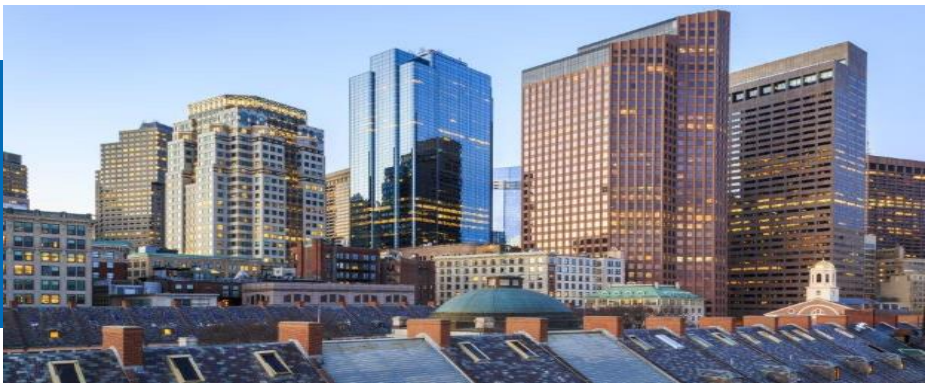
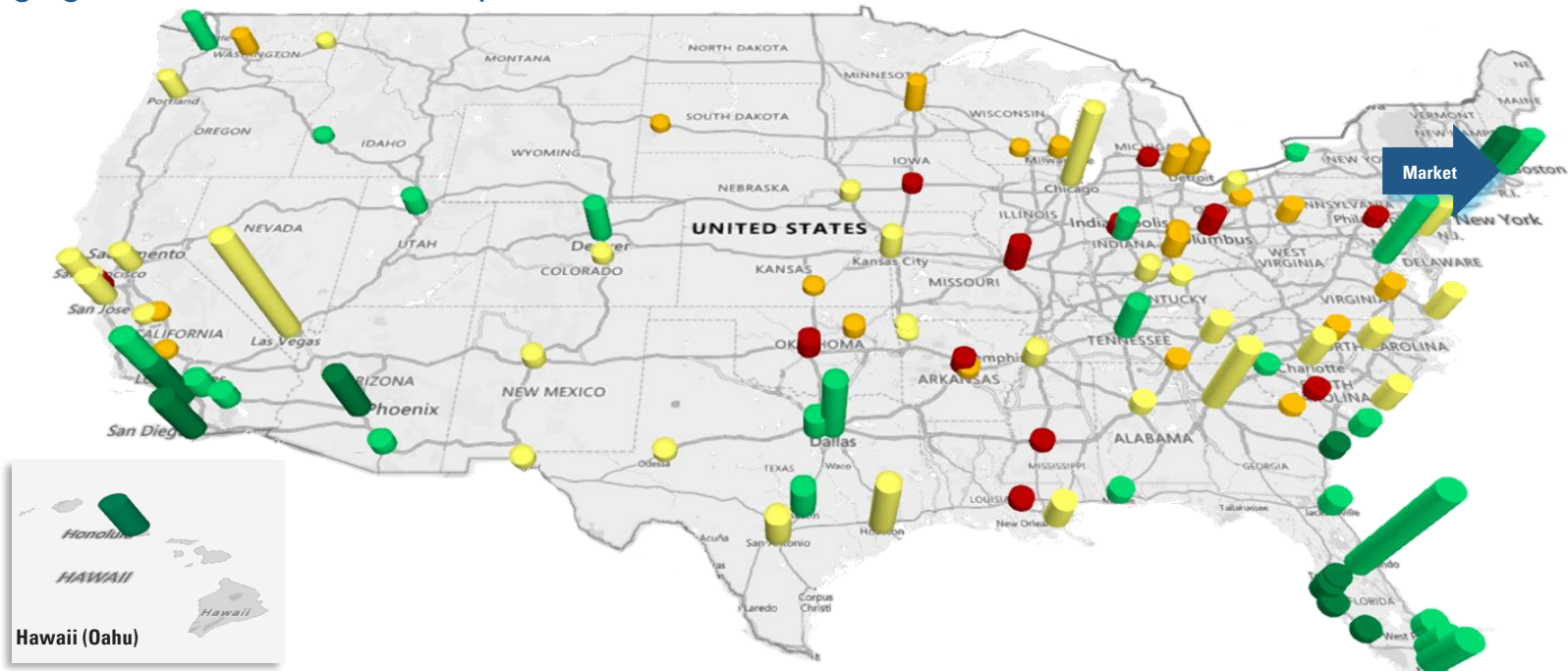


