



## Downtown Observation Tower Tourism & Market Study

*Denver, Colorado*

A full-service real estate development and brokerage retained Hunden Strategic Partners to analyze the market situation in the downtown to determine the likely attendance at a proposed observation tower located on one of the busiest pedestrian and tourist intersections in downtown. The observation tower is proposed to be part of a larger 100,000 square foot mixed-use development, which will include a full-service Hilton hotel and large office tower. HSP analyzed the local tourism market, potential competition for the observation deck, the iconic nature of the structure and the economic, demographic and real estate of the local market.

The observatory business is often one of the most compelling real estate portions of a skyscraper, as it can generate large amounts of revenue per square foot. HSP compiled and analyzed the projected revenue of the observation deck including restaurant, gift shop and ticket sales. HSP completed a market penetration and utilization rate analysis, utilizing metrics gleaned from comparable and competitive environments as well as complete a comparable performance analysis by market segment and by scenario.

Along with HSP's analysis of the observation and tourism markets in downtown Denver, HSP also determined whether the Observation Tower was eligible for funding through the State Regional Tourism Act program.

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**Client:** Private Developer

**Time Period:** 2014