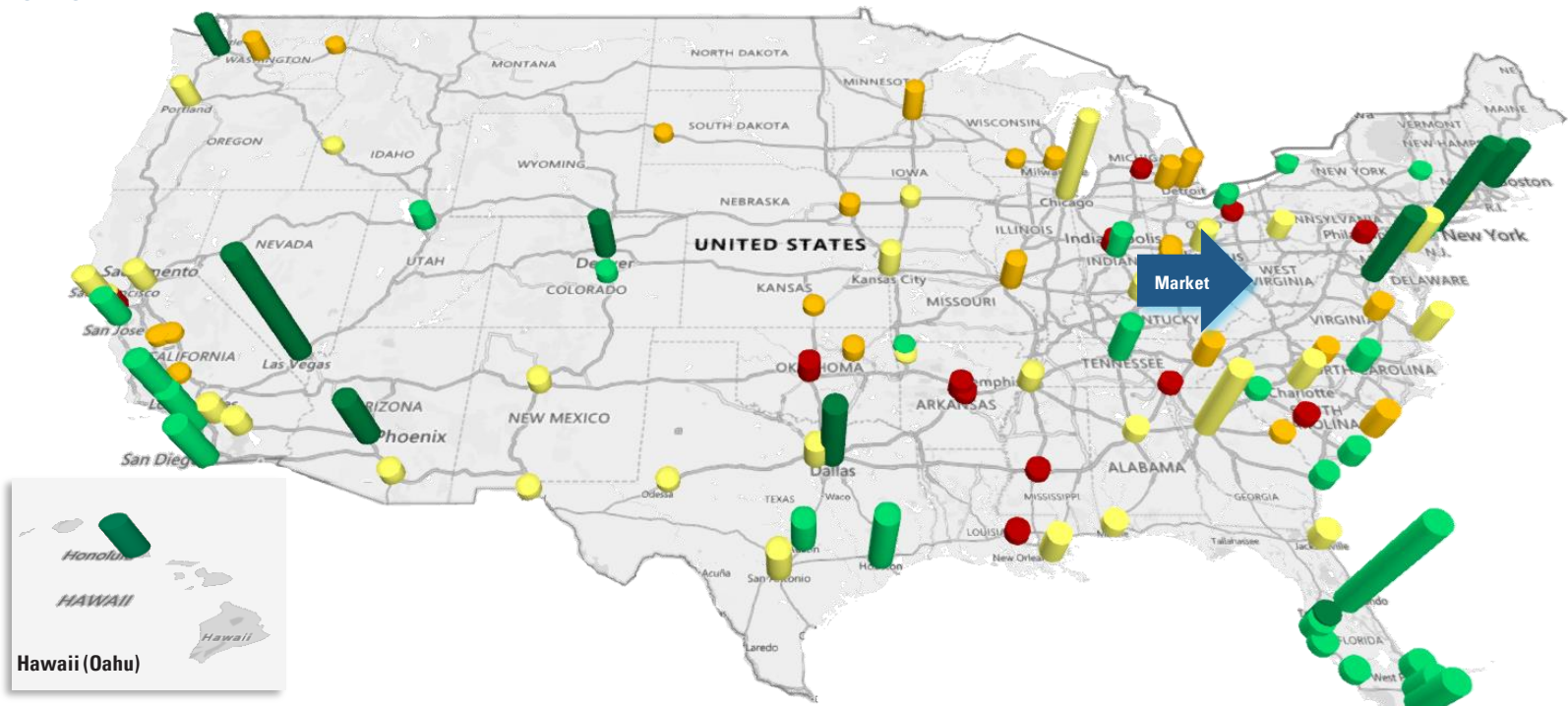


1Q 2025
WASHINGTON, DC

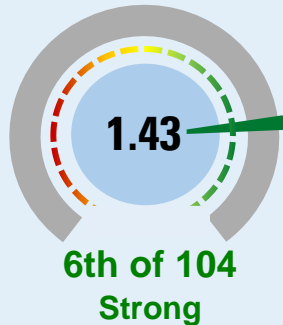


Lodging Performance Index Snapshot

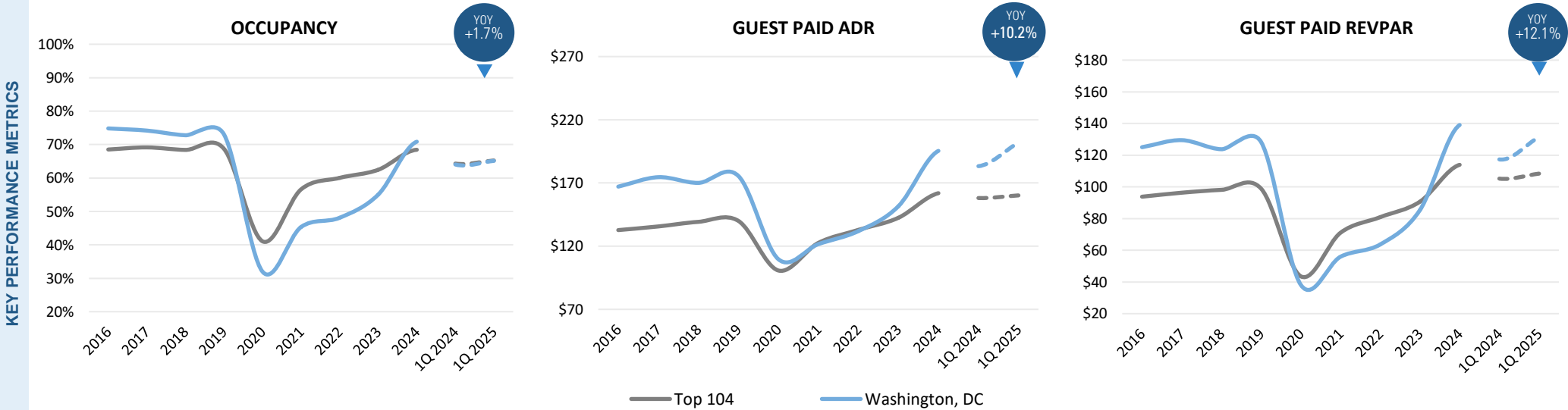


LODGING
PERFORMANCE INDEX

