



Lodging - US RevPAR +0.3% Y/Y Last Week; Clean comp week

Decent results for the higher-end but new supply hurting Midscale & Economy

What's Incremental To Our View

Overall U.S. RevPAR was +0.3% Y/Y for the week ending 1/25/2020, per STR, softer than the prior week's result of +6.4%. (2-year stacked RevPAR was -0.4% vs +14.9% in the prior week.) Independent hotels (about 1/3rd of the data set) were +0.0% y/y. Luxury (+4.6%) was the strongest chain scale for branded hotels; Midscale was the weakest at -3.2%. Upscale (-0.2%) and Upper Midscale (-1.5%) underperformed the industry average. Within Upper Upscale & Luxury class hotels, Group (-1.3% vs. +17.3% prior week) was softer than Transient (+5.2% vs. +9.6% prior week).

Last week was a more normalized week (the first in many weeks). Unlike the relatively volatile and in some cases stronger RevPAR growth over the last several weeks (in some cases holiday related), last week's results reflected more of the new run-rate norm: flattish RevPAR. Note: January is low season for most markets and the hotel industry runs sub-60 percent occupancy so results are not as material as later in 1Q when corporate travel builds (both transient and group).

- Chain scale performance was quite varied and we attribute weaker results in the lower-rated chain scales partly driven by more material supply growth vs. Luxury/Upper Upscale.

For the month of January, we estimate that full-service branded domestic hotels (the typical Hilton [HLT, Hold], Hyatt [H, Hold], or Marriott [MAR, Hold] hotel) will finish +0.5-1.5% (our prior estimate was +0-1%). We estimate that the overall industry will finish +0-1% (unchanged from our prior estimate). Please note that reported monthly results include hotels that are not in the weekly data set.

Last week's RevPAR details:

- **Luxury was the strongest chain scale:** Upscale and Upper Midscale underperformed by 480 bps and 610 bps, respectively: Luxury RevPAR (+4.6%), Upper Upscale (+2.6%), Upscale (-0.2%), Upper Midscale (-1.5%), Midscale (-3.2%), and Economy (-2.1%). Independent hotels (+0.0%) underperformed the headline U.S. RevPAR.
- **Within Upper Upscale & Luxury class hotels, Group underperformed Transient:** Transient segment (individual business and leisure travelers) RevPAR was +5.2% (vs. +9.6% last week) and Group segment RevPAR was -1.3% (vs. +17.3% last week).

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What's Inside

Weekly STR results and analysis

- **Washington, D.C. was the strongest of the top five markets:** Boston (+0.5%), Chicago (+3.7%), Los Angeles (+5.2%), NYC (-1.2%), and Washington, D.C. (+13.6%).
- **Other relevant markets:**
 - **San Francisco was very soft (the market has a tough 1Q20 y/y group comp):** RevPAR was -11.8% vs. +124.0% last week.
 - **Florida markets were up:** Miami (+4.6% vs. +10.4% last week); Orlando (+4.0% vs. +7.5% last week). [For more insights on the Miami market following management meetings and hotel tours in early January, please click on the attached link.](#)

The lodging stocks: For the most part, we think it is difficult to get excited about lodging stocks in general but not much screams “pound-the-table short” either. We currently see more interesting stories in [Vacation Ownership \(Marriott Vacations \(VAC, Buy\), Wyndham Destinations \(WYND, Buy\), and Cruise lines \(Norwegian \(NCLH, Buy\) & Royal Caribbean \(RCL, Buy\)\)](#). For hotel REITS at the moment, the number one challenge is [costs growing faster than revenues](#). That said, the good news for the hotel REITS is that we do not see much risk for valuation multiples to significantly contract from current levels; however, we continue to believe there will be gradual cuts to consensus estimates over the next year and 2021 same-store earnings will be lower than 2020's.

