

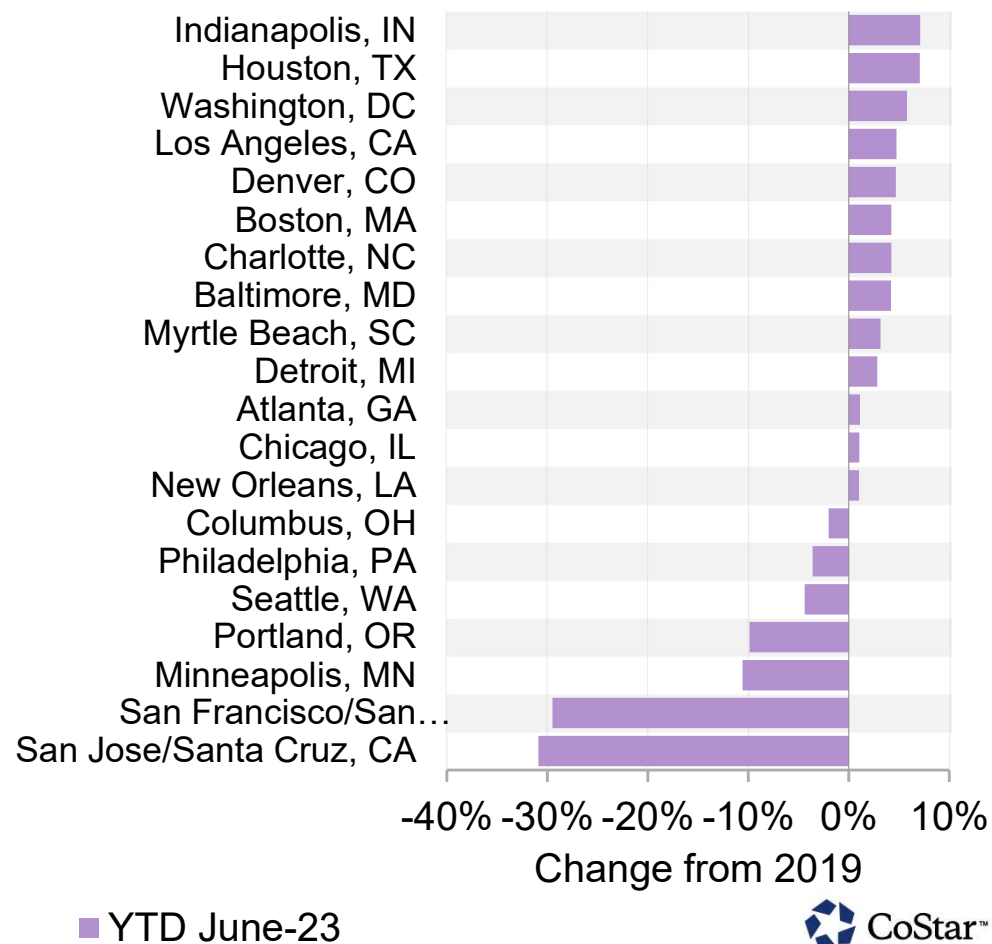
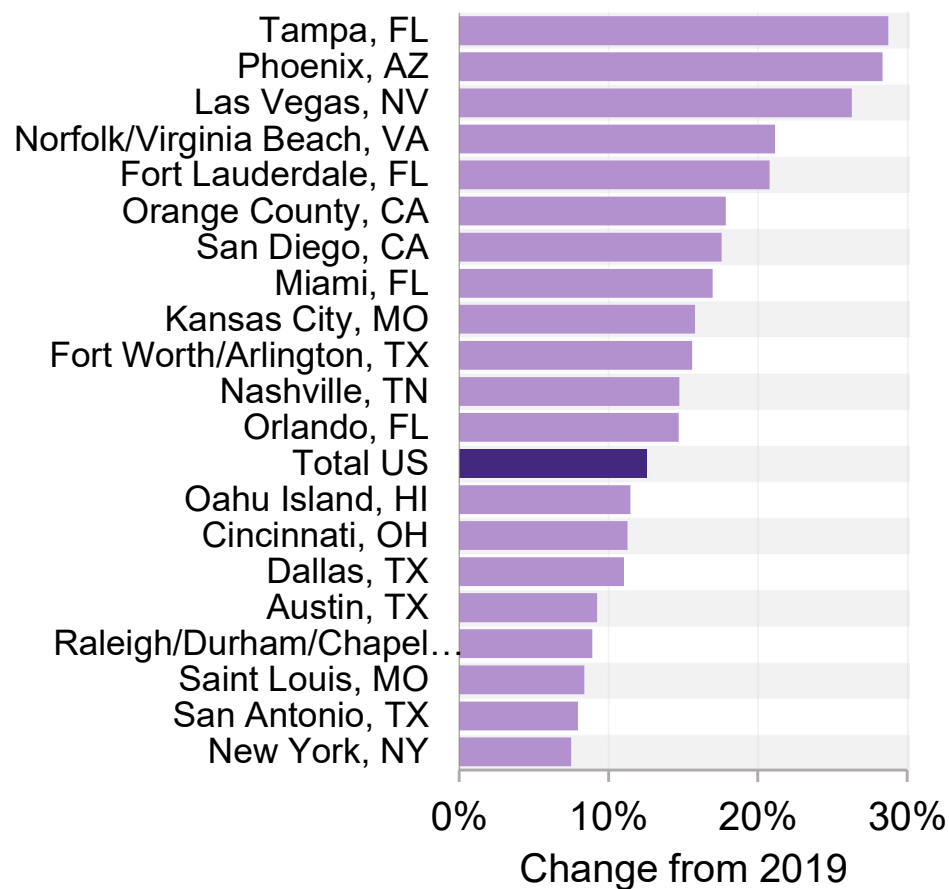


VISIT LAUDERDALE HOTEL TRENDS & OUTLOOK

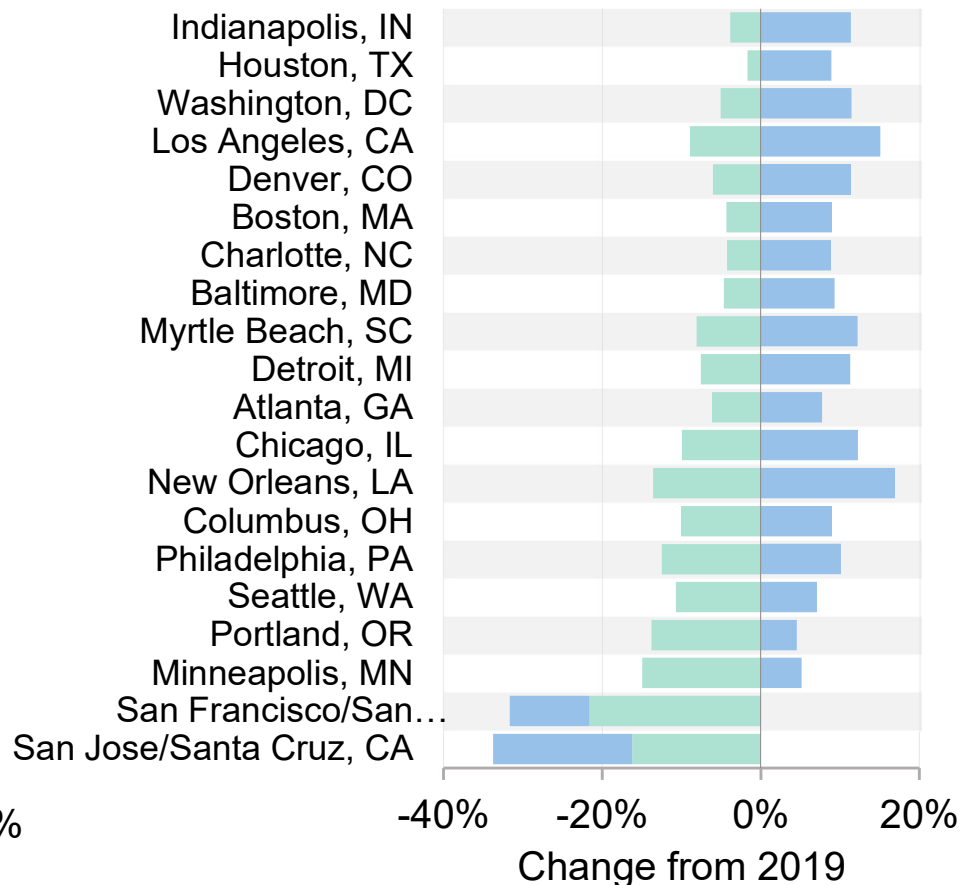
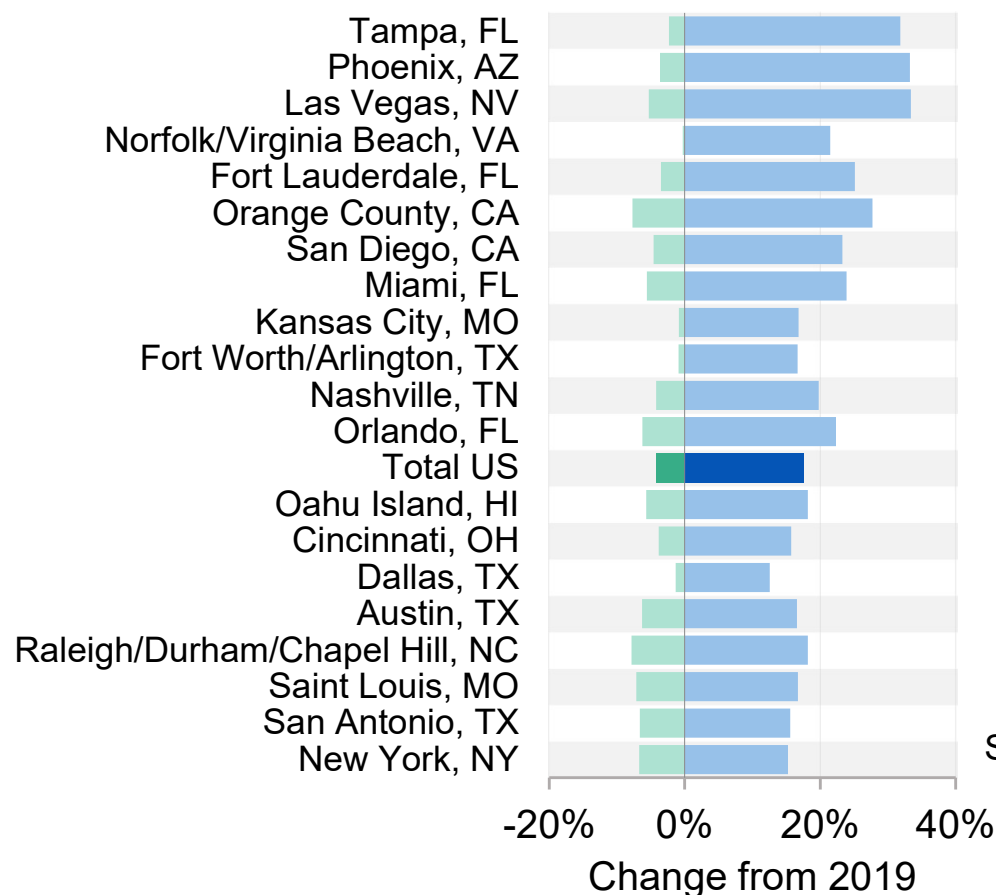
**AUGUST
2023**



