



Lodging - US RevPAR +1.3% Y/Y Last Week; Mediocre but clean comp results

New supply impact to RevPAR once again evident in Upscale to Midscale (~ flat)

What's Incremental To Our View

Overall U.S. RevPAR was +1.3% Y/Y for the week ending 6/15/2019, per STR, stronger than the prior week's result of -0.8%. (2-year stacked RevPAR was +3.3% vs +1.8% in the prior week.) Independent hotels (about 1/3rd of the data set) were +0.9% y/y. Upper Upscale (+3.3%) was the strongest chain scale for branded hotels; Midscale was the weakest at -0.9%. Upper Midscale (+0.3%) also underperformed the industry average. Within Upper Upscale & Luxury class hotels, Group (+3.4% vs. +0.4% prior week) was stronger than Transient (+1.5% vs. -1.6% prior week).

Last week was a relatively clean comp. In a continuation of the RevPAR trends we have forecasted and continue to forecast, occupancy remains flattish at best with limited opportunities for ADR growth. Upper Upscale was a bit stronger than the norm and we believe this was driven by a slightly stronger group week (some Top 25 market RevPARs were relatively strong). However, the headline results indicate the continuation of the run-rate today - flat to slightly positive RevPAR with the weakest segments being the ones most impacted by supply growth (Upscale, Upper Midscale, and Midscale).

For the month of June, we estimate that full-service branded domestic hotels (the typical Hilton [HLT, Buy], Hyatt [H, Hold], or Marriott [MAR, Hold] hotel) will finish at approximately -1% to -2%. We estimate that the overall industry will finish approximately -2% to -4%. Please note that reported monthly results include hotels that are not in the weekly data set.

Last week's RevPAR details:

- **Upper Upscale was the strongest chain scale.** Upscale and Upper Midscale underperformed by 330 bps and 300 bps, respectively: Luxury RevPAR (+2.7%), Upper Upscale (+3.3%), Upscale (+0.0%), Upper Midscale (+0.3%), Midscale (-0.9%), and Economy (+0.5%). Independent hotels (+0.9%) underperformed headline U.S. RevPAR.
- **Within Upper Upscale & Luxury class hotels, Group was stronger than Transient:** Transient segment (individual business and leisure travelers) RevPAR was +1.5% (vs. -1.6% last week) and Group segment RevPAR was +3.4% (vs. +0.4% last week).
- **Boston (+12.8%) was the strongest of the top five markets:** Chicago (+3.1%), LA (+4.9%), NYC (-6.2%), and DC (+2.9%).

C. Patrick Scholes
212-319-3915
patrick.scholes@suntrust.com

Gregory J. Miller
212-303-4198
gregory.j.miller@suntrust.com

Kevin Robinson
617-345-6544
kevin.robinson@suntrust.com

What's Inside

Weekly STR results and analysis

- **Other relevant markets:**

- **San Francisco was up (Moscone Convention Center expansion and renovation completed):** RevPAR was +7.0% vs. +14.4% last week.
- **Houston** was +2.0% (vs. +0.5% last week).
- **Florida markets were mixed:** Miami (+3.2% vs. -2.4% last week); Orlando (-10.1% vs. -21.5% last week).

The lodging stocks: We continue to favor C-Corps over hotel REITS (we favored hotel REITS for the first half of last year) and within C-Corps **WH is our current Buy-rated focus name**, partly due to its underperformance this year vs. **our previous Buy-rated focus name, Hilton**. In an environment of low RevPAR growth combined with gradually increasing wages/margin pressures, we think **returns for hotel owners is a major headwind to EBITDA growth**. Hotel stocks, but especially hotel REIT stocks, typically work best when there is a spark to RevPAR growth and at this moment we are not seeing such sparks like we did at this time one year ago.

