

# NEWMARK

1Q 2024

## Hotel Market Nsights Report

SALT LAKE CITY, UT



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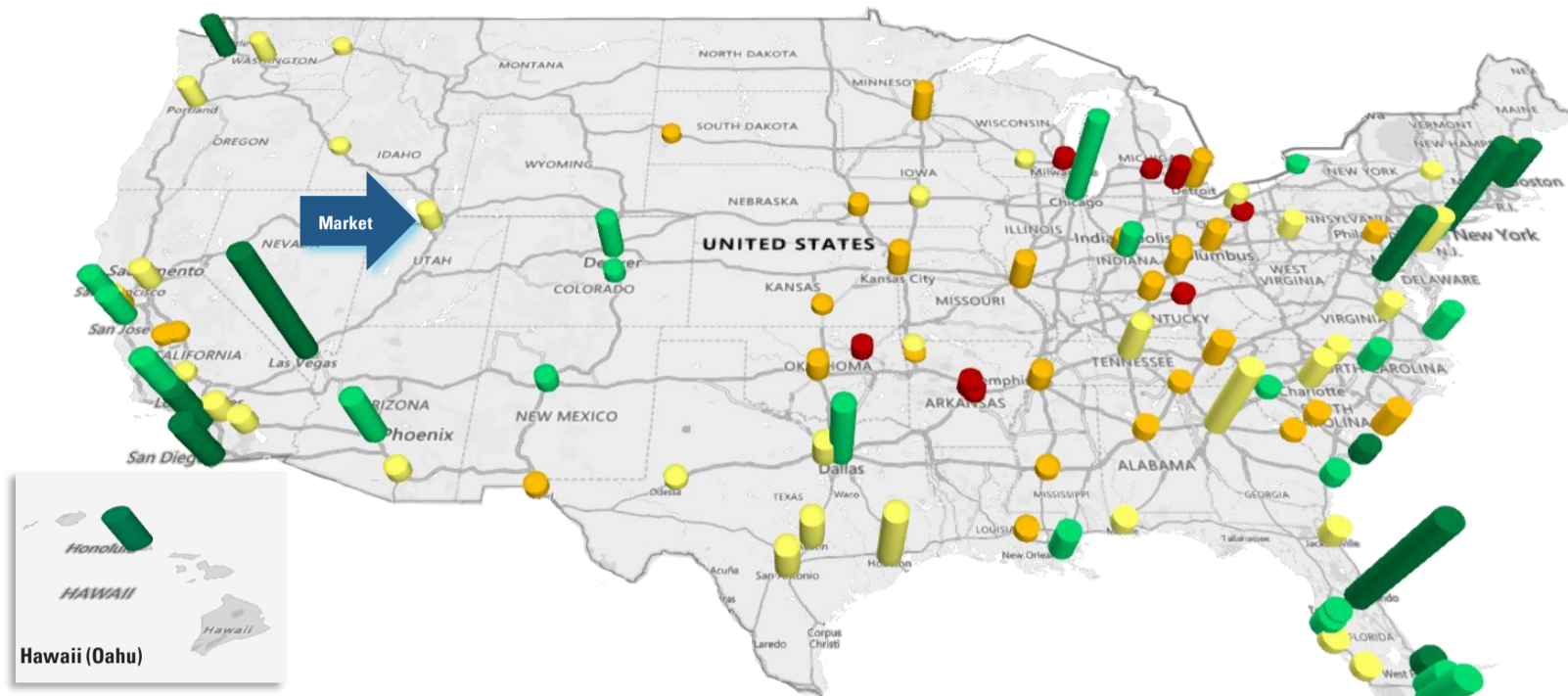
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1Q 2024  
SALT LAKE CITY, UT

