

CONSUMER: Lodging

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Reasons for this report

✓ Our analysis of the most recent weekly US lodging results

Lodging: US RevPAR +7% y/y last week, +17% vs. 2019. Easter Holiday shift helps Group demand y/y and vs. 2019

Overall U.S. RevPAR was +6.6% y/y for the week ending 4/22/2023, per STR, down from the prior week's result of +8.6%, and below the trailing 10-week average of +8.2%. Versus 2019, RevPAR was +17.4%, slightly up from the prior week's result of +17.1%, and above the trailing 10-week average of +12.9%.

Last week's results reflected easy comps due to the April holiday shifts in 2019/2022/2023. Easter Sunday fell at the start of 2022's and 2019's comparable weeks, resulting in high Group-driven RevPAR growth in 2023 (Group RevPAR was +47.1% y/y vs. running 28-day average of +8.9%, and +40.9% vs. 2019 compared to running 28-day average of -8.2%).

As a reminder on the impact of holiday calendar shifts to weekly lodging results, the timing of the Spring holidays significantly impact travel patterns where business travel is light during holiday weeks and more robust in the weeks prior to and after the holidays. We strongly discourage looking at the last few weeks' data versus prior weeks as an indicator of softening or strengthening travel trends.

As a rule of thumb when analyzing the weekly data, if Group results are abnormally strong or weak, which they were last week, there is a holiday shift going on.

For the comparable 2019 and 2022 weeks, Easter Sunday fell towards the start of the week. Given lower business travel during holiday weeks, we are not surprised by the stronger y/y and 4-year results. Comps should re-normalize in a few weeks.

Major RevPAR statistics presented below:

- Luxury RevPAR: -1.8% y/y and +18.0% versus 2019;
- Upper Upscale RevPAR: +15.4% y/y and +18.9% versus 2019;
- Upscale RevPAR: +13.0% y/y and +14.1% versus 2019;
- Upper Midscale RevPAR: +7.1% y/y and +15.3% versus 2019;
- Midscale RevPAR: +0.4% y/y and +12.0% versus 2019;
- Economy RevPAR: -2.6% y/y and +10.0% versus 2019;
- Independent hotels (~ 1/3rd of the data set) RevPAR: -0.2% y/y and +16.7% versus 2019; and
- Within Upper Upscale & Luxury class hotels:
 - Group: +47.1% y/y vs. +26.7% prior week; versus 2019: +40.9% vs +16.6% prior week.
 - Transient: -7.5% y/y vs. -2.3% prior week; versus 2019: +11.6% vs +12.7% prior week.
- Las Vegas RevPAR: +18.0% y/y and +33.5% versus 2019.
 - **As a caveat, we note that many large Strip casino hotel operators do not participate in STR's survey.**

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

- Headline RevPAR was +6.6% y/y vs. the running 28-day average of +4.6% y/y.
- **Occupancy:** Absolute occupancy was 67.2% vs. 64.7% for the running 28-day average.
- **Absolute Group occupancy:** 26.3% last week vs. 19.9% for the running 28 days.

The Lodging stocks: Similar to the past year in lodging (and many other) stocks, we see “macro over micro” at the moment. We see the main driver/wildcard coming from the economic impact from interest rates and inflation (and perhaps more importantly investor sentiment around these). While the risks from COVID are not zero (e.g. China reopening impact to the worldwide economy and outbound Chinese travel), we believe COVID issues are now secondary to macroeconomic considerations for most investors and for public company executives. We see **Hyatt (Buy)** as the relative outperformer in our lodging coverage universe for a host of reasons, including continued Caribbean/leisure outperformance and upcoming accretive asset sales. Leisure travel demand and pricing continues to show significant strength in 2023, a positive read-through for all-inclusive resorts (Buy-rated **PLYA, H**) and Vacation Ownership (Buy-rated **BVH, HGV, TNL, VAC**), and Wellness (**OSW**, Buy, Miller). While we have three Buy-rated Lodging REITS, (**PK, RLJ [Miller], RHP**), we have a neutral to cautious view on our broader Lodging REIT sector coverage, with Hold-rated **DRH, HST, PEB (Miller), and SHO**, a view driven by potential downside pressures on revenues and particularly on operating profit margins.

