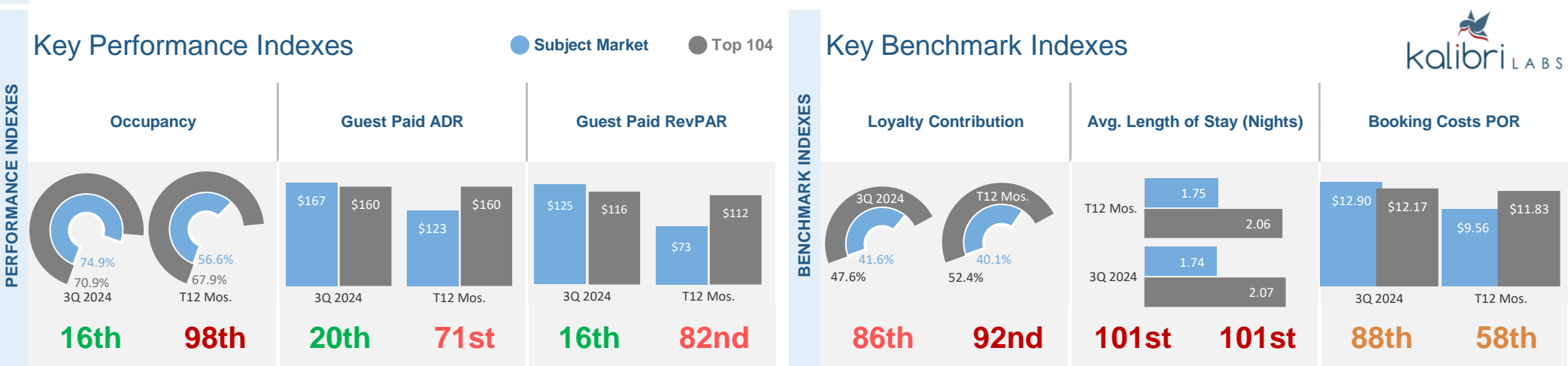
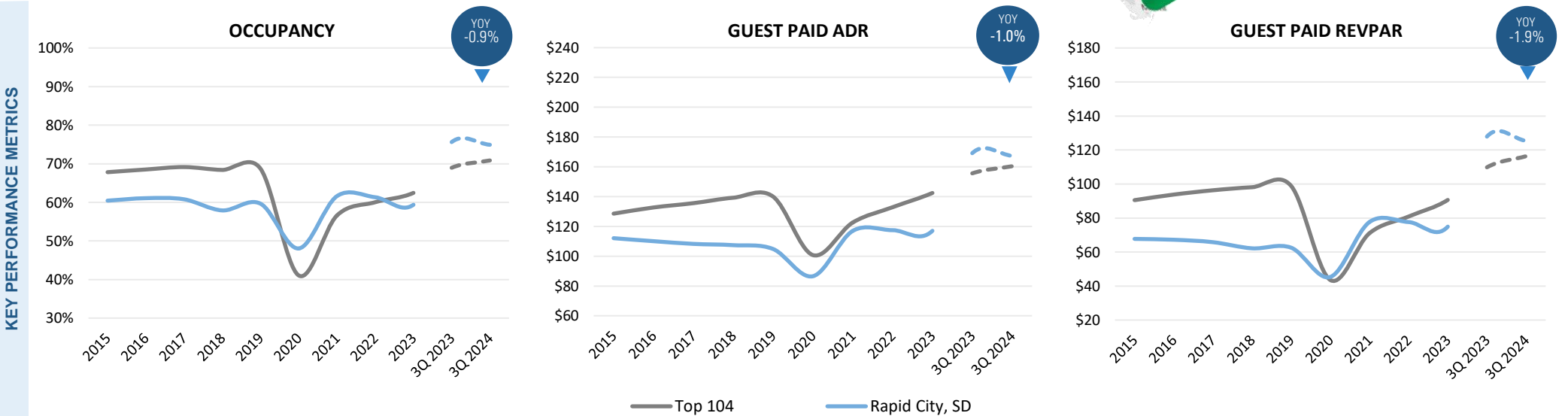
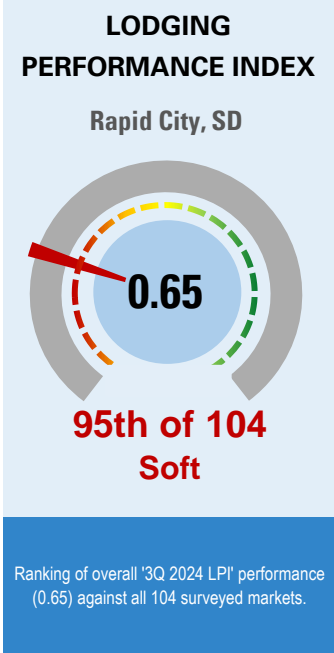
