U.S. Hotel Industry Performance

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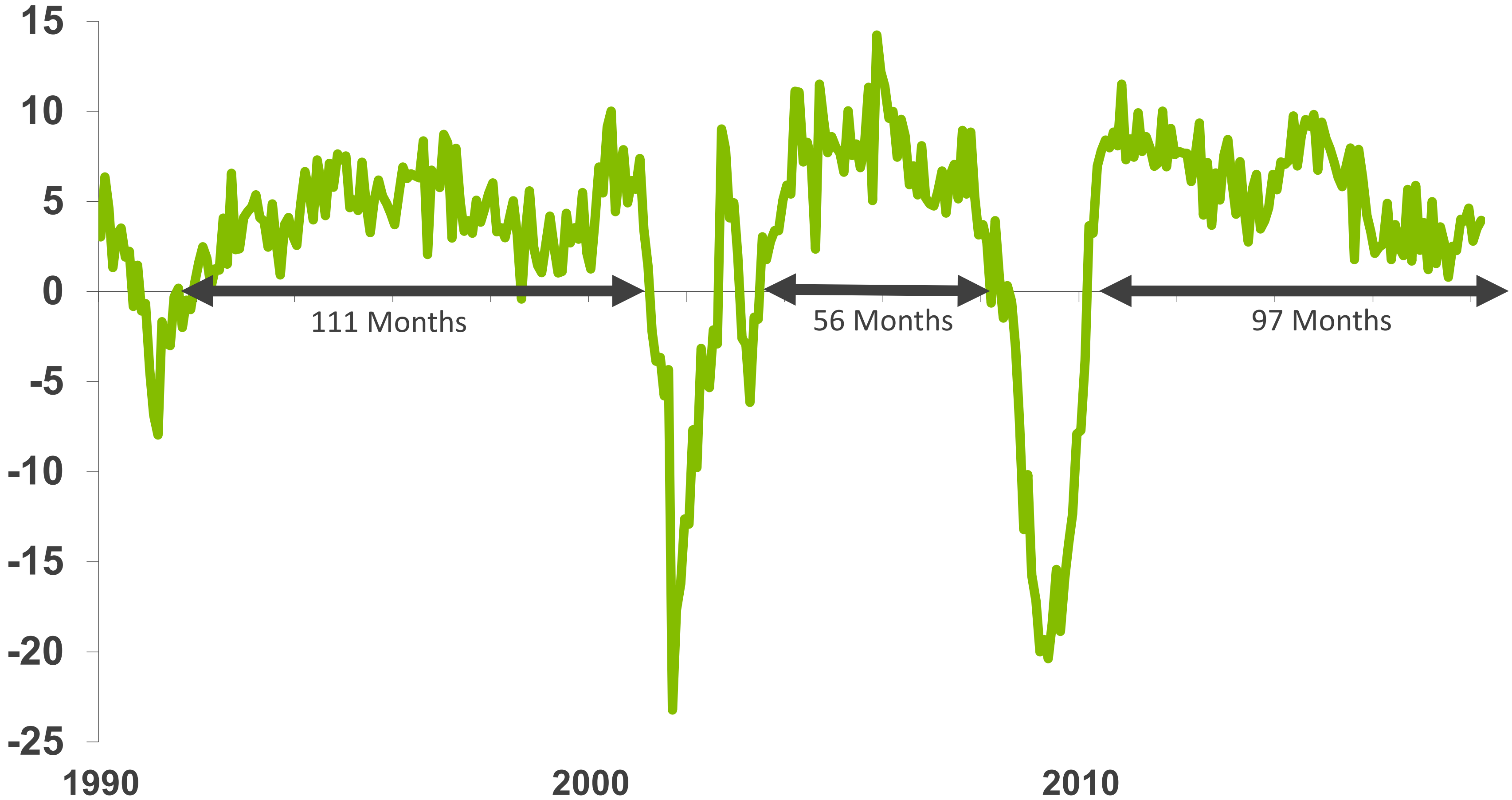
Benchmarking your world