4Q 2023  
BOSTON, MA

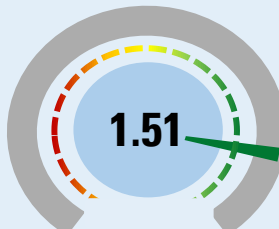


Lodging Performance Index Snapshot



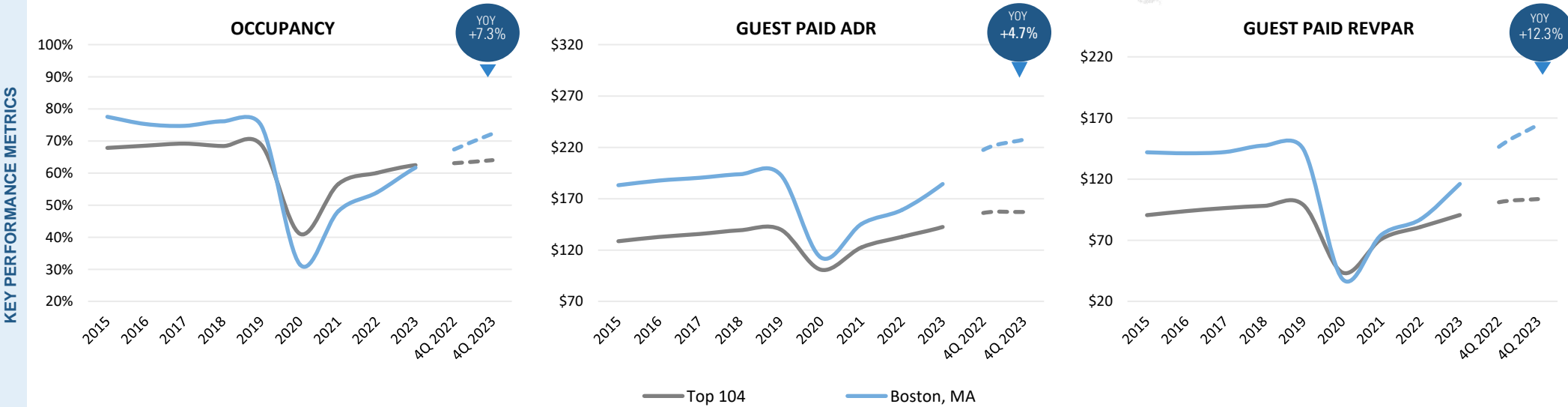
LODGING PERFORMANCE  
INDEX

Boston, MA



2nd of 104  
Very Strong

Ranking of overall '4Q 2023 LPI' performance  
(1.51) against all 104 surveyed markets.

