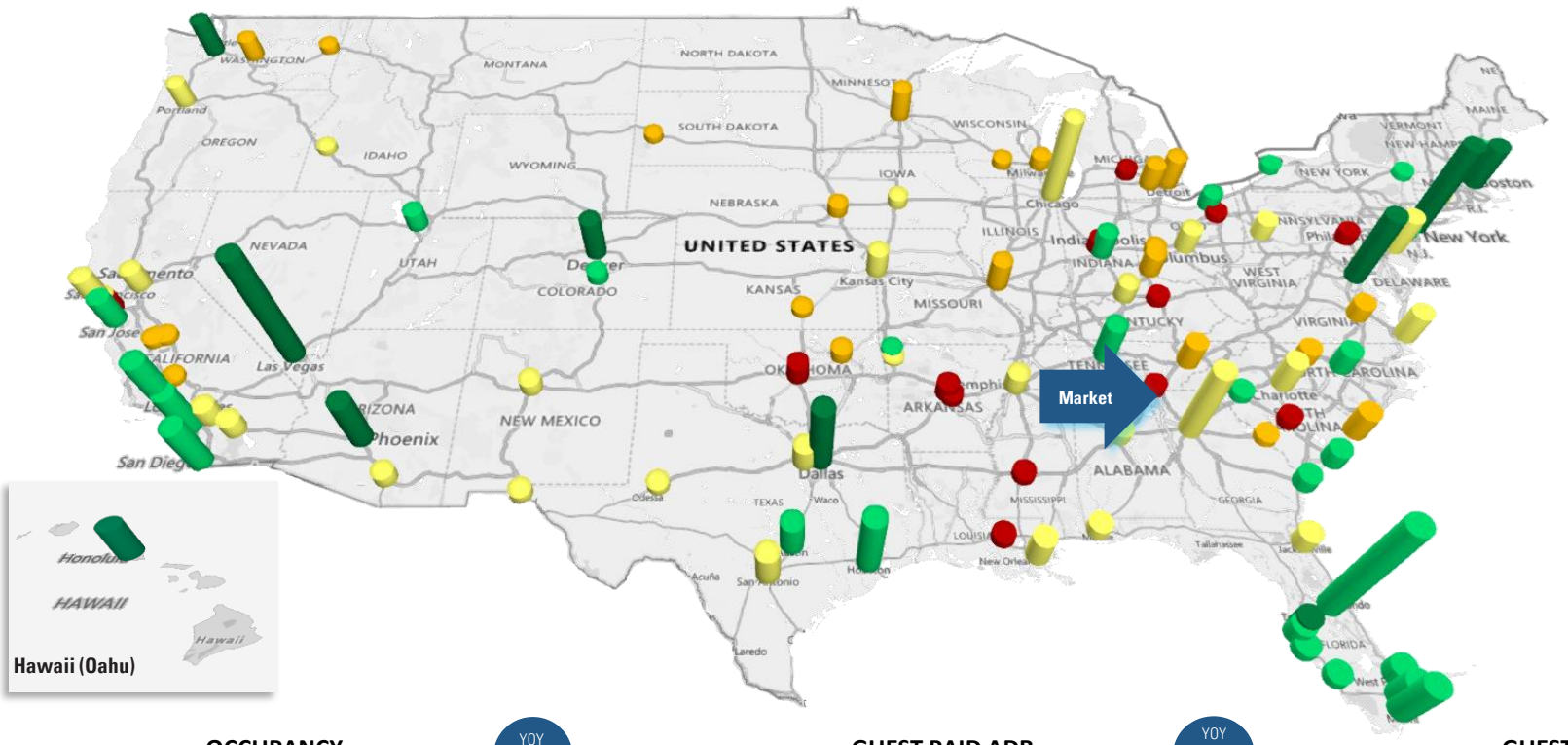
VALUATION & ADVISORY | HOSPITALITY, GAMING & LEISURE

