



## Lodging - US RevPAR -17.5% Y/Y Last Week; Thanksgiving holiday shift reverses

Given +30.4% RevPAR in the prior week, last week's results weren't so bad

### What's Incremental To Our View

Overall U.S. RevPAR was -17.5% Y/Y for the week ending 11/30/2019, per STR, softer than the prior week's result of +30.4%. (2-year stacked RevPAR was -14.3% vs +33.4% in the prior week.) Independent hotels (about 1/3rd of the data set) were -3.9% y/y. Economy (-1.7%) was the relatively strongest chain scale for branded hotels; Upper Upscale was the weakest at -32.9%. Upscale (-29.0%) and Upper Midscale (-18.3%) underperformed the industry average. Within Upper Upscale & Luxury class hotels, Group (-70.8% vs. +284.7% prior week) was softer than Transient (-0.3% vs. +10.0% prior week).

**Where the prior week's data (ending November 23rd) presented very strong results given the comparison vs. a Thanksgiving holiday in 2018, last week's results incorporated the holiday shifting into 2019. We are not surprised that RevPAR was largely negative.** The severity of the negative results was relatively mild given last week's -17.5% RevPAR went against a +30.4% in the prior week.

- While we do assume some noise in the results from the [various winter weather](#) that led to considerable flight delays and cancellations (50 million Americans in the path of storms), it is virtually impossible to parse out this weather impact given the noisy data with the holiday shift (CBS News).

**Next week's data set reflects a comparison against the start of Chanukah;** the holiday shifts will therefore continue into December (although next week's comparison should be less impactful given the start of Chanukah on Sunday night, December 2nd, 2018).

*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 month of November, we estimate that full-service branded domestic hotels (the typical Hilton [HLT, Hold], Hyatt [H, Hold], or Marriott [MAR, Hold] hotel) will finish approximately +1.5-2.0% (our prior estimate was flat to up low single digits). We estimate that the overall industry will finish approximately +1% (our prior estimate was flat to down low single digits).** Please note that reported monthly results include hotels that are not in the weekly data set. **We emphasized in last week's note that the results this week would be extremely difficult to predict given the holiday shift (and that proved the case with the US industry results).**

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### What's Inside

Weekly STR results and analysis

