



Hospitality Market Report

Boston - MA (USA)

PREPARED BY



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HOSPITALITY MARKET REPORT

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12 Mo Occupancy

73.1%

12 Mo ADR

\$225

12 Mo RevPAR

\$164.46

12 Mo Supply

22.4M

12 Mo Demand

16.4M

The hotel industry in Boston has been performing remarkably well in the past year and has a positive outlook for 2024. As of March, RevPAR and ADR are at historic peaks at \$164 and \$230, respectively. However, year-over-year topline performance growth slowed since the second quarter of 2023 as traveler trends normalized. The Boston hotel industry faced challenges in demand due to slower weekday travel from the return to the office. Still, due to lower supply and steady demand growth from leisure over weekends in the last year, occupancy rates have improved in the past 12 months, reaching 98% of 2019 peaks.

The industry is not just expected but poised to remain strong in 2024, with leisure travel predicted to normalize gradually and group and business travel continuing their return to the market. Room rates will remain historically elevated but are expected to slow down. Supply-side pressures from new rooms' inventory entering the market will likely slow occupancy growth but generate pricing power for increased rate growth, sustaining RevPAR growth above past peaks and national levels.

Hotel construction in the Boston area was generally muted through 2023, with over 300 room deliveries for the year. New deliveries included mostly mid-tier hotels, although one new luxury class hotel, the Raffles Boston, was added in September 2023. The 2024 pipeline is looking up, as 820 rooms are under construction, with over 2,000 rooms sitting in final planning through 2027. Boston's hotel development is primarily driven by its diverse demand generators, including its profile as a business hub for large companies, two major convention

centers, The Boston Convention & Exhibition Center (BCEC) and the Hynes Convention Center, and international inbound travel and sports tourism.

In 2023, the market witnessed a significant event with the sale of the Sheraton Boston, comprising 792 rooms. This was one of last year's most important sales and notably impacted the market dynamics. However, due to the current economic climate, transaction activity was much less active than in previous years. Buyers are waiting for more favorable terms, possibly this year, as interest rates are expected to be lowered.

There are 26 properties in the market with CMBS loans maturing in the next two years. Fourteen properties are on the current distress watchlist, with one in special servicing.

The Boston hotel industry, like any other, faced its share of challenges. The return to the office led to slower weekday travel, impacting the demand. However, the industry's resilience was evident due to lower supply and steady demand growth in the past year; occupancy rates have improved in the past 12 months, reaching 98% of 2019 peaks. The industry is expected to remain strong in 2024, with leisure travel predicted to normalize gradually and group and business travel continuing their return to the market. Room rates will remain elevated to historical levels but grow moderately as supply-side pressures from new rooms enter the market and demand softens. Despite this, the Boston hotel industry is expected to perform well in 2024, with mid-year RevPAR forecast to maintain healthy growth.

KEY INDICATORS

Class	Rooms	12 Mo Occ	12 Mo ADR	12 Mo RevPAR	12 Mo Delivered	Under Construction
Luxury & Upper Upscale	25,553	73.5%	\$292.45	\$214.93	147	0
Upscale & Upper Midscale	29,714	73.2%	\$190.52	\$139.56	372	641
Midscale & Economy	7,241	70.9%	\$116.18	\$82.42	32	79
Total	62,508	73.1%	\$225.00	\$164.46	551	720

Overview

Boston Hospitality

Average Trend	Current	3 Mo	YTD	12 Mo	Historical Average	Forecast Average
Occupancy	70.6%	61.9%	61.9%	73.1%	60.6%	76.2%
Occupancy Change	3.0%	6.2%	6.2%	5.3%	-0.4%	1.3%
ADR	\$196.85	\$175.77	\$175.77	\$225.00	\$193.68	\$237.74
ADR Change	2.4%	3.3%	3.3%	5.1%	2.5%	2.4%
RevPAR	\$138.90	\$108.88	\$108.88	\$164.46	\$117.31	\$181.07
RevPAR Change	5.4%	9.7%	9.7%	10.7%	2.1%	3.6%

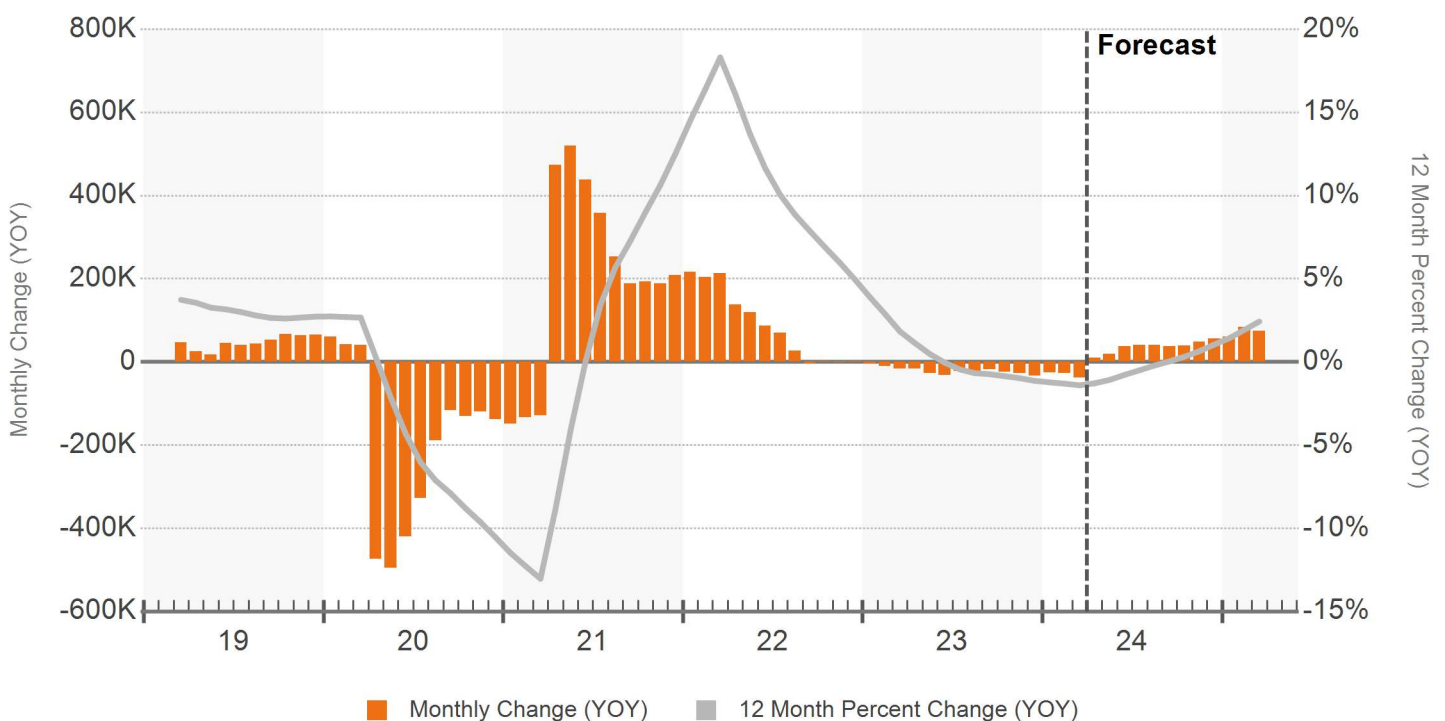
During the first two months of 2023, Boston's hotels saw a significant increase in performance compared to the same period in the previous year. However, travel patterns started to return to normal, and topline metrics slowed down in the second quarter of 2023. Despite this, RevPAR increased by 10.7%, reaching a new record high of \$164 in March. This was due to ADR's growth of 5.1%, pushing it to reach a new 12-month record of \$230. Occupancy remained steady at 72% through 23Q4 to the end of December, with a 12-month average of 73.5%, representing 98% of the peak level seen in 2019.

The resurgence of weekday business travel further bolstered this, as many significant corporations initiated a return-to-office policy, increasing office demand. Moreover, groups traveling for conferences and conventions started returning to the market in 2023, with 23Q4 providing the most optimism for a return, when theGroupDemand hotel industry in Boston experienced a boost in its performance due to the return of leisure demand, mainly during weekends which exceeded 2019's quarterly peaks by 7% on a monthly average. However, the total number of groups traveling to the market is still about 10% lower year to date than 2019 levels, where it might remain in the short-term due to renovations at the Hynes Convention Center, one of two convention centers located in the Boston CBD/Airport Submarket.

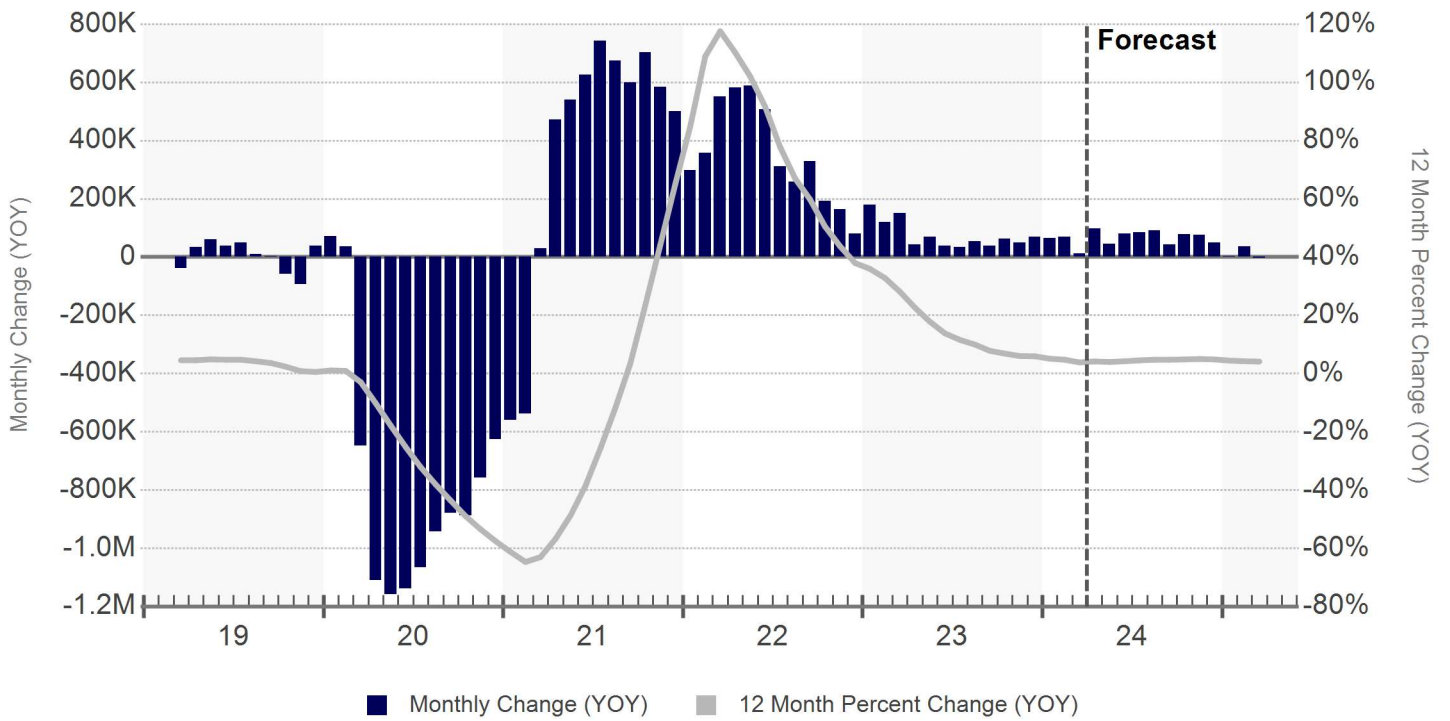
Boston's Seaport District, CBD/Airport, and districts such as Back Bay and Cambridge are booming with new developments driving interest in new hotel growth. This, combined with Boston's primary major headquarters operations, such as General Electric, John Hancock, Wayfair, and Fidelity, will continue to drive new supply to Boston submarkets and the CBD/Airport area. Boston is also home to two major convention centers, the Boston Convention & Exhibition Center (BCEC) and the aforementioned Hynes Convention Center, located in the Boston CBD/Airport Submarket: Approximately 50% of total market demand and 60% of group demand is drawn to the CBD/Airport Submarket. It is providing a significant boost for the hotels in that area and aiding it to be one of Boston's top-performing submarkets.

Despite economic headwinds and moderating performance levels, the Boston hotel market remains optimistic. Steady performance is expected to stay above historic peaks, creating a favorable environment for hotels and potential investors. As leisure travel gradually normalizes from increased outbound travel options and softening economic growth, 2024 can expect a resurgence in group, business, and international travel. This is likely as return-to-office mandates grow and consumers and enterprises prioritize travel spending, further boosting the Boston hotel market.

