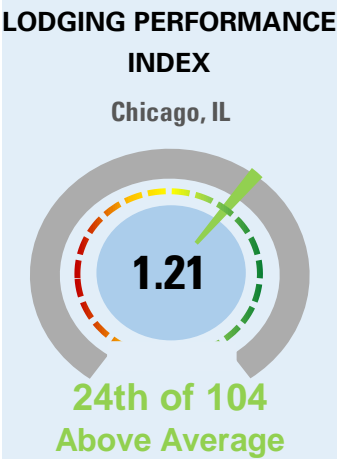
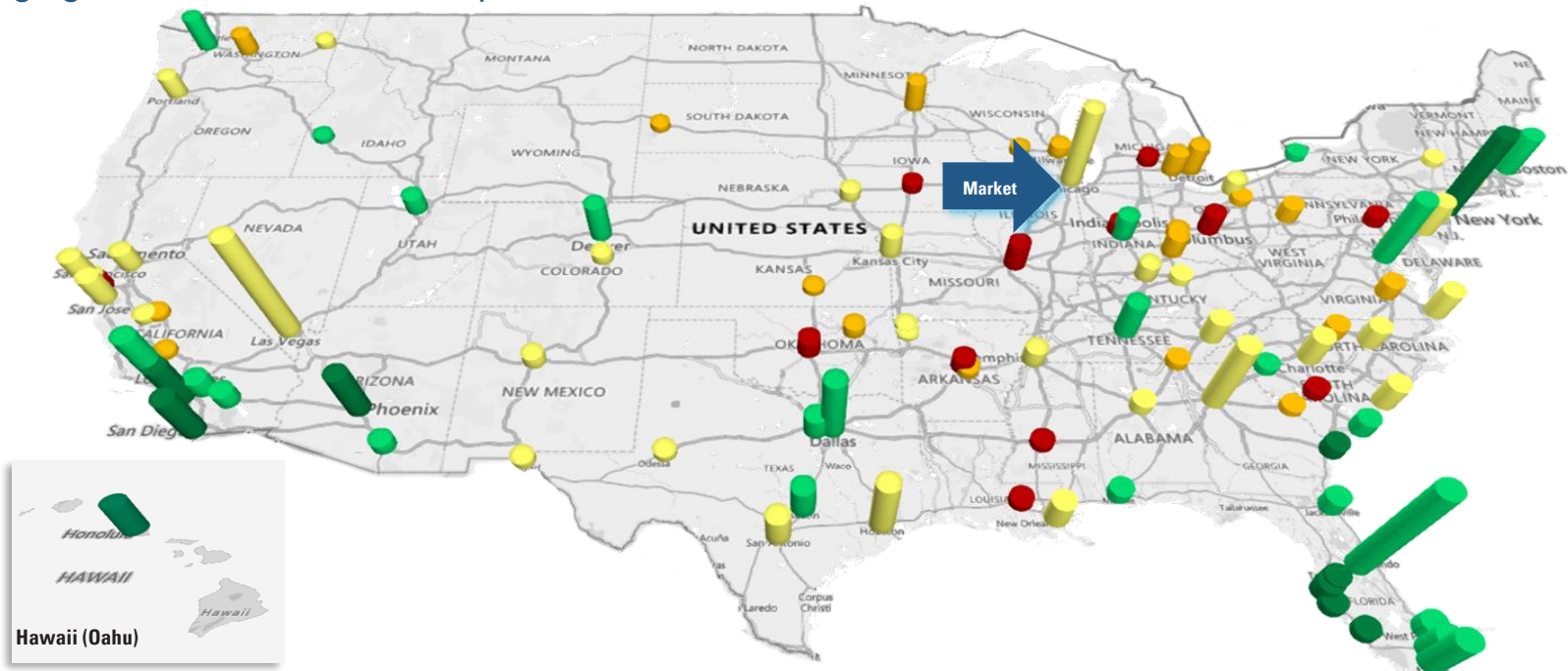


