Equity Research Report

November 20, 2024

**CONSUMER:** Lodging

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## Reasons for this report

✓ Our analysis of the most recent weekly US lodging results

# Lodging: U.S. RevPAR +0.4% y/y last week; Noisy week w/Vet Day shift, post-Election Week, lap of F1 in Vegas/APEC in SF

**Overall U.S. RevPAR was +0.4% y/y for the week ending 11/16/2024, per STR/CoStar, above the prior week's result of -3.5% y/y and below the trailing 10-week average of +2.1%.**

*There are many moving pieces to last week's results that present a weaker net result than what we will expect for many of the following weeks of 4Q. Veterans Day's public holiday shifted into this Monday from the 2023 prior week Friday (net negative). Las Vegas and San Francisco had difficult comps given the lapping of the F1 race and APEC, respectively.*

*There may have also been some lingering negative business travel demand post-Election. Positive was that Hurricane impact continues, especially for some major southeast markets and Midscale and Economy properties.*

Focusing on a few items:

- The Formula 1 race is moving to November 21-23 this year from November 16-18 last year, highly impactful not just to Las Vegas results (RevPAR was -47.1% y/y last week) but also to resort and independent national results.
- San Francisco (RevPAR -27.8%) is lapping the APEC Summit which took place in the same week last year. Hotels close to the Moscone Center benefitted although many hotels fared poorly due to demand staying away. Impact to the REIT hotels will vary significantly between the Union Square/South of Market properties (tough comp in 2024) and hotels that suffered from low demand (from our recollection that includes Fisherman's Wharf). We do not recall impact to hotels outside the City where the REITS have exposure.
- Business travel was expected to be challenged for the week after the election and our view of markets ex-Las Vegas/SF presents mixed results by market. We expect improving group generally speaking for the remainder of the year, especially for December, and similarly for business transient given a resolved election result.
- Finally, there continues to be hurricane-related displacement impact that presented in the impacted Top 25 markets (Houston RevPAR +28.9% and Tampa +52.9%) and beyond to Economy/Midscale.

**Major RevPAR statistics presented below:**

- Luxury RevPAR: +5.7% y/y
- Upper Upscale RevPAR: +1.0% y/y
- Upscale RevPAR: +2.7% y/y
- Upper Midscale RevPAR: +2.0% y/y
- Midscale RevPAR: +3.0% y/y
- Economy RevPAR: +3.6% y/y
- Independent hotels (~ 1/3rd of the data set) RevPAR: -8.1% y/y; and
- Within Upper Upscale & Luxury class hotels:
  - Group: -2.9% y/y vs. -14.5% prior week;
  - Transient: -1.3% y/y vs. -3.2% prior week;
- Las Vegas RevPAR: -47.1% y/y
  - **As a caveat, we note that many large Strip casino hotel operators do not participate in STR's survey.**

Not for Investment Purposes

SEE PAGE 6 FOR REQUIRED DISCLOSURE INFORMATION

**Last week's RevPAR details and sequential trends (all comparable information on new STR methodology):**

- **Headline RevPAR** was +0.4% y/y vs. the running 28-day average of +2.4% y/y.
- **Occupancy:** Absolute occupancy was 63.3% vs. 63.9% for the running 28-day average.
- **Absolute Group occupancy:** 24.5% last week vs. 23.3% for the running 28 days.

**The Lodging stocks:**

- **Bottom line for the hotel companies/stocks:** We do not see RevPAR growth itself as a catalyst for the lodging sector though results for most of the C-Corps should reaffirm the compounding earnings drivers of modest RevPAR growth + mid-single digit net rooms growth (a very high margin business) + share repurchases combined with margin growth. Any outsized earnings growth for the C-Corps and any earnings growth for the hotel REITS (Ryman Hospitality Properties (RHP, Buy)) excluded) will need to come from other sources such as net rooms growth (C-Corps) and share repurchases. We look generally favorably on the hotel C-Corp sub-sector given their multiple drivers of earnings growth, and **we see shares of Wyndham Hotels (WH, Buy) as the stand-out value name in the group** though acknowledge it may be at least several more quarters before we see a shift to positive Economy segment RevPAR growth.
- Hotel REITS, with the notable exception of RHP, will, in our view, continue to be challenged by cost increases slightly higher than revenue growth. Hotel REITS could have opportunity for earnings growth if they were to sell assets, which for the most part are valued higher on a stand-alone basis than as a part of the REIT (parts greater than the sum), and subsequently repurchase shares - though we do not envision this happening. Rather for the hotel REITS, we continue to see the primary opportunity for stock upside driven by investor sentiment around interest rate cuts happening sooner than expected (Source: Skift). While we are generally lethargic-to-unfavorable on the hotel REIT sector and as discussed further **see 2H24 and 2025 consensus RevPAR growth expectations around 50-100 bps too high**, we are positive on Ryman Hospitality (RHP) given its heavy exposure to Group (~70% of RHP's Hospitality segment EBITDA) and differentiated and proven business model. Additionally, recent news around expansion at the Rockies property (Source: Denver Business Journal) and what we see as a high ROIC investment initially sound encouraging.