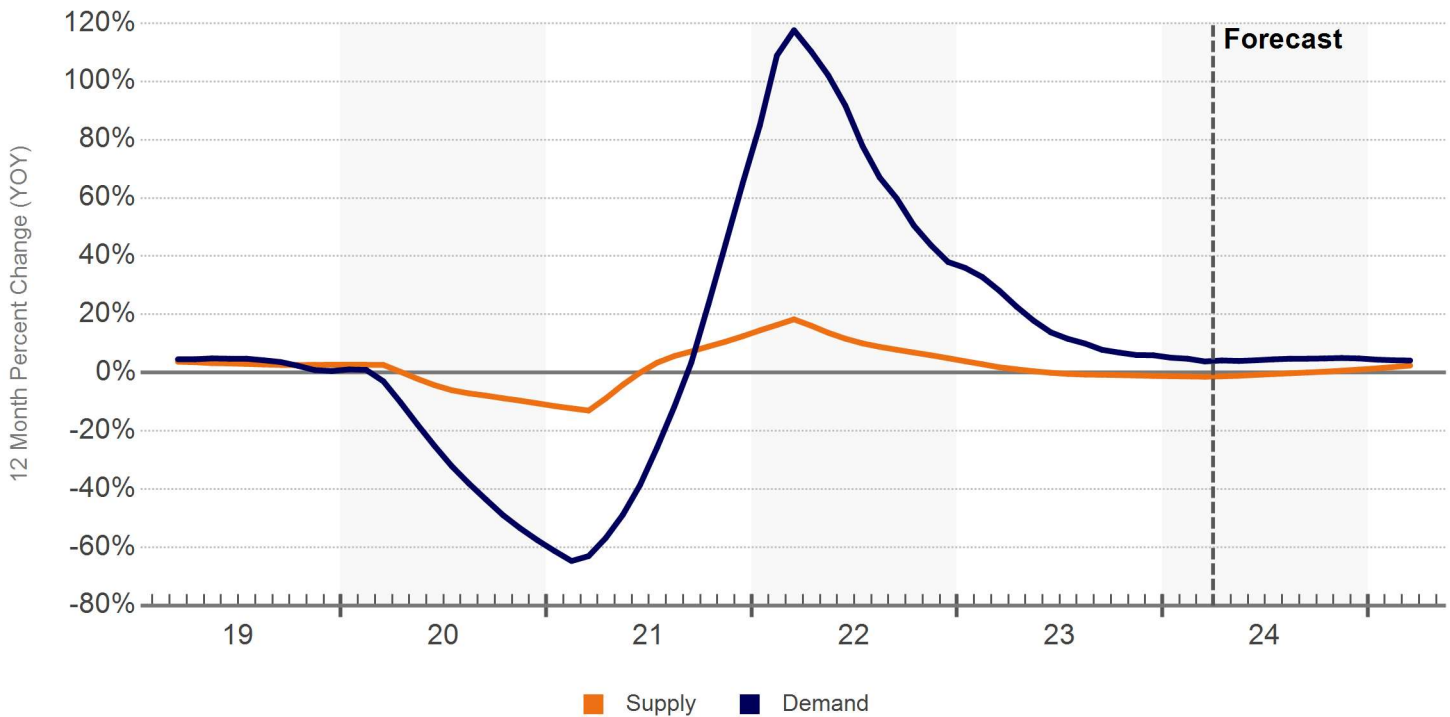
SUPPLY CHANGE



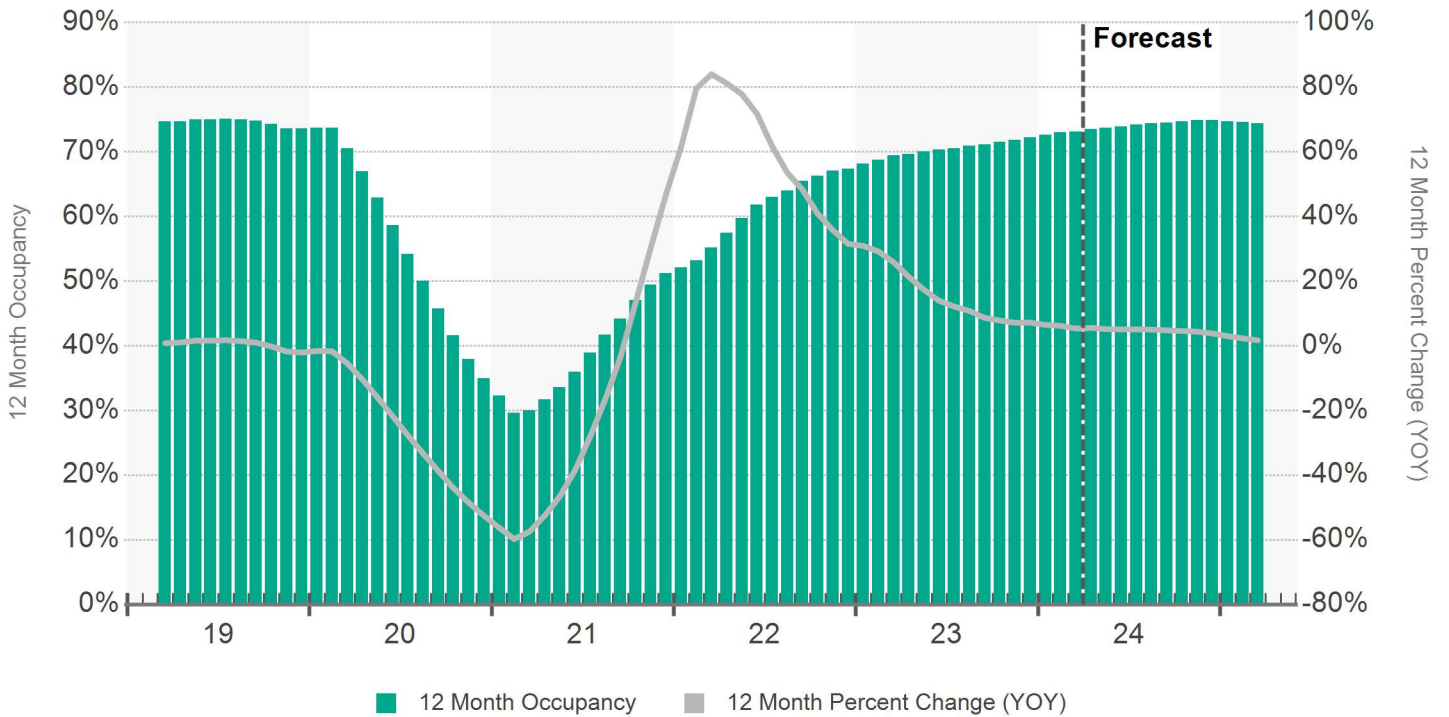
DEMAND CHANGE



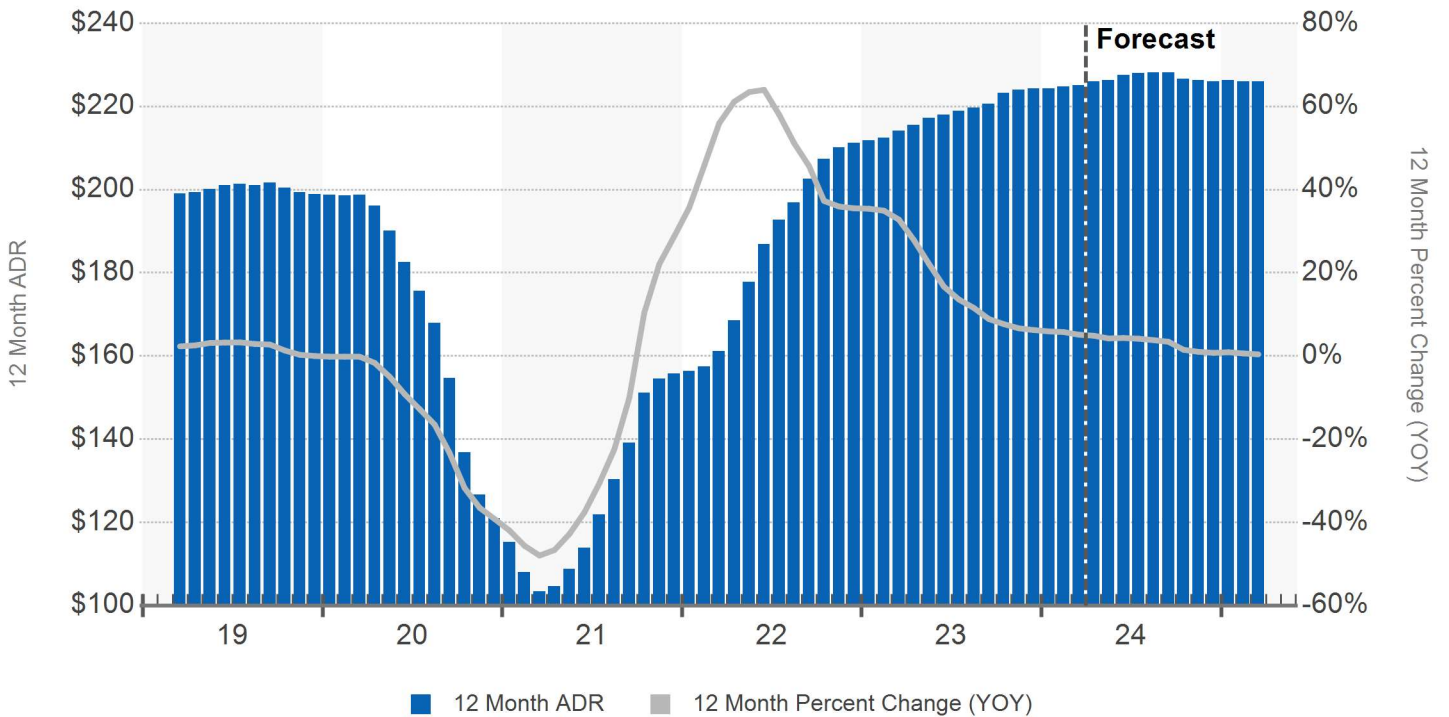
SUPPLY & DEMAND CHANGE



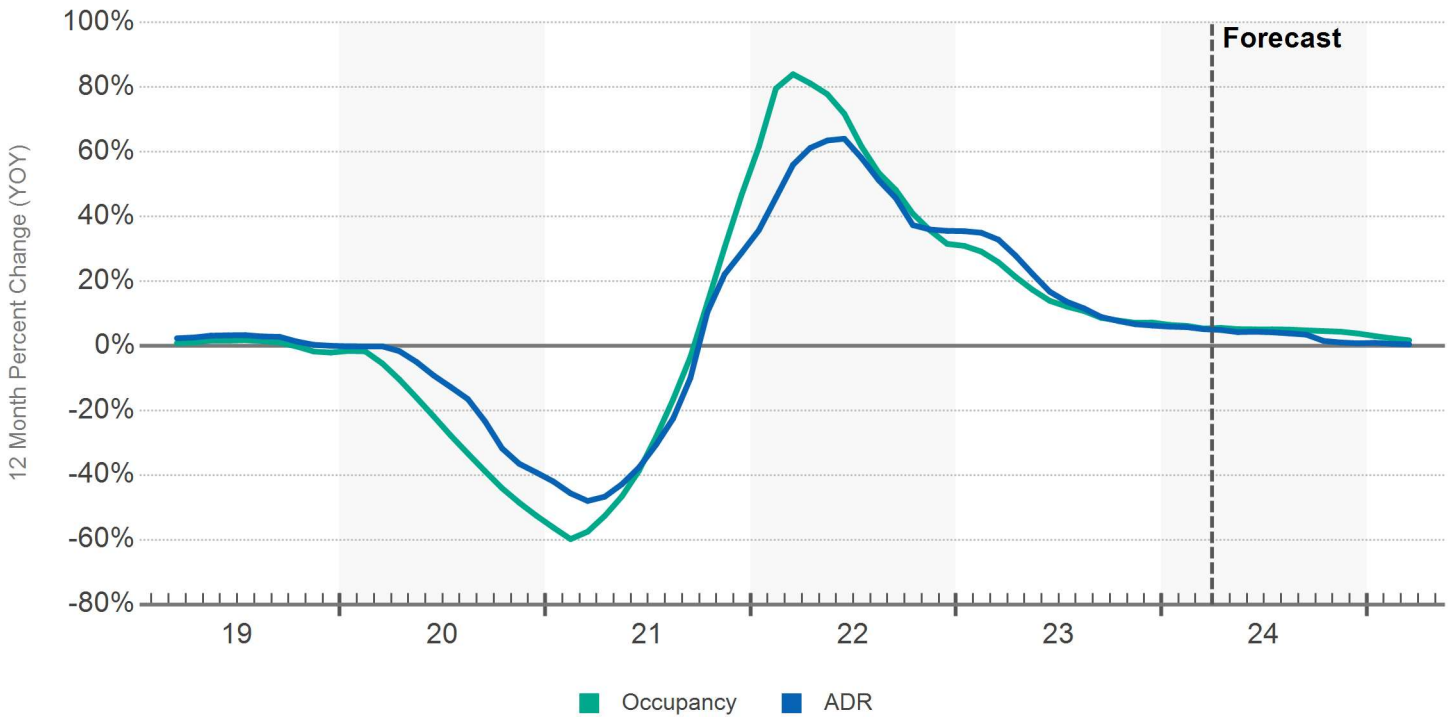
OCCUPANCY



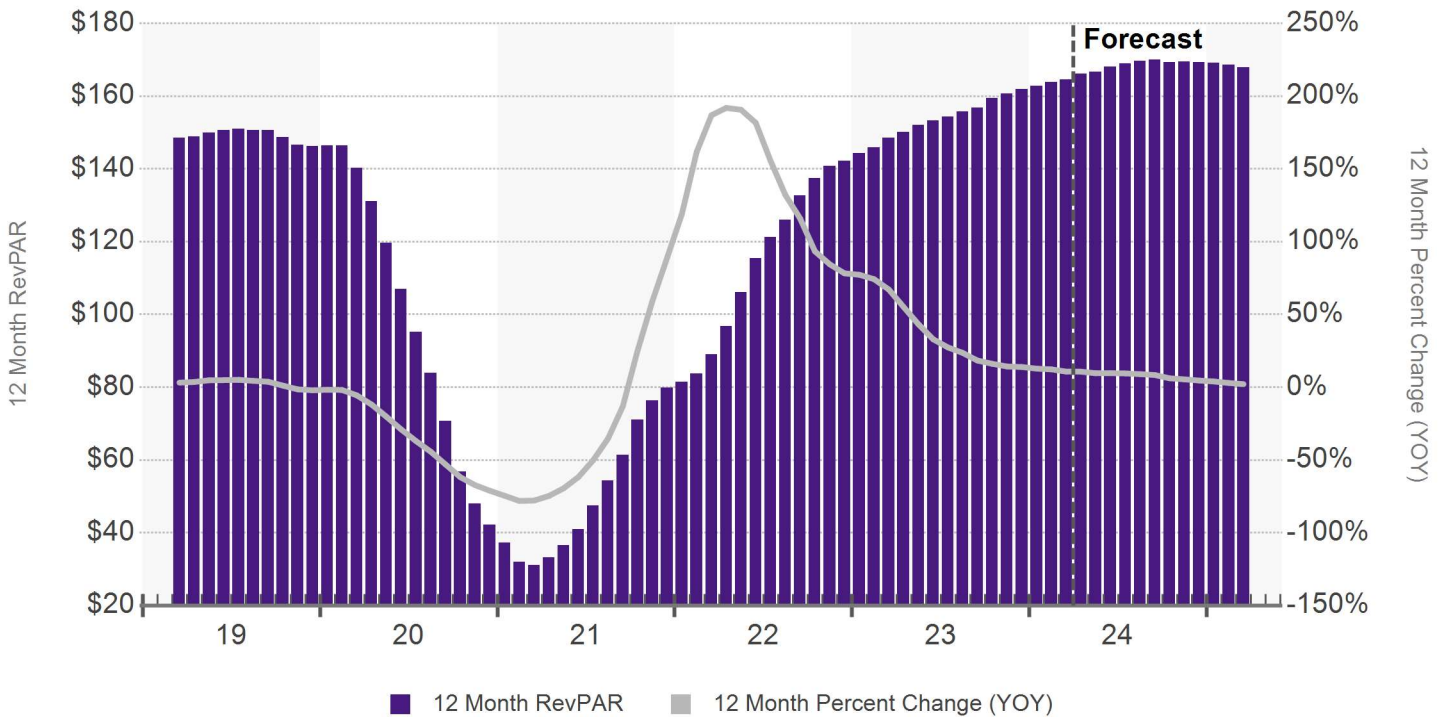
ADR



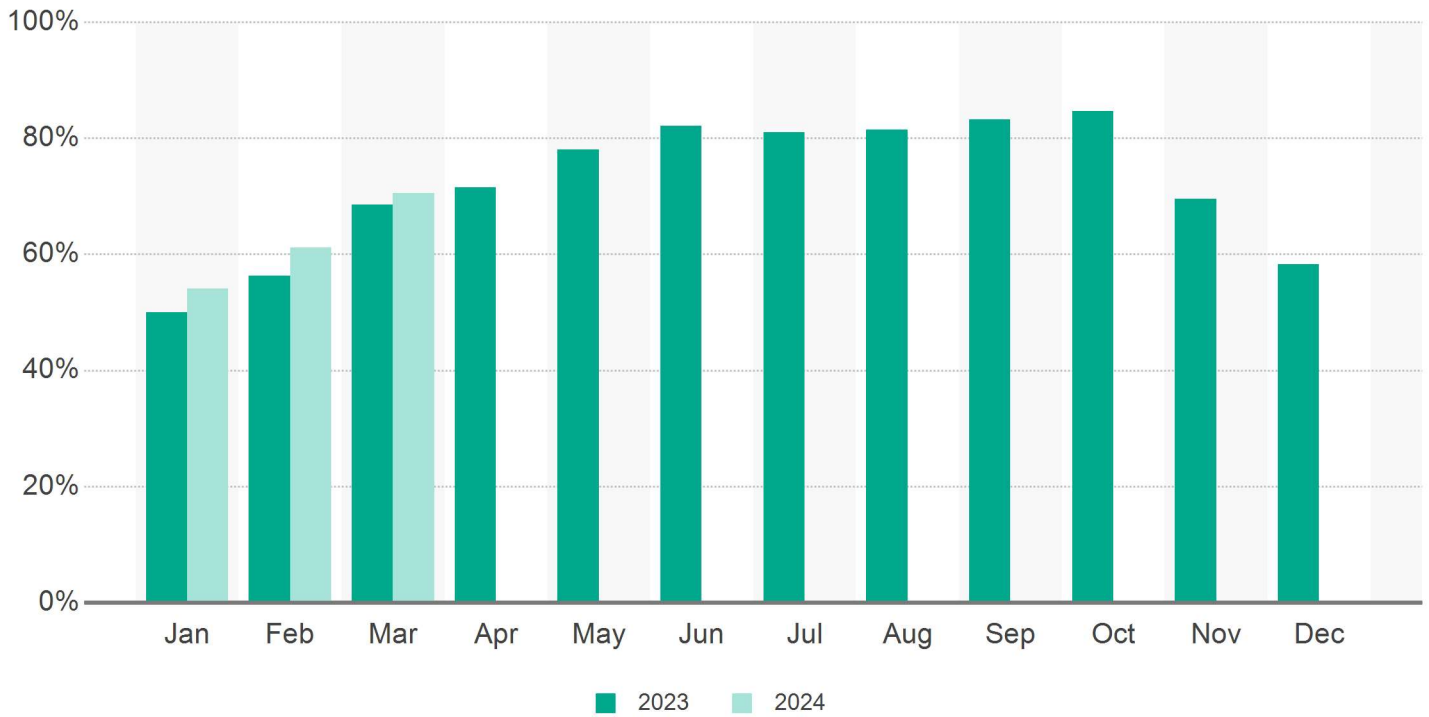
OCCUPANCY & ADR CHANGE



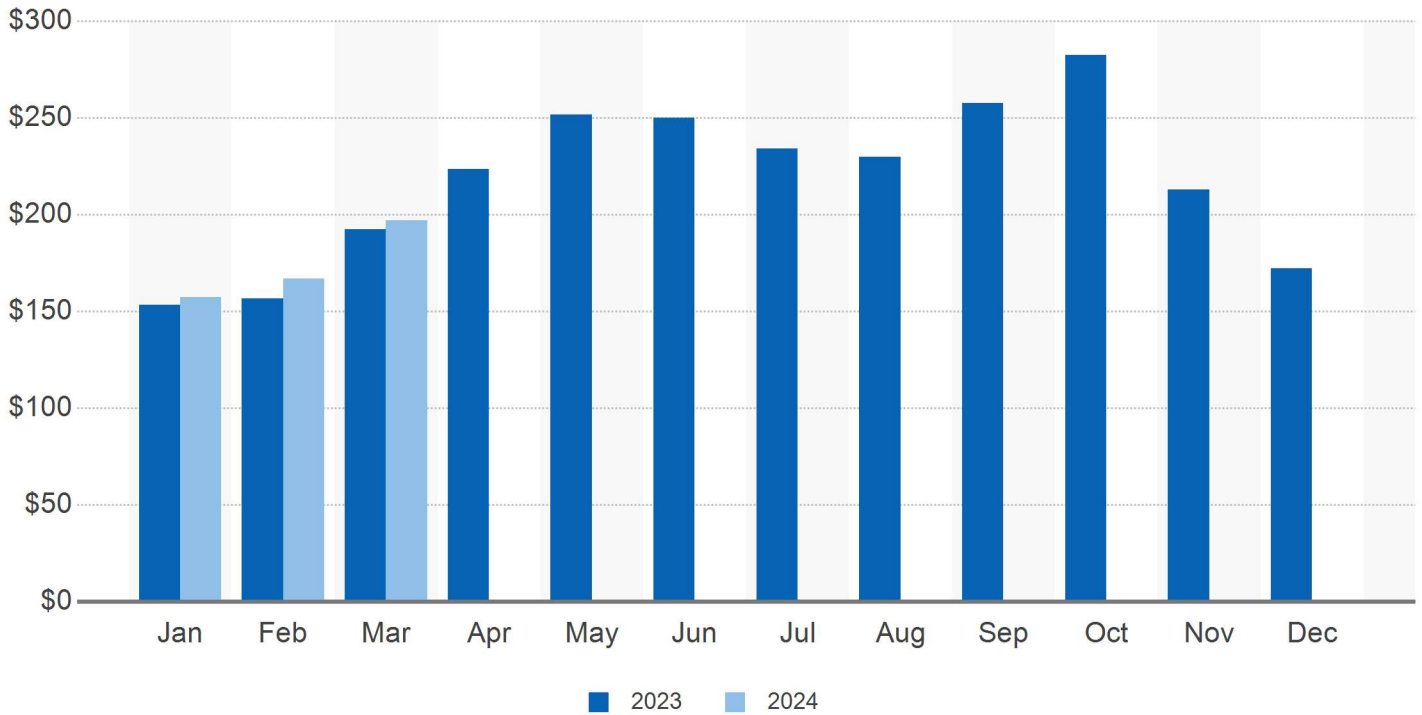
REVPAR



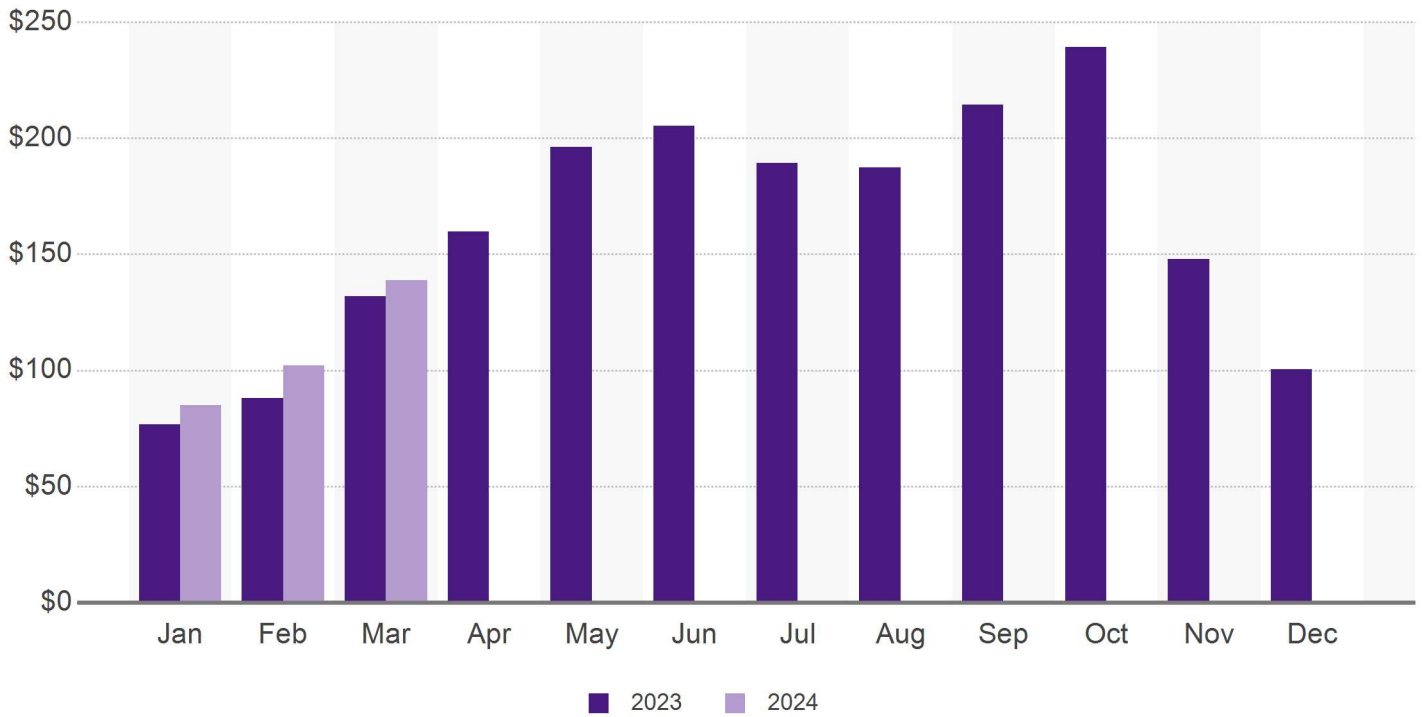
