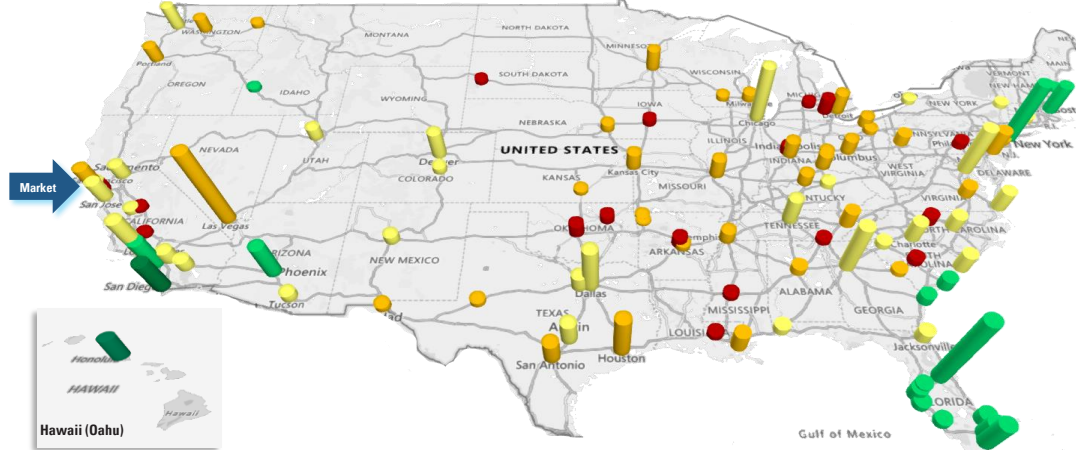


2Q 2023 OAKLAND, CA



Lodging Performance Index Snapshot



LODGING PERFORMANCE INDEX
Oakland, CA

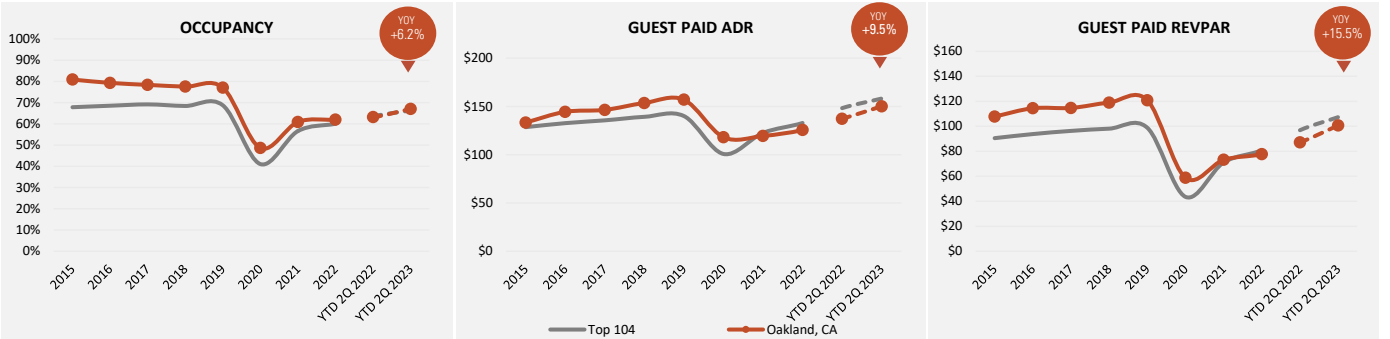
1.08

39th of 104
Average

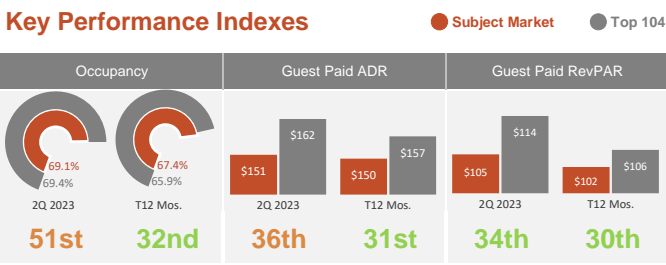
Ranking of overall '2Q 2023 LPI' performance (1.08) against all 104 surveyed markets.

