

Lodging

Lodging: US RevPAR +67.0% Y/Y Last Week; 2yr -19.0% vs. Prior +27.4%; Back to post-holiday reality

Omicron impact w/ cancelled events, lighter business travel; Holiday timing also hurt.

What's Incremental To Our View

Overall U.S. RevPAR was +67.0% y/y for the week ending 1/8/2022, per STR, weaker than the prior week's result of +94.4%. Last week's RevPAR was up against a -47.4% comparable result in 2021 vs. -35.1% in the prior week's 2-year run-rate. On a 2-year run-rate, RevPAR was -19.0% vs. +27.4% in the prior week's 2-year run-rate.

While we can point to the impact of omicron especially to business travel (individual and group) in the traditionally low demand period of early January, the 2019 comparison is also impacted by a tough calendar shift (2019 comparison week starting 1/6 vs. 2021 on 1/2).

Impact of a calendar shift again. In 2019, the work week started on Monday the 7th -- a bit more normal for the resumption of business travel post New Years versus the 2021 comparison of Monday the 3rd where some workers were still on vacation. Day of week data highlights the impact, with Sunday occupancy down 1% vs. 2019 (holiday benefit) but Monday-Wednesday down 22-25%.

- Upper Upscale and Luxury were particularly soft with midweek occupancy down over 50% vs. 2019 (and we note Luxury still has holiday and winter leisure demand).
- We add that even in early January the meetings season normally commences -- from the JPM Healthcare Conference in San Francisco (virtual again this year) to the Consumer Electronics Show in Las Vegas (hybrid, live attendance reportedly down ~75% vs. pre-pandemic levels although we note that of the roughly 40K attendees, many were smaller exhibitors that we think were more compelled to attend in person and media). **As we discussed in our group note last week, we remain cautious for a major rebound of large business groups for at least 1Q if not 2Q.** Many events may happen but with lighter attendance both from international attendees that struggle to enter the country and domestic attendees that either are challenged by flight cancellations, corporate budgets, and/or the risk of illness (both driven by corporate risk policies and one's own health concerns).
 - **Given timing of conferences in 2019, we expect even more complicated city comparisons in January.** For example, the JPM conference was between 1/7 to 1/10 in 2019, a driver to **San Francisco RevPAR being down 87% last week vs. 2019.**
 - Group RevPAR was -71.1% vs. 2019 although we view the calendar shift as impactful.

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What's Inside

Weekly STR results and analysis

Major RevPAR statistics presented below:

- Luxury RevPAR: +125.5% y/y and -31.5% over 2 years
- Upper Upscale RevPAR: +130.3% y/y and -44.1% over 2 years;
- Upscale RevPAR: +65.7% y/y and -25.6% over 2 years;
- Upper Midscale RevPAR: +52.8% y/y and -7.2% over 2 years;
- Midscale RevPAR: +40.2% y/y and +7.6% over 2 years;
- Economy RevPAR: +24.7% y/y and +17.8% over 2 years;
- Independent hotels (~ 1/3rd of the data set) RevPAR: +66.2% y/y and -12.6% over 2 years; and
- Within Upper Upscale & Luxury class hotels:
 - Group: +218.9% y/y vs. +181.6% prior week; over 2 years: -71.1% vs +27.1% prior week.
 - Transient: +105.0% y/y vs. +118.8% prior week; over 2 years: -14.8% vs +26.4% prior week.

Last week's RevPAR details and sequential trends:

- **Headline RevPAR** was 67.0% y/y vs. the running 28-day average of 90.9% y/y.
- **Occupancy:** Absolute occupancy was 45.4% y/y vs. the running 28-day average of 49.4% y/y.
- **Open/closed hotels:** Per STR, 0.6% of the hotel supply was closed (vs. 0.7% 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 was very light:** 7.6% last week vs. 6.5% for the running 28 days.

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

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).

Weekly RevPAR Summary

	YoY % change in RevPAR												
	U.S.	Upper			Upper			Inde- pendent	New York	Boston	LA	Chicago	DC
		Luxury	Upscale	Upscale	Midscale	Midscale	Economy						
12/18/2021	107.6%	238.8%	218.1%	114.1%	82.8%	57.0%	37.8%	97.9%	349.6%	170.7%	148.2%	183.8%	124.2%
12/25/2021	90.7%	182.5%	145.7%	88.5%	75.9%	54.7%	36.4%	83.5%	208.3%	114.2%	144.2%	115.5%	82.6%
1/1/2022	94.4%	145.7%	144.9%	95.4%	82.3%	62.8%	40.3%	82.0%	200.5%	145.9%	199.5%	122.8%	99.8%
1/8/2022	67.0%	125.5%	130.3%	65.7%	52.8%	40.2%	24.7%	66.2%	63.0%	93.3%	99.8%	60.0%	6.6%