HOTEL MARKET NSIGHTS REPORT

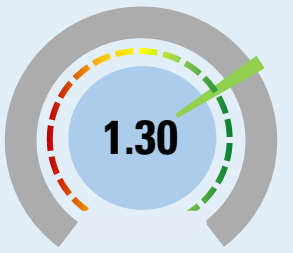
3Q 2024
GREENVILLE, SC

Lodging Performance Index Snapshot



LODGING PERFORMANCE INDEX

Greenville, SC

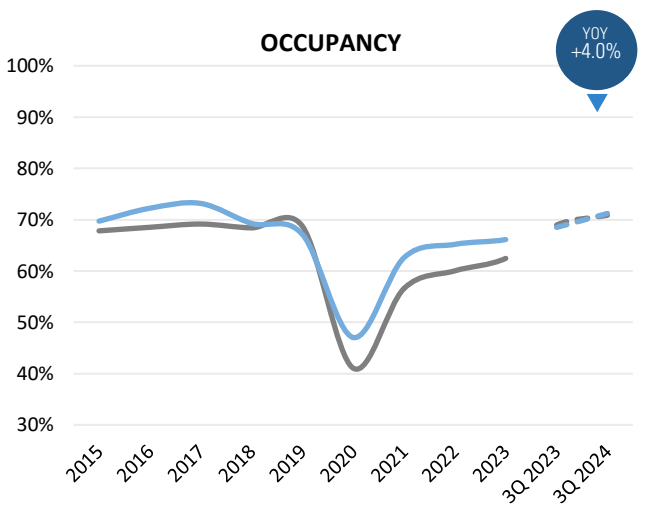


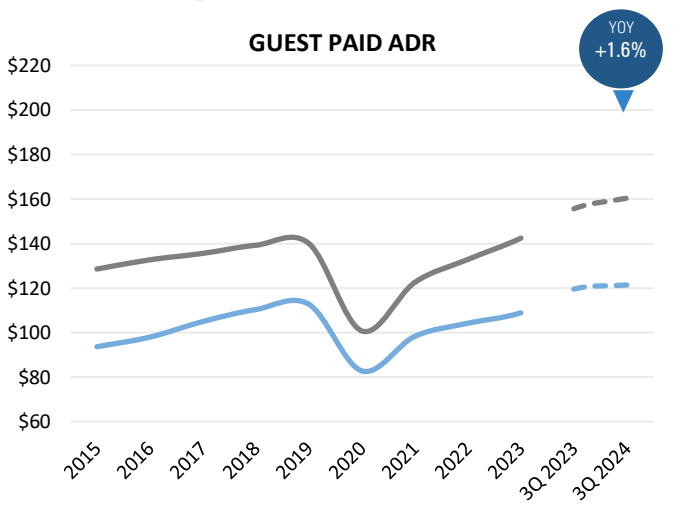
10th of 104

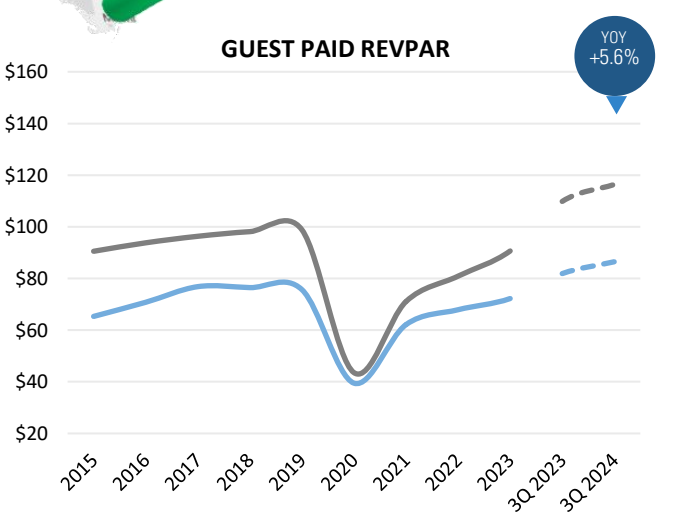
Above Average

Ranking of overall '3Q 2024 LPI' performance (1.30) against all 104 surveyed markets.

KEY PERFORMANCE METRICS







PERFORMANCE INDEXES

Key Performance Indexes

Subject Market | Top 104

Occupancy		Guest Paid ADR		Guest Paid RevPAR	
3Q 2024	T12 Mos.	3Q 2024	T12 Mos.	3Q 2024	T12 Mos.
71.2% / 70.9%	71.4% / 67.9%	$121 / $160	$123 / $160	$86 / $116	$88 / $112
35th	16th	76th	70th	63rd	47th

