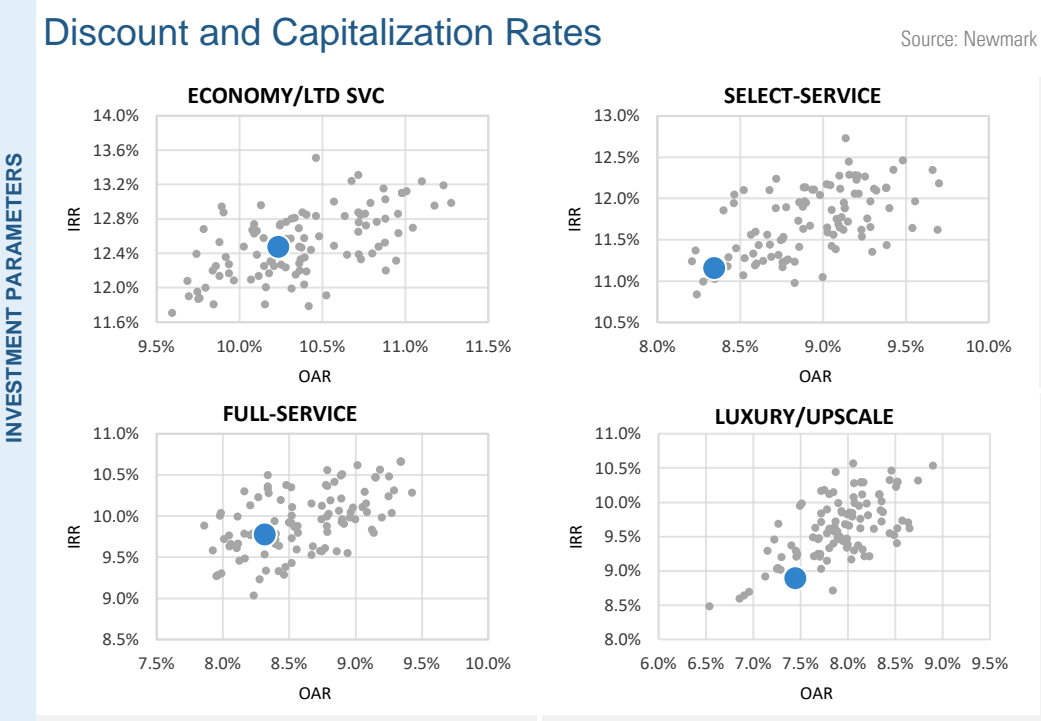
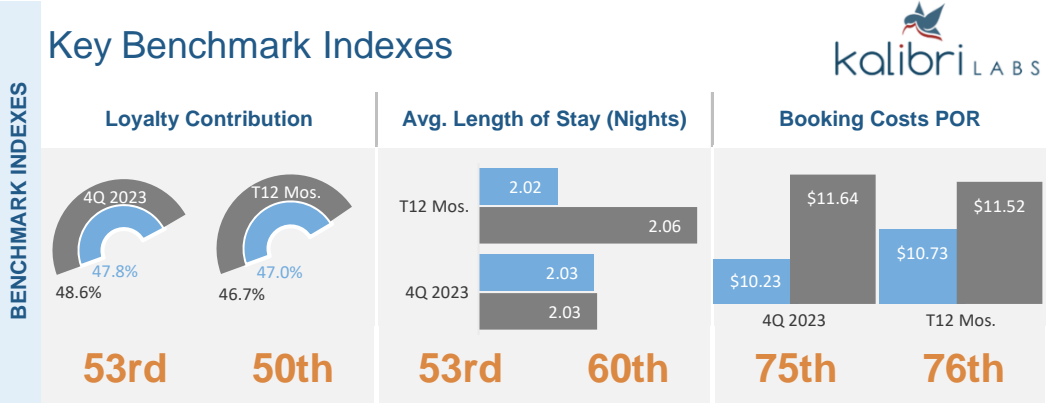
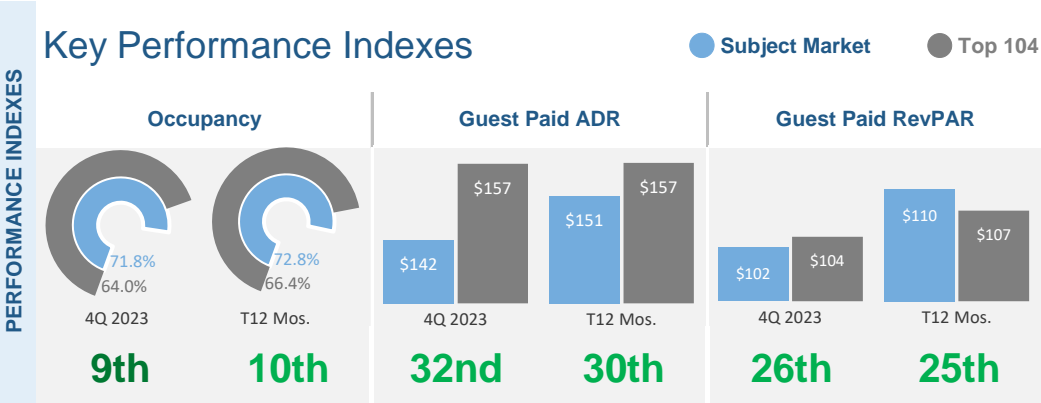
