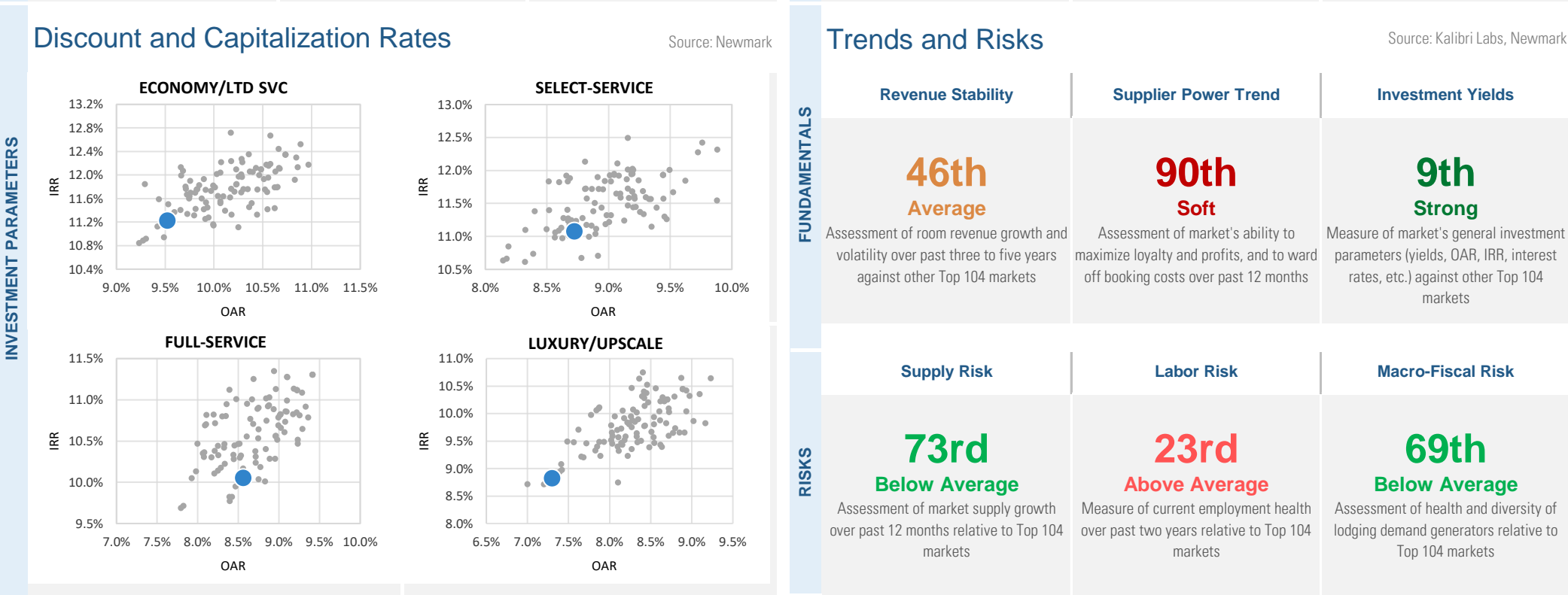
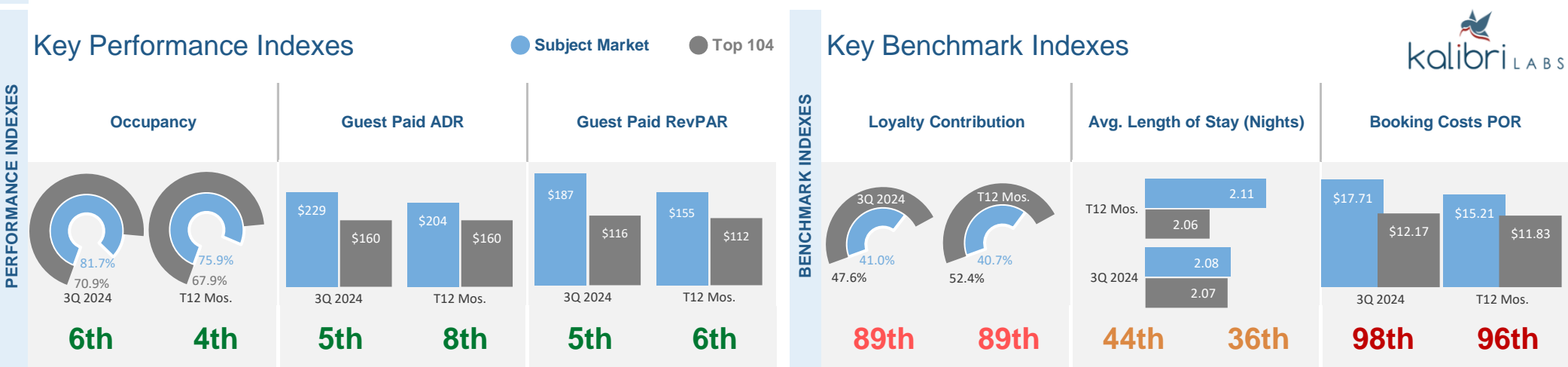
