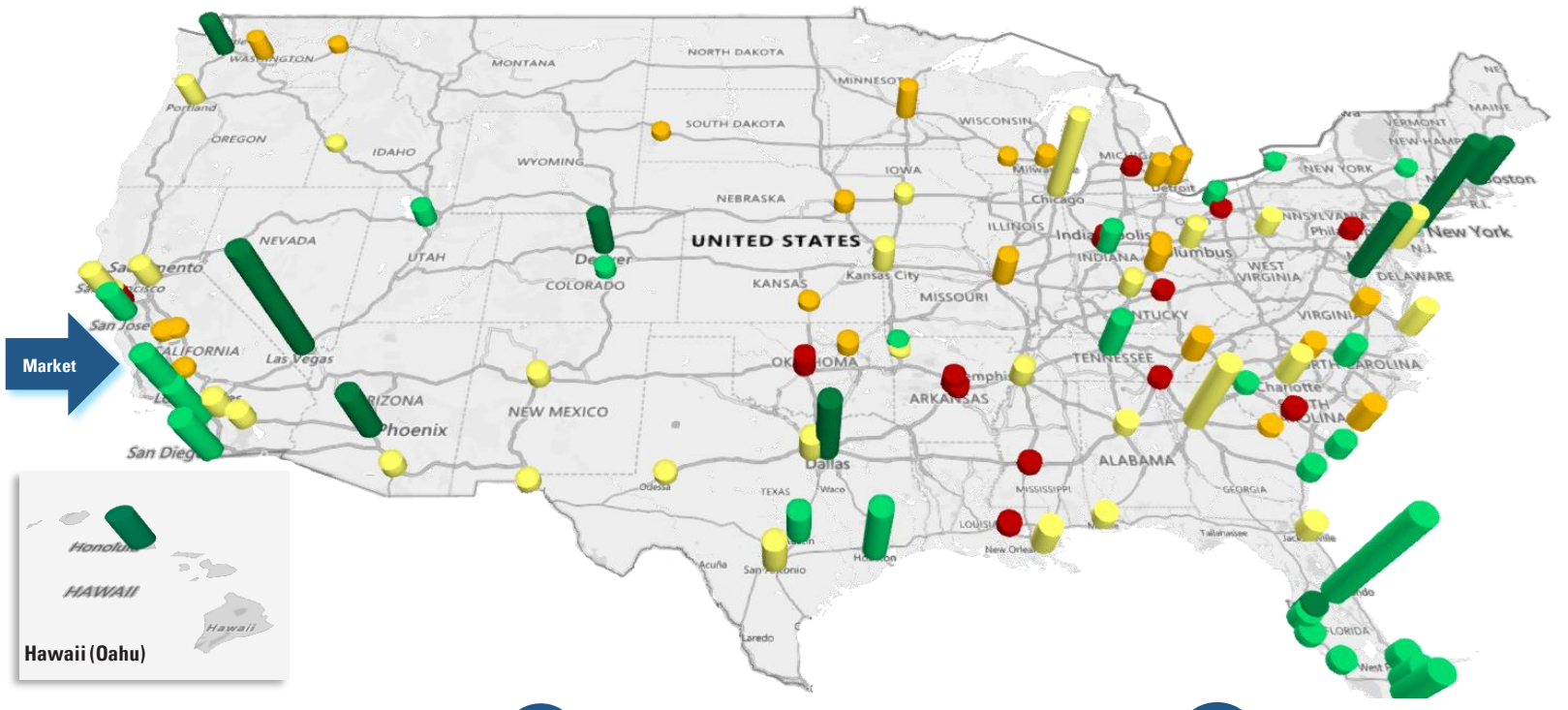
VALUATION & ADVISORY | HOSPITALITY, GAMING & LEISURE

