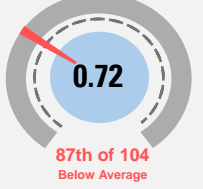


2Q 2022 INDIANA SOUTH AREA, IN



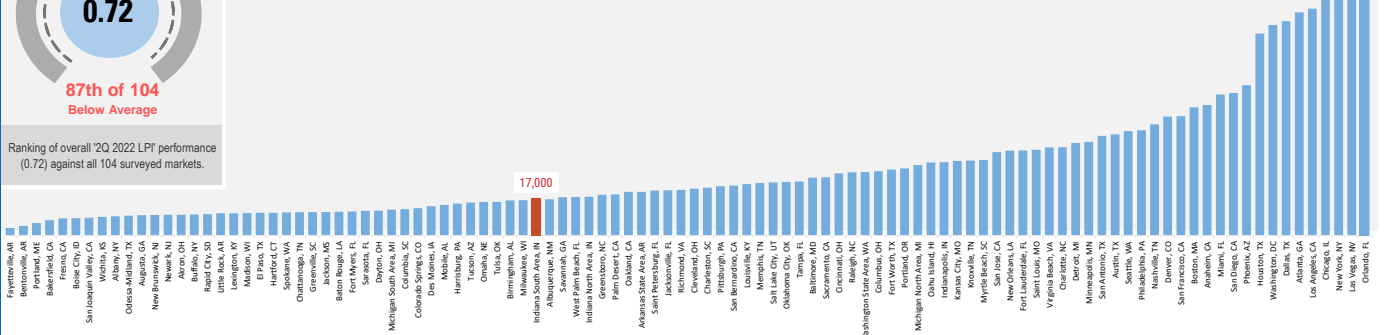
Fundamentals Dashboard

Lodging Performance Index

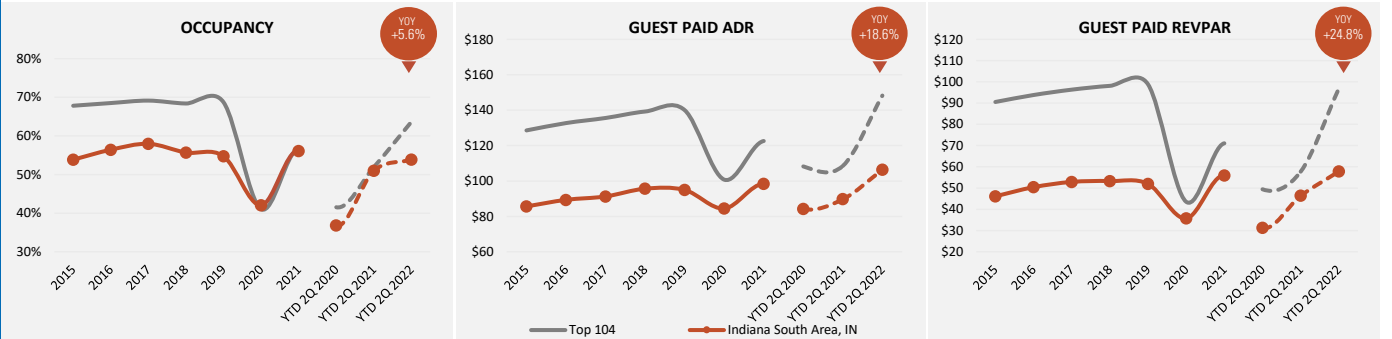


Ranking of overall 2Q 2022 LPI performance (0.72) against all 104 surveyed markets.

