

CONSUMER: Lodging

C. Patrick Scholes

212-319-3915
Patrick.Scholes@truist.com

Gregory J. Miller

212-303-4198
Gregory.J.Miller@truist.com

Alexander Barenklau

212-303-4166
Alexander.Barenklau@truist.com

10 Page Document

Reasons for this report

✓ Our analysis of the most recent weekly US lodging results

Lodging: US RevPAR +13.4% Y/Y Last Week. +9.3% vs. 2019. Clean comp; cont'd summer leisure strength

Overall U.S. RevPAR was +13.4% y/y for the week ending 7/23/2022, per STR, roughly flat vs. the prior week's result of +14.0%. Last week's RevPAR was up against a +110.0% comparable result in 2021 vs. +108.7% in the prior week. **On a 3-year run-rate (vs. 2019), RevPAR was +9.3% vs. +6.4% in the prior week's 3-year run-rate.**

Last week was a clean comp and again presented leisure demand strength during peak summer travel.

Major RevPAR statistics presented below:

- Luxury RevPAR: +20.8% y/y and +9.8% over 3 years;
- Upper Upscale RevPAR: +32.0% y/y and +1.2% over 3 years;
- Upscale RevPAR: +20.7% y/y and +4.1% over 3 years;
- Upper Midscale RevPAR: +8.7% y/y and +8.6 over 3 years;
- Midscale RevPAR: +2.6% y/y and +10.7% over 3 years;
- Economy RevPAR: -0.6% y/y and +9.9% over 3 years;
- Independent hotels (~ 1/3rd of the data set) RevPAR: +6.6% y/y and +15.0% over 3 years; and
- Within Upper Upscale & Luxury class hotels:
 - Group: +93.7% y/y vs. +99.2% prior week; over 3 years: +2.5% vs -6.9% prior week.
 - Transient: +6.1% y/y vs. +8.0% prior week; over 3 years: +9.3% vs +9.5% prior week.

Last week's RevPAR details and sequential trends:

- Headline RevPAR was +13.4% y/y vs. the running 28-day average of +11.7% y/y.
- **Occupancy:** Absolute occupancy was 72.8% y/y vs. the running 28-day average of 68.9% y/y.
- **Absolute Group occupancy:** 22.4% last week vs. 18.9% for the running 28 days.

As far as specific stocks/sub-sectors, we continue to be most favorable on the leisure-centric companies, namely WH (Buy) and the Vacation Ownership companies, HGV (Buy), VAC (Buy), BVH (Buy), and TNL (Buy). In our view, common characteristics besides high leisure exposure include attractive valuations, recovered balance sheets, and return of capital to shareholders via repurchases and/or dividends. To the list of favorites, we include Hyatt (H, Buy) given its increasing exposure to leisure via its acquisition of Apple Leisure Group and its progress on selling owned assets and shifting to a more asset-lite company. We also continue to favor RLJ (RLJ, Buy, Miller) driven partly by our continued view of its relative valuation discount and operational enhancements/hotel repositioning supporting incremental EBITDA growth.

Weekly RevPAR Summary

YoY % change in RevPAR													
U.S.	Upper			Upper			Economy	Inde- pendent	New York	Boston	LA	Chicago	DC
	Luxury	Upscale	Upscale	Midscale	Midscale								
6/4/2022	21.5%	36.9%	49.4%	29.0%	14.6%	7.9%	6.1%	12.5%	94.9%	128.1%	33.7%	123.6%	99.7%
6/11/2022	32.4%	60.3%	76.1%	40.3%	20.3%	10.3%	6.8%	21.3%	130.7%	165.1%	51.4%	121.5%	132.9%
6/18/2022	26.6%	47.9%	61.6%	35.3%	18.2%	9.2%	5.2%	15.3%	108.3%	202.4%	28.4%	120.3%	124.0%
6/25/2022	21.4%	33.4%	48.7%	29.8%	15.4%	6.9%	3.1%	12.2%	100.5%	98.6%	15.0%	92.5%	110.8%
7/2/2022	16.1%	28.2%	40.5%	25.4%	11.4%	3.2%	-0.4%	6.7%	61.3%	71.9%	22.5%	87.5%	73.8%
7/9/2022	2.9%	7.0%	12.0%	6.8%	0.0%	-3.9%	-4.0%	0.0%	27.5%	48.0%	6.3%	25.4%	35.0%
7/16/2022	14.0%	24.6%	34.1%	21.0%	8.9%	2.1%	-2.0%	7.2%	65.7%	82.7%	14.5%	73.2%	59.5%
7/23/2022	13.4%	20.8%	32.0%	20.7%	8.7%	2.6%	-0.6%	6.6%	53.9%	66.7%	22.7%	60.4%	55.7%

Clean comp; vs. 2019 similar to last week

Upper Upscale and Luxury led the industry

Boston and Chicago 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%
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%
4Q21	96.4%	215.5%	185.6%	98.3%	74.2%	55.2%	37.2%	86.4%	273.7%	225.6%	124.8%	195.9%	129.8%
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%

