



Hospitality Market Report

Boston - MA

PREPARED BY



Ernest Wronka
President



HOSPITALITY MARKET REPORT

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12 Mo Occupancy

71.4%

12 Mo ADR

\$223.05

12 Mo RevPAR

\$159.35

12 Mo Supply

22.5M

12 Mo Demand

16.1M

Boston's hotel industry has experienced a significant recovery and growth in all primary metrics, with occupancy reaching a 12-month average of 71.4% in October. Moreover, the 12-month ADR in October 2023 increased by 7.6% compared to July last year, reaching a 12-month average of \$220. 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 The Eras Tour in May have 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 seen a surge in hotel supply growth during the pandemic, adding 6.1% of new supply from 2020

through year-end 2022. Seven hotels are under construction, and 16 are in the final planning stages. Notable projects that opened this year include the luxury Raffles Boston Hotel and the MainStay Suites Foxboro - Mansfield. Boston remains a highly sought-after location for travel, but assimilating the current and planned new supply will take several years.

Transactions have been slower for this time of year, with 14 properties year to date since January. Increased interest rates may be affecting some investors' decisions to purchase. Despite a muted first half of the year, the market has seen transactions over the past 12 months, with the most recent in November when Boston's Sheraton Hotel was acquired for \$164.1 million. Additionally, in October, the 1,060-room Hilton Boston Park Plaza hotel sold for \$370 million (\$349,057/key). Additionally, in October, The Whitney Hotel, a 65-room Luxury class hotel, sold for \$57 million (\$876,923/key).

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	25,003	71.9%	\$293.61	\$210.98	147	0
Upscale & Upper Midscale	30,535	71.6%	\$188.71	\$135.12	101	775
Midscale & Economy	7,082	69.2%	\$111.19	\$76.95	34	79
Total	62,620	71.4%	\$223.05	\$159.35	282	854

Average Trend	Current	3 Mo	YTD	12 Mo	Historical Average	Forecast Average
Occupancy	84.7%	83.1%	73.8%	71.4%	60.7%	72.7%
Occupancy Change	5.3%	4.6%	7.2%	7.8%	-0.8%	0.4%
ADR	\$282.04	\$256.62	\$229.33	\$223.05	\$192.07	\$236.58
ADR Change	9.3%	5.8%	6.3%	7.6%	2.4%	2.2%
RevPAR	\$238.85	\$213.36	\$169.29	\$159.35	\$116.49	\$171.88
RevPAR Change	15.1%	10.6%	14.0%	16.0%	1.6%	2.5%

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 84.7% in October 2023. However, this is still three percentage points below the occupancy rate in October 2019. ADR in October 2023 was \$282.04, with a 111% recovery index to October 2019 ADR. RevPAR in October 2023 was \$177.44, a 109% recovery index compared to 2019.

Boston's varied demand generators have contributed to its successful recovery. The group and convention business, which accounts for around 30% of the demand for downtown and Cambridge hotels, displays signs of improvement, a significant boost for hotels. Conventions fill downtown hotels and increase business demand in suburban hotels, resulting in higher occupancy rates.

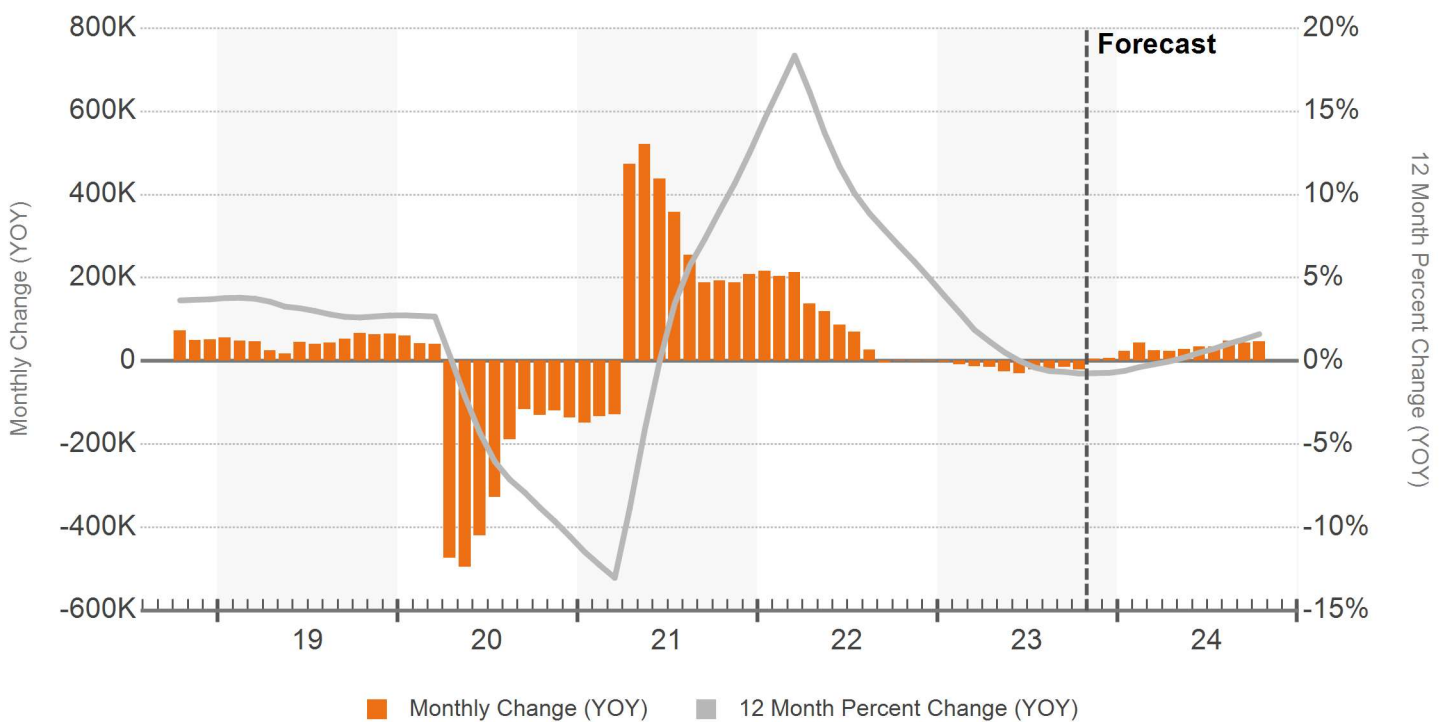
Boston's hotel occupancy is heavily influenced by international travel across all three major segments (i.e.,

commercial, group, and leisure). As international inbound travel resumes, Boston's hotel occupancy will benefit, particularly during the summer and fall. In addition, Boston's hotel occupancy heavily relies on sports events, such as the Boston Marathon and games featuring the Red Sox, Bruins, New England Patriots, and Celtics, which have traditionally attracted travelers from all over the region. As these events return and potentially exceed historical levels due to pent-up demand, the market will benefit from increased compression and further ADR growth.

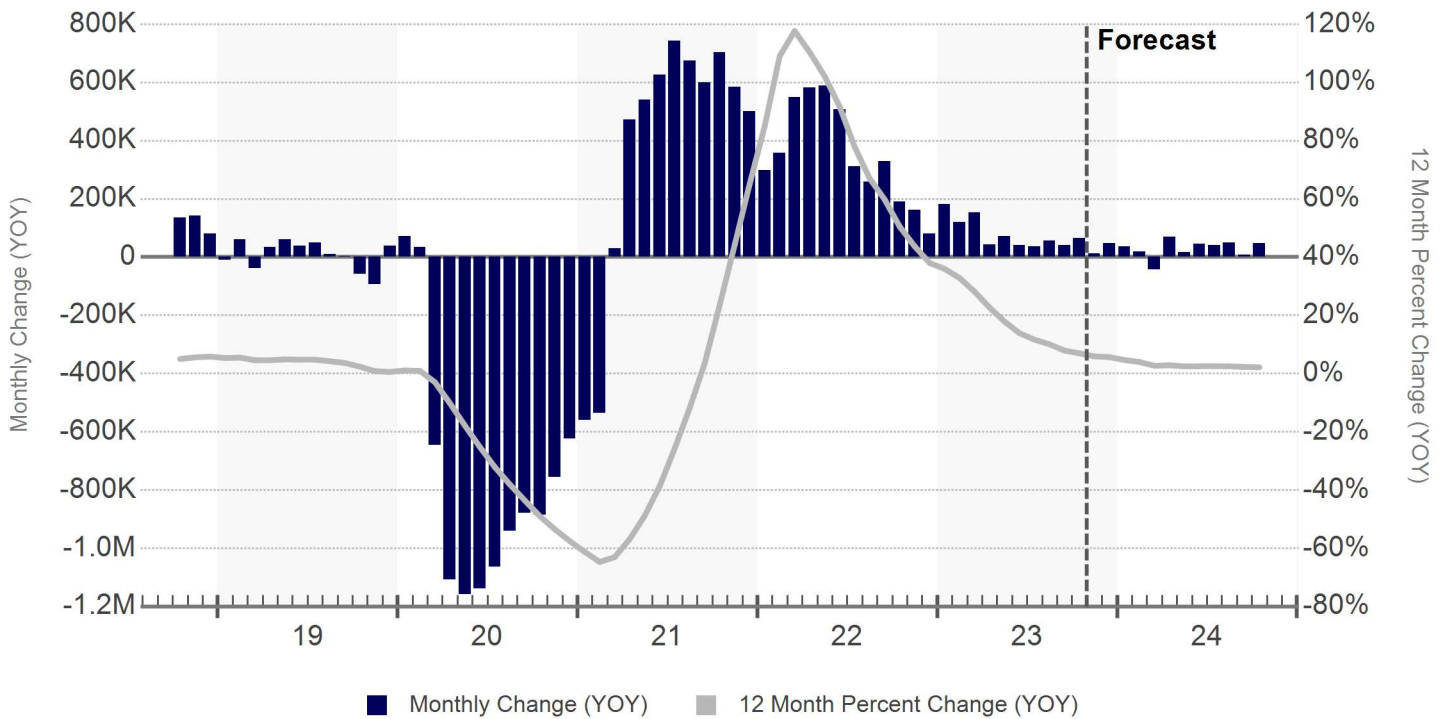
Despite the pandemic's impact, business travel in Boston has recovered relatively well compared to other major urban markets. Since October, business travel has recovered to 94% of 2019, particularly in the education, healthcare, and life sciences.

With Boston's main demand drivers showing solid signs of recovery, the market is poised for continued growth in 2024.