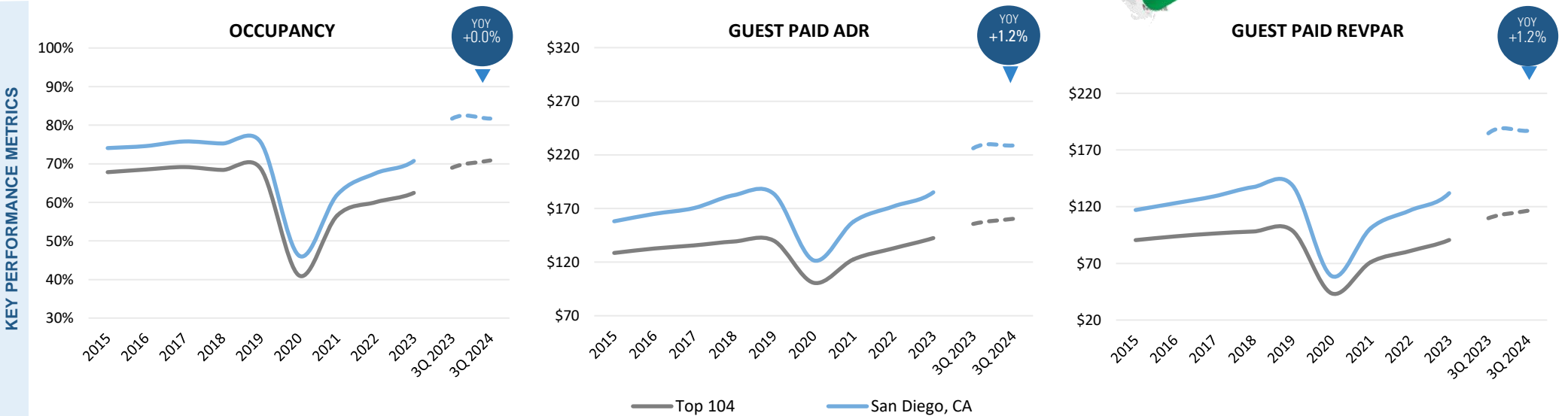
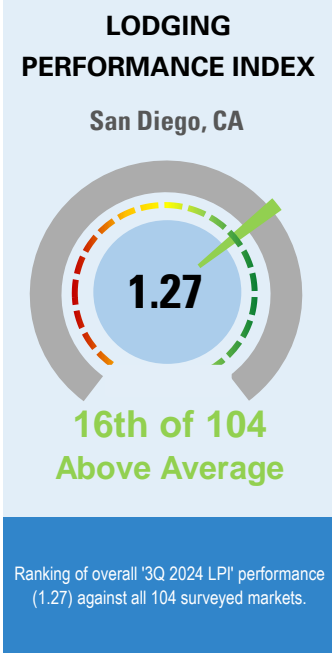
