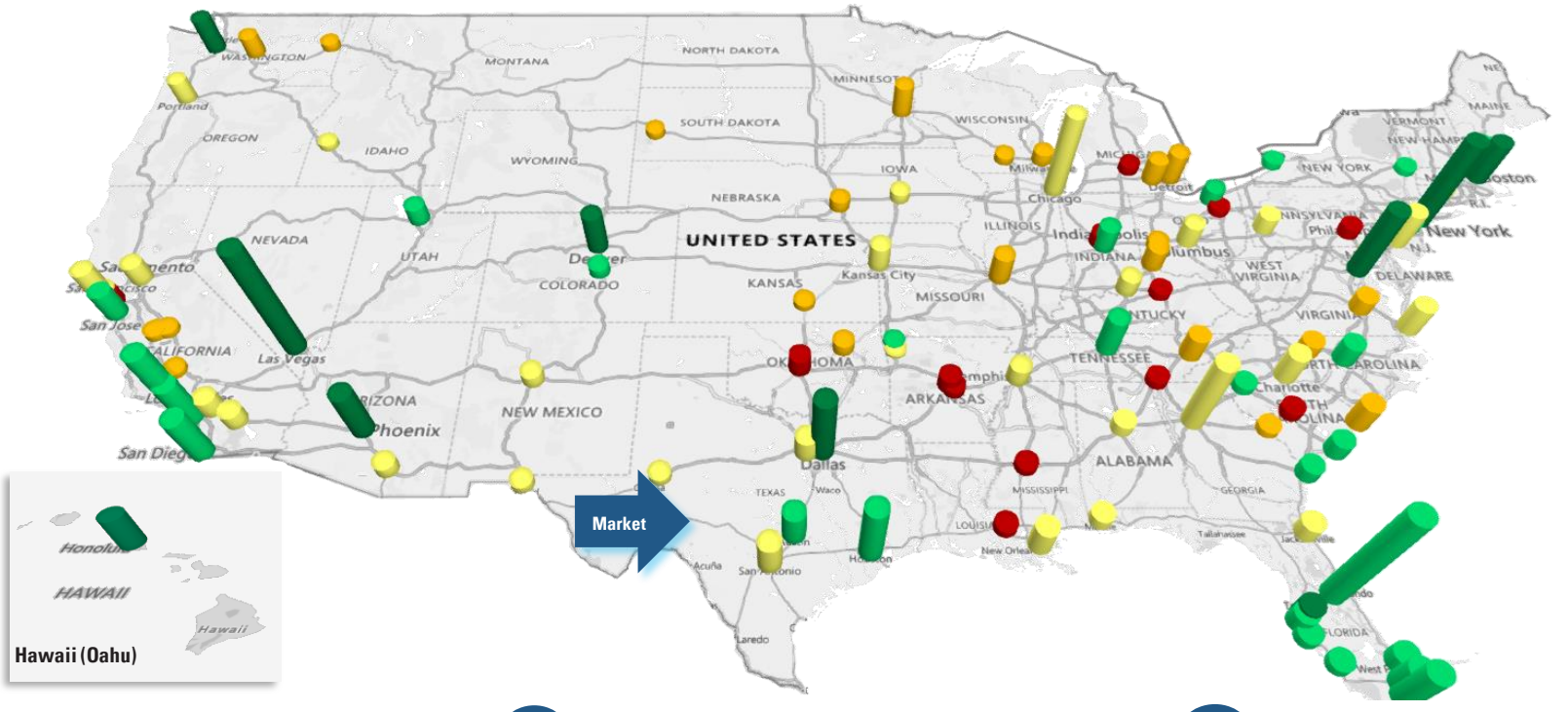
VALUATION & ADVISORY | HOSPITALITY, GAMING & LEISURE

