

Hotel Horizons[®]

Sacramento, CA

Q3 2024 Edition

CBRE HOTELS RESEARCH
NOVEMBER 2024



Regional Economic Summary

“Economic activity in the Twelfth District remained stable during the September through early-October reporting period. Labor availability and employee retention improved further, and several employers resumed plans to expand employment after holding their headcounts steady over the past year. Prices were generally stable in recent weeks, while wages grew slightly. Retail sales as well as activity in manufacturing and consumer services softened. Demand for business services improved, while conditions in real estate, financial services, agriculture, and resource-related industries were largely unchanged. Demand for housing and food services remained elevated, and job seekers sought training and workforce development services to get higher-paying jobs in their communities. Looking ahead, contacts’ views on the economic outlook improved notably in recent weeks, with several citing recent reductions in interest rates and their improved sentiments about the labor market.


Demand for leisure travel and hospitality services softened, and sales at restaurants and fast-food establishments were down. Business travel slowed in recent weeks beyond seasonal factors, in part due to increased uncertainty related to the elections. Demand for medical laboratory testing remained strong, and demand for janitorial, security, and food catering services was robust, supported by more businesses expanding their mandates for workers to return to offices. Contacts in legal services reported higher demand, particularly from individuals as opposed to business.”


Federal Reserve Bank Beige Book, October 2024


Sacramento, CA: Next Four Quarters


The arrows show the forecast direction of change over the next 4 quarters vs. the previous 4 quarters. Purple indicates the change will be above the long run average, tan indicates it will be the same, and orange indicates it will be below.


- Occupancy**

Occupancy will increase to 69.1%, better than the previous 4 quarters’ rate of 68.5%, and above the long run average of 67.2% 
- Average Daily Rate**

ADR growth expectations are increasing, positive 1.6% vs. the past 4 quarters’ rate of negative 3.3%, but are below the long run average of positive 2.7% 
- Revenue Per Available Room**

RevPAR growth projections are climbing to 2.6% as compared to the past 4 quarters’ rate of negative 5.1%, but are lower than the long run average of positive 3.6% 
- Supply (orange indicates above long-term average)**

Supply growth is climbing, 2.0% vs. the past 4 quarters’ rate of 0.8%, and greater than the long run average of 1.0% 
- Demand**

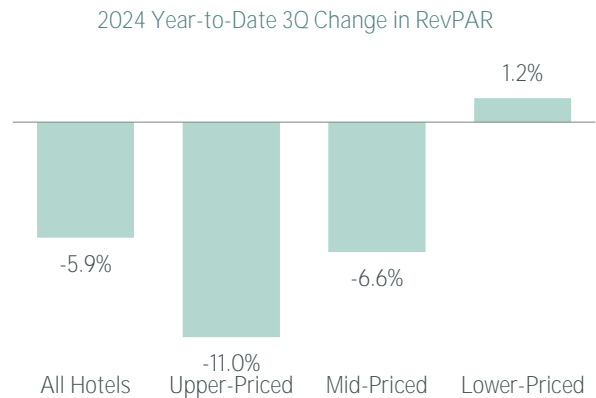
Forecast demand growth is climbing, positive 2.9% vs. the past 4 quarters’ rate of negative 1.0%, and is greater than the long run average of positive 1.4% 

Hotel Market Summary

By year-end 2024, Sacramento hotels are forecast to see a RevPAR decrease of 4.8%. This is the result of an estimated decline in occupancy of 1.1% and a 3.7% loss in average daily room rates (ADR). The 4.8% decline in Sacramento RevPAR is less than the national projection of a 0.5% increase. Year-end Sacramento RevPAR will be 6.4% greater than the 2019 year-end RevPAR level of \$102.44.

Leading the way in 2024 RevPAR change is the lower-priced segment of Sacramento. Lower-priced properties are forecast to suffer a 4.6% loss in ADR and see a 6.5% increase in occupancy, resulting in a 1.6% RevPAR increase. Upper-priced hotels are projected to experience an ADR decline of 4.8%, along with a 5.3% loss in occupancy, resulting in a 9.8% RevPAR decline.

Looking towards 2025, Sacramento RevPAR is expected to grow 3.7%, reversing the downward trend of 2024. Prospects for RevPAR growth in the upper-priced segment (5.6%) are better than in the middle-priced segment (1.9%). Sacramento market occupancy levels are expected to range from 68.5% to 74.2% during the 5-year forecast period.



Source: CBRE Hotels Research, Kalibri Labs, Q3 2024

Annual Performance - Five Year History and Forecast

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|-------|-------|--------|----------|--------|----------|----------|
| 2019 | 75.6% | 1.0% | \$135.47 | 3.1% | \$102.44 | 4.1% |
| 2020 | 52.7% | -30.4% | \$116.01 | -14.4% | \$61.09 | -40.4% |
| 2021 | 65.2% | 23.7% | \$134.07 | 15.6% | \$87.37 | 43.0% |
| 2022 | 69.0% | 5.8% | \$156.09 | 16.4% | \$107.65 | 23.2% |
| 2023 | 69.3% | 0.5% | \$165.12 | 5.8% | \$114.40 | 6.3% |
| 2024F | 68.5% | -1.1% | \$159.02 | -3.7% | \$108.95 | -4.8% |
| 2025F | 69.4% | 1.3% | \$162.79 | 2.4% | \$112.99 | 3.7% |
| 2026F | 71.0% | 2.2% | \$166.35 | 2.2% | \$118.06 | 4.5% |
| 2027F | 72.6% | 2.3% | \$169.84 | 2.1% | \$123.32 | 4.5% |
| 2028F | 74.2% | 2.2% | \$173.61 | 2.2% | \$128.78 | 4.4% |

Source: CBRE Hotels Research, Kalibri Labs, Q3 2024

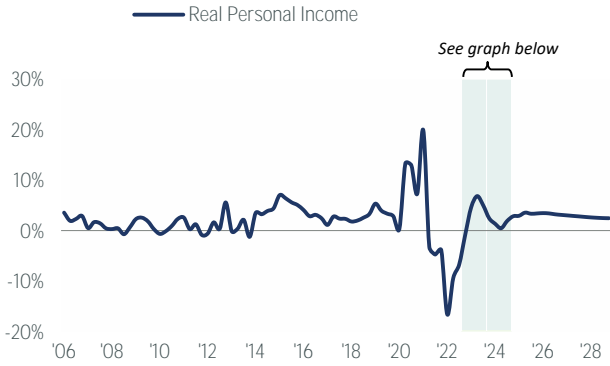
Long Run Averages 2000 to 2023

Occupancy: 67.2%, ADR Change: 2.7%, RevPAR Change: 3.6%

Sacramento, CA Economic Summary

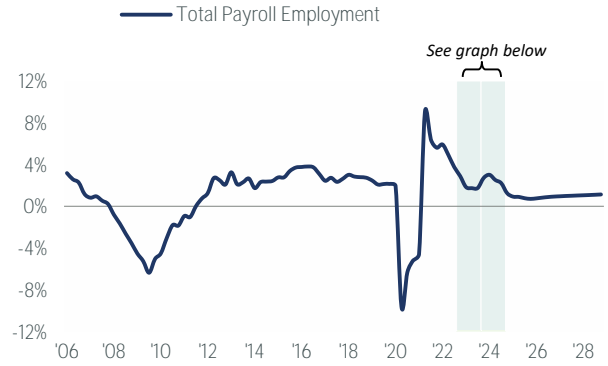
Below are a select number of variables that drive the CBRE Hotels Research econometric forecasts contained in this report. Income and employment are important barometers of economic health and are used in every *Hotel Horizons*® forecast model. The lodging market is part of the larger economy, and the forces that affect us nationally also affect lodging, but in different magnitudes and time periods (see Exhibits 3 and 4 below). Exhibits 1 - 5 provide an overview of current economic history and forecasts, and provide explanations of what to expect in the future, and how that affects the lodging industry.

Exhibit 1*: Income Change



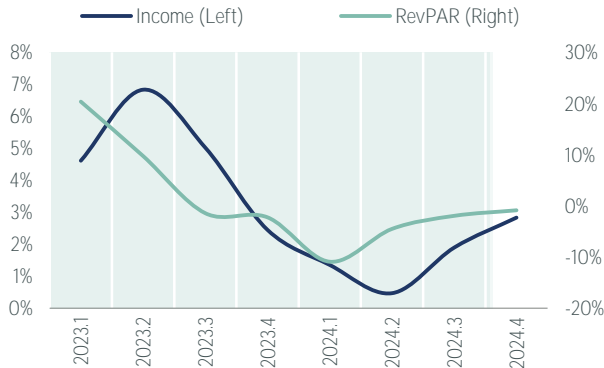
Source: CBRE EA, Q3 2024

Exhibit 2*: Employment Change



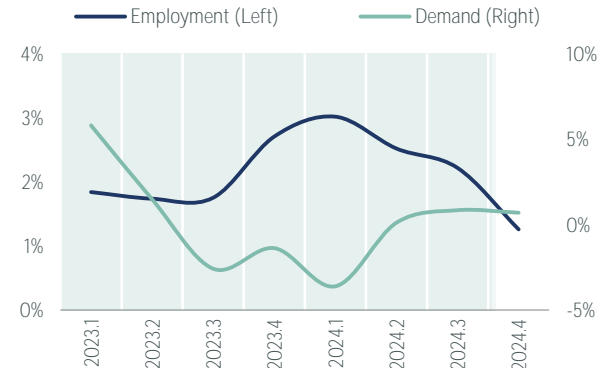
Source: CBRE EA, Q3 2024

Exhibit 3*: Quarterly Real Personal Income vs. RevPAR Change



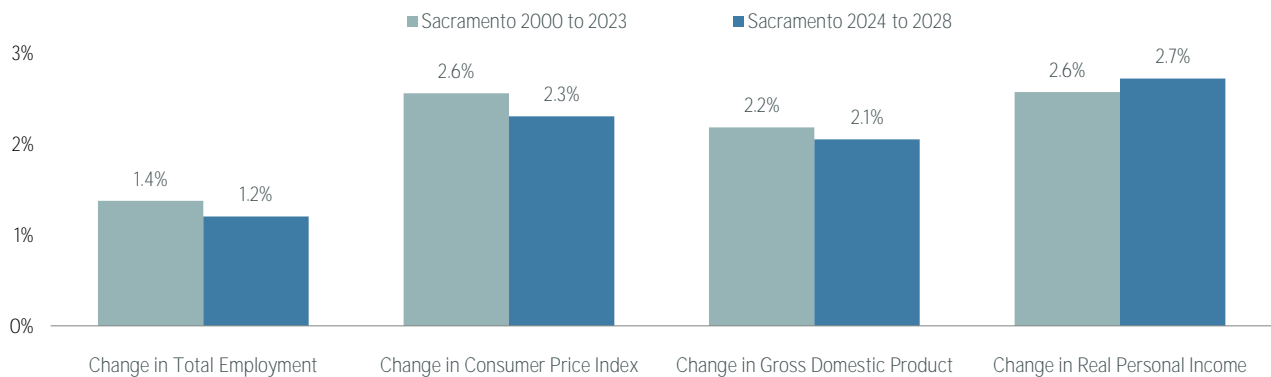
Source: CBRE EA, CBRE Hotels, Kalibri Labs, Q3 2024

Exhibit 4*: Quarterly Employment vs. Demand Change



Source: CBRE EA, CBRE Hotels, Kalibri Labs, Q3 2024

Exhibit 5*: Average Annual Growth Rates



Source: CBRE EA, Oxford Economics, Q3 2024

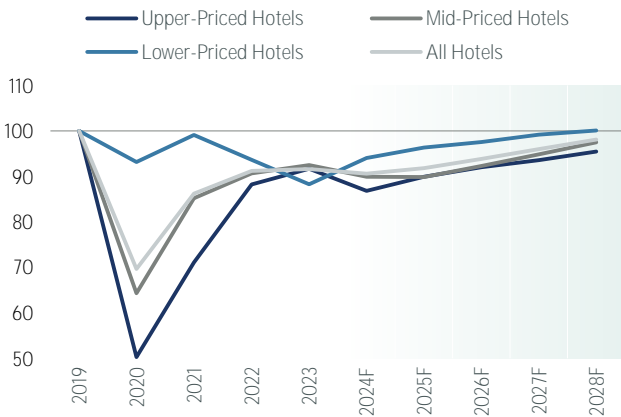
*See Appendix for exhibit descriptions

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Sacramento, CA Hotel Summary

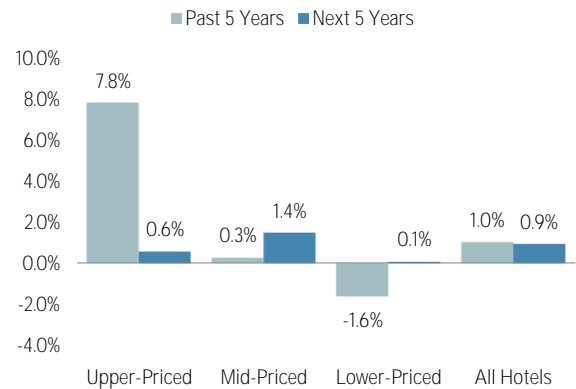
The graphs on the left illustrate the magnitude of change in performance during the historical and forecasted period 2019 to 2028. Used as a relative benchmark, each market segment is plotted against a common index value of 2019 = 100. This method provides clear insight of how each market segment performed and is expected to perform in relation to others in the specified period. The charts on the right compare near-term historical compound annual growth rates (CAGR) to the CAGRs for the forecast period.

Exhibit 6*: Occupancy Levels Relative to 2019



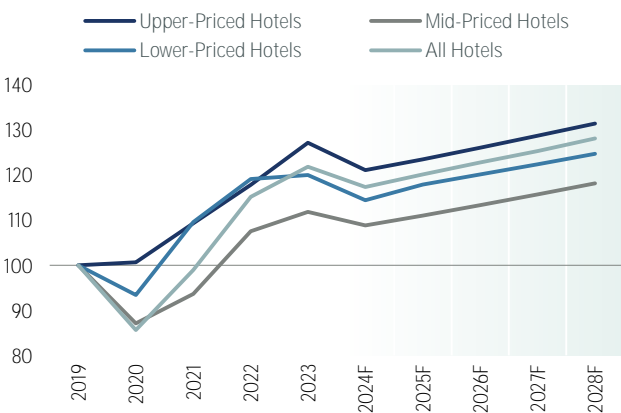
Source: CBRE Hotels Research, Kalibri Labs, Q3 2024

Exhibit 9*: Compound Average Annual Supply Change



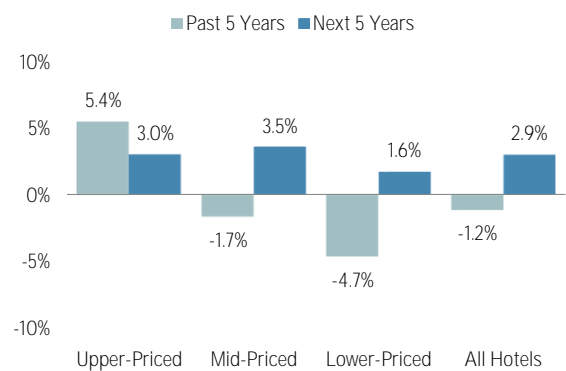
Source: CBRE Hotels Research, Kalibri Labs, Q3 2024

Exhibit 7*: ADR Levels Relative to 2019



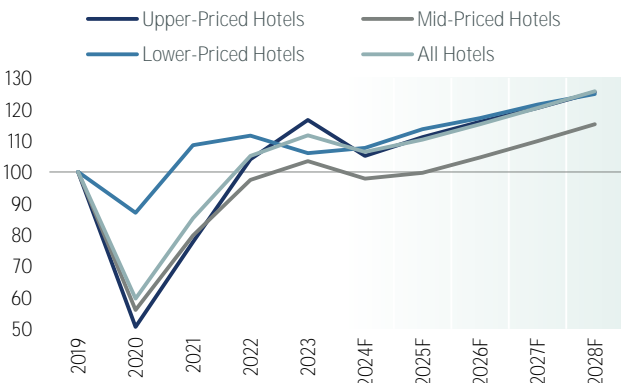
Source: CBRE Hotels Research, Kalibri Labs, Q3 2024

