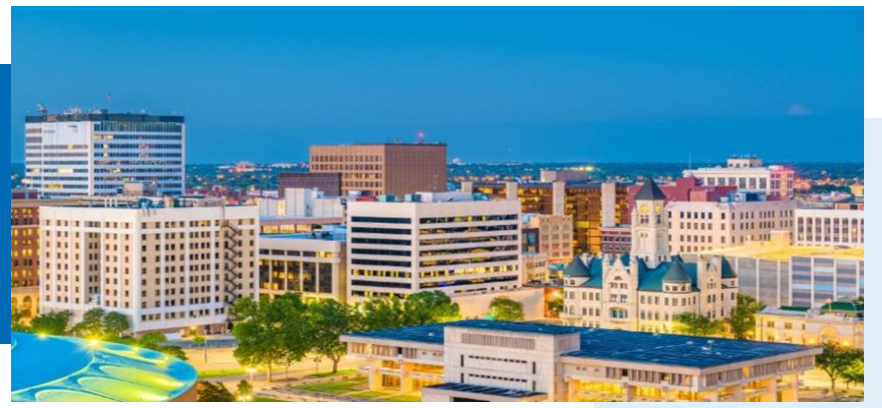
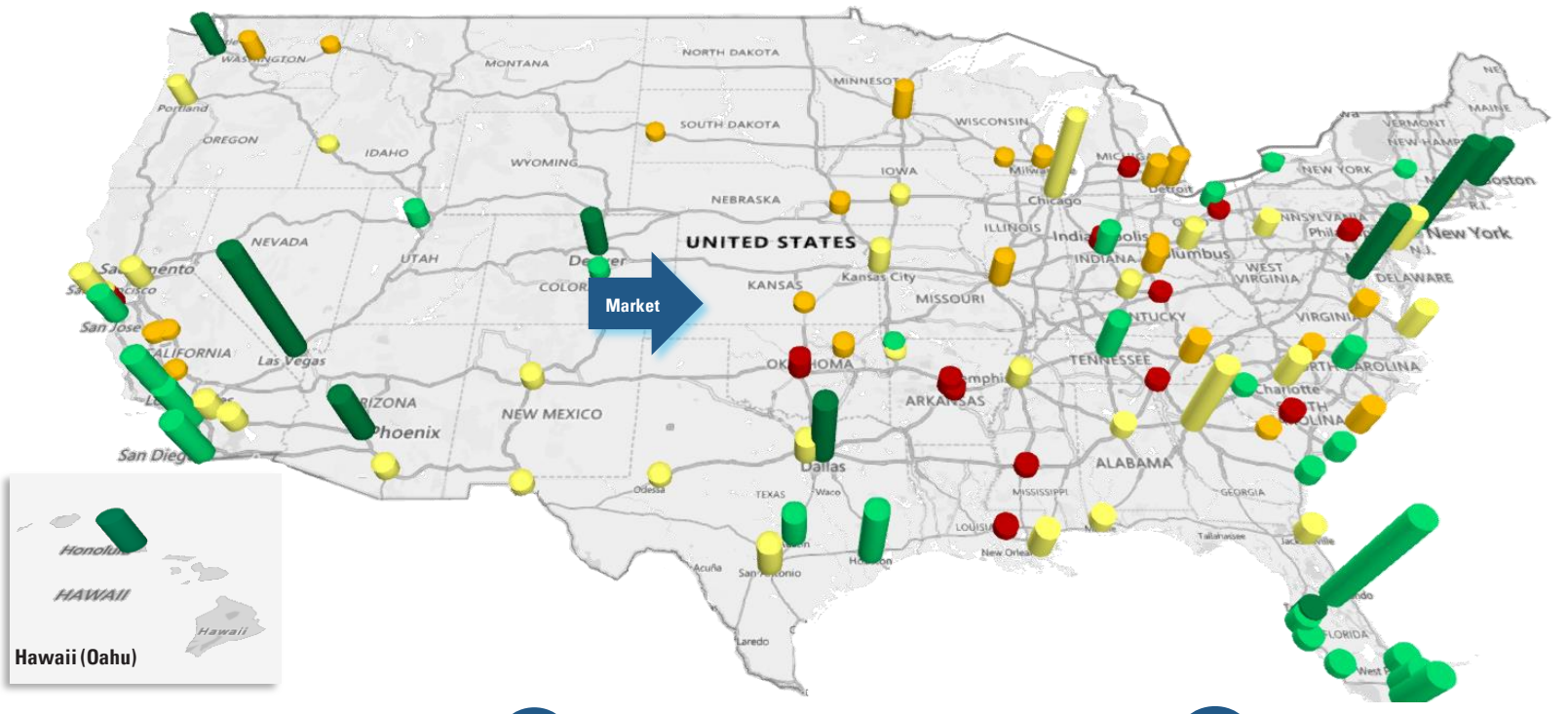
VALUATION & ADVISORY | HOSPITALITY, GAMING & LEISURE