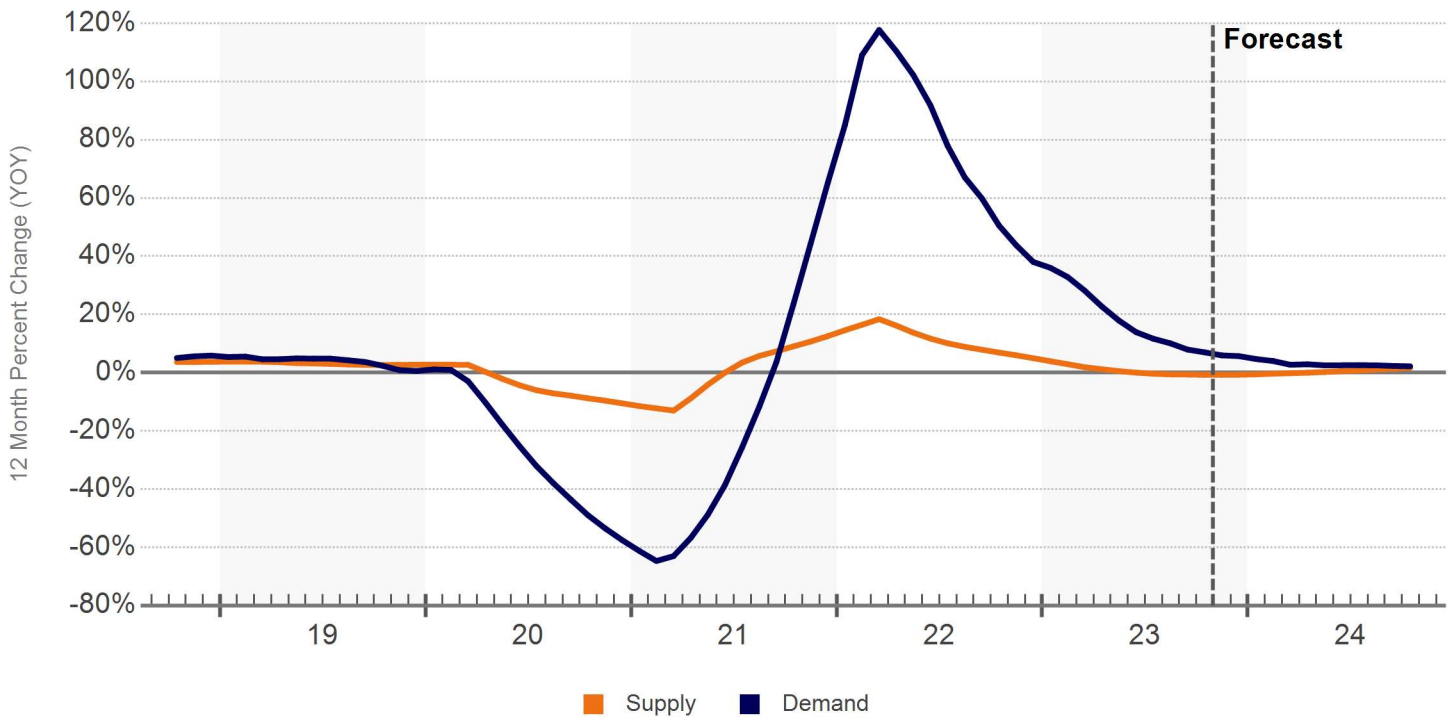
SUPPLY CHANGE



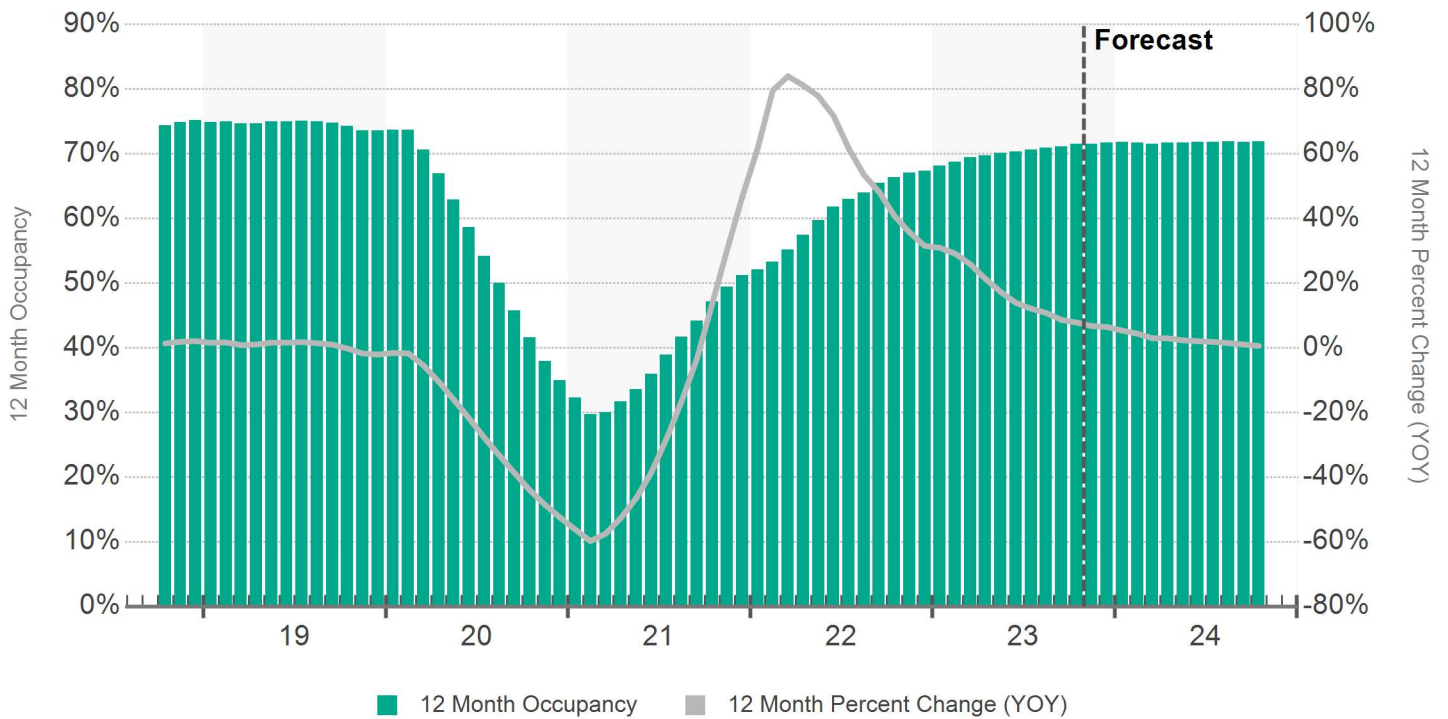
DEMAND CHANGE



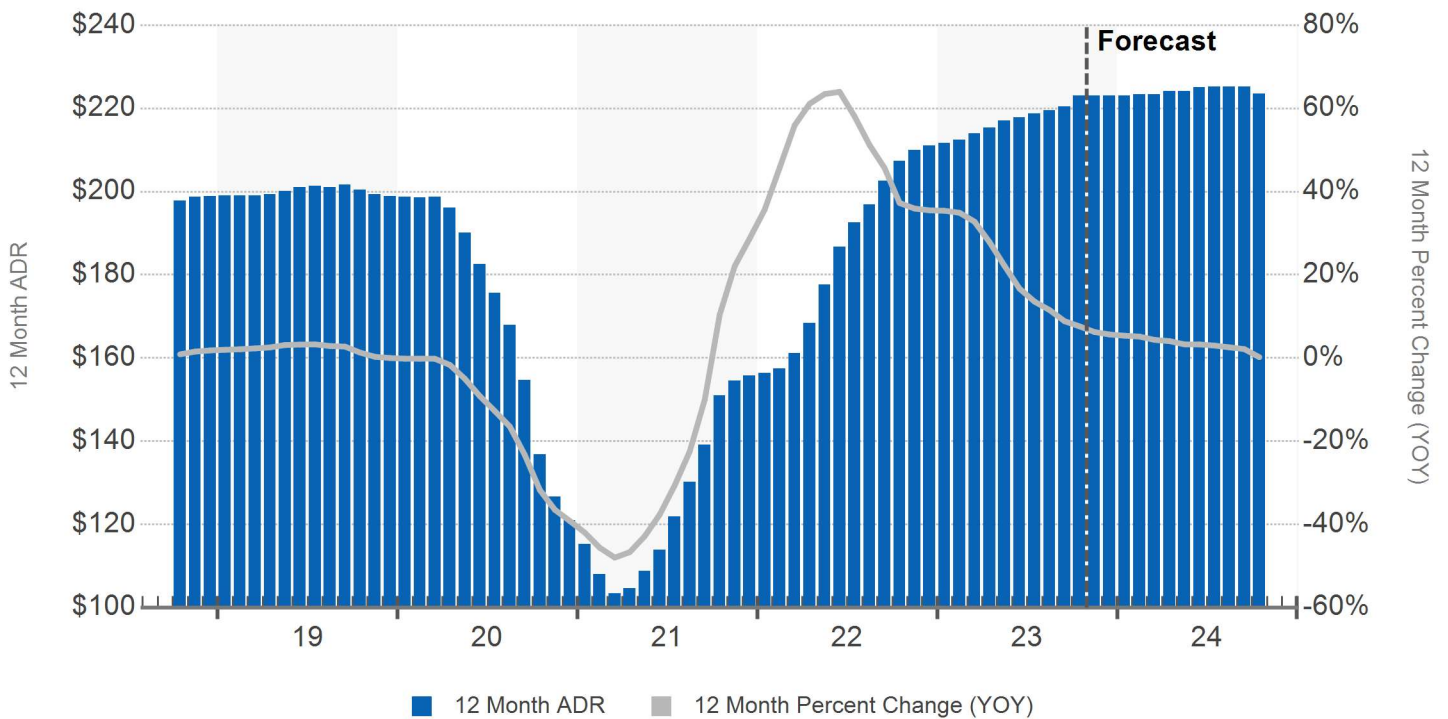
SUPPLY & DEMAND CHANGE



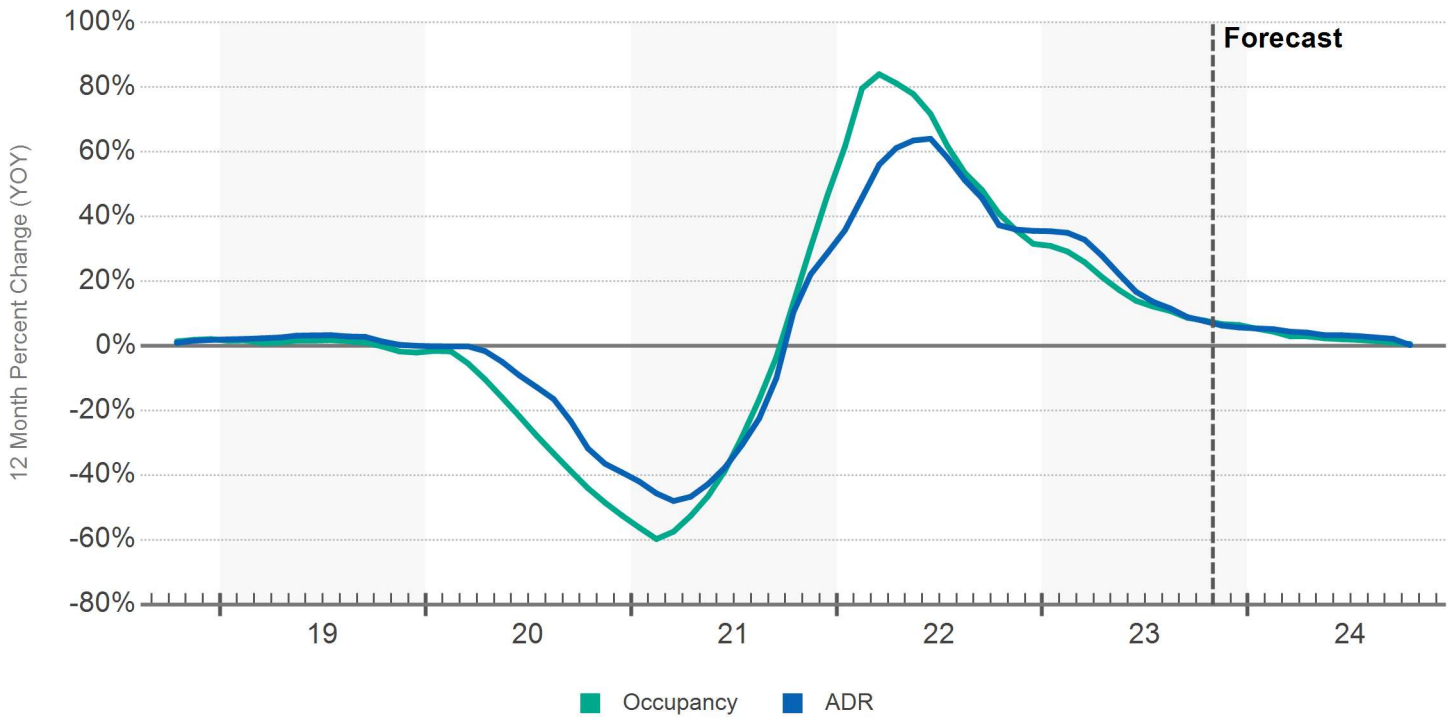
OCCUPANCY



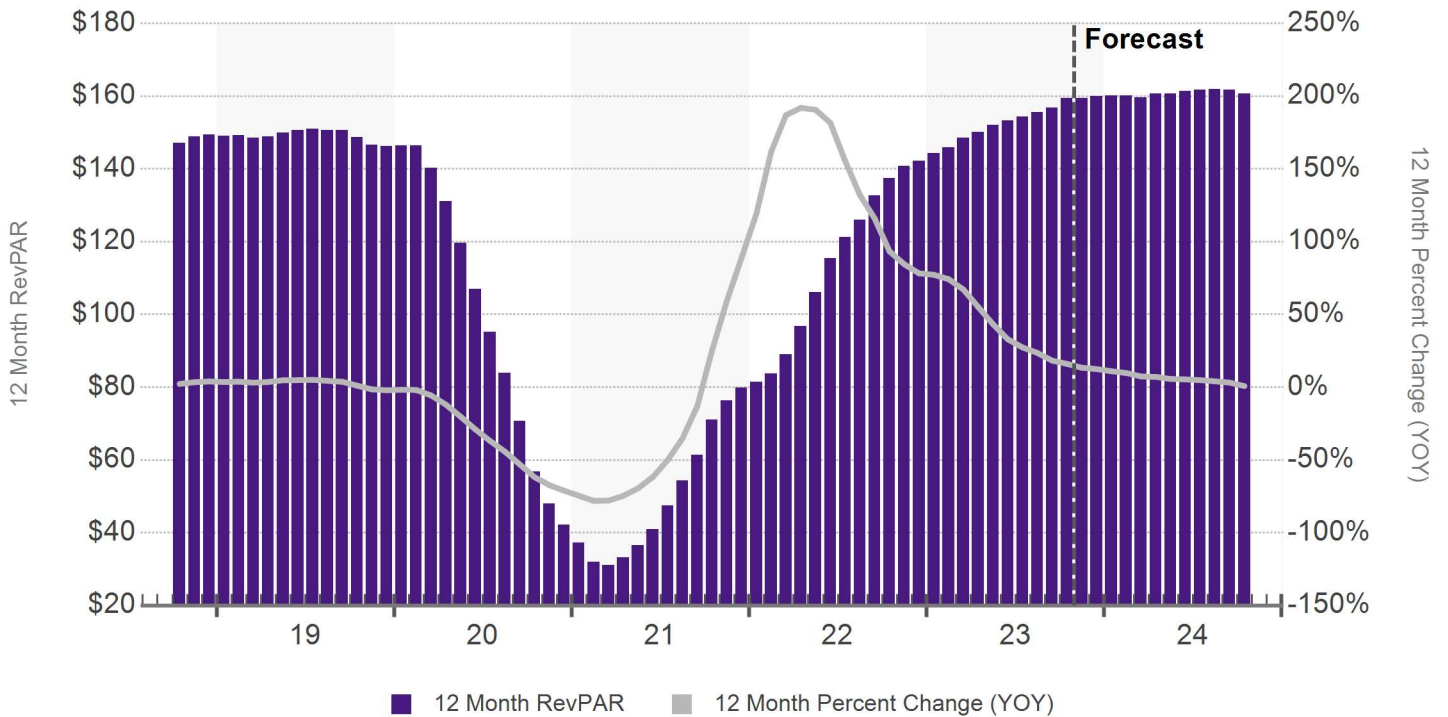
ADR



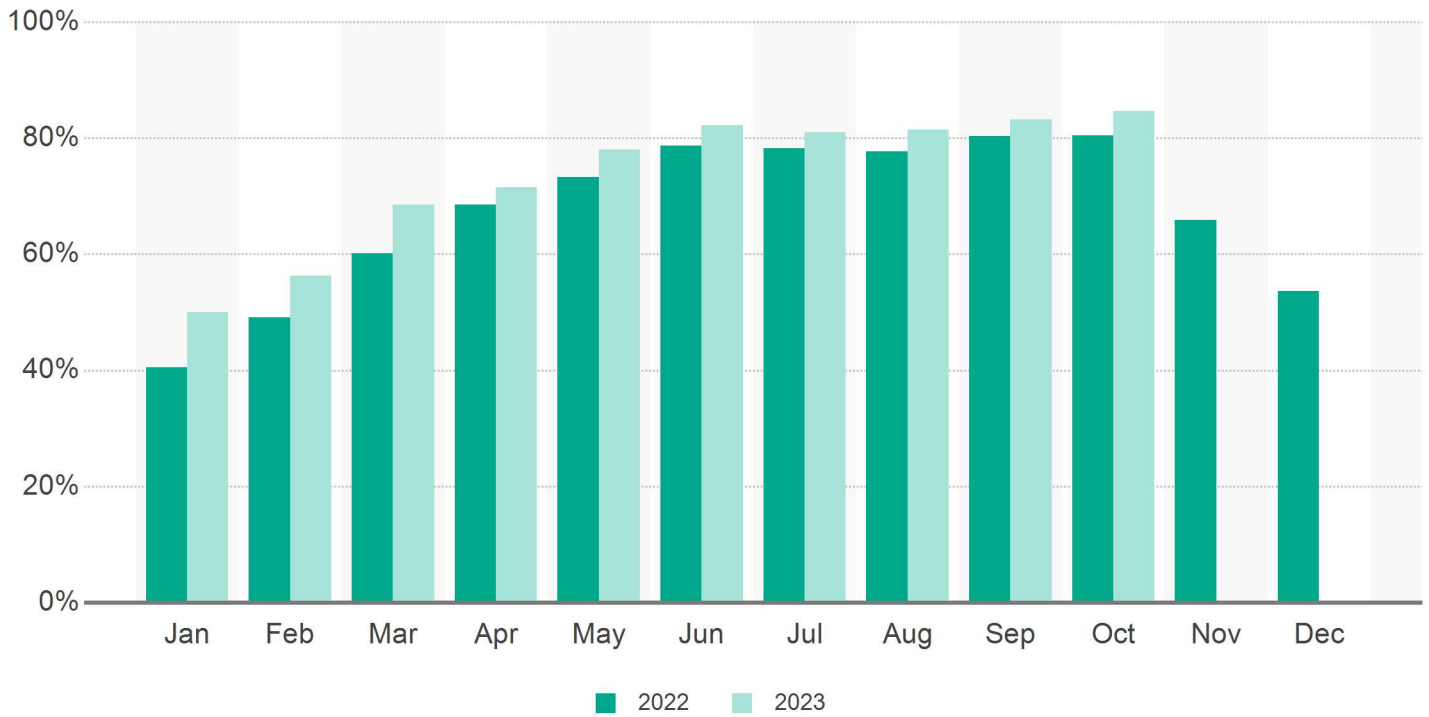
OCCUPANCY & ADR CHANGE



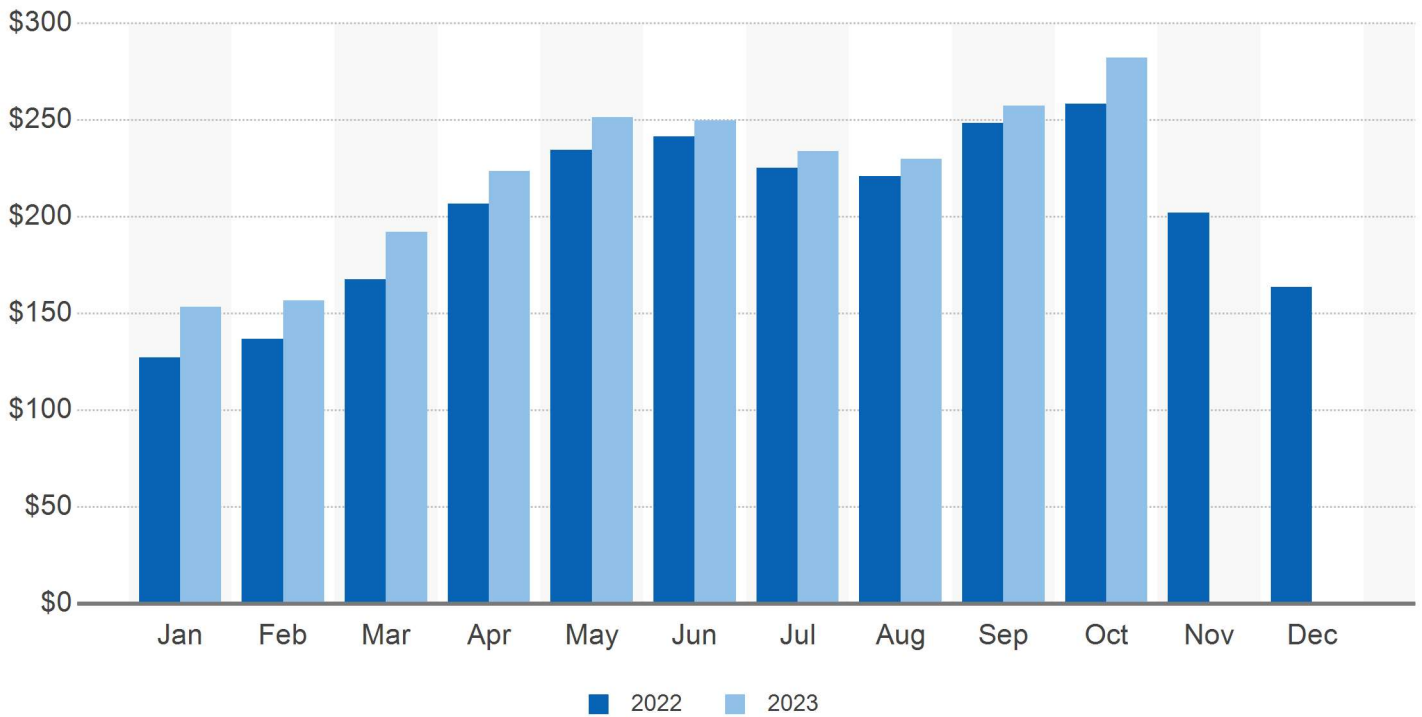
REVPAR



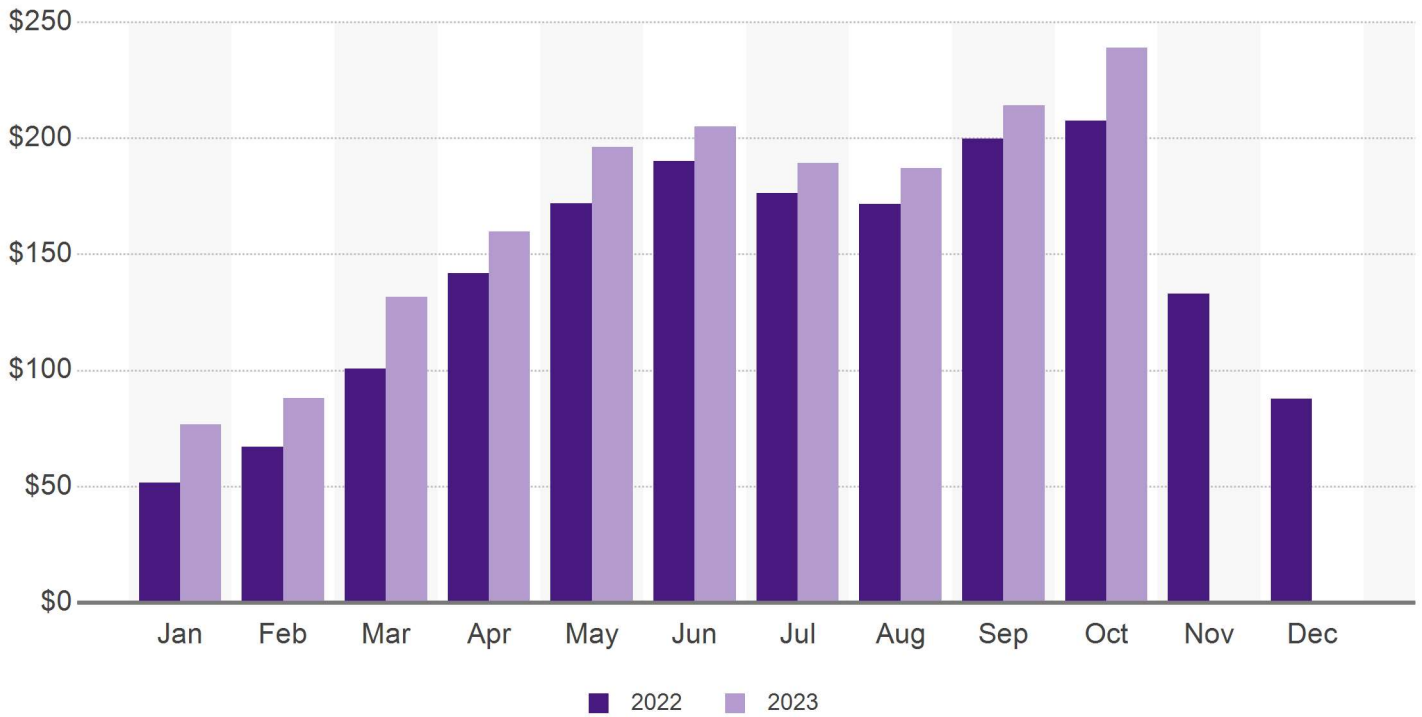
OCCUPANCY MONTHLY



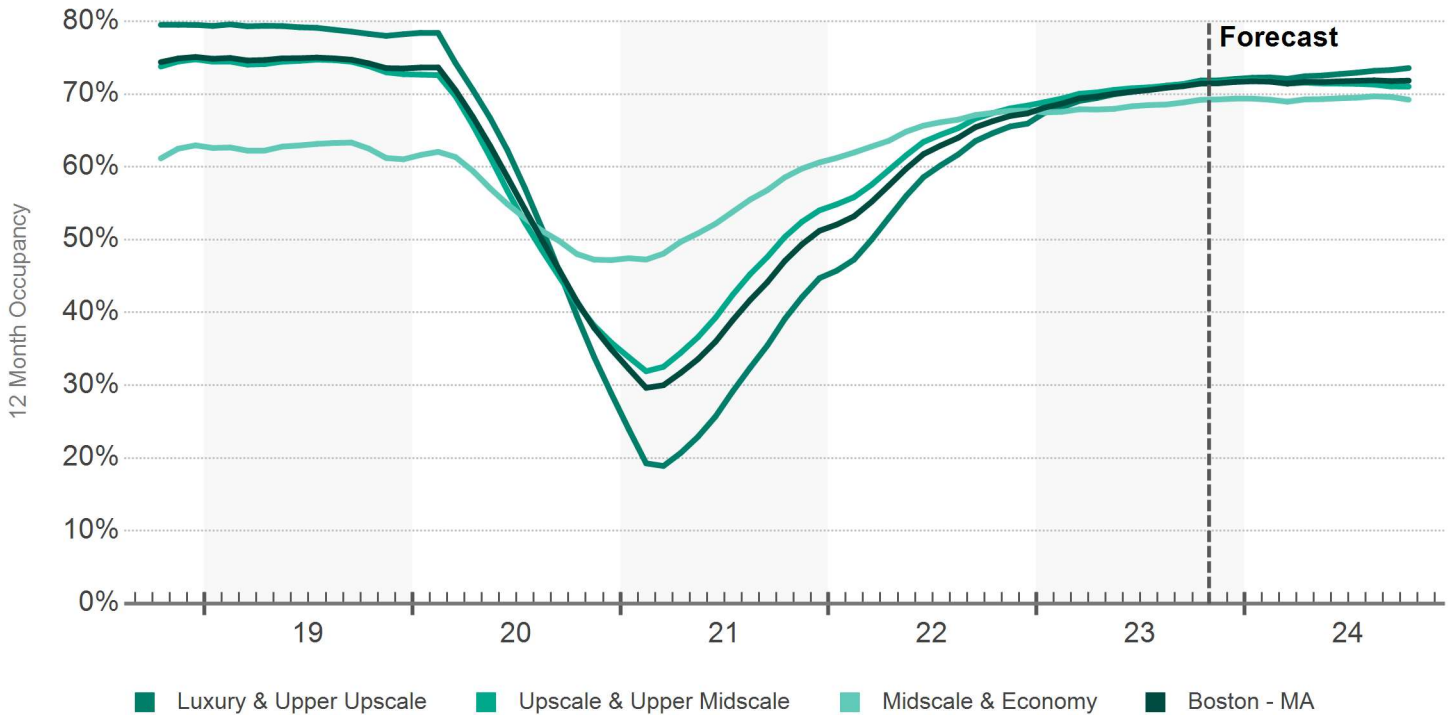
ADR MONTHLY