ROOM SUPPLY RANKING vs. MAJOR US MARKETS

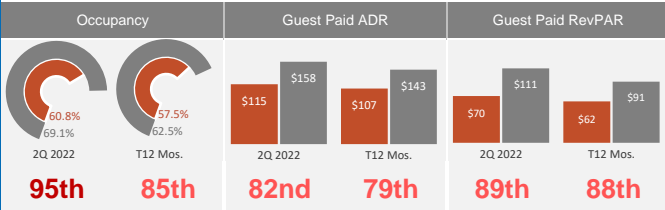


KEY PERFORMANCE METRICS

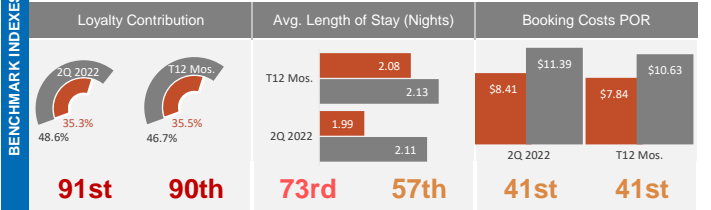


Key Performance Indexes

● Subject Market ● Top 104

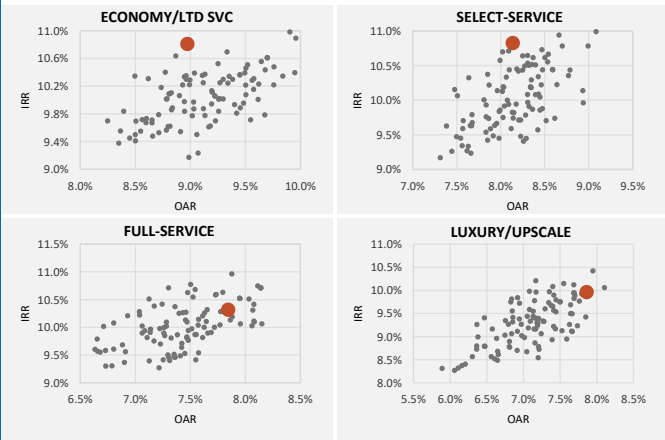


Key Benchmark Indexes



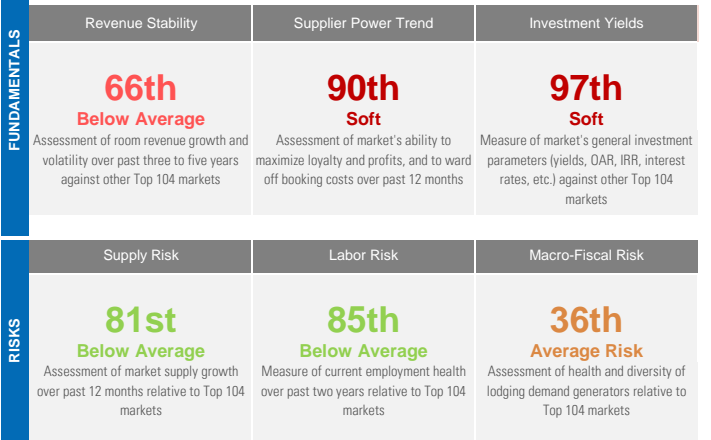
Discount and Capitalization Rates

Source: Newmark

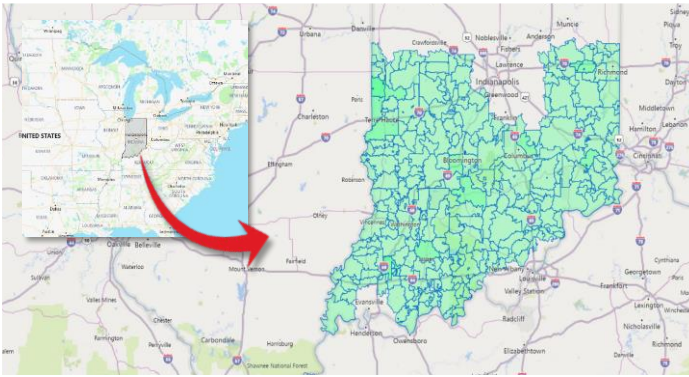


Trends and Risks

Source: Kalibri Labs, Newmark



Location



Quick Facts

Jurisdictional Information
 Municipal Name: Indiana South Area
 County: Multiple
 State: Indiana
 Geo Coordinates (market center): 39.5312, -85.5935

Major Hotel Demand Generators
 Deaconess Hospital | Toyota Motor Manufacturing Indiana Inc. | St. Vincent | Berry Global | University of Southern Indiana | Koch-Enterprises Inc. | Cummins Inc. | NTN Driveshaft Inc. | Bartholomew Consolidated School Corp. | Columbus Regional Health | Faurecia Emissions Control Technologies, USA, LLC | Indiana University | Cook Medical Inc. | Union Hospital Health Care Group | Indiana State University | Great Dane Trailers | Alcoa | T.J. Maxx | SKANSKA | Enkei America Inc.

