

Hotel Horizons® National Forecast

Sample Report

Summary of our outlook for the U.S. lodging industry, with separate forecasts for each of six national chain-scale segments and six location categories, as well as the lodging industry as a whole.

CBRE HOTELS RESEARCH



National Hotel Summary

National Economic Summary

National Snapshot: Next Four Quarters

The arrows show the forecast direction of change for the next 4 quarters vs. the previous 4 quarters. Purple indicates the change will be above the long run average, orange means below.

Occupancy

Occupancy will increase to %, better than the previous 4 quarters' rate of %, and above the long run average of %

▲

Average Daily Rate

ADR growth expectations are weakening, % vs. the past 4 quarters' rate of %, and are below the long run average of %

▼

Revenue Per Available Room

RevPAR growth projections for the next 4 quarters are falling to % as compared to the past 4 quarters' rate of %, and are lower than the long run average of %

▼

Supply (orange indicates above long-term average)

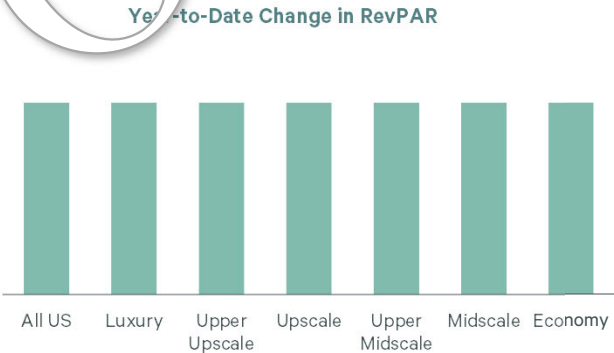
Supply growth is climbing, % vs. the past 4 quarters' rate of %, though it is under the long run average of %

▲

Demand

Forecast demand growth is falling, % vs. the past 4 quarters' rate of %, and is below the long run average of %

▼



Source: CBRE Hotels Research, Kalibri Labs

Annual Performance - Five Year History and Forecast - All US Hotels

Year	Occ	Δ Occ	ADR	Δ ADR	RevPAR	Δ RevPAR
2018	%	%	\$	%	\$	%
2019	%	%	\$	%	\$	%
2020	%	%	\$	%	\$	%
2021	%	%	\$	%	\$	%
2022	%	%	\$	%	\$	%
2023F	%	%	\$	%	\$	%
2024F	%	%	\$	%	\$	%
2025F	%	%	\$	%	\$	%
2026F	%	%	\$	%	\$	%
2027F	%	%	\$	%	\$	%

Source: CBRE Hotels Research, Kalibri Labs

Long Run Averages 2000 to 2022

Occupancy: %, ADR Change: %, RevPAR Change: %

National Economic Summary

Below are a select number of variables that drive the CBRE Hotels Research econometric forecasts contained in this report. Income and employment are important barometers of economic health and are used in every *Hotel Horizons*® forecast model. The lodging market is part of the larger economy, and the forces that affect us nationally also affect lodging, but in different magnitudes and time periods (see Exhibits 4 and 5 below). Exhibits 2 - 6 provide an overview of current economic history and forecasts, and provide explanations of what to expect in the future, and how that affects the lodging industry.

Exhibit 1*: Income Change

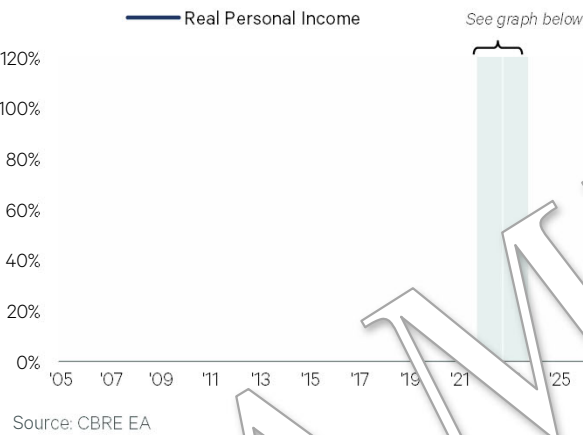


Exhibit 2*: Employment Change

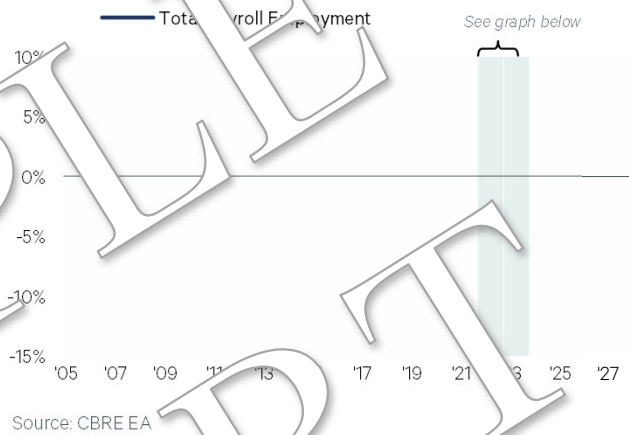


Exhibit 3*: Quarterly Real Personal Income vs. RevPAR Change

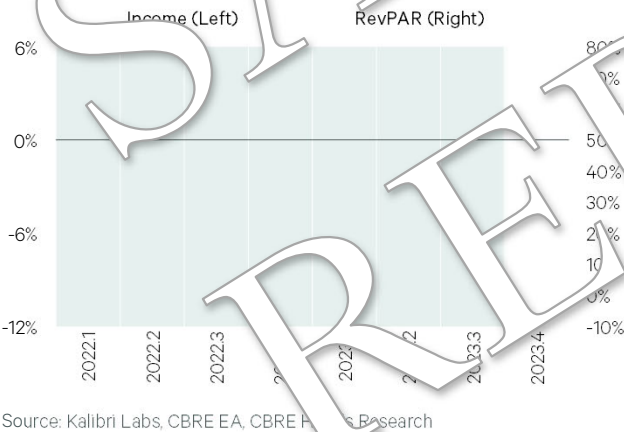


Exhibit 4*: Quarterly Employment vs. Demand Change

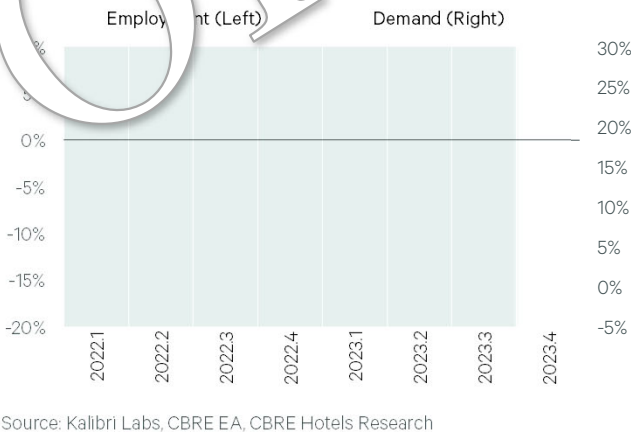
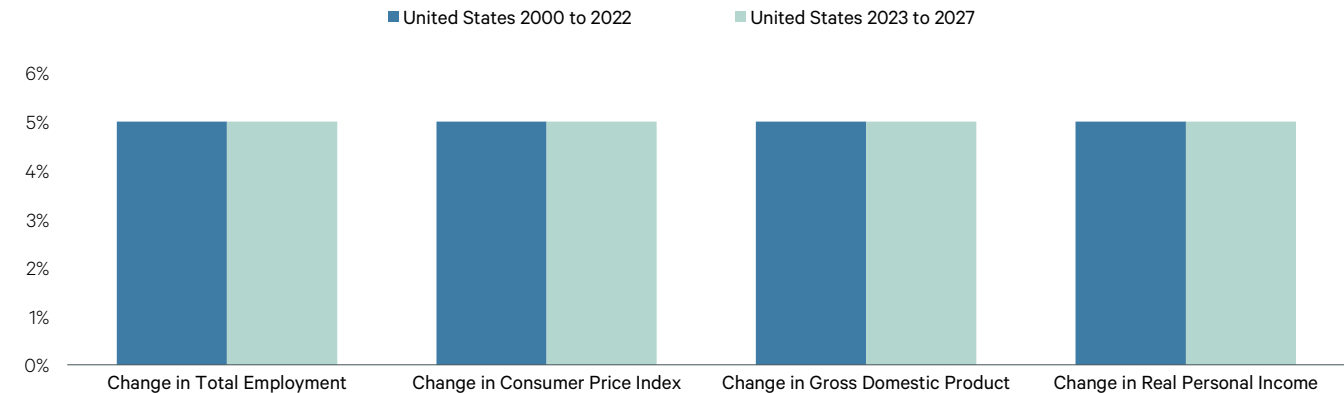