REVPAR MONTHLY



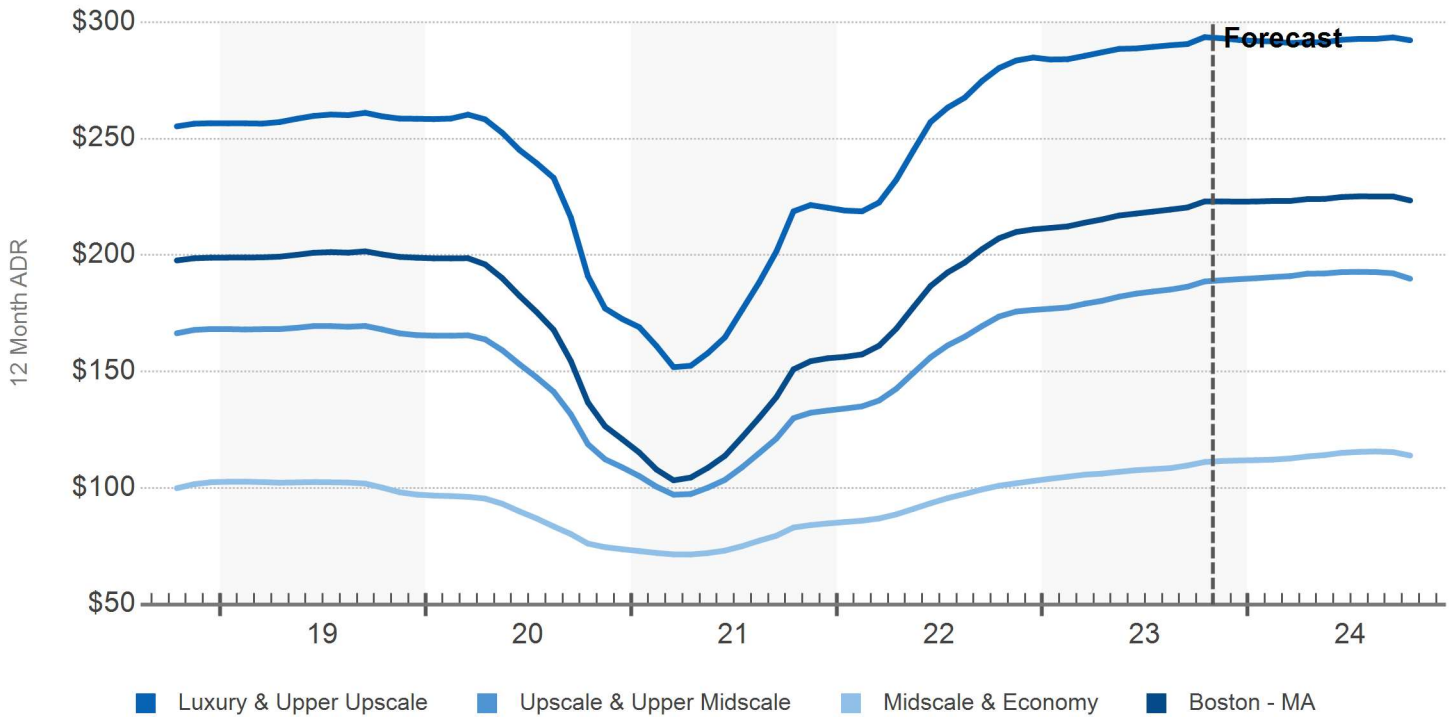
OCCUPANCY BY CLASS



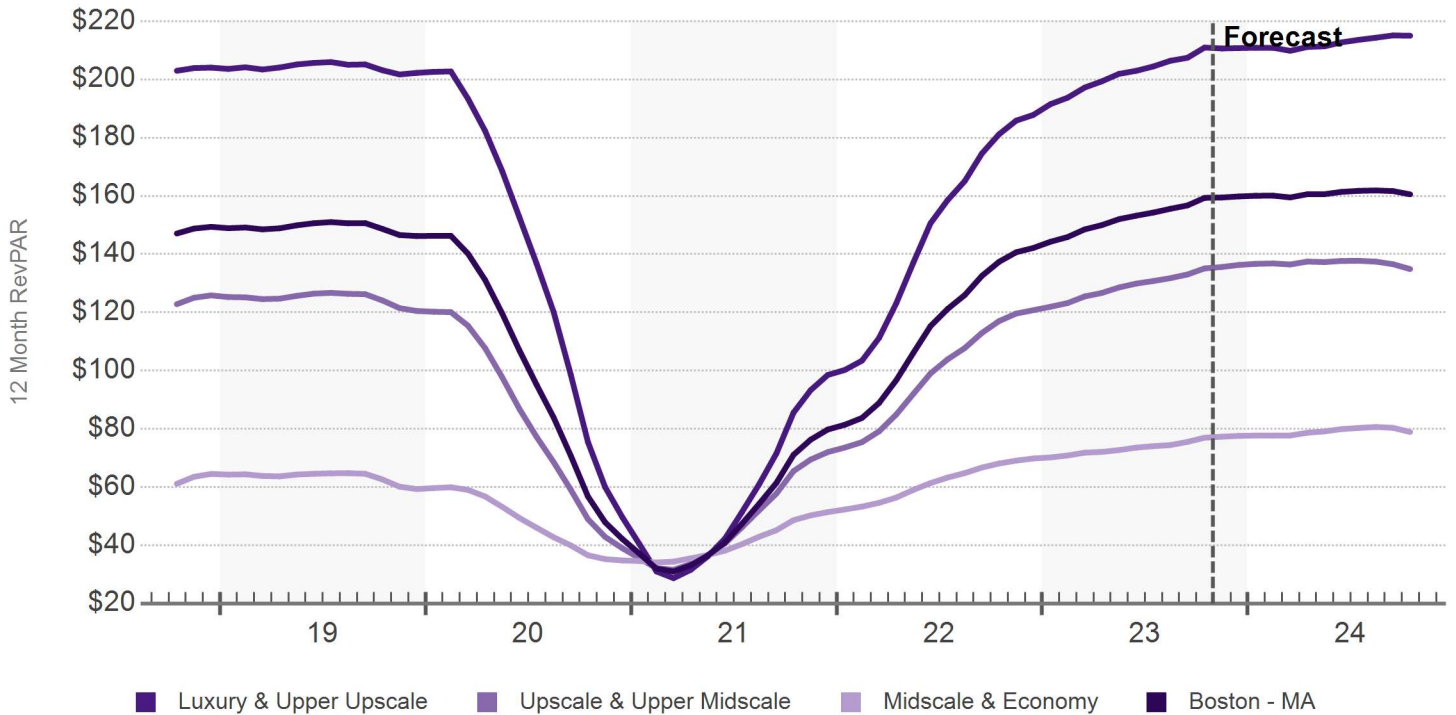
Performance

Boston - MA Hospitality

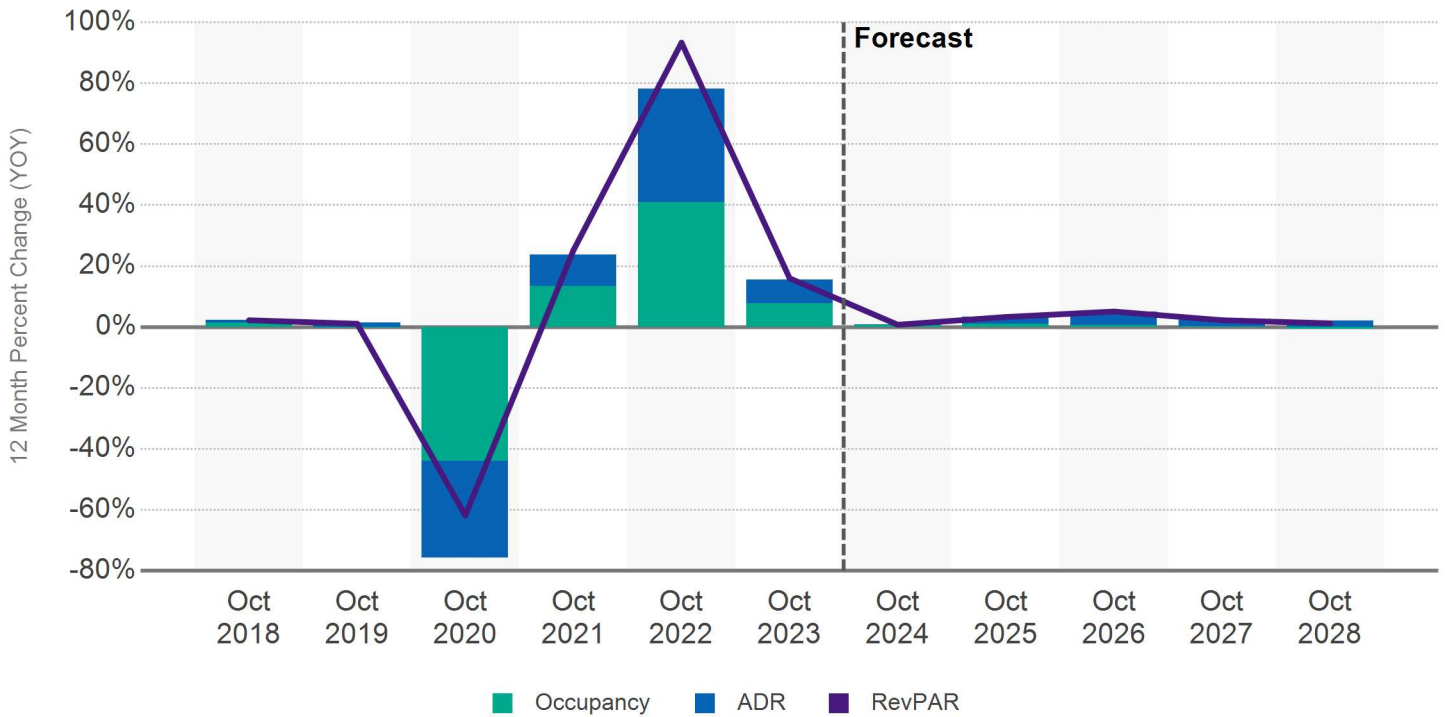
ADR BY CLASS



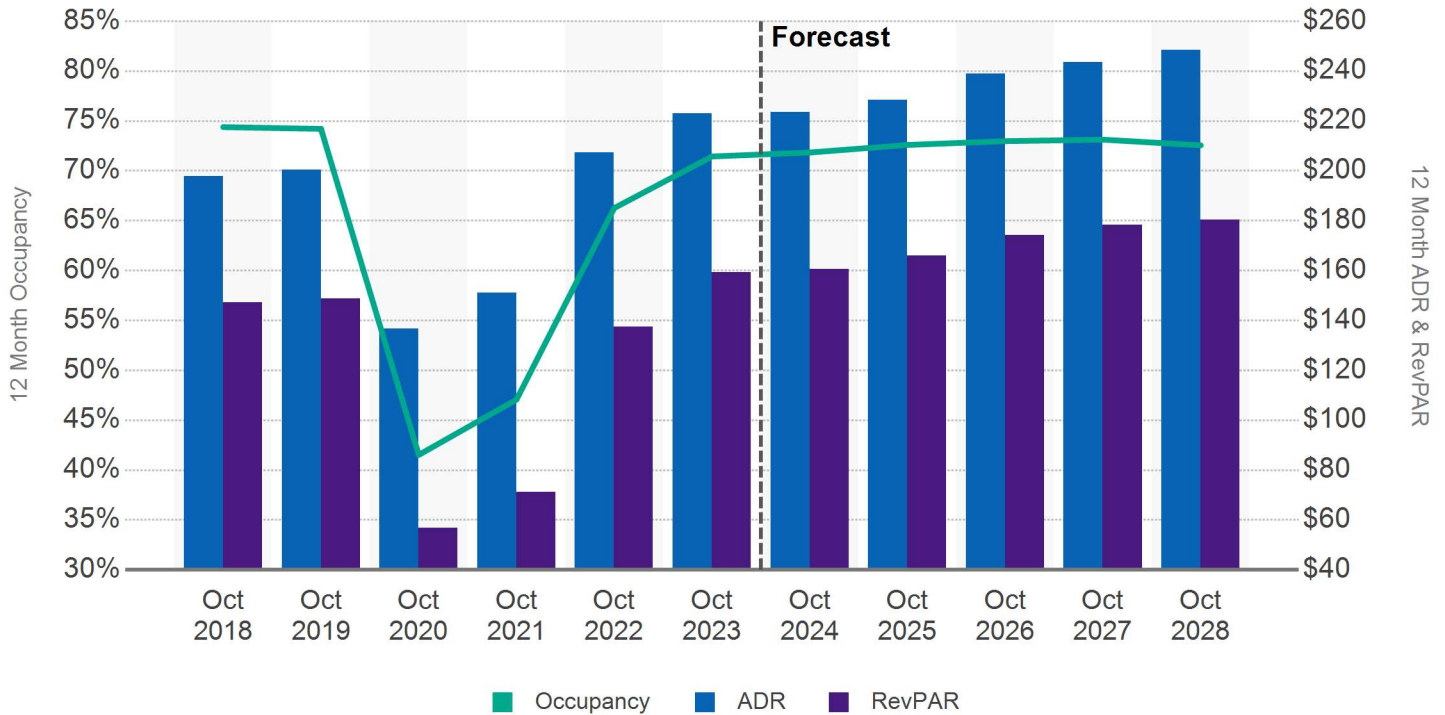
REVPAR BY CLASS



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. Currently, there are seven hotels under construction, totaling 850 rooms, and there are 16 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 Upper Midscale and Upscale segments.