Not For Investment Purposes

Weekly RevPAR Summary

	YoY % change in RevPAR										New				
	U.S.	Upper Luxury		Upper Upscale		Upper Midscale		Economy		Inde- pendent	York	Boston	LA	Chicago	DC
3/23/2019	0.4%	-3.6%	-1.0%	-1.8%	0.7%	0.3%	1.2%	2.5%	-2.5%	-6.8%	1.3%	-2.3%	-16.8%		
3/30/2019	5.1%	-8.9%	9.2%	7.5%	9.0%	6.1%	2.8%	1.6%	-22.9%	9.3%	-6.0%	-4.2%	25.2%		
4/6/2019	1.9%	-2.9%	9.8%	3.2%	1.8%	-3.0%	-1.2%	-2.5%	4.4%	-10.2%	-2.3%	22.8%	16.7%		
4/13/2019	6.9%	5.9%	7.1%	4.3%	6.0%	5.8%	6.8%	8.4%	3.2%	9.8%	9.4%	17.0%	0.6%		
4/20/2019	-8.0%	-1.9%	-13.7%	-12.0%	-11.6%	-10.4%	-4.8%	-1.1%	6.2%	-4.4%	2.1%	-26.3%	-30.1%		
4/27/2019	-2.9%	-5.1%	-10.6%	-5.5%	-1.0%	0.8%	2.8%	1.3%	-7.5%	-7.7%	-6.4%	-16.9%	-20.3%		
5/4/2019	3.6%	6.9%	3.8%	2.2%	2.8%	-0.2%	0.8%	3.9%	-3.2%	17.4%	10.8%	14.5%	11.8%		
5/11/2019	0.9%	2.6%	0.5%	0.0%	0.3%	-1.8%	-0.7%	1.4%	-9.6%	5.2%	1.3%	-6.8%	2.2%		
5/18/2019	2.2%	1.4%	1.7%	1.0%	2.3%	1.1%	1.6%	2.4%	-8.2%	11.5%	3.7%	4.7%	1.0%		
5/25/2019	3.1%	5.5%	4.0%	2.3%	2.2%	-0.2%	0.8%	3.0%	7.6%	-2.8%	-2.5%	4.5%	8.3%		
6/1/2019	1.6%	-0.3%	0.9%	0.1%	1.3%	0.3%	0.2%	3.2%	0.9%	18.1%	-1.3%	-0.6%	-3.3%		
6/8/2019	-0.8%	0.2%	-0.5%	-1.9%	-1.9%	-2.9%	-0.5%	-0.2%	-4.0%	-0.9%	1.9%	-2.5%	-3.8%		
6/15/2019	1.3%	2.7%	3.3%	0.0%	0.3%	-0.9%	0.5%	0.9%	-6.2%	12.8%	4.9%	3.1%	2.9%		

Clean comp; mediocre overall results Upper Upscale and Luxury led the industry Boston and LA led the Top 5 markets

1Q16	2.7%	1.6%	1.9%	2.2%	2.0%	0.0%	1.8%	4.0%	-1.2%	-3.0%	16.6%	-4.8%	3.1%	
2Q16	3.5%	0.8%	2.9%	3.1%	3.2%	3.2%	3.0%	4.2%	-4.5%	1.5%	11.1%	-1.0%	3.5%	
3Q16	3.3%	1.5%	2.5%	2.0%	1.8%	2.5%	3.0%	5.1%	-2.5%	-0.5%	9.3%	1.2%	5.5%	
4Q16	3.2%	1.9%	0.6%	1.2%	2.2%	3.9%	4.4%	5.1%	0.9%	-1.6%	6.9%	3.3%	8.0%	
1Q17	3.4%	2.1%	3.0%	1.0%	2.4%	3.5%	2.6%	5.2%	-1.3%	-1.1%	-2.5%	1.5%	16.1%	
2Q17	2.7%	2.3%	0.6%	0.6%	1.2%	2.4%	3.7%	5.1%	0.2%	4.4%	3.6%	0.8%	0.8%	
3Q17	1.9%	0.5%	-0.7%	0.7%	1.8%	3.5%	2.9%	3.1%	-0.9%	-0.2%	-1.2%	-5.0%	-0.6%	
4Q17	4.2%	4.6%	3.2%	3.8%	3.9%	3.7%	3.7%	4.1%	0.8%	3.7%	4.2%	-2.5%	2.2%	
1Q18	3.5%	6.6%	0.9%	2.2%	3.0%	3.8%	5.3%	3.8%	7.1%	2.6%	2.7%	5.8%	-11.0%	
2Q18	4.0%	4.9%	3.4%	2.8%	3.0%	4.1%	3.1%	4.6%	4.2%	-1.2%	0.6%	4.0%	3.1%	
3Q18	1.7%	3.3%	1.9%	0.8%	-0.5%	0.1%	1.8%	2.2%	0.7%	2.8%	1.3%	7.5%	-3.4%	
4Q18	2.4%	3.0%	1.1%	0.0%	0.5%	1.3%	2.9%	4.9%	3.5%	12.2%	3.0%	2.8%	-3.4%	
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%	

