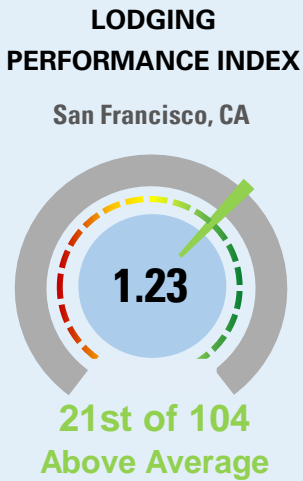
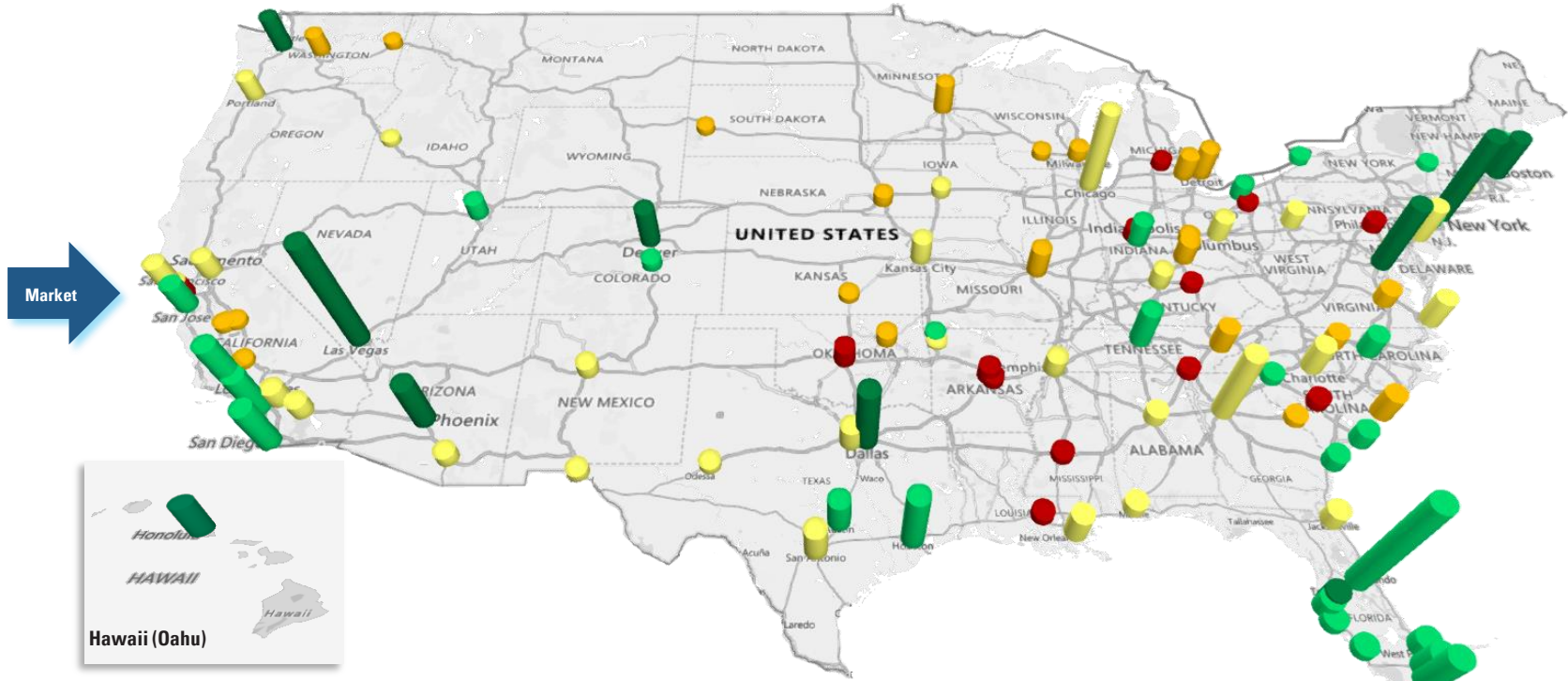
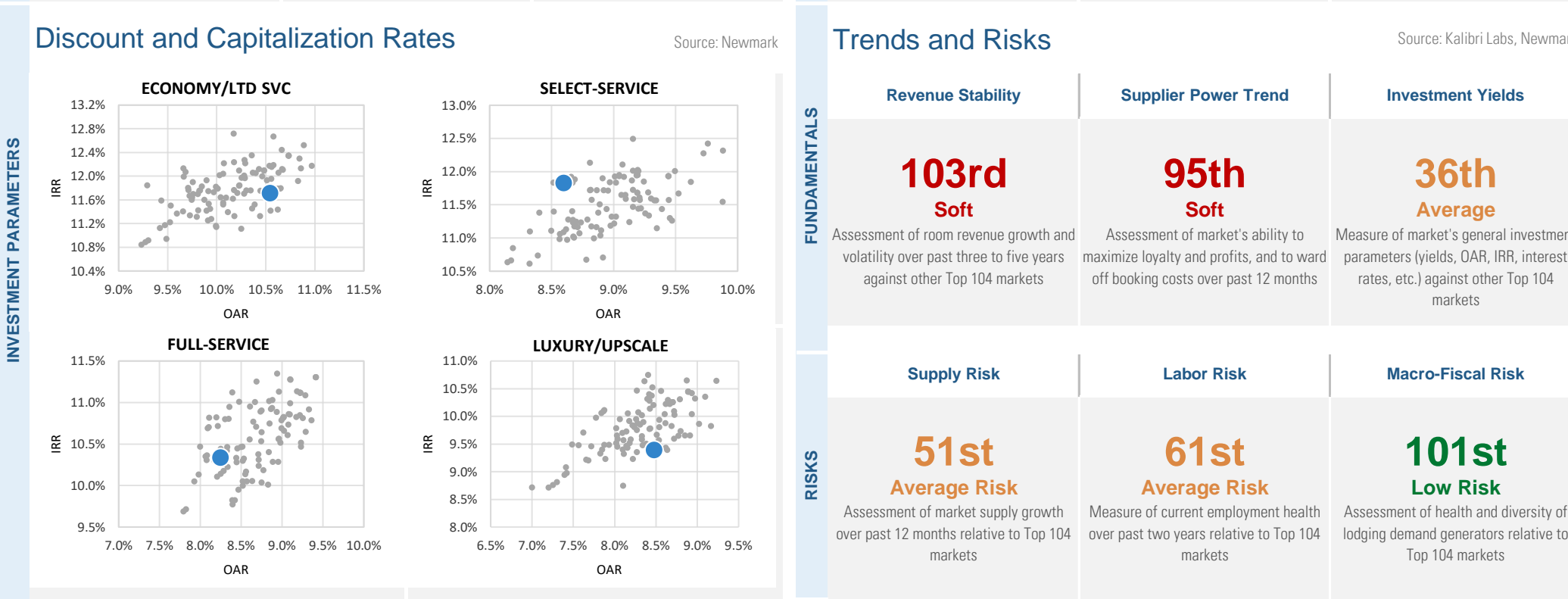