**Last week's RevPAR details:**

- **Economy was the relatively strongest chain scale:** Upscale and Upper Midscale underperformed by 2,730 bps and 1,660 bps, respectively: Luxury RevPAR (-7.8%), Upper Upscale (-32.9%), Upscale (-29.0%), Upper Midscale (-18.3%), Midscale (-8.0%), and Economy (-1.7%). Independent hotels (-3.9%) outperformed the headline U.S. RevPAR.
- **Within Upper Upscale & Luxury class hotels, Group underperformed Transient given the holiday calendar shift:** Transient segment (individual business and leisure travelers) RevPAR was -0.3% (vs. +10.0% last week) and Group segment RevPAR was -70.8% (vs. +284.7% last week).
- **Los Angeles was the strongest of the top five markets:** Boston (-47.5%), Chicago (-44.6%), Los Angeles (-22.4%), NYC (-26.2%), and Washington, D.C. (-41.7%).
- **Other relevant markets:**
  - **San Francisco was down similar to other top markets (Moscone Convention Center expected to have a very strong 4Q19 citywide calendar):** RevPAR was -32.8% vs. +284.2% last week. **San Francisco Group RevPAR was down just 58.0% vs being up +2,245.0% in the prior week.**
  - **Florida markets were positive -- among the very few Top 25 markets that were up:** Miami (+3.6% vs. +4.7% last week); Orlando (+5.0% vs. +22.0% 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 [we prefer Buy-rated WH](#). 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](#). We believe 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													
U.S.	Upper			Upper			Economy	Independent	New				
	Luxury	Upscale	Upscale	Midscale	Midscale	Midscale			York	Boston	LA	Chicago	DC
9/28/2019	-0.8%	0.6%	-2.7%	-2.5%	-0.5%	-0.6%	-1.3%	0.6%	1.7%	-12.0%	-2.6%	0.2%	0.9%
10/5/2019	-7.5%	-12.9%	-11.3%	-7.9%	-5.2%	-5.1%	-4.9%	-6.1%	-18.3%	-22.3%	-5.7%	-23.1%	-12.5%
10/12/2019	-2.6%	-7.3%	-5.7%	-2.9%	-0.6%	-1.0%	-0.5%	-1.5%	-11.9%	-16.5%	-8.8%	-4.7%	-5.0%
10/19/2019	-0.7%	4.8%	-2.4%	-3.1%	-2.7%	-3.5%	-2.4%	2.5%	1.8%	-14.1%	-2.6%	-5.3%	18.5%
10/26/2019	0.0%	2.0%	-0.5%	-1.4%	-0.5%	-2.1%	-2.6%	1.5%	-5.2%	-5.7%	4.4%	-0.1%	10.9%
11/2/2019	0.3%	6.0%	3.4%	1.2%	0.2%	-3.3%	-1.9%	-3.2%	-3.4%	-7.7%	6.1%	3.4%	6.9%
11/9/2019	1.9%	2.9%	1.0%	0.3%	-0.8%	-3.3%	-1.7%	7.1%	-0.3%	-15.1%	5.7%	-9.7%	11.5%
11/16/2019	-4.2%	-1.1%	-3.9%	-5.0%	-5.9%	-6.7%	-5.1%	-3.0%	-11.0%	-20.8%	1.0%	-4.1%	-4.3%
11/23/2019	30.4%	22.2%	70.9%	50.2%	29.1%	7.3%	2.8%	10.0%	5.6%	47.3%	32.2%	75.9%	130.7%
11/30/2019	-17.5%	-7.8%	-32.9%	-29.0%	-18.3%	-8.0%	-1.7%	-3.9%	-26.2%	-47.5%	-22.4%	-44.6%	-41.7%
Tough calendar shift comp (Thanksgiving)				Economy and Luxury "led" the industry				LA and NYC "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%	4.5%	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%
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%

