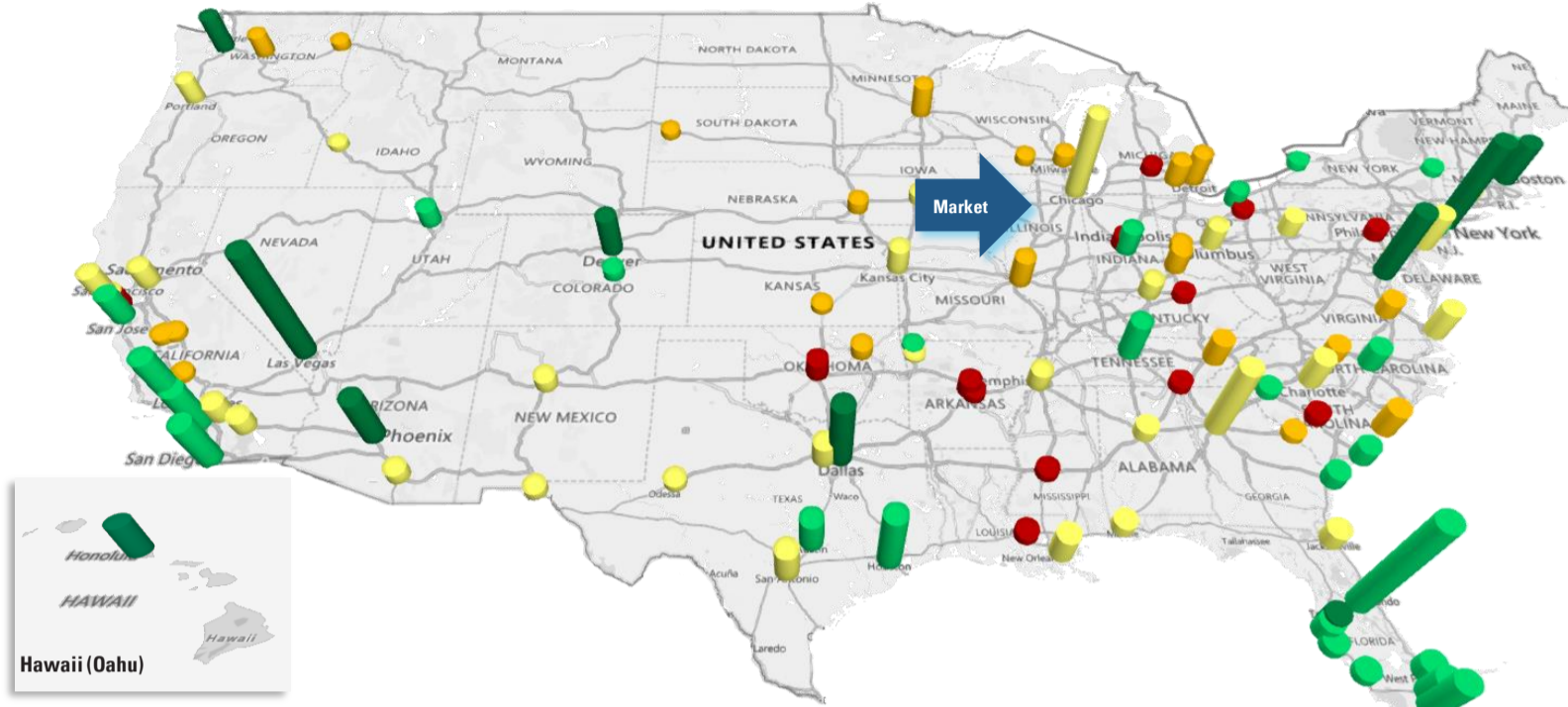


# 1Q 2025 MICHIGAN SOUTH AREA, MI



## Lodging Performance Index Snapshot

