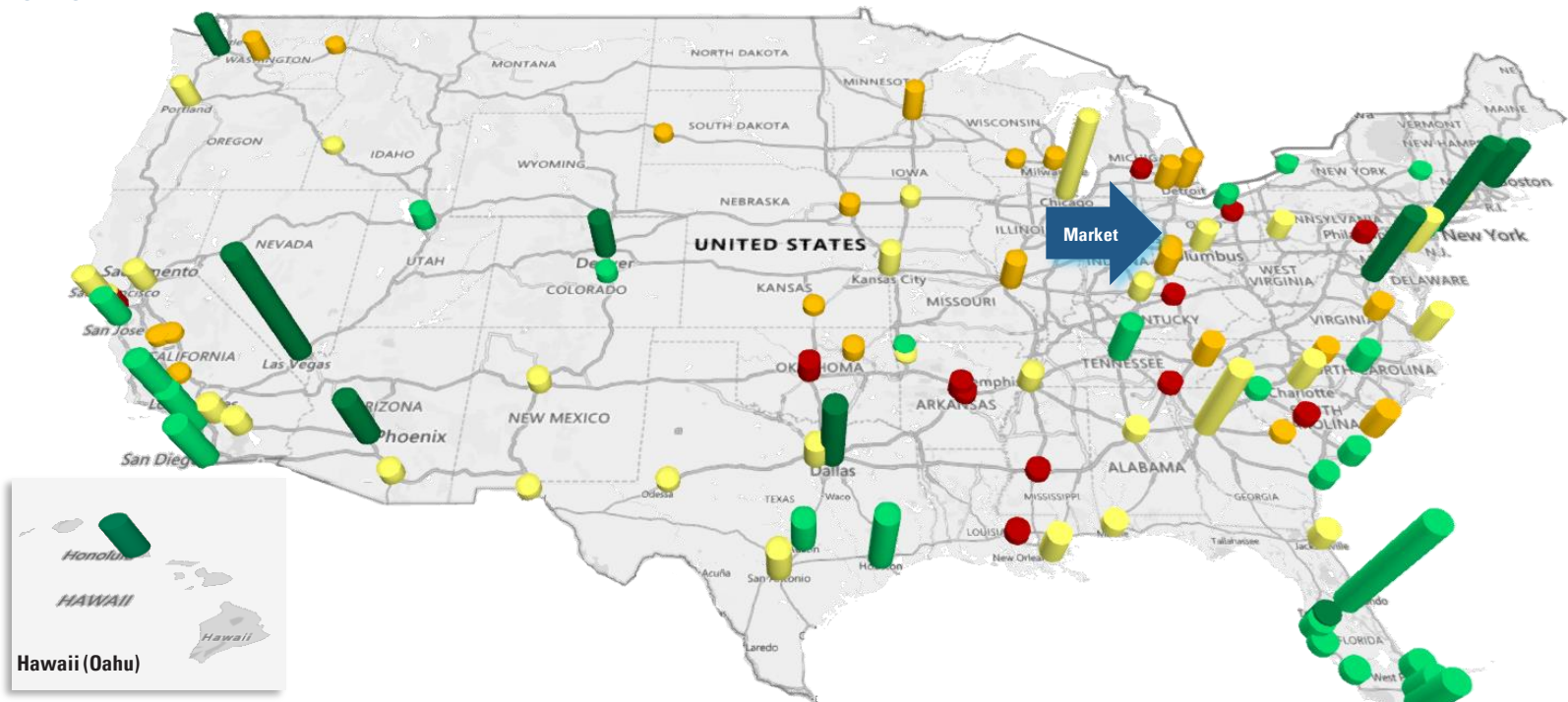


1Q 2025
PITTSBURGH, PA

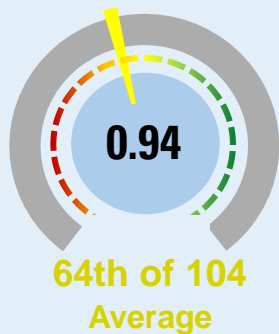


Lodging Performance Index Snapshot

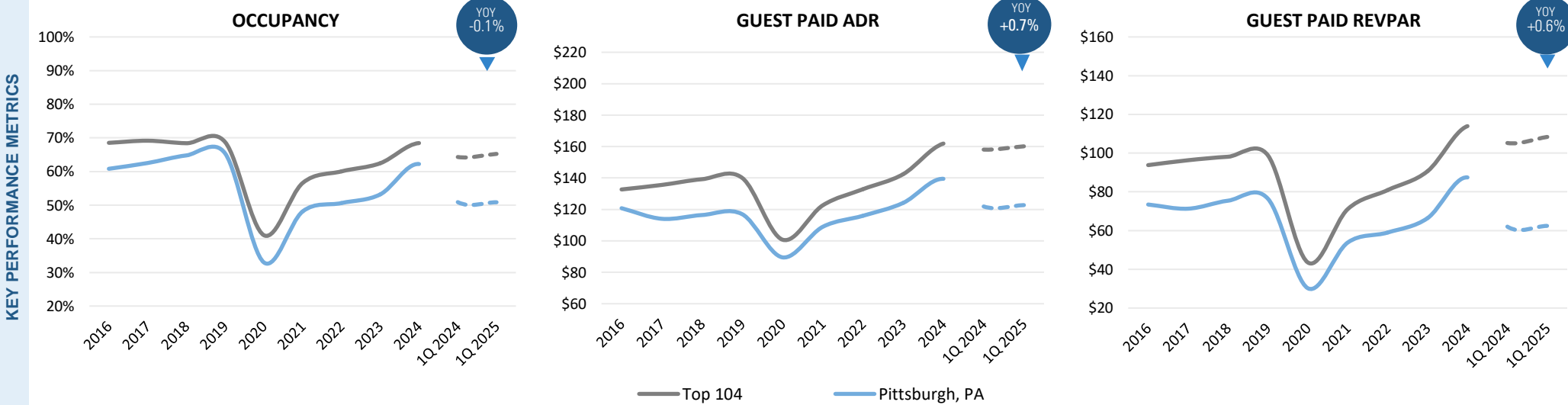


LODGING
PERFORMANCE INDEX

Pittsburgh, PA



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



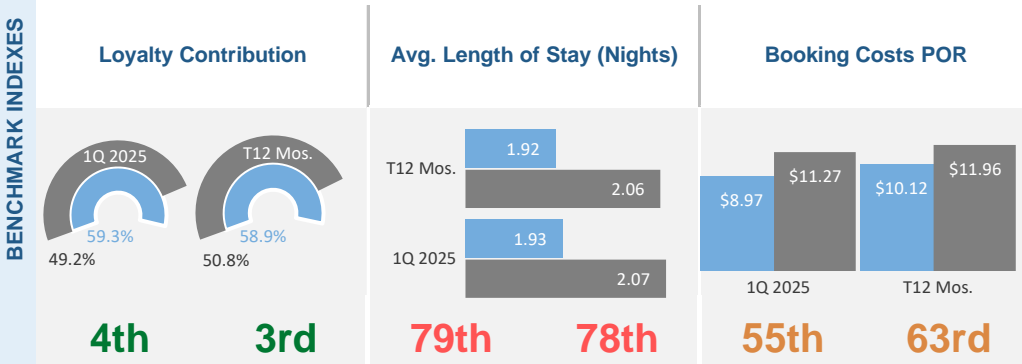
Key Performance Indexes

● Subject Market ● Top 104



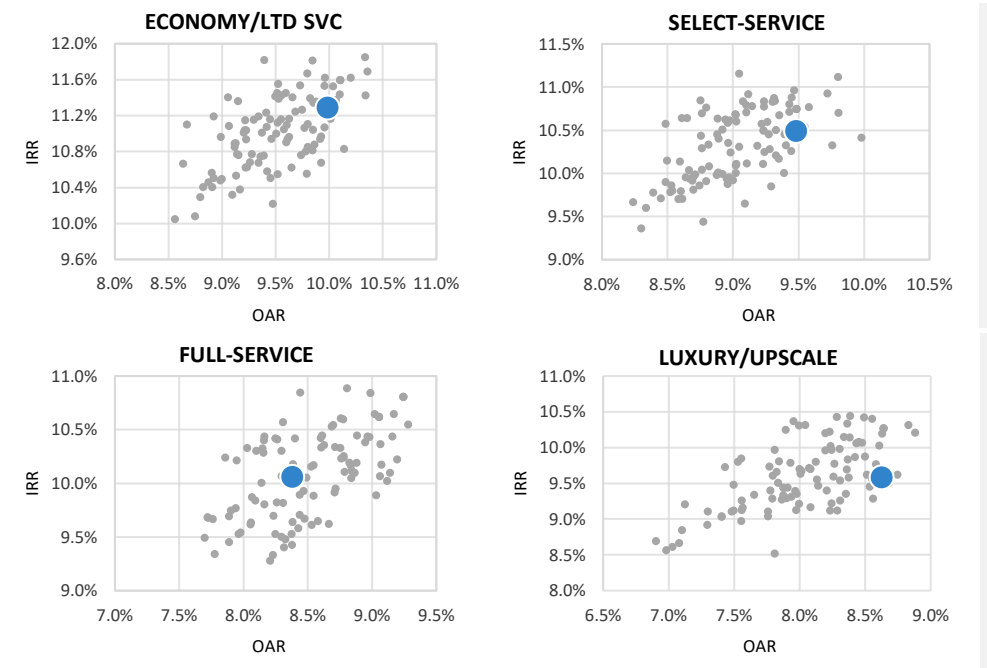
Key Benchmark Indexes

kalibri LABS



Discount and Capitalization Rates

Source: Newmark

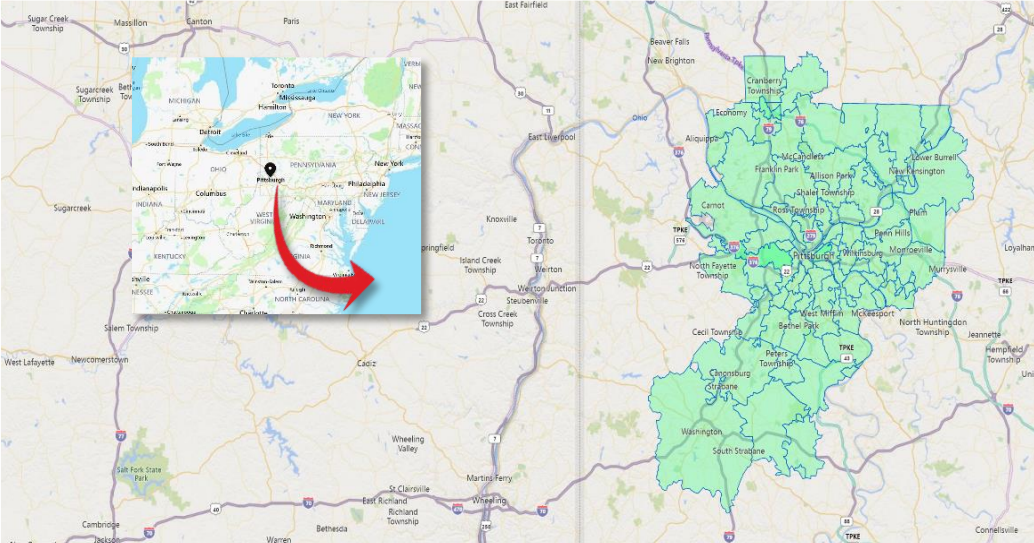


Trends and Risks

Source: Kalibri Labs, Newmark



Location



Quick Facts

Jurisdictional Information

Municipal Name:

County:

State:

Geo Coordinates (market center):

Pittsburgh

Allegheny County

Pennsylvania

40.44062, -79.99589

Source: US Census Bureau,

Dept. of Labor Statistics

Major Hotel Demand Generators