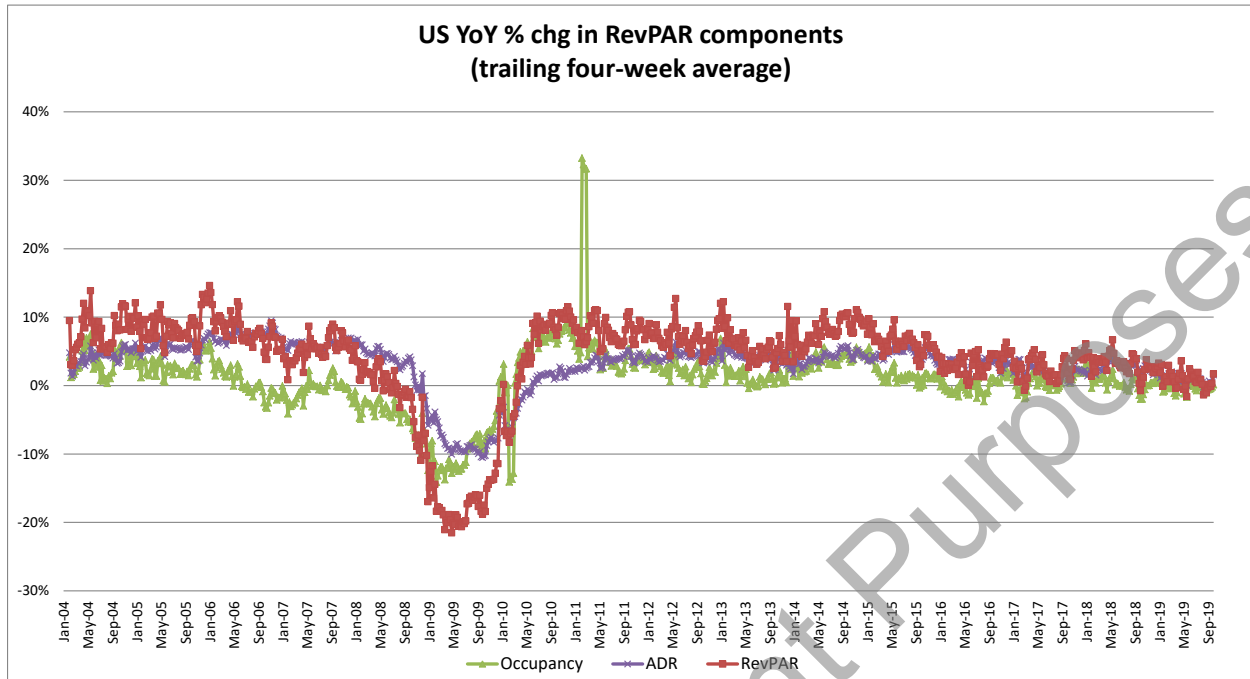
YoY % change in ADR													
U.S.	Upper			Upper			Economy	Independent	New				
	Luxury	Upscale	Upscale	Midscale	Midscale	Midscale			York	Boston	LA	Chicago	DC
9/28/2019	-0.5%	-0.2%	-1.3%	-1.4%	-0.4%	-0.5%	-0.9%	0.8%	1.3%	-5.2%	-2.6%	-0.6%	4.9%
10/5/2019	-3.8%	-5.0%	-5.2%	-3.6%	-2.1%	-1.7%	-2.2%	-2.8%	-12.5%	-9.8%	-2.9%	-14.8%	-3.8%
10/12/2019	-1.2%	-3.2%	-3.0%	-1.5%	0.3%	0.7%	0.0%	0.0%	-8.6%	-8.6%	5.5%	-3.2%	-4.8%
10/19/2019	0.2%	3.4%	-1.0%	-1.4%	-0.8%	-0.8%	-1.5%	1.9%	-0.5%	-7.3%	-2.5%	-5.0%	16.6%
10/26/2019	0.2%	1.8%	-0.5%	-1.0%	-0.2%	-0.6%	-1.7%	1.4%	-4.0%	-2.3%	3.1%	-1.9%	3.0%
11/2/2019	0.6%	4.7%	2.0%	0.7%	0.3%	-0.8%	-1.1%	-2.0%	-2.5%	-2.2%	4.1%	-0.3%	4.4%
11/9/2019	1.9%	2.5%	1.3%	0.6%	-0.1%	-1.5%	-1.3%	5.5%	-1.7%	-3.6%	4.4%	-8.2%	9.2%
11/16/2019	-0.6%	-0.1%	-0.7%	-2.1%	-1.4%	-1.3%	-2.0%	0.7%	-8.1%	-7.8%	1.3%	0.1%	-0.3%
11/23/2019	10.8%	-5.3%	20.5%	13.7%	7.9%	-0.6%	-0.7%	3.3%	1.3%	20.1%	11.4%	27.9%	48.0%
11/30/2019	-6.7%	9.0%	-12.4%	-11.7%	-6.1%	-0.7%	0.0%	0.5%	-20.0%	-25.3%	-11.8%	-26.6%	-24.4%
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	2.9%	1.5%	2.2%	2.9%	2.8%	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%	1.6%	1.1%	0.9%	0.8%	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%
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%