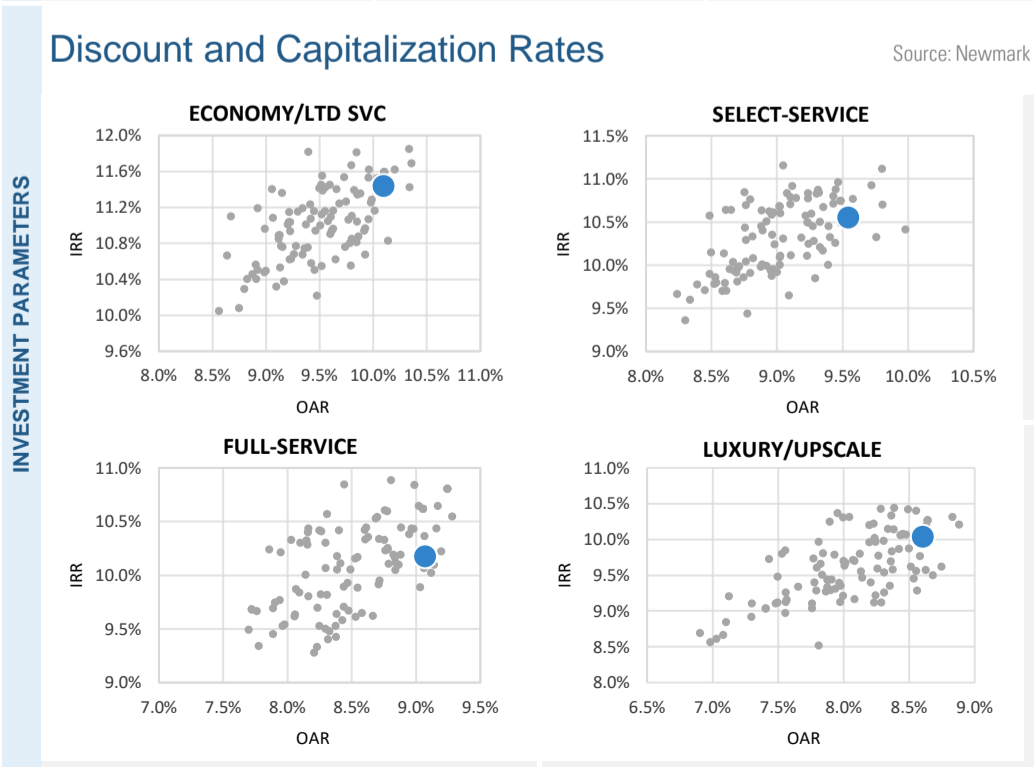
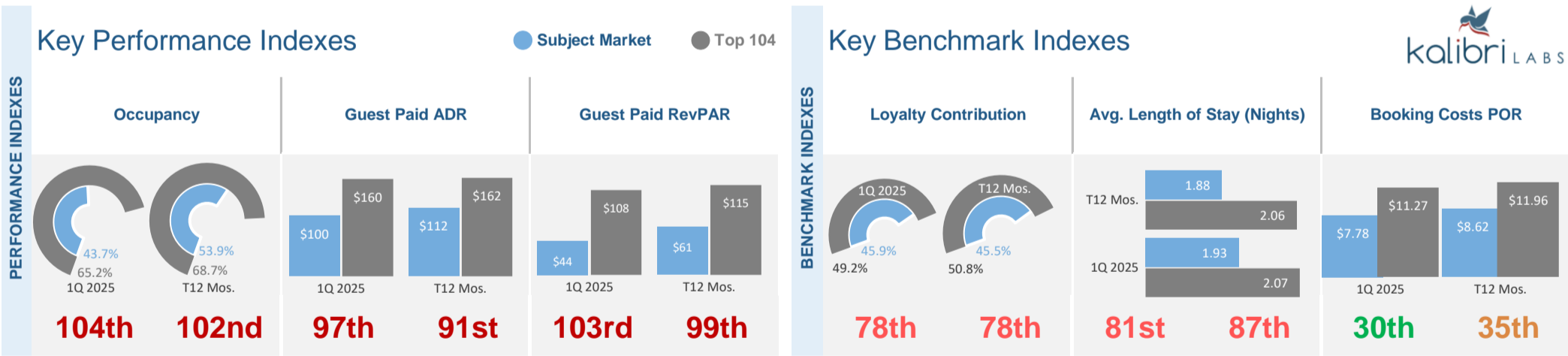
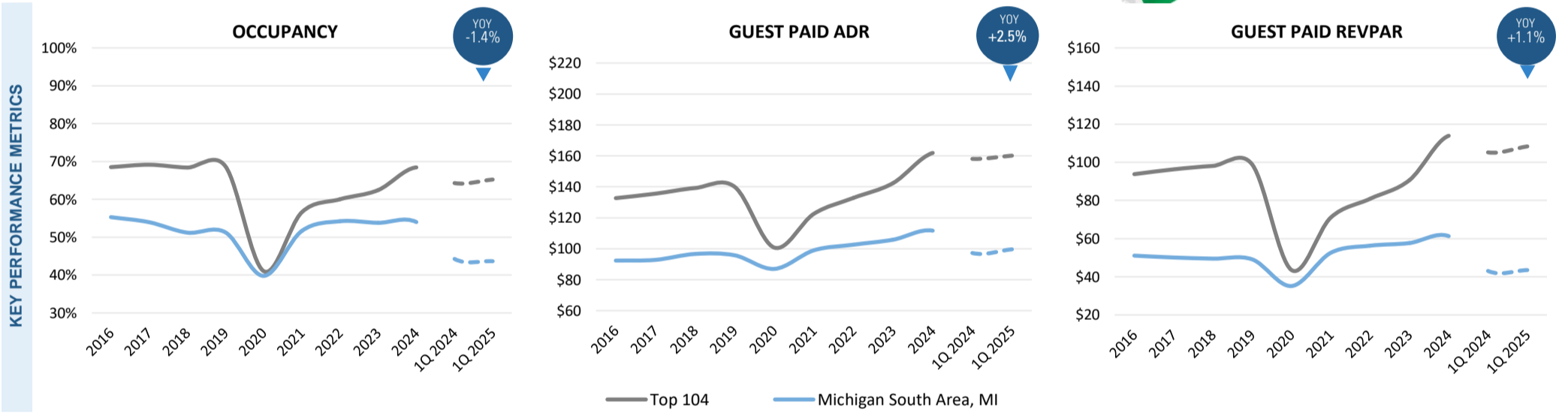


