

# NEWMARK

1Q 2024

## Hotel Market Nsights Report

JACKSON, MS



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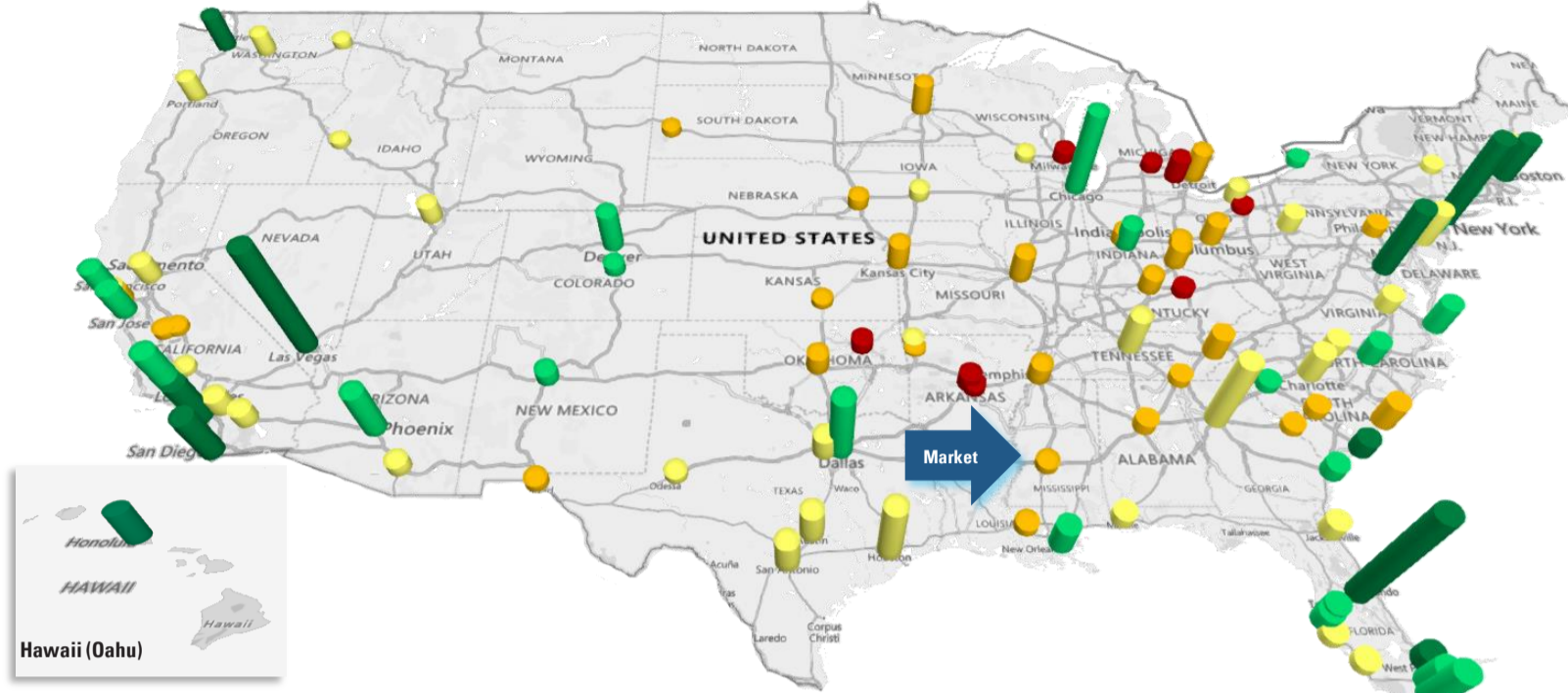
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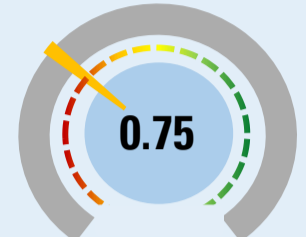


