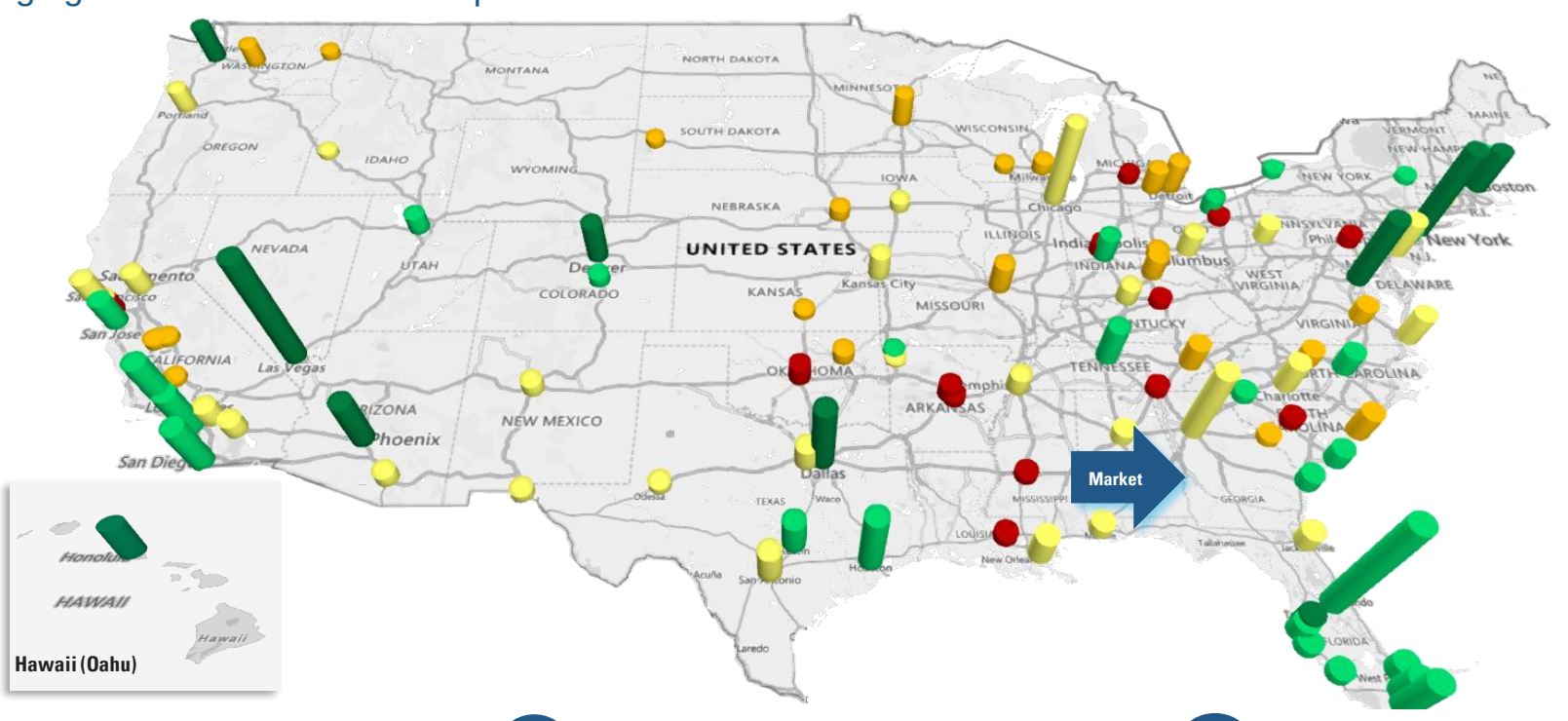
VALUATION & ADVISORY | HOSPITALITY, GAMING & LEISURE