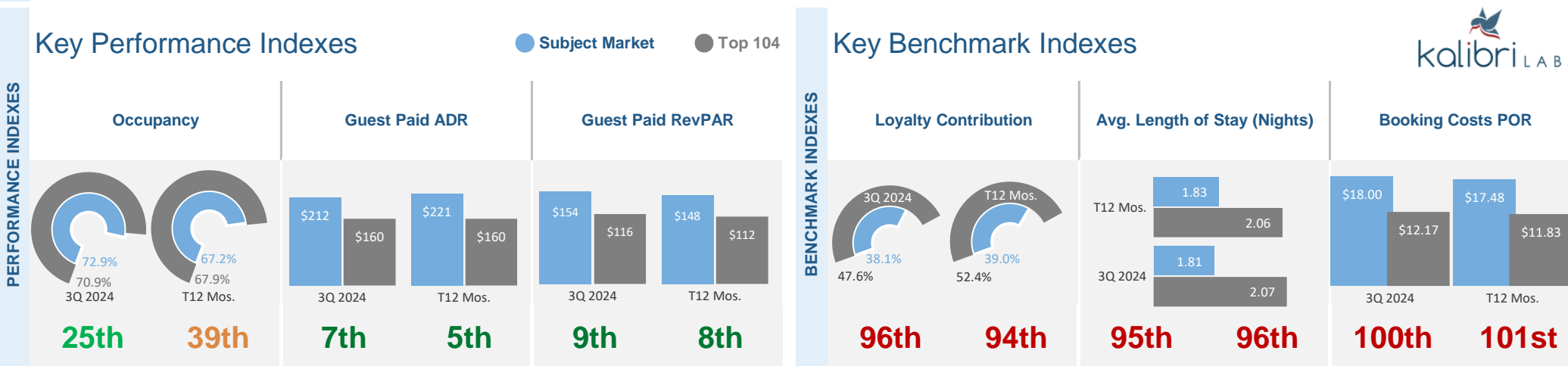
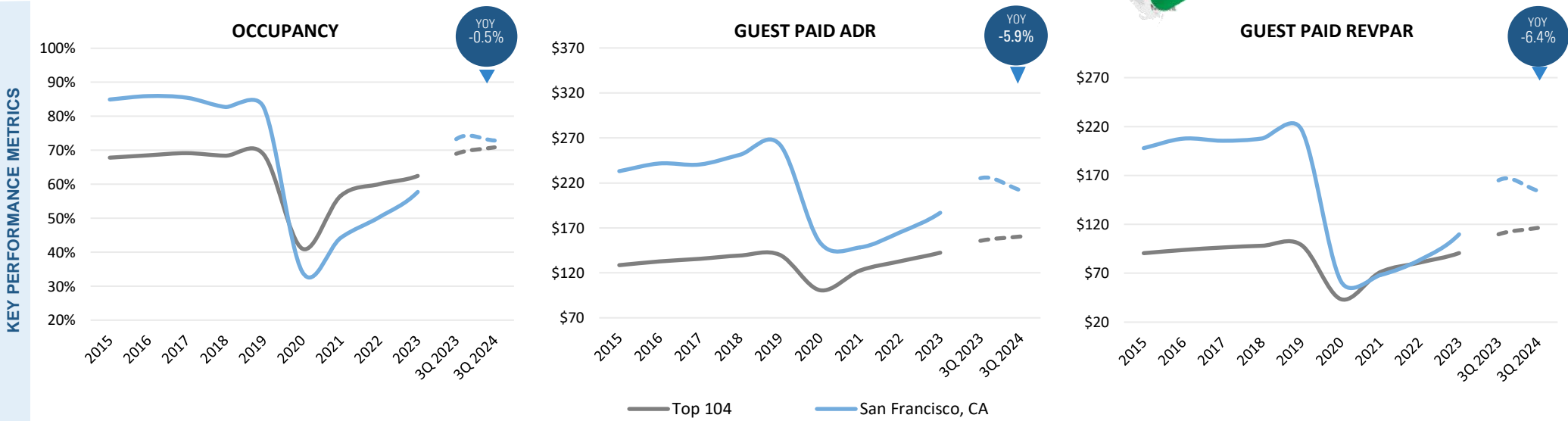




