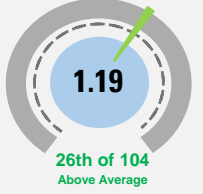


4Q 2022 SALT LAKE CITY, UT



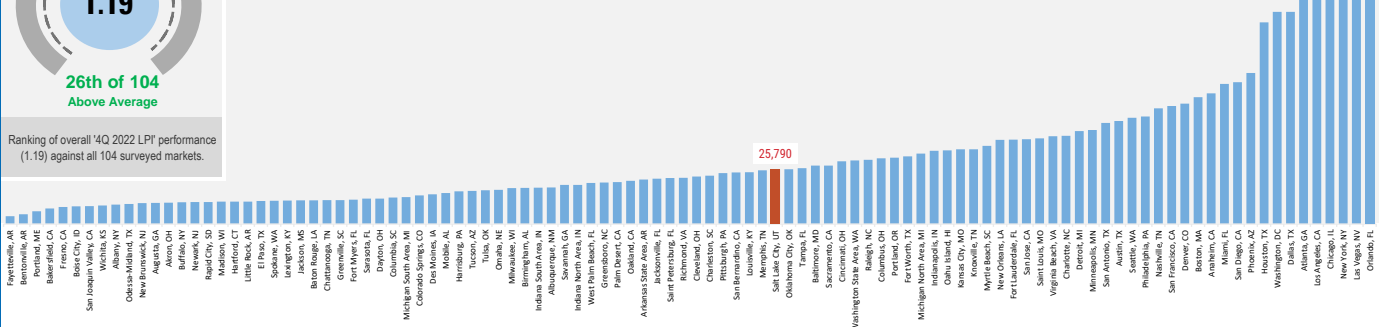
Fundamentals Dashboard

Lodging Performance Index

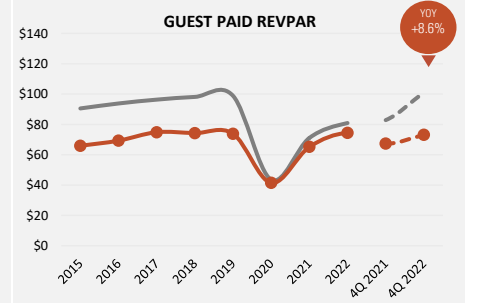
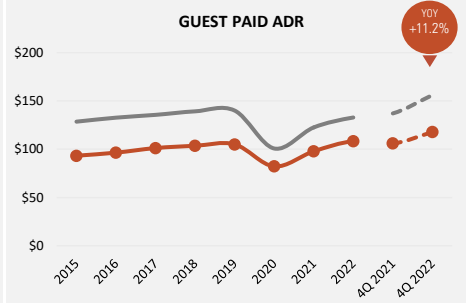
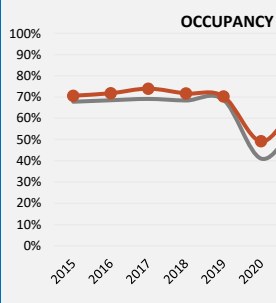


Ranking of overall 4Q 2022 LPI performance (1.19) against all 104 surveyed markets.