Notable projects that opened this year include the 154-room luxury Raffles Boston Hotel in September, part of a larger mixed-use project in Back Bay that provides luxury residences. In May, a new hotel called MainStay Suites Foxboro - Mansfield, with 34 rooms, opened in the Boston Southshore Submarket.

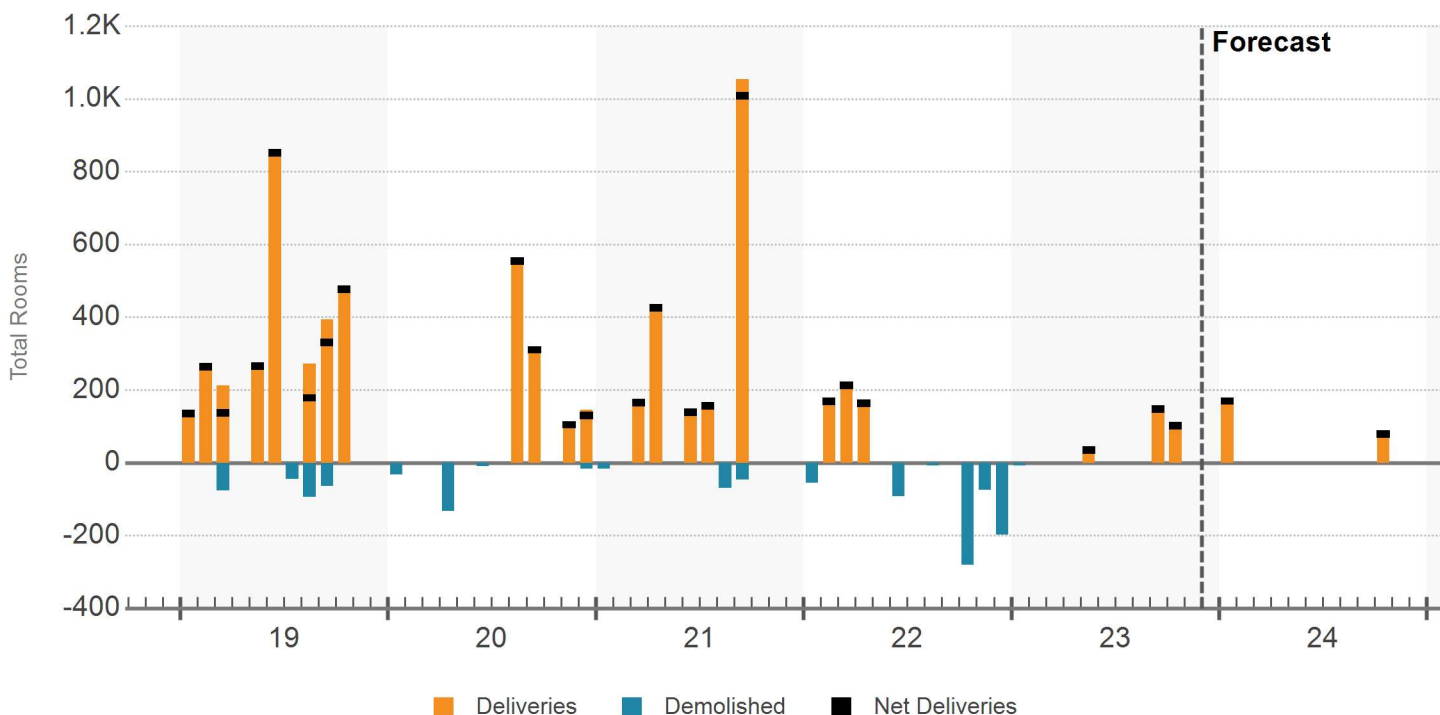
Under-construction projects slated for 2023 openings included the CitizenM Boston Back Bay, a 399-room prefabricated hotel chain from the Netherlands that has expanded its portfolio across North America, Europe, and Asia, which will be located in the CBD/Airport Submarket. Three more hotels are expected by year-end in the Dedham/Marlborough Submarket: a 100-room Home2 Suites by Hilton Boston, a 75-room Fairfield Inn & Suites Framingham, and a 94-room TownePlace Suites Framingham.

Fifteen hotels are in the final planning stages, ranging from Upscale to Economy classes, with seven expected in the Boston CBD/Airport Submarket by 2025. It's worth noting that some of the hotels in final planning may be delayed in moving to the under-construction phase due to the higher interest rate environment tightening lending for construction.

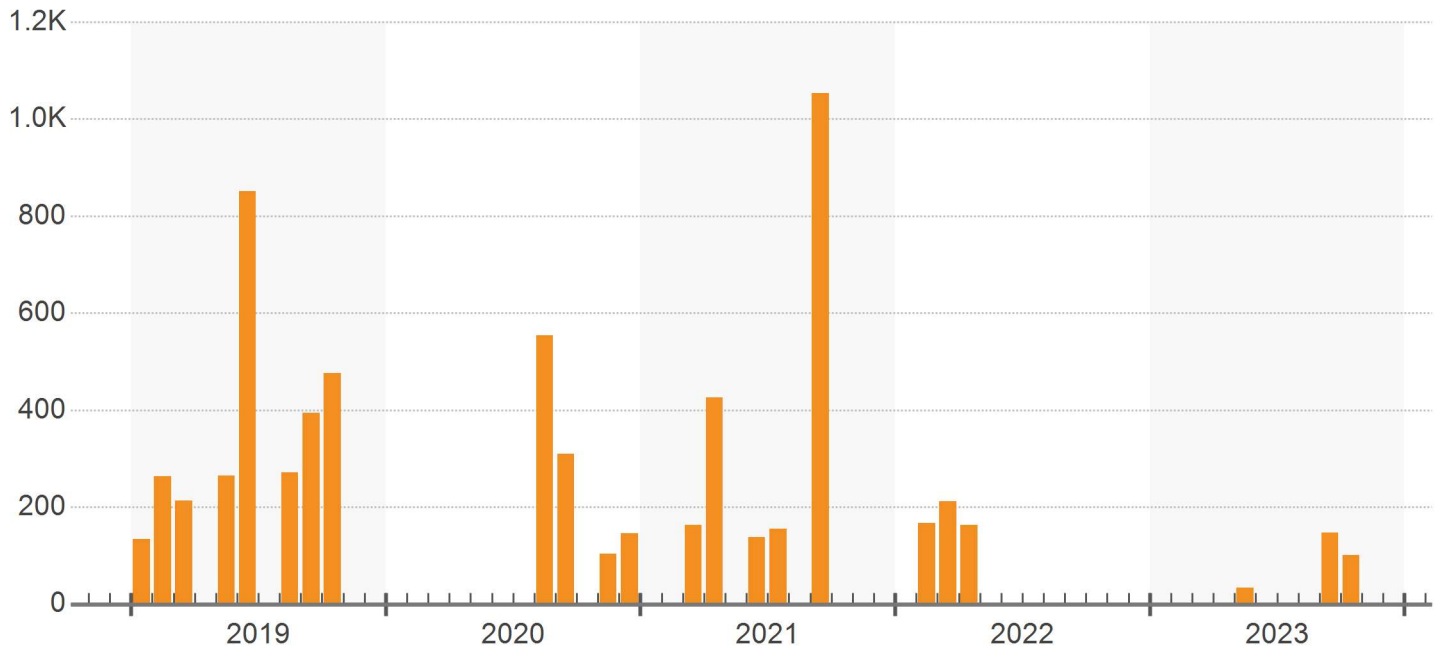
Over the past five years, Boston has experienced a significant increase in hotel development. This growth has been supported by historically solid fundamentals, with demand consistently exceeding supply by nearly a two-to-one ratio annually from 2004-14. Despite a brief 11% decrease in 2009 due to the global financial crisis, demand has continued to outpace supply on average by 3.5% annually. As a result, developers and investors have found it easier to underwrite deals in a city known for its high barriers to entry and lengthy permitting process. This sustained growth has also led to an increase in average rates and room absorption, further supporting the hotel development industry in Boston.

Due to its strong long-term fundamentals, Boston remains a highly sought-after location for group, leisure, business, and international inbound travel. However, assimilating the current and planned new supply will undoubtedly take several years.

