

March 24, 2021

US HOTEL OUTLOOK

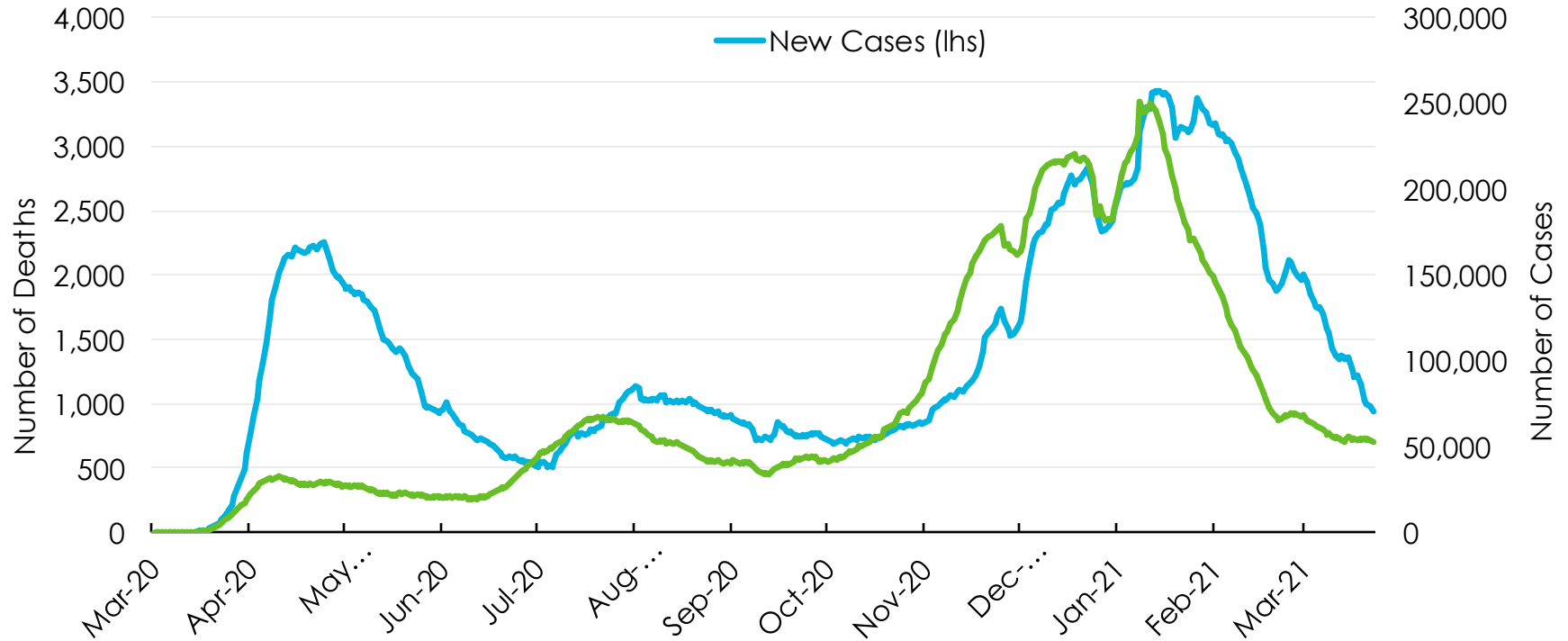
CBRE

COVID-19



SECOND WAVE INFECTION TRENDING DOWNWARD – U.S.

Daily new cases in 7-day moving averages

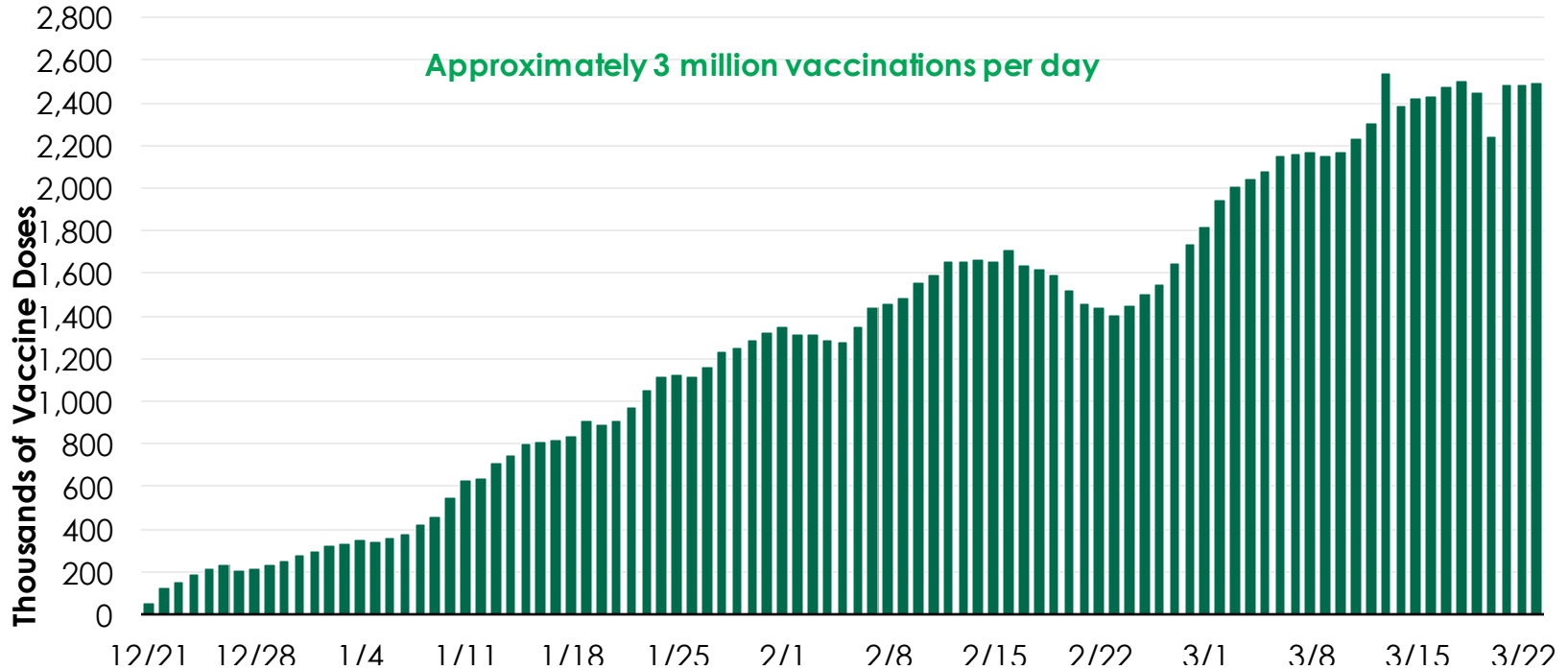


Source: World Health Organization, Macrobond, CBRE Research, 24 Mar 2021.

Note: Number reported as a 7-day moving average.

