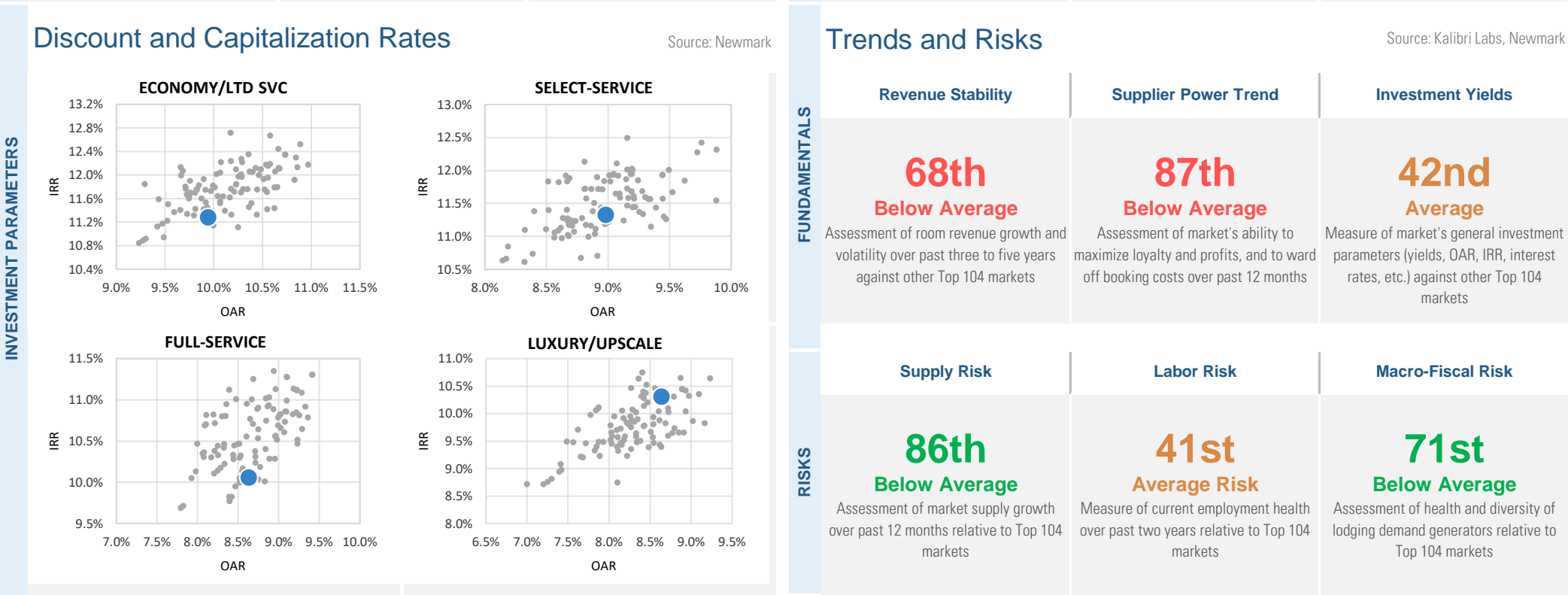
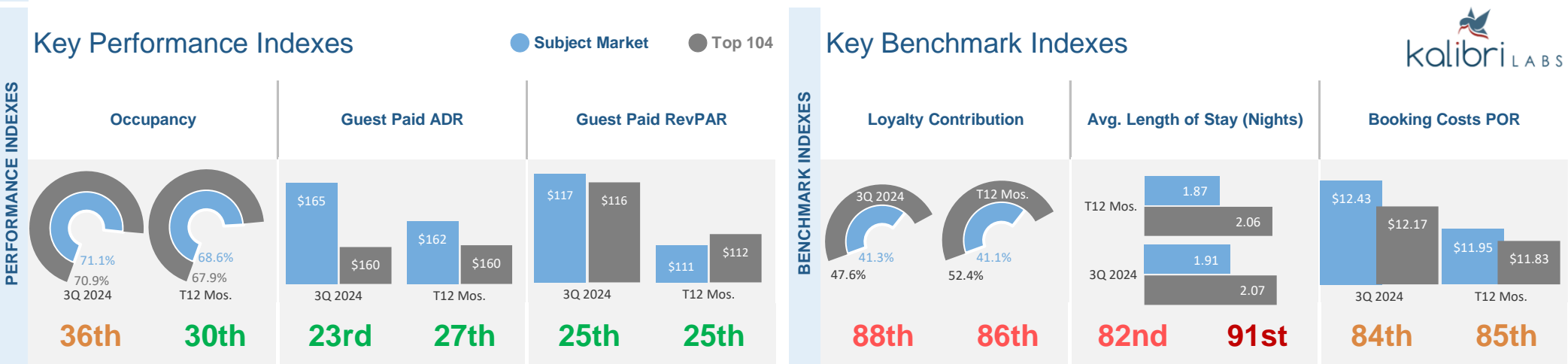
