

Manhattan Lodging Index

Fourth Quarter 2020

Manhattan Lodging Overview

Q4 2020

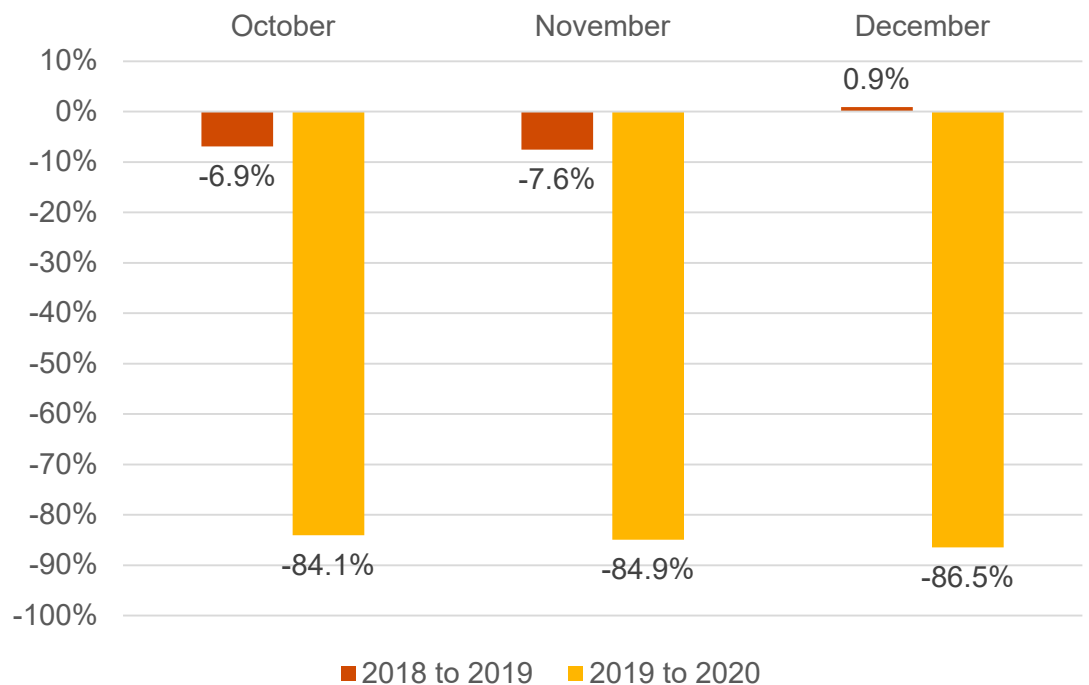
Declines in occupancy and revenue per available room (“RevPAR”) continued to accelerate across Manhattan during the fourth quarter, as the COVID-19 pandemic curbed both holiday tourism and commercial traveler demand to the city. With tens of thousands of rooms temporarily closed, business and international travel all but suspended, and leisure demand drivers severely restricted, fourth quarter revenue per available room (“RevPAR”) experienced a year-over-year decline of 85.2 percent.



“2020 is a year Manhattan hotel owners will likely choose to forget. With RevPAR down 71.2 percent for the year, owners are looking for a rapid distribution of a vaccine during 1H 2021 to ignite a gradual return of city-wide conventions, followed by the domestic business traveler and lastly, international inbound travel.”

— Warren Marr, Managing Director, PwC

Manhattan Q4 RevPAR Change by Month



Source: PwC, based on STR data

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Unprecedented number of permanent closures of Manhattan hotels grows

Manhattan's lodging sector continues to experience record permanent closures due to the COVID-19 pandemic. As of December 2020, 18 hotel properties consisting of 5,976 rooms in Manhattan were reported to stay closed permanently. This represents a 121% increase in the number of permanently closed rooms compared to the second quarter of 2020.

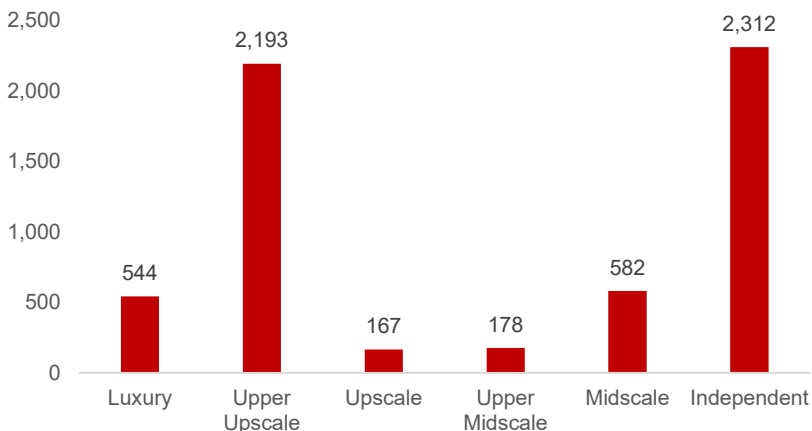
During the second half of 2020, 11 hotels permanently closed in Manhattan, including the 1,015-room Roosevelt Hotel, 876-room Hudson Hotel, 480-room Novotel Times

Square, 460-room Hilton Times Square, 196-room Salisbury Hotel, 132-room AKA Wall Street, 109-room Marmara Manhattan, 102-room Best Western Bowery Hanbee, 100-room AKA Tribeca, 95-room AKA United Nations, and 60-room Comfort Inn Manhattan Bridge.

While the Manhattan lodging sector has weathered many storms over the last few decades, the continued challenges faced by owners and operators in the current environment has made permanent closure an option that is increasingly under consideration.

| Permanently Closed Hotel | Address | Rooms | Neighborhood | Class |
|--|-------------------|----------------|---------------|----------------|
| Maxwell Hotel | 541 Lexington Ave | 698 | Midtown East | Upper Upscale |
| New York Marriott East Side | 525 Lexington Ave | 636 | Midtown East | Upper Upscale |
| Omni Berkshire Place | 21 E 52nd St | 399 | Midtown East | Upper Upscale |
| W Hotel | 8 Albany St | 217 | Downtown | Luxury |
| Courtyard New York Manhattan/Herald Square | 8 Herald Square | 167 | Midtown South | Upscale |
| The Blakely | 136 W 55th St | 118 | Midtown West | Upper Midscale |
| Excelsior Hotel | 45 W 81st St | 116 | Uptown | Independent |
| Roosevelt Hotel | 45 E 45th St | 1,015 | Midtown East | Independent |
| Hudson Hotel | 356 W 58th St | 876 | Midtown West | Independent |
| Novotel Times Square Hotel | 226 West 52nd St | 480 | Midtown West | Midscale |
| Hilton Times Square | 234 W 42nd St | 460 | Midtown West | Upper Upscale |
| Salisbury Hotel | 123 W 57th St | 196 | Midtown West | Independent |
| AKA Wall Street | 84 William St | 132 | Downtown | Luxury |
| Marmara Manhattan | 301 E 94th St | 109 | Uptown | Independent |
| Best Western Bowery Hanbee | 231 Grand St | 102 | Downtown | Midscale |
| AKA Tribeca | 85 W Broadway | 100 | Downtown | Luxury |
| AKA United Nations | 234 E 46th St | 95 | Midtown East | Luxury |
| Comfort Inn Manhattan Bridge | 63 Chrystie St | 60 | Downtown | Upper Midscale |
| Total Permanently Closed Hotels | 18 | 5,976 | | |
| Total Inventory as of January 2020 | 519 | 103,752 | | |
| Percent of Inventory Permanently Closed | 3.5% | 5.8% | | |

Rooms Permanently Closed – By Class (Number of rooms)



Source: PwC analysis based on data from STR and independent research

Of the 18 hotels that have decided to permanently close since the start of the pandemic, eight hotels were luxury and upper upscale class, accounting for 45.8 percent of all closed hotel rooms. Given their more complex operating cost structure, higher-priced hotels have been disproportionately impacted compared to lower-priced hotels, which benefit from lower, less complex operating costs.

