Lodging Performance Index Snapshot
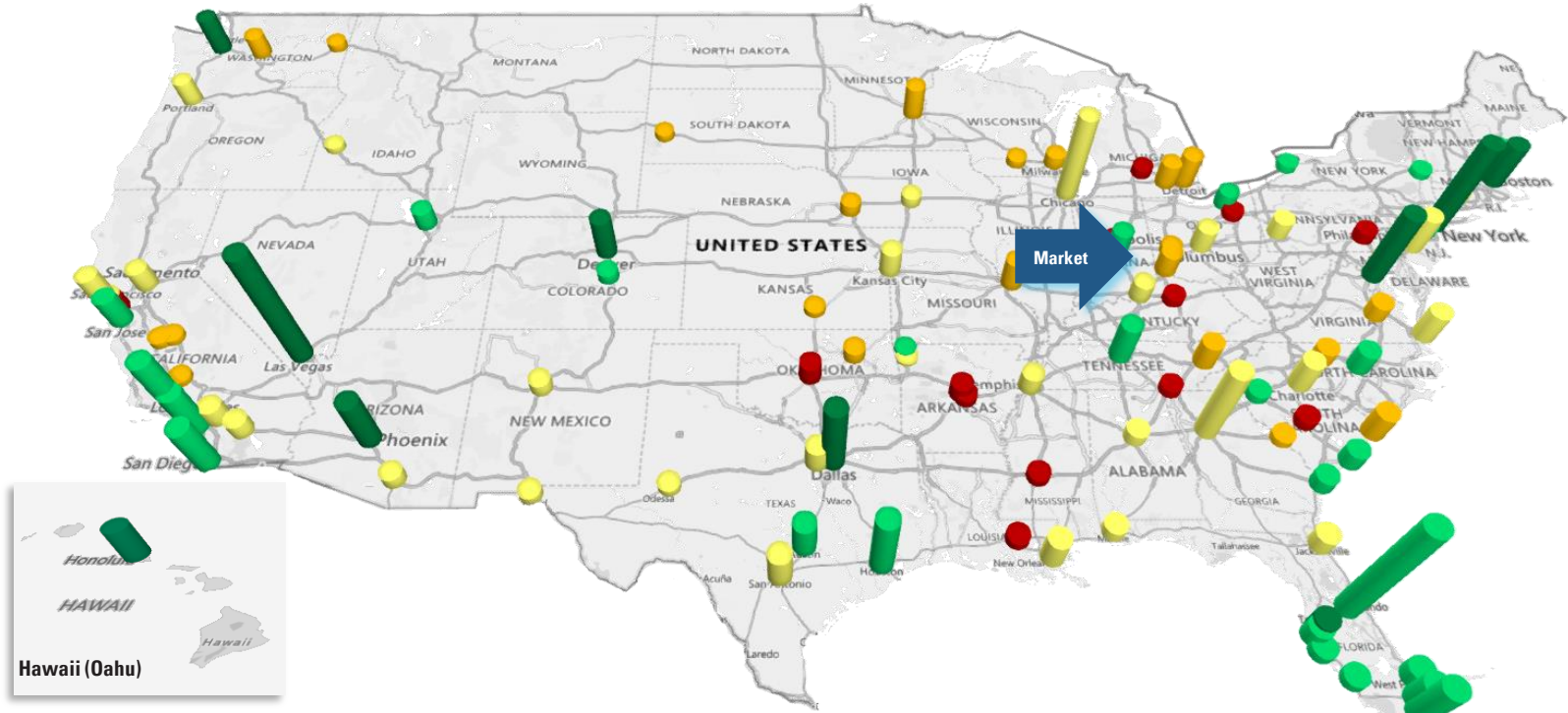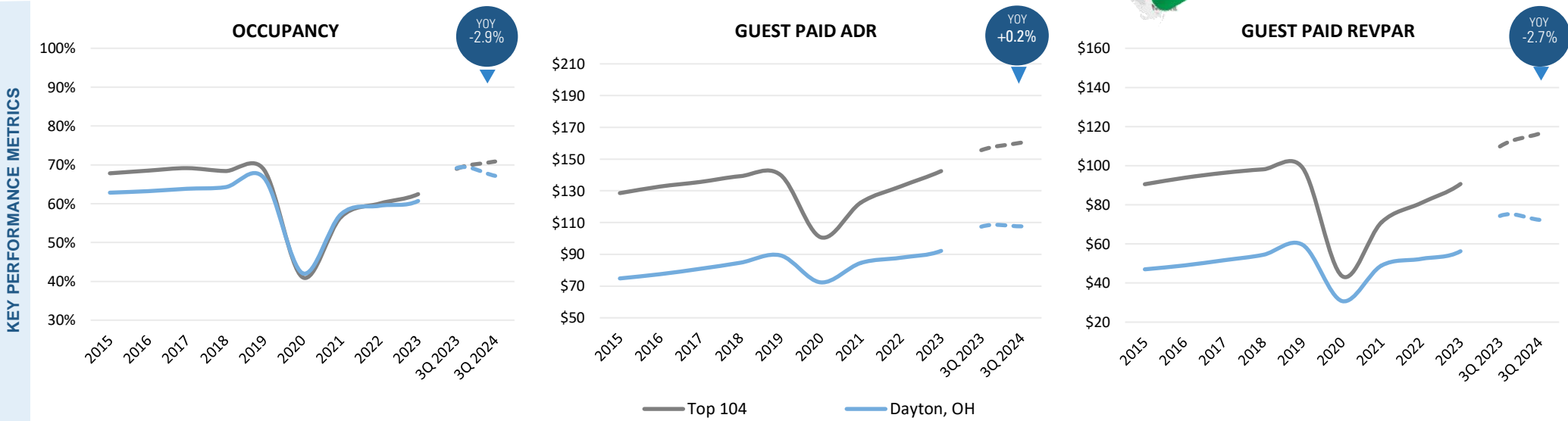

