

NEWMARK

1Q 2024

Hotel Market Nsights Report

GREENSBORO, NC



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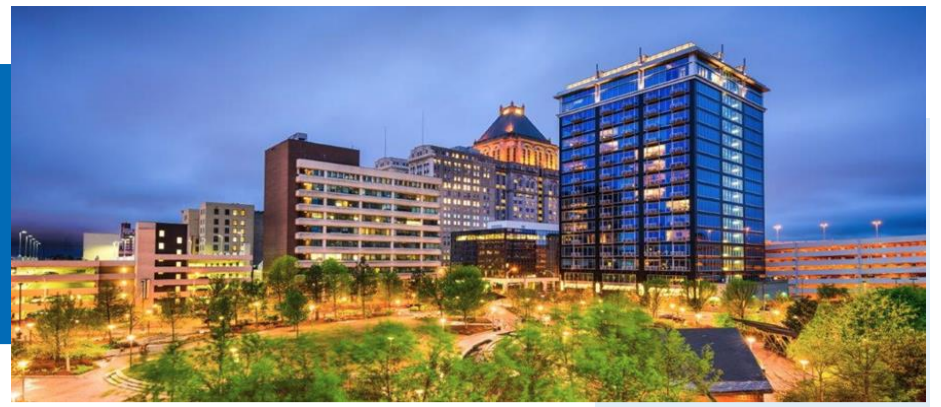
Hospitality, Gaming & Leisure

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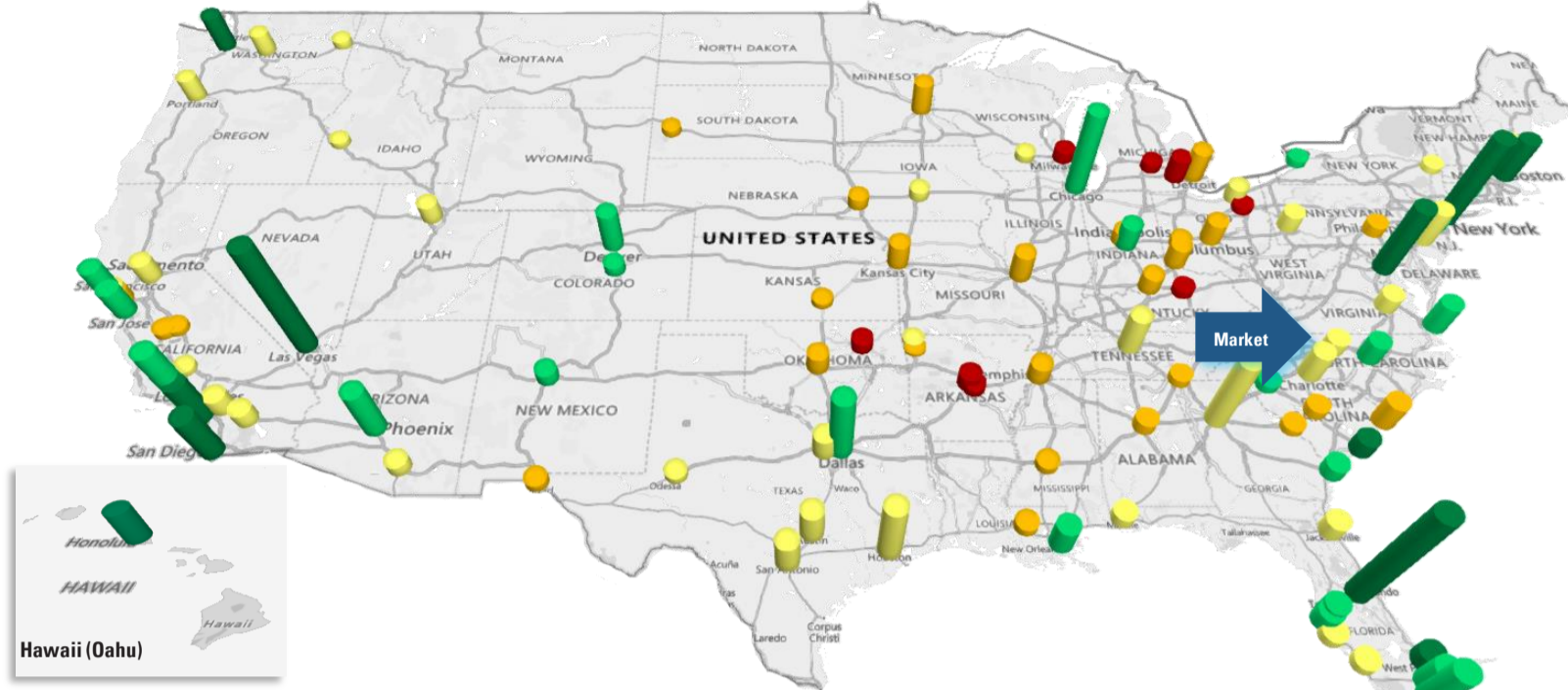
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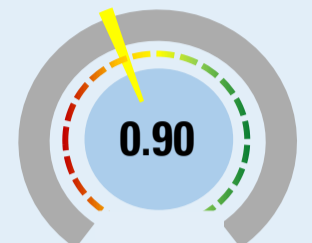


