



Hospitality, Gaming & Leisure Practice

Nashville, TN

Fundamentals Dashboard

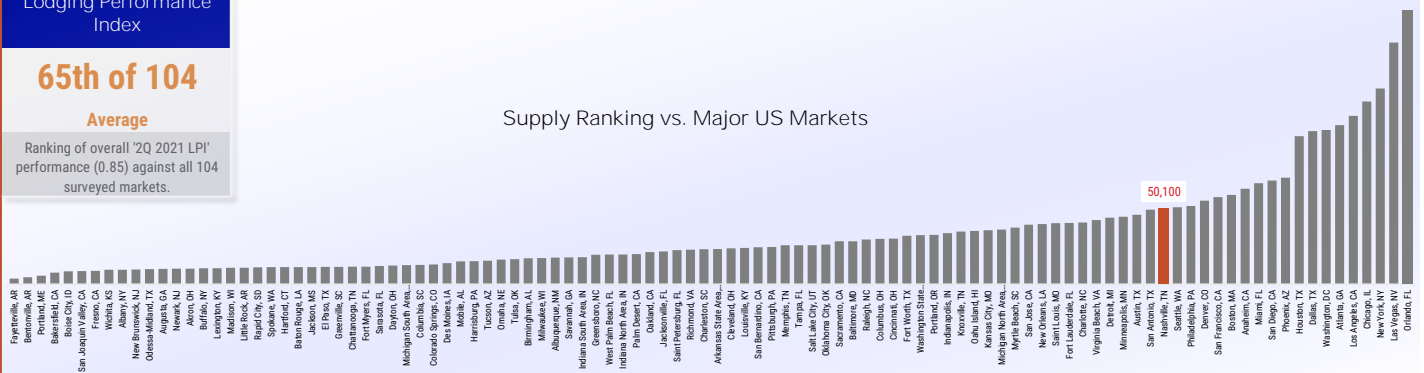
Lodging Performance Index

65th of 104

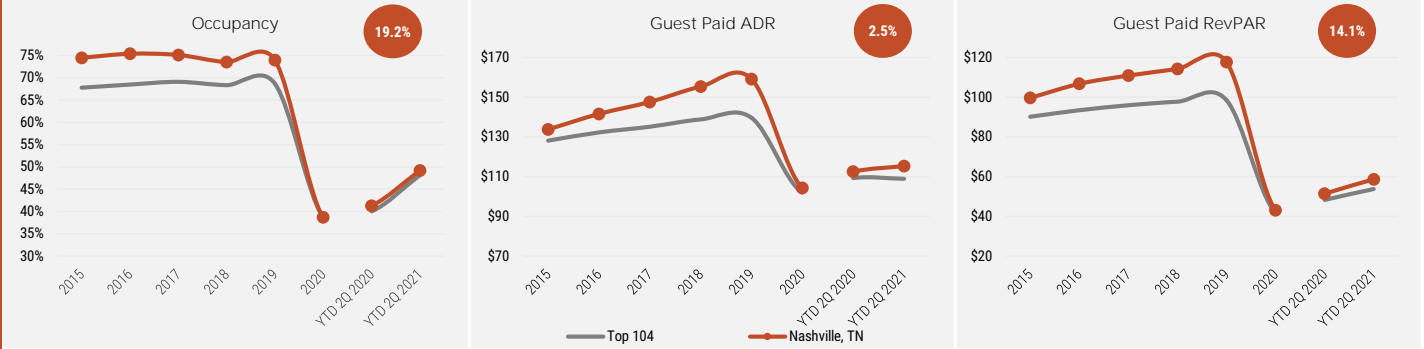
Average

Ranking of overall '2Q 2021 LPI' performance (0.85) against all 104 surveyed markets.