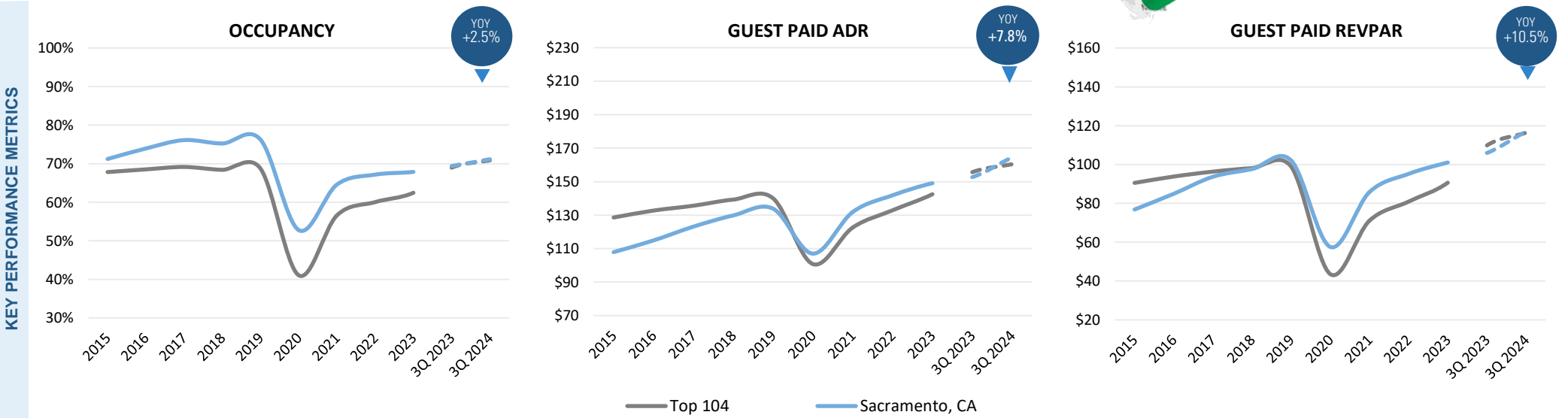
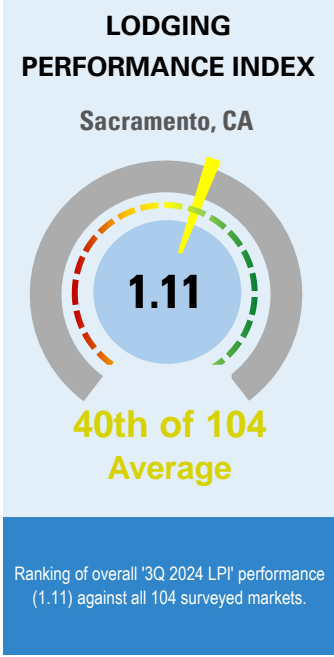
