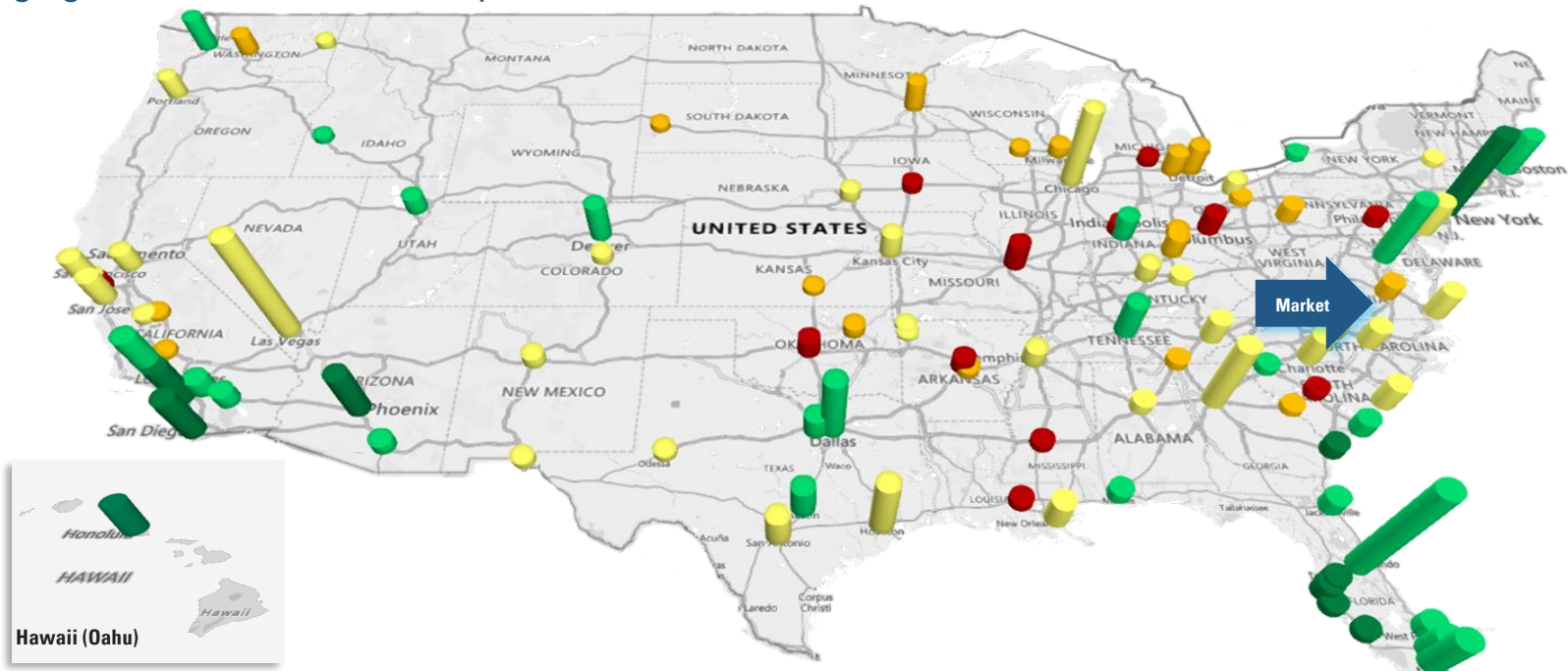


4Q 2023  
RICHMOND, VA

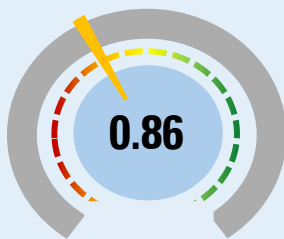


Lodging Performance Index Snapshot



LODGING PERFORMANCE INDEX

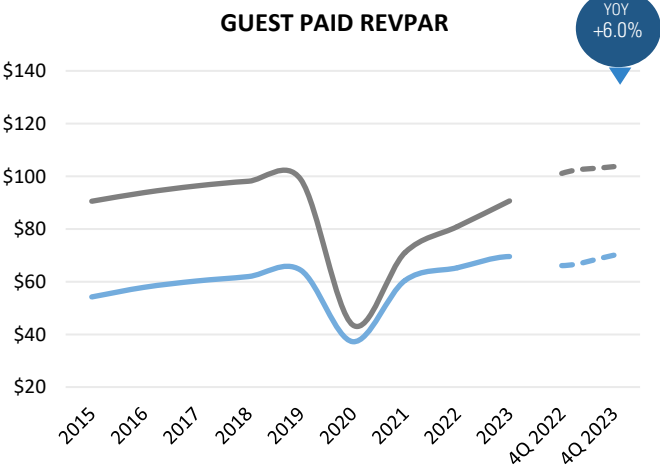