HOTEL MARKET NSIGHTS REPORT

1Q 2025
WICHITA, KS

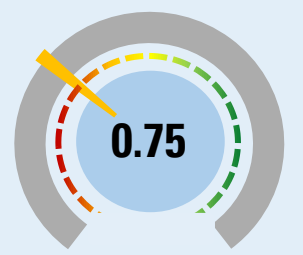


Lodging Performance Index Snapshot



LODGING PERFORMANCE INDEX

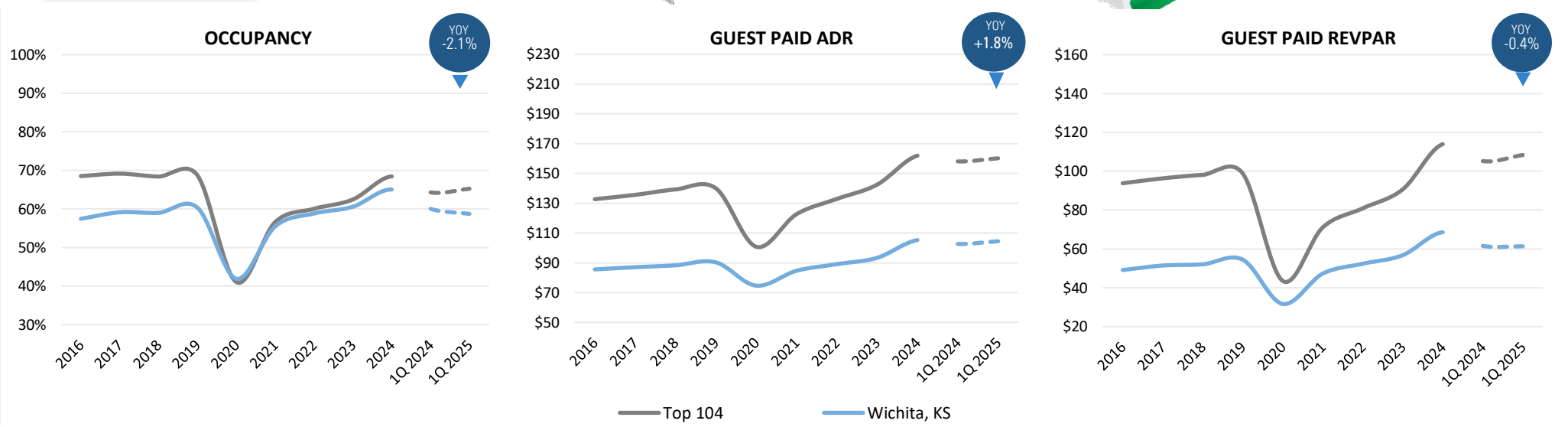
Wichita, KS



83rd of 104
Below Average

Ranking of overall '1Q 2025 LPI' performance (0.75) against all 104 surveyed markets.

