October Hotel P&L Analyzer: GOP margins -100 bps y/y on Total RevPAR of -1.2%

Introducing our 2020 margin forecast of -25 to -125 bps

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What's Inside

An analysis of recent hotel labor cost trends, one of the critical components impacting hotel EBITDA margins

What's Incremental To Our View

Based on "big data" observations from ~1,000 higher-rated U.S. hotels (data source: HotStats) in our hotel data analytics lab: October: 100 bps of GOP margin decline on approximately -1.2% Total RevPAR (Total RevPAR includes Rooms RevPAR plus outside-of-the-room spend). October RevPAR results came as expected with Rooms RevPAR of -2.4% and relatively better Total RevPAR. October data reflected holiday shift impact (the Jewish High Holidays benefited September/hurt October).

We are holding our 4Q19 margin forecast of +25 bps to -50 bps. We are holding our 2019 margin forecast at flat to -50 bps (YTD -30 bps). While 4Q will be an easier comp for many hotels (strong San Francisco citywides, lapping of 2018 union strikes, and a positive calendar shift for New Year's), the tough Jewish High Holidays calendar shift and continued challenges of weakening RevPAR growth and labor cost pressures will likely limit opportunities for positive margins in 4Q19.

Introducing 2020 hotel REIT margin forecast of -25 bps to -125 bps. As shown in the GOP % of Total Revenue graph on page 10, the margin trend line is not encouraging and we believe the slope of the line will not begin to turn upwards until RevPAR growth has troughed and begun to show second-derivative improvement. *Unfortunately in our forward-looking research, we see no clear evidence that a sustainable cyclical turn upwards is on the immediate horizon. We believe it may not be until 4Q2021 when the growth rate of RevPAR troughs.*

- **Why the 4Q2021 quarter?** 4Q2021 will face a very difficult y/y comp due to election-related group events and conventions. Based on our forward-looking research, group business begins to gradually reaccelerate in 2022 once this tough comp is past.
- **We anticipate a wide spread among hotel margins for REITS in 2020.**
  - **Margin relative outperformers:** Hotels with a heavy group mix and in strong citywide markets. Within our coverage, we assume Ryman Hospitality (RHP, Hold) is the standout.
  - **Margin relative underperformers:** Hotels with a transient business focus, hotels in high labor cost growth markets, and hotels with material new competitive supply growth. Some REITS will likely have negative margins due to major ROI CapEx projects.

As we examined in REIT meetings at REITworld last month, we view the increasingly disparate strategies of the Lodging REITS as an emerging trend and likely a good one. "Groupthink" may contribute to overinvestment in certain markets such as Key West and San Francisco (and previously NYC). While there is nothing wrong with focusing on long-term strong markets -- and we view institutional investment in a hotel market generally with a positive vein -- we believe the REITS would like to be viewed with greater distinction. This may be an inevitability. For example:

- DiamondRock (DRH, Hold) is intending to increase its EBITDA contribution from resorts.
- Pebblebrook (PEB, Hold, Miller) continues to make creative choices on its Legacy LHO hotels, including adding hotels to the not-a-brand "Unofficial Z Collection" and the selection of the fast-growing Margaritaville (private) brand for its San Diego Paradise Point resort.
- Host (HST, Hold) is currently working with Marriott (MAR, Hold) on a major effort to transform a number of its major Marriott hotels. A successful implementation could lift the perception of the core Marriott brand in the U.S.

The consequences of this divergent trajectory may become evident on the bottom line. In an environment where hotel owners need to be creative to drive top-line growth given flattish RevPAR and labor cost growth of ~ 4% y/y, owner power has increasing relevancy. Owners that find hotels with greater asset management improvement opportunities (and with brands and operators that can support faster changes) may be able to drive margin growth and/or keep margins higher than hotels with stickier operating models.

The consolidation and rise of highly competent third-party operators provides REITS with greater options for hotel managers outside of the brands. Concurrently, we believe brands may be more willing to part with management contracts in select cases. We have seen this with a number of REIT-owned properties in recent years.

One other area that we will be watching is the genre of single-property acquisitions that low levered REITS may make when the transactions market becomes more favorable. In this vein, we are particularly focused on REITS such as HST and Sunstone (SHO, Hold) given their considerable capacity for acquisitions.

