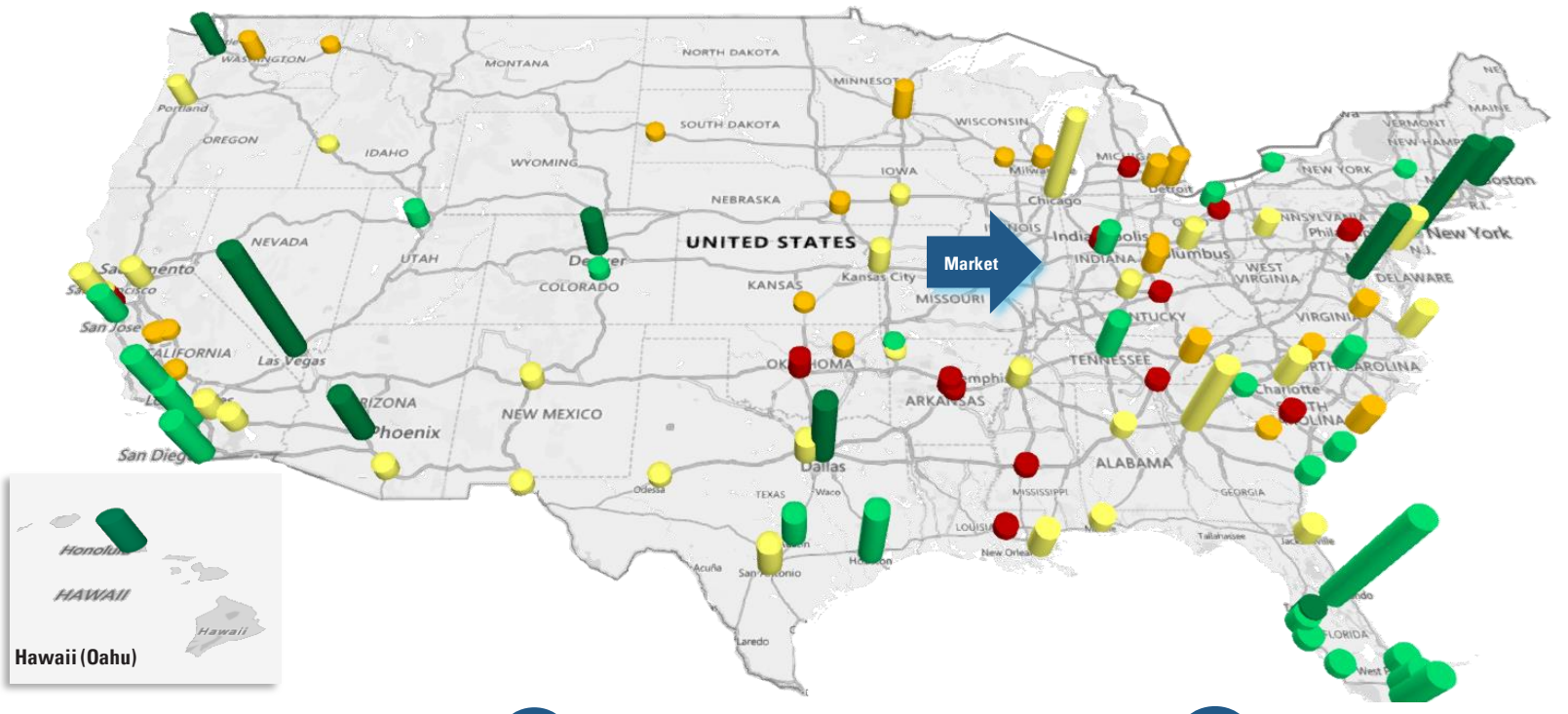
VALUATION & ADVISORY | HOSPITALITY, GAMING & LEISURE

