



Previous Year Through March
Q1 2021 to Q1 2022



Occupancy Rate

38.7% to 55.18%



Average Daily Rate

\$80.17 to \$111.65



Revenue per Available Room

\$35.03 to \$67.55



Rooms Under Construction

1,409 to 1,883



Market Cap Rate

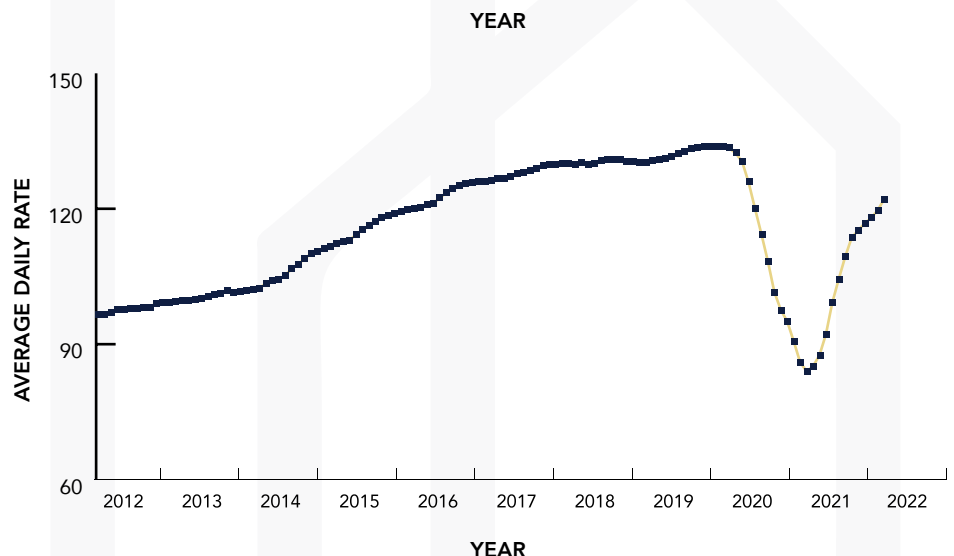
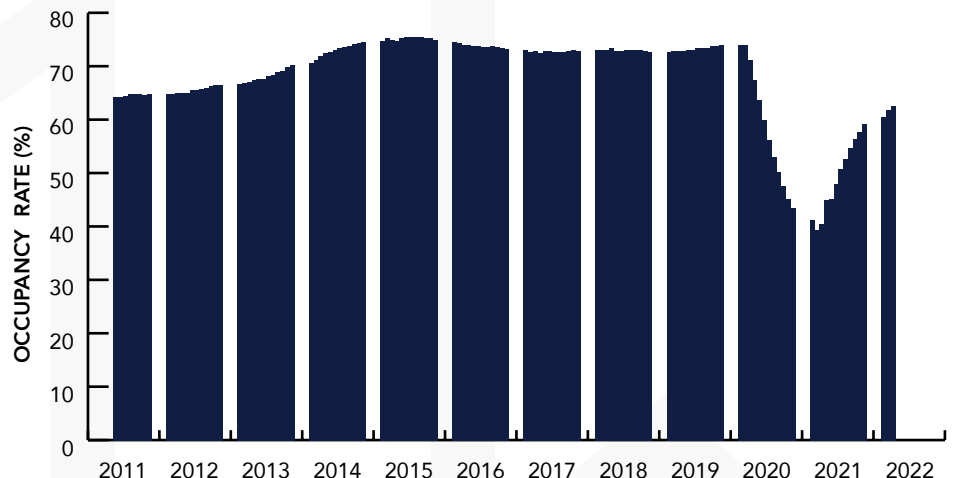
8.34% to 8.6%



Average Price Per Unit

\$153K to \$141K

Occupancy & ADR 10-Year Overview



*Source: CoStar, 4/18/2022

TRAILING 12-MONTH SUMMARY

The Denver Hospitality Market TTM Occupancy ending in March was 61.6%, significantly higher than last year's 39%.

The TTM Average Daily Rate ending in March saw an increase from \$80.17 to \$111.65. TTM Revenue Per Available Room (RevPar) ending in March increased from \$35.03 to \$67.55. The Cap Rates increased from 8.34% to 8.6%, as risk from COVID is still a concern with the Omicron variant. The Average Price Per Unit decreased from \$152,653 to \$140,709. This is a discount of 7.8%; however, it is shrinking from the fourth quarter. The 4th QTR discount was 15.6%. Looking ahead to the second QTR 2022, there is optimism for the summer. International travel restrictions are easing. Construction costs are escalating, up as much as 30%. This price increase trend is flowing down to 3 to 5-year-old hotels, which are now increasing in price. As a result, corporate and convention demand appears to be returning. However, investor concerns remain due to increased minimum wages taking effect and anticipated increases in the interest rate. The shortage of employees continues to be problematic.

Some hotels are cutting back on services, such as housekeeping for multiple-day stays.