Not For Investment Purposes

Weekly RevPAR Summary

	YoY % change in RevPAR									New				
	U.S.	Upper		Upper		Economy		Inde- pendent	York	Boston	LA	Chicago	DC	
	Luxury	Upscale	Upscale	Midscale	Midscale	Economy	Economy	pendent						
12/21/2019	7.8%	9.3%	13.9%	10.7%	7.2%	2.7%	1.2%	4.6%	8.5%	11.1%	9.9%	15.2%	26.4%	
12/28/2019	-7.4%	-6.3%	-6.7%	-6.7%	-7.1%	-9.1%	-4.6%	-8.0%	-11.1%	-3.4%	-5.2%	0.2%	-0.1%	
1/4/2020	4.3%	12.1%	5.9%	1.1%	-0.4%	-2.2%	-1.6%	7.7%	8.9%	1.9%	5.3%	-5.2%	2.9%	
1/11/2020	-7.7%	-13.5%	-12.3%	-7.3%	-5.2%	-5.2%	-3.4%	-5.7%	-2.4%	1.8%	-8.4%	-9.6%	-0.3%	
1/18/2020	6.4%	18.5%	10.9%	3.9%	1.8%	-1.5%	0.1%	6.6%	-0.7%	7.2%	5.1%	29.8%	2.1%	
1/25/2020	0.3%	4.6%	2.6%	-0.2%	-1.5%	-3.2%	-2.1%	0.0%	-1.2%	0.5%	5.2%	3.7%	13.6%	

Clean comp week Luxury and Upper Upscale led the industry DC 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%	4.5%	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%
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%

	YoY % change in ADR									New				
	U.S.	Upper		Upper		Economy		Inde- pendent	York	Boston	LA	Chicago	DC	
	Luxury	Upscale	Upscale	Midscale	Midscale	Economy	Economy	pendent						
12/21/2019	1.8%	-4.2%	1.6%	1.6%	1.5%	-0.2%	-0.7%	1.0%	3.4%	-1.1%	2.8%	3.8%	8.9%	
12/28/2019	-2.6%	-4.3%	-1.5%	-3.2%	-1.6%	-2.3%	-1.8%	-2.6%	-10.2%	-2.7%	-3.6%	-0.1%	-0.1%	
1/4/2020	4.0%	5.5%	3.8%	1.2%	0.7%	-0.4%	-0.3%	6.0%	1.8%	-1.8%	2.3%	-0.9%	-1.8%	
1/11/2020	-4.7%	-11.1%	-8.6%	-3.7%	-2.1%	-1.2%	-2.0%	-2.7%	-2.5%	-0.4%	-4.0%	-3.5%	-2.2%	
1/18/2020	5.2%	13.6%	7.7%	2.0%	1.3%	0.4%	-0.2%	6.3%	-1.7%	2.1%	0.4%	10.8%	0.5%	
1/25/2020	0.6%	1.6%	1.0%	-0.1%	-0.6%	-0.8%	-1.7%	0.9%	-1.2%	-1.8%	4.8%	1.7%	1.0%	