HOTEL MARKET NSIGHTS REPORT

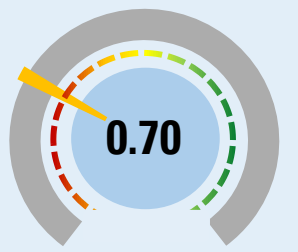
1Q 2025
CINCINNATI, OH

Lodging Performance Index Snapshot



LODGING PERFORMANCE INDEX

Cincinnati, OH

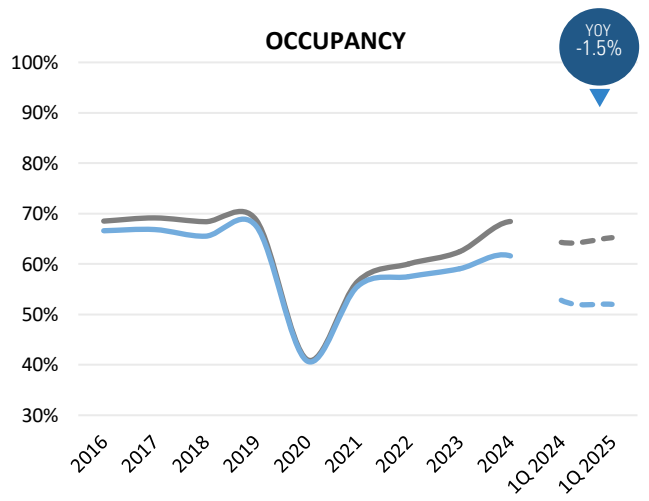


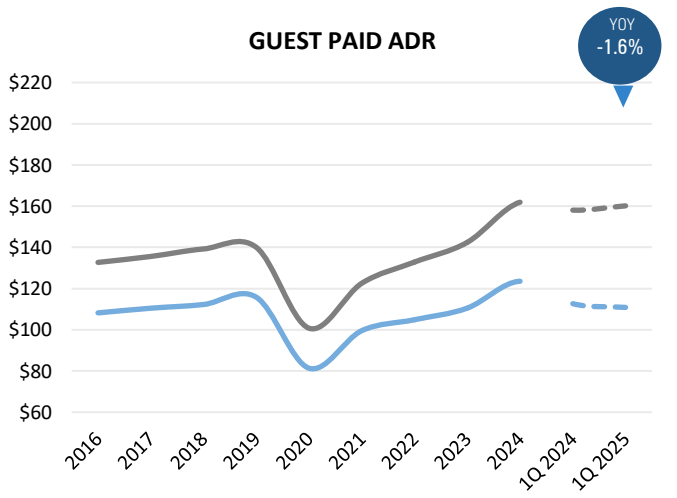
87th of 104

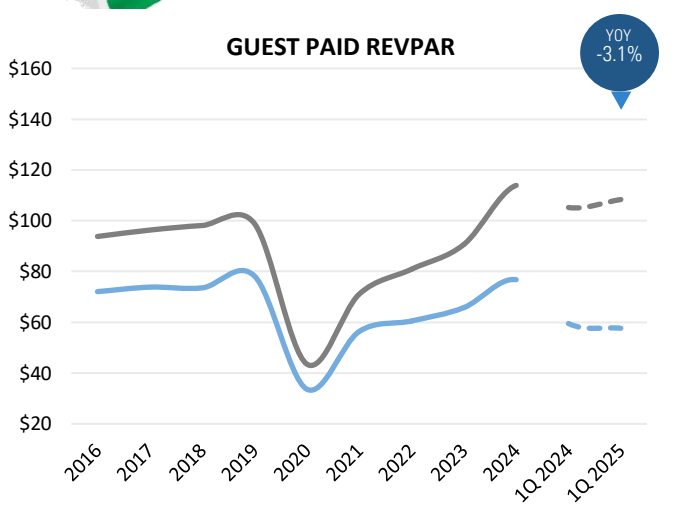
Below Average

Ranking of overall '1Q 2025 LPI' performance (0.70) against all 104 surveyed markets.

KEY PERFORMANCE METRICS





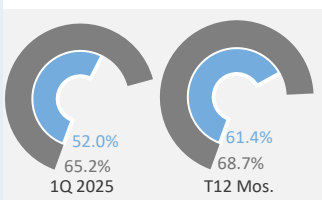


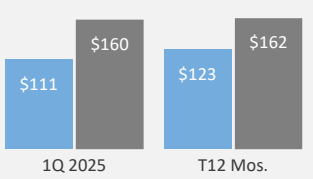
Top 104 — Cincinnati, OH

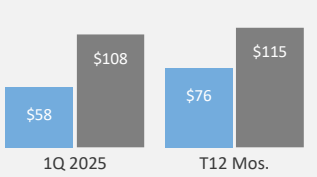
PERFORMANCE INDEXES

Key Performance Indexes

Subject Market — Top 104



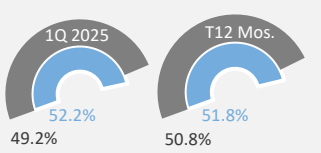


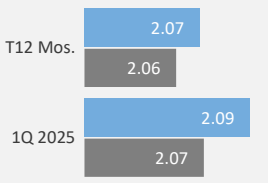


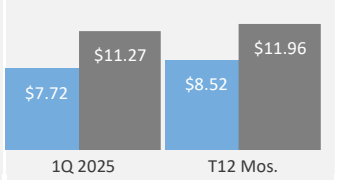
Occupancy		Guest Paid ADR		Guest Paid RevPAR	
88th	84th	77th	74th	88th	80th