Market

LODGING PERFORMANCE INDEX

Dayton, OH

0.65
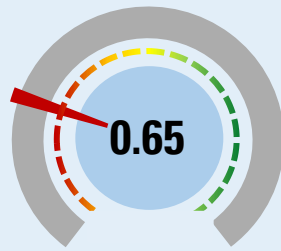
94th of 104
Soft

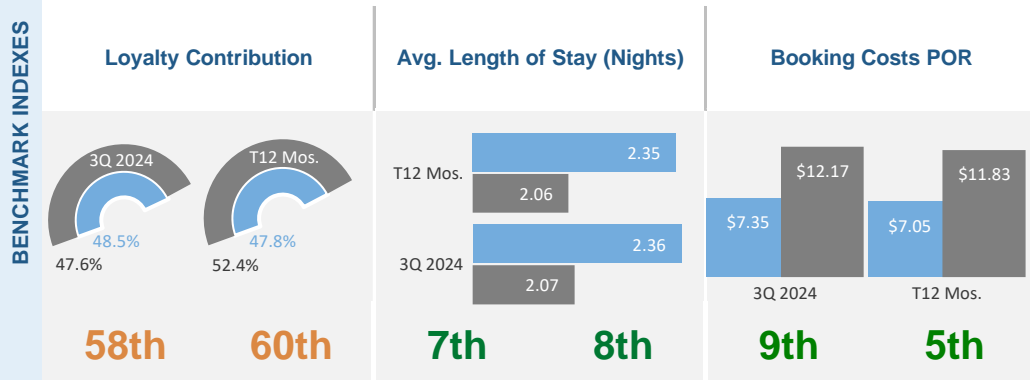Ranking of overall '3Q 2024 LPI' performance (0.65) against all 104 surveyed markets.
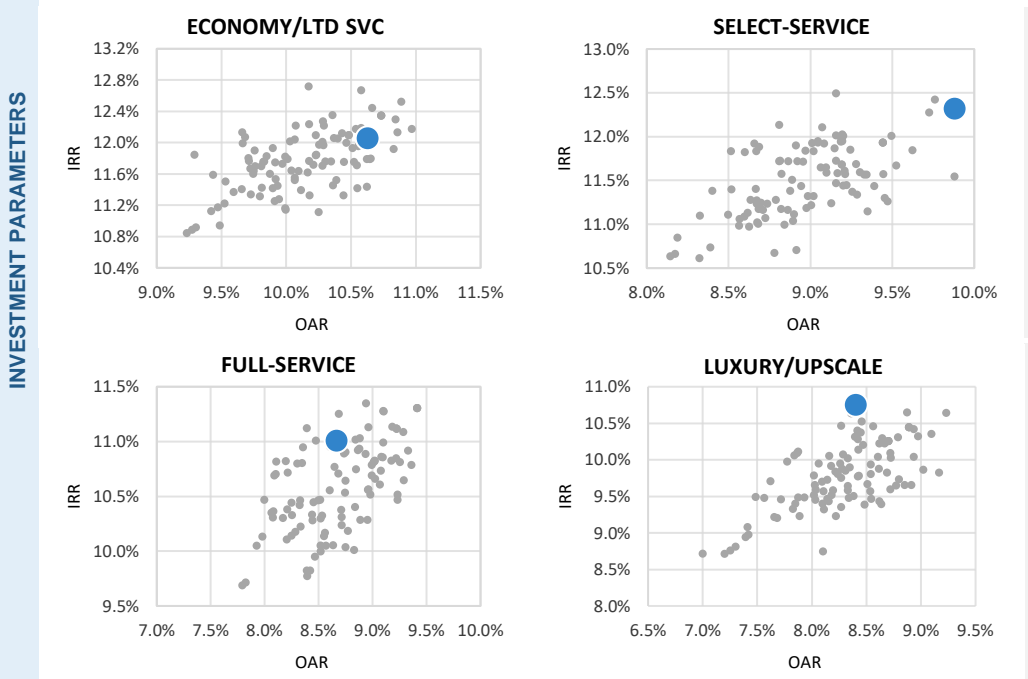
KEY PERFORMANCE METRICS

OCCUPANCY — YOY -2.9%

GUEST PAID ADR — YOY +0.2%

GUEST PAID REVPAR — YOY -2.7%

— Top 104   — Dayton, OH

Key Performance Indexes

Subject Market   Top 104

PERFORMANCE INDEXES

	Occupancy	Guest Paid ADR	Guest Paid RevPAR
3Q 2024	67.2% / 70.9%	$108 / $160	$72 / $116
T12 Mos.	61.7% / 67.9%	$104 / $160	$65 / $112
Rank 3Q 2024	72nd	93rd	90th
Rank T12 Mos.	78th	97th	94th