YoY % change in ADR

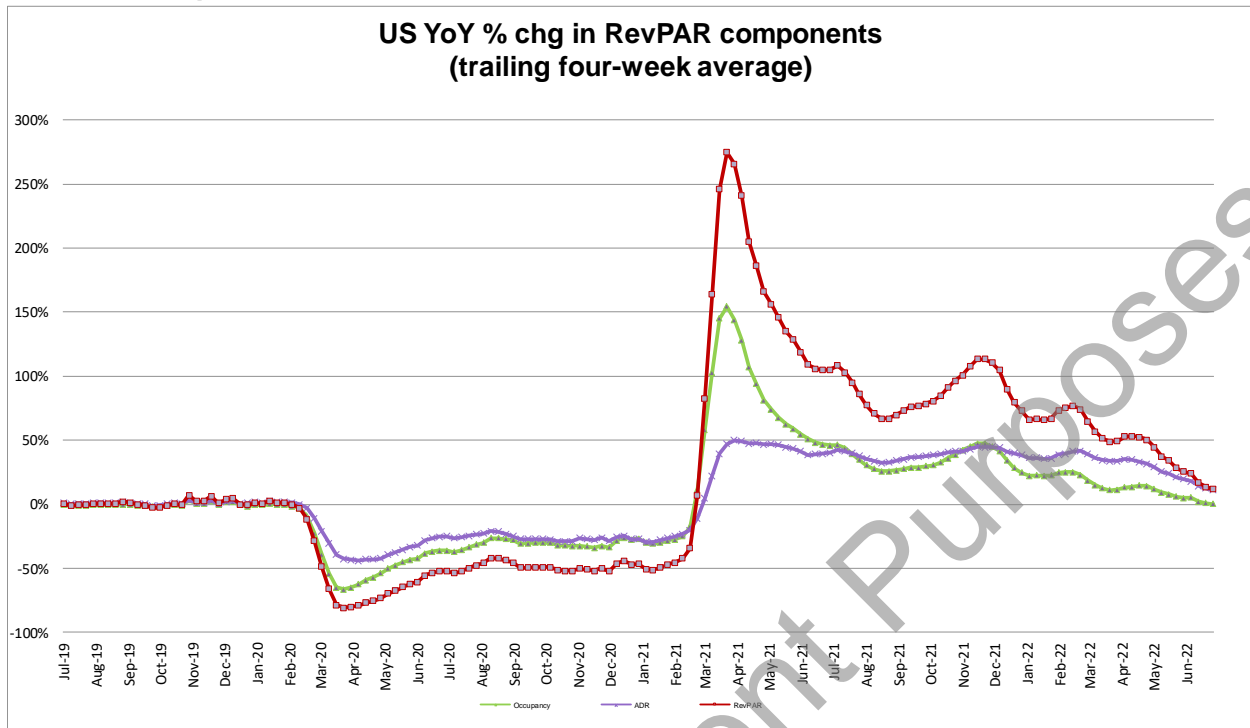
U.S.	Upper			Upper			Economy	Inde- pendent	New York	Boston	LA	Chicago	DC
	Luxury	Upscale	Upscale	Midscale	Midscale								
6/4/2022	18.5%	10.0%	21.5%	21.1%	14.3%	12.1%	10.4%	13.7%	51.3%	59.6%	25.1%	69.1%	42.6%
6/11/2022	23.3%	15.8%	28.7%	24.3%	15.8%	12.5%	10.5%	17.9%	67.3%	75.4%	31.7%	62.1%	56.0%
6/18/2022	19.4%	11.6%	23.5%	21.8%	14.1%	11.2%	9.2%	13.6%	56.8%	88.7%	21.3%	57.3%	53.2%
6/25/2022	17.0%	7.9%	20.1%	19.8%	13.1%	9.8%	7.9%	12.7%	55.5%	50.0%	15.5%	45.7%	51.3%
7/2/2022	12.4%	1.8%	13.3%	15.3%	9.5%	6.6%	5.5%	8.1%	33.6%	38.7%	16.8%	40.0%	35.0%
7/9/2022	9.0%	6.0%	8.8%	11.0%	7.0%	5.5%	4.4%	7.6%	19.5%	32.0%	12.3%	19.3%	19.6%
7/16/2022	12.1%	6.2%	13.5%	14.2%	8.6%	6.2%	4.5%	9.0%	34.0%	43.0%	15.5%	38.1%	27.9%
7/23/2022	11.0%	4.0%	12.7%	13.9%	7.8%	6.4%	4.6%	7.5%	29.3%	35.8%	18.7%	30.4%	25.9%
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%
4Q21	41.5%	29.6%	41.9%	34.2%	28.5%	22.9%	18.8%	39.2%	99.6%	69.6%	46.1%	64.9%	41.6%
1Q22	37.5%	21.0%	39.7%	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%	53.6%	60.6%

YoY % change in Occupancy

U.S.	Upper			Upper			Economy	Inde- pendent	New York	Boston	LA	Chicago	DC
	Luxury	Upscale	Upscale	Midscale	Midscale								
6/4/2022	2.5%	24.5%	23.0%	6.5%	0.3%	-3.7%	-3.9%	-1.1%	28.8%	42.9%	6.9%	32.2%	40.0%
6/11/2022	7.4%	38.4%	36.8%	12.9%	3.8%	-1.9%	-3.3%	2.9%	37.9%	51.1%	15.0%	36.7%	49.3%
6/18/2022	6.0%	32.6%	30.9%	11.0%	3.6%	-1.9%	-3.7%	1.6%	32.9%	60.2%	6.0%	40.1%	46.2%
6/25/2022	3.8%	23.6%	23.8%	8.3%	2.1%	-2.6%	-4.5%	-0.4%	28.9%	32.4%	-0.5%	32.1%	39.3%
7/2/2022	3.3%	25.9%	24.0%	8.8%	1.8%	-3.2%	-5.6%	-1.3%	20.8%	23.9%	4.9%	33.9%	28.7%
7/9/2022	-5.6%	1.0%	2.9%	-3.8%	-6.5%	-8.9%	-8.0%	-7.1%	6.7%	12.1%	-5.3%	5.1%	12.9%
7/16/2022	1.7%	17.3%	18.1%	6.0%	0.3%	-3.8%	-6.2%	-1.6%	23.6%	27.7%	-0.8%	25.4%	24.7%
7/23/2022	2.1%	16.2%	17.1%	5.9%	0.8%	-3.5%	-5.0%	-0.8%	19.0%	23.0%	3.3%	23.0%	23.6%
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%	-79.8%	-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%
4Q21	38.8%	143.4%	101.3%	47.8%	35.6%	26.3%	15.4%	33.9%	87.3%	92.1%	53.9%	79.4%	62.2%
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%

