SunTrust Robinson Humphrey

April Lodging RevPAR Monitor: Small improvements starting to add up

Raising 2018 RevPAR est. again by 50bps on a bit more ADR growth

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

Bradford Dalinka
212-303-4190
bradford.dalinka@suntrust.com

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

Jeffrey Stantial
212-590-0993
jeffrey.stantial@suntrust.com

What's Inside

An in-depth update to our RevPAR outlook

Based on our forward-looking observations in our internal RevPAR data analytics lab combined with conversations with private hotel owners, we saw another month of small improvements in forward RevPAR trends with ADR ticking up slightly. While we are still measuring monthly improvements in basis points, several consecutive months of +20-30 bps improvements has resulted in us taking our 2018 RevPAR forecast for full-service branded US hotels (aka the typical HLT and MAR branded hotel) up by another 50 bps., to +1-3% from +0.5-2.5% previously and from +0-2% two months ago. **As we noted in our earnings preview last week, we see a greater than 50% chance HLT and MAR will raise their 2018 RevPAR guidances by 50 bps. and if they do not do it this quarter there is a higher probability they will do it next quarter.** For the stocks, this signals continued opportunity to grind higher.

We attribute the small but consistent improvement in forward trends to traveler optimism around the tax cuts and consumer confidence near highest levels in nearly twenty years. Transient leisure continues to be the stand-out performer of the three major customer segments and this continues to bode well for Vacation Ownership, Regional Gaming, and Cruise companies, though with some weather related caveats for regional gaming and Cruise companies.

Introducing our 3Q RevPAR forecasts of +1.5-3.5% for full-service branded US hotels. Early indications for summer leisure travel look relatively good though mid-scale and economy hotels in some second and third tier markets will have a very difficult y/y solar eclipse comp in August.

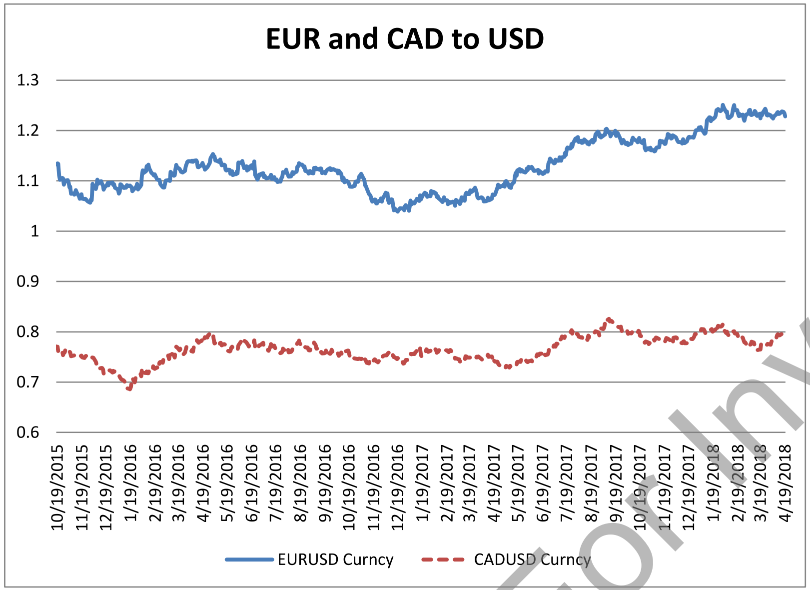
- 2Q18: Still tracking at +2-4% which we believe is approx. 50-100bps. better than most on the Street are modeling.

As far as the stocks, based on our last several months of RevPAR data analytics observations, we are more positive on the hotel REITS than we were at the same time last year, though still not overly bullish like we are for the leisure focused sectors.

- Given recent forward-looking demand and pricing trends, we continue to have high confidence that numbers will not need to be cut in 2018 and that companies may actually have modest earnings beats and that dividends will be paid (though we're not expecting dividend raises of any size this year).
- We see the major issue/challenge for the hotel owners in 2018 as cost containment. In an environment of property-level operating costs of 2.5%+ vs. 1-3% RevPAR growth, this does not bode well for margin expansion for hotel owners (outside of PK, which has some unique self-help drivers).