Not for Investment Purposes

Weekly RevPAR Summary

Weekly RevPAR summary

YoY % change in RevPAR													
U.S.	Upper		Upper		Economy		Inde- pendent	New					
	Luxury	Upscale	Upscale	Midscale	Midscale	Economy		York	Boston	LA	Chicago	DC	
12/31/2022	4.2%	2.8%	5.5%	7.4%	5.3%	-0.1%	-1.9%	3.1%	65.3%	17.7%	-6.8%	12.2%	20.2%
1/7/2023	21.8%	42.8%	33.4%	16.2%	7.4%	0.7%	0.2%	33.0%	80.5%	31.4%	32.1%	24.3%	19.3%
1/14/2023	33.1%	68.5%	67.7%	33.3%	18.6%	8.1%	2.2%	27.4%	103.9%	48.7%	51.6%	45.3%	84.7%
1/21/2023	26.2%	34.2%	52.1%	30.5%	18.0%	9.2%	2.3%	21.4%	100.7%	57.4%	24.0%	37.0%	55.4%
1/28/2023	31.9%	44.4%	65.5%	36.4%	22.2%	10.2%	3.2%	23.6%	87.4%	64.4%	32.5%	43.3%	99.9%
2/4/2023	26.6%	35.3%	49.8%	27.9%	17.2%	6.8%	2.0%	25.2%	63.0%	42.6%	28.6%	32.4%	71.2%
2/11/2023	18.9%	16.9%	35.7%	23.3%	14.4%	5.3%	0.9%	14.1%	41.7%	36.1%	-28.4%	24.0%	73.4%
2/18/2023	13.5%	10.1%	24.1%	16.6%	11.4%	4.2%	1.4%	10.2%	49.5%	20.1%	-4.3%	22.4%	48.8%
2/25/2023	11.8%	6.2%	21.6%	15.9%	11.0%	4.5%	0.9%	7.5%	39.1%	21.9%	14.2%	28.8%	46.3%
3/4/2023	12.1%	7.7%	23.3%	15.9%	9.5%	3.0%	-0.6%	8.5%	30.3%	38.0%	18.2%	20.7%	52.2%
3/11/2023	11.1%	8.5%	19.0%	16.6%	10.1%	3.3%	-0.3%	6.3%	32.7%	39.0%	22.4%	22.2%	50.2%
3/18/2023	10.4%	2.1%	14.4%	13.2%	8.1%	2.3%	-1.6%	12.5%	36.4%	40.4%	8.2%	11.8%	47.3%
3/25/2023	4.1%	-3.8%	10.1%	10.0%	6.4%	0.9%	-3.6%	-2.3%	27.8%	14.9%	-8.3%	31.4%	33.4%
4/1/2023	10.9%	8.0%	15.9%	14.7%	10.9%	4.2%	-0.2%	7.7%	16.1%	21.5%	12.1%	11.8%	44.1%
4/8/2023	-6.7%	-9.9%	-7.0%	-4.5%	-7.1%	-9.4%	-8.7%	-7.0%	19.4%	2.0%	-4.4%	-7.9%	5.6%
4/15/2023	8.6%	-3.4%	10.4%	14.1%	15.5%	10.0%	3.6%	2.1%	3.3%	6.6%	5.3%	24.1%	38.1%
4/22/2023	6.6%	-1.8%	15.4%	13.0%	7.1%	0.4%	-2.6%	-0.2%	14.8%	8.8%	1.4%	60.6%	27.8%

Easter Holiday Shift Impact

Upper Upscale and Upscale led the industry

Chicago and DC led the Top 5 markets

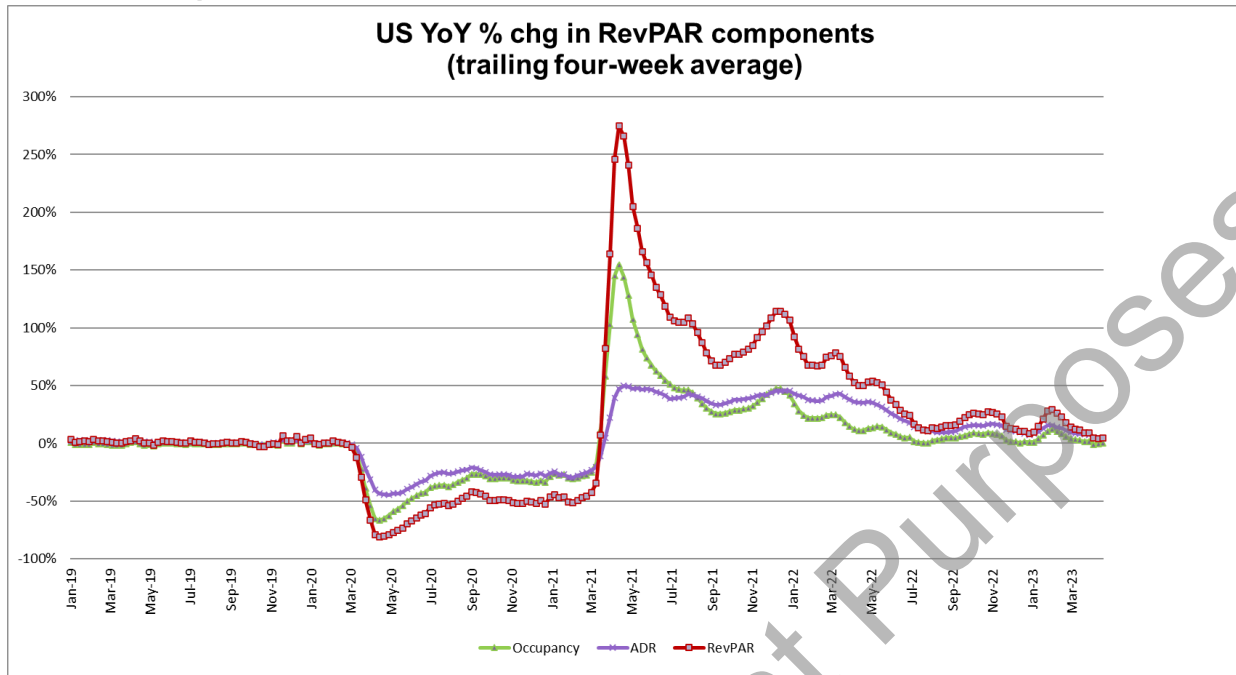
1Q19	1.5%	-0.7%	1.2%	-0.5%	0.4%	-0.1%	1.9%	3.1%	-7.1%	-2.1%	-1.7%	-4.5%	-2.4%
2Q19	1.1%	1.1%	0.5%	-0.4%	0.0%	-0.7%	1.7%	2.4%	-1.8%	4.5%	1.6%	-0.1%	-1.5%
3Q19	0.7%	1.3%	1.1%	-0.5%	-0.1%	-1.0%	-0.9%	1.6%	-2.2%	-0.4%	-0.2%	-2.2%	4.5%
4Q19	0.7%	3.6%	1.0%	-0.6%	-1.0%	-2.7%	-1.5%	2.3%	-4.1%	-11.6%	1.1%	-0.7%	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%	48.4%	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%

