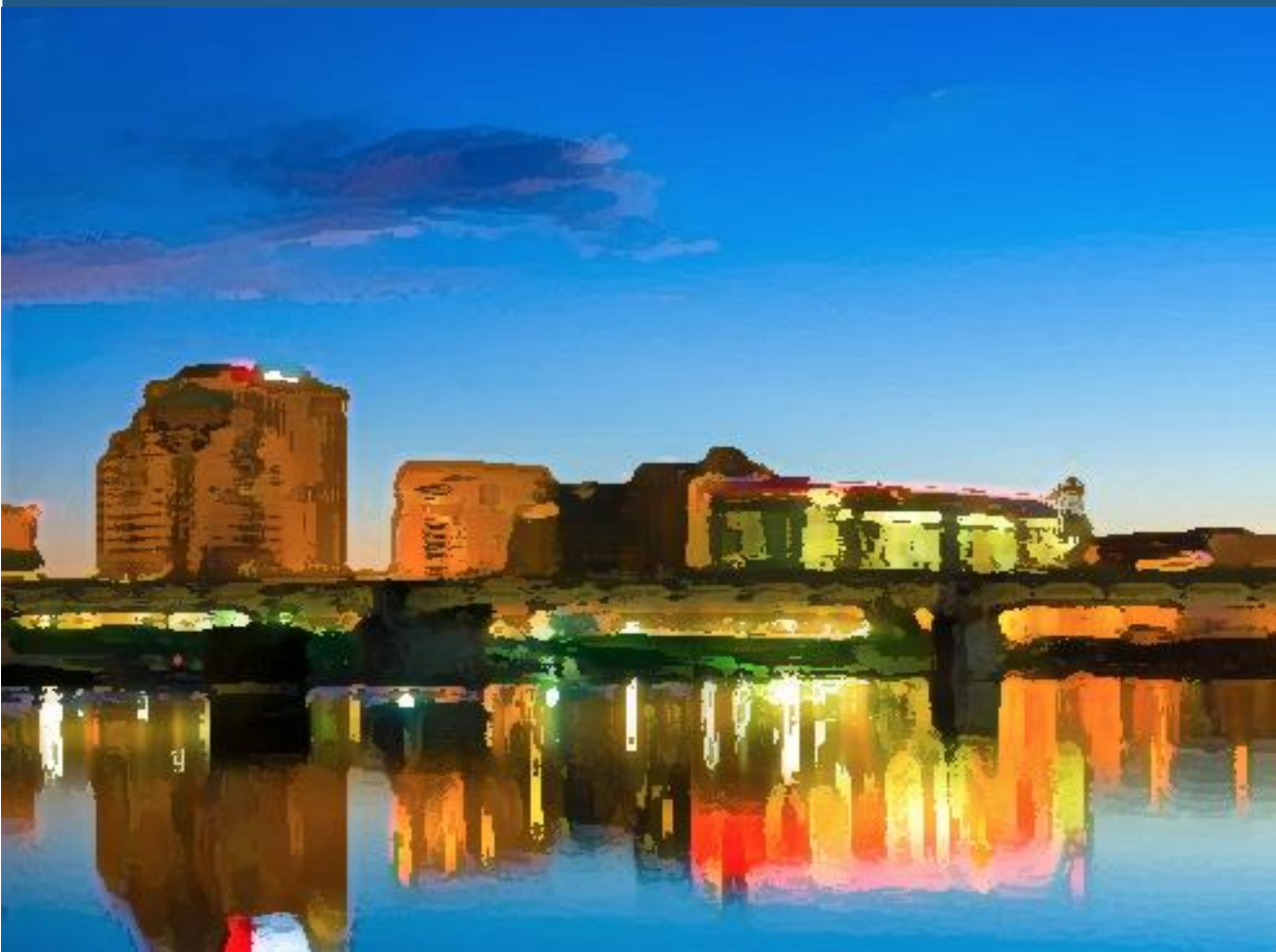


NEWMARK

1Q 2024

Hotel Market Nsights Report

DAYTON, OH



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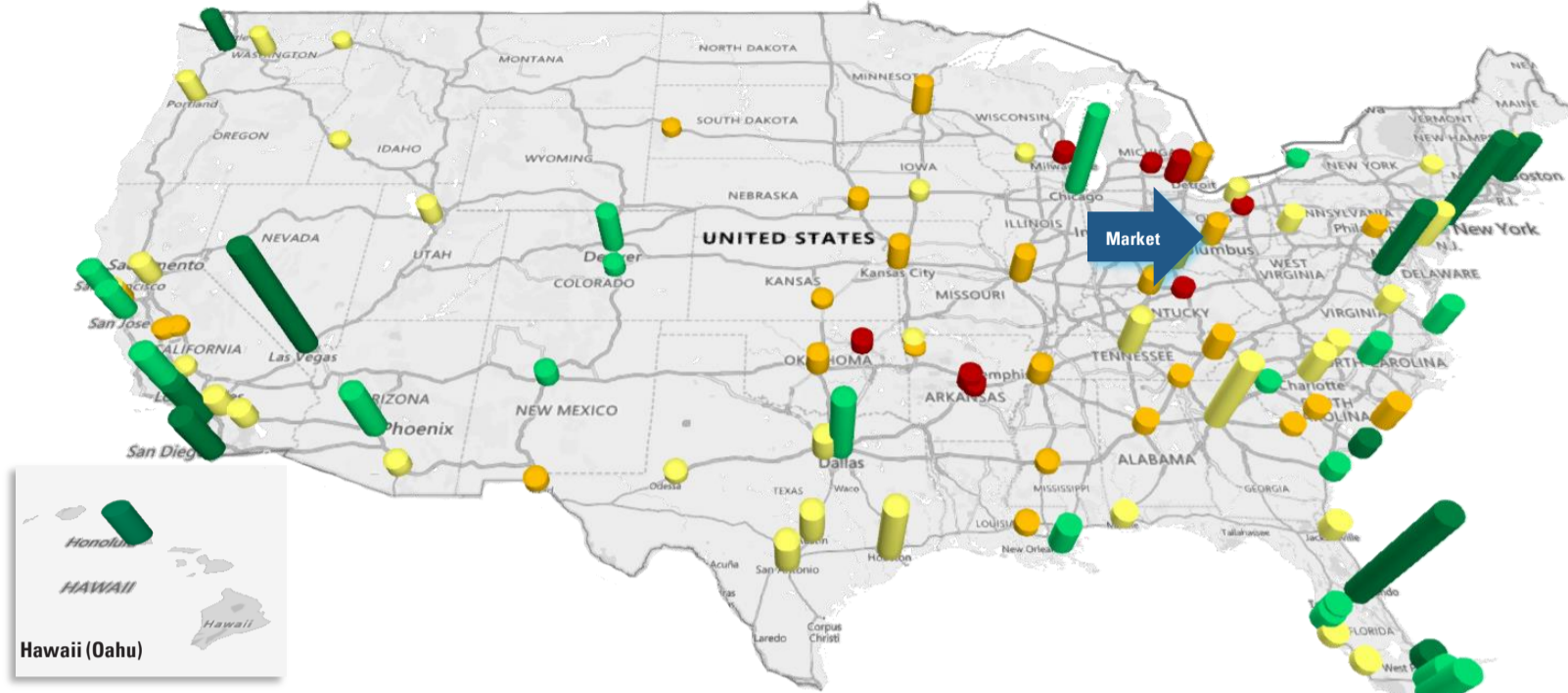
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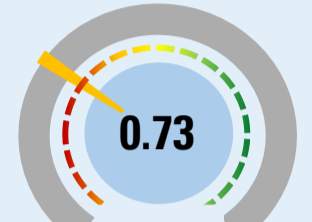