**LODGING PERFORMANCE INDEX**  
Michigan South Area, MI

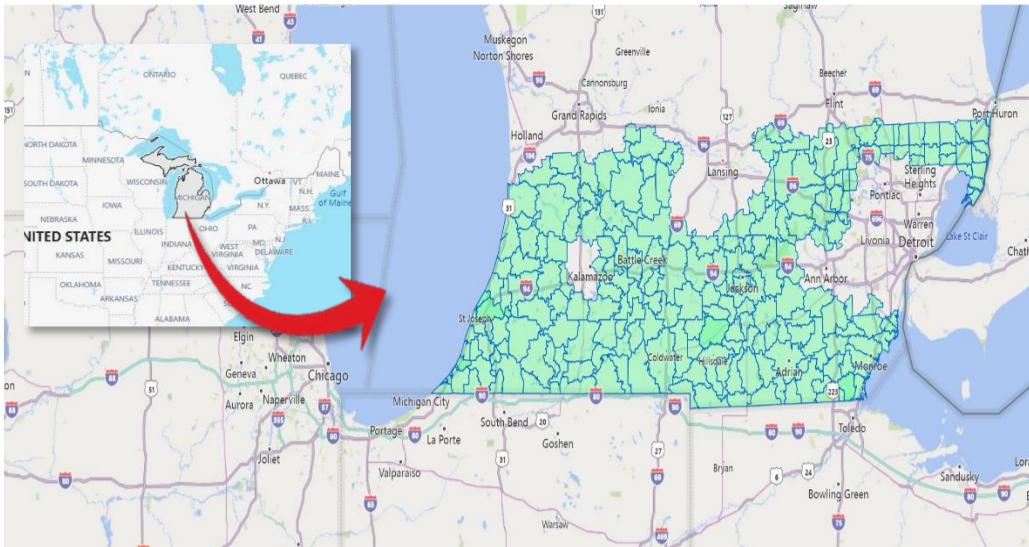
**0.61**

**97th of 104**  
**Soft**

Ranking of overall '1Q 2025 LPI' performance (0.61) against all 104 surveyed markets.



Location



Quick Facts

<b>Jurisdictional Information</b>		Source: US Census Bureau, Dept. of Labor Statistics
Municipal Name:	Multiple	
County:	Multiple	
State:	Michigan	
Geo Coordinates (market center):	42.69641, -84.53906	
<b>Major Hotel Demand Generators</b>		
Bronson Healthcare Systems   Western Michigan University   Stryker Corp.   Pfizer   Summit Polymers Inc.   Meijer Inc   Kalamazoo Valley Comm College   Parker Hannefin Corp   Mann & Hummel USA Inc   Ersbloe Aluminum Solutions   Fedex Corp.   Walmart   FEMA Corp.		
<b>Metrics and Ranking</b>		<b>Measurements</b>
Population (hotel market area)		1,701,183
Income per Capita		\$56,820
Feeder Group Size		269.4 Persons PSR
Feeder Group Earnings		\$15,307,905 PSR
Total Market Hotel Revenues		\$257.3 million
		<b>Rankings</b>
		32nd of 104 (Above Average)
		25th of 104 (Above Average)
		Last of 104 (Soft)
		Last of 104 (Soft)
		92nd of 104 (Soft)

