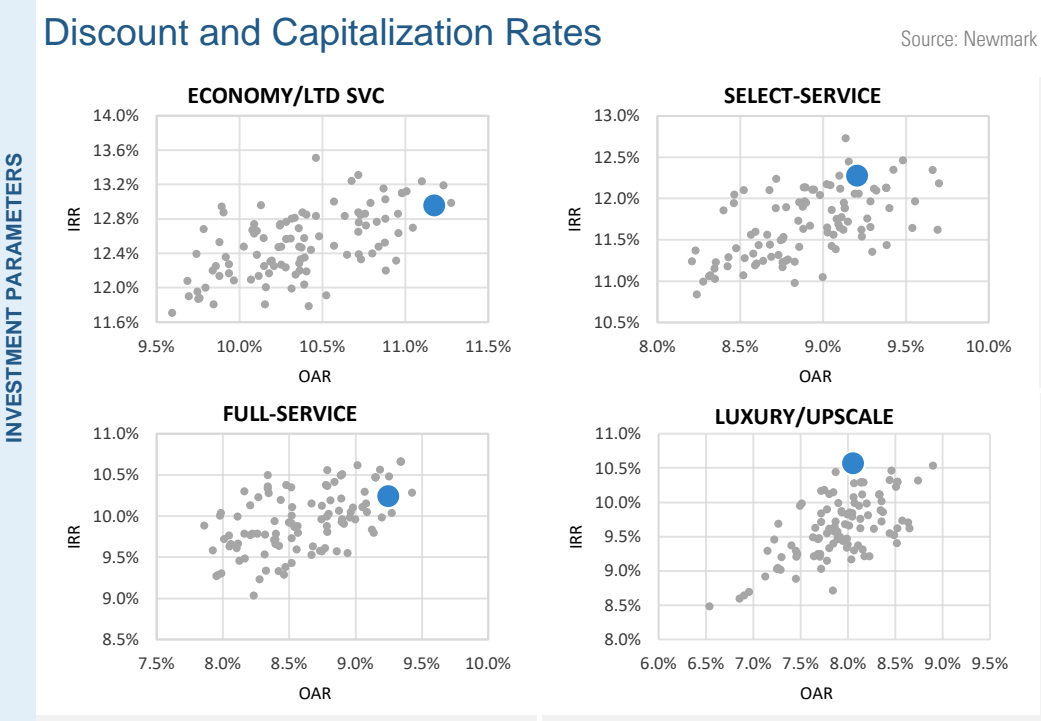
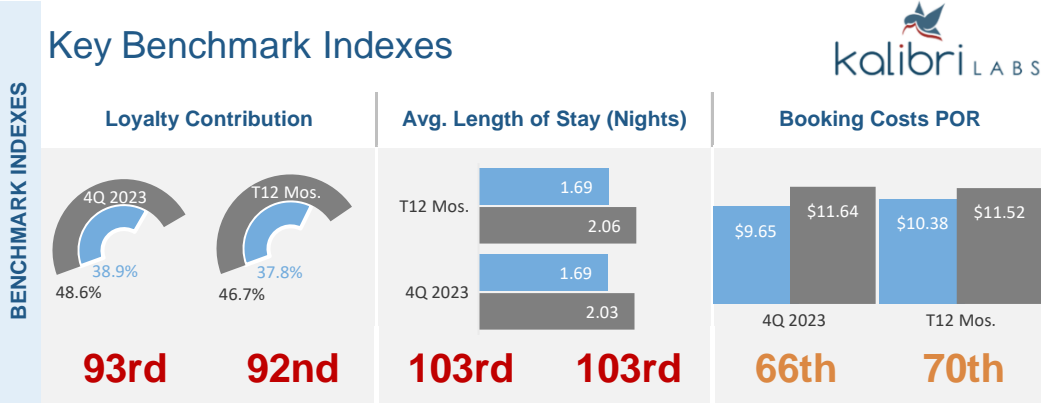
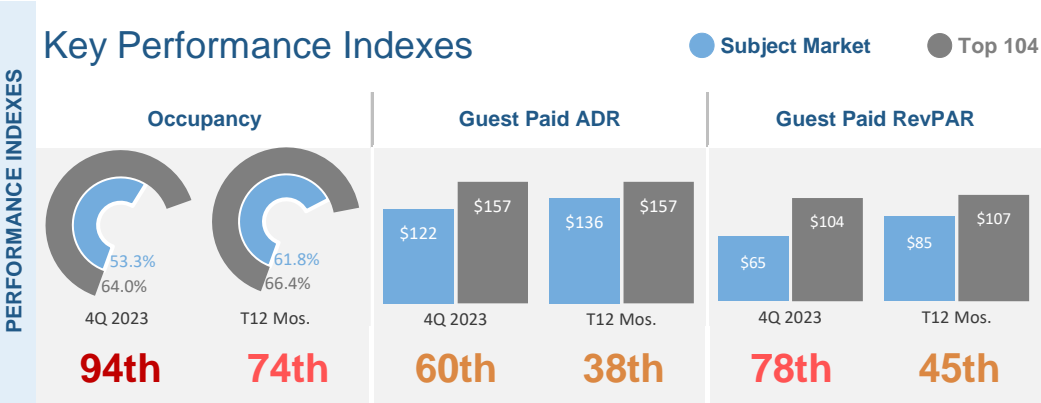