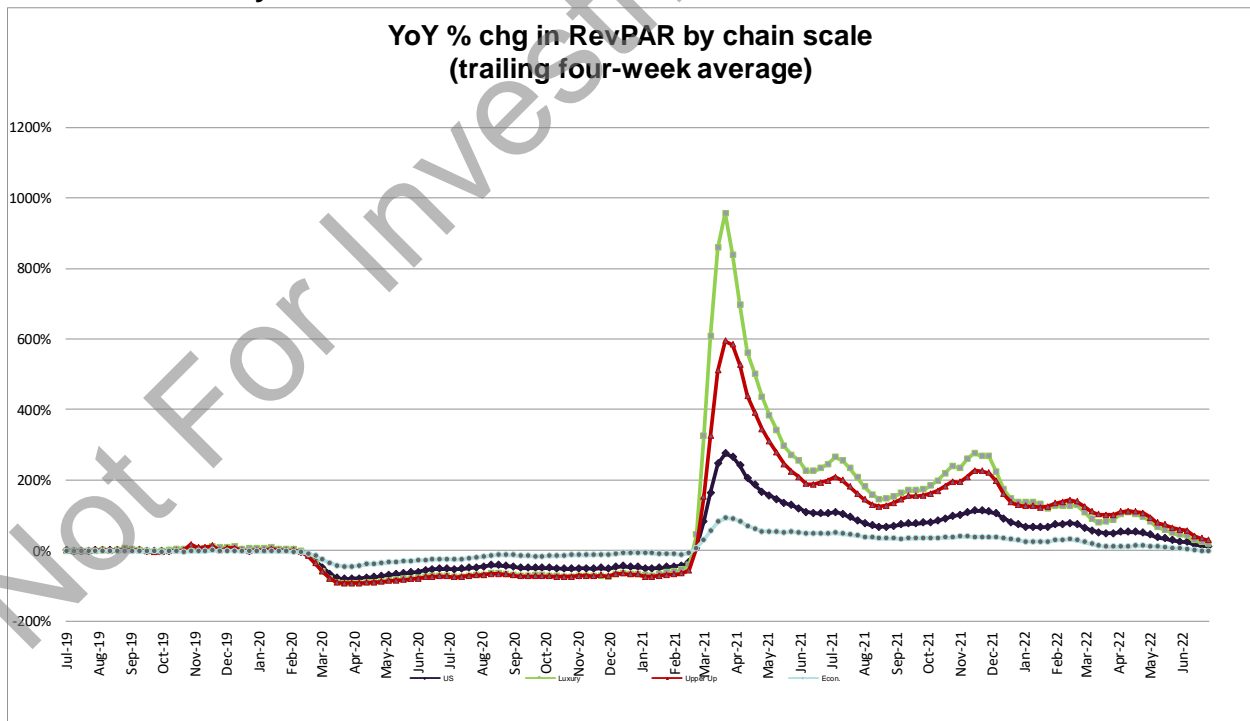
Source: STR data, Truist Securities research

RevPAR Component Trends



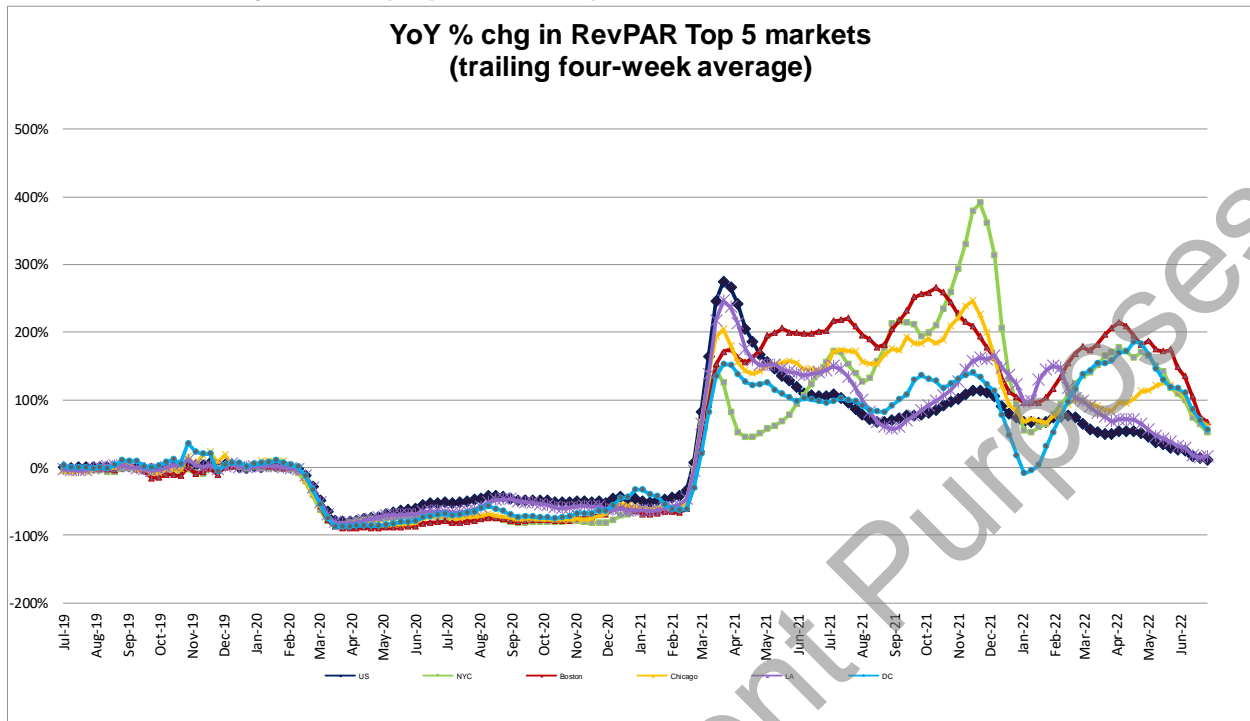
Source: STR data, Truist Securities research