Not for Investment Purposes

## Weekly RevPAR Summary

**YoY % change in RevPAR**

| | U.S. | Luxury | Upper Upscale | Upscale | Upper Midscale | Midscale | Economy | Inde-pendent | New York | Boston | LA | Chicago | DC |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 6/29/2024 | **6.9%** | 9.8% | 9.9% | 8.2% | 5.4% | 3.0% | -2.9% | 5.2% | 23.7% | 17.3% | 8.2% | 17.6% | 23.2% |
| 7/6/2024 | **-0.4%** | 4.1% | 1.1% | -1.6% | -2.4% | -1.5% | -1.3% | -0.8% | 6.6% | -2.6% | 5.8% | -8.5% | 4.0% |
| 7/13/2024 | **-5.2%** | -9.3% | -6.6% | -4.5% | -3.6% | -2.9% | -4.7% | -6.6% | 1.1% | 4.5% | 0.5% | -10.2% | -0.5% |
| 7/20/2024 | **3.4%** | 0.7% | 3.6% | 4.2% | 3.3% | 2.1% | -0.1% | 2.7% | 1.6% | 6.4% | 2.8% | 10.1% | -2.3% |
| 7/27/2024 | **0.9%** | 1.1% | 2.2% | 0.9% | 0.4% | -0.6% | -2.2% | -0.3% | 0.6% | 13.7% | 2.7% | 5.8% | 2.2% |
| 8/3/2024 | **1.3%** | -1.5% | 3.2% | 2.5% | 1.3% | 0.0% | -2.0% | -0.5% | 1.1% | 1.9% | -10.7% | 15.5% | 6.7% |
| 8/10/2024 | **1.9%** | -0.6% | 4.6% | 2.1% | 1.1% | 1.3% | 0.9% | 0.1% | 10.0% | 10.3% | -12.2% | 27.8% | 3.7% |
| 8/17/2024 | **0.9%** | 1.2% | 2.8% | 0.7% | 0.2% | -0.3% | -1.2% | -0.7% | -2.4% | 4.0% | -4.3% | 18.7% | 0.8% |
| 8/24/2024 | **4.5%** | 8.9% | 5.0% | 4.9% | 4.0% | 4.1% | 2.5% | 2.0% | 5.1% | 9.5% | 0.7% | 51.1% | 3.1% |
| 8/31/2024 | **3.6%** | 4.9% | 5.4% | 4.3% | 2.5% | 1.0% | -1.5% | 2.2% | 5.8% | 8.8% | -2.5% | 23.8% | 8.7% |
| 9/7/2024 | **-5.2%** | -4.0% | -5.5% | -5.6% | -5.0% | -5.1% | -5.0% | -6.7% | -1.4% | -18.3% | -0.4% | 2.2% | -10.5% |
| 9/14/2024 | **-1.4%** | -0.5% | -0.2% | -1.1% | -2.5% | -2.0% | -3.7% | -3.6% | -6.6% | -5.1% | 11.0% | 20.5% | 8.8% |
| 9/21/2024 | **2.5%** | 1.5% | 2.9% | 1.9% | 2.5% | 1.3% | -0.4% | 1.2% | -14.5% | 16.7% | 10.0% | 5.1% | 5.4% |
| 9/28/2024 | **10.2%** | 25.3% | 12.2% | 10.3% | 6.6% | 4.3% | 1.8% | 7.6% | 70.1% | 19.0% | 13.7% | 25.5% | 4.8% |
| 10/5/2024 | **-7.7%** | -10.4% | -13.5% | -7.3% | -3.6% | -1.2% | -2.8% | -9.2% | -8.7% | -7.8% | -12.0% | -25.8% | -12.6% |
| 10/12/2024 | **3.8%** | 6.4% | 2.2% | 4.0% | 5.1% | 6.5% | 5.7% | 0.7% | 10.9% | 0.7% | -6.5% | 10.5% | 3.2% |
| 10/19/2024 | **4.2%** | 11.1% | 2.8% | 3.7% | 4.0% | 4.9% | 3.8% | 1.5% | 16.7% | 6.1% | 4.2% | 17.3% | 12.2% |
| 10/26/2024 | **9.3%** | 15.7% | 9.0% | 9.1% | 9.8% | 9.4% | 6.9% | 5.4% | 13.1% | 16.0% | 6.1% | 18.3% | 21.1% |
| 11/2/2024 | **3.1%** | 9.5% | 5.2% | 4.5% | 4.1% | 2.8% | 1.3% | -3.4% | 20.7% | 11.7% | -6.5% | 12.1% | 6.2% |
| 11/9/2024 | **-3.5%** | -5.6% | -9.1% | -5.8% | -1.2% | 1.5% | 2.9% | -2.4% | -7.3% | -20.2% | -12.3% | 18.5% | -27.9% |
| 11/16/2024 | **0.4%** | 5.7% | 1.0% | 2.7% | 2.0% | 3.0% | 3.6% | -8.1% | 14.1% | -4.8% | 8.5% | 9.9% | -8.0% |

Normalization of business travel post election

Luxury and Economy led chain scales

NYC and Chicago led the top 5 markets

| | U.S. | Luxury | Upper Upscale | Upscale | Upper Midscale | Midscale | Economy | Inde-pendent | New York | Boston | LA | Chicago | DC |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1Q19 | 1.5% | -0.7% | 1.2% | -0.5% | 0.4% | -0.1% | 1.9% | 3.1% | -7.1% | -2.1% | -1.7% | -4.5% | -2.4% |
| 2Q19 | 1.1% | 1.1% | 0.5% | -0.4% | 0.0% | -0.7% | 1.7% | 2.4% | -1.8% | 4.5% | 1.6% | -0.1% | -1.5% |
| 3Q19 | 0.7% | 1.3% | 1.1% | -0.5% | -0.1% | -1.0% | -0.9% | 1.6% | -2.2% | -0.4% | -0.2% | -2.2% | 4.5% |
| 4Q19 | 0.7% | 3.6% | 1.0% | -0.6% | -1.0% | -2.7% | -1.5% | 2.3% | -4.1% | -11.6% | 1.1% | -0.7% | 5.2% |
| 1Q22 | 67.2% | 112.3% | 127.2% | 69.7% | 51.0% | 38.2% | 24.3% | 58.3% | 97.1% | 137.1% | 115.2% | 85.1% | 58.1% |
| 2Q22 | 38.8% | 70.2% | 82.9% | 46.8% | 26.2% | 15.4% | 8.8% | 27.7% | 141.2% | 172.1% | 51.0% | 109.5% | 145.7% |
| 3Q22 | 16.6% | 27.7% | 36.6% | 22.5% | 10.8% | 3.5% | 0.0% | 11.3% | 67.4% | 59.9% | 21.4% | 48.1% | 54.6% |
| 4Q22 | 16.3% | 19.7% | 30.1% | 20.5% | 11.7% | 5.1% | 1.4% | 12.3% | 50.8% | 35.8% | 11.4% | 37.3% | 53.2% |
| 1Q23 | 16.7% | 16.0% | 29.8% | 20.4% | 13.4% | 4.8% | 0.8% | 12.9% | 46.6% | 35.0% | 11.6% | 26.6% | 56.7% |
| 2Q23 | 2.5% | -2.3% | 5.1% | 5.8% | 3.8% | -0.4% | -3.8% | -0.6% | 13.3% | 11.2% | 1.2% | 12.1% | 17.4% |
| 3Q23 | 1.7% | 0.1% | 3.9% | 3.7% | 1.7% | -1.0% | -3.5% | 0.2% | 16.4% | 8.0% | 1.2% | -1.9% | 11.5% |
| 4Q23 | 1.3% | -0.5% | 4.3% | 2.7% | -0.1% | -3.0% | -5.4% | 0.2% | 14.6% | 13.8% | 0.6% | 0.7% | 5.7% |
| 1Q24 | 0.2% | -0.3% | 2.9% | 0.1% | -2.1% | -4.5% | -6.9% | -0.2% | 11.6% | 9.7% | -4.3% | 1.9% | 5.3% |
| 2Q24 | 2.5% | 2.0% | 3.8% | 3.1% | 2.1% | 1.4% | -2.0% | 0.4% | 8.6% | 7.9% | -3.4% | 3.0% | 5.5% |

