



NARRATIVE APPRAISAL REPORT

Springhill Suites Phoenix West/Avondale

9950 WEST ENCANTO BOULEVARD
AVONDALE, ARIZONA



SUBMITTED TO:

Mr. Will Schnorr
Peachtree Group
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PREPARED BY:

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June 12, 2025

Mr. Will Schnorr
Peachtree Group
3500 Lenox Road, 1 Alliance Center Suite 625
Atlanta, Georgia 30326

Re: Springhill Suites Phoenix West/Avondale
9950 West Encanto Boulevard
Avondale, Arizona
HVS Reference: 2025020596

Dear Mr. Schnorr:

Pursuant to your request, we herewith submit our narrative appraisal report pertaining to the above-captioned hotel. We have investigated the real estate and analyzed the market conditions in the Avondale, Arizona, area. Our report has been prepared in accordance with, and is subject to, the requirements of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) and the Uniform Standards of Professional Appraisal Practice (USPAP), as provided by the Appraisal Foundation. This letter of transmittal is not valid as an opinion of value if detached from the supporting report.

The subject of the appraisal is the fee simple interest in a site measuring 2.44 acres (106,195 square feet) that is improved with a limited-service lodging facility known as the Springhill Suites Phoenix West/Avondale. The property, which opened in August 2024, features 128 rooms, a breakfast dining area, 700 square feet of meeting space, an outdoor pool, a fitness room, a lobby workstation, a market pantry, and an outdoor sundeck. This appraisal report is being prepared for use for the asset evaluation of the subject property.

We have undertaken the appraisal process and, based on our analysis, have concluded to the following opinions of market value:

	As Is	When Stabilized
Date of Value	May 9, 2025	June 1, 2027
Exposure Time (Months)	4 to 9	3 to 7
Real Property Value	\$30,410,000	\$33,390,000
Personal Property Value	1,590,000	1,310,000
Intangible Property Value	0	0
Reconciled Value	\$32,000,000	\$34,700,000
Reconciled Value per Key	250,000	271,000
Replacement Cost for Insurance Purposes	\$17,900,000	N/A
Interest Appraised	Fee Simple	Fee Simple

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We have made no extraordinary assumptions specific to the subject property. However, several important general assumptions have been made that apply to this report. These aspects are set forth in the Assumptions and Limiting Conditions chapter of this report.

In regard to the stabilized value, we assume that the subject property's operations have stabilized by the stated stabilization date and that all of the projections and assumptions used in this appraisal, such as the occupancy, average rate, inflation forecast, and our forecast of income and expense, hold true. As of the prospective date of stabilization, our opinion of the market value of the subject property assumes that the hotel will be maintained in good competitive condition and that no major changes will have occurred in the local market or the national economy that would have affected the performance of the property by that date.

This report was prepared during a period of significant uncertainty related to multiple changes in U.S. policies that have affected both the U.S. and global economies. Please see the Macro Considerations discussion in the Nature of the Assignment section for an overview of these issues and their impact. In preparing our findings, we have considered current market perspectives and information available as of the effective date of this report. Any subsequent change to these perspectives or information could affect the analysis presented herein.

The intended use of this report is solely for internal business decisions of the client and no other use. The client for this engagement is PG Phoenix West DST. This report may be relied upon by PG Phoenix West DST and its affiliates and assigns ("Peachtree") and any party that purchases an interest in the property from Peachtree and a reference to this report may be included or quoted in an offering memorandum, prospectus, sales brochure or similar document (in either electronic or hard format) issued in connection with a sale of the property or other transaction involving the property referenced in this report. We hereby certify that we have no undisclosed interest in the property, and our employment and compensation are not contingent upon our findings. This study is subject to the comments made throughout this report and to all assumptions and limiting conditions set forth herein.

Sincerely,
TS Worldwide, LLC



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Addenda

Qualifications & Copy of Appraisal License

Copy of Costar Trend

Copy of Engagement Letter

1. Summary of Salient Data and Conclusions

Property:	Springhill Suites Phoenix West/Avondale
Location:	9950 West Encanto Boulevard Avondale, Arizona 85392 Maricopa County
Interest Appraised:	Fee Simple
Highest and Best Use (as improved):	Limited-service lodging facility

LAND DESCRIPTION

Area:	2.44 acres, or 106,195 square feet
Zoning:	PAD - Planned Area Development
Assessor's Parcel Number(s):	102-32-398
FEMA Flood Zone:	Zone X500

IMPROVEMENTS DESCRIPTION

Year Opened:	August 2024
Property Type:	Limited-service lodging facility
Building Area:	71,937 square feet
Guestrooms:	128
Number of Stories:	Four
Food and Beverage Facilities:	A breakfast dining area
Meeting Space:	700 square feet
Additional Facilities:	An outdoor pool, a fitness room, a lobby workstation, a market pantry, and an outdoor sundeck
Parking Spaces:	140 (Surface)

SUBJECT PROPERTY



LOBBY



BREAKFAST DINING AREA



MEETING ROOM



GUESTROOM SLEEPING AREA



OUTDOOR SWIMMING POOL



FIGURE 1-1 HISTORICAL AND PROJECTED ROOMS REVENUE METRICS

Year	Occupancy		Average Rate		RevPAR	
	Total	% Change	Total	% Change	Total	% Change
Historical						
Partial Year August 1, 2024 - March 31, 2025	46.7 %	—	\$175.92	—	\$82.16	—
Projected						
2025/26	77.0 %	64.9 %	\$159.36	(9.4) %	\$122.71	49.4 %
2026/27	79.0	2.6	166.42	4.4	131.48	7.1
Stabilized	79.0	0.0	171.42	3.0	135.42	3.0
2028/29	79.0	0.0	176.56	3.0	139.48	3.0

FIGURE 1-2 HISTORICAL AND PROJECTED REVENUE, HOUSE PROFIT, AND EBITDA LESS REPLACEMENT RESERVE (NET INCOME)

	Year	Total Revenue		Gross Operating Profit			EBITDA Less Replacement Reserve		
		Total	% Change	Total	% Change	As a % of Total Rev.	Total	% Change	As a % of Total Rev.
Partial Year August 1, 2024 - March 31, 2025	2024/25	\$2,592,000	—	\$1,375,000	—	53.0 %	\$1,074,000	—	41.4 %
Projected	2025/26	\$5,858,000	126.0 %	\$2,962,000	115.4 %	50.6 %	\$2,278,000	112.1 %	38.9 %
	2026/27	6,273,000	7.1	3,232,000	9.1	51.4	2,514,000	10.4	40.0
	2027/28	6,461,000	3.0	3,329,000	3.0	51.4	2,586,000	2.9	40.0

FIGURE 1-3 SUMMARY OF INVESTMENT PARAMETERS AND MARKET VALUE OPINIONS

	As Is	When Stabilized
Date of Value	May 9, 2025	June 1, 2027
Number of Rooms	128	128
Interest Appraised	Fee Simple	Fee Simple
Exposure Time (Months)	4 to 9	3 to 7
<u>Approaches to Value</u>		
INCOME CAPITALIZATION APPROACH		
Total Property Yield/Discount Rate	10.00 %	9.75 %
Applied Terminal Cap Rate	8.00	8.00
Transaction Costs	2.5	2.5
Income Approach Value Conclusion	\$32,000,000	\$34,700,000
Per Room	250,000	271,000
Cap Rate - Year One EBITDA	7.1 %	7.5 %
Cap Rate - Deflated Stabilized EBITDA	7.6	
SALES COMPARISON APPROACH	\$26,600,000 to \$33,900,000	N/A
COST APPROACH	29,029,000	N/A
REPLACEMENT COST FOR INSURANCE PURPOSES	\$17,900,000	N/A
<u>Reconciled Value Opinion</u>		
Real Property Value	\$30,410,000	\$33,390,000
Personal Property Value	1,590,000	1,310,000
Intangible Property Value	0	0
Reconciled Value	\$32,000,000	\$34,700,000
Per Room	250,000	271,000

2. Nature of the Assignment

Subject of the Appraisal

The subject of the appraisal is the fee simple interest in a site measuring 2.44 acres (106,195 square feet) that is improved with a limited-service lodging facility known as the Springhill Suites Phoenix West/Avondale. The property, which opened in August 2024, features 128 rooms, a breakfast dining area, 700 square feet of meeting space, an outdoor pool, a fitness room, a lobby workstation, a market pantry, and an outdoor sundeck. The hotel also contains all necessary back-of-the-house space. The hotel's civic address is 9950 West Encanto Boulevard, Avondale, Arizona 85392.

The subject property is appraised as an open and operating facility.

Property Rights Appraised

The property rights appraised are the fee simple ownership of the real and personal property. The fee simple estate is defined as “absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.”¹

Objective of the Appraisal

The objective of the appraisal is to develop an opinion of the subject property’s “as is” market value, prospective market value upon stabilization, and replacement cost for insurance purposes. The following definition of market value has been agreed upon by the agencies that regulate federal financial institutions in the United States:

The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus. Implicit in this definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated;
2. both parties are well informed or well advised, and acting in what they consider their own best interests;
3. a reasonable time is allowed for exposure in the open market;
4. payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and

¹ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022).

5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.²

“As is” market value is defined by the Appraisal Institute as follows:

The estimate of the market value of real property in its current physical condition, use, and zoning as of the appraisal date.³

Prospective market value is defined by the Appraisal Institute as follows:

A forecast of the value expected at a specified future date.⁴

The prospective value opinion upon stabilization estimates the market value of a property upon reaching a stabilized level of operation. Operations are stabilized at that point in time when abnormalities in supply and demand or any additional transitory conditions cease to exist, and the existing conditions are those expected to continue over the economic life of the property.

Pertinent Dates

The effective date of the "as is" market value opinion is May 9, 2025. The effective date of the "when stabilized" prospective market value conclusion is June 1, 2027. Trey K. Osadchey inspected the subject property on May 9, 2025; Zabada N. Abouelhana participated in the analysis and reviewed the findings, but did not personally inspect the property; the photographs in this report reflect the condition of the property as observed on our inspection date. Trey Osadchey participated in the research for this assignment and assisted in the report's preparation.

Macro Considerations

In recent weeks, the U.S. and global markets have demonstrated a notable degree of volatility, principally related to the policies of the current U.S. administration. The lack of clarity as to the intent, implementation, and duration of those policies has created widespread uncertainty, resulting in significant fluctuation in markets throughout the world. The proposed tariffs have been the primary factor initiating this volatility, raising concerns about increased inflation and suppressed international trade and travel. International travel to the United States has been declining, and inflationary concerns could affect domestic travel. There is also the potential for additional or new supply-chain issues, which, combined with inflation, would further increase the cost of doing business, including new development. Government layoffs and the potential for private-sector cutbacks could also affect

² *Federal Register*, Vol. 75, No. 237, December 10, 2010: 77472.

³ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022).

⁴ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022).

domestic travel, including both transient and group activity. Another consideration is the evolving immigration policies, which may reduce the pool of potential employees, particularly related to entry-level positions in the hospitality industry.

Until more clarity emerges, the near-term outlook is one of continued volatility in response to the aforementioned factors. The possibility of increased inflation, rising unemployment, and a recession are considered potential threats; however, the lack of clarity surrounding these issues, including depth and duration, makes it difficult to formulate a mid-term outlook for the industry. In regard to the long term, we know that the hospitality industry has proven to be extraordinarily resilient following past “shock” events and downturns, such as 9/11, the Great Recession, and the COVID-19 pandemic, which caused business to decline sharply. However, the industry’s performance has always recovered and continued to grow. Thus, we are confident the industry will prove to be similarly resilient following the current period of uncertainty.

Exposure Period

Exposure period is defined as the estimated length of time that the property interest being appraised would have been offered on the market prior to the hypothetical consummation of a sale at its market value, as of the date of value. The exposure period reflects a retrospective opinion based on an analysis of past events and assumes a competitive and open market.

Strong operating performance through early 2020 supported a healthy transaction market, as hotel properties were actively sought-after by investors and as financing remained readily available. In March 2020, the COVID-19 pandemic brought the hotel transactions market to a virtual standstill. The transaction market began to recover in late 2020, with healthy transaction levels recorded in 2021 through the first half of 2022, as debt was available at low interest rates during that time. By late 2022 and 2023, the transactions market had cooled, as successive interest-rate increases and fewer active lenders with more-stringent lending requirements resulted in an increase in the cost of capital. In 2024, the Federal Reserve (Fed) made three cuts to the federal funds rate, with it ending the year between 4.25% and 4.5%; no change was made during the Fed’s January 2025 meeting. Given recent declines in the stock market, interest rates may move lower sooner rather than later, particularly if weakness emerges in the job market. For now, marketing time remains relatively short for renovated, well-branded, limited-service and extended-stay hotels, although it is longer for hotels that have more significant challenges.

HVS collects survey data from brokers on the average exposure period prior to closed sales. Surveys published by PWC and USRC poll market participants on current marketing time; these surveys do not specify if marketing time refers to experience or forward-looking expectations. Despite this lack of distinction, the responses are informed to some degree by the respondents’ recent experience;

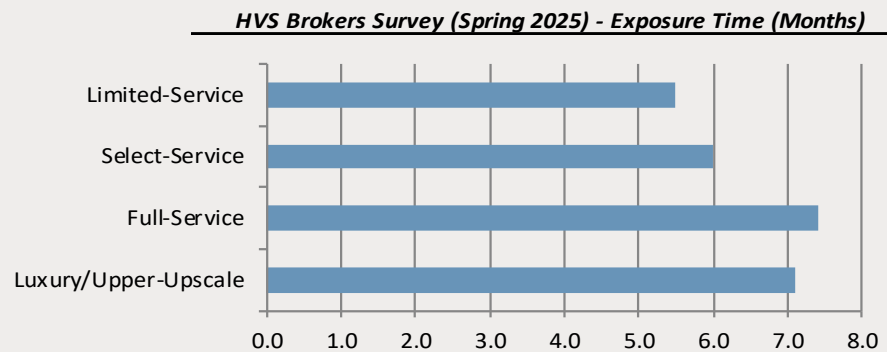
therefore, the data from those surveys are useful indicators of an appropriate exposure period.

According to the *HVS Brokers Survey - Spring 2025*, reported exposure periods averaged 7.1 months for luxury/upper-upscale properties, 7.4 months for full-service hotels, and 6.0 months for select-service hotels. Marketing time for luxury/upper-upscale properties, full-service hotels, and select-service hotels averaged 7.4, 6.6, and 6.3 months, respectively, according to the *PWC Real Estate Investor Survey - First Quarter 2025*. USRC reported average marketing times of 6.2 and 6.0 months, respectively, for full-service and limited-service hotels in its *Winter 2025 Hotel Investor Survey*. Overall marketing time is averaging 8.3 months for hotels, as reported by the *RERC Real Estate Report* for the first quarter of 2025. The following table illustrates marketing and exposure periods reported in recent surveys.

FIGURE 2-1 EXPOSURE AND MARKETING PERIODS (MONTHS)

Property Type	<i>HVS Brokers Survey</i> <i>Exposure Time</i>	<i>USRC Hotel Survey</i> <i>Marketing Time</i>	<i>PWC Investor Survey</i> <i>Marketing Time</i>
	Spring 2025	Winter 2025	1st Quarter 2025
Luxury/Upper-Upscale	3.0 to 15.0	—	4.0 to 12.0
<i>Average</i>	7.1	—	7.4
Full-Service	3.0 to 15.0	3.0 to 9.0	3.0 to 12.0
<i>Average</i>	7.4	6.2	6.6
Select-Service	2.0 to 12.0	—	1.0 to 12.0
<i>Average</i>	6.0	—	6.3
Limited-Service	2.0 to 12.0	3.0 to 9.0	3.0 to 8.0
<i>Average</i>	5.5	6.0	5.3

* Overall marketing time is averaging 8.3 months for hotels, as reported by the *RERC Real Estate Report* for the first quarter of 2025.



Our opinion is that the exposure period for the subject property, prior to our date of value, is estimated to be four to nine months. The marketing and sales process for hotels is extremely efficient. Brokers specializing in hotel transactions actively solicit potential buyers on an ongoing basis and maintain databases on hotel investor criteria. According to the brokers interviewed, the current period from when a property is listed to when the sale closes is typically four to eight months. Brokers are normally able to produce marketing materials, elicit interest, schedule property tours, accept offers, and select a buyer in 60 to 120 days. Following the execution of a purchase and sale agreement, the due diligence and closing period is typically 60 to 90 days.

Marketing Period

The marketing period refers to the amount of time necessary to market the hotel subsequent to our date of value for it to sell for the appraised value; thus, it is a prospective opinion. An opinion of marketing time is not a condition of, or directly related to, market value. However, many clients specifically request, or have an interest in, prospective marketing time. HVS regularly collects survey data from brokers on anticipated marketing times; moreover, we have reviewed the previously presented survey data from PWC and USRC. The marketing period for the subject property, subsequent to our date of value, is estimated to be four to eight months.

Ownership History

The subject property is currently owned by Virtua 99th Hotel, LLC. The subject property was built in 2024 at a total cost of approximately \$30,500,000, including the land. The hotel is now under contract for purchase by Peachtree Group for a reported price of \$28,500,000. We note that the terms of the sale were not provided at the time of this report; however, we note that the broker had listed the property. We were not provided with a range of offers. The "as is" market value opinion in this appraisal is 12.0% higher than the contracted purchase price. This difference is attributed to the anticipated future performance of the hotel, strong profitability levels, and positive fundamentals of the market.

Management and Franchise History and Assumptions

We were not provided with a copy of the agreement for our work file, but from our review of the operating statements of the hotel, it appears that a base management fee of 3.0% of total revenues is paid. Our appraisal assumes that the subject hotel will be managed by a professional hotel-operating company, with fees deducted at rates consistent with current market standards. Our projections reflect a total management fee of 3.0% of total revenues. Please refer to the Income Capitalization Approach chapter for additional discussion pertaining to our management fee assumptions.

The hotel currently operates as a SpringHill Suites by Marriott under a license agreement with Marriott International, Inc; the existing agreement was signed in 2017 and expires in 2037. The existing agreement does not carry an option for renewal. The property's current franchise agreement calls for a royalty fee of 3.0% of gross rooms revenue in the first year, 4.0% in the second year, and 5.5% for the remainder of the term. Furthermore, the franchise agreement calls for a marketing assessment of 2.5% of rooms revenue. We note that the current franchise agreement cannot automatically be transferred to a new owner upon the sale of the property. We have assumed that a buyer would elect to continue to operate the hotel as a SpringHill Suites by Marriott and would enter into a license agreement that would reflect the current terms as published in the company's franchise disclosure document (FDD). The costs of the SpringHill Suites by Marriott affiliation, which are reflected in our forecast, comprise a 5.5% royalty fee and a 3.9% advertising assessment (percentage of rooms revenue). Other charges related to the affiliation,

such as frequent guest programs, are reflected in the appropriate departmental expenses, consistent with the Uniform System of Accounts for the Lodging Industry (USALI).

A new license could require upgrades or renovations in order for the hotel to comply with prevailing brand standards, which would necessitate additional investment. Given the property's current condition and recent construction, we have assumed that any requirements of a property improvement plan (PIP) would be relatively minor and covered by the forecasted reserve for replacement.

The SpringHill Suites by Marriott brand targets corporate-transient demand during the midweek period; however, it is also popular with weekend leisure travelers given the mix of amenities and spacious modified-suite guestrooms, which are approximately 25.0% larger than traditional hotel rooms. Each SpringHill Suites by Marriott hotel offers a complimentary "Suite Mornings" breakfast, a 24/7 market pantry, free Wi-Fi, a business center, a swimming pool and whirlpool, and a fitness room. Guestrooms feature separate working and sleeping areas, and each room offers a kitchenette with mini-refrigerator, microwave, and coffeemaker. Primary competitors of the SpringHill Suites by Marriott brand include Hilton Garden Inn, Country Inn & Suites by Radisson, La Quinta by Wyndham, Four Points by Sheraton, and Cambria, among others. As of year-end 2024, there were 563 SpringHill Suites by Marriott properties (66,666 rooms) in operation across the United States and Canada. While individual brand statistics for recent years were not available, for 2024, Marriott reported an overall occupancy of 71.5% and an average daily rate (ADR) of \$156.50 for its U.S. and Canadian limited- and select-service hotels (as a composite), resulting in an average composite RevPAR level of \$111.84.

We assume that the hotel will retain its current brand affiliation throughout the holding period. Inherent in this assumption is the expectation that the hotel will be operated in accordance with brand standards, including requirements for services and cleanliness; that the property will be maintained in very good condition, with all building systems in good working order; and that any necessary refurbishments or renovations will be completed in a timely manner and in accordance with the requirements of the brand. A copy of the franchise inspection report was not provided for our review. We assume that any deficiencies noted by the brand will be addressed in a timely manner and that the hotel will pass all future franchise inspections.

Projected Capital Improvements

Our forecast of income and expense incorporates a reserve for replacement in recognition of the future renovation needs of the property.

Most Probable Buyer

The subject property is an upscale, limited-service hotel that enjoys a favorable location in a secondary market and offers an appropriate array of facilities and amenities. The hotel's relatively recent construction would be attractive to investors who prefer to limit additional capital investment upon acquisition. It is our opinion that the most probable buyer of the subject property would be a private investment fund, REIT, or ownership group looking to supplement its regional or national hotel portfolio. This type of buyer would seek to implement its own management team, or a third-party professional hotel operator, and to maintain a nationally recognized brand affiliation.

Intended Use of the Appraisal

This appraisal report is being prepared for use for the asset evaluation of the subject property.

Identification of the Client and Intended User(s)

The intended use of this report is solely for internal business decisions of the client and no other use. The client for this engagement is PG Phoenix West DST. This report may be relied upon by PG Phoenix West DST and its affiliates and assigns ("Peachtree") and any party that purchases an interest in the property from Peachtree and a reference to this report may be included or quoted in an offering memorandum, prospectus, sales brochure or similar document (in either electronic or hard format) issued in connection with a sale of the property or other transaction involving the property referenced in this report.

Assignment Conditions

Per USPAP, an "Extraordinary Assumption" is defined as follows:

An assignment-specific assumption as of the effective date regarding uncertain information used in an analysis which, if found to be false, could alter the appraiser's opinions or conclusions. Comment: Uncertain information might include physical, legal, or economic characteristics of the subject property; or conditions external to the property, such as market conditions or trends; or the integrity of data used in an analysis.⁵

We have made no extraordinary assumptions specific to the subject property. However, several important general assumptions have been made that apply to this report. These aspects are set forth in the Assumptions and Limiting Conditions chapter of this report.

In regard to the stabilized value, we assume that the subject property's operations have stabilized by the stated stabilization date and that all of the projections and assumptions used in this appraisal, such as the occupancy, average rate, inflation forecast, and our forecast of income and expense, hold true. As of the prospective

⁵The Appraisal Foundation, *Uniform Standards of Professional Appraisal Practice*, 2020–2021 ed.

date of stabilization, our opinion of the market value of the subject property assumes that the hotel will be maintained in good competitive condition and that no major changes will have occurred in the local market or the national economy that would have affected the performance of the property by that date.

Competency

Our qualifications are included as an addendum to this report. These qualifications reflect that we have the competence required to complete this engagement, in accordance with USPAP's competency provision. Our knowledge and experience are appropriate for the complexity of this assignment.

Scope of Work

The methodology used to develop this appraisal is based on the market research and valuation techniques set forth in the textbooks authored by Hospitality Valuation Services for the American Institute of Real Estate Appraisers and the Appraisal Institute, entitled *The Valuation of Hotels and Motels*,⁶ *Hotels & Motels: Valuations and Market Studies*,⁷ *The Computerized Income Approach to Hotel/Motel Market Studies and Valuations*,⁸ *Hotels and Motels: A Guide to Market Analysis, Investment Analysis, and Valuations*,⁹ and *Hotels and Motels – Valuations and Market Studies*,¹⁰ as well as in accordance with the Uniform System of Accounts for the Lodging Industry (USALI).

1. All information was collected and analyzed by the staff of TS Worldwide, LLC. Information such as historical operating statements, franchise and/or management agreements, site plans, floor plans, and leases, as applicable, were supplied by the client or property management.
2. The subject site was evaluated from the viewpoint of its utility for the development and operation of a hotel. The potential existence of surplus or excess land was investigated. We have reviewed adjacent uses, regional and local accessibility attributes, and visibility characteristics. A study of the local neighborhood was undertaken to determine its boundaries, land uses, recent developments, and life-cycle stage. Other aspects of the land, such as

⁶ Stephen Rushmore, *The Valuation of Hotels and Motels*. (Chicago: American Institute of Real Estate Appraisers, 1978).

⁷ Stephen Rushmore, *Hotels, Motels and Restaurants: Valuations and Market Studies*. (Chicago: American Institute of Real Estate Appraisers, 1983).

⁸ Stephen Rushmore, *The Computerized Income Approach to Hotel/Motel Market Studies and Valuations*. (Chicago: American Institute of Real Estate Appraisers, 1990).

⁹ Stephen Rushmore, *Hotels and Motels: A Guide to Market Analysis, Investment Analysis, and Valuations* (Chicago: Appraisal Institute, 1992).

¹⁰ Stephen Rushmore and Erich Baum, *Hotels and Motels – Valuations and Market Studies*. (Chicago: Appraisal Institute, 2001).

soil and subsoil conditions, nuisances, hazards, easements, encroachments, zoning, and the current flood zone of the property, have been evaluated.

3. The subject property's improvements were inspected to evaluate their current condition, construction materials, and design and layout, including any items of physical deterioration or functional obsolescence. A list of facilities and amenities that the property offers has been compiled, and past upgrades of each area of the hotel have been investigated. Recent capital expenditures, as well as planned future upgrades, have been reviewed. The remaining economic life of the hotel has been estimated.
4. Economic and demographic statistics for the subject property's market have been reviewed to identify specific hospitality-related trends that may affect future demand for hotels. Workforce characteristics have been evaluated, including employment trends by sector and unemployment rates. Major businesses and industries operating in the local area were investigated, and local area office statistics and trends were reviewed, as available. Passenger levels and recent changes at the area's pertinent airport have been researched, and visitor demand generators have been identified and evaluated.
5. A trend report pertaining to historical trends in room-night supply, demand, occupancy, average rate (ADR), and RevPAR for the subject property and a group of selected competitors has been ordered and analyzed. Performance levels for each of the competitive hotels have been researched and/or estimated. Ownership, management, facilities, renovations, and other pertinent factors for the competitive properties have been investigated. Potential new hotel supply was researched and quantified. Occupancy levels of the subject hotel and its existing competition provide a basis for quantifying current accommodated demand in the market. The market for hotel accommodations is segmented based on the specific characteristics of the types of travelers utilizing the area's hotels. By segmenting the demand accommodated by each hotel, the total demand by market segment is quantified. The demand generated by each market segment is then projected yearly up to a point of hypothetical market stabilization. Latent demand, if applicable, is estimated and added to the base demand forecast, resulting in a forecast of overall occupancy for the competitive market.
6. Based on the physical, economic, financial, and legal factors influencing the subject property, a conclusion regarding the property's highest and best use, as currently improved, was developed. The highest and best use of the subject land, as if vacant, was also evaluated based on current real estate trends and market conditions.

7. The subject hotel's occupancy was projected based on a forecast of overall market penetration or penetration by market segment. Its ADR was projected based on competitive positioning through the application of an overall ADR penetration rate or per the penetration by each market segment's ADR.
8. Historical revenue and expense statements for the subject hotel have been reviewed, analyzed, and compared to the financial performance of comparable hotels. Inflation forecasts were researched, forming the basis for our own forecast of inflation. A projection of revenue and expense was prepared in accordance with the USALI, setting forth the anticipated economic benefits of the subject property. All projections are expressed in inflated dollars. Each line item has been reviewed individually. Amounts are forecast based on past performance, expected changes at the property in the future, and comparable hotel performance levels. Property taxes are forecast based on a review of past assessment levels, comparable hotel assessments, and historical tax rates.
9. Our forecast of EBITDA Less Replacement Reserve (formerly referred to as "net operating income") for the subject property is capitalized into an opinion of value via a ten-year discounted cash flow (DCF) analysis. Pertinent direct capitalization rates are also reviewed, and trends in terminal capitalization rates are researched and applied during this process.
10. Sales of comparable hotels have been researched for the local market, by brand nationally, and for the greater region as a whole. Among these sales, a smaller set of sales was selected for more detailed review and analysis. An adjustment grid was developed to assist in deriving our opinion of value via the sales comparison approach.
11. The cost approach was deemed inapplicable in the valuation of the subject property because it is not relied upon by hotel investors in the valuation process; moreover, it requires unsubstantiated calculations to derive an estimate of asset depreciation. However, investors may consider the replacement cost of an asset in making their purchase and pricing decisions, as the opportunity to acquire a property for below replacement cost can enhance the appeal of a potential acquisition. An opinion of personal property value is presented, as well as an estimate of replacement cost for insurance purposes, if applicable.
12. The appraisal considers the following three approaches to value: cost, sales comparison, and income capitalization. We have investigated numerous improved sales in the market area and have spoken with buyers, sellers, brokers, property developers, and public officials. Because lodging facilities are income-producing properties that are normally bought and sold based

on capitalization of their anticipated stabilized earning power, the greatest weight is given to the value indicated by the income capitalization approach. We find that most hotel investors employ a similar procedure in formulating their purchase decisions; thus, the income capitalization approach most closely reflects the rationale of typical buyers.

The results of the appraisal are based on this investigation and analysis and are conveyed in this report. The analyses, opinions, and conclusions were developed based on, and this report has been prepared in conformance with, our interpretation of the guidelines and recommendations set forth in USPAP.

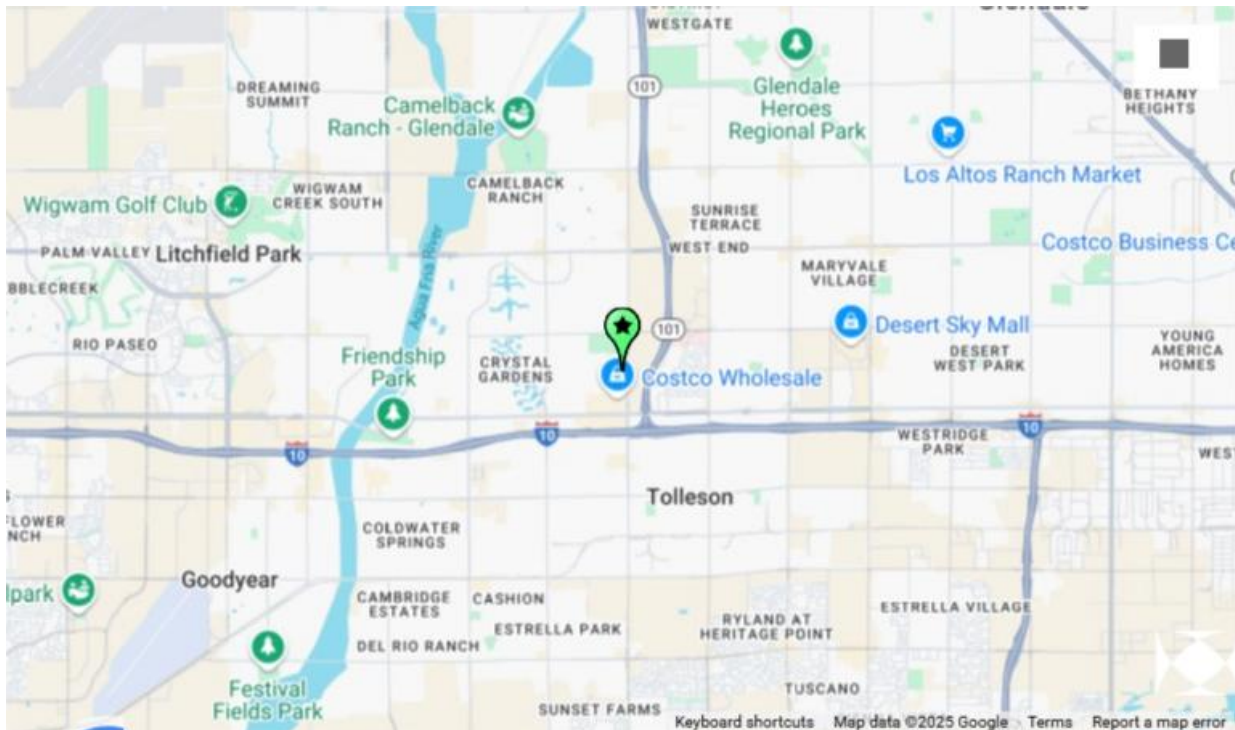
3. Description of the Real Estate

LAND

The suitability of the land for the operation of a lodging facility is an important consideration affecting the economic viability of a property and its overall value. Factors such as size, topography, access, visibility, and the availability of utilities have a direct impact on the desirability of a particular site.

The subject site is located in north Avondale, in the northwest quadrant of the intersection formed by North 99th Avenue and West Encanto Boulevard. The street address of the Springhill Suites Phoenix West/Avondale is 9950 West Encanto Boulevard, Avondale, Arizona 85392.

LOCATION MAP



Physical Characteristics

The subject site measures approximately 2.44 acres, or 106,195 square feet. The parcel's adjacent uses are set forth in the following table.

FIGURE 3-1 SUBJECT PARCEL'S BOUNDARIES/ADJACENT USES

<u>Direction</u>	<u>Boundary</u>	<u>Adjacent Use</u>
North	Property Line	Vacant Land
South	West Encanto Boulevard	Raida Avondale Station
East	North 99th Avenue	Vacant Land
West	Property Line	Vacant Land

Site Utility

The topography of the site is generally flat, and the shape permits efficient use of the site for the building and other improvements, as well as ingress and egress. The subject site does not contain any significant portion of undeveloped land that could be sold, entitled, and developed for alternate use. The site is fully developed with building and site improvements.

AERIAL PHOTOGRAPH

VIEW FROM SITE TO THE NORTH



VIEW FROM SITE TO THE SOUTH



VIEW FROM SITE TO THE EAST



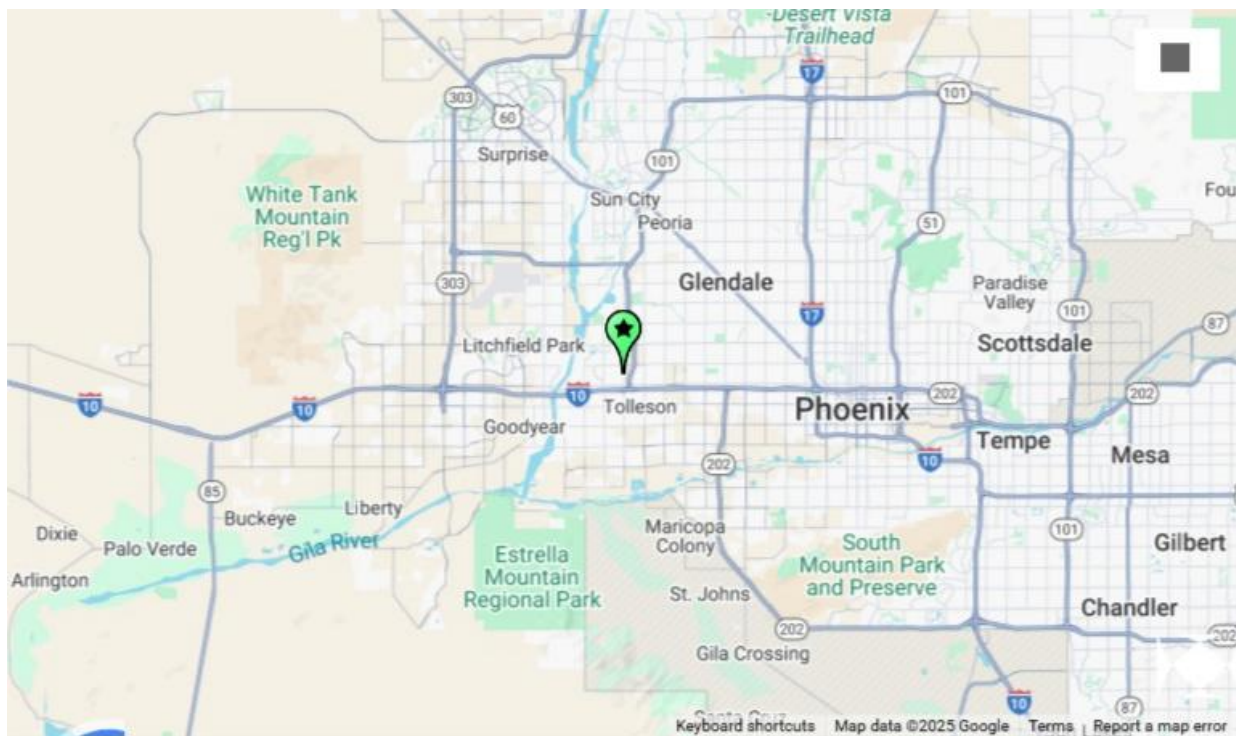
VIEW FROM SITE TO THE WEST



Access and Visibility

It is important to analyze the site with respect to regional and local transportation routes and demand generators, including ease of access. The subject site is readily accessible to a variety of local and county roads, as well as state and interstate highways.

MAP OF REGIONAL ACCESS ROUTES



Regional access to/from the city of Avondale and the subject site, in particular, is considered very good.

Primary vehicular access to the subject property is provided by West Encanto Boulevard. The subject property is located near a busy intersection and is relatively simple to locate from Interstate 10 and State Route 101, which are the closest major thoroughfares. Overall, the subject property benefits from very good accessibility and visibility attributes.

Airport Access

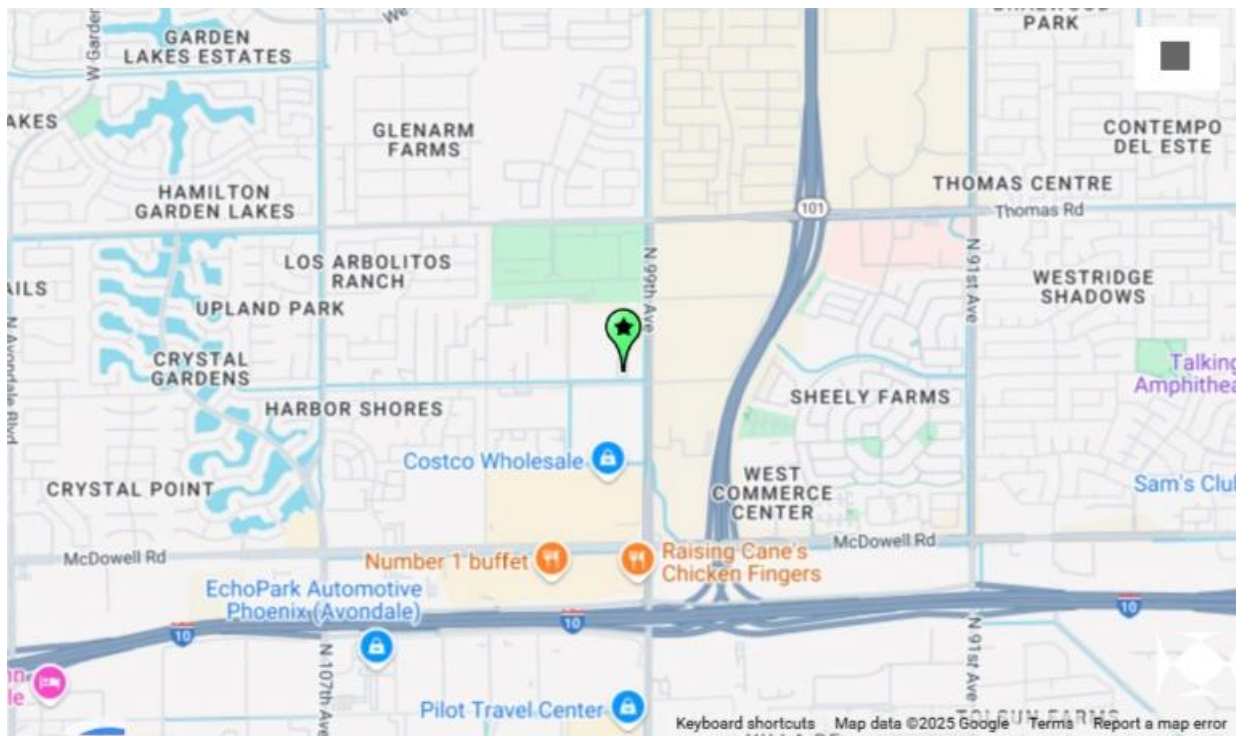
The proposed subject hotel is served by the Phoenix Sky Harbor International Airport, which is located approximately 15 miles to the east of the subject site.

Neighborhood

The neighborhood surrounding a lodging facility often has an impact on a hotel's status, image, class, style of operation, and sometimes its ability to attract and properly serve a particular market segment.

The neighborhood that surrounds the subject site is generally defined as the 99th Avenue corridor, spanning between West Indian School Road to the north and West McDowell Road to the south. The neighborhood is characterized by restaurants, office buildings, and retail shopping centers along the primary thoroughfares, with residential areas located along the secondary roadways. Some specific businesses and entities in the area include the Gateway Pavilions Shopping Center and the Gateway Crossing Shopping Center; nearby hotels include the Holiday Inn Express & Suites Phoenix West Tolleson, the Courtyard Phoenix West/Avondale, and the Home2 Suites by Hilton Phoenix Avondale. Restaurants located near the subject site include Two Hands Seoul Fresh Corn Dogs, Pier 88 Boiling Seafood, Pita Kitchen, and Taco Calafia. According to conversations within the market, numerous restaurants, retail, apartment complexes, and industrial developments have been constructed, with additional projects on the way.

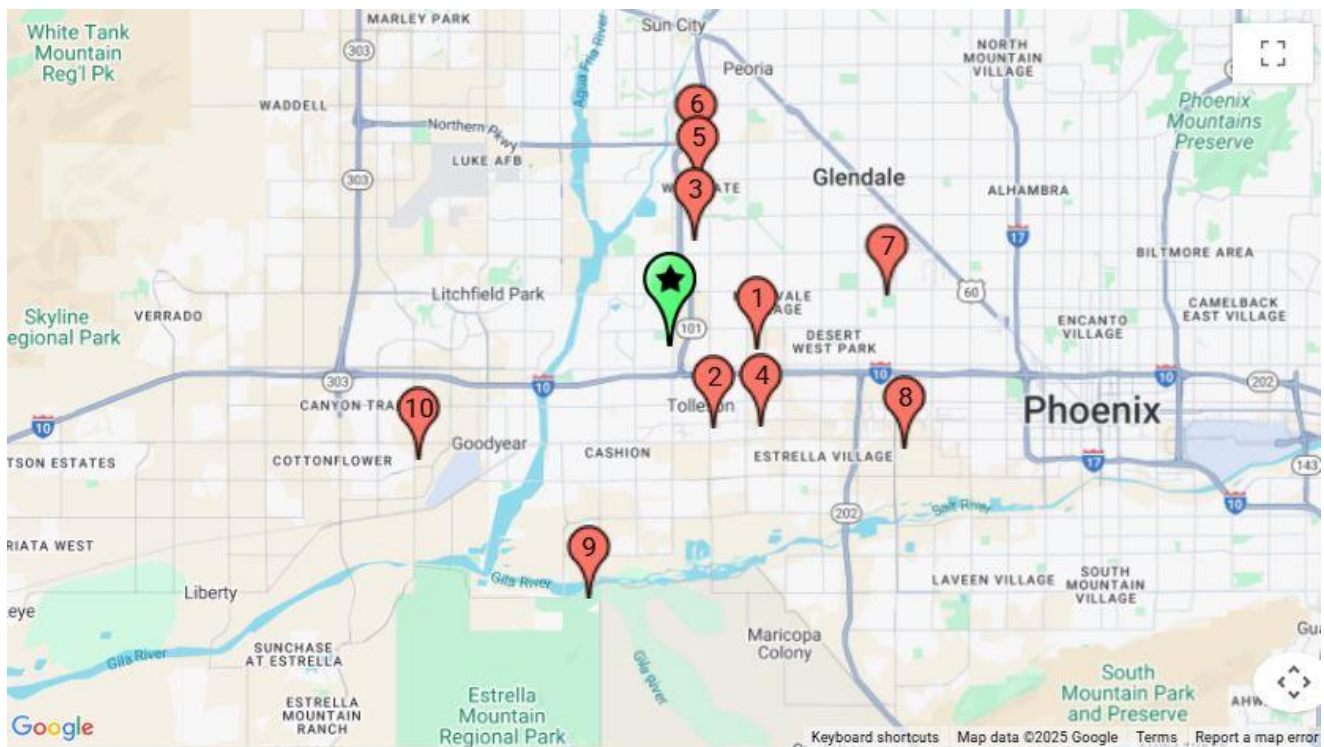
MAP OF NEIGHBORHOOD





Proximity to Local Demand Generators and Attractions

The subject property is located near the area's primary generators of lodging demand. A sample of these demand generators is reflected on the following map, including respective distances from and drive times to the subject property. Overall, the subject property is well situated with respect to demand generators.

ACCESS TO DEMAND GENERATORS AND ATTRACTIONS



 Demand Generator	Approx. Time from Subject Property	Approx. Distance
 Subject Property		
1 Ak-Chin Pavilion	7 minutes	3.3 miles
2 JBS Beef Plant	11 minutes	4.0 miles
3 State Farm Stadium	6 minutes	4.4 miles
4 Sysco Foodservices of Arizona	11 minutes	5.1 miles
5 Westgate Entertainment District	8 minutes	5.8 miles
6 Desert Diamond Casino - West Valley	10 minutes	7.0 miles
7 American Family Fields of Phoenix	16 minutes	7.4 miles
8 Amazon Fulfillment Center	18 minutes	9.0 miles
9 Phoenix Raceway	19 minutes	9.0 miles
10 Goodyear Ballpark	15 minutes	10.0 miles

Utilities

According to property ownership, the subject site is served by all necessary utilities.

**Soil and
Subsoil Conditions**

Geological and soil reports were not provided to us or made available for our review during the preparation of this report. We are not qualified to evaluate soil conditions other than by a visual inspection of the surface; no extraordinary conditions were apparent.

**Nuisances
and Hazards**

We were not informed of any site-specific nuisances or hazards, and there were no visible signs of toxic ground contaminants at the time of our inspection. Because we are not experts in this field, we do not warrant the absence of hazardous waste and urge the reader to obtain an independent analysis of these factors.

Flood Zone

According to the Federal Emergency Management Agency map illustrated below, the subject site is located in Zone X500.

Zoning

According to the local planning office, the subject property is zoned as follows: PAD - Planned Area Development. Additional details pertaining to the subject property's zoning regulations are summarized in the following table.

FIGURE 3-2 ZONING

Municipality Governing Zoning	City of Avondale
Current Zoning	Planned Area Development
Current Use	Hotel
Is Current Use Permitted?	Yes
Is Change in Zoning Likely?	No
Permitted Uses	Commercial Use
Hotel Allowed	Yes
Legally Non-Conforming	Not Applicable

We assume that all necessary permits and approvals have been secured (including the appropriate liquor license as applicable) and that the subject property was constructed in accordance with local zoning ordinances, building codes, and all other applicable regulations. Our zoning analysis should be verified before any physical changes are made to the site.

Easements and Encroachments

We are not aware of any easements or encroachments encumbering the property that would significantly affect its utility or marketability.

Land Conclusion

We have analyzed the issues of size, topography, access, visibility, and the availability of utilities. The subject site is favorably located near the interstate and between three cities (Phoenix, Glendale, and Goodyear) with strong commercial entities and leisure attractions. In general, the site is well suited for hotel use, with acceptable access, visibility, and topography for an effective operation.

Improvements

The quality of a lodging facility's physical improvements has a direct influence on its marketability and attainable occupancy and ADR. The design and functionality of the structure can also affect operating efficiency and overall profitability. Trey K. Osadchey inspected the subject property on May 9, 2025; Zabada N. Abouelhana participated in the analysis and reviewed the findings, but did not personally inspect the property;

Property Overview

The Springhill Suites Phoenix West/Avondale is a limited-service lodging facility containing 128 total rentable units. The hotel was designed and developed as a SpringHill Suites by Marriott and opened in August 2024; the configuration and array of facilities and amenities are consistent with brand standards as of that date. We note that a property improvement plan (PIP) has not been issued given the recent opening of the subject hotel, which is in overall excellent condition; thus, a new owner would not need to complete any upgrades at this time. If any updates were to be required by the brand or planned by ownership, the cost of these upgrades would be expected to be funded by the reserve for replacement.

SUBJECT PROPERTY – FRONT OF HOTEL**SUBJECT PROPERTY – BACK OF HOTEL****Summary of the Facilities**

Based on our research and information provided by management representatives of the subject property, the following table summarizes the facilities available at the subject property.

FIGURE 3-3 FACILITIES SUMMARY

Guestroom Configuration		Number of Units
King		85
Queen/Queen		43
Total		128
Food & Beverage Facilities		
Breakfast Dining Area		
Indoor Meeting & Banquet Facilities		Square Footage
Boardroom		700
Amenities & Services		
Outdoor Swimming Pool		Fitness Room
Lobby Workstation		Market Pantry
Guest Laundry Area		Outdoor Sundeck
Infrastructure		
Parking Spaces		140
Elevators		2 Guest
Life-Safety Systems		Sprinklers, Smoke Detectors

Site Improvements and Hotel Structure

The hotel occupies one four-story building that is positioned in the center of the site. Surface parking is located around the building. Other site improvements include signage, located at the entrance to the hotel property, and well-kept landscaping and sidewalks; an outdoor pool area is situated to the west of the hotel structure. The hotel's main entrance, located on the east side of the building, leads directly into the lobby. The first floor houses the public areas and the back-of-the-house space, while the guestrooms are located on the first through fourth floors. The site improvements and the structure appeared to be in excellent condition upon inspection.

The subject hotel features a breakfast dining area where a complimentary breakfast is served daily. The hotel also offers a 700-square-foot meeting room on the first floor. Recreational facilities consist of an outdoor pool and a fitness room. Additional amenities include a business center with one computer workstation and a market pantry. The public areas of the hotel are functional, appearing to be well kept upon inspection and considered to be in excellent condition.

The subject hotel features a breakfast dining area where a complimentary breakfast is served daily. The hotel also offers a 700-square-foot meeting room on the first floor. Recreational facilities consist of an outdoor pool and a fitness room. Additional amenities include a business center with one computer workstation and a market pantry. The public areas of the hotel are functional, appearing to be well kept upon inspection and considered to be in excellent condition.

LOBBY SEATING AREA



FRONT DESK



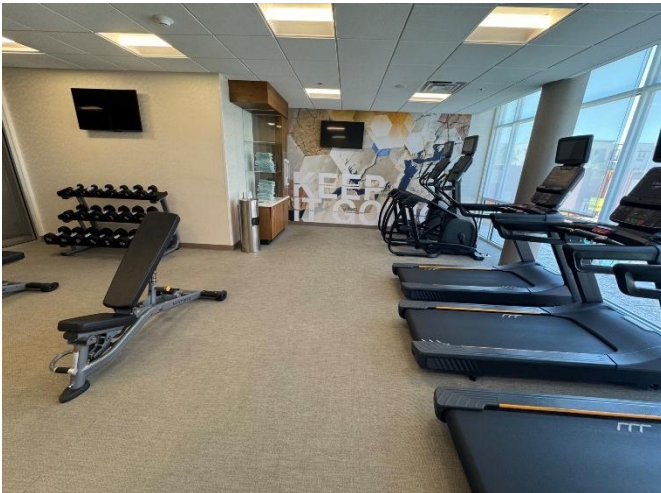
BREAKFAST DINING AREA



MEETING ROOM



FITNESS ROOM



OUTDOOR SWIMMING POOL



MARKET PANTRY



LOBBY WORKSTATION



Guestrooms

The hotel features standard and suite-style guestroom configurations, which offer typical amenities for this hotel's asset class. The guestroom bathrooms are standard in size, featuring a shower-in-tub and single-sink vanity area. Overall, the guestrooms were in excellent condition. The guest bathrooms were in similar condition to the guestrooms. The interior guestroom corridors were in excellent condition upon inspection.

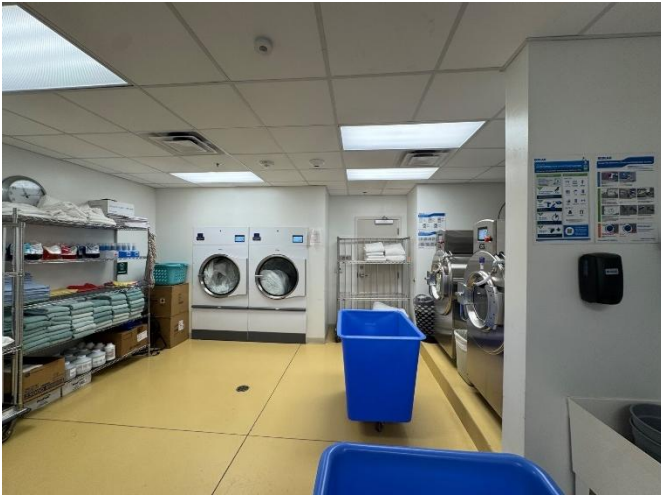
FIGURE 3-4 SUMMARY OF ROOM TYPES

<u>Guestroom Configuration</u>	<u>Number of Units</u>
King	85
Queen/Queen	43
Total	128

TYPICAL GUESTROOM – SLEEPING AREA**TYPICAL GUESTROOM – LIVING AREA****TYPICAL GUESTROOM BATHROOM – SINK****TYPICAL GUESTROOM BATHROOM – BATH****Back-of-the-House**

The hotel is served by the necessary back-of-the-house space, including an in-house laundry facility, administrative offices, and a prep-service kitchen (adjacent to the breakfast dining area). The kitchen facilities are appropriate for the scope of service provided, appearing to be in very good condition; no significant or persistent problems were reported by hotel management. The in-house laundry facility contains two large-capacity washers and two dryers.

LAUNDRY FACILITY



BREAKFAST PREP AREA



ADA and Environmental

According to information provided by management representatives, there are no environmental hazards present in the subject property's improvements, nor did we observe any. The property reportedly complies with the Americans with Disabilities Act, including the presence of the ADA-mandated pool lift.

Functional Obsolescence

Due to the relatively new construction of the subject property, we found no indications of functional obsolescence.

Effective Age and Remaining Economic Life

Our opinion of effective age and remaining economic life for the building is presented as follows:

FIGURE 3-5 EFFECTIVE AGE AND REMAINING ECONOMIC LIFE

Typical Economic Life	45 Years
Chronological Age	1
Effective Age	1
Remaining Economic Life	44

Hotels are typically renewed on a regular basis. With good ongoing maintenance and regular upgrading, the remaining economic life can be periodically extended.

Capital Expenditures

According to hotel ownership, no major capital has been spent since the subject property's opening in August 2024.

Our forecast of income and expense incorporates a reserve for replacement in recognition of the future renovation needs of the property, which is consistent with accepted industry norms for a property of this type. This appraisal also assumes an ongoing preventive maintenance program and appropriate management and ownership oversight. Investors recognize that additional capital may be required over the holding period, and this expectation is factored into their return requirements. Our selected discount and capitalization rates are based on market requirements, implicitly considering potential additional capital investments that may be required during the holding period.

**Improvements
Conclusion**

Overall, the subject property offers a well-designed, functional layout of support areas and guestrooms. A strength of the physical asset is its new construction. No significant weaknesses were noted.

4. Market Area Analysis

The economic vitality of the market area and neighborhood surrounding the subject property is an important consideration in forecasting lodging demand and income potential. Economic and demographic trends that reflect the amount of visitation provide a basis from which to project lodging demand. The purpose of the market area analysis is to review available economic and demographic data to determine whether the local market will undergo economic growth, stabilize, or decline. In addition to predicting the direction of the economy, the rate of change must be quantified. These trends are then correlated based on their propensity to reflect variations in lodging demand, with the objective of forecasting the amount of growth or decline in visitation by individual market segment (e.g., commercial, meeting and group, and leisure).

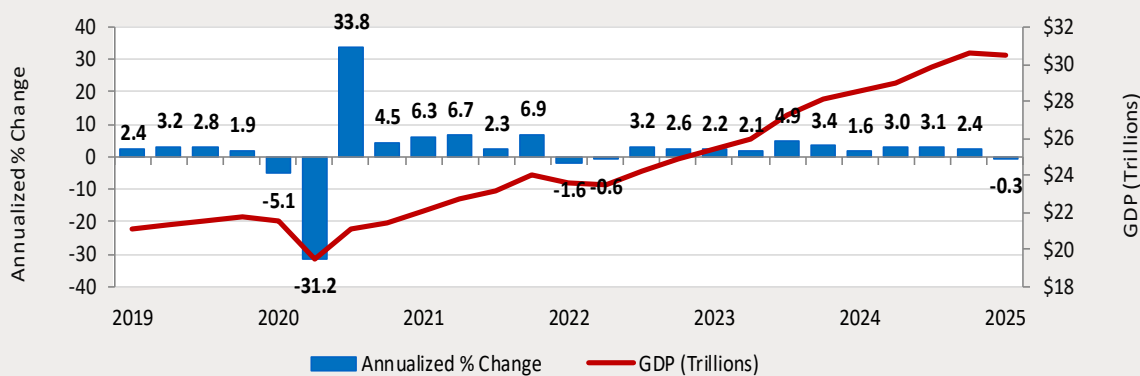
National Economic Overview

The local market and economy are influenced by national trends; thus, consideration of these trends is an important premise to this market-area analysis. The U.S. economy was severely affected by the COVID-19 pandemic, as illustrated in the following discussion. The onset of the pandemic resulted in decreased business activity, causing widespread economic hardships, including higher levels of unemployment. The depth and duration of this impact was influenced by the course of the pandemic and the nature and extent of restrictions on business and travel activity; the period of greatest impact was 2020. The shift of work locations from office environments to home offices also limited corporate transient and group travel. By all measures, the national economy had recovered from this downturn by year-end 2024, having recorded notable growth, while some select markets and sectors had experienced slower growth and were continuing to recover as of early 2025.

Gross domestic product (GDP) is a key measure of a country's economic health and trends. Research has also identified a high degree of correlation between GDP and lodging demand. For the eight quarters leading up to 2020, GDP quarterly growth ranged between 0.9% and 3.8%, reflecting moderate economic expansion. The impact of the pandemic was considerable in 2020. As shutdowns halted major components of the U.S. economy from mid-March through May, GDP contracted by an annualized rate of 31.2% in Q2 2020, the largest such decline in U.S. history. While shocking, this GDP decline was offset by a significant rebound in economic activity in Q3 2020, greatly moderating the overall impact for the year. The U.S. economy grew by 33.8% on an annualized basis in the third quarter, followed by more modest gains in the five quarters that followed through the end of 2021, with GDP having surpassed the pre-pandemic peak by Q1 2021. A pullback during the

first half of 2022 was driven by the trade deficit and decreases in government spending and inventory investment, although the decline was offset by gains during the second half of the year.

FIGURE 4-1 UNITED STATES GDP GROWTH RATE



Sources: tradingeconomics.com, Bureau of Economic Analysis

The positive trend continued through 2023 and 2024, registering 2.5% and 2.4% increases for the year, respectively, and then declined slightly (-0.3%) in the first quarter of 2025. According to the April 30, 2025, report from the Bureau of Economic Analysis, "The decrease in real GDP in the first quarter primarily reflected an increase in imports, which are a subtraction in the calculation of GDP, and a decrease in government spending. These movements were partly offset by increases in investment, consumer spending, and exports." After a period of low transaction volume, 2025 was expected to bring a more active deal environment given this recent stability in growth; however, the announcement of sweeping tariffs in early April 2025 and the resulting decline of the stock market have prompted heightened uncertainty regarding the future direction of the economy. We will be closely monitoring how these changes impact employment, hotel demand, ADRs, and, ultimately, hotel values.

The Wall Street Journal (WSJ) publishes an economy forecasting survey each quarter. Per the latest survey (January 2025), economists were optimistic that the United States would avoid a recession, reporting an average 22.0% probability that the country would experience a recession during the next twelve months (39.0% was the average probability level for the same question in January 2024). Citing just one example, JPMorgan's economic analysts announced on April 4, 2025, that they now believe the chance for a recession is significantly higher, at 60.0%, following

the tariff announcement. While the economy had continued to perform well, with the average probability level declining with each survey, a notable shift is underway. Key averages from the latest release are illustrated in the following table.

FIGURE 4-2 GDP, CPI, AND UNEMPLOYMENT PREDICTIONS

Real GDP, Quarterly Annualized Growth Rate

1st Quarter 2025	2.17 %
2nd Quarter 2025	2.00
3rd Quarter 2025	1.95
4th Quarter 2025	1.95

Real GDP, Year-Over-Year Growth Rate

2025	2.00 %
2026	2.00
2027	2.04

CPI, Year-Over-Year Change

June 2025	2.56 %
December 2025	2.69
June 2026	2.66
December 2026	2.57

Unemployment, Annual Level

June 2025	4.24 %
December 2025	4.26
June 2026	4.21
December 2026	4.19

Source: Wall Street Journal Economic Forecasting
Survey, January 2025

Driven by supply-chain disruptions and pent-up consumer demand, prices for most goods and services increased substantially in the wake of the pandemic; the CPI increased by 7.0% in 2021 and 6.5% in 2022. The Fed addressed inflation through successive interest-rate hikes (seven in 2022, and another four in 2023), and the pace of inflation decelerated, falling to the low 3.0% range by the end of 2023. While inflation had increased to 3.5% by March 2024, it has illustrated a slow and gradual decline since this point, registering a relatively low 2.4% as of September 2024. In September, the Fed cut the federal funds rate for the first time since the COVID-19 pandemic, acknowledging the positive economic data and lower inflation in recent months, and two additional cuts followed in November and December. Prior to the September meeting, the target rate was between 5.25% and 5.5%. As of early 2025,

it now stands between 4.25% and 4.5%. No change was made to the lending rate during the Fed's January 2025 meeting.

The successive increases in GDP, lower inflation levels, cuts to the Fed rate in 2024, and strong job growth through Q1 2025 painted a positive picture of the U.S. economy. However, the first week of April 2025 sparked a notable change for this picture with the announcement of hefty tariffs, resulting in a weaker U.S. stock market; as such, expectations have emerged that a recession in the near term is much more likely. Nevertheless, it is unclear how the new policies of the current administration will ultimately impact the economy and the hotel sector.

Per the WSJ survey, unemployment levels are anticipated to remain relatively stable, hovering near the 4.3% mark. In the October 2024 survey (no questions were posed for the January 2025 survey), the economists also opined on potential changes in metrics based on the election outcome. Most believe that inflation would increase under a Republican administration, due in large part to proposed tariffs. However, at the time, the WSJ reported that administration's influence over the economy is nevertheless limited, and more important factors are the business cycle, external shocks (such as the price of oil), and the Fed's interest rate policy. Accordingly, economists surveyed expect inflation to remain somewhat elevated, at just over 2.5% by June 2025, followed by an uptick, rising to roughly 2.7% by the end of this year.

Within the hospitality industry, labor availability and costs remain a concern for hotel operators, although these issues have diminished somewhat since the height of the pandemic. Inflation benefited the industry by supporting strong ADR growth in most markets but also resulted in increased expenses, which put pressure on profitability. Inflation moderated significantly and was approaching the Fed's target of 2.0% at the end of Q1 2025, which was considered a positive factor; however, the impact of the announced tariffs may reverse this trend of inflation. We continue to closely monitor how these policy changes are affecting the U.S. lodging market and the local market analyzed within this report, as explained in the following chapter.

In preparing this report, we have considered the impact of these factors on the lodging and investment markets to the best of our ability. However, our analysis only considers what is known at the time of the effective date of the report, and there is a high degree of uncertainty currently influencing the market and the economy.

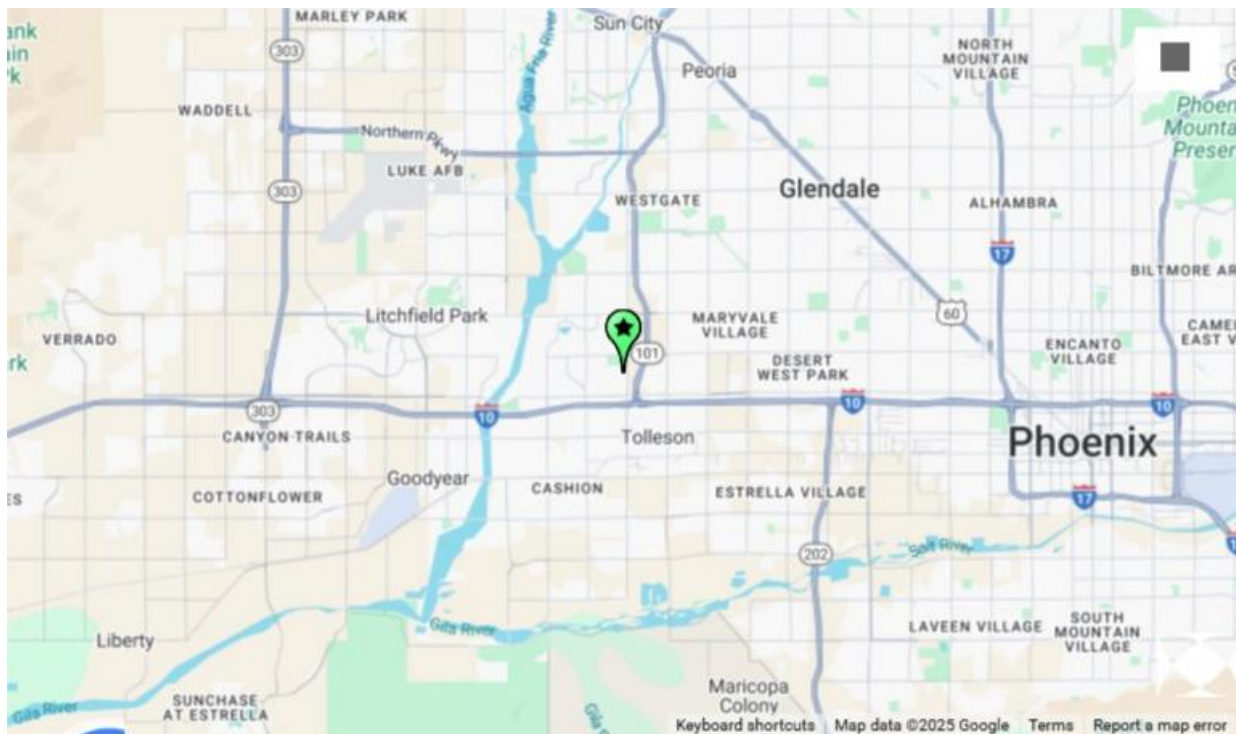
Market Area Definition

The market area for a lodging facility is the geographical region where the sources of demand and the competitive supply are located. The subject property is located in the city of Avondale, the county of Maricopa, and the state of Arizona. Avondale, which was incorporated in 1946, is located roughly 13 miles west of Downtown Phoenix and is part of the Phoenix metropolitan area. Phoenix, also known as the

Valley of the Sun, serves as the capital of Arizona. The area began as an agricultural community with a thriving canal system; however, the local economy shifted following World War II. Today, Greater Phoenix serves as a hub for aerospace, high-tech, bioscience, advanced business services, and sustainable technologies companies, with Honeywell, Intel, Mayo Clinic, and State Farm all maintaining major operations here. Additionally, tourism is an especially vital part of the economy, supported by the region's temperate winter and enjoyable springtime weather; abundance of world-renowned resorts, spas, and golf courses; and popular peak-season events, such as MLB Spring Training.