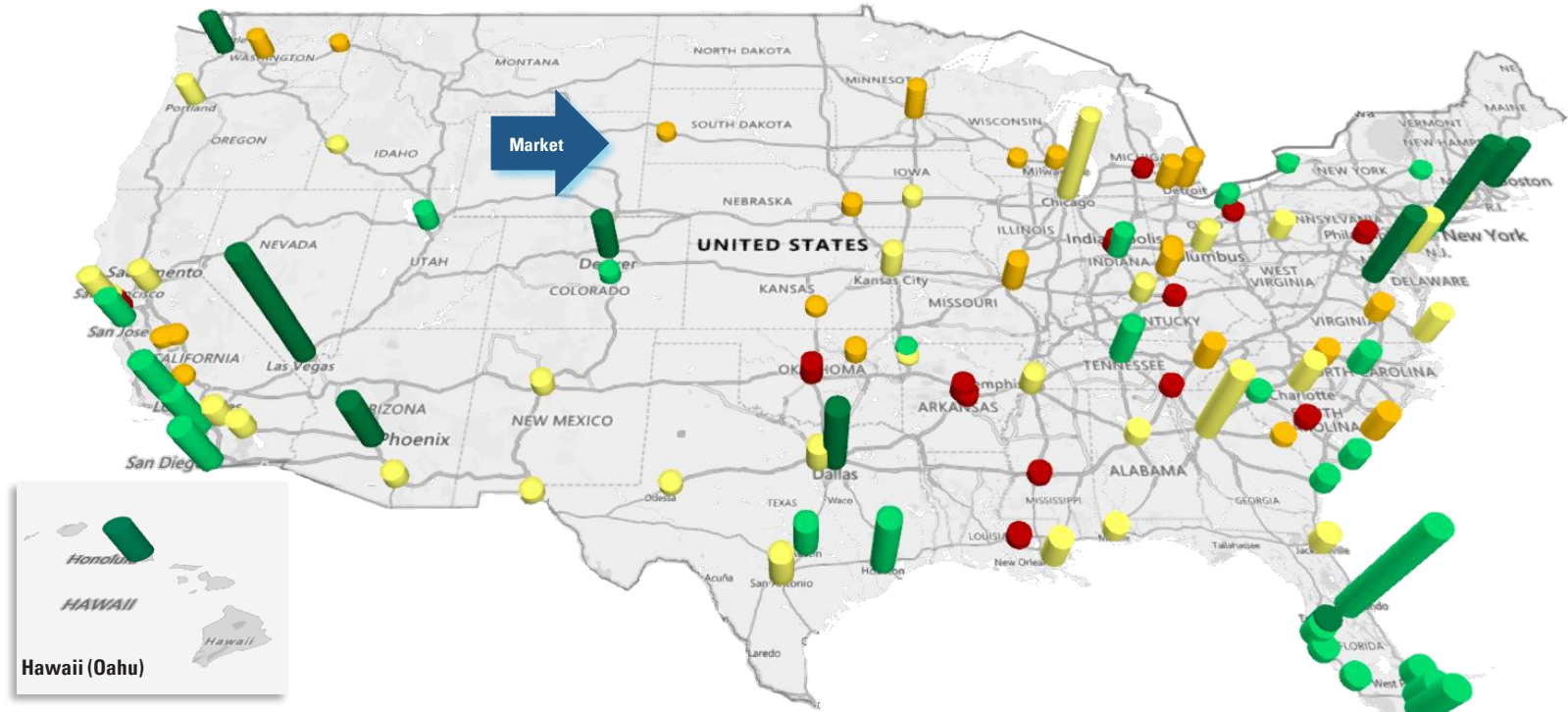
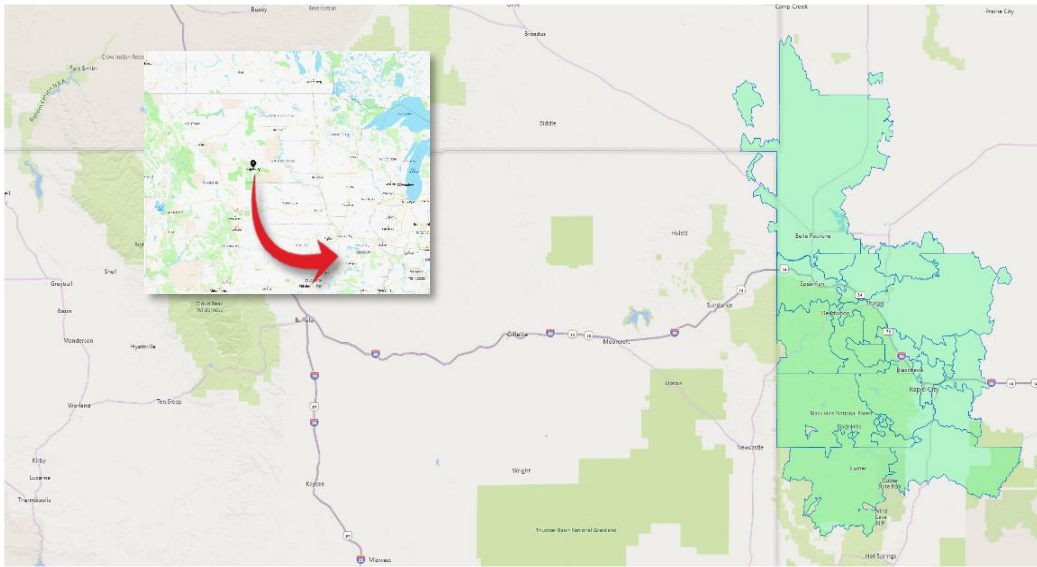