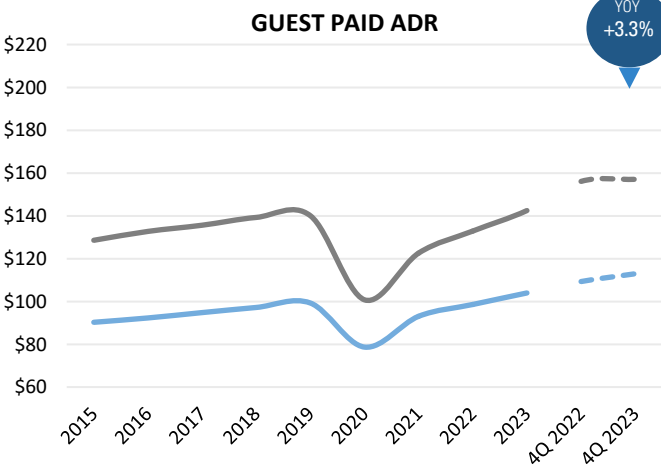
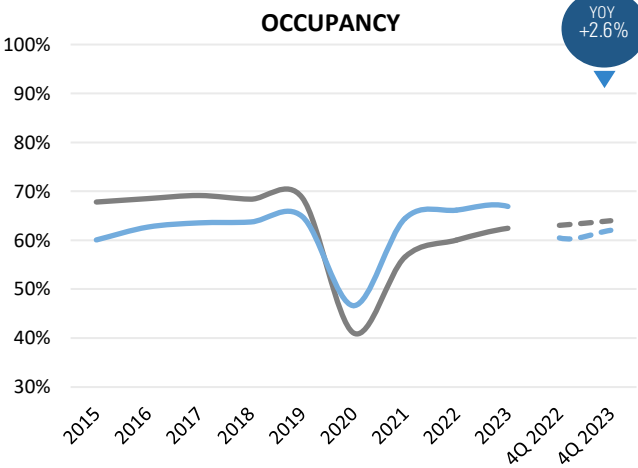
Richmond, VA



73rd of 104  
Below Average

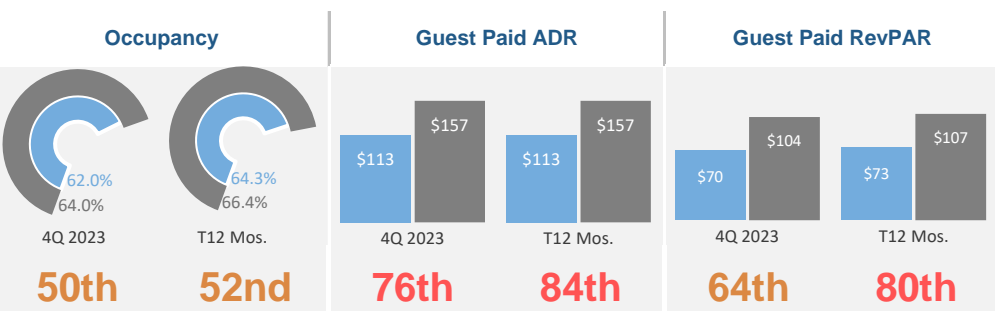
Ranking of overall '4Q 2023 LPI' performance (0.86) against all 104 surveyed markets.