VACCINATION PACE IS RISING, BUT STILL TOO LOW

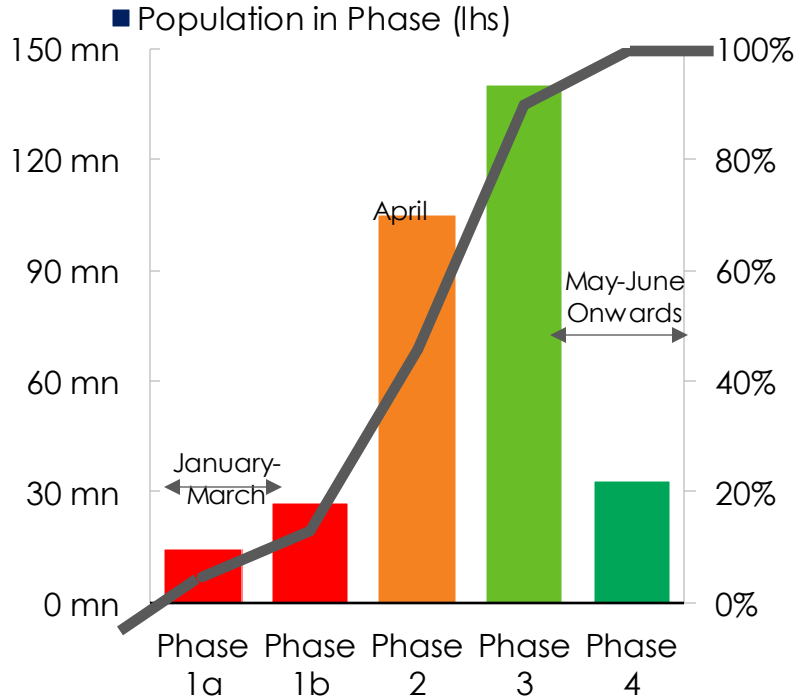
Daily U.S. COVID vaccine doses administered (thousands)



Source: Our World in Data, CBRE Research, 24 Mar 2021.

MASS IMMUNIZATION BY END OF 2021 IN THE UNITED STATES

U.S. National Association of Medicine COVID Vaccination Tiering System

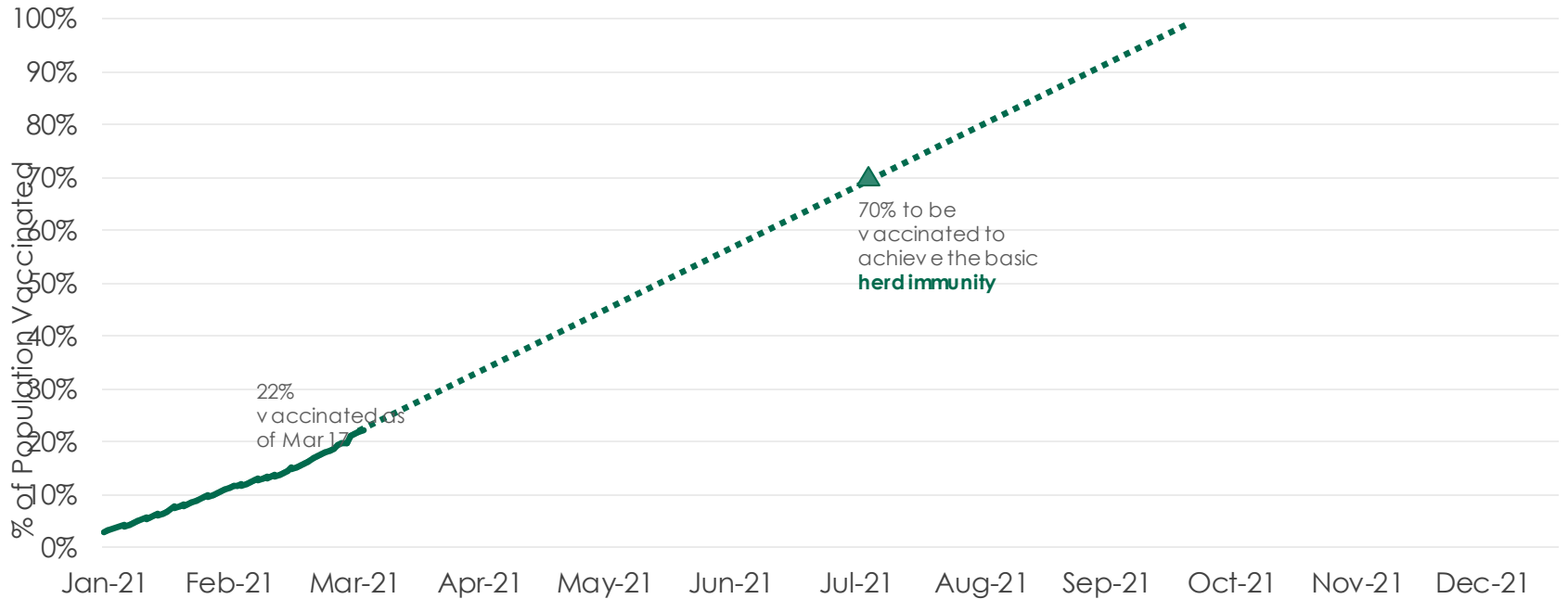


Source: National Association of Medicine, Goldman Sachs, 2020.

Phase 1 (45mn)	Phase 2 (105mn)
<p><i>Phase 1a</i></p> <ul style="list-style-type: none"> - High Risk Health Workers (12.6mn) - First Responders (2.1mn) 	<ul style="list-style-type: none"> - One Comorbid Condition (80mn) <ul style="list-style-type: none"> - Obesity (30mn) - Diabetes (10mn) - Remaining Over Age 65 (13.2mn)
<p><i>Phase 1b</i></p> <ul style="list-style-type: none"> - 2+ Comorbid Conditions (20mn) - Over Age 65 in Crowded Settings (6.8mn) 	<ul style="list-style-type: none"> - K-12 Teachers (9.1mn) - Food Production/Cashiers - Construction/Utilities - Transportation/Delivery - Incarcerated + Staff (2.7mn) - Homeless + Shelter Staff (1mn)
Phase 3 (140mn)	Phase 4 (33mn)
<ul style="list-style-type: none"> - Children (80mn) - Young Adults Ages 18-30 (46.5mn) - Workers in Important Industries (13mn) <ul style="list-style-type: none"> - University Staff - Factory Workers - Restaurant/Hotel Staff - Bank Tellers and Librarians - Barbers and Exercise Instructors 	<p>Remaining population of the US (33mn)</p>