RevPAR Trends by Chain Scale



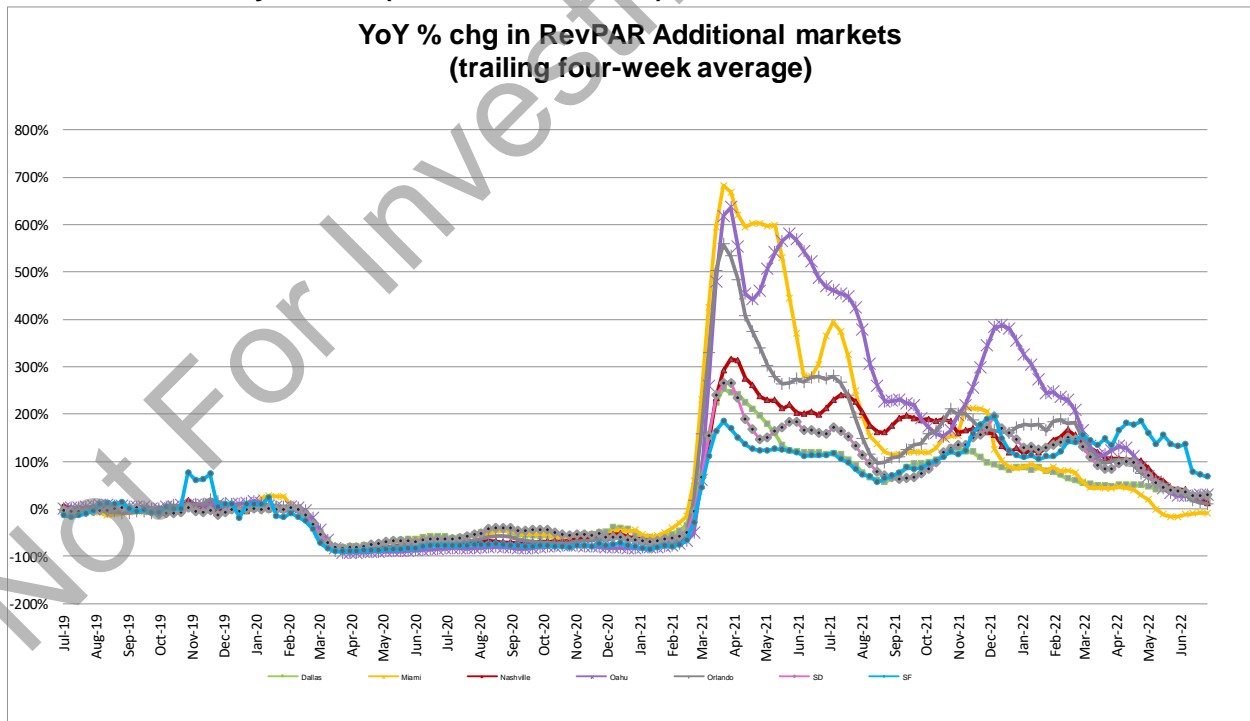
Source: STR data, Truist Securities research

RevPAR Trends by Market (Top 5 markets)



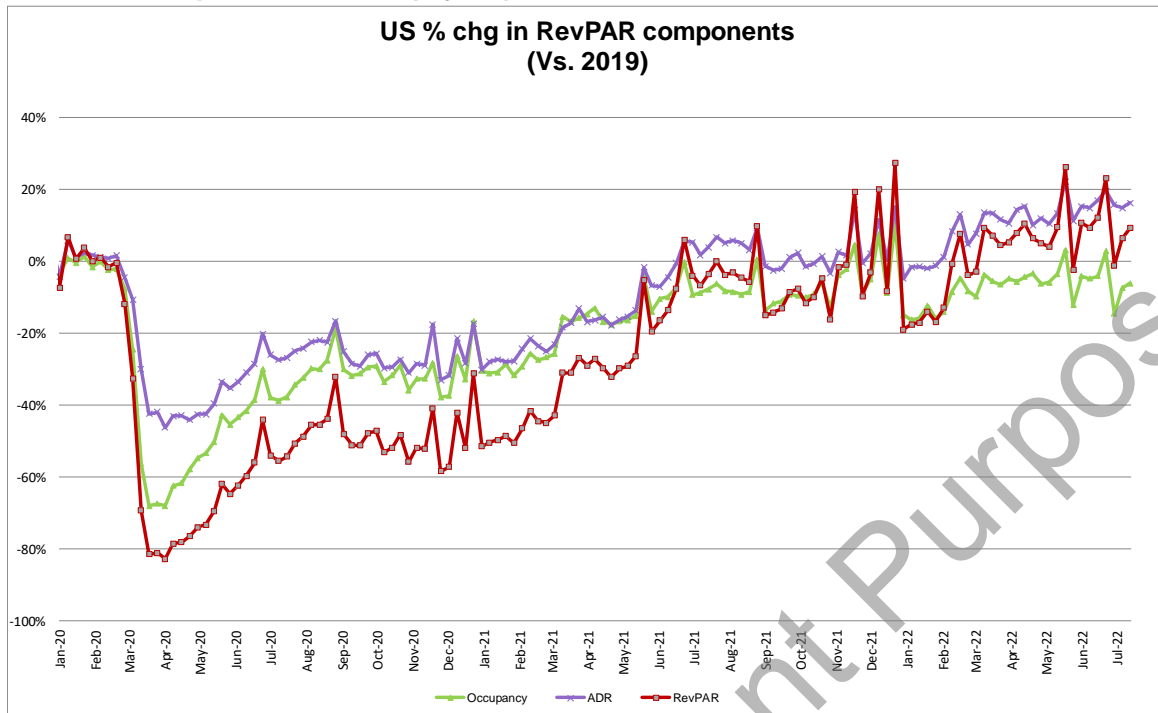
Source: STR data, Truist Securities research