Lodging Performance Index Snapshot



LODGING PERFORMANCE INDEX

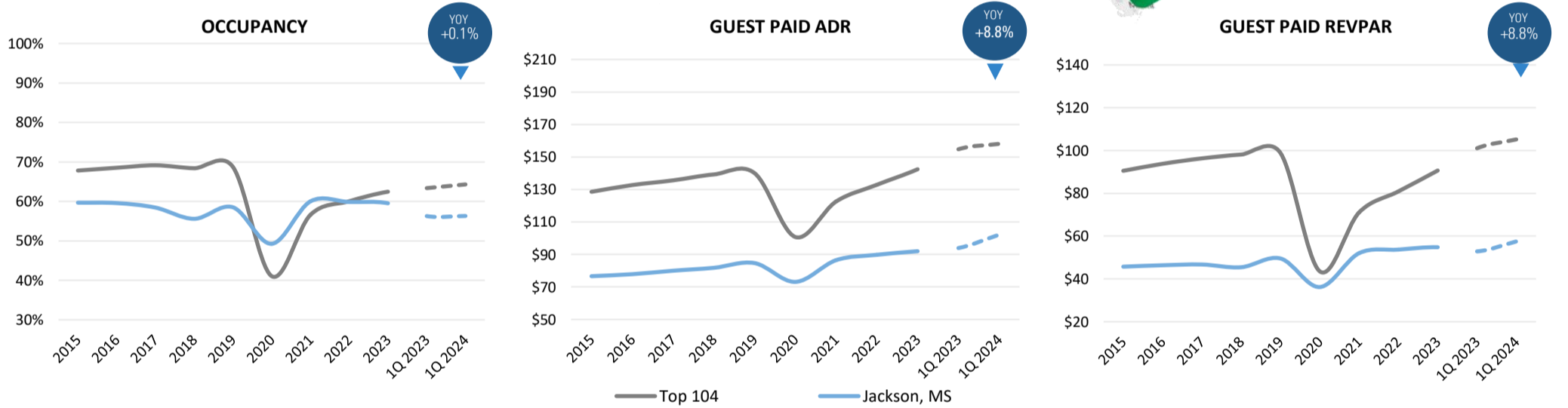
Jackson, MS



81st of 104  
Below Average

Ranking of overall '1Q 2024 LPI' performance (0.75) against all 104 surveyed markets.