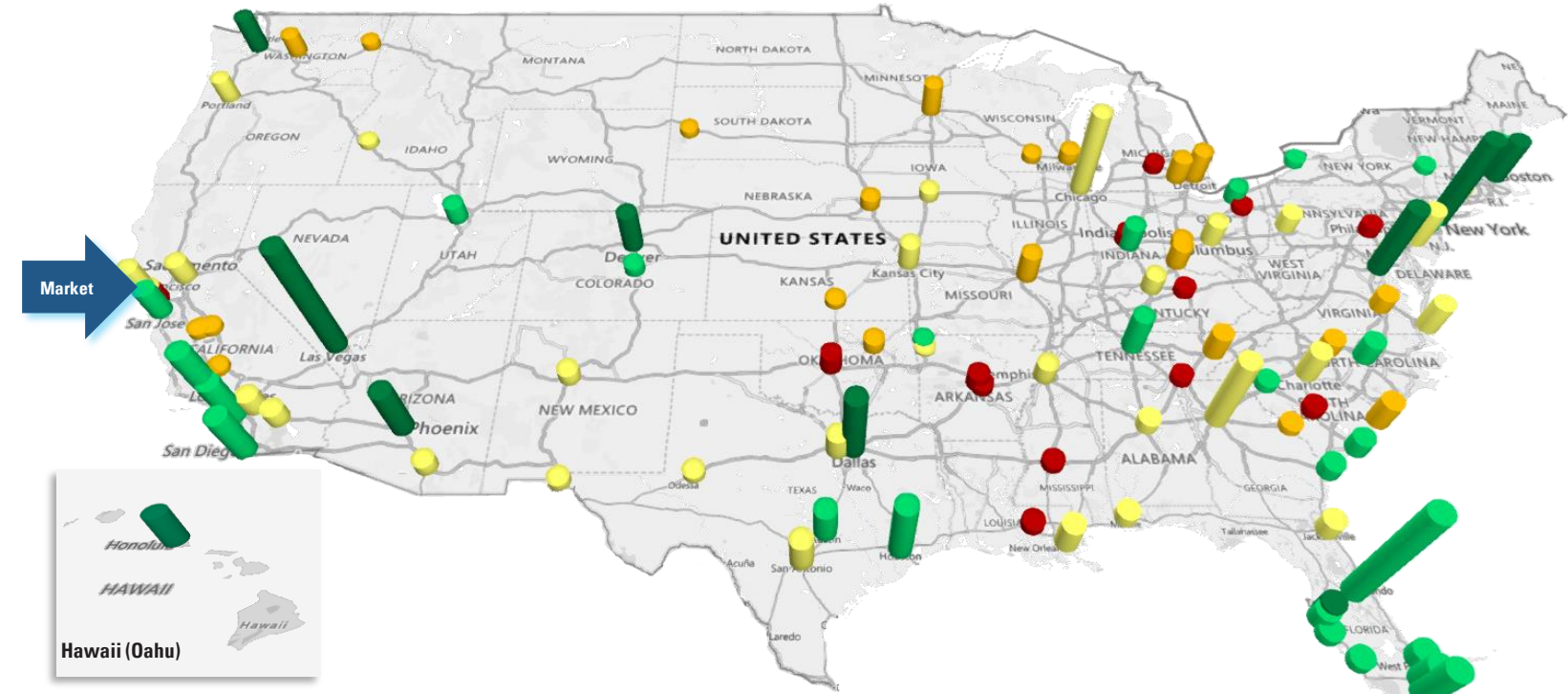
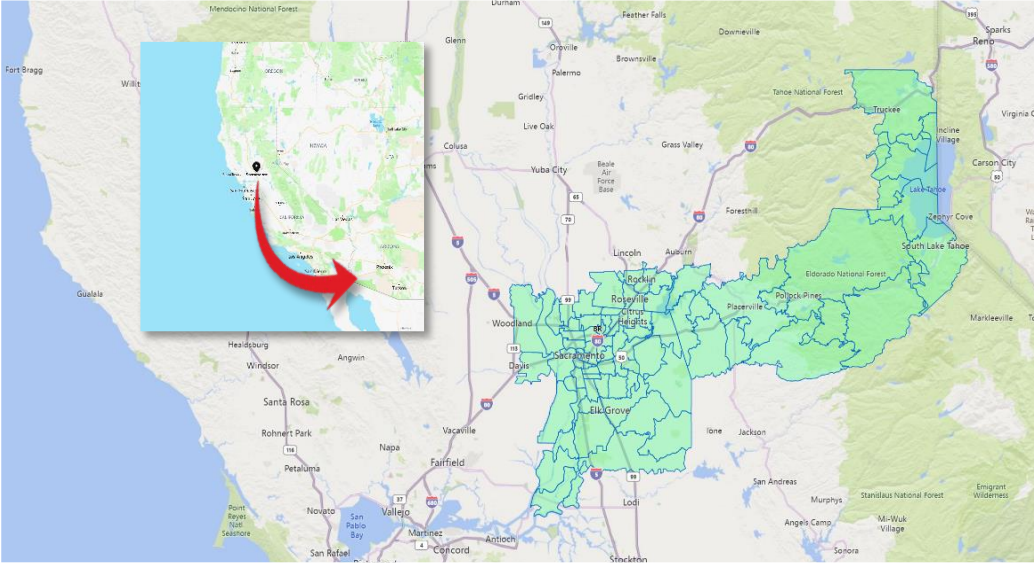