HOTEL MARKET NSIGHTS REPORT

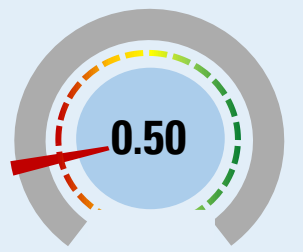
1Q 2025
BAKERSFIELD, CA

Lodging Performance Index Snapshot



LODGING PERFORMANCE INDEX

Bakersfield, CA

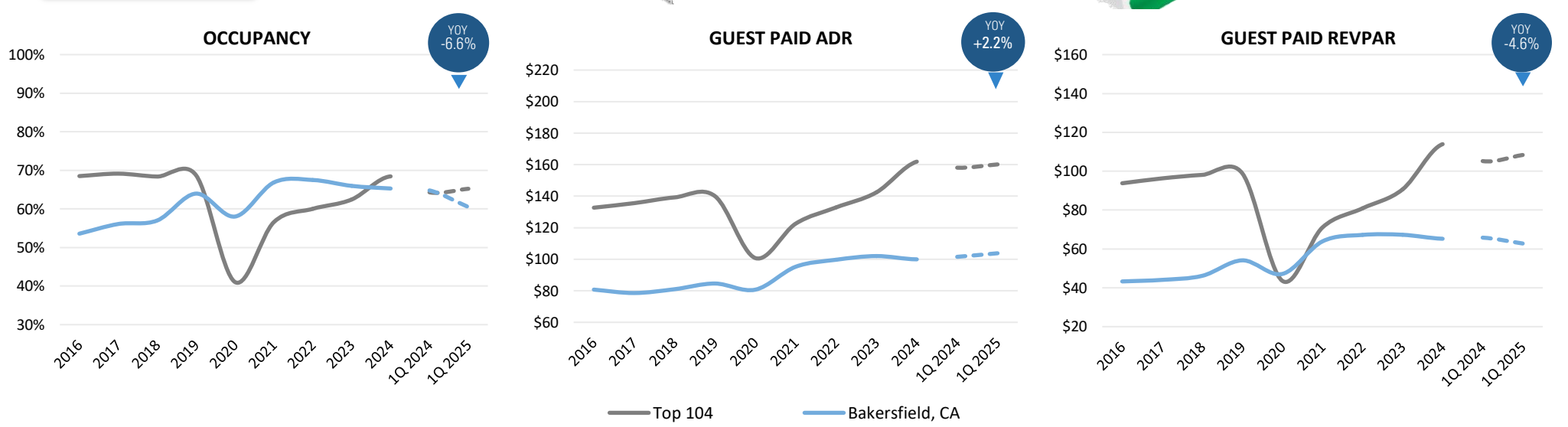


102nd of 104

Soft

Ranking of overall '1Q 2025 LPI' performance (0.50) against all 104 surveyed markets.

KEY PERFORMANCE METRICS



PERFORMANCE INDEXES

Key Performance Indexes

Subject Market | Top 104

Occupancy		Guest Paid ADR		Guest Paid RevPAR	
1Q 2025	T12 Mos.	1Q 2025	T12 Mos.	1Q 2025	T12 Mos.
60.5% / 65.2%	64.2% / 68.7%	$104 / $160	$101 / $162	$63 / $108	$64 / $115
55th	66th	91st	102nd	77th	95th

BENCHMARK INDEXES

Key Benchmark Indexes

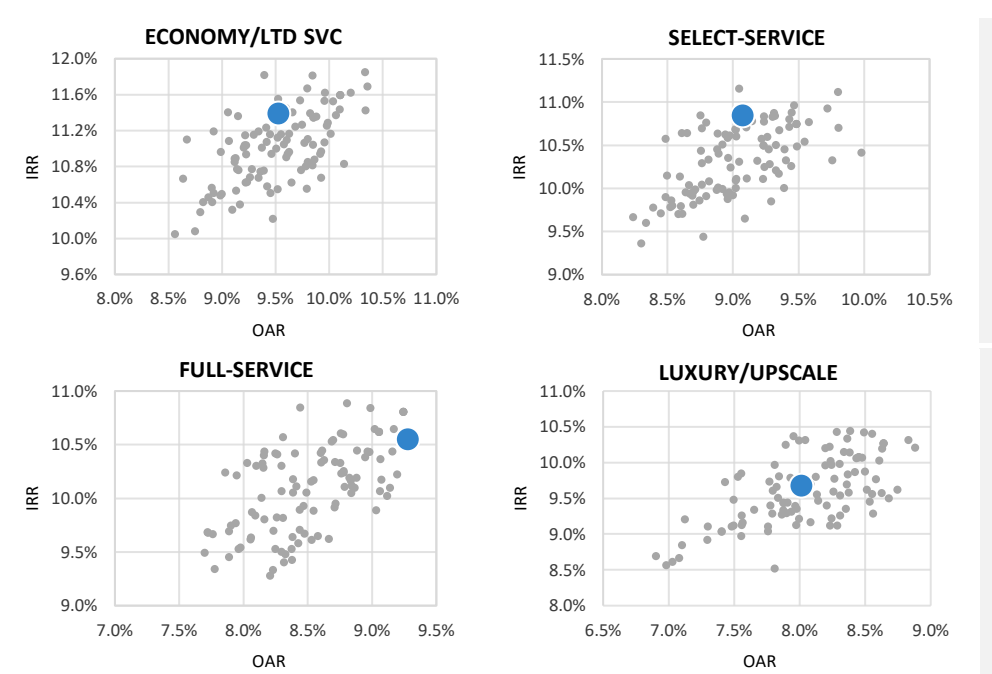
kalibri LABS

Loyalty Contribution		Avg. Length of Stay (Nights)		Booking Costs POR	
1Q 2025	T12 Mos.	1Q 2025	T12 Mos.	1Q 2025	T12 Mos.
42.2% / 49.2%	39.6% / 50.8%	1.87 / 2.07	1.92 / 2.06	$7.50 / $11.27	$7.21 / $11.96
88th	94th	85th	79th	18th	5th