RevPAR Trends by Market (Additional markets)



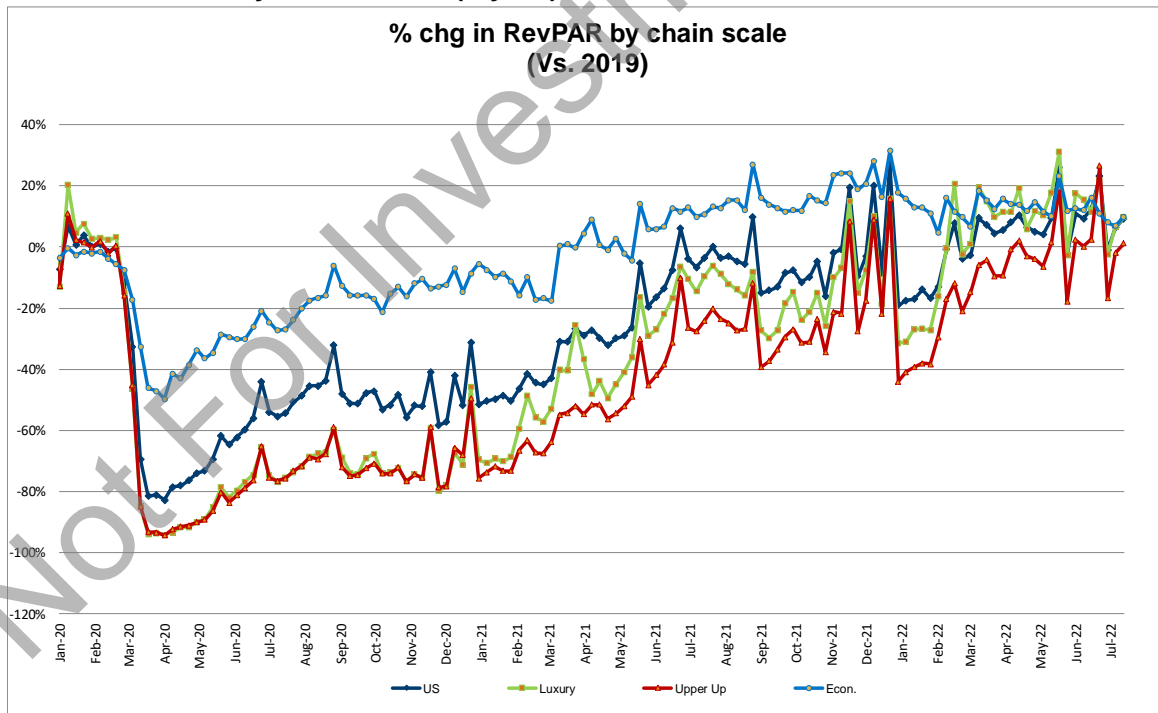
Source: STR data, Truist Securities research

RevPAR Component Trends (3-year)



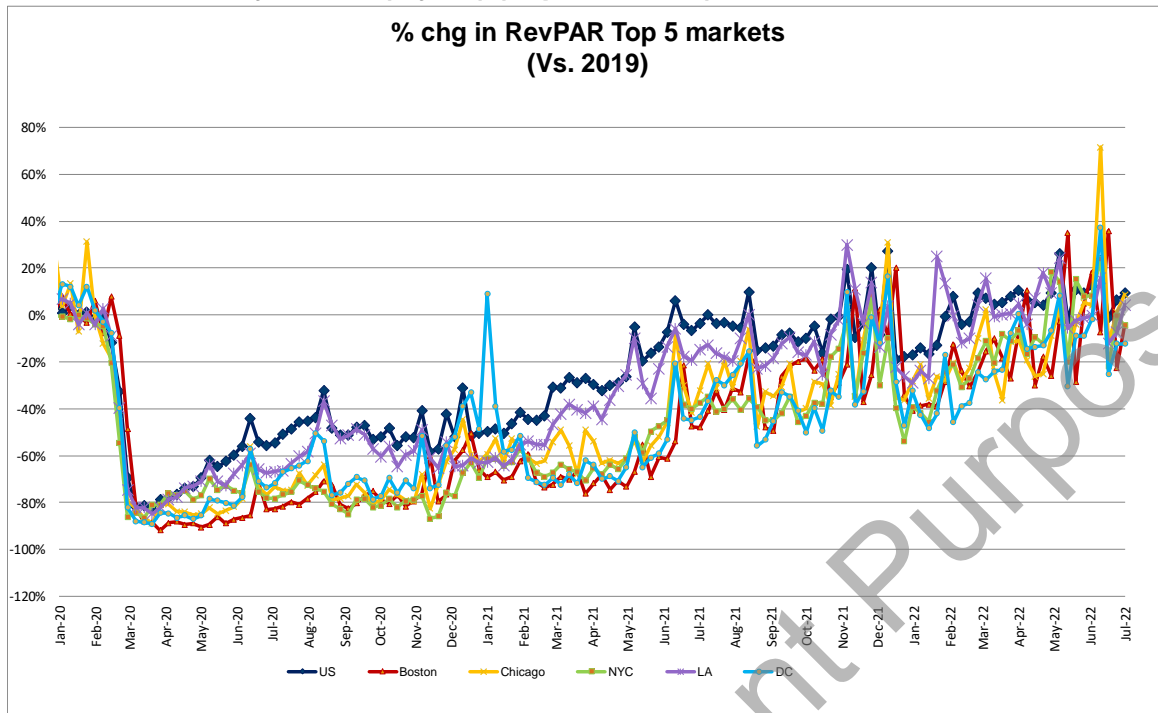
Source: STR data, Truist Securities research