<u>**October results color:**</u>

October RevPAR growth was unsurprisingly soft although margin declines were fairly mild. Rooms RevPAR of -2.4% (split fairly evenly between rate and occupancy) and Total RevPAR of -1.2% compare with GOP margin growth of -100 bps y/y. There was a slight 20 bps differential between Total RevPAR decline and GOP margin decline.

<u>**Recent Trends In Hotel Margins**</u>

1. **One topic that came up at REITworld was a focus on housekeeping efficiencies. This focus is partly due to the tight labor market and limited immigration.** Efforts today include environmentally-friendly policies such as skipping nightly service, reusing towels, and adjusting room designs to save housekeepers time (New York Times).
2. **CBRE noted trends on non-rooms revenue operating departments in a recent article on HotelNewsNow.** While food revenue is down since 2007 (a labor intensive operation), beverage revenue is up (a relatively less labor intensive operation). CBRE noted the rise of wine programs, local beers, and specialty cocktails. Beverage revenue is among the most profitable income sources at hotels in part due to liquor markups and we are not surprised by this trend. CBRE also noted a recent rise in retail revenue through small kiosk operations (more applicable at select-service hotels and also generally less labor intensive) as well as a rise in parking revenues (a push by many REITS today and an area where guest pushback has apparently been less material).

Additional color and thinking around our 4Q19, 2019, and 2020 margin forecasts:

We are holding our 4Q19 margin forecast to -50 bps to +25 bps. We continue to view 4Q19 as a noisy quarter with October holiday shift underperformance, November materially impacted by the shift of Thanksgiving and rough weather, and December with strong groups y/y and a helpful holiday calendar for luxury and leisure hotels due to the timing of Christmas and New Year's Eve. Leisure-oriented hotels will likely benefit in December from two holiday-friendly travel weeks (New Year's in particular should have high room rates that will flow positively to margins). We view the strong citywide calendar in San Francisco in 4Q and the lapping of union strikes as beneficial to specific hotels (and moreso for some REITS than full-service hotels in aggregate). Given all the variables noted above, we maintain a wide range in our forecast. Bookings for New Year's Eve is partly last-minute and heavily discretionary; this demand is difficult to forecast with precision.

- Our disclaimer on the above: please note that there are anomalies for specific REITS due to portfolio changes and property renovations, weather impact, etc., thus we focus on the aggregate numbers. **Hotels owned by the REITS orient more heavily to Upper Upscale versus Luxury, thus our expectations for margin growth for REITS reflects that differential.**

We have not adjusted our 2019 margin estimates of flat to -50 bps. Positively, despite pressures on Rooms RevPAR, we still view hotel owners as being highly proactive on pushing non-rooms revenue growth and cost containment. YTD margins are -30 bps. As aforementioned, we view a strong December calendar supported by y/y ADR growth around New Year's as positive to margins. If margins manage to stay positive in 2019, we view New Year's as a contributing factor. **However, despite the YE headline results that we will discuss in January's note, we assume that many luxury and leisure-oriented hotels are likely to outperform Corporate Transient-focused hotels.**

We introduce our 2020 margin forecast of -25 bps to -125 bps. A**s we highlighted at the top of the note, GOP margins are moving increasingly negative and we do not expect a material rebound until RevPAR growth bottoms out.** In the GOP % of Total Revenue graph, we note that the trailing 12 month bps change has moved increasingly negative in the last three months and the trailing 12 month change has not been positive since May 2019.

While we do not view RevPAR nor margins in freefall, **conversations with private hotel owners in recent months and some REITS during REITworld suggest that margin declines are likely in an environment of flattish Rooms RevPAR**. Non-rooms revenue increases, which in some cases show double-digit y/y gains with high margins, should eventually start to lap y/y growth and moderate. Additionally, we assume labor cost growth of roughly 3-4% in 2019 will rise another 50-100 bps in 2020 assuming no major changes to the unemployment rate or tight immigration policies.

Our current "data lab" indicates that it may not be until 4Q2021 when the growth rate of RevPAR troughs -- this may also be the low point for margins. The 4Q2021 quarter is presenting as a very difficult y/y comp vs. election-related group events and conventions. Positively, 2022 group pace is positive (groups on the books are largely big events that may have variability in attendance but are less likely to cancel).

