

# HOSPITALITY, GAMING & LEISURE

## Fundamentals Dashboard (Data through 4Q 2020)

### Lodging Performance Index

**21st of 104**

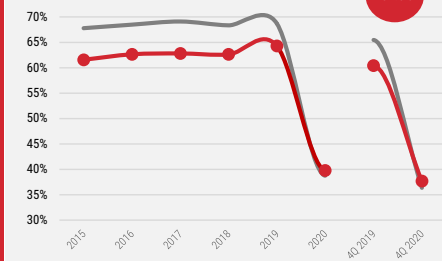
**Above Average**

Ranking of overall '4Q 2020 LPI' performance (1.41) against all 104 surveyed markets.

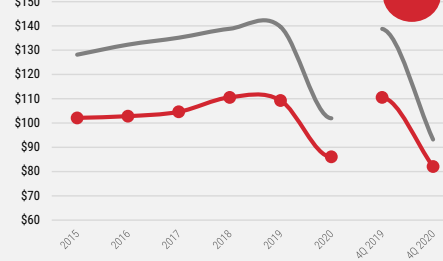
### Supply Ranking vs. Major US Markets



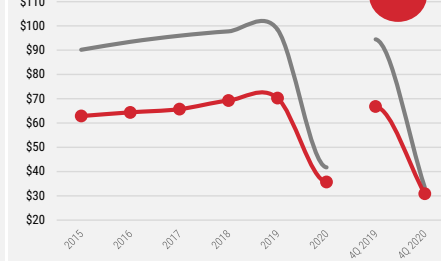
### Occupancy



### Guest Paid ADR

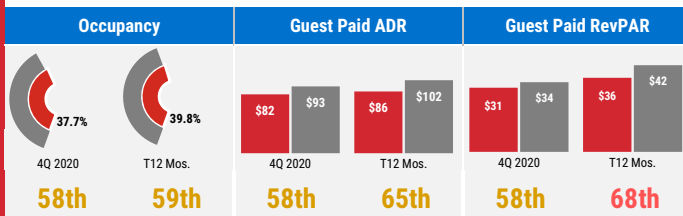


### Guest Paid RevPAR



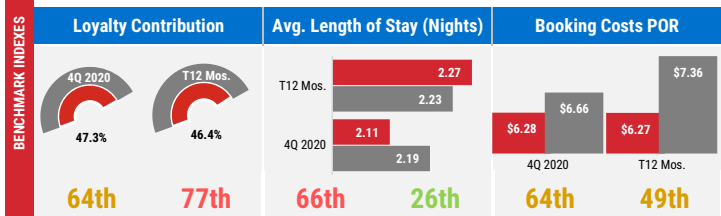
## Key Performance Indexes

● Subject Market ● Top 104



## Key Benchmark Indexes

Data provided by: **kalibri LABS**



## Discount and Capitalization Rates

Source: NKF

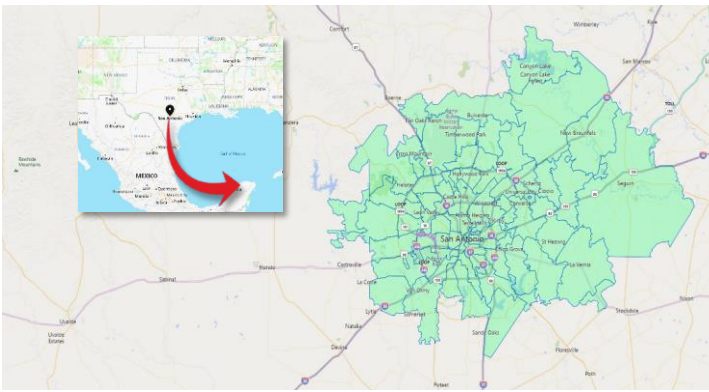


## Trends and Risks

Source: Kalibri Labs, NKF



## Location



## Quick Facts

<b>Jurisdictional Information</b>		Source: US Census Bureau, Dept. of Labor Statistics
Municipal Name:	San Antonio	
County:	Bexar County, Comal County, Medina County	
State:	Texas	
Geo Coordinates (market center):	29.46594, -98.5247	

### Major Hotel Demand Generators

Joint Base San Antonio (JBSA) | H-E-B | USAA | Methodist Healthcare System | Baptist Health System | JP Morgan Chase | Wells Fargo | AT&T | Bill Miller BBQ | Christus Santa Rosa Health Care | Rackspace | CPS Energy | Toyota Motor Manufacturing | Clear Channel Communications | Boeing | Southwest Research Institute | Frost Bank | Accenture | Valero Energy | Harland Clarke

### Metrics and Ranking

Population (hotel market area)	1,983,974
Income per Capita	\$49,711
Feeder Group Size	101.3 Persons PSR
Feeder Group Earnings	\$5,037,073 PSR
Total Market COPE	\$615.0 million