ROOM SUPPLY RANKING vs. MAJOR US MARKETS

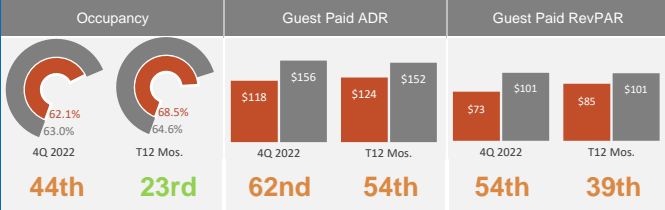


KEY PERFORMANCE METRICS

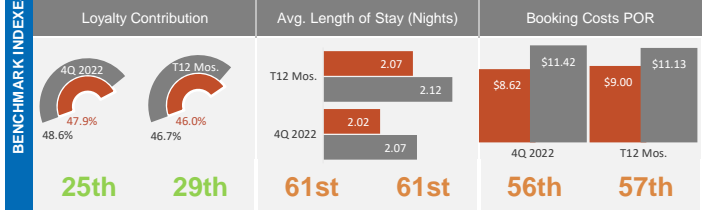


Key Performance Indexes

● Subject Market ● Top 104

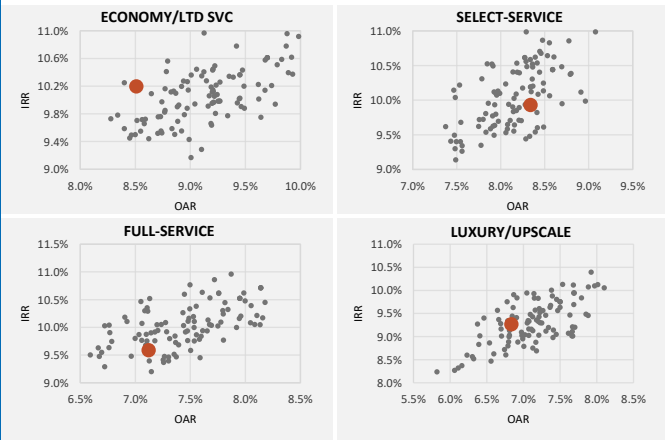


Key Benchmark Indexes



Discount and Capitalization Rates

Source: Newmark



Trends and Risks

Source: Kalibri Labs, Newmark



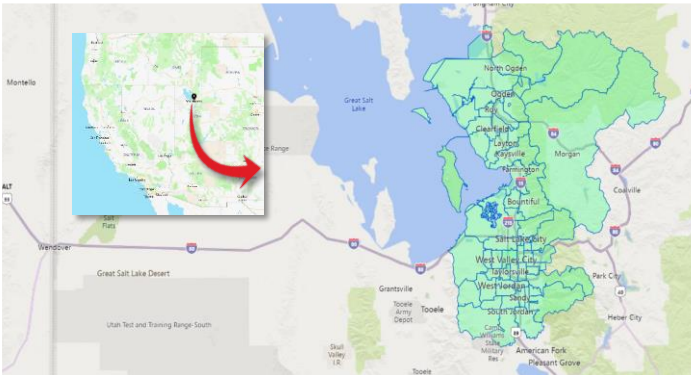
INVESTMENT PARAMETERS

BENCHMARK INDEXES

FUNDAMENTALS

RISKS

Location



Quick Facts

Jurisdictional Information
 Municipal Name: Salt Lake City
 County: Salt Lake County
 State: Utah
 Geo Coordinates (market center): 40.76078, -111.89105

Source: US Census Bureau, Dept. of Labor Statistics

Major Hotel Demand Generators
 University of Utah | Intermountain Health Care Inc. | Wal-Mart Stores Inc. | Delta Airlines | Smith's Food & Drug | Discover Products Inc. | Zions Bancorp. | C.R. England Inc. | L-3 Communications Corp. | Department of Veterans Affairs | Salt Lake City Park | ARUP Laboratories | Salt Lake City Community College | Wells Fargo Bank | Jet Blue Airways Corp. | Dental Select | Harmons Grocery | Skywest Airlines | United Parcel Service | Goldman Sachs and Co.

Metrics and Ranking	Measurement	Rankings
Population (hotel market area)	1,587,159	40th of 104 (Average)
Income per Capita	\$54,009	32nd of 104 (Above Average)
Feeder Group Size	91.7 Persons PSR	71st of 104 (Below Average)
Feeder Group Earnings	\$4,951,277 PSR	79th of 104 (Below Average)
Total Market COPE	\$781.7 million	47th 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	70.6%	\$93.28	\$65.90	\$85.74	\$60.57	\$7.54	91.9%	44.1%	2.10	22,480	1.16
2016	71.8%	\$96.47	\$69.28	\$88.52	\$63.57	\$7.95	91.8%	45.5%	2.00	22,730	0.99
2017	74.0%	\$101.20	\$74.87	\$92.62	\$68.51	\$8.59	91.5%	46.9%	2.00	22,960	1.27
2018	71.7%	\$103.57	\$74.26	\$94.72	\$67.92	\$8.85	91.5%	49.0%	1.98	23,430	1.03
2019	70.3%	\$105.07	\$73.87	\$96.09	\$67.55	\$8.99	91.4%	53.6%	1.93	24,870	1.06
2020	49.1%	\$82.21	\$41.41	\$76.45	\$37.57	\$5.76	93.0%	41.1%	2.24	24,500	1.18
2021	65.9%	\$97.85	\$65.15	\$90.55	\$59.69	\$7.30	92.5%	42.5%	2.12	24,900	1.09
2022	68.6%	\$108.30	\$74.31	\$100.26	\$68.73	\$8.04	92.6%	43.7%	2.11	25,030	1.19
CAGR: 2015 thru 2022	-0.4%	2.2%	1.7%	2.3%	1.8%	0.9%	0.1%	-0.1%	0.1%	1.5%	0.3%
4Q 2021	63.6%	\$105.89	\$67.30	\$98.03	\$62.31	\$7.85	92.6%	43.2%	2.09	25,170	1.09
4Q 2022	62.1%	\$117.74	\$73.06	\$109.12	\$67.71	\$8.62	92.7%	47.9%	2.02	25,790	1.19
% Change	-2.4%	11.2%	8.6%	11.3%	8.7%	9.8%	0.1%	10.7%	-3.3%	2.5%	9.1%