The subject property's market area can be defined by its Combined Statistical Area (CSA): Phoenix-Mesa, AZ. The CSA represents adjacent metropolitan and micropolitan statistical areas that have a moderate degree of employment interchange. Micropolitan statistical areas represent urban areas in the United States based around a core city or town with a population of 10,000 to 49,999; the MSA requires the presence of a core city of at least 50,000 people and a total population of at least 100,000 (75,000 in New England). The following exhibit illustrates the market area.

MAP OF MARKET AREA



Economic and Demographic Review

A primary source of economic and demographic statistics used in this analysis is the *Complete Economic and Demographic Data Source* published by Woods & Poole Economics, Inc.—a well-regarded forecasting service based in Washington, D.C. Using a database containing more than 900 variables for each county in the nation, Woods & Poole employs a sophisticated regional model to forecast economic and demographic trends. Historical statistics are based on census data and information published by the Bureau of Economic Analysis. Projections are formulated by Woods & Poole, and all dollar amounts have been adjusted for inflation, thus reflecting real change.

These data are summarized in the following table.

FIGURE 4-3 ECONOMIC AND DEMOGRAPHIC DATA SUMMARY

	2010	2020	2024	2029	Avg. Annual Compounded Chg.		
					2010-20	2010-24	2024-29
Resident Population (Thousands)							
Maricopa County	3,822.1	4,445.1	4,649.5	4,970.7	1.5 %	1.4 %	1.3 %
Phoenix-Mesa-Chandler, AZ MSA	4,200.3	4,875.2	5,144.9	5,526.8	1.5	1.5	1.4
Phoenix-Mesa, AZ CSA	4,253.8	4,928.6	5,199.0	5,581.5	1.5	1.4	1.4
State of Arizona	6,402.2	7,186.7	7,525.6	8,005.3	1.2	1.2	1.2
United States	309,382.3	331,526.9	337,214.9	348,565.1	0.7	0.6	0.7
Per-Capita Personal Income*							
Maricopa County	\$39,995	\$53,484	\$57,729	\$61,810	2.9	2.7	1.4
Phoenix-Mesa-Chandler, AZ MSA	38,769	52,262	55,939	59,781	3.0	2.7	1.3
Phoenix-Mesa, AZ CSA	38,720	52,162	55,820	59,672	3.0	2.6	1.3
State of Arizona	37,313	49,777	52,498	56,200	2.9	2.5	1.4
United States	44,807	56,530	59,191	63,789	2.4	2.0	1.5
W&P Wealth Index							
Maricopa County	91.3	95.8	98.6	97.9	0.5	0.6	(0.1)
Phoenix-Mesa-Chandler, AZ MSA	88.6	93.6	95.5	94.7	0.5	0.5	(0.2)
Phoenix-Mesa, AZ CSA	88.4	93.3	95.2	94.4	0.5	0.5	(0.2)
State of Arizona	85.1	88.7	89.4	88.8	0.4	0.3	(0.1)
United States	100.0	100.0	100.0	100.0	0.0	0.0	0.0
Food and Beverage Sales (Millions)*							
Maricopa County	\$6,573	\$8,444	\$11,119	\$12,850	2.5	3.8	2.9
Phoenix-Mesa-Chandler, AZ MSA	6,808	8,733	11,536	13,370	2.5	3.8	3.0
Phoenix-Mesa, AZ CSA	6,867	8,810	11,634	13,481	2.5	3.8	3.0
State of Arizona	9,842	12,344	16,204	18,778	2.3	3.6	3.0
United States	502,827	611,998	777,882	881,337	2.0	3.2	2.5
Total Retail Sales (Millions)*							
Maricopa County	\$64,516	\$89,520	\$107,787	\$122,490	3.3	3.7	2.6
Phoenix-Mesa-Chandler, AZ MSA	67,217	92,677	111,877	127,395	3.3	3.7	2.6
Phoenix-Mesa, AZ CSA	67,795	93,331	112,636	128,211	3.2	3.7	2.6
State of Arizona	95,969	125,396	150,475	170,203	2.7	3.3	2.5
United States	4,638,710	5,826,739	6,781,526	7,456,593	2.3	2.7	1.9
* Inflation Adjusted							

Source: Woods & Poole Economics, Inc.

Workforce Characteristics

The U.S. population grew at an average annual compounded rate of 0.6% from 2010 through 2024. The county's population has increased at a quicker pace than the nation's population; the average annual growth rate of 1.4% between 2010 and 2024 reflects a gradually expanding area. Per-capita personal income increased modestly, at 2.7% on average annually for the county between 2010 and 2024. Local wealth indexes have remained stable in recent years, registering a near average 98.6 level for the county in 2024.

Food and beverage sales totaled \$11,119 million in the county in 2024, versus \$6,573 million in 2010. This reflects a 3.8% average annual change. The pace of growth is anticipated to be 2.9% through 2029. The retail sales sector demonstrated an annual increase of 3.7% from 2010 to 2024. An increase of 2.6% average annual change is expected in county retail sales through 2029.

The characteristics of an area's workforce provide an indication of the type and amount of transient visitation likely to be generated by local businesses. Sectors such as finance, insurance, and real estate (FIRE); wholesale trade; and services produce a considerable number of visitors who are not particularly rate sensitive. The government sector often generates transient room nights, but per-diem reimbursement allowances often limit the accommodations selection to budget and mid-priced lodging facilities. Contributions from manufacturing, construction, transportation, communications, and public utilities (TCPU) employers can also be important, depending on the company type.

The following table sets forth the county workforce distribution by business sector in 2010, 2020, and 2024, as well as a forecast for 2029.

FIGURE 4-4 HISTORICAL AND PROJECTED EMPLOYMENT (000S)

Industry	2010	Percent of Total	2020	Percent of Total	2024	Percent of Total	2029	Percent of Total	Avg. Annual Compounded Chg.		
									2010-2020	2020-2024	2024-2029
Farm	6.3	0.3 %	6.4	0.2 %	5.7	0.2 %	5.4	0.2 %	0.1 %	(2.9) %	(0.9) %
Forestry, Fishing, Related Activities And Other	2.5	0.1	2.6	0.1	2.7	0.1	2.7	0.1	0.2	0.9	(0.2)
Mining	6.3	0.3	5.2	0.2	5.7	0.2	5.6	0.2	(2.0)	2.5	(0.4)
Utilities	8.2	0.4	8.3	0.3	8.6	0.3	9.0	0.3	0.2	0.7	1.1
Construction	109.6	5.1	178.2	6.5	204.1	6.5	211.5	6.1	5.0	3.4	0.7
Manufacturing	112.5	5.3	138.3	5.0	149.8	4.7	149.0	4.3	2.1	2.0	(0.1)
Total Trade	324.7	15.2	358.6	13.0	396.8	12.5	405.4	11.7	1.0	2.6	0.4
Wholesale Trade	88.0	4.1	90.0	3.3	103.7	3.3	106.8	3.1	0.2	3.6	0.6
Retail Trade	236.7	11.1	268.5	9.7	293.2	9.3	298.6	8.6	1.3	2.2	0.4
Transportation And Warehousing	64.3	3.0	154.6	5.6	178.3	5.6	186.1	5.4	9.2	3.6	0.9
Information	34.6	1.6	45.5	1.6	53.0	1.7	55.0	1.6	2.8	3.9	0.8
Finance And Insurance	156.7	7.4	236.7	8.6	273.9	8.7	327.9	9.5	4.2	3.7	3.7
Real Estate And Rental And Lease	140.2	6.6	168.1	6.1	211.1	6.7	240.4	6.9	1.8	5.9	2.6
Total Services	937.0	44.0	1,216.5	44.2	1,435.9	45.4	1,620.9	46.8	2.6	4.2	2.5
Professional And Technical Services	147.9	6.9	199.2	7.2	232.2	7.3	256.9	7.4	3.0	3.9	2.0
Management Of Companies And Enterprises	25.2	1.2	38.4	1.4	48.9	1.5	52.3	1.5	4.3	6.3	1.3
Administrative And Waste Services	188.4	8.9	237.5	8.6	258.1	8.2	282.8	8.2	2.3	2.1	1.8
Educational Services	51.1	2.4	63.1	2.3	77.4	2.4	96.5	2.8	2.1	5.2	4.5
Health Care And Social Assistance	221.1	10.4	315.8	11.5	375.4	11.9	441.4	12.7	3.6	4.4	3.3
Arts, Entertainment, And Recreation	45.0	2.1	52.4	1.9	65.6	2.1	75.2	2.2	1.5	5.8	2.7
Accommodation And Food Services	153.4	7.2	177.6	6.4	226.4	7.2	250.2	7.2	1.5	6.2	2.0
Other Services, Except Public Administration	104.8	4.9	132.3	4.8	151.8	4.8	165.7	4.8	2.4	3.5	1.8
Total Government	226.1	10.6	236.3	8.6	237.9	7.5	246.9	7.1	0.4	0.2	0.7
Federal Civilian Government	22.3	1.0	22.7	0.8	21.7	0.7	21.9	0.6	0.2	(1.1)	0.2
Federal Military	13.6	0.6	15.1	0.5	14.4	0.5	14.2	0.4	1.1	(1.2)	(0.2)
State And Local Government	190.1	8.9	198.4	7.2	201.8	6.4	210.8	6.1	0.4	0.4	0.9
TOTAL	2,128.9	100.0 %	2,755.1	100.0 %	3,163.3	100.0 %	3,465.8	100.0 %	2.6 %	3.5 %	1.8 %
MSA	2,209.9	—	2,861.0	—	3,284.9	—	3,599.2	—	2.6 %	3.5 %	1.8 %
U.S.	172,901.7	—	195,286.6	—	218,894.3	—	232,833.6	—	1.2	2.9	1.2

Source: Woods & Poole Economics, Inc.

The preceding data illustrate the long-term employment trends in this market, including the recent impact of the pandemic and the subsequent recovery. Forecasts developed by Woods & Poole Economics, Inc. anticipate that total employment in the county will change by 1.8% on average annually through 2029. The trend is above the forecast rate of change for the United States as a whole during the same period.

The following table illustrates historical and projected employment, households, population, and average household income data, as provided by REIS for the overall Phoenix market.

FIGURE 4-5 HISTORICAL & PROJECTED EMPLOYMENT, HOUSEHOLDS, POPULATION, AND HOUSEHOLD INCOME STATISTICS

Year	Total Employment	% Chg	Office Employment	% Chg	Industrial Employment	% Chg	Households	% Chg	Population	% Chg	Household Avg. Income	% Chg
2012	1,778,770	—	585,337	—	216,338	—	1,613,050	—	4,314,930	—	\$104,015	—
2013	1,829,800	2.9 %	606,968	3.7 %	216,697	0.2 %	1,645,650	2.0 %	4,374,420	1.4 %	103,288	(0.7) %
2014	1,874,270	2.4	620,884	2.3	217,090	0.2	1,674,080	1.7	4,444,200	1.6	108,193	4.7
2015	1,944,500	3.7	644,328	3.8	219,958	1.3	1,696,830	1.4	4,518,610	1.7	112,550	4.0
2016	1,999,500	2.8	664,458	3.1	221,615	0.8	1,718,090	1.3	4,589,780	1.6	116,675	3.7
2017	2,063,330	3.2	681,220	2.5	227,900	2.8	1,730,310	0.7	4,657,370	1.5	123,807	6.1
2018	2,133,770	3.4	704,123	3.4	235,749	3.4	1,756,090	1.5	4,733,550	1.6	130,317	5.3
2019	2,208,570	3.5	727,520	3.3	242,391	2.8	1,790,250	1.9	4,827,590	2.0	137,581	5.6
2020	2,145,030	(2.9)	710,769	(2.3)	238,652	(1.5)	1,810,910	1.2	4,914,060	1.8	149,252	8.5
2021	2,267,530	5.7	745,440	4.9	250,330	4.9	1,869,040	3.2	4,989,020	1.5	160,967	7.8
2022	2,363,930	4.3	758,237	1.7	270,486	8.1	1,889,210	1.1	5,064,750	1.5	171,019	6.2
2023	2,425,330	2.6	765,526	1.0	275,533	1.9	1,914,170	1.3	5,137,460	1.4	178,790	4.5
2024	2,465,170	1.6	777,992	1.6	278,573	1.1	1,963,190	2.6	5,230,210	1.8	184,134	3.0
Forecasts												
2025	2,514,800	2.0 %	793,617	2.0 %	282,457	1.4 %	2,007,190	2.2 %	5,318,200	1.7 %	191,471	4.0 %
2026	2,550,820	1.4	808,562	1.9	285,291	1.0	2,049,380	2.1	5,398,380	1.5	198,936	3.9
2027	2,592,030	1.6	825,868	2.1	288,209	1.0	2,090,450	2.0	5,481,130	1.5	205,946	3.5
2028	2,633,180	1.6	842,879	2.1	290,873	0.9	2,131,310	2.0	5,568,750	1.6	212,858	3.4
2029	2,676,650	1.7	860,063	2.0	293,227	0.8	2,173,300	2.0	5,662,790	1.7	220,712	3.7
Average Annual Compound Change												
2012 - 2024		2.8 %		2.4 %		2.1 %		1.7 %		1.6 %		4.9 %
Forecast 2025 - 2029		1.6 %		2.0 %		0.9 %		2.0 %		1.6 %		3.6 %

Source: REIS Report, 1st Quarter, 2025

For the Phoenix market, of the roughly 2,500,000 persons employed, 32% are categorized as office employees, while 11% are categorized as industrial employees. Total employment is expected to expand by 2.0% in 2025, while office employment is forecast to expand by 2.0% in 2025.

The number of households is forecast to increase by 2.0% on average annually between 2025 and 2029. Population is forecast to expand during this same period, at an average annual compounded rate of 1.6%. Household average income is forecast to grow by 3.6% on average annually from 2025 through 2029.

Radial Demographic Snapshot

The following table reflects radial demographic trends for our market area measured by three points of distance from the subject property.

FIGURE 4-6 DEMOGRAPHICS BY RADIUS

	0.00 - 1.00 miles	0.00 - 3.00 miles	0.00 - 5.00 miles
Population			
2030 Projection	12,157	129,496	364,283
2025 Estimate	11,312	123,384	347,542
2020 Census	10,485	113,914	325,567
Percent Change: 2025 to 2030	7.5%	5.0%	4.8%
Percent Change: 2020 to 2025	7.9%	8.3%	6.8%
Households			
2030 Projection	3,847	38,844	106,387
2025 Estimate	3,570	36,869	101,077
2020 Census	3,305	34,027	94,249
Percent Change: 2025 to 2030	7.8%	5.4%	5.3%
Percent Change: 2020 to 2025	8.0%	8.4%	7.3%
Income			
2025 Est. Average Household Income	\$100,825	\$96,352	\$97,998
2025 Est. Median Household Income	77,847	76,585	78,874
2025 Est. Civ. Employed Pop 16+ by Occupation			
Architecture/Engineering	33	734	2,157
Arts/Design/Entertainment/Sports/Media	18	550	1,670
Building/Grounds Cleaning/Maintenance	167	2,699	9,721
Business/Financial Operations	113	2,841	7,316
Community/Social Services	64	1,043	2,554
Computer/Mathematical	64	1,175	3,294
Construction/Extraction	511	5,165	14,181
Education/Training/Library	275	2,097	6,204
Farming/Fishing/Forestry	0	48	425
Food Preparation/Serving Related	452	3,477	9,140
Healthcare Practitioner/Technician	391	2,646	6,960
Healthcare Support	350	2,483	5,911
Installation/Maintenance/Repair	231	2,717	7,583
Legal	47	300	832
Life/Physical/Social Science	2	280	561
Management	652	4,275	12,318
Office/Administrative Support	1,032	9,550	26,157
Production	343	3,427	9,694
Protective Services	89	1,255	3,725
Sales/Related	567	5,654	15,618
Personal Care/Service	117	1,361	3,866
Transportation/Material Moving	643	7,009	21,324

Source: Envirionics Analytics

This source reports a population of 347,542 and 101,077 households within a five-mile radius of the subject property. Within this radius, the average household income is currently reported at \$97,998, while the median is \$78,874.

Unemployment Statistics

The following table presents historical unemployment rates for the subject property's market area, the state, and the nation.

FIGURE 4-7 UNEMPLOYMENT STATISTICS

Year	County	MSA	State	U.S.
2015	5.1 %	5.2 %	6.1 %	5.3 %
2016	4.6	4.6	5.4	4.9
2017	4.2	4.2	4.9	4.4
2018	4.1	4.1	4.7	3.9
2019	4.0	4.1	4.7	3.7
2020	7.2	7.3	7.8	8.1
2021	4.6	4.6	5.0	5.4
2022	3.3	3.3	3.8	3.6
2023	3.2	3.2	3.7	3.6
2024	3.1	3.2	3.6	4.0
<i>Recent Month - Feb</i>				
2024	2.9 %	3.0 %	3.3 %	3.9 %
2025	3.5	3.6	3.9	4.1

Source: U.S. Bureau of Labor Statistics

Prior to the pandemic, U.S. unemployment levels were firmly below the 4.6% level recorded in 2006 and 2007, the peak years of the economic cycle prior to the Great Recession. The national unemployment rate during the months leading up to the COVID-19 pandemic were in the 3.5%–3.7% range, reflecting a trend of stability and strength. However, in April 2020, after the onset of the pandemic, unemployment rose to 14.7%, while employment dropped by 20.7 million. Steady gains in employment have been registered since that time; most recently, the national unemployment rate was 4.2% in April 2025. Rises in employment of 102,000, 185,000, and 177,000 people were registered in February, March, and April, respectively. In April, the most significant gains were reported in the health care, transportation and warehousing, financial activities, and social-assistance sectors. Federal government employment declined in April.

Locally, the unemployment rate was 3.1% in 2024; for this same area in 2025, the most recent month's unemployment rate was registered at 3.5%, versus 2.9% for the same month in 2024. As illustrated in the foregoing table, unemployment declined in 2015, and this positive trend continued through 2019. Economic development officials noted that local employment remained strong within the

Major Business and Industry

finance industry and the hospitality and healthcare sectors during that period. However, unemployment data for 2020 illustrate a sharp increase given the effects of the COVID-19 pandemic and related global economic crisis, which included layoffs and furloughs at companies or entities such as GoDaddy, Yelp, and Mayo Clinic in the Phoenix MSA and PepsiCo, Sunland Beef, Kroger's, Albertson's. However, many furloughs ended during the second half of 2020 as the economy reopened and hiring resumed. Data for 2021 through 2024 show a notably lower unemployment level, driven by the strengthening economy and hiring rebound. The most recent comparative period shows where the local market stands in 2025 relative to 2024, reflecting a increase in unemployment. The initial construction and planning of two major semiconductor plants throughout the metro area, including nearby TSMC, are contributing to low unemployment and economic growth. Upon completion within the next ten years, both projects are planned to create roughly 10,000 jobs and billions of dollars of investment in the community.

Providing additional context for understanding the nature of the regional economy, the following table presents a list of the major employers in the subject property's market.

FIGURE 4-8 MAJOR EMPLOYERS

Rank	Employer	Number of Employees
1	Amazon	1,030
2	Maricopa County Community College District	830
3	City of Avondale	770
4	Tolleson Union High School District 214	560
5	Frys Food Stores	470
6	Avondale Elementary School District 44	460
7	Akos	400
8	Costco Wholesale	390
9	Littleton Elementary School District 65	380
10	Walmart	370

Source: City of Avondale, 2025

The economy of Phoenix's West Valley region, which encompasses the cities of Glendale, Peoria, Surprise, Tolleson, Avondale, Goodyear, and Buckeye, is heavily reliant on the logistics, transportation, and manufacturing industries given the area's affordability and proximity to major markets in the region. Large companies such as Amazon, Macy's, UPS, Dick's Sporting Goods, and Walmart all maintain a presence in the area. Luke Air Force Base in Glendale remains a significant economic

driver, supported by aerospace firms such as AerSale, Lockheed Martin, and Airline Training Center Arizona. Meanwhile, Luke Field, a \$515-million, 2.4-million-square-foot Class A industrial development near Luke AFB, is currently under construction and nearing completion. Tolleson is well positioned along the I-10 corridor and the interchange with Loop 101 and is home to several major industrial employers, including PepsiCo, Sunland Beef, Kroger's, Albertson's, Home Depot, Staples and Sysco Food Systems. Furthermore, The Union Pacific Railroad runs through Tolleson, offering rail access to several industrial sites in the area. The city's profile and the diversity of the economy, as well as recent trends and developments, support a positive outlook.

Office Space Statistics

Trends in occupied office space can be key indicators of lodging demand, as firms that occupy office space often exhibit a strong propensity to attract commercial visitors. Thus, trends that cause changes in vacancy rates or occupied office space may have a proportional impact on commercial lodging demand and a less direct effect on meeting demand. The following table details office space statistics for the pertinent market area.

FIGURE 4-9 OFFICE SPACE STATISTICS – MARKET OVERVIEW

Submarket	Inventory		Occupied Office Space	Vacancy Rate	Average Asking Lease Rate
	Buildings	Square Feet			
1 Camelback	154	10,028,000	8,242,000	17.8 %	\$35.77
2 Downtown	40	6,443,000	5,036,000	21.8	33.92
3 East Central	48	2,958,000	1,956,000	33.9	27.03
4 Mesa/Chandler	206	10,673,000	8,275,000	22.5	27.56
5 North Central	57	3,506,000	2,644,000	24.6	28.72
6 Northwest	166	8,037,000	6,003,000	25.3	23.66
7 Scottsdale	294	16,905,000	13,122,000	22.4	33.08
8 Tempe	191	12,191,000	8,805,000	27.8	29.21
9 Uptown	85	9,491,000	6,278,000	33.9	25.02
10 West	41	1,931,000	1,362,000	29.5	24.06
Totals and Averages	1,282	82,163,000	61,723,000	24.9 %	\$29.71

Source: REIS Report, 1st Quarter, 2025

The greater Phoenix market comprises a total of 82.2 million square feet of office space. For the 1st Quarter of 2025, the market reported a vacancy rate of 24.9% and an average asking rent of \$29.71. The subject property is located in the West submarket, which houses 1,931,000 square feet of office space. The submarket's vacancy rate of 29.5% is above the overall market average. The average asking lease rate of \$24.06 is below the average for the broader market.

The following table illustrates a trend of office space statistics for the overall Phoenix market and the West submarket.

FIGURE 4-10 HISTORICAL AND PROJECTED OFFICE SPACE STATISTICS – GREATER MARKET VS. SUBMARKET

Phoenix Market								West Submarket						
Year	Available Office Space	% Chg	Occupied Office Space	% Chg	Vacancy Rate	Asking Lease Rate	% Chg	Available Office Space	% Chg	Occupied Office Space	% Chg	Vacancy Rate	Asking Lease Rate	% Chg
2012	71,217,000	—	53,050,000	—	25.5 %	\$22.37	—	1,866,000	—	1,213,000	—	35.0 %	\$19.13	—
2013	70,960,000	(0.4) %	53,084,000	0.1 %	25.2	22.62	1.1 %	1,866,000	0.0 %	1,217,000	0.3 %	34.8	19.24	0.6 %
2014	71,981,000	1.4	53,955,000	1.6	25.0	23.23	2.7	1,866,000	0.0	1,237,000	1.6	33.7	19.29	0.3
2015	74,161,000	3.0	56,330,000	4.4	24.0	23.88	2.8	1,866,000	0.0	1,220,000	(1.4)	34.6	19.16	(0.7)
2016	75,070,000	1.2	57,727,000	2.5	23.1	24.78	3.8	1,866,000	0.0	1,118,000	(8.4)	40.1	19.70	2.8
2017	75,518,000	0.6	58,527,000	1.4	22.5	25.31	2.1	1,827,000	(2.1)	1,204,000	7.7	34.1	20.16	2.3
2018	76,641,000	1.5	59,659,000	1.9	22.2	26.03	2.8	1,827,000	0.0	1,244,000	3.3	31.9	21.06	4.5
2019	79,278,000	3.4	61,775,000	3.5	22.1	26.91	3.4	1,827,000	0.0	1,222,000	(1.8)	33.1	21.50	2.1
2020	80,033,000	1.0	62,672,000	1.5	21.7	27.18	1.0	1,827,000	0.0	1,247,000	2.0	31.7	21.53	0.1
2021	80,912,000	1.1	63,595,000	1.5	21.4	27.65	1.7	1,827,000	0.0	1,252,000	0.4	31.5	21.73	0.9
2022	81,922,000	1.2	64,604,000	1.6	21.1	28.30	2.4	1,931,000	5.7	1,374,000	9.7	28.8	22.79	4.9
2023	81,992,000	0.1	63,829,000	(1.2)	22.2	28.94	2.3	1,931,000	0.0	1,367,000	(0.5)	29.2	23.54	3.3
2024	82,163,000	0.2	61,614,000	(3.5)	25.0	29.63	2.4	1,931,000	0.0	1,365,000	(0.1)	29.3	23.97	1.8
Forecasts														
2025	82,440,000	0.3 %	61,897,000	0.5 %	24.9 %	30.11	1.6 %	1,931,000	0.0 %	1,323,000	(3.1) %	31.5 %	24.37	1.7 %
2026	82,566,000	0.2	62,167,000	0.4	24.7	30.61	1.7	1,957,000	1.3	1,334,000	0.8	31.8	24.80	1.8
2027	82,780,000	0.3	62,731,000	0.9	24.2	31.12	1.7	1,957,000	0.0	1,338,000	0.3	31.6	25.25	1.8
2028	83,390,000	0.7	63,481,000	1.2	23.9	31.65	1.7	1,971,000	0.7	1,354,000	1.2	31.3	25.79	2.1
2029	83,840,000	0.5	64,137,000	1.0	23.5	32.19	1.7	1,971,000	0.0	1,361,000	0.5	31.0	26.37	2.2
Average Annual Compound Change														
2012 - 2024		1.2 %		1.3 %			2.4 %		0.3 %		1.0 %			1.9 %
Forecast 2025 - 2029		0.4 %		0.9 %			1.7 %		0.5 %		0.7 %			2.0 %

Source: REIS Report, 1st Quarter, 2025

The level of occupied office space is forecast to increase in this Phoenix market, to roughly 61,900,000 square feet in 2025. Occupied office space is projected to be 64,100,000 in 2029.

Airport Traffic

Airport passenger counts are important indicators of lodging demand. Depending on the type of service provided by a particular airfield, a sizable percentage of arriving passengers may require hotel accommodations. Trends showing changes in passenger counts also reflect local business activity and the overall economic health of the area.

Phoenix Sky Harbor International Airport (PHX) is the principal gateway for the Valley of the Sun region of Arizona. The PHX Sky Train operates 24/7, free of charge, transporting passengers from the light-rail station at 44th Street and Washington to the airport terminals and parking area. The final stages of construction were completed in December 2022, providing access to the Rental Car Center. In addition, the \$590-million Terminal Modernization Program of Terminal 3 was completed in 2020. The three-phase project included a new, 15-gate concourse; a new security checkpoint; and new restaurants and bars, among other enhancements and upgrades. Terminal 2 operations were moved to the modernized Terminal 3, and Terminal 2 was demolished in 2020, with plans to replace it with new bus gates. Furthermore, an eighth concourse in Terminal 4 opened mid-June 2022. Lastly, the construction of a new, \$260-million, 2,000-foot taxiway, which will connect the north and south airfields, began in September 2024 and should be completed by 2026.

The following table illustrates recent operating statistics for the Phoenix Sky Harbor International Airport, which is the primary airport facility serving the subject property's submarket.

FIGURE 4-11 AIRPORT STATISTICS - PHOENIX SKY HARBOR INTERNATIONAL AIRPORT

Year	Passenger Traffic	Percent Change*	Percent Change**
2015	44,003,840	—	—
2016	43,383,528	(1.4) %	(1.4) %
2017	43,921,670	1.2	(0.1)
2018	44,943,686	2.3	0.7
2019	46,288,337	3.0	1.3
2020	21,928,708	(52.6)	(13.0)
2021	38,847,118	77.2	(2.1)
2022	44,401,782	14.3	0.1
2023	48,660,075	9.6	1.3
2024	52,325,266	7.5	1.9
Year-to-date, Mar			
2024	13,126,477	—	—
2025	13,040,765	(0.7) %	—

*Annual average compounded percentage change from the previous year

**Annual average compounded percentage change from first year of data

Source : Phoenix Sky Harbor International Airport

This facility recorded 52,325,266 passengers in 2024. The change in passenger traffic between 2023 and 2024 was 7.5%. The average annual change during the period shown was 1.9 %. Data from 2020 illustrate a significant decline in passenger traffic given the impact of the COVID-19 pandemic. However, the 2021 data show a substantial rebound in passenger volume, mainly attributed to fewer COVID-19 restrictions in Arizona than in other states during that time, which made Phoenix more attractive to travelers. This upward trend continued through 2023, with passenger traffic surpassing the level recorded in 2019. Year-end 2024 data illustrate a continuation of this positive trend. Year-to-date 2025 through March illustrate a slight decrease in passenger traffic relative to the prior year.

Tourist Attractions

The subject market benefits from a variety of tourism and leisure attractions in the area. Leisure demand generators include NASCAR events at Phoenix Raceway, MLB Spring Training, and outdoor activities such as hiking and biking. Special events also play a role during key weekends, such as concerts at Ak-Chin Pavilion and sporting events at State Farm Stadium. We note that Super Bowl LVII was held at the State Farm Stadium in Glendale on February 12, 2023, and attracted over 120,000

visitors; the Phoenix metro area reached the second-highest recorded RevPARs for a Super Bowl in history. The Avondale market has seen continued growth supported by these consistent demand drivers and the region's robust pipeline of events and activities.

STATE FARM STADIUM



Conclusion

This section discussed a wide variety of economic indicators for the pertinent market area. The local market area benefits from a strengthening economy that is primarily led by the industrial and manufacturing industries and the healthcare sector, which are expanding. Additionally, tourism has rebounded in the last few years, with key attractions such as Phoenix Raceway and State Farm Stadium being primary draws. Thus, the near-term market outlook is overall positive.

5. Supply and Demand Analysis

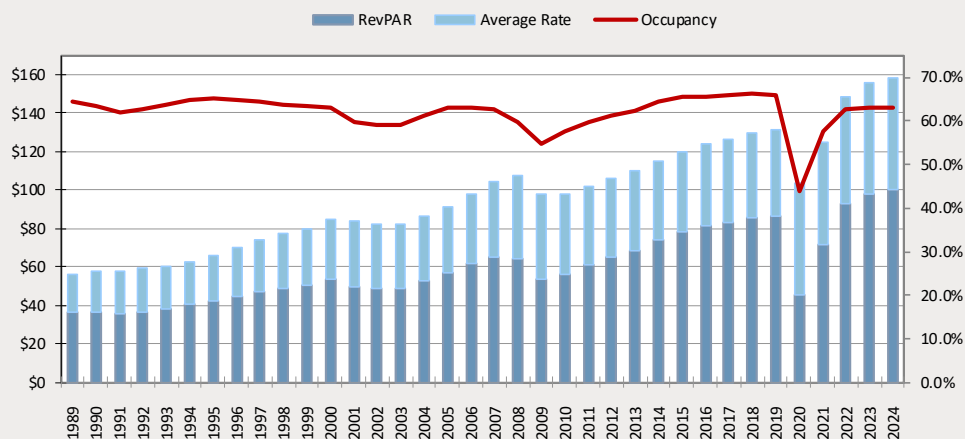
In the lodging industry, supply is measured by the number of guestrooms available, and demand is measured by the number of rooms occupied; the net effect of supply and demand toward equilibrium results in a prevailing price, or average daily rate (ADR). The purpose of this section is to investigate current supply and demand trends as indicated by the current competitive market, resulting in a forecast of market-wide occupancy.

National Trends Overview

The subject property and local lodging market are most directly affected by the supply and demand trends within the immediate area. However, individual markets are also influenced by conditions in the national lodging market. We have reviewed national lodging trends to provide a context for the forecast of the supply and demand for the subject property's competitive set.

STR is an independent research firm that compiles data on the lodging industry, and this information is routinely used by typical hotel buyers. The following STR diagram presents annual hotel occupancy, ADR, and rooms revenue per available room (RevPAR) data since 1989. RevPAR is calculated by multiplying occupancy by ADR and provides an indication of how well rooms revenue is being maximized.

FIGURE 5-1 NATIONAL OCCUPANCY, ADR, AND REVPAR TRENDS



Source: STR

The preceding chart illustrates the impact of the recessions of the early 1990s, 2000s, the financial crisis of 2008/09, and the 2020/21 pandemic on the U.S. lodging industry. In each case, the downturn caused lodging demand to drop, resulting in an occupancy decline. The aggregate ADR also fell, as hoteliers used price as a marketing tool to attract demand and support occupancy levels. As occupancy recovered, ADR growth resumed, although the ADR recovery lagged somewhat behind occupancy levels, as price discounts contributed to the initial recovery of demand. Following the financial crisis of the Great Recession, occupancy fell by over eight points, and ADR declined by 5.9%, resulting in an 18.3% decrease in RevPAR. The market recovered steadily thereafter, with occupancy surpassing the 65.0% mark in 2015, and ADR also consistently growing, albeit at a decelerating pace.

The onset of the COVID-19 pandemic in March 2020 had a severe impact on the lodging industry, causing occupancy, ADR, and RevPAR to decline by unprecedented levels. By the conclusion of 2020, occupancy had fallen 22 points, with ADR decreasing by roughly \$28.00, resulting in a RevPAR loss of 48.0% (rounded). Led by strong leisure demand, many markets began to recover mid-year 2021. The recovery continued in 2022 and 2023, as group activity returned; business travel also improved during this time frame, although hybrid work options and lower office occupancy rates constrained demand recovery in this segment. By year-end 2023, the U.S. occupancy level had reached 96.0% of the occupancy level attained in 2019. Occupancy remained unchanged in 2024, as a strengthening in the group and commercial segments was balanced by a pullback in leisure demand, influenced by more travelers seeking international destinations for vacations. The ADR in 2024 was 21.0% (rounded) higher than the national rate in 2019, resulting in a RevPAR increase of 15.0% (rounded) over the level achieved in 2019.

FIGURE 5-2 NATIONAL OCCUPANCY AND ADR TRENDS

	Occupancy					Average Rate					RevPAR				
	2019	2021	2022	2023	2024	2019	2021	2022	2023	2024	2019	2021	2022	2023	2024
United States	66.0 %	57.5 %	62.6 %	63.0 %	63.0 %	\$131.23	\$124.96	\$149.24	\$156.00	\$158.67	\$86.64	\$71.88	\$93.39	\$98.22	\$99.94
Region															
New England	64.7 %	55.5 %	63.4 %	63.3 %	64.1 %	\$161.08	\$155.80	\$179.29	\$190.86	\$195.48	\$104.25	\$86.54	\$113.78	\$120.86	\$125.36
Middle Atlantic	69.0	55.2	62.6	65.0	66.3	166.27	144.08	179.82	192.15	200.48	114.81	79.56	112.48	124.96	132.92
South Atlantic	67.5	59.8	64.7	64.5	64.9	128.41	130.45	152.61	156.33	157.87	86.68	77.95	98.70	100.89	102.51
E. North Central	61.1	52.3	57.2	57.5	57.9	112.64	105.25	123.33	129.12	133.91	68.82	55.09	70.52	74.26	77.48
E. South Central	62.4	59.5	61.0	61.0	59.1	103.58	104.70	119.73	126.05	127.25	64.61	62.30	73.04	76.88	75.17
W. North Central	58.3	51.0	55.3	56.1	55.7	99.28	97.34	109.00	115.04	118.30	57.88	49.68	60.27	64.51	65.89
W. South Central	62.6	58.1	59.9	60.2	60.2	101.84	95.75	112.13	116.19	119.69	63.77	55.64	67.20	69.92	72.09
Mountain	66.9	59.3	66.3	67.2	66.1	121.89	125.74	153.87	166.61	169.15	81.54	74.59	101.94	111.97	111.85
Pacific	73.6	60.2	66.9	66.6	66.7	171.40	157.79	190.58	196.22	194.67	126.16	95.00	127.42	130.67	129.89
Class															
Luxury	70.9 %	52.5 %	65.3 %	66.0 %	66.7 %	\$304.11	\$322.00	\$376.48	\$384.66	\$387.74	\$215.73	\$168.95	\$245.93	\$153.96	\$258.56
Upper-Upscale	72.6	50.0	63.4	67.1	67.6	188.24	175.05	213.96	221.11	223.88	136.67	87.49	135.70	148.29	151.46
Upscale	71.5	59.3	66.8	68.7	69.1	143.60	132.34	156.30	163.81	166.20	102.68	78.42	104.39	112.53	114.80
Upper-Midscale	67.5	61.2	65.7	65.8	65.7	115.91	114.14	128.53	133.40	135.01	78.20	69.83	84.50	87.73	88.68
Midscale	59.5	56.8	59.7	58.7	58.4	95.82	98.83	100.19	101.41	101.85	57.03	56.10	59.83	59.57	59.46
Economy	59.4	58.7	56.4	54.3	53.5	75.50	76.14	77.65	79.32	78.90	44.83	44.72	43.80	43.04	42.24
Location															
Urban	73.2 %	51.8 %	63.3 %	66.4 %	67.5 %	\$183.20	\$152.81	\$196.47	\$207.36	\$213.04	\$134.12	\$79.12	\$124.44	\$137.66	\$143.84
Suburban	66.7	59.9	63.8	63.4	63.6	111.26	104.93	126.13	126.32	127.97	74.24	62.90	80.45	80.06	81.34
Airport	73.7	60.3	67.9	69.5	69.4	119.22	104.82	126.57	134.50	135.87	87.85	63.18	85.91	93.43	94.36
Interstate	57.9	57.8	58.5	57.7	57.1	87.86	92.22	100.90	106.58	108.69	50.85	53.31	59.04	61.54	62.01
Resort	70.0	57.7	66.8	68.6	67.8	182.74	209.77	236.76	238.86	239.05	127.85	121.06	158.20	163.82	162.10
Small Town	57.8	56.7	57.5	55.8	55.4	107.26	116.96	124.72	133.63	136.86	61.98	66.34	71.72	74.63	75.86
Chain Scale															
Luxury	73.8 %	48.0 %	63.1 %	65.8 %	67.7 %	\$343.02	\$383.48	\$435.46	\$427.97	\$426.43	\$253.17	\$184.12	\$274.64	\$281.53	\$288.49
Upper-Upscale	73.9	48.7	63.9	67.7	68.5	189.25	176.66	215.96	223.19	226.90	139.80	86.11	138.05	151.12	155.53
Upscale	72.6	59.6	67.4	69.2	69.5	142.38	128.62	155.28	161.85	164.20	103.32	76.68	104.58	112.00	114.20
Upper-Midscale	67.5	61.6	65.8	66.1	66.0	112.80	111.14	127.56	132.16	133.95	76.14	68.47	83.93	87.34	88.44
Midscale	58.1	56.5	60.1	59.0	58.7	86.61	89.48	95.19	95.94	96.69	50.30	50.59	57.18	56.65	56.77
Economy	58.7	59.7	57.2	55.0	54.4	63.70	66.88	72.24	72.69	72.12	37.36	39.90	41.34	40.00	39.26
Independents	63.5	56.9	60.0	59.2	58.6	133.08	137.44	155.20	162.24	163.39	84.44	78.24	93.05	96.00	95.81

Source: Year-End STR Lodging Reviews

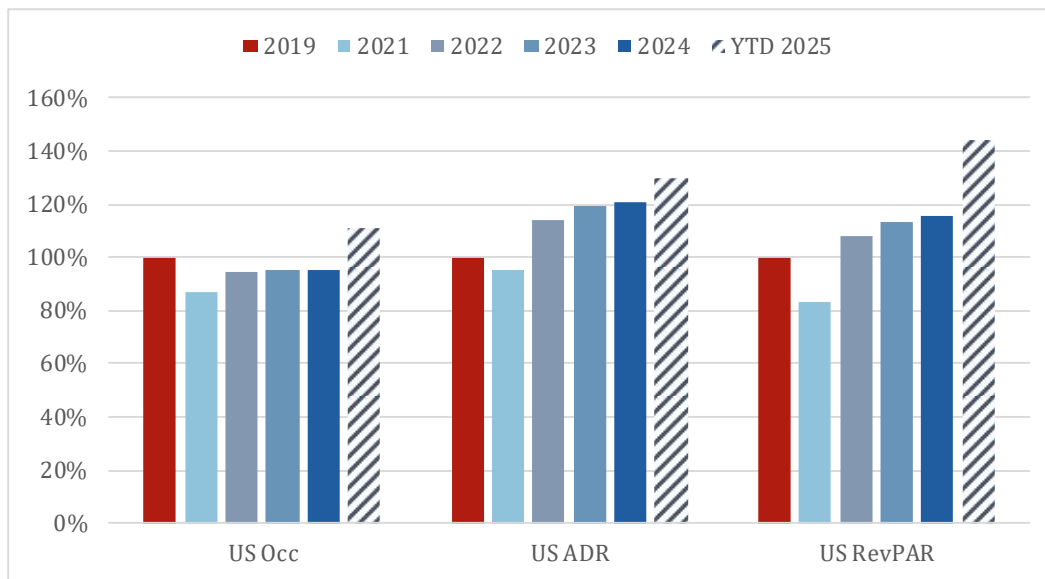
FIGURE 5-3 RECENT NATIONAL OCCUPANCY AND ADR TRENDS

	Occupancy - YTD March			Average Rate - YTD March			RevPAR - YTD March			Percent Change	
	2024	2025	% Change	2024	2025	% Change	2024	2025	% Change	Rms. Avail.	Rms. Sold
United States	58.2 %	58.4 %	0.4 %	\$154.83	\$157.71	1.9 %	\$90.05	\$92.08	2.2 %	0.6 %	1.0 %
Region											
New England	53.2 %	52.6 %	(1.1) %	\$151.30	\$151.38	0.1 %	\$80.55	\$79.67	(1.1) %	0.2 %	(1.0) %
Middle Atlantic	56.5	56.8	0.6	160.40	166.70	3.9	90.58	94.74	4.6	0.4	1.1
South Atlantic	63.6	64.6	1.6	168.26	174.06	3.4	107.04	112.48	5.1	0.9	2.5
E. North Central	47.9	48.8	1.9	114.01	117.33	2.9	54.61	57.25	4.8	0.8	2.7
E. South Central	54.7	53.9	(1.6)	117.77	119.29	1.3	64.48	64.27	(0.3)	1.9	0.3
W. North Central	46.4	46.8	0.9	108.57	110.26	1.6	50.34	51.58	2.5	0.1	1.0
W. South Central	58.7	58.3	(0.7)	119.31	125.09	4.8	70.08	72.97	4.1	0.8	0.1
Mountain	63.6	62.0	(2.5)	187.53	180.73	(3.6)	119.25	112.09	(6.0)	0.3	(2.2)
Pacific	61.7	62.7	1.5	190.02	192.80	1.5	117.29	120.82	3.0	0.2	1.7
Class											
Luxury	63.5 %	64.2 %	1.2 %	\$392.92	\$404.34	2.9 %	\$249.43	\$259.79	4.2 %	2.5 %	3.7 %
Upper-Upscale	63.8	64.2	0.7	221.85	226.43	2.1	141.43	145.33	2.8	0.3	1.0
Upscale	64.5	64.5	0.1	159.06	159.38	0.2	102.52	102.84	0.3	1.3	1.5
Upper-Midscale	60.2	60.1	(0.1)	127.93	129.19	1.0	77.01	77.68	0.9	1.6	1.5
Midscale	52.8	52.5	(0.6)	94.78	95.29	0.5	50.01	49.98	(0.1)	0.4	(0.2)
Economy	48.6	49.0	0.8	73.18	74.00	1.1	35.54	36.23	1.9	(1.1)	(0.3)
Location											
Urban	61.8 %	62.3 %	0.8 %	\$191.00	\$199.80	4.6 %	\$118.03	\$124.45	5.4 %	1.1 %	1.9 %
Suburban	58.7	59.0	0.5	121.97	124.43	2.0	71.61	73.42	2.5	0.9	1.4
Airport	66.1	66.3	0.3	134.53	136.41	1.4	88.94	90.47	1.7	0.3	0.6
Interstate	50.5	51.1	1.1	101.18	103.39	2.2	51.13	52.82	3.3	0.8	1.9
Resort	69.0	68.0	(1.5)	267.90	268.23	0.1	184.96	182.36	(1.4)	(0.3)	(1.8)
Small Town	47.7	48.2	1.0	120.58	123.50	2.4	57.50	59.49	3.5	0.3	1.4
Chain Scale											
Luxury	65.2 %	66.3 %	1.6 %	\$436.26	\$461.63	5.8 %	\$284.71	\$305.98	12.9 %	5.0 %	6.7 %
Upper-Upscale	64.8	65.6	1.3	225.32	230.72	2.4	145.94	151.34	5.1	1.4	2.6
Upscale	64.9	65.0	0.1	157.24	159.06	1.2	102.01	103.34	2.7	1.3	1.5
Upper-Midscale	60.6	60.6	0.0	126.95	128.64	1.3	76.92	77.95	3.0	1.6	1.6
Midscale	53.1	53.0	(0.1)	90.01	91.88	2.1	47.76	48.72	4.9	2.8	2.7
Economy	49.9	50.4	0.9	67.51	68.71	1.8	33.68	34.60	1.1	(1.6)	(0.7)
Independents	53.6	53.5	(0.3)	160.51	159.43	(1.0)	86.11	85.29	(2.0)	(1.1)	(1.4)

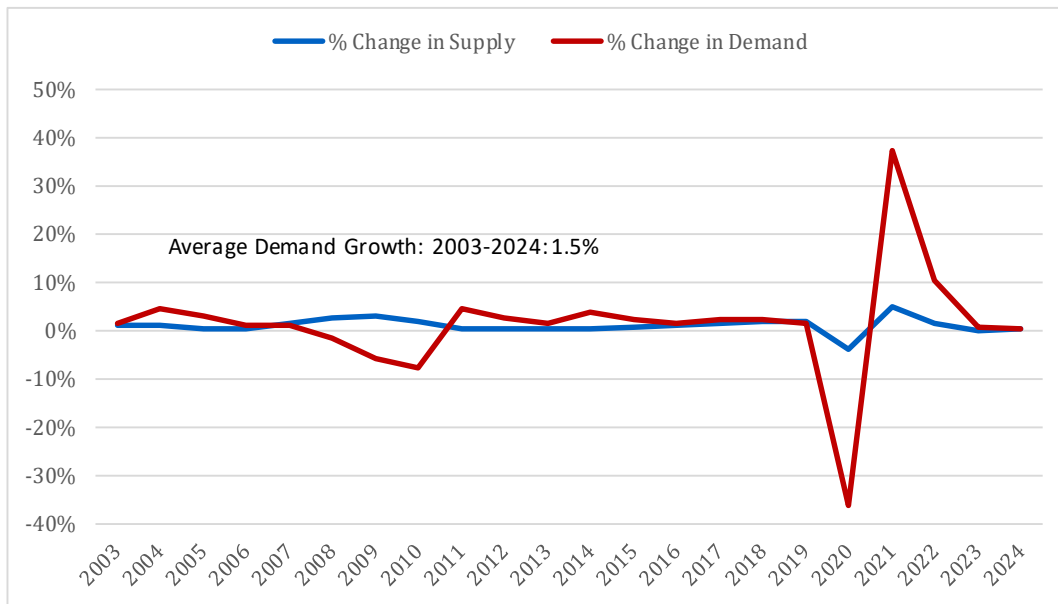
Source: STR - March 2025 Lodging Review

The following graph illustrates the performance of the U.S. lodging industry from 2019 through 2024, expressed as a percentage of 2019 levels of occupancy, ADR and RevPAR, demonstrating the pace and pattern of the recovery.

FIGURE 5-4 NATIONAL PERFORMANCE COMPARED TO 2019 LEVELS



A lodging market's performance is influenced by changes in supply and demand levels. The following graph illustrates the percentage change in these two metrics for the U.S. lodging industry as a whole since 2003, as reported by STR.

FIGURE 5-5 HISTORICAL CHANGES IN SUPPLY AND DEMAND – U.S. LODGING INDUSTRY

Source: STR

Excluding fluctuations due to the Great Recession in 2008/09 and the pandemic from 2020 to 2022, supply growth ranged between 0.4% to 2.0%, averaging 1.1% in these years. The pace of supply growth slowed significantly in the two to three years following the downturns in 2001/02, 2008/09, and 2020/21, reflecting the decline in new project-starts during these periods. As the market moved out of these cycles, supply growth accelerated. The impact of the pandemic caused a decline in supply, as hotels temporarily suspended operations or closed, in many cases for conversion to alternate use. The reopening of the temporarily closed properties caused an artificial spike in supply growth. Supply growth in 2023 through early 2025 reflects the high cost of construction, as well as the limited availability of financing for new construction. Thus, the pace of supply growth is expected to remain muted through 2026.

The changes in demand, as measured by the number of occupied rooms, display similar patterns. The years following the noted recessionary periods reflect relatively strong growth, as the market recovered from these downturns. Excluding the years of downturn and recovery, demand growth ranged from 1.0% to 4.6%.

Phoenix, AZ Lodging Market

The subject property is located in the greater Phoenix market. The following table presents the historical occupancy, average rate, and RevPAR data for this metropolitan area for 2003 through March 2025.

FIGURE 5-6 PHOENIX LODGING MARKET DATA – 2003 TO YTD MARCH 2025

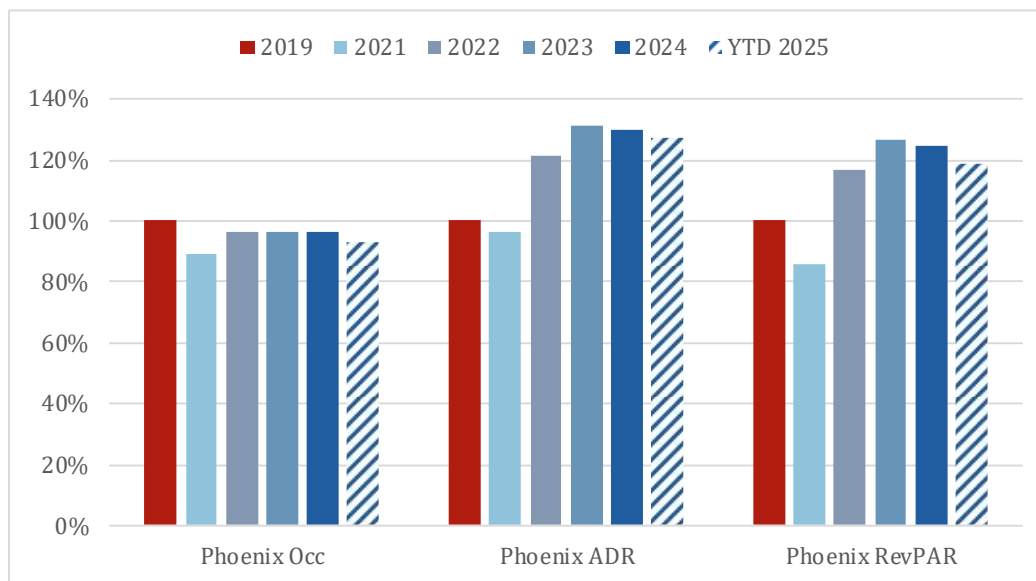
Year	Occupancy	Percent Change	Average Rate	Percent Change	RevPAR	Percent Change	Change in Supply	Change in Demand
2003	59.7 %	—	\$94.12	—	\$56.19	—	-0.1 %	-2.0 %
2004	63.6	6.5 %	97.42	3.5 %	61.96	10.3 %	3.2	6.8
2005	67.0	5.3	102.69	5.4	68.80	11.0	-0.6	6.6
2006	68.2	1.8	112.55	9.6	76.76	11.6	-0.6	4.6
2007	66.9	(1.9)	120.54	7.1	80.64	5.1	-0.2	1.5
2008	59.4	(11.2)	124.80	3.5	74.13	(8.1)	0.2	-1.7
2009	52.4	(11.8)	105.72	(15.3)	55.40	(25.3)	4.4	-7.3
2010	55.8	6.5	100.94	(4.5)	56.32	1.7	6.2	-6.3
2011	58.3	4.5	103.96	3.0	60.61	7.6	2.9	10.3
2012	57.7	(1.0)	105.97	1.9	61.14	0.9	0.8	5.2
2013	59.7	3.5	109.01	2.9	65.08	6.4	0.9	0.6
2014	63.1	5.7	114.05	4.6	71.97	10.6	-0.1	3.4
2015	65.7	4.1	120.82	5.9	79.38	10.3	-0.5	4.9
2016	67.1	2.1	122.93	1.7	82.49	3.9	0.0	4.4
2017	67.7	0.9	126.87	3.2	85.89	4.1	0.9	3.2
2018	69.5	2.7	129.70	2.2	90.14	4.9	1.9	2.7
2019	70.7	1.7	133.36	2.8	94.29	4.6	2.4	5.4
2020	50.1	(29.1)	115.41	(13.5)	57.82	(38.7)	1.2	2.8
2021	63.0	25.7	128.17	11.1	80.75	39.7	-6.6	-41.0
2022	68.2	8.3	161.73	26.2	110.30	36.6	6.2	33.5
2023	68.3	0.1	174.78	8.1	119.37	8.2	0.8	10.0
2024	67.9	(0.6)	173.45	(0.8)	117.77	(1.3)	0.4	0.6
<i>Year to date through March</i>								
2024	76.8 %		\$221.93		\$170.44			
2025	75.8	(1.3) %	223.81	0.8 %	169.65	(0.5) %	2.0 %	0.7 %
Average Annual Compound Growth								
2003 to 2024		0.6 %		3.0 %		3.6 %		

Source: STR Global, STR Monthly Hotel Review

The government and education sectors and the construction industry have long been economic stalwarts in Phoenix, and economic diversification efforts have attracted major employers in the healthcare, technology, and finance fields over the past decade. The Phoenix lodging market benefits from annual major events, such

as MLB Spring Training, the Barrett-Jackson Classic Car Auction, and the Waste Management Phoenix Open. Greater Phoenix tends to achieve occupancy levels in the high 60s during periods of economic stability, with occupancy surpassing 70.0% in 2019. Following the pandemic-related disruption, occupancy reached the high 60s, and ADR and RevPAR exceeded pre-pandemic levels in 2022. A growth trend continued in 2023, supported by an ADR boost in February because of the Super Bowl, and RevPAR reached an all-time high. However, demand levels contracted somewhat during the second half of 2023, as alternative destinations became available, price-sensitivity increased, and more typical seasonality trends returned. While occupancy remained relatively stable throughout 2024, both ADR and RevPAR declined, primarily attributed to the rate correction from the Super Bowl in 2023. The outlook for 2025 is favorable given the continued increase of meeting/group events and population growth, as well as economic progression in the region.

FIGURE 5-7 PHOENIX PERFORMANCE COMPARED TO 2019 LEVELS



Definition of Subject Hotel Market

The subject property is located in the greater Avondale lodging market. Within this greater market, the subject hotel competes with a smaller set of hotels based on proximity, price point, age, and product type, among other factors. We have reviewed these pertinent attributes and established a competitive set based upon this review.

Historical Supply and Demand Data

Costar is an independent research firm that compiles and publishes data on the lodging industry, routinely used by typical hotel buyers. HVS has ordered and analyzed a Costar Report of historical supply and demand data for the subject property and its competitors. This information is presented in the following table, along with the market-wide occupancy, ADR, and RevPAR

The second chart presents the monthly data for 2019 through the year-to-date 2025 period, illustrating the fluctuations in occupancy and ADR. The impact of the pandemic and the timing and pace of the subsequent recovery are reflected in the data.

FIGURE 5-8 HISTORICAL SUPPLY AND DEMAND TRENDS

Year	Average Daily Room Count	Available Room Nights	Change	Occupied Room Nights	Change	Occupancy	Average Rate	Change	RevPAR	Change
2008	482	176,008	—	86,393	—	49.1 %	\$123.50	—	\$60.62	—
2009	493	179,945	2.2 %	89,252	3.3 %	49.6	102.54	(17.0) %	50.86	(16.1) %
2010	493	179,945	0.0	99,619	11.6	55.4	99.44	(3.0)	55.05	8.2
2011	493	179,945	0.0	96,064	(3.6)	53.4	102.12	2.7	54.52	(1.0)
2012	493	179,945	0.0	99,963	4.1	55.6	103.03	0.9	57.23	5.0
2013	493	179,945	0.0	104,049	4.1	57.8	105.49	2.4	61.00	6.6
2014	493	179,945	0.0	116,387	11.9	64.7	108.56	2.9	70.22	15.1
2015	493	179,945	0.0	125,582	7.9	69.8	117.89	8.6	82.27	17.2
2016	493	179,945	0.0	132,524	5.5	73.6	119.01	1.0	87.64	6.5
2017	493	179,945	0.0	138,463	4.5	76.9	121.78	2.3	93.70	6.9
2018	493	179,945	0.0	139,705	0.9	77.6	124.54	2.3	96.69	3.2
2019	529	193,243	7.4	139,983	0.2	72.4	130.75	5.0	94.71	(2.0)
2020	690	252,012	30.4	145,370	3.8	57.7	120.37	(7.9)	69.44	(26.7)
2021	743	271,199	7.6	197,671	36.0	72.9	129.42	7.5	94.33	35.9
2022	838	305,870	12.8	200,747	1.6	65.6	147.93	14.3	97.09	2.9
2023	874	319,046	4.3	213,275	6.2	66.8	162.16	9.6	108.40	11.6
2024	1,000	364,874	14.4	252,274	18.3	69.1	157.10	(3.1)	108.62	0.2
2024/25	1,031	376,394	3.2	260,430	3.2	69.2	159.85	1.7	110.60	1.8
Year-to-Date Through March										
2024	946	85,140	—	64,302	—	75.5 %	\$195.28	—	\$147.48	—
2025	1,074	96,660	13.5 %	72,458	12.7 %	75.0	200.86	2.9 %	150.57	2.1 %
Average Annual Compounded Change:										
2008 – 2019			0.9 %	4.5 %			0.5 %			4.1 %
2008 – 2024			4.7	6.9			1.5			3.7
Hotels Included in Sample						Class	Competitive Status	Room Inventory	Year Opened	
Springhill Suites Phoenix West/Avondale						Upscale Class	Primary	128	Aug 2024	
Courtyard by Marriott Phoenix West Avondale						Upscale Class	Primary	127	Feb 2008	
Hilton Garden Inn Phoenix Avondale						Upscale Class	Primary	123	Apr 2007	
Fairfield by Marriott Phoenix West Tolleson						Upper Midscale Class	Primary	116	Nov 2019	
Holiday Inn Express & Suites Phoenix West Tolleson						Upper Midscale Class	Primary	108	Sep 2023	
Home2 Suites by Hilton Phoenix Avondale						Upper Midscale Class	Secondary	127	Oct 2021	
Residence Inn by Marriott Phoenix West Avondale						Upscale Class	Secondary	102	Nov 2019	
Homewood Suites by Hilton Phoenix Avondale						Upscale Class	Secondary	123	Oct 2010	
SpringHill Suites by Marriott Phoenix Glendale Sports & Entertainment District						Upscale Class	Secondary	120	Aug 2008	
Total								1,074		

Source: CoStar

FIGURE 5-9 HISTORICAL SUPPLY AND DEMAND TRENDS (MONTHLY)

Month	2018		2019		2020		2021		2022		2023		2024		2025	
	Occupancy	ADR	Occupancy	ADR	Occupancy	ADR	Occupancy	ADR	Occupancy	ADR	Occupancy	ADR	Occupancy	ADR	Occupancy	ADR
January	76.2 %	\$131.62	73.3 %	\$143.77	73.7 %	\$138.48	63.1 %	\$107.44	69.2 %	\$150.28	66.4 %	\$162.63	67.4 %	\$151.80	67.3 %	\$160.56
February	88.0	158.84	86.8	170.23	87.6	166.84	73.5	131.02	73.4	175.97	76.7	275.19	81.4	206.40	78.0	213.95
March	91.5	190.72	91.6	198.30	51.3	183.50	81.9	152.90	76.2	196.25	78.6	225.33	78.3	222.28	79.9	223.24
April	83.7	120.42	72.8	127.35	26.3	107.70	84.5	123.84	68.2	154.03	67.6	154.14	73.2	186.61	—	—
May	79.2	108.22	69.7	109.42	38.0	100.76	71.7	123.31	64.2	135.74	64.5	139.75	68.2	137.50	—	—
June	83.2	97.62	72.9	104.00	52.0	100.62	74.0	117.88	64.0	122.88	63.5	123.49	69.6	128.36	—	—
July	74.8	95.71	63.6	100.22	50.6	96.16	77.1	115.30	60.2	114.55	60.5	116.56	66.8	116.52	—	—
August	73.1	92.23	66.1	99.05	53.8	92.45	61.0	111.24	59.8	114.41	59.5	122.44	62.2	111.68	—	—
September	73.1	113.60	65.5	114.33	62.7	100.70	66.6	126.79	62.5	137.07	65.7	149.36	65.0	136.83	—	—
October	74.4	126.73	76.3	127.52	69.2	106.62	79.0	145.13	67.1	151.61	67.1	154.17	72.8	158.80	—	—
November	73.9	130.02	69.0	124.12	64.4	113.70	76.5	146.87	65.1	159.91	66.0	160.10	68.1	165.97	—	—
December	61.6	111.79	66.7	123.90	56.0	100.98	65.8	135.38	58.5	146.25	67.0	139.85	60.0	147.89	—	—
Annual Averages	77.6 %	\$124.54	72.4 %	\$130.75	57.7 %	\$120.37	72.9 %	\$129.42	65.6 %	\$147.93	66.8 %	\$162.16	69.1 %	\$157.10	—	—
Year-to-Date	85.1 %	\$162.25	83.8 %	\$172.82	70.3 %	\$160.78	72.8 %	\$132.46	72.9 %	\$174.87	73.8 %	\$222.02	75.5 %	\$195.28	75.0 %	\$200.86
Change from Prior Year	2018		2019		2020		2021		2022		2023		2024		2025	
	Occupancy	ADR	Occupancy	ADR	Occupancy	ADR	Occupancy	ADR	Occupancy	ADR	Occupancy	ADR	Occupancy	ADR	Occupancy	ADR
January	—	—	(2.9) pts	9.2 %	0.4 pts	(3.7) %	(10.6) pts	(22.4) %	6.1 pts	39.9 %	(2.8) pts	8.2 %	1.0 pts	(6.7) %	(0.2) pts	5.8 %
February	—	—	(1.3)	7.2	0.8	(2.0)	(14.1)	(21.5)	(0.2)	34.3	3.4	56.4	4.7	(25.0)	(3.3)	3.7
March	—	—	0.1	4.0	(40.3)	(7.5)	30.6	(16.7)	(5.7)	28.3	2.4	14.8	(0.3)	(1.4)	1.6	0.4
April	—	—	(10.9)	5.8	(46.5)	(15.4)	58.1	15.0	(16.2)	24.4	(0.6)	0.1	5.7	21.1	—	—
May	—	—	(9.5)	1.1	(31.7)	(7.9)	33.6	22.4	(7.5)	10.1	0.4	3.0	3.7	(1.6)	—	—
June	—	—	(10.3)	6.5	(20.9)	(3.3)	22.0	17.2	(10.0)	4.2	(0.5)	0.5	6.1	3.9	—	—
July	—	—	(11.2)	4.7	(13.1)	(4.0)	26.5	19.9	(16.9)	(0.7)	0.3	1.8	6.3	(0.0)	—	—
August	—	—	(6.9)	7.4	(12.3)	(6.7)	7.2	20.3	(1.3)	2.9	(0.3)	7.0	2.7	(8.8)	—	—
September	—	—	(7.7)	0.6	(2.8)	(11.9)	3.9	25.9	(4.1)	8.1	3.3	9.0	(0.7)	(8.4)	—	—
October	—	—	1.9	0.6	(7.1)	(16.4)	9.8	36.1	(12.0)	4.5	0.0	1.7	5.8	3.0	—	—
November	—	—	(4.9)	(4.5)	(4.6)	(8.4)	12.0	29.2	(11.3)	8.9	0.9	0.1	2.1	3.7	—	—
December	—	—	5.1	10.8	(10.7)	(18.5)	9.8	34.1	(7.3)	8.0	8.5	(4.4)	(7.0)	5.8	—	—
Annual Change	—	— %	(5.2) pts	5.0 %	(14.8) pts	(7.9) %	15.2 pts	7.5 %	(7.3) pts	14.3 %	1.2 pts	9.6 %	2.3 pts	(3.1) %	—	—
Year-to-Date	—	—	(1.3) %	6.5 %	(13.5) %	(7.0) %	2.5 %	(17.6) %	0.1 %	32.0 %	0.9 %	27.0 %	1.7 %	(12.0) %	(0.6) pts	2.9 %

Source: CoStar

It is important to note some limitations of the Costar data. Hotels are occasionally added to or removed from the sample; furthermore, not every property reports data in a consistent and timely manner. These factors can influence the overall quality of the information by skewing the results, and these inconsistencies may also cause the Costar data to differ from the results of our competitive survey. Nonetheless, Costar data provide an indication of aggregate growth or decline in existing supply and demand; thus, these trends have been considered in our analysis. Opening dates, as available, are presented for each reporting hotel on the previous table.