INVESTMENT PARAMETERS

Discount and Capitalization Rates

Source: Newmark



FUNDAMENTALS

Trends and Risks

Source: Kalibri Labs, Newmark

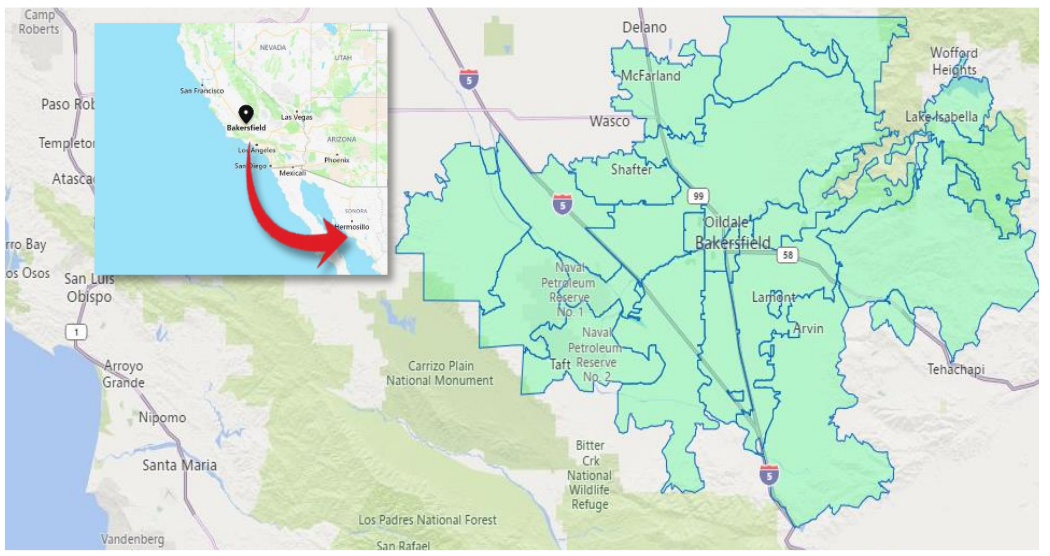
Revenue Stability	Supplier Power Trend	Investment Yields
30th	**93rd**	**82nd**
Above Average	Soft	Below Average
Assessment of room revenue growth and volatility over past three to five years against other Top 104 markets	Assessment of market's ability to maximize loyalty and profits, and to ward off 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
41st	**49th**	**25th**
Average Risk	Average Risk	Above 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:	Bakersfield
County:	Kern County
State:	California
Geo Coordinates (market center):	35.37329, -119.01871

Major Hotel Demand Generators

Edwards Air Force Base | China Lake Naval Weapons Center | Grimmway Farms | Wm. Bolthouse Farms Inc. | Dignity Health | Adventist Health | San Joaquin Community Hospital | Kern Medical Center | Sun World Inc. | Bakersfield Memorial Hospital | Chevron Texaco Corp. | Bear Creek Production Co. | Giumarra Farms | Mercy Hospital | ARB Inc. | State Farm Insurance Co. | Benjamin Picar Farm Labor | Pandol & Sons | Paramount Farms | Andrews Distribution

Metrics and Ranking	Measurement	Rankings
Population (hotel market area)	596,556	75th of 104 (Below Average)
Income per Capita	$60,058	19th of 104 (Above Average)
Feeder Group Size	128.9 Persons PSR	93rd of 104 (Soft)
Feeder Group Earnings	$7,741,467 PSR	98th of 104 (Soft)
Total Market Hotel Revenues	$169.1 million	102nd of 104 (Soft)

