

Lodging

Lodging: US RevPAR +187.6% Y/Y Last Week; 2-yr -32.6% vs. prior -30.1%

RevPAR slipped for second straight week as spring break now in rearview mirror

What's Incremental To Our View

Overall U.S. RevPAR was +187.6% Y/Y for the week ending 5/1/2021, per STR, softer than the prior week's result of +220.7%. Last week's RevPAR was up against a -76.6% comparable result in 2020 vs. -73.1% in the prior week's 2-year run-rate. On a 2-year run-rate, RevPAR was down 32.6% vs. down 30.1% in the prior week's 2-year run-rate and somewhat below with the -27% to -32% range we have seen for the past several weeks.

We view that the conclusion of an extended March-April Spring Break reflects lighter leisure demand pre-summer months combined with continued limited professional corporate travel (Upscale and above). Effectively, May should reflect whatever growth in higher-rated business travel that is to come (we have low expectations).

Further evidence in our view: sequentially weakening trends driven by Transient occupancy last week of 35.3% being below the running 28 days of 36.8% and April of 37.3%. Occupancy in the mid-week for Luxury and Upper Upscale remains very challenged at sub 40% levels, suggesting still light professional corporate demand.

On a two-year basis, we note the comparisons are somewhat cleaner vs. Passover/Good Friday/Easter 2019. For the public companies that are active readers of our STR note, please see our commentary in the April forecast section for our thoughts on 2-year disclosure.

- Luxury was +498.9% and -50.5% over 2 years
- Upper Upscale at +391.1% and -56.3% over 2 years;
- Upscale was +204.7% and -39.4% over 2 years;
- Upper Midscale was +197.3% and -21.7% over 2 years;
- Midscale was +115.0% and -10.9% over 2 years;
- Economy was +61.6% and -0.7% over 2 years;

SEE PAGE 10 FOR REQUIRED DISCLOSURE INFORMATION

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What's Inside

Weekly STR results and analysis



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- Independent hotels (~ 1/3rd of the data set) were + 194.0% y/y and -22.4% over 2 years; and
- Within Upper Upscale & Luxury class hotels:
 - Group: +229.1% y/y vs. +217.4% prior week; over 2 years: -79.2% vs -73.5% prior week.
 - Transient: +628.4% y/y vs. +847.7% prior week; over 2 years: -29.7% vs -31.0% prior week.

April estimates:

- For the month of April, we estimate that full-service branded domestic hotels (the typical Hilton [HLT, Hold], Hyatt [H, Sell], or Marriott [MAR, Hold] hotel) will finish approximately +730-740% for Luxury, +535-545% for Upper Upscale, and +250-260% for Upscale full-service. We estimate that the overall industry will finish approximately +240-250%. Please note that reported monthly results include hotels that are not in the weekly data set.
 - For the time being, we are not making detailed 2-year monthly forecast comparisons vs. the STR data as we await the impact of hotel closures and new openings, which adds volatility to the data. This impact is even greater for chain scales and Top 25 markets due to closed urban full-service hotels. That said roughly speaking we estimate 2-yr RevPAR for the overall industry roughly down 30%, Upper Upscale down in the low 50s%, Upscale down in the upper 30s and Economy up in the low single digits.

2-year disclosures vs. STR data:

For the benefit of comparisons to our covered hotel names, we frankly view detailed company disclosure for 2020 and 2019 as highly relevant at this time especially given that low-rated hotels, particularly independent low-rated hotels, may be presenting stronger headline STR results than what is happening on-theground for C-corps and REITS. We add that the impact of new hotels, reopening hotels, and permanently closing hotels adds noise to the data. Simple comparisons vs. 2019 are not uniform by C-corp or REIT due to mergers, brand acquisitions, and market concentration. That said, we also expect many of our companies to outperform their relatively weaker competitors (weak brands/weak comp sets in the same markets). We commend the public companies this quarter that have provided clear cut apples-apples comparisons for 2019, 2020, and 2021 including by month and market/region. Disclosure of absolute RevPAR is also additive to show sequential improvement by month, based on hotels open. We encourage similar disclosure in intraquarter releases and for 2Q-4Q 2021 earnings.

• Additionally, for the REITS that had strong/soft citywides in their respective markets in 2019, we view this information should be highlighted. For example, 2019 was an exceptional year for San Francisco citywides. As such, 2019 may be a "hard comp" for comparison purposes for REITS with heavy San Francisco exposure.

Last week's RevPAR details and sequential trends:

- Headline RevPAR was +187.6% vs. the running 28 day average of +235.2%.
- Occupancy: absolute occupancy of 57.1% was vs. the running 28 day average of 57.8%.
- Open/closed hotels: Per STR, 2.6% of the hotel supply was closed (vs. 2.6% last week).
 - Please note there are many hotels that suspended operations/closed and they are not included in the comparisons. Implications are that the headline statistics likely overstate the actual performance of the overall industry.
- Absolute Group occupancy remains very light: 8.0% last week vs. 7.4% for the running 28 days.