The Costar data for the competitive set reflect a market-wide occupancy level of 69.1% in 2024, which compares to 66.8% for 2023. The Costar data for the competitive set reflect a market-wide ADR level of \$157.10 in 2024, which compares to \$162.16 for 2023. These occupancy and ADR trends resulted in a RevPAR level of \$108.62 in 2024.

The following table illustrates the monthly occupancy, ADR, and RevPAR for the competitive set measured as a percentage of 2019 levels.

FIGURE 5-10 OCCUPANCY, ADR, AND REVPAR AS A PERCENTAGE OF 2019 LEVELS

	2022			2023			2024			2025		
	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR	Occupancy	ADR	RevPAR
January	94.3 %	104.5 %	98.6 %	90.6 %	113.1 %	102.4 %	92.0 %	105.6 %	97.1 %	91.7 %	111.7 %	102.4 %
February	84.5	103.4	87.4	88.4	161.7	142.9	93.8	121.2	113.7	89.9	125.7	113.0
March	83.2	99.0	82.3	85.8	113.6	97.5	85.5	112.1	95.8	87.2	112.6	98.2
April	93.7	120.9	113.3	92.9	121.0	112.4	100.6	146.5	147.4	—	—	—
May	92.0	124.1	114.2	92.6	127.7	118.2	97.9	125.7	123.0	—	—	—
June	87.8	118.1	103.8	87.1	118.7	103.5	95.5	123.4	117.9	—	—	—
July	94.6	114.3	108.1	95.1	116.3	110.7	105.0	116.3	122.1	—	—	—
August	90.4	115.5	104.4	90.0	123.6	111.3	94.1	112.8	106.1	—	—	—
September	95.4	119.9	114.4	100.4	130.6	131.1	99.3	119.7	118.8	—	—	—
October	87.9	118.9	104.5	87.9	120.9	106.3	95.5	124.5	118.9	—	—	—
November	94.4	128.8	121.6	95.7	129.0	123.4	98.7	133.7	132.0	—	—	—
December	87.7	118.0	103.5	100.4	112.9	113.3	89.9	119.4	107.3	—	—	—
Annual Averages	90.6 %	113.1 %	102.5 %	92.3 %	124.0 %	114.4 %	95.4 %	120.2 %	114.7 %	—	—	—
Year-to-Date	87.0	101.2	88.0	88.1	128.5	113.2	90.1	113.0	101.8	89.5 %	116.2 %	104.0 %

Source: CoStar

Seasonality

The market's seasonal trends are presented in the following table.

FIGURE 5-11 SEASONALITY

	2018	2019	2020	2021	2022	2023	2024	2025
High Season - February, March								
Occupancy	89.8 %	89.3 %	68.5 %	77.9 %	74.8 %	77.7 %	79.8 %	79.0 %
Average Rate	\$175.89	\$185.36	\$173.40	\$143.11	\$186.81	\$248.69	\$214.59	\$218.88
RevPAR	158.02	165.53	118.83	111.51	139.80	193.23	171.18	172.93
Shoulder Season - January, April, May, June, September, October, November, December								
Occupancy	75.6 %	70.5 %	56.4 %	72.7 %	64.8 %	66.0 %	67.9 %	—
Average Rate	\$117.39	\$122.24	\$110.51	\$129.70	\$144.95	\$148.28	\$152.18	—
RevPAR	88.77	86.17	62.33	94.24	93.98	97.88	103.39	—
Low Season - July, August								
Occupancy	74.0 %	64.9 %	52.2 %	69.1 %	60.0 %	60.0 %	64.4 %	—
Average Rate	\$93.99	\$99.62	\$94.25	\$113.51	\$114.48	\$119.48	\$114.03	—
RevPAR	69.52	64.64	49.18	78.39	68.68	71.72	73.41	—

Source: CoStar

The illustrated occupancy and ADR patterns reflect important seasonal characteristics. We have reviewed these trends in developing our forthcoming forecast of market-wide demand and ADR. Leisure demand in the market area is highly seasonal, regularly pushing occupancy levels into the high 70s in February and March. The region's warm weather is popular among travelers from the northern United States; furthermore, 15 Major League Baseball (MLB) teams host Spring Training at facilities across the region, historically attracting hundreds of thousands of fans to the area. Leisure demand is significantly lower throughout the hot summer months. ADR levels follow similar trends to those of occupancy, allowing for average rates in the \$200s and higher during the peak travel season.

SUPPLY

Based on an evaluation of the occupancy, rate structure, market orientation, chain affiliation, location, facilities, amenities, reputation, and quality of each area hotel, as well as the comments of management representatives, we have identified properties that are considered primarily competitive with the subject property.

Primary Competitors

The following table summarizes the important operating characteristics of the primary competitors. This information was compiled from personal interviews, inspections, online resources, and our in-house database of operating and hotel facility data. In cases where exact operating data for an individual property (or properties) were not available, we have used these resources, as well as the Costar data, to estimate positioning within the market. Given the impact of the pandemic, which skewed the operating performance and statistics, the 2020 operating performance of each hotel was not considered given the suspension of operations, as applicable, and/or the significant impact of the pandemic on the lodging industry.

FIGURE 5-12 PRIMARY COMPETITORS – OPERATING PERFORMANCE

Property	Number of Rooms	Est. Segmentation (2024)			Weighted Annual Room Count	Estimated 2023			Weighted Annual Room Count	Estimated 2024				
		Commercial	Leisure	Group		Occ.	Average Rate	RevPAR		Occ.	Average Rate	RevPAR	Occupancy Penetration	RevPAR Penetration
Springhill Suites Phoenix West/Avondale	128	40 %	50 %	10 %					54	33.0 %	\$147.69	\$48.73	42.3 %	39.2 %
Courtyard by Marriott Phoenix West Avondale	127	55	30	15	127	70 - 75	160 - 170	120 - 125	127	75 - 80	160 - 170	120 - 125	95 - 100	100 - 110
Hilton Garden Inn Phoenix Avondale	123	60	30	10	123	80 - 85	160 - 170	130 - 140	123	80 - 85	160 - 170	130 - 140	100 - 110	100 - 110
Fairfield by Marriott Phoenix West Tolleson	116	50	35	15	116	70 - 75	150 - 160	110 - 115	116	75 - 80	140 - 150	115 - 120	100 - 110	90 - 95
Holiday Inn Express & Suites Phoenix West Tolleson	108	50	40	10	36	60 - 65	150 - 160	90 - 95	108	75 - 80	150 - 160	115 - 120	100 - 110	90 - 95
Sub-Totals/Averages	602	53 %	34 %	12 %	402	75.7 %	\$158.97	\$120.27	528	74.1 %	\$155.44	\$115.21	95.1 %	92.7 %
Secondary Competitors	472	58 %	29 %	14 %	354	78.6 %	\$166.67	\$131.02	354	83.7 %	\$164.46	\$137.64	107.4 %	110.8 %
Totals/Averages	1,074	55 %	32 %	13 %	756	77.0 %	\$162.65	\$125.30	882	78.0 %	\$159.33	\$124.22	100.0 %	100.0 %

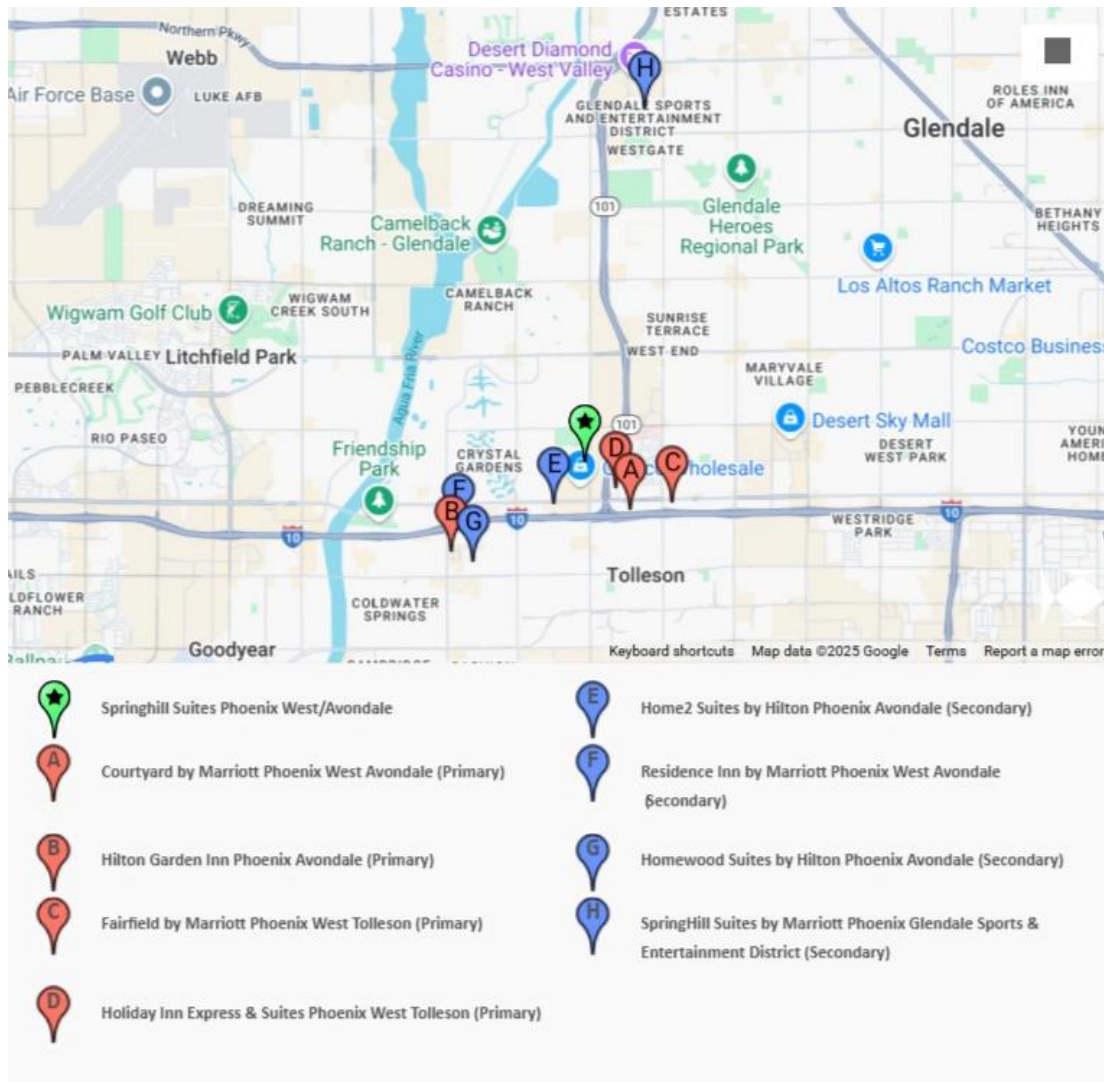
* Specific occupancy and average rate data were utilized in our analysis, but are presented in ranges in the above table for the purposes of confidentiality.

FIGURE 5-13 PRIMARY COMPETITORS – FACILITY SUMMARY

Property	Number of Rooms	Year Opened	Approx. Miles To Subject Property	Food and Beverage Outlets	Indoor Meeting Space (SF)	Meeting Space per Room	Facilities & Amenities
Springhill Suites Phoenix West/Avondale 9950 West Encanto Boulevard	128	2024	—	Breakfast Dining Area	700	5.5	Outdoor Swimming Pool; Fitness Room; Business Center; Market Pantry; Outdoor Sundeck
Courtyard by Marriott Phoenix West Avondale 1650 North 95th Lane	127	2008	0.6	The Bistro	2,361	18.6	Guest Laundry Area; Room Service; Outdoor Swimming Pool; Fitness Center; Fitness Room; Lobby Workstation; Market Pantry; Outdoor Patio & Fire Pit; Outdoor Sundeck; Outdoor Whirlpool; Laundry/Valet Service
Hilton Garden Inn Phoenix Avondale 11460 West Hilton Way	123	2007	2.0	The Garden Grille & Bar	4,408	35.8	Business Center; Guest Laundry Area; Room Service; Outdoor Swimming Pool; Fitness Room; Market Pantry; Coffee Station; Outdoor Patio & Fire Pit; Outdoor Sundeck; Laundry/Valet Service
Fairfield by Marriott Phoenix West Tolleson 9033 West McDowell Road	116	2019	1.3	Breakfast Dining Area	513	4.4	Business Center; Guest Laundry Area; Outdoor Swimming Pool; Fitness Room; Market Pantry; Car-Rental Service; Laundry/Valet Service
Holiday Inn Express & Suites Phoenix West Tolleson 1750 North 95th Lane	108	2023	0.6	Breakfast Dining Area	345	3.2	Outdoor Swimming Pool; Fitness Room; Lobby Workstation; Electric Vehicle Chargers

The following map illustrates the locations of the subject property and its competitors.

MAP OF COMPETITION



Our survey of the primarily competitive hotels in the local market shows a range of lodging types and facilities. Each primary competitor was inspected and evaluated. Descriptions of our findings are presented below.

PRIMARY COMPETITOR #1 - COURTYARD BY MARRIOTT PHOENIX WEST AVONDALE



**Courtyard by Marriott
Phoenix West
Avondale
1650 North 95th Lane
Phoenix, AZ**

FIGURE 5-14 ESTIMATED HISTORICAL OPERATING STATISTICS

Year	Wtd. Annual Room Count	Occupancy	Average Rate	RevPAR	Occupancy Penetration	Yield Penetration
Est. 2019	127	70 - 75 %	\$130 - \$140	\$95 - \$100	85 - 90 %	90 - 95 %
Est. 2021	127	75 - 80	120 - 125	90 - 95	90 - 95	90 - 95
Est. 2022	127	70 - 75	150 - 160	110 - 115	90 - 95	95 - 100
Est. 2023	127	70 - 75	160 - 170	120 - 125	95 - 100	95 - 100
Est. 2024	127	75 - 80	160 - 170	120 - 125	95 - 100	95 - 100

This hotel benefits from its Marriott brand affiliation and select-service product offering. Overall, the property appeared to be in good condition, inferior to the subject property's condition. Its location is similar to that of the Springhill Suites Phoenix West/Avondale.

PRIMARY COMPETITOR #2 - HILTON GARDEN INN PHOENIX AVONDALE



**Hilton Garden Inn
Phoenix Avondale
11460 West Hilton Way
Avondale, AZ**

FIGURE 5-15 ESTIMATED HISTORICAL OPERATING STATISTICS

Year	Wtd. Annual Room Count	Occupancy	Average Rate	RevPAR	Occupancy Penetration	Yield Penetration
Est. 2019	123	85 - 90 %	\$130 - \$140	\$115 - \$120	100 - 110 %	100 - 110 %
Est. 2021	123	90 - 95	130 - 140	120 - 125	110 - 120	110 - 120
Est. 2022	123	85 - 90	150 - 160	130 - 140	100 - 110	100 - 110
Est. 2023	123	80 - 85	160 - 170	130 - 140	100 - 110	100 - 110
Est. 2024	123	80 - 85	160 - 170	130 - 140	100 - 110	100 - 110

This hotel benefits from its Hilton brand affiliation and select-service product offering. Overall, the property appeared to be in good condition, inferior to the subject property's condition. Its location is similar to that of the Springhill Suites Phoenix West/Avondale.

PRIMARY COMPETITOR #3 - FAIRFIELD BY MARRIOTT PHOENIX WEST TOLLESON



**Fairfield by Marriott
Phoenix West Tolleson
9033 West McDowell
Road
Tolleson, AZ**

FIGURE 5-16 ESTIMATED HISTORICAL OPERATING STATISTICS

Year	Wtd. Annual Room Count	Occupancy	Average Rate	RevPAR	Occupancy Penetration	Yield Penetration
Est. 2019	19	75 - 80 %	\$115 - \$120	\$85 - \$90	95 - 100 %	80 - 85 %
Est. 2021	116	70 - 75	115 - 120	80 - 85	85 - 90	80 - 85
Est. 2022	116	70 - 75	130 - 140	100 - 105	90 - 95	85 - 90
Est. 2023	116	70 - 75	150 - 160	110 - 115	95 - 100	85 - 90
Est. 2024	116	75 - 80	140 - 150	115 - 120	95 - 100	90 - 95

This hotel benefits from its Marriott brand affiliation and being newest hotel in the city of Tolleson, having opened in November 2019. Overall, the property appeared to be in good condition, inferior to the subject property's condition. Its location is similar to that of the Springhill Suites Phoenix West/Avondale.

PRIMARY COMPETITOR #4 - HOLIDAY INN EXPRESS & SUITES PHOENIX WEST TOLLESON



Holiday Inn Express & Suites Phoenix West Tolleson
1750 North 95th Lane
Phoenix, AZ

FIGURE 5-17 ESTIMATED HISTORICAL OPERATING STATISTICS

Year	Wtd. Annual Room Count	Occupancy	Average Rate	RevPAR	Occupancy Penetration	Yield Penetration
Est. 2023	36	60 - 65 %	\$150 - \$160	\$90 - \$95	75 - 80 %	70 - 75 %
Est. 2024	108	75 - 80	150 - 160	115 - 120	95 - 100	90 - 95

This hotel benefits from being one of the newest limited-service properties in the market, having opened in September 2023. Overall, the property appeared to be in excellent condition, similar to the subject property's condition. Its location is similar to that of the Springhill Suites Phoenix West/Avondale.

**Secondary
Competitors**

We have also reviewed other area lodging facilities to determine whether any may compete with the subject hotel on a secondary basis. The room count of each secondary competitor has been weighted based on its assumed degree of competitiveness with the subject hotel. By assigning degrees of competitiveness, we can assess how the subject hotel and its competitors may react to various changes in the market, including new supply, changes to demand generators, and renovations or franchise changes of existing supply. The following table sets forth the pertinent operating characteristics of the secondary competitors.

FIGURE 5-18 SECONDARY COMPETITORS – OPERATING PERFORMANCE

Property	Est. Segmentation				Total Competitive Level	Estimated 2023				Estimated 2024			
	Number of Rooms	Commercial	Leisure	Group		Weighted Annual Room Count	Occ.	Average Rate	RevPAR	Weighted Annual Room Count	Occ.	Average Rate	RevPAR
Home2 Suites by Hilton Phoenix Avondale	127	55 %	30 %	15 %	75 %	95	75 - 80 %	\$170 - \$180	\$140 - \$150	95	85 - 90 %	\$170 - \$180	\$150 - \$160
Residence Inn by Marriott Phoenix West Avondale	102	60	30	10	75	77	80 - 85	170 - 180	140 - 150	77	85 - 90	160 - 170	140 - 150
Homewood Suites by Hilton Phoenix Avondale	123	65	25	10	75	92	80 - 85	150 - 160	130 - 140	92	85 - 90	150 - 160	130 - 140
SpringHill Suites by Marriott Phoenix Glendale Sports & Entertainment District	120	50	30	20	75	90	65 - 70	160 - 170	105 - 110	90	70 - 75	150 - 160	115 - 120
Totals/Averages	472	58 %	29 %	14 %	75 %	354	78.6 %	\$166.67	\$131.02	354	83.7 %	\$164.46	\$137.64
* Specific occupancy and average rate data was utilized in our analysis, but is presented in ranges in the above table for the purposes of confidentiality.													

We have identified four hotels that compete with the subject hotel on a secondary level. The Home2 Suites by Hilton Phoenix Avondale, Residence Inn by Marriott Phoenix West Avondale, and Homewood Suites by Hilton Phoenix Avondale are competitive based on their proximate locations to the subject hotel within Avondale; however, these hotels offer extended-stay products. The SpringHill Suites by Marriott Phoenix Glendale is competitive based on its SpringHill Suites by Marriott branding; however, it is secondarily competitive based on its location in Glendale.

Supply Changes

It is important to consider any new hotels that may have an impact on the subject property's operating performance. Hotels that have recently opened, are under construction, or that may be in the early development stages in the Avondale market are noted below.

FIGURE 5-19 AREA HOTEL DEVELOPMENT ACTIVITY

Proposed Hotel Name	Estimated Number of Rooms	Hotel Product Tier	Development Stage	Expected Qtr. & Year of Opening	Address
Goodyear					
Home2 Suites by Hilton	112	Upper-Midscale	Under Construction	Q4 '25	Litchfield Road and North McDowell Road, Goodyear
AC by Marriott	125	Upscale	Under Construction	Q3 '26	Civic Square, Goodyear
Homewood Suites by Hilton	122	Upper-Midscale	Early Development	Q1 '27	1875 North Bullard Avenue, Goodyear
Hilton Garden Inn	105	Upper-Midscale	Early Development	Q1 '27	1875 North Bullard Avenue, Goodyear
Goodyear Celebration Plaza Hotel	101 to 150	TBD	Early Development	TBD	143rd Avenue and Litchfield Road, Goodyear
Ballpark Village Northeast (Extended-Stay Hotel)	101	TBD	Early Development	TBD	Yuma Road and Estrella Parkway, Goodyear
Innovation Center Hotel	101 to 150	TBD	Early Development	TBD	17758 West Roosevelt Street, Goodyear
Element by Westin or Staybridge Suites by IHG	107	Upscale	Early Development	TBD	Bullard Wash near Civic Square, Goodyear
Buckeye					
Hampton Inn & Suites	108	Upper-Midscale	Under Construction	Q4 '25	Roosevelt Street and Verrado Way, Buckeye
Buckeye Commons West	50 to 100	TBD	Early Development	TBD	Northwest of Interstate 10 and Verrado Way, Buckeye
Avondale/Tolleson					
SpringHill Suites by Marriott	130	Upscale	Recently Opened	Q4 '24	9950 West Encanto Boulevard, Avondale
Atwell Suites	96	Upscale	Seeking Financing	TBD	Northwest Corner of Avondale Avenue and McDowell Road, Avondale
Avid by IHG Hotel	95	Midscale	Seeking Financing	TBD	North Terminus of Eliseo C. Felix Jr. Way, Avondale
Best Western	100	Midscale	Early Development	TBD	North Terminus of Eliseo C. Felix Jr. Way, Avondale
ClearSky Development Mixed-Use	TBD	TBD	On Hold	TBD	SWC of 109th Avenue and McDowell Road, Avondale
Parkside Village	101-150	Upscale	Early Development	TBD	Loop 101, Southwest Corner of 99th Avenue and Indian School Road, Avondale
Glendale					
Everhome Suites	122	Midscale	Recently Opened	Q3 '24	9775 West Northern Avenue, Glendale
VAI Resort	1,000	Luxury	Under Construction	Q4 '25	North 95th Avenue & Cardinals Way, Glendale
Moxxy	150	Upscale	Early Development	TBD	NWC of West Maryland Avenue and North 95th Avenue, Glendale
StayAPT Suites	76	Midscale	Early Development	TBD	NWC of North 73rd Avenue and West Camino San Xavier, Glendale
Desert Diamond Casino - West Valley Resort Hotel	600	TBD	Development on Hold	TBD	Western Northern Avenue and North 91st Avenue, Glendale
Mangat Sports Complex Hotel	110	TBD	Early Development	TBD	103rd Avenue and Northern Avenue, Glendale
Loop 101 Mixed-Use	101-150	TBD	Early Development	TBD	Loop 101 and Northern Avenue, Glendale

A number of hotels have been proposed for development throughout the market; however, given the speculative nature of these projects, they have only been considered qualitatively in our analysis.

While we have taken reasonable steps to investigate proposed hotel projects and their status, due to the nature of real estate development, it is impossible to determine with certainty every hotel that will be opened in the future or what their

marketing strategies and effect on the market will be. Depending on the outcome of current and future projects, the operating potential of the subject property may be affected. Future improvement in market conditions will raise the risk of increased competition. Our forthcoming forecast of stabilized occupancy and ADR is intended to reflect such risk.

Supply Conclusion

We have identified various properties that are competitive to some degree with the subject property. We have also investigated potential increases in competitive supply in this Avondale submarket. The Springhill Suites Phoenix West/Avondale will continue to operate in a dynamic market of varying product types and price points. Next, we will present our forecast for demand change, using the historical supply data presented as a starting point.

DEMAND

The following table presents the most recent trends for the subject hotel market as tracked by HVS. These data pertain to the subject and competitors discussed previously in this section; performance results are estimated, rounded for the competition, and weighted if there are secondary competitors present. In this respect, the information in the table differs from the previously presented Costar data and is consistent with the supply and demand analysis developed for this appraisal.

FIGURE 5-20 HISTORICAL MARKET TRENDS

Year	Accommodated		Room Nights		Market			Market	
	Room Nights	% Change	Available	% Change	Occupancy	Market ADR	% Change	RevPAR	% Change
Est. 2019	137,370	—	169,514	—	81.0 %	\$132.90	—	\$107.70	—
Est. 2020	165,513	20.5 %	252,012	48.7 %	65.7	121.32	(8.7) %	79.68	(26.0) %
Est. 2021	187,954	13.6	236,797	(6.0)	79.4	128.94	6.3	102.34	28.4
Est. 2022	207,851	10.6	262,800	11.0	79.1	149.31	15.8	118.09	15.4
Est. 2023	212,610	2.3	275,976	5.0	77.0	162.65	8.9	125.30	6.1
Est. 2024	250,884	18.0	321,804	16.6	78.0	159.33	(2.0)	124.22	(0.9)
Avg. Annual Compounded									
Chg., Est. 2019-Est. 2024:		12.8 %		13.7 %			3.7 %		2.9 %

Demand Analysis Using Market Segmentation

For the purpose of demand analysis, the overall market is divided into individual segments based on the nature of travel. Based on our fieldwork, area analysis, and knowledge of the local lodging market, we estimate the 2024 distribution of accommodated-room-night demand as follows:

FIGURE 5-21 BASE-YEAR ACCOMMODATED-ROOM-NIGHT DEMAND

Market Segment	Marketwide		Subject Property	
	2024		2024	
	Accommodated Demand	Percentage of Total	Accommodated Demand	Percentage of Total
Commercial	138,598	55 %	2,585	40 %
Leisure	79,819	32	3,231	50
Group	32,468	13	646	10
Total	250,884	100 %	6,462	100 %

In the base year, the market's demand mix comprised commercial demand, with this segment representing roughly 55% of the accommodated room nights in this Avondale submarket. The remaining portion comprised leisure at 32%, with the final portion group in nature, reflecting 13%.

Using the distribution of accommodated hotel demand as a starting point, we will analyze the characteristics of each market segment in an effort to determine future trends in room-night demand.

Commercial Segment

Commercial demand consists mainly of individual businesspeople passing through the subject market or visiting area businesses, in addition to high-volume corporate accounts generated by local firms. Brand loyalty (particularly frequent-traveler programs), as well as location and convenience with respect to businesses and amenities, influence lodging choices in this segment. Companies typically designate hotels as "preferred" accommodations in return for more favorable rates, which are discounted in proportion to the number of room nights produced by a commercial client. Commercial demand is strongest on Monday through Thursday nights, declines significantly on Friday and Saturday, and increases somewhat on Sunday night. It is relatively constant throughout the year, with marginal declines in late December and during other holiday periods.

Primary commercial demand generators for this market include major companies in the area, such as Amazon Fulfillment Centers, REI Distribution Center, and the Dick's Sporting Goods Distribution Facility. The retail industry also generates demand from nearby retail centers that include Gateway Pavilions and Park 10, which attract regional staff and vendors. Lastly, the healthcare sector is important for this submarket given the presence of Phoenix Children's Hospital – Avondale Campus. Commercially driven demand was healthy in 2024 and remains favorable thus far in 2025, with area industries and demand sources generating strong levels of hotel demand. Particularly relevant news related to these nearby demand

generators includes the ongoing expansion of medical facilities and new industrial developments in the Tolleson/Goodyear corridor, which are expected to support continued visitation. Commercial demand is forecast to continue to increase through the stabilized year.

Leisure Segment

Leisure demand consists of individuals and families spending time in an area or passing through en route to other destinations. Travel purposes include sightseeing, recreation, or visiting friends and relatives. Leisure demand also includes room nights booked through Internet sites such as Expedia, Hotels.com, and Priceline; however, leisure may not be the purpose of the stay. This demand may also include business travelers and group and convention attendees who use these channels to take advantage of any discounts that may be available on these sites. Leisure demand is strongest on Friday and Saturday nights and all week during holiday periods and the summer months. These peak periods represent the inverse of commercial visitation trends, underscoring the stabilizing effect of capturing weekend and summer tourist travel. Future leisure demand is related to the overall economic health of the region and the nation. Trends showing changes in state and regional unemployment and disposable personal income correlate strongly with leisure travel levels.

Leisure demand for this submarket is generated by State Farm Stadium in Glendale, Phoenix Raceway, as well as by those visiting friends and family in the area. In 2024, weekend transient demand within this segment was strong, peaking during February and March, when vacation travel was at its height. We expect similar trends going forward, as Avondale and the surrounding West Valley should remain a popular stopover point for travelers passing through visiting Phoenix and Scottsdale.

Group Segment

In the limited-service sector, group demand is most commonly generated by groups that require ten or more room nights, but which need little to no meeting space within the hotel. Examples of these groups include family reunions, sports teams, and bus tours. In some markets, limited-service hotels may also accommodate demand from groups or individuals attending events at the local convention center or at one of the larger convention hotels in the area.

Training groups from nearby companies and retail outlets, such as Amazon and Dick's Sporting Goods, generate group demand for local hotels; furthermore, social groups represent primary sources of demand during weekend and holiday periods. Athletic groups are also important for this market given the presence of the American Sports Centers-Avondale and local high school sports tournaments, which generate demand from visiting teams, particularly in the summer months. Demand within this segment was stable in 2024 and is expected to remain a key contributor in 2025, with moderate growth forecast through the stabilized year.

Base Demand Growth Rates

Our overall demand forecast for the market was shaped by an evaluation of monthly occupancy patterns. Based upon this monthly analysis, our interviews, and changes in segmentation in recent months, we have projected demand by segment and have concluded to an overall annual occupancy for the market.

FIGURE 5-22 AVERAGE ANNUAL COMPOUNDED MARKET-SEGMENT GROWTH RATES

Market Segment	Annual Growth Rate		
	2025	2026	2027
Commercial	9.0 %	1.0 %	0.0 %
Leisure	6.0	0.5	0.0
Group	4.0	0.5	0.0
Base Demand Growth	7.4 %	0.8 %	0.0 %

Accommodated Demand and Market-wide Occupancy

Based upon a review of the market dynamics in the subject property's competitive environment, we have forecast growth rates for each market segment. Using the calculated potential demand for the market, we have determined market-wide accommodated demand based on the inherent limitations of demand fluctuations and other factors in the market area. The following table details our projection of lodging demand growth for the subject market, including the total number of occupied room nights and any residual unaccommodated demand in the market.

FIGURE 5-23 ACCOMMODATED DEMAND

	<i>Historical</i>	<i>Projected</i>		
	2024	2025	2026	2027
Commercial				
Total Demand	138,598	151,071	152,582	152,582
Growth Rate	68.2 %	9.0 %	1.0 %	0.0 %
Leisure				
Total Demand	79,819	84,608	85,031	85,031
Growth Rate	132.4 %	6.0 %	0.5 %	0.0 %
Group				
Total Demand	32,468	33,766	33,935	33,935
Growth Rate	57.6 %	4.0 %	0.5 %	0.0 %
Totals				
Base Demand	250,884	269,446	271,548	271,548
Overall Demand Growth	82.6 %	7.4 %	0.8 %	0.0 %
Market Mix				
Commercial	55.2 %	56.1 %	56.2 %	56.2 %
Leisure	31.8	31.4	31.3	31.3
Group	12.9	12.5	12.5	12.5
Existing Hotel Supply	882	956	956	956
Available Room Nights per Year	321,804	348,940	348,940	348,940
Nights per Year	365	365	365	365
Total Supply	882	956	956	956
Rooms Supply Growth	—	8.4 %	0.0 %	0.0 %
Marketwide Occupancy	78.0 %	77.2 %	77.8 %	77.8 %

The defined competitive market of hotels experienced a favorable trend of demand in 2024, with occupancy reaching the high 60s. Year-to-date through March 2025 trends reflect stability in demand. Overall, occupancy is expected to continue to increase given commercial growth and economic expansion. Based on historical occupancy levels in this market, and taking into consideration typical supply and demand cyclicalities, market occupancy is anticipated to stabilize near the levels achieved in 2018. This forecast also considers the permanent shift in economic growth associated with the West Valley.

6. Projection of Occupancy and Average Rate

Along with ADR results, the occupancy levels achieved by a hotel are the foundation of the property's financial performance and market value. Most of a lodging facility's other revenue sources (such as food and beverage, other operated departments, and miscellaneous income) are driven by the number of guests, and many expense levels vary with occupancy. To a certain degree, occupancy attainment can be manipulated by management. For example, hotel operators may choose to lower rates in an effort to maximize occupancy. Our forecasts reflect an operating strategy that we believe would be implemented by a typical, professional hotel management team to achieve an optimal mix of occupancy and average rate.

Historical Operating Performance

The following table sets forth the subject hotel's historical occupancy, ADR, and RevPAR results. For the purpose of comparison, we have presented corresponding data (as provided by Costar) for the competitive hotels described in the previous section. In addition to the annual percent change calculations, we have determined the subject hotel's occupancy, ADR, and RevPAR penetration rates.

FIGURE 6-1 HISTORICAL TRENDS

	2018	2019	2020	2021	2022	2023	2024	Year-to-Date Through March 2025
Springhill Suites Phoenix West/Avondale								
<i>*Hotel Opened August 2024</i>								
Occupancy							33.0 %	70.0 %
Change in Points							—	—
Occupancy Penetration							47.7 %	93.4 %
Average Rate							\$147.69	\$198.54
Change							—	—
Average Rate Penetration							94.0 %	98.8 %
RevPAR							\$48.73	\$138.98
Change							—	—
RevPAR Penetration							44.9 %	92.3 %
	2018	2019	2020	2021	2022	2023	2024	Year-to-Date Through March 2025
Competitive Set								
Occupancy	77.6 %	72.4 %	57.7 %	72.9 %	65.6 %	66.8 %	69.1 %	75.0 %
Change in Points	0.7	(5.2)	(14.8)	15.2	(7.3)	1.2	2.3	(0.6)
Average Rate	\$124.54	\$130.75	\$120.37	\$129.42	\$147.93	\$162.16	\$157.10	\$200.86
Change	2.3 %	5.0 %	(7.9) %	7.5 %	14.3 %	9.6 %	(3.1) %	2.9 %
RevPAR	\$96.69	\$94.71	\$69.44	\$94.33	\$97.09	\$108.40	\$108.62	\$150.57
Change	3.2 %	(2.0) %	(26.7) %	35.9 %	2.9 %	11.6 %	0.2 %	2.1 %

Source: CoStar

Given the subject hotel's opening in August 2024, a historical occupancy and ADR year-over-year analysis was not possible. However, performance metrics have increased notably since the August opening, with the hotel's RevPAR penetration nearing 93.0% in the year-to-date period.

Penetration Rate Analysis

The subject hotel's forecasted market share and occupancy levels are based upon its anticipated competitive position within the market, as quantified by its penetration rate. The penetration rate is the ratio of a hotel's market share to its fair share.

Base-Year Penetration Rates by Market Segment

In the following table, the penetration rates attained by the primary competitors and the aggregate secondary competitors are set forth for each segment for the base year, 2024.

FIGURE 6-2 HISTORICAL OCCUPANCY PENETRATION RATES

Property	Commercial	Leisure	Group	Overall
Springhill Suites Phoenix West/Avondale	31 %	67 %	33 %	42 %
Courtyard by Marriott Phoenix West Avondale	98	93	114	99
Hilton Garden Inn Phoenix Avondale	114	99	81	105
Fairfield by Marriott Phoenix West Tolleson	91	110	116	100
Holiday Inn Express & Suites Phoenix West Tolleson	91	126	77	100
Secondary Competition	112	97	113	107

As a result of its varying levels of penetration among the three market demand segments, the Springhill Suites Phoenix West/Avondale achieved an overall penetration rate of 42% among the weighted competitive set in 2024. Overall, the subject hotel's occupancy penetration level was ranked sixth among the illustrated averages.

Forecast of Subject Property's Occupancy

Because the supply and demand balance for the competitive market is dynamic, there is a circular relationship between the penetration factors of each hotel in the market. The performance of individual new hotels has a direct effect upon the aggregate performance of the market and, consequently, upon the calculated penetration factor for each hotel in each market segment. The same is true when the performance of existing hotels changes, either positively (following a refurbishment, for example) or negatively (when a poorly maintained or marketed hotel loses market share).

A hotel's penetration factor is calculated as its achieved market share of demand divided by its fair share of demand. Thus, if one hotel's penetration performance increases, thereby increasing its achieved market share, this leaves less demand

available in the market for the other hotels to capture, and the penetration performance of one or more of those other hotels consequently declines (other things remaining equal). This type of market share adjustment takes place every time there is a change in supply or a change in the relative penetration performance of one or more hotels in the competitive market.

Our projections of penetration, demand capture, and occupancy performance for the subject property account for these types of adjustments to market share within the defined competitive market. Consequently, the actual penetration factors applicable to the subject property and its competitors for each market segment in each projection year may vary somewhat from the penetration factors delineated in the previous table.

Similar to the market forecast, the subject hotel's occupancy has been analyzed on a monthly basis. The subject hotel's occupancy forecast is set forth as follows, with the adjusted projected penetration rates used as a basis for calculating the amount of captured market demand.

FIGURE 6-3 FORECAST OF SUBJECT PROPERTY'S OCCUPANCY

Market Segment	Historical 2024	2025	Projected 2026	2027
Commercial				
Demand	138,598	151,071	152,582	152,582
Market Share	1.9 %	11.4 %	13.6 %	13.6 %
Capture	2,585	17,165	20,793	20,793
Penetration	31 %	85 %	102 %	102 %
Leisure				
Demand	79,819	84,608	85,031	85,031
Market Share	4.0 %	16.7 %	13.1 %	13.1 %
Capture	3,231	14,131	11,128	11,128
Penetration	67 %	125 %	98 %	98 %
Group				
Demand	32,468	33,766	33,935	33,935
Market Share	2.0 %	12.1 %	14.3 %	14.3 %
Capture	646	4,077	4,855	4,855
Penetration	33 %	90 %	107 %	107 %
Total Room Nights Captured	6,462	35,373	36,775	36,775
Available Room Nights	19,584	46,720	46,720	46,720
Subject Occupancy	33 %	76 %	79 %	79 %
Market-wide Available Room Nights	321,804	348,940	348,940	348,940
Fair Share	6 %	13 %	13 %	13 %
Market-wide Occupied Room Nights	250,884	269,446	271,548	271,548
Market Share	3 %	13 %	14 %	14 %
Market-wide Occupancy	78 %	77 %	78 %	78 %
Total Penetration	42 %	98 %	101 %	101 %

The subject hotel's occupancy penetration in the first projection year is forecast to increase as the subject hotel continued to ramp-up in operations following its recent opening. Thereafter, its occupancy penetration is expected to increase and stabilize slightly above market average, given its updated product offering and strong brand affiliation.

These positioned segment penetration rates result in the following market segmentation forecast.

FIGURE 6-4 MARKET SEGMENTATION FORECAST – SUBJECT PROPERTY

	2024	2025	2026	2027
Commercial	40 %	49 %	57 %	57 %
Leisure	50	40	30	30
Group	10	12	13	13
Total	100 %	100 %	100 %	100 %

Based on our analysis of the subject property and market area, we have selected a stabilized occupancy level of 79% in 2027/28. The stabilized occupancy is intended to reflect the anticipated results of the property over its remaining economic life given all changes in the life cycle of the hotel. Thus, the stabilized occupancy excludes from consideration any abnormal relationship between supply and demand, as well as any nonrecurring conditions that may result in unusually high or low occupancies. Although the subject hotel may operate at occupancies above this stabilized level, we believe it equally possible for new competition and temporary economic downturns to force the occupancy below this selected point of stability.

Average Rate Analysis

One of the most important considerations in estimating the value of a lodging facility is a supportable forecast of its attainable ADR, which is more formally defined as the ADR per occupied room and can be calculated by dividing the total rooms revenue achieved during a specified period by the number of rooms sold during the same period. The projected ADR and the anticipated occupancy percentage are used to forecast rooms revenue, which in turn provides the basis for estimating most other income and expense categories.

Competitive Position

Although the ADR analysis presented here follows the occupancy projection, these two statistics are highly correlated; one cannot project occupancy without making specific assumptions regarding ADR. This relationship is best illustrated by RevPAR, which reflects a property's ability to maximize rooms revenue. The following tables summarize the historical ADR and RevPAR levels and the respective ADR and RevPAR penetration levels for each brand component of the subject property and its competitors.

FIGURE 6-5 BASE-YEAR ADR AND REVPAR – SUBJECT PROPERTY AND ITS COMPETITORS

Property	Estimated 2024 Average Room Rate	Average Rate Penetration	Rooms Revenue Per Available Room (RevPAR)	RevPAR Penetration
Springhill Suites Phoenix West/Avondale	\$147.69	92.7 %	\$48.73	39.2 %
Courtyard by Marriott Phoenix West Avondale	160 - 170	100 - 110	120 - 125	100 - 110
Hilton Garden Inn Phoenix Avondale	160 - 170	100 - 110	130 - 140	100 - 110
Fairfield by Marriott Phoenix West Tolleson	140 - 150	90 - 95	115 - 120	90 - 95
Holiday Inn Express & Suites Phoenix West Tolleson	150 - 160	90 - 95	115 - 120	90 - 95
Average - Subject & Primary Competitors	\$155.44	97.6 %	\$115.21	92.7 %
Average - Secondary Competitors	164.46	103.2	137.64	110.8
Overall Average	\$159.33	100.0 %	\$124.22	100.0 %

The Home2 Suites Phoenix Avondale (a secondary competitor) achieved the highest estimated ADR in the local competitive market, by a modest margin, because of its extended-stay product and relatively new construction relative to the other competitors. Of the primary competitive set, the Courtyard by Marriott Phoenix West Avondale achieved the highest estimated ADR because of its select-service product offering and strong brand affiliation. Other important rate aspects of this market include location and segmentation. Despite the subject hotel's recent opening, we anticipate rate to increase at an appropriate level for a limited-service product within the market. In year-end 2021, ADR had surpassed pre-pandemic levels, and growth continued through 2022 and 2023. However, year-end 2024 data reflect a decline in ADR, following the elevated levels recorded in the previous years. Year-to-date 2025 trends, however, illustrate an increase in ADR, supported by local economic expansion. We expect ADR to continue to increase, driven primarily by the continued growth of industrial and commercial demand generators within the market.

Similar to the occupancy projections for the market and the subject hotel, we have evaluated ADR on a monthly basis. Based on these considerations, the following table illustrates the projected ADR and the growth rates assumed in our forecast. Note that our forecast of income and expense, which follows later in this report, assumes an underlying inflation rate of 3.0%.

FIGURE 6-6 ADR FORECAST – MARKET AND SUBJECT PROPERTY

Year	Areawide (Calendar Year)			Subject Property (Calendar Year)			
	Occupancy	Average Rate Growth	Average Rate	Occupancy	Average Rate Growth	Average Rate	Average Rate Penetration
Historical							
2021	79.4 %	—	\$128.94				
2022	79.1	15.8 %	149.31				
2023	77.0	8.9	162.65				
2024	78.0	-2.0	159.33	33.0 %		\$147.69	92.7 %
Projected							
2025	77.2 %	3.0 %	\$164.11	76.0 %	5.5 %	\$155.81	94.9 %
2026	77.8	3.0	169.03	79.0	5.5	164.38	97.2
2027	77.8	3.0	174.10	79.0	3.0	169.32	97.2

As shown above, the subject hotel's ADR is projected to improve by 5.5% in 2025. The subject hotel's room rate is expected to follow a trend similar to that of the market, increasing in the first projection year, with the hotel's ADR penetration level increasing by the stabilized year, as the hotel continues to ramp-up in operations. Anticipated future economic strength in this market should also support longer-term rate improvements for the subject hotel.

The following table provides a comparison of the historical performance and forecasts for the subject hotel and its competitive set on a calendar-year basis.

FIGURE 6-7 COMPARISON OF HISTORICAL AND PROJECTED OCCUPANCY, ADR, AND REVPAR – SUBJECT PROPERTY AND MARKET

	Historical						Projected		
	2019	2020	2021	2022	2023	2024	2025	2026	2027
Springhill Suites Phoenix West/Avondale									
<i>*Subject Hotel Opened August 2024</i>									
Occupancy						33.0 %	75.7 %	78.7 %	78.7 %
Change in Points						—	42.7	3.0	0.0
Occupancy Penetration						42.3 %	98.0 %	101.1 %	101.1 %
Average Rate						\$147.69	\$155.81	\$164.38	\$169.32
Change						—	5.5 %	5.5 %	3.0 %
Average Rate Penetration						92.7 %	94.9 %	97.2 %	97.2 %
RevPAR						\$48.73	\$117.97	\$129.39	\$133.28
Change						—	142.1 %	9.7 %	3.0 %
RevPAR Penetration						39.2 %	93.1 %	98.4 %	98.4 %
	Historical						Projected		
	2019	2020	2021	2022	2023	2024	2025	2026	2027
Avondale Submarket									
Occupancy	81.0 %	65.7 %	79.4 %	79.1 %	77.0 %	78.0 %	77.2 %	77.8 %	77.8 %
Change in Points	—	(15.4)	13.7	(0.3)	(2.1)	0.9	(0.7)	0.6	0.0
Average Rate	\$132.90	\$121.32	\$128.94	\$149.31	\$162.65	\$159.33	\$164.11	\$169.03	\$174.10
Change	—	(8.7) %	6.3 %	15.8 %	8.9 %	(2.0) %	3.0 %	3.0 %	3.0 %
RevPAR	\$107.70	\$79.68	\$102.34	\$118.09	\$125.30	\$124.22	\$126.72	\$131.54	\$135.49
Change	—	(26.0) %	28.4 %	15.4 %	6.1 %	(0.9) %	2.0 %	3.8 %	3.0 %

The following occupancy and ADR levels will be used to project the subject hotel's rooms revenue. This forecast, which begins on June 1, 2025, has been fiscalized as appropriate to correspond with our financial projections.

FIGURE 6-8 FORECASTS OF OCCUPANCY, ADR, AND REVPAR

Year	Occupancy	Average Rate	RevPAR
2025/26	77 %	\$159.36	\$122.71
2026/27	79	166.42	131.48
2027/28	79	171.42	135.42

7. Highest and Best Use

The concept of highest and best use is a fundamental element in the determination of value of real property, either as if vacant or as improved. USPAP requires that a property's highest and best use be analyzed. Only if the current improvements do not reflect the highest and best use of the property does the highest and best use of the site "as if" vacant need to be considered.

Highest and best use is defined as follows:

The reasonably probable use of property that results in the highest value. The four criteria that the highest and best use must meet are legal permissibility, physical possibility, financial feasibility, and maximum productivity.¹¹

As If Vacant

The subject site is favorably located near a main arterial and is of an appropriate size to support any number of retail, office, or hospitality projects. Within the hotel sector, sustained demand and ADR growth have enhanced the potential for new development; moreover, new construction is ongoing in the market. Similar trends have been exhibited within the mixed-use sector. Therefore, commercial development such as a viable hotel product or a mixed-use project on the subject site would represent the highest and best use; however, more market research would be required to make this determination.

As Improved

The subject hotel represents a viable enterprise generating a positive EBITDA Less Replacement Reserve, which is improving as the hotel ramps up operations. Accordingly, the property is generating sufficient return to the land to continue to support its current use as a limited-service hotel. It is our opinion that the highest and best use of the subject property is its continued use as an operating hotel.

¹¹ Appraisal Institute, *The Dictionary of Real Estate Appraisal*, 7th ed. (Chicago: Appraisal Institute, 2022).

8. Approaches to Value

In appraising real estate for market value, three approaches to value are considered: income capitalization, cost, and sales comparison. Basic summaries of each approach are provided as follows; please refer to the introduction of each respective chapter for additional description.

Income Capitalization Approach

The income capitalization approach analyzes a property's ability to generate financial returns as an investment. The appraisal estimates a property's operating cash flow, and the result is utilized in a direct capitalization technique and a discounted cash flow (DCF) analysis. The income capitalization approach is often selected as the preferred valuation method for operating properties because it most closely reflects the investment rationale of knowledgeable buyers.

Sales Comparison Approach

The sales comparison approach estimates the value of a property by comparing it to similar properties sold on the open market. To obtain a supportable estimate of value, the sales price of a comparable property must be adjusted to reflect any dissimilarity between it and the property being appraised. The sales comparison approach is most useful in the case of simple forms of real estate such as vacant land and single-family homes, where the properties are homogeneous, and the adjustments are few and relatively simple to compute. In the case of complex investments such as hotels, where the adjustments are numerous and more difficult to quantify, the sales comparison approach loses much of its reliability.

Cost Approach

The cost approach estimates market value by computing the cost of replacing the property and subtracting any depreciation resulting from physical deterioration, functional obsolescence, and external (or economic) obsolescence. The value of the land, as if vacant and available, is then added to the depreciated value of the improvements for a total value estimate. The cost approach is most reliable for estimating the value of new properties; however, as the improvements deteriorate and market conditions change, the resultant loss in value becomes increasingly difficult to quantify accurately. Moreover, our experience with hotel investors shows that buyers and sellers rely upon the methods of the income approach when making decisions. However, given the recent construction of the property, we have completed the cost approach.

Reconciliation

The final step in the valuation process is the reconciliation and correlation of the value indications. Factors that are considered in assessing the reliability of each approach include the purpose of the appraisal, the nature of the subject property, and the reliability of the data used. In the reconciliation, the applicability and

supportability of each approach are considered, and the range of value indications is examined. The most significant weight is given to the approach that produces the most reliable solution and most closely reflects the criteria used by typical investors.

9. Income Capitalization Approach

The income capitalization approach is based on the principle that the value of a property is indicated by its net return, known as the present worth of future benefits. The future benefits of income-producing properties, such as hotels, are net income before debt service and depreciation (as estimated by a forecast of income and expense) and any anticipated reversionary proceeds from a sale. These future benefits can be converted into an indication of market value through a capitalization process and discounted cash flow (DCF) analysis.

Methodology

Using the income capitalization approach, the subject property has been valued by analyzing the local market for transient accommodations, examining existing and proposed competition, and developing a forecast of income and expense that reflects current and anticipated income trends and cost components through a stabilized year of operation.

The forecast of income and expense is expressed in current dollars for each year. The stabilized year is intended to reflect the anticipated operating results of the property over its remaining economic life given any or all applicable stages of build-up, plateau, and decline in the life cycle of the hotel. Thus, income and expense estimates from the stabilized year forward exclude from consideration any abnormal relationship between supply and demand, as well as any nonrecurring conditions that may result in unusual revenues or expenses. The stabilized year's net income¹² is then extended into an eleven-year forecast of income and expense by applying the assumed underlying inflation rate to each revenue and expense item from the stabilized year forward, unless otherwise noted.

The eleven-year forecast of net income forms the basis of a ten-year, unlevered DCF analysis, where ten years of net income and the reversionary value derived from the capitalized eleventh year's net income are discounted back to the date of value and summed to derive an estimate of market value. The application of an overall discount rate to a property's cash flow inherently reflects the cost of debt and equity prevalent in the marketplace. It is called an unlevered DCF analysis because it does not explicitly consider the cost and leverage of debt financing (i.e., it is applied to cash flow before debt service and return on owner's equity). The ten-year period is used to be consistent with assumptions employed in the evaluation of other real estate asset classes and facilitates comparison of rates of return. The forecasted

¹² Net income is equivalent to EBITDA Less Replacement Reserves.

**Review of
Operating History**

income streams reflect the future benefits of owning specific rights in income-producing real estate.

The subject property is a relatively new hotel and does not yet have an established operating performance. However, its historical income and expense experience, albeit limited, can still serve as a starting point for projections. The following income and expense statements were provided by current ownership. Where applicable, we have reorganized the statements in accordance with the Uniform System of Accounts for the Lodging Industry (USALI).

FIGURE 9-1 HISTORICAL OPERATING PERFORMANCE

2024/25 Partial Year August 1 - March 31				
Number of Rooms:	128			
Paid Occupied Rooms:	14,526			
Days Open:	243			
Paid Occupancy:	46.7%			
Average Rate:	\$175.92	Percentage	Available	Amount
RevPAR:	\$82.16	of Revenue	Room	Occupied
				Room
OPERATING REVENUE				
Rooms	\$2,555	98.6 %	\$19,964	\$175.92
Other Operated Departments	28	1.1	217	1.91
Miscellaneous Income	9	0.4	73	0.64
Total Operating Revenue	2,592	100.0	20,253	178.47
DEPARTMENTAL EXPENSES*				
Rooms	602	23.5	4,701	41.43
Other Operated Departments	13	47.0	102	0.90
Total	615	23.7	4,803	42.32
DEPARTMENTAL INCOME	1,978	76.3	15,450	136.14
UNDISTRIBUTED OPERATING EXPENSES				
Administrative & General	231	8.9	1,808	15.93
Info. and Telecom. Systems	40	1.5	310	2.73
Marketing	89	3.4	697	6.14
Franchise Fee	106	4.1	828	7.30
Prop. Operations & Maintenance	70	2.7	548	4.83
Utilities	66	2.6	517	4.56
Total	603	23.2	4,709	41.49
GROSS OPERATING PROFIT	1,375	53.0	10,741	94.65
Management Fee	81	3.1	632	5.57
INCOME BEFORE NON-OPER. INC. & EXP.	1,294	49.9	10,109	89.08
NON-OPERATING INCOME AND EXPENSE				
Property Taxes	60	2.3	469	4.13
Insurance	60	2.3	468	4.12
Total	120	4.6	937	8.26
EBITDA	1,174	45.3	9,172	80.83
Reserve for Replacement	0	0.0	0	0.00
EBITDA LESS RESERVE	\$1,174	45.3 %	\$9,172	\$80.82
NOI adjusted to reflect a				
3.0% mgmt fee and a 4.0% reserve	\$1,074	41.4 %		

*Departmental expenses are expressed as a percentage of departmental revenues.

As the subject hotel has only been open since August 2024, no comparison of year-over-year operating history was possible. We would expect a buyer to budget more normalized expenses as the property approaches stabilization, including higher franchise fees, administrative and general expenses, marketing costs, property operations and maintenance costs, property taxes, and insurance expenses.

Comparable Operating Statements

In order to gauge the subject hotel's profitability, we have reviewed the following individual income and expense statements from comparable hotels, derived from our database of hotel income and expense statements. All financial data are presented according to the three most common measures of industry performance: ratio to sales (RTS), amounts per available room (PAR), and amounts per occupied room night (POR). These historical income and expense statements will be used as benchmarks in our forthcoming forecast of income and expense. The subject hotel's 2024/25 operating history has been included to facilitate a comparison. The subject hotel's stabilized statement of income and expense, deflated to 2024/25 dollars, is also presented.

FIGURE 9-2 COMPARABLE OPERATING STATEMENTS: RATIO TO SALES

	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Subject
						Stabilized \$
Year:	2024	2023/24	2023/24	2023/24	2022	2024/25
Number of Rooms:	70 to 100	110 to 150	100 to 140	110 to 150	90 to 110	128
Occupied Rooms:	25,363	37,078	34,334	37,082	31,828	36,909
Days Open:	365	365	365	365	365	365
Occupancy:	81%	79%	78%	78%	87%	79%
Average Rate:	\$150	\$138	\$150	\$164	\$163	\$162
RevPAR:	\$121	\$110	\$118	\$128	\$142	\$128
REVENUE						
Rooms	98.8 %	96.6 %	97.3 %	98.2 %	98.3 %	97.9 %
Other Operated Departments	0.0	1.7	0.7	1.5	1.1	1.3
Miscellaneous Income	1.2	1.3	2.0	0.3	0.6	0.8
Total	100.0	100.0	100.0	100.0	100.0	100.0
DEPARTMENTAL EXPENSES*						
Rooms	20.0	23.5	22.4	21.2	20.6	21.1
Other Operated Departments	0.0	50.0	53.5	33.2	32.9	44.3
Total	19.8	23.9	22.2	21.3	20.6	21.2
DEPARTMENTAL INCOME	80.2	76.1	77.8	78.7	79.4	78.8
UNDISTRIBUTED OPERATING EXPENSES						
Administrative & General	4.9	8.2	8.4	7.3	8.1	7.5
Info. and Telecom. Systems	1.8	0.5	0.0	1.4	1.0	1.2
Marketing	2.1	3.8	4.2	3.3	1.3	3.5
Franchise Fee	12.8	7.8	10.1	7.0	8.7	9.2
Property Operations & Maintenance	3.6	3.8	4.0	2.4	5.2	3.1
Utilities	3.4	2.9	3.0	2.4	2.5	2.9
Total	28.6	27.0	29.7	23.8	26.6	27.3
GROSS OPERATING PROFIT	51.6	49.1	48.1	54.9	52.8	51.5
Management Fee	0.0	3.0	2.8	3.0	4.0	3.0
INCOME BEFORE NON-OPER. INC. & EXP.	51.7	46.2	45.4	51.9	48.7	48.5
NON-OPERATING INCOME AND EXPENSE						
Property Taxes	2.1	4.9	1.9	2.3	2.5	2.9
Insurance	0.6	1.5	4.2	1.5	0.8	1.5
Total	2.7	6.4	6.5	4.8	3.3	4.5
EBITDA	49.0	39.8	38.9	47.1	45.4	44.0
Reserve for Replacement	0.0	0.0	0.0	2.0	0.0	4.0
EBITDA LESS RESERVE	49.0 %	39.8 %	38.9 %	45.1 %	45.4 %	40.0 %

* Departmental expense ratios are expressed as a percentage of departmental revenues

FIGURE 9-3 COMPARABLE OPERATING STATEMENTS: AMOUNTS PER AVAILABLE ROOM

	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Subject
						Stabilized \$
Year:	2024	2023/24	2023/24	2023/24	2022	2024/25
Number of Rooms:	70 to 100	110 to 150	100 to 140	110 to 150	90 to 110	128
Occupied Rooms:	25,363	37,078	34,334	37,082	31,828	36,909
Days Open:	365	365	365	365	365	365
Occupancy:	81%	79%	78%	78%	87%	79%
Average Rate:	\$150	\$138	\$150	\$164	\$163	\$162
RevPAR:	\$121	\$110	\$118	\$128	\$142	\$128
REVENUE						
Rooms	\$44,138	\$39,978	\$42,958	\$46,770	\$51,949	\$46,591
Other Operated Departments	0	689	312	716	574	619
Miscellaneous Income	535	529	882	145	320	371
Total	44,674	41,386	44,165	47,631	52,843	47,581
DEPARTMENTAL EXPENSES						
Rooms	8,829	9,390	9,614	9,919	10,703	9,809
Other Operated Departments	0	344	167	238	189	274
Total	8,829	9,880	9,811	10,156	10,892	10,083
DEPARTMENTAL INCOME	35,844	31,506	34,354	37,474	41,952	37,498
UNDISTRIBUTED OPERATING EXPENSES						
Administrative & General	2,167	3,391	3,691	3,499	4,261	3,566
Info. and Telecom. Systems	817	216	0	662	505	550
Marketing	955	1,576	1,868	1,588	688	1,673
Franchise Fee	5,719	3,213	4,449	3,331	4,581	4,356
Property Operations & Maintenance	1,598	1,568	1,780	1,127	2,738	1,473
Utilities	1,499	1,192	1,310	1,133	1,305	1,365
Total	12,755	11,156	13,100	11,340	14,079	12,983
GROSS OPERATING PROFIT	23,089	20,350	21,254	26,134	27,873	24,514
Management Fee	0	1,242	1,215	1,429	2,114	1,427
INCOME BEFORE NON-OPER. INC. & EXP.	23,089	19,108	20,040	24,706	25,760	23,087
NON-OPERATING INCOME AND EXPENSE						
Property Taxes	936	2,024	858	1,094	1,317	1,402
Insurance	266	613	1,841	717	398	736
Total	1,202	2,637	2,887	2,292	1,715	2,138
EBITDA	21,887	16,471	17,153	22,414	24,045	20,949
Reserve for Replacement	0	0	0	953	0	1,903
EBITDA LESS RESERVE	\$21,887	\$16,471	\$17,153	\$21,461	\$24,045	\$19,046

FIGURE 9-4 COMPARABLE OPERATING STATEMENTS: AMOUNTS PER OCCUPIED ROOM

	Comp 1	Comp 2	Comp 3	Comp 4	Comp 5	Subject
						Stabilized \$
Year:	2024	2023/24	2023/24	2023/24	2022	2024/25
Number of Rooms:	70 to 100	110 to 150	100 to 140	110 to 150	90 to 110	128
Occupied Rooms:	25,363	37,078	34,334	37,082	31,828	36,909
Days Open:	365	365	365	365	365	365
Occupancy:	81%	79%	78%	78%	87%	79%
Average Rate:	\$150	\$138	\$150	\$164	\$163	\$162
RevPAR:	\$121	\$110	\$118	\$128	\$142	\$128
REVENUE						
Rooms	\$149.66	\$138.01	\$150.14	\$163.97	\$163.22	\$161.58
Other Operated Departments	0.00	2.38	1.09	2.51	1.80	2.15
Miscellaneous Income	1.82	1.83	3.08	0.51	1.01	1.29
Total	151.48	142.87	154.36	166.98	166.03	165.01
DEPARTMENTAL EXPENSES						
Rooms	29.94	32.42	33.60	34.77	33.63	34.02
Other Operated Departments	0.00	1.19	0.58	0.83	0.59	0.95
Total	29.94	34.11	34.29	35.61	34.22	34.97
DEPARTMENTAL INCOME	121.54	108.76	120.07	131.38	131.81	130.04
UNDISTRIBUTED OPERATING EXPENSES						
Administrative & General	7.35	11.71	12.90	12.27	13.39	12.37
Info. and Telecom. Systems	2.77	0.75	0.00	2.32	1.59	1.91
Marketing	3.24	5.44	6.53	5.57	2.16	5.80
Franchise Fee	19.39	11.09	15.55	11.68	14.39	15.11
Property Operations & Maintenance	5.42	5.41	6.22	3.95	8.60	5.11
Utilities	5.08	4.11	4.58	3.97	4.10	4.73
Total	43.25	38.51	45.79	39.76	44.23	45.03
GROSS OPERATING PROFIT	78.29	70.25	74.29	91.62	87.58	85.02
Management Fee	0.00	4.29	4.24	5.01	6.64	4.95
INCOME BEFORE NON-OPER. INC. & EXP.	78.29	65.97	70.04	86.61	80.93	80.07
NON-OPERATING INCOME AND EXPENSE						
Property Taxes	3.17	6.99	3.00	3.83	4.14	4.86
Insurance	0.90	2.12	6.43	2.51	1.25	2.55
Total	4.08	9.10	10.09	8.04	5.39	7.41
EBITDA	74.21	56.87	59.95	78.57	75.54	72.65
Reserve for Replacement	0.00	0.00	0.00	3.34	0.00	6.60
EBITDA LESS RESERVE	\$74.21	\$56.87	\$59.95	\$75.23	\$75.54	\$66.05

The departmental income for the comparable statements ranged from 76.1% to 80.2% of total revenue. The 2024/25 departmental income ratio of 76.3% for the subject property is within this range. The comparable properties achieved a gross operating profit ranging from 48.1% to 54.9% of total revenue. The 2024/25 gross operating profit percentage of 53.0% of total revenue for the subject property is

**Fixed and Variable
Component Analysis**

within this range. We will refer to the comparable operating data in our discussion of each line item, which follows later in this section of the report.

HVS uses a fixed and variable component model to project a lodging facility's revenue and expense levels. This model is based on the premise that hotel revenues and expenses have one component that is fixed and another that varies directly with occupancy and facility usage. A projection can be made by taking a known level of revenue or expense and calculating its fixed and variable components. The fixed component is then increased in tandem with the underlying rate of inflation, while the variable component is adjusted for a specific measure of volume such as total revenue.

The actual forecast is derived by adjusting each year's revenue and expense by the amount fixed (the fixed expense multiplied by the inflated base-year amount) plus the variable amount (the variable expense multiplied by the inflated base-year amount) multiplied by the ratio of the projection year's occupancy to the base-year occupancy (in the case of departmental revenue and expense) or the ratio of the projection year's revenue to the base year's revenue (in the case of undistributed operating expenses). Fixed expenses remain fixed, increasing only with inflation. Our discussion of the revenue and expense forecast in this report is based upon the output derived from the fixed and variable model. This forecast of revenue and expense is accomplished through a systematic approach per the USALI. Each category of revenue and expense is estimated separately and combined at the end in the final statement of income and expense.

**Inflation and
Appreciation
Assumptions**

In consideration of the trends in the Consumer Price Index (CPI), inflation factors that directly influence lodging properties, projections set forth by economists surveyed, and the Federal Reserve's target inflation rate, we have applied a 3.0% underlying inflation rate in our analysis.

This annual rate of growth is applied to income and expenses after the stabilized year to reflect the longer-term expectation of asset appreciation by typical investors. This position is based on interviews with numerous market participants indicating a distinction in the expectations of near-term cost inflation (e.g., related to labor and supplies) versus long-term income growth that drives appreciation. Any exceptions to the application of the assumed underlying inflation and EBITDA Less Replacement Reserve growth rates are discussed in our write-ups of individual income and expense items.

**Forecast of Revenue
and Expense**

Based on an analysis that will be detailed throughout this section, we have formulated a revenue-and-expense forecast for the first several projection years, including amounts per available room and per occupied room, as illustrated in the following table. The second table illustrates our ten-year forecast of income and expense, presented with a lesser degree of detail. The forecasts pertain to years that begin on June 1, 2025, expressed in inflated dollars for each year.