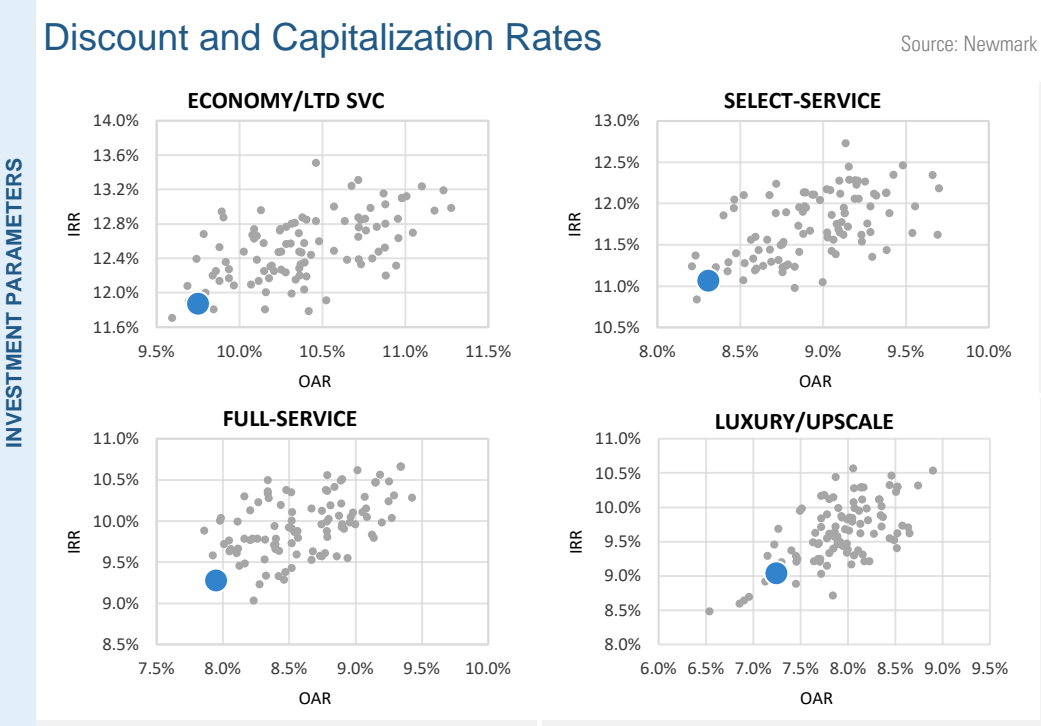
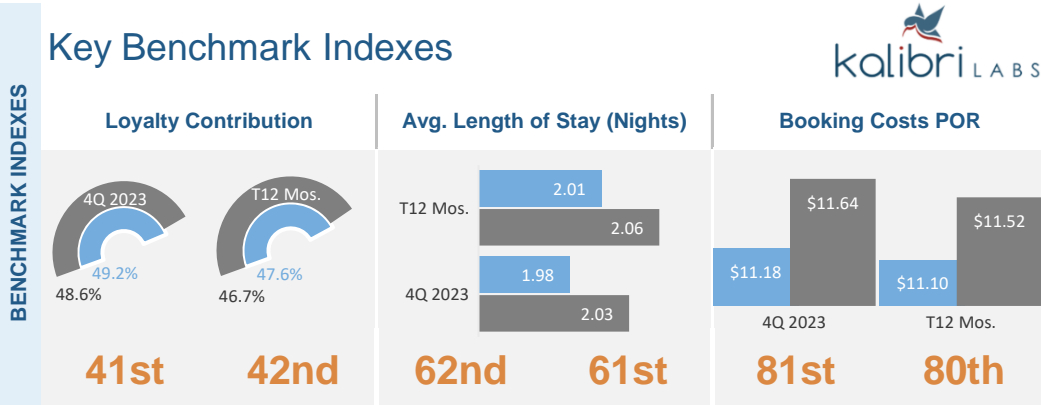
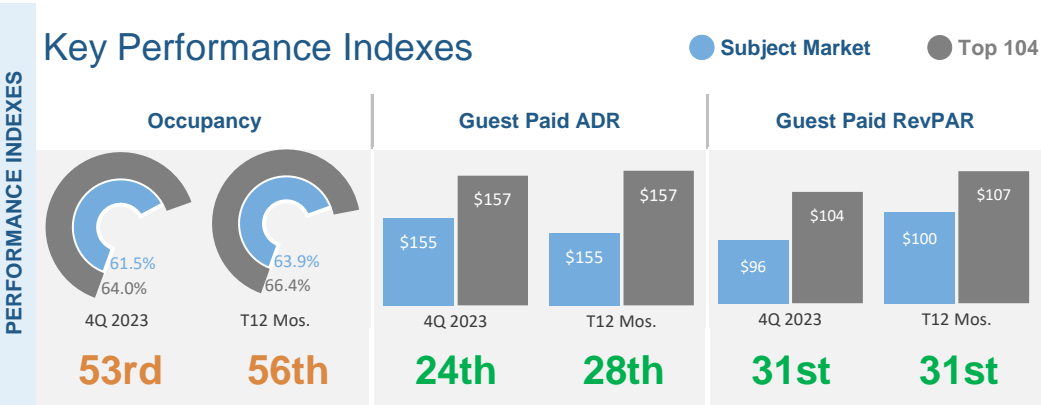
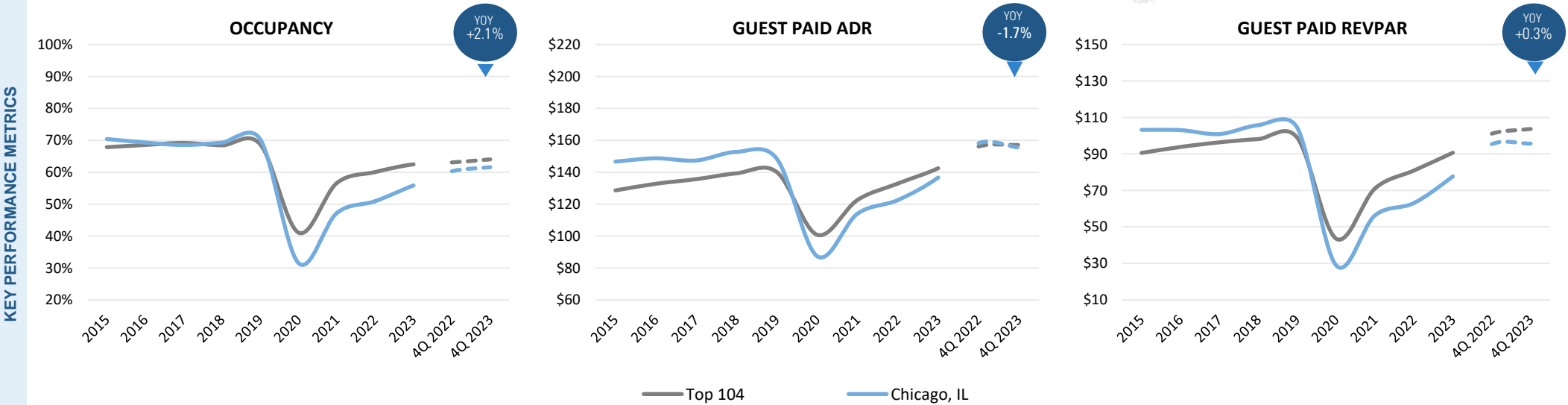
4Q 2023
CHICAGO, IL