**YoY % change in ADR**

| | U.S. | Luxury | Upper Upscale | Upscale | Upper Midscale | Midscale | Economy | Inde-pendent | New York | Boston | LA | Chicago | DC |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 6/29/2024 | **3.6%** | -0.1% | 3.3% | 3.4% | 2.3% | 0.9% | -2.1% | 3.3% | 15.4% | 8.7% | 1.4% | 12.0% | 12.6% |
| 7/6/2024 | **0.5%** | -2.8% | 1.3% | -0.1% | -0.8% | -0.5% | -0.9% | 0.2% | 3.5% | -3.9% | 1.7% | -2.2% | 1.7% |
| 7/13/2024 | **-1.5%** | -3.2% | -2.0% | -0.7% | -0.3% | -0.5% | -2.5% | -2.1% | 1.2% | 3.8% | -0.4% | -4.1% | 2.0% |
| 7/20/2024 | **2.4%** | -2.1% | 2.1% | 2.4% | 2.5% | 1.8% | -0.4% | 2.2% | 2.7% | 5.0% | 0.5% | 5.1% | -1.2% |
| 7/27/2024 | **1.3%** | -1.9% | 1.8% | 0.8% | 0.8% | 1.1% | -0.7% | 0.6% | 1.4% | 10.9% | 1.1% | 4.8% | 3.1% |
| 8/3/2024 | **0.6%** | -3.5% | 0.9% | 0.7% | 0.6% | 0.5% | -1.4% | -0.5% | 0.0% | 1.9% | -8.5% | 10.7% | 3.9% |
| 8/10/2024 | **1.4%** | -0.8% | 2.7% | 1.3% | 1.0% | 1.3% | -0.1% | 0.4% | 3.1% | 7.1% | -8.9% | 13.8% | 2.0% |
| 8/17/2024 | **1.0%** | -0.2% | 1.7% | 0.6% | 0.7% | 0.6% | -0.9% | 0.1% | -2.0% | 4.4% | -4.1% | 12.9% | -0.3% |
| 8/24/2024 | **2.7%** | 3.3% | 3.2% | 2.4% | 2.3% | 2.5% | 1.4% | 1.0% | 1.1% | 6.8% | -3.1% | 41.8% | 1.6% |
| 8/31/2024 | **1.6%** | -1.9% | 0.4% | 1.4% | 1.0% | 0.9% | -0.4% | 1.0% | 2.8% | 6.5% | -4.4% | 11.8% | 2.9% |
| 9/7/2024 | **-1.0%** | -0.2% | -0.5% | -1.2% | -1.1% | -1.0% | -2.0% | -2.3% | 1.0% | -7.7% | -2.8% | 3.6% | -2.4% |
| 9/14/2024 | **0.2%** | -3.7% | 0.3% | 0.6% | 0.0% | 0.5% | -1.2% | -1.8% | -3.2% | 0.3% | 1.3% | 15.5% | 5.6% |
| 9/21/2024 | **2.0%** | -2.5% | 2.0% | 1.7% | 2.1% | 1.4% | 0.1% | 0.8% | -11.9% | 11.5% | 3.5% | 3.9% | 5.2% |
| 9/28/2024 | **7.5%** | 14.3% | 7.9% | 6.6% | 4.2% | 2.7% | 1.6% | 5.9% | 52.8% | 13.7% | 5.6% | 13.6% | 3.8% |
| 10/5/2024 | **-4.4%** | -4.6% | -6.2% | -3.8% | -2.0% | -0.6% | -1.7% | -5.5% | -6.2% | -3.5% | -4.8% | -16.6% | -4.2% |
| 10/12/2024 | **1.4%** | 3.3% | 1.5% | 1.6% | 2.2% | 2.4% | 1.6% | -0.6% | 6.5% | 1.0% | -3.6% | 7.8% | -1.0% |
| 10/19/2024 | **2.5%** | 7.7% | 2.7% | 2.7% | 2.5% | 2.0% | 1.5% | -0.2% | 10.9% | 5.9% | 3.4% | 12.2% | 6.8% |
| 10/26/2024 | **4.6%** | 9.6% | 5.3% | 4.6% | 4.7% | 3.5% | 2.4% | 1.6% | 9.8% | 10.6% | 0.5% | 9.6% | 15.1% |
| 11/2/2024 | **1.2%** | 3.0% | 2.0% | 2.4% | 2.0% | 0.9% | 0.3% | -3.8% | 11.1% | 8.5% | -5.5% | 8.4% | 6.5% |
| 11/9/2024 | **-0.1%** | 2.5% | -0.5% | -0.5% | 1.5% | 1.1% | 1.6% | 0.5% | -2.6% | -8.6% | -5.7% | 13.9% | -13.4% |
| 11/16/2024 | **-1.1%** | -0.8% | 0.3% | 1.3% | 1.5% | 2.0% | 1.6% | -9.5% | 7.8% | -2.8% | 2.4% | 7.3% | -1.3% |

