

NEWMARK

1Q 2024

Hotel Market Nsights Report

HARTFORD, CT



FOR MORE INFORMATION:

Bryan Younge, MAI, ASA, FRICS

Senior Managing Director
Practice Leader - Hospitality, Gaming & Leisure
NEWMARK VALUATION & ADVISORY
Americas
m 773-263-4544

Jim Berry, MAI, CRE, MRICS, ASA

Executive Vice President
Hospitality, Gaming & Leisure
NEWMARK VALUATION & ADVISORY
Northeast/New England Markets
m 774-269-6484

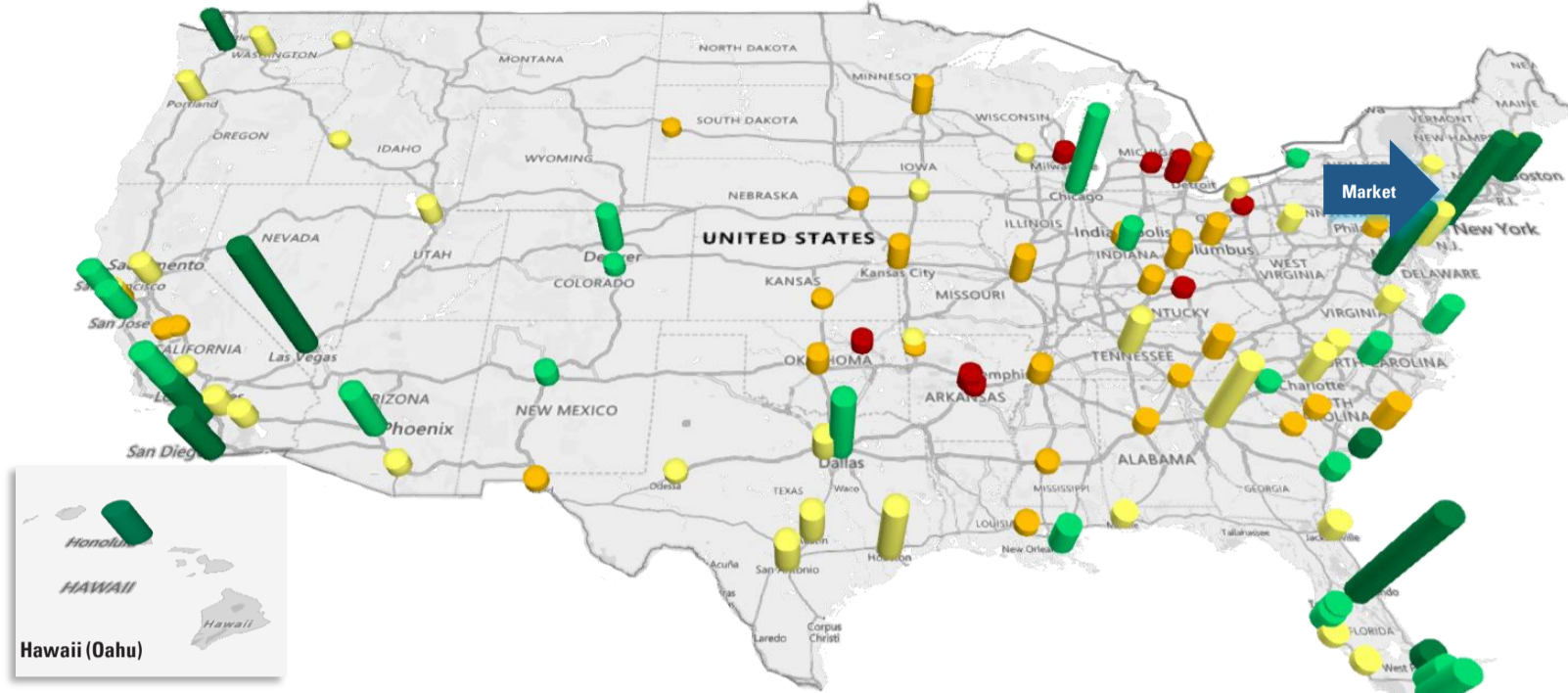
Jeff Mayer

Executive Vice President
Hospitality, Gaming & Leisure
NEWMARK VALUATION & ADVISORY
Northeast/New England Markets
t 212-850-5416

[NMRK.COM/VALUATION](https://www.nmrk.com/valuation)

