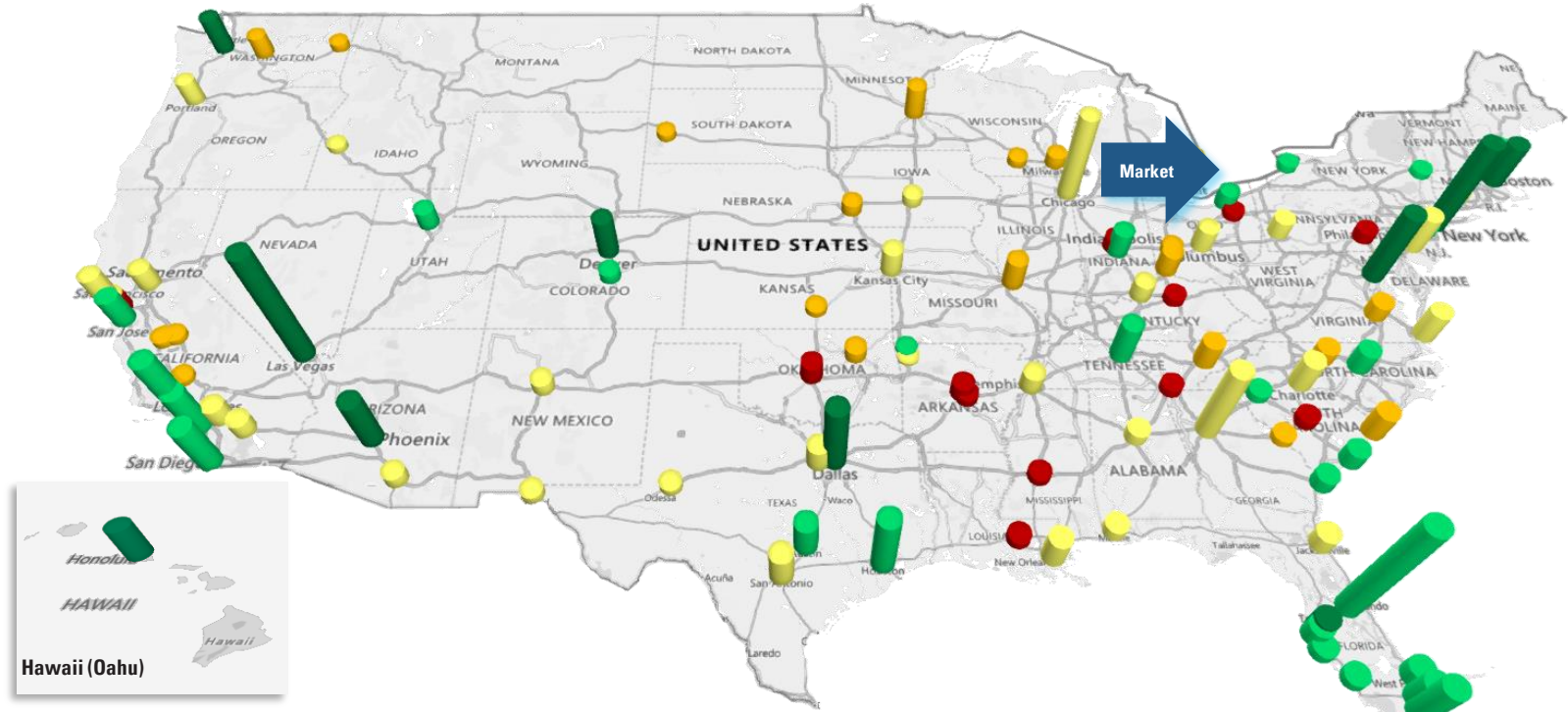


3Q 2024
BUFFALO, NY

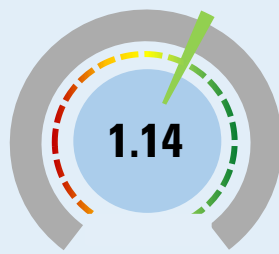


Lodging Performance Index Snapshot



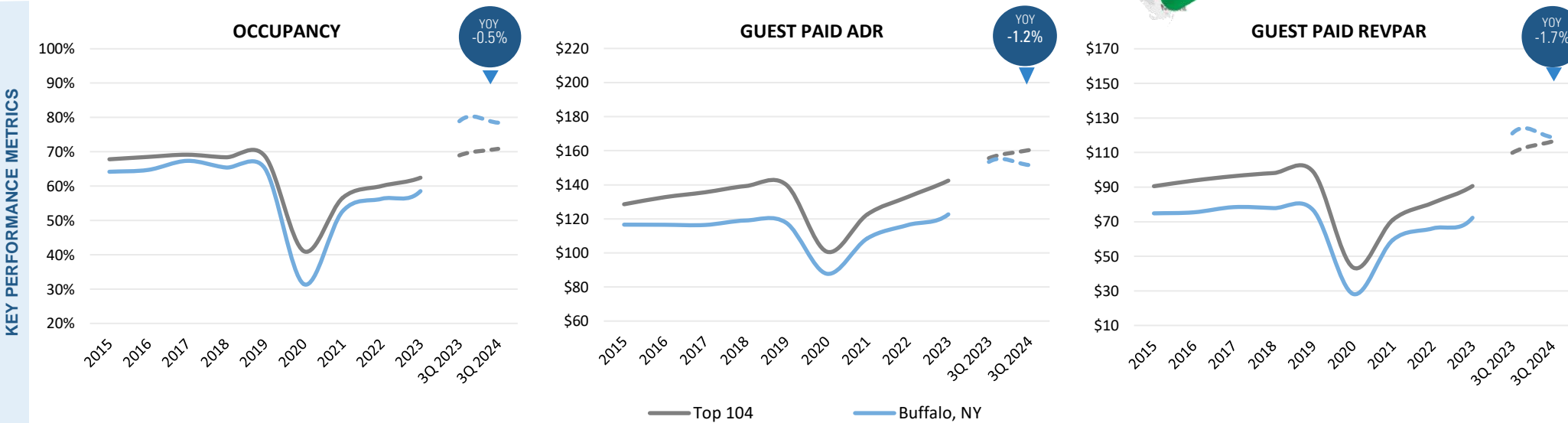
LODGING
PERFORMANCE INDEX

Buffalo, NY



31st of 104
Above Average

Ranking of overall '3Q 2024 LPI' performance
(1.14) against all 104 surveyed markets.