Based on current lodging fundamentals and our forward demand bookings data, we assume a fairly wide range of 2020 margin performance by REIT. There may be a select few Lodging REITS that may see margin growth in 2020. On top of our list is RHP in part due to the ramp-up of the Gaylord Rockies (we assume this hotel will be increasingly profitable in 2020 in its second year of operation). In late cycle environments, Group demand tends to outperform Transient and that theme is reflected in relatively strong citywides in many markets in 2020 and in RHP's case excellent pace statistics. Outside of RHP, we assume REITS with material exposure to strong citywide markets in 2020 will have better opportunities to hold margins although weakness in transient demand may stunt ADR growth.

We have greater 2020 margin conservatism for hotels with:

- **A transient business focus.** This demand segment, which represents over 40% of demand for most REITS (ex-RHP), continues to be a demand laggard. Unless there is an economic rebound perhaps driven by a trade war resolution or stronger inbound demand from international business travelers, we continue to view transient business demand as the weakest demand segment with RevPAR flattish to slightly down in 2020.
- **Hotels in high labor cost markets.** We view geographically isolated markets such as resort destinations (also often expensive places to live) as especially at risk for more material labor cost increases.
- **Markets with significant supply growth (or in the case of RLJ (RLJ, Sell, Miller) material directly competitive Upscale supply growth.** Among the Top 25 markets, NYC and Nashville continue to lead on new supply growth (as a percentage of current lodging supply). Among Top 50 markets, we add the following high supply growth markets: Austin, Silicon Valley, Charlotte, and Portland, Oregon. From our vantage point, Nashville and Austin continue to have strong tailwinds from transient leisure demand whereas NYC is challenged partly from lower international inbound demand.
- **Hotels with material CapEx projects (a big REIT focus in 2020):** While business interruption is normal for hotels under renovation, we note that renovation/repositioning activity is particularly high in 2020 among many Lodging REITS. **For some REITS, we view the renovation activity in 2020 and 2021 as potentially an attempt to time major projects during a potential RevPAR downturn (although we do not expect any REIT to call this strategy out at least until positive results appear in 2022+).**

Quarterly Margin Forecast Tracking
(STRH Estimates For "Upper-Priced" US Hotels)

Report Date*	2018A	1Q19A	2Q19A	3Q19E	4Q19E	2019E	2020E
Nov-19				*Actual:*	-50 bps to +25 bps	Flat to -50 bps	-25 bps to -125 bps
Oct-19				***-25 bps***	-50 bps to +25 bps	Flat to -50 bps	
Sep-19				-75 bps to +25 bps		Flat to -50 bps	
Aug-19			*Actual:*	-75 bps to +25 bps		Flat to -50 bps	
Jul-19			***-40 bps***			Flat to -50 bps	
Jun-19			-25 bps to -100 bps			Flat to -50 bps	
May-19		*Actual:*	Flat to -75 bps			Flat to -50 bps	
Apr-19		***+50 bps***	-50 bps to -100 bps			Flat to -75 bps	
Mar-19		+25-75 bps				Flat to -75 bps	
Feb-19	*Actual:*	+25-75 bps				Flat to -75 bps	
Jan-19	***+20 bps***					Flat to -100 bps	

Source: STRH Research

SunTrust Robinson Humphrey

Monthly Profitability Metrics

October profitability: Negative RevPAR growth given the High Holidays calendar shift with relatively moderate margin declines.

Industry Metric	Oct 2019 y/y	YTD		Oct 2019	YTD	FY2018	2018 y/y	FY2017
Occupancy	*-110*	*-50*	*bps*	80.8%	78.6%	77.7%	*30 bps*	77.4%
ADR	-1.0%	1.3%	*%*	$240	$230	$225	2.5%	$220
RevPAR	-2.4%	0.6%	*%*	$194	$181	$175	2.8%	$170
Total Revenue PAR	-1.2%	2.0%	*%*	$326	$301	$289	3.3%	$280
Total Dept. Profit % Total Rev.	*-80*	*0*	*bps*	62.4%	60.5%	60.0%	*10 bps*	59.9%
Total Hotel Labor Costs % Total Rev.	*110*	*40*	*bps*	33.3%	35.5%	35.5%	*20 bps*	35.3%
Total GOP PAR	*-3.5%*	1.4%	*%*	$136	$115	$108	*4.1%*	$104
Total GOP % of Total Rev.	*-100*	*-30*	*bps*	*41.5%*	*38.0%*	*37.4%*	*20 bps*	*37.2%*

Source: STRH Research, HotStats

All dollar figures are in USD. 2017 figures have been revised as of December 2018 to account for the updated sample set.