YoY % change in ADR													
U.S.	Upper		Upper		Economy		Inde- pendent	New					
	Luxury	Upscale	Upscale	Midscale	Midscale	Economy		York	Boston	LA	Chicago	DC	
12/31/2022	4.4%	0.1%	1.9%	7.0%	4.2%	3.4%	2.1%	3.8%	26.5%	11.0%	-1.8%	5.0%	10.4%
1/7/2023	17.2%	8.9%	12.2%	11.5%	7.0%	5.8%	4.3%	25.2%	22.7%	17.0%	21.6%	11.8%	16.1%
1/14/2023	17.9%	8.3%	17.1%	12.2%	8.1%	6.6%	4.1%	18.1%	23.1%	18.9%	29.9%	15.7%	26.8%
1/21/2023	13.1%	-2.8%	11.2%	11.7%	7.7%	6.2%	4.0%	13.1%	22.7%	20.3%	11.4%	13.1%	22.2%
1/28/2023	15.9%	-1.0%	14.9%	13.0%	9.8%	7.2%	4.6%	14.3%	18.2%	25.3%	12.7%	15.6%	30.7%
2/4/2023	15.1%	-1.4%	12.7%	14.3%	9.0%	5.7%	4.7%	16.7%	12.6%	18.8%	14.0%	13.0%	27.1%
2/11/2023	11.9%	-3.4%	9.6%	13.0%	9.6%	5.9%	4.3%	10.7%	8.5%	15.3%	-28.2%	10.9%	28.3%
2/18/2023	10.0%	-2.4%	9.2%	12.1%	9.3%	5.3%	4.3%	8.3%	14.1%	10.7%	-7.0%	10.3%	22.7%
2/25/2023	7.9%	-2.1%	7.4%	10.1%	7.5%	4.1%	3.4%	6.3%	10.3%	12.2%	7.3%	10.8%	19.1%
3/4/2023	8.9%	0.0%	7.6%	9.9%	7.1%	3.9%	3.7%	8.3%	10.5%	15.9%	8.1%	10.7%	23.2%
3/11/2023	8.1%	0.4%	7.3%	10.5%	7.1%	3.5%	3.6%	6.2%	14.2%	18.6%	13.4%	11.2%	23.4%
3/18/2023	8.9%	-2.6%	7.2%	9.4%	6.4%	3.3%	3.1%	12.8%	20.0%	19.2%	5.2%	7.5%	25.5%
3/25/2023	4.7%	-3.3%	4.8%	7.6%	5.9%	2.7%	2.1%	1.9%	15.3%	6.3%	-2.2%	17.1%	20.9%
4/1/2023	7.3%	0.7%	6.0%	8.4%	6.8%	3.7%	2.8%	6.2%	8.0%	8.4%	5.1%	6.9%	21.9%
4/8/2023	0.8%	1.1%	0.7%	3.1%	0.6%	-1.4%	-0.9%	-0.4%	12.3%	2.6%	-1.4%	-0.6%	5.5%
4/15/2023	4.7%	-2.4%	4.7%	7.8%	7.9%	5.4%	4.2%	1.7%	4.5%	4.0%	5.3%	14.1%	22.5%
4/22/2023	4.2%	-5.2%	3.7%	6.9%	4.6%	1.7%	1.2%	1.0%	9.5%	7.4%	2.7%	29.6%	16.8%
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%
1Q22	37.5%	21.0%	33.7%	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%	53.8%	60.8%
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%

YoY % change in Occupancy													
U.S.	Upper		Upper		Economy		Inde- pendent	New					
	Luxury	Upscale	Upscale	Midscale	Midscale	Economy		York	Boston	LA	Chicago	DC	
12/31/2022	-0.2%	2.7%	3.5%	0.4%	1.0%	-3.5%	-3.9%	-0.7%	30.6%	6.0%	-4.8%	6.8%	8.9%
1/7/2023	3.9%	31.2%	18.9%	4.1%	0.4%	-4.8%	-4.0%	6.2%	47.1%	12.3%	8.6%	11.2%	2.7%
1/14/2023	12.9%	55.5%	43.2%	18.8%	9.7%	1.5%	-1.9%	7.9%	65.7%	25.1%	16.7%	25.6%	45.6%
1/21/2023	11.6%	38.1%	36.7%	16.9%	9.5%	2.8%	-1.6%	7.3%	63.5%	30.8%	11.3%	21.2%	27.2%
1/28/2023	13.7%	45.8%	44.0%	19.3%	11.3%	2.7%	-1.3%	8.1%	58.6%	31.2%	17.6%	23.9%	52.9%
2/4/2023	10.0%	37.1%	32.9%	13.2%	7.5%	1.0%	-2.5%	7.2%	44.8%	20.0%	12.8%	17.1%	34.8%
2/11/2023	6.2%	21.1%	23.9%	9.0%	4.4%	-0.6%	-3.3%	3.1%	30.5%	18.1%	-0.3%	11.8%	35.2%
2/18/2023	3.2%	12.3%	13.6%	4.0%	1.9%	-1.0%	-2.8%	1.7%	31.0%	8.4%	2.9%	11.0%	21.3%
2/25/2023	3.6%	8.4%	13.2%	5.3%	3.2%	0.3%	-2.4%	1.1%	26.1%	8.7%	6.4%	16.2%	22.9%
3/4/2023	3.0%	7.7%	14.6%	5.5%	2.3%	-0.8%	-4.1%	0.2%	17.9%	19.0%	9.3%	9.0%	23.6%
3/11/2023	2.8%	8.2%	11.0%	5.4%	2.8%	-0.1%	-3.8%	0.1%	16.2%	17.2%	7.9%	9.9%	21.8%
3/18/2023	1.3%	4.8%	6.8%	3.4%	1.6%	-0.9%	-4.5%	-0.3%	13.6%	17.8%	2.8%	4.0%	17.3%
3/25/2023	-0.6%	-0.5%	5.1%	2.2%	0.5%	-1.8%	-5.5%	-4.1%	10.8%	8.1%	-6.2%	12.2%	10.4%
4/1/2023	3.4%	7.3%	9.4%	5.8%	3.9%	0.5%	-2.9%	1.4%	7.6%	12.1%	6.6%	4.6%	18.2%
4/8/2023	-7.4%	-10.9%	-7.7%	-7.4%	-7.7%	-8.2%	-7.8%	-6.6%	6.3%	-0.6%	-3.1%	-7.3%	0.0%
4/15/2023	3.7%	-1.0%	5.4%	5.8%	7.0%	4.4%	-0.6%	0.5%	-1.1%	2.6%	0.0%	8.8%	12.7%
4/22/2023	2.3%	3.6%	11.2%	5.8%	2.4%	-1.3%	-3.7%	-1.2%	4.8%	1.3%	-1.3%	23.9%	9.4%
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%