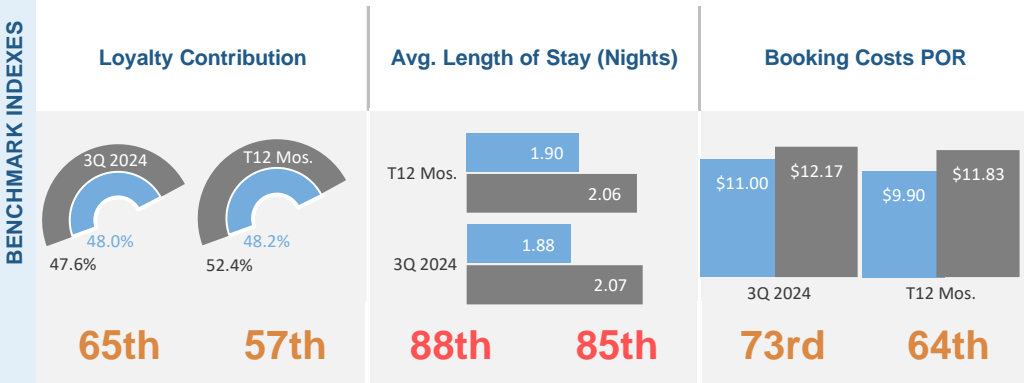


Key Performance Indexes

● Subject Market ● Top 104

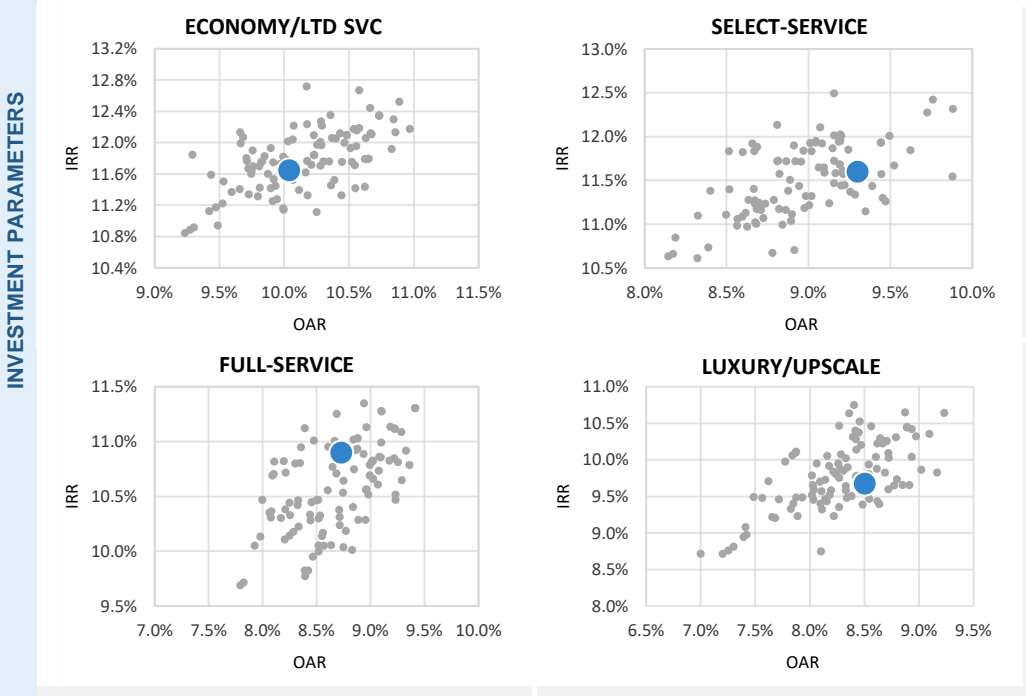


Key Benchmark Indexes



Discount and Capitalization Rates

Source: Newmark

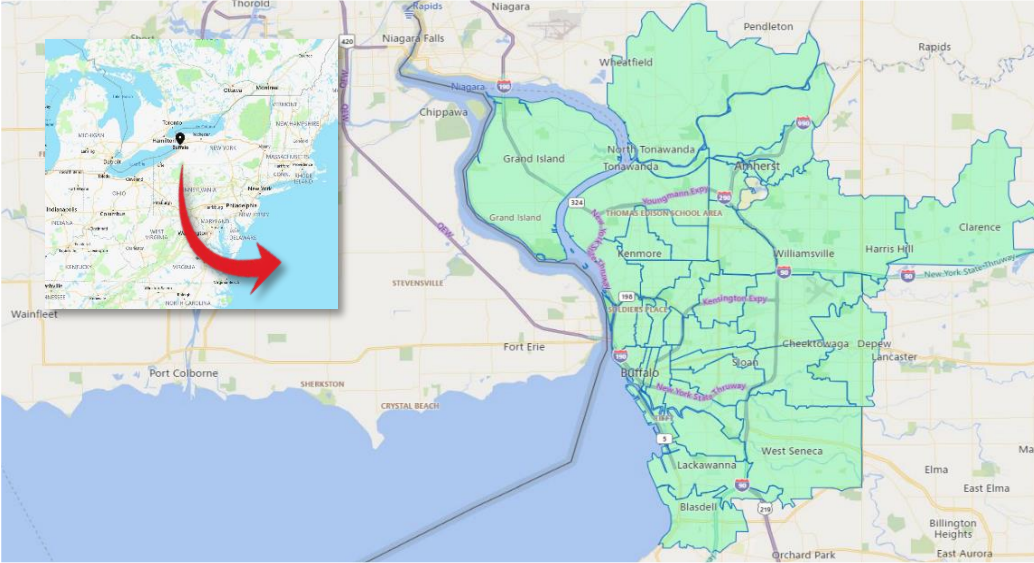


Trends and Risks

Source: Kalibri Labs, Newmark



Location



Quick Facts

Jurisdictional Information

Municipal Name:

Buffalo

County:

Erie County

State:

New York

Geo Coordinates (market center):

42.88645, -78.87837

Source: US Census Bureau,

Dept. of Labor Statistics

Major Hotel Demand Generators

Kaleida Health | Catholic Health | M&T Bank | University at Buffalo | Employer Services Corp. | Tops Friendly Markets | Seneca Gaming Corp. | Erie County Medical Center (ECMC) Corp. | Wegmans Food Markets Inc. | Catholic Diocese of Buffalo | HSBC Bank USA NA | Roswell Park Cancer Institute | GEICO | Alcott HR Group Inc. | People Inc. | Moog Inc. | Dresser-Rand Co. | First Niagara Bank NA | Delaware North | VA Western New York Healthcare System

Metrics and Ranking

Population (hotel market area)

Income per Capita

Feeder Group Size

Feeder Group Earnings

Total Market Hotel Revenues

593,220

\$34,268

91.6 Persons PSR

\$3,139,535 PSR

\$325.8 million

Rankings

76th of 104 (Below Average)

97th of 104 (Soft)

74th of 104 (Below Average)

41st of 104 (Average)

79th of 104 (Below Average)

