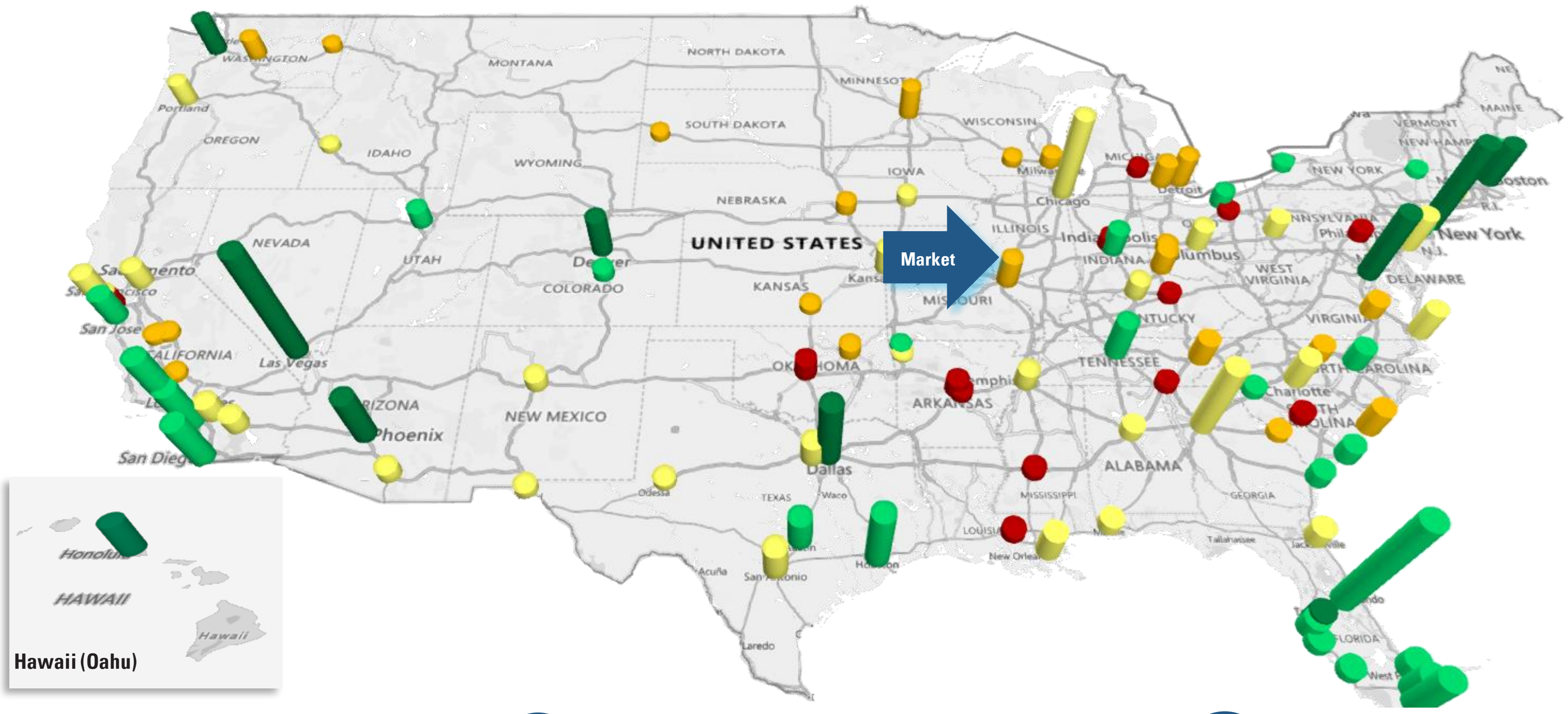
VALUATION & ADVISORY | HOSPITALITY, GAMING & LEISURE