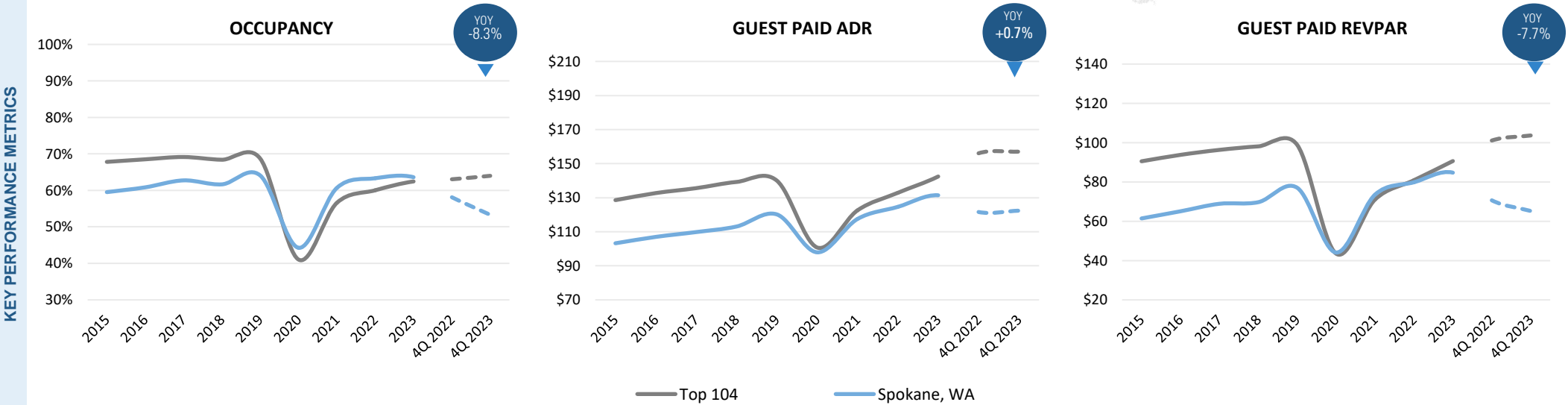
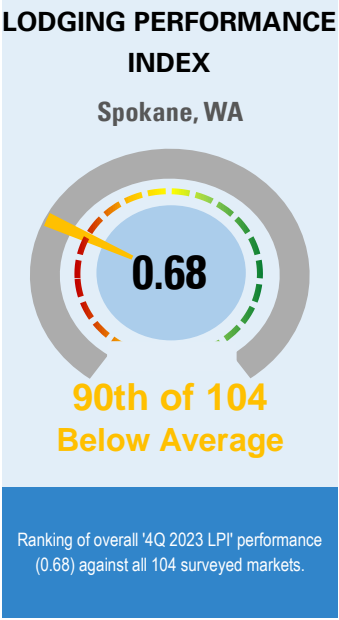
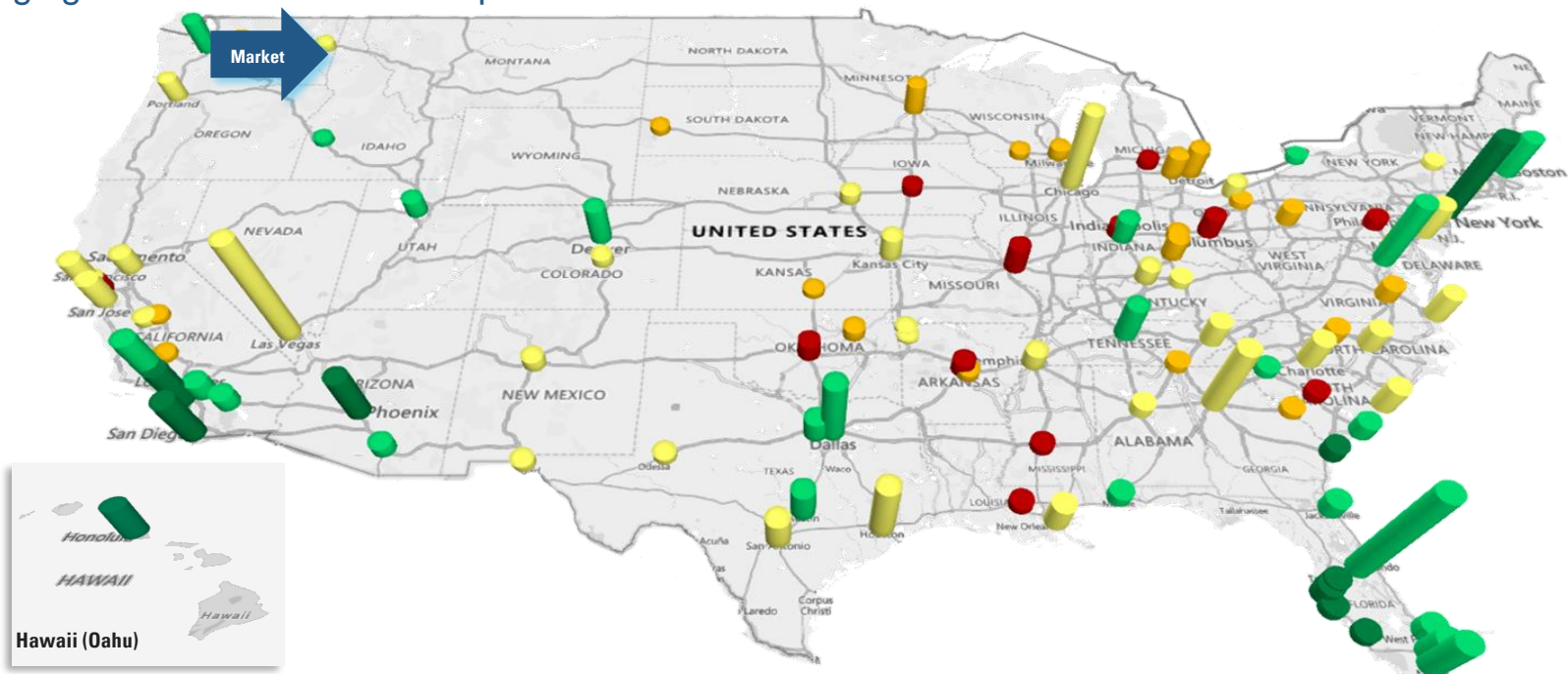