OCCUPANCY MONTHLY



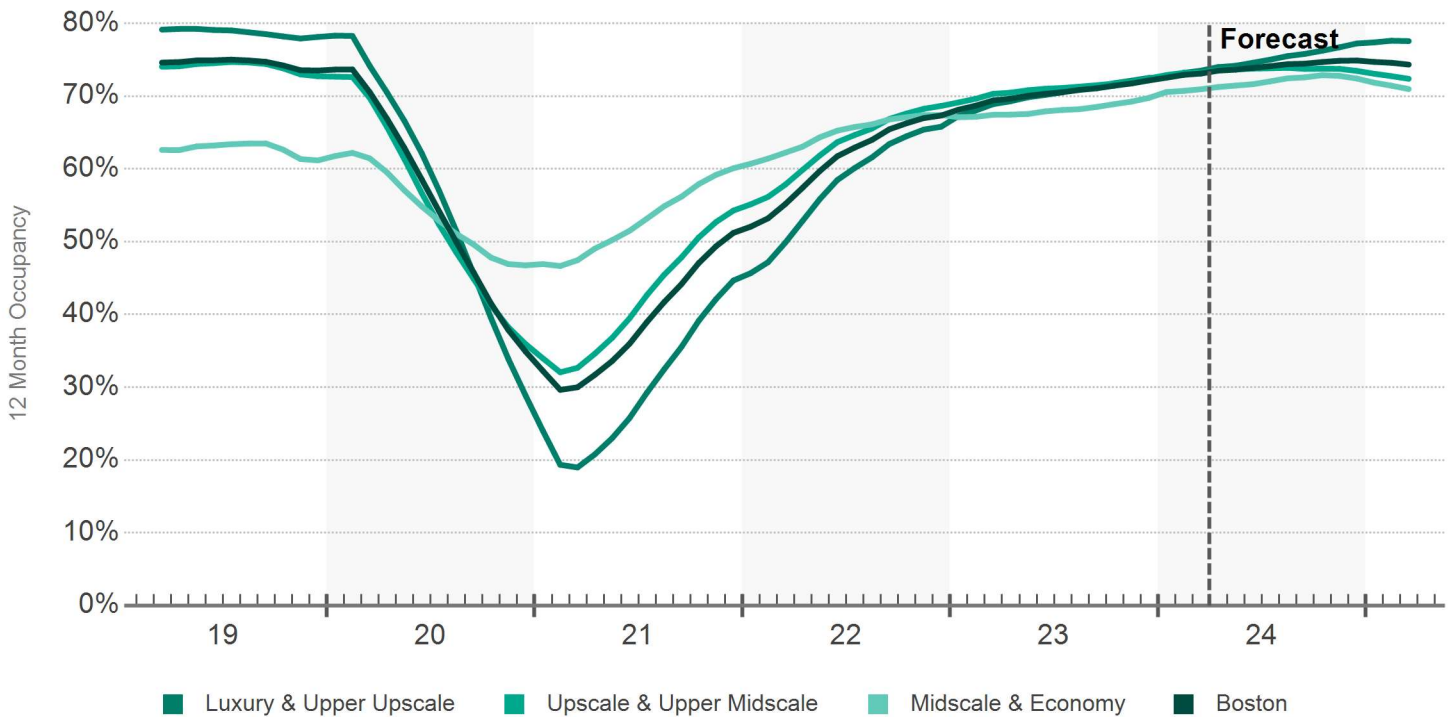
ADR MONTHLY



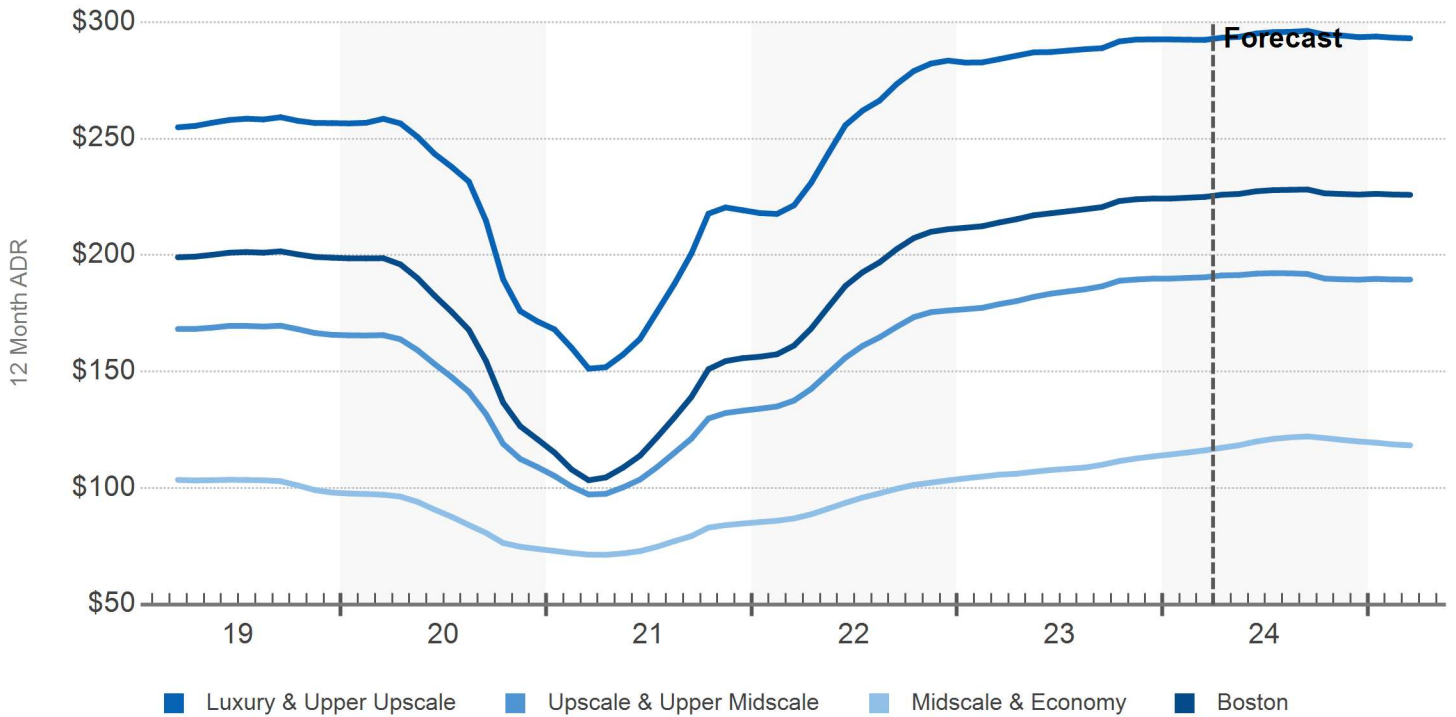
REVPAR MONTHLY



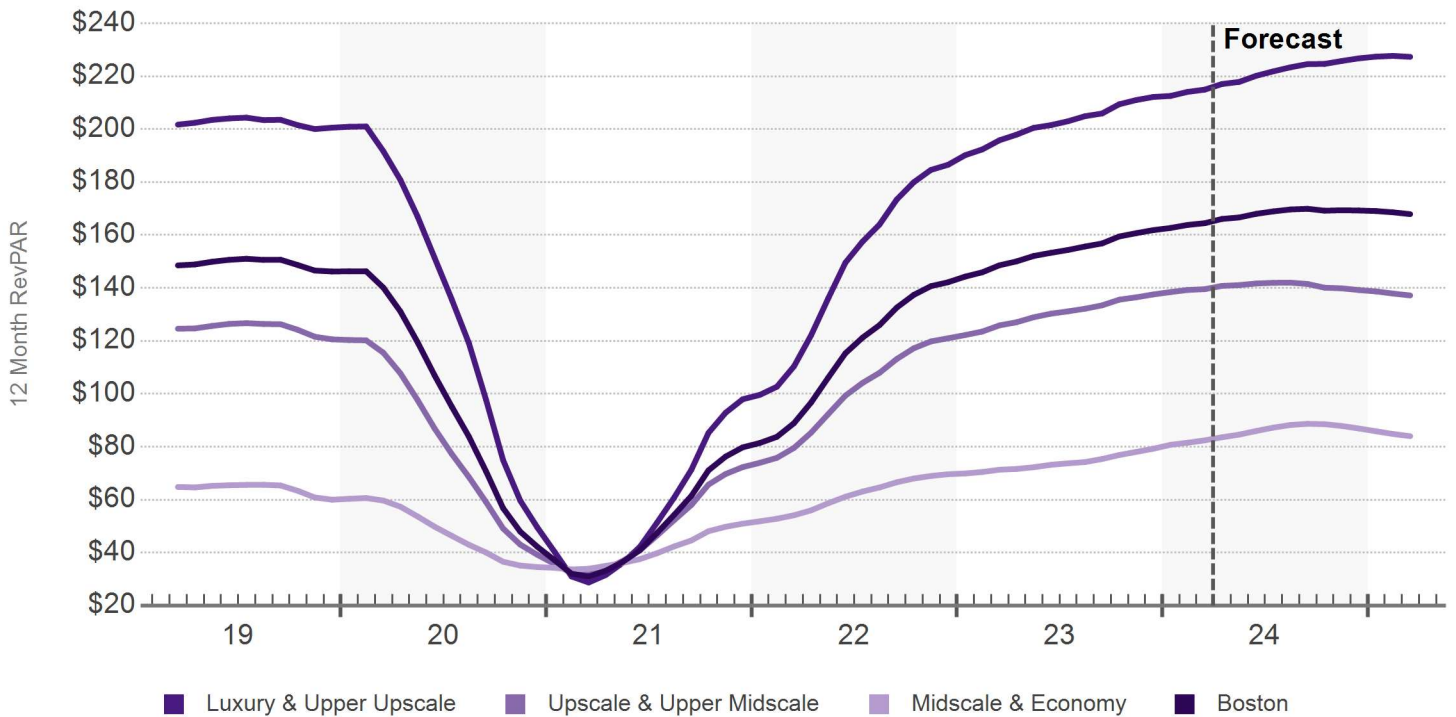
OCCUPANCY BY CLASS



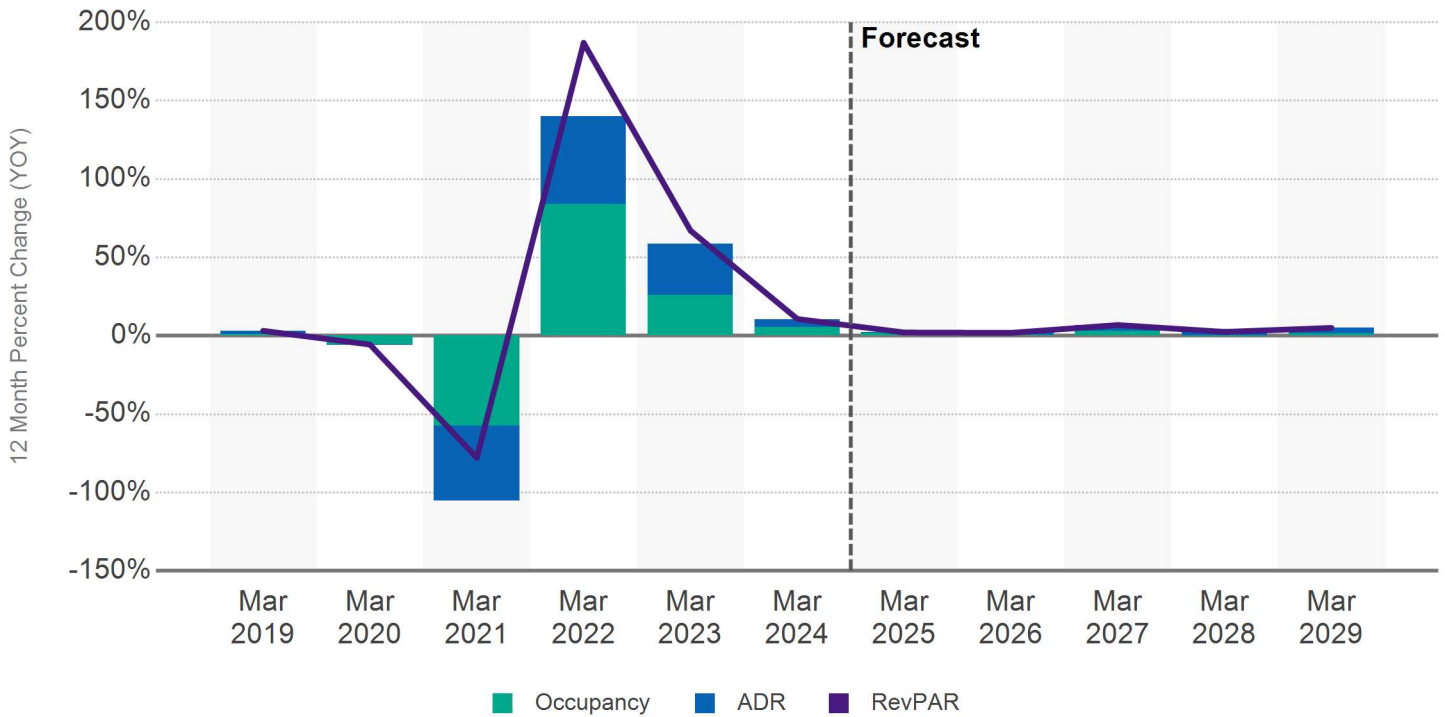
ADR BY CLASS



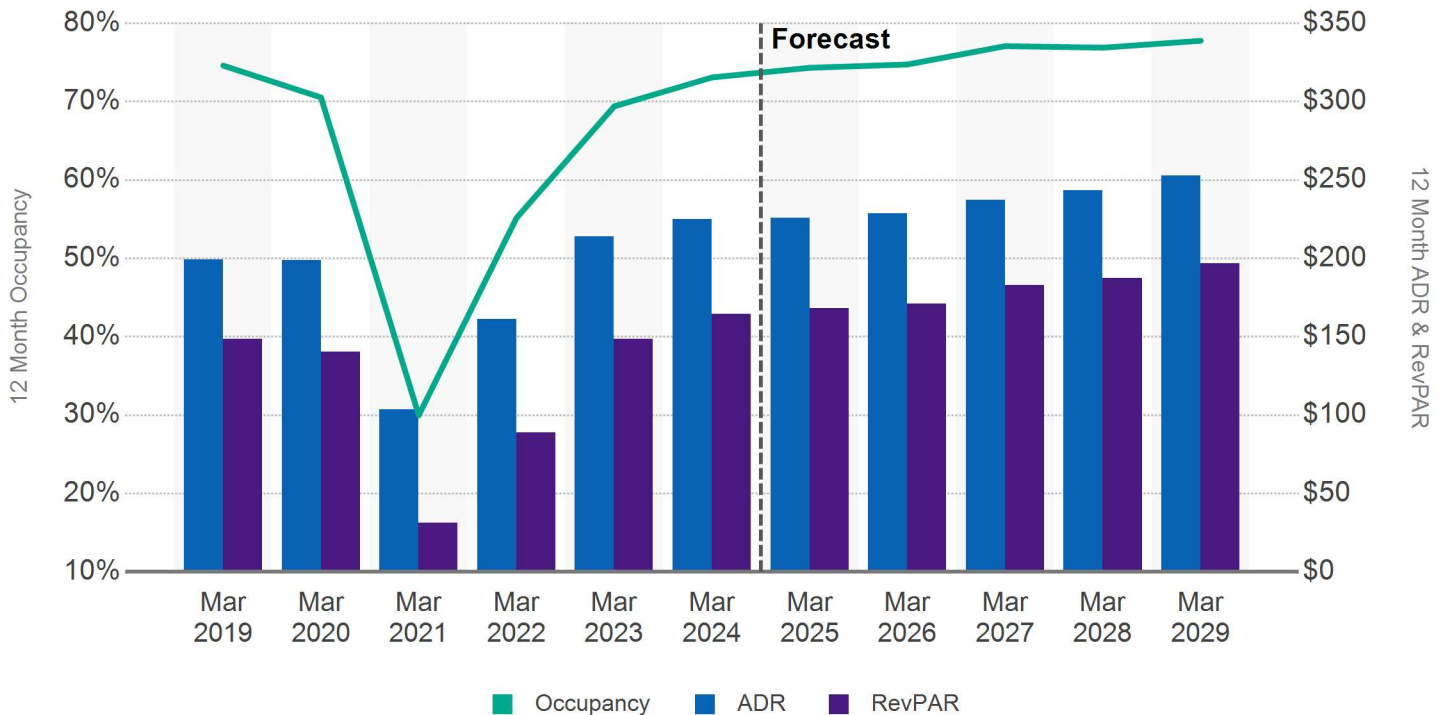
REVPAR BY CLASS



REVPAR GROWTH COMPOSITION



OCCUPANCY, ADR & REVPAR



FULL-SERVICE HOTELS PROFITABILITY (ANNUAL)