UPMC Health System | Highmark Inc. | University of Pittsburgh | The PNC Financial Services Group Inc. | Wal-Mart Stores Inc. | Giant Eagle Inc. | BNY Mellon Corp. | Excelsa Health | Carnegie Mellon University | United States Steel Corp. | Eat 'n Park Hospitality Group Inc. | FedEx Corp. | Sears Holdings | Consol Energy Inc. | Westinghouse Electric Co. | Verizon Communications | Allegheny Technologies Inc. | Bechtel Group | Target Corp. | Home Depot

Metrics and Ranking

Population (hotel market area)

Income per Capita

Feeder Group Size

Feeder Group Earnings

Total Market Hotel Revenues

Measurement

1,219,073

\$44,092

86.5 Persons PSR

\$3,814,941 PSR

\$695.6 million

Rankings

49th of 104 (Average)

70th of 104 (Below Average)

68th of 104 (Below Average)

56th of 104 (Average)

54th of 104 (Average)

Key Performance Metrics

YEAR ENDING	Guest Paid		COPE		Booking Cost POR	ADR COPE %	Loyalty %	Avg Length of Stay Nights	Supply Rooms	Performance Index (LPI)
	Occ %	ADR	RevPAR	ADR						
2016	60.8%	\$120.78	\$73.43	\$110.84	\$9.94	91.8%	52.9%	1.87	21,630	0.70
2017	62.5%	\$114.04	\$71.29	\$104.37	\$9.67	91.5%	54.5%	1.88	22,600	0.85
2018	64.8%	\$116.44	\$75.42	\$106.78	\$9.65	91.7%	56.4%	1.88	23,330	1.21
2019	65.4%	\$116.95	\$76.44	\$107.17	\$9.78	91.6%	60.7%	1.85	24,230	1.00
2020	33.0%	\$89.50	\$30.24	\$83.48	\$6.03	93.3%	47.4%	2.24	23,610	0.53
2021	48.1%	\$108.92	\$53.82	\$101.29	\$7.63	93.0%	48.1%	2.09	23,750	0.68
2022	50.6%	\$115.97	\$58.99	\$107.69	\$8.28	92.9%	50.2%	2.00	23,750	0.65
2023	53.2%	\$124.16	\$66.41	\$115.36	\$8.81	92.9%	51.9%	1.95	23,570	1.06
2024	62.2%	\$139.49	\$87.44	\$129.37	\$10.12	92.7%	58.5%	1.92	23,190	1.13
CAGR: 2016 thru 2024	0.3%	1.8%	2.2%	2.0%	0.2%	0.1%	1.3%	0.3%	0.9%	6.3%
1Q 2024	50.9%	\$121.88	\$62.02	\$112.95	\$8.93	92.7%	57.9%	1.93	23,210	1.10
1Q 2025	50.9%	\$122.76	\$62.43	\$113.79	\$8.97	92.7%	59.3%	1.93	22,790	0.94