Exhibit 5*: Average Annual Growth Rates

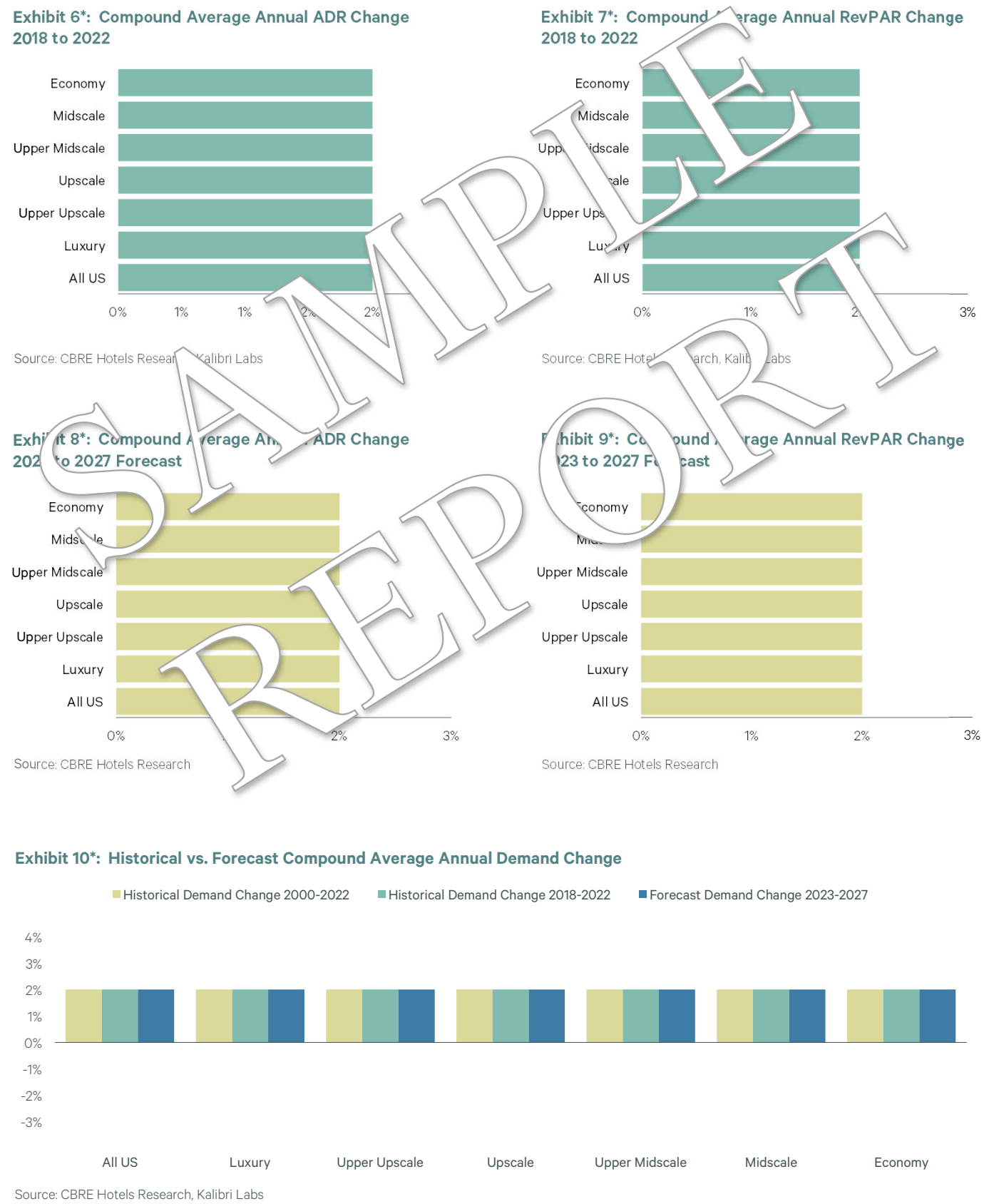


Source: CBRE EA, Oxford Economics

*See Appendix for exhibit descriptions

National Hotel Summary

The graphs illustrate compound average annual ADR and RevPAR change during the historical and forecasted period 2018 to 2027. The chart at the bottom of the page shows the compound average annual change in demand for each sector during the specified period of time.

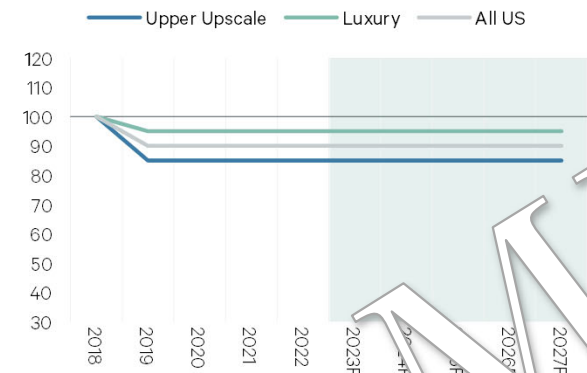


*See Appendix for exhibit descriptions

National Hotel Summary

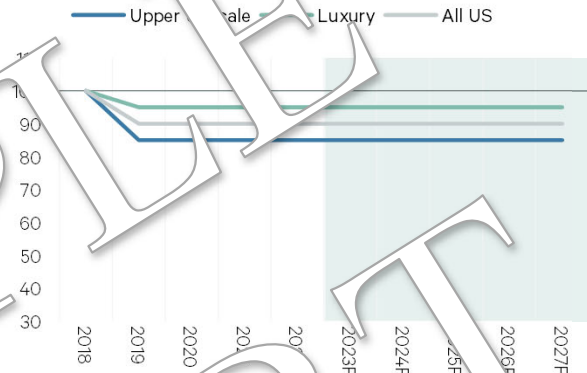
The graphs illustrate the magnitude of change in performance during the historical and forecasted period 2018 to 2027. Used as a relative benchmark, each market segment is plotted against a common index value of 2018 = 100. This method provides clear insight of how each market segment performed and is expected to perform in relation to others in the specified period.

Exhibit 11*: Upper-Priced Hotel Occupancy



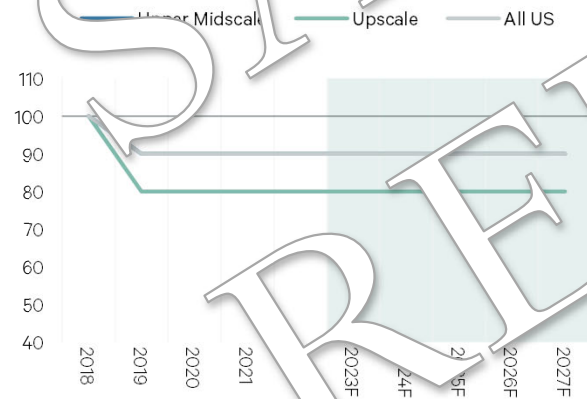
Source: CBRE Hotels Research, Kalibri Labs

Exhibit 12*: Upper-Priced RevPAR



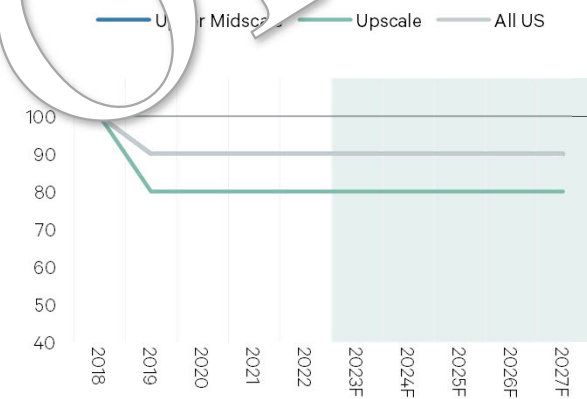
Source: CBRE Hotels Research, Kalibri Labs

Exhibit 13*: Mid-Priced Hotel Occupancy



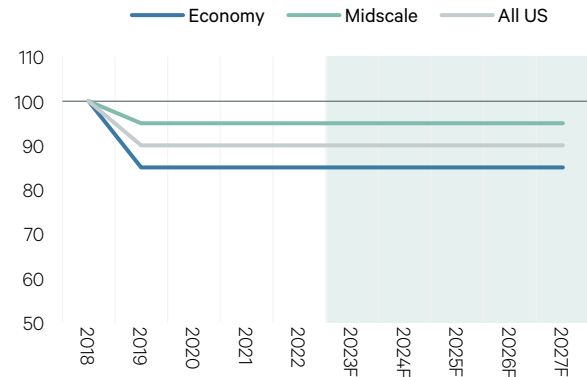
Source: CBRE Hotels Research, Kalibri Labs

Exhibit 14*: Mid-Priced RevPAR



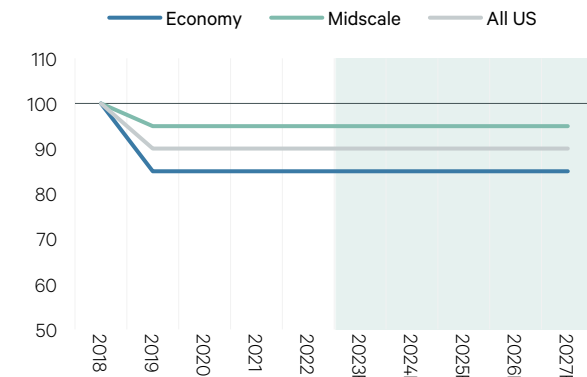
Source: CBRE Hotels Research, Kalibri Labs

Exhibit 15*: Lower-Priced Hotel Occupancy



Source: CBRE Hotels Research, Kalibri Labs

Exhibit 16*: Lower-Priced RevPAR



Source: CBRE Hotels Research, Kalibri Labs

*See Appendix for exhibit descriptions

National Forecast - All US Hotels

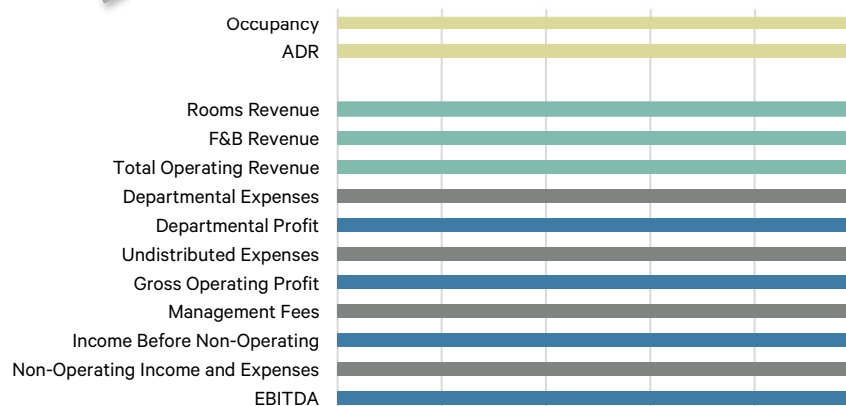
Year	Period	Occ	Δ Occ	ADR	Δ ADR	RevPAR	Δ RevPAR	Δ Supply	Δ Demand
2018	Annual	%	%	\$	%	\$	%	%	%
2019	Annual	%	%	\$	%	\$	%	%	%
2020	1	%	%	\$	%	\$	%	%	%
2020	2	%	%	\$	%	\$	%	%	%
2020	3	%	%	\$	%	\$	%	%	%
2020	4	%	%	\$	%	\$	%	%	%
2020	Annual	%	%	\$	%	\$	%	%	%
2021	1	%	%	\$	%	\$	%	%	%
2021	2	%	%	\$	%	\$	%	%	%
2021	3	%	%	\$	%	\$	%	%	%
2021	4	%	%	\$	%	\$	%	%	%
2021	Annual	%	%	\$	%	\$	%	%	%
2022	1	%	%	\$	%	\$	%	%	%
2022	2	%	%	\$	%	\$	%	%	%
2022	3	%	%	\$	%	\$	%	%	%
2022	4	%	%	\$	%	\$	%	%	%
2022	Annual	%	%	\$	%	\$	%	%	%
2023	1	%	%	\$	%	\$	%	%	%
2023	2	%	%	\$	%	\$	%	%	%
2023	3	%	%	\$	%	\$	%	%	%
2023F	4	%	%	\$	%	\$	%	%	%
2023F	Annual	%	%	\$	%	\$	%	%	%
2024F	Annual	%	%	\$	%	\$	%	%	%
2025F	Annual	%	%	\$	%	\$	%	%	%
2026F	Annual	%	%	\$	%	\$	%	%	%
2027F	Annual	%	%	\$	%	\$	%	%	%
2022 3Q	Year to Date	%	%	\$	%	\$	%	%	%
2023 3Q	Year to Date	%	%	\$	%	\$	%	%	%
2023 3Q	Trailing 4 Qtrs	%	%	\$	%	\$	%	%	%

Source: CBRE Hotels Research, Kimbly Lab.