RevPAR Trends by Chain Scale (3-year)



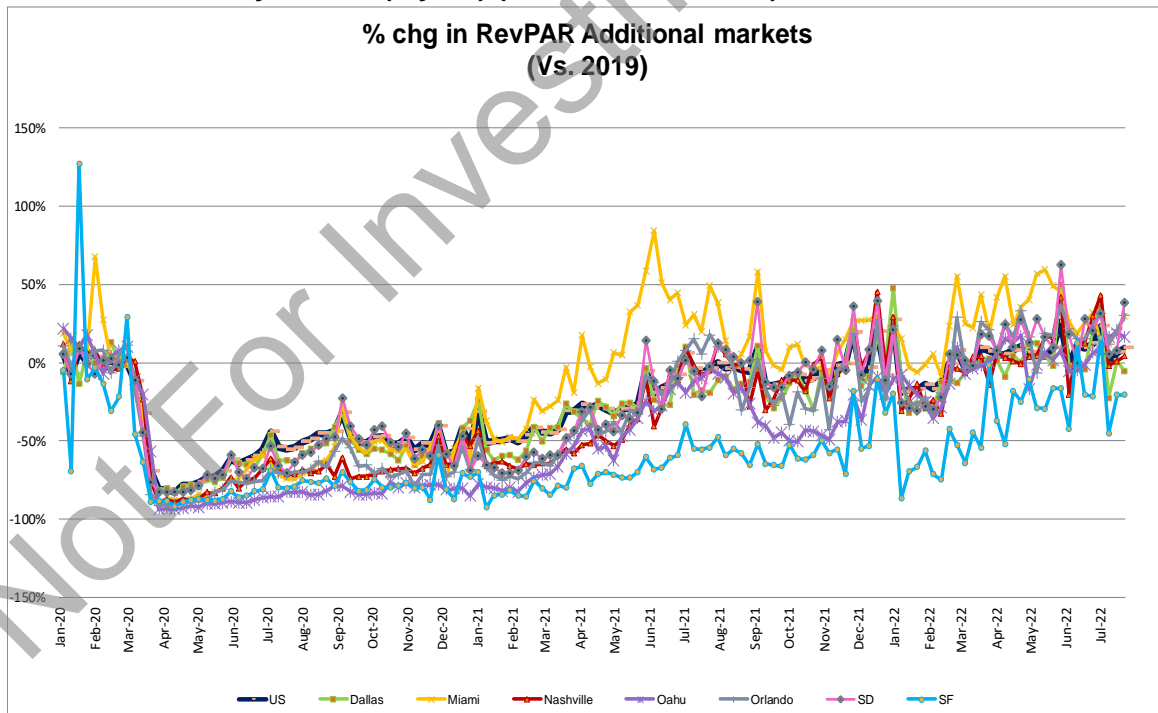
Source: STR data, Truist Securities research

RevPAR Trends by Market (3-year) (Top 5 markets)



Source: STR data, Truist Securities research

RevPAR Trends by Market (3-year) (Additional markets)