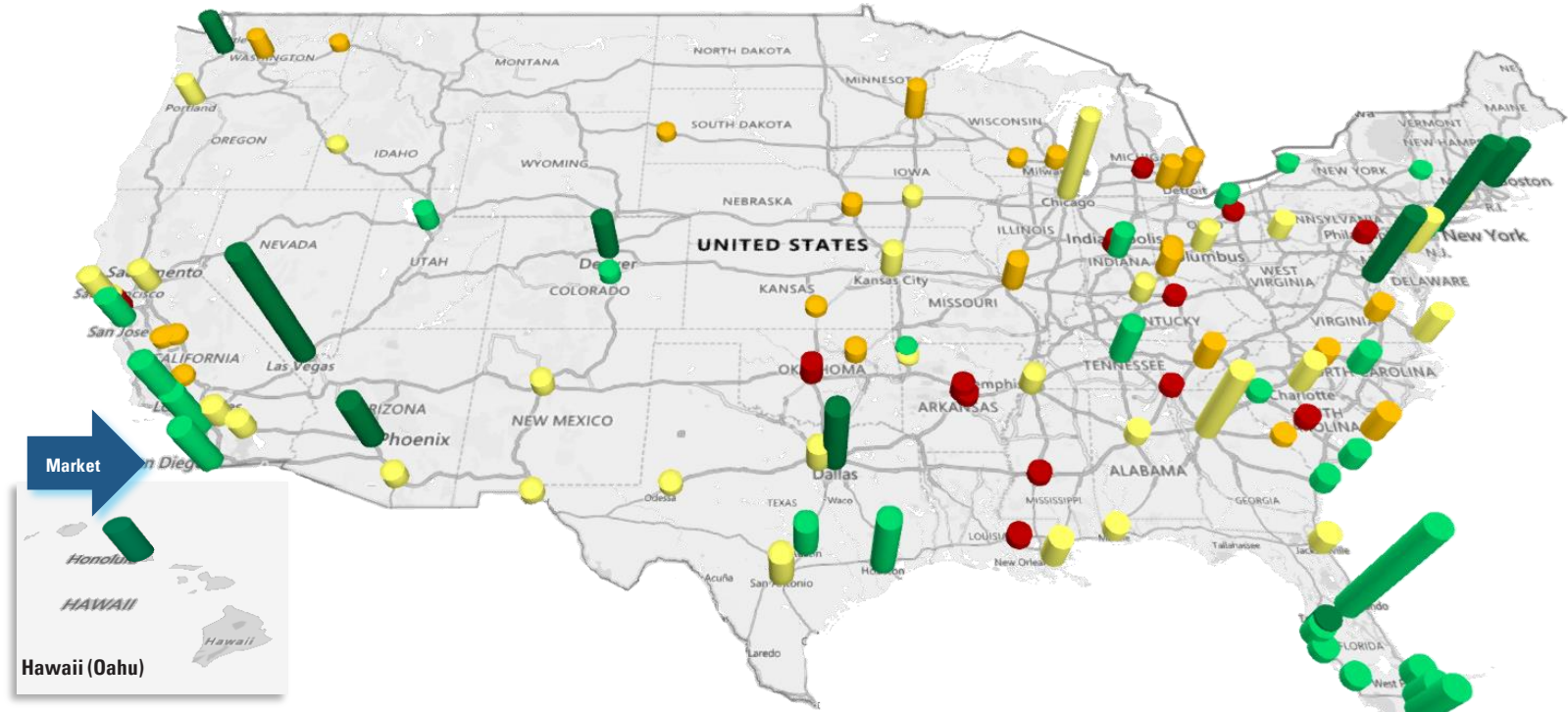
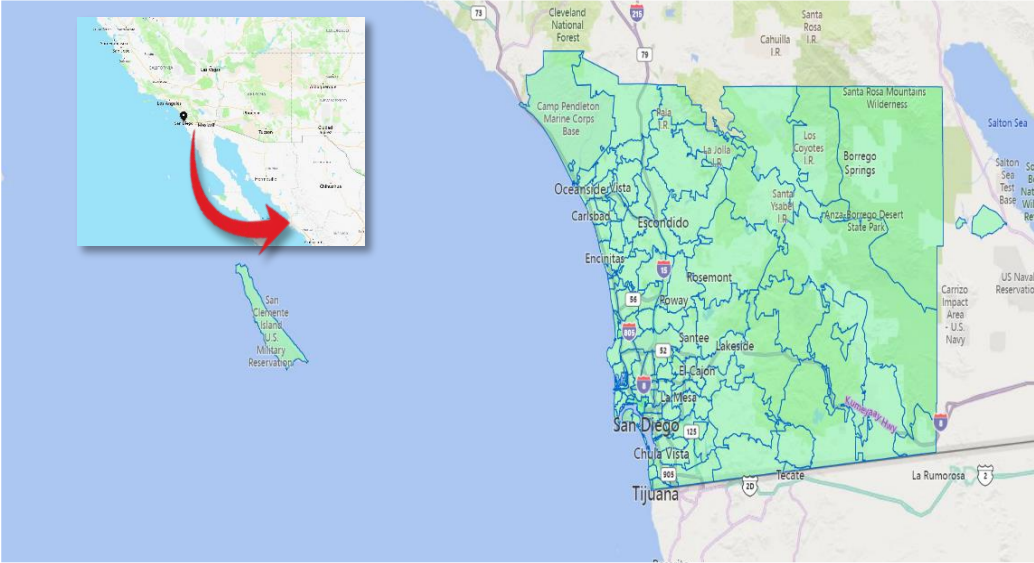