Holiday calendar shift vs. 2019, tough comp ex-Omicron

Upper Upscale and Luxury led the industry

LA and Boston led the Top 5 markets

1Q18	3.5%	6.6%	0.9%	0.9%	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%
1Q20	-19.3%	-21.4%	-23.1%	-20.8%	-19.1%	-16.8%	-11.2%	-16.7%	-28.0%	-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%	-76.9%	-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%	-77.6%	-79.1%	-58.4%	-73.4%	-68.0%
4Q20	-50.6%	-71.4%	-72.4%	-55.5%	-40.6%	-26.3%	-14.5%	-43.5%	-81.0%	-76.1%	-59.3%	-75.4%	-71.4%
1Q21	-27.7%	-42.7%	-54.4%	-34.3%	-17.4%	-5.9%	4.1%	-18.0%	-48.4%	-56.7%	-45.3%	-45.0%	-43.5%
2Q21	160.4%	391.1%	305.3%	173.3%	150.1%	100.7%	61.1%	162.0%	73.8%	192.1%	166.4%	158.3%	126.2%
3Q21	83.8%	201.3%	162.9%	91.2%	72.8%	56.4%	39.5%	71.1%	169.2%	207.8%	95.8%	166.4%	96.9%

YoY % change in ADR

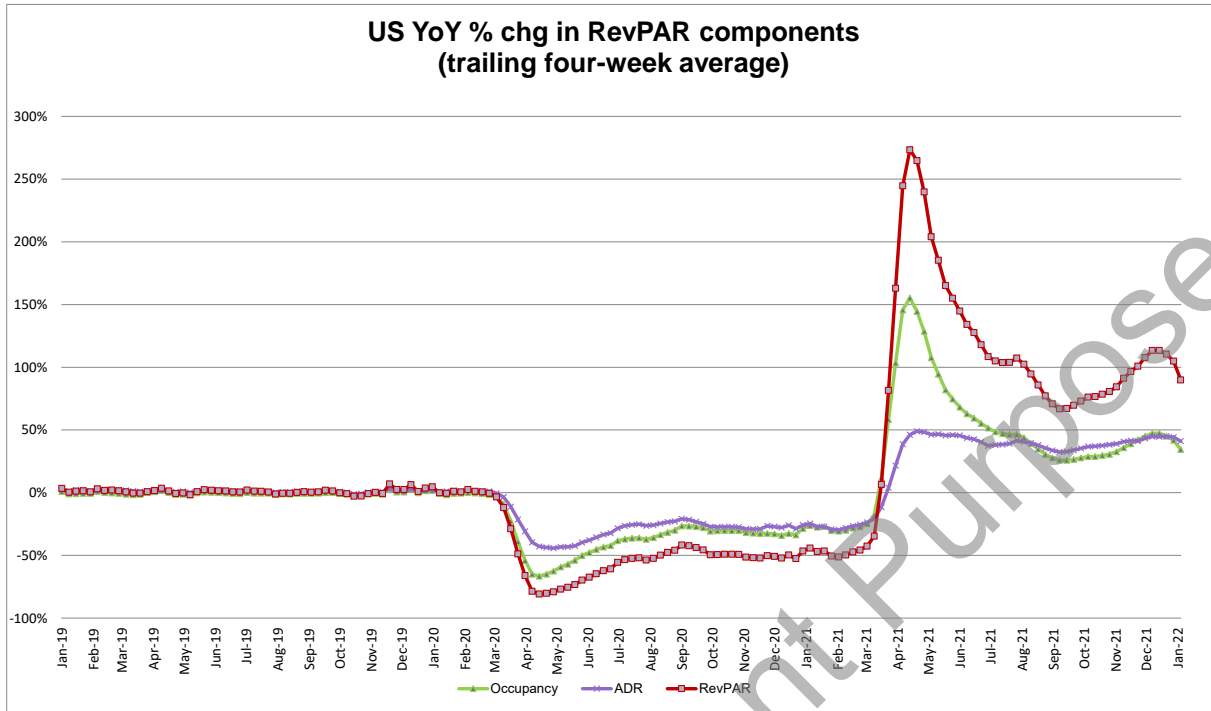
	U.S.	Upper			Upper			Inde- pendent	New York	Boston	LA	Chicago	DC
		Luxury	Upscale	Upscale	Midscale	Midscale	Economy						
	12/18/2021	42.1%	24.6%	39.5%	33.9%	27.8%	21.8%	18.4%	41.8%	123.3%	47.4%	52.7%	56.9%
12/25/2021	40.1%	34.6%	35.9%	31.9%	26.5%	20.9%	18.0%	39.2%	87.4%	33.3%	52.4%	43.9%	25.2%
1/1/2022	45.7%	31.3%	44.6%	41.6%	34.3%	26.1%	22.6%	42.7%	106.8%	42.9%	71.9%	47.1%	29.1%
1/8/2022	36.4%	29.5%	36.9%	29.4%	24.3%	18.8%	17.1%	39.3%	36.5%	34.5%	48.3%	32.3%	1.1%
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%
2Q21	43.2%	37.8%	30.6%	21.3%	23.1%	20.4%	18.6%	52.6%	33.5%	38.0%	42.5%	46.1%	23.1%
3Q21	36.2%	31.8%	35.0%	29.7%	28.3%	23.5%	21.1%	32.8%	64.2%	57.7%	43.1%	59.6%	29.4%

