

NEWMARK

1Q 2024

Hotel Market Nsights Report

SARASOTA, FL



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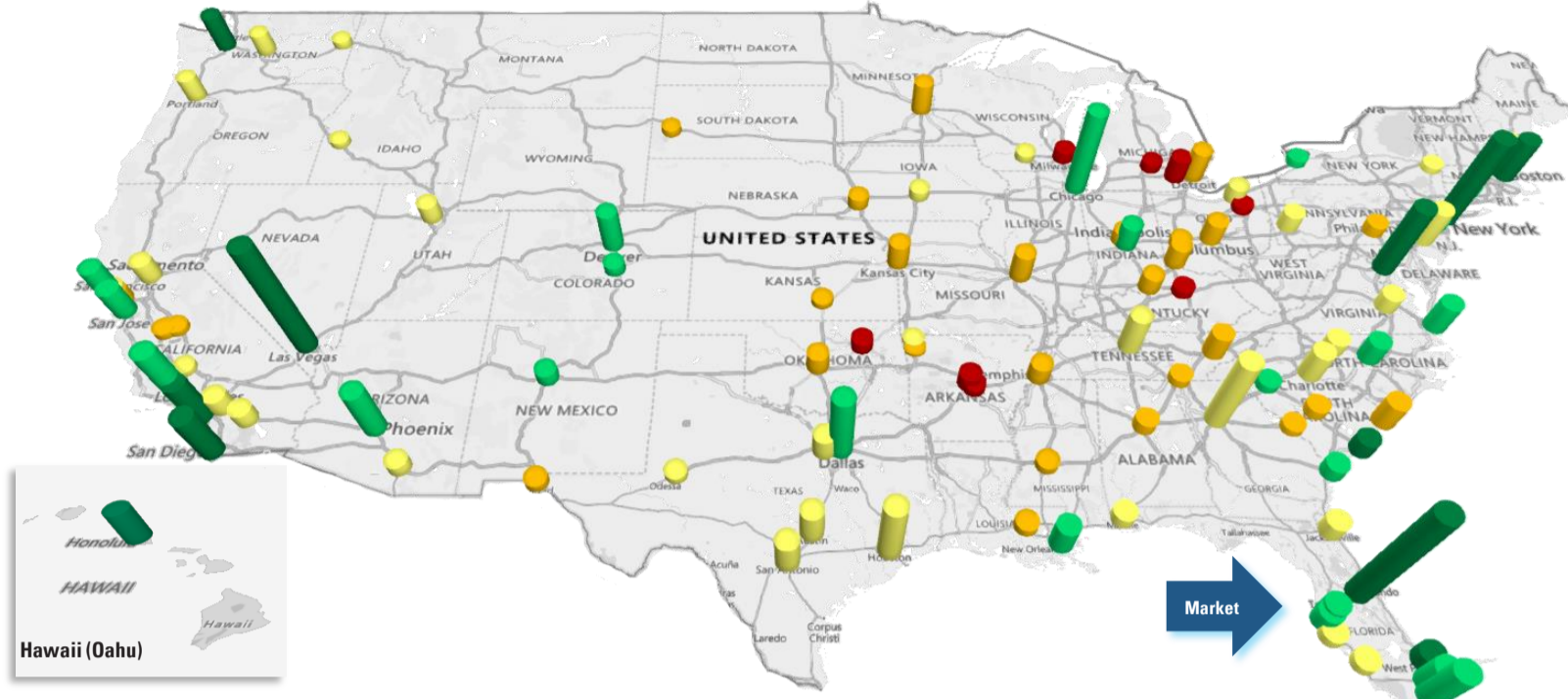
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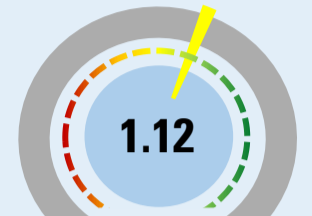


