



Hospitality Market Report

Boston - MA

PREPARED BY



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HOSPITALITY MARKET REPORT

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12 Mo Occupancy

70.6%

12 Mo ADR

\$218.67

12 Mo RevPAR

\$154.27

12 Mo Supply

22.6M

12 Mo Demand

15.9M

Boston's hotel industry has experienced a significant recovery and growth in all primary metrics, with occupancy reaching a 12-month average of 70.5% in July. Moreover, the average daily rate in July 2023 increased by 11% compared to 2019, reaching \$230. Based on the solid performance of hotels in the first half of the year, the positive trend is expected to continue through the summer months. The resurgence of large-scale events like the Boston Marathon in April and one-time concerts such as Taylor Swift's Eras Tour in May has boosted the leisure demand in the market. Additionally, the return of conventions and conferences has increased group travel demand during weekdays. Business travel remains lower toward recovery levels but has improved marginally from last year.

The future of the Boston market looks favorable; however, a full recovery depends on the return of groups, business travelers, and international tourists, along with the absorption of the new supply added over the past two and a half years.

Boston has a robust pipeline of hotels under construction and in the final planning phases, with 9 hotels under construction, totaling 1,200 rooms. Notable projects with expected openings in 2023 include the Luxury Raffles

Hotel, with 154 rooms, part of a larger mixed-use project. The market will also continue to absorb the 1,054-room Omni Seaport, which opened in September 2021, representing an increase in the downtown supply of 4.5%.

Transactions have been slower for this time of year, with 9 properties trading through July. Increased interest rates may be affecting some investors' decisions to purchase. Despite a muted first half of the year, the market has seen some significant transactions over a 12-month period. January saw the Upper Upscale class Kimpton Nine Zero sale in the Boston CBD/Airport submarket. At year-end 2022, the Encore Boston Harbor was sold to Realty Income Corp. for \$1.7 billion, and the 1,220-room Sheraton Boston traded for \$233 million. Recent transactions include the sale of Loews Boston Back Bay, Marriott Boston Quincy, and the dual-branded Residence Inn and Fairfield Inn & Suites Boston Waltham.

Boston's diversified economy and focus on life sciences, financial services, and technology, combined with top universities and hospitals, excellent sports, and tourist attractions, positions the lodging market better than other major markets.

KEY INDICATORS

Class	Rooms	12 Mo Occ	12 Mo ADR	12 Mo RevPAR	12 Mo Delivered	Under Construction
Luxury & Upper Upscale	24,826	70.7%	\$289.33	\$204.43	0	147
Upscale & Upper Midscale	30,669	71.2%	\$184.55	\$131.36	101	775
Midscale & Economy	7,119	67.4%	\$107.87	\$72.71	264	143
Total	62,614	70.6%	\$218.67	\$154.27	365	1,065

Average Trend	Current	3 Mo	YTD	12 Mo	Historical Average	Forecast Average
Occupancy	81.0%	80.4%	69.8%	70.6%	60.7%	73.4%
Occupancy Change	3.5%	4.8%	8.6%	12.1%	-0.9%	1.0%
ADR	\$233.72	\$244.64	\$215.14	\$218.67	\$189.57	\$235.49
ADR Change	3.8%	4.7%	6.9%	13.5%	2.3%	2.5%
RevPAR	\$189.30	\$196.66	\$150.13	\$154.27	\$115.04	\$172.81
RevPAR Change	7.4%	9.7%	16.1%	27.3%	1.4%	3.5%

The Boston hospitality industry has seen an upturn in the first half of 2023, with an increase in leisure visits, conventions, conferences, and returning corporate travel. Although Boston was a lower-performing market in 2022, it has since improved and achieved an occupancy rate of 81.0% in July 2023. However, this is still 10.3 percentage points below the occupancy rate in July 2019. ADR in July 2023 was \$233.72, with a 109% recovery index to July 2019 ADR. RevPAR in July 2023 was \$177.44, a 103% recovery index compared to 2019.

Boston's diverse demand generators have helped its operating performance on its road to recovery. The group and convention business shows signs of recovery, which is crucial to hotels, comprising approximately 30% of the demand for downtown and Cambridge hotels. Additionally, conventions fill downtown hotels and compress business demand to suburban hotels, benefiting occupancy rates.

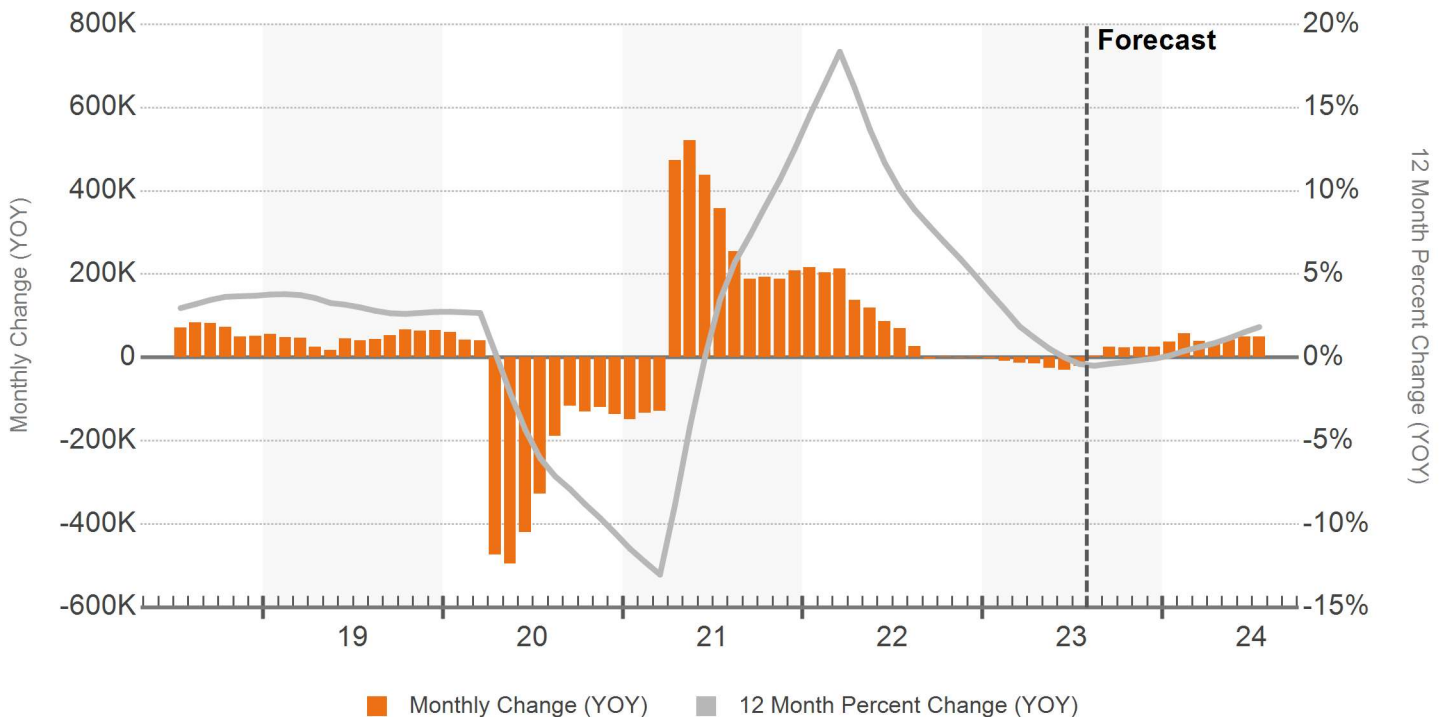
International travel plays a significant role in Boston's

hotel occupancy across all three major segments (i.e., commercial, group, and leisure). As international inbound travel recovers, Boston's hotel occupancy will benefit, especially during summer and fall. Furthermore, Boston's hotel occupancy heavily relies on sports events, such as the Boston Marathon and Red Sox, Bruins, New England Patriots, and Celtics games, which historically draw travelers from all over the region. As these events return to and potentially surpass historical levels due to pent-up demand, the market will benefit from the added compression and further ADR growth.

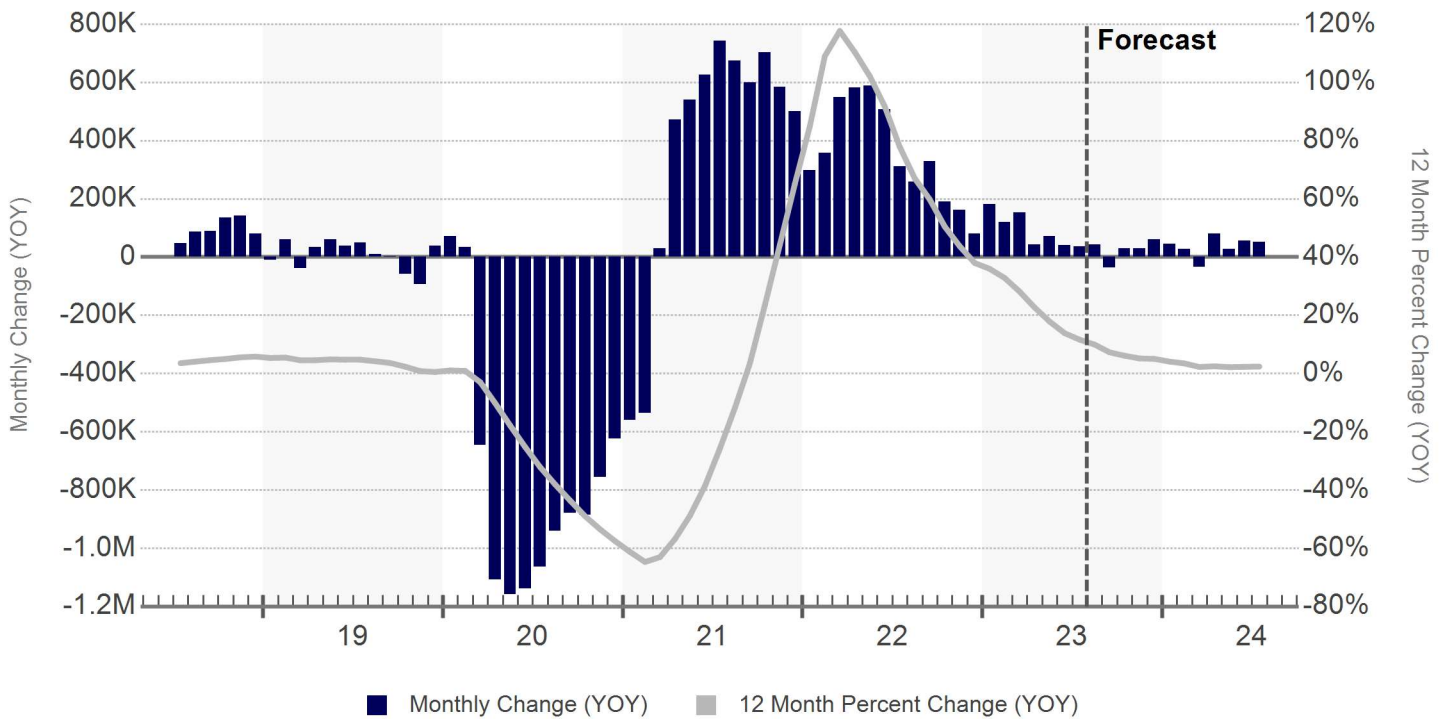
Despite the pandemic's impact, business travel in Boston has recovered relatively well compared to other major urban markets. Since July, business travel has recovered to 94% of 2019 levels, particularly in the education, healthcare, and life sciences sectors.

With Boston's key demand drivers showing strong recovery, the market is poised for a very positive second half of the year and into 2024.

