

NEWMARK

1Q 2024

Hotel Market Nsights Report

LAS VEGAS, NV



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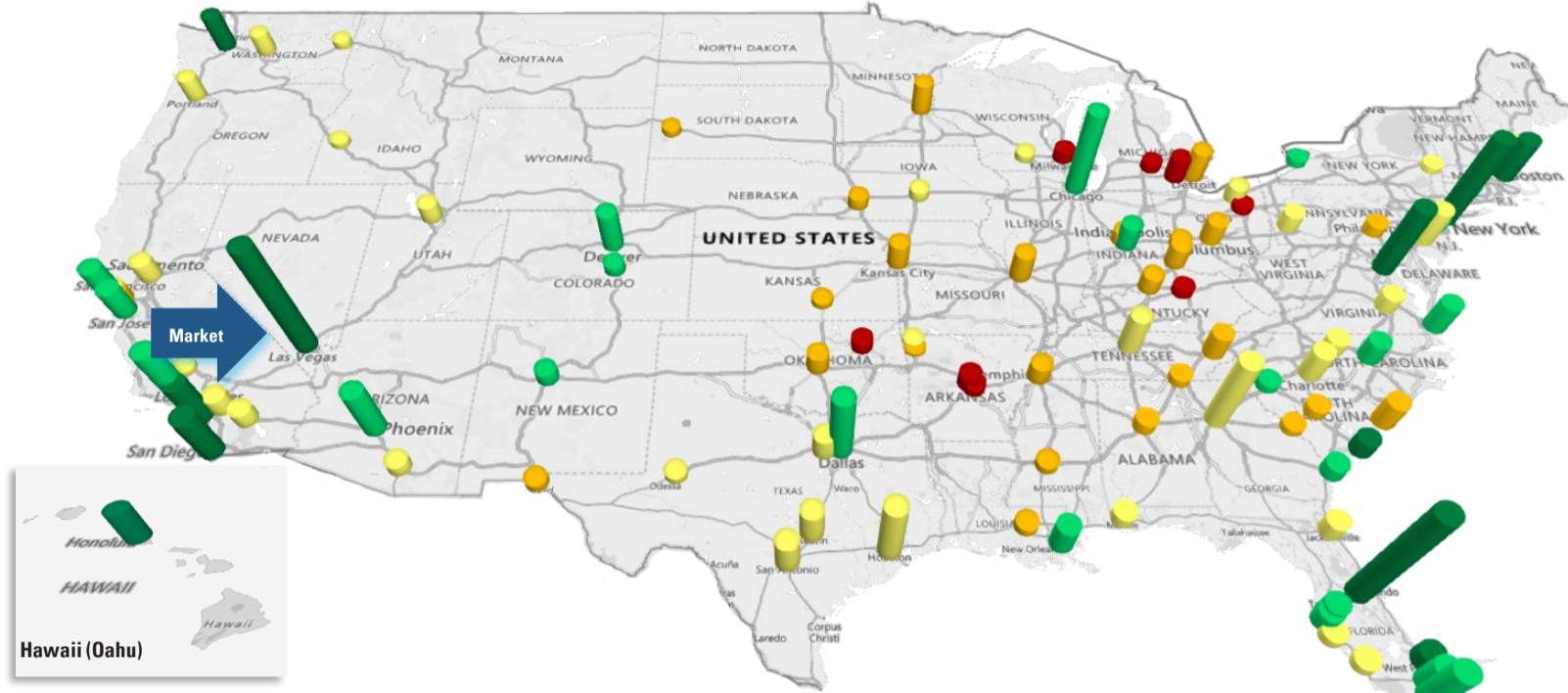
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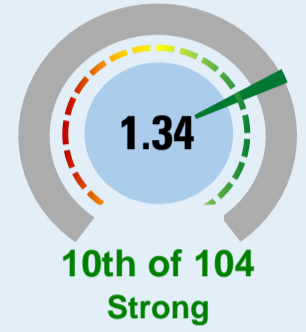