| | U.S. | Luxury | Upper Upscale | Upscale | Upper Midscale | Midscale | Economy | Inde-pendent | New York | Boston | LA | Chicago | DC |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1Q19 | 1.1% | 2.2% | 2.5% | 1.0% | 0.8% | -0.2% | -0.3% | 1.0% | -3.8% | 0.7% | -1.0% | -2.4% | 1.5% |
| 2Q19 | 1.2% | 2.5% | 1.4% | 0.6% | 0.7% | -0.2% | 0.6% | 1.7% | -1.0% | 3.2% | 0.8% | -1.7% | 0.2% |
| 3Q19 | 0.8% | 1.5% | 1.3% | 0.2% | -0.1% | -0.5% | -0.5% | 1.6% | -1.9% | 0.9% | -0.2% | -2.8% | 4.0% |
| 4Q19 | 0.7% | 2.4% | 0.6% | -0.4% | -0.3% | -1.0% | -1.0% | 1.9% | -3.7% | -5.5% | 0.3% | -2.2% | 3.9% |
| 1Q20 | -4.0% | 1.6% | -1.4% | -2.9% | -3.1% | -3.8% | -3.8% | -2.3% | -8.6% | -6.2% | -2.7% | -2.6% | -6.8% |
| 2Q20 | -37.1% | -22.0% | -34.0% | -30.0% | -23.1% | -17.1% | -14.6% | -34.8% | -52.3% | -56.9% | -40.5% | -53.7% | -48.8% |
| 3Q20 | -24.1% | -12.6% | -25.6% | -24.2% | -17.3% | -11.6% | -9.4% | -16.1% | -47.7% | -47.3% | -31.6% | -43.2% | -34.5% |
| 4Q20 | -27.2% | -11.1% | -29.0% | -26.9% | -17.8% | -10.4% | -5.9% | -20.9% | -54.1% | -45.5% | -29.2% | -44.8% | -40.7% |
| 1Q22 | 37.5% | 21.0% | 39.7% | 34.1% | 27.3% | 20.8% | 17.3% | 34.0% | 52.2% | 50.5% | 61.8% | 41.1% | 31.7% |
| 2Q22 | 26.2% | 14.3% | 29.0% | 27.1% | 18.9% | 14.8% | 11.8% | 20.5% | 69.0% | 73.6% | 32.9% | 53.6% | 60.6% |
| 3Q22 | 11.6% | 6.7% | 12.6% | 13.3% | 7.6% | 5.9% | 4.2% | 8.9% | 32.6% | 30.0% | 14.6% | 25.4% | 25.5% |
| 4Q22 | 12.0% | 6.5% | 12.6% | 13.7% | 8.7% | 6.2% | 4.5% | 10.2% | 28.0% | 20.5% | 8.4% | 20.2% | 27.9% |
| 1Q23 | 10.2% | -1.9% | 8.4% | 11.0% | 8.1% | 4.7% | 3.8% | 9.1% | 13.4% | 15.6% | 3.8% | 11.5% | 24.4% |
| 2Q23 | 3.2% | -1.2% | 2.5% | 4.3% | 3.5% | 1.6% | 0.9% | 2.1% | 9.6% | 5.8% | 2.5% | 8.5% | 11.6% |
| 3Q23 | 2.2% | -1.4% | 1.3% | 2.2% | 2.2% | 0.3% | 0.0% | 2.1% | 9.8% | 3.8% | 0.2% | -2.1% | 6.2% |
| 4Q23 | 2.9% | -2.3% | 2.7% | 2.5% | 1.8% | -0.3% | -1.3% | 3.7% | 9.6% | 7.0% | 0.0% | 0.7% | 3.5% |
| 1Q24 | 2.2% | -2.4% | 1.9% | 1.1% | 0.6% | -1.0% | -3.0% | 3.1% | 6.7% | 3.3% | -2.2% | 0.4% | 2.8% |
| 2Q24 | 1.6% | -2.2% | 1.5% | 1.6% | 1.3% | 0.7% | -1.4% | 0.7% | 4.6% | 3.6% | -3.1% | 0.3% | 3.6% |