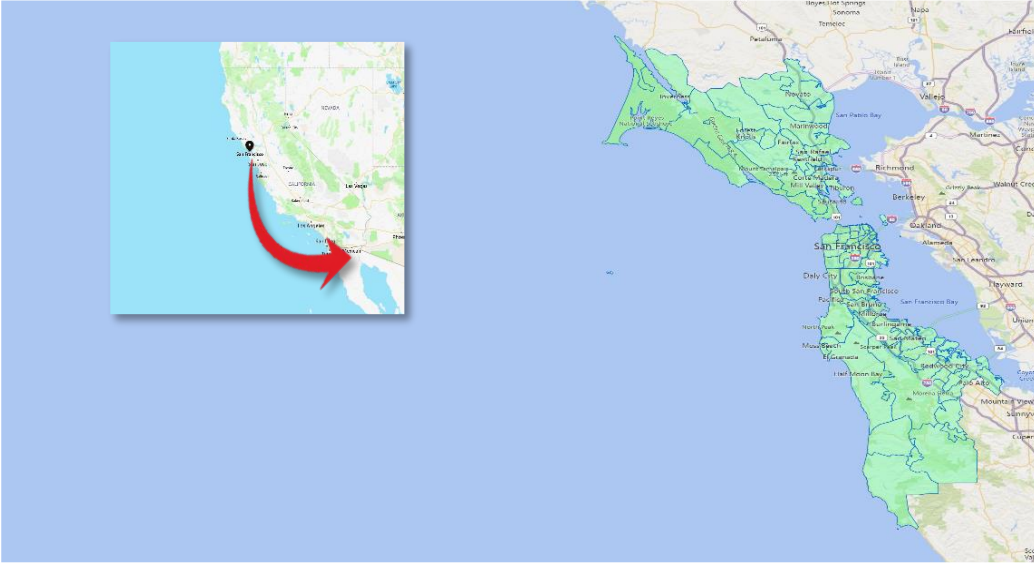
Lodging Performance Index Snapshot



Ranking of overall '3Q 2024 LPI' performance (1.23) against all 104 surveyed markets.