Market	2022			2021-2022 % Change	
	% of Revenues	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's development landscape is challenging due to a shortage of developable land, prolonged development, and high construction costs. These factors have led to a need for more hotel supply, making Boston an under-supplied hotel market.

Despite the competitive landscape, developers and investors have successfully identified value in new development opportunities. Currently, 5 hotels are under construction, adding a total of 780 rooms. This represents a modest 1.3% increase in hotel supply, compared to the U.S. under-construction percent of inventory at 2.7%.

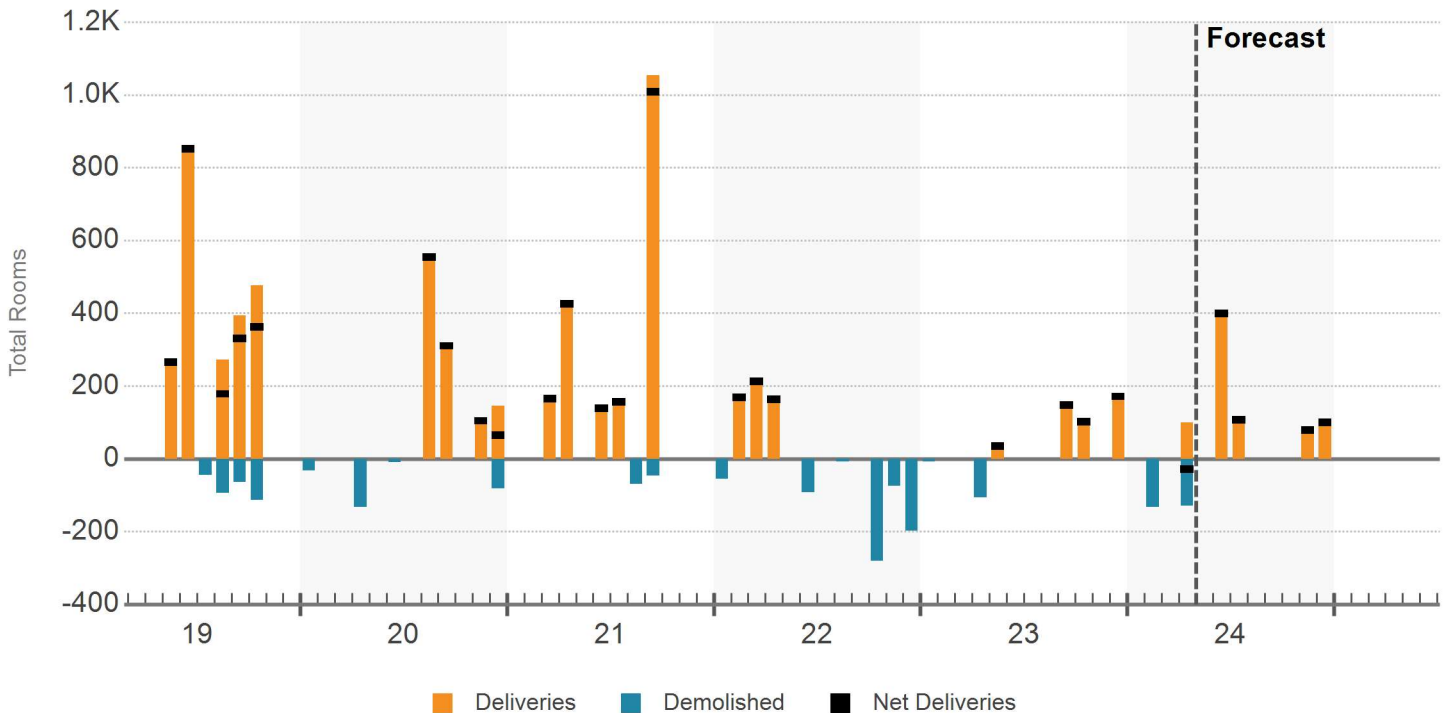
The construction pipeline in Boston is currently low. Projects are steadily gaining approval for final planning, but high debt and construction costs, coupled with a challenging economic landscape, could delay the completion of hotels. The 147-room Raffles opened in September 2023, leaving the 380-room citizenM in the

Back Bay as the only hotel under construction in the Boston CBD/Airport Submarket. It's scheduled to open in 2025. The other three hotels under construction are located in the Boston Southshore and Deham Marlborough submarkets. They are expected to feature mid-tier hotel brands Cambria Hotels and Suites, Tru by Hilton Brockton, and Home2 Suites by Hilton Boston, respectively.

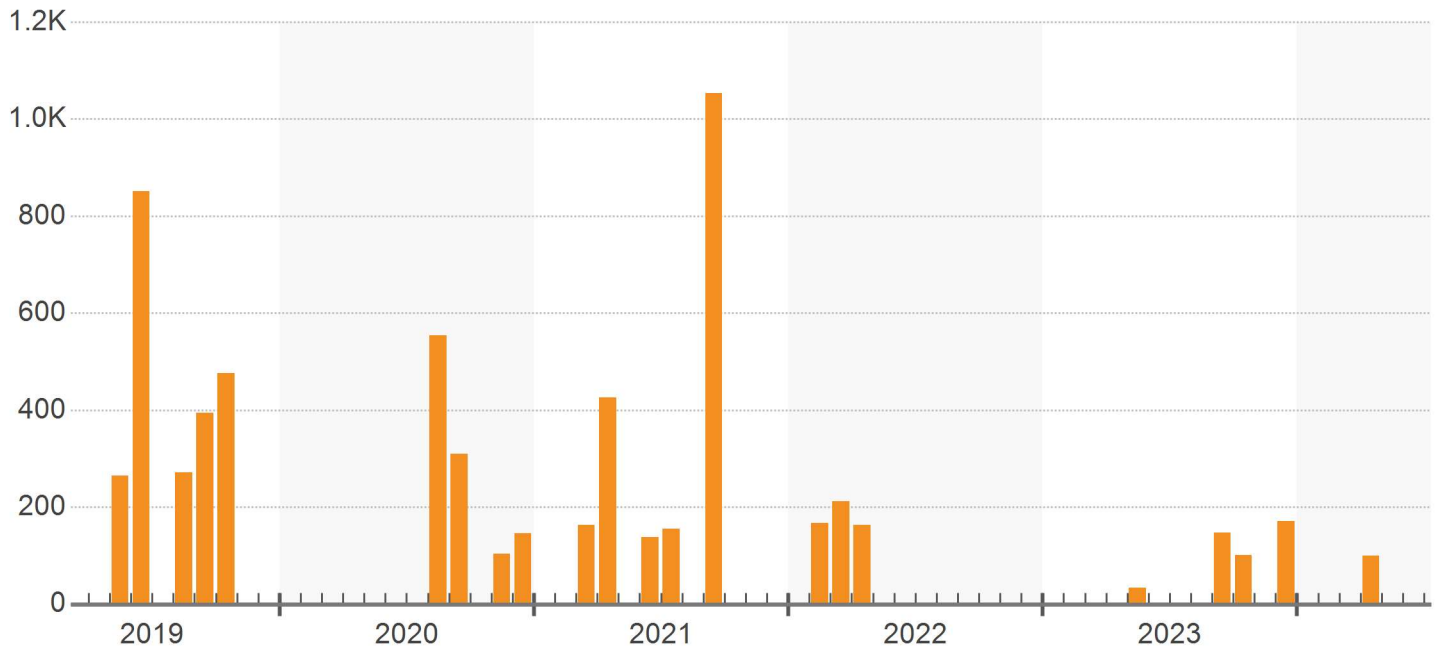
Due to the new owner's decision to turn in 2023, the total number of hotel rooms available in the city was reduced by 428 because the Sheraton Boston Hotel removed some of its rooms. In January, the hotel went from having 1,220 rooms to having 792, to the hotel's South Tower into a dormitory for students at Northeastern University.