**YoY % change in Occupancy**

| | U.S. | Luxury | Upper Upscale | Upscale | Upper Midscale | Midscale | Economy | Inde-pendent | New York | Boston | LA | Chicago | DC |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 6/29/2024 | **3.2%** | 9.9% | 6.4% | 4.7% | 3.1% | 2.2% | -0.8% | 1.8% | 7.2% | 7.9% | 6.7% | 5.0% | 9.5% |
| 7/6/2024 | **-0.9%** | 7.0% | -0.2% | -1.6% | -1.6% | -0.9% | -0.4% | -0.9% | 3.1% | 1.3% | 4.0% | -6.4% | 2.2% |
| 7/13/2024 | **-3.7%** | -6.3% | -4.7% | -3.8% | -3.3% | -2.4% | -2.2% | -4.5% | -0.1% | 0.7% | 0.9% | -6.4% | -2.4% |
| 7/20/2024 | **1.0%** | 2.9% | 1.5% | 1.7% | 0.7% | 0.2% | 0.3% | 0.5% | -1.0% | 1.3% | 2.3% | 4.8% | -1.1% |
| 7/27/2024 | **-0.4%** | 3.0% | 0.4% | 0.1% | -0.4% | -1.6% | -1.6% | -0.8% | -0.8% | 2.4% | 1.6% | 1.0% | -0.9% |
| 8/3/2024 | **0.8%** | 2.1% | 2.3% | 1.8% | 0.7% | -0.5% | -0.6% | 0.0% | 1.1% | 0.0% | -2.5% | 4.3% | 2.6% |
| 8/10/2024 | **0.5%** | 0.2% | 1.9% | 0.7% | 0.2% | 0.0% | 1.0% | -0.3% | 6.8% | 3.0% | -3.6% | 12.2% | 1.7% |
| 8/17/2024 | **-0.2%** | 1.5% | 1.1% | 0.1% | -0.5% | -0.9% | -0.4% | -0.8% | -0.5% | -0.4% | -0.3% | 5.1% | 1.0% |
| 8/24/2024 | **1.7%** | 5.4% | 1.7% | 2.4% | 1.7% | 1.5% | 1.1% | 1.0% | 3.9% | 2.5% | 3.9% | 6.5% | 1.4% |
| 8/31/2024 | **1.9%** | 7.0% | 5.0% | 2.8% | 1.5% | 0.1% | -1.1% | 1.2% | 2.9% | 2.2% | 2.0% | 10.8% | 5.6% |
| 9/7/2024 | **-4.2%** | -3.7% | -5.1% | -4.4% | -4.0% | -4.2% | -3.1% | -4.5% | -2.4% | -11.4% | 2.4% | -1.3% | -8.3% |
| 9/14/2024 | **-1.7%** | 3.4% | -0.5% | -1.7% | -2.5% | -2.5% | -2.5% | -1.9% | -3.5% | -5.4% | 9.5% | 4.4% | 3.0% |
| 9/21/2024 | **0.5%** | 4.0% | 0.8% | 0.2% | 0.3% | -0.1% | -0.6% | 0.4% | -2.9% | 4.7% | 6.3% | 1.2% | 0.2% |
| 9/28/2024 | **2.6%** | 9.6% | 4.0% | 3.4% | 2.3% | 1.5% | 0.2% | 1.6% | 11.4% | 4.7% | 7.7% | 10.5% | 0.9% |
| 10/5/2024 | **-3.4%** | -6.1% | -7.9% | -3.6% | -1.6% | -0.6% | -1.1% | -4.0% | -2.6% | -4.4% | -7.5% | -11.0% | -8.7% |
| 10/12/2024 | **2.4%** | 3.0% | 0.7% | 2.4% | 2.8% | 4.0% | 4.0% | 1.3% | 4.1% | -0.3% | -3.1% | 2.5% | 4.3% |
| 10/19/2024 | **1.6%** | 3.1% | 0.2% | 0.9% | 1.5% | 2.8% | 2.3% | 1.7% | 5.3% | 0.2% | 0.8% | 4.5% | 5.1% |
| 10/26/2024 | **4.5%** | 5.6% | 3.6% | 4.3% | 4.9% | 5.7% | 4.4% | 3.7% | 3.0% | 4.9% | 5.5% | 8.0% | 5.1% |
| 11/2/2024 | **1.9%** | 6.3% | 3.1% | 2.1% | 2.1% | 1.9% | 1.0% | 0.4% | 8.6% | 3.0% | -1.0% | 3.4% | -0.3% |
| 11/9/2024 | **-3.5%** | -7.9% | -8.6% | -5.3% | -2.7% | 0.3% | 1.3% | -2.8% | -4.8% | -12.7% | -7.0% | 4.0% | -16.7% |
| 11/16/2024 | **1.5%** | 6.5% | 0.7% | 1.4% | 0.5% | 1.0% | 1.9% | 1.5% | 5.8% | -2.0% | 5.9% | 2.4% | -6.8% |

| | U.S. | Luxury | Upper Upscale | Upscale | Upper Midscale | Midscale | Economy | Inde-pendent | New York | Boston | LA | Chicago | DC |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1Q19 | 0.4% | -2.8% | -1.3% | -1.4% | -0.5% | 0.0% | 2.3% | 2.1% | -3.5% | -2.8% | -0.7% | -2.2% | -3.8% |
| 2Q19 | -0.1% | -1.4% | -0.9% | -1.0% | -0.7% | -0.6% | 1.1% | 0.7% | -0.7% | 1.3% | 0.8% | 1.7% | -1.7% |
| 3Q19 | -0.1% | -0.2% | -0.2% | -0.7% | 0.0% | -0.5% | -0.4% | 0.0% | -0.3% | -1.4% | 0.1% | 0.6% | 0.4% |
| 4Q19 | -0.1% | 1.2% | 0.4% | -0.2% | -0.8% | -1.7% | -0.4% | 0.4% | -0.4% | -6.5% | 0.8% | 1.5% | 1.3% |
| 1Q22 | 56.2% | 54.0% | 53.2% | 60.3% | 59.4% | 52.3% | 55.5% | 54.2% | 29.5% | 57.6% | 33.0% | 31.2% | 20.1% |
| 2Q22 | 10.0% | 48.8% | 41.8% | 15.5% | 6.2% | 0.5% | -2.6% | 5.9% | 42.7% | 56.7% | 13.7% | 36.3% | 53.0% |
| 3Q22 | 4.5% | 19.7% | 21.3% | 8.1% | 2.9% | -2.3% | -4.0% | 2.2% | 26.3% | 23.0% | 5.9% | 18.1% | 23.2% |
| 4Q22 | 3.8% | 12.4% | 15.5% | 6.0% | 2.7% | -1.1% | -2.9% | 1.9% | 17.8% | 12.7% | 7.6% | 14.2% | 19.8% |
| 1Q23 | 5.9% | 18.3% | 19.8% | 8.5% | 4.9% | 0.1% | -2.9% | 3.5% | 29.3% | 16.8% | 7.5% | 13.6% | 25.9% |
| 2Q23 | -0.7% | -1.0% | 2.6% | 1.4% | 0.3% | -2.0% | -4.6% | -2.7% | 3.3% | 5.1% | -1.3% | 3.3% | 5.1% |
| 3Q23 | -0.5% | 1.5% | 2.6% | 1.4% | -0.5% | -1.3% | -3.5% | -1.8% | 6.0% | 4.1% | 1.1% | 0.3% | 5.0% |
| 4Q23 | -1.6% | 1.8% | 1.5% | 0.2% | -1.8% | -2.7% | -4.2% | -3.3% | 4.5% | 6.4% | 0.5% | 0.1% | 2.1% |
| 1Q24 | -2.0% | 2.1% | 0.9% | -0.9% | -2.7% | -3.6% | -4.0% | -3.2% | 4.6% | 6.2% | -2.1% | 1.5% | 2.4% |
| 2Q24 | 0.9% | 4.3% | 2.3% | 1.5% | 0.7% | 0.7% | -0.6% | -0.3% | 3.8% | 4.1% | -0.4% | 2.7% | 1.8% |