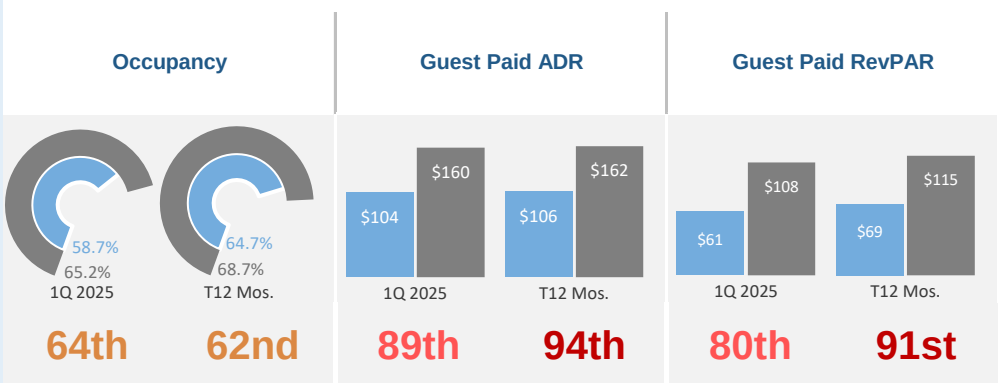
KEY PERFORMANCE METRICS



PERFORMANCE INDEXES

Key Performance Indexes

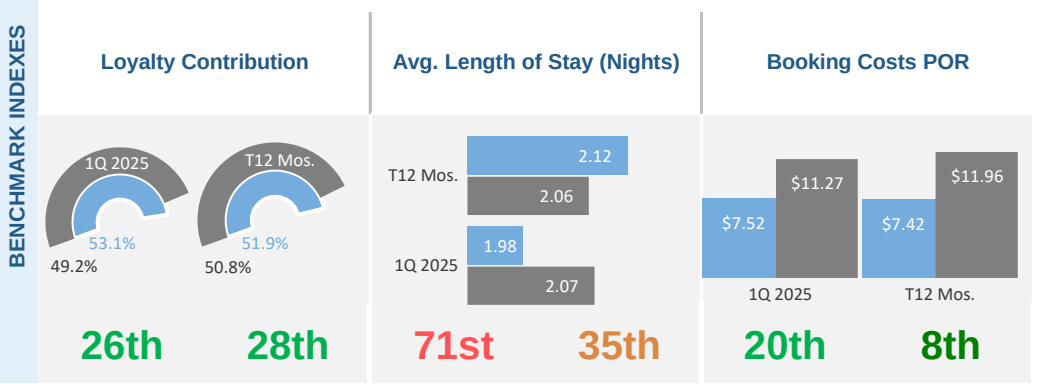
Subject Market | Top 104



BENCHMARK INDEXES

Key Benchmark Indexes

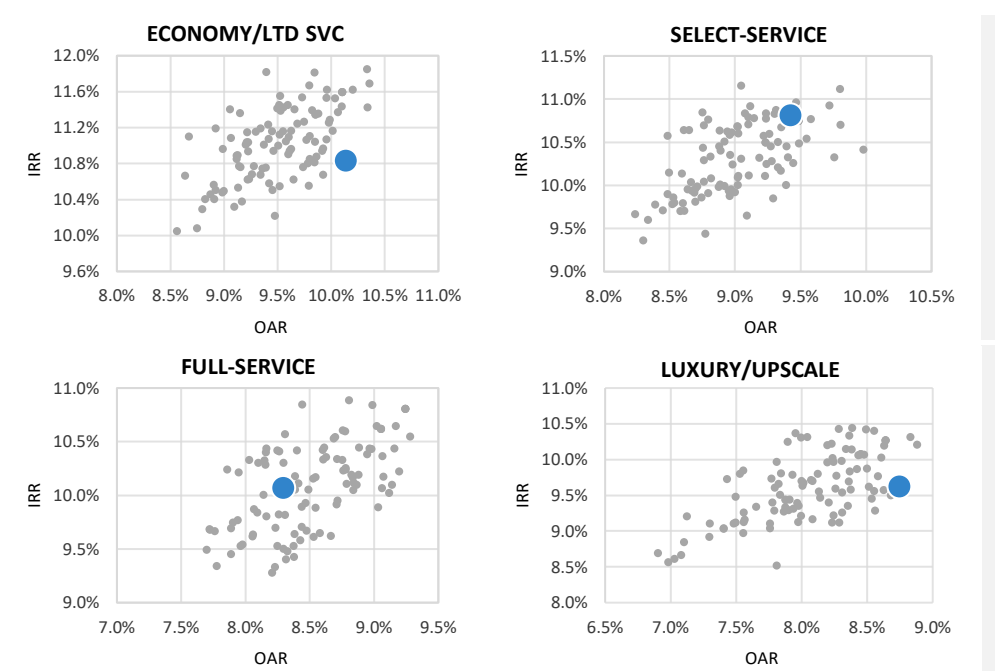
kalibri LABS



INVESTMENT PARAMETERS

Discount and Capitalization Rates

Source: Newmark



FUNDAMENTALS

Trends and Risks

Source: Kalibri Labs, Newmark

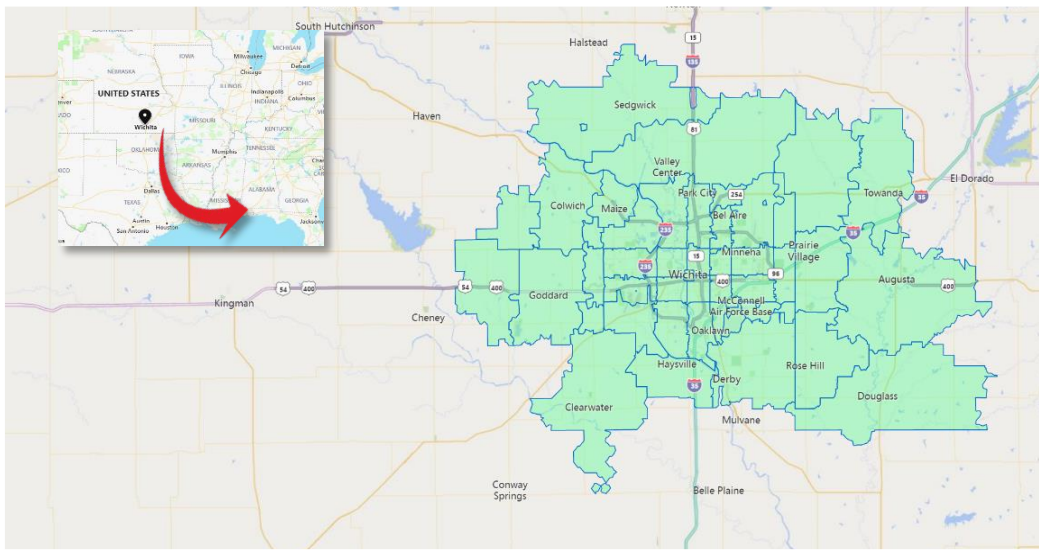
Revenue Stability	Supplier Power Trend	Investment Yields
29th	**30th**	**72nd**
Above Average	**Above Average**	**Below Average**
Assessment of room revenue growth and volatility over past three to five years against other Top 104 markets	Assessment of market's ability to maximize loyalty and profits, 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
94th	**37th**	**14th**
Low Risk	**Average Risk**	**Above 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