Washington, DC



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

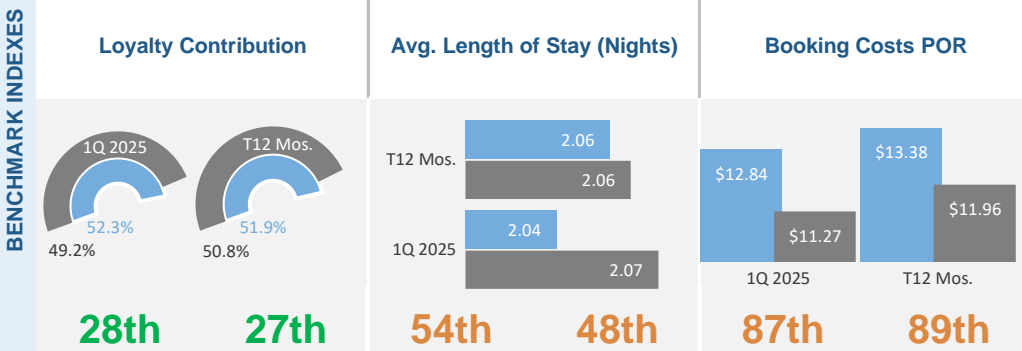


Key Performance Indexes

● Subject Market ● Top 104

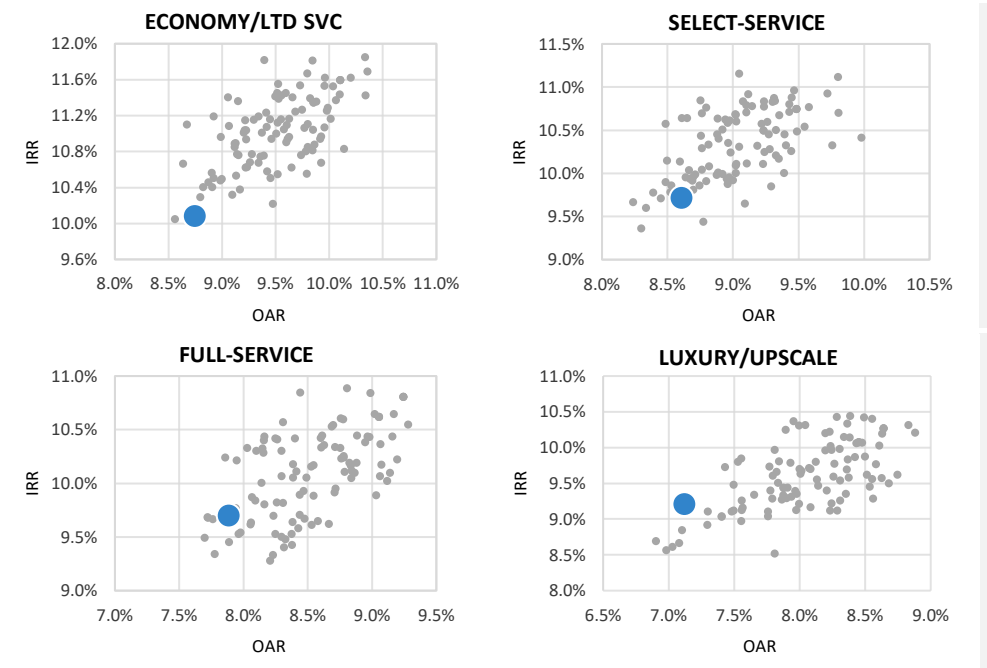


Key Benchmark Indexes



