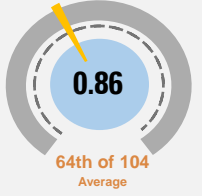


2Q 2022 PORTLAND, OR



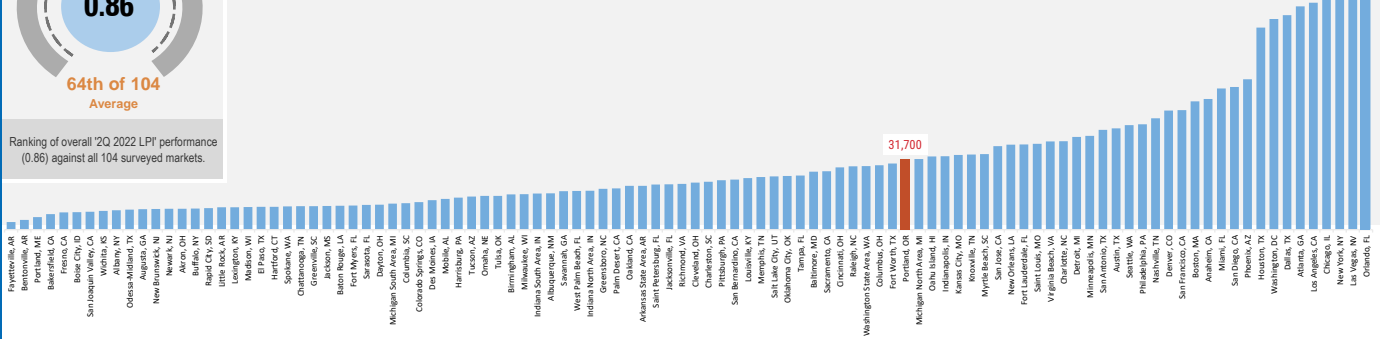
Fundamentals Dashboard

Lodging Performance Index



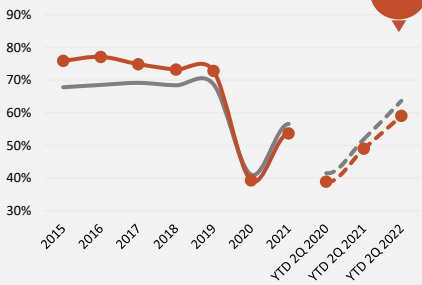
Ranking of overall 2Q 2022 LPI performance (0.86) against all 104 surveyed markets.