Key Benchmark Indexes

Kalibri LABS

BENCHMARK INDEXES

	Loyalty Contribution	Avg. Length of Stay (Nights)	Booking Costs POR
3Q 2024	48.5% / 47.6%	2.36 / 2.07	$7.35 / $12.17
T12 Mos.	47.8% / 52.4%	2.35 / 2.06	$7.05 / $11.83
Rank 3Q 2024	58th	7th	9th
Rank T12 Mos.	60th	8th	5th

Discount and Capitalization Rates

Source: Newmark

INVESTMENT PARAMETERS

ECONOMY/LTD SVC (IRR vs OAR)

SELECT-SERVICE (IRR vs OAR)

FULL-SERVICE (IRR vs OAR)

LUXURY/UPSCALE (IRR vs OAR)

Trends and Risks

Source: Kalibri Labs, Newmark

FUNDAMENTALS

Revenue Stability	Supplier Power Trend	Investment Yields
66th Below Average	**59th** Average	**93rd** Soft
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
96th Low Risk	**7th** High Risk	**9th** High Risk
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:	Dayton
County:	Greene County, Montgomery County
State:	Ohio
Geo Coordinates (market center):	39.77739, -84.19963

Major Hotel Demand Generators

Wright-Patterson Air Force Base | Premiere Health Partners | Kettering Health Network | The Kroger Co. | Miami University | Dayton Children's Hospital | Honda of America Manufacturing Inc. | Sinclair Community College | CareSource | LexisNexis | University of Dayton | Speedway | Veteran Affairs Medical Center | AK Steel Corp. | Community Mercy Health Partners | Wright State University | Fuyao Glass America Inc. | Navistar | Meijer Inc. | Synchrony

Metrics and Ranking	Measurement	Rankings
Population (hotel market area)	751,531	64th of 104 (Average)
Income per Capita	$30,128	101st of 104 (Soft)
Feeder Group Size	103.2 Persons PSR	84th of 104 (Below Average)
Feeder Group Earnings	$3,110,242 PSR	38th of 104 (Average)
Total Market Hotel Revenues	$272.7 million	89th of 104 (Below Average)

Key Performance Metrics

Data provided by: kalibri LABS

YEAR ENDING	Occ %	Guest Paid ADR	RevPAR	COPE ADR	RevPAR	Booking Cost POR	ADR COPE %	Loyalty %	Avg Length of Stay Nights	Supply Rooms	Performance Index (LPI)
2015	62.8%	$74.83	$47.01	$69.83	$43.87	$5.00	93.3%	40.8%	2.19	11,540	0.54
2016	63.2%	$77.50	$48.99	$72.16	$45.62	$5.33	93.1%	42.8%	2.22	11,310	0.84
2017	63.8%	$80.90	$51.64	$74.99	$47.87	$5.91	92.7%	44.9%	2.14	11,490	0.74
2018	64.2%	$84.71	$54.42	$78.47	$50.41	$6.23	92.6%	46.9%	2.16	11,260	0.73
2019	66.6%	$89.33	$59.52	$82.67	$55.09	$6.65	92.6%	51.8%	2.21	11,770	0.92
2020	42.1%	$72.35	$30.78	$67.84	$28.56	$4.50	93.8%	37.4%	2.48	11,770	0.89
2021	57.3%	$84.58	$48.95	$79.27	$45.42	$5.31	93.7%	39.9%	2.40	11,820	0.89
2022	59.5%	$87.89	$52.33	$82.36	$48.97	$5.53	93.7%	40.5%	2.44	11,830	0.91
2023	60.7%	$92.19	$56.26	$86.36	$52.42	$5.83	93.7%	40.9%	2.46	11,860	0.69
CAGR: 2015 thru 2023	-0.4%	2.6%	2.3%	2.7%	2.2%	1.9%	0.0%	0.0%	1.5%	0.3%	3.2%
3Q 2023	69.2%	$107.42	$74.29	$100.38	$69.42	$7.04	93.4%	46.4%	2.40	11,950	0.83
3Q 2024	67.2%	$107.65	$72.30	$100.30	$67.36	$7.35	93.2%	48.5%	2.36	11,730	0.65

## Notable Metrics

HIGHEST

T12-Month Booking Costs POR	Latest-Quarter Average Length of Stay	T12-Month Average Length of Stay
5th Strong	**7th** Strong	**8th** Strong
Dayton, OH enjoyed low T12-month booking costs POR ($7.05)	The market boasted strong latest-quarter average length of stay (2.36 Nights)	The market also benefited from strong T12-month average length of stay (2.35 Nights)

LOWEST

IRR: Luxury/Upscale	OAR: Select-Service	IRR: Select-Service
Last Highly Unfavorable	**Last** Highly Unfavorable	**102nd** Highly Unfavorable
This market posted unfavorable IRR metrics in the luxury/upscale segment (10.7%)	The market exhibited unfavorable OAR metrics in the select-service segment (9.9%)	Dayton, OH also posted unfavorable IRR metrics in the select-service segment (12.3%)