Lodging Performance Index Snapshot



Location



Quick Facts

Jurisdictional Information

Municipal Name:

San Diego

County:

San Diego County

State:

California

Geo Coordinates (market center):

32.71533, -117.15726

Source: US Census Bureau, Dept. of Labor Statistics

Major Hotel Demand Generators

Marine Corps Base Camp Pendleton | University of California, San Diego | Naval Base San Diego | Naval Base Coronado | Sharp HealthCare | Scripps Health | Qualcomm Inc. | Naval Base Point Loma | Marine Corps Air Station Miramar | Kaiser Permanente | UC San Diego Health | Marine Corps Recruit Depot | Foxconn Baja California | Souplantation & Sweet Tomatoes | San Diego Community College District | YMCA of San Diego County | General Atomics | Rady Children's Hospital, San Diego | San Diego State University | Space and Naval Warfare Command

Metrics and Ranking

Population (hotel market area)

2,992,702

Income per Capita

\$71,535

Feeder Group Size

58.8 Persons PSR

Feeder Group Earnings

\$4,209,661 PSR

Total Market Hotel Revenues

\$3.7 billion

Rankings

13th of 104 (Large)

7th of 104 (Strong)

31st of 104 (Above Average)

71st of 104 (Below Average)

8th of 104 (Strong)

Key Performance Metrics

YEAR ENDING	Guest Paid			COPE		Booking Cost	ADR COPE	Loyalty	Avg Length of	Supply	Performance
	Occ %	ADR	RevPAR	ADR	RevPAR	POR	%	%	Stay Nights	Rooms	Index (LPI)
2015	74.1%	\$158.09	\$117.08	\$144.44	\$106.97	\$13.65	91.4%	40.6%	2.20	63,150	1.57
2016	74.6%	\$164.97	\$123.04	\$150.49	\$112.24	\$14.48	91.2%	41.5%	2.17	63,190	1.34
2017	75.8%	\$170.42	\$129.12	\$154.98	\$117.42	\$15.44	90.9%	44.6%	2.15	64,100	1.45
2018	75.2%	\$182.45	\$137.29	\$166.72	\$125.46	\$15.73	91.4%	47.0%	2.15	64,770	1.54
2019	75.6%	\$183.76	\$138.85	\$168.21	\$127.10	\$15.54	91.5%	50.4%	2.07	67,410	1.28
2020	46.2%	\$121.66	\$58.85	\$112.86	\$52.12	\$8.80	92.8%	31.2%	2.33	67,040	1.24
2021	62.0%	\$157.74	\$101.01	\$145.15	\$89.95	\$12.59	92.0%	34.3%	2.18	67,140	1.18
2022	67.5%	\$171.97	\$116.67	\$158.42	\$106.97	\$13.55	92.1%	35.4%	2.15	67,220	1.40
2023	70.7%	\$185.13	\$131.94	\$170.99	\$120.95	\$14.14	92.4%	36.3%	2.16	67,230	1.25
CAGR: 2015 thru 2023	-0.6%	2.0%	1.5%	2.1%	1.5%	0.4%	0.1%	-1.4%	-0.2%	0.8%	-2.8%
3Q 2023	81.7%	\$226.14	\$184.70	\$208.85	\$170.59	\$17.28	92.4%	39.3%	2.16	67,130	1.51
3Q 2024	81.7%	\$228.77	\$186.92	\$211.06	\$172.45	\$17.71	92.3%	41.0%	2.08	66,900	1.27