KEY PERFORMANCE METRICS

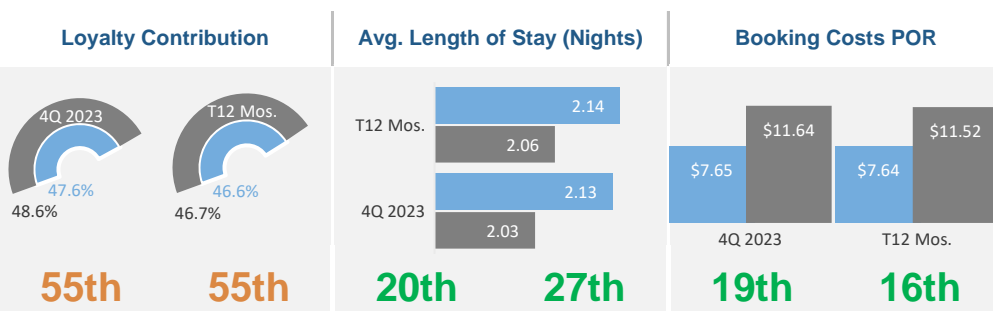


PERFORMANCE INDEXES

Key Performance Indexes

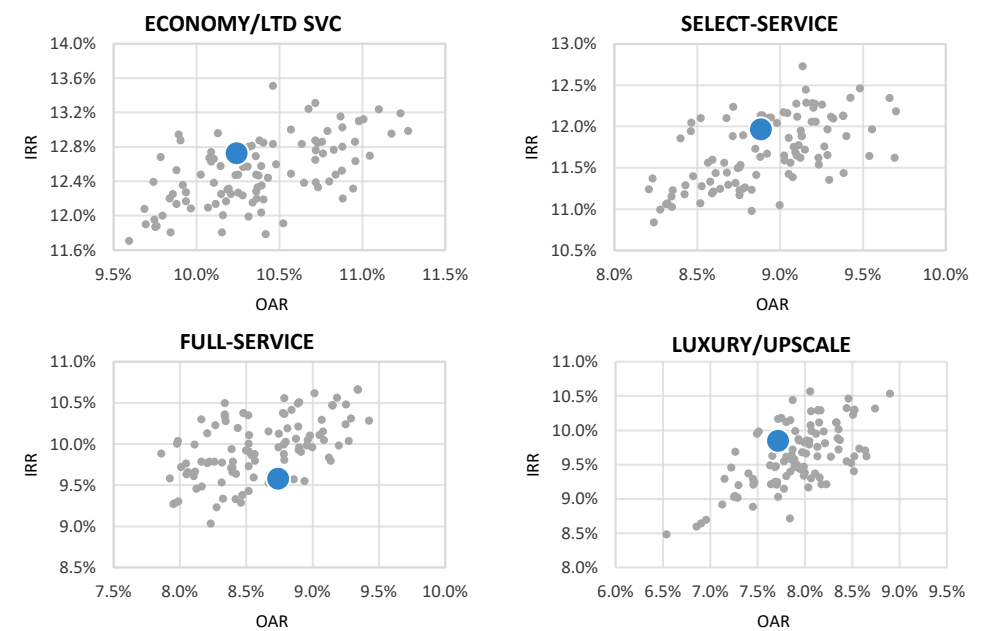


Key Benchmark Indexes



Discount and Capitalization Rates

Source: Newmark



Trends and Risks

Source: Kalibri Labs, Newmark

FUNDAMENTALS



RISKS



Location



Quick Facts

</

Key Performance Metrics

						Data provided by: kalibri LABS					
YEAR ENDING	Occ %	Guest Paid		COPE		Booking Cost POR	ADR COPE %	Loyalty %	Avg. Length of Stay (Nights)	Supply (Available Rms)	Performance Index (LPI)
2015	60.1%	ADR	RevPAR	ADR	RevPAR	\$6.18	93.1%	45.0%	1.99	22,870	0.56
2016	62.7%	\$90.25	\$54.21	\$84.07	\$50.50	\$6.53	92.9%	47.6%	2.01	22,970	0.92
2017	63.6%	\$92.28	\$57.85	\$85.76	\$53.76	\$7.05	92.6%	49.8%	1.99	22,830	0.80
2018	63.7%	\$94.78	\$60.24	\$87.74	\$55.76	\$7.28	92.5%	52.6%	1.99	22,190	0.95
2019	64.9%	\$97.17	\$61.93	\$89.90	\$57.30	\$7.69	92.3%	56.5%	1.94	20,990	0.81
2020	64.9%	\$99.26	\$64.39	\$91.57	\$59.40	\$5.04	92.3%	56.5%	1.94	20,990	0.81
2021	46.6%	\$78.67	\$37.22	\$73.62	\$34.34	\$5.92	93.6%	39.0%	2.36	20,980	1.06
2022	64.4%	\$93.05	\$60.47	\$87.13	\$56.15	\$5.92	93.6%	40.0%	2.41	21,210	1.24
2022	66.2%	\$98.57	\$65.27	\$92.29	\$61.05	\$6.28	93.6%	40.8%	2.39	21,330	1.02
2023	66.9%	\$103.96	\$69.54	\$97.34	\$65.13	\$6.61	93.6%	41.5%	2.37	21,430	0.86
CAGR: 2015 thru 2022	1.4%	1.8%	3.2%	1.8%	3.2%	0.8%	0.1%	-1.0%	2.3%	-0.8%	5.4%
4Q 2022	60.5%	\$109.29	\$66.09	\$102.03	\$61.70	\$7.26	93.4%	45.8%	2.12	21,910	1.02
4Q 2023	62.0%	\$112.93	\$70.06	\$105.28	\$65.32	\$7.65	93.2%	47.6%	2.13	22,040	0.86