FIGURE 9-5 FORECAST OF REVENUE AND EXPENSE AND TRAILING-12-MONTH OPERATING HISTORY

	Historical Operating Results															
	2024/25 August 24 - March 25				2025/26				2026/27				Stabilized			
Number of Rooms:	128				128				128				128			
Occupancy (Paid Rooms):	47%				77%				79%				79%			
Average Rate:	\$175.92				\$159.36				\$166.42				\$171.42			
RevPAR:	\$82.16				\$122.71				\$131.48				\$135.42			
Days Open:	243				365				365				365			
Occupied Rooms (Paid):	14,526	%Gross	PAR	POR	35,974	%Gross	PAR	POR	36,909	%Gross	PAR	POR	36,909	%Gross	PAR	POR
OPERATING REVENUE																
Rooms	\$2,555	98.6 %	\$19,964	\$175.92	\$5,733	97.9 %	\$44,788	\$159.36	\$6,143	97.9 %	\$47,989	\$166.42	\$6,327	97.9 %	\$49,428	\$171.42
Other Operated Departments	28	1.1	217	1.91	78	1.3	613	2.18	82	1.3	638	2.21	84	1.3	657	2.28
Miscellaneous Income	9	0.4	73	0.64	47	0.8	367	1.30	49	0.8	382	1.32	50	0.8	393	1.36
Total Operating Revenues	2,592	100.0	20,253	178.47	5,858	100.0	45,767	162.84	6,273	100.0	49,008	169.96	6,461	100.0	50,478	175.06
DEPARTMENTAL EXPENSES *																
Rooms	602	23.5	4,701	41.43	1,239	21.6	9,677	34.43	1,293	21.1	10,103	35.04	1,332	21.1	10,406	36.09
Other Operated Departments	13	47.0	102	0.90	35	44.6	273	0.97	36	44.3	283	0.98	37	44.3	291	1.01
Total	615	23.7	4,803	42.32	1,274	21.7	9,950	35.40	1,329	21.2	10,385	36.02	1,369	21.2	10,697	37.10
DEPARTMENTAL INCOME	1,978	76.3	15,450	136.14	4,585	78.3	35,817	127.44	4,944	78.8	38,623	133.94	5,092	78.8	39,781	137.96
UNDISTRIBUTED OPERATING EXPENSES																
Administrative & General	231	8.9	1,808	15.93	449	7.7	3,508	12.48	470	7.5	3,673	12.74	484	7.5	3,783	13.12
Info. and Telecom. Systems	40	1.5	310	2.73	69	1.2	541	1.92	73	1.2	566	1.96	75	1.2	583	2.02
Marketing	89	3.4	697	6.14	211	3.6	1,646	5.86	221	3.5	1,724	5.98	227	3.5	1,775	6.16
Franchise Fee	106	4.1	828	7.30	536	9.1	4,188	14.90	574	9.2	4,487	15.56	592	9.2	4,622	16.03
Prop. Operations & Maintenance	70	2.7	548	4.83	185	3.2	1,449	5.16	194	3.1	1,517	5.26	200	3.1	1,563	5.42
Utilities	66	2.6	517	4.56	172	2.9	1,343	4.78	180	2.9	1,406	4.88	185	2.9	1,448	5.02
Total	603	23.2	4,709	41.49	1,622	27.7	12,675	45.10	1,712	27.4	13,373	46.38	1,763	27.4	13,774	47.77
GROSS OPERATING PROFIT	1,375	53.0	10,741	94.65	2,962	50.6	23,143	82.34	3,232	51.4	25,250	87.57	3,329	51.4	26,007	90.19
Management Fee	81	3.1	632	5.57	176	3.0	1,373	4.89	188	3.0	1,470	5.10	194	3.0	1,514	5.25
INCOME BEFORE NON-OPER. INC. & EXP.	1,294	49.9	10,109	89.08	2,786	47.6	21,770	77.46	3,044	48.4	23,779	82.47	3,135	48.4	24,493	84.94
NON-OPERATING INCOME AND EXPENSE																
Property Taxes	60	2.3	469	4.13	180	3.1	1,405	5.00	182	2.9	1,422	4.93	190	2.9	1,487	5.16
Insurance	60	2.3	468	4.12	94	1.6	736	2.62	97	1.5	758	2.63	100	1.5	781	2.71
Total	120	4.6	937	8.26	274	4.7	2,140	7.62	279	4.4	2,180	7.56	290	4.4	2,268	7.87
EBITDA	1,174	45.3	9,172	80.83	2,513	42.9	19,629	69.84	2,765	44.0	21,600	74.91	2,845	44.0	22,225	77.08
Reserve for Replacement	0	0.0	0	0.00	234	4.0	1,831	6.51	251	4.0	1,960	6.80	258	4.0	2,019	7.00
EBITDA LESS RESERVE	\$1,174	45.3 %	\$9,172	\$80.83	\$2,278	38.9 %	\$17,798	\$63.33	\$2,514	40.0 %	\$19,639	\$68.11	\$2,586	40.0 %	\$20,206	\$70.07
*Departmental expenses are expressed as a percentage of departmental revenues.																
NOI adjusted to reflect a																
3.0% mgmt fee and a 4.0% reserve	\$1,074	41.4 %														

FIGURE 9-6 TEN-YEAR FORECAST OF REVENUE AND EXPENSE

	2025/26		2026/27		2027/28		2028/29		2029/30		2030/31		2031/32		2032/33		2033/34		2034/35	
Number of Rooms:	128		128		128		128		128		128		128		128		128		128	
Occupied Rooms:	35,974		36,909		36,909		36,909		36,909		36,909		36,909		36,909		36,909		36,909	
Occupancy:	77%		79%		79%		79%		79%		79%		79%		79%		79%		79%	
Average Rate:	\$159.36	% of	\$166.42	% of	\$171.42	% of	\$176.56	% of	\$181.86	% of	\$187.31	% of	\$192.93	% of	\$198.72	% of	\$204.68	% of	\$210.82	% of
RevPAR:	\$122.71	Gross	\$131.48	Gross	\$135.42	Gross	\$139.48	Gross	\$143.67	Gross	\$147.98	Gross	\$152.42	Gross	\$156.99	Gross	\$161.70	Gross	\$166.55	Gross
OPERATING REVENUE																				
Rooms	\$5,733	97.9 %	\$6,143	97.9 %	\$6,327	97.9 %	\$6,517	97.9 %	\$6,712	97.9 %	\$6,913	97.9 %	\$7,121	97.9 %	\$7,335	97.9 %	\$7,555	97.9 %	\$7,781	97.9 %
Other Operated Departments	78	1.3	82	1.3	84	1.3	87	1.3	89	1.3	92	1.3	95	1.3	97	1.3	100	1.3	103	1.3
Miscellaneous Income	47	0.8	49	0.8	50	0.8	52	0.8	53	0.8	55	0.8	57	0.8	58	0.8	60	0.8	62	0.8
Total Operating Revenue	5,858	100.0	6,273	100.0	6,461	100.0	6,655	100.0	6,855	100.0	7,060	100.0	7,272	100.0	7,490	100.0	7,715	100.0	7,946	100.0
DEPARTMENTAL EXPENSES*																				
Rooms	1,239	21.6	1,293	21.1	1,332	21.1	1,372	21.1	1,413	21.1	1,455	21.1	1,499	21.1	1,544	21.1	1,590	21.1	1,638	21.1
Other Operated Departments	35	44.6	36	44.3	37	44.3	38	44.3	40	44.3	41	44.3	42	44.3	43	44.3	44	44.3	46	44.3
Total	1,274	21.7	1,329	21.2	1,369	21.2	1,410	21.2	1,453	21.2	1,496	21.2	1,541	21.2	1,587	21.2	1,635	21.2	1,684	21.2
DEPARTMENTAL INCOME	4,585	78.3	4,944	78.8	5,092	78.8	5,245	78.8	5,402	78.8	5,564	78.8	5,731	78.8	5,903	78.8	6,080	78.8	6,263	78.8
UNDISTRIBUTED OPERATING EXPENSES																				
Administrative & General	449	7.7	470	7.5	484	7.5	499	7.5	514	7.5	529	7.5	545	7.5	561	7.5	578	7.5	596	7.5
Info. and Telecom. Systems	69	1.2	73	1.2	75	1.2	77	1.2	79	1.2	82	1.2	84	1.2	87	1.2	89	1.2	92	1.2
Marketing	211	3.6	221	3.5	227	3.5	234	3.5	241	3.5	248	3.5	256	3.5	263	3.5	271	3.5	279	3.5
Franchise Fee	536	9.1	574	9.2	592	9.2	609	9.2	628	9.2	646	9.2	666	9.2	686	9.2	706	9.2	728	9.2
Prop. Operations & Maintenance	185	3.2	194	3.1	200	3.1	206	3.1	212	3.1	219	3.1	225	3.1	232	3.1	239	3.1	246	3.1
Utilities	172	2.9	180	2.9	185	2.9	191	2.9	197	2.9	203	2.9	209	2.9	215	2.9	221	2.9	228	2.9
Total	1,622	27.7	1,712	27.4	1,763	27.4	1,816	27.4	1,870	27.4	1,927	27.4	1,984	27.4	2,044	27.4	2,105	27.4	2,168	27.4
GROSS OPERATING PROFIT	2,962	50.6	3,232	51.4	3,329	51.4	3,429	51.4	3,532	51.4	3,638	51.4	3,747	51.4	3,859	51.4	3,975	51.4	4,094	51.4
Management Fee	176	3.0	188	3.0	194	3.0	200	3.0	206	3.0	212	3.0	218	3.0	225	3.0	231	3.0	238	3.0
INCOME BEFORE NON-OPER. INC. & EXP.	2,786	47.6	3,044	48.4	3,135	48.4	3,229	48.4	3,326	48.4	3,426	48.4	3,529	48.4	3,634	48.4	3,743	48.4	3,856	48.4
NON-OPERATING INCOME AND EXPENSE																				
Property Taxes	180	3.1	182	2.9	190	2.9	199	3.0	205	3.0	211	3.0	218	3.0	224	3.0	231	3.0	238	3.0
Insurance	94	1.6	97	1.5	100	1.5	103	1.5	106	1.5	109	1.5	112	1.5	116	1.5	119	1.5	123	1.5
Total	274	4.7	279	4.4	290	4.4	302	4.5	311	4.5	321	4.5	330	4.5	340	4.5	350	4.5	361	4.5
EBITDA	2,513	42.9	2,765	44.0	2,845	44.0	2,927	43.9	3,015	43.9	3,105	43.9	3,198	43.9	3,294	43.9	3,393	43.9	3,495	43.9
Reserve for Replacement	234	4.0	251	4.0	258	4.0	266	4.0	274	4.0	282	4.0	291	4.0	300	4.0	309	4.0	318	4.0
EBITDA LESS RESERVE	\$2,278	38.9 %	\$2,514	40.0 %	\$2,586	40.0 %	\$2,661	39.9 %	\$2,741	39.9 %	\$2,823	39.9 %	\$2,908	39.9 %	\$2,995	39.9 %	\$3,085	39.9 %	\$3,177	39.9 %

*Departmental expenses are expressed as a percentage of departmental revenues.

The following description sets forth the basis for the forecast of revenue and expense.

We anticipate that it will take three years for the subject property to reach a stabilized level of operation. Each revenue and expense item has been forecast based upon our review of the subject property's operating history, operating budget, and comparable revenue and expense statements. The forecast begins on June 1, 2025, expressed in inflated dollars for each year.

Rooms Revenue

Rooms revenue is determined by two variables, occupancy and ADR, which were projected in a previous section of this report. The subject property is expected to stabilize at 79.0% with an ADR of \$171.42 in 2027/28. Following the stabilized year, the subject hotel's ADR is projected to increase along with the underlying rate of growth assigned to EBITDA Less Replacement Reserve.

Other Operated Departments Revenue

According to the USALI, other operated departments include any major or minor operated department that carries expenses, aside from rooms and food and beverage (F&B). The subject hotel's other operated departments revenue sources are expected to include the market pantry and telephone charges. Based on our review of operations with a similar extent of offerings, we have positioned an appropriate revenue level for the subject hotel.

FIGURE 9-7 OTHER OPERATED DEPARTMENTS REVENUE

	Comparable Operating Statements					Subject Property Forecast	
	#1	#2	#3	#4	#5	2025/26	Deflated Stabilized
Percentage of Revenue	0.0 %	1.7 %	0.7 %	1.5 %	1.1 %	1.3 %	1.3 %
Per Available Room	\$0	\$689	\$312	\$716	\$574	\$613	\$619
Per Occupied Room	\$0.00	\$2.38	\$1.09	\$2.51	\$1.80	\$2.18	\$2.15

Miscellaneous Income

According to the USALI, miscellaneous income includes attrition fees, cancellation fees, outside agreement commissions, and interest income, among other items that do not carry expenses. The subject hotel's miscellaneous income revenues are expected to be generated primarily by the hotel's attrition fees and other minor charges. Based on our review of operations with a similar extent of offerings, we have positioned an appropriate revenue level for the subject hotel.

FIGURE 9-8 MISCELLANEOUS INCOME

	Comparable Operating Statements					Subject Property Forecast	
	#1	#2	#3	#4	#5	2025/26	Deflated Stabilized
Percentage of Revenue	1.2 %	1.3 %	2.0 %	0.3 %	0.6 %	0.8 %	0.8 %
Per Available Room	\$535	\$529	\$882	\$145	\$320	\$367	\$371
Per Occupied Room	\$1.82	\$1.83	\$3.08	\$0.51	\$1.01	\$1.30	\$1.29

Rooms Expense

Rooms expense consists of items related to the sale and upkeep of guestrooms and public space. Salaries, wages, and employee benefits account for a substantial portion of this category. Although payroll varies somewhat with occupancy, and managers can generally scale the level of service staff on hand to meet an expected occupancy level, a base level of front desk personnel, housekeepers, and supervisors must be maintained at all times. As a result, salaries, wages, and employee benefits are moderately sensitive to changes in occupancy.

Commissions and reservations are usually based on room sales and, thus, are highly sensitive to changes in occupancy and average rate. While guest supplies vary 100% with occupancy, linens and other operating expenses are only slightly affected by volume. Given the recent opening of the subject hotel, the rooms department expense has been positioned based upon our review of the comparable operating data and our understanding of the hotel's future service level and price point.

FIGURE 9-9 ROOMS EXPENSE

	Comparable Operating Statements					Subject Property Forecast	
	#1	#2	#3	#4	#5	2025/26	Deflated Stabilized
Percentage of Revenue	20.0 %	23.5 %	22.4 %	21.2 %	20.6 %	21.6 %	21.1 %
Per Available Room	\$8,829	\$9,390	\$9,614	\$9,919	\$10,703	\$9,677	\$9,809
Per Occupied Room	\$29.94	\$32.42	\$33.60	\$34.77	\$33.63	\$34.43	\$34.02

**Other Operated
Departments Expense**

Other operated departments expense comprises expenses associated with the hotel's various other and minor operated departments. Expenses related to the subject hotel's other operated departments revenue sources should be minimal and associated with the other operated departments revenue components discussed previously.

FIGURE 9-10 OTHER OPERATED DEPARTMENTS EXPENSE

	Comparable Operating Statements					Subject Property Forecast	
	#1	#2	#3	#4	#5	2025/26	Deflated Stabilized
Percentage of Revenue	0.0 %	50.0 %	53.5 %	33.2 %	32.9 %	44.6 %	44.3 %
Per Available Room	\$0	\$344	\$167	\$238	\$189	\$273	\$274
Per Occupied Room	\$0.00	\$1.19	\$0.58	\$0.83	\$0.59	\$0.97	\$0.95

Administrative and General Expense

Administrative and general expense includes the salaries and wages of all administrative personnel who are not directly associated with a particular department. Expense items related to the management and operation of the property are also allocated to this category.

Most administrative and general expenses are relatively fixed. The exceptions are cash overages and shortages; commissions on credit card charges; provision for doubtful accounts, which are moderately affected by the number of transactions or total revenue; and salaries, wages, and benefits, which are very slightly influenced by volume. Given the lack of full-year operational data, we have positioned the subject hotel's administrative & general line item based upon our review of comparable operating statements at a market- and property-supported level.

FIGURE 9-11 ADMINISTRATIVE AND GENERAL EXPENSE

	Comparable Operating Statements					Subject Property Forecast	
	#1	#2	#3	#4	#5	2025/26	Deflated Stabilized
Percentage of Revenue	4.9 %	8.2 %	8.4 %	7.3 %	8.1 %	7.7 %	7.5 %
Per Available Room	\$2,167	\$3,391	\$3,691	\$3,499	\$4,261	\$3,508	\$3,566
Per Occupied Room	\$7.35	\$11.71	\$12.90	\$12.27	\$13.39	\$12.48	\$12.37

Information and Telecommunications Systems Expense

Information and telecommunications systems expense consists of all costs associated with a hotel's technology infrastructure. This includes the costs of cell phones, administrative call and Internet services, and complimentary call and Internet services. Expenses in this category are typically organized by type of technology or the area benefiting from the technology solution. Given the lack of full-year operational data, we have positioned the subject hotel's information & telecommunications systems line item based upon our review of comparable operating statements at a market- and property-supported level.

FIGURE 9-12 INFORMATION AND TELECOMMUNICATIONS SYSTEMS EXPENSE

	Comparable Operating Statements					Subject Property Forecast	
	#1	#2	#3	#4	#5	2025/26	Deflated Stabilized
Percentage of Revenue	1.8 %	0.5 %	0.0 %	1.4 %	1.0 %	1.2 %	1.2 %
Per Available Room	\$817	\$216	\$0	\$662	\$505	\$541	\$550
Per Occupied Room	\$2.77	\$0.75	\$0.00	\$2.32	\$1.59	\$1.92	\$1.91

Marketing Expense

Marketing expense consists of all costs associated with advertising, sales, and promotion; these activities are intended to attract and retain customers. Marketing can be used to create an image, develop customer awareness, and stimulate patronage of a property's various facilities.

The marketing category is unique in that all expense items, with the exception of fees and commissions, are totally controlled by management. Most hotel operators establish an annual marketing budget that sets forth all planned expenditures. If the budget is followed, total marketing expenses can be projected accurately.

Marketing expenditures are unusual because, although there is a lag period before results are realized, the benefits are often extended over a long period. Depending on the type and scope of the advertising and promotion program implemented, the lag time can be as short as a few weeks or as long as several years. However, the favorable results of an effective marketing campaign tend to linger, and a property often enjoys the benefits of concentrated sales efforts for many months. Given the lack of full-year operational data, we have positioned the subject hotel's marketing line item based upon our review of comparable operating statements at a market- and property-supported level.

FIGURE 9-13 MARKETING EXPENSE

	Comparable Operating Statements					Subject Property Forecast	
	#1	#2	#3	#4	#5	2025/26	Deflated Stabilized
Percentage of Revenue	2.1 %	3.8 %	4.2 %	3.3 %	1.3 %	3.6 %	3.5 %
Per Available Room	\$955	\$1,576	\$1,868	\$1,588	\$688	\$1,646	\$1,673
Per Occupied Room	\$3.24	\$5.44	\$6.53	\$5.57	\$2.16	\$5.86	\$5.80

Franchise Fee

The hotel currently operates as a SpringHill Suites by Marriott under a license agreement with Marriott International, Inc; the existing agreement was signed in 2017 and expires in 2037. The existing agreement does not carry an option for renewal. The property's current franchise agreement calls for a royalty fee of 3.0% of gross rooms revenue in the first year, 4.0% in the second year, and 5.5% for the

remainder of the term. Furthermore, the franchise agreement calls for a marketing assessment of 2.5% of rooms revenue. We note that the current franchise agreement cannot automatically be transferred to a new owner upon the sale of the property. We have assumed that a buyer would elect to continue to operate the hotel as a SpringHill Suites by Marriott and would enter into a license agreement that would reflect the current terms as published in the company's franchise disclosure document (FDD). The costs of the SpringHill Suites by Marriott affiliation, which are reflected in our forecast, comprise a 5.5% royalty fee and a 3.9% advertising assessment (percentage of rooms revenue). Other charges related to the affiliation, such as frequent guest programs, are reflected in the appropriate departmental expenses, consistent with the Uniform System of Accounts for the Lodging Industry (USALI).

Marketing expense and franchise fees are often analyzed in total because hotels may account for some components of franchise expense in the marketing expense category. The subject property's total marketing and franchise expense has been forecast at 12.7% of total revenue on a stabilized basis; the comparable operating statements show a range from 10.0% to 14.9% of total revenue.

Property Operations and Maintenance

Property operations and maintenance expense is another expense category that is largely controlled by management. Except for repairs that are necessary to keep the facility open and prevent damage (e.g., plumbing, heating, and electrical items), most maintenance can be deferred for varying lengths of time.

The age of a lodging facility has a strong influence on the required level of maintenance. A new or thoroughly renovated property is protected for several years by modern equipment and manufacturers' warranties. However, as a hostelry grows older, maintenance expenses escalate. A well-organized preventive maintenance system often helps delay deterioration, but most facilities face higher property operations and maintenance costs each year, regardless of the occupancy trend. The quality of initial construction can also have a direct impact on future maintenance requirements. The use of high-quality building materials and construction methods generally reduces the need for maintenance expenditures over the long term.

Maintenance is an accumulating expense. If management elects to postpone performing a required repair, the expenditure has not been eliminated, only deferred until a later date. A lodging facility that operates with a lower-than-normal maintenance budget is likely to accumulate a considerable amount of deferred maintenance. We expect the subject hotel's maintenance operation to be well managed. Expense levels should stabilize at a typical level for a property of this type.

FIGURE 9-14 PROPERTY OPERATIONS AND MAINTENANCE EXPENSE

	Comparable Operating Statements					Subject Property Forecast	
	#1	#2	#3	#4	#5	2025/26	Deflated Stabilized
Percentage of Revenue	3.6 %	3.8 %	4.0 %	2.4 %	5.2 %	3.2 %	3.1 %
Per Available Room	\$1,598	\$1,568	\$1,780	\$1,127	\$2,738	\$1,449	\$1,473
Per Occupied Room	\$5.42	\$5.41	\$6.22	\$3.95	\$8.60	\$5.16	\$5.11

Utilities Expense

The utilities consumption of a lodging facility takes several forms, including water and space heating, air conditioning, lighting, cooking fuel, and other miscellaneous power requirements. The most common sources of hotel utilities are electricity, natural gas, fuel oil, and steam. This category also includes the cost of water service.

Total energy cost depends on the source and quantity of fuel used. Electricity tends to be the most expensive source, followed by oil and gas. Although all hotels consume a sizable amount of electricity, many properties supplement their utility requirements with less expensive sources, such as gas and oil, for heating and cooking. Utility expenses are highly tied to local utility rates in the Avondale market; therefore, we have given primary consideration to the hotel's operating history.

FIGURE 9-15 UTILITIES EXPENSE

	Comparable Operating Statements					Subject Property Forecast	
	#1	#2	#3	#4	#5	2025/26	Deflated Stabilized
Percentage of Revenue	3.4 %	2.9 %	3.0 %	2.4 %	2.5 %	2.9 %	2.9 %
Per Available Room	\$1,499	\$1,192	\$1,310	\$1,133	\$1,305	\$1,343	\$1,365
Per Occupied Room	\$5.08	\$4.11	\$4.58	\$3.97	\$4.10	\$4.78	\$4.73

Management Fee

Management expense consists of the fees paid to the managing agent contracted to operate the property. Some companies provide management services and a brand-name affiliation (first-tier management company), while others provide management services alone (second-tier management company). Some management contracts specify only a base fee (usually a percentage of total revenue), while others call for both a base fee and an incentive fee (usually a percentage of defined profit). Basic hotel management fees are often based on a percentage of total revenue, which means they have no fixed component. While base fees typically range from 2.0% to 4.0% of total revenue, incentive fees are deal specific and often are calculated as a percentage of income available after debt service and, in some cases, after a preferred return on equity. Total management fees for the subject property have been forecast at 3.0% of total revenue.

Property Taxes

Property (or ad valorem) tax is one of the primary revenue sources of municipalities. Based on the concept that the tax burden should be distributed in proportion to the value of all properties within a taxing jurisdiction, a system of assessments is established. Theoretically, the assessed value placed on each parcel bears a definite relationship to market value; thus, properties with equal market values will have similar assessments, and properties with higher and lower values will have proportionately larger and smaller assessments.

Depending on the taxing policy of the municipality, property taxes can be based on the value of the real property or the value of the personal property and the real property. The Arizona taxing jurisdiction governing the subject property assesses hotels for real and personal property.

We note that the subject site's assessed value increased in both 2024 and 2025, corresponding with the partial construction and subsequent full completion of the subject hotel.

FIGURE 9-16 SUBJECT PROPERTY'S HISTORICAL TAX ASSESSMENT

Year	Real Property			
	Full Cash Value (FCV)	Percent Change	Limited Property Value (LPV)	Percent Change
2023	\$643,900	—	\$528,875	—
2024	6,925,937	975.6 %	3,809,265	620.3 %
2025	12,636,997	82.5	6,950,348	82.5

Source: Maricopa County Assessor's Office

Property assessments in this county are reviewed and adjusted annually at market value, referred to as "full cash value." In addition, each property also has a second "limited property value" that cannot exceed the full cash value. The limited property value may only increase by 5.0% each year; this is essentially used to buffer the impact of changes in assessment so that any change is absorbed over a multiple-year period. Properties are generally inspected every three years, with annual adjustments based upon market factors and information compiled by the Arizona Department of Revenue. The County assesses improvements for hotels with over 200 rooms using the income approach to value, while hotels under 200 rooms are assessed using the cost approach via the Marshall & Swift cost estimator. Depreciation is generally based upon age, with commercial properties having an average 50-year life span and a 60% maximum depreciation. Personal property is taxed at a similar rate as real property (less the applicable flood assessment), but full cash and limited values are calculated based on inventories submitted by the property owner; personal property is depreciated annually. According to the

Maricopa County Assessor's Office, hotels in the county are not reassessed upon sale.

Because the objective of assessed value is to maintain a specific value relationship among all properties in a taxing jurisdiction, comparable hotel assessments should be evaluated to determine whether the subject property's assessed value is equitable. A review of the assessed values of several comparable hotels located in the local county jurisdiction reveals the following information.

FIGURE 9-17 COUNTY-ASSESSED VALUE OF COMPARABLE HOTELS

Hotel	Year Built	FCV	LPV
Subject Property	2024	\$12,636,997	\$6,950,348
Courtyard by Marriott Phoenix West Avondale	2008	\$16,373,176	\$10,664,992
Hilton Garden Inn Phoenix Avondale	2007	24,093,800	17,407,323
Fairfield by Marriott Phoenix West Tolleson	2019	10,310,615	7,090,407
Holiday Inn Express & Suites Phoenix West Tolleson	2023	10,995,164	6,762,432
Home2 Suites by Hilton Phoenix Avondale	2021	12,927,049	8,620,944
Residence Inn by Marriott Phoenix West Avondale	2019	13,266,219	8,566,535
Homewood Suites by Hilton Phoenix Avondale	2007	24,093,800	17,407,323
SpringHill Suites by Marriott Phoenix Glendale Sports & Entertainment District	1998	24,288,900	17,898,040

Source: Maricopa County Assessor's Office

FIGURE 9-18 COUNTY-ASSESSED VALUE OF COMPARABLE HOTELS PER ROOM

Hotel	# of Rooms	FCV	LPV
Subject Property	128	\$98,727	\$54,300
Courtyard by Marriott Phoenix West Avondale	127	\$128,923	\$83,976
Hilton Garden Inn Phoenix Avondale	123	195,885	141,523
Fairfield by Marriott Phoenix West Tolleson	116	88,885	61,124
Holiday Inn Express & Suites Phoenix West Tolleson	108	101,807	62,615
Home2 Suites by Hilton Phoenix Avondale	127	101,788	67,881
Residence Inn by Marriott Phoenix West Avondale	102	130,061	83,986
Homewood Suites by Hilton Phoenix Avondale	123	195,885	141,523
SpringHill Suites by Marriott Phoenix Glendale Sports & Entertainment District	120	202,408	149,150

Source: Maricopa County Assessor's Office

Tax rates are based on the city and county budgets, which change annually. The following table shows changes in the tax rate during the last several years.

FIGURE 9-19 PROPERTY TAX RATES

Year	Combined Real Property Tax Rate	Combined Personal Property Tax Rate
2023	15.5948	15.5948
2024	14.6128	14.6128

Source: Maricopa County Treasurer's Office

The most recent real and personal property tax rate in this jurisdiction was reported at 14.6128.

We have based our estimate of the subject property's market value (for tax purposes) on an analysis of county assessments of both the subject property and comparable hotel properties in the local county. The following table details the subject property's assessment history, as well as the calculated tax burden in future years.

FIGURE 9-20 SUBJECT PROPERTY'S FORECAST OF FUTURE REAL PROPERTY TAX BURDEN

Year	Full Cash Value (FCV)	Forecast Rate of FCV Change	Limited Property Value (LPV)	Forecast Rate of LPV Change	Assessment Ratio	LPV Assessed	Forecast Rate of Value Change	Combined Real Property Tax Rate	Tax Forecast - Real Property
Historical	\$12,636,997	—	\$6,950,348	—	16.0 %	\$1,112,056	—	14.6128	\$162,502
2025/26	\$12,636,997	0.0 %	\$7,297,865	5.0 %	15.5	\$1,131,169	1.7 %	—	\$165,295
2026/27	12,636,997	0.0	7,662,759	5.0	15.0	1,149,414	1.6	—	167,962
2027/28	12,636,997	0.0	8,045,897	5.0	15.0	1,206,884	5.0	—	176,360

FIGURE 9-21 SUBJECT PROPERTY'S FORECAST OF FUTURE PERSONAL PROPERTY TAX BURDEN

Year	Full Cash Value (FCV)	Forecast Rate of FCV Change	Adjusted Assessment Ratio	FCV Assessed	Forecast Rate of Value Change	Combined Personal Property Tax Rate	Tax Forecast - Personal Property
Positioned	\$640,000	—	16.0 %	\$102,400	—	14.6128	\$14,964
2025/26	\$640,000	0.0 %	15.5	\$99,200	-3.1 %	—	\$14,496
2026/27	640,000	0.0	15.0	96,000	-3.2	—	14,028
2027/28	640,000	0.0	15.0	96,000	0.0	—	14,028

Insurance Expense

The insurance expense category consists of the cost of insuring the hotel and its contents against damage or destruction by fire, weather, sprinkler leakage, boiler explosion, plate glass breakage, and so forth. General insurance costs also include premiums relating to liability, fidelity, and theft coverage.

Insurance rates are based on many factors, including building design and construction, fire detection and extinguishing equipment, fire district, distance from the firehouse, and the area's fire experience. Insurance expenses do not vary with occupancy.

FIGURE 9-22 INSURANCE EXPENSE

	Comparable Operating Statements					Subject Property Forecast	
	#1	#2	#3	#4	#5	2025/26	Deflated Stabilized
Percentage of Revenue	0.6 %	1.5 %	4.2 %	1.5 %	0.8 %	1.6 %	1.5 %
Per Available Room	\$266	\$613	\$1,841	\$717	\$398	\$736	\$736
Per Occupied Room	\$0.90	\$2.12	\$6.43	\$2.51	\$1.25	\$2.62	\$2.55

Other Fixed Items

As illustrated, the operating statements show no additional fixed expenses; therefore, no fixed expenses have been forecast.

Reserve for Replacement

Furniture, fixtures, and equipment (FF&E) are essential to the operation of a lodging facility, and their quality often influences a property's class. This category includes all non-real estate items that are capitalized, rather than expensed. The FF&E of a hotel are exposed to heavy use and must be replaced at regular intervals. The useful life of these items is determined by their quality, durability, and the amount of guest traffic and use.

Periodic replacement of FF&E is essential to maintain the quality, image, and income-producing potential of a lodging facility. Because capitalized expenditures are not included in the operating statement but affect an owner's cash flow, a forecast of income and expense should reflect these expenses in the form of an appropriate reserve for replacement.

The International Society of Hospitality Consultants (ISHC) oversees a major industry-sponsored study of the capital expenditure requirements for full-service/luxury, select-service, and extended-stay hotels. The most recent study was published in 2023.¹³ Historical capital expenditures of well-maintained hotels were investigated through the compilation of data provided by most of the major hotel companies in the United States. A prospective analysis of future capital expenditure requirements was also performed based upon the cost to replace short- and long-lived building components over a hotel's economic life. The study showed that the capital expenditure requirements for hotels vary significantly from year to year and depend upon both the actual and effective ages of a property. The results of this study showed that hotel lenders and investors are requiring reserves for replacement ranging from 4.0% to 5.0% of total revenue.

Based upon the results of our analysis, our review of the subject asset, and current industry norms, a reserve for replacement equal to 4.0% of total revenues has been factored into our forecast of revenue and expense for funding the periodic replacement of FF&E.

Forecast of Revenue and Expense Conclusion

Historical and projected total revenue and net operating income are set forth in the following chart.

FIGURE 9-23 FORECAST OF REVENUE AND EXPENSE CONCLUSION

	Year	Total Revenue		Gross Operating Profit			EBITDA Less Replacement Reserve		
		Total	% Change	Total	% Change	As a % of Total Rev.	Total	% Change	As a % of Total Rev.
Partial Year August 1, 2024 - March 31, 2025	2024/25	\$2,592,000	—	\$1,375,000	—	53.0 %	\$1,074,000	—	41.4 %
Projected	2025/26	\$5,858,000	126.0 %	\$2,962,000	115.4 %	50.6 %	\$2,278,000	112.1 %	38.9 %
	2026/27	6,273,000	7.1	3,232,000	9.1	51.4	2,514,000	10.4	40.0
	2027/28	6,461,000	3.0	3,329,000	3.0	51.4	2,586,000	2.9	40.0

¹³ The International Society of Hotel Consultants, *CapEx 2023, A Study of Capital Expenditures in the U.S. Hotel Industry*.

INCOME CAPITALIZATION – DISCOUNTED CASH FLOW

The subject property has been valued via the income approach through the application of a ten-year DCF analysis. The process of converting the projected income stream into an estimate of value is described as follows:

1. An appropriate discount rate is selected to apply to the projected net income before debt service. This rate reflects the unlevered, "free and clear" internal rate of return required by hotel investors. While the costs of debt and equity are not explicitly considered in the analysis, the selected discount rate implicitly reflects the costs of debt and equity as of the date of value. The discount rate takes into consideration the degree of perceived risk, anticipated income growth, market attitudes, and rates of return on other investment alternatives, as well as the availability and cost of financing. The discount rate is chosen by reviewing sales transactions and investor surveys and interviewing market participants.
2. A reversionary value reflecting the sales price of the property at the end of the ten-year period is calculated by capitalizing the eleventh-year net income by the terminal capitalization rate and deducting typical brokerage and legal fees. The terminal capitalization rate reflects an investor's expectations of the cost of capital and asset appreciation at the end of the assumed ten-year holding period.
3. Each year's forecasted net income before debt service and depreciation and the reversionary sales proceeds at the end of the ten-year period are converted to a present value by multiplying the cash flow by the selected discount rate for that year in the forecast. The sum of the discounted cash flows equates to the value of the subject property.

Discount Rate

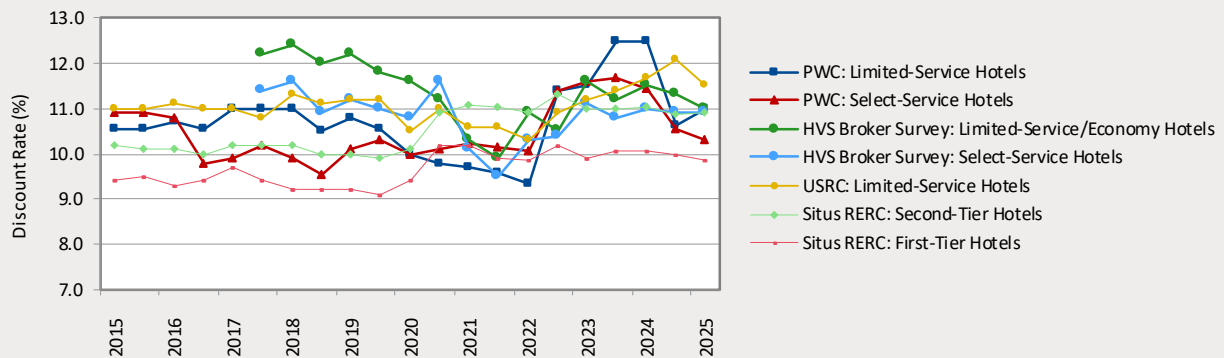
Discount rates reflect a blended cost of debt and equity. The hotel investment market is currently in a state of flux. Most lodging markets have substantially recovered from the impact of the pandemic, with RevPAR now exceeding 2019 levels. These strong market fundamentals have attracted investors seeking acquisition opportunities within the sector. However, concerns about the near-term economic outlook, combined with increased regulations, have limited the availability of debt, particularly from traditional sources. Interest rates remain elevated from both recent and pre-pandemic norms given the successive increases by the Fed. Thus, these factors have resulted in a challenging lending environment.

Short-term loans are available from some sources and are typically structured with initial terms of one to three years, followed by several one-year extension options. These loans are usually interest only and reflect interest rates in the upper single-digit range. Offsetting the more stringent lending environment is the significant equity that has been raised to pursue hotel assets. The competitive equity environment is somewhat mitigating the full impact of the more expensive debt

component; nevertheless, discount rates are higher than the levels reported in prior years.

Discount rates derived from investor and broker surveys, as well as hotel sales transactions,¹⁴ were reviewed. The following chart summarizes the averages presented for discount rates in various investor surveys during the past decade. The table after the chart reflects the most recent data for the subject property's asset class. We note that these results represent overall averages taken from a wide array of individual data points; accordingly, a range of reasonableness exists above and below the most recent figures.

FIGURE 9-24 HISTORICAL TRENDS OF DISCOUNT RATES



¹⁴ Discount rates were derived from hotels that were appraised by HVS at the time of sale.

FIGURE 9-25 OVERALL DISCOUNT RATES DERIVED FROM SALES AND INVESTOR SURVEYS

Source	Data Point Range	Average
HVS Hotel Sales - Limited-Service	11% – 13.9%	12.2%
HVS Hotel Sales - Select-Service & Extended-Stay	9.9% – 12.9%	11.3%
<i>HVS Brokers Survey</i>	<i>Spring 2025 Survey</i>	
Select-Service Hotels	8.5% – 13.5%	10.9%
Limited-Service & Economy Hotels	8.5% – 12.5%	11.0%
<i>PWC Real Estate Investor Survey</i>	<i>1st Quarter 2025 Survey</i>	
Select-Service Hotels	8.0% – 12.0%	10.3%
Limited-Service Hotels	8.5% – 14.0%	11.0%
<i>USRC Hotel Investment Survey</i>	<i>Winter 2025 Survey</i>	
Limited-Service Hotels	10.5% – 12.5%	11.5%
<i>Situs RERC Real Estate Report</i>	<i>4th Quarter 2024 Survey</i>	
Second-Tier Hotels	9.0% – 13.2%	10.9%
First-Tier Hotels	8.5% – 12.0%	9.9%

We find that investor surveys typically lag market sentiment by three to six months. Our review of hotel transaction activity and pricing indicates that the discount rate applied to the projected EBITDA Less Replacement Reserve in the hotel valuation process is affected primarily by the profile and desirability of the asset, the most likely investor, and the prognosis for transaction financing.

In the present capital market environment, financing for hotels is available for capitalized buyers with strong lending relationships and at interest rates that are starting to normalize from the high rates of 2023 and early 2024. Following the federal funds rate adjustments of 2024, interest rates have typically been in the 7.0% to 8.0% range, depending on the asset and market, while LTV ratios and amortization periods remain somewhat lower than normal, reflecting the market's continued perception of elevated risk in the near term. These factors have combined to make mortgage capital relatively expensive, compared to longer-term norms. However, with the anticipated continued reductions to the federal funds rate, mortgage terms and availability are expected to improve, returning to levels more in line with historical norms over the long term.

Investors seeking financing in this environment typically do so with the expectation of refinancing the debt as and when market conditions improve. Thus, while the near-term cost of capital is high, the property would be anticipated to be refinanced at more favorable terms over the long term. Consistent with this expectation,

current loans are typically for a shorter term (one to three years), with new financing assumed at the end of this period. The timing of the assumed refinancing usually aligns with the anticipated stabilization of EBITDA levels, which further supports the assumed refinancing.

HVS has developed a debt-equity model that recognizes both the current market conditions and the prevailing expectation of refinancing when those conditions improve. The financing terms that would be available in the current market are established, and the resulting mortgage is assumed to be in place for two to four years. The terms of the future or refinancing loan are developed, reflecting the assumed return to levels consistent with longer-term norms. Based on this two-part mortgage scenario, a blended discount rate is calculated using the EBITDA forecast for the subject property. The following table summarizes the investment parameters assumed for both the current and the future refinancing.

FIGURE 9-26 WEIGHTED AVERAGE COST OF CAPITAL, BASED ON ASSUMED REFINANCING

	<u>Current Financing Terms</u>	<u>Refinancing Terms</u>
Loan/Value:	65.0%	70.0%
Amortization:	30 Years	30 Years
Term:	10 Years	10 Years
Interest Rate:	7.00%	5.50%
Terminal Cap Rate:	8.0%	8.0%
Transaction Costs:	2.5%	2.5%
Equity Yield:	15.0%	16.5%
Total Property Yield:	10.4%	9.7%
Year of Refinancing:		4
Blended Total Property Yield	10.00%	

The subject property is categorized as a limited-service, second-tier hotel. Based on the characteristics of the subject property, including its age, physical condition, brand affiliation, and historical income generation, we have selected a discount rate of 10.00%. This is reflected in the above table as the blended total property yield.

Terminal Capitalization Rate

Inherent in this valuation process is the assumption of a sale at the end of the ten-year holding period. The estimated reversionary sales price as of that date is calculated by capitalizing the projected eleventh-year net income by an overall terminal capitalization rate. An allocation for the selling expenses is deducted from this sales price.

Terminal capitalization rates reported in several recent investor and broker surveys were reviewed. The following chart summarizes the averages presented for terminal capitalization rates in various investor surveys during the past decade.

FIGURE 9-27 HISTORICAL TRENDS OF TERMINAL CAPITALIZATION RATES

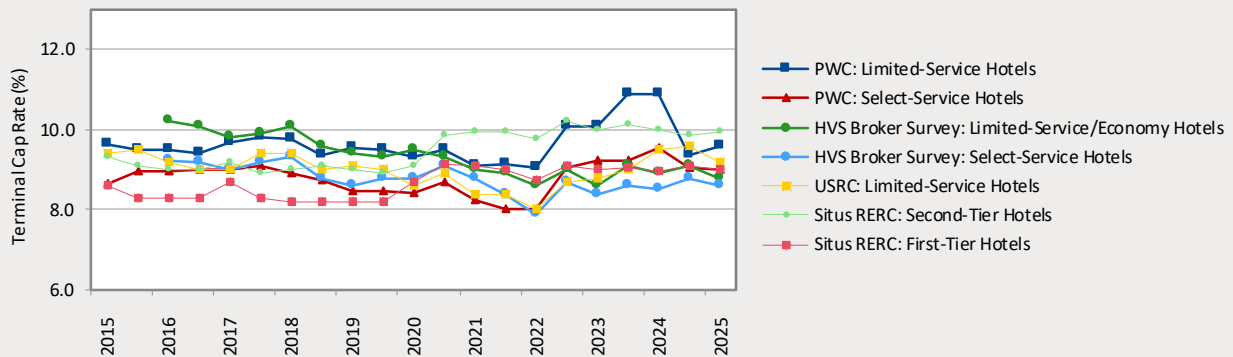


FIGURE 9-28 TERMINAL CAPITALIZATION RATES DERIVED FROM INVESTOR SURVEYS

Source	Data Point Range	Average
<i>HVS Brokers Survey</i>		
Select-Service Hotels	6.0% – 11.5%	8.6%
Limited-Service & Economy Hotels	6.0% – 12.0%	8.8%
<i>PWC Real Estate Investor Survey</i>		
Select-Service Hotels	7.0% – 11.0%	9.0%
Limited-Service Hotels	7.5% – 11.0%	9.6%
<i>USRC Hotel Investment Survey</i>		
Limited-Service Hotels	7.5% - 12.5%	9.2%
<i>Situs RERC Real Estate Report</i>		
Second-Tier Hotels	8.0% – 12.3%	9.9%
First-Tier Hotels	7.5% – 10.5%	9.0%

The number of hotel investors active during the current cycle has created competition for desirable assets, particularly those with strong products and/or in desirable locations. As a result, investors pursuing these assets often do not adjust the terminal capitalization rates, reflecting their expectation of asset appreciation. Conversely, less desirable assets, such as older facilities or those with high fixed

costs (e.g., union labor, ground lease, etc.) have not seen as much competition; thus, an upward adjustment may be warranted.

Average terminal capitalization rates for limited-service, second-tier hotels were considered. Terminal cap rates are at the low end of the range for quality hotel assets in markets with high barriers to entry and at the high end of the range for older assets, for those suffering from functional obsolescence, and/or for weak market conditions, reflecting the recognition that certain assets have less opportunity for significant appreciation. Based on the subject property's modern design, age, and very good condition, it is our opinion that a terminal capitalization rate of 8.00% would be appropriate.

DCF Analysis “As Is”

Utilizing the discount rate set forth, the DCF procedure is summarized as follows. The capital deduction, if applicable, is applied in this analysis as shown.

FIGURE 9-29 DISCOUNTED CASH FLOW ANALYSIS

Year	EBITDA Less Reserves	Discount Factor @ 10.00%	Discounted Cash Flow
2025/26	\$2,278,000	0.90909	\$2,071,000
2026/27	2,514,000	0.82645	2,078,000
2027/28	2,586,000	0.75131	1,943,000
2028/29	2,661,000	0.68301	1,817,000
2029/30	2,741,000	0.62092	1,702,000
2030/31	2,823,000	0.56447	1,594,000
2031/32	2,908,000	0.51316	1,492,000
2032/33	2,995,000	0.46651	1,397,000
2033/34	3,085,000	0.42410	1,308,000
2034/35	43,061,000 *	0.38554	16,602,000
Estimated Market Value			\$32,004,000
Rounded To			\$32,000,000
Per Room			\$250,000

Reversion Analysis

11th Year's EBITDA Less Reserves	\$3,272,000
Capitalization Rate	8.00%
Total Sales Proceeds	\$40,906,000
Less: Transaction Costs @ 2.5%	1,023,000
Net Sales Proceeds	\$39,883,000

*10th year net income of \$3,177,152 plus sales proceeds of \$39,883,000

Direct Capitalization

The following chart summarizes the averages presented for overall capitalization rates in various investor surveys during the past decade.

FIGURE 9-30 HISTORICAL TRENDS OF OVERALL CAPITALIZATION RATES

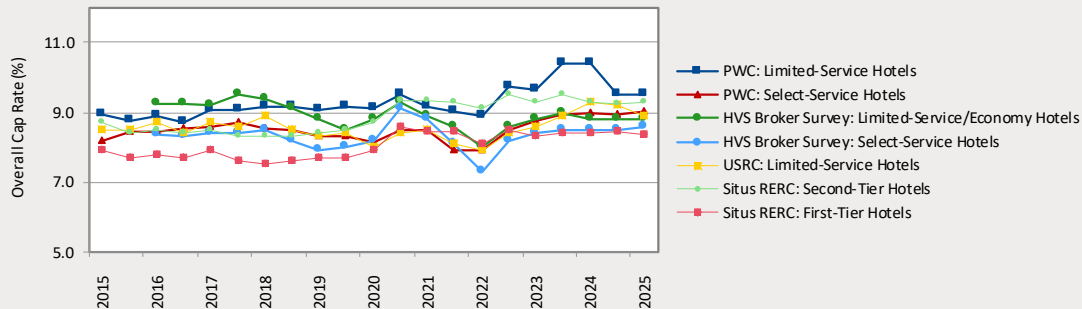


FIGURE 9-31 OVERALL CAPITALIZATION RATES DERIVED FROM SALES AND INVESTOR SURVEYS

Source	Data Point Range	Average
HVS Hotel Sales - Full-Service & Luxury	2.2% – 9.8%	7.2%
HVS Hotel Sales - Select-Service & Extended-Stay	5.9% – 11.2%	8.1%
HVS Hotel Sales - Limited-Service	6% – 12.9%	9.1%
<i>HVS Brokers Survey</i>	<i>Spring 2025 Survey</i>	
Select-Service Hotels	5.5% – 10.5%	8.6%
Limited-Service & Economy Hotels	5.5% – 12.0%	8.8%
<i>PWC Real Estate Investor Survey</i>	<i>1st Quarter 2025 Survey</i>	
Select-Service Hotels	7.5% – 10.5%	9.0%
Limited-Service Hotels	7.5% – 12.0%	9.5%
<i>USRC Hotel Investment Survey</i>	<i>Winter 2025 Survey</i>	
Limited-Service Hotels	7.0% – 10.0%	8.9%
<i>Situs RERC Real Estate Report</i>	<i>4th Quarter 2024 Survey</i>	
Second-Tier Hotels	7.0% – 11.6%	9.3%
First-Tier Hotels	6.5% – 10.0%	8.4%

The following table reflects the capitalization rates for the subject property that have been derived based on our estimate of market value via the DCF analysis. Note that the stabilized year's net income has been deflated to first-year dollars.

FIGURE 9-32 DERIVED CAPITALIZATION RATES

Year	EBITDA Less Replacement Reserves	Market Value "As Is"	Derived Capitalization Rate
Forecast 2025/26	2,278,000	32,000,000	7.1 %
Deflated Stabilized (2024/25) Dollars	2,438,000	32,000,000	7.6

* Historical EBITDA Less Replacement Reserves has been adjusted to reflect a 3.0% mgmt fee and a 4.0% reserve

At this point in the recovery, investors are typically applying the direct capitalization rate on 2023 EBITDA; however, depending on the characteristics of the market and asset, the pre-pandemic 2019 EBITDA is used occasionally. The capitalization rate based on the first year's projected EBITDA Less Replacement Reserve is in line with current rates of return for hotel investments that reflect the subject hotel's operating profile given the strong demand recovery in the market following the pandemic.

**Discounted Cash Flow
Analysis –
"When Stabilized"**

The preceding valuation process was repeated using the projected cash flows beginning as of the stabilized year. The remaining years' net income was projected over an eleven-year period. The selected "as is" discount rate of 10.00% has been adjusted by 25 bps to 9.75% for the prospective "when stabilized" analysis, reflecting an expected improvement in the capital markets by stabilization. The "as is" terminal capitalization rate of 8.00% has been utilized. The DCF procedure is summarized as follows:

FIGURE 9-33 DISCOUNTED CASH FLOW ANALYSIS – STABILIZED VALUE

Year	EBITDA Less Reserves	Discount Factor @ 9.75%	Discounted Cash Flow
2027/28	\$2,586,000	0.91116	\$2,356,000
2028/29	2,661,000	0.83022	2,209,000
2029/30	2,741,000	0.75646	2,073,000
2030/31	2,823,000	0.68926	1,946,000
2031/32	2,908,000	0.62803	1,826,000
2032/33	2,995,000	0.57223	1,714,000
2033/34	3,085,000	0.52140	1,609,000
2034/35	3,177,000	0.47508	1,509,000
2035/36	3,272,000	0.43287	1,416,000
2036/37	45,673,000 *	0.39442	18,014,000
Estimated Market Value			\$34,672,000
Rounded To			\$34,700,000
Per Room			\$271,000

Reversion Analysis

11th Year's EBITDA Less Reserves	\$3,471,000
Capitalization Rate	8.00%
Total Sales Proceeds	\$43,388,000
Less: Transaction Costs @ 2.5%	1,085,000
Net Sales Proceeds (Say)	\$42,303,000

*10th year net income of \$3,370,000 plus sales proceeds of \$42,303,000

Based on this procedure, it is our opinion that the prospective market value, as of June 1, 2027, is \$34,700,000, or \$271,000 per room.

Conclusion

Using the income capitalization approach, the subject property has been valued utilizing a DCF analysis and the direct capitalization approach. The value indication via the income capitalization approach has been concluded to be \$32,000,000, or \$250,000 per room. Furthermore, it is our opinion that the “when stabilized” value is \$34,700,000, or \$271,000 per room.

10. Sales Comparison Approach

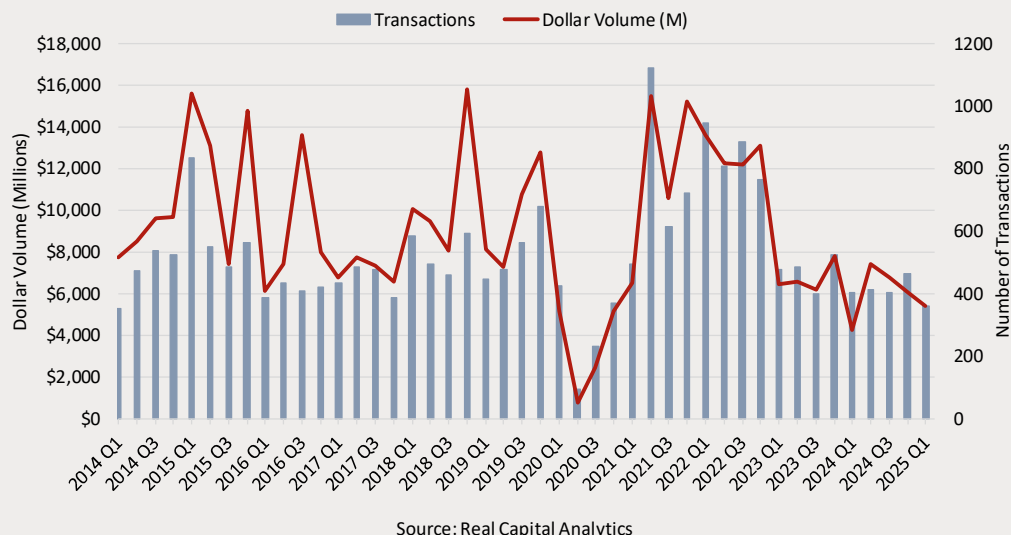
Hotel Investment Market Overview

The sales comparison approach is based on the principle of substitution, which defines a property's value as the cost of acquiring an equally desirable substitute (assuming that no costly delay is incurred in making the substitution). Thus, the sales comparison approach can be used to form an opinion of a property's market value from the price at which equally desirable properties have sold, or for which they can be purchased, on the open market.

The following overview of the hotel investment market during recent industry investment cycles provides a context for the sales comparison approach.

The volume of hotel transactions and the price paid for individual assets are influenced by two principal factors: the availability of capital and the performance of the lodging sector as a whole. When high levels of leverage are available on favorable terms and the industry is performing well, investors are attracted to the market, and both prices and the number of transactions increase. These market conditions often induce sellers to put their properties on the market, further fueling the pace of transaction activity. Conversely, when the availability of capital declines and interest rates increase, both the pace of activity and pricing levels decrease. When these capital conditions coincide with a downturn in industry performance, the transaction market drops off significantly. In these market conditions, sellers are typically unwilling to put their properties on the market, electing to wait until market conditions improve. The impact of these influences results in a cyclical investment market, recording peaks and valleys in response to changes in the capital markets and the economy.

The following chart sets forth the dollar volume and number of U.S. hotel transactions by quarter since 2014, as reported by Real Capital Analytics. The blue bar graph represents the number of transactions, while the red line represents the dollar volume of transactions.

FIGURE 10-1 U.S. HOTEL TRANSACTIONS BY QUARTER

The cyclical nature of the hospitality investment market is evident in the sales data. Driven by strong industry fundamentals and a favorable investment environment, transaction volume reached a peak for the prior cycle of almost \$51 billion in 2015. Total sales volume declined in 2016 and 2017 given a slowing economy, fewer hotels coming to market, and a gap that persisted between seller and buyer expectations. With investor sentiments buoyed by a more positive economic outlook in 2018, total transaction volume soared, increasing by 53.0% over 2017 levels; a significant increase in the number of portfolio sales and a greater number of large, high-priced, single-asset deals drove the volume gain. Total transaction volume retracted by 10.0% in 2019, as large portfolio transactions were limited and fewer high-priced, single-asset sales occurred; nevertheless, overall volume in 2019 was strong.

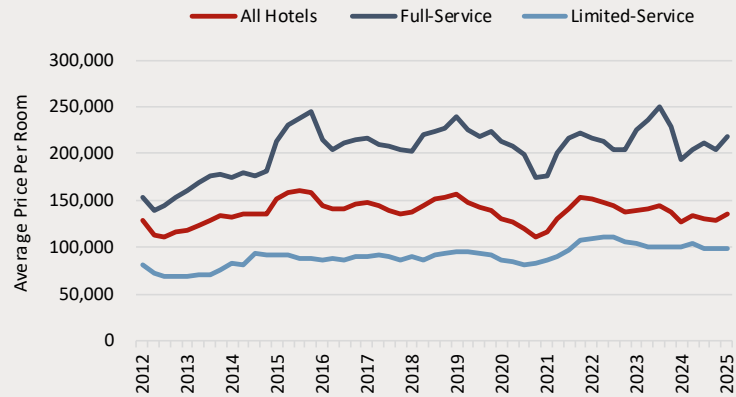
With the onset of the COVID-19 pandemic in early 2020, the transaction market came to a halt, and pending deals were either re-traded or abandoned. Limited sales activity resumed in Q3 2020. With the November announcement of a highly effective vaccine, transaction activity rose significantly during the first half of 2021, driven by the sale of Extended Stay America for over \$6 billion. This trend continued in the third and fourth quarters of that year, with volume reaching over \$10 and \$15 billion, respectively, as sales of larger, higher-priced assets started to pick up. Continued robust recovery trends, including the accelerating pace of both corporate and group travel, fostered an optimistic outlook for the industry in the first half of 2022. These conditions, combined with strong investor interest and the widespread

availability of debt at historically low interest rates, led to a surge in transactions and increases in pricing during that period. Concerns about inflation and the economy, including the impact of the successive increases in the federal funds rate beginning in June, caused a modest pull-back in investment activity and pricing beginning mid-year 2022. Nevertheless, the total annual dollar volume and number of transactions exceeded 2021 levels.

Transaction activity slowed significantly in 2023 and early 2024 given the higher interest rates resulting from the successive increases by the Fed. At the same time, the bank failures in the first quarter of 2023, along with fears of a potential recession, induced a high level of caution among lenders for all commercial real estate. After several Fed rate adjustments and some cooling of inflation in the latter half of 2024, general rate stability is anticipated in 2025. Inflation remains above the Fed target of 2025, and there is a lack of clarity as to what effect the current administration's policies will ultimately have on the level of inflation. However, employment remains strong. These factors have resulted in optimistic expectations for the hotel investment sector in 2025. Furthermore, the pending maturity of a high volume of CMBS debt should induce some transaction activity in the coming months, although the cost and availability of debt may limit investor interest and options.

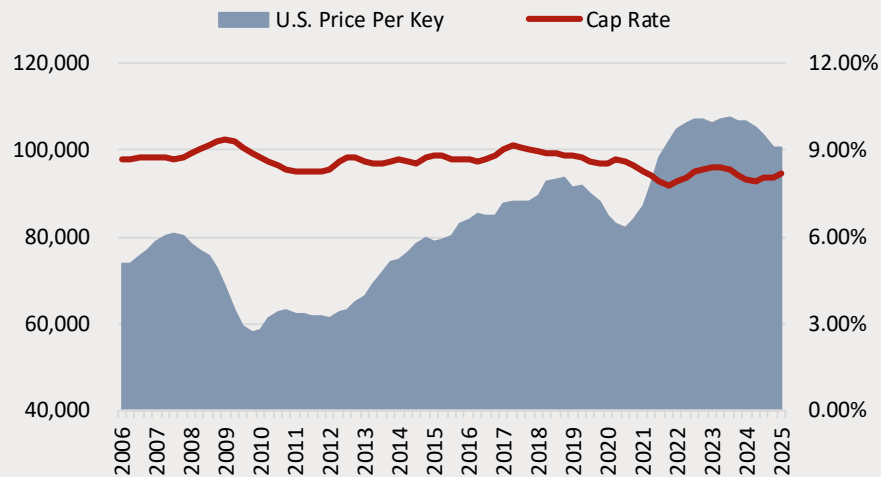
The following graph sets forth the average price per room for hotel transactions since 2012, as reported by Real Capital Analytics. The data reflect the rolling-twelve-month average by quarter, with the red line representing full-service transactions, the blue line representing sales of limited-service hotels, and the black line representing the average for all hotel transactions.¹⁵

¹⁵ Real Capital Analytics individual and portfolio hotel transactions data

FIGURE 10-2 AVERAGE TRANSACTION PRICE PER ROOM

Source: Real Capital Analytics

In considering the previous chart, it is important to recognize that the data reflect the average price indicated by the sales that occurred during each period and thus are greatly influenced by the type, size, and price of hotels transacted. The indicated fluctuations in per-room hotel prices do not directly reflect the trends in hotel values, as the averages are influenced by the type of hotels and size of deals transacting at a given point in time. In recognition of the volatility of the data based on actual transactions, RCA has developed a Hedonic Series (RCA HS) to reflect the sales price of an average hotel room in a given period, as opposed to the average per-room price indicated by hotel sales.

FIGURE 10-3 SALES PRICE OF AN AVERAGE HOTEL ROOM OVER TIME – RCA HEDONIC SERIES

Source: Real Capital Analytics

The historical pattern of transaction activity and pricing is recurring as the market emerges from the cycle induced by the COVID-19 pandemic. With so many investors looking for the higher yields offered by hotel assets, the pendulum initially swung to a seller's market. Sales of smaller, lower-priced assets, as well as leisure-oriented properties in drive-to destinations, rebounded most quickly. While hotels in some urban and gateway markets have been challenged by slower recovery, the opportunity to acquire assets in these high-barrier-to-entry markets continues to attract both U.S. and international investors that take a long-term view of ownership of these assets. Recently, higher debt costs and limited availability put downward pressure on pricing, with many sellers choosing not to enter the market given the current conditions. Over the long term, market activity is expected to rebound; however, the degree and time frame of the recovery will vary from asset to asset and from market to market.

Sales History of Subject

The subject property is currently owned by Virtua 99th Hotel, LLC. The subject property was built in 2024 at a total cost of approximately \$30,500,000, including the land. The hotel is now under contract for purchase by Peachtree Group for a reported price of \$28,500,000. We note that the terms of the sale were not provided at the time of this report; however, we note that the broker had listed the property. We were not provided with a range of offers.

Review of Comparable Sales

We have searched our database to identify sales of hotels that are similar to the subject property in terms of location, market characteristics, facilities, and operating profile. The transactions in the following table present sales involving hotels similar to the subject property in terms of location. The second table presents sales involving hotels similar to the subject property in terms of brand and/or operating profile.