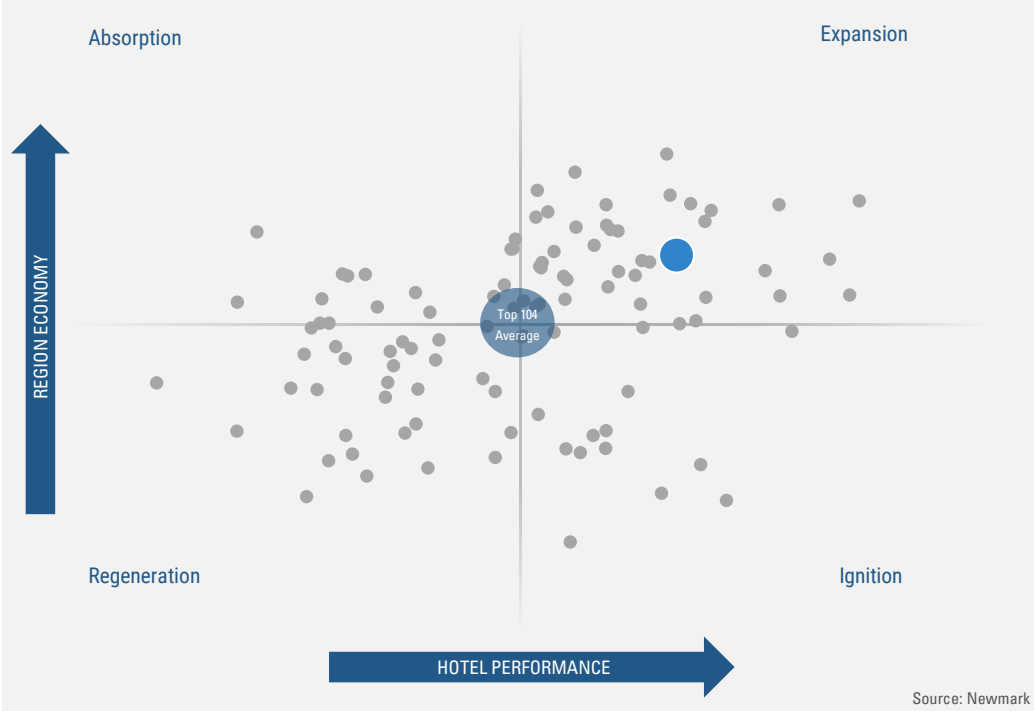
Notable Metrics

HIGHEST	T12-Month Occupancy	OAR: Luxury/Upscale	Latest-Quarter Guest Paid RevPAR
	4th Strong San Diego, CA exhibited strong T12-month occupancy (75.9%)	4th Highly Favorable The market exhibited favorable OAR metrics in the luxury/upscale segment (7.3%)	5th Strong The market also benefited from strong latest-quarter Guest Paid RevPAR (\$186.92)
LOWEST	Latest-Quarter Booking Costs POR	T12-Month Booking Costs POR	T12-Month Loyalty Contribution
	98th Soft This market has been burdened by high latest-quarter booking costs (\$17.71)	96th Soft The market was burdened by high T12-month booking costs POR (\$15.21)	89th Below Average San Diego, CA also has been hindered by weak T12-month loyalty contribution (40.7%)

Notable Trends

STRONGEST	Overall Health of Hotel Market	Long-Term Historical Guest Paid ADR Growth	Long-Term Historical COPE ADR Growth
	16th Above Average San Diego, CA has benefited from strong general hotel market performance (levels and trends of fundamentals)	18th Above Average The market has benefited from strong long-term historical Guest Paid ADR growth (3.3%)	18th Above Average The market also enjoyed from strong long-term historical COPE ADR growth (3.3%)
WEAKEST	Short-Term Historical LPI Growth	Long-Term Historical LPI Growth	Short-Term Historical Average Length of Stay Growth
	91st Soft The market has been hampered by weak short-term historical LPI growth (−3.1%)	91st Soft We note this area posted weak long-term historical LPI growth (−2.4%)	86th Below Average San Diego, CA also exhibited weak short-term historical average length of stay growth (−0.2%)

