

Boston & Cambridge State of the Lodging Market

*Skal International Boston
October 15, 2020*

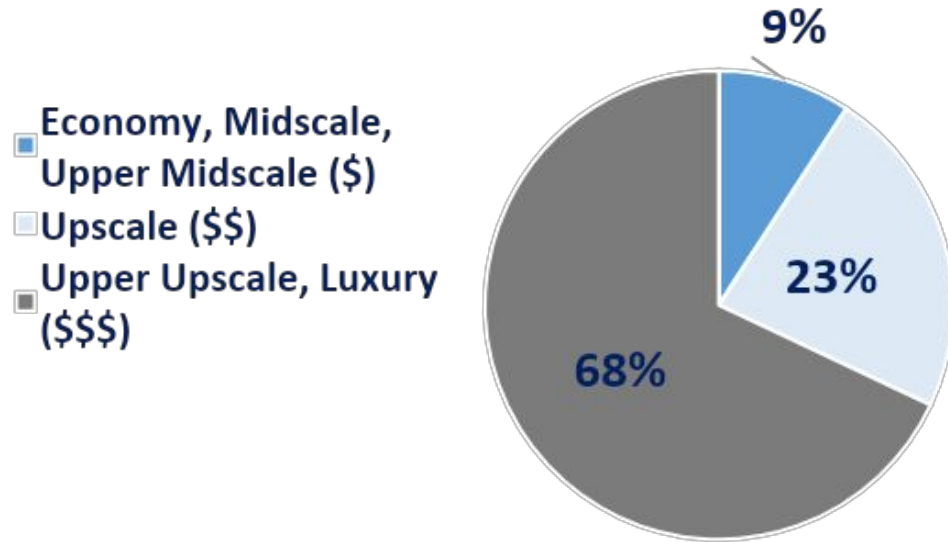


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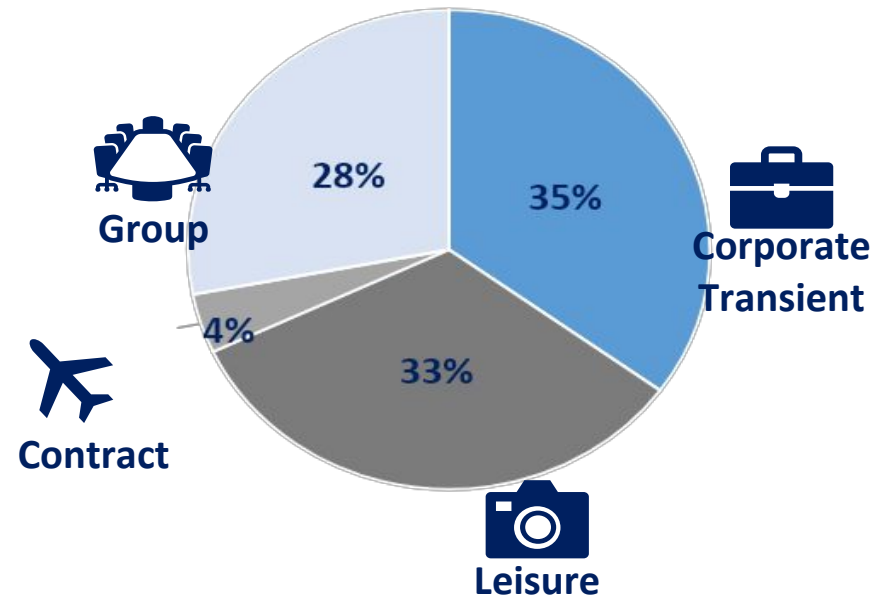