	YoY % change in ADR										New				
	U.S.	Upper Luxury		Upper Upscale		Upper Midscale		Economy		Inde- pendent	York	Boston	LA	Chicago	DC
3/23/2019	0.2%	-0.8%	0.8%	0.1%	1.0%	-0.3%	-0.1%	0.4%	-3.9%	-3.3%	-0.7%	-2.0%	-0.1%		
3/30/2019	0.9%	-6.4%	4.6%	2.0%	2.4%	0.7%	0.5%	0.0%	-0.8%	16.4%	5.5%	-3.9%	-2.1%	19.7%	
4/6/2019	1.5%	-3.1%	5.5%	2.1%	1.7%	-1.9%	-0.8%	-1.5%	1.8%	-2.9%	-2.7%	10.7%	11.9%		
4/13/2019	4.4%	6.1%	5.0%	3.7%	4.2%	3.0%	3.1%	4.6%	0.0%	6.2%	4.1%	7.9%	0.2%		
4/20/2019	-1.9%	4.5%	-5.6%	-3.1%	-2.9%	-2.9%	-2.2%	1.5%	4.7%	-2.5%	-0.9%	-16.0%	-19.4%		
4/27/2019	-1.4%	0.9%	-4.5%	-2.1%	0.5%	0.4%	0.8%	0.9%	-3.9%	-5.8%	-4.4%	-12.6%	-13.2%		
5/4/2019	2.3%	4.7%	2.5%	0.8%	1.7%	0.1%	0.6%	2.3%	-0.8%	8.5%	5.9%	7.1%	8.0%		
5/11/2019	1.2%	1.9%	1.3%	0.5%	0.7%	-0.4%	-0.2%	1.4%	-4.9%	-0.2%	1.8%	-7.7%	3.2%		
5/18/2019	1.4%	1.1%	1.3%	0.8%	1.8%	0.4%	1.0%	1.2%	-6.1%	7.2%	2.6%	0.5%	1.5%		
5/25/2019	2.1%	3.7%	2.8%	1.3%	1.4%	-0.3%	0.2%	2.1%	5.2%	-0.6%	-0.7%	1.1%	6.0%		
6/1/2019	1.0%	0.6%	0.8%	0.3%	0.5%	-0.2%	0.2%	1.8%	-0.4%	11.3%	-1.3%	-0.6%	-1.7%		
6/8/2019	0.5%	2.1%	0.8%	0.0%	0.0%	-0.5%	0.3%	0.5%	-3.3%	-1.3%	1.6%	-2.2%	-1.1%		
6/15/2019	1.9%	2.5%	3.0%	0.7%	0.9%	0.4%	1.2%	2.1%	-4.2%	9.2%	2.6%	-0.5%	4.0%		

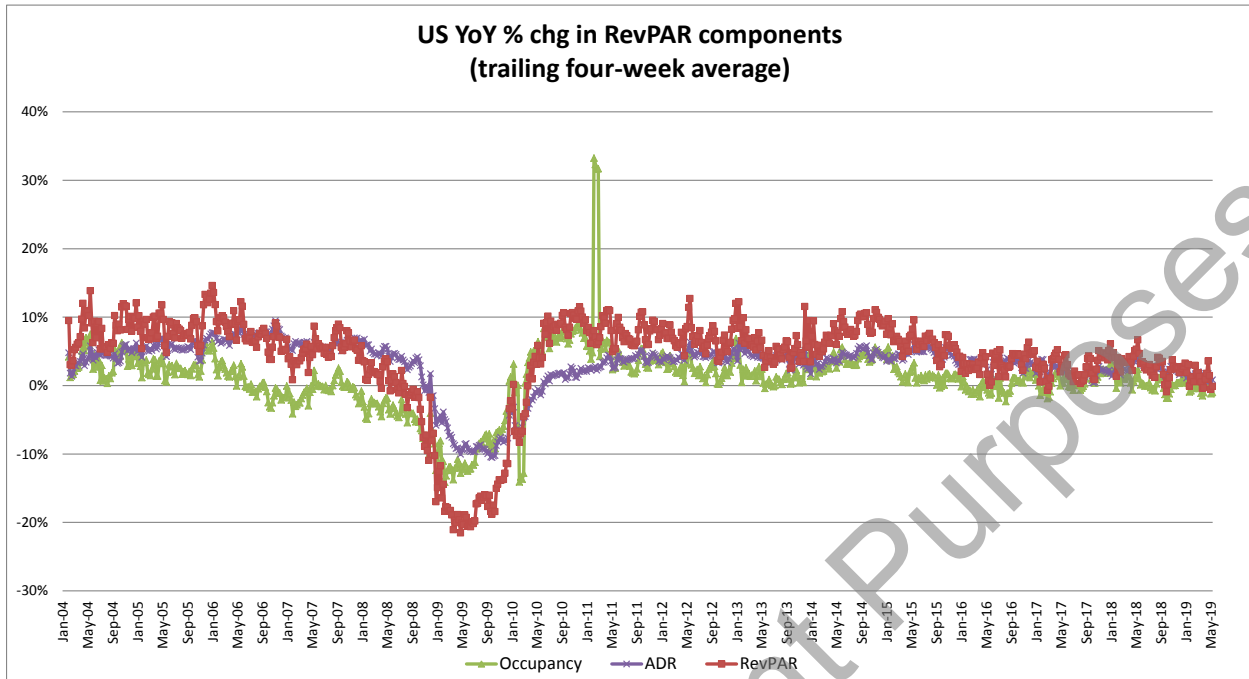
1Q16	3.2%	1.9%	2.7%	3.2%	2.6%	1.7%	3.3%	3.7%	-3.1%	1.4%	11.3%	-1.9%	1.1%	
2Q16	2.5%	1.5%	2.2%	2.9%	3.2%	2.7%	3.4%	3.0%	-3.1%	3.3%	9.4%	0.3%	2.1%	
3Q16	3.4%	1.5%	2.5%	2.7%	2.4%	3.1%	3.6%	4.4%	-2.7%	2.3%	7.5%	1.9%	3.5%	
4Q16	2.6%	2.1%	1.4%	2.2%	2.0%	2.2%	3.2%	3.8%	-1.2%	1.3%	5.8%	3.9%	4.1%	
1Q17	2.5%	2.3%	2.4%	1.3%	1.6%	1.8%	2.4%	3.5%	-2.2%	0.0%	-0.2%	1.7%	13.6%	
2Q17	2.2%	2.2%	1.2%	1.7%	1.5%	2.1%	2.3%	3.5%	-1.5%	4.1%	2.8%	1.5%	2.0%	
3Q17	1.4%	1.4%	0.2%	0.8%	1.2%	1.9%	2.4%	2.2%	-2.0%	0.8%	1.8%	-2.4%	0.0%	
4Q17	2.4%	2.2%	1.9%	1.8%	1.8%	2.5%	3.4%	2.1%	-0.2%	0.8%	4.6%	-2.0%	2.4%	
1Q18	2.5%	4.5%	1.0%	1.7%	2.0%	3.0%	4.0%	3.1%	3.5%	-1.0%	4.0%	1.4%	-9.4%	
2Q18	2.9%	3.5%	2.9%	2.4%	2.1%	2.6%	2.7%	3.1%	3.7%	-0.1%	2.1%	3.3%	2.4%	
3Q18	2.1%	3.3%	2.4%	1.8%	1.2%	1.3%	1.2%	1.9%	1.2%	1.9%	1.1%	6.7%	-0.8%	
4Q18	2.0%	3.7%	2.2%	1.8%	1.1%	0.9%	0.6%	2.9%	3.4%	5.6%	1.4%	2.2%	-2.1%	
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%	