Lodging Performance Index Snapshot



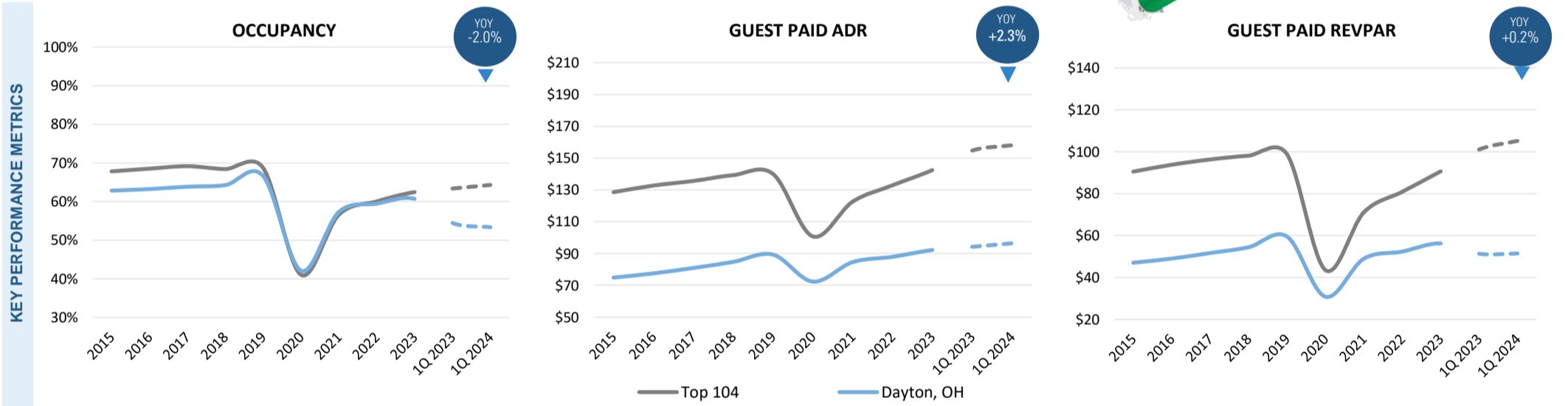
LODGING PERFORMANCE INDEX

Dayton, OH



88th of 104
Below Average

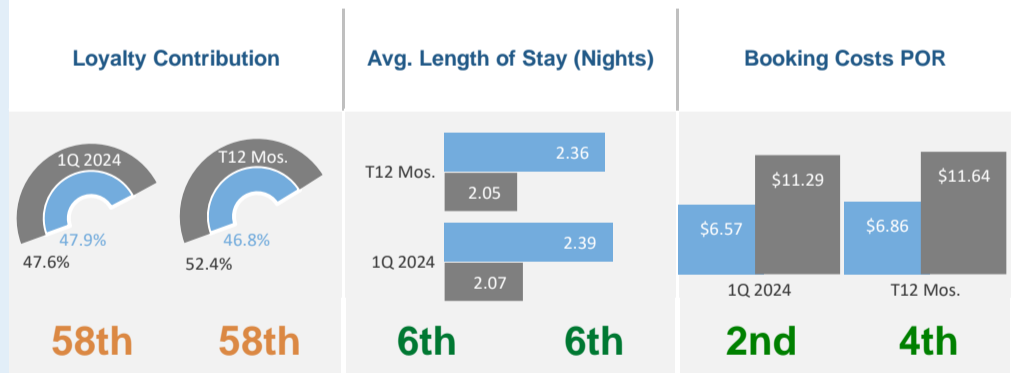
Ranking of overall '1Q 2024 LPI' performance (0.73) against all 104 surveyed markets.