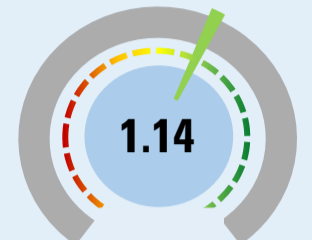


Lodging Performance Index Snapshot



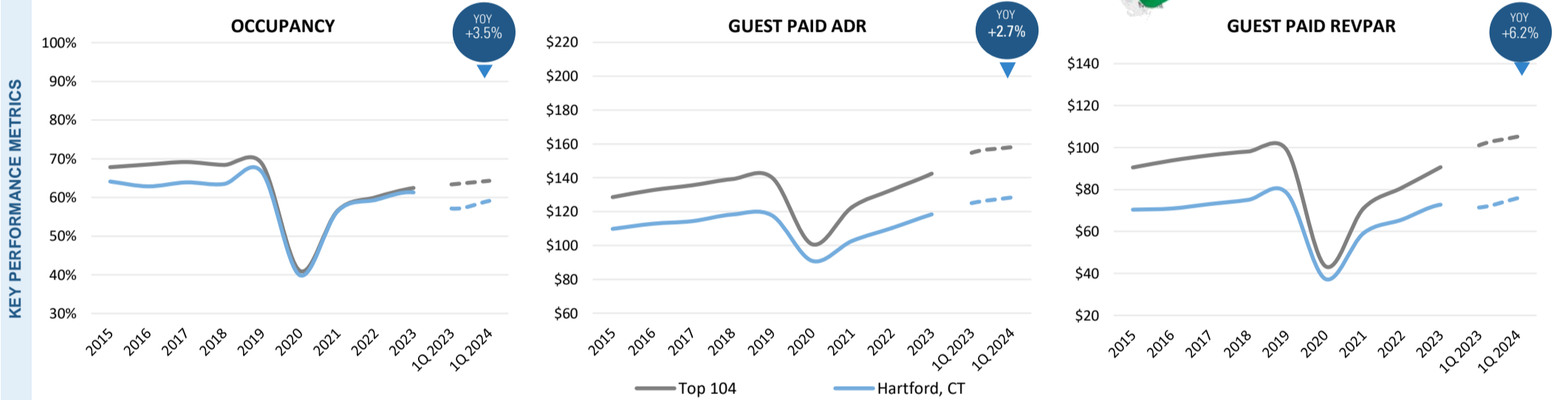
LODGING PERFORMANCE INDEX

Hartford, CT



35th of 104
Above Average

Ranking of overall '1Q 2024 LPI' performance (1.14) against all 104 surveyed markets.

