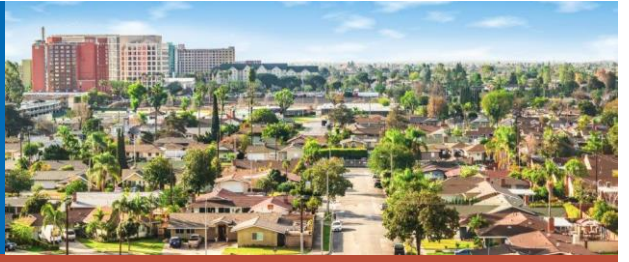
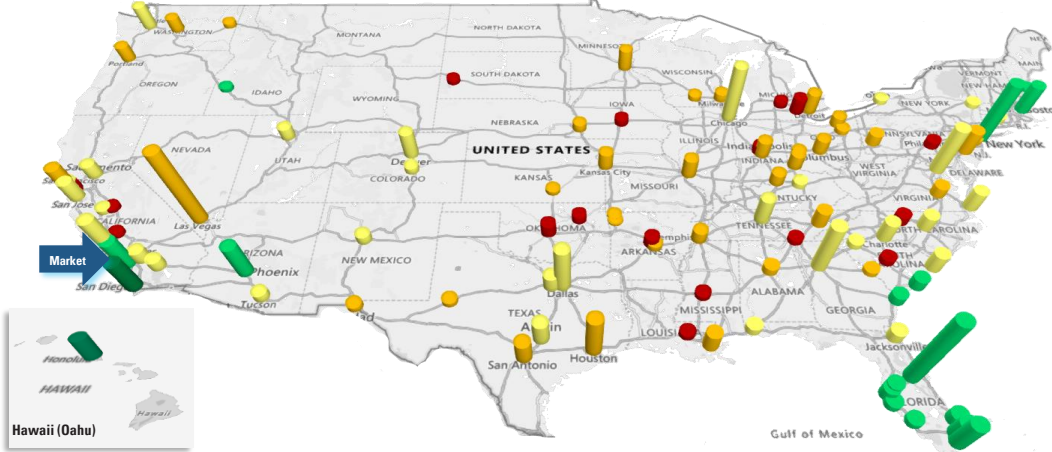


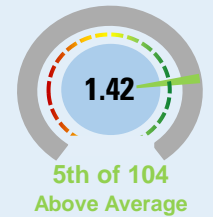
# 2Q 2023 ANAHEIM, CA



## Lodging Performance Index Snapshot



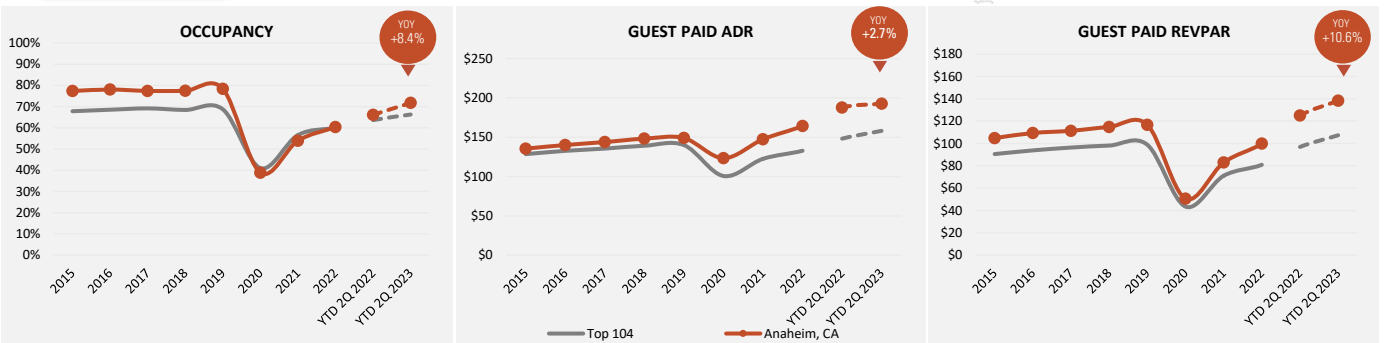
**LODGING PERFORMANCE INDEX**  
Anaheim, CA



Ranking of overall '2Q 2023 LPI' performance (1.42) against all 104 surveyed markets.