HOTEL MARKET NSIGHTS REPORT

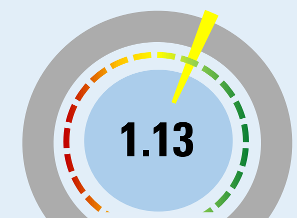
1Q 2025
INDIANAPOLIS, IN

Lodging Performance Index Snapshot



LODGING PERFORMANCE INDEX

Indianapolis, IN

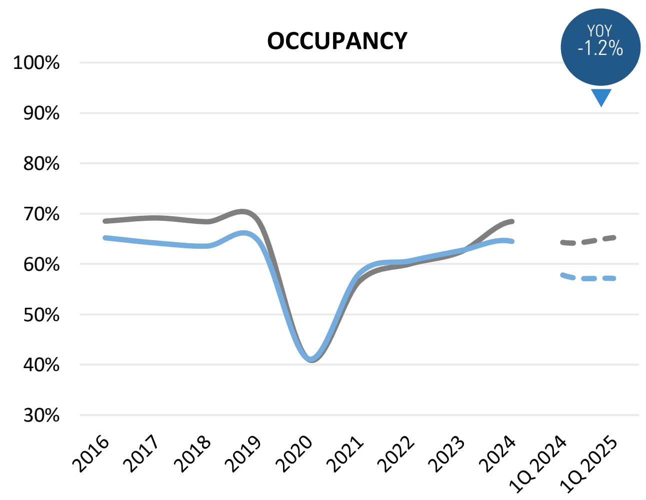


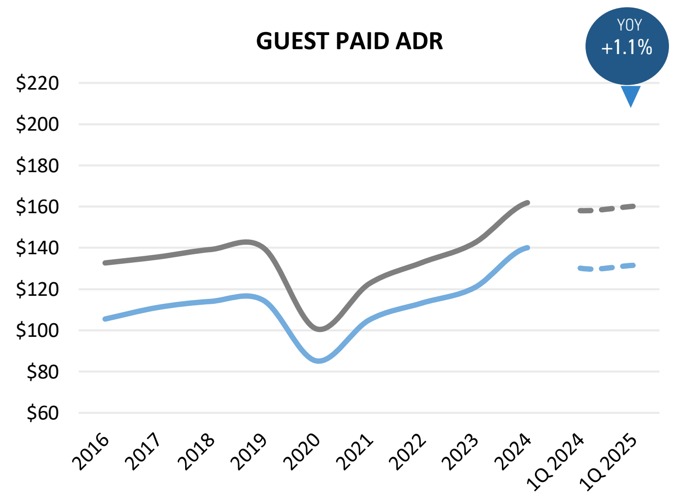
39th of 104

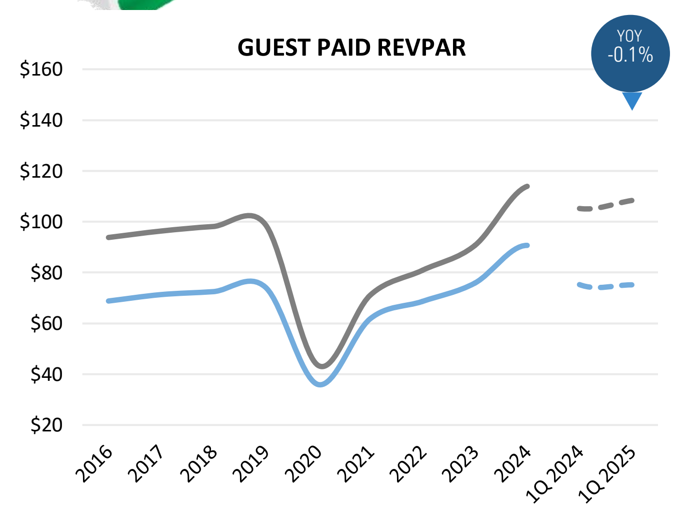
Average

Ranking of overall '1Q 2025 LPI' performance (1.13) against all 104 surveyed markets.

KEY PERFORMANCE METRICS







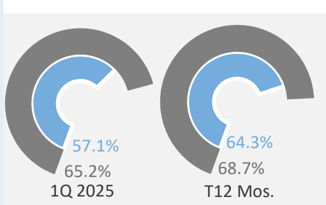
Top 104 — Indianapolis, IN

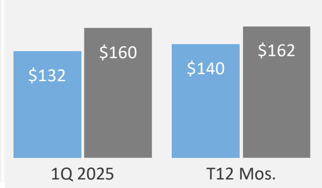
PERFORMANCE INDEXES

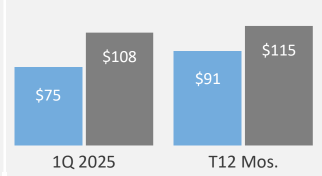
Key Performance Indexes

Subject Market — Top 104

Occupancy		Guest Paid ADR		Guest Paid RevPAR	
1Q 2025	T12 Mos.	1Q 2025	T12 Mos.	1Q 2025	T12 Mos.
73rd	64th	41st	37th	49th	45th





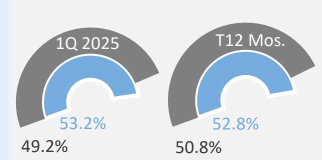


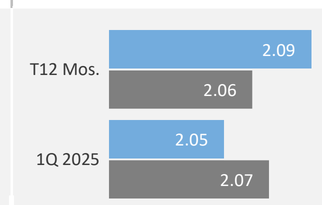
BENCHMARK INDEXES

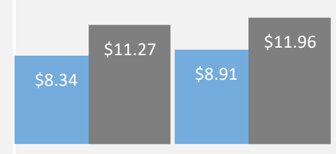
Key Benchmark Indexes

kalibri LABS

Loyalty Contribution		Avg. Length of Stay (Nights)		Booking Costs POR	
1Q 2025	T12 Mos.	1Q 2025	T12 Mos.	1Q 2025	T12 Mos.
24th	23rd	52nd	43rd	41st	43rd