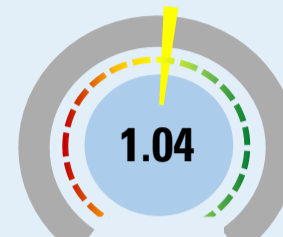


Lodging Performance Index Snapshot



LODGING PERFORMANCE INDEX

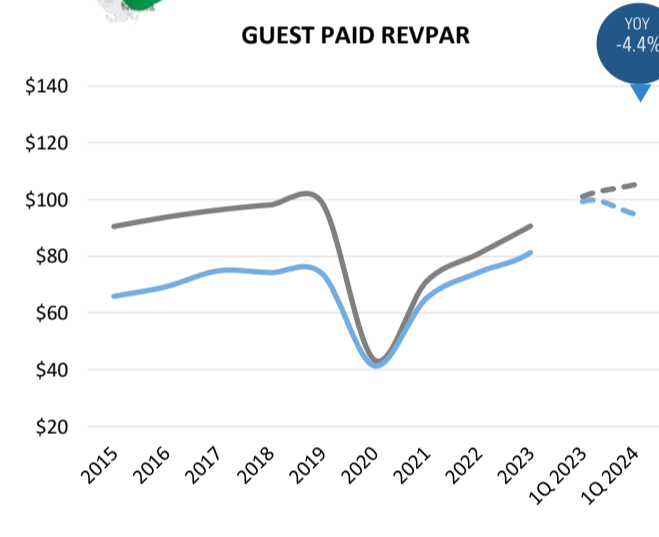
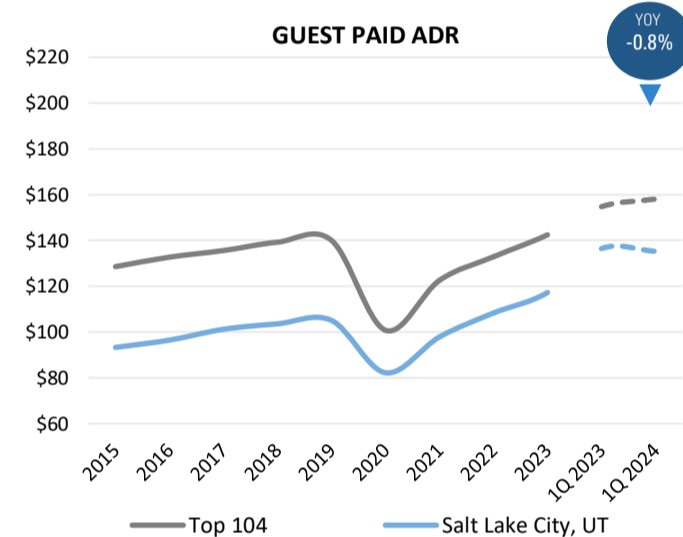
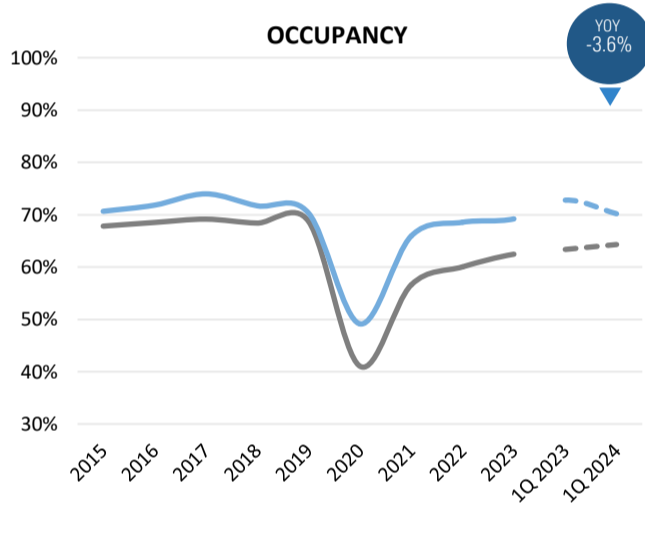
Salt Lake City, UT



49th of 104  
Average

Ranking of overall '1Q 2024 LPI' performance (1.04) against all 104 surveyed markets.