LODGING PERFORMANCE INDEX

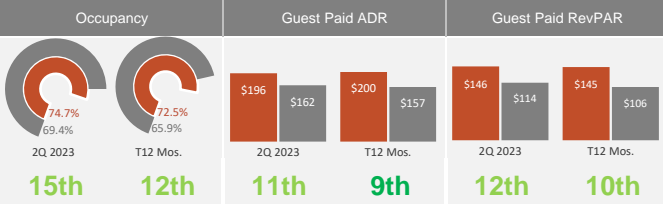
KEY PERFORMANCE METRICS



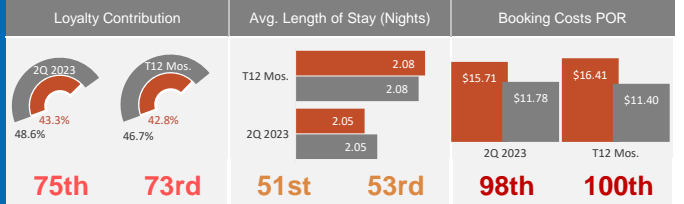
PERFORMANCE INDEXES

### Key Performance Indexes

● Subject Market ● Top 104

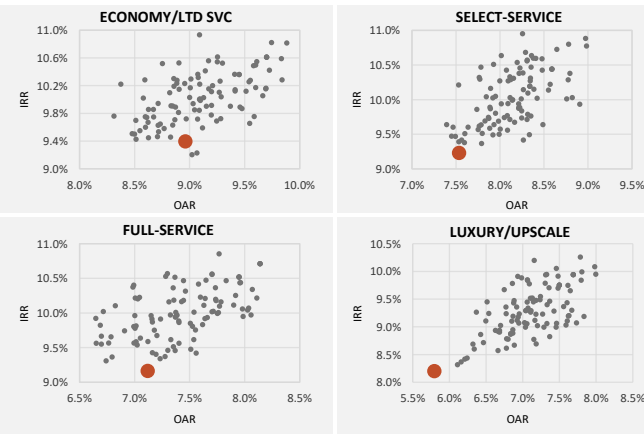


### Key Benchmark Indexes



### Discount and Capitalization Rates

Source: Newmark

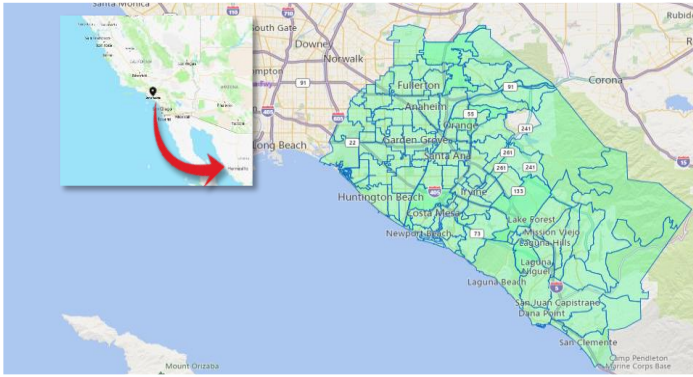


### Trends and Risks

Source: Kalibri Labs, Newmark



Location



Quick Facts

**Jurisdictional Information**  
 Municipal Name: Anaheim  
 County: Orange County  
 State: California  
 Geo Coordinates (market center): 33.83529, -117.9145  
 Source: US Census Bureau, Dept. of Labor Statistics

**Major Hotel Demand Generators**  
 Disneyland Resort | The Walt Disney Co. | University of California, Irvine | St. Joseph Health | Kaiser Permanente | Boeing Co. | Wal-Mart Stores Inc. | California State University | Bank of America Corp. | Universal Services of America | Target Brands Inc. | Hoag Memorial Hospital Presbyterian | MemorialCare Health System | Wells Fargo & Co. | Panasonic Avionics Corp. | Tenet Healthcare Corp. | Irvine Co. | Home Depot Inc. | Edwards Lifesciences LLC | Albertsons Southern California Division

**Metrics and Ranking**

Measurement	Value	Rankings
Population (hotel market area)	2,975,637	14th of 104 (Large)
Income per Capita	\$65,313	9th of 104 (Strong)
Feeder Group Size	66.6 Persons PSR	43rd of 104 (Average)
Feeder Group Earnings	\$4,351,582 PSR	75th of 104 (Below Average)
Total Market COPE	\$3.3 billion	11th of 104 (Above Average)