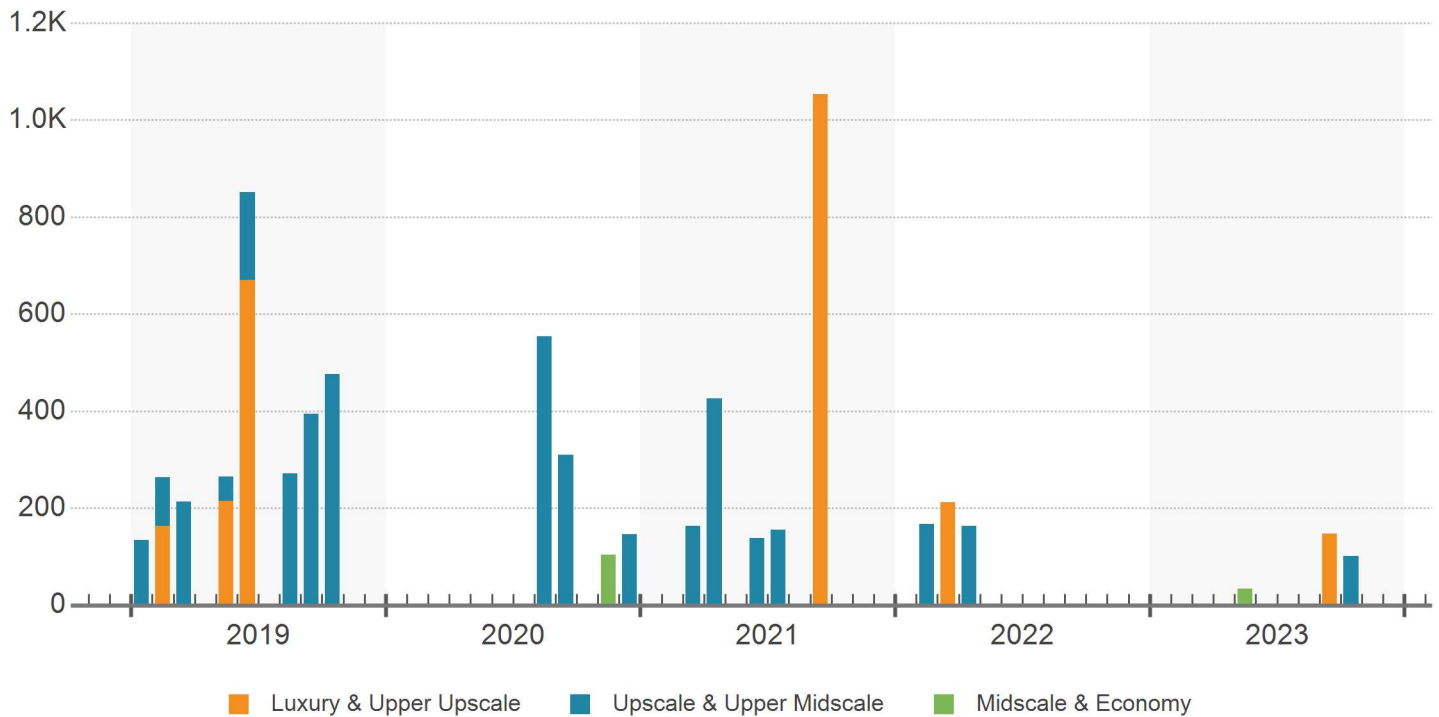
DELIVERIES & DEMOLITIONS



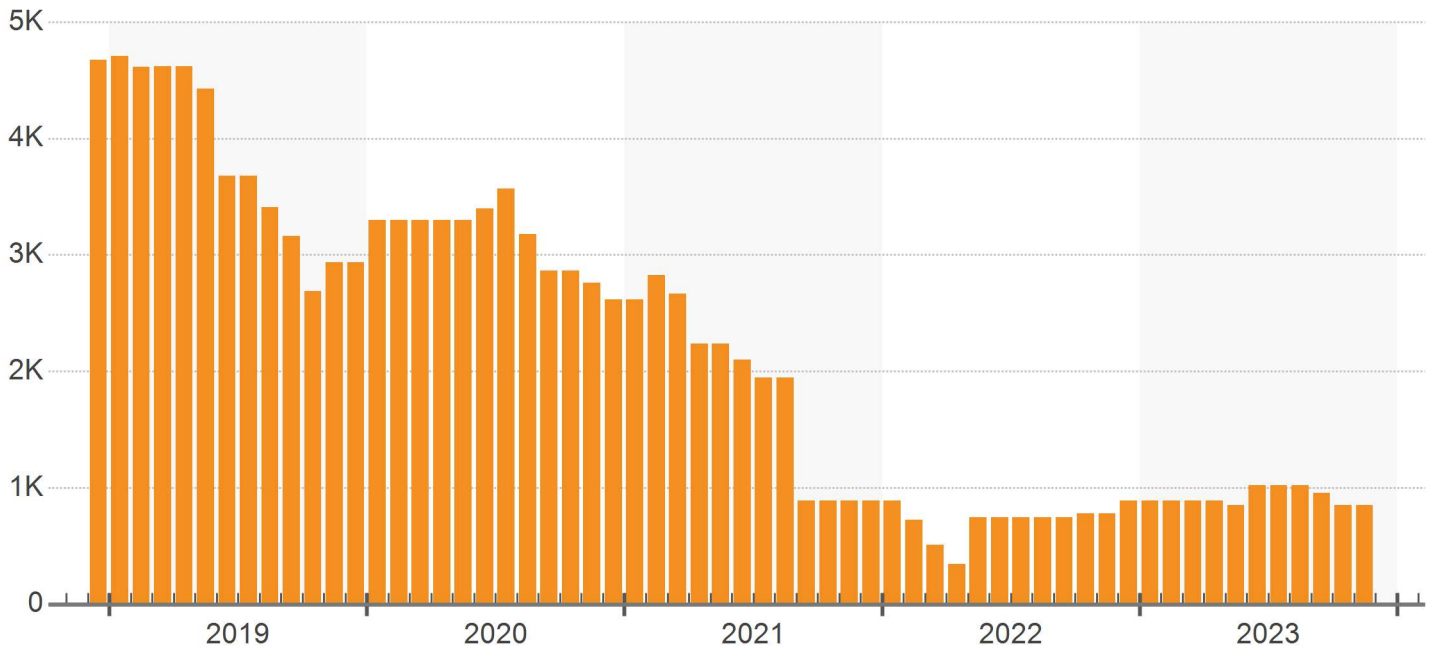
ROOMS DELIVERED



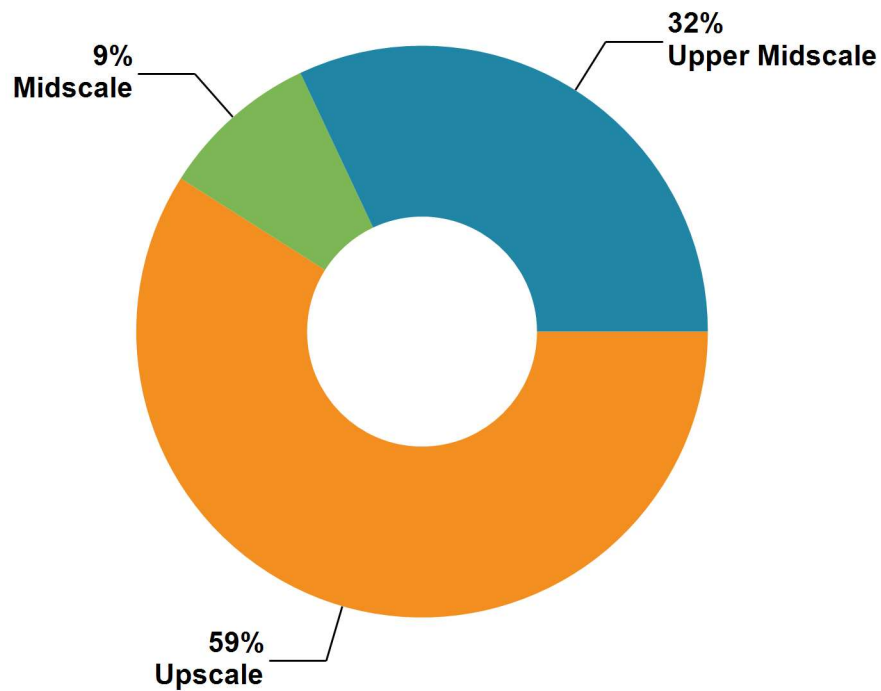
ROOMS DELIVERED BY CLASS



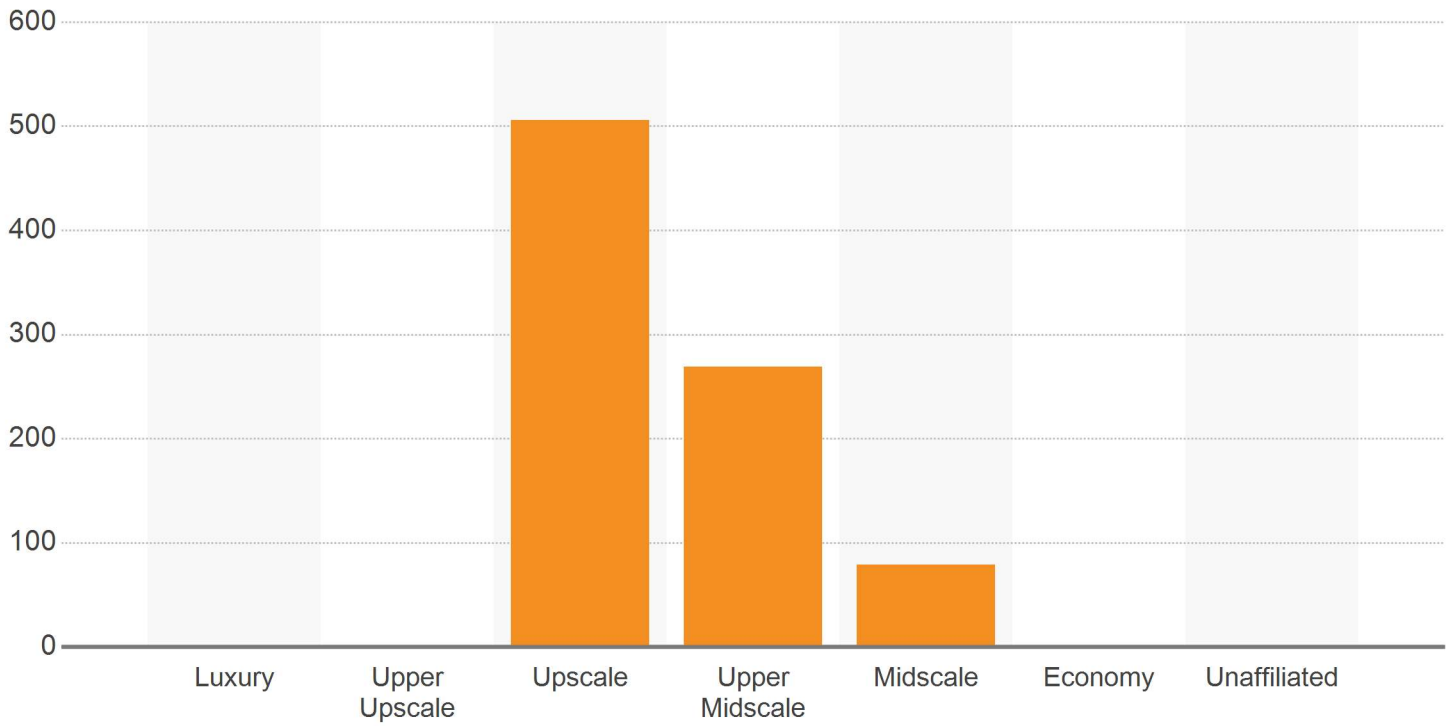
ROOMS UNDER CONSTRUCTION



TOTAL ROOMS UNDER CONSTRUCTION BY SCALE



ROOMS UNDER CONSTRUCTION BY SCALE



Under Construction Properties

Boston - MA Hospitality

Properties

Rooms

Percent of Inventory

Average Rooms

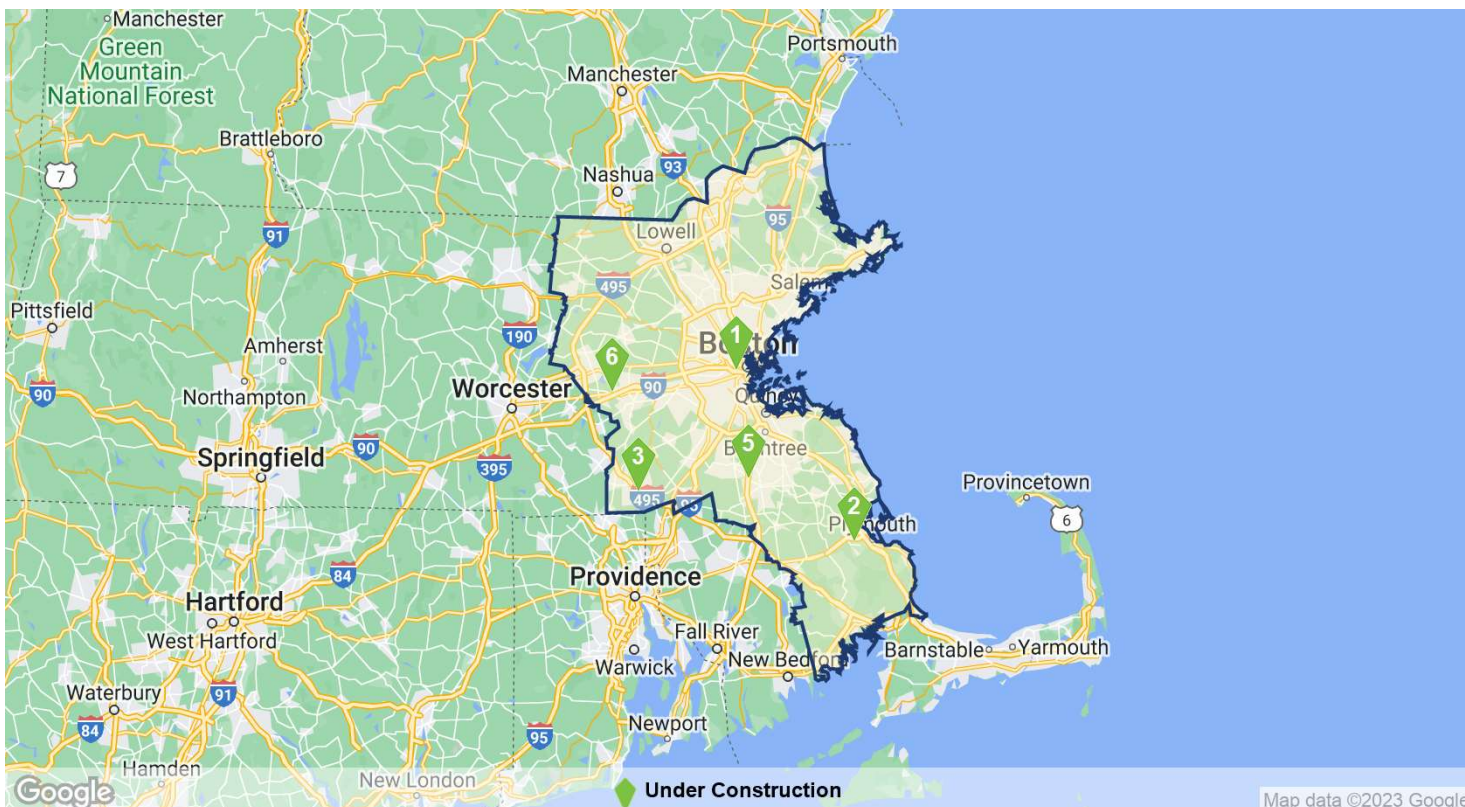
6

854

1.4%

142

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

	Property Name/Address	Class	Rooms	Stories	Start	Complete	Brand/Developer
1	citizenM Boston Back Bay 408 Newbury St	Upscale	399	13	May 2022	Dec 2025	citizenM Samuels & Associates
2	Cambria Hotels & Suites Plymouth 26 Plaza Way	Upscale	107	4	Dec 2022	Jul 2025	Cambria Hotels -
3	Home2 Suites by Hilton Boston Framingham 725 Union St	Upper Midscale	100	4	Jan 2020	Dec 2023	Home2 Suites by Hilton Jamsan Management
4	TownePlace Suites Framingham 1659 Worcester Rd	Upper Midscale	94	6	Jun 2023	Jan 2024	TownePlace Suites Colwen Hotels
5	Tru by Hilton Brockton 0 Westgate Dr	Midscale	79	5	Sep 2023	Oct 2024	Tru by Hilton -
6	Fairfield Inn & Suites Framingham 1659 Worcester Rd	Upper Midscale	75	6	Jun 2023	Jan 2024	Fairfield Inn -

Hotel investment activity in Boston has been generally muted through 2023, with 14 transactions year to date, a significant decrease compared to last year's 28 transactions for the same period. Trades have consisted mainly of Upper Midscale to Upscale class properties, with three Upper Upscale and one Luxury class hotel trades.

In November, it was announced that CBRE's Debt & Structured Finance Team acquired the Sheraton Boston Hotel for \$164.1 million (\$207,070/key). The Sheraton Boston Hotel is a 792-room hotel in Boston's Back Bay in the mixed-use Prudential Center. Starting in 23Q4, the hotel will undergo a comprehensive renovation to become the next-generation Sheraton Hotel. The renovation plan includes upgrading the guest rooms, refreshing the meeting and event spaces, and renovating and re-conceptualizing the F&B outlets.

In October, the 1,060-room Hilton Boston Park Plaza hotel sold for \$370 million (\$349,057/key) from Parks Hospitality, the seller, to Sunstone Hotel Partnership, LLC. Additionally, in October, The Whitney Hotel, a 65-room Luxury class hotel, sold for \$57 million (\$876,923/key). The hotel traded from Egeria Real Estate Boston LLC to Related Management, and Pentucket Bank provided the buyer with \$17.1 million in loan towards the purchase.

Another notable hotel sale is the March sale of the Holiday Inn Express Boston North Woburn sales for \$9.5 million (\$102,151/key). The 282-room Upper Upscale Embassy Suites by Hilton in the Boston Logan Airport Submarket was part of a bulk portfolio sale from the merger of USAA Real Estate of San Antonio and Square Mile Capital in New York. USAA Real Estate acquired the balance of Square Mile Capital in 2021. These trades were preceded by the February sales of 147-room Courtyard Boston Norwood/Canton, a second 167-room

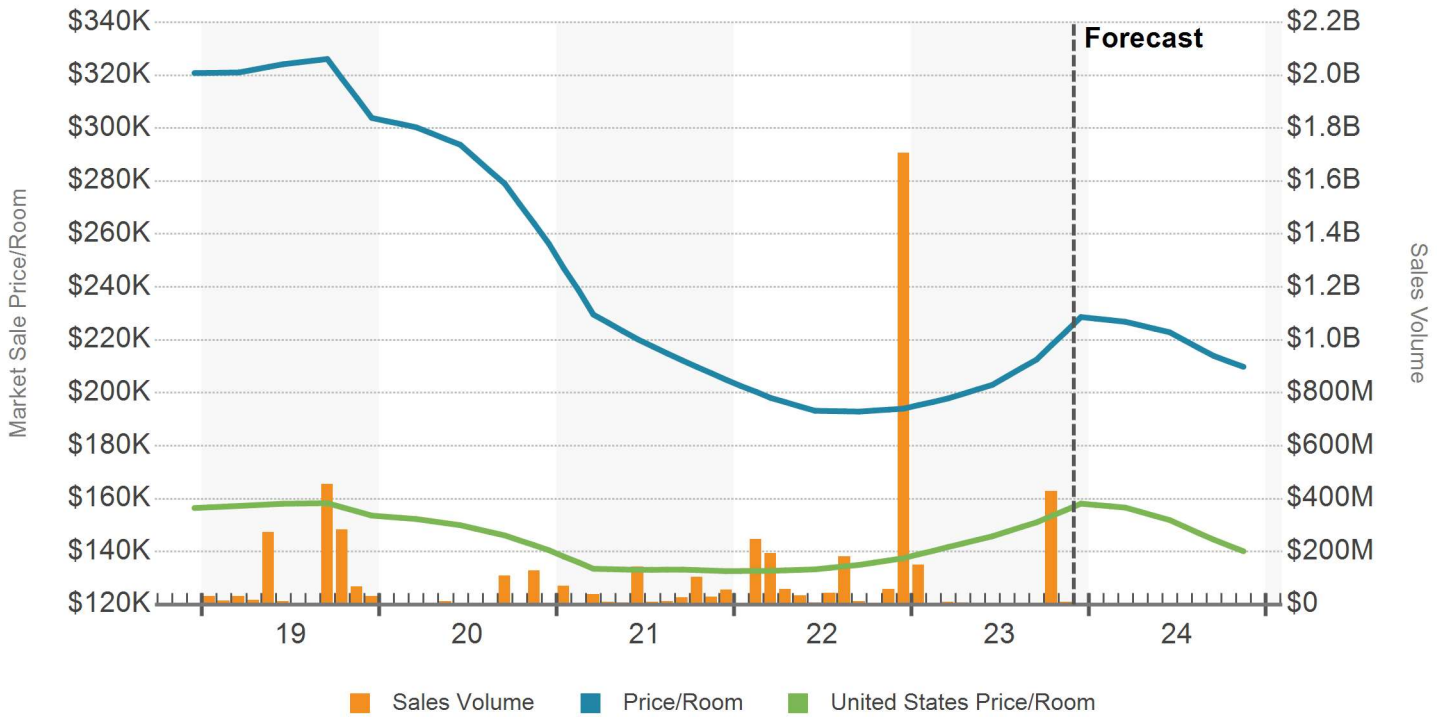
Courtyard Boston in South Boston in January, and the 147-room La Quinta Inns & Suites Boston Somerville for \$67.5 million (459,184/key).

In January, Electra America Hospitality Group acquired the 190-room Kimpton Nine Zero, in 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.