Lodging Performance Index Snapshot



LODGING PERFORMANCE INDEX

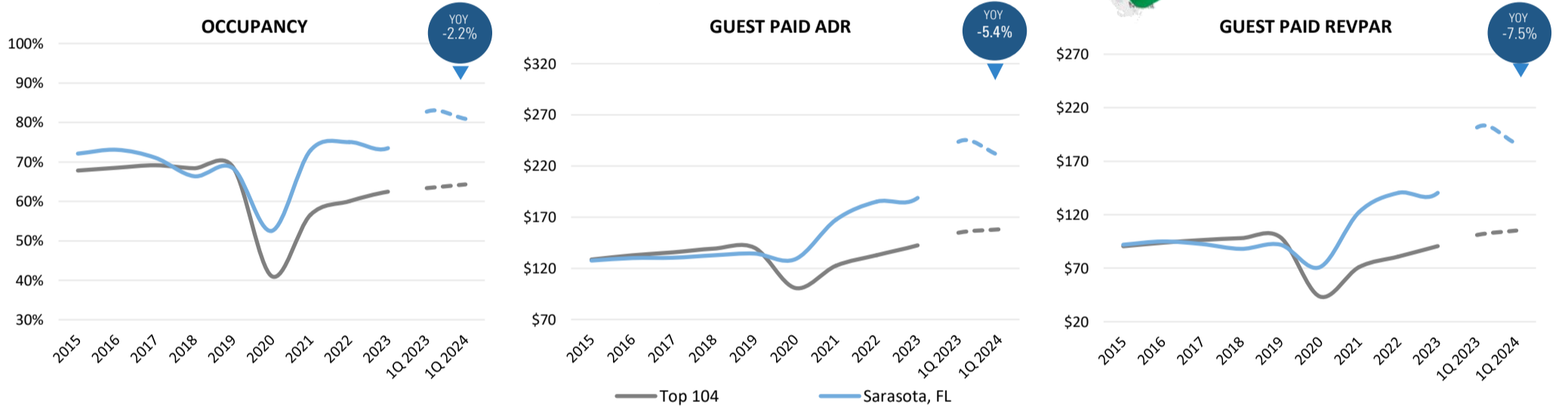
Sarasota, FL



37th of 104
Average

Ranking of overall '1Q 2024 LPI' performance (1.12) against all 104 surveyed markets.