Lodging Performance Index Snapshot



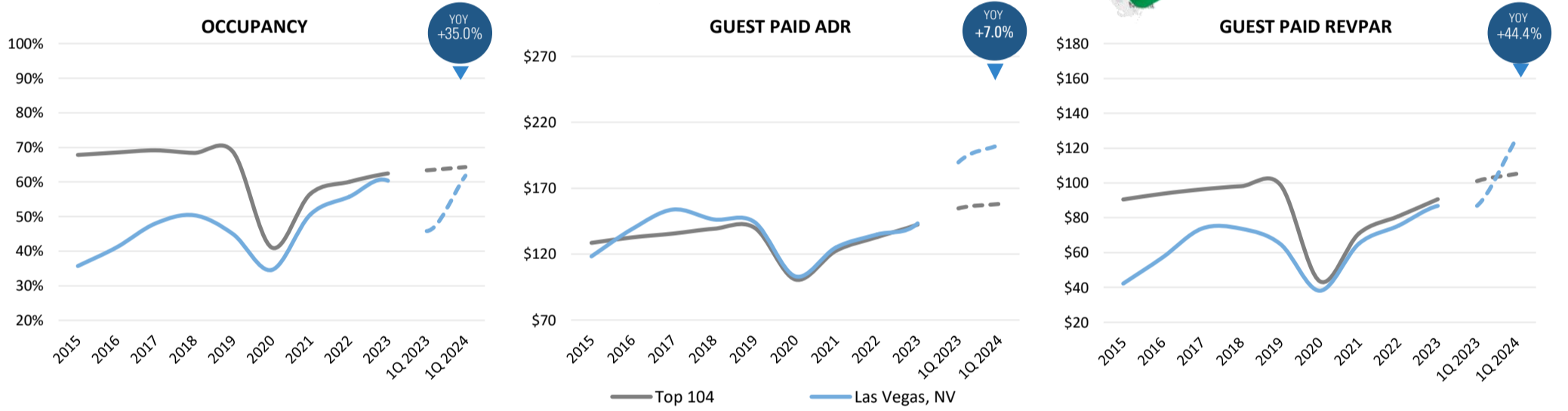
LODGING PERFORMANCE INDEX

Las Vegas, NV



Ranking of overall '1Q 2024 LPI' performance (1.34) against all 104 surveyed markets.