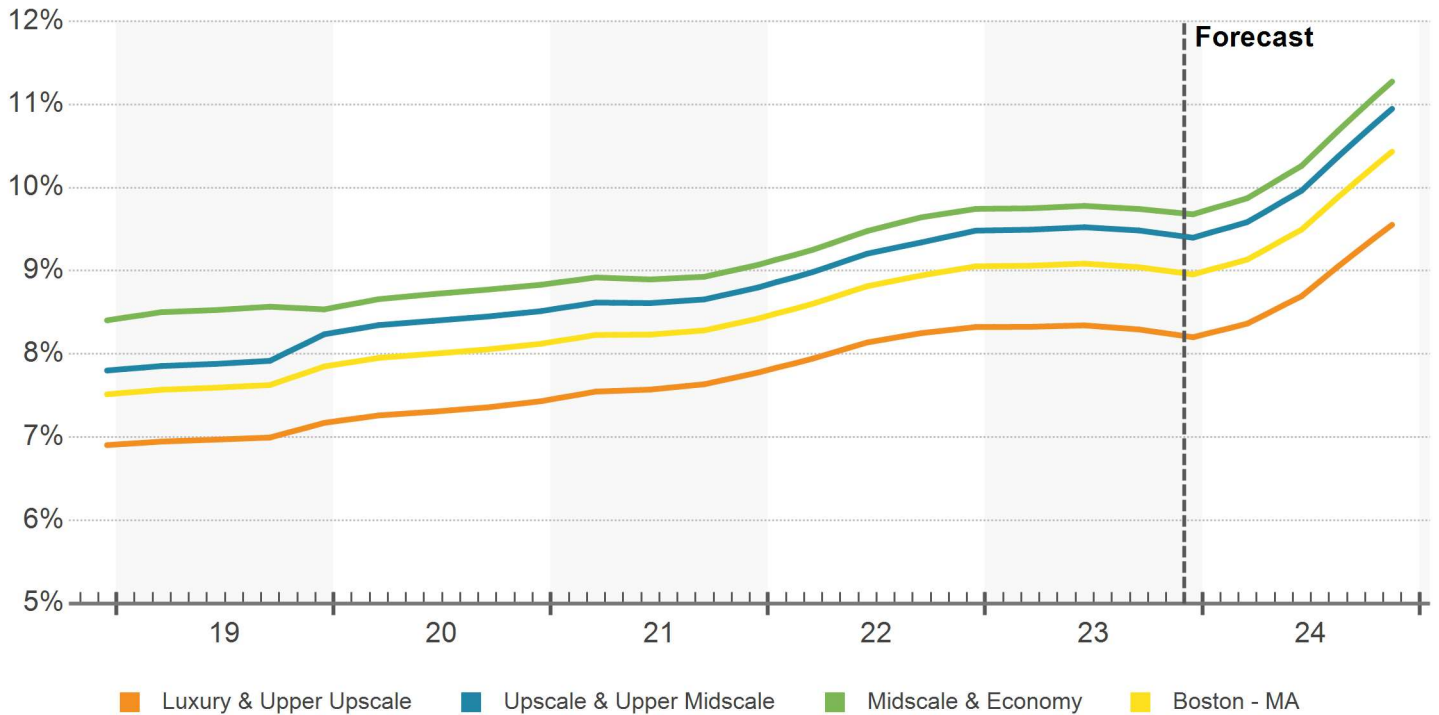
According to CoStar's CMBS data, 34 hotels have active CMBS loans. More than half of those active loans are maturing in the next two years, providing potential opportunities for investors watching the market. Sixteen hotels are currently on the watchlist for possible distress. Eight of the 16 hotels on the watchlist are Extended Stay Americas Boston in the submarkets of Cambridge/Waltham, Boston Southshor, Woburn/Tewksbury Northwest, Dedham/Marlborough, and Andover Danvers Northeast. One hotel on the watchlist is located in the Boston CBD/Airport Submarket, the TownePlace Suites Boston Logan Airport Chelsea. The borrower has previously exercised three one-year extension options and has two remaining ones available. The borrower has not yet indicated their plans for maturity.

The recent increase in interest rates has created potential challenges for financing deals and investments, as broader economic trends may impact lending practices. This is an essential consideration for those involved in financing and investment decisions, as it may require a more nuanced approach to assessing risk and evaluating potential opportunities.

SALES VOLUME & MARKET SALE PRICE PER ROOM



MARKET CAP RATE



Sales Past 12 Months

Boston - MA Hospitality

Sale Comparables

16

Average Price/Room

\$336K

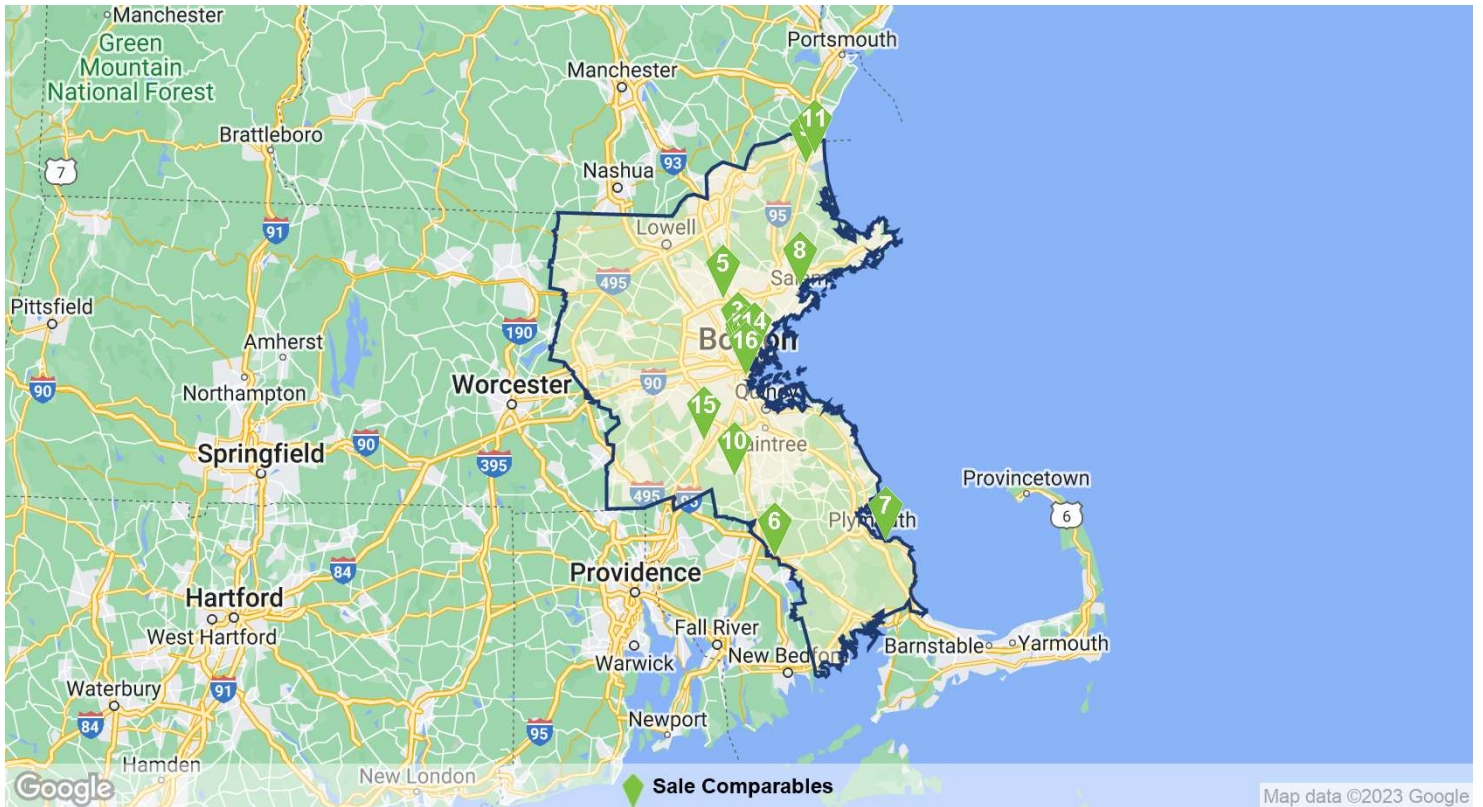
Average Price

\$56M

Average Cap Rate

7.8%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sale Attributes	Low	Average	Median	High
Sale Price	\$2,250,000	\$56,018,636	\$9,250,000	\$370,000,000
Price/Room	\$74,167	\$335,990	\$156,250	\$876,923
Cap Rate	7.1%	7.8%	7.1%	8.5%
Time Since Sale in Months	0.4	6.5	7.9	11.6
Property Attributes	Low	Average	Median	High
Property Size in Rooms	16	165	93	1,060
Number of Floors	1	5	4	19
Total Meeting Space	375	11,242	11,242	64,490
Year Built	1920	1972	1969	2013
Class	Economy	Upscale	Upscale	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	Hilton Boston Park Plaza 50 Park Plz	Upper Upscale	1927	1060	Hilton	10/30/2023	\$370,000,000	\$349,057
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	The Whitney Hotel 170 Charles St	Luxury	1925	65	-	10/16/2023	\$57,000,000	\$876,923
5	Holiday Inn Express Boston North... 315 Mishawum Rd	Upper Midscale	1984	93	Holiday Inn Express	3/24/2023	\$9,500,000	\$102,151
6	Fairfield Inn & Suites Raynham Mi... 4 Chalet Rd	Upper Midscale	1989	100	Fairfield Inn	11/1/2023	\$9,250,000	\$92,500
7	Pilgrim Sands Hotel 150 Warren Ave	Upper Midscale	1964	62	-	4/14/2023	\$6,925,000	\$111,694
8	The Cove Hotel 40 Bridge St	Upper Upscale	1960	60	-	12/22/2022	\$4,450,000	\$74,167
9	The Inn At Ring's Island 175 Bridge Rd	Economy	1960	18	-	9/11/2023	\$4,199,999	\$233,333
10	Stoughton Motel 1919 Washington St	Economy	1950	16	-	5/30/2023	\$2,500,000	\$156,250
11	Beach Road Grove Cabins 104 Beach Rd	Economy	1969	23	-	2/10/2023	\$2,250,000	\$97,826
12	The Boxer 107 Merrimac St	Upper Upscale	1920	80	-	11/28/2023	-	-
13	The Envoy Hotel, Autograph Colle... 70 Sleeper St	Upper Upscale	2013	136	Autograph Collection	11/28/2023	-	-
14	Embassy Suites by Hilton 207 Porter St	Upper Upscale	2003	282	Embassy Suites by Hilton	3/9/2023	-	-
15	Courtyard Boston Norwood/Canton 300 River Ridge Dr	Upscale	1989	147	Courtyard	2/23/2023	-	-
16	Courtyard Boston South-Boston 63 R Boston St	Upscale	2005	164	Courtyard	1/9/2023	-	-

Boston's economy experienced a strong rebound in the first half of 2023 after continuing its road to recovery from the economic conditions brought about by 2020 and 2021. As the largest city in New England, Boston has a significant cultural and economic influence on the entire region, earning it the title of the region's unofficial capital. The city has a robust academic and medical presence, with over 100 colleges and universities in Greater Boston that attract more than 250,000 students. Boston is also famous for its rich history, particularly concerning the American Revolution, which is evident in the Boston National Historical Park, a repository for several historical sites from that period.

Boston is a hub for technology companies and is recognized as the country's leading center for biotechnology and life sciences, receiving more funding from the National Institutes of Health annually than any other city in the United States. Innovation is a significant component of Boston's identity, thanks to its strong academic presence, access to venture capital, and the many high-tech companies operating in the market. The Route 128 corridor and Greater Boston remain significant centers for venture capital investment, and the high-tech industry is an essential sector of the local economy.

Boston's economy has faced headwinds, particularly employment, but professional and technical services, information, healthcare, and social assistance sectors are pushing past pre-pandemic levels.

Tourism is a vital part of Boston and Massachusetts's economy, with Boston receiving 19.8 million domestic and 2.8 million international visitors in 2019, who spent about \$14 billion. The tourism industry is expected to recover, as inbound international travel from China, the European Union, and the United Kingdom continues to ramp up to pre-pandemic levels. Convention and group demand are crucial to the region's economy and the number of jobs it supports. The Boston Convention & Exhibit Center (BCEC) generates an estimated economic impact of \$640 million annually and supports over 5,000 jobs. Due to pandemic-related cancellations in 2020 and 2021, 2023 has fared much better, with the return of many groups to both the Hynes Convention Center and the BCEC. The group travel pace for 2023 so far is nearly 90% of 2019 levels, and the 2023 pace is expected to surpass 2019 levels, underscoring the strong recovery underway across the region.

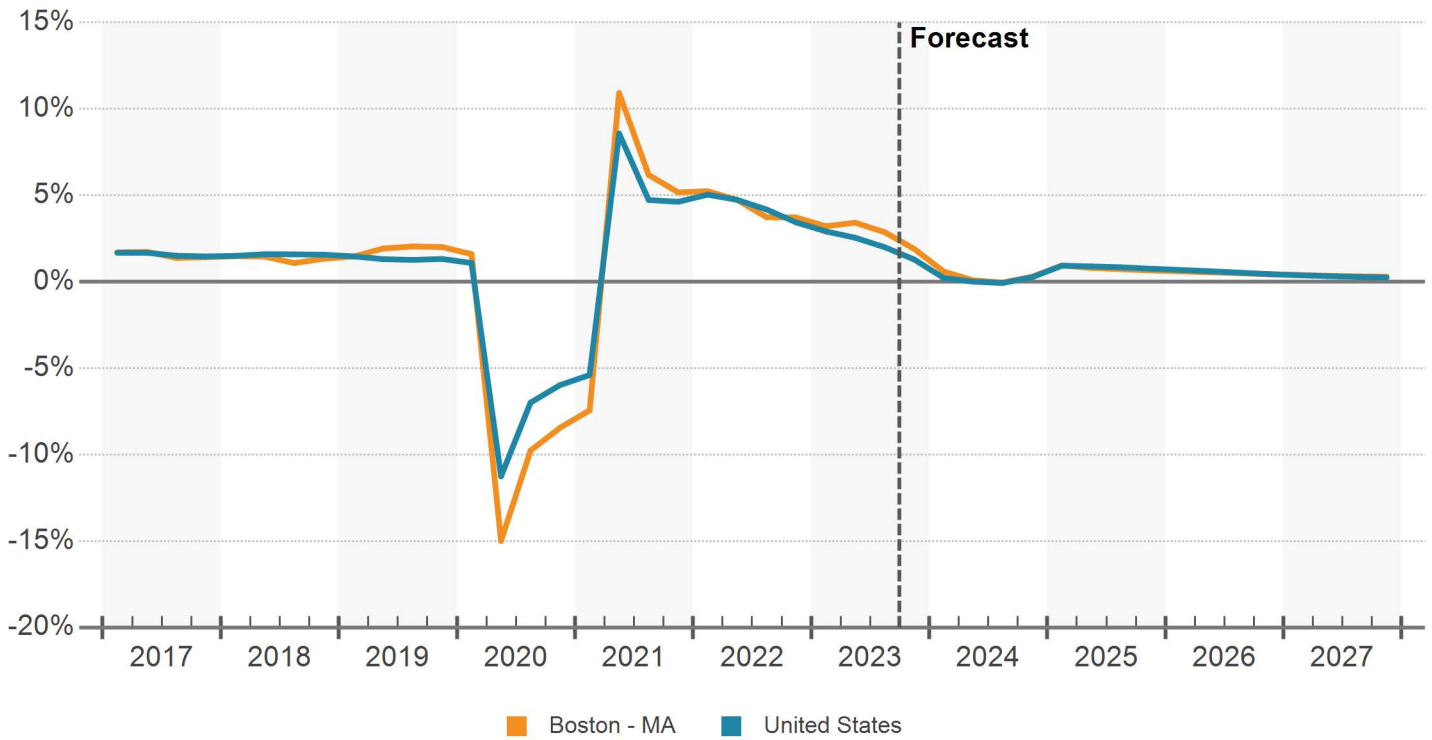
While further recovery in the hospitality industry remains a challenge, Boston's economy shows signs of a robust recovery across various sectors. However, new challenges present uncertainty as the Federal Reserve continues to battle against inflation, making securing financing for real estate development more difficult in the high-interest rate environment. Nonetheless, Boston's economy has navigated past challenges in the past three years and has continued to emerge in a strong position.

