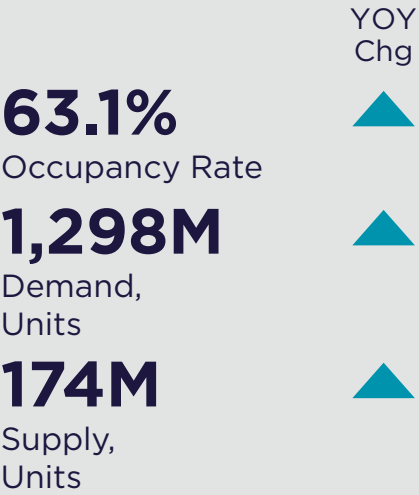
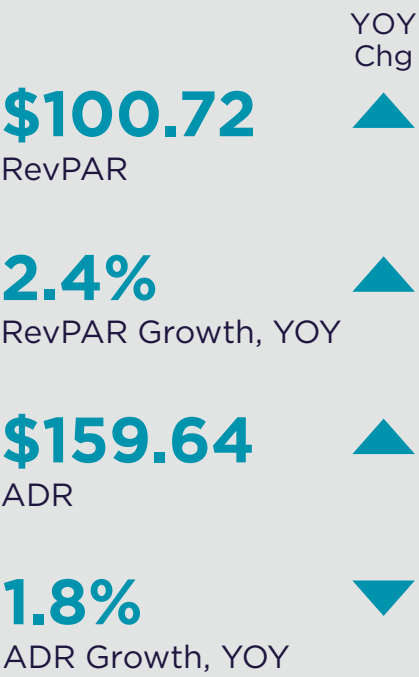


MARKET FUNDAMENTALS
(12 MONTH)



MARKET INDICATORS
(12 MONTH)