Supply Ranking vs. Major US Markets



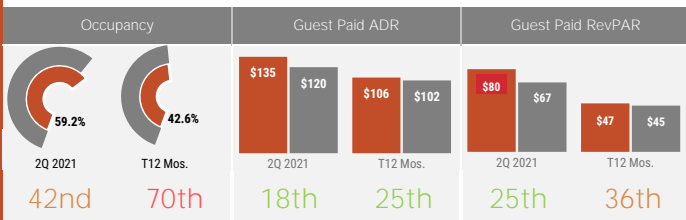
KEY PERFORMANCE METRICS



PERFORMANCE INDEXES

Key Performance Indexes

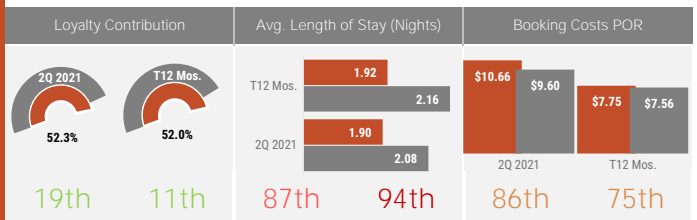
● Subject Market ● Top 104



BENCHMARK INDEXES

Key Benchmark Indexes

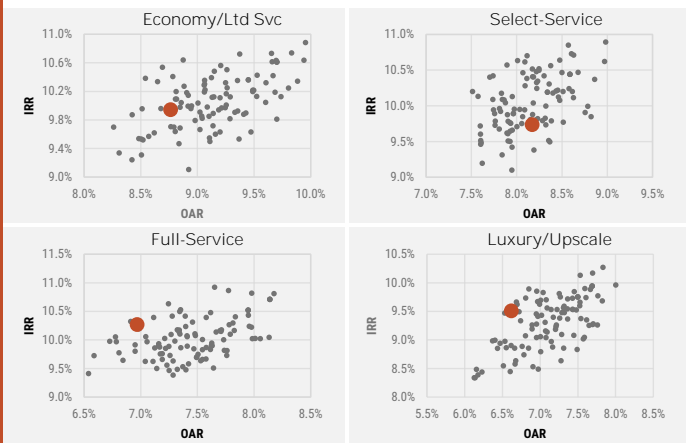
Data provided by: **kalibri LABS**



INVESTMENT PARAMETERS

Discount and Capitalization Rates

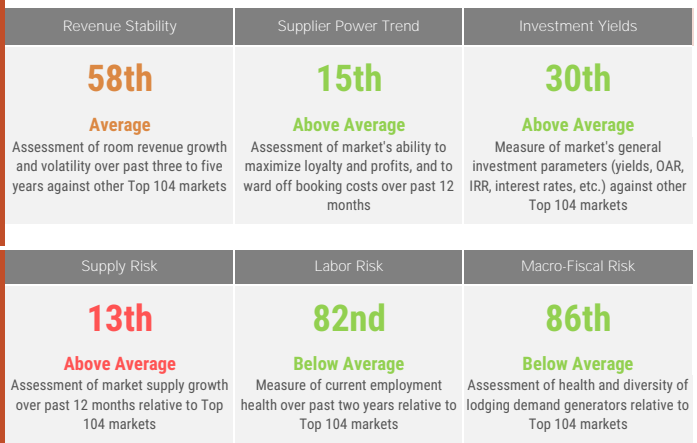
Source: Newmark



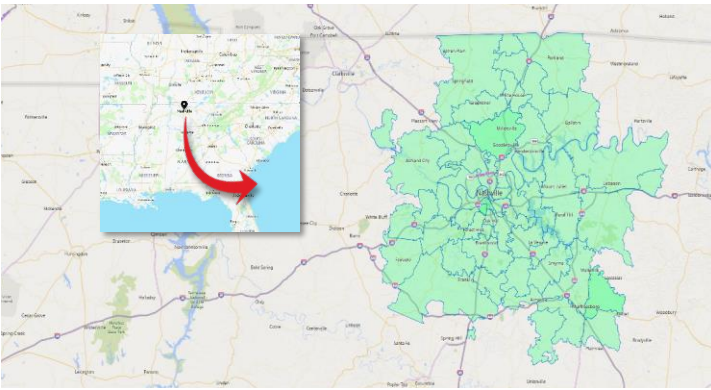
FUNDAMENTALS

Trends and Risks

Source: Kalibri Labs, Newmark



Location



Quick Facts

Jurisdictional Information		Source: US Census Bureau, Dept. of Labor Statistics
Municipal Name:	Nashville	
County:	Davidson County	
State:	Tennessee	
Geo Coordinates (market center):	36.16913, -86.78479	
Major Hotel Demand Generators		
Vanderbilt University Medical Center HCA Inc. Nissan North America Inc. Saint Thomas Health Services Vanderbilt University Community Health Systems Inc. Randstad Work Solutions General Motors Asurion The Kroger Co. National HealthCare Corp. Shoney's Inc. Electrolux Home Products North America Lowe's Cos. Inc. Cracker Barrel Old Country Store Inc. Gaylord Entertainment Co. Middle Tennessee State University AT&T Dollar General Corp. AO Smith Water Products Co.		
Metrics and Ranking		
Population (hotel market area)	1,386,498	Rankings
Income per Capita	\$45,170	46th of 104 (Average)
Feeder Group Size	66.1 Persons PSR	62nd of 104 (Average)
Feeder Group Earnings	\$2,986,870 PSR	20th of 104 (Above Average)
Total Market COPE	\$809.1 million	20th of 104 (Above Average)
		17th of 104 (Above Average)

