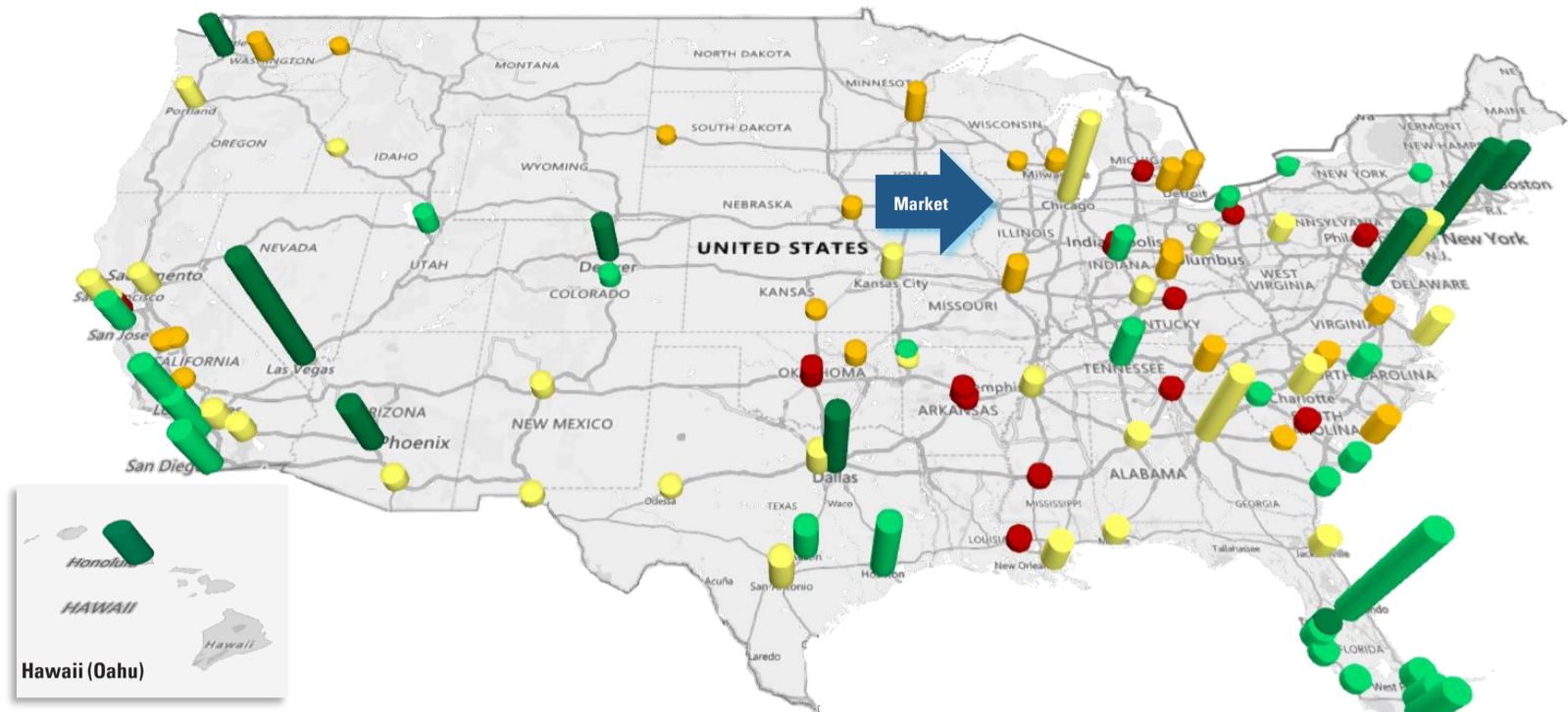


3Q 2024  
CHICAGO, IL

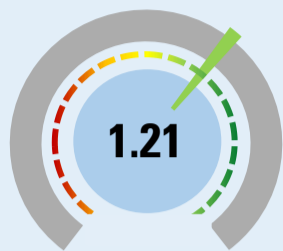


Lodging Performance Index Snapshot



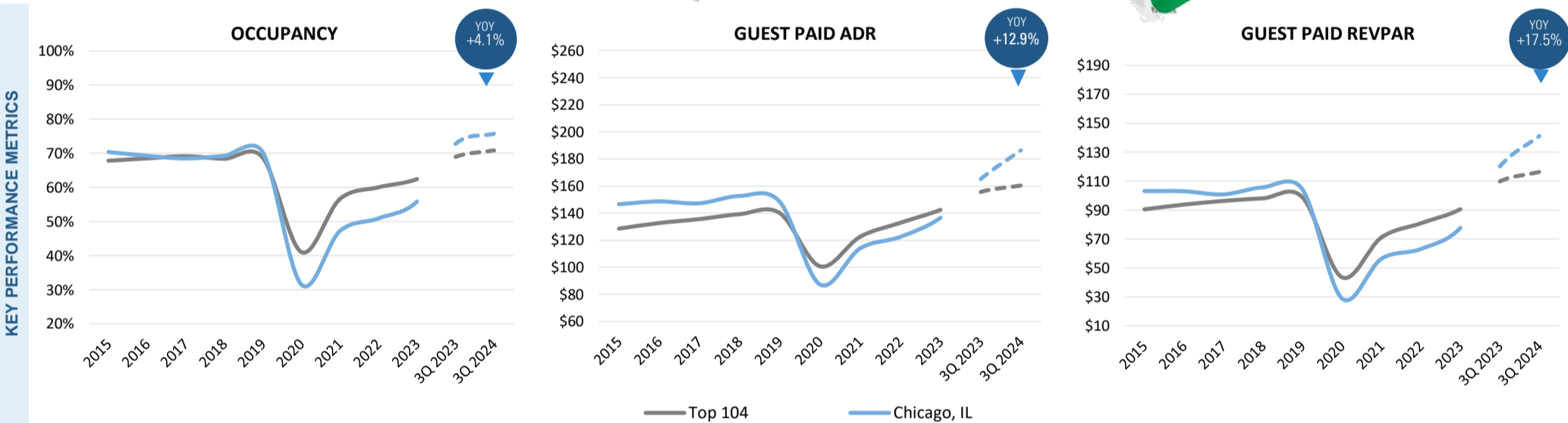
LODGING  
PERFORMANCE INDEX

Chicago, IL



24th of 104  
Above Average

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

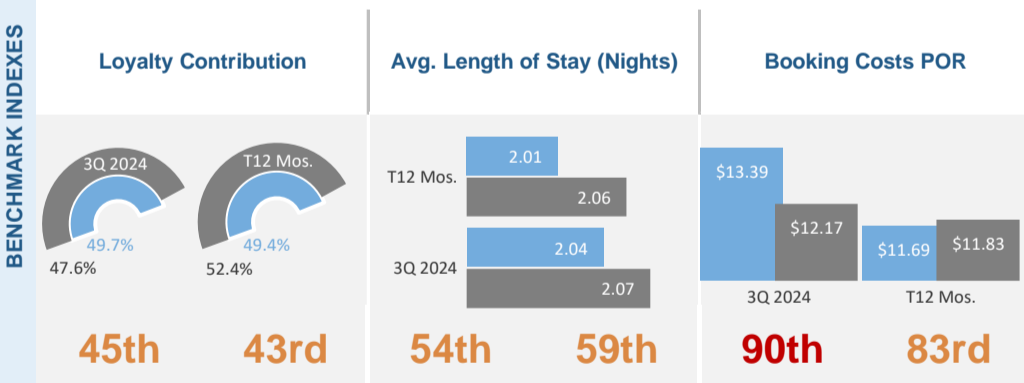


Key Performance Indexes

● Subject Market ● Top 104

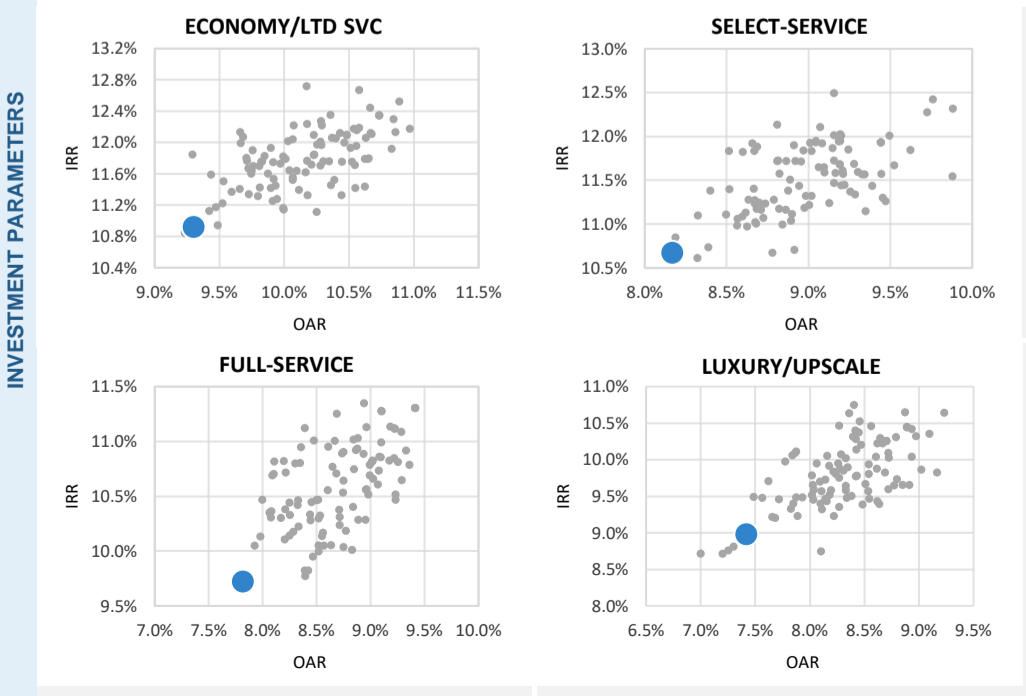


Key Benchmark Indexes



Discount and Capitalization Rates

Source: Newmark

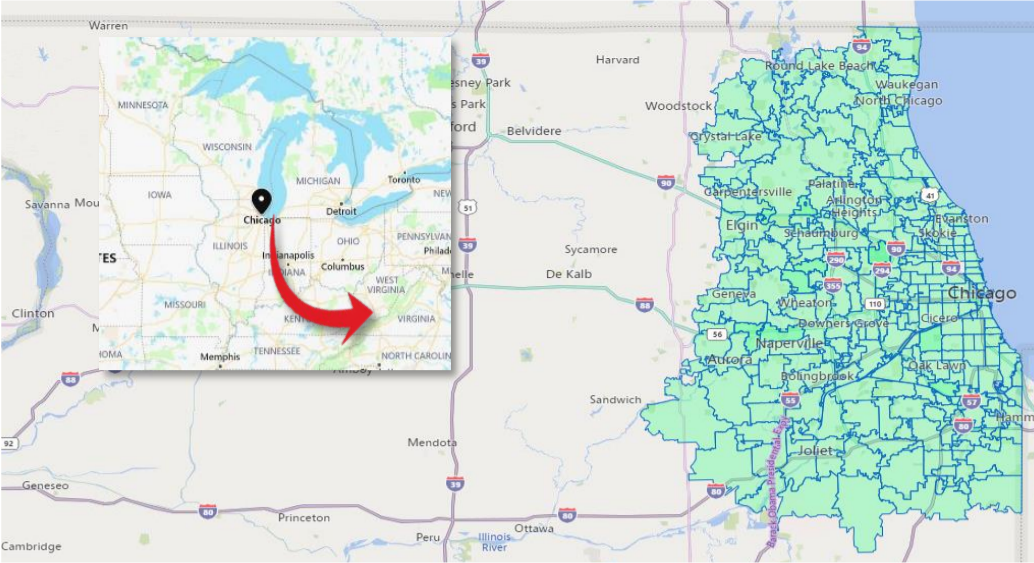


Trends and Risks

Source: Kalibri Labs, Newmark



Location



Quick Facts

Jurisdictional Information

Municipal Name:

Chicago

County:

Cook County, DuPage County

State:

Illinois

Geo Coordinates (market center):

41.83755, -87.68184

Source: US Census Bureau, Dept. of Labor Statistics

Major Hotel Demand Generators