Location



Quick Facts

Source: US Census Bureau, Dept. of Labor Statistics		
<strong>Jurisdictional Information</strong>		
Municipal Name:	San Francisco	
County:	San Francisco County	
State:	California	
Geo Coordinates (market center):	37.775, -122.41944	
<strong>Major Hotel Demand Generators</strong>		
University of California, San Francisco   Genentech Inc.   Wells Fargo   Oracle Corp.   Salesforce.com Inc.   Sutter Health   California Pacific Medical Center   Dignity Health   Uber Technologies Inc.   Kaiser Permanente   PG&E Corp.   Gap Inc.   Williams-Sonoma Inc.   Visa USA   VMware Inc.   Va Palo Alto Health Care System   San Francisco State University   Lucile Packard Health Care System   Space Systems   Charles Schwab Corp.		
<strong>Metrics and Ranking</strong>		
Population (hotel market area)	1,720,224	<strong>31st of 104 (Above Average)</strong>
Income per Capita	\$96,265	<strong>2nd of 104 (Very Strong)</strong>
Feeder Group Size	47.1 Persons PSR	<strong>15th of 104 (Above Average)</strong>
Feeder Group Earnings	\$4,530,697 PSR	<strong>78th of 104 (Below Average)</strong>
Total Market Hotel Revenues	\$3.0 billion	<strong>15th of 104 (Above Average)</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	84.9%	\$233.04	\$197.92	\$212.12	\$180.16	\$20.92	91.0%	39.9%	1.98	52,860	1.62
2016	85.9%	\$241.61	\$207.63	\$219.83	\$188.91	\$21.78	91.0%	42.8%	1.91	52,870	1.42
2017	85.5%	\$240.45	\$205.46	\$218.19	\$186.44	\$22.26	90.7%	44.1%	1.86	53,740	1.28
2018	82.7%	\$251.20	\$207.81	\$228.94	\$189.39	\$22.26	91.1%	45.4%	1.82	54,940	1.30
2019	82.6%	\$262.75	\$217.01	\$240.30	\$198.47	\$22.45	91.5%	50.9%	1.77	56,370	1.53
2020	34.2%	\$153.91	\$61.95	\$142.50	\$48.76	\$11.41	92.6%	28.7%	2.30	56,030	0.94
2021	44.2%	\$148.28	\$68.12	\$135.36	\$59.87	\$12.92	91.3%	32.6%	1.91	55,550	0.67
2022	50.3%	\$165.06	\$83.54	\$150.67	\$75.77	\$14.39	91.3%	34.0%	1.85	55,720	0.95
2023	57.7%	\$186.83	\$109.79	\$170.87	\$98.67	\$15.96	91.5%	34.8%	1.84	56,040	1.34
CAGR: 2015 thru 2023	-4.7%	-2.7%	-7.1%	-2.7%	-7.2%	-3.3%	0.1%	-1.7%	-0.9%	0.7%	-2.3%
3Q 2023	73.3%	\$225.16	\$164.96	\$206.11	\$151.01	\$19.05	91.5%	37.2%	1.85	54,690	1.00
3Q 2024	72.9%	\$211.85	\$154.36	\$193.85	\$141.24	\$18.00	91.5%	38.1%	1.81	54,840	1.23

Data provided by:

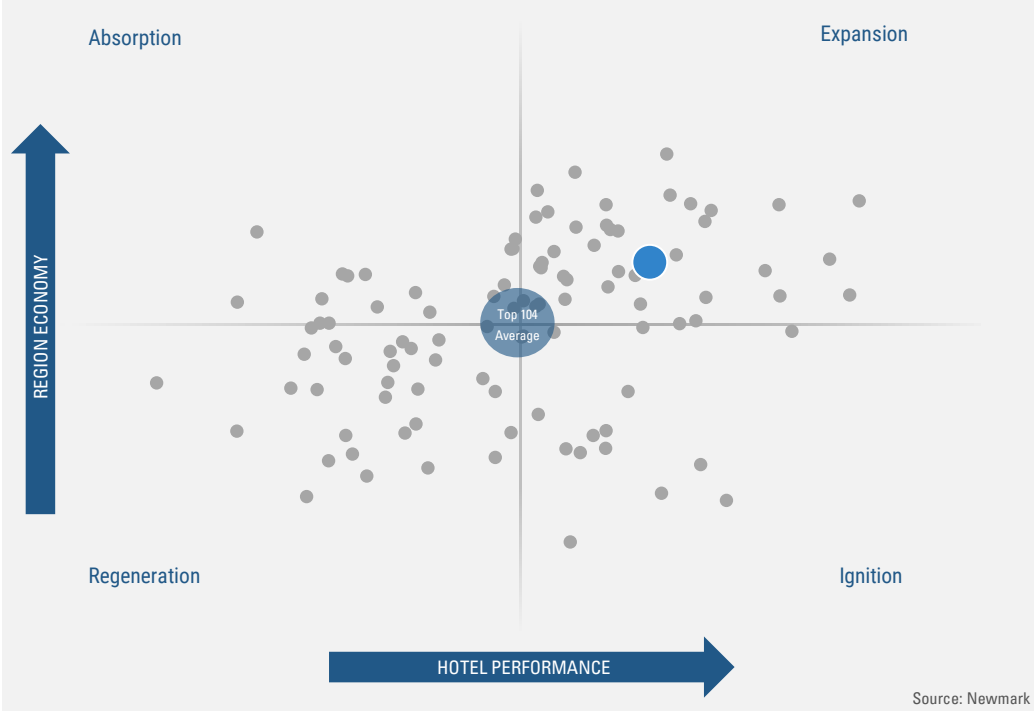
Notable Metrics

HIGHEST	Economy Median Income	T12-Month Guest Paid ADR	T12-Month COPE ADR
	<strong>2nd Very Strong</strong> San Francisco, CA exhibited strong Economy Median Income (\$96,265)	<strong>5th Strong</strong> The market benefited from strong T12-month Guest Paid ADR (\$220.89)	<strong>5th Strong</strong> The market also exhibited strong T12-month COPE ADR (\$203.41)
LOWEST	T12-Month Booking Costs POR	Latest-Quarter Booking Costs POR	T12-Month Average Length of Stay
	<strong>101st Soft</strong> This market was burdened by high T12-month booking costs POR (\$17.48)	<strong>100th Soft</strong> The market has been burdened by high latest-quarter booking costs (\$18.00)	<strong>96th Soft</strong> San Francisco, CA also exhibited weak T12-month average length of stay (1.83 Nights)

Notable Trends

STRONGEST	Long-Term Historical Booking Costs POR Growth	Short-Term Historical Booking Costs POR Growth	Long-Term Historical Supply Growth
	<strong>2nd Very Strong</strong> San Francisco, CA has benefited from low long-term historical booking costs POR growth (−1.7%)	<strong>2nd Very Strong</strong> The market enjoyed low short-term historical growth in booking costs (−4.6%)	<strong>14th Above Average</strong> The market also has benefited from low long-term historical supply growth (0.3%)
WEAKEST	Long-Term Historical COPE RevPAR Growth	Long-Term Historical COPE ADR Growth	Long-Term Historical Guest Paid RevPAR Growth
	<strong>Last Soft</strong> The market posted weak long-term historical COPE RevPAR growth (−3.8%)	<strong>Last Soft</strong> We note this area posted weak long-term historical COPE ADR growth (−1.7%)	<strong>Last Soft</strong> San Francisco, CA also has been hampered by weak long-term historical Guest Paid RevPAR growth (−3.8%)