Data provided by: kalibri LABS

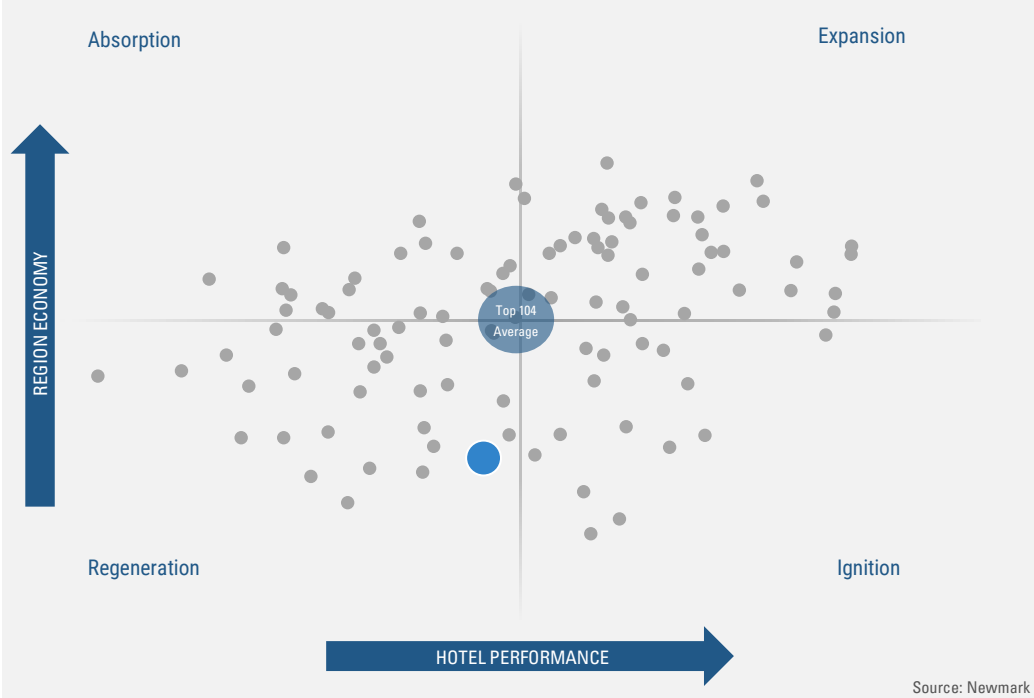
Notable Metrics

HIGHEST	T12-Month Loyalty Contribution	Latest-Quarter Loyalty Contribution	T12-Month Guest Paid ADR
	3rd Very Strong Pittsburgh, PA exhibited strong T12—month loyalty contribution (58.9%)	4th Strong The market exhibited strong latest—quarter loyalty contribution (59.3%)	39th Average The market also benefited from strong T12—month Guest Paid ADR (\$139.70)
LOWEST	OAR: Select-Service	OAR: Luxury/Upscale	OAR: Economy/Ltd Svc
	97th Unfavorable This market exhibited unfavorable OAR metrics in the select—service segment (9.5%)	96th Unfavorable The market exhibited unfavorable OAR metrics in the luxury/upscale segment (8.6%)	92nd Unfavorable Pittsburgh, PA also exhibited unfavorable OAR metrics in the economy/ltl svc segment (10.0%)

Notable Trends

STRONGEST	Long-Term Historical Booking Costs POR Growth	T12-Month Rooms Supply Growth	Short-Term Historical Booking Costs POR Growth
	7th Strong Pittsburgh, PA has benefited from low long—term historical booking costs POR growth (0.9%)	15th Above Average The market exhibited low rooms supply growth over the last 12 months (—1.8%)	19th Above Average The market also enjoyed low short—term historical growth in booking costs (1.4%)
WEAKEST	Long-Term Historical COPE ADR Growth	Long-Term Historical Guest Paid ADR Growth	Long-Term Historical COPE RevPAR Growth
	103rd Soft The market posted weak long—term historical COPE ADR growth (0.4%)	103rd Soft We note this area has been impeded by weak long—term historical Guest Paid ADR growth (0.4%)	101st Soft Pittsburgh, PA also posted weak long—term historical COPE RevPAR growth (—1.0%)

Market Performance Stage



Pittsburgh, PA: Regeneration Stage

The Pittsburgh, PA 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 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.