KEY PERFORMANCE METRICS

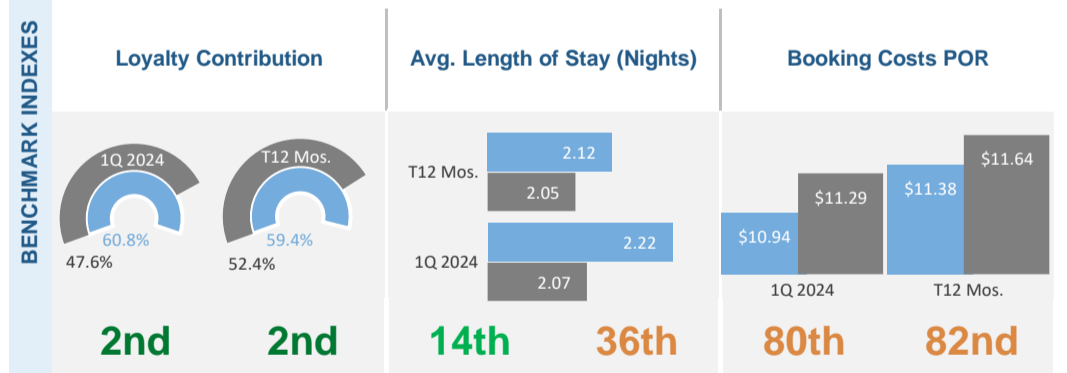


PERFORMANCE INDEXES

Key Performance Indexes

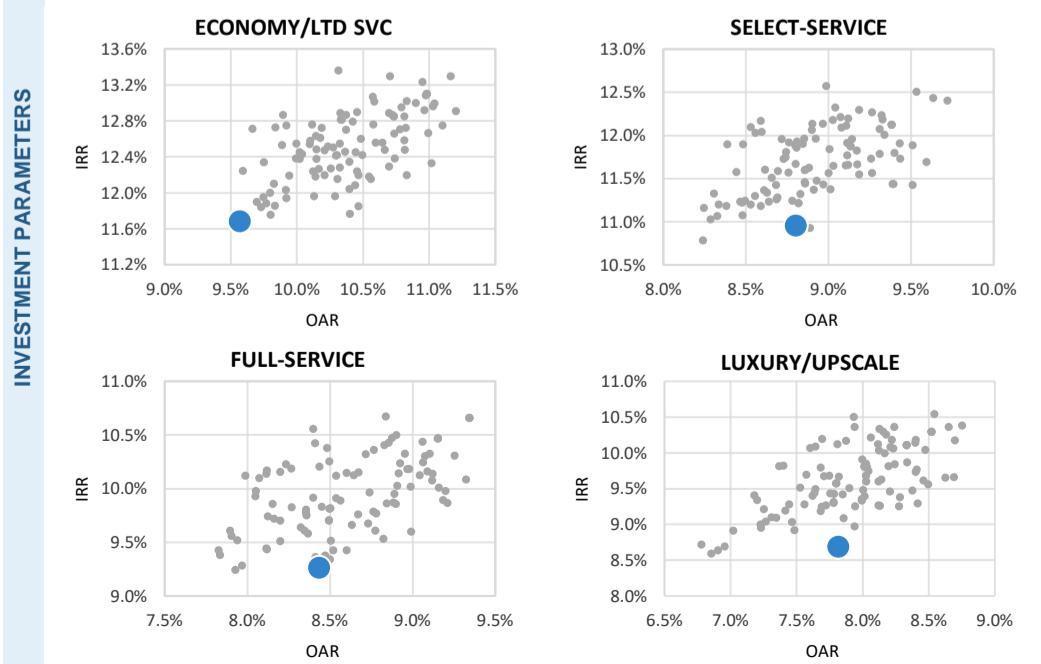


Key Benchmark Indexes



Discount and Capitalization Rates

Source: Newmark

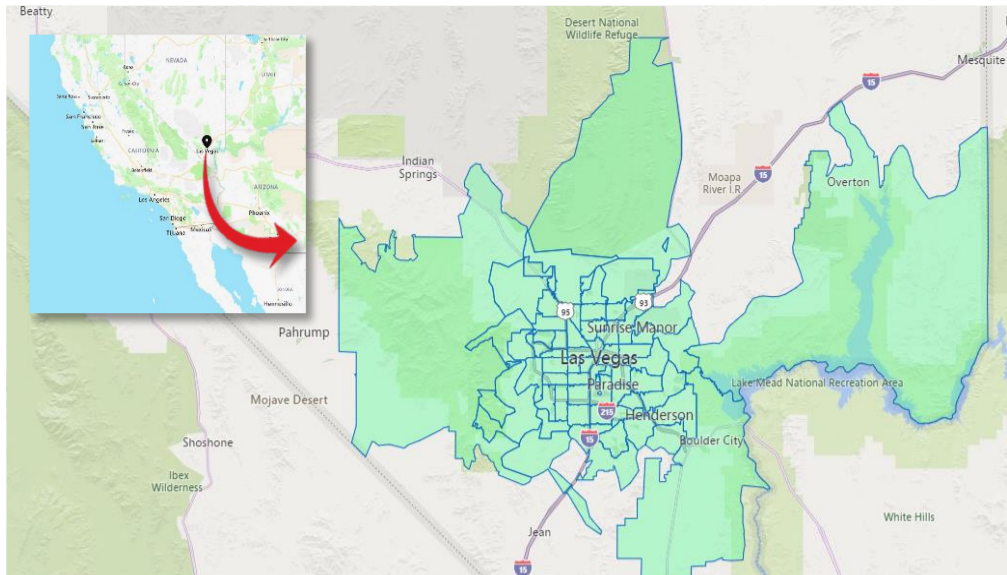


Trends and Risks

Source: Kalibri Labs, Newmark



Location



Quick Facts

Jurisdictional Information		Source: US Census Bureau, Dept. of Labor Statistics
Municipal Name:	Las Vegas	
County:	Clark County	
State:	Nevada	
Geo Coordinates (market center):	36.17497, -115.13722	
Major Hotel Demand Generators		
MGM Resorts International Caesars Entertainment Corp. Station Casinos Inc. Wynn Las Vegas LLC Boyd Gaming Corp. Las Vegas Sands Corp. Bellagio LLC The Valley Health System Aria Resort & Casino Mandalay Bay Resort & Casino The Palazzo Casino Resort Wal-Mart Stores Inc. University of Nevada-Las Vegas McDonald's UnitedHealthcare Cosmopolitan of Las Vegas Mirage Casino-Hotel The Venetian Casino Resort SUPERVALU Inc. St. Rose Dominican Hospitals		
Metrics and Ranking		Measurements
Population (hotel market area)	1,888,675	Rankings
Income per Capita	\$53,159	27th of 104 (Above Average)
Feeder Group Size	23.1 Persons PSR	34th of 104 (Above Average)
Feeder Group Earnings	\$1,229,125 PSR	4th of 104 (Strong)
Total Market Hotel Revenues	\$5.4 billion	6th of 104 (Strong)
		4th of 104 (Strong)

Key Performance Metrics

Data provided by: kalibri LABS

YEAR ENDING	Guest Paid			COPE		Booking Cost POR	ADR COPE %	Loyalty %	Avg Length of Stay Nights	Supply Rooms	Performance Index (LPI)
	Occ %	ADR	RevPAR	ADR	RevPAR						
2015	35.7%	\$118.30	\$42.22	\$108.96	\$38.90	\$9.34	92.1%	53.1%	2.22	149,710	0.86
2016	41.1%	\$139.12	\$57.21	\$129.32	\$53.15	\$9.80	93.0%	51.1%	1.96	149,960	1.10
2017	48.0%	\$153.85	\$73.79	\$144.81	\$69.51	\$9.04	94.1%	47.3%	1.73	149,930	1.18
2018	50.4%	\$146.34	\$73.72	\$137.20	\$69.12	\$9.13	93.8%	48.4%	1.72	150,940	1.10
2019	45.0%	\$144.31	\$64.88	\$133.42	\$59.99	\$10.89	92.5%	62.3%	1.96	160,630	0.87
2020	34.6%	\$103.16	\$38.12	\$96.33	\$33.29	\$6.83	93.4%	50.0%	2.13	159,430	0.84
2021	50.6%	\$125.11	\$65.24	\$116.61	\$59.02	\$8.49	93.2%	47.3%	2.11	162,140	0.93
2022	55.7%	\$134.88	\$75.45	\$125.29	\$69.79	\$9.60	92.9%	39.3%	2.07	159,140	0.82
2023	60.4%	\$143.32	\$86.84	\$133.55	\$80.60	\$9.78	93.2%	31.4%	2.12	155,570	1.24
CAGR: 2015 thru 2023	6.8%	2.4%	9.4%	2.6%	9.5%	0.6%	0.1%	-6.4%	-0.6%	0.5%	4.8%
1Q 2023	45.8%	\$189.64	\$86.86	\$178.67	\$81.84	\$10.97	94.2%	58.7%	2.21	163,020	1.14
1Q 2024	61.8%	\$202.88	\$125.44	\$191.94	\$118.67	\$10.94	94.6%	60.8%	2.22	159,940	1.34