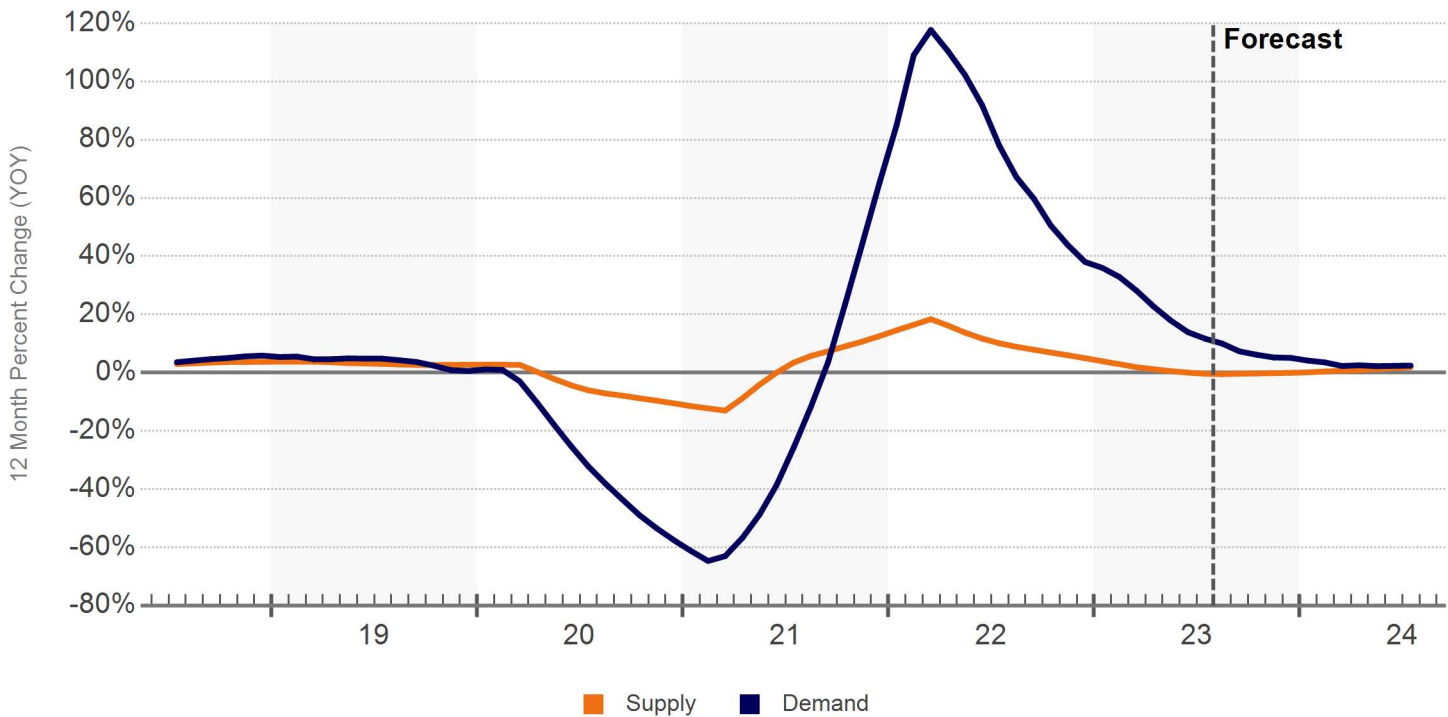
SUPPLY CHANGE



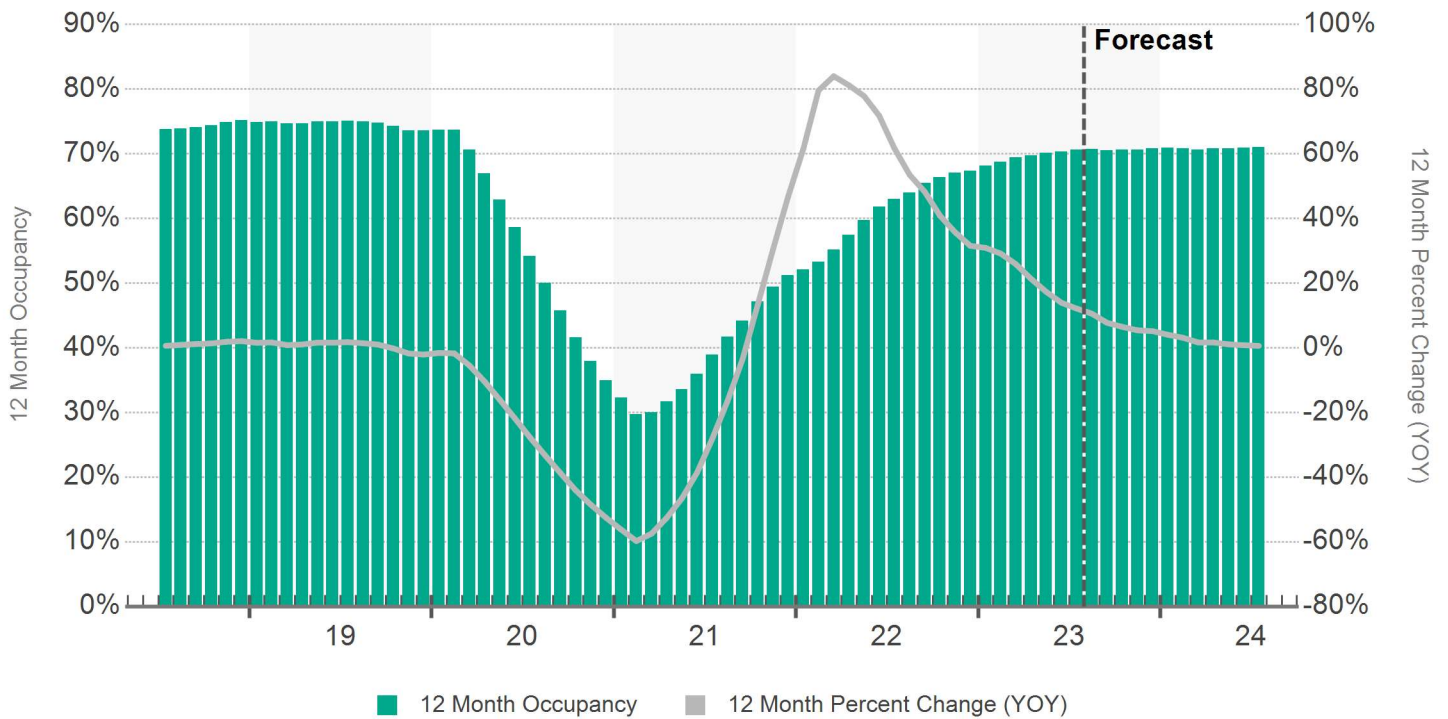
DEMAND CHANGE



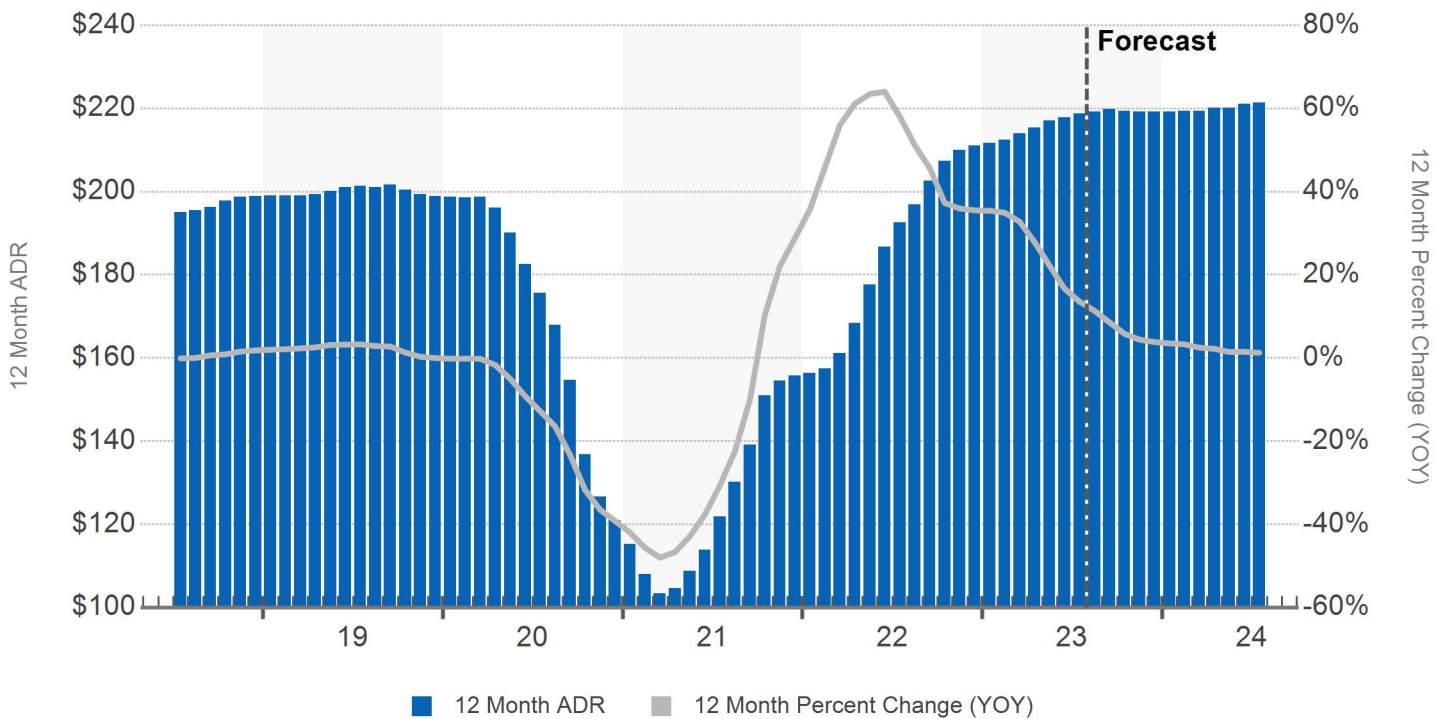
SUPPLY & DEMAND CHANGE



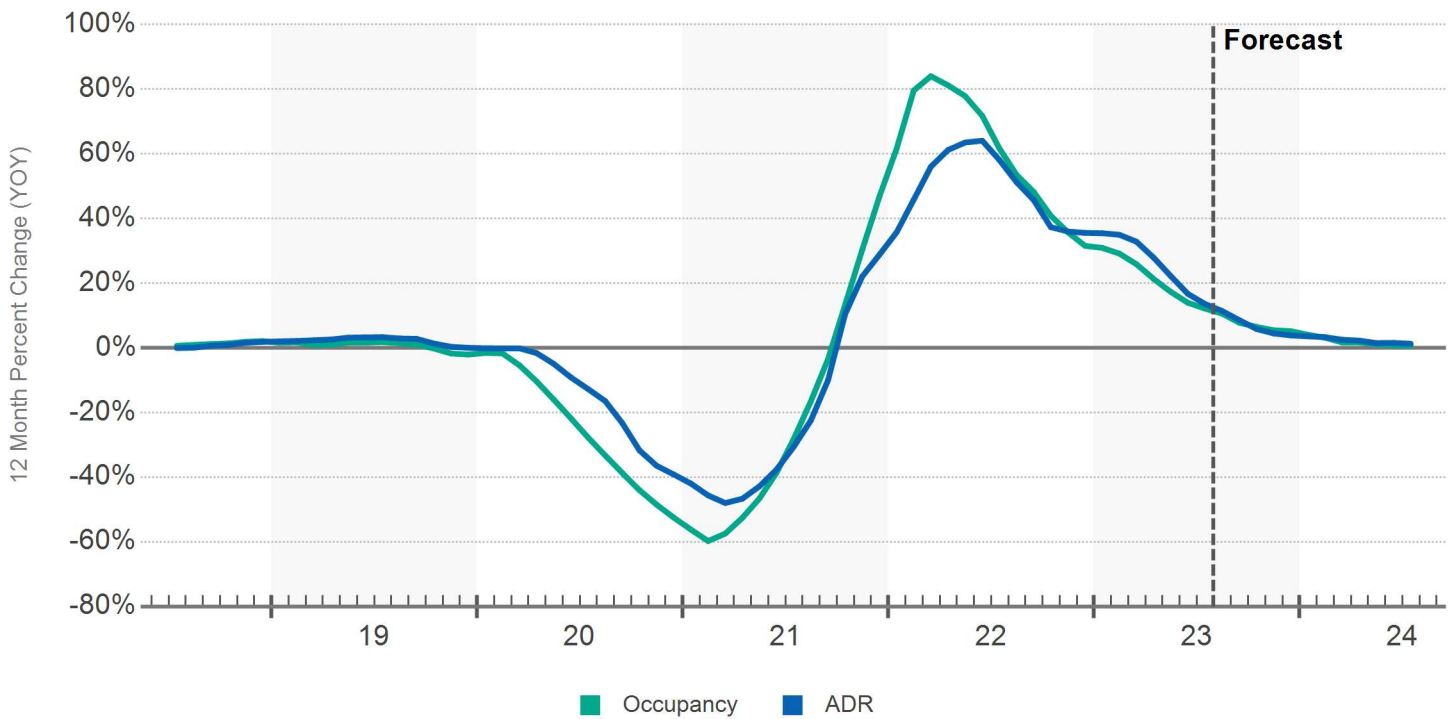
OCCUPANCY



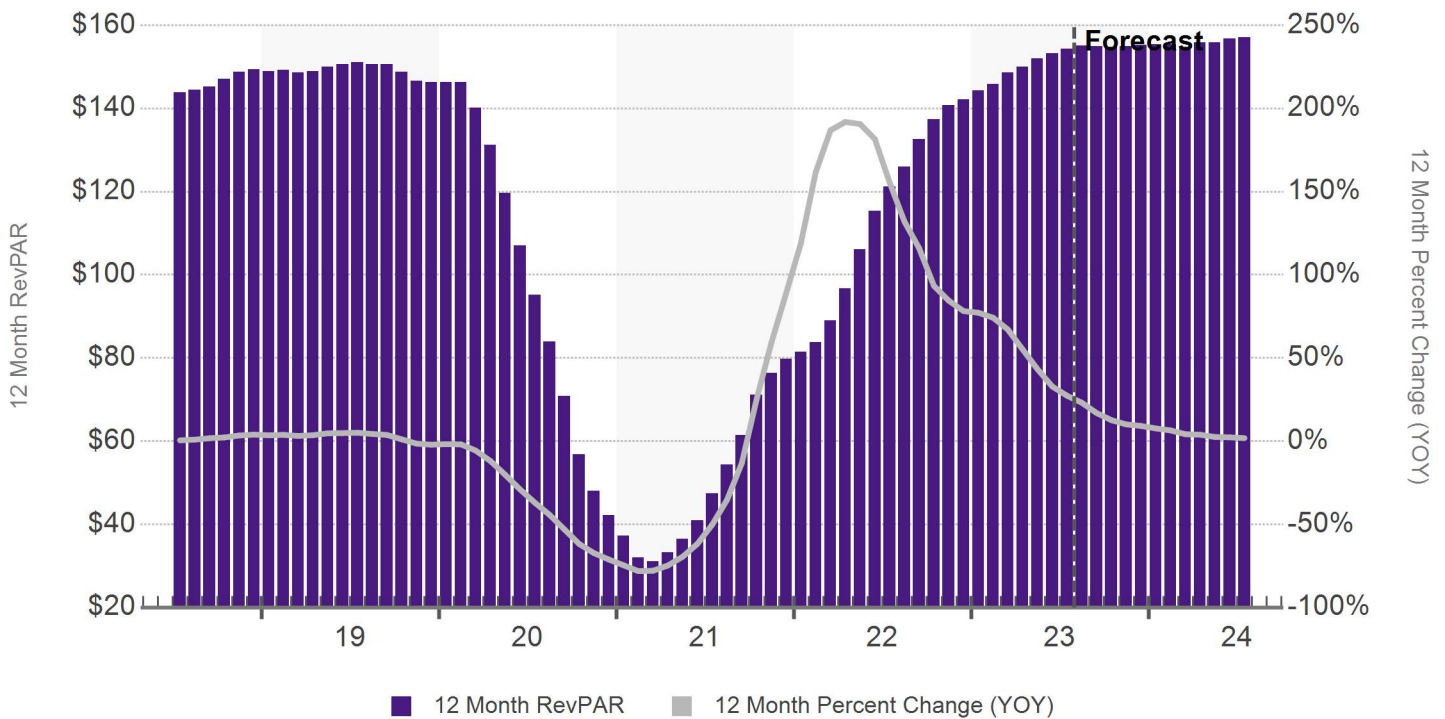
ADR



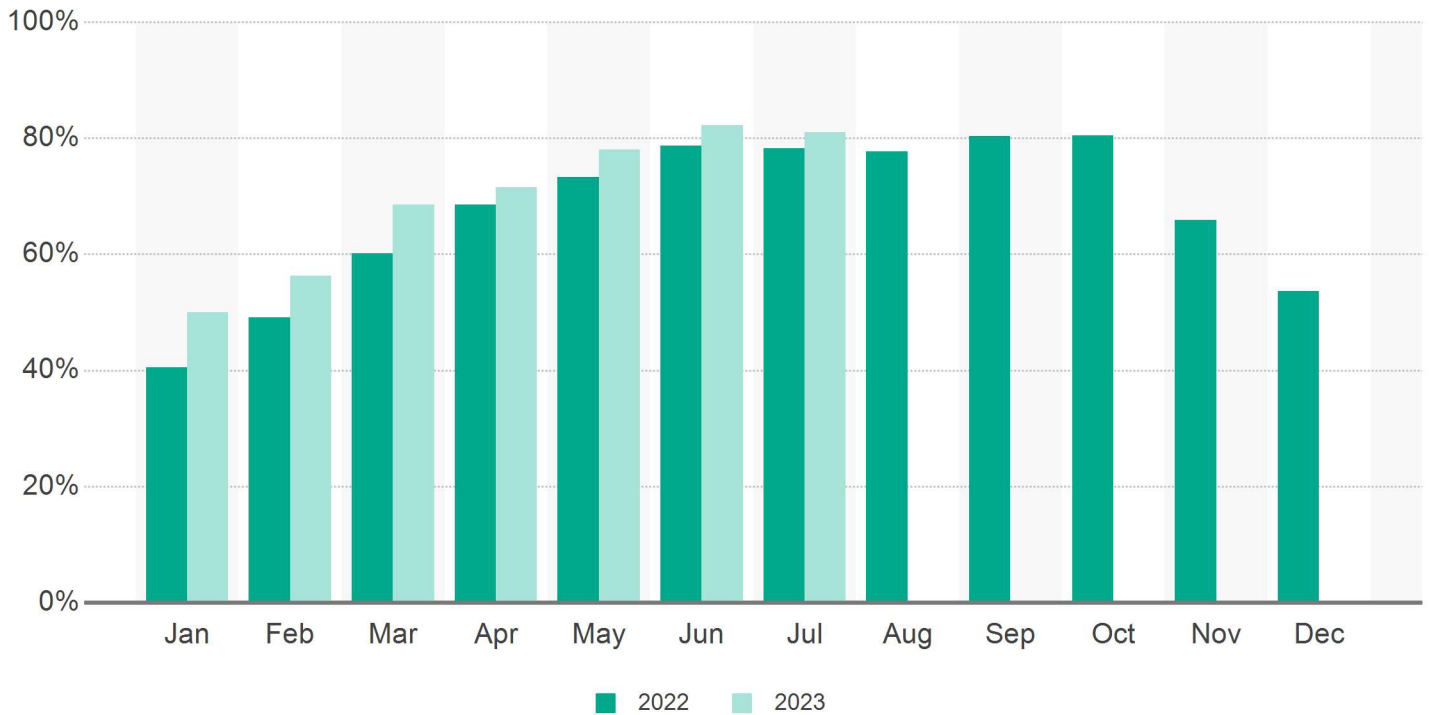
OCCUPANCY & ADR CHANGE



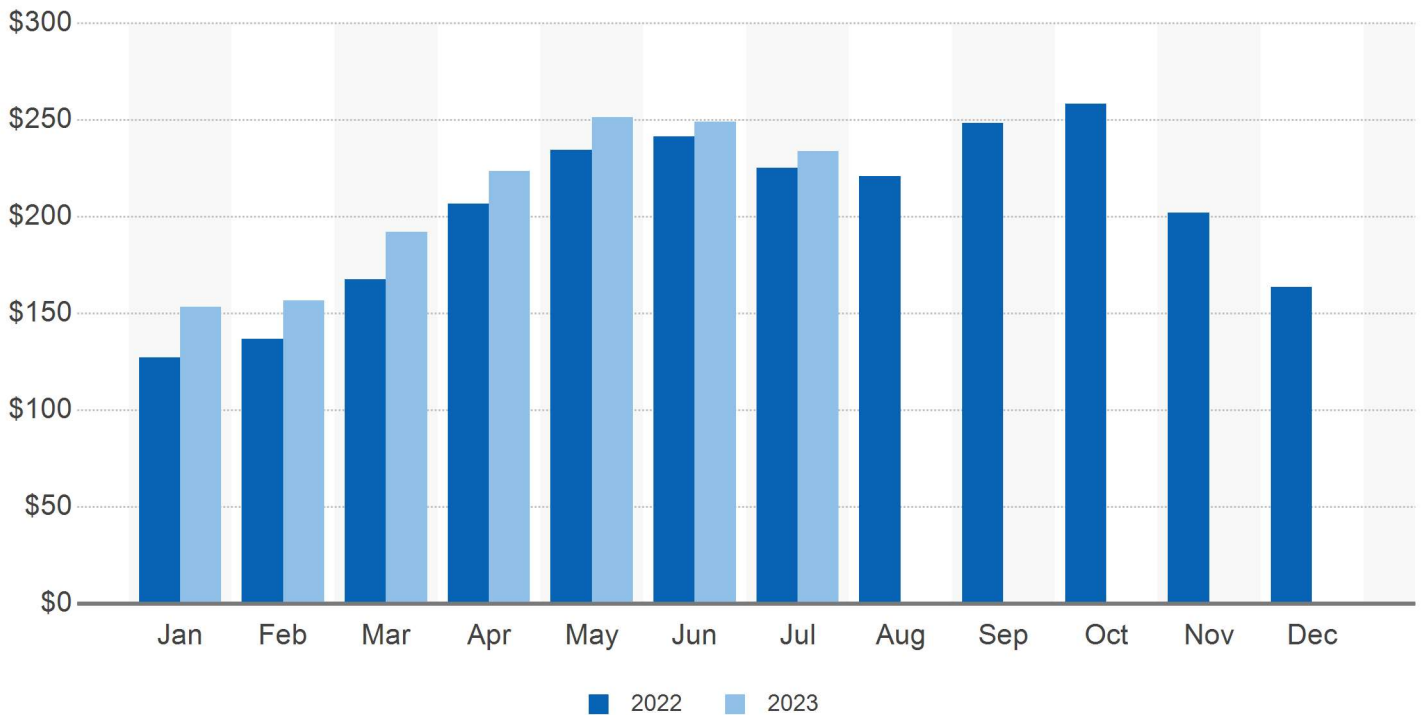
REVPAR



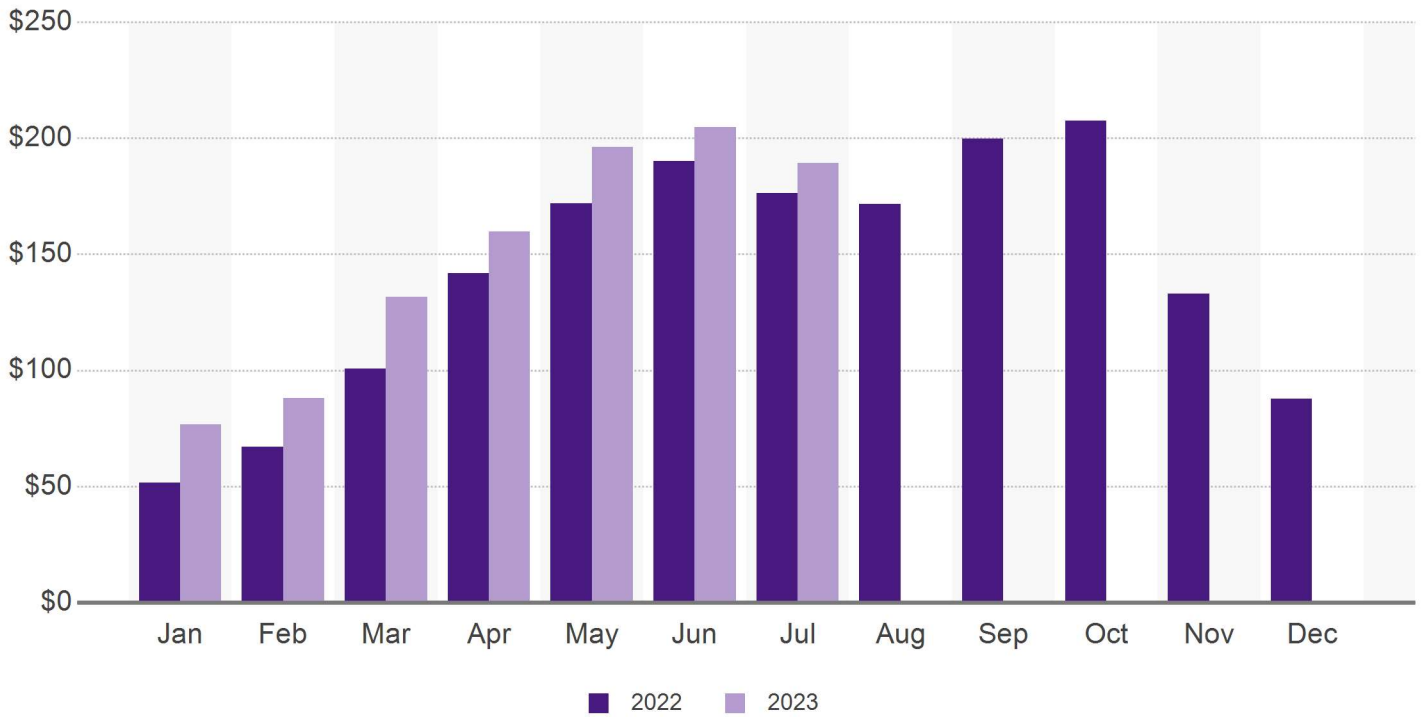
OCCUPANCY MONTHLY



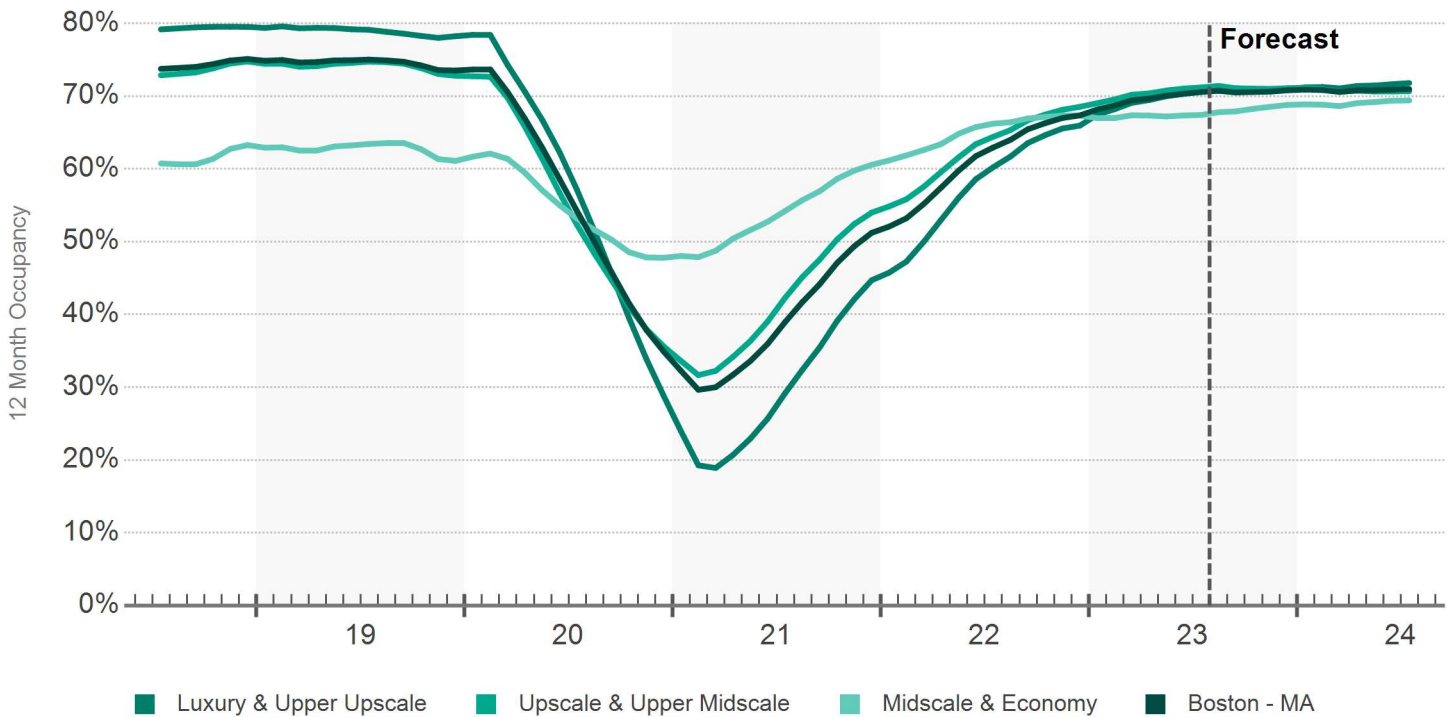
ADR MONTHLY



REVPAR MONTHLY



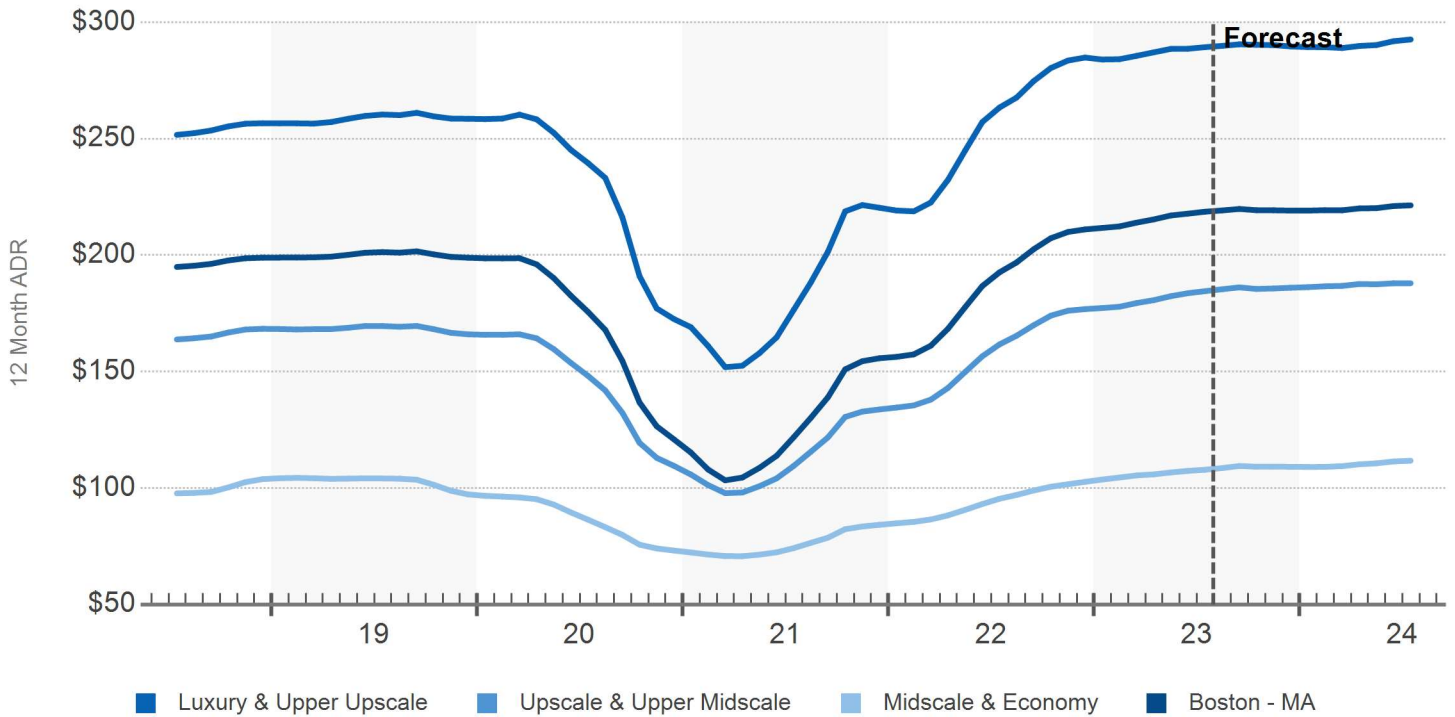
OCCUPANCY BY CLASS



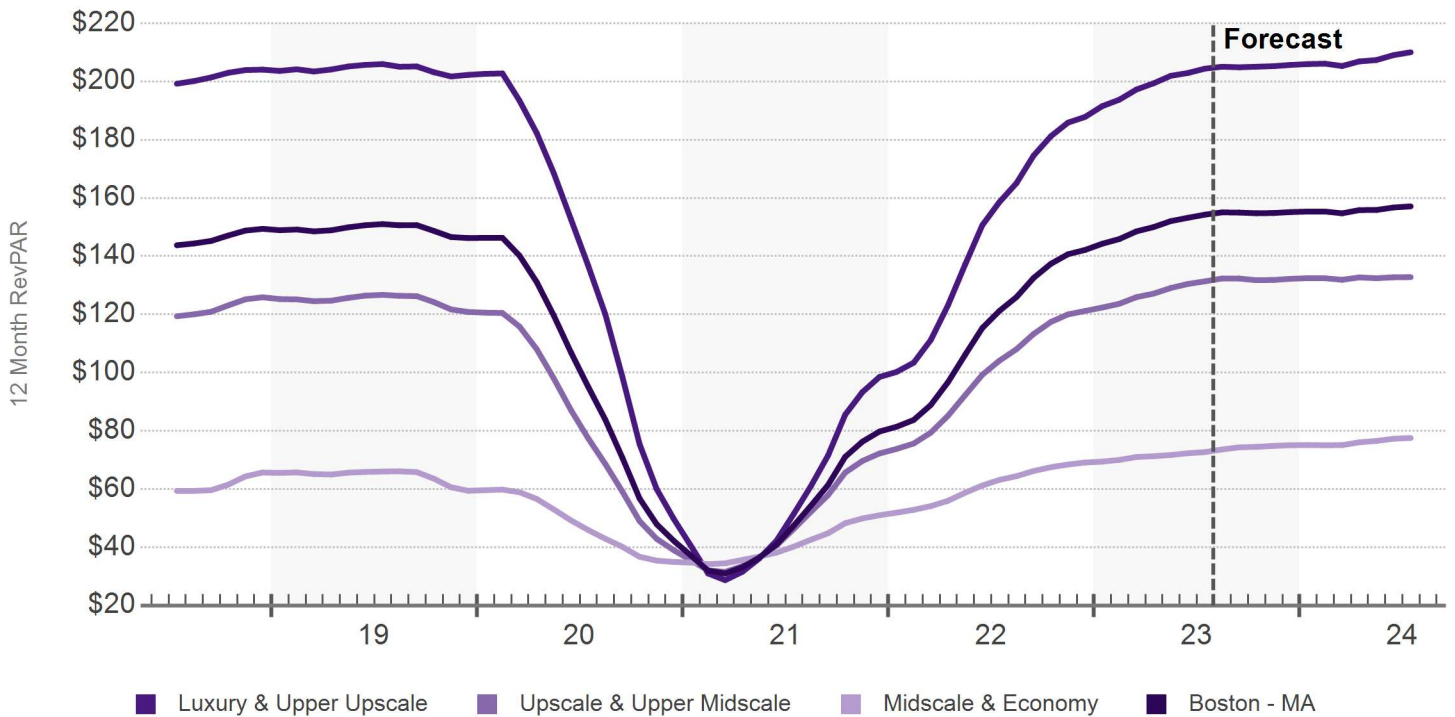
Performance

Boston - MA Hospitality

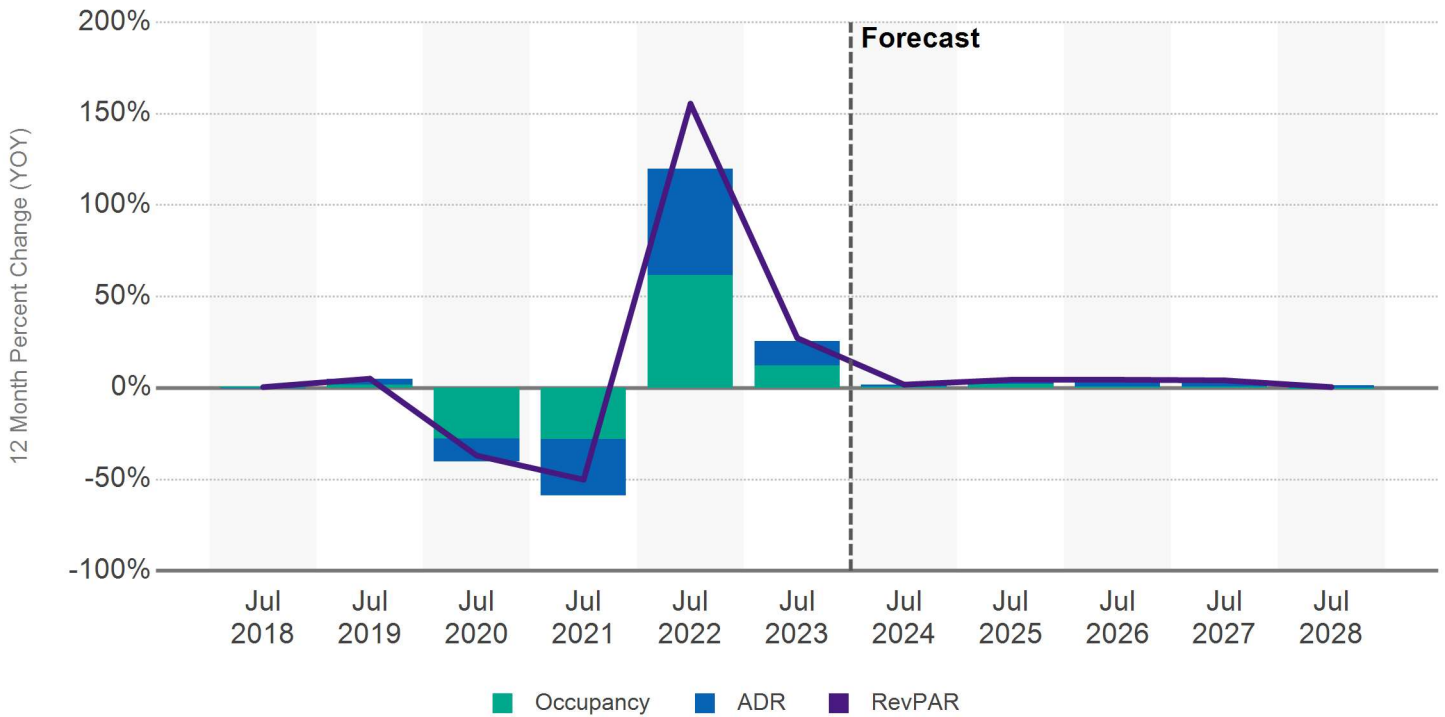
ADR BY CLASS



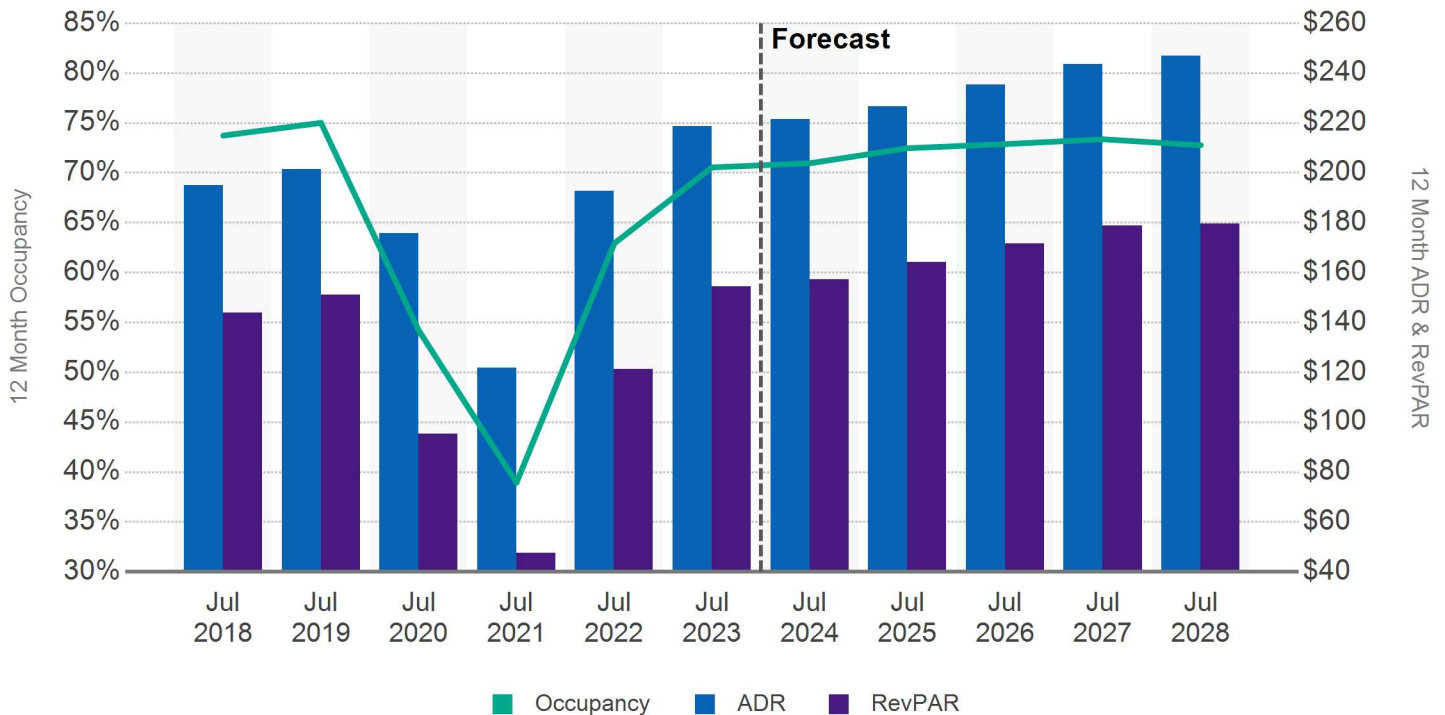
REVPAR BY CLASS



REVPAR GROWTH COMPOSITION



OCCUPANCY, ADR & REVPAR



FULL-SERVICE HOTELS PROFITABILITY (ANNUAL)

Market	% of Revenues	2022		2021-2022 % Change	
		PAR	POR	PAR	POR
Revenue					
Rooms	74.6%	\$65,130	\$274.04	98.6%	32.6%
Food	11.8%	\$10,271	\$43.22	138.7%	59.4%
Beverage	3.5%	\$3,069	\$12.91	91.5%	27.8%
Other F&B	5.5%	\$4,784	\$20.13	157.0%	71.6%