Source: STR data, Truist Securities research

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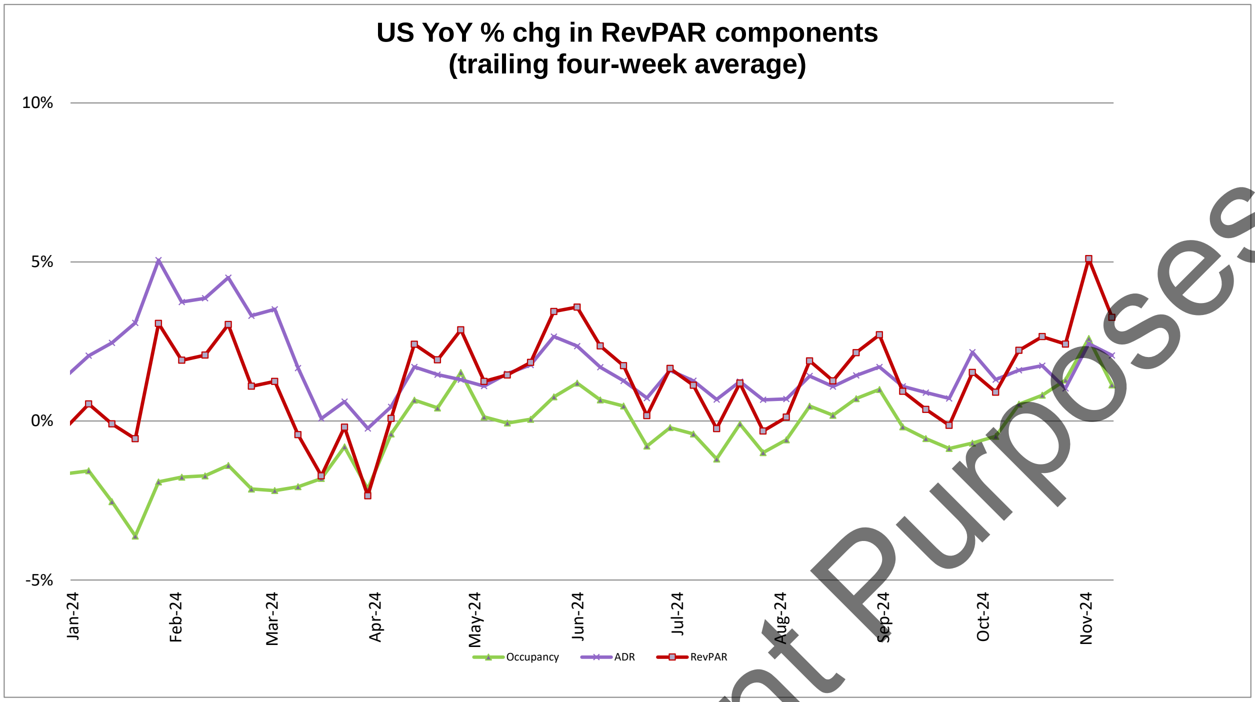
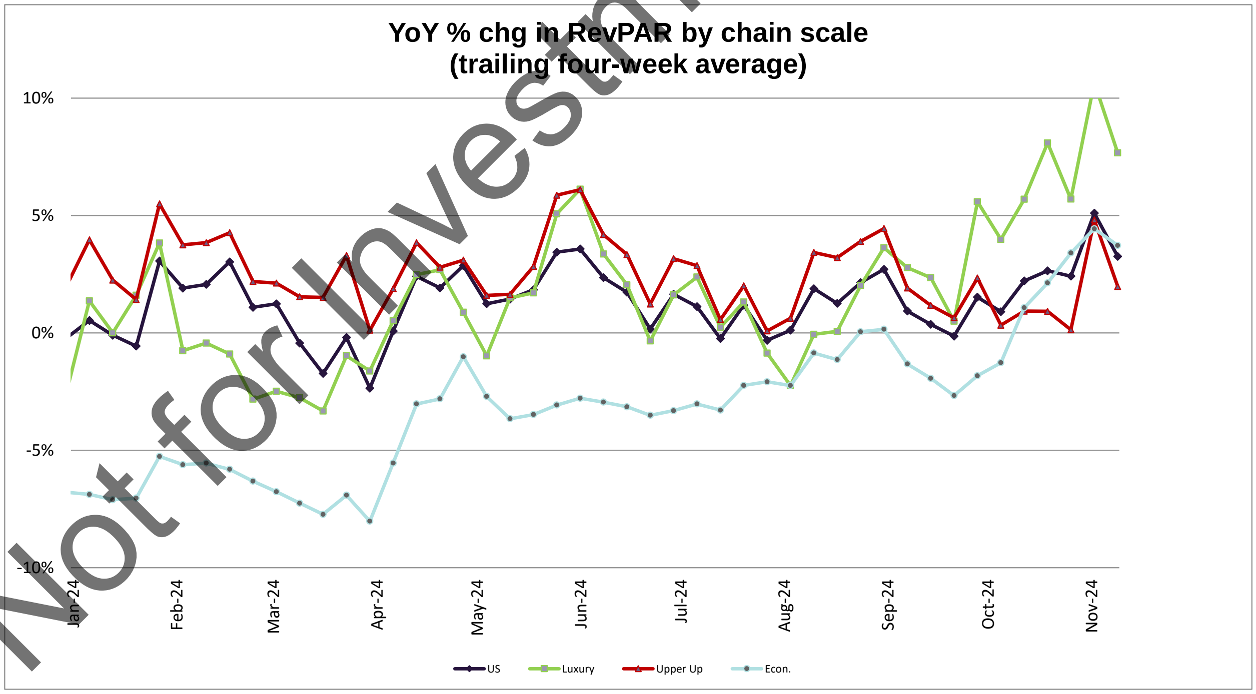
## RevPAR Component Trends