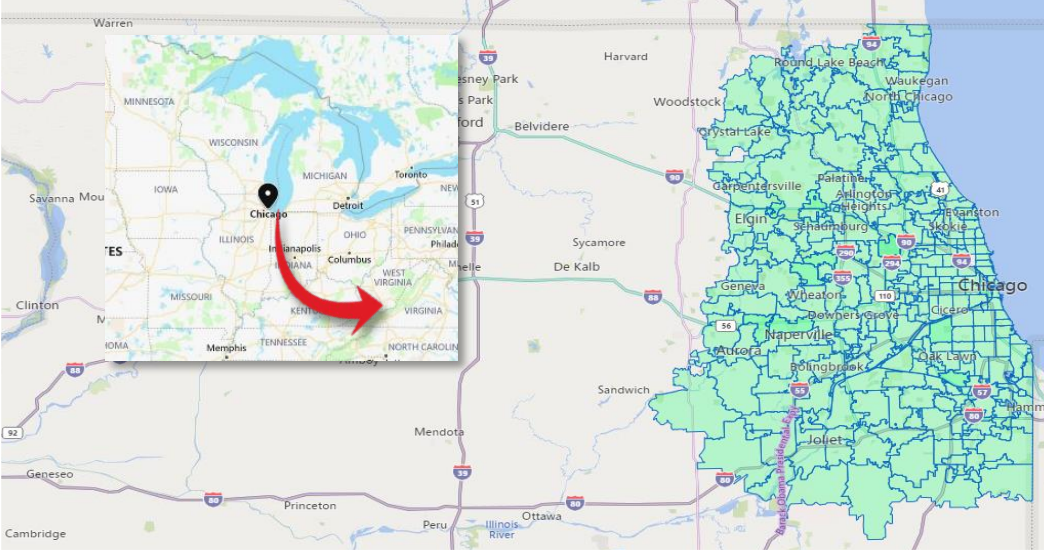
Lodging Performance Index Snapshot



Ranking of overall '4Q 2023 LPI' performance (1.21) against all 104 surveyed markets.