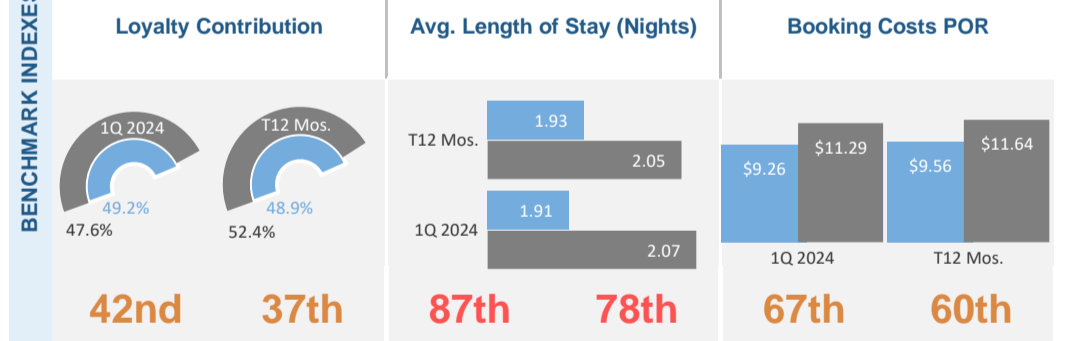


Key Performance Indexes

● Subject Market ● Top 104

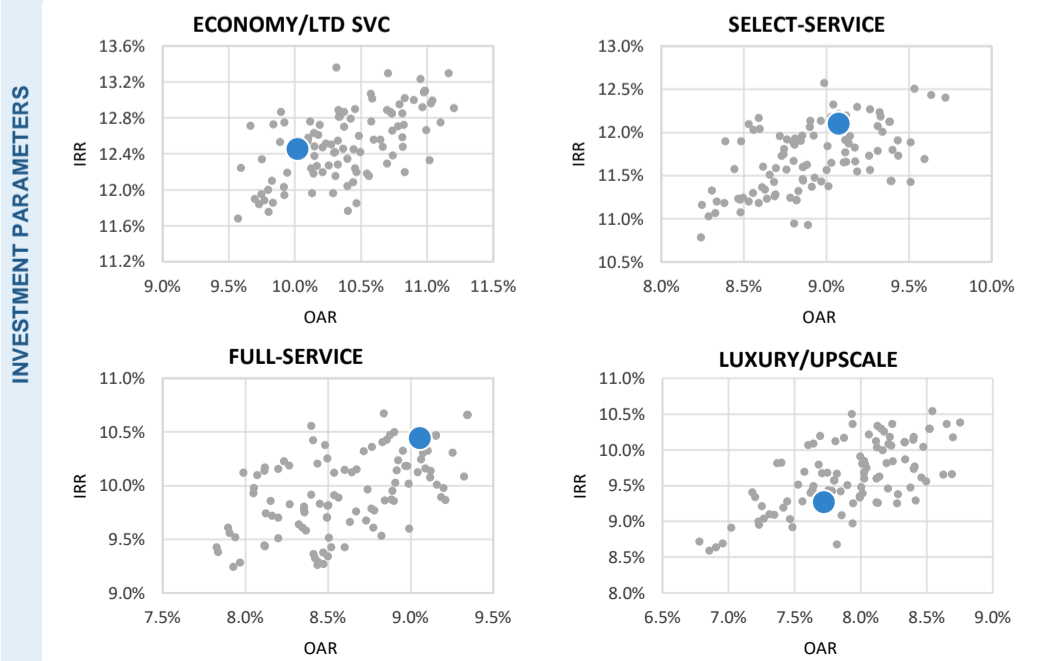


Key Benchmark Indexes



Discount and Capitalization Rates

Source: Newmark

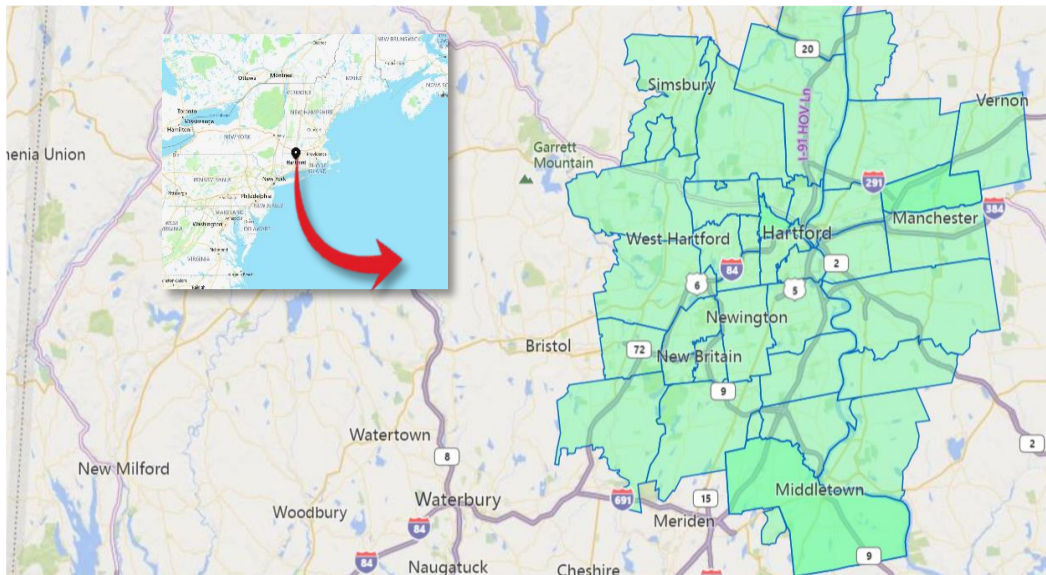


Trends and Risks

Source: Kalibri Labs, Newmark



Location



Quick Facts

Source: US Census Bureau, Dept. of Labor Statistics

Jurisdictional Information	
Municipal Name:	Hartford
County:	Hartford County
State:	Connecticut
Geo Coordinates (market center):	41.76371, -72.68509

Major Hotel Demand Generators

Hartford HealthCare | Pratt & Whitney/United Technologies | University of Connecticut | The Travelers Cos. Inc. | Hartford Financial Services Group | Trinity Health - New England | Aetna Inc. | Cigna | UnitedHealthcare | ESPN | Eversource Energy | Eastern Connecticut Health Network | Connecticut Children's Medical Center | The Hospital of Central Connecticut | Voya Financial | Massachusetts Mutual Life Insurance Co. | John Dempsey Hospital | Bristol Hospital | Manchester Memorial Hospital | Hospital For Special Care

