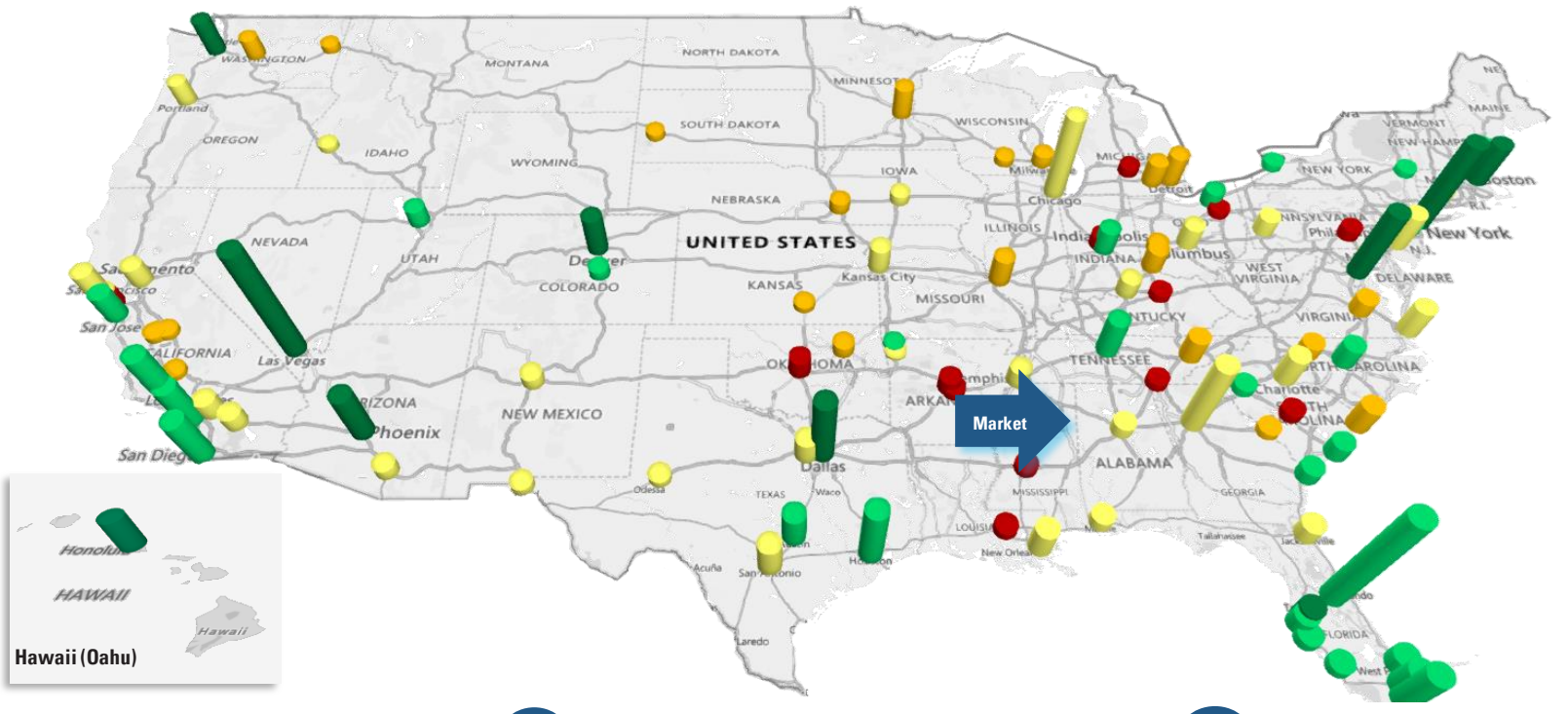
VALUATION & ADVISORY | HOSPITALITY, GAMING & LEISURE