Florida Markets Among Strongest Pandemic Recoveries



Rate-driven Recovery in All Markets

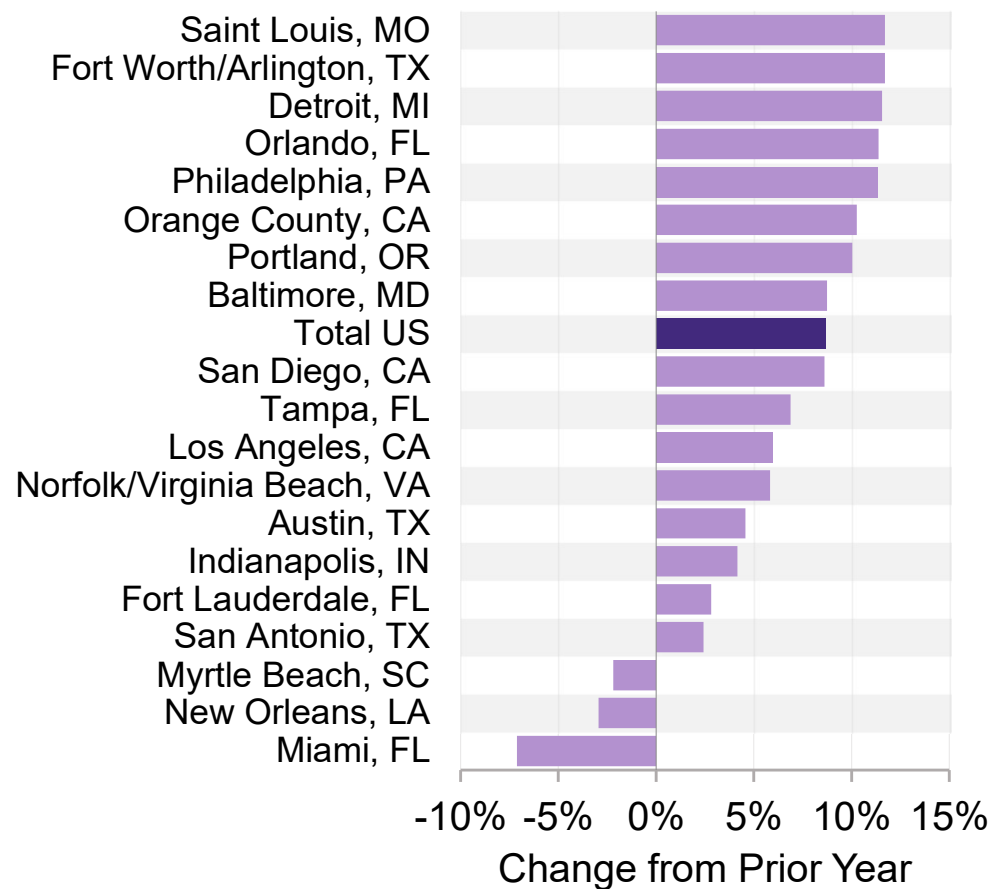
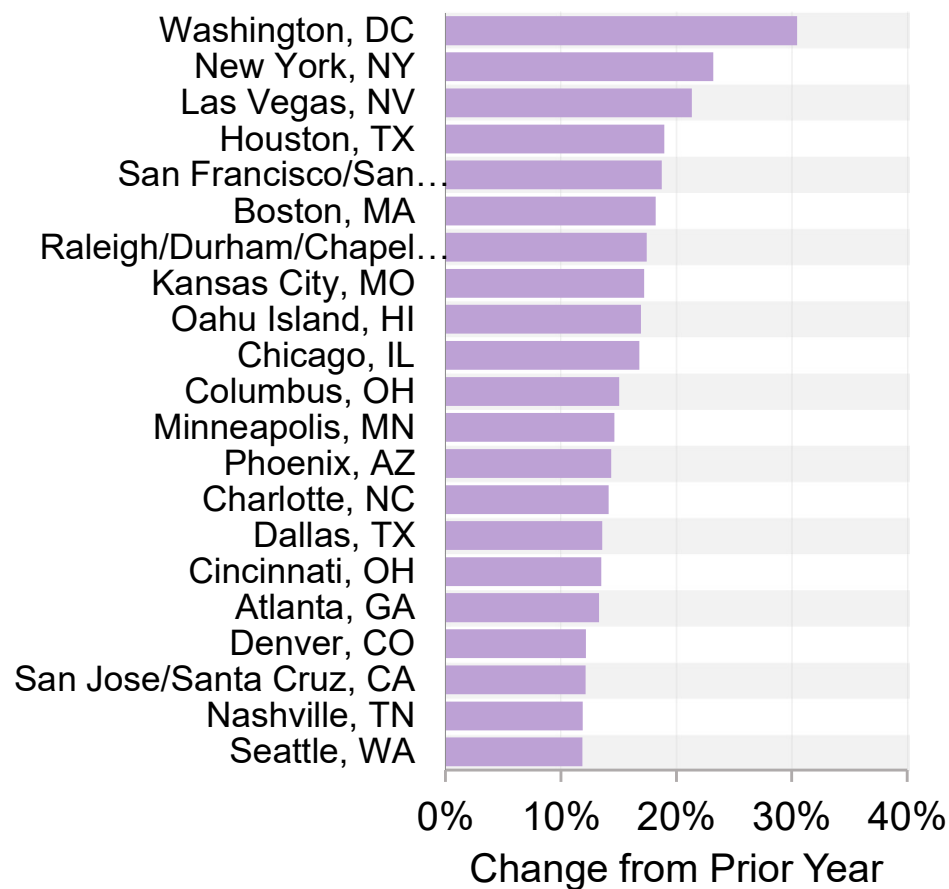


Source: STR

■ YTD June-23 Occ ■ YTD June-23 ADR



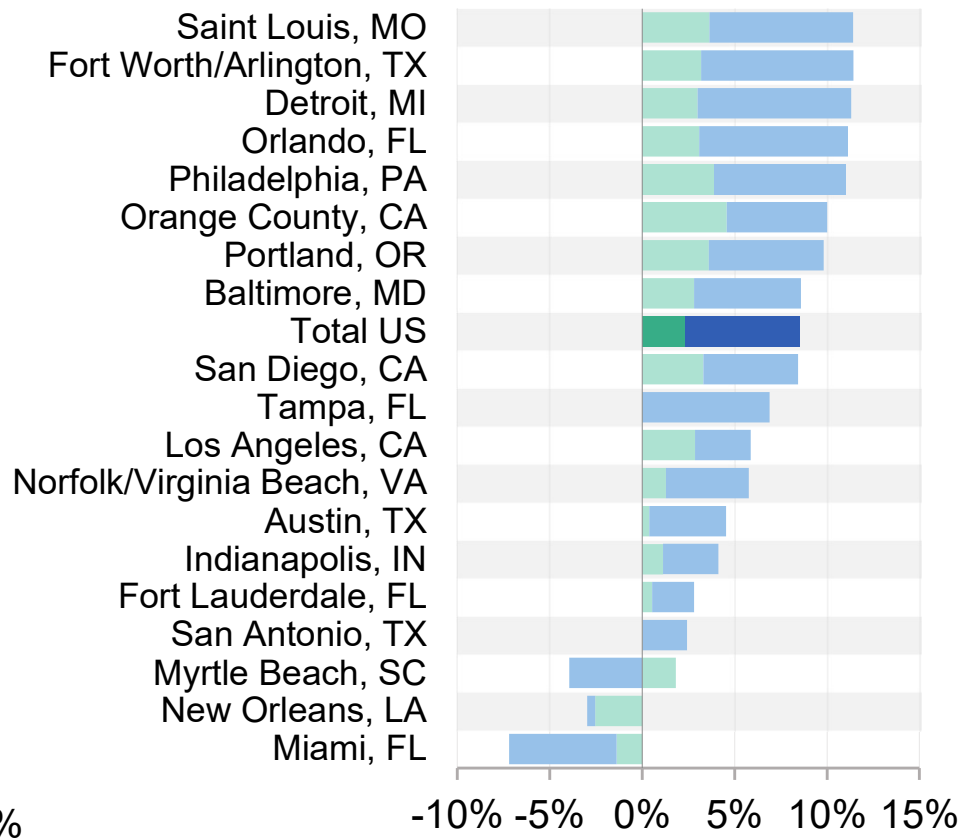
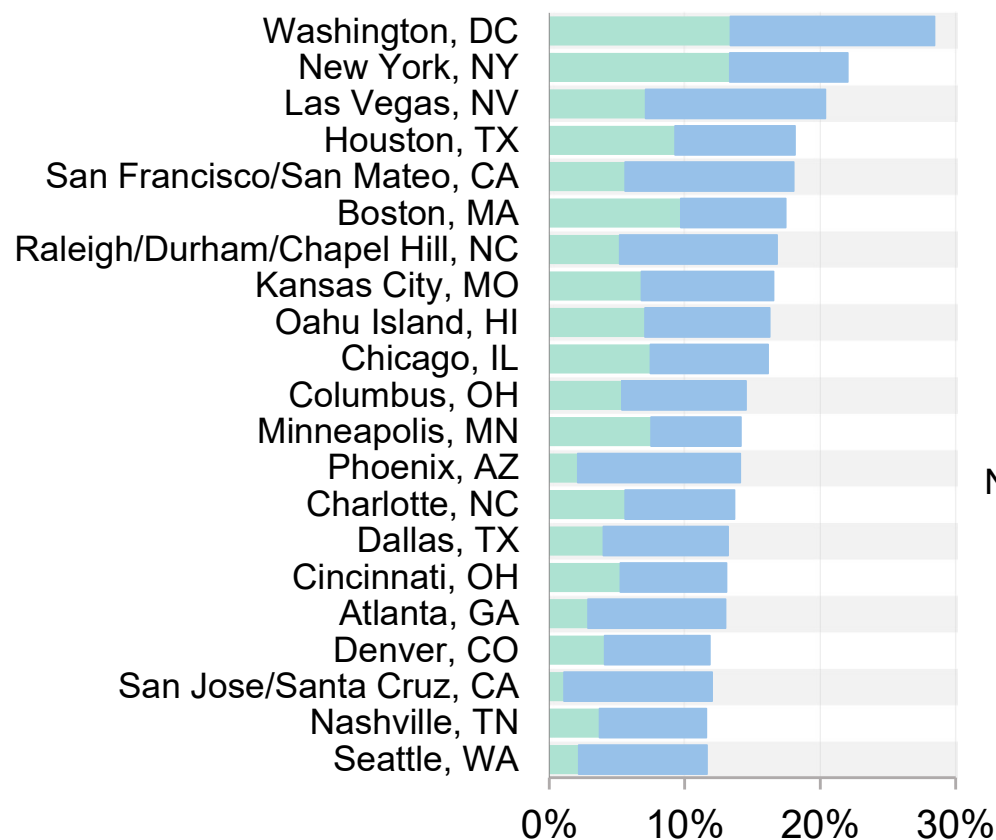
Growth vs Prior Year Paints a Different Picture