BENCHMARK INDEXES

Key Benchmark Indexes





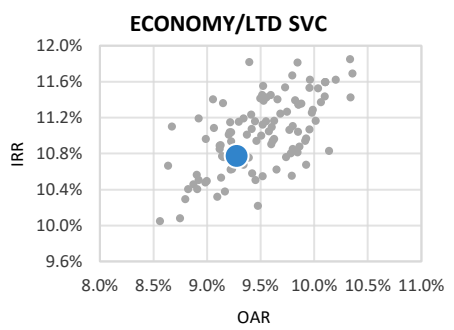


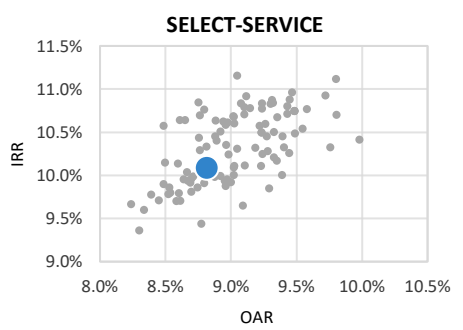
Loyalty Contribution		Avg. Length of Stay (Nights)		Booking Costs POR	
30th	29th	44th	47th	27th	31st

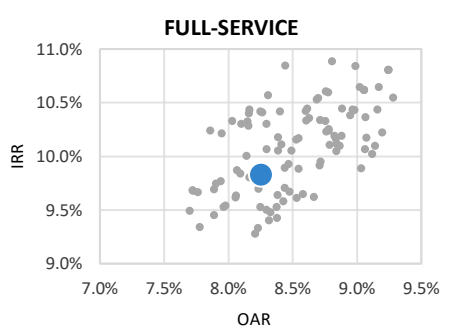
INVESTMENT PARAMETERS

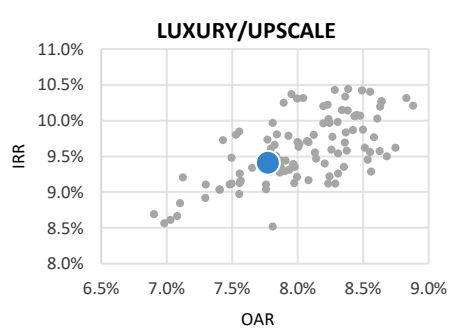
Discount and Capitalization Rates

Source: Newmark









FUNDAMENTALS

Trends and Risks

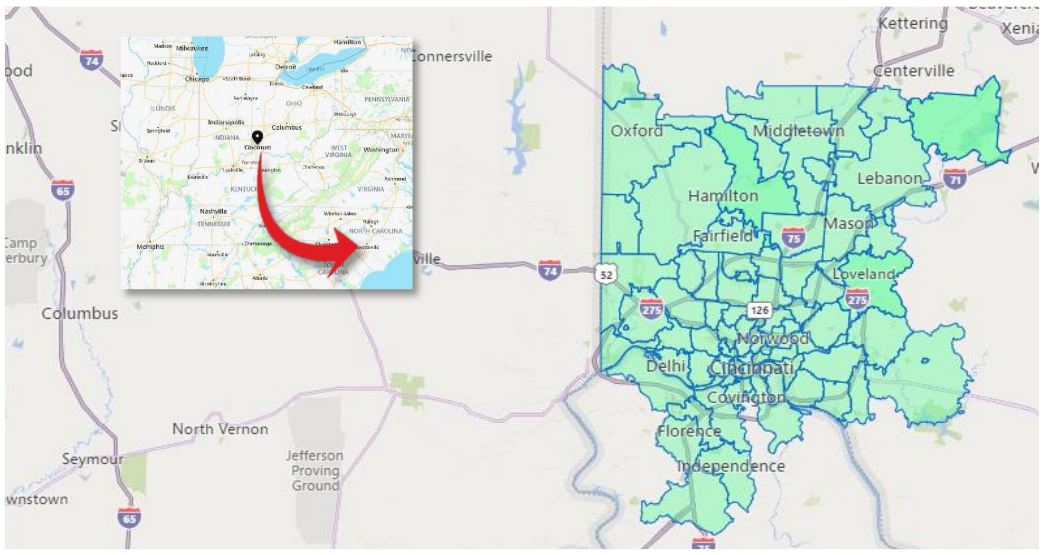
Source: Kalibri Labs, Newmark

Revenue Stability	Supplier Power Trend	Investment Yields
80th	**29th**	**19th**
Below Average	**Above Average**	**Above 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
13th	**34th**	**29th**
Above Average	**Above Average**	**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

Location



Quick Facts

Jurisdictional Information

Source: US Census Bureau, Dept. of Labor Statistics

Municipal Name:	Cincinnati
County:	Hamilton County
State:	Ohio
Geo Coordinates (market center):	39.10346, -84.51527

Major Hotel Demand Generators

Cincinnati Children's Hospital Medical Center | Kroger Co. | Cincinnati/Northern Kentucky International Airport | TriHealth Inc. | UC Health | Mercy Health | University of Cincinnati | Procter & Gamble Co. | General Electric | St. Elizabeth Healthcare | Fifth Third Bancorp | The Christ Hospital Corp. | Kings Island | Miami University | Fidelity Investments | Staffmark Group LLC | Macy's Inc. | Amazon.com LLC | Cincinnati Financial Group | U.S. Bank National Association