KEY PERFORMANCE METRICS

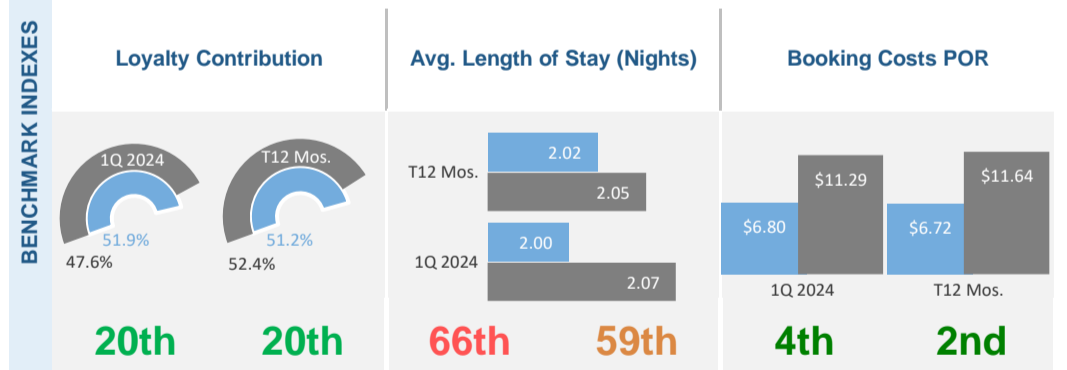


PERFORMANCE INDEXES

Key Performance Indexes

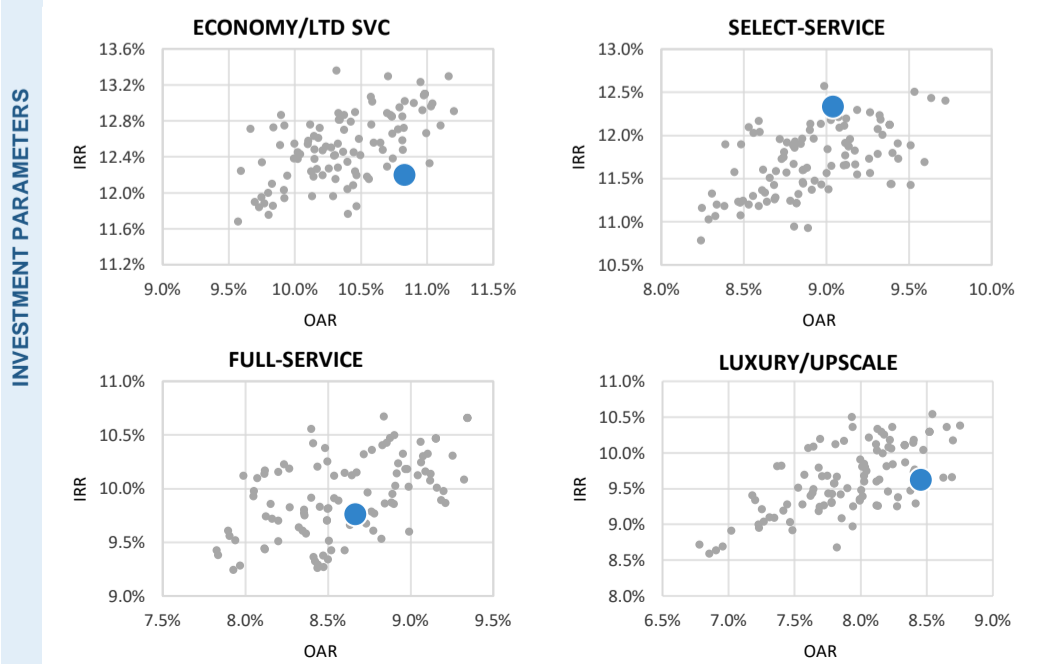


Key Benchmark Indexes



Discount and Capitalization Rates

Source: Newmark

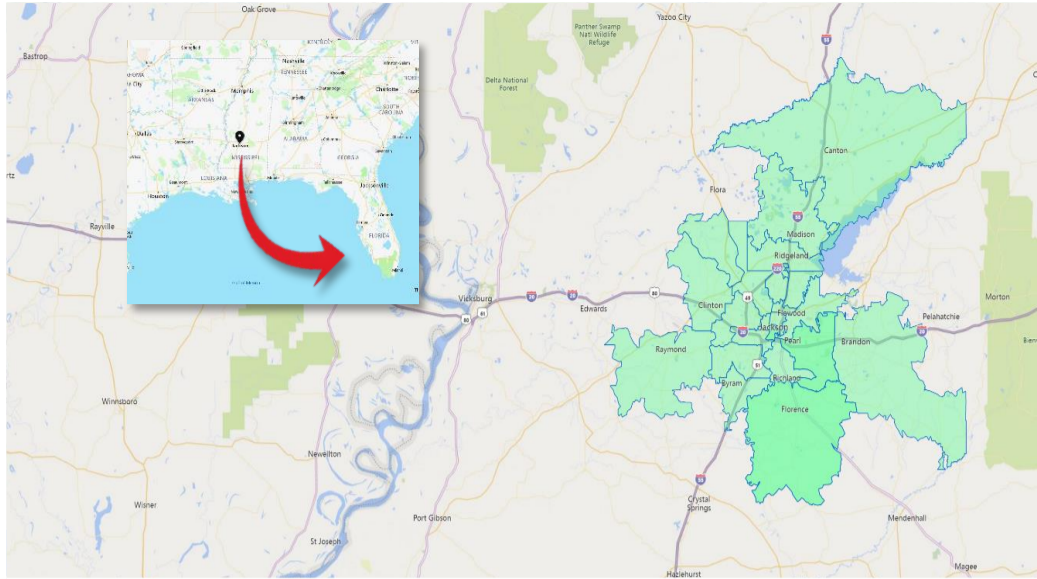


Trends and Risks

Source: Kalibri Labs, Newmark



Location



Quick Facts

Jurisdictional Information		Source: US Census Bureau, Dept. of Labor Statistics
Municipal Name:	Jackson	
County:	Hinds County, Madison County, Rankin County	
State:	Mississippi	
Geo Coordinates (market center):	32.31583, -90.21282	
Major Hotel Demand Generators		
University of Mississippi Medical Center   Merit Health   Nissan   Baptist Health Systems   Cal-Maine Foods Inc.   St. Dominic   AT&T   Wal-Mart Stores Inc.   G.V. (Sonny) Montgomery Medical Center   Jackson State University   Mississippi State Hospital   River Oaks Health System   Central MS Medical Center   Kroger   Comcast   Trustmark   Delphi Auto Systems   Hinds Community College   Peco Foods of MS Inc.   Hudspeth Regional Center		
Metrics and Ranking		Measurements
Population (hotel market area)		360,985
Income per Capita		\$35,308
Feeder Group Size		59.0 Persons PSR
Feeder Group Earnings		\$2,081,694 PSR
Total Market Hotel Revenues		\$219.7 million
		Rankings
		95th of 104 (Small)
		94th of 104 (Soft)
		32nd of 104 (Above Average)
		15th of 104 (Above Average)
		99th of 104 (Soft)

Key Performance Metrics

Data provided by: **kalibri LABS**

YEAR ENDING	Occ %	Guest Paid ADR	RevPAR	COPE ADR	RevPAR	Booking Cost POR	ADR COPE %	Loyalty %	Avg Length of Stay Nights	Supply Rooms	Performance Index (LPI)
2015	59.7%	\$76.63	\$45.72	\$72.06	\$42.99	\$4.57	94.0%	41.5%	1.93	10,100	0.48
2016	59.6%	\$77.87	\$46.38	\$73.02	\$43.49	\$4.85	93.8%	44.1%	1.90	10,140	0.60
2017	58.4%	\$80.00	\$46.74	\$74.69	\$43.64	\$5.31	93.4%	47.8%	1.87	10,270	0.45
2018	55.6%	\$81.79	\$45.46	\$76.14	\$42.32	\$5.65	93.1%	50.4%	1.86	10,010	0.47
2019	58.5%	\$84.69	\$49.54	\$78.81	\$46.10	\$5.88	93.1%	56.2%	1.90	11,140	0.67
2020	49.2%	\$73.13	\$36.20	\$68.57	\$33.77	\$4.56	93.8%	39.5%	2.18	10,940	1.08
2021	60.0%	\$86.48	\$52.03	\$80.82	\$48.49	\$5.66	93.5%	42.9%	1.98	10,860	0.89
2022	59.8%	\$89.79	\$53.70	\$83.83	\$50.17	\$5.96	93.4%	43.4%	1.98	10,980	0.59
2023	59.5%	\$91.99	\$54.81	\$85.86	\$51.11	\$6.13	93.3%	43.6%	2.02	11,070	0.72
<b>CAGR: 2015 thru 2023</b>	<b>0.0%</b>	<b>2.3%</b>	<b>2.3%</b>	<b>2.2%</b>	<b>2.2%</b>	<b>3.7%</b>	<b>-0.1%</b>	<b>0.6%</b>	<b>0.6%</b>	<b>1.2%</b>	<b>5.1%</b>
<b>1Q 2023</b>	56.3%	\$93.93	\$52.85	\$87.71	\$49.35	\$6.22	93.4%	47.0%	2.01	10,770	0.62
<b>1Q 2024</b>	56.3%	\$102.15	\$57.51	\$95.35	\$53.68	\$6.80	93.3%	51.9%	2.00	10,310	0.75