Key Performance Metrics

YEAR ENDING	Occ %	Guest Paid		COPE*	
		ADR	RevPAR	ADR	RevPAR
2015	74.5%	\$133.81	\$99.67	\$123.81	\$92.22
2016	75.4%	\$141.60	\$106.76	\$130.76	\$98.58
2017	75.1%	\$147.64	\$110.91	\$135.99	\$102.16
2018	73.5%	\$155.35	\$114.23	\$143.23	\$105.31
2019	74.0%	\$159.16	\$117.74	\$147.10	\$108.81
2020	38.7%	\$104.30	\$43.04	\$97.08	\$37.53
CAGR: 2015 thru 2020	-12.3%	-4.9%	-15.5%	-4.7%	-16.5%
YTD 2Q 2020	41.3%	\$112.52	\$51.43	\$104.76	\$47.80
YTD 2Q 2021	49.2%	\$115.36	\$58.69	\$106.54	\$54.17
% Change	19.2%	2.5%	14.1%	1.7%	13.3%

Booking Cost POR	ADR COPE* %	Loyalty %	Avg. Length of Stay (Nights)	Supply (Available Rms)	Performance Index (LPI)
\$10.00	92.5%	43.3%	2.00	37,700	1.41
\$10.84	92.3%	46.4%	1.97	38,400	1.39
\$11.65	92.1%	49.3%	1.95	39,600	1.34
\$12.13	92.2%	50.8%	1.93	42,000	1.31
\$12.06	92.4%	54.8%	1.90	46,400	1.32
\$7.22	93.1%	52.0%	1.99	49,100	0.99
-6.3%	0.1%	3.7%	-0.1%	5.4%	-6.8%
\$7.76	93.1%	52.0%	2.06	47,400	1.19
\$8.82	92.4%	52.1%	1.91	49,700	0.85
13.7%	-0.8%	0.1%	-7.1%	4.9%	-28.7%

*COPE: Contribution to Operating Profit and Expenses. Metrics do not account for Sales and Marketing Spend.

Notable Metrics

HIGHEST	T12-Month Loyalty Contribution	OAR: Full-Service	Latest-Quarter COPE ADR
	11th Above Average Nashville, TN exhibited strong T12-month loyalty contribution (52.0%)	12th Favorable The market posted favorable OAR metrics in the full-service segment (7.0%)	18th Above Average The market also exhibited strong latest-quarter COPE ADR (\$124.08)
LOWEST	T12-Month Average Length of Stay	Feeder Population Per Room	Marketwide Income per Room
	94th Soft This market exhibited weak T12-month average length of stay (1.92 Nights)	93rd Soft The market posted a low ratio of feeder population per room (21.28)	90th Soft Nashville, TN also exhibited a low ratio of marketwide income per room (\$961,299)

Notable Trends

FASTEST	Short-Term Historical Supply Growth	Long-Term Historical Loyalty Contribution Growth	Short-Term Historical Loyalty Contribution Growth
	1st Strong Nashville, TN has benefited from low short-term historical supply growth (6.7%)	8th Strong The market exhibited strong long-term historical loyalty contribution growth (3.0%)	10th Above Average The market also enjoyed strong short-term historical loyalty contribution growth (1.2%)
SLOWEST	Long-Term Historical Supply Growth	T12-Month Rooms Supply Growth	Short-Term Historical LPI Growth
	103rd Soft The market has been burdened by high long-term historical supply growth (4.9%)	92nd Soft We note this area has been hindered by high rooms supply growth over the last 12 months (5.2%)	83rd Below Average Nashville, TN also has been hampered by weak short-term historical LPI growth (-13.6%)

Market Performance Stage



Nashville, TN: Absorption Stage

The Nashville, TN market is currently in the 'Absorption' stage of the performance cycle. In this stage, hotels are underperforming but in an economy with resilience and confidence the economy will recover from the COVID-19 crisis, presenting upside for CRE. Barriers to entry are high and the market typically hosts little or no new supply, allowing for the existing stock of rooms to be absorbed. Example markets in this stage include Anaheim, CA; Boston, MA; and Charlotte, NC.