Market Performance Stage

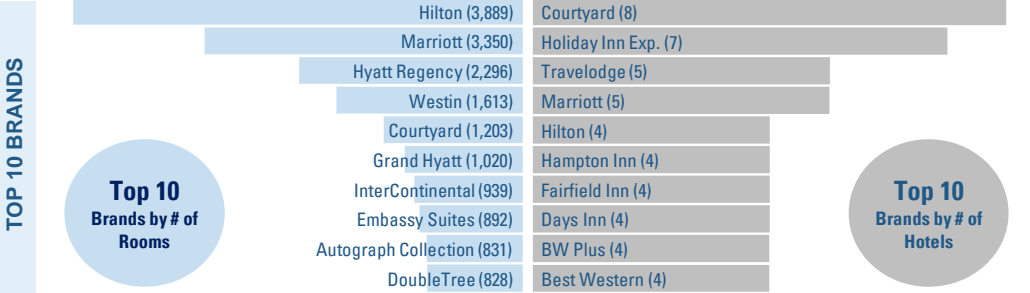


San Francisco, CA: Expansion Stage

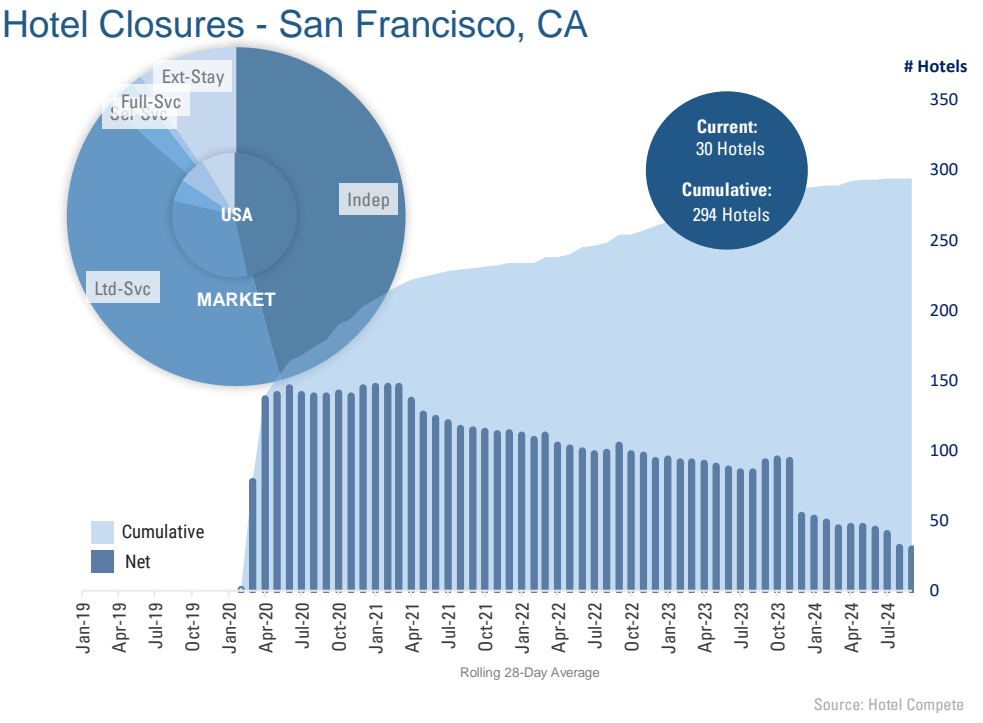
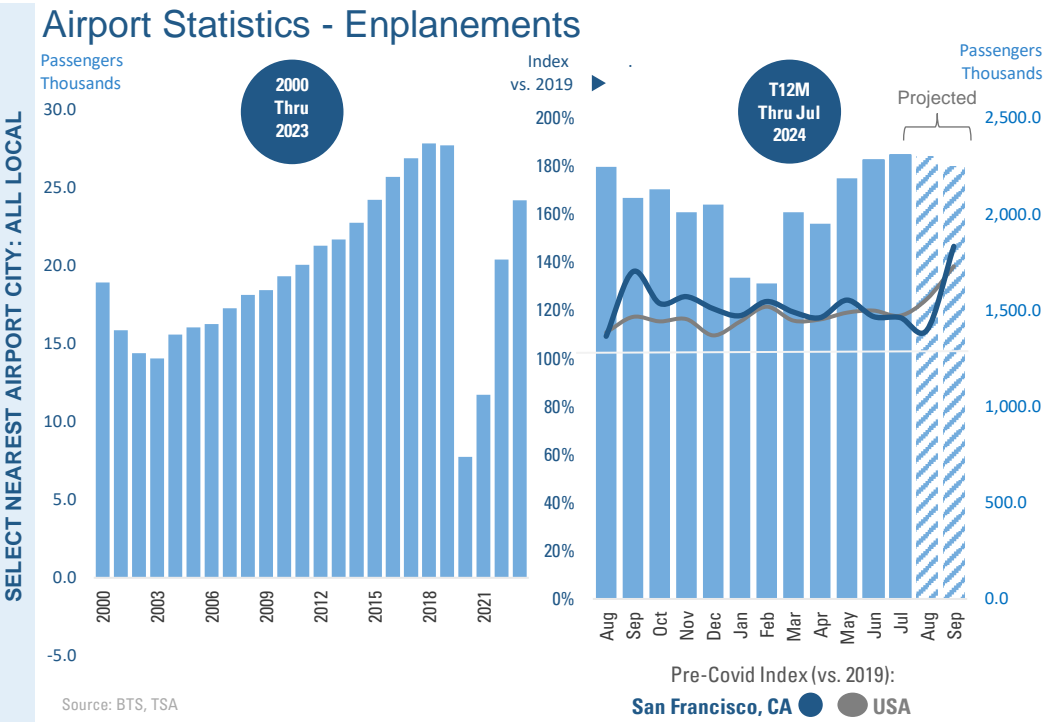
Expansion	The San Francisco, CA market is currently in the 'Expansion' stage of the performance cycle. In this stage, hotels perform adequately, contributing to a resilient economy that has fully exited from the pandemic environment. Displacement demand is high, new hotel supply is feasible (despite barriers normally being high), and the overall economy is expanding. Example markets in this stage include Anaheim, CA; Atlanta, GA; and Austin, TX.
<strong>Other Stages:</strong>	
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