Notable Trends

STRONGEST

Short-Term Historical Average Length of Stay Growth	Long-Term Historical Average Length of Stay Growth	T12-Month Rooms Supply Growth
7th Strong	**9th** Strong	**9th** Strong
Dayton, OH has benefited from strong short-term historical average length of stay growth (2.3%)	The market enjoyed strong long-term historical average length of stay growth (0.9%)	The market also exhibited low rooms supply growth over the last 12 months (−1.8%)

WEAKEST

General Economy Reverence	Overall Health of Hotel Market	Short-Term Historical Loyalty Contribution Growth
97th Soft	**93rd** Soft	**83rd** Below Average
The market posted weak general economic reverence (per-capita unemployment, GDP and other indicators)	We note this area has been hampered by weak general hotel market performance (levels and trends of fundamentals)	Dayton, OH also has been hindered by weak short-term historical loyalty contribution growth (3.3%)

Market Performance Stage

Source: Newmark
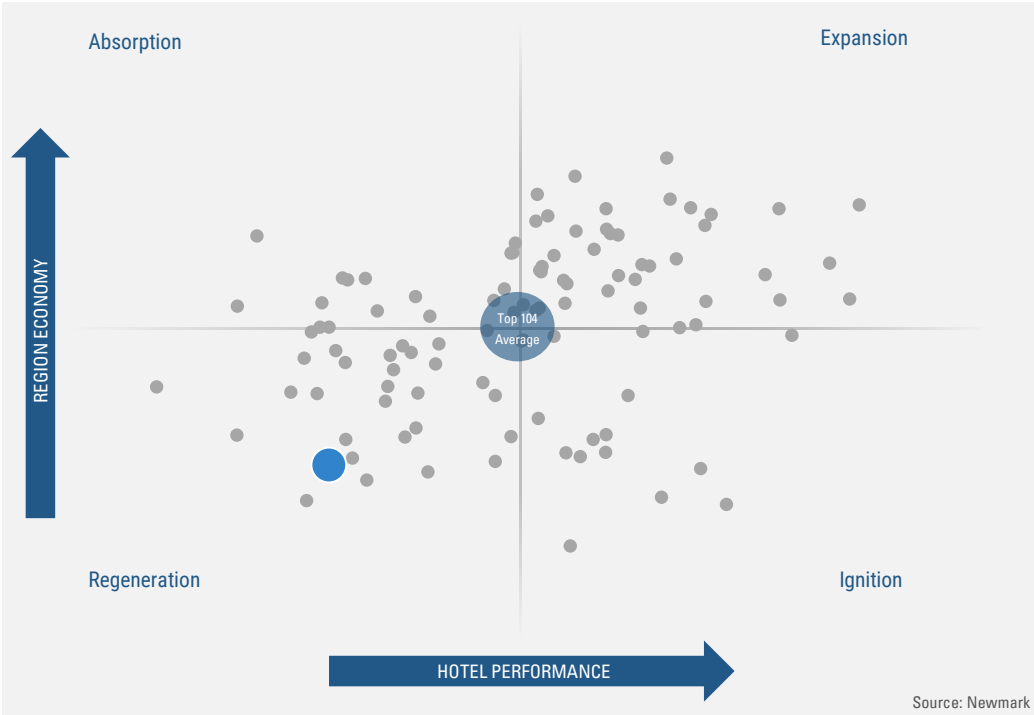
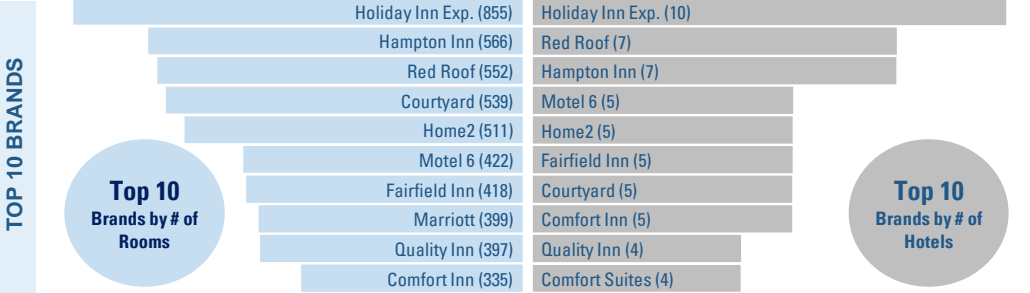## Dayton, OH: Regeneration Stage