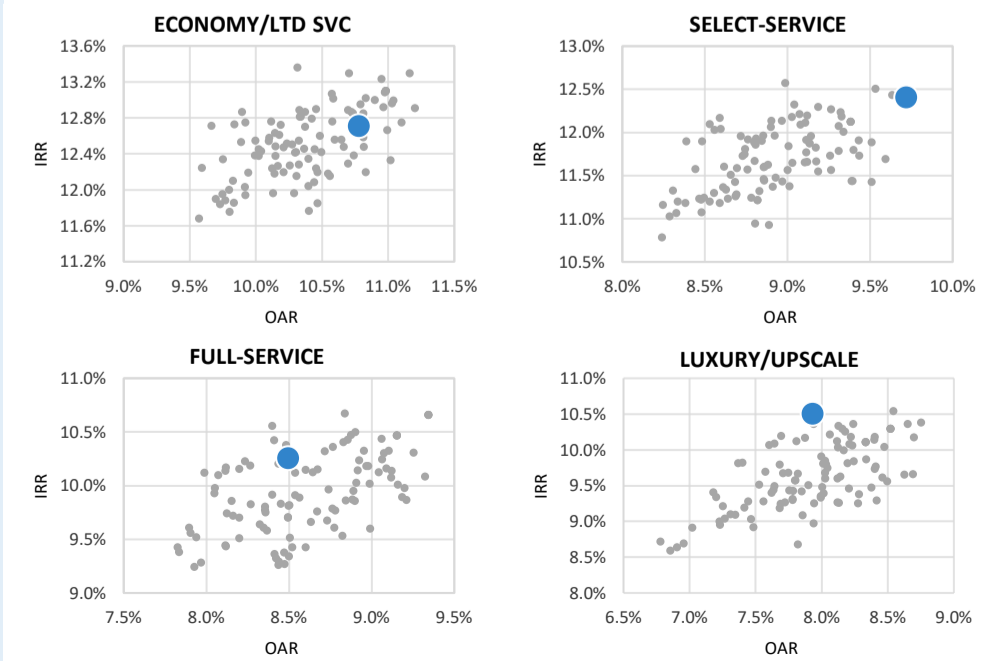
Key Performance Indexes



Key Benchmark Indexes



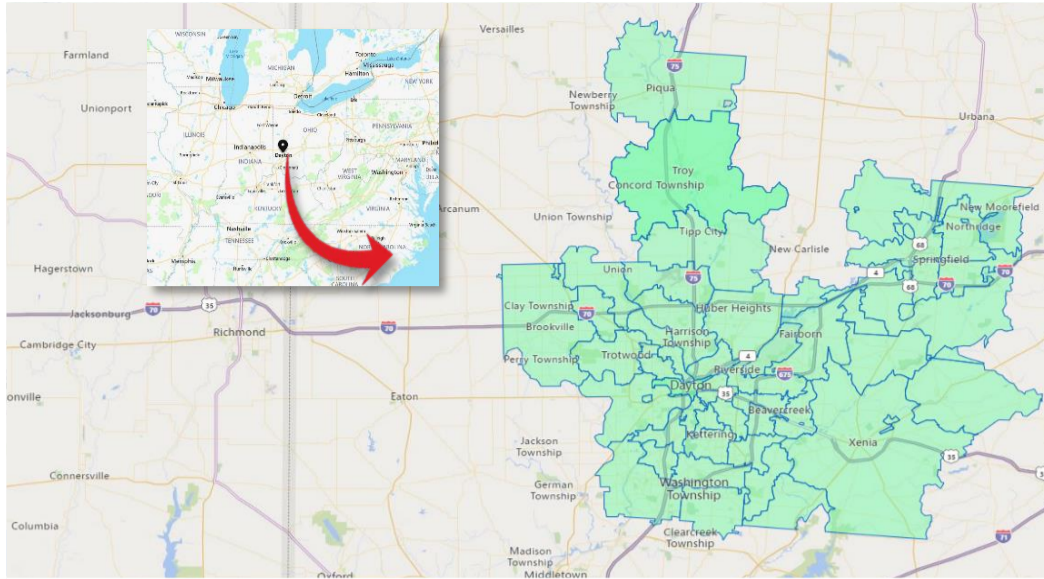
Discount and Capitalization Rates



Trends and Risks



Location



Quick Facts

Jurisdictional Information Source: US Census Bureau, Dept. of Labor Statistics

Municipal Name: Dayton
 County: Greene County, Montgomery County
 State: Ohio
 Geo Coordinates (market center): 39.77739, -84.19963

Major Hotel Demand Generators

Wright-Patterson Air Force Base | Premiere Health Partners | Kettering Health Network | The Kroger Co. | Miami University | Dayton Children's Hospital | Honda of America Manufacturing Inc. | Sinclair Community College | CareSource | LexisNexis | University of Dayton | Speedway | Veteran Affairs Medical Center | AK Steel Corp. | Community Mercy Health Partners | Wright State University | Fuyao Glass America Inc. | Navistar | Meijer Inc. | Synchrony

Metrics and Ranking	Measurement	Rankings
Population (hotel market area)	751,531	64th of 104 (Average)
Income per Capita	\$30,128	101st of 104 (Soft)
Feeder Group Size	103.2 Persons PSR	84th of 104 (Below Average)
Feeder Group Earnings	\$3,110,242 PSR	38th of 104 (Average)
Total Market Hotel Revenues	\$272.7 million	89th of 104 (Below Average)