YoY % change in Occupancy

	U.S.	Upper			Upper			Inde- pendent	New York	Boston	LA	Chicago	DC
		Luxury	Upscale	Upscale	Midscale	Midscale	Economy						
	12/18/2021	46.0%	171.9%	128.1%	59.9%	43.0%	28.9%	16.3%	39.6%	101.4%	83.6%	62.5%	80.9%
12/25/2021	36.1%	110.0%	80.8%	42.9%	39.1%	28.0%	15.6%	31.9%	64.5%	60.8%	60.2%	49.7%	45.8%
1/1/2022	33.4%	87.1%	69.4%	38.0%	35.8%	29.1%	14.5%	27.5%	45.3%	72.0%	74.2%	51.5%	54.8%
1/8/2022	22.5%	74.1%	68.2%	28.0%	22.9%	18.0%	6.4%	19.3%	19.4%	43.7%	34.7%	20.9%	5.4%
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%
1Q20	-15.9%	-22.6%	-21.9%	-18.4%	-16.5%	-13.6%	-7.7%	-14.8%	-21.3%	-19.5%	-17.1%	-18.8%	-17.6%
2Q20	-52.1%	-83.0%	-78.8%	-64.0%	-55.1%	-41.3%	-23.9%	-46.6%	-51.5%	-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%	-57.3%	-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%	-58.7%	-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%
2Q21	81.9%	256.5%	210.5%	125.3%	103.2%	66.7%	35.9%	71.7%	30.2%	111.7%	86.9%	76.8%	83.8%
3Q21	34.9%	128.5%	94.7%	47.4%	34.7%	26.6%	15.2%	28.8%	64.0%	95.2%	36.9%	67.0%	52.1%

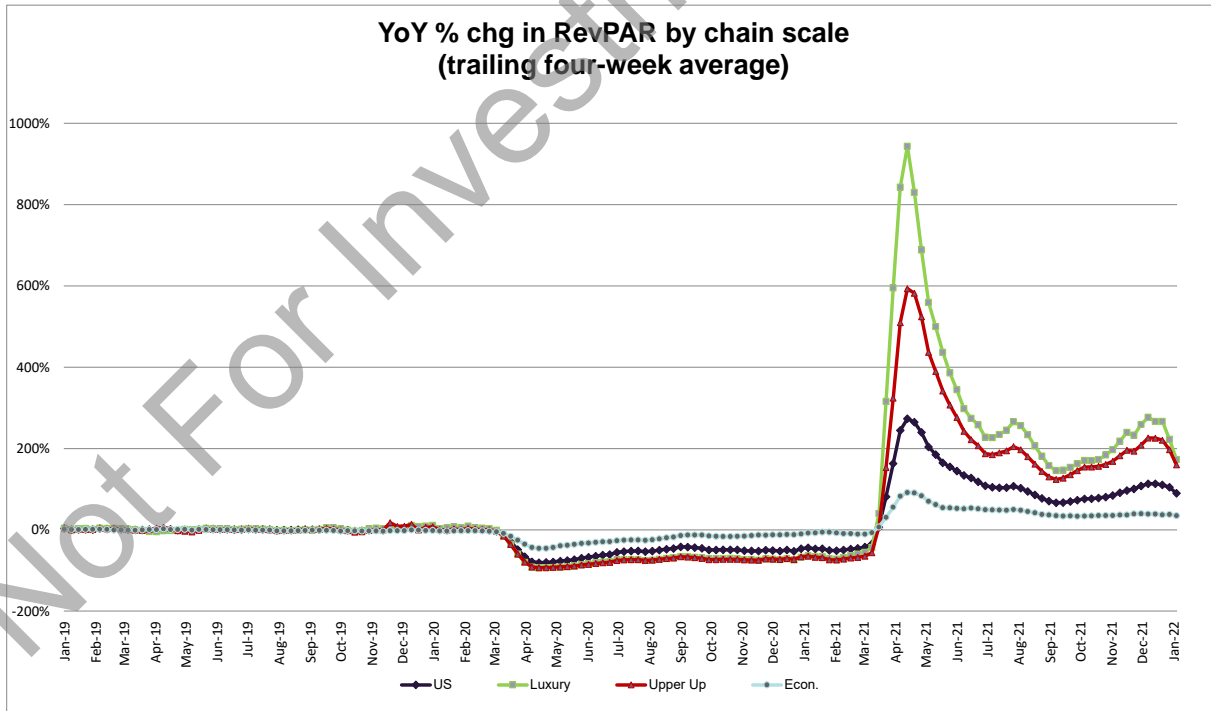
Source: STR data, Truist Securities research