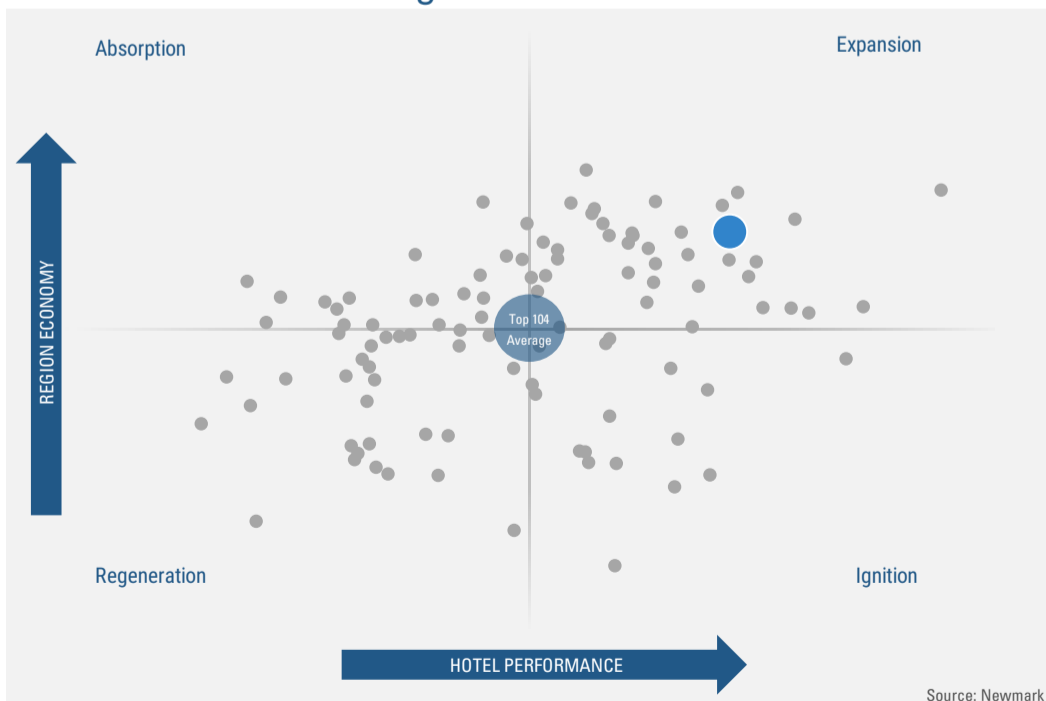
Notable Metrics

HIGHEST	OAR: Economy/Ltd Svc	Total Rooms Supply	Latest-Quarter Loyalty Contribution
	1st Highly Favorable Las Vegas, NV exhibited favorable OAR metrics in the economy/ltd svc segment (9.6%)	2nd Very Strong The market benefits from a large and diverse hotel market (159,938 total rooms)	2nd Very Strong The market also exhibited strong latest-quarter loyalty contribution (60.8%)
LOWEST	Feeder Population Per Room	Population Density per Room	T12-Month Occupancy
	102nd Soft This market posted a low ratio of feeder population per room (8.23)	102nd Soft The market has been hindered by weak population density per room (11.68)	101st Soft Las Vegas, NV also has been hindered by weak T12-month occupancy (54.2%)

Notable Trends

STRONGEST	Long-Term Historical Guest Paid ADR Growth	Long-Term Historical Guest Paid RevPAR Growth	Long-Term Historical COPE ADR Growth
	1st Very Strong Las Vegas, NV has benefited from strong long-term historical Guest Paid ADR growth (6.4%)	1st Very Strong The market exhibited strong long-term historical Guest Paid RevPAR growth (6.8%)	1st Very Strong The market also enjoyed from strong long-term historical COPE ADR growth (6.6%)
WEAKEST	Long-Term Historical Loyalty Contribution Growth	Short-Term Historical Supply Growth	Long-Term Historical Average Length of Stay Growth
	100th Soft The market has been hindered by weak long-term historical loyalty contribution growth (2.3%)	86th Below Average We note this area has been burdened by high short-term historical supply growth (0.6%)	83rd Below Average Las Vegas, NV also exhibited weak long-term historical average length of stay growth (-0.3%)

Market Performance Stage



Las Vegas, NV: Expansion Stage

The Las Vegas, NV market is currently in the 'Expansion' stage of the performance cycle. In this stage, hotels perform adequately, contributing to a resilient economy that has fully exited from the pandemic environment. Displacement demand is high, new hotel supply is feasible (despite barriers normally being high), and the overall economy is expanding. Example markets in this stage include Anaheim, CA; Austin, TX; and Boston, MA.