Exhibit 10*: Compound Average Annual Demand Change



Source: CBRE Hotels Research, Kalibri Labs, Q3 2024

Exhibit 8*: RevPAR Levels Relative to 2019



Source: CBRE Hotels Research, Kalibri Labs, Q3 2024

Exhibit 11*: Compound Average Annual RevPAR Change



Source: CBRE Hotels Research, Kalibri Labs, Q3 2024

Sacramento, CA Forecast - All Hotels

| Year | Period | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR | Δ Supply | Δ Demand |
|---------|-----------------|-------|--------|----------|--------|----------|----------|----------|----------|
| 2019 | Annual | 75.6% | 1.0% | \$135.47 | 3.1% | \$102.44 | 4.1% | 0.8% | 1.8% |
| 2020 | Annual | 52.7% | -30.4% | \$116.01 | -14.4% | \$61.09 | -40.4% | 1.4% | -29.4% |
| 2021 | 1 | 54.7% | -9.4% | \$117.16 | -14.7% | \$64.05 | -22.8% | -0.5% | -9.9% |
| 2021 | 2 | 66.7% | 71.1% | \$122.43 | 31.8% | \$81.68 | 125.5% | 0.5% | 72.0% |
| 2021 | 3 | 72.8% | 21.9% | \$147.67 | 27.1% | \$107.45 | 54.9% | 1.0% | 23.1% |
| 2021 | 4 | 66.2% | 28.6% | \$143.95 | 33.2% | \$95.26 | 71.2% | 3.0% | 32.5% |
| 2021 | Annual | 65.2% | 23.7% | \$134.07 | 15.6% | \$87.37 | 43.0% | 1.0% | 25.0% |
| 2022 | 1 | 66.2% | 21.1% | \$158.27 | 35.1% | \$104.77 | 63.6% | 3.1% | 24.9% |
| 2022 | 2 | 71.5% | 7.2% | \$147.62 | 20.6% | \$105.55 | 29.2% | 2.1% | 9.4% |
| 2022 | 3 | 72.3% | -0.7% | \$162.72 | 10.2% | \$117.59 | 9.4% | 1.1% | 0.4% |
| 2022 | 4 | 65.9% | -0.5% | \$155.77 | 8.2% | \$102.58 | 7.7% | -0.6% | -1.1% |
| 2022 | Annual | 69.0% | 5.8% | \$156.09 | 16.4% | \$107.65 | 23.2% | 1.4% | 7.3% |
| 2023 | 1 | 71.0% | 7.2% | \$177.65 | 12.2% | \$126.09 | 20.4% | -1.3% | 5.8% |
| 2023 | 2 | 72.5% | 1.4% | \$159.80 | 8.3% | \$115.83 | 9.7% | 0.1% | 1.5% |
| 2023 | 3 | 69.7% | -3.5% | \$166.17 | 2.1% | \$115.90 | -1.4% | 0.9% | -2.6% |
| 2023 | 4 | 64.1% | -2.7% | \$156.51 | 0.5% | \$100.27 | -2.3% | 1.4% | -1.4% |
| 2023 | Annual | 69.3% | 0.5% | \$165.12 | 5.8% | \$114.40 | 6.3% | 0.3% | 0.7% |
| 2024 | 1 | 67.2% | -5.3% | \$167.11 | -5.9% | \$112.32 | -10.9% | 1.8% | -3.6% |
| 2024 | 2 | 72.3% | -0.2% | \$152.92 | -4.3% | \$110.60 | -4.5% | 0.3% | 0.1% |
| 2024 | 3 | 70.4% | 1.0% | \$161.29 | -2.9% | \$113.63 | -2.0% | -0.2% | 0.8% |
| 2024F | 4 | 64.2% | 0.1% | \$154.92 | -1.0% | \$99.40 | -0.9% | 0.5% | 0.7% |
| 2024F | Annual | 68.5% | -1.1% | \$159.02 | -3.7% | \$108.95 | -4.8% | 0.6% | -0.5% |
| 2025F | Annual | 69.4% | 1.3% | \$162.79 | 2.4% | \$112.99 | 3.7% | 2.3% | 3.7% |
| 2026F | Annual | 71.0% | 2.2% | \$166.35 | 2.2% | \$118.06 | 4.5% | 0.2% | 2.5% |
| 2027F | Annual | 72.6% | 2.3% | \$169.84 | 2.1% | \$123.32 | 4.5% | 0.4% | 2.7% |
| 2028F | Annual | 74.2% | 2.2% | \$173.61 | 2.2% | \$128.78 | 4.4% | 0.7% | 2.9% |
| 2023 3Q | Year to Date | 71.1% | 1.5% | \$167.76 | 7.4% | \$119.21 | 9.0% | -0.1% | 1.4% |
| 2024 3Q | Year to Date | 70.0% | -1.5% | \$160.29 | -4.5% | \$112.19 | -5.9% | 0.6% | -0.9% |
| 2024 3Q | Trailing 4 Qtrs | 68.5% | -1.8% | \$159.40 | -3.3% | \$109.19 | -5.1% | 0.8% | -1.0% |

Source: CBRE Hotels Research, Kalibri Labs, Q3 2024

| Guest-Paid ADR* | | All Hotels | | Upper-Price | | Mid-Price | | Lower-Price | |
|-----------------|-----------------|------------|--------|-------------|--------|-----------|--------|-------------|--------|
| Year | Period | Value | Change | Value | Change | Value | Change | Value | Change |
| 2019 | Annual | \$139.26 | | \$206.62 | | \$147.37 | | \$81.79 | |
| 2020 | Annual | \$119.31 | -14.3% | \$207.91 | 0.6% | \$128.83 | -12.6% | \$75.57 | -7.6% |
| 2021 | Annual | \$138.10 | 15.7% | \$226.95 | 9.2% | \$138.44 | 7.5% | \$88.85 | 17.6% |
| 2022 | Annual | \$160.63 | 16.3% | \$243.68 | 7.4% | \$158.69 | 14.6% | \$97.68 | 9.9% |
| 2023 | Annual | \$169.92 | 5.8% | \$262.99 | 7.9% | \$165.08 | 4.0% | \$98.48 | 0.8% |
| 2023 3Q | Year to Date | \$172.55 | 7.4% | \$269.58 | 10.3% | \$166.80 | 4.6% | \$99.19 | 1.6% |
| 2024 3Q | Year to Date | \$165.24 | -4.2% | \$254.29 | -5.7% | \$162.06 | -2.8% | \$93.82 | -5.4% |
| 2024 3Q | Trailing 4 Qtrs | \$164.33 | -3.2% | \$251.34 | -4.4% | \$161.42 | -1.8% | \$94.35 | -4.5% |

*Based on the total room revenue paid by guests, inclusive of all transaction-specific direct reservation costs.

Source: Kalibri Labs, Q3 2024

Length of Stay In Nights

| Year | Period | All Hotels | Upper | Mid | Lower |
|---------|--------------|------------|-------|------|-------|
| 2022 | Annual | 2.00 | 1.59 | 2.00 | 2.55 |
| 2023 | Annual | 1.92 | 1.57 | 1.87 | 2.57 |
| 2023 Q3 | Year to Date | 1.93 | 1.58 | 1.90 | 2.56 |
| 2024 Q3 | Year to Date | 1.87 | 1.53 | 1.78 | 2.69 |

For a glossary of Kalibri Labs terminology, please see page 24, or visit <https://pip.cbrehotels.com/about-us/kalibri-facts>

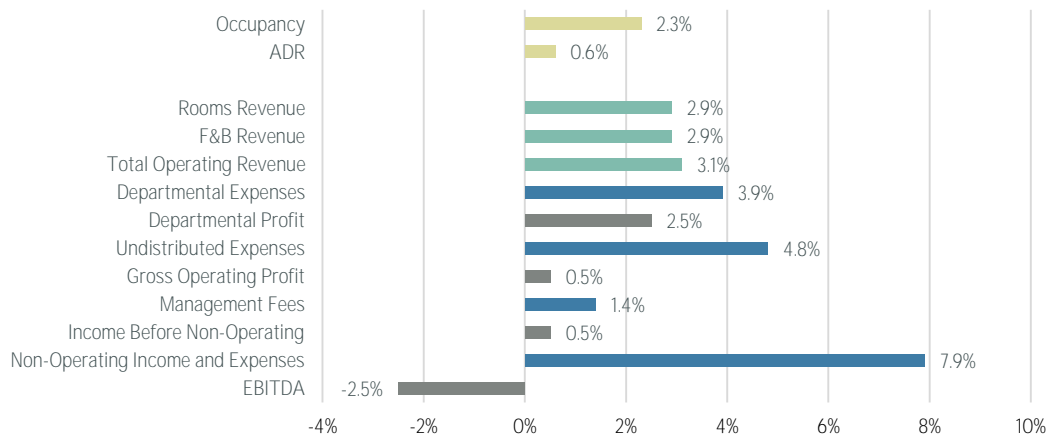
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Sacramento, CA Forecast - Upper-Priced Hotels

| Year | Period | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR | Δ Supply | Δ Demand |
|---------|-----------------|-------|--------|----------|--------|----------|----------|----------|----------|
| 2019 | Annual | 79.3% | 1.5% | \$201.40 | 1.3% | \$159.70 | 2.8% | -0.1% | 1.4% |
| 2020 | Annual | 39.9% | -49.7% | \$202.79 | 0.7% | \$80.85 | -49.4% | 1.4% | -49.0% |
| 2021 | 1 | 40.5% | -38.1% | \$228.59 | -1.1% | \$92.47 | -38.8% | 19.4% | -26.1% |
| 2021 | 2 | 55.7% | 191.4% | \$193.49 | 28.9% | \$107.76 | 275.7% | 19.9% | 249.3% |
| 2021 | 3 | 65.9% | 67.0% | \$231.84 | 15.9% | \$152.85 | 93.5% | 19.9% | 100.1% |
| 2021 | 4 | 62.6% | 75.2% | \$225.78 | 23.4% | \$141.26 | 116.1% | 25.0% | 119.0% |
| 2021 | Annual | 56.4% | 41.4% | \$220.18 | 8.6% | \$124.11 | 53.5% | 21.1% | 71.2% |
| 2022 | 1 | 63.8% | 57.8% | \$266.98 | 16.8% | \$170.39 | 84.3% | 9.5% | 72.7% |
| 2022 | 2 | 71.1% | 27.6% | \$209.73 | 8.4% | \$149.02 | 38.3% | 9.0% | 39.1% |
| 2022 | 3 | 74.4% | 12.8% | \$240.83 | 3.9% | \$179.14 | 17.2% | 9.1% | 23.1% |
| 2022 | 4 | 70.5% | 12.7% | \$234.89 | 4.0% | \$165.67 | 17.3% | 3.2% | 16.3% |
| 2022 | Annual | 70.0% | 24.2% | \$237.31 | 7.8% | \$166.08 | 33.8% | 7.6% | 33.6% |
| 2023 | 1 | 75.6% | 18.4% | \$303.14 | 13.5% | \$229.14 | 34.5% | 0.4% | 18.9% |
| 2023 | 2 | 77.5% | 9.1% | \$234.67 | 11.9% | \$181.93 | 22.1% | 1.9% | 11.2% |
| 2023 | 3 | 71.6% | -3.7% | \$251.83 | 4.6% | \$180.35 | 0.7% | 3.0% | -0.8% |
| 2023 | 4 | 66.3% | -6.0% | \$234.49 | -0.2% | \$155.44 | -6.2% | 3.0% | -3.2% |
| 2023 | Annual | 72.7% | 3.9% | \$256.15 | 7.9% | \$186.20 | 12.1% | 2.1% | 6.0% |
| 2024 | 1 | 71.7% | -5.2% | \$271.42 | -10.5% | \$194.53 | -15.1% | 11.3% | 5.5% |
| 2024 | 2 | 72.6% | -6.3% | \$222.24 | -5.3% | \$161.43 | -11.3% | 9.7% | 2.8% |
| 2024 | 3 | 68.1% | -5.0% | \$249.15 | -1.1% | \$169.55 | -6.0% | 9.1% | 3.7% |
| 2024F | 4 | 63.2% | -4.7% | \$232.15 | -1.0% | \$146.71 | -5.6% | 9.1% | 4.0% |
| 2024F | Annual | 68.9% | -5.3% | \$243.90 | -4.8% | \$167.95 | -9.8% | 9.8% | 4.0% |
| 2025F | Annual | 71.3% | 3.6% | \$248.70 | 2.0% | \$177.36 | 5.6% | 0.4% | 4.0% |
| 2026F | Annual | 73.0% | 2.3% | \$253.92 | 2.1% | \$185.24 | 4.4% | 0.2% | 2.5% |
| 2027F | Annual | 74.2% | 1.7% | \$259.25 | 2.1% | \$192.32 | 3.8% | 0.8% | 2.5% |
| 2028F | Annual | 75.7% | 2.0% | \$264.74 | 2.1% | \$200.35 | 4.2% | 0.8% | 2.8% |
| 2023 3Q | Year to Date | 74.9% | 7.3% | \$262.71 | 10.3% | \$196.70 | 18.3% | 1.8% | 9.2% |
| 2024 3Q | Year to Date | 70.8% | -5.5% | \$247.45 | -5.8% | \$175.11 | -11.0% | 10.0% | 4.0% |
| 2024 3Q | Trailing 4 Qtrs | 69.7% | -5.5% | \$244.53 | -4.5% | \$170.46 | -9.8% | 8.3% | 2.3% |

Source: CBRE Hotels Research, Kalibri Labs, Q3 2024

US Upper-Priced Hotels - Operating Performance Year-Over-Year Change – YTD September 2024 vs YTD September 2023



Source: CBRE Hotels, From total sample of 2,550 U.S. hotels submitting monthly P&L information.

For a more comparable and detailed financial comparison, we recommend a **BenchmarkerSM** report. Please contact Robert Mandelbaum at +1 404 812 5187 for more information.