Market Performance Stage

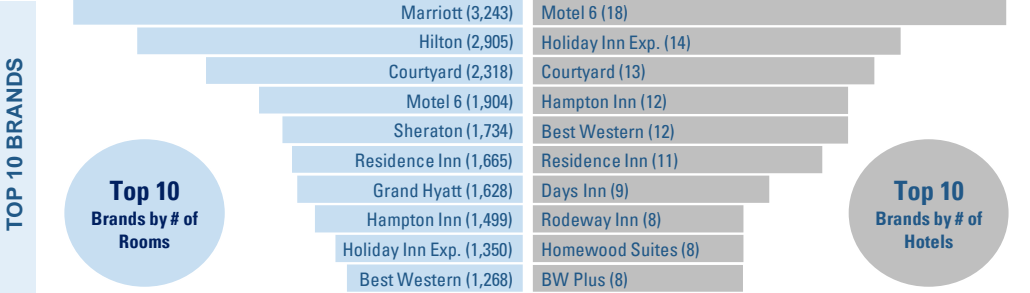


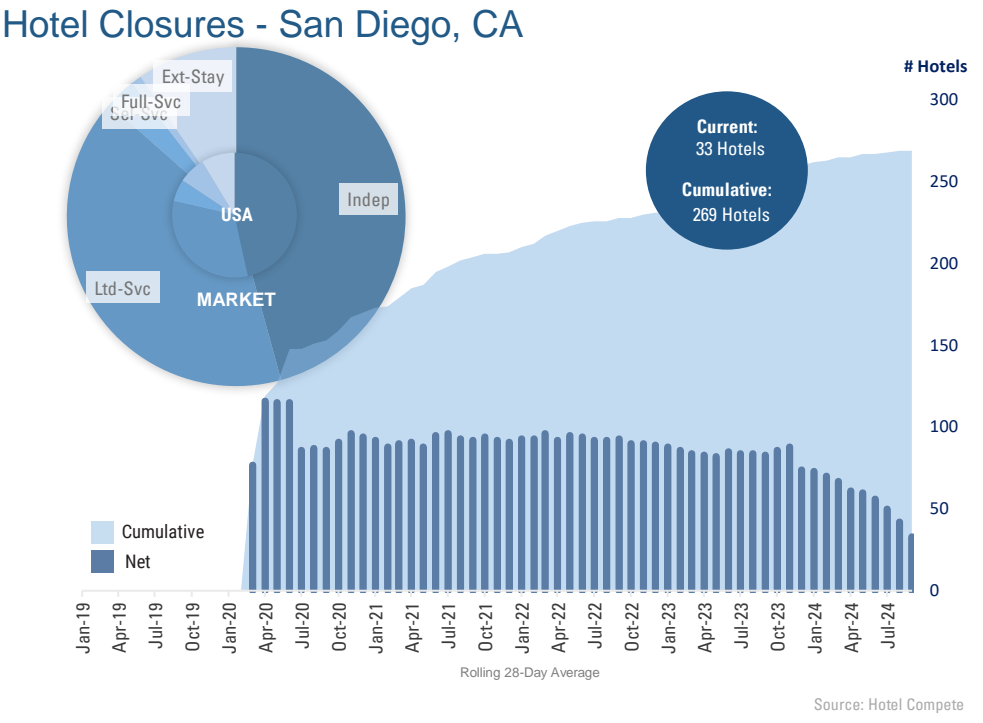
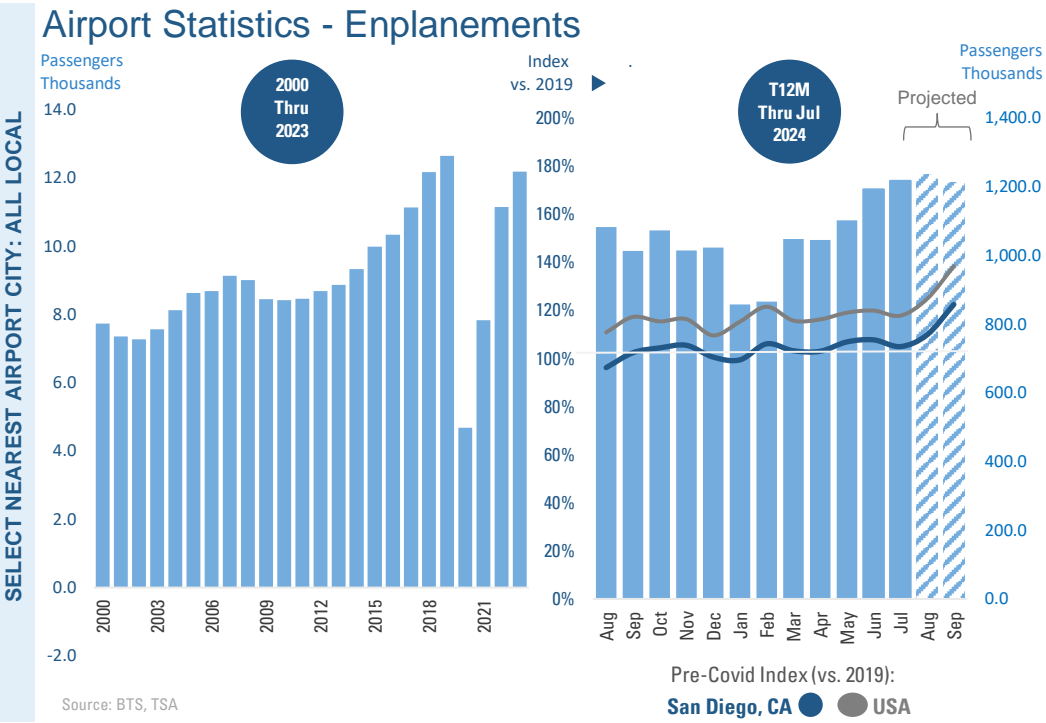
San Diego, CA: Expansion Stage

Expansion	The San Diego, 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 .