HOTEL MARKET NSIGHTS REPORT

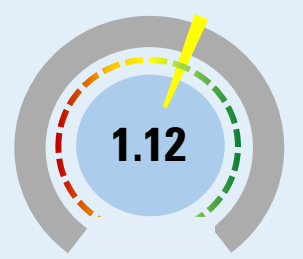
1Q 2025
SAVANNAH, GA

Lodging Performance Index Snapshot



LODGING PERFORMANCE INDEX

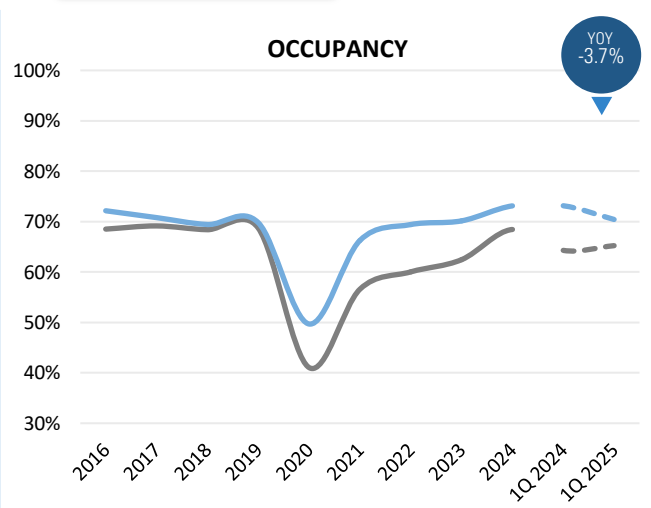
Savannah, GA

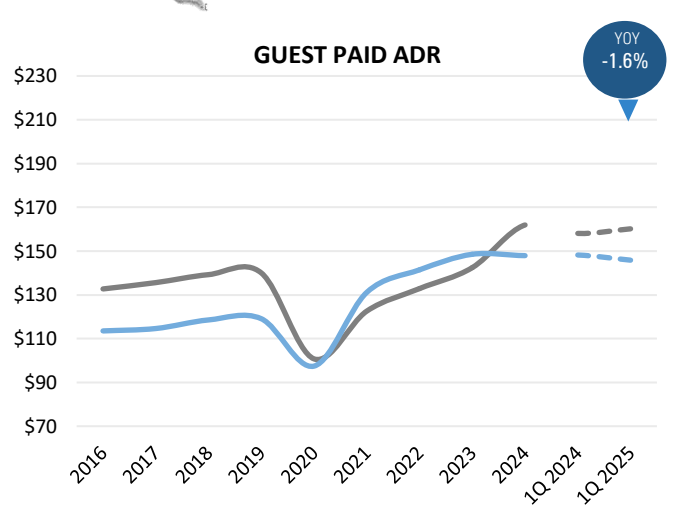


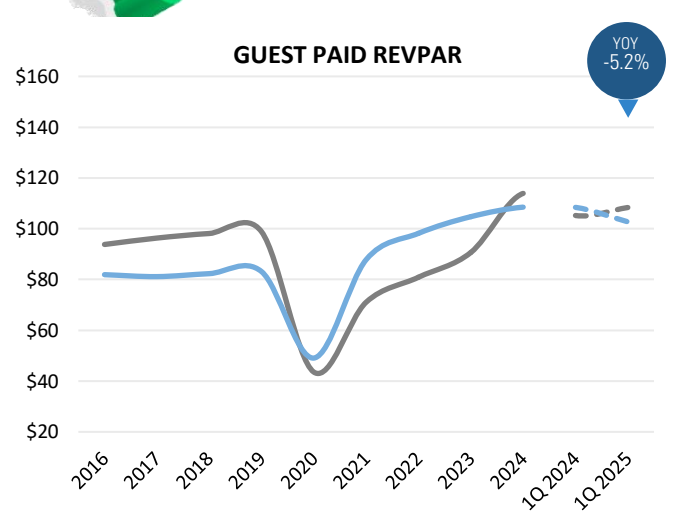
42nd of 104
Average

Ranking of overall '1Q 2025 LPI' performance (1.12) against all 104 surveyed markets.

KEY PERFORMANCE METRICS







Top 104 — Savannah, GA

PERFORMANCE INDEXES

Key Performance Indexes

Subject Market — Top 104

Occupancy		Guest Paid ADR		Guest Paid RevPAR	
1Q 2025	T12 Mos.	1Q 2025	T12 Mos.	1Q 2025	T12 Mos.
70.4% / 65.2%	72.4% / 68.7%	$146 / $160	$147 / $162	$103 / $108	$107 / $115
21st	17th	28th	32nd	27th	29th