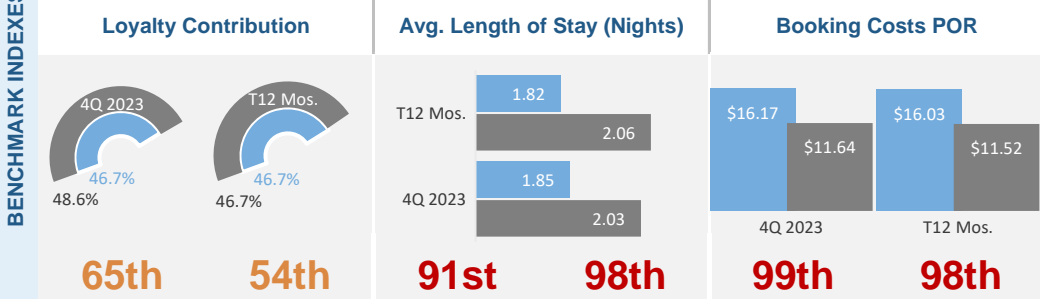


Key Performance Indexes

● Subject Market ● Top 104

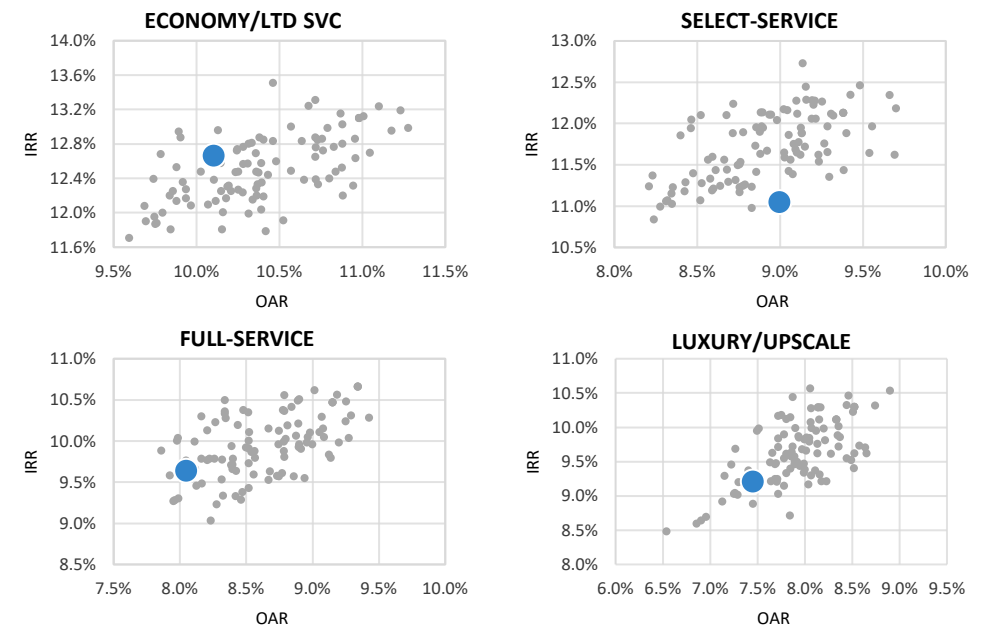


Key Benchmark Indexes



Discount and Capitalization Rates

Source: Newmark

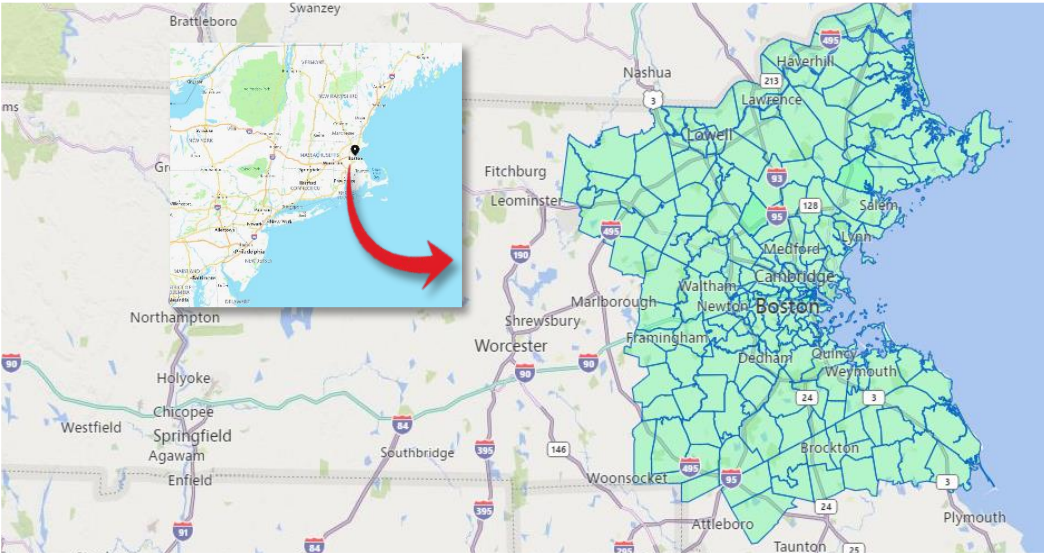


Trends and Risks

Source: Kalibri Labs, Newmark



Location



Quick Facts

Jurisdictional Information

Municipal Name:

Boston

County:

Suffolk County

State:

Massachusetts

Geo Coordinates (market center):

42.35843, -71.05977

Source: US Census Bureau,  
Dept. of Labor Statistics

Major Hotel Demand Generators

Partners HealthCare | University of Massachusetts | Stop & Shop Supermarket Co. | Steward Health Care System | Beth Israel Deaconess Medical Center | State Street Corp. | Children's Hospital Boston | Massachusetts General Hospital | Brigham & Women's Hospital | Boston University | Boston Medical Center | Liberty Mutual Insurance Co. | Tufts Medical Center | Northeastern University | Fidelity Investments | Bank of America | Dana-Farber Cancer Institute Inc. | Santander Bank | John Hancock Financial | AlliedBarton Security Services

Metrics and Ranking

Population (hotel market area)

3,620,408

10th of 104 (Large)

Income per Capita

\$62,021

12th of 104 (Above Average)