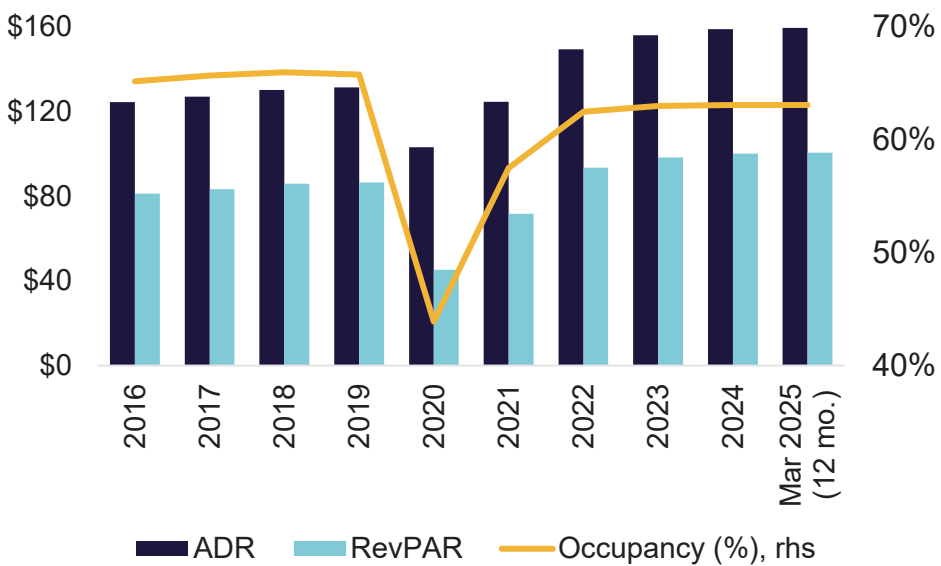


Source: STR/CoStar, Cushman & Wakefield
Valuation & Advisory

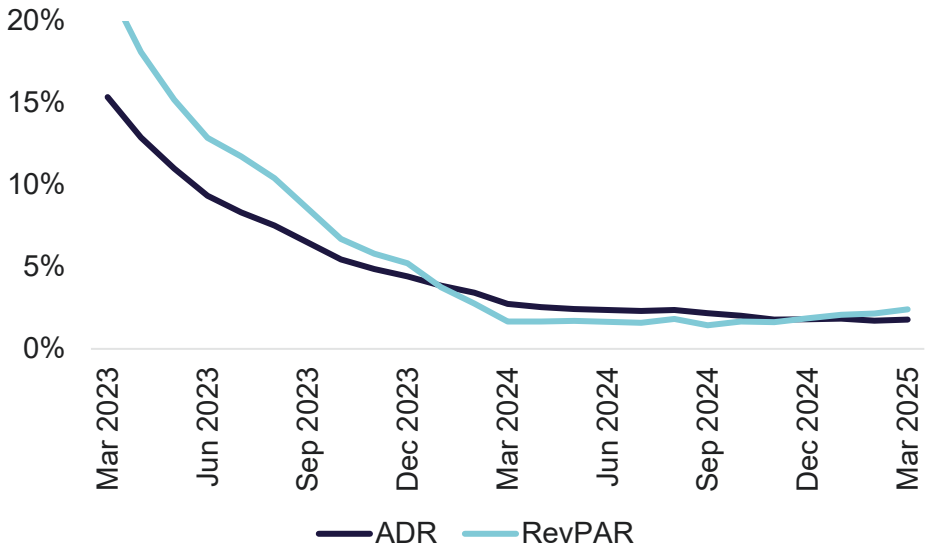
KEY TRENDS

- Impact of Restrictive Policies on International Arrivals:** The U.S. hotel industry faces potential effects from the new administration's immigration and trade policies, which may deter international travelers. Proposed travel bans and heightened visa scrutiny are slowing processing times. This, coupled with rising trade tensions with key markets like Canada and Europe, could decrease international arrivals and hurt hotel occupancy rates and revenues, especially in gateway cities reliant on foreign visitors.
- Moderated Growth Amid Economic Uncertainty:** The U.S. hotel industry experienced a RevPAR growth of 2.4% year-over-year (YOY) in Q1 2025, up from 1.9% in Q4 2024. The latest forecast from CoStar Group and Tourism Economics projects 2025 RevPAR growth to be 1.8%, primarily driven by a 1.6% increase in ADR. Growth is likely to be tempered by economic uncertainty and cautious consumer spending limiting demand, particularly in the leisure travel segment.
- Shift Toward Meeting & Group Travel:** As leisure travel softens, the industry is seeing stronger demand from group and corporate travelers. Through February 2025, group RevPAR increased by 5.7%, driven by a 3.7% growth in ADR. However, in markets with a heavy government presence, cancellations are rising.
- Middle of the P&L Challenges:** Recent increases in labor costs, insurance, property taxes and utilities have pressured operating margins. Policy-driven expense pressures and potential regulatory changes are creating concerns for near-term margin expansion. These challenges are particularly pronounced in the middle of the P&L statement, where operating costs are most acutely felt.
- Liquid Debt Markets At A Cost:** The CMBS market continues to provide liquidity for cash flowing hotels. Banks and life companies are selectively lending on deals with strong sponsors mostly for existing relationships. Debt funds are a great avenue for higher leverage, more flexible prepayment or transitional assets. There are ample lending options, but the cost of debt remains elevated.

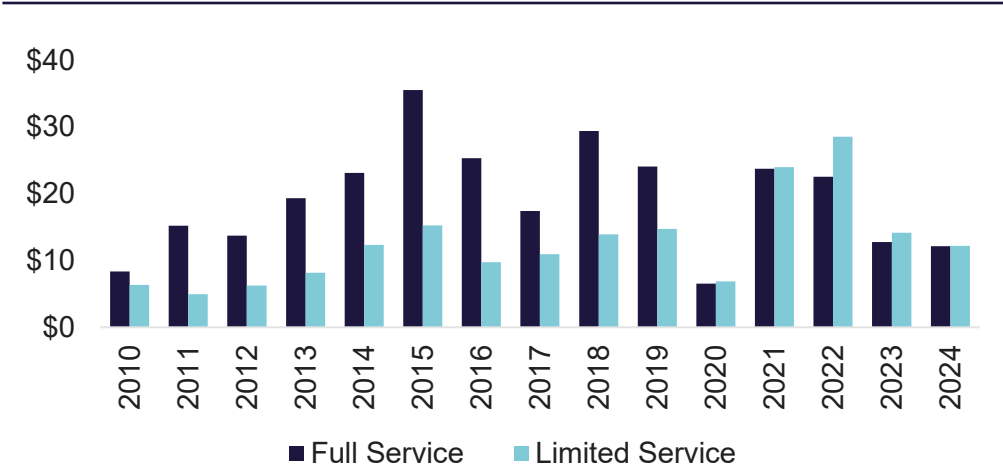
ADR, REVPAR, OCCUPANCY
(12 MONTH)