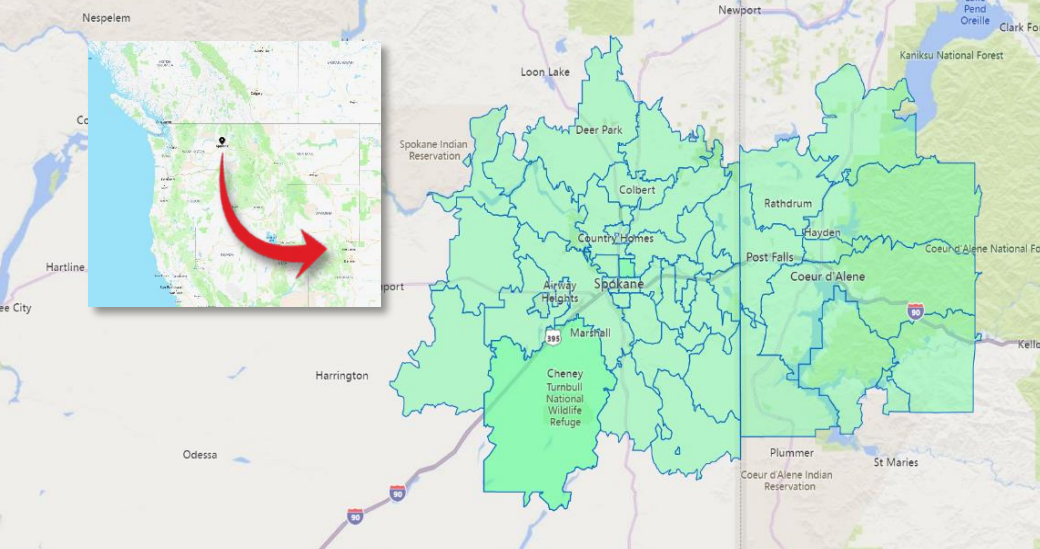
4Q 2023
SPOKANE, WA



Lodging Performance Index Snapshot



Location



Quick Facts

Jurisdictional Information

Municipal Name:

Spokane

County:

Spokane County

State:

Washington

Geo Coordinates (market center):

47.65878, -117.42605

Source: US Census Bureau, Dept. of Labor Statistics

Major Hotel Demand Generators

Fairchild AFB | Providence Health Care - Eastern Washington | Kalispel Tribal Economic Authority | URM Stores Inc. | Wal-Mart Stores Inc. | Eastern Washington University | Community Colleges of Spokane | Gonzaga University | Rockwood Clinic PS | Avista Corp. | Deaconess Medical Center | Manns-Grandstaff Veterans Medical Center | Ecova Inc. | Alorica Business Solutions | BNSF Railway Co. | Kaiser Aluminum Washington LLC | Yoke's Food Inc. | Eastern State Hospital | Pathology Associates Medical Laboratories LLC | Fred Meyer Stores

Metrics and Ranking

Population (hotel market area)

562,627

81st of 104 (Below Average)

Income per Capita

\$44,768

67th of 104 (Below Average)

Feeder Group Size

83.5 Persons PSR

65th of 104 (Average)

Feeder Group Earnings

\$3,737,150 PSR

55th of 104 (Average)

Total Market COPE

\$334.9 million

77th of 104 (Below Average)

Measurement

Rankings

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	59.5%	\$103.23	\$61.44	\$95.70	\$56.96	\$7.53	92.7%	45.6%	1.70	10,200	0.70
2016	60.8%	\$106.98	\$65.08	\$98.62	\$59.99	\$8.37	92.2%	49.3%	1.67	10,450	0.67
2017	62.7%	\$109.81	\$68.89	\$100.90	\$63.31	\$8.90	91.9%	50.4%	1.65	10,470	0.99
2018	61.7%	\$113.07	\$69.71	\$103.57	\$63.85	\$9.49	91.6%	50.8%	1.62	10,400	0.88
2019	64.1%	\$120.19	\$77.04	\$110.28	\$70.68	\$9.92	91.7%	55.4%	1.66	11,060	0.86
2020	44.3%	\$97.93	\$44.09	\$90.58	\$40.10	\$7.35	92.5%	33.6%	1.83	11,170	1.00
2021	60.7%	\$117.52	\$73.54	\$108.33	\$65.73	\$9.19	92.2%	34.8%	1.75	11,120	1.08
2022	63.3%	\$124.61	\$79.85	\$114.96	\$72.80	\$9.65	92.3%	35.4%	1.78	11,090	1.13
2023	63.6%	\$131.42	\$84.75	\$121.34	\$77.18	\$10.09	92.3%	35.7%	1.79	11,070	0.68
CAGR: 2015 thru 2022	0.8%	3.1%	4.1%	3.0%	3.9%	3.7%	-0.1%	-3.0%	0.6%	1.0%	-0.4%
4Q 2022	58.1%	\$121.58	\$70.66	\$112.36	\$65.30	\$9.23	92.4%	37.2%	1.73	10,970	1.13
4Q 2023	53.3%	\$122.39	\$65.24	\$112.74	\$60.09	\$9.65	92.1%	38.9%	1.69	10,960	0.68