Regeneration

The Dayton, 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 Cincinnati, OH; Detroit, MI; and Knoxville, TN.
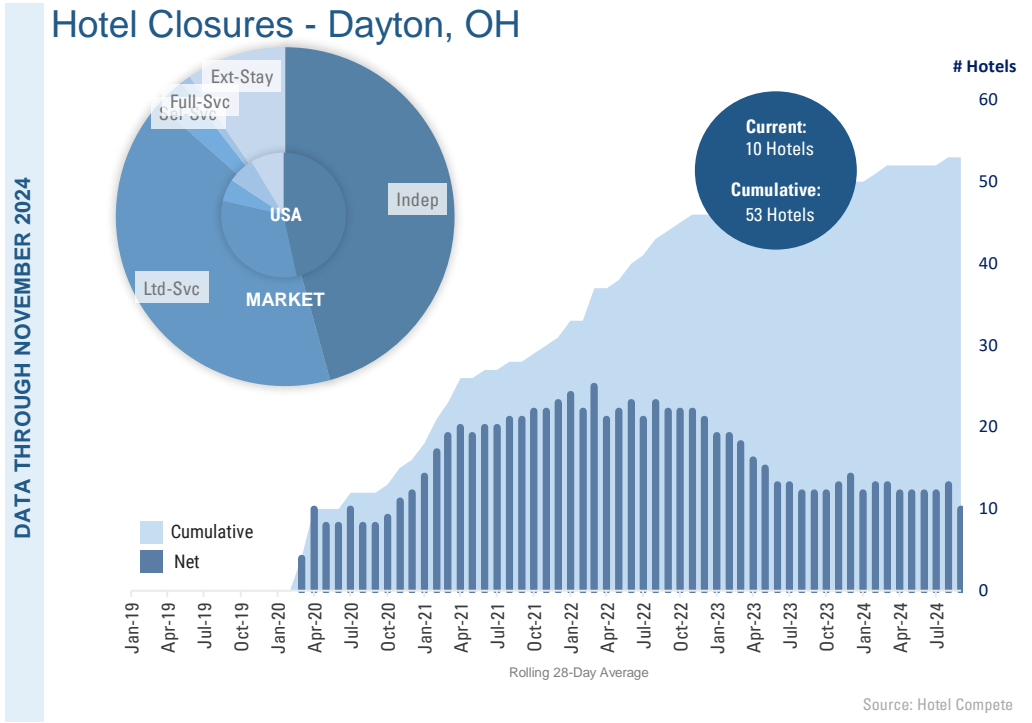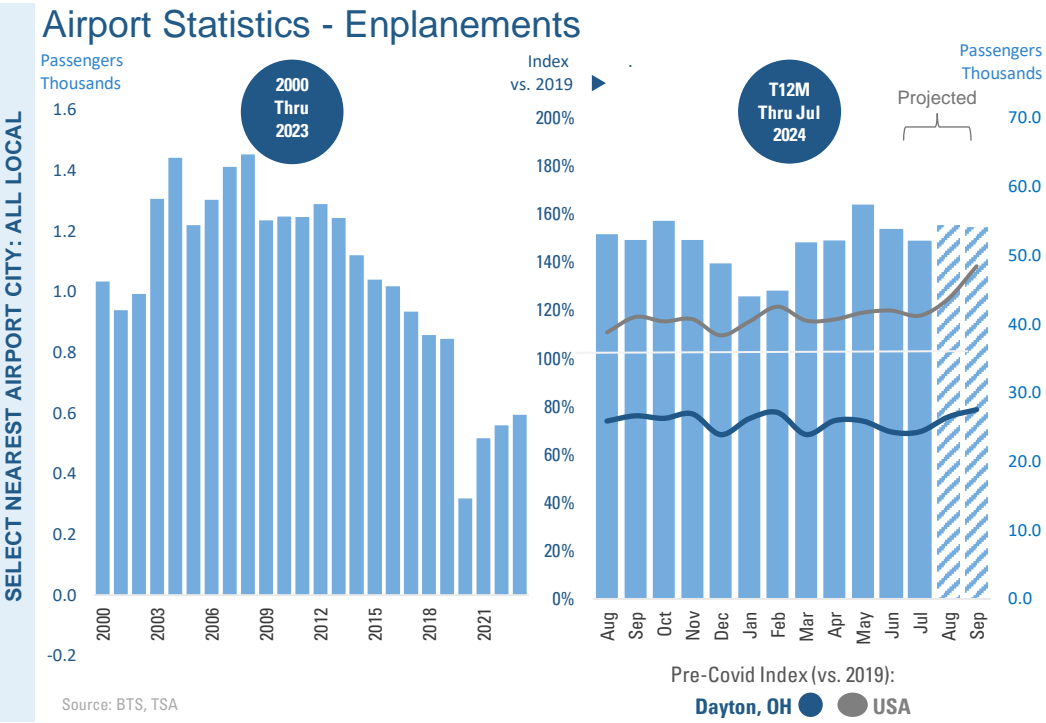
Other Stages:

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; 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 .