Advocate Health Care System | Northwestern Memorial Healthcare | University of Chicago | JPMorgan Chase & Co. | Amazon | United Continental Holdings Inc. | Walgreens Boots Alliance Inc. | Northwestern University | Presence Health | Wal-Mart Stores Inc. | Abbott Laboratories | Jewel-Osco Stores | University of Illinois | American Airlines | Rush University Medical Center | Chicago Transit Authority | AT&T | University of Chicago Medical Center | Allstate Insurance Co. | Employco USA Inc.

Metrics and Ranking

Population (hotel market area)

Income per Capita

Feeder Group Size

Feeder Group Earnings

Total Market Hotel Revenues

Measurement

7,749,499

\$52,497

99.9 Persons PSR

\$5,242,886 PSR

\$4.4 billion

Rankings

2nd of 104 (Very Large)

36th of 104 (Average)

82nd of 104 (Below Average)

84th of 104 (Below Average)

6th of 104 (Strong)

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						
2015	70.4%	\$146.61	\$103.17	\$134.06	\$12.55	91.4%	48.3%	2.03	111,690	1.36
2016	69.3%	\$148.68	\$103.01	\$135.69	\$12.99	91.3%	50.6%	1.98	113,340	1.08
2017	68.5%	\$147.29	\$100.87	\$134.21	\$13.08	91.1%	52.4%	1.95	114,850	1.09
2018	69.2%	\$152.68	\$105.73	\$139.65	\$13.03	91.5%	54.1%	1.94	116,240	1.34
2019	70.3%	\$148.40	\$104.35	\$135.84	\$12.56	91.5%	57.7%	1.89	121,730	1.08
2020	31.5%	\$87.31	\$28.94	\$81.12	\$6.19	92.9%	35.3%	2.29	118,950	0.54
2021	47.2%	\$113.98	\$56.32	\$105.13	\$8.85	92.2%	39.2%	2.08	120,790	0.59
2022	50.9%	\$122.49	\$63.08	\$113.05	\$9.44	92.3%	41.0%	2.07	121,790	0.89
2023	55.9%	\$136.62	\$77.69	\$126.45	\$10.17	92.6%	42.5%	2.04	122,180	1.12
CAGR: 2015 thru 2023	-2.8%	-0.9%	-3.5%	-0.7%	-2.6%	0.2%	-1.6%	0.1%	1.1%	-2.4%
3Q 2023	72.8%	\$165.19	\$120.20	\$153.16	\$12.03	92.7%	48.0%	2.01	122,350	1.01
3Q 2024	75.8%	\$186.42	\$141.24	\$173.02	\$13.39	92.8%	49.7%	2.04	123,380	1.21