Lodging Performance Index Snapshot



LODGING PERFORMANCE INDEX

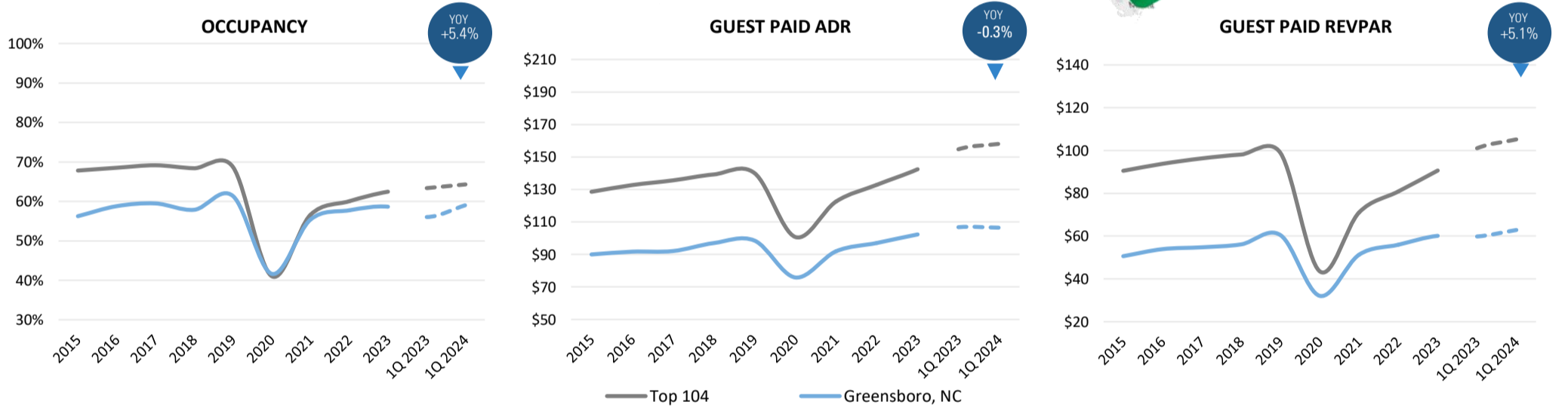
Greensboro, NC



65th of 104
Average

Ranking of overall '1Q 2024 LPI' performance (0.90) against all 104 surveyed markets.