Feeder Group Size

83.7 Persons PSR

67th of 104 (Below Average)

Feeder Group Earnings

\$5,189,747 PSR

82nd of 104 (Below Average)

Total Market COPE

\$3.5 billion

9th of 104 (Strong)

Key Performance Metrics

YEAR ENDING	Guest Paid		COPE	
	Occ %	ADR	RevPAR	RevPAR
2015	77.5%	\$183.10	\$141.91	\$130.13
2016	75.2%	\$187.61	\$141.14	\$129.08
2017	74.7%	\$190.31	\$142.15	\$129.76
2018	76.1%	\$193.78	\$147.45	\$135.42
2019	74.7%	\$193.39	\$144.41	\$132.56
2020	31.5%	\$112.60	\$38.24	\$33.06
2021	48.1%	\$145.40	\$74.58	\$64.73
2022	53.9%	\$159.08	\$87.20	\$79.41
2023	61.7%	\$184.29	\$116.03	\$105.31
CAGR: 2015 thru 2022	-2.8%	0.1%	-2.5%	-2.6%
4Q 2022	67.3%	\$217.39	\$146.36	\$135.46
4Q 2023	72.3%	\$227.54	\$164.41	\$152.73

Data provided by: kalibri LABS					
Booking Cost POR	ADR COPE %	Loyalty %	Avg. Length of Stay (Nights)	Supply (Available Rms)	Performance Index (LPI)
\$15.20	91.7%	49.6%	2.04	47,480	1.58
\$16.03	91.5%	52.2%	1.91	48,840	1.14
\$16.59	91.3%	53.6%	1.86	50,100	1.23
\$15.81	91.8%	54.3%	1.87	52,000	1.47
\$15.86	91.8%	59.5%	1.73	57,630	1.10
\$7.57	93.3%	38.1%	2.42	57,570	0.77
\$10.95	92.5%	41.5%	2.06	59,390	0.84
\$11.86	92.5%	42.3%	2.01	59,930	1.18
\$13.52	92.7%	42.9%	1.97	60,350	1.51
-1.5%	0.1%	-1.8%	-0.4%	3.0%	-0.6%
\$16.18	92.6%	46.8%	1.80	60,050	1.18
\$16.17	92.9%	46.7%	1.85	58,650	1.51