Metrics and Ranking	Measurement	Rankings
Population (hotel market area)	1,622,700	38th of 104 (Average)
Income per Capita	$36,429	91st of 104 (Soft)
Feeder Group Size	86.6 Persons PSR	69th of 104 (Below Average)
Feeder Group Earnings	$3,154,935 PSR	42nd of 104 (Average)
Total Market Hotel Revenues	$836.0 million	47th of 104 (Average)

Key Performance Metrics

Data provided by: kalibri LABS

YEAR ENDING	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	66.6%	$108.21	$72.07	$99.62	$66.35	$8.59	92.1%	53.3%	2.00	27,780	1.00
2017	66.8%	$110.48	$73.84	$101.59	$67.90	$8.89	92.0%	52.9%	1.94	28,080	0.95
2018	65.5%	$112.26	$73.56	$103.28	$67.67	$8.98	92.0%	55.5%	1.92	27,560	0.88
2019	67.5%	$115.82	$78.21	$106.48	$71.90	$9.33	91.9%	59.7%	1.89	30,530	1.14
2020	40.8%	$81.35	$33.65	$76.08	$31.02	$5.27	93.5%	41.2%	2.40	29,020	0.84
2021	55.6%	$99.57	$56.36	$92.79	$51.62	$6.78	93.2%	45.1%	2.16	29,090	0.88
2022	57.5%	$104.89	$60.52	$97.72	$56.19	$7.17	93.2%	46.1%	2.14	29,190	0.82
2023	59.1%	$110.53	$65.77	$103.01	$60.84	$7.51	93.2%	46.6%	2.13	29,270	0.83
2024	61.6%	$123.56	$76.78	$115.02	$70.86	$8.55	93.1%	51.5%	2.07	30,580	0.66
CAGR: 2016 thru 2024	-1.0%	1.7%	0.8%	1.8%	0.8%	-0.1%	0.1%	-0.4%	0.4%	1.2%	-5.1%
1Q 2024	52.8%	$112.66	$59.50	$104.82	$55.36	$7.84	93.0%	50.9%	2.09	30,270	0.73
1Q 2025	52.0%	$110.86	$57.66	$103.14	$53.64	$7.72	93.0%	52.2%	2.09	30,880	0.70

Notable Metrics

HIGHEST

OAR: Luxury/Upscale	T12-Month Loyalty Contribution	T12-Month Loyalty Contribution
25th	29th	29th
Favorable	Above Average	Above Average
Cincinnati, OH exhibited favorable OAR metrics in the luxury/upscale segment (7.8%)	The market exhibited strong T12–month loyalty contribution (51.8%)	The market also exhibited strong T12–month loyalty contribution (51.8%)

LOWEST

Economy Median Income	Latest-Quarter COPE RevPAR	Latest-Quarter Guest Paid RevPAR
91st	88th	88th
Soft	Below Average	Below Average
This market was stymied by weak Economy Median Income ($36,429)	The market has been hampered by weak latest–quarter COPE RevPAR ($53.64)	Cincinnati, OH also posted weak latest–quarter Guest Paid RevPAR ($57.66)