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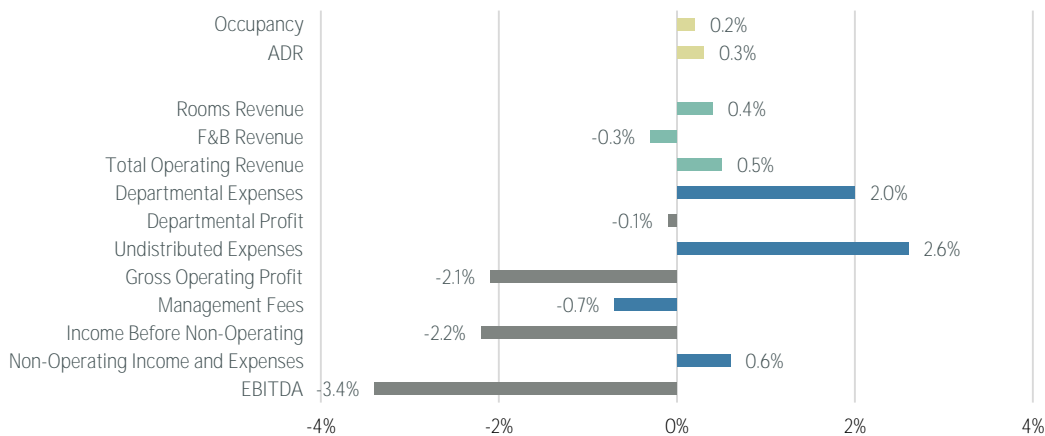
Sacramento, CA Forecast - Mid-Priced Hotels

| Year | Period | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR | Δ Supply | Δ Demand |
|---------|-----------------|-------|--------|----------|--------|----------|----------|----------|----------|
| 2019 | Annual | 76.7% | -0.5% | \$143.75 | 4.6% | \$110.18 | 4.1% | 2.0% | 1.5% |
| 2020 | Annual | 49.3% | -35.7% | \$125.21 | -12.9% | \$61.72 | -44.0% | 2.6% | -34.0% |
| 2021 | 1 | 53.1% | -9.0% | \$116.02 | -19.4% | \$61.57 | -26.6% | -3.9% | -12.5% |
| 2021 | 2 | 66.6% | 100.7% | \$124.79 | 17.8% | \$83.07 | 136.4% | -2.5% | 95.7% |
| 2021 | 3 | 73.5% | 30.2% | \$148.65 | 18.4% | \$109.28 | 54.2% | -2.0% | 27.6% |
| 2021 | 4 | 67.5% | 37.8% | \$142.44 | 23.1% | \$96.20 | 69.7% | -1.5% | 35.7% |
| 2021 | Annual | 65.3% | 32.5% | \$134.56 | 7.5% | \$87.87 | 42.4% | -2.5% | 29.2% |
| 2022 | 1 | 65.9% | 24.2% | \$153.76 | 32.5% | \$101.32 | 64.6% | 5.0% | 30.4% |
| 2022 | 2 | 72.9% | 9.5% | \$149.92 | 20.1% | \$109.29 | 31.6% | 3.2% | 13.0% |
| 2022 | 3 | 72.7% | -1.1% | \$162.31 | 9.2% | \$118.03 | 8.0% | 1.1% | 0.0% |
| 2022 | 4 | 66.4% | -1.7% | \$152.15 | 6.8% | \$101.05 | 5.0% | -0.1% | -1.8% |
| 2022 | Annual | 69.5% | 6.4% | \$154.62 | 14.9% | \$107.44 | 22.3% | 2.3% | 8.8% |
| 2023 | 1 | 73.0% | 10.8% | \$165.99 | 8.0% | \$121.16 | 19.6% | -3.5% | 6.9% |
| 2023 | 2 | 74.5% | 2.2% | \$158.39 | 5.6% | \$117.95 | 7.9% | -1.5% | 0.7% |
| 2023 | 3 | 71.0% | -2.4% | \$163.41 | 0.7% | \$115.95 | -1.8% | -0.4% | -2.8% |
| 2023 | 4 | 65.4% | -1.6% | \$155.03 | 1.9% | \$101.32 | 0.3% | 0.4% | -1.2% |
| 2023 | Annual | 70.9% | 2.0% | \$160.79 | 4.0% | \$114.00 | 6.1% | -1.2% | 0.8% |
| 2024 | 1 | 67.2% | -7.9% | \$159.77 | -3.7% | \$107.35 | -11.4% | -1.5% | -9.3% |
| 2024 | 2 | 72.7% | -2.4% | \$154.16 | -2.7% | \$112.01 | -5.0% | -2.1% | -4.5% |
| 2024 | 3 | 70.7% | -0.4% | \$158.60 | -2.9% | \$112.06 | -3.4% | -2.8% | -3.2% |
| 2024F | 4 | 65.4% | 0.0% | \$153.48 | -1.0% | \$100.31 | -1.0% | -1.5% | -1.5% |
| 2024F | Annual | 68.9% | -2.8% | \$156.49 | -2.7% | \$107.89 | -5.4% | -2.0% | -4.7% |
| 2025F | Annual | 68.9% | -0.1% | \$159.61 | 2.0% | \$109.92 | 1.9% | 4.6% | 4.5% |
| 2026F | Annual | 70.7% | 2.7% | \$162.96 | 2.1% | \$115.24 | 4.8% | 0.3% | 3.0% |
| 2027F | Annual | 72.7% | 2.8% | \$166.38 | 2.1% | \$120.98 | 5.0% | 0.2% | 3.0% |
| 2028F | Annual | 74.7% | 2.8% | \$169.89 | 2.1% | \$126.95 | 4.9% | 0.7% | 3.5% |
| 2023 3Q | Year to Date | 72.8% | 3.2% | \$162.55 | 4.6% | \$118.32 | 8.0% | -1.8% | 1.4% |
| 2024 3Q | Year to Date | 70.2% | -3.6% | \$157.45 | -3.1% | \$110.48 | -6.6% | -2.2% | -5.7% |
| 2024 3Q | Trailing 4 Qtrs | 68.9% | -3.2% | \$156.86 | -2.0% | \$108.12 | -5.1% | -1.5% | -4.6% |

Source: CBRE Hotels Research, Kalibri Labs, Q3 2024

US Middle-Priced Hotels - Operating Performance

Year-Over-Year Change - YTD September 2024 vs YTD September 2023



Source: CBRE Hotels, From total sample of 2,550 U.S. hotels submitting monthly P&L information.

For a more comparable and detailed financial comparison, we recommend a BenchmarkSM report. Please contact Robert Mandelbaum at +1 404 812 5187 for more information.

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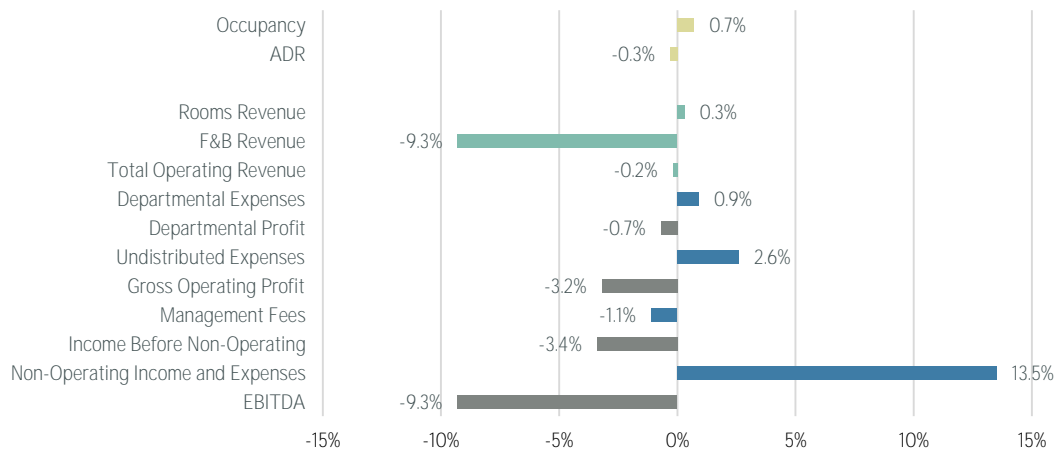
Sacramento, CA Forecast - Lower-Priced Hotels

| Year | Period | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR | Δ Supply | Δ Demand |
|---------|-----------------|-------|-------|---------|-------|---------|----------|----------|----------|
| 2019 | Annual | 71.6% | 3.6% | \$78.52 | 0.7% | \$56.20 | 4.4% | -1.0% | 2.6% |
| 2020 | Annual | 66.7% | -6.9% | \$73.34 | -6.6% | \$48.89 | -13.0% | -1.0% | -7.8% |
| 2021 | 1 | 67.5% | 9.1% | \$74.09 | 3.3% | \$49.99 | 12.7% | -4.3% | 4.4% |
| 2021 | 2 | 74.5% | 21.1% | \$82.14 | 18.9% | \$61.18 | 44.0% | -4.0% | 16.3% |
| 2021 | 3 | 75.8% | -2.2% | \$95.81 | 21.8% | \$72.67 | 19.2% | -3.2% | -5.3% |
| 2021 | 4 | 65.9% | 0.1% | \$91.20 | 25.7% | \$60.10 | 25.8% | 0.0% | 0.1% |
| 2021 | Annual | 70.9% | 6.4% | \$86.03 | 17.3% | \$61.03 | 24.8% | -2.9% | 3.3% |
| 2022 | 1 | 68.7% | 1.8% | \$89.75 | 21.1% | \$61.66 | 23.3% | -5.0% | -3.3% |
| 2022 | 2 | 68.8% | -7.7% | \$92.36 | 12.4% | \$63.51 | 3.8% | -4.9% | -12.2% |
| 2022 | 3 | 69.6% | -8.2% | \$98.72 | 3.0% | \$68.73 | -5.4% | -4.4% | -12.2% |
| 2022 | 4 | 61.0% | -7.4% | \$93.25 | 2.2% | \$56.88 | -5.4% | -4.4% | -11.5% |
| 2022 | Annual | 67.0% | -5.5% | \$93.57 | 8.8% | \$62.70 | 2.7% | -4.7% | -10.0% |
| 2023 | 1 | 63.2% | -8.0% | \$91.92 | 2.4% | \$58.10 | -5.8% | 2.2% | -6.0% |
| 2023 | 2 | 64.3% | -6.5% | \$93.38 | 1.1% | \$60.06 | -5.4% | 2.2% | -4.4% |
| 2023 | 3 | 65.7% | -5.7% | \$99.36 | 0.6% | \$65.24 | -5.1% | 2.2% | -3.6% |
| 2023 | 4 | 59.5% | -2.4% | \$91.96 | -1.4% | \$54.76 | -3.7% | 2.2% | -0.2% |
| 2023 | Annual | 63.2% | -5.7% | \$94.25 | 0.7% | \$59.54 | -5.0% | 2.2% | -3.7% |
| 2024 | 1 | 63.5% | 0.5% | \$84.94 | -7.6% | \$53.96 | -7.1% | 1.6% | 2.1% |
| 2024 | 2 | 71.4% | 10.9% | \$89.22 | -4.5% | \$63.66 | 6.0% | -1.7% | 9.0% |
| 2024 | 3 | 72.1% | 9.8% | \$94.74 | -4.6% | \$68.30 | 4.7% | -1.7% | 7.9% |
| 2024F | 4 | 62.4% | 4.8% | \$90.12 | -2.0% | \$56.23 | 2.7% | -1.7% | 3.0% |
| 2024F | Annual | 67.3% | 6.5% | \$89.87 | -4.6% | \$60.49 | 1.6% | -0.9% | 5.6% |
| 2025F | Annual | 69.0% | 2.4% | \$92.58 | 3.0% | \$63.85 | 5.5% | -0.8% | 1.6% |
| 2026F | Annual | 69.8% | 1.2% | \$94.34 | 1.9% | \$65.86 | 3.2% | 0.1% | 1.4% |
| 2027F | Annual | 71.0% | 1.7% | \$96.13 | 1.9% | \$68.25 | 3.6% | 0.5% | 2.2% |
| 2028F | Annual | 71.6% | 0.9% | \$97.94 | 1.9% | \$70.17 | 2.8% | 0.5% | 1.4% |
| 2023 3Q | Year to Date | 64.4% | -6.7% | \$94.96 | 1.4% | \$61.16 | -5.4% | 2.2% | -4.7% |
| 2024 3Q | Year to Date | 68.9% | 7.0% | \$89.80 | -5.4% | \$61.91 | 1.2% | -0.6% | 6.4% |
| 2024 3Q | Trailing 4 Qtrs | 66.6% | 4.7% | \$90.28 | -4.5% | \$60.10 | 0.0% | 0.1% | 4.8% |

Source: CBRE Hotels Research, Kalibri Labs, Q3 2024

US Lower-Priced Hotels - Operating Performance

Year-Over-Year Change – YTD September 2024 vs YTD September 2023



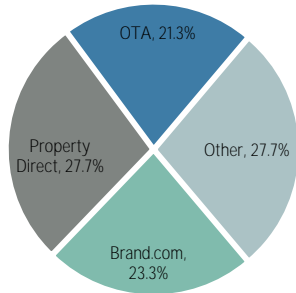
Source: CBRE Hotels, From total sample of 2,550 U.S. hotels submitting monthly P&L information.

For a more comparable and detailed financial comparison, we recommend a BenchmarkerSM report. Please contact Robert Mandelbaum at +1 404 812 5187 for more information.

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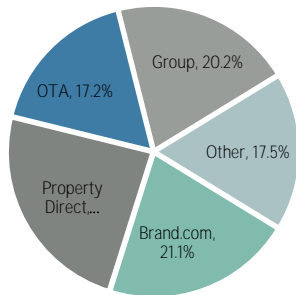
Room Nights and ADR by Source of Business - Sacramento, CA

All Hotels - Room Nights 2024 YTD



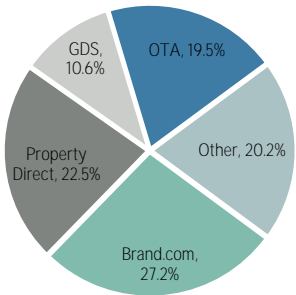
| Source | Room Nights by Source of Business | | ADR by Source of Business | |
|--------------------|-----------------------------------|----------|---------------------------|----------|
| | 2023 YTD | 2024 YTD | 2023 YTD | 2024 YTD |
| Brand.com | 21.9% | 23.3% | \$191.86 | \$182.98 |
| Property Direct | 30.3% | 27.7% | \$160.33 | \$150.93 |
| Voice | 4.9% | 4.8% | \$172.96 | \$153.59 |
| Internal Discounts | 4.6% | 4.5% | \$100.79 | \$90.23 |
| GDS | 8.0% | 7.9% | \$176.90 | \$176.30 |
| FIT/Wholesale | 0.6% | 0.7% | \$155.08 | \$153.81 |
| OTA | 20.1% | 21.3% | \$154.31 | \$147.09 |
| Group | 9.7% | 9.8% | \$187.53 | \$184.50 |

Upper-Priced Hotels - Room Nights 2024 YTD



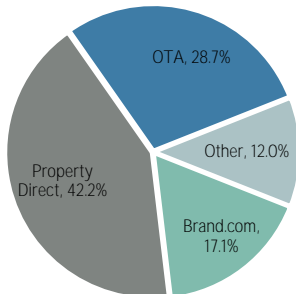
| Source | Room Nights by Source of Business | | ADR by Source of Business | |
|--------------------|-----------------------------------|----------|---------------------------|----------|
| | 2023 YTD | 2024 YTD | 2023 YTD | 2024 YTD |
| Brand.com | 20.1% | 21.1% | \$304.02 | \$291.40 |
| Property Direct | 23.9% | 24.0% | \$265.73 | \$240.17 |
| Voice | 4.3% | 3.1% | \$348.58 | \$328.97 |
| Internal Discounts | 4.9% | 4.7% | \$178.77 | \$158.46 |
| GDS | 9.1% | 9.0% | \$240.60 | \$238.11 |
| FIT/Wholesale | 0.4% | 0.6% | \$232.03 | \$220.72 |
| OTA | 16.8% | 17.2% | \$259.11 | \$244.20 |
| Group | 20.4% | 20.2% | \$234.94 | \$226.33 |

Mid-Priced Hotels - Room Nights 2024 YTD



| Source | Room Nights by Source of Business | | ADR by Source of Business | |
|--------------------|-----------------------------------|----------|---------------------------|----------|
| | 2023 YTD | 2024 YTD | 2023 YTD | 2024 YTD |
| Brand.com | 25.2% | 27.2% | \$182.59 | \$174.97 |
| Property Direct | 27.4% | 22.5% | \$169.28 | \$167.32 |
| Voice | 3.6% | 3.5% | \$173.42 | \$169.13 |
| Internal Discounts | 6.2% | 6.3% | \$79.77 | \$71.25 |
| GDS | 10.4% | 10.6% | \$159.29 | \$158.24 |
| FIT/Wholesale | 0.7% | 0.8% | \$157.55 | \$147.12 |
| OTA | 17.3% | 19.5% | \$157.21 | \$149.29 |
| Group | 9.2% | 9.7% | \$153.34 | \$153.36 |

Lower-Priced Hotels - Room Nights 2024 YTD



| Source | Room Nights by Source of Business | | ADR by Source of Business | |
|--------------------|-----------------------------------|----------|---------------------------|----------|
| | 2023 YTD | 2024 YTD | 2023 YTD | 2024 YTD |
| Brand.com | 15.4% | 17.1% | \$96.97 | \$92.61 |
| Property Direct | 43.2% | 42.2% | \$94.24 | \$87.60 |
| Voice | 8.4% | 9.0% | \$90.92 | \$87.57 |
| Internal Discounts | 0.6% | 0.6% | \$45.62 | \$43.85 |
| GDS | 1.2% | 1.1% | \$107.93 | \$101.56 |
| FIT/Wholesale | 0.4% | 0.3% | \$76.46 | \$76.33 |
| OTA | 29.6% | 28.7% | \$96.78 | \$92.66 |
| Group | 1.2% | 1.0% | \$93.23 | \$91.18 |

Brand.com: Transient bookings sold via property or brand's website

Voice: Transient bookings sold via call centers

GDS: Transient bookings sold via global distribution systems

OTA: Transient bookings sold by an online travel agent

Property Direct: Transient bookings sold directly by property

Internal Discounts: Complimentary, barter, employee, friends & family, loyalty program, house use, permanent rooms, etc.