FIGURE 10-4 REVIEW OF PERTINENT TRANSACTIONS

Property	Location	Sale Date	Price	Rooms	Price/Rm	Overall Cap	Year Opened
Courtyard Mesa at Wrigleyville West	Mesa, AZ	Jan-25	\$25,250,000	129	\$195,736	8.6%	2020
Sheraton Mesa Hotel at Wrigleyville West	Mesa, AZ	Jan-25	25,000,000	180	138,889	8.4%	2015
Holiday Inn Express Tempe	Tempe, AZ	Dec-24	17,500,000	128	136,719	7.4%	1998
Hilton Phoenix Resort at the Peak	Phoenix, AZ	Oct-24	39,500,000	563	70,160	—	1977
Best Western Phoenix Goodyear Inn	Goodyear, AZ	Aug-24	9,500,000	85	111,765	—	1963
Home2 Suites by Hilton North Scottsdale near Mayo Clinic	Scottsdale, AZ	Jun-24	35,500,000	130	273,077	7.5%	2022
Home2 Suites by Hilton Phoenix Downtown	Phoenix, AZ	May-24	43,300,000	148	292,568	—	2024
Aloft Glendale at Westgate	Glendale, AZ	Feb-24	23,750,000	100	237,500	—	2019
Country Inn & Suites by Radisson Phoenix Airport	Phoenix, AZ	Dec-23	11,500,000	88	130,682	—	1988
Hampton by Hilton Phoenix Tempe	Tempe, AZ	Nov-23	20,000,000	117	170,940	11.3%	2015
Fairfield by Marriott Phoenix West Tolleson	Tolleson, AZ	Sep-23	23,000,000	116	198,276	—	2019
Fairfield by Marriott Phoenix Midtown	Phoenix, AZ	Sep-23	17,600,000	107	164,486	—	2002
SpringHill Suites by Marriott Phoenix Glendale Sports & Entertainment District	Glendale, AZ	Aug-23	22,717,073	120	189,309	9.6%	1998
Residence Inn by Marriott Phoenix Glendale Sports & Entertainment District	Glendale, AZ	Aug-23	23,852,927	126	189,309	10.8%	2007
La Quinta Inn & Suites by Wyndham Phoenix Mesa West	Mesa, AZ	Aug-23	13,500,000	125	108,000	—	1998
Aloft Phoenix Airport	Phoenix, AZ	Aug-23	21,500,000	143	150,350	—	2009
Extend-a-Suites Phoenix Airport Arizona	Phoenix, AZ	Aug-23	12,450,000	117	107,328	—	1974
Hampton Inn Phoenix Biltmore	Phoenix, AZ	Jul-23	29,000,000	121	239,669	—	1996
Holiday Inn Express & Suites Scottsdale Old Town	Scottsdale, AZ	Jul-23	26,500,000	169	155,882	—	1998
La Quinta Inn & Suites by Wyndham Phoenix Chandler	Phoenix, AZ	Jul-23	13,500,000	117	115,385	—	1998
Cambria Hotel Phoenix Chandler Fashion Center	Chandler, AZ	Jul-23	21,500,000	136	158,088	7.6%	2018
TownePlace Suites Phoenix Chandler/Fashion Center	Chandler, AZ	Jun-23	18,000,000	109	165,138	5.5%	2017
Comfort Inn Chandler	Chandler, AZ	Jun-23	13,200,000	129	102,326	—	1998
Residence Inn by Marriott Scottsdale North	Scottsdale, AZ	Jun-23	29,000,000	120	241,667	—	2002
Embassy Suites Phoenix Airport at 24th Street	Phoenix, AZ	May-23	16,750,000	182	92,033	—	1983
La Quinta Inn & Suites by Wyndham Phoenix West Peoria	Peoria, AZ	Jan-23	13,500,000	108	125,000	7.0%	1998
TownePlace Suites Phoenix Glendale Sports & Entertainment District	Glendale, AZ	Dec-22	23,180,000	92	251,957	—	2020
Hampton by Hilton Phoenix Midtown Downtown Area	Phoenix, AZ	Dec-22	16,250,000	99	164,141	7.5%	1998
Hyatt Place Phoenix Gilbert	Gilbert, AZ	Dec-22	19,475,000	127	153,346	—	2009
SpringHill Suites by Marriott Phoenix Chandler	Chandler, AZ	Nov-22	13,008,386	101	128,796	3.6%	2000
Hampton by Hilton Phoenix/Chandler	Chandler, AZ	Nov-22	12,079,906	101	119,603	3.1%	1997
Residence Inn by Marriott Phoenix Chandler Fashion Center	Chandler, AZ	Nov-22	12,199,509	102	119,603	11.4%	2000
Homewood Suites by Hilton Phoenix Chandler	Chandler, AZ	Nov-22	9,927,051	83	119,603	4.5%	1998
Home2 Suites by Hilton Phoenix Avondale	Avondale, AZ	Nov-22	27,500,000	127	216,535	—	2021
Home2 Suites by Hilton Phoenix Chandler	Chandler, AZ	Nov-22	23,100,000	126	183,333	8.9%	2016
Residence Inn by Marriott Phoenix Desert View at Mayo Clinic	Phoenix, AZ	Sep-22	50,500,000	208	242,788	—	2009
DoubleTree by Hilton Phoenix Gilbert	Gilbert, AZ	Jul-22	25,750,000	121	212,810	—	2010
Papago Hotel by Reside, Trademark Collection by Wyndham	Scottsdale, AZ	May-22	8,500,000	60	141,667	—	1964
Best Western Plus Mesa	Mesa, AZ	Apr-22	11,400,000	115	99,130	2.6%	1987
Hyatt Place Scottsdale North	Scottsdale, AZ	Feb-22	32,366,812	136	237,991	—	2021
Hyatt House North Scottsdale	Scottsdale, AZ	Feb-22	22,133,188	93	237,991	—	2021
Holiday Inn Express Scottsdale North	Scottsdale, AZ	Feb-22	15,000,000	122	122,951	—	1996
Hampton by Hilton Phoenix-Airport North	Phoenix, AZ	Feb-22	15,600,000	106	147,170	—	1999
Home2 Suites by Hilton Phoenix Tempe University Research Park	Tempe, AZ	Jan-22	20,303,999	108	188,000	5.9%	2017
Hilton Garden Inn Phoenix Tempe University Research Park	Tempe, AZ	Jan-22	22,559,999	120	188,000	6.0%	2017
Best Western Superstition Springs Inn	Mesa, AZ	Jan-22	6,150,000	57	107,895	5.9%	1994
Best Western Plus InnSuites Phoenix	Phoenix, AZ	Nov-21	13,800,000	120	115,000	2.2%	1980
Element by Westin Scottsdale at SkySong	Scottsdale, AZ	Oct-21	38,250,000	157	243,631	5.2%	2019
Hilton Phoenix Chandler	Chandler, AZ	Sep-21	30,000,000	197	152,284	—	2009
Courtyard by Marriott Phoenix Mesa Gateway Airport	Mesa, AZ	Aug-21	19,000,000	99	191,919	—	2015

FIGURE 10-5 REVIEW OF PERTINENT TRANSACTIONS (CONTINUED)

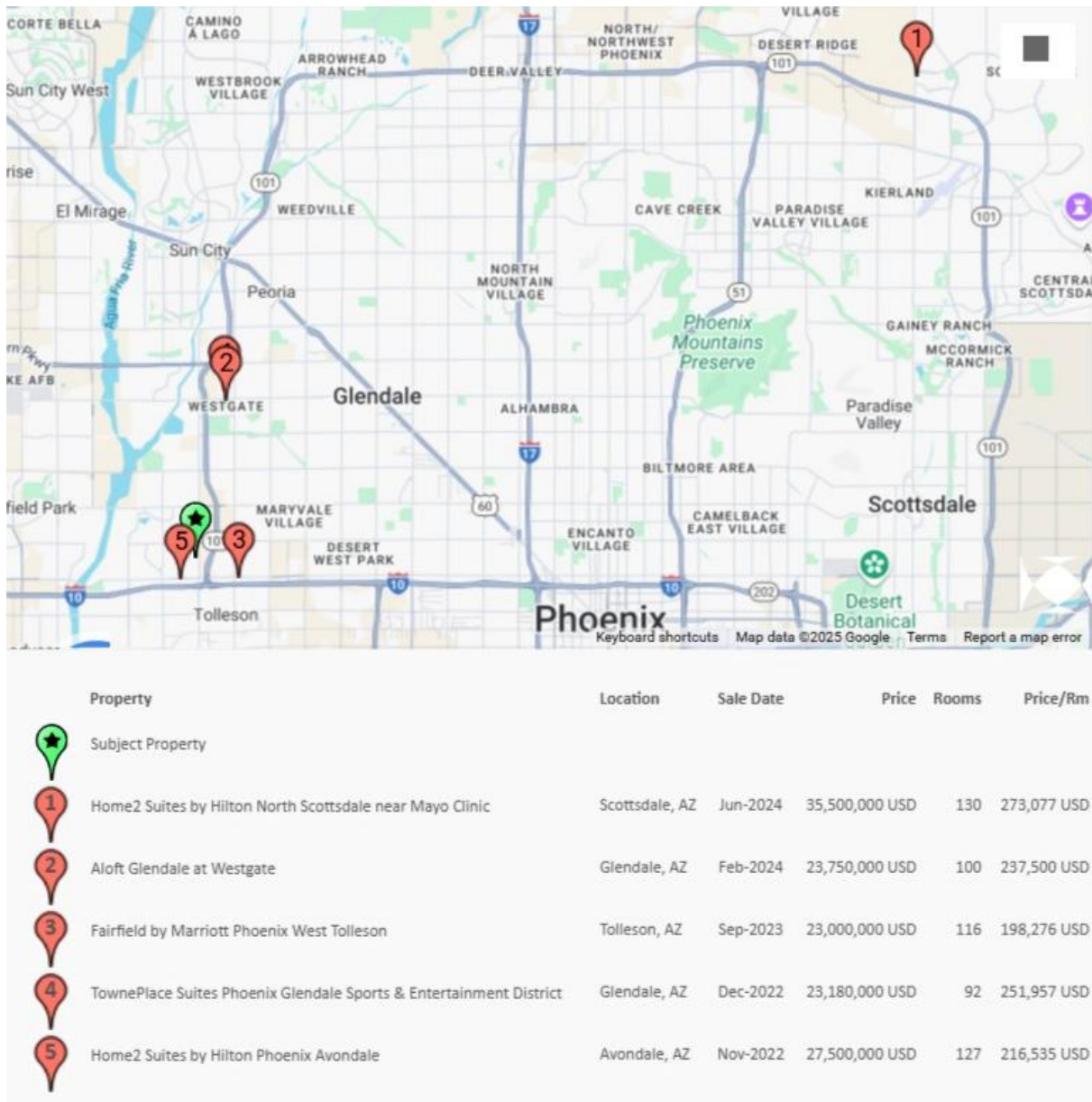
Property	Location	Sale Date	Price	Rooms	Price/Rm	Overall Cap	Year Opened
SpringHill Suites by Marriott Pittsburgh Latrobe	Latrobe, PA	Apr-25	\$8,812,500	109	\$80,849	—	2012
SpringHill Suites by Marriott Indianapolis Fishers	Indianapolis, IN	Mar-25	12,700,000	130	97,692	—	2007
SpringHill Suites Atlanta Northwest	Atlanta, GA	Feb-25	23,500,000	147	159,864	10.8%	2022
SpringHill Suites by Marriott Columbus Airport Gahanna	Gahanna, OH	Feb-25	6,750,000	80	84,375	—	1999
SpringHill Suites by Marriott Wheeling	Wheeling, WV	Jan-25	6,441,750	115	56,015	6.6%	2008
SpringHill Suites by Marriott Stillwater	Stillwater, OK	Jan-25	6,350,000	80	79,375	—	2018
SpringHill Suites by Marriott Rochester Mayo Clinic Area Saint Marys	Rochester, MN	Dec-24	7,800,000	86	90,698	—	1998
SpringHill Suites by Marriott Elizabethtown	Elizabethtown, KY	Nov-24	13,200,000	95	138,947	—	2019
SpringHill Suites Cleveland Independence	Independence, OH	Nov-24	18,700,000	121	154,545	—	2016
SpringHill Suites by Marriott Chicago Bolingbrook	Bolingbrook, IL	Oct-24	11,000,000	82	134,146	1.6%	2000
SpringHill Suites by Marriott Devens Common Center	Devens, MA	Oct-24	12,700,000	120	105,833	—	2005
SpringHill Suites by Marriott Green Bay	Green Bay, WI	Sep-24	21,125,000	127	166,339	—	2007
SpringHill Suites by Marriott Omaha East/Council Bluffs IA	Council Bluffs, IA	Aug-24	3,200,000	151	21,192	—	2007
SpringHill Suites by Marriott Kennesaw	Kennesaw, GA	Jun-24	8,948,880	90	99,432	4.8%	2000
SpringHill Suites by Marriott San Diego Oceanside Downtown	Oceanside, CA	Jun-24	43,750,000	149	293,624	5.5%	2014
SpringHill Suites by Marriott Fairfax Fair Oaks	Fairfax, VA	May-24	21,000,000	140	150,000	7.7%	2009
SpringHill Suites by Marriott Providence West Warwick	West Warwick, RI	May-24	13,250,000	107	123,832	—	1997
SpringHill Suites New Orleans Warehouse Arts District	New Orleans, LA	Apr-24	37,034,192	208	178,049	6.7%	2001
SpringHill Suites by Marriott Buffalo Airport	Buffalo, NY	Mar-24	7,000,000	108	64,815	—	2015
SpringHill Suites by Marriott Fort Myers Airport	Fort Myers, FL	Mar-24	13,662,884	106	128,895	—	2006
SpringHill Suites by Marriott Tampa Brandon	Tampa, FL	Mar-24	15,000,000	103	145,631	—	2008
SpringHill Suites by Marriott Midland MI	Midland, MI	Mar-24	5,500,000	96	57,292	—	2008
SpringHill Suites Voorhees Mount Laurel Cherry Hill	Voorhees, NJ	Mar-24	14,300,000	117	122,222	—	2013
SpringHill Suites by Marriott Savannah Midtown	Savannah, GA	Feb-24	8,050,101	79	101,900	—	1999
SpringHill Suites by Marriott Fresno	Fresno, CA	Feb-24	22,800,000	118	193,220	7.3%	2008
SpringHill Suites by Marriott Houston Brookhollow	Houston, TX	Jan-24	5,000,000	79	63,291	—	1998
SpringHill Suites by Marriott Las Vegas	Las Vegas, NV	Dec-23	75,000,000	299	250,836	8.3%	2009
SpringHill Suites by Marriott Irvine John Wayne Airport	Irvine, CA	Oct-23	35,000,000	132	265,152	7.0%	2009
SpringHill Suites by Marriott Richmond North Glen Allen	Glen Allen, VA	Sep-23	16,300,000	136	119,853	—	2001
SpringHill Suites by Marriott Indianapolis Carmel	Carmel, IN	Aug-23	6,137,100	126	48,707	—	2002
SpringHill Suites by Marriott Phoenix Glendale Sports & Entertainment District	Glendale, AZ	Aug-23	22,717,073	120	189,309	9.6%	1998
SpringHill Suites Houston Northwest	Houston, TX	Aug-23	12,036,000	139	86,590	—	2015
SpringHill Suites Atlanta Alpharetta/Roswell	Roswell, GA	Jul-23	13,900,000	90	154,444	3.7%	2020
SpringHill Suites by Marriott Shreveport Bossier City Louisiana Downs	Bossier City, LA	Jun-23	10,900,000	150	72,667	—	2008
SpringHill Suites Chattanooga South Ringgold	Ringgold, GA	Jun-23	2,800,000	82	34,146	7.9%	2018
SpringHill Suites by Marriott Pinehurst Southern Pines	Pinehurst, NC	Jun-23	11,700,000	107	109,346	10.0%	1999
SpringHill Suites Houston I-45 North	Houston, TX	Jun-23	8,950,000	104	86,058	—	2015
SpringHill Suites by Marriott Cincinnati North Forest Park	Forest Park, OH	May-23	7,500,000	124	60,484	8.6%	1992
SpringHill Suites by Marriott Quakertown	Quakertown, PA	May-23	9,900,000	89	111,236	9.8%	2009
SpringHill Suites by Marriott Galveston Island	Galveston, TX	Apr-23	7,500,000	74	101,351	—	2008
SpringHill Suites by Marriott El Paso	El Paso, TX	Apr-23	12,342,000	103	119,825	11.3%	2009

From these selected sales, we have chosen several primary transactions for further review and consideration in the development of an indication of value via this approach. These transactions are illustrated in the following table.

FIGURE 10-6 SUMMARY OF SELECTED COMPARABLE SALES

Property	Location	Sale Date	Price	Rooms	Price/Rm	Overall Cap	Year Opened
Home2 Suites by Hilton North Scottsdale near Mayo Clinic	Scottsdale, AZ	Jun-24	35,500,000	130	273,077	7.5%	2022
Aloft Glendale at Westgate	Glendale, AZ	Feb-24	23,750,000	100	237,500	—	2019
Fairfield by Marriott Phoenix West Tolleson	Tolleson, AZ	Sep-23	23,000,000	116	198,276	—	2019
TownePlace Suites Phoenix Glendale Sports & Entertainment District	Glendale, AZ	Dec-22	23,180,000	92	251,957	—	2020
Home2 Suites by Hilton Phoenix Avondale	Avondale, AZ	Nov-22	27,500,000	127	216,535	—	2021

MAP OF PRIMARY COMPARABLE SALES



These sales are further detailed on the following pages.



Sale #1
Home2 Suites by Hilton
North Scottsdale near
Mayo Clinic
Scottsdale, AZ
130 Rooms

TRANSACTION DATA

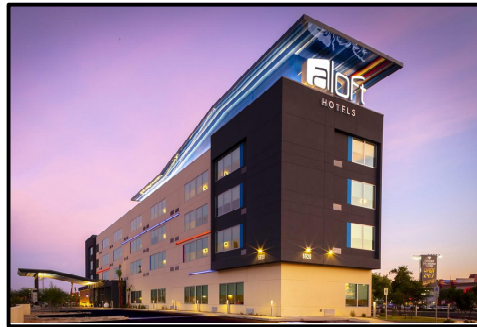
Date of Sale:	June-24
Interest Conveyed:	Fee Simple
Buyer:	Gurbir S Sandhu
Seller:	Highgate Holdings
Sales Price:	\$35,500,000
Price per Room:	\$273,077
Occupancy (May 1, 2023 - Apr 30, 2024):	78.1%
Average Rate (May 1, 2023 - Apr 30, 2024):	\$164
RevPAR (May 1, 2023 - Apr 30, 2024):	\$128
Rooms Revenue Multiplier (May 1, 2023 - Apr 30, 2024):	5.8
Reported Capitalization Rate (May 1, 2023 - Apr 30, 2024):	7.5%
Source:	Real Capital Analytics

PROPERTY DATA

Year Opened:	2022
Property Class:	Upper Mid-Scale
Facilities:	# Stories: 4, # F&B Outlets: 1, Total SF Meeting Space: 500
Amenities:	Guest Laundry Area, Outdoor Swimming Pool, Fitness Room, Lobby Workstation, Market Pantry, Outdoor Patio & Barbecue Area, Electric Vehicle Chargers
Condition at Sale:	Good
Type of Location:	Medical

This property was in good condition upon sale. The hotel continued to operate as a Home2 Suites by Hilton.

Sale #2
Aloft Glendale at
Westgate
Glendale, AZ
100 Rooms



TRANSACTION DATA

Date of Sale:	February-24
Interest Conveyed:	Fee Simple
Buyer:	TCN Worldwide
Seller:	HCW Development
Sales Price:	\$23,750,000
Price per Room:	\$237,500
Occupancy (Jan 1, 2022 - Dec 31, 2022):	68.0%
Average Rate (Jan 1, 2022 - Dec 31, 2022):	\$160
RevPAR (Jan 1, 2022 - Dec 31, 2022):	\$109
Rooms Revenue Multiplier (Jan 1, 2022 - Dec 31, 2022):	6.0
Reported Capitalization Rate (Jan 1, 2022 - Dec 31, 2022):	Not Disclosed
Source:	Real Capital Analytics

PROPERTY DATA

Year Opened:	2019
Property Class:	Upscale
Facilities:	# Stories: 4, # F&B Outlets: 2, Total SF Meeting Space: 405
Amenities:	Guest Laundry Area, Gift Shop, Outdoor Swimming Pool, Fitness Room, Market Pantry, Coffee Station, Outdoor Patio & Fire Pit, Outdoor Sundeck, Laundry/Valet Service
Condition at Sale:	Good
Type of Location:	Master/Mixed-Use Development

This property benefits from its prime location near State Farm Stadium and Desert Diamond Arena.



Sale #3
Fairfield by Marriott
Phoenix West Tolleson
Tolleson, AZ
116 Rooms

TRANSACTION DATA

Date of Sale:	September-23
Interest Conveyed:	Fee Simple
Buyer:	Trimark Property Group
Seller:	Virtua Partners
Sales Price:	\$23,000,000
Price per Room:	\$198,276
Occupancy (Jan 1, 2022 - Dec 31, 2022):	74.0%
Average Rate (Jan 1, 2022 - Dec 31, 2022):	\$139
RevPAR (Jan 1, 2022 - Dec 31, 2022):	\$103
Rooms Revenue Multiplier (Jan 1, 2022 - Dec 31, 2022):	5.3
Reported Capitalization Rate (Jan 1, 2022 - Dec 31, 2022):	Not Disclosed
Source:	Real Capital Analytics

PROPERTY DATA

Year Opened:	2019
Property Class:	Mid-Scale
Facilities:	# Stories: 4, # F&B Outlets: 1, Total SF Meeting Space: 513
Amenities:	Business Center, Guest Laundry Area, Outdoor Swimming Pool, Fitness Room, Market Pantry, Car-Rental Service, Laundry/Valet Service
Condition at Sale:	Good
Type of Location:	Highway/Interstate

This property was developed by Virtua Partners. The hotel is part of a 21-acre mixed-use development that includes office, retail, restaurant, and multifamily spaces.

Sale #4
TownePlace Suites
Phoenix Glendale
Sports &
Entertainment District
Glendale, AZ
92 Rooms



TRANSACTION DATA

Date of Sale:	December-22
Interest Conveyed:	Fee Simple
Buyer:	Bradford Allen Hospitality Glendale Hotel, LLC
Seller:	LodgePros Glendale, LLC
Sales Price:	\$23,180,000
Price per Room:	\$251,957
Occupancy (Jan 1, 2021 - Dec 31, 2021):	77.0%
Average Rate (Jan 1, 2021 - Dec 31, 2021):	\$121
RevPAR (Jan 1, 2021 - Dec 31, 2021):	\$93
Rooms Revenue Multiplier (Jan 1, 2021 - Dec 31, 2021):	7.4
Reported Capitalization Rate (Jan 1, 2021 - Dec 31, 2021):	Not Disclosed
Source:	Management Company

PROPERTY DATA

Year Opened:	2020
Property Class:	Mid-Scale
Facilities:	# Stories: 4, # F&B Outlets: 2, Total SF Meeting Space: 859
Amenities:	Guest Laundry Area, Outdoor Swimming Pool, Fitness Room, Market Pantry, Coffee Station, Outdoor Sundeck, Outdoor Whirlpool, Laundry/Valet Service, Pet Friendly
Condition at Sale:	Good
Type of Location:	Master/Mixed-Use Development

This hotel benefits from its strategic location near State Farm Stadium and Desert Diamond Arena. This hotel also benefits from its strong brand affiliation.



Sale #5
Home2 Suites by Hilton
Phoenix Avondale
Avondale, AZ
127 Rooms

TRANSACTION DATA

Date of Sale:	November-22
Interest Conveyed:	Fee Simple
Buyer:	Royal Hospitality
Seller:	Pretoria Avondale Hotel
Sales Price:	\$27,500,000
Price per Room:	\$216,535
Occupancy (Jan 1, 2021 - Dec 31, 2021):	55.0%
Average Rate (Jan 1, 2021 - Dec 31, 2021):	\$129
RevPAR (Jan 1, 2021 - Dec 31, 2021):	\$71
Rooms Revenue Multiplier (Jan 1, 2021 - Dec 31, 2021):	8.3
Reported Capitalization Rate (Jan 1, 2021 - Dec 31, 2021):	Not Disclosed
Source:	Management Company

PROPERTY DATA

Year Opened:	2021
Property Class:	Mid-Scale
Facilities:	# Stories: 4, # F&B Outlets: 1
Amenities:	Business Center, Guest Laundry Area, Outdoor Swimming Pool, Fitness Room, Market Pantry, Vending Area(s), Outdoor Sundeck, Pet Friendly, Electric Vehicle Chargers
Condition at Sale:	Excellent
Type of Location:	Highway/Interstate

This hotel was sold shortly after its October 2021 construction and was in excellent condition upon sale.

Adjustment of Comparable Sales

The following table sets forth the adjustment grid used to account for differences between the transacted properties and the subject property.

FIGURE 10-7 COMPARABLE SALES ADJUSTMENT GRID

		<u>Sale #1</u>	<u>Sale #2</u>	<u>Sale #3</u>	<u>Sale #4</u>	<u>Sale #5</u>
		Home2 Suites by Hilton North Scottsdale near Mayo Clinic, Scottsdale, AZ	Aloft Glendale at Westgate, Glendale, AZ	Fairfield by Marriott Phoenix West Tolleson, Tolleson, AZ	TownePlace Suites Phoenix Glendale Sports & Entertainment District, Glendale, AZ	Home2 Suites by Hilton Phoenix Avondale, Avondale, AZ
Elements of Comparison	Subject Property					
Sale Price		\$35,500,000	\$23,750,000	\$23,000,000	\$23,180,000	\$27,500,000
Number of Rooms	128	130	100	116	92	127
Price per Room		\$273,077	\$237,500	\$198,276	\$251,957	\$216,535
Year Open	2024	2022	2019	2019	2020	2021
Date of Sale		June-24	February-24	September-23	December-22	November-22
Adjustments for Transaction Characteristics (per Room)						
Property Rights Conveyed	Springhill Suites By Marriott	Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Adjustment		0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Adjusted Sales Price		273,077	237,500	198,276	251,957	216,535
Financing Terms		Cash Equivalent	Cash Equivalent	Cash Equivalent	Cash Equivalent	Cash Equivalent
Adjustment		0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Adjusted Sales Price		273,077	237,500	198,276	251,957	216,535
Conditions of Sale		Normal	Normal	Normal	Normal	Normal
Adjustment		0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Adjusted Sales Price		273,077	237,500	198,276	251,957	216,535
Market Conditions		Similar	Similar	Similar	Similar	Similar
Adjustment		0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Adjusted Sales Price		273,077	237,500	198,276	251,957	216,535
Adjusted Price		\$273,077	\$237,500	\$198,276	\$251,957	\$216,535
Adjustments for Property Characteristics						
Location/Market		Superior	Similar	Similar	Similar	Similar
Adjustment		(5.0) %	0.0 %	0.0 %	0.0 %	0.0 %
Physical Condition/Facilities		Similar	Inferior	Inferior	Inferior	Inferior
Adjustment		0.0 %	5.0	5.0	5.0	5.0
Other Revenue Sources		Similar	Similar	Similar	Similar	Similar
Adjustment		0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
Cumulative Percentage Adjustment		(5.0) %	5.0 %	5.0 %	5.0 %	5.0 %
Net Adjust. for Property Characteristics		(13,654)	11,875	9,914	12,598	10,827
Final Adjusted Price Per Room		\$259,000	\$249,000	\$208,000	\$265,000	\$227,000

Given the complex nature of hotel assets, as well as the many variables within a hotel's operations, it is quite difficult to derive a specific numeric adjustment for an individual characteristic, and any adjustments extracted from sales are often distorted. As such, we have to rely partly on broader sets of data and our own experience when deriving adjustments. Comparable hotel sales are typically transacted less often and are spread over a wider geographical area than other commercial sectors, adding to the complexity of making quantitative adjustments.

Transaction Characteristics Adjustments

The comparable sales were all transacted in terms that were similar to the subject property. Accordingly, no adjustments were made for differences in transaction characteristics.

Property Characteristics Adjustments

A downward adjustment for location/market was applied to Sale #1, given this asset's location in a comparatively stronger real estate market. Upward adjustments for physical condition/facilities were applied to Sales #2, #3, #4, and #5 given each asset's older date of construction, relative to the subject hotel's more recent date of construction. No adjustments for other revenue sources were deemed applicable given the similarities in revenue-generating departments.

Prior to adjustments, the comparable sales transacted for amounts ranging from \$198,000 to \$273,000 per room. Following quantitative and qualitative adjustments, the selected sales indicate a range of \$208,000 to \$265,000 per room.

Gross Rooms Revenue Multiplier

The gross rooms revenue multiplier (GRRM) is a common measure of sales transactions in the limited-service sector and is often used in lieu of capitalization rates. Given the widely different operating profiles that characterize the owner/operators that constitute the market for these assets, operating efficiencies and net income levels can vary significantly. Consequently, the market typically employs a standard of measurement that is tied to the location, facilities, and market conditions of the assets, rather than profitability; the GRRM fits these criteria.

We have identified several recent transactions involving limited-service hotels that bear some degree of comparability to the subject property and have obtained occupancy and average rate data for each hotel for the year immediately preceding the sale. The data have been used to calculate the gross rooms revenue generated by each hotel. From this information, we have extracted the GRRM indicated by the transaction, which is calculated by dividing the sales price by the gross rooms revenue. The resulting GRRM data are set forth in the table on the following page.

FIGURE 10-8 GROSS ROOMS REVENUE MULTIPLIER

Property	Location	Year Open	Number of Rooms	Date of Sale	Sale Price	Price Per Room	GRRM
Courtyard Mesa at Wrigleyville West	Mesa, AZ	2020	129	Jan-25	\$25,250,000	\$195,736	4.69
Fairfield by Marriott Phoenix West Tolleson	Tolleson, AZ	2019	116	Sep-23	23,000,000	198,276	5.28
Residence Inn by Marriott Phoenix Glendale Sports & Entertainment District	Glendale, AZ	2007	126	Aug-23	23,852,927	189,309	5.08
SpringHill Suites by Marriott Phoenix Glendale Sports & Entertainment District	Glendale, AZ	1998	120	Aug-23	22,717,073	189,309	5.42
Comfort Inn Chandler	Chandler, AZ	1998	129	Jun-23	13,200,000	102,326	4.82
Hyatt Place Phoenix Gilbert	Gilbert, AZ	2009	127	Dec-22	19,475,000	153,346	4.54
Hampton by Hilton Phoenix/Chandler	Chandler, AZ	1997	101	Nov-22	12,079,906	119,603	5.17
Home2 Suites by Hilton Phoenix Chandler	Chandler, AZ	2016	126	Nov-22	23,100,000	183,333	4.67
Best Western Plus Mesa	Mesa, AZ	1987	115	Apr-22	11,400,000	99,130	5.02
Hampton by Hilton Phoenix-Airport North	Phoenix, AZ	1999	106	Feb-22	15,600,000	147,170	5.37
Average							5.01
<u>Gross Room Revenue Multipliers for the Subject Property, as indicated by the Income Approach</u>							
Based on Year One Forecast							5.63
Based on Deflated Stabilized Forecast							5.37

The GRRMs indicated by the transactions surveyed ranged from 4.54 to 5.42; the average GRRM is 5.01. The value indicated by the income approach yields a GRRM of 5.63 based on the rooms revenue for the year one forecast prior to the date of value, and an “as is” market value of \$32,000,000, which is consistent with the range indicated by the comparable sales.

Conclusion

Based on our review of the adjusted sales, we have selected a per-key range of \$208,000 to \$265,000, which equates to a concluded value via the sales comparison approach of \$26,600,000 to \$33,900,000 for the 128-room subject property.

11. Cost Approach

The cost approach reflects a set of procedures through which a value indication is derived for the fee simple interest in a property by estimating the current cost to construct a reproduction of, or replacement for, the existing structure; deducting accrued depreciation from the reproduction or replacement cost; and adding the estimated land value plus an entrepreneurial profit. Adjustments may then be made to the indicated fee simple value of the subject property to reflect the value of the property interest being appraised.

Because the subject property has recently been constructed, the cost approach has significant applicability. In this report section, we will estimate the replacement cost as new of the improvements, estimate the market value of the site, and add an entrepreneurial profit incentive to arrive at the total cost new to develop the proposed subject property. The total cost new to build the facility is often used by hotel buyers as a benchmark against the income and sales indications, particularly for new hotels. In perfect markets, as the gap between market value and total cost new diminishes, there is as much incentive to build new hotels as there is to buy existing facilities. It is important to note that our experience with hotel investors shows that buyers and sellers rely upon the methods of the income approach (as well as a review of sales data) when making decisions; the cost approach generally does not play a significant role.

Land Valuation

Land value may be estimated in a variety of ways including the sales comparison approach and the allocation, extraction, or ground-rent capitalization methods. For the majority of hostelry properties, the two primary methods used are the sales comparison approach and the ground-lease capitalization approach. We have utilized the ground lease approach for this appraisal.

Hotels are often constructed on leased land. While the lease terms differ somewhat from property to property, the basis for the rental calculation is often tied to a percentage of revenue formula. Using the forecasted revenues for the proposed subject hotel and applying a typical hotel ground-lease rental formula, the appraiser is able to determine the hotel's economic rental (i.e., the income attributed to the land). The land value can then be estimated by capitalizing the hypothetical ground rent. The self-adjusting aspect of this approach is a key element to its reliability.

We have researched actual long-term ground leases encumbering hotels. The following table summarizes our findings, showing the property, its room count, and its rental formula.

FIGURE 11-1 SUMMARY OF HOTEL GROUND LEASES

Location	ST	Rooms	Ground Lease Formula	Rental Based on Year 1 Revenue of the 128-Unit Subject Property		
				Dollar Amount (+000)	Percentage of Rooms Revenue	Percentage of Total Revenue
Suburban	FL	120 - 160	4% Liquor and Wine, 3% Marina Rent, 3% Beer, 3% Merchandise, 2% Room or Ground Rent, 1% Food and All Other Income	\$123	2.1 %	2.0 %
Urban	NY	160 - 200	5% of Gross Receipts	305	5.1	5.0
Suburban	VA	120 - 160	4.5% Gross Rooms Revenue	268	4.5	4.4
Suburban	WA	120 - 160	1% of Rooms Revenue in excess of \$2,250,000; 3% of Rooms Revenue in excess of \$2,500,000; 4% of Rooms Revenue in excess of \$3,000,000.	239	4.0	3.9
Suburban	OR	40 - 80	3% of Room Revenue	179	3.0	2.9
Suburban	OR	120 - 120	3.76% of gross revenue or minimum rent	229	3.8	3.8
Urban	TX	280 - 320	2.5% of rooms revenue, 1% of food and beverage revenue, and 2% of other income	152	2.5	2.5
Suburban	NC	120 - 160	From and after the effective date through December 12/31/1994 90,000 annually, from 1/1/1995 through 12/31/1999 minimum rental will be 101,000, from 1/1/2000 and on 1/1 of each fifth year, rent will be adjusted to equal the	388	6.5	6.4
Suburban	IA	120 - 160	From 1994 38,000 annually until 1995, then 58,000 until 2000, then adjusted by the average minimum rental multiplied by 50% of the CPI or 80% of the average	396	6.6	6.5
Suburban	IL	120 - 160	actual annual rental paid during such previous five-year period. The From 1994 80,000 annually until 1995, then 90,000 until 2000, then adjusted by the average minimum rental multiplied by 50% of the CPI or 80% of the average	396	6.6	6.5
Suburban	AL	120 - 160	actual annual rental paid during such previous five-year period. The From 1994 75,000 annually until 1995, then 84,000 until 2000, then adjusted by the average minimum rental multiplied by 50% of the CPI or 80% of the average	396	6.6	6.5
Suburban	FL	120 - 160	actual annual rental paid during such previous five-year period. The From 1994 45,000 annually until 1995, then 54,000 until 2000, then adjusted by the average minimum rental multiplied by 50% of the CPI or 80% of the average	335	5.6	5.5
			percentage used to determine rental in any fiscal year shall be as follows: 1989-1994 3.0%, 1995-2002 3.5%, 2003-2088 5.5% of gross room revenue.			

Our analysis of these ground-lease rental formulas indicates that economic ground rents for hotels such as the proposed subject hotel typically range from approximately 2% to 5% of rooms revenue. Hotels with a significant amount of land relative to the property's room count, hotels in resort areas, or hotels in land-sparse downtown markets may command higher ground rent.

Based on the revenue projections set forth for the proposed subject hotel as part of this appraisal, the following table shows how the economic ground rent has been calculated. Note that the stabilized revenue level has been deflated back to first-projection-year dollars.

Deflated Stabilized Rooms Revenue	\$5,621,000
Rental Percentage	3.0 %
Economic Ground Rent	\$168,630

Rent generated from an unsubordinated ground lease represents a low-risk flow of income. Because the tenant improvements typically amount to more than five times the value of the land, the risk of default is almost nonexistent. For hotel ground leases where rent is tied to revenue, the property owner is also protected from the adverse effects of inflation. Based on these minimal risk factors and the current cost of long-term capital, it is our opinion that the appropriate ground-rent overall capitalization rate would be as indicated in the following table because of the aforementioned low level of risk.

Applying the indicated capitalization rate to the proposed subject hotel's economic ground rent results in the following estimate of land value.

$$\frac{\text{Economic Ground Rent}}{\text{Capitalization Rate}} = \frac{\$171,990}{6.5 \%} = \$2,646,000$$

The value indication via the ground-lease approach is \$24.50 per square foot on our review of the ground lease approach, we have reconciled our opinion of land value to \$2,600,000, or \$24.50 per square foot. The estimated value of the land is 8% of the concluded value of the property as a whole, which is within the range considered reasonable for hotels of this type.

Replacement Cost

Replacement cost is the current construction cost of a building with the same utility as the subject property but built with modern materials and according to current construction and design standards. For a recently constructed hotel, it is typically in line with the development cost, unless costs have changed notably, or the developer over-improved the hotel.

As a basis for estimating the developmental costs, we have used a hotel development cost survey conducted by HVS. The survey presents the range of per-room costs associated with various components of hotel development, including improvements, furniture, and equipment; pre-opening expenses; and operating capital. Statistics are compiled for budget hotels, midscale hotels with and without food and beverage, extended-stay hotels, full-service hotels, and luxury hotels and resorts. The results of the development cost survey are presented in the following table.

FIGURE 11-2 HOTEL DEVELOPMENT COST SURVEY (AMOUNTS PER ROOM)

	Land	Building and Site Improvements	Soft Costs	FF&E	Pre-Opening and Working Capital	Developer Fee	Total
Limited-Service Hotels							
Average	\$21,789	\$119,161	\$19,635	\$19,011	\$6,178	\$7,378	\$193,152
Median	\$15,796	\$113,588	\$15,893	\$15,643	\$2,971	\$5,709	\$169,601
% of Total*	11%	67%	10%	11%	1%	1%	100%
Select-Service Hotels							
Average	\$24,727	\$172,840	\$31,357	\$23,696	\$6,300	\$7,557	\$266,478
Median	\$23,795	\$145,365	\$29,457	\$21,388	\$3,806	\$6,873	\$230,685
% of Total*	9%	66%	11%	10%	2%	2%	100%

**The percentage of total is calculated based on the total sample of all budgets.*

Source: 2024 HVS Hotel Development Cost Survey

Construction Cost

We note that a detailed construction budget was not provided to us upon request; however, we note that we have been provided with an estimate of the construction for the subject hotel of \$30,500,000.

Building and Site Improvements

Building and site improvements include all buildings and other relatively permanent structures located on, or attached to, the subject parcel. The cost of the improvements includes costs of materials, fees, and labor to construct the subject property's improvements. We estimate the replacement cost of the subject property's improvements to be roughly \$150,000 per room, or a total of \$19,200,000.

Furniture, Fixtures and Equipment

Furniture, fixtures, and equipment (FF&E) include all non-permanent, removable items at the subject property, such as guestroom furnishings, kitchen equipment, and items of décor. The cost of the FF&E, along with all fees associated with the installation of such items, comprise the total cost of FF&E. Based on our inspection of the property, we estimate the replacement cost of the subject property's FF&E (as if new) at approximately \$23,000 per room, or a total of \$2,944,000.

Pre-Opening and Working Capital Costs

Pre-opening costs include expenses such as marketing, staffing, training, and administrative expenditures. Working capital includes a working capital reserve to maintain adequate cash flow until the operation reaches a break-even point. We estimate the pre-opening costs for the subject property to be roughly \$6,000 per room, or a total of \$768,000.

Soft Costs

Soft costs include items other than labor and material that are necessary for construction but are not typically part of the construction contract. Soft costs can include professional fees, financing costs and the interest paid on construction loans, taxes, and the builder's or developer's all-risk insurance during construction, as well as marketing, sales, and lease-up costs incurred to achieve occupancy or sales. We have estimated this amount at approximately \$27,000 per room, or a total of \$3,456,000.

Developer's Fee

The developer's fee represents a recovery of costs to the project developer, including salaries, travel, administrative costs, and other expenses related to coordinating the development. It is separate from a developer's anticipated profit or entrepreneurial incentive. The developer's fee is typically dependent upon the complexity of project coordination and the length of the development timeline. In the case of relatively simple projects in markets with low barriers to entry, a developer's fee may not be considered, whereas complicated projects in high-barrier-to-entry markets may incur more substantial costs for coordination and administration during an extended planning and construction period. In some cases, the developer's administrative costs are included within other line items, rather than allocated to an individual developer's fee line item. We estimate the

Replacement Cost Summary

developer's fee for the proposed subject property to be approximately \$7,500 per room, equating to 3.2% of the project cost.

Based on the preceding analysis, we estimate the replacement cost of the proposed subject property as follows.

FIGURE 11-3 REPLACEMENT COST SUMMARY

Item	Cost per Room	Cost
Building	\$150,000	\$19,200,000
Soft Costs	27,000	3,456,000
Furniture, Fixtures, & Equipment	23,000	2,944,000
Pre-Opening Costs & Working Capital	6,000	768,000
Developer Fee (if Applicable)	7,500	960,000
Total Replacement Cost	\$213,500	\$27,328,000

Allocation of Entrepreneurial Incentive

Entrepreneurial incentive is a theoretical appraisal concept that represents the profit a developer would expect to earn on a development project. It is this expectation of profit, in addition to the actual cost, that motivates a developer to undertake a project. For most developers, this profit expectation is included in the projected overall yield resulting from the investment structure. As a result, entrepreneurial incentive is not typically identified as a budgeted item or specific dollar amount in developer's budgets. Based on our extensive review of development budgets and experience appraising proposed hotel properties, entrepreneurial incentive typically ranges from zero to 10.0% of total project costs but may be up to 25.0% in some cases. In healthy markets with high barriers to entry, entrepreneurial incentive may not be in evidence, as developers may be motivated by the anticipated asset appreciation beyond the dates of completion and stabilization. On the other hand, developers may require a stronger anticipated return with an incentive at the high-end or above the typical range in markets with a higher risk of performance volatility or competitive supply growth. In the case of the proposed subject property, an entrepreneurial incentive of 3.0% is warranted based on our analysis of the project and market conditions.

FIGURE 11-4 ENTREPRENEURIAL INCENTIVE ESTIMATE

Item	Profit Percentage	Cost	Entrepreneurial Incentive
Building and Soft Costs	3.0 %	\$22,656,000	\$679,680
Pre-Opening & Working Capital and Developer Fee	3.0	\$1,728,000	51,840
Furniture, Fixtures, & Equipment	3.0	2,944,000	88,320
Land Value	3.0	2,600,000	78,000
Total Entrepreneurial Incentive			\$897,840

Conclusion

In the estimation of development cost for the proposed improvements, the costs of several components of the total property were quantified. For a property owned in fee simple interest, the land value was estimated. The development cost of the building improvements was estimated based on a hotel development cost survey conducted by HVS, as well as our review of the hotel's construction budget (if available). The following table summarizes our estimate of the total cost new to rebuild the subject property.

FIGURE 11-5 RECAP OF TOTAL COST NEW ESTIMATE

Item	Cost per Room	Cost
Building	\$150,000	\$19,200,000
Soft Costs	27,000	3,456,000
Furniture, Fixtures, & Equipment	23,000	2,944,000
Pre-Opening Costs & Working Capital	6,000	768,000
Developer Fee (if Applicable)	7,500	960,000
Land	20,313	2,600,000
Total Cost New Before Incentive	\$233,812.50	\$29,928,000
Entrepreneurial Incentive	7,014	897,840
Total Cost New Estimate	\$240,827	\$30,825,840

This estimate has been rounded to \$30,825,840 . It should be noted that although the data used to compile this estimate are generally reliable, they provide only a rough indication of what the development cost may be. Individuals who require an accurate cost estimate should retain the services of a professional construction cost estimator.

Personal Property

In a hotel, the personal property comprises the portion of the overall FF&E that is not permanently affixed to the structure, primarily furniture and non-affixed equipment, as well as the inventories in place at the subject property as of the date of value. USPAP defines personal property as “identifiable tangible objects that are considered by the general public as being ‘personal’—for example, furnishings, artwork, antiques, gems and jewelry, collectibles, machinery, and equipment; all tangible property that is not classified as real estate.”¹⁶

Based on our review of hotel’s FF&E replacement cost data provided by Jonathan Nehmer & Associates, as well as the *HVS Development Cost Survey*, we have estimated the per-room replacement cost of the hotel’s FF&E to equal \$23,000 per room. Because FF&E includes items permanently affixed to the property, we have applied a percentage to the FF&E estimate to arrive at an estimate of the personal property. For the subject property, we have estimated the per-room replacement cost of the personal property at \$13,800, for a total of \$1,766,400, which is 60% of the estimated cost of the hotel’s FF&E. This ratio is within the typical range of 55% to 60% of the total FF&E cost for a limited-service hotel such as the subject property.

In accordance with the Uniform Standards of Professional Appraisal Practice (USPAP), we have delineated the market value of the subject hotel’s personal property. Most furnishings in a hotel can command little more than a salvage value substantially lower than the original cost when sold separately from the improvements. Personal property has been valued based on the depreciated replacement cost of the FF&E. Personal property is an integral part of a transient lodging facility.

The allocation of a portion of the overall hotel’s value to the personal property is not explicitly considered by hotel investors in making their pricing decisions. Lodging facilities are usually sold with their personal property in place. In a transaction, any operating supplies or inventories are negotiated as part of the closing statement adjustments.

The following table sets forth a straight-line depreciation schedule used to estimate the market value or “value in use” of a hotel’s personal property. The depreciation estimates represent the average depreciation applicable to the entirety of a hotel’s personal property. Based on the observed effective age of the personal property, we have applied an appropriate depreciation ratio to the subject hotel’s personal property.

¹⁶ The Appraisal Foundation, *Uniform Standards of Professional Appraisal Practice*, 2020–2021 ed.

FIGURE 11-6 PERSONAL PROPERTY DEPRECIATION SCHEDULE

<u>Average Age (Years)</u>	<u>Percent Depreciated</u>
1	10 %
2	20
3	30
4	40
5	50
6	60
7	70
8	80
9	90
10	99

Source: HVS

We have estimated the total replacement cost, depreciation, and value of the personal property currently in place, as shown in the following table.

FIGURE 11-7 PERSONAL PROPERTY VALUE OPINION

	<u>As Is</u>	<u>When Stabilized</u>
Replacement Cost Total FF&E Per Room	\$23,000	
x Personal Property % of Total FF&E	60%	
Replacement Cost New Per Room	\$13,800	\$14,600
Number of Rooms	<u>128</u>	<u>128</u>
Total Replacement Cost	\$1,766,400	\$1,868,800
Economic Life	10	10
Effective Age	1	3
Depreciation Factor	<u>10.0%</u>	<u>30.0%</u>
Physical Depreciation	<u>\$177,000</u>	<u>\$561,000</u>
Value Remaining	\$1,589,400	\$1,307,800
Rounded	\$1,590,000	\$1,310,000

Replacement Cost for Insurance Purposes

At the client's request, we have estimated the replacement cost for the subject property's building and contents for insurance purposes. One of the nationally recognized authorities on replacement cost information is Marshall & Swift, and HVS uses the Commercial Estimator computer software program produced by

Marshall & Swift. As defined by Marshall & Swift, the replacement cost of a building is the total cost of construction required to replace the subject building with a substitute of like or equal utility using current standards of materials and design. These costs include labor, materials, supervision, contractors' profit and overhead, architects' plans and specifications, sales taxes, and insurance. The Marshall & Swift costs also contain the normal interest on the actual building funds during period of construction; normal site preparation including the excavation and grading for foundation, as well as backfill for the structure only and the finish of foundation; and utilities from structure to lot line figured for typical setback. Although generally reliable, the data used to compile this estimate provide only a rough indication of what the replacement cost of the property may be.

For the purpose of developing a replacement cost estimate using the Marshall & Swift Commercial Estimator program, the building has been classified as a Class D, Rank 5 hotel structure. Based on information obtained from the subject property's ownership or management, the total area of the building is estimated to be 71,937 square feet. The following chart reflects the summary of the Marshall & Swift estimate.

FIGURE 11-8 MARSHALL & SWIFT ESTIMATE

Date of Query:	May 9, 2025
Occupancy:	limited-service
Class:	Class D
Height (Feet):	10
Rank:	5
Total Area (Square Feet):	71,937
Number of Stories (Section):	4
Number of Elevators:	2
Shape:	2
Number of Rooms:	128

Basic Structure	Unit	Cost Per SF	Total
Base Cost	71,937	\$163.37	\$11,752,348
Exterior Walls	71,937	43.36	3,119,188
Heating & Cooling	71,937	10.93	786,271
Elevator(s)	71,937	7.47	537,489
Sprinklers	71,937	5.65	406,444
Total Cost:			\$16,601,740
Rounded to:			\$16,600,000
Per Room:			\$129,700

The replacement cost for insurance purposes includes the replacement cost of all FF&E, including the previously estimated personal property, as well as those items affixed to the hotel structure. Our estimate of the total replacement cost of the FF&E is \$23,000 per room, for a total of \$2,944,000.

For the purpose of estimating replacement cost for insurance purposes, only hard or direct construction costs should be reflected; therefore, certain exclusions need to be taken into consideration. An adjustment for exclusions is made to account for the portion of the construction which is not covered by a policy but which is included in the Marshall & Swift replacement cost estimate. Exclusions typically constitute 5.0% to 10.0% of the replacement cost and include items such as landscaping, parking, other yard improvements, and the foundation or sub-structure. In this analysis, a 10.0% adjustment was made to the replacement cost of the hotel to account for these exclusions. The estimated replacement cost of the personal property is then added to the adjusted replacement cost of the building.

Our opinion of the replacement cost for insurance purposes is presented in the following table.

FIGURE 11-9 ESTIMATE OF REPLACEMENT COST FOR INSURANCE PURPOSES

Replacement Cost of Building:	\$16,600,000
Less Exclusions (10%)	1,660,000
Insurable Value of Structures	\$14,940,000
Plus Furniture, Fixtures, & Equipment	\$2,944,000
Total Insurable Value:	\$17,884,000
Rounded to:	\$17,900,000
Per Room:	\$139,800

This analysis should not be relied upon to determine actual insurance coverage, which can be properly estimated only by consultants considered experts in cost estimation and insurance underwriting. It is provided to aid in the overall decision-making process of the client/reader/user, and no representations or warranties are made by HVS regarding the accuracy of this estimate. We strongly recommend that other sources be utilized when considering replacement costs and property insurance estimates.

12. Reconciliation of Value Indications

The reconciliation, which is the last step in the appraisal process, involves summarizing and correlating the data and procedures employed throughout the analysis. The final value conclusion is arrived at after reviewing the estimates indicated by the income capitalization and sales comparison approaches. The relative significance, applicability, and defensibility of each indicated value are considered, and the greatest weight is given to that approach deemed most appropriate for the property being appraised.

The purpose of this report is to estimate the market value of the fee simple interest in the subject property; our appraisal involves a careful analysis of the property itself and the economic, demographic, political, physical, and environmental factors that influence real estate values.

Income Capitalization Approach

To estimate the subject property's value via the income capitalization approach, we have analyzed the local market for transient accommodations, examined the competitive environment, projected the occupancy and ADR levels, and developed a forecast of revenue and expense that reflects anticipated income trends through a stabilized year of operation. Through a DCF analysis, the subject property's value was determined. We reconciled the value indication via the income capitalization approach to \$32,000,000, or \$250,000 per room.

Our nationwide experience indicates that the procedures used in estimating market value by the income capitalization approach are comparable to those employed by the hotel investors who constitute the marketplace. For this reason, we believe that the income capitalization approach produces the most supportable value estimate; thus, it has been given the greatest weight in our final estimate of the subject property's market value.

Sales Comparison Approach

The sales comparison approach uses actual sales of similar properties to provide an indication of the subject property's value. Although we have investigated a number of sales in an attempt to develop a range of value indications, several adjustments are necessary to render these sales prices applicable to the subject property. The adjustments, which tend to be subjective, diminish the reliability of the sales comparison approach; furthermore, typical hotel investors employ a sales comparison procedure only to establish broad value parameters.

The hotel sales outlined earlier in this report indicate an adjusted value range of \$208,000 to \$265,000 per available room. Our opinion of value is \$243,000 per

room based on the sales comparison approach. The income capitalization approach indicates a per-room value of \$250,000 (rounded). This information supports the value indicated by the income capitalization approach.

Cost Approach

As discussed in the Cost Approach Chapter, this methodology is applicable for the valuation of the subject property given its recent construction; thus, it has been heavily considered in our reconciliation process. The value via the cost approach equates to 7.1 (rounded).

Value Conclusion

Careful consideration has been given to the strengths and weaknesses of the three approaches to value discussed above. In recognition of the motivations of typical market participants, we have given primary weight to the value indicated by the income capitalization approach.

Based on our analysis, we have concluded to the following opinions of market value:

	As Is	When Stabilized
Date of Value	May 9, 2025	June 1, 2027
Exposure Time (Months)	4 to 9	3 to 7
Real Property Value	\$30,410,000	\$33,390,000
Personal Property Value	1,590,000	1,310,000
Intangible Property Value	0	0
Reconciled Value	\$32,000,000	\$34,700,000
Reconciled Value per Key	250,000	271,000
Replacement Cost for Insurance Purposes	\$17,900,000	N/A
Interest Appraised	Fee Simple	Fee Simple

The estimates of market value include the land (if applicable), the improvements, and the FF&E. The appraisal assumes that the hotel is open and operational.

We have made no extraordinary assumptions specific to the subject property. However, several important general assumptions have been made that apply to this report. These aspects are set forth in the Assumptions and Limiting Conditions chapter of this report.

In regard to the stabilized value, we assume that the subject property's operations have stabilized by the stated stabilization date and that all of the projections and assumptions used in this appraisal, such as the occupancy, average rate, inflation

forecast, and our forecast of income and expense, hold true. As of the prospective date of stabilization, our opinion of the market value of the subject property assumes that the hotel will be maintained in good competitive condition and that no major changes will have occurred in the local market or the national economy that would have affected the performance of the property by that date.

Components of Value

USPAP requires the appraiser to “identify any personal property, trade fixtures, or intangible items that are not real property but are included in the appraisal” and “to analyze the effect on value of such non-real property items.”¹⁷ The estimates of market value include the land, improvements, and personal property. The appraisal assumes that the hotel is open and operational.

Hotels comprise three primary components: the real property (land and improvements), personal property, and intangible property. Real property is defined as “the interests, benefits, and rights inherent in the ownership of real estate (land and improvements).”¹⁸ Personal property is defined as “identifiable tangible objects that are considered by the general public as being ‘personal’—for example, furnishings, artwork, antiques, gems and jewelry, collectibles, machinery, and equipment; all tangible property that is not classified as real estate.”¹⁹

The personal property consists of the FF&E and the inventories in place at the subject property as of the date of value. Personal property is an integral part of a transient lodging facility. The allocation of a portion of the overall hotel’s value to the personal property is not explicitly considered by hotel investors in making their pricing decisions. Lodging facilities are usually sold with their personal property in place. In accordance with USPAP, we have delineated the market value of the subject hotel’s personal property. Most furnishings in a hotel can command little more than a salvage value substantially lower than the original cost when sold separately from the improvements. Personal property has been valued based on its depreciated replacement cost.

USPAP defines intangible property as “nonphysical assets, including but not limited to franchises, trademarks, patents, copyrights, goodwill, equities, securities, and contracts as distinguished from physical assets such as facilities and equipment.”²⁰ All value attributable to the intangible property has been removed with the assumed expense of a management fee and a franchise fee (if applicable) in the valuation process.

¹⁷ Ibid.

¹⁸ Ibid.

¹⁹ Ibid.

²⁰ Ibid.

Our concluded opinions regarding market value include the value of the real property (land and improvements) and the value of the personal property only, with the allocations shown in the previous table.

13. Statement of Assumptions and Limiting Conditions

1. This report was prepared during a period of significant uncertainty related to multiple changes in U.S. policies that have affected both the U.S. and global economies. Please see the Macro Considerations discussion in the Nature of the Assignment section for an overview of these issues and their impact. In preparing our findings, we have considered current market perspectives and information available as of the effective date of this report. Any subsequent change to these perspectives or information could affect the analysis presented herein.
2. This report is to be used in whole and not in part; furthermore, all statements of assumptions and limiting conditions apply to the entire report, including any additional forms or addenda items presented.
3. No responsibility is assumed for matters of a legal nature, nor do we render any opinion as to title, which is assumed marketable and free of any deed restrictions and easements; the property is valued as free and clear unless otherwise stated.
4. We assume that there are no hidden or unapparent conditions of the sub-soil or structures, such as underground storage tanks, that would render the property more or less valuable. No responsibility is assumed for these conditions or for any engineering that may be required to discover them.
5. We have not considered the presence of potentially hazardous materials such as asbestos, urea-formaldehyde foam insulation, any form of toxic waste, polychlorinated biphenyls (PCBs), pesticides, mold, or lead-based paints. We are not qualified to detect hazardous substances and urge the client to retain an expert in this field if desired.
6. The Americans with Disabilities Act (ADA) became effective on January 26, 1992. We have conducted no specific compliance survey to determine whether the subject property has been designed in accordance with the various detailed requirements of the ADA. It is possible that the design does not conform to the requirements of the act, and this could have an unfavorable effect on value. Because we have no direct evidence regarding this issue, our estimate of value does not consider possible non-compliance with the ADA.
7. We have made no survey of the property, and we assume no responsibility in connection with such matters. Sketches, photographs, maps, and other exhibits are included to assist the reader in visualizing the property. It is

assumed that the use of the described real estate is within the boundaries of the property described and that there is no encroachment or trespass unless noted.

8. All information, financial operating statements, estimates, and opinions obtained from parties not employed by TS Worldwide, LLC, are assumed true and correct. We can assume no liability resulting from misinformation.
9. Unless noted, we assume that there are no encroachments, zoning violations, or building violations encumbering the subject property.
10. The property is assumed to be in full compliance with all applicable federal, state, local, and private codes, laws, consents, licenses, and regulations (including the appropriate liquor license if applicable), and that all licenses, permits, certificates, franchises, and so forth can be freely renewed or transferred to a purchaser.
11. All mortgages, liens, encumbrances, leases, and servitudes have been disregarded unless specified otherwise.
12. Transfer taxes are assessed in certain jurisdictions. In most cases, the payment of these taxes is determined between the seller and the buyer as a part of the negotiations (closing costs may also be negotiated). Thus, the sales price and other metrics indicated by the market data, such as capitalization and discount rates, reflect the impact of these factors. By considering market metrics, the influence of any transfer taxes or other closing costs has been incorporated in our estimate of market value.
13. None of this material may be reproduced in any form without our written permission, and the report cannot be disseminated to the public through advertising, public relations, news, sales, or other media.
14. We are not required to give testimony or attendance in court because of this analysis without previous arrangements and shall do so only when our standard per-diem fees and travel costs have been paid prior to the appearance.
15. If the reader is making a fiduciary or individual investment decision and has any questions concerning the material presented in this report, it is recommended that the reader contact us.
16. We take no responsibility for any events or circumstances that take place subsequent to either the date of value or the date of our field inspection, whichever occurs first.
17. The quality of a lodging facility's onsite management has a direct effect on a property's economic viability and value. The financial forecasts presented in this analysis assume responsible ownership and competent management.

Any departure from this assumption may have a significant impact on the projected operating results and the value estimate.

18. The financial analysis presented in this report is based upon assumptions, estimates, and evaluations of the market conditions in the local and national economy, which may be subject to sharp rises and declines. Over the projection period considered in our analysis, wages and other operating expenses may increase or decrease because of market volatility and economic forces outside the control of the hotel's management. We assume that the price of hotel rooms, food, beverages, and other sources of revenue to the hotel will be adjusted to offset any increases or decreases in related costs. We do not warrant that our estimates will be attained, but they have been developed based upon information obtained during the course of our market research and are intended to reflect the expectations of a typical hotel buyer as of the stated date(s) of valuation.
19. This analysis assumes continuation of all Internal Revenue Service tax code provisions as stated or interpreted on either the date of value or the date of our field inspection, whichever occurs first.
20. Many of the figures presented in this report were generated using sophisticated computer models that make calculations based on numbers carried out internally to many decimal places. In the interest of simplicity, most numbers have been rounded to the nearest tenth of a percent; thus, these figures may be subject to small rounding errors.
21. It is agreed that our liability to the client is limited to the amount of the fee paid as liquidated damages. Our responsibility is limited to the client; the use of this report by third parties shall be solely at the risk of the client and/or third parties. The use of this report is also subject to the terms and conditions set forth in our engagement letter with the client.
22. Although this analysis employs various mathematical calculations to provide value indications, the final estimate is subjective and may be influenced by our experience and other factors not specifically set forth in this report.
23. Any distribution of the total value between the land and improvements or between partial ownership interests applies only to the stated use. Moreover, separate allocations between components are not valid if this report is used in conjunction with any other analysis.
24. Our report has been prepared in accordance with, and is subject to, the requirements of the Financial Institutions Reform, Recovery, and Enforcement Act (FIRREA) and the Uniform Standards of Professional Practice (USPAP), as provided by the Appraisal Foundation.

25. This study was prepared by TS Worldwide, LLC. All opinions, recommendations, and conclusions expressed during the course of this assignment are rendered by our staff as company employees, rather than as individuals.

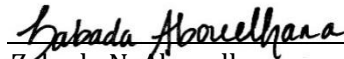
14. Certification

The undersigned hereby certify that, to the best of our knowledge and belief:

1. the statements of fact presented in this report are true and correct;
2. the reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial, and unbiased professional analyses, opinions, and conclusions;
3. we have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved;
4. we have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
5. our engagement in this assignment was not contingent upon developing or reporting predetermined results;
6. our compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal;
7. our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice (USPAP);
8. Trey K. Osadchey inspected the subject property on May 9, 2025; Zabada N. Abouelhana participated in the analysis and reviewed the findings, but did not personally inspect the property;
9. Trey Osadchey provided significant real property appraisal assistance to Zabada N. Abouelhana, and that no one other than those listed above (and the undersigned) prepared the analyses, conclusions, and opinions concerning the real estate that are set forth in this appraisal report;
10. Zabada N. Abouelhana has performed one market study on the property that is the subject of this report within the three-year period immediately preceding acceptance of this assignment;
11. the reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the Code

of Professional Ethics and the Standards of Professional Appraisal Practice of the Appraisal Institute;

12. the use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives; and
13. as of the date of this report, Zabada N. Abouelhana has completed the Standards and Ethics Education Requirements for Associate Members of the Appraisal Institute.