Other Departments	2.4%	\$2,134	\$8.98	53.9%	2.8%
Miscellaneous Income	2.2%	\$1,898	\$7.98	18.1%	-21.1%
Total Revenue	100%	\$87,286	\$367.26	100.4%	33.8%
Operating Expenses					
Rooms	25.6%	\$16,647	\$70.04	63.3%	9.0%
Food & Beverage	76.0%	\$13,776	\$57.96	100.2%	33.6%
Other Departments	52.3%	\$1,116	\$4.70	71.8%	14.7%
Administrative & General	8.8%	\$7,686	\$32.34	49.6%	-0.1%
Information & Telecommunication Systems	1.3%	\$1,103	\$4.64	24.5%	-16.9%
Sales & Marketing	8.3%	\$7,223	\$30.39	72.8%	15.3%
Property Operations & Maintenance	4.0%	\$3,464	\$14.57	30.8%	-12.7%
Utilities	4.0%	\$3,498	\$14.72	28.3%	-14.3%
Gross Operating Profit	37.5%	\$32,772	\$137.89	219.7%	113.4%
Management Fees	3.5%	\$3,019	\$12.70	136.4%	57.8%
Rent	0.8%	\$669	\$2.82	-16.4%	-44.2%
Property Taxes	5.9%	\$5,143	\$21.64	2.0%	-31.9%
Insurance	0.8%	\$718	\$3.02	30.7%	-12.8%
EBITDA	26.6%	\$23,223	\$97.71	800.2%	500.9%
Total Labor Costs	34.3%	\$29,979	\$126.14	63.5%	9.2%

(1) For Annual P&L, the current year exchange rate is used for each year going back in time. This current year exchange rate is the average of all 12 monthly rates for that year.