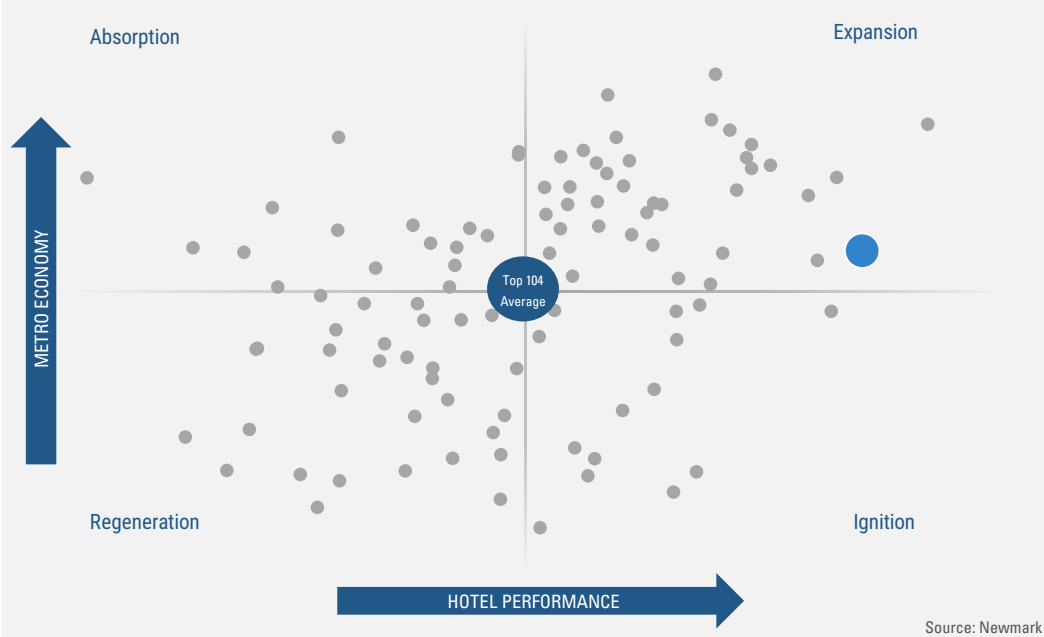
Notable Metrics

HIGHEST	Latest-Quarter LPI	Latest-Quarter Guest Paid ADR	Latest-Quarter COPE ADR
	2nd Very Strong Boston, MA enjoyed strong latest-quarter LPI (1.51)	3rd Very Strong The market exhibited strong latest-quarter Guest Paid ADR (\$227.54)	3rd Very Strong The market also exhibited strong latest-quarter COPE ADR (\$211.38)
LOWEST	Latest-Quarter Booking Costs POR	T12-Month Average Length of Stay	T12-Month Booking Costs POR
	99th Soft This market has been burdened by high latest-quarter booking costs (\$16.17)	98th Soft The market exhibited weak T12-month average length of stay (1.82 Nights)	98th Soft Boston, MA also was burdened by high T12-month booking costs POR (\$16.03)

Notable Trends

FASTEST	Overall Health of Hotel Market	Short-Term Historical Occupancy Growth	Long-Term Historical Booking Costs POR Growth
	2nd Very Strong Boston, MA has benefited from strong general hotel market performance (levels and trends of fundamentals)	9th Strong The market has benefited from strong short-term historical occupancy growth (1.8%)	14th Above Average The market also has benefited from low long-term historical booking costs POR growth (1.0%)
SLOWEST	Long-Term Historical Loyalty Contribution Growth	Short-Term Historical Average Length of Stay Growth	Short-Term Historical COPE ADR Growth
	101st Soft The market has been hindered by weak long-term historical loyalty contribution growth (2.2%)	100th Soft We note this area exhibited weak short-term historical average length of stay growth (-0.9%)	93rd Soft Boston, MA also posted weak short-term historical COPE ADR growth (1.5%)

Market Performance Stage



Boston, MA: Expansion Stage

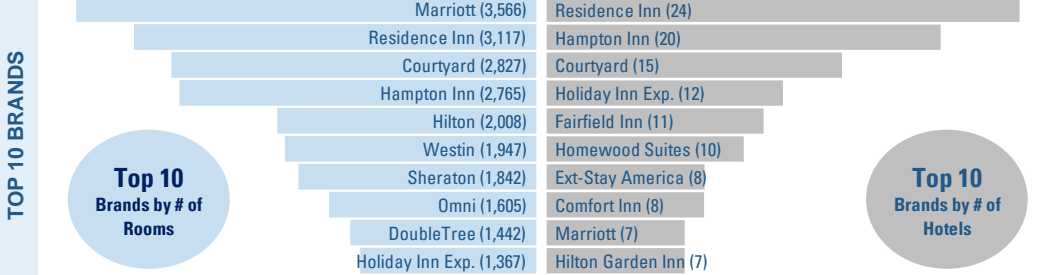
Expansion	The Boston, MA market is currently in the 'Expansion' stage of the performance cycle. In this stage, hotels perform adequately, contributing to a resilient economy that is approaching a 'post' pandemic environment. Displacement demand is high, new hotel supply is feasible (despite barriers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