Other Stages:

- Regeneration:** In the 'Regeneration' stage, hotels and the underlying economy are generally underperforming. The highest and best uses of hotel assets are challenged whether by COVID-19 impacts, oversupply, weak economic indicators, and/or poor corporate contribution. Hotel investors look for opportunities to either exit or regenerate demand. Example markets in this stage include Cincinnati, OH; Detroit, MI; and New Orleans, LA.
- Ignition:** In the 'Ignition' stage, hotels generally perform adequately for operators to enjoy positive returns, with confidence the economy will recover from the COVID-19 crisis. While the general economy lags, strong hotel performance can ignite expansion in certain key sectors. Example markets in this stage include Knoxville, TN; Miami, FL; and Michigan North Area, MI.
- Expansion:** In the 'Expansion' stage, hotels generally perform adequately and in an economy with resilience and higher confidence the economy will recover from the COVID-19 crisis. Barriers to entry are low, displacement demand is high, and the market typically experiences an expansion of both hotel supply and general economic conditions. Example markets in this stage include Atlanta, GA; Austin, TX; and Fort Lauderdale, FL.

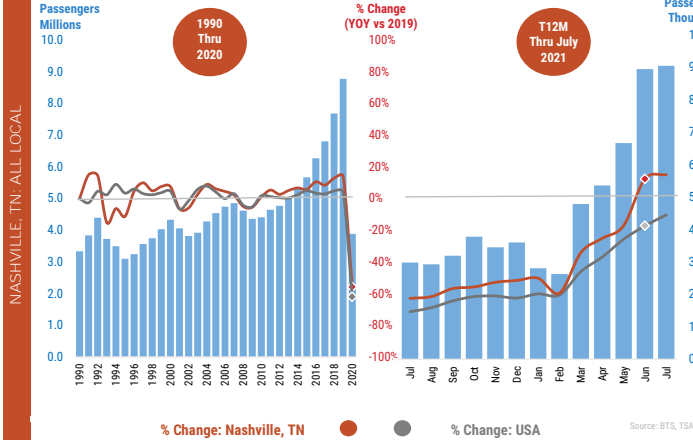
Industry Observations

Business Cycle:	In Recovery
Employment Growth (2 yr):	-2.0%
Risk Exposure (402 US markets):	22nd Percentile: Below Average
Key Industry Notes:	Manufacturing, tourism High birthrate, in-migration Prime-age workers Strong housing market Employment volatility

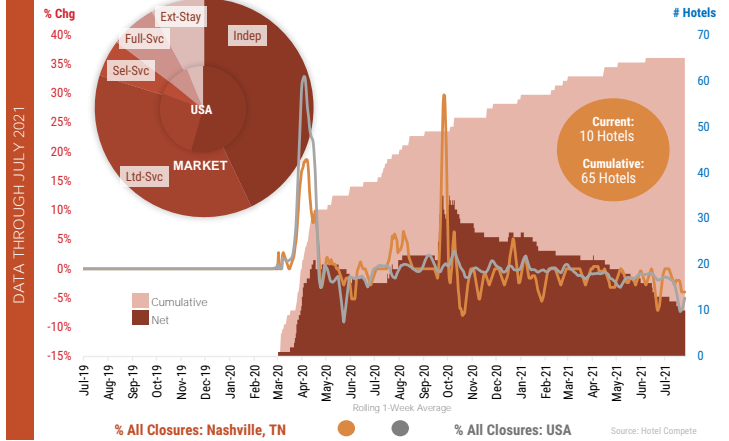
Moody's Rating
Aa2
Investment Grade
Long-term investment grade, Prime-1 short-term outlook