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

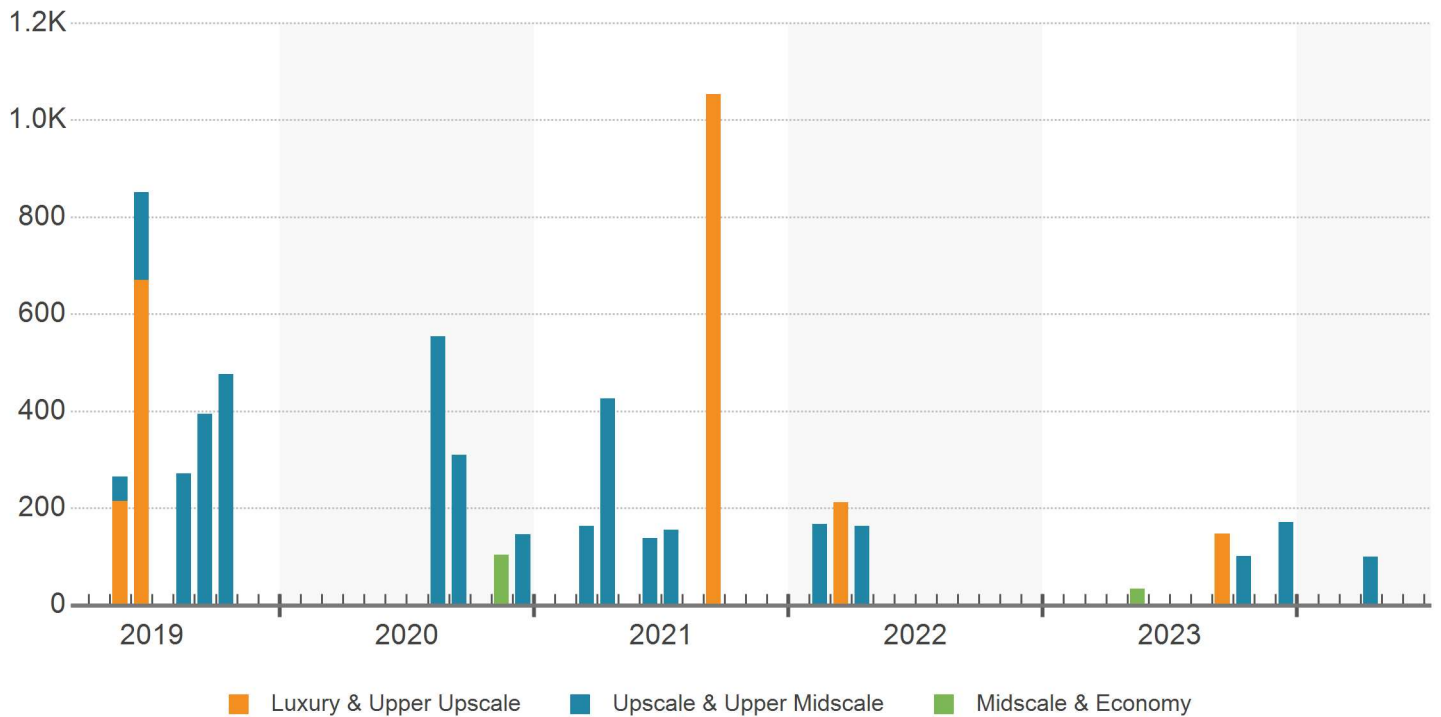
DELIVERIES & DEMOLITIONS



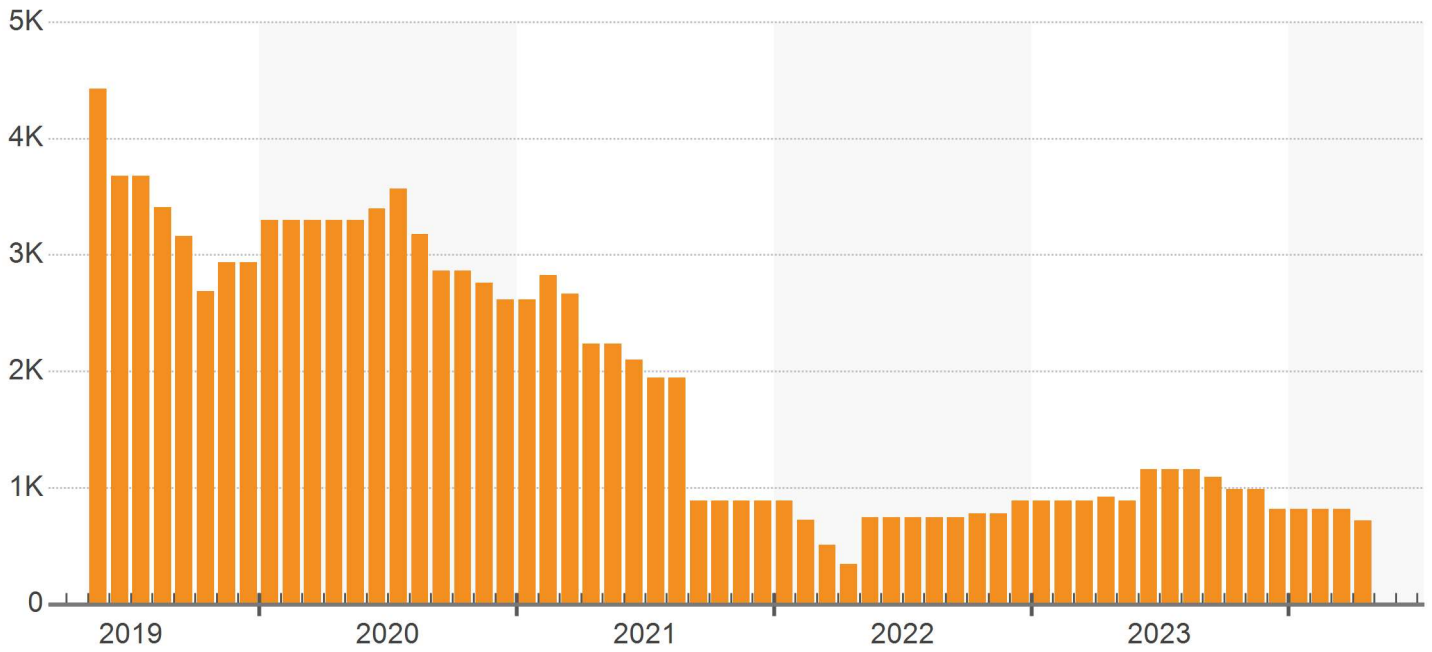
ROOMS DELIVERED



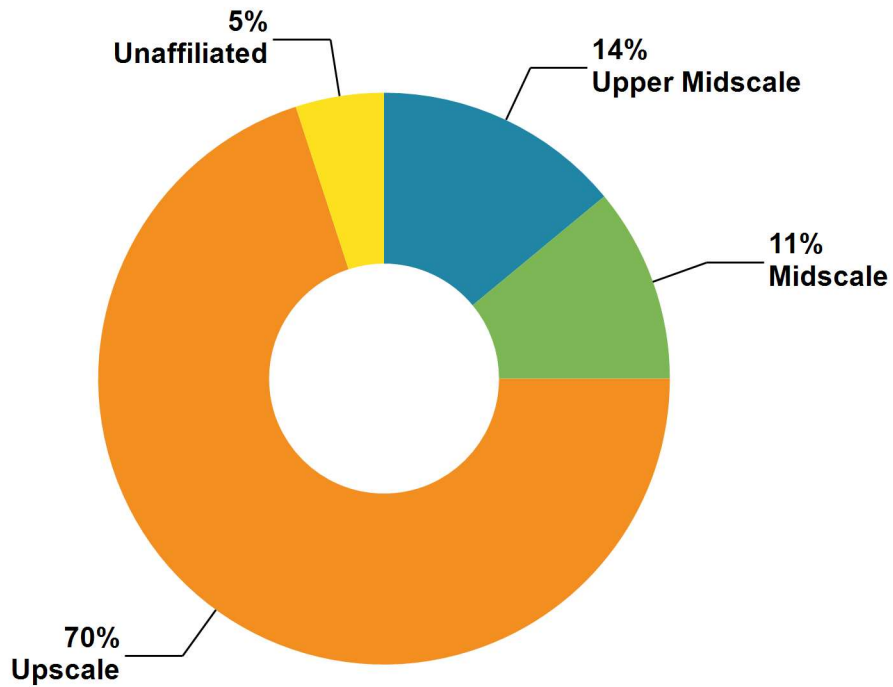
ROOMS DELIVERED BY CLASS



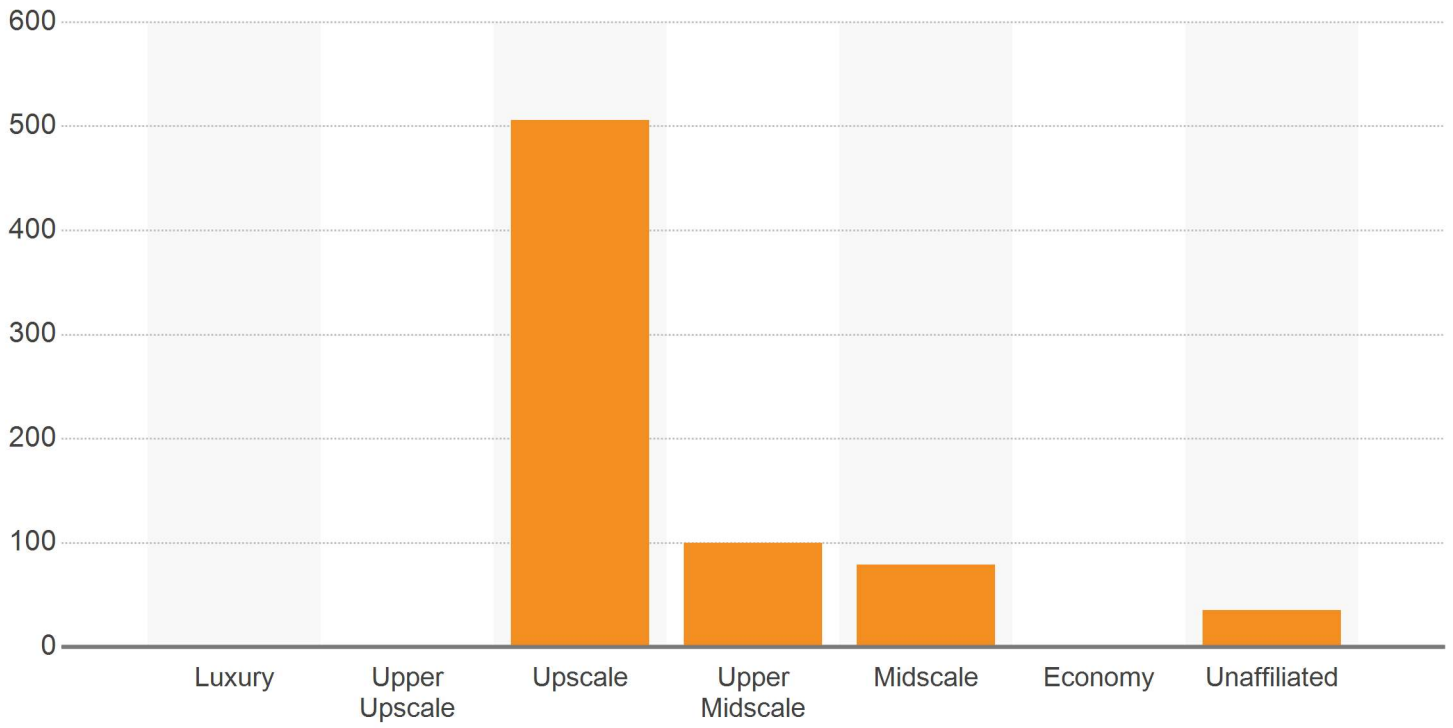
ROOMS UNDER CONSTRUCTION



TOTAL ROOMS UNDER CONSTRUCTION BY SCALE



ROOMS UNDER CONSTRUCTION BY SCALE



Under Construction Properties

Boston Hospitality

Properties

Rooms

Percent of Inventory

Average Rooms

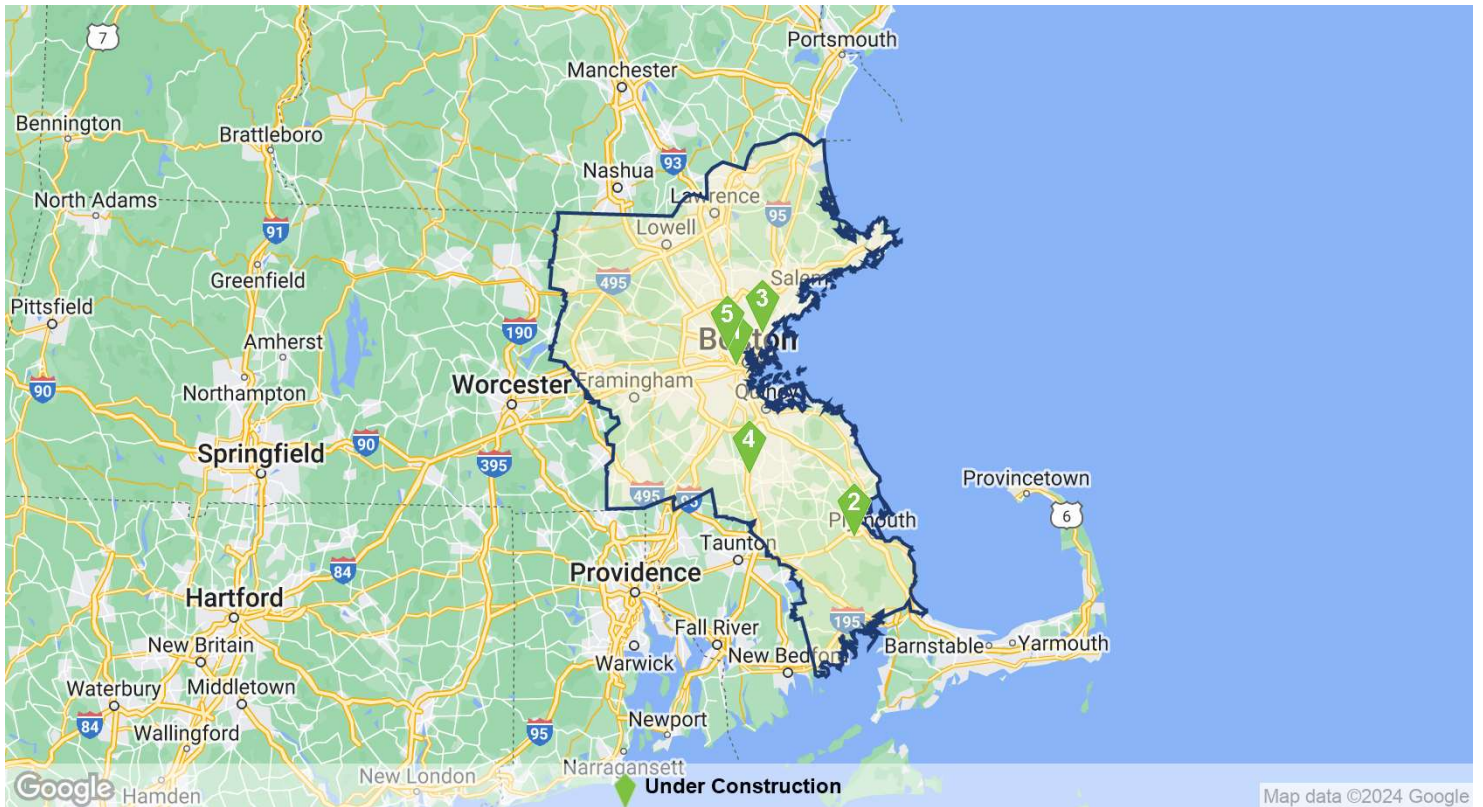
5

720

1.1%

144

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	Jun 2024	citizenM Samuels & Associates
2	Cambria Hotels & Suites Plymouth 26 Plaza Way	Upscale	107	4	Dec 2022	Jul 2024	Cambria Hotels -
3	La Quinta Inn & Suites Revere 125 Squire Rd	Upper Midscale	100	5	Jun 2023	Dec 2024	La Quinta Inns & Suites -
4	Tru by Hilton Brockton 0 Westgate Dr	Midscale	79	4	Sep 2023	Nov 2024	Tru by Hilton KARM Properties
5	Beacon Street Hotel 371 Beacon St	Upscale	35	4	Apr 2023	Jul 2025	- Young Construction Company

Hotel investment activity in the Boston market significantly slowed, in line with national trends. In the past 12 months, there was \$739 million in hotel sales volume, compared to the three-year annual sales volume average of \$1.2 billion. But considering the higher interest rate environment and the trades that have taken place this year, trades have represented a good mix of different types of hotels, with approximately 40% being upper-tier hotels, 40% being mid-tier hotels, and 20% being economy hotels.

The Boston hotel market has experienced a decline in trades over the last year. Still, the Wyndham Boston Beacon Hill hotel was sold for \$125 million in January 2024, signaling a positive start to the year. RLJ Lodging Trust purchased the 304-room hotel for \$411,184 per key. The property was sold due to the owner's death, who had plans to redevelop it. However, the hotel sold for the land's assessed value, according to Wall Street analysts.

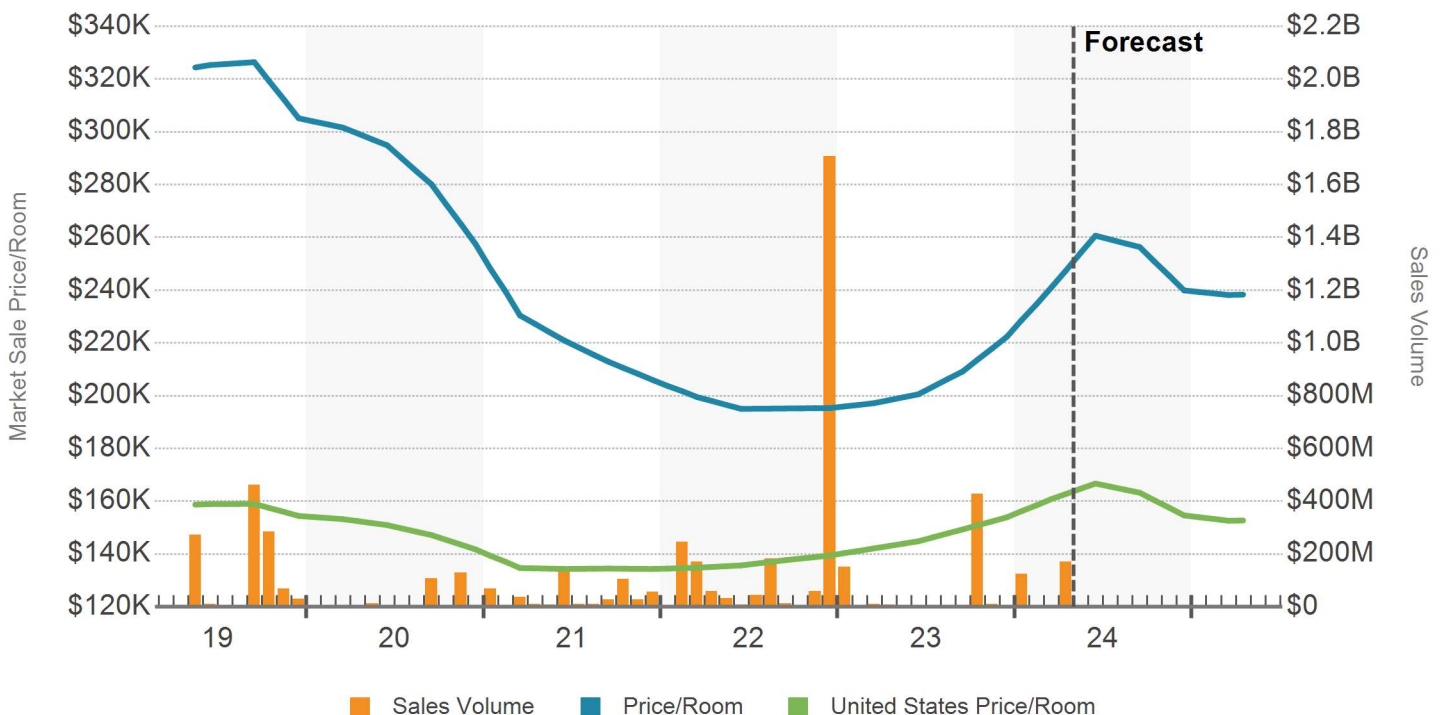
The recent increase in interest rates is making it more difficult for buyers to finance their deals and investments, as overall economic trends may affect lending practices. However, the limited availability of new hotels in the market is a positive signal for current property owners and operators. The Fed is expected to lower interest rates in 2024, which could stimulate increased

transactions. Nevertheless, potential buyers may require a more detailed strategy to analyze the risks and assess these opportunities.

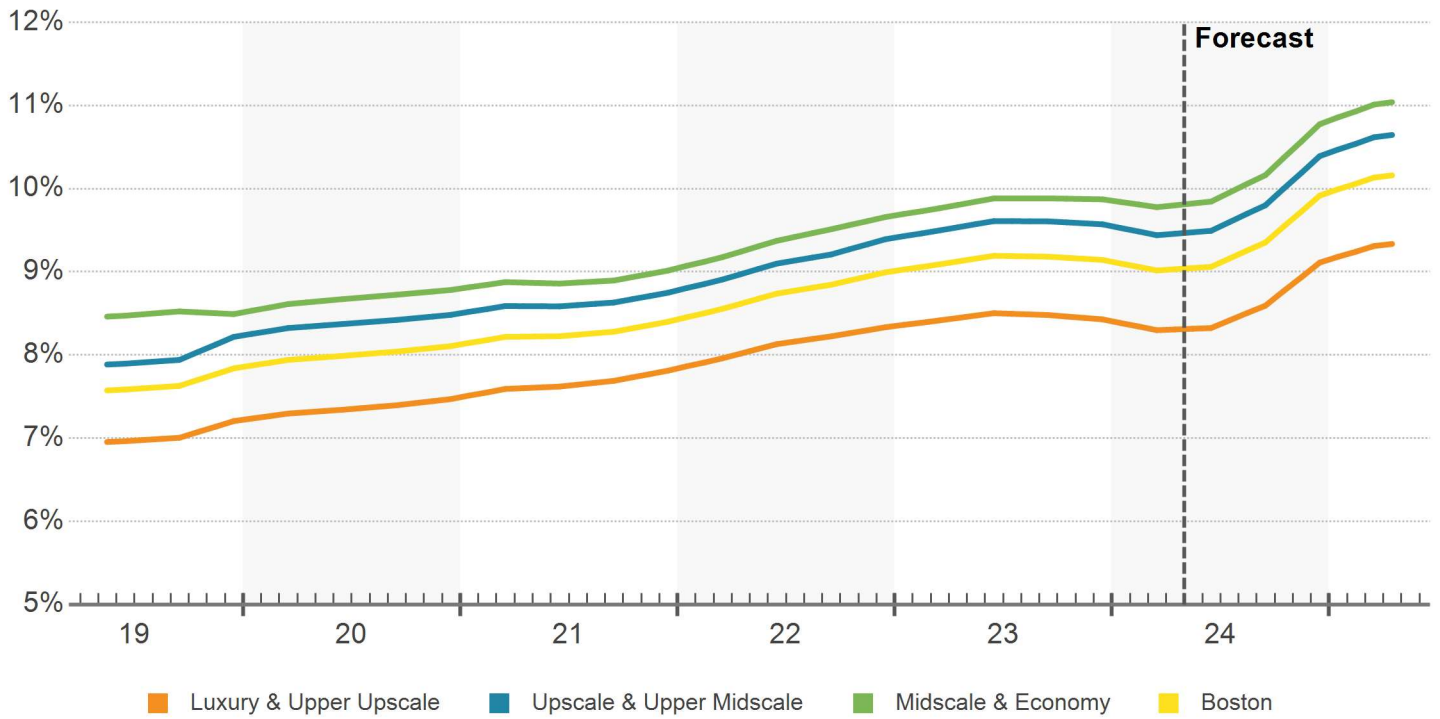
The market may witness a positive shift, with Ashford Hospitality Trust, Inc. making significant strides in its asset sales. These sales are not only providing much-needed capital to repay financing borrowed from Oaktree Capital Management but also aiding in the restructuring of the balance sheet. As a result, Ashford has listed its highest RevPAR property, the Hilton Boston Back Bay, for \$171 million. This 390-room hotel, with a RevPAR of \$264, is being sold for \$438,500 per key. The sale price of the hotel represents a 10.2x EBITDA and an 8.7% NOI cap rate (2023A). Ashford estimates it will forego approximately \$34 million in capital expenditures and receive roughly \$70 million in net proceeds after debt repayment and other costs, further bolstering the market's outlook.

According to CoStar's CMBS data, 36 hotels have active CMBS loans. Over 75% of active loans are maturing in the next two years, providing potential opportunities for investors watching the market. Fourteen hotels are currently on the watchlist for possible distress. One of the 14 hotels on the watchlist is the 130-room Courtyard Boston Dedham in the Dedham/Marlborough Submarket.