(2) Percentage of Revenues for departmental expenses (Rooms, Food & Beverage, and Other Departments) are based on their respective departmental revenues. All other expense percentages are based on Total Revenue.

(3) Labor costs are already included in the operating expenses above. Amounts shown in Total Labor Costs are for additional detail only.

Boston experienced a surge in supply growth, adding 6.1% of new supply from 2020 through year-end 2022. The significant supply growth during the pandemic further exacerbated the market's lagging recovery. Nineteen hotels with 3,595 rooms have been added from 2020 through YTD June 2022. Currently, there are nine hotels under construction totaling 1,200 rooms, and there are sixteen hotels with over 2,000 rooms in the final planning stages with planned deliveries between 2024 and 2026. The majority of new supply is in the Luxury and Upper Upscale segments.

Notable projects include the 154-room luxury Raffles Hotel, part of a larger mixed-use project in Back Bay that includes luxury residences. Slated for a 2023 opening, this will be Raffles' first hotel in North America. Additionally, CitizenM is building its second Boston hotel on Boylston Street and is scheduled to open in 2023.

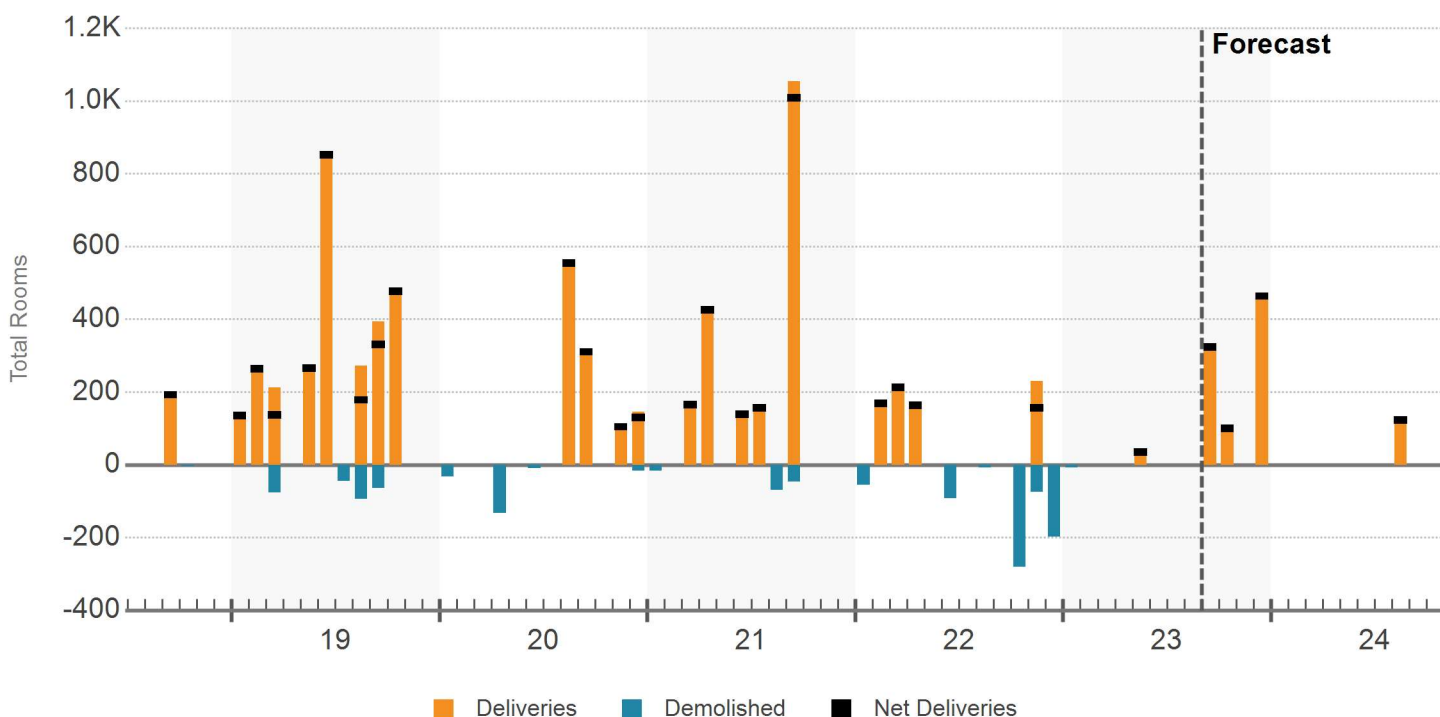
The 1,054-room Omni Seaport opened last September and is across from the convention center. The new Omni has a pedestrian underground tunnel connecting it to the BCEC. Boston tourism officials have said the city needed at least 1,800 more full-service hotel rooms within a half-mile of the BCEC to remain competitive for larger citywide conventions; consequently, the Omni is expected to induce new group demand. With 100,000 SF of meeting space, the Omni is not likely to be utterly

reliant on the BCEC for business, and a substantial percentage of its group business will be self-contained. Its location in the Seaport area will help attract leisure and corporate guests. The hotel is on a 90-year ground lease with Massachusetts Port Authority. Seaport's lodging supply was also increased by the dual-branded, 164-room Homewood Suites/252-room Hampton Inn at 670 Summer St., which opened in April. These properties are one block from the BCEC.

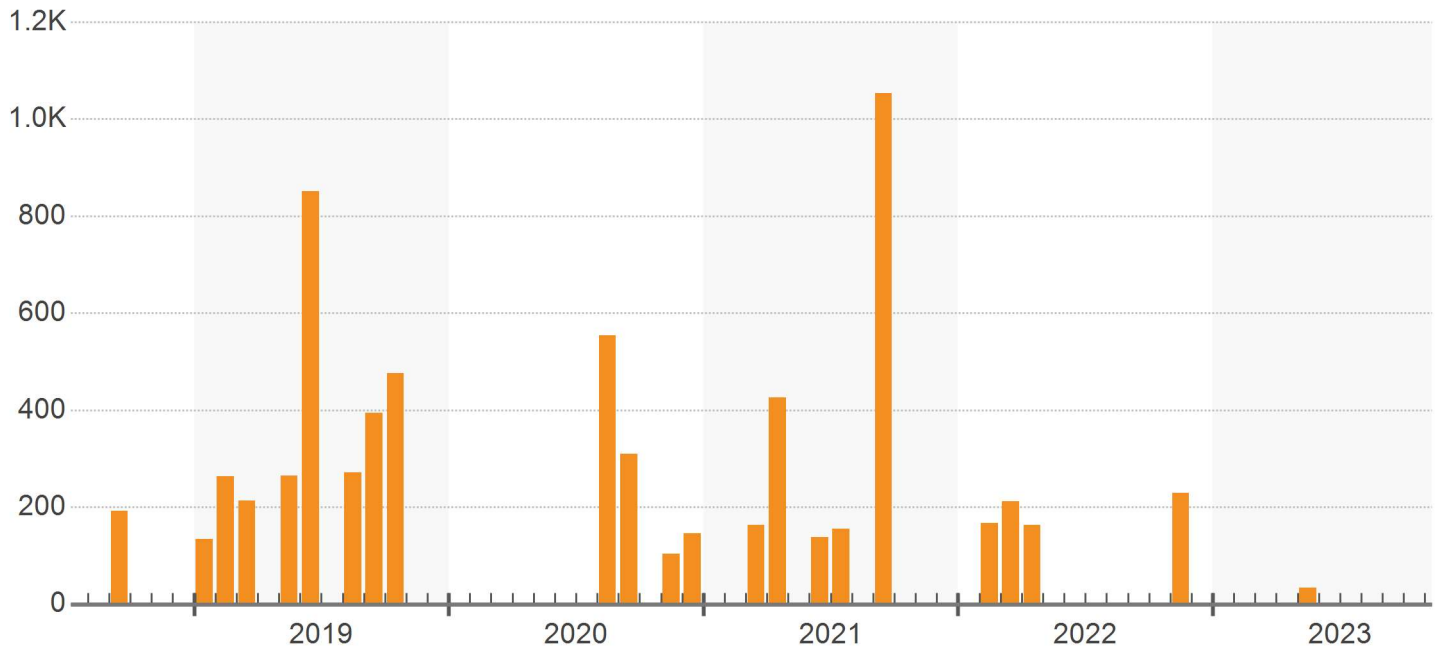
The recent substantial increase in hotel development activity was built on solid historical fundamentals, with demand exceeding supply by a near 2-to-1 margin on an average annualized basis over ten years from 2004–14. Demand outpaced supply at an average annual basis of 3.5% from 2004–14, despite an 11% drop in 2009 due to the global financial crisis. The growth in average rates and sustained absorption of rooms made it easier for developers and investors to underwrite deals in a city known for its higher barriers to entry and long permitting process.

While the market will take a few years to absorb the current and planned new supply, long-term fundamentals remain strong for Boston as a preferred destination on the East Coast for group, leisure, business, and international inbound travel.