8 Consecutive Years of RevPAR Growth!!!



Total U.S., RevPAR % Change, 1/1990 – 03/2018

March 2018 12 MMA: Continuing Our Record Run

		% Change
Room Supply		1.9%
Room Demand		2.8%
Occupancy (*Record*)	66.1%	0.8%
A.D.R. (*Record*)	$127	2.1%
RevPAR (*Record*)	$84	2.9%
Room Revenue		4.9%

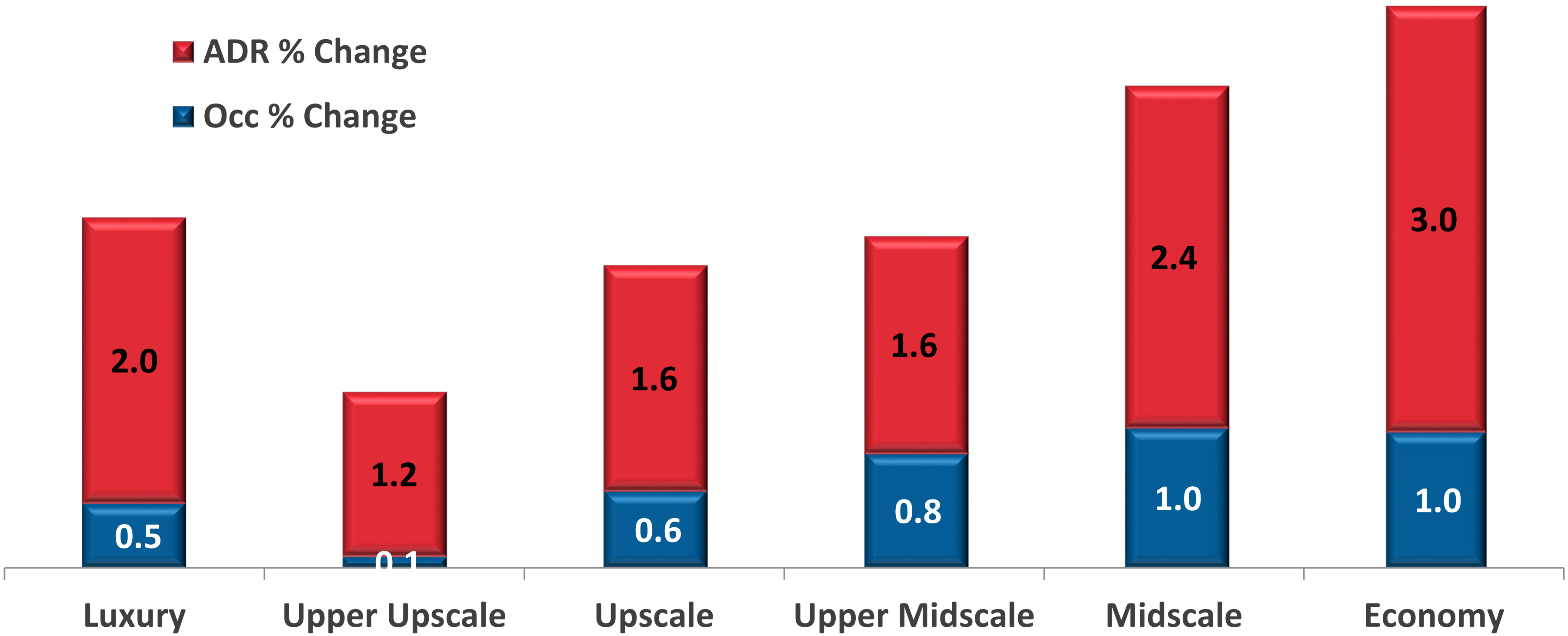
Total US Results, March 2018 12MMA

U.S. March 12 MMA RevPAR:
3 Markets Dragged Down US Results

Total US:			**+2.9%**
	NYC:	+1.2	
	San Francisco:	-2.6	
	Washington, DC:	-2.0	
Total US excluding NYC, SF & DC:			**+3.3%**