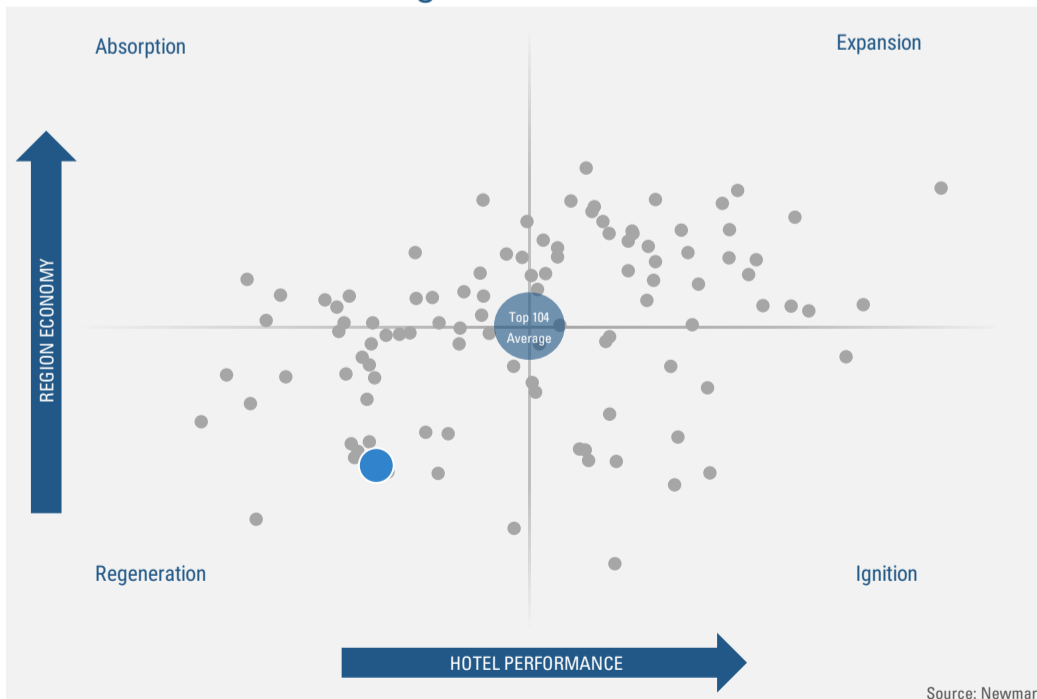
Notable Metrics

	T12-Month Booking Costs POR	Latest-Quarter Booking Costs POR	Feeder Group Earnings per sold room
<b>HIGHEST</b>	<b>2nd Very Strong</b> Jackson, MS enjoyed low T12-month booking costs POR (\$6.72)	<b>4th Strong</b> The market enjoyed low latest-quarter booking costs POR (\$6.80)	<b>15th Above Average</b> The market also posted strong feeder group earnings per sold room (\$2,081,694)
<b>LOWEST</b>	<b>101st Soft</b> This market posted weak T12-month COPE RevPAR (\$54.65)	<b>101st Soft</b> The market has been hindered by weak T12-month Guest Paid RevPAR (\$58.58)	<b>100th Highly Unfavorable</b> Jackson, MS also posted unfavorable IRR metrics in the select-service segment (12.3%)

Notable Trends

	Long-Term Historical Supply Growth	Short-Term Historical Loyalty Contribution Growth	T12-Month Rooms Supply Growth
<b>STRONGEST</b>	<b>2nd Very Strong</b> Jackson, MS has benefited from low long-term historical supply growth (-0.3%)	<b>6th Strong</b> The market enjoyed strong short-term historical loyalty contribution growth (6.2%)	<b>6th Strong</b> The market also exhibited low rooms supply growth over the last 12 months (-4.2%)
<b>WEAKEST</b>	<b>101st Soft</b> The market has been burdened by high short-term historical supply growth (-1.1%)	<b>97th Soft</b> We note this area posted weak general economic reverence (per-capita unemployment, GDP and other indicators)	<b>85th Below Average</b> Jackson, MS also has been impeded by high short-term historical growth in booking costs (4.4%)

Market Performance Stage



Jackson, MS: Regeneration Stage

The Jackson, MS 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.