FIT/Wholesale: Transient bookings sold via wholesalers

Group: Bookings of multiple guests rooms under the same booking, with a group rate

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Sacramento, CA Short-Term Rental Summary

Below is an overview of short-term rentals in this market. The estimates of short-term rental performance come from AirDNA, a firm that provides data and analytics for 4 million+ short-term rental listings worldwide. Figure 1 shows the total number of units available, sold and revenue generated during October 2023 – September 2024 along with the calculated Occupancy, Average Daily Rate (ADR), Revenue Per Available Room (RevPAR), and year-over-year growth rates. Figure 2 shows the percent of units and revenue by unit type. Figure 3 shows the average daily number of active short-term rental units by month. Figure 4 lists the ADRs broken down by unit types over the past 12 months. More detailed data on short-term rentals in your market can be purchased directly from AirDNA at airdna.co.

Fig. 1: Short-Term Rental Performance
October 2023 – September 2024

| Metric | 2024 | YoY Change |
|------------------|--------------|------------|
| Occupancy | 56.5% | 0.0% |
| ADR | \$183.25 | 4.6% |
| RevPAR | \$103.59 | 4.7% |
| Available Supply | 633,466 | 0.1% |
| Units Sold | 358,114 | 0.2% |
| Total Revenue | \$65,623,210 | 4.7% |

Source: AirDNA, CBRE Hotels Research, Q3 2024

Fig. 2: Percent of Active Units and Revenue by Listing Type

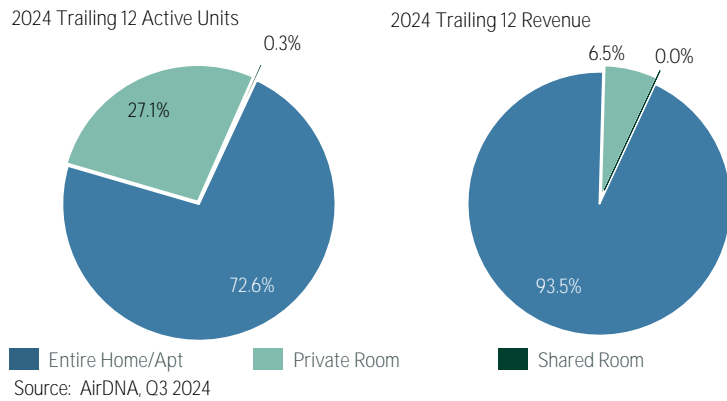


Fig. 3: October 2023 – September 2024 Active/Available Units by Month

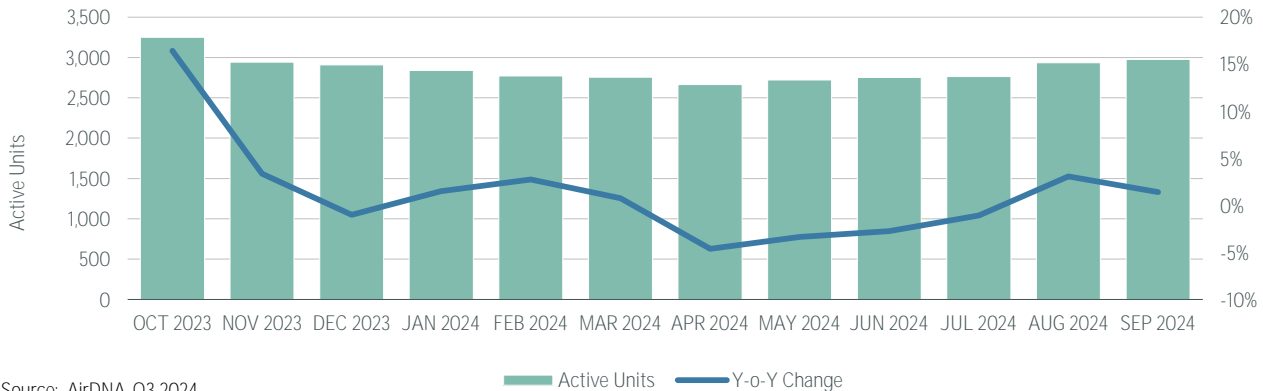
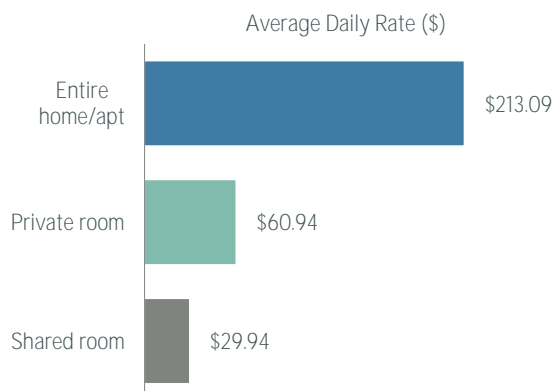


Fig. 4: October 2023 – September 2024 ADRs by Unit Type



Glossary

Active Units - A unit is considered active if it had at least one night sold during the month.

Available Units - Total number of listings available for booking on short-term rentals in that month.

Average Daily Rate (ADR) - The revenue collected divided by the units sold.

Unit Types:

Entire Home - The guest has complete and sole access to the entire unit during the stay.

Private Room - The guest has their own sleeping area, but shares access to the unit common areas with others.

Shared Room - The guest rents a common area, like an airbed in a living room.

Detailed data on short-term rentals in your market can be purchased at airdna.co.

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National Horizon Profile

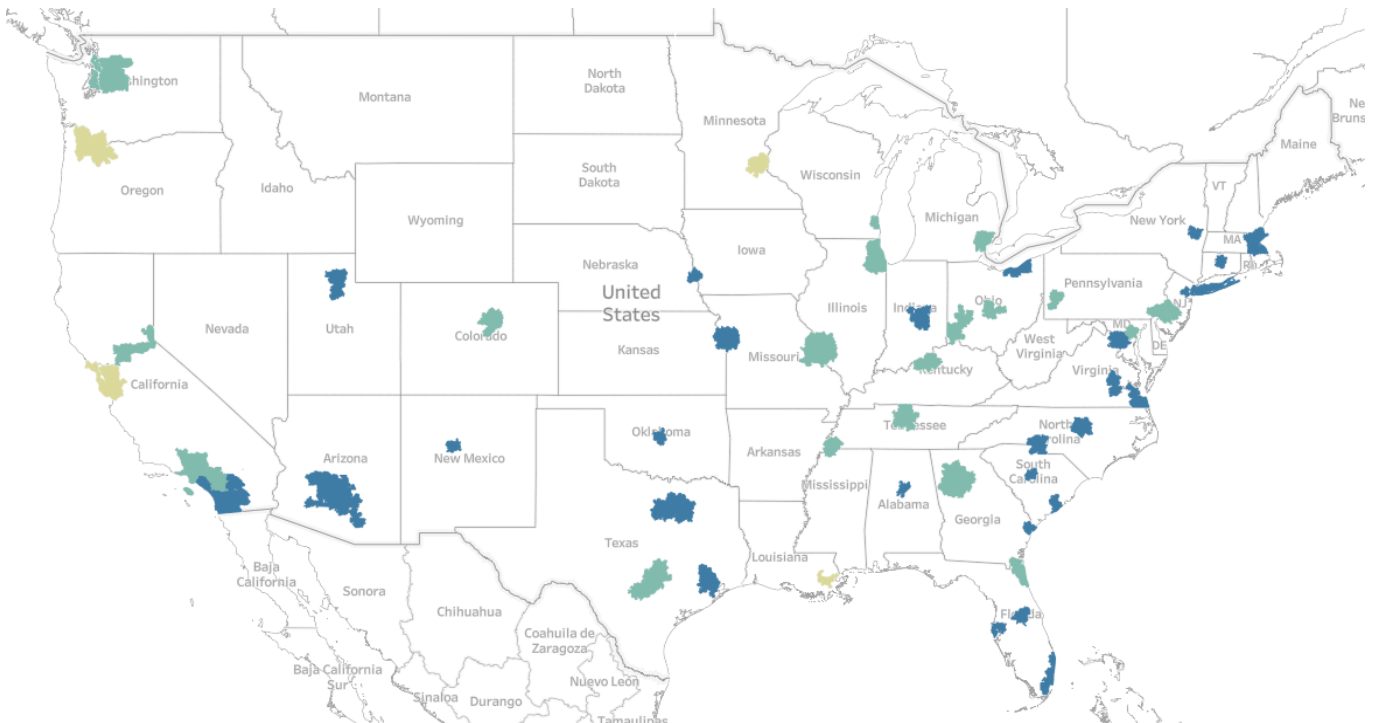
Future Market Growth

This page showcases the CBRE Hotels Research Hotel Horizons® 65- city forecasting universe. The map below presents CBRE's forecasted 2024 RevPAR as a percent of 2019. This provides a glimpse of the pace of future market growth across the nation. Quarterly Hotel Horizons® reports are available for the nation and all the markets shown below.

<https://pip.cbrehotels.com>

- | | | | |
|------------------|-----------------|---------------|------------------|
| Albany | Dayton | Minneapolis | Saint Petersburg |
| Albuquerque | Denver | Nashville | Salt Lake City |
| Anaheim | Detroit | New Orleans | San Antonio |
| Atlanta | Fort Lauderdale | New York | San Bernardino |
| Austin | Fort Worth | Newark | San Diego |
| Baltimore | Hartford | Oakland | San Francisco |
| Birmingham | Hawaii | Oklahoma City | San Jose |
| Boston | Houston | Omaha | Savannah |
| Charleston | Indianapolis | Orlando | Seattle |
| Charlotte | Jacksonville | Philadelphia | Tampa |
| Chicago | Kansas City | Phoenix | Tucson |
| Cincinnati | Long Island | Pittsburgh | Virginia Beach |
| Cleveland | Los Angeles | Portland | Washington DC |
| Coachella Valley | Louisville | Raleigh | West Palm Beach |
| Columbia | Memphis | Richmond | |
| Columbus | Miami | Sacramento | |
| Dallas | Milwaukee | Saint Louis | |

■ Greater than 115%
 ■ Between 100% and 115%
 ■ Less than 100%



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Sacramento, CA Market Profile

Total Room Supply: 27,831

Sacramento, CA Top Brands

| Upper-Priced | Properties | Rooms | % Mkt |
|---------------------------------|------------|-------|-------|
| Marriott | 2 | 529 | 1.9% |
| Hyatt | 1 | 505 | 1.8% |
| Sheraton | 1 | 503 | 1.8% |
| Destination By Hyatt | 1 | 405 | 1.5% |
| Margaritaville Hotels & Resorts | 1 | 399 | 1.4% |

| Mid-Priced | Properties | Rooms | % Mkt |
|---------------------|------------|-------|-------|
| Residence Inn | 8 | 1,048 | 3.8% |
| Hampton Inn | 10 | 1,039 | 3.7% |
| Courtyard | 7 | 925 | 3.3% |
| Holiday Inn Express | 11 | 894 | 3.2% |
| Hilton Garden Inn | 5 | 624 | 2.2% |

| Lower-Priced | Properties | Rooms | % Mkt |
|-----------------------|------------|-------|-------|
| Motel 6 | 10 | 990 | 3.6% |
| Extended Stay America | 7 | 834 | 3.0% |
| Best Western | 5 | 461 | 1.7% |
| Days Inn | 5 | 372 | 1.3% |
| SureStay Plus | 3 | 353 | 1.3% |

Source: Kalibri Labs, Q3 2024

Supply Pipeline

| Project Phase | Upper-Priced | | | Mid-Priced | | | Lower-Priced | | | Unclassified / Independent | | |
|------------------------|--------------|--------------|-------------|------------|--------------|--------------|--------------|--------------|-------------|----------------------------|------------|-------------|
| | Properties | Rooms | % Mkt | Properties | Rooms | % Mkt | Properties | Rooms | % Mkt | Properties | Rooms | % Mkt |
| Planning | 5 | 837 | 3.0% | 22 | 2,666 | 9.6% | 10 | 1,216 | 4.4% | 3 | 346 | 1.2% |
| Final Planning/Bidding | 2 | 290 | 1.0% | 19 | 2,217 | 8.0% | 7 | 832 | 3.0% | 0 | 0 | 0.0% |
| Underway | 0 | 0 | 0.0% | 6 | 679 | 2.4% | 0 | 0 | 0.0% | 0 | 0 | 0.0% |
| Total | 7 | 1,127 | 4.0% | 47 | 5,562 | 20.0% | 17 | 2,048 | 7.4% | 3 | 346 | 1.2% |

Source: Dodge, CBRE Hotels Research, Q3 2024

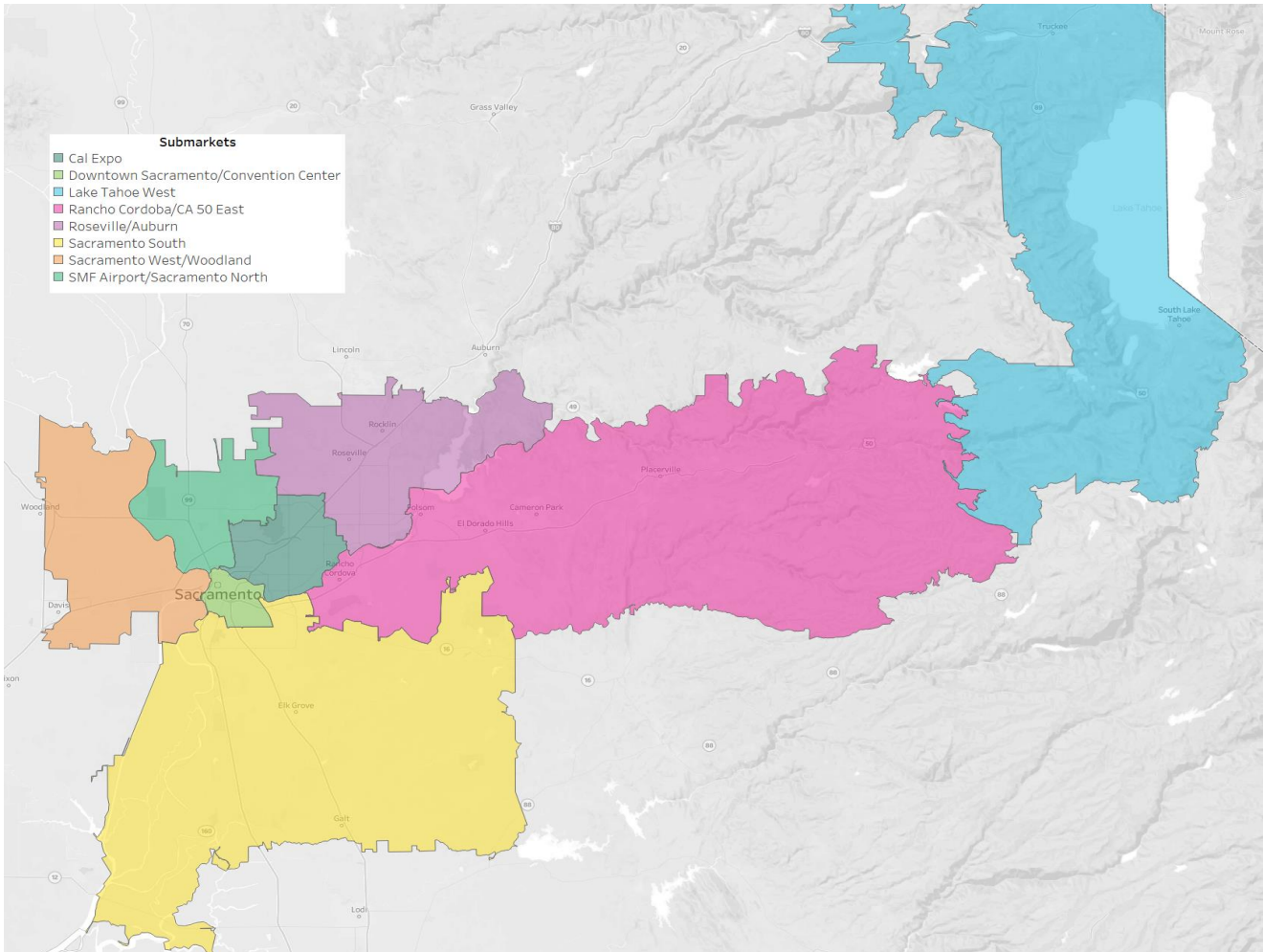
Pipeline Status Definitions

| Project Phase | Definition |
|----------------|---|
| Planning | Projects reported at the planning stage have an architect associated with them who is starting to draw the schematic plans for the building. Projects in this stage are closer to ground breaking but still have a fairly low probability of starting. |
| Final Planning | At this stage, plans for a project have been or are about to be finalized. The project is moving towards final approvals. Once a project has reached the final planning stage, there is a high probability that the construction contract will be awarded within the next six months. |
| Bidding | Once the plans for the project have been finalized, the project is put out to bid by general contractors. At this stage in the planning cycle, projects are very close to being awarded and have a very high probability of coming to market. |
| Underway | Projects that are under construction. |

