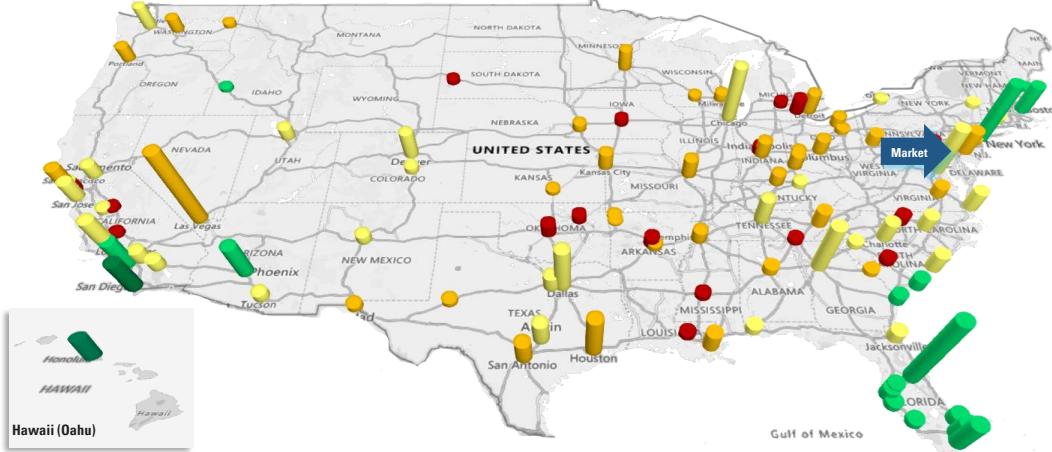


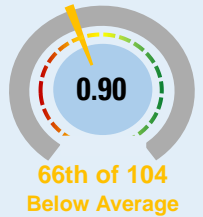
2Q 2023 NEW BRUNSWICK, NJ



Lodging Performance Index Snapshot



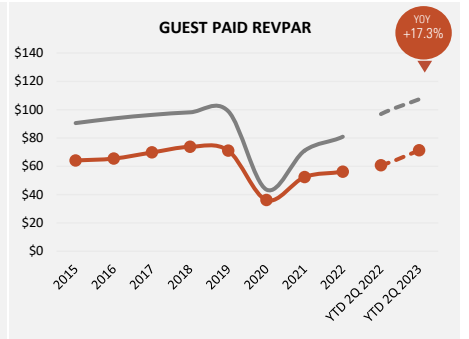
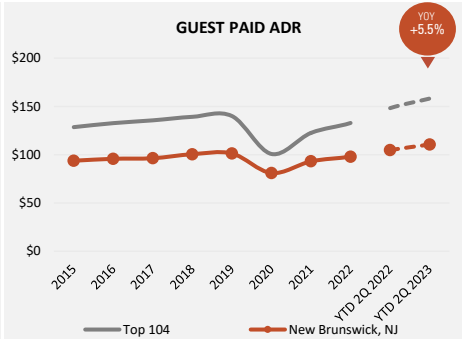
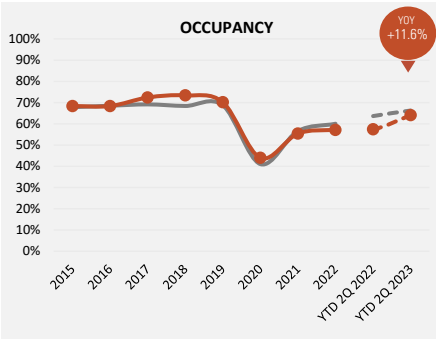
LODGING PERFORMANCE INDEX
New Brunswick, NJ



Ranking of overall '2Q 2023 LPI' performance (0.90) against all 104 surveyed markets.