As far as stocks, we reiterate the companies relatively best positioned here in our coverage universe are the drive-to leisure-centric C-Corps CHH and WH, RLJ for the value-play business traveler in the early corporate demand recovery, and the timeshare companies, BXG, HGV, VAC, and TNL (formerly WYND). WH, RLJ, BXG, HGV, VAC, and TNL are the only names we believe we can still get material upside based on our 2023 estimates, hence our Buy rating. CHH is rated Hold.

• While a widely distributed vaccine will be a game changer, until that point our best guess for the return of the business traveler for RevPAR modeling purposes is not until at least 3Q21 (three months ago we said 2Q21). Until that time, we continue to envision large corporations being extremely cautious in sending their employees out to travel, unless it is for essential purposes. Along similar lines, we see large group events and meetings being significantly curtailed until a vaccine is widely available and even after that experiencing lower than normal attendance for at least the first year perhaps partly driven by lower T&E budgets, ROI on webinars, meeting planner reticence to book, etc.

While the broader economy may have a U-shaped recovery, we believe hotel operating performance will take substantially longer to recover and be much choppier and vary by segmentation and geography. Additionally, we believe work from home will have a short-to-medium impact on hotel demand, though the longer-term impact is still unknown. While some travel industry leaders, news reporters, and businesspeople have predicted that 35-50% of business travel will be permanently lost our view is that it will be far less than 35-50% though it will not be zero either (Hospitality Net).

Good news for the hotel REITS is that unlike the 2008-2009 downturn where many issued significant dilutive equity, that has not been the case (so far) this downturn. We believe such equity issuance was a major reason why most hotel REITS were never able to get back to their pre-2008 prices. However we do not see such a headwind today -- with the potential for some permanent incremental costs savings (+100-300bps) being the consensus range by some Lodging REITS, most hotel REITS have the potential to eventually get back to or possibly exceed their pre-Covid prices.

(Our ratings and price targets generally represent our recommendations and forecasts based on a 12 to 18 month outlook. We acknowledge that near term uncertainty and volatility could affect financial inputs to our targets, and the likely multiples the market may pay for those metrics).

Weekly RevPAR Summary

-			Upper		Upper	YoY % (Inde-	1				
	U.S.	Luxury		Upscale		Midscale	Economy		New York	Boston	LA	Chicago	DC
3/20/2021	124.5%	284.9%	196.9%	132.6%	103.5%	70.2%	49.7%	. 143.4%	141.4%	73.8%	106.8%	122.1%	71.9%
3/27/2021	255.2%	1044.5%	511.9%	258.2%	229.1%	136.7%	82.3%	298.0%	218.1%	153.7%	217.5%	230.8%	136.5%
4/3/2021	287.6%	1065.2%	621.2%	286.8%	260.1%	153.7%	90.5%	337.7%	163.8%	189.6%	240.5%	225.6%	176.8%
4/10/2021	311.1%	978.0%	709.1%	314.8%	309.0%	187.9%	108.1%	345.6%	79.9%	193.0%	289.6%	188.3%	159.1%
4/17/2021	239.3%	687.8%	531.2%	254.4%	245.1%	147.4%	87.0%	255.1%	56.9%	149.1%	220.8%	165.7%	144.0%
4/24/2021	220.7%	589.1%	466.1%	235.1%	226.9%	132.3%	77.3%	236.1%	48.0%	167.7%	184.4%	136.9%	133.6%
5/1/2021	187.6%	498.9%	391.1%	204.7%	197.3%	115.0%	61.6%	194.0%	40.3%	138.3%	145.5%	126.7%	122.8%
	Sequential	y worse 2-	yeer comp		Luxury	and Upper	Upscale led t	he industry		LA and Bos	ton led the	Top 5 markets	3
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%		-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%		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%		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%		-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%		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%		-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%		-11.6%	1.1%	-0.7%	5.2%
1Q20	-19.3%	-21.4%	-23.1%	-20.8%	-19.1%	-16.8%	-11.2%	-16.7%		-24.5%	-19.3%	-21.0%	-23.2%
2Q20	-69.9%	-86.8%	-86.7%	-74.8%	-65.4%	-51.3%	-35.0%	-65.2%		-88.2%	-74.5%	-83.7%	-83.7%
3Q20	-48.5%	-72.0%	-71.8%	-55.2%	-41.7%	-29.7%	-19.0%	-39.0%		-79.1%	-58.4%	-73.4%	-68.0%
4Q20 1Q21	-50.6% -27.7%	-71.4%	-72.4% -54.4%	-55.5% -34.3%	-40.6% -17.4%	-26.3% -5.9%	-14.5% 4.1%	-43.5%		-76.1% -56.7%	-59.3% -45.3%	-75.4% -45.0%	-71.4% -43.5%
1021	-21.1%	-42.7%	-04.4%	-34.3%	-17.4%	-5.9%	4.1%	-18.0%	-48.4%	-00.7%	-40.3%	-40.0%	-43.5%
						YoY %	6 change	in ADR				.	