BENCHMARK INDEXES

Key Benchmark Indexes

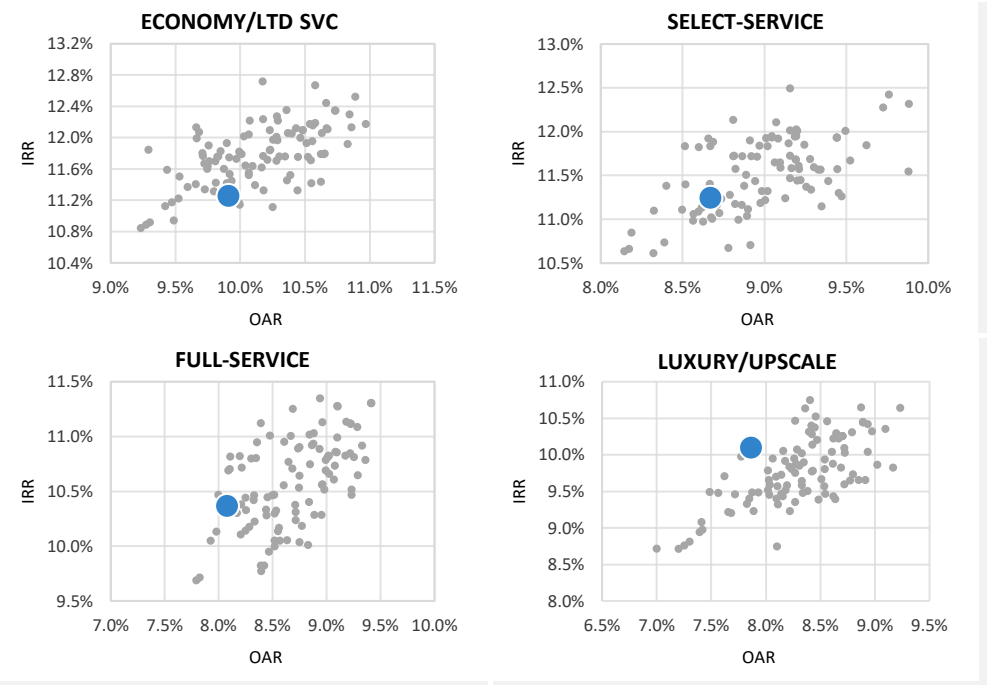
kalibri LABS

Loyalty Contribution		Avg. Length of Stay (Nights)		Booking Costs POR	
3Q 2024	T12 Mos.	T12 Mos.	3Q 2024	3Q 2024	T12 Mos.
51.8% / 47.6%	51.7% / 52.4%	2.25 / 2.06	2.19 / 2.07	$8.14 / $12.17	$8.11 / $11.83
26th	24th	20th	11th	23rd	25th

INVESTMENT PARAMETERS

Discount and Capitalization Rates

Source: Newmark



FUNDAMENTALS

Trends and Risks

Source: Kalibri Labs, Newmark

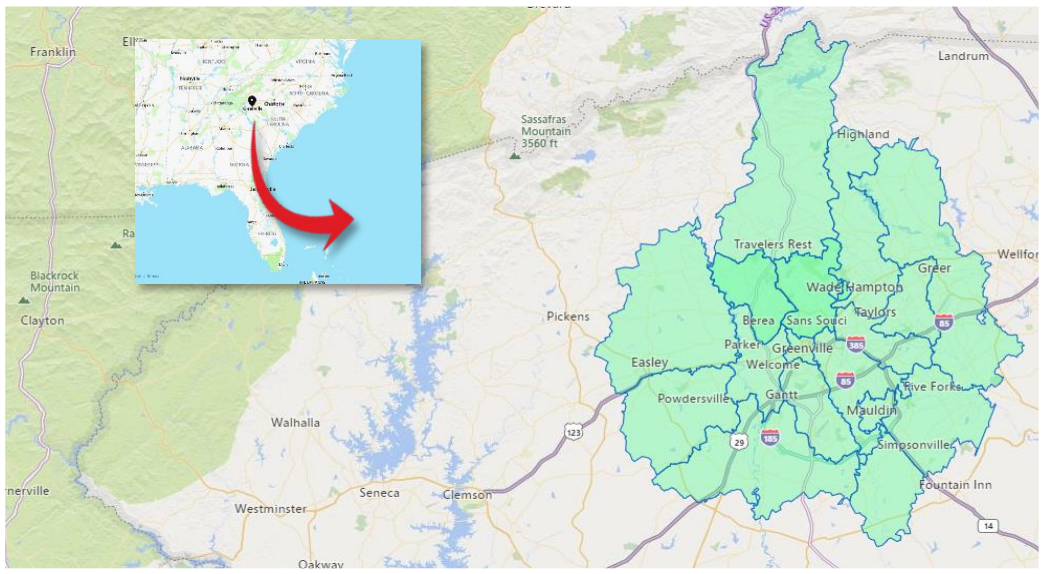
Revenue Stability	Supplier Power Trend	Investment Yields
45th	24th	19th
Average	Above Average	Above Average
Assessment of room revenue growth and volatility over past three to five years against other Top 104 markets	Assessment of market's ability to maximize loyalty and profits, and to ward off booking 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
75th	87th	79th
Below Average	Below Average	Below 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

NEWMARK

Location



Quick Facts

Jurisdictional Information

Source: US Census Bureau, Dept. of Labor Statistics

Municipal Name:	Greenville
County:	Greenville County
State:	South Carolina
Geo Coordinates (market center):	34.85262, -82.39401