Source: STR data, Truist Securities research

Price Target/Risks Summary

Lodging	TKR	Price 7/28/22	Rating	PT*	% upside/ down- side	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.
						2021A EBITDA (\$M)**	2022E EBITDA (\$M)**	2023E EBITDA (\$M)**	2021A EBITDA (\$M)*	2022E EBITDA (\$M)*	2023E EBITDA (\$M)*		
Bluegreen Vacations	BVH	\$24.89	Buy	\$57	127%	\$122	\$151	\$167	\$122	\$151	\$167	7.6X	Downside risk: controlled company issues, limited cap/leat, loan defaults, and macroeconomic risk.
Choice Hotels	CHH	\$116.14	Hold	\$138	19%	\$392	\$446	\$487	\$404	\$459	\$503	16.0X	Upside risk: conservative growth of new brands; market share gains. Downside risk: slowdown in development opportunities; market share losses.
DiamondRock Hospitality	DRH	\$8.71	Hold	\$11	26%	\$83	\$257	\$289	\$84	\$257	\$289	12.0X	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.
Hilton	HLT	\$120.22	Hold	\$151	26%	\$1,470	\$2,217	\$2,881	\$1,629	\$2,338	\$2,996	17.0X	Upside risk: Macro lodging trends improve beyond expectations. Faster than expected net unit growth. Downside risk: slowing pipeline. Deep recession.
Hilton Grand Vacations	HGV	\$39.39	Buy	\$64	61%	\$585	\$865	\$982	\$637	\$932	\$1,048	9.4X	Downside risk: Disruption in a major market (HGV more concentrated than peers), issues with Japanese customer (HGV more engaged than peers), difficulty sourcing additional fee-for-service inventory deals.
Host Hotels & Resorts	HST	\$16.94	Hold	\$21	24%	\$532	\$1,315	\$1,493	\$532	\$1,315	\$1,493	12.5X	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.
Hyatt Hotels	H	\$79.18	Buy	\$121	53%	\$234	\$733	\$990	\$284	\$785	\$1,048	14.0X	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. Apple Leisure Group underperforms.
Marriott International	MAR	\$151.04	Hold	\$182	20%	\$1,977	\$3,351	\$3,899	\$2,278	\$3,640	\$4,200	16.8X	Upside risk: Macro lodging trends improve beyond expectations. Faster than expected net unit growth. Downside risk: slowing pipeline. Deep 2022 recession.
Marriott Vacations	VAC	\$129.80	Buy	\$205	58%	\$524	\$342	\$1,380	\$657	\$908	\$1,026	10.0X	Downside risk: M&A 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.
Park Hotels & Resorts	PK	\$14.52	Buy	\$22	52%	\$123	\$567	\$752	\$142	\$585	\$776	12.0X	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.
Pebblebrook Hotel Trust***	PEB	\$18.62	Hold	\$24	29%	\$88	\$388	\$431	\$88	\$399	\$444	14.5X	Downside risk: demand shocks, hurricanes, reduced airlift, new supply, country-specific risks (emerging market portfolio)
Playa Hotels & Resorts	PLYA	\$6.54	Buy	\$11	68%	\$86	\$203	\$245	\$99	\$217	\$258	10.5X	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 materially reduced either due to increased wages/benefits or inability to cut costs post-tech improvements
RLJ Lodging Trust***	RLJ	\$11.80	Buy	\$17	44%	\$145	\$297	\$405	\$162	\$318	\$427	12.0X	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.
Ryman Hospitality Properties	RHP	\$82.63	Hold	\$95	15%	\$162	\$471	\$573	\$177	\$497	\$601	13.0X	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.
Sunstone Hotel Investors	SHO	\$10.62	Hold	\$12	13%	\$54	\$186	\$254	\$67	\$199	\$266	12.5X	Downside risks: MTN is subject to prolonged weakness in general economic conditions, including adverse effects on the overall travel and leisure related industries.
Vail Resorts, Inc.	MTN	\$228.66	Hold	\$281	23%	\$540	\$837	\$893	\$540	\$837	\$893	16.0X	Upside risks include a faster economic recovery and investors continuing to apply higher target valuation multiples.
Travel + Leisure Co.	TNL	\$43.60	Buy	\$78	78%	\$748	\$835	\$971	\$778	\$873	\$1,013	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	\$69.24	Buy	\$95	36%	\$562	\$586	\$667	\$590	\$623	\$709	15.0X	Downside risk: Slowdown in development opportunities. Weaker than expected transient trends.

* 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

Companies Mentioned in This Note

Bluegreen Vacations Holding Corporation (BVH, \$24.89, Buy, C. Patrick Scholes)
Choice Hotels International, Inc. (CHH, \$116.14, Hold, C. Patrick Scholes)
DiamondRock Hospitality Company (DRH, \$8.71, Hold, C. Patrick Scholes)
Hyatt Hotels Corporation (H, \$79.18, Buy, C. Patrick Scholes)
Hilton Grand Vacations Inc. (HGV, \$39.39, Buy, C. Patrick Scholes)
Hilton Worldwide Holdings Inc. (HLT, \$120.22, Hold, C. Patrick Scholes)
Host Hotels & Resorts, Inc. (HST, \$16.94, Hold, C. Patrick Scholes)
Marriott International, Inc. (MAR, \$151.04, Hold, C. Patrick Scholes)
Vail Resorts, Inc. (MTN, \$228.66, Hold, C. Patrick Scholes)
Pebblebrook Hotel Trust (PEB, \$18.62, Hold, Gregory Miller)
Park Hotels & Resorts Inc. (PK, \$14.52, Buy, C. Patrick Scholes)
Playa Hotels & Resorts N.V. (PLYA, \$6.54, Buy, C. Patrick Scholes)
Ryman Hospitality Properties, Inc. (RHP, \$82.63, Hold, C. Patrick Scholes)
RLJ Lodging Trust (RLJ, \$11.80, Buy, Gregory Miller)
Sunstone Hotel Investors, Inc. (SHO, \$10.62, Hold, C. Patrick Scholes)
Travel + Leisure Co. (TNL, \$43.60, Buy, C. Patrick Scholes)
Marriott Vacations Worldwide Corporation (VAC, \$129.80, Buy, C. Patrick Scholes)
Wyndham Hotels & Resorts, Inc. (WH, \$69.24, 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.

Required Disclosures

Analyst compensation is based upon stock price performance, quality of analysis, communication skills, and the overall revenue and profitability of the firm, including investment banking revenue.

As a matter of policy and practice, the firm prohibits the offering of favorable research, a specific research rating or a specific target price as consideration or inducement for the receipt of business or compensation. In addition, associated persons preparing research reports are prohibited from owning securities in the subject companies.