KEY PERFORMANCE METRICS



PERFORMANCE INDEXES

Key Performance Indexes

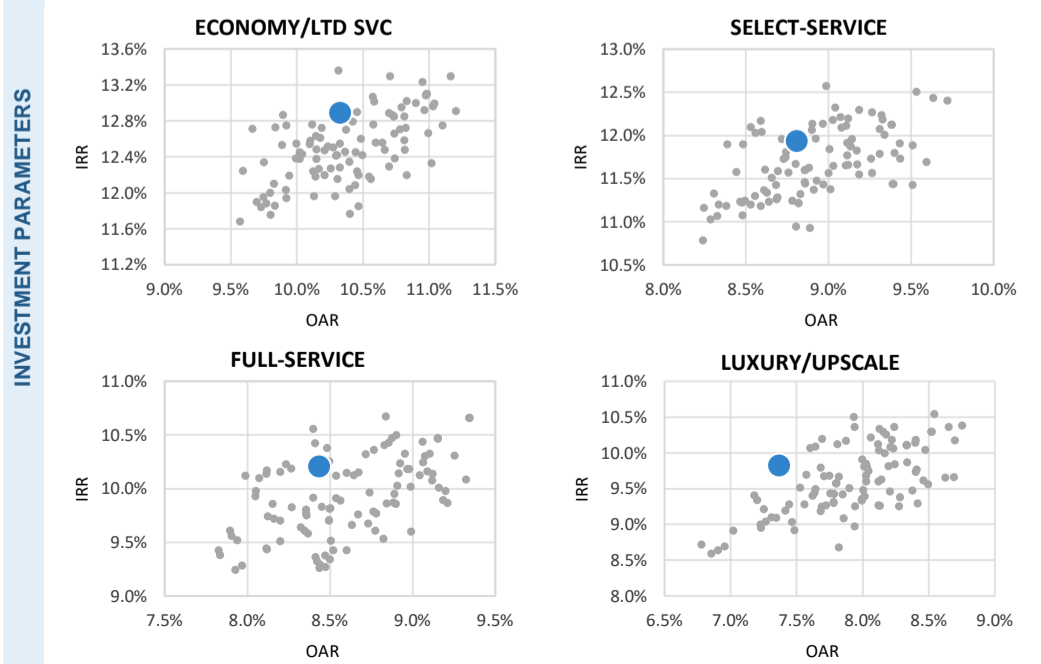


Key Benchmark Indexes



Discount and Capitalization Rates

Source: Newmark

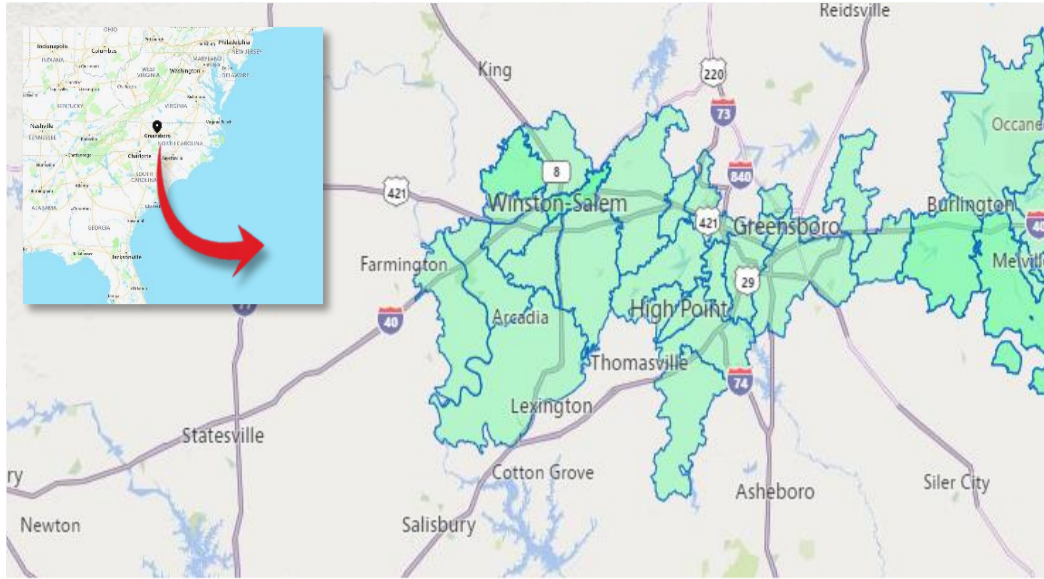


Trends and Risks

Source: Kalibri Labs, Newmark



Location



Quick Facts

Jurisdictional Information		Source: US Census Bureau, Dept. of Labor Statistics
Municipal Name:	Greensboro	
County:	Guilford County	
State:	North Carolina	
Geo Coordinates (market center):	36.07264, -79.79198	
Major Hotel Demand Generators		
Cone Health Ralph Lauren Corp. High Point Regional Hospital University of North Carolina Bank of America Corp. The Volvo Group Unifi Inc. BB&T United Healthcare VF Corp. HAECO Americas Thomas Built Buses Inc. AT&T Honda Aircraft Co. Qorvo LabCorp Inc. Lincoln Financial Group Lorillard Tobacco Co. Procter & Gamble Manufacturing Co. North Carolina A&T University		
Metrics and Ranking		Measurements
Population (hotel market area)	823,651	Rankings
Income per Capita	\$44,978	62nd of 104 (Average)
Feeder Group Size	71.8 Persons PSR	64th of 104 (Average)
Feeder Group Earnings	\$3,230,333 PSR	55th of 104 (Average)
Total Market Hotel Revenues	\$473.1 million	45th of 104 (Average)
		62nd of 104 (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	56.2%	\$90.00	\$50.62	\$83.73	\$47.09	\$6.27	93.0%	48.4%	2.01	17,740	0.48
2016	58.8%	\$91.73	\$53.92	\$85.08	\$50.01	\$6.65	92.8%	50.0%	2.00	17,940	0.65
2017	59.5%	\$92.10	\$54.78	\$85.15	\$50.64	\$6.95	92.5%	51.8%	1.99	17,790	0.65