Lodging Performance Index Snapshot



Location



Quick Facts

Jurisdictional Information

Municipal Name: Sacramento

County: Sacramento County

State: California

Geo Coordinates (market center): 38.58157, -121.4944

Source: US Census Bureau, Dept. of Labor Statistics

Major Hotel Demand Generators

University of California, Davis and UC Davis Health | Kaiser Permanente | Sutter Health | Dignity Health | Intel Corp. | Raley's Inc. | California State University Sacramento | Thunder Valley Casino Resort | Apple Inc. | Squaw Valley Resort | VSP Global | Health Net Inc. | Wells Fargo | Cache Creek Casino Resort | Sacramento Municipal Utility District | Hewlett-Packard Co. | Northstar-At-Tahoe Resort | Sierra Joint Community College | Bank of America | California Health Services

Metrics and Ranking

Population (hotel market area)	1,826,746
Income per Capita	\$54,615
Feeder Group Size	96.0 Persons PSR
Feeder Group Earnings	\$5,243,202 PSR
Total Market Hotel Revenues	\$1.1 billion

Measurements

1,826,746

\$54,615

96.0 Persons PSR

\$5,243,202 PSR

\$1.1 billion

Rankings

28th of 104 (Above Average)

29th of 104 (Above Average)

78th of 104 (Below Average)

85th of 104 (Below Average)

33rd of 104 (Above Average)

Key Performance Metrics

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	71.2%	\$107.88	\$76.81	\$99.75	\$71.02	\$8.13	92.5%	45.5%	1.95	26,470	1.17
2016	73.9%	\$114.85	\$84.90	\$105.92	\$78.30	\$8.93	92.2%	46.0%	1.88	26,490	1.22
2017	76.1%	\$123.08	\$93.67	\$113.25	\$86.19	\$9.83	92.0%	48.1%	1.86	26,700	1.35
2018	75.2%	\$129.78	\$97.63	\$119.66	\$90.02	\$10.12	92.2%	49.9%	1.85	26,620	1.27
2019	76.2%	\$133.86	\$102.04	\$123.36	\$94.04	\$10.50	92.2%	53.9%	1.85	27,260	1.27
2020	52.8%	\$106.99	\$57.54	\$99.60	\$52.55	\$7.38	93.1%	30.7%	2.18	27,100	1.16
2021	64.6%	\$131.84	\$85.80	\$122.46	\$79.08	\$9.38	92.9%	33.6%	2.03	27,040	1.20
2022	67.2%	\$141.80	\$95.17	\$131.88	\$88.56	\$9.92	93.0%	34.9%	2.04	27,240	1.12
2023	67.9%	\$149.02	\$101.03	\$138.78	\$94.19	\$10.24	93.1%	35.9%	2.03	27,430	1.04
CAGR: 2015 thru 2023	-0.6%	4.1%	3.5%	4.2%	3.6%	2.9%	0.1%	-2.9%	0.6%	0.4%	-1.4%
3Q 2023	69.4%	\$152.67	\$105.94	\$141.59	\$98.25	\$11.07	92.7%	39.3%	1.92	27,830	1.03
3Q 2024	71.1%	\$164.56	\$117.07	\$152.13	\$108.23	\$12.43	92.4%	41.3%	1.91	27,490	1.11

Data provided by: kalibri LABS

Notable Metrics

HIGHEST

IRR: Economy/Ltd Svc

12th
Favorable

Sacramento, CA enjoyed favorable IRR metrics in the economy/ltl svc segment (11.3%)

Population Density per Room

21st
Above Average

The market boasted strong population density per room (65.54)

Marketwide Income per Room

17th
Above Average

The market also enjoyed a high ratio of marketwide income per room (\$2,571,858)

LOWEST

T12-Month Average Length of Stay

91st
Soft

This market exhibited weak T12-month average length of stay (1.87 Nights)

Latest-Quarter Loyalty Contribution

88th
Below Average

The market has been hindered by weak latest-quarter loyalty contribution (41.3%)

IRR: Luxury/Upscale

87th
Unfavorable

Sacramento, CA also posted unfavorable IRR metrics in the luxury/upscale segment (10.3%)

Notable Trends

STRONGEST

Long-Term Historical Guest Paid ADR Growth

9th
Strong

Sacramento, CA has benefited from strong long-term historical Guest Paid ADR growth (4.1%)

Long-Term Historical COPE ADR Growth

11th
Above Average

The market enjoyed from strong long-term historical COPE ADR growth (4.0%)

Long-Term Historical Supply Growth

17th
Above Average

The market also has benefited from low long-term historical supply growth (0.4%)

WEAKEST

Long-Term Historical Booking Costs POR Growth

101st
Soft

The market exhibited high long-term historical booking costs POR growth (5.3%)