Key Performance Metrics

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						
2016	55.3%	\$92.36	\$51.08	\$86.69	\$47.94	\$5.67	93.9%	44.3%	1.87	10,590	0.69
2017	54.0%	\$92.81	\$50.09	\$86.58	\$46.73	\$6.24	93.3%	46.9%	1.85	10,670	0.47
2018	51.2%	\$96.65	\$49.50	\$89.89	\$46.04	\$6.75	93.0%	51.5%	1.81	11,000	0.61
2019	51.3%	\$95.78	\$49.12	\$88.82	\$45.55	\$6.96	92.7%	56.2%	1.81	11,850	0.50
2020	39.8%	\$86.98	\$35.15	\$81.34	\$32.37	\$5.64	93.5%	38.2%	2.16	11,840	0.96
2021	51.7%	\$98.99	\$52.57	\$92.30	\$47.68	\$6.69	93.2%	40.3%	2.01	12,150	0.82
2022	54.2%	\$102.63	\$56.29	\$95.63	\$51.85	\$7.00	93.2%	39.7%	2.09	12,240	0.68
2023	53.8%	\$105.86	\$57.67	\$98.48	\$52.99	\$7.38	93.0%	39.1%	2.06	12,300	0.32
2024	54.0%	\$111.70	\$61.30	\$103.17	\$55.72	\$8.53	92.4%	45.1%	1.89	12,430	0.63
<b>CAGR: 2016 thru 2024</b>	<b>-0.3%</b>	<b>2.4%</b>	<b>2.3%</b>	<b>2.2%</b>	<b>1.9%</b>	<b>5.2%</b>	<b>-0.2%</b>	<b>0.2%</b>	<b>0.2%</b>	<b>2.0%</b>	<b>-1.1%</b>
<b>1Q 2024</b>	44.3%	\$97.25	\$43.05	\$89.84	\$39.77	\$7.41	92.4%	44.3%	1.97	12,160	0.59
<b>1Q 2025</b>	43.7%	\$99.64	\$43.51	\$91.86	\$40.11	\$7.78	92.2%	45.9%	1.93	12,600	0.61

Data provided by: kalibri LABS

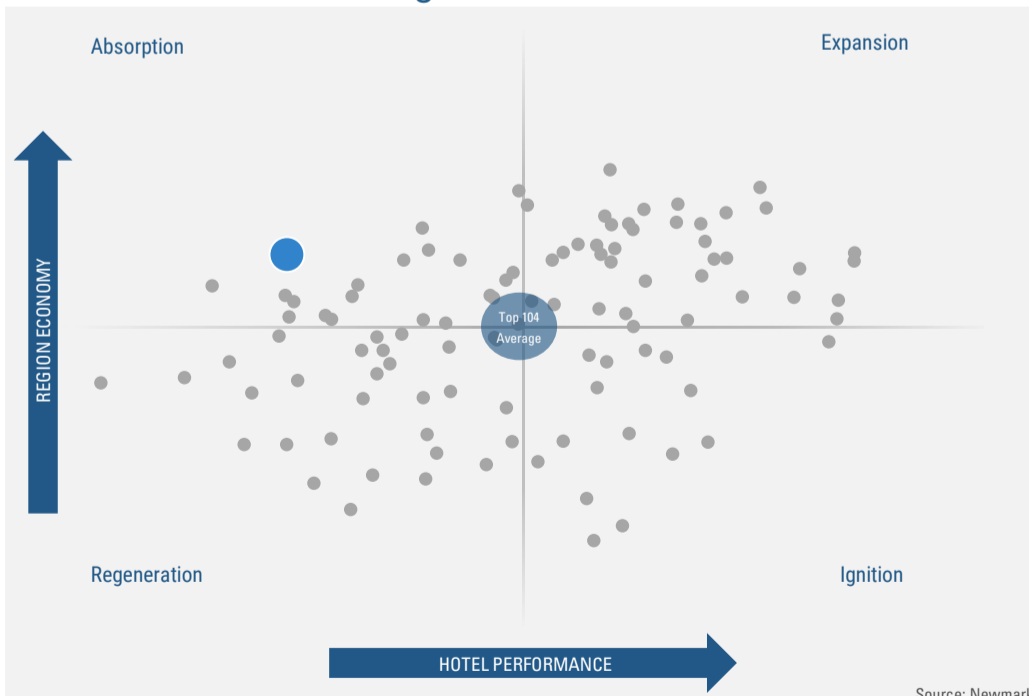
Notable Metrics

HIGHEST	Population Density per Room	Feeder Population Per Room	Marketwide Income per Room
	<b>1st</b> Very Strong	<b>1st</b> Very Strong	<b>1st</b> Very Strong
	Michigan South Area, MI boasted strong population density per room (138.18)	The market posted a high ratio of feeder population per room (97.58)	The market also enjoyed a high ratio of marketwide income per room (\$5,544,474)
LOWEST	Feeder Group Earnings per sold room	Feeder Group Size	Latest-Quarter Occupancy
	<b>Last</b> Soft	<b>Last</b> Soft	<b>Last</b> Soft
	This market has low feeder group earnings per sold room (\$15,307,905)	The market required a large feeder group size (269.41 Persons)	Michigan South Area, MI also exhibited weak latest-quarter occupancy (43.7%)