Data provided by:

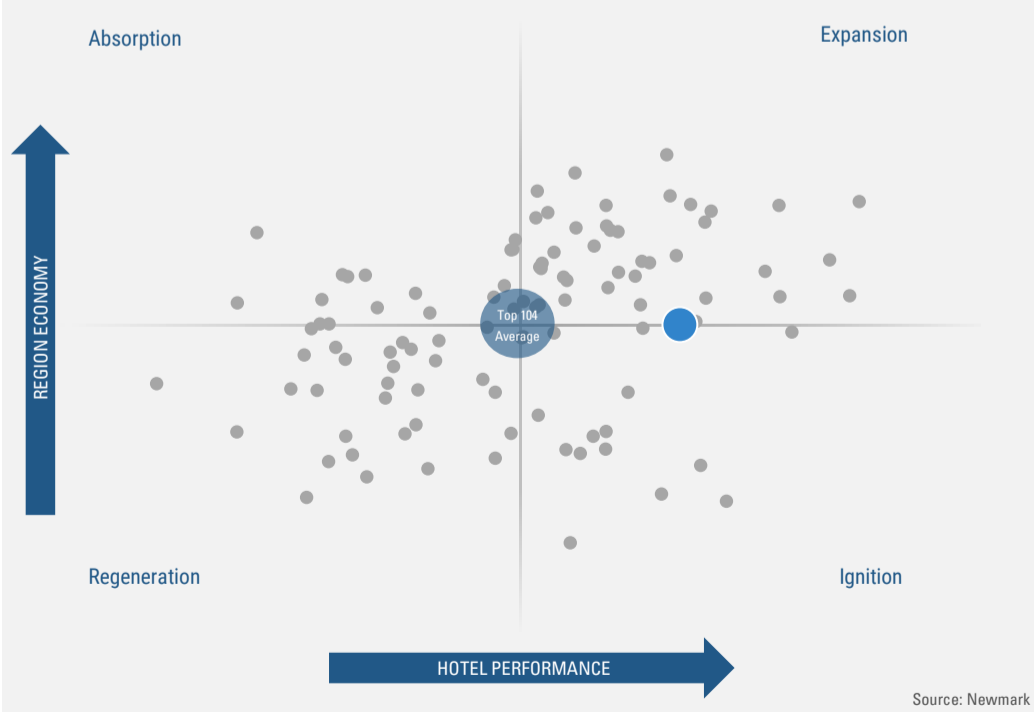
Notable Metrics

HIGHEST	OAR: Select-Service	Total Rooms Sold	IRR: Full-Service
	<b>2nd</b> Highly Favorable Chicago, IL enjoyed favorable OAR metrics in the select-service segment (8.2%)	<b>5th</b> Strong The market boasted a strong total of number of rooms sold (28,322,435 room nights)	<b>2nd</b> Highly Favorable The market also enjoyed favorable IRR metrics in the full-service segment (9.7%)
LOWEST	Latest-Quarter Booking Costs POR	Feeder Group Earnings per sold room	T12-Month Booking Costs POR
	<b>90th</b> Soft This market has been burdened by high latest-quarter booking costs (\$13.39)	<b>84th</b> Below Average The market has low feeder group earnings per sold room (\$5,242,886)	<b>83rd</b> Below Average Chicago, IL also was burdened by high T12-month booking costs POR (\$11.69)

Notable Trends

STRONGEST	Short-Term Historical Occupancy Growth	Overall Health of Hotel Market	Long-Term Historical Booking Costs POR Growth
	<b>14th</b> Above Average Chicago, IL has benefited from strong short-term historical occupancy growth (5.1%)	<b>15th</b> Above Average The market has benefited from strong general hotel market performance (levels and trends of fundamentals)	<b>23rd</b> Above Average The market also has benefited from low long-term historical booking costs POR growth (2.0%)
WEAKEST	Short-Term Historical LPI Growth	Long-Term Historical LPI Growth	T12-Month Rooms Supply Growth
	<b>77th</b> Below Average The market has been hampered by weak short-term historical LPI growth (-1.8%)	<b>77th</b> Below Average We note this area posted weak long-term historical LPI growth (-1.4%)	<b>69th</b> Below Average Chicago, IL also has been hindered by high rooms supply growth over the last 12 months (0.8%)