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.
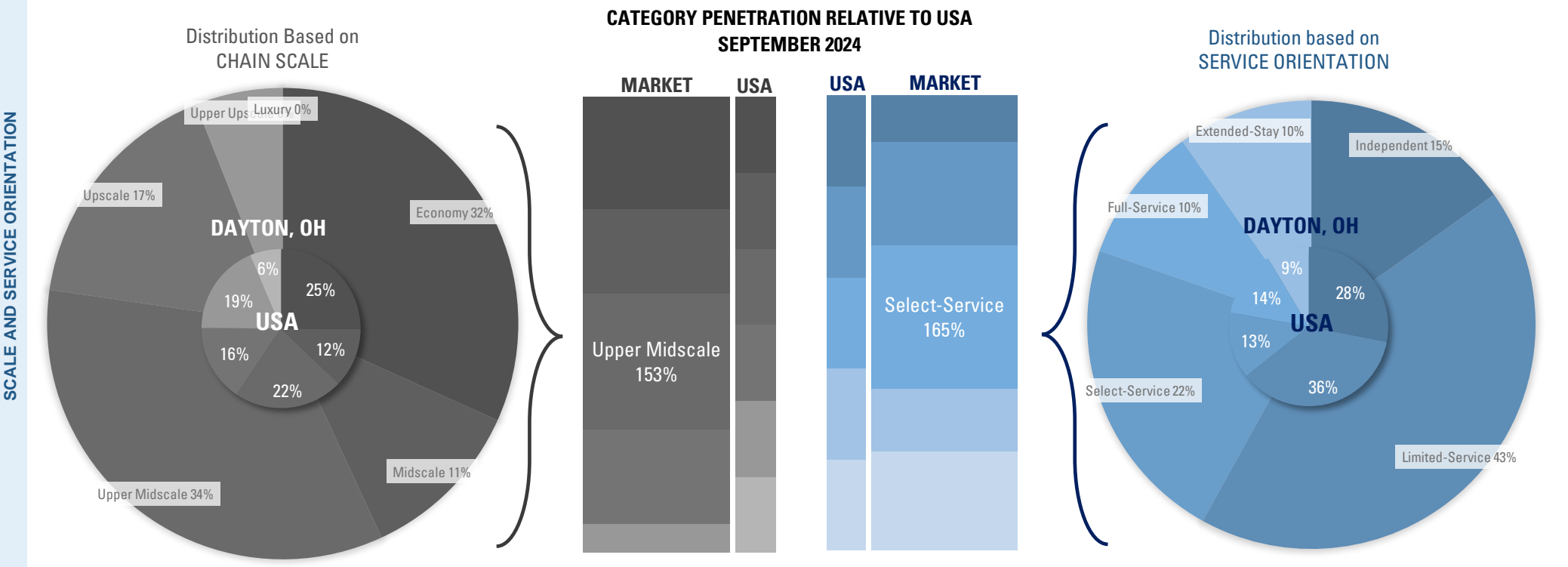
Industry Observations

MOODY'S ANALYTICS

Business Cycle:	**Mid Expansion**
Employment Growth (2 yr):	**0.9%**
Risk Exposure (402 US markets):	**88th Percentile: Above Average**
Key Industry Notes:	Stability from AF Base, universities
	High industrial diversity
	Quality healthcare system
	High employment volatility
	Outsize share of low-wage jobs

Moody's Rating

Aa1
Investment Grade
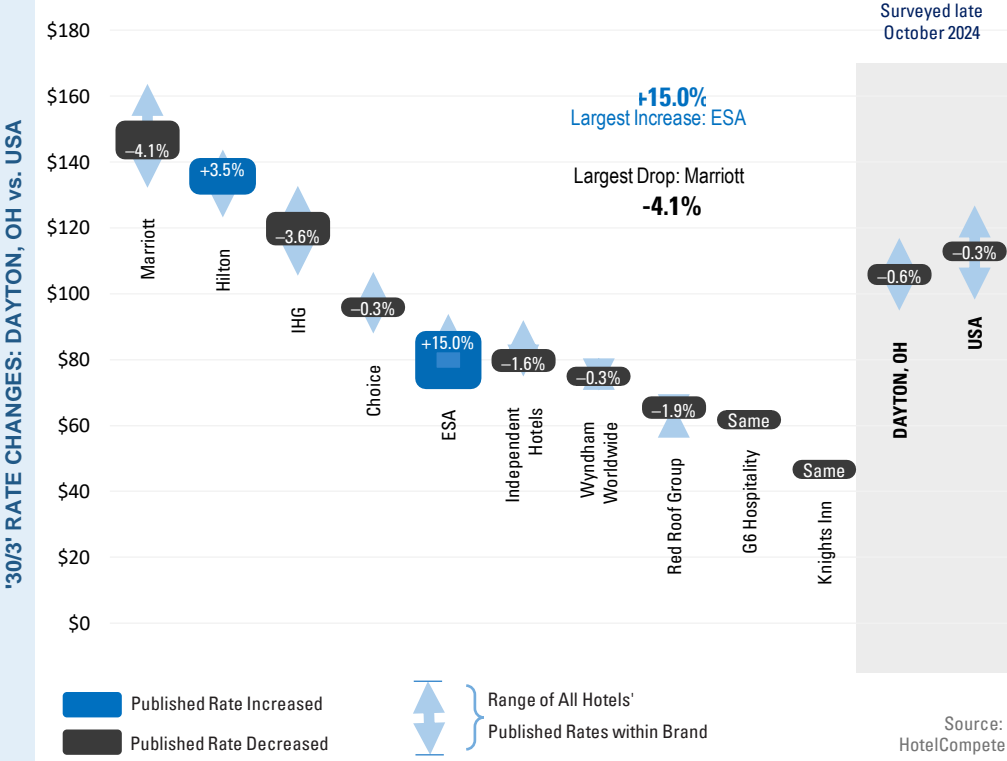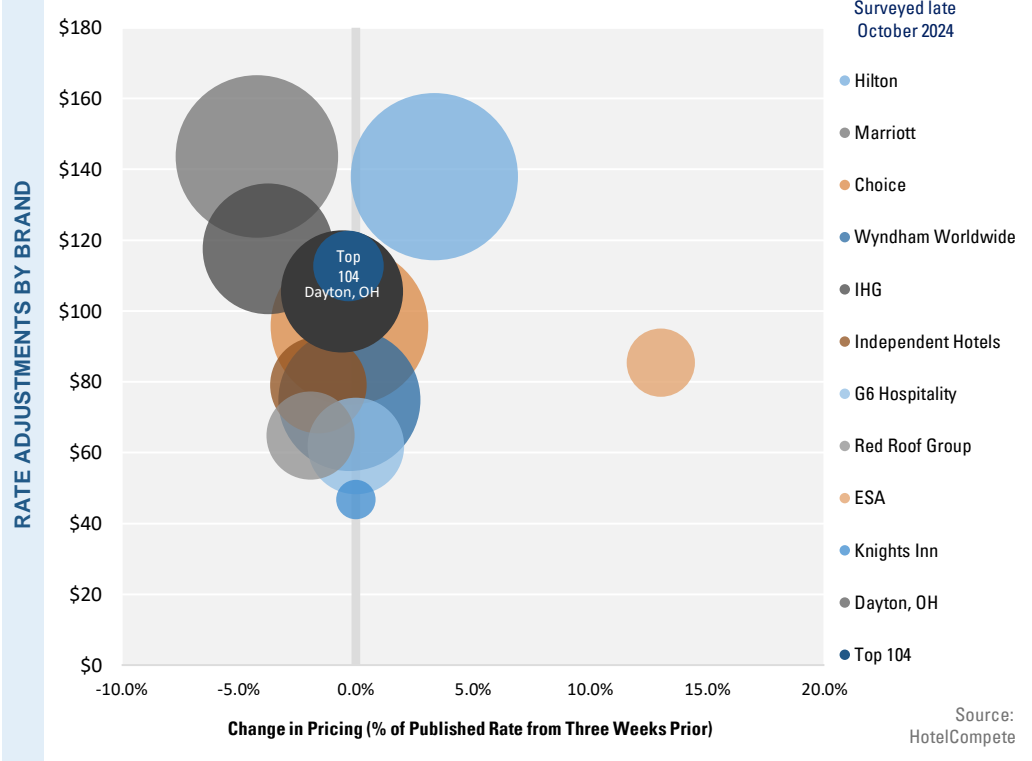
Long-term investment grade, Prime-1 short-term outlook