Other Stages:

- Regeneration:** In the 'Regeneration' stage, hotels and the underlying economy are underperforming. The highest and best uses of hotel assets are still being challenged by lingering pandemic impacts, oversupply, weak economic indicators, and/or poor corporate contribution. Hotel investors look for opportunities to either exit or regenerate demand. Example markets in this stage include Cincinnati, OH; Detroit, MI; and Knoxville, TN.
- Ignition:** In the 'Ignition' stage, hotels typically perform adequately for operators to enjoy positive returns, with confidence the economy will remain fully recovered from the pandemic. While the regional economy continues to recover, strong hotel performance locally is igniting expansion in certain key sectors. Example markets in this stage include Baltimore, MD; Chicago, IL; and Miami, FL.
- Absorption:** In the 'Absorption' stage, hotels are underperforming but in an economy with resilience and confidence the economy will shed any lingering pandemic impacts, presenting upside for CRE. Barriers to entry are high and the market hosts little or no new supply, allowing for the existing stock of rooms to be absorbed. Example markets in this stage include Atlanta, GA; Charlotte, NC; and Columbus, OH.

Industry Observations

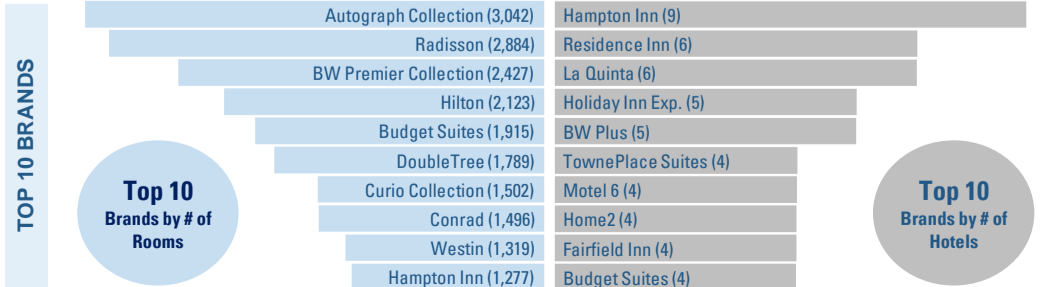
MOODY'S ANALYTICS
 Business Cycle:
 Employment Growth (2 yr):
 Risk Exposure (402 US markets):
 Key Industry Notes:

At Risk
 2.5%
 10th Percentile: Low Risk
 No personal income tax
 Gaming and entertainment infrastructure
 Strong migration trends
 Overreliance on consumer spending
 High employment volatility