September profitability: Slight RevPAR growth with margins moderately negative.

- **3Q:** Operating Department margins were flattish and GOP margins were ~ -25 bps.

Industry Metric	Sept 2019 y/y	YTD		Sept 2019	YTD	FY2018	2018 y/y	FY2017
Occupancy	*-10*	*-50*	*bps*	76.2%	78.3%	77.7%	*30 bps*	77.4%
ADR	2.4%	1.8%	*%*	$230	$229	$225	2.5%	$220
RevPAR	2.2%	1.1%	*%*	$175	$180	$175	2.8%	$170
Total Revenue PAR	3.3%	2.6%	*%*	$291	$299	$289	3.3%	$280
Total Dept. Profit % Total Rev.	*0*	*10*	*bps*	59.9%	60.2%	60.0%	*10 bps*	59.9%
Total Hotel Labor Costs % Total Rev.	*40*	*20*	*bps*	36.3%	35.7%	35.5%	*20 bps*	35.3%
Total GOP PAR	*2.1%*	2.4%	*%*	$108	$113	$108	*4.1%*	$104
Total GOP % of Total Rev.	*-50*	*0*	*bps*	*36.9%*	*37.7%*	*37.4%*	*20 bps*	*37.2%*

Source: STRH Research, HotStats

All dollar figures are in USD. 2017 figures have been revised as of December 2018 to account for the updated sample set.

August profitability: Slight RevPAR growth with flat margins.

Industry Metric	Aug 2019 y/y	YTD		Aug 2019	YTD	FY2018	2018 y/y	FY2017
Occupancy	0	-50	bps	78.6%	78.6%	77.7%	30 bps	77.4%
ADR	2.2%	1.7%	%	$209	$229	$225	2.5%	$220
RevPAR	2.3%	1.0%	%	$164	$180	$175	2.8%	$170
Total Revenue PAR	3.2%	2.5%	%	$259	$300	$289	3.3%	$280
Total Dept. Profit % Total Rev.	-10	10	bps	57.2%	60.3%	60.0%	10 bps	59.9%
Total Hotel Labor Costs % Total Rev.	30	30	bps	39.4%	35.7%	35.5%	20 bps	35.3%
Total GOP PAR	3.0%	2.4%	%	$83	$113	$108	4.1%	$104
Total GOP % of Total Rev.	0	0	bps	32.1%	37.8%	37.4%	20 bps	37.2%

Source: STRH Research, HotStats
All dollar figures are in USD. 2017 figures have been revised as of December 2018 to account for the updated sample set.

July profitability: Slight RevPAR growth with margins slightly negative.

Industry Metric	July 2019 y/y	YTD		July 2019	YTD	FY2018	2018 y/y	FY2017
Occupancy	20	-60	bps	80.6%	78.6%	77.7%	30 bps	77.4%
ADR	1.4%	1.6%	%	$216	$232	$225	2.5%	$220
RevPAR	1.6%	0.8%	%	$174	$182	$175	2.8%	$170
Total Revenue PAR	3.8%	2.4%	%	$272	$305	$289	3.3%	$280
Total Dept. Profit % Total Rev.	0	20	bps	58.5%	60.7%	60.0%	10 bps	59.9%
Total Hotel Labor Costs % Total Rev.	50	20	bps	37.9%	35.2%	35.5%	20 bps	35.3%
Total GOP PAR	3.3%	2.3%	%	$92	$117	$108	4.1%	$104
Total GOP % of Total Rev.	-20	0	bps	33.7%	38.5%	37.4%	20 bps	37.2%

Source: STRH Research, HotStats
All dollar figures are in USD. 2017 figures have been revised as of December 2018 to account for the updated sample set.

June profitability: Flattish RevPAR growth yet margins were slightly positive.

- **2Q:** Operating Department margins were ~ -20 bps and GOP margins were ~ -40 bps.