HOTEL MARKET NSIGHTS REPORT

1Q 2025
AUSTIN, TX

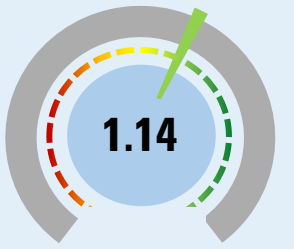


Lodging Performance Index Snapshot



LODGING PERFORMANCE INDEX

Austin, TX

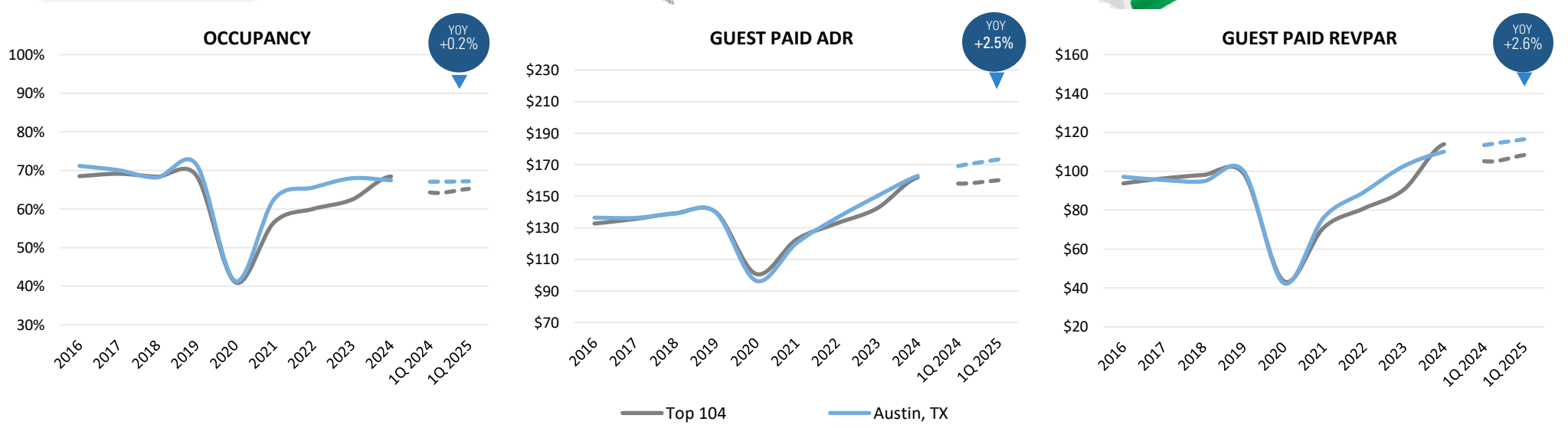


36th of 104

Above Average

Ranking of overall '1Q 2025 LPI' performance (1.14) against all 104 surveyed markets.

KEY PERFORMANCE METRICS

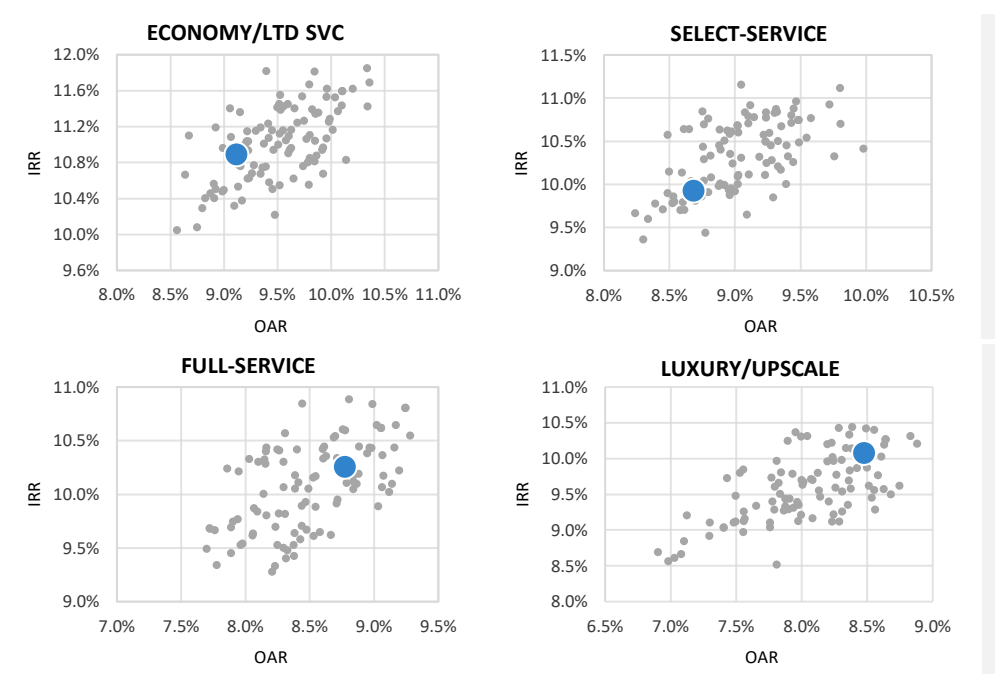


PERFORMANCE INDEXES

Key Performance Indexes

Subject Market | Top 104

Occupancy	Guest Paid ADR	Guest Paid RevPAR
29th	23rd	22nd
40th	26th	28th



BENCHMARK INDEXES

Key Benchmark Indexes

kalibri LABS

Loyalty Contribution	Avg. Length of Stay (Nights)	Booking Costs POR
48th	49th	49th
49th	53rd	81st
		78th