ROOM SUPPLY RANKING vs. MAJOR US MARKETS

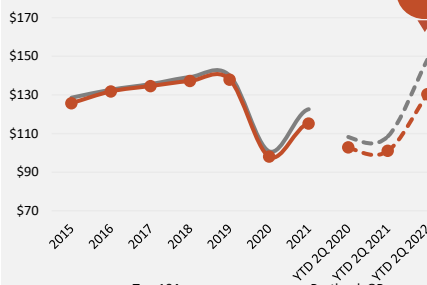


KEY PERFORMANCE METRICS

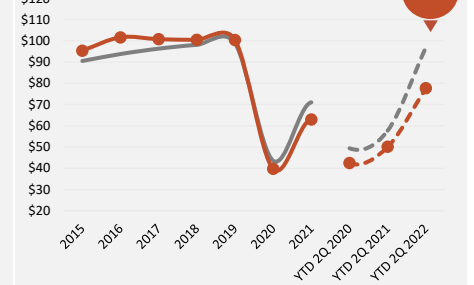
OCCUPANCY



GUEST PAID ADR

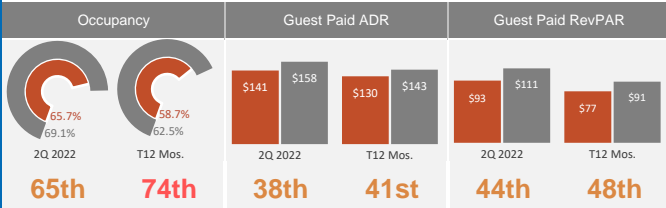


GUEST PAID REVPAR

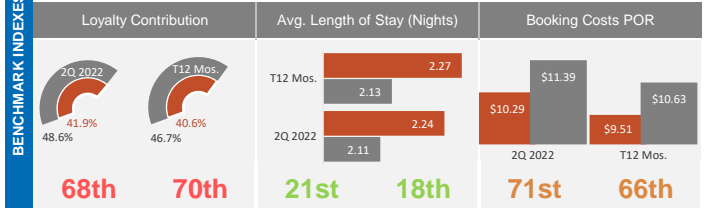


Key Performance Indexes

● Subject Market ● Top 104

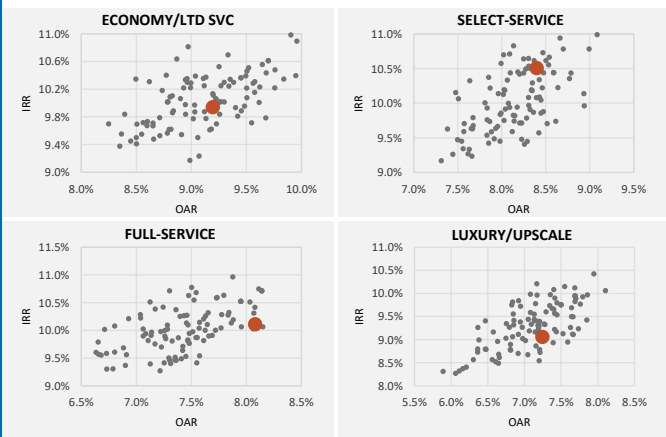


Key Benchmark Indexes



Discount and Capitalization Rates

Source: Newmark

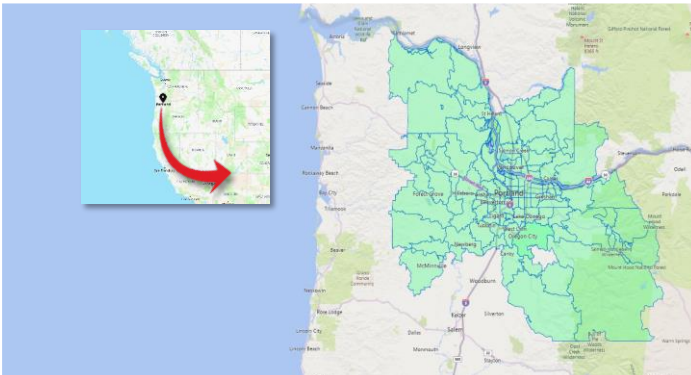


Trends and Risks

Source: Kalibri Labs, Newmark



Location



Quick Facts

Jurisdictional Information
 Municipal Name: Portland
 County: Clackamas County, Multnomah County, Washington County and others
 State: Oregon
 Geo Coordinates (market center): 45.53695, -122.64997

Major Hotel Demand Generators
 Intel Corp. | Providence Health Systems | Oregon Health & Science University | Legacy Health System | Nike Inc. | Kaiser Foundation Health Plan of the NW | Fred Meyer Stores | PeaceHealth | Portland State University | Daimler Trucks North America LLC | Legacy Salmon Creek Medical Center | Adidas | Columbia Sportswear Co. | The Vancouver Clinic | WaferTech LLC - A TSMC Co. | SEH America Inc. | Dick Hannah Dealerships | BNSF Railway Co. | Banfield Pet Hospital | Andersen Construction

Metrics and Ranking

Measurement	Value	Rankings
Population (hotel market area)	2,132,661	22nd of 104 (Above Average)
Income per Capita	\$61,532	14th of 104 (Above Average)
Feeder Group Size	115.3 Persons PSR	87th of 104 (Below Average)
Feeder Group Earnings	\$7,095,444 PSR	95th of 104 (Soft)
Total Market COPE	\$876.4 million	40th of 104 (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	75.9%	\$125.74	\$95.42	\$115.52	\$87.67	\$10.21	91.9%	47.2%	2.09	27,380	1.43
2016	77.1%	\$131.83	\$101.67	\$120.90	\$93.24	\$10.93	91.7%	51.0%	2.04	27,590	1.33
2017	74.9%	\$134.61	\$100.78	\$123.28	\$92.30	\$11.33	91.6%	51.6%	1.98	28,070	1.15
2018	73.2%	\$137.21	\$100.48	\$125.59	\$91.97	\$11.62	91.5%	55.1%	1.95	28,520	1.17
2019	72.8%	\$137.96	\$100.45	\$126.16	\$91.86	\$11.80	91.4%	58.7%	1.98	30,030	1.16
2020	39.3%	\$97.97	\$39.71	\$91.38	\$35.89	\$6.59	93.3%	37.1%	2.41	30,320	0.92
2021	53.6%	\$115.11	\$62.92	\$106.59	\$57.16	\$8.52	92.6%	38.4%	2.26	30,970	0.87
CAGR: 2015 thru 2021	-5.6%	-1.5%	-6.7%	-1.3%	-6.9%	-3.0%	0.1%	-3.3%	1.2%	2.1%	-8.0%
YTD 2Q 2020	38.9%	\$102.80	\$42.41	\$95.73	\$39.39	\$7.07	93.1%	37.9%	2.31	30,280	1.11
YTD 2Q 2021	49.0%	\$100.95	\$50.07	\$93.62	\$46.41	\$7.34	92.7%	36.8%	2.30	30,270	0.85
YTD 2Q 2022	59.0%	\$130.37	\$77.69	\$121.04	\$72.12	\$9.33	92.8%	41.2%	2.33	31,370	0.86
% Change	20.6%	29.1%	55.2%	29.3%	55.4%	27.2%	0.1%	11.7%	1.4%	3.6%	1.3%