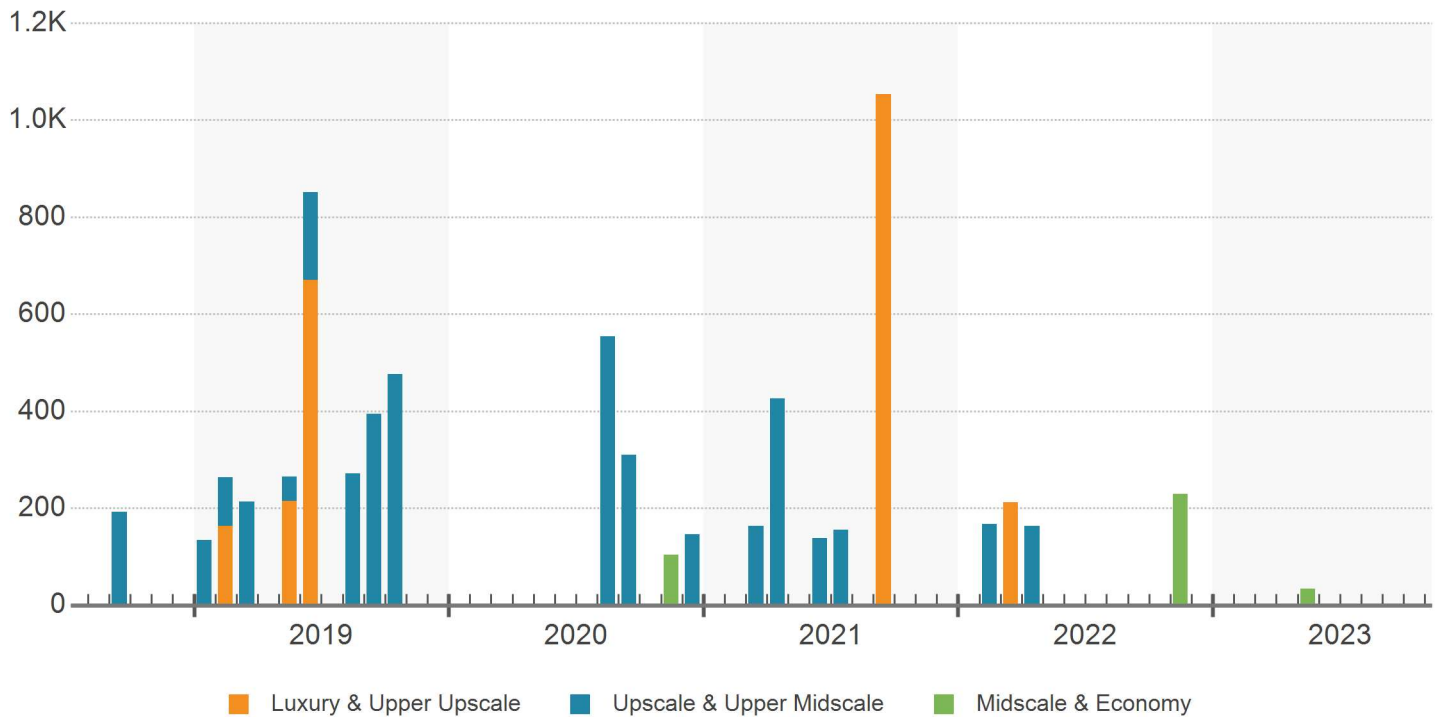
DELIVERIES & DEMOLITIONS



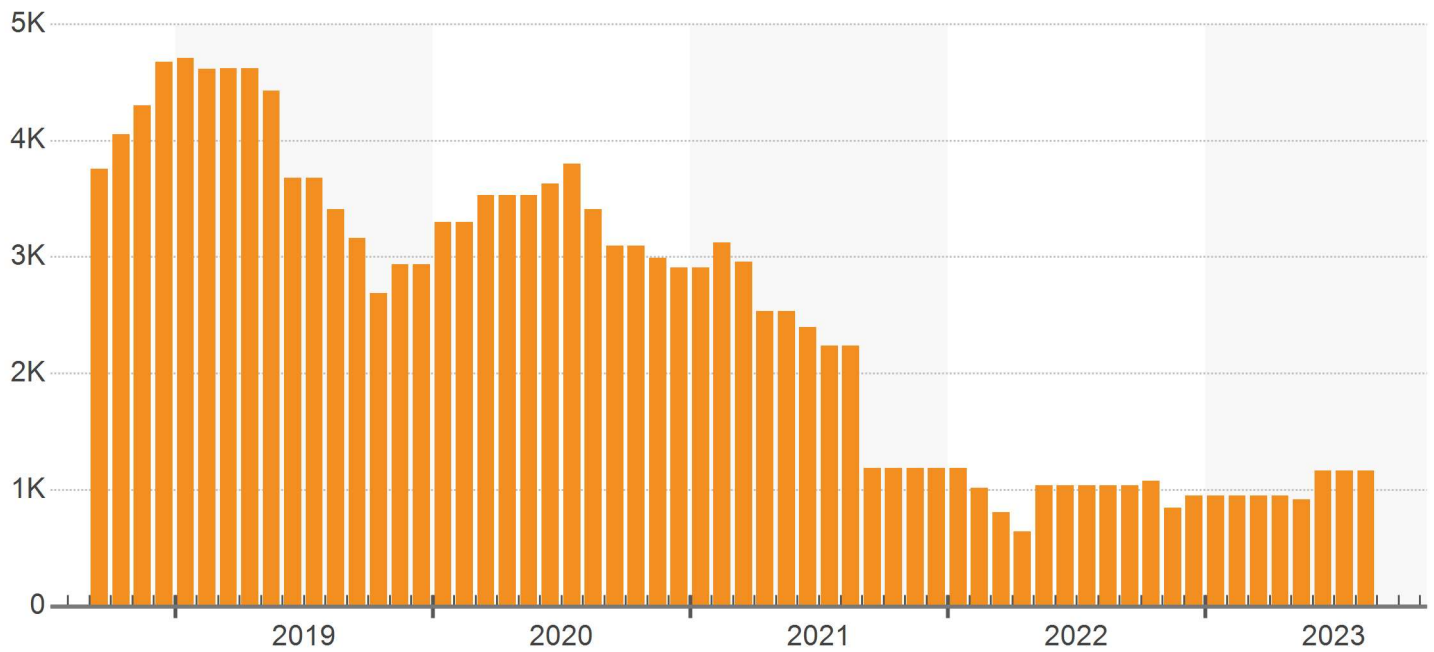
ROOMS DELIVERED



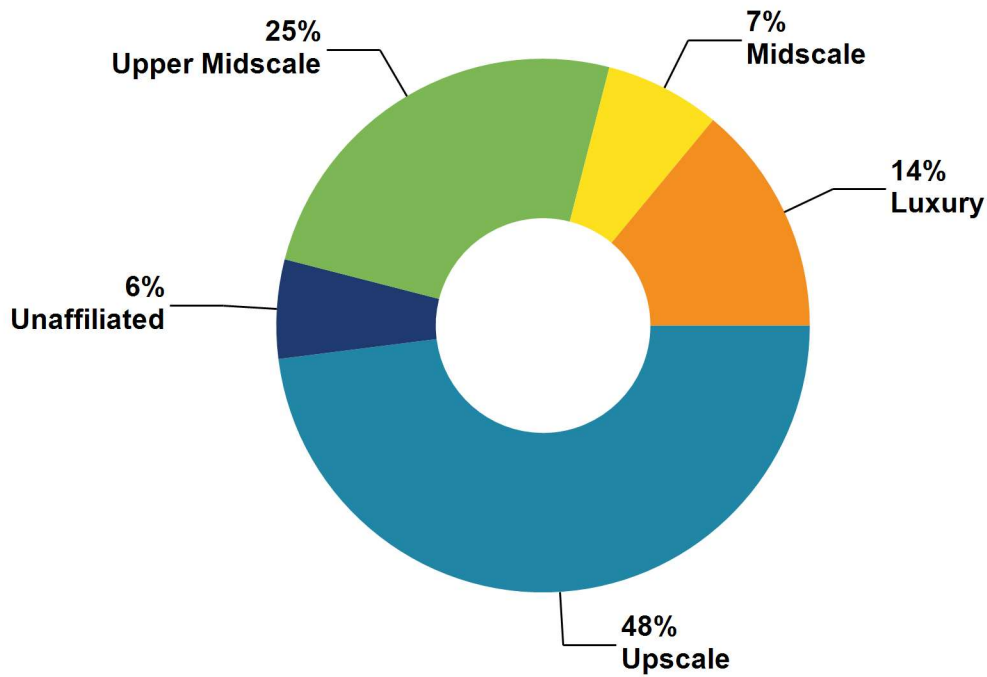
ROOMS DELIVERED BY CLASS



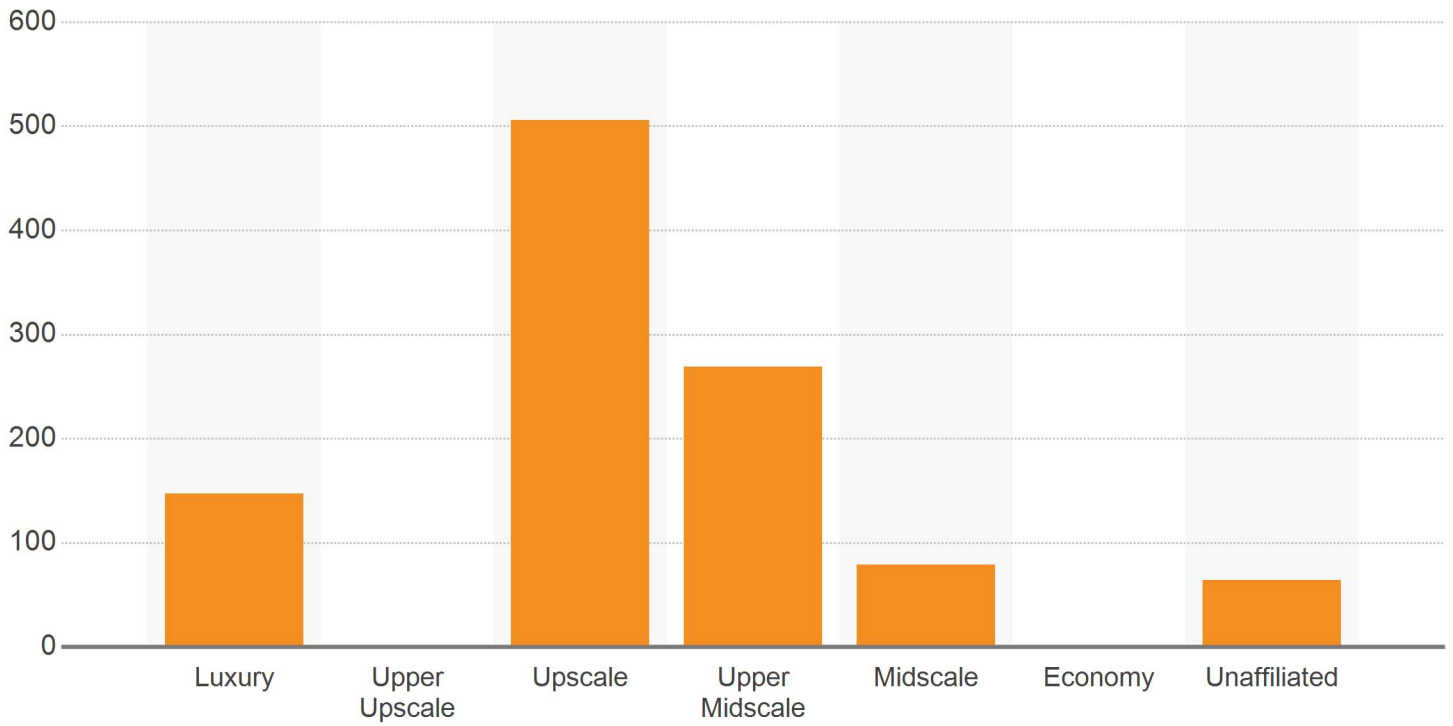
ROOMS UNDER CONSTRUCTION



TOTAL ROOMS UNDER CONSTRUCTION BY SCALE



ROOMS UNDER CONSTRUCTION BY SCALE



Under Construction Properties

Boston - MA Hospitality

Properties

Rooms

Percent of Inventory

Average Rooms

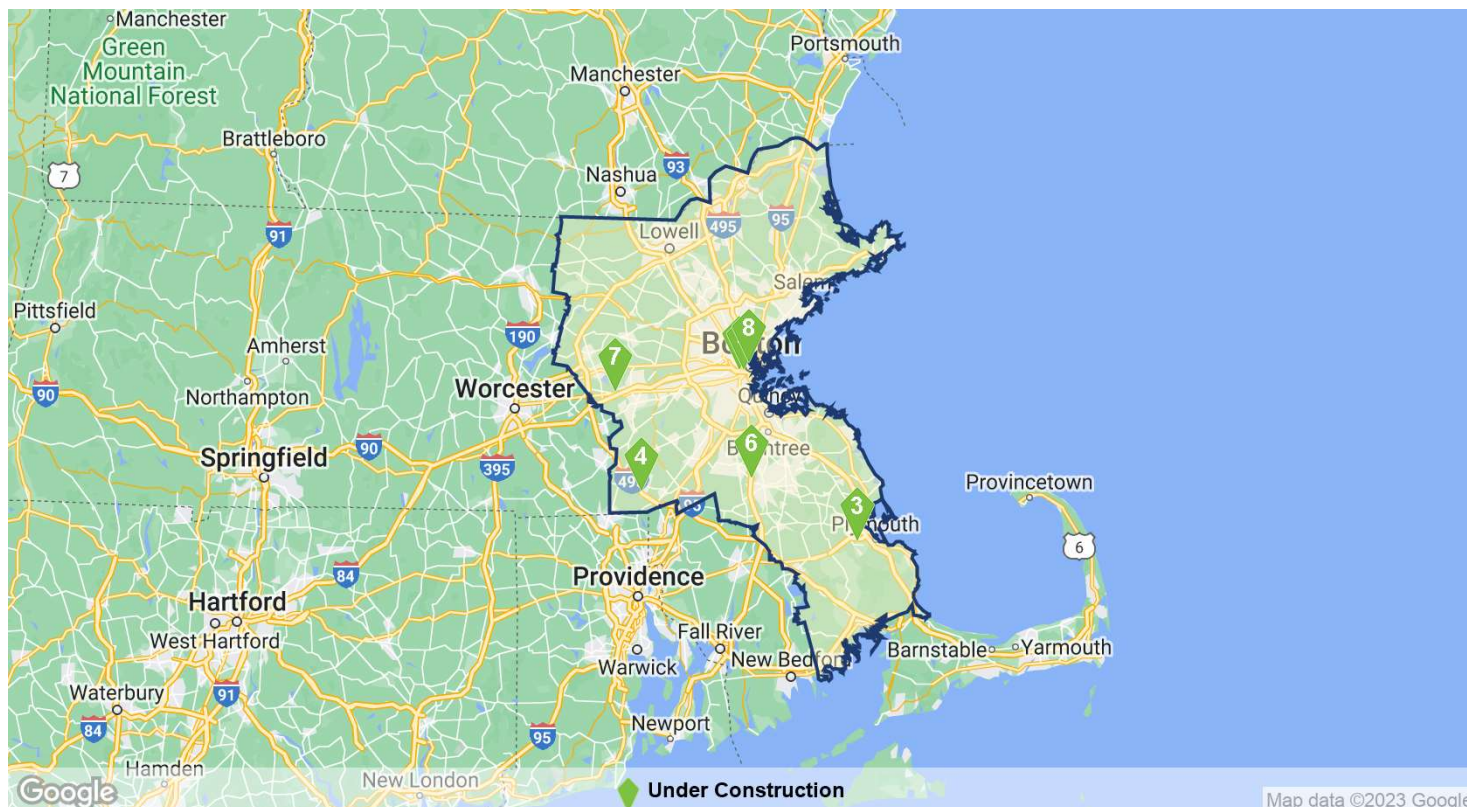
8

1,065

1.7%

133

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

	Property Name/Address	Class	Rooms	Stories	Start	Complete	Brand/Developer
1	citizenM Boston Back Bay 1001 Boylston St	Upscale	399	13	May 2022	Dec 2023	citizenM Samuels & Associates
2	Raffles Boston 40 Trinity Pl	Luxury	147	35	Sep 2019	Sep 2023	Raffles Trinity Stuart LLC
3	Cambria Hotels & Suites Plymouth 26 Plaza Way	Upscale	107	4	Dec 2022	Jul 2025	Cambria Hotels -
4	Home2 Suites by Hilton Boston Framingham 725 Union St	Upper Midscale	100	4	Jan 2020	Oct 2023	Home2 Suites by Hilton Patel, Jigar
5	TownePlace Suites by Marriott Framingham 1659 Worcester Rd	Upper Midscale	94	6	Jun 2023	Sep 2024	TownePlace Suites -
6	Tru by Hilton Brockton 0 Westgate Dr	Midscale	79	4	Jun 2023	Sep 2024	Tru by Hilton -
7	Fairfield Inn & Suites Framingham 1659 Worcester Rd	Upper Midscale	75	6	Jun 2023	Sep 2023	Fairfield Inn -

Under Construction Properties

Boston - MA Hospitality

UNDER CONSTRUCTION

	Property Name/Address	Class	Rooms	Stories	Start	Complete	Brand/Developer
8	88NOWA 88 N Washington St	Midscale	64	14	Dec 2020	Dec 2023	LIMAC LLC

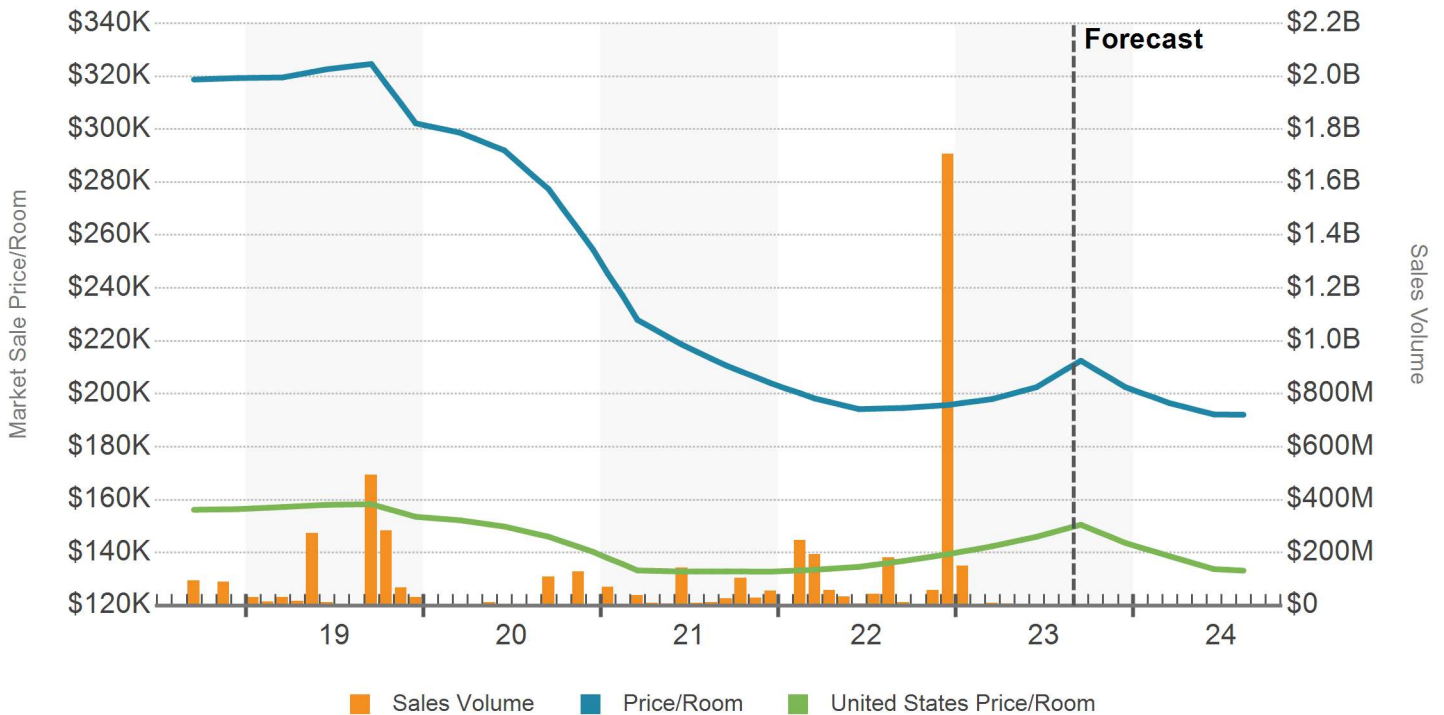
Hotel investment activity in Boston has been generally muted through 2023 year-to-date. In January, Electra America Hospitality Group acquired the 190-room Kimpton Nine Zero, a joint venture between Electra America and extended-stay company AKA. The seller was Brookfield Properties, and this investment was approaching the end of life in the fund it was acquired. The sale price was \$82.6 million (\$435,000/key). The buyer has converted the property into an AKA Hotel and plans to execute a renovation to reposition and operate the hotel as the second AKA-branded hotel in Boston.

Transactions in the last twelve months were elevated due to December 2022, with the sale-leaseback of the Encore Boston Harbor by Wynn Resorts to Realty Income Corp. for \$1.7 billion at a reported 5.9% capitalization rate. Wynn will pay \$100 million in annual rent for 30 years and holds another 30-year renewal option. Because the deal includes the large casino, the price was around \$2.5 million per key, much higher than for other, similarly sized, non-casino hotel properties.

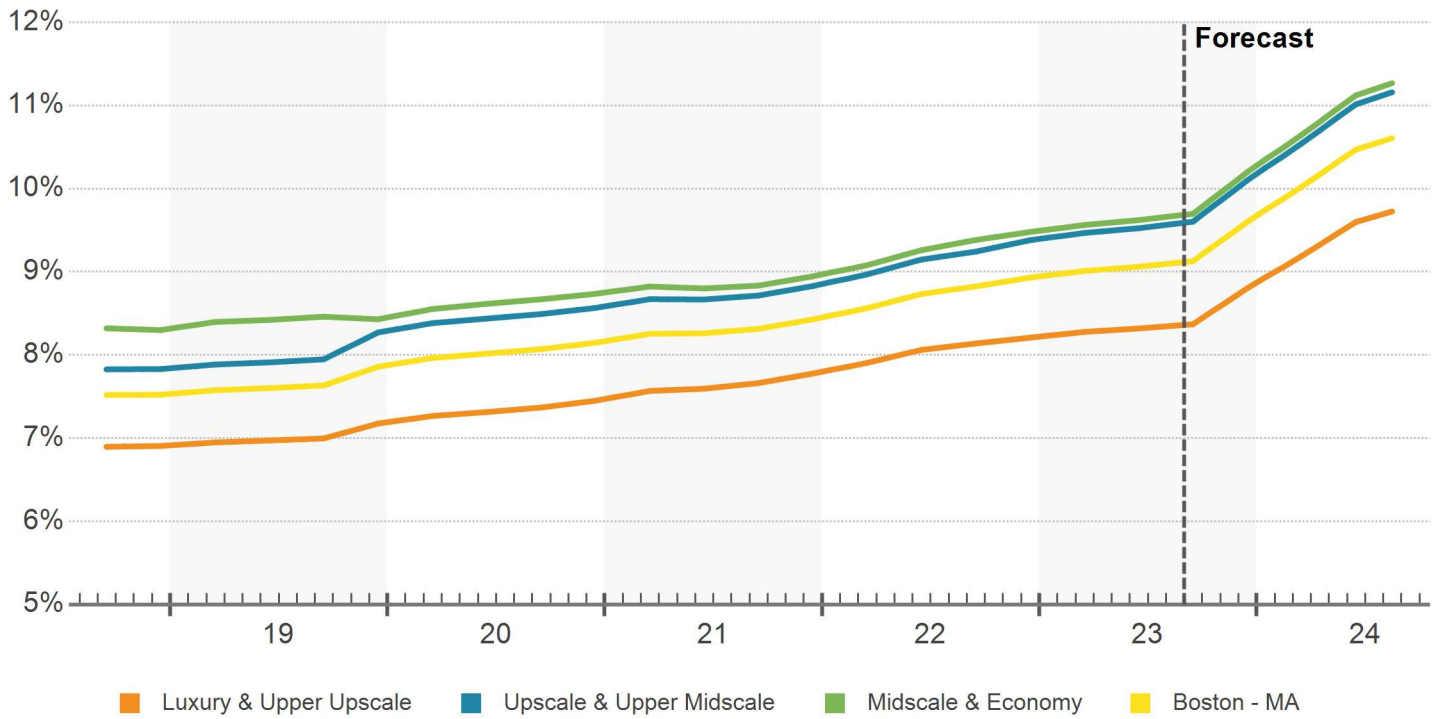
In August, the Loews Boston located in the Back Bay sold for \$116.6 million (\$518,000/key). The buyer was Electra America Hospitality Group, a joint venture fund between Electra America and extended-stay company AKA. The new owners are planning a \$20 million renovation, and the hotel will be renamed AKA Hotel Back Bay. The joint venture recently acquired the One Washington Circle Hotel in Washington D.C. and the Conrad Miami on Brickell Avenue; both properties are slated to be converted to AKA Hotels, an extended stay concept.

According to CoStar's CMBS data, 33 hotels have active CMBS loans. More than half of the 33 active CMBS loans are maturing in the next two years, providing some potential opportunities for investors watching the market. Eleven hotels are currently on the watchlist for possible distress. One hotel, the 130-room Courtyard Boston Dedham in the Dedham Marlborough submarket, is in special servicing due to a seventeen-property hotel loan. That said, macroeconomic headwinds due to rising interest rates may affect lending to get deals done.