LODGING PERFORMANCE INDEX

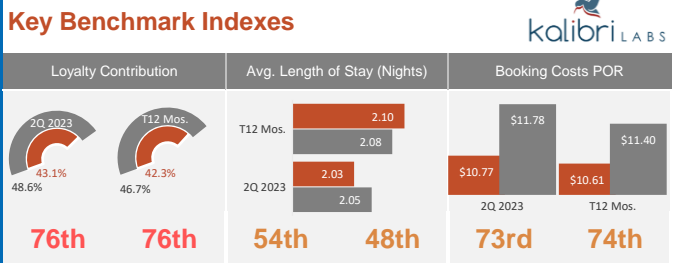
KEY PERFORMANCE METRICS



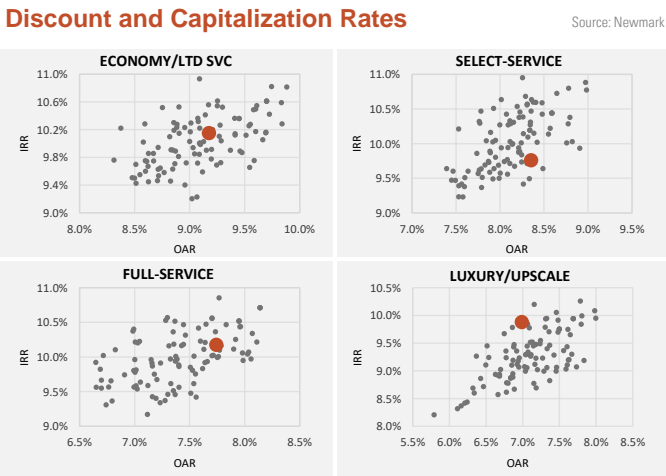
PERFORMANCE INDEXES



BENCHMARK INDEXES



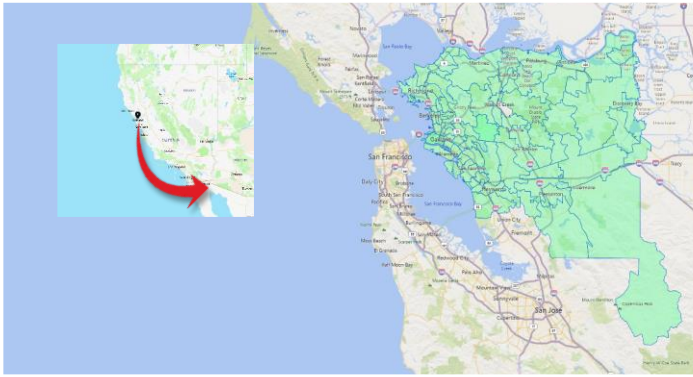
INVESTMENT PARAMETERS



FUNDAMENTALS



Location



Quick Facts

Jurisdictional Information
 Municipal Name: Oakland
 County: Alameda County
 State: California
 Geo Coordinates (market center): 37.80437, -122.2708
 Source: US Census Bureau, Dept. of Labor Statistics

Major Hotel Demand Generators
 University of California, Berkeley | Safeway Inc. | Kaiser Permanente | Tesla | Chevron Corp. | John Muir Health | Wells Fargo | Lam Research Corp. | Alta Bates Summit Medical Center | Lawrence Berkeley National Laboratory | Lawrence Livermore National Laboratory | Alameda Health System | PG&E | Bank of the West | Bay Area Rapid Transit District | Contra Costa Community College District | Workday Inc. | Children's Hospital and Research Center at Oakland | Southwest Airlines Co. | Alameda Health Systems (Highland Hospital)