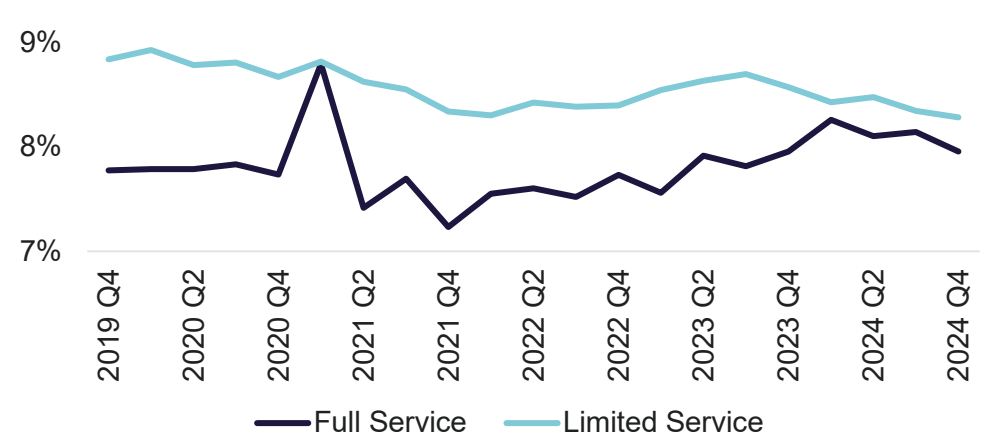
ADR, REVPAR YOY CHANGE
(12 MONTH)



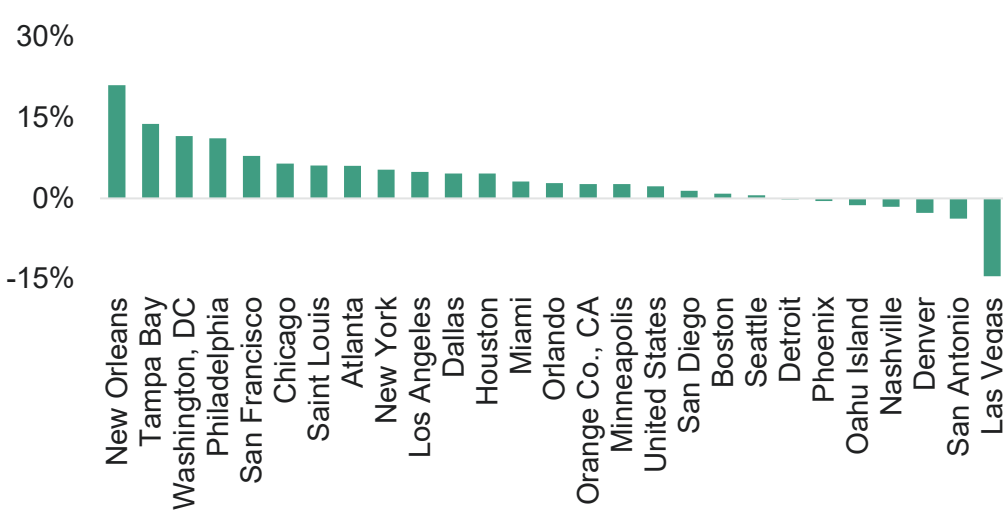
HOTEL TRANSACTION VOLUME, 12 MONTH ROLLING (\$B USD)



HOTEL CAP RATES



REVPAR YOY CHANGE - TOP MARKETS (3 MONTH)