Notable Trends

STRONGEST	Long-Term Historical LPI Growth	Short-Term Historical LPI Growth	Long-Term Historical Loyalty Contribution Growth
	<b>21st</b> Above Average	<b>21st</b> Above Average	<b>23rd</b> Above Average
	Michigan South Area, MI enjoyed strong long-term historical LPI growth (3.3%)	The market has benefited from strong short-term historical LPI growth (4.2%)	The market also exhibited strong long-term historical loyalty contribution growth (4.6%)
WEAKEST	T12-Month Rooms Supply Growth	Overall Health of Hotel Market	Short-Term Historical Booking Costs POR Growth
	<b>100th</b> Soft	<b>95th</b> Soft	<b>92nd</b> Soft
	The market has been hindered by high rooms supply growth over the last 12 months (3.6%)	We note this area has been hampered by weak general hotel market performance (levels and trends of fundamentals)	Michigan South Area, MI also has been impeded by high short-term historical growth in booking costs (4.5%)

Market Performance Stage



Michigan South Area, MI: Absorption Stage

The Michigan South Area, MI market is currently in the 'Absorption' stage of the performance cycle. In this 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.

- 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.
  - 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; Atlanta, GA; and Austin, TX.

Industry Observations

**MOODYS ANALYTICS**

Business Cycle: **At Risk**  
 Employment Growth (2 yr): **0.5%**  
 Risk Exposure (402 US markets): **40th Percentile: Average Risk**  
 Key Industry Notes:  
 Regional healthcare hub  
 Above-avg tech jobs share  
 Highly educated workforce  
 Below average per capita income  
 Falling enrollment at WMU

**Moody's Rating**

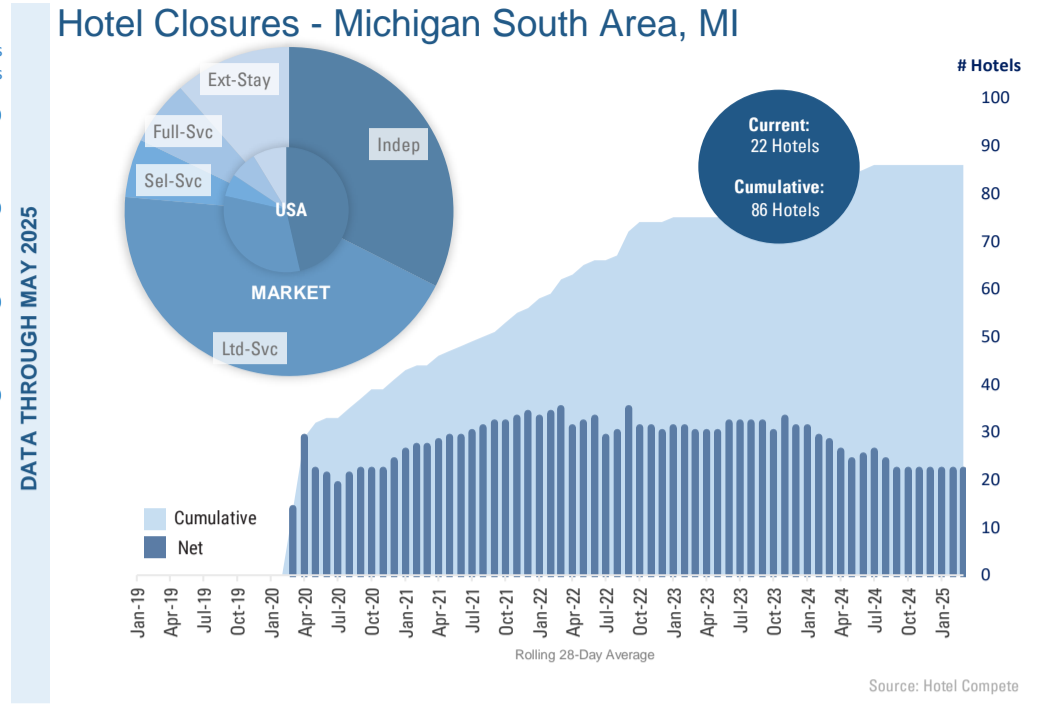
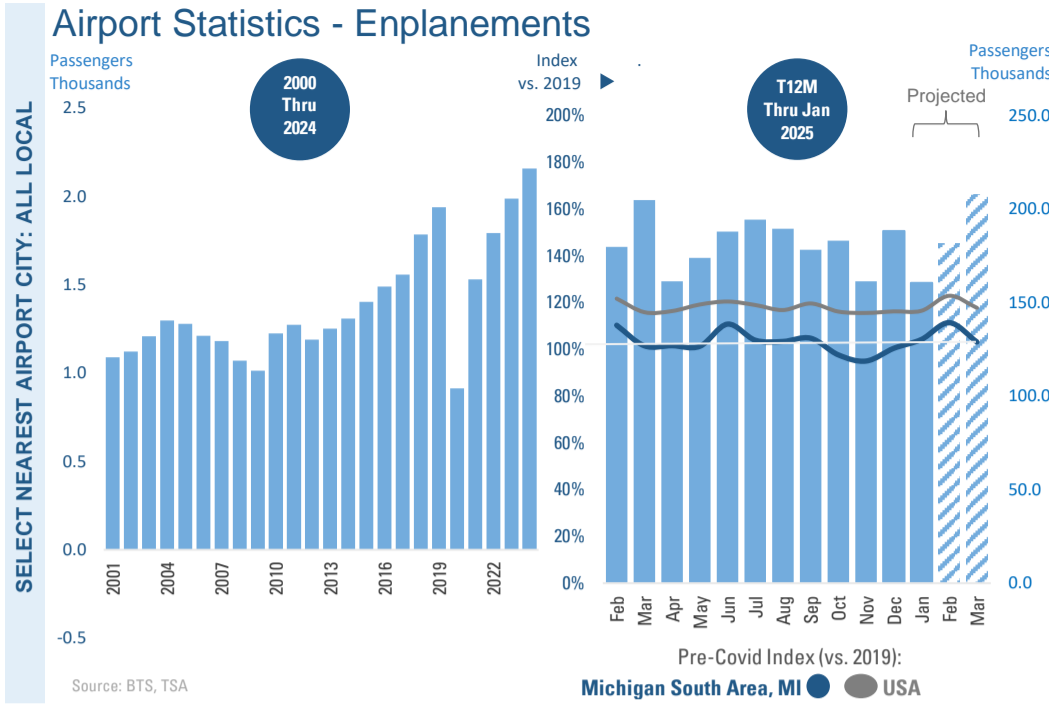
**NR**