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	62.8%	\$74.83	\$47.01	\$69.83	\$43.87	\$5.00	93.3%	40.8%	2.19	11,540	0.54
2016	63.2%	\$77.50	\$48.99	\$72.16	\$45.62	\$5.33	93.1%	42.8%	2.22	11,310	0.84
2017	63.8%	\$80.90	\$51.64	\$74.99	\$47.87	\$5.91	92.7%	44.9%	2.14	11,490	0.74
2018	64.2%	\$84.71	\$54.42	\$78.47	\$50.41	\$6.23	92.6%	46.9%	2.16	11,260	0.73
2019	66.6%	\$89.33	\$59.52	\$82.67	\$55.09	\$6.65	92.6%	51.8%	2.21	11,770	0.92
2020	42.1%	\$72.35	\$30.78	\$67.84	\$28.56	\$4.50	93.8%	37.4%	2.48	11,770	0.89
2021	57.3%	\$84.58	\$48.95	\$79.27	\$45.42	\$5.31	93.7%	39.9%	2.40	11,820	0.89
2022	59.5%	\$87.89	\$52.33	\$82.36	\$48.97	\$5.53	93.7%	40.5%	2.44	11,830	0.91
2023	60.7%	\$92.19	\$56.26	\$86.36	\$52.42	\$5.83	93.7%	40.9%	2.46	11,860	0.69
CAGR: 2015 thru 2023	-0.4%	2.6%	2.3%	2.7%	2.2%	1.9%	0.0%	0.0%	1.5%	0.3%	3.2%
1Q 2023	54.4%	\$94.23	\$51.30	\$87.96	\$47.89	\$6.27	93.3%	44.9%	2.43	11,810	0.68
1Q 2024	53.3%	\$96.42	\$51.43	\$89.85	\$47.92	\$6.57	93.2%	47.9%	2.39	11,590	0.73

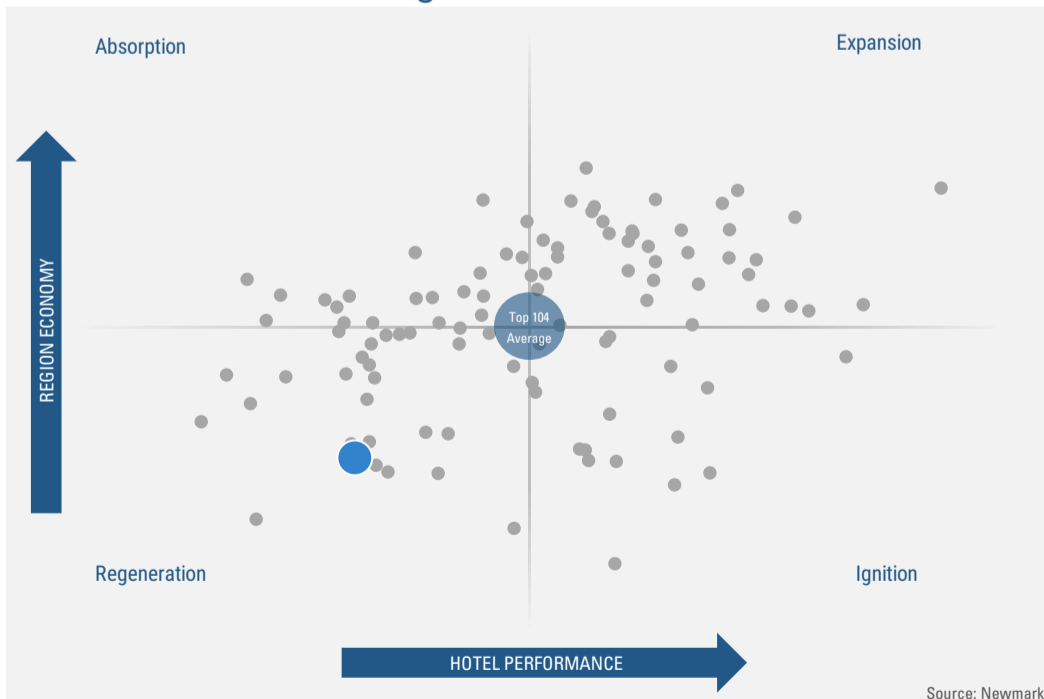
Notable Metrics

HIGHEST	Latest-Quarter Booking Costs POR	T12-Month Booking Costs POR	Latest-Quarter Average Length of Stay
	2nd Very Strong Dayton, OH enjoyed low latest-quarter booking costs POR (\$6.57)	4th Strong The market enjoyed low T12-month booking costs POR (\$6.86)	6th Strong The market also boasted strong latest-quarter average length of stay (2.39 Nights)
LOWEST	OAR: Select-Service	IRR: Luxury/Upscale	IRR: Select-Service
	Last Highly Unfavorable This market exhibited unfavorable OAR metrics in the select-service segment (9.7%)	103rd Highly Unfavorable The market posted unfavorable IRR metrics in the luxury/upscale segment (10.5%)	101st Highly Unfavorable Dayton, OH also posted unfavorable IRR metrics in the select-service segment (12.4%)

Notable Trends

STRONGEST	Long-Term Historical Average Length of Stay Growth	Short-Term Historical Average Length of Stay Growth	Long-Term Historical Occupancy Growth
	3rd Very Strong Dayton, OH enjoyed strong long-term historical average length of stay growth (2.0%)	7th Strong The market has benefited from strong short-term historical average length of stay growth (3.2%)	17th Above Average The market also enjoyed strong long-term historical occupancy growth (0.5%)
WEAKEST	General Economy Reversion	Overall Health of Hotel Market	Long-Term Historical Loyalty Contribution Growth
	94th Soft The market posted weak general economic reversion (per-capita unemployment, GDP and other indicators)	89th Below Average We note this area has been hampered by weak general hotel market performance (levels and trends of fundamentals)	85th Below Average Dayton, OH also has been hindered by weak long-term historical loyalty contribution growth (3.3%)

Market Performance Stage



Dayton, OH: Regeneration Stage

The Dayton, OH market is currently in the 'Regeneration' stage of the performance cycle. In this stage, hotels and the underlying economy are underperforming. The highest and best uses of hotel assets are still being challenged by lingering pandemic impacts, oversupply, weak economic indicators, and/or poor corporate contribution. Hotel investors look for opportunities to either exit or regenerate demand. Example markets in this stage include Cincinnati, OH; Detroit, MI; and Knoxville, TN.