	YoY % change in Occupancy										New				
	U.S.	Upper Luxury		Upper Upscale		Upper Midscale		Economy		Inde- pendent	York	Boston	LA	Chicago	DC
3/23/2019	0.2%	-2.9%	-1.8%	-1.3%	-0.3%	0.6%	1.4%	2.1%	1.5%	-3.6%	2.0%	-0.3%	-8.5%		
3/30/2019	4.2%	-2.6%	4.5%	5.4%	6.5%	5.4%	2.3%	2.4%	-7.8%	3.7%	-2.2%	-2.1%	4.6%		
4/6/2019	0.4%	0.2%	4.0%	1.1%	0.1%	-1.1%	-0.3%	-1.1%	2.5%	-7.5%	0.4%	11.0%	4.3%		
4/13/2019	2.4%	-0.2%	2.0%	0.6%	1.7%	2.7%	3.6%	3.6%	3.2%	3.5%	5.1%	8.5%	0.4%		
4/20/2019	-6.2%	-6.1%	-8.5%	-9.3%	-9.0%	-7.8%	-2.6%	-2.6%	1.4%	-2.0%	3.0%	-11.3%	-13.3%		
4/27/2019	-1.4%	-6.0%	-6.3%	-3.5%	-1.6%	0.4%	2.0%	0.4%	-3.7%	-2.1%	-2.1%	-4.9%	-8.1%		
5/4/2019	1.2%	2.1%	1.3%	1.4%	1.1%	-0.3%	0.2%	1.6%	-2.4%	8.2%	4.7%	6.9%	3.5%		
5/11/2019	-0.3%	0.7%	-0.3%	-0.5%	-0.4%	-1.4%	-0.5%	0.0%	-5.0%	5.4%	-0.5%	1.0%	-1.0%		
5/18/2019	0.8%	0.3%	0.4%	0.2%	0.5%	0.6%	0.6%	1.2%	-2.3%	4.0%	1.1%	4.2%	-0.5%		
5/25/2019	0.9%	1.8%	1.1%	1.0%	0.8%	0.1%	0.6%	0.8%	2.3%	-2.2%	-1.8%	3.4%	2.2%		
6/1/2019	0.6%	-0.8%	0.1%	-0.2%	0.8%	0.5%	0.0%	1.4%	1.3%	6.1%	0.0%	0.2%	-1.7%		
6/8/2019	-1.3%	-1.9%	-1.4%	-1.8%	-1.9%	-2.4%	-0.8%	-0.7%	-0.7%	0.4%	0.4%	-0.3%	-2.7%		
6/15/2019	-0.6%	0.3%	0.3%	-0.7%	-0.6%	-1.3%	-0.7%	-1.2%	-2.0%	3.3%	2.3%	3.6%	-1.1%		