LODGING PERFORMANCE INDEX

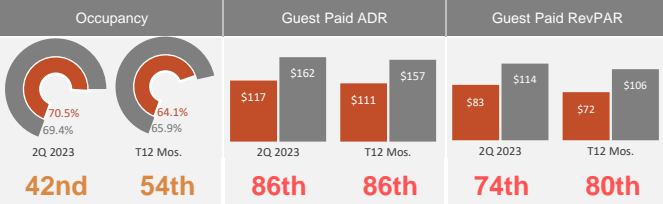
KEY PERFORMANCE METRICS



PERFORMANCE INDEXES

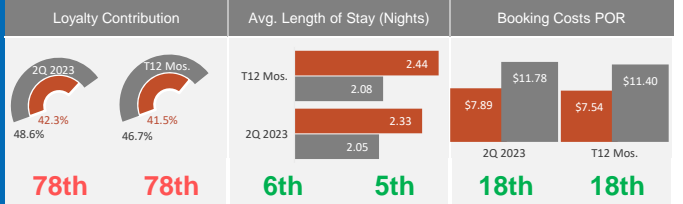
Key Performance Indexes

● Subject Market ● Top 104



BENCHMARK INDEXES

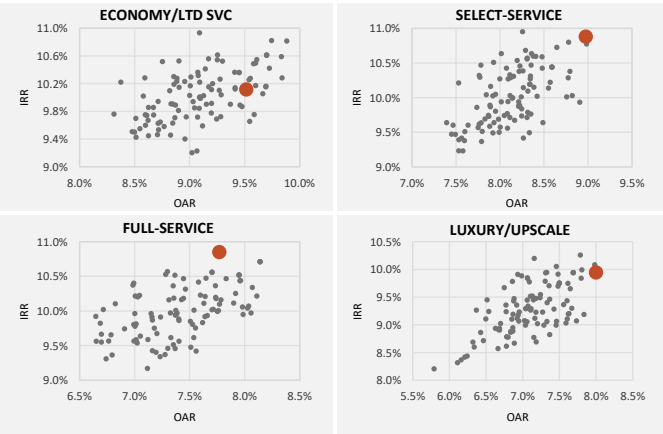
Key Benchmark Indexes



INVESTMENT PARAMETERS

Discount and Capitalization Rates

Source: Newmark



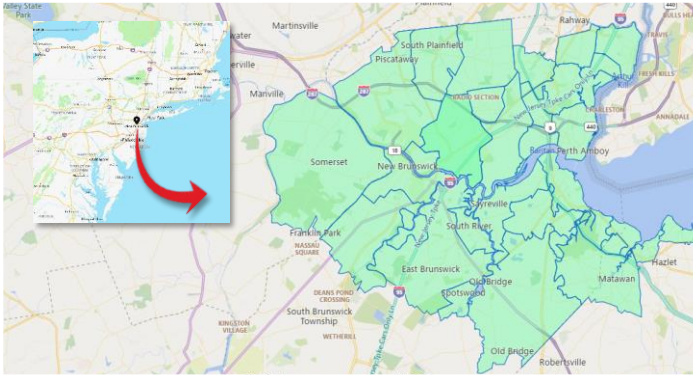
FUNDAMENTALS

Trends and Risks

Source: Kalibri Labs, Newmark



Location



Quick Facts

Jurisdictional Information
 Municipal Name: New Brunswick
 County: Middlesex County
 State: New Jersey
 Geo Coordinates (market center): 40.48622, -74.45182

Source: US Census Bureau, Dept. of Labor Statistics

Major Hotel Demand Generators
 Johnson & Johnson | St. Peter's University Hospital | St. Peter's Healthcare System | Infomoney | E.I. Dupont | Universal Nutrition | Magyar Bank | Brunswick Bank and Trust | Engagement Labs | General Electric | Coca-Cola | Bristol-Meyers Squibb | Open Systems Technologies | Children's Specialized Hospital | Pepsico | Hemispher Biopharma | University of Medicine & Dentistry | Ford | Rutgers University | Robert Wood Johnson Hospital

Metrics and Ranking	Measurement	Rankings
Population (hotel market area)	710,870	70th of 104 (Below Average)
Income per Capita	\$38,413	87th of 104 (Below Average)
Feeder Group Size	112.7 Persons PSR	89th of 104 (Below Average)
Feeder Group Earnings	\$4,330,669 PSR	74th of 104 (Below Average)
Total Market COPE	\$256.4 million	92nd of 104 (Soft)