Industry Metric	June 2019 y/y	YTD		June 2019	YTD	FY2018	2018 y/y	FY2017
Occupancy	*-140*	*-90*	*bps*	81.9%	78.1%	77.7%	*30 bps*	77.4%
ADR	1.3%	1.7%	*%*	$229	$234	$225	2.5%	$220
RevPAR	-0.4%	0.6%	*%*	$188	$183	$175	2.8%	$170
Total Revenue PAR	0.5%	2.1%	*%*	$307	$310	$289	3.3%	$280
Total Dept. Profit % Total Rev.	*30*	*10*	*bps*	62.0%	61.0%	60.0%	*10 bps*	59.9%
Total Hotel Labor Costs % Total Rev.	*40*	*20*	*bps*	34.0%	34.8%	35.5%	*20 bps*	35.3%
Total GOP PAR	*1.2%*	2.1%	*%*	$123	$121	$108	*4.1%*	$104
Total GOP % of Total Rev.	*30*	*0*	*bps*	*40.2%*	*39.2%*	*37.4%*	*20 bps*	*37.2%*

Source: STRH Research, HotStats

All dollar figures are in USD. 2017 figures have been revised as of December 2018 to account for the updated sample set.

May profitability: Slight RevPAR growth but modestly negative margins.

Industry Metric	May 2019 y/y	YTD		May 2019	YTD	FY2018	2018 y/y	FY2017
Occupancy	*30*	*-70*	*bps*	79.9%	77.4%	77.7%	*30 bps*	77.4%
ADR	2.0%	1.8%	*%*	$232	$236	$225	2.5%	$220
RevPAR	2.3%	0.8%	*%*	$186	$182	$175	2.8%	$170
Total Revenue PAR	3.8%	2.4%	*%*	$316	$310	$289	3.3%	$280
Total Dept. Profit % Total Rev.	*-40*	*10*	*bps*	60.9%	60.8%	60.0%	*10 bps*	59.9%
Total Hotel Labor Costs % Total R	*20*	*20*	*bps*	34.9%	35.0%	35.5%	*20 bps*	35.3%
Total GOP PAR	*2.7%*	2.3%	*%*	$125	$121	$108	*4.1%*	$104
Total GOP % of Total Rev.	*-40*	*0*	*bps*	*39.5%*	*39.0%*	*37.4%*	*20 bps*	*37.2%*

Source: STRH Research, HotStats

All dollar figures are in USD. 2017 figures have been revised as of December 2018 to account for the updated sample set.

April profitability: Negative RevPAR and moderately negative margins.

Industry Metric	Apr 2019 y/y	YTD		Apr 2019	YTD	FY2018	2018 y/y	FY2017
Occupancy	-70	-100	bps	81.6%	76.7%	77.7%	30 bps	77.4%
ADR	-0.8%	1.7%	%	$238	$236	$225	2.5%	$220
RevPAR	-1.7%	0.4%	%	$194	$181	$175	2.8%	$170
Total Revenue PAR	-0.4%	2.0%	%	$324	$309	$289	3.3%	$280
Total Dept. Profit % Total Rev.	-40	20	bps	62.3%	60.8%	60.0%	10 bps	59.9%
Total Hotel Labor Costs % Total Rev.	100	20	bps	33.2%	35.0%	35.5%	20 bps	35.3%
Total GOP PAR	-3.0%	2.2%	%	$132	$120	$108	4.1%	$104
Total GOP % of Total Rev.	-110	0	bps	40.9%	38.8%	37.4%	20 bps	37.2%

Source: STRH Research, HotStats

All dollar figures are in USD. 2017 figures have been revised as of December 2018 to account for the updated sample set.

March profitability: Slightly negative RevPAR growth although y/y margins were modestly positive.

- **1Q:** Operating Department margins were ~ + 40 bps and GOP margins were ~ +50 bps.

Industry Metric	Mar 2019 y/y	YTD		Mar 2019	YTD	FY2018	2018 y/y	FY2017
Occupancy	-160	-110	bps	81.1%	75.1%	77.7%	30 bps	77.4%
ADR	1.3%	2.7%	%	$245	$236	$225	2.5%	$220
RevPAR	-0.8%	1.2%	%	$198	$177	$175	2.8%	$170
Total Revenue PAR	2.3%	2.9%	%	$333	$304	$289	3.3%	$280
Total Dept. Profit % Total Rev.	20	40	bps	63.0%	60.2%	60.0%	10 bps	59.9%
Total Hotel Labor Costs % Total Rev.	-30	-20	bps	32.5%	35.6%	35.5%	20 bps	35.3%
Total GOP PAR	3.2%	4.3%	%	$142	$116	$108	4.1%	$104
Total GOP % of Total Rev.	40	50	bps	42.7%	38.1%	37.4%	20 bps	37.2%

Source: STRH Research, HotStats

All dollar figures are in USD. 2017 figures have been revised as of December 2018 to account for the updated sample set.