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	53.6%	$80.74	$43.26	$74.81	$40.09	$5.93	92.7%	43.0%	1.68	6,700	0.32
2017	56.1%	$78.59	$44.08	$72.30	$40.56	$6.28	92.0%	40.0%	1.73	6,800	0.48
2018	57.0%	$80.99	$46.17	$74.46	$42.44	$6.53	91.9%	41.7%	1.73	6,910	0.73
2019	64.0%	$84.61	$54.12	$77.70	$49.71	$6.91	91.8%	44.9%	1.77	7,410	0.89
2020	58.0%	$80.71	$47.15	$75.31	$43.70	$5.40	93.3%	30.5%	2.01	7,290	1.33
2021	66.9%	$95.25	$63.89	$88.74	$59.33	$6.51	93.2%	34.7%	1.90	7,260	1.13
2022	67.5%	$99.68	$67.22	$92.86	$62.68	$6.83	93.1%	35.1%	1.91	7,300	0.76
2023	66.0%	$102.02	$67.28	$94.99	$62.66	$7.04	93.1%	35.5%	1.90	7,300	0.89
2024	65.3%	$99.95	$65.24	$92.84	$60.62	$7.10	92.9%	38.6%	1.97	7,180	0.72
CAGR: 2016 thru 2024	**2.5%**	**2.7%**	**5.3%**	**2.7%**	**5.3%**	**2.3%**	**0.0%**	**-1.4%**	**2.0%**	**0.9%**	**10.8%**
1Q 2024	64.8%	$101.54	$65.80	$94.48	$61.22	$7.06	93.0%	37.9%	2.07	7,040	0.90
1Q 2025	60.5%	$103.81	$62.80	$96.31	$58.26	$7.50	92.8%	42.2%	1.87	7,050	0.50

Notable Metrics

HIGHEST

T12-Month Booking Costs POR	Marketwide Income per Room	Population Density per Room
5th	**7th**	**11th**
Strong	**Strong**	**Above Average**
Bakersfield, CA enjoyed low T12–month booking costs POR ($7.21)	The market enjoyed a high ratio of marketwide income per room ($3,600,158)	The market also boasted strong population density per room (84.53)

LOWEST

OAR: Full-Service	T12-Month COPE ADR	T12-Month Guest Paid ADR
Last	**102nd**	**102nd**
Highly Unfavorable	**Soft**	**Soft**
This market posted unfavorable OAR metrics in the full–service segment (9.3%)	The market has been hindered by weak T12–month COPE ADR ($93.30)	Bakersfield, CA also exhibited weak T12–month Guest Paid ADR ($100.51)

Notable Trends

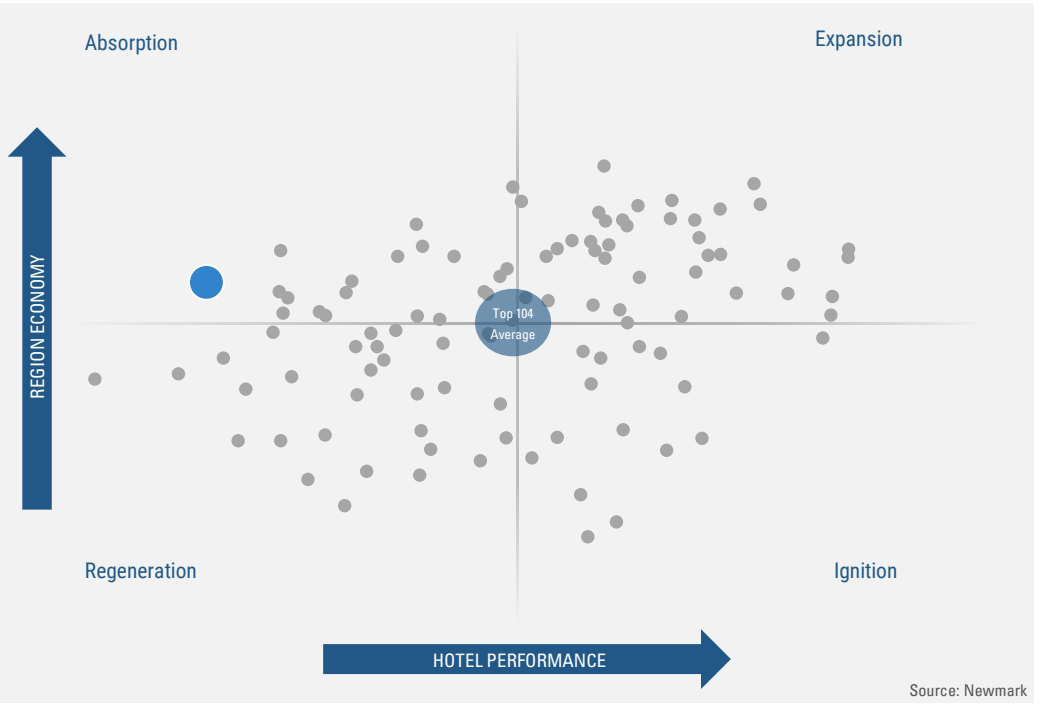
STRONGEST

Short-Term Historical Average Length of Stay Growth	Long-Term Historical Supply Growth	Long-Term Historical LPI Growth
16th	**21st**	**28th**
Above Average	**Above Average**	**Above Average**
Bakersfield, CA has benefited from strong short–term historical average length of stay growth (2.2%)	The market has benefited from low long–term historical supply growth (0.6%)	The market also enjoyed strong long–term historical LPI growth (2.3%)