2018	57.9%	\$97.01	\$56.14	\$89.60	\$51.85	\$7.41	92.4%	55.5%	1.91	17,940	0.71
2019	61.4%	\$98.53	\$60.46	\$90.87	\$55.76	\$7.66	92.2%	60.0%	1.91	18,700	0.86
2020	41.6%	\$75.85	\$32.08	\$70.83	\$29.49	\$5.02	93.4%	39.5%	2.21	18,850	0.81
2021	55.4%	\$91.96	\$51.32	\$85.69	\$47.45	\$6.27	93.2%	42.6%	2.16	18,940	0.79
2022	57.7%	\$97.06	\$55.98	\$90.43	\$52.21	\$6.63	93.2%	43.4%	2.14	18,990	0.74
2023	58.6%	\$102.32	\$60.14	\$95.35	\$55.92	\$6.97	93.2%	43.8%	2.14	19,060	0.79
CAGR: 2015 thru 2023	0.5%	1.6%	2.2%	1.6%	2.2%	1.3%	0.0%	-1.2%	0.8%	0.9%	6.3%
1Q 2023	56.0%	\$106.78	\$59.83	\$99.57	\$55.78	\$7.22	93.2%	45.6%	2.10	19,170	0.71
1Q 2024	59.0%	\$106.49	\$62.86	\$99.15	\$58.53	\$7.34	93.1%	48.2%	2.20	18,960	0.90

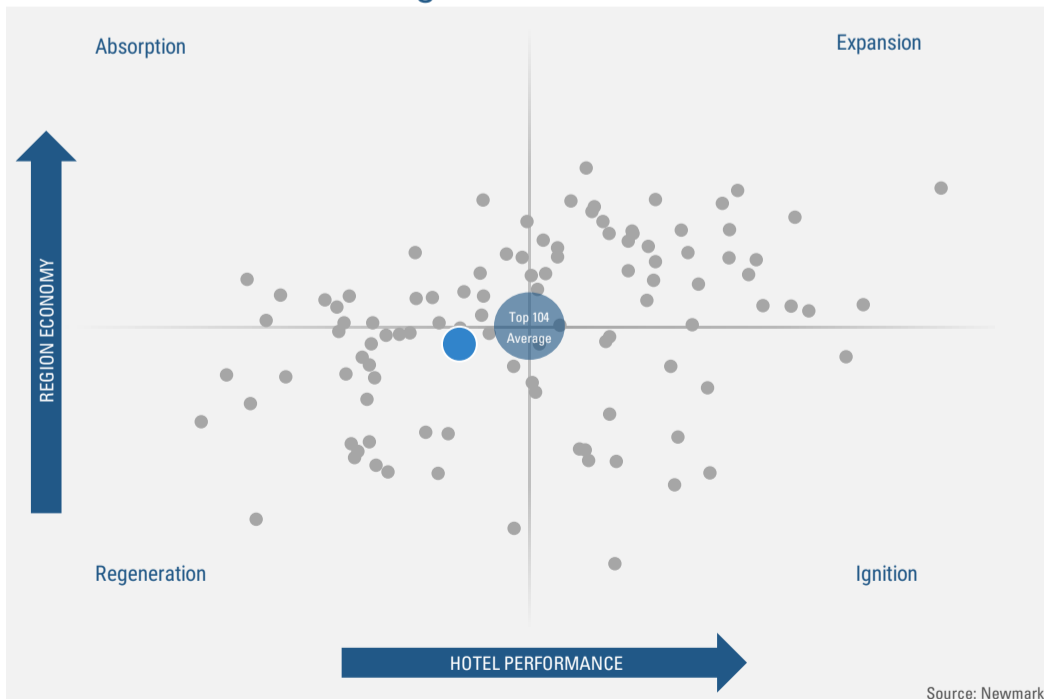
Notable Metrics

HIGHEST	OAR: Luxury/Upscale	Latest-Quarter Average Length of Stay	Latest-Quarter Average Length of Stay
	14th Favorable Greensboro, NC exhibited favorable OAR metrics in the luxury/upscale segment (7.4%)	20th Above Average The market boasted strong latest-quarter average length of stay (2.20 Nights)	20th Above Average The market also boasted strong latest-quarter average length of stay (2.20 Nights)
	T12-Month Guest Paid RevPAR	T12-Month COPE RevPAR	T12-Month COPE ADR
LOWEST	88th Below Average This market has been hindered by weak T12-month Guest Paid RevPAR (\$68.44)	86th Below Average The market posted weak T12-month COPE RevPAR (\$63.67)	86th Below Average Greensboro, NC also has been hindered by weak T12-month COPE ADR (\$105.17)