U.S. HISTORICAL OPERATING STATISTICS (12 MONTH)

Year	Supply, Units (mil)	YOY % Change	Demand, Nights Rented (mil)	YOY % Change	Occ (%)	YOY % Change	ADR	YOY % Change	RevPAR	YOY % Change
2015	1,870	0.9	1,218	2.4	65.1	1.5	\$121	4.4	\$79	6.0
2016	1,895	1.3	1,236	1.5	65.2	0.1	\$125	3.0	\$81	3.2
2017	1,924	1.5	1,263	2.2	65.7	0.7	\$127	2.1	\$83	2.7
2018	1,957	1.8	1,292	2.2	66.0	0.5	\$130	2.5	\$86	3.0
2019	1,992	1.8	1,311	1.5	65.8	-0.3	\$132	1.0	\$87	0.8
2020	1,913	-4.0	839	-36.0	43.9	-33.4	\$103	-21.5	\$45	-47.7
2021	2,006	4.9	1,153	37.5	57.5	31.1	\$125	20.8	\$72	58.3
2022	2,040	1.7	1,276	10.6	62.5	8.8	\$150	19.9	\$94	30.4
2023	2,044	0.2	1,288	1.0	63.0	0.8	\$156	4.4	\$98	5.2
2024	2,054	0.5	1,295	0.5	63.1	0.1	\$159	1.8	\$100	1.9
Mar 2025 (12 Month)	2,057	0.5	1,298	1.2	63.1	0.6	\$160	1.8	\$101	2.4

U.S. HISTORICAL OPERATING STATISTICS (3 MONTH)

Quarter	Supply, Units (mil)	YOY % Change	Demand, Nights Rented (mil)	YOY % Change	Occ (%)	YOY % Change	ADR	YOY % Change	RevPAR	YOY % Change
Q4 2023	514.9	0.4	304.0	-1.0	59.1	-1.4	\$155.91	3.3	\$92.06	1.9
Q1 2024	502.4	0.5	292.2	-1.6	58.2	-2.1	\$154.83	1.9	\$90.06	-0.2
Q2 2024	513.2	0.5	343.1	1.3	66.9	0.8	\$160.61	2.0	\$107.40	2.8
Q3 2024	520.9	0.5	348.3	0.0	66.9	-0.4	\$161.09	1.5	\$107.73	1.1
Q4 2024	517.5	0.5	311.2	2.4	60.1	1.9	\$158.75	1.8	\$95.47	3.7
Mar 2025 (3 Month)	505.6	0.6	295.2	1.0	58.4	0.4	\$157.71	1.9	\$92.09	2.3

U.S. MARKETS: KEY INDICATORS Q1 2025
(3 MONTH)