Source: Dodge, Q3 2024

Sacramento, CA Submarket Map

Total Room Supply: 27,831



Source: Kalibri Labs, Q3 2024

Sacramento, CA Submarket Summary

| Submarket | Upper-Priced | | | Mid-Priced | | | Lower-Priced | | | Totals | | |
|------------------------------|--------------|--------------|--------------|------------|---------------|--------------|--------------|--------------|--------------|------------|---------------|---------------|
| | Properties | Rooms | % Mkt | Properties | Rooms | % Mkt | Properties | Rooms | % Mkt | Properties | Rooms | % Mkt |
| Downtown/Convention Center | 9 | 2,084 | 7.5% | 14 | 1,492 | 5.4% | 13 | 1,118 | 4.0% | 36 | 4,694 | 16.9% |
| Cal Expo | 1 | 335 | 1.2% | 12 | 1,737 | 6.2% | 8 | 900 | 3.2% | 21 | 2,972 | 10.7% |
| SMF Airport/Sacramento North | 0 | 0 | 0.0% | 16 | 1,822 | 6.5% | 5 | 448 | 1.6% | 21 | 2,270 | 8.2% |
| Sacramento West/Woodland | 1 | 27 | 0.1% | 14 | 1,154 | 4.1% | 11 | 826 | 3.0% | 26 | 2,007 | 7.2% |
| Sacramento South | 1 | 101 | 0.4% | 11 | 891 | 3.2% | 11 | 829 | 3.0% | 23 | 1,821 | 6.5% |
| Roseville/Auburn | 0 | 0 | 0.0% | 17 | 1,874 | 6.7% | 6 | 577 | 2.1% | 23 | 2,451 | 8.8% |
| Rancho Cordoba/CA 50 East | 3 | 428 | 1.5% | 21 | 2,253 | 8.1% | 15 | 1,204 | 4.3% | 39 | 3,885 | 14.0% |
| Lake Tahoe West | 36 | 2,861 | 10.3% | 53 | 3,603 | 12.9% | 23 | 1,267 | 4.6% | 112 | 7,731 | 27.8% |
| Total | 51 | 5,836 | 21.0% | 158 | 14,826 | 53.3% | 92 | 7,169 | 25.8% | 301 | 27,831 | 100.0% |

Source: Kalibri Labs, Q3 2024

Submarket Profile - Roseville/Auburn

Submarket Room Supply: 2,451

Submarket Rank*

3 out of 8

*Based on RevPAR change over the last 4 quarters.

RevPAR Penetration

87%

Trailing 4 Quarters



- Upper-Priced, 0%
- Mid-Priced, 76%
- Lower-Priced, 24%

Submarket Performance

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-------|--------|----------|--------|----------|----------|
| 2019 | 77.3% | 0.6% | \$120.46 | 2.7% | \$93.09 | 3.3% |
| 2020 | 58.2% | -24.7% | \$93.69 | -22.2% | \$54.55 | -41.4% |
| 2021 | 74.7% | 28.4% | \$113.79 | 21.4% | \$85.04 | 55.9% |
| 2022 | 72.7% | -2.8% | \$133.33 | 17.2% | \$96.90 | 13.9% |
| 2023 | 72.8% | 0.1% | \$133.77 | 0.3% | \$97.32 | 0.4% |
| 2023 YTD | 74.5% | 0.9% | \$135.04 | 0.5% | \$100.66 | 1.4% |
| 2024 YTD | 73.9% | -0.9% | \$132.84 | -1.6% | \$98.16 | -2.5% |

Source: Kalibri Labs, Q3 2024

Submarket Penetration vs. Market Total

| Year | Occ | ADR | RevPAR |
|----------|--------|-------|--------|
| 2019 | 102.2% | 88.9% | 90.9% |
| 2020 | 110.6% | 80.8% | 89.3% |
| 2021 | 114.7% | 84.9% | 97.3% |
| 2022 | 105.4% | 85.4% | 90.0% |
| 2023 | 105.0% | 81.0% | 85.1% |
| 2023 YTD | 104.9% | 80.5% | 84.4% |
| 2024 YTD | 105.6% | 82.9% | 87.5% |

Source: Kalibri Labs, Q3 2024

Upper-Priced Hotels Performance (Data Not Available)

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-----|-------|-----|-------|--------|----------|
| 2019 | | | | | | |
| 2020 | | | | | | |
| 2021 | | | | | | |
| 2022 | | | | | | |
| 2023 | | | | | | |
| 2023 YTD | | | | | | |
| 2024 YTD | | | | | | |

Insufficient Upper-Priced Data

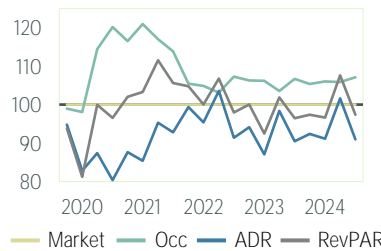
Source: Kalibri Labs, Q3 2024

Mid-Priced Hotels Performance

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-------|--------|----------|--------|----------|----------|
| 2019 | 78.0% | -0.2% | \$133.21 | 5.0% | \$103.90 | 4.8% |
| 2020 | 55.0% | -29.4% | \$104.46 | -21.6% | \$57.48 | -44.7% |
| 2021 | 74.3% | 35.0% | \$125.56 | 20.2% | \$93.28 | 62.3% |
| 2022 | 73.2% | -1.4% | \$148.45 | 18.2% | \$108.70 | 16.5% |
| 2023 | 74.8% | 2.1% | \$147.96 | -0.3% | \$110.63 | 1.8% |
| 2023 YTD | 76.8% | 3.6% | \$149.39 | -0.5% | \$114.67 | 3.1% |
| 2024 YTD | 74.6% | -2.8% | \$148.96 | -0.3% | \$111.11 | -3.1% |

Source: Kalibri Labs, Q3 2024

Mid-Priced Penetration of Market



Top Brands

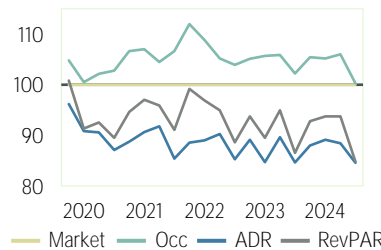
- Courtyard (215 rms)
- Residence Inn (194 rms)
- Best Western Plus (179 rms)
- Holiday Inn Express (155 rms)
- Hyatt Place (151 rms)

Lower-Priced Hotels Performance

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-------|-------|---------|--------|---------|----------|
| 2019 | 74.9% | 5.1% | \$75.73 | 2.7% | \$56.69 | 8.0% |
| 2020 | 68.7% | -8.2% | \$65.34 | -13.7% | \$44.92 | -20.8% |
| 2021 | 76.2% | 10.9% | \$76.50 | 17.1% | \$58.30 | 29.8% |
| 2022 | 70.9% | -7.0% | \$82.62 | 8.0% | \$58.56 | 0.4% |
| 2023 | 66.2% | -6.6% | \$81.69 | -1.1% | \$54.08 | -7.6% |
| 2023 YTD | 67.3% | -7.9% | \$81.93 | -0.6% | \$55.18 | -8.5% |
| 2024 YTD | 71.6% | 6.3% | \$78.32 | -4.4% | \$56.07 | 1.6% |

Source: Kalibri Labs, Q3 2024

Lower-Priced Penetration of Market



Top Brands

- Best Western (126 rms)
- Extended Stay America (122 rms)
- SureStay Plus (101 rms)
- Days Inn (65 rms)

Roseville/Auburn Construction Pipeline

| Project Phase | Upper-Priced | | | Mid-Priced | | | Lower-Priced | | | Unclassified/Independent | | |
|------------------------|--------------|-----|---------|------------|-------|---------|--------------|-----|---------|--------------------------|-----|---------|
| | Props | Rms | %SubMkt | Props | Rms | %SubMkt | Props | Rms | %SubMkt | Props | Rms | %SubMkt |
| Planning | 1 | 124 | 5.1% | 6 | 715 | 29.2% | 1 | 120 | 4.9% | 0 | 0 | 0.0% |
| Final Planning/Bidding | 0 | 0 | 0.0% | 3 | 361 | 14.7% | 0 | 0 | 0.0% | 0 | 0 | 0.0% |
| Underway | 0 | 0 | 0.0% | 0 | 0 | 0.0% | 0 | 0 | 0.0% | 0 | 0 | 0.0% |
| Total | 1 | 124 | 5.1% | 9 | 1,076 | 43.9% | 1 | 120 | 4.9% | 0 | 0 | 0.0% |

Source: Dodge, CBRE Hotels Research, Q3 2024

See use and distribution restrictions on the last page of this report. Downloaded by Maggie Huss, Rancho Cordova Travel & Tourism

Submarket Profile - Downtown/Convention Center

Submarket Room Supply: 4,694

Submarket Rank*

2

 out of 8

RevPAR Penetration

119%

Trailing 4 Quarters

*Based on RevPAR change over the last 4 quarters.



Submarket Performance

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-------|--------|----------|--------|----------|----------|
| 2019 | 77.6% | 1.0% | \$148.68 | 1.7% | \$115.42 | 2.7% |
| 2020 | 47.8% | -38.4% | \$118.51 | -20.3% | \$56.65 | -50.9% |
| 2021 | 57.7% | 20.7% | \$138.14 | 16.6% | \$79.72 | 40.7% |
| 2022 | 68.9% | 19.5% | \$165.29 | 19.6% | \$113.93 | 42.9% |
| 2023 | 72.6% | 5.4% | \$184.71 | 11.8% | \$134.14 | 17.7% |
| 2023 YTD | 74.2% | 7.6% | \$182.56 | 13.6% | \$135.40 | 22.3% |
| 2024 YTD | 72.7% | -2.0% | \$178.42 | -2.3% | \$129.63 | -4.3% |

Source: Kalibri Labs, Q3 2024

Submarket Penetration vs. Market Total

| Year | Occ | ADR | RevPAR |
|----------|--------|--------|--------|
| 2019 | 102.7% | 109.7% | 112.7% |
| 2020 | 90.8% | 102.2% | 92.7% |
| 2021 | 88.6% | 103.0% | 91.2% |
| 2022 | 100.0% | 105.9% | 105.8% |
| 2023 | 104.8% | 111.9% | 117.2% |
| 2023 YTD | 104.4% | 108.8% | 113.6% |
| 2024 YTD | 103.8% | 111.3% | 115.5% |

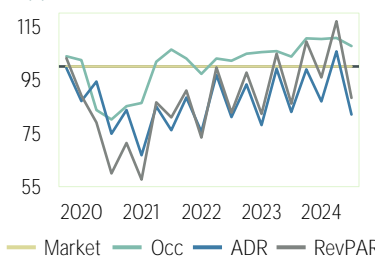
Source: Kalibri Labs, Q3 2024

Upper-Priced Hotels Performance

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-------|--------|----------|--------|----------|----------|
| 2019 | 81.4% | 3.1% | \$197.31 | 0.7% | \$160.69 | 3.8% |
| 2020 | 36.2% | -55.5% | \$173.16 | -12.2% | \$62.71 | -61.0% |
| 2021 | 57.0% | 57.4% | \$177.43 | 2.5% | \$101.11 | 61.2% |
| 2022 | 71.3% | 25.1% | \$204.77 | 15.4% | \$146.02 | 44.4% |
| 2023 | 77.3% | 8.4% | \$227.68 | 11.2% | \$175.92 | 20.5% |
| 2023 YTD | 78.6% | 11.6% | \$226.38 | 13.3% | \$177.96 | 26.5% |
| 2024 YTD | 77.6% | -1.3% | \$225.48 | -0.4% | \$174.88 | -1.7% |

Source: Kalibri Labs, Q3 2024

Upper-Priced Penetration of Market



Top Brands

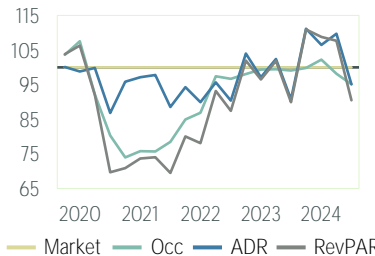
- Hyatt (505 rms)
- Sheraton (503 rms)
- Kimpton (250 rms)
- Embassy Suites (242 rms)
- Autograph Collection (196 rms)

Mid-Priced Hotels Performance

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-------|--------|----------|--------|----------|----------|
| 2019 | 77.7% | 0.7% | \$140.39 | 3.4% | \$109.04 | 4.1% |
| 2020 | 43.7% | -43.7% | \$120.67 | -14.0% | \$52.73 | -51.6% |
| 2021 | 51.5% | 17.8% | \$126.40 | 4.8% | \$65.07 | 23.4% |
| 2022 | 65.8% | 27.8% | \$146.72 | 16.1% | \$96.50 | 48.3% |
| 2023 | 70.5% | 7.2% | \$160.87 | 9.6% | \$113.42 | 17.5% |
| 2023 YTD | 72.3% | 9.6% | \$157.35 | 10.0% | \$113.76 | 20.6% |
| 2024 YTD | 69.1% | -4.5% | \$163.27 | 3.8% | \$112.78 | -0.9% |

Source: Kalibri Labs, Q3 2024

Mid-Priced Penetration of Market



Top Brands

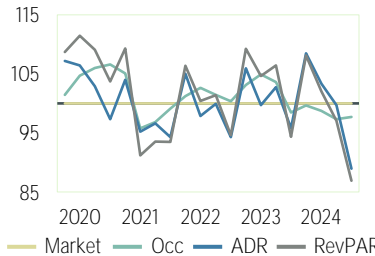
- Holiday Inn (359 rms)
- Residence Inn (235 rms)
- AC Hotels (179 rms)
- Courtyard (139 rms)
- Hyatt House (128 rms)

Lower-Priced Hotels Performance

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-------|-------|---------|--------|---------|----------|
| 2019 | 72.5% | -1.8% | \$85.58 | -2.0% | \$62.02 | -3.8% |
| 2020 | 70.3% | -3.0% | \$74.94 | -12.4% | \$52.68 | -15.1% |
| 2021 | 69.7% | -0.9% | \$84.30 | 12.5% | \$58.75 | 11.5% |
| 2022 | 68.2% | -2.1% | \$92.88 | 10.2% | \$63.38 | 7.9% |
| 2023 | 64.2% | -5.9% | \$95.56 | 2.9% | \$61.36 | -3.2% |
| 2023 YTD | 65.9% | -6.0% | \$94.28 | 3.5% | \$62.09 | -2.7% |
| 2024 YTD | 67.5% | 2.6% | \$86.95 | -7.8% | \$58.73 | -5.4% |

Source: Kalibri Labs, Q3 2024

Lower-Priced Penetration of Market



Top Brands

- Motel 6 (199 rms)
- Howard Johnson (168 rms)
- Best Western (114 rms)
- SureStay Plus (100 rms)
- SureStay Collection (80 rms)

Downtown/Convention Center Construction Pipeline

| Project Phase | Upper-Priced | | | Mid-Priced | | | Lower-Priced | | | Unclassified/Independent | | |
|------------------------|--------------|------------|-------------|------------|------------|--------------|--------------|------------|--------------|--------------------------|----------|-------------|
| | Props | Rms | %SubMkt | Props | Rms | %SubMkt | Props | Rms | %SubMkt | Props | Rms | %SubMkt |
| Planning | 1 | 265 | 5.6% | 2 | 290 | 6.2% | 3 | 554 | 11.8% | 0 | 0 | 0.0% |
| Final Planning/Bidding | 1 | 161 | 3.4% | 3 | 506 | 10.8% | 0 | 0 | 0.0% | 0 | 0 | 0.0% |
| Underway | 0 | 0 | 0.0% | 1 | 72 | 1.5% | 0 | 0 | 0.0% | 0 | 0 | 0.0% |
| Total | 2 | 426 | 9.1% | 6 | 868 | 18.5% | 3 | 554 | 11.8% | 0 | 0 | 0.0% |

Source: Dodge, CBRE Hotels Research, Q3 2024

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Submarket Profile - Cal Expo

Submarket Room Supply: 2,972

Submarket Rank*

1 out of 8

*Based on RevPAR change over the last 4 quarters.