Lodging Performance Index Snapshot



Location



Quick Facts

Jurisdictional Information

Municipal Name:

County:

State:

Geo Coordinates (market center):

Rapid City

Pennington County

South Dakota

44.08054, -103.23101

Source: US Census Bureau,  
Dept. of Labor Statistics

Major Hotel Demand Generators

Rapid City Regional Hospital | Ellsworth Air Force Base | Walmart Inc. | South Dakota National Guard | Ditech Financial LLC | Black Hills Corp. | Riddle's Group | S.D. School of Mines & Technology | Synchrony | New Finance Corp. | Liv Hospitality | Rapid City Medical Center | ASI Inc. | Black Hills Surgery Center LLP | Midwest Manufacturing | National American University | Menards | GE Money | Gustafson Builders | J. Scull Construction

Metrics and Ranking

Measurement

Rankings

Population (hotel market area)

Income per Capita

Feeder Group Size

Feeder Group Earnings

Total Market Hotel Revenues

155,312

\$48,895

27.1 Persons PSR

\$1,322,749 PSR

\$250.7 million

102nd of 104 (Small)

55th of 104 (Average)

5th of 104 (Strong)

8th of 104 (Strong)

93rd of 104 (Soft)

Key Performance Metrics

Data provided by:

YEAR ENDING	Occ %	Guest Paid ADR	RevPAR	COPE ADR	RevPAR	Booking Cost POR	ADR COPE %	Loyalty %	Avg Length of Stay Nights	Supply Rooms	Performance Index (LPI)
2015	60.4%	\$112.08	\$67.73	\$104.63	\$63.23	\$7.45	93.4%	37.9%	1.70	10,010	0.64
2016	61.1%	\$110.08	\$67.23	\$101.87	\$62.22	\$8.21	92.5%	39.8%	1.71	10,100	0.74
2017	60.8%	\$108.26	\$65.81	\$99.72	\$60.62	\$8.55	92.1%	42.7%	1.73	10,190	0.54