Market Performance Stage

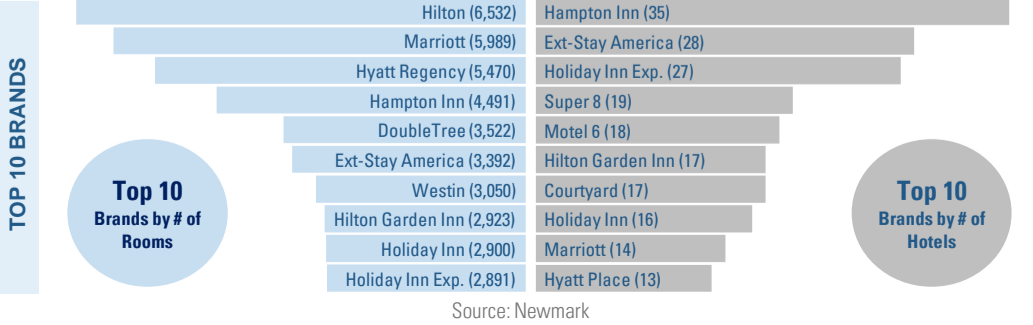


Chicago, IL: Expansion Stage

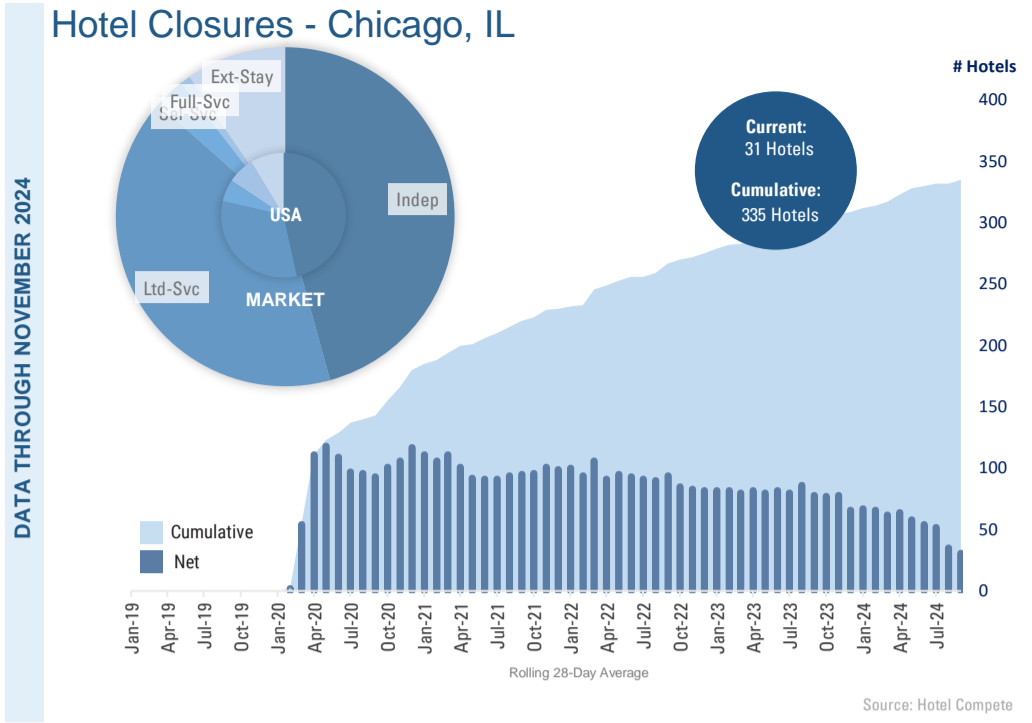
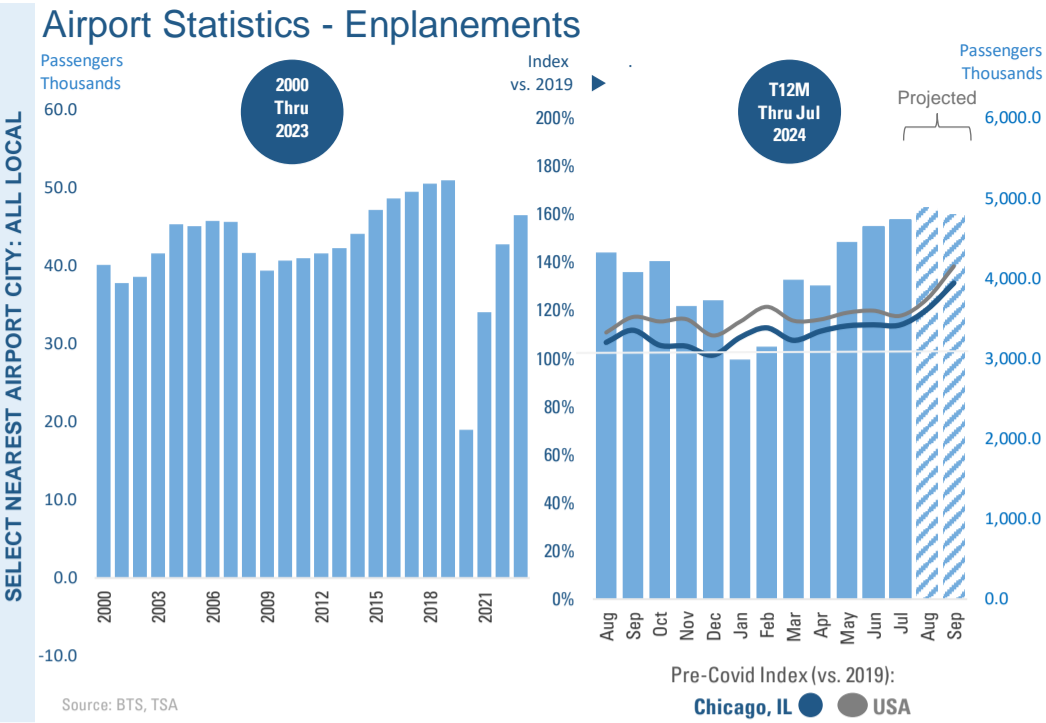
Expansion	The Chicago, IL market is currently in the 'Expansion' stage of the performance cycle. In this stage, hotels perform adequately, contributing to a resilient economy that has fully exited from the pandemic environment. Displacement demand is high, new hotel supply is feasible (despite barriers normally being high), and the overall economy is expanding. Example markets in this stage include Anaheim, CA; Atlanta, GA; and Austin, TX.
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; Miami, FL; and New Orleans, LA.
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 .