Metrics and Ranking

Measurement	Rankings
Population (hotel market area)	1,294,736
Income per Capita	\$49,536
Feeder Group Size	131.8 Persons PSR
Feeder Group Earnings	\$6,531,133 PSR
Total Market COPE	\$382.4 million

Rankings
 47th of 104 (Average)
 49th of 104 (Average)
 94th of 104 (Soft)
 93rd of 104 (Soft)
 69th of 104 (Below Average)

Key Performance Metrics

YEAR ENDING	Occ %	Guest Paid		COPE		Booking Cost POR	ADR COPE %	Loyalty %	Avg. Length of Stay (Nights)	Supply (Available Rms)	Performance Index (LPI)
		ADR	RevPAR	ADR	RevPAR						
2015	53.9%	\$85.63	\$46.12	\$80.29	\$43.24	\$5.35	93.8%	44.5%	1.84	16,600	0.38
2016	56.4%	\$89.34	\$50.41	\$83.60	\$47.17	\$5.75	93.6%	46.3%	1.86	16,630	0.80
2017	58.0%	\$91.25	\$52.89	\$84.97	\$49.25	\$6.28	93.1%	49.9%	1.87	16,340	0.78
2018	55.7%	\$95.66	\$53.28	\$88.90	\$49.52	\$6.76	92.9%	54.0%	1.92	16,050	0.68
2019	54.7%	\$94.95	\$51.97	\$88.06	\$48.20	\$6.88	92.8%	59.5%	1.91	17,120	0.54
2020	42.0%	\$84.43	\$35.69	\$78.55	\$33.01	\$5.88	93.0%	34.3%	2.16	16,960	0.79
2021	56.1%	\$98.35	\$55.90	\$91.25	\$51.17	\$7.09	92.8%	35.7%	2.11	17,060	0.95
CAGR: 2015 thru 2021	0.7%	2.3%	3.3%	2.2%	2.8%	4.8%	-0.2%	-3.6%	2.3%	0.5%	16.7%
YTD 2Q 2020	36.8%	\$84.17	\$31.27	\$78.34	\$29.08	\$5.82	93.1%	35.1%	2.14	16,930	0.55
YTD 2Q 2021	51.0%	\$89.66	\$46.34	\$83.31	\$43.06	\$6.35	92.9%	35.9%	2.09	16,880	1.03
YTD 2Q 2022	53.8%	\$106.31	\$57.82	\$98.47	\$53.56	\$7.84	92.6%	35.6%	2.04	16,920	0.72
% Change	5.6%	18.6%	24.8%	18.2%	24.4%	23.4%	-0.3%	-0.9%	-2.6%	0.2%	-30.5%