Key Performance Metrics

YEAR ENDING	Guest Paid		COPE		Booking Cost POR	ADR COPE %	Loyalty %	Avg Length of Stay Nights	Supply Rooms	Performance Index (LPI)
	Occ %	ADR	RevPAR	ADR	RevPAR					
2015	64.2%	\$116.60	\$74.83	\$107.14	\$68.76	\$9.45	91.9%	49.2%	1.79	0.89
2016	64.7%	\$116.53	\$75.42	\$107.04	\$69.28	\$9.48	91.9%	50.8%	1.72	0.76
2017	67.4%	\$116.41	\$78.41	\$106.75	\$71.90	\$9.67	91.7%	51.6%	1.73	1.06
2018	65.4%	\$119.03	\$77.86	\$109.12	\$71.38	\$9.91	91.7%	54.7%	1.71	0.87
2019	65.1%	\$117.69	\$76.66	\$107.96	\$70.32	\$9.73	91.7%	57.3%	1.70	0.79
2020	31.4%	\$87.79	\$28.22	\$81.90	\$25.76	\$5.88	93.3%	43.3%	2.10	0.50
2021	52.7%	\$108.50	\$59.43	\$100.94	\$53.20	\$7.56	93.0%	44.1%	2.00	0.86
2022	56.3%	\$116.37	\$66.11	\$108.28	\$60.96	\$8.09	93.0%	45.4%	1.99	1.01
2023	58.5%	\$122.65	\$72.26	\$114.10	\$66.80	\$8.55	93.0%	46.0%	1.94	1.23
CAGR: 2015 thru 2023	-1.1%	0.6%	-0.4%	0.8%	-0.4%	-1.2%	0.2%	-0.8%	1.0%	4.1%
3Q 2023	78.9%	\$153.41	\$121.03	\$142.36	\$112.31	\$11.05	92.8%	48.1%	1.79	1.23
3Q 2024	78.5%	\$151.56	\$118.94	\$140.56	\$110.30	\$11.00	92.7%	48.0%	1.88	1.14

Data provided by:

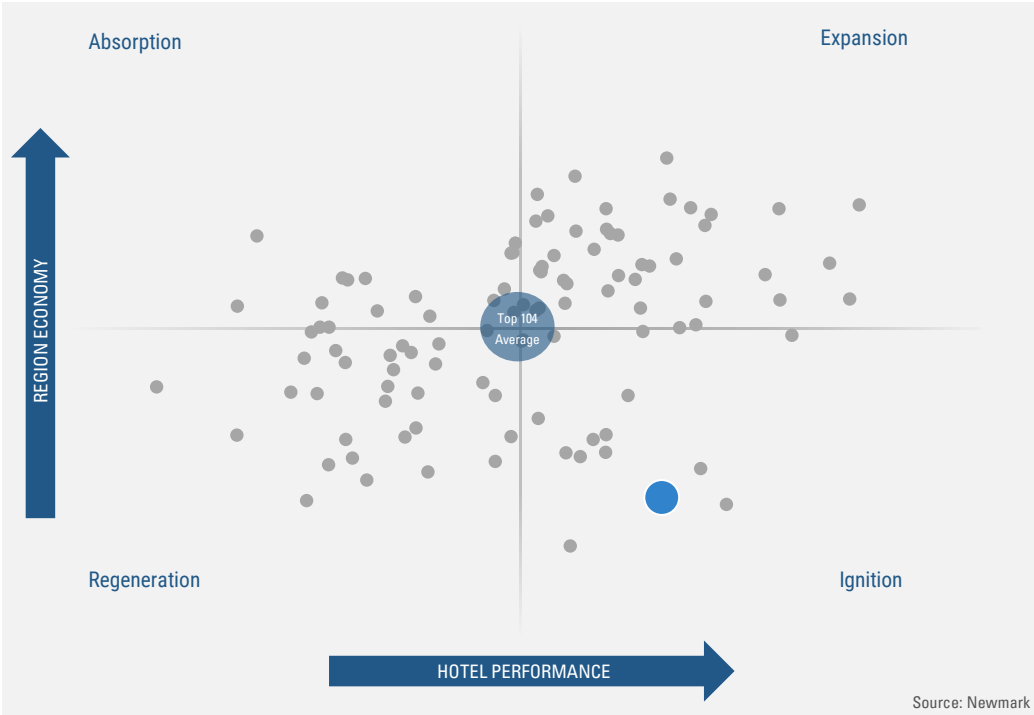
Notable Metrics

HIGHEST	Latest-Quarter Occupancy	Latest-Quarter COPE RevPAR	Latest-Quarter Guest Paid RevPAR
	10th Above Average Buffalo, NY enjoyed strong latest-quarter occupancy (78.5%)	23rd Above Average The market benefited from strong latest-quarter COPE RevPAR (\$110.30)	24th Above Average The market also benefited from strong latest-quarter Guest Paid RevPAR (\$118.94)
LOWEST	Economy Median Income	Total Rooms Supply	Latest-Quarter Average Length of Stay
	97th Soft This market was stymied by weak Economy Median Income (\$34,268)	95th Soft The market is small and offers a narrow variety of lodging scales and classes (9,445 total rooms)	88th Below Average Buffalo, NY also has been impeded by weak latest-quarter average length of stay (1.88 Nights)