Industry Observations

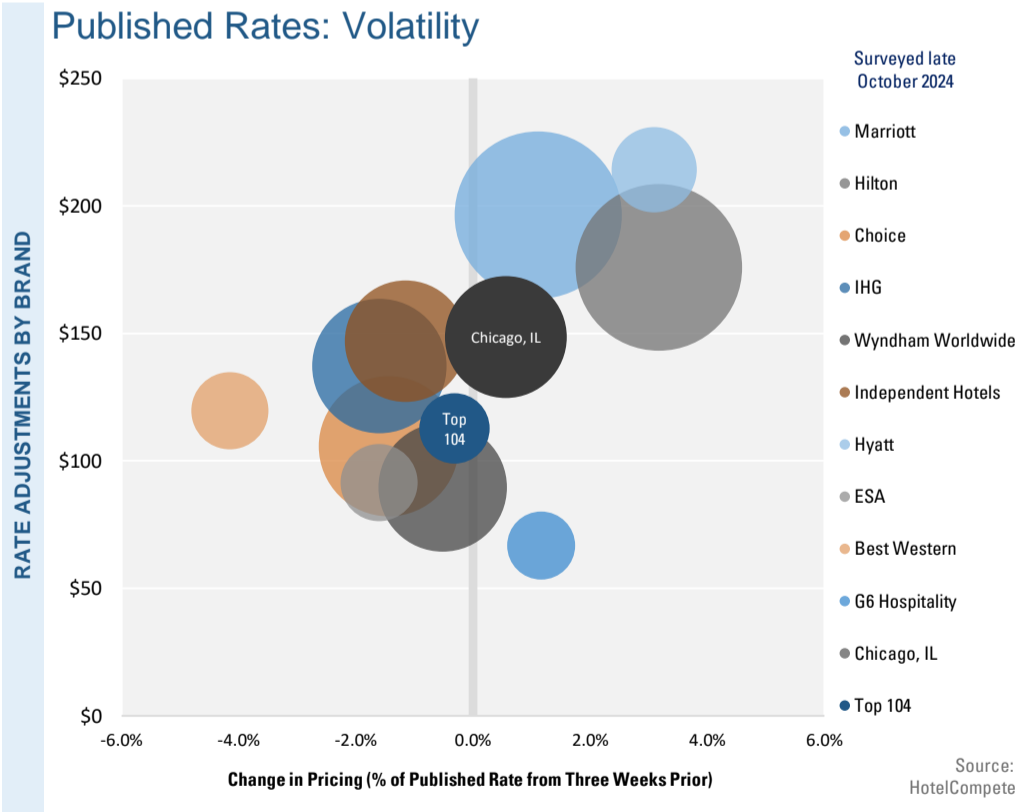
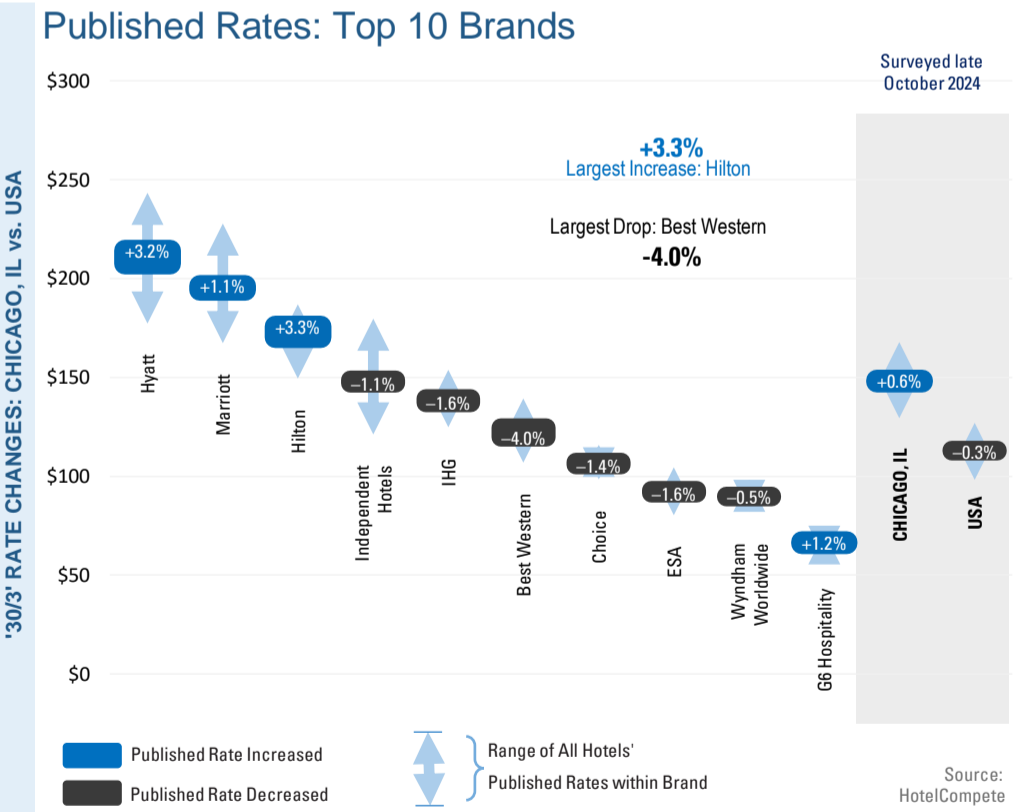
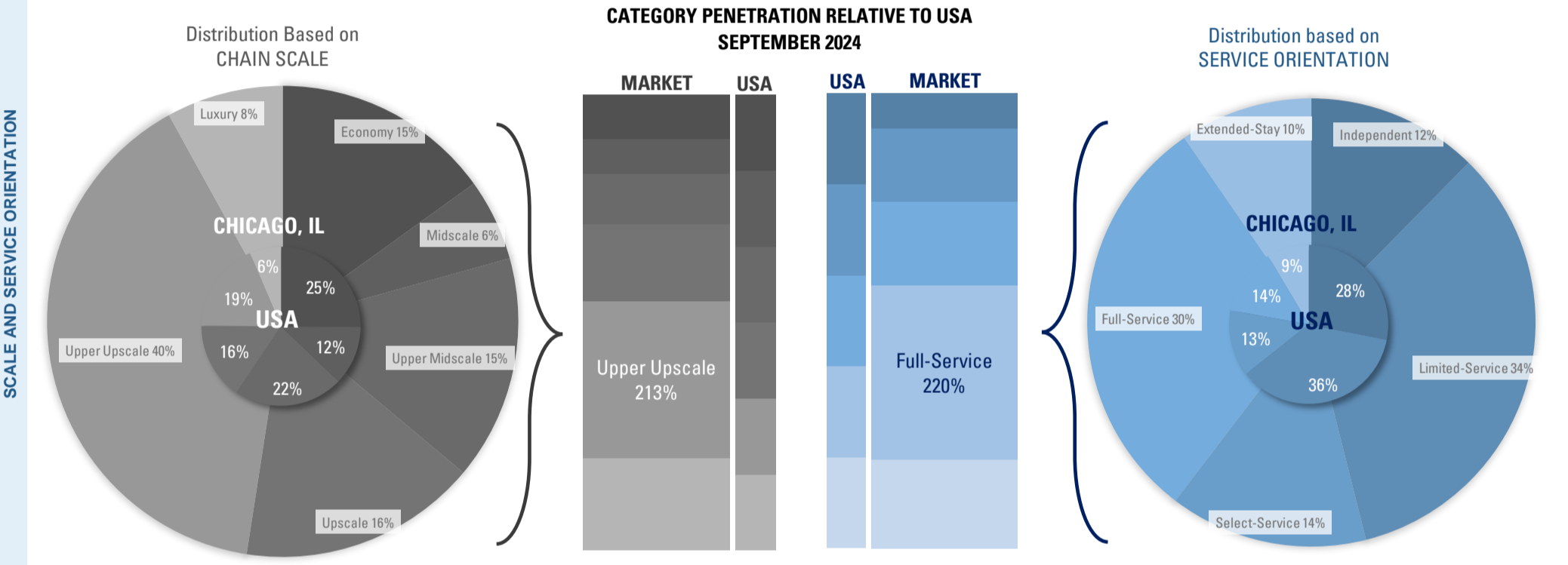
MOODY'S ANALYTICS	Business Cycle:	Recovery	Moody's Rating
	Employment Growth (2 yr):	0.4%	
Risk Exposure (402 US markets):		73rd Percentile: Above Average	<b>A1</b> Investment Grade Long-term investment grade, Prime-1 short-term outlook
Key Industry Notes:		Budding high-tech center Major business center Huge talent pool Budgetary pressures High crime rate	