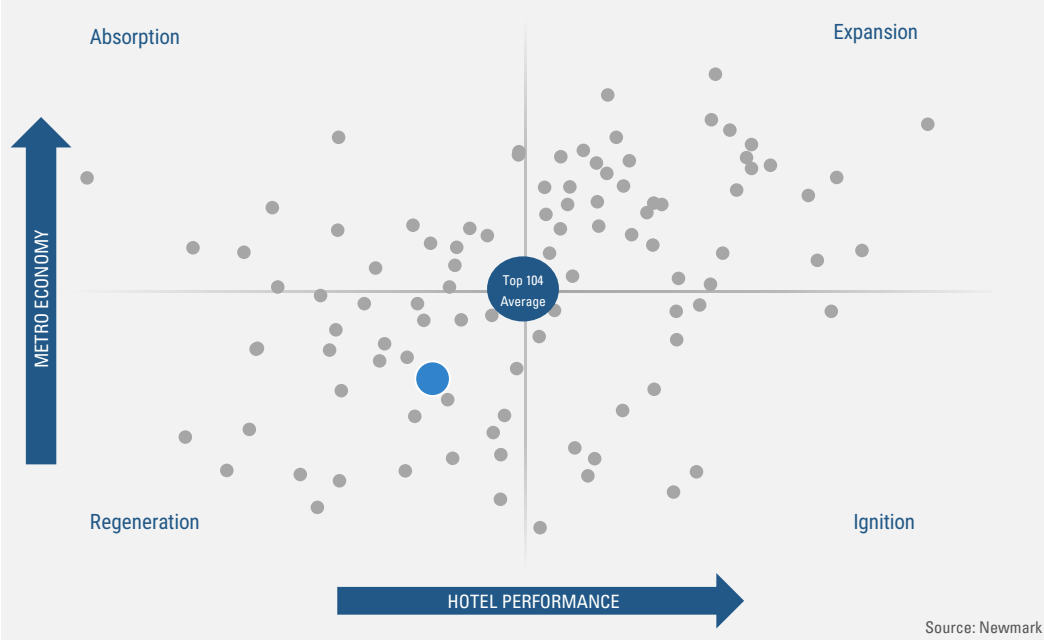
Notable Metrics

HIGHEST	T12-Month Booking Costs POR	IRR: Full-Service	Latest-Quarter Average Length of Stay
	16th Above Average Richmond, VA enjoyed low T12-month booking costs POR (\$7.64)	16th Favorable The market enjoyed favorable IRR metrics in the full-service segment (9.6%)	20th Above Average The market also boasted strong latest-quarter average length of stay (2.13 Nights)
LOWEST	T12-Month COPE ADR	T12-Month Guest Paid ADR	T12-Month Guest Paid RevPAR
	84th Below Average This market has been hindered by weak T12-month COPE ADR (\$105.67)	84th Below Average The market exhibited weak T12-month Guest Paid ADR (\$113.31)	80th Below Average Richmond, VA also has been hindered by weak T12-month Guest Paid RevPAR (\$72.91)

Notable Trends

FASTEST	Long-Term Historical Occupancy Growth	Long-Term Historical LPI Growth	Short-Term Historical LPI Growth
	7th Strong Richmond, VA enjoyed strong long-term historical occupancy growth (1.2%)	12th Above Average The market enjoyed strong long-term historical LPI growth (5.4%)	12th Above Average The market also has benefited from strong short-term historical LPI growth (7.3%)
SLOWEST	Long-Term Historical Loyalty Contribution Growth	T12-Month Rooms Supply Growth	General Economy Reverence
	93rd Soft The market has been hindered by weak long-term historical loyalty contribution growth (2.8%)	80th Below Average We note this area has been hindered by high rooms supply growth over the last 12 months (0.6%)	80th Below Average Richmond, VA also posted weak general economic reverence (per-capita unemployment, GDP and other indicators)