Short-Term Historical Booking Costs POR Growth

91st
Soft

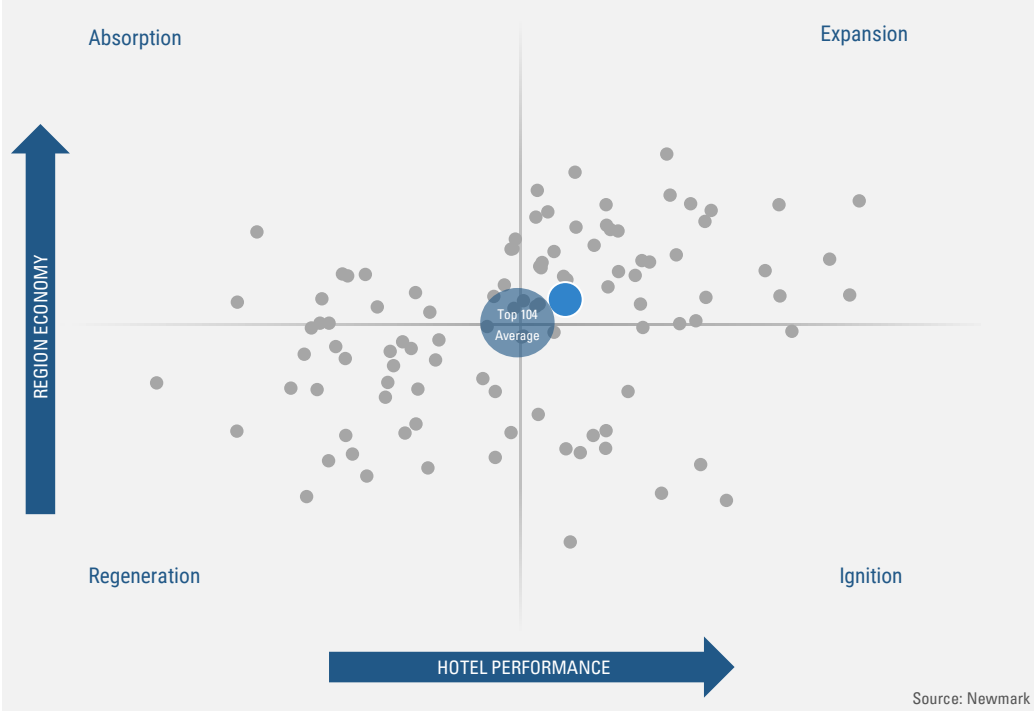
We note this area has been impeded by high short-term historical growth in booking costs (5.0%)

Short-Term Historical Occupancy Growth

85th
Below Average

Sacramento, CA also has been hindered by weak short-term historical occupancy growth (-1.1%)

Market Performance Stage



Sacramento, CA: Expansion Stage

Expansion

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

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.

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 Minneapolis, MN; ; and .

Industry Observations

MOODY'S ANALYTICS

Business Cycle: At Risk

Employment Growth (2 yr): 1.5%

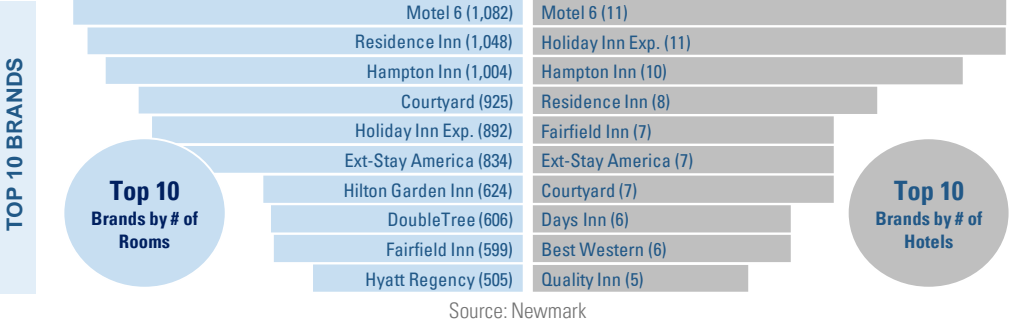
Risk Exposure (402 US markets): 92nd Percentile: High Risk