HERD IMMUNITY WILL ARRIVE IN THE FALL

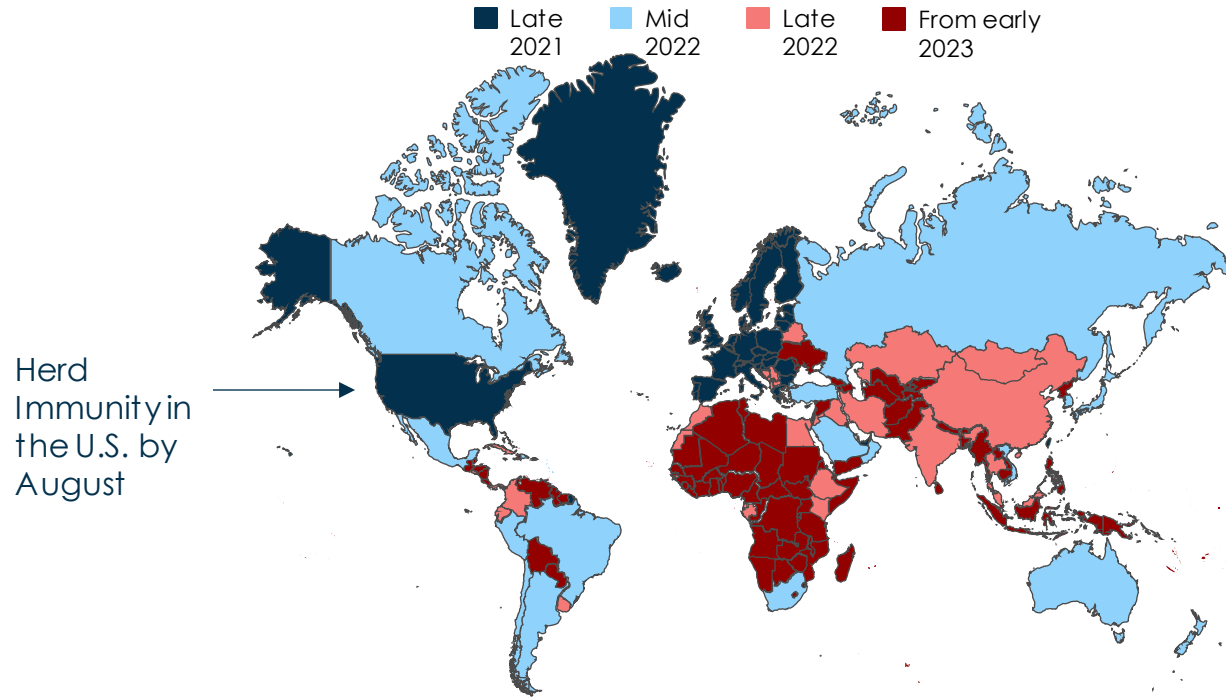
Cumulative percent of people receiving 1 or more doses



Source: CDC, The New York Times, CBRE Research, 17 Mar 2021.

PROGRESS IN VACCINATION: PARTICULARLY IN THE U.S. & U.K.

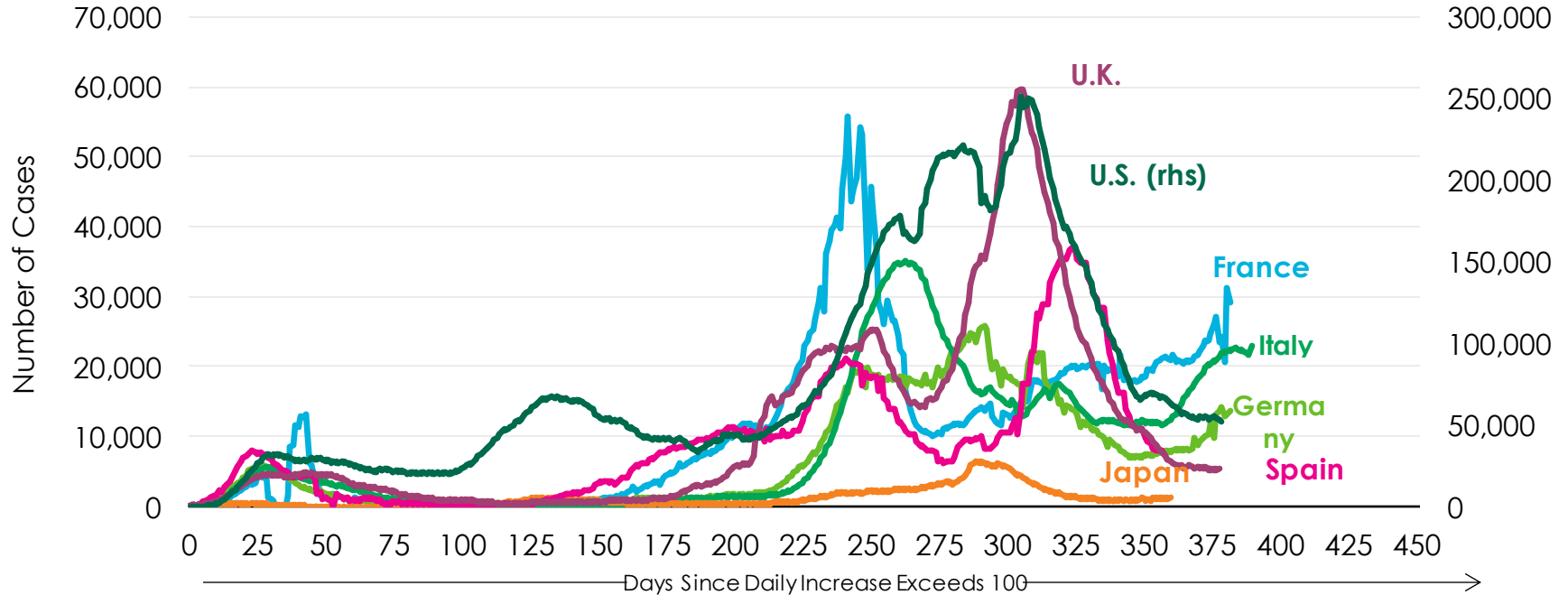
When will countries be fully covered?



Source: The Economist Intelligence Unit, NY Times, CBRE Research, 2021.