KEY PERFORMANCE METRICS



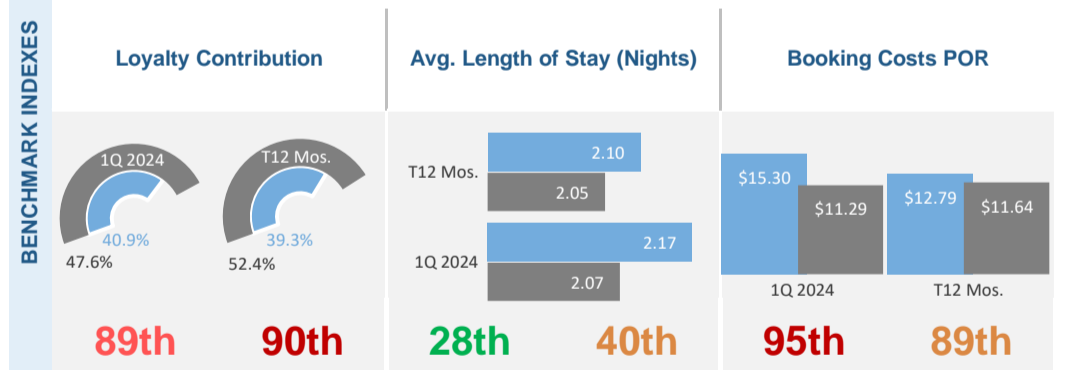
PERFORMANCE INDEXES

Key Performance Indexes

● Subject Market ● Top 104

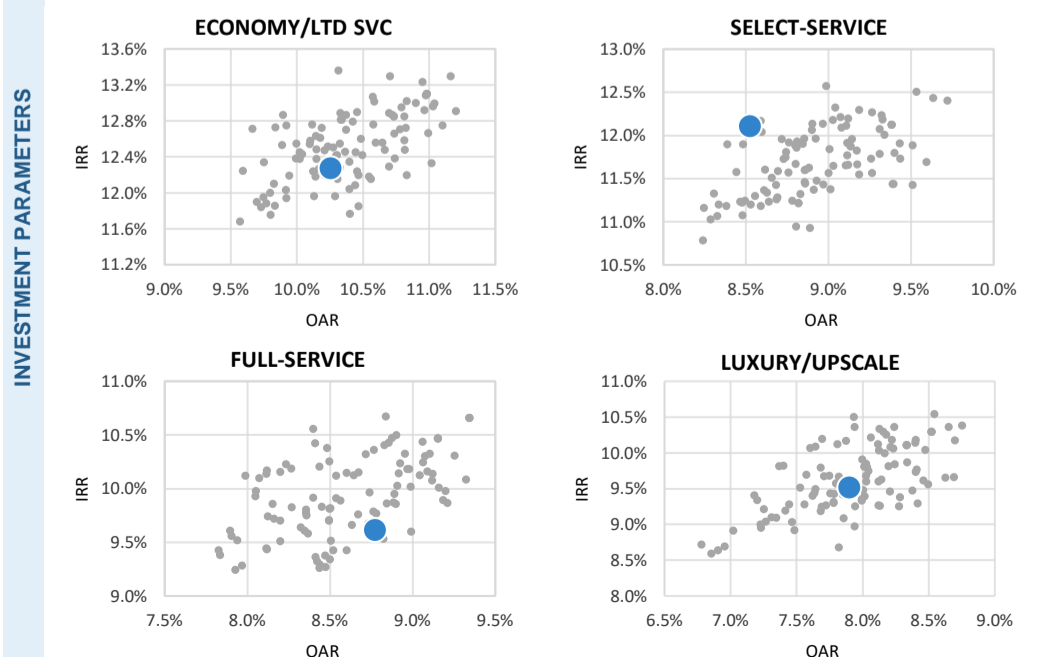


Key Benchmark Indexes



Discount and Capitalization Rates

Source: Newmark

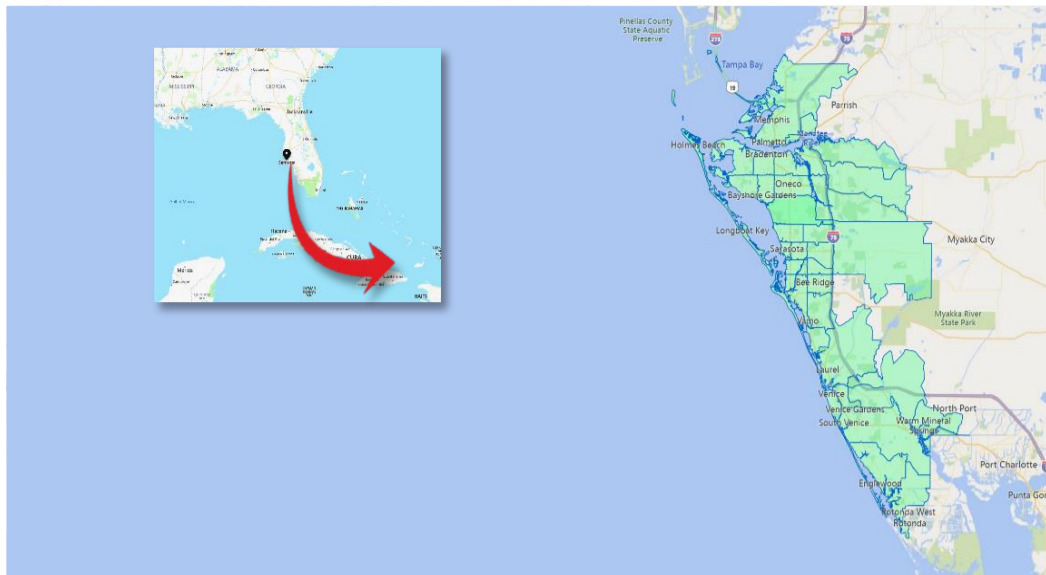


Trends and Risks

Source: Kalibri Labs, Newmark



Location



Quick Facts

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

Municipal Name: Sarasota
 County: Sarasota County
 State: Florida
 Geo Coordinates (market center): 27.33643, -82.53065

Major Hotel Demand Generators

Sarasota Memorial Health Care System | Publix Super Markets Inc. | PGT Industries | Bealls Inc. | Bon Secours Venice Hospital | Wal-Mart Stores Inc. | Venice Regional Medical Center | Manatee Memorial Hospital | Tropicana North America | Charter One Hotels | Sarasota Family YMCA | Winn-Dixie Stores Inc. | Blake Medical Center | SunTrust Bank Inc. | Nielsen Media Research | IMG Academy | Goodwill Industries | Target Corp. | Sun Hydraulics | TriNet