Source: STR data, Truist Securities research

## RevPAR Trends by Chain Scale




Source: STR data, Truist Securities research

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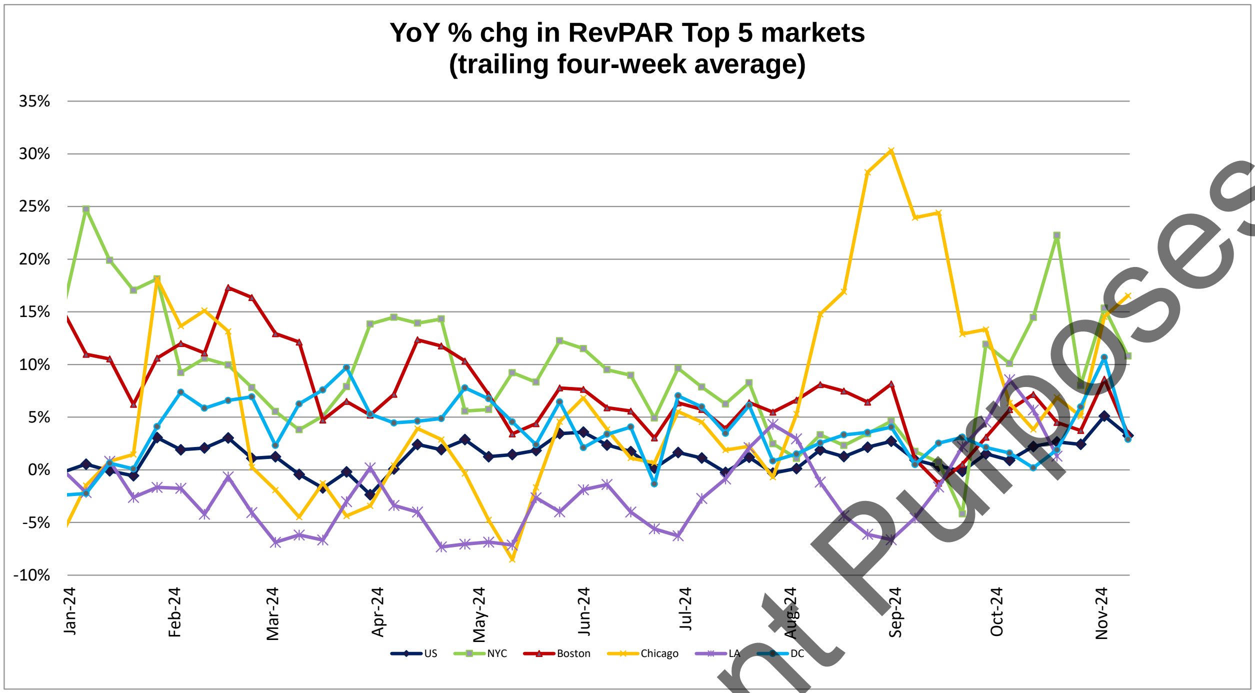
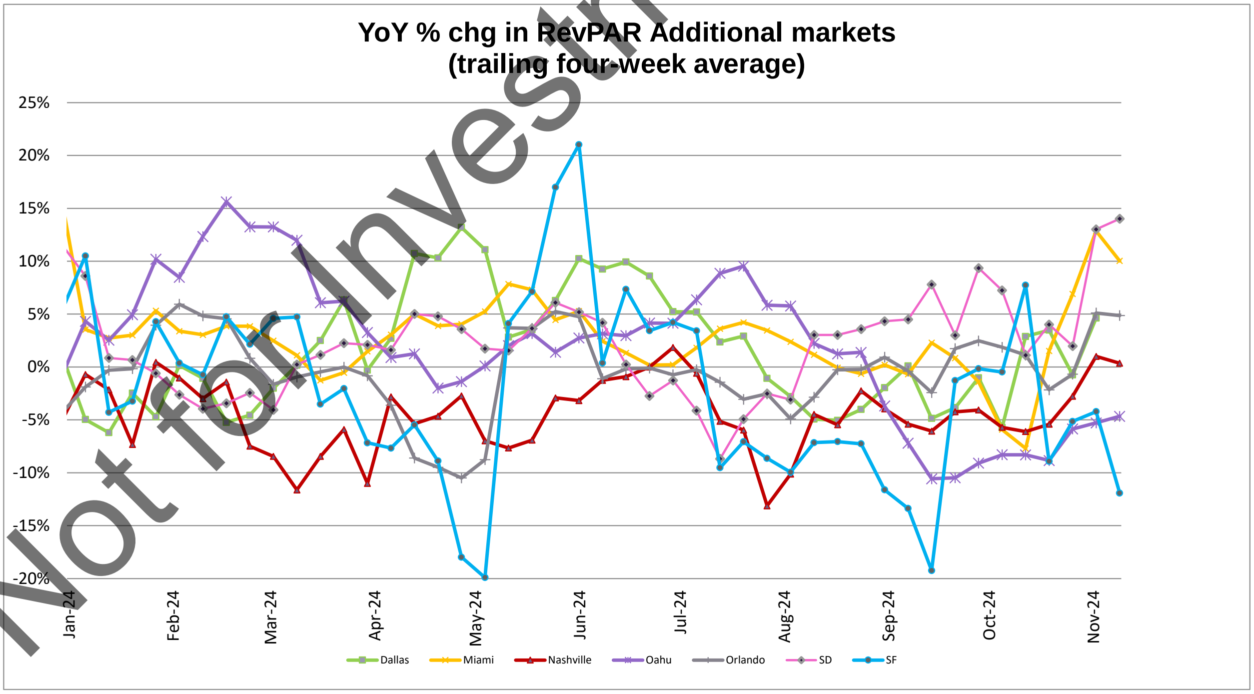
## RevPAR Trends by Market (Top 5 markets)




Source: STR data, Truist Securities research

## RevPAR Trends by Market (Additional markets)




Source: STR data, Truist Securities research

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## RHP: Valuation and Risks

Our price target of $136 for RHP is derived by applying a 13.0x target EV/EBITDA multiple to our estimate for 2026 lodging EBITDA and a 16.0x multiple to our Opry/attractions estimate. We view the multiple assignments as appropriate for the quality and unique nature of the portfolios (slight premium to REIT peer average of ~12.0-12.5x on Hospitality).