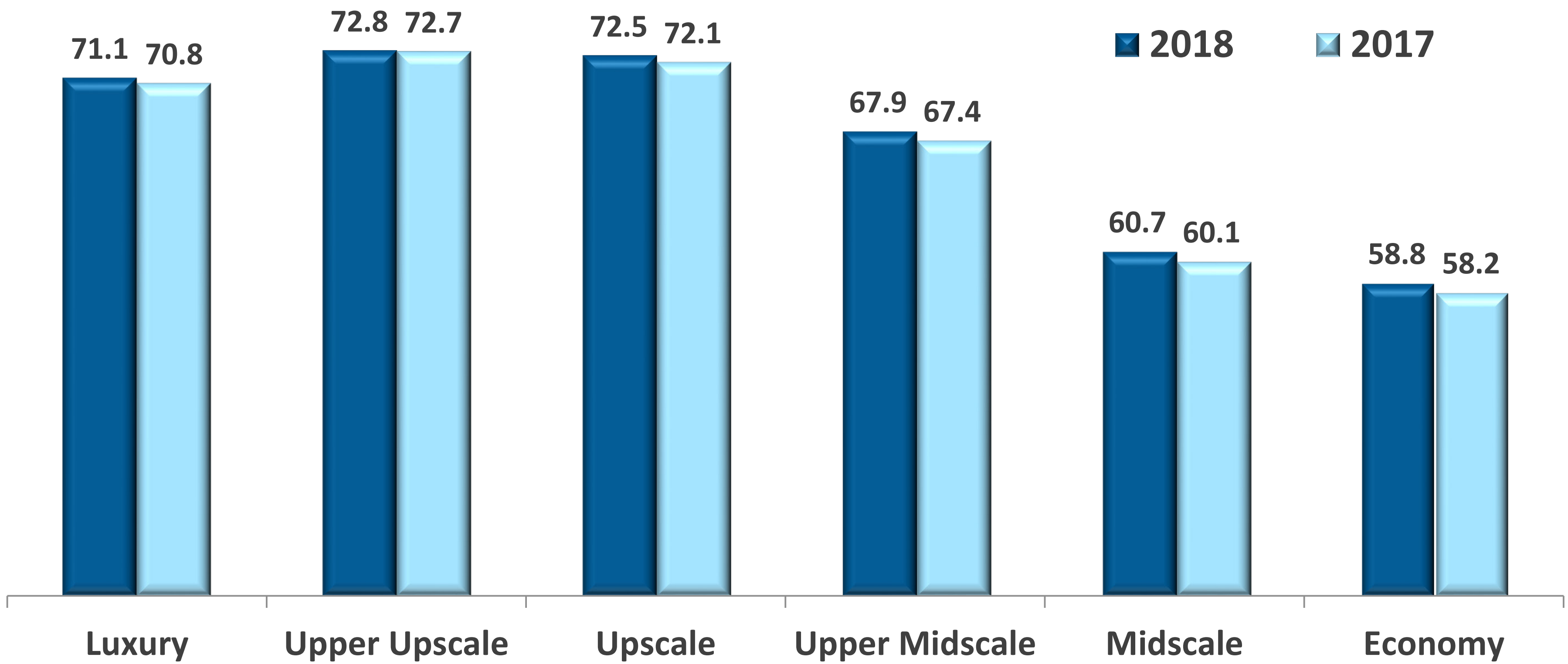
*RevPAR % Change, March 2018 12 MMA

Class: ADR Growth Drives RevPAR Growth

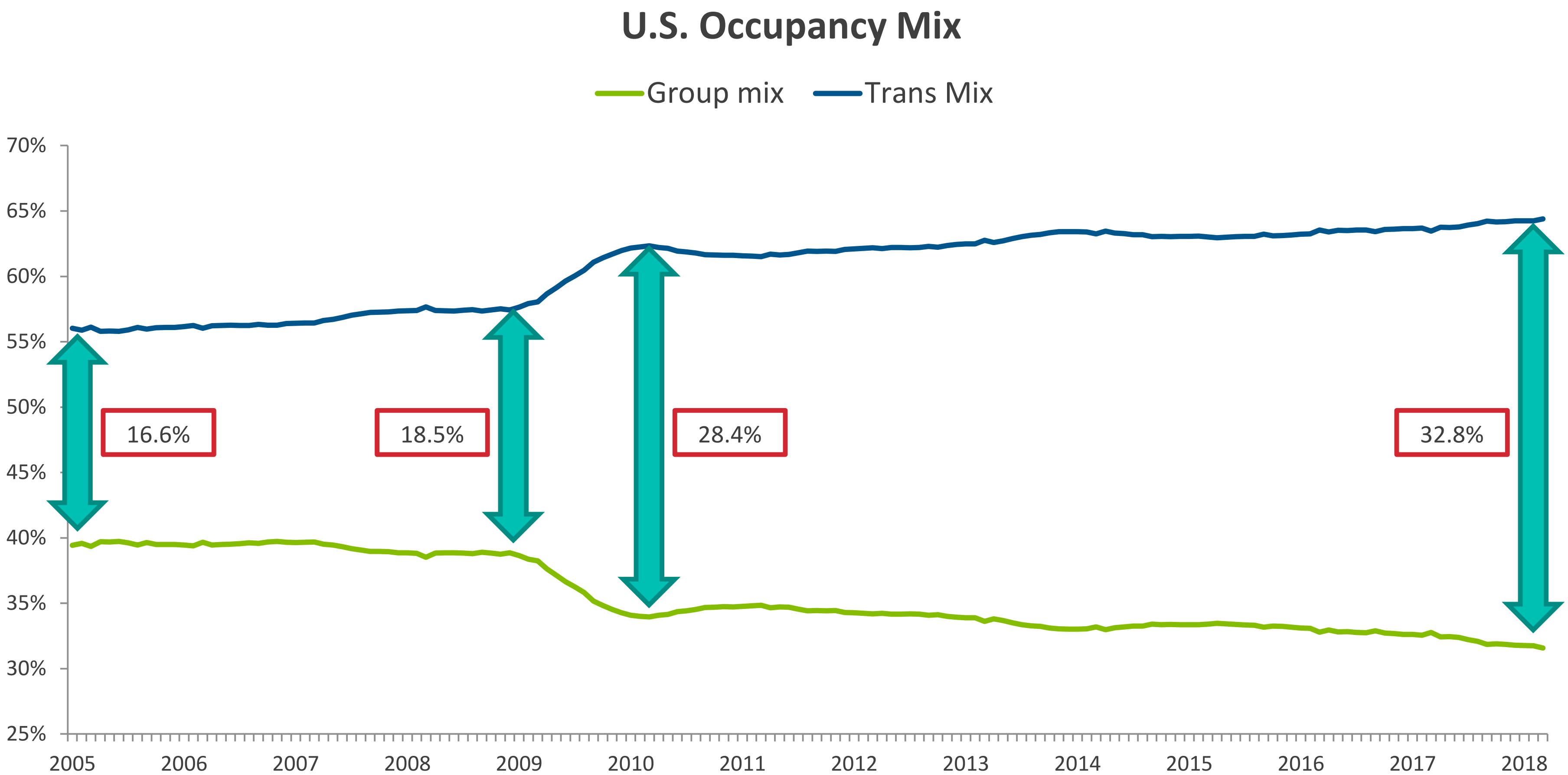


*RevPAR % Change by Contribution of OCC / ADR % Change, by Class, March 2018 12MMA

Class: Upscale and Upper Midscale Hotels Still Pretty Full Despite New Supply



*OCC %, by Class, March 2018 & 2017 12 MMA



Data for all Luxury and Upper-up Class hotels

12 MMA Market Performance : Leisure Demand Seems To Allow For Pricing Power

Market	OCC %	ADR % Change	Influenced By
Orlando, FL	79.8	6.1	Leisure / Group Demand
Nashville, TN	73.7	5.9	Bachelorette Parties
Miami/Hialeah, FL	77.5	5.9	Leisure Demand
Anaheim/Santa Ana, CA	77.8	4.0	Leisure Demand
Seattle, WA	76.1	3.8	Strong Economy
San Francisco/San Mateo, CA	82.4	(0.7)	Moscone Center Closed April – October 2017
Chicago, IL	68.8	(0.8)	
New Orleans, LA	68.4	(0.9)	
Washington, DC-MD-VA	71.8	(1.1)	Inauguration / Women's March Comp
Philadelphia, PA-NJ	69.8	(1.2)	