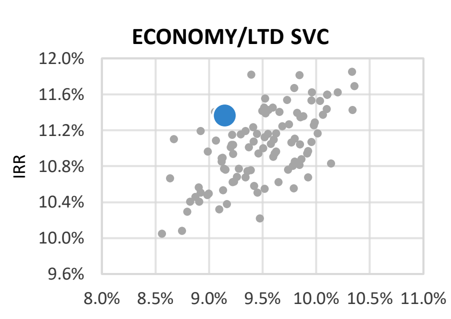


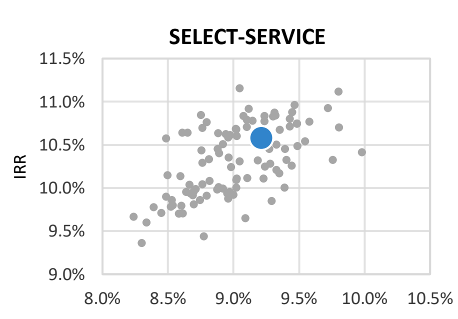


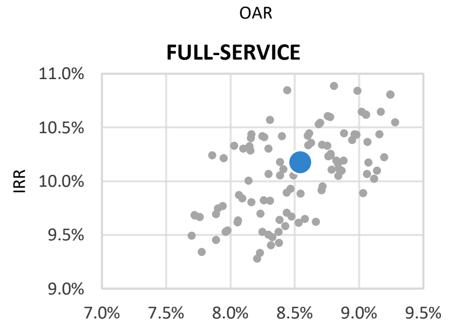
INVESTMENT PARAMETERS

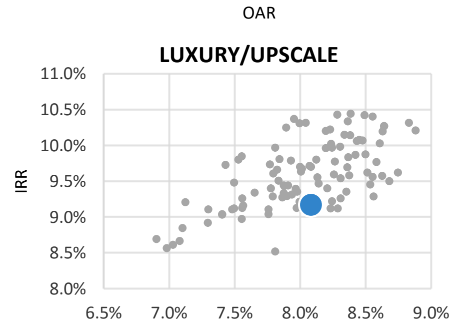
Discount and Capitalization Rates

Source: Newmark









Trends and Risks

Source: Kalibri Labs, Newmark

FUNDAMENTALS

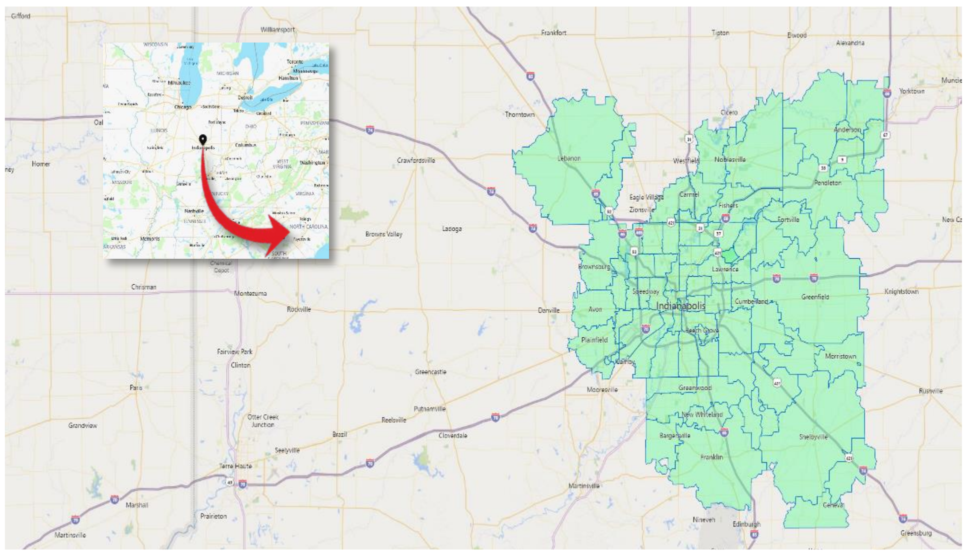
Revenue Stability	Supplier Power Trend	Investment Yields
58th Average Assessment of room revenue growth and volatility over past three to five years against other Top 104 markets	19th Above Average Assessment of market's ability to maximize loyalty and profits, and to ward off booking costs over past 12 months	53rd Average 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
14th Above Average Assessment of market supply growth over past 12 months relative to Top 104 markets	66th Below Average Measure of current employment health over past two years relative to Top 104 markets	67th Below Average 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:	Indianapolis
County:	Marion County.
State:	Indiana
Geo Coordinates (market center):	39.778, -86.14584