All US Hotels - Operating Performance

Year-Over-Year Change – YTD

Dollars Per Available Room (%)



Source: CBRE Hotels, From total sample of 2,450 U.S. hotels submitting monthly P&L information.

For a more comparable and detailed financial comparison, we recommend a *BenchmarkSM* report.
Please contact Robert Mandelbaum at +1 404 812 5187 for more information.

National Forecast - Luxury Hotels

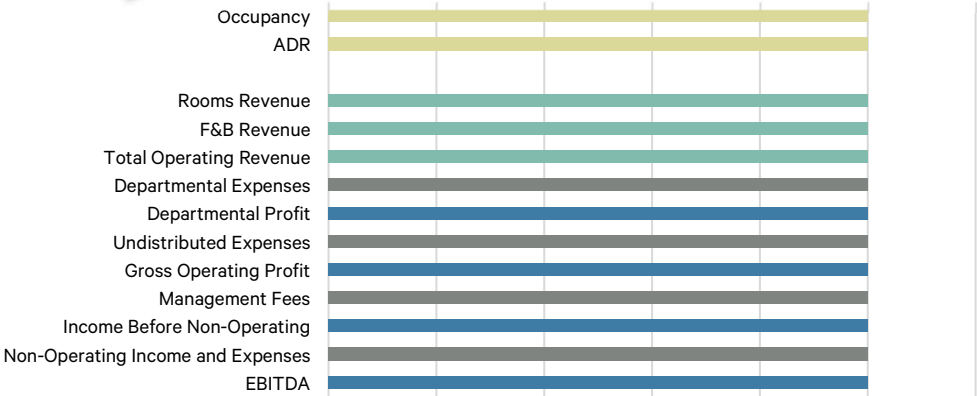
Year	Period	Occ	Δ Occ	ADR	Δ ADR	RevPAR	Δ RevPAR	Δ Supply	Δ Demand
2018	Annual	%	%	\$	%	\$	%	%	%
2019	Annual	%	%	\$	%	\$	%	%	%
2020	1	%	%	\$	%	\$	%	%	%
2020	2	%	%	\$	%	\$	%	%	%
2020	3	%	%	\$	%	\$	%	%	%
2020	4	%	%	\$	%	\$	%	%	%
2020	Annual	%	%	\$	%	\$	%	%	%
2021	1	%	%	\$	%	\$	%	%	%
2021	2	%	%	\$	%	\$	%	%	%
2021	3	%	%	\$	%	\$	%	%	%
2021	4	%	%	\$	%	\$	%	%	%
2021	Annual	%	%	\$	%	\$	%	%	%
2022	1	%	%	\$	%	\$	%	%	%
2022	2	%	%	\$	%	\$	%	%	%
2022	3	%	%	\$	%	\$	%	%	%
2022	4	%	%	\$	%	\$	%	%	%
2022	Annual	%	%	\$	%	\$	%	%	%
2023	1	%	%	\$	%	\$	%	%	%
2023	2	%	%	\$	%	\$	%	%	%
2023	3	%	%	\$	%	\$	%	%	%
2023F	4	%	%	\$	%	\$	%	%	%
2023F	Annual	%	%	\$	%	\$	%	%	%
2024F	Annual	%	%	\$	%	\$	%	%	%
2025F	Annual	%	%	\$	%	\$	%	%	%
2026F	Annual	%	%	\$	%	\$	%	%	%
2027F	Annual	%	%	\$	%	\$	%	%	%
2022 3Q	Year to Date	%	%	\$	%	\$	%	%	%
2023 3Q	Year to Date	%	%	\$	%	\$	%	%	%
2023 3Q	Trailing 4 Qtrs	%	%	\$	%	\$	%	%	%

Source: CBRE Hotels Research, Kimbri Lab.

Luxury Hotels - Operating Performance

Year-Over-Year Change – YTD

Dollars Per Available Room (%)



Source: CBRE Hotels, From total sample of 2,550 U.S. hotels submitting monthly P&L information.

For a more comparable and detailed financial comparison, we recommend a *Benchmarker*SM report.
Please contact Robert Mandelbaum at +1 404 812 5187 for more information.

National Forecast - Upper Upscale Hotels

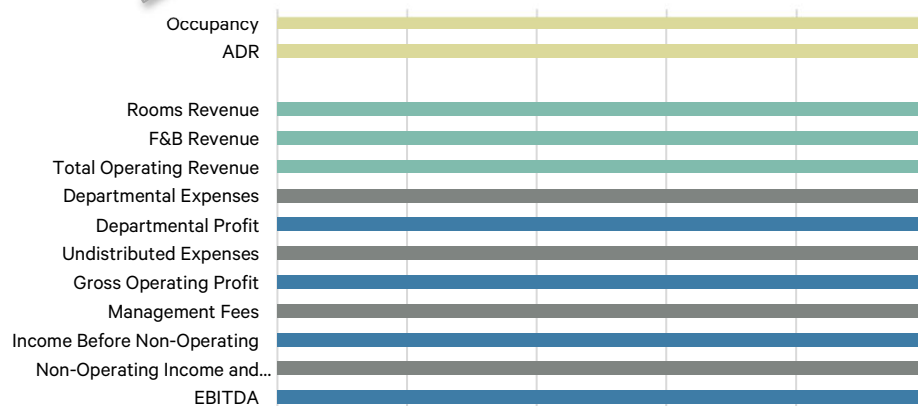
Year	Period	Occ	Δ Occ	ADR	Δ ADR	RevPAR	Δ RevPAR	Δ Supply	Δ Demand
2018	Annual	%	%	\$	%	\$	%	%	%
2019	Annual	%	%	\$	%	\$	%	%	%
2020	1	%	%	\$	%	\$	%	%	%
2020	2	%	%	\$	%	\$	%	%	%
2020	3	%	%	\$	%	\$	%	%	%
2020	4	%	%	\$	%	\$	%	%	%
2020	Annual	%	%	\$	%	\$	%	%	%
2021	1	%	%	\$	%	\$	%	%	%
2021	2	%	%	\$	%	\$	%	%	%
2021	3	%	%	\$	%	\$	%	%	%
2021	4	%	%	\$	%	\$	%	%	%
2021	Annual	%	%	\$	%	\$	%	%	%
2022	1	%	%	\$	%	\$	%	%	%
2022	2	%	%	\$	%	\$	%	%	%
2022	3	%	%	\$	%	\$	%	%	%
2022	4	%	%	\$	%	\$	%	%	%
2022	Annual	%	%	\$	%	\$	%	%	%
2023	1	%	%	\$	%	\$	%	%	%
2023	2	%	%	\$	%	\$	%	%	%
2023	3	%	%	\$	%	\$	%	%	%
2023F	4	%	%	\$	%	\$	%	%	%
2023F	Annual	%	%	\$	%	\$	%	%	%
2024F	Annual	%	%	\$	%	\$	%	%	%
2025F	Annual	%	%	\$	%	\$	%	%	%
2026F	Annual	%	%	\$	%	\$	%	%	%
2027F	Annual	%	%	\$	%	\$	%	%	%
2022 3Q	Year to Date	%	%	\$	%	\$	%	%	%
2023 3Q	Year to Date	%	%	\$	%	\$	%	%	%
2023 3Q	Trailing 4 Qtrs	%	%	\$	%	\$	%	%	%

Source: CBRE Hotels Research, Kimbri Labs

Upper Upscale Hotels - Operating Performance

Year-Over-Year Change – YTD

Dollars Per Available Room (%)



Source: CBRE Hotels, From total sample of 2,550 U.S. hotels submitting monthly P&L information.

For a more comparable and detailed financial comparison, we recommend a **BenchmarkSM** report.
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National Forecast - Upscale Hotels

Year	Period	Occ	Δ Occ	ADR	Δ ADR	RevPAR	Δ RevPAR	Δ Supply	Δ Demand
2018	Annual	%	%	\$	%	\$	%	%	%
2019	Annual	%	%	\$	%	\$	%	%	%
2020	1	%	%	\$	%	\$	%	%	%
2020	2	%	%	\$	%	\$	%	%	%
2020	3	%	%	\$	%	\$	%	%	%
2020	4	%	%	\$	%	\$	%	%	%
2020	Annual	%	%	\$	%	\$	%	%	%
2021	1	%	%	\$	%	\$	%	%	%
2021	2	%	%	\$	%	\$	%	%	%
2021	3	%	%	\$	%	\$	%	%	%
2021	4	%	%	\$	%	\$	%	%	%
2021	Annual	%	%	\$	%	\$	%	%	%
2022	1	%	%	\$	%	\$	%	%	%
2022	2	%	%	\$	%	\$	%	%	%
2022	3	%	%	\$	%	\$	%	%	%
2022	4	%	%	\$	%	\$	%	%	%
2022	Annual	%	%	\$	%	\$	%	%	%
2023	1	%	%	\$	%	\$	%	%	%
2023	2	%	%	\$	%	\$	%	%	%
2023	3	%	%	\$	%	\$	%	%	%
2023F	4	%	%	\$	%	\$	%	%	%
2023F	Annual	%	%	\$	%	\$	%	%	%
2024F	Annual	%	%	\$	%	\$	%	%	%
2025F	Annual	%	%	\$	%	\$	%	%	%
2026F	Annual	%	%	\$	%	\$	%	%	%
2027F	Annual	%	%	\$	%	\$	%	%	%
2022 3Q	Year to Date	%	%	\$	%	\$	%	%	%
2023 3Q	Year to Date	%	%	\$	%	\$	%	%	%
2023 3Q	Trailing 4 Qtrs	%	%	\$	%	\$	%	%	%

Source: CBRE Hotels Research, Kimbri Labs

Upscale Hotels - Operating Performance

Year-Over-Year Change – YTD

Dollars Per Available Room (%)



Source: CBRE Hotels, From total sample of 2,550 U.S. hotels submitting monthly P&L information.