KEY PERFORMANCE METRICS

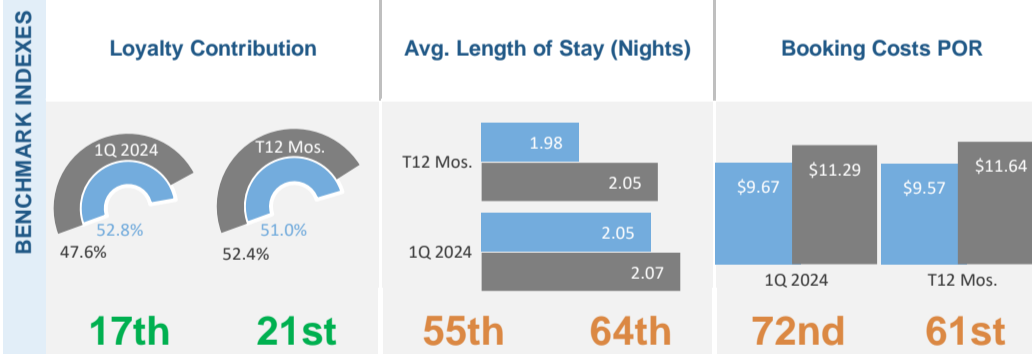


Key Performance Indexes

● Subject Market ● Top 104

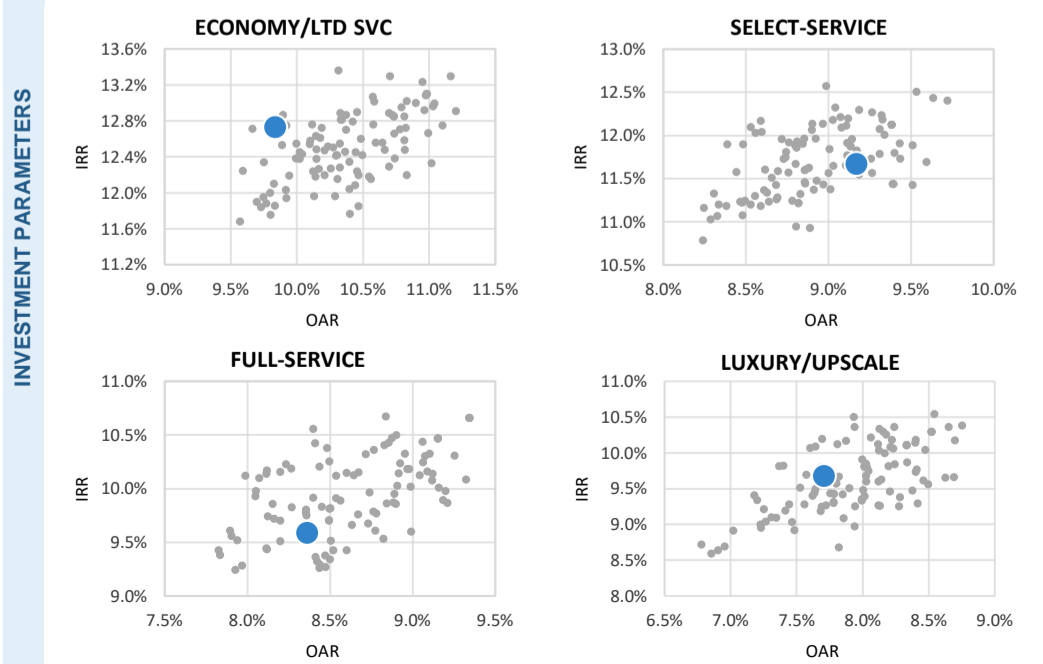


Key Benchmark Indexes



Discount and Capitalization Rates

Source: Newmark

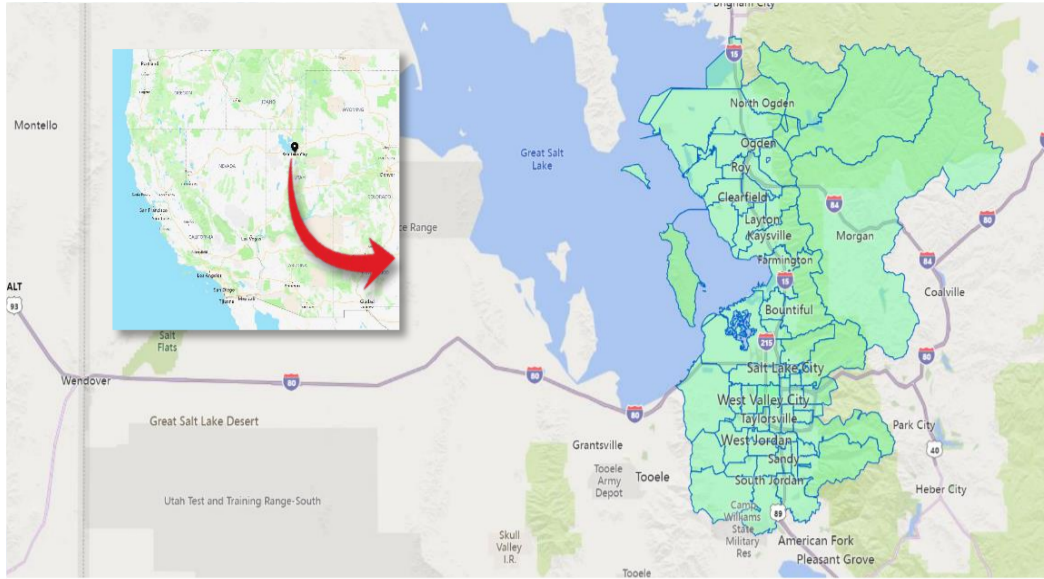


Trends and Risks

Source: Kalibri Labs, Newmark



Location



Quick Facts

<b>Jurisdictional Information</b>		Source: US Census Bureau, Dept. of Labor Statistics
Municipal Name:	Salt Lake City	
County:	Salt Lake County	
State:	Utah	
Geo Coordinates (market center):	40.76078, -111.89105	
<b>Major Hotel Demand Generators</b>		
University of Utah   Intermountain Health Care Inc.   Wal-Mart Stores Inc.   Delta Airlines   Smith's Food & Drug   Discover Products Inc.   Zions Bancorp.   C.R. England Inc.   L-3 Communications Corp.   Department of Veterans Affairs   Salt Lake City Park   ARUP Laboratories   Salt Lake City Community College   Wells Fargo Bank   Jet Blue Airways Corp.   Dental Select   Harmons Grocery   Skywest Airlines   United Parcel Service   Goldman Sachs and Co.		
<b>Metrics and Ranking</b>		<b>Measurement</b>
Population (hotel market area)	1,587,159	<b>Rankings</b>
Income per Capita	\$54,009	40th of 104 (Average)
Feeder Group Size	89.6 Persons PSR	32nd of 104 (Above Average)