Source: US Census Bureau, Dept. of Labor Statistics

Jurisdictional Information

Municipal Name:	Wichita
County:	Sedgwick County
State:	Kansas
Geo Coordinates (market center):	37.69224, -97.33754

Major Hotel Demand Generators

Spirit AeroSystems Inc. | Textron Aviation | McConnell AFB | Via Christi Regional Medical Center | Koch Industries Inc. | Dillons Food Stores | Wesley Medical Center | Wichita State University | Bombardier Aerospace | Catholic Diocese of Wichita | Johnson Controls Inc. | AGCO Corp.-Hesston Operations | Boeing Integrated Defense Systems | Robert J. Dole VA Medical Center | Excel Industries -- Hesston | Cox Communications Inc. | Cargill Meat Solutions | T-Mobile USA | Protection One | Intrust Bank

Metrics and Ranking	Measurement	Rankings
Population (hotel market area)	494,873	83rd of 104 (Below Average)
Income per Capita	$48,982	54th of 104 (Average)
Feeder Group Size	87.0 Persons PSR	70th of 104 (Below Average)
Feeder Group Earnings	$4,261,222 PSR	73rd of 104 (Below Average)
Total Market Hotel Revenues	$208.5 million	101st of 104 (Soft)

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	57.4%	$85.54	$49.14	$79.22	$45.50	$6.33	92.6%	48.8%	1.96	8,530	0.57
2017	59.1%	$87.02	$51.46	$80.08	$47.35	$6.94	92.0%	51.9%	1.92	8,650	0.56
2018	59.0%	$88.27	$52.08	$81.30	$47.96	$6.97	92.1%	53.4%	1.96	8,850	0.72
2019	60.3%	$90.30	$54.48	$83.24	$50.23	$7.06	92.2%	56.8%	1.96	8,490	0.65
2020	41.9%	$74.61	$31.67	$69.57	$29.14	$5.04	93.2%	42.8%	2.18	8,590	0.91
2021	55.5%	$84.61	$47.29	$78.66	$43.62	$5.95	93.0%	44.0%	2.02	8,680	0.65
2022	58.8%	$89.03	$52.37	$82.75	$48.67	$6.28	92.9%	44.1%	2.04	8,710	0.86
2023	60.6%	$93.31	$56.77	$86.72	$52.53	$6.58	92.9%	44.2%	2.07	8,750	0.94
2024	65.0%	$105.26	$68.61	$97.91	$63.68	$7.35	93.0%	51.0%	2.14	8,620	0.78
CAGR: 2016 thru 2024	1.6%	2.6%	4.3%	2.7%	4.3%	1.9%	0.1%	0.6%	1.1%	0.1%	4.1%
1Q 2024	60.0%	$102.59	$61.58	$95.34	$57.22	$7.25	92.9%	49.8%	2.07	8,640	0.72
1Q 2025	58.7%	$104.47	$61.35	$96.95	$56.94	$7.52	92.8%	53.1%	1.98	8,470	0.75

Notable Metrics

HIGHEST

T12-Month Booking Costs POR	Latest-Quarter Booking Costs POR	Latest-Quarter Loyalty Contribution
8th	**20th**	**26th**
Strong	**Above Average**	**Above Average**
Wichita, KS enjoyed low T12–month booking costs POR ($7.42)	The market enjoyed low latest–quarter booking costs POR ($7.52)	The market also exhibited strong latest–quarter loyalty contribution (53.1%)

LOWEST

OAR: Luxury/Upscale	OAR: Economy/Ltd Svc	Total Rooms Supply
102nd	**100th**	**99th**
Highly Unfavorable	**Highly Unfavorable**	**Soft**
This market exhibited unfavorable OAR metrics in the luxury/upscale segment (8.7%)	The market exhibited unfavorable OAR metrics in the economy/ltd svc segment (10.1%)	Wichita, KS also is small and offers a narrow variety of lodging scales and classes (8,468 total rooms)