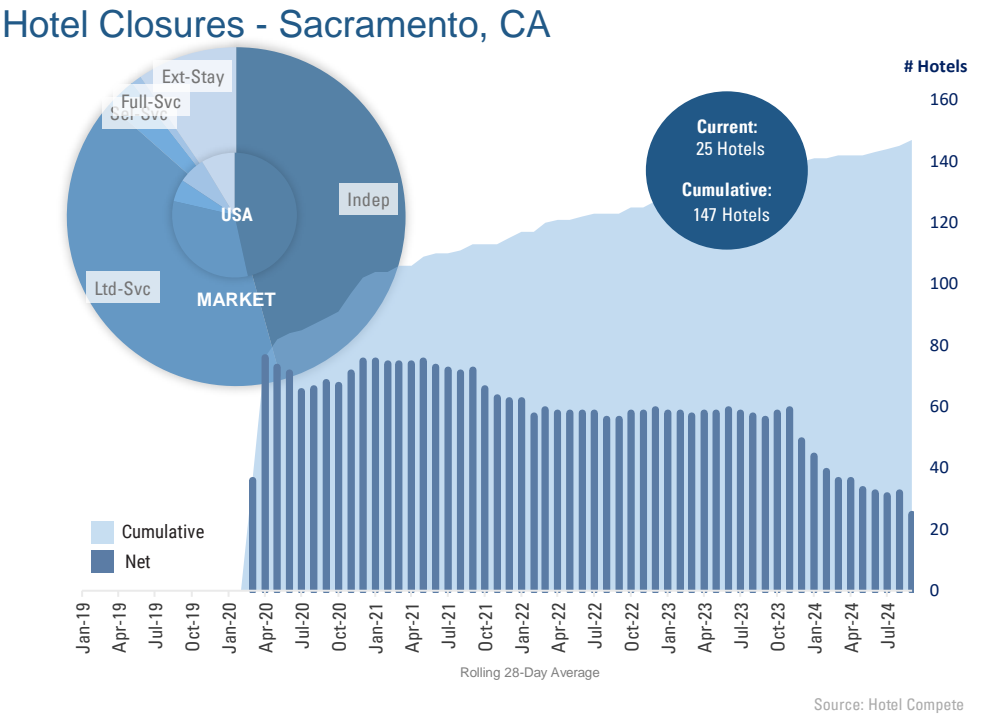
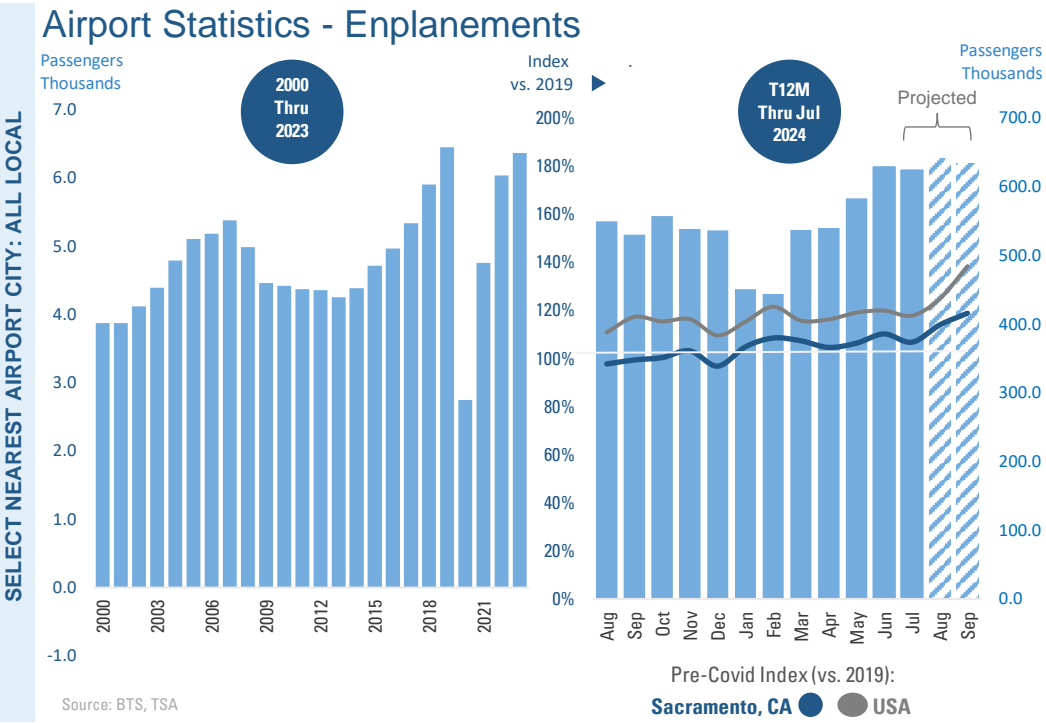
Key Industry Notes: Stable presence of UC Davis and CSU
Lower living and business costs
Healthcare hub
Low Per capita income
Elevated employment volatility

