	2.8%
Metro Denver	4.9%	4.5%

Source:

⁵CoStar Realty Information Inc.; Cherry Creek Area Development Report, 2011-16

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