_	YoY % change in ADR											X		
	U.S.	Luxury	Upper Upscale	Upscale	Upper Midscale	Midscale	Economy	Inde- pendent	New York	Boston	LA	Chicago	DC	
3/20/2021	15.8%	-7.5%	-5.8%	-8.1%	0.0%	6.7%	9.7%	31.0%	-19.5%	-17.6%	1.5%	5.4%	-7.1%	
3/27/2021	36.2%	28.5%	18.3%	-0.5%	8.4%	13.5%	14.6%	61.4%	-10.4%	-8.0%	12.3%	20.9%	1.0%	
4/3/2021	49.0%	48.6%	30.5%	6.2%	12.8%	16.8%	18.6%	80.2%	2.3%	3.5%	22.3%	28.3%	11.7%	
4/10/2021	53.6%	42.6%	40.7%	13.3%	19.3%	20.9%	20.6%	80.1%	14.0%	12.0%	34.9%	31.3%	13.4%	
4/17/2021	46.0%	28.7%	36.5%	12.9%	18.9%	18.3%	18.6%	66.4%	15.4%	15.5%	32.4%	30.6%	14.8%	
4/24/2021	47.2%	26.4%	38.4%	16.3%	21.7%	18.9%	18.5%	66.8%	21,4%	21.8%	35.9%	29.7%	17.6%	
5/1/2021	46.3%	31.1%	40.8%	18.5%	23.3%	19.3%	16.9%	62.7%	23.3%	27.6%	36.8%	31.7%	19.0%	
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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%	
1Q20	-4.0%	1.6%	-1.4%	-2.9%	-3.1%	-3.8%	-3.8%	-2.3%	-8.6%	-6.2%	-2.7%	-2.6%	-6.8%	
2Q20	-37.1%	-22.0%	-34.0%	-30.0%	-23.1%	-17.1%	-14.6%	-34.8%	-52.3%	-56.9%	-40.5%	-53.7%	-48.8%	
3Q20	-24.1%	-12.6%	-25.6%	-24.2%	-17.3%	-11.6%	-9.4%	-16.1%	-47.7%	-47.3%	-31.6%	-43.2%	-34.5%	
4Q20	-27.2%	-11.1%	-29.0%	-26.9%	-17.8%	-10.4%	-5.9%	-20.9%	-54.1%	-45.5%	-29.2%	-44.8%	-40.7%	
1Q21	-19.6%	3.4%	-23.4%	-23.0%	-14.2%	-6.3%	-1.5%	-12.1%	-28.3%	-32.7%	-29.7%	-25.7%	-27.9%	

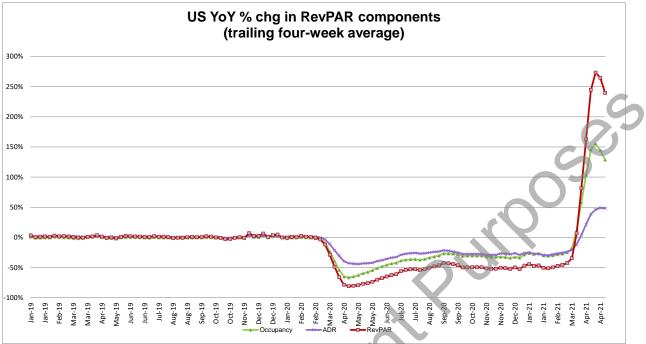
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	_			Upper		Upper			Inde-					
		U.S.	Luxury	Upscale	Upscale	Midscale	Midscale	Economy	pendent	New York	Boston	LA	Chicago	DC
3/20	0/2021	93.9%	316.3%	215.1%	153.2%	103.6%	59.5%	36.5%	85.8%	199.8%	111.0%	103.7%	110.6%	85.0%
3/27	7/2021	160.8%	790.8%	417.3%	260.0%	203.5%	108.5%	59.1%	146.6%	255.2%	175.8%	182.8%	173.5%	134.3%
4/3	3/2021	160.2%	684.1%	452.5%	264.2%	219.3%	117.3%	60.6%	143.0%	157.9%	179.7%	178.5%	153.8%	147.9%
4/10	0/2021	167.6%	655.7%	475.2%	266.1%	242.9%	138.2%	72.5%	147.4%	57.9%	161.6%	188.8%	119.6%	128.5%
4/17	7/2021	132.3%	512.2%	362.6%	213.8%	190.2%	109.1%	57.6%	113.4%	36.0%	115.6%	142.2%	103.5%	112.5%
4/24	4/2021	117.9%	445.3%	309.1%	188.1%	168.5%	95.3%	49.6%	101.5%	21.9%	119.9%	109.2%	82.7%	98.6%
5/1	1/2021	96.6%	356.9%	248.9%	157.2%	141.1%	80.3%	38.3%	80.7%	13.8%	86.7%	79.4%	72.1%	87.2%
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	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%		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%		3.7%	-1.3%	4.4%	-1.8%
	2Q18	1.1%	1.3%	0.5%	0.4%	0.9%	1.5%	0.4%	1.5%		-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%		0.9%	0.2%	0.7%	-2.6%
	4Q18	0.4%	-0.7%	-1.1%	-1.6%	-0.6%	0.4%	2.3%	1.9%		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%		-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%		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%		-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%		-6.5%	0.8%	1.5%	1.3%
	1Q20	-15.9%	-22.6%	-21.9%	-18.4%	-16.5%	-13.6%	-7.7%	-14.8%		-19.5%	-17.1%	-18.8%	-17.6%
	2Q20	-52.1%	-83.0%	-79.8%	-64.0%	-55.1%	-41.3%	-23.9%	-46.6%		-72.7%	-57.1%	-64.7%	-68.2%
	3Q20	-32.2%	-68.0%	-62.2%	-40.9%	-29.5%	-20.5%	-10.6%	-27.3%		-60.3%	-39.1%	-53.1%	-51.2%
	4Q20	-32.1%	-67.8%	-61.2%	-39.1%	-27.8%	-17.8%	-9.1%	-28.5%		-56.2%	-42.5%	-55.5%	-51.7%
	1Q21	-10.1%	-44.6%	-40.5%	-14.7%	-3.8%	0.5%	5.6%	-6.7%	-28.0%	-35.6%	-22.2%	-26.0%	-21.6%