YoY % change in Occupancy													
U.S.	Upper			Upper			Economy	Independent	New				
	Luxury	Upscale	Upscale	Midscale	Midscale	Midscale			York	Boston	LA	Chicago	DC
9/28/2019	-0.4%	0.8%	-1.4%	-1.1%	0.0%	-0.2%	-0.4%	-0.2%	0.5%	-7.2%	-0.1%	0.7%	-1.1%
10/5/2019	-3.9%	-8.4%	-6.4%	-4.5%	-3.1%	-3.4%	-2.7%	-3.4%	-6.7%	-13.9%	-2.8%	-9.7%	-9.1%
10/12/2019	-1.4%	-4.3%	-2.7%	-1.5%	-0.9%	-1.7%	-0.5%	-1.4%	-3.7%	-8.7%	-3.4%	-1.5%	-0.4%
10/19/2019	-0.9%	1.3%	-1.4%	-1.7%	-2.0%	-2.7%	-0.9%	0.7%	2.4%	-7.4%	-0.1%	0.8%	1.6%
10/26/2019	-0.2%	0.2%	0.0%	-0.4%	-0.3%	-1.5%	-1.0%	0.1%	-1.2%	-3.4%	1.2%	1.8%	1.8%
11/2/2019	-0.3%	1.3%	1.3%	0.5%	0.0%	-2.5%	-0.8%	-1.2%	-0.9%	-5.6%	2.0%	3.7%	2.4%
11/9/2019	0.1%	0.4%	-0.3%	-0.3%	-0.8%	-1.8%	-0.4%	1.5%	1.4%	-11.8%	1.2%	-1.7%	2.1%
11/16/2019	-3.6%	-1.0%	-3.3%	-3.0%	-4.6%	-5.5%	-3.2%	-3.7%	-3.2%	-14.1%	-0.3%	-4.2%	-3.9%
11/23/2019	17.7%	29.0%	41.8%	32.1%	19.7%	8.0%	3.5%	6.5%	4.3%	22.7%	18.6%	37.5%	55.8%
11/30/2019	-11.6%	-15.4%	-23.5%	-19.6%	-13.0%	-7.4%	-1.7%	-4.4%	-7.7%	-29.7%	-12.1%	-24.6%	-22.9%
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%	-0.9%	-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%
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%