Supply (Units)			Demand (Nights Rented)		Occupancy		ADR		RevPAR	
U.S. Markets	Q1 2025	YOY Change	Q1 2025	YOY Change	Q1 2025	YOY Change (bps)	Q1 2025	YOY Change	Q1 2025	YOY Change
United States	505,603,088	0.6%	295,207,370	1.0%	58.4%	0.4%	\$158	1.9%	\$92	2.3%
Atlanta, GA	10,339,131	1.4%	6,568,037	2.5%	63.5%	1.1%	\$130	4.9%	\$83	6.0%
Boston, MA	5,451,082	0.5%	3,368,292	0.3%	61.8%	-0.2%	\$178	1.1%	\$110	0.9%
Chicago, IL	10,996,513	-0.2%	5,732,187	1.4%	52.1%	1.6%	\$134	4.8%	\$70	6.5%
Dallas, TX	9,055,890	1.1%	5,855,309	2.3%	64.7%	1.2%	\$134	3.4%	\$87	4.6%
Denver, CO	5,238,720	1.0%	3,056,718	-2.5%	58.4%	-3.5%	\$131	0.8%	\$76	-2.7%
Detroit, MI	4,318,709	1.1%	2,169,706	-1.5%	50.2%	-2.6%	\$117	2.4%	\$59	-0.2%
Houston, TX	9,544,703	-0.5%	5,824,764	-0.8%	61.0%	-0.3%	\$126	5.0%	\$77	4.6%
Las Vegas, NV	14,398,289	-2.6%	10,915,286	-7.2%	75.8%	-4.8%	\$204	-10.2%	\$155	-14.5%
Los Angeles, CA	10,361,042	-0.4%	7,365,588	3.7%	71.1%	4.2%	\$193	0.7%	\$137	4.9%
Miami, FL	5,876,270	-0.3%	4,857,250	0.6%	82.7%	0.9%	\$282	2.2%	\$233	3.2%
Minneapolis, MN	4,164,672	-0.6%	2,051,814	3.6%	49.3%	4.2%	\$121	-1.5%	\$60	2.6%
Nashville, TN	5,399,861	2.9%	3,232,696	-0.6%	59.9%	-3.3%	\$166	1.9%	\$99	-1.6%
New Orleans, LA	3,900,555	0.9%	2,511,206	-1.4%	64.4%	-2.3%	\$225	23.8%	\$145	21.0%
New York, NY	11,071,352	1.6%	8,331,224	2.3%	75.3%	0.7%	\$241	4.7%	\$181	5.4%
Oahu Island, HI	2,792,250	0.6%	2,207,521	-1.1%	79.1%	-1.7%	\$285	0.5%	\$225	-1.3%
Orange County, CA	5,507,379	0.6%	3,821,861	3.6%	69.4%	3.1%	\$204	-0.4%	\$141	2.7%
Orlando, FL	12,728,265	0.4%	9,784,576	0.3%	76.9%	-0.1%	\$220	2.9%	\$169	2.9%
Philadelphia, PA	4,765,380	0.7%	2,710,512	6.5%	56.9%	5.8%	\$138	5.1%	\$79	11.2%
Phoenix, AZ	6,457,679	2.0%	4,893,405	0.7%	75.8%	-1.3%	\$224	0.9%	\$170	-0.5%
Saint Louis, MO	3,691,932	-0.2%	1,983,506	4.1%	53.7%	4.3%	\$120	1.8%	\$64	6.1%
San Antonio, TX	4,414,953	1.0%	2,561,985	-3.8%	58.0%	-4.8%	\$135	1.0%	\$78	-3.8%
San Diego, CA	5,844,114	0.7%	4,060,932	0.1%	69.5%	-0.7%	\$199	2.1%	\$138	1.4%
San Francisco/San Mateo County, CA	4,987,210	-0.6%	3,108,813	3.5%	62.3%	4.1%	\$247	3.7%	\$154	7.9%
Seattle, WA	4,538,644	-0.2%	2,747,085	-1.0%	60.5%	-0.8%	\$150	1.4%	\$91	0.6%
Tampa, FL	4,709,262	-2.0%	3,897,864	6.3%	82.8%	8.5%	\$209	4.9%	\$173	13.9%
Washington, DC	10,243,185	2.1%	6,303,645	2.6%	61.5%	0.4%	\$193	11.1%	\$119	11.6%

Source: STR/CoStar, Cushman & Wakefield Valuation & Advisory

METHODOLOGY

Cushman & Wakefield’s quarterly estimates are derived from a variety of data sources, including our own proprietary database as well as data from reliable third-party data sources. The figures provided for the current quarter are preliminary and all information contained in this report is subject to correction of errors and revisions based on the receipt of additional pertinent data.

EXPLANATION OF TERMS

Average daily rate (ADR): The average daily rate (\$) defined by the average income per occupied hotel room over the period of time.

Revenue per Available Room (RevPAR): Total revenue divided by room count and number of nights for the period of time.

Annual statistics are provided on a rolling 12-month period. Quarterly and current quarter market-level statistics are provided on a 3-month rolling period.

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Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in nearly 400 offices and 60 countries. In 2024, the firm reported revenue of \$9.4 billion across its core service lines of Services, Leasing, Capital markets, and Valuation and other. Built around the belief that Better never settles, the firm receives numerous industry and business accolades for its award-winning culture. For additional information, visit www.cushmanwakefield.com.

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DAVID C. SMITH

Head of Americas Insights

Tel: +1 404.853.5310

david.smith4@cushwake.com