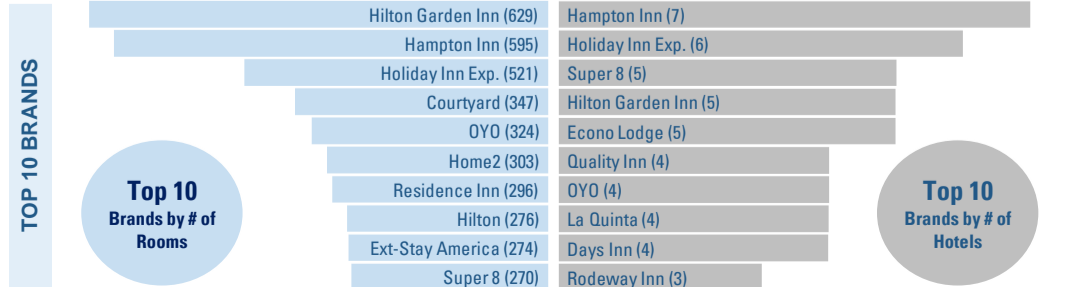
Other Stages:

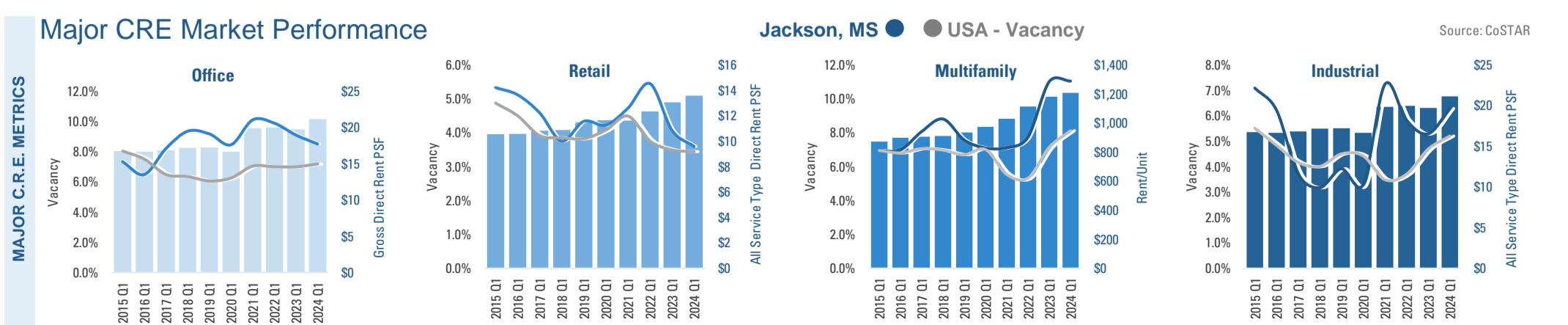
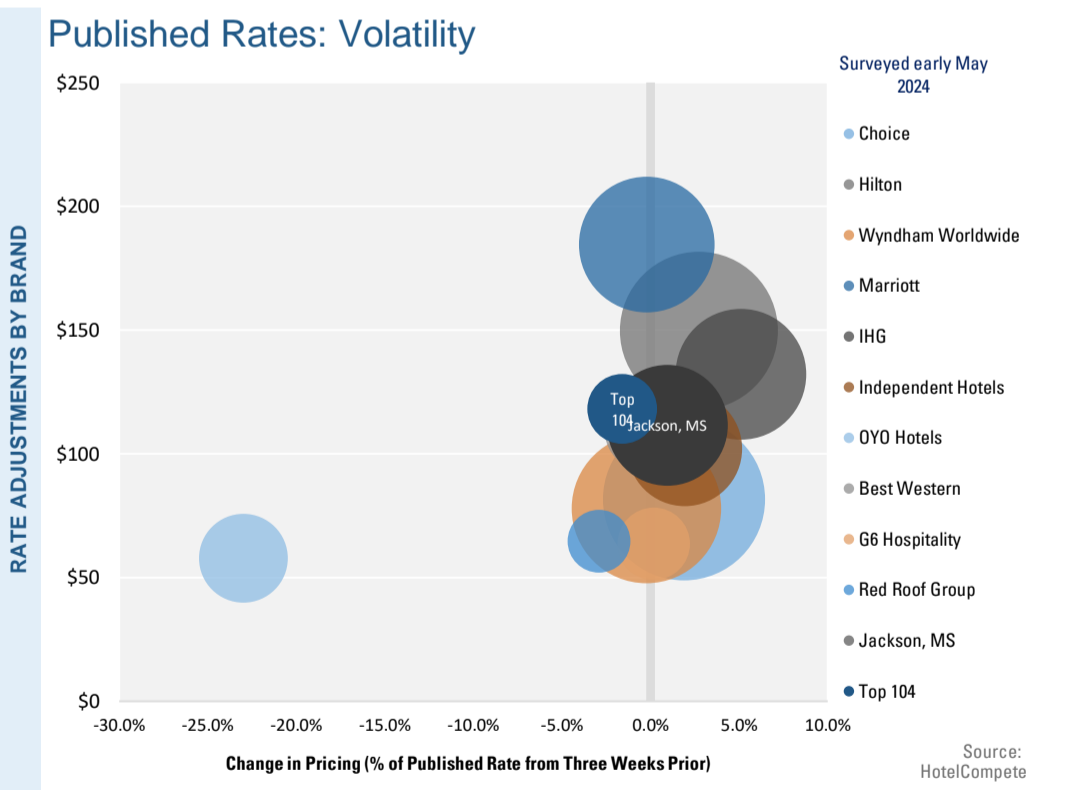
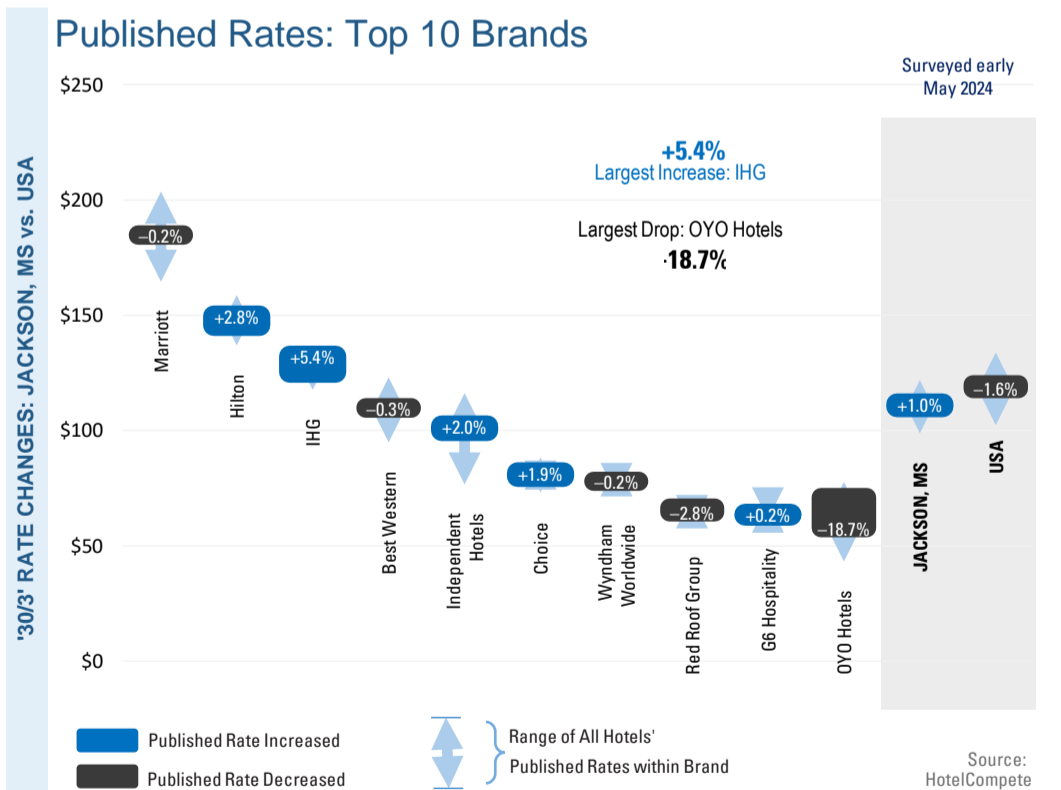
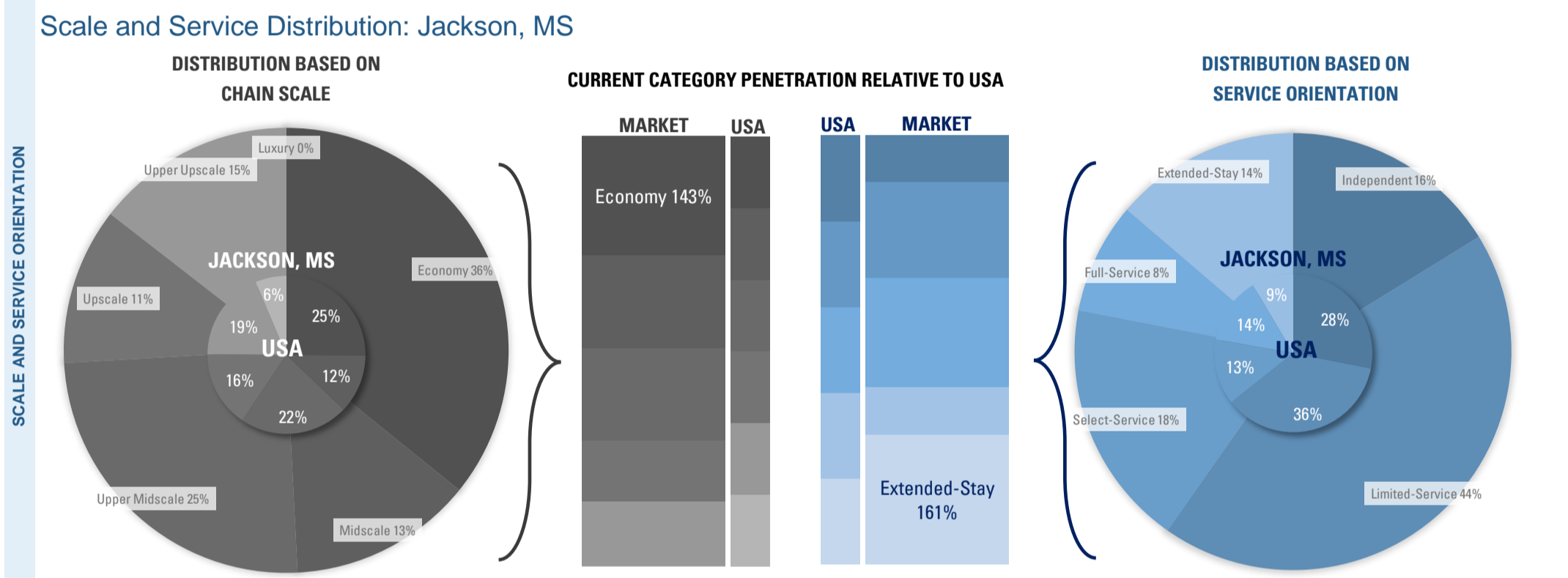