Data provided by: kalibri LABS

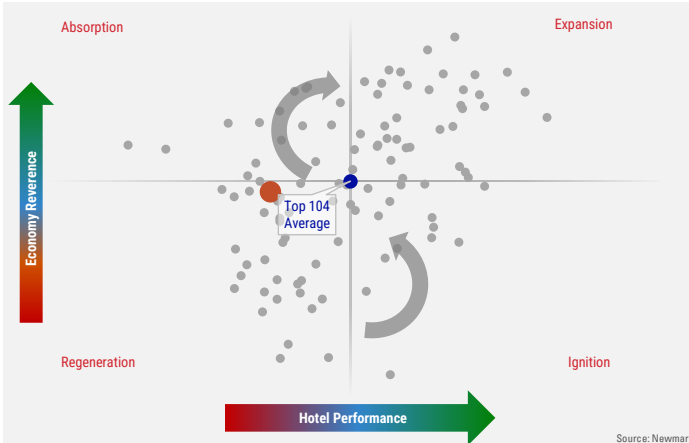
Notable Metrics

	Population Density per Room	Feeder Population Per Room	Marketwide Income per Room
HIGHEST	13th Above Average Indiana South Area, IN boasted strong population density per room (76.12)	13th Above Average The market posted a high ratio of feeder population per room (51.76)	14th Above Average The market also enjoyed a high ratio of marketwide income per room (\$2,563,950)
LOWEST	102nd Highly Unfavorable This market posted unfavorable IRR metrics in the select-service segment (10.8%)	102nd Highly Unfavorable The market posted unfavorable IRR metrics in the economy/ltl svc segment (10.8%)	102nd Highly Unfavorable Indiana South Area, IN also exhibited unfavorable OAR metrics in the luxury/upscale segment (7.9%)

Notable Trends

	Long-Term Historical Supply Growth	Long-Term Historical LPI Growth	Short-Term Historical LPI Growth
FASTEST	10th Above Average Indiana South Area, IN has benefited from low long-term historical supply growth (0.5%)	13th Above Average The market enjoyed strong long-term historical LPI growth (10.4%)	13th Above Average The market also has benefited from strong short-term historical LPI growth (15.3%)
SLOWEST	86th Below Average The market has been hampered by weak general hotel market performance (levels and trends of fundamentals)	86th Below Average We note this area exhibited weak short-term historical average length of stay growth (0.4%)	81st Below Average Indiana South Area, IN also has been impeded by high short-term historical growth in booking costs (4.1%)

Market Performance Stage



Indiana South Area, IN: Regeneration Stage

The Indiana South Area, IN 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 challenged whether by COVID-19 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 Chicago, IL; Columbus, OH; and Detroit, MI.

Other Stages:

Ignition: In the 'Ignition' stage, hotels generally perform adequately for operators to enjoy positive returns, with confidence the economy will recover from the COVID-19 crisis. While the general economy lags, strong hotel performance can ignite expansion in certain key sectors. Example markets in this stage include Knoxville, TN; Las Vegas, NV; and Miami, FL.

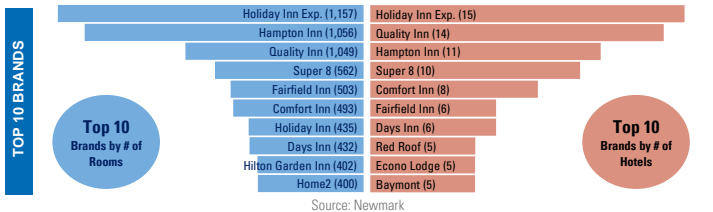
Absorption: In the 'Absorption' stage, hotels are underperforming but in an economy with resilience and confidence the economy will recover from the COVID-19 crisis, presenting upside for CRE. Barriers to entry are high and the market hosts little or no new supply, allowing for the existing stock of rooms to be absorbed. Example markets in this stage include Charlotte, NC; Kansas City, MO; and Minneapolis, MN.