Major Hotel Demand Generators

Greenville Health System | Michelin North America Inc. | Bi-Lo Supermarkets | Bon Secours St. Francis Health System | AnMed Health | Clemson University | GE Power & Water | Duke Energy Corp. | General Electric Co. | Fluor Corp. | ZF Friedrichshafen AG | Electrolux Home Products | TD Bank | Concentrix | Greenville Technical College | Verizon Wireless | Charter Communication | Sealed Air Corp. - Cryovac Division | Bob Jones University | Robert Bosch

Metrics and Ranking	Measurement	Rankings
Population (hotel market area)	491,852	84th of 104 (Below Average)
Income per Capita	$48,984	53rd of 104 (Average)
Feeder Group Size	63.9 Persons PSR	38th of 104 (Average)
Feeder Group Earnings	$3,129,127 PSR	39th of 104 (Average)
Total Market Hotel Revenues	$343.2 million	76th of 104 (Below 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)
2015	69.7%	$93.68	$65.31	$87.19	$60.78	$6.50	93.1%	45.1%	2.16	8,570	1.08
2016	72.2%	$98.00	$70.78	$91.08	$65.79	$6.91	92.9%	46.3%	2.20	8,750	1.22
2017	73.2%	$105.01	$76.83	$97.20	$71.12	$7.80	92.6%	48.3%	2.17	9,100	1.36
2018	69.3%	$110.39	$76.46	$102.30	$70.85	$8.09	92.7%	52.4%	2.12	9,330	1.10
2019	67.1%	$112.73	$75.69	$103.76	$69.66	$8.97	92.0%	60.0%	1.94	10,570	0.73
2020	47.0%	$82.81	$39.48	$77.53	$36.46	$5.28	93.6%	44.4%	2.36	10,620	1.12
2021	62.6%	$98.36	$62.12	$91.82	$57.48	$6.54	93.4%	47.4%	2.22	10,930	1.14
2022	65.2%	$104.22	$67.90	$97.34	$63.45	$6.88	93.4%	48.0%	2.24	11,020	1.23
2023	66.1%	$108.91	$72.22	$101.77	$67.29	$7.15	93.4%	48.5%	2.24	11,070	1.22
CAGR: 2015 thru 2023	-0.7%	1.9%	1.3%	2.0%	1.3%	1.2%	0.1%	0.9%	0.4%	3.3%	1.6%
3Q 2023	68.5%	$119.54	$81.87	$111.53	$76.39	$8.01	93.3%	51.9%	2.19	11,120	1.31
3Q 2024	71.2%	$121.41	$86.46	$113.27	$80.66	$8.14	93.3%	51.8%	2.19	11,060	1.30

Notable Metrics

HIGHEST

OAR: Full-Service	T12-Month Average Length of Stay	T12-Month Average Length of Stay
8th	**11th**	**11th**
Highly Favorable	**Above Average**	**Above Average**
Greenville, SC posted favorable OAR metrics in the full–service segment (8.1%)	The market benefited from strong T12–month average length of stay (2.25 Nights)	The market also benefited from strong T12–month average length of stay (2.25 Nights)

LOWEST

Total Rooms Supply	Latest-Quarter COPE ADR	Latest-Quarter COPE ADR
80th	**76th**	**76th**
Below Average	**Below Average**	**Below Average**
This market is small and offers a narrow variety of lodging scales and classes (11,064 total rooms)	The market exhibited weak latest–quarter COPE ADR ($113.27)	Greenville, SC also exhibited weak latest–quarter COPE ADR ($113.27)