Major Hotel Demand Generators

Indiana University Health | St. Vincent Hospitals & Health Services | Eli Lilly and Co. | Community Health Network | Wal-Mart Stores Inc. | The Kroger Co. | Marsh Supermarkets Inc. | Purdue University | FedEx | Meijer | Roche Diagnostic Corp. | Anthem | St. Francis Hospital & Health Center | Rolls-Royce Corp. | Eskenazi Health | U.S. Veterans Medical Center | LDI Ltd. | Goodwill Industries | Allison Transmission/Division of GMC | AT&T

Metrics and Ranking	Measurement	Rankings
Population (hotel market area)	1,580,516	42nd of 104 (Average)
Income per Capita	$54,640	28th of 104 (Above Average)
Feeder Group Size	71.7 Persons PSR	53rd of 104 (Average)
Feeder Group Earnings	$3,919,029 PSR	62nd of 104 (Average)
Total Market Hotel Revenues	$1.1 billion	35th 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	65.2%	$105.50	$68.79	$97.76	$63.74	$7.74	92.7%	42.1%	2.11	31,310	1.19
2017	64.2%	$111.12	$71.31	$102.62	$65.86	$8.50	92.4%	44.6%	2.07	30,910	1.06
2018	63.6%	$114.05	$72.49	$105.50	$67.05	$8.55	92.5%	47.9%	2.03	30,900	0.97
2019	64.8%	$114.54	$74.20	$106.07	$68.72	$8.46	92.6%	51.5%	2.04	33,110	1.11
2020	41.1%	$85.19	$35.97	$80.03	$32.93	$5.15	94.0%	40.1%	2.38	33,290	0.85
2021	58.1%	$105.00	$61.80	$98.46	$57.23	$6.54	93.8%	42.2%	2.23	33,890	1.07
2022	60.6%	$113.24	$68.65	$106.23	$64.41	$7.01	93.8%	43.5%	2.21	34,100	1.12
2023	62.7%	$120.76	$75.84	$113.44	$71.10	$7.32	93.9%	44.3%	2.21	34,270	1.13
2024	64.5%	$140.08	$90.68	$131.28	$84.67	$8.81	93.7%	52.4%	2.11	35,270	1.15
CAGR: 2016 thru 2024	-0.1%	3.6%	3.5%	3.8%	3.6%	1.6%	0.1%	2.8%	0.0%	1.5%	-0.4%
1Q 2024	57.8%	$130.17	$75.26	$122.25	$70.68	$7.92	93.9%	51.5%	2.12	34,640	1.20
1Q 2025	57.1%	$131.54	$75.16	$123.20	$70.39	$8.34	93.7%	53.2%	2.05	35,310	1.13

Notable Metrics

HIGHEST

T12-Month COPE ADR Percentage
2nd
Very Strong
Indianapolis, IN benefited from strong T12—month COPE ADR percentage (93.7%)

IRR: Luxury/Upscale
21st
Favorable
The market posted favorable IRR metrics in the luxury/upscale segment (9.2%)

Latest-Quarter Loyalty Contribution
24th
Above Average
The market also exhibited strong latest—quarter loyalty contribution (53.2%)

LOWEST

IRR: Economy/Ltd Svc
79th
Unfavorable
This market posted unfavorable IRR metrics in the economy/ltd svc segment (11.4%)

Latest-Quarter Occupancy
73rd
Below Average
The market exhibited weak latest—quarter occupancy (57.1%)

Feeder Group Earnings per sold room
62nd
Average
Indianapolis, IN also has low feeder group earnings per sold room ($3,919,029)

Notable Trends

STRONGEST

General Economy Reverence
18th
Above Average
Indianapolis, IN enjoyed strong general economic reverence (per—capita unemployment, GDP and other indicators)

Short-Term Historical Supply Growth
25th
Above Average
The market has benefited from low short—term historical supply growth (2.1%)

Long-Term Historical Loyalty Contribution Growth
28th
Above Average
The market also exhibited strong long—term historical loyalty contribution growth (4.4%)