Notable Trends

STRONGEST	Long-Term Historical Occupancy Growth	Long-Term Historical LPI Growth	Short-Term Historical COPE RevPAR Growth
	4th Strong Greensboro, NC enjoyed strong long-term historical occupancy growth (1.2%)	4th Strong The market enjoyed strong long-term historical LPI growth (7.9%)	4th Strong The market also exhibited strong short-term historical COPE RevPAR growth (6.1%)
	Short-Term Historical Loyalty Contribution Growth	Long-Term Historical Loyalty Contribution Growth	Short-Term Historical Booking Costs POR Growth
WEAKEST	75th Below Average The market has been hindered by weak short-term historical loyalty contribution growth (2.9%)	73rd Below Average We note this area has been hindered by weak long-term historical loyalty contribution growth (3.5%)	69th Below Average Greensboro, NC also has been impeded by high short-term historical growth in booking costs (3.5%)

Market Performance Stage



Greensboro, NC: Regeneration Stage

The Greensboro, NC 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.

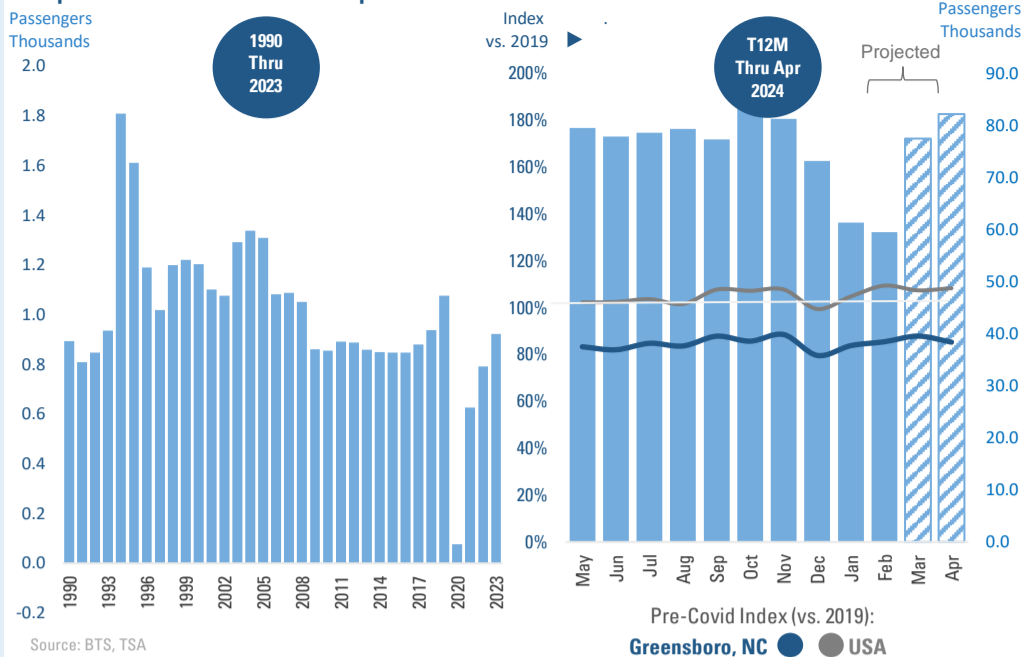
Industry Observations

MOODY'S ANALYTICS
 Business Cycle: **At Risk**
 Employment Growth (2 yr): **1.2%**
 Risk Exposure (402 US markets): **29th Percentile: Below Average**
 Key Industry Notes:
 Large consumer base
 Low business costs
 High housing affordability
 Above-average employment volatility
 Low per capita income