Notable Trends

STRONGEST	Short-Term Historical Occupancy Growth	T12-Month Rooms Supply Growth	Long-Term Historical Supply Growth
	4th Strong Buffalo, NY has benefited from strong short-term historical occupancy growth (7.9%)	5th Strong The market exhibited low rooms supply growth over the last 12 months (−2.3%)	6th Strong The market also has benefited from low long-term historical supply growth (−0.1%)
WEAKEST	General Economy Reverence	Short-Term Historical Loyalty Contribution Growth	Short-Term Historical Supply Growth
	101st Soft The market posted weak general economic reverence (per-capita unemployment, GDP and other indicators)	101st Soft We note this area has been hindered by weak short-term historical loyalty contribution growth (2.3%)	97th Soft Buffalo, NY also has been burdened by high short-term historical supply growth (−0.8%)

Market Performance Stage

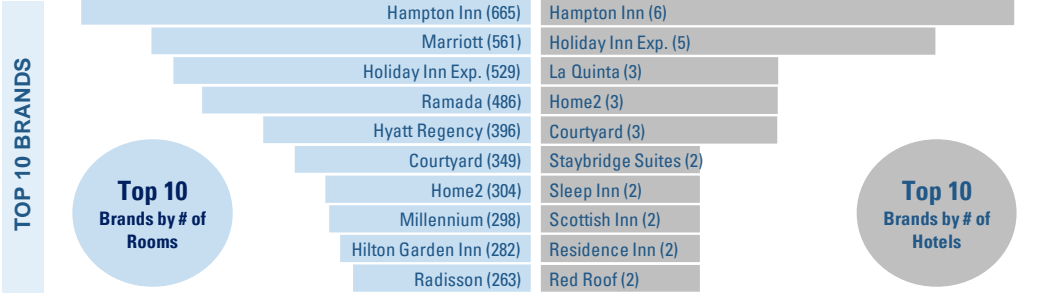


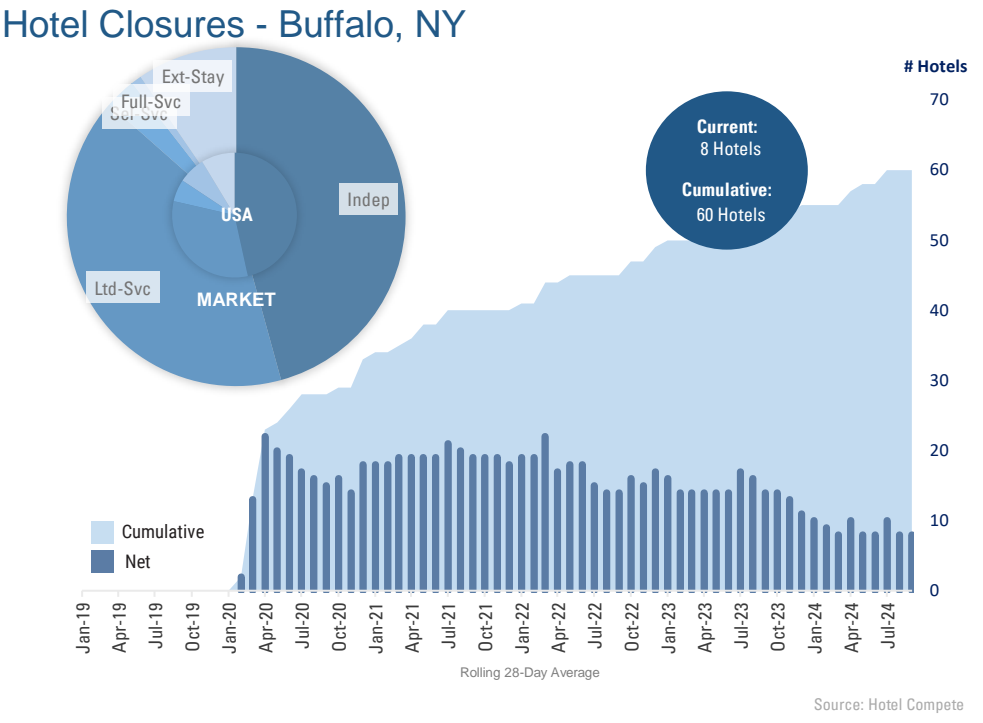
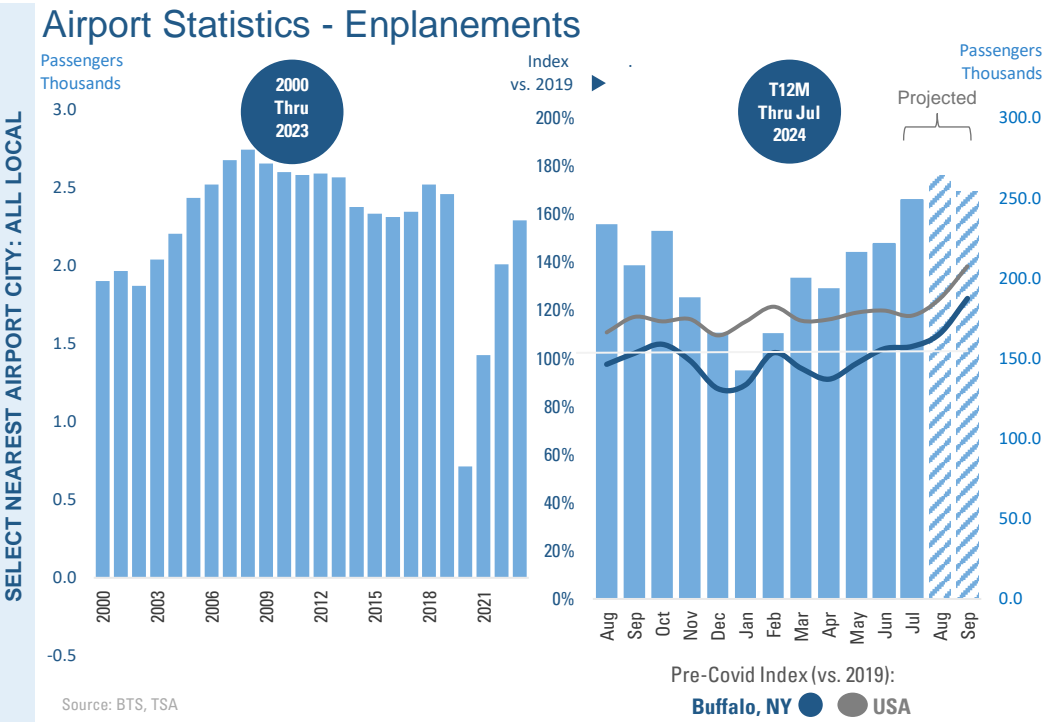
Buffalo, NY: Ignition Stage

Ignition	The Buffalo, NY market is currently in the 'Ignition' stage of the performance cycle. In this 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; Miami, FL; and New Orleans, LA.
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.
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 Minneapolis, MN; ; and .
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.