Notable Trends

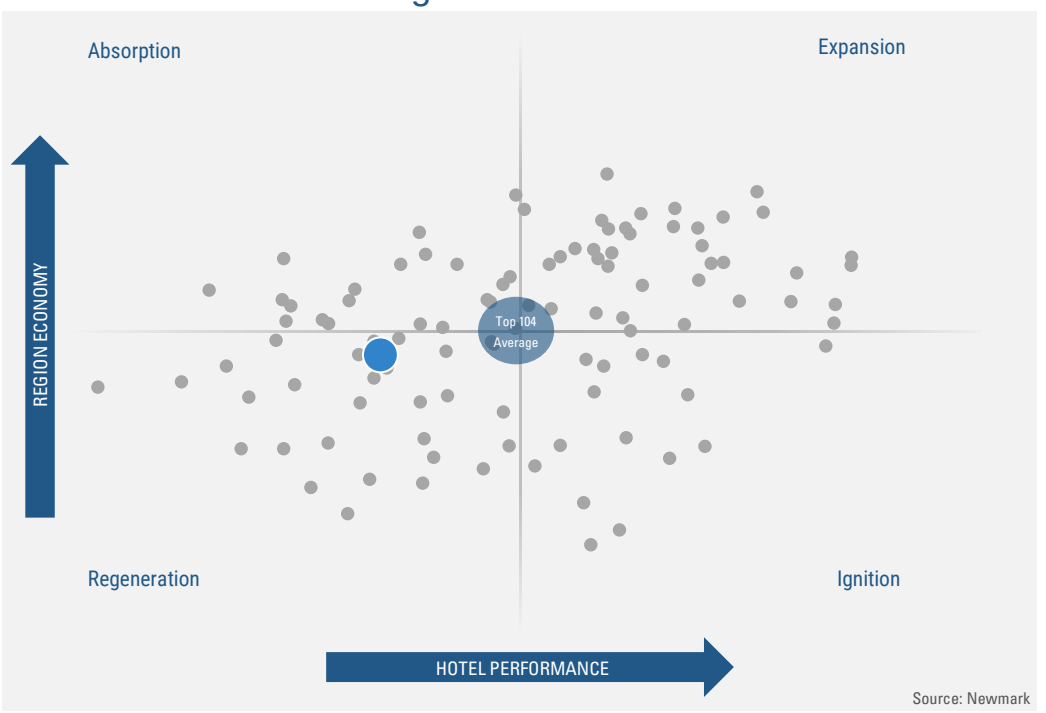
STRONGEST

Short-Term Historical Occupancy Growth	T12-Month Rooms Supply Growth	Long-Term Historical LPI Growth
9th	**11th**	**18th**
Strong	**Above Average**	**Above Average**
Wichita, KS has benefited from strong short–term historical occupancy growth (1.2%)	The market exhibited low rooms supply growth over the last 12 months (–2.0%)	The market also enjoyed strong long–term historical LPI growth (3.8%)

WEAKEST

Long-Term Historical Loyalty Contribution Growth	Overall Health of Hotel Market	Short-Term Historical Supply Growth
89th	**79th**	**75th**
Below Average	**Below Average**	**Below Average**
The market has been hindered by weak long–term historical loyalty contribution growth (3.2%)	We note this area has been hampered by weak general hotel market performance (levels and trends of fundamentals)	Wichita, KS also has been burdened by high short–term historical supply growth (0.7%)

Market Performance Stage



Source: Newmark

Wichita, KS: Regeneration Stage

Regeneration

The Wichita, KS 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 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.

Expansion

In the 'Expansion' 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.

MOODYS ANALYTICS

Industry Observations

Business Cycle:	At Risk
Employment Growth (2 yr):	0.2%
Risk Exposure (402 US markets):	41st Percentile: Average Risk
Key Industry Notes:	Manufacturing that serves global market
	Low cost of doing business
	Presence of McConnell AFB and WSU
	Low educational attainment
	Below-average wages