Discount and Capitalization Rates

Source: Newmark

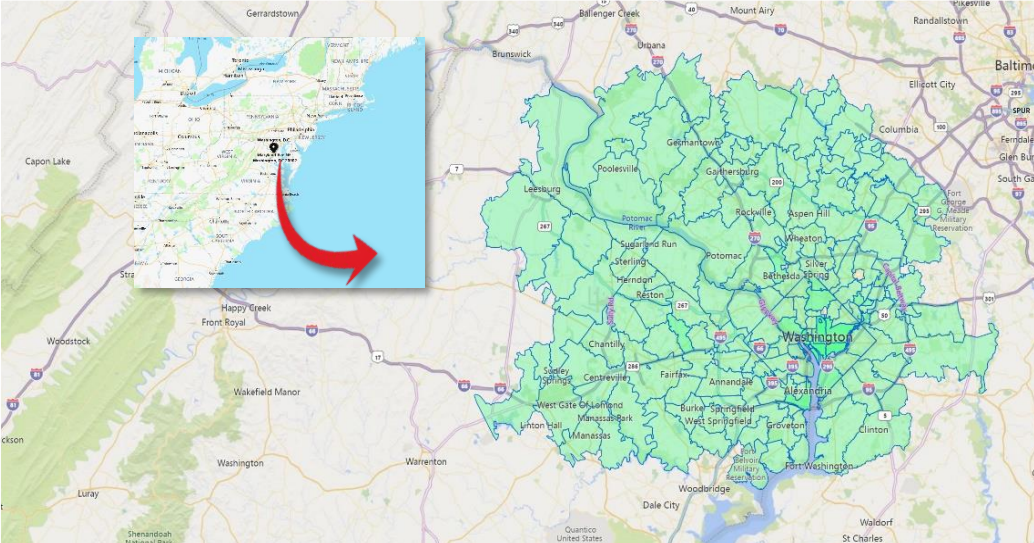


Trends and Risks

Source: Kalibri Labs, Newmark



Location



Quick Facts

Jurisdictional Information

Municipal Name:

Washington

County:

District of Columbia

State:

District of Columbia

Geo Coordinates (market center):

38.90425, -77.01652

Source: US Census Bureau,
Dept. of Labor Statistics

Major Hotel Demand Generators

Naval Support Activity Washington | Joint Base Andrews-Naval Air Facility | MedStar Health | Marriott International Inc. | Inova Health System | SAIC Inc. | Booz Allen Hamilton | University of Maryland at College Park | Washington Metropolitan Area Transit Authority | Joint Base Myer-Henderson | McDonald's Corp. | Giant Food Stores | U.S. Goddard Space Flight Center | Bolling Air Force Base | Deloitte | Fort Belvoir | CSRA Inc. | Leidos Holding Inc. | Verizon Communications | Hilton Worldwide

Metrics and Ranking

Population (hotel market area)

4,189,527

Income per Capita

\$77,649

Feeder Group Size

60.5 Persons PSR

Feeder Group Earnings

\$4,698,174 PSR

Total Market Hotel Revenues

\$4.7 billion

Measurements

Population (hotel market area)

4,189,527

Income per Capita

\$77,649

Feeder Group Size

60.5 Persons PSR

Feeder Group Earnings

\$4,698,174 PSR

Total Market Hotel Revenues

\$4.7 billion

Rankings

Population (hotel market area)

8th of 104 (Large)

Income per Capita

6th of 104 (Strong)

Feeder Group Size

35th of 104 (Average)

Feeder Group Earnings

79th of 104 (Below Average)

Total Market Hotel Revenues

5th of 104 (Strong)

Key Performance Metrics

YEAR ENDING	Guest Paid		COPE		Booking Cost POR	ADR COPE %	Loyalty %	Avg Length of Stay Nights	Supply Rooms	Performance Index (LPI)
	Occ %	ADR	RevPAR	ADR						
2016	74.8%	\$167.10	\$125.03	\$153.44	\$13.66	91.8%	49.9%	2.14	95,820	1.39
2017	74.2%	\$174.58	\$129.48	\$160.09	\$14.49	91.7%	52.3%	2.05	96,990	1.44
2018	72.8%	\$170.05	\$123.75	\$156.33	\$13.72	91.9%	55.1%	2.02	97,260	1.20
2019	73.0%	\$175.59	\$128.26	\$161.96	\$13.63	92.2%	59.1%	2.00	100,940	1.41
2020	32.0%	\$109.71	\$38.14	\$102.62	\$7.09	93.5%	42.7%	2.35	98,810	0.79
2021	45.3%	\$121.60	\$55.93	\$113.46	\$8.14	93.3%	43.4%	2.31	98,870	0.75
2022	48.1%	\$131.90	\$63.67	\$122.75	\$9.16	93.1%	45.4%	2.15	98,960	0.96
2023	55.0%	\$151.59	\$85.36	\$141.37	\$10.22	93.3%	45.8%	2.12	99,130	1.38
2024	70.8%	\$195.38	\$139.04	\$182.20	\$13.18	93.3%	51.6%	2.07	100,770	1.45
CAGR: 2016 thru 2024	-0.7%	2.0%	1.3%	2.2%	-0.4%	0.2%	0.4%	-0.4%	0.6%	0.5%
1Q 2024	64.0%	\$183.27	\$117.33	\$171.23	\$12.05	93.4%	51.2%	2.08	100,130	1.44
1Q 2025	65.1%	\$202.01	\$131.55	\$189.17	\$12.84	93.6%	52.3%	2.04	100,090	1.43