1Q16	-0.5%	-0.3%	-0.8%	-0.9%	-0.6%	-1.7%	-1.5%	0.3%	2.0%	-4.3%	4.7%	-3.0%	2.0%	
2Q16	0.6%	-0.7%	0.7%	0.2%	0.4%	0.5%	-0.4%	1.2%	-1.4%	-1.7%	1.5%	-1.4%	1.3%	
3Q16	0.0%	0.0%	-0.1%	-0.6%	-0.6%	-0.6%	-0.6%	0.7%	0.3%	-2.8%	1.7%	-0.7%	1.9%	
4Q16	0.6%	-0.2%	-0.8%	-1.0%	0.2%	1.7%	1.2%	1.2%	2.2%	-2.8%	1.0%	-0.5%	3.7%	
1Q17	0.9%	-0.2%	0.6%	-0.3%	0.7%	1.6%	0.2%	1.6%	1.0%	-1.1%	-2.4%	-0.2%	2.2%	
2Q17	0.5%	0.1%	-0.6%	-1.1%	-0.3%	0.4%	1.4%	1.6%	1.7%	0.3%	0.8%	-0.7%	-1.2%	
3Q17	0.5%	-0.9%	-0.3%	-0.1%	0.6%	1.6%	0.5%	0.9%	1.1%	-1.0%	-2.9%	-2.7%	-0.5%	
4Q17	1.8%	2.2%	1.3%	2.0%	2.1%	1.2%	0.3%	2.0%	1.0%	2.8%	-0.3%	-0.5%	-0.2%	
1Q18	0.9%	2.1%	0.0%	0.5%	1.1%	0.9%	1.3%	0.7%	3.5%	3.7%	-1.3%	4.4%	-1.8%	
2Q18	1.1%	1.3%	0.5%	0.4%	0.9%	1.5%	0.4%	1.5%	0.5%	-1.1%	-1.4%	0.7%	0.7%	
3Q18	-0.4%	0.0%	-0.5%	-1.0%	-1.7%	-1.1%	0.5%	0.3%	-0.5%	0.9%	0.2%	0.7%	-2.6%	
4Q18	0.4%	-0.7%	-1.1%	-1.6%	-0.6%	0.4%	2.3%	1.9%	0.1%	6.3%	1.6%	0.6%	-1.3%	
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%	