- A second strike against the hotel REITS at this moment is that the growth in RevPAR is primarily driven by the leisure segment as opposed to the corporate segment (discussed further in this report), the latter being the bread and butter customer for the hotel REITS.
- **Of the hotel REITS, PK is our favorite** (see January's upgrade for detail). Positives for the REITS this year include:
  - At this level of RevPAR growth dividends are not stretched and barring a negative demand shock we do not attach a high level of risk they will be cut over the next year (LHO excluded). Most hotel REITS dividends are at an attractive 4-6% yield.
  - The bounce-back in San Francisco beginning in 2Q18 and accelerating through 2019 (1Q19 should be amazing). In this cycle, San Francisco has supplanted NYC as the most important market for the hotel REITS. Please see city-specific discussion below for additional detail and company impact.
  - The recent depreciation in the US$ vs. the Euro and CAD$ should be a benefit especially for the hotel REITS as they are congregated in major gateway markets that are popular for international visitation.

Assuming this trend continues, we would expect to see it to be a small tailwind to RevPAR growth beginning in the second quarter (there is a six month lag as to when changes in FX begin to help/hurt visitation due to the lengthy booking window of international leisure travel).



Source: STRH Research, Bloomberg

Looking at what could derail the lodging C-Corp stock party, the tough y/y comp in 4Q18 due to hurricane demand is a concern, but 4Q18 weakness seems to be isolated to Houston and is not showing up in our Florida checks. In 4Q17 Houston was +41% y/y while Miami was +16%, Orlando was 14% and Tampa was +10%. Houston is clearly tracking negative for 4Q18-1Q19 while major Florida cities are flat to up low single digits; not bad for Florida in our opinion considering the difficult y/y comp and we believe this attests to the strength in leisure travel. **We see the biggest risk at the moment to the stocks in our sectors coming from unpredictability in the Oval Office.**

Looking at our most recent forward-looking demand and pricing observations:

2Q18

- **April:** This month will benefit from the Easter shift. We see this month currently tracking above the high-end of our 2Q18 forecast of +2-4%.
- **May:** Looks to be a clean comp month, tracking at the low-to-mid-point of the 2Q18 range.
- **June:** Also looks to be a clean comp month, tracking at the midpoint of the range.

3Q18

- **July:** July 4th shifts to a Wednesday this year from a Tuesday last year. We believe this will knock out a little business travel for the week. We see the month tracking at the mid-point of our +1.5-3.5% 3Q RevPAR forecast.
- **August:** For the top 25 markets the trends look very strong, tracking at or above the high-end of the +1.5-3.5% range. That said, once we look outside of the top 25 markets, RevPAR growth will be more challenged due to a very tough solar eclipse comp.
- **September:** Both Jewish holidays fall in September this year with Rosh Hashanah beginning on Sunday, September 9th and Yom Kippur beginning on Tuesday September 18th. The timing of these holidays is not so dissimilar to 2017 where Rosh Hashanah began on Wednesday, September 20th and Yom Kippur started on Friday, September 29th. Subsequently, we do not see September or October of this year being materially impacted by holiday shifts. September is tracking near the mid-point of our +1.5-3.5% 3Q forecast.

Quarterly Tracking

	2Q18E	*3Q18E*	*2018E*
	Overall	**Overall**	**Overall forecast**
Mar-18	**+2-4%**	**+1.5-3.5%**	**+1-3%**
Feb-18	**+2-4%**		**+0.5-2.5%**
Jan-18	**+2-4%**		**+0-2%**
Dec-17	**+1.5-3.5%**		**+0-2%**
Nov-17			**-0.5% to +1.5%**
Oct-17			**-0.5% to +1.5%**
Sep-17			**-0.5% to +1.5%**
Aug-17			**-0.5% to +1.5%**
Jul-17			**-0.5% to +1.5%**
Jun-17			**-0.5% to +1.5%**

Source: STRH Research

On the good news front, international RevPAR growth continues to be very strong though this is only a benefit to C-Corps and not hotel REITS. Internationally, RevPAR growth in 1Q in Europe in local currency likely came in better than anticipated as did Asia-Pacific:

- Based on STR data, Europe came in at +7.2% in January, +6.6% in February, and +6.4% in March (in local currency) but +20.1%, +18.8%, and +17.6% respectively in US$.