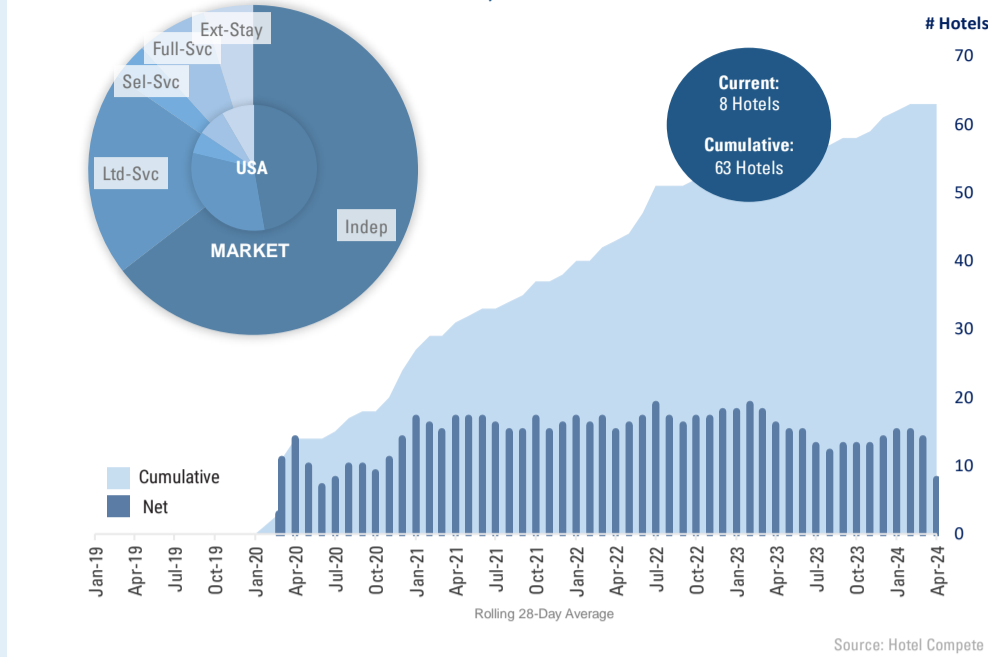
Moody's Rating
Aaa
Investment Grade
 Long-term investment grade, Prime-1 short-term outlook