■ YTD June-23



ADR Growth Slowing in Transient-Heavy Destinations

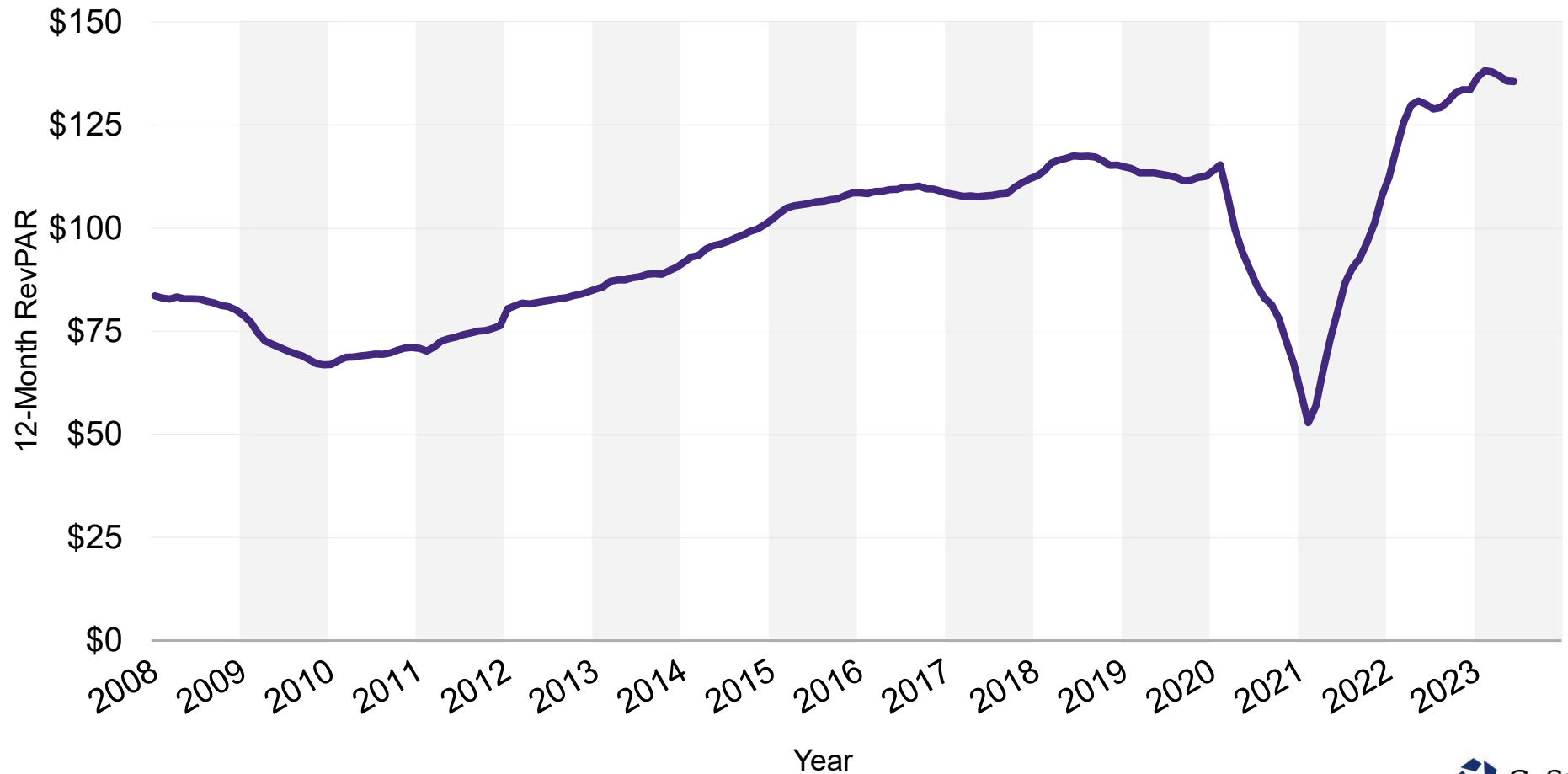


Source: STR

■ YTD June-23 Occ ■ YTD June-23 ADR

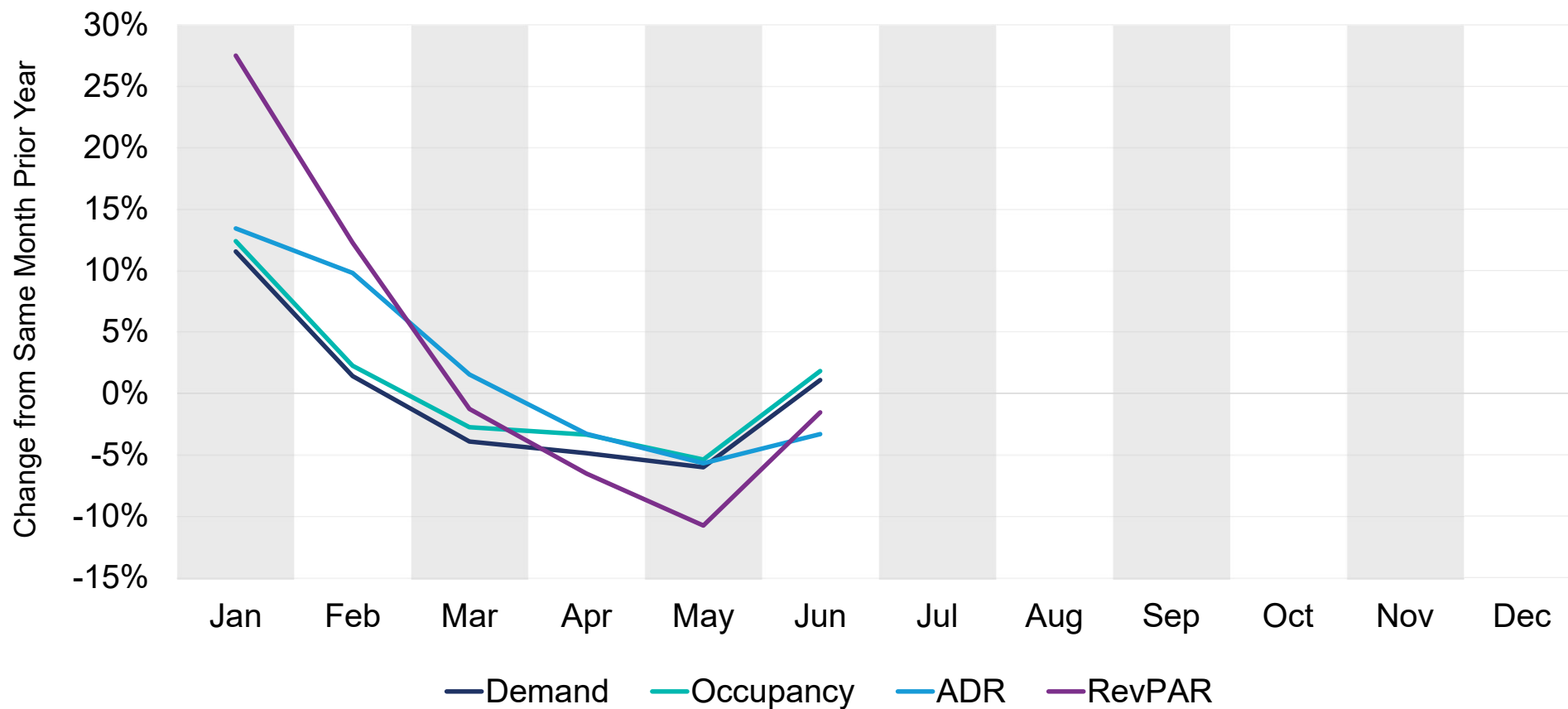


Greater Fort Lauderdale 12-Month RevPAR Peaked in February



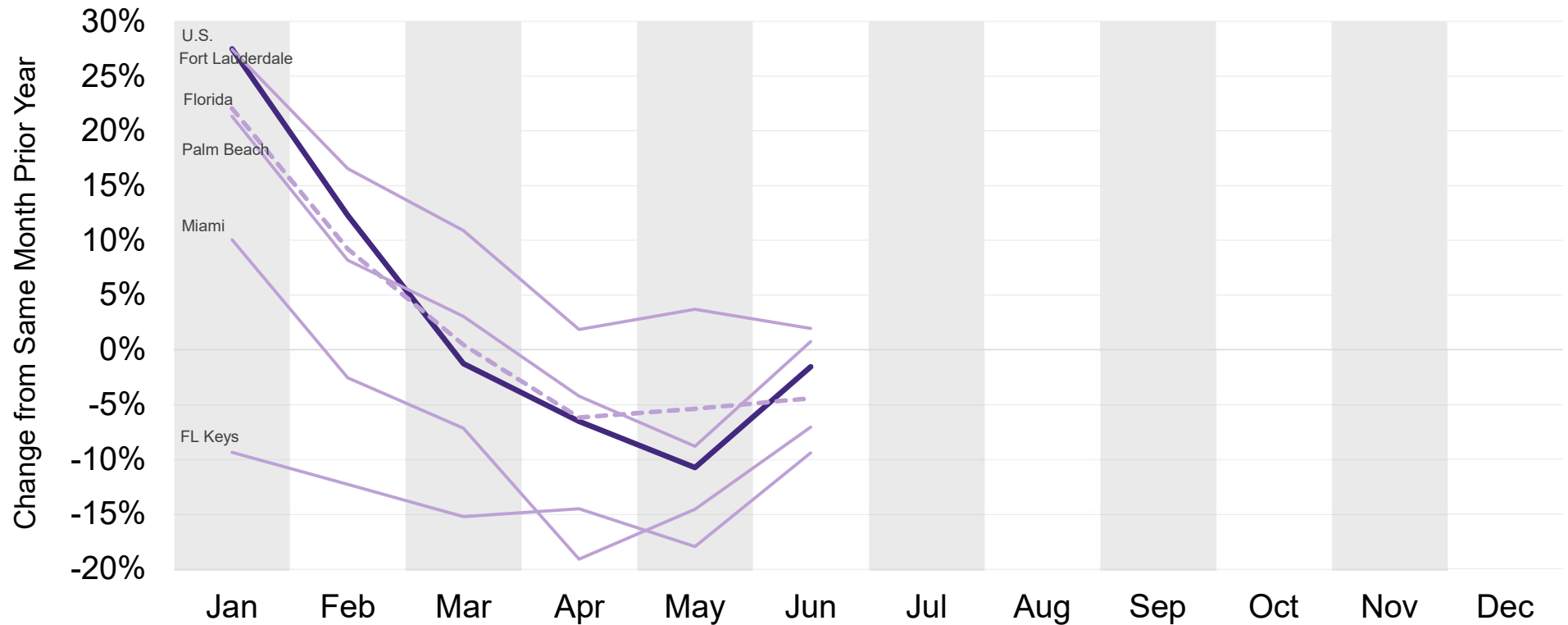
Source: STR

Momentum Has Faded After Strong Start