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 (Available Rms)	Performance Index (LPI)
2015	68.4%	\$93.74	\$64.10	\$86.94	\$59.45	\$6.81	92.7%	47.8%	2.34	9,310	1.04
2016	68.3%	\$95.77	\$65.45	\$88.51	\$60.50	\$7.25	92.4%	50.4%	2.27	9,390	0.87
2017	72.4%	\$96.36	\$69.75	\$88.85	\$64.32	\$7.50	92.2%	51.5%	2.30	9,480	1.09
2018	73.4%	\$100.51	\$73.75	\$92.86	\$68.13	\$7.65	92.4%	51.7%	2.32	9,520	1.26
2019	70.2%	\$101.28	\$71.05	\$93.37	\$65.50	\$7.91	92.2%	54.6%	2.25	9,380	0.86
2020	44.0%	\$81.02	\$36.13	\$76.05	\$33.43	\$4.97	93.9%	33.6%	2.82	9,260	1.07
2021	55.4%	\$93.10	\$52.38	\$86.83	\$48.10	\$6.27	93.3%	35.4%	2.46	9,450	0.81
2022	57.1%	\$97.96	\$56.15	\$91.30	\$52.16	\$6.66	93.2%	36.7%	2.49	9,490	0.76
CAGR: 2015 thru 2022	-2.5%	0.6%	-1.9%	0.7%	-1.9%	-0.3%	0.1%	-3.7%	0.9%	0.3%	-4.3%
YTD 2Q 2022	57.4%	\$104.80	\$60.72	\$97.85	\$56.70	\$6.95	93.4%	39.5%	2.58	9,570	0.73
YTD 2Q 2023	64.0%	\$110.55	\$71.21	\$103.03	\$66.38	\$7.51	93.2%	41.8%	2.43	9,730	0.90
% Change	11.6%	5.5%	17.3%	5.3%	17.1%	8.2%	-0.2%	6.0%	-5.8%	1.7%	23.2%

Notable Metrics

	T12-Month Average Length of Stay	Latest-Quarter Average Length of Stay	Population Density per Room
HIGHEST	5th Strong New Brunswick, NJ benefited from strong T12-month average length of stay (2.44 Nights)	6th Strong The market boasted strong latest-quarter average length of stay (2.33 Nights)	16th Above Average The market also boasted strong population density per room (73.32)
LOWEST	104th Highly Unfavorable This market posted unfavorable IRR metrics in the full-service segment (10.9%)	104th Highly Unfavorable The market exhibited unfavorable OAR metrics in the luxury/upscale segment (8.0%)	103rd Highly Unfavorable New Brunswick, NJ also posted unfavorable IRR metrics in the select-service segment (10.9%)

Notable Trends

	Long-Term Historical Supply Growth	Short-Term Historical Average Length of Stay Growth	Long-Term Historical Average Length of Stay Growth
FATEST	18th Above Average New Brunswick, NJ has benefited from low long-term historical supply growth (0.6%)	19th Above Average The market has benefited from strong short-term historical average length of stay growth (2.0%)	22nd Above Average The market also enjoyed strong long-term historical average length of stay growth (1.0%)
SLOWEST	90th Soft The market posted weak general economic reverence (per-capita unemployment, GDP and other indicators)	86th Below Average We note this area has been impeded by weak short-term historical COPE RevPAR growth (0.5%)	85th Below Average New Brunswick, NJ also has been hampered by weak short-term historical Guest Paid RevPAR growth (0.5%)

Market Performance Stage



New Brunswick, NJ: Regeneration Stage

Regeneration The New Brunswick, NJ 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 by lingering 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 Detroit, MI; Houston, TX; and New Orleans, LA.

Other Stages:

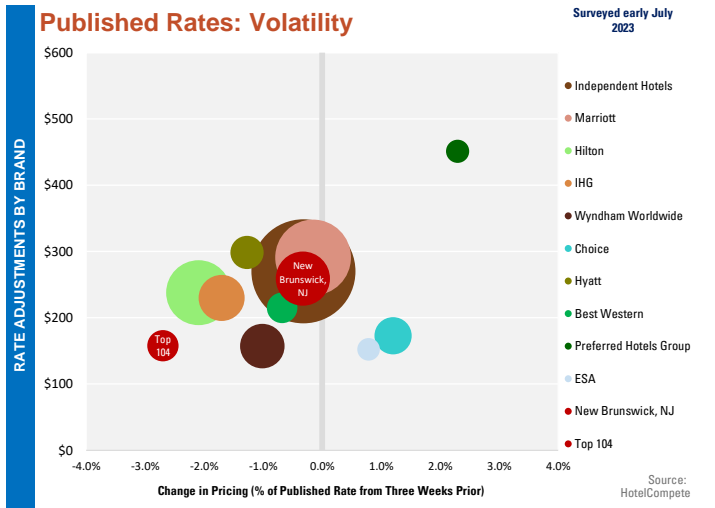
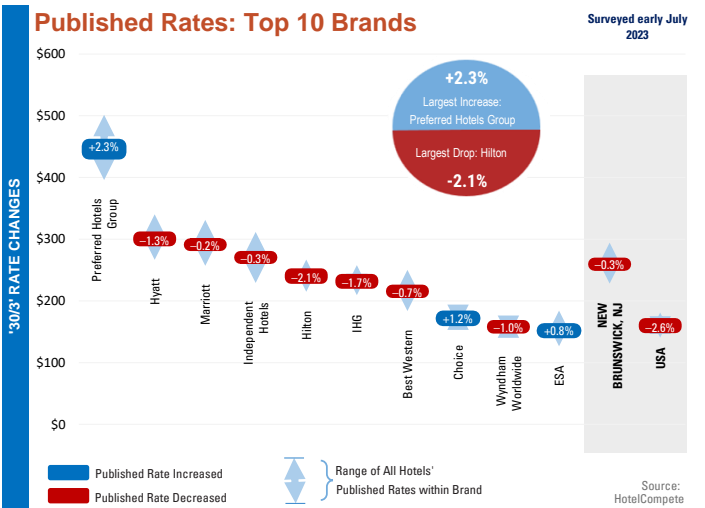
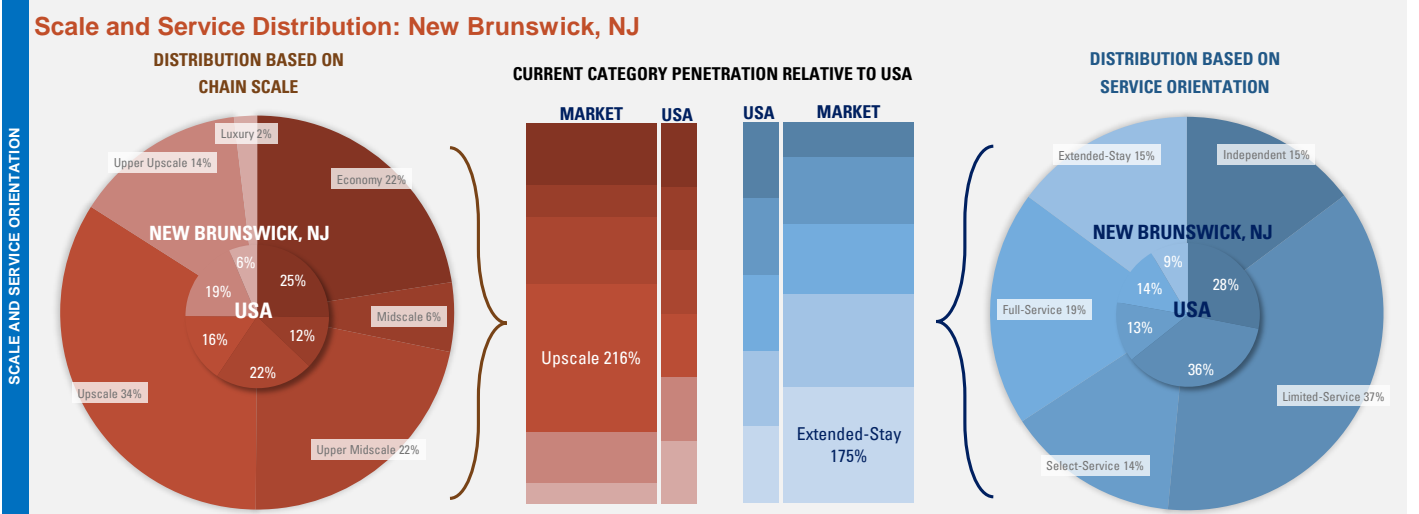
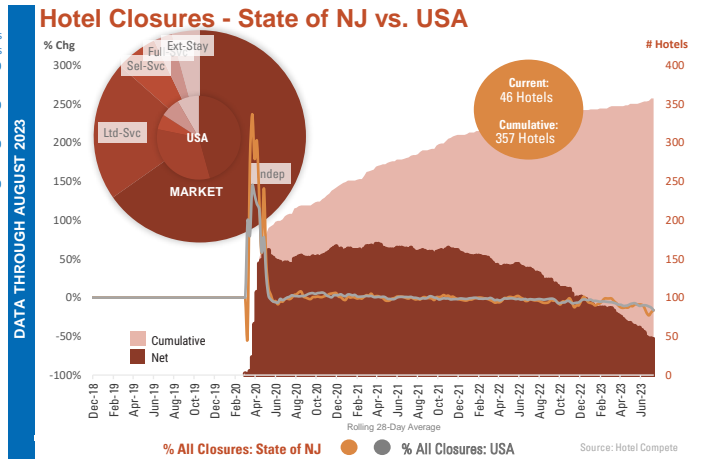
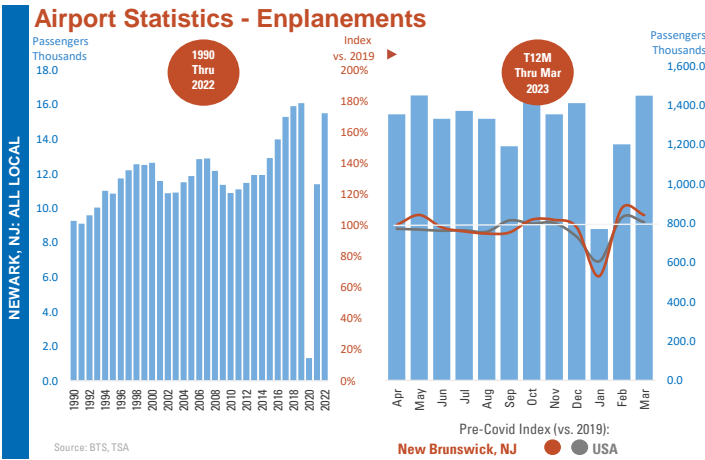
- Ignition** In the 'Ignition' stage, hotels typically perform adequately for operators to enjoy positive returns, with confidence the economy will recover from the COVID-19 crisis. While the regional economy continues to recover, strong hotel performance locally is igniting expansion in certain key sectors. Example markets in this stage include Chicago, IL; Knoxville, TN; and Miami, FL.
- Absorption** In the 'Absorption' stage, hotels are underperforming but in an economy with resilience and confidence the economy will shed 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 Columbus, OH; Kansas City, MO; and Las Vegas, NV.
- 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): 1.2%
Risk Exposure (402 US markets): 89th Percentile: Above Average
Key Industry Notes: Financial, high tech
 Highly educated workforce
 Low business costs
 Good housing affordability
 Weak migration