Five of the 18 permanently closed properties were independent hotels, totaling 38.7 percent of all closed hotel rooms. The Roosevelt Hotel was the largest property to close in 2020, accounting for 1,015 of the 2,312 independent hotel rooms. Although independent properties generally have more flexibility when it comes to not having to adhere to strict brand standards, lack of marketing spend and potential market penetration without the help of a large brand can create headwinds in a down market.

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RevPAR fell 85.2 percent year-over-year during the fourth quarter of 2020, as the COVID-19 pandemic continued to impede both occupancy and average daily rate (“ADR”) for Manhattan hotels. Year-over-year declines in occupancy were highest in November - down 68.7 percent. With overall occupancy for the quarter at just 30.1 percent and ADR at \$137.81, Manhattan RevPAR fell by \$238.37 to just \$41.45.

Of the four market classes tracked, upper upscale properties exhibited the most notable year-over-year decline in RevPAR - down 88.7 percent for the quarter, driven by a 76.0 percent decrease in occupancy and a 52.7 percent decline in ADR. For luxury hotel properties, where occupancy fell by 76.3 percent and ADR experienced a decline of 33.4 percent, Q4 RevPAR finished the quarter at just \$74.90; \$400 below prior year levels.

Upscale and upper midscale properties posted relatively lower, but still significant declines in RevPAR of 83.8 and 81.9 percent, respectively. With less severe declines in occupancy of 60.1 and 61.4 percent, respectively, RevPAR finished the quarter down 71.1 and 68.7 percent, respectively.

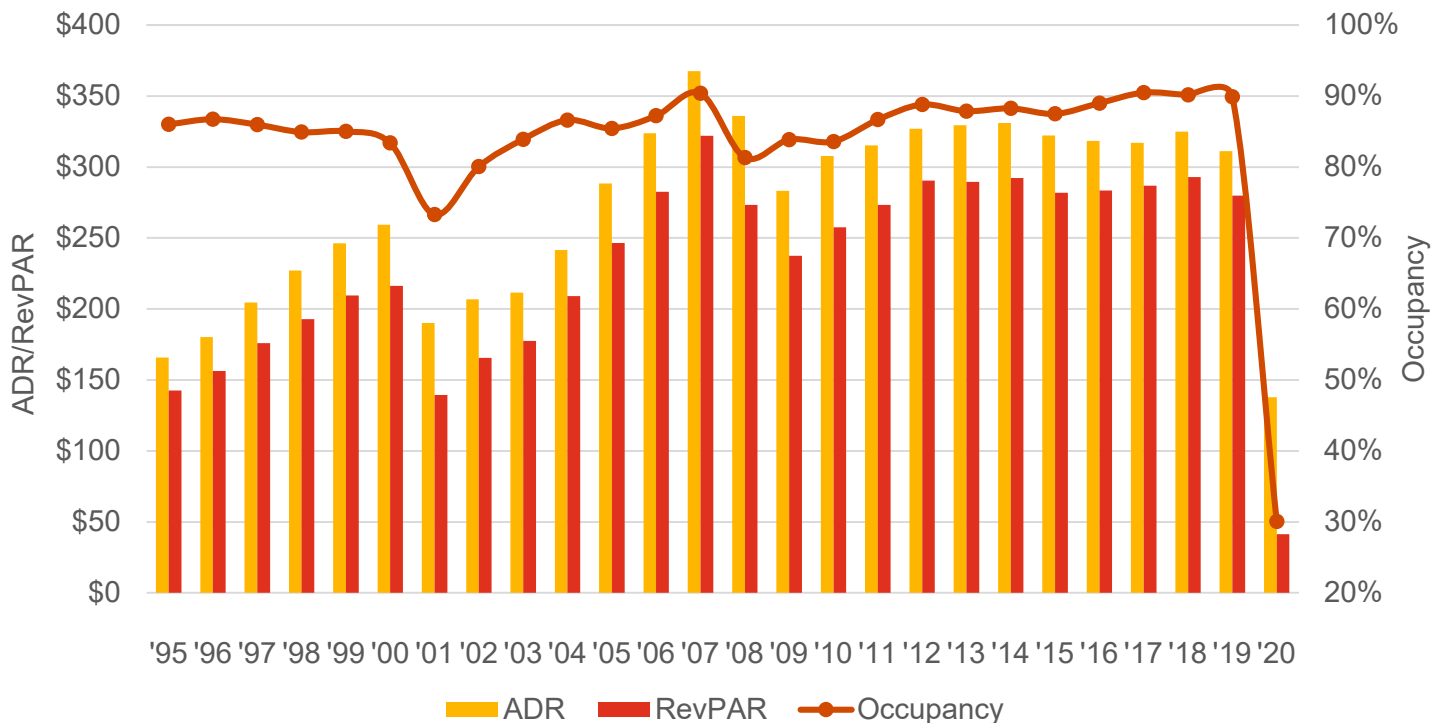
Of the five Manhattan neighborhoods, all experienced year-over-year declines in RevPAR as occupancy and ADR fell

across the island. Midtown East had the largest decline in RevPAR - down 90.9 percent, followed by Midtown West with a decline of 87.2 percent. Lower Manhattan and Midtown South posted declines of 84.1 and 81.2 percent, respectively. Of the five Manhattan neighborhoods tracked, Upper Manhattan had the smallest decline in RevPAR - down 76.5 percent, with declines in occupancy and ADR of 64.3 and 34.2 percent, respectively.

During the fourth quarter, RevPAR at full-service hotels proved to be more impacted by COVID-19 related declines in demand, than limited-service hotels. With year-over-year declines in occupancy of 70.9 and 54.8 percent, respectively, RevPAR decreased 86.6 percent for full-service properties, while limited-service hotels saw RevPAR declines of 79.8 percent over the same period.

For chain-affiliated and independent hotels, fourth quarter RevPAR fell by 86.8 and 82.5 percent, respectively. Driven primarily by declines in occupancy of 64.9 and 68.5 percent, respectively, RevPAR was further hindered by decreases in ADR of 62.5 and 44.4 percent, respectively.

Manhattan Q4 Performance, 25-Year Trend



Source: PwC, based on STR data

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Employment Trends

During the fourth quarter, unemployment levels in New York City and the State improved over prior quarter levels, but remained above historic averages, as many businesses continued to suffer from COVID-related restrictions.

According to the New York State Department of Labor, the seasonally-adjusted unemployment rate for New York State averaged 8.6 percent during the quarter, which represents a 470 basis point increase over prior-year levels. For New York City, where the seasonally-adjusted unemployment rate increased by 860 basis points from Q4 2019 levels, the average unemployment rate was 12.2 percent.