Metrics and Ranking

Measurement	Value	Rankings
Population (hotel market area)	2,269,183	21st of 104 (Above Average)
Income per Capita	\$63,251	11th of 104 (Above Average)
Feeder Group Size	165.2 Persons PSR	98th of 104 (Soft)
Feeder Group Earnings	\$10,450,455 PSR	103rd of 104 (Soft)
Total Market COPE	\$753.7 million	51st of 104 (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 (Available Rms)	Performance Index (LPI)
2015	80.8%	\$133.34	\$107.79	\$123.27	\$99.66	\$10.06	92.5%	46.1%	2.24	19,950	1.52
2016	79.3%	\$144.42	\$114.48	\$132.84	\$105.30	\$11.58	92.0%	49.1%	2.12	19,940	1.37
2017	78.3%	\$146.43	\$114.70	\$133.98	\$104.95	\$12.45	91.5%	49.6%	2.06	20,260	1.23
2018	77.5%	\$153.56	\$118.99	\$140.41	\$108.80	\$13.15	91.4%	52.1%	2.04	20,530	1.33
2019	77.0%	\$156.94	\$120.90	\$143.67	\$110.67	\$13.27	91.5%	55.1%	2.04	20,320	1.43
2020	48.6%	\$118.14	\$58.81	\$110.28	\$53.62	\$7.85	93.4%	33.2%	2.28	19,920	1.23
2021	60.9%	\$119.45	\$73.16	\$110.99	\$67.55	\$8.46	92.9%	37.0%	2.30	19,630	1.10
2022	61.9%	\$125.50	\$77.69	\$116.50	\$72.16	\$9.00	92.8%	38.7%	2.22	19,760	0.99
CAGR: 2015 thru 2022	-3.7%	-0.9%	-4.6%	-0.8%	-4.5%	-1.6%	0.1%	-2.5%	-0.1%	-0.1%	-6.0%
YTD 2Q 2022	63.1%	\$137.15	\$87.12	\$127.38	\$80.91	\$9.77	92.9%	41.2%	2.13	20,250	0.96
YTD 2Q 2023	67.0%	\$150.14	\$100.66	\$139.56	\$93.56	\$10.58	93.0%	42.6%	2.07	20,380	1.08
% Change	6.2%	9.5%	15.5%	9.6%	15.6%	8.3%	0.1%	3.5%	-2.8%	0.6%	12.6%

Notable Metrics

Marketwide Income per Room	Feeder Population Per Room	Population Density per Room
2nd Very Strong Oakland, CA enjoyed a high ratio of marketwide income per room (\$4,894,667)	5th Strong The market posted a high ratio of feeder population per room (77.38)	6th Strong The market also boasted strong population density per room (110.88)
Feeder Group Earnings PSR	Feeder Group Size	IRR: Luxury/Upscale
103rd Soft This market has been hindered by weak feeder group earnings PSR (\$10,450,455)	98th Soft The market required a large feeder group size (165.22 Persons)	91st Highly Unfavorable Oakland, CA also posted unfavorable IRR metrics in the luxury/upscale segment (9.9%)

Notable Trends

Short-Term Historical Booking Costs POR Growth	Long-Term Historical Booking Costs POR Growth	General Economy Reversion
6th Strong Oakland, CA enjoyed low short-term historical growth in booking costs (-0.6%)	26th Above Average The market has benefited from low long-term historical booking costs POR growth (2.1%)	27th Above Average The market also enjoyed strong general economic reversion (per-capita unemployment, GDP and other indicators)
Short-Term Historical COPE ADR Growth	Short-Term Historical Guest Paid ADR Growth	Long-Term Historical Occupancy Growth
101st Soft The market posted weak short-term historical COPE ADR growth (-0.4%)	101st Soft We note this area has been impeded by weak short-term historical Guest Paid ADR growth (-0.4%)	101st Soft Oakland, CA also has been hindered by weak long-term historical occupancy growth (-2.3%)

Market Performance Stage



Oakland, CA: Expansion Stage

The Oakland, CA market is currently in the 'Expansion' stage of the performance cycle. In this 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.

Other Stages:

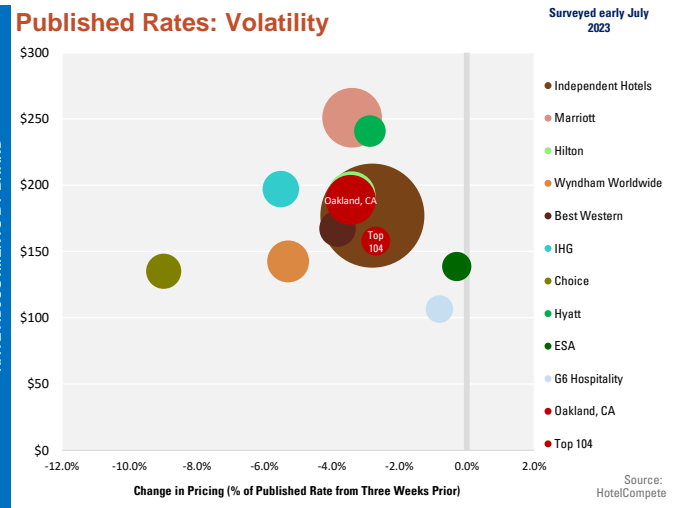
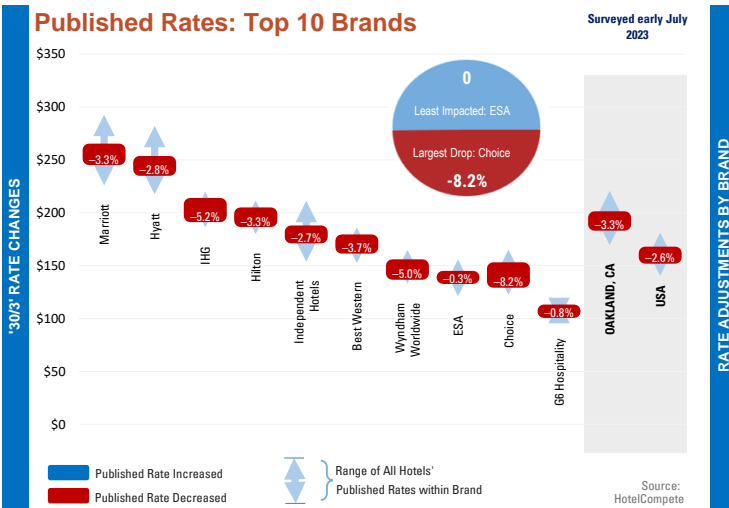
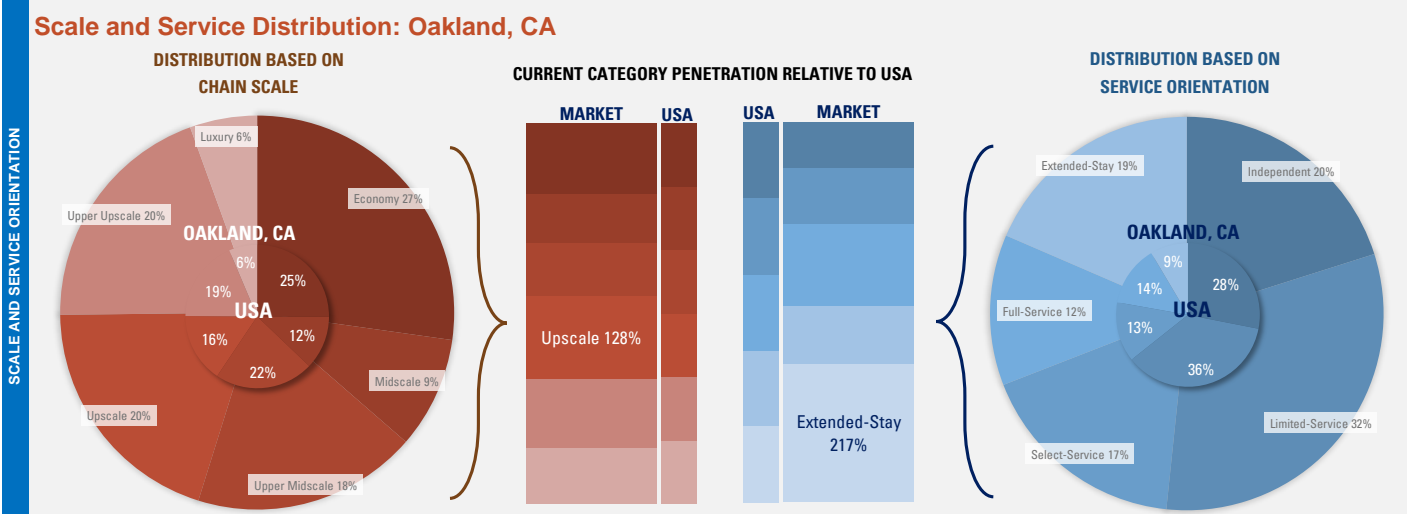
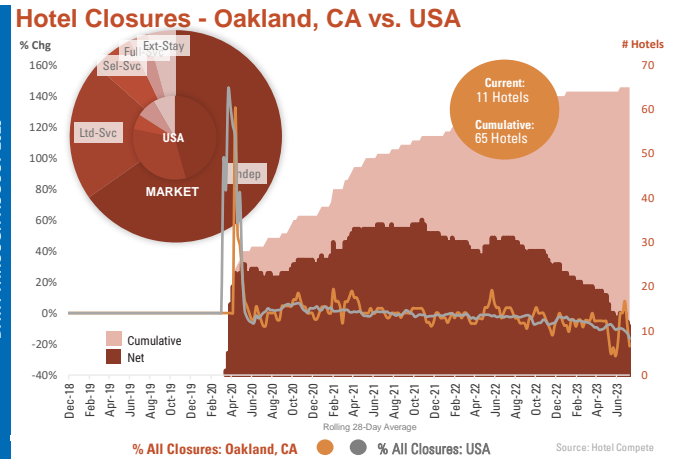
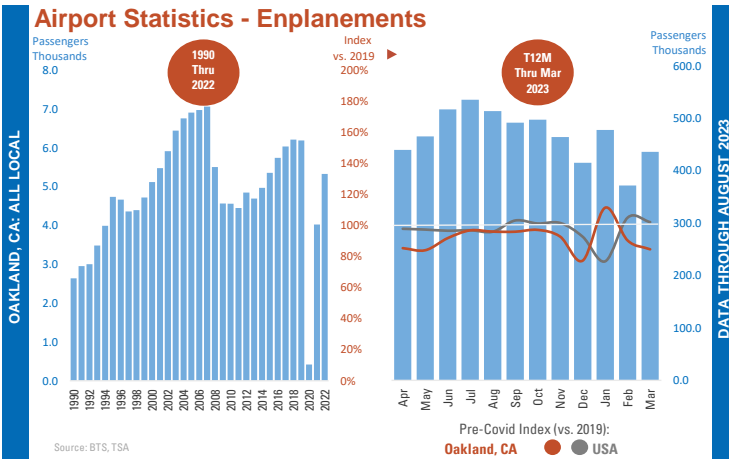
- Regeneration:** In the 'Regeneration' stage, hotels and the underlying economy are underperforming. The highest and best uses of hotel assets are challenged by lingering COVID-19 impacts, oversupply, weak economic indicators, and/or poor corporate contribution. Hotel investors look for opportunities to either exit or regenerate demand. Example markets in this stage include Detroit, MI; Houston, TX; and New Orleans, LA.
- 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.