SALES VOLUME & MARKET SALE PRICE PER ROOM



MARKET CAP RATE



Sales Past 12 Months

Boston - MA Hospitality

Sale Comparables

21

Average Price/Room

\$891K

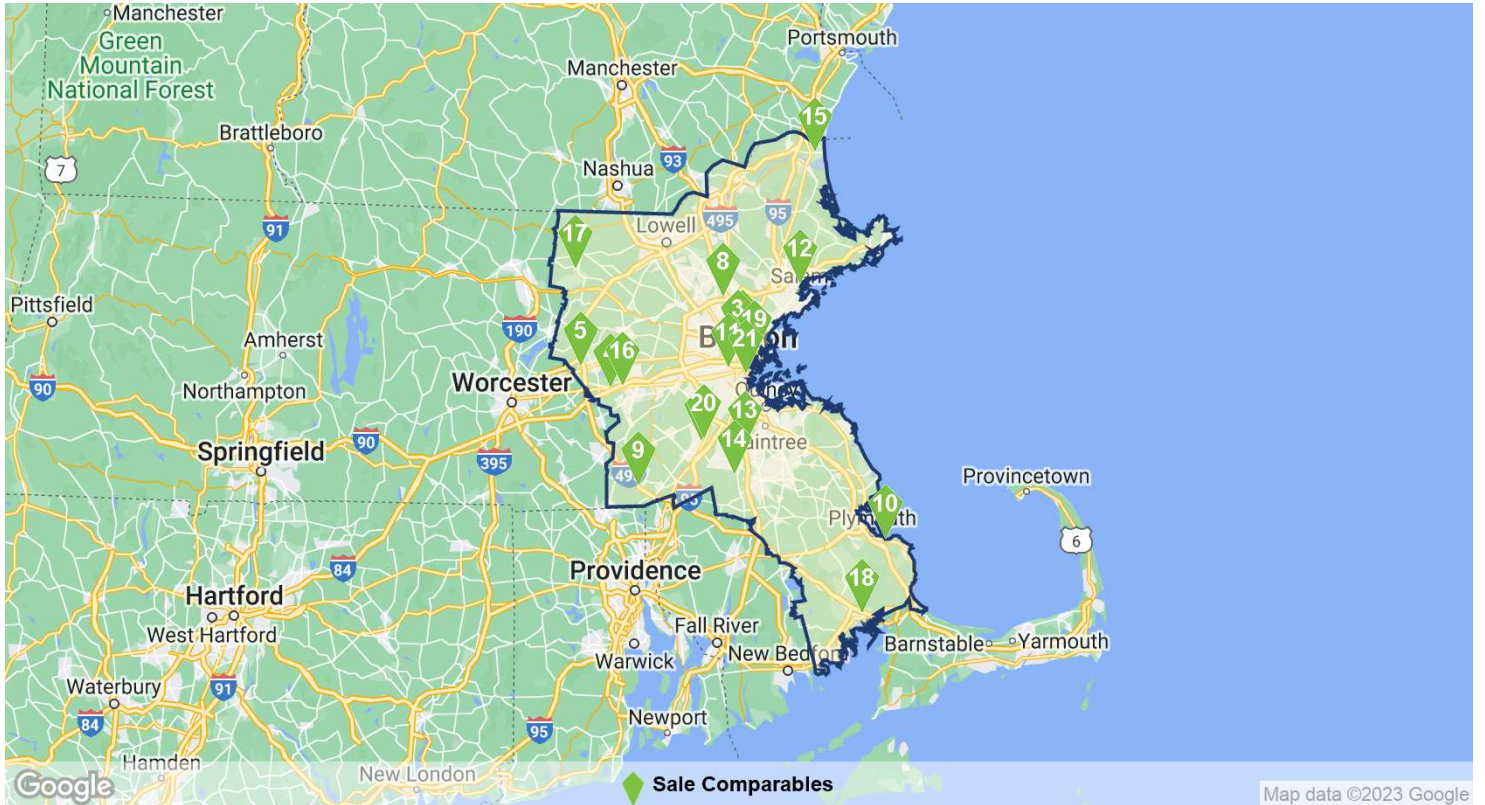
Average Price

\$108.4M

Average Cap Rate

7.2%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sale Attributes	Low	Average	Median	High
Sale Price	\$500,000	\$108,350,086	\$6,925,000	\$1,700,000,000
Price/Room	\$17,859	\$890,549	\$97,826	\$2,533,532
Cap Rate	5.9%	7.2%	5.9%	8.5%
Time Since Sale in Months	3.2	8.4	8.9	11.9
Property Attributes	Low	Average	Median	High
Property Size in Rooms	13	132	96	671
Number of Floors	1	5	4	27
Total Meeting Space	375	5,863	5,863	50,000
Year Built	1900	1980	1989	2019
Class	Economy	Upscale	Upper Midscale	Luxury

Sales Past 12 Months

Boston - MA Hospitality

RECENT SIGNIFICANT SALES

	Property Name/Address	Property Information				Sale Information		
		Class	Yr Built	Rooms	Brand	Sale Date	Price	Price/Room
1	Encore Boston Harbor 1 Broadway	Luxury	2019	671	-	12/1/2022	\$1,700,000,000	\$2,533,532
2	Hotel AKA Boston Common 90 Tremont St	Luxury	2001	190	AKA	1/10/2023	\$82,630,000	\$434,895
3	La Quinta Inns & Suites Boston S... 23 Cummings St	Upper Midscale	1999	147	La Quinta Inns & Suites	1/5/2023	\$67,500,000	\$459,184
4	Residence Inn Boston Framingham 400 Staples Dr	Upscale	2000	125	Residence Inn	11/3/2022	\$15,800,000	\$126,400
5	Courtyard Boston Marlborough 75 Felton St	Upscale	1985	202	Courtyard	11/14/2022	\$15,322,000	\$75,851
6	Residence Inn Boston Norwood C... 275 Norwood Park S	Upscale	2006	96	Residence Inn	11/3/2022	\$10,800,000	\$112,500
7	Sonesta Select Boston Stoughton 200 Technology Center Dr	Upscale	1989	152	Sonesta Select	11/22/2022	\$10,000,000	\$65,789
8	Holiday Inn Express Boston North... 315 Mishawum Rd	Upper Midscale	1984	93	Holiday Inn Express	3/24/2023	\$9,500,000	\$102,151
9	Hampton by Hilton Inn Franklin Mil... 735 Union St	Upper Midscale	2000	94	Hampton by Hilton	9/7/2022	\$9,000,000	\$95,745
10	Pilgrim Sands Hotel 150 Warren Ave	Upper Midscale	1964	62	-	4/14/2023	\$6,925,000	\$111,694
11	Longwood Inn 123 Longwood Ave	Midscale	1900	22	-	11/1/2022	\$6,050,000	\$275,000
12	Clipper Ship Inn 40 Bridge St	Midscale	1960	60	-	12/22/2022	\$4,450,000	\$74,167
13	Sonesta Select Boston Stoughton 200 Technology Center Dr	Upscale	1989	152	Sonesta Select	9/7/2022	\$2,714,554	\$17,859
14	Stoughton Motel 1919 Washington St	Economy	1950	16	-	5/30/2023	\$2,500,000	\$156,250
15	Beach Road Grove Cabins 104 Beach Rd	Economy	1969	23	-	2/10/2023	\$2,250,000	\$97,826
16	Framingham Inn 1186 Worcester Rd	Midscale	1960	30	-	10/14/2022	\$2,200,000	\$73,333
17	Ayer Motor Inn 18 Fitchburg Rd	Economy	1960	42	-	12/7/2022	\$2,160,000	\$51,429
18	Village Motel 2739 Cranberry Hwy	Economy	1961	13	-	10/31/2022	\$500,000	\$38,462
19	Embassy Suites by Hilton 207 Porter St	Upper Upscale	2003	282	Embassy Suites by Hilton	3/9/2023	-	-
20	Courtyard Boston Norwood/Canton 300 River Ridge Dr	Upscale	1989	147	Courtyard	2/23/2023	-	-

The economic impact of the pandemic was severe in Boston and throughout Massachusetts. Still, the area is experiencing a solid rebound, with several areas of the state's economy exceeding pre-pandemic levels. The statewide unemployment rate continues to improve, dropping to 3.6% in 1Q23 since its peak of 16.4% in April 2020. Massachusetts still ranks ahead of New York, 5.3%, and Washington, D.C., 6.4%.

The Boston metro lost over 400,000 jobs at the beginning of the pandemic in early 2020 but has since regained approximately 95% of those jobs. The state's unemployment rate in January 2020 was 2.8%. While significant job gains have occurred since the pandemic began, the leisure and hospitality sector remains impacted. With hotels and restaurants shut down for months in 2020, many hospitality workers sought jobs elsewhere and have not returned. With the city fully open, hotels, restaurants, and bars still struggle to find enough staff. Although lodging demand improved, leisure and hospitality employment is still down approximately 12% compared to pre-COVID levels. Jobs in the leisure and hospitality sectors have become increasingly difficult to fill due to higher wages and better working conditions in other sectors.

Tourism is an essential industry for Boston and the state of Massachusetts. In 2019, Boston welcomed 19.8

million domestic and 2.8 million international visitors, generating an economic impact of approximately \$14 billion in direct spending. International visitation, led by China, has grown at an average annualized rate of 6% over the past few years. The Chinese market is Boston's largest group of overseas travelers, comprising 24% of its international visitors. According to Boston USA, Chinese visitors to Boston are also its biggest spenders, contributing an estimated \$616 million to the local economy in 2018. As inbound international travel from China, the European Union, and the United Kingdom continues to ramp back to its pre-pandemic levels, Boston's tourism industry can expect to see a continuing positive impact from this important source of visitation.

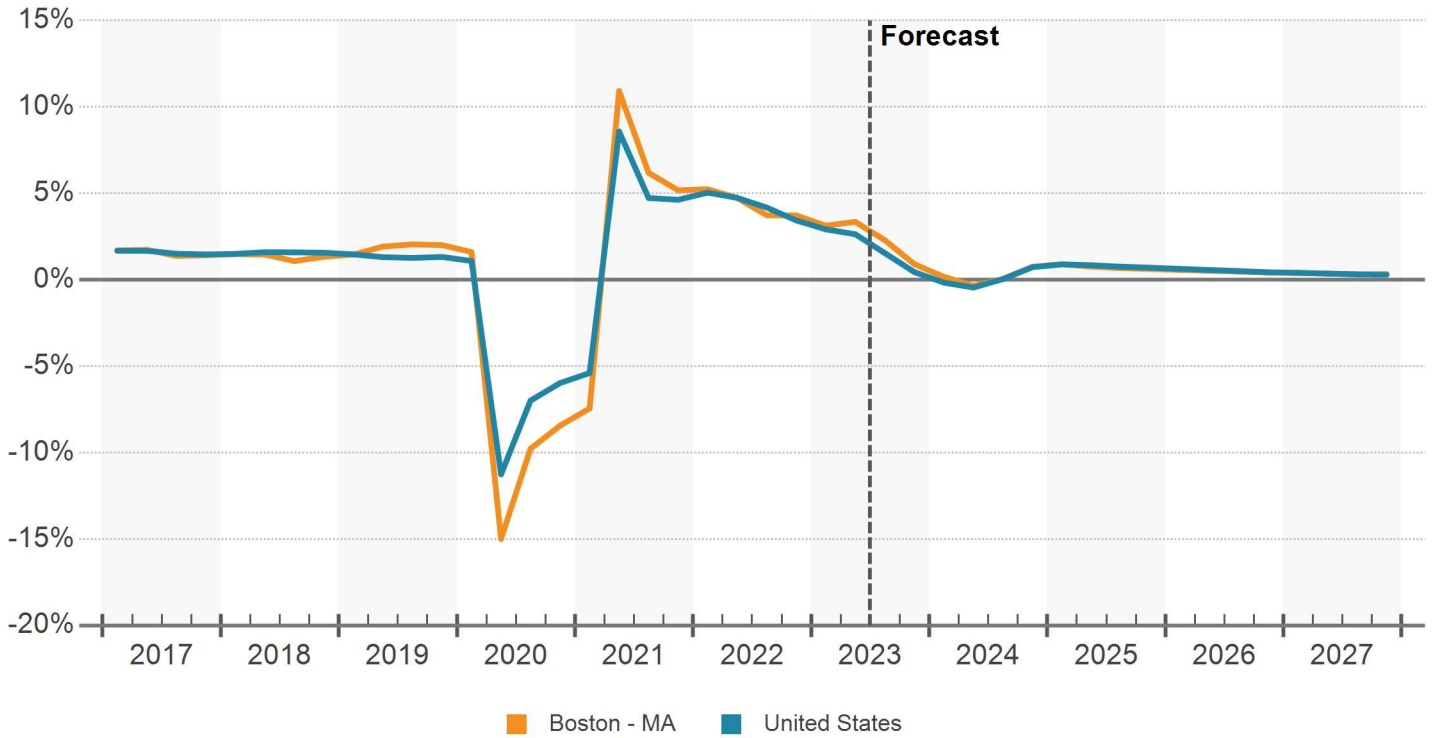
Convention and group demand are as crucial to the region as tourist demand economic impact and the number of jobs it supports. The Boston Convention & Exhibit Center (the BCEC) generates an estimated economic impact of \$640 million annually and supports over 5,000 jobs. With significant cancellations due to COVID in 2020 and more cancellations in 2021, 2023 is looking much more robust with the return of many groups to both the Hynes Convention Center and the BCEC. The group travel pace for 2022 was nearly 90% of 2019 levels, and the 2023 pace is expected to surpass 2019 levels, underscoring the strong recovery underway across the region.

BOSTON - MA EMPLOYMENT BY INDUSTRY IN THOUSANDS

Industry	CURRENT JOBS		CURRENT GROWTH		10 YR HISTORICAL		5 YR FORECAST	
	Jobs	LQ	Market	US	Market	US	Market	US
Manufacturing	149	0.7	0.34%	0.66%	-0.49%	0.76%	-0.34%	0.04%
Trade, Transportation and Utilities	364	0.7	2.02%	0.49%	0.28%	1.15%	-0.25%	0.09%
Retail Trade	211	0.8	1.90%	0.28%	-0.23%	0.32%	-0.11%	0.09%
Financial Activities	191	1.2	2.55%	0.63%	1.22%	1.44%	-0.02%	0.11%
Government	287	0.7	0.97%	1.64%	0.45%	0.33%	0.28%	0.39%
Natural Resources, Mining and Construction	116	0.8	0.62%	2.04%	3.45%	2.42%	0.97%	0.21%
Education and Health Services	577	1.3	2.89%	3.20%	1.66%	1.79%	0.50%	0.66%
Professional and Business Services	538	1.4	2.92%	1.54%	2.54%	2.11%	0.30%	0.35%
Information	85	1.6	-0.51%	-0.94%	1.78%	1.26%	0.56%	0.25%
Leisure and Hospitality	250	0.9	8.08%	4.64%	1.10%	1.53%	1.37%	0.90%
Other Services	96	1.0	0.58%	2.17%	0.54%	0.63%	0.58%	0.28%
Total Employment	2,654	1.0	2.56%	1.82%	1.30%	1.33%	0.36%	0.37%

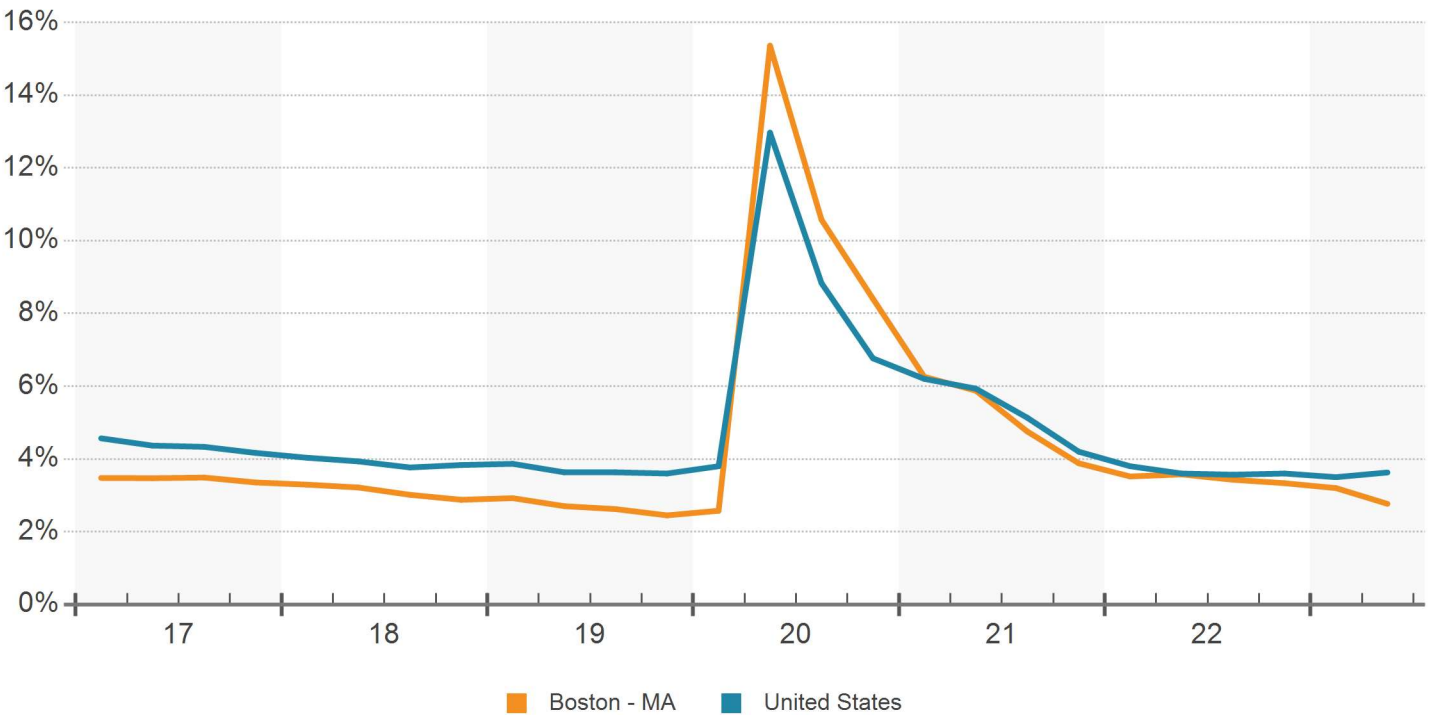
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