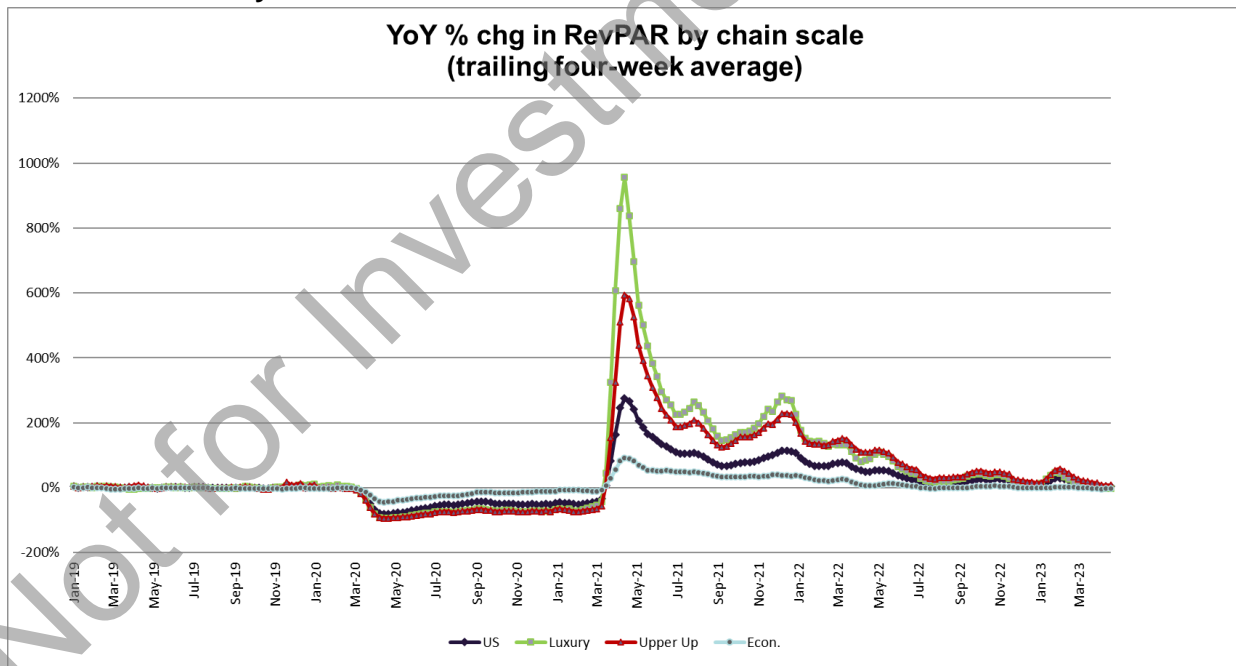
Source: STR data, Truist Securities research

RevPAR Component Trends



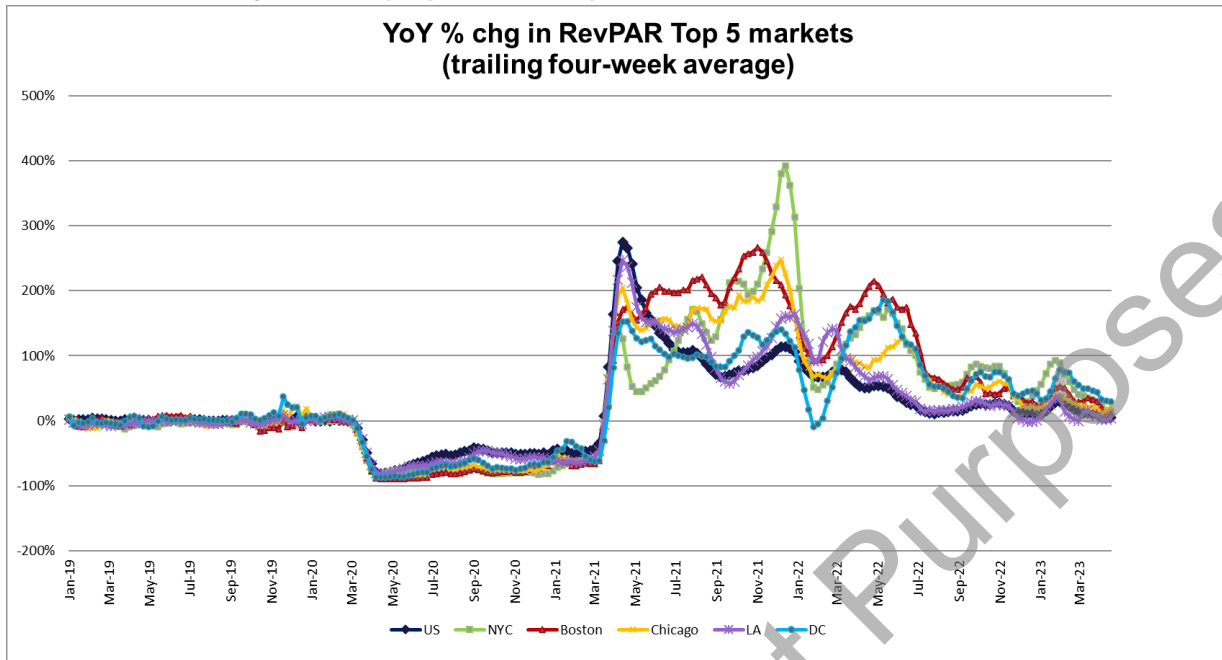
Source: STR data, Truist Securities research