Metrics and Ranking	Measurement	Rankings
Population (hotel market area)	586,964	77th of 104 (Below Average)
Income per Capita	\$45,073	63rd of 104 (Average)
Feeder Group Size	69.6 Persons PSR	48th of 104 (Average)
Feeder Group Earnings	\$3,135,054 PSR	40th of 104 (Average)
Total Market Hotel Revenues	\$566.7 million	59th 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	72.1%	\$127.55	\$91.96	\$117.96	\$85.05	\$9.59	92.5%	44.6%	2.27	9,270	1.43
2016	73.1%	\$130.01	\$95.00	\$120.07	\$87.74	\$9.94	92.4%	45.5%	2.18	9,270	1.33
2017	71.0%	\$130.34	\$92.59	\$120.14	\$85.35	\$10.20	92.2%	45.2%	2.15	9,310	1.27
2018	66.4%	\$132.71	\$88.07	\$122.43	\$81.25	\$10.27	92.3%	50.3%	2.06	9,750	0.99
2019	68.4%	\$134.40	\$91.97	\$123.80	\$84.71	\$10.61	92.1%	57.2%	1.96	11,130	1.07
2020	52.5%	\$128.93	\$70.96	\$119.44	\$62.73	\$9.49	92.6%	35.7%	2.06	11,270	1.48
2021	72.9%	\$167.53	\$122.45	\$154.71	\$112.80	\$12.82	92.3%	35.9%	2.14	11,500	1.57
2022	75.0%	\$185.20	\$140.45	\$171.51	\$128.67	\$13.69	92.6%	36.2%	2.17	11,570	1.66
2023	73.5%	\$188.81	\$140.43	\$175.15	\$128.72	\$13.66	92.8%	36.6%	2.15	11,630	1.01
CAGR: 2015 thru 2023	0.2%	5.0%	5.4%	5.1%	5.3%	4.5%	0.0%	-2.4%	-0.7%	2.9%	-4.2%
1Q 2023	82.7%	\$243.63	\$201.53	\$228.02	\$188.61	\$15.61	93.6%	39.5%	2.22	11,760	1.48
1Q 2024	80.9%	\$230.44	\$186.45	\$215.14	\$174.07	\$15.30	93.4%	40.9%	2.17	11,880	1.12

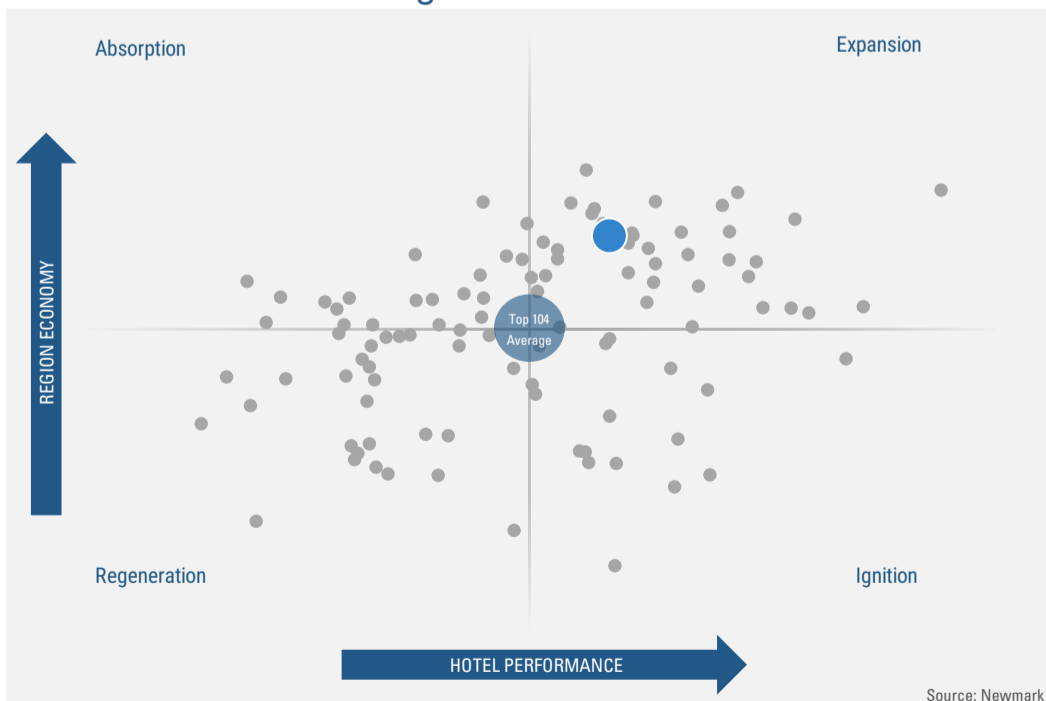
Notable Metrics

	Latest-Quarter Occupancy	Latest-Quarter COPE RevPAR	Latest-Quarter Guest Paid RevPAR
HIGHEST	3rd Very Strong Sarasota, FL enjoyed strong latest-quarter occupancy (80.9%)	4th Strong The market benefited from strong latest-quarter COPE RevPAR (\$174.07)	5th Strong The market also benefited from strong latest-quarter Guest Paid RevPAR (\$186.45)
	Latest-Quarter Booking Costs POR	T12-Month Loyalty Contribution	T12-Month Booking Costs POR
LOWEST	95th Soft This market has been burdened by high latest-quarter booking costs (\$15.30)	90th Soft The market has been hindered by weak T12-month loyalty contribution (39.3%)	89th Below Average Sarasota, FL also was burdened by high T12-month booking costs POR (\$12.79)