Risks to our rating and price target include: Group demand returns slower than expected. Property-specific risks given a small portfolio. General macroeconomic downturn.

## WH: Valuation and Risks

Our price target of $105 for WH is based on a 15.0x target EV/EBITDA multiple (in line with portfolio quality/RevPAR relative to peers) of our 2025 EBITDA estimate.

Risks to our rating and price target: Slowdown in development opportunities. Macro demand/pipeline headwinds.

## Companies Mentioned in This Note

**Ryman Hospitality Properties, Inc.** (RHP, $111.68, Buy, C. Patrick Scholes)
**Wyndham Hotels & Resorts, Inc.** (WH, $94.53, Buy, C. Patrick Scholes)

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I, C. Patrick Scholes , hereby certify that the views expressed in this research report accurately reflect my personal views about the subject company(ies) and its (their) securities. I also certify that I have not been, am not, and will not be receiving direct or indirect compensation in exchange for expressing the specific recommendation(s) in this report.

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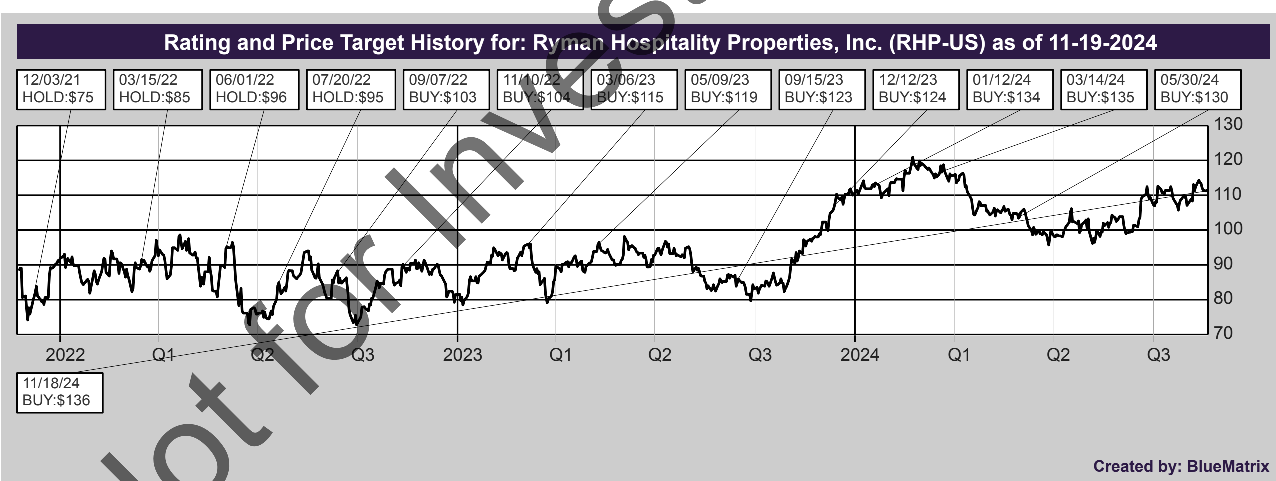


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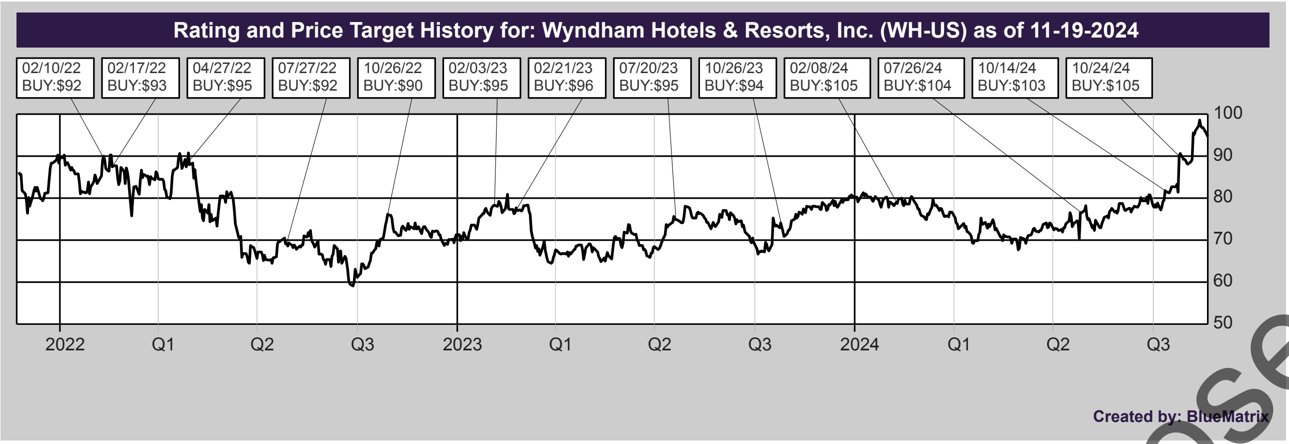


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**Hold (H)** – the stock's total return is expected to perform in line with the S&P 500 or relevant benchmark over the next 12-18 months (unless otherwise indicated)

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H = Hold

S = Sell

D = Drop Coverage

CS = Coverage Suspended

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|---|---|---|---|---|---|
| Rating | Count | Percent | Rating | Count | Percent |
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| Hold | 235 | 35.71% | Hold | 33 | 14.04% |
| Sell | 2 | 0.30% | Sell | 0 | 0.00% |

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