TOP 10 BRANDS

Top 10 Brands by # of Rooms

Holiday Inn Exp. (855)	
Hampton Inn (566)	
Red Roof (552)	
Courtyard (539)	
Home2 (511)	
Motel 6 (422)	
Fairfield Inn (418)	
Marriott (399)	
Quality Inn (397)	
Comfort Inn (335)	

Top 10 Brands by # of Hotels

Holiday Inn Exp. (10)	
Red Roof (7)	
Hampton Inn (7)	
Motel 6 (5)	
Home2 (5)	
Fairfield Inn (5)	
Courtyard (5)	
Comfort Inn (5)	
Quality Inn (4)	
Comfort Suites (4)	

Source: Newmark

NEWMARK

Airport Statistics - Enplanements

Passengers Thousands

2000 Thru 2023

Index vs. 2019 ▶

T12M Thru Jul 2024

Projected

Passengers Thousands

SELECT NEAREST AIRPORT CITY: ALL LOCAL

DATA THROUGH NOVEMBER 2024

Pre-Covid Index (vs. 2019):
Dayton, OH ● USA ●

Source: BTS, TSA

Hotel Closures - Dayton, OH

Hotels

Ext-Stay
Full-Svc
Sel-Svc
Ltd-Svc
Indep
USA
MARKET

Current: 10 Hotels
Cumulative: 53 Hotels

Cumulative
Net

Rolling 28-Day Average

Source: Hotel Compete

Scale and Service Distribution: Dayton, OH

SCALE AND SERVICE ORIENTATION

Distribution Based on CHAIN SCALE

Upper Ups
Luxury 0%
Upscale 17%
Economy 32%
DAYTON, OH
6%
25%
19%
USA
16%
12%
22%
Upper Midscale 34%
Midscale 11%

CATEGORY PENETRATION RELATIVE TO USA
SEPTEMBER 2024

MARKET   USA

Upper Midscale 153%

USA   MARKET

Select-Service 165%

Distribution based on SERVICE ORIENTATION

Extended-Stay 10%
Independent 15%
Full-Service 10%
DAYTON, OH
9%
28%
14%
USA
13%
36%
Select-Service 22%
Limited-Service 43%

Published Rates: Top 10 Brands

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

Surveyed late October 2024

+15.0%
Largest Increase: ESA

Largest Drop: Marriott
-4.1%

-4.1% Marriott
+3.5% Hilton
-3.6% IHG
-0.3% Choice
+15.0% ESA
-1.6% Independent Hotels
-0.3% Wyndham Worldwide
-1.9% Red Roof Group
Same G6 Hospitality
Same Knights Inn

-0.6% DAYTON, OH
-0.3% USA

Published Rate Increased
Published Rate Decreased

Range of All Hotels' Published Rates within Brand

Source: HotelCompete

Published Rates: Volatility

RATE ADJUSTMENTS BY BRAND

Surveyed late October 2024

Top 104 Dayton, OH

● Hilton
● Marriott
● Choice
● Wyndham Worldwide
● IHG
● Independent Hotels
● G6 Hospitality
● Red Roof Group
● ESA
● Knights Inn
● Dayton, OH
● Top 104