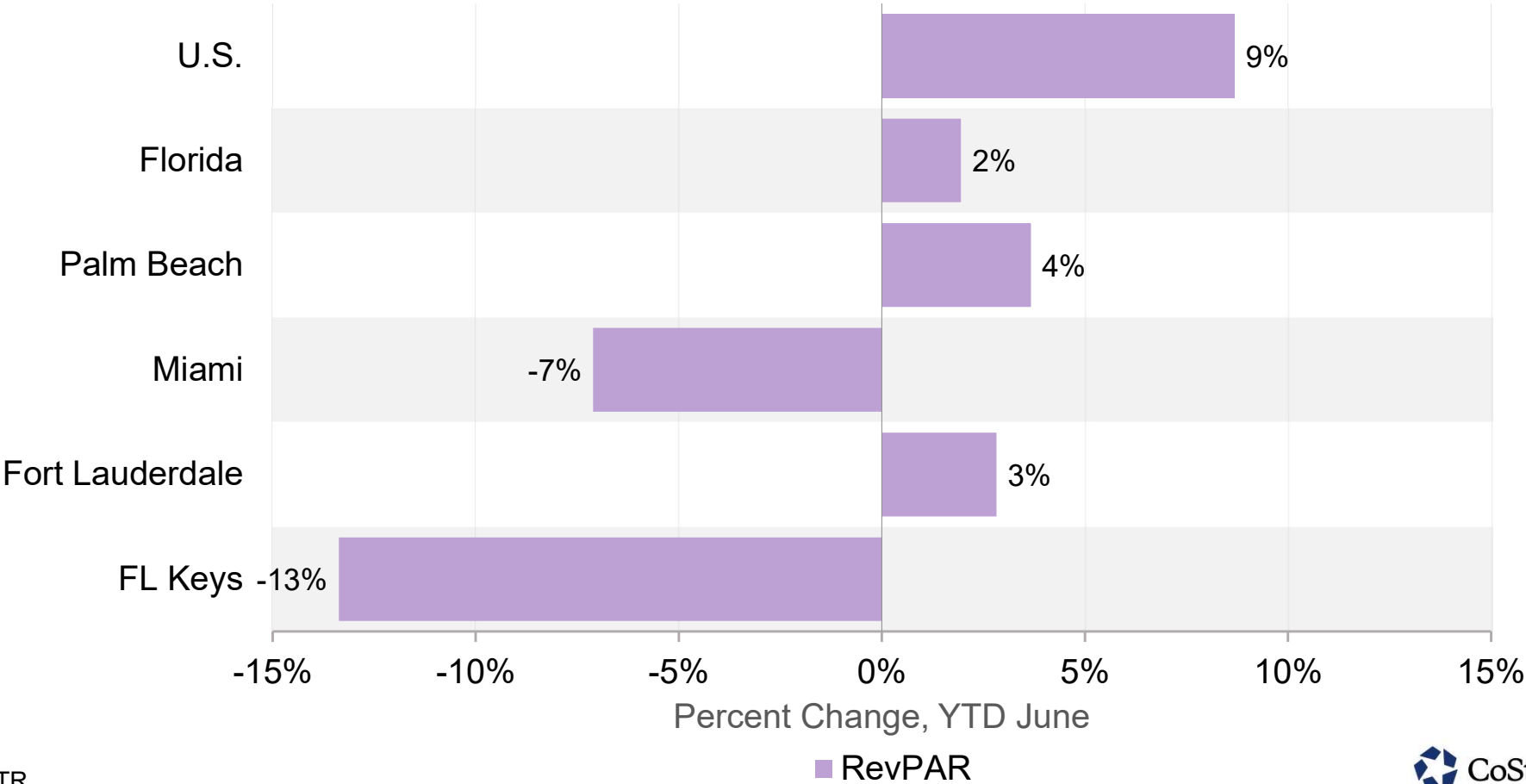
Source: STR

Slowdown Throughout Florida



Source: STR

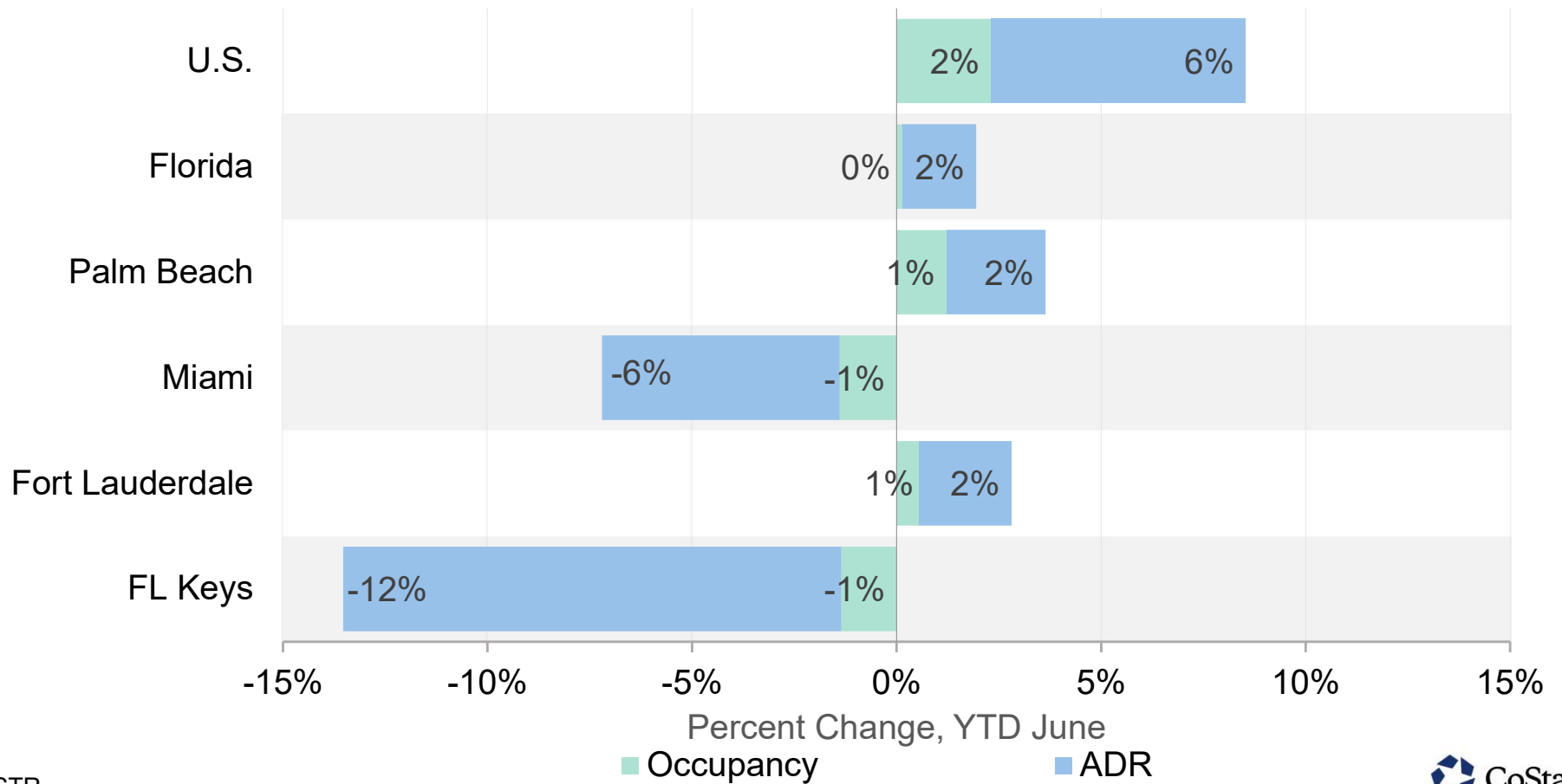
Miami & the Keys Falling Behind



Source: STR



South Florida ADR Coming Back to Earth



Source: STR

Agenda



What's happening?

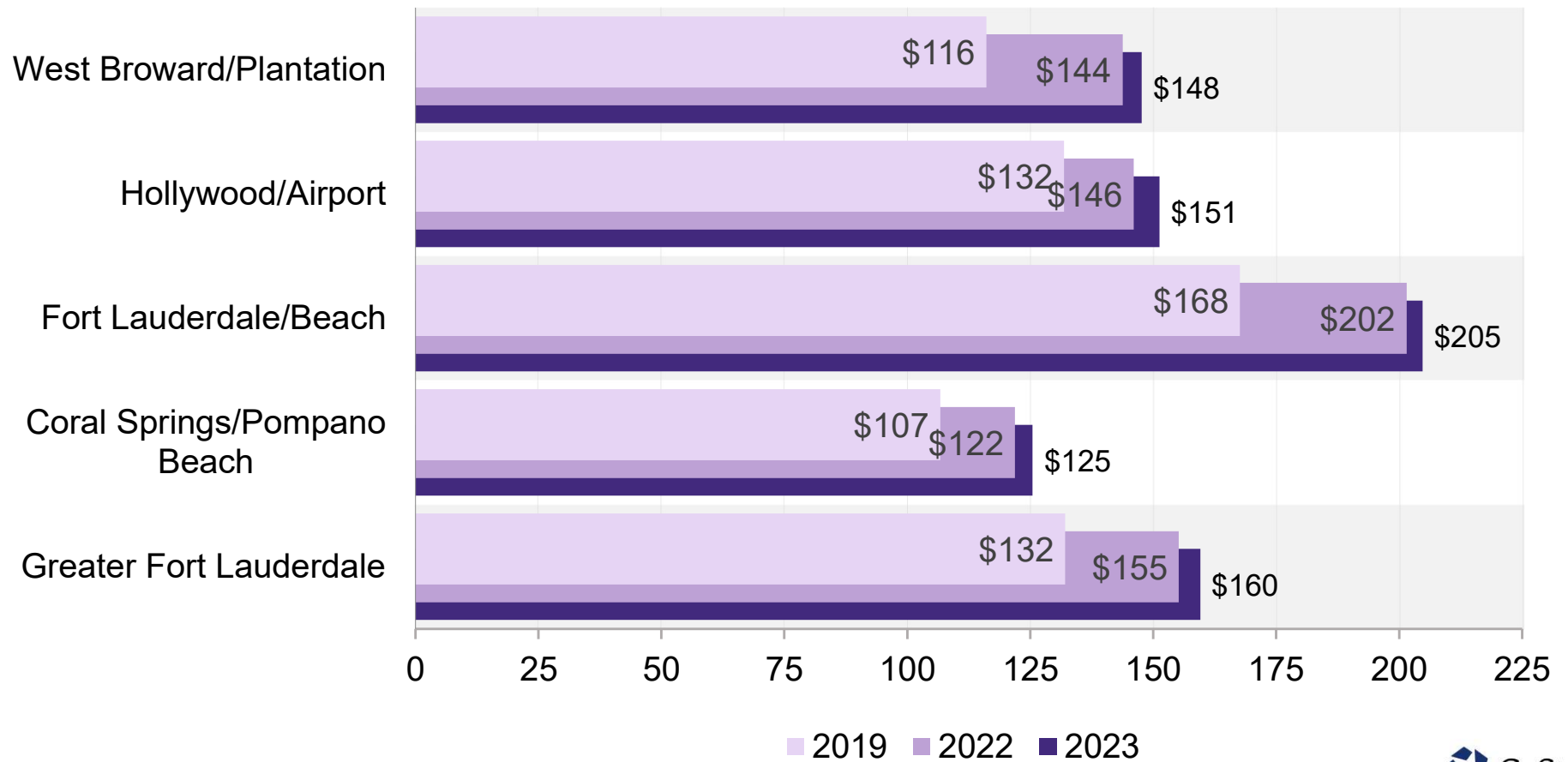


Why?

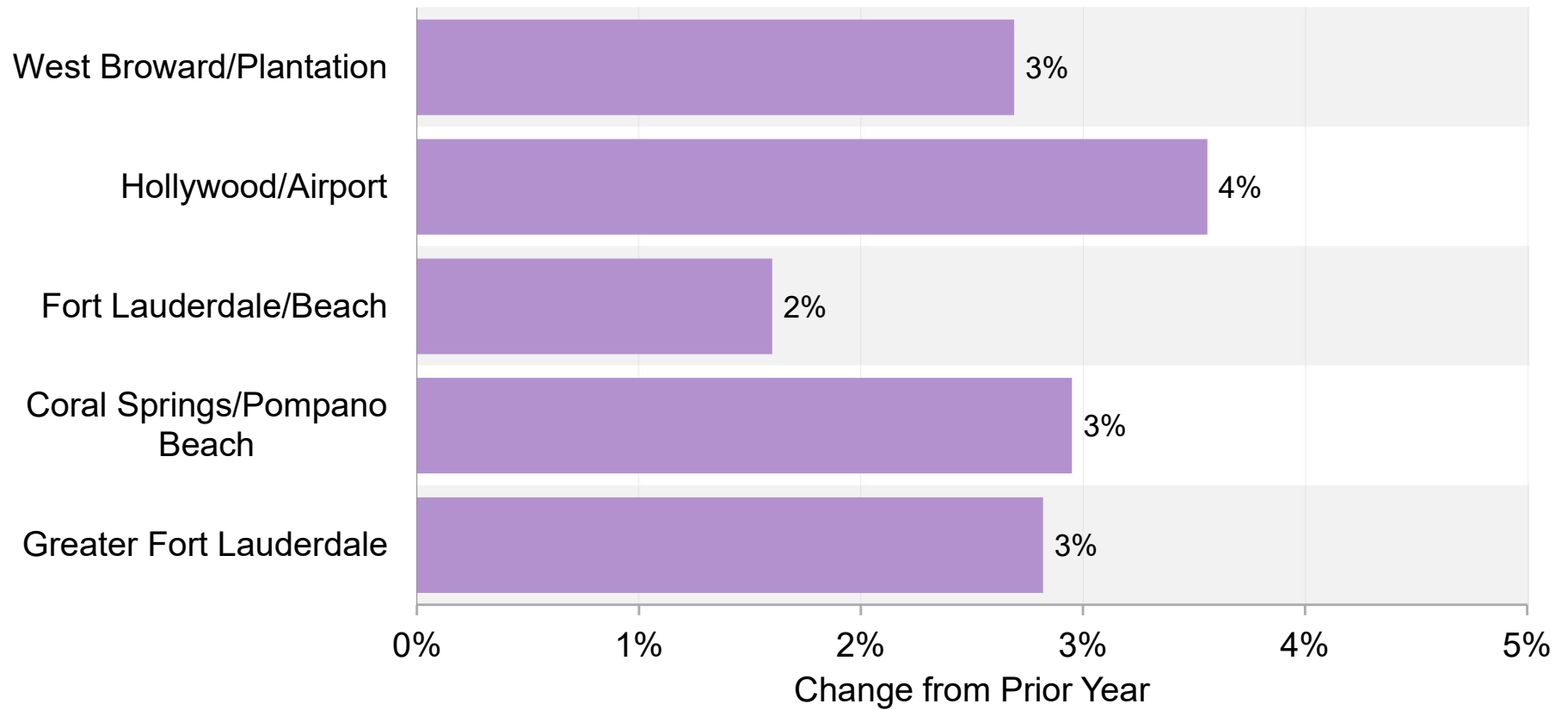


What's next?