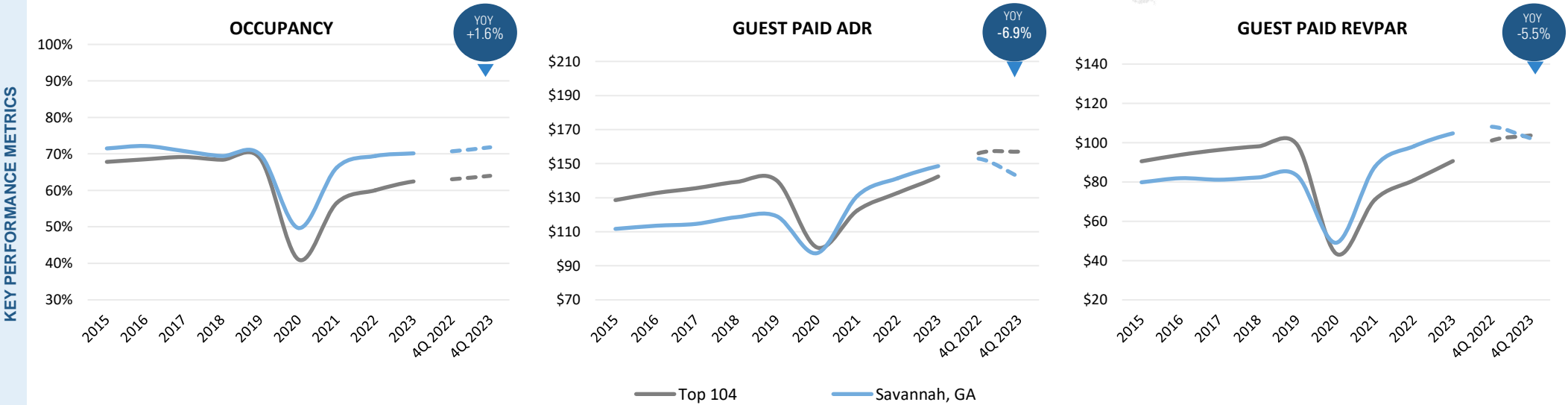
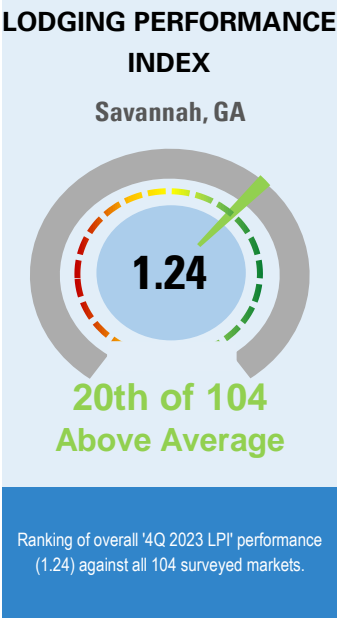
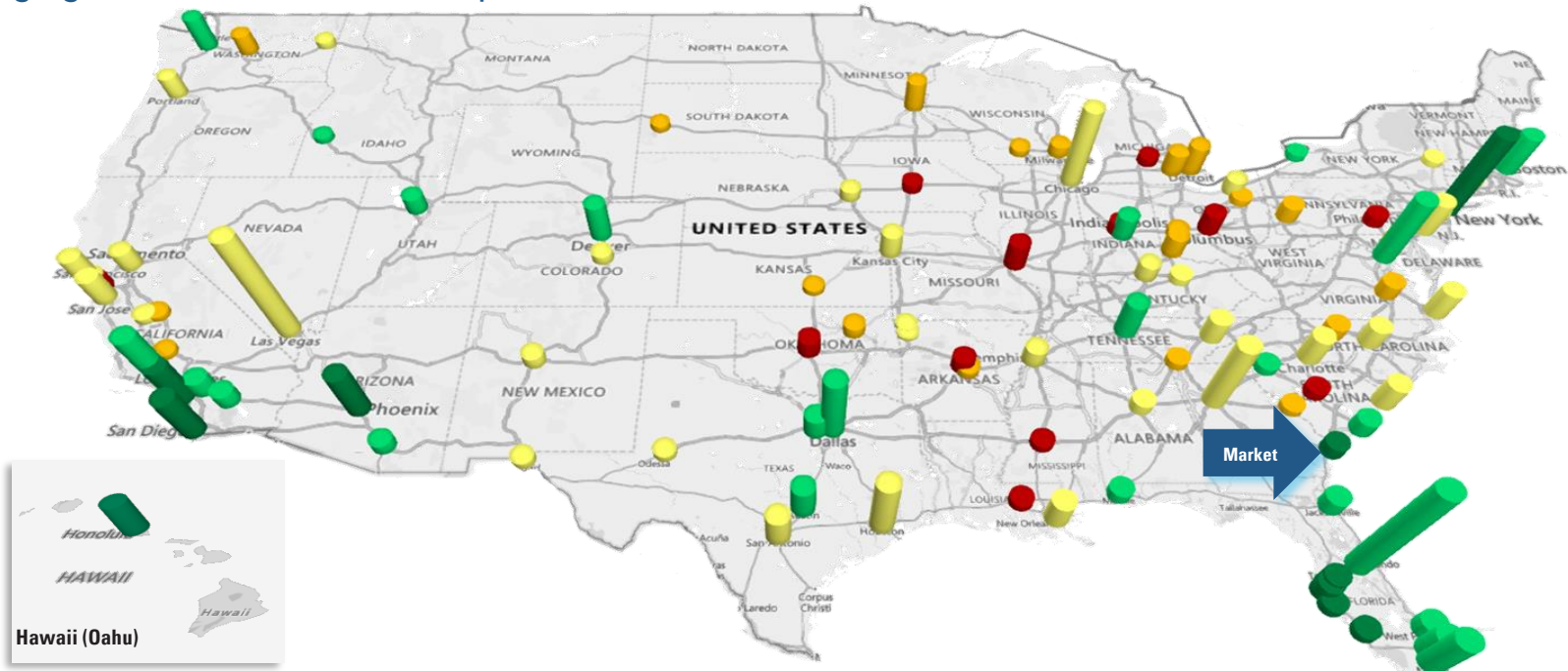