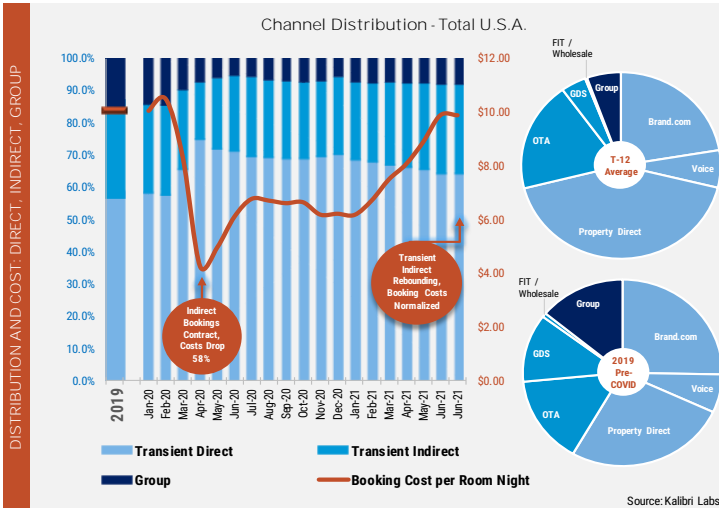
Airport Statistics - Enplanements



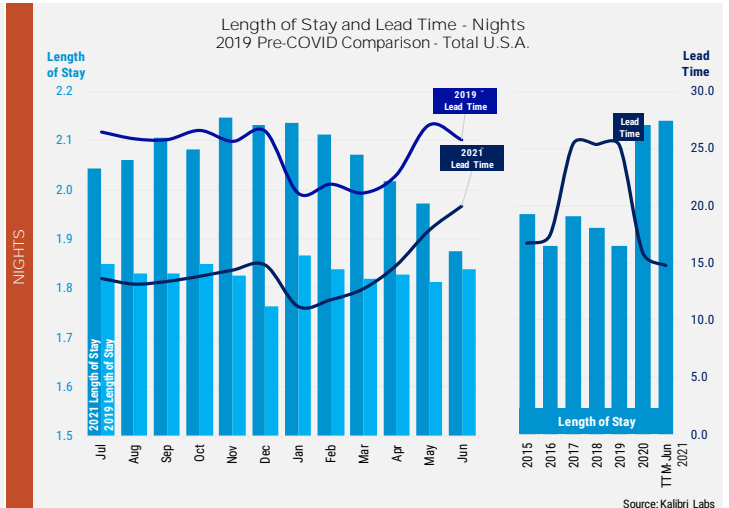
Hotel Closures - Nashville, TN vs. USA



National Trends Dashboard - Channel Distribution



National Trends Dashboard - Duration



Newmark Hotel Market Insights Report Coverage



- Akron, OH
- Albany, NY
- Albuquerque, NM
- Anaheim, CA
- Arkansas State Area, AR
- Atlanta, GA
- Augusta, GA
- Austin, TX
- Bakersfield, CA
- Baltimore, MD
- Baton Rouge, LA
- Bentonville, AR
- Birmingham, AL
- Boise City, ID
- Boston, MA
- Buffalo, NY
- Charleston, SC
- Charlotte, NC
- Chattanooga, TN
- Chicago, IL
- Cincinnati, OH
- Cleveland, OH
- Colorado Springs, CO
- Columbia, SC
- Columbus, OH
- Dallas, TX
- Dayton, OH
- Denver, CO
- Des Moines, IA
- Detroit, MI
- El Paso, TX
- Fayetteville, AR
- Fort Lauderdale, FL
- Fort Myers, FL
- Fort Worth, TX
- Fresno, CA
- Greensboro, NC
- Greenville, SC
- Harrisburg, PA
- Hartford, CT
- Houston, TX
- Indiana North Area, IN
- Indiana South Area, IN
- Indianapolis, IN
- Jackson, MS
- Jacksonville, FL
- Kansas City, MO
- Knoxville, TN
- Las Vegas, NV (Non-Strip)
- Lexington, KY
- Little Rock, AR
- Los Angeles, CA
- Louisville, KY
- Madison, WI
- Memphis, TN
- Miami, FL
- Michigan North Area, MI
- Michigan South Area, MI
- Milwaukee, WI
- Minneapolis, MN
- Mobile, AL
- Myrtle Beach, SC
- Nashville, TN
- New Brunswick, NJ
- New Orleans, LA
- New York, NY
- Newark, NJ
- Oahu Island, HI (Branded)
- Oakland, CA
- Odessa-Midland, TX
- Oklahoma City, OK
- Omaha, NE
- Orlando, FL (Non-Disney)
- Palm Desert, CA
- Philadelphia, PA
- Phoenix, AZ
- Pittsburgh, PA
- Portland, ME
- Portland, OR
- Raleigh, NC
- Rapid City, SD
- Richmond, VA
- Sacramento, CA
- Saint Louis, MO
- Saint Petersburg, FL
- Salt Lake City, UT
- San Antonio, TX
- San Bernardino, CA
- San Diego, CA
- San Francisco, CA
- San Joaquin Valley, CA
- San Jose, CA
- Sarasota, FL
- Savannah, GA
- Seattle, WA
- Spokane, WA
- Tampa, FL
- Tucson, AZ
- Tulsa, OK
- Virginia Beach, VA
- Washington State Area, WA
- Washington, DC
- West Palm Beach, FL
- Wichita, KS

MARKET DISCLAIMERS

Las Vegas, NV; Oahu, HI; Orlando, FL: market data based on actual reporting properties only. Excludes vast majority of casino properties and assets located within the "strip" district of Las Vegas, as well as the vast majority of Disney-associated assets, which comprises most of the Orlando market.

Total Supply The total supply figures are aggregated estimates from multiple third-party sources.

Air Passenger Statistics The latest two months are estimates based on daily national trends reported by TSA. These data are subject to revision.

SOUTHEAST & CARRIBBEAN MARKETS

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