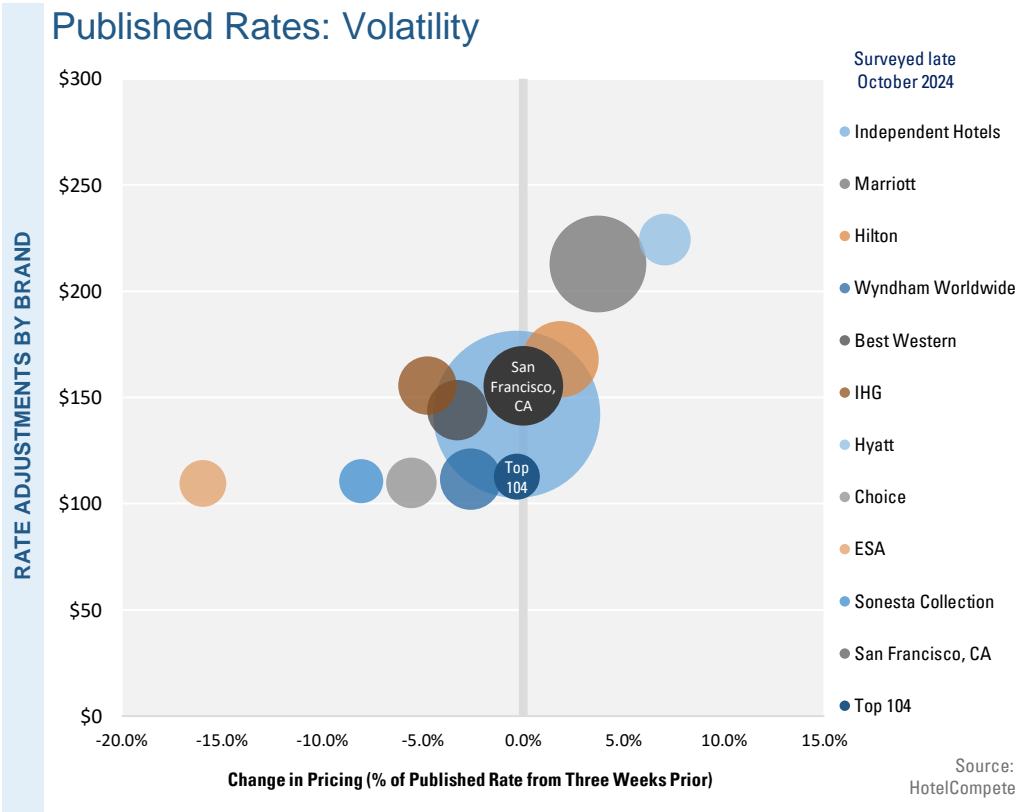
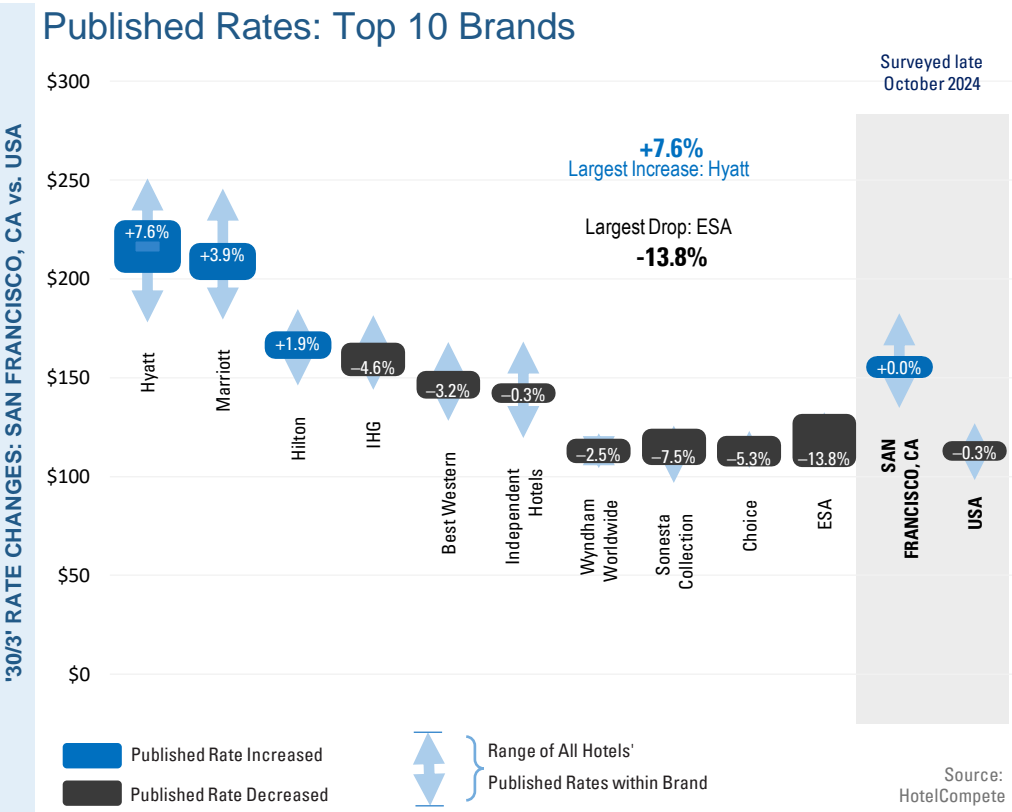
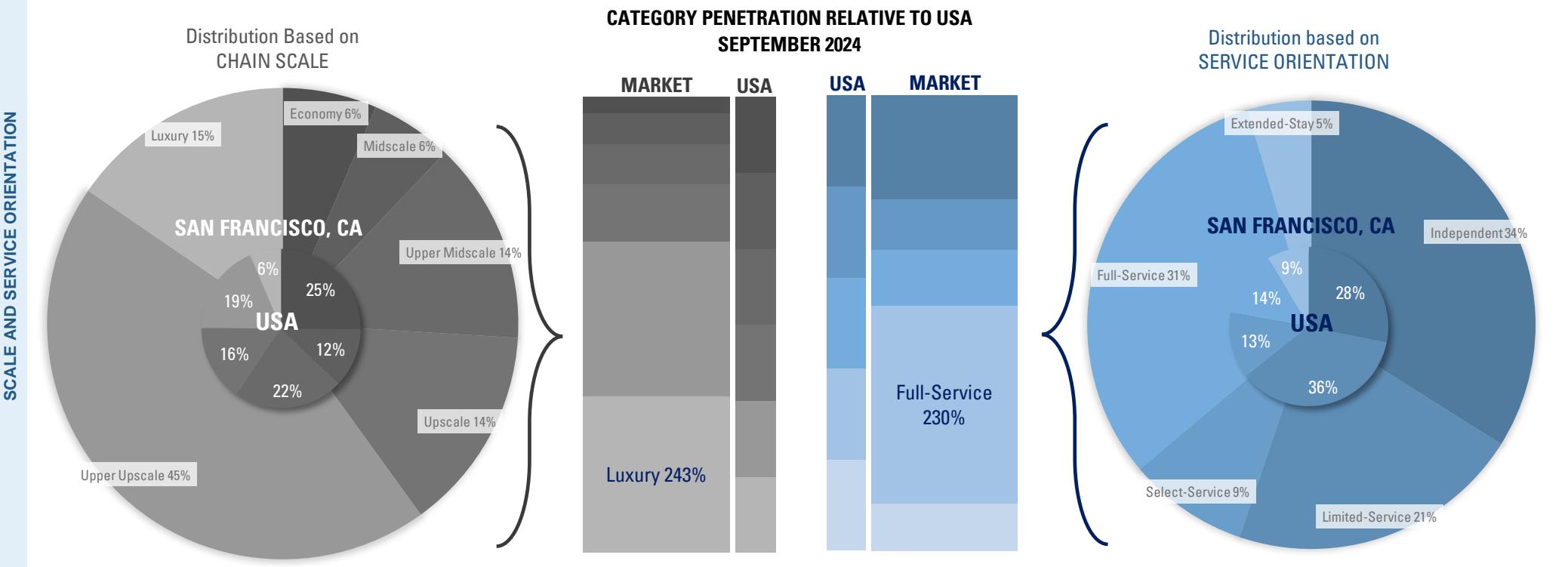
MOODY'S ANALYTICS	Business Cycle:	<strong>At Risk</strong>	<strong>Moody's Rating</strong>
	Employment Growth (2 yr):	<strong>0.4%</strong>	
	Risk Exposure (402 US markets):	<strong>2nd Percentile: Low Risk</strong>	<strong>Aaa Investment Grade</strong>
	Key Industry Notes:	Robust cluster of tech companies Educated/skilled workforce High incomes High housing and energy costs Construction limitations	