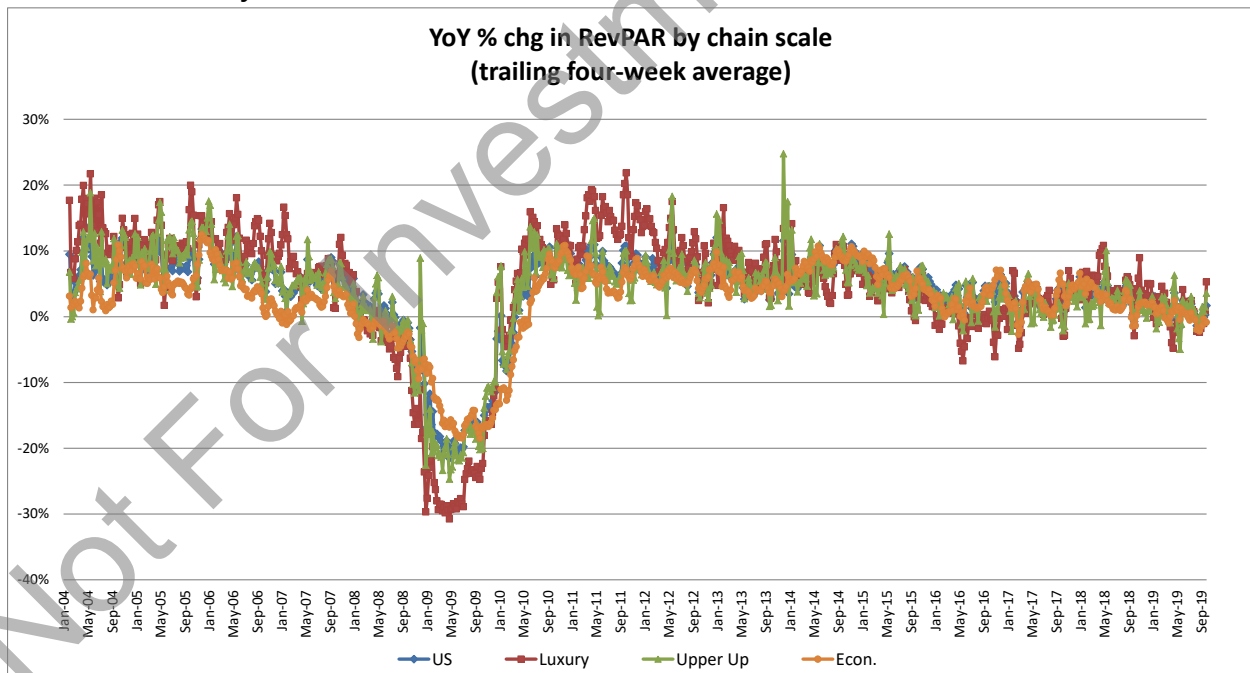
Source: STR data, STRH research

### RevPAR Component Trends



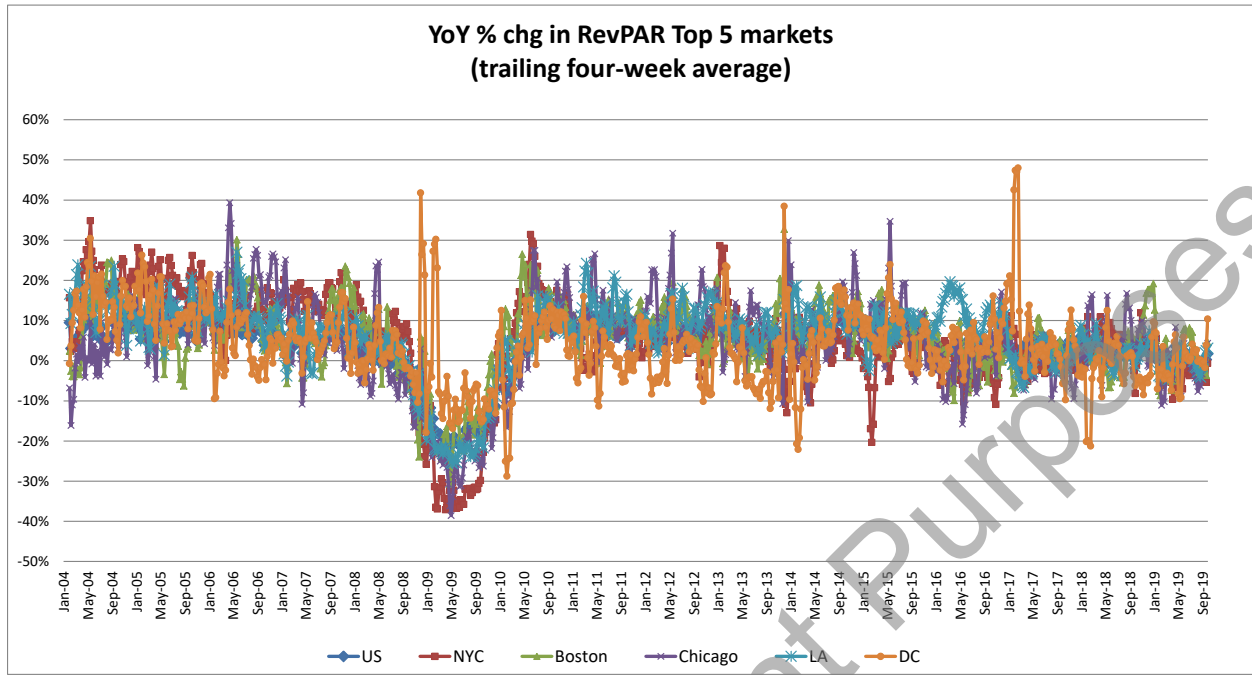
Source: STR data, STRH research

### RevPAR Trends by Chain Scale



Source: STR data, STRH research

### RevPAR Trends by Market



Source: STR data, STRH research

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## Price Target/Risks Summary