Other Stages:

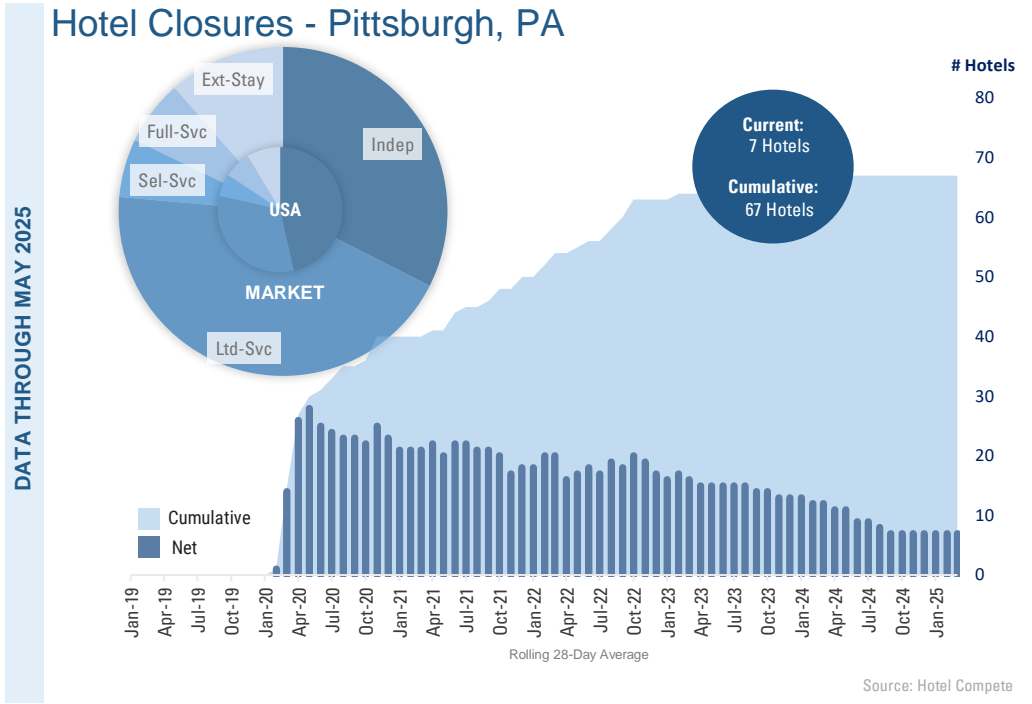
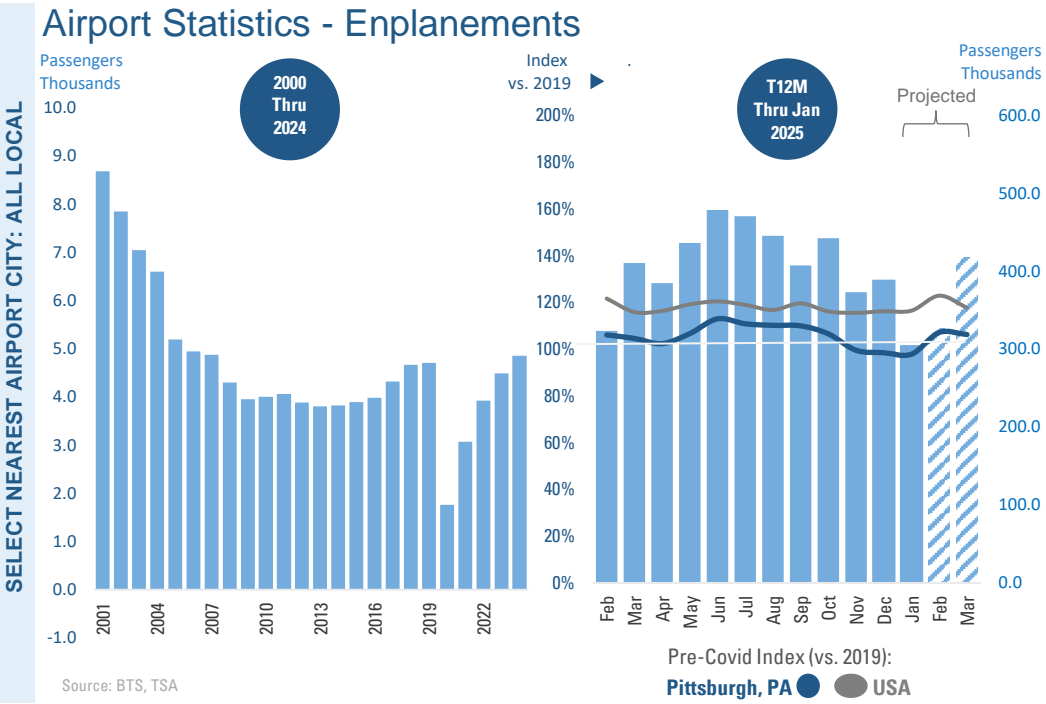
Ignition	In the 'Ignition' stage, hotels typically perform adequately for operators to enjoy positive returns, with confidence the economy will remain fully recovered from the pandemic. While the regional economy continues to recover, strong hotel performance locally is igniting expansion in certain 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.
Expansion	In the 'Expansion' 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.