Key Performance Metrics

Data provided by: kalibri LABS

YEAR ENDING	Occ %	Guest Paid ADR	RevPAR	COPE ADR	RevPAR	Booking Cost POR	ADR COPE %	Loyalty %	Avg. Length of Stay (Nights)	Supply (Available Rms)	Performance Index (LPI)
2015	77.3%	\$135.55	\$104.83	\$123.79	\$95.74	\$11.76	91.3%	47.7%	2.27	57,890	1.57
2016	78.0%	\$140.14	\$109.33	\$127.61	\$99.56	\$12.53	91.1%	50.2%	2.15	58,380	1.40
2017	77.4%	\$143.89	\$111.34	\$130.62	\$101.07	\$13.28	90.8%	51.9%	2.08	59,500	1.30
2018	77.4%	\$148.21	\$114.75	\$134.40	\$104.06	\$13.81	90.7%	55.4%	2.05	59,850	1.41
2019	78.3%	\$148.98	\$116.70	\$135.38	\$106.04	\$13.60	90.9%	58.0%	2.02	60,090	1.42
2020	38.9%	\$123.43	\$50.66	\$114.01	\$44.31	\$9.43	92.4%	33.2%	2.22	60,050	0.95
2021	53.9%	\$147.44	\$82.89	\$135.14	\$72.85	\$12.30	91.7%	37.7%	2.12	61,460	0.93
2022	60.3%	\$164.34	\$99.77	\$150.60	\$90.82	\$13.75	91.6%	39.7%	2.08	61,880	1.21
CAGR: 2015 thru 2022	-3.5%	2.8%	-0.7%	2.8%	-0.7%	2.3%	0.0%	-2.6%	-1.2%	1.0%	-3.6%
YTD 2Q 2022	66.1%	\$187.61	\$124.95	\$172.40	\$114.82	\$15.20	91.9%	41.5%	2.08	61,410	1.20
YTD 2Q 2023	71.7%	\$192.65	\$138.23	\$177.50	\$127.36	\$15.14	92.1%	43.6%	2.07	60,990	1.42
% Change	8.4%	2.7%	10.6%	3.0%	10.9%	-0.4%	0.3%	5.1%	-0.8%	-0.7%	18.6%

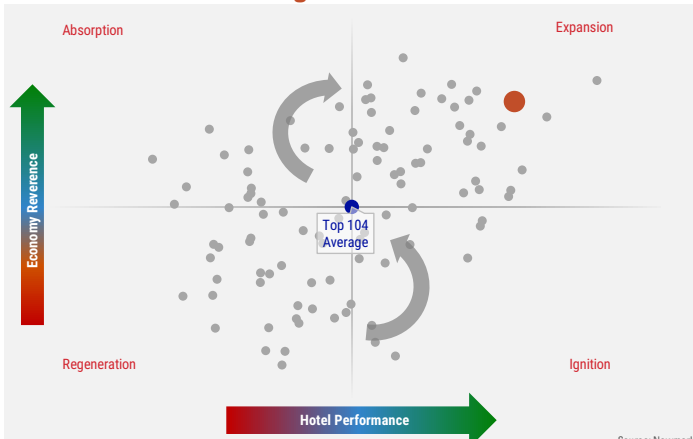
Notable Metrics

HIGHEST	OAR: Luxury/Upscale	T12-Month Guest Paid ADR	IRR: Luxury/Upscale
<b>1st</b> Highly Favorable	Anaheim, CA exhibited favorable OAR metrics in the luxury/upscale segment (5.8%)	<b>9th</b> Strong	The market benefited from strong T12-month Guest Paid ADR (\$199.77)
<b>1st</b> Highly Favorable	The market also posted favorable IRR metrics in the luxury/upscale segment (8.2%)		
LOWEST	T12-Month COPE ADR Percentage	T12-Month Booking Costs POR	Latest-Quarter Booking Costs POR
<b>101st</b> Soft	This market has been hampered by weak T12-month COPE ADR percentage (91.8%)	<b>100th</b> Soft	The market was burdened by high T12-month booking costs POR (\$16.41)
<b>98th</b> Soft	Anaheim, CA also has been burdened by high latest-quarter booking costs (\$15.71)		