WEAKEST

Overall Health of Hotel Market	Short-Term Historical Supply Growth	Short-Term Historical Occupancy Growth
102nd	**92nd**	**84th**
Soft	**Soft**	**Below Average**
The market has been hampered by weak general hotel market performance (levels and trends of fundamentals)	We note this area has been burdened by high short–term historical supply growth (0.0%)	Bakersfield, CA also has been hindered by weak short–term historical occupancy growth (–1.5%)

Market Performance Stage



Source: Newmark

Bakersfield, CA: Absorption Stage

Absorption

The Bakersfield, CA market is currently in the 'Absorption' stage of the performance cycle. In this 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.

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.

Expansion

In the 'Expansion' 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; Atlanta, GA; and Austin, TX.

MOODYS ANALYTICS

Industry Observations

Business Cycle:	**Expansion**
Employment Growth (2 yr):	0.9%
Risk Exposure (402 US markets):	67th Percentile: Above Average
Key Industry Notes:	Vast oil deposits in Monterey Shale Abundant farmland Location favors distribution Low industrial diversity High poverty

Moody's Rating

A1

Investment Grade

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

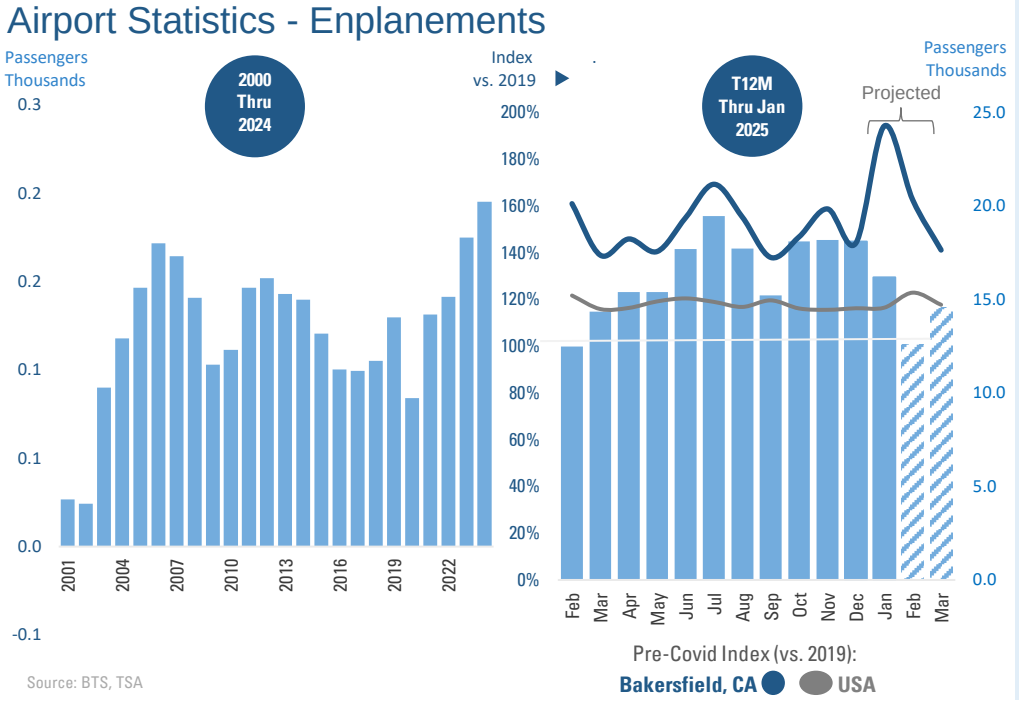
TOP 10 BRANDS

Source: Newmark

NEWMARK

SELECT NEAREST AIRPORT CITY: ALL LOCAL

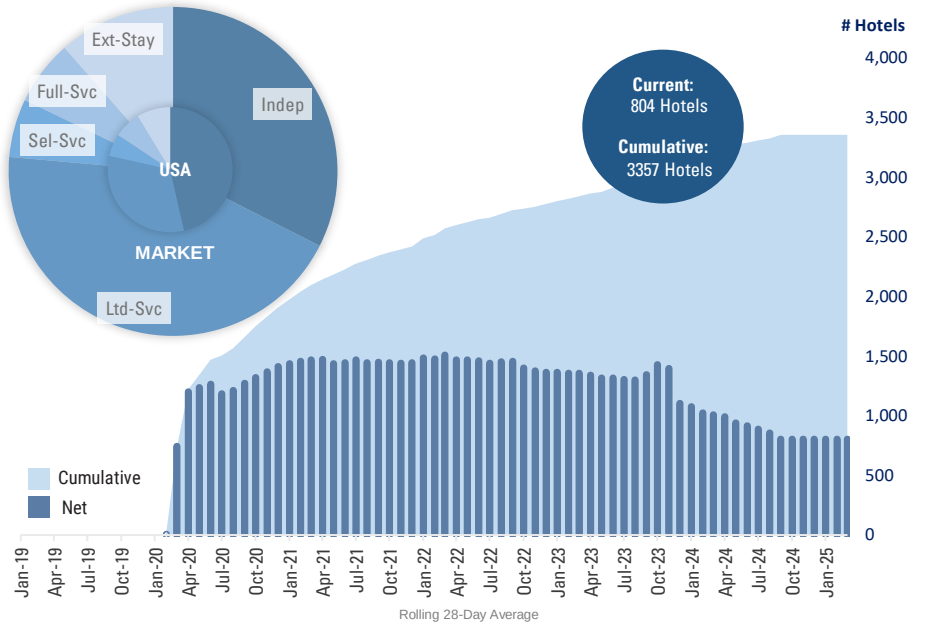
Airport Statistics - Enplanements



Source: BTS, TSA

DATA THROUGH MAY 2025

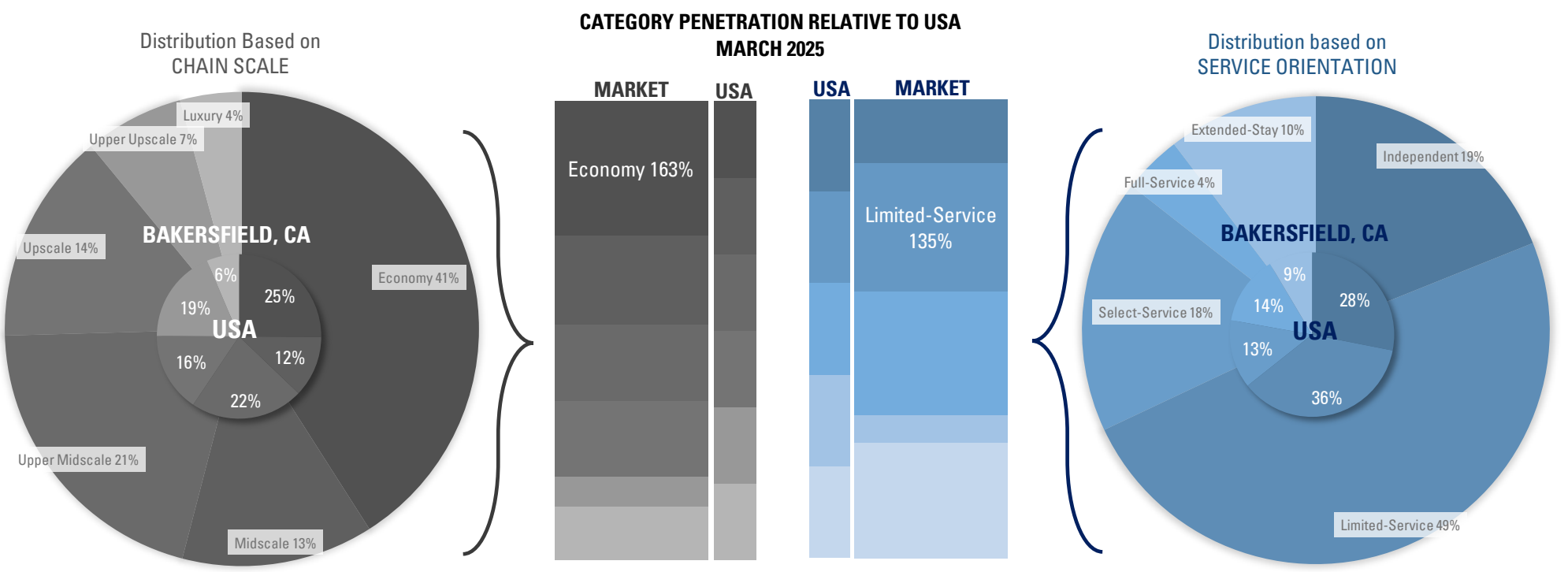
Hotel Closures - State of CA



Source: Hotel Compete

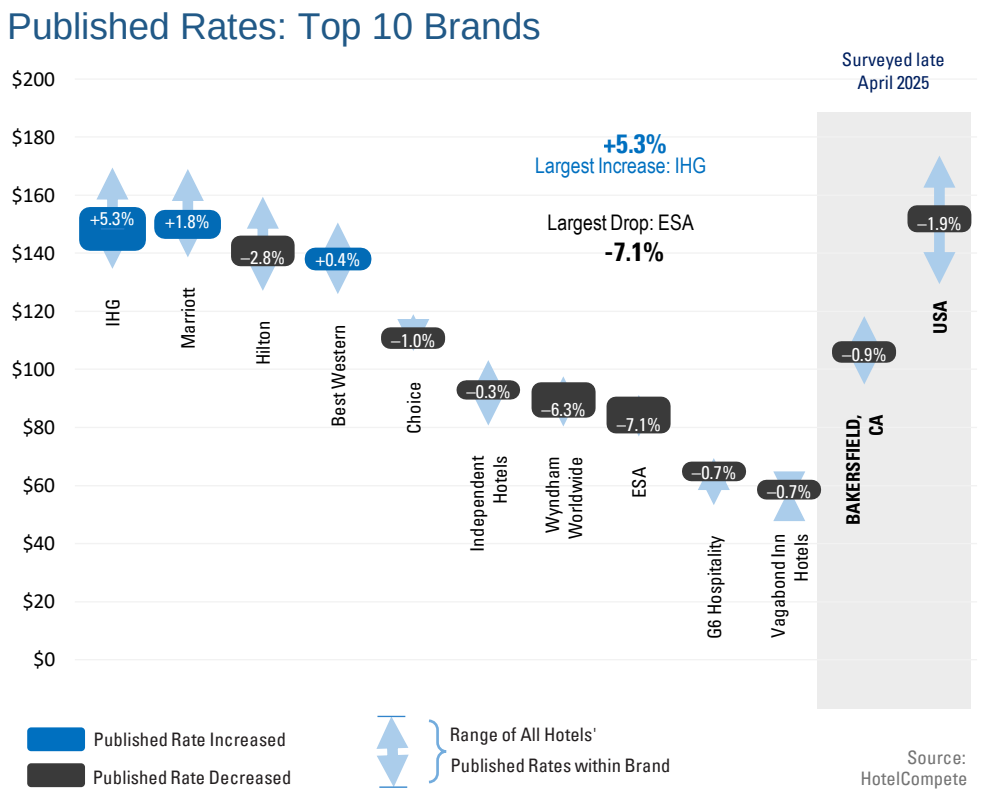
SCALE AND SERVICE ORIENTATION

Scale and Service Distribution: Bakersfield, CA



'30/3' RATE CHANGES: BAKERSFIELD, CA vs. USA