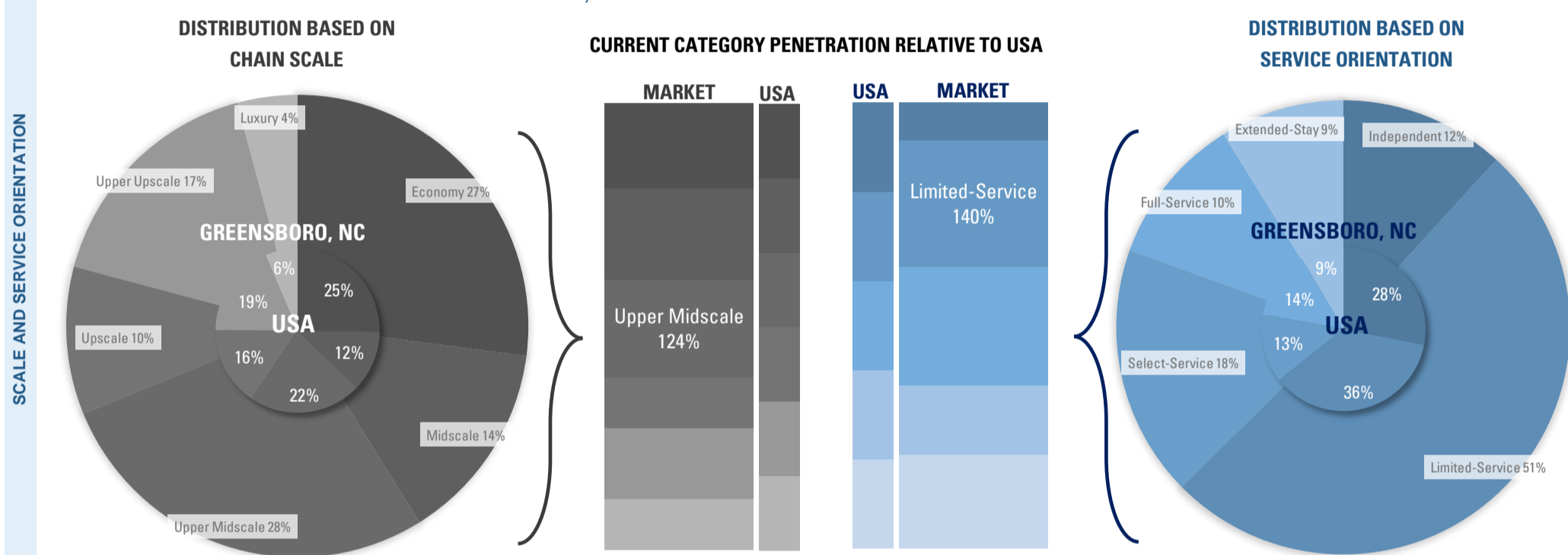
Airport Statistics - Enplanements



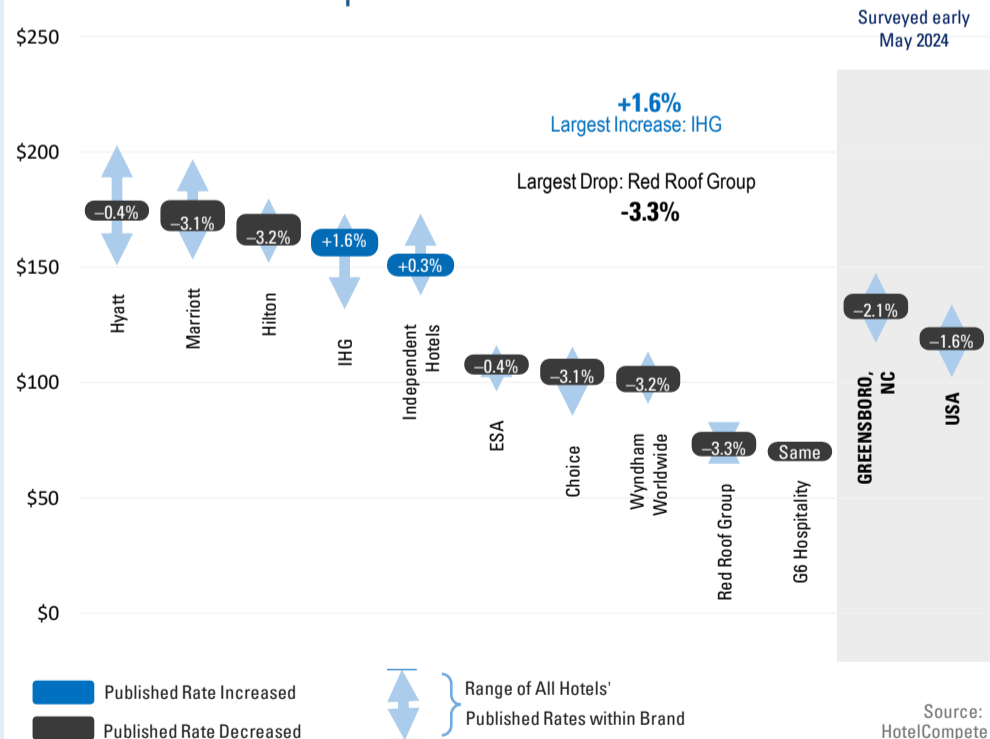
Hotel Closures - Greensboro, NC



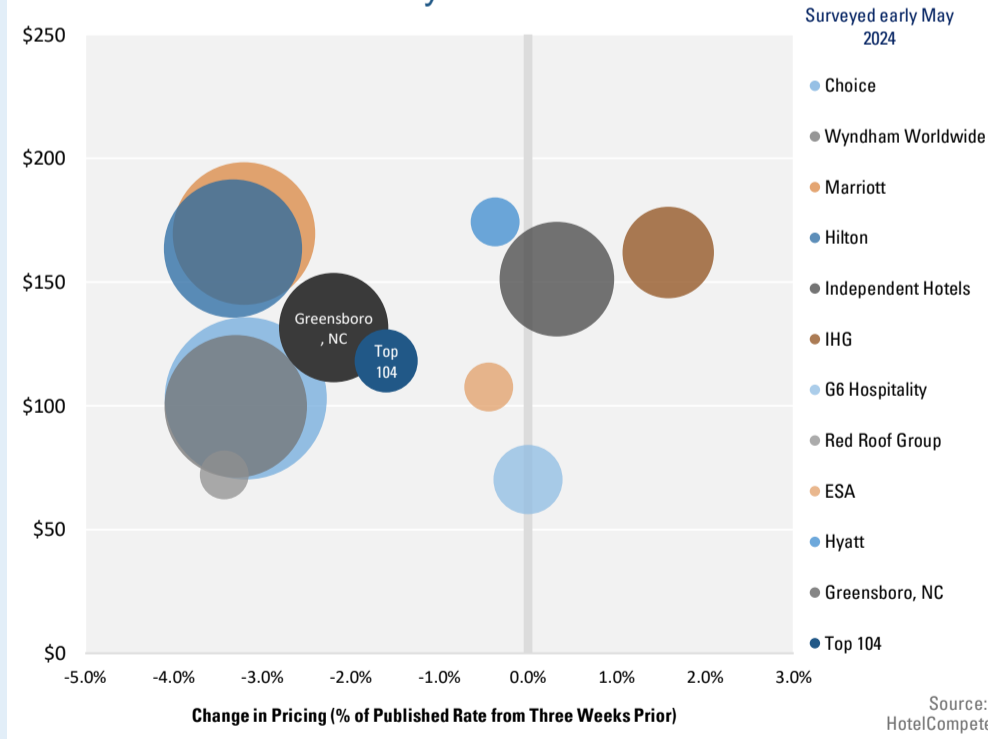
Scale and Service Distribution: Greensboro, NC