Feeder Group Earnings	\$4,841,210 PSR	71st of 104 (Below Average)
Total Market Hotel Revenues	\$854.1 million	80th of 104 (Below Average)
		45th 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	70.6%	\$93.28	\$65.90	\$85.74	\$60.57	\$7.54	91.9%	44.1%	2.10	22,480	1.16
2016	71.8%	\$96.47	\$69.28	\$88.52	\$63.57	\$7.95	91.8%	45.5%	2.00	22,730	0.99
2017	74.0%	\$101.20	\$74.87	\$92.62	\$68.51	\$8.59	91.5%	46.9%	2.00	22,960	1.27
2018	71.7%	\$103.57	\$74.26	\$94.72	\$67.92	\$8.85	91.5%	49.0%	1.98	23,430	1.03
2019	70.3%	\$105.07	\$73.87	\$96.09	\$67.55	\$8.99	91.4%	53.6%	1.93	24,870	1.06
2020	49.1%	\$82.21	\$41.41	\$76.45	\$37.57	\$5.76	93.0%	41.1%	2.24	24,500	1.18
2021	65.9%	\$97.85	\$65.15	\$90.55	\$59.69	\$7.30	92.5%	42.5%	2.12	24,900	1.09
2022	68.6%	\$108.30	\$74.31	\$100.26	\$68.73	\$8.04	92.6%	43.7%	2.11	25,030	1.19
2023	69.2%	\$117.26	\$81.37	\$108.67	\$75.20	\$8.59	92.7%	44.3%	2.10	25,120	1.15
<b>CAGR: 2015 thru 2023</b>	<b>-0.3%</b>	<b>2.9%</b>	<b>2.7%</b>	<b>3.0%</b>	<b>2.7%</b>	<b>1.6%</b>	<b>0.1%</b>	<b>0.1%</b>	<b>0.0%</b>	<b>1.4%</b>	<b>-0.1%</b>
<b>1Q 2023</b>	72.8%	\$136.42	\$99.27	\$126.73	\$92.22	\$9.69	92.9%	49.7%	2.06	24,780	1.23
<b>1Q 2024</b>	70.2%	\$135.27	\$94.93	\$125.60	\$88.15	\$9.67	92.9%	52.8%	2.05	25,240	1.04