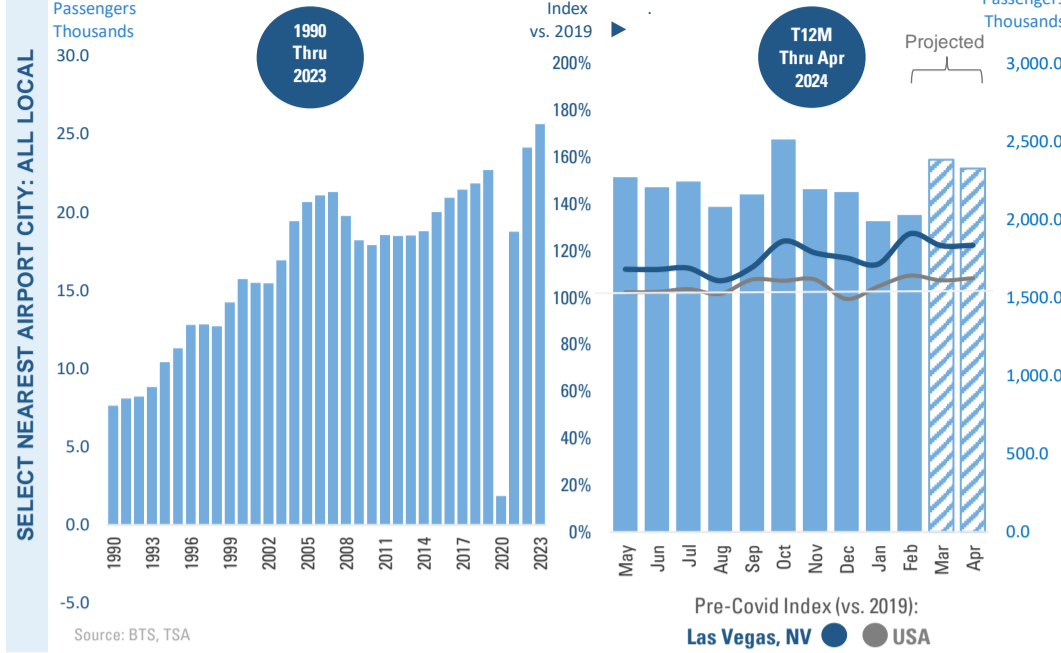
Moody's Rating

Aa1
 Investment Grade

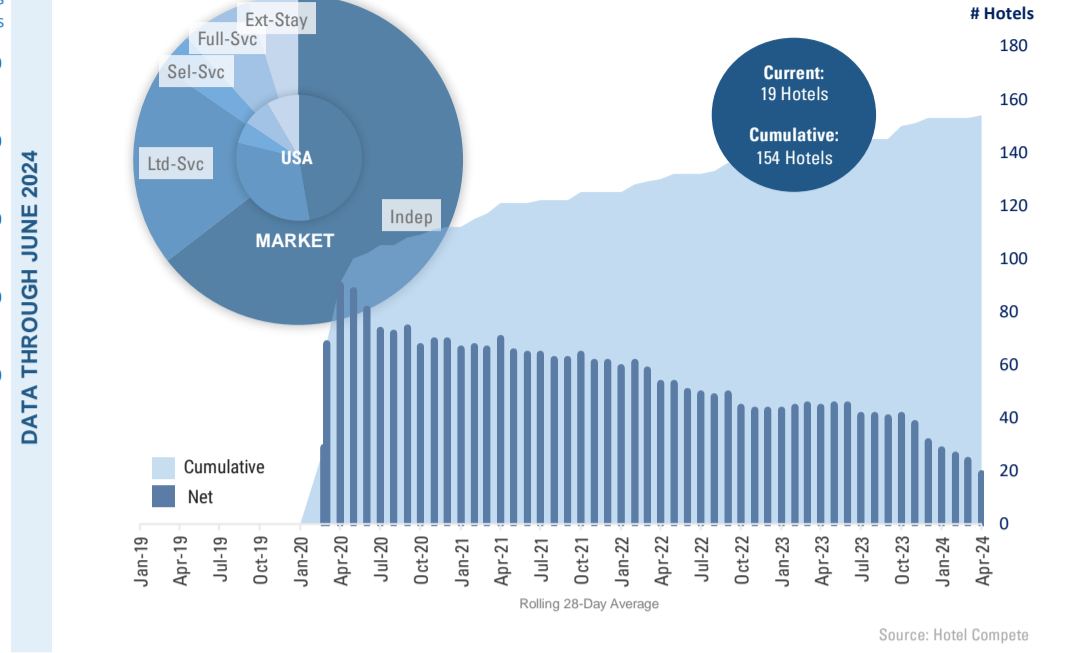
Long-term investment grade, Prime-1 short-term outlook