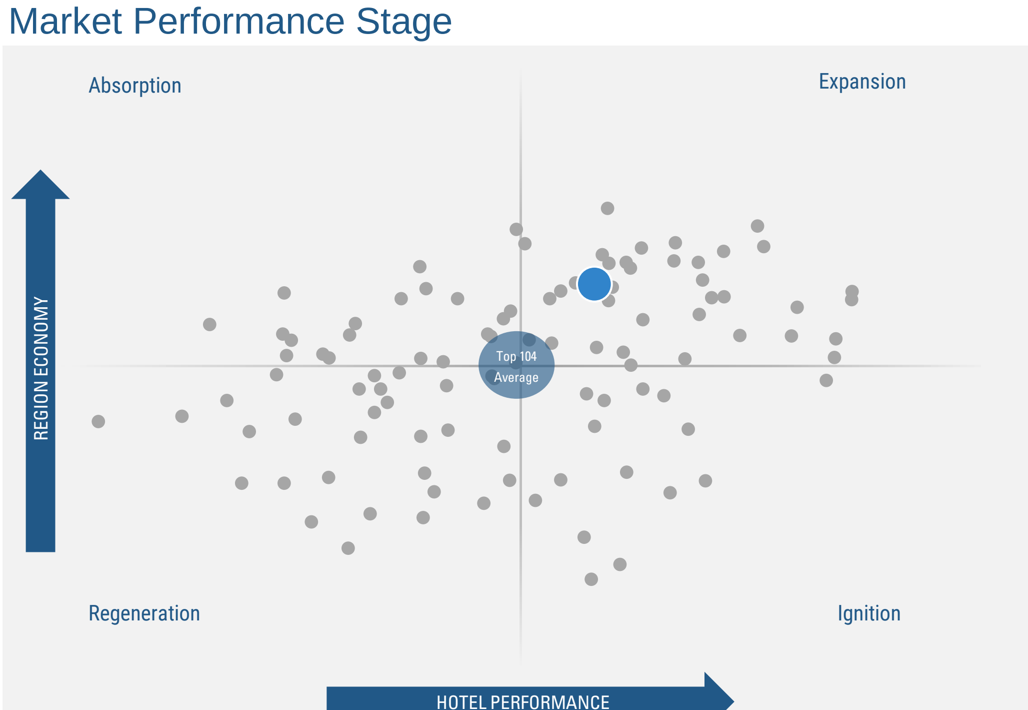
WEAKEST

T12-Month Rooms Supply Growth
91st
Soft
The market has been hindered by high rooms supply growth over the last 12 months (1.9%)

Short-Term Historical Occupancy Growth
72nd
Below Average
We note this area has been hindered by weak short—term historical occupancy growth (—1.0%)

Long-Term Historical Occupancy Growth
66th
Below Average
Indianapolis, IN also has been hindered by weak long—term historical occupancy growth (—0.5%)

Market Performance Stage



Source: Newmark

Indianapolis, IN: Expansion Stage

Expansion

The Indianapolis, IN 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; 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.

Industry Observations

MOODYS ANALYTICS

Business Cycle:	**Expansion**
Employment Growth (2 yr):	**1.0%**
Risk Exposure (402 US markets):	**35th Percentile: Below Average**
Key Industry Notes:	Diversified industrial structure
	High birthrate, strong migration trends
	Low business and living costs
	Exposure to public sector weakness
	Employment volatility

Moody's Rating

Aaa

Investment Grade

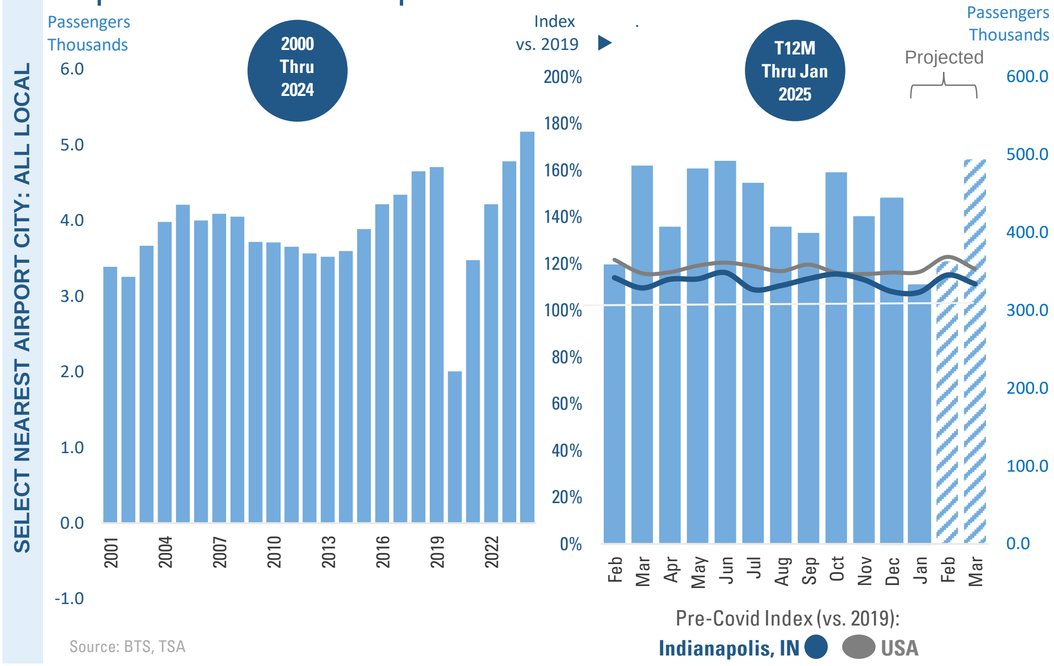
Long-term investment grade, Prime-1 short-term outlook