BENCHMARK INDEXES

Key Benchmark Indexes

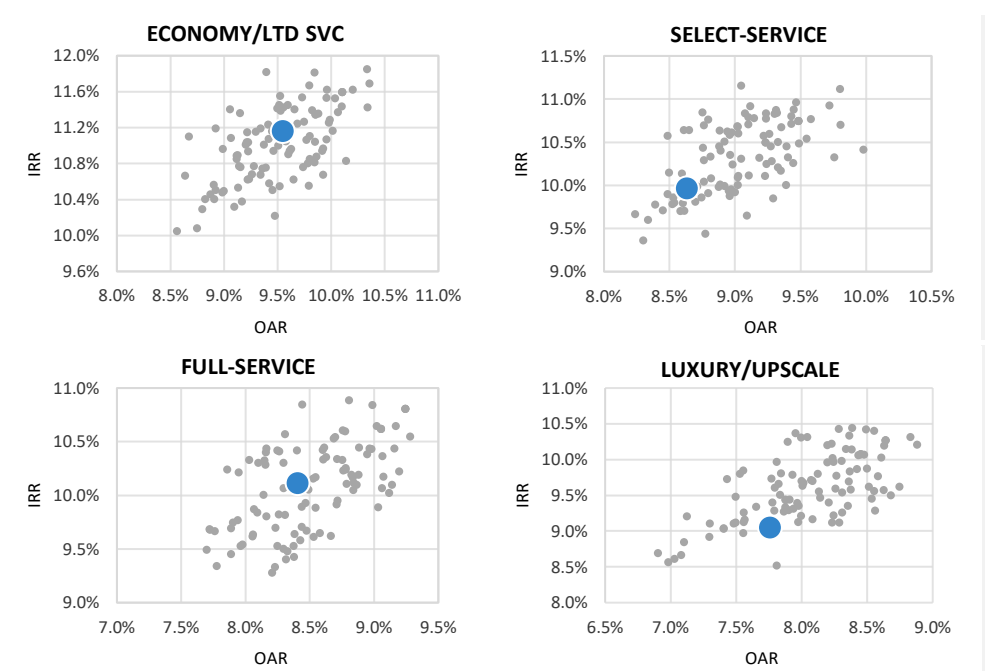
kalibri LABS

Loyalty Contribution		Avg. Length of Stay (Nights)		Booking Costs POR	
1Q 2025	T12 Mos.	1Q 2025	T12 Mos.	1Q 2025	T12 Mos.
49.8% / 49.2%	49.3% / 50.8%	2.03 / 2.07	2.04 / 2.06	$10.74 / $11.27	$10.86 / $11.96
53rd	51st	59th	55th	78th	76th

INVESTMENT PARAMETERS

Discount and Capitalization Rates

Source: Newmark



FUNDAMENTALS

Trends and Risks

Source: Kalibri Labs, Newmark

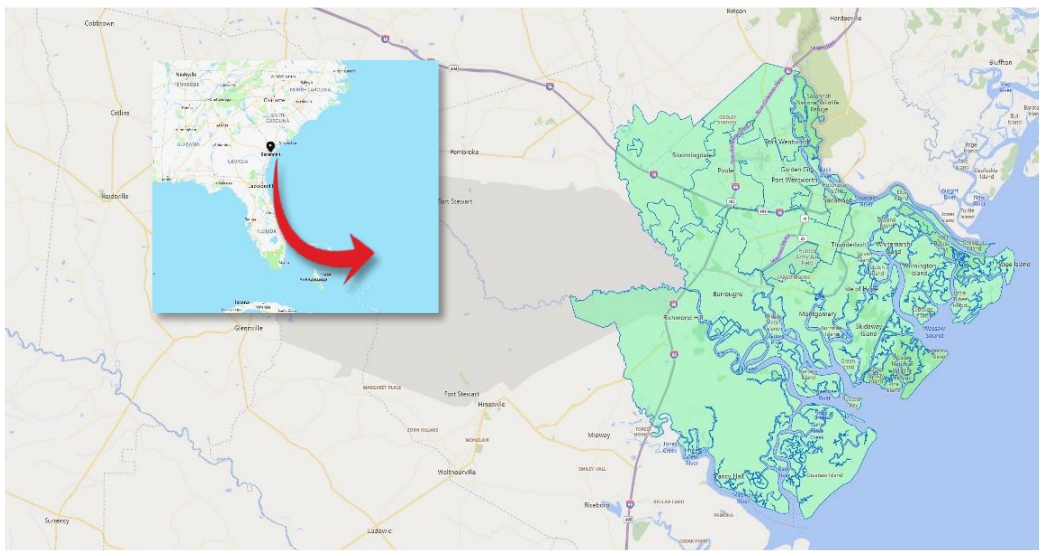
Revenue Stability	Supplier Power Trend	Investment Yields
21st	**55th**	**27th**
Above Average	Average	Above Average
Assessment of room revenue growth and volatility over past three to five years against other Top 104 markets	Assessment of market's ability to maximize loyalty and profits, and to ward off booking costs over past 12 months	Measure of market's general investment parameters (yields, OAR, IRR, interest rates, etc.) against other Top 104 markets

RISKS

Supply Risk	Labor Risk	Macro-Fiscal Risk
18th	**86th**	**79th**
Above Average	Below Average	Below Average
Assessment of market supply growth over past 12 months relative to Top 104 markets	Measure of current employment health over past two years relative to Top 104 markets	Assessment of health and diversity of lodging demand generators relative to Top 104 markets

NEWMARK

Location



Quick Facts

Jurisdictional Information

Source: US Census Bureau, Dept. of Labor Statistics

Municipal Name:	Savannah
County:	Chatham County
State:	Georgia
Geo Coordinates (market center):	32.08354, -81.09983

Major Hotel Demand Generators

Gulfstream Aerospace Corp. | Memorial Health Univ. Medical Ctr. | Ft. Stewart/Hunter Army Airfield | St. Joseph's/Candler | Wal-Mart Stores Inc. | Momentum Resources II Inc. | Savannah College of Art and Design | Georgia Pacific Corp. | Fred Meyer Stores | StaffCo | Georgia Port Authority | International Paper | Armstrong Atlantic State University | SouthCoast Medical Group | U.S. Army Corps of Engineers | Savannah State University | Goodwill Industries | Publix Super Markets Inc. | Sitel Corp. | Georgia Power Co.-Coastal Region