2018	57.9%	\$107.41	\$62.19	\$98.69	\$57.15	\$8.71	91.9%	46.6%	1.72	10,210	0.34
2019	59.7%	\$104.86	\$62.55	\$96.44	\$57.53	\$8.42	92.0%	52.1%	1.71	9,560	0.58
2020	48.0%	\$86.54	\$45.35	\$79.69	\$38.29	\$6.85	92.1%	33.9%	1.75	9,830	1.21
2021	61.6%	\$116.97	\$77.64	\$107.90	\$66.47	\$9.06	92.3%	34.9%	1.77	10,170	1.26
2022	61.3%	\$117.48	\$77.63	\$108.32	\$66.42	\$9.16	92.2%	34.7%	1.78	10,190	0.75
2023	59.4%	\$117.05	\$74.94	\$107.95	\$64.09	\$9.10	92.2%	33.9%	1.77	10,200	0.69
CAGR: 2015 thru 2023	-0.2%	0.5%	1.3%	0.4%	0.2%	2.5%	-0.2%	-1.4%	0.5%	0.2%	0.9%
3Q 2023	75.6%	\$169.15	\$127.89	\$156.16	\$118.07	\$12.98	92.3%	38.2%	1.76	10,220	0.74
3Q 2024	74.9%	\$167.41	\$125.41	\$154.50	\$115.74	\$12.90	92.3%	41.6%	1.74	10,040	0.65

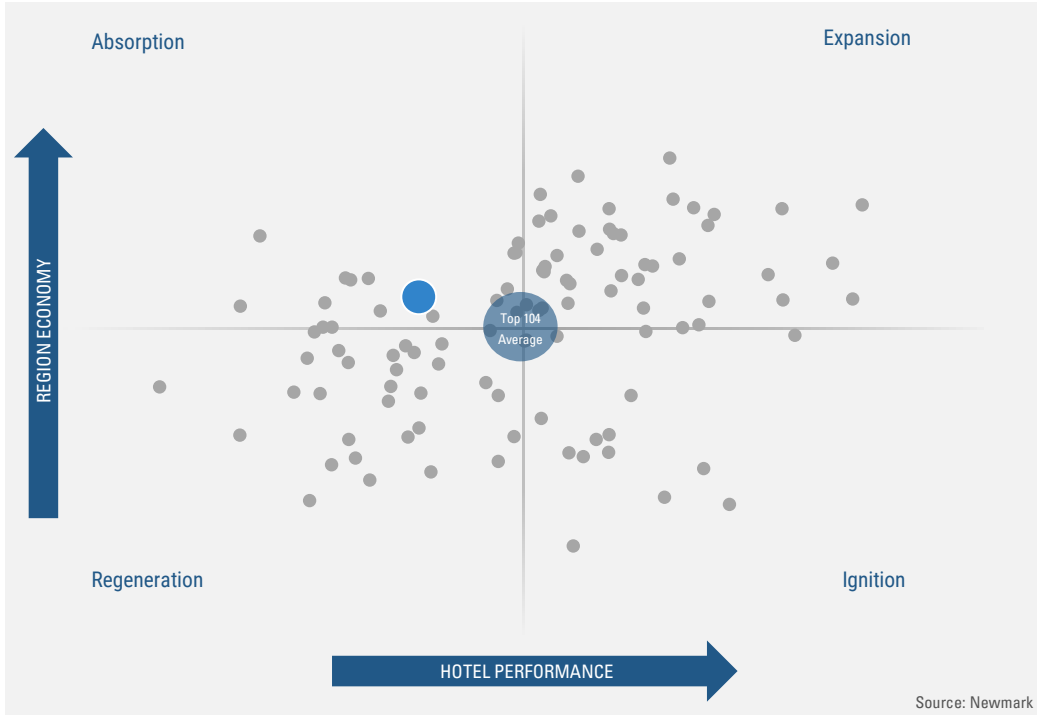
Notable Metrics

HIGHEST	Feeder Group Size	Feeder Group Earnings per sold room	Latest-Quarter Occupancy
	<b>5th Strong</b> Rapid City, SD required a small feeder group size (27.05 Persons)	<b>8th Strong</b> The market posted strong feeder group earnings per sold room (\$1,322,749)	<b>16th Above Average</b> The market also enjoyed strong latest-quarter occupancy (74.9%)
LOWEST	IRR: Select-Service	OAR: Luxury/Upscale	OAR: Select-Service
	<b>103rd Highly Unfavorable</b> This market posted unfavorable IRR metrics in the select-service segment (12.4%)	<b>103rd Highly Unfavorable</b> The market exhibited unfavorable OAR metrics in the luxury/upscale segment (9.2%)	<b>102nd Highly Unfavorable</b> Rapid City, SD also exhibited unfavorable OAR metrics in the select-service segment (9.8%)