INVESTMENT PARAMETERS

Discount and Capitalization Rates

Source: Newmark

FUNDAMENTALS

Trends and Risks

Source: Kalibri Labs, Newmark

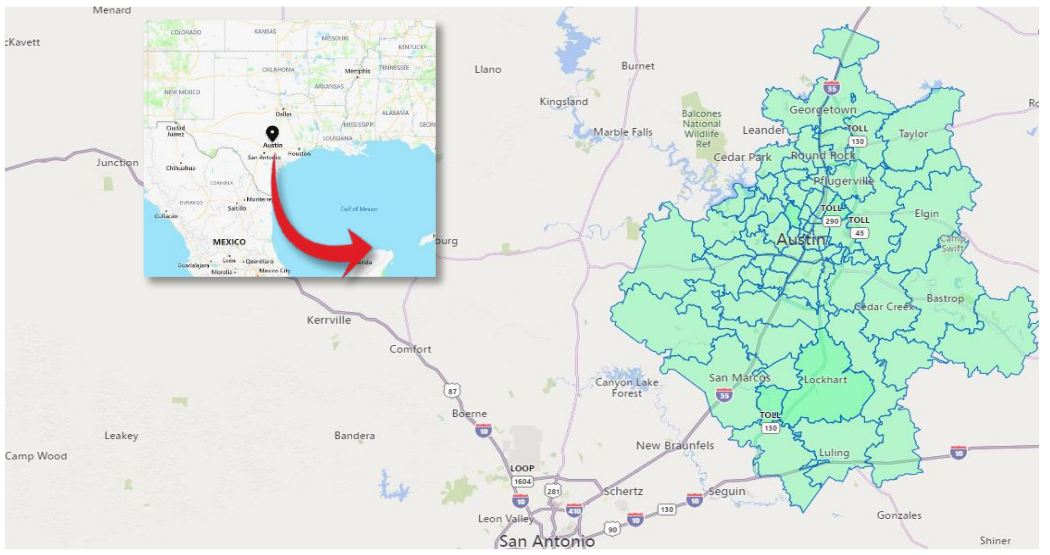
Revenue Stability	Supplier Power Trend	Investment Yields
78th	**44th**	**50th**
Below Average	**Average**	**Average**
Assessment of room revenue growth and volatility over past three to five years against other Top 104 markets	Assessment of market's ability to maximize loyalty and profits, and to ward off booking costs over past 12 months	Measure of market's general investment parameters (yields, OAR, IRR, interest rates, etc.) against other Top 104 markets

RISKS

Supply Risk	Labor Risk	Macro-Fiscal Risk
15th	**100th**	**101st**
Above Average	**Low Risk**	**Low Risk**
Assessment of market supply growth over past 12 months relative to Top 104 markets	Measure of current employment health over past two years relative to Top 104 markets	Assessment of health and diversity of lodging demand generators relative to Top 104 markets

NEWMARK

Location



Quick Facts

Jurisdictional Information

Source: US Census Bureau, Dept. of Labor Statistics

Municipal Name:	Austin
County:	Bastrop County, Hays County, Travis County, and others
State:	Texas
Geo Coordinates (market center):	30.30116, -97.7527

Major Hotel Demand Generators

University of Texas at Austin | Dell Inc. | Seton Healthcare Network | Walmart Inc. | St. David's Healthcare | Samsung Austin Semiconductor | Apple Computer | IBM Corp. | Texas State University - San Marcos | Austin Community College | NXP Semiconductors | Applied Materials | AT&T | National Instruments | Whole Foods Market | Keller Williams Realty | Accenture | Flextronics International | Lower Colorado River Authority | Spectrum