Notable Trends

FASTEST	Overall Health of Hotel Market	Long-Term Historical Loyalty Contribution Growth	General Economy Reversion
<b>4th</b> Strong	Anaheim, CA has benefited from strong general hotel market performance (levels and trends of fundamentals)	<b>11th</b> Above Average	The market exhibited strong long-term historical loyalty contribution growth (5.5%)
<b>11th</b> Above Average	The market also enjoyed strong general economic reversion (per-capita unemployment, GDP and other indicators)		
SLOWEST	Short-Term Historical Booking Costs POR Growth	Long-Term Historical Average Length of Stay Growth	Long-Term Historical Booking Costs POR Growth
<b>95th</b> Soft	The market has been impeded by high short-term historical growth in booking costs (4.8%)	<b>95th</b> Soft	We note this area exhibited weak long-term historical average length of stay growth (-1.0%)
<b>90th</b> Soft	Anaheim, CA also exhibited high long-term historical booking costs POR growth (5.0%)		

Market Performance Stage



Anaheim, CA: Expansion Stage

The Anaheim, CA market is currently in the 'Expansion' stage of the performance cycle. In this stage, hotels perform adequately, contributing to a resilient economy that is approaching a 'post' pandemic environment. Displacement demand is high, new hotel supply is feasible (despite barriers normally being high), and the overall economy is expanding. Example markets in this stage include Atlanta, GA; Austin, TX; and Boston, MA.

