

# HOSPITALITY, GAMING & LEISURE

## Fundamentals Dashboard (Data through 4Q 2020)

### Lodging Performance Index

**99th of 104**

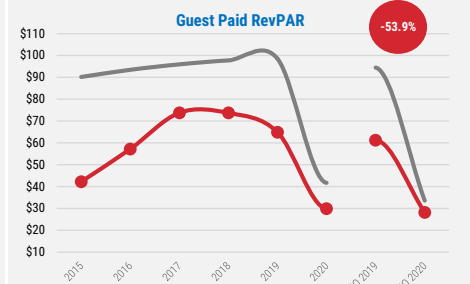
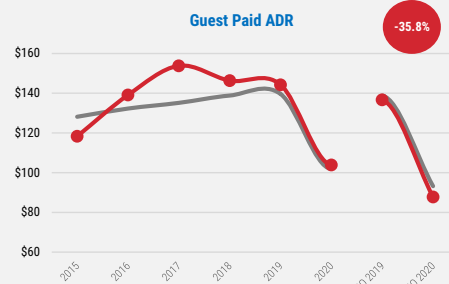
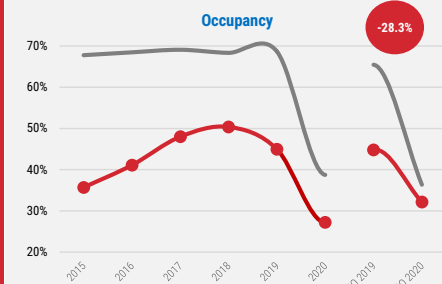
Soft

Ranking of overall '4Q 2020 LPI' performance (0.45) against all 104 surveyed markets.

### Supply Ranking vs. Major US Markets

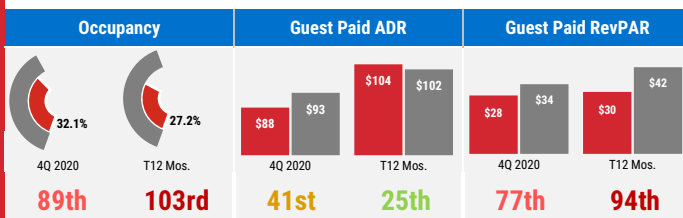


KEY PERFORMANCE METRICS



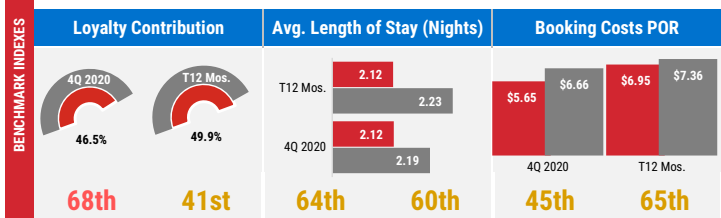
### Key Performance Indexes

● Subject Market ● Top 104



### Key Benchmark Indexes

Data provided by: **kalibri LABS**



### Discount and Capitalization Rates

Source: NKF



### Trends and Risks

Source: Kalibri Labs, NKF



PERFORMANCE INDEXES

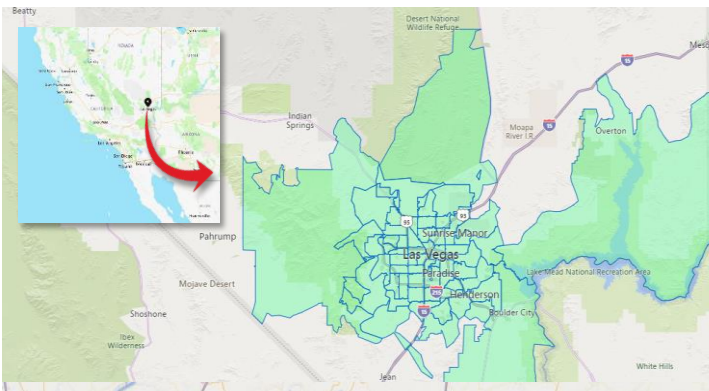
BENCHMARK INDEXES

INVESTMENT PARAMETERS

FUNDAMENTALS

RISKS

## Location



## Quick Facts

Jurisdictional Information		Source: US Census Bureau, Dept. of Labor Statistics
Municipal Name:	Las Vegas	
County:	Clark County	
State:	Nevada	
Geo Coordinates (market center):	36.17497, -115.13722	

## Major Hotel Demand Generators

MGM Resorts International | Caesars Entertainment Corp. | Station Casinos Inc. | Wynn Las Vegas LLC | Boyd Gaming Corp. | Las Vegas Sands Corp. | Bellagio LLC | The Valley Health System | Aria Resort & Casino | Mandalay Bay Resort & Casino | The Palazzo Casino Resort | Wal-Mart Stores Inc. | University of Nevada-Las Vegas | McDonald's | UnitedHealthcare | Cosmopolitan of Las Vegas | Mirage Casino-Hotel | The Venetian Casino Resort | SUPERVALU Inc. | St. Rose Dominican Hospitals