For a more comparable and detailed financial comparison, we recommend a *BenchmarkSM* report.
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National Forecast - Upper Midscale Hotels

Year	Period	Occ	Δ Occ	ADR	Δ ADR	RevPAR	Δ RevPAR	Δ Supply	Δ Demand
2018	Annual	%	%	\$	%	\$	%	%	%
2019	Annual	%	%	\$	%	\$	%	%	%
2020	1	%	%	\$	%	\$	%	%	%
2020	2	%	%	\$	%	\$	%	%	%
2020	3	%	%	\$	%	\$	%	%	%
2020	4	%	%	\$	%	\$	%	%	%
2020	Annual	%	%	\$	%	\$	%	%	%
2021	1	%	%	\$	%	\$	%	%	%
2021	2	%	%	\$	%	\$	%	%	%
2021	3	%	%	\$	%	\$	%	%	%
2021	4	%	%	\$	%	\$	%	%	%
2021	Annual	%	%	\$	%	\$	%	%	%
2022	1	%	%	\$	%	\$	%	%	%
2022	2	%	%	\$	%	\$	%	%	%
2022	3	%	%	\$	%	\$	%	%	%
2022	4	%	%	\$	%	\$	%	%	%
2022	Annual	%	%	\$	%	\$	%	%	%
2023	1	%	%	\$	%	\$	%	%	%
2023	2	%	%	\$	%	\$	%	%	%
2023	3	%	%	\$	%	\$	%	%	%
2023F	4	%	%	\$	%	\$	%	%	%
2023F	Annual	%	%	\$	%	\$	%	%	%
2024F	Annual	%	%	\$	%	\$	%	%	%
2025F	Annual	%	%	\$	%	\$	%	%	%
2026F	Annual	%	%	\$	%	\$	%	%	%
2027F	Annual	%	%	\$	%	\$	%	%	%
2022 3Q	Year to Date	%	%	\$	%	\$	%	%	%
2023 3Q	Year to Date	%	%	\$	%	\$	%	%	%
2023 3Q	Trailing 4 Qtrs	%	%	\$	%	\$	%	%	%

Source: CBRE Hotels Research, Kimbly Lab.

Upper Midscale Hotels - Operating Performance

Year-Over-Year Change – YTD

Dollars Per Available Room (%)



Source: CBRE Hotels, From total sample of 2,550 U.S. hotels submitting monthly P&L information.

For a more comparable and detailed financial comparison, we recommend a *BenchmarkSM* report.
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National Forecast - Midscale Hotels

Year	Period	Occ	Δ Occ	ADR	Δ ADR	RevPAR	Δ RevPAR	Δ Supply	Δ Demand
2018	Annual	%	%	\$	%	\$	%	%	%
2019	Annual	%	%	\$	%	\$	%	%	%
2020	1	%	%	\$	%	\$	%	%	%
2020	2	%	%	\$	%	\$	%	%	%
2020	3	%	%	\$	%	\$	%	%	%
2020	4	%	%	\$	%	\$	%	%	%
2020	Annual	%	%	\$	%	\$	%	%	%
2021	1	%	%	\$	%	\$	%	%	%
2021	2	%	%	\$	%	\$	%	%	%
2021	3	%	%	\$	%	\$	%	%	%
2021	4	%	%	\$	%	\$	%	%	%
2021	Annual	%	%	\$	%	\$	%	%	%
2022	1	%	%	\$	%	\$	%	%	%
2022	2	%	%	\$	%	\$	%	%	%
2022	3	%	%	\$	%	\$	%	%	%
2022	4	%	%	\$	%	\$	%	%	%
2022	Annual	%	%	\$	%	\$	%	%	%
2023	1	%	%	\$	%	\$	%	%	%
2023	2	%	%	\$	%	\$	%	%	%
2023	3	%	%	\$	%	\$	%	%	%
2023F	4	%	%	\$	%	\$	%	%	%
2023F	Annual	%	%	\$	%	\$	%	%	%
2024F	Annual	%	%	\$	%	\$	%	%	%
2025F	Annual	%	%	\$	%	\$	%	%	%
2026F	Annual	%	%	\$	%	\$	%	%	%
2027F	Annual	%	%	\$	%	\$	%	%	%
2022 3Q	Year to Date	%	%	\$	%	\$	%	%	%
2023 3Q	Year to Date	%	%	\$	%	\$	%	%	%
2023 3Q	Trailing 4 Qtrs	%	%	\$	%	\$	%	%	%

Source: CBRE Hotels Research, Kimbri Lab.

Midscale/Economy Hotels - Operating Performance

Year-Over-Year Change – YTD

Dollars Per Available Room (%)



Source: CBRE Hotels, From total sample of 2,550 U.S. hotels submitting monthly P&L information.

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National Forecast - Economy Hotels

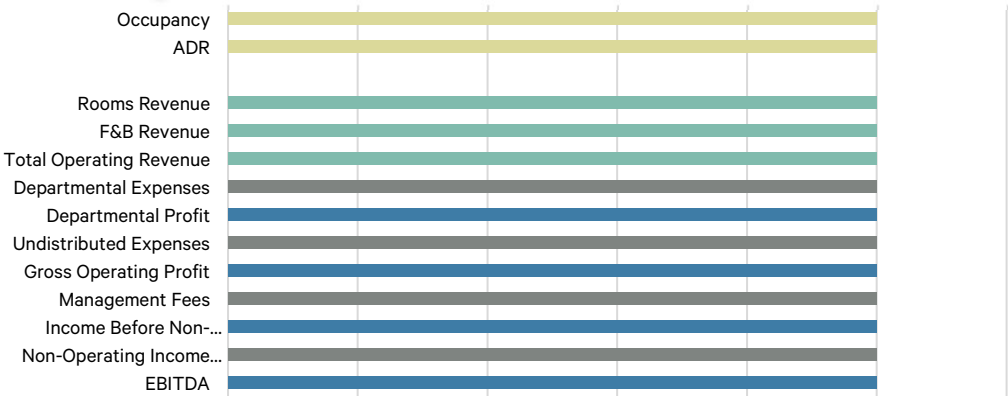
Year	Period	Occ	Δ Occ	ADR	Δ ADR	RevPAR	Δ RevPAR	Δ Supply	Δ Demand
2018	Annual	%	%	\$	%	\$	%	%	%
2019	Annual	%	%	\$	%	\$	%	%	%
2020	1	%	%	\$	%	\$	%	%	%
2020	2	%	%	\$	%	\$	%	%	%
2020	3	%	%	\$	%	\$	%	%	%
2020	4	%	%	\$	%	\$	%	%	%
2020	Annual	%	%	\$	%	\$	%	%	%
2021	1	%	%	\$	%	\$	%	%	%
2021	2	%	%	\$	%	\$	%	%	%
2021	3	%	%	\$	%	\$	%	%	%
2021	4	%	%	\$	%	\$	%	%	%
2021	Annual	%	%	\$	%	\$	%	%	%
2022	1	%	%	\$	%	\$	%	%	%
2022	2	%	%	\$	%	\$	%	%	%
2022	3	%	%	\$	%	\$	%	%	%
2022	4	%	%	\$	%	\$	%	%	%
2022	Annual	%	%	\$	%	\$	%	%	%
2023	1	%	%	\$	%	\$	%	%	%
2023	2	%	%	\$	%	\$	%	%	%
2023	3	%	%	\$	%	\$	%	%	%
2023F	4	%	%	\$	%	\$	%	%	%
2023F	Annual	%	%	\$	%	\$	%	%	%
2024F	Annual	%	%	\$	%	\$	%	%	%
2025F	Annual	%	%	\$	%	\$	%	%	%
2026F	Annual	%	%	\$	%	\$	%	%	%
2027F	Annual	%	%	\$	%	\$	%	%	%
2022 3Q	Year to Date	%	%	\$	%	\$	%	%	%
2023 3Q	Year to Date	%	%	\$	%	\$	%	%	%
2023 3Q	Trailing 4 Qtrs	%	%	\$	%	\$	%	%	%

Source: CBRE Hotels Research, Kimbri Lab.

Economy/Midscale Hotels - Operating Performance

Year-Over-Year Change – YTD

Dollars Per Available Room (%)



Source: CBRE Hotels, From total sample of 2,550 U.S. hotels submitting monthly P&L information.

For a more comparable and detailed financial comparison, we recommend a *Benchmarker*SM report.
Please contact Robert Mandelbaum at +1 404 812 5187 for more information.

National Guest-Paid ADR* by Chain Scale

Chain Segment	2019	2020	2021	2022	YTD	YTD	Trailing 4 Qtrs
					2022 Q3	2023 Q3	2023 Q3
All US	\$	\$	\$	\$	\$	\$	\$
Luxury	\$	\$	\$	\$	\$	\$	\$
Upper Upscale	\$	\$	\$	\$	\$	\$	\$
Upscale	\$	\$	\$	\$	\$	\$	\$
Upper Midscale	\$	\$	\$	\$	\$	\$	\$
Midscale	\$	\$	\$	\$	\$	\$	\$
Economy	\$	\$	\$	\$	\$	\$	\$

Change in National Guest-Paid ADR* by Chain Scale

Chain Segment	2019	2020	2021	2022	YTD	YTD	Trailing 4 Qtrs
					2022 Q3	2023 Q3	2023 Q3
All US	%	%	%	%	%	%	%
Luxury	%	%	%	%	%	%	%
Upper Upscale	%	%	%	%	%	%	%
Upscale	%	%	%	%	%	%	%
Upper Midscale	%	%	%	%	%	%	%
Midscale	%	%	%	%	%	%	%
Economy	%	%	%	%	%	%	%

*Based on the total room revenue paid by guests, inclusive of taxes, franchise-sponsor and direct reservation costs.