Zabada N. Abouelhana

Senior Director, Leader, Phoenix & Salt Lake City Offices

TS Worldwide, LLC

State Appraiser License (AZ) CGA-1029478

Zabada Abouelhana

EMPLOYMENT

2019 to present	<p>HVS CONSULTING AND VALUATION SERVICES <i>Senior Director, Leader of HVS Phoenix and Salt Lake City Offices</i> Phoenix, Arizona—December 2022 to present Dubai, United Arab Emirates—July 2022 to December 2022 Phoenix, Arizona—September 2021 to July 2022 Saint Louis, Missouri—June 2019 to September 2021</p>
2018–2019	<p>YOSEMITE HOSPITALITY, SUBSIDIARY OF ARAMARK Yosemite National Park, California</p>
2014–2018	<p>ATHENA SERVICES COMMERCIAL CLEANING St. Louis, Missouri</p>
2015–2017	<p>SCHOOL OF HOTEL ADMINISTRATION COMMUNICATION CENTER Ithaca, New York</p>
2015	<p>LODGING HOSPITALITY MANAGEMENT St. Louis, Missouri</p>
2014–2017	<p>THE STATLER HOTEL AT CORNELL UNIVERSITY Ithaca, New York</p>

EDUCATION AND OTHER TRAINING

BS – School of Hotel Administration, Cornell University

Other Specialized Training Classes Completed:

- Uniform Standards of Professional Appraisal Practice
- Basic Appraisal Principles
- Basic Appraisal Procedures
- General Appraiser Income Approach (Parts I and II)
- General Appraiser Market Analysis and HBU
- General Appraiser Site Valuation and Cost Approach
- Real Estate Finance, Statistics, and Valuation Modeling
- General Appraiser Report Writing and Case Studies
- General Appraiser Sales Comparison Approach
- Expert Witness for Commercial Appraisers

EDUCATION (CONT'D)

Commercial Appraisal Review
 Advanced Income Capitalization Approach
 Advanced Market Analysis and Highest & Best Use

**PROFESSIONAL
AFFILIATIONS**

Cornell Hotel Society

STATE CERTIFICATIONS

Arizona, California, Nevada, New Mexico, Utah

PUBLISHED ARTICLES

<i>HVS Journal</i>	"HVS Takeaways – The Lodging Conference," co-authored with Luigi Major, MAI, October 2024
<i>HVS Journal</i>	"Phoenix, AZ: A Decade of Investor Confidence Pays Off," co-authored with McKenna Luke, September 2023
<i>TREND Report</i>	"Tucson's Hotel Industry: Recovered and Evolving," August 2023
<i>LinkedIn Article</i>	"A Super, Super Bowl LVII in the Valley," March 2023
<i>HVS Journal</i>	"Saudi Arabia's Tourism Landscape – Establishing a Vision," co-authored with Ahmad Yousry Elbeheiry, November 2022
<i>HVS Journal</i>	"2022 Future Hospitality Summit (FHS) Key Takeaways," September 2022
<i>TREND Report</i>	"Tucson Emerges Strongly from Pandemic, Outlook is Optimistic," June 2022
<i>HVS Journal</i>	"COVID-19's Impact on the Greater Kansas City Lodging Market," co-authored with Daniel McCoy and Sara Olson, July 2021
<i>HVS Journal</i>	"COVID-19's Impact on the St. Louis Lodging Market," co-authored with Daniel McCoy, January 2021

EXAMPLES OF PROPERTIES APPRAISED OR EVALUATED

ARIZONA

Phoenix

Arizona Grand Resort, Phoenix
 Arizona Biltmore, Phoenix
 Best Western Plus InnSuites, Phoenix
 Budget Lodge of Phoenix, Phoenix
 Cambria Downtown, Phoenix
 Courtyard by Marriott North, Phoenix
 Crowne Plaza Phoenix Airport, Phoenix
 Days Inn Phoenix Airport, Phoenix
 Drury Inn & Suites Phoenix Happy Valley, Phoenix
 Econo Lodge/Rodeway Inn Phoenix North I-17, Phoenix
 Extend-a-Suites Phoenix Airport Arizona, Phoenix
 Extend-a-Suites Phoenix Metro, Phoenix
 Fairfield Inn Airport, Phoenix
 Hilton Phoenix Airport, Phoenix
 Holiday Inn & Suites Phoenix Airport North, Phoenix
 Holiday Inn Express Phoenix Airport North, Phoenix
 Home2 Suites by Hilton Phoenix Airport North, Phoenix
 Homewood Suites by Hilton Phoenix-Biltmore, Phoenix
 JW Marriott Desert Ridge, Phoenix
 Knights Inn Fairground, Phoenix
 La Quinta Inn Phoenix Thomas Road, Phoenix
 Paradise Motel, Phoenix
 Proposed Curio Collection by Hilton Downtown, Phoenix
 Proposed Dual-Brand AC by Marriott and Element by Westin, Phoenix
 Proposed Meritage Collection Hotel Downtown, Phoenix
 Proposed Residence Inn by Marriott, Phoenix
 Sleep Inn North I-17, Phoenix
 Sheraton Crescent (Closed), Phoenix

SpringHill Suites by Marriott Phoenix North, Phoenix
 TownePlace Suites by Marriott Phoenix North, Phoenix
 WoodSpring Suites Phoenix Deer Valley, Phoenix

Scottsdale/Paradise Valley

Proposed Fountain Hills Resort, Fountain Hills
 DoubleTree by Hilton, Paradise Valley
 Mountain Shadows Resort, Paradise Valley
 Proposed SmokeTree Resort, Paradise Valley
 Bespoke Inn, Scottsdale
 Element Scottsdale at Skysong, Scottsdale
 Fairmont Scottsdale Princess, Scottsdale
 Four Seasons Scottsdale at Troon North, Scottsdale
 Home2 Suites by Hilton, Scottsdale
 La Quinta Inn & Suites by Wyndham, Scottsdale
 Residence Inn by Marriott Salt River, Scottsdale
 Scottsdale Plaza Resort, Scottsdale
 Scottsdale Resort at McCormick Ranch, Scottsdale
 Proposed Fairfield DC Ranch, Scottsdale
 Proposed Holiday Inn Sierra Bloom, Scottsdale
 Proposed Old Town Hotel, Scottsdale
 Proposed Museum Square Hotel, Scottsdale
 Proposed Reverb by Hard Rock, Scottsdale
 Proposed Signia at Talking Stick, Scottsdale

East Valley of Phoenix

Extended Stay America East Chandler Boulevard, Chandler
 Extended Stay America Phoenix, Chandler

Hampton by Hilton Phoenix Chandler, Chandler
 Homewood Suites by Hilton Phoenix Chandler, Chandler
 Residence Inn by Marriott Phoenix Chandler Fashion Center, Chandler
 SpringHill Suites by Marriott Phoenix Chandler, Chandler
 Proposed Everhome Suites, Chandler
 Proposed Upscale/Upper-Upscale Hotel, Chandler
 Proposed WoodSpring Suites (Cooper/Germann), Chandler
 Proposed WoodSpring Suites (Price/Willis), Chandler
 TownePlace Suites Phoenix Chandler/Fashion Center, Chandler
 Proposed Hotel near Gilbert Heritage District, Gilbert
 Proposed Hotel near San Tan Village, Gilbert
 Proposed Homewood Suites by Hilton, Gilbert
 Courtyard by Marriott, Mesa
 East Mesa Inn, Mesa
 Extend-a-Suites Mesa, Mesa
 Motel 6 Mesa North, Mesa
 Proposed Cambria, Mesa
 Proposed Candlewood Suites at Crismon Commons, Mesa
 Proposed Downtown Hotel, Mesa
 Proposed Dual-Branded Sleep Inn/MainStay Suites, Mesa
 Proposed Everhome Suites, Mesa
 Proposed Homewood Suites and Tempo by Hilton, Mesa
 Proposed Phoenix Mesa Gateway Airport Hotel, Mesa
 Proposed StudioRes by Marriott, Mesa
 Proposed Homewood Suites by Hilton, Queen Creek
 AC Hotel by Marriott, Tempe
 Comfort Inn & Suites Conversion to City Express, Tempe
 Extend-a-Suites, Tempe
 Hampton by Hilton Phoenix Tempe, Tempe

La Quinta Inn Phoenix Sky Harbor Airport, Tempe
 Moxy Phoenix Tempe/ASU Area, Tempe
 Proposed Hilton, Tempe
 Proposed Hyatt-Branded Hotel, Tempe
 Proposed South Pier at Tempe Town Lake, Tempe
 Tempe Mission Palms Hotel and Conference Center, Tempe
 Westin, Tempe

West Valley of Phoenix

Proposed Atwell Suites, Avondale
 Proposed avid by IHG, Avondale
 Proposed SpringHill Suites by Marriott, Avondale
 Home2 Suites by Hilton, Buckeye
 Proposed Dual-Branded TownePlace Suites and Fairfield by Marriott, Buckeye
 Proposed Downtown Historic Hotel, Glendale
 Proposed Hotel, Glendale
 Proposed Moxy, Glendale
 Proposed AC by Marriott, Goodyear
 Proposed Dual-Brand Homewood Suites and Hilton Garden Inn, Goodyear
 Proposed Hotel, Peoria
 Proposed and Existing WoodSpring Suites, Tolleson

Northern Arizona

Proposed TownePlace Suites, Anthem
 Proposed SpringHill Suites, Bullhead City
 Proposed Fairfield Inn & Suites, Bullhead City
 Proposed TownePlace Suites and Fairfield by Marriott, Camp Verde
 Verde Valley Inn, Cottonwood
 Bespoke Inn, Flagstaff
 Drury Inn & Suites, Flagstaff
 Embassy Suites by Hilton, Flagstaff

Proposed Dual-Branded Home2 Suites by Hilton and Tru by Hilton, Flagstaff
 Proposed TownePlace Suites, Flagstaff Motel 6, Holbrook
 Hampton by Hilton, Kayenta
 Rodeway Inn, Kingman
 Antelope Canyon Inn, Page
 Quality Inn & Suites, Page
 Proposed Home2 Suites, Payson
 Quality Inn, Pinetop
 Proposed Home2 Suites by Hilton, Prescott Valley
 Proposed Rancho Almasomos Resort, Rimrock
 Hampton by Hilton, Sedona
 Inn Above Oak Creek, Sedona
 Proposed Upscale Resort, Sedona
 Proposed Viewpoint Hotel, Sedona
 Best Western Paint Pony Lodge, Show Low

Days Inn, Show Low
 Holiday Inn Express, Show Low
 America's Best Value Inn, Williams
 Holiday Inn Express, Williams
 Motel 6 Conversion to Clarion Pointe, Williams
 Motel 6 Conversion to Ascend Collection, Williams
 Motel 6 Conversion to Four Points by Sheraton, Williams
 Motel 6 Williams West, Williams
 Rodeway Inn, Williams
 Red Roof Inn Conversion to Trailborn, Williams

Southern Arizona

Copper Queen Hotel, Bisbee
 Gym Club Suites, Bisbee
 Proposed Residence Inn by Marriott, Casa Grande
 Proposed Sunshine Industrial Hotel, Eloy
 Super 8, Quartzsite
 Safford Inn & Suites Conversion to Days Inn & Suites, Safford
 Aloft Tucson University, Tucson

Embassy Suites by Hilton Tucson East, Tucson
 Graduate Hotel, Tucson
 Hampton Inn & Suites Tucson East Williams Center, Tucson
 Hampton Inn & Suites Tucson Tech Park, Tucson
 JW Marriott Starr Pass Resort & Spa, Tucson
 La Posada Lodge & Casitas, Ascend Collection, Tucson
 Loews Ventana Canyon Resort, Tucson
 Marriott University Park, Tucson
 Proposed Hotel Arizona, Tucson
 Proposed Independent Boutique Hotel, Tucson
 Proposed MyPlace Cortaro, Tucson
 Proposed SpringHill Suites, Tucson
 Quality Inn Airport Tucson, Tucson
 Days Inn, Willcox
 Best Western Yuma Mall Hotel & Suites, Yuma
 Motel 6 Yuma East, Yuma
 Proposed La Quinta Inn & Suites by Wyndham, Yuma

ARKANSAS

Super 8 West Memphis, West Memphis

CALIFORNIA

Hilton Garden Inn, Bakersfield
 Vagabond Inn, Bishop
 Hyatt House, Carlsbad
 Palihotel, Culver City
 Proposed Residence Inn by Marriott, El Centro
 Hilton Garden Inn, Folsom
 Proposed Yosemite Resort, Groveland
 Paséa Hotel & Spa, Huntington Beach
 AC Hotel by Marriott, Irvine
 DoubleTree by Hilton Spectrum, Irvine
 Hilton Torrey Pines, La Jolla
 Motel 6, Mammoth Lakes
 Proposed Condominium Hotel, Mammoth Lakes
 Travelodge, Mammoth Lakes
 Proposed Tru by Hilton, Oxnard

Proposed Dual-Branded Candlewood Suites and avid, Perris
 Hilton Garden Inn, Roseville
 Beach Retreat & Lodge, South Lake Tahoe
 Brevia Inn, Stockton
 Proposed Hotel, Truckee
 El Dorado Motel, Twain Harte
 CoHo Cottages, Willow Creek
 China Creek Cottages, Willow Creek

FLORIDA

America's Best Inn & Suites Lakeland, Lakeland
 Sea Dell Motel, Marathon

GEORGIA

Proposed Embassy Suites Halcyon Village, Alpharetta
 Proposed Hilton Garden Inn Griffin, Griffin
 Comfort Inn & Suites Suwanee
 Sugarloaf, Suwanee

IDAHO

Proposed Boutique Hotel, Caldwell
 Proposed Appellation Sun Valley Hotel & Condos, Ketchum
 Rodeway Inn & Suites, Nampa

ILLINOIS

Wingate Arlington Heights, Arlington Heights
 Holiday Inn Aurora North- Naperville, Aurora
 Econo Lodge Inn & Suites
 Bloomington, Bloomington
 Holiday Inn Carbondale Conference Center, Carbondale
 Super 8, Carbondale
 Hyatt Place Champaign Urbana, Champaign
 Embassy Suites Downtown, Chicago
 Hilton Garden Inn Magnificent Mile, Chicago
 Imperial Motel Chicago, Chicago
 Econo Lodge, Effingham

America's Best Value Inn, Galesburg
 Proposed Highland Hotel, Highland
 Fairfield by Marriott Marion, Marion
 Holiday Inn Express Marion, Marion
 Proposed TownePlace Suites, Marion
 Best Western Plus, Olney
 State House Inn a Red Collection Hotel, Springfield
 Baymont Inn & Suites, Metropolis
 Super 8, Peoria

INDIANA

SureStay Plus Hotel Evansville, Evansville
 La Quinta Inn & Suites, Frankfort
 Big Splash Adventure, French Lick
 Fairfield by Marriott Indianapolis
 Noblesville, Noblesville
 Fairfield Inn by Marriott Princeton, Princeton

IOWA

Baymont by Wyndham Keokuk, Keokuk
 Super 8 Manchester, Manchester

KANSAS

Rest-Full Inn Coffeyville, Coffeyville
 La Quinta Inn & Suites, Dodge City
 Clarion Hotel & Suites Wichita, Wichita
 Proposed TownePlace Suites by Marriott, Wichita

KENTUCKY

Hyatt Place, Bowling Green
 Proposed Residence Inn, Louisville
 Red Roof Inn Louisville Expo Airport, Louisville
 Super 8, Owensboro

MISSISSIPPI

Proposed Tru by Hilton, Southaven

MISSOURI

WoodSpring Suites Saint Louis Arnold, Arnold

La Quinta Inn & Suites Blue Springs, Blue Springs
 Angel Inn by the Strip, Branson
 Brick House Branson, Branson
 Scenic Hills Inn, Branson
 Willow Tree Inn and RV Park, Branson
 St. Louis Rodeway, Bridgeton
 Drury Plaza Hotel Chesterfield Saint Louis, Chesterfield
 Homewood Suites by Hilton St Louis Chesterfield, Chesterfield
 Hyatt Place St. Louis Chesterfield, Chesterfield
 Proposed AC Chesterfield, Chesterfield
 Proposed Residence Inn Chesterfield, Chesterfield
 Hampton by Hilton Columbia, Columbia
 Holiday Inn Columbia East, Columbia
 Holiday Inn Express & Suites St. Louis West Fenton, Fenton
 Super 8 by Wyndham Hannibal, Hannibal
 Baymont by Wyndham Hazelwood, Hazelwood
 Four Points by Sheraton Kansas City Sports Complex, Kansas City
 Hilton President Kansas City, Kansas City
 InterContinental Kansas City at the Plaza, Kansas City
 Baymont by Wyndham Kirksville University Area, Kirksville
 Hampton Inn, Kirksville
 Holiday Inn Express & Suites Kansas City, Lee's Summit
 TownePlace Suites, Liberty
 Hampton Inn Saint Louis Westport, Maryland Heights
 Hampton Inn St Louis/St Charles, Saint Charles
 WoodSpring Suites St Louis St Charles, Saint Charles
 Fairfield by Marriott Saint Louis Westport, Saint Louis
 Hilton Saint Louis at the Ballpark, Saint Louis

Holiday Inn Saint Louis Creve Coeur, Saint Louis
 Hotel Angad, St. Louis
 Hotel Indigo St Louis Downtown, Saint Louis
 Le Méridien Saint Louis Clayton, Saint Louis
 Marriott Saint Louis Airport, Saint Louis
 Proposed Aloft Hotel Saint Louis, Saint Louis
 Proposed Element Hotel Saint Louis, Saint Louis
 Fairfield Inn & Suites Downtown, Saint Louis
 Proposed Hotel, Saint Louis
 Sheraton Clayton Plaza, Saint Louis
 Candlewood Suites, Saint Robert
 Comfort Inn Fort Leonard Wood, Saint Robert
 Fairfield by Marriott Fort Leonard Wood, Saint Robert
 Hampton by Hilton Fort Leonard Wood, Saint Robert
 MainStay Suites, Saint Robert
 Proposed Holiday Inn Express, St Peters
 Hampton Inn Sikeston, Sikeston
 Super 8 Warrensburg, Warrensburg

MONTANA

Proposed EVEN Hotel, Belgrade
 Proposed Artistree Resort, Darby
 Rails Inn Motel, Forsyth
 Dreamcatcher Tipi Hotel, Gardiner
 Shilo Inn, Helena
 Duck Inn Lodge, Whitefish

NEBRASKA

Super 8 O'Neill, O'Neill

NEW MEXICO

Comfort Suites North Albuquerque
 Balloon Fiesta Park, Albuquerque
 Hampton Inn & Suites, Albuquerque
 Embassy Suites by Hilton, Albuquerque

Candlewood Suites, Carlsbad
 Farmington Inn, Farmington
 Sleep Inn, Gallup
 Extended Stay America Albuquerque, Rio Rancho
 Comfort Inn & Suites, Socorro

NEVADA

Wingate by Wyndham, Elko
 Comfort Suites, Fernley
 Homewood Suites by Hilton South Las Vegas, Henderson
 Baymont Inn & Suites Las Vegas South Strip, Las Vegas
 Dual-Brand Home2 Suites and Hampton Inn & Suites by Hilton Las Vegas Convention Center, Las Vegas
 Extended Stay America Midtown, Las Vegas
 Motel 6 Tropicana, Las Vegas
 Proposed WoodSpring Suites North, Las Vegas
 Proposed Element by Marriott, Las Vegas
 Proposed King David Hotel, Las Vegas
 Holiday Inn Express Hotel & Suites, Mesquite
 Proposed WoodSpring Suites, Pahrump
 Proposed WoodSpring Suites, Paradise
 Econo Lodge & Suites, Winnemucca
 Fairfield Inn & Suites by Marriott, Winnemucca

NORTH DAKOTA

Days Inn by Wyndham, Bismarck
 Roosevelt Grand Dakota Hotel BW Signature, Dickinson
 Hyatt House Minot, Minot

OHIO

Baymont Inn & Suites Wright Patterson, Fairborn
 Magnuson Hotel Fairborn, Fairborn

OREGON

Proposed Boutique Hotel, Corvallis

Ritz-Carlton Hotel and Residences, Portland

PENNSYLVANIA

Microtel Inn & Suites Conversion to Sleep Inn & Suites, Clarion
 Red Roof Inn Harrisburg Hershey, Harrisburg
 Red Roof Inn Harrisburg North, Harrisburg
 Holiday Inn Express Johnstown, Johnstown
 Holiday Inn Johnstown Downtown, Johnstown
 Days Inn Somerset, Somerset
 Proposed State College Hotel, State College

SOUTH DAKOTA

Crossroads Hotel & Huron Event Center, Huron
 Days Inn by Wyndham, Mitchell
 Quality Inn, Mitchell

TENNESSEE

Country Inn & Suites by Carlson Jackson, Jackson
 WoodSpring Suites Johnson City, Johnson City
 Crowne Plaza Memphis East (Closed), Memphis

TEXAS

Holiday Inn Express, Fort Stockton

UTAH

Proposed Summit Head Resort and Residences, Brian Head
 Proposed SpringHill Suites, Heber City
 Proposed High Star Ranch Condo Hotel, Kamas
 Proposed Camp Korongo, Kanab
 Proposed LivSmart Studios, Kaysville
 Best Western Plus Zion West, La Verkin
 La Quinta Inn & Suites, Layton
 Hyatt Place, Lehi

Tru by Hilton, Lehi
 Proposed Dual-Brand Home2 Suites by Hilton and Tru by Hilton, Logan
 Kokopelli Lodge, Moab
 Proposed Country Inn & Suites, Moab
 AC by Marriott, Park City
 DoubleTree by Hilton Hotel Park City
 The Yarrow, Park City
 Proposed Hotel, Provo
 Proposed Independent Boutique Hotel, Provo
 Marriott University Park, Salt lake City
 Proposed Hotel, Salt Lake City
 Proposed Sandy Radisson Blu, Sandy
 Proposed Luxury Hotel, Springdale
 Proposed Home2 Suites by Hilton, St. George
 Proposed Luxury Hotel & Residences, Vineyard
 My Place, West Jordan
 My Place, West Valley City

WASHINGTON

Wingate by Wyndham, Bellingham

WEST VIRGINIA

Microtel Inn & Suites, Mineral Wells

WYOMING

Proposed Hotel, Sheridan

INTERNATIONAL

Egypt

Steigenberger Cecil, Alexandria
 Movenpick, Aswan
 Sofitel Old Legend Cataract, Aswan
 Marriott Mena House, Cairo
 Marriott Omar Khayyam Zamalek, Cairo
 Steigenberger El Tahrir, Cairo
 Sofitel Winter Palace, Luxor

Saudi Arabia

Proposed Upper-Midscale Hotel, Jeddah
 Proposed Mixed-Use Resort, Riyadh
 Proposed Upper-Upscale Glamping Resort, Riyadh
 Proposed Upper-Upscale Mixed-Use Hotel, Riyadh
 Proposed Upper-Upscale Hotels (2), Makkah
 voco Makkah, an IHG Hotel, Makkah

United Arab Emirates

Proposed Marriott, Ras Al Khaimah
 Proposed Wynn Integrated Resort, Ras Al Khaimah

Zambia

Dual-Brand InterContinental and Holiday Inn, Lusaka

Department of Insurance and Financial Institutions

State of Arizona

CGA - 1029478

This document is evidence that: **Zabada Nabawaya Abouelhana** has complied with the provisions of
Arizona Revised Statutes, relating to the establishment and operation of a:

Certified General Real Estate Appraiser

and that the Deputy Director of Financial Institutions of the State of Arizona has granted this license to transact the business of a:

Certified General Real Estate Appraiser

Zabada Nabawaya Abouelhana

This license is subject to the laws of Arizona and will remain in full force and effect until expired, surrendered, revoked or suspended as provided by law.

Expiration Date : **September 30, 2025**

Period	Inventory Rooms	Existing Buildings	Avg Rooms Per Building	12 Mo Delivered Rooms
Mar 2025	1,074	9	119	128
Feb 2025	1,074	9	119	128
Jan 2025	1,074	9	119	128
Dec 2024	1,074	9	119	128
Nov 2024	1,074	9	119	128
Oct 2024	1,074	9	119	128
Sep 2024	1,074	9	119	128
Aug 2024	1,074	9	119	236
Jul 2024	946	8	118	108
Jun 2024	946	8	118	108
May 2024	946	8	118	108
Apr 2024	946	8	118	108
Mar 2024	946	8	118	108
Feb 2024	946	8	118	108
Jan 2024	946	8	118	108
Dec 2023	946	8	118	108
Nov 2023	946	8	118	108
Oct 2023	946	8	118	108
Sep 2023	946	8	118	108
Aug 2023	838	7	120	0
Jul 2023	838	7	120	0
Jun 2023	838	7	120	0
May 2023	838	7	120	0
Apr 2023	838	7	120	0
Mar 2023	838	7	120	0
Feb 2023	838	7	120	0
Jan 2023	838	7	120	0
Dec 2022	838	7	120	0
Nov 2022	838	7	120	0
Oct 2022	838	7	120	0
Sep 2022	838	7	120	127
Aug 2022	838	7	120	127
Jul 2022	838	7	120	127
Jun 2022	838	7	120	127
May 2022	838	7	120	127
Apr 2022	838	7	120	127
Mar 2022	838	7	120	127
Feb 2022	838	7	120	127
Jan 2022	838	7	120	127
Dec 2021	838	7	120	127
Nov 2021	838	7	120	127
Oct 2021	838	7	120	127
Sep 2021	711	6	119	0
Aug 2021	711	6	119	0
Jul 2021	711	6	119	0
Jun 2021	711	6	119	0

May 2021	711	6	119	0
Apr 2021	711	6	119	0
Mar 2021	711	6	119	0
Feb 2021	711	6	119	0
Jan 2021	711	6	119	0
Dec 2020	711	6	119	0
Nov 2020	711	6	119	0
Oct 2020	711	6	119	218
Sep 2020	711	6	119	218
Aug 2020	711	6	119	218
Jul 2020	711	6	119	218
Jun 2020	711	6	119	218
May 2020	711	6	119	218
Apr 2020	711	6	119	218
Mar 2020	711	6	119	218
Feb 2020	711	6	119	218
Jan 2020	711	6	119	218
Dec 2019	711	6	119	218
Nov 2019	711	6	119	218
Oct 2019	493	4	123	0
Sep 2019	493	4	123	0
Aug 2019	493	4	123	0
Jul 2019	493	4	123	0
Jun 2019	493	4	123	0
May 2019	493	4	123	0
Apr 2019	493	4	123	0
Mar 2019	493	4	123	0
Feb 2019	493	4	123	0
Jan 2019	493	4	123	0
Dec 2018	493	4	123	0
Nov 2018	493	4	123	0
Oct 2018	493	4	123	0
Sep 2018	493	4	123	0
Aug 2018	493	4	123	0
Jul 2018	493	4	123	0
Jun 2018	493	4	123	0
May 2018	493	4	123	0
Apr 2018	493	4	123	0
Mar 2018	493	4	123	0
Feb 2018	493	4	123	0
Jan 2018	493	4	123	0
Dec 2017	493	4	123	0
Nov 2017	493	4	123	0
Oct 2017	493	4	123	0
Sep 2017	493	4	123	0
Aug 2017	493	4	123	0
Jul 2017	493	4	123	0

Jun 2017	493	4	123	0
May 2017	493	4	123	0
Apr 2017	493	4	123	0
Mar 2017	493	4	123	0
Feb 2017	493	4	123	0
Jan 2017	493	4	123	0
Dec 2016	493	4	123	0
Nov 2016	493	4	123	0
Oct 2016	493	4	123	0
Sep 2016	493	4	123	0
Aug 2016	493	4	123	0
Jul 2016	493	4	123	0
Jun 2016	493	4	123	0
May 2016	493	4	123	0
Apr 2016	493	4	123	0
Mar 2016	493	4	123	0
Feb 2016	493	4	123	0
Jan 2016	493	4	123	0
Dec 2015	493	4	123	0
Nov 2015	493	4	123	0
Oct 2015	493	4	123	0
Sep 2015	493	4	123	0
Aug 2015	493	4	123	0
Jul 2015	493	4	123	0
Jun 2015	493	4	123	0
May 2015	493	4	123	0
Apr 2015	493	4	123	0
Mar 2015	493	4	123	0
Feb 2015	493	4	123	0
Jan 2015	493	4	123	0
Dec 2014	493	4	123	0
Nov 2014	493	4	123	0
Oct 2014	493	4	123	0
Sep 2014	493	4	123	0
Aug 2014	493	4	123	0
Jul 2014	493	4	123	0
Jun 2014	493	4	123	0
May 2014	493	4	123	0
Apr 2014	493	4	123	0
Mar 2014	493	4	123	0
Feb 2014	493	4	123	0
Jan 2014	493	4	123	0
Dec 2013	493	4	123	0
Nov 2013	493	4	123	0
Oct 2013	493	4	123	0
Sep 2013	493	4	123	0
Aug 2013	493	4	123	0

Jul 2013	493	4	123	0
Jun 2013	493	4	123	0
May 2013	493	4	123	0
Apr 2013	493	4	123	0
Mar 2013	493	4	123	0
Feb 2013	493	4	123	0
Jan 2013	493	4	123	0
Dec 2012	493	4	123	0
Nov 2012	493	4	123	0
Oct 2012	493	4	123	0
Sep 2012	493	4	123	0
Aug 2012	493	4	123	0
Jul 2012	493	4	123	0
Jun 2012	493	4	123	0
May 2012	493	4	123	0
Apr 2012	493	4	123	0
Mar 2012	493	4	123	0
Feb 2012	493	4	123	0
Jan 2012	493	4	123	0
Dec 2011	493	4	123	0
Nov 2011	493	4	123	0
Oct 2011	493	4	123	0
Sep 2011	493	4	123	0
Aug 2011	493	4	123	0
Jul 2011	493	4	123	0
Jun 2011	493	4	123	0
May 2011	493	4	123	0
Apr 2011	493	4	123	0
Mar 2011	493	4	123	0
Feb 2011	493	4	123	0
Jan 2011	493	4	123	0
Dec 2010	493	4	123	0
Nov 2010	493	4	123	0
Oct 2010	493	4	123	0
Sep 2010	493	4	123	0
Aug 2010	493	4	123	0
Jul 2010	493	4	123	0
Jun 2010	493	4	123	0
May 2010	493	4	123	0
Apr 2010	493	4	123	0
Mar 2010	493	4	123	0
Feb 2010	493	4	123	0
Jan 2010	493	4	123	0
Dec 2009	493	4	123	0
Nov 2009	493	4	123	0
Oct 2009	493	4	123	0
Sep 2009	493	4	123	0

Aug 2009	493	4	123	0
Jul 2009	493	4	123	0
Jun 2009	493	4	123	0
May 2009	493	4	123	0
Apr 2009	493	4	123	0
Mar 2009	493	4	123	0
Feb 2009	493	4	123	0
Jan 2009	493	4	123	0
Dec 2008	493	4	123	0
Nov 2008	493	4	123	120
Oct 2008	493	4	123	120
Sep 2008	493	4	123	120
Aug 2008	493	4	123	120
Jul 2008	493	4	123	120
Jun 2008	493	4	123	120
May 2008	493	4	123	120
Apr 2008	493	4	123	120
Mar 2008	493	4	123	243
Feb 2008	493	4	123	243
Jan 2008	366	3	122	243
Dec 2007	366	3	122	370
Nov 2007	246	2	123	250
Oct 2007	246	2	123	250
Sep 2007	123	1	123	373
Aug 2007	123	1	123	373
Jul 2007	123	1	123	373
Jun 2007	123	1	123	373
May 2007	123	1	123	373
Apr 2007	123	1	123	373
Mar 2007	0	0	-	250
Feb 2007	0	0	-	250
Jan 2007	0	0	-	250
Dec 2006	0	0	-	123
Nov 2006	0	0	-	123
Oct 2006	0	0	-	123
Sep 2006	0	0	-	-
Aug 2006	0	0	-	-
Jul 2006	0	0	-	-
Jun 2006	0	0	-	-
May 2006	0	0	-	-
Apr 2006	0	0	-	-
Mar 2006	0	0	-	-
Feb 2006	0	0	-	-
Jan 2006	0	0	-	-
Dec 2005	0	0	-	-
Nov 2005	0	0	-	-
Oct 2005	0	0	-	-

Sep 2005	0	0	-	-
Aug 2005	0	0	-	-
Jul 2005	0	0	-	-
Jun 2005	0	0	-	-
May 2005	0	0	-	-
Apr 2005	0	0	-	-
Mar 2005	0	0	-	-
Feb 2005	0	0	-	-
Jan 2005	0	0	-	-
Dec 2004	0	0	-	-
Nov 2004	0	0	-	-
Oct 2004	0	0	-	-
Sep 2004	0	0	-	-
Aug 2004	0	0	-	-
Jul 2004	0	0	-	-
Jun 2004	0	0	-	-
May 2004	0	0	-	-
Apr 2004	0	0	-	-
Mar 2004	0	0	-	-
Feb 2004	0	0	-	-
Jan 2004	0	0	-	-
Dec 2003	0	0	-	-
Nov 2003	0	0	-	-
Oct 2003	0	0	-	-
Sep 2003	0	0	-	-
Aug 2003	0	0	-	-
Jul 2003	0	0	-	-
Jun 2003	0	0	-	-
May 2003	0	0	-	-
Apr 2003	0	0	-	-
Mar 2003	0	0	-	-
Feb 2003	0	0	-	-
Jan 2003	0	0	-	-
Dec 2002	0	0	-	-
Nov 2002	0	0	-	-
Oct 2002	0	0	-	-
Sep 2002	0	0	-	-
Aug 2002	0	0	-	-
Jul 2002	0	0	-	-
Jun 2002	0	0	-	-
May 2002	0	0	-	-
Apr 2002	0	0	-	-
Mar 2002	0	0	-	-
Feb 2002	0	0	-	-
Jan 2002	0	0	-	-
Dec 2001	0	0	-	-
Nov 2001	0	0	-	-

Oct 2001	0	0	-	-
Sep 2001	0	0	-	-
Aug 2001	0	0	-	-
Jul 2001	0	0	-	-
Jun 2001	0	0	-	-
May 2001	0	0	-	-
Apr 2001	0	0	-	-
Mar 2001	0	0	-	-
Feb 2001	0	0	-	-
Jan 2001	0	0	-	-
Dec 2000	0	0	-	-
Nov 2000	0	0	-	-
Oct 2000	0	0	-	-
Sep 2000	0	0	-	-
Aug 2000	0	0	-	-
Jul 2000	0	0	-	-
Jun 2000	0	0	-	-
May 2000	0	0	-	-
Apr 2000	0	0	-	-
Mar 2000	0	0	-	-
Feb 2000	0	0	-	-
Jan 2000	0	0	-	-
Dec 1999	0	0	-	-
Nov 1999	0	0	-	-
Oct 1999	0	0	-	-
Sep 1999	0	0	-	-
Aug 1999	0	0	-	-
Jul 1999	0	0	-	-
Jun 1999	0	0	-	-
May 1999	0	0	-	-
Apr 1999	0	0	-	-
Mar 1999	0	0	-	-
Feb 1999	0	0	-	-
Jan 1999	0	0	-	-
Dec 1998	0	0	-	-
Nov 1998	0	0	-	-
Oct 1998	0	0	-	-
Sep 1998	0	0	-	-
Aug 1998	0	0	-	-
Jul 1998	0	0	-	-
Jun 1998	0	0	-	-
May 1998	0	0	-	-
Apr 1998	0	0	-	-
Mar 1998	0	0	-	-
Feb 1998	0	0	-	-
Jan 1998	0	0	-	-
Dec 1997	0	0	-	-

Nov 1997	0	0	-	-
Oct 1997	0	0	-	-
Sep 1997	0	0	-	-
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Jul 1997	0	0	-	-
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May 1997	0	0	-	-
Apr 1997	0	0	-	-
Mar 1997	0	0	-	-
Feb 1997	0	0	-	-
Jan 1997	0	0	-	-
Dec 1996	0	0	-	-
Nov 1996	0	0	-	-
Oct 1996	0	0	-	-
Sep 1996	0	0	-	-
Aug 1996	0	0	-	-
Jul 1996	0	0	-	-
Jun 1996	0	0	-	-
May 1996	0	0	-	-
Apr 1996	0	0	-	-
Mar 1996	0	0	-	-
Feb 1996	0	0	-	-
Jan 1996	0	0	-	-
Dec 1995	0	0	-	-
Nov 1995	0	0	-	-
Oct 1995	0	0	-	-
Sep 1995	0	0	-	-
Aug 1995	0	0	-	-
Jul 1995	0	0	-	-
Jun 1995	0	0	-	-
May 1995	0	0	-	-
Apr 1995	0	0	-	-
Mar 1995	0	0	-	-
Feb 1995	0	0	-	-
Jan 1995	0	0	-	-
Dec 1994	0	0	-	-
Nov 1994	0	0	-	-
Oct 1994	0	0	-	-
Sep 1994	0	0	-	-
Aug 1994	0	0	-	-
Jul 1994	0	0	-	-
Jun 1994	0	0	-	-
May 1994	0	0	-	-
Apr 1994	0	0	-	-
Mar 1994	0	0	-	-
Feb 1994	0	0	-	-
Jan 1994	0	0	-	-

Dec 1993	0	0	-	-
Nov 1993	0	0	-	-
Oct 1993	0	0	-	-
Sep 1993	0	0	-	-
Aug 1993	0	0	-	-
Jul 1993	0	0	-	-
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May 1993	0	0	-	-
Apr 1993	0	0	-	-
Mar 1993	0	0	-	-
Feb 1993	0	0	-	-
Jan 1993	0	0	-	-
Dec 1992	0	0	-	-
Nov 1992	0	0	-	-
Oct 1992	0	0	-	-
Sep 1992	0	0	-	-
Aug 1992	0	0	-	-
Jul 1992	0	0	-	-
Jun 1992	0	0	-	-
May 1992	0	0	-	-
Apr 1992	0	0	-	-
Mar 1992	0	0	-	-
Feb 1992	0	0	-	-
Jan 1992	0	0	-	-
Dec 1991	0	0	-	-
Nov 1991	0	0	-	-
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Sep 1991	0	0	-	-
Aug 1991	0	0	-	-
Jul 1991	0	0	-	-
Jun 1991	0	0	-	-
May 1991	0	0	-	-
Apr 1991	0	0	-	-
Mar 1991	0	0	-	-
Feb 1991	0	0	-	-
Jan 1991	0	0	-	-
Dec 1990	0	0	-	-
Nov 1990	0	0	-	-
Oct 1990	0	0	-	-
Sep 1990	0	0	-	-
Aug 1990	0	0	-	-
Jul 1990	0	0	-	-
Jun 1990	0	0	-	-
May 1990	0	0	-	-
Apr 1990	0	0	-	-
Mar 1990	0	0	-	-
Feb 1990	0	0	-	-

Jan 1990	0	0	-	-
Dec 1989	0	0	-	-
Nov 1989	0	0	-	-
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Aug 1989	0	0	-	-
Jul 1989	0	0	-	-
Jun 1989	0	0	-	-
May 1989	0	0	-	-
Apr 1989	0	0	-	-
Mar 1989	0	0	-	-
Feb 1989	0	0	-	-
Jan 1989	0	0	-	-
Dec 1988	0	0	-	-
Nov 1988	0	0	-	-
Oct 1988	0	0	-	-
Sep 1988	0	0	-	-
Aug 1988	0	0	-	-
Jul 1988	0	0	-	-
Jun 1988	0	0	-	-
May 1988	0	0	-	-
Apr 1988	0	0	-	-
Mar 1988	0	0	-	-
Feb 1988	0	0	-	-
Jan 1988	0	0	-	-
Dec 1987	0	0	-	-
Nov 1987	0	0	-	-
Oct 1987	0	0	-	-
Sep 1987	0	0	-	-
Aug 1987	0	0	-	-
Jul 1987	0	0	-	-
Jun 1987	0	0	-	-
May 1987	0	0	-	-
Apr 1987	0	0	-	-
Mar 1987	0	0	-	-
Feb 1987	0	0	-	-
Jan 1987	0	0	-	-

[illegible]

[illegible]

12 Mo Supply Chg	12 Mo Demand	12 Mo Demand Chg	12 Mo Revenue	12 Mo Revenue Chg
14.5%	260,430	17.4%	\$41,628,791	19.7%
14.4%	256,802	17.1%	\$40,796,868	19.0%
14.4%	254,892	18.1%	\$40,225,506	15.7%
14.4%	252,274	18.3%	\$39,631,864	14.6%
14.3%	251,952	20.6%	\$39,426,160	15.8%
14.3%	248,739	20.5%	\$38,782,863	15.2%
14.2%	244,158	19.6%	\$37,964,337	14.1%
14.2%	241,866	20.2%	\$37,884,529	16.0%
11.8%	236,609	17.5%	\$37,463,972	15.1%
10.7%	232,743	15.6%	\$37,014,140	13.9%
9.6%	228,948	13.7%	\$36,449,306	12.1%
8.5%	225,705	12.1%	\$36,041,133	11.2%
7.5%	221,911	10.2%	\$34,781,307	7.2%
6.4%	219,358	9.2%	\$34,276,127	8.0%
5.4%	215,802	7.9%	\$34,780,497	16.7%
4.3%	213,275	6.2%	\$34,583,786	16.5%
3.2%	208,829	3.1%	\$34,059,284	14.3%
2.2%	206,468	0.5%	\$33,678,085	12.3%
1.1%	204,219	-2.1%	\$33,286,753	9.7%
1.3%	201,270	-2.8%	\$32,653,258	8.9%
2.6%	201,340	-1.8%	\$32,537,082	9.6%
4.0%	201,251	-2.5%	\$32,495,343	8.8%
5.3%	201,379	-2.3%	\$32,501,273	9.3%
6.8%	201,283	-1.9%	\$32,421,006	10.1%
8.2%	201,440	-2.2%	\$32,443,210	11.8%
9.8%	200,814	-1.7%	\$31,726,670	13.7%
11.2%	200,025	-0.8%	\$29,801,728	11.2%
12.8%	200,747	1.6%	\$29,697,050	16.1%
14.4%	202,635	5.0%	\$29,787,614	21.5%
16.1%	205,480	9.6%	\$29,992,071	29.0%
17.9%	208,586	14.5%	\$30,329,940	38.5%
16.4%	207,087	14.2%	\$29,978,349	39.8%
14.9%	205,009	14.1%	\$29,697,839	41.1%
13.4%	206,359	18.7%	\$29,865,306	48.1%
11.9%	206,053	21.8%	\$29,748,808	53.2%
12.0%	205,180	28.0%	\$29,434,022	62.0%
12.1%	206,046	40.2%	\$29,023,603	76.6%
10.6%	204,309	45.7%	\$27,900,251	77.1%
9.2%	201,734	41.0%	\$26,789,308	60.0%
7.6%	197,671	36.0%	\$25,582,948	46.2%
6.1%	192,925	30.6%	\$24,515,951	35.6%
4.5%	187,452	26.1%	\$23,256,034	26.8%
5.8%	182,174	25.5%	\$21,902,932	20.3%
8.7%	181,340	28.2%	\$21,448,331	19.4%
11.9%	179,746	28.7%	\$21,048,144	17.8%
15.2%	173,902	25.8%	\$20,161,021	13.5%

18.7%	169,201	22.6%	\$19,415,546	9.2%
18.5%	160,339	13.2%	\$18,166,456	-0.4%
18.4%	146,967	-0.6%	\$16,435,505	-14.0%
22.3%	140,227	-6.8%	\$15,751,048	-20.5%
26.0%	143,027	-1.4%	\$16,742,461	-11.6%
30.4%	145,370	3.8%	\$17,498,604	-4.4%
35.1%	147,738	9.7%	\$18,074,712	3.1%
40.0%	148,712	13.6%	\$18,338,823	7.1%
36.3%	145,125	11.1%	\$18,200,093	6.5%
32.7%	141,437	7.4%	\$17,960,757	4.4%
28.9%	139,684	5.2%	\$17,865,410	3.7%
25.1%	138,265	2.8%	\$17,768,339	2.4%
21.5%	137,957	1.4%	\$17,773,834	2.0%
19.9%	141,680	3.0%	\$18,241,226	3.8%
18.3%	147,802	6.2%	\$19,112,108	8.0%
14.5%	150,489	8.2%	\$19,812,394	12.7%
11.1%	145,029	4.1%	\$18,942,083	8.4%
7.4%	139,983	0.2%	\$18,302,589	5.2%
3.6%	134,687	-4.4%	\$17,532,506	0.1%
0.0%	130,903	-7.5%	\$17,127,450	-2.0%
0.0%	130,615	-7.8%	\$17,081,688	-1.8%
0.0%	131,749	-6.8%	\$17,203,422	-0.5%
0.0%	132,811	-5.8%	\$17,232,412	0.0%
0.0%	134,523	-4.6%	\$17,352,491	1.0%
0.0%	136,051	-3.1%	\$17,432,919	1.9%
0.0%	137,501	-1.3%	\$17,577,021	3.8%
0.0%	139,113	0.2%	\$17,696,570	3.8%
0.0%	139,095	0.0%	\$17,586,929	3.4%
0.0%	139,269	-0.1%	\$17,478,059	3.0%
0.0%	139,705	0.9%	\$17,399,266	3.2%
0.0%	140,944	2.3%	\$17,517,976	4.2%
0.0%	141,458	3.2%	\$17,479,212	4.7%
0.0%	141,622	3.0%	\$17,393,087	4.0%
0.0%	141,293	3.0%	\$17,281,202	3.7%
0.0%	141,041	3.7%	\$17,225,255	4.0%
0.0%	141,024	4.8%	\$17,175,051	4.7%
0.0%	140,399	5.5%	\$17,102,966	5.0%
0.0%	139,297	5.0%	\$16,929,385	4.3%
0.0%	138,883	4.4%	\$17,040,819	6.1%
0.0%	139,114	4.7%	\$17,010,719	7.9%
0.0%	139,388	4.7%	\$16,969,348	8.0%
0.0%	138,463	4.5%	\$16,861,644	6.9%
0.0%	137,791	4.0%	\$16,810,283	6.8%
0.0%	137,099	3.9%	\$16,700,463	6.6%
0.0%	137,440	4.6%	\$16,723,556	7.7%
0.0%	137,164	4.8%	\$16,662,047	7.8%
0.0%	136,008	4.6%	\$16,560,229	7.9%

0.0%	134,526	3.7%	\$16,411,824	7.1%
0.0%	133,139	3.6%	\$16,291,504	7.5%
0.0%	132,715	4.2%	\$16,236,759	8.3%
0.0%	133,056	5.9%	\$16,063,420	9.2%
0.0%	132,843	5.3%	\$15,770,924	7.8%
0.0%	133,141	6.6%	\$15,709,039	8.2%
0.0%	132,524	5.5%	\$15,771,259	6.5%
0.0%	132,504	5.9%	\$15,737,606	6.9%
0.0%	132,001	6.1%	\$15,663,425	6.9%
0.0%	131,442	6.3%	\$15,533,575	6.8%
0.0%	130,920	6.3%	\$15,453,183	6.8%
0.0%	129,998	6.1%	\$15,350,618	6.5%
0.0%	129,781	7.4%	\$15,330,427	7.6%
0.0%	128,490	6.6%	\$15,154,482	6.8%
0.0%	127,344	5.8%	\$14,996,940	6.0%
0.0%	125,644	5.2%	\$14,705,114	4.3%
0.0%	126,131	6.6%	\$14,635,513	6.7%
0.0%	124,873	5.9%	\$14,512,212	8.5%
0.0%	125,582	7.9%	\$14,804,279	17.2%
0.0%	125,112	8.9%	\$14,720,783	18.4%
0.0%	124,463	8.6%	\$14,648,833	19.2%
0.0%	123,614	9.4%	\$14,537,963	20.3%
0.0%	123,154	10.7%	\$14,471,016	21.8%
0.0%	122,469	10.8%	\$14,419,509	22.2%
0.0%	120,822	9.4%	\$14,241,483	20.9%
0.0%	120,565	10.0%	\$14,186,513	21.1%
0.0%	120,311	10.8%	\$14,141,506	21.7%
0.0%	119,402	10.4%	\$14,099,845	22.1%
0.0%	118,365	11.2%	\$13,721,938	22.1%
0.0%	117,927	12.1%	\$13,369,742	20.8%
0.0%	116,387	11.9%	\$12,635,425	15.1%
0.0%	114,924	12.4%	\$12,429,062	15.3%
0.0%	114,576	13.8%	\$12,289,767	15.5%
0.0%	113,001	12.4%	\$12,083,911	13.8%
0.0%	111,260	10.1%	\$11,881,165	11.4%
0.0%	110,535	10.5%	\$11,795,188	11.7%
0.0%	110,486	11.7%	\$11,783,047	13.0%
0.0%	109,641	10.0%	\$11,710,065	12.4%
0.0%	108,535	9.2%	\$11,621,362	11.9%
0.0%	108,114	9.8%	\$11,548,316	12.8%
0.0%	106,489	5.9%	\$11,241,315	7.4%
0.0%	105,222	4.5%	\$11,065,263	6.3%
0.0%	104,049	4.1%	\$10,975,937	6.6%
0.0%	102,245	1.6%	\$10,784,228	4.2%
0.0%	100,665	0.0%	\$10,645,087	2.7%
0.0%	100,560	0.1%	\$10,619,254	2.8%
0.0%	101,013	1.6%	\$10,660,791	4.5%

0.0%	100,040	0.4%	\$10,556,976	3.3%
0.0%	98,950	-0.4%	\$10,430,111	2.2%
0.0%	99,640	1.2%	\$10,420,604	2.7%
0.0%	99,436	2.0%	\$10,382,115	3.6%
0.0%	98,483	0.9%	\$10,238,162	2.3%
0.0%	100,603	4.1%	\$10,468,030	7.1%
0.0%	100,657	4.8%	\$10,408,240	6.6%
0.0%	99,963	4.1%	\$10,298,762	5.0%
0.0%	100,625	4.4%	\$10,353,686	5.6%
0.0%	100,706	3.2%	\$10,360,190	4.4%
0.0%	100,491	1.2%	\$10,334,425	2.9%
0.0%	99,409	-0.8%	\$10,206,253	0.7%
0.0%	99,605	-0.8%	\$10,222,695	0.8%
0.0%	99,392	-0.5%	\$10,203,371	1.1%
0.0%	98,487	-1.3%	\$10,147,277	0.8%
0.0%	97,493	-2.8%	\$10,021,306	-0.8%
0.0%	97,617	-3.1%	\$10,012,195	-2.0%
0.0%	96,607	-4.1%	\$9,770,856	-4.2%
0.0%	96,025	-3.5%	\$9,761,956	-2.1%
0.0%	96,064	-3.6%	\$9,809,748	-1.0%
0.0%	96,372	-2.1%	\$9,805,415	0.0%
0.0%	97,618	0.7%	\$9,919,166	3.0%
0.0%	99,286	3.9%	\$10,046,645	6.0%
0.0%	100,212	5.9%	\$10,137,147	7.8%
0.0%	100,405	7.1%	\$10,137,832	8.6%
0.0%	99,937	6.2%	\$10,088,392	7.8%
0.0%	99,801	7.2%	\$10,066,411	8.6%
0.0%	100,279	8.7%	\$10,105,679	10.0%
0.0%	100,695	10.2%	\$10,216,929	12.3%
0.0%	100,770	12.4%	\$10,200,602	14.0%
0.0%	99,510	11.0%	\$9,972,379	10.0%
0.0%	99,619	11.6%	\$9,906,028	8.2%
0.0%	98,396	10.0%	\$9,802,663	5.9%
0.0%	96,985	8.2%	\$9,633,323	2.5%
0.0%	95,528	7.1%	\$9,477,657	0.0%
0.0%	94,639	6.3%	\$9,406,670	-1.2%
0.0%	93,744	4.5%	\$9,330,817	-2.9%
0.0%	94,076	5.2%	\$9,359,955	-2.9%
0.0%	93,120	3.9%	\$9,273,425	-4.7%
0.0%	92,246	2.5%	\$9,184,198	-7.3%
0.0%	91,356	1.7%	\$9,101,573	-9.8%
0.0%	89,627	2.8%	\$8,944,145	-10.7%
0.0%	89,669	2.2%	\$9,063,982	-14.5%
2.2%	89,252	3.3%	\$9,151,894	-14.2%
4.6%	89,481	5.3%	\$9,253,618	-12.7%
9.3%	89,642	9.9%	\$9,395,579	-8.2%
14.6%	89,191	12.8%	\$9,482,316	-5.4%

[illegible]

12 Mo Occupancy	12 Mo Occupancy Chg	12 Mo ADR	12 Mo ADR Chg	12 Mo RevPAR
69.2%	2.5%	\$159.85	2.0%	\$110.60
69.0%	2.3%	\$158.87	1.7%	\$109.54
69.1%	3.2%	\$157.81	-2.1%	\$109.06
69.1%	3.4%	\$157.10	-3.1%	\$108.62
69.8%	5.5%	\$156.48	-4.1%	\$109.24
69.7%	5.4%	\$155.92	-4.4%	\$108.62
69.1%	4.7%	\$155.49	-4.6%	\$107.52
69.3%	5.2%	\$156.63	-3.5%	\$108.47
69.2%	5.1%	\$158.34	-2.0%	\$109.56
68.7%	4.5%	\$159.03	-1.5%	\$109.32
68.3%	3.7%	\$159.20	-1.4%	\$108.69
68.0%	3.3%	\$159.68	-0.9%	\$108.56
67.5%	2.5%	\$156.74	-2.7%	\$105.79
67.4%	2.7%	\$156.26	-1.1%	\$105.33
66.9%	2.4%	\$161.17	8.2%	\$107.88
66.8%	1.9%	\$162.16	9.6%	\$108.40
66.1%	-0.2%	\$163.10	10.9%	\$107.89
66.1%	-1.6%	\$163.12	11.8%	\$107.78
66.1%	-3.1%	\$163.00	12.1%	\$107.69
65.8%	-4.0%	\$162.24	12.1%	\$106.76
65.8%	-4.3%	\$161.60	11.6%	\$106.38
65.8%	-6.2%	\$161.47	11.6%	\$106.24
65.8%	-7.2%	\$161.39	11.8%	\$106.26
65.8%	-8.1%	\$161.07	12.3%	\$106.00
65.9%	-9.7%	\$161.06	14.3%	\$106.07
65.7%	-10.4%	\$157.99	15.7%	\$103.73
65.4%	-10.8%	\$148.99	12.2%	\$97.43
65.6%	-10.0%	\$147.93	14.3%	\$97.09
66.2%	-8.2%	\$147.00	15.7%	\$97.39
67.2%	-5.6%	\$145.96	17.6%	\$98.05
68.2%	-2.9%	\$145.41	20.9%	\$99.16
68.6%	-1.9%	\$144.76	22.4%	\$99.25
68.8%	-0.7%	\$144.86	23.7%	\$99.62
70.1%	4.7%	\$144.72	24.8%	\$101.52
71.0%	8.8%	\$144.37	25.8%	\$102.45
71.6%	14.2%	\$143.45	26.6%	\$102.76
72.9%	25.0%	\$140.86	26.0%	\$102.69
73.3%	31.8%	\$136.56	21.6%	\$100.11
73.3%	29.2%	\$132.80	13.4%	\$97.37
72.9%	26.4%	\$129.42	7.5%	\$94.33
72.2%	23.1%	\$127.08	3.9%	\$91.73
71.2%	20.6%	\$124.06	0.6%	\$88.27
70.2%	18.6%	\$120.23	-4.1%	\$84.40
69.9%	17.9%	\$118.28	-6.9%	\$82.65
69.3%	15.0%	\$117.10	-8.4%	\$81.11
67.0%	9.1%	\$115.93	-9.8%	\$77.69

65.2%	3.3%	\$114.75	-10.9%	\$74.81
62.7%	-4.5%	\$113.30	-12.0%	\$71.05
58.3%	-16.0%	\$111.83	-13.5%	\$65.22
55.6%	-23.8%	\$112.33	-14.7%	\$62.50
56.8%	-21.7%	\$117.06	-10.4%	\$66.44
57.7%	-20.4%	\$120.37	-7.9%	\$69.44
58.6%	-18.8%	\$122.34	-6.0%	\$71.72
59.0%	-18.9%	\$123.32	-5.7%	\$72.77
59.2%	-18.5%	\$125.41	-4.1%	\$74.21
59.2%	-19.1%	\$126.99	-2.7%	\$75.24
60.2%	-18.4%	\$127.90	-1.4%	\$77.02
61.4%	-17.9%	\$128.51	-0.4%	\$78.90
63.1%	-16.6%	\$128.84	0.5%	\$81.29
65.7%	-14.0%	\$128.75	0.7%	\$84.56
69.4%	-10.2%	\$129.31	1.6%	\$89.79
73.0%	-5.5%	\$131.65	4.1%	\$96.13
72.5%	-6.3%	\$130.61	4.1%	\$94.71
72.4%	-6.7%	\$130.75	5.0%	\$94.71
72.2%	-7.8%	\$130.17	4.7%	\$94.02
72.7%	-7.5%	\$130.84	5.9%	\$95.18
72.6%	-7.8%	\$130.78	6.5%	\$94.93
73.2%	-6.8%	\$130.58	6.8%	\$95.60
73.8%	-5.8%	\$129.75	6.2%	\$95.76
74.8%	-4.6%	\$128.99	5.9%	\$96.43
75.6%	-3.1%	\$128.14	5.2%	\$96.88
76.4%	-1.3%	\$127.83	5.2%	\$97.68
77.3%	0.2%	\$127.21	3.7%	\$98.34
77.3%	0.0%	\$126.44	3.4%	\$97.74
77.4%	-0.1%	\$125.50	3.1%	\$97.13
77.6%	0.9%	\$124.54	2.3%	\$96.69
78.3%	2.3%	\$124.29	1.9%	\$97.35
78.6%	3.2%	\$123.56	1.4%	\$97.14
78.7%	3.0%	\$122.81	0.9%	\$96.66
78.5%	3.0%	\$122.31	0.7%	\$96.04
78.4%	3.7%	\$122.13	0.3%	\$95.73
78.4%	4.8%	\$121.79	-0.2%	\$95.45
78.0%	5.5%	\$121.82	-0.4%	\$95.05
77.4%	5.0%	\$121.53	-0.7%	\$94.08
77.2%	4.4%	\$122.70	1.6%	\$94.70
77.3%	4.7%	\$122.28	3.0%	\$94.53
77.5%	4.7%	\$121.74	3.2%	\$94.30
76.9%	4.5%	\$121.78	2.3%	\$93.70
76.6%	4.0%	\$122.00	2.7%	\$93.42
76.2%	3.9%	\$121.81	2.7%	\$92.81
76.4%	4.6%	\$121.68	3.0%	\$92.94
76.2%	4.8%	\$121.48	2.9%	\$92.60
75.6%	4.6%	\$121.76	3.1%	\$92.03

74.8%	3.7%	\$122.00	3.3%	\$91.20
74.0%	3.6%	\$122.36	3.7%	\$90.54
73.8%	4.2%	\$122.34	3.9%	\$90.23
73.9%	5.9%	\$120.73	3.2%	\$89.27
73.8%	5.3%	\$118.72	2.3%	\$87.64
74.0%	6.6%	\$117.99	1.5%	\$87.30
73.6%	5.5%	\$119.01	1.0%	\$87.64
73.6%	5.9%	\$118.77	0.9%	\$87.46
73.4%	6.1%	\$118.66	0.8%	\$87.05
73.0%	6.3%	\$118.18	0.5%	\$86.32
72.8%	6.3%	\$118.04	0.5%	\$85.88
72.2%	6.1%	\$118.08	0.3%	\$85.31
72.1%	7.4%	\$118.13	0.2%	\$85.20
71.4%	6.6%	\$117.94	0.2%	\$84.22
70.8%	5.8%	\$117.77	0.2%	\$83.34
69.8%	5.2%	\$117.04	-0.9%	\$81.72
70.1%	6.6%	\$116.03	0.1%	\$81.33
69.4%	5.9%	\$116.22	2.5%	\$80.65
69.8%	7.9%	\$117.89	8.6%	\$82.27
69.5%	8.9%	\$117.66	8.8%	\$81.81
69.2%	8.6%	\$117.70	9.7%	\$81.41
68.7%	9.4%	\$117.61	10.0%	\$80.79
68.4%	10.7%	\$117.50	10.0%	\$80.42
68.1%	10.8%	\$117.74	10.3%	\$80.13
67.1%	9.4%	\$117.87	10.5%	\$79.14
67.0%	10.0%	\$117.67	10.2%	\$78.84
66.9%	10.8%	\$117.54	9.8%	\$78.59
66.4%	10.4%	\$118.09	10.6%	\$78.36
65.8%	11.2%	\$115.93	9.8%	\$76.26
65.5%	12.1%	\$113.37	7.8%	\$74.30
64.7%	11.9%	\$108.56	2.9%	\$70.22
63.9%	12.4%	\$108.15	2.5%	\$69.07
63.7%	13.8%	\$107.26	1.4%	\$68.30
62.8%	12.4%	\$106.94	1.3%	\$67.15
61.8%	10.1%	\$106.79	1.2%	\$66.03
61.4%	10.5%	\$106.71	1.1%	\$65.55
61.4%	11.7%	\$106.65	1.2%	\$65.48
60.9%	10.0%	\$106.80	2.1%	\$65.08
60.3%	9.2%	\$107.07	2.6%	\$64.58
60.1%	9.8%	\$106.82	2.7%	\$64.18
59.2%	5.9%	\$105.56	1.5%	\$62.47
58.5%	4.5%	\$105.16	1.7%	\$61.49
57.8%	4.1%	\$105.49	2.4%	\$61.00
56.8%	1.6%	\$105.47	2.5%	\$59.93
55.9%	0.0%	\$105.75	2.8%	\$59.16
55.9%	0.1%	\$105.60	2.7%	\$59.01
56.1%	1.6%	\$105.54	2.8%	\$59.24

55.6%	0.4%	\$105.53	2.8%	\$58.67
55.0%	-0.4%	\$105.41	2.7%	\$57.96
55.4%	1.2%	\$104.58	1.5%	\$57.91
55.3%	2.0%	\$104.41	1.6%	\$57.70
54.7%	0.9%	\$103.96	1.4%	\$56.90
55.9%	4.1%	\$104.05	2.9%	\$58.17
55.9%	4.8%	\$103.40	1.7%	\$57.84
55.6%	4.1%	\$103.03	0.9%	\$57.23
55.9%	4.4%	\$102.89	1.1%	\$57.54
56.0%	3.2%	\$102.88	1.2%	\$57.57
55.8%	1.2%	\$102.84	1.6%	\$57.43
55.2%	-0.8%	\$102.67	1.5%	\$56.72
55.4%	-0.8%	\$102.63	1.6%	\$56.81
55.2%	-0.5%	\$102.66	1.7%	\$56.70
54.7%	-1.3%	\$103.03	2.1%	\$56.39
54.2%	-2.8%	\$102.79	2.0%	\$55.69
54.2%	-3.1%	\$102.57	1.1%	\$55.64
53.7%	-4.1%	\$101.14	-0.1%	\$54.30
53.4%	-3.5%	\$101.66	1.4%	\$54.25
53.4%	-3.6%	\$102.12	2.7%	\$54.52
53.6%	-2.1%	\$101.75	2.1%	\$54.49
54.2%	0.7%	\$101.61	2.3%	\$55.12
55.2%	3.9%	\$101.19	2.0%	\$55.83
55.7%	5.9%	\$101.16	1.8%	\$56.33
55.8%	7.1%	\$100.97	1.4%	\$56.34
55.5%	6.2%	\$100.95	1.5%	\$56.06
55.5%	7.2%	\$100.86	1.3%	\$55.94
55.7%	8.7%	\$100.78	1.2%	\$56.16
56.0%	10.2%	\$101.46	1.8%	\$56.78
56.0%	12.4%	\$101.23	1.4%	\$56.69
55.3%	11.0%	\$100.21	-0.9%	\$55.42
55.4%	11.6%	\$99.44	-3.0%	\$55.05
54.7%	10.0%	\$99.62	-3.7%	\$54.48
53.9%	8.2%	\$99.33	-5.2%	\$53.53
53.1%	7.1%	\$99.21	-6.7%	\$52.67
52.6%	6.3%	\$99.40	-7.1%	\$52.28
52.1%	4.5%	\$99.54	-7.1%	\$51.85
52.3%	5.2%	\$99.49	-7.7%	\$52.02
51.7%	3.9%	\$99.59	-8.3%	\$51.53
51.3%	2.5%	\$99.56	-9.6%	\$51.04
50.8%	1.7%	\$99.63	-11.3%	\$50.58
49.8%	2.8%	\$99.79	-13.1%	\$49.70
49.8%	2.2%	\$101.08	-16.3%	\$50.37
49.6%	1.0%	\$102.54	-17.0%	\$50.86
49.7%	0.7%	\$103.41	-17.1%	\$51.42
49.8%	0.5%	\$104.81	-16.4%	\$52.21
49.6%	-1.6%	\$106.31	-16.1%	\$52.70

[illegible]

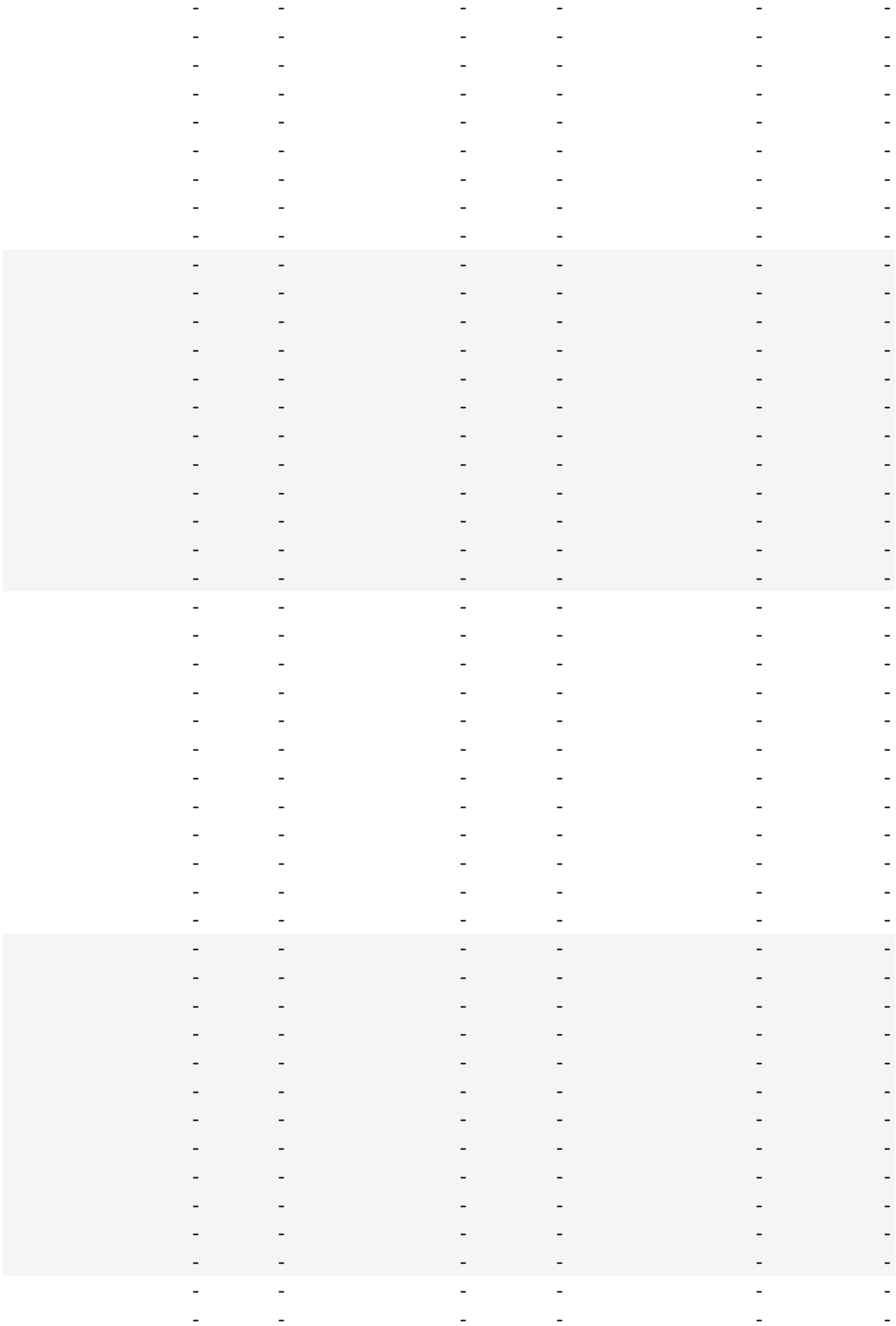
12 Mo RevPAR Chg	Supply	Supply Chg (YOY)	Demand	Demand Chg (YOY)	Revenue
4.5%	33,294	13.5%	26,596	15.8%	\$5,937,201
4.0%	30,072	13.5%	23,466	8.9%	\$5,020,500
1.1%	33,294	13.5%	22,396	13.2%	\$3,595,931
0.2%	33,294	13.5%	19,964	1.6%	\$2,952,552
1.3%	32,220	13.5%	21,949	17.1%	\$3,642,956
0.8%	33,294	13.5%	24,249	23.3%	\$3,850,759
-0.2%	32,220	13.5%	20,946	12.3%	\$2,866,015
1.6%	33,294	28.2%	20,721	34.0%	\$2,314,034
3.0%	29,326	12.9%	19,592	24.6%	\$2,282,791
2.9%	28,380	12.9%	19,759	23.8%	\$2,536,216
2.3%	29,326	12.9%	20,005	19.3%	\$2,750,672
2.4%	28,380	12.9%	20,787	22.3%	\$3,879,165
-0.3%	29,326	12.9%	22,968	12.5%	\$5,105,277
1.5%	26,488	12.9%	21,556	19.8%	\$4,449,138
10.7%	29,326	12.9%	19,778	14.6%	\$3,002,289
11.6%	29,326	12.9%	19,642	29.3%	\$2,746,849
10.8%	28,380	12.9%	18,736	14.4%	\$2,999,658
9.9%	29,326	12.9%	19,668	12.9%	\$3,032,233
8.6%	28,380	12.9%	18,654	18.8%	\$2,786,208
7.6%	25,978	0.0%	15,464	-0.5%	\$1,893,477
6.8%	25,978	0.0%	15,726	0.6%	\$1,832,959
4.7%	25,140	0.0%	15,964	-0.8%	\$1,971,382
3.7%	25,978	0.0%	16,762	0.6%	\$2,342,499
3.2%	25,140	0.0%	16,993	-0.9%	\$2,619,339
3.3%	25,978	0.0%	20,415	3.2%	\$4,600,098
3.6%	23,464	0.0%	18,000	4.6%	\$4,953,507
0.1%	25,978	0.0%	17,251	-4.0%	\$2,805,578
2.9%	25,978	0.0%	15,196	-11.1%	\$2,222,347
6.2%	25,140	0.0%	16,375	-14.8%	\$2,618,459
11.1%	25,978	0.0%	17,419	-15.1%	\$2,640,901
17.5%	25,140	17.9%	15,705	10.6%	\$2,152,713
20.1%	25,978	17.9%	15,534	15.4%	\$1,777,300
22.8%	25,978	17.9%	15,637	-7.9%	\$1,791,220
30.7%	25,140	17.9%	16,092	1.9%	\$1,977,313
36.9%	25,978	17.9%	16,666	5.5%	\$2,262,232
44.6%	25,140	17.9%	17,150	-4.8%	\$2,641,542
57.5%	25,978	17.9%	19,789	9.6%	\$3,883,558
60.2%	23,464	17.9%	17,211	17.6%	\$3,028,565
46.6%	25,978	17.9%	17,973	29.2%	\$2,700,900
35.9%	25,978	17.9%	17,084	38.5%	\$2,312,911
27.9%	25,140	17.9%	19,220	39.8%	\$2,822,916
21.3%	25,978	17.9%	20,525	34.6%	\$2,978,770
13.7%	21,330	0.0%	14,206	6.2%	\$1,801,123
9.8%	22,041	0.0%	13,456	13.4%	\$1,496,790
5.3%	22,041	0.0%	16,987	52.4%	\$1,958,686
-1.5%	21,330	0.0%	15,786	42.4%	\$1,860,815