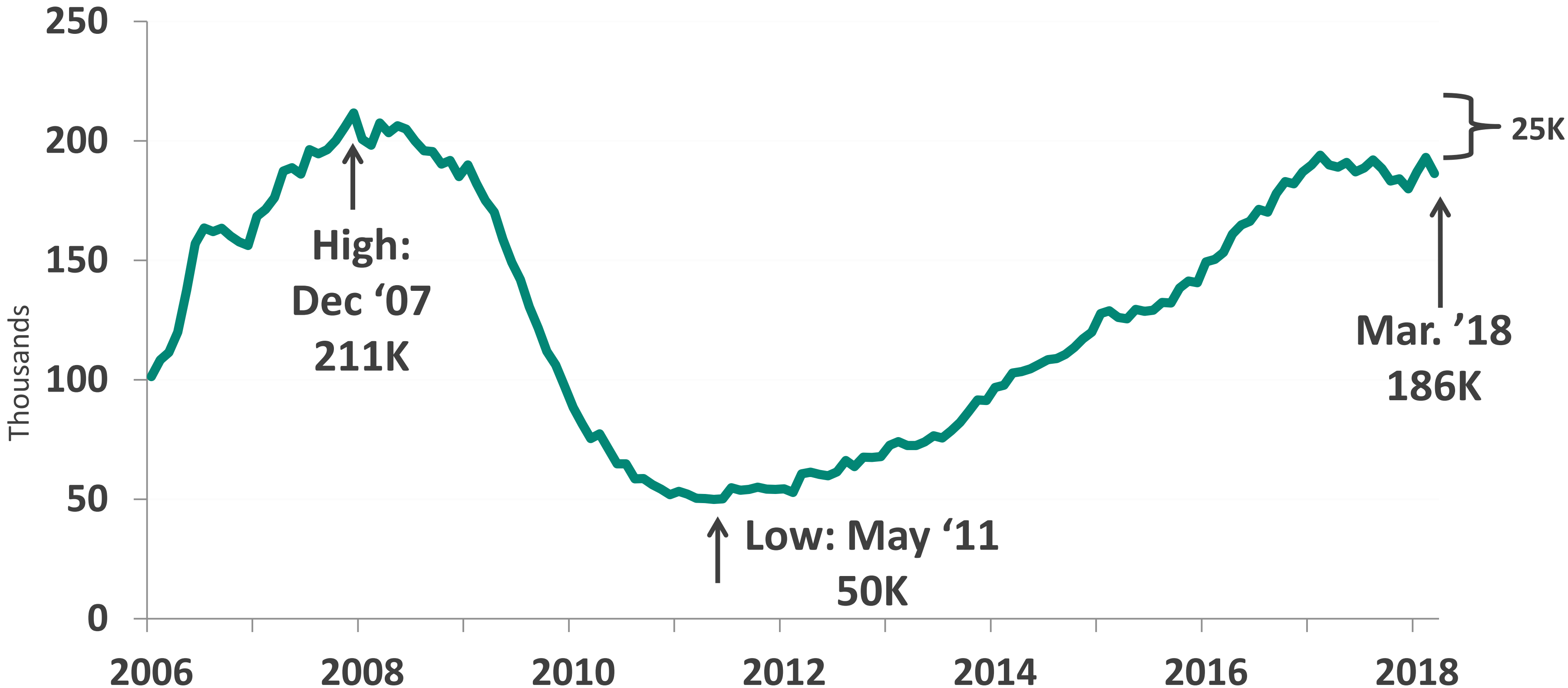
*ADR % Change and absolute OCC in Top 25: 5 Best / 5 Worst Performing ADR % Markets, March 2018 12 MMA

Large Markets Grow Rapidly

Market	Rooms In Construction	% Of Existing
Nashville, TN	5,123	12%
New York, NY	11,965	10%
Denver, CO	4,610	10%
Seattle, WA	3,692	8%
Dallas, TX	6,647	8%