Notable Trends

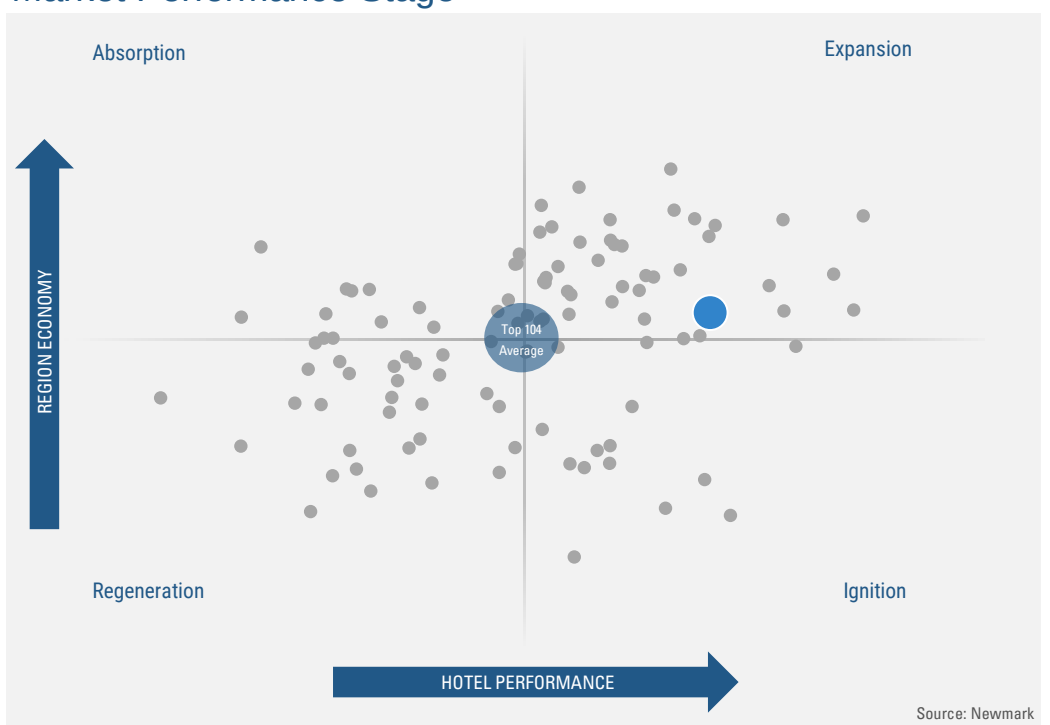
STRONGEST

Overall Health of Hotel Market	Short-Term Historical Supply Growth	Long-Term Historical LPI Growth
10th	**16th**	**29th**
Above Average	**Above Average**	**Above Average**
Greenville, SC has benefited from strong general hotel market performance (levels and trends of fundamentals)	The market has benefited from low short–term historical supply growth (2.2%)	The market also enjoyed strong long–term historical LPI growth (2.1%)

WEAKEST

Long-Term Historical Supply Growth	Short-Term Historical Loyalty Contribution Growth	Long-Term Historical Loyalty Contribution Growth
97th	**96th**	**96th**
Soft	**Soft**	**Soft**
The market has been burdened by high long–term historical supply growth (2.6%)	We note this area has been hindered by weak short–term historical loyalty contribution growth (2.7%)	Greenville, SC also has been hindered by weak long–term historical loyalty contribution growth (3.2%)

Market Performance Stage



Source: Newmark

Greenville, SC: Expansion Stage

Expansion

The Greenville, SC 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 .

MOODYS ANALYTICS

Industry Observations

Business Cycle:	At Risk
Employment Growth (2 yr):	1.7%
Risk Exposure (402 US markets):	21st Percentile: Below Average
Key Industry Notes:	Expanding population
	Low unionization
	Clemson University
	Rising share of low-paying service jobs
	High employment volatility