- By comparison at the time of 4Q earnings calls, HLT expected RevPAR growth out of Europe for the full-year to be at to slightly above the high-end of its international range of +3-5% (in local currency) and MAR expected international RevPAR to be +3-5% for the year and Europe for 2018 to be up mid-single digits.
- Asia came in at +8.8% in January, +13.5% in February, and +11.9% in March in US$.
  - By comparison, HLT expected Asia-Pacific for 2018 to be up in the mid-single digits with China +6-7% and MAR expected overall 1Q international RevPAR in constant currency to grow 3-5% y/y with Asia-Pacific up mid-single digits for the full year.

Examining the three customer segments:

Leisure travel: Underlying relative strength is coming from improving wage growth, near-full employment, near record consumer confidence, and continued low gas prices, which translates into moderate growth in the forward-looking hotel demand and pricing trends.

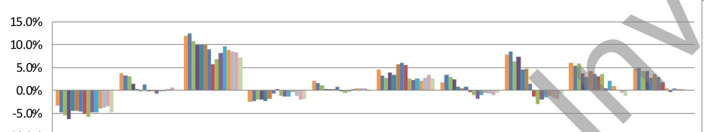
- Our latest pricing and demand observations from our RevPAR data lab show RevPAR growth for Spring and Summer leisure travel tracking approx. +3-4% for US full service hotels (approx. 100 bps. higher for limited service properties as hurricane demand falls under this segment). Early indications point to a strong summer (last week of August excluded for some second and third tier markets that benefited from the solar eclipse last year).

Individual business traveler RevPAR expectations (visibility is about 60 days) picked up slightly over the past six weeks. We expect this segment up 1-2.0% for the year.

Forward-looking Group/convention demand expectations were mixed over the past six weeks (primary data source: TAP):

Net

Net of Supply Growth Changes to 2018/2019
Y/Y Citywide Group Pace (by Quarter/Year)

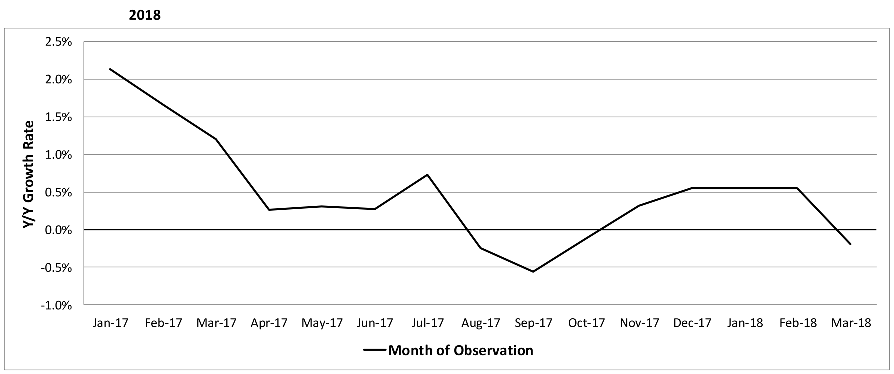


	1Q18	2Q18	3Q18	4Q18	YE 18	1Q19	2Q19	3Q19	4Q19	YE 19
Pace as of January 2017	-3.2%	3.7%	12.0%	-2.6%	2.1%	4.6%	1.8%	7.9%	6.0%	4.7%
Pace as of February 2017	-4.8%	3.2%	12.5%	-2.3%	1.7%	3.3%	3.4%	8.6%	5.4%	4.9%
Pace as of March 2017	-5.4%	3.1%	10.8%	-2.1%	1.2%	2.7%	2.9%	6.4%	5.8%	4.2%
Pace as of April 2017	-6.3%	1.5%	10.0%	-2.0%	0.3%	4.0%	2.5%	7.4%	3.7%	4.2%
Pace as of May 2017	-4.5%	0.3%	10.0%	-2.3%	0.3%	3.4%	0.8%	4.6%	3.0%	2.8%
Pace as of June 2017	-4.4%	-0.2%	9.9%	-1.9%	0.3%	5.8%	0.4%	4.7%	4.3%	3.6%
Pace as of July 2017	-4.7%	1.2%	9.1%	-0.7%	0.7%	6.0%	0.8%	1.4%	3.7%	2.9%
Pace as of August 2017	-5.1%	-0.1%	5.7%	0.3%	-0.2%	5.5%	-0.3%	-1.4%	3.1%	1.7%
Pace as of September 2017	-5.8%	-0.2%	6.9%	-1.2%	-0.6%	2.6%	-1.0%	-2.9%	3.6%	0.5%
Pace as of October 2017	-4.7%	-0.6%	8.3%	-1.3%	-0.1%	2.2%	-1.9%	-1.9%	0.4%	-0.3%
Pace as of November 2017	-4.8%	-0.1%	9.7%	-1.3%	0.3%	2.6%	-1.0%	-1.5%	2.1%	0.5%
Pace as of December 2017	-4.0%	-0.1%	8.8%	-0.3%	0.5%	2.2%	-0.5%	-1.2%	1.0%	0.4%
Pace as of January 2018	-3.7%	0.3%	8.6%	-1.2%	0.6%	2.8%	-0.7%	-1.5%	0.2%	0.2%
Pace as of February 2018	-3.5%	0.6%	8.4%	-1.9%	0.6%	3.4%	-0.9%	-1.8%	-0.6%	0.1%
Pace as of March 2018	-4.7%	0.0%	7.3%	-1.8%	-0.2%	2.6%	-0.5%	-0.6%	-1.1%	0.2%