NEW VIRUS VARIANTS - DM

Daily new cases in 7-day moving averages

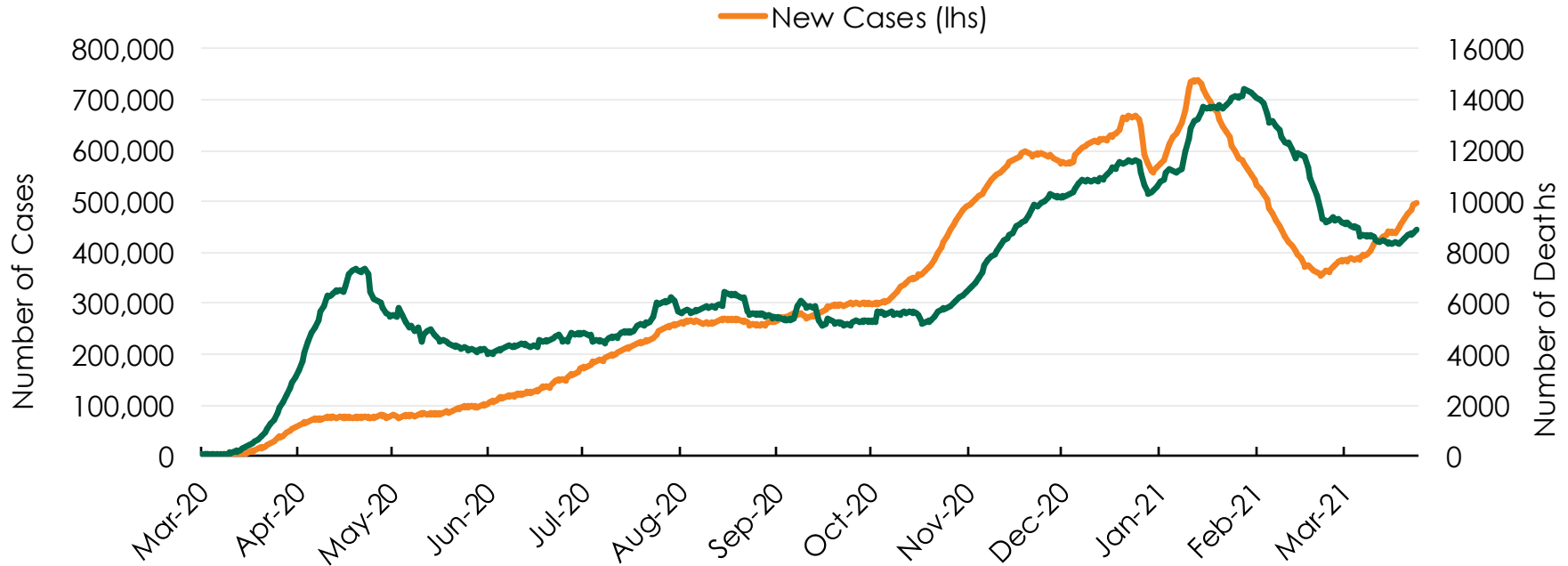


Source: CBRE Research, University of Oxford, COVID Tracking Project, Macrobond, 24 Mar 2021.

Note: Number reported as a 7-day moving average.

COVID DEATH TOLL

Daily new cases in 7-day moving averages



Source: World Health Organization, Macrobond, CBRE Research, 24 Mar 2021.

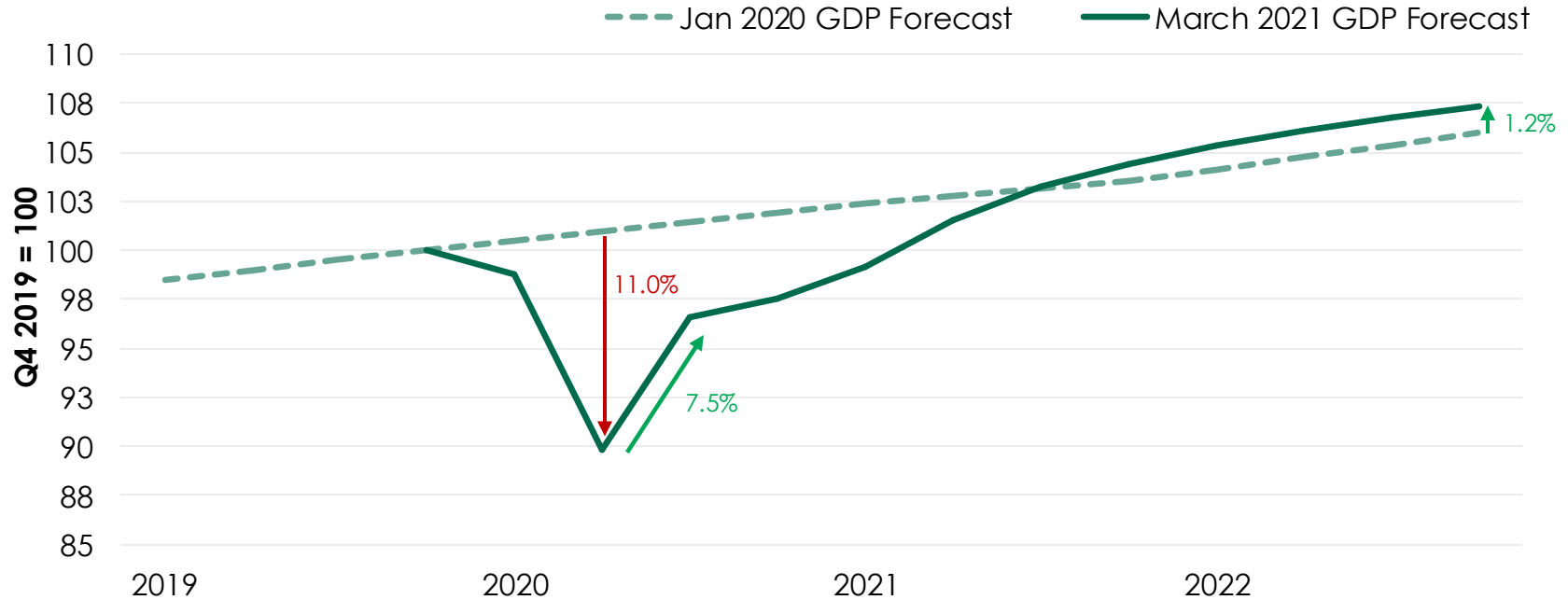
Note: Number reported as a 7-day moving average.

A low-angle, blurred photograph of a busy city street. The focus is on the lower legs and feet of a diverse group of pedestrians walking across a crosswalk. The motion blur conveys a sense of constant movement and activity. The word "ECONOMY" is centered in the image in a clean, white, sans-serif font. The background shows more people and the urban environment, all slightly out of focus to emphasize the foreground action.

ECONOMY

U.S. GDP – STRONG BOUNCE BACK IN Q3

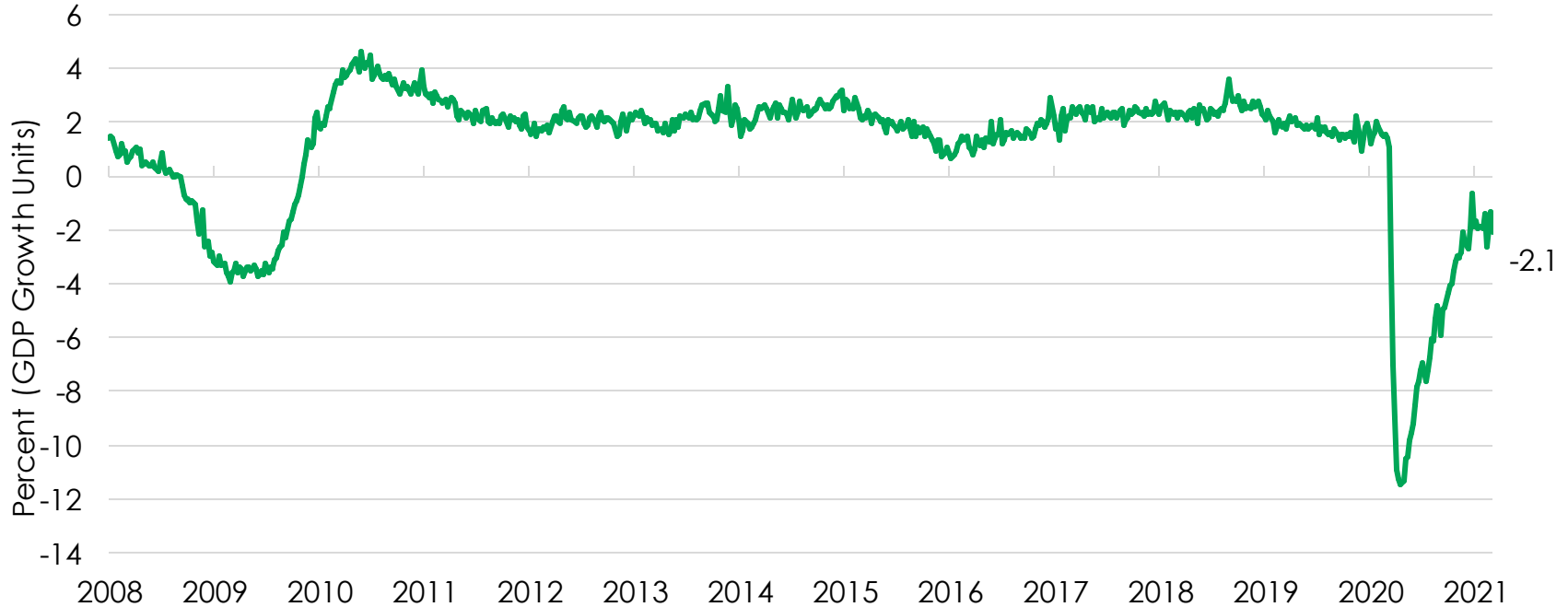
U.S. real GDP index (Q4 2019 = 100)



Source: CBRE House-View, Oxford Economics, March 2021.