Notable Trends

	Short-Term Historical Supply Growth	General Economy Reversion	Short-Term Historical COPE RevPAR Growth
STRONGEST	3rd Very Strong Sarasota, FL has benefited from low short-term historical supply growth (4.6%)	17th Above Average The market enjoyed strong general economic reversion (per-capita unemployment, GDP and other indicators)	18th Above Average The market also exhibited strong short-term historical COPE RevPAR growth (4.7%)
	Long-Term Historical Supply Growth	Short-Term Historical LPI Growth	Long-Term Historical LPI Growth
WEAKEST	100th Soft The market has been burdened by high long-term historical supply growth (3.2%)	94th Soft We note this area has been hampered by weak short-term historical LPI growth (-3.8%)	94th Soft Sarasota, FL also posted weak long-term historical LPI growth (-2.9%)

Market Performance Stage



Sarasota, FL: Expansion Stage

The Sarasota, FL 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

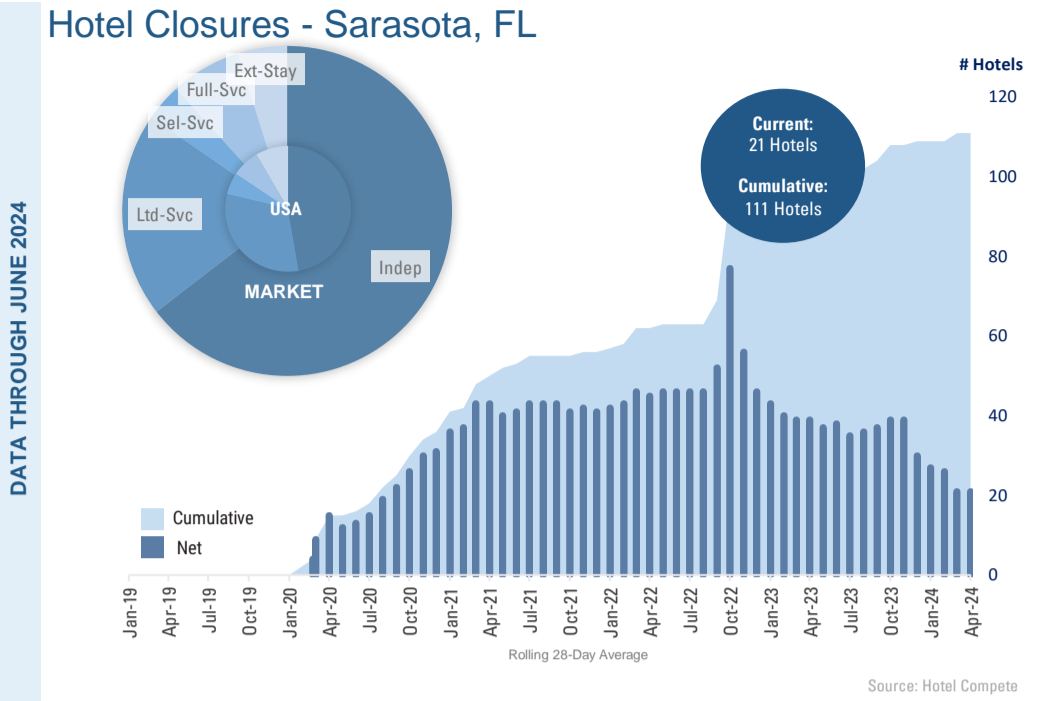
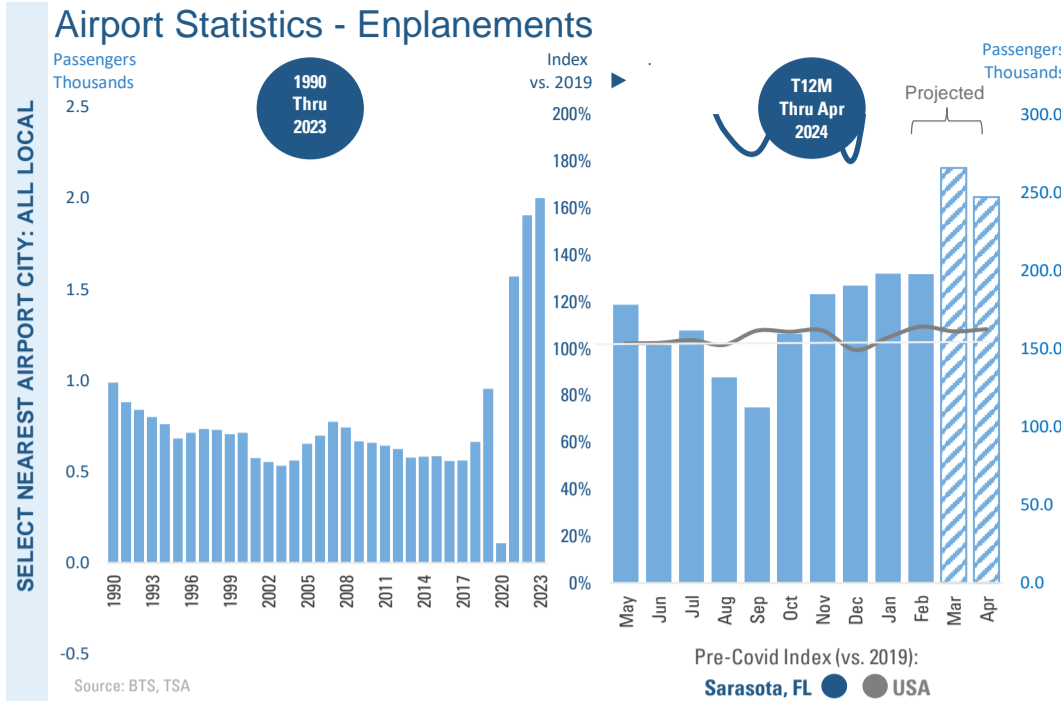
Business Cycle: Expansion
Employment Growth (2 yr): 1.6%
Risk Exposure (402 US markets): 4th Percentile: Low Risk
Key Industry Notes: Quality of life and desirable weather
 Population growth is strong
 Per capita income is high
 High cost of living
 High employment volatility