RevPAR Penetration

65%

Trailing 4 Quarters



- Upper-Priced, 11%
- Mid-Priced, 58%
- Lower-Priced, 30%

Submarket Performance

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-------|--------|----------|--------|---------|----------|
| 2019 | 73.4% | -1.8% | \$112.13 | 3.9% | \$82.31 | 2.0% |
| 2020 | 51.4% | -30.0% | \$92.18 | -17.8% | \$47.39 | -42.4% |
| 2021 | 63.6% | 23.7% | \$102.27 | 10.9% | \$65.02 | 37.2% |
| 2022 | 62.1% | -2.3% | \$110.82 | 8.4% | \$68.84 | 5.9% |
| 2023 | 62.6% | 0.7% | \$111.54 | 0.7% | \$69.79 | 1.4% |
| 2023 YTD | 64.1% | 0.8% | \$110.00 | -0.8% | \$70.52 | 0.0% |
| 2024 YTD | 64.3% | 0.3% | \$112.49 | 2.3% | \$72.31 | 2.5% |

Source: Kalibri Labs, Q3 2024

Submarket Penetration vs. Market Total

| Year | Occ | ADR | RevPAR |
|----------|-------|-------|--------|
| 2019 | 97.1% | 82.8% | 80.3% |
| 2020 | 97.6% | 79.5% | 77.6% |
| 2021 | 97.6% | 76.3% | 74.4% |
| 2022 | 90.1% | 71.0% | 63.9% |
| 2023 | 90.3% | 67.6% | 61.0% |
| 2023 YTD | 90.2% | 65.6% | 59.2% |
| 2024 YTD | 91.8% | 70.2% | 64.5% |

Source: Kalibri Labs, Q3 2024

Upper-Priced Hotels Performance (Data Not Available)

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-----|-------|-----|-------|--------|----------|
| 2019 | | | | | | |
| 2020 | | | | | | |
| 2021 | | | | | | |
| 2022 | | | | | | |
| 2023 | | | | | | |
| 2023 YTD | | | | | | |
| 2024 YTD | | | | | | |

Source: Kalibri Labs, Q3 2024

Insufficient Upper-Priced Data

Top Brands

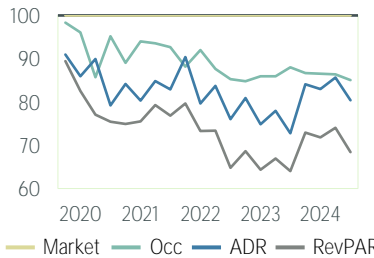
Hilton (335 rms)

Mid-Priced Hotels Performance

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-------|--------|----------|--------|---------|----------|
| 2019 | 75.8% | -3.3% | \$126.25 | 4.2% | \$95.65 | 0.8% |
| 2020 | 45.5% | -40.0% | \$105.82 | -16.2% | \$48.14 | -49.7% |
| 2021 | 60.0% | 31.9% | \$113.96 | 7.7% | \$68.37 | 42.0% |
| 2022 | 60.7% | 1.2% | \$123.68 | 8.5% | \$75.07 | 9.8% |
| 2023 | 61.4% | 1.2% | \$124.09 | 0.3% | \$76.25 | 1.6% |
| 2023 YTD | 63.1% | 1.4% | \$122.19 | -1.3% | \$77.05 | 0.1% |
| 2024 YTD | 60.3% | -4.4% | \$130.76 | 7.0% | \$78.81 | 2.3% |

Source: Kalibri Labs, Q3 2024

Mid-Priced Penetration of Market



Top Brands

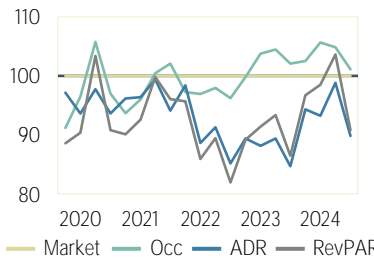
- Doubletree (448 rms)
- Wyndham (230 rms)
- Residence Inn (176 rms)
- Courtyard (152 rms)
- La Quinta Inn (129 rms)

Lower-Priced Hotels Performance

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-------|-------|---------|-------|---------|----------|
| 2019 | 67.8% | -0.6% | \$74.62 | -6.7% | \$50.59 | -7.2% |
| 2020 | 65.4% | -3.5% | \$69.75 | -6.5% | \$45.62 | -9.8% |
| 2021 | 70.3% | 7.5% | \$83.54 | 19.8% | \$58.73 | 28.7% |
| 2022 | 65.5% | -6.9% | \$82.82 | -0.9% | \$54.21 | -7.7% |
| 2023 | 65.2% | -0.4% | \$83.80 | 1.2% | \$54.64 | 0.8% |
| 2023 YTD | 66.6% | -0.6% | \$82.90 | 0.3% | \$55.21 | -0.3% |
| 2024 YTD | 71.6% | 7.5% | \$84.33 | 1.7% | \$60.39 | 9.4% |

Source: Kalibri Labs, Q3 2024

Lower-Priced Penetration of Market



Top Brands

- Ramada (174 rms)
- SureStay Plus (152 rms)
- Super 8 (125 rms)
- Extended Stay America (120 rms)
- Motel 6 (81 rms)

Cal Expo Construction Pipeline

| Project Phase | Upper-Priced | | | Mid-Priced | | | Lower-Priced | | | Unclassified/Independent | | |
|------------------------|--------------|-----|---------|------------|-----|---------|--------------|-----|---------|--------------------------|-----|---------|
| | Props | Rms | %SubMkt | Props | Rms | %SubMkt | Props | Rms | %SubMkt | Props | Rms | %SubMkt |
| Planning | 0 | 0 | 0.0% | 0 | 0 | 0.0% | 0 | 0 | 0.0% | 0 | 0 | 0.0% |
| Final Planning/Bidding | 0 | 0 | 0.0% | 0 | 0 | 0.0% | 1 | 122 | 4.1% | 0 | 0 | 0.0% |
| Underway | 0 | 0 | 0.0% | 1 | 177 | 6.0% | 0 | 0 | 0.0% | 0 | 0 | 0.0% |
| Total | 0 | 0 | 0.0% | 1 | 177 | 6.0% | 1 | 122 | 4.1% | 0 | 0 | 0.0% |

Source: Dodge, CBRE Hotels Research, Q3 2024

Submarket Profile - SMF Airport/Sacramento North

Submarket Room Supply: 2,270

Submarket Rank*

4

out of 8

*Based on RevPAR change over the last 4 quarters.

RevPAR Penetration

96%

Trailing 4 Quarters



Submarket Performance

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-------|--------|----------|--------|----------|----------|
| 2019 | 80.7% | -0.1% | \$134.77 | 4.5% | \$108.83 | 4.4% |
| 2020 | 56.0% | -30.6% | \$104.85 | -22.2% | \$58.75 | -46.0% |
| 2021 | 72.8% | 29.8% | \$119.49 | 14.0% | \$86.93 | 48.0% |
| 2022 | 72.5% | -0.3% | \$139.28 | 16.6% | \$101.04 | 16.2% |
| 2023 | 74.5% | 2.7% | \$145.65 | 4.6% | \$108.54 | 7.4% |
| 2023 YTD | 75.5% | 2.2% | \$145.23 | 5.8% | \$109.70 | 8.1% |
| 2024 YTD | 75.5% | 0.0% | \$138.10 | -4.9% | \$104.29 | -4.9% |

Source: Kalibri Labs, Q3 2024

Submarket Penetration vs. Market Total

| Year | Occ | ADR | RevPAR |
|----------|--------|-------|--------|
| 2019 | 106.8% | 99.5% | 106.2% |
| 2020 | 106.4% | 90.4% | 96.2% |
| 2021 | 111.6% | 89.1% | 99.5% |
| 2022 | 105.2% | 89.2% | 93.9% |
| 2023 | 107.6% | 88.2% | 94.9% |
| 2023 YTD | 106.3% | 86.6% | 92.0% |
| 2024 YTD | 107.9% | 86.2% | 93.0% |

Source: Kalibri Labs, Q3 2024

Upper-Priced Hotels Performance (Data Not Available)

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-----|-------|-----|-------|--------|----------|
| 2019 | | | | | | |
| 2020 | | | | | | |
| 2021 | | | | | | |
| 2022 | | | | | | |
| 2023 | | | | | | |
| 2023 YTD | | | | | | |
| 2024 YTD | | | | | | |

Insufficient Upper-Priced Data

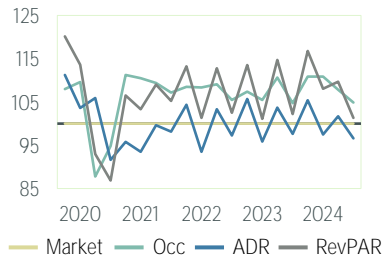
Source: Kalibri Labs, Q3 2024

Mid-Priced Hotels Performance

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-------|--------|----------|--------|----------|----------|
| 2019 | 82.3% | -0.7% | \$157.79 | 3.8% | \$129.91 | 3.1% |
| 2020 | 50.6% | -38.6% | \$123.32 | -21.8% | \$62.35 | -52.0% |
| 2021 | 71.0% | 40.3% | \$133.47 | 8.2% | \$94.70 | 51.9% |
| 2022 | 74.7% | 5.3% | \$154.33 | 15.6% | \$115.28 | 21.7% |
| 2023 | 76.4% | 2.3% | \$161.63 | 4.7% | \$123.50 | 7.1% |
| 2023 YTD | 77.8% | 2.6% | \$161.06 | 5.7% | \$125.34 | 8.5% |
| 2024 YTD | 75.6% | -2.8% | \$155.30 | -3.6% | \$117.47 | -6.3% |

Source: Kalibri Labs, Q3 2024

Mid-Priced Penetration of Market



Top Brands

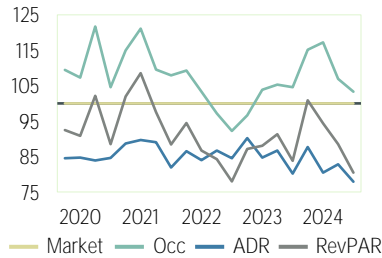
- Hilton Garden Inn (277 rms)
- Courtyard (149 rms)
- Residence Inn (126 rms)
- Homewood Suites (123 rms)
- TownePlace Suites (119 rms)

Lower-Priced Hotels Performance

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-------|--------|---------|-------|---------|----------|
| 2019 | 76.3% | 1.4% | \$65.45 | 4.2% | \$49.96 | 5.7% |
| 2020 | 74.5% | -2.4% | \$62.57 | -4.4% | \$46.61 | -6.7% |
| 2021 | 79.3% | 6.4% | \$74.12 | 18.5% | \$58.76 | 26.1% |
| 2022 | 65.2% | -17.8% | \$80.56 | 8.7% | \$52.52 | -10.6% |
| 2023 | 67.6% | 3.8% | \$79.80 | -0.9% | \$53.98 | 2.8% |
| 2023 YTD | 67.3% | 0.0% | \$79.52 | 0.0% | \$53.55 | 0.1% |
| 2024 YTD | 75.1% | 11.5% | \$72.04 | -9.4% | \$54.08 | 1.0% |

Source: Kalibri Labs, Q3 2024

Lower-Priced Penetration of Market



Top Brands

- Extended Stay America (264 rms)
- Motel 6 (66 rms)
- Studio 6 (66 rms)
- SureStay (52 rms)

SMF Airport/Sacramento North Construction Pipeline

| Project Phase | Upper-Priced | | | Mid-Priced | | | Lower-Priced | | | Unclassified/Independent | | |
|------------------------|--------------|------------|--------------|------------|--------------|--------------|--------------|------------|--------------|--------------------------|----------|-------------|
| | Props | Rms | %SubMkt | Props | Rms | %SubMkt | Props | Rms | %SubMkt | Props | Rms | %SubMkt |
| Planning | 2 | 248 | 10.9% | 7 | 814 | 35.9% | 2 | 177 | 7.8% | 0 | 0 | 0.0% |
| Final Planning/Bidding | 0 | 0 | 0.0% | 4 | 404 | 17.8% | 4 | 375 | 16.5% | 0 | 0 | 0.0% |
| Underway | 0 | 0 | 0.0% | 1 | 114 | 5.0% | 0 | 0 | 0.0% | 0 | 0 | 0.0% |
| Total | 2 | 248 | 10.9% | 12 | 1,332 | 58.7% | 6 | 552 | 24.3% | 0 | 0 | 0.0% |

Source: Dodge, CBRE Hotels Research, Q3 2024

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Submarket Profile - Sacramento West/Woodland

Submarket Room Supply: 2,007

Submarket Rank*

7

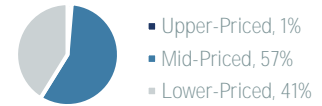
out of 8

RevPAR Penetration

75%

Trailing 4 Quarters

*Based on RevPAR change over the last 4 quarters.



Submarket Performance

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-------|--------|----------|--------|---------|----------|
| 2019 | 74.4% | 3.4% | \$104.54 | 4.1% | \$77.83 | 7.7% |
| 2020 | 59.5% | -20.1% | \$86.19 | -17.6% | \$51.29 | -34.1% |
| 2021 | 64.4% | 8.2% | \$106.26 | 23.3% | \$68.44 | 33.4% |
| 2022 | 67.5% | 4.8% | \$121.15 | 14.0% | \$81.80 | 19.5% |
| 2023 | 68.6% | 1.6% | \$125.92 | 3.9% | \$86.38 | 5.6% |
| 2023 YTD | 70.3% | 2.9% | \$125.56 | 4.5% | \$88.32 | 7.5% |
| 2024 YTD | 67.4% | -4.2% | \$122.04 | -2.8% | \$82.25 | -6.9% |

Source: Kalibri Labs, Q3 2024

Submarket Penetration vs. Market Total

| Year | Occ | ADR | RevPAR |
|----------|--------|-------|--------|
| 2019 | 98.4% | 77.2% | 76.0% |
| 2020 | 113.0% | 74.3% | 83.9% |
| 2021 | 98.8% | 79.3% | 78.3% |
| 2022 | 97.9% | 77.6% | 76.0% |
| 2023 | 99.0% | 76.3% | 75.5% |
| 2023 YTD | 99.0% | 74.8% | 74.1% |
| 2024 YTD | 96.3% | 76.1% | 73.3% |

Source: Kalibri Labs, Q3 2024

Upper-Priced Hotels Performance (Data Not Available)

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-----|-------|-----|-------|--------|----------|
| 2019 | | | | | | |
| 2020 | | | | | | |
| 2021 | | | | | | |
| 2022 | | | | | | |
| 2023 | | | | | | |
| 2023 YTD | | | | | | |
| 2024 YTD | | | | | | |

Insufficient Upper-Priced Data

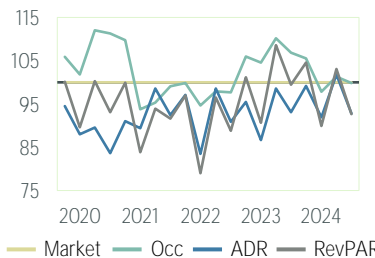
Source: Kalibri Labs, Q3 2024

Mid-Priced Hotels Performance

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-------|--------|----------|--------|----------|----------|
| 2019 | 80.7% | -1.4% | \$136.35 | 1.1% | \$109.99 | -0.3% |
| 2020 | 53.1% | -34.1% | \$108.79 | -20.2% | \$57.80 | -47.4% |
| 2021 | 64.7% | 21.8% | \$129.60 | 19.1% | \$83.85 | 45.1% |
| 2022 | 68.8% | 6.3% | \$142.67 | 10.1% | \$98.12 | 17.0% |
| 2023 | 75.8% | 10.2% | \$151.50 | 6.2% | \$114.78 | 17.0% |
| 2023 YTD | 78.1% | 14.3% | \$150.85 | 6.4% | \$117.75 | 21.6% |
| 2024 YTD | 70.0% | -10.4% | \$150.44 | -0.3% | \$105.26 | -10.6% |