### Measurement

### Rankings

47th of 104 (Average)  
40th of 104 (Average)  
43rd of 104 (Average)  
24th of 104 (Above Average)

## 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	61.6%	\$102.12	\$62.87	\$94.31	\$58.06	\$7.82	92.3%	38.7%	2.18	44,800	0.86
2016	62.6%	\$102.82	\$64.41	\$94.42	\$59.15	\$8.40	91.8%	41.1%	2.13	44,900	0.85
2017	62.8%	\$104.61	\$65.71	\$95.88	\$60.22	\$8.74	91.6%	43.6%	2.09	45,300	0.86
2018	62.6%	\$110.60	\$69.25	\$101.43	\$63.51	\$9.17	91.7%	47.6%	2.08	46,200	0.92
2019	64.3%	\$109.31	\$70.25	\$100.37	\$64.50	\$8.94	91.8%	52.1%	2.04	49,400	0.92
2020	39.8%	\$86.06	\$35.69	\$79.78	\$31.72	\$6.27	92.7%	46.4%	2.27	49,200	1.41
CAGR: 2015 thru 2020	-8.4%	-3.4%	-10.7%	-3.3%	-11.4%	-4.3%	0.1%	3.7%	0.8%	1.9%	10.4%
4Q 2019	60.4%	\$110.54	\$66.78	\$101.54	\$61.34	\$9.00	91.9%	55.2%	1.95	49,400	0.92
4Q 2020	37.7%	\$82.05	\$30.92	\$75.77	\$28.55	\$6.28	92.3%	47.3%	2.11	49,200	1.41
% Change	-37.6%	-25.8%	-53.7%	-25.4%	-53.5%	-30.2%	0.5%	-14.3%	8.1%	-0.4%	52.1%

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

## Notable Metrics

HIGHEST	OAR: Select-Service	Total Rooms Sold	Total Rooms Sold
	<b>3rd</b> Highly Favorable San Antonio, TX enjoyed favorable OAR metrics in the select-service segment (7.5%)	<b>16th</b> Above Average The market boasted strong total rooms sold (7,146,659)	<b>16th</b> Above Average The market also boasted strong total rooms sold (7,146,659)
LOWEST	T12-Month Loyalty Contribution	T12-Month COPE ADR Percentage	T12-Month COPE ADR Percentage
	<b>77th</b> Below Average This market has been hindered by weak T12-month loyalty contribution (46.4%)	<b>72nd</b> Below Average The market has been hampered by weak T12-month COPE ADR percentage (92.7%)	<b>72nd</b> Below Average San Antonio, TX also has been hampered by weak T12-month COPE ADR percentage (92.7%)

## Notable Trends

FASTEST	T12-Month Rooms Supply Growth	Long-Term Historical LPI Growth	Short-Term Historical LPI Growth
	<b>15th</b> Above Average San Antonio, TX exhibited low rooms supply growth over the last 12 months (-0.4%)	<b>18th</b> Above Average The market enjoyed strong long-term historical LPI growth (10.4%)	<b>18th</b> Above Average The market also has benefited from strong short-term historical LPI growth (17.9%)
SLOWEST	Long-Term Historical Average Length of Stay Growth	Short-Term Historical Supply Growth	Short-Term Historical Average Length of Stay Growth
	<b>90th</b> Soft The market exhibited weak long-term historical average length of stay growth (-0.2%)	<b>89th</b> Below Average We note this area has been burdened by high short-term historical supply growth (1.3%)	<b>85th</b> Below Average San Antonio, TX also exhibited weak short-term historical average length of stay growth (1.0%)

## Market Performance Stage



Source: NKF

## San Antonio, TX: Ignition Stage

The San Antonio, TX market is currently in the 'Ignition' stage of the performance cycle. In this 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.

### Other Stages:

<b>Regeneration</b>	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 Chicago, IL; Detroit, MI; and Las Vegas, NV.
<b>Absorption</b>	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.
<b>Expansion</b>	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

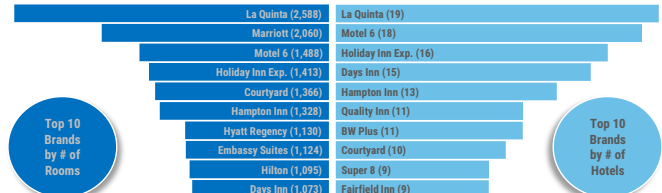
**Business Cycle:**  
Employment Growth (2 yr): **-1.5%**  
Risk Exposure (402 US markets): **48th Percentile: Average Risk**  
Key Industry Notes:  
Financial center, defense  
Military supports economy  
Strategic locale near Mexico  
Slow educational attainment  
Moderate risk profile