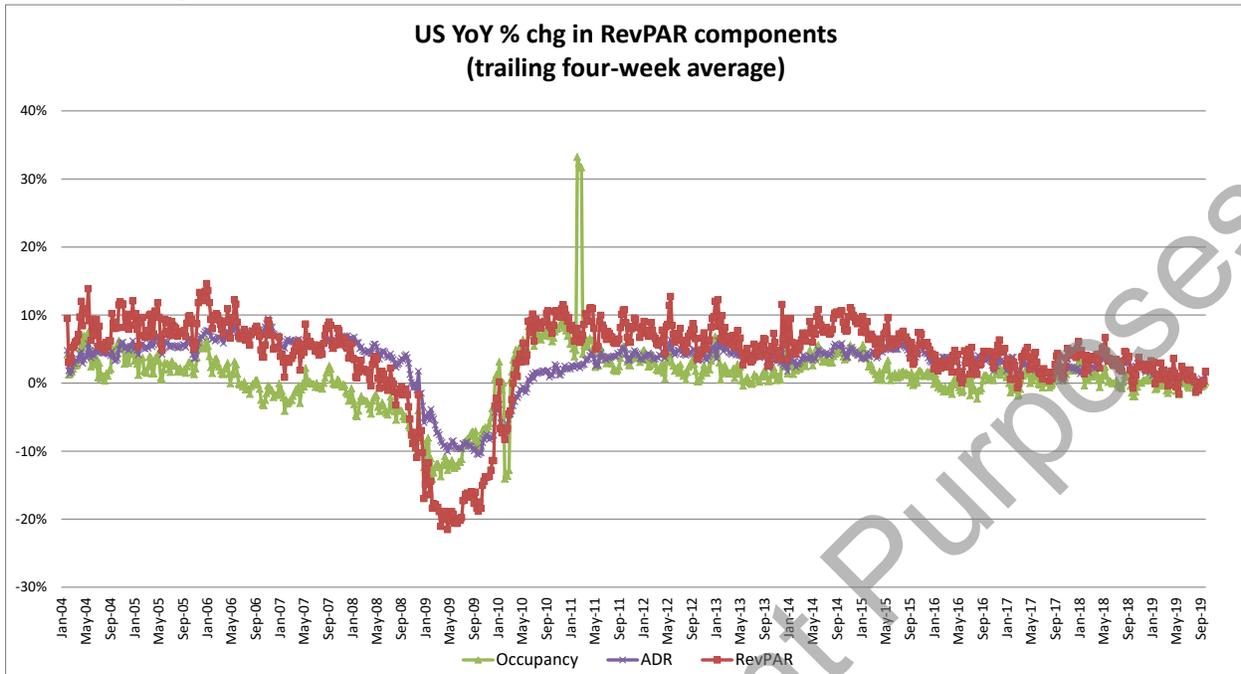
1Q16	3.2%	1.9%	2.7%	3.2%	2.6%	1.7%	3.3%	3.7%	-3.1%	1.4%	11.3%	-1.9%	1.1%
2Q16	2.9%	1.5%	2.2%	2.9%	2.8%	2.7%	3.4%	3.0%	-3.1%	3.3%	9.4%	0.3%	2.1%
3Q16	3.4%	1.5%	2.5%	2.7%	2.4%	3.1%	3.6%	4.4%	-2.7%	2.3%	7.5%	1.9%	3.5%
4Q16	2.6%	2.1%	1.4%	2.2%	2.0%	2.2%	3.2%	3.8%	-1.2%	1.3%	5.8%	3.9%	4.1%
1Q17	2.5%	2.3%	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%	0.6%	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%
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%

	YoY % change in Occupancy									New				
	U.S.	Upper		Upper		Economy		Inde- pendent	York	Boston	LA	Chicago	DC	
	Luxury	Upscale	Upscale	Midscale	Midscale	Economy	Economy	pendent						
12/21/2019	5.9%	14.1%	12.1%	9.0%	5.6%	2.9%	1.9%	3.6%	4.9%	12.3%	6.9%	11.0%	16.0%	
12/28/2019	-4.9%	-2.0%	-5.3%	-3.6%	-5.6%	-7.0%	-2.8%	-5.5%	-1.0%	-0.7%	-1.6%	0.3%	-0.1%	
1/4/2020	0.3%	6.3%	2.0%	-0.2%	-1.0%	-1.8%	-1.3%	1.6%	7.0%	3.8%	3.0%	-4.3%	4.8%	
1/11/2020	-3.1%	-2.8%	-4.0%	-3.8%	-3.2%	-4.0%	-1.5%	-3.1%	0.2%	2.3%	-4.6%	-6.3%	1.9%	
1/18/2020	1.1%	4.3%	2.9%	1.9%	0.5%	-1.9%	0.3%	0.3%	1.0%	4.9%	4.7%	17.1%	1.6%	
1/25/2020	-0.3%	3.0%	1.6%	-0.1%	-0.9%	-2.4%	-0.4%	-0.9%	0.0%	2.4%	0.3%	2.0%	12.4%	