REAL TIME DATA SHOWS U.S. V-SHAPED RECOVERY

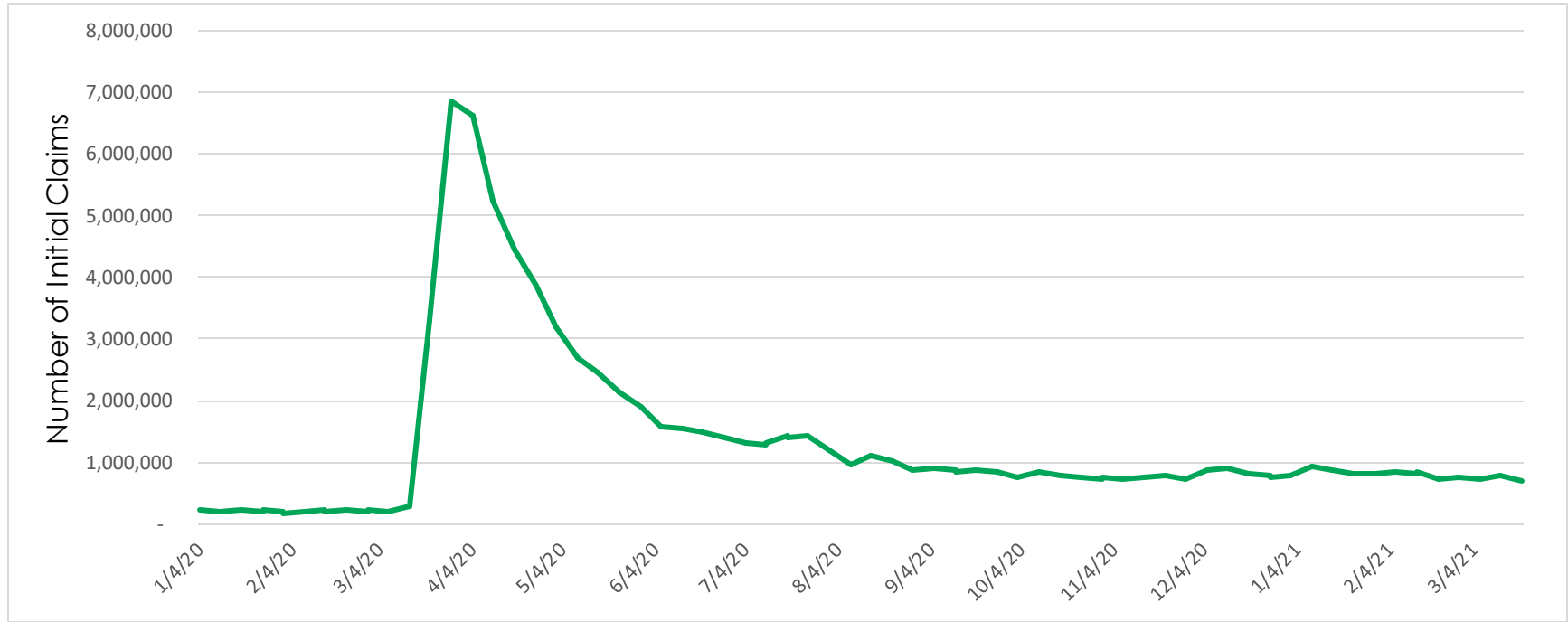
The New York Fed's U.S. Weekly Economic Index (WEI)



Source: Federal Reserve Bank of New York, March 2021.

INITIAL UNEMPLOYMENT CLAIMS

Lowest Numbers Since Start of the Pandemic



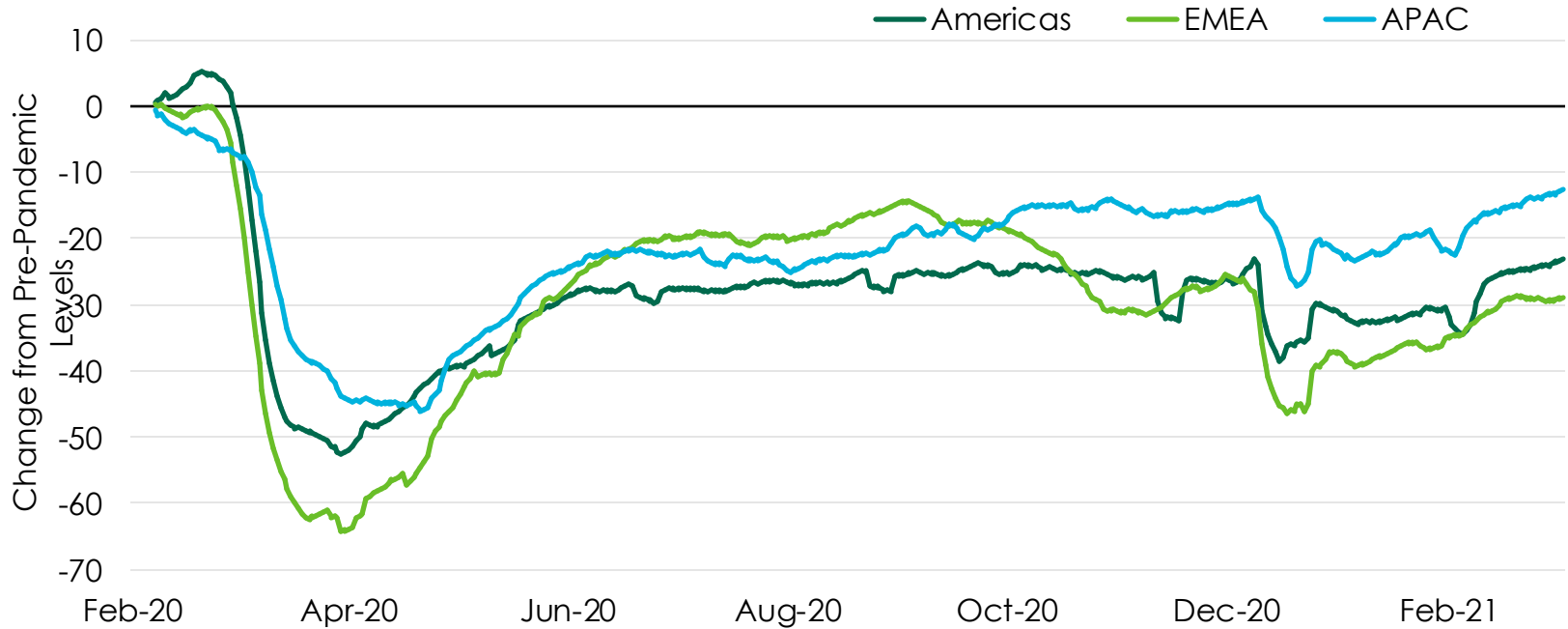
Source: <https://fred.stlouisfed.org/>, March 25, 2021.