Moody's Rating
Aa2
Investment Grade
 Long-term investment grade, Prime-1 short-term outlook



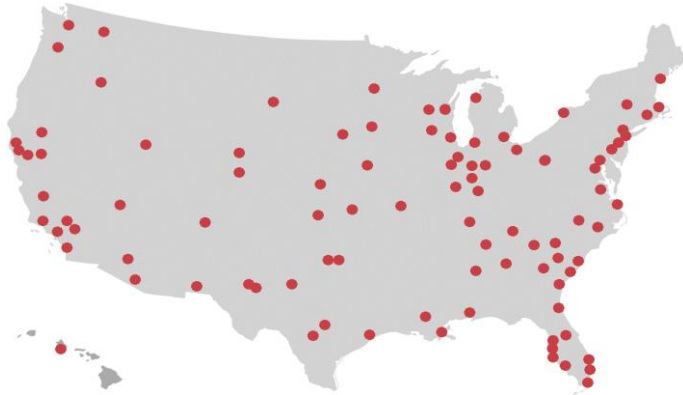


Published Rate Observations: 30-Day Advance

MARKET LEVEL	Published Rate Level	Rate Movement	Optimism
	5th Strong	8th Strong	1st Very Strong
	The 30-day advanced published rate for the market was a very aggressive \$259.05, ranking 5th out of 104 markets. (Guest-Paid ADR ranked a somewhat conservative 86th at \$110.55 in 2Q 2023.)	Published rates have recently been moving downward, decreasing by a modest 0.3% over three weeks going into early July 2023. By comparison, the T-104 average posted downward movement of 2.63%.	Published rates reported in early July 2023 were 121.2% higher than the market's Guest-Paid ADR in 2Q 2023. This optimism is very strong. By comparison, the T-104 spread was -2.4%.

BRAND LEVEL	Published Rate Integrity	Coverage	Volatility
	20th Above Average	5th Strong	3rd Very Low
	Published rates among the top 10 brands have a moderate amount of integrity with some pricing overlap, suggesting bottom-feeding occasionally exists.	New Brunswick, NJ has a strong spectrum of rate classes and traveler types among its top 10 brands, and the range of coverage has been widening.	New Brunswick, NJ's top 10 brands are exhibiting very low volatility with respect to advanced booking pricing movements in the three weeks leading into early July 2023.

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
- Arenas, Stadiums and Sports Facilities
- Conference, Expo and Convention Centers
- Golf Courses
- Marinas

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.

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