Metrics and Ranking	Measurement	Rankings
Population (hotel market area)	712,839	69th of 104 (Below Average)
Income per Capita	\$33,841	99th of 104 (Soft)
Feeder Group Size	107.8 Persons PSR	87th of 104 (Below Average)
Feeder Group Earnings	\$3,648,465 PSR	54th of 104 (Average)
Total Market Hotel Revenues	\$321.8 million	80th 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	64.1%	\$109.80	\$70.39	\$100.83	\$64.64	\$8.96	91.8%	54.5%	1.90	11,550	0.90
2016	62.9%	\$112.83	\$70.93	\$103.33	\$64.95	\$9.50	91.6%	57.1%	1.87	11,550	0.85
2017	63.9%	\$114.38	\$73.07	\$104.72	\$66.90	\$9.66	91.6%	56.5%	1.86	11,550	1.04
2018	63.5%	\$118.29	\$75.08	\$108.49	\$68.86	\$9.80	91.7%	57.6%	1.83	11,550	1.05
2019	66.6%	\$117.68	\$78.36	\$107.82	\$71.80	\$9.86	91.6%	60.2%	1.83	11,490	1.13
2020	39.9%	\$90.94	\$37.43	\$85.44	\$34.11	\$5.49	94.0%	39.0%	2.48	11,210	1.05
2021	56.5%	\$102.63	\$59.23	\$95.86	\$54.12	\$6.78	93.4%	41.5%	2.23	10,830	0.95
2022	59.4%	\$110.29	\$65.68	\$102.94	\$61.11	\$7.36	93.3%	42.1%	2.12	10,740	0.96
2023	61.3%	\$118.39	\$72.77	\$110.43	\$67.68	\$7.96	93.3%	43.0%	2.09	10,730	1.00
CAGR: 2015 thru 2023	-0.6%	0.9%	0.4%	1.1%	0.6%	-1.5%	0.2%	-2.9%	1.2%	-0.9%	1.3%
1Q 2023	57.1%	\$125.02	\$71.43	\$116.26	\$66.42	\$8.76	93.0%	47.1%	1.98	10,260	0.96
1Q 2024	59.1%	\$128.36	\$75.88	\$119.10	\$70.40	\$9.26	92.8%	49.2%	1.91	10,090	1.14

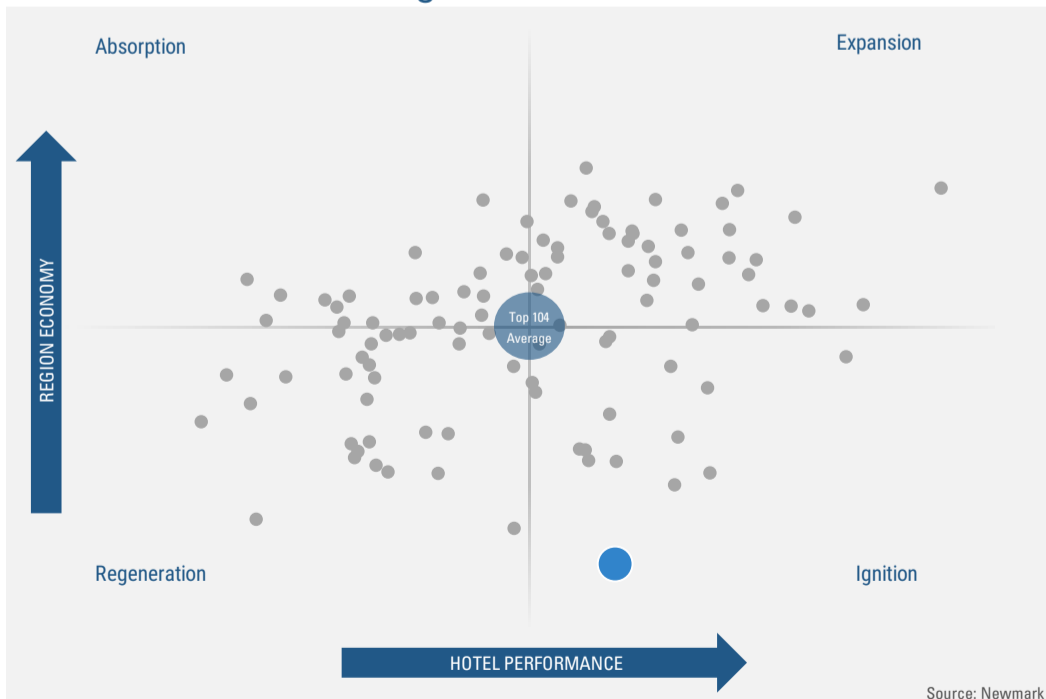
Notable Metrics

	Feeder Population Per Room	Population Density per Room	OAR: Economy/Ltd Svc
HIGHEST	17th Above Average Hartford, CT posted a high ratio of feeder population per room (49.51)	18th Above Average The market boasted strong population density per room (69.47)	23rd Favorable The market also exhibited favorable OAR metrics in the economy/ltd svc segment (10.0%)
LOWEST	99th Soft This market was stymied by weak Economy Median Income (\$33,841)	94th Unfavorable The market posted unfavorable IRR metrics in the full-service segment (10.4%)	87th Below Average Hartford, CT also required a large feeder group size (107.81 Persons)

Notable Trends

	Long-Term Historical Supply Growth	Long-Term Historical Occupancy Growth	Long-Term Historical Booking Costs POR Growth
STRONGEST	1st Very Strong Hartford, CT has benefited from low long-term historical supply growth (-0.8%)	20th Above Average The market enjoyed strong long-term historical occupancy growth (0.4%)	23rd Above Average The market also has benefited from low long-term historical booking costs POR growth (1.6%)
WEAKEST	Last Soft The market posted weak general economic reverence (per-capita unemployment, GDP and other indicators)	Last Soft We note this area has been burdened by high short-term historical supply growth (-1.8%)	Last Soft Hartford, CT also has been hindered by weak long-term historical loyalty contribution growth (1.0%)

Market Performance Stage



Hartford, CT: Ignition Stage

The Hartford, CT market is currently in the 'Ignition' stage of the performance cycle. In this 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.