Market Performance Stage



Richmond, VA: Regeneration Stage

The Richmond, VA 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:

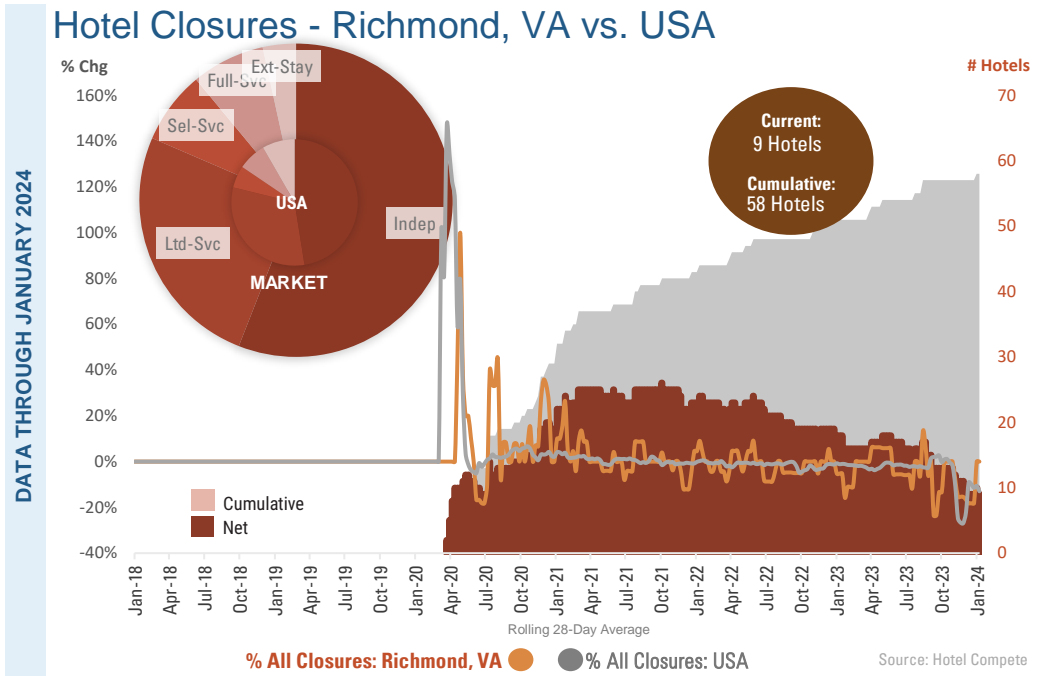
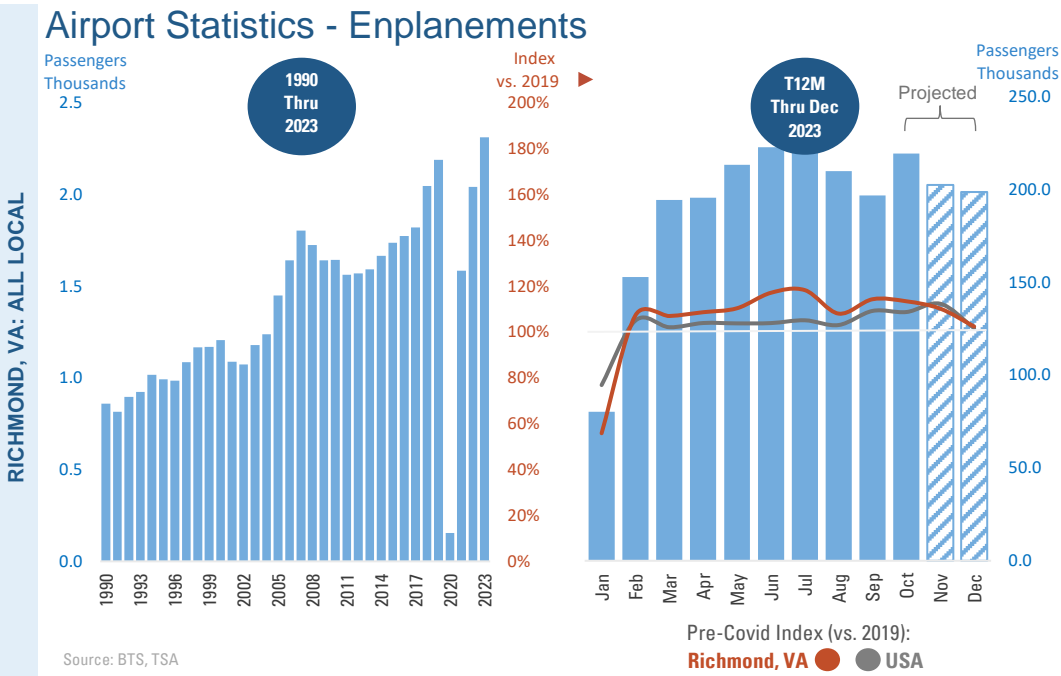
Ignition	In the 'Ignition' stage, hotels typically perform adequately for operators to enjoy positive returns, with confidence the economy will enter a sustained post-pandemic status. While the regional economy continues to recover, strong hotel performance locally is igniting expansion in certain key sectors. Example markets in this stage include Chicago, IL; Miami, FL; and Myrtle Beach, SC.Chicago, IL; Miami, FL; and New York, NY.
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; Houston, TX; and Minneapolis, MN.
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