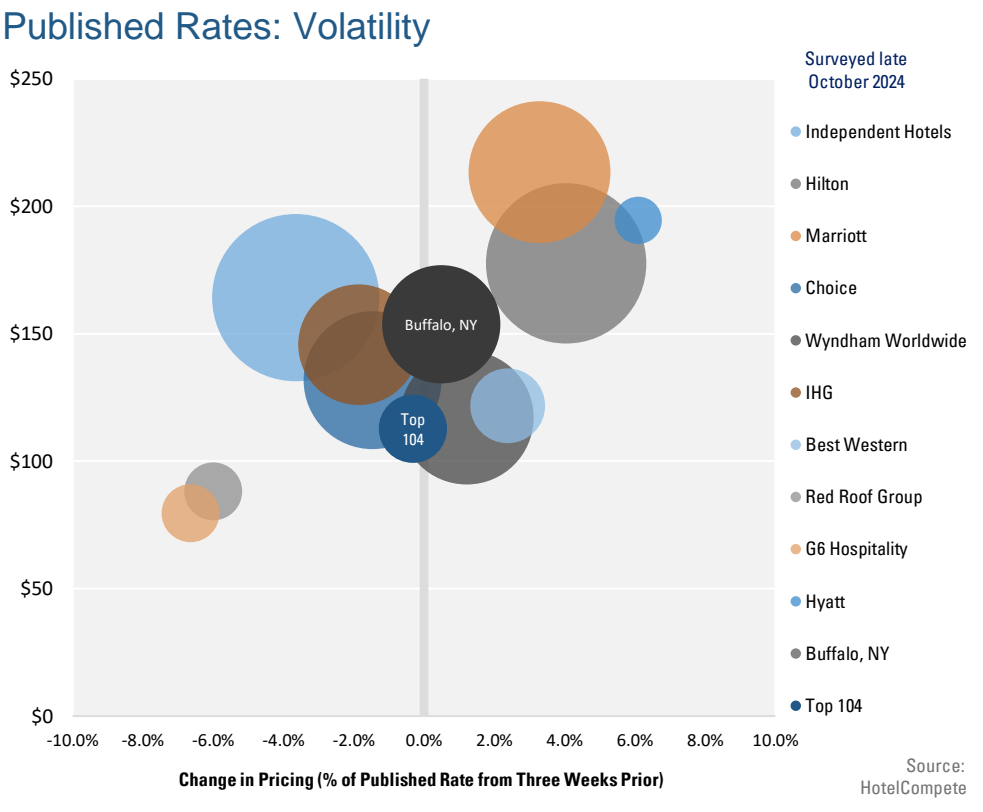
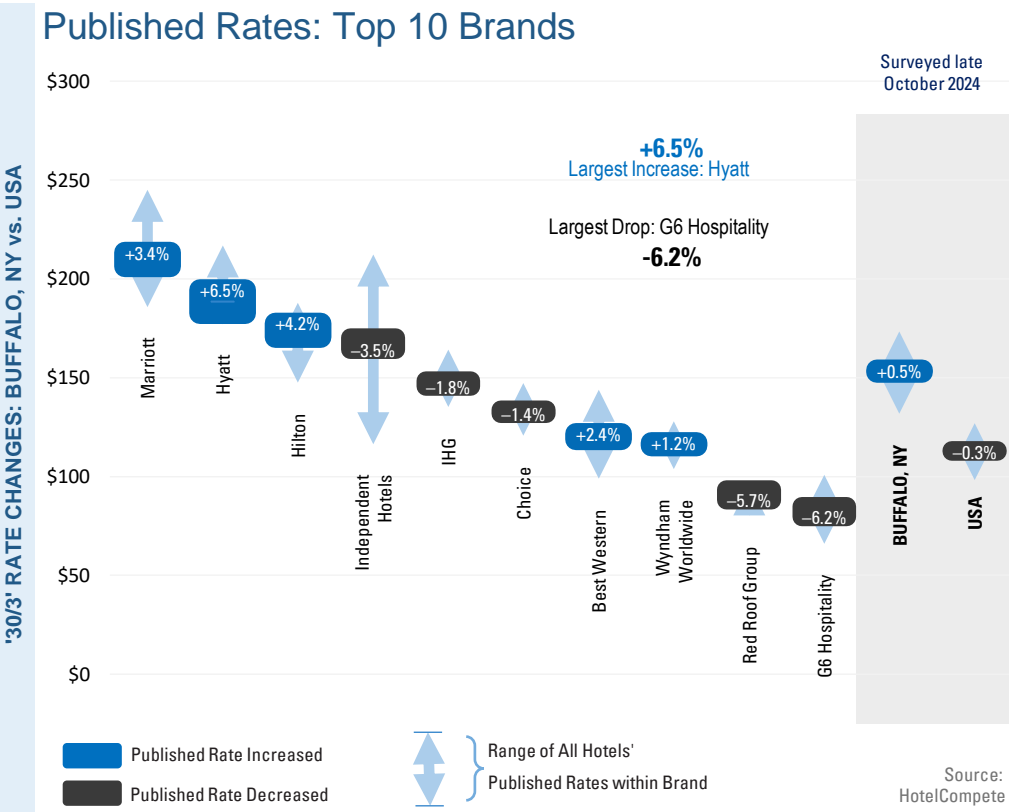