Moody's Rating

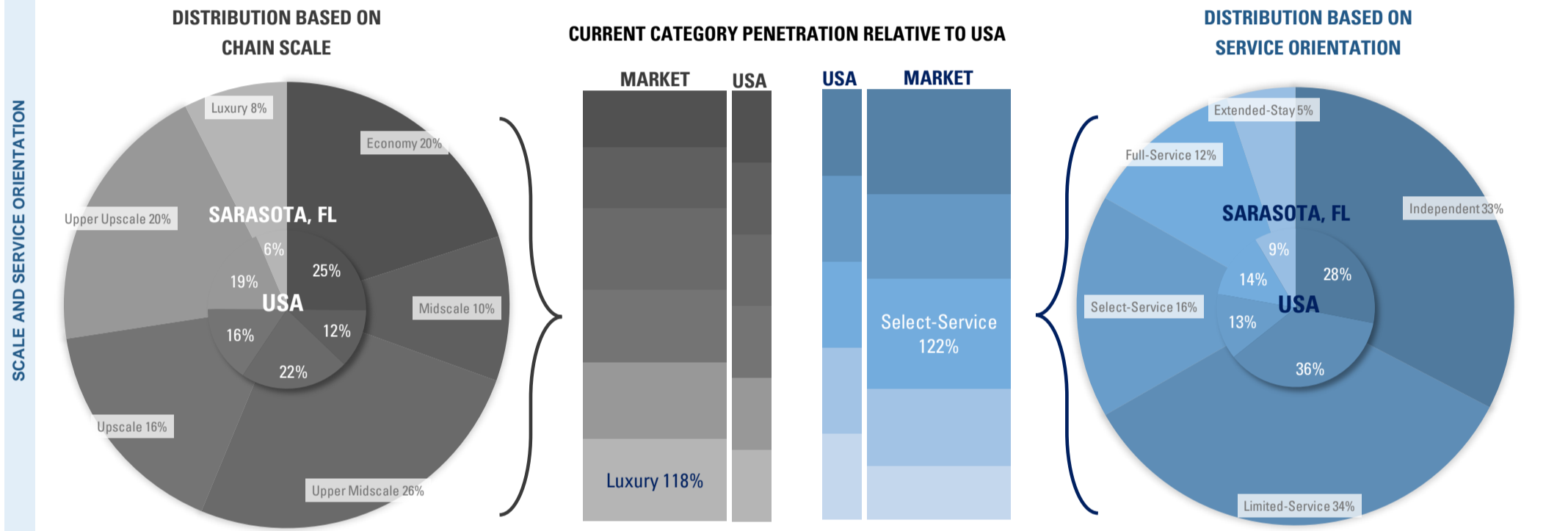
NR

This market is not rated by Moody's

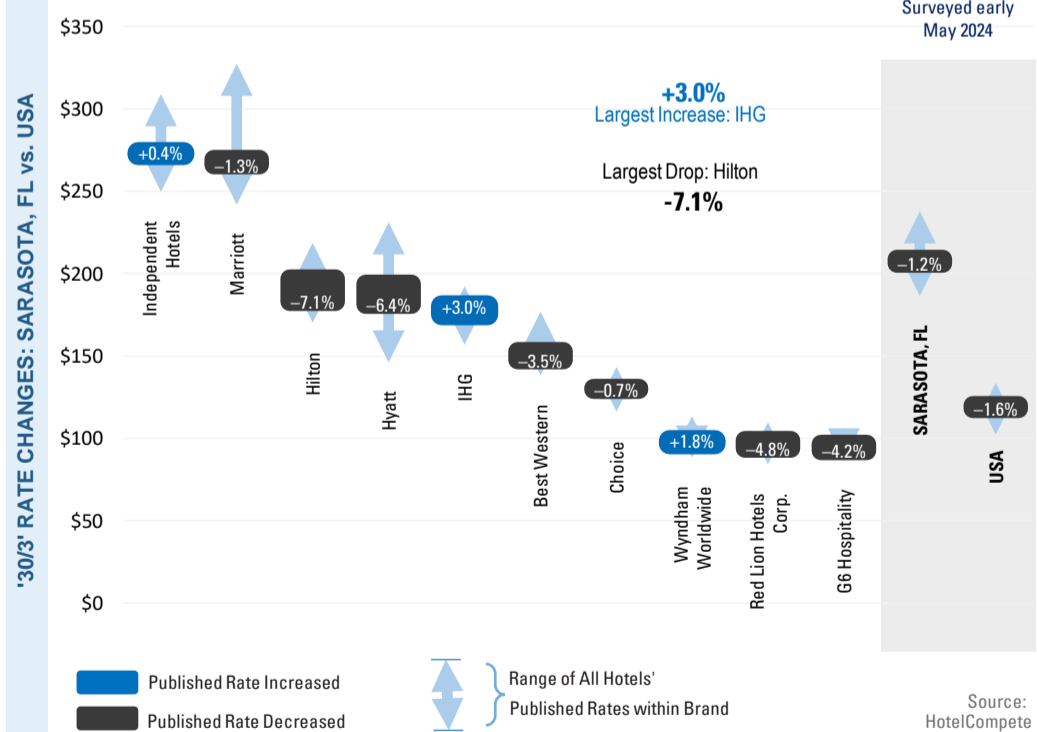
TOP 10 BRANDS	Brands by # of Rooms	Brands by # of Hotels
Hampton Inn (774)	Hampton Inn (7)	
Holiday Inn Exp. (381)	Quality Inn (4)	
Courtyard (366)	Holiday Inn Exp. (4)	