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.
- 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

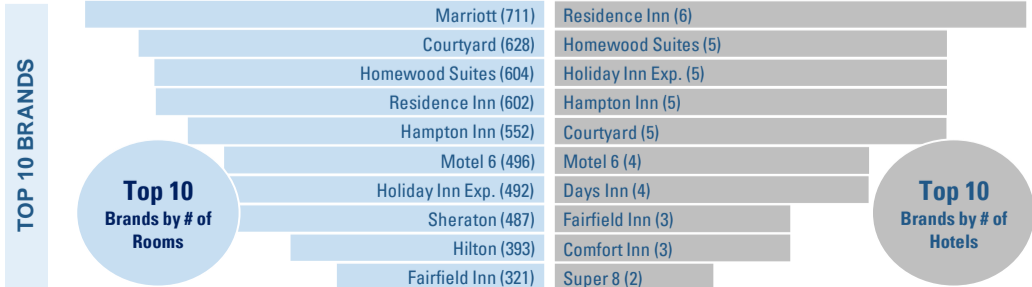
MOODY'S ANALYTICS

Business Cycle: **In Recovery**
 Employment Growth (2 yr): **0.6%**
 Risk Exposure (402 US markets): **81st Percentile: Above Average**
 Key Industry Notes:
 Well-educated workforce
 Housing is affordable
 Lower living, business costs
 Negative net migration, flat population
 High energy costs