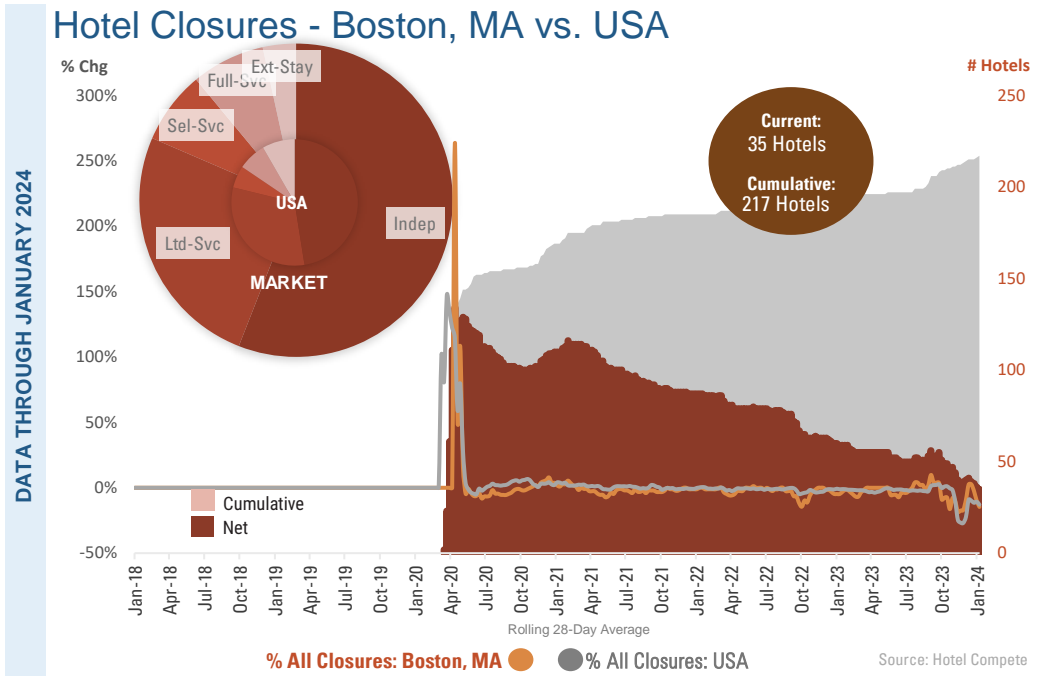
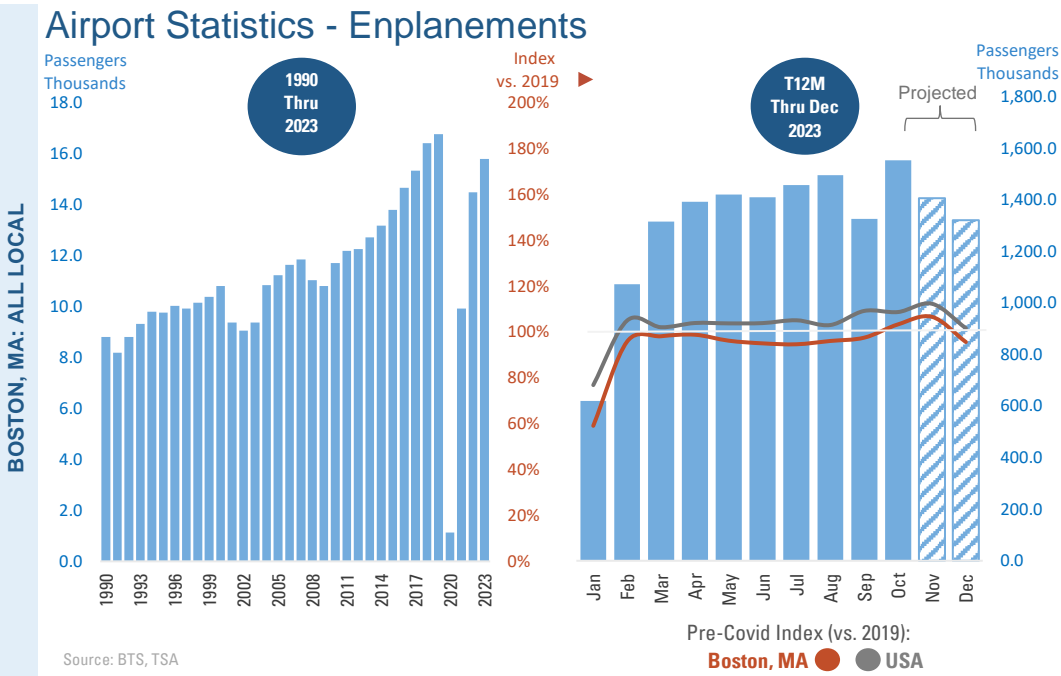
Regeneration	In the 'Regeneration' stage, hotels and the underlying economy are underperforming. The highest and best uses of hotel assets are still being challenged by lingering pandemic impacts, oversupply, weak economic indicators, and/or poor corporate contribution. Hotel investors look for opportunities 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 enter a sustained post-pandemic status. 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; Miami, FL; and Myrtle Beach, SC.Chicago, IL; Miami, FL; and New York, NY.
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; Houston, TX; and Minneapolis, MN.