Source: STRH Research, TAP

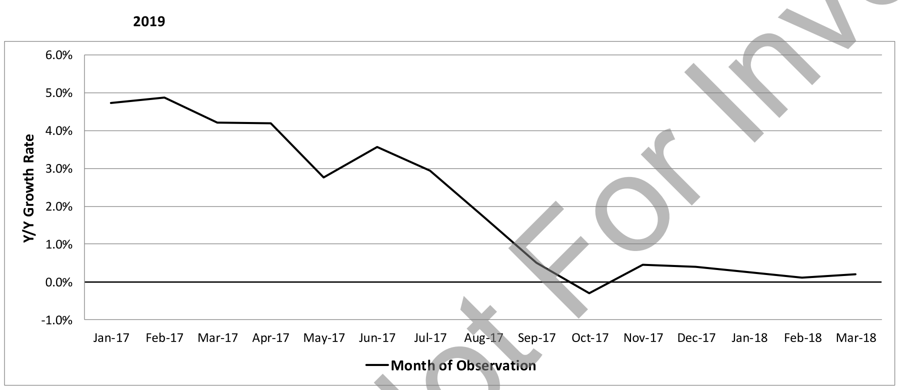
- **2018:** Headline group demand is pacing approx. -0.2%. To this we add approx. 2.0 percentage points of rate growth to come up with a projection that same-store Group RevPAR is tracking at approx. +1.5-2.5% for 2018.

2018 Group demand pace trend



- **2019:** Our net-of-supply group pace for 2019 is +0.2% at the moment. To this we add approx. 1.5 percentage points of rate growth to come up with a projection that same-store Group RevPAR is tracking at approx. +1.0-2.0% for 2019 at the moment. We note that 2019 will show massive gains in SF due to the completion of the Moscone Center renovations.

2019 Group demand pace trend



Source: STRH Research, TAP

Segmentation By Company

	Transient Corporate	Transient Leisure	Group
REITS			
CHSP	45%	20%	35%
DRH	45%	20%	35%
HST	45%	15%	40%
LHO	55%	20%	25%
PK	45%	20%	35%
RHP	5%	15%	80%
RLJ	55%	25%	20%
SHO	45%	20%	35%
PEB (not covered)	60%	20%	20%
C-corps	**Transient Corporate**	**Transient Leisure**	**Group**
CHH	45%	45%	10%
H	40%	20%	40%
HLT	50%	20%	30%
IHG	45%	40%	15%
MAR	45%	20%	35%
WYN	45%	45%	10%

Source: STRH Research

Major Markets:

The markets we observe with strong hurricane driven bump-ups in forward demand are (not surprisingly) Houston, Orlando, and Miami (easy Zika comps Florida - especially Miami - and seeing demand that would have gone to Key West and hurricane devastated Caribbean islands). We expected these markets to have outsized RevPAR growth rates through early September 2018, followed by difficult comp, most notably in Houston.

Ranking the big six major US markets for the remainder of 2018. Group/meeting bookings is the best way to think about market outperformance/ underperformance for time periods more than 90 days out. A healthy (or weak) convention calendar really drives city performance (with the notable exception of NYC as that is mostly a transient market). Based on initial group/convention bookings, we lump the top six markets into three buckets:

1. **Strong in 2018:** SF
2. **Average to slightly above average:** NYC (but see NYC comments above), Chicago (good city-wide performance but partly driven by demand at newly opened hotels and less good for same-store results)
3. **Weak:** Boston, DC, LA

Outside of the big six in North America, Canadian cities such as Montreal, Toronto, and Vancouver continue to look relatively strong, though as y/y comps get tougher and the FX tailwind subsides, the strength is beginning to wane. Unfortunately, very few REITS (only HST in our coverage) own hotels in Canada.