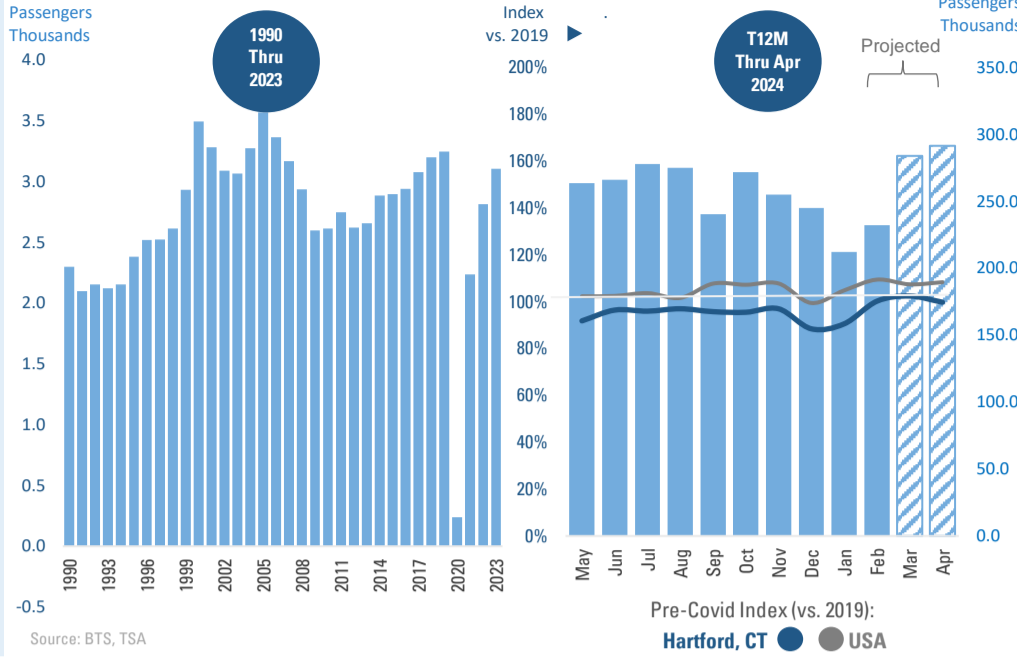
Moody's Rating

NR

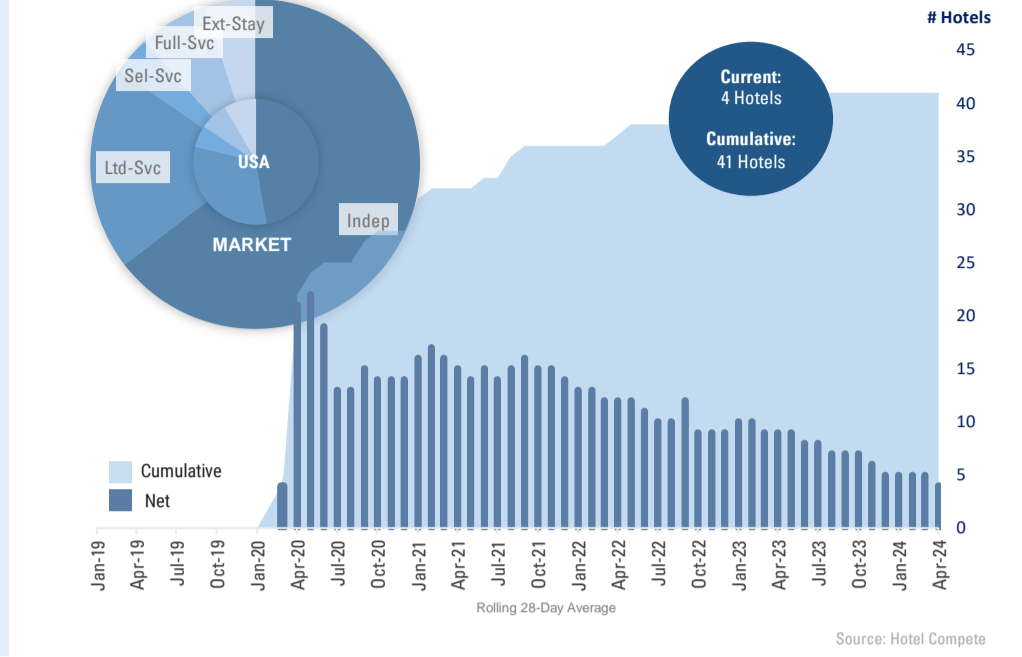
This market is not rated by Moody's



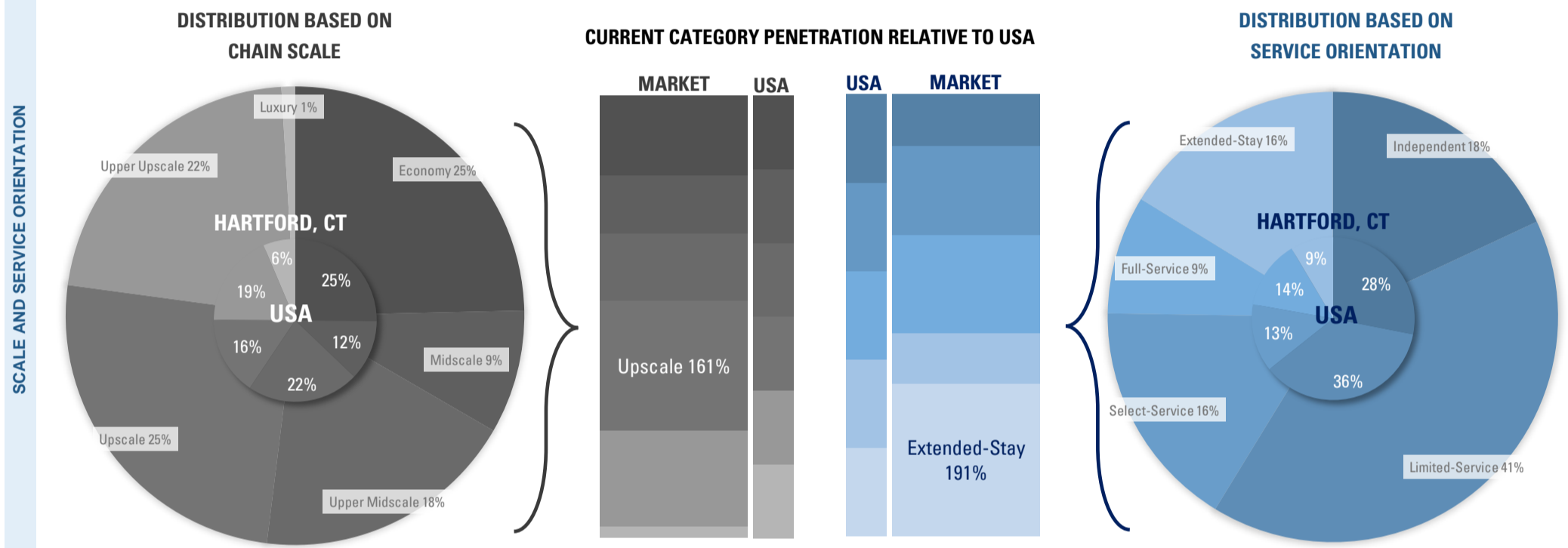