RevPAR Trends by Chain Scale



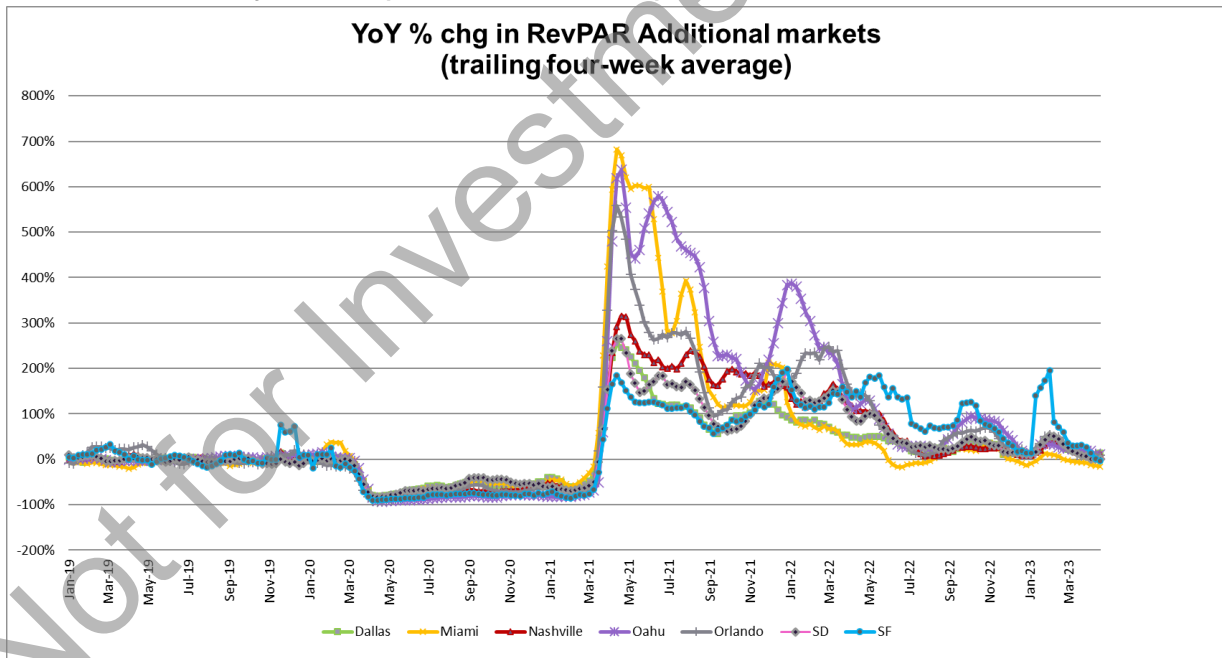
Source: STR data, Truist Securities research

RevPAR Trends by Market (Top 5 markets)



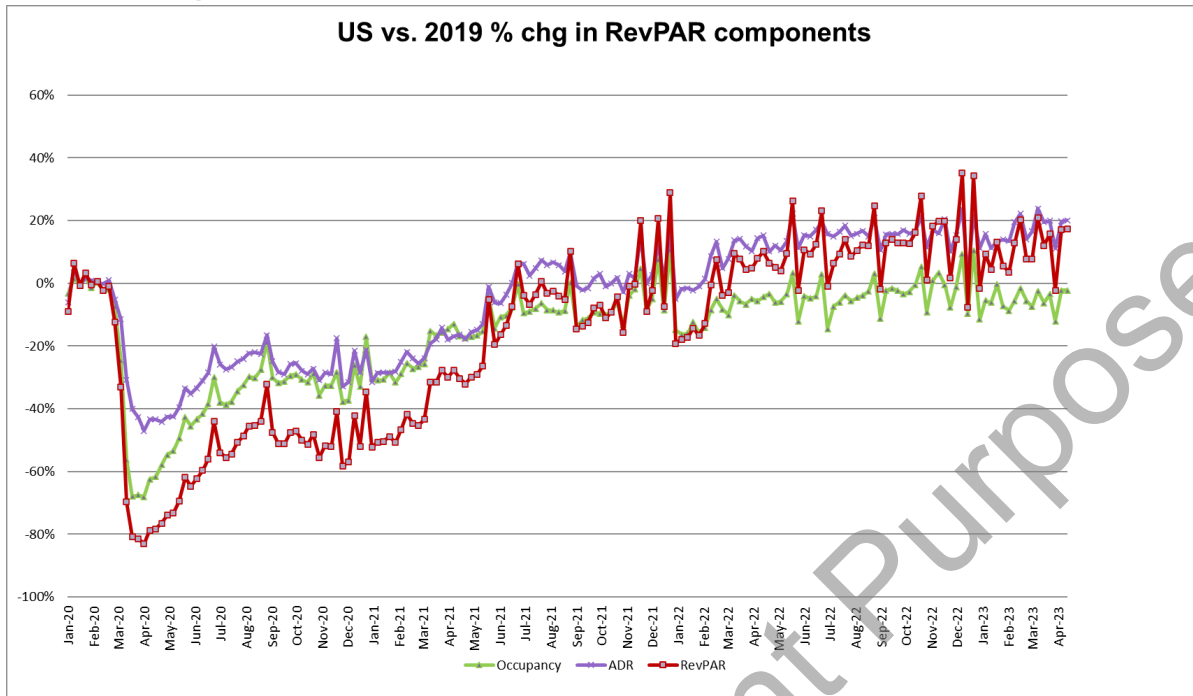
Source: STR data, Truist Securities research