Source: STR data, Truist Securities research

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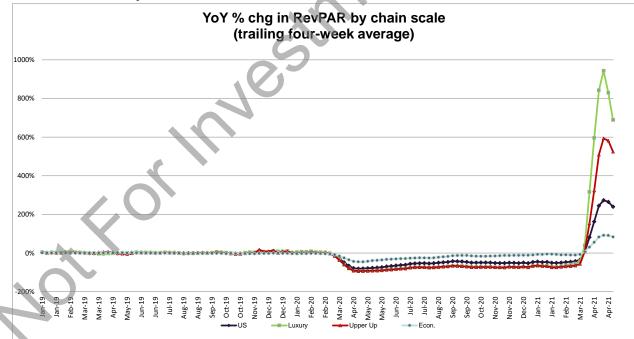
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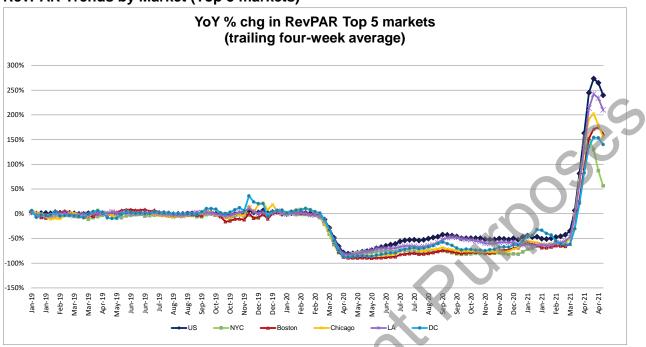
RevPAR Component Trends



Source: STR data, Truist Securities research

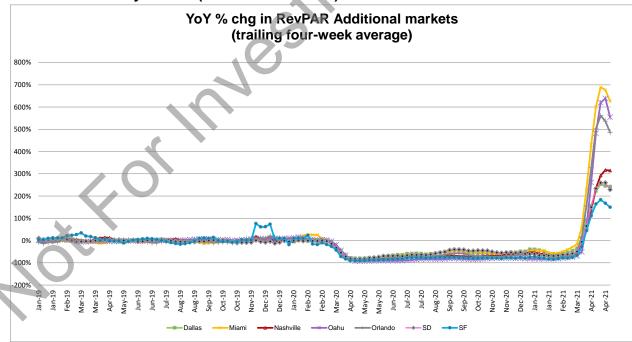
RevPAR Trends by Chain Scale





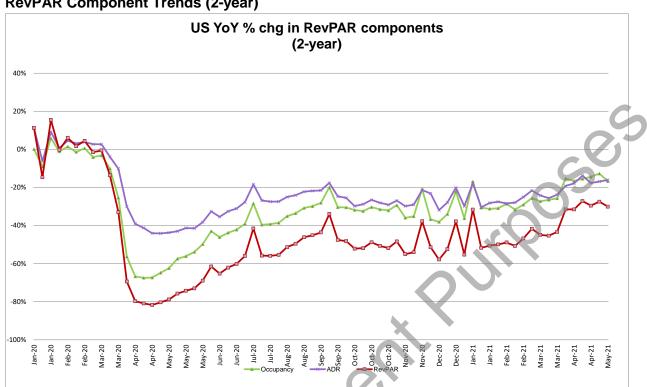
RevPAR Trends by Market (Top 5 markets)