Other Stages:

- Ignition:** In the 'Ignition' stage, hotels typically perform adequately for operators to enjoy positive returns, with confidence the economy will remain fully recovered from the pandemic. While the regional economy continues to recover, strong hotel performance locally is igniting expansion in certain key sectors. Example markets in this stage include Baltimore, MD; Chicago, IL; and Miami, FL.
- Absorption:** In the 'Absorption' stage, hotels are underperforming but in an economy with resilience and confidence the economy will shed any lingering pandemic impacts, presenting upside for CRE. Barriers to entry are high and the market hosts little or no new supply, allowing for the existing stock of rooms to be absorbed. Example markets in this stage include Atlanta, GA; Charlotte, NC; and Columbus, OH.
- Expansion:** In the 'Expansion' stage, hotels perform adequately, contributing to a resilient economy that has fully exited from the pandemic environment. Displacement demand is high, new hotel supply is feasible (despite barriers normally being high), and the overall economy is expanding. Example markets in this stage include Anaheim, CA; Austin, TX; and Boston, MA.

Industry Observations

MOODY'S ANALYTICS

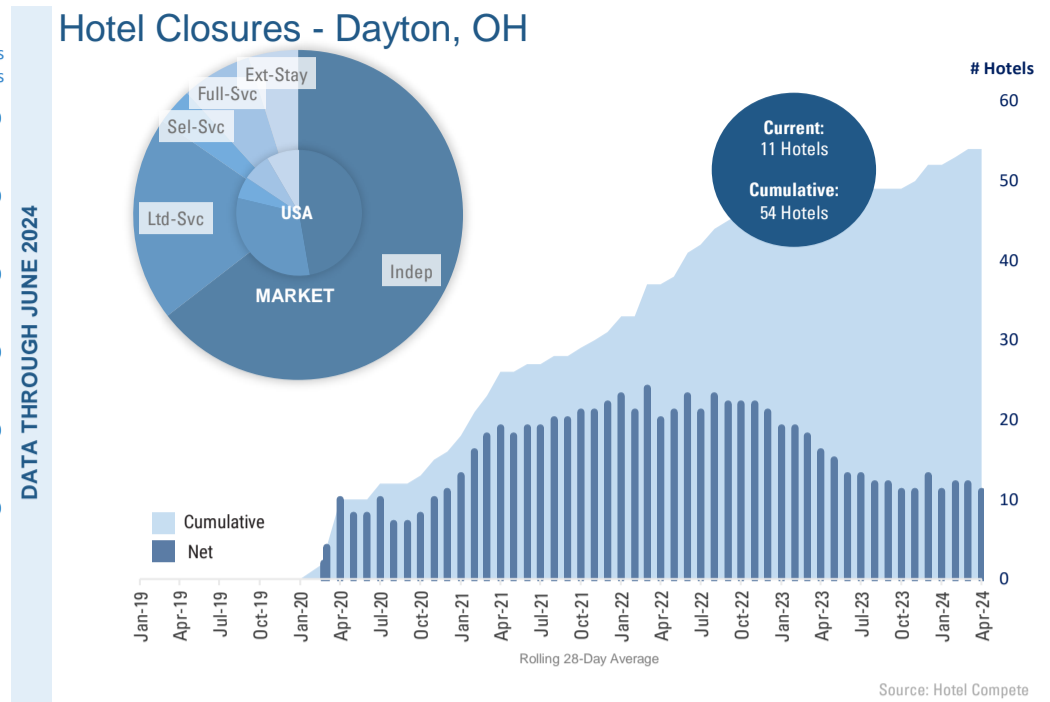
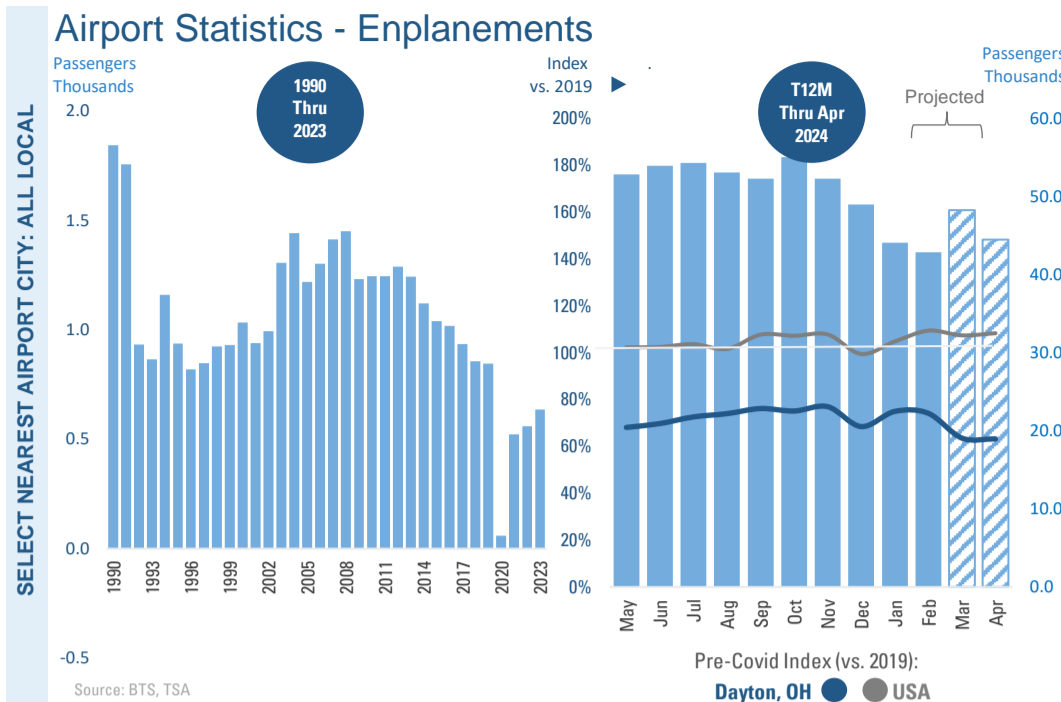
Business Cycle: **At Risk**
 Employment Growth (2 yr): **0.4%**
 Risk Exposure (402 US markets): **83rd Percentile: Above Average**
 Key Industry Notes: Stability from A.F. Base, universities
 High industrial diversity
 Quality healthcare system
 High employment volatility
 Factory employment decline