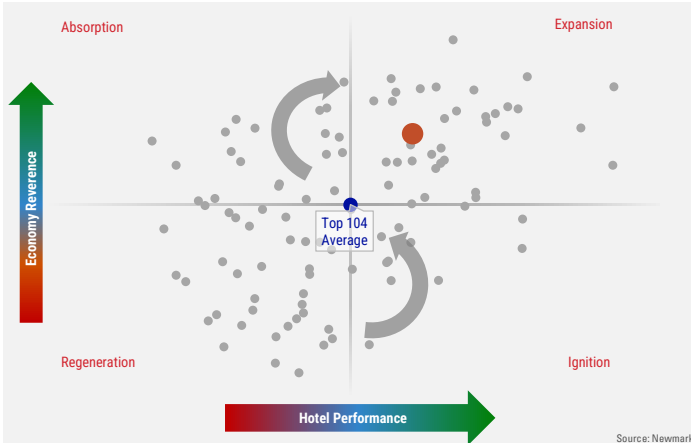
Notable Metrics

HIGHEST	OAR: Economy/Ltd Svc 8th Highly Favorable Salt Lake City, UT exhibited favorable OAR metrics in the economy/ltd svc segment (8.5%)	T12-Month Occupancy 23rd Above Average The market exhibited strong T12-month occupancy (68.5%)	Marketwide Income per Room 20th Above Average The market also enjoyed a high ratio of marketwide income per room (\$2,331,133)
	T12-Month COPE ADR Percentage 80th Below Average This market has been hampered by weak T12-month COPE ADR percentage (92.7%)	Feeder Group Earnings PSR 79th Below Average The market has been hindered by weak feeder group earnings PSR (\$4,951,277)	Feeder Group Size 71st Below Average Salt Lake City, UT also required a large feeder group size (91.68 Persons)

Notable Trends

FASTEST	Short-Term Historical Loyalty Contribution Growth 16th Above Average Salt Lake City, UT enjoyed strong short-term historical loyalty contribution growth (3.3%)	General Economy Reversion 26th Above Average The market enjoyed strong general economic reversion (per-capita unemployment, GDP and other indicators)	Long-Term Historical Loyalty Contribution Growth 29th Above Average The market also exhibited strong long-term historical loyalty contribution growth (3.9%)
	Short-Term Historical Occupancy Growth 88th Below Average The market has been hindered by weak short-term historical occupancy growth (-2.9%)	Long-Term Historical Average Length of Stay Growth 74th Below Average We note this area exhibited weak long-term historical average length of stay growth (0.1%)	T12-Month Rooms Supply Growth 71st Below Average Salt Lake City, UT also has been hindered by high rooms supply growth over the last 12 months (2.5%)

Market Performance Stage



Salt Lake City, UT: Expansion Stage

The Salt Lake City, UT market is currently in the 'Expansion' stage of the performance cycle. In this 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; Austin, TX; and Boston, MA.

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 lingering 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; Detroit, MI; and Houston, TX.

Ignition: In the 'Ignition' stage, hotels typically perform adequately for operators to enjoy positive returns, with confidence the economy will recover from the COVID-19 crisis. While the regional economy continues to recover, strong hotel performance locally is igniting expansion in certain key sectors. Example markets in this stage include Knoxville, TN; Miami, FL; and Myrtle Beach, SC.