Source: STR data, Truist Securities research



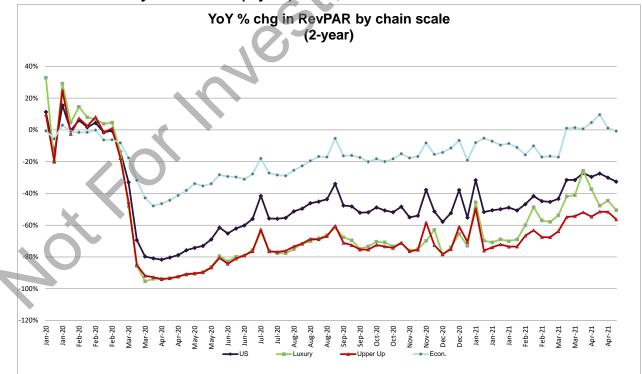
RevPAR Trends by Market (Additional markets)





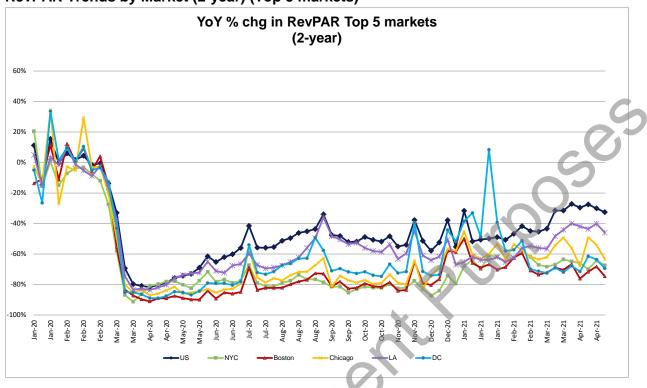
RevPAR Component Trends (2-year)

Source: STR data, Truist Securities research



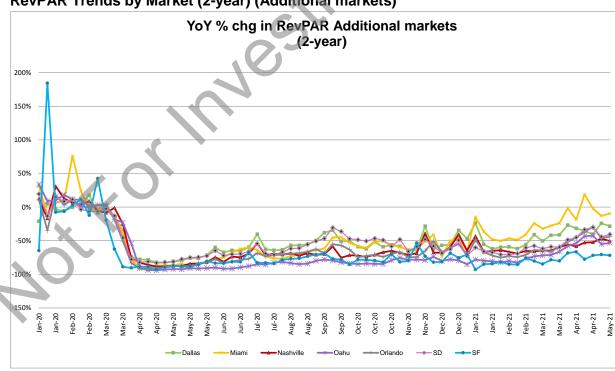
RevPAR Trends by Chain Scale (2-year)





RevPAR Trends by Market (2-year) (Top 5 markets)

Source: STR data, Truist Securities research



RevPAR Trends by Market (2-year) (Additional markets)