RevPAR Component Trends



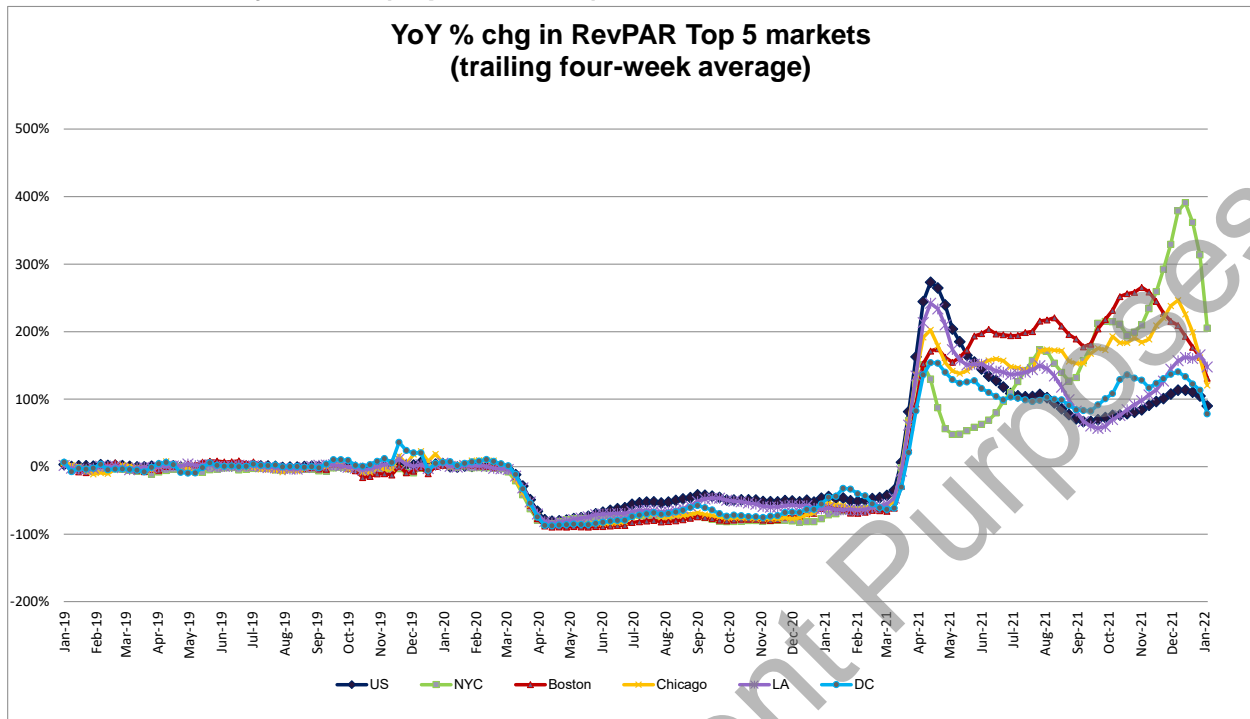
Source: STR data, Truist Securities research

RevPAR Trends by Chain Scale



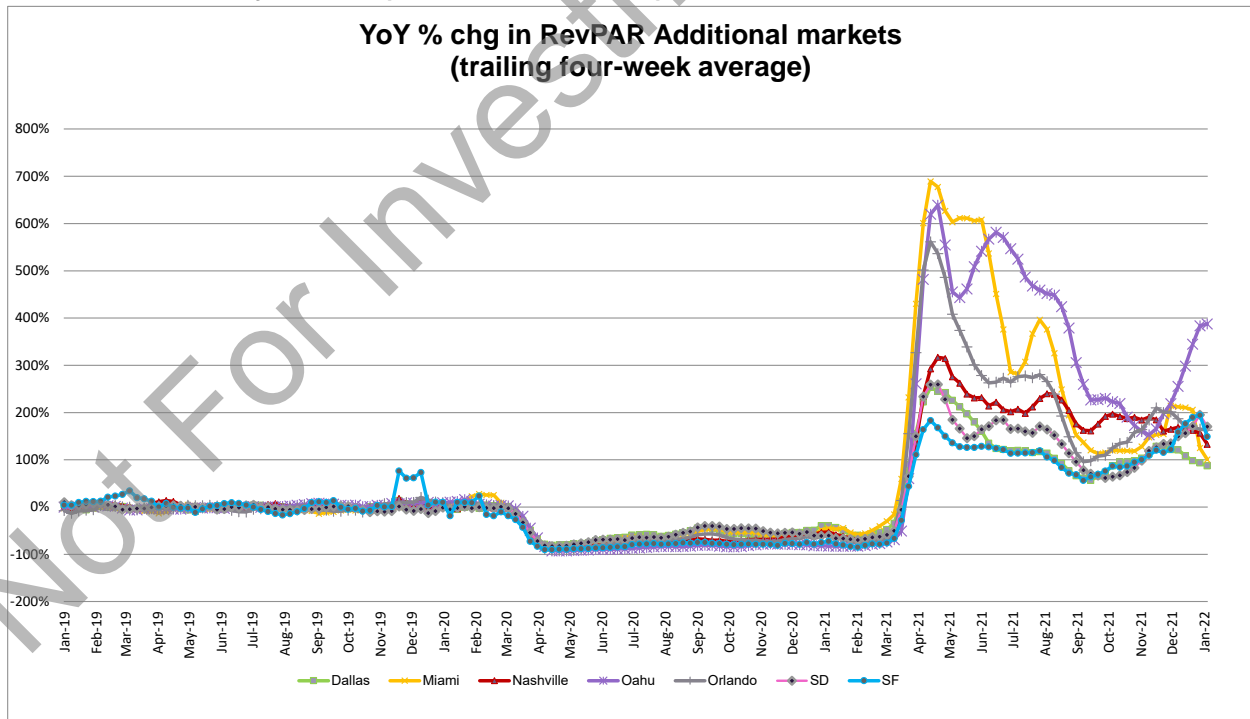
Source: STR data, Truist Securities research