Source: Kalibri Labs, Q3 2024

Mid-Priced Penetration of Market



Top Brands

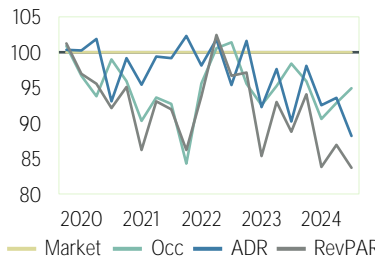
- Holiday Inn Express (195 rms)
- Hampton Inn (181 rms)
- Residence Inn (120 rms)
- Hyatt House (118 rms)
- Home2 Suites (115 rms)

Lower-Priced Hotels Performance

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-------|--------|---------|--------|---------|----------|
| 2019 | 70.3% | 6.0% | \$79.99 | 5.7% | \$56.20 | 12.0% |
| 2020 | 64.4% | -8.4% | \$71.98 | -10.0% | \$46.32 | -17.6% |
| 2021 | 64.1% | -0.3% | \$85.31 | 18.5% | \$54.72 | 18.1% |
| 2022 | 65.9% | 2.8% | \$92.77 | 8.7% | \$61.16 | 11.8% |
| 2023 | 60.4% | -8.4% | \$89.01 | -4.1% | \$53.73 | -12.1% |
| 2023 YTD | 61.5% | -10.3% | \$88.64 | -3.9% | \$54.48 | -13.7% |
| 2024 YTD | 64.1% | 4.3% | \$82.05 | -7.4% | \$52.59 | -3.5% |

Source: Kalibri Labs, Q3 2024

Lower-Priced Penetration of Market



Top Brands

- Motel 6 (194 rms)
- Days Inn (128 rms)
- Best Western (119 rms)
- Extended Stay America (104 rms)
- Quality Inn & Suites (50 rms)

Sacramento West/Woodland Construction Pipeline

| Project Phase | Upper-Priced | | | Mid-Priced | | | Lower-Priced | | | Unclassified/Independent | | |
|------------------------|--------------|------------|--------------|------------|------------|--------------|--------------|------------|-------------|--------------------------|----------|-------------|
| | Props | Rms | %SubMkt | Props | Rms | %SubMkt | Props | Rms | %SubMkt | Props | Rms | %SubMkt |
| Planning | 1 | 200 | 10.0% | 0 | 0 | 0.0% | 2 | 165 | 8.2% | 0 | 0 | 0.0% |
| Final Planning/Bidding | 0 | 0 | 0.0% | 2 | 198 | 9.9% | 0 | 0 | 0.0% | 0 | 0 | 0.0% |
| Underway | 0 | 0 | 0.0% | 2 | 204 | 10.2% | 0 | 0 | 0.0% | 0 | 0 | 0.0% |
| Total | 1 | 200 | 10.0% | 4 | 402 | 20.0% | 2 | 165 | 8.2% | 0 | 0 | 0.0% |

Source: Dodge, CBRE Hotels Research, Q3 2024

Submarket Profile - Sacramento South

Submarket Room Supply: 1,821

Submarket Rank*

5

out of 8

*Based on RevPAR change over the last 4 quarters.

RevPAR Penetration

75%

Trailing 4 Quarters



Submarket Performance

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-------|--------|----------|--------|---------|----------|
| 2019 | 76.9% | 6.0% | \$100.89 | 1.6% | \$77.60 | 7.7% |
| 2020 | 65.6% | -14.8% | \$89.12 | -11.7% | \$58.43 | -24.7% |
| 2021 | 76.1% | 16.0% | \$107.24 | 20.3% | \$81.58 | 39.6% |
| 2022 | 72.7% | -4.4% | \$121.24 | 13.0% | \$88.17 | 8.1% |
| 2023 | 69.3% | -4.7% | \$123.95 | 2.2% | \$85.87 | -2.6% |
| 2023 YTD | 70.1% | -5.2% | \$124.57 | 3.0% | \$87.36 | -2.4% |
| 2024 YTD | 71.2% | 1.5% | \$116.19 | -6.7% | \$82.72 | -5.3% |

Source: Kalibri Labs, Q3 2024

Submarket Penetration vs. Market Total

| Year | Occ | ADR | RevPAR |
|----------|--------|-------|--------|
| 2019 | 101.7% | 74.5% | 75.8% |
| 2020 | 124.5% | 76.8% | 95.6% |
| 2021 | 116.7% | 80.0% | 93.4% |
| 2022 | 105.5% | 77.7% | 81.9% |
| 2023 | 100.0% | 75.1% | 75.1% |
| 2023 YTD | 98.7% | 74.3% | 73.3% |
| 2024 YTD | 101.7% | 72.5% | 73.7% |

Source: Kalibri Labs, Q3 2024

Upper-Priced Hotels Performance (Data Not Available)

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-----|-------|-----|-------|--------|----------|
| 2019 | | | | | | |
| 2020 | | | | | | |
| 2021 | | | | | | |
| 2022 | | | | | | |
| 2023 | | | | | | |
| 2023 YTD | | | | | | |
| 2024 YTD | | | | | | |

Insufficient Upper-Priced Data

Source: Kalibri Labs, Q3 2024

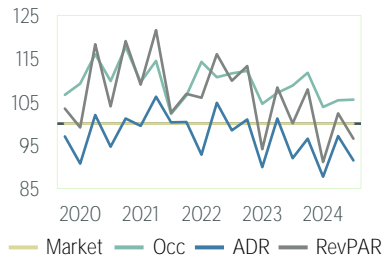
Top Brands
Westin (101 rms)

Mid-Priced Hotels Performance

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-------|--------|----------|--------|----------|----------|
| 2019 | 78.3% | 3.3% | \$137.67 | 2.5% | \$107.81 | 5.8% |
| 2020 | 55.5% | -29.1% | \$119.83 | -13.0% | \$66.49 | -38.3% |
| 2021 | 70.5% | 27.1% | \$136.53 | 13.9% | \$96.27 | 44.8% |
| 2022 | 77.9% | 10.5% | \$153.54 | 12.5% | \$119.64 | 24.3% |
| 2023 | 76.6% | -1.7% | \$152.50 | -0.7% | \$116.77 | -2.4% |
| 2023 YTD | 77.8% | -1.6% | \$153.41 | -0.1% | \$119.29 | -1.7% |
| 2024 YTD | 73.7% | -5.3% | \$145.13 | -5.4% | \$106.90 | -10.4% |

Source: Kalibri Labs, Q3 2024

Mid-Priced Penetration of Market



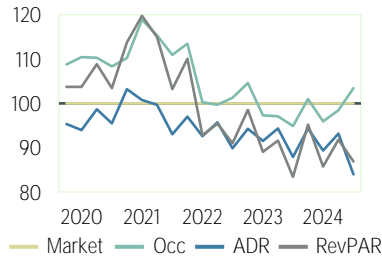
Top Brands
Holiday Inn Express (181 rms)
Comfort Suites (138 rms)
Hilton Garden Inn (116 rms)
Hampton Inn (110 rms)
TownePlace Suites (96 rms)

Lower-Priced Hotels Performance

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-------|--------|---------|-------|---------|----------|
| 2019 | 75.9% | 8.3% | \$72.91 | 2.3% | \$55.33 | 10.7% |
| 2020 | 73.2% | -3.6% | \$71.59 | -1.8% | \$52.37 | -5.4% |
| 2021 | 81.3% | 11.1% | \$83.54 | 16.7% | \$67.89 | 29.6% |
| 2022 | 67.9% | -16.4% | \$87.04 | 4.2% | \$59.12 | -12.9% |
| 2023 | 61.6% | -9.3% | \$86.60 | -0.5% | \$53.33 | -9.8% |
| 2023 YTD | 62.1% | -10.4% | \$86.56 | -0.3% | \$53.74 | -10.7% |
| 2024 YTD | 68.3% | 10.0% | \$79.56 | -8.1% | \$54.34 | 1.1% |

Source: Kalibri Labs, Q3 2024

Lower-Priced Penetration of Market



Top Brands
Motel 6 (239 rms)
Rodeway Inn (102 rms)
Best Western (102 rms)
Extended Stay America (92 rms)
Days Inn (70 rms)

Sacramento South Construction Pipeline

| Project Phase | Upper-Priced | | | Mid-Priced | | | Lower-Priced | | | Unclassified/Independent | | |
|------------------------|--------------|----------|-------------|------------|------------|--------------|--------------|------------|--------------|--------------------------|----------|-------------|
| | Props | Rms | %SubMkt | Props | Rms | %SubMkt | Props | Rms | %SubMkt | Props | Rms | %SubMkt |
| Planning | 0 | 0 | 0.0% | 2 | 186 | 10.2% | 1 | 100 | 5.5% | 0 | 0 | 0.0% |
| Final Planning/Bidding | 0 | 0 | 0.0% | 3 | 318 | 17.5% | 2 | 335 | 18.4% | 0 | 0 | 0.0% |
| Underway | 0 | 0 | 0.0% | 0 | 0 | 0.0% | 0 | 0 | 0.0% | 0 | 0 | 0.0% |
| Total | 0 | 0 | 0.0% | 5 | 504 | 27.7% | 3 | 435 | 23.9% | 0 | 0 | 0.0% |

Source: Dodge, CBRE Hotels Research, Q3 2024

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Submarket Profile - Rancho Cordoba/CA 50 East

Submarket Room Supply: 3,885

Submarket Rank*

6

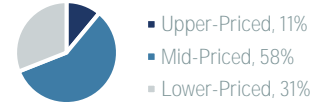
out of 8

*Based on RevPAR change over the last 4 quarters.

RevPAR Penetration

71%

Trailing 4 Quarters



Submarket Performance

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-------|--------|----------|--------|---------|----------|
| 2019 | 74.6% | 1.5% | \$109.73 | 4.5% | \$81.88 | 6.1% |
| 2020 | 56.0% | -25.0% | \$90.96 | -17.1% | \$50.91 | -37.8% |
| 2021 | 71.3% | 27.5% | \$104.90 | 15.3% | \$74.84 | 47.0% |
| 2022 | 70.9% | -0.6% | \$118.33 | 12.8% | \$83.92 | 12.1% |
| 2023 | 68.7% | -3.2% | \$119.36 | 0.9% | \$81.95 | -2.3% |
| 2023 YTD | 70.5% | -3.9% | \$119.85 | 1.1% | \$84.52 | -2.8% |
| 2024 YTD | 69.8% | -1.0% | \$113.56 | -5.2% | \$79.24 | -6.2% |

Source: Kalibri Labs, Q3 2024

Submarket Penetration vs. Market Total

| Year | Occ | ADR | RevPAR |
|----------|--------|-------|--------|
| 2019 | 98.7% | 81.0% | 79.9% |
| 2020 | 106.3% | 78.4% | 83.3% |
| 2021 | 109.5% | 78.2% | 85.7% |
| 2022 | 102.8% | 75.8% | 78.0% |
| 2023 | 99.1% | 72.3% | 71.6% |
| 2023 YTD | 99.2% | 71.4% | 70.9% |
| 2024 YTD | 99.7% | 70.8% | 70.6% |

Source: Kalibri Labs, Q3 2024

Upper-Priced Hotels Performance (Data Not Available)

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-----|-------|-----|-------|--------|----------|
| 2019 | | | | | | |
| 2020 | | | | | | |
| 2021 | | | | | | |
| 2022 | | | | | | |
| 2023 | | | | | | |
| 2023 YTD | | | | | | |
| 2024 YTD | | | | | | |

Insufficient Upper-Priced Data

Source: Kalibri Labs, Q3 2024

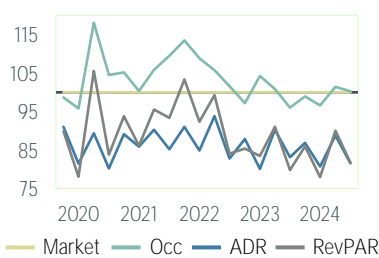
Top Brands
Marriott (265 rms)

Mid-Priced Hotels Performance

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-------|--------|----------|--------|----------|----------|
| 2019 | 75.5% | 0.4% | \$126.76 | 5.2% | \$95.76 | 5.6% |
| 2020 | 51.5% | -31.9% | \$104.79 | -17.3% | \$53.92 | -43.7% |
| 2021 | 70.3% | 36.6% | \$118.96 | 13.5% | \$83.64 | 55.1% |
| 2022 | 71.8% | 2.1% | \$134.92 | 13.4% | \$96.88 | 15.8% |
| 2023 | 70.9% | -1.3% | \$136.70 | 1.3% | \$96.89 | 0.0% |
| 2023 YTD | 73.0% | -1.6% | \$137.30 | 1.5% | \$100.27 | -0.2% |
| 2024 YTD | 69.8% | -4.4% | \$131.88 | -4.0% | \$92.06 | -8.2% |

Source: Kalibri Labs, Q3 2024

Mid-Priced Penetration of Market



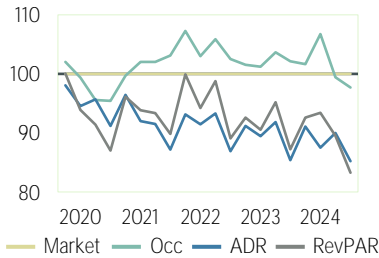
Top Brands
Courtyard (270 rms)
Hampton Inn (233 rms)
Best Western Plus (211 rms)
Fairfield Inn (201 rms)
Residence Inn (197 rms)

Lower-Priced Hotels Performance

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-------|--------|---------|-------|---------|----------|
| 2019 | 72.8% | 4.1% | \$74.74 | 6.5% | \$54.40 | 10.9% |
| 2020 | 65.0% | -10.7% | \$69.09 | -7.6% | \$44.89 | -17.5% |
| 2021 | 73.4% | 13.0% | \$78.04 | 12.9% | \$57.29 | 27.6% |
| 2022 | 69.2% | -5.7% | \$84.79 | 8.7% | \$58.68 | 2.4% |
| 2023 | 64.6% | -6.7% | \$84.18 | -0.7% | \$54.35 | -7.4% |
| 2023 YTD | 65.9% | -8.0% | \$84.32 | -0.5% | \$55.58 | -8.4% |
| 2024 YTD | 69.7% | 5.8% | \$78.52 | -6.9% | \$54.76 | -1.5% |

Source: Kalibri Labs, Q3 2024

Lower-Priced Penetration of Market



Top Brands
Extended Stay America (132 rms)
HomeTowne (129 rms)
Days Inn (109 rms)
Travelodge (87 rms)
Motel 6 (68 rms)

Rancho Cordoba/CA 50 East Construction Pipeline

| Project Phase | Upper-Priced | | | Mid-Priced | | | Lower-Priced | | | Unclassified/Independent | | |
|------------------------|--------------|----------|-------------|------------|--------------|--------------|--------------|------------|-------------|--------------------------|-----------|-------------|
| | Props | Rms | %SubMkt | Props | Rms | %SubMkt | Props | Rms | %SubMkt | Props | Rms | %SubMkt |
| Planning | 0 | 0 | 0.0% | 5 | 661 | 17.0% | 1 | 100 | 2.6% | 1 | 56 | 1.4% |
| Final Planning/Bidding | 0 | 0 | 0.0% | 3 | 390 | 10.0% | 0 | 0 | 0.0% | 0 | 0 | 0.0% |
| Underway | 0 | 0 | 0.0% | 1 | 112 | 2.9% | 0 | 0 | 0.0% | 0 | 0 | 0.0% |
| Total | 0 | 0 | 0.0% | 9 | 1,163 | 29.9% | 1 | 100 | 2.6% | 1 | 56 | 1.4% |

Source: Dodge, CBRE Hotels Research, Q3 2024

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Submarket Profile - Lake Tahoe West

Submarket Room Supply: 7,731

Submarket Rank*

8 out of 8

*Based on RevPAR change over the last 4 quarters.