Moody's Rating

Aaa

Investment Grade

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

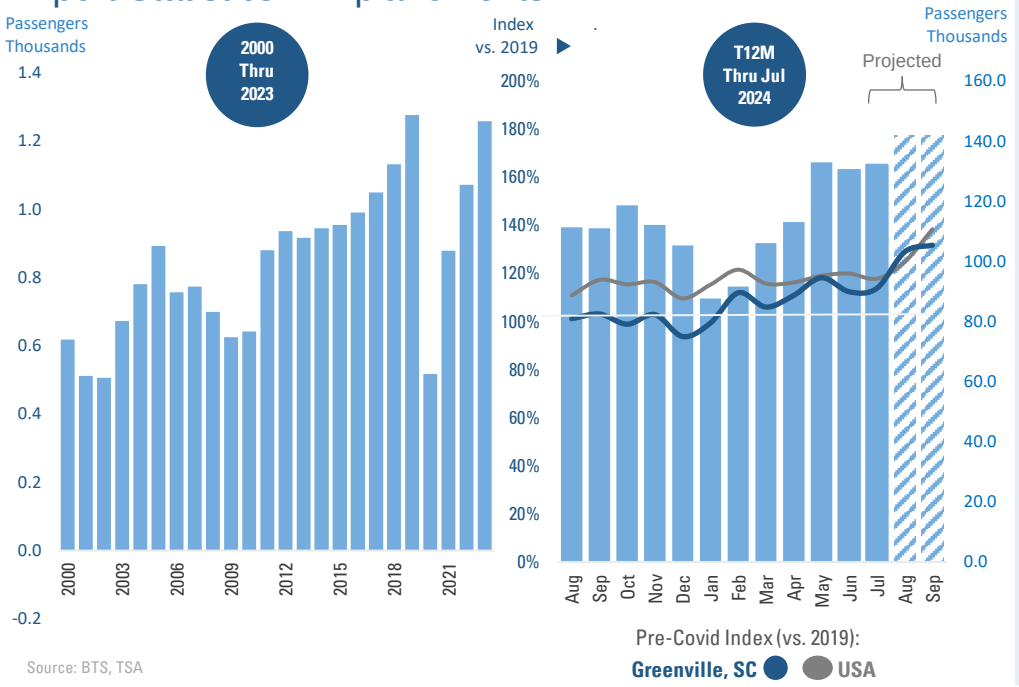
TOP 10 BRANDS

Source: Newmark

NEWMARK

SELECT NEAREST AIRPORT CITY: ALL LOCAL

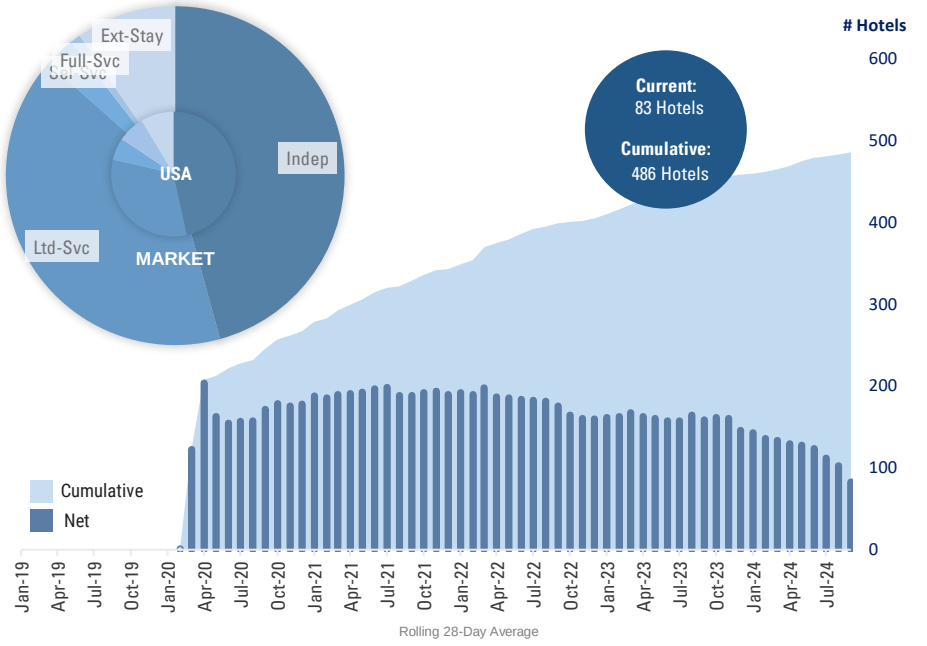
Airport Statistics - Enplanements



Source: BTS, TSA

DATA THROUGH NOVEMBER 2024

Hotel Closures - State of SC

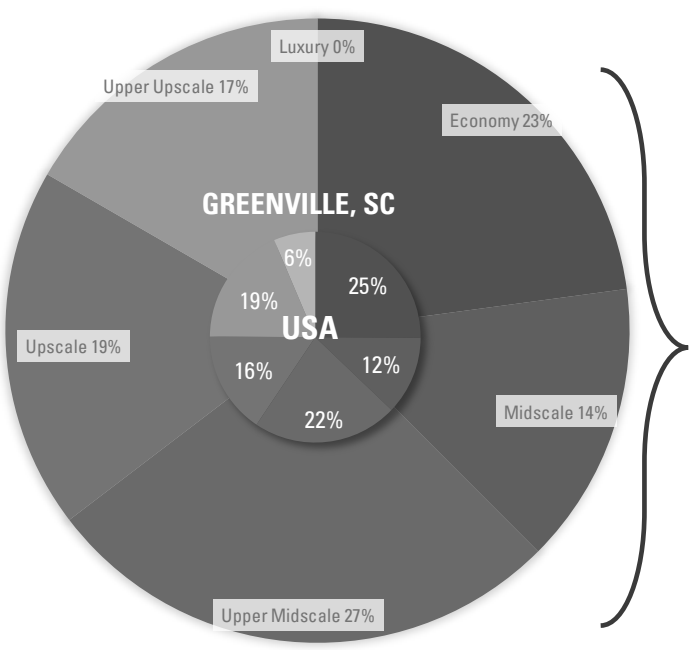


Source: Hotel Compete

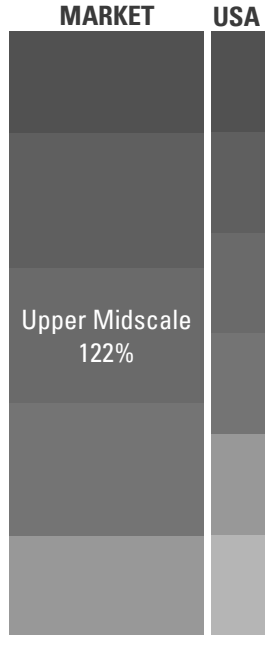
Scale and Service Distribution: Greenville, SC