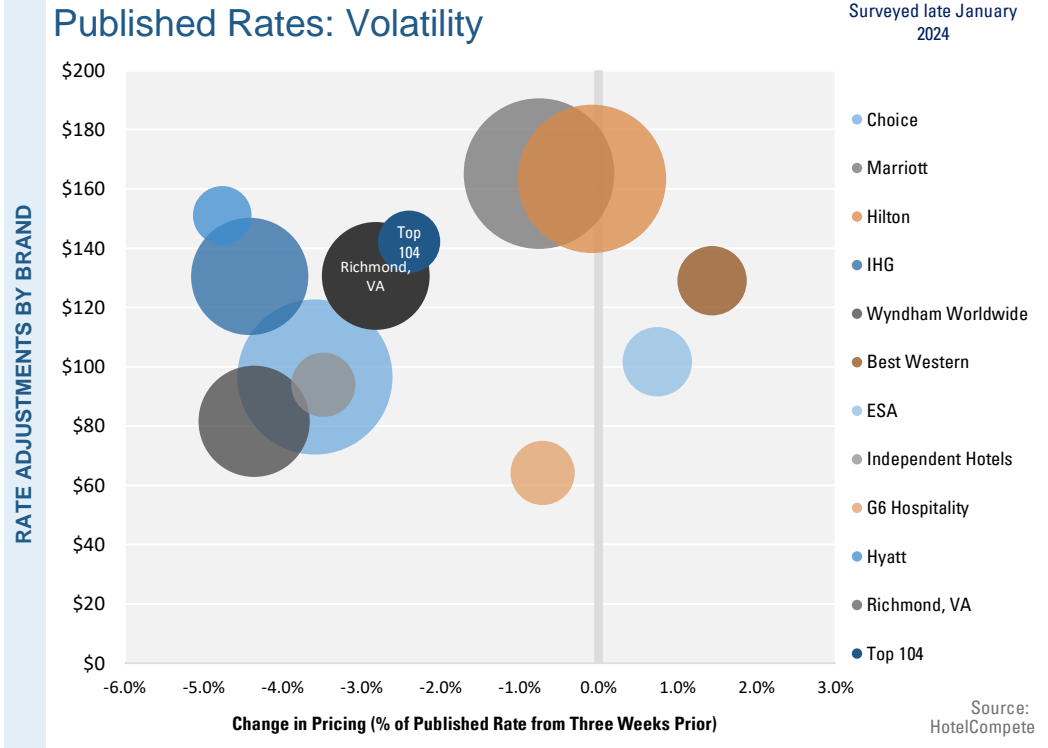
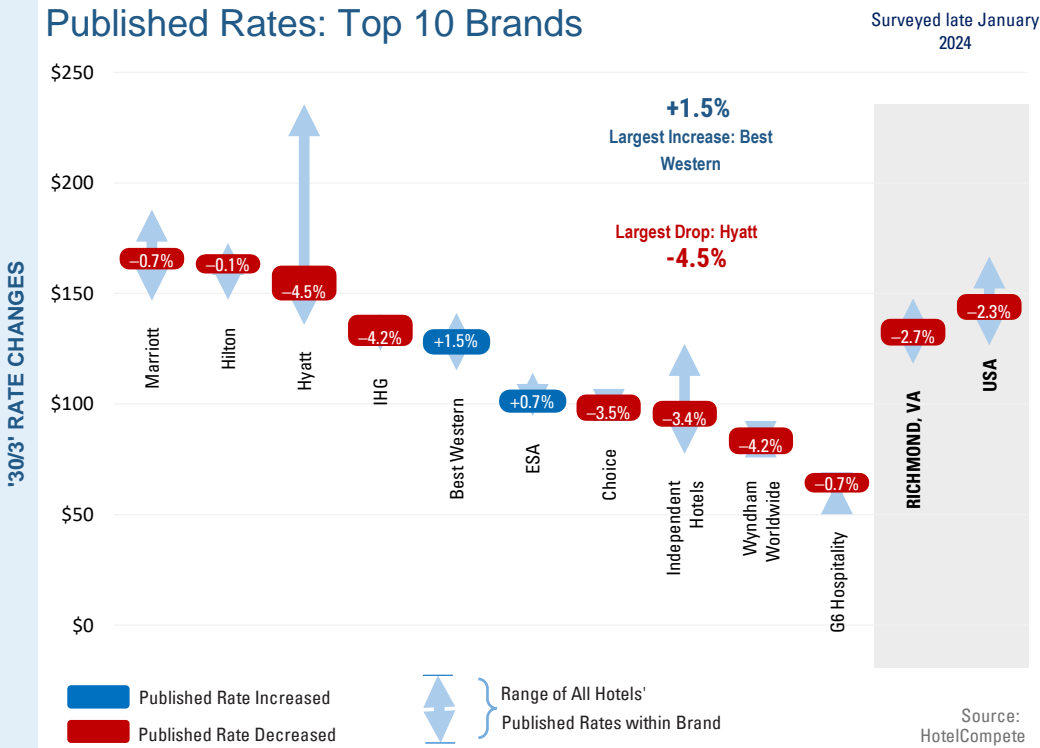
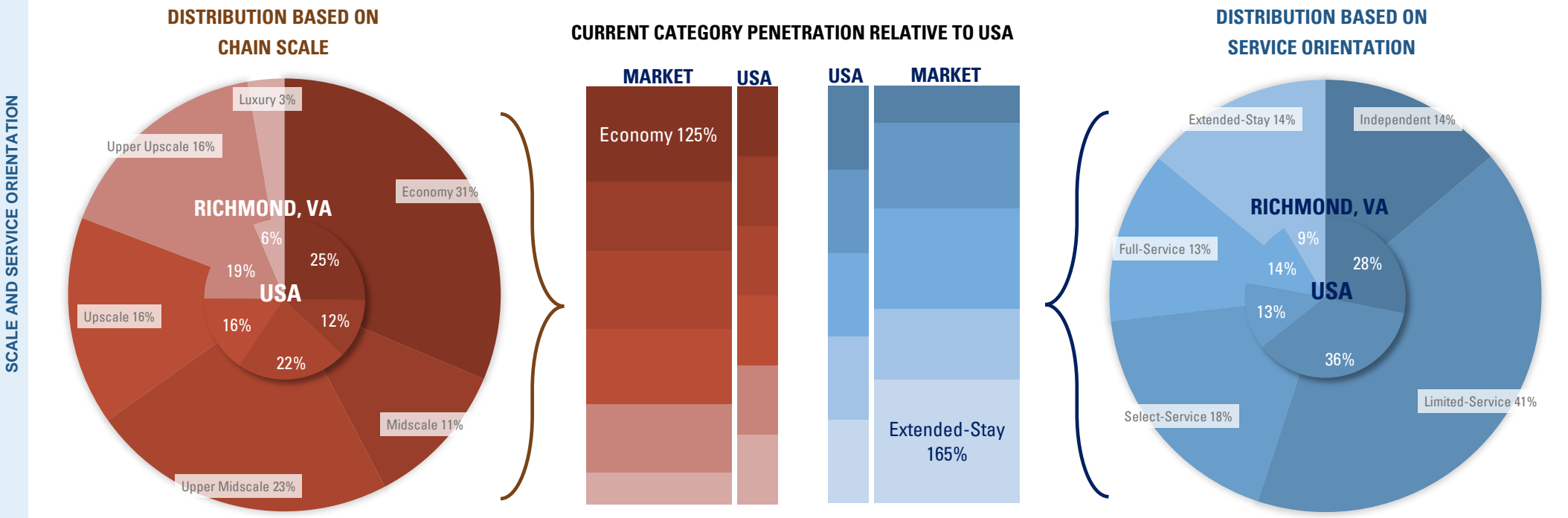
MOODY'S ANALYTICS	Business Cycle:	At Risk	Moody's Rating
	Employment Growth (2 yr):	6.6%	Aaa Investment Grade
	Risk Exposure (402 US markets):	78th Percentile: Above Average	Long-term investment grade, Prime-1 short-term outlook
	Key Industry Notes:	Financial, state capital High per capita income Business costs lower than DC Positive net migration Basic deficits in state govt	