TOP 10 BRANDS

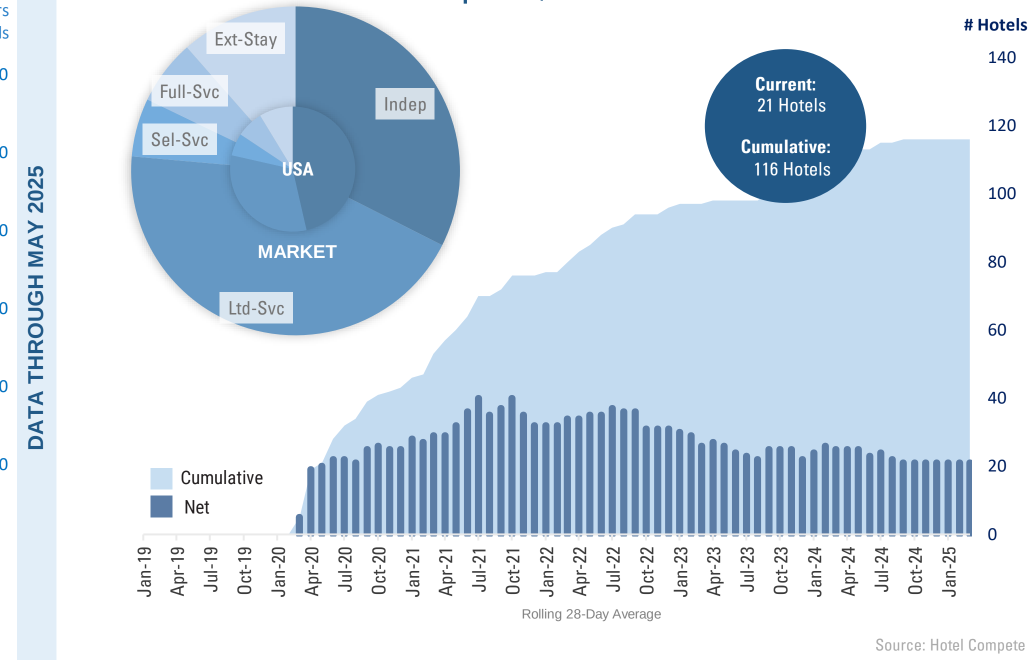
Source: Newmark

NEWMARK

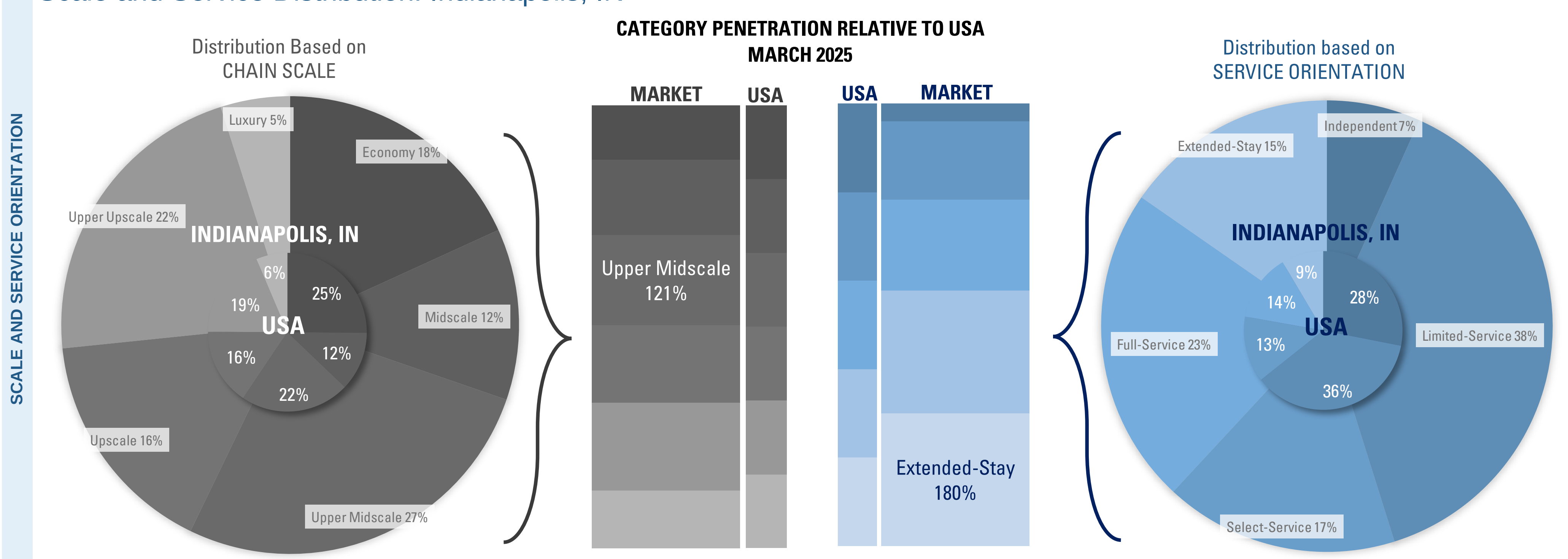
Airport Statistics - Enplanements