Metrics and Ranking	Measurement	Rankings
Population (hotel market area)	264,081	99th of 104 (Small)
Income per Capita	$39,386	83rd of 104 (Below Average)
Feeder Group Size	19.8 Persons PSR	3rd of 104 (Very Strong)
Feeder Group Earnings	$781,446 PSR	4th of 104 (Strong)
Total Market Hotel Revenues	$733.0 million	52nd of 104 (Average)

Key Performance Metrics

Data provided by: kalibri LABS

YEAR ENDING	Occ %	Guest Paid ADR	Guest Paid RevPAR	COPE ADR	COPE RevPAR	Booking Cost POR	ADR COPE %	Loyalty %	Avg Length of Stay Nights	Supply Rooms	Performance Index (LPI)
2016	72.2%	$113.52	$81.91	$104.91	$75.70	$8.60	92.4%	47.7%	1.90	15,200	1.21
2017	70.8%	$114.62	$81.14	$105.77	$74.88	$8.85	92.3%	48.4%	1.86	15,550	1.08
2018	69.4%	$118.54	$82.31	$109.51	$76.03	$9.04	92.4%	50.6%	1.87	15,880	0.97
2019	69.8%	$119.10	$83.13	$109.94	$76.74	$9.16	92.3%	56.0%	1.81	16,700	1.15
2020	49.7%	$97.45	$49.07	$90.25	$44.85	$7.21	92.6%	41.8%	1.94	17,210	1.09
2021	66.3%	$131.14	$87.82	$121.08	$80.23	$10.06	92.3%	43.5%	1.93	17,980	1.31
2022	69.4%	$141.43	$98.18	$130.76	$90.77	$10.68	92.4%	43.9%	1.94	18,040	1.41
2023	70.1%	$148.55	$104.74	$137.68	$96.58	$10.86	92.7%	44.4%	1.96	18,100	1.17
2024	73.1%	$147.92	$108.50	$137.05	$100.22	$10.87	92.7%	49.1%	2.04	18,410	1.15
CAGR: 2016 thru 2024	0.2%	3.4%	3.6%	3.4%	3.6%	3.0%	0.0%	0.4%	0.9%	2.4%	-0.6%
1Q 2024	73.1%	$148.20	$108.40	$137.41	$100.51	$10.79	92.7%	48.9%	2.03	18,140	1.18
1Q 2025	70.4%	$145.85	$102.72	$135.12	$95.16	$10.74	92.6%	49.8%	2.03	18,420	1.12

Notable Metrics

HIGHEST

Feeder Group Size	Feeder Group Earnings per sold room	IRR: Luxury/Upscale
3rd	**4th**	**11th**
Very Strong	**Strong**	**Favorable**
Savannah, GA required a small feeder group size (19.84 Persons)	The market posted strong feeder group earnings per sold room ($781,446)	The market also posted favorable IRR metrics in the luxury/upscale segment (9.0%)

LOWEST

Marketwide Income per Room	Feeder Population Per Room	Population Density per Room
101st	**101st**	**101st**
Soft	**Soft**	**Soft**
This market exhibited a low ratio of marketwide per–capita income per room ($403,298)	The market posted a low ratio of feeder population per room (10.24)	Savannah, GA also has been hindered by weak population density per room (14.25)