RevPAR Trends by Market (Top 5 markets)



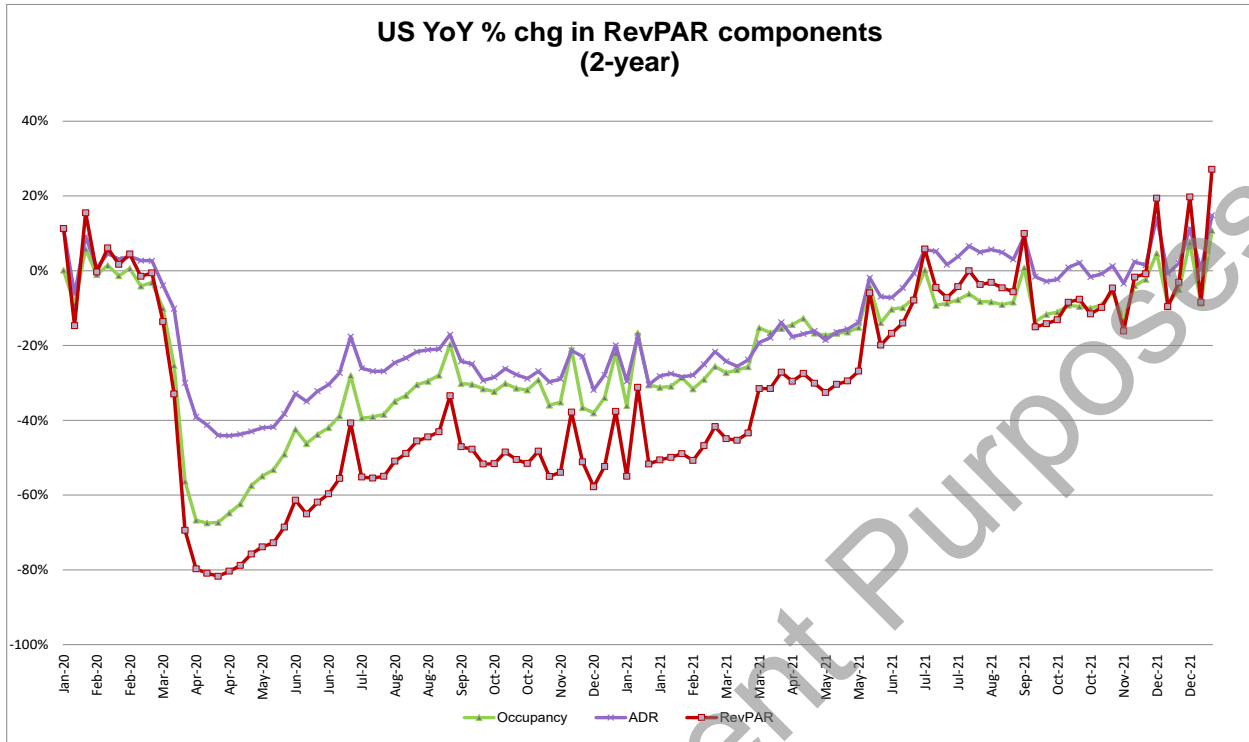
Source: STR data, Truist Securities research

RevPAR Trends by Market (Additional markets)