All Areas at Record RevPAR: YTD June

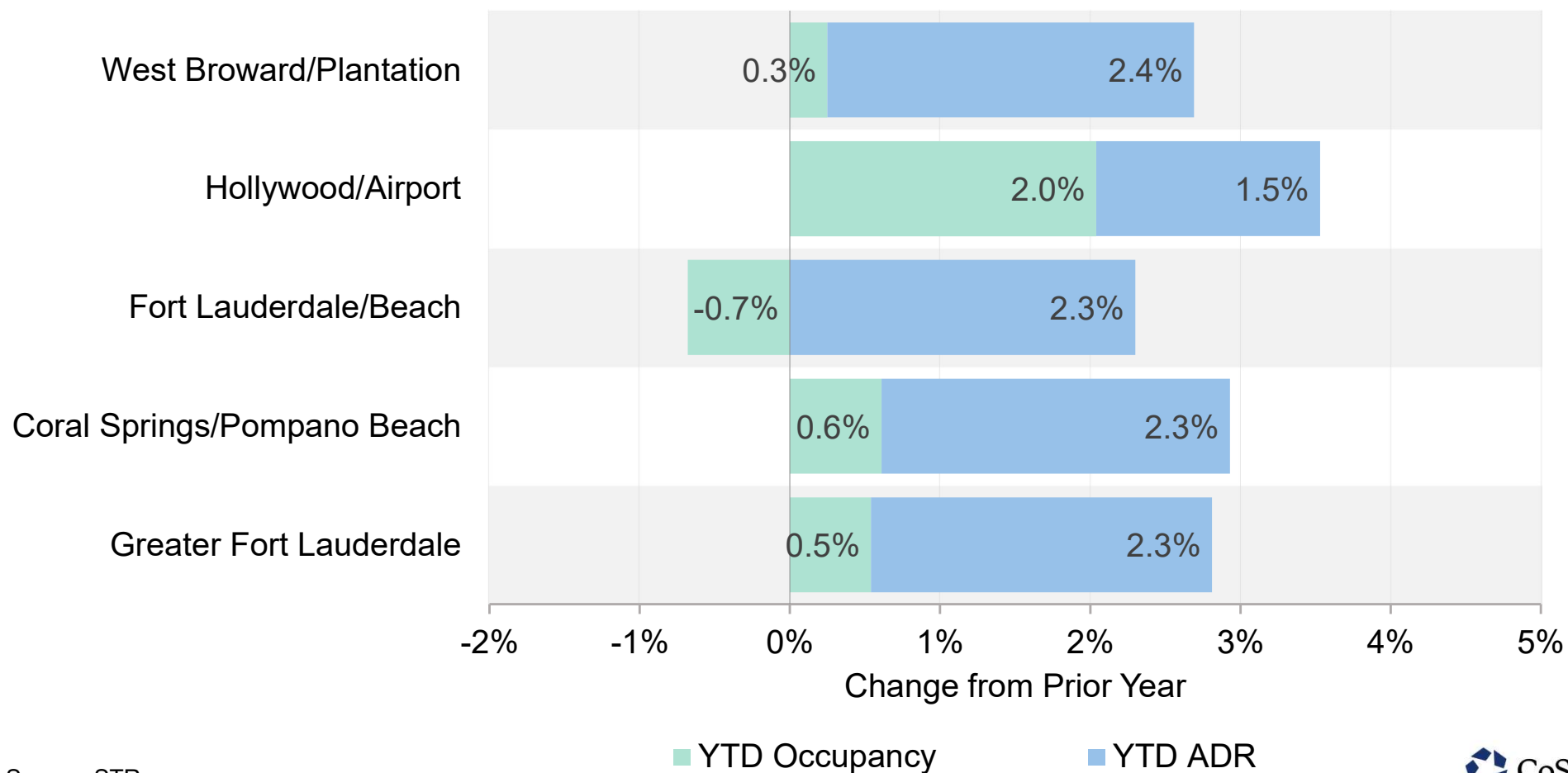


RevPAR Percent Change: YTD June



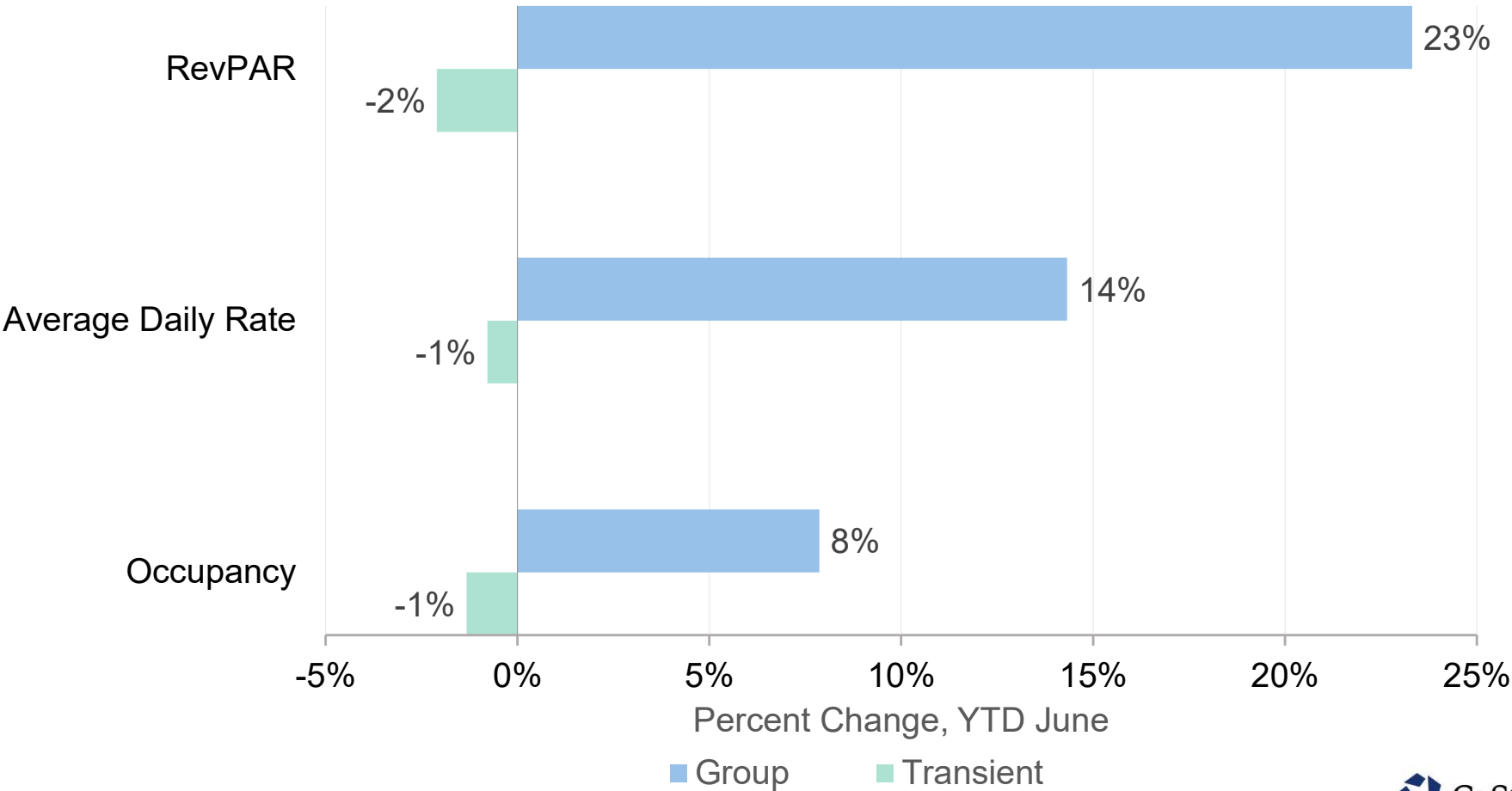
■ Year to Date

Occupancy & ADR Percent Change: YTD June



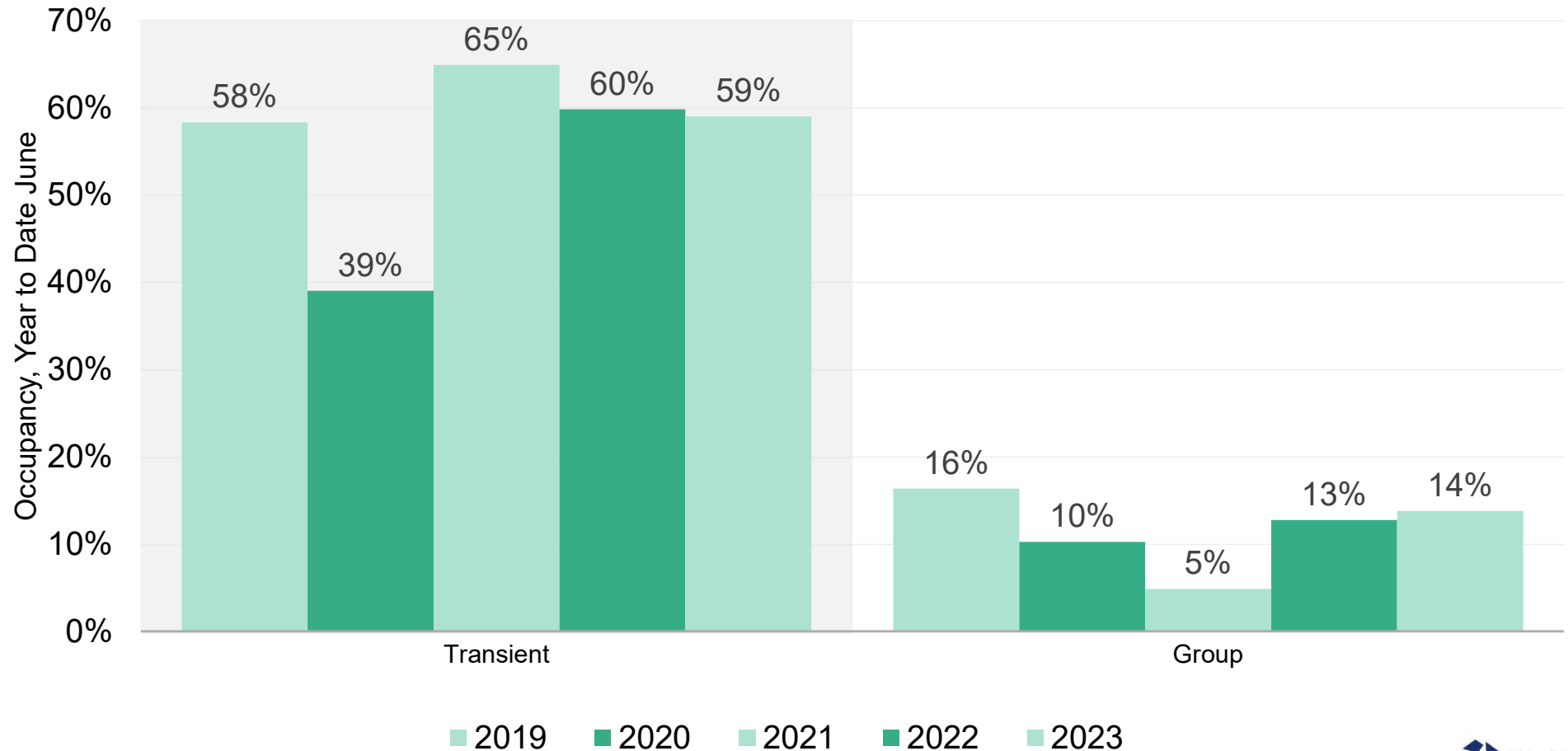
Source: STR

Group Segment Driving Growth



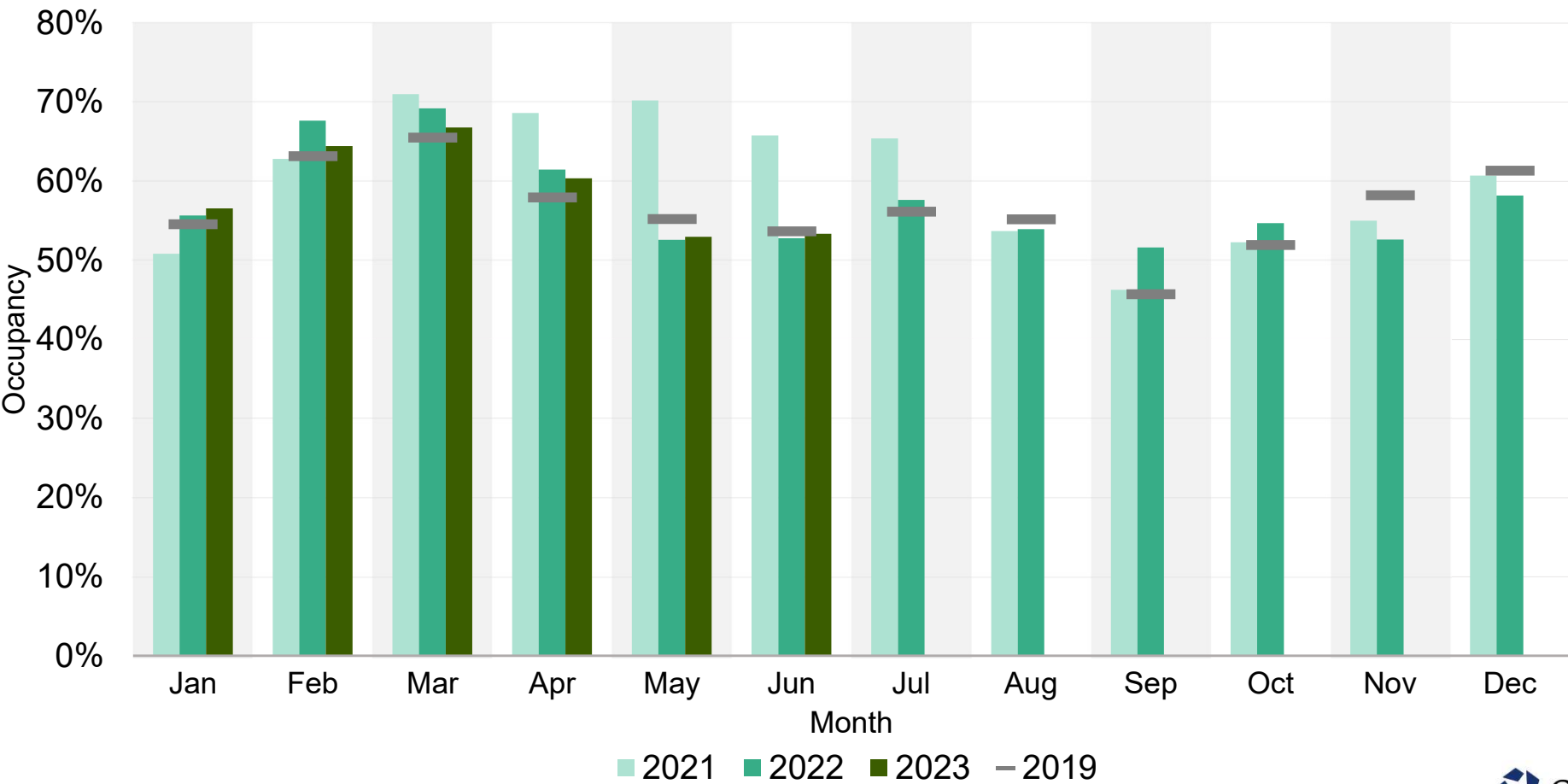
Source: STR

Transient Occupancy Above Pre-Pandemic Levels



Source: STR