Data provided by: kalibri LABS

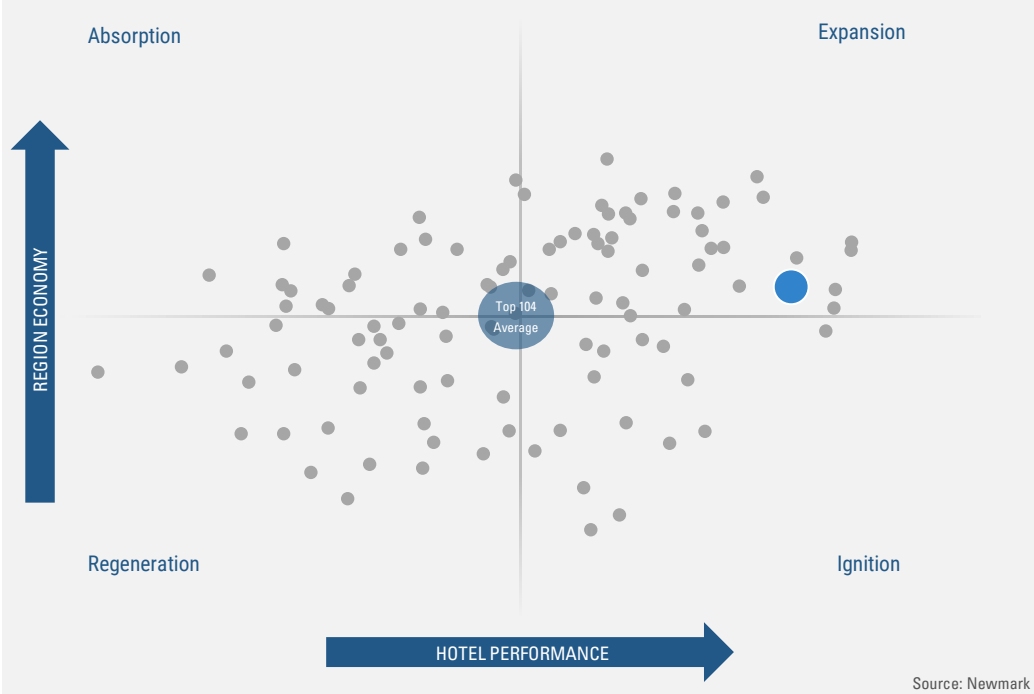
Notable Metrics

HIGHEST	IRR: Economy/Ltd Svc	Economy Median Income	Latest-Quarter LPI
	2nd Highly Favorable Washington, DC enjoyed favorable IRR metrics in the economy/ltd svc segment (10.1%)	6th Strong The market exhibited strong Economy Median Income (\$77,649)	6th Strong The market also enjoyed strong latest—quarter LPI (1.43)
LOWEST	T12-Month Booking Costs POR	Latest-Quarter Booking Costs POR	Feeder Group Earnings per sold room
	89th Below Average This market was burdened by high T12—month booking costs POR (\$13.38)	87th Below Average The market has been burdened by high latest—quarter booking costs (\$12.84)	79th Below Average Washington, DC also has low feeder group earnings per sold room (\$4,698,174)

Notable Trends

STRONGEST	Overall Health of Hotel Market	Short-Term Historical COPE ADR Growth	Short-Term Historical Guest Paid ADR Growth
	7th Strong Washington, DC has benefited from strong general hotel market performance (levels and trends of fundamentals)	23rd Above Average The market has benefited from strong short—term historical COPE ADR growth (4.0%)	24th Above Average The market also exhibited strong short—term historical Guest Paid ADR growth (4.0%)
WEAKEST	Long-Term Historical Loyalty Contribution Growth	Short-Term Historical Loyalty Contribution Growth	Long-Term Historical Average Length of Stay Growth
	92nd Soft The market has been hindered by weak long—term historical loyalty contribution growth (3.1%)	91st Soft We note this area has been hindered by weak short—term historical loyalty contribution growth (2.4%)	86th Below Average Washington, DC also exhibited weak long—term historical average length of stay growth (—0.4%)

Market Performance Stage



Washington, DC: Expansion Stage

Expansion	The Washington, DC 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.
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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.