Price Target/Risks Summary

Chick Health CHI S112 17 Healt S110 S285 S460 S285 S300 S460 Durnsich firk Avonantatio growth of we brand. Bemondflood Heagelaily DEH S1000 See S2 S126 S21 S2 S126 S21 S2 S126 S21 S2 S226 S20 S2 <	Billinger EXX 9.8 by 9 911 912 7.5X meteocome (nik) Caloba Hellek CH4 \$112.17 Hold \$102 -9% \$318 \$385 \$469 \$123 7.5X meteocome (nik) Caloba Hellek CH4 \$112.17 Hold \$102 -9% \$318 \$385 \$469 \$122 Caloba Hellek Chellek Chelek Chellek Chellek		TKR	Price 5/4/21	Rating	PT*	% upside/ down- side	2021E Valuation EBITDA (\$M)* **	2022E Valuation EBITDA (\$M)* **	2023E Valuation EBITDA (\$M)* **	As Reported/ Consensus EBITDA (\$M)*	As Reported/ Consensus EBITDA (SM)*	As Reported/ Consensus EBITDA (\$M)*	Target EV/EBITDA Multiple	Risks Note: COVID-19 represents a material risk to our entire covera especially related to the length/severity of the demand shoc
Chick Health CHI S112 17 Healt S110 S285 S460 S285 S300 S460 Durnsich firk Avonantatio growth of we brand. Bemondflood Heagelaily DEH S1000 See S2 S126 S21 S2 S126 S21 S2 S126 S21 S2 S226 S20 S2 <	Spectrum OH 1317 Number of the second	Bluegreen Vacations	BXG	\$9.56	Buv	\$11	19%			\$127	\$88			7.5X	Downside risk: controlled company issues, limited cap/float, loan defau
DemondPack Hospitality DRH \$10.00 Self 52 5126 521 52 521 520 <td>Numerical data data data data data data data da</td> <td></td> <td>Upside risk: conservative growth of new brands.</td>	Numerical data data data data data data data da														Upside risk: conservative growth of new brands.
Hiton H-T S12.82 Hold S114 -11% S1,47 S2.06 S2.002 S1.28 S2.716 S2.706 15.8X eregedent retuit growth. Downsite ink: above ppenden. Die 2021 Hilen Grand Vacationa HOV S44.87 Bay 548 7% S219 5407 S407 S407 </td <td>Beach Ist 1912 1914 <th< td=""><td></td><td></td><td></td><td></td><td></td><td>-21%</td><td></td><td>\$126</td><td>\$251</td><td>\$2</td><td>\$126</td><td>\$251</td><td></td><td>Upside risk: faster demand improvement in corporate travel than exp Brand changes (e.g. Vail) lead to material EBITDA improvement. Leisu</td></th<></td>	Beach Ist 1912 1914 <th< td=""><td></td><td></td><td></td><td></td><td></td><td>-21%</td><td></td><td>\$126</td><td>\$251</td><td>\$2</td><td>\$126</td><td>\$251</td><td></td><td>Upside risk: faster demand improvement in corporate travel than exp Brand changes (e.g. Vail) lead to material EBITDA improvement. Leisu</td></th<>						-21%		\$126	\$251	\$2	\$126	\$251		Upside risk: faster demand improvement in corporate travel than exp Brand changes (e.g. Vail) lead to material EBITDA improvement. Leisu
Head Grand Vacations HGV 544.8 Pay 548 7% 5219 5407 5302 5428 5509 10.1% House account of field Vacations in the number of the set of th	Number of the state o	Hilton	HLT	\$128.25	Hold	\$114	-11%	\$1,147	\$2,026	\$2,602	\$1,226	\$2,114	\$2,706	15.8X	expected net unit growth. Downside risk: slowing pipeline. Deep 2022 r
Hotels & Resorts HST S17.57 Sel S14 -20% -5165 S677 S1.207		Hiton Grand Vacations	HOV	\$44.97	Busy	\$40	79/	\$210	\$407	\$497	\$262	\$429	\$500	10.11	peers), issues with Japanese customer (HGV more exposed than pe
Hysit Hotels H \$50,68 Sell \$59 -27% \$14 \$473 \$640 \$39 \$501 \$671 13.6X Married Transmit and group to reduce statement of the statement o	Here here in a solution of the														Upside risk: faster demand improvement in corporate travel than exp
Marriot International MAR \$14,761 Hold \$11,917 \$2,870 \$3,697 14,0X Downside in site informa poen beyond isedetations. Fast aspected mixes MAR (bits) and missions Deep d022 measure. Marriot Maratina VA.Q \$176,14 Buy \$14,44 \$535 \$535 \$536 \$507 \$3,697 14,0X Downside in site informa poen beyond issectation. Park Hotels & Resorts PK \$22,28 Sell \$18 -19%. \$40 \$177 \$2,870 \$3,697 14,0X Downside in site informa poen beyond issectation. Deep state in the site informa poen beyond issectation. Deep state informa poen beyond issectations. Deep state informa poen beyond issectation. Deep	Lade it: Marco is beneficial with the constraint of the marco is believed in the Marco is believed														Upside risk: Transient and group trends outperform expectations, partic owned hotels. Material disposition of owned hotels. Faster than exp
Marriett Vacations VAC \$176.14 Buy \$184 4% \$535 \$830 \$905 \$775 \$874 \$949 10.4X Downside risk: Make into yitable and multiples revent to historical is Update risk: Make into yitable and multiples frame appointed in topoper lambours at high into provide in a contrast travel than applications at high into provide in a contrast travel than applications at high into provide in a contrast travel than applications at high into provide into an interval into and interval interval into and interval interv	Marieri Vesatore V/C 51% 49 944 49 946 940 947 941 943 540 547 944 944 941 943 540 547 941 942 941 943 540 540 547 942 941 943 543 540 547 941 943 543 540 540 541 541 513 520 640 1410 Part Part Part Part Part Part Part Part														Upside risk: Macro lodging trends improve beyond expectations. Fast expected net unit growth. Disposition of owned hotels at attractive p
Park Hotels & Resorts PK \$22.8 Sel \$18 -19% -340 \$419 \$763 -528 \$405 \$779 12.8 Dispositions at lightly in turbly betted in expected. CHSP prevenue and the spected. CHSP prevenue and the spected cHSP	Period PK S22.9 Bell 19% 440 510 573 528 543 777 12.2 Deposition at sight line fields that gives in the field of the sight line sight line field of the sight line sight line sight line field of the sight line sis line sight line sight line sis line sight line sis line		VAC	\$147.61 \$176.14		\$119 \$184		\$1,405 \$535	\$2,548 \$830	\$3,251 \$905	\$1,717 \$575	\$2,870	\$3,587 \$949	14.9X 10.4X	Downside risk: M&A story fades and multiples revert to historical le
Pebbelerook Hotel Trust*** PEB S23.54 Hold S21 -11% S9 S227 S401 S9 S227 S401 S9 S227 S401 14.X Downside Risk Incremental EBITDA from major CapEx Investment forger than attractional to control trust integrated control trusting in public control. New yoar in Parboletorok Hotel Trust*** PEB S23.54 Hold S2 -11% S9 S227 S401 S9 S227 S401 S9 S227 S401 14.X Ubite frist: queke recovery port-CVUID. Cap Care group strengthra Data Table DR. Downside risk Denter Table DR.	Numerical Role Incomental Role Incomentation	Park Hotels & Resorts	РК	\$22.28	Sell	\$18	-19%	-\$40	\$419	\$763	-\$28	\$435	\$779	12.5X	Dispositions at higher multiple than expected. CHSP revenue and a management strategies lead to faster than expected EBITDA gai