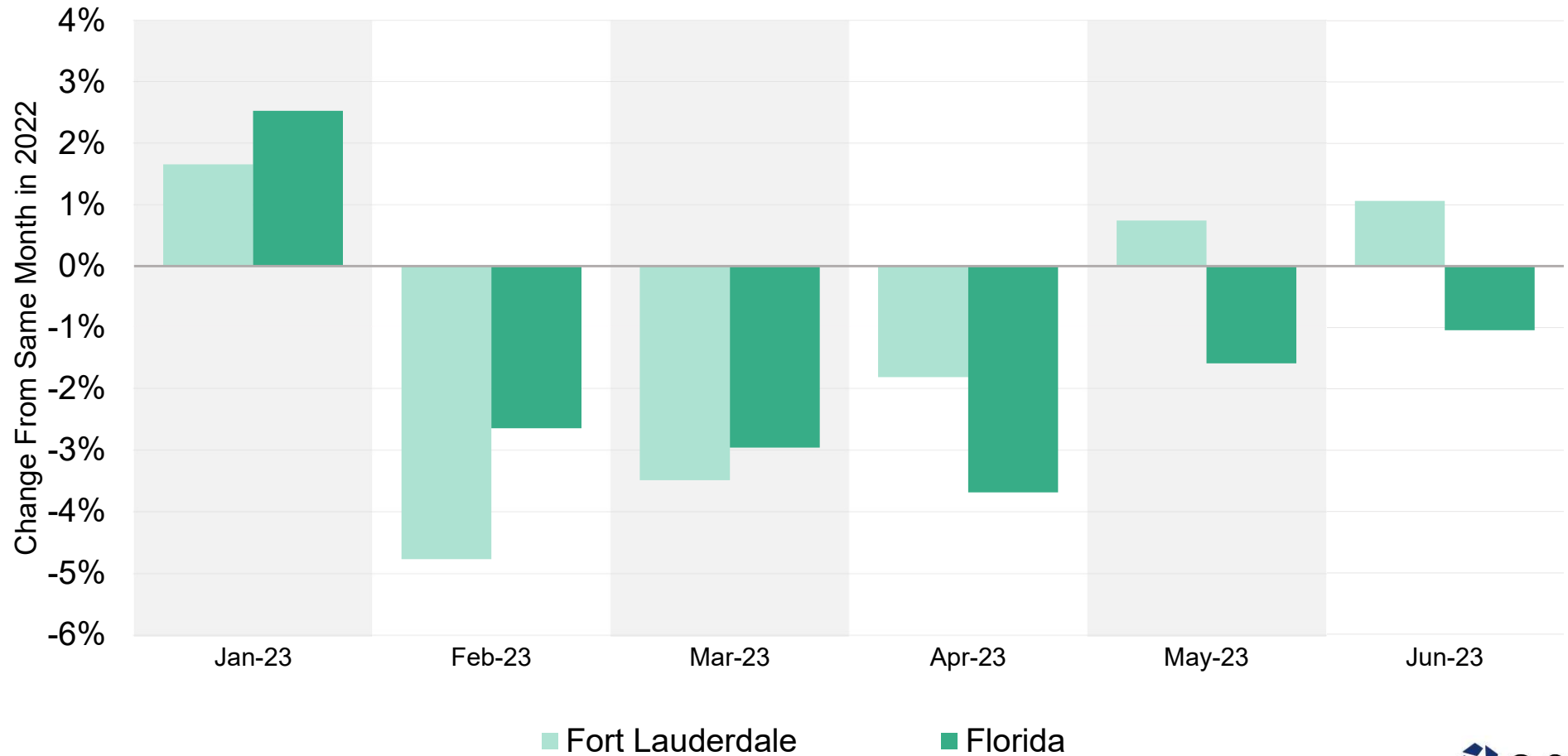
Fort Lauderdale Transient Hotel Occupancy



Source: STR

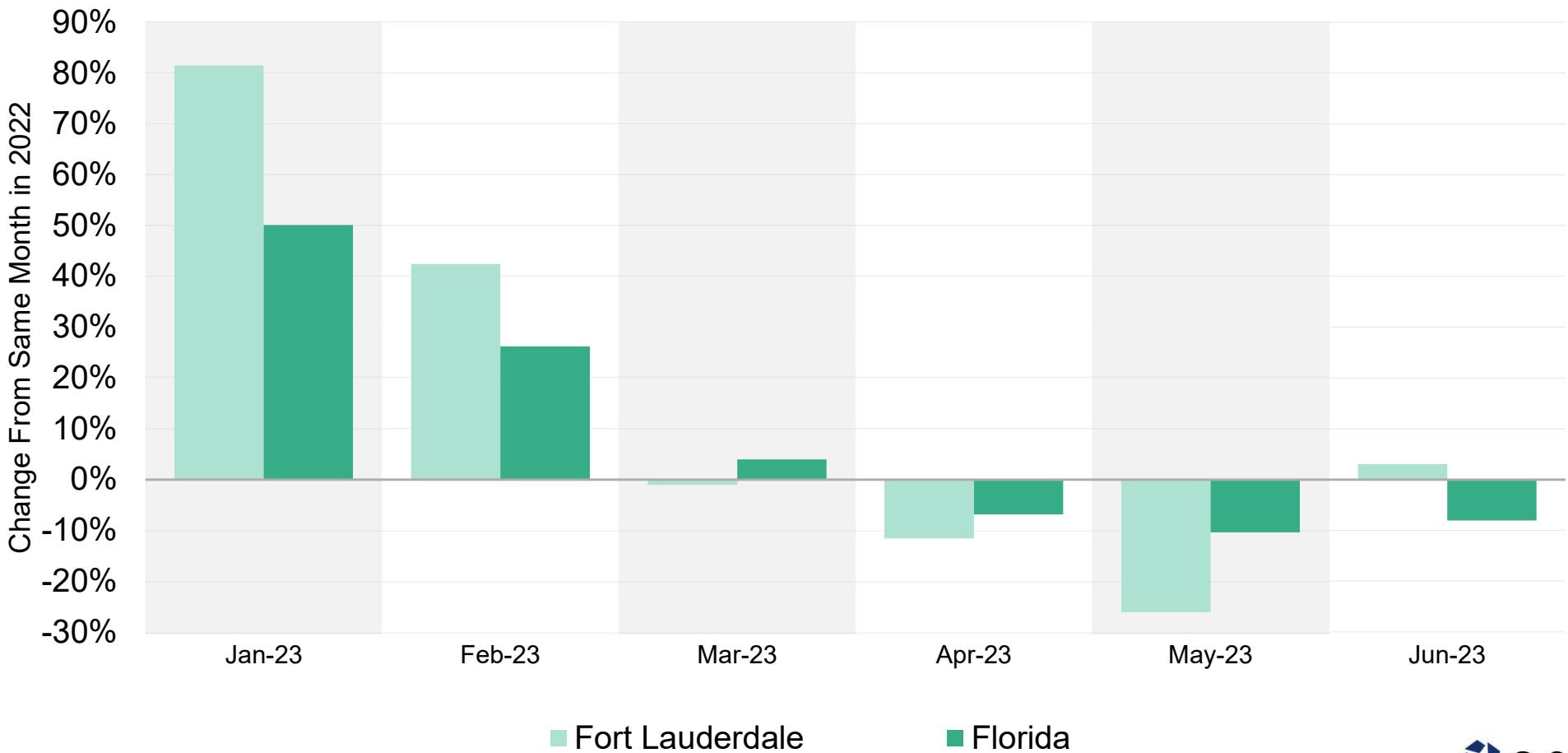


Transient Occupancy Soft Statewide



Source: STR

Group Occupancy Recovery Losing Some Momentum



Source: STR



Agenda



What's happening?

- RevPAR growth has plateaued
- Transient segment slowing
- Seasonality Shows Signs of Normalizing



Why?



What's next?