Notable Trends

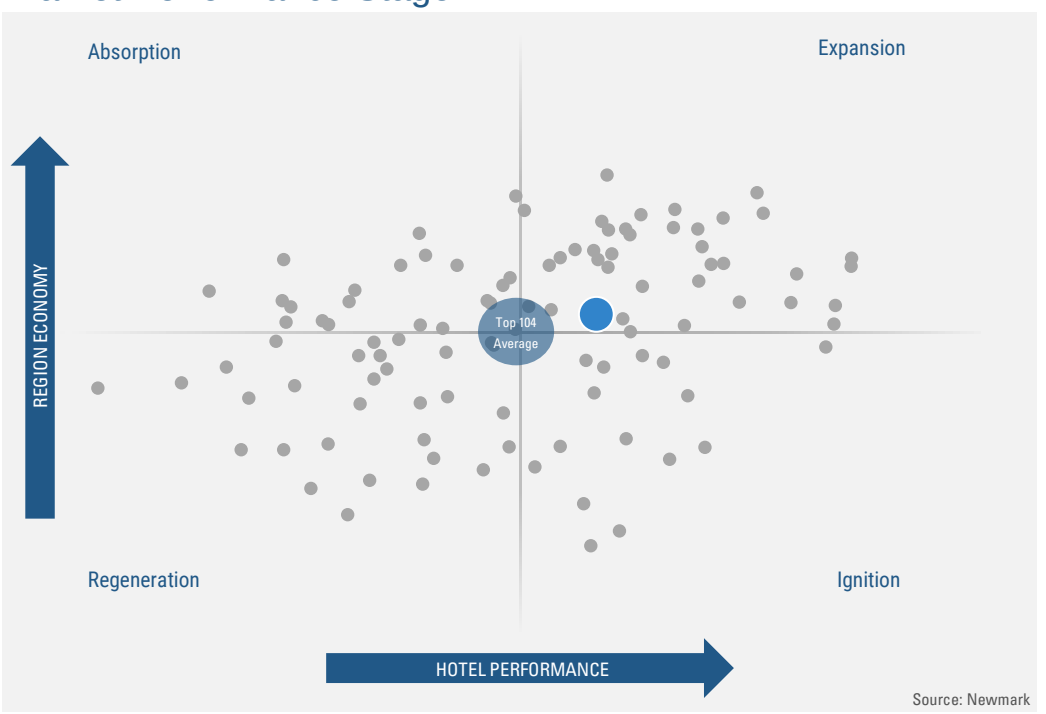
STRONGEST

Short-Term Historical Supply Growth	Long-Term Historical Average Length of Stay Growth	Short-Term Historical Guest Paid RevPAR Growth
6th	**15th**	**21st**
Strong	**Above Average**	**Above Average**
Savannah, GA has benefited from low short–term historical supply growth (3.5%)	The market enjoyed strong long–term historical average length of stay growth (1.2%)	The market also has benefited from strong short–term historical Guest Paid RevPAR growth (4.2%)

WEAKEST

Short-Term Historical Booking Costs POR Growth	Long-Term Historical Booking Costs POR Growth	Long-Term Historical Supply Growth
100th	**95th**	**94th**
Soft	**Soft**	**Soft**
The market has been impeded by high short–term historical growth in booking costs (5.1%)	We note this area exhibited high long–term historical booking costs POR growth (4.4%)	Savannah, GA also has been burdened by high long–term historical supply growth (2.5%)

Market Performance Stage



Source: Newmark

Savannah, GA: Expansion Stage

Expansion

The Savannah, GA 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; Chicago, IL; and Miami, FL.

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 Fort Worth, TX; Minneapolis, MN; and Portland, OR.

MOODYS ANALYTICS

Industry Observations

Business Cycle:	**Expansion**
Employment Growth (2 yr):	1.3%
Risk Exposure (402 US markets):	**14th Percentile: Below Average**
Key Industry Notes:	Strong population growth
	Major cargo port
	Tourism destination
	Strong population growth
	Declining paper mill industry