RevPAR Penetration

132%

Trailing 4 Quarters



- Upper-Priced, 37%
- Mid-Priced, 47%
- Lower-Priced, 16%

Submarket Performance

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-------|--------|----------|-------|----------|----------|
| 2019 | 73.2% | 0.2% | \$166.95 | 3.9% | \$122.24 | 4.1% |
| 2020 | 48.4% | -33.9% | \$165.88 | -0.6% | \$80.27 | -34.3% |
| 2021 | 61.1% | 26.3% | \$186.24 | 12.3% | \$113.81 | 41.8% |
| 2022 | 68.1% | 11.5% | \$212.69 | 14.2% | \$144.90 | 27.3% |
| 2023 | 68.0% | -0.1% | \$227.02 | 6.7% | \$154.45 | 6.6% |
| 2023 YTD | 70.3% | 2.2% | \$237.11 | 9.1% | \$166.65 | 11.5% |
| 2024 YTD | 69.3% | -1.4% | \$220.27 | -7.1% | \$152.58 | -8.4% |

Source: Kalibri Labs, Q3 2024

Submarket Penetration vs. Market Total

| Year | Occ | ADR | RevPAR |
|----------|-------|--------|--------|
| 2019 | 96.8% | 123.2% | 119.3% |
| 2020 | 91.9% | 143.0% | 131.4% |
| 2021 | 93.8% | 138.9% | 130.3% |
| 2022 | 98.8% | 136.3% | 134.6% |
| 2023 | 98.2% | 137.5% | 135.0% |
| 2023 YTD | 98.9% | 141.3% | 139.8% |
| 2024 YTD | 99.0% | 137.4% | 136.0% |

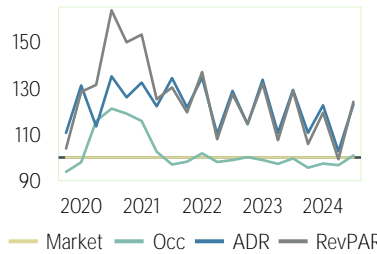
Source: Kalibri Labs, Q3 2024

Upper-Priced Hotels Performance

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-------|--------|----------|--------|----------|----------|
| 2019 | 76.1% | -0.3% | \$228.45 | 1.7% | \$173.74 | 1.5% |
| 2020 | 44.1% | -42.1% | \$259.54 | 13.6% | \$114.38 | -34.2% |
| 2021 | 57.4% | 30.3% | \$280.98 | 8.3% | \$161.32 | 41.0% |
| 2022 | 69.7% | 21.5% | \$291.00 | 3.6% | \$202.95 | 25.8% |
| 2023 | 71.1% | 2.0% | \$313.82 | 7.8% | \$223.28 | 10.0% |
| 2023 YTD | 73.8% | 6.2% | \$329.50 | 10.3% | \$243.10 | 17.2% |
| 2024 YTD | 69.5% | -5.8% | \$288.90 | -12.3% | \$200.87 | -17.4% |

Source: Kalibri Labs, Q3 2024

Upper-Priced Penetration of Market



Top Brands

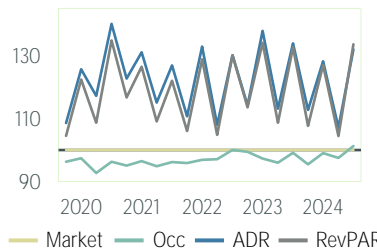
- Destination By Hyatt (405 rms)
- Margaritaville Hotels & Resorts (399 rms)
- Marriott (264 rms)
- Ritz-Carlton (180 rms)
- Joie De Vivre (57 rms)

Mid-Priced Hotels Performance

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-------|--------|----------|-------|----------|----------|
| 2019 | 74.2% | -0.9% | \$163.94 | 6.0% | \$121.61 | 5.1% |
| 2020 | 47.2% | -36.4% | \$160.59 | -2.0% | \$75.73 | -37.7% |
| 2021 | 62.5% | 32.5% | \$161.80 | 0.8% | \$101.14 | 33.5% |
| 2022 | 68.4% | 9.4% | \$187.81 | 16.1% | \$128.39 | 26.9% |
| 2023 | 68.8% | 0.6% | \$201.04 | 7.0% | \$138.26 | 7.7% |
| 2023 YTD | 70.9% | 2.6% | \$208.83 | 8.6% | \$148.11 | 11.4% |
| 2024 YTD | 69.7% | -1.8% | \$192.98 | -7.6% | \$134.42 | -9.2% |

Source: Kalibri Labs, Q3 2024

Mid-Priced Penetration of Market



Top Brands

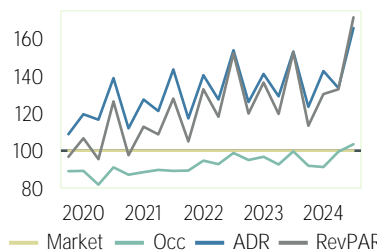
- Hampton Inn (229 rms)
- Springhill Suites (114 rms)
- Best Western Plus (100 rms)
- Holiday Inn Express (89 rms)

Lower-Priced Hotels Performance

| Year | Occ | Δ Occ | ADR | Δ ADR | RevPAR | Δ RevPAR |
|----------|-------|--------|----------|-------|---------|----------|
| 2019 | 66.1% | 5.7% | \$88.23 | -0.6% | \$58.28 | 5.1% |
| 2020 | 58.4% | -11.6% | \$90.70 | 2.8% | \$52.95 | -9.2% |
| 2021 | 63.3% | 8.4% | \$110.37 | 21.7% | \$69.82 | 31.9% |
| 2022 | 63.9% | 1.0% | \$129.07 | 16.9% | \$82.45 | 18.1% |
| 2023 | 60.2% | -5.7% | \$129.95 | 0.7% | \$78.25 | -5.1% |
| 2023 YTD | 62.1% | -5.8% | \$134.81 | 1.8% | \$83.69 | -4.1% |
| 2024 YTD | 67.5% | 8.7% | \$133.37 | -1.1% | \$90.02 | 7.6% |

Source: Kalibri Labs, Q3 2024

Lower-Priced Penetration of Market



Top Brands

- Motel 6 (143 rms)
- Quality Inn (142 rms)
- Americas Best Value Inn (110 rms)
- Econo Lodge and Suites (40 rms)
- National 9 (32 rms)

Lake Tahoe West Construction Pipeline

| Project Phase | Upper-Priced | | | Mid-Priced | | | Lower-Priced | | | Unclassified/Independent | | |
|------------------------|--------------|------------|-------------|------------|-----------|-------------|--------------|----------|-------------|--------------------------|------------|-------------|
| | Props | Rms | %SubMkt | Props | Rms | %SubMkt | Props | Rms | %SubMkt | Props | Rms | %SubMkt |
| Planning | 0 | 0 | 0.0% | 0 | 0 | 0.0% | 0 | 0 | 0.0% | 2 | 290 | 3.8% |
| Final Planning/Bidding | 1 | 129 | 1.7% | 1 | 40 | 0.5% | 0 | 0 | 0.0% | 0 | 0 | 0.0% |
| Underway | 0 | 0 | 0.0% | 0 | 0 | 0.0% | 0 | 0 | 0.0% | 0 | 0 | 0.0% |
| Total | 1 | 129 | 1.7% | 1 | 40 | 0.5% | 0 | 0 | 0.0% | 2 | 290 | 3.8% |

Source: Dodge, CBRE Hotels Research, Q3 2024

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Market Segments - Representative Brands

| Upper-Priced Brands | | Mid-Priced Brands | | Lower-Priced Brands | |
|---------------------|----------------|-----------------------|------------------------|---------------------|-----------------------|
| Ritz-Carlton | Embassy Suites | Courtyard by Marriott | Best Western Plus | Best Western | Extended Stay America |
| InterContinental | Hilton | Crowne Plaza | Comfort Inn | Candlewood Suites | Motel 6 |
| Loews | Hyatt | Hyatt Place | Hampton Inn | Baymont | Days Inn |
| Fairmont | Marriott | Hilton Garden Inn | Holiday Inn | Sleep Inn | Red Roof Inn |
| Grand Hyatt | Westin | Residence Inn | La Quinta Inn & Suites | Quality Inn | InTown Suites |

Exhibit Descriptions

| | |
|-----------------|---|
| Exhibits 1 - 4 | Year-over-year change in Income, Employment, RevPAR and Demand, displayed as annual (Exhibits 1 and 2) and quarterly (Exhibits 3 and 4). |
| Exhibit 5 | Average annual Employment, Consumer Price Index, Gross Domestic Product, and Real Personal Income change for the market. |
| Exhibits 6 - 8 | Index based change charts with base year 2019 = 100, illustrating the magnitude of change. |
| Exhibits 9 - 11 | Compound average annual RevPAR, Demand and Supply change for Upper Priced, Mid-Priced, Lower Priced, and combined (All) hotels within the market. |

Financial Benchmarks

The financial benchmarks presented in this report are based on data from CBRE Hotels Research's monthly analysis of hotel operating statements from 2,550 properties located across the nation.

How We Forecast

CBRE Hotels Research prepares hotel market forecasts taking into consideration traditional demand drivers such as:

- Change in GDP
- Change in employment
- Convention bookings
- Change in supply
- Fundamental trends in adjacent industries

Forecasts of ADR growth consider factors such as:

- Change in GDP
- Change in wages
- Change in CPI
- Change in supply
- Current demand
- Anticipated customer mix
- The overall strength of the consumer

Following the analysis and consideration of current and future macroeconomic outlooks, trends, and business fundamentals, the forecasts then undergo a judgmental review of modeled outputs by our national practice leaders and market professionals before being finalized.

Kalibri Labs Terminology

Full list of definitions available at: <https://pip.cbrehotels.com/about-us/kalibri-faqs>

| | |
|------------------------|---|
| Guest-Paid ADR | Average daily rate based on the total room revenue paid by guests, inclusive of all transaction-specific direct reservation costs. Guest-paid ADR is higher than traditional hotel-reported ADR because it's calculated using the room revenue paid by customers to hotels and intermediaries, inclusive of the wholesale commissions for intermediated stays, not listed in P&L statements. |
| Guest-Paid RevPAR | Revenue per available room based on the total room revenue paid by guests, inclusive of all transaction-specific direct reservation costs. Guest-paid RevPAR is higher than traditional hotel-reported RevPAR because it's calculated using the room revenue paid by customers to hotels and intermediaries, inclusive of the wholesale commissions for intermediated stays that are not listed in a P&L statement. |
| Hotel-Collected ADR | Average daily rate based on the total room revenue reported by hotels. It includes all booking costs, and it excludes all the wholesale commissions for intermediated stays, not listed in P&L statements. |
| Hotel-Collected RevPAR | Revenue per available room based on the total room revenue reported by hotels, inclusive of all transaction-specific direct reservation costs, except wholesale commissions for intermediated stays that not listed in P&L statements. |
| Reservations | A stay at a hotel by a guest equivalent to number of check-ins. Each reservation can span multiple nights based on a guest's length of stay. Demand divided by reservations equals length-of-stay. |
| Length of Stay | Average number of actualized room nights per booking. |
| Source of Business | Segmentation of hotel demand that associates each stay with a specific source, depending on how the stay was booked. Kalibri Labs differentiates sources of business from the primary booking channels ("Brand.com," "Voice," "Property Direct," "OTA," and "GDS") by adding categories for "Group," "FIT/Wholesale" and "Internal Discounts" in order to provide more clarity into those business types. |

Kalibri Labs Terminology - Sources of Business

| | |
|--------------------|---|
| Brand.com | Transient bookings sold via property or brand's website. Some of the costs associated with brand.com bookings include channel fees, metasearch/referral commissions, and loyalty fees. |
| Property Direct | Transient bookings sold directly by property. |
| Voice | Transient bookings sold via call centers. Some of the costs associated with voice bookings are channel/transaction fees and loyalty fees. |
| Internal Discounts | Complimentary, barter, employee/owner rates, friends & family, house use, loyalty program redemption, and permanent rooms. Kalibri Labs separates these rate categories out to exclude artificially low revenue business for a more accurate picture of regular bookings performance in the other sources of business. |
| GDS | Transient bookings sold via global distribution systems. It excludes OTA bookings powered by a GDS. Some of the costs associated with GDS bookings include retail commissions, pass-through fees, and loyalty fees. |
| FIT/Wholesale | Transient bookings sold via wholesalers. Some of the costs associated with FIT/Wholesale bookings include channel fees and wholesale commissions. |
| OTA | Transient bookings sold by an online travel agent, inclusive of all agency models (net/merchant, retail, and opaque). This includes all OTA bookings, regardless of the channel they come from (direct connect or GDS). Some of the costs associated with OTA bookings include retail commissions, wholesale commissions, and transaction fees. |
| Group | Room nights associated with multiple guests and guestrooms under the same booking, and have a group specified rate. Most of the costs associated with Group bookings are retail commissions and channel fees. Group commissions are estimated for markets and brands where it is not provided. |

Forecasting and Budgeting Considerations

Like all forecasting methodologies, CBRE Hotels Research's forecasts of future hotel performance are based on historical data and CBRE's expectations for economic growth.

CBRE EA's current macroeconomic baseline assumptions are as follows:

| CBRE EA BASELINE FORECAST | | | | | | | |
|---------------------------|-------|------|------|------|------|------|------|
| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 |
| GDP, % | (2.2) | 6.1 | 2.5 | 2.9 | 2.6 | 1.7 | 1.8 |
| Employment, % | (5.2) | 5.6 | 2.9 | 2.7 | 1.3 | 0.7 | 0.9 |
| CPI, % | 1.2 | 6.8 | 7.1 | 3.2 | 2.6 | 2.3 | 2.1 |
| 10-yr Treasury, % | 0.9 | 1.5 | 3.8 | 4.4 | 3.8 | 3.5 | 3.3 |

Note: GDP is annual average growth rate, Employment and CPI are Q4 y-o-y growth numbers, and 10-year Treasury is the Q4 reading for each year. Employment is market-level.

Source: BEA, BLS, Federal Reserve, CBRE Econometric Advisors, Q3 2024.

1. **CBRE's baseline**-scenario forecasts do not contemplate an international war, a pervasive recession, or a more acute COVID variant.
2. In addition to our Baseline scenario, CBRE Hotels Research provides upside case, downside case, and severe downside case scenarios.
3. CBRE does not probability weigh the scenario analyses, and instead allows each client to probability weigh the scenarios based on their own in-house geopolitical and macro-economic outlook.
4. The complete set of scenarios and 10-year projections can be found by using the scenario dropdown on the forecast dashboard, found here: <https://pip.cbrehotels.com/property-analytics/hotel-horizons/marketdata>. CBRE Hotels Research suggests you stress test your assumptions, forecasts and underwriting under all four scenarios to understand a more complete range of outcomes.

Other considerations:

Specific portfolios can perform differently than the broader market based on asset type (resort, extended stay, convention, etc.), price point, age, quality (freshness), GRI score, brand, location type (interstate, airport, downtown, suburban, small town, etc.), and the quality of the operator or asset management team.

CBRE's forecasts represent just one set of estimates in the marketplace and should be considered within a broader context and checked for outliers.

We offer custom forecasting for a tailored or custom set of forecasts for a particular set of macroeconomic expectations, asset types, location types, or chain scale mix. Contact our client services team at websales@cbre.com to learn more.

Glossary of Terms

| | |
|-------------|---|
| ADR | Average Daily Rate - rooms revenue divided by paid rooms occupied. |
| Occupancy | Paid rooms occupied divided by available rooms. |
| RevPAR | Revenue per Available Room - rooms revenue divided by available rooms. |
| Supply | Average daily room nights available per quarter, represented as a change over previous year, same quarter except where noted annually. |
| Demand | (Accommodated Demand) Average daily room nights occupied per quarter, represented as a change over previous year, same quarter except where noted annually. |
| LRA | Long Run Average - Annual average from 2000 to last complete year end. |
| Penetration | Market area (or sub-market area) measurement as a percent of national (or market area) measurement. |

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