Industry Observations

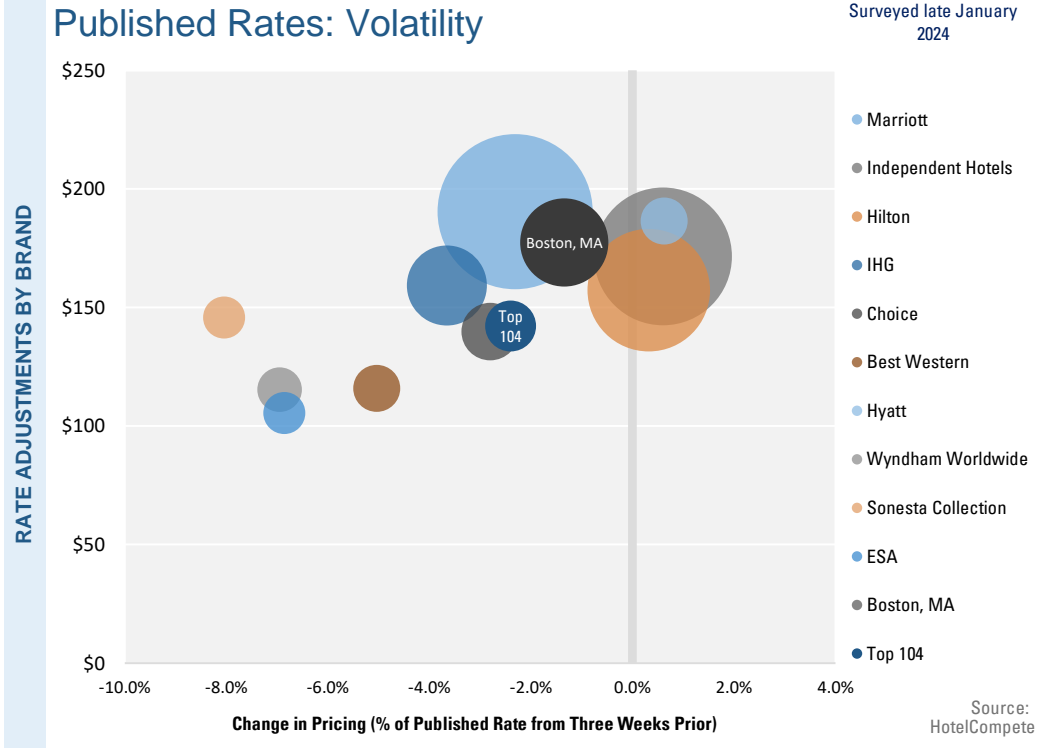
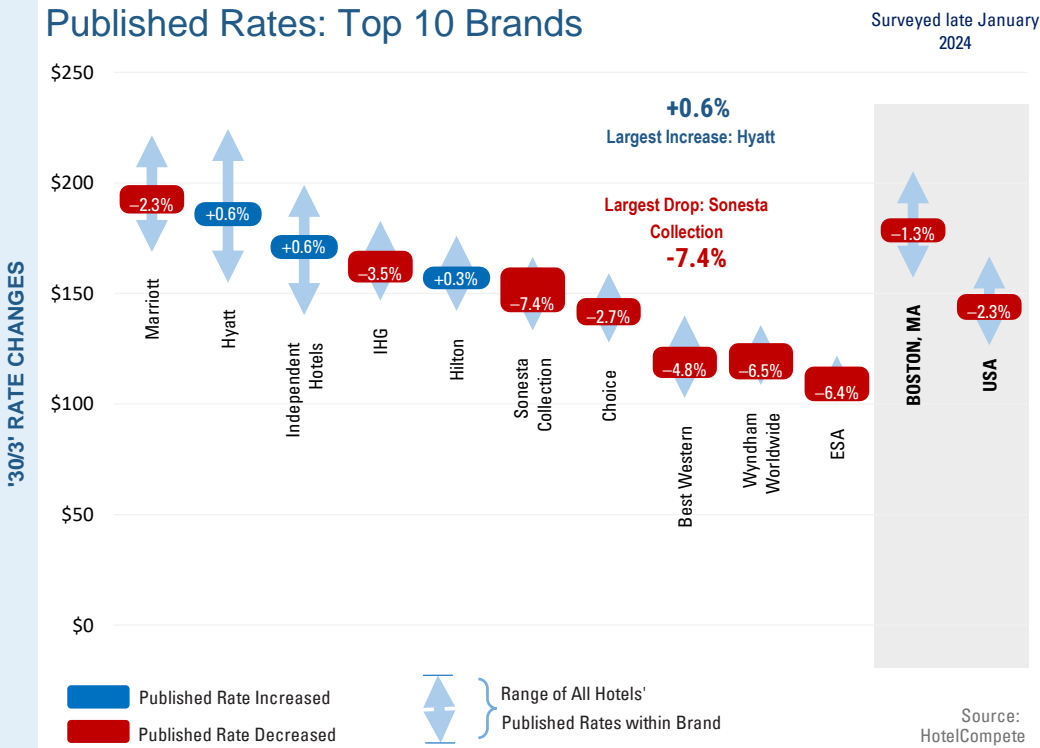
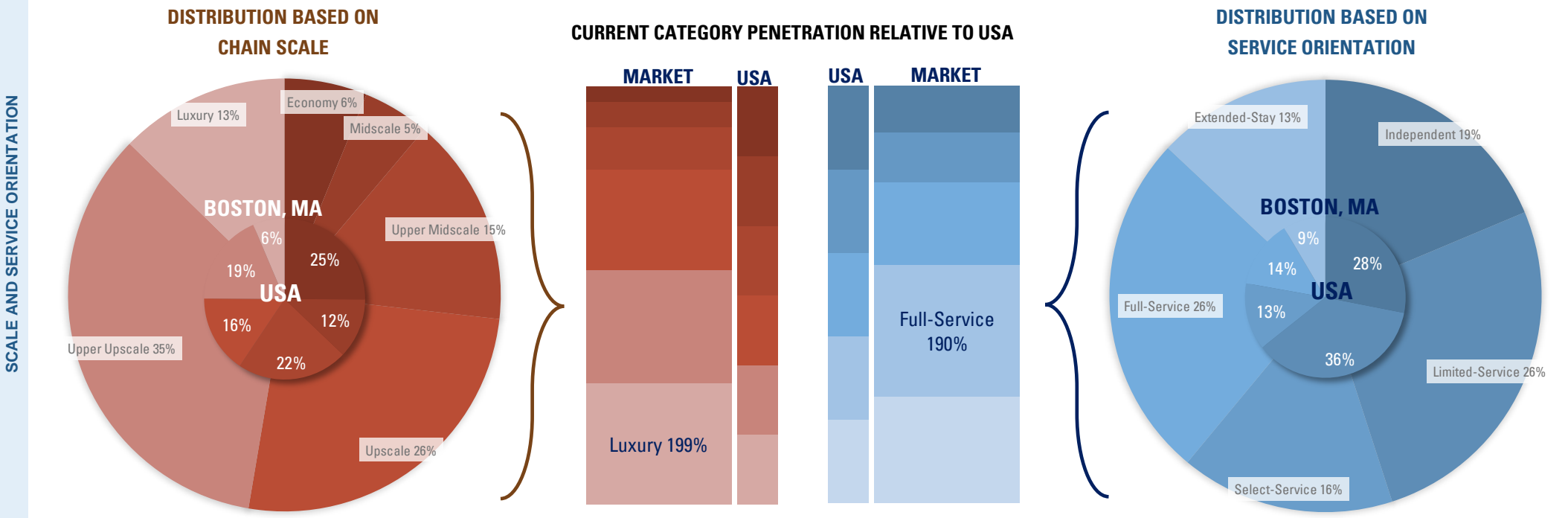
MOODY'S ANALYTICS	Business Cycle:	Late Expansion	Aaa Investment Grade  Long-term investment grade, Prime-1 short-term outlook
	Employment Growth (2 yr):	7.4%	
	Risk Exposure (402 US markets):	86th Percentile: Above Average	
	Key Industry Notes:	Financial and medical center	
		New England business capital	
		Access to skilled labor	
		Labor market stability	
High living costs			