Moody's Rating

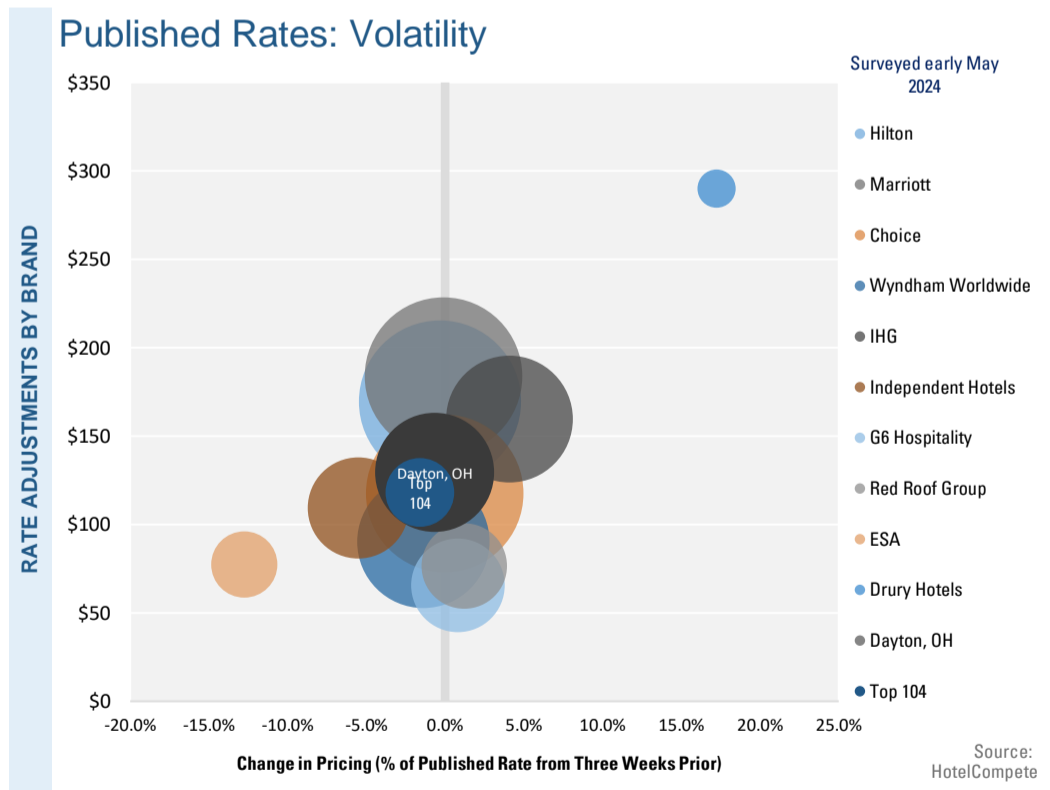
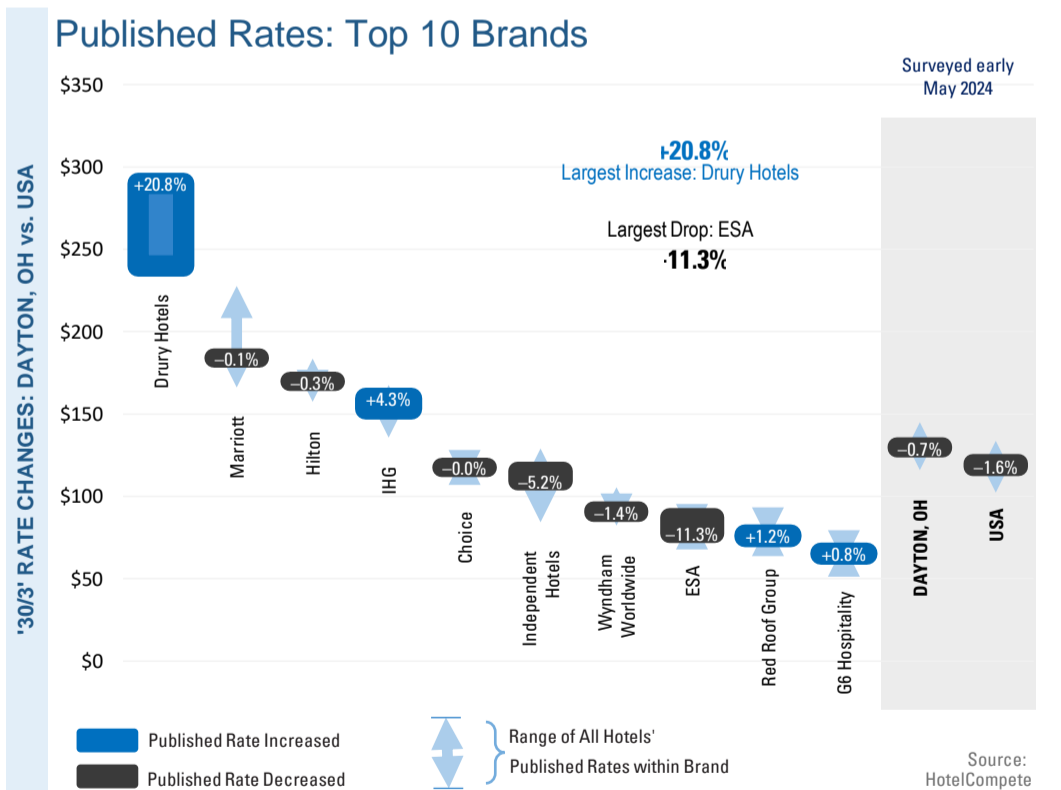