Notable Trends

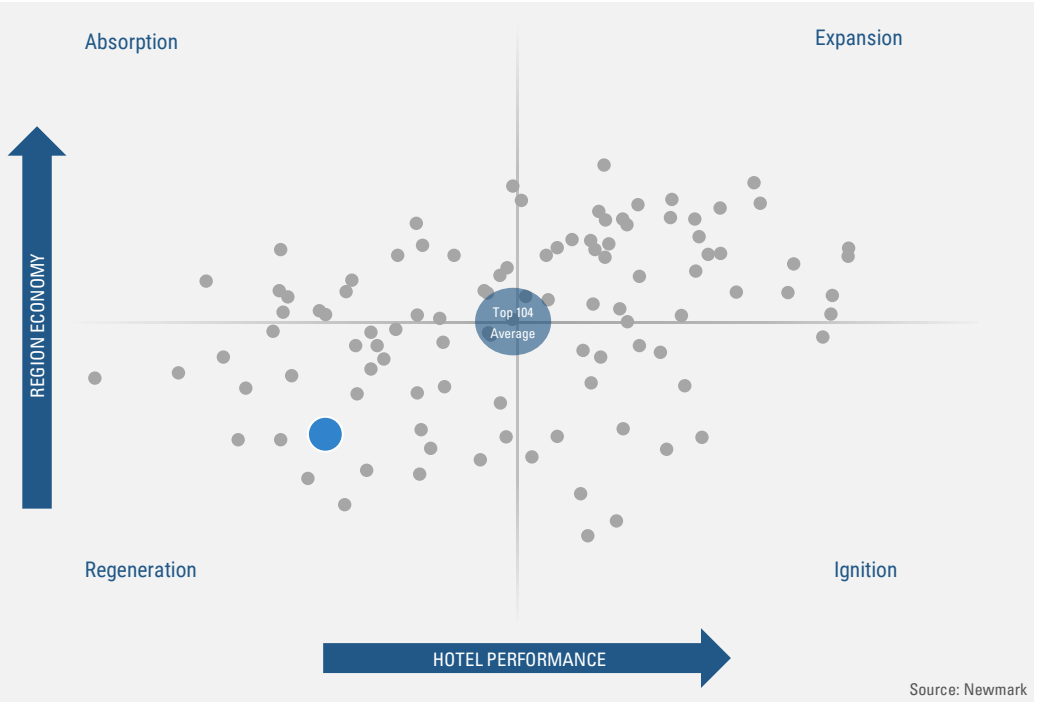
STRONGEST

Long-Term Historical Booking Costs POR Growth	Short-Term Historical Booking Costs POR Growth	Long-Term Historical Average Length of Stay Growth
24th	34th	44th
Above Average	Above Average	Average
Cincinnati, OH has benefited from low long–term historical booking costs POR growth (1.7%)	The market enjoyed low short–term historical growth in booking costs (2.1%)	The market also enjoyed strong long–term historical average length of stay growth (0.4%)

WEAKEST

T12-Month Rooms Supply Growth	Overall Health of Hotel Market	Short-Term Historical Loyalty Contribution Growth
92nd	89th	89th
Soft	Below Average	Below Average
The market has been hindered by high rooms supply growth over the last 12 months (2.0%)	We note this area has been hampered by weak general hotel market performance (levels and trends of fundamentals)	Cincinnati, OH also has been hindered by weak short–term historical loyalty contribution growth (2.6%)

Market Performance Stage



Source: Newmark

Cincinnati, OH: Regeneration Stage

Regeneration

The Cincinnati, OH market is currently in the 'Regeneration' stage of the performance cycle. In this 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 Detroit, MI; Knoxville, TN; and Michigan North Area, MI.

Other Stages:

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.

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 Fort Worth, TX; Minneapolis, MN; and Portland, OR.

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):	0.5%
Risk Exposure (402 US markets):	58th Percentile: Average Risk
Key Industry Notes:	Strong transportation network
	Educated, skilled workforce
	Low living and business costs
	High population growth
	High exposure to trade policy changes