Data provided by: kalibri LABS

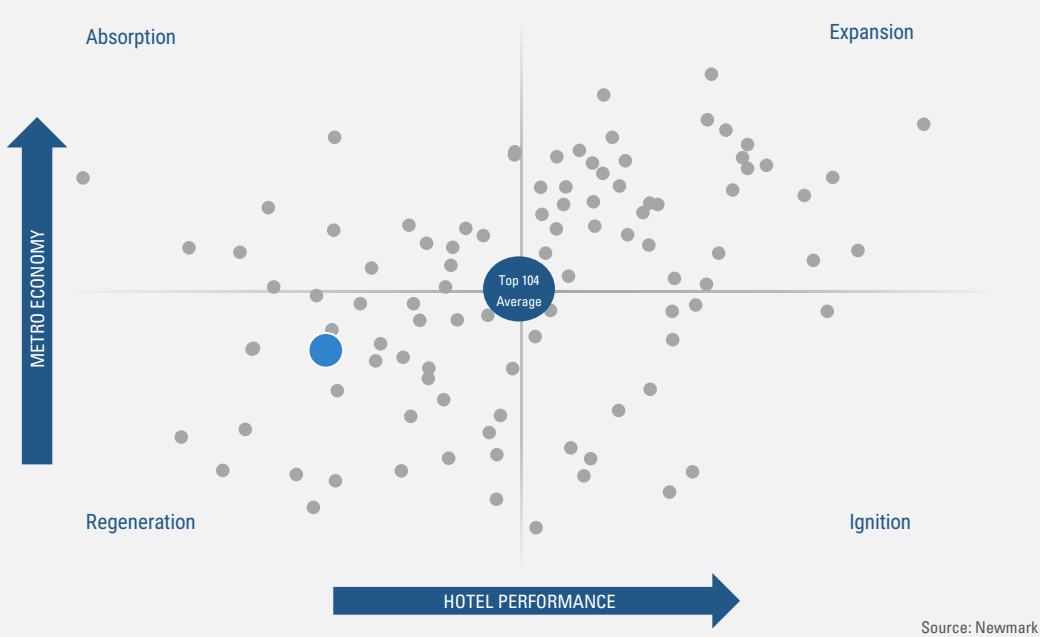
Notable Metrics

HIGHEST	T12-Month Guest Paid ADR	T12-Month COPE ADR	Population Density per Room
	38th Average Spokane, WA benefited from strong T12-month Guest Paid ADR (\$136.13)	38th Average The market exhibited strong T12-month COPE ADR (\$125.74)	44th Average The market also boasted strong population density per room (51.35)
LOWEST	IRR: Luxury/Upscale	T12-Month Average Length of Stay	Latest-Quarter Average Length of Stay
	104th Highly Unfavorable This market posted unfavorable IRR metrics in the luxury/upscale segment (10.6%)	103rd Soft The market exhibited weak T12-month average length of stay (1.69 Nights)	103rd Soft Spokane, WA also has been impeded by weak latest-quarter average length of stay (1.69 Nights)

Notable Trends

FASTEST	Long-Term Historical Guest Paid ADR Growth	Long-Term Historical COPE ADR Growth	Long-Term Historical Guest Paid RevPAR Growth
	38th Average Spokane, WA has benefited from strong long-term historical Guest Paid ADR growth (2.7%)	42nd Average The market enjoyed from strong long-term historical COPE ADR growth (2.6%)	43rd Average The market also exhibited strong long-term historical Guest Paid RevPAR growth (2.5%)
SLOWEST	Short-Term Historical Loyalty Contribution Growth	Long-Term Historical Loyalty Contribution Growth	Overall Health of Hotel Market
	103rd Soft The market has been hindered by weak short-term historical loyalty contribution growth (0.7%)	92nd Soft We note this area has been hindered by weak long-term historical loyalty contribution growth (2.8%)	91st Soft Spokane, WA also has been hampered by weak general hotel market performance (levels and trends of fundamentals)

Market Performance Stage



Source: Newmark

Spokane, WA: Regeneration Stage

Regeneration The Spokane, WA market is currently in the 'Regeneration' stage of the performance cycle. In this 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.

Other Stages:

Ignition	In the 'Ignition' 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.
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.