SCALE AND SERVICE ORIENTATION

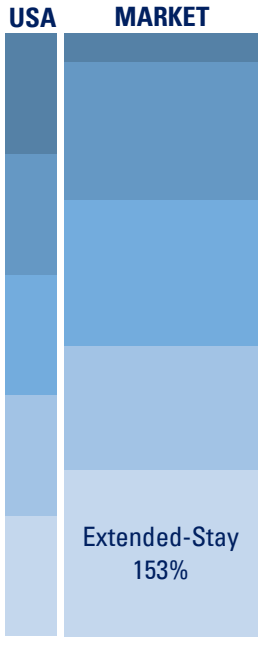
Distribution Based on CHAIN SCALE

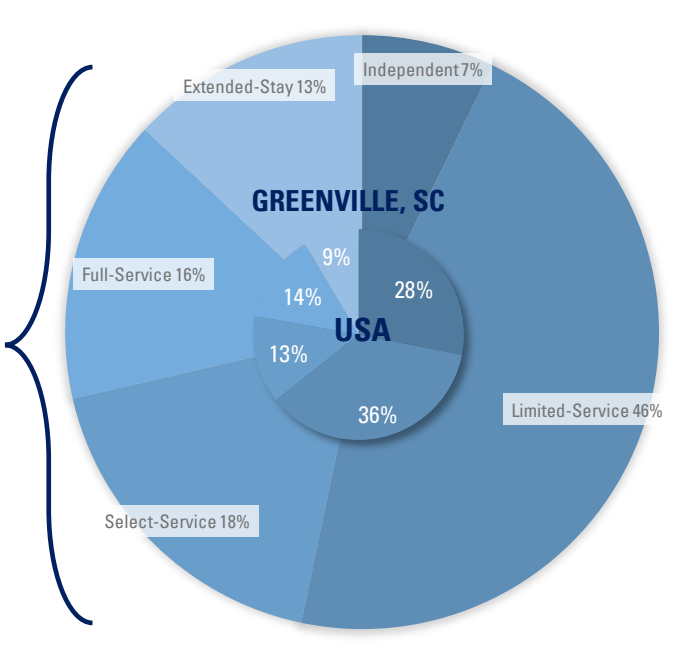


CATEGORY PENETRATION RELATIVE TO USA
SEPTEMBER 2024



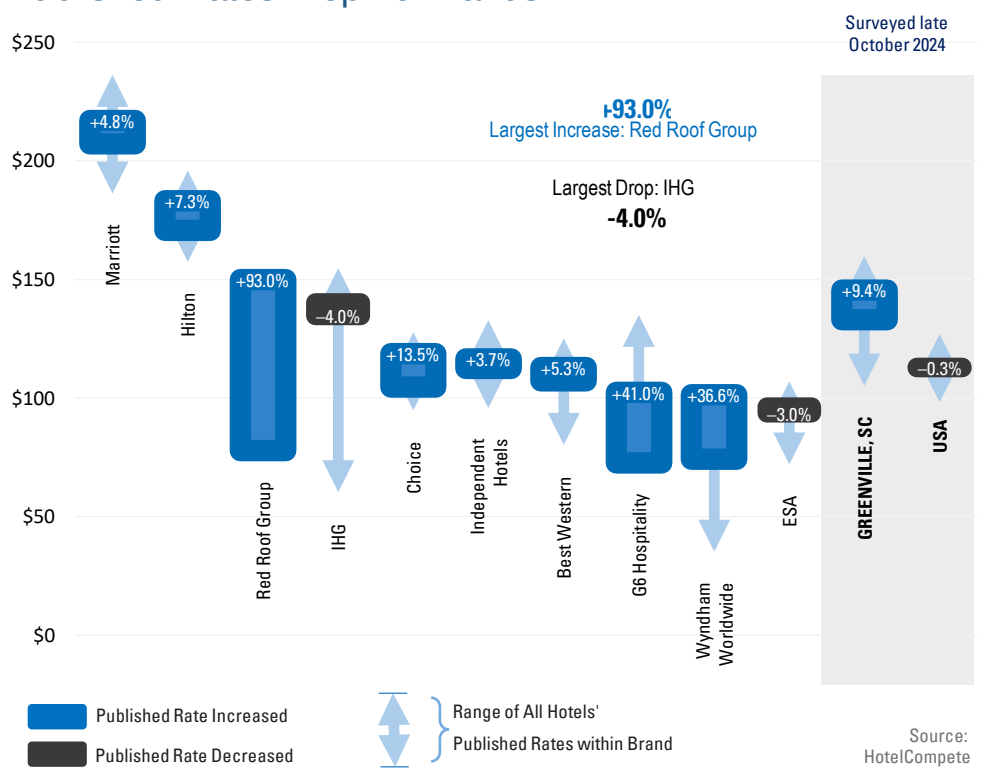
Distribution based on SERVICE ORIENTATION