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%
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%

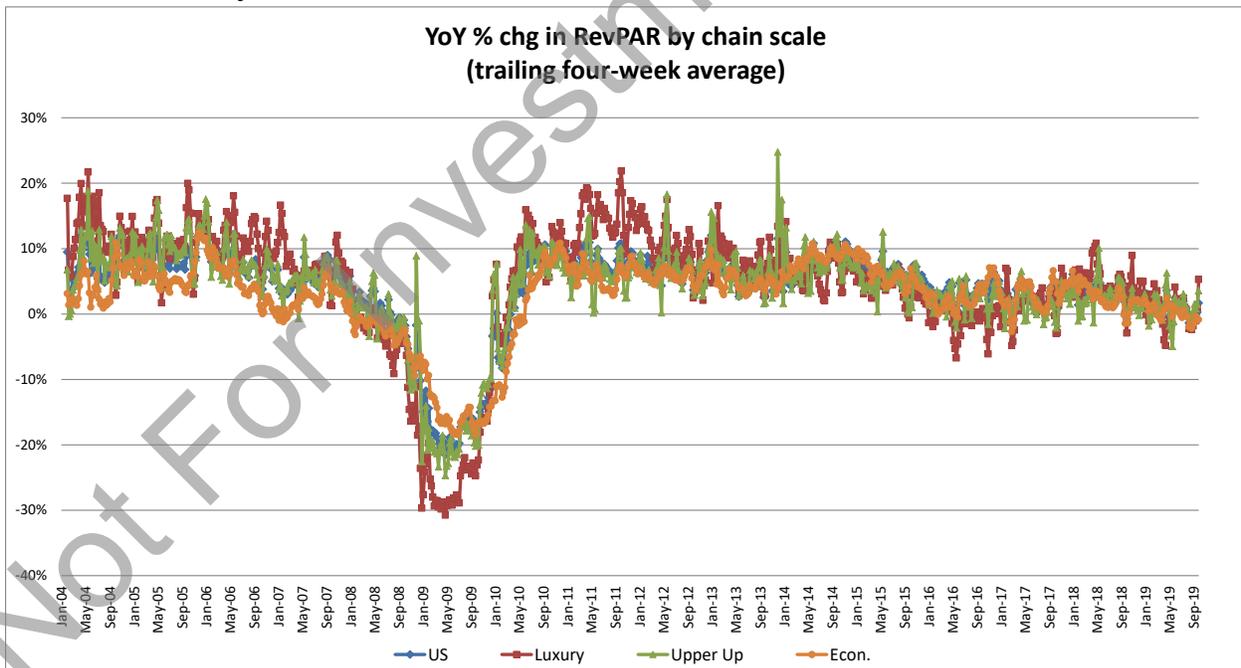
Source: STR data, STRH research

RevPAR Component Trends



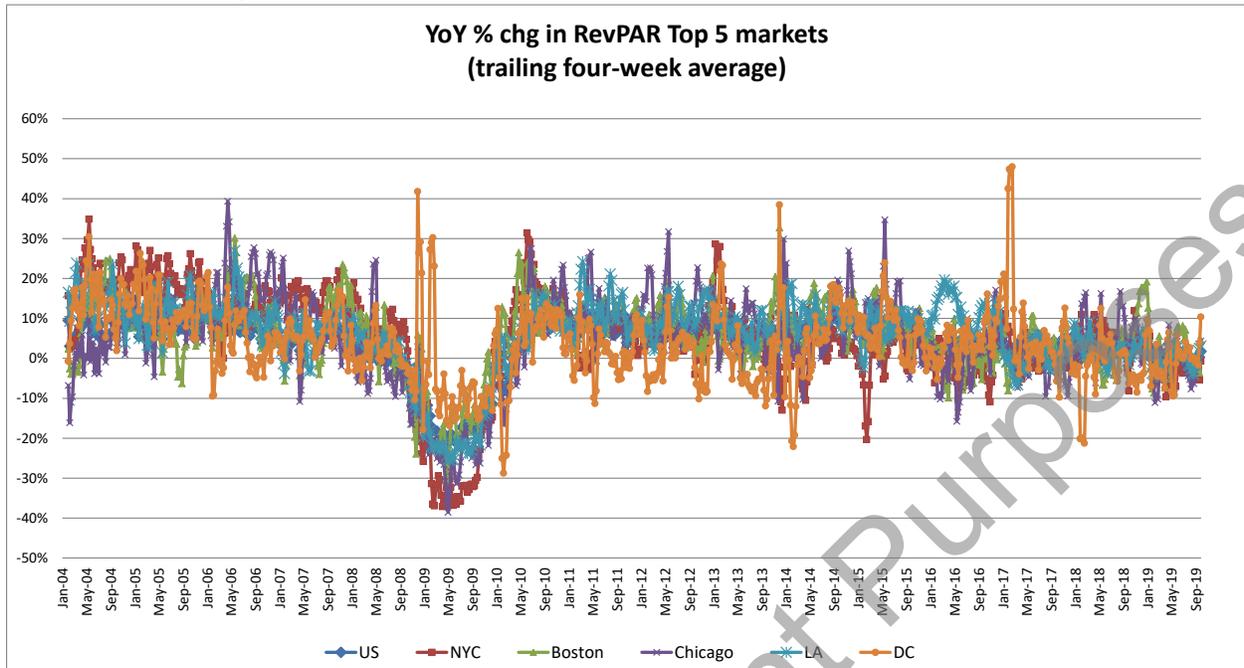
Source: STR data, STRH research

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 1/28/20	Rating	PT*	% upside/ down- side	2020E Valuation EBITDA (\$M)**	2020E As Reported EBITDA (\$M)**	Target EV/EBITDA Multiple	Risks
Choice Hotels	CHH	\$100.23	Hold	\$87	-13%	\$393	\$393	14.0X	Upside risk: conservative guidance. Downside risk: slowdown in development opportunities.
DiamondRock Hospitality	DRH	\$9.96	Hold	\$9	-10%	\$245	\$245	11.5X	Upside risk: specific markets (esp. NYC) perform better than expected. Downside risk: company unable to locate properties to buy. 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.
Host Hotels & Resorts	HST	\$16.89	Hold	\$18	7%	\$1,328	\$1,328	12.0X	Upside risk: Transient and group trends outperform expectations Downside risk: ongoing misexecution and volatility.
Hyatt Hotels	H	\$84.76	Hold	\$79	-7%	\$733	\$768	13.2X	Upside risk: Accelerating tour flow, FCF generation and declining consumer defaults. Downside risk: 3rd party induced defaults worsen. Middle market customers underperform.
Bluegreen Vacations Corporation	BXG	\$9.21	Hold	\$11	19%	\$106	\$106	7.8X	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 Grand Vacations	HGV	\$33.16	Buy	\$42	27%	\$412	\$439	11.0X	Upside risk: Macro lodging trends improve beyond expectations. Downside risk: slowing pipeline. 2020 is a recession year in the U.S.
Hilton	HLT	\$107.86	Hold	\$99	-8%	\$2,378	\$2,481	14.8X	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	\$141.25	Hold	\$128	-9%	\$3,446	\$3,760	14.9X	Downside risk: M&A story fades and multiples revert to historical levels
Marriott Vacations	VAC	\$122.56	Buy	\$155	27%	\$831	\$865	11.1X	Downside risk: Significant supply growth, macroeconomic challenges/shocks, higher than expected labor costs.