Source: Kalibri Labs

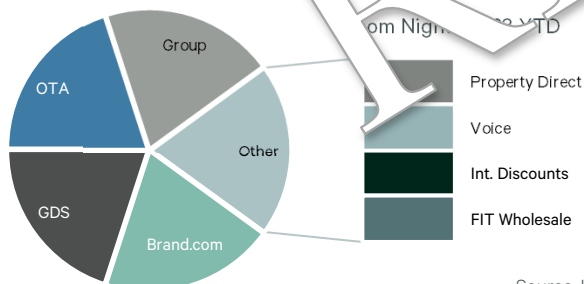
National Length of Stay by Chain Scale (Nights)

Year	Period	All Hotels	Luxury	Upper Upscale	Upscale	Upper Midscale	Midscale	Economy
2021	Annual	#	#	#	#	#	#	#
2022	Annual	#	#	#	#	#	#	#
2022	Year to Date	#	#	#	#	#	#	#
2023 Q3	Year to Date	#	#	#	#	#	#	#

Source: Kalibri Labs

National Room Nights and ADR by Chain Scale, Source of Business

Luxury Hotels

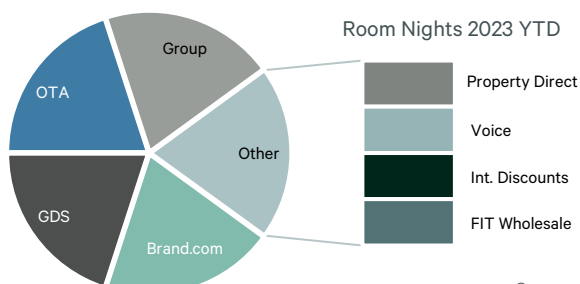


Room Nights by Source of Business

ADR by Source of Business

Source	2022 YTD	2023 YTD	2022 YTD	2023 YTD
Brand.com			\$	\$
Property Direct			\$	\$
Voice			\$	\$
Internal Discounts			\$	\$
GDS			\$	\$
FIT Wholesale			\$	\$
OTA			\$	\$
Group			\$	\$

Upper Upscale Hotels



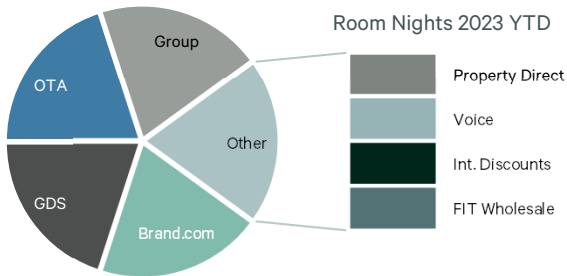
Room Nights by Source of Business

ADR by Source of Business

Source	2022 YTD	2023 YTD	2022 YTD	2023 YTD
Brand.com			\$	\$
Property Direct			\$	\$
Voice			\$	\$
Internal Discounts			\$	\$
GDS			\$	\$
FIT Wholesale			\$	\$
OTA			\$	\$
Group			\$	\$

National Room Nights and ADR by Chain Scale - Source of Business

Upscale Hotels

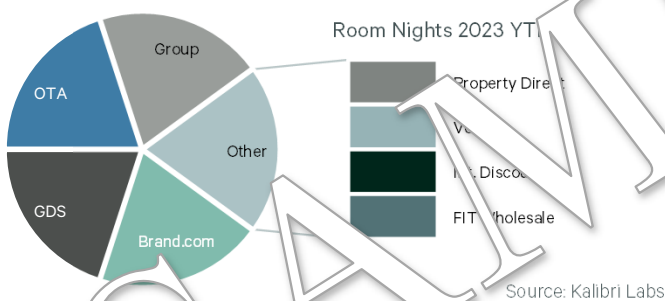


Room Nights by Source of Business

Source	2022 YTD	2023 YTD	2022 YTD	2023 YTD
Brand.com			\$	\$
Property Direct			\$	\$
Voice			\$	\$
Internal Discounts			\$	\$
GDS			\$	\$
FIT Wholesale			\$	\$
OTA			\$	\$
Group			\$	\$

ADR by Source of Business

Upper Midscale Hotels

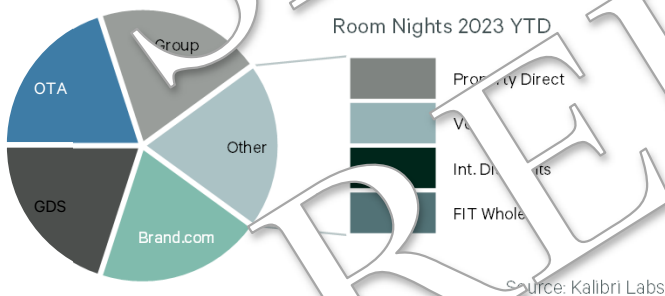


Room Nights by Source of Business

Source	2022 YTD	2023 YTD	2022 YTD	2023 YTD
Brand.com			\$	\$
Property Direct			\$	\$
Voice			\$	\$
Internal Discounts			\$	\$
GDS			\$	\$
FIT Wholesale			\$	\$
OTA			\$	\$
Group			\$	\$

ADR by Source of Business

Midscale Hotels

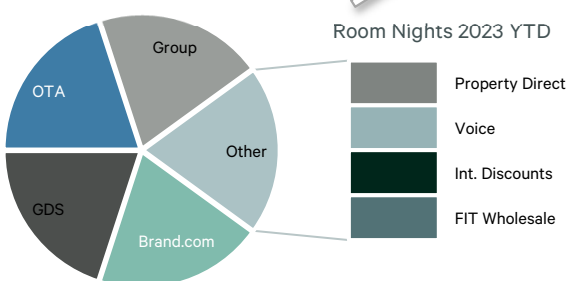


Room Nights by Source of Business

Source	2022 YTD	2023 YTD	2022 YTD	2023 YTD
Brand.com			\$	\$
Property Direct			\$	\$
Voice			\$	\$
Internal Discounts			\$	\$
GDS			\$	\$
FIT Wholesale			\$	\$
OTA			\$	\$
Group			\$	\$

ADR by Source of Business

Economy Hotels



Room Nights by Source of Business

Source	2022 YTD	2023 YTD	2022 YTD	2023 YTD
Brand.com			\$	\$
Property Direct			\$	\$
Voice			\$	\$
Internal Discounts			\$	\$
GDS			\$	\$
FIT Wholesale			\$	\$
OTA			\$	\$
Group			\$	\$

ADR by Source of Business

Property Direct: Transient bookings sold directly by property

Voice: Transient bookings sold via call centers

GDS: Transient bookings sold via global distribution systems

OTA: Transient bookings sold by an online travel agent

Brand.com: Transient bookings sold via property or brand's website

Internal Discounts: Complimentary, barter, employee, friends & family, loyalty program, house use, permanent rooms, etc.

FIT/Wholesale: Transient bookings sold via wholesalers

Group: Bookings of multiple guests rooms under the same booking, with a group rate

National Forecasts by Location Classification

National Forecast - Urban

Properties located in the Central Business District of a metropolitan area. Frequently the location of the convention center.

Year	Period	Occ	Δ Occ	ADR	Δ ADR	RevPAR	Δ RevPAR	Δ Supply	Δ Demand
2018	Annual	%	%	\$	%	\$	%	%	%
2019	Annual	%	%	\$	%	\$	%	%	%
2020	Annual	%	%	\$	%	\$	%	%	%
2021	Annual	%	%	\$	%	\$	%	%	%
2022	1	%	%	\$	%	\$	%	%	%
2022	2	%	%	\$	%	\$	%	%	%
2022	3	%	%	\$	%	\$	%	%	%
2022	4	%	%	\$	%	\$	%	%	%
2022	Annual	%	%	\$	%	\$	%	%	%
2023	1	%	%	\$	%	\$	%	%	%
2023	2	%	%	\$	%	\$	%	%	%
2023	3	%	%	\$	%	\$	%	%	%
2023F	4	%	%	\$	%	\$	%	%	%
2023F	Annual	%	%	\$	%	\$	%	%	%
2024F	Annual	%	%	\$	%	\$	%	%	%
2025F	Annual	%	%	\$	%	\$	%	%	%
2026F	Annual	%	%	\$	%	\$	%	%	%
2027F	Annual	%	%	\$	%	\$	%	%	%
2022 3Q	Year to Date	%	%	\$	%	\$	%	%	%
2023 3Q	Year to Date	%	%	\$	%	\$	%	%	%
2023 3Q	Trailing 4 Qtrs	%	%	\$	%	\$	%	%	%

Source: CBRE Hotels Research, Kalibri Labs

National Forecast - Suburban

Properties located within a metropolitan market, but not in the Central Business District.

Year	Period	Occ	Δ Occ	ADR	Δ ADR	RevPAR	Δ RevPAR	Δ Supply	Δ Demand
2018	Annual	%	%	\$	%	\$	%	%	%
2019	Annual	%	%	\$	%	\$	%	%	%
2020	Annual	%	%	\$	%	\$	%	%	%
2021	Annual	%	%	\$	%	\$	%	%	%
2022	1	%	%	\$	%	\$	%	%	%
2022	2	%	%	\$	%	\$	%	%	%
2022	3	%	%	\$	%	\$	%	%	%
2022	4	%	%	\$	%	\$	%	%	%
2022	Annual	%	%	\$	%	\$	%	%	%
2023	1	%	%	\$	%	\$	%	%	%
2023	2	%	%	\$	%	\$	%	%	%
2023	3	%	%	\$	%	\$	%	%	%
2023F	4	%	%	\$	%	\$	%	%	%
2023F	Annual	%	%	\$	%	\$	%	%	%
2024F	Annual	%	%	\$	%	\$	%	%	%
2025F	Annual	%	%	\$	%	\$	%	%	%
2026F	Annual	%	%	\$	%	\$	%	%	%
2027F	Annual	%	%	\$	%	\$	%	%	%
2022 3Q	Year to Date	%	%	\$	%	\$	%	%	%
2023 3Q	Year to Date	%	%	\$	%	\$	%	%	%
2023 3Q	Trailing 4 Qtrs	%	%	\$	%	\$	%	%	%

Source: CBRE Hotels Research, Kalibri Labs

National Forecasts by Location Classification

National Forecast - Airport

Properties located proximate to an airport, but not necessarily on airport grounds.

Year	Period	Occ	Δ Occ	ADR	Δ ADR	RevPAR	Δ RevPAR	Δ Supply	Δ Demand
2018	Annual	%	%	\$	%	\$	%	%	%
2019	Annual	%	%	\$	%	\$	%	%	%
2020	Annual	%	%	\$	%	\$	%	%	%
2021	Annual	%	%	\$	%	\$	%	%	%
2022	1	%	%	\$	%	\$	%	%	%
2022	2	%	%	\$	%	\$	%	%	%
2022	3	%	%	\$	%	\$	%	%	%
2022	4	%	%	\$	%	\$	%	%	%
2022	Annual	%	%	\$	%	\$	%	%	%
2023	1	%	%	\$	%	\$	%	%	%
2023	2	%	%	\$	%	\$	%	%	%
2023	3	%	%	\$	%	\$	%	%	%
2023F	4	%	%	\$	%	\$	%	%	%
2023F	Annual	%	%	\$	%	\$	%	%	%
2024F	Annual	%	%	\$	%	\$	%	%	%
2025F	Annual	%	%	\$	%	\$	%	%	%
2026F	Annual	%	%	\$	%	\$	%	%	%
2027F	Annual	%	%	\$	%	\$	%	%	%
2022 3Q	Year to Date	%	%	\$	%	\$	%	%	%
2023 3Q	Year to Date	%	%	\$	%	\$	%	%	%
2023 3Q	Trailing 4 Qtrs	%	%	\$	%	\$	%	%	%

Source: CBRE Hotels Research, Kalibri Labs

National Forecast - Small City / Town

Properties located in low-density metropolitan areas. Rural/Interstate and Resort locations are not included in this category.