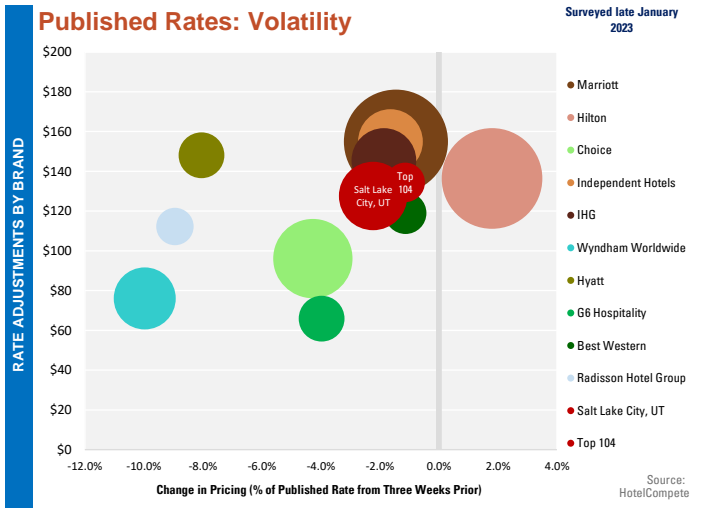
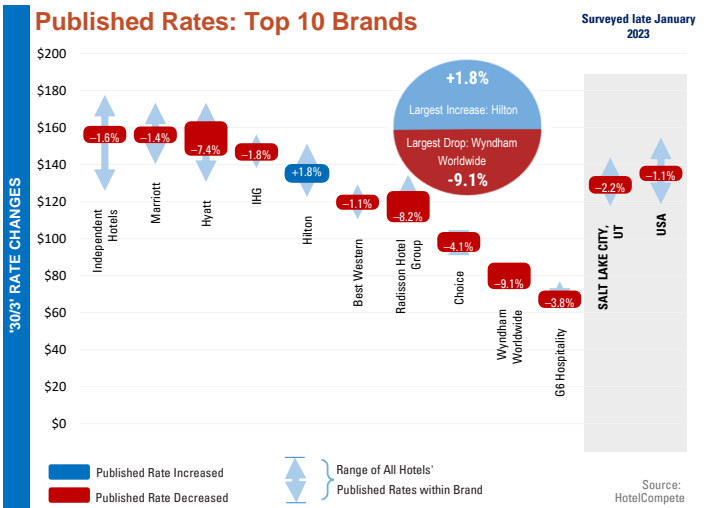
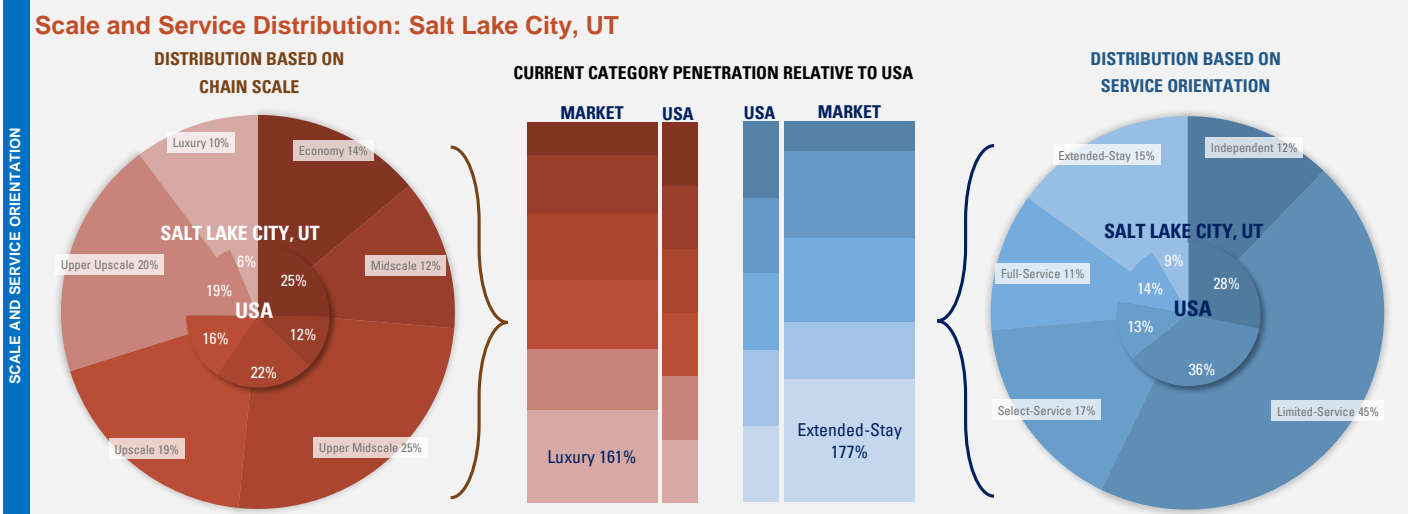
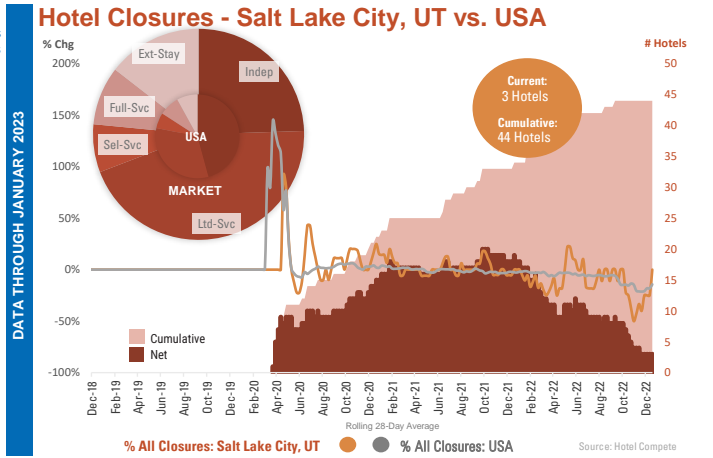
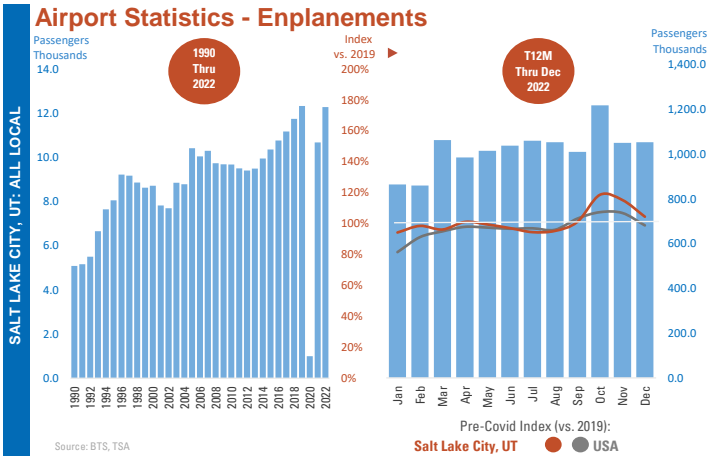
Absorption: In the 'Absorption' stage, hotels are underperforming but in an economy with resilience and confidence the economy will shed lingering pandemic impacts, presenting upside for CRE. Barriers to entry are high and the market hosts little or no new supply, allowing for the existing stock of rooms to be absorbed. Example markets in this stage include Atlanta, GA; Charlotte, NC; and Columbus, OH.