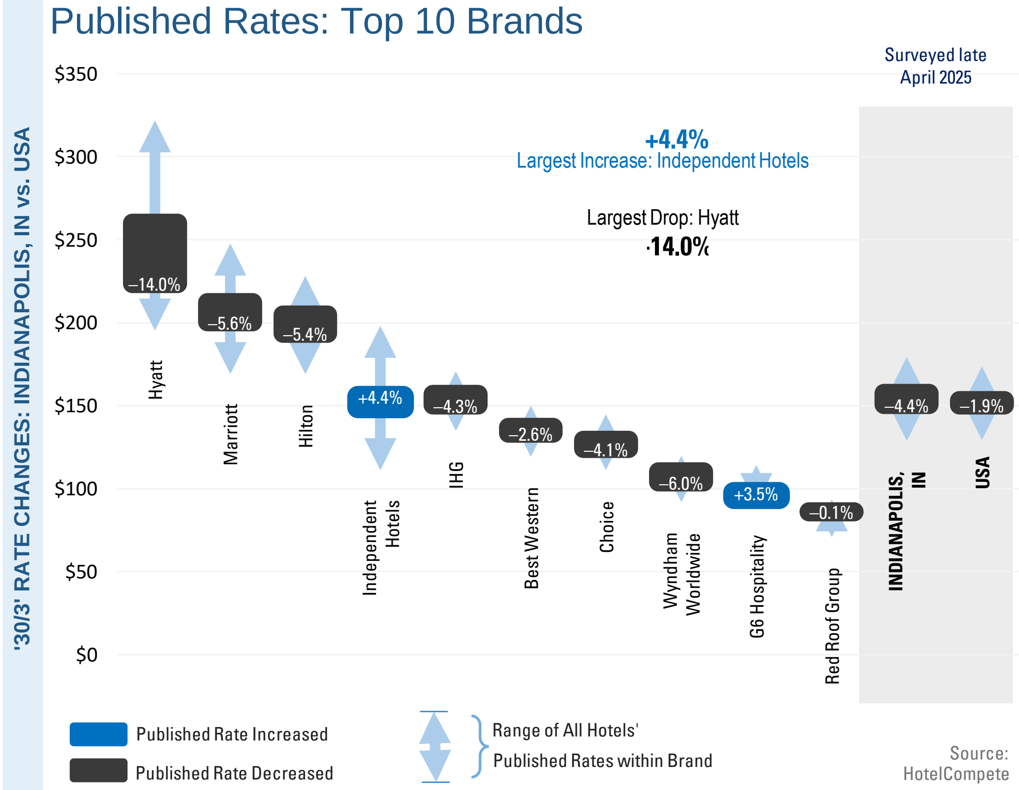
Hotel Closures - Indianapolis, IN



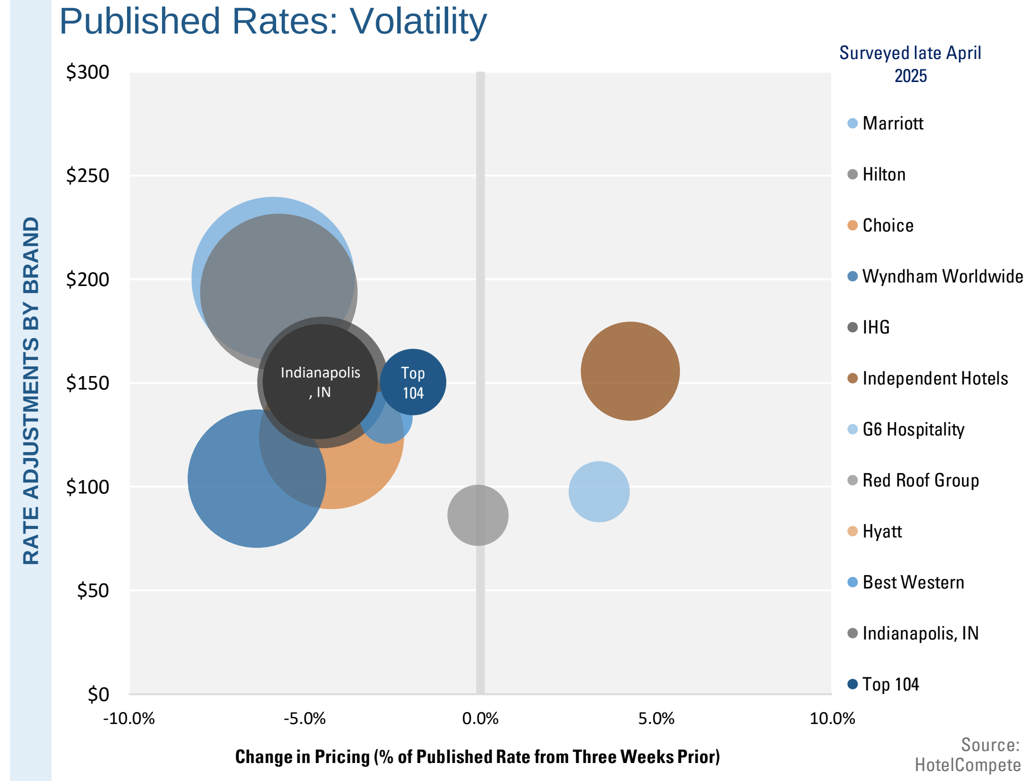
Scale and Service Distribution: Indianapolis, IN