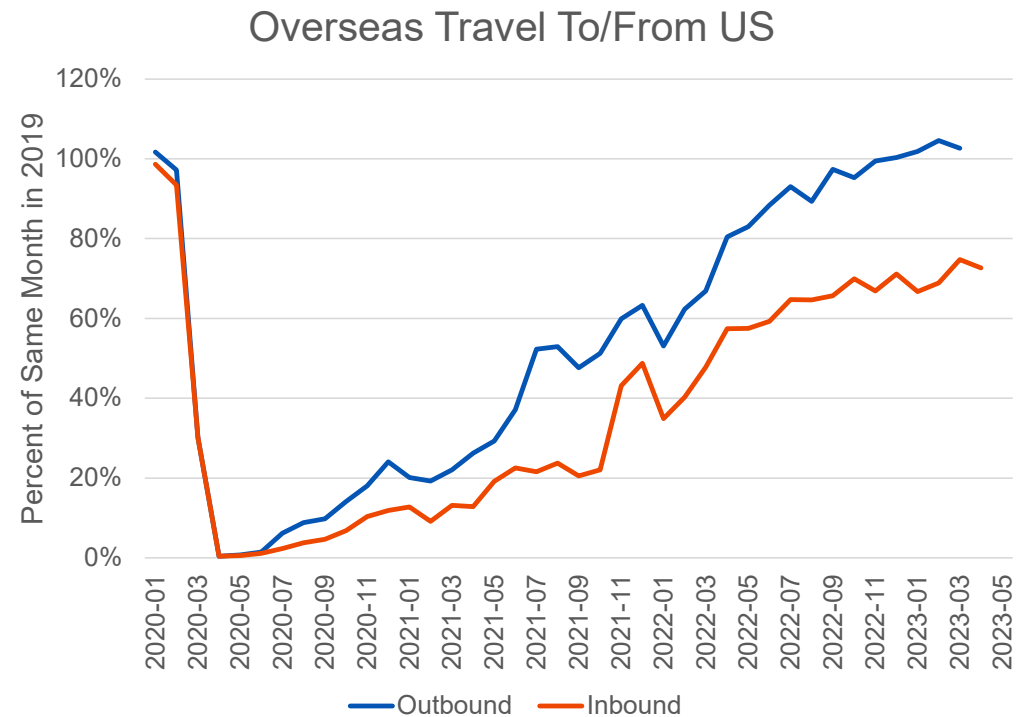
Competition

- Pandemic impacts on travel have faded
- Normalization of travel patterns
- The most open & competitive travel landscape since before the pandemic



Competition

1. International Travel
2. Cruises
3. Domestic Destinations



Source: National Travel & Tourism Office

Competition

1. International Travel

2. Cruises

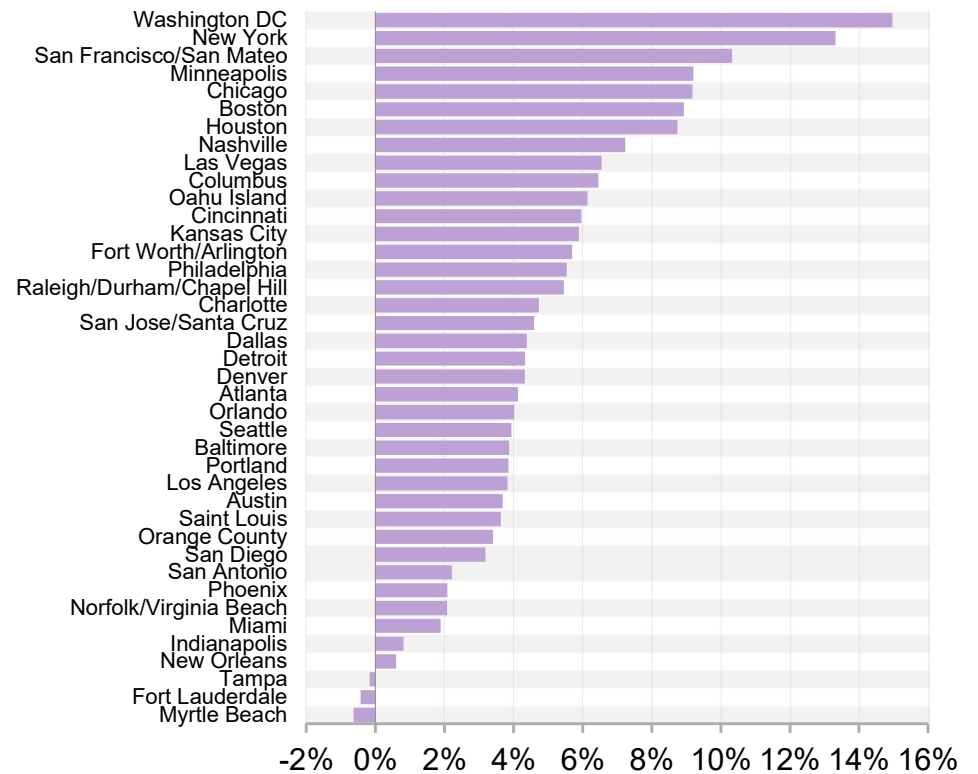
3. Domestic Destinations

- Cruise passenger volume forecast to recover before inbound international travel
- Port Everglades multi-day cruise passengers +88% vs prior year
- Port of Miami passenger volume +100% vs Jan-June last year, +9% same period in 2019

Competition

1. International Travel
2. Cruises
3. Domestic Destinations

YTD Demand vs Prior Year



Source: STR

Economic Headwinds

1. Spend-down of excess savings
2. Inflation
3. Interest rates
4. Recession concerns
5. Resumption of student loan payments



Agenda



What's happening?

- RevPAR growth has plateaued
- Transient segment slowing
- Seasonality Shows Signs of Normalizing



Why?

- Competition: Travel reverting to pre-pandemic patterns
- Economic Headwinds



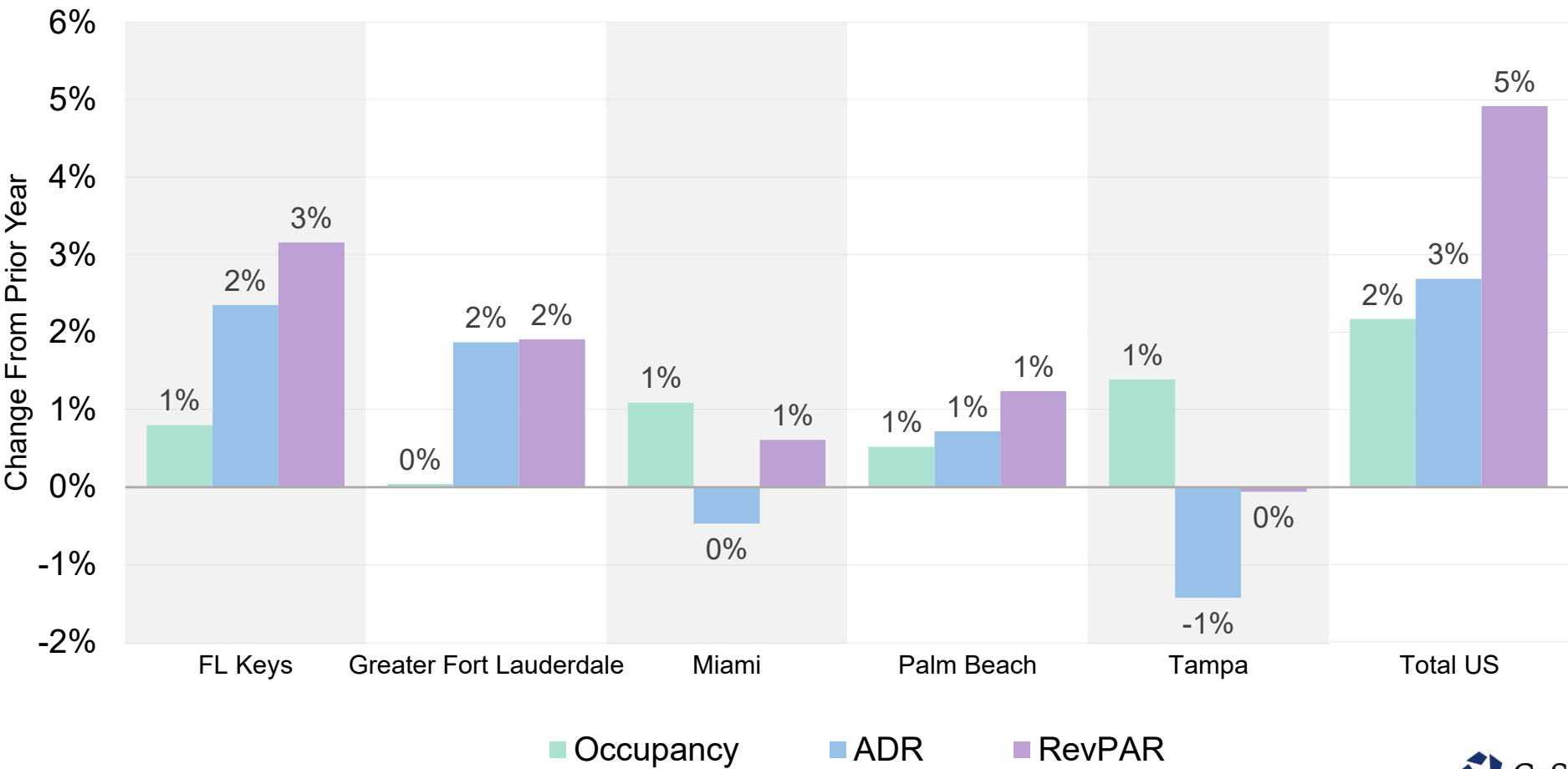
What's next?

Greater Fort Lauderdale Hotel Forecasts

- Forecast assumes brief, mild recession in late 2023 – early 2024
- 2023 and 2024 are mirror images:
 - 2023 began with strong growth before slowing
 - 2024 forecast to begin softly before growth picks up around mid-year

	Demand	Occupancy	ADR	RevPAR
2022	+5%	71.7% (+3%)	\$186 (+20%)	\$134 (+24%)
2023	-1%	70.8% (-1%)	\$187 (+0%)	\$133 (-1%)
2024	+1%	70.9% (0%)	\$191 (+2%)	\$135 (2%)