HOTEL MARKET NSIGHTS REPORT

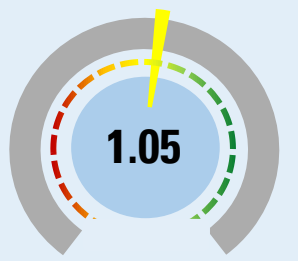
1Q 2025
ATLANTA, GA

Lodging Performance Index Snapshot



LODGING PERFORMANCE INDEX

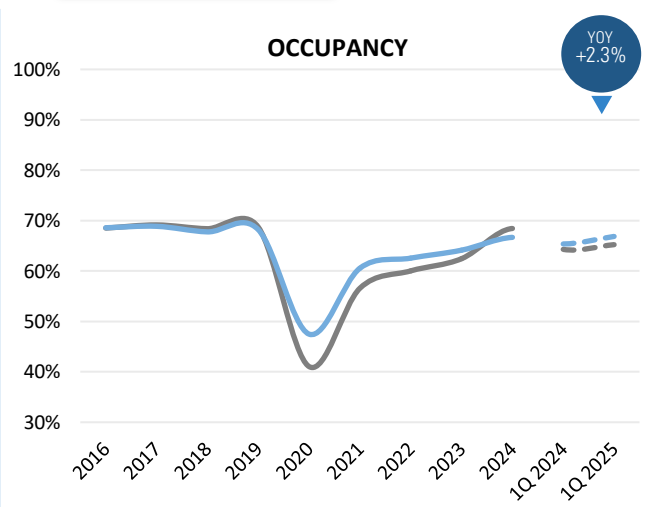
Atlanta, GA

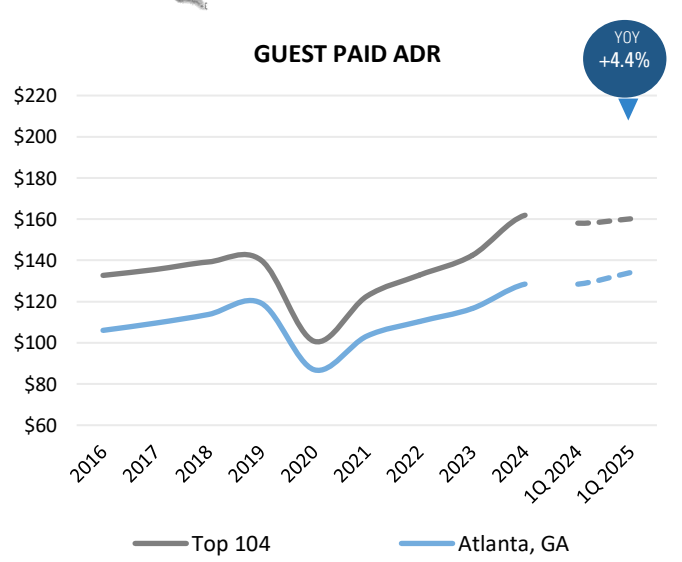


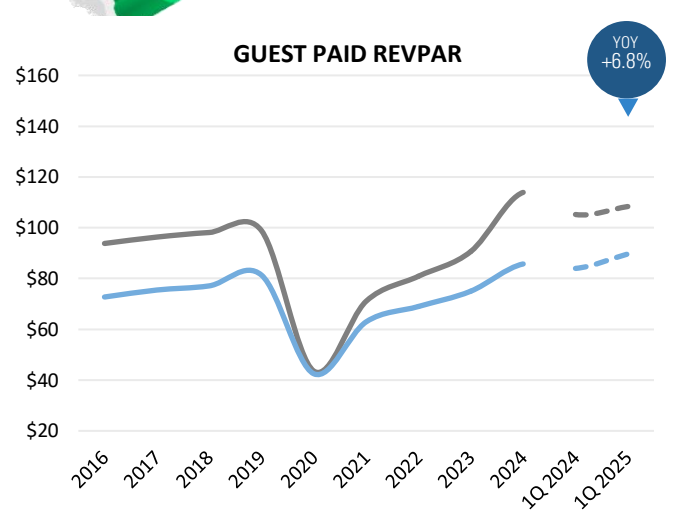
50th of 104
Average

Ranking of overall '1Q 2025 LPI' performance (1.05) against all 104 surveyed markets.

KEY PERFORMANCE METRICS





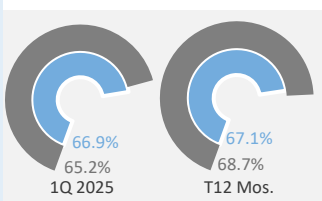


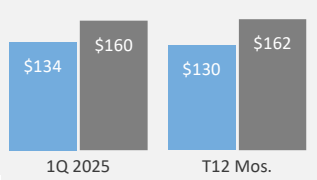
Top 104 — Atlanta, GA

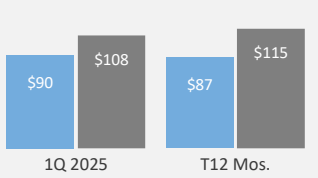
PERFORMANCE INDEXES

Key Performance Indexes

Subject Market — Top 104



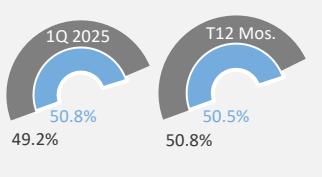


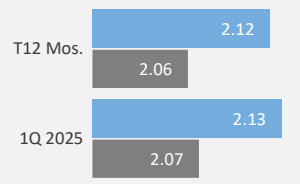


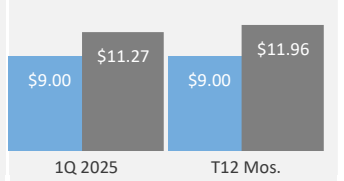
Occupancy		Guest Paid ADR		Guest Paid RevPAR	
32nd	47th	35th	61st	35th	52nd

BENCHMARK INDEXES

Key Benchmark Indexes





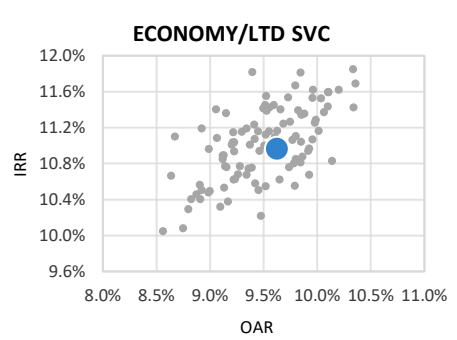


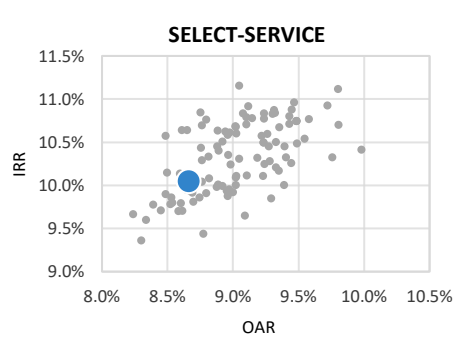
Loyalty Contribution		Avg. Length of Stay (Nights)		Booking Costs POR	
38th	40th	37th	33rd	58th	44th