SALES VOLUME & MARKET SALE PRICE PER ROOM



MARKET CAP RATE



Sales Past 12 Months

Boston Hospitality

Sale Comparables

Average Price/Room

Average Price

Average Cap Rate

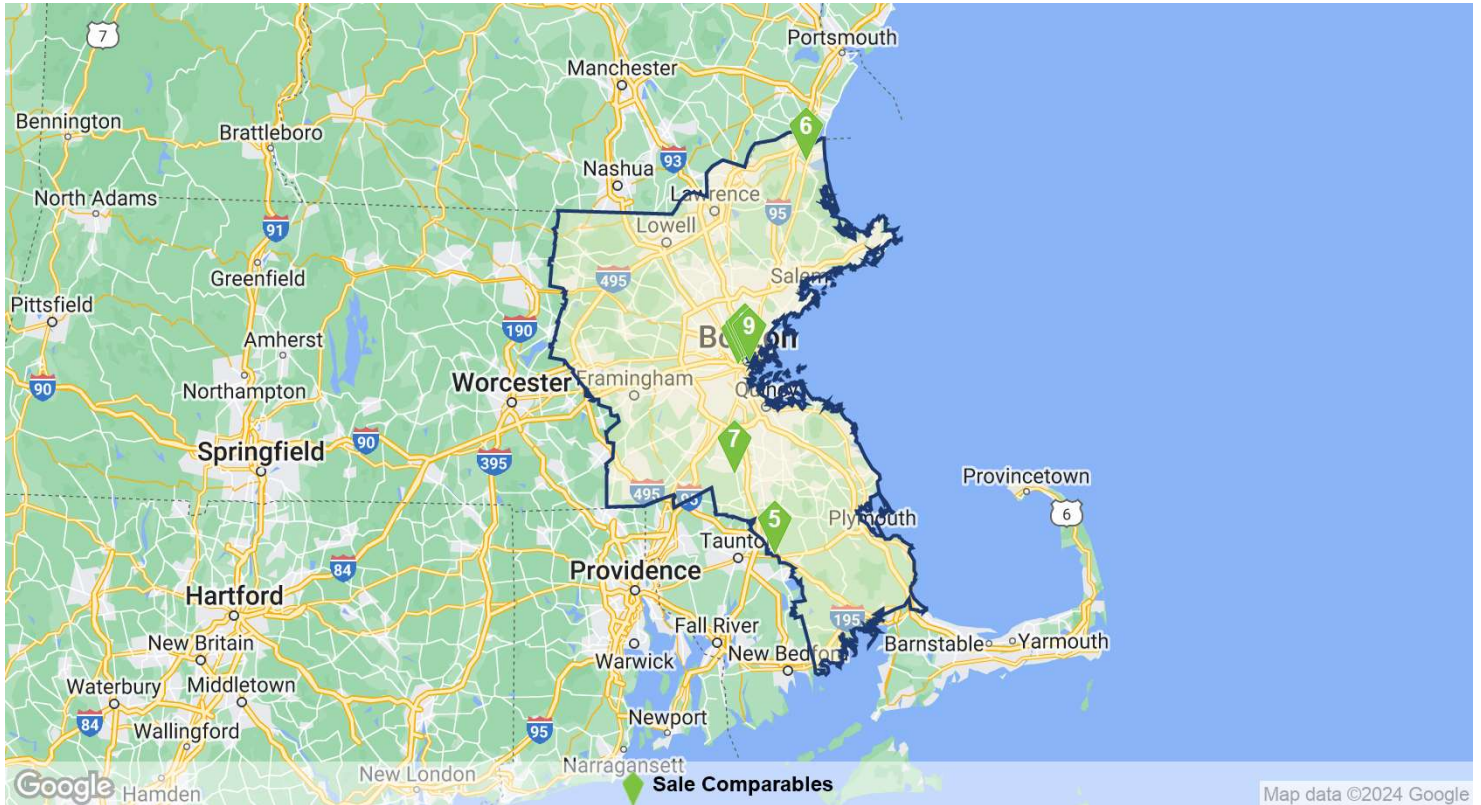
9

\$378K

\$105.6M

7.1%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sale Attributes	Low	Average	Median	High
Sale Price	\$2,500,000	\$105,564,285	\$57,000,000	\$370,000,000
Price/Room	\$92,500	\$378,367	\$349,057	\$876,923
Cap Rate	7.1%	7.1%	7.1%	7.1%
Time Since Sale in Months	0.7	5.7	6.0	11.1
Property Attributes	Low	Average	Median	High
Property Size in Rooms	16	241	100	1,060
Number of Floors	2	9	6	26
Total Meeting Space	5,678	30,060	30,060	64,490
Year Built	1920	1959	1960	2013
Class	Economy	Upscale	Upper Upscale	Luxury

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	Hilton Boston Back Bay 40 Dalton St	Upper Upscale	1982	390	Hilton	4/10/2024	\$171,000,000	\$438,462
3	Wyndham Boston Beacon Hill 5 Blossom St	Upscale	1968	304	Wyndham	1/31/2024	\$125,000,000	\$411,184
4	The Whitney Hotel 170 Charles St	Luxury	1925	65	-	10/16/2023	\$57,000,000	\$876,923
5	Fairfield Inn & Suites Raynham Mi... 4 Chalet Rd	Upper Midscale	1989	100	Fairfield Inn	11/1/2023	\$9,250,000	\$92,500
6	The Inn At Ring's Island 175 Bridge Rd	Economy	1960	18	-	9/11/2023	\$4,199,999	\$233,333
7	Stoughton Motel 1919 Washington St	Economy	1950	16	-	5/30/2023	\$2,500,000	\$156,250
8	The Boxer 107 Merrimac St	Upper Upscale	1920	80	-	11/28/2023	-	-
9	The Envoy Hotel, Autograph Colle... 70 Sleeper St	Upper Upscale	2013	136	Autograph Collection	11/28/2023	-	-

Boston's economy rebounded strongly in 2023 and is expected to see stabilized growth this year, reaching pre-pandemic levels. 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, evident in the Boston National Historical Park, a repository of several historical sites from that period.

Boston, a hub for technology companies, 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, a significant component of Boston's identity, is fostered by 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, driving innovation and economic growth.

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.

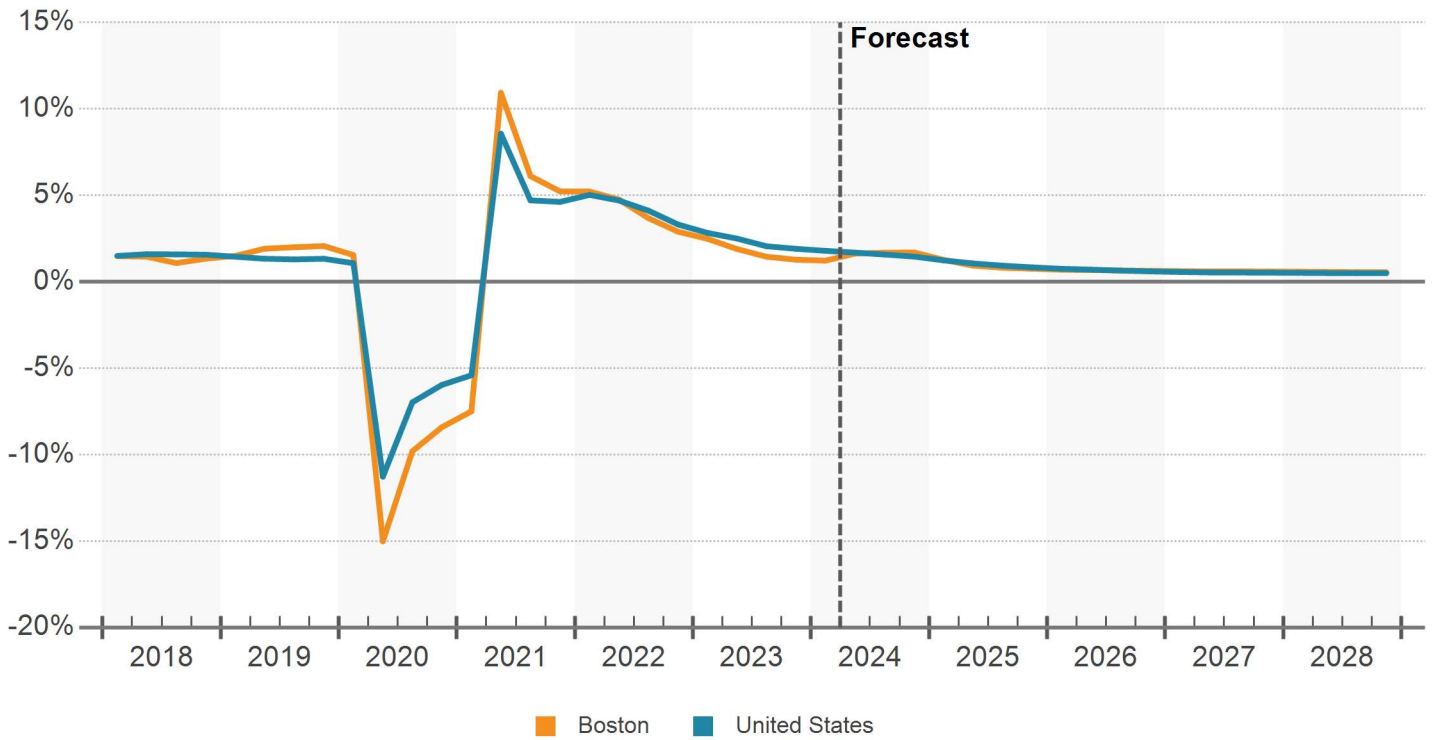
While further recovery in the hospitality industry remains a challenge, Boston's economy shows signs of a robust recovery across various sectors. However, new challenges present uncertainty as the Federal Reserve continues to battle against inflation, making securing financing for real estate development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

BOSTON 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	148	0.7	-0.68%	0.31%	-0.54%	0.69%	0.11%	0.47%
Trade, Transportation and Utilities	357	0.7	-0.25%	0.28%	-0.05%	1.03%	0.12%	0.39%
Retail Trade	206	0.8	-0.08%	0.45%	-0.51%	0.27%	0.14%	0.28%
Financial Activities	191	1.2	1.09%	0.82%	1.18%	1.53%	0.18%	0.38%
Government	290	0.7	1.79%	2.65%	0.38%	0.61%	0.66%	0.73%
Natural Resources, Mining and Construction	122	0.8	2.94%	2.63%	3.66%	2.44%	1.96%	0.89%
Education and Health Services	587	1.3	3.14%	4.04%	1.69%	2.04%	0.82%	0.84%
Professional and Business Services	528	1.4	0.30%	0.66%	2.24%	1.91%	0.78%	0.75%
Information	85	1.7	0.79%	-0.97%	1.75%	1.06%	0.95%	0.67%
Leisure and Hospitality	247	0.9	1.77%	2.87%	0.81%	1.51%	1.22%	1.08%
Other Services	99	1.0	2.85%	1.60%	0.42%	0.60%	0.81%	0.58%
Total Employment	2,653	1.0	1.37%	1.75%	1.17%	1.36%	0.71%	0.69%

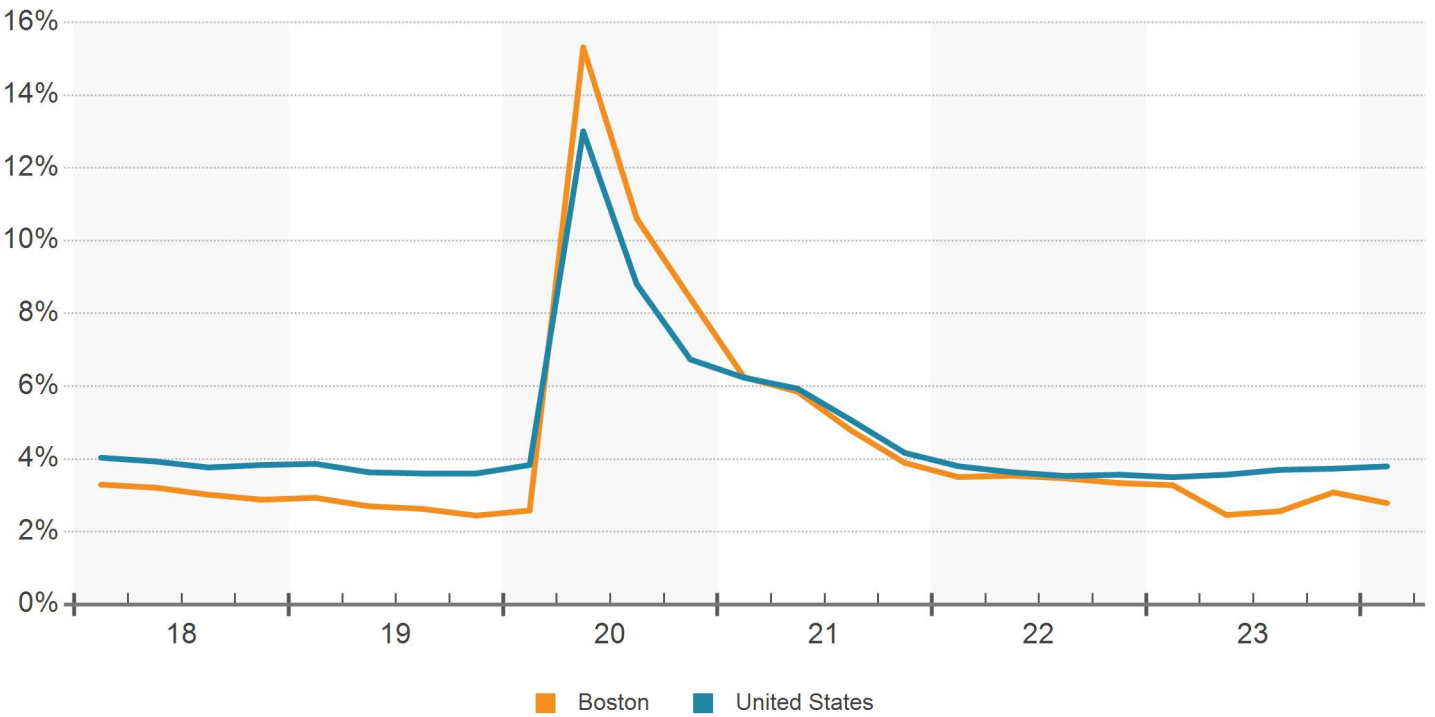
Source: Oxford Economics
LQ = Location Quotient

JOB GROWTH (YOY)