Park Hotels & Resorts	PK	\$22.99	Buy	\$27	17%	\$871	\$886	12.0X	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	\$24.22	Hold	\$26	7%	\$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	\$7.24	Buy	\$10	38%	\$173	\$180	11.5X	Upside risk: RevPAR reaccelerates due to macroeconomic improvements, leading to estimate revisions and multiple expansion.
RLJ Lodging Trust***	RLJ	\$16.04	Sell	\$15	-6%	\$390	\$402	11.0X	Upside risk: recovering group demand better than expected, better margin recovery.
Ryman Hospitality Properties	RHP	\$87.33	Hold	\$83	-5%	\$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	\$12.97	Hold	\$14	8%	\$304	\$304	11.5X	Downside risk: Weaker than expected demand trends following capital investment projects.
Vail Resorts, Inc.	MTN	\$236.64	Buy	\$270	14%	\$807	\$807	15.0X	Downside risk: Economic conditions, competition for vacation and ski dollars, stagnant skier visitation, an aging customer, and climate change.
Wyndham Destinations	WYND	\$50.52	Buy	\$76	50%	\$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	\$58.27	Buy	\$68	17%	\$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									
Cruise Lines	TKR	Price Price	Rating	PT*	% upside/ down- side	2020E EPS	Target PE Multiple	Risks	
Carnival Corp. *	CCL	\$46.50	Hold	\$51	11%	\$4.69	11.0X	Downside risk: failure to meet cost savings goals; adverse incidents, most oil exposure.	
Norwegian Cruise Line	NCLH	\$55.00	Buy	\$69	25%	\$5.56	12.5X	Downside risk: an adverse incident would have an outsized negative impact on NCLH given the single brand	
Royal Caribbean Cruises	RCL	\$120.43	Buy	\$157	30%	\$10.84	14.5X	Downside risk: failure to meet cost savings goals; adverse incidents	
* All of our Cruise Line price targets are derived by applying a target PE multiple to our estimate for 2020 EPS									
**Based on our 2Q21 estimate									