Additional color on the big six:

Boston:

2Q: Well below average
3Q: Below average
4Q: Below average

Est exposure to Boston market									
	CHSP	DRH	HST	LHO	PEB	PK	RHP	RLJ	SHO
Boston	16%	16%	7%	19%	9%	2%	0%	2%	15%
Rank	2	2	6	1	5	7	9	7	4
Note: Est. exposures include surrounding areas									
Source: STRH Research, Company data									

Chicago:

2Q: Below average
3Q: Above average
4Q: Above average

2019 is not looking encouraging.

Group/convention outlook for Chicago

Pace as of	1Q18E	2Q18E	3Q18E	4Q18E	1Q19E	2Q19E	3Q19E	4Q19E
Mar-18	44.1%	-1.3%	34.1%	28.4%	-25.3%	-9.9%	-12.1%	-21.3%
Feb-18	42.0%	-0.4%	35.0%	27.2%	-23.9%	-9.8%	-12.9%	-21.1%
Jan-18	41.1%	0.8%	35.5%	26.2%	-25.9%	-7.3%	-14.5%	-20.3%
Dec-17	40.0%	1.9%	36.0%	25.2%	-28.0%	-4.5%	-16.2%	-19.5%
Nov-17	38.0%	2.7%	42.3%	22.9%	-27.2%	-4.7%	-17.0%	-19.2%
Sep-17	34.9%	1.6%	36.7%	25.1%	-27.4%	-2.0%	-20.0%	-19.7%
Aug-17	10.4%	2.1%	33.6%	26.7%	7.3%	5.1%	-21.3%	-17.1%
Jul-17	5.0%	3.0%	61.4%	14.4%	-9.4%	4.9%	-14.7%	-22.1%

Source: STRH Research, TAP

Est exposure to Chicago market									
	CHSP	DRH	HST	LHO	PEB	PK	RHP	RLJ	SHO
Chicago	10%	12%	4%	7%	0%	6%	0%	4%	7%
Rank	2	1	6	3	8	5	8	6	3
Note: Est. exposures include surrounding areas									
Source: STRH Research, Company data									

Los Angeles:

2Q: Below average
3Q: Below average
4Q: Below average

Group/convention outlook for Los Angeles

Pace as of	1Q18E	2Q18E	3Q18E	4Q18E	1Q19E	2Q19E	3Q19E	4Q19E
Mar-18	19.4%	-21.3%	-9.3%	3.2%	-30.7%	-1.7%	-3.2%	16.2%
Feb-18	20.4%	-22.4%	-8.0%	4.3%	-32.9%	-0.1%	-21.1%	12.1%
Jan-18	18.7%	-25.9%	-6.2%	4.5%	-28.6%	5.8%	-19.2%	12.9%
Dec-17	16.9%	-29.7%	-4.0%	4.8%	-24.0%	11.9%	-17.3%	13.7%
Nov-17	16.8%	-29.7%	-1.1%	6.2%	-25.6%	11.9%	-20.6%	22.2%
Sep-17	13.1%	-32.1%	1.1%	8.1%	-24.0%	13.4%	-18.4%	28.6%
Aug-17	16.9%	-32.3%	-0.3%	14.9%	-19.8%	13.3%	-19.6%	9.5%
Jul-17	18.8%	-37.3%	16.5%	12.6%	-19.8%	13.3%	-15.5%	11.1%

Source: STRH Research, TAP

Est exposure to LA market									
	CHSP	DRH	HST	LHO	PEB	PK	RHP	RLJ	SHO
LA	11%	1%	6%	9%	16%	0%	0%	5%	9%
Rank	2	7	5	3	1	8	8	6	3
Note: Est. exposures include surrounding areas									
Source: STRH Research, Company data									

NYC: Following an approx. +6% 1Q, NYC should see a positive RevPAR growth result for 2018 (we said the same things for 2017: It was very close but the final result was -0.3%). However even a flat-ish result should be considered a success given the massive amount of supply that has and is coming into the market. Helping NYC are new regulations on short-term rentals (Airbnb) which may take some of the new "shadow supply" pressure away. Additionally FX should move from a headwind to tailwind by the summer. That said, we believe it will be difficult for NYC to see anything much above flat RevPAR growth in 2018 as new hotel supply looms large.