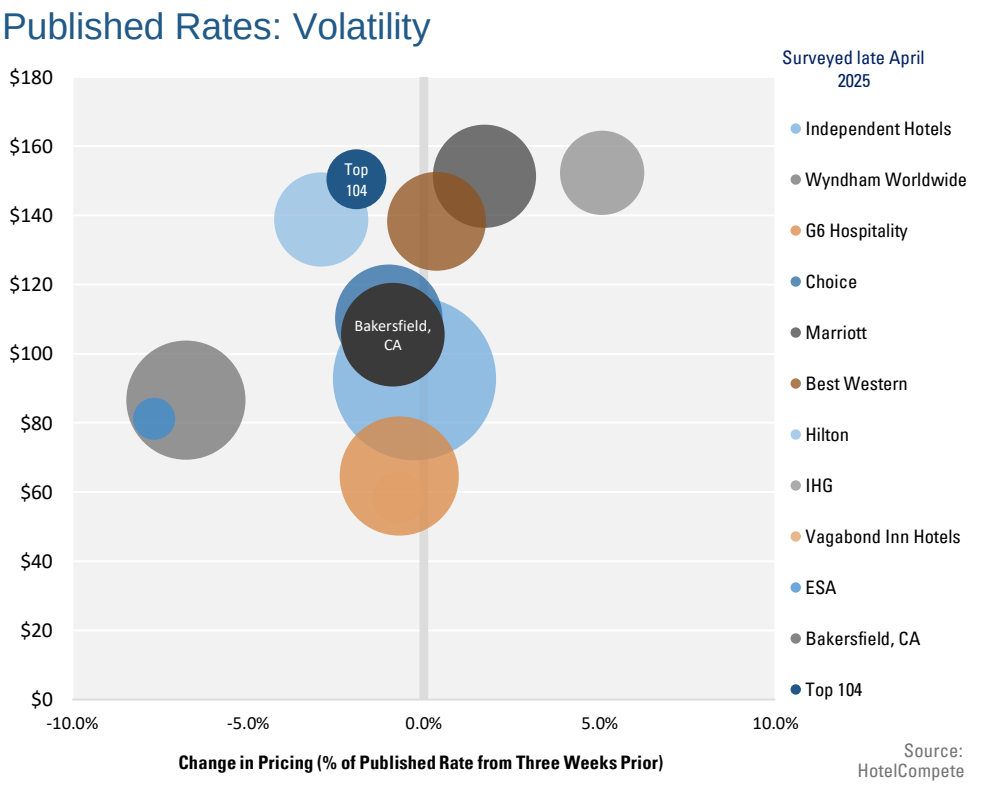
Published Rates: Top 10 Brands



Source: HotelCompete

RATE ADJUSTMENTS BY BRAND

Published Rates: Volatility



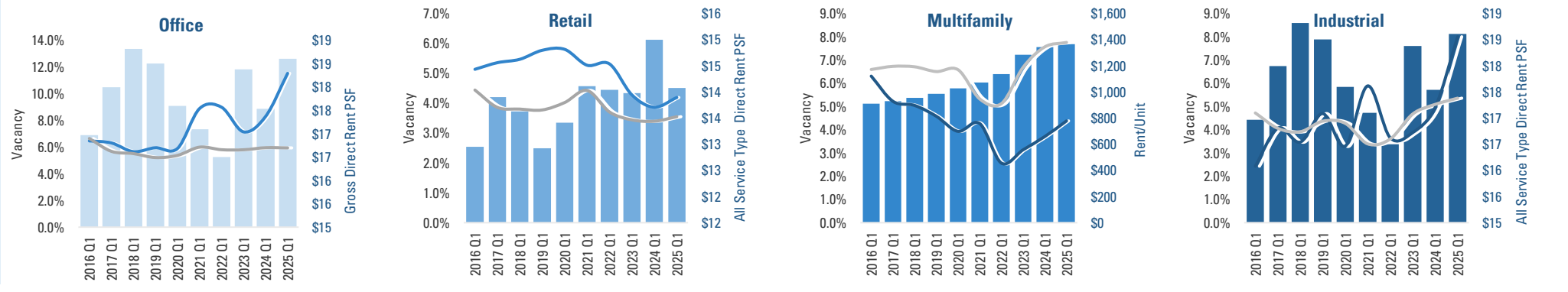
Source: HotelCompete

MAJOR C.R.E. METRICS

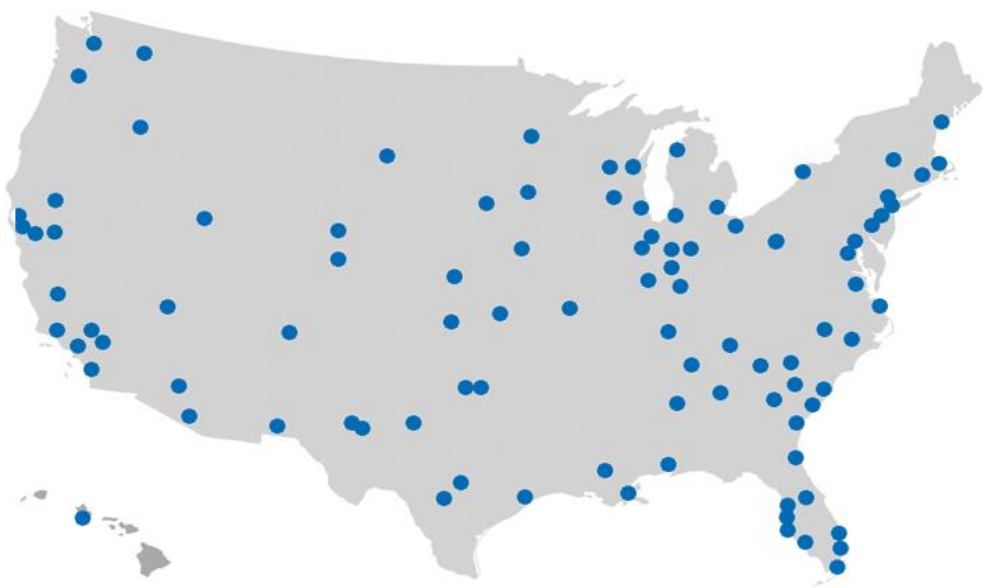
Major CRE Market Performance

Bakersfield, CA 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

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Golf Courses

Marinas

Ski and Village Resorts

Water Parks, Amusement Parks and Attractions

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