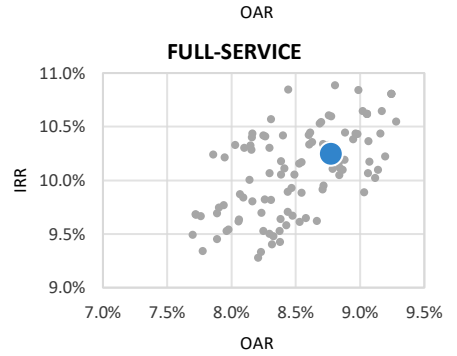
INVESTMENT PARAMETERS

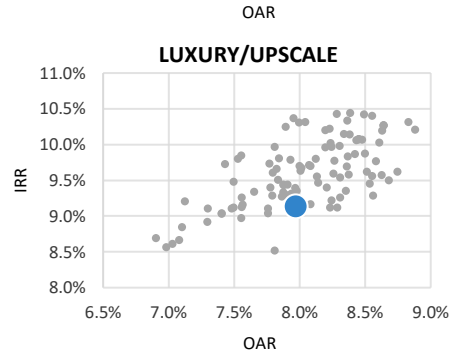
Discount and Capitalization Rates

Source: Newmark









FUNDAMENTALS

Trends and Risks

Source: Kalibri Labs, Newmark

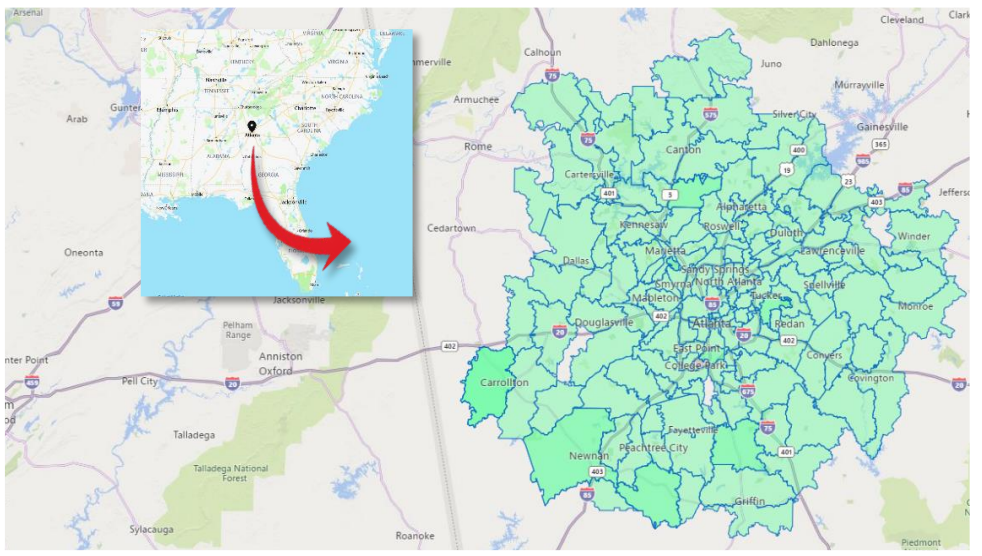
Revenue Stability	Supplier Power Trend	Investment Yields
75th	**41st**	**41st**
Below Average	**Average**	**Average**
Assessment of room revenue growth and volatility over past three to five years against other Top 104 markets	Assessment of market's ability to maximize loyalty and profits, and to ward off booking costs over past 12 months	Measure of market's general investment parameters (yields, OAR, IRR, interest rates, etc.) against other Top 104 markets

RISKS

Supply Risk	Labor Risk	Macro-Fiscal Risk
37th	**69th**	**80th**
Average Risk	**Below Average**	**Below Average**
Assessment of market supply growth over past 12 months relative to Top 104 markets	Measure of current employment health over past two years relative to Top 104 markets	Assessment of health and diversity of lodging demand generators relative to Top 104 markets

NEWMARK

Location



Quick Facts

Jurisdictional Information

Source: US Census Bureau, Dept. of Labor Statistics

Municipal Name:	Atlanta
County:	DeKalb County, Fulton County
State:	Georgia
Geo Coordinates (market center):	33.76291, -84.42267

Major Hotel Demand Generators

Delta Air Lines Inc. | Walmart Inc. | The Home Depot Inc. | Emory University | WellStar Health System Inc. | AT&T Inc. | Northside Hospital | Piedmont Healthcare | Emory Healthcare | Marriott International | Publix Supermarkets | Georgia State University | Centers for Disease Control and Prevention | Cox Enterprises Inc. | The Coca-Cola Co. | Southern Co. | Coreslab Structures | Children's Healthcare of Atlanta | SunTrust Banks Inc. | State Farm, Southeastern Market Area