Airport Statistics - Enplanements



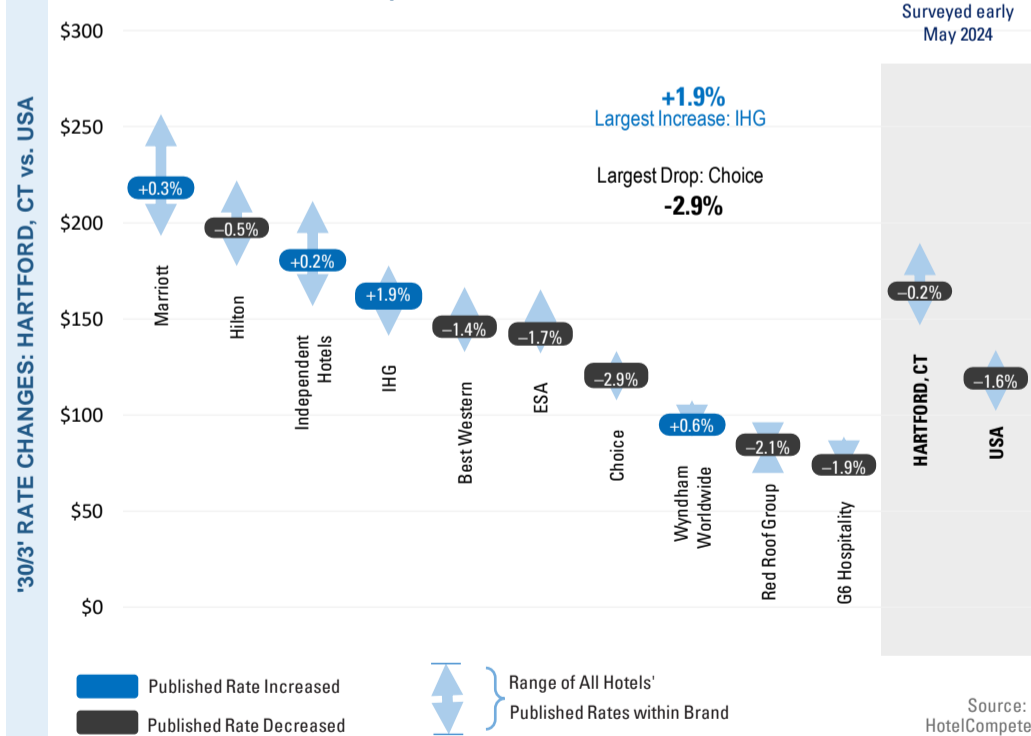
Hotel Closures - Hartford, CT



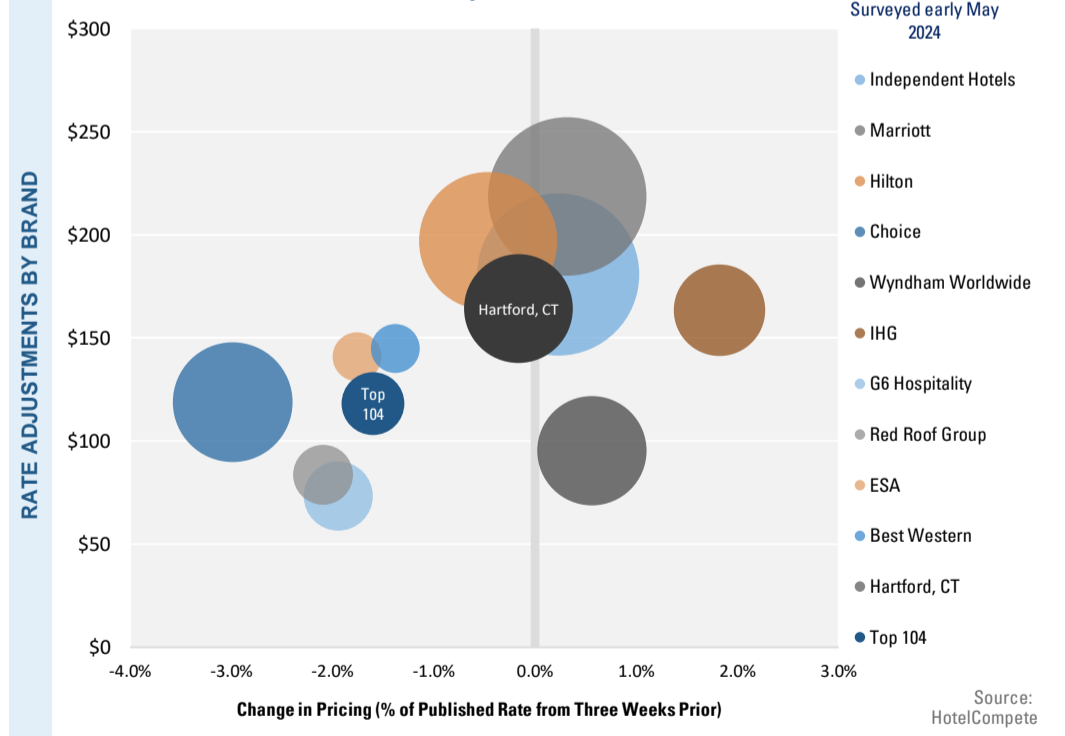
Scale and Service Distribution: Hartford, CT