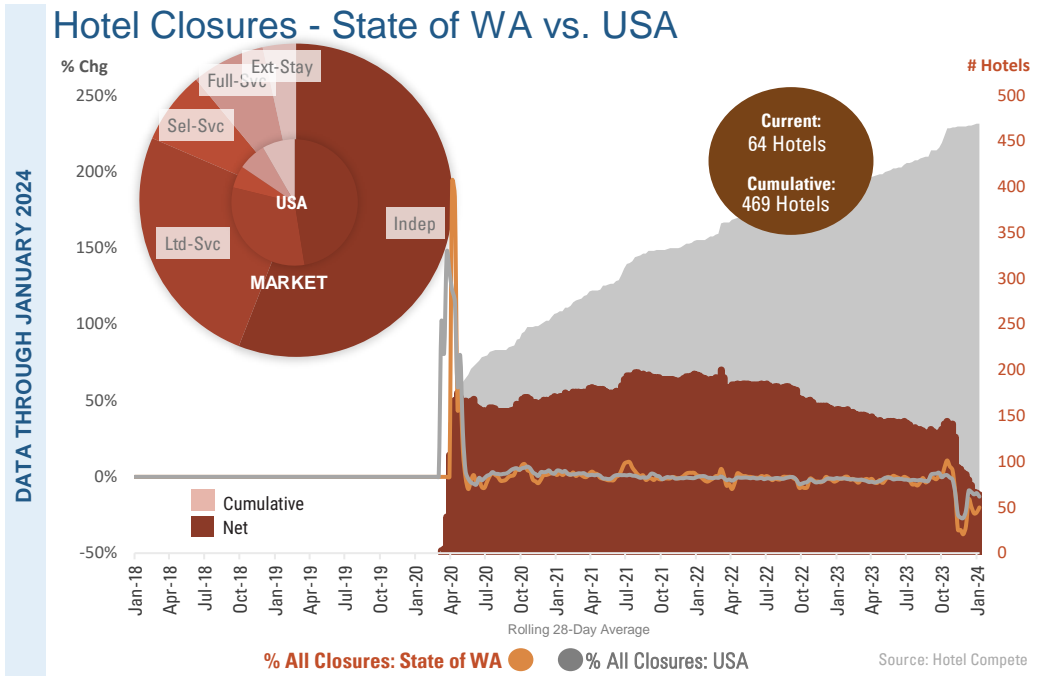
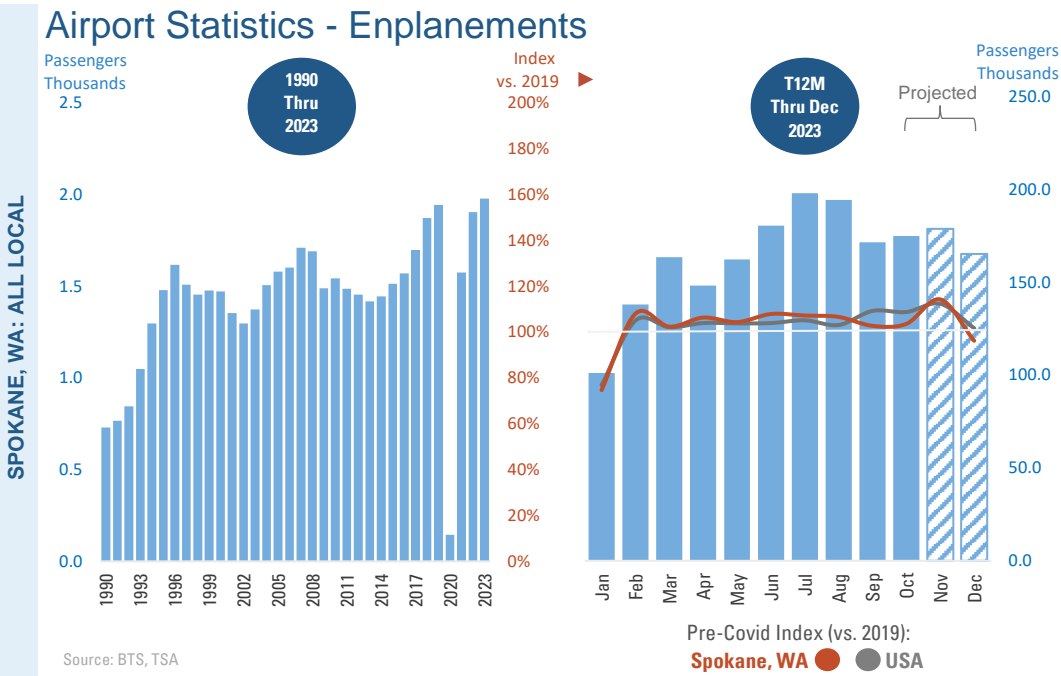
Industry Observations

MOODY'S ANALYTICS
Business Cycle:
Employment Growth (2 yr):
Risk Exposure (402 US markets):
Key Industry Notes:

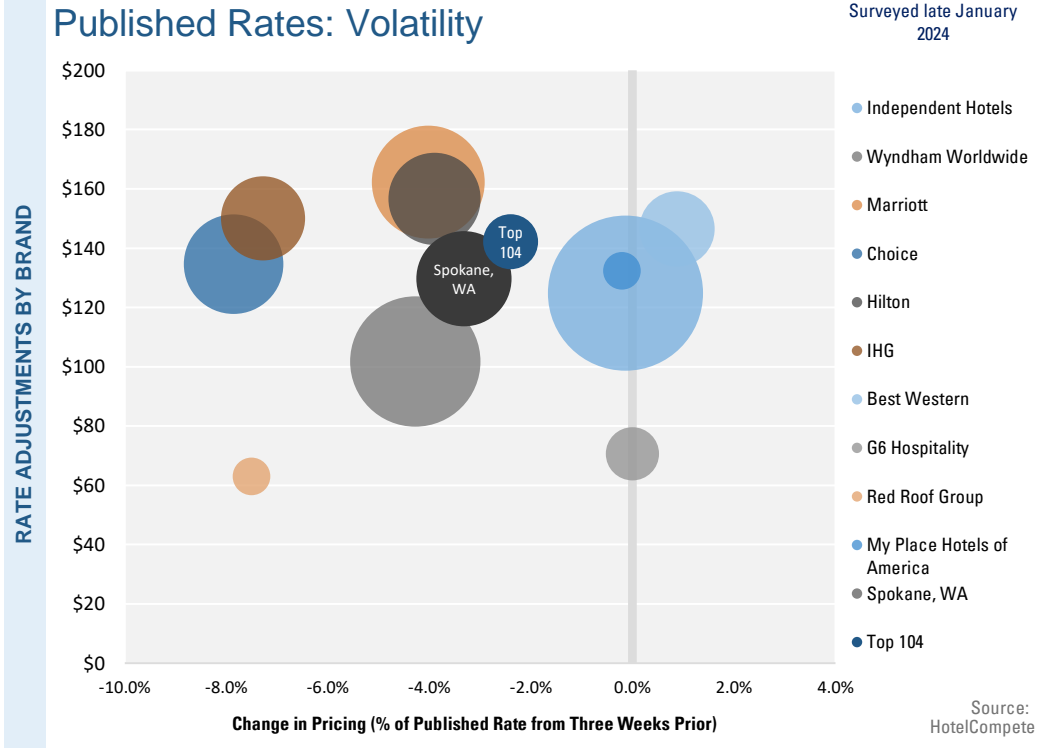
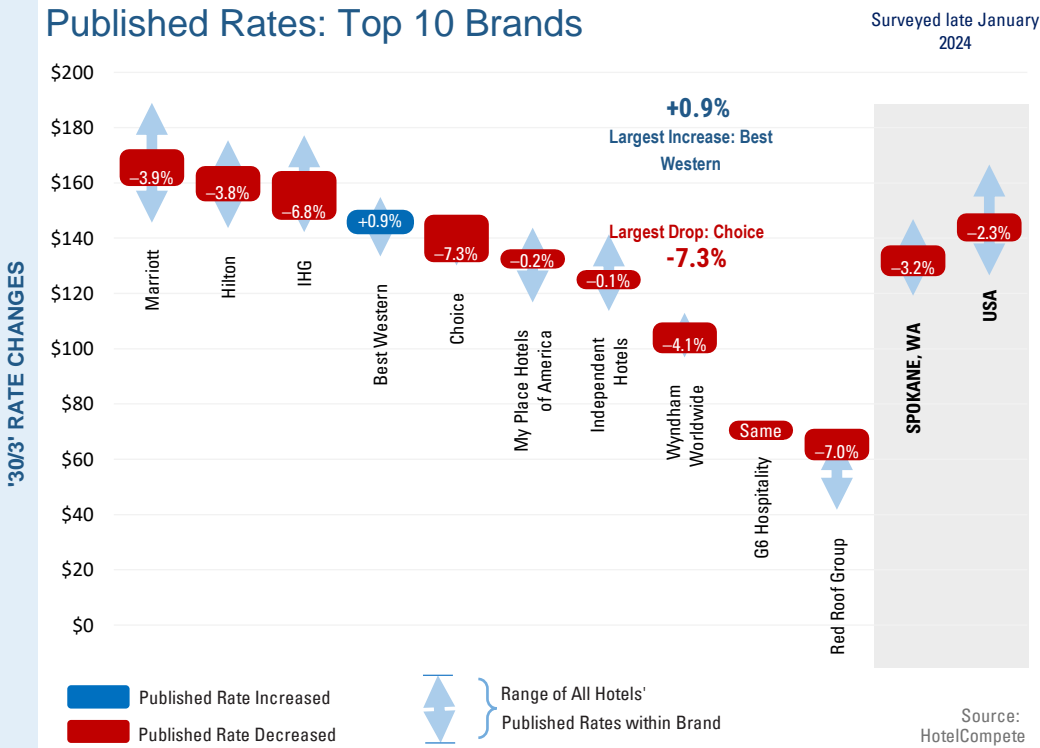
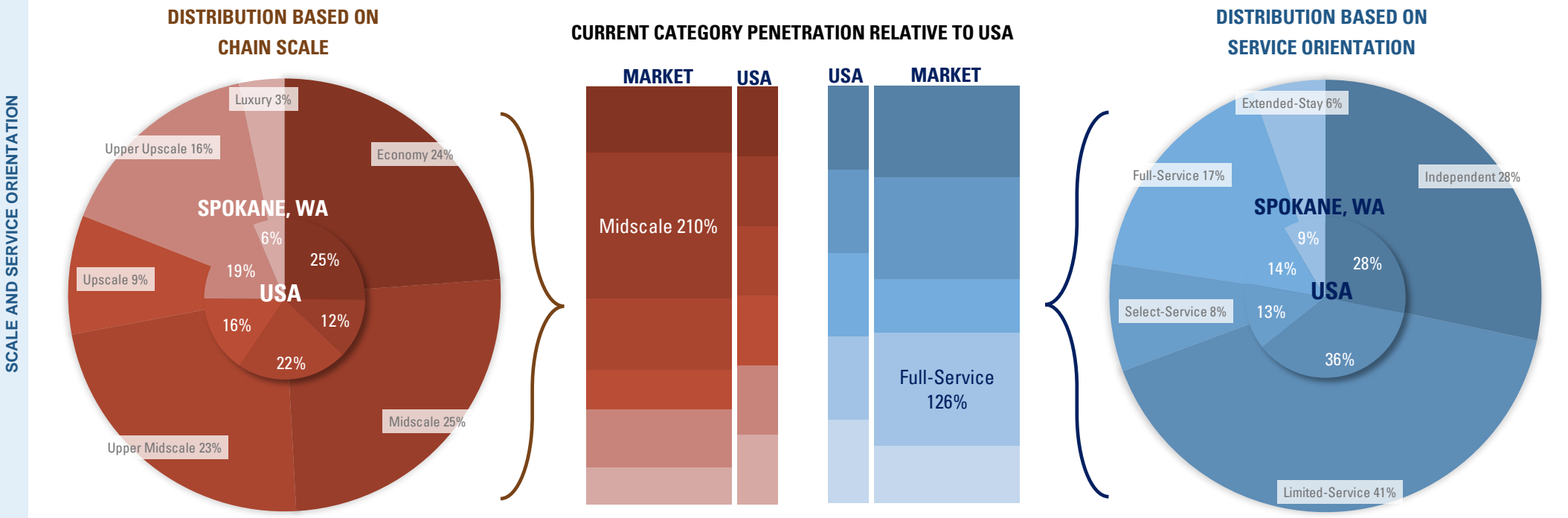
At Risk
6.4%
42nd Percentile: Average Risk
College town, defense
Large healthcare industry
Large student population
Industrial diversity
Lack of high-wage industry