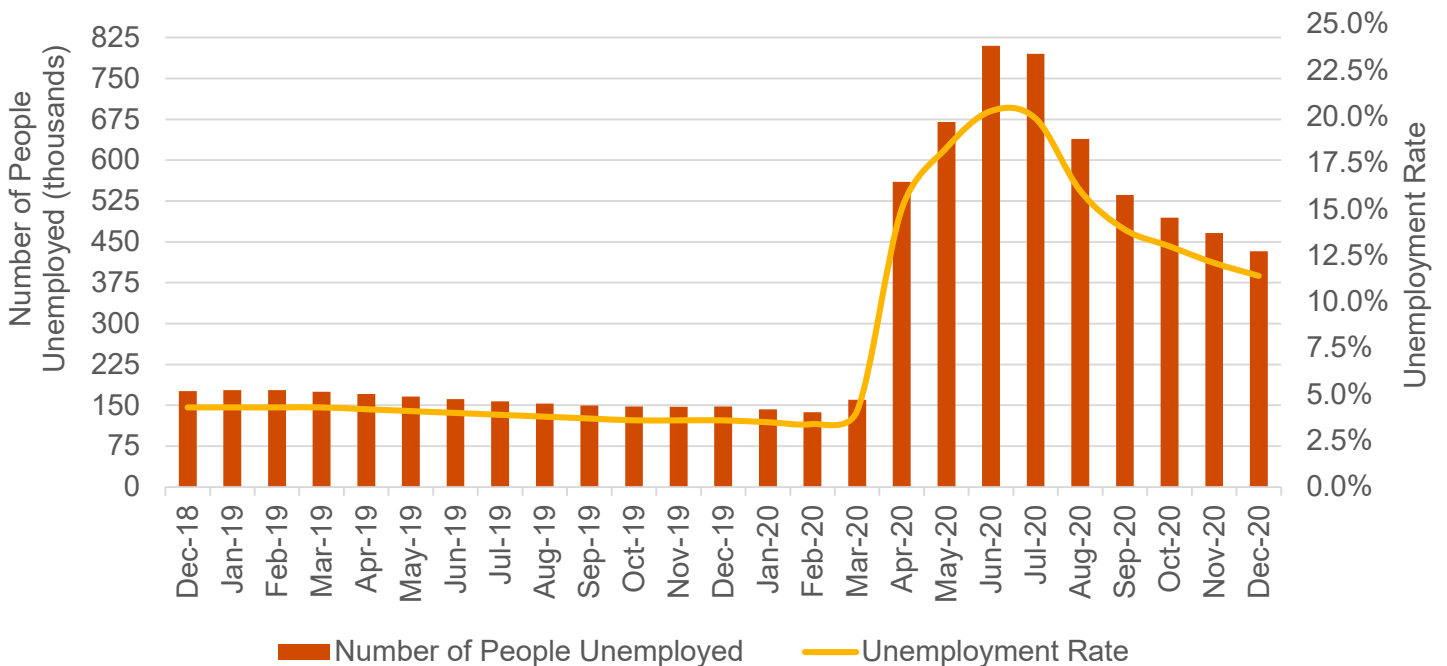
For the nation, where the overall unemployment rate decreased by 200 basis points from the prior quarter and increased by 320 basis points from the prior year, the unemployment rate ranged from 6.7 percent to 6.9 percent during the fourth quarter; averaging 6.8 percent.

As indicated by the New York State Department of Labor,

New York City's private sector employment fell by 560,100 jobs to 3,577,700 during the 12-month period ending December 2020.

Of the nine sectors tracked by the New York State Department of Labor, year-over-year job losses were the greatest in the leisure and hospitality sector, which lost 223,200 jobs, the professional and business services sector, which lost 88,000 jobs, the trade, transportation, and utilities sector, which lost 84,800 jobs, and the educational and health services sector, which lost 72,700 jobs. Additional fourth quarter losses occurred in the other services sector (31,700 jobs), the financial activities sector (27,100 jobs), the natural resources, mining, and construction sector (19,100 jobs), and the manufacturing and information sectors, which posted job declines of 11,800 and 1,700, respectively.

New York City Unemployment for the 25-Month Period Ended December 2020



Source: New York State Department of Labor

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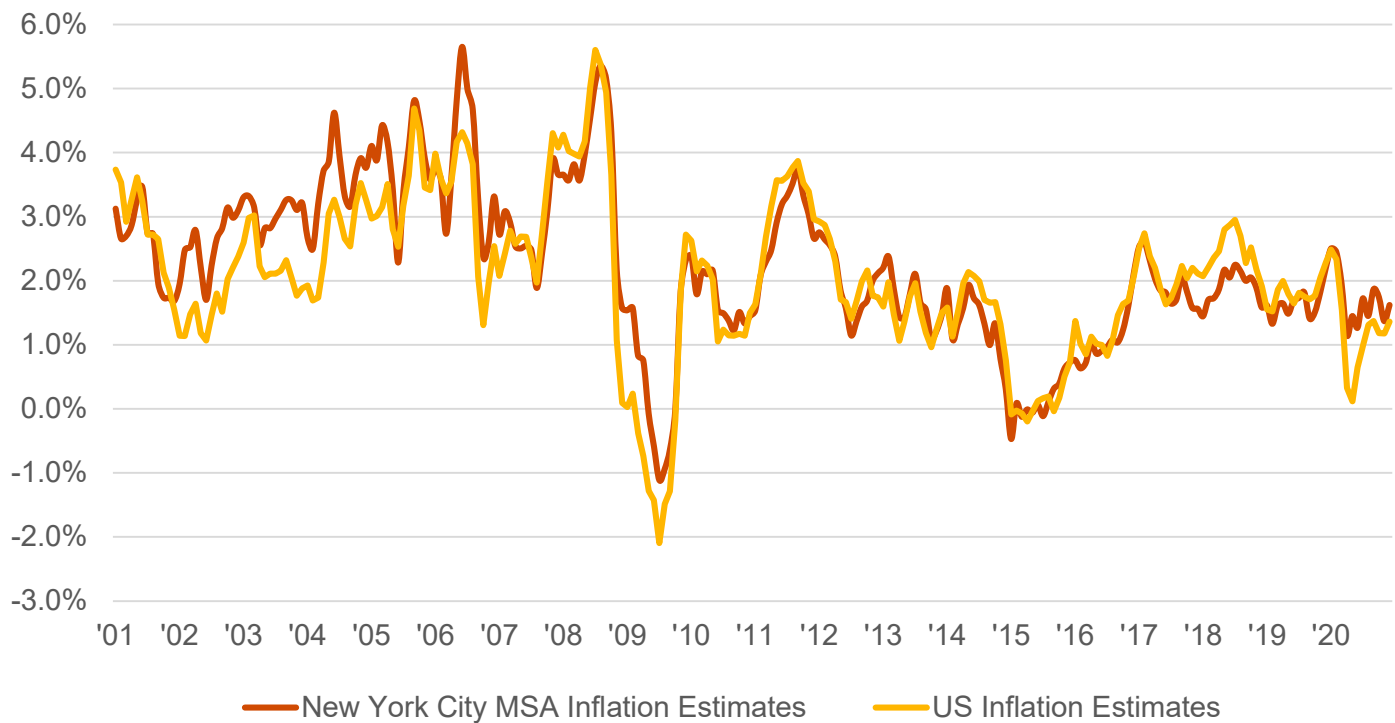
Gross Metro Product and Consumer Price Index

During the fourth quarter of 2020, U.S. gross domestic product posted a seasonally-adjusted annualized increase in economic activity of 4.0 percent. According to the advance estimate released by the Bureau of Economic Analysis, the increase in U.S. real gross domestic product ("GDP") came after considerable growth of 33.4 percent in the third quarter, and was driven largely by positive contributions from exports, nonresidential fixed investment, personal consumption expenditures, residential fixed investment, and private inventory investment. Federal government spending and state and local government spending, which decreased during the fourth quarter, served to partially offset the general increase in economic activity. Additionally, imports, which represent a subtraction in the calculation of GDP, increased during the fourth quarter.