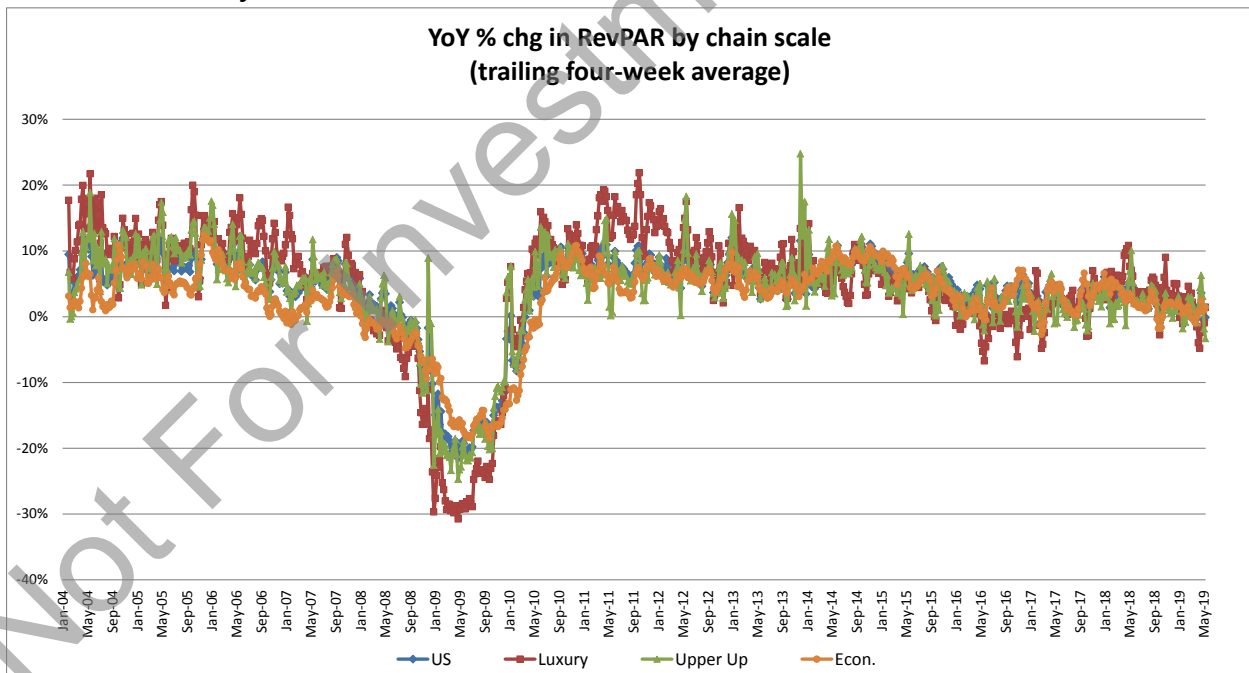
Source: STR data, STRH research

RevPAR Component Trends



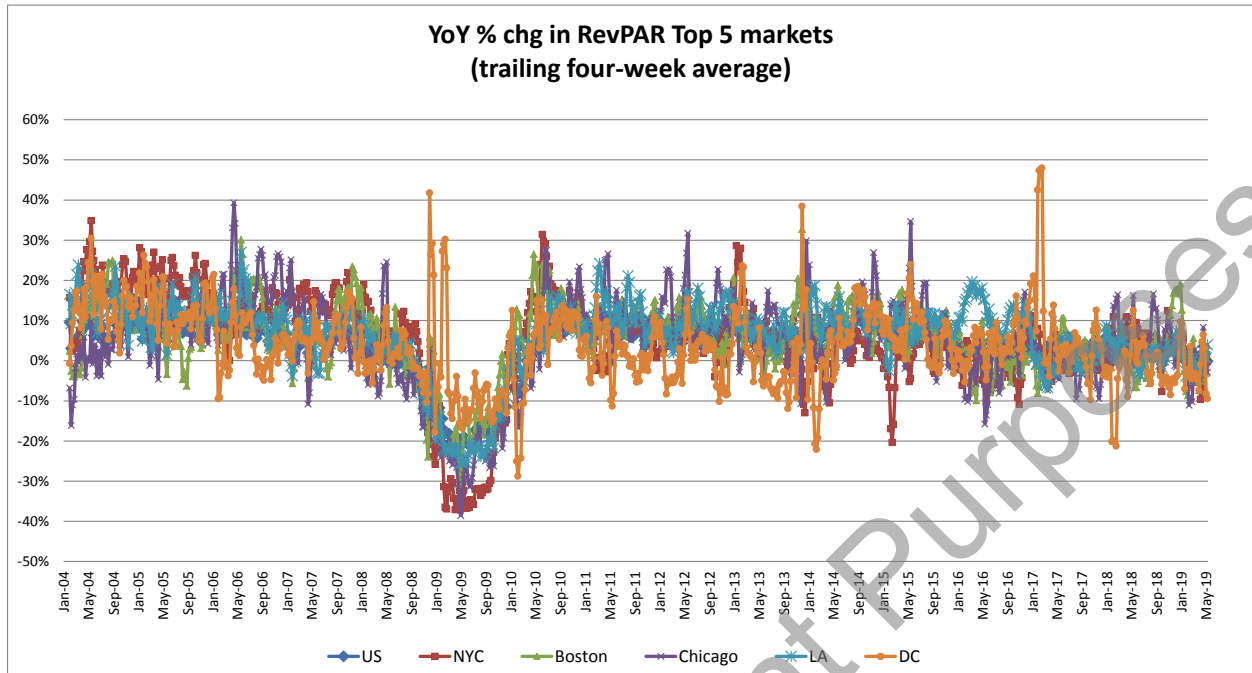
Source: STR data, STRH research

RevPAR Trends by Chain Scale



Source: STR data, STRH research

RevPAR Trends by Market



Source: STR data, STRH research

Not For Investment Purposes

Price Target/Risks Summary

Lodging	TKR	Price 6/18/19	Rating	PT*	% upside down- side	2020E Valuation EBITDA (\$M)**	2020E As Reported EBITDA (\$M)*	Target EV/EBITDA Multiple	Risks
Chesapeake Lodging Trust	CHSP	\$29.12	Hold	\$30	3%	\$181	\$181	13.4X	Upside risk: improvement in NY and Chicago markets Downside risk: softening of RevPAR trends in Boston or SF. Slowdown in real estate lending.
Choice Hotels	CHH	\$85.99	Hold	\$86	0%	\$380	\$380	14.0X	Upside risk: conservative guidance. Downside risk: slowdown in development opportunities.
DiamondRock Hospitality	DRH	\$10.36	Hold	\$11	6%	\$267	\$268	12.0X	Upside risk: specific markets (esp. NYC) perform better than expected. Downside risk: company unable to locate properties to buy.
Host Hotels & Resorts	HST	\$18.65	Hold	\$22	18%	\$1,540	\$1,540	12.5X	Upside risk: the company increases dividends by more than expected; NYC outperforms or is sold down at attractive multiples. Downside risk: Group underperforms. NYC hotels underperform and asset sales do not happen.
Hyatt Hotels	H	\$76.02	Hold	\$82	8%	\$802	\$839	13.1X	Upside risk: Transient and group trends outperform expectations Downside risk: ongoing misexecution and volatility.
Bluegreen Vacations Corporation	BXG	\$10.93	Hold	\$16	46%	\$146	\$146	7.8X	Upside risk: Accelerating tour flow, FCF generation and declining consumer defaults. Downside risk: 3rd party induced defaults worsen. Middle market customers underperform.
Hilton Grand Vacations	HGV	\$29.70	Buy	\$50	68%	\$452	\$491	11.4X	Downside risk: Disruption in a major market (HGV more concentrated than peers), issues with Japanese customer (HGV more exposed than peers), difficulty sourcing additional fee-for-service inventory deals
Hilton	HLT	\$95.10	Buy	\$101	6%	\$2,382	\$2,482	14.8X	Downside risk: slowing pipeline Upside Risk: Significant U.S macroeconomic improvement results in large recovery in transient corporate demand (and consequential >400 bps RevPAR improvement). Owned assets sell for premium prices relative to MAR expectations. Downside Risk: 2020 is a recession year in the US. Geopolitical and policy risks negatively impact lodging demand.
Marriott International	MAR	\$134.96	Hold	\$135	0%	\$3,600	\$3,919	14.8X	Downside risk: M&A story fades and multiples revert to historical levels
Marriott Vacations	VAC	\$98.69	Buy	\$147	49%	\$748	\$880	11.2X	Downside risk: Significant supply growth, macroeconomic challenges/shocks, higher than expected labor costs.
Park Hotels & Resorts	PK	\$28.62	Buy	\$34	19%	\$765	\$780	12.6X	Upside Risks: Material near-term incremental EBITDA from Legacy LHO assets. Downside Risks: Planned asset sales do not materialize as expected and/or at lower-than-expected pricing. Incremental EBITDA from major CapEx investments take longer than anticipated, resulting in multiple contraction.