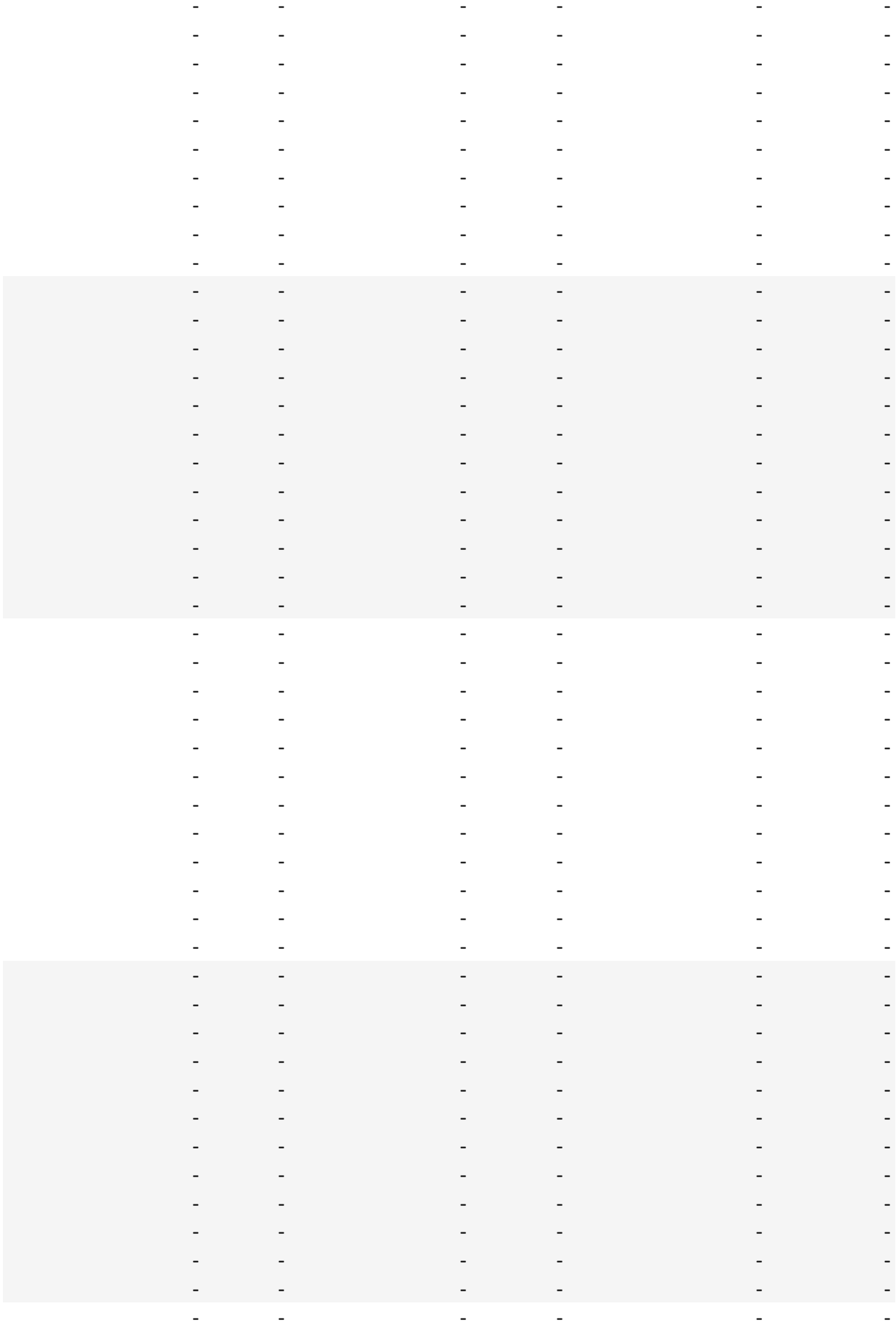
-8.0%	22,041	20.9%	15,793	127.9%	\$1,947,446
-16.0%	21,330	20.9%	18,016	287.9%	\$2,231,122
-27.4%	22,041	0.0%	18,052	59.6%	\$2,760,207
-35.0%	19,908	0.0%	14,636	-16.1%	\$1,917,622
-29.9%	22,041	0.0%	13,910	-14.4%	\$1,494,539
-26.7%	22,041	0.0%	12,338	-16.1%	\$1,245,915
-23.7%	21,330	0.0%	13,747	-6.6%	\$1,562,999
-23.5%	22,041	44.2%	15,247	30.8%	\$1,625,668
-21.8%	21,330	44.2%	13,372	38.1%	\$1,346,522
-21.3%	22,041	44.2%	11,862	17.3%	\$1,096,603
-19.6%	22,041	44.2%	11,143	14.6%	\$1,071,563
-18.2%	21,330	44.2%	11,085	2.9%	\$1,115,340
-16.1%	18,228	19.3%	6,931	-34.9%	\$698,356
-13.4%	17,640	19.3%	4,644	-56.9%	\$500,172
-8.7%	22,041	44.2%	11,312	-19.2%	\$2,075,750
-1.6%	19,908	44.2%	17,436	45.6%	\$2,909,034
-2.5%	22,041	44.2%	16,253	45.0%	\$2,250,682
-2.0%	22,041	44.2%	14,706	56.3%	\$1,822,023
-3.4%	21,330	44.2%	14,721	34.6%	\$1,827,110
-2.0%	15,283	0.0%	11,660	2.5%	\$1,486,939
-1.8%	14,790	0.0%	9,684	-10.5%	\$1,107,186
-0.5%	15,283	0.0%	10,109	-9.5%	\$1,001,257
0.0%	15,283	0.0%	9,724	-15.0%	\$974,492
1.0%	14,790	0.0%	10,777	-12.4%	\$1,120,835
1.9%	15,283	0.0%	10,654	-12.0%	\$1,165,747
3.8%	14,790	0.0%	10,766	-13.0%	\$1,371,054
3.8%	15,283	0.0%	13,999	0.1%	\$2,776,036
3.4%	13,804	0.0%	11,976	-1.4%	\$2,038,723
3.0%	15,283	0.0%	11,207	-3.7%	\$1,611,188
3.2%	15,283	0.0%	9,410	-11.6%	\$1,051,939
4.2%	14,790	0.0%	10,937	-4.5%	\$1,422,054
4.7%	15,283	0.0%	11,372	-1.4%	\$1,441,177
4.0%	14,790	0.0%	10,818	3.1%	\$1,228,920
3.7%	15,283	0.0%	11,171	2.3%	\$1,030,246
4.0%	15,283	0.0%	11,436	0.1%	\$1,094,571
4.7%	14,790	0.0%	12,305	5.4%	\$1,201,262
5.0%	15,283	0.0%	12,104	10.0%	\$1,309,849
4.3%	14,790	0.0%	12,378	3.5%	\$1,490,604
6.1%	15,283	0.0%	13,981	-1.6%	\$2,666,394
7.9%	13,804	0.0%	12,150	-2.2%	\$1,929,854
8.0%	15,283	0.0%	11,643	8.6%	\$1,532,395
6.9%	15,283	0.0%	10,649	6.7%	\$1,170,649
6.8%	14,790	0.0%	11,451	6.4%	\$1,383,289
6.6%	15,283	0.0%	11,536	-2.9%	\$1,355,052
7.7%	14,790	0.0%	10,489	2.7%	\$1,117,035
7.8%	15,283	0.0%	10,919	11.8%	\$974,299
7.9%	15,283	0.0%	11,419	14.9%	\$1,044,368

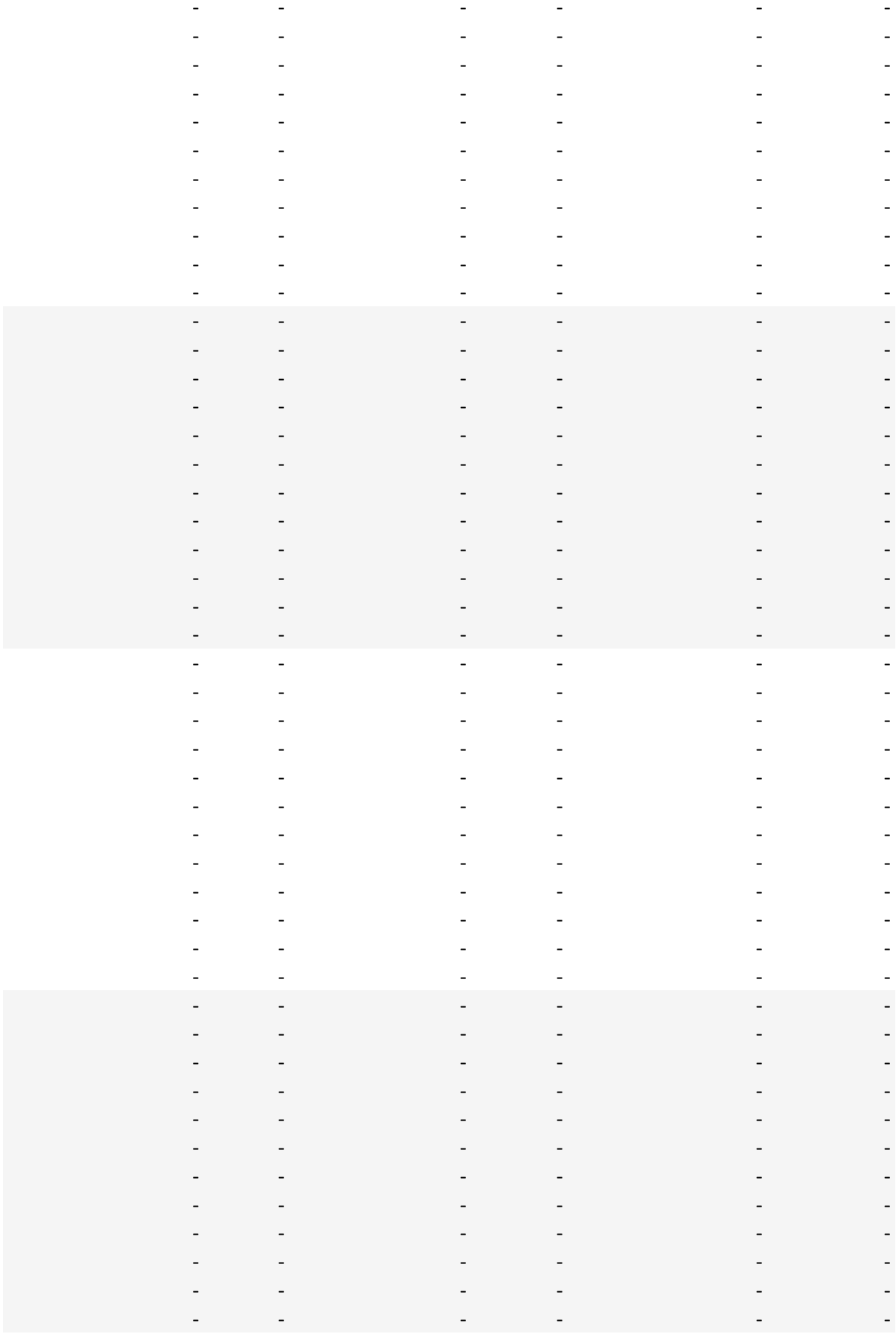
7.1%	14,790	0.0%	11,680	13.5%	\$1,129,177
7.5%	15,283	0.0%	11,002	4.0%	\$1,136,268
8.3%	14,790	0.0%	11,964	-2.8%	\$1,602,038
9.2%	15,283	0.0%	14,212	1.5%	\$2,636,294
7.8%	13,804	0.0%	12,424	-2.3%	\$1,888,483
8.2%	15,283	0.0%	10,718	6.1%	\$1,424,691
6.5%	15,283	0.0%	9,977	0.2%	\$1,119,288
6.9%	14,790	0.0%	10,759	4.9%	\$1,273,470
6.9%	15,283	0.0%	11,877	4.9%	\$1,378,145
6.8%	14,790	0.0%	10,213	5.4%	\$1,055,527
6.8%	15,283	0.0%	9,763	10.4%	\$872,481
6.5%	15,283	0.0%	9,937	2.2%	\$895,962
7.6%	14,790	0.0%	10,293	14.3%	\$1,008,857
6.8%	15,283	0.0%	10,578	12.2%	\$1,081,523
6.0%	14,790	0.0%	12,305	16.0%	\$1,428,699
4.3%	15,283	0.0%	13,999	-3.4%	\$2,343,798
6.7%	13,804	0.0%	12,722	11.0%	\$1,826,598
8.5%	15,283	0.0%	10,101	-6.6%	\$1,486,911
17.2%	15,283	0.0%	9,957	5.0%	\$1,085,634
18.4%	14,790	0.0%	10,256	6.8%	\$1,199,288
19.2%	15,283	0.0%	11,318	8.1%	\$1,248,295
20.3%	14,790	0.0%	9,691	5.0%	\$975,135
21.8%	15,283	0.0%	8,841	8.4%	\$769,916
22.2%	15,283	0.0%	9,720	20.4%	\$875,771
20.9%	14,790	0.0%	9,002	2.9%	\$832,913
21.1%	15,283	0.0%	9,432	2.8%	\$923,981
21.7%	14,790	0.0%	10,605	9.4%	\$1,136,873
22.1%	15,283	0.0%	14,486	7.7%	\$2,274,197
22.1%	13,804	0.0%	11,464	4.0%	\$1,703,298
20.8%	15,283	0.0%	10,810	16.6%	\$1,778,978
15.1%	15,283	0.0%	9,487	18.2%	\$1,002,138
15.3%	14,790	0.0%	9,607	3.8%	\$1,127,338
15.5%	15,283	0.0%	10,469	17.7%	\$1,137,425
13.8%	14,790	0.0%	9,231	23.2%	\$908,187
11.4%	15,283	0.0%	8,156	9.8%	\$718,409
11.7%	15,283	0.0%	8,073	0.6%	\$697,745
13.0%	14,790	0.0%	8,745	10.7%	\$777,943
12.4%	15,283	0.0%	9,178	13.7%	\$878,974
11.9%	14,790	0.0%	9,696	4.5%	\$1,095,212
12.8%	15,283	0.0%	13,449	13.7%	\$1,896,290
7.4%	13,804	0.0%	11,026	13.0%	\$1,351,101
6.3%	15,283	0.0%	9,270	14.5%	\$1,044,661
6.6%	15,283	0.0%	8,024	29.0%	\$795,775
4.2%	14,790	0.0%	9,259	20.6%	\$988,043
2.7%	15,283	0.0%	8,894	1.2%	\$931,570
2.8%	14,790	0.0%	7,490	-5.7%	\$705,442
4.5%	15,283	0.0%	7,431	15.1%	\$632,432

3.3%	15,283	0.0%	8,024	15.7%	\$685,604
2.2%	14,790	0.0%	7,900	-8.0%	\$704,960
2.7%	15,283	0.0%	8,072	2.6%	\$790,272
3.6%	14,790	0.0%	9,275	11.5%	\$1,022,166
2.3%	15,283	0.0%	11,824	-15.2%	\$1,589,289
7.1%	13,804	0.0%	9,759	-0.6%	\$1,175,049
6.6%	15,283	0.0%	8,097	9.4%	\$955,335
5.0%	15,283	0.0%	6,220	-9.6%	\$604,066
5.6%	14,790	0.0%	7,679	-1.0%	\$848,903
4.4%	15,283	0.0%	8,789	2.5%	\$905,736
2.9%	14,790	0.0%	7,943	15.8%	\$746,979
0.7%	15,283	0.0%	6,458	-2.9%	\$528,617
0.8%	15,283	0.0%	6,934	3.2%	\$558,739
1.1%	14,790	0.0%	8,590	11.8%	\$695,454
0.8%	15,283	0.0%	7,868	14.5%	\$751,783
-0.8%	14,790	0.0%	8,322	-1.5%	\$878,212
-2.0%	15,283	0.0%	13,944	7.8%	\$1,819,157
-4.2%	13,804	0.0%	9,813	6.3%	\$1,115,260
-2.1%	15,283	0.0%	7,403	-0.5%	\$845,857
-1.0%	15,283	0.0%	6,882	-4.3%	\$658,990
0.0%	14,790	0.0%	7,760	-13.8%	\$855,406
3.0%	15,283	0.0%	8,574	-16.3%	\$879,972
6.0%	14,790	0.0%	6,861	-11.9%	\$618,808
7.8%	15,283	0.0%	6,654	-2.8%	\$545,058
8.6%	15,283	0.0%	6,721	7.5%	\$539,415
7.8%	14,790	0.0%	7,685	1.8%	\$639,360
8.6%	15,283	0.0%	6,874	-6.5%	\$625,812
10.0%	14,790	0.0%	8,446	-4.7%	\$869,101
12.3%	15,283	0.0%	12,934	-0.6%	\$1,577,818
14.0%	13,804	0.0%	9,231	15.8%	\$1,106,360
10.0%	15,283	0.0%	7,442	-1.4%	\$893,649
8.2%	15,283	0.0%	7,190	20.5%	\$654,657
5.9%	14,790	0.0%	9,006	18.6%	\$969,157
2.5%	15,283	0.0%	10,242	16.6%	\$1,007,451
0.0%	14,790	0.0%	7,787	12.9%	\$709,309
-1.2%	15,283	0.0%	6,847	15.0%	\$545,743
-2.9%	15,283	0.0%	6,253	-5.0%	\$489,975
-2.9%	14,790	0.0%	7,549	14.5%	\$617,379
-4.7%	15,283	0.0%	7,352	13.5%	\$665,080
-7.3%	14,790	0.0%	8,862	11.2%	\$980,351
-9.8%	15,283	0.0%	13,009	15.3%	\$1,561,491
-10.7%	13,804	0.0%	7,971	-0.5%	\$878,137
-14.5%	15,283	0.0%	7,551	5.8%	\$827,298
-16.1%	15,283	0.0%	5,967	-3.7%	\$551,291
-16.6%	14,790	0.0%	7,595	-2.1%	\$799,818
-16.0%	15,283	0.0%	8,785	5.4%	\$851,785
-17.5%	14,790	0.0%	6,898	2.9%	\$638,322

[illegible]







Revenue Chg (YOY)	Occupancy	Occupancy Chg (YOY)	ADR	ADR Chg (YOY)	RevPAR
16.3%	79.9%	2.0%	\$223.24	0.4%	\$178.33
12.8%	78.0%	-4.1%	\$213.95	3.7%	\$166.95
19.8%	67.3%	-0.3%	\$160.56	5.8%	\$108.01
7.5%	60.0%	-10.5%	\$147.89	5.8%	\$88.68
21.4%	68.1%	3.2%	\$165.97	3.7%	\$113.07
27.0%	72.8%	8.6%	\$158.80	3.0%	\$115.66
2.9%	65.0%	-1.1%	\$136.83	-8.4%	\$88.95
22.2%	62.2%	4.6%	\$111.68	-8.8%	\$69.50
24.5%	66.8%	10.4%	\$116.52	0.0%	\$77.84
28.7%	69.6%	9.6%	\$128.36	3.9%	\$89.37
17.4%	68.2%	5.7%	\$137.50	-1.6%	\$93.80
48.1%	73.2%	8.4%	\$186.61	21.1%	\$136.69
11.0%	78.3%	-0.3%	\$222.28	-1.4%	\$174.09
-10.2%	81.4%	6.1%	\$206.40	-25.0%	\$167.97
7.0%	67.4%	1.6%	\$151.80	-6.7%	\$102.38
23.6%	67.0%	14.5%	\$139.85	-4.4%	\$93.67
14.6%	66.0%	1.4%	\$160.10	0.1%	\$105.70
14.8%	67.1%	0.0%	\$154.17	1.7%	\$103.40
29.4%	65.7%	5.2%	\$149.36	9.0%	\$98.18
6.5%	59.5%	-0.5%	\$122.44	7.0%	\$72.89
2.3%	60.5%	0.6%	\$116.56	1.8%	\$70.56
-0.3%	63.5%	-0.8%	\$123.49	0.5%	\$78.42
3.5%	64.5%	0.6%	\$139.75	3.0%	\$90.17
-0.8%	67.6%	-0.9%	\$154.14	0.1%	\$104.19
18.5%	78.6%	3.2%	\$225.33	14.8%	\$177.08
63.6%	76.7%	4.6%	\$275.19	56.4%	\$211.11
3.9%	66.4%	-4.0%	\$162.63	8.2%	\$108.00
-3.9%	58.5%	-11.1%	\$146.25	8.0%	\$85.55
-7.2%	65.1%	-14.8%	\$159.91	8.9%	\$104.16
-11.3%	67.1%	-15.1%	\$151.61	4.5%	\$101.66
19.5%	62.5%	-6.2%	\$137.07	8.1%	\$85.63
18.7%	59.8%	-2.1%	\$114.41	2.9%	\$68.42
-8.5%	60.2%	-21.9%	\$114.55	-0.7%	\$68.95
6.3%	64.0%	-13.5%	\$122.88	4.2%	\$78.65
16.2%	64.2%	-10.5%	\$135.74	10.1%	\$87.08
18.4%	68.2%	-19.2%	\$154.03	24.4%	\$105.07
40.7%	76.2%	-7.0%	\$196.25	28.3%	\$149.49
57.9%	73.4%	-0.2%	\$175.97	34.3%	\$129.07
80.7%	69.2%	9.6%	\$150.28	39.9%	\$103.97
85.6%	65.8%	17.5%	\$135.38	34.1%	\$89.03
80.6%	76.5%	18.6%	\$146.87	29.2%	\$112.29
83.2%	79.0%	14.2%	\$145.13	36.1%	\$114.67
33.8%	66.6%	6.2%	\$126.79	25.9%	\$84.44
36.5%	61.0%	13.4%	\$111.24	20.3%	\$67.91
82.8%	77.1%	52.4%	\$115.31	19.9%	\$88.87
66.8%	74.0%	42.4%	\$117.88	17.2%	\$87.24

178.9%	71.7%	88.4%	\$123.31	22.4%	\$88.36
346.1%	84.5%	220.8%	\$123.84	15.0%	\$104.60
33.0%	81.9%	59.6%	\$152.90	-16.7%	\$125.23
-34.1%	73.5%	-16.1%	\$131.02	-21.5%	\$96.32
-33.6%	63.1%	-14.4%	\$107.44	-22.4%	\$67.81
-31.6%	56.0%	-16.1%	\$100.98	-18.5%	\$56.53
-14.5%	64.4%	-6.6%	\$113.70	-8.4%	\$73.28
9.3%	69.2%	-9.3%	\$106.62	-16.4%	\$73.76
21.6%	62.7%	-4.3%	\$100.70	-11.9%	\$63.13
9.5%	53.8%	-18.6%	\$92.45	-6.7%	\$49.75
10.0%	50.6%	-20.5%	\$96.16	-4.0%	\$48.62
-0.5%	52.0%	-28.7%	\$100.62	-3.3%	\$52.29
-40.1%	38.0%	-45.5%	\$100.76	-7.9%	\$38.31
-63.5%	26.3%	-63.8%	\$107.70	-15.4%	\$28.35
-25.2%	51.3%	-44.0%	\$183.50	-7.5%	\$94.18
42.7%	87.6%	1.0%	\$166.84	-2.0%	\$146.12
39.7%	73.7%	0.6%	\$138.48	-3.7%	\$102.11
73.2%	66.7%	8.4%	\$123.90	10.8%	\$82.67
28.5%	69.0%	-6.7%	\$124.12	-4.5%	\$85.66
3.2%	76.3%	2.5%	\$127.52	0.6%	\$97.29
-9.9%	65.5%	-10.5%	\$114.33	0.6%	\$74.86
-2.8%	66.1%	-9.5%	\$99.05	7.4%	\$65.51
-11.0%	63.6%	-15.0%	\$100.22	4.7%	\$63.76
-6.7%	72.9%	-12.4%	\$104.00	6.5%	\$75.78
-11.0%	69.7%	-12.0%	\$109.42	1.1%	\$76.28
-8.0%	72.8%	-13.0%	\$127.35	5.8%	\$92.70
4.1%	91.6%	0.1%	\$198.30	4.0%	\$181.64
5.6%	86.8%	-1.4%	\$170.23	7.2%	\$147.69
5.1%	73.3%	-3.7%	\$143.77	9.2%	\$105.42
-10.1%	61.6%	-11.6%	\$111.79	1.7%	\$68.83
2.8%	73.9%	-4.5%	\$130.02	7.6%	\$96.15
6.4%	74.4%	-1.4%	\$126.73	7.9%	\$94.30
10.0%	73.1%	3.1%	\$113.60	6.7%	\$83.09
5.7%	73.1%	2.3%	\$92.23	3.4%	\$67.41
4.8%	74.8%	0.1%	\$95.71	4.7%	\$71.62
6.4%	83.2%	5.4%	\$97.62	1.0%	\$81.22
15.3%	79.2%	10.0%	\$108.22	4.8%	\$85.71
-7.0%	83.7%	3.5%	\$120.42	-10.1%	\$100.78
1.1%	91.5%	-1.6%	\$190.72	2.8%	\$174.47
2.2%	88.0%	-2.2%	\$158.84	4.5%	\$139.80
7.6%	76.2%	8.6%	\$131.62	-1.0%	\$100.27
4.6%	69.7%	6.7%	\$109.93	-2.0%	\$76.60
8.6%	77.4%	6.4%	\$120.80	2.1%	\$93.53
-1.7%	75.5%	-2.9%	\$117.46	1.2%	\$88.66
5.8%	70.9%	2.7%	\$106.50	3.0%	\$75.53
11.7%	71.4%	11.8%	\$89.23	-0.2%	\$63.75
16.6%	74.7%	14.9%	\$91.46	1.4%	\$68.34

11.9%	79.0%	13.5%	\$96.68	-1.4%	\$76.35
5.1%	72.0%	4.0%	\$103.28	1.0%	\$74.35
12.1%	80.9%	-2.8%	\$133.90	15.3%	\$108.32
12.5%	93.0%	1.5%	\$185.50	10.8%	\$172.50
3.4%	90.0%	-2.3%	\$152.00	5.9%	\$136.81
-4.2%	70.1%	6.1%	\$132.93	-9.7%	\$93.22
3.1%	65.3%	0.2%	\$112.19	2.9%	\$73.24
6.2%	72.7%	4.9%	\$118.36	1.2%	\$86.10
10.4%	77.7%	4.9%	\$116.03	5.2%	\$90.18
8.2%	69.1%	5.4%	\$103.35	2.7%	\$71.37
13.3%	63.9%	10.4%	\$89.37	2.6%	\$57.09
2.3%	65.0%	2.2%	\$90.16	0.1%	\$58.62
21.1%	69.6%	14.3%	\$98.01	5.9%	\$68.21
17.1%	69.2%	12.2%	\$102.24	4.4%	\$70.77
25.7%	83.2%	16.0%	\$116.11	8.3%	\$96.60
3.1%	91.6%	-3.4%	\$167.43	6.6%	\$153.36
7.2%	92.2%	11.0%	\$143.58	-3.4%	\$132.32
-16.4%	66.1%	-6.6%	\$147.20	-10.6%	\$97.29
8.3%	65.2%	5.0%	\$109.03	3.2%	\$71.04
6.4%	69.3%	6.8%	\$116.94	-0.3%	\$81.09
9.7%	74.1%	8.1%	\$110.29	1.5%	\$81.68
7.4%	65.5%	5.0%	\$100.62	2.3%	\$65.93
7.2%	57.8%	8.4%	\$87.08	-1.1%	\$50.38
25.5%	63.6%	20.4%	\$90.10	4.2%	\$57.30
7.1%	60.9%	2.9%	\$92.53	4.0%	\$56.32
5.1%	61.7%	2.8%	\$97.96	2.3%	\$60.46
3.8%	71.7%	9.4%	\$107.20	-5.1%	\$76.87
19.9%	94.8%	7.7%	\$156.99	11.3%	\$148.81
26.1%	83.0%	4.0%	\$148.58	21.3%	\$123.39
70.3%	70.7%	16.6%	\$164.57	46.0%	\$116.40
25.9%	62.1%	18.2%	\$105.63	6.5%	\$65.57
14.1%	65.0%	3.8%	\$117.35	10.0%	\$76.22
22.1%	68.5%	17.7%	\$108.65	3.7%	\$74.42
28.7%	62.4%	23.2%	\$98.38	4.5%	\$61.41
13.6%	53.4%	9.8%	\$88.08	3.5%	\$47.01
1.8%	52.8%	0.6%	\$86.43	1.2%	\$45.65
10.4%	59.1%	10.7%	\$88.96	-0.3%	\$52.60
11.2%	60.1%	13.7%	\$95.77	-2.2%	\$57.51
7.1%	65.6%	4.5%	\$112.96	2.5%	\$74.05
19.3%	88.0%	13.7%	\$141.00	4.9%	\$124.08
15.0%	79.9%	13.0%	\$122.54	1.8%	\$97.88
9.4%	60.7%	14.5%	\$112.69	-4.5%	\$68.35
31.7%	52.5%	29.0%	\$99.17	2.1%	\$52.07
16.4%	62.6%	20.6%	\$106.71	-3.5%	\$66.80
2.9%	58.2%	1.2%	\$104.74	1.6%	\$60.95
-5.6%	50.6%	-5.7%	\$94.18	0.2%	\$47.70
19.6%	48.6%	15.1%	\$85.11	4.0%	\$41.38

22.7%	52.5%	15.7%	\$85.44	6.0%	\$44.86
1.4%	53.4%	-8.0%	\$89.24	10.2%	\$47.66
5.1%	52.8%	2.6%	\$97.90	2.5%	\$51.71
16.4%	62.7%	11.5%	\$110.21	4.4%	\$69.11
-12.6%	77.4%	-15.2%	\$134.41	3.0%	\$103.99
5.4%	70.7%	-0.6%	\$120.41	5.9%	\$85.12
12.9%	53.0%	9.4%	\$117.99	3.3%	\$62.51
-8.3%	40.7%	-9.6%	\$97.12	1.4%	\$39.53
-0.8%	51.9%	-1.0%	\$110.55	0.3%	\$57.40
2.9%	57.5%	2.5%	\$103.05	0.4%	\$59.26
20.7%	53.7%	15.8%	\$94.04	4.3%	\$50.51
-3.0%	42.3%	-2.9%	\$81.85	-0.1%	\$34.59
3.6%	45.4%	3.2%	\$80.58	0.4%	\$36.56
8.8%	58.1%	11.8%	\$80.96	-2.7%	\$47.02
20.1%	51.5%	14.5%	\$95.55	5.0%	\$49.19
1.0%	56.3%	-1.5%	\$105.53	2.6%	\$59.38
15.3%	91.2%	7.8%	\$130.46	6.9%	\$119.03
0.8%	71.1%	6.3%	\$113.65	-5.2%	\$80.79
-5.3%	48.4%	-0.5%	\$114.26	-4.8%	\$55.35
0.7%	45.0%	-4.3%	\$95.76	5.2%	\$43.12
-11.7%	52.5%	-13.8%	\$110.23	2.4%	\$57.84
-12.7%	56.1%	-16.3%	\$102.63	4.3%	\$57.58
-12.8%	46.4%	-11.9%	\$90.19	-1.0%	\$41.84
-0.1%	43.5%	-2.8%	\$81.91	2.8%	\$35.66
10.1%	44.0%	7.5%	\$80.26	2.4%	\$35.30
3.6%	52.0%	1.8%	\$83.20	1.7%	\$43.23
-5.9%	45.0%	-6.5%	\$91.04	0.6%	\$40.95
-11.3%	57.1%	-4.7%	\$102.90	-7.0%	\$58.76
1.0%	84.6%	-0.6%	\$121.99	1.6%	\$103.24
26.0%	66.9%	15.8%	\$119.85	8.8%	\$80.15
8.0%	48.7%	-1.4%	\$120.08	9.6%	\$58.47
18.7%	47.0%	20.5%	\$91.05	-1.4%	\$42.84
21.2%	60.9%	18.6%	\$107.61	2.2%	\$65.53
18.3%	67.0%	16.6%	\$98.36	1.4%	\$65.92
11.1%	52.7%	12.9%	\$91.09	-1.6%	\$47.96
16.1%	44.8%	15.0%	\$79.71	1.0%	\$35.71
-5.6%	40.9%	-5.0%	\$78.36	-0.6%	\$32.06
16.3%	51.0%	14.5%	\$81.78	1.6%	\$41.74
15.5%	48.1%	13.5%	\$90.46	1.8%	\$43.52
9.2%	59.9%	11.2%	\$110.62	-1.8%	\$66.28
11.2%	85.1%	15.3%	\$120.03	-3.6%	\$102.17
-12.0%	57.7%	-0.5%	\$110.17	-11.5%	\$63.61
-9.6%	49.4%	5.8%	\$109.56	-14.6%	\$54.13
-15.6%	39.0%	-3.7%	\$92.39	-12.3%	\$36.07
-15.1%	51.4%	-2.1%	\$105.31	-13.3%	\$54.08
-9.2%	57.5%	5.4%	\$96.96	-13.9%	\$55.73
-6.1%	46.6%	2.9%	\$92.54	-8.7%	\$43.16

[illegible]

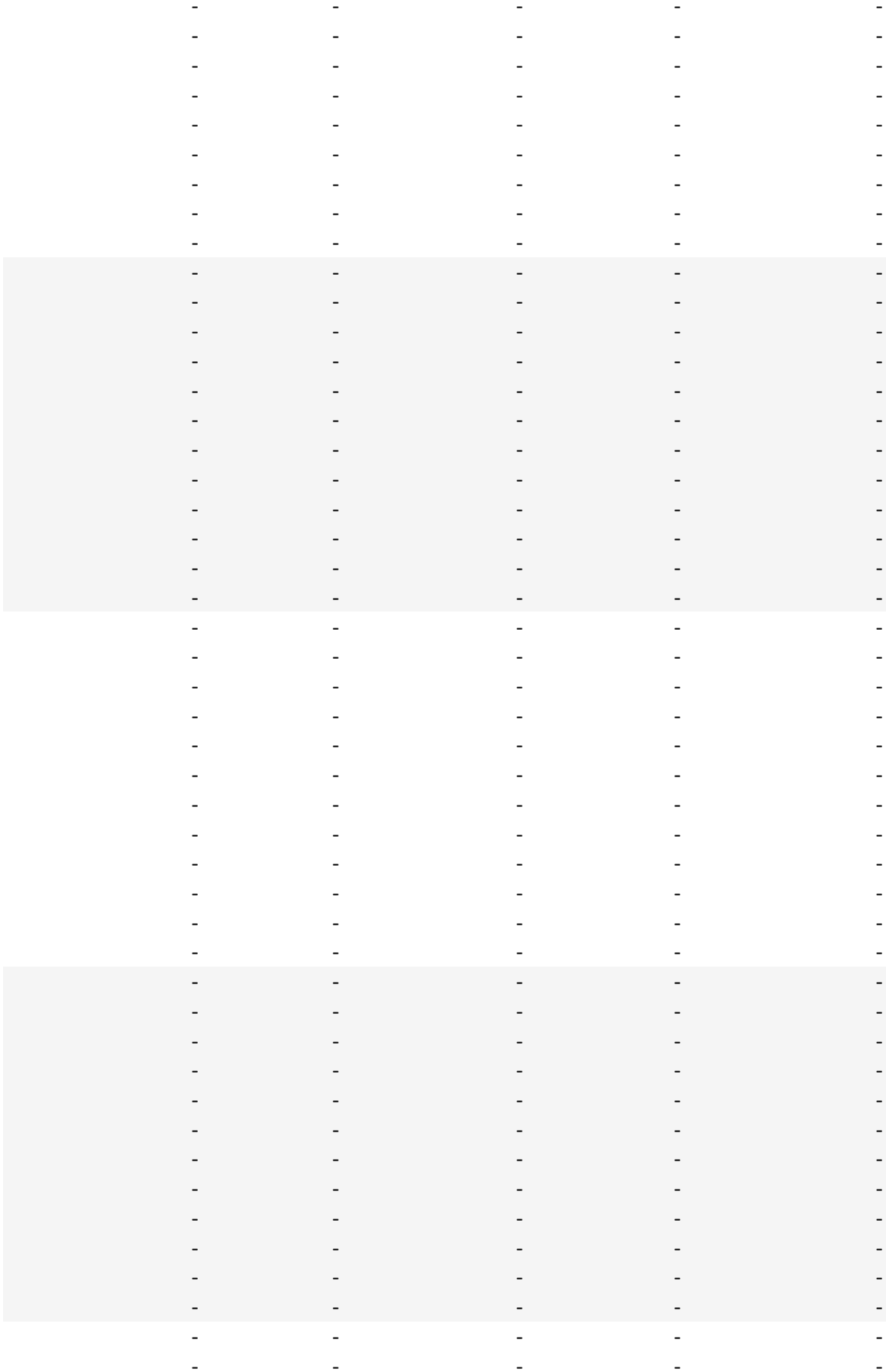
RevPAR Chg (YOY)	3 Mo Supply	3 Mo Supply Chg	3 Mo Demand	3 Mo Demand Chg
2.4%	96,660	13.5%	72,458	12.7%
-0.6%	96,660	13.5%	65,826	8.0%
5.5%	98,808	13.5%	64,309	10.6%
-5.3%	98,808	13.5%	66,162	14.0%
7.0%	97,734	13.5%	67,144	17.7%
11.9%	98,808	18.1%	65,916	22.6%
-9.4%	94,840	18.1%	61,259	22.9%
-4.6%	91,000	18.0%	60,072	27.4%
10.3%	87,032	12.9%	59,356	22.5%
14.0%	86,086	12.9%	60,551	21.8%
4.0%	87,032	12.9%	63,760	17.7%
31.2%	84,194	12.9%	65,311	17.9%
-1.7%	85,140	12.9%	64,302	15.5%
-20.4%	85,140	12.9%	60,976	20.9%
-5.2%	87,032	12.9%	58,156	19.1%
9.5%	87,032	12.9%	58,046	18.5%
1.5%	86,086	12.9%	57,058	15.3%
1.7%	83,684	8.5%	53,786	10.5%
14.7%	80,336	4.2%	49,844	6.3%
6.5%	77,096	0.0%	47,154	-0.2%
2.3%	77,096	0.0%	48,452	0.1%
-0.3%	76,258	0.0%	49,719	-0.4%
3.5%	77,096	0.0%	54,170	1.1%
-0.8%	74,582	0.0%	55,408	2.3%
18.5%	75,420	0.0%	55,666	1.3%
63.6%	75,420	0.0%	50,447	-3.5%
3.9%	77,096	0.0%	48,822	-10.1%
-3.9%	77,096	0.0%	48,990	-13.8%
-7.2%	76,258	5.3%	49,499	-8.3%
-11.3%	77,096	11.2%	48,658	1.0%
1.4%	77,096	17.9%	46,876	5.0%
0.7%	77,096	17.9%	47,263	2.2%
-22.4%	77,096	17.9%	48,395	-0.4%
-9.8%	76,258	17.9%	49,908	0.6%
-1.4%	77,096	17.9%	53,605	3.4%
0.5%	74,582	17.9%	54,150	6.8%
19.4%	75,420	17.9%	54,973	18.0%
34.0%	75,420	17.9%	52,268	27.8%
53.3%	77,096	17.9%	54,277	35.7%
57.5%	77,096	17.9%	56,829	37.5%
53.2%	72,448	12.0%	53,951	27.3%
55.5%	69,349	6.0%	48,187	19.0%
33.8%	65,412	0.0%	44,649	22.7%
36.5%	65,412	0.0%	46,229	35.6%
82.8%	65,412	6.2%	48,566	66.6%
66.8%	64,701	13.1%	49,595	118.9%

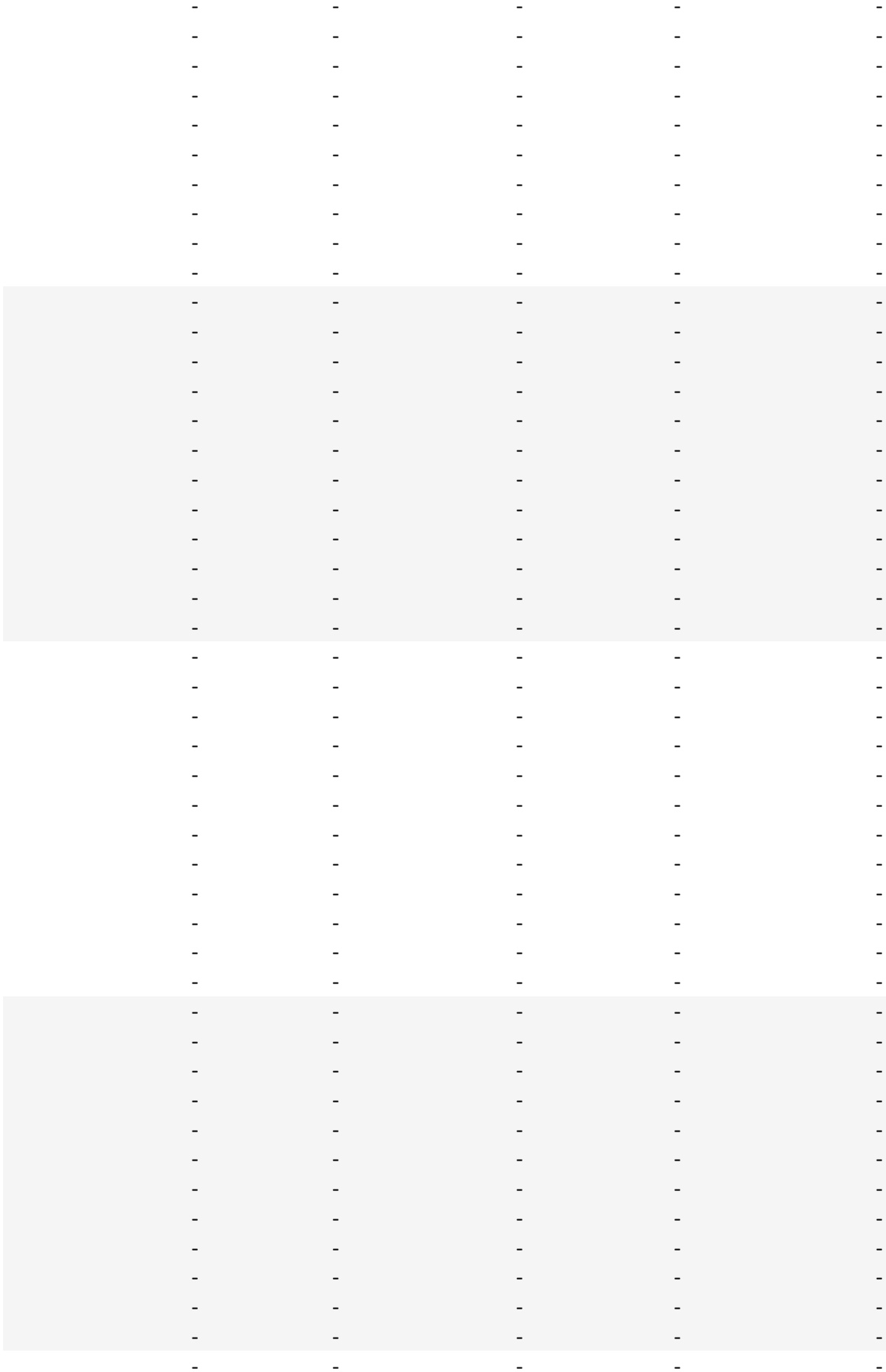
130.6%	65,412	13.0%	51,861	126.6%
268.9%	63,279	6.2%	50,704	51.8%
33.0%	63,990	0.0%	46,598	3.5%
-34.1%	63,990	0.0%	40,884	-15.5%
-33.6%	65,412	0.0%	39,995	-12.4%
-31.6%	65,412	11.5%	41,332	0.6%
-14.5%	64,701	25.9%	42,366	17.5%
-24.2%	65,412	44.2%	40,481	28.7%
-15.7%	65,412	44.2%	36,377	23.2%
-24.1%	65,412	44.2%	34,090	11.4%
-23.8%	61,599	35.8%	29,159	-6.4%
-31.0%	57,198	27.5%	22,660	-29.6%
-49.8%	57,909	27.7%	22,887	-35.4%
-69.4%	59,589	35.8%	33,392	-9.1%
-48.2%	63,990	44.2%	45,001	21.0%
-1.1%	63,990	44.2%	48,395	48.5%
-3.1%	65,412	44.2%	45,680	44.8%
20.1%	58,654	29.3%	41,087	29.5%
-10.9%	51,403	14.6%	36,065	8.9%
3.2%	45,356	0.0%	31,453	-5.7%
-9.9%	45,356	0.0%	29,517	-11.7%
-2.8%	45,356	0.0%	30,610	-12.3%
-11.0%	45,356	0.0%	31,155	-13.1%
-6.7%	44,863	0.0%	32,197	-12.5%
-11.0%	45,356	0.0%	35,419	-7.9%
-8.0%	43,877	0.0%	36,741	-4.6%
4.1%	44,370	0.0%	37,182	-1.6%
5.6%	44,370	0.0%	32,593	-5.4%
5.1%	45,356	0.0%	31,554	-6.5%
-10.1%	45,356	0.0%	31,719	-5.7%
2.8%	44,863	0.0%	33,127	-1.0%
6.4%	45,356	0.0%	33,361	1.3%
10.0%	45,356	0.0%	33,425	1.8%
5.7%	45,356	0.0%	34,912	2.6%
4.8%	45,356	0.0%	35,845	5.1%
6.4%	44,863	0.0%	36,787	6.2%
15.3%	45,356	0.0%	38,463	3.5%
-7.0%	43,877	0.0%	38,509	-0.2%
1.1%	44,370	0.0%	37,774	1.1%
2.2%	44,370	0.0%	34,442	4.0%
7.6%	45,356	0.0%	33,743	7.3%
4.6%	45,356	0.0%	33,636	3.1%
8.6%	44,863	0.0%	33,476	1.9%
-1.7%	45,356	0.0%	32,944	3.4%
5.8%	45,356	0.0%	32,827	9.7%
11.7%	45,356	0.0%	34,018	13.4%
16.6%	45,356	0.0%	34,101	10.7%

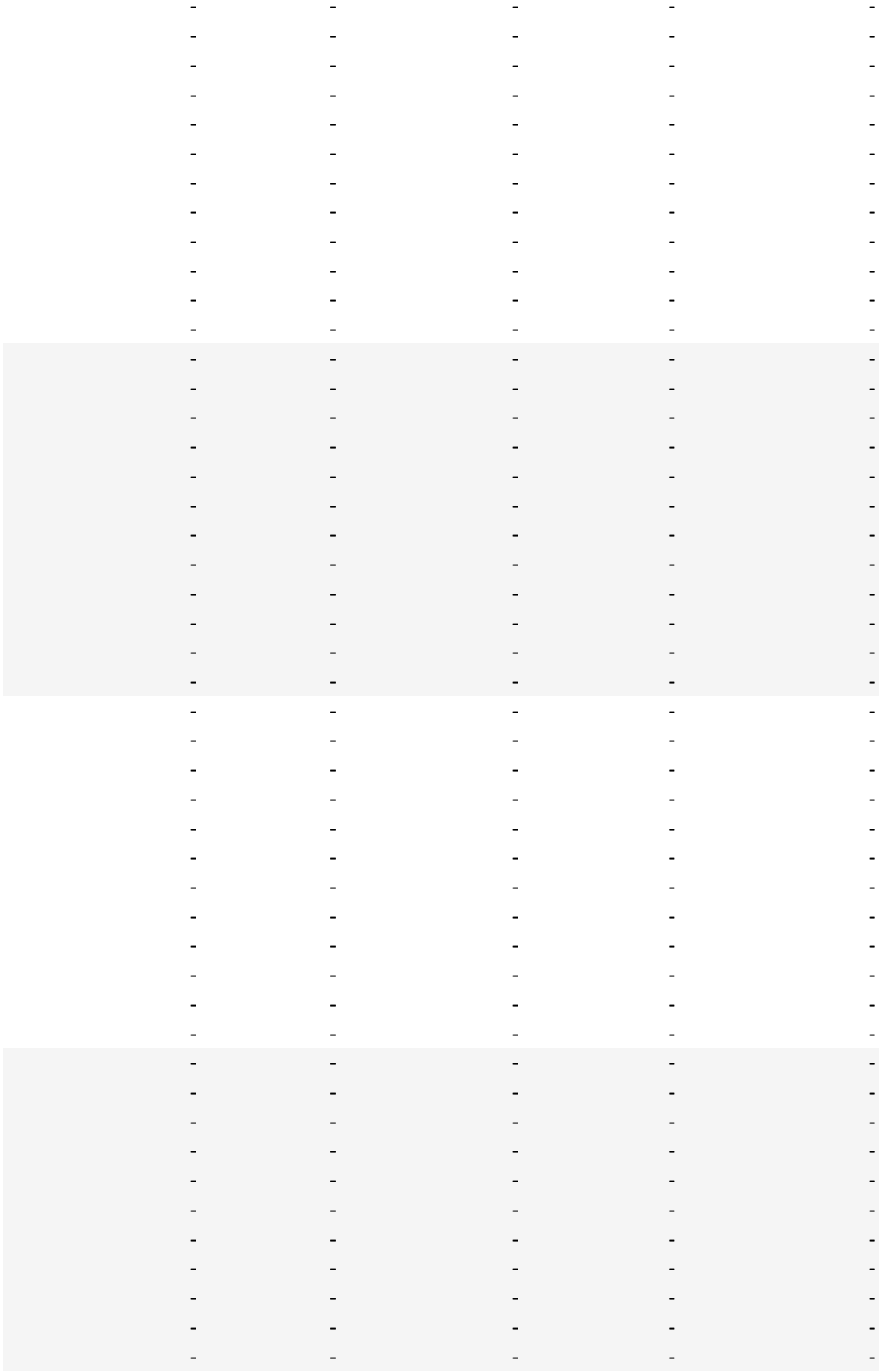
11.9%	44,863	0.0%	34,646	4.4%
5.1%	45,356	0.0%	37,178	0.8%
12.1%	43,877	0.0%	38,600	-1.1%
12.5%	44,370	0.0%	37,354	1.4%
3.4%	44,370	0.0%	33,119	1.0%
-4.2%	45,356	0.0%	31,454	3.8%
3.1%	45,356	0.0%	32,613	3.4%
6.2%	44,863	0.0%	32,849	5.1%
10.4%	45,356	0.0%	31,853	6.7%
8.2%	45,356	0.0%	29,913	5.9%
13.3%	45,356	0.0%	29,993	8.8%
2.3%	45,356	0.0%	30,808	9.4%
21.1%	44,863	0.0%	33,176	14.2%
17.1%	45,356	0.0%	36,882	6.8%
25.7%	43,877	0.0%	39,026	6.8%
3.1%	44,370	0.0%	36,822	0.2%
7.2%	44,370	0.0%	32,780	3.2%
-16.4%	45,356	0.0%	30,314	1.4%
8.3%	45,356	0.0%	31,531	6.7%
6.4%	44,863	0.0%	31,265	6.7%
9.7%	45,356	0.0%	29,850	7.2%
7.4%	45,356	0.0%	28,252	11.0%
7.2%	45,356	0.0%	27,563	10.4%
25.5%	45,356	0.0%	28,154	8.3%
7.1%	44,863	0.0%	29,039	5.1%
5.1%	45,356	0.0%	34,523	6.8%
3.8%	43,877	0.0%	36,555	7.0%
19.9%	44,370	0.0%	36,760	8.9%
26.1%	44,370	0.0%	31,761	12.2%
70.3%	45,356	0.0%	29,904	12.6%
25.9%	45,356	0.0%	29,563	12.9%
14.1%	44,863	0.0%	29,307	14.3%
22.1%	45,356	0.0%	27,856	17.0%
28.7%	45,356	0.0%	25,460	11.0%
13.6%	45,356	0.0%	24,974	6.9%
1.8%	45,356	0.0%	25,996	8.3%
10.4%	44,863	0.0%	27,619	9.4%
11.2%	45,356	0.0%	32,323	10.8%
7.1%	43,877	0.0%	34,171	10.7%
19.3%	44,370	0.0%	33,745	13.7%
15.0%	44,370	0.0%	28,320	17.6%
9.4%	45,356	0.0%	26,553	20.7%
31.7%	45,356	0.0%	26,177	15.4%
16.4%	44,863	0.0%	25,643	5.0%
2.9%	45,356	0.0%	23,815	2.7%
-5.6%	45,356	0.0%	22,945	7.5%
19.6%	45,356	0.0%	23,355	6.2%

22.7%	45,356	0.0%	23,996	2.6%
1.4%	44,863	0.0%	25,247	1.9%
5.1%	45,356	0.0%	29,171	-3.2%
16.4%	43,877	0.0%	30,858	-3.8%
-12.6%	44,370	0.0%	29,680	-4.7%
5.4%	44,370	0.0%	24,076	-0.1%
12.9%	45,356	0.0%	21,996	-0.2%
-8.3%	45,356	0.0%	22,688	-2.3%
-0.8%	44,863	0.0%	24,411	5.2%
2.9%	45,356	0.0%	23,190	5.0%
20.7%	45,356	0.0%	21,335	5.4%
-3.0%	45,356	0.0%	21,982	4.4%
3.6%	45,356	0.0%	23,392	9.9%
8.8%	44,863	0.0%	24,780	7.7%
20.1%	45,356	0.0%	30,134	6.7%
1.0%	43,877	0.0%	32,079	4.8%
15.3%	44,370	0.0%	31,160	5.2%
0.8%	44,370	0.0%	24,098	1.0%
-5.3%	45,356	0.0%	22,045	-6.7%
0.7%	45,356	0.0%	23,216	-12.2%
-11.7%	44,863	0.0%	23,195	-14.2%
-12.7%	45,356	0.0%	22,089	-11.2%
-12.8%	45,356	0.0%	20,236	-3.1%
-0.1%	45,356	0.0%	21,060	2.0%
10.1%	45,356	0.0%	21,280	0.6%
3.6%	44,863	0.0%	23,005	-3.2%
-5.9%	45,356	0.0%	28,254	-3.3%
-11.3%	43,877	0.0%	30,611	2.6%
1.0%	44,370	0.0%	29,607	3.8%
26.0%	44,370	0.0%	23,863	11.0%
8.0%	45,356	0.0%	23,638	12.0%
18.7%	45,356	0.0%	26,438	18.3%
21.2%	44,863	0.0%	27,035	16.1%
18.3%	45,356	0.0%	24,876	15.0%
11.1%	45,356	0.0%	20,887	7.5%
16.1%	45,356	0.0%	20,649	7.9%
-5.6%	45,356	0.0%	21,154	7.6%
16.3%	44,863	0.0%	23,763	12.9%
15.5%	45,356	0.0%	29,223	13.6%
9.2%	43,877	0.0%	29,842	9.5%
11.2%	44,370	0.0%	28,531	8.0%
-12.0%	44,370	0.0%	21,489	0.7%
-9.6%	45,356	0.0%	21,113	0.1%
-15.6%	45,356	0.0%	22,347	0.3%
-15.1%	44,863	0.0%	23,278	2.1%
-9.2%	45,356	0.0%	21,635	-0.1%
-6.1%	45,356	0.0%	19,435	-1.2%

[illegible]







3 Mo Revenue	3 Mo Revenue Chg	3 Mo Occupancy	3 Mo Occupancy Chg Pct	3 Mo ADR
\$14,553,631	15.9%	75.0%	-0.7%	\$200.86
\$11,568,983	13.4%	68.1%	-4.9%	\$175.75
\$10,191,439	16.5%	65.1%	-2.6%	\$158.48
\$10,446,268	19.0%	67.0%	0.4%	\$157.89
\$10,359,730	17.5%	68.7%	3.7%	\$154.29
\$9,030,808	17.1%	66.7%	3.8%	\$137.00
\$7,462,840	14.6%	64.6%	4.1%	\$121.82
\$7,133,041	25.2%	66.0%	7.9%	\$118.74
\$7,569,679	23.1%	68.2%	8.5%	\$127.53
\$9,166,053	32.2%	70.3%	7.9%	\$151.38
\$11,735,114	22.7%	73.3%	4.3%	\$184.05
\$13,433,580	10.4%	77.6%	4.4%	\$205.69
\$12,556,703	1.6%	75.5%	2.3%	\$195.28
\$10,198,275	2.2%	71.6%	7.1%	\$167.25
\$8,748,796	14.4%	66.8%	5.5%	\$150.44
\$8,778,740	17.3%	66.7%	5.0%	\$151.24
\$8,818,099	19.0%	66.3%	2.1%	\$154.55
\$7,711,918	17.4%	64.3%	1.8%	\$143.38
\$6,512,644	13.8%	62.0%	2.0%	\$130.66
\$5,697,818	2.7%	61.2%	-0.2%	\$120.83
\$6,146,840	1.9%	62.8%	0.1%	\$126.86
\$6,933,219	0.8%	65.2%	-0.4%	\$139.45
\$9,561,935	8.8%	70.3%	1.1%	\$176.52
\$12,172,943	27.4%	74.3%	2.3%	\$219.70
\$12,359,183	28.6%	73.8%	1.3%	\$222.02
\$9,981,432	24.1%	66.9%	-3.5%	\$197.86
\$7,646,384	-2.4%	63.3%	-10.1%	\$156.62
\$7,481,707	-7.8%	63.5%	-13.8%	\$152.72
\$7,412,073	-2.5%	64.9%	-12.8%	\$149.74
\$6,570,914	4.7%	63.1%	-9.2%	\$135.04
\$5,721,234	8.8%	60.8%	-10.9%	\$122.05
\$5,545,833	4.3%	61.3%	-13.3%	\$117.34
\$6,030,764	4.6%	62.8%	-15.5%	\$124.62
\$6,881,086	13.9%	65.4%	-14.6%	\$137.88
\$8,787,332	26.6%	69.5%	-12.3%	\$163.93
\$9,553,665	38.3%	72.6%	-9.4%	\$176.43
\$9,613,023	55.7%	72.9%	0.1%	\$174.87
\$8,042,376	72.7%	69.3%	8.5%	\$153.87
\$7,836,727	82.1%	70.4%	15.1%	\$144.38
\$8,114,597	83.0%	73.7%	16.7%	\$142.79
\$7,602,809	67.6%	74.5%	13.7%	\$140.92
\$6,276,683	54.3%	69.5%	12.3%	\$130.26
\$5,256,600	49.6%	68.3%	22.7%	\$117.73
\$5,316,292	61.9%	70.7%	35.6%	\$115.00
\$5,766,947	99.9%	74.2%	56.8%	\$118.74
\$6,039,383	161.0%	76.7%	93.5%	\$121.77

\$6,938,775	111.9%	79.3%	100.6%	\$133.80
\$6,908,951	26.0%	80.1%	43.0%	\$136.26
\$6,172,368	-14.7%	72.8%	3.5%	\$132.46
\$4,658,076	-33.3%	63.9%	-15.5%	\$113.93
\$4,303,452	-27.1%	61.1%	-12.4%	\$107.60
\$4,434,582	-13.7%	63.2%	-9.8%	\$107.29
\$4,535,189	2.6%	65.5%	-6.7%	\$107.05
\$4,068,793	13.2%	61.9%	-10.8%	\$100.51
\$3,514,688	14.0%	55.6%	-14.5%	\$96.62
\$3,283,506	6.0%	52.1%	-22.8%	\$96.32
\$2,885,259	-11.5%	47.3%	-31.1%	\$98.95
\$2,313,868	-36.7%	39.6%	-44.8%	\$102.11
\$3,274,278	-38.4%	39.5%	-49.4%	\$143.06
\$5,484,956	-11.3%	56.0%	-33.1%	\$164.26
\$7,235,466	12.6%	70.3%	-16.1%	\$160.78
\$6,981,739	48.5%	75.6%	3.0%	\$144.27
\$5,899,814	44.4%	69.8%	0.4%	\$129.16
\$5,136,071	31.2%	70.0%	0.2%	\$125.00
\$4,421,234	8.0%	70.2%	-5.0%	\$122.59
\$3,595,381	-2.8%	69.3%	-5.7%	\$114.31
\$3,082,934	-8.1%	65.1%	-11.7%	\$104.45
\$3,096,584	-6.9%	67.5%	-12.3%	\$101.16
\$3,261,074	-9.6%	68.7%	-13.1%	\$104.67
\$3,657,636	-8.6%	71.8%	-12.5%	\$113.60
\$5,312,837	-2.8%	78.1%	-7.9%	\$150.00
\$6,185,813	1.6%	83.7%	-4.6%	\$168.36
\$6,425,947	4.9%	83.8%	-1.6%	\$172.82
\$4,701,850	1.5%	73.5%	-5.4%	\$144.26
\$4,085,181	0.0%	69.6%	-6.5%	\$129.47
\$3,915,169	0.2%	69.9%	-5.7%	\$123.43
\$4,092,151	6.1%	73.8%	-1.0%	\$123.53
\$3,700,344	7.4%	73.6%	1.3%	\$110.92
\$3,353,738	7.0%	73.7%	1.8%	\$100.34
\$3,326,080	5.7%	77.0%	2.6%	\$95.27
\$3,605,683	8.9%	79.0%	5.1%	\$100.59
\$4,001,715	3.5%	82.0%	6.2%	\$108.78
\$5,466,847	1.7%	84.8%	3.5%	\$142.13
\$6,086,852	-0.7%	87.8%	-0.2%	\$158.06
\$6,128,643	3.0%	85.1%	1.1%	\$162.25
\$4,632,898	4.5%	77.6%	4.0%	\$134.51
\$4,086,334	7.0%	74.4%	7.3%	\$121.10
\$3,908,991	3.7%	74.2%	3.1%	\$116.21
\$3,855,377	4.0%	74.6%	1.9%	\$115.17
\$3,446,387	4.2%	72.6%	3.4%	\$104.61
\$3,135,702	11.0%	72.4%	9.7%	\$95.52
\$3,147,844	13.3%	75.0%	13.4%	\$92.53
\$3,309,813	10.8%	75.2%	10.7%	\$97.06

\$3,867,483	9.9%	77.2%	4.4%	\$111.63
\$5,374,601	10.7%	82.0%	0.8%	\$144.56
\$6,126,815	9.4%	88.0%	-1.1%	\$158.73
\$5,949,468	5.2%	84.2%	1.4%	\$159.27
\$4,432,461	0.8%	74.6%	1.0%	\$133.83
\$3,817,449	1.2%	69.3%	3.8%	\$121.37
\$3,770,902	6.7%	71.9%	3.4%	\$115.63
\$3,707,142	8.3%	73.2%	5.1%	\$112.85
\$3,306,153	10.5%	70.2%	6.7%	\$103.79
\$2,823,970	7.8%	66.0%	5.9%	\$94.41
\$2,777,301	12.1%	66.1%	8.8%	\$92.60
\$2,986,343	13.4%	67.9%	9.4%	\$96.93
\$3,519,079	21.6%	73.9%	14.2%	\$106.07
\$4,854,020	12.0%	81.3%	6.8%	\$131.61
\$5,599,095	9.5%	88.9%	6.8%	\$143.47
\$5,657,308	-1.7%	83.0%	0.2%	\$153.64
\$4,399,144	-1.9%	73.9%	3.2%	\$134.20
\$3,771,834	-3.5%	66.8%	1.4%	\$124.43
\$3,533,218	8.2%	69.5%	6.7%	\$112.06
\$3,422,718	7.9%	69.7%	6.7%	\$109.47
\$2,993,346	8.3%	65.8%	7.2%	\$100.28
\$2,620,822	12.8%	62.3%	11.0%	\$92.77
\$2,478,600	13.0%	60.8%	10.4%	\$89.92
\$2,632,665	11.8%	62.1%	8.3%	\$93.51
\$2,893,767	5.1%	64.7%	5.1%	\$99.65
\$4,335,051	12.0%	76.1%	6.8%	\$125.57
\$5,114,368	17.8%	83.3%	7.0%	\$139.91
\$5,756,473	34.1%	82.8%	8.9%	\$156.60
\$4,484,414	40.5%	71.6%	12.2%	\$141.19
\$3,908,455	38.2%	65.9%	12.6%	\$130.70
\$3,266,902	20.3%	65.2%	12.9%	\$110.51
\$3,172,951	20.9%	65.3%	14.3%	\$108.27
\$2,764,022	21.8%	61.4%	17.0%	\$99.23
\$2,324,341	14.9%	56.1%	11.0%	\$91.29
\$2,194,097	8.5%	55.1%	6.9%	\$87.86
\$2,354,662	8.0%	57.3%	8.3%	\$90.58
\$2,752,129	9.3%	61.6%	9.4%	\$99.65
\$3,870,476	13.8%	71.3%	10.8%	\$119.74
\$4,342,603	14.7%	77.9%	10.7%	\$127.08
\$4,292,052	15.4%	76.1%	13.7%	\$127.19
\$3,191,537	16.7%	63.8%	17.6%	\$112.70
\$2,828,479	17.4%	58.5%	20.7%	\$106.52
\$2,715,388	15.1%	57.7%	15.4%	\$103.73
\$2,625,055	4.9%	57.2%	5.0%	\$102.37
\$2,269,443	4.0%	52.5%	2.7%	\$95.29
\$2,023,477	10.3%	50.6%	7.5%	\$88.19
\$2,022,996	13.5%	51.5%	6.2%	\$86.62

\$2,180,836	8.7%	52.9%	2.6%	\$90.88
\$2,517,398	8.3%	56.3%	1.9%	\$99.71
\$3,401,727	-1.4%	64.3%	-3.2%	\$116.61
\$3,786,504	-0.7%	70.3%	-3.8%	\$122.71
\$3,719,674	-1.6%	66.9%	-4.7%	\$125.33
\$2,734,450	4.4%	54.3%	-0.1%	\$113.58
\$2,408,304	2.0%	48.5%	-0.2%	\$109.49
\$2,358,705	-1.5%	50.0%	-2.3%	\$103.96
\$2,501,618	6.3%	54.4%	5.2%	\$102.48
\$2,181,332	6.7%	51.1%	5.0%	\$94.06
\$1,834,334	7.7%	47.0%	5.4%	\$85.98
\$1,782,809	3.4%	48.5%	4.4%	\$81.10
\$2,005,975	11.2%	51.6%	9.9%	\$85.75
\$2,325,449	9.0%	55.2%	7.7%	\$93.84
\$3,449,152	12.3%	66.4%	6.7%	\$114.46
\$3,812,629	7.3%	73.1%	4.8%	\$118.85
\$3,780,274	5.7%	70.2%	5.2%	\$121.32
\$2,620,107	-1.3%	54.3%	1.0%	\$108.73
\$2,360,253	-6.2%	48.6%	-6.7%	\$107.07
\$2,394,368	-9.0%	51.2%	-12.2%	\$103.13
\$2,354,185	-12.4%	51.7%	-14.2%	\$101.50
\$2,043,837	-9.7%	48.7%	-11.2%	\$92.53
\$1,703,280	-2.4%	44.6%	-3.1%	\$84.17
\$1,723,833	4.3%	46.4%	2.0%	\$81.85
\$1,804,587	1.8%	46.9%	0.6%	\$84.80
\$2,134,273	-5.7%	51.3%	-3.2%	\$92.77
\$3,072,731	-4.2%	62.3%	-3.3%	\$108.75
\$3,553,279	3.9%	69.8%	2.6%	\$116.08
\$3,577,827	9.5%	66.7%	3.8%	\$120.84
\$2,654,666	17.6%	53.8%	11.0%	\$111.25
\$2,517,463	15.6%	52.1%	12.0%	\$106.50
\$2,631,265	19.4%	58.3%	18.3%	\$99.53
\$2,685,918	17.3%	60.3%	16.1%	\$99.35
\$2,262,504	15.4%	54.8%	15.0%	\$90.95
\$1,745,028	7.2%	46.1%	7.5%	\$83.55
\$1,653,097	8.8%	45.5%	7.9%	\$80.06
\$1,772,434	9.0%	46.6%	7.6%	\$83.79
\$2,262,810	12.9%	53.0%	12.9%	\$95.22
\$3,206,921	11.4%	64.4%	13.6%	\$109.74
\$3,419,978	3.6%	68.0%	9.5%	\$114.60
\$3,266,926	-1.5%	64.3%	8.0%	\$114.50
\$2,256,726	-12.1%	48.4%	0.7%	\$105.02
\$2,178,407	-13.2%	46.5%	0.1%	\$103.18
\$2,202,894	-13.0%	49.3%	0.3%	\$98.58
\$2,289,925	-10.5%	51.9%	2.1%	\$98.37
\$1,959,997	-9.8%	47.7%	-0.1%	\$90.59
\$1,627,325	-9.0%	42.8%	-1.2%	\$83.73