## Scale and Service Distribution: Richmond, VA

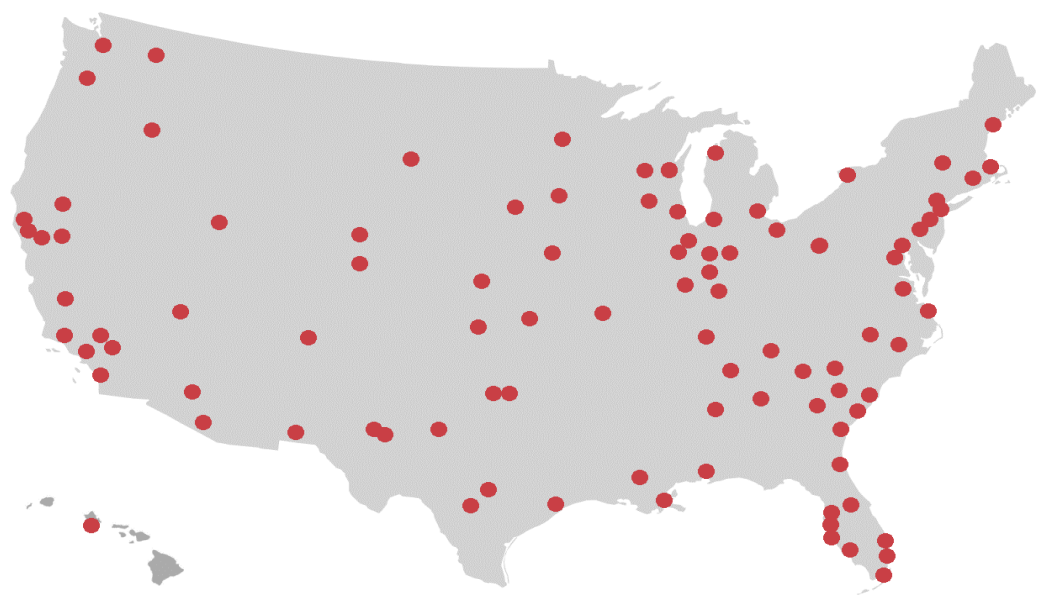


## Published Rate Observations: 30-Day Advance

	Published Rate Level	Rate Movement	Optimism
MARKET LEVEL	48th Average	58th Average	23rd Above Average
	The 30-day advanced published rate for the market was a moderate \$130.63, ranking 48th out of 104 markets. (Guest-Paid ADR ranked a somewhat conservative 76th at \$112.93 in 4Q 2023.)	Published rates have recently been moving downward, decreasing by a noticeable 2.7% over three weeks going into late January 2024. By comparison, the T-104 average posted downward movement of 2.34%.	Published rates reported in late January 2024 were 15.7% higher than the market's Guest-Paid ADR in 4Q 2023. This optimism is above average. By comparison, the T-104 spread was -9.5%.

	Published Rate Integrity	Coverage	Volatility
BRAND LEVEL	80th Below Average	74th Below Average	11th Low
	Published rates among the top 10 brands have a moderate amount of integrity with some pricing overlap, suggesting bottom-feeding occasionally exists.	Richmond, VA has a below average spectrum of rate classes and traveler types among its top 10 brands, and the range of coverage has been contracting.	Richmond, VA's top 10 brands are exhibiting low volatility with respect to advanced booking pricing movements in the three weeks leading into late January 2024.

# 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 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

Ski and Village Resorts

Water Parks, Amusement Parks and Attractions

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### Feasibility

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### Financial Reporting

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### Portfolio Analytics

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### Property Tax

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