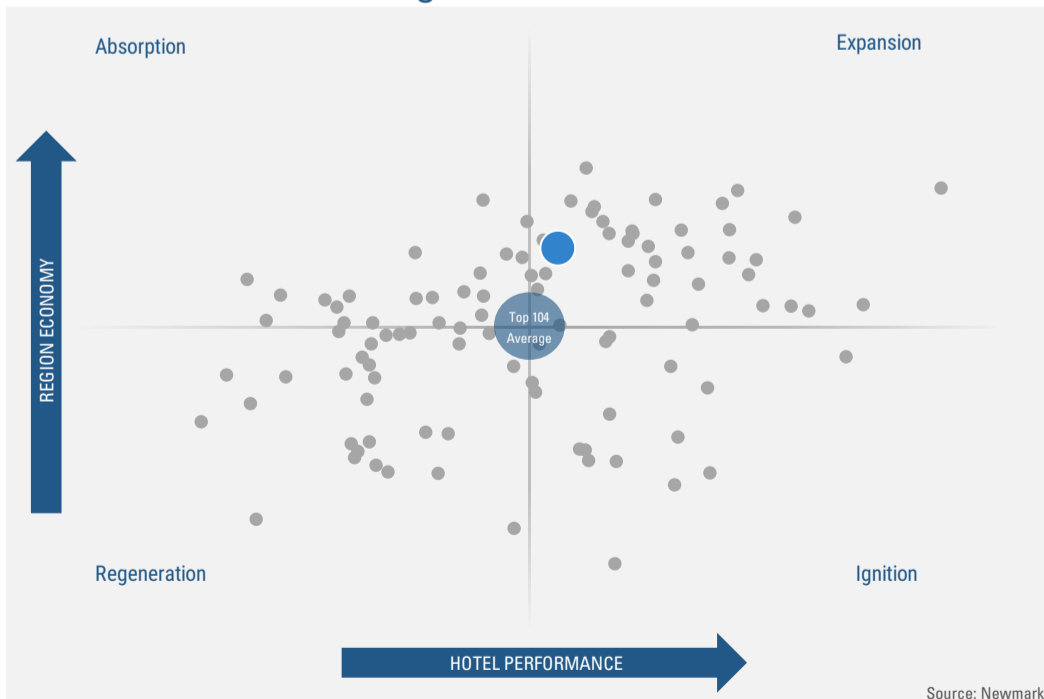
Notable Metrics

HIGHEST	OAR: Economy/Ltd Svc	Latest-Quarter Occupancy	Latest-Quarter Occupancy
	<b>13th Favorable</b> Salt Lake City, UT exhibited favorable OAR metrics in the economy/ltd svc segment (9.8%)	<b>18th Above Average</b> The market enjoyed strong latest-quarter occupancy (70.2%)	<b>18th Above Average</b> The market also enjoyed strong latest-quarter occupancy (70.2%)
LOWEST	OAR: Select-Service	T12-Month COPE ADR Percentage	T12-Month COPE ADR Percentage
	<b>80th Unfavorable</b> This market exhibited unfavorable OAR metrics in the select-service segment (9.2%)	<b>72nd Below Average</b> The market has been hampered by weak T12-month COPE ADR percentage (92.7%)	<b>72nd Below Average</b> Salt Lake City, UT also has been hampered by weak T12-month COPE ADR percentage (92.7%)

Notable Trends

STRONGEST	Short-Term Historical Loyalty Contribution Growth	General Economy Reversion	Long-Term Historical Loyalty Contribution Growth
	<b>17th Above Average</b> Salt Lake City, UT enjoyed strong short-term historical loyalty contribution growth (5.3%)	<b>21st Above Average</b> The market enjoyed strong general economic reversion (per-capita unemployment, GDP and other indicators)	<b>23rd Above Average</b> The market also exhibited strong long-term historical loyalty contribution growth (4.6%)