Lodging	TKR	Price 12/3/19	Rating	PT*	% upside down- side	2020E Valuation EBITDA (\$M)**	2020E As Reported EBITDA (\$M)*	Target EV/EBITDA Multiple	Risks
Choice Hotels	CHH	\$95.54	Hold	\$87	-9%	\$393	\$393	14.0X	Upside risk: conservative guidance. Downside risk: slowdown in development opportunities.
DiamondRock Hospitality	DRH	\$10.20	Hold	\$9	-12%	\$245	\$245	11.5X	Upside risk: specific markets (esp. NYC) perform better than expected. Downside risk: company unable to locate properties to buy.
Host Hotels & Resorts	HST	\$17.54	Hold	\$18	3%	\$1,328	\$1,328	12.0X	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	\$79.33	Hold	\$79	0%	\$733	\$768	13.2X	Upside risk: Transient and group trends outperform expectations Downside risk: ongoing misexecution and volatility.
Bluegreen Vacations Corporation	BXG	\$9.35	Hold	\$11	17%	\$106	\$106	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	\$33.92	Buy	\$42	25%	\$412	\$439	11.0X	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 Upside risk: Macro lodging trends improve beyond expectations.
Hilton	HLT	\$103.95	Hold	\$99	-5%	\$2,378	\$2,481	14.8X	Downside risk: slowing pipeline. 2020 is a recession year in the U.S. 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.
Marriott International	MAR	\$138.56	Hold	\$128	-8%	\$3,446	\$3,760	14.9X	Downside Risk: 2020 is a recession year in the US. Geopolitical and policy risks negatively impact lodging demand.
Marriott Vacations	VAC	\$120.44	Buy	\$155	29%	\$831	\$865	11.1X	Downside risk: M&A story fades and multiples revert to historical levels
Park Hotels & Resorts	PK	\$23.88	Buy	\$27	13%	\$871	\$886	12.0X	Downside risk: Significant supply growth, macroeconomic challenges/shocks, higher than expected labor costs. 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	\$25.94	Hold	\$26	0%	\$462	\$462	14.0X	Downside risk: demand shock, hurricanes, inability to complete 2021 growth initiatives, country-specific risks (emerging market portfolio)
Playa Hotels & Resorts	PLYA	\$7.66	Buy	\$10	31%	\$173	\$180	11.5X	Upside risk: RevPAR reaccelerates due to macroeconomic improvements, leading to estimate revisions and multiple expansion.
RLJ Lodging Trust***	RLJ	\$16.92	Sell	\$15	-11%	\$390	\$402	11.0X	Upside risk: recovering group demand better than expected, better margin recovery.
Ryman Hospitality Properties	RHP	\$88.09	Hold	\$83	-6%	\$541	\$527	12.6X	Downside risk: booking issues stickier than expected. Upside risk: Recovery of corporate demand in SHO's markets. Above average group bookings in Orlando and Boston Park Plaza post-meeting space expansions.
Sunstone Hotel Investors	SHO	\$13.91	Hold	\$14	1%	\$304	\$304	11.5X	Downside risk: Weaker than expected demand trends following capital investment projects.
Vail Resorts, Inc.	MTN	\$237.18	Buy	\$280	18%	\$796	\$796	15.0X	Downside risk: Economic conditions, competition for vacation and ski dollars, stagnant skier visitation, an aging customer, and climate change.
Wyndham Destinations	WYND	\$47.74	Buy	\$76	59%	\$1,030	\$1,049	9.2X	Downside risk: The timeshare business is especially vulnerable to economic softness. There are potential execution risks post the spin off.
Wyndham Hotels & Resorts	WH	\$56.30	Buy	\$68	21%	\$635	\$657	13.0X	Downside risk: Slowdown in development opportunities. La Quinta synergies below expectations.

\* 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.

### Companies Mentioned in This Note

**Bluegreen Vacations Corporation** (BXG, \$9.35, Hold, C. Patrick Scholes)  
**Choice Hotels International, Inc.** (CHH, \$95.54, Hold, C. Patrick Scholes)  
**DiamondRock Hospitality Company** (DRH, \$10.20, Hold, C. Patrick Scholes)  
**Hyatt Hotels Corporation** (H, \$79.33, Hold, C. Patrick Scholes)  
**Hilton Grand Vacations Inc.** (HGV, \$33.92, Buy, C. Patrick Scholes)  
**Hilton Worldwide Holdings Inc.** (HLT, \$103.95, Hold, C. Patrick Scholes)  
**Host Hotels & Resorts, Inc.** (HST, \$17.54, Hold, C. Patrick Scholes)  
**Marriott International, Inc.** (MAR, \$138.56, Hold, C. Patrick Scholes)  
**Vail Resorts, Inc.** (MTN, \$237.18, Buy, C. Patrick Scholes)  
**Pebblebrook Hotel Trust** (PEB, \$25.94, Hold, Gregory Miller)  
**Park Hotels & Resorts Inc.** (PK, \$23.88, Buy, C. Patrick Scholes)  
**Playa Hotels & Resorts N.V.** (PLYA, \$7.66, Buy, C. Patrick Scholes)  
**Ryman Hospitality Properties, Inc.** (RHP, \$88.09, Hold, C. Patrick Scholes)  
**RLJ Lodging Trust** (RLJ, \$16.92, Sell, Gregory Miller)  
**Sunstone Hotel Investors, Inc.** (SHO, \$13.91, Hold, C. Patrick Scholes)  
**Marriott Vacations Worldwide Corporation** (VAC, \$120.44, Buy, C. Patrick Scholes)  
**Wyndham Hotels & Resorts, Inc.** (WH, \$56.30, Buy, C. Patrick Scholes)  
**Wyndham Destinations, Inc.** (WYND, \$47.74, 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.

I, Gregory J. Miller, 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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