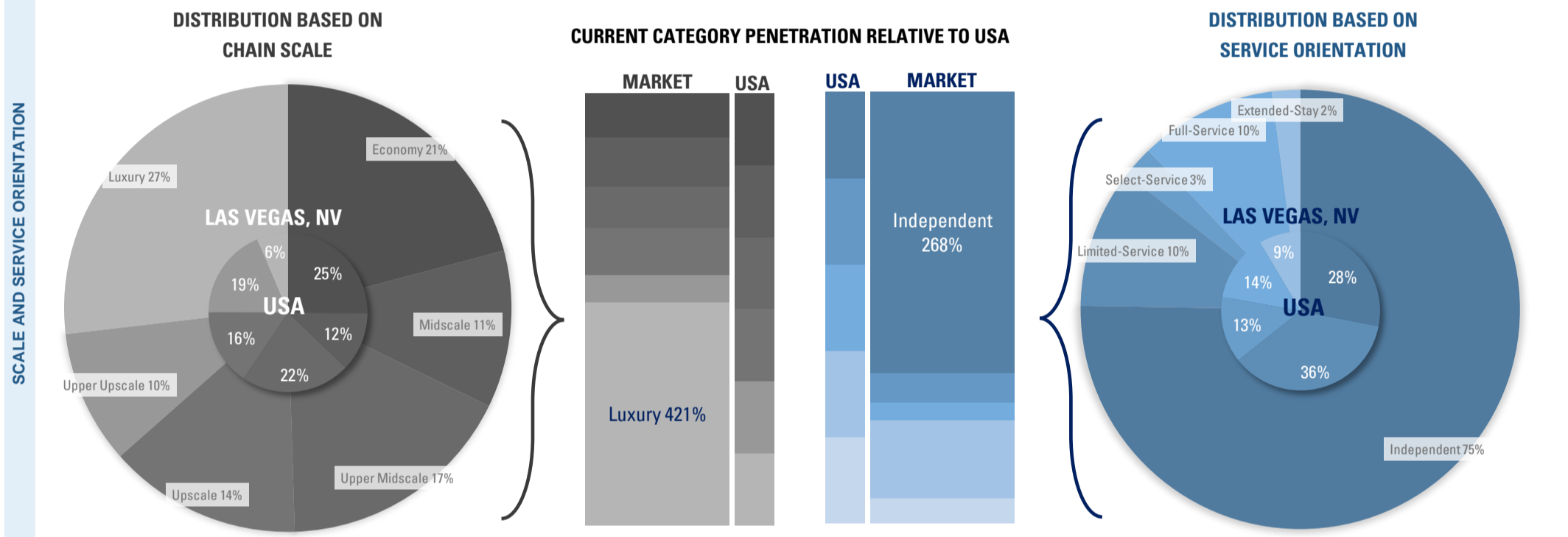
Airport Statistics - Enplanements



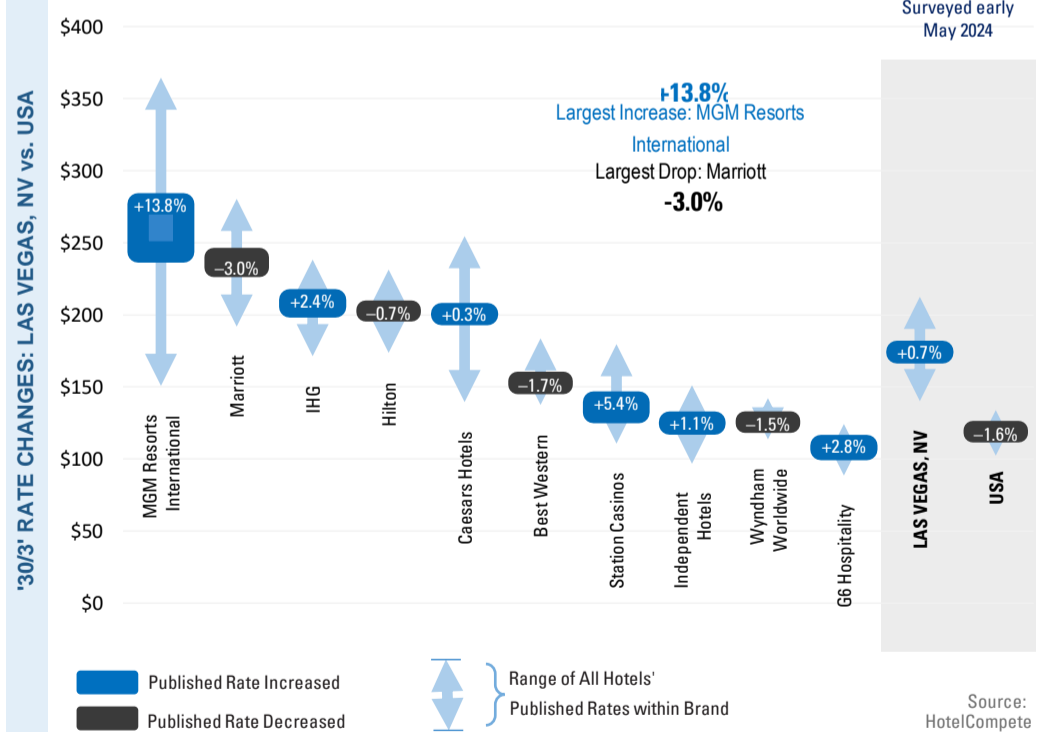
Hotel Closures - Las Vegas, NV



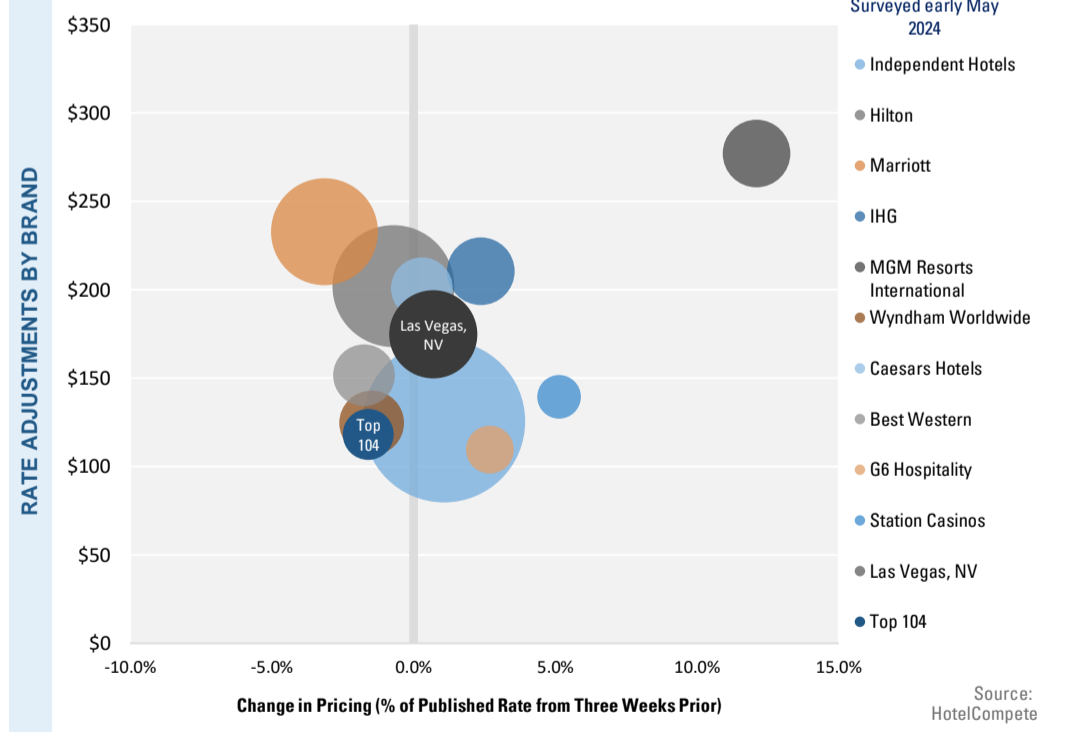
Scale and Service Distribution: Las Vegas, NV