Industry Observations

Business Cycle: In Recovery
Employment Growth (2 yr): -2.6%
Risk Exposure (402 US markets): 15th Percentile: Below Average
Key Industry Notes: Financial center, high tech
 Sturdy house appreciation
 Many high-wage tech jobs
 Low business costs
 Low office space availability

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
	47th Average	77th Below Average	22nd Above Average
	The 30-day advanced published rate for the market was a moderate \$127.59, ranking 47th out of 104 markets. (Guest-Paid ADR ranked a moderate 62nd at \$117.74 in 4Q 2022.)	Published rates have recently been moving downward, decreasing by a noticeable 2.2% over three weeks going into late January 2023. By comparison, the T-104 average posted downward movement of 1.13%.	Published rates reported in late January 2023 were 8.4% higher than the market's Guest-Paid ADR in 4Q 2022. This optimism is above average. By comparison, the T-104 spread was -13.9%.

Published Rate Observations: Brand Level

BRAND LEVEL	Published Rate Integrity	Coverage	Volatility
	79th Below Average	58th Average	89th Elevated
	Published rates among the top 10 brands have a moderate amount of integrity with some pricing overlap, suggesting bottom-feeding occasionally exists.	Salt Lake City, UT has an average spectrum of rate classes and traveler types among its top 10 brands, and the range of coverage has been widening.	Salt Lake City, UT's top 10 brands are exhibiting elevated volatility with respect to advanced booking pricing movements in the three weeks leading into late January 2023.

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**
- Conference, Expo and Convention Centers**
- Ski and Village Resorts**
- Gaming Facilities**
- Water Parks, Amusement Parks and Attractions**
- Arenas, Stadiums and Sports Facilities**
- Golf Courses**
- Marinas**

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.

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