[illegible]

3 Mo ADR Chg Pct	3 Mo RevPAR	3 Mo RevPAR Chg Pct	YTD Supply	YTD Supply Chg	YTD Demand
2.9%	\$150.57	2.1%	96,660	13.5%	72,458
5.1%	\$119.69	-0.1%	63,366	13.5%	45,862
5.3%	\$103.14	2.6%	33,294	13.5%	22,396
4.4%	\$105.72	4.8%	364,874	13.5%	252,274
-0.2%	\$106.00	3.5%	331,580	13.5%	232,310
-4.4%	\$91.40	-0.8%	299,360	13.5%	210,361
-6.8%	\$78.69	-2.9%	266,066	13.5%	186,112
-1.7%	\$78.39	6.1%	233,846	28.2%	165,166
0.5%	\$86.98	9.1%	200,552	12.9%	144,445
8.6%	\$106.48	17.1%	171,226	12.9%	124,853
4.3%	\$134.84	8.7%	142,846	12.9%	105,094
-6.4%	\$159.56	-2.2%	113,520	12.9%	85,089
-12.0%	\$147.48	-10.0%	85,140	12.9%	64,302
-15.5%	\$119.78	-9.5%	55,814	12.9%	41,334
-3.9%	\$100.52	1.4%	29,326	12.9%	19,778
-1.0%	\$100.87	3.9%	319,046	12.9%	213,275
3.2%	\$102.43	5.4%	289,720	12.9%	193,633
6.2%	\$92.16	8.1%	261,340	12.9%	174,897
7.1%	\$81.07	9.2%	232,014	12.9%	155,229
3.0%	\$73.91	2.7%	203,634	0.0%	136,575
1.8%	\$79.73	1.9%	177,656	0.0%	121,111
1.1%	\$90.92	0.8%	151,678	0.0%	105,385
7.7%	\$124.03	8.8%	126,538	0.0%	89,421
24.5%	\$163.22	27.4%	100,560	0.0%	72,659
27.0%	\$163.87	28.6%	75,420	0.0%	55,666
28.6%	\$132.34	24.1%	49,442	0.0%	35,251
8.5%	\$99.18	-2.4%	25,978	0.0%	17,251
7.0%	\$97.04	-7.8%	305,870	0.0%	200,747
6.3%	\$97.20	-7.4%	279,892	0.0%	185,551
3.7%	\$85.23	-5.8%	254,752	0.0%	169,176
3.7%	\$74.21	-7.7%	228,774	17.9%	151,757
2.0%	\$71.93	-11.5%	203,634	17.9%	136,052
4.9%	\$78.22	-11.3%	177,656	17.9%	120,518
13.2%	\$90.23	-3.3%	151,678	17.9%	104,881
22.5%	\$113.98	7.4%	126,538	17.9%	88,789
29.5%	\$128.10	17.3%	100,560	17.9%	72,123
32.0%	\$127.46	32.1%	75,420	17.9%	54,973
35.1%	\$106.63	46.5%	49,442	17.9%	35,184
34.2%	\$101.65	54.5%	25,978	17.9%	17,973
33.1%	\$105.25	55.3%	271,199	17.9%	197,671
31.6%	\$104.94	49.7%	245,221	17.9%	180,587
29.6%	\$90.51	45.5%	220,081	17.9%	161,367
21.9%	\$80.36	49.6%	194,103	0.0%	140,842
19.4%	\$81.27	61.9%	172,773	0.0%	126,636
20.0%	\$88.16	88.2%	150,732	0.0%	113,180
19.3%	\$93.34	130.7%	128,691	0.0%	96,193

-6.5%	\$106.08	87.6%	107,361	20.9%	80,407
-17.0%	\$109.18	18.6%	85,320	20.9%	64,614
-17.6%	\$96.46	-14.7%	63,990	0.0%	46,598
-21.0%	\$72.79	-33.3%	41,949	0.0%	28,546
-16.7%	\$65.79	-27.1%	22,041	0.0%	13,910
-14.2%	\$67.79	-22.6%	252,012	0.0%	145,370
-12.7%	\$70.09	-18.5%	229,971	0.0%	133,032
-12.1%	\$62.20	-21.5%	208,641	44.2%	119,285
-7.5%	\$53.73	-21.0%	186,600	44.2%	104,038
-4.8%	\$50.20	-26.5%	165,270	44.2%	90,666
-5.5%	\$46.84	-34.9%	143,229	44.2%	78,804
-10.1%	\$40.45	-50.4%	121,188	44.2%	67,661
-4.6%	\$56.54	-51.7%	99,858	19.3%	56,576
-2.4%	\$92.05	-34.7%	81,630	19.3%	49,645
-7.0%	\$113.07	-21.9%	63,990	44.2%	45,001
0.0%	\$109.11	3.0%	41,949	44.2%	33,689
-0.2%	\$90.19	0.1%	22,041	44.2%	16,253
1.3%	\$87.57	1.4%	193,243	44.2%	139,983
-0.8%	\$86.01	-5.7%	171,202	44.2%	125,277
3.1%	\$79.27	-2.8%	149,872	0.0%	110,556
4.1%	\$67.97	-8.1%	134,589	0.0%	98,896
6.2%	\$68.27	-6.9%	119,799	0.0%	89,212
4.1%	\$71.90	-9.6%	104,516	0.0%	79,103
4.4%	\$81.53	-8.6%	89,233	0.0%	69,379
5.5%	\$117.14	-2.8%	74,443	0.0%	58,602
6.5%	\$140.98	1.6%	59,160	0.0%	47,948
6.5%	\$144.83	4.9%	44,370	0.0%	37,182
7.2%	\$105.97	1.5%	29,087	0.0%	23,183
6.9%	\$90.07	0.0%	15,283	0.0%	11,207
6.2%	\$86.32	0.2%	179,945	0.0%	139,705
7.3%	\$91.21	6.1%	164,662	0.0%	130,295
6.0%	\$81.58	7.4%	149,872	0.0%	119,358
5.0%	\$73.94	7.0%	134,589	0.0%	107,986
3.0%	\$73.33	5.7%	119,799	0.0%	97,168
3.6%	\$79.50	8.9%	104,516	0.0%	85,997
-2.6%	\$89.20	3.5%	89,233	0.0%	74,561
-1.7%	\$120.53	1.7%	74,443	0.0%	62,256
-0.4%	\$138.73	-0.7%	59,160	0.0%	50,152
1.9%	\$138.13	3.0%	44,370	0.0%	37,774
0.5%	\$104.42	4.5%	29,087	0.0%	23,793
-0.2%	\$90.09	7.0%	15,283	0.0%	11,643
0.5%	\$86.18	3.7%	179,945	0.0%	138,463
2.1%	\$85.94	4.0%	164,662	0.0%	127,814
0.8%	\$75.99	4.2%	149,872	0.0%	116,363
1.2%	\$69.14	11.0%	134,589	0.0%	104,827
-0.1%	\$69.40	13.3%	119,799	0.0%	94,338
0.1%	\$72.97	10.8%	104,516	0.0%	83,419

5.2%	\$86.21	9.9%	89,233	0.0%	72,000
9.8%	\$118.50	10.7%	74,443	0.0%	60,320
10.6%	\$139.64	9.4%	59,160	0.0%	49,318
3.7%	\$134.09	5.2%	44,370	0.0%	37,354
-0.3%	\$99.90	0.8%	29,087	0.0%	23,142
-2.5%	\$84.17	1.2%	15,283	0.0%	10,718
3.2%	\$83.14	6.7%	179,945	0.0%	132,524
3.1%	\$82.63	8.3%	164,662	0.0%	122,547
3.5%	\$72.89	10.5%	149,872	0.0%	111,788
1.8%	\$62.26	7.8%	134,589	0.0%	99,911
3.0%	\$61.23	12.1%	119,799	0.0%	89,698
3.7%	\$65.84	13.4%	104,516	0.0%	79,935
6.4%	\$78.44	21.6%	89,233	0.0%	69,998
4.8%	\$107.02	12.0%	74,443	0.0%	59,705
2.5%	\$127.61	9.5%	59,160	0.0%	49,127
-1.9%	\$127.50	-1.7%	44,370	0.0%	36,822
-5.0%	\$99.15	-1.9%	29,087	0.0%	22,823
-4.8%	\$83.16	-3.5%	15,283	0.0%	10,101
1.4%	\$77.90	8.2%	179,945	0.0%	125,582
1.1%	\$76.29	7.9%	164,662	0.0%	115,625
1.1%	\$66.00	8.3%	149,872	0.0%	105,369
1.6%	\$57.78	12.8%	134,589	0.0%	94,051
2.4%	\$54.65	13.0%	119,799	0.0%	84,360
3.2%	\$58.04	11.8%	104,516	0.0%	75,519
0.0%	\$64.50	5.1%	89,233	0.0%	65,799
4.9%	\$95.58	12.0%	74,443	0.0%	56,797
10.1%	\$116.56	17.8%	59,160	0.0%	47,365
23.1%	\$129.74	34.1%	44,370	0.0%	36,760
25.3%	\$101.07	40.5%	29,087	0.0%	22,274
22.7%	\$86.17	38.2%	15,283	0.0%	10,810
6.5%	\$72.03	20.3%	179,945	0.0%	116,387
5.8%	\$70.73	20.9%	164,662	0.0%	106,900
4.1%	\$60.94	21.8%	149,872	0.0%	97,293
3.5%	\$51.25	14.9%	134,589	0.0%	86,824
1.4%	\$48.38	8.5%	119,799	0.0%	77,593
-0.3%	\$51.92	8.0%	104,516	0.0%	69,437
-0.1%	\$61.35	9.3%	89,233	0.0%	61,364
2.7%	\$85.34	13.8%	74,443	0.0%	52,619
3.6%	\$98.97	14.7%	59,160	0.0%	43,441
1.5%	\$96.73	15.4%	44,370	0.0%	33,745
-0.8%	\$71.93	16.7%	29,087	0.0%	20,296
-2.7%	\$62.36	17.4%	15,283	0.0%	9,270
-0.2%	\$59.87	15.1%	179,945	0.0%	104,049
-0.1%	\$58.51	4.9%	164,662	0.0%	96,025
1.3%	\$50.04	4.0%	149,872	0.0%	86,766
2.6%	\$44.61	10.3%	134,589	0.0%	77,872
6.8%	\$44.60	13.5%	119,799	0.0%	70,382

6.0%	\$48.08	8.7%	104,516	0.0%	62,951
6.3%	\$56.11	8.3%	89,233	0.0%	54,927
1.9%	\$75.00	-1.4%	74,443	0.0%	47,027
3.2%	\$86.30	-0.7%	59,160	0.0%	38,955
3.3%	\$83.83	-1.6%	44,370	0.0%	29,680
4.5%	\$61.63	4.4%	29,087	0.0%	17,856
2.3%	\$53.10	2.0%	15,283	0.0%	8,097
0.8%	\$52.00	-1.5%	179,945	0.0%	99,963
1.0%	\$55.76	6.3%	164,662	0.0%	93,743
1.7%	\$48.09	6.7%	149,872	0.0%	86,064
2.1%	\$40.44	7.7%	134,589	0.0%	77,275
-0.9%	\$39.31	3.4%	119,799	0.0%	69,332
1.1%	\$44.23	11.2%	104,516	0.0%	62,874
1.2%	\$51.83	9.0%	89,233	0.0%	55,940
5.2%	\$76.05	12.3%	74,443	0.0%	47,350
2.4%	\$86.89	7.3%	59,160	0.0%	39,482
0.4%	\$85.20	5.7%	44,370	0.0%	31,160
-2.3%	\$59.05	-1.3%	29,087	0.0%	17,216
0.5%	\$52.04	-6.2%	15,283	0.0%	7,403
3.6%	\$52.79	-9.0%	179,945	0.0%	96,064
2.2%	\$52.47	-12.4%	164,662	0.0%	89,182
1.7%	\$45.06	-9.7%	149,872	0.0%	81,422
0.7%	\$37.55	-2.4%	134,589	0.0%	72,848
2.2%	\$38.01	4.3%	119,799	0.0%	65,987
1.2%	\$39.79	1.8%	104,516	0.0%	59,333
-2.6%	\$47.57	-5.7%	89,233	0.0%	52,612
-0.9%	\$67.75	-4.2%	74,443	0.0%	44,927
1.3%	\$80.98	3.9%	59,160	0.0%	38,053
5.5%	\$80.64	9.5%	44,370	0.0%	29,607
5.9%	\$59.83	17.6%	29,087	0.0%	16,673
3.2%	\$55.50	15.6%	15,283	0.0%	7,442
1.0%	\$58.01	19.4%	179,945	0.0%	99,619
1.0%	\$59.87	17.3%	164,662	0.0%	92,429
0.4%	\$49.88	15.4%	149,872	0.0%	83,423
-0.2%	\$38.47	7.2%	134,589	0.0%	73,181
0.8%	\$36.45	8.8%	119,799	0.0%	65,394
1.3%	\$39.08	9.0%	104,516	0.0%	58,547
0.0%	\$50.44	12.9%	89,233	0.0%	52,294
-1.9%	\$70.71	11.4%	74,443	0.0%	44,745
-5.3%	\$77.94	3.6%	59,160	0.0%	37,393
-8.8%	\$73.63	-1.5%	44,370	0.0%	28,531
-12.7%	\$50.86	-12.1%	29,087	0.0%	15,522
-13.3%	\$48.03	-13.2%	15,283	0.0%	7,551
-13.3%	\$48.57	-13.0%	179,945	0.0%	89,252
-12.4%	\$51.04	-10.5%	164,662	0.0%	83,285
-9.7%	\$43.21	-9.8%	149,872	0.0%	75,690
-7.9%	\$35.88	-9.0%	134,589	0.0%	66,905

YTD Demand Chg	YTD Revenue	YTD Revenue Chg	YTD Occupancy	YTD Occupancy Chg Pct
15.8%	\$14,553,631	15.9%	75.0%	-0.7%
8.9%	\$8,616,430	15.6%	72.4%	-2.3%
13.2%	\$3,595,931	19.8%	67.3%	-0.3%
1.6%	\$39,631,864	14.6%	69.1%	3.4%
17.1%	\$36,679,312	15.2%	70.1%	4.8%
23.3%	\$33,036,356	14.6%	70.3%	5.0%
12.3%	\$29,185,596	13.1%	69.9%	4.6%
34.0%	\$26,319,581	14.3%	70.6%	5.3%
24.6%	\$24,005,547	13.6%	72.0%	5.7%
23.8%	\$21,722,756	12.6%	72.9%	4.9%
19.3%	\$19,186,540	10.8%	73.6%	4.1%
22.3%	\$16,435,868	9.7%	75.0%	3.7%
12.5%	\$12,556,703	1.6%	75.5%	2.3%
19.8%	\$7,451,426	-4.0%	74.1%	3.9%
14.6%	\$3,002,289	7.0%	67.4%	1.6%
29.3%	\$34,583,786	16.5%	66.8%	1.9%
14.4%	\$31,836,937	15.9%	66.8%	0.8%
12.9%	\$28,837,279	16.0%	66.9%	0.8%
18.8%	\$25,805,046	16.2%	66.9%	0.9%
-0.5%	\$23,018,838	14.7%	67.1%	0.4%
0.6%	\$21,125,361	15.5%	68.2%	0.5%
-0.8%	\$19,292,402	17.0%	69.5%	0.5%
0.6%	\$17,321,020	19.3%	70.7%	0.7%
-0.9%	\$14,978,521	22.2%	72.3%	0.7%
3.2%	\$12,359,183	28.6%	73.8%	1.3%
4.6%	\$7,759,085	35.4%	71.3%	0.2%
-4.0%	\$2,805,578	3.9%	66.4%	-4.0%
-11.1%	\$29,697,050	16.1%	65.6%	-10.0%
-14.8%	\$27,474,703	18.1%	66.3%	-10.0%
-15.1%	\$24,856,243	21.6%	66.4%	-9.4%
10.6%	\$22,215,343	27.2%	66.3%	-8.6%
15.4%	\$20,062,629	28.1%	66.8%	-8.8%
-7.9%	\$18,285,329	29.0%	67.8%	-9.7%
1.9%	\$16,494,109	35.1%	69.1%	-7.5%
5.5%	\$14,516,796	40.2%	70.2%	-6.3%
-4.8%	\$12,254,565	45.8%	71.7%	-5.3%
9.6%	\$9,613,023	55.7%	72.9%	0.1%
17.6%	\$5,729,465	67.9%	71.2%	4.6%
29.2%	\$2,700,900	80.7%	69.2%	9.6%
38.5%	\$25,582,948	46.2%	72.9%	26.4%
39.8%	\$23,270,036	43.2%	73.6%	27.3%
34.6%	\$20,447,120	39.2%	73.3%	28.2%
6.2%	\$17,468,350	33.7%	72.6%	30.1%
13.4%	\$15,667,228	33.7%	73.3%	33.6%
52.4%	\$14,170,437	33.4%	75.1%	36.5%
42.4%	\$12,211,751	27.9%	74.7%	33.9%

127.9%	\$10,350,936	22.7%	74.9%	32.2%
287.9%	\$8,403,490	8.6%	75.7%	24.5%
59.6%	\$6,172,368	-14.7%	72.8%	3.5%
-16.1%	\$3,412,161	-33.9%	68.0%	-15.3%
-14.4%	\$1,494,539	-33.6%	63.1%	-14.4%
-16.1%	\$17,498,604	-4.4%	57.7%	-20.4%
-6.6%	\$16,252,689	-1.4%	57.8%	-20.9%
30.8%	\$14,689,690	0.2%	57.2%	-22.5%
38.1%	\$13,064,022	-0.8%	55.8%	-24.1%
17.3%	\$11,717,500	-2.8%	54.9%	-26.3%
14.6%	\$10,620,897	-4.0%	55.0%	-27.3%
2.9%	\$9,549,334	-5.3%	55.8%	-28.2%
-34.9%	\$8,433,994	-5.9%	56.7%	-28.0%
-56.9%	\$7,735,638	-0.8%	60.8%	-25.0%
-19.2%	\$7,235,466	12.6%	70.3%	-16.1%
45.6%	\$5,159,716	41.4%	80.3%	0.8%
45.0%	\$2,250,682	39.7%	73.7%	0.6%
56.3%	\$18,302,589	5.2%	72.4%	-6.7%
34.6%	\$16,480,567	0.8%	73.2%	-7.5%
2.5%	\$14,653,457	-1.8%	73.8%	-7.4%
-10.5%	\$13,166,518	-2.4%	73.5%	-8.4%
-9.5%	\$12,059,333	-1.6%	74.5%	-8.2%
-15.0%	\$11,058,076	-1.5%	75.7%	-8.0%
-12.4%	\$10,083,584	-0.5%	77.8%	-7.0%
-12.0%	\$8,962,749	0.4%	78.7%	-5.9%
-13.0%	\$7,797,002	2.3%	81.0%	-4.4%
0.1%	\$6,425,947	4.9%	83.8%	-1.6%
-1.4%	\$3,649,912	5.4%	79.7%	-2.6%
-3.7%	\$1,611,188	5.1%	73.3%	-3.7%
-11.6%	\$17,399,266	3.2%	77.6%	0.9%
-4.5%	\$16,347,327	4.2%	79.1%	1.9%
-1.4%	\$14,925,273	4.3%	79.6%	2.6%
3.1%	\$13,484,096	4.1%	80.2%	3.0%
2.3%	\$12,255,176	3.5%	81.1%	3.0%
0.1%	\$11,224,930	3.3%	82.3%	3.1%
5.4%	\$10,130,358	3.2%	83.6%	3.6%
10.0%	\$8,929,096	2.8%	83.6%	3.2%
3.5%	\$7,619,247	0.9%	84.8%	1.7%
-1.6%	\$6,128,643	3.0%	85.1%	1.1%
-2.2%	\$3,462,249	4.5%	81.8%	2.8%
8.6%	\$1,532,395	7.6%	76.2%	8.6%
6.7%	\$16,861,644	6.9%	76.9%	4.5%
6.4%	\$15,690,995	7.1%	77.6%	4.3%
-2.9%	\$14,307,706	6.9%	77.6%	4.1%
2.7%	\$12,952,653	7.9%	77.9%	4.9%
11.8%	\$11,835,618	8.1%	78.7%	5.2%
14.9%	\$10,861,319	7.8%	79.8%	4.4%

13.5%	\$9,816,951	7.0%	80.7%	2.9%
4.0%	\$8,687,775	6.4%	81.0%	1.0%
-2.8%	\$7,551,506	6.6%	83.4%	0.4%
1.5%	\$5,949,468	5.2%	84.2%	1.4%
-2.3%	\$3,313,174	0.0%	79.6%	1.4%
6.1%	\$1,424,691	-4.2%	70.1%	6.1%
0.2%	\$15,771,259	6.5%	73.6%	5.5%
4.9%	\$14,651,972	6.8%	74.4%	6.0%
4.9%	\$13,378,502	6.9%	74.6%	6.1%
5.4%	\$12,000,357	6.5%	74.2%	6.2%
10.4%	\$10,944,830	6.3%	74.9%	6.3%
2.2%	\$10,072,349	5.7%	76.5%	5.8%
14.3%	\$9,176,387	6.1%	78.4%	6.4%
12.2%	\$8,167,530	4.5%	80.2%	5.1%
16.0%	\$7,086,007	2.8%	83.0%	3.7%
-3.4%	\$5,657,308	-1.7%	83.0%	0.2%
11.0%	\$3,313,509	-4.8%	78.5%	2.5%
-6.6%	\$1,486,911	-16.4%	66.1%	-6.6%
5.0%	\$14,804,279	17.2%	69.8%	7.9%
6.8%	\$13,718,645	17.9%	70.2%	8.2%
8.1%	\$12,519,356	19.2%	70.3%	8.3%
5.0%	\$11,271,061	20.3%	69.9%	8.3%
8.4%	\$10,295,927	21.7%	70.4%	8.7%
20.4%	\$9,526,010	23.0%	72.3%	8.8%
2.9%	\$8,650,240	22.8%	73.7%	7.2%
2.8%	\$7,817,327	24.8%	76.3%	7.9%
9.4%	\$6,893,346	28.0%	80.1%	9.0%
7.7%	\$5,756,473	34.1%	82.8%	8.9%
4.0%	\$3,482,276	45.4%	76.6%	9.7%
16.6%	\$1,778,978	70.3%	70.7%	16.6%
18.2%	\$12,635,425	15.1%	64.7%	11.9%
3.8%	\$11,633,286	14.3%	64.9%	11.3%
17.7%	\$10,505,948	14.3%	64.9%	12.1%
23.2%	\$9,368,523	13.4%	64.5%	11.5%
9.8%	\$8,460,335	12.0%	64.8%	10.2%
0.6%	\$7,741,926	11.8%	66.4%	10.3%
10.7%	\$7,044,182	12.9%	68.8%	11.7%
13.7%	\$6,266,239	13.3%	70.7%	11.9%
4.5%	\$5,387,264	13.6%	73.4%	11.5%
13.7%	\$4,292,052	15.4%	76.1%	13.7%
13.0%	\$2,395,762	12.5%	69.8%	13.7%
14.5%	\$1,044,661	9.4%	60.7%	14.5%
29.0%	\$10,975,937	6.6%	57.8%	4.1%
20.6%	\$10,180,162	5.0%	58.3%	2.4%
1.2%	\$9,192,119	3.9%	57.9%	0.8%
-5.7%	\$8,260,549	4.0%	57.9%	0.8%
15.1%	\$7,555,107	5.0%	58.8%	1.5%

15.7%	\$6,922,675	3.9%	60.2%	0.1%
-8.0%	\$6,237,071	2.2%	61.6%	-1.8%
2.6%	\$5,532,112	2.3%	63.2%	-0.7%
11.5%	\$4,741,839	1.8%	65.8%	-1.3%
-15.2%	\$3,719,674	-1.6%	66.9%	-4.7%
-0.6%	\$2,130,385	8.6%	61.4%	3.7%
9.4%	\$955,335	12.9%	53.0%	9.4%
-9.6%	\$10,298,762	5.0%	55.6%	4.1%
-1.0%	\$9,694,696	5.9%	56.9%	5.1%
2.5%	\$8,845,794	6.6%	57.4%	5.7%
15.8%	\$7,940,057	7.1%	57.4%	6.1%
-2.9%	\$7,193,078	5.8%	57.9%	5.1%
3.2%	\$6,664,462	6.6%	60.2%	6.0%
11.8%	\$6,105,723	6.9%	62.7%	6.3%
14.5%	\$5,410,269	6.7%	63.6%	5.4%
-1.5%	\$4,658,486	4.8%	66.7%	3.8%
7.8%	\$3,780,274	5.7%	70.2%	5.2%
6.3%	\$1,961,117	-1.9%	59.2%	3.3%
-0.5%	\$845,857	-5.3%	48.4%	-0.5%
-4.3%	\$9,809,748	-1.0%	53.4%	-3.6%
-13.8%	\$9,150,758	-1.1%	54.2%	-3.5%
-16.3%	\$8,295,352	0.2%	54.3%	-2.4%
-11.9%	\$7,415,380	1.9%	54.1%	-0.5%
-2.8%	\$6,796,573	3.5%	55.1%	0.9%
7.5%	\$6,251,515	3.9%	56.8%	1.3%
1.8%	\$5,712,100	3.3%	59.0%	0.6%
-6.5%	\$5,072,740	3.3%	60.4%	0.4%
-4.7%	\$4,446,928	4.7%	64.3%	1.8%
-0.6%	\$3,577,827	9.5%	66.7%	3.8%
15.8%	\$2,000,009	17.3%	57.3%	7.4%
-1.4%	\$893,649	8.0%	48.7%	-1.4%
20.5%	\$9,906,028	8.2%	55.4%	11.6%
18.6%	\$9,251,371	7.6%	56.1%	11.0%
16.6%	\$8,282,214	6.2%	55.7%	10.2%
12.9%	\$7,274,763	4.7%	54.4%	9.4%
15.0%	\$6,565,454	4.0%	54.6%	9.0%
-5.0%	\$6,019,710	3.1%	56.0%	8.3%
14.5%	\$5,529,736	3.9%	58.6%	10.2%
13.5%	\$4,912,356	2.5%	60.1%	9.5%
11.2%	\$4,247,276	0.8%	63.2%	8.7%
15.3%	\$3,266,926	-1.5%	64.3%	8.0%
-0.5%	\$1,705,435	-10.9%	53.4%	2.5%
5.8%	\$827,298	-9.6%	49.4%	5.8%
-3.7%	\$9,151,894	-14.2%	49.6%	1.0%
-2.1%	\$8,600,603	-14.1%	50.6%	1.4%
5.4%	\$7,800,785	-14.0%	50.5%	1.7%
2.9%	\$6,949,000	-14.6%	49.7%	1.3%

[illegible]

YTD ADR	YTD ADR Chg Pct	YTD RevPAR	YTD RevPAR Chg Pct	Market Sale Price/Room
\$200.86	2.9%	\$150.57	2.1%	\$197,316.00
\$187.88	4.2%	\$135.98	1.9%	\$195,941.00
\$160.56	5.8%	\$108.01	5.5%	\$194,566.00
\$157.10	-3.1%	\$108.62	0.2%	\$193,191.00
\$157.89	-4.0%	\$110.62	0.7%	\$191,941.00
\$157.05	-4.8%	\$110.36	0.0%	\$190,691.00
\$156.82	-5.7%	\$109.69	-1.4%	\$189,442.00
\$159.35	-5.5%	\$112.55	-0.4%	\$187,242.00
\$166.19	-4.7%	\$119.70	0.7%	\$185,043.00
\$173.99	-5.0%	\$126.87	-0.3%	\$182,843.00
\$182.57	-5.7%	\$134.32	-1.9%	\$180,711.00
\$193.16	-6.3%	\$144.78	-2.8%	\$178,579.00
\$195.28	-12.0%	\$147.48	-10.0%	\$176,447.00
\$180.27	-18.1%	\$133.50	-14.9%	\$174,273.00
\$151.80	-6.7%	\$102.38	-5.2%	\$172,099.00
\$162.16	9.6%	\$108.40	11.6%	\$169,924.00
\$164.42	11.0%	\$109.89	11.9%	\$168,414.00
\$164.88	12.2%	\$110.34	13.1%	\$166,903.00
\$166.24	13.6%	\$111.22	14.5%	\$165,392.00
\$168.54	14.3%	\$113.04	14.7%	\$163,558.00
\$174.43	15.0%	\$118.91	15.5%	\$161,725.00
\$183.07	16.4%	\$127.19	17.0%	\$159,891.00
\$193.70	18.5%	\$136.88	19.3%	\$158,523.00
\$206.15	21.3%	\$148.95	22.2%	\$157,156.00
\$222.02	27.0%	\$163.87	28.6%	\$155,788.00
\$220.11	35.2%	\$156.93	35.4%	\$154,506.00
\$162.63	8.2%	\$108.00	3.9%	\$153,224.00
\$147.93	14.3%	\$97.09	2.9%	\$151,941.00
\$148.07	14.9%	\$98.16	3.4%	\$151,161.00
\$146.93	16.0%	\$97.57	5.0%	\$150,380.00
\$146.39	18.0%	\$97.11	7.9%	\$149,600.00
\$147.46	19.2%	\$98.52	8.6%	\$148,536.00
\$151.72	21.2%	\$102.93	9.5%	\$147,473.00
\$157.26	23.9%	\$108.74	14.6%	\$146,410.00
\$163.50	27.0%	\$114.72	19.0%	\$145,716.00
\$169.91	30.6%	\$121.86	23.7%	\$145,023.00
\$174.87	32.0%	\$127.46	32.1%	\$144,329.00
\$162.84	36.2%	\$115.88	42.5%	\$143,591.00
\$150.28	39.9%	\$103.97	53.3%	\$142,853.00
\$129.42	7.5%	\$94.33	35.9%	\$142,115.00
\$128.86	5.5%	\$94.89	34.3%	\$141,895.00
\$126.71	2.9%	\$92.91	32.0%	\$141,674.00
\$124.03	-1.2%	\$90.00	28.5%	\$141,454.00
\$123.72	-4.3%	\$90.68	27.9%	\$141,034.00
\$125.20	-7.1%	\$94.01	26.8%	\$140,613.00
\$126.95	-10.1%	\$94.89	20.4%	\$140,193.00

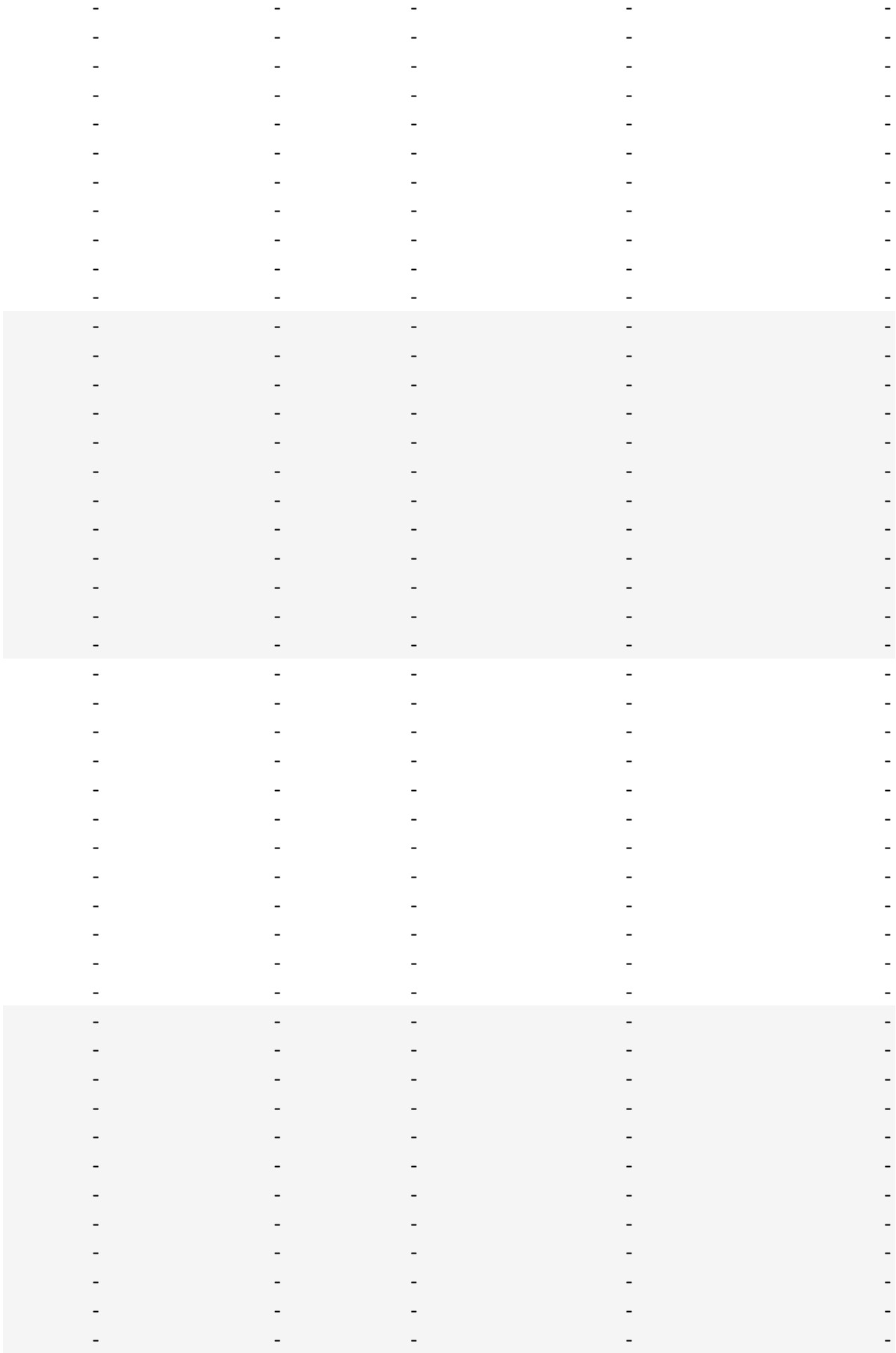
\$128.73	-13.6%	\$96.41	14.2%	\$139,592.00
\$130.06	-16.5%	\$98.49	3.9%	\$138,991.00
\$132.46	-17.6%	\$96.46	-14.7%	\$138,390.00
\$119.53	-22.0%	\$81.34	-33.9%	\$139,450.00
\$107.44	-22.4%	\$67.81	-33.6%	\$140,510.00
\$120.37	-7.9%	\$69.44	-26.7%	\$141,569.00
\$122.17	-7.1%	\$70.67	-26.6%	\$141,940.00
\$123.15	-7.1%	\$70.41	-28.0%	\$142,311.00
\$125.57	-5.7%	\$70.01	-28.4%	\$142,682.00
\$129.24	-4.4%	\$70.90	-29.6%	\$143,179.00
\$134.78	-3.6%	\$74.15	-29.9%	\$143,676.00
\$141.13	-2.9%	\$78.80	-30.3%	\$144,173.00
\$149.07	-2.5%	\$84.46	-29.8%	\$144,853.00
\$155.82	-4.2%	\$94.76	-28.1%	\$145,533.00
\$160.78	-7.0%	\$113.07	-21.9%	\$146,212.00
\$153.16	-2.7%	\$123.00	-2.0%	\$146,254.00
\$138.48	-3.7%	\$102.11	-3.1%	\$146,296.00
\$130.75	5.0%	\$94.71	-2.0%	\$146,338.00
\$131.55	4.9%	\$96.26	-3.0%	\$145,675.00
\$132.54	6.0%	\$97.77	-1.8%	\$145,012.00
\$133.13	6.6%	\$97.83	-2.4%	\$144,350.00
\$135.18	7.2%	\$100.66	-1.6%	\$144,106.00
\$139.79	7.1%	\$105.80	-1.5%	\$143,862.00
\$145.34	7.0%	\$113.00	-0.5%	\$143,618.00
\$152.94	6.6%	\$120.40	0.4%	\$143,412.00
\$162.61	7.0%	\$131.80	2.3%	\$143,206.00
\$172.82	6.5%	\$144.83	4.9%	\$143,001.00
\$157.44	8.2%	\$125.48	5.4%	\$142,330.00
\$143.77	9.2%	\$105.42	5.1%	\$141,659.00
\$124.54	2.3%	\$96.69	3.2%	\$140,989.00
\$125.46	2.2%	\$99.28	4.2%	\$140,290.00
\$125.05	1.7%	\$99.59	4.3%	\$139,591.00
\$124.87	1.1%	\$100.19	4.1%	\$138,892.00
\$126.12	0.5%	\$102.30	3.5%	\$138,545.00
\$130.53	0.2%	\$107.40	3.3%	\$138,198.00
\$135.87	-0.4%	\$113.53	3.2%	\$137,851.00
\$143.43	-0.4%	\$119.95	2.8%	\$137,794.00
\$151.92	-0.8%	\$128.79	0.9%	\$137,737.00
\$162.25	1.9%	\$138.13	3.0%	\$137,679.00
\$145.52	1.6%	\$119.03	4.5%	\$136,752.00
\$131.62	-1.0%	\$100.27	7.6%	\$135,824.00
\$121.78	2.3%	\$93.70	6.9%	\$134,897.00
\$122.76	2.7%	\$95.29	7.1%	\$134,272.00
\$122.96	2.7%	\$95.47	6.9%	\$133,648.00
\$123.56	2.9%	\$96.24	7.9%	\$133,023.00
\$125.46	2.8%	\$98.80	8.1%	\$132,179.00
\$130.20	3.3%	\$103.92	7.8%	\$131,335.00

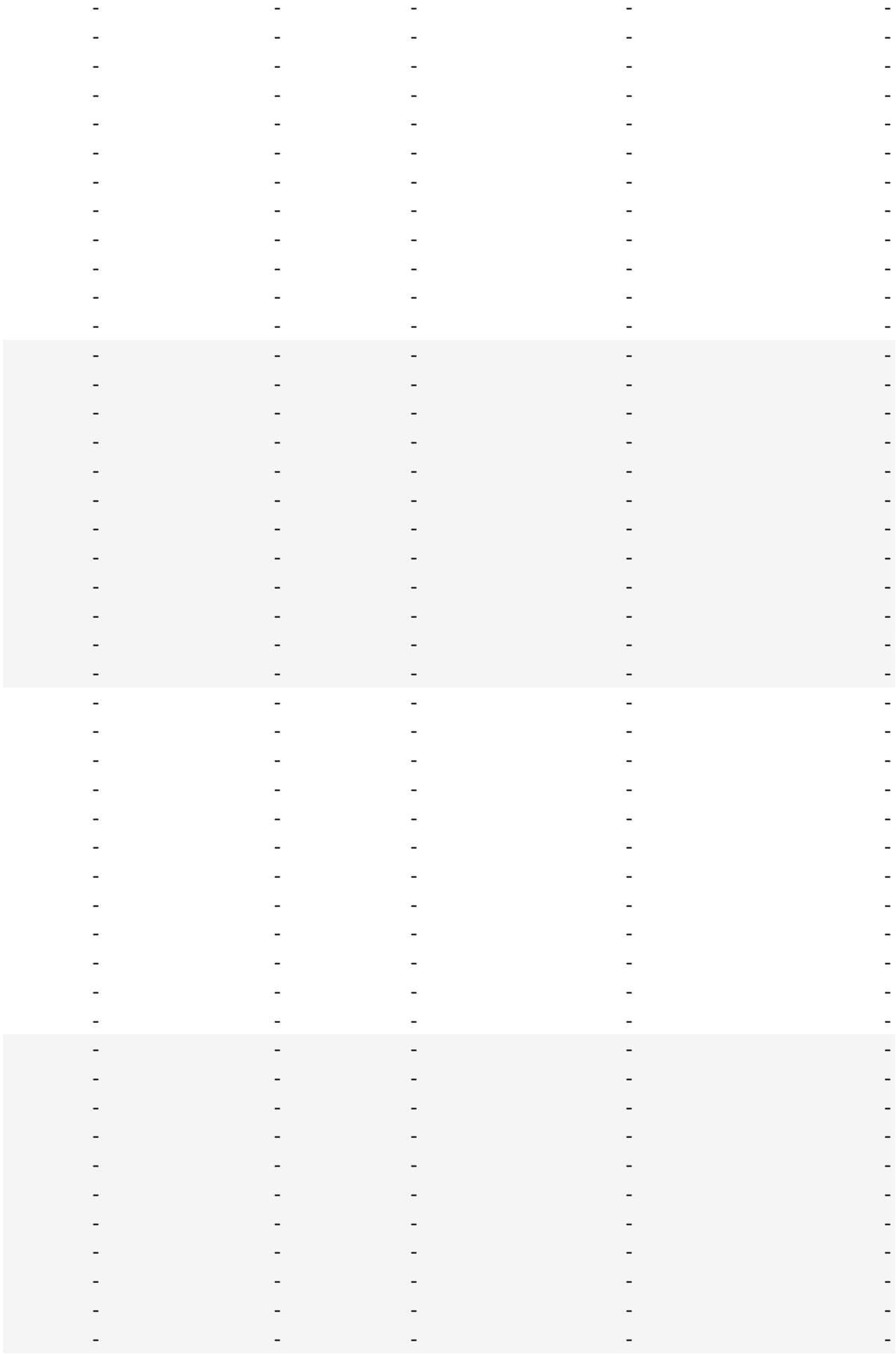
\$136.35	4.0%	\$110.01	7.0%	\$130,491.00
\$144.03	5.3%	\$116.70	6.4%	\$129,783.00
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\$159.27	3.7%	\$134.09	5.2%	\$128,367.00
\$143.17	-1.4%	\$113.91	0.0%	\$127,229.00
\$132.93	-9.7%	\$93.22	-4.2%	\$126,091.00
\$119.01	1.0%	\$87.64	6.5%	\$124,952.00
\$119.56	0.8%	\$88.98	6.8%	\$124,027.00
\$119.68	0.7%	\$89.27	6.9%	\$123,102.00
\$120.11	0.2%	\$89.16	6.5%	\$122,177.00
\$122.02	0.0%	\$91.36	6.3%	\$121,524.00
\$126.01	-0.1%	\$96.37	5.7%	\$120,872.00
\$131.09	-0.3%	\$102.84	6.1%	\$120,219.00
\$136.80	-0.6%	\$109.72	4.5%	\$119,633.00
\$144.24	-0.9%	\$119.78	2.8%	\$119,047.00
\$153.64	-1.9%	\$127.50	-1.7%	\$118,460.00
\$145.18	-7.1%	\$113.92	-4.8%	\$117,247.00
\$147.20	-10.6%	\$97.29	-16.4%	\$116,034.00
\$117.89	8.6%	\$82.27	17.2%	\$114,821.00
\$118.65	9.0%	\$83.31	17.9%	\$113,757.00
\$118.81	10.0%	\$83.53	19.2%	\$112,693.00
\$119.84	11.1%	\$83.74	20.3%	\$111,629.00
\$122.05	11.9%	\$85.94	21.7%	\$110,848.00
\$126.14	13.1%	\$91.14	23.0%	\$110,067.00
\$131.46	14.5%	\$96.94	22.8%	\$109,286.00
\$137.64	15.6%	\$105.01	24.8%	\$108,554.00
\$145.54	17.4%	\$116.52	28.0%	\$107,822.00
\$156.60	23.1%	\$129.74	34.1%	\$107,090.00
\$156.34	32.4%	\$119.72	45.4%	\$106,023.00
\$164.57	46.0%	\$116.40	70.3%	\$104,957.00
\$108.56	2.9%	\$70.22	15.1%	\$103,890.00
\$108.82	2.6%	\$70.65	14.3%	\$103,137.00
\$107.98	1.9%	\$70.10	14.3%	\$102,384.00
\$107.90	1.7%	\$69.61	13.4%	\$101,630.00
\$109.03	1.6%	\$70.62	12.0%	\$101,027.00
\$111.50	1.4%	\$74.07	11.8%	\$100,424.00
\$114.79	1.1%	\$78.94	12.9%	\$99,821.00
\$119.09	1.2%	\$84.17	13.3%	\$99,372.00
\$124.01	1.9%	\$91.06	13.6%	\$98,923.00
\$127.19	1.5%	\$96.73	15.4%	\$98,475.00
\$118.04	-1.1%	\$82.37	12.5%	\$97,703.00
\$112.69	-4.5%	\$68.35	9.4%	\$96,932.00
\$105.49	2.4%	\$61.00	6.6%	\$96,160.00
\$106.02	2.5%	\$61.82	5.0%	\$95,545.00
\$105.94	3.1%	\$61.33	3.9%	\$94,930.00
\$106.08	3.2%	\$61.38	4.0%	\$94,315.00
\$107.34	3.5%	\$63.06	5.0%	\$94,355.00

\$109.97	3.7%	\$66.24	3.9%	\$94,395.00
\$113.55	4.0%	\$69.90	2.2%	\$94,434.00
\$117.64	3.0%	\$74.31	2.3%	\$93,519.00
\$121.73	3.2%	\$80.15	1.8%	\$92,604.00
\$125.33	3.3%	\$83.83	-1.6%	\$91,689.00
\$119.31	4.7%	\$73.24	8.6%	\$90,758.00
\$117.99	3.3%	\$62.51	12.9%	\$89,826.00
\$103.03	0.9%	\$57.23	5.0%	\$88,895.00
\$103.42	0.8%	\$58.88	5.9%	\$88,530.00
\$102.78	0.9%	\$59.02	6.6%	\$88,165.00
\$102.75	0.9%	\$58.99	7.1%	\$87,801.00
\$103.75	0.7%	\$60.04	5.8%	\$87,609.00
\$106.00	0.6%	\$63.76	6.6%	\$87,418.00
\$109.15	0.5%	\$68.42	6.9%	\$87,226.00
\$114.26	1.2%	\$72.68	6.7%	\$86,963.00
\$117.99	1.0%	\$78.74	4.8%	\$86,699.00
\$121.32	0.4%	\$85.20	5.7%	\$86,436.00
\$113.91	-5.0%	\$67.42	-1.9%	\$85,853.00
\$114.26	-4.8%	\$55.35	-5.3%	\$85,270.00
\$102.12	2.7%	\$54.52	-1.0%	\$84,687.00
\$102.61	2.5%	\$55.57	-1.1%	\$84,368.00
\$101.88	2.6%	\$55.35	0.2%	\$84,049.00
\$101.79	2.4%	\$55.10	1.9%	\$83,730.00
\$103.00	2.6%	\$56.73	3.5%	\$83,645.00
\$105.36	2.5%	\$59.81	3.9%	\$83,560.00
\$108.57	2.7%	\$64.01	3.3%	\$83,475.00
\$112.91	2.8%	\$68.14	3.3%	\$83,321.00
\$116.86	2.9%	\$75.17	4.7%	\$83,168.00
\$120.84	5.5%	\$80.64	9.5%	\$83,014.00
\$119.95	9.2%	\$68.76	17.3%	\$82,395.00
\$120.08	9.6%	\$58.47	8.0%	\$81,776.00
\$99.44	-3.0%	\$55.05	8.2%	\$81,157.00
\$100.09	-3.1%	\$56.18	7.6%	\$80,176.00
\$99.28	-3.7%	\$55.26	6.2%	\$79,195.00
\$99.41	-4.3%	\$54.05	4.7%	\$78,213.00
\$100.40	-4.5%	\$54.80	4.0%	\$77,471.00
\$102.82	-4.8%	\$57.60	3.1%	\$76,729.00
\$105.74	-5.7%	\$61.97	3.9%	\$75,987.00
\$109.79	-6.3%	\$65.99	2.5%	\$75,440.00
\$113.58	-7.3%	\$71.79	0.8%	\$74,893.00
\$114.50	-8.8%	\$73.63	-1.5%	\$74,346.00
\$109.87	-13.0%	\$58.63	-10.9%	\$74,070.00
\$109.56	-14.6%	\$54.13	-9.6%	\$73,794.00
\$102.54	-17.0%	\$50.86	-16.1%	\$73,517.00
\$103.27	-17.3%	\$52.23	-16.2%	\$73,883.00
\$103.06	-17.7%	\$52.05	-16.3%	\$74,248.00
\$103.86	-18.2%	\$51.63	-17.1%	\$74,613.00

\$105.17	-19.0%	\$52.68	-18.2%	\$75,620.00
\$108.05	-20.5%	\$55.88	-18.6%	\$76,627.00
\$112.11	-21.5%	\$59.64	-19.9%	\$77,633.00
\$117.20	-23.0%	\$64.36	-20.8%	\$79,442.00
\$122.53	-24.2%	\$71.25	-21.0%	\$81,251.00
\$125.52	-26.1%	\$74.76	-22.5%	\$83,060.00
\$126.31	-29.5%	\$65.77	-35.5%	\$85,091.00
\$128.29	-25.4%	\$59.88	-31.3%	\$87,122.00
\$123.50	5.6%	\$60.62	-13.7%	\$89,153.00
\$124.90	7.9%	\$62.32	-17.8%	\$91,416.00
\$125.27	11.3%	\$62.18	-17.7%	\$93,679.00
\$126.92	18.3%	\$62.28	-9.3%	\$95,942.00
\$129.91	22.1%	\$64.36	-5.1%	\$98,214.00
\$135.90	24.1%	\$68.61	-2.2%	\$100,487.00
\$142.85	24.8%	\$74.42	-0.8%	\$102,759.00
\$152.12	24.0%	\$81.22	0.5%	\$104,866.00
\$161.57	22.2%	\$90.22	4.2%	\$106,974.00
\$169.80	-	\$96.44	-	\$109,081.00
\$179.06	-	\$101.91	-	\$110,174.00
\$171.96	-	\$87.13	-	\$111,267.00
\$116.93	-	\$70.25	-	\$112,360.00
\$115.78	-	\$75.85	-	\$112,257.00
\$112.60	-	\$75.52	-	\$112,154.00
\$107.30	-	\$68.66	-	\$112,051.00
\$106.36	-	\$67.78	-	\$111,244.00
\$109.51	-	\$70.19	-	\$110,437.00
\$114.51	-	\$75.01	-	\$109,630.00
\$122.70	-	\$80.81	-	\$108,549.00
\$132.21	-	\$86.56	-	\$107,467.00
-	-	-	-	\$106,386.00
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-	-	-	-	\$99,713.00
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-	-	-	-	\$95,256.00
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12 Mo Sales Volume	Market Cap Rate
-	7.7%
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\$23,000,000	7.7%
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\$44,117,341	7.7%
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\$44,117,341	7.5%
\$71,617,341	7.5%
\$48,617,341	7.4%
\$48,617,341	7.4%
\$27,500,000	7.4%
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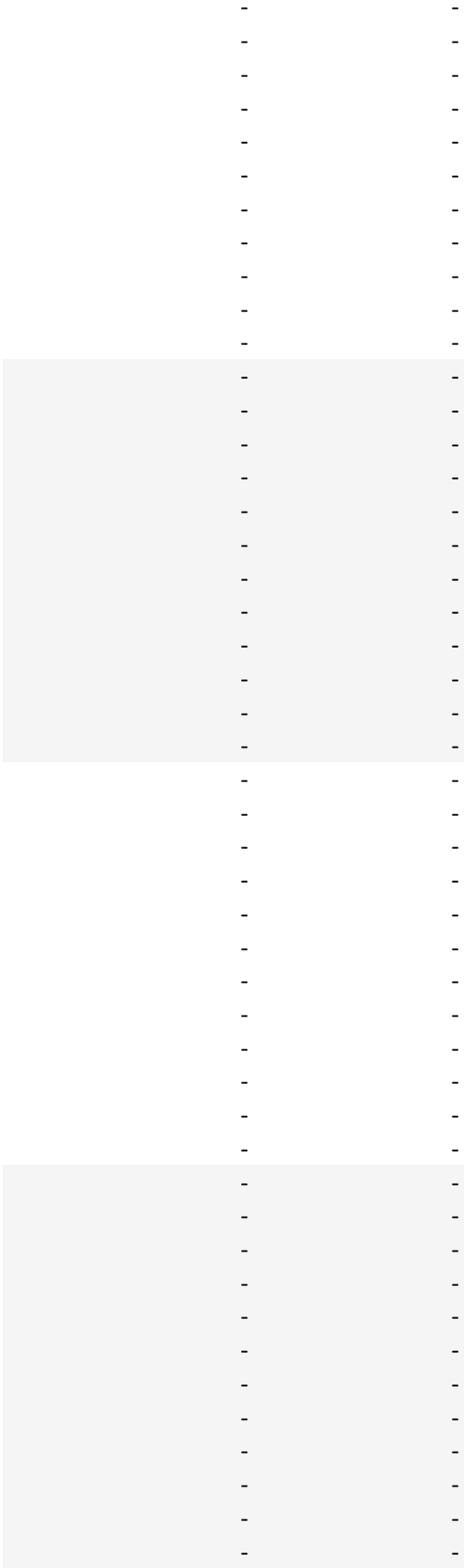
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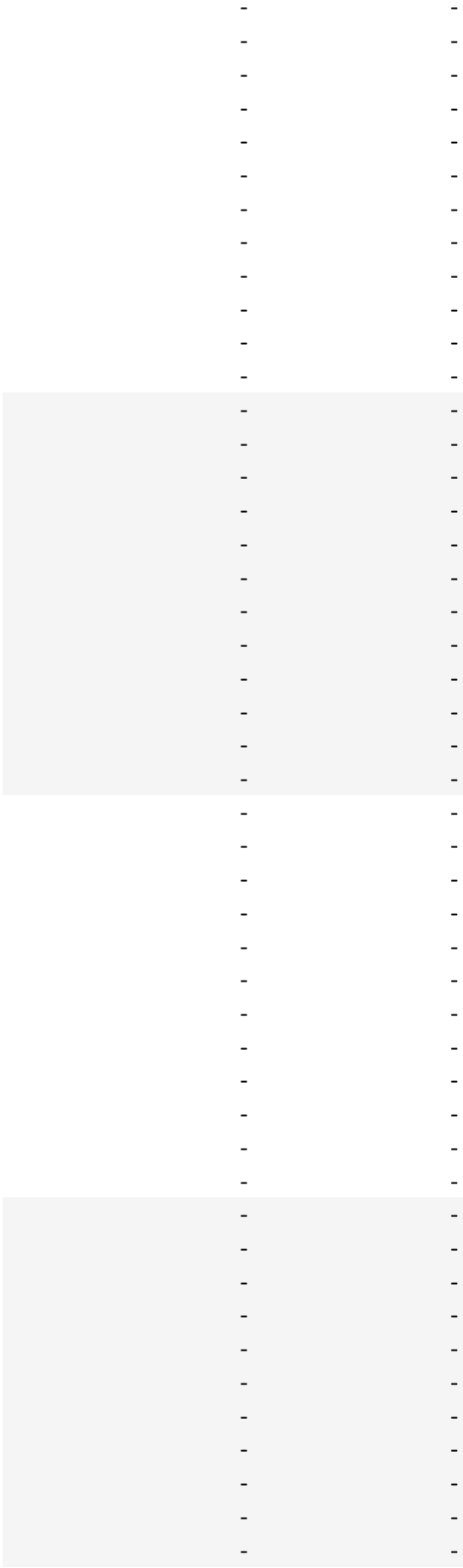
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May 2, 2025

Mr. Will Schnorr
Senior Analyst, Acquisitions
Peachtree Group
3500 Lenox Road
Atlanta, GA 30326
+1 (770) 462-3874
wschnorr@peachtreegroup.com

HVS BOSTON
83 Cambridge Street
Suite 3D
Burlington, Massachusetts, 01803
+1 (781) 454-8930 (Work)

www.hvs.com

Re: SpringHill Suites by Marriott Phoenix West/Avondale
Avondale, Arizona

Dear Mr. Schnorr:

Thank you for your recent call pertaining to your Avondale, Arizona project; we are pleased to submit this proposal for our services. The proposal sets forth a description of the objectives and scope of the assignment, along with a detailed description of the methodology to be employed, an estimate of the time requirements, and a schedule of professional fees. The proposal also includes a list of requested information that we would require for completing the study.

If the proposal meets your acceptance, please sign and return a copy. If you have any questions regarding the contents of the proposal, please do not hesitate to contact me. Thank you for the opportunity to submit this proposal for your project.

Very truly yours,
TS Worldwide LLC dba HVS Consulting & Valuation



Brian F. Bisema
Managing Director
bbisema@hvs.com
+1 (781) 454-8930 (Work)



PROPOSAL FOR AN APPRAISAL REPORT

**SpringHill Suites by Marriott
Phoenix West/Avondale
Avondale, Arizona**

SUBMITTED TO:

Will Schnorr
Senior Analyst, Acquisitions
Peachtree Group
3500 Lenox Road
Atlanta, GA 30326
+1 (770) 462-3874
wschnorr@peachtreegroup.com

PREPARED BY:

HVS BOSTON
TS Worldwide LLC dba HVS Consulting & Valuation
83 Cambridge Street
Suite 3D
Burlington, Massachusetts, 01803
+1 (781) 454-8930 (Work)

May 2, 2025

Proposal for an Appraisal Report

Pursuant to our conversation, we are pleased to submit this proposal for services of TS Worldwide LLC dba HVS Consulting & Valuation in connection with the SpringHill Suites by Marriott Phoenix West/Avondale, Avondale, Arizona.

Intended Use and User of the Engagement

The appraisal is being prepared for the use of Peachtree Group in connection with internal business decisions. The client for this engagement is PG Phoenix West DST. The appraisal report may be relied upon by Phoenix West DST and its affiliates and assigns (“Peachtree”) and any party that purchases an interest in the property from Peachtree. The appraisal may not be shared with or relied upon by any other third parties or for any other purposes.

Objective

The objective of this assignment is to perform an appraisal for the purpose of evaluating the market demand, analyzing the economics, projecting income and expense, and estimating the market value of the above-captioned property. Our valuation will be as of our inspection date and will consist of one “as is” market-value opinion incorporating the land, improvements, and personal property components. If the subject hotel will be undergoing significant capital improvements in the near term, we will also include “when complete” and “when stabilized” prospective market-value opinions if requested. Additionally, the following reliance language (either identical or largely similar) will also be included in the report:

“The intended use of this report is solely for internal business decisions of the client and no other use. The client for this engagement is PG Phoenix West DST. This report may be relied upon by PG Phoenix West DST and its affiliates and assigns (“Peachtree”) and any party that purchases an interest in the property from Peachtree and a reference to this report may be included or quoted in an offering memorandum, prospectus, sales brochure or similar document (in either electronic or hard format) issued

in connection with a sale of the property or other transaction involving the property referenced in this report.”

Methodology

Members of the firm will conduct an inspection of the site and improvements and will interview onsite management personnel. They will analyze the immediate market for accommodations and will review the specific area’s competition. Historical income and expense statements will be reviewed and analyzed. Sales of comparable hotels will be researched and analyzed.

To arrive at our opinion of market value, we will consider the three approaches to value, with primary reliance upon the income capitalization approach based upon our forecast of income and expenses. The methodology of the valuation will follow the recommended procedures set forth in the textbook *Hotels Market Analysis and Valuation: International Issues and Software Applications*,¹ which we authored for the Appraisal Institute, and will be performed in accordance with the Uniform Standards of Professional Appraisal Practice (USPAP).

Written Report

Our appraisal report will set forth a discussion concerning the property and its valuation. Among subjects that will be included are a physical description of the improvements, a review of the area and neighborhood, an analysis of the market for hotel accommodations, an examination of existing and proposed competition, a projection of income and expenses, the development of appropriate capitalization and discount rates, a review of comparable hotel sales, and the value reconciliation.

Requested Information

To aid us in performing this assignment, we request that you provide us with the following information (where applicable):

1. Name and phone number of contact person at the subject property

¹Stephen Rushmore, John W. O'Neill, and Stephen Rushmore, Jr. *Hotels Market Analysis and Valuation: International Issues and Software Applications*. Chicago: Appraisal Institute, 2012.

2. Income and expense statements with full supporting schedules for the following periods (all statements showing occupied room nights for respective periods):
 - a. Current YTD (also showing similar prior year YTD period)
 - b. Past five calendar years
3. Annual totals of subject hotel's occupied room nights and rooms revenue for last ten calendar years
4. The real and personal property tax bills for the prior three calendar years, including most recent year available (three years of bills requested)
5. Reforecast for current year (as applicable/available), most recent operating budget, and most recent marketing plan
6. List of capital expenditures for current YTD period and the last three calendar years; capital plan for remainder of the current year and the next three calendar years (as available); if a property improvement plan (PIP) is required, details on this PIP and its budget
7. Name of current legal owner and detailed ownership history for the subject property for the last five years; if applicable, terms of purchase or sale of the subject property, including the price, date, and financing information, as well as a copy of the contract and closing statement
8. If available: hotel floor plans, site survey, and legal description in PDF
9. If available: any leases, management contracts, franchise agreements, mortgages, title reports, stock or partnership agreements, union agreements, service contracts, reservation reports, inspection reports, engineering reports, etc.
10. If available: past appraisals, market and feasibility studies, impact studies, prospectuses, STAR reports, and any Phase I or Phase II environmental audit reports

Timing

We anticipate that the fieldwork, analysis, and written report phases will be completed within approximately 10 business days from the date we receive the signed proposal and requested information.

Professional Fees

Our fee for the fieldwork, analysis, and preparation of the appraisal report will be payable \$0 upon execution of this agreement, with the balance payable prior to transmission of the draft report. The final appraisal can be transmitted at that time or after your review.

It is our normal policy to provide an electronic draft copy of our final report for your review; this draft will be in PDF and will include a watermark "DRAFT." Upon your approval of this draft, we will commence preparation of the final report. This fee includes one electronic copy of the final report, which will be delivered to you via email in PDF when our invoice for services has been paid in full. Reports are not transmitted in Microsoft Word format.

Related expenses are included in this fee.

Restrictions on Use of Unpaid Draft Reports

Until the time that all our professional fees and other charges have been paid in full, the draft report, which is provided to you as a professional courtesy, remains the intellectual property of HVS and shall not be utilized in attempting

- a) to obtain financial capital (whether debt or equity);
- b) to further any litigation, mediation, or arbitration processes; or
- c) to assist the client in any cause, action, or endeavor.

If HVS has not been paid in full for its outstanding professional fees and other charges, and the draft report is used in violation of this agreement, HVS will be entitled to seek injunctive relief, monetary damages, and the cost of attorney fees and collection expenses.

Payment Due Dates

If payment for professional fees and out-of-pocket travel and related expenses is not received within thirty (30) days of the billing date, HVS reserves the right to suspend all work until payment is made and apply a service charge of 1.5% per month, or fraction thereof, to the total unpaid sum. Should any type of action become necessary to enforce collection of

bills rendered, it is further agreed that you (the client) or the prevailing party will be responsible for all collection costs, including but not limited to court costs and reasonable legal fees. It is understood that HVS may extend the time for payment on any part of billings rendered without affecting the understanding outlined above.

**Collection of
Outstanding
Professional Fees**

The parties to this contract agree that any disputes regarding professional fees and/or other charges owed to HVS will be resolved in accordance with Texas law (TS Worldwide is a Texas-based LLC with a home office location of 2100 West Loop South, Suite 1001, Houston, Texas, 77027). The parties to this contract further agree that (a) any legal action regarding money owed to HVS will take place in Texas; (b) Texas courts have exclusive jurisdiction for resolution of disputes; and (c) the plaintiff will have the choice of venue in any county in the State of Texas.

**Limitations of
Liability**

It is agreed that our company's liability, our employees, and anyone else associated with this assignment is limited to the amount of the fee paid as liquidated damages. You acknowledge that any opinions, recommendations, and conclusions expressed during this assignment will be rendered by the staff acting solely as employees and not as individuals. Our responsibility is limited to the client; use of our product by third parties shall be solely at the risk of the client and/or third parties. The study described in this proposal will be made subject to certain assumptions and limiting conditions. A copy of our normal assumptions and limiting conditions will be provided upon request.

Conclusion

If the foregoing proposal meets with your acceptance, please sign and return. Your signature beneath the words "Agreed to and Accepted" signifies your agreement to employ the TS Worldwide LLC dba HVS Consulting & Valuation for these services. To schedule our assignments and perform your study in accordance with the timing set forth above, we ask that you return an executed copy of this agreement by May 9, 2025. We appreciate the opportunity of submitting this proposal and look forward to working with you on this assignment.

Very truly yours,

TS Worldwide LLC dba HVS Consulting &
Valuation



Brian F. Bisema
Managing Director
bbisema@hvs.com
+1 (781) 454-8930 (Work)

AGREED TO AND ACCEPTED

Will Schnorr
Peachtree Group

Signature: William Schnorr

Date: 05/02/2025



INVOICE FOR RETAINER

Date: May 2, 2025
Terms: Due Prior to Start of Assignment

Will Schnorr
Peachtree Group
3500 Lenox Road
Atlanta, GA 30326

HVS Accounting Office
1615 Foxtrail Drive
Suite 230
Loveland, CO 80538
+1 (970) 666-1377
www.hvs.com

Re: SpringHill Suites by Marriott Phoenix West/Avondale
Avondale, Arizona
(HVS staff member: Brian F. Bisema)

Project	Amount Due
Appraisal Report	\$0

Please make all checks payable to TS Worldwide, LLC
(dba HVS)
Tax ID #20-2762887
Please remit to:
HVS
1615 Foxtrail Drive
Suite 230
Loveland, CO 80538

PLEASE INCLUDE A COPY OF THIS INVOICE WITH YOUR CHECK PAYMENT

Wire Instructions:

Please notify mculbertson@hvs.com of all wire transmissions.
JPMorgan Chase Bank
270 Park Avenue
New York, NY 10017
Account Name: TS Worldwide, LLC
Transit ABA #: 021000021
Swift Code: CHASUS33
Account Number: 682090837

Superior Results Through Unrivalled
Hospitality Intelligence. Everywhere.