Moody's Rating

Aaa

Investment Grade

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

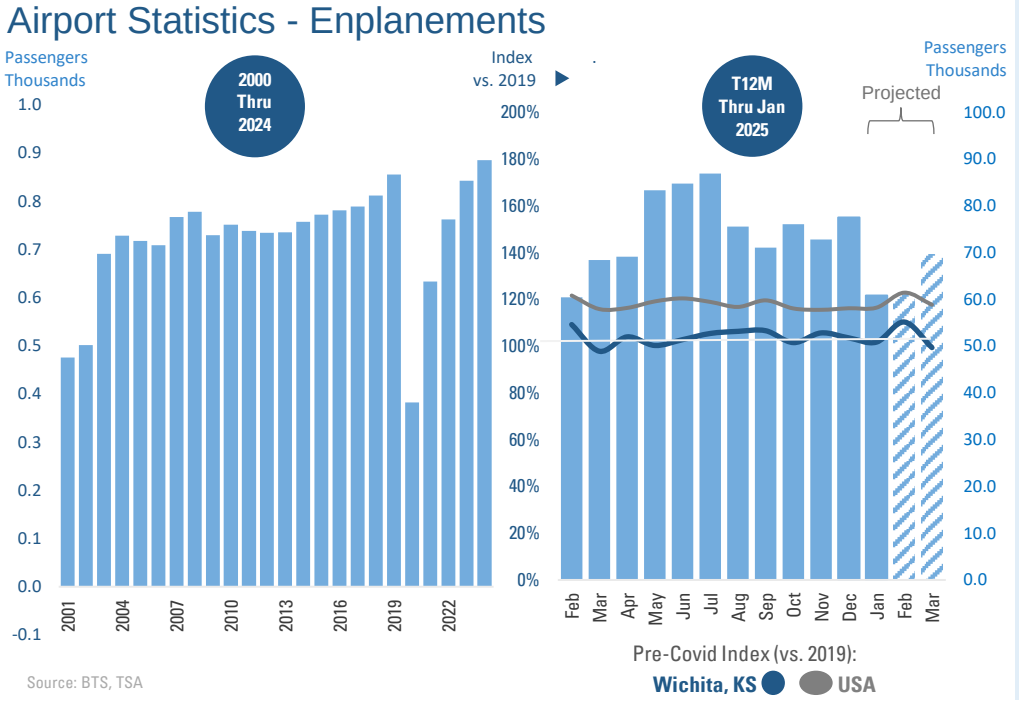
TOP 10 BRANDS

Source: Newmark

NEWMARK

SELECT NEAREST AIRPORT CITY: ALL LOCAL

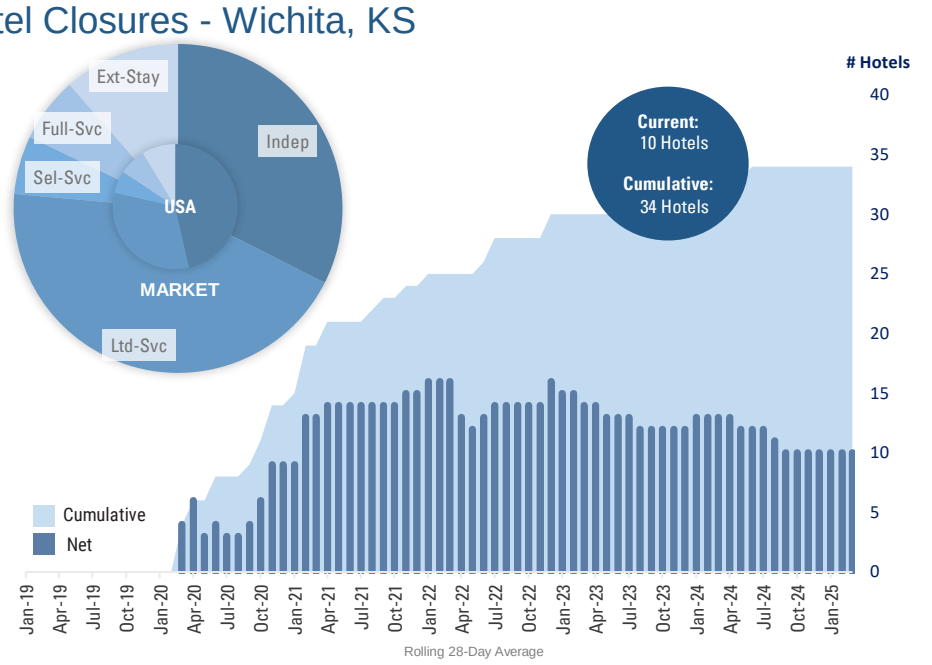
Airport Statistics - Enplanements



Source: BTS, TSA

DATA THROUGH MAY 2025

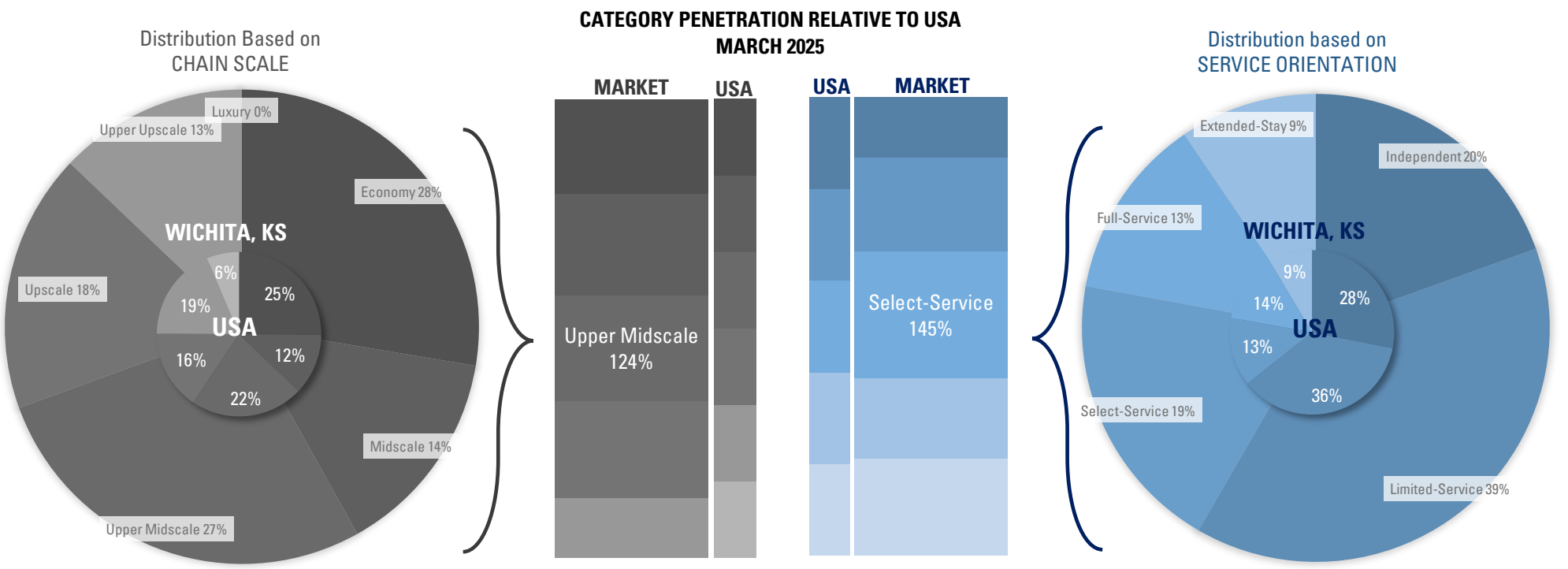
Hotel Closures - Wichita, KS