Pebblebrook Hotel Trust***	PEB	\$29.04	Hold	\$34	17%	\$489	\$489	14.5X	Downside risk: demand shock, hurricanes, inability to complete 2021 growth initiatives, country-specific risks (emerging market portfolio)
Playa Hotels & Resorts	PLYA	\$8.15	Buy	\$13	60%	\$213	\$224	11.5X	Upside risk: RevPAR reaccelerates due to macroeconomic improvements, leading to estimate revisions and multiple expansion. Downside risk: Significant supply growth, struggle to source deals/lower leverage, macroeconomic challenges/demand shocks.
RLJ Lodging Trust	RLJ	\$18.17	Hold	\$19	5%	\$488	\$501	11.5X	Upside risk: recovering group demand better than expected, better margin recovery. Downside risk: booking issues stickier than expected.
Ryman Hospitality Properties	RHP	\$82.17	Hold	\$81	-1%	\$536	\$521	12.6X	Upside risk: Recovery of corporate demand in SHO's markets. Above average group bookings in Orlando and Boston Park Plaza post-meeting space expansions. Downside risk: Weaker than expected demand trends following capital investment projects.
Sunstone Hotel Investors	SHO	\$13.82	Hold	\$15	9%	\$316	\$316	12.0X	Downside risk: Economic conditions, competition for vacation and ski dollars, stagnant skier visitation, an aging customer, and climate change.
Vail Resorts, Inc.	MTN	\$236.65	Buy	\$247	4%	\$776	\$776	#REF!	Downside risk: The timeshare business is especially vulnerable to economic softness. There are potential execution risks post the spin off. Downside risk: Slowdown in development opportunities. La Quinta synergies below expectations.
Wyndham Destinations	WYND	\$42.89	Buy	\$74	73%	\$1,028	\$1,047	9.2X	
Wyndham Hotels & Resorts	WH	\$56.53	Buy	\$68	20%	\$644	\$666	13.0X	

* All of our Lodging price targets are derived by applying a target EV/EBITDA multiple to our estimate for 2020 EBITDA

** Valuation EBITDA excludes select items for specific companies including stock-based compensation.

*** Covered by Gregory J. Miller

Source: FactSet, STRH research

WH: Valuation and Risks

Our price target of \$68 for WH is based on a 13.0x multiple (in line with portfolio quality/RevPAR relative to peers) of our 2020 EBITDA estimate.

Downside risk: slowdown in development opportunities. La Quinta synergies below expectations. La Quinta integration takes longer than anticipated. Macro demand headwinds.

HLT: Valuation and Risks

We apply a blended multiple of 14.8x (10.5x for Owned/leased and 15.0x for Managed/franchised) to our 2020 adjusted EBITDA estimate to derive a 12-month price target of \$101. This multiple is towards the higher end of the historical range of 10x-16x.

Risks include:

Growth trajectory could disappoint. Pipeline growth could either slow down or projects scheduled for construction could be cancelled, which would diminish system growth for the firm and disappoint investors.