Metrics and Ranking	Measurement	Rankings
Population (hotel market area)	1,671,201	33rd of 104 (Above Average)
Income per Capita	$63,717	10th of 104 (Above Average)
Feeder Group Size	49.8 Persons PSR	19th of 104 (Above Average)
Feeder Group Earnings	$3,170,996 PSR	43rd of 104 (Average)
Total Market Hotel Revenues	$2.0 billion	20th of 104 (Above Average)

Key Performance Metrics

Data provided by: kalibri LABS

YEAR ENDING	Occ %	Guest Paid ADR	Guest Paid RevPAR	COPE ADR	COPE RevPAR	Booking Cost POR	ADR COPE %	Loyalty %	Avg Length of Stay Nights	Supply Rooms	Performance Index (LPI)
2016	71.2%	$136.46	$97.13	$125.29	$89.18	$11.17	91.8%	45.1%	2.13	34,800	1.21
2017	70.1%	$136.29	$95.50	$124.98	$87.58	$11.31	91.7%	48.5%	2.12	36,510	1.22
2018	68.2%	$139.05	$94.84	$127.46	$86.94	$11.58	91.7%	51.8%	2.06	38,470	1.19
2019	71.6%	$139.82	$100.09	$128.30	$91.85	$11.52	91.8%	55.7%	2.03	42,110	1.39
2020	41.4%	$96.47	$42.50	$90.02	$37.23	$6.45	93.3%	39.5%	2.40	42,980	0.91
2021	62.6%	$120.21	$76.19	$111.84	$69.96	$8.37	93.0%	41.2%	2.38	45,400	1.20
2022	65.6%	$136.32	$89.30	$126.94	$83.23	$9.39	93.1%	42.3%	2.28	45,930	1.25
2023	68.0%	$150.16	$102.69	$140.01	$95.18	$10.14	93.2%	43.1%	2.21	46,610	1.27
2024	67.5%	$162.95	$110.09	$151.99	$102.53	$10.96	93.3%	49.5%	2.05	49,700	1.01
CAGR: 2016 thru 2024	-0.7%	2.2%	1.6%	2.4%	1.8%	-0.2%	0.2%	1.2%	-0.5%	4.6%	-2.3%
1Q 2024	67.1%	$169.17	$113.49	$158.26	$106.17	$10.91	93.6%	48.9%	2.09	48,730	1.09
1Q 2025	67.2%	$173.37	$116.48	$161.99	$108.84	$11.38	93.4%	50.3%	2.07	49,660	1.14

Notable Metrics

HIGHEST

Economy Median Income

10th

Above Average

Austin, TX exhibited strong Economy Median Income ($63,717)

Total Rooms Supply

19th

Above Average

The market benefits from a large and diverse hotel market (49,660 total rooms)

T12-Month COPE ADR Percentage

19th

Above Average

The market also benefited from strong T12—month COPE ADR percentage (93.2%)

LOWEST

OAR: Luxury/Upscale

86th

Unfavorable

This market exhibited unfavorable OAR metrics in the luxury/upscale segment (8.5%)

Population Density per Room

83rd

Below Average

The market has been hindered by weak population density per room (34.15)

IRR: Luxury/Upscale

82nd

Unfavorable

Austin, TX also posted unfavorable IRR metrics in the luxury/upscale segment (10.1%)

Notable Trends

STRONGEST

General Economy Reverence

1st

Very Strong

Austin, TX enjoyed strong general economic reverence (per—capita unemployment, GDP and other indicators)

Short-Term Historical Supply Growth

2nd

Very Strong

The market has benefited from low short—term historical supply growth (4.3%)

Short-Term Historical Booking Costs POR Growth

31st

Above Average

The market also enjoyed low short—term historical growth in booking costs (2.0%)

WEAKEST

Long-Term Historical Supply Growth

Last

Soft

The market has been burdened by high long—term historical supply growth (4.6%)

Short-Term Historical LPI Growth

95th

Soft

We note this area has been hampered by weak short—term historical LPI growth (—3.6%)

Long-Term Historical LPI Growth

95th

Soft

Austin, TX also posted weak long—term historical LPI growth (—2.9%)

Market Performance Stage



Source: Newmark

Austin, TX: Expansion Stage

EXPANSION

The Austin, TX 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; Atlanta, GA; 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 Fort Worth, TX; Minneapolis, MN; and Portland, OR.