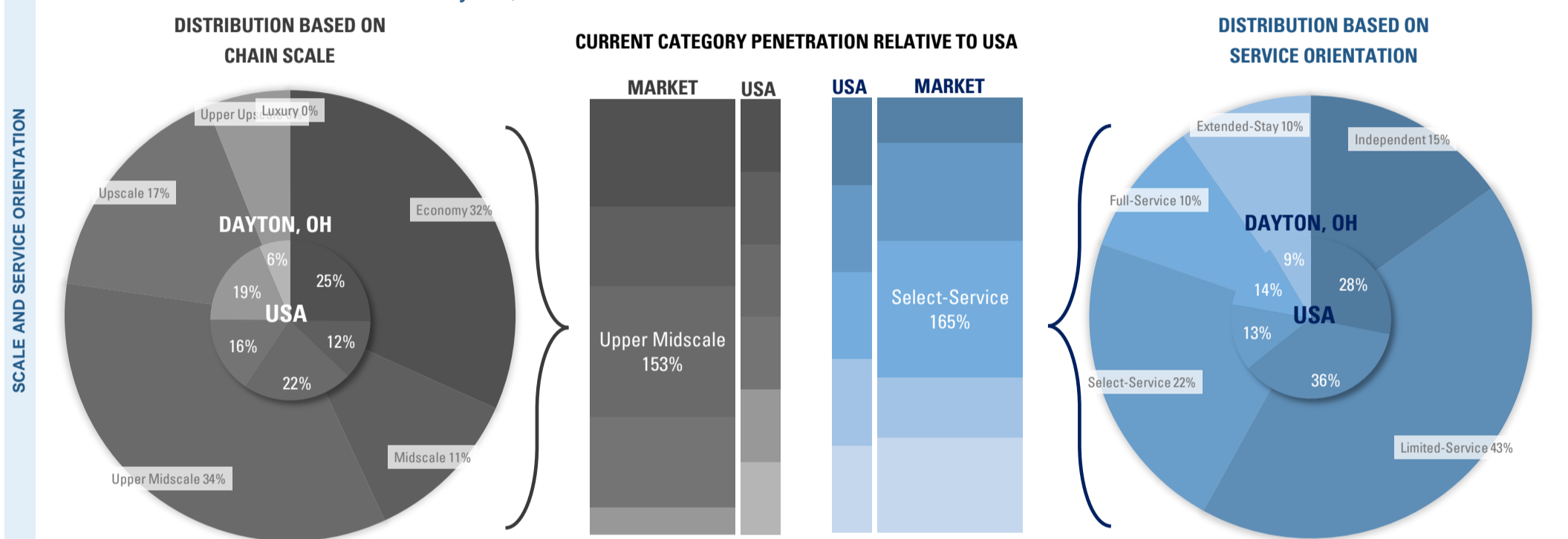
Aa1
Investment Grade