WEAKEST	Long-Term Historical Average Length of Stay Growth	T12-Month Rooms Supply Growth	Short-Term Historical Average Length of Stay Growth
	<b>89th Below Average</b> The market exhibited weak long-term historical average length of stay growth (-0.5%)	<b>78th Below Average</b> We note this area has been hindered by high rooms supply growth over the last 12 months (1.8%)	<b>78th Below Average</b> Salt Lake City, UT also exhibited weak short-term historical average length of stay growth (0.3%)

Market Performance Stage



Salt Lake City, UT: Expansion Stage

The Salt Lake City, UT 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:

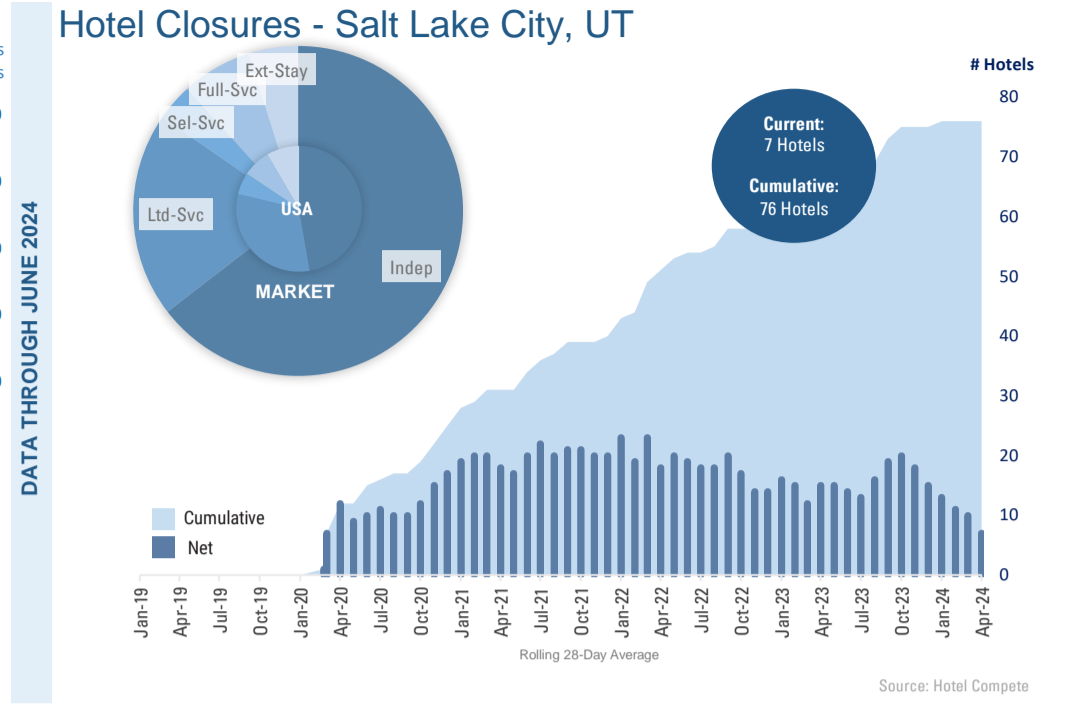
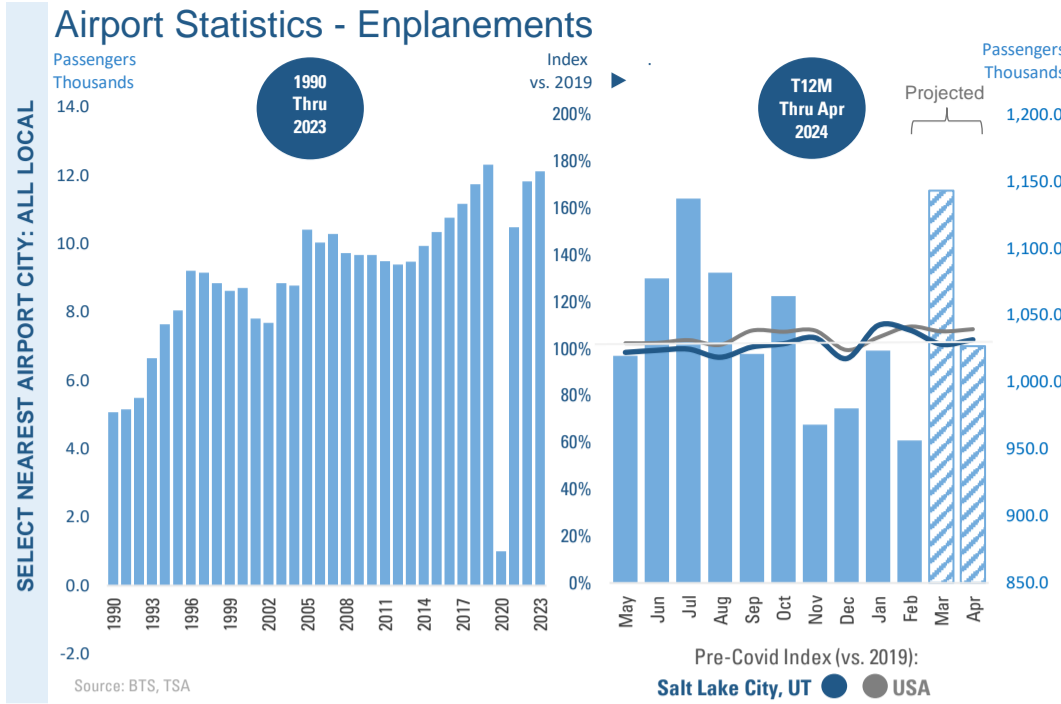
- Regeneration:** In the 'Regeneration' stage, hotels and the underlying economy are underperforming. The highest and best uses of hotel assets are still being challenged by lingering pandemic impacts, oversupply, weak economic indicators, and/or poor corporate contribution. Hotel investors look for 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