- A major headwind to same store RevPAR growth in NYC is several years of compounded 4-6% new supply growth. Per Lodging Econometrics, city-wide new room supply grew 5.1% in 2016, 4.9% in 2017, and is expected to grow 8.3% in 2018, and 3.7% in 2019. Even if some of these expected new hotels never open, it is difficult to envision that NYC will not have continued pressure from above-average supply over the next several years.

Est exposure to NYC market									
	CHSP	**DRH**	**HST**	**LHO**	**PEB**	**PK**	**RHP**	**RLJ**	**SHO**
NYC	5%	11%	10%	9%	0%	6%	0%	4%	4%
Rank	5	1	2	3	8	4	8	7	6
Note: Est. exposures include surrounding areas									
Source: STRH Research, Company data									

San Francisco: 1Q18 will be the last quarter of Moscone-driven weakness. Specifically, March 2018 will be the month where SF turns the corner.

2Q: Well above average
3Q: Well above average
4Q: Above average

Group/convention outlook for San Francisco

Pace as of	1Q18E	2Q18E	3Q18E	4Q18E	1Q19E	2Q19E	3Q19E	4Q19E
Mar-18	-19.0%	29.1%	66.1%	-17.6%	106.6%	54.8%	17.2%	80.1%
Feb-18	-18.9%	30.3%	66.7%	-19.6%	109.1%	55.0%	29.2%	82.7%
Jan-18	-21.2%	28.0%	67.6%	-11.7%	108.8%	51.4%	35.9%	63.8%
Dec-17	-23.7%	25.5%	68.5%	-3.7%	108.6%	47.7%	43.3%	48.5%
Nov-17	-25.0%	10.1%	78.0%	-3.9%	113.2%	47.2%	49.8%	48.2%
Sep-17	-21.9%	37.3%	77.6%	2.3%	121.8%	40.9%	49.1%	64.1%
Aug-17	-17.9%	50.7%	69.4%	6.3%	124.1%	42.5%	49.1%	67.5%
Jul-17	-15.2%	51.4%	70.0%	9.0%	126.0%	49.5%	50.5%	66.1%

Source: STRH Research, TAP

Est exposure to SF market									
	CHSP	DRH	HST	LHO	PEB	PK	RHP	RLJ	SHO
San Francisco	22%	1%	7%	15%	25%	12%	0%	11%	8%
Rank	2	8	7	3	1	4	9	5	6
Note: Est. exposures include surrounding areas									
Source: STRH Research, Company data									

Washington DC:

2Q: Average
3Q: Below average
4Q: Below average

Group/convention outlook for Washington, D.C.

Pace as of	1Q18E	2Q18E	3Q18E	4Q18E	1Q19E	2Q19E	3Q19E	4Q19E
Mar-18	-21.3%	26.9%	-27.7%	-18.1%	28.9%	-32.0%	27.4%	-8.1%
Feb-18	-21.0%	24.7%	-24.2%	-18.8%	32.0%	-31.7%	28.7%	-7.9%
Jan-18	-24.2%	27.4%	-32.3%	-19.6%	34.4%	-33.9%	29.3%	-8.7%
Dec-17	-27.7%	30.4%	-41.0%	-20.6%	37.1%	-36.1%	30.0%	-9.6%
Nov-17	-27.2%	31.3%	-40.9%	-20.0%	37.1%	-35.3%	30.5%	-9.6%
Sep-17	-26.5%	29.4%	-45.7%	-17.6%	36.7%	-36.4%	7.0%	-6.0%
Aug-17	-26.4%	29.5%	-50.0%	-18.2%	37.7%	-35.7%	10.1%	-4.7%
Jul-17	-26.0%	28.3%	-46.2%	-18.8%	33.7%	-35.4%	9.7%	-4.7%

Source: STRH Research, TAP

Est exposure to DC market									
	CHSP	DRH	HST	LHO	PEB	PK	RHP	RLJ	SHO
DC	3%	5%	12%	15%	3%	3%	22%	5%	13%
Rank	7	5	4	2	7	7	1	5	3
Note: Est. exposures include surrounding areas									
Source: STRH Research, Company data									

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Current expectations for Top 25 Market new supply:

Supply By Top 25 Markets (Sorted by Pipeline Rooms Growth as % of Census)
As of 4Q17