This market is not rated by Moody's

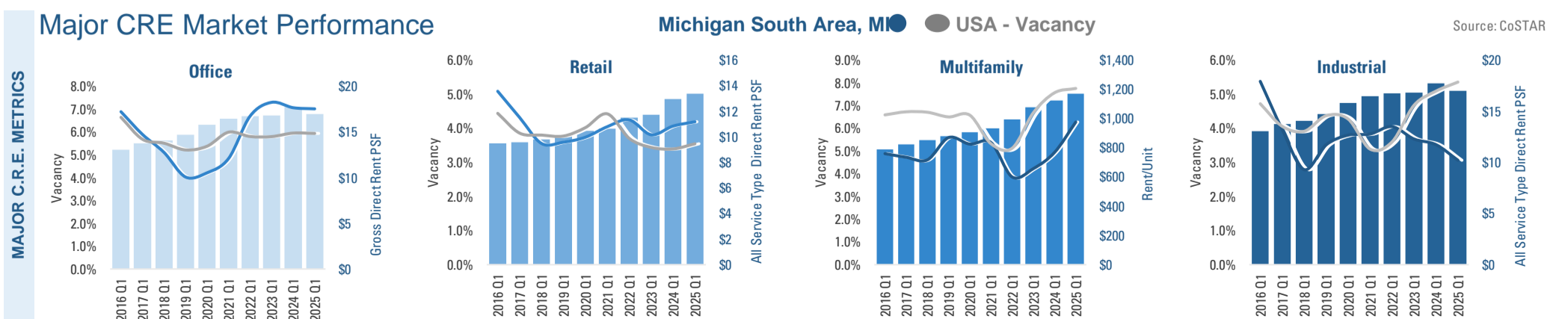
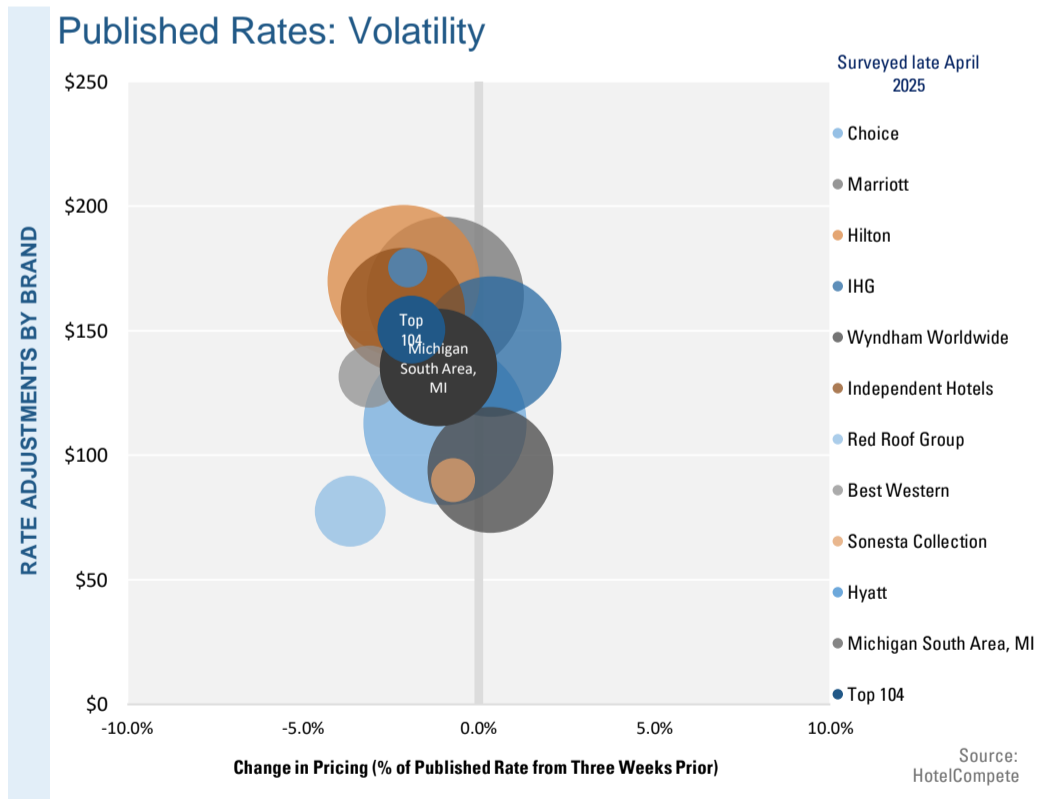