Source: Hotel Compete

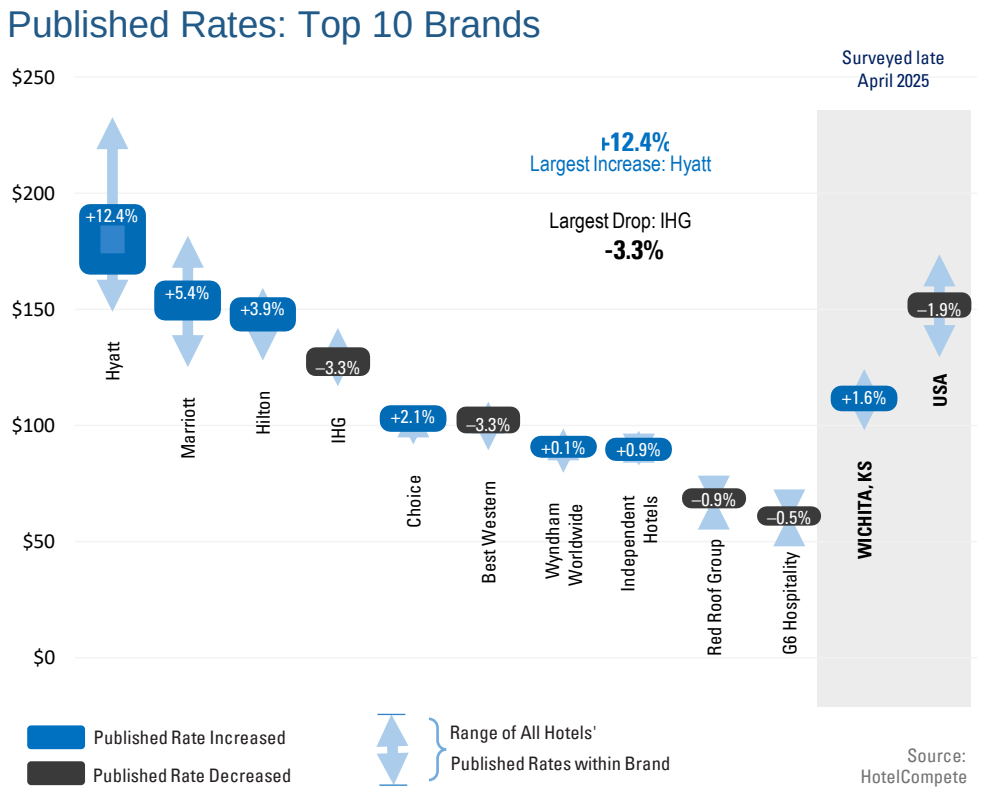
SCALE AND SERVICE ORIENTATION

Scale and Service Distribution: Wichita, KS



SCALE AND SERVICE ORIENTATION

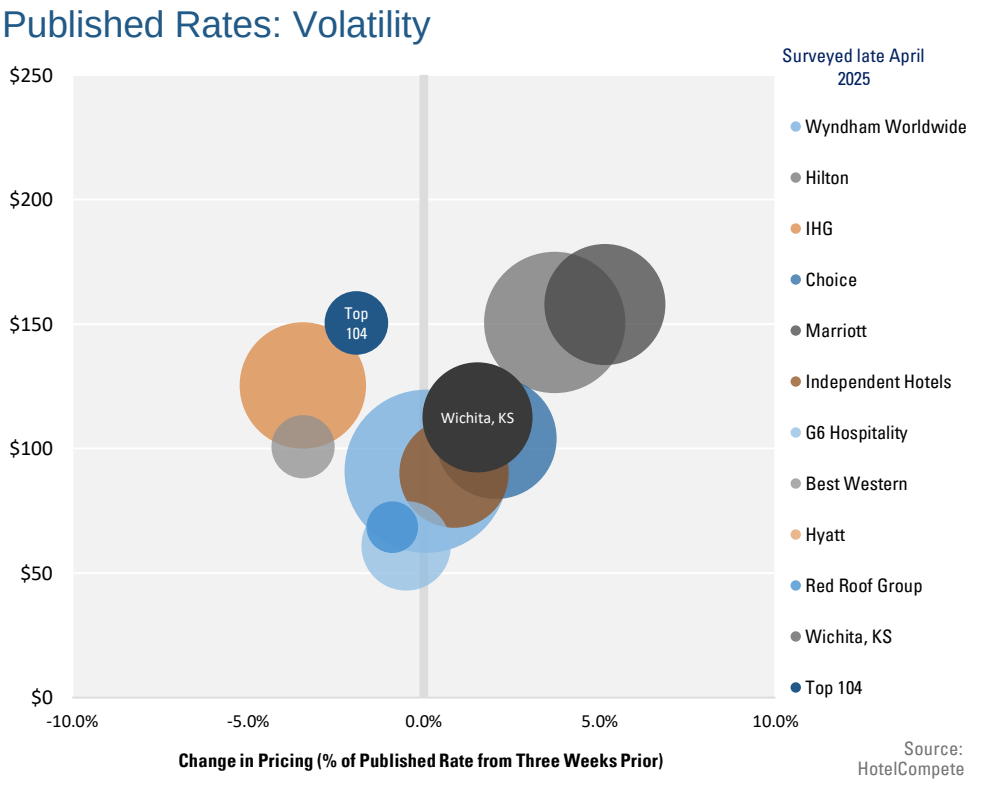
Published Rates: Top 10 Brands



Source: HotelCompete

RATE ADJUSTMENTS BY BRAND

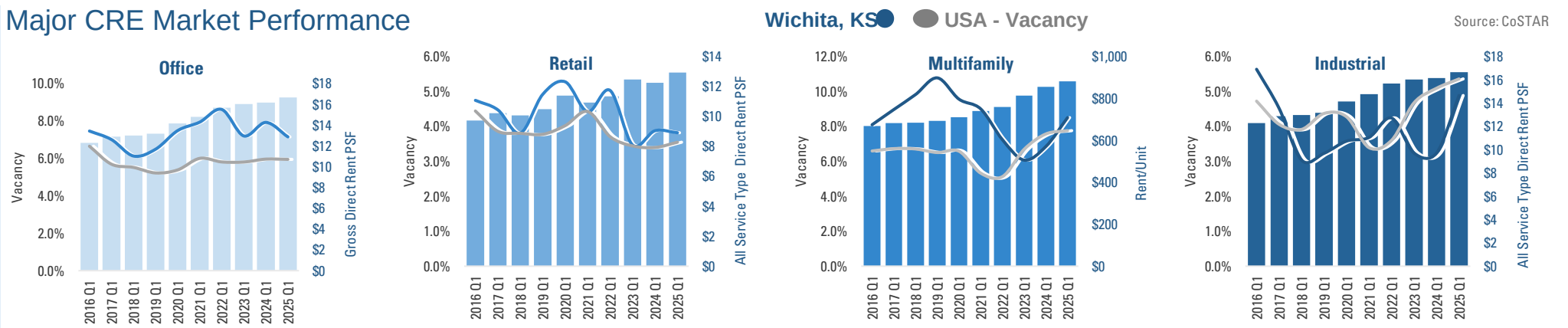
Published Rates: Volatility



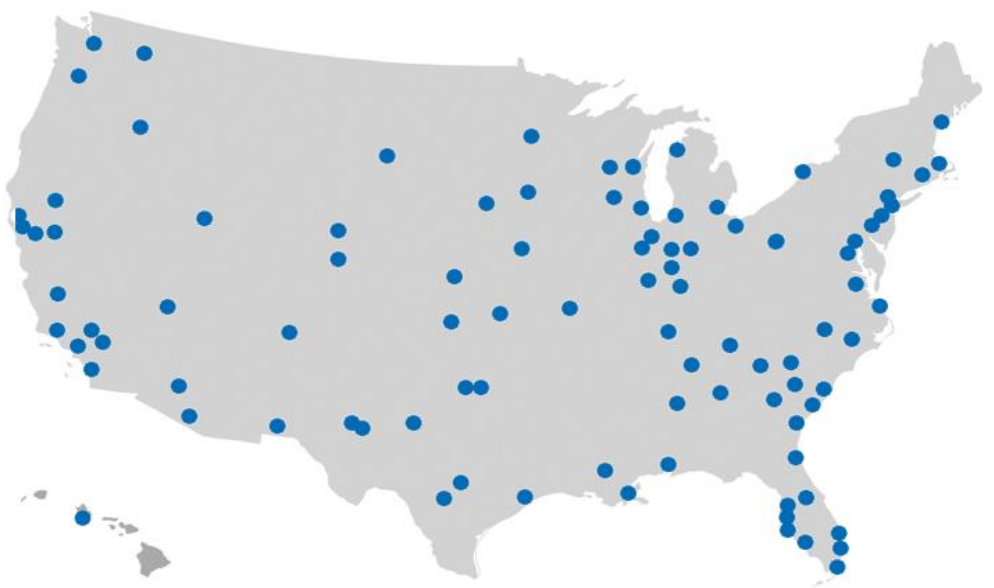
Source: HotelCompete

MAJOR C.R.E. METRICS

Major CRE Market Performance



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.

CONTACT: CENTRAL US

CONTACT

FOR MORE INFORMATION

Brent Mertz, MAI
Senior Vice President
Hospitality, Gaming & Leisure
NEWMARK VALUATION & ADVISORY
Central US
T 785.218.9599
brent.mertz@nmrk.com

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.