Companies Mentioned in This Note

Bluegreen Vacations Corporation (BXG, \$10.93, Hold, C. Patrick Scholes)
Choice Hotels International, Inc. (CHH, \$85.99, Hold, C. Patrick Scholes)
Chesapeake Lodging Trust (CHSP, \$29.12, Hold, C. Patrick Scholes)
DiamondRock Hospitality Company (DRH, \$10.36, Hold, C. Patrick Scholes)
Hyatt Hotels Corporation (H, \$76.02, Hold, C. Patrick Scholes)
Hilton Grand Vacations Inc. (HGV, \$29.70, Buy, C. Patrick Scholes)
Hilton Worldwide Holdings Inc. (HLT, \$95.10, Buy, C. Patrick Scholes)
Host Hotels & Resorts, Inc. (HST, \$18.65, Hold, C. Patrick Scholes)
Marriott International, Inc. (MAR, \$134.96, Hold, C. Patrick Scholes)
Vail Resorts, Inc. (MTN, \$236.65, Buy, C. Patrick Scholes)
Pebblebrook Hotel Trust (PEB, \$29.04, Hold, Gregory Miller)
Park Hotels & Resorts Inc. (PK, \$28.62, Buy, C. Patrick Scholes)
Playa Hotels & Resorts N.V. (PLYA, \$8.15, Buy, C. Patrick Scholes)
Ryman Hospitality Properties, Inc. (RHP, \$82.17, Hold, C. Patrick Scholes)
RLJ Lodging Trust (RLJ, \$18.17, Hold, C. Patrick Scholes)
Sunstone Hotel Investors, Inc. (SHO, \$13.82, Hold, C. Patrick Scholes)
Marriott Vacations Worldwide Corporation (VAC, \$98.69, Buy, C. Patrick Scholes)
Wyndham Hotels & Resorts, Inc. (WH, \$56.53, Buy, C. Patrick Scholes)
Wyndham Destinations, Inc. (WYND, \$42.89, Buy, C. Patrick Scholes)

Analyst Certification

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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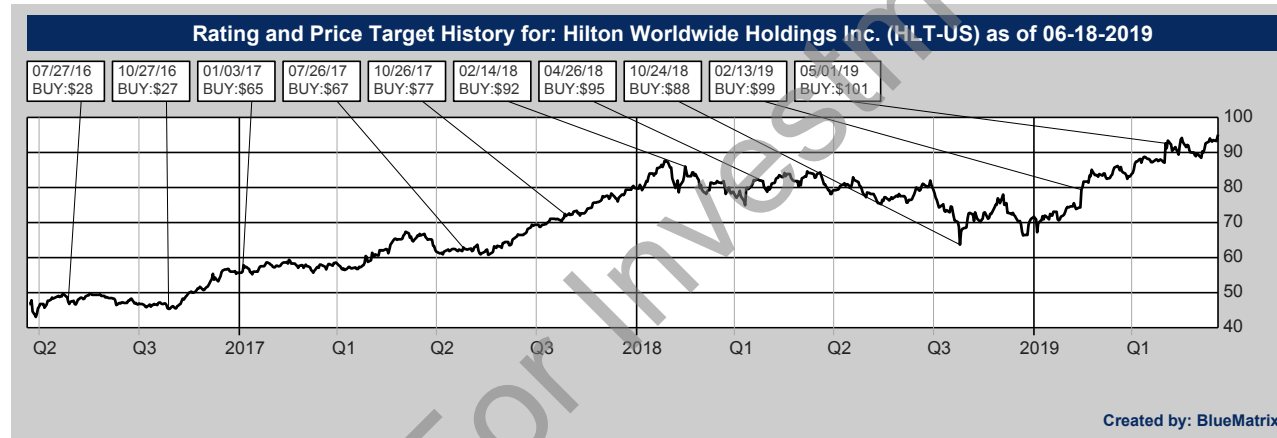
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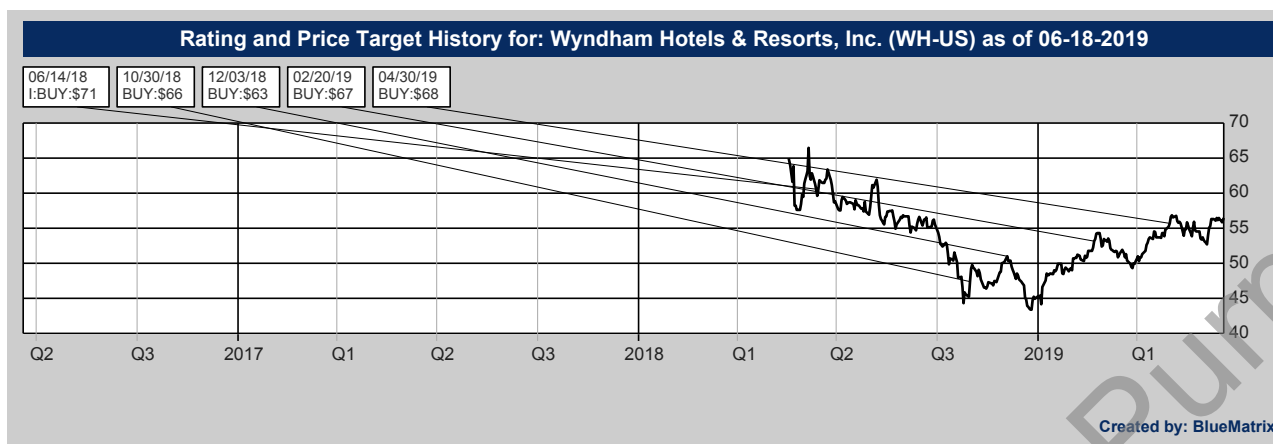
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- Neutral – total return is within the bounds above
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*Total return (price appreciation + dividends); **Price targets are within a 12-month period, unless otherwise noted; ***Low Beta defined as securities with an average Beta of 0.8 or less, using Bloomberg's 5-year average

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