Charts indicating changes in ratings can be found in recent notes and/or reports at our website or by contacting Truist Securities. Please see our disclosures page for more complete information at <https://truist.bluematrix.com/sellside/Disclosures.action>

Truist Securities Ratings System for Equity Securities

Dissemination of Research

Truist Securities, Inc. ("Truist Securities") seeks to make all reasonable efforts to provide research reports simultaneously to all eligible clients. Reports are available as published in the restricted access area of our website to all eligible clients who have requested a password. Institutional investors, corporates, and members of the Press may also receive our research via third party vendors including: Thomson Reuters, Bloomberg, FactSet, and S&P Capital IQ. Additional distribution may be done by sales personnel via email, fax, or other electronic means, or regular mail.

For access to third party vendors or our Research website: <https://truistresearch.bluematrix.com/client/library.jsp>

Please email the Research Department at EquityResearchDepartment@research.truist.com or contact your Truist Securities sales representative.

Truist Securities Rating System for Equity Securities

Truist Securities, Inc. ("Truist Securities") rates individual equities using a three-tiered system. Each stock is rated relative to the broader market (generally the S&P 500) over the next 12-18 months (unless otherwise indicated).

Buy (B) – the stock's total return is expected to outperform the S&P 500 or relevant benchmark over the next 12-18 months (unless otherwise indicated)

Hold (H) – the stock's total return is expected to perform in line with the S&P 500 or relevant benchmark over the next 12-18 months (unless otherwise indicated)

Sell (S) – the stock’s total return is expected to underperform the S&P 500 or relevant benchmark over the next 12-18 months (unless otherwise indicated)

Not Rated (NR) – Truist Securities does not have an investment rating or opinion on the stock

Coverage Suspended (CS) – indicates that Truist Securities’ rating and/or target price have been temporarily suspended due to applicable regulations and/or Truist Securities Management discretion. The previously published rating and target price should not be relied upon.

Truist Securities analysts have a price target on the stocks that they cover, unless otherwise indicated. The price target represents that analyst’s expectation of where the stock will trade in the next 12-18 months (unless otherwise indicated). If an analyst believes that there are insufficient valuation drivers and/or investment catalysts to derive a positive or negative investment view, they may elect with the approval of Truist Securities Research Management not to assign a target price; likewise certain stocks that trade under \$5 may exhibit volatility whereby assigning a price target would be unhelpful to making an investment decision. As such, with Research Management’s approval, an analyst may refrain from assigning a target to a sub-\$5 stock.

Legend for Rating and Price Target History Charts:

B = Buy

H = Hold

S = Sell

D = Drop Coverage

CS = Coverage Suspended

NR = Not Rated

I = Initiate Coverage

T = Transfer Coverage

Truist Securities ratings distribution (as of 07/27/2022):

Coverage Universe			Investment Banking Clients Past 12 Months		
Rating	Count	Percent	Rating	Count	Percent
Buy	526	70.99%	Buy	76	14.45%
Hold	213	28.74%	Hold	41	19.25%
Sell	2	0.27%	Sell	0	0.00%

Other Disclosures

Information contained herein has been derived from sources believed to be reliable but is not guaranteed as to accuracy and does not purport to be a complete analysis of the security, company or industry involved. This report is not to be construed as an offer to sell or a solicitation of an offer to buy any security. Truist Securities, Inc. and/or its officers or employees may have positions in any securities, options, rights or warrants. The firm and/or associated persons may sell to or buy from customers on a principal basis. Investors may be prohibited in certain states from purchasing some over-the-counter securities mentioned herein. Opinions expressed are subject to change without notice.

Truist Securities, Inc.’s research is provided to and intended for use by Institutional Accounts as defined in FINRA Rule 4512(c). The term “Institutional Account” shall mean the account of: (1) a bank, savings and loan association, insurance company or registered investment company; (2) an investment adviser registered either with the SEC under Section 203 of the Investment Advisers Act or with a state securities commission (or any agency or office performing like functions); or (3) any other person (whether a natural person, corporation, partnership, trust or otherwise) with total assets of at least \$50 million.

Truist Securities, Inc. is a registered broker-dealer and a member of FINRA and SIPC. It is a service mark of Truist Financial Corporation. Truist Securities, Inc. is owned by Truist Financial Corporation and affiliated with SunTrust Investment Services, Inc. and BB&T Securities, LLC. Despite this affiliation, securities recommended, offered, sold by, or held at Truist Securities, Inc., SunTrust Investment Services, Inc. or BB&T Securities, LLC (i) are not insured by the Federal Deposit Insurance Corporation; (ii) are not deposits or other obligations of any insured depository institution (including Truist Bank); and (iii) are subject to investment risks, including the possible loss of the principal amount invested. Truist Bank may have a lending relationship with companies mentioned herein.

Please see our Disclosure Database to search by ticker or company name for the current required disclosures, including valuation and risks. Link: <https://truist.bluematrix.com/sellside/Disclosures.action>

Please visit the Truist Securities (formerly known as SunTrust Robinson Humphrey) equity research library for current reports and the analyst roster with contact information. Link: <https://truistresearch.bluematrix.com/client/library.jsp>

Truist Securities, Inc., member FINRA and SIPC. Truist and Truist Securities are service marks of Truist Financial Corporation.

If you no longer wish to receive this type of communication, please request removal by sending an email to EquityResearchDepartment@Research.Truist.com

© Truist Securities, Inc. 2022. All rights reserved. Reproduction or quotation in whole or part without permission is forbidden.

ADDITIONAL INFORMATION IS AVAILABLE at our website, [TruistSecurities.com](https://www.TruistSecurities.com), or by writing to: Truist Securities, Research Department, 3333 Peachtree Road N.E., Atlanta, GA 30326-1070

Not For Investment Purposes