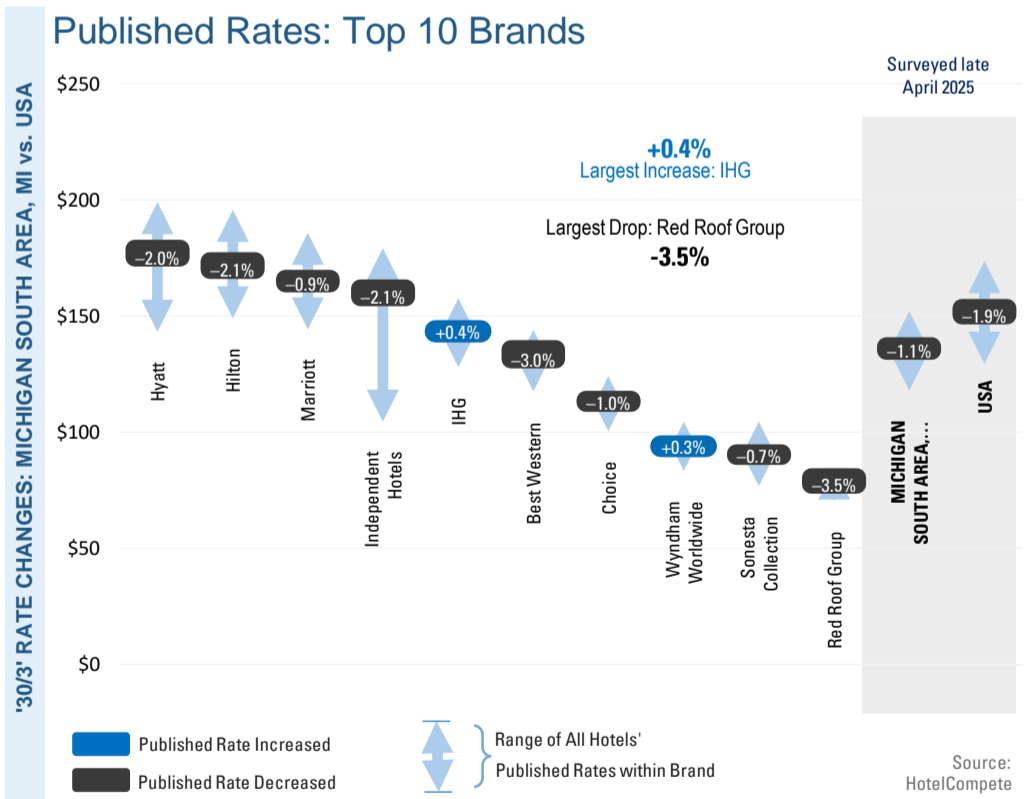
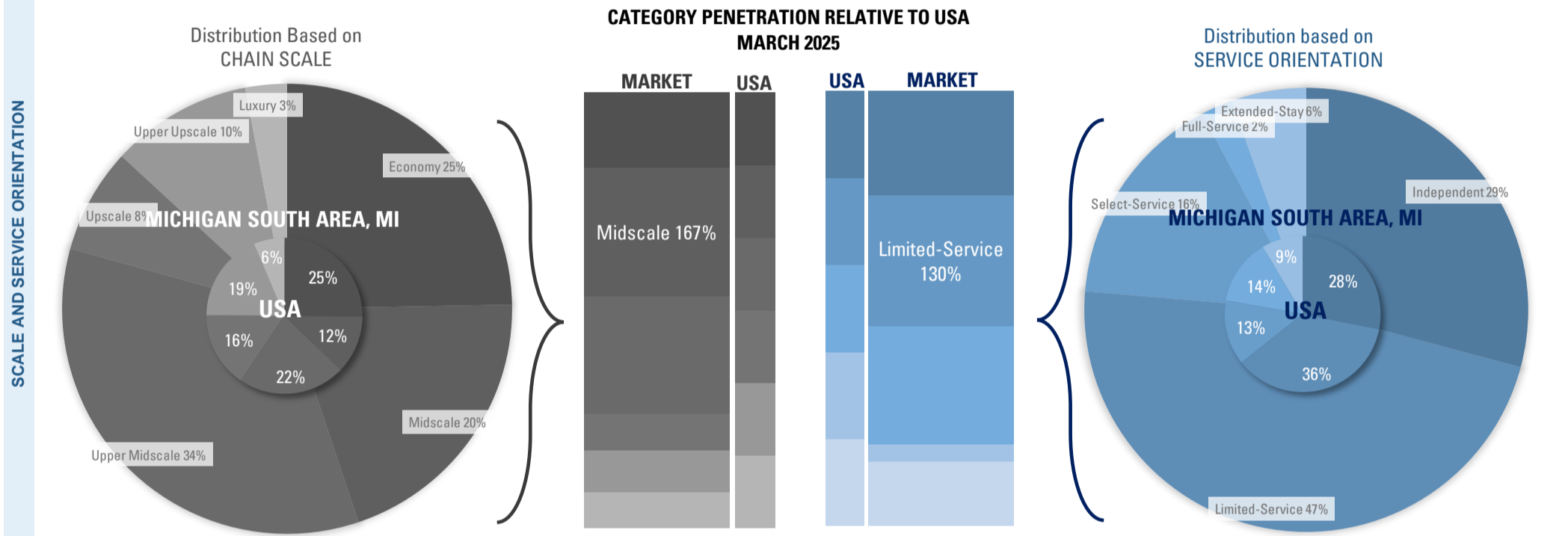
**TOP 10 BRANDS**