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

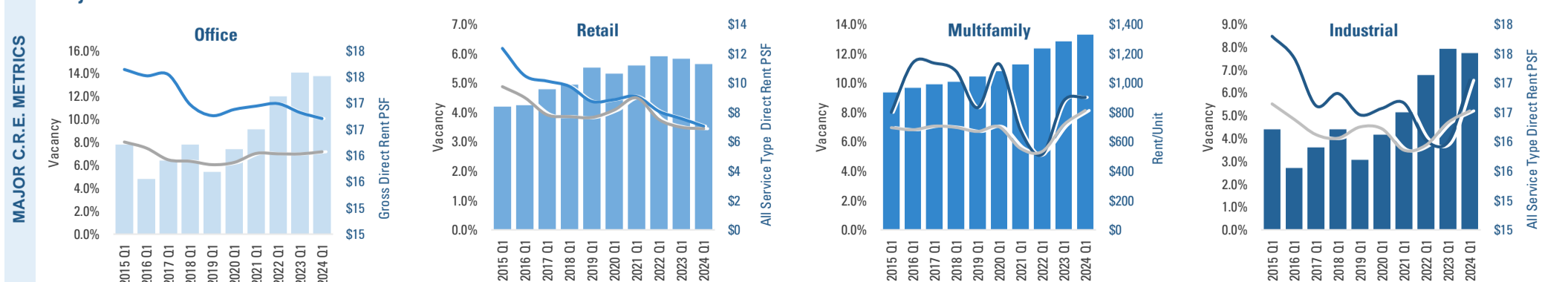




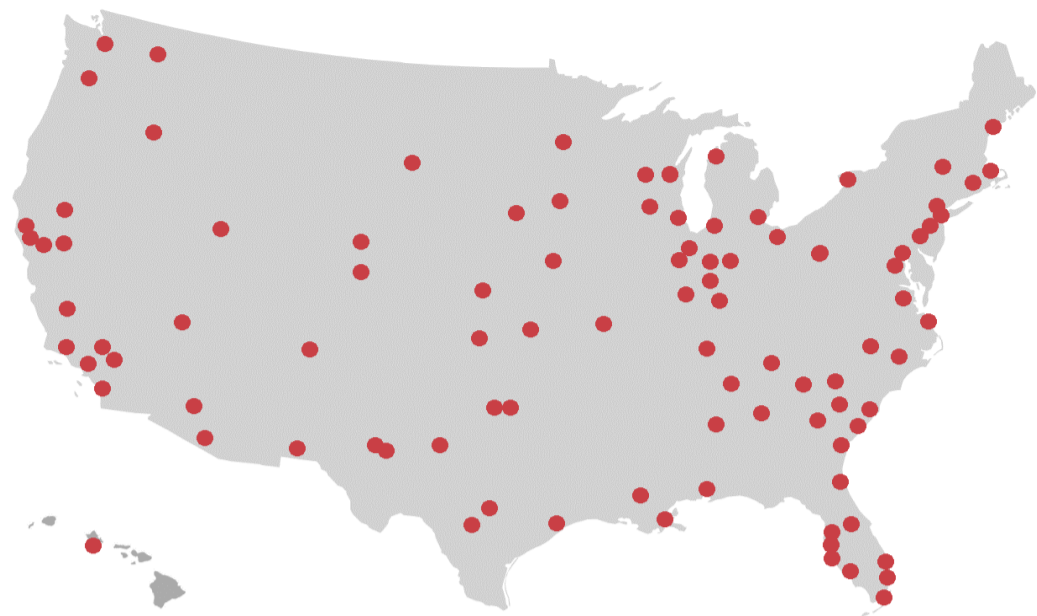
Scale and Service Distribution: Dayton, OH



Major CRE Market Performance



Nsights Hotel Market Reports Coverage



Akron, OH	Dayton, OH	Louisville, KY	Portland, OR
Albany, NY	Denver, CO	Madison, WI	Raleigh, NC
Albuquerque, NM	Des Moines, IA	Memphis, TN	Rapid City, SD
Anaheim, CA	Detroit, MI	Miami, FL	Richmond, VA
Arkansas State Area, AR	El Paso, TX	Michigan North Area, MI	Sacramento, CA
Atlanta, GA	Fayetteville, AR	Michigan South Area, MI	Saint Louis, MO
Augusta, GA	Fort Lauderdale, FL	Milwaukee, WI	Saint Petersburg, FL
Austin, TX	Fort Myers, FL	Minneapolis, MN	Salt Lake City, UT
Bakersfield, CA	Fort Worth, TX	Mobile, AL	San Antonio, TX
Baltimore, MD	Fresno, CA	Myrtle Beach, SC	San Bernardino, CA
Baton Rouge, LA	Greensboro, NC	Nashville, TN	San Diego, CA
Bentonville, AR	Greenville, SC	New Brunswick, NJ	San Francisco, CA
Birmingham, AL	Harrisburg, PA	New Orleans, LA	San Joaquin Valley, CA
Boise City, ID	Hartford, CT	New York, NY	San Jose, CA
Boston, MA	Houston, TX	Newark, NJ	Sarasota, FL
Buffalo, NY	Indiana North Area, IN	Oahu Island, HI (Branded)	Savannah, GA
Charleston, SC	Indiana South Area, IN	Oakland, CA	Seattle, WA
Charlotte, NC	Indianapolis, IN	Odessa-Midland, TX	Spokane, WA
Chattanooga, TN	Jackson, MS	Oklahoma City, OK	Tampa, FL
Chicago, IL	Jacksonville, FL	Omaha, NE	Tucson, AZ
Cincinnati, OH	Kansas City, MO	Orlando, FL (Non-Disney)	Tulsa, OK
Cleveland, OH	Knoxville, TN	Palm Desert, CA	Virginia Beach, VA
Colorado Springs, CO	Las Vegas, NV (Non-Strip)	Philadelphia, PA	Washington State Area, WA
Columbia, SC	Lexington, KY	Phoenix, AZ	Washington, DC
Columbus, OH	Little Rock, AR	Pittsburgh, PA	West Palm Beach, FL
Dallas, TX	Los Angeles, CA	Portland, ME	Wichita, KS

*Customized market reports available upon request

Hospitality, Gaming & Leisure

Our Hospitality, Gaming & Leisure practice is focused exclusively on providing superior valuation and consulting services for a broad range of hotels, casinos and leisure properties. Our team takes a holistic, consultative approach that goes far beyond the physical asset, analyzing every aspect of a property's business and real estate operations to identify all areas of value for owners and investors.

Our Hospitality, Gaming & Leisure platform has experience in valuation assignments and market analysis for properties including:

Hotels and Resorts

Gaming Facilities

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.

Feasibility

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

Financial Reporting

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

Litigation

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

Portfolio Analytics

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

Property Tax

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

ABOUT NEWMARK

We transform untapped potential into limitless opportunity.

At Newmark, we don't just adapt to what our partners need—we adapt to what the future demands. Our integrated platform delivers seamlessly connected services tailored to every type of client, from owners to occupiers, investors to founders, and growing startups to leading companies. We think outside of boxes, buildings and business lines, delivering a global perspective and a nimble approach. From reimagining spaces to engineering solutions, we have the vision to see what's next and the tenacity to get there first.

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