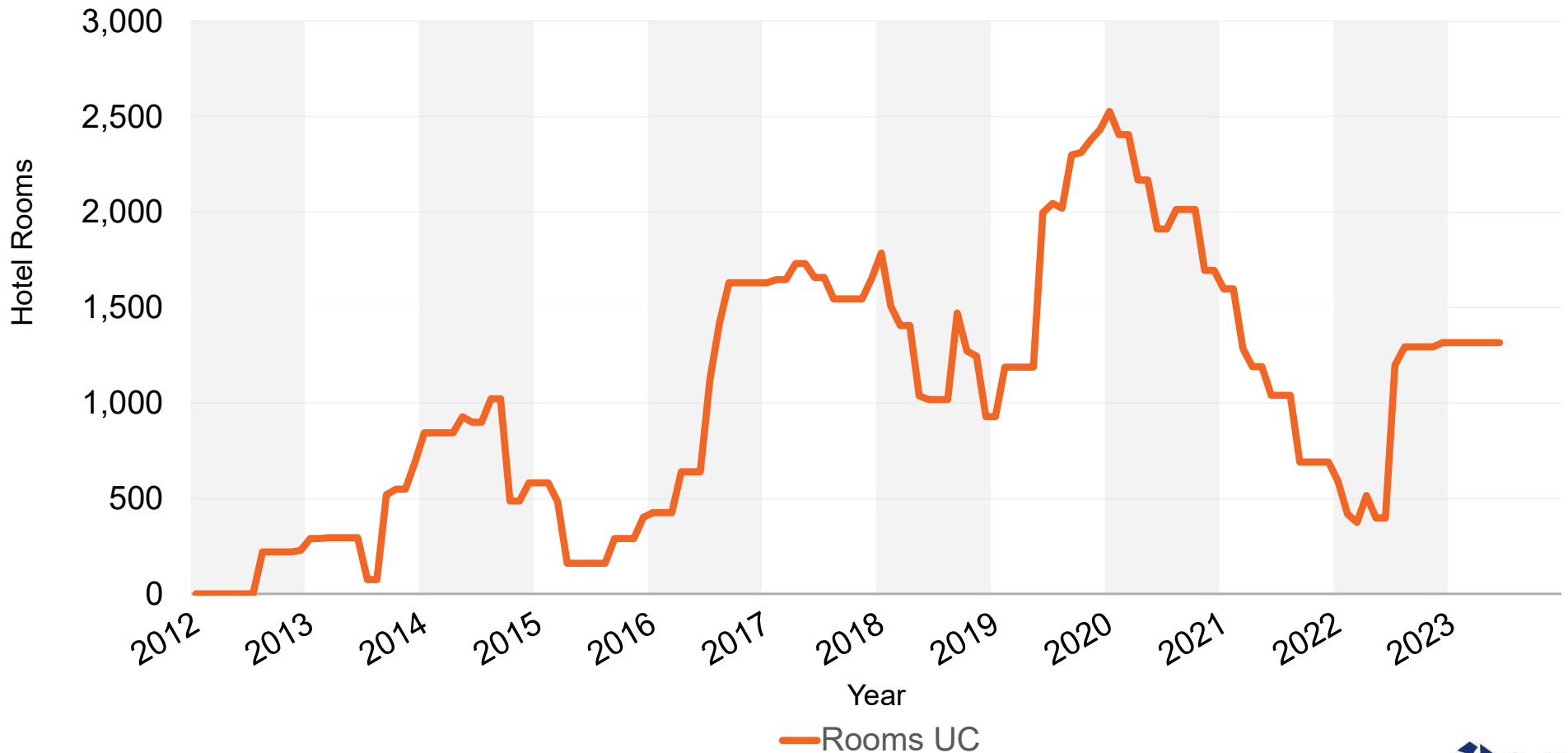
2024 Forecasts



Source: STR

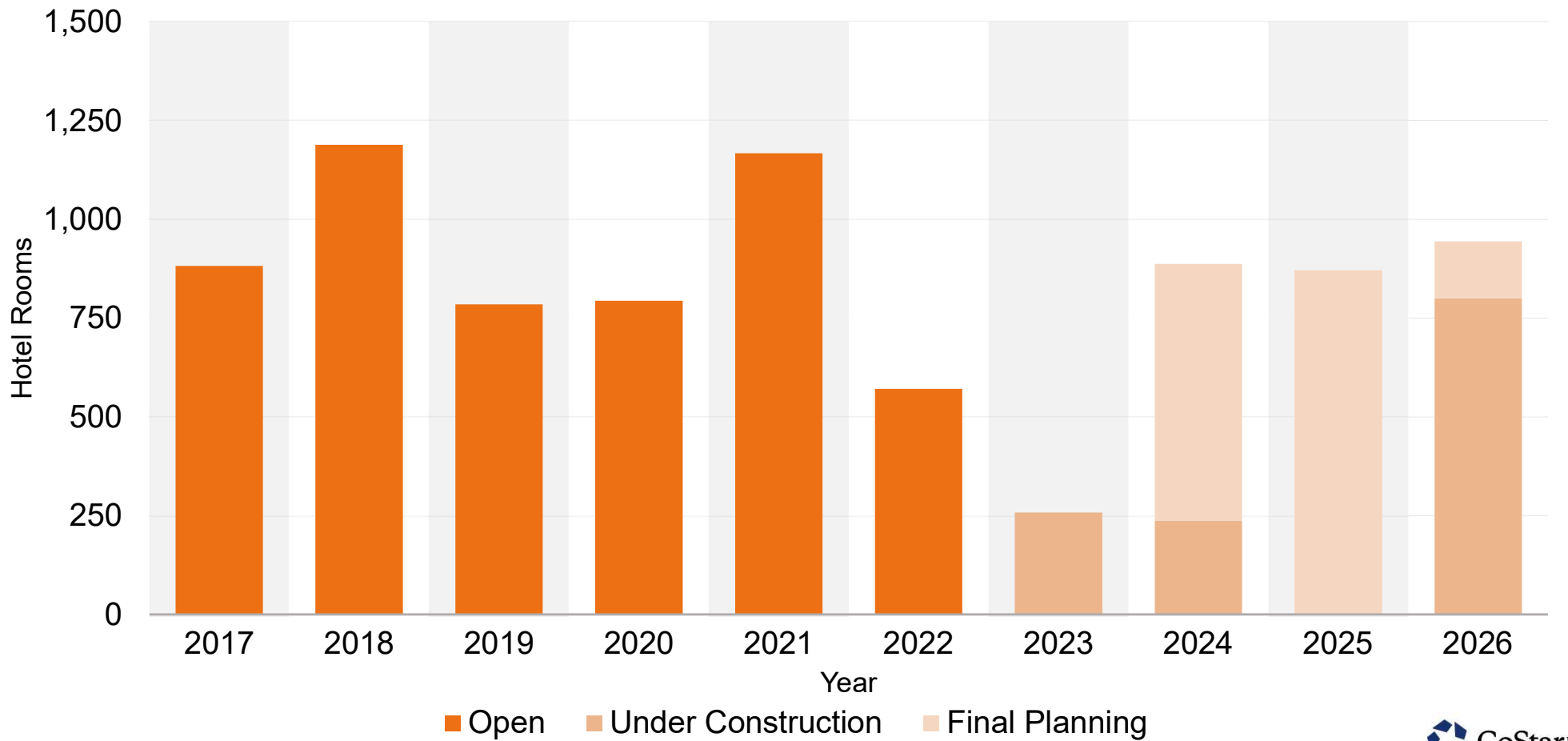


Greater Fort Lauderdale Rooms Under Construction

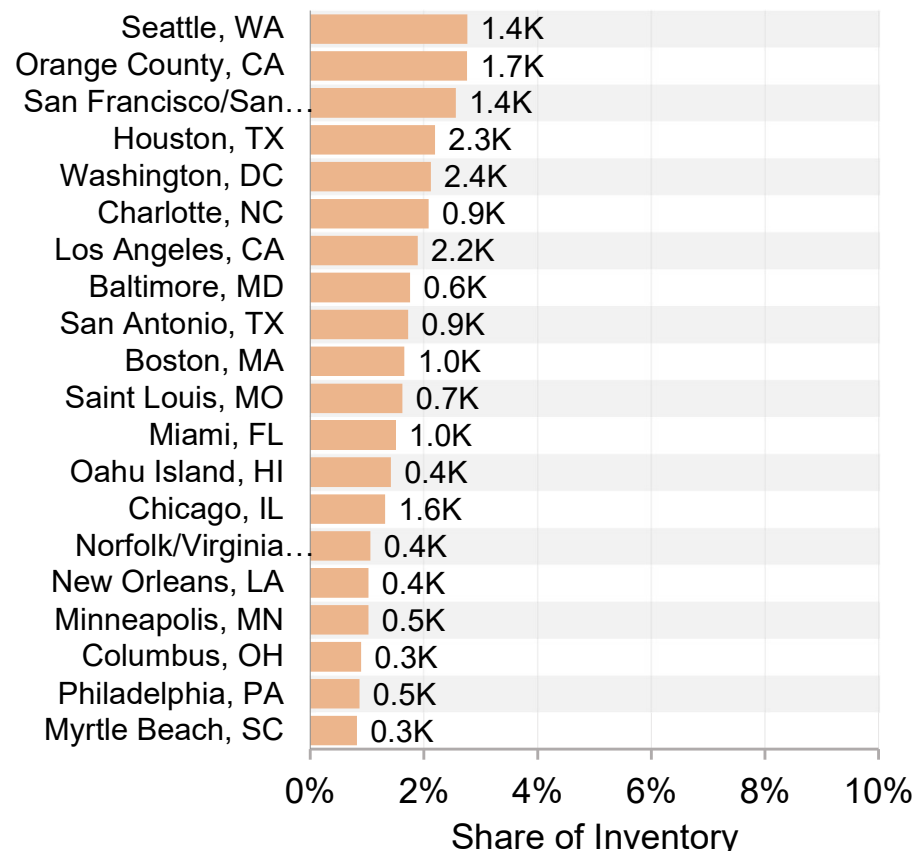
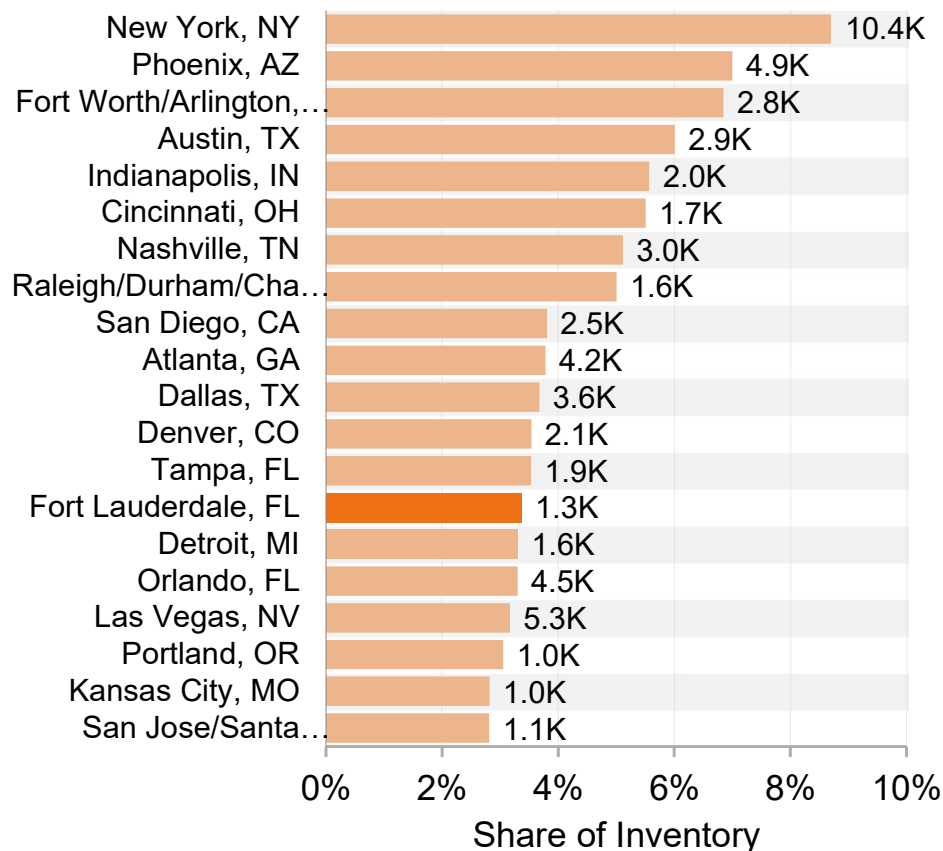


Source: STR

New Hotel Rooms in Greater Fort Lauderdale



Rooms Under Construction as Share of Inventory – Top 40 Markets



■ Jun-23

Hotels Under Construction in Greater Fort Lauderdale

Name	Tract	Room Count	Projected Opening Date
Fairfield Inn & Suites Fort Lauderdale Northwest	Coral Springs/Pompano Beach, FL	120	Jul-23
Aloft Fort Lauderdale Airport	Fort Lauderdale/Beach, FL	138	Dec-23
Tru by Hilton Miramar	Hollywood/Airport, FL	97	Jan-24
The Whitfield Las Olas Hotel & Spa	Fort Lauderdale/Beach, FL	140	Jun-24
Omni Fort Lauderdale Hotel	Fort Lauderdale/Beach, FL	800	Jan-26

Key Takeaways



THANK YOU

dcronk
@costar.com



Greater Fort Lauderdale Hotel Forecasts: Submarkets

2023	Demand	Occupancy	ADR	RevPAR
Countywide - Broward	-1%	-1%	0%	-1%
Coral Springs/Pompano Beach	0%	0%	0%	0%
Fort Lauderdale/Beach	0%	-2%	0%	-2%
Hollywood/Airport	-2%	-1%	0%	-1%
West Broward/Plantation	-4%	-1%	1%	0%

2024	Demand	Occupancy	ADR	RevPAR
Countywide - Broward	1%	0%	2%	2%
Coral Springs/Pompano Beach	2%	1%	3%	4%
Fort Lauderdale/Beach	2%	-1%	0%	-1%
Hollywood/Airport	0%	-1%	3%	2%
West Broward/Plantation	2%	2%	2%	4%

Source: STR

Fort Lauderdale Hotel Forecasts: Hotel Class

2023	Demand	Occupancy	ADR	RevPAR
Countywide - Broward	-1%	-1%	0%	-1%
Economy & Midscale	-4%	-2%	0%	-2%
Upper Midscale & Upscale	-3%	-3%	0%	-2%
Upper Upscale & Luxury	2%	1%	-1%	0%

2024	Demand	Occupancy	ADR	RevPAR
Countywide - Broward	1%	0%	2%	2%
Economy & Midscale	2%	1%	4%	4%
Upper Midscale & Upscale	2%	0%	3%	3%
Upper Upscale & Luxury	0%	-1%	1%	0%

Source: STR