According to Moody's Economy.com December 2020 release, gross metro product ("GMP") for the New York metro area finished the year approximately 7.4 percent below prior-year levels. In 2021, Moody's predicts that GMP will experience a growth rate of 2.7 percent as economic recovery begins, with a robust increase in GMP of 6.4 percent forecasted for 2022.

During the fourth quarter, New York City's consumer price index ("CPI") increased by an average of 1.6 percent, compared to 1.2 percent for the nation.

Consumer Price Index



Source: Bureau of Labor Statistics

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Office Market Statistics

Fourth quarter office leasing activity in Manhattan fell to 2.0 million square feet, well below the quarterly average of 7.3 million square feet over the last 10 years. The total annual new leasing activity in Manhattan registered an all-time low of 12.8 million square feet during the year.

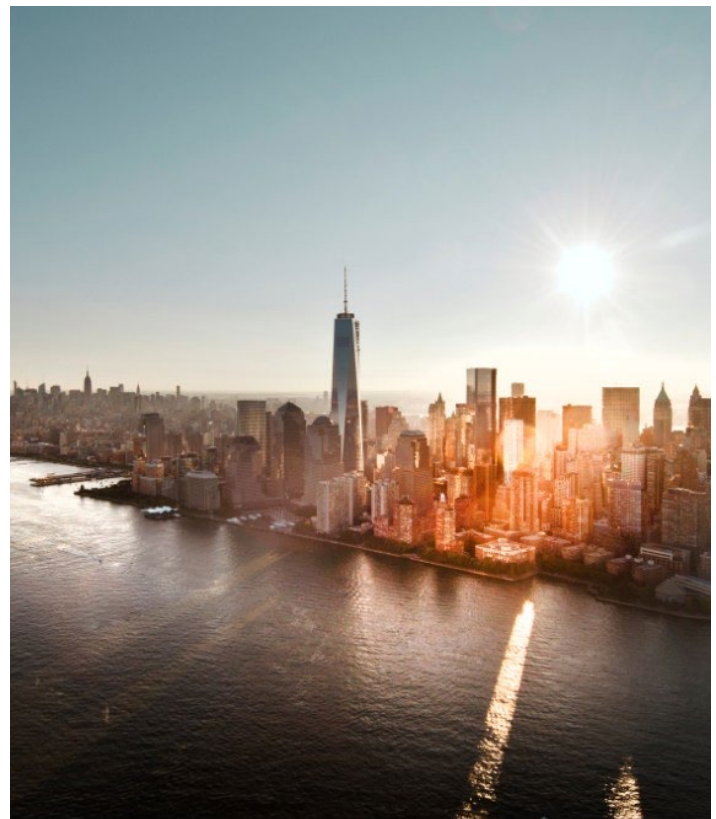
With fourth quarter leasing volume declining by 78.0 percent from prior-year levels, overall Manhattan office vacancy increased by 190 basis points quarter-over-quarter and 410 basis points year-over-year to 15.2 percent. According to Cushman Wakefield's Q4 Marketbeat Report, the ongoing impacts of the COVID-19 pandemic continued, as vacant space increased to 61.4 million square feet, the highest total vacancy since 1994. Sublease space, which reached 19.3 million square feet, was 73.2 percent higher than sublease availability in 2019. Overall, absorption for office space was negative at 7.4 million square feet, with an additional 14.8 million square feet under construction.

For the Midtown office market, new leasing activity fell to 1.8 million square feet, 65.4 percent below the 2019 quarterly average of 5.1 million square feet, and net absorption was negative at 9.0 million square feet. There were 11 new leases greater than 100,000 square feet signed in 2020, six of which were located in the Penn Station submarket, which accounted for 60.7 percent of all Midtown leasing. During Q4, vacancy in the submarket increased by 150 basis points to 15.8 percent, driving Class A asking rents down by \$1.17 per square foot and overall asking rents down \$0.94 per square foot, to \$84.12 and \$77.06 per square foot, respectively.

For Midtown South, new leasing fell to a record low of 121,889 square feet, with nearly 90 percent of all leases signed for spaces less than 10,000 square feet. Additionally, Midtown South reached the highest level of negative absorption ever recorded for the submarket at 4.2 million square feet, with vacancy increasing by 370 basis points to 14.8 percent. Class A asking rents in the submarket ended the quarter at \$88.33 per square foot, \$2.06 below the prior quarter, whereas overall asking rents remained relatively stable at \$72.70.

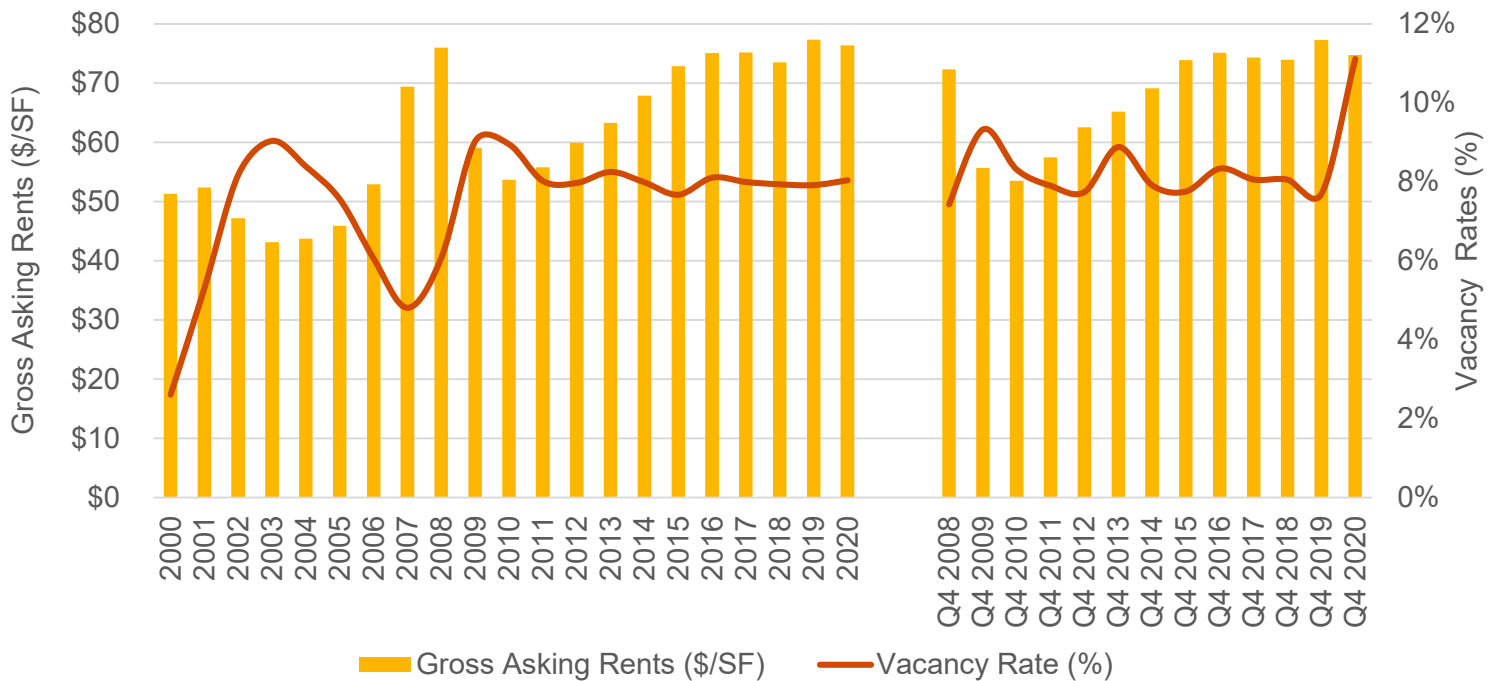
For the Downtown office market, net absorption during the fourth quarter was also negative at 2.0 million square feet and leasing activity totaled only 102,587 square feet. Overall vacancy increased by 150 basis points from the prior quarter to 13.7 percent, driving Class A asking rents down by \$1.37 per square foot and overall asking rents down \$1.15 per square foot, to \$64.37 and \$60.92 per square foot, respectively.