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)	7,749,499
Income per Capita	\$52,497
Feeder Group Size	99.9 Persons PSR
Feeder Group Earnings	\$5,242,886 PSR
Total Market COPE	\$4.4 billion

Measurements

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	
	Occ %	ADR	RevPAR	ADR	RevPAR
2015	70.4%	\$146.61	\$103.17	\$134.06	\$94.33
2016	69.3%	\$148.68	\$103.01	\$135.69	\$94.01
2017	68.5%	\$147.29	\$100.87	\$134.21	\$91.91
2018	69.2%	\$152.68	\$105.73	\$139.65	\$96.70
2019	70.3%	\$148.40	\$104.35	\$135.84	\$95.52
2020	31.5%	\$87.31	\$28.94	\$81.12	\$25.58
2021	47.2%	\$113.98	\$56.32	\$105.13	\$49.62
2022	50.9%	\$122.49	\$63.08	\$113.05	\$57.54
2023	55.9%	\$136.62	\$77.69	\$126.45	\$70.63
CAGR: 2015 thru 2022	-2.8%	-0.9%	-3.5%	-0.7%	-3.6%
4Q 2022	60.3%	\$158.11	\$95.30	\$146.85	\$88.52
4Q 2023	61.5%	\$155.38	\$95.63	\$144.20	\$88.74

Data provided by: kalibri LABS

Booking Cost POR	ADR COPE %	Loyalty %	Avg. Length of Stay (Nights)	Supply (Available Rms)	Performance Index (LPI)
\$12.55	91.4%	48.3%	2.03	111,690	1.36
\$12.99	91.3%	50.6%	1.98	113,340	1.08
\$13.08	91.1%	52.4%	1.95	114,850	1.09
\$13.03	91.5%	54.1%	1.94	116,240	1.34
\$12.56	91.5%	57.7%	1.89	121,730	1.08
\$6.19	92.9%	35.3%	2.29	118,950	0.54
\$8.85	92.2%	39.2%	2.08	120,790	0.59
\$9.44	92.3%	41.0%	2.07	121,790	0.89
\$10.17	92.6%	42.5%	2.04	122,180	1.21
-2.6%	0.2%	-1.6%	0.1%	1.1%	-1.4%
\$11.26	92.9%	46.0%	1.99	123,450	0.89
\$11.18	92.8%	49.2%	1.98	122,620	1.21

Notable Metrics

HIGHEST

OAR: Full-Service	Total Rooms Sold	Total Rooms Supply
3rd Highly Favorable	5th Strong	4th Strong
Chicago, IL posted favorable OAR metrics in the full-service segment (8.0%)	The market boasted strong total rooms sold (28,322,435)	The market also benefits from a large and diverse hotel market (122,621)

LOWEST

Feeder Group Earnings PSR	Feeder Group Size	Latest-Quarter Booking Costs POR
84th Below Average	82nd Below Average	81st Below Average
This market has been hindered by weak feeder group earnings PSR (\$5,242,886)	The market required a large feeder group size (99.87 Persons)	Chicago, IL also has been burdened by high latest-quarter booking costs (\$11.18)