TRAVEL

GOOGLE MOBILITY INDEX

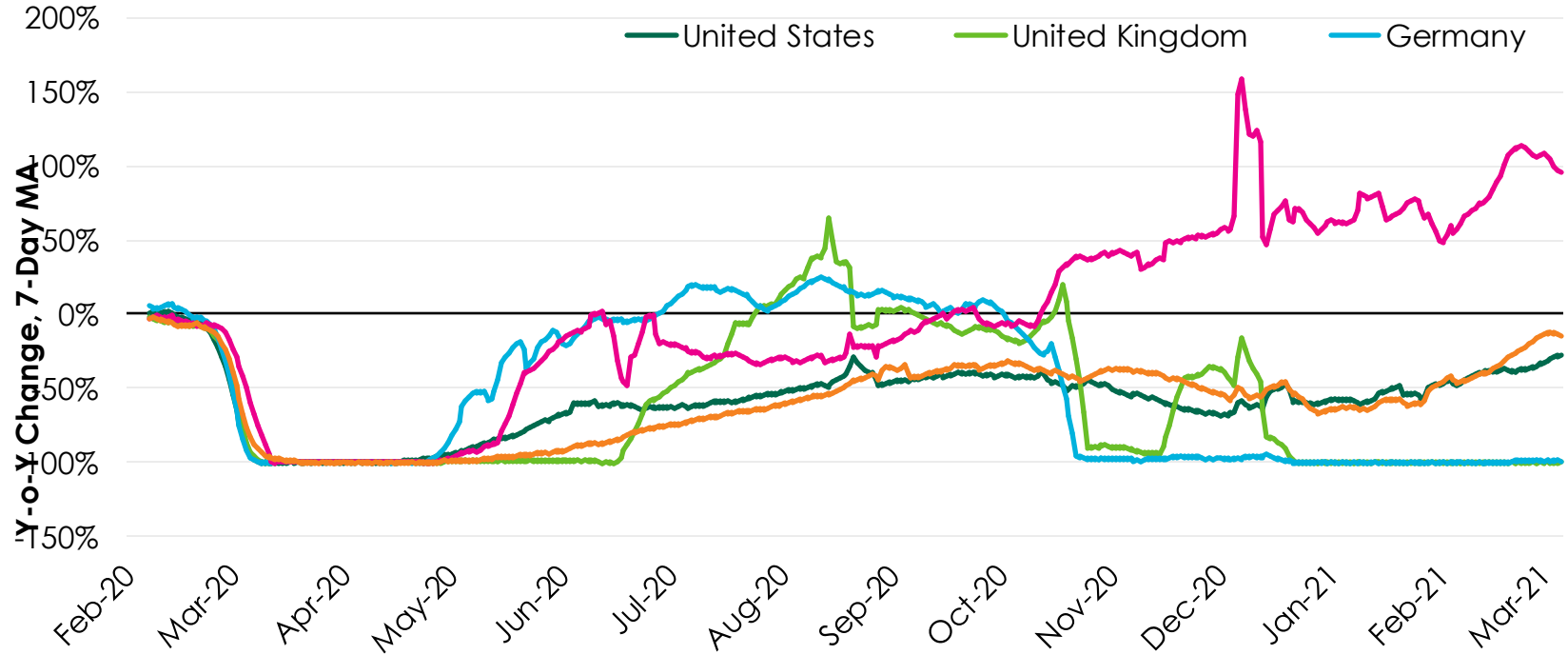
Retail, Transit, Workplace Average weighted by GDP



Source: Google Mobility Index, CBRE Research, 24 Mar 2021.

RESTAURANT SECTOR

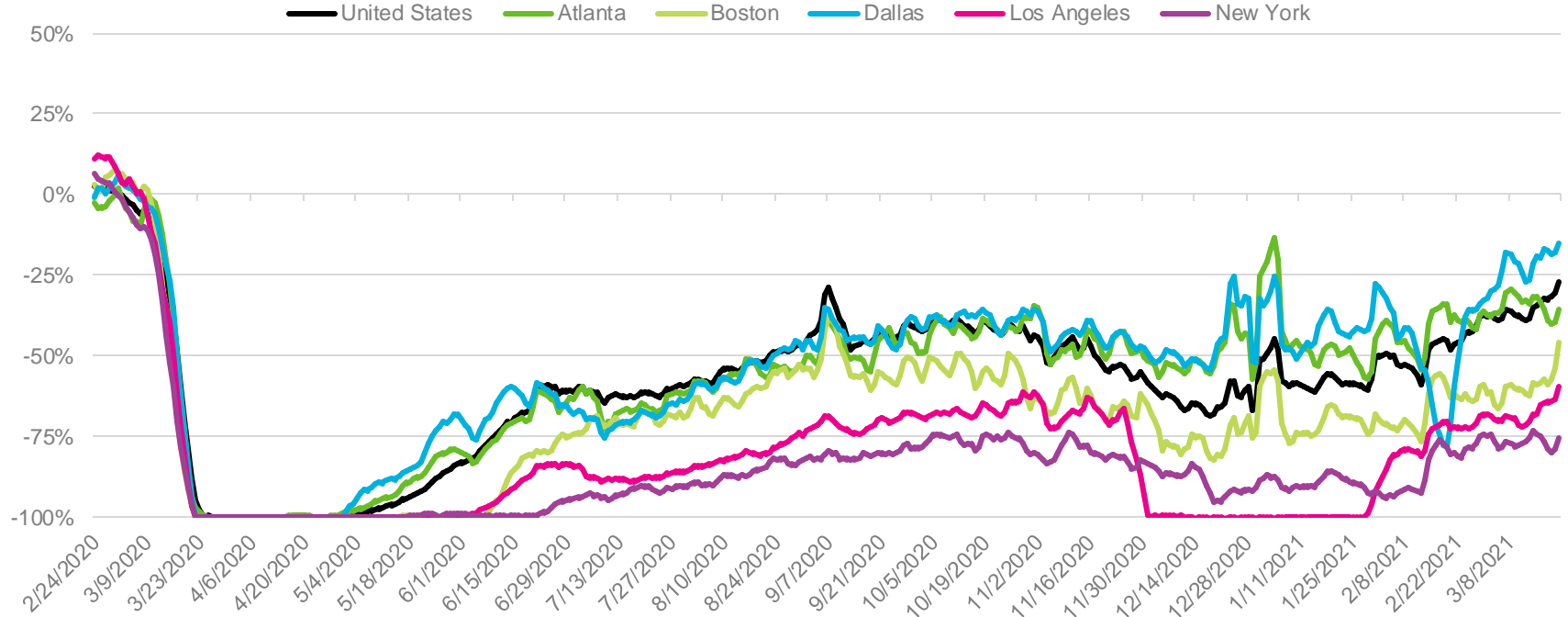
Y-o-Y change in OpenTable restaurant booking (7-Day Moving Average)



Source: OpenTable, 24 Mar 2021.