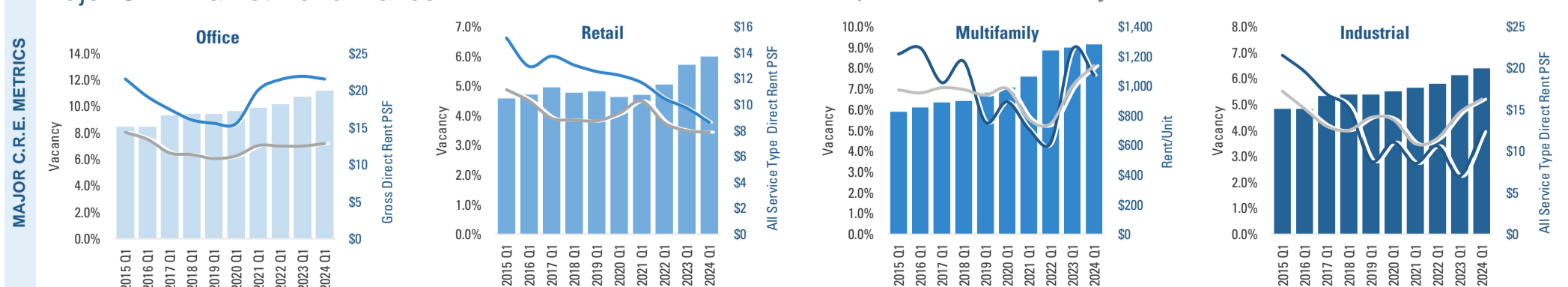
Published Rates: Top 10 Brands



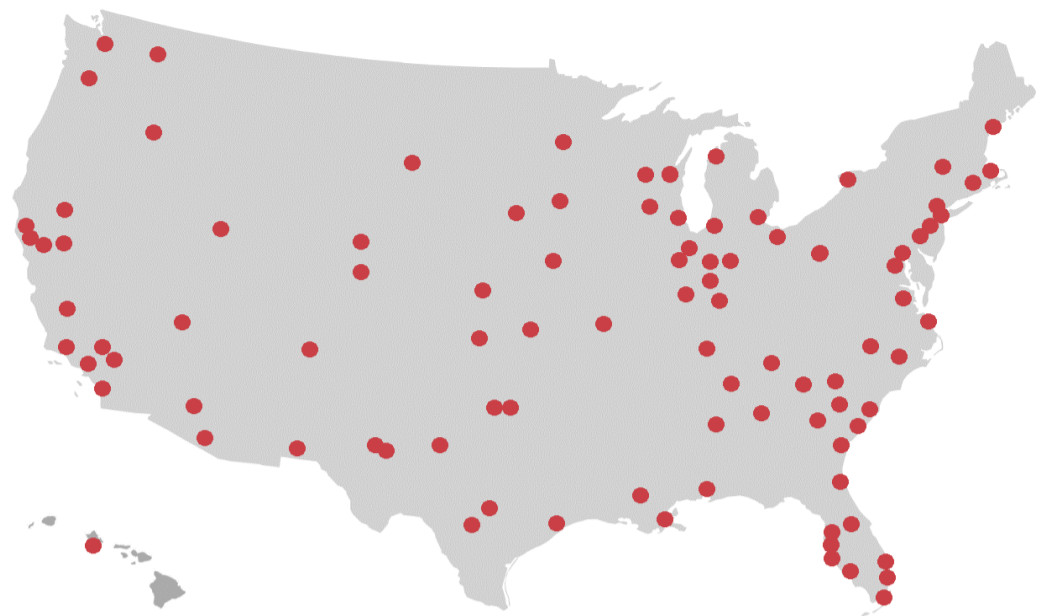
Published Rates: Volatility



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

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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.

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Arenas, Stadiums and Sports Facilities

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Golf Courses

Marinas

Ski and Village Resorts

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

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

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Property Tax

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

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