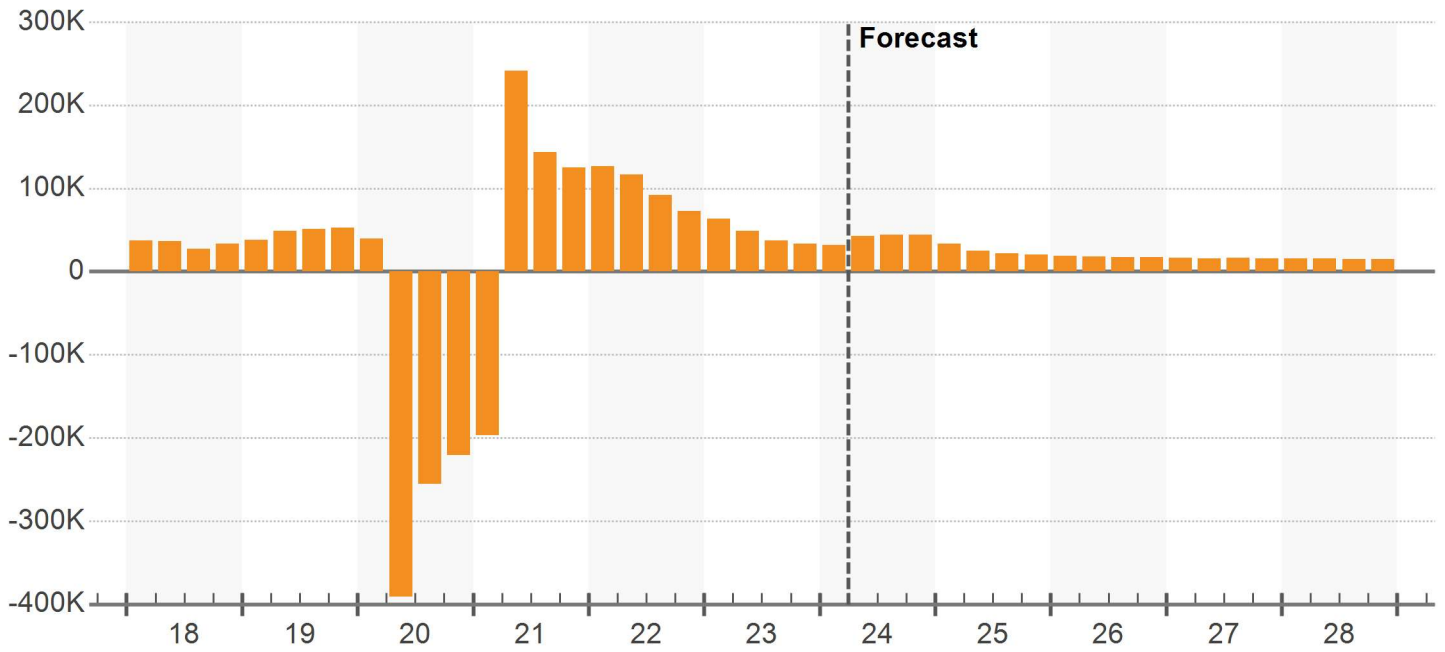


Source: Oxford Economics

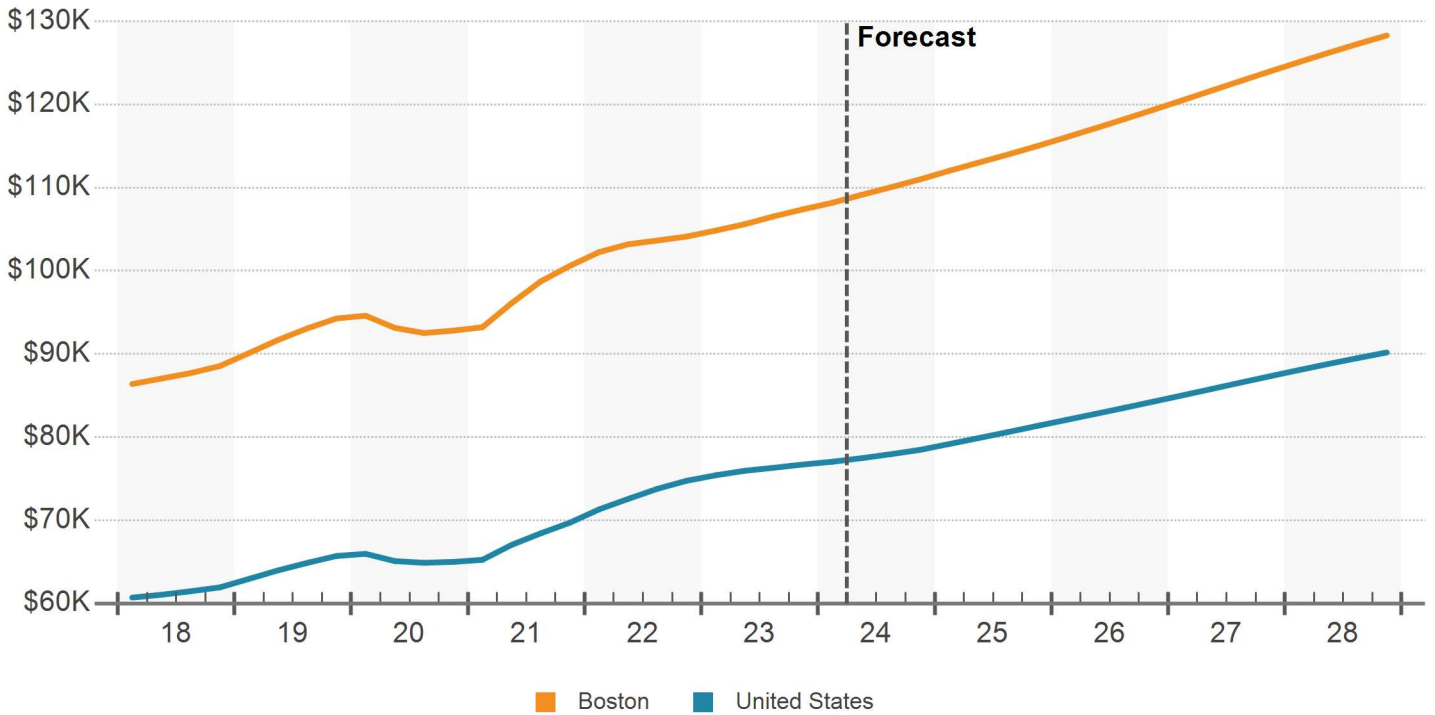
UNEMPLOYMENT RATE (%)



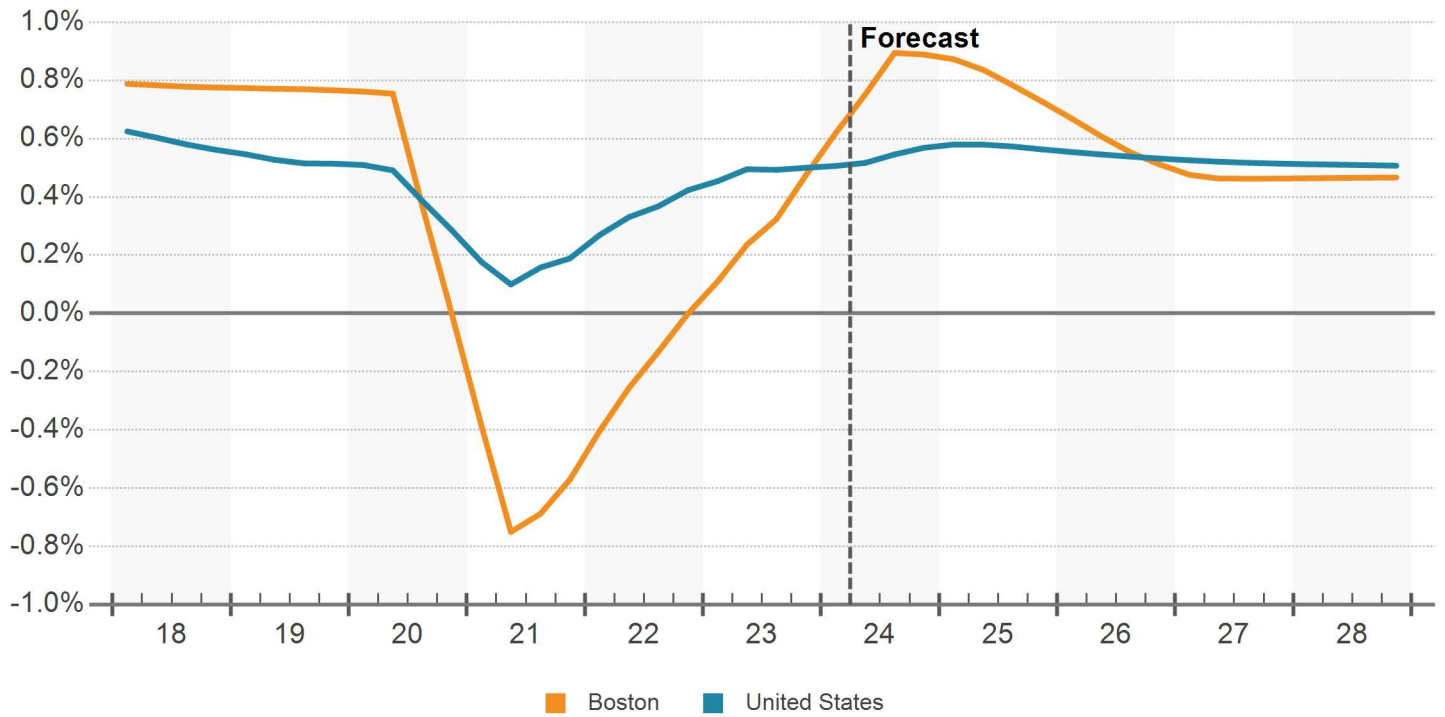
NET EMPLOYMENT CHANGE (YOY)



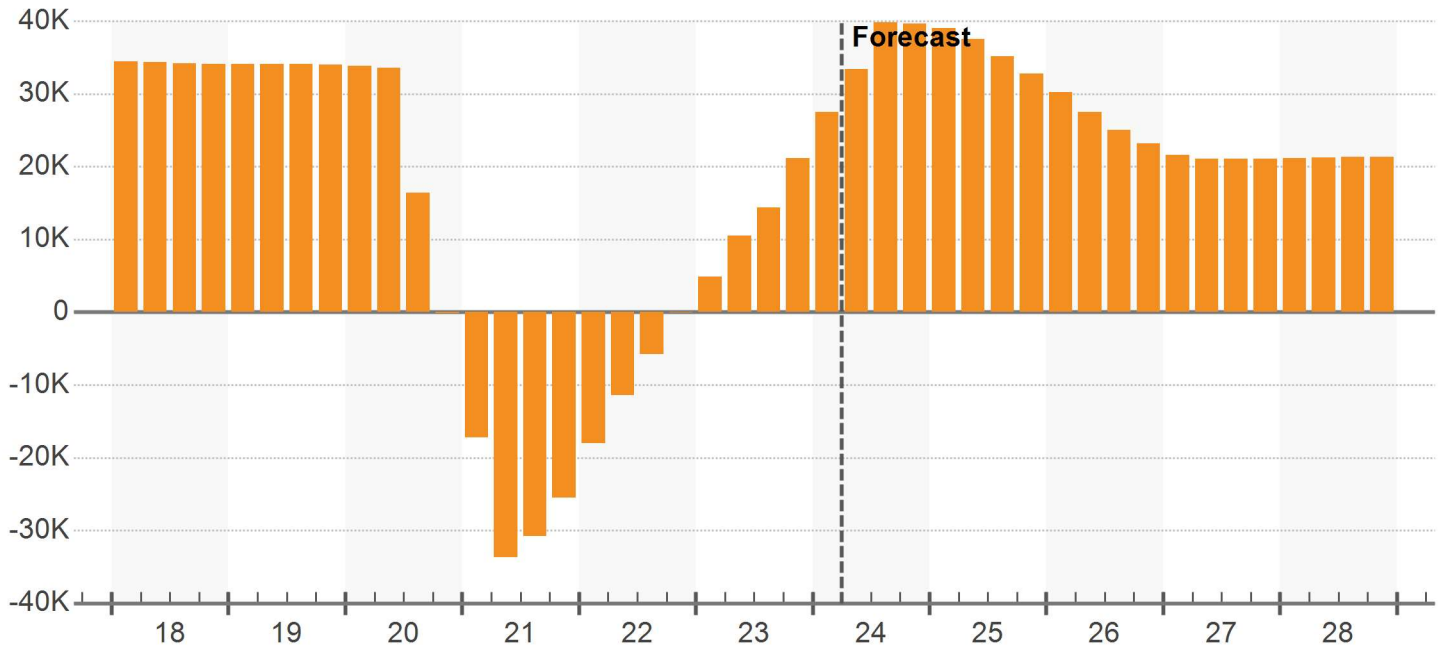
MEDIAN HOUSEHOLD INCOME



POPULATION GROWTH (YOY %)



NET POPULATION CHANGE (YOY)

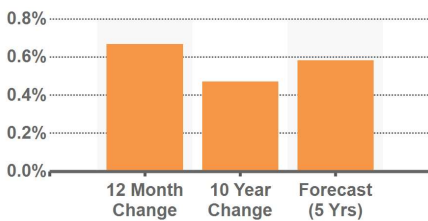


DEMOGRAPHIC TRENDS

Demographic Category	Current Level		12 Month Change		10 Year Change		5 Year Forecast	
	Metro	US	Metro	US	Metro	US	Metro	US
Population	4,475,170	335,951,719	0.7%	0.5%	0.5%	0.5%	0.6%	0.5%
Households	1,784,731	131,226,203	0.8%	0.7%	1.0%	0.9%	0.7%	0.6%
Median Household Income	\$108,532	\$77,204	3.2%	2.1%	4.0%	3.9%	3.6%	3.4%
Labor Force	2,481,682	167,665,656	1.0%	0.7%	0.7%	0.7%	0.8%	0.5%
Unemployment	2.8%	3.8%	-0.2%	0.3%	-0.3%	-0.3%	-	-

Source: Oxford Economics

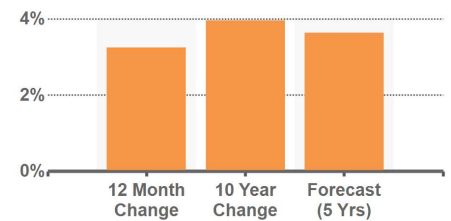
POPULATION GROWTH



LABOR FORCE GROWTH

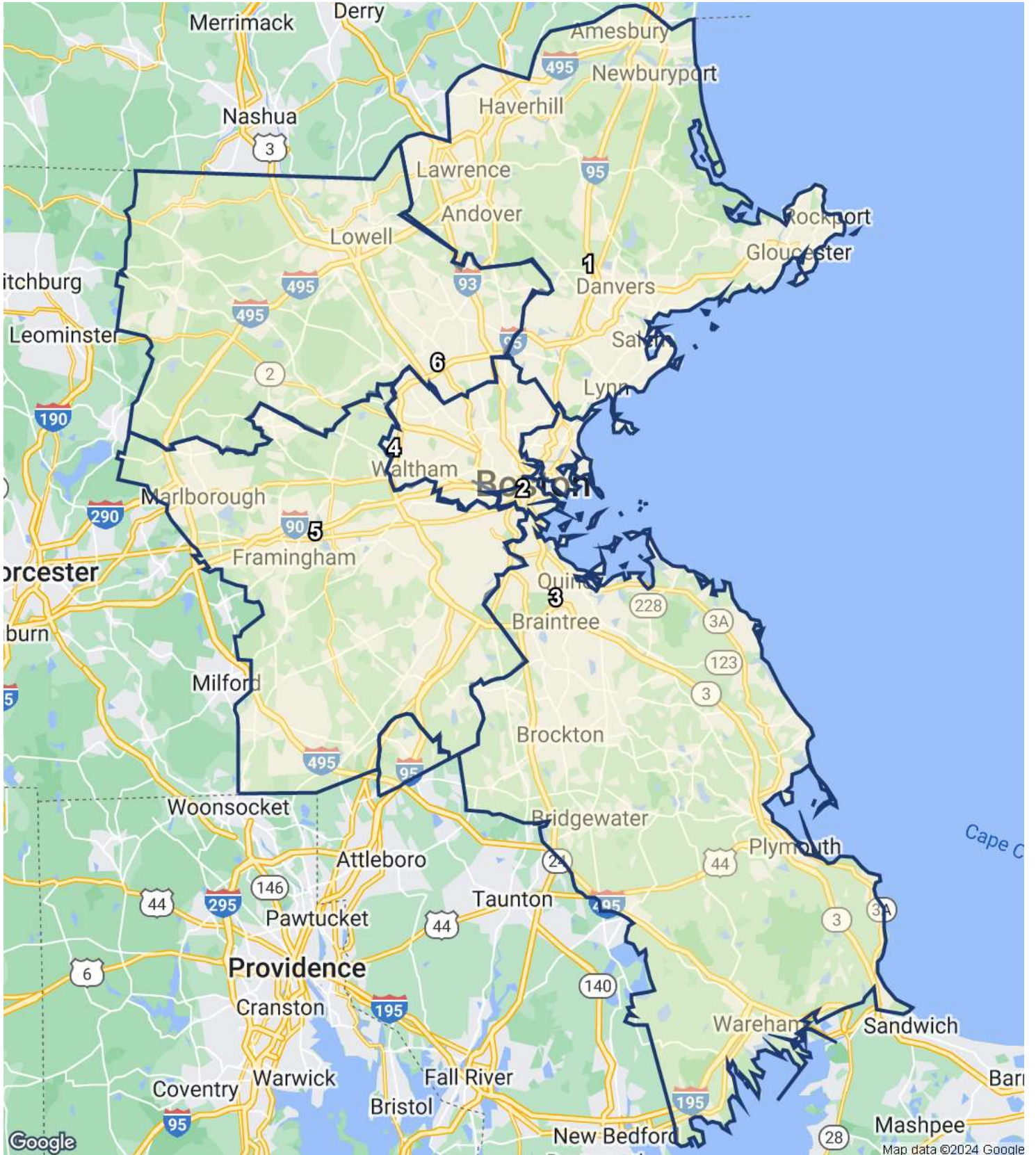


INCOME GROWTH



Source: Oxford Economics

BOSTON 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	89	6,504	10.4%	5	0	0	-	-	0	0	0%	6
2	Boston CBD/Airport	107	25,061	40.2%	1	1	147	0.6%	3	2	499	2.0%	2
3	Boston Southshore	73	6,487	10.4%	6	2	135	2.1%	1	2	186	2.9%	1
4	Cambridge/Waltham	64	9,241	14.8%	2	0	0	-	-	1	35	0.4%	4
5	Dedham/Marlborough	65	8,222	13.2%	3	2	171	2.1%	2	1	100	1.2%	3
6	Woburn/Tewksbury Northwest	52	6,893	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	70.7%	4.2%	5	\$155.78	6.0%	4	\$110.10	10.4%
2	Boston CBD/Airport	1	77.6%	5.9%	1	\$289.73	4.3%	1	\$224.76	10.5%
3	Boston Southshore	4	69.6%	3.8%	4	\$159.43	6.2%	3	\$110.90	10.2%
4	Cambridge/Waltham	2	73.7%	8.8%	2	\$226.96	3.2%	2	\$167.20	12.3%
5	Dedham/Marlborough	6	67.0%	5.9%	3	\$161.30	6.1%	5	\$108.14	12.4%
6	Woburn/Tewksbury Northwest	5	68.4%	-0.1%	6	\$153.58	7.5%	6	\$105.04	7.4%

OVERALL SUPPLY & DEMAND

Year	Supply			Demand		
	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2028	23,019,944	37	0%	17,725,853	(18,056)	-0.1%
2027	23,019,907	0	0%	17,743,909	23,792	0.1%
2026	23,019,907	0	0%	17,720,117	643,145	3.8%
2025	23,019,907	296,292	1.3%	17,076,971	59,801	0.4%
2024	22,723,615	236,242	1.1%	17,017,170	791,621	4.9%
YTD	5,456,195	(90,851)	-1.6%	3,379,645	144,315	4.5%
2023	22,487,373	(257,626)	-1.1%	16,225,549	912,459	6.0%
2022	22,744,999	1,073,075	5.0%	15,313,089	4,216,804	38.0%
2021	21,671,924	2,407,258	12.5%	11,096,285	4,374,166	65.1%
2020	19,264,666	(2,269,830)	-10.5%	6,722,119	(9,107,538)	-57.5%
2019	21,534,496	571,984	2.7%	15,829,657	89,712	0.6%
2018	20,962,512	747,909	3.7%	15,739,945	866,195	5.8%
2017	20,214,603	535,837	2.7%	14,873,750	351,746	2.4%
2016	19,678,766	639,932	3.4%	14,522,004	(33,205)	-0.2%
2015	19,038,834	243,620	1.3%	14,555,209	387,990	2.7%
2014	18,795,214	(1,471)	0%	14,167,218	413,878	3.0%