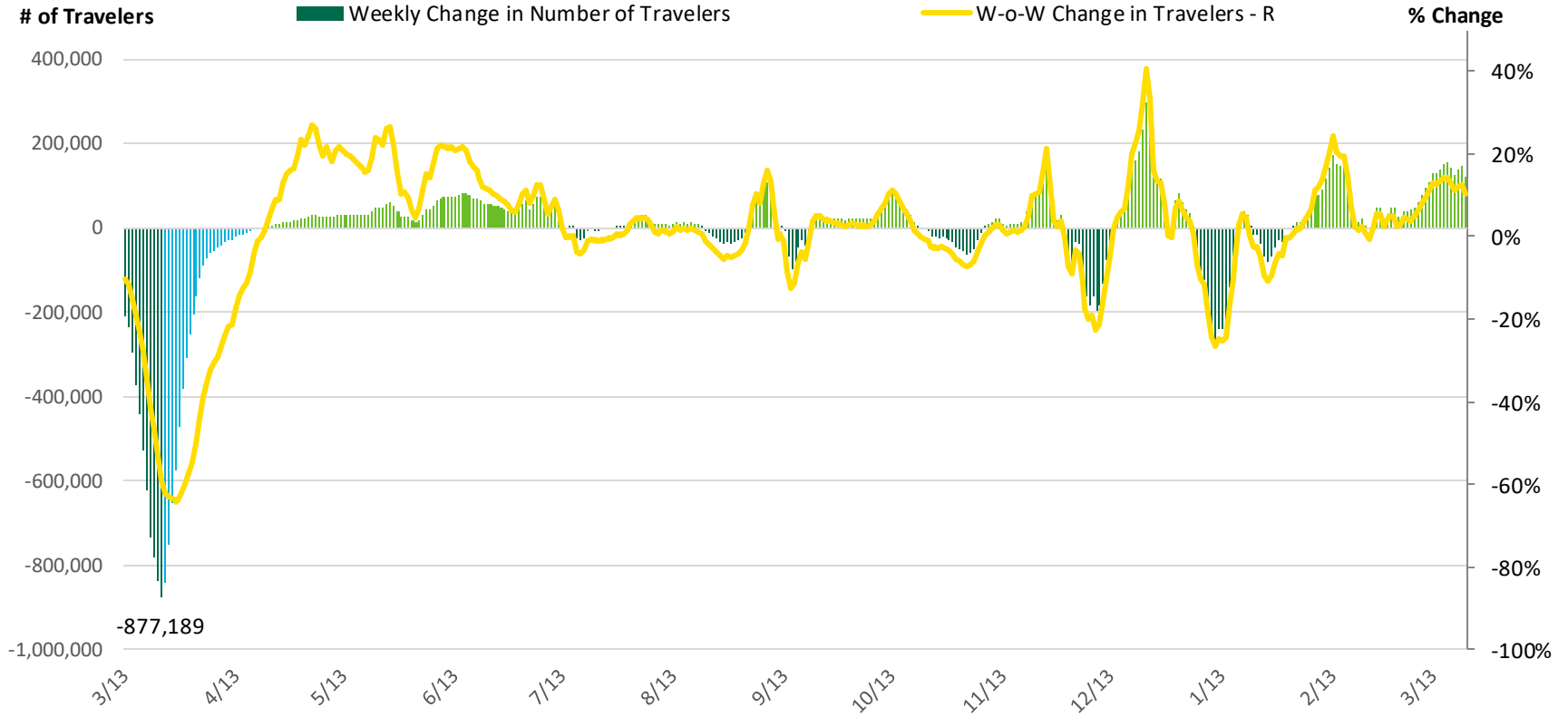
RESTAURANT SECTOR US

% Change over 2019 in Seated Diners at Restaurants, 7-day Moving Average (Daily)



Source: OpenTable, 24 Mar 2021.

TSA THROUGH POINT



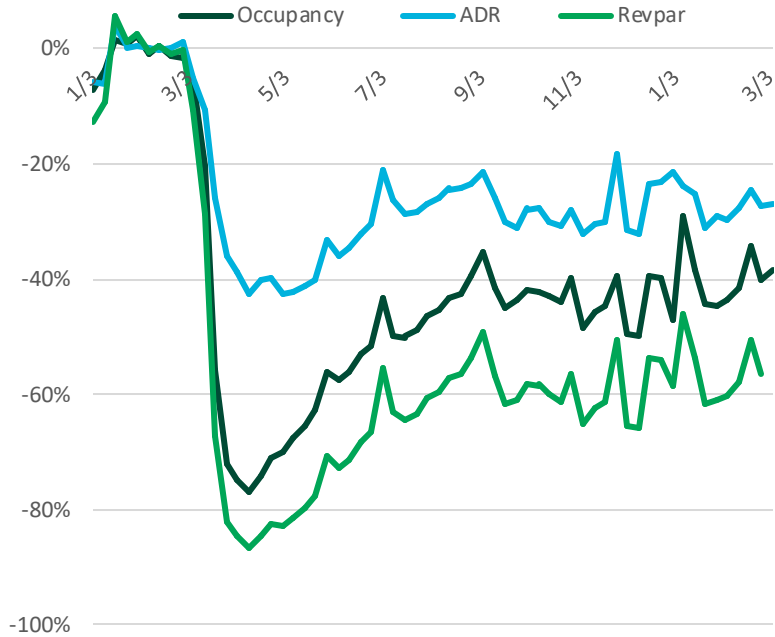
Source: TSA, 22 Mar 2021.

A low-angle, upward-looking photograph of a modern skyscraper with a glass facade. The building's structure is composed of dark grey or black frames holding large, clear glass panels. The perspective is from the bottom left, looking up towards the top right, creating a sense of height and scale. The sky is a uniform, bright blue. The text 'WEEKLY PERFORMANCE' is overlaid in white, bold, sans-serif font across the upper right portion of the image.