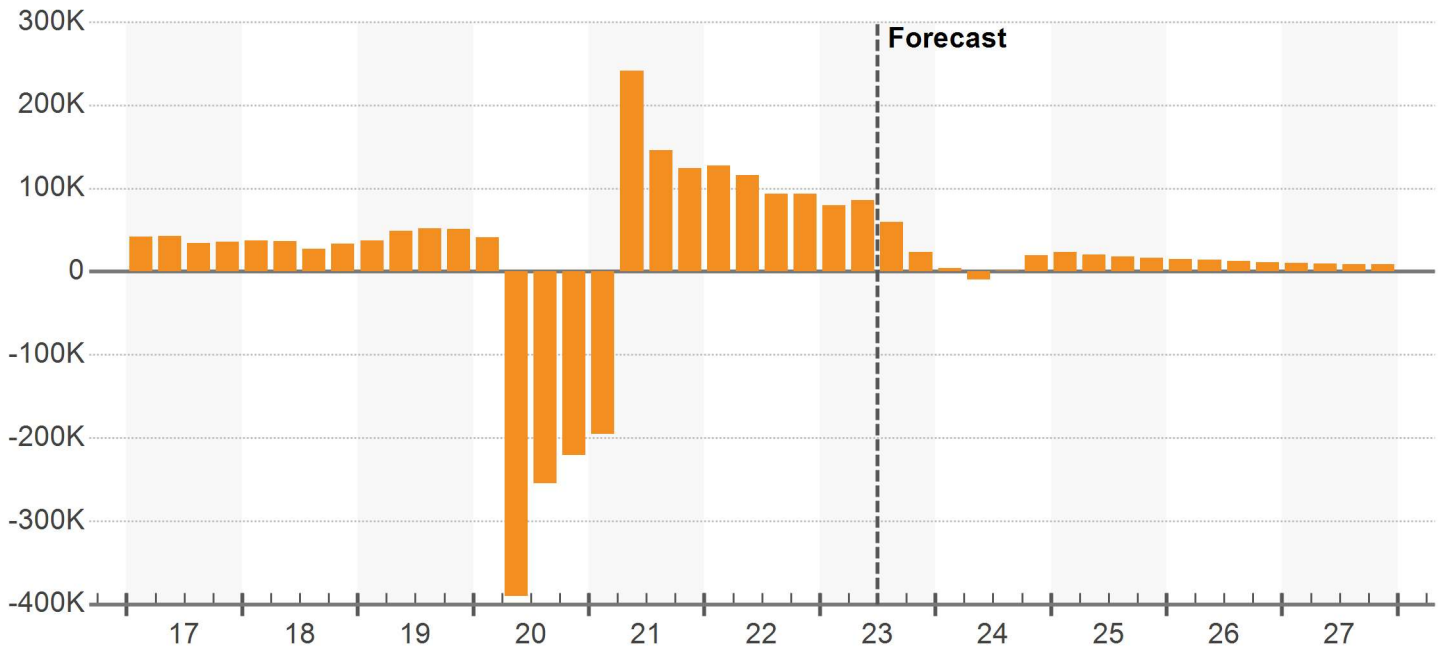


Source: Oxford Economics

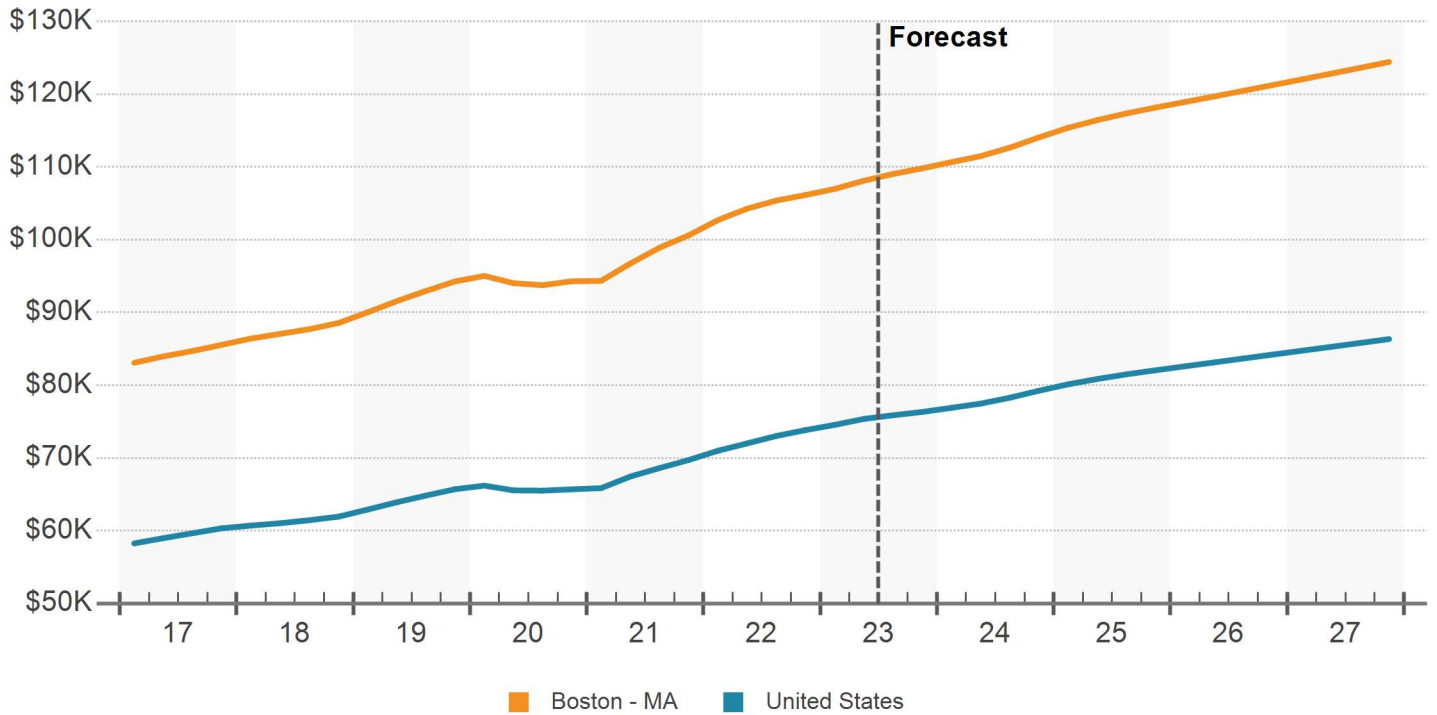
UNEMPLOYMENT RATE (%)



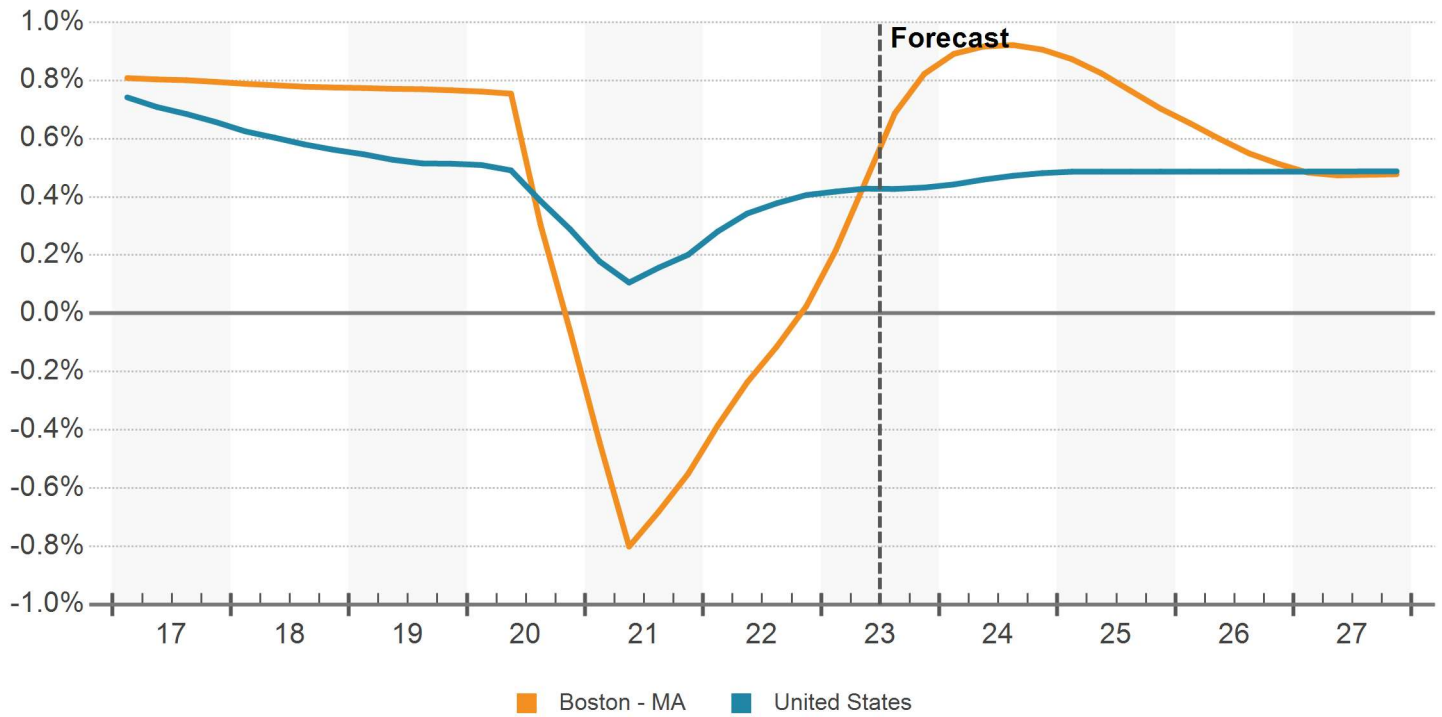
NET EMPLOYMENT CHANGE (YOY)



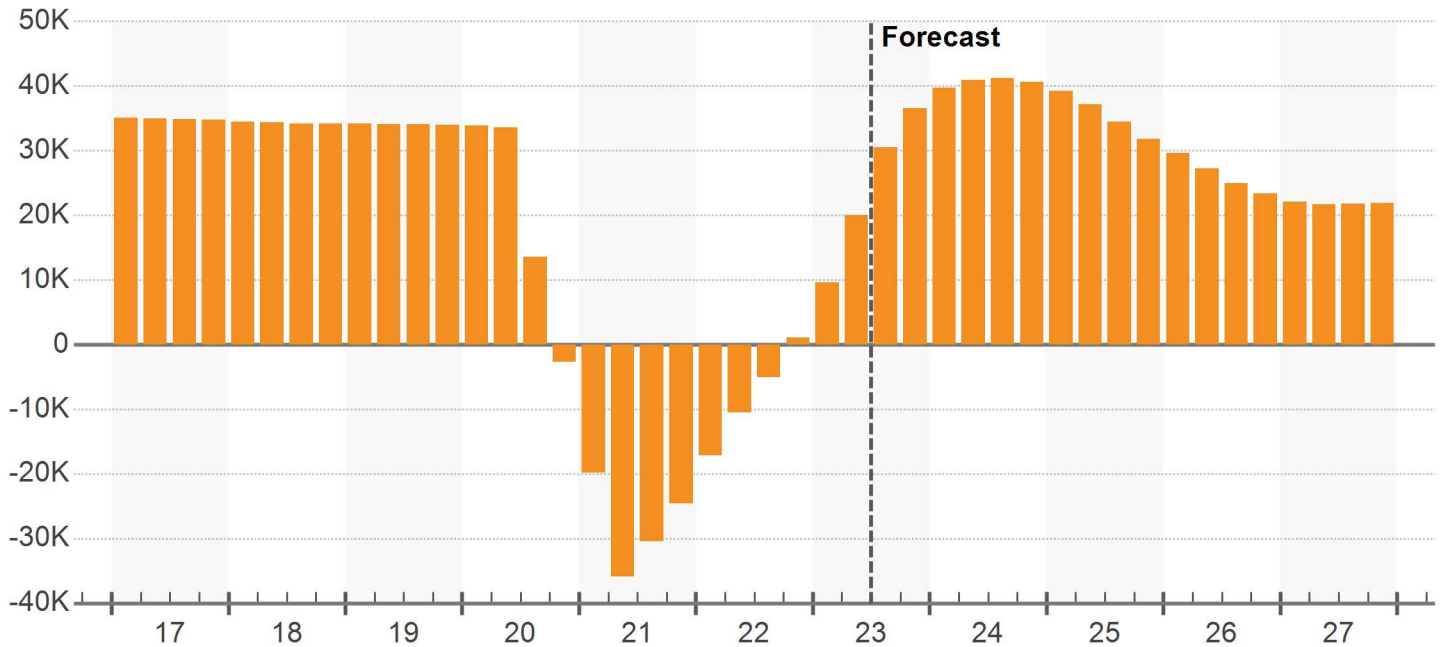
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)

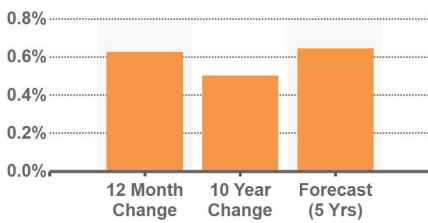


DEMOGRAPHIC TRENDS

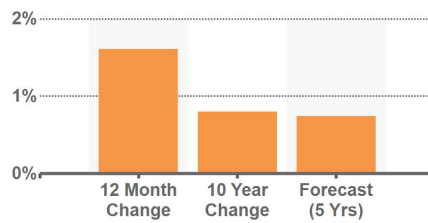
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	4,463,590	334,635,375	0.6%	0.4%	0.5%	0.6%	0.6%	0.5%
Households	1,764,583	129,943,828	0.8%	0.6%	0.9%	0.9%	0.8%	0.6%
Median Household Income	\$108,780	\$75,739	3.5%	4.1%	4.1%	3.8%	3.1%	3.0%
Labor Force	2,477,712	165,921,656	1.6%	1.0%	0.8%	0.6%	0.7%	0.4%
Unemployment	2.8%	3.6%	-0.7%	0.1%	-0.3%	-0.4%	-	-

Source: Oxford Economics

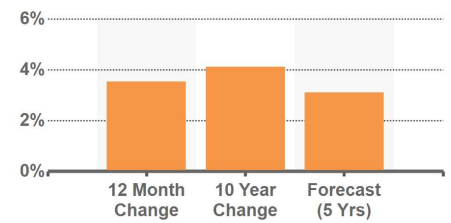
POPULATION GROWTH



LABOR FORCE GROWTH



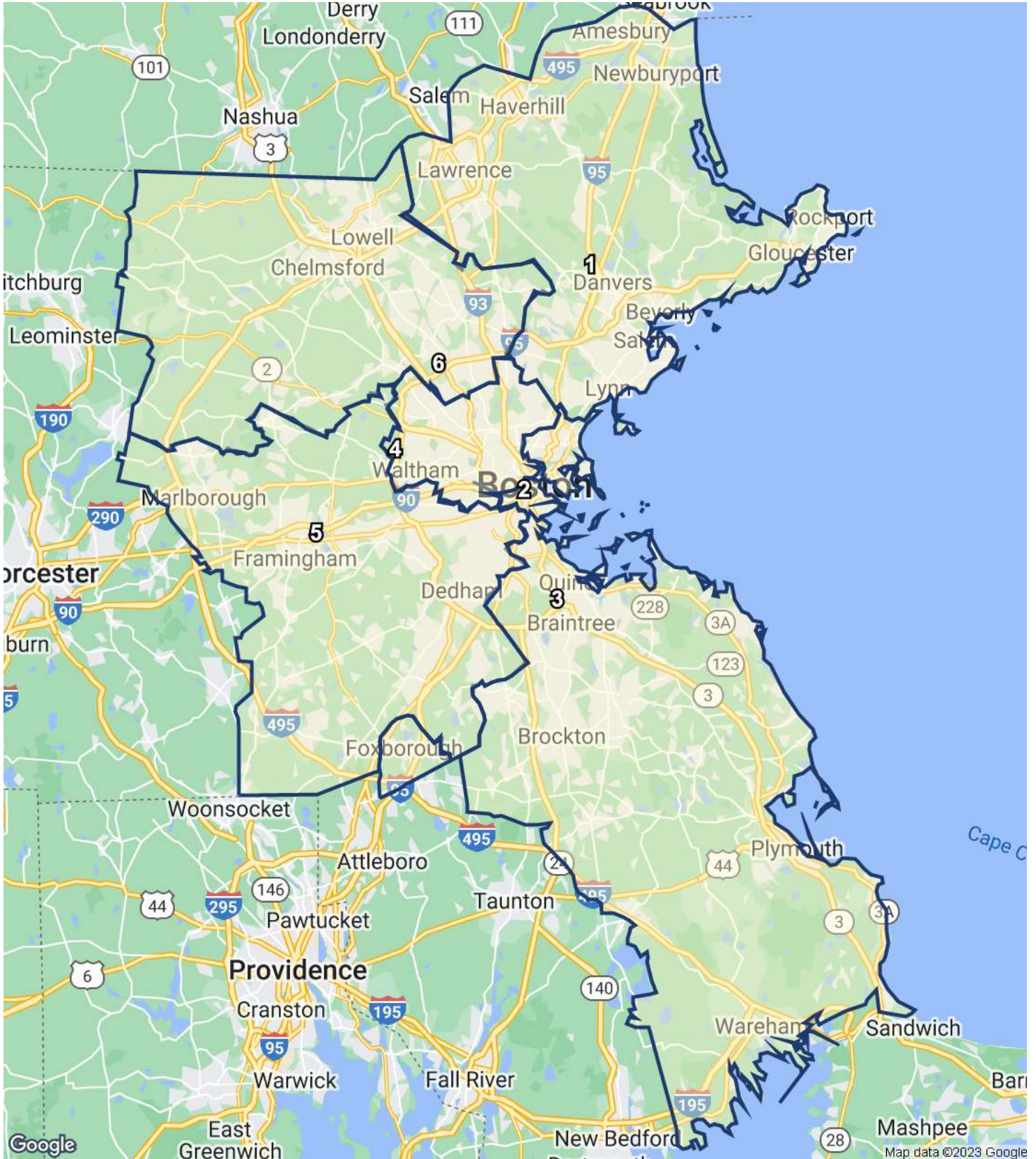
INCOME GROWTH



Source: Oxford Economics

Submarkets

BOSTON - MA SUBMARKETS



SUBMARKET INVENTORY

#	Submarket	Inventory				12 Month Deliveries				Under Construction			
		Bldgs	Rooms	% Market	Rank	Bldgs	Rooms	%	Rank	Bldgs	Rooms	% Market	Rank
1	Andover/Danvers Northeast	87	6,526	10.4%	6	0	0	-	-	0	0	0%	6
2	Boston CBD/Airport	104	25,004	39.9%	1	0	0	-	-	3	610	2.4%	3
3	Boston Southshore	75	6,726	10.7%	5	2	135	2.0%	2	2	186	2.8%	2
4	Cambridge/Waltham	65	9,291	14.8%	2	1	230	2.5%	1	0	0	0%	4
5	Dedham/Marlborough	65	8,180	13.1%	3	0	0	-	-	3	269	3.3%	1
6	Woburn/Tewksbury Northwest	52	6,887	11.0%	4	0	0	-	-	0	0	0%	5

SUBMARKET PERFORMANCE

#	Submarket	12 Mo Occupancy			12 Mo ADR			12 Mo RevPAR		
		Rank	%	Year Growth	Rank	Per Room	Year Growth	Rank	Per Room	Year Growth
1	Andover/Danvers Northeast	3	68.8%	9.4%	5	\$150.18	11.2%	4	\$103.28	21.6%
2	Boston CBD/Airport	1	74.6%	14.7%	1	\$282.96	11.2%	1	\$211.16	27.5%
3	Boston Southshore	5	67.8%	6.0%	4	\$153.72	10.3%	3	\$104.27	16.9%
4	Cambridge/Waltham	2	69.9%	16.3%	2	\$224.70	16.5%	2	\$157.10	35.5%
5	Dedham/Marlborough	6	64.4%	10.2%	3	\$155.88	12.6%	6	\$100.33	24.1%
6	Woburn/Tewksbury Northwest	4	68.1%	7.2%	6	\$147.59	16.7%	5	\$100.43	25.0%

OVERALL SUPPLY & DEMAND

Year	Supply			Demand		
	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2027	23,148,135	0	0%	16,922,862	101,156	0.6%
2026	23,148,135	19,920	0.1%	16,821,706	45,683	0.3%
2025	23,128,215	61,450	0.3%	16,776,023	105,977	0.6%
2024	23,066,765	364,644	1.6%	16,670,046	596,777	3.7%
2023	22,702,121	(15,894)	-0.1%	16,073,269	774,219	5.1%
YTD	13,082,190	(117,739)	-0.9%	9,129,474	645,334	7.6%
2022	22,718,015	1,073,197	5.0%	15,299,050	4,213,857	38.0%
2021	21,644,818	2,410,938	12.5%	11,085,193	4,373,161	65.2%
2020	19,233,880	(2,267,390)	-10.5%	6,712,032	(9,095,089)	-57.5%
2019	21,501,270	571,984	2.7%	15,807,121	89,858	0.6%
2018	20,929,286	747,909	3.7%	15,717,263	867,871	5.8%
2017	20,181,377	535,837	2.7%	14,849,392	352,049	2.4%
2016	19,645,540	639,932	3.4%	14,497,343	(33,509)	-0.2%
2015	19,005,608	243,620	1.3%	14,530,852	386,939	2.7%
2014	18,761,988	(1,471)	0%	14,143,913	414,132	3.0%
2013	18,763,459	140,103	0.8%	13,729,781	365,638	2.7%