Metrics and Ranking	Measurement	Rankings
Population (hotel market area)	4,978,495	5th of 104 (Very Large)
Income per Capita	$51,701	39th of 104 (Average)
Feeder Group Size	70.3 Persons PSR	51st of 104 (Average)
Feeder Group Earnings	$3,633,509 PSR	52nd of 104 (Average)
Total Market Hotel Revenues	$3.3 billion	10th of 104 (Above Average)

Key Performance Metrics

Data provided by: kalibri LABS

YEAR ENDING	Guest Paid Occ %	Guest Paid ADR	Guest Paid RevPAR	COPE ADR	COPE RevPAR	Booking Cost POR	ADR COPE %	Loyalty %	Avg Length of Stay Nights	Supply Rooms	Performance Index (LPI)
2016	68.6%	$106.02	$72.72	$97.58	$66.93	$8.44	92.0%	44.0%	2.06	95,470	1.21
2017	68.9%	$109.57	$75.46	$100.59	$69.28	$8.98	91.8%	46.2%	1.99	94,870	1.20
2018	67.8%	$113.76	$77.09	$104.58	$70.87	$9.18	91.9%	49.8%	1.97	95,160	1.12
2019	68.2%	$119.23	$81.33	$109.71	$74.84	$9.51	92.0%	54.8%	1.93	100,900	1.29
2020	47.5%	$86.92	$42.48	$81.08	$38.50	$5.85	93.3%	37.7%	2.28	101,750	1.00
2021	60.6%	$103.22	$62.93	$95.74	$57.98	$7.48	92.8%	39.7%	2.20	103,410	0.94
2022	62.6%	$110.33	$68.99	$102.52	$64.13	$7.81	92.9%	41.0%	2.20	104,150	0.96
2023	64.1%	$116.65	$75.01	$108.63	$69.67	$8.02	93.1%	42.2%	2.20	104,770	1.15
2024	66.7%	$128.50	$85.74	$119.61	$79.75	$8.89	93.1%	50.2%	2.13	108,110	0.91
CAGR: 2016 thru 2024	**-0.4%**	**2.4%**	**2.1%**	**2.6%**	**2.2%**	**0.7%**	**0.1%**	**1.7%**	**0.4%**	**1.6%**	**-3.4%**
1Q 2024	65.4%	$128.45	$83.97	$119.88	$78.36	$8.58	93.3%	49.6%	2.16	107,100	0.99
1Q 2025	66.9%	$134.10	$89.66	$125.10	$83.64	$9.00	93.3%	50.8%	2.13	107,560	1.05

Notable Metrics

HIGHEST

Total Rooms Supply	Total Rooms Sold	OAR: Select-Service
5th	**6th**	**19th**
Strong	**Strong**	**Favorable**
Atlanta, GA benefits from a large and diverse hotel market (107,563 total rooms)	The market boasted a strong total of number of rooms sold (25,856,135 room nights)	The market also enjoyed favorable OAR metrics in the select–service segment (8.7%)

LOWEST

OAR: Full-Service	IRR: Full-Service	OAR: Economy/Ltd Svc
74th	**64th**	**63rd**
Unfavorable	**Moderate**	**Moderate**
This market posted unfavorable OAR metrics in the full–service segment (8.8%)	The market posted unfavorable IRR metrics in the full–service segment (10.2%)	Atlanta, GA also exhibited unfavorable OAR metrics in the economy/ltd svc segment (9.6%)