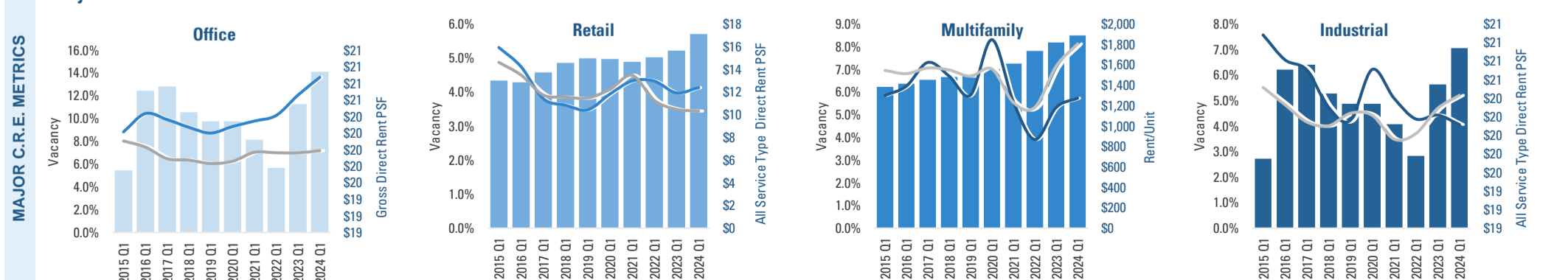
Published Rates: Top 10 Brands



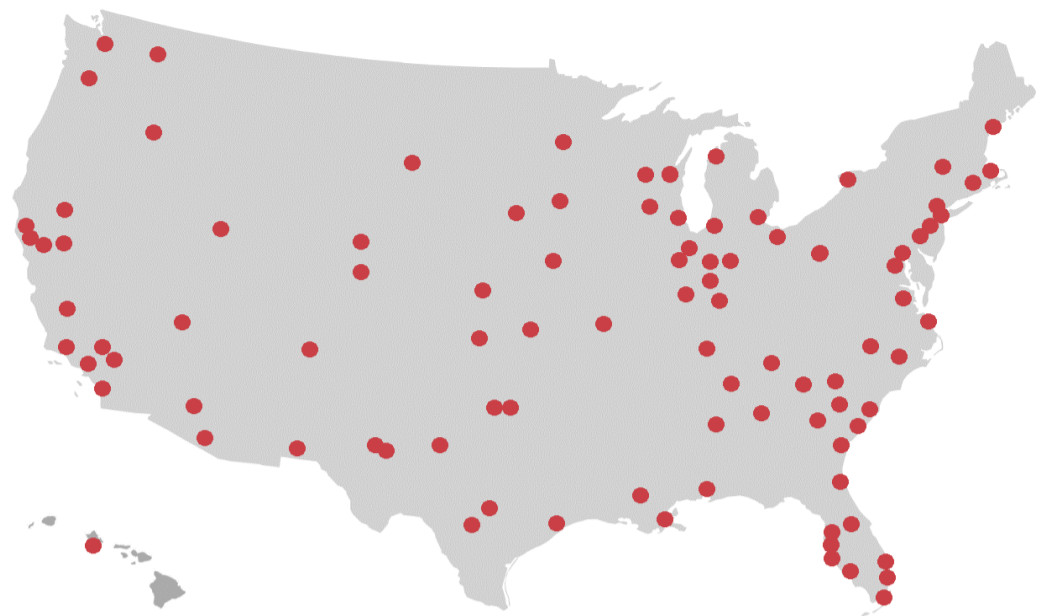
Published Rates: Volatility



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

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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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Portfolio Analytics

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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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FOR INFORMATION CONTACT:

Bryan Younge MAI, ASA, FRICS

Executive Vice President, Valuation & Advisory,
Specialty Practice Leader – Hospitality, Gaming & Leisure
m 773-263-4544
bryan.younge@nrmk.com

CONTACT: NORTHEAST/NEW ENGLAND MARKETS

FOR MORE INFORMATION

Jim Berry, MAI, CRE, MRICS, ASA
Executive Vice President
Hospitality, Gaming & Leisure
NEWMARK VALUATION & ADVISORY
Northeast/New England Markets
m 774-269-6484
jim.berry@nrmk.com

Jeff Mayer
Executive Vice President
Hospitality, Gaming & Leisure
NEWMARK VALUATION & ADVISORY
Northeast/New England Markets
t 212-850-5416
jeff.mayer@nrmk.com

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