February profitability: Decent RevPAR growth resulted in modest y/y margins.

Industry Metric	Feb 2019 y/y	YTD		Feb 2019	YTD	FY2018	2018 y/y	FY2017
Occupancy	-40	-70	bps	76.0%	72.0%	77.7%	30 bps	77.4%
ADR	4.4%	3.6%	%	$235	$231	$225	2.5%	$220
RevPAR	3.9%	2.5%	%	$179	$166	$175	2.8%	$170
Total Revenue PAR	3.6%	3.2%	%	$308	$288	$289	3.3%	$280
Total Dept. Profit % Total Rev.	100	60	bps	60.6%	58.5%	60.0%	10 bps	59.9%
Total Hotel Labor Costs % Total Rev.	-40	-10	bps	35.3%	37.5%	35.5%	20 bps	35.3%
Total GOP PAR	7.1%	5.0%	%	$118	$102	$108	4.1%	$104
Total GOP % of Total Rev.	120	60	bps	38.4%	35.2%	37.4%	20 bps	37.2%

Source: STRH Research, HotStats

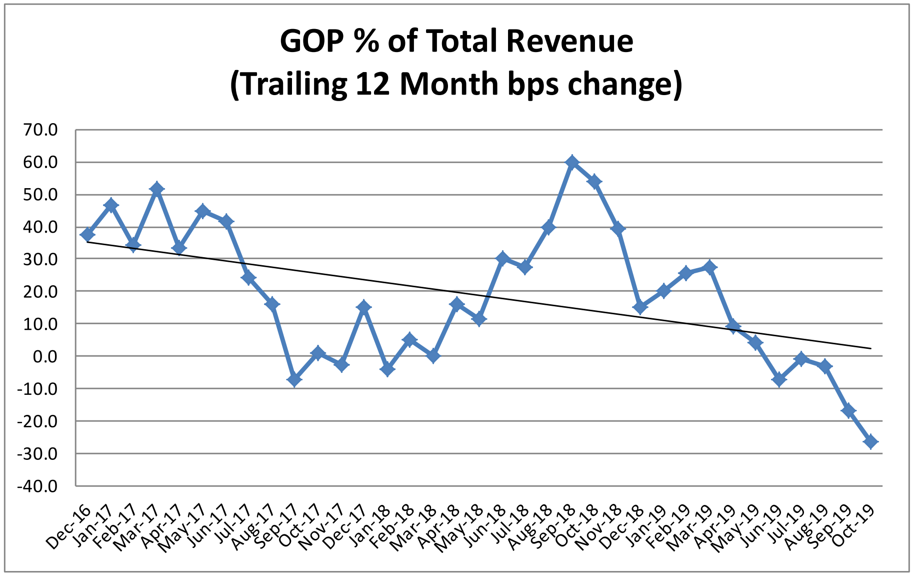
All dollar figures are in USD. 2017 figures have been revised as of December 2018 to account for the updated sample set.

January profitability: Limited RevPAR growth resulted in flat y/y margins.

Industry Metric	Jan 2019 y/y		Jan 2019	FY2018	2018 y/y	FY2017
Occupancy	-110	bps	68.3%	77.7%	30 bps	77.4%
ADR	2.6%	%	$226	$225	2.5%	$220
RevPAR	1.0%	%	$154	$175	2.8%	$170
Total Revenue PAR	2.8%	%	$271	$289	3.3%	$280
Total Dept. Profit % Total Rev.	20	bps	56.4%	60.0%	10 bps	59.9%
Total Hotel Labor Costs % Total Rev.	20	bps	39.7%	35.5%	20 bps	35.3%
Total GOP PAR	2.7%	%	$87	$108	4.1%	$104
Total GOP % of Total Rev.	0	bps	32.0%	37.4%	20 bps	37.2%