Moody's Rating

Aa1

Investment Grade

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

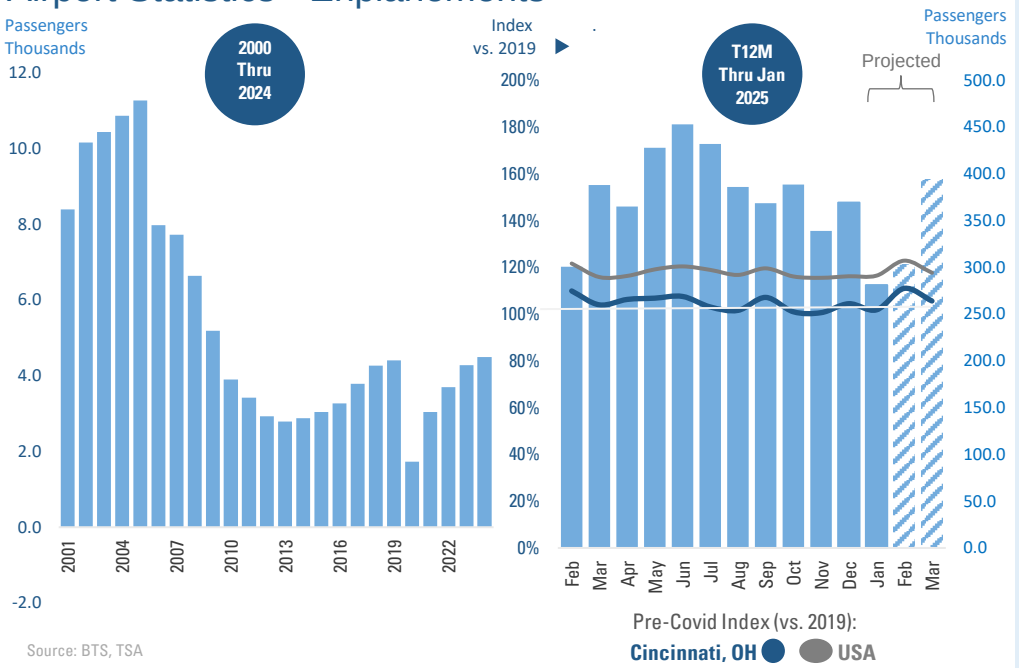
TOP 10 BRANDS

Source: Newmark

NEWMARK

SELECT NEAREST AIRPORT CITY: ALL LOCAL

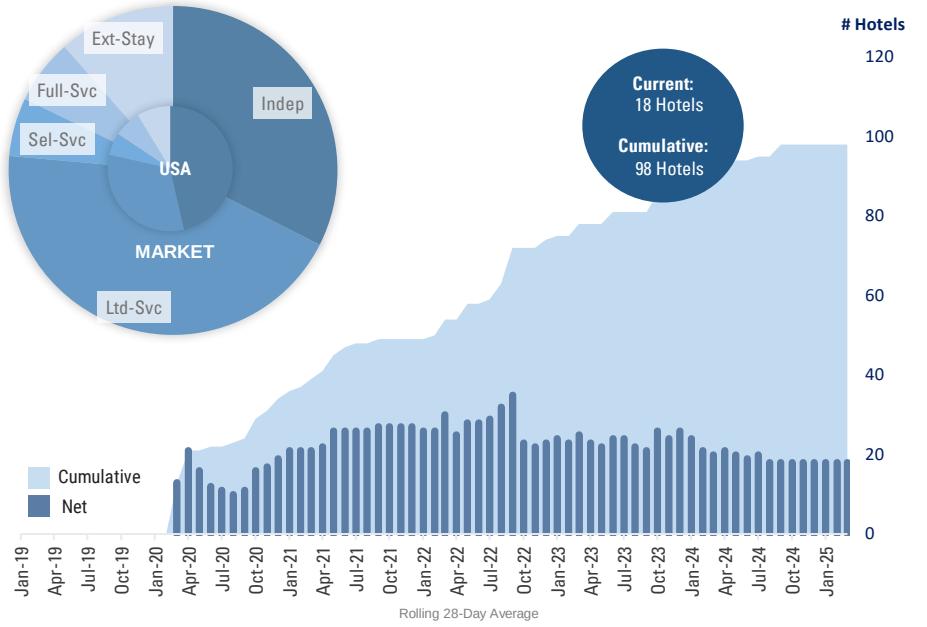
Airport Statistics - Enplanements



Source: BTS, TSA

DATA THROUGH MAY 2025

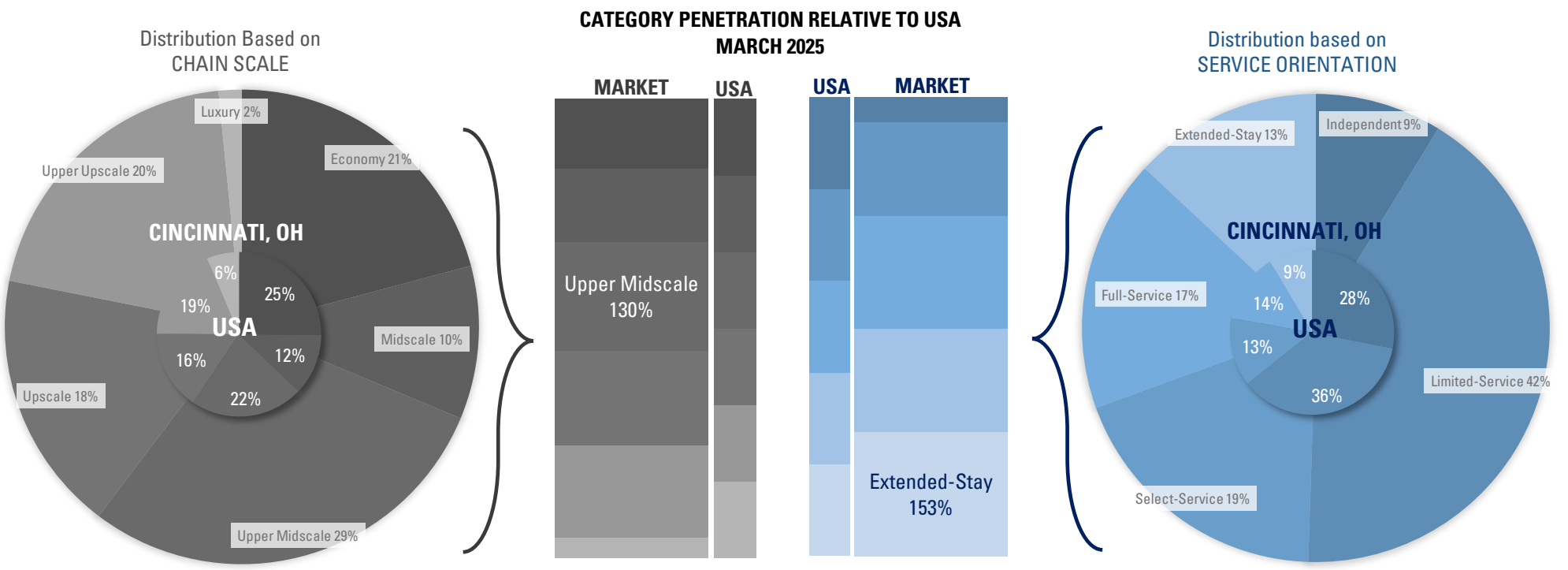
Hotel Closures - Cincinnati, OH



Source: Hotel Compete

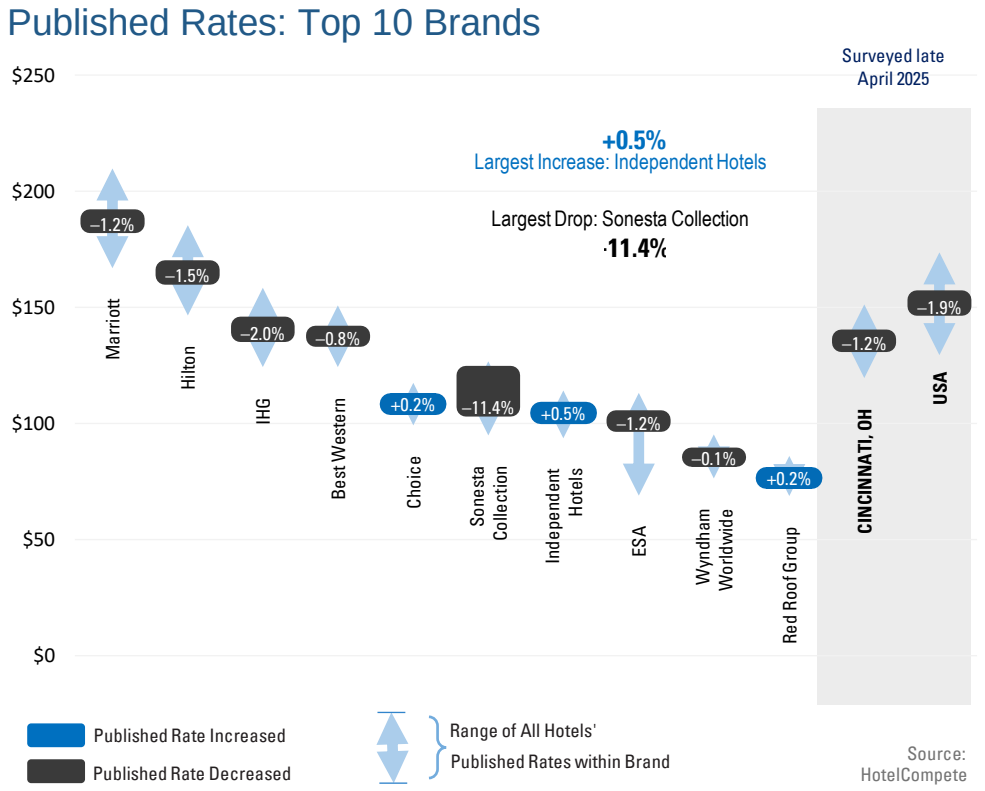
SCALE AND SERVICE ORIENTATION

Scale and Service Distribution: Cincinnati, OH