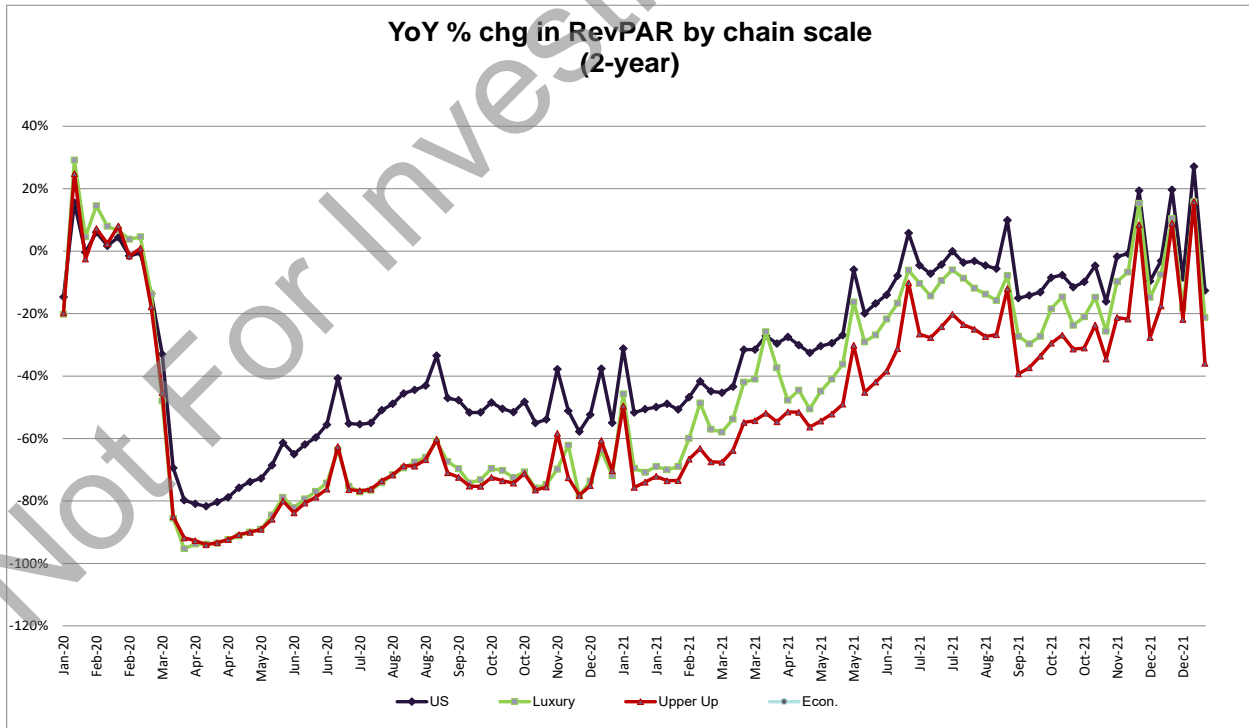
Source: STR data, Truist Securities research

RevPAR Component Trends (2-year)



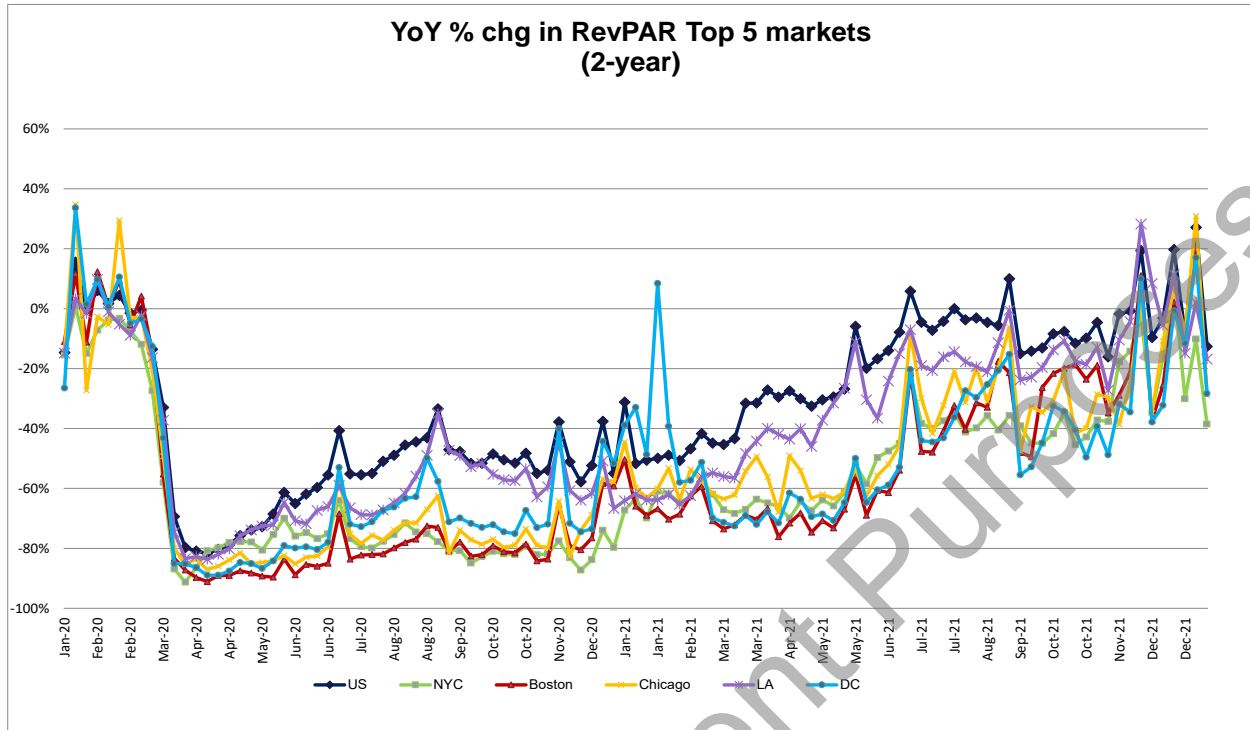
Source: STR data, Truist Securities research

RevPAR Trends by Chain Scale (2-year)