**Other Stages:**

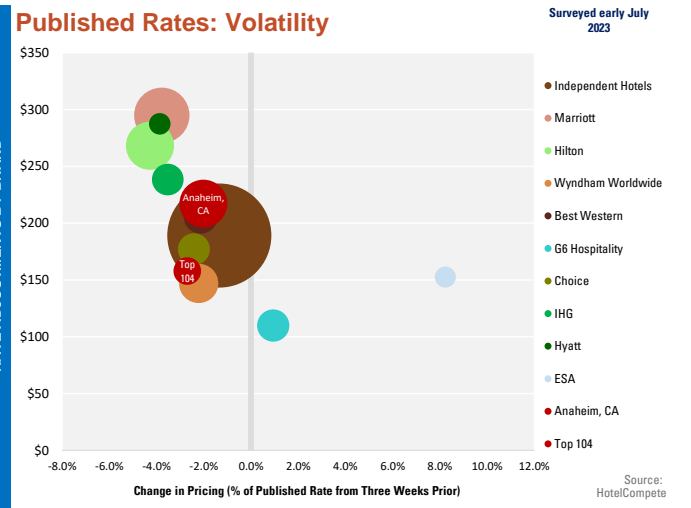
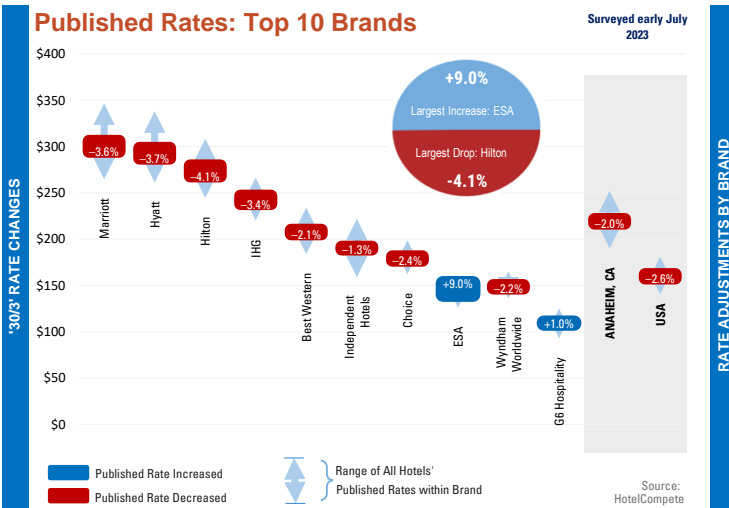
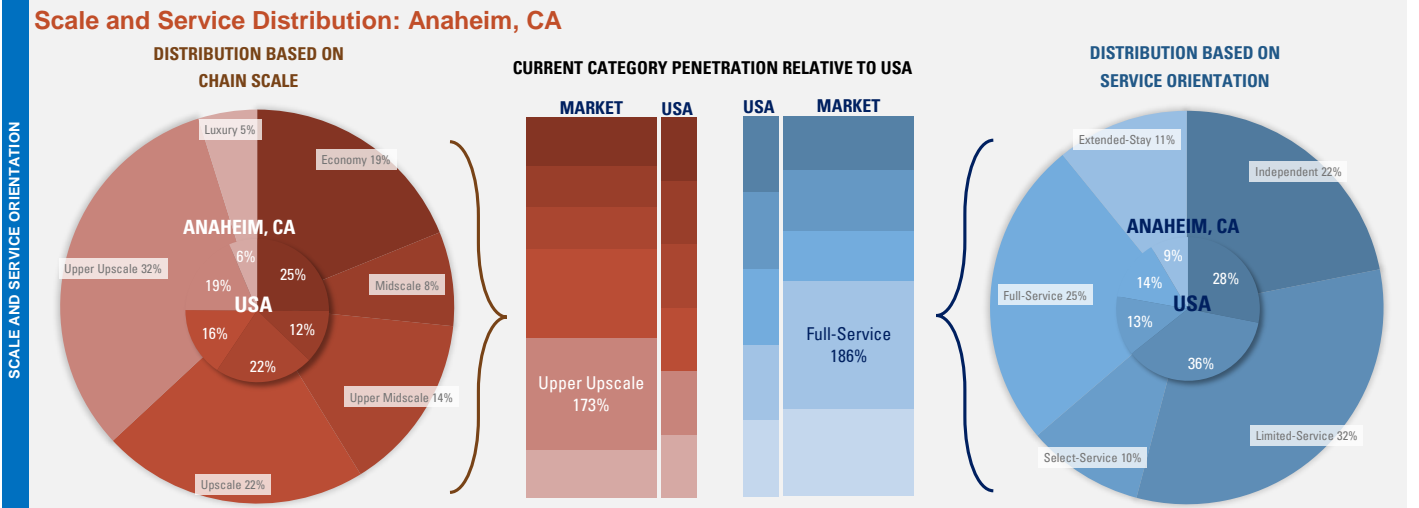
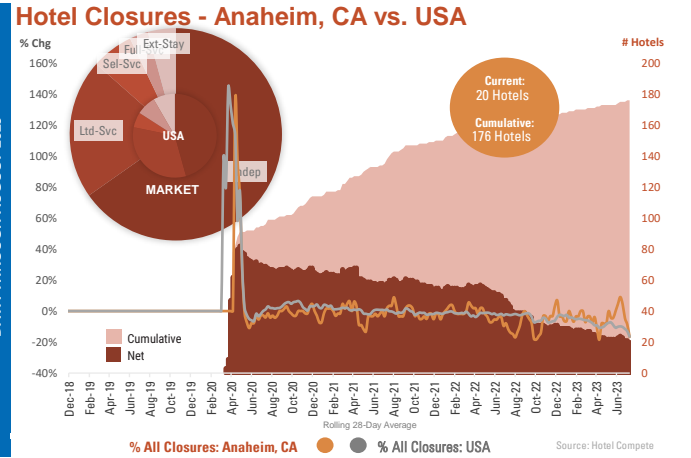
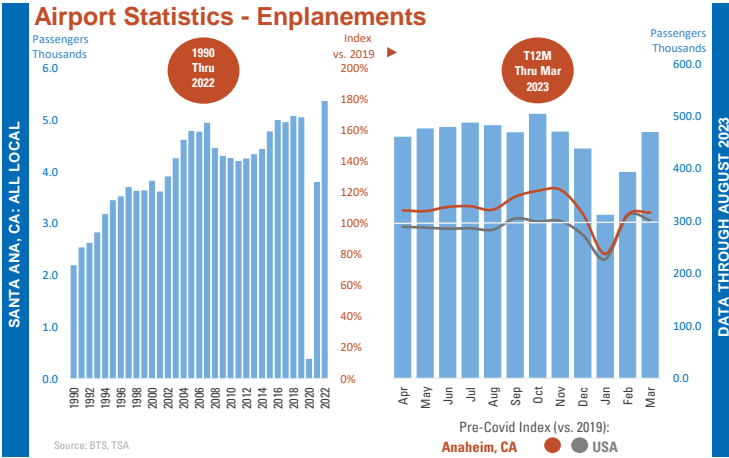
- Regeneration:** In the 'Regeneration' stage, hotels and the underlying economy are underperforming. The highest and best uses of hotel assets are challenged by lingering COVID-19 impacts, oversupply, weak economic indicators, and/or poor corporate contribution. Hotel investors look for opportunities to either exit or regenerate demand. Example markets in this stage include Detroit, MI; Houston, TX; and New Orleans, LA.
- Ignition:** In the 'Ignition' stage, hotels typically perform adequately for operators to enjoy positive returns, with confidence the economy will recover from the COVID-19 crisis. While the regional economy continues to recover, strong hotel performance locally is igniting expansion in certain key sectors. Example markets in this stage include Chicago, IL; Knoxville, TN; and Miami, FL.
- Absorption:** In the 'Absorption' stage, hotels are underperforming but in an economy with resilience and confidence the economy will shed lingering pandemic impacts, presenting upside for CRE. Barriers to entry are high and the market hosts little or no new supply, allowing for the existing stock of rooms to be absorbed. Example markets in this stage include Columbus, OH; Kansas City, MO; and Las Vegas, NV.