Baya Hotels & Resorts PLYA S7.24 Hold S5 -S11 S124 S191 -S1 S133 S200 DOX Can locatify-specific risk (alkeer recovery post-COVID, Cap Cara group strengthy and the public of risk calkeer recovery opt-COVID, Cap Cara group strengthy and the public of risk calkeer recovery opt-COVID. Cap Cara group strengthy and the public of risk calkeer recovery opt-CoVID. Scope-timing and/or upsile from regionary and the public of risk. Store the magnine calkeer is non-public of risk. Store related access of colorable buints store that and the due to increased ways of risk. Store related access of colorable buints store that and the due to increased ways of risk. Store related access of colorable buints store related access of colorable transmitter access of calkeer in covering and the public or risk. Store related access of colorable transmitter access of calkeer in covering and the public or risk. Store related access of calkeer in covering access of calkeer in cove	Parke kak & Beerins PUA 57.24 hold 55 33% 511 512 519 41 513 500 for a god series Huller Line Course in the second series do in more than a second series and the second series do in more than a second series do in the seco														Downside Risks: Incremental EBITDA from major CapEx investment longer than anticipated, contributing to multiple contraction. Very slow re
RLJ Stis 51 Buy \$19 19% \$22 \$286 \$424 \$34 \$298 \$436 100 CVDI, Socialiting and/or update frame repetided frame/or site frame/or site frame repetided frame/or site fram repetided frame/or site frame/or site fram r	Auf Lodong Trim*** RLJ 55.571 Bay 519 10% 522 526 5424 543 528 543 510 Concerning and the interview of the provide balance and the provide balance and the provide balance and the provide balance and the provide balance an	Pebblebrook Hotel Trust***	PEB	\$23.54	Hold	\$21	-11%	\$9	\$227	\$401	\$9	\$227	\$401		Upside risk: quicker recovery post-COVID, Cap Cana group strength/ra
RLJ Sti5.91 Buy \$19 19% 522 528 5424 534 528 546 10.00 or reability or costs care not reduced ather due to increased wage Ryman Hospitality Properties RHP \$76.05 Sell \$51 -33% \$59 \$221 \$430 \$82 \$228 \$422 13.00 or reability or costs cost-schether homorements Surstone Hotel Investors SHO \$12.89 Sell \$10 -22% -\$11 \$167 \$247 -\$3 \$177 \$255 12.0X Remotaline lado faster than expected EDTDA moreovenents Vail Resorts, Inc. MTN \$316.32 Hold \$308 -3% \$573 \$814 \$923 \$573 \$814 \$923 16.0X Downside risk: That are are labeled bits on the originate than expected EDTA introvenent induces Update risk: Team expected EDTA Trivel 1 (abstor continuing the bits are	RLL Joshin Tust*** RL 815.91 By 819 199 522 5286 5424 534 528 5421 100 Like include and in proceeding. Ryman Hospitally Properties RP 87.00.0 set 531 33% 590 5281 5420 542 5421 5421 100 Like include and in proceeding. Sensore Hotel Investors 0+0 \$12.0 Set 510 22% 11 516.7 247 13 517 526 100 Like incluster and proceeding inclusters in p	Playa Hotels & Resorts	PLYA	\$7.24	Hold	\$5	-31%	-\$11	\$124	\$191	-\$1	\$133	\$200	10.0X	Downside risk: Slower than expected recovery of corporate business tr
Kyman Hospitality Properties RHP \$76.05 Sell \$51 -33% \$59 \$281 \$430 \$82 \$284 \$423 13.0 Update risk: feature in corporate travel than expected than expec	Ryman Haapitality Properties Ryman Haapitality Properties Rye 9 76.05 Set 51 33% 569 521 430 522 524 432 100 balance interview in	RLJ Lodging Trust***	RLJ	\$15.91	Buy	\$19	19%	\$22	\$286	\$424	\$34	\$298	\$436	13.0X	expectations; labor costs are not reduced either due to increased wage or inability to cut costs post-tech improvements
Surstone Hotel Investors SHO \$12.89 Sell \$10 -22% -\$11 \$167 \$247 -\$3 \$177 \$255 12.0X Renovations lead for fasting than expendence of the expected EVENTION Incrementative and elever of the second EVENTION Incrementative and elever of	Sundoire Hole Investors <u>6 HO \$12.09 5et 81 2.226 511 517 524 743 517 255 100 1000 1000 1000 1000 1000 1000 1</u>														Upside risk: recovering group and Entertainment demand faster than ex better margin recovery.
Vail Reports, Inc. MTN \$316.32 Hold \$308 -3% \$573 \$814 \$923 \$573 \$814 \$923 Logistic for 20 conditions, including advances in general econditions, including ad	Non-resolution of the stability of the problem watchings in general of the stability of the st														Upside risk: faster demand improvement in corporate travel than exp Renovations lead to faster than expected EBITDA improvement
Value MTN \$316.32 Hold \$308 -3% \$573 \$814 \$902 \$100	Num NTN S16.32 Hold S00 -3% S73 S14 S023 S15 S04 S05 S04 S15 S04 S05 S16														Downside risks: MTN is subject to prolonged weakness in general ec conditions, including adverse effects on the overall travel and leisure
Travel + Leisure Co. TNL \$ \$63.59 Buy \$74 10% \$712 \$855 \$954 \$712 \$886 \$954 \$712 \$886 \$954 8.5.X softness. There are potential execution risks post the spin off. Workham Hotels & Reards WH \$73.32 Buy \$31 10% \$459 \$615 \$711 \$486 \$644 \$773 14.0X Downside risk: Slowdown in development opportunities. *Ail of our Lodging price targets are derived by applying a target EVEBITDA multiple to our estimate for 2020 EBITDA * Valuation EBITDA excludes select lemas for specific companies including stock-based compensation. ** Covered by Gregory J. Miller - gregory.j.miller @linuist.com	Trevel + Laisure Co. The Status Pure are potential execution (risks post the spin of Workham Hoteks Reactions UH \$73.2 Buy \$74 10% \$712 \$865 \$971 \$486 \$544 \$712 \$865 \$974 \$14.0X contrasts. There are potential execution (risks post the spin of *4 of a cal codping price target and chrined by applying a target EVEBTICA multiple to car estimate for 2020 EBTICA ** Valuation EEDIt and each calculate spin of ** Valuation EEDIT each calculate spin of ** Va	Vail Resorts, Inc.	MTN	\$316.32	Hold	\$308	-3%	\$573	\$814	\$923	\$573	\$814	\$923	16.0X	Upside risks include a faster economic recovery and investors continuing higher target valuation multiples.
* All of our Lodging price targets are derived by applying a target EV/EB/TDA multiple to our estimate for 2020 EB/TDA ** Valuation EB/TDA excludes select items for specific companies including stock-based compensation. *** Covered by Gregory J. Miller - gregory.j.miller@truist.com	Al of our Lodging price largels are derived by applying a target EV/EB/TDA multiple to our estimate for 2020 EB/TDA * Valuation EB/TDA excludes select imms for specific companies including stock-based compensation. *** Covered by Gregory J. Miler - gregory (miller@truist.com) Source: FactSet, Truist Securities research														softness. There are potential execution risks post the spin off
Source: FactSet, Truist Securities research			3-3-77												
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Companies Mentioned in This Note