Days Inn (349)	Days Inn (4)	
Home2 (327)	BW Plus (4)	
BW Plus (308)	Super 8 (3)	
Hyatt Regency (294)	Motel 6 (3)	
Quality Inn (293)	Home2 (3)	
Ramada (278)	Courtyard (3)	
Ritz-Carlton (276)	Americas Best (3)	



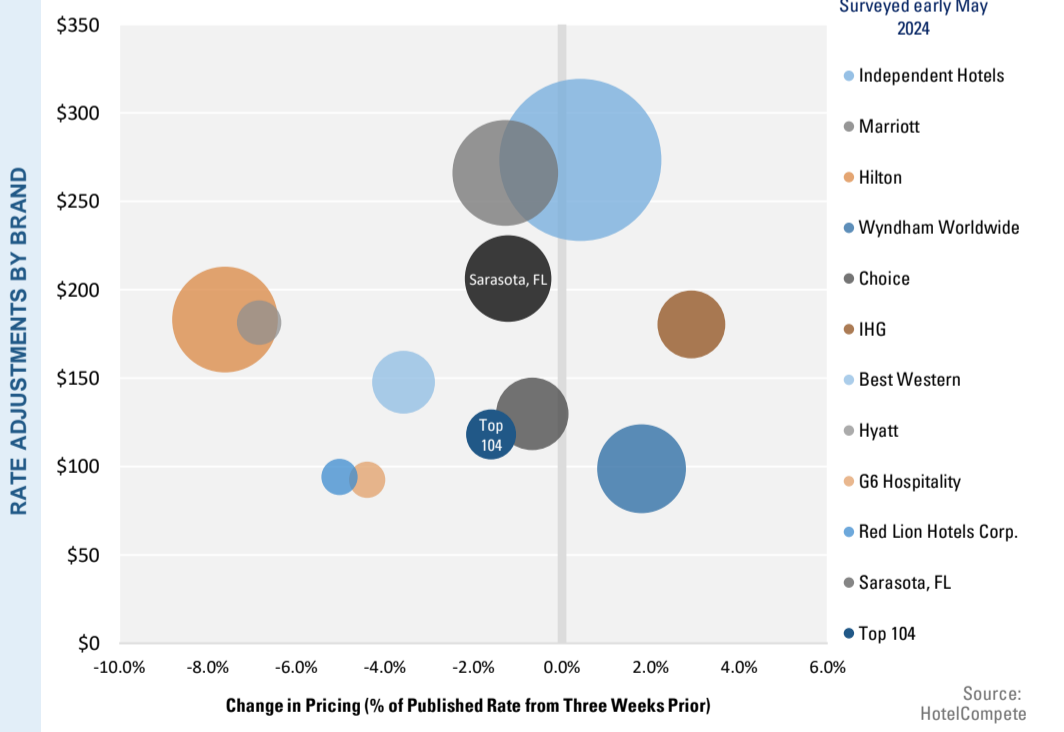
Scale and Service Distribution: Sarasota, FL