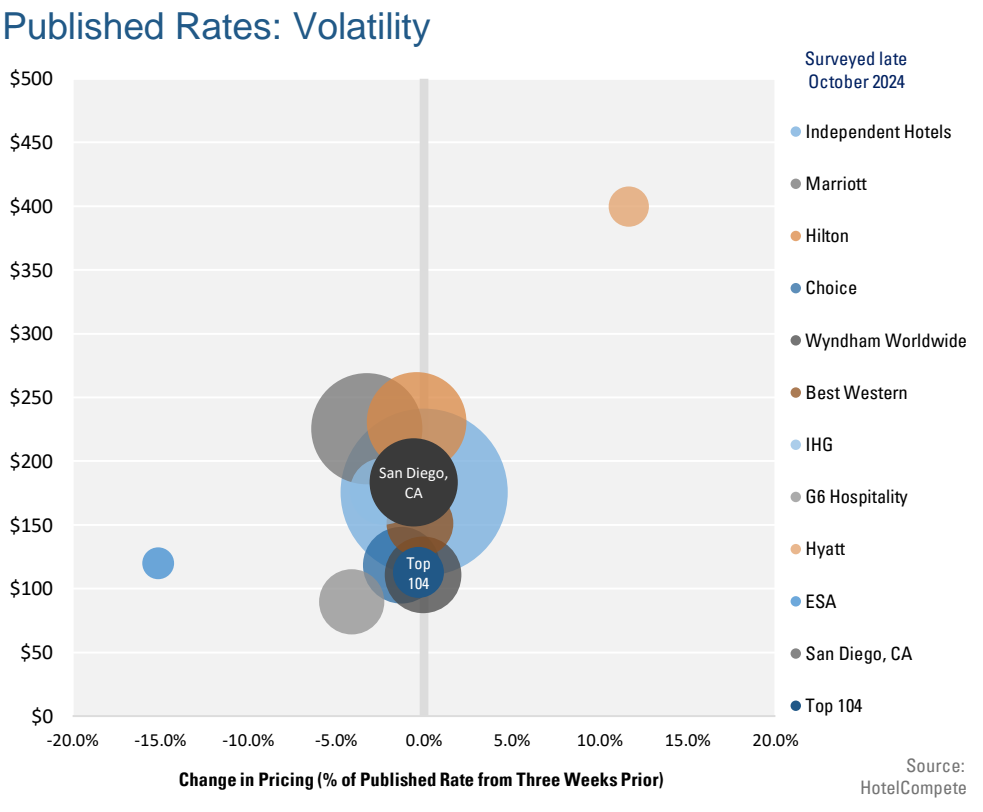
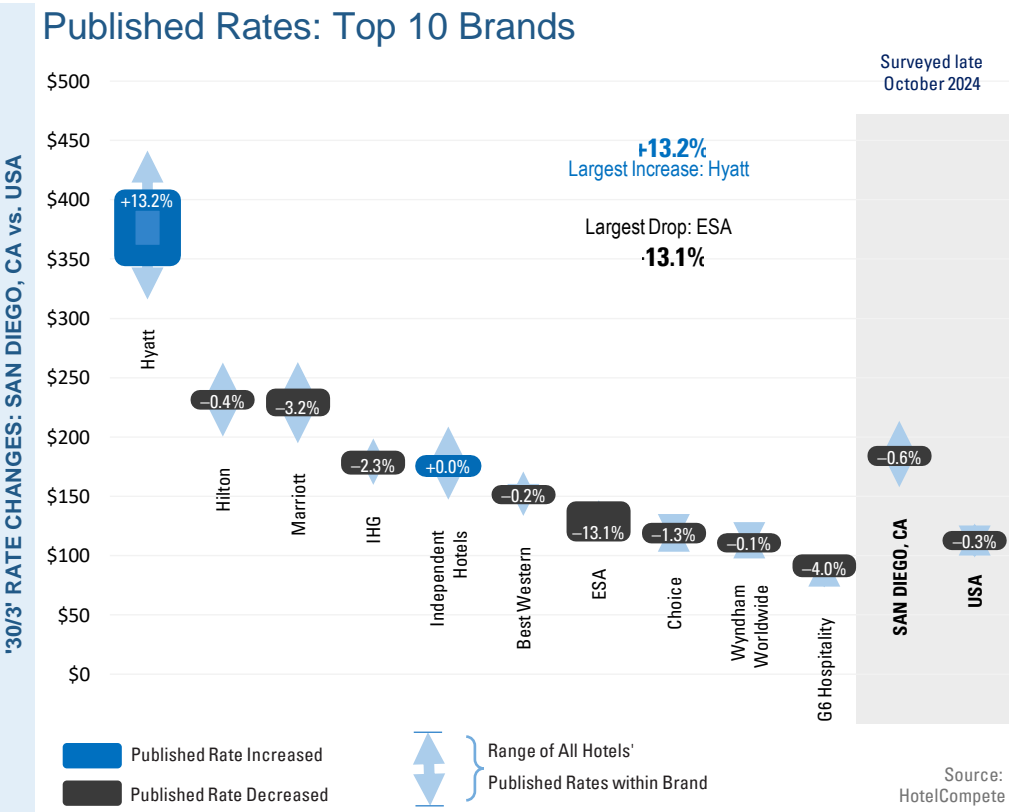
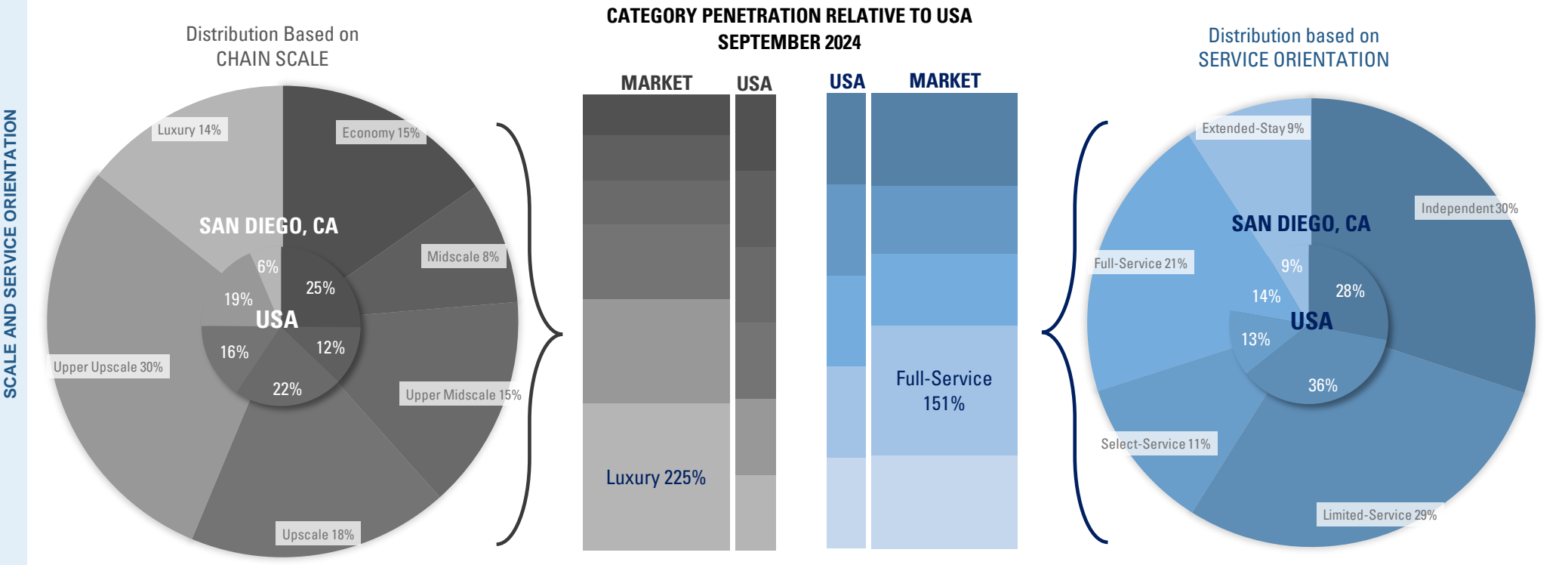
Industry Observations