Year	Period	Occ	Δ Occ	ADR	Δ ADR	RevPAR	Δ RevPAR	Δ Supply	Δ Demand
2018	Annual	%	%	\$	%	\$	%	%	%
2019	Annual	%	%	\$	%	\$	%	%	%
2020	Annual	%	%	\$	%	\$	%	%	%
2021	Annual	%	%	\$	%	\$	%	%	%
2022	1	%	%	\$	%	\$	%	%	%
2022	2	%	%	\$	%	\$	%	%	%
2022	3	%	%	\$	%	\$	%	%	%
2022	4	%	%	\$	%	\$	%	%	%
2022	Annual	%	%	\$	%	\$	%	%	%
2023	1	%	%	\$	%	\$	%	%	%
2023	2	%	%	\$	%	\$	%	%	%
2023	3	%	%	\$	%	\$	%	%	%
2023F	4	%	%	\$	%	\$	%	%	%
2023F	Annual	%	%	\$	%	\$	%	%	%
2024F	Annual	%	%	\$	%	\$	%	%	%
2025F	Annual	%	%	\$	%	\$	%	%	%
2026F	Annual	%	%	\$	%	\$	%	%	%
2027F	Annual	%	%	\$	%	\$	%	%	%
2022 3Q	Year to Date	%	%	\$	%	\$	%	%	%
2023 3Q	Year to Date	%	%	\$	%	\$	%	%	%
2023 3Q	Trailing 4 Qtrs	%	%	\$	%	\$	%	%	%

Source: CBRE Hotels Research, Kalibri Labs

National Forecasts by Location Classification

National Forecast - Resort / Destination

Properties located in markets where the primary source of demand is leisure oriented.

Year	Period	Occ	Δ Occ	ADR	Δ ADR	RevPAR	Δ RevPAR	Δ Supply	Δ Demand
2018	Annual	%	%	\$	%	\$	%	%	%
2019	Annual	%	%	\$	%	\$	%	%	%
2020	Annual	%	%	\$	%	\$	%	%	%
2021	Annual	%	%	\$	%	\$	%	%	%
2022	1	%	%	\$	%	\$	%	%	%
2022	2	%	%	\$	%	\$	%	%	%
2022	3	%	%	\$	%	\$	%	%	%
2022	4	%	%	\$	%	\$	%	%	%
2022	Annual	%	%	\$	%	\$	%	%	%
2023	1	%	%	\$	%	\$	%	%	%
2023	2	%	%	\$	%	\$	%	%	%
2023	3	%	%	\$	%	\$	%	%	%
2023F	4	%	%	\$	%	\$	%	%	%
2023F	Annual	%	%	\$	%	\$	%	%	%
2024F	Annual	%	%	\$	%	\$	%	%	%
2025F	Annual	%	%	\$	%	\$	%	%	%
2026F	Annual	%	%	\$	%	\$	%	%	%
2027F	Annual	%	%	\$	%	\$	%	%	%
2022 3Q	Year to Date	%	%	\$	%	\$	%	%	%
2023 3Q	Year to Date	%	%	\$	%	\$	%	%	%
2023 3Q	Trailing 4 Qtrs	%	%	\$	%	\$	%	%	%

Source: CBRE Hotels Research, Kalibri Labs

National Forecast - Rural / Interstate

Properties located in remote rural areas, or adjacent to Interstate Highway

Year	Period	Occ	Δ Occ	ADR	Δ ADR	RevPAR	Δ RevPAR	Δ Supply	Δ Demand
2018	Annual	%	%	\$	%	\$	%	%	%
2019	Annual	%	%	\$	%	\$	%	%	%
2020	Annual	%	%	\$	%	\$	%	%	%
2021	Annual	%	%	\$	%	\$	%	%	%
2022	1	%	%	\$	%	\$	%	%	%
2022	2	%	%	\$	%	\$	%	%	%
2022	3	%	%	\$	%	\$	%	%	%
2022	4	%	%	\$	%	\$	%	%	%
2022	Annual	%	%	\$	%	\$	%	%	%
2023	1	%	%	\$	%	\$	%	%	%
2023	2	%	%	\$	%	\$	%	%	%
2023	3	%	%	\$	%	\$	%	%	%
2023F	4	%	%	\$	%	\$	%	%	%
2023F	Annual	%	%	\$	%	\$	%	%	%
2024F	Annual	%	%	\$	%	\$	%	%	%
2025F	Annual	%	%	\$	%	\$	%	%	%
2026F	Annual	%	%	\$	%	\$	%	%	%
2027F	Annual	%	%	\$	%	\$	%	%	%
2022 3Q	Year to Date	%	%	\$	%	\$	%	%	%
2023 3Q	Year to Date	%	%	\$	%	\$	%	%	%
2023 3Q	Trailing 4 Qtrs	%	%	\$	%	\$	%	%	%

Source: CBRE Hotels Research, Kalibri Labs

National Guest-Paid ADR* by Location Type

Chain Segment	2019	2020	2021	2022
All US	\$	\$	\$	\$
Urban	\$	\$	\$	\$
Suburban	\$	\$	\$	\$
Airport	\$	\$	\$	\$
Town	\$	\$	\$	\$
Resort	\$	\$	\$	\$
Interstate	\$	\$	\$	\$

Year to Date	Year to Date	Trailing 4 Qtrs
2022 Q3	2023 Q3	2023 Q3
\$	\$	\$
\$	\$	\$
\$	\$	\$
\$	\$	\$
\$	\$	\$
\$	\$	\$
\$	\$	\$

Change in National Guest-Paid ADR* by Location Type

Chain Segment	2019	2020	2021	2022
All US	%	%	%	%
Urban	%	%	%	%
Suburban	%	%	%	%
Airport	%	%	%	%
Town	%	%	%	%
Resort	%	%	%	%
Interstate	%	%	%	%

Year to Date	Year to Date	Trailing 4 Qtrs
2022 Q3	2023 Q3	2023 Q3
%	%	%
%	%	%
%	%	%
%	%	%
%	%	%
%	%	%
%	%	%

*Based on the total room revenue paid by guests, inclusive of transaction-s and direct reservation costs.

Source: Kalibri Labs

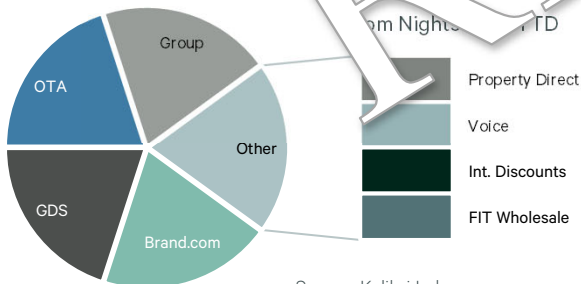
National Length of Stay by Location Type (Nights)

Year	Period	All Hotels	Urban	Suburban	Airport	Town	Resort	Interstate
2021	Annual	#	#	#	#	#	#	#
2022	Annual	#	#	#	#	#	#	#
2022 YTD	Year to Date	#	#	#	#	#	#	#
2023 Q3	Year to Date	#	#	#	#	#	#	#

Source: Kalibri Labs

National Room Nights and ADR by Location Type - Source of Business

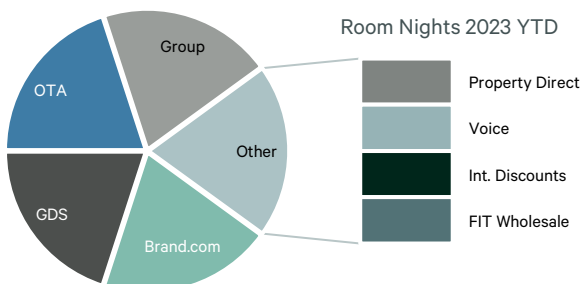
Urban Hotels



Room Nights by Source of Business

Source	2022 YTD	2023 YTD	2022 YTD	2023 YTD
Brand.com			\$	\$
Property Direct			\$	\$
Voice			\$	\$
Internal Discounts			\$	\$
GDS			\$	\$
FIT Wholesale			\$	\$
OTA			\$	\$
Group			\$	\$

Suburban Hotels

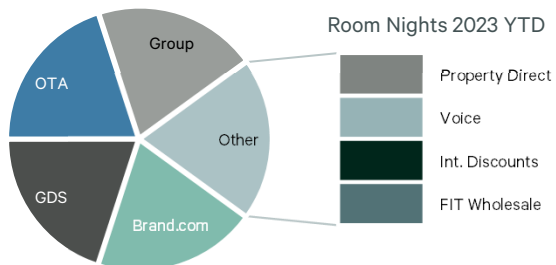


Room Nights by Source of Business

Room Nights by Source of Business			ADR by Source of Business	
Source	2022 YTD	2023 YTD	2022 YTD	2023 YTD
Brand.com			\$	\$
Property Direct			\$	\$
Voice			\$	\$
Internal Discounts			\$	\$
GDS			\$	\$
FIT Wholesale			\$	\$
OTA			\$	\$
Group			\$	\$

National Room Nights and ADR by Location Type - Source of Business

Airport Hotels

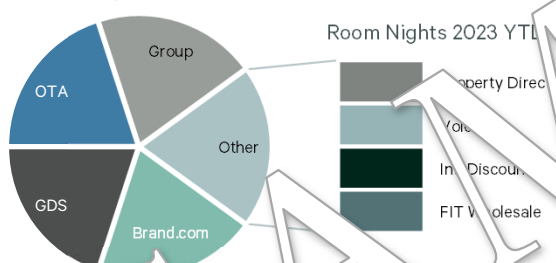


Room Nights by Source of Business

Source	2022 YTD	2023 YTD	2022 YTD	2023 YTD
Brand.com			\$	\$
Property Direct			\$	\$
Voice			\$	\$
Internal Discounts			\$	\$
GDS			\$	\$
FIT Wholesale			\$	\$
OTA			\$	\$
Group			\$	\$

ADR by Source of Business

Small City / Town

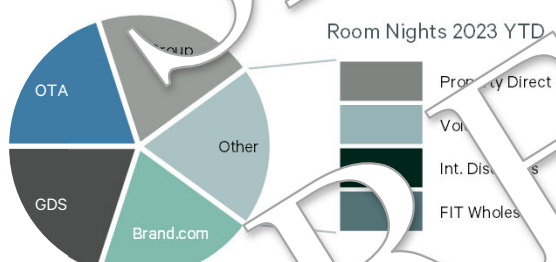


Room Nights by Source of Business

Source	2022 YTD	2023 YTD	2022 YTD	2023 YTD
Brand.com			\$	\$
Property Direct			\$	\$
Voice			\$	\$
Internal Discounts			\$	\$
GDS			\$	\$
FIT Wholesale			\$	\$
OTA			\$	\$
Group			\$	\$

ADR by Source of Business

Resort / Destination

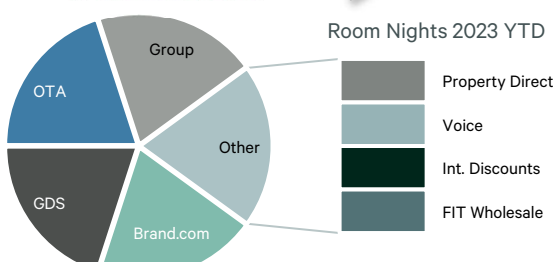


Room Nights by Source of Business

Source	2022 YTD	2023 YTD	2022 YTD	2023 YTD
Brand.com			\$	\$
Property Direct			\$	\$
Voice			\$	\$
Internal Discounts			\$	\$
GDS			\$	\$
FIT Wholesale			\$	\$
OTA			\$	\$
Group			\$	\$

ADR by Source of Business

Rural / Interstate Hotels



Room Nights by Source of Business

Source	2022 YTD	2023 YTD	2022 YTD	2023 YTD
Brand.com			\$	\$
Property Direct			\$	\$
Voice			\$	\$
Internal Discounts			\$	\$
GDS			\$	\$
FIT Wholesale			\$	\$
OTA			\$	\$
Group			\$	\$

ADR by Source of Business

Property Direct: Transient bookings sold directly by property

Voice: Transient bookings sold via call centers

GDS: Transient bookings sold via global distribution systems

OTA: Transient bookings sold by an online travel agent

Brand.com: Transient bookings sold via property or brand's website

Internal Discounts: Complimentary, barter, employee, friends & family, loyalty program, house use, permanent rooms, etc.