Holiday Inn Exp. (1,078)	Holiday Inn Exp. (14)
Hampton Inn (975)	Hampton Inn (13)
Baymont (856)	Baymont (12)
Quality Inn (715)	Quality Inn (10)
Comfort Inn (507)	Comfort Inn (7)
Fairfield Inn (493)	Fairfield Inn (6)
Courtyard (474)	Travelodge (5)
Travelodge (348)	Super 8 (5)
Super 8 (318)	Courtyard (5)
Country Inns (308)	Days Inn (4)

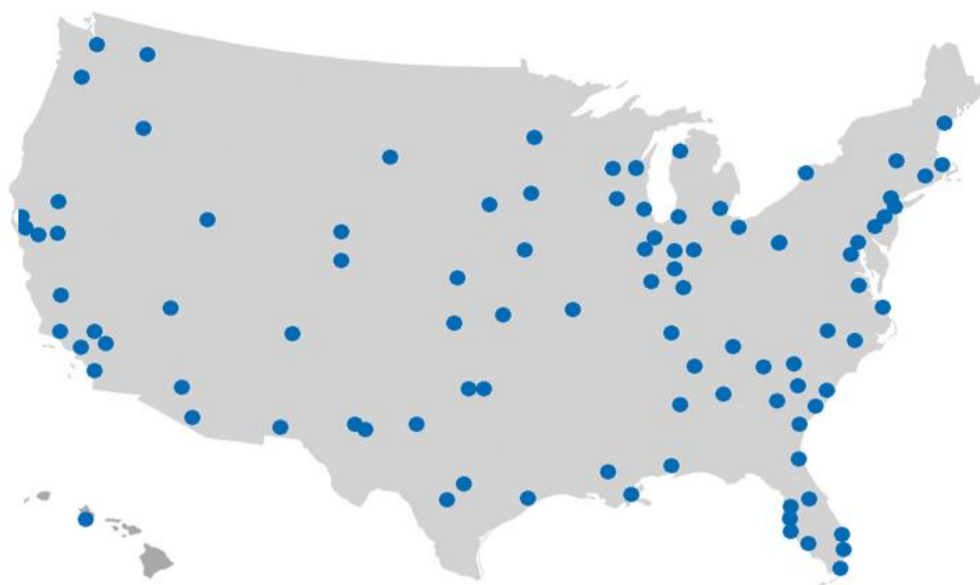
Source: Newmark



## Scale and Service Distribution: Michigan South Area, MI



# 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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*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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**Portfolio Analytics**  
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### CONTACT: MIDWEST MARKETS

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