Looking forward, sublease availability is expected to further drive down asking rents in 2021 and vacancy is likely to increase, as 6.2 million square feet of sublease becomes available. In the near- to mid-term, office-using employment is anticipated to regain some momentum; however, recovery in jobs is not forecasted to occur until late 2021.



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Gross Asking Rents and Vacancy Rates



Source: PwC, based on CBRE Econometric Advisors data

According to a report from Cushman & Wakefield, three key lease transactions occurred during the fourth quarter. These transactions are noted in the table below.

| Tenant | Address | SF | Transaction Type |
|----------------|------------------|---------|------------------|
| NYU Langone | One Park Avenue | 633,000 | Renewal |
| Morgan Stanley | 522 Fifth Avenue | 536,520 | Sale-Leaseback |
| JustWorks | 55 Water Street | 264,938 | Renewal |

Source: Cushman & Wakefield

According to Real Capital Analytics (“RCA”), there were several notable office transactions during the fourth quarter.

The largest, which occurred in December, was the sale of a majority interest in 410 10th Ave, a 547k square-foot office building with primary tenants including Amazon and First Republic Bank. The buyer, 601W Companies, acquired a 95% ownership stake for \$871 million, implying a total property value of \$917 million, or \$1,677 per square foot. As indicated by RCA, the sellers, Kaufman Organization and SL Green, retained an interest in the property, which was originally built in 1927 and renovated in 1980.

Also in December, a leasehold interest in 860 Washington Street was purchased for \$232 million, or \$2,035 per square foot. The buyer, Meadow Partners, acquired the 99-year leasehold interest from Romanoff Equities, Property Group Partners, and W.R. Berkley. According to RCA, the office building encompasses 114,000 square feet and is occupied by tenants including Alibaba Japan, Delos Living, Softbank-backed online lender, SoFi, and Tesla Motors, which occupies the ground-floor retail showroom.

Located in Manhattan’s Diamond District, 15 West 47th Street, also known as the Exchange, was also sold in December. The buyer, Elo Group, closed on the purchase for \$110 million, or \$826 per square foot from sellers Isaac Chetrit and Sioni Group. According to RCA, the property is 88% occupied by various diamond, jewelry, and gold dealers, and encompasses 133,139 square feet of Class-B office space across 18 floors.

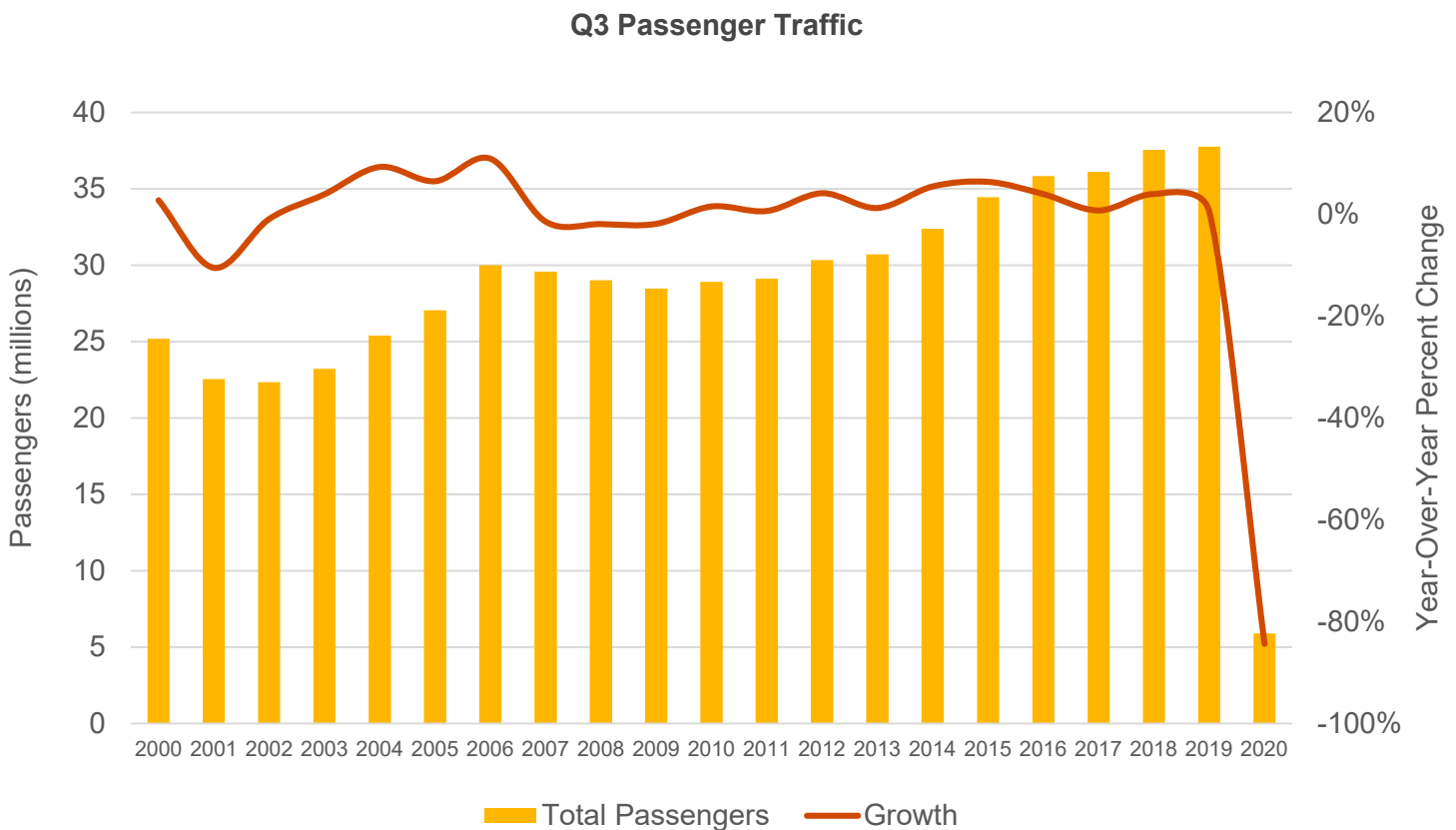
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Air Traffic Statistics

At the time of publication, the latest quarterly data available from the Port Authority of New York and New Jersey was as of the third quarter of 2020. As such, this data has been summarized and presented in the chart below.