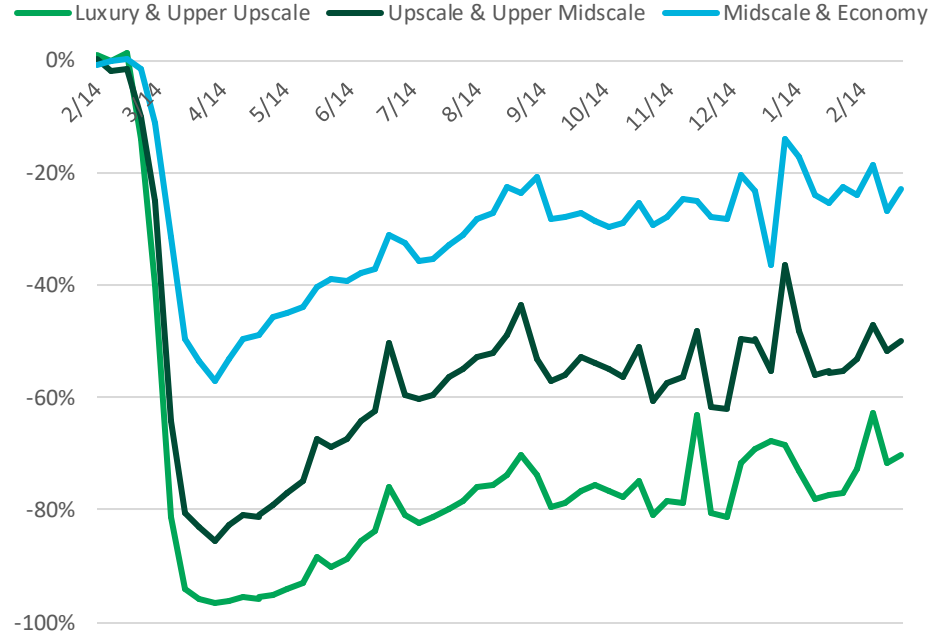
WEEKLY PERFORMANCE

REBOUNDED HOTEL PERFORMANCE

Y-o-Y Change



Y-o-Y Change in RevPAR By Chain Scale

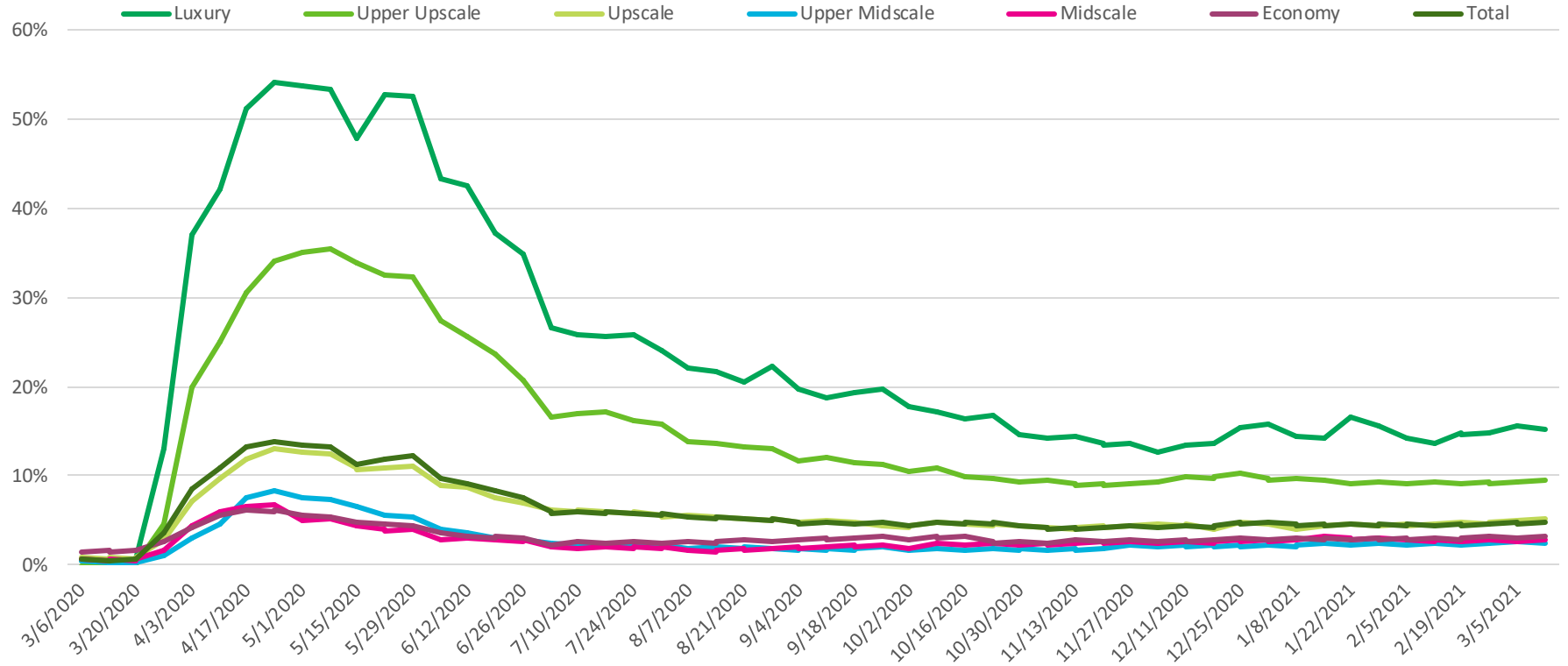


Source: CBRE Hotels Research, Kalibri Labs, March 22nd, 2021.

Note: Covers Kalibri Weekly Sample, not scaled to full U.S. Hotel Industry Representation

RATE OF OPENINGS

Percent of Rooms Closed by Chain Scale



Source: CBRE Hotels Research, Kalibri Labs, Hotel Compete, March 22nd, 2021.

Q4 2020 FORECAST



CBRE HOTELS – Q4 2020 BASELINE FORECAST

Year	Occ	ΔOcc	ADR	ΔADR	RevPAR	ΔRevPAR	RevPAR % of 2019
2019	67.0%	0.4%	\$132.93	0.6%	\$89.05	0.9%	100%
2020	41.7%	-37.8%	\$103.05	-22.5%	\$42.96	-51.8%	48%
2021	49.1%	17.7%	\$99.46	-3.5%	\$48.81	13.6%	55%
2022	61.7%	25.7%	\$113.21	13.8%	\$69.85	43.1%	78%
2023	65.1%	5.5%	\$127.02	12.2%	\$82.65	18.3%	93%
2024	65.5%	0.7%	\$136.63	7.6%	\$89.51	8.3%	101%
2025	65.2%	-0.5%	\$143.07	4.7%	\$93.27	4.2%	105%

Source: CBRE Hotels Research, Kalibri Labs, 2/25/2021 – <https://pip.cbrehotels.com> .

HOW WE CAN HELP

CBRE Hotels Advisory

We understand the impact the current pandemic crisis is taking on your day-to-day operations and business models. As you evaluate the implications on your assets, CBRE Hotels stands ready to assist with the most up-to-date information, data, and customized services. The US CBRE Hotels Advisory team covers all territories and is backed by the #1 US Hotel Research group in the nation, enabling us to be the best equipped professionals for this situation.

We have identified the following services that can be offered in expedited fashion. They are largely customizable and incorporate real-time data that can be applied to your specific property or portfolio. Given the scale and experience of our professional team, together with the unparalleled strength of the world's leading hospitality group, CBRE Hotels Advisory is prepared to offer these services on a weekly, bi-weekly, monthly or one-time basis. CBRE Hotels Advisory is prepared to immediately help you navigate through the current environment with confidence.

Our Suite of Services:

- Market Demand & Financial Feasibility Analysis *(Both New & Existing)*
- Appraisals for:
 - + *Financing*
 - + *Property Tax Appeal/Assessment*
 - + *Estate Purposes*
- Stress Tests
- Impairment Testing
- Liquidity Assessment
- Receivership Services
- Asset Management
- Financial Benchmarking
- Operational Reviews
- Occupancy Forecasting
- Litigation Support
- Debt Advisory
- Operator/Brand Selection
- Branding, Re-Branding & Marketing
- Development Advisory
- Management Company Selection
- Acquisition Due Diligence:
 - + *Buy Side*
 - + *Sell Side*
 - + *Technical*



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THANK YOU!

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