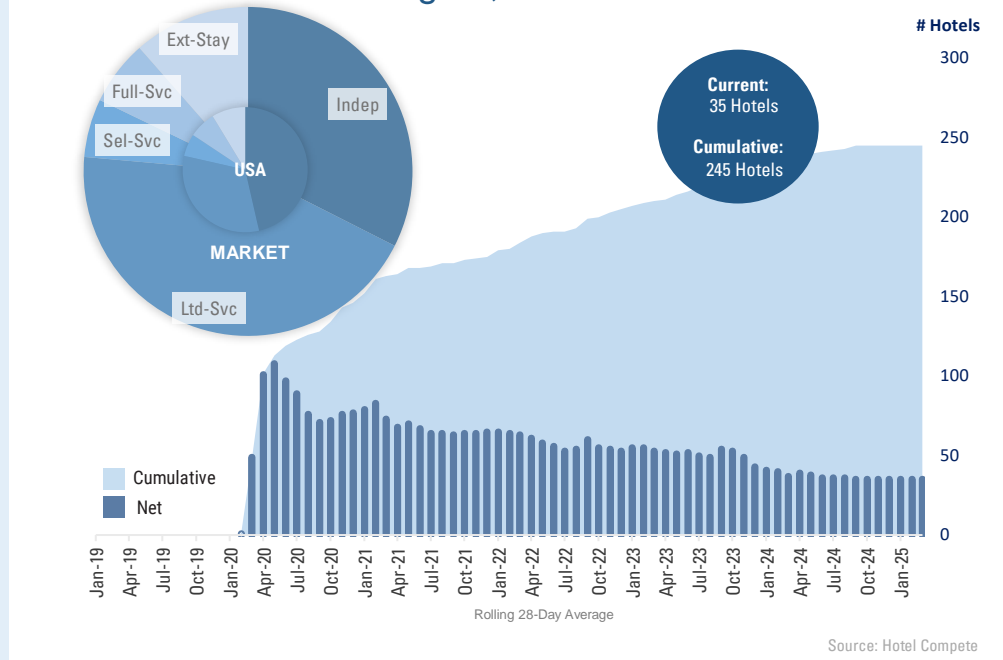
Industry Observations

MOODY'S ANALYTICS	Business Cycle:	Recovery	Moody's Rating
	Employment Growth (2 yr):	-1.1%	Aaa Investment Grade
	Risk Exposure (402 US markets):	95th Percentile: High Risk	Long-term investment grade, Prime-1 short-term outlook
	Key Industry Notes:	High per capita income Major center for computer systems Exposure to downturn in tourism Above-average living costs High exposure to federal government	

TOP 10 BRANDS	Marriott (6,612)	Residence Inn (28)
	Hilton (5,357)	Hampton Inn (24)
	Courtyard (4,447)	Courtyard (24)
	Residence Inn (4,436)	Ext-Stay America (23)
	Hampton Inn (3,139)	Homewood Suites (16)
	Hyatt Regency (3,048)	Hilton Garden Inn (16)
	Holiday Inn (2,816)	Marriott (15)
	Hilton Garden Inn (2,676)	Comfort Inn (14)
	Westin (2,664)	Hilton (13)
	Ext-Stay America (2,575)	Days Inn (13)