Moody's Rating

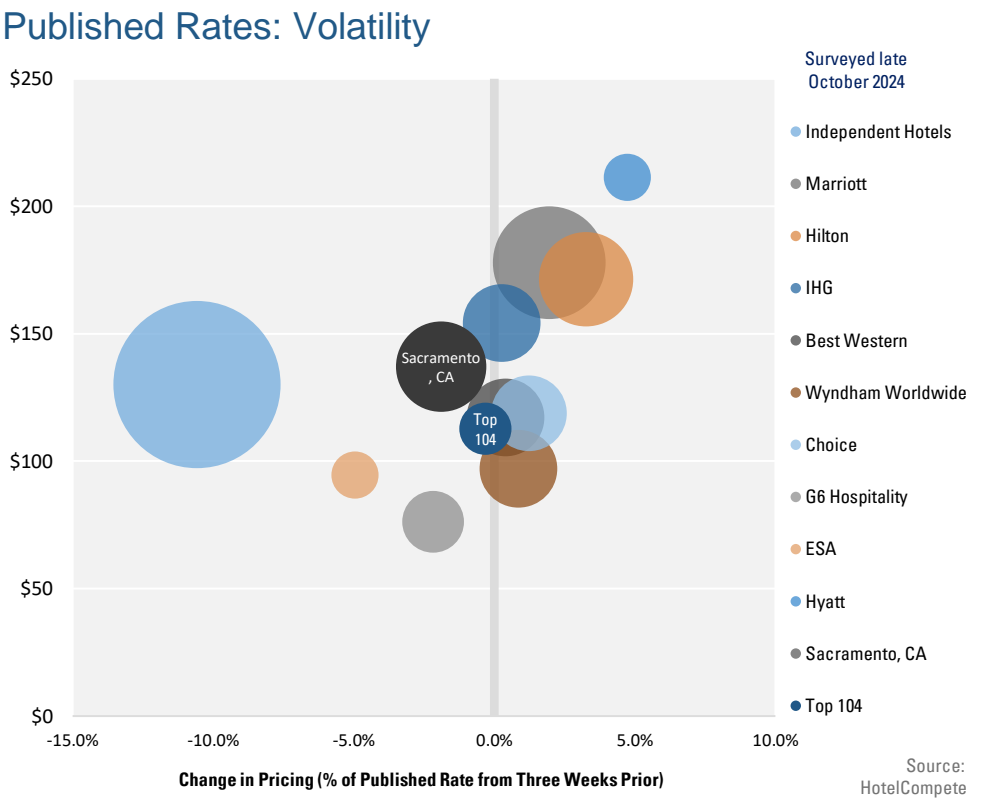
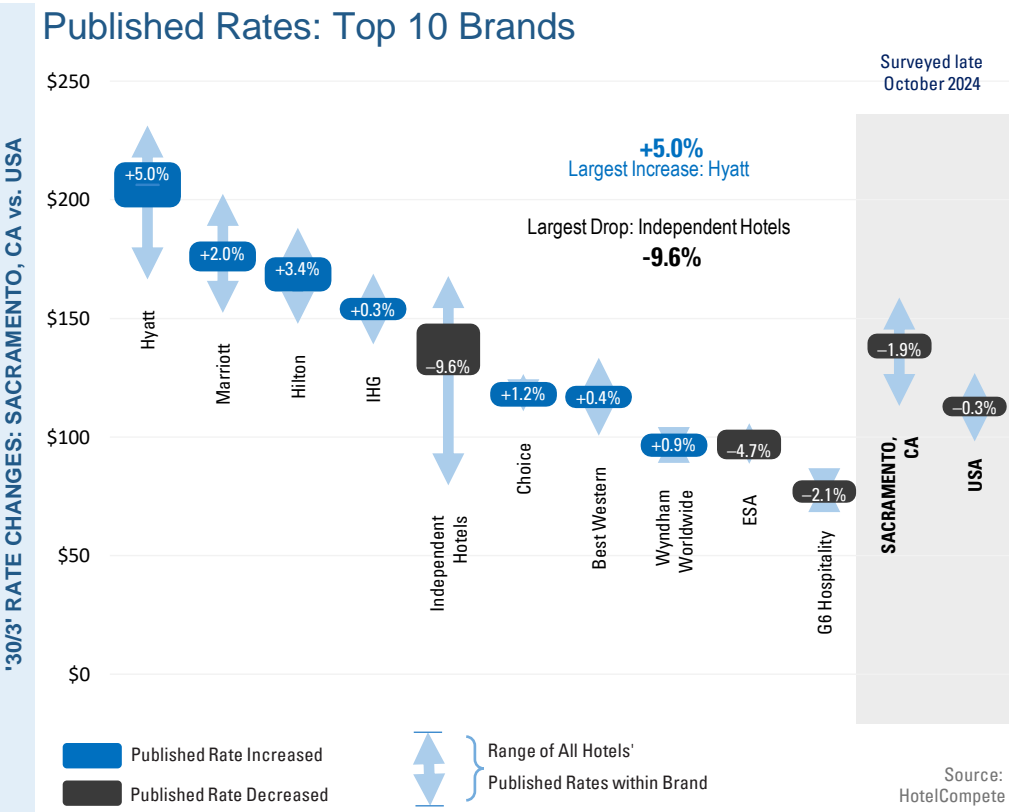
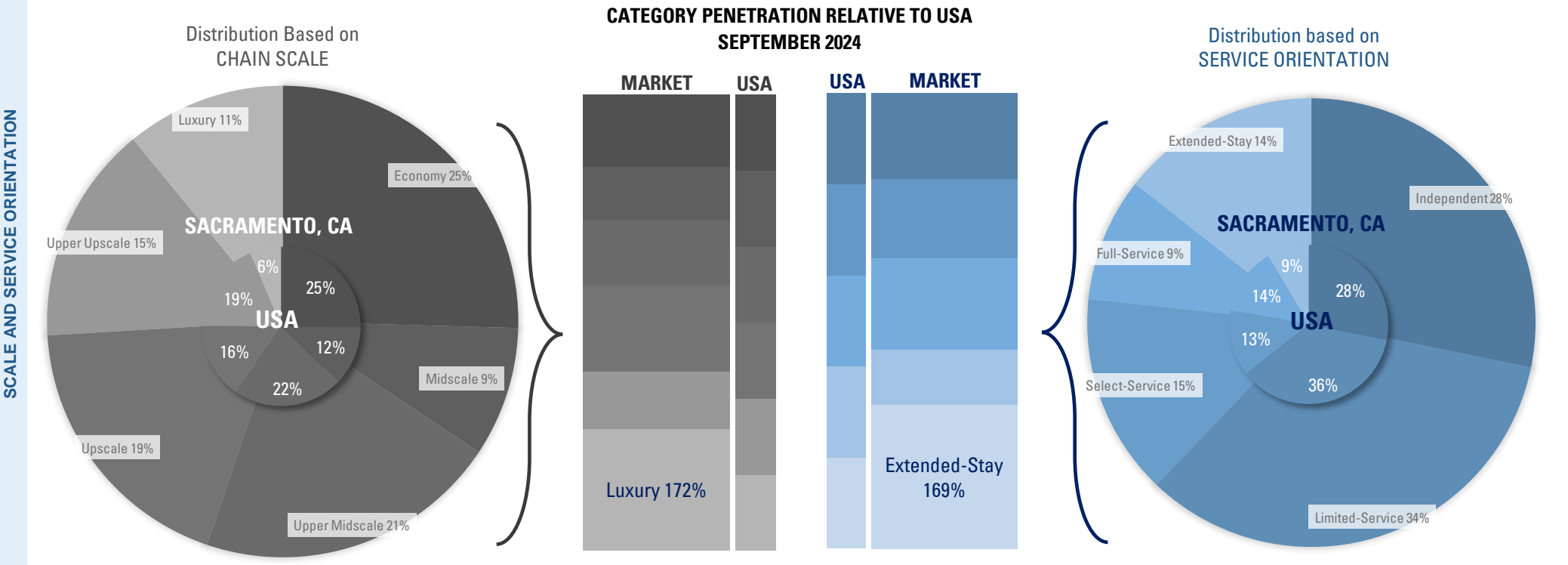
A1
Investment Grade