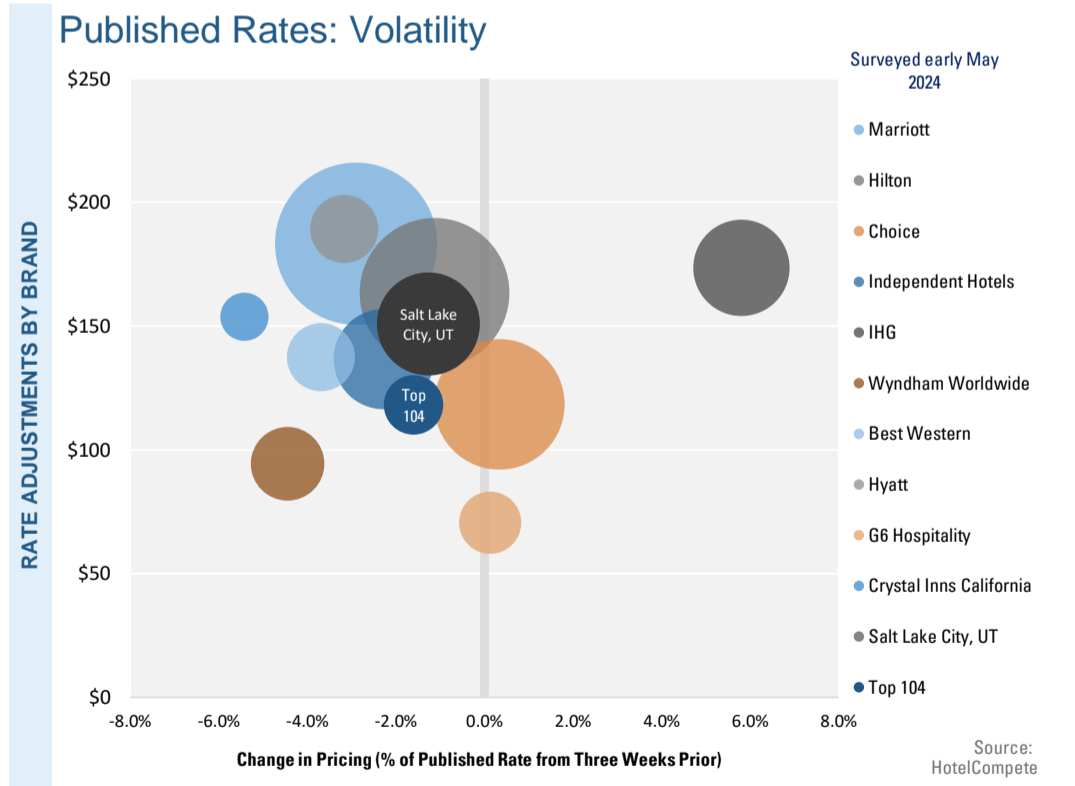
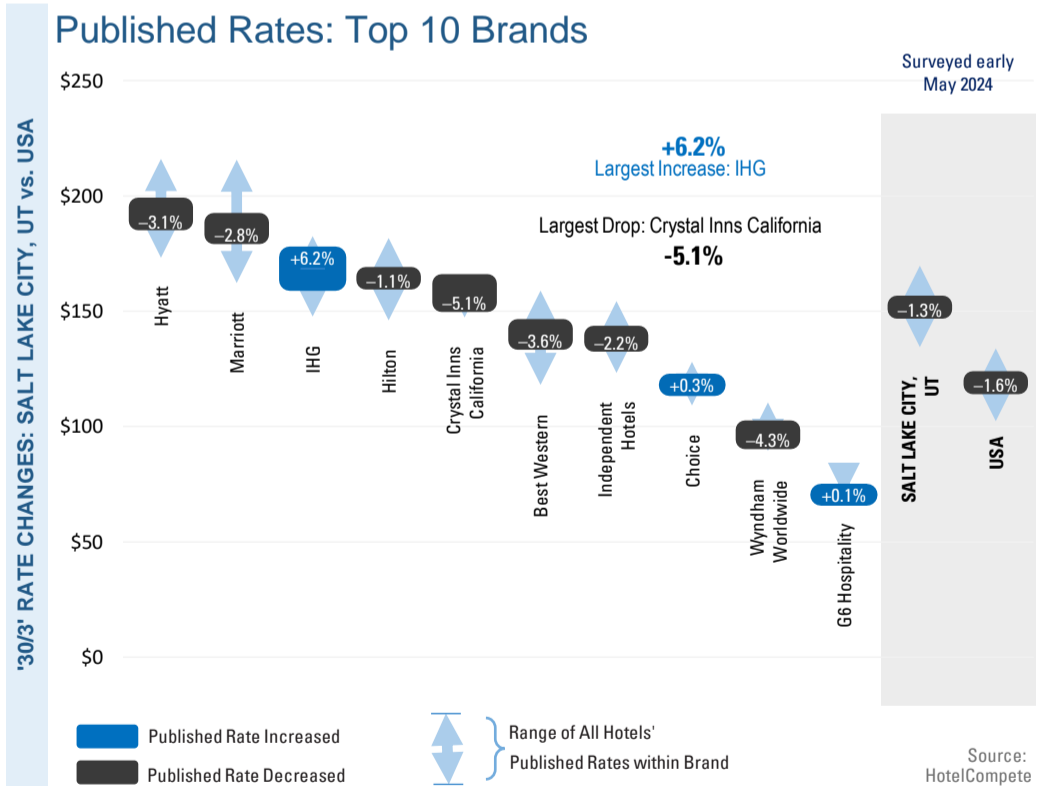
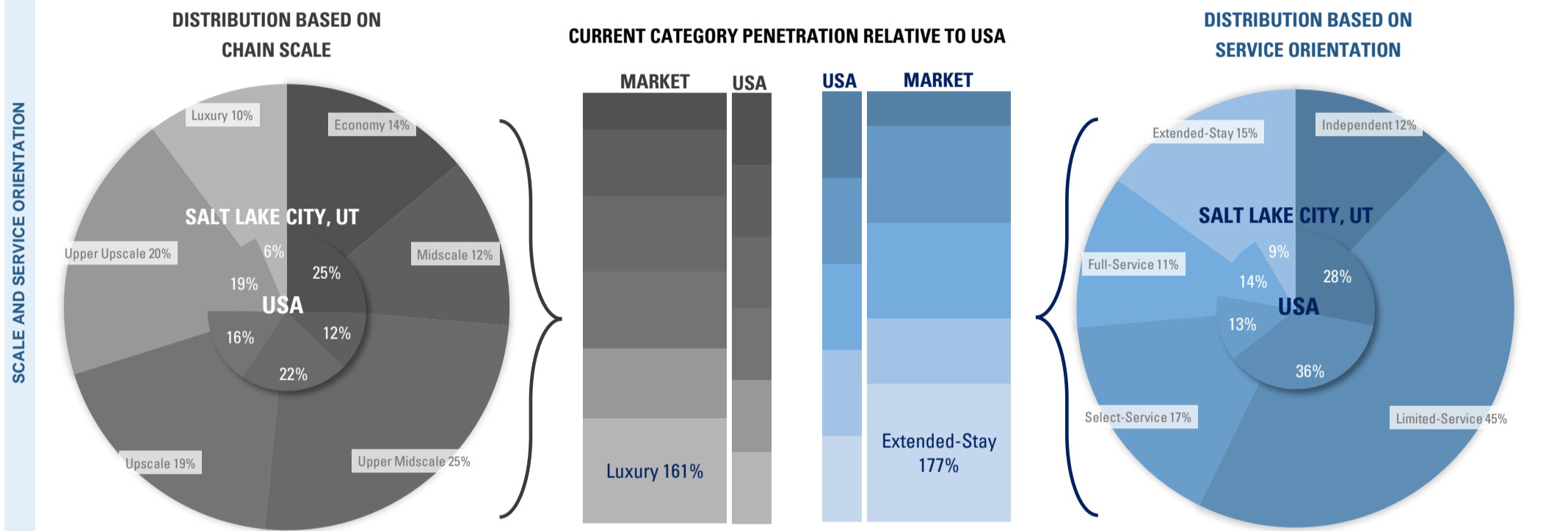
**MOODY'S ANALYTICS**  
 Business Cycle: **At Risk**  
 Employment Growth (2 yr): **1.7%**  
 Risk Exposure (402 US markets): **19th Percentile: Below Average**  
 Key Industry Notes:  
 Stable employment and research  
 High positive population growth  
 Many high-wage tech jobs  
 Low business costs  
 Low office space availability