Notable Trends

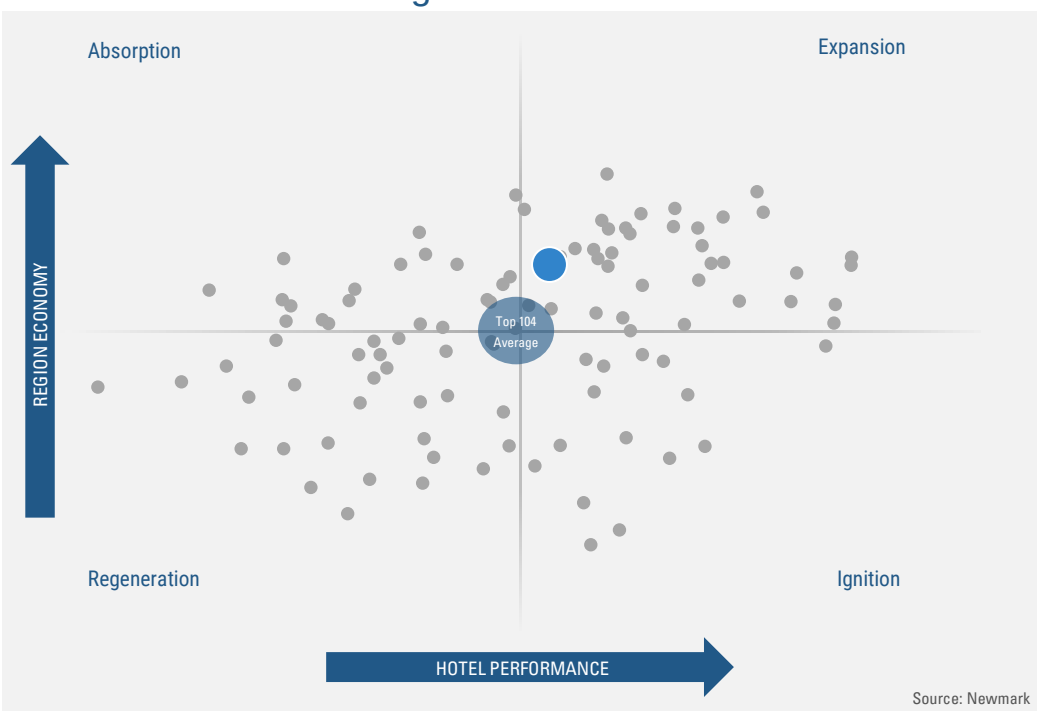
STRONGEST

Long-Term Historical COPE ADR Growth	Long-Term Historical Guest Paid ADR Growth	Short-Term Historical Supply Growth
22nd	**25th**	**27th**
Above Average	**Above Average**	**Above Average**
Atlanta, GA enjoyed from strong long–term historical COPE ADR growth (3.0%)	The market has benefited from strong long–term historical Guest Paid ADR growth (3.0%)	The market also has benefited from low short–term historical supply growth (2.0%)

WEAKEST

Long-Term Historical Occupancy Growth	Short-Term Historical COPE RevPAR Growth	Short-Term Historical Guest Paid RevPAR Growth
77th	**75th**	**75th**
Below Average	**Below Average**	**Below Average**
The market has been hindered by weak long–term historical occupancy growth (–0.7%)	We note this area has been impeded by weak short–term historical COPE RevPAR growth (1.5%)	Atlanta, GA also has been hampered by weak short–term historical Guest Paid RevPAR growth (1.5%)

Market Performance Stage



Source: Newmark

Atlanta, GA: Expansion Stage

Expansion

The Atlanta, GA market is currently in the 'Expansion' stage of the performance cycle. In this stage, hotels perform adequately, contributing to a resilient economy that has fully exited from the 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 Anaheim, CA; 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 still being challenged by lingering pandemic 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 Cincinnati, OH; Detroit, MI; and Knoxville, TN.

Ignition

In the 'Ignition' stage, hotels typically perform adequately for operators to enjoy positive returns, with confidence the economy will remain fully recovered from the pandemic. While the regional economy continues to recover, strong hotel performance locally is igniting expansion in certain key sectors. Example markets in this stage include Baltimore, MD; Chicago, IL; and Miami, FL.

Absorption

In the 'Absorption' stage, hotels are underperforming but in an economy with resilience and confidence the economy will shed any 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 Fort Worth, TX; Minneapolis, MN; and Portland, OR.

MOODYS ANALYTICS

Industry Observations

Business Cycle:	**Expansion**
Employment Growth (2 yr):	0.9%
Risk Exposure (402 US markets):	**25th Percentile: Below Average**
Key Industry Notes:	Diverse economy
	Distribution and cultural center
	Business-friendly environment
	Single-family housing is overvalued
	Strained infrastructure