Notable Trends

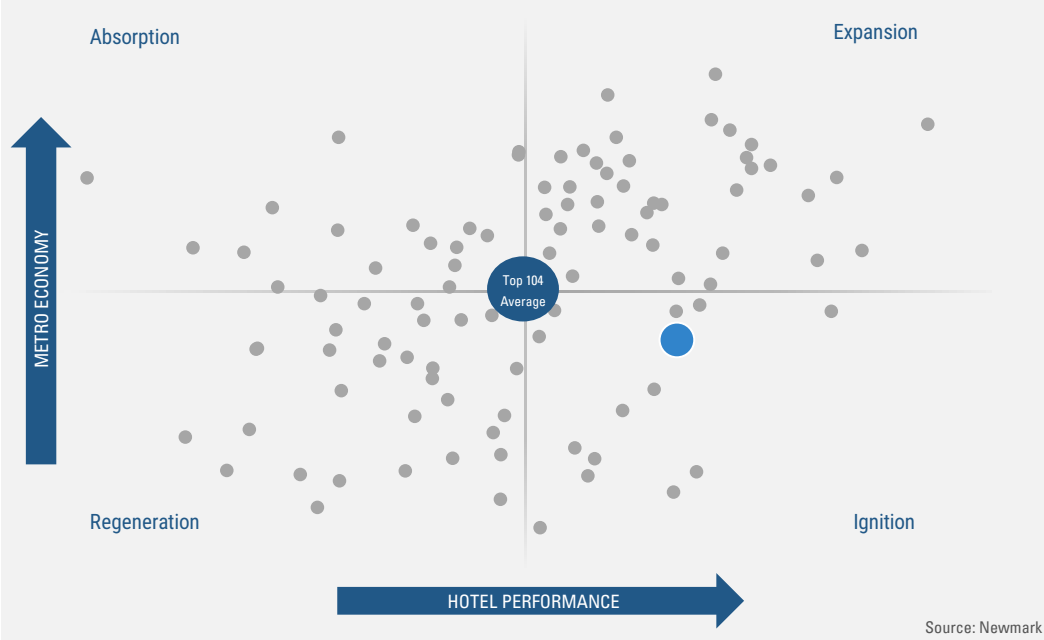
FASTEST

Long-Term Historical Booking Costs POR Growth	Short-Term Historical Booking Costs POR Growth	Overall Health of Hotel Market
8th Strong	15th Above Average	20th Above Average
Chicago, IL has benefited from low long-term historical booking costs POR growth (0.7%)	The market enjoyed low short-term historical growth in booking costs (1.2%)	The market also has benefited from strong general hotel market performance (levels and trends of fundamentals)

SLOWEST

Short-Term Historical COPE ADR Growth	Short-Term Historical Guest Paid ADR Growth	Long-Term Historical Guest Paid ADR Growth
98th Soft	98th Soft	97th Soft
The market posted weak short-term historical COPE ADR growth (0.8%)	We note this area has been impeded by weak short-term historical Guest Paid ADR growth (0.8%)	Chicago, IL also has been impeded by weak long-term historical Guest Paid ADR growth (0.8%)

Market Performance Stage



Chicago, IL: Ignition Stage

The Chicago, IL 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 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. Miami, FL; New York, NY; and Orlando, FL.

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 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.
- Expansion**

In the 'Expansion' 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.

Industry Observations

MOODY'S ANALYTICS

Business Cycle:

Employment Growth (2 yr):

Risk Exposure (402 US markets):

Key Industry Notes:

In Recovery

5.9%

92nd Percentile: High Risk

Financial, tourism

Major business center

Huge talent pool

Budgetary pressures

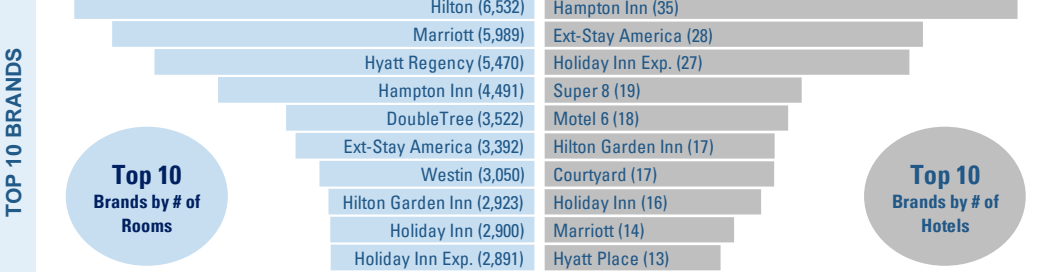
High crime rate

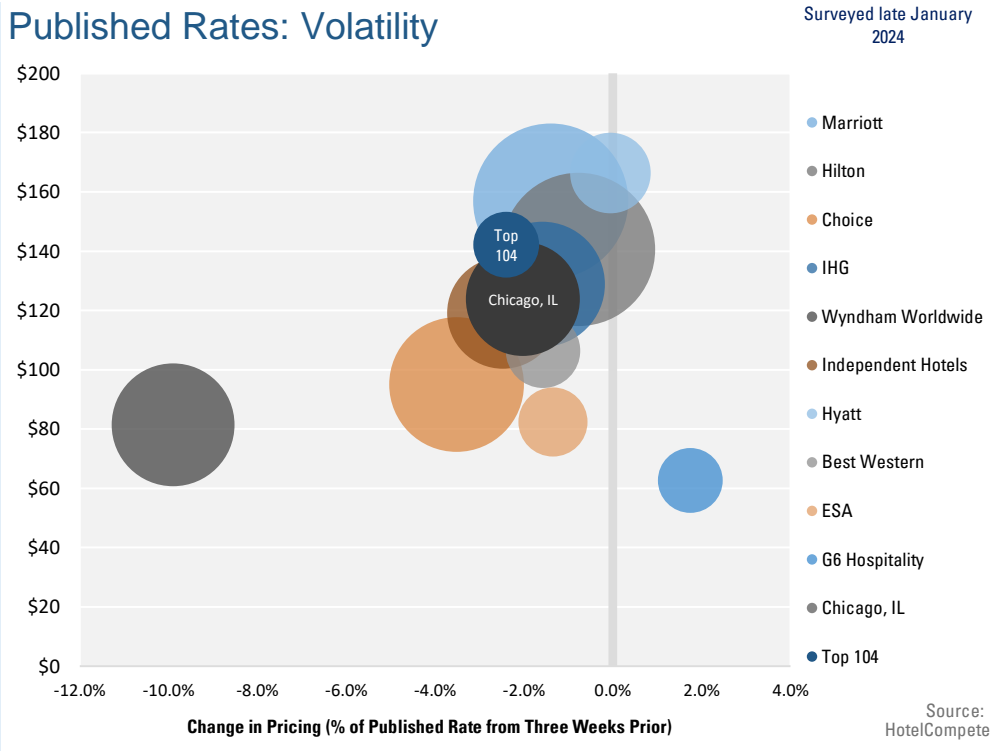
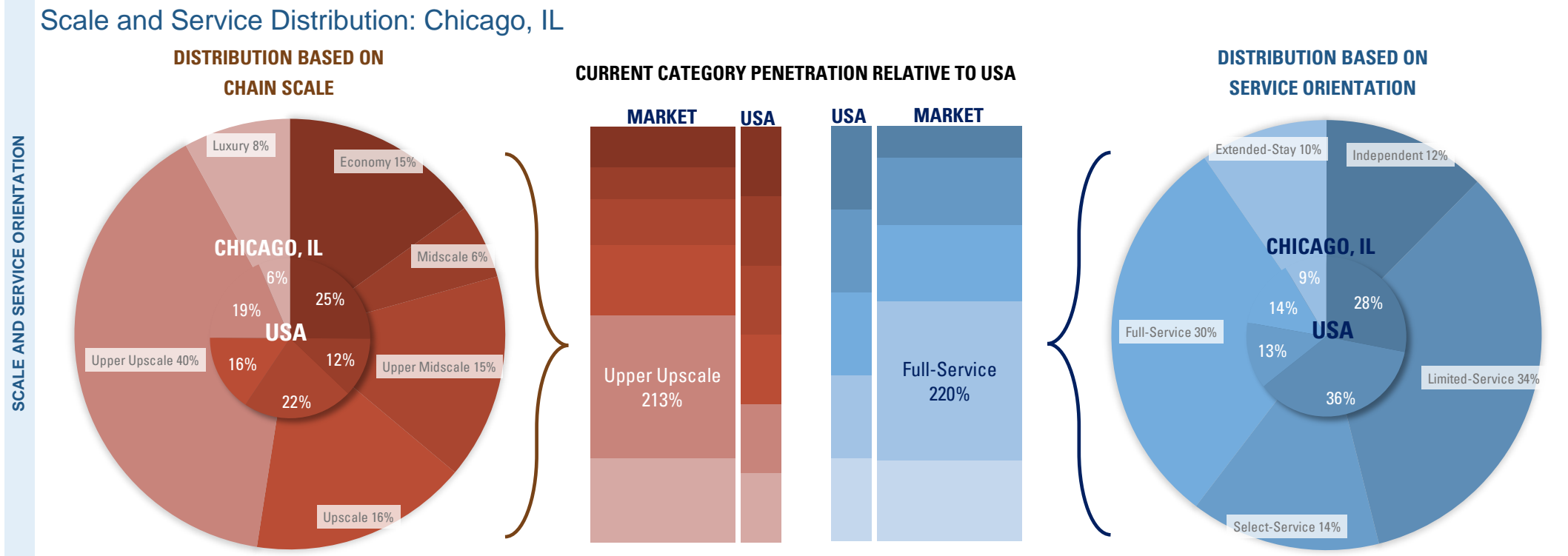
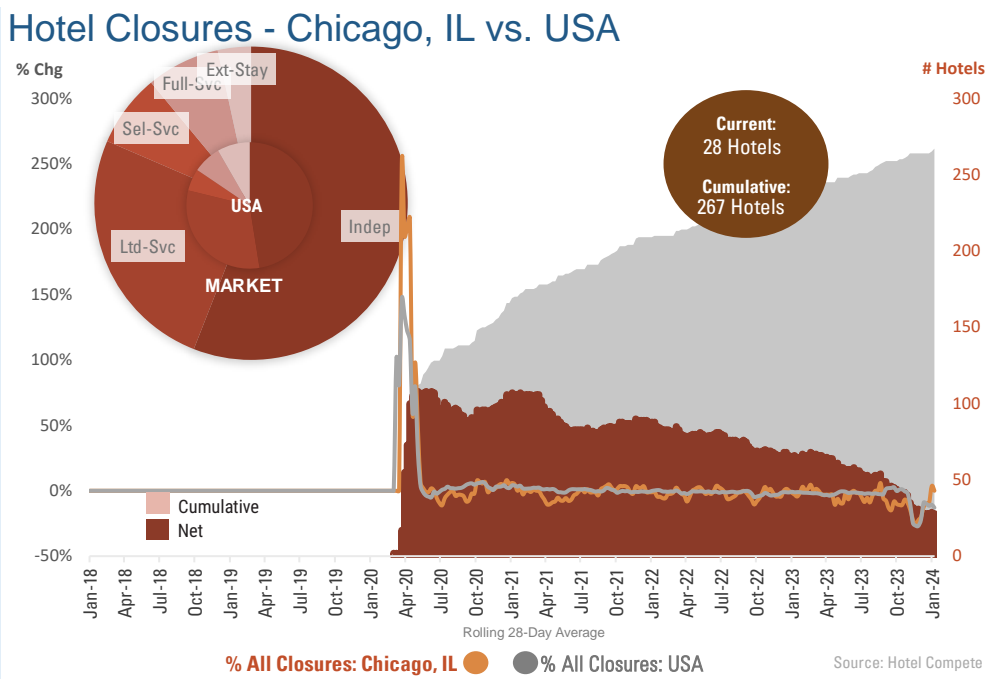
Moody's Rating

A1

Investment Grade

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





Published Rate Observations: 30-Day Advance							
MARKET LEVEL	Published Rate Level	Rate Movement	Optimism	BRAND LEVEL	Published Rate Integrity	Coverage	Volatility
	68th	37th	101st		79th	78th	12th
	Below Average	Average	Soft		Below Average	Below Average	Low
	The 30-day advanced published rate for the market was a somewhat conservative \$123.88, ranking 68th out of 104 markets. (Guest-Paid ADR ranked a somewhat aggressive 24th at \$155.38 in 4Q 2023.)	Published rates have recently been moving downward, decreasing by a modest 2.0% over three weeks going into late January 2024. By comparison, the T-104 average posted downward movement of 2.34%.	Published rates reported in late January 2024 were 20.3% 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 rates among the top 10 brands have a moderate amount of integrity with some pricing overlap, suggesting bottom-feeding occasionally exists.	Chicago, IL has a below average spectrum of rate classes and traveler types among its top 10 brands, and the range of coverage has been widening.	Chicago, IL's top 10 brands are exhibiting low 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

Hospitality, Gaming & Leisure

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Gaming Facilities

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Golf Courses

Marinas

Ski and Village Resorts

Water Parks, Amusement Parks and Attractions

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Property Tax

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