Bluegreen Vacations Corporation (BXG, \$9.56, Buy, C. Patrick Scholes) Choice Hotels International, Inc. (CHH, \$112.17, Hold, C. Patrick Scholes) DiamondRock Hospitality Company (DRH, \$10.09, Sell, C. Patrick Scholes) Hyatt Hotels Corporation (H, \$80.68, Sell, C. Patrick Scholes) Hilton Grand Vacations Inc. (HGV, \$44.87, Buy, C. Patrick Scholes) Hilton Worldwide Holdings Inc. (HLT, \$128.25, Hold, C. Patrick Scholes) Host Hotels & Resorts, Inc. (HST, \$17.57, Sell, C. Patrick Scholes) Marriott International, Inc. (MAR, \$147.61, Hold, C. Patrick Scholes) Vail Resorts, Inc. (MTN, \$316.32, Hold, C. Patrick Scholes) Pebblebrook Hotel Trust (PEB, \$23.54, Hold, Gregory Miller) Park Hotels & Resorts Inc. (PK, \$22.28, Sell, C. Patrick Scholes) Playa Hotels & Resorts N.V. (PLYA, \$7.24, Hold, C. Patrick Scholes) Ryman Hospitality Properties, Inc. (RHP, \$76.05, Sell, C. Patrick Scholes) RLJ Lodging Trust (RLJ, \$15.91, Buy, Gregory Miller) Sunstone Hotel Investors, Inc. (SHO, \$12.89, Sell, C. Patrick Scholes) Travel + Leisure Co. (TNL, \$63.59, Buy, C. Patrick Scholes) Marriott Vacations Worldwide Corporation (VAC, \$176.14, Buy, C. Patrick Scholes) Wyndham Hotels & Resorts, Inc. (WH, \$73.32, 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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Coverage Universe	e		Investment Banking	Clients Past 1	2 Months
Rating	Count	Percent	Rating	Count	Percent
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Hold	224	30.60%	Hold	68	30.36%
Sell	7	0.96%	Sell	1	14.29%

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