Source: Newmark

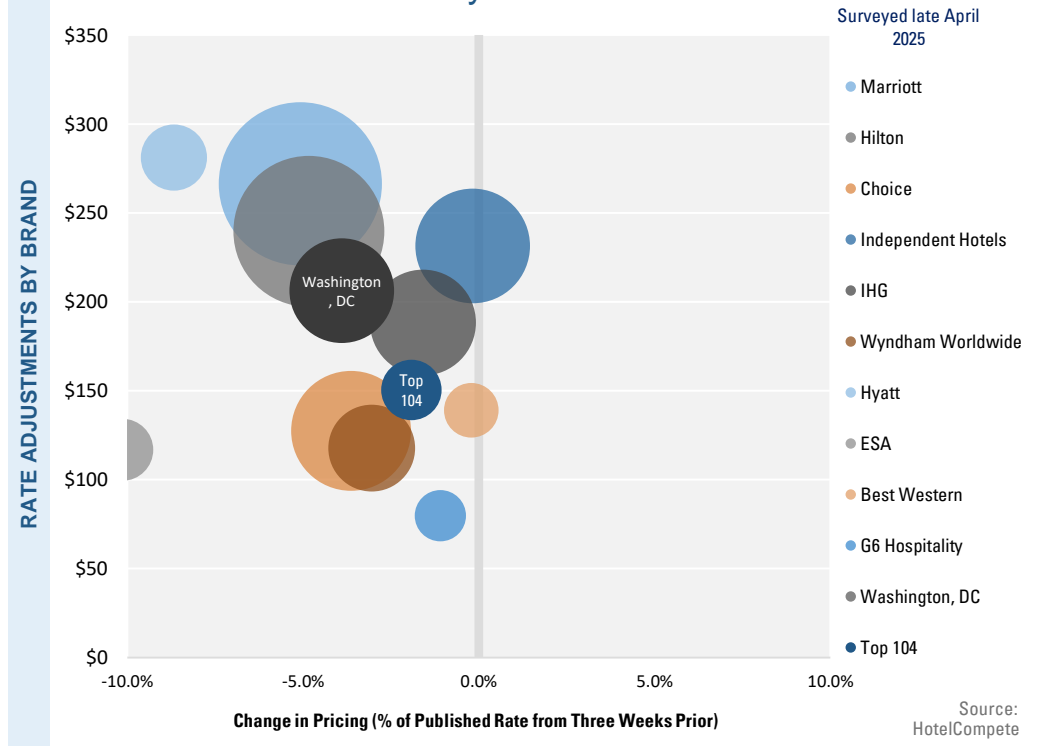
Hotel Closures - Washington, DC



CATEGORY PENETRATION RELATIVE TO USA
MARCH 2025



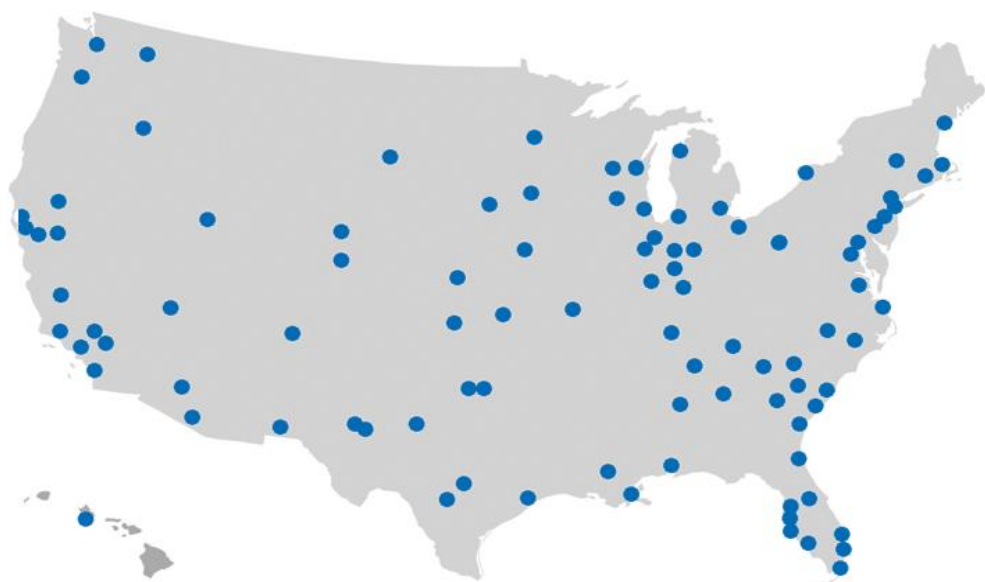
Published Rates: Volatility



Washington, DC ● USA - Vacancy



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
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.

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.

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