Industry Observations

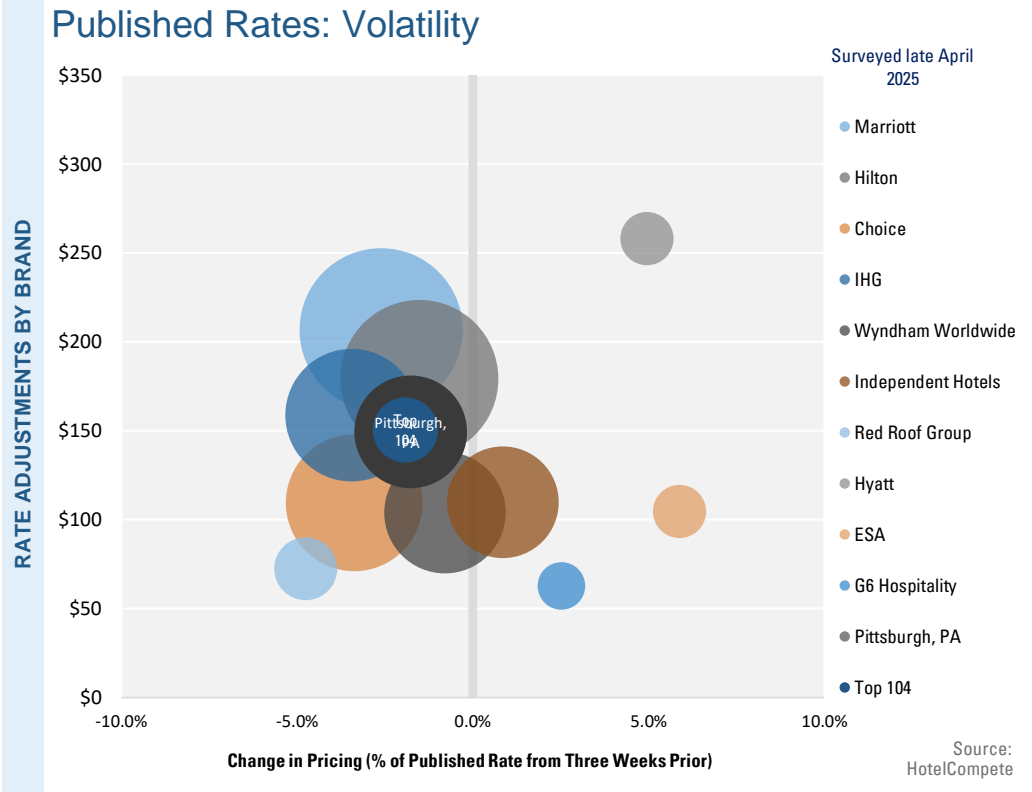
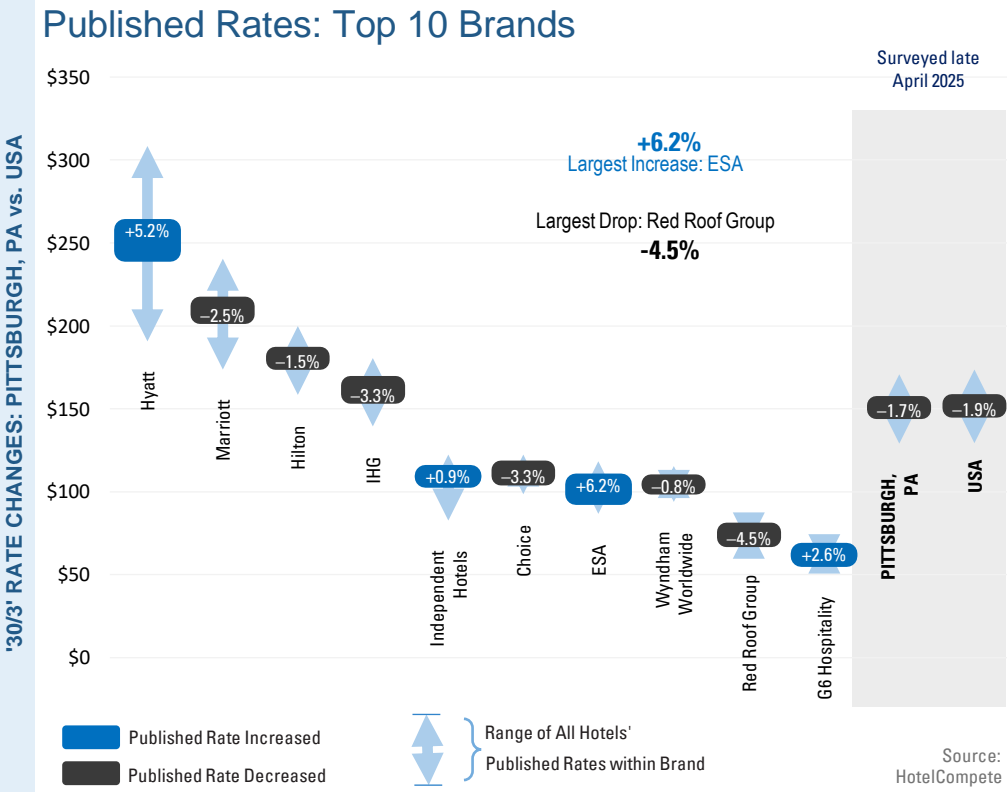
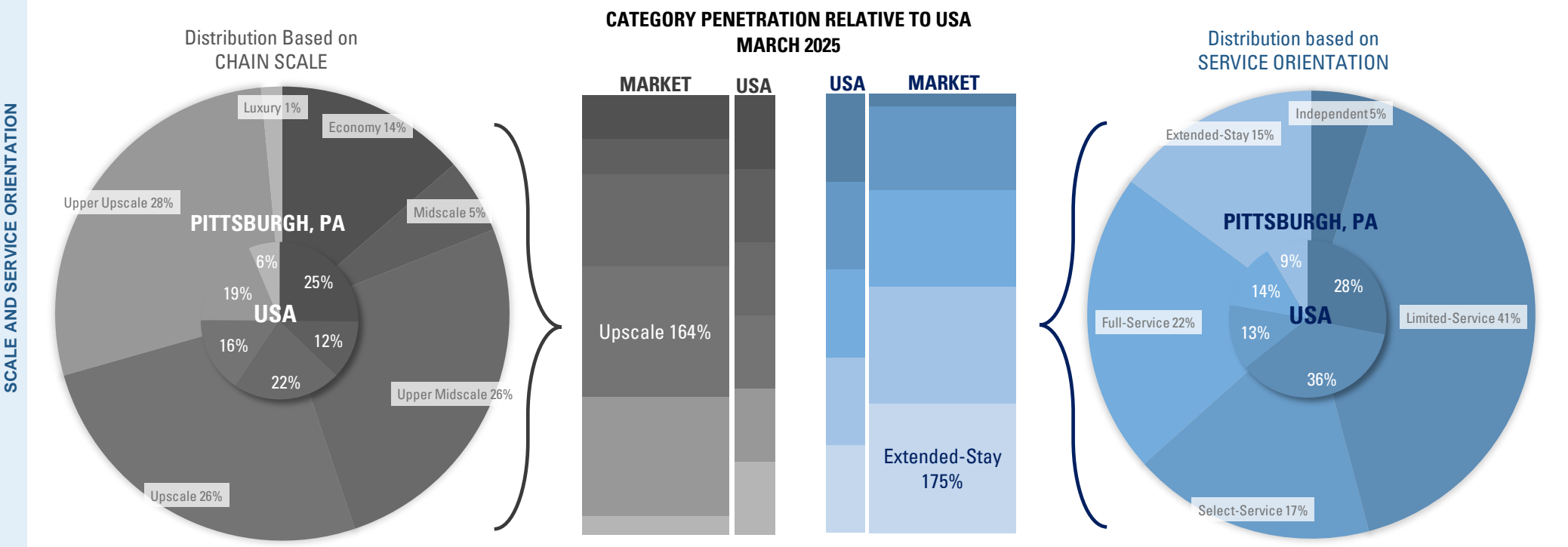
MOODY'S ANALYTICS	Business Cycle:	Recovery	Moody's Rating
	Employment Growth (2 yr): Risk Exposure (402 US markets): Key Industry Notes:	0.6% 95th Percentile: High Risk Low employment volatility Top education & research institutions Negative net migration Aging infrastructure Subpar population trends	Aa3 Investment Grade Long-term investment grade, Prime-1 short-term outlook