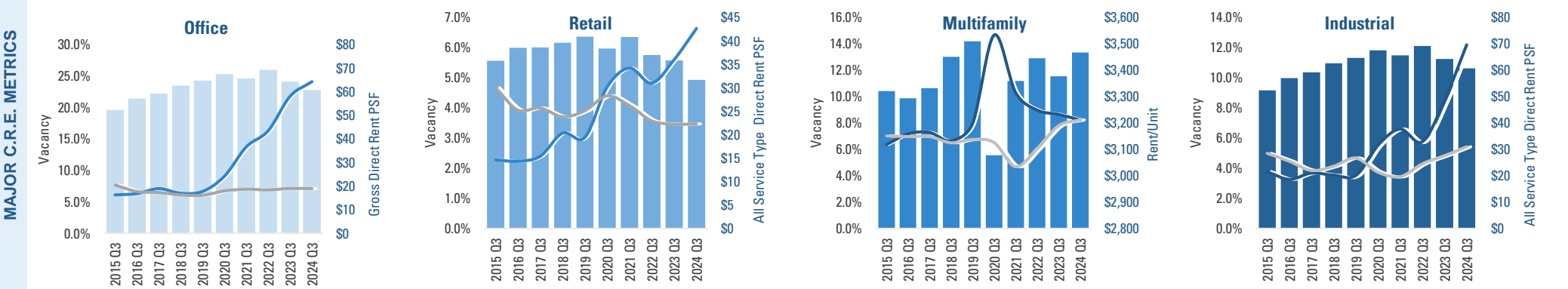




## Scale and Service Distribution: San Francisco, CA



## 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:*

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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.

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**Litigation**  
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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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