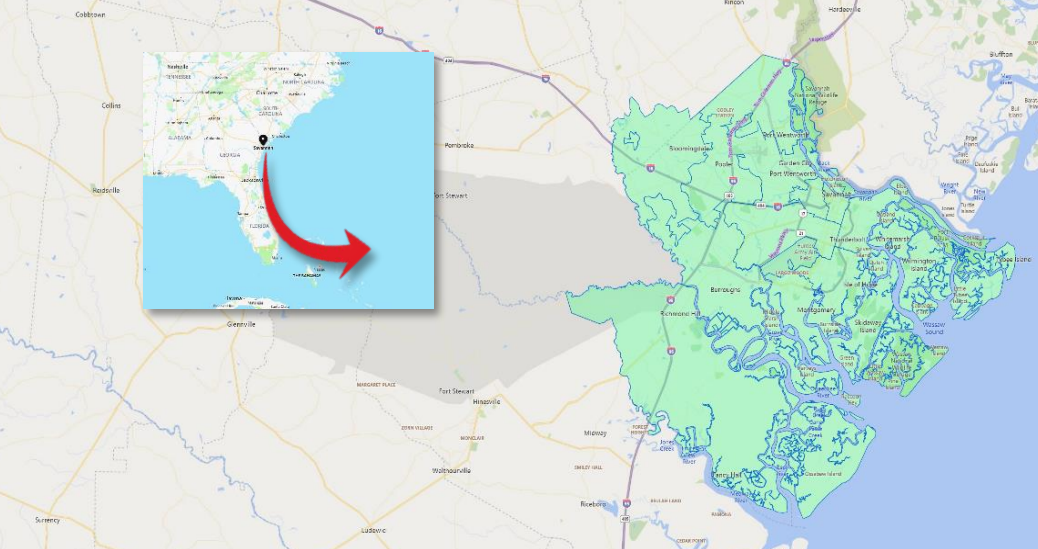
4Q 2023
SAVANNAH, GA



Lodging Performance Index Snapshot



Location



Quick Facts

Jurisdictional Information

Municipal Name:

County:

State:

Geo Coordinates (market center):

Savannah

Chatham County

Georgia

32.08354, -81.09983

Source: US Census Bureau,
Dept. of Labor Statistics

Major Hotel Demand Generators

Gulfstream Aerospace Corp. | Memorial Health University Medical Center | 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)

Income per Capita

Feeder Group Size

Feeder Group Earnings

Total Market COPE

264,081

\$39,386

19.8 Persons PSR

\$781,446 PSR

\$733.0 million

99th of 104 (Small)