## Scale and Service Distribution: Boston, MA



## Published Rate Observations: 30-Day Advance

	Published Rate Level	Rate Movement	Optimism
MARKET LEVEL	<b>21st</b> Above Average The 30-day advanced published rate for the market was a somewhat aggressive \$177.40, ranking 21st out of 104 markets. (Guest-Paid ADR ranked a very aggressive 3rd at \$227.54 in 4Q 2023.)	<b>23rd</b> Above Average Published rates have recently been moving downward, decreasing by a modest 1.3% over three weeks going into late January 2024. By comparison, the T-104 average posted downward movement of 2.34%.	<b>102nd</b> Soft Published rates reported in late January 2024 were 22.0% lower than the market's Guest-Paid ADR in 4Q 2023. This optimism is soft. By comparison, the T-104 spread was -9.5%.

	Published Rate Integrity	Coverage	Volatility
BRAND LEVEL	<b>102nd</b> Soft Published rates among the top 10 brands have a very low amount of integrity with substantial pricing overlap, suggesting bottom-feeding exists on a regular basis.	<b>97th</b> Soft Boston, MA has a soft spectrum of rate classes and traveler types among its top 10 brands, and the range of coverage has been widening.	<b>50th</b> Moderate Boston, MA's top 10 brands are exhibiting moderate volatility with respect to advanced booking pricing movements in the three weeks leading into late January 2024.

# 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

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Marinas

Ski and Village Resorts

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Specialty Practice Leader – Hospitality, Gaming & Leisure  
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bryan.younge@nmrk.com

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