LUXURY & UPPER UPSCALE SUPPLY & DEMAND

Year	Supply			Demand		
	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2028	9,324,809	0	0%	7,587,568	(9,997)	-0.1%
2027	9,324,809	0	0%	7,597,565	30,199	0.4%
2026	9,324,809	0	0%	7,567,366	329,245	4.5%
2025	9,324,809	21,733	0.2%	7,238,121	53,308	0.7%
2024	9,303,076	25,861	0.3%	7,184,813	459,192	6.8%
YTD	2,280,642	2,385	0.1%	1,410,687	94,244	7.2%
2023	9,277,215	(84,803)	-0.9%	6,725,621	566,616	9.2%
2022	9,362,018	852,396	10.0%	6,159,005	2,358,520	62.1%
2021	8,509,622	1,646,877	24.0%	3,800,485	1,820,564	92.0%
2020	6,862,745	(2,100,633)	-23.4%	1,979,921	(5,022,604)	-71.7%
2019	8,963,378	256,853	3.0%	7,002,525	92,132	1.3%
2018	8,706,525	126,018	1.5%	6,910,393	128,130	1.9%
2017	8,580,507	30,095	0.4%	6,782,263	19,987	0.3%
2016	8,550,412	166,182	2.0%	6,762,276	92,731	1.4%
2015	8,384,230	68,021	0.8%	6,669,545	106,319	1.6%
2014	8,316,209	(24,255)	-0.3%	6,563,226	42,039	0.6%

UPSCALE & UPPER MIDSCALE SUPPLY & DEMAND

Year	Supply			Demand		
	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2028	11,116,923	37	0%	8,343,147	(7,212)	-0.1%
2027	11,116,886	0	0%	8,350,358	(1,896)	0%
2026	11,116,886	0	0%	8,352,255	279,920	3.5%
2025	11,116,886	217,382	2.0%	8,072,335	65,573	0.8%
2024	10,899,504	192,831	1.8%	8,006,762	252,971	3.3%
YTD	2,585,474	(68,525)	-2.6%	1,599,800	37,806	2.4%
2023	10,706,673	(96,641)	-0.9%	7,753,791	337,807	4.6%
2022	10,803,314	277,260	2.6%	7,415,984	1,703,650	29.8%
2021	10,526,054	773,459	7.9%	5,712,334	2,208,322	63.0%
2020	9,752,595	(95,857)	-1.0%	3,504,013	(3,657,918)	-51.1%
2019	9,848,452	484,728	5.2%	7,161,931	165,879	2.4%
2018	9,363,724	646,473	7.4%	6,996,052	688,691	10.9%
2017	8,717,251	499,887	6.1%	6,307,361	365,230	6.1%
2016	8,217,364	461,563	6.0%	5,942,131	85,939	1.5%
2015	7,755,801	169,911	2.2%	5,856,191	274,803	4.9%
2014	7,585,890	76,628	1.0%	5,581,388	288,537	5.5%

MIDSCALE & ECONOMY SUPPLY & DEMAND

Year	Supply			Demand		
	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2028	2,578,212	0	0%	1,794,874	(846)	0%
2027	2,578,212	0	0%	1,795,720	(4,527)	-0.3%
2026	2,578,212	0	0%	1,800,247	33,943	1.9%
2025	2,578,212	57,177	2.3%	1,766,304	(59,094)	-3.2%
2024	2,521,035	17,550	0.7%	1,825,398	79,223	4.5%
YTD	590,079	(24,711)	-4.0%	369,156	12,245	3.4%
2023	2,503,485	(76,182)	-3.0%	1,746,175	7,894	0.5%
2022	2,579,667	(56,581)	-2.1%	1,738,281	154,375	9.7%
2021	2,636,248	(13,078)	-0.5%	1,583,906	345,501	27.9%
2020	2,649,326	(73,340)	-2.7%	1,238,405	(426,692)	-25.6%
2019	2,722,666	(169,597)	-5.9%	1,665,097	(168,344)	-9.2%
2018	2,892,263	(24,582)	-0.8%	1,833,441	49,483	2.8%
2017	2,916,845	5,855	0.2%	1,783,958	(33,436)	-1.8%
2016	2,910,990	12,187	0.4%	1,817,394	(211,946)	-10.4%
2015	2,898,803	5,688	0.2%	2,029,340	6,980	0.3%
2014	2,893,115	(53,844)	-1.8%	2,022,360	83,425	4.3%

OVERALL PERFORMANCE

Year	Occupancy		ADR		RevPAR	
	Percent	% Change	Per Room	% Change	Per Room	% Change
2028	77.0%	-0.1%	\$249.58	2.9%	\$192.18	2.8%
2027	77.1%	0.1%	\$242.56	3.0%	\$186.97	3.2%
2026	77.0%	3.8%	\$235.45	2.9%	\$181.25	6.8%
2025	74.2%	-0.9%	\$228.78	1.2%	\$169.72	0.3%
2024	74.9%	3.8%	\$226.02	0.8%	\$169.26	4.6%
YTD	61.9%	6.2%	\$175.79	3.3%	\$108.89	9.7%
2023	72.2%	7.2%	\$224.33	6.2%	\$161.86	13.9%
2022	67.3%	31.5%	\$211.15	35.5%	\$142.15	78.2%
2021	51.2%	46.7%	\$155.80	28.8%	\$79.77	89.0%
2020	34.9%	-52.5%	\$120.99	-39.2%	\$42.22	-71.1%
2019	73.5%	-2.1%	\$198.92	0%	\$146.22	-2.1%
2018	75.1%	2.0%	\$198.94	1.8%	\$149.38	3.9%
2017	73.6%	-0.3%	\$195.36	1.7%	\$143.75	1.4%
2016	73.8%	-3.5%	\$192.01	2.8%	\$141.70	-0.8%
2015	76.5%	1.4%	\$186.80	6.1%	\$142.81	7.6%
2014	75.4%	3.0%	\$176.14	7.5%	\$132.77	10.8%

LUXURY & UPPER UPSCALE PERFORMANCE

Year	Occupancy		ADR		RevPAR	
	Percent	% Change	Per Room	% Change	Per Room	% Change
2028	81.4%	-0.1%	\$323.25	3.0%	\$263.03	2.8%
2027	81.5%	0.4%	\$313.97	2.8%	\$255.81	3.2%
2026	81.2%	4.5%	\$305.42	2.6%	\$247.86	7.2%
2025	77.6%	0.5%	\$297.81	1.4%	\$231.17	1.9%
2024	77.2%	6.5%	\$293.61	0.3%	\$226.75	6.9%
YTD	61.9%	7.0%	\$225.80	1.6%	\$139.67	8.8%
2023	72.5%	10.2%	\$292.67	3.2%	\$212.17	13.7%
2022	65.8%	47.3%	\$283.55	29.3%	\$186.54	90.5%
2021	44.7%	54.8%	\$219.30	27.8%	\$97.94	97.8%
2020	28.9%	-63.1%	\$171.59	-33.2%	\$49.50	-75.3%
2019	78.1%	-1.6%	\$256.71	0.6%	\$200.55	-1.0%
2018	79.4%	0.4%	\$255.27	1.7%	\$202.61	2.1%
2017	79.0%	-0.1%	\$250.94	2.2%	\$198.35	2.1%
2016	79.1%	-0.6%	\$245.63	0.7%	\$194.26	0.1%
2015	79.5%	0.8%	\$243.89	5.4%	\$194.01	6.3%
2014	78.9%	0.9%	\$231.30	8.3%	\$182.55	9.3%

UPSCALE & UPPER MIDSCALE PERFORMANCE

Year	Occupancy		ADR		RevPAR	
	Percent	% Change	Per Room	% Change	Per Room	% Change
2028	75.0%	-0.1%	\$208.86	2.8%	\$156.74	2.7%
2027	75.1%	0%	\$203.10	3.1%	\$152.55	3.1%
2026	75.1%	3.5%	\$196.96	2.7%	\$147.98	6.3%
2025	72.6%	-1.2%	\$191.73	1.2%	\$139.22	0%
2024	73.5%	1.4%	\$189.50	-0.2%	\$139.21	1.2%
YTD	61.9%	5.1%	\$148.73	2.7%	\$92.03	7.9%
2023	72.4%	5.5%	\$189.94	7.8%	\$137.56	13.7%
2022	68.6%	26.5%	\$176.25	32.3%	\$120.99	67.3%
2021	54.3%	51.0%	\$133.23	22.2%	\$72.30	84.6%
2020	35.9%	-50.6%	\$109.03	-34.2%	\$39.17	-67.5%
2019	72.7%	-2.7%	\$165.82	-1.5%	\$120.58	-4.1%
2018	74.7%	3.3%	\$168.26	3.2%	\$125.72	6.6%
2017	72.4%	0.1%	\$163	2.2%	\$117.94	2.2%
2016	72.3%	-4.2%	\$159.54	3.6%	\$115.36	-0.8%
2015	75.5%	2.6%	\$154.01	7.6%	\$116.29	10.4%
2014	73.6%	4.4%	\$143.18	8.5%	\$105.35	13.3%

MIDSCALE & ECONOMY PERFORMANCE

Year	Occupancy		ADR		RevPAR	
	Percent	% Change	Per Room	% Change	Per Room	% Change
2028	69.6%	0%	\$127.18	2.8%	\$88.54	2.7%
2027	69.6%	-0.3%	\$123.75	3.4%	\$86.19	3.1%
2026	69.8%	1.9%	\$119.72	4.0%	\$83.59	6.0%
2025	68.5%	-5.4%	\$115.07	-4.1%	\$78.83	-9.3%
2024	72.4%	3.8%	\$120.01	5.6%	\$86.90	9.6%
YTD	62.6%	7.8%	\$101.82	14.6%	\$63.70	23.5%
2023	69.7%	3.5%	\$113.63	10.0%	\$79.26	13.9%
2022	67.4%	12.2%	\$103.31	21.9%	\$69.61	36.7%
2021	60.1%	28.5%	\$84.77	14.8%	\$50.93	47.5%
2020	46.7%	-23.6%	\$73.87	-24.7%	\$34.53	-42.4%
2019	61.2%	-3.5%	\$98.09	-5.2%	\$59.99	-8.6%
2018	63.4%	3.6%	\$103.51	5.3%	\$65.62	9.1%
2017	61.2%	-2.0%	\$98.32	-0.2%	\$60.13	-2.3%
2016	62.4%	-10.8%	\$98.55	5.3%	\$61.52	-6.1%
2015	70.0%	0.1%	\$93.61	6.5%	\$65.53	6.7%
2014	69.9%	6.2%	\$87.89	5.5%	\$61.43	12.1%

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
2028	-	-	-	-	-	-	\$314,605	236	9.5%
2027	-	-	-	-	-	-	\$293,777	220	9.7%
2026	-	-	-	-	-	-	\$266,655	200	10.0%
2025	-	-	-	-	-	-	\$245,135	184	10.2%
2024	-	-	-	-	-	-	\$239,927	180	9.9%
YTD	2	\$296M	1.1%	\$148,000,000	\$426,513	-	\$259,518	195	8.9%
2023	10	\$611.8M	2.8%	\$61,175,500	\$345,429	7.8%	\$222,366	167	9.1%
2022	37	\$2.5B	9.6%	\$68,214,528	\$417,387	8.3%	\$195,322	146	9.0%
2021	26	\$504.5M	4.4%	\$19,402,950	\$180,946	7.3%	\$205,954	154	8.4%
2020	8	\$253.5M	1.3%	\$31,683,318	\$314,475	9.6%	\$257,387	193	8.1%
2019	20	\$1.2B	5.6%	\$60,953,340	\$354,896	6.3%	\$305,157	229	7.8%
2018	20	\$795.9M	5.7%	\$39,792,929	\$240,078	8.8%	\$322,546	242	7.5%
2017	17	\$586.2M	5.0%	\$34,484,143	\$206,655	6.1%	\$315,043	236	7.4%
2016	29	\$1B	6.3%	\$35,088,822	\$295,463	8.0%	\$296,674	222	7.5%
2015	41	\$1.1B	10.7%	\$27,312,679	\$198,753	7.0%	\$276,665	207	7.4%
2014	24	\$565.4M	5.3%	\$23,557,856	\$205,223	10.2%	\$245,415	184	7.4%

(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
2028	-	-	-	-	-	-	\$506,574	240	8.7%
2027	-	-	-	-	-	-	\$473,036	224	8.9%
2026	-	-	-	-	-	-	\$429,366	203	9.2%
2025	-	-	-	-	-	-	\$394,714	187	9.4%
2024	-	-	-	-	-	-	\$386,328	183	9.1%
YTD	1	\$171M	1.5%	\$171,000,000	\$438,462	-	\$417,873	198	8.2%
2023	3	\$509.6M	5.1%	\$169,876,667	\$387,551	7.1%	\$358,137	169	8.4%
2022	6	\$2.1B	10.1%	\$357,337,500	\$822,095	7.1%	\$312,670	148	8.3%
2021	4	\$112.3M	2.7%	\$28,079,665	\$163,491	6.8%	\$326,971	155	7.8%
2020	3	\$118.3M	1.2%	\$39,416,667	\$383,929	12.0%	\$410,786	194	7.5%
2019	8	\$1B	8.0%	\$128,778,842	\$510,015	4.8%	\$487,419	231	7.2%
2018	7	\$512.4M	7.1%	\$73,202,857	\$297,573	8.3%	\$514,207	243	6.9%
2017	2	\$265M	3.1%	\$132,500,000	\$358,593	4.3%	\$501,836	237	6.8%
2016	12	\$757.1M	6.3%	\$63,094,732	\$512,271	5.3%	\$474,482	225	6.8%
2015	10	\$759.3M	9.7%	\$75,932,900	\$338,803	6.7%	\$445,503	211	6.7%
2014	6	\$375.3M	3.9%	\$62,541,667	\$417,408	-	\$391,753	185	6.9%

(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.

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
2028	-	-	-	-	-	-	\$203,130	228	9.9%
2027	-	-	-	-	-	-	\$189,681	213	10.1%
2026	-	-	-	-	-	-	\$172,170	193	10.5%
2025	-	-	-	-	-	-	\$158,275	178	10.7%
2024	-	-	-	-	-	-	\$154,913	174	10.4%
YTD	1	\$125M	1.0%	\$125,000,000	\$411,184	-	\$167,562	188	9.3%
2023	4	\$93.2M	1.4%	\$23,293,750	\$231,779	8.5%	\$143,241	161	9.6%
2022	20	\$326.2M	9.6%	\$16,308,768	\$114,689	6.0%	\$127,206	143	9.4%
2021	15	\$366.4M	5.6%	\$24,423,536	\$219,242	7.8%	\$136,252	153	8.7%
2020	1	\$107.5M	0.8%	\$107,500,000	\$486,425	7.8%	\$168,910	190	8.5%
2019	8	\$155.4M	3.8%	\$19,422,354	\$145,622	10.5%	\$199,872	225	8.2%
2018	9	\$280.3M	5.6%	\$31,145,485	\$189,911	9.0%	\$213,069	239	7.8%
2017	12	\$313.3M	7.9%	\$26,108,369	\$158,733	7.2%	\$208,667	234	7.7%
2016	12	\$229.7M	6.6%	\$19,144,568	\$148,985	8.4%	\$195,053	219	7.8%
2015	26	\$323.4M	13.6%	\$12,437,479	\$110,555	7.8%	\$179,500	202	7.7%
2014	10	\$153.9M	5.8%	\$15,389,654	\$126,352	9.0%	\$161,938	182	7.7%

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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
2028	-	-	-	-	-	-	\$103,575	235	10.3%
2027	-	-	-	-	-	-	\$96,717	219	10.5%
2026	-	-	-	-	-	-	\$87,789	199	10.9%
2025	-	-	-	-	-	-	\$80,704	183	11.1%
2024	-	-	-	-	-	-	\$78,989	179	10.8%
YTD	-	-	-	-	-	-	\$85,439	193	9.7%
2023	3	\$8.9M	0.7%	\$2,983,333	\$165,741	-	\$74,300	168	9.9%
2022	11	\$53.7M	8.2%	\$4,885,198	\$90,315	12.8%	\$66,209	150	9.7%
2021	7	\$25.8M	5.7%	\$3,686,429	\$60,012	-	\$70,522	160	9.0%
2020	4	\$27.7M	3.6%	\$6,929,137	\$100,060	9.0%	\$86,231	195	8.8%
2019	4	\$33.5M	4.6%	\$8,364,308	\$96,141	6.5%	\$102,473	232	8.5%
2018	4	\$3.1M	1.5%	\$782,306	\$26,745	-	\$104,204	236	8.3%
2017	3	\$7.9M	1.5%	\$2,643,333	\$63,952	-	\$100,905	228	8.3%
2016	5	\$30.7M	5.2%	\$6,140,848	\$72,416	10.1%	\$94,357	214	8.4%
2015	5	\$37.1M	5.7%	\$7,423,281	\$79,309	-	\$87,370	198	8.3%
2014	8	\$36.2M	7.9%	\$4,530,250	\$56,806	11.9%	\$78,238	177	8.3%

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DELIVERIES & UNDER CONSTRUCTION

Year	Inventory			Deliveries		Net Deliveries		Under Construction	
	Bldgs	Rooms	% Change	Bldgs	Rooms	Bldgs	Rooms	Bldgs	Rooms
YTD	451	62,508	-0.1%	1	100	(1)	(161)	5	720
2023	452	62,589	-0.3%	5	453	3	338	6	820
2022	450	62,795	-0.7%	3	543	(3)	(165)	6	888
2021	453	63,213	3.2%	7	1,938	5	1,823	6	891
2020	449	61,261	0.4%	9	1,114	2	859	12	2,617
2019	448	61,025	4.4%	16	2,870	8	2,444	14	2,939
2018	435	58,477	3.2%	12	1,500	8	1,360	22	4,677
2017	423	56,677	2.9%	14	1,989	13	1,872	21	3,405
2016	412	55,104	4.5%	16	2,303	13	2,243	18	3,197
2015	396	52,731	1.7%	6	695	5	682	19	2,978
2014	388	51,834	0%	2	173	0	58	10	1,278