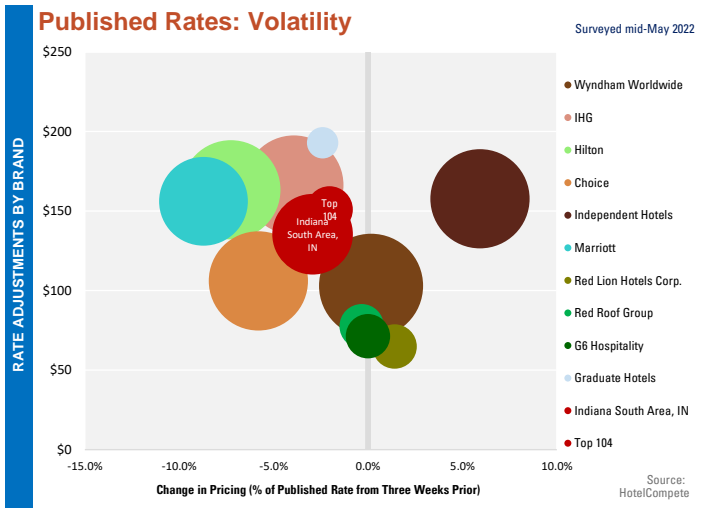
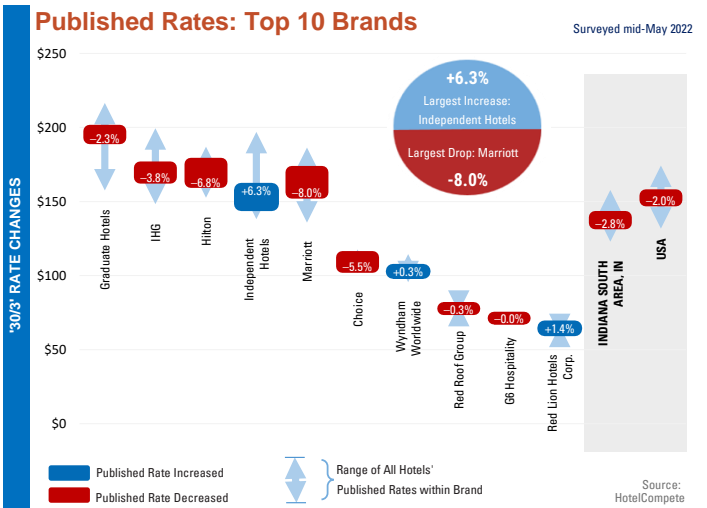
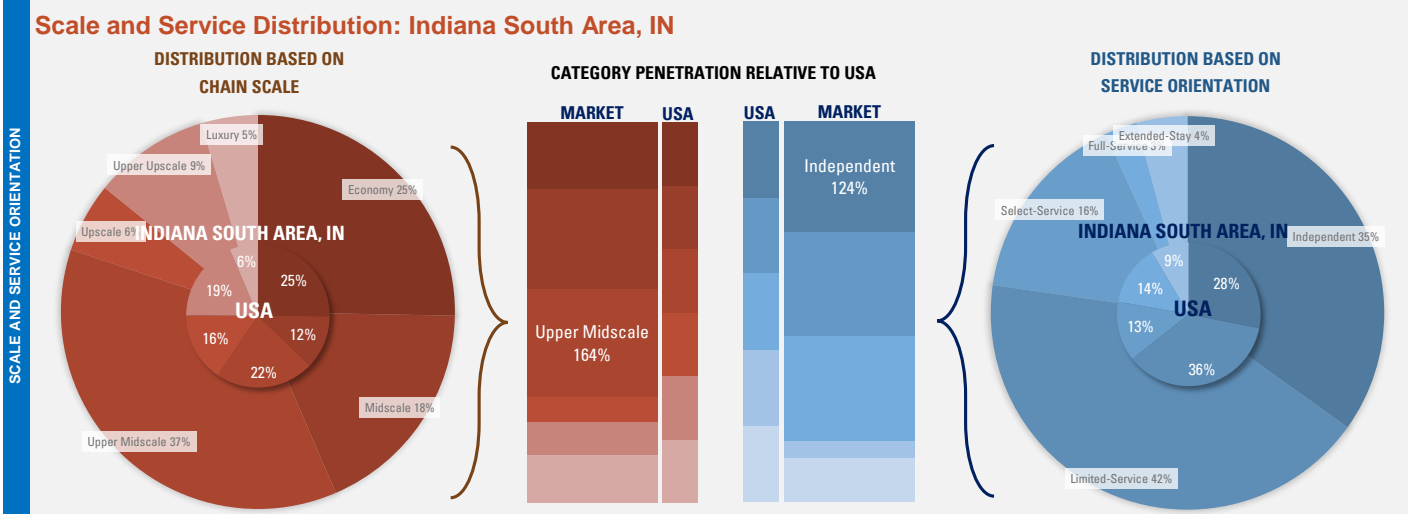
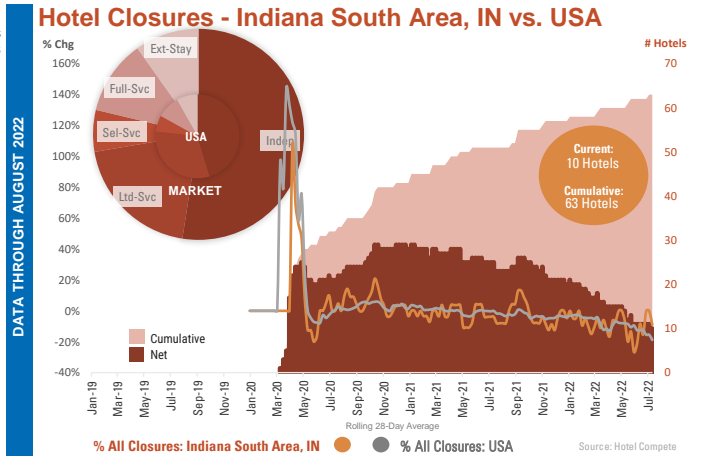
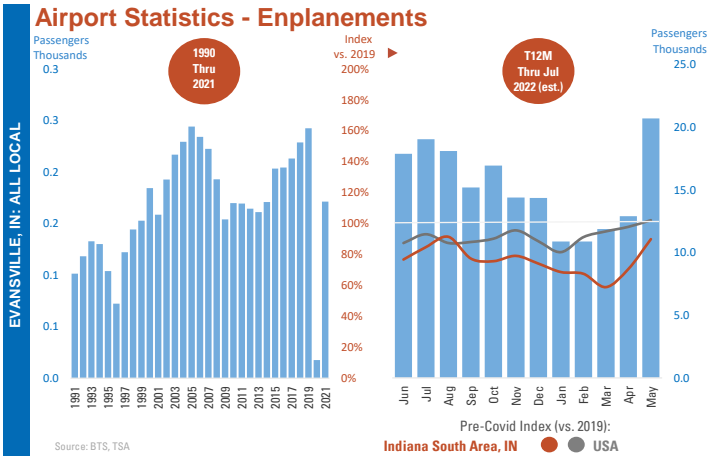
Expansion: In the 'Expansion' stage, hotels perform adequately, contributing to a resilient economy that is approaching a 'post' pandemic environment. Displacement demand is high, new hotel supply is feasible (despite barriers normally being high), and the overall economy is expanding. Example markets in this stage include Anaheim, CA; Atlanta, GA; and Austin, TX.