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

TOP 10 BRANDS	Autograph Collection (1,376)	Quality Inn (5)
	Hampton Inn (469)	BW Plus (5)
	BW Plus (455)	Ramada (4)
	Holiday Inn Exp. (444)	Holiday Inn Exp. (4)
	Ramada (410)	Hampton Inn (4)
	Quality Inn (384)	Autograph Collection (4)
	DoubleTree (375)	Super 8 (3)
	Motel 6 (321)	Motel 6 (3)
	Super 8 (293)	La Quinta (3)
	La Quinta (262)	Days Inn (3)
Source: Newmark		



Scale and Service Distribution: Spokane, WA



Published Rate Observations: 30-Day Advance

	Published Rate Level	Rate Movement	Optimism
MARKET LEVEL	53rd Average	66th Below Average	47th Average
	The 30-day advanced published rate for the market was a moderate \$129.69, ranking 53rd out of 104 markets. (Guest-Paid ADR ranked a moderate 60th at \$122.39 in 4Q 2023.)	Published rates have recently been moving downward, decreasing by a noticeable 3.2% over three weeks going into late January 2024. By comparison, the T-104 average posted downward movement of 2.34%.	Published rates reported in late January 2024 were 6.0% 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	90th Soft	76th Below Average	45th Moderate
	Published rates among the top 10 brands have a moderate amount of integrity with some pricing overlap, suggesting bottom-feeding occasionally exists.	Spokane, WA has a below average spectrum of rate classes and traveler types among its top 10 brands, and the range of coverage has been contracting.	Spokane, WA'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.

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