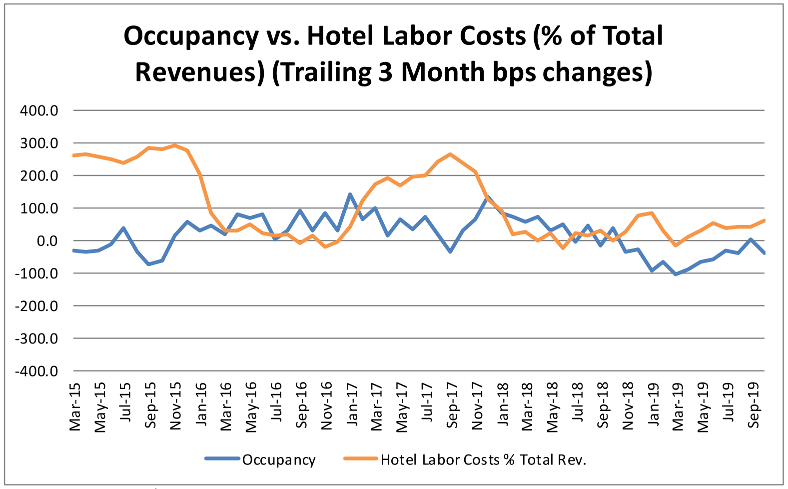
Source: STRH Research, HotStats

All dollar figures are in USD. 2017 figures have been revised as of December 2018 to account for the updated sample set.

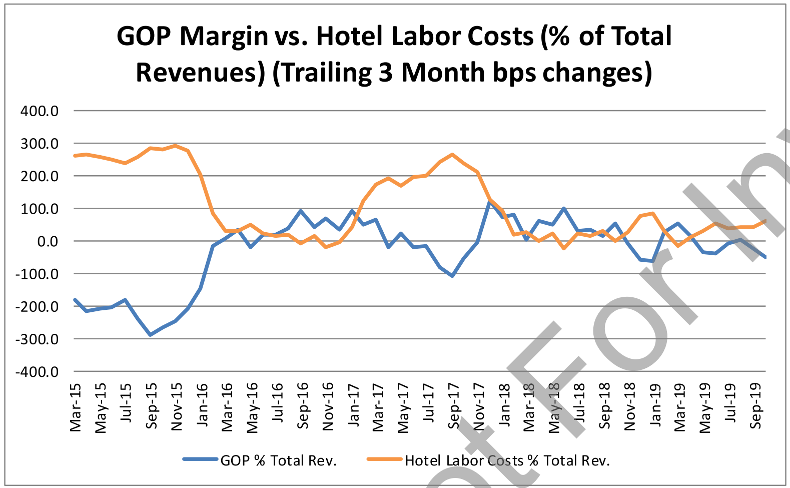


Source: STRH Research, HotStats

- The following charts highlight trends in labor costs vs. occupancy and GOP margins.



Source: STRH Research, HotStats



Source: STRH Research, HotStats

We present REIT margin guidances for 4Q below.

REIT Margin Guidances*

		4Q Guide	2019 Guide	Margin Guidance Provided
DiamondRock	DRH	none	none	
Host	HST	none	-20 to +10 bps	Comp Hotel EBITDA margins
Pebblebrook	PEB	-75 bps to -25 bps	-100 to -90 bps	Same Property EBITDA margins
Park	PK	none	-50 bps to -20 bps	Comp Hotel Adjusted EBITDA Margins
Ryman	RHP	none	none	
RLJ	RLJ	none	-70 bps to -10 bps	Pro Forma Hotel EBITDA Margins (Implied guide from 32.3% YE 2018)
Sunstone	SHO	none	-75 bps to -50 bps	20 Hotel Comp Portfolio Adjusted EBITDA*re* Margin

*Note: We do not consider EBITDA margin guidances to be comparable across the Lodging REIT space as indicative of the type of margin guidance provided.

Source: Company filings, STRH Research

Companies Mentioned in This Note

DiamondRock Hospitality Company (DRH, $10.20, Hold, C. Patrick Scholes)
Host Hotels & Resorts, Inc. (HST, $17.54, Hold, C. Patrick Scholes)
Marriott International, Inc. (MAR, $138.56, Hold, C. Patrick Scholes)
Pebblebrook Hotel Trust (PEB, $25.94, Hold, Gregory Miller)
Park Hotels & Resorts Inc. (PK, $23.88, Buy, C. Patrick Scholes)
Ryman Hospitality Properties, Inc. (RHP, $88.09, Hold, C. Patrick Scholes)
RLJ Lodging Trust (RLJ, $16.92, Sell, Gregory Miller)
Sunstone Hotel Investors, Inc. (SHO, $13.91, Hold, C. Patrick Scholes)
Margaritaville (private)

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