Notable Trends

STRONGEST	Short-Term Historical Occupancy Growth	Long-Term Historical Loyalty Contribution Growth	T12-Month Rooms Supply Growth
	<b>1st Very Strong</b> Rapid City, SD has benefited from strong short-term historical occupancy growth (12.8%)	<b>3rd Very Strong</b> The market exhibited strong long-term historical loyalty contribution growth (6.3%)	<b>11th Above Average</b> The market also exhibited low rooms supply growth over the last 12 months (~1.8%)
WEAKEST	Long-Term Historical COPE RevPAR Growth	Long-Term Historical COPE ADR Growth	Long-Term Historical Guest Paid RevPAR Growth
	<b>95th Soft</b> The market posted weak long-term historical COPE RevPAR growth (~0.1%)	<b>95th Soft</b> We note this area posted weak long-term historical COPE ADR growth (1.1%)	<b>95th Soft</b> Rapid City, SD also has been hampered by weak long-term historical Guest Paid RevPAR growth (0.1%)

Market Performance Stage



Rapid City, SD: Absorption Stage

The Rapid City, SD 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 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 Minneapolis, MN; ; and .

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; Miami, FL; and New Orleans, LA.
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

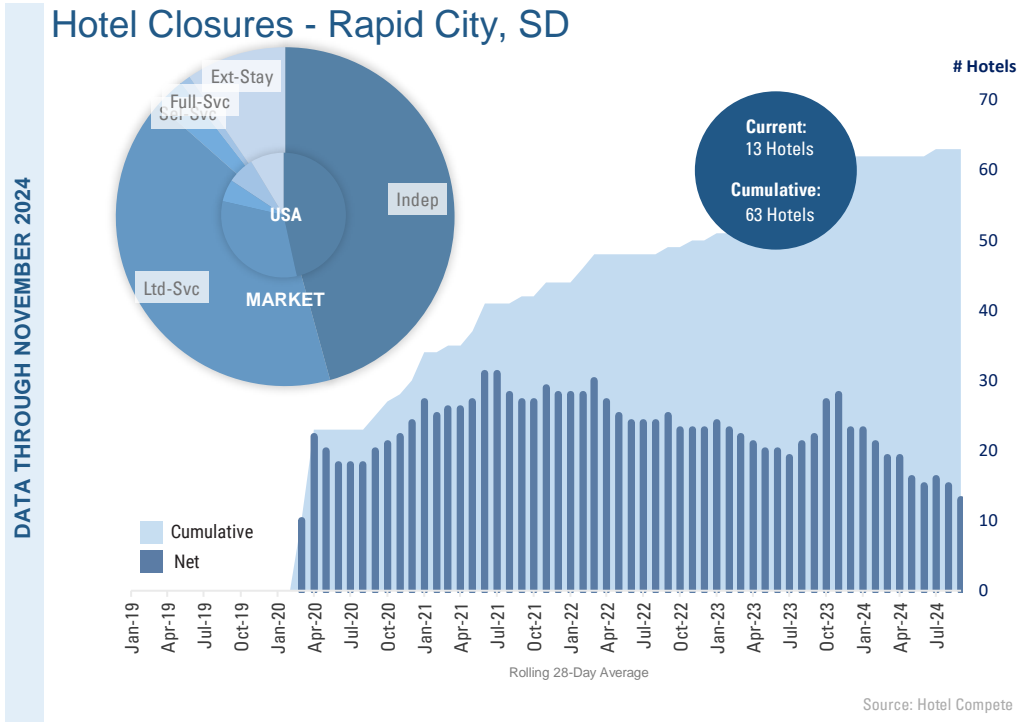
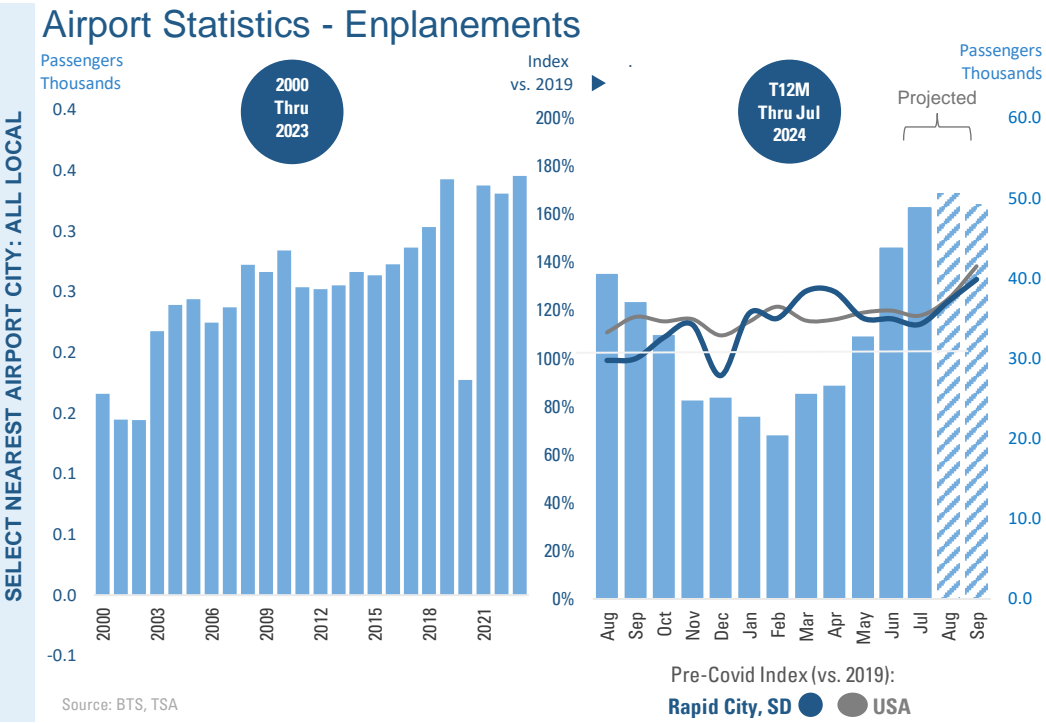
Business Cycle:	<b>At Risk</b>
Employment Growth (2 yr):	<b>1.3%</b>
Risk Exposure (402 US markets):	<b>31st Percentile: Below Average</b>
Key Industry Notes:	Low cost of doing business Stable military employers Eminent tourist attractions Remote location Lack of growth drivers