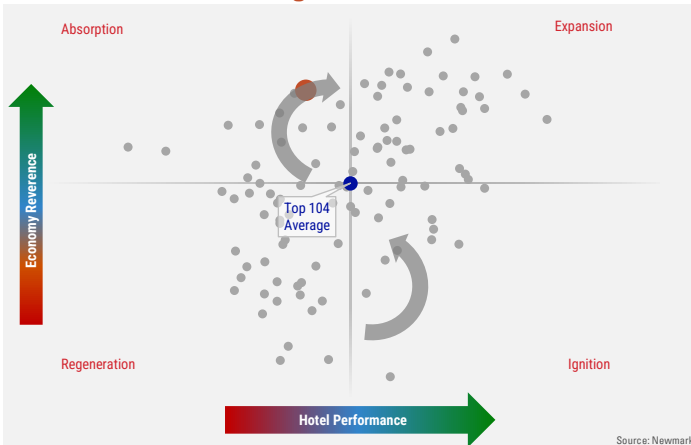
Notable Metrics

HIGHEST	Marketwide Income per Room	Economy Median Income	T12-Month Average Length of Stay
	12th Above Average Portland, OR enjoyed a high ratio of marketwide income per room (\$2,841,595)	14th Above Average The market exhibited strong Economy Median Income (\$61,532)	18th Above Average The market also benefited from strong T12-month average length of stay (2.27 Nights)
	OAR: Full-Service	Feeder Group Earnings PSR	IRR: Select-Service
LOWEST	97th Highly Unfavorable This market posted unfavorable OAR metrics in the full-service segment (8.1%)	95th Soft The market has been hindered by weak feeder group earnings PSR (\$7,095,444)	87th Unfavorable Portland, OR also posted unfavorable IRR metrics in the select-service segment (10.5%)

Notable Trends

FASTEST	Short-Term Historical Average Length of Stay Growth	Short-Term Historical Booking Costs POR Growth	General Economy Reversion
	4th Strong Portland, OR has benefited from strong short-term historical average length of stay growth (3.9%)	10th Above Average The market enjoyed low short-term historical growth in booking costs (-0.2%)	12th Above Average The market also enjoyed strong general economic reversion (per-capita unemployment, GDP and other indicators)
	Short-Term Historical COPE RevPAR Growth	Long-Term Historical Occupancy Growth	Short-Term Historical COPE ADR Growth
SLOWEST	99th Soft The market has been impeded by weak short-term historical COPE RevPAR growth (-4.0%)	99th Soft We note this area has been hindered by weak long-term historical occupancy growth (-2.6%)	98th Soft Portland, OR also posted weak short-term historical COPE ADR growth (-0.2%)

Market Performance Stage



Portland, OR: Absorption Stage

The Portland, OR market is currently in the 'Absorption' stage of the performance cycle. In this 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.