MOODYS ANALYTICS

Industry Observations

Business Cycle:	**Expansion**
Employment Growth (2 yr):	1.5%
Risk Exposure (402 US markets):	6th Percentile: Low Risk
Key Industry Notes:	College town, high tech
	Strong population growth
	Well-educated labor force
	High tech adds to volatility
	High cost of living

Moody's Rating

Aaa

Investment Grade

Long-term investment grade, Prime-1 short-term outlook

TOP 10 BRANDS

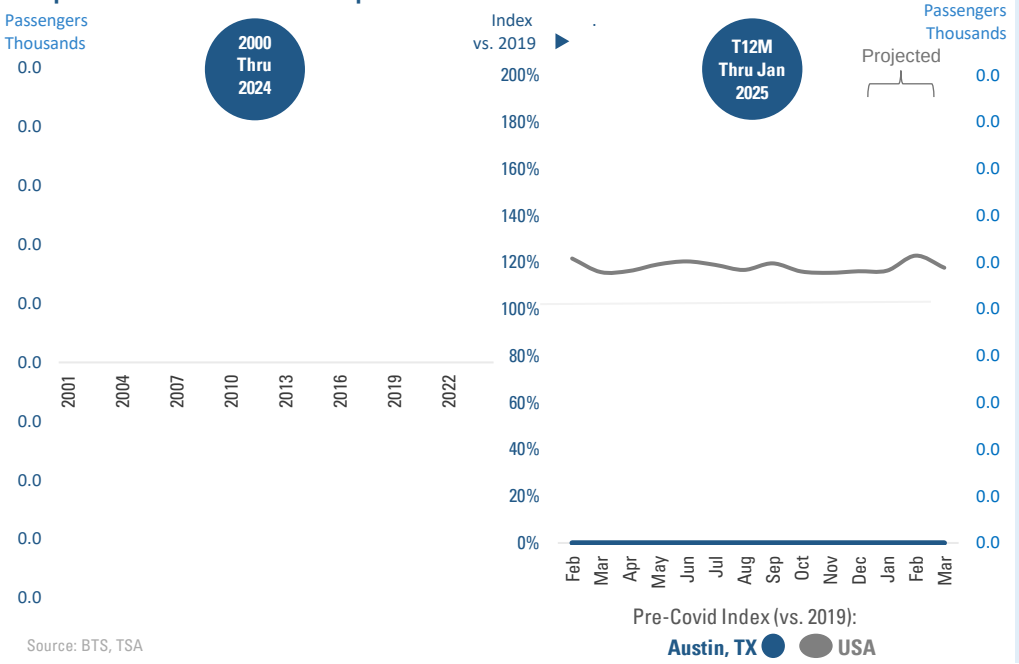


Source: Newmark

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SELECT NEAREST AIRPORT CITY: ALL LOCAL