Moody's Rating

Aa1

Investment Grade

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

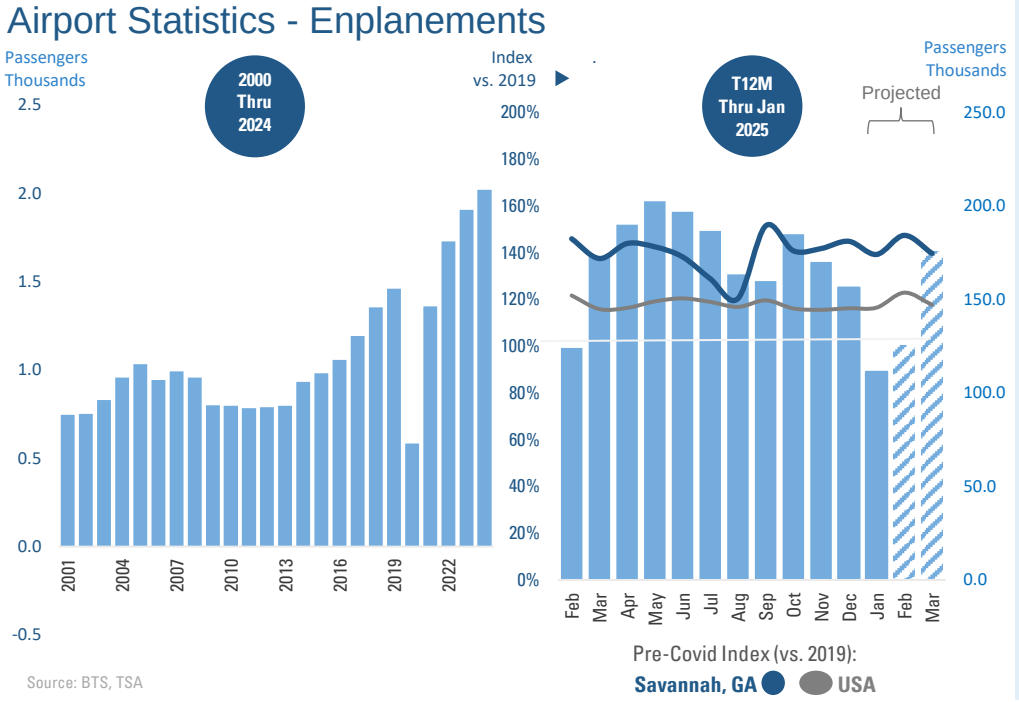
TOP 10 BRANDS

Source: Newmark

NEWMARK

SELECT NEAREST AIRPORT CITY: ALL LOCAL

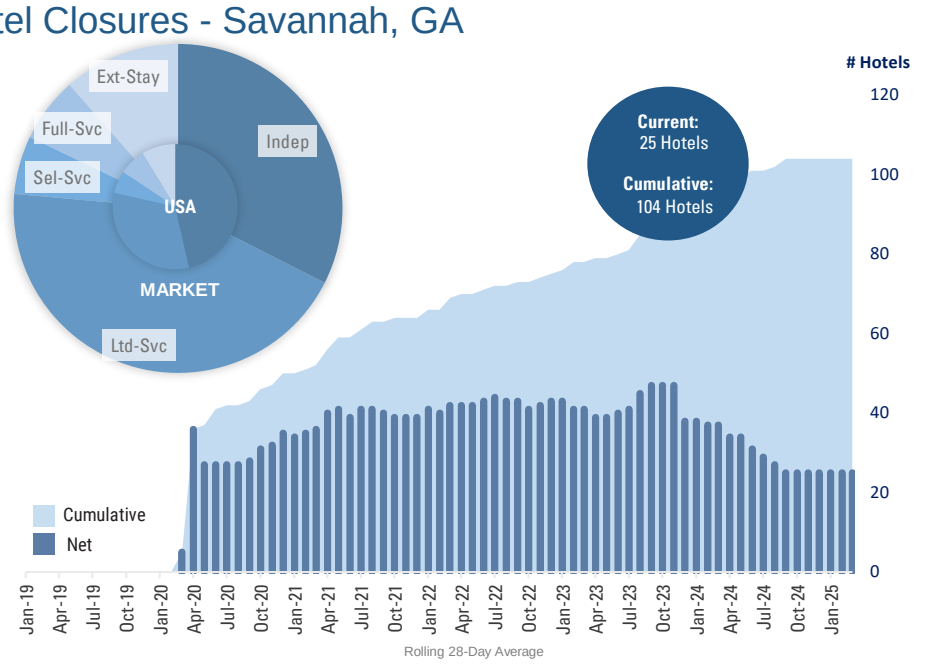
Airport Statistics - Enplanements



Source: BTS, TSA

DATA THROUGH MAY 2025

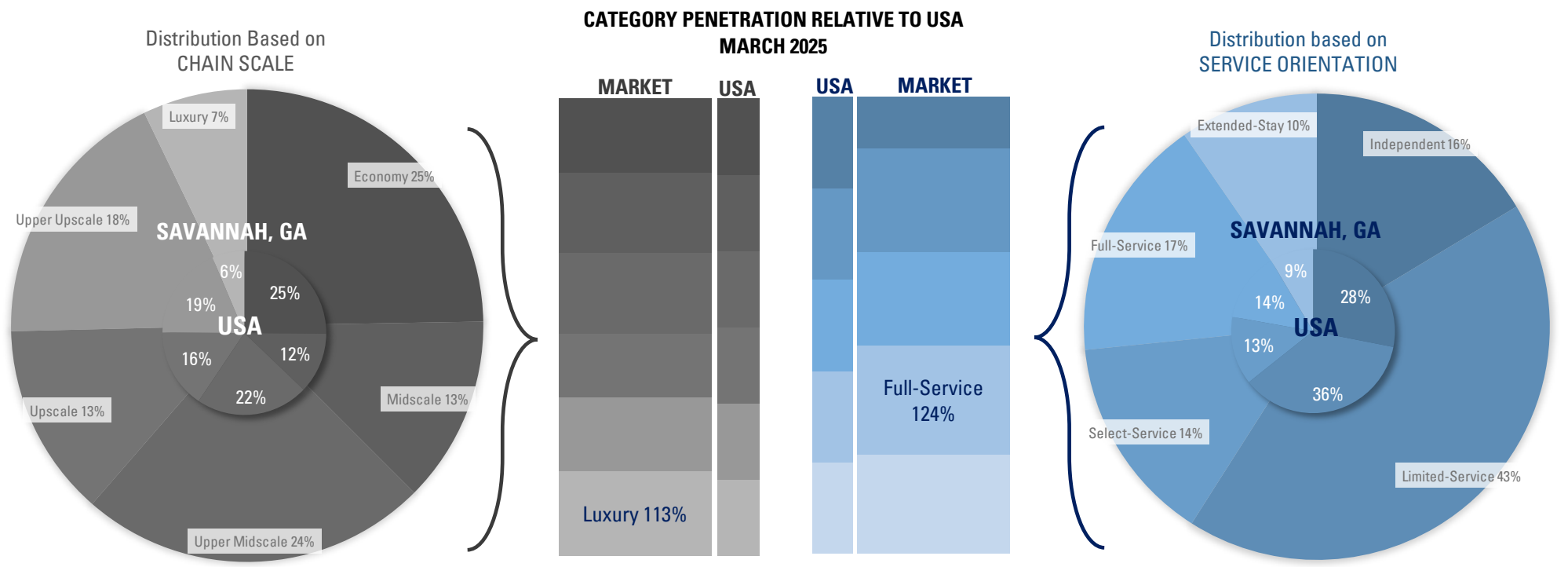
Hotel Closures - Savannah, GA



Source: Hotel Compete

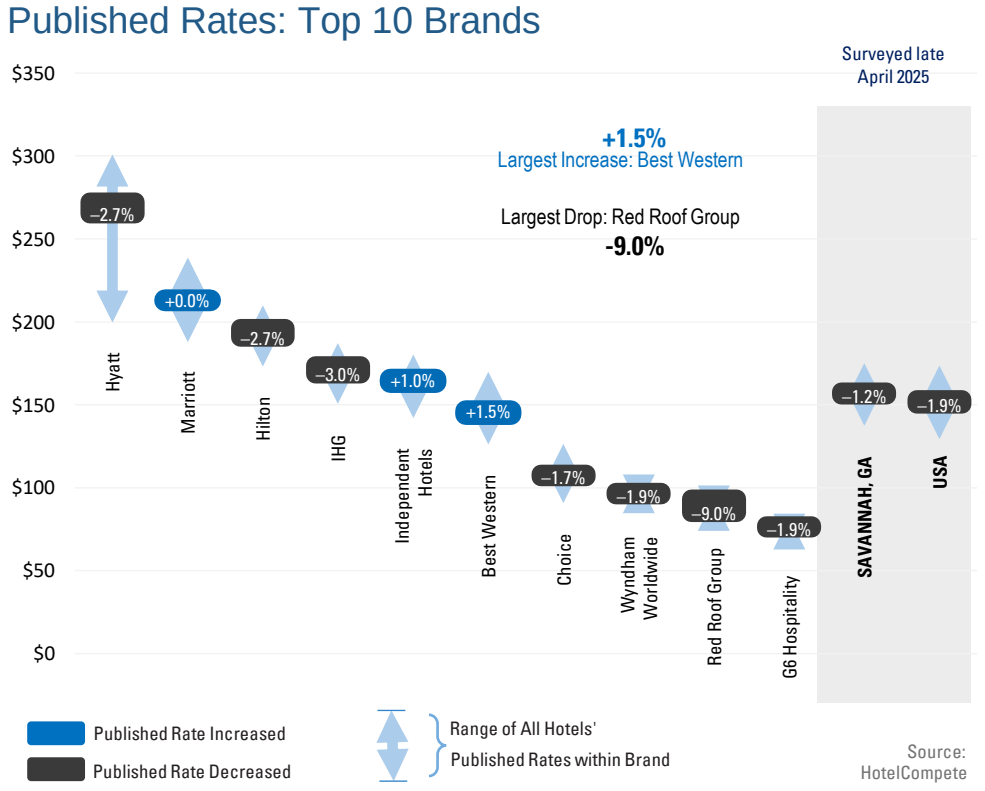