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	0.77%	0.14%	-0.47%	0.73%	-0.32%	0.07%
Trade, Transportation and Utilities	363	0.7	1.23%	0.22%	0.22%	1.07%	-0.21%	0.13%
Retail Trade	207	0.8	-0.06%	0.45%	-0.43%	0.25%	-0.10%	0.09%
Financial Activities	191	1.2	1.19%	0.65%	1.26%	1.46%	-0.03%	0.14%
Government	286	0.7	0.94%	1.66%	0.40%	0.37%	0.25%	0.39%
Natural Resources, Mining and Construction	121	0.8	4.10%	1.72%	3.78%	2.37%	1.17%	0.26%
Education and Health Services	586	1.3	3.69%	3.27%	1.80%	1.88%	0.50%	0.65%
Professional and Business Services	540	1.4	1.97%	0.85%	2.52%	2.03%	0.45%	0.50%
Information	85	1.6	-2.16%	-2.56%	1.68%	1.12%	0.67%	0.32%
Leisure and Hospitality	246	0.9	3.93%	3.24%	0.84%	1.49%	1.22%	0.83%
Other Services	97	1.0	0.79%	1.87%	0.47%	0.65%	0.68%	0.26%
Total Employment	2,665	1.0	2.10%	1.43%	1.30%	1.32%	0.39%	0.40%

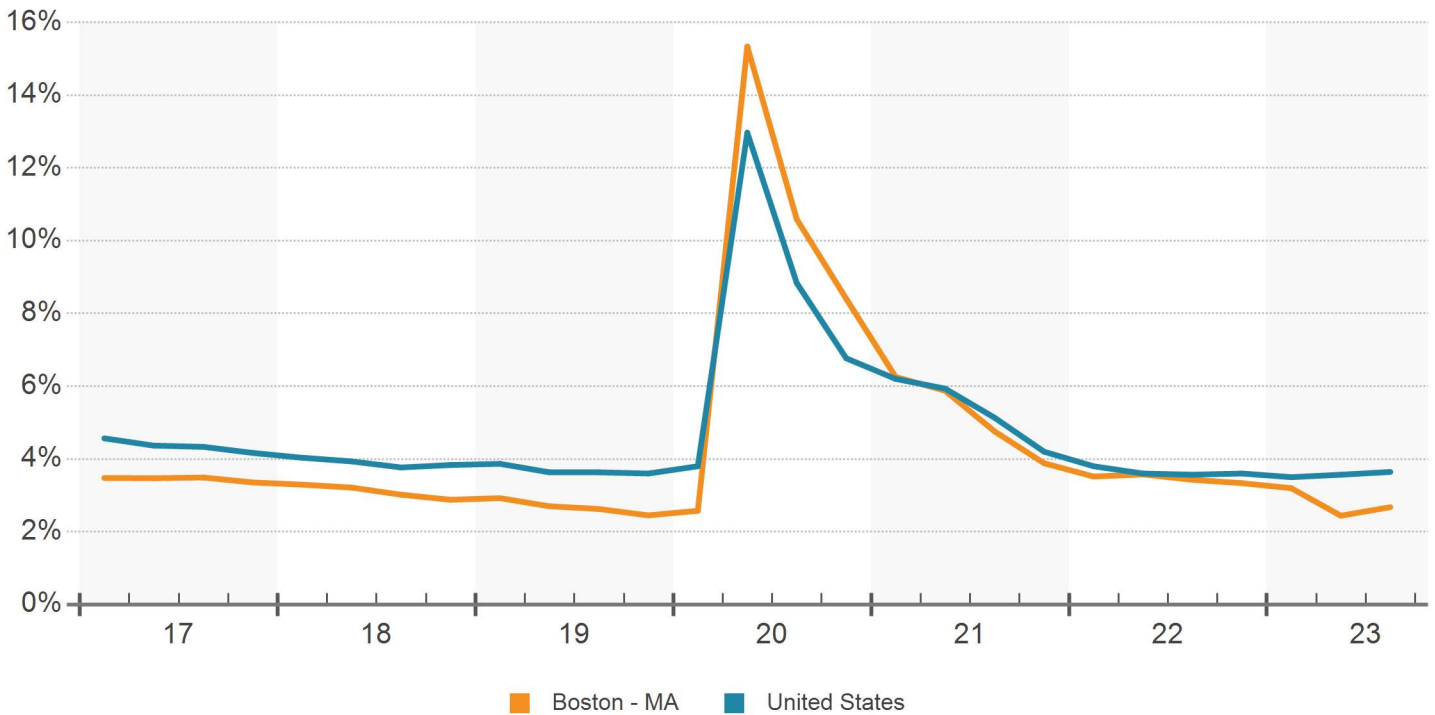
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

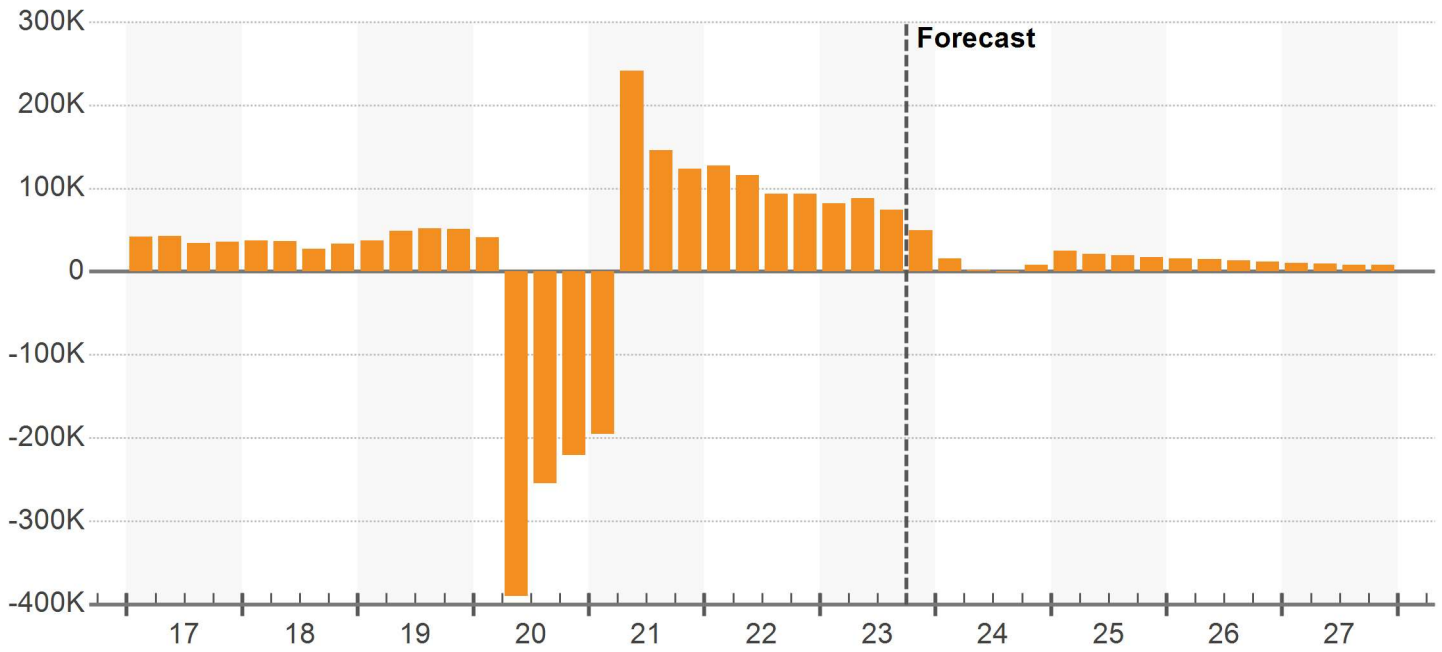


Source: Oxford Economics

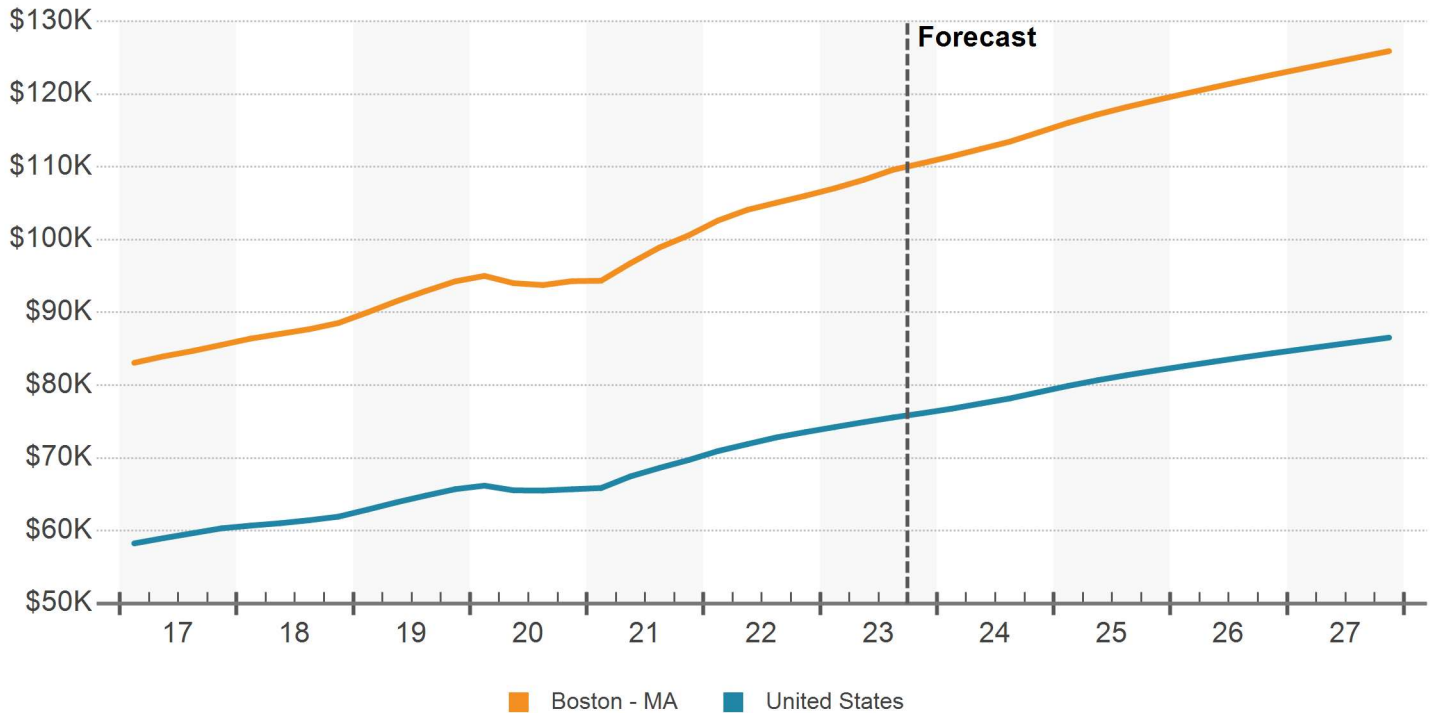
UNEMPLOYMENT RATE (%)



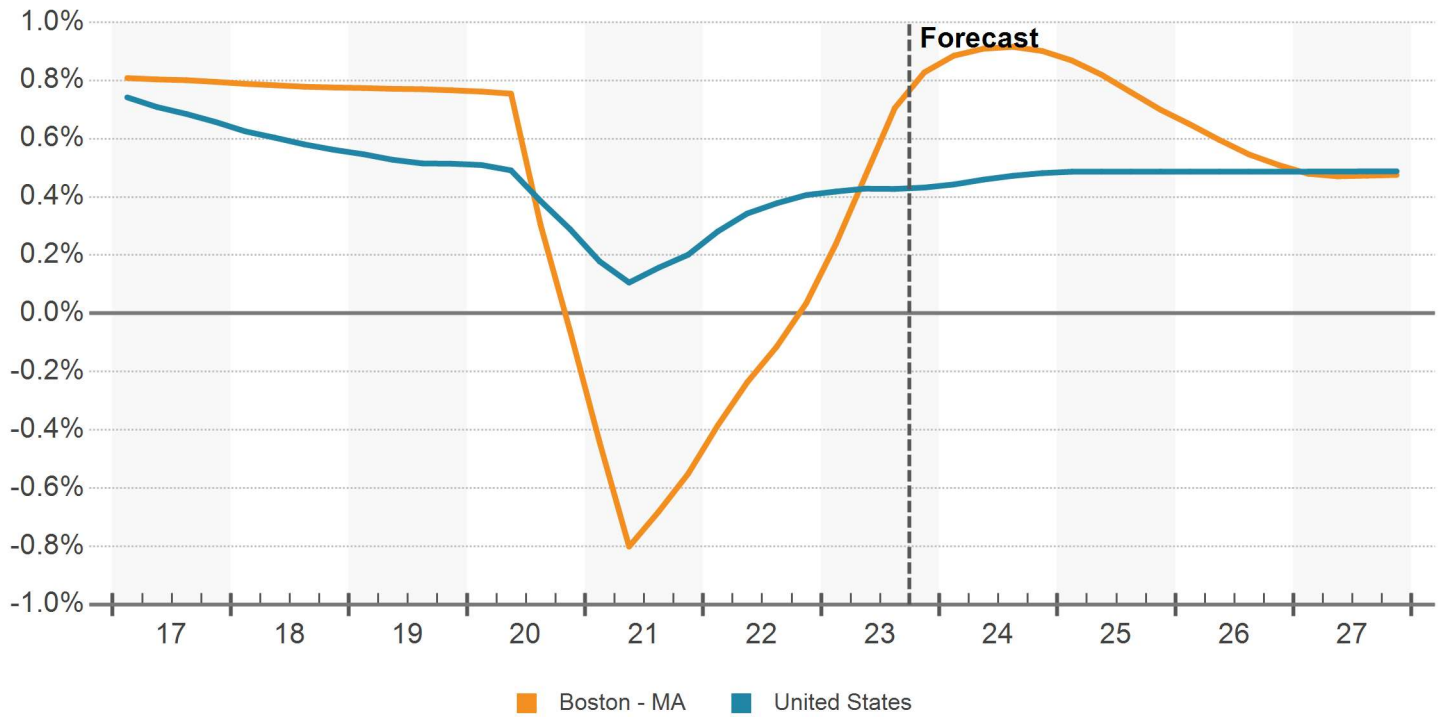
NET EMPLOYMENT CHANGE (YOY)



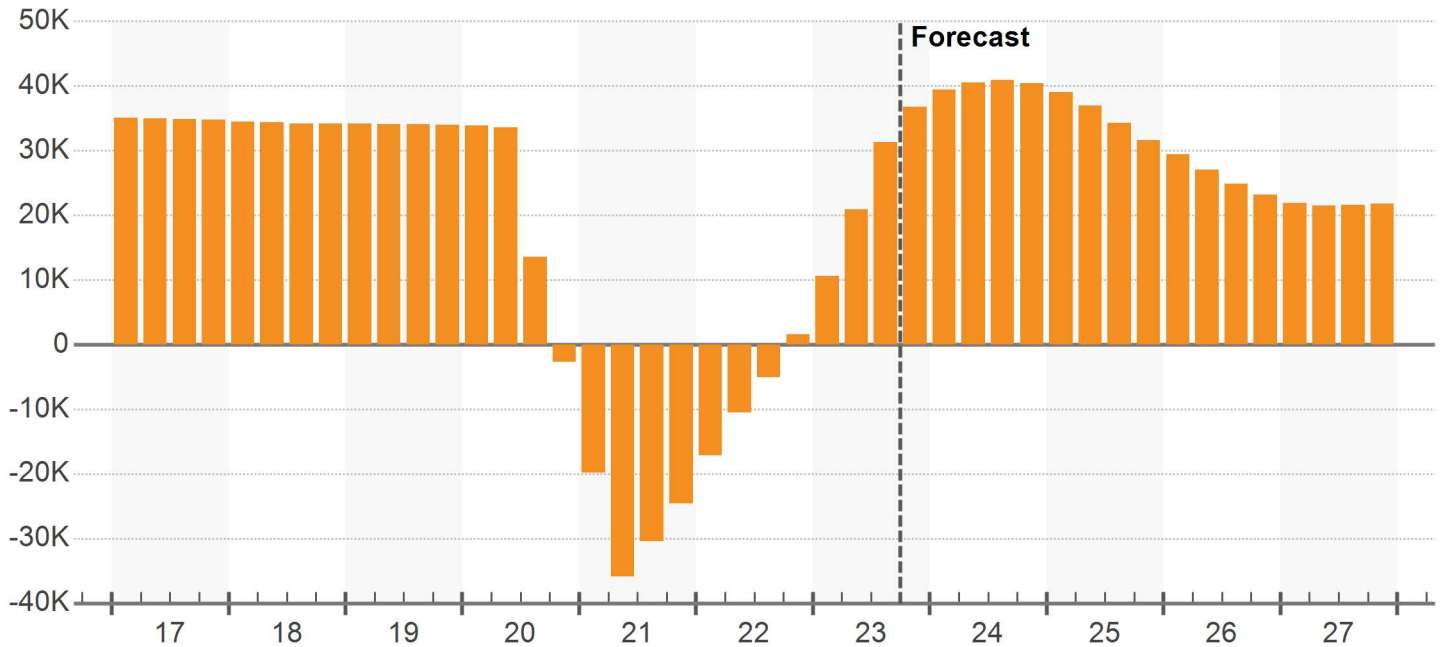
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)

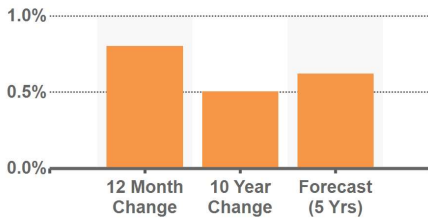


DEMOGRAPHIC TRENDS

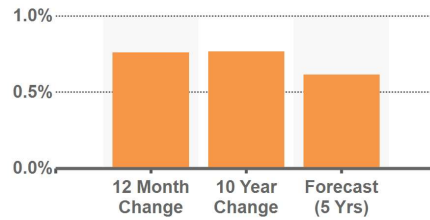
Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	4,474,944	335,024,188	0.8%	0.4%	0.5%	0.5%	0.6%	0.5%
Households	1,779,332	130,790,219	1.0%	0.6%	1.0%	0.9%	0.7%	0.6%
Median Household Income	\$110,306	\$76,022	4.2%	3.6%	4.2%	3.8%	3.2%	3.1%
Labor Force	2,463,677	167,567,219	0.8%	1.8%	0.8%	0.8%	0.6%	0.2%
Unemployment	2.7%	3.6%	-0.7%	0%	-0.3%	-0.3%	-	-