	Census Rank	YE 2015 Growth Rate	YE 2016 Growth Rate	YE 2017 Growth Rate	2018F Growth Rate	2019F Growth Rate
Nashville	24	2.4%	3.7%	4.3%	9.0%	6.0%
New York City	4	4.8%	5.1%	4.9%	8.3%	3.7%
Miami	14	3.0%	4.2%	3.4%	3.6%	4.4%
Seattle	20	3.2%	2.3%	4.3%	6.3%	5.1%
Denver	16	2.9%	2.6%	5.6%	3.3%	7.7%
Dallas	8	1.5%	3.2%	5.9%	4.4%	4.1%
Boston	13	1.7%	4.3%	3.1%	4.7%	2.1%
Houston	9	3.6%	6.9%	3.9%	3.7%	5.0%
Detroit	21	1.3%	2.3%	3.1%	3.6%	5.3%
Los Angeles	6	0.8%	1.0%	4.2%	2.3%	3.6%
Philadelphia	18	0.3%	1.6%	3.2%	3.8%	3.0%
San Diego	11	1.2%	1.6%	1.3%	2.4%	3.2%
Minneapolis	23	2.4%	6.0%	1.8%	4.2%	3.1%
Atlanta	7	0.7%	1.4%	1.7%	2.5%	3.2%
Orlando	2	0.8%	1.8%	0.8%	1.2%	1.0%
Anaheim	12	1.1%	3.3%	1.9%	0.9%	3.3%
San Francisco	15	0.7%	0.1%	1.8%	1.9%	1.6%
Phoenix	10	1.4%	1.6%	2.8%	0.8%	4.0%
Tampa	17	0.7%	1.5%	3.7%	2.4%	2.0%
Washington, D.C.	5	1.6%	2.0%	2.0%	2.0%	0.9%
San Antonio	19	0.8%	1.9%	1.4%	2.3%	3.1%
Saint Louis	27	0.5%	1.3%	2.1%	1.6%	2.1%
Chicago	3	2.6%	2.5%	2.2%	1.7%	2.0%
Oahu Island	37	0.5%	1.3%	0.6%	0.0%	0.0%
Norfolk	26	0.6%	0.0%	1.2%	0.0%	0.9%
Total Top 25 Markets		**1.7%**	**2.6%**	**2.9%**	**3.1%**	**3.1%**

Source: Lodging Econometrics, STRH Research

Notes: The largest market in the U.S., Las Vegas, is not included in this chart due to its casino orientation. 2018-2019 are forecasts.

Companies Mentioned in This Note

Bluegreen Vacations Corporation (BXG, $24.04, Buy, C. Patrick Scholes)
Choice Hotels International, Inc. (CHH, $80.50, Hold, C. Patrick Scholes)
Chesapeake Lodging Trust (CHSP, $29.48, Hold, C. Patrick Scholes)
DiamondRock Hospitality Company (DRH, $11.04, Hold, C. Patrick Scholes)
Hyatt Hotels Corporation (H, $78.11, Hold, C. Patrick Scholes)
Hilton Grand Vacations Inc. (HGV, $44.15, Buy, Bradford Dalinka)
Hilton Worldwide Holdings Inc. (HLT, $82.09, Buy, C. Patrick Scholes)
Host Hotels & Resorts, Inc. (HST, $19.46, Hold, C. Patrick Scholes)
InterContinental Hotels Group PLC (IHG, $61.98, Hold, C. Patrick Scholes)
LaSalle Hotel Properties (LHO, $31.16, Hold, C. Patrick Scholes)
Marriott International, Inc. (MAR, $137.63, Hold, C. Patrick Scholes)
Park Hotels & Resorts Inc. (PK, $28.68, Buy, C. Patrick Scholes)
Ryman Hospitality Properties, Inc. (RHP, $79.29, Hold, C. Patrick Scholes)
RLJ Lodging Trust (RLJ, $20.41, Hold, C. Patrick Scholes)
Sunstone Hotel Investors, Inc. (SHO, $15.64, Hold, C. Patrick Scholes)
Marriott Vacations Worldwide Corporation (VAC, $135.91, Hold, C. Patrick Scholes)
Wyndham Worldwide Corporation (WYN, $115.71, Buy, C. Patrick Scholes)
Airbnb (Private)
Pebblebrook Hotel Trust (PEB, NR)

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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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