During the third quarter of 2020, air traffic levels decreased by approximately 84.3 percent from prior-year levels. This represents the second largest year-over-year decline in passenger traffic that has been recorded for New York City's three main airports, after the decline registered in Q2. Having served only 5.9 million passengers during the third quarter, the three major New York metropolitan airports – Newark Liberty International Airport, LaGuardia International Airport and John F. Kennedy International Airport – saw a decrease of over 31.9 million passengers from the same period last year. International traffic, which fell to total of 1.4 million passengers, posted a decline of approximately 90.2 percent from the 14.6 million international passengers traveling during Q3 2019. Domestic air travel finished the third quarter at 4.5 million passengers, having declined by 80.7 percent from the same period last year. October 2020 air traffic levels showed slight improvement over the monthly passenger totals of the prior 6 months, with 1.7 million domestic travelers, 587k international travelers, and 267k commuter travelers.

The following chart displays third quarter passenger traffic and growth data over the past twenty years.



Source: Port Authority of New York and New Jersey

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Recent Manhattan Hotel Transactions

During the fourth quarter, hotel transaction activity picked back up following three quarters of stagnant deal flow and on-hold negotiations. According to RCA, eight hotels exchanged hands, of which six were limited-service properties, and four were located in the Midtown West submarket.

The highest value transaction, which occurred in December, was the sale of the 190-key Surrey Hotel at 20 E 76th Street. As indicated by RCA, the property was acquired by the Reuben Brothers for \$150M, or \$790k per key, from the Kaufman Organization. Per The Real Deal, the hotel had filed for bankruptcy earlier in the year, after the hotel's operator missed payments and the ground lease holder, Ashkenazy Acquisitions filed for Chapter 11.

The largest property to transact during the quarter was the 878-key Hudson Hotel in Midtown West, which occurred in November. The buyer, Cain International, acquired the full-service property for \$269M, or \$306k per key, from sellers sbe Hotels and Yucaipa Companies, in a portfolio sale along with the Delano South Beach. The hotel, which has not been renovated in nearly 20 years, is poised to undergo an extensive capital improvement plan, while sbe remains involved in a hotel management capacity.

Two additional hotels transacted in Midtown West; the 177-unit Pestana Hotel and the 239-unit Fairfield Inn & Suites Midtown. The Pestana, which finished construction in 2020

and is anticipated to open in March 2021, was sold by McSam Hotel Group to Ivy Realty for \$31.5 million. The Fairfield Inn & Suites Midtown was sold at a price of \$240,028 per unit to Magna Hospitality.

The 137-unit AKA Wall Street hotel, located in the Downtown submarket, was sold by Korman Communities, Prodigy Network, and Shorewood RE Group to Vanbarton Group for \$73.5 million. The property, which was originally built in 1907 and renovated in 2016, is one of three AKA hotels in Manhattan that permanently closed during the fourth quarter, as noted previously in this report.

On the Upper West Side, Days Hotel by Wyndham transacted for \$78,231 per room, which represents the smallest hotel transaction in the fourth quarter. Dream Hotel Group purchased the 294-room hotel from PIMCO.

The 108-unit Park 79 was sold in October, though the transaction price was undisclosed. According to Connect New York Commercial Real Estate News, Park 79 Housing Development Fund Corp purchased Park 79 from Fairstead Capital and plans to redevelop the property into 77 affordable residences for seniors. The property was first built in 1900 and is expected to complete conversion to affordable housing in 2022.

The 224-unit Courtyard Times Square West was also sold by Watermark Lodging Trust for an undisclosed price in October. Magna Hospitality reportedly purchased the \$52 million loan on the property from Barings, a MassMutual life insurance subsidiary. According the CoStar, Watermark Lodging Trust acquired the hotel in April 2020 as part of a 33-property portfolio merger from a related entity.

| Transaction Date | Hotel Name | Rooms | Transaction Price | Price Per Room |
|------------------|--------------------------------|-------|-------------------|----------------|
| Dec-20 | Days Hotel by Wyndham | 294 | \$23,000,000 | \$78,231 |
| Dec-20 | Pestana Hotel | 177 | \$31,500,000 | \$177,966 |
| Dec-20 | Surrey Hotel | 190 | \$150,150,000 | \$790,263 |
| Nov-20 | Hudson Hotel | 878 | \$268,723,737 | \$306,063 |
| Nov-20 | AKA Wall Street | 137 | \$73,476,519 | \$536,325 |
| Oct-20 | Park 79 | 108 | N/A | N/A |
| Oct-20 | Courtyard Times Square West | 224 | N/A | N/A |
| Oct-20 | Fairfield Inn & Suites Midtown | 239 | \$57,366,782 | \$240,028 |

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Recent and Planned Hotel Openings/Closings

As anticipated, no new hotels opened during the third and fourth quarters, and a number of existing hotel properties were reported to be closing on a permanent basis.

As the city continues to navigate through the effects of the COVID-19 pandemic, it remains to be seen what the long-term impact will be on Manhattan's existing hotels, as well as the development pipeline, which is presented below. Many projects that do not already have a shovel in the ground may be cancelled or postponed indefinitely.

2021

| Property | Location | Neighborhood | Owner/Developer | Anticipated Opening/Closing | Rooms |
|---------------------------------------|------------------|------------------|---|-----------------------------|-------|
| Margaritaville Hotel | 560 7th Ave | Midtown West | 560 Seventh Avenue Owner, LLC | Mar-21 | 234 |
| The Draper, Ascend Hotel Collection | 4 W 37th St | Midtown West | 4 W 37th St LLC | Mar-21 | 139 |
| CR7 by Pestana | 338 W 39th St | Midtown West | McSam Hotel Group | Mar-21 | 177 |
| Hyatt Centric | 16 E 39th St | Midtown East | McSam Hotel Group | Mar-21 | 162 |
| Arlo Hotel | 351 W 38th St | Midtown West | Quadrum Global | May-21 | 389 |
| Residence Inn & Courtyard by Marriott | 215 Pearl St | Lower Manhattan | The Lam Group | May-21 | 326 |
| SpringHill Suites | 111 E 24th St | Midtown South | McSam Hotel Group | May-21 | 129 |
| Aman Hotel | 730 5th Ave | Midtown West | OKO Group | Jun-21 | 83 |
| Hilton Grand Vacation | 12 E 48th St | Midtown East | Hidrock Realty, Inc. | Jun-21 | 161 |
| The Graduate | 22 North Loop Rd | Roosevelt Island | Hudson Companies, Related Companies, and Brookfield | Jun-21 | 224 |
| The Pendry | 4 Manhattan West | Midtown West | Brookfield Properties | Jun-21 | 164 |
| TownePlace Suites & SpringHill Suites | 140 W 28th St | Midtown South | McSam Hotel Group | Jun-21 | 526 |
| Hotel Indigo | 120 Water St | Lower Manhattan | Atlas Hospitality | Oct-21 | 128 |
| Hyatt Place | 140 W 24th St | Midtown South | Magna Hospitality | Oct-21 | 510 |
| Olio Hotel | 305 W 48th St | Midtown West | YYY Atlas 48 | Oct-21 | 203 |
| Hotel Indigo | 8-12 Maiden Ln | Lower Manhattan | 10-12 MLane LLC | Dec-21 | 191 |
| Le Meridien Hotel | 292 5th Ave | Midtown South | McSam Hotel Group | Dec-21 | 187 |
| RH Guesthouse | 55 Gansevoort St | Lower Manhattan | Delshah Capital | Dec-21 | 14 |
| Unnamed Hotel | 16-18 E 30th St | Midtown East | The LeTap Group | Dec-21 | 100 |