83rd of 104 (Below Average)

3rd of 104 (Very Strong)

4th of 104 (Strong)

52nd of 104 (Average)

Key Performance Metrics

YEAR ENDING	Guest Paid			COPE	
	Occ %	ADR	RevPAR	ADR	RevPAR
2015	71.5%	\$111.67	\$79.84	\$103.41	\$73.93
2016	72.2%	\$113.52	\$81.91	\$104.91	\$75.70
2017	70.8%	\$114.62	\$81.14	\$105.77	\$74.88
2018	69.4%	\$118.54	\$82.31	\$109.51	\$76.03
2019	69.8%	\$119.10	\$83.13	\$109.94	\$76.74
2020	49.7%	\$97.45	\$49.07	\$90.25	\$44.85
2021	66.3%	\$131.14	\$87.82	\$121.08	\$80.23
2022	69.4%	\$141.43	\$98.18	\$130.76	\$90.77
2023	70.1%	\$148.55	\$104.74	\$137.68	\$96.58
CAGR: 2015 thru 2022	-0.2%	3.6%	3.5%	3.6%	3.4%
4Q 2022	70.7%	\$152.90	\$108.11	\$142.44	\$100.71
4Q 2023	71.8%	\$142.30	\$102.18	\$132.07	\$94.84

Data provided by: kalibri LABS					
Booking Cost POR	ADR COPE %	Loyalty %	Avg. Length of Stay (Nights)	Supply (Available Rms)	Performance Index (LPI)
\$8.26	92.6%	47.0%	1.85	15,140	1.20
\$8.60	92.4%	47.7%	1.90	15,200	1.21
\$8.85	92.3%	48.4%	1.86	15,550	1.08
\$9.04	92.4%	50.6%	1.87	15,880	0.97
\$9.16	92.3%	56.0%	1.81	16,700	1.15
\$7.21	92.6%	41.8%	1.94	17,210	1.09
\$10.06	92.3%	43.5%	1.93	17,980	1.31
\$10.68	92.5%	43.9%	1.94	18,040	1.41
\$10.86	92.7%	44.4%	1.96	18,100	1.24
3.5%	0.0%	-0.7%	0.8%	2.3%	0.3%
\$10.46	93.2%	46.3%	1.98	18,490	1.41
\$10.23	92.8%	47.8%	2.03	18,530	1.24

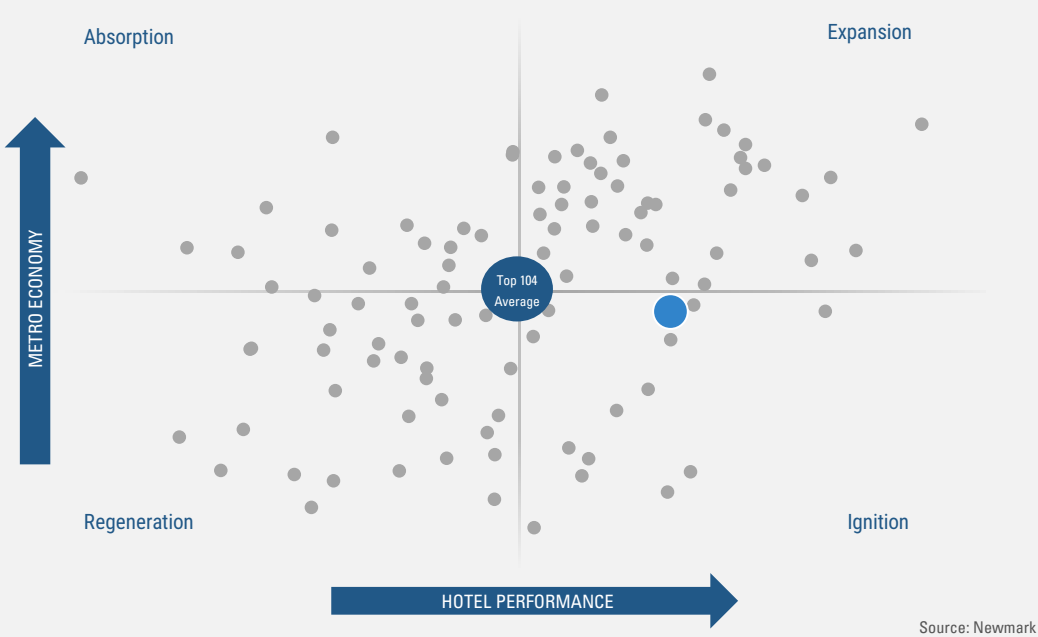
Notable Metrics

HIGHEST	Feeder Group Size	Feeder Group Earnings PSR	IRR: Luxury/Upscale
	3rd Very Strong Savannah, GA required a small feeder group size (19.84 Persons)	4th Strong The market posted strong feeder group earnings PSR (\$781,446)	6th Highly Favorable The market also posted favorable IRR metrics in the luxury/upscale segment (8.9%)
LOWEST	Marketwide Income per Room	Feeder Population Per Room	Population Density per Room
	101st Soft This market exhibited a low ratio of marketwide income per room (\$403,298)	101st Soft The market posted a low ratio of feeder population per room (10.24)	101st Soft Savannah, GA also has been hindered by weak population density per room (14.25)