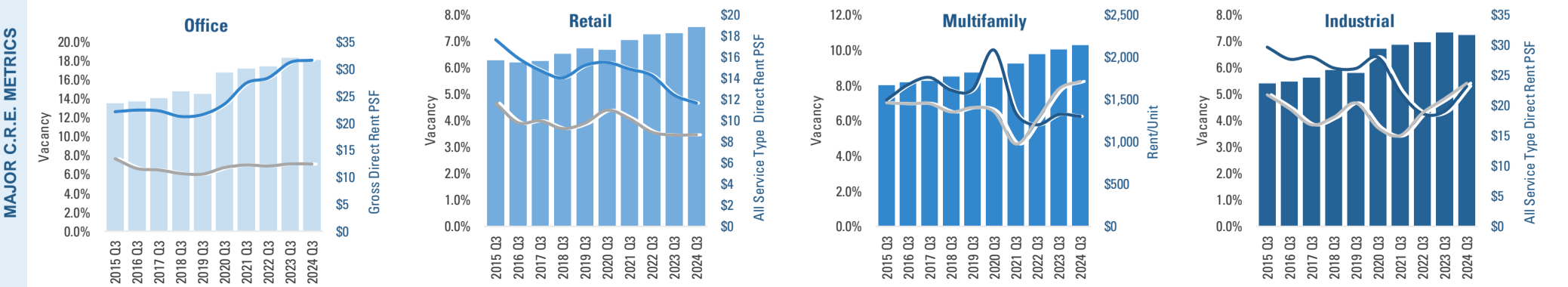
Source: Newmark



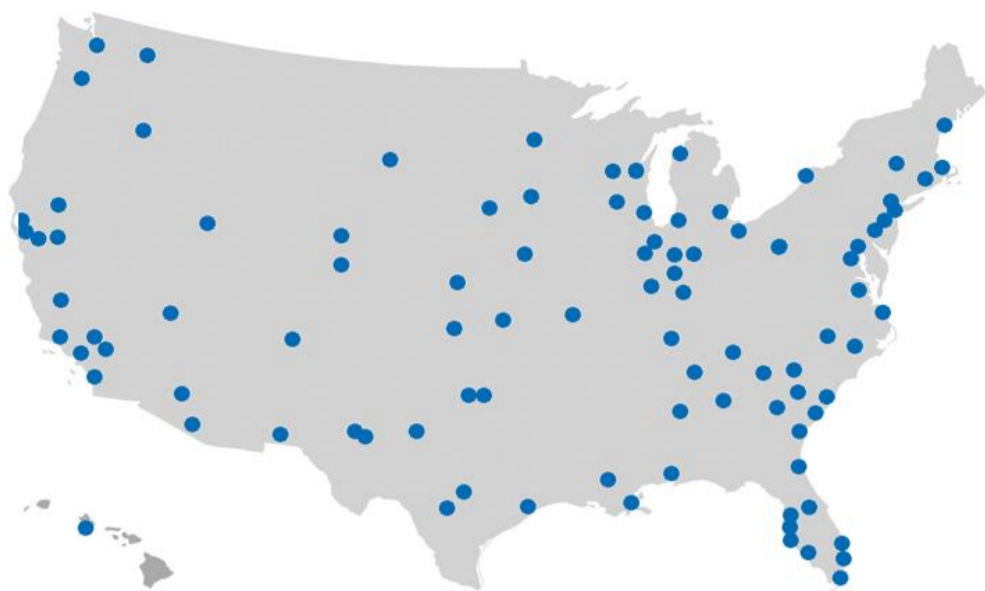
## Scale and Service Distribution: Chicago, IL



## 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

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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:*

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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.

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**Portfolio Analytics**  
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