SCALE AND SERVICE ORIENTATION

Scale and Service Distribution: Savannah, GA



'30/3' RATE CHANGES: SAVANNAH, GA vs. USA

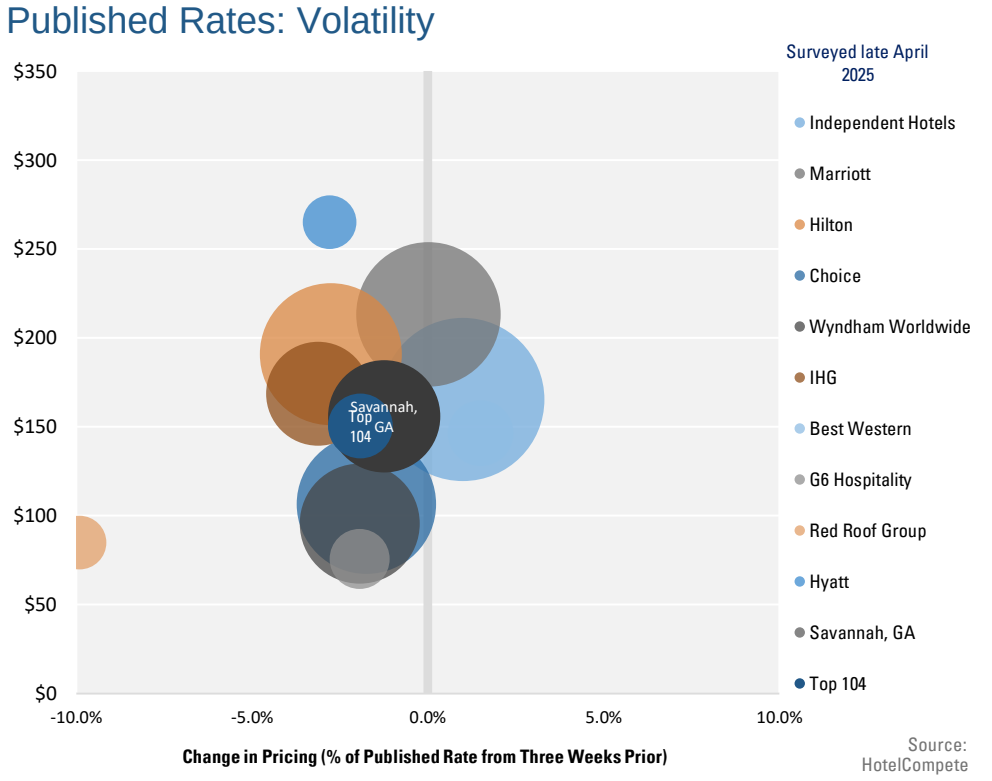
Published Rates: Top 10 Brands



Source: HotelCompete

RATE ADJUSTMENTS BY BRAND

Published Rates: Volatility



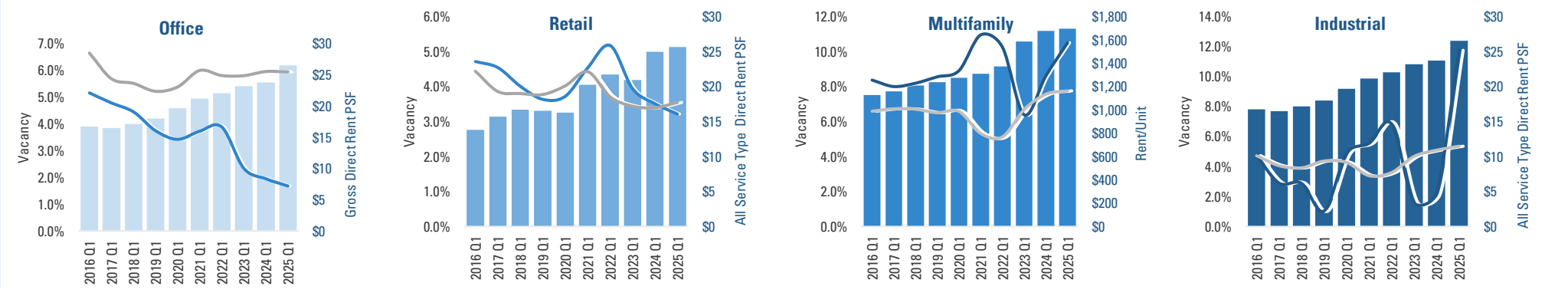
Source: HotelCompete

MAJOR C.R.E. METRICS

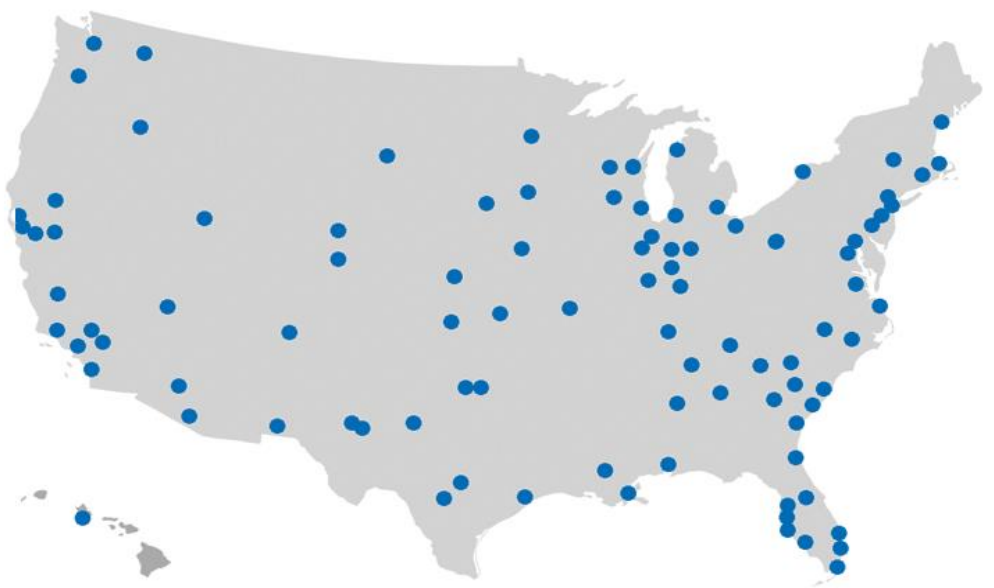
Major CRE Market Performance

Savannah, GA USA - Vacancy

Source: CoSTAR



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

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Golf Courses

Marinas

Ski and Village Resorts

Water Parks, Amusement Parks and Attractions

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We understand every aspect of a property's operations, allowing us to craft advanced tax strategies.

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