Notable Trends

FASTEST	Short-Term Historical Guest Paid RevPAR Growth	Short-Term Historical COPE RevPAR Growth	Long-Term Historical Average Length of Stay Growth
	5th Strong Savannah, GA has benefited from strong short-term historical Guest Paid RevPAR growth (6.0%)	5th Strong The market exhibited strong short-term historical COPE RevPAR growth (5.9%)	7th Strong The market also enjoyed strong long-term historical average length of stay growth (1.2%)
SLOWEST	Short-Term Historical Booking Costs POR Growth	Long-Term Historical Supply Growth	Long-Term Historical Booking Costs POR Growth
	100th Soft The market has been impeded by high short-term historical growth in booking costs (5.6%)	95th Soft We note this area has been burdened by high long-term historical supply growth (2.5%)	82nd Below Average Savannah, GA also exhibited high long-term historical booking costs POR growth (3.7%)

Market Performance Stage



Savannah, GA: Ignition Stage

Ignition	The Savannah, GA market is currently in the 'Ignition' stage of the performance cycle. In this stage, hotels typically perform adequately for operators to enjoy positive returns, with confidence the economy will enter a sustained post-pandemic status. While the regional economy continues to recover, strong hotel performance locally is igniting expansion in certain key sectors. Example markets in this stage include Chicago, IL; Miami, FL; and Myrtle Beach, SC.Chicago, IL; Miami, FL; and New York, NY.
----------	--

Other Stages:

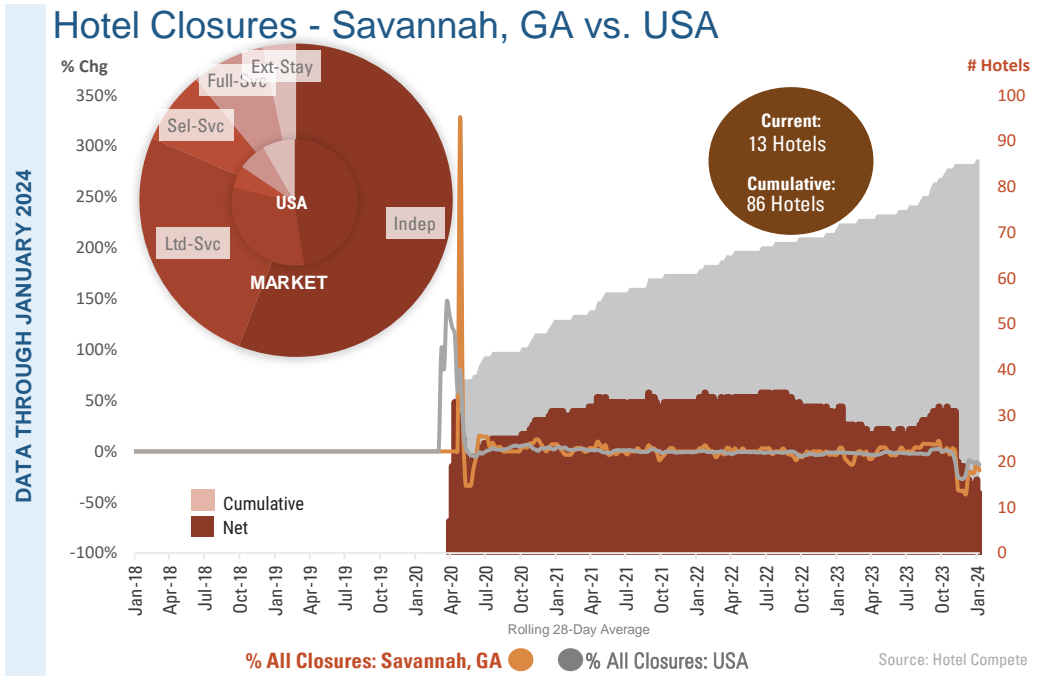
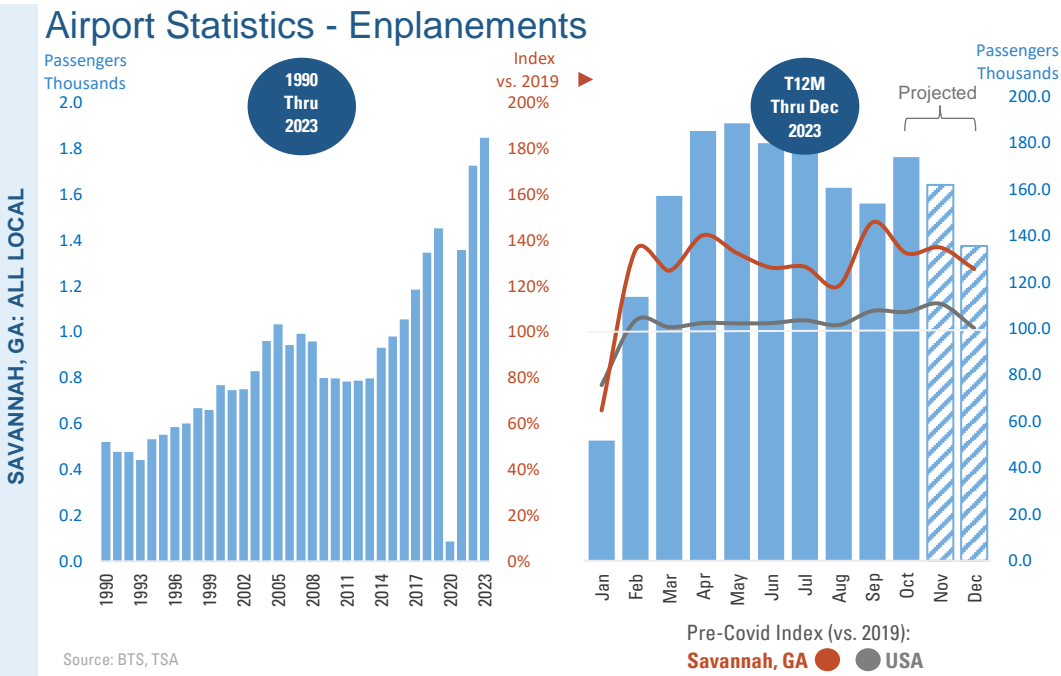
Regeneration	In the 'Regeneration' stage, hotels and the underlying economy are underperforming. The highest and best uses of hotel assets are still being challenged by lingering pandemic impacts, oversupply, weak economic indicators, and/or poor corporate contribution. Hotel investors look for opportunities to either exit or regenerate demand. Example markets in this stage include Cincinnati, OH; Detroit, MI; and Knoxville, TN.
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 Columbus, OH; Houston, TX; and Minneapolis, MN.
Expansion	In the 'Expansion' 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; Atlanta, GA; and Austin, TX.