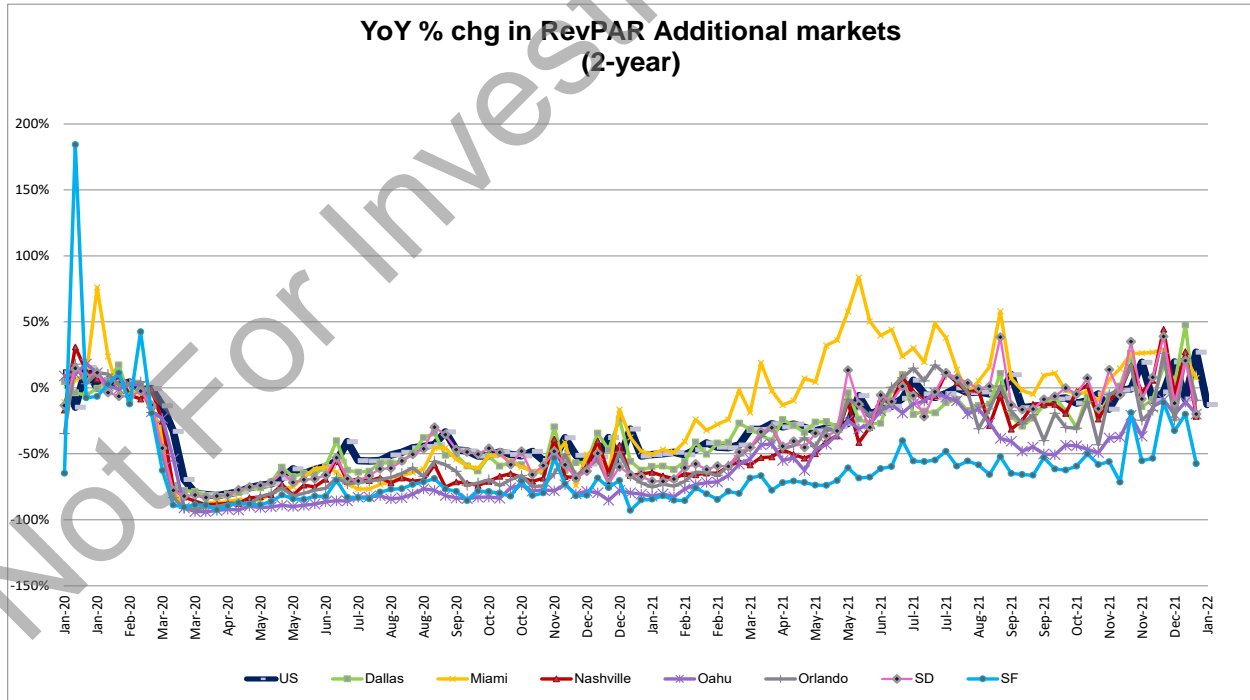
Source: STR data, Truist Securities research