Lodging Market Overview

Rooms Supply by Segment



Demand Segmentation



2019 Performance

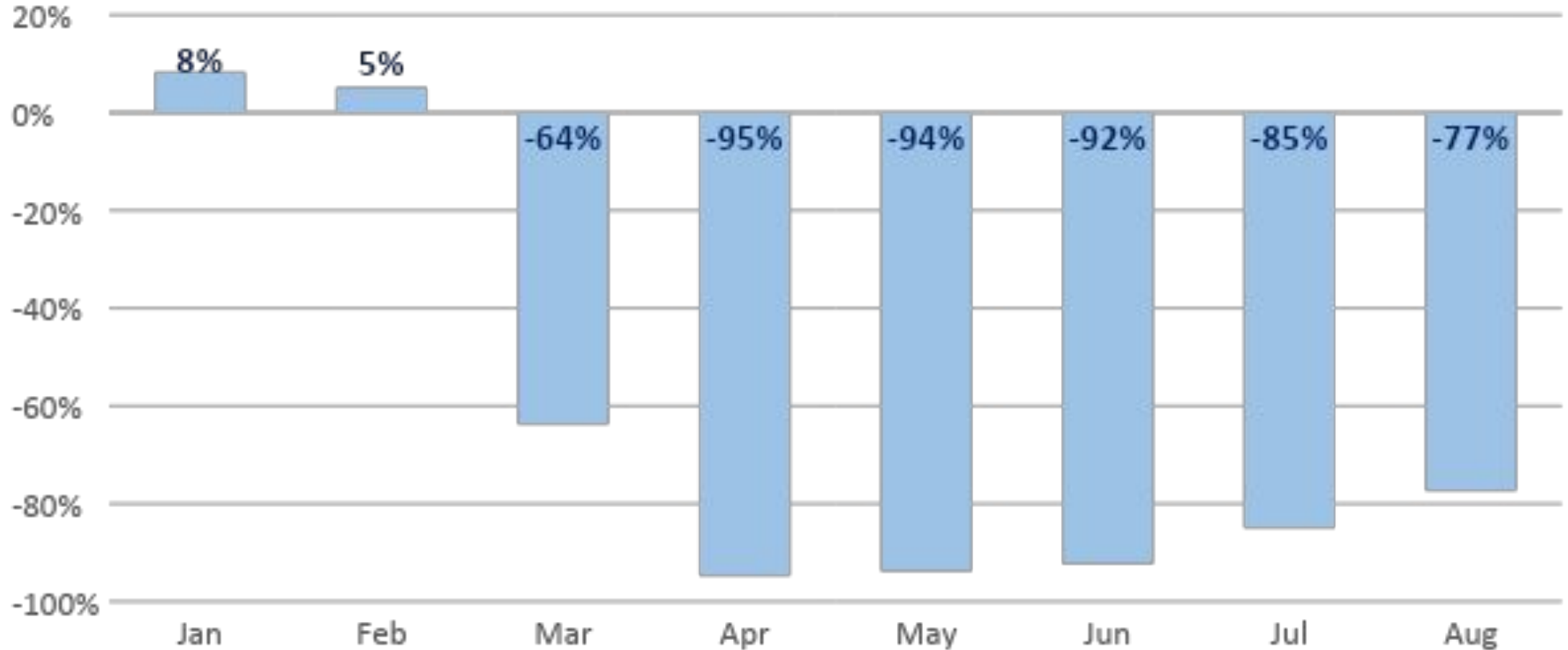
Occupancy 82.5%

ADR \$261

RevPAR \$216



2020 Monthly Demand, % Change YOY



YTD August 2020 Performance

Boston & Cambridge Lodging Market			
YTD Aug Performance			
	YTD Aug 2019	YTD Aug 2020	% Change
Demand	5,136,000	1,715,000	-67%
Occ	82.8%	28.7%	-65%
ADR	\$260	\$172	-34%
RevPAR	\$216	\$49	-77%
<i>* Total room inventory assumes all properties remain open. Exceptions include hotels closed for more than 6 months and those which are completely occupied for an alternative use.</i>			
<i>Source: Pinnacle Perspective, Pinnacle Advisory Group</i>			



Forward Looking Trends

Demand Recovery

- Corporate – Slow, 3-6 months after widely available vaccine
- Group – Slower, longer booking windows, historically takes longest to recover
- Leisure – Spotty, regional drive-in travelers, seasonality

Better Positioned for a Faster Recovery

- Limited Service, Value-Oriented Hotels
- Unique amenities/services

Supply Changes

- Closures
- Sales
- Alternative-Uses

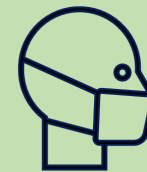


The Silver Lining

Although the recovery will be slow, Greater Boston will benefit from...

- Solid mix of business with diverse, stable demand generators
- Drive-to market, centrally located in New England
- Leisure travelers opting for domestic travel vs international
- Reduction in new/existing supply

Be safe, stay healthy!



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