'30/3' RATE CHANGES: CINCINNATI, OH vs. USA

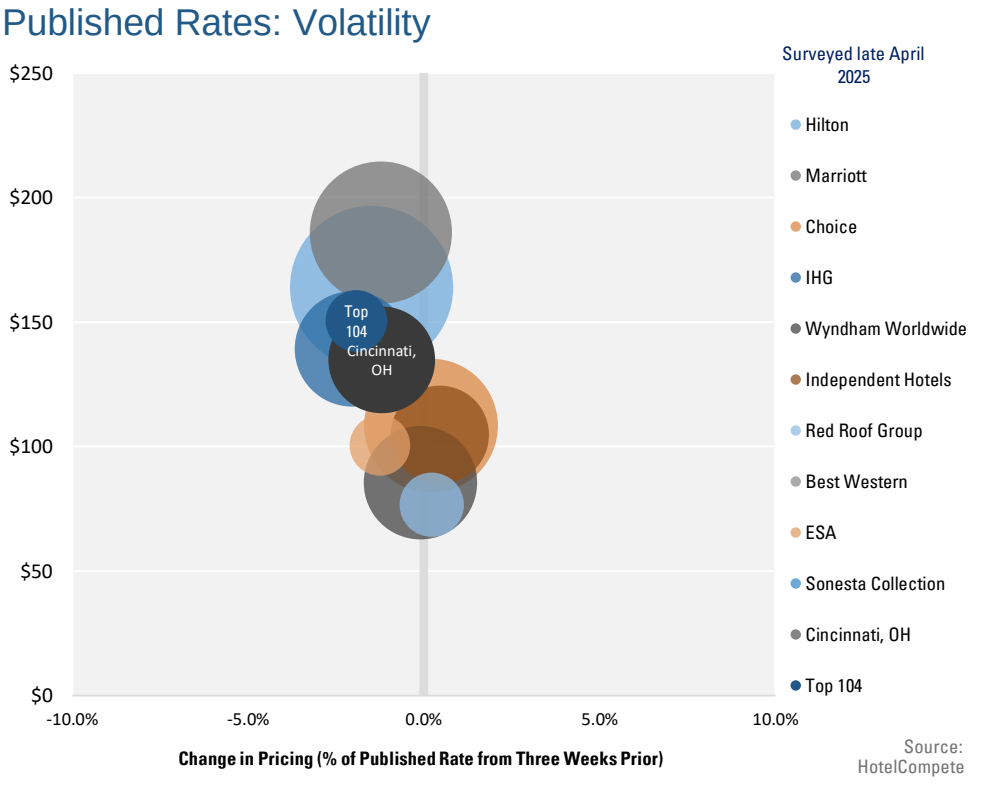
Published Rates: Top 10 Brands



Source: HotelCompete

RATE ADJUSTMENTS BY BRAND

Published Rates: Volatility



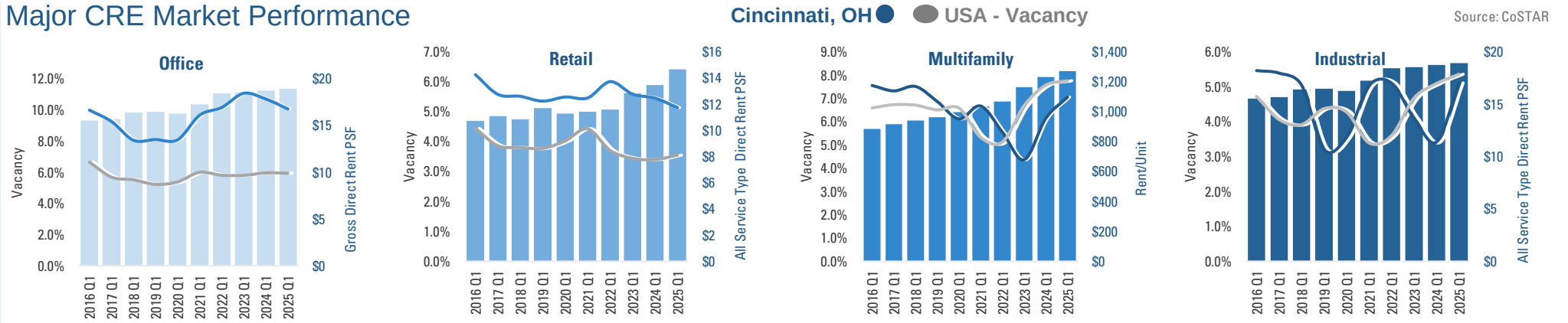
Source: HotelCompete

MAJOR C.R.E. METRICS

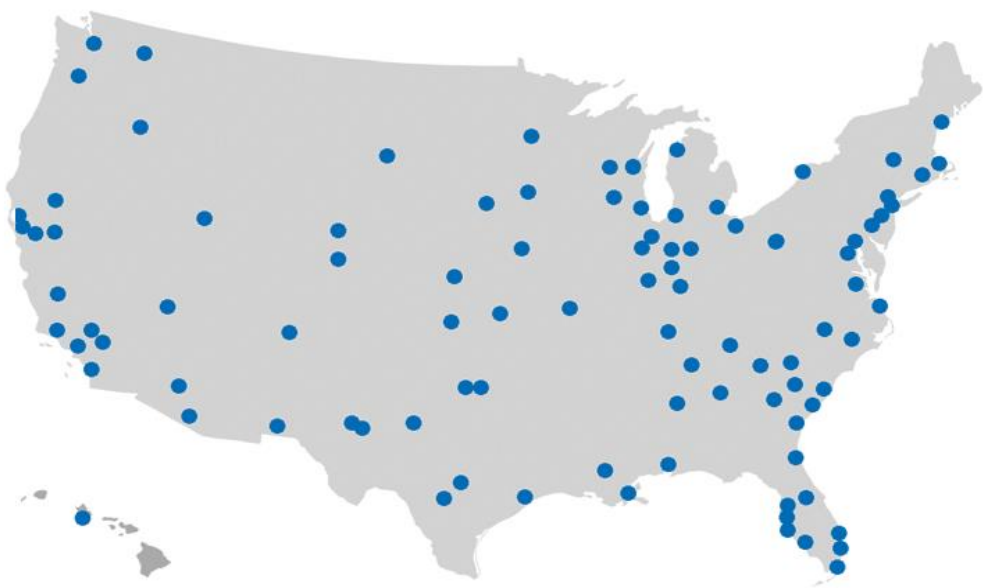
Major CRE Market Performance

Cincinnati, OH ● 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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Our Hospitality, Gaming & Leisure platform has experience in valuation assignments and market analysis for properties including:

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Stadiums, Sports & Entertainment Facilities

Conference, Expo and Convention Centers

Golf Courses

Marinas

Ski and Village Resorts

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We understand every aspect of a property's operations, allowing us to craft advanced tax strategies.

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CONTACT: MIDWEST MARKETS

CONTACT

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