Source: Oxford Economics

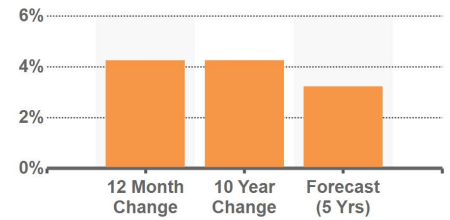
POPULATION GROWTH



LABOR FORCE GROWTH



INCOME GROWTH



Source: Oxford Economics

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	6,477	10.3%	6	0	0	-	-	0	0	0%	6
2	Boston CBD/Airport	105	25,151	40.2%	1	1	147	0.6%	2	1	399	1.6%	3
3	Boston Southshore	75	6,726	10.7%	5	2	135	2.0%	1	2	186	2.8%	2
4	Cambridge/Waltham	65	9,291	14.8%	2	0	0	-	-	0	0	0%	4
5	Dedham/Marlborough	64	8,088	12.9%	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	69.4%	5.3%	5	\$154.05	7.7%	4	\$106.83	13.4%
2	Boston CBD/Airport	1	75.7%	9.8%	1	\$288.24	5.8%	1	\$218.21	16.1%
3	Boston Southshore	4	68.2%	3.6%	4	\$156.93	7.0%	3	\$107.02	10.9%
4	Cambridge/Waltham	2	71.6%	12.1%	2	\$228.07	7.5%	2	\$163.39	20.5%
5	Dedham/Marlborough	6	65.3%	6.6%	3	\$159.22	8.4%	5	\$103.94	15.5%
6	Woburn/Tewksbury Northwest	5	67.9%	2.3%	6	\$151.10	11.3%	6	\$102.66	13.9%

OVERALL SUPPLY & DEMAND

Year	Supply			Demand		
	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2027	23,099,239	0	0%	16,867,773	82,527	0.5%
2026	23,099,239	19,920	0.1%	16,785,246	44,520	0.3%
2025	23,079,319	128,612	0.6%	16,740,726	158,834	1.0%
2024	22,950,707	394,612	1.7%	16,581,892	415,036	2.6%
2023	22,556,095	(161,920)	-0.7%	16,166,856	867,793	5.7%
YTD	18,760,766	(173,930)	-0.9%	13,849,094	807,231	6.2%
2022	22,718,015	1,073,197	5.0%	15,299,063	4,213,870	38.0%
2021	21,644,818	2,410,938	12.5%	11,085,193	4,372,976	65.1%
2020	19,233,880	(2,267,390)	-10.5%	6,712,217	(9,094,904)	-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	351,828	2.4%
2016	19,645,540	639,932	3.4%	14,497,564	(33,288)	-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	365,349	2.7%

LUXURY & UPPER UPSCALE SUPPLY & DEMAND

Year	Supply			Demand		
	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2027	9,113,689	0	0%	6,883,265	31,665	0.5%
2026	9,113,689	0	0%	6,851,600	(1,987)	0%
2025	9,113,689	0	0%	6,853,587	84,741	1.3%
2024	9,113,689	47,407	0.5%	6,768,846	233,592	3.6%
2023	9,066,282	(98,673)	-1.1%	6,535,254	492,095	8.1%
YTD	7,546,040	(84,422)	-1.1%	5,612,134	481,776	9.4%
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	1,785,255	91.6%
2020	6,764,429	(2,004,161)	-22.9%	1,948,357	(4,910,936)	-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	17,206	0.3%
2016	8,420,959	166,182	2.0%	6,664,164	92,764	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	189,699	3.0%

UPSCALE & UPPER MIDSCALE SUPPLY & DEMAND

Year	Supply			Demand		
	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2027	11,415,522	0	0%	8,245,870	57,987	0.7%
2026	11,415,522	19,920	0.2%	8,187,883	44,947	0.6%
2025	11,395,602	106,558	0.9%	8,142,936	89,335	1.1%
2024	11,289,044	259,452	2.4%	8,053,601	128,878	1.6%
2023	11,029,592	9,358	0.1%	7,924,723	384,650	5.1%
YTD	9,174,063	(6,411)	-0.1%	6,783,266	345,836	5.4%
2022	11,020,234	316,750	3.0%	7,540,073	1,757,649	30.4%
2021	10,703,484	838,224	8.5%	5,782,424	2,247,449	63.6%
2020	9,865,260	(191,839)	-1.9%	3,534,975	(3,779,781)	-51.7%
2019	10,057,099	502,278	5.3%	7,314,756	170,219	2.4%
2018	9,554,821	692,798	7.8%	7,144,537	717,555	11.2%
2017	8,862,023	501,559	6.0%	6,426,982	365,292	6.0%
2016	8,360,464	461,716	5.8%	6,061,690	90,663	1.5%
2015	7,898,748	169,911	2.2%	5,971,027	273,068	4.8%
2014	7,728,837	76,628	1.0%	5,697,959	298,090	5.5%
2013	7,652,209	152,844	2.0%	5,399,869	208,715	4.0%

MIDSCALE & ECONOMY SUPPLY & DEMAND

Year	Supply			Demand		
	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2027	2,570,028	0	0%	1,738,638	(7,125)	-0.4%
2026	2,570,028	0	0%	1,745,763	1,560	0.1%
2025	2,570,028	22,054	0.9%	1,744,203	(15,242)	-0.9%
2024	2,547,974	87,753	3.6%	1,759,445	52,566	3.1%
2023	2,460,221	(72,605)	-2.9%	1,706,879	(8,952)	-0.5%
YTD	2,040,663	(83,097)	-3.9%	1,453,694	(20,381)	-1.4%
2022	2,532,826	(56,337)	-2.2%	1,715,831	146,674	9.3%
2021	2,589,163	(15,028)	-0.6%	1,569,157	340,272	27.7%
2020	2,604,191	(71,390)	-2.7%	1,228,885	(404,187)	-24.8%
2019	2,675,581	(169,597)	-6.0%	1,633,072	(158,002)	-8.8%
2018	2,845,178	(24,582)	-0.9%	1,791,074	50,034	2.9%
2017	2,869,760	5,643	0.2%	1,741,040	(30,670)	-1.7%
2016	2,864,117	12,034	0.4%	1,771,710	(216,715)	-10.9%
2015	2,852,083	5,688	0.2%	1,988,425	7,267	0.4%
2014	2,846,395	(53,844)	-1.9%	1,981,158	79,480	4.2%
2013	2,900,239	(42,896)	-1.5%	1,901,678	(33,065)	-1.7%

OVERALL PERFORMANCE

Year	Occupancy		ADR		RevPAR	
	Percent	% Change	Per Room	% Change	Per Room	% Change
2027	73.0%	0.5%	\$244.29	1.6%	\$178.39	2.1%
2026	72.7%	0.2%	\$240.38	4.6%	\$174.67	4.7%
2025	72.5%	0.4%	\$229.89	2.5%	\$166.75	2.9%
2024	72.3%	0.8%	\$224.35	0.6%	\$162.09	1.4%
2023	71.7%	6.4%	\$223.01	5.7%	\$159.84	12.5%
YTD	73.8%	7.2%	\$229.33	6.3%	\$169.29	14.0%
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%	0.5%	\$321.52	1.6%	\$242.83	2.0%
2026	75.2%	0%	\$316.53	4.4%	\$237.96	4.4%
2025	75.2%	1.3%	\$303.15	3.1%	\$227.97	4.4%
2024	74.3%	3.0%	\$294.15	0.6%	\$218.47	3.6%
2023	72.1%	9.3%	\$292.43	2.7%	\$210.79	12.2%
YTD	74.4%	10.6%	\$301.42	3.3%	\$224.17	14.2%
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	72.2%	0.7%	\$205.11	1.6%	\$148.16	2.3%
2026	71.7%	0.4%	\$201.98	4.8%	\$144.87	5.2%
2025	71.5%	0.2%	\$192.68	1.5%	\$137.68	1.7%
2024	71.3%	-0.7%	\$189.81	0.1%	\$135.41	-0.7%
2023	71.8%	5.0%	\$189.71	7.5%	\$136.30	12.9%
YTD	73.9%	5.4%	\$194.46	7.8%	\$143.78	13.6%
2022	68.4%	26.6%	\$176.50	32.4%	\$120.76	67.7%
2021	54.0%	50.8%	\$133.31	22.4%	\$72.02	84.5%
2020	35.8%	-50.7%	\$108.91	-34.3%	\$39.03	-67.6%
2019	72.7%	-2.7%	\$165.67	-1.6%	\$120.50	-4.3%
2018	74.8%	3.1%	\$168.30	3.2%	\$125.85	6.4%
2017	72.5%	0%	\$163.02	2.1%	\$118.22	2.1%
2016	72.5%	-4.1%	\$159.63	3.5%	\$115.74	-0.7%
2015	75.6%	2.5%	\$154.23	7.6%	\$116.59	10.3%
2014	73.7%	4.5%	\$143.34	8.5%	\$105.68	13.4%
2013	70.6%	1.9%	\$132.12	4.0%	\$93.23	6.0%

MIDSCALE & ECONOMY PERFORMANCE

Year	Occupancy		ADR		RevPAR	
	Percent	% Change	Per Room	% Change	Per Room	% Change
2027	67.7%	-0.4%	\$124.39	2.3%	\$84.15	1.9%
2026	67.9%	0.1%	\$121.61	5.0%	\$82.61	5.1%
2025	67.9%	-1.7%	\$115.77	1.6%	\$78.57	-0.1%
2024	69.1%	-0.5%	\$113.91	1.9%	\$78.66	1.4%
2023	69.4%	2.4%	\$111.83	8.5%	\$77.59	11.1%
YTD	71.2%	2.6%	\$113.71	9.1%	\$81	12.0%
2022	67.7%	11.8%	\$103.07	21.5%	\$69.83	35.9%
2021	60.6%	28.4%	\$84.80	15.0%	\$51.40	47.7%
2020	47.2%	-22.7%	\$73.75	-24.1%	\$34.80	-41.3%
2019	61.0%	-3.0%	\$97.19	-5.2%	\$59.32	-8.1%
2018	63.0%	3.8%	\$102.50	5.8%	\$64.52	9.7%
2017	60.7%	-1.9%	\$96.92	-0.3%	\$58.80	-2.2%
2016	61.9%	-11.3%	\$97.22	4.9%	\$60.14	-7.0%
2015	69.7%	0.2%	\$92.72	6.4%	\$64.64	6.6%
2014	69.6%	6.2%	\$87.12	5.4%	\$60.64	11.9%
2013	65.6%	-0.3%	\$82.63	4.2%	\$54.18	3.9%

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	-	-	-	-	-	-	\$270,334	203	9.9%
2026	-	-	-	-	-	-	\$249,381	187	10.2%
2025	-	-	-	-	-	-	\$221,476	166	10.7%
2024	-	-	-	-	-	-	\$207,738	156	10.6%
2023	-	-	-	-	-	-	\$228,623	172	9.0%
YTD	10	\$611.8M	2.8%	\$61,175,500	\$344,845	7.8%	\$227,897	171	8.9%
2022	39	\$2.5B	10.1%	\$65,321,399	\$400,430	8.3%	\$194,010	146	9.1%
2021	26	\$504.5M	4.4%	\$19,404,748	\$180,963	7.3%	\$204,875	154	8.4%
2020	8	\$253.5M	1.3%	\$31,683,318	\$314,475	9.6%	\$256,252	192	8.1%
2019	20	\$1.2B	5.6%	\$60,680,459	\$353,307	6.3%	\$303,860	228	7.8%
2018	20	\$795.8M	5.7%	\$39,788,100	\$240,049	8.8%	\$320,810	241	7.5%
2017	17	\$586.2M	5.0%	\$34,484,143	\$206,655	6.1%	\$312,377	235	7.5%
2016	29	\$1.1B	6.5%	\$37,353,727	\$304,030	8.0%	\$294,093	221	7.5%
2015	42	\$1.1B	10.7%	\$26,716,841	\$198,419	7.0%	\$274,621	206	7.4%
2014	24	\$565.6M	5.3%	\$23,566,966	\$205,302	10.2%	\$244,533	184	7.5%
2013	14	\$717M	5.7%	\$51,213,993	\$243,217	6.1%	\$214,893	161	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	-	-	-	-	-	-	\$442,275	206	9.1%
2026	-	-	-	-	-	-	\$407,996	190	9.4%
2025	-	-	-	-	-	-	\$362,343	169	9.8%
2024	-	-	-	-	-	-	\$339,866	158	9.7%
2023	-	-	-	-	-	-	\$374,036	174	8.2%
YTD	3	\$509.6M	5.3%	\$169,876,667	\$387,551	7.1%	\$372,818	174	8.2%
2022	7	\$2.1B	10.6%	\$306,925,000	\$805,275	7.1%	\$315,646	147	8.3%
2021	4	\$112.3M	2.7%	\$28,079,665	\$163,491	6.8%	\$330,691	154	7.8%
2020	2	\$116M	1.1%	\$58,000,000	\$421,818	-	\$415,841	194	7.4%
2019	8	\$1B	8.2%	\$128,096,639	\$507,313	4.8%	\$493,227	230	7.2%
2018	7	\$512.4M	7.2%	\$73,202,857	\$297,573	8.3%	\$517,993	242	6.9%
2017	2	\$265M	3.2%	\$132,500,000	\$358,593	4.3%	\$504,200	235	6.9%
2016	11	\$739.3M	6.1%	\$67,211,147	\$522,859	5.3%	\$476,553	222	6.9%
2015	11	\$767.2M	9.9%	\$69,748,853	\$339,153	6.7%	\$448,553	209	6.7%
2014	6	\$375.3M	4.0%	\$62,541,667	\$417,408	-	\$396,710	185	6.8%
2013	6	\$599.7M	8.3%	\$99,951,167	\$321,736	6.1%	\$346,180	161	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	-	-	-	-	-	-	\$173,504	196	10.4%
2026	-	-	-	-	-	-	\$160,056	181	10.7%
2025	-	-	-	-	-	-	\$142,147	161	11.2%
2024	-	-	-	-	-	-	\$133,329	151	11.1%
2023	-	-	-	-	-	-	\$146,734	166	9.4%
YTD	4	\$93.2M	1.3%	\$23,293,750	\$231,779	8.5%	\$146,270	166	9.4%
2022	22	\$354.8M	10.5%	\$16,128,291	\$110,228	6.0%	\$125,746	142	9.5%
2021	15	\$366.4M	5.5%	\$24,426,653	\$219,270	7.8%	\$134,788	153	8.8%
2020	2	\$109.8M	0.9%	\$54,875,000	\$432,087	9.9%	\$167,289	189	8.5%
2019	8	\$155.4M	3.7%	\$19,422,354	\$145,622	10.5%	\$198,246	224	8.2%
2018	9	\$280.2M	5.5%	\$31,134,753	\$189,846	9.0%	\$212,544	241	7.8%
2017	12	\$313.3M	7.8%	\$26,108,369	\$158,733	7.2%	\$207,273	235	7.7%
2016	14	\$322.1M	7.7%	\$23,009,373	\$176,510	8.4%	\$193,732	219	7.8%
2015	26	\$323.7M	13.3%	\$12,451,617	\$110,680	7.8%	\$178,127	202	7.7%
2014	9	\$151.1M	5.2%	\$16,790,575	\$136,140	9.0%	\$160,672	182	7.7%
2013	6	\$112.5M	4.6%	\$18,758,150	\$115,316	-	\$143,199	162	7.9%

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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	-	-	-	-	-	-	\$89,814	207	10.7%
2026	-	-	-	-	-	-	\$82,853	191	11.1%
2025	-	-	-	-	-	-	\$73,582	170	11.5%
2024	-	-	-	-	-	-	\$69,017	159	11.5%
2023	-	-	-	-	-	-	\$75,956	175	9.7%
YTD	3	\$8.9M	0.8%	\$2,983,333	\$157,018	-	\$75,807	175	9.7%
2022	10	\$44.2M	6.7%	\$4,423,717	\$93,131	12.8%	\$65,297	151	9.7%
2021	7	\$25.8M	5.8%	\$3,686,429	\$60,012	-	\$69,503	161	9.1%
2020	4	\$27.7M	3.7%	\$6,929,137	\$100,060	9.0%	\$84,809	196	8.8%
2019	4	\$33.5M	4.7%	\$8,364,308	\$96,141	6.5%	\$100,641	232	8.5%
2018	4	\$3.1M	1.5%	\$782,306	\$26,745	-	\$101,889	235	8.4%
2017	3	\$7.9M	1.5%	\$2,643,333	\$63,952	-	\$98,467	227	8.4%
2016	4	\$21.8M	4.1%	\$5,451,060	\$67,297	10.1%	\$92,288	213	8.4%
2015	5	\$31.1M	5.9%	\$6,225,581	\$66,513	-	\$85,776	198	8.3%
2014	9	\$39.2M	9.4%	\$4,360,222	\$52,603	11.9%	\$76,895	178	8.4%
2013	2	\$4.7M	1.4%	\$2,370,000	\$43,889	-	\$67,462	156	8.7%

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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	62,620	-0.4%	3	282	2	274	6	854
2022	447	62,895	-0.7%	3	543	(3)	(165)	6	888
2021	450	63,309	3.2%	7	1,938	4	1,807	6	891
2020	446	61,357	0.6%	9	1,114	3	923	12	2,617
2019	445	60,985	4.4%	16	2,870	10	2,591	14	2,939
2018	431	58,399	3.2%	11	1,453	7	1,313	22	4,677
2017	419	56,599	2.9%	14	1,989	13	1,872	20	3,358
2016	408	55,026	4.5%	16	2,303	13	2,243	18	3,197
2015	392	52,653	1.7%	6	695	5	682	19	2,978
2014	384	51,756	0%	2	173	0	58	10	1,278
2013	384	51,774	0.6%	5	583	0	338	3	503