TOP 10 BRANDS	Brands by # of Rooms	Brands by # of Hotels
	Hampton Inn (1,674) DoubleTree (1,457) Holiday Inn Exp. (1,121) Marriott (1,018) Hilton Garden Inn (967) SpringHill Suites (912) Courtyard (896) Comfort Inn (722) Westin (616) Sheraton (598)	Hampton Inn (15) Holiday Inn Exp. (11) SpringHill Suites (8) Courtyard (7) Comfort Inn (7) Quality Inn (6) Hilton Garden Inn (6) DoubleTree (6) Red Roof (5) Fairfield Inn (5)

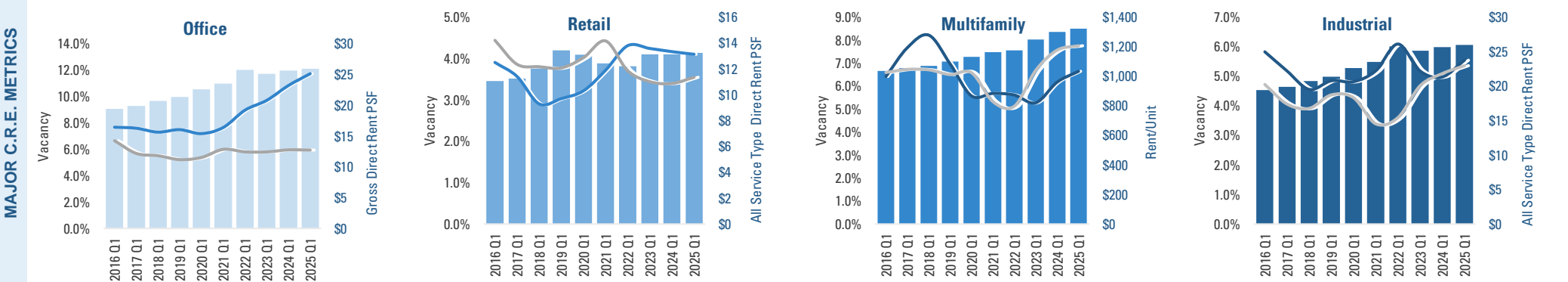
Source: Newmark



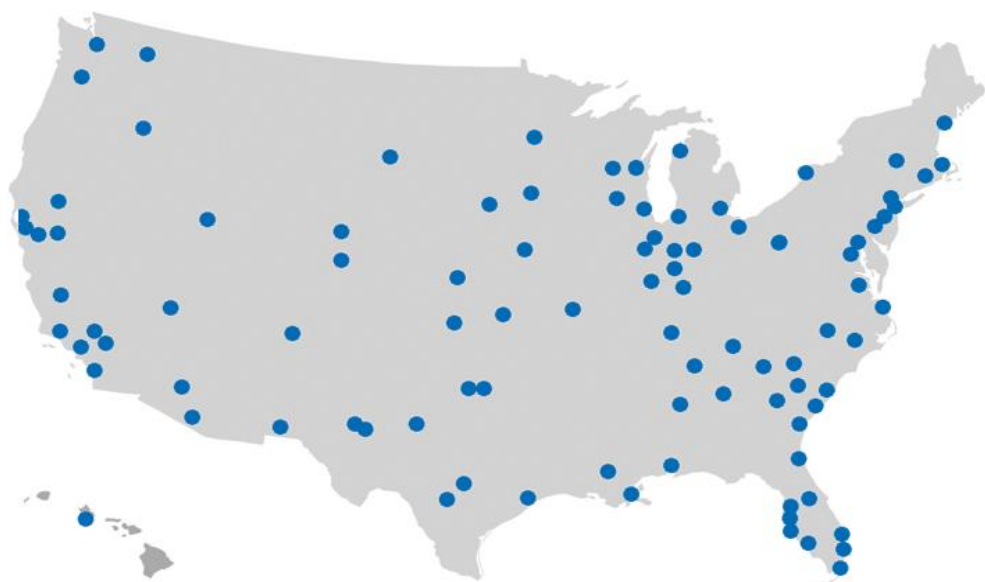
Scale and Service Distribution: Pittsburgh, PA



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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- Portfolio Analytics**

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We understand every aspect of a property’s operations, allowing us to craft advanced tax strategies.

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CONTACT: MIDWEST MARKETS

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