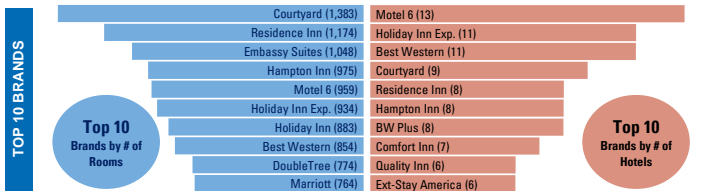
Other Stages:

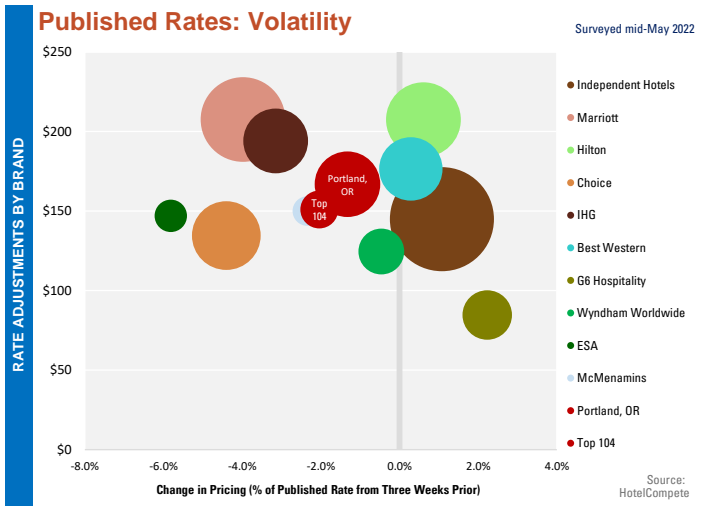
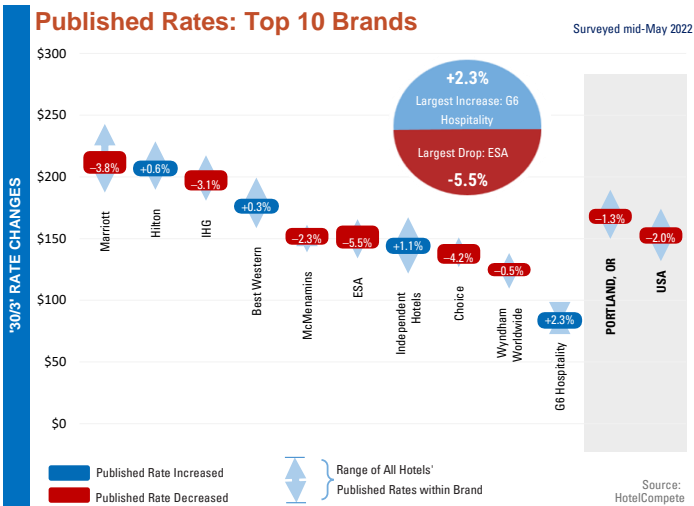
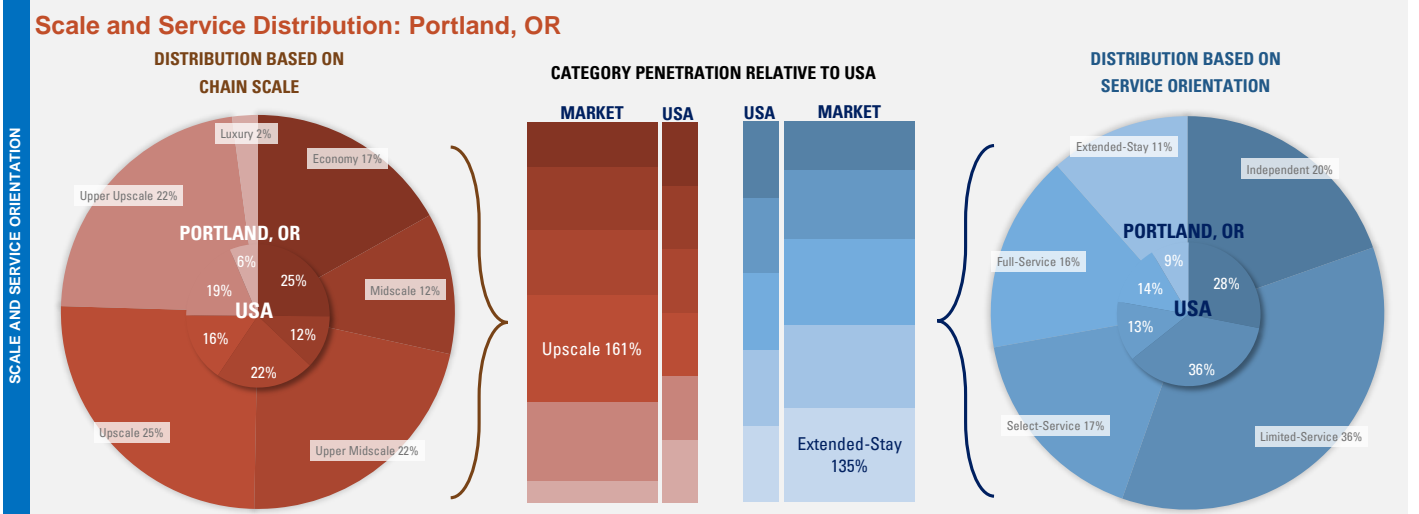
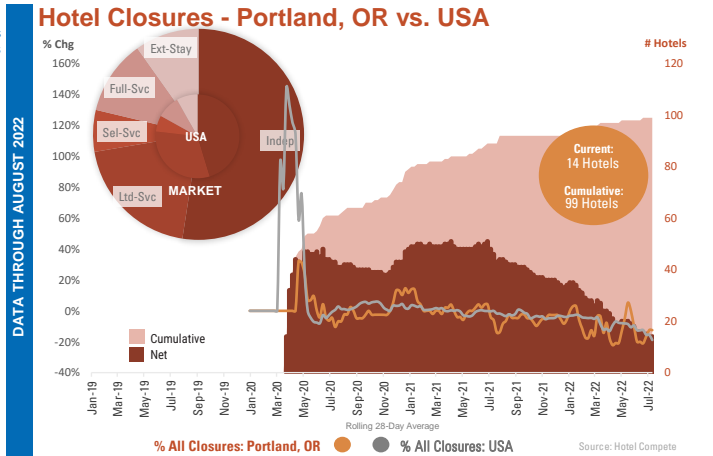
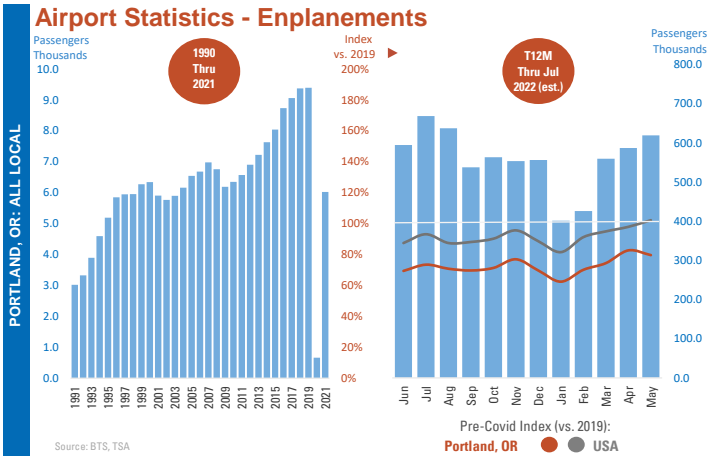
- Regeneration:** In the 'Regeneration' stage, hotels and the underlying economy are underperforming. The highest and best uses of hotel assets are challenged whether by COVID-19 impacts, oversupply, weak economic indicators, and/or poor corporate contribution. Hotel investors look for opportunities to either exit or regenerate demand. Example markets in this stage include Chicago, IL; Columbus, OH; and Detroit, MI.
- 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.
- 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 Recovery
Employment Growth (2 yr): -3.1%
Risk Exposure (402 US markets): 18th Percentile: Below Average
Key Industry Notes: Manufacturing, high tech
 Diversified economy
 Rising tax revenues
 Improving job mix
 Worker shortages

Moody's Rating
Aaa
 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
	25th Above Average	35th Average	30th Above Average
	The 30-day advanced published rate for the market was a somewhat aggressive \$166.88, ranking 25th out of 104 markets. (Guest-Paid ADR ranked a moderate 38th at \$130.37 in 2Q 2022.)	Published rates have recently been moving downward, decreasing by a modest 1.3% 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 18.3% 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
	84th Below Average	46th Average	30th Low
	Published rates among the top 10 brands have a moderate amount of integrity with some pricing overlap, suggesting bottom-feeding occasionally exists.	Portland, OR has an average spectrum of rate classes and traveler types among its top 10 brands, and the range of coverage has been contracting.	Portland, OR's top 10 brands are exhibiting low 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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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.

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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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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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Portfolio Analytics

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Property Tax

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

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