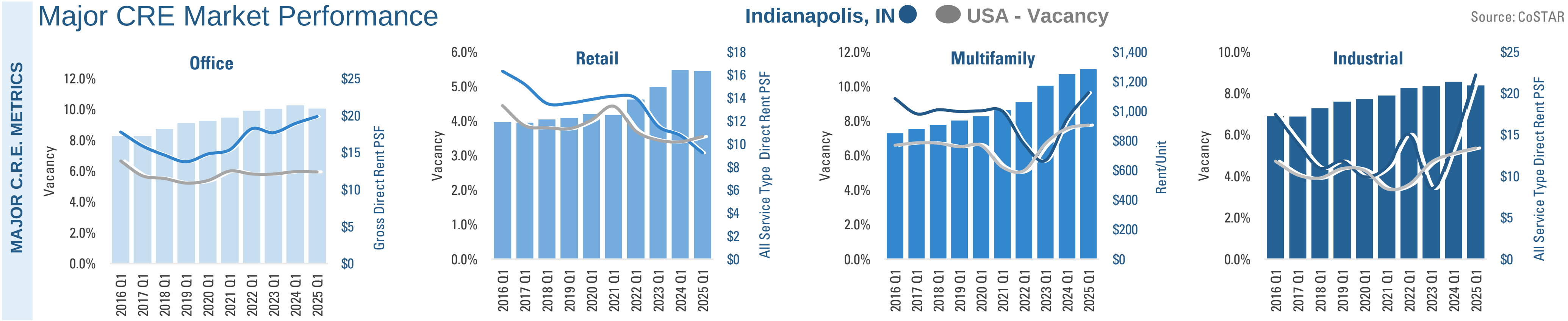
Published Rates: Top 10 Brands



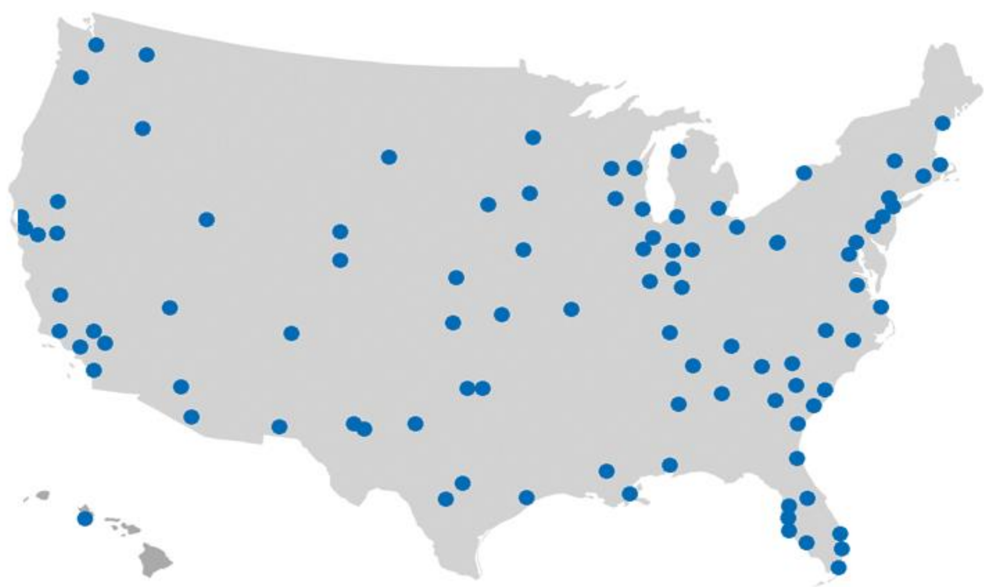
Published Rates: Volatility



Major CRE Market Performance



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.

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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.

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.

CONTACT: MIDWEST MARKETS

CONTACT

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