FIT/Wholesale: Transient bookings sold via wholesalers

Group: Bookings of multiple guests rooms under the same booking, with a group rate

National Short-Term Rental Summary

Below is an overview of short-term rental in the market. The estimates of short-term rental performance come from AirDNA, a firm that provides data and analytics for 4 million+ short-term rental listings worldwide. Figure 1 shows the total number of units available, sold and revenue generated during October 2022 – September 2023 along with the calculated Occupancy, Average Daily Rate (ADR), Revenue Per Available Room (RevPAR), and year-over-year growth rates. Figure 2 shows the percent of units and revenue by unit type. Figure 3 shows the average daily number of active short-term rental units by month. Figure 4 lists the ADRs broken down by unit types over the past 12 months. More detailed data on short-term rentals in your market can be purchased directly from AirDNA at airdna.co.

Fig. 1: Short-Term Rental Performance
Trailing 12 Months

Metric	2023	Y-o-Y Change
Occupancy	%	%
ADR	\$	%
RevPAR	\$	%
Available Supply	#	%
Units Sold	#	%
Total Revenue	\$	%

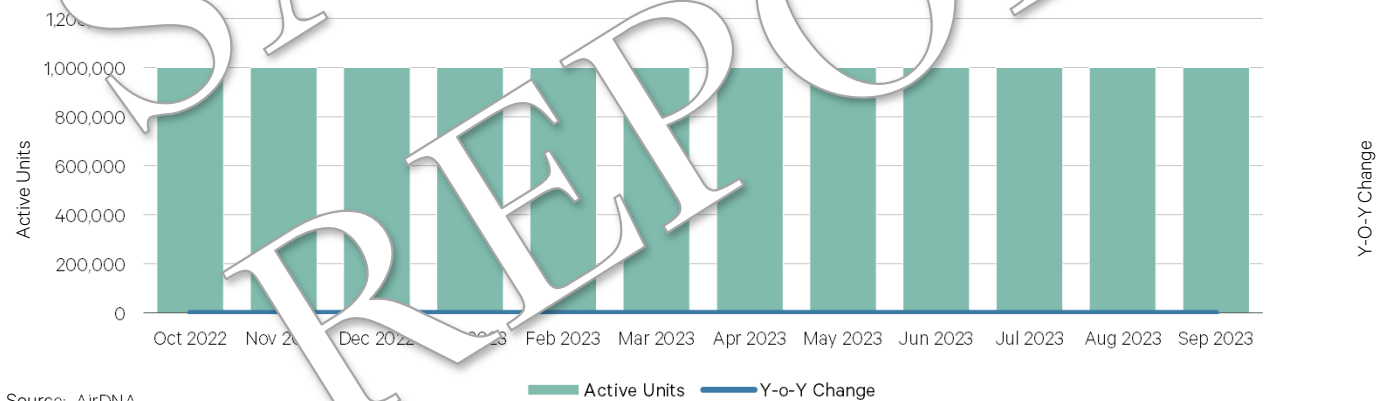
Source: AirDNA, CBRE Hotels Research

Fig. 2: Percent of Active Units and Revenue by Listing Type
2023 Trailing 12 Months



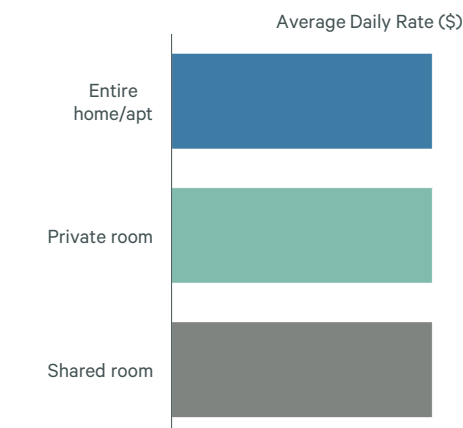
Source: AirDNA Q3 2023

Fig. 3: October 2022 – September 2023 Active/Available Units by Month



Source: AirDNA

Fig. 4: October 2022 – September 2023 ADRs by Unit Type



Source: AirDNA

Glossary

Active Units - A unit is considered active if it had at least one night sold during the month.

Available Units - Total number of listings available for booking on short-term rentals in that month.

Average Daily Rate (ADR) - The revenue collected divided by the units sold.

Unit Types:

Entire Home - The guest has complete and sole access to the entire unit during the stay.

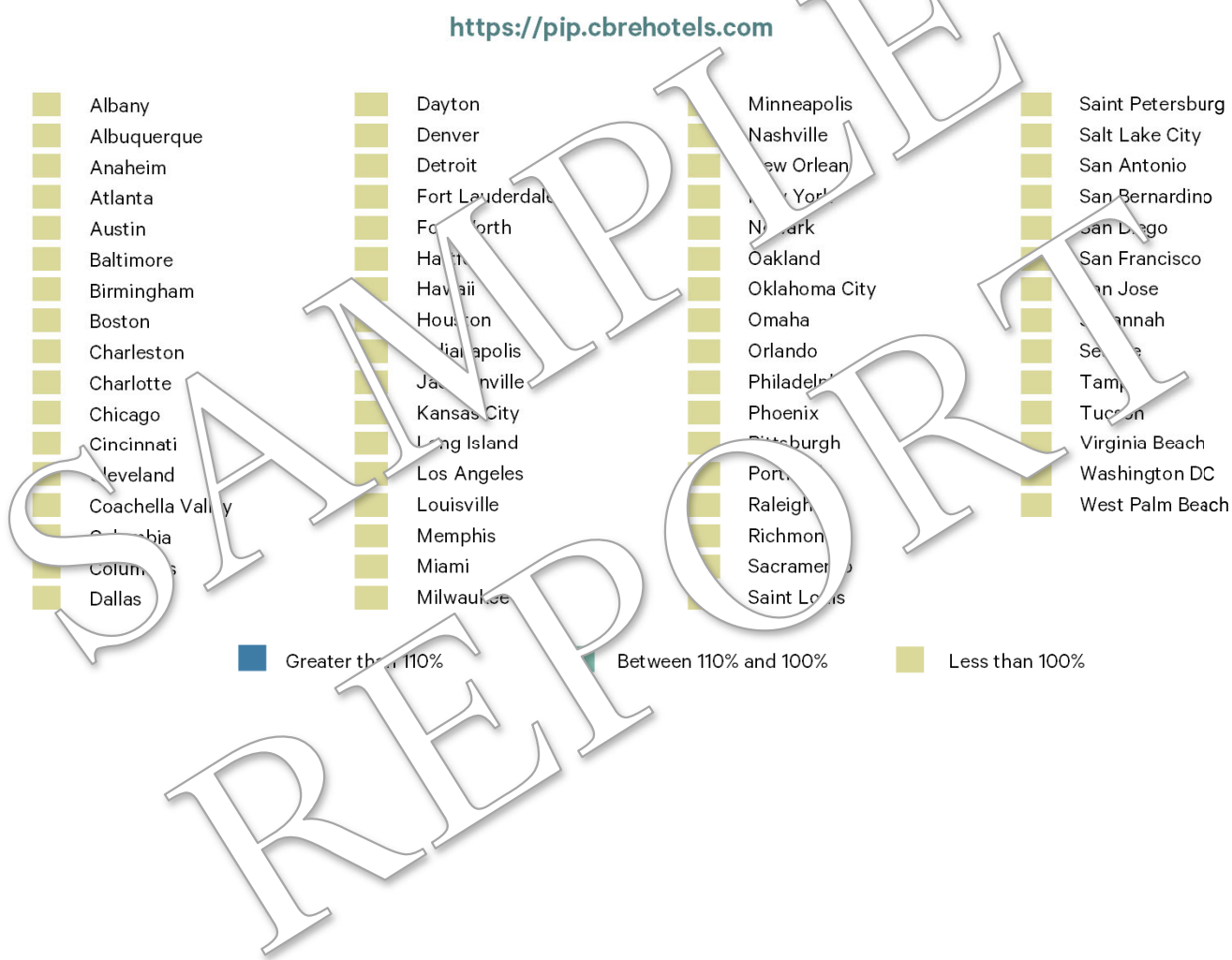
Private Room - The guest has their own sleeping area, but shares access to the unit common areas with others.

Shared Room - The guest rents a common area, like an airbed in a living room.

National Horizon Profile

Future Market Growth

This page showcases the CBRE Hotels Research Hotel Horizons® 65- city forecasting universe. The map below presents CBRE's forecasted 2024 RevPAR as a percent of 2019. This provides a glimpse of the pace of future market growth across the nation. Quarterly Hotel Horizons® reports are available for the nation and all the markets shown below.



Market Segments - Representative Brands

Luxury	Upper Upscale	Upscale	Upper Midscale	Midscale	Economy
JW Marriott	Marriott	Courtyard	Holiday Inn Express	Quality Inn	Super 8
InterContinental	Hilton	Residence Inn	Hampton Inn	Best Western	Motel 6
Loews	Sheraton Hotel	Doubletree	La Quinta Inn & Suites	Candlewood Suites	Days Inn
Ritz-Carlton	Hyatt Regency	Hilton Garden Inn	Fairfield Inn	Extended Stay America	Red Roof Inn

Exhibit Descriptions

Exhibits 1 - 4	Year-over-year change in Income, Employment, RevPAR, and Demand, displayed annually (Exhibits 1 and 2) and quarterly (Exhibits 3 and 4).
Exhibit 5	Historical vs. future Compound Average Annual Growth Rates (CAGR). $CAGR = (Ending\ Value / Beginning\ Value)^{(1/Total\ Years)} - 1$
Exhibits 6 - 10	Compound Average Annual Growth Rates (CAGR) for ADR, RevPAR, and Demand. Divided into historical and forecast periods by chain scale.
Exhibits 11 - 16	Index based change charts with base year 2018 = 100. These exhibits illustrate the magnitude of change displayed by each market segment.