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



Source: STR data, Truist Securities research

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



Source: STR data, Truist Securities research

Price Target/Risks Summary

Lodging	TKR	Price 1/11/22	Rating	PT*	% upside/downside	2021E Valuation EBITDA (\$M)**	2022E Valuation EBITDA (\$M)**	2023E Valuation EBITDA (\$M)**	2021E As Reported/Consensus EBITDA (\$M)*	2022E As Reported/Consensus EBITDA (\$M)*	2023E As Reported/Consensus EBITDA (\$M)*	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.
Bluegreen Vacations	BVH	\$31.97	Buy	\$44	37%	\$115	\$133	\$141	\$17	\$16	\$16	7.6X	Downside risk: controlled company issues, limited cap/float, loan defaults, and macroeconomic risk. Upside risk: conservative growth of new brands.
Choice Hotels	CHH	\$153.11	Hold	\$125	-18%	\$379	\$455	\$499	\$391	\$467	\$515	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.
DiamondRock Hospitality	DRH	\$10.09	Hold	\$8	-21%	\$83	\$175	\$226	\$84	\$175	\$226	12.0X	Upside risk: Macro lodging trends improve beyond expectations. Faster than expected net unit growth. Downside risk: slowing pipeline. Deep 2022 recession.
Hilton	HLT	\$152.50	Hold	\$139	-9%	\$1,528	\$2,491	\$2,935	\$1,699	\$2,629	\$3,069	15.9X	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	\$51.90	Buy	\$60	15%	\$539	\$876	\$994	\$580	\$919	\$1,040	9.2X	Upside risk: faster demand improvement in corporate/convention travel than expected. Dispositions at higher multiple than anticipated (incl. NYC), stronger than expected performance by luxury/luxure results 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.
Host Hotels & Resorts	HST	\$18.08	Hold	\$18	0%	\$498	\$1,127	\$1,397	\$498	\$1,127	\$1,397	12.5X	Upside risk: Transient and group trends slipper expectations, particularly for owned hotels. Material disposition of owned hotels. Faster than expected improvement in net rooms growth. Downside risk: lodging recovery takes longer than expected. Planned dispositions take longer than expected. Material labor issues to owned hotels. Pipeline growth slower than expected.
Hyatt Hotels	H	\$95.73	Hold	\$78	-19%	\$235	\$553	\$694	\$284	\$606	\$752	14.2X	Upside risk: Macro lodging trends improve beyond expectations. Faster than expected net unit growth. Downside risk: slowing pipeline. Deep 2022 recession.
Marriott International	MAR	\$165.20	Hold	\$156	-6%	\$1,924	\$3,094	\$3,728	\$2,227	\$3,398	\$4,044	15.9X	Upside risk: M&A story fades and multiples revert to historical levels.
Marriott Vacations	VAC	\$169.47	Buy	\$201	19%	\$603	\$874	\$951	\$647	\$922	\$1,003	10.5X	Upside risk: faster demand improvement in corporate travel than expected. Dispositions at higher multiple than expected. CHSP revenue and asset management strategies lead to faster than expected EBITDA gains.
Park Hotels & Resorts	PK	\$19.72	Hold	\$22	12%	\$129	\$549	\$782	\$149	\$569	\$806	12.0X	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.
Pebblebrook Hotel Trust***	PEB	\$23.69	Hold	\$24	1%	\$88	\$297	\$435	\$88	\$297	\$435	14.5X	Upside Risks: Material near-term incremental EBITDA from Legacy LHO assets. Downside Risks: Incremental EBITDA from major CapEx investments take longer than anticipated, contributing to multiple contraction. Very slow recovery in San Francisco.
Playa Hotels & Resorts	PLYA	\$7.76	Hold	\$8	3%	\$77	\$204	\$219	\$90	\$217	\$232	10.0X	Upside risk: quicker recovery post-COVID, Cap Cana group strength/rate growth in the D.R. Downside risk: demand shock, hurricanes, slow ramp up of Cap Cana, country-specific risks (emerging market portfolio).
RLJ Lodging Trust***	RLJ	\$14.58	Buy	\$19	30%	\$141	\$273	\$431	\$189	\$293	\$452	12.5X	Downside risk: Slower than expected recovery of corporate business travel post-COVID, scope/timing and/or upside from repositionings underwhelms investor expectations; labor costs are not reduced either due to increased wages/benefits or inability to cut costs post-tech improvements.
Ryman Hospitality Properties	RHP	\$92.48	Hold	\$75	-19%	\$160	\$430	\$497	\$180	\$457	\$525	13.0X	Upside risk: recovering group and Entertainment demand faster than expected, better margin recovery. Downside risk: Group demand returns slower than expected. Property-specific risks given a small portfolio.
Sunstone Hotel Investors	SHO	\$11.69	Hold	\$12	3%	\$62	\$224	\$277	\$75	\$234	\$285	12.5X	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. Montage EBITDA stabilizes well lower than expected.
Vail Resorts, Inc.	MTN	\$299.95	Hold	\$322	7%	\$540	\$910	\$928	\$540	\$910	\$928	16.0X	Downside risks: MTN is subject to prolonged weakness in general economic conditions, including adverse effects on the overall travel and leisure related industries. Upside risks include a faster economic recovery and investors continuing to apply higher target valuation multiples.
Travel + Leisure Co.	TNL	\$57.29	Buy	\$77	34%	\$747	\$928	\$1,008	\$747	\$928	\$1,008	8.6X	Downside risk: The timeshare business is especially vulnerable to economic softness. There are potential execution risks post the spin off.
Wyndham Hotels & Resorts	WH	\$87.37	Buy	\$91	4%	\$503	\$592	\$692	\$532	\$622	\$724	14.0X	Downside risk: Slowdown in development opportunities.

* All of our Lodging price targets are derived by applying a target EV/EBITDA multiple to our estimate for 2023 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

Not For Investment

Companies Mentioned in This Note

Bluegreen Vacations Holding Corporation (BVH, \$31.97, Buy, C. Patrick Scholes)
Choice Hotels International, Inc. (CHH, \$153.11, Hold, C. Patrick Scholes)
DiamondRock Hospitality Company (DRH, \$10.09, Hold, C. Patrick Scholes)
Hyatt Hotels Corporation (H, \$95.73, Hold, C. Patrick Scholes)
Hilton Grand Vacations Inc. (HGV, \$51.90, Buy, C. Patrick Scholes)
Hilton Worldwide Holdings Inc. (HLT, \$152.50, Hold, C. Patrick Scholes)
Host Hotels & Resorts, Inc. (HST, \$18.08, Hold, C. Patrick Scholes)
Marriott International, Inc. (MAR, \$165.20, Hold, C. Patrick Scholes)
Vail Resorts, Inc. (MTN, \$299.95, Hold, C. Patrick Scholes)
Pebblebrook Hotel Trust (PEB, \$23.69, Hold, Gregory Miller)
Park Hotels & Resorts Inc. (PK, \$19.72, Hold, C. Patrick Scholes)
Playa Hotels & Resorts N.V. (PLYA, \$7.76, Hold, C. Patrick Scholes)
Ryman Hospitality Properties, Inc. (RHP, \$92.48, Hold, C. Patrick Scholes)
RLJ Lodging Trust (RLJ, \$14.58, Buy, Gregory Miller)
Sunstone Hotel Investors, Inc. (SHO, \$11.69, Hold, C. Patrick Scholes)
Travel + Leisure Co. (TNL, \$57.29, Buy, C. Patrick Scholes)
Marriott Vacations Worldwide Corporation (VAC, \$169.47, Buy, C. Patrick Scholes)
Wyndham Hotels & Resorts, Inc. (WH, \$87.37, 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.

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