## Metrics and Ranking

Measurement	Value
Population (hotel market area)	1,888,675
Income per Capita	\$53,159
Feeder Group Size	44.5 Persons PSR
Feeder Group Earnings	\$2,366,899 PSR
Total Market COPE	\$1.6 billion

## Rankings

34th of 104 (Above Average)  
8th of 104 (Strong)  
9th of 104 (Strong)  
4th of 104 (Strong)

## Key Performance Metrics

YEAR ENDING	Occ %	Guest Paid		COPE*		Booking Cost POR	ADR COPE* %	Loyalty %	Avg. Length of Stay (Nights)	Supply (Available Rms)	Performance Index (LPI)
		ADR	RevPAR	ADR	RevPAR						
2015	35.7%	\$118.30	\$42.22	\$108.96	\$38.90	\$9.34	92.1%	53.1%	2.22	149,700	1.11
2016	41.1%	\$139.12	\$57.21	\$129.32	\$53.15	\$9.80	93.0%	51.1%	1.96	150,000	1.18
2017	48.0%	\$153.85	\$73.79	\$144.81	\$69.51	\$9.04	94.1%	47.3%	1.73	149,900	0.96
2018	50.4%	\$146.34	\$73.72	\$137.20	\$69.12	\$9.13	93.8%	48.4%	1.72	150,900	0.77
2019	45.0%	\$144.31	\$64.88	\$133.42	\$59.99	\$10.89	92.5%	62.3%	1.96	156,900	1.02
2020	27.2%	\$103.84	\$29.85	\$96.89	\$26.33	\$6.95	93.3%	49.9%	2.12	157,700	0.45
CAGR: 2015 thru 2020	-5.3%	-2.6%	-6.7%	-2.3%	-7.5%	-5.7%	0.3%	-1.2%	-1.0%	1.0%	-16.5%
4Q 2019	44.8%	\$136.67	\$61.20	\$126.17	\$56.49	\$10.51	92.3%	62.7%	1.96	156,900	1.02
4Q 2020	32.1%	\$87.76	\$28.19	\$82.10	\$26.37	\$5.65	93.6%	46.5%	2.12	157,700	0.45
% Change	-28.3%	-35.8%	-53.9%	-34.9%	-53.3%	-46.2%	1.3%	-25.9%	7.9%	0.5%	-56.2%

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

## Notable Metrics

HIGHEST	Total Rooms Supply	Total Rooms Sold	Feeder Group Size
	<b>2nd Strong</b> Las Vegas, NV benefits from a large and diverse hotel market (157,710)	<b>5th Strong</b> The market boasted strong total rooms sold (15,482,719)	<b>8th Strong</b> The market also required a small feeder group size (44.52 Persons)
LOWEST	T12-Month Occupancy	Population Density per Room	Feeder Population Per Room
	<b>103rd Soft</b> This market has been hindered by weak T12-month occupancy (27.2%)	<b>101st Soft</b> The market has been hindered by weak population density per room (1.77)	<b>100th Soft</b> Las Vegas, NV also posted a low ratio of feeder population per room (9.04)

## Notable Trends

FASTEST	Long-Term Historical Supply Growth	Short-Term Historical Loyalty Contribution Growth	Long-Term Historical Booking Costs POR Growth
	<b>10th Above Average</b> Las Vegas, NV has benefited from low long-term historical supply growth (0.6%)	<b>17th Above Average</b> The market enjoyed strong short-term historical loyalty contribution growth (0.8%)	<b>18th Above Average</b> The market also has benefited from low long-term historical booking costs POR growth (-7.5%)
SLOWEST	Long-Term Historical Average Length of Stay Growth	Short-Term Historical LPI Growth	Long-Term Historical LPI Growth
	<b>99th Soft</b> The market exhibited weak long-term historical average length of stay growth (-1.5%)	<b>97th Soft</b> We note this area has been hampered by weak short-term historical LPI growth (-25.9%)	<b>97th Soft</b> Las Vegas, NV also posted weak long-term historical LPI growth (-16.5%)

## Market Performance Stage



Source: NKF

## Las Vegas, NV: Regeneration Stage

The Las Vegas, NV market is currently in the 'Regeneration' stage of the performance cycle. In this 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 Chicago, IL; Detroit, MI; and Miami, FL.

## Other Stages:

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 Cincinnati, OH; Knoxville, TN; and Michigan North Area, MI.
Absorption	In the 'Absorption' 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 Boston, MA; Charlotte, NC; and Dallas, TX.
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 Anaheim, CA; Atlanta, GA; and Austin, TX.