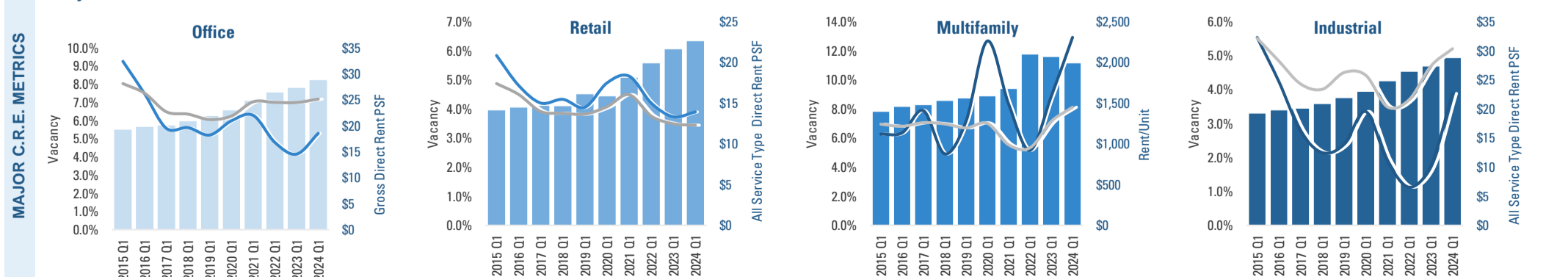
Published Rates: Top 10 Brands



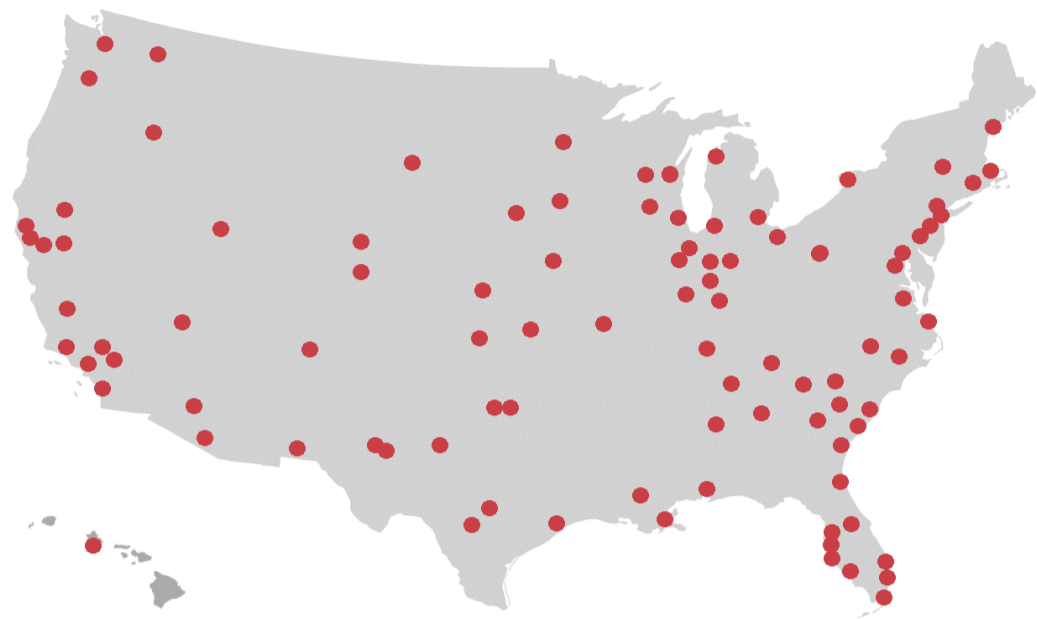
Published Rates: Volatility



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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Marinas

Ski and Village Resorts

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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.

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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.

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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.

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.

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