Moody's Rating

Aaa

Investment Grade

Long-term investment grade, Prime-1 short-term outlook

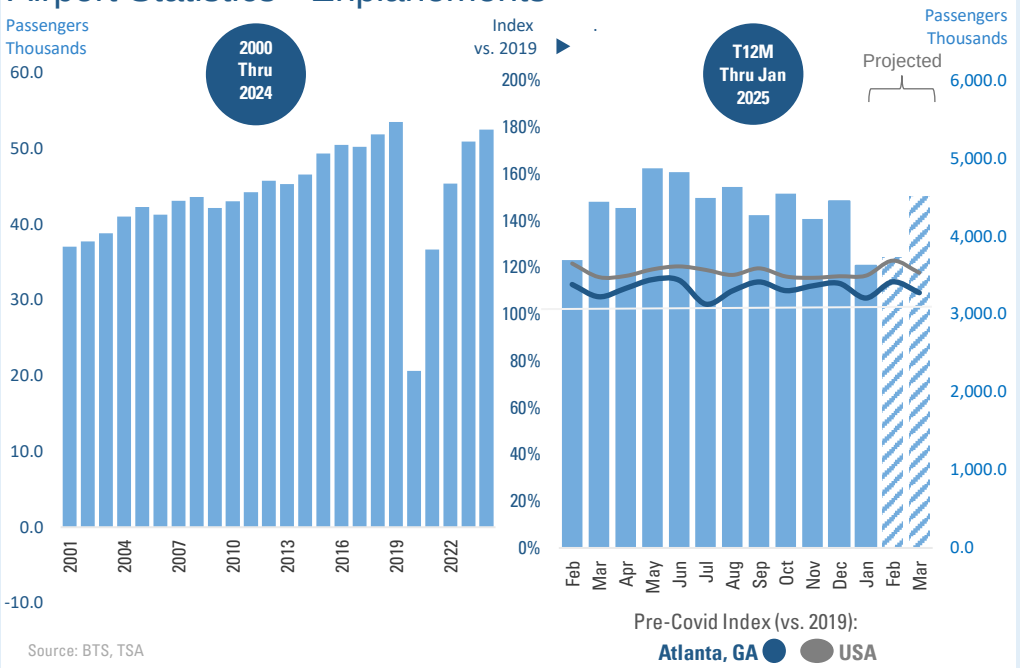
TOP 10 BRANDS

Source: Newmark

NEWMARK

SELECT NEAREST AIRPORT CITY: ALL LOCAL

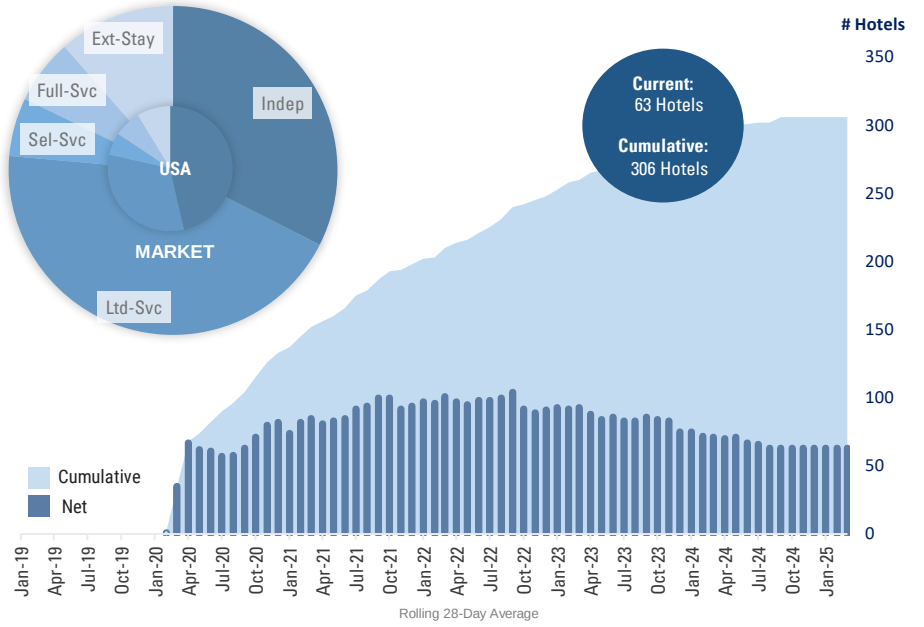
Airport Statistics - Enplanements



Source: BTS, TSA

DATA THROUGH MAY 2025

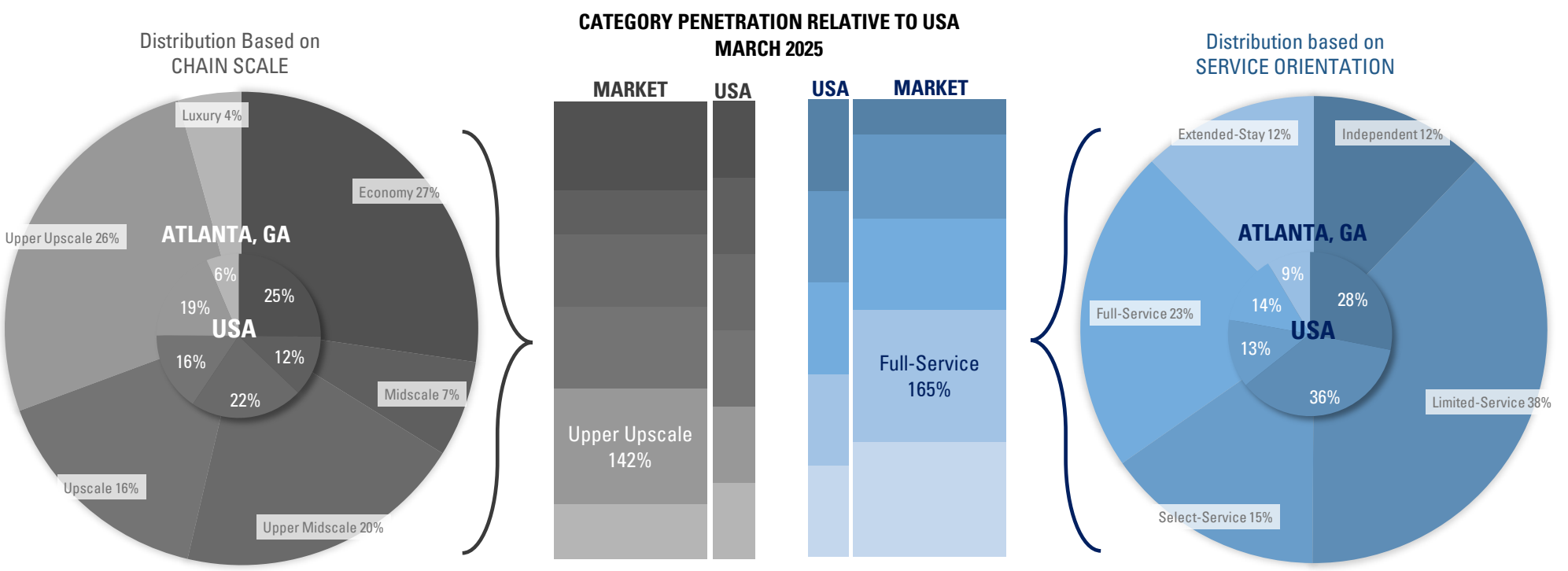
Hotel Closures - Atlanta, GA



Source: Hotel Compete

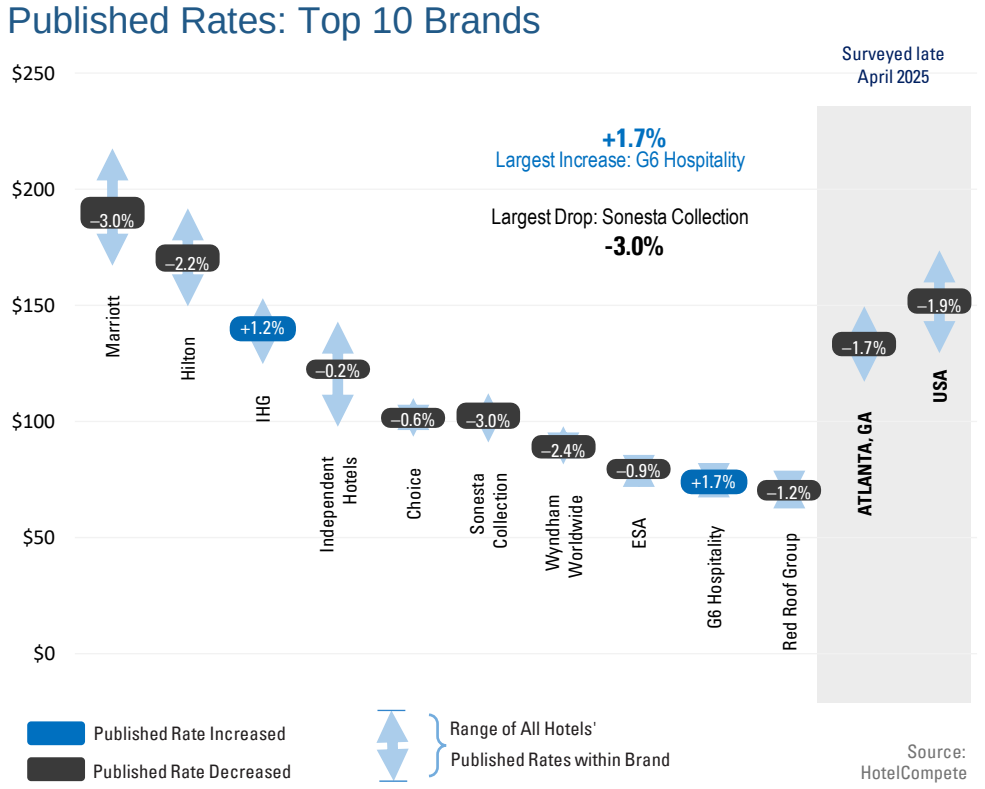
SCALE AND SERVICE ORIENTATION

Scale and Service Distribution: Atlanta, GA



'30/3' RATE CHANGES: ATLANTA, GA vs. USA

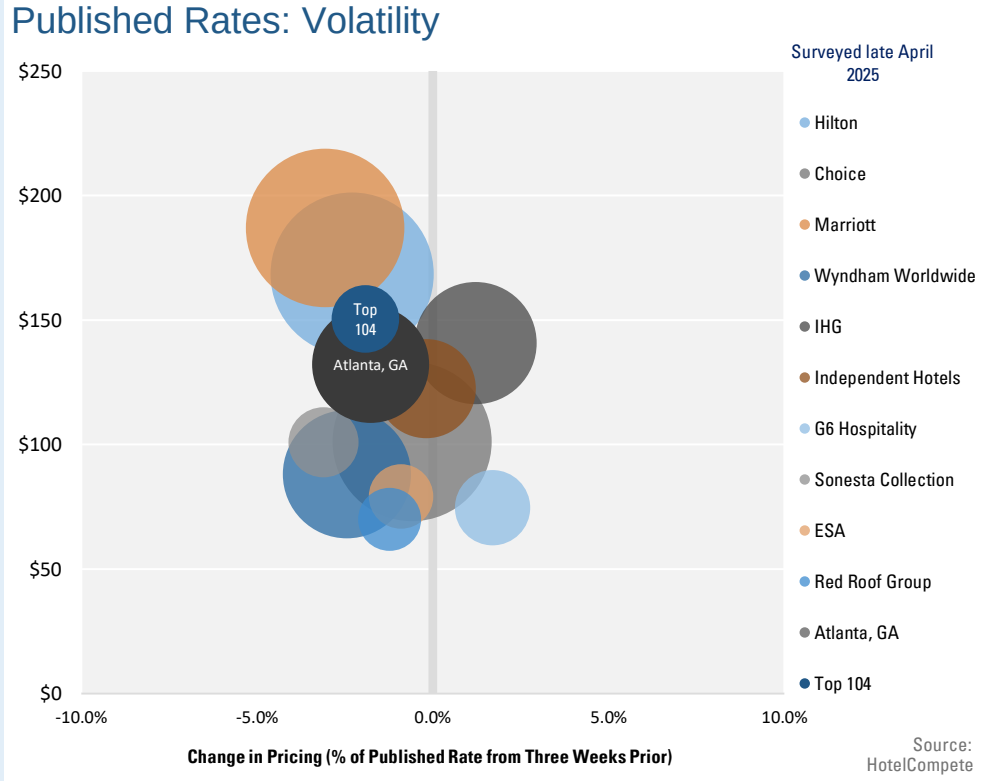