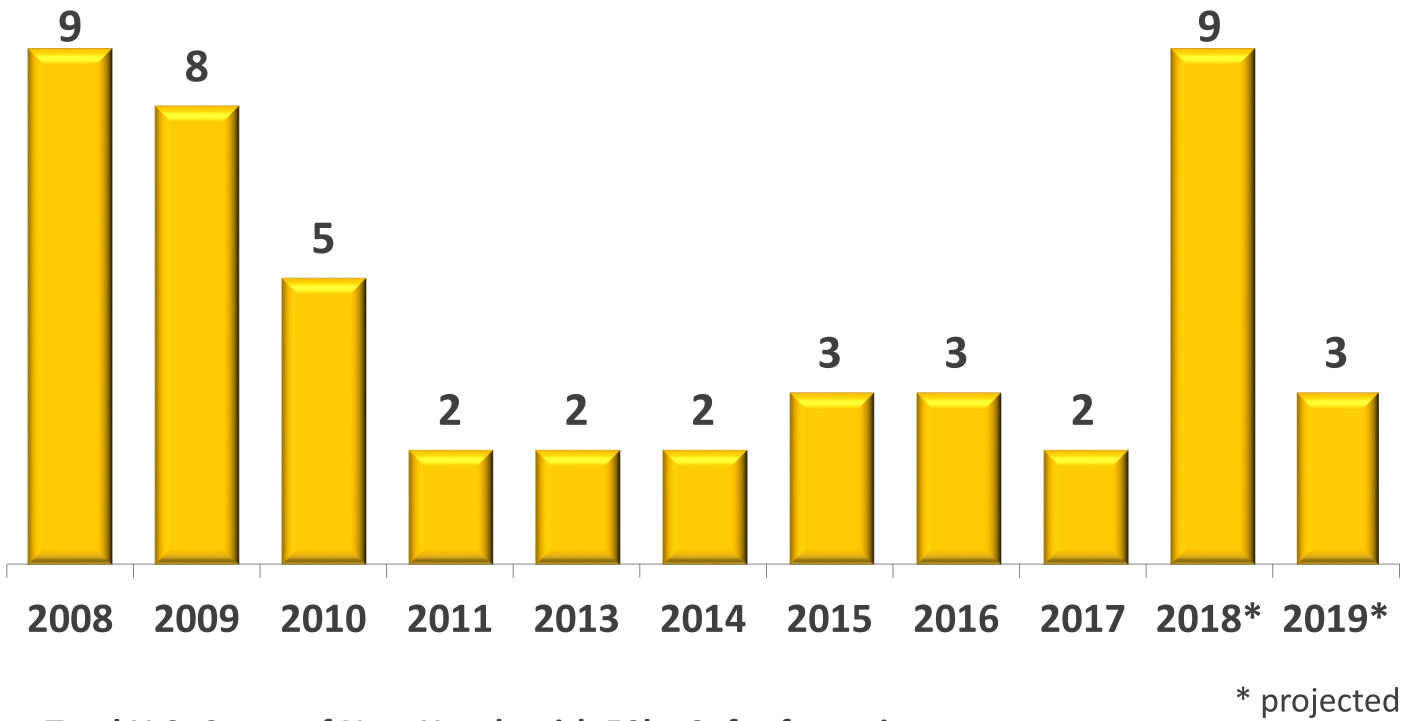
*US Pipeline, Rooms I/C and as % of Existing Supply, Largest % In Top 26 Markets, March 2018

I/C Pipeline Is Leveling Off Below Prior Peak



*Total US Pipeline; Rooms In Construction, in '000s; 1/2006 – 2/2018

New Hotels w/ 50,000+ Sqft Meeting Space



Total U.S. Count of New Hotels with 50k+ Sqft of meeting space

By year, 2008 – YTD 2018 Projected 2018 & 2019

Total United States

Key Performance Indicator Outlook (% Change vs. Prior Year)

2018F – 2019F

Outlook		
Metric	2018 Forecast	2019 Forecast
Supply	2.0%	1.9%
Demand	2.4%	2.0%
Occupancy	0.4%	0.1%
ADR	2.5%	2.3%
RevPAR	2.9%	2.4%

To Wrap It Up…..

- ✓ RevPAR growth – Still positive
- ✓ Occupancy – North of 70% for Full Service
- ✓ Customer Mix – Transient still drives OCC share
- ✓ Construction growth– Slowing down however some markets may struggle with new supply

Thank you!

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