Industry Observations

**Business Cycle:** In Recovery  
**Employment Growth (2 yr):** -3.2%  
**Risk Exposure (402 US markets):** 29th Percentile: Below Average  
**Key Industry Notes:** Finance/medical, tourism  
 Strong labor force  
 Demand for office space  
 Diversified economy  
 High costs hurt competition

**Moody's Rating**  
**Aa1**  
 Investment Grade  
 Long-term investment grade, Prime-1 short-term outlook





Published Rate Observations: 30-Day Advance

MARKET LEVEL	Published Rate Level	Rate Movement	Optimism
	<b>9th</b> Strong	<b>35th</b> Average	<b>48th</b> Average
	The 30-day advanced published rate for the market was an aggressive \$217.14, ranking 9th out of 104 markets. (Guest-Paid ADR ranked a somewhat aggressive 11th at \$192.65 in 2Q 2023.)	Published rates have recently been moving downward, decreasing by a modest 2.0% over three weeks going into early July 2023. By comparison, the T-104 average posted downward movement of 2.63%.	Published rates reported in early July 2023 were 10.8% higher than the market's Guest-Paid ADR in 2Q 2023. This optimism is average. By comparison, the T-104 spread was -2.4%.

BRAND LEVEL	Published Rate Integrity	Coverage	Volatility
	<b>58th</b> Average	<b>10th</b> Above Average	<b>53rd</b> Moderate
	Published rates among the top 10 brands have a moderate amount of integrity with some pricing overlap, suggesting bottom-feeding occasionally exists.	Anaheim, CA has an above average spectrum of rate classes and traveler types among its top 10 brands, and the range of coverage has been contracting.	Anaheim, CA's top 10 brands are exhibiting moderate volatility with respect to advanced booking pricing movements in the three weeks leading into early July 2023.

# Nsights Hotel Market Reports Coverage



Akron, OH	Dayton, OH	Louisville, KY	Portland, OR
Albany, NY	Denver, CO	Madison, WI	Raleigh, NC
Albuquerque, NM	Des Moines, IA	Memphis, TN	Rapid City, SD
Anaheim, CA	Detroit, MI	Miami, FL	Richmond, VA
Arkansas State Area, AR	El Paso, TX	Michigan North Area, MI	Sacramento, CA
Atlanta, GA	Fayetteville, AR	Michigan South Area, MI	Saint Louis, MO
Augusta, GA	Fort Lauderdale, FL	Milwaukee, WI	Saint Petersburg, FL
Austin, TX	Fort Myers, FL	Minneapolis, MN	Salt Lake City, UT
Bakersfield, CA	Fort Worth, TX	Mobile, AL	San Antonio, TX
Baltimore, MD	Fresno, CA	Myrtle Beach, SC	San Bernardino, CA
Baton Rouge, LA	Greensboro, NC	Nashville, TN	San Diego, CA
Bentonville, AR	Greenville, SC	New Brunswick, NJ	San Francisco, CA
Birmingham, AL	Harrisburg, PA	New Orleans, LA	San Joaquin Valley, CA
Boise City, ID	Hartford, CT	New York, NY	San Jose, CA
Boston, MA	Houston, TX	Newark, NJ	Sarasota, FL
Buffalo, NY	Indiana North Area, IN	Oahu Island, HI (Branded)	Savannah, GA
Charleston, SC	Indiana South Area, IN	Oakland, CA	Seattle, WA
Charlotte, NC	Indianapolis, IN	Odessa-Midland, TX	Spokane, WA
Chattanooga, TN	Jackson, MS	Oklahoma City, OK	Tampa, FL
Chicago, IL	Jacksonville, FL	Omaha, NE	Tucson, AZ
Cincinnati, OH	Kansas City, MO	Orlando, FL (Non-Disney)	Tulsa, OK
Cleveland, OH	Knoxville, TN	Palm Desert, CA	Virginia Beach, VA
Colorado Springs, CO	Las Vegas, NV (Non-Strip)	Philadelphia, PA	Washington State Area, WA
Columbia, SC	Lexington, KY	Phoenix, AZ	Washington, DC
Columbus, OH	Little Rock, AR	Pittsburgh, PA	West Palm Beach, FL
Dallas, TX	Los Angeles, CA	Portland, ME	Wichita, KS