## Moody's Rating

**Aaa**  
Investment Grade

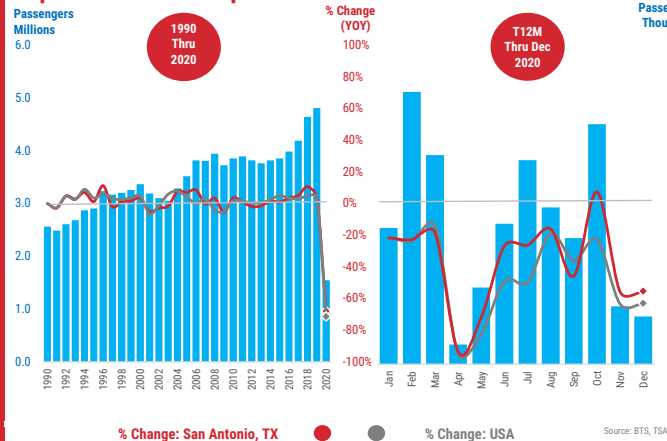
Long-term investment grade,  
Prime-1 short-term outlook

## TOP 10 BRANDS

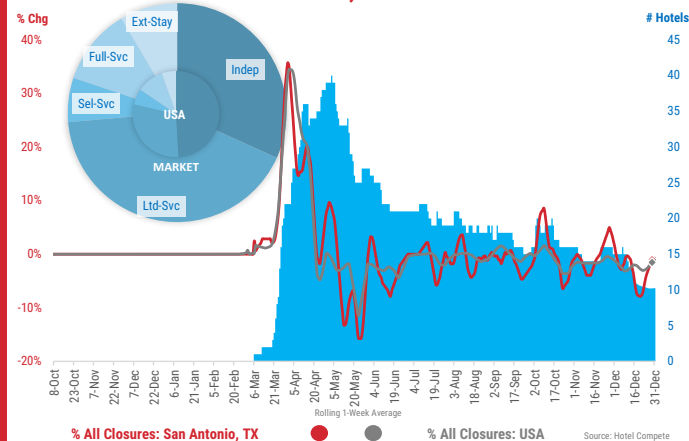


Source: NKF

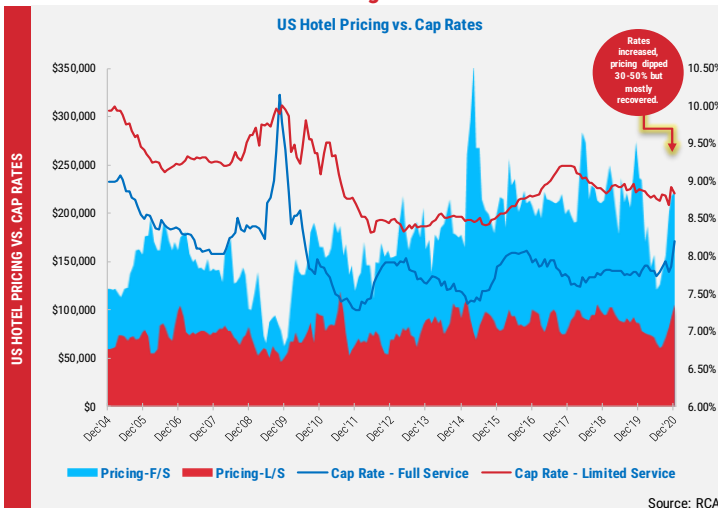
## Airport Statistics - Enplanements



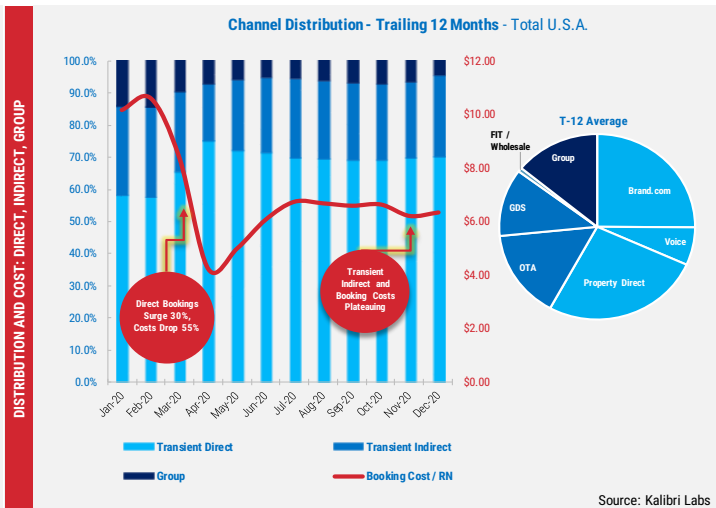
## Net Hotel Closures - San Antonio, TX vs. USA



## 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: South US Markets



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