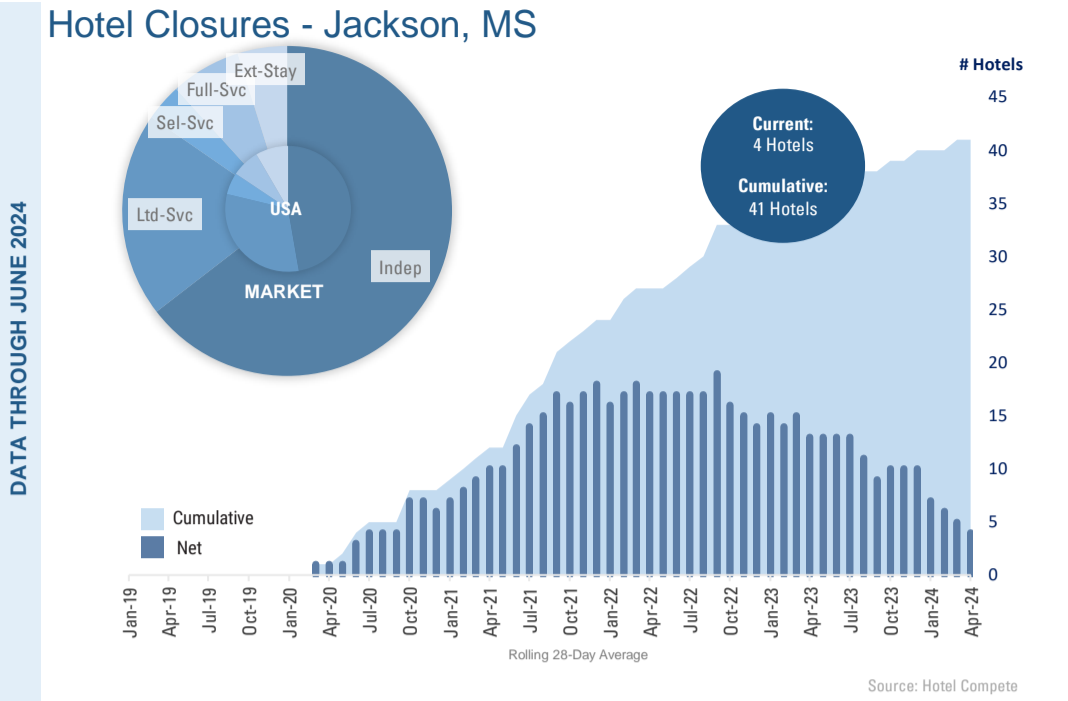
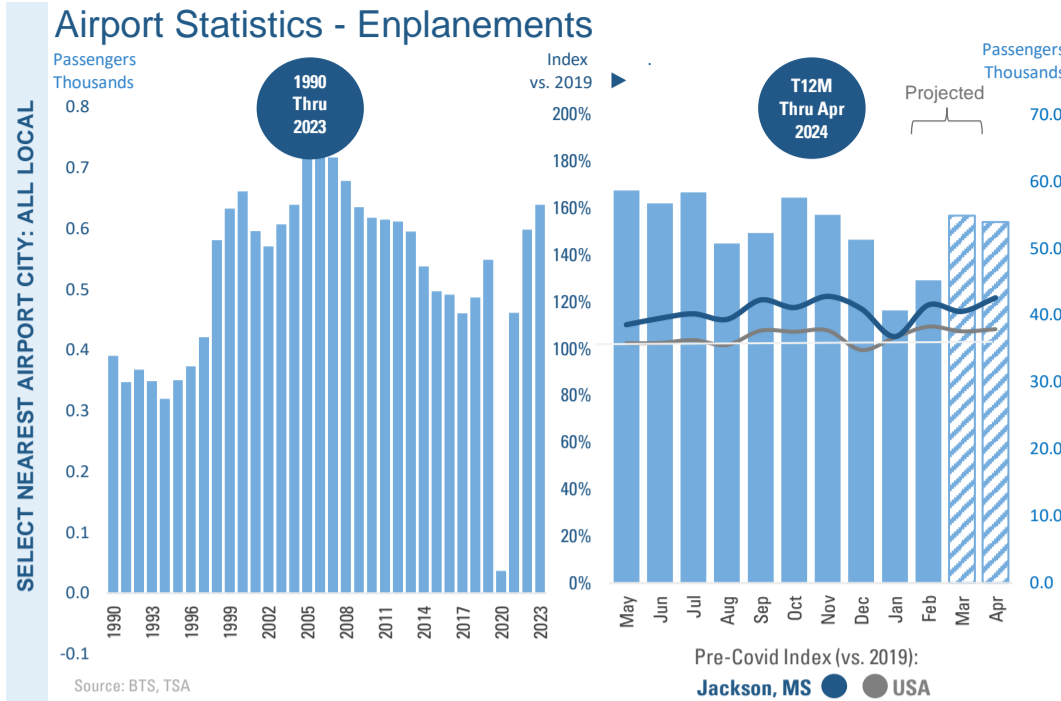
- Ignition:** In the 'Ignition' stage, hotels typically perform adequately for operators to enjoy positive returns, with confidence the economy will remain fully recovered from the pandemic. While the regional economy continues to recover, strong hotel performance locally is igniting expansion in certain 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