RevPAR Trends by Market (Additional markets)



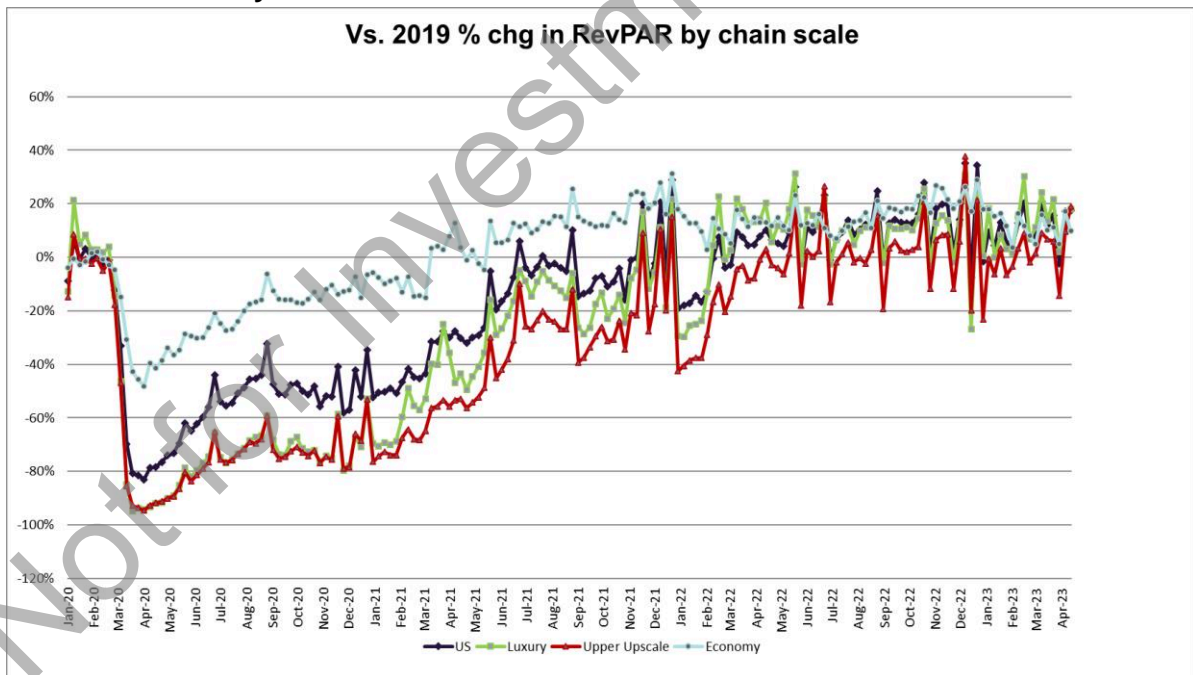
Source: STR data, Truist Securities research

RevPAR Component Trends



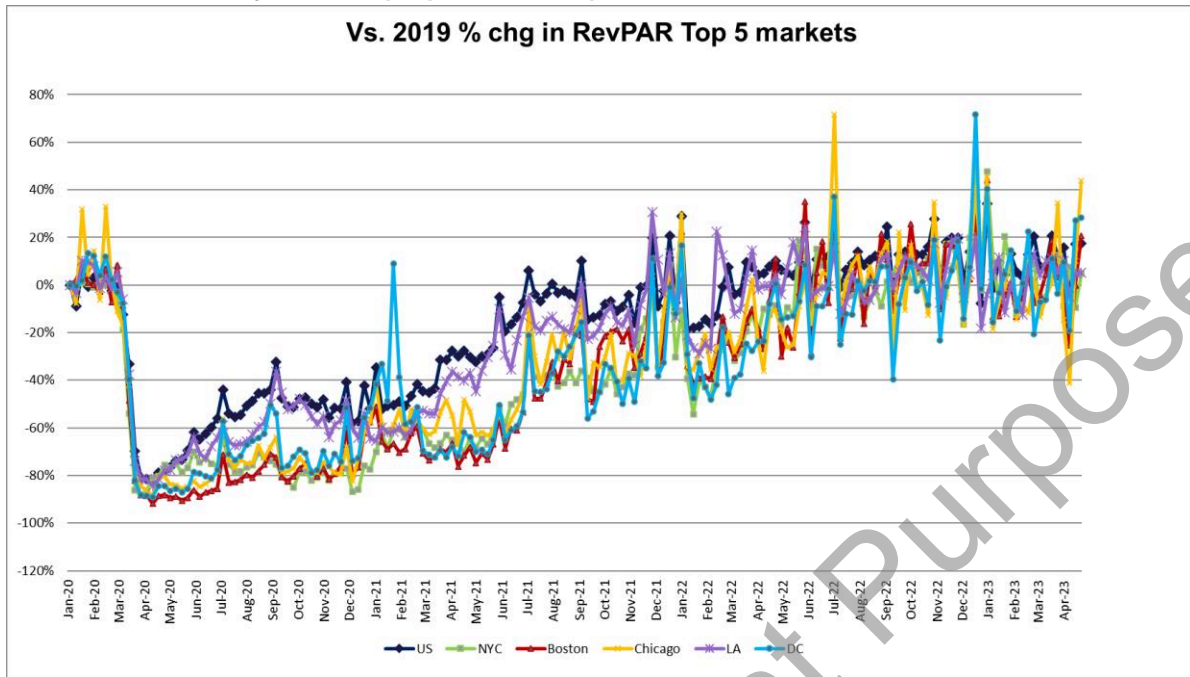
Source: STR data, Truist Securities research