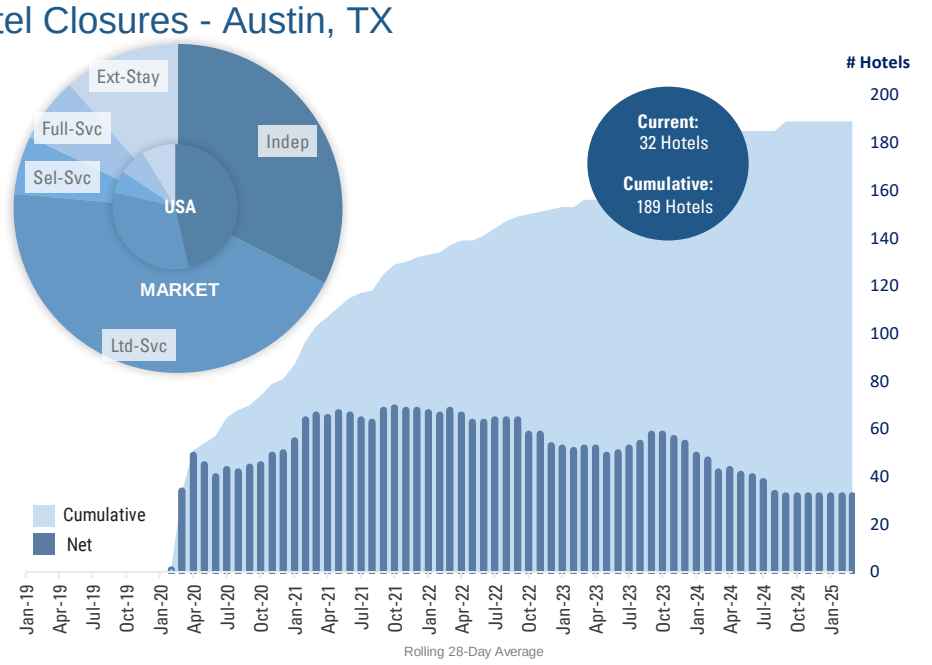
Airport Statistics - Enplanements



Source: BTS, TSA

DATA THROUGH MAY 2025

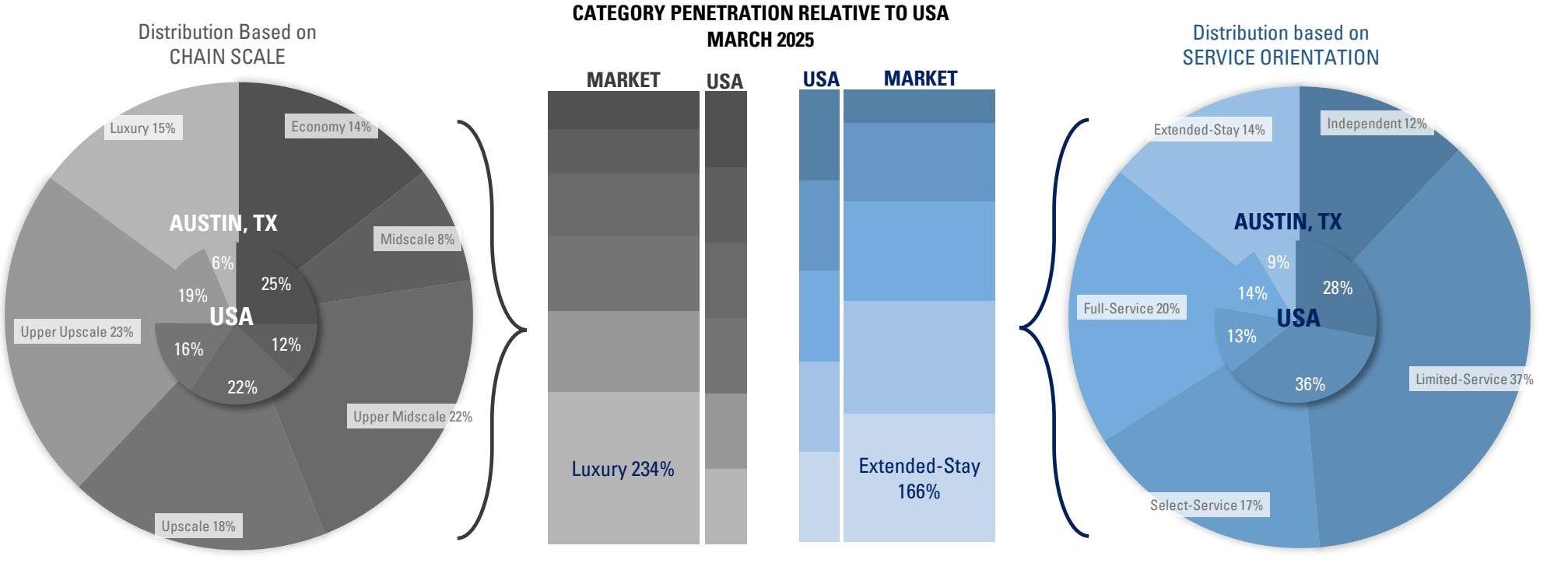
Hotel Closures - Austin, TX



Source: Hotel Compete

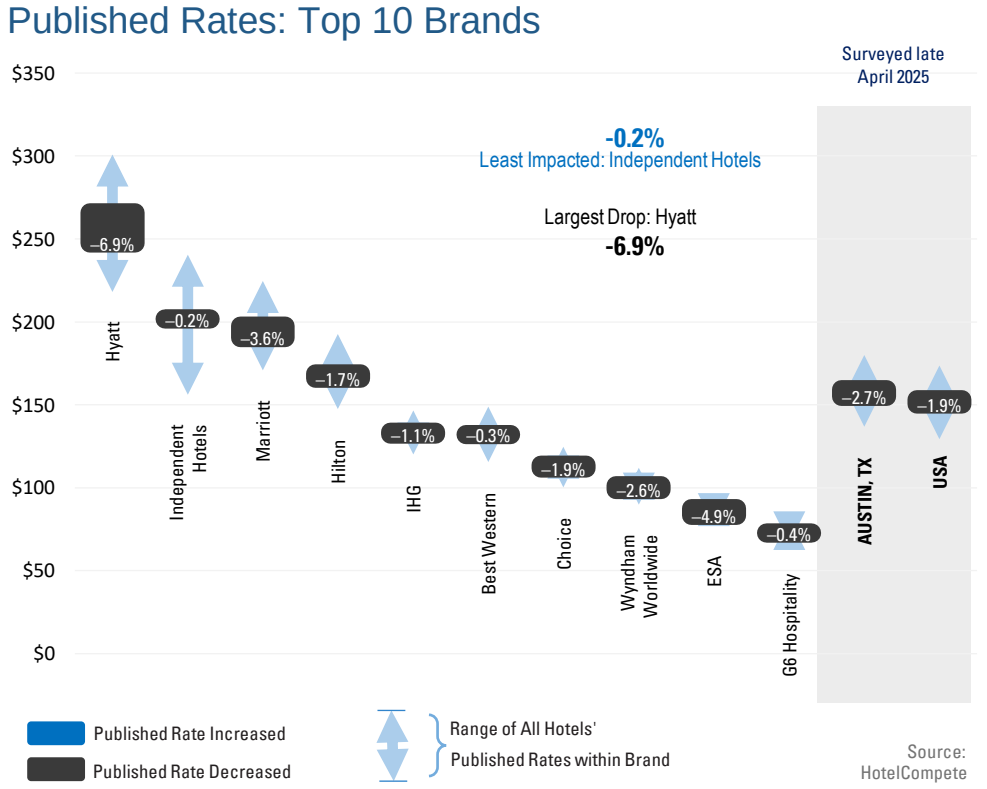
SCALE AND SERVICE ORIENTATION

Scale and Service Distribution: Austin, TX



'30/3' RATE CHANGES: AUSTIN, TX vs. USA

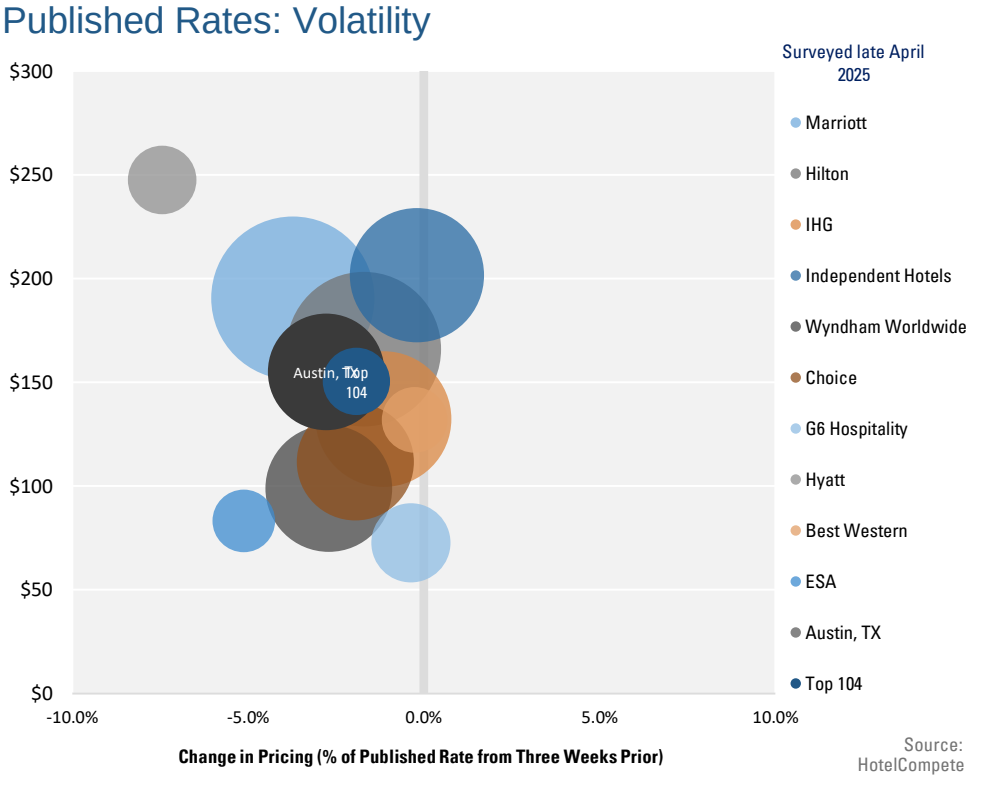