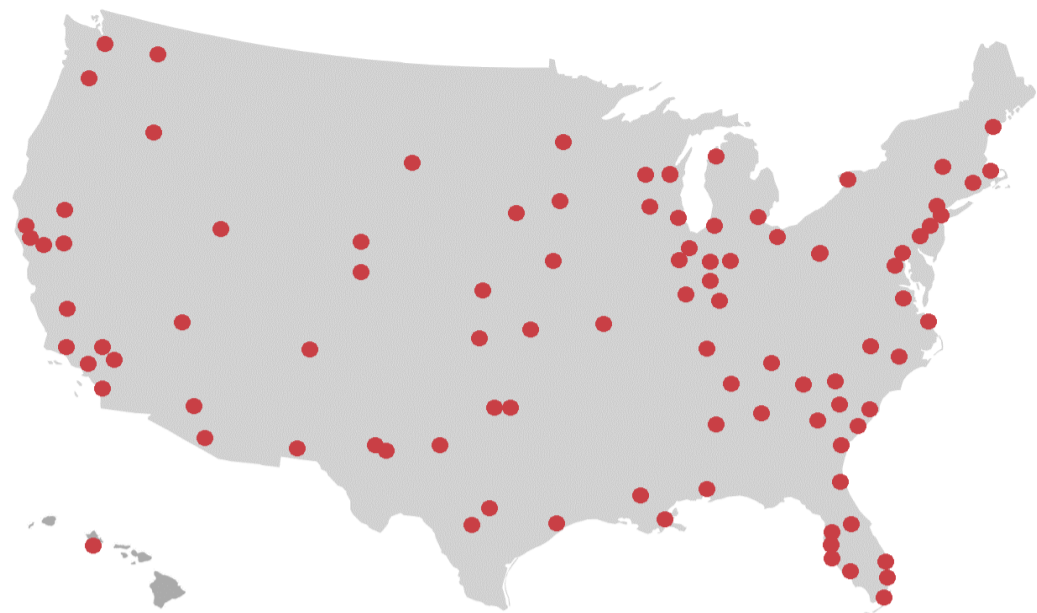
**MOODY'S ANALYTICS**  
 Business Cycle: **Expansion**  
 Employment Growth (2 yr): **0.8%**  
 Risk Exposure (402 US markets): **99th Percentile: High Risk**  
 Key Industry Notes:  
 Rising educational workforce  
 Presence of large hospitals  
 Poor and failing infrastr  
 Weak net migration  
 Heavy dependence on public sector

**Moody's Rating**  
**NR**  
 This market is not rated by Moody's





# 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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### Gaming Facilities

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### Golf Courses

### Marinas

### Ski and Village Resorts

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