2022

| Property | Location | Neighborhood | Owner/Developer | Anticipated Opening/Closing | Rooms |
|------------------------------|-------------------|-----------------|----------------------------|-----------------------------|-------|
| Unnamed Hotel | 30 W 39th St | Midtown West | Fortuna Realty Group | Jan-22 | 300 |
| Aloft Hotel | 132 W 28th St | Midtown South | 28th Street Properties LLC | Mar-22 | 203 |
| Ritz Carlton | 1185 Broadway | Midtown South | Flag Luxury Properties | Mar-22 | 250 |
| Unnamed Hotel | 79 Eldridge St | Lower Manhattan | Eldridge Hotel LLC | Mar-22 | 48 |
| Hard Rock Hotel | 159 W 48th St | Midtown West | Extell Development Co | Apr-22 | 445 |
| Unnamed Hotel | 113-117 W 24th St | Midtown South | The Lam Group | Apr-22 | 360 |
| Virgin Hotel | 1227 Broadway | Midtown South | The Lam Group | Apr-22 | 465 |
| Riu Hotel | 145 W 47th St | Midtown West | Clarity 47 LLC | May-22 | 343 |
| Six Senses New York | 76 11th Ave | Midtown South | HFZ Capital | May-22 | 137 |
| H Hotel W39 | 58 W 39th St | Midtown West | H Hotel LLC | Jun-22 | 65 |
| Hotel Barrière Le Fouquet | 456 Greenwich St | Lower Manhattan | CBCS Washington Street LP | Jun-22 | 96 |
| The FiDi Hotel | 11 Stone St | Lower Manhattan | Premier Emerald LLC | Sep-22 | 143 |
| Aloft New York Chelsea North | 450 11th Ave | Midtown West | Marx Development Group | Nov-22 | 531 |

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2023 and Hotels in Permitting and Planning

| Property | Location | Neighborhood | Owner/Developer | Anticipated Opening/Closing | Rooms |
|------------------------|--|-----------------|---|-----------------------------|-------|
| Waldorf Astoria | 301 Park Ave | Midtown East | AB STABLE LLC | Jun-23 | 350 |
| Grand Hyatt | 109 E 42nd St | Midtown East | Hyatt Hotels Corporation | Dec-23 | -1298 |
| The Fifth Avenue Hotel | 250 5th Ave | Midtown South | Cosmic Realty Partners LLC | Dec-23 | 188 |
| AC Hotel by Marriott | 842 6th Ave | Midtown South | 842 Enterprises Inc | N/A | 168 |
| AC Hotel by Marriott | 432 W 31st St | Midtown South | Concord Hospitality | N/A | 220 |
| Aloft Hotel | 50 Trinity Pl | Lower Manhattan | Fit Investment Corporation | N/A | 173 |
| Chelsea Hotel | 222 W 23rd St | Midtown South | SIR Chelsea LLC | N/A | 125 |
| The Allen | 139 Orchard St | Lower Manhattan | Fortuna Realty Group, Elk Investors | N/A | 96 |
| Unnamed Hotel | 1568 Broadway | Midtown West | Mæfield Development | N/A | 669 |
| Unnamed Hotel | 225 W 46th St | Midtown West | Roufail Real Estate Holdings | N/A | 159 |
| Unnamed Hotel | 319 West 35th Street | Midtown West | Mayflower Business Group/Crosscity Construction Co. | N/A | 166 |
| Unnamed Hotel | 123 Greenwich St | Lower Manhattan | Clarion Partners, LLC | N/A | 175 |
| Unnamed Hotel | 88 Wall Street | Lower Manhattan | Actium Development Company | N/A | 181 |
| Unnamed Hotel | 520 5th Ave | Midtown West | Ceruzzi Properties Inc. | N/A | 208 |
| Unnamed Hotel | 112 Liberty St | Lower Manhattan | Hidroock Realty, Inc. | N/A | 230 |
| Unnamed Hotel | 150 W 48th St | Midtown West | McSam Hotel Group LLC | N/A | 974 |
| Unnamed Hotel | 30-32 W 48 St; 562-564 5th Ave; 2, 10, 25 W 47th St; 3-13 W 46th St | Midtown West | Extell Development Co | N/A | 300 |
| Unnamed Hotel | 7-15 W 44th St | Midtown West | WanXin Media | N/A | 155 |
| Unnamed Hotel | 451 10th Ave | Midtown West | Spitzer Enterprises | N/A | <50 |

Source: PwC, based on BuildCentral data and news reports

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| | Occupancy | | | | ADR | | | | RevPAR | | | | December YTD | | |
|----------------------------|--------------------|--------|--------|--------|--------------------|----------|----------|----------|--------------------|----------|----------|----------|--------------------|----------|----------|
| | Oct | Nov | Dec | Q4 | Oct | Nov | Dec | Q4 | Oct | Nov | Dec | Q4 | Occ | ADR | RevPAR |
| 2019 Market Average | 91.3% | 88.5% | 89.8% | 89.9% | \$318.23 | \$286.23 | \$327.99 | \$311.23 | \$290.70 | \$253.36 | \$294.63 | \$279.82 | 87.0% | \$270.82 | \$235.65 |
| 2020 Market Average | 33.0% | 27.7% | 29.4% | 30.1% | \$140.26 | \$137.75 | \$135.18 | \$137.81 | \$46.35 | \$38.19 | \$39.81 | \$41.45 | 42.2% | \$160.84 | \$67.95 |
| | % Change from 2019 | | | | % Change from 2019 | | | | % Change from 2019 | | | | % Change from 2019 | | |
| Market Average | -63.8% | -68.7% | -67.2% | -66.5% | -55.9% | -51.9% | -58.8% | -55.7% | -84.1% | -84.9% | -86.5% | -85.2% | -51.4% | -40.6% | -71.2% |