Published Rates: Top 10 Brands



Source: HotelCompete

RATE ADJUSTMENTS BY BRAND

Published Rates: Volatility



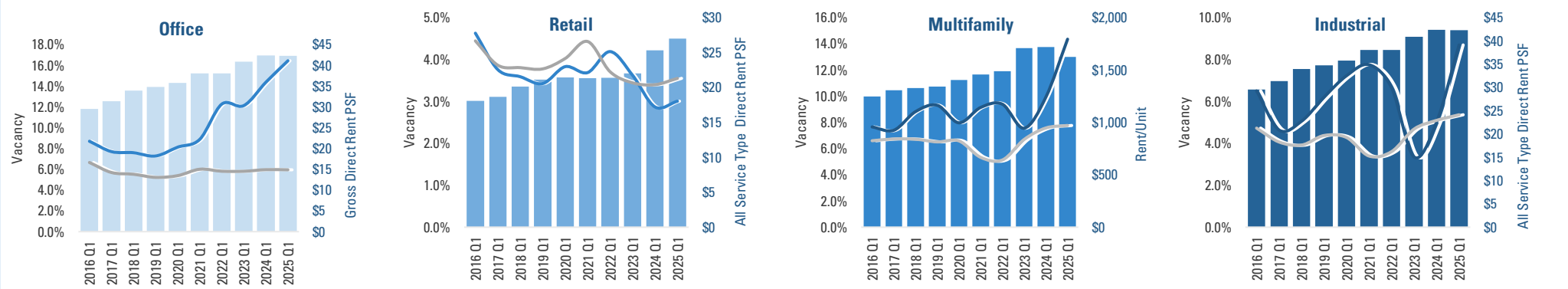
Source: HotelCompete

MAJOR C.R.E. METRICS

Major CRE Market Performance

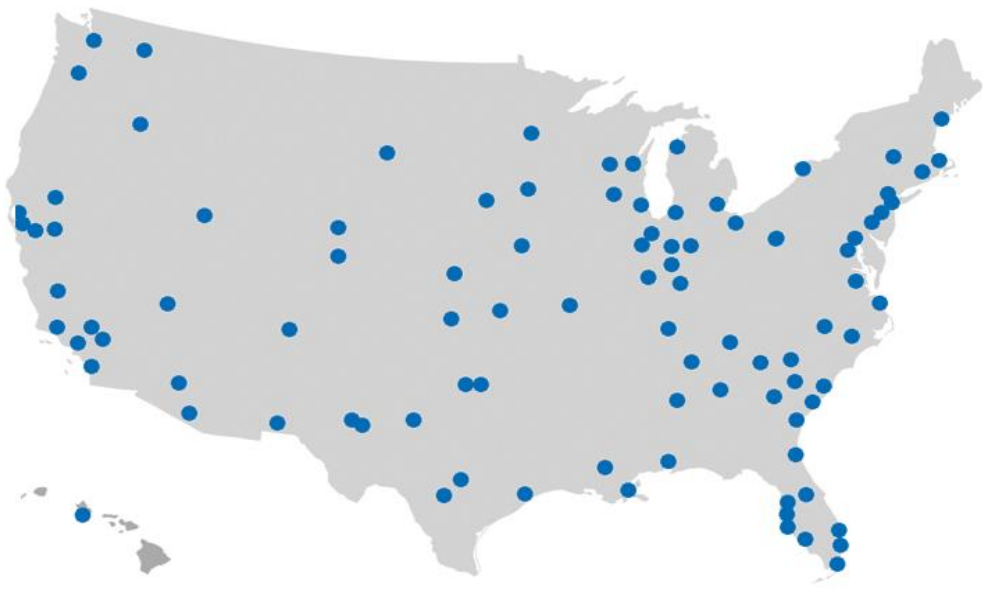
Austin, TX USA - Vacancy

Source: CoSTAR



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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

Stadiums, Sports & Entertainment 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.

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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.

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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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.

CONTACT: SOUTH CENTRAL US MARKETS

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