Industry Observations

Business Cycle: In Recovery
Employment Growth (2 yr): -3.4%
Risk Exposure (402 US markets): 32nd Percentile: Below Average
Key Industry Notes: Medical center, high tech Universities & laboratories Proximate to tech capital Ample infrastructure Higher housing costs

Moody's Rating
Aa1 Investment Grade
 Long-term investment grade, Prime-1 short-term outlook





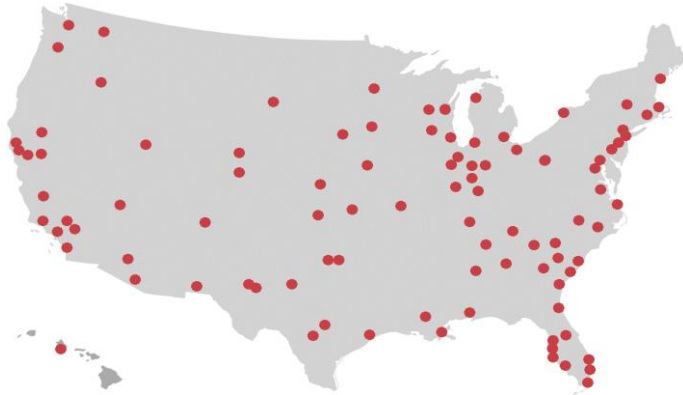
Published Rate Observations: 30-Day Advance

MARKET LEVEL	Published Rate Level	Rate Movement	Optimism
	15th Above Average	63rd Average	20th Above Average
	The 30-day advanced published rate for the market was a somewhat aggressive \$188.93, ranking 15th out of 104 markets. (Guest-Paid ADR ranked a moderate 36th at \$150.14 in 2Q 2023.)	Published rates have recently been moving downward, decreasing by a noticeable 3.3% 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 24.8% higher than the market's Guest-Paid ADR in 2Q 2023. This optimism is above average. By comparison, the T-104 spread was -2.4%.

Published Rate Observations: Brand Level

BRAND LEVEL	Published Rate Integrity	Coverage	Volatility
	77th Below Average	34th Above Average	60th Moderate
	Published rates among the top 10 brands have a moderate amount of integrity with some pricing overlap, suggesting bottom-feeding occasionally exists.	Oakland, CA has an above average spectrum of rate classes and traveler types among its top 10 brands, and the range of coverage has been contracting.	Oakland, CA's top 10 brands are exhibiting moderate 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:

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We empower owners and operators to maximize economic incentives and advise government entities on the impact of incentives on a community or development.

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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.

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