Source: FactSet, STRH research

Companies Mentioned in This Note

Bluegreen Vacations Corporation (BXG, \$9.21, Hold, C. Patrick Scholes)
Choice Hotels International, Inc. (CHH, \$100.23, Hold, C. Patrick Scholes)
DiamondRock Hospitality Company (DRH, \$9.96, Hold, C. Patrick Scholes)
Hyatt Hotels Corporation (H, \$84.76, Hold, C. Patrick Scholes)
Hilton Grand Vacations Inc. (HGV, \$33.16, Buy, C. Patrick Scholes)
Hilton Worldwide Holdings Inc. (HLT, \$107.86, Hold, C. Patrick Scholes)
Host Hotels & Resorts, Inc. (HST, \$16.89, Hold, C. Patrick Scholes)
Marriott International, Inc. (MAR, \$141.25, Hold, C. Patrick Scholes)
Vail Resorts, Inc. (MTN, \$236.64, Buy, C. Patrick Scholes)
Norwegian Cruise Line Holdings Ltd. (NCLH, \$55.00, Buy, C. Patrick Scholes)
Pebblebrook Hotel Trust (PEB, \$24.22, Hold, Gregory Miller)
Park Hotels & Resorts Inc. (PK, \$22.99, Buy, C. Patrick Scholes)
Playa Hotels & Resorts N.V. (PLYA, \$7.24, Buy, C. Patrick Scholes)
Royal Caribbean Cruises Ltd. (RCL, \$120.43, Buy, C. Patrick Scholes)
Ryman Hospitality Properties, Inc. (RHP, \$87.33, Hold, C. Patrick Scholes)
RLJ Lodging Trust (RLJ, \$16.04, Sell, Gregory Miller)
Sunstone Hotel Investors, Inc. (SHO, \$12.97, Hold, C. Patrick Scholes)
Marriott Vacations Worldwide Corporation (VAC, \$122.56, Buy, C. Patrick Scholes)
Wyndham Hotels & Resorts, Inc. (WH, \$58.27, Buy, C. Patrick Scholes)
Wyndham Destinations, Inc. (WYND, \$50.52, 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.

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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