Industry Observations

Business Cycle: In Expansion
 Employment Growth (2 yr): 1.7%
 Risk Exposure (402 US markets): 61st Percentile: Average Risk
Key Industry Notes: Manufacturing, medical
 Growing healthcare industry
 Educational institutions
 Low business costs
 Dearth of high-skill jobs

Moody's Rating
Aa3
 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
	63rd Average	66th Below Average	32nd Above Average
	The 30-day advanced published rate for the market was a moderate \$135.44, ranking 63rd out of 104 markets. (Guest-Paid ADR ranked a somewhat conservative 82nd at \$106.31 in 2Q 2022.)	Published rates have recently been moving downward, decreasing by a noticeable 2.8% over three weeks going into early August 2022. By comparison, the T-104 average posted downward movement of 2.00%.	Published rates reported in early August 2022 were 18.2% higher than the market's Guest-Paid ADR in 2Q 2022. This optimism is above average. By comparison, the T-104 spread was -4.4%.

Published Rate Observations: Brand Level

BRAND LEVEL	Published Rate Integrity	Coverage	Volatility
	13th Above Average	26th Above Average	69th Elevated
	Published rates among the top 10 brands have a moderate amount of integrity with some pricing overlap, suggesting bottom-feeding occasionally exists.	Indiana South Area, IN has an above average spectrum of rate classes and traveler types among its top 10 brands, and the range of coverage has been contracting.	Indiana South Area, IN's top 10 brands are exhibiting elevated volatility with respect to advanced booking pricing movements in the three weeks leading into early August 2022.

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
- Arenas, Stadiums and Sports Facilities

- Conference, Expo and Convention Centers
- Golf Courses
- Marinas

- Ski and Village Resorts
- Water Parks, Amusement Parks and Attractions

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

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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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