## Industry Observations

**Business Cycle:**  
Employment Growth (2 yr):  
Risk Exposure (402 US markets):  
Key Industry Notes:

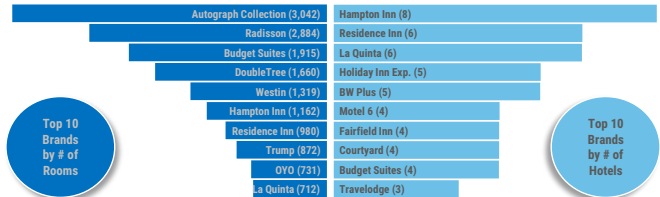
**In Expansion**  
-6.3%  
2nd Percentile: Low Risk  
Retiree magnet, tourism  
Gaming and entertainment  
No personal income tax  
Strong migration trends  
High employment volatility

## Moody's Rating

**Aa1**

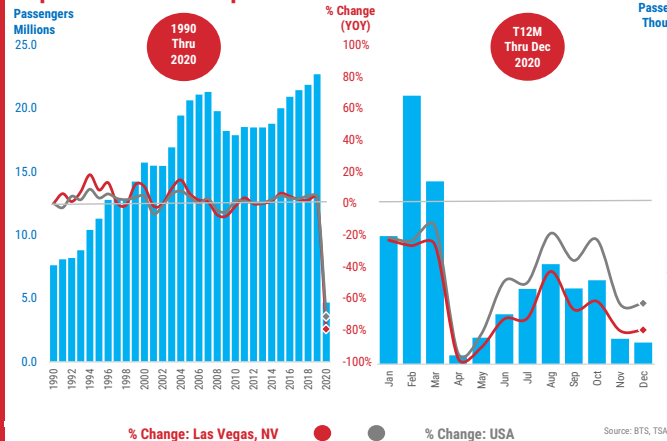
Investment Grade  
Long-term investment grade,  
Prime-1 short-term outlook

## TOP 10 BRANDS

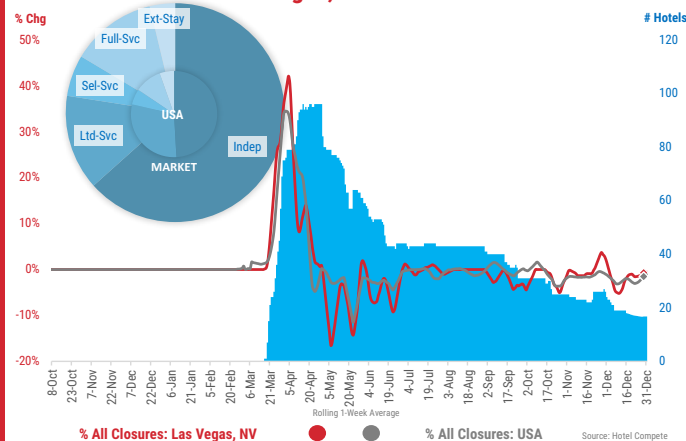


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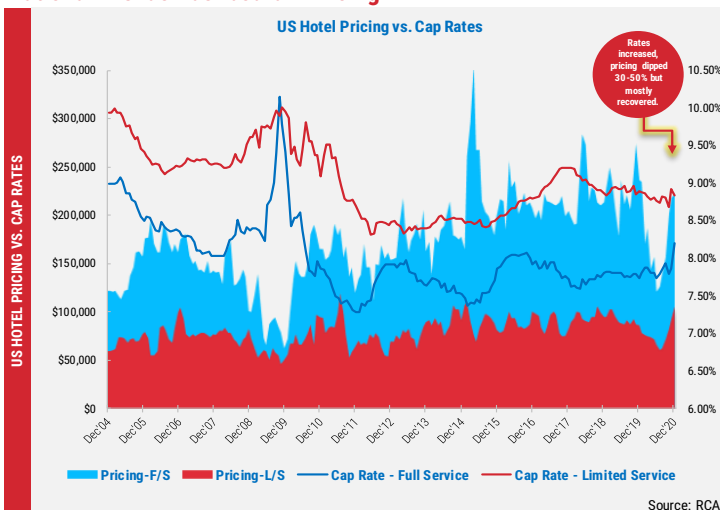
## Airport Statistics - Enplanements



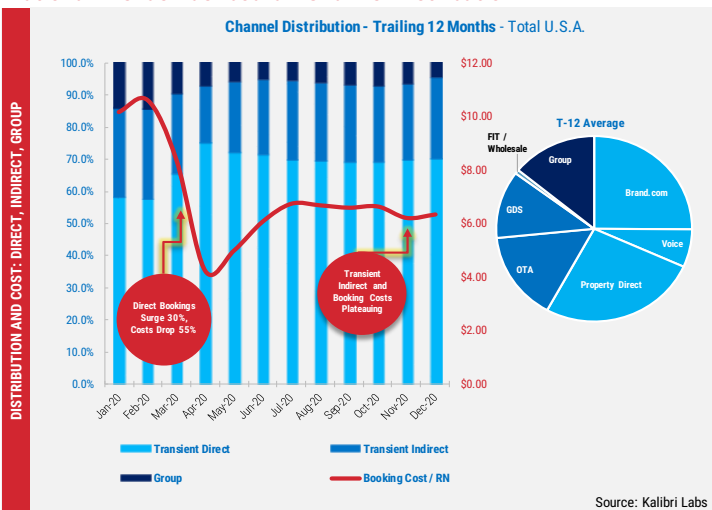
## Net Hotel Closures - Las Vegas, NV vs. USA



## National Trends Dashboard - Pricing



## National Trends Dashboard - Channel Distribution



# NKF Hotel Market Insights Report Coverage



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

## 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.

## Contact: Las Vegas/Gaming Markets



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