'30/3' RATE CHANGES: GREENVILLE, SC vs. USA

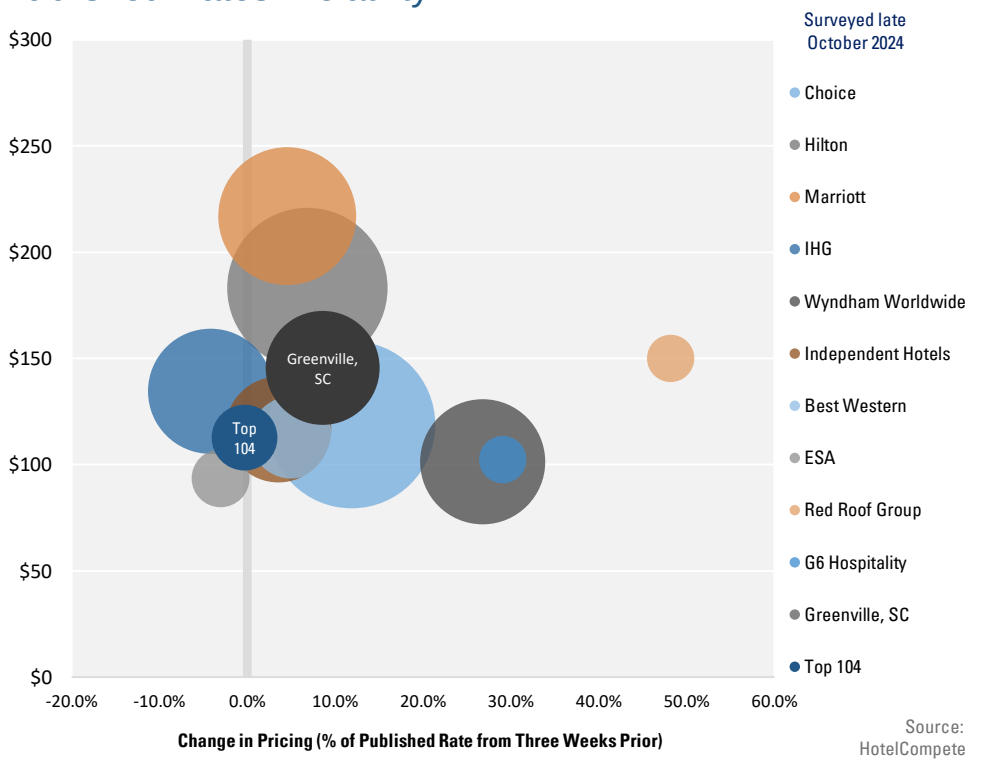
Published Rates: Top 10 Brands



Source: HotelCompete

RATE ADJUSTMENTS BY BRAND

Published Rates: Volatility



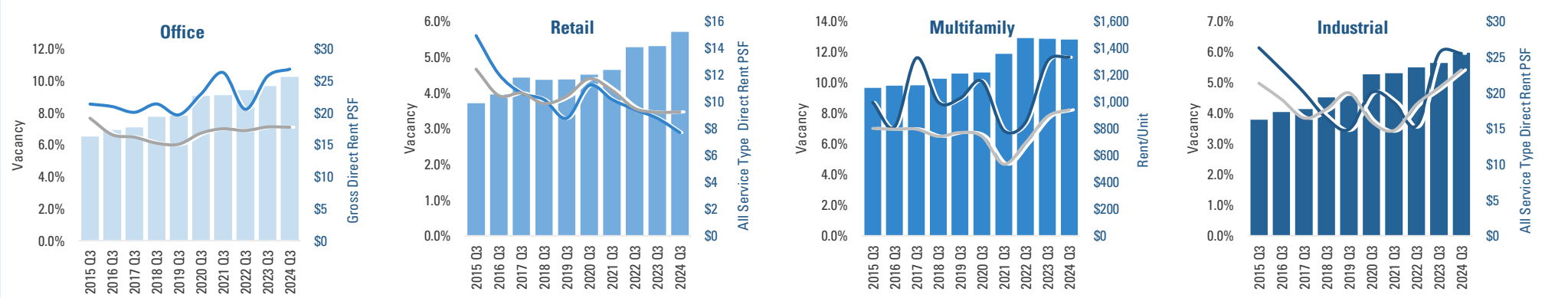
Source: HotelCompete

MAJOR C.R.E. METRICS

Major CRE Market Performance

Greenville, SC 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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Gaming Facilities

Stadiums, Sports & Entertainment Facilities

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Golf Courses

Marinas

Ski and Village Resorts

Water Parks, Amusement Parks and Attractions

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Our seamless approach to fulfilling clients' financial reporting requirements means no outside assistance is needed.

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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.

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