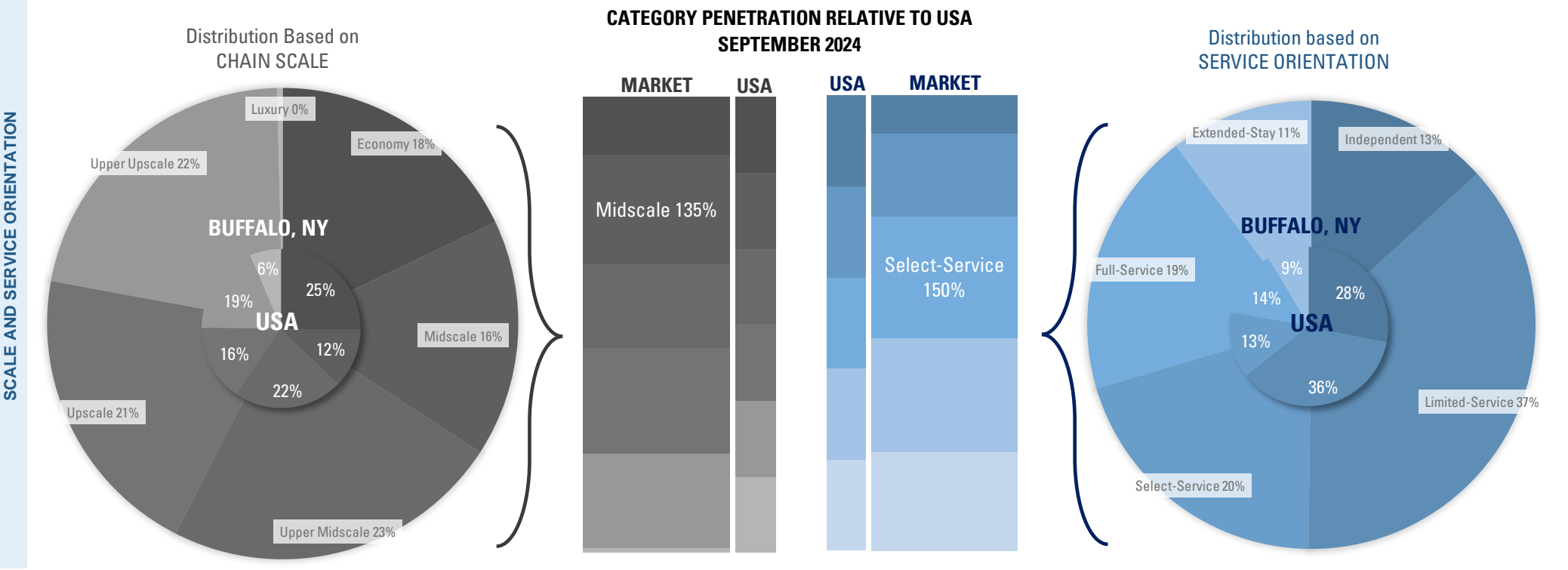
Industry Observations