Long-term investment grade, Prime-1 short-term outlook

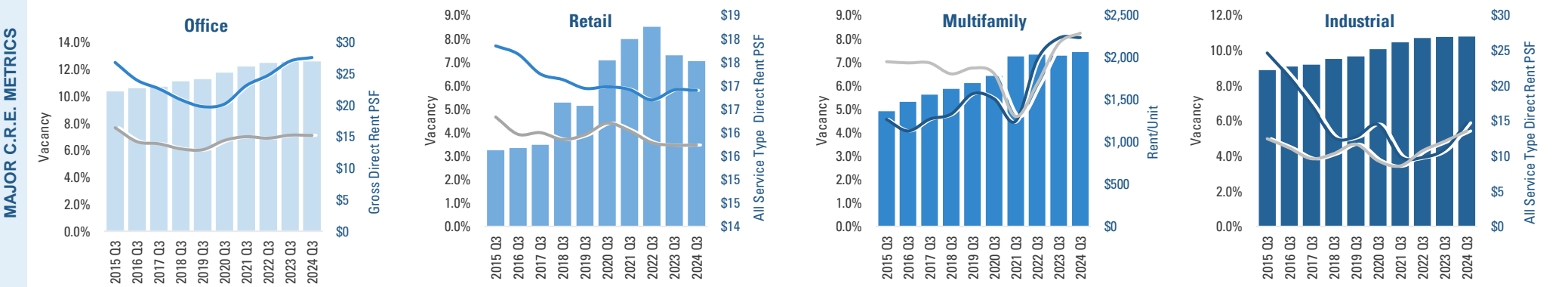




Scale and Service Distribution: Sacramento, CA



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.

Financial Reporting
Our seamless approach to fulfilling clients’ financial reporting requirements means no outside assistance is needed.

Litigation
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.

ABOUT NEWMARK

We transform untapped potential into limitless opportunity.

At Newmark, we don’t just adapt to what our partners need—we adapt to what the future demands. Our integrated platform delivers seamlessly connected services tailored to every type of client, from owners to occupiers, investors to founders, and growing startups to leading companies. We think outside of boxes, buildings and business lines, delivering a global perspective and a nimble approach. From reimagining spaces to engineering solutions, we have the vision to see what’s next and the tenacity to get there first.

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Specialty Practice Leader – Hospitality, Gaming & Leisure
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