Industry Observations

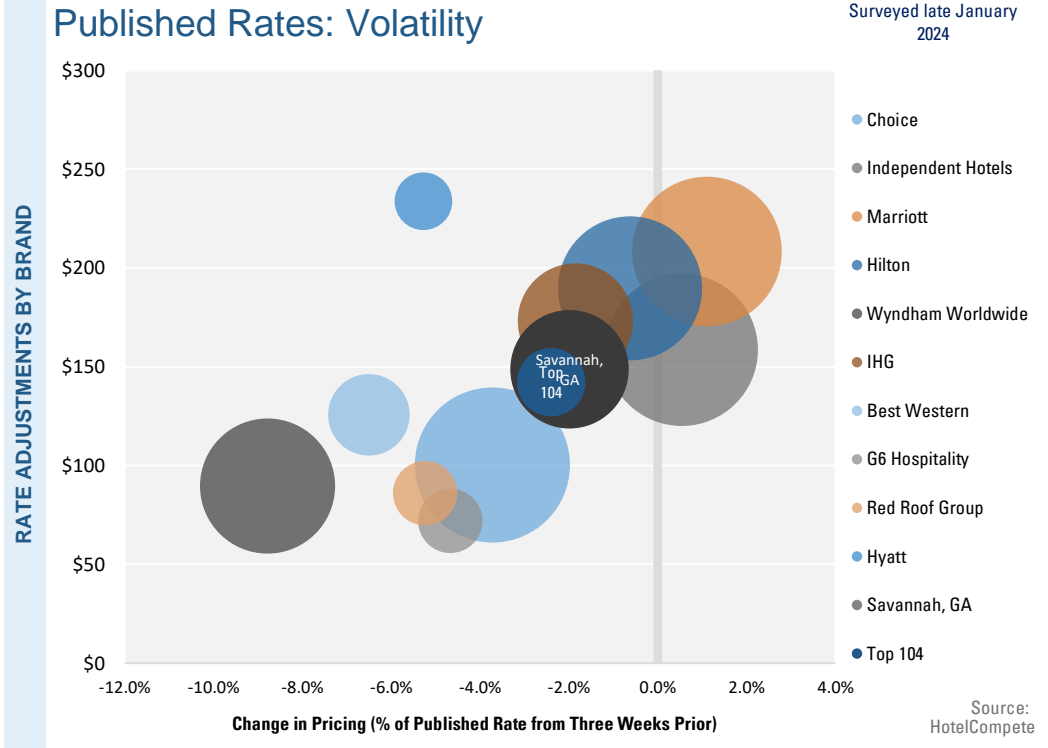
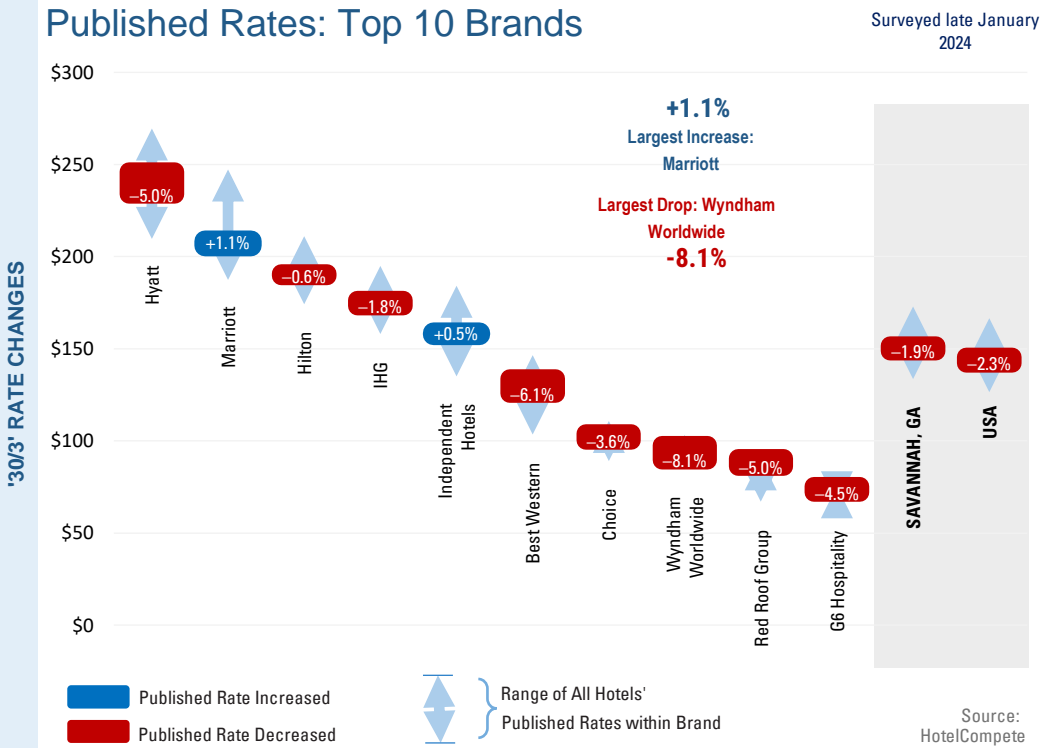
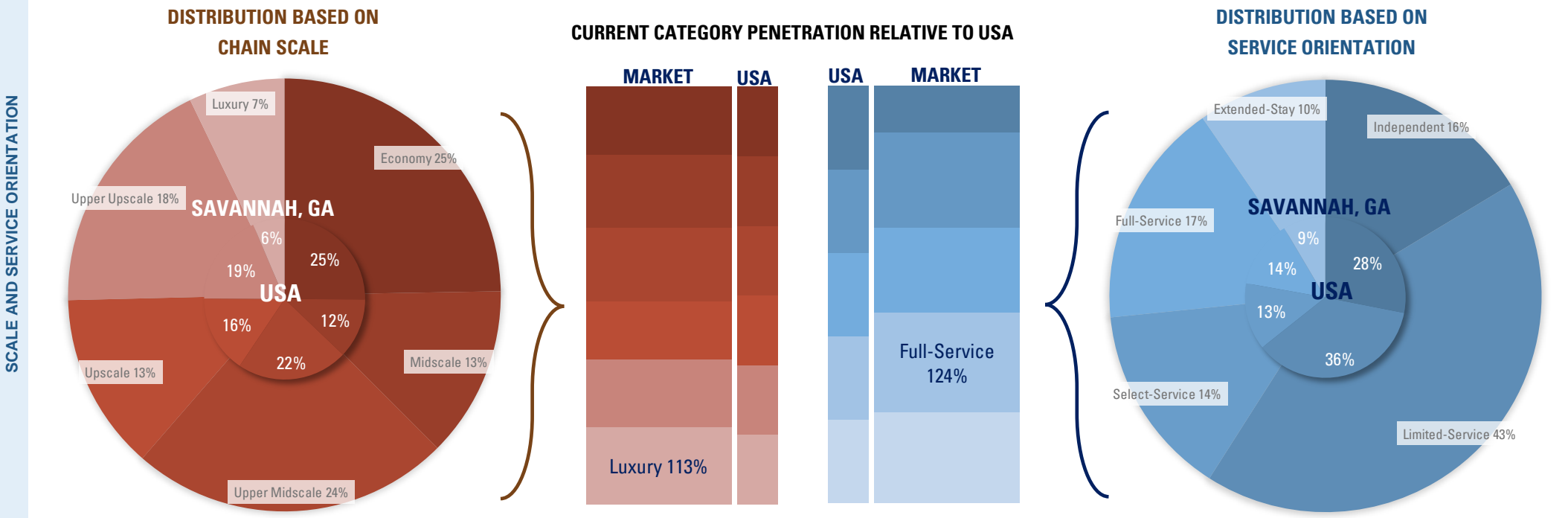
Business Cycle:	At Risk
Employment Growth (2 yr):	6.0%
Risk Exposure (402 US markets):	31st Percentile: Below Average
Key Industry Notes:	Manufacturing, defense Major cargo port Tourism destination Strong population growth Low per capita income