Change in Pricing (% of Published Rate from Three Weeks Prior)

Source: HotelCompete

Major CRE Market Performance

MAJOR C.R.E. METRICS

Dayton, OH ● USA - Vacancy ●

Source: CoSTAR

Office

Retail

Multifamily

Industrial
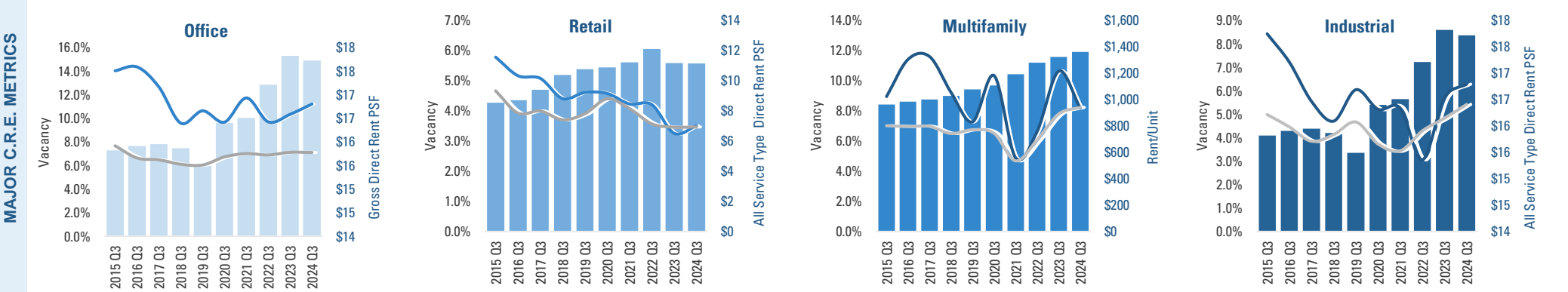
Nsights Hotel Market Reports Coverage
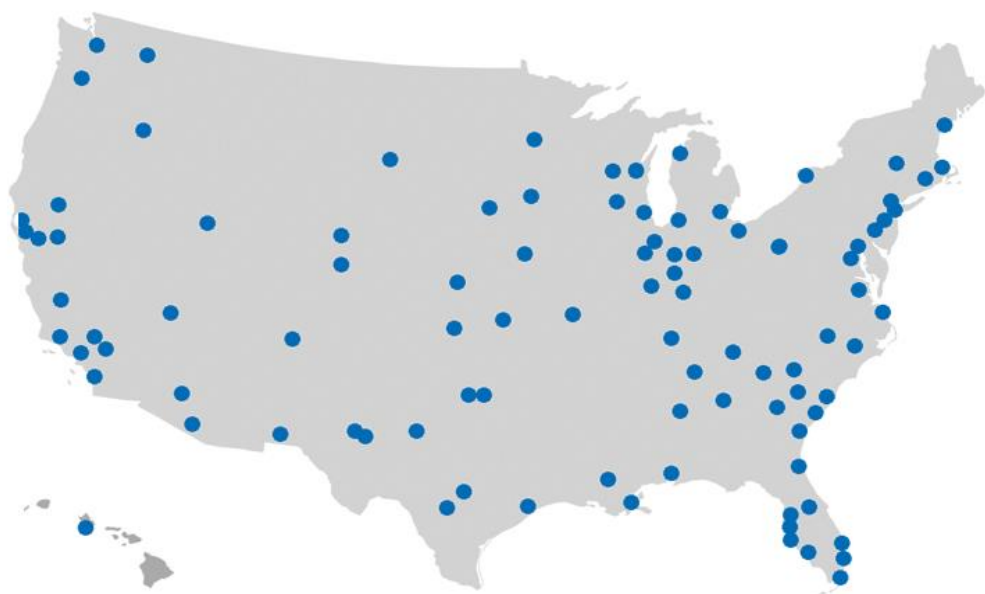
Akron, OH	Dayton, OH	Louisville, KY	Portland, OR
Albany, NY	Denver, CO	Madison, WI	Raleigh, NC
Albuquerque, NM	Des Moines, IA	Memphis, TN	Rapid City, SD
Anaheim, CA	Detroit, MI	Miami, FL	Richmond, VA
Arkansas State Area, AR	El Paso, TX	Michigan North Area, MI	Sacramento, CA
Atlanta, GA	Fayetteville, 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
Our experts bring a strategic perspective and hands-on approach, exceeding the depth and scope of typical litigation services every time.

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.

ABOUT NEWMARK

We transform untapped potential into limitless opportunity.

At Newmark, we don't just adapt to what our partners need—we adapt to what the future demands. Our integrated platform delivers seamlessly connected services tailored to every type of client, from owners to occupiers, investors to founders, and growing startups to leading companies. We think outside of boxes, buildings and business lines, delivering a global perspective and a nimble approach. From reimagining spaces to engineering solutions, we have the vision to see what's next and the tenacity to get there first.

FOR INFORMATION CONTACT:

Bryan Younge MAI, ASA, FRICS

Executive Vice President, Valuation & Advisory, Specialty Practice Leader – Hospitality, Gaming & Leisure
m 773-263-4544
bryan.younge@nmrk.com

CONTACT: GREAT LAKES MARKETS

MARKET DISCLAIMERS

NEWMARK