Financial Benchmarks

The financial benchmarks presented in this report are based on data from CBRE Hotels Research's most recent analysis of hotel operating statements from 2,450 properties located across the nation.

How

CBRE Hotels Research prepares hotel market forecasts based on accepted econometric procedure and sound judgment. The product name for the CBRE Hotels forecasts is *Hotel Horizons®*. The two-stage process for producing the forecasts firstly involves econometric estimation of future hotel market activity and financial performance based on historical relationships between economic and hotel market variables; and secondly, a judgmental review of modeled outputs by experienced hotel market analysts. Our hotel industry expertise dates back to the 1930s. CBRE Hotels and others believe that errors in forecasting are minimized by relying on both data analytics and judgment.

Econometric Model

Econometric forecasting represents one of the most sophisticated approaches to gaining insight into future economic activity. Unlike some forecasting methods used in business practice, the models that underlie econometric forecasts contain variables based in economic theory. The forecasts come from historical relationships, similar to statistical correlations, among hotel market measures and economic variables. The measures for the variables come from actual market transactions involving individuals and firms interacting in the economy.

Positive Features of Econometric Models:

- The variables included in the models follow from economic theory.
- The relationships between variables are estimated with advanced statistical methods.
- The forecasts developed with econometric models are objectively determined, unlike forecasts based only on judgmental approaches.

Gaining insight into the futures of complicated economic environments requires the introduction of multi-level forecasting models. Several equations often need to be identified and estimated to model complex economic conditions such as the national economy. Multi-equation models have considerable appeal for economic forecasting because they explicitly recognize the interdependence of relationships commonly encountered in markets. Perhaps the best example of this type of model is one that involves both the demand side and the supply side of markets, in which prices of goods are set by the interaction of buyers and sellers. Thus, price appears as a variable in both the demand and supply equations.

The Equations

DEMAND: Demand for hotel rooms is primarily driven by the general level of economic activity in the nation or city, as measured by real personal income (RPI) and total employment (EMP). The demand model accordingly recognizes the fundamental relationship between room purchasing behavior and either growth or decline in the relevant economy. The RPI and EMP are highly correlated with, and subsume, most other measures of economic activity.

The data show that room demand does not completely adjust to changes in the economy during a single quarter. Some effects from changes in the economy during the current period will reverberate over subsequent quarters, suggesting that a given quarter's current level of room demand correlate with prior-quarter demand levels. Consequently, lodging demand is modeled as a function of past demand levels. Lagged real room rate (RADR) levels capture the price effects. Finally, the demand equation includes quarterly dummy indicators (Q) to capture the considerable fluctuations of lodging demand during different seasons.

SUPPLY: In historical lodging data, a strong relationship exists between growth in the supply of new hotel rooms and prior-period lodging market conditions. As with lodging demand, historical movements in seasonally adjusted supply growth suggest that the lodging supply adjustments in response to economic shocks do not occur instantaneously, but over several quarters. As a result of this slow adjustment process, current growth in supply is correlated with previous quarters' movements in supply. New hotel room growth is modeled as a function of past levels of new room growth, past RADR, and past occupancy levels.

For all markets, we use published and internally derived information about hotel project completion schedules to manually overwrite model estimates of room completions for the first six quarters of the forecast period. Hotel pipeline information is sourced from the Kalibri Labs and Dodge Data and Analytics pipeline reports, as well as from on-the-ground knowledge from many consultants and analysts in each market.

ADR: Historical ADR movements also suggest non-instantaneous adjustments and a strong correlation with room supply in the market. Equation (3), which estimates RADR, therefore defines RADR as a function of past real room rates and contemporaneous occupancy levels. The ADR equation also includes quarterly dummy indicators to control for seasonal variation in rates.

Judgmental Intervention

A committee of hotel experts from CBRE Hotels performs a thorough review of each model prediction. These assessments are made by locally-based hotel experts working in the various offices around the U.S. The quarterly forecasts for the current and forecast period years are subject to review. The committee modifies the model's market prediction when there is compelling evidence that factors have come into play that the model could not possibly foresee. A Super Bowl-type event, as an extreme example, would cause the committee's forecast to differ noticeably from the model's prediction—not only in the city in which the event will occur, but also competing cities within the region. In most instances, however, the committee either defers to the model prediction or makes modest adjustments.

Kalibri Labs Terminology

Full list of definitions available at: <https://pip.cbrehotels.com/about-us/kalibri-faqs>

Guest-Paid ADR	Average daily rate based on the total room revenue paid by guests, inclusive of all transaction-specific direct reservation costs. Guest-paid ADR is higher than traditional hotel-reported ADR because it's calculated using the room revenue paid by customers to hotels and intermediaries, inclusive of the wholesale commissions for intermediated stays, not listed in P&L statements.
Guest-Paid RevPAR	Revenue per available room based on the total room revenue paid by guests, inclusive of all transaction-specific direct reservation costs. Guest-paid RevPAR is higher than traditional hotel-reported RevPAR because it's calculated using the room revenue paid by customers to hotels and intermediaries, inclusive of the wholesale commissions for intermediated stays that are not listed in a P&L statement.
Hotel-Collected ADR	Average daily rate based on the total room revenue reported by hotels. It includes all booking costs, and it excludes all the wholesale commissions for intermediated stays, not listed in P&L statements.
Hotel-Collected RevPAR	Revenue per available room based on the total room revenue reported by hotels, inclusive of all transaction-specific direct reservation costs, excluding wholesale commissions for intermediated stays that not listed in P&L statements.
Length of Stay	A stay at a hotel by a guest represents the number of check-ins. Each reservation can span multiple nights based on a guest's length of stay. Demand divided by reservations equals length-of-stay.
Length of Stay	Average number of actualized room nights per booking.
Source of Business	Segmentation of hotel demand that associates each stay with a specific source, depending on how the stay was booked. Kalibri Labs differentiates sources of business from the primary booking channels ("Brand.com," "Voice," "Property Direct," "OTA," and "GDS") by adding categories for "Group," "FIT/Wholesale" and "Internal Discounts" in order to provide more clarity into those business types.

Kalibri Labs Terminology - Sources of Business

Brand.com	Transient bookings sold via property or brand's website. Some of the costs associated with brand.com bookings include channel fees, metasearch/referral commissions, and loyalty fees.
Property Direct	Transient bookings sold directly by property.
Voice	Transient bookings sold via call centers. Some of the costs associated with voice bookings are channel/transaction fees and loyalty fees.
Internal Discounts	Complimentary, barter, employee/owner rates, friends & family, house use, loyalty program redemption, and permanent rooms. Kalibri Labs separates these rate categories out to exclude artificially low revenue business for a more accurate picture of regular bookings performance in the other sources of business.
GDS	Transient bookings sold via global distribution systems. It excludes OTA bookings powered by a GDS. Some of the costs associated with GDS bookings include retail commissions, pass-through fees, and loyalty fees.
FIT/Wholesale	Transient bookings sold to wholesalers. Some of the costs associated with FIT/Wholesale bookings include channel fees and wholesale commissions.
OTA	Transient bookings sold by an online travel agency, exclusive of agency network (direct/merchant, retail, and opaque). This includes all OTA bookings regardless of the channel they come from (direct connect or GDS). Some of the costs associated with OTA bookings include retail commissions, wholesale commissions, and transaction fees.
Group	Room nights associated with multiple guests and guestrooms under the same booking, and/or a group specified in the booking. Most of the costs associated with Group bookings are retail commissions and channel fees. Group commissions are estimated for markets and brands where it is not provided.

Forecasting and Budgeting Considerations

Like all forecasting methodologies, CBRE Hotels Research's forecasts of future hotel performance are based on historical data and CBRE's expectations for economic growth.

CBRE EA's current macroeconomic baseline assumptions are as follows.

CBRE EA BASELINE FORECAST						
	2019	2020	2021	2022	2023F	2024F
GDP, %	#	#	#	#	#	#
Employment, %	#	#	#	#	#	#
CPI, %	#	#	#	#	#	#
10-yr Treasury, %	#	#	#	#	#	#

Note: GDP is annual average growth rate, Employment, and CPI are Q4 y-o-y growth numbers, and 10-year treasury is the Q4 reading for each year.

Source: BEA, BLS, Federal Reserve, CBRE Econometric Advisors

1. CBRE's baseline-scenario forecasts do not contemplate an international war, a pervasive recession, or a more severe COVID-19 variant. CBRE also produces forecasts on upside and downside scenarios.
2. In addition to our Baseline scenario, CBRE Hotels Research provides upside case, downside case, and severe downside case scenarios.
3. CBRE does not probability weight its scenario analyses and instead allows each client to probability weigh the scenarios based on their own in-house geopolitical and macro-economic outlook.
4. The complete set of scenarios and 10-year projections can be found by using the scenario dropdown on the forecast dashboard, found here: <https://pip.cbrehotels.com/property-analytics/hotel-horizons/marketdata>. CBRE Hotels Research suggests you stress test your assumptions, forecasts and underwriting under all four scenarios to understand a more complete range of outcomes.

Other considerations:

Specific portfolios can perform differently than the broader market based on asset type (resort, extended stay, convention, etc.), price point, age, quality (freshness), GRI score, brand, location type (interstate, airport, downtown, suburban, small town, etc.), and the quality of the operator or asset management team.

CBRE's forecasts represent just one set of estimates in the marketplace and should be considered within a broader context and checked for outliers.

We offer custom forecasting for a tailored or custom set of forecasts for a particular set of macroeconomic expectations, asset types, location types, or chain scale mix. Contact our client services team at websales@cbre.com to learn more.

Glossary of Terms

ADR	Average Daily Rate - rooms revenue divided by paid rooms occupied.
Occupancy	Paid rooms occupied divided by available rooms.
RevPAR	Revenue per Available Room - rooms revenue divided by available rooms.
Supply	Average daily room nights available per quarter, represented as a change over previous year, same quarter except where noted annually.
Demand	(Accommodated Demand) Average daily room nights occupied per quarter, represented as a change over previous year, same quarter except where noted annually.
LRA	Long Run Average - Annual average from 2000 to latest complete year end.
Penetration	Market area (or sub-market area) measurement as a percent of national (or market area) measurement.

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