LUXURY & UPPER UPSCALE SUPPLY & DEMAND

Year	Supply			Demand		
	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2027	9,112,932	0	0%	6,881,000	38,752	0.6%
2026	9,112,932	0	0%	6,842,248	2,725	0%
2025	9,112,932	0	0%	6,839,523	123,310	1.8%
2024	9,112,932	48,413	0.5%	6,716,213	278,603	4.3%
2023	9,064,519	(100,436)	-1.1%	6,437,610	394,451	6.5%
YTD	5,251,609	(57,879)	-1.1%	3,692,784	391,598	11.9%
2022	9,164,955	812,784	9.7%	6,043,159	2,309,547	61.9%
2021	8,352,171	1,587,742	23.5%	3,733,612	1,785,331	91.6%
2020	6,764,429	(2,004,161)	-22.9%	1,948,281	(4,911,012)	-71.6%
2019	8,768,590	239,303	2.8%	6,859,293	77,641	1.1%
2018	8,529,287	79,693	0.9%	6,781,652	100,282	1.5%
2017	8,449,594	28,635	0.3%	6,681,370	17,212	0.3%
2016	8,420,959	166,182	2.0%	6,664,158	92,758	1.4%
2015	8,254,777	68,021	0.8%	6,571,400	106,604	1.6%
2014	8,186,756	(24,255)	-0.3%	6,464,796	36,562	0.6%
2013	8,211,011	30,155	0.4%	6,428,234	189,795	3.0%

UPSCALE & UPPER MIDSCALE SUPPLY & DEMAND

Year	Supply			Demand		
	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2027	11,387,542	0	0%	8,240,836	66,854	0.8%
2026	11,387,542	19,920	0.2%	8,173,982	46,391	0.6%
2025	11,367,622	42,478	0.4%	8,127,591	(13,414)	-0.2%
2024	11,325,144	233,597	2.1%	8,141,005	256,673	3.3%
2023	11,091,547	123,418	1.1%	7,884,332	368,621	4.9%
YTD	6,374,863	7,316	0.1%	4,466,375	296,881	7.1%
2022	10,968,129	324,500	3.0%	7,515,711	1,768,414	30.8%
2021	10,643,629	838,224	8.5%	5,747,297	2,256,405	64.6%
2020	9,805,405	(191,839)	-1.9%	3,490,892	(3,785,763)	-52.0%
2019	9,997,244	502,278	5.3%	7,276,655	178,800	2.5%
2018	9,494,966	692,798	7.9%	7,097,855	712,741	11.2%
2017	8,802,168	501,559	6.0%	6,385,114	366,377	6.1%
2016	8,300,609	461,716	5.9%	6,018,737	93,653	1.6%
2015	7,838,893	169,911	2.2%	5,925,084	277,830	4.9%
2014	7,668,982	76,628	1.0%	5,647,254	298,680	5.6%
2013	7,592,354	152,844	2.1%	5,348,574	206,328	4.0%

MIDSCALE & ECONOMY SUPPLY & DEMAND

Year	Supply			Demand		
	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2027	2,647,661	0	0%	1,801,026	(4,450)	-0.2%
2026	2,647,661	0	0%	1,805,476	(3,433)	-0.2%
2025	2,647,661	18,972	0.7%	1,808,909	(3,919)	-0.2%
2024	2,628,689	82,634	3.2%	1,812,828	61,501	3.5%
2023	2,546,055	(38,876)	-1.5%	1,751,327	11,147	0.6%
YTD	1,455,718	(67,176)	-4.4%	970,315	(43,145)	-4.3%
2022	2,584,931	(64,087)	-2.4%	1,740,180	135,896	8.5%
2021	2,649,018	(15,028)	-0.6%	1,604,284	331,425	26.0%
2020	2,664,046	(71,390)	-2.6%	1,272,859	(398,314)	-23.8%
2019	2,735,436	(169,597)	-5.8%	1,671,173	(166,583)	-9.1%
2018	2,905,033	(24,582)	-0.8%	1,837,756	54,848	3.1%
2017	2,929,615	5,643	0.2%	1,782,908	(31,540)	-1.7%
2016	2,923,972	12,034	0.4%	1,814,448	(219,920)	-10.8%
2015	2,911,938	5,688	0.2%	2,034,368	2,505	0.1%
2014	2,906,250	(53,844)	-1.8%	2,031,863	78,890	4.0%
2013	2,960,094	(42,896)	-1.4%	1,952,973	(30,484)	-1.5%

OVERALL PERFORMANCE

Year	Occupancy		ADR		RevPAR	
	Percent	% Change	Per Room	% Change	Per Room	% Change
2027	73.1%	0.6%	\$244.09	1.6%	\$178.45	2.2%
2026	72.7%	0.2%	\$240.36	4.6%	\$174.67	4.7%
2025	72.5%	0.4%	\$229.89	2.5%	\$166.75	2.9%
2024	72.3%	2.1%	\$224.26	2.3%	\$162.07	4.5%
2023	70.8%	5.1%	\$219.14	3.8%	\$155.16	9.2%
YTD	69.8%	8.6%	\$215.14	6.9%	\$150.13	16.1%
2022	67.3%	31.5%	\$211.07	35.5%	\$142.14	78.2%
2021	51.2%	46.8%	\$155.76	28.8%	\$79.77	89.0%
2020	34.9%	-52.5%	\$120.97	-39.2%	\$42.21	-71.1%
2019	73.5%	-2.1%	\$198.91	0%	\$146.23	-2.1%
2018	75.1%	2.1%	\$198.93	1.8%	\$149.39	3.9%
2017	73.6%	-0.3%	\$195.37	1.7%	\$143.75	1.5%
2016	73.8%	-3.5%	\$192.01	2.8%	\$141.69	-0.8%
2015	76.5%	1.4%	\$186.80	6.1%	\$142.82	7.6%
2014	75.4%	3.0%	\$176.10	7.5%	\$132.76	10.8%
2013	73.2%	2.0%	\$163.79	3.4%	\$119.85	5.4%

LUXURY & UPPER UPSCALE PERFORMANCE

Year	Occupancy		ADR		RevPAR	
	Percent	% Change	Per Room	% Change	Per Room	% Change
2027	75.5%	0.6%	\$320.55	1.4%	\$242.04	2.0%
2026	75.1%	0%	\$316.02	4.2%	\$237.28	4.2%
2025	75.1%	1.8%	\$303.32	2.1%	\$227.65	3.9%
2024	73.7%	3.8%	\$297.15	2.6%	\$219	6.5%
2023	71.0%	7.7%	\$289.63	1.7%	\$205.70	9.5%
YTD	70.3%	13.1%	\$284.45	3.2%	\$200.01	16.7%
2022	65.9%	47.5%	\$284.86	29.3%	\$187.83	90.7%
2021	44.7%	55.2%	\$220.35	27.7%	\$98.50	98.1%
2020	28.8%	-63.2%	\$172.62	-33.2%	\$49.72	-75.4%
2019	78.2%	-1.6%	\$258.58	0.7%	\$202.28	-0.9%
2018	79.5%	0.6%	\$256.67	1.8%	\$204.08	2.4%
2017	79.1%	-0.1%	\$252.14	2.2%	\$199.37	2.1%
2016	79.1%	-0.6%	\$246.66	0.7%	\$195.20	0.1%
2015	79.6%	0.8%	\$244.86	5.4%	\$194.92	6.3%
2014	79.0%	0.9%	\$232.25	8.3%	\$183.40	9.3%
2013	78.3%	2.7%	\$214.41	2.6%	\$167.86	5.3%

UPSCALE & UPPER MIDSCALE PERFORMANCE

Year	Occupancy		ADR		RevPAR	
	Percent	% Change	Per Room	% Change	Per Room	% Change
2027	72.4%	0.8%	\$205.74	1.5%	\$148.89	2.4%
2026	71.8%	0.4%	\$202.64	4.9%	\$145.46	5.3%
2025	71.5%	-0.5%	\$193.18	2.2%	\$138.12	1.7%
2024	71.9%	1.1%	\$188.93	1.6%	\$135.81	2.7%
2023	71.1%	3.7%	\$186.03	5.2%	\$132.24	9.1%
YTD	70.1%	7.0%	\$181.76	8.4%	\$127.34	16.0%
2022	68.5%	26.9%	\$176.84	32.2%	\$121.18	67.8%
2021	54.0%	51.7%	\$133.76	22.1%	\$72.23	85.2%
2020	35.6%	-51.1%	\$109.56	-34.0%	\$39.01	-67.7%
2019	72.8%	-2.6%	\$166.01	-1.4%	\$120.83	-4.0%
2018	74.8%	3.1%	\$168.39	3.0%	\$125.88	6.1%
2017	72.5%	0%	\$163.48	2.1%	\$118.59	2.2%
2016	72.5%	-4.1%	\$160.10	3.5%	\$116.09	-0.7%
2015	75.6%	2.6%	\$154.66	7.5%	\$116.90	10.4%
2014	73.6%	4.5%	\$143.84	8.5%	\$105.92	13.4%
2013	70.4%	1.9%	\$132.61	4.0%	\$93.42	6.0%

MIDSCALE & ECONOMY PERFORMANCE

Year	Occupancy		ADR		RevPAR	
	Percent	% Change	Per Room	% Change	Per Room	% Change
2027	68.0%	-0.2%	\$127.45	2.4%	\$86.69	2.2%
2026	68.2%	-0.2%	\$124.41	6.1%	\$84.84	5.9%
2025	68.3%	-0.9%	\$117.22	3.9%	\$80.09	2.9%
2024	69.0%	0.3%	\$112.81	3.4%	\$77.80	3.6%
2023	68.8%	2.2%	\$109.14	6.3%	\$75.07	8.6%
YTD	66.7%	0.2%	\$104.98	9.1%	\$69.98	9.3%
2022	67.3%	11.2%	\$102.69	21.9%	\$69.13	35.5%
2021	60.6%	26.8%	\$84.23	15.1%	\$51.01	45.9%
2020	47.8%	-21.8%	\$73.17	-24.8%	\$34.96	-41.2%
2019	61.1%	-3.4%	\$97.27	-6.3%	\$59.43	-9.5%
2018	63.3%	3.9%	\$103.83	7.2%	\$65.69	11.5%
2017	60.9%	-1.9%	\$96.83	-0.3%	\$58.93	-2.2%
2016	62.1%	-11.2%	\$97.15	4.6%	\$60.28	-7.0%
2015	69.9%	-0.1%	\$92.83	6.5%	\$64.86	6.4%
2014	69.9%	6.0%	\$87.15	5.5%	\$60.93	11.8%
2013	66.0%	-0.1%	\$82.58	4.1%	\$54.48	4.0%

OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Room	Avg Cap Rate	Price/Room	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$258,821	196	9.9%
2026	-	-	-	-	-	-	\$239,923	181	10.2%
2025	-	-	-	-	-	-	\$212,612	161	10.6%
2024	-	-	-	-	-	-	\$196,559	148	10.7%
2023	-	-	-	-	-	-	\$202,540	153	9.6%
YTD	6	\$171.3M	0.8%	\$28,550,833	\$322,608	8.5%	\$211,931	160	9.0%
2022	39	\$2.5B	10.1%	\$65,321,348	\$400,430	8.3%	\$195,767	148	8.9%
2021	26	\$504M	4.4%	\$19,386,042	\$180,788	7.3%	\$204,067	154	8.4%
2020	8	\$253.5M	1.3%	\$31,683,318	\$314,475	9.6%	\$254,484	192	8.1%
2019	20	\$1.3B	5.6%	\$62,518,138	\$364,007	6.3%	\$302,199	228	7.9%
2018	20	\$795.8M	5.7%	\$39,788,071	\$240,049	8.8%	\$319,312	241	7.5%
2017	17	\$586.2M	5.0%	\$34,484,143	\$206,655	6.1%	\$311,087	235	7.5%
2016	29	\$1.1B	6.5%	\$37,353,727	\$304,030	8.0%	\$292,907	221	7.5%
2015	42	\$1.1B	10.7%	\$26,728,943	\$198,509	7.0%	\$273,507	207	7.4%
2014	24	\$565.6M	5.3%	\$23,566,530	\$205,298	10.2%	\$243,491	184	7.5%
2013	14	\$717M	5.7%	\$51,213,993	\$243,217	6.1%	\$213,966	162	7.7%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred.

LUXURY & UPPER UPSCALE SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Room	Avg Cap Rate	Price/Room	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$423,701	198	9.1%
2026	-	-	-	-	-	-	\$392,764	184	9.3%
2025	-	-	-	-	-	-	\$348,056	163	9.7%
2024	-	-	-	-	-	-	\$321,776	150	9.8%
2023	-	-	-	-	-	-	\$331,567	155	8.8%
YTD	1	\$82.6M	0.8%	\$82,630,000	\$434,895	-	\$347,100	162	8.3%
2022	6	\$2.1B	10.3%	\$357,337,500	\$822,095	7.1%	\$319,396	149	8.2%
2021	4	\$111.7M	2.7%	\$27,926,812	\$162,602	6.8%	\$330,358	154	7.8%
2020	2	\$116M	1.1%	\$58,000,000	\$421,818	-	\$414,285	194	7.5%
2019	8	\$1.1B	8.2%	\$132,690,838	\$525,508	4.8%	\$492,111	230	7.2%
2018	7	\$512.4M	7.3%	\$73,202,857	\$297,573	8.3%	\$517,197	242	6.9%
2017	2	\$265M	3.2%	\$132,500,000	\$358,593	4.3%	\$503,655	235	6.9%
2016	11	\$739.3M	6.1%	\$67,211,147	\$522,859	5.3%	\$476,079	222	6.9%
2015	11	\$767.7M	10.0%	\$69,791,759	\$339,362	6.7%	\$448,178	209	6.7%
2014	6	\$375.3M	4.0%	\$62,541,667	\$417,408	-	\$396,220	185	6.8%
2013	6	\$599.7M	8.3%	\$99,951,167	\$321,736	6.1%	\$345,732	162	7.1%

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UPSCALE & UPPER MIDSACLE SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Room	Avg Cap Rate	Price/Room	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$167,562	190	10.4%
2026	-	-	-	-	-	-	\$155,327	176	10.7%
2025	-	-	-	-	-	-	\$137,647	156	11.2%
2024	-	-	-	-	-	-	\$127,254	144	11.2%
2023	-	-	-	-	-	-	\$131,126	149	10.1%
YTD	3	\$83.9M	1.0%	\$27,975,000	\$277,897	8.5%	\$137,279	155	9.5%
2022	21	\$342.8M	9.7%	\$16,324,780	\$114,579	6.0%	\$127,723	145	9.4%
2021	15	\$366.5M	5.4%	\$24,434,990	\$219,345	7.8%	\$135,060	153	8.8%
2020	2	\$109.8M	0.9%	\$54,875,000	\$432,087	9.9%	\$167,067	189	8.6%
2019	8	\$155.4M	3.7%	\$19,422,354	\$145,622	10.5%	\$198,258	225	8.3%
2018	9	\$280.2M	5.5%	\$31,134,688	\$189,846	9.0%	\$212,809	241	7.8%
2017	12	\$313.3M	7.8%	\$26,108,369	\$158,733	7.2%	\$207,666	235	7.8%
2016	14	\$322.1M	7.7%	\$23,009,373	\$176,510	8.4%	\$194,113	220	7.8%
2015	26	\$323.8M	13.3%	\$12,453,013	\$110,693	7.8%	\$178,421	202	7.8%
2014	9	\$151.1M	5.2%	\$16,789,414	\$136,130	9.0%	\$160,944	182	7.8%
2013	6	\$112.5M	4.6%	\$18,758,150	\$115,316	-	\$143,413	162	8.0%

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MIDSCALE & ECONOMY SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Room	Avg Cap Rate	Price/Room	Price Index	Cap Rate
2027	-	-	-	-	-	-	\$85,639	202	10.5%
2026	-	-	-	-	-	-	\$79,386	187	10.8%
2025	-	-	-	-	-	-	\$70,349	166	11.3%
2024	-	-	-	-	-	-	\$65,038	153	11.4%
2023	-	-	-	-	-	-	\$67,016	158	10.2%
YTD	2	\$4.8M	0.5%	\$2,375,000	\$121,795	-	\$69,960	165	9.6%
2022	12	\$60.7M	10.7%	\$5,057,264	\$79,642	12.8%	\$64,944	153	9.5%
2021	7	\$25.8M	5.8%	\$3,686,429	\$60,012	-	\$68,345	161	8.9%
2020	4	\$27.7M	3.7%	\$6,929,137	\$100,060	9.0%	\$83,164	196	8.7%
2019	4	\$33.5M	4.7%	\$8,364,308	\$96,141	6.5%	\$98,818	233	8.4%
2018	4	\$3.1M	1.5%	\$782,306	\$26,745	-	\$99,926	235	8.3%
2017	3	\$7.9M	1.5%	\$2,643,333	\$63,952	-	\$96,690	228	8.3%
2016	4	\$21.8M	4.0%	\$5,451,060	\$67,297	10.1%	\$90,707	214	8.3%
2015	5	\$31.1M	5.9%	\$6,225,581	\$66,513	-	\$84,320	199	8.2%
2014	9	\$39.2M	9.4%	\$4,360,222	\$52,603	11.9%	\$75,613	178	8.3%
2013	2	\$4.7M	1.3%	\$2,370,000	\$43,889	-	\$66,373	156	8.6%

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DELIVERIES & UNDER CONSTRUCTION

Year	Inventory			Deliveries		Net Deliveries		Under Construction	
	Bldgs	Rooms	% Change	Bldgs	Rooms	Bldgs	Rooms	Bldgs	Rooms
YTD	448	62,614	-0.6%	2	135	1	127	8	1,065
2022	448	63,006	-0.7%	4	773	(2)	65	7	952
2021	451	63,421	3.2%	7	1,938	4	1,807	8	1,185
2020	447	61,469	0.8%	9	1,114	3	923	14	2,911
2019	445	60,985	4.4%	16	2,870	10	2,591	14	2,939
2018	431	58,399	3.2%	12	1,592	9	1,490	22	4,677
2017	419	56,599	2.9%	13	1,850	12	1,733	21	3,497
2016	408	55,026	4.5%	16	2,303	13	2,243	18	3,197
2015	392	52,653	1.7%	7	831	6	818	19	2,978
2014	384	51,756	0%	2	173	0	58	11	1,414
2013	384	51,774	0.6%	4	447	(1)	202	3	503