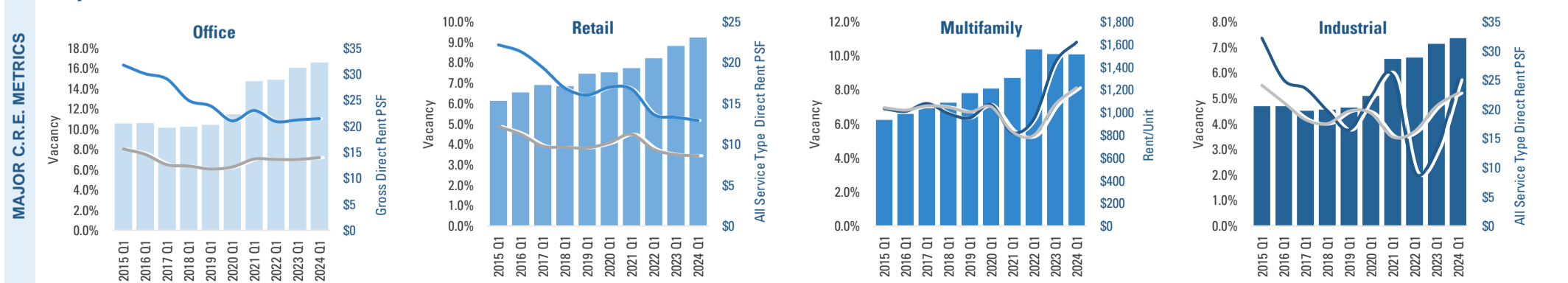
Published Rates: Top 10 Brands



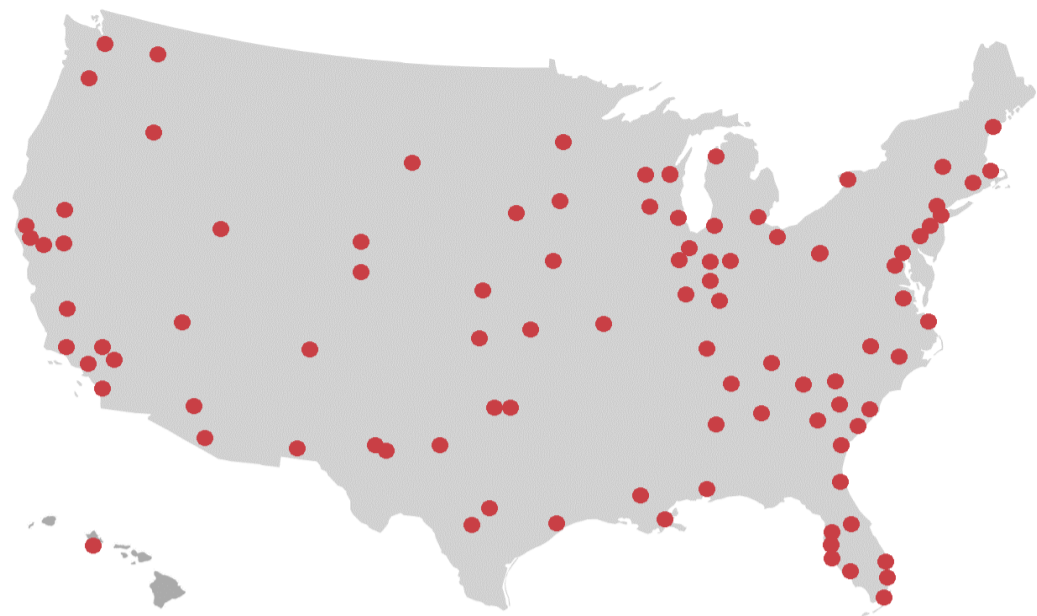
Published Rates: Volatility



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:

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Gaming Facilities

Arenas, Stadiums and Sports Facilities

Conference, Expo and Convention Centers

Golf Courses

Marinas

Ski and Village Resorts

Water Parks, Amusement Parks and Attractions

Our core disciplines and expert subject areas include:

Economic Impact

We empower owners and operators to maximize economic incentives and advise government entities on the impact of incentives on a community or development.

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We take feasibility studies to the next level, combining market knowledge with expert economic impact analysis and acumen in cash-on-cash, ROI and other metrics.

Financial Reporting

Our seamless approach to fulfilling clients' financial reporting requirements means no outside assistance is needed.

Litigation

Our experts bring a strategic perspective and hands-on approach, exceeding the depth and scope of typical litigation services every time.

Portfolio Analytics

We bring industry averages and trends to bear on traditional analytics, ensuring comprehensive due diligence.

Property Tax

We understand every aspect of a property's operations, allowing us to craft advanced tax strategies.

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