MOODY'S ANALYTICS	Business Cycle:	At Risk	Moody's Rating
	Employment Growth (2 yr):	0.9%	
	Risk Exposure (402 US markets):	74th Percentile: Above Average	
	Key Industry Notes:	Well-educated labor force	
		Strong R&D/office base	
		Falling affordability	
			NR
			This market is not rated by Moody's

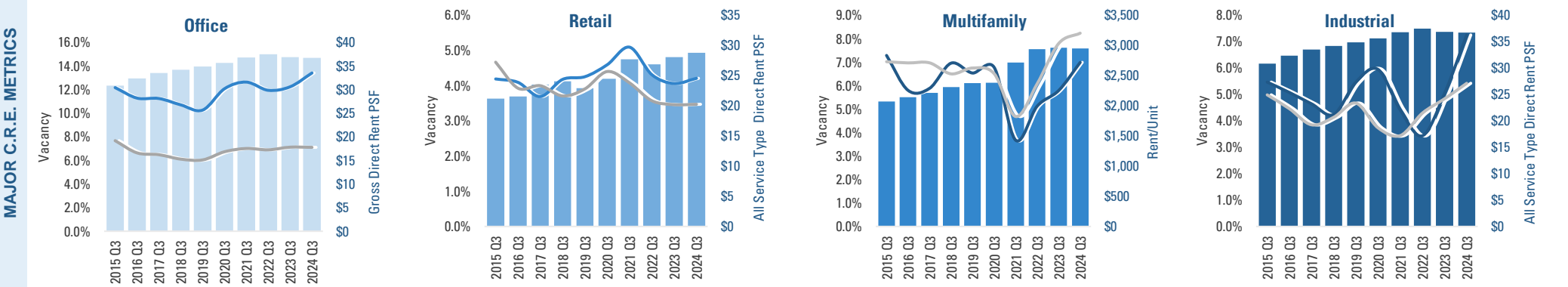




Scale and Service Distribution: San Diego, CA



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

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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
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.

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

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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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