MOODY'S ANALYTICS	Business Cycle:	At Risk	Moody's Rating
	Employment Growth (2 yr):	1.0%	
	Risk Exposure (402 US markets):	90th Percentile: Above Average	
	Key Industry Notes:	Vulnerability to international shocks High housing affordability Tourist attractions Low business costs Long-term population losses	

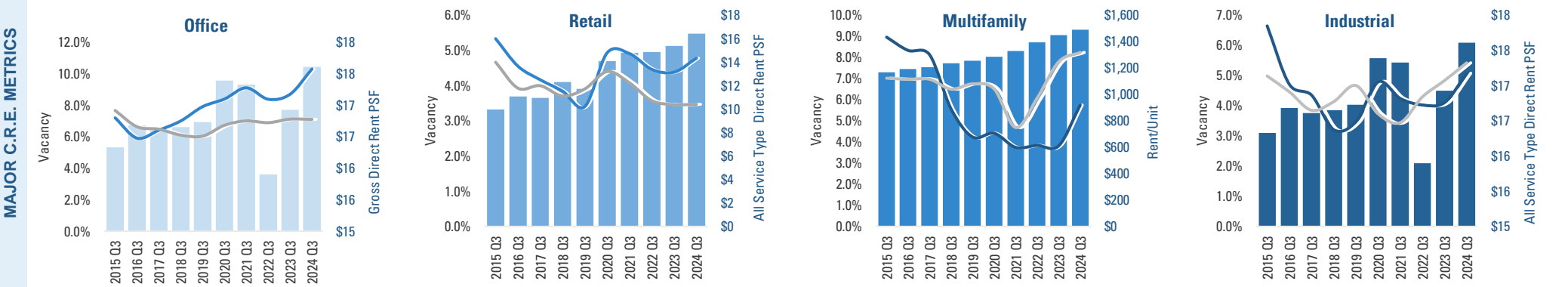




Scale and Service Distribution: Buffalo, NY



Major CRE Market Performance



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
Stadiums, Sports & Entertainment Facilities

Conference, Expo and Convention Centers
Golf Courses
Marinas

Ski and Village Resorts
Water Parks, Amusement Parks and Attractions

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
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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.

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