Published Rates: Top 10 Brands



Source: HotelCompete

RATE ADJUSTMENTS BY BRAND

Published Rates: Volatility



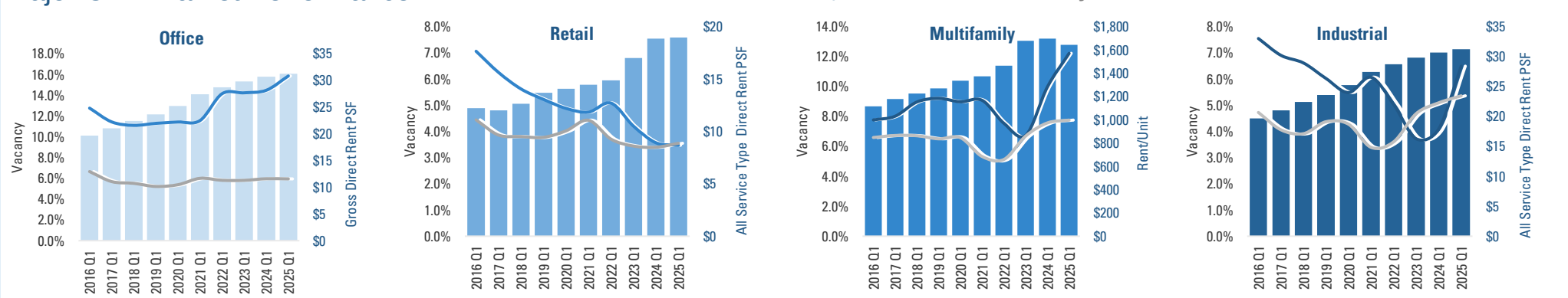
Source: HotelCompete

MAJOR C.R.E. METRICS

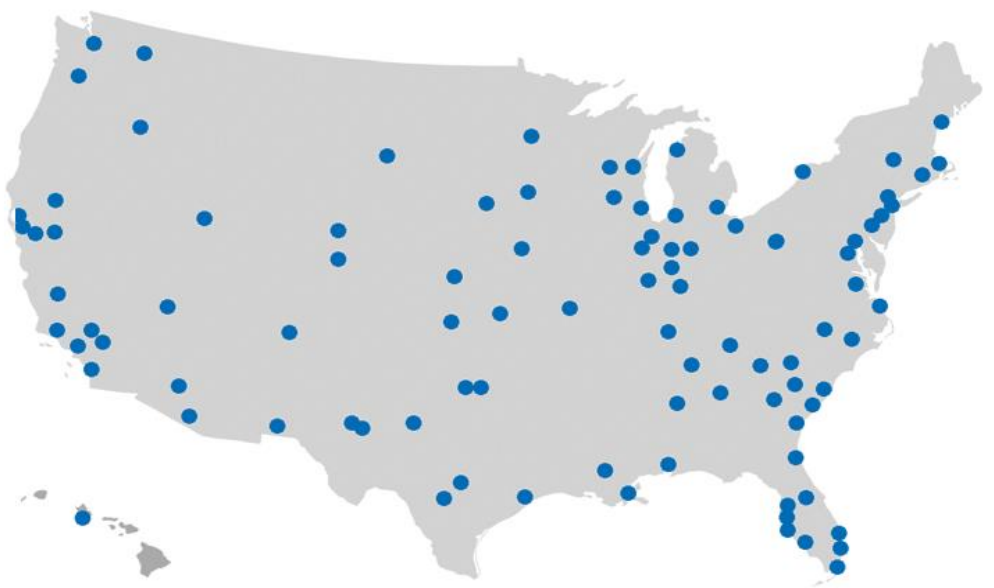
Major CRE Market Performance

Atlanta, GA USA - Vacancy

Source: CoSTAR



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:

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Stadiums, Sports & Entertainment Facilities

Conference, Expo and Convention Centers

Golf Courses

Marinas

Ski and Village Resorts

Water Parks, Amusement Parks and Attractions

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

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

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CONTACT: SOUTHEAST & CARRIBBEAN MARKETS

CONTACT

FOR MORE INFORMATION

David Gray, MAI, MRICS
Executive Vice President
Hospitality, Gaming & Leisure
NEWMARK VALUATION & ADVISORY
Southeast & Carribbean Markets
m 561-302-3943
david.gray@nmrk.com

Edy Gross
Executive Vice President
Hospitality, Gaming & Leisure
NEWMARK VALUATION & ADVISORY
Southeast & Carribbean Markets
m 305-582-7376
edy.gross@nmrk.com

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