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

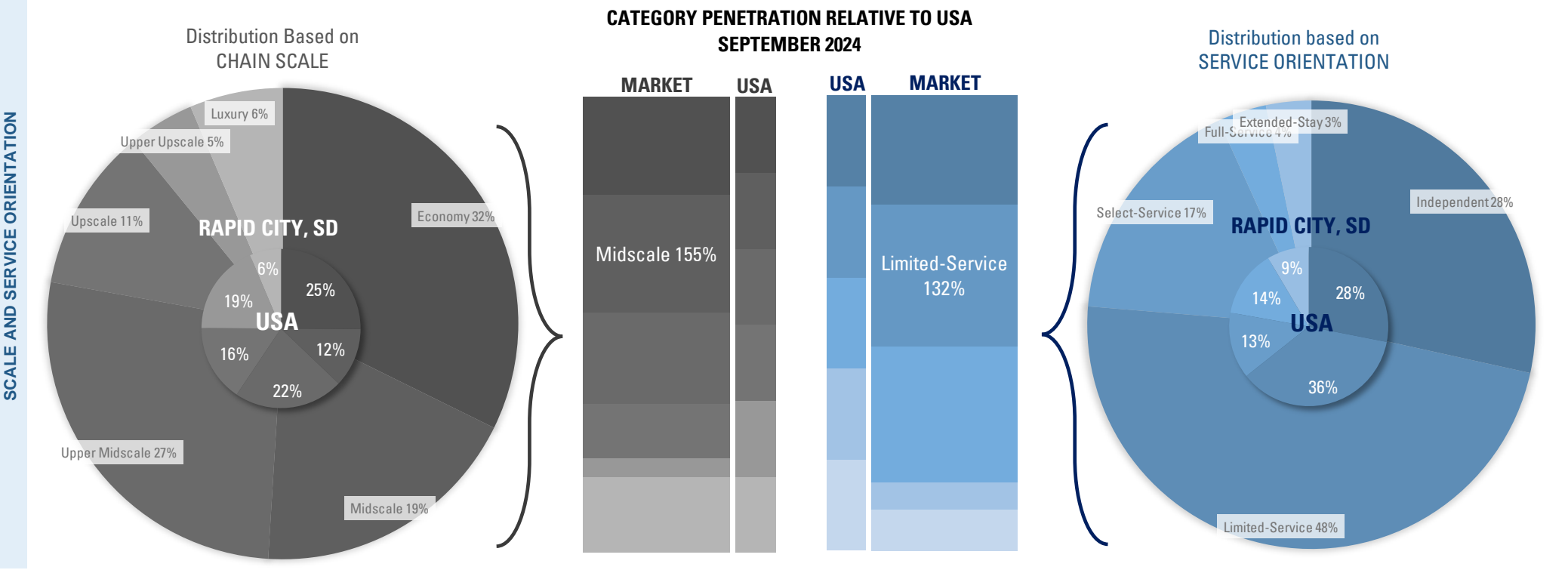


Source: Newmark

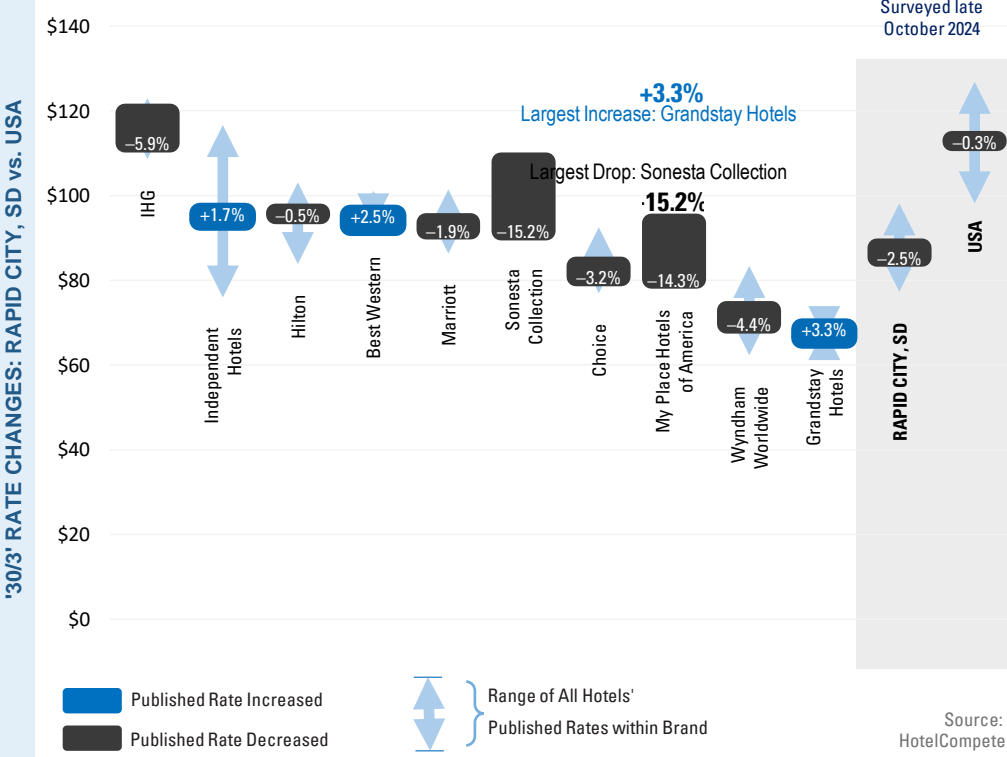




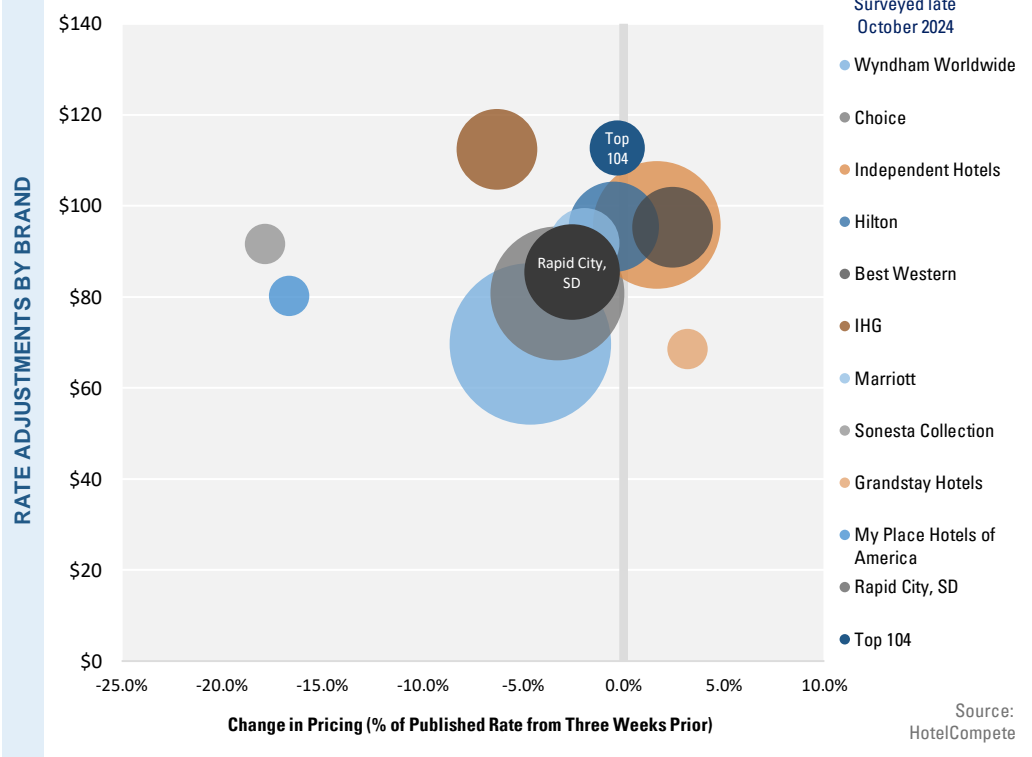
## Scale and Service Distribution: Rapid City, SD



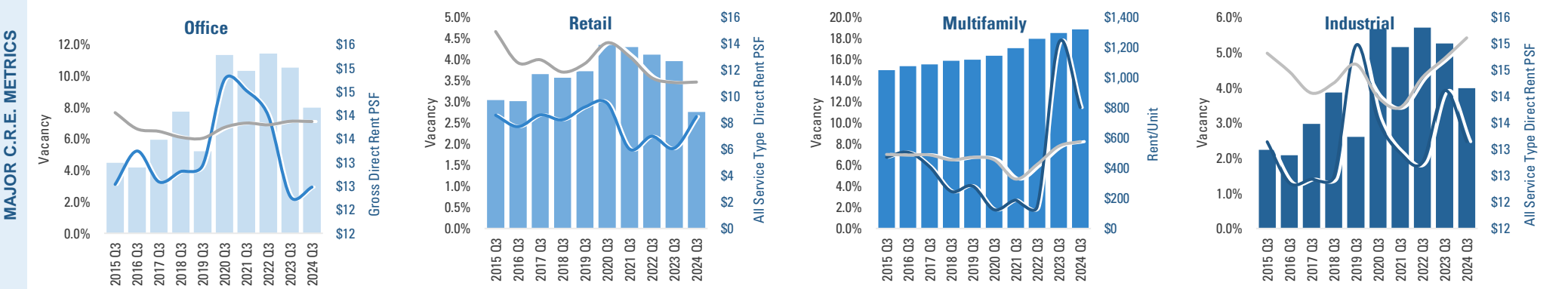
## Published Rates: Top 10 Brands



## 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

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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:*

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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.

**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**  
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**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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