Moody's Rating
Aa1
Investment Grade
Long-term investment grade, Prime-1 short-term outlook

TOP 10 BRANDS	Hampton Inn (785)	Hampton Inn (7)
	Fairfield Inn (618)	Quality Inn (6)
	Holiday Inn Exp. (569)	Holiday Inn Exp. (6)
	SpringHill Suites (510)	Fairfield Inn (6)
	Quality Inn (477)	SpringHill Suites (5)
	La Quinta (436)	Days Inn (5)
	Courtyard (420)	Travelodge (4)
	JW Marriott (419)	Red Roof (4)
	Days Inn (409)	La Quinta (4)
	Westin (403)	Country Inns (4)
Source: Newmark		



Scale and Service Distribution: Savannah, GA



Published Rate Observations: 30-Day Advance

	Published Rate Level	Rate Movement	Optimism
MARKET LEVEL	33rd Above Average The 30-day advanced published rate for the market was a somewhat aggressive \$148.71, ranking 33rd out of 104 markets. (Guest-Paid ADR ranked a somewhat aggressive 32nd at \$142.30 in 4Q 2023.)	36th Average Published rates have recently been moving downward, decreasing by a modest 1.9% over three weeks going into late January 2024. By comparison, the T-104 average posted downward movement of 2.34%.	54th Average Published rates reported in late January 2024 were 4.5% higher than the market's Guest-Paid ADR in 4Q 2023. This optimism is average. By comparison, the T-104 spread was -9.5%.

	Published Rate Integrity	Coverage	Volatility
BRAND LEVEL	26th Above Average Published rates among the top 10 brands have a moderate amount of integrity with some pricing overlap, suggesting bottom-feeding occasionally exists.	29th Above Average Savannah, GA has an above average spectrum of rate classes and traveler types among its top 10 brands, and the range of coverage has been holding steady.	54th Moderate Savannah, GA's top 10 brands are exhibiting moderate volatility with respect to advanced booking pricing movements in the three weeks leading into late January 2024.

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

Arenas, Stadiums and Sports 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.

FOR INFORMATION CONTACT:

Bryan Younge MAI, ASA, FRICS

Executive Vice President, Valuation & Advisory,
Specialty Practice Leader – Hospitality, Gaming & Leisure
m 773-263-4544
bryan.younge@nmrk.com

CONTACT: SOUTHEAST & CARRIBBEAN MARKETS

CONTACT	FOR MORE INFORMATION	
	David Gray, MAI, MRICS Executive Vice President Hospitality, Gaming & Leisure NEWMARK VALUATION & ADVISORY Southeast & Carribbean Markets m 561-302-3943 david.gray@nmrk.com	Edy Gross Executive Vice President Hospitality, Gaming & Leisure NEWMARK VALUATION & ADVISORY Southeast & Carribbean Markets m 305-582-7376 edy.gross@nmrk.com

MARKET DISCLAIMERS

LEGAL	COPYRIGHT INFORMATION
	© 2024 by Newmark. All information contained in this publication is derived from sources that are deemed to be reliable. However, Newmark has not verified any such information, and the same constitutes the statements and representations only of the source thereof, and not of Newmark. Any recipient of this publication should independently verify such information and all other information that may be material to any decision that recipient may make in response to this publication and should consult with professionals of the recipient’s choice regarding all aspects of that decision, including its legal, financial, and tax aspects and implications. Any recipient of this publication may not, without the prior written approval of Newmark, distribute, disseminate, publish, transmit, copy, broadcast, upload, download, or in any other way reproduce this publication or any of the information it contains.