RevPAR Trends by Chain Scale



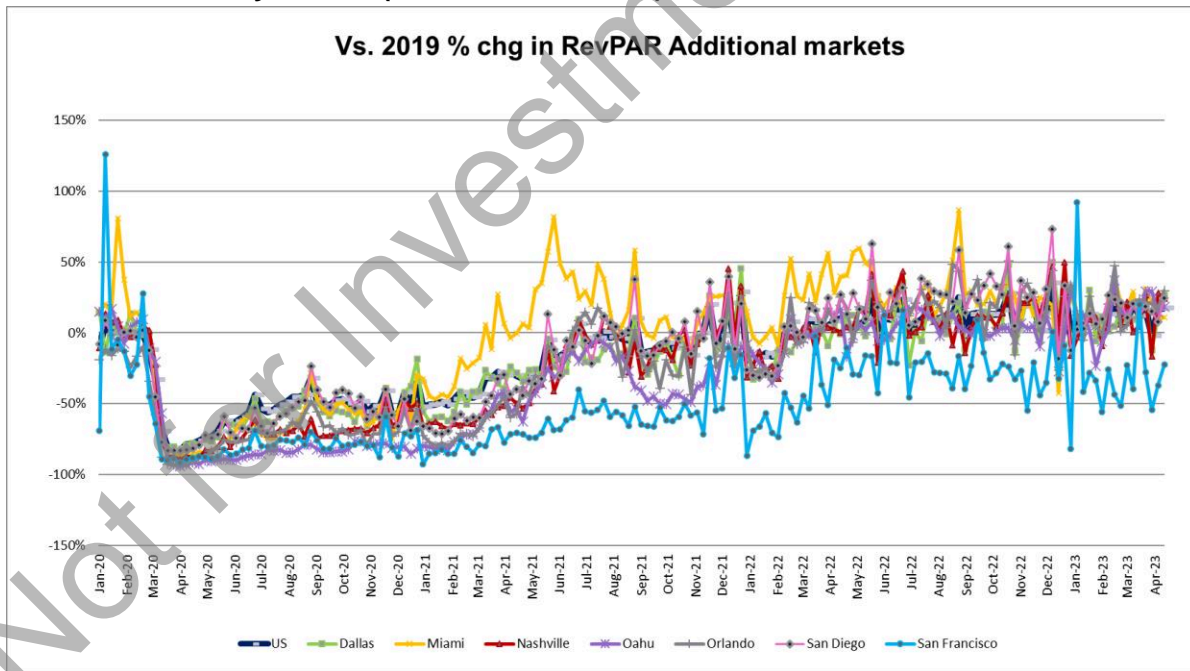
Source: STR data, Truist Securities research