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

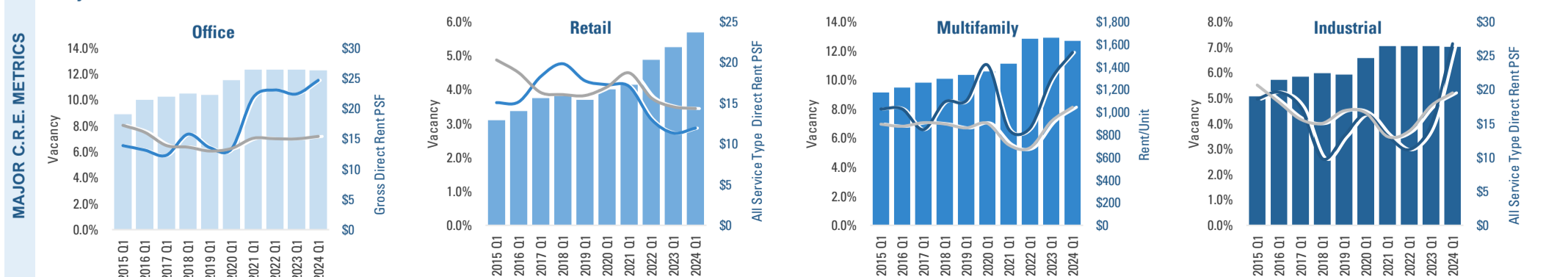




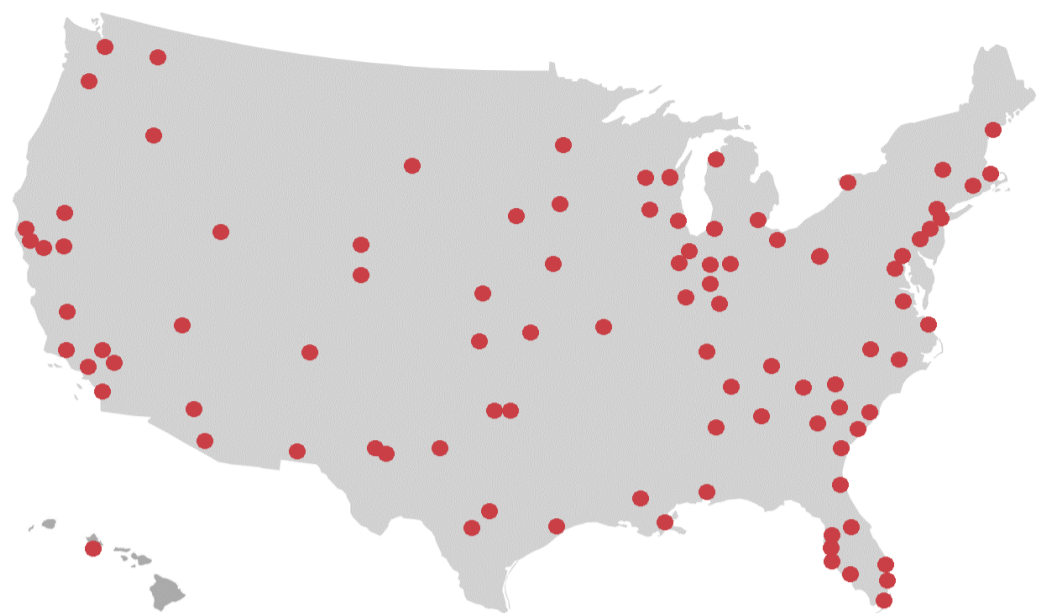
## Scale and Service Distribution: Salt Lake City, UT



## 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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