\*Customized market reports available upon request

## Hospitality, Gaming & Leisure

Our Hospitality, Gaming & Leisure practice is focused exclusively on providing superior valuation and consulting services for a broad range of hotels, casinos and leisure properties. Our team takes a holistic, consultative approach that goes far beyond the physical asset, analyzing every aspect of a property's business and real estate operations to identify all areas of value for owners and investors.

Our Hospitality, Gaming & Leisure platform has experience in valuation assignments and market analysis for properties including:

- Hotels and Resorts
- Gaming Facilities
- Arenas, Stadiums and Sports Facilities
- Conference, Expo and Convention Centers
- Golf Courses
- Marinas

Our core disciplines and expert subject areas include:

**Economic Impact**  
We empower owners and operators to maximize economic incentives and advise government entities on the impact of incentives on a community or development.

**Feasibility**  
We take feasibility studies to the next level, combining market knowledge with expert economic impact analysis and acumen in cash-on-cash, ROI and other metrics.

**Financial Reporting**  
Our seamless approach to fulfilling clients' financial reporting requirements means no outside assistance is needed.

**Litigation**  
Our experts bring a strategic perspective and hands-on approach, exceeding the depth and scope of typical litigation services every time.

**Portfolio Analytics**  
We bring industry averages and trends to bear on traditional analytics, ensuring comprehensive due diligence.

**Property Tax**  
We understand every aspect of a property's operations, allowing us to craft advanced tax strategies.

### ABOUT NEWMARK

We transform untapped potential into limitless opportunity.

At Newmark, we don't just adapt to what our partners need—we adapt to what the future demands. Our integrated platform delivers seamlessly connected services tailored to every type of client, from owners to occupiers, investors to founders, and growing startups to leading companies. We think outside of boxes, buildings and business lines, delivering a global perspective and a nimble approach. From reimagining spaces to engineering solutions, we have the vision to see what's next and the tenacity to get there first.

FOR INFORMATION CONTACT:

**Bryan Younge MAI, ASA, FRICS**

Executive Vice President, Valuation & Advisory, Specialty Practice Leader – Hospitality, Gaming & Leisure  
m 773-263-4544  
bryan.younge@nrmk.com

### CONTACT: SOUTHERN CALIFORNIA MARKETS

FOR MORE INFORMATION

CONTACT

**Donna Bradley, MAI**  
Executive Vice President  
Hospitality, Gaming & Leisure  
**NEWMARK VALUATION & ADVISORY**  
Southern California Markets  
t 949-633-6009  
donna.bradley@nrmk.com

**Mark Capasso**  
Executive Vice President  
Hospitality, Gaming & Leisure  
**NEWMARK VALUATION & ADVISORY**  
Las Vegas/Gaming Markets  
m 310-714-7579  
mark.capasso@nrmk.com

### MARKET DISCLAIMERS

COPYRIGHT INFORMATION

LEGAL

© 2023 by Newmark. All information contained in this publication is derived from sources that are deemed to be reliable. However, Newmark has not verified any such information, and the same constitutes the statements and representations only of the source thereof, and not of Newmark. Any recipient of this publication should independently verify such information and all other information that may be material to any decision that recipient may make in response to this publication and should consult with professionals of the recipient's choice regarding all aspects of that decision, including its legal, financial, and tax aspects and implications. Any recipient of this publication may not, without the prior written approval of Newmark, distribute, disseminate, publish, transmit, copy, broadcast, upload, download, or in any other way reproduce this publication or any of the information it contains.