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

Price Target/Risks Summary

Lodging	TKR	Price 4/24/23	Rating	PT*	% upside/downside	Truist Securities Valuation EBITDA excluding Stock Based Comp/Other			As Reported/Consensus/Data Aggregator "Headline" EBITDA			Target EV/EBITDA Multiple	Risks Note: COVID-19 represents a material risk to our entire coverage especially related to the length/severity of the demand shock.
						2022A EBITDA (\$M)**	2023E EBITDA (\$M)**	2024E EBITDA (\$M)**	2022A EBITDA (\$M)*	2023E EBITDA (\$M)*	2024E EBITDA (\$M)**		
Bluegreen Vacations	BVH	\$29.81	Buy	\$51	72%	\$136	\$141	\$146	\$140	\$145	\$150	7.2X	Downside risk: controlled company issues, limited cap/float, loan defaults, and macroeconomic risk. Upside risk: conservative growth of new brands; market share gains. Downside risk: slowdown in development opportunities, market share losses.
Choice Hotels	CHH	\$128.33	Hold	\$132	3%	\$459	\$522	\$533	\$478	\$540	\$552	15.0X	Upside risk: faster demand improvement in corporate travel than expected. Brand changes (e.g. Vail) lead to material EBITDA improvement. Leisure hotels hold/improve on RevPAR and margins despite the challenging macro. Downside risk: lodging recovery takes longer than expected, weaker results from ROI projects than forecasted, poor performance of recently acquired assets. Upside risk: Macro lodging trends improve beyond expectations. Faster than expected net unit growth. Downside risk: slowing pipeline. Deep recession.
DiamondRock Hospitality	DRH	\$8.10	Hold	\$11	36%	\$281	\$294	\$297	\$281	\$294	\$297	12.0X	Upside 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 Upside risk: faster demand improvement in corporate/convention travel than expected. Dispositions at higher multiple than expected, stronger than expected performance by luxury leisure resorts on both top-line and margins through the valuation year. Downside risk: extended industry downturn with particular impact to large big box hotels, weak recovery of international travel during the valuation period, macro demand shock to acquired resort assets, labor issues.
Hilton	HLT	\$148.45	Hold	\$180	8%	\$2,479	\$2,755	\$3,005	\$2,599	\$2,869	\$3,124	16.6X	Upside risk: lodging recovery takes longer than expected. Planned dispositions take longer than expected. Material labor issues to owned hotels. Pipeline growth slower than expected. Apple Leisure Group underperforms.
Hilton Grand Vacations	HGV	\$46.25	Buy	\$75	61%	\$1,003	\$1,037	\$1,105	\$1,049	\$1,103	\$1,155	9.1X	Upside risk: Macro lodging trends improve beyond expectations. Faster than expected net unit growth. Downside risk: slowing pipeline. Deep 2023 recession.
Host Hotels & Resorts	HST	\$16.36	Hold	\$20	22%	\$1,498	\$1,482	\$1,473	\$1,498	\$1,482	\$1,473	12.0X	Upside risk: MSA story fades and multiples revert to historical levels Downside risk: extended industry downturn with particular impact to large big box hotels, weak recovery of international travel during the valuation period especially Oahu, macro demand shock impact to major resort assets, labor issues.
Hyatt Hotels	H	\$117.87	Buy	\$145	23%	\$1,004	\$1,136	\$1,236	\$1,065	\$1,206	\$1,310	13.8X	Upside Risks: Material near-term incremental EBITDA from Legacy LHO assets. Faster than expected San Francisco recovery. Downside Risks: Incremental EBITDA from major CapEx investments take longer than anticipated, contributing to multiple contraction. Very slow recovery in San Francisco.
Marriott International	MAR	\$174.33	Hold	\$205	18%	\$3,546	\$3,939	\$4,236	\$3,853	\$4,253	\$4,563	16.7X	Downside risk: demand shocks, hurricanes, reduced airflr, new supply, country-specific risks (emerging market portfolio)
Marriott Vacations	VAC	\$139.65	Buy	\$223	60%	\$927	\$935	\$1,006	\$966	\$975	\$1,048	10.4X	Downside risk: Slower than expected recovery of corporate business travel post-COVID; scope/timing and/or upside from repositionings underwhelms investor expectations
Park Hotels & Resorts	PK	\$11.99	Buy	\$19	58%	\$589	\$636	\$694	\$606	\$653	\$718	12.0X	Downside risk: Group demand slower than expected. Property-specific risks given a small portfolio.
Pebblebrook Hotel Trust***	PEB	\$14.15	Hold	\$16	13%	\$345	\$346	\$377	\$357	\$357	\$389	13.5X	Upside risk: faster demand improvement in corporate travel than expected. Renovations lead to faster than expected EBITDA improvements. SHO buys hotels at accretive terms and quickly adds incremental EBITDA during the valuation period. Downside risk: Lodging recovery takes longer than expected, labor issues, weak recovery of international travel to gateway markets, natural disaster risk. Mortgage EBITDA stabilizes well lower than expected.
Playa Hotels & Resorts	PLYA	\$9.34	Buy	\$13	39%	\$231	\$262	\$271	\$243	\$273	\$282	10.5X	Downside risks: MTN is subject to prolonged weakness in general economic conditions, including adverse effects on the overall travel and leisure related industries.
RLJ Lodging Trust***	RLJ	\$10.30	Buy	\$15	46%	\$315	\$342	\$359	\$337	\$365	\$383	12.0X	Upside risks include a faster economic recovery and investors continuing to apply higher target valuation multiples.
Ryman Hospitality Properties	RHP	\$91.26	Buy	\$115	26%	\$536	\$611	\$647	\$556	\$611	\$677	13.0X	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. Weaker than expected transient trends.
Sunstone Hotel Investors	SHO	\$9.73	Hold	\$11	13%	\$223	\$242	\$248	\$234	\$254	\$260	13.5X	
Vail Resorts, Inc.	MTN	\$245.47	Hold	\$262	7%	\$833	\$848	\$974	\$833	\$848	\$974	13.0X	
Travel + Leisure Co.	TNL	\$40.06	Buy	\$67	67%	\$817	\$887	\$943	\$859	\$931	\$990	8.4X	
Wyndham Hotels & Resorts	WH	\$68.94	Buy	\$96	39%	\$618	\$713	\$662	\$651	\$652	\$703	15.0X	

* All of our Lodging price targets are derived by applying a target EV/EBITDA multiple to our estimate for 2024 EBITDA
 ** Valuation EBITDA excludes select items for specific companies including stock-based compensation.
 *** Covered by Gregory J. Miller - gregory.j.miller@truist.com

Source: FactSet, Truist Securities research



Companies Mentioned in This Note

Bluegreen Vacations Holding Corporation (BVH, \$29.09, Buy, C. Patrick Scholes)
DiamondRock Hospitality Company (DRH, \$7.91, Hold, C. Patrick Scholes)
Hyatt Hotels Corporation (H, \$115.61, Buy, C. Patrick Scholes)
Hilton Grand Vacations Inc. (HGV, \$45.20, Buy, C. Patrick Scholes)
Host Hotels & Resorts, Inc. (HST, \$15.92, Hold, C. Patrick Scholes)
OneSpaWorld Holdings Limited (OSW, \$11.76, Buy, Gregory Miller)
Pebblebrook Hotel Trust (PEB, \$13.93, Hold, Gregory Miller)
Park Hotels & Resorts Inc. (PK, \$11.63, Buy, C. Patrick Scholes)
Playa Hotels & Resorts N.V. (PLYA, \$9.27, Buy, C. Patrick Scholes)
Ryman Hospitality Properties, Inc. (RHP, \$88.50, Buy, C. Patrick Scholes)
RLJ Lodging Trust (RLJ, \$9.99, Buy, Gregory Miller)
Sunstone Hotel Investors, Inc. (SHO, \$9.45, Hold, C. Patrick Scholes)
Travel + Leisure Co. (TNL, \$39.32, Buy, C. Patrick Scholes)
Marriott Vacations Worldwide Corporation (VAC, \$137.44, Buy, C. Patrick Scholes)

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