By Class

| | Occupancy | | | | ADR | | | | RevPAR | | | | December YTD | | |
|------------------------------|--------------------|--------|--------|--------|--------------------|----------|----------|----------|--------------------|----------|----------|----------|--------------------|----------|----------|
| | Oct | Nov | Dec | Q4 | Oct | Nov | Dec | Q4 | Oct | Nov | Dec | Q4 | Occ | ADR | RevPAR |
| Luxury – 2019 | 85.0% | 82.4% | 84.8% | 84.1% | \$554.05 | \$541.67 | \$597.07 | \$564.72 | \$470.91 | \$446.35 | \$506.52 | \$474.90 | 79.1% | \$490.15 | \$387.60 |
| Luxury – 2020 | 23.4% | 18.6% | 17.9% | 19.9% | \$374.94 | \$384.20 | \$369.73 | \$376.21 | \$87.59 | \$71.61 | \$66.04 | \$74.90 | 33.9% | \$374.35 | \$126.89 |
| Upper Upscale – 2019 | 91.4% | 88.4% | 89.4% | 89.7% | \$332.94 | \$304.65 | \$344.32 | \$327.68 | \$304.37 | \$269.22 | \$307.79 | \$294.06 | 86.4% | \$286.03 | \$247.22 |
| Upper Upscale – 2020 | 24.2% | 19.1% | 21.2% | 21.5% | \$158.01 | \$153.07 | \$153.59 | \$155.10 | \$38.17 | \$29.21 | \$32.52 | \$33.35 | 36.4% | \$183.59 | \$66.78 |
| Upscale – 2019 | 93.7% | 90.3% | 91.5% | 91.8% | \$271.84 | \$232.60 | \$272.96 | \$259.56 | \$254.73 | \$209.94 | \$249.82 | \$238.34 | 90.7% | \$226.49 | \$205.40 |
| Upscale – 2020 | 40.3% | 33.6% | 36.1% | 36.6% | \$105.52 | \$105.42 | \$105.15 | \$105.37 | \$42.54 | \$35.41 | \$37.93 | \$38.60 | 47.3% | \$125.52 | \$59.41 |
| Upper Midscale – 2019 | 93.6% | 91.6% | 92.5% | 92.6% | \$239.37 | \$202.34 | \$241.11 | \$228.01 | \$224.03 | \$185.40 | \$222.95 | \$211.07 | 89.7% | \$200.53 | \$179.90 |
| Upper Midscale - 2020 | 39.1% | 33.7% | 34.4% | 35.8% | \$108.49 | \$105.94 | \$106.50 | \$107.05 | \$42.46 | \$35.74 | \$36.68 | \$38.29 | 46.2% | \$121.87 | \$56.28 |
| | % Change from 2019 | | | | % Change from 2019 | | | | % Change from 2019 | | | | % Change from 2019 | | |
| Luxury | -72.5% | -77.4% | -78.9% | -76.3% | -32.3% | -29.1% | -38.1% | -33.4% | -81.4% | -84.0% | -87.0% | -84.2% | -57.1% | -23.6% | -67.3% |
| Upper Upscale | -73.6% | -78.4% | -76.3% | -76.0% | -52.5% | -49.8% | -55.4% | -52.7% | -87.5% | -89.2% | -89.4% | -88.7% | -57.9% | -35.8% | -73.0% |
| Upscale | -57.0% | -62.8% | -60.6% | -60.1% | -61.2% | -54.7% | -61.5% | -59.4% | -83.3% | -83.1% | -84.8% | -83.8% | -47.8% | -44.6% | -71.1% |
| Upper Midscale | -58.2% | -63.2% | -62.8% | -61.4% | -54.7% | -47.6% | -55.8% | -53.0% | -81.0% | -80.7% | -83.5% | -81.9% | -48.5% | -39.2% | -68.7% |

Fourth Quarter 2020 Manhattan Lodging Index

By Neighborhood

| | Occupancy | | | | ADR | | | | RevPAR | | | | December YTD | | |
|-------------------------------|---------------------------|--------|--------|--------|---------------------------|----------|----------|----------|---------------------------|----------|----------|----------|---------------------------|----------|----------|
| | Oct | Nov | Dec | Q4 | Oct | Nov | Dec | Q4 | Oct | Nov | Dec | Q4 | Occ | ADR | RevPAR |
| Upper Manhattan – 2019 | 85.8% | 81.0% | 83.6% | 83.5% | \$445.71 | \$438.99 | \$460.56 | \$448.60 | \$382.56 | \$355.49 | \$385.18 | \$374.62 | 81.3% | \$375.54 | \$305.47 |
| Upper Manhattan – 2020 | 30.4% | 34.3% | 25.0% | 29.8% | \$324.57 | \$281.25 | \$280.21 | \$295.21 | \$98.63 | \$96.48 | \$70.01 | \$88.07 | 44.1% | \$248.34 | \$109.40 |
| Midtown West – 2019 | 92.8% | 90.1% | 91.6% | 91.5% | \$308.37 | \$280.28 | \$332.80 | \$307.64 | \$286.30 | \$252.57 | \$304.70 | \$281.52 | 88.7% | \$263.18 | \$233.52 |
| Midtown West – 2020 | 29.7% | 25.4% | 29.5% | 28.2% | \$128.10 | \$126.34 | \$129.21 | \$127.97 | \$38.10 | \$32.03 | \$38.12 | \$36.10 | 42.2% | \$153.49 | \$64.70 |
| Midtown East – 2019 | 90.0% | 88.0% | 89.8% | 89.3% | \$334.57 | \$300.05 | \$347.04 | \$327.70 | \$301.27 | \$264.02 | \$311.71 | \$292.64 | 85.8% | \$288.39 | \$247.52 |
| Midtown East – 2020 | 20.6% | 17.1% | 17.2% | 18.3% | \$152.92 | \$142.23 | \$141.81 | \$145.98 | \$31.45 | \$24.39 | \$24.34 | \$26.65 | 37.2% | \$176.24 | \$65.54 |
| Midtown South – 2019 | 92.1% | 88.1% | 89.6% | 89.9% | \$289.47 | \$250.21 | \$282.84 | \$274.70 | \$266.55 | \$220.49 | \$253.38 | \$247.09 | 87.1% | \$240.93 | \$209.97 |
| Midtown South – 2020 | 41.9% | 34.1% | 33.1% | 36.4% | \$129.12 | \$127.89 | \$124.98 | \$127.48 | \$54.05 | \$43.64 | \$41.35 | \$46.44 | 45.8% | \$146.80 | \$67.25 |
| Lower Manhattan – 2019 | 91.0% | 87.9% | 88.1% | 89.0% | \$328.93 | \$287.63 | \$307.95 | \$308.65 | \$299.37 | \$252.71 | \$271.24 | \$274.70 | 86.1% | \$276.65 | \$238.28 |
| Lower Manhattan – 2020 | 39.3% | 30.4% | 32.8% | 34.1% | \$133.79 | \$124.07 | \$124.98 | \$128.06 | \$52.54 | \$37.69 | \$40.96 | \$43.71 | 40.9% | \$161.74 | \$66.20 |
| | % Change from 2019 | | | | % Change from 2019 | | | | % Change from 2019 | | | | % Change from 2019 | | |
| Upper Manhattan | -64.6% | -57.6% | -70.1% | -64.3% | -27.2% | -35.9% | -39.2% | -34.2% | -74.2% | -72.9% | -81.8% | -76.5% | -45.8% | -33.9% | -64.2% |
| Midtown West | -68.0% | -71.9% | -67.8% | -69.2% | -58.5% | -54.9% | -61.2% | -58.4% | -86.7% | -87.3% | -87.5% | -87.2% | -52.5% | -41.7% | -72.3% |
| Midtown East | -77.2% | -80.5% | -80.9% | -79.6% | -54.3% | -52.6% | -59.1% | -55.5% | -89.6% | -90.8% | -92.2% | -90.9% | -56.7% | -38.9% | -73.5% |
| Midtown South | -54.5% | -61.3% | -63.1% | -59.5% | -55.4% | -48.9% | -55.8% | -53.6% | -79.7% | -80.2% | -83.7% | -81.2% | -47.4% | -39.1% | -68.0% |
| Lower Manhattan | -56.8% | -65.4% | -62.8% | -61.6% | -59.3% | -56.9% | -59.4% | -58.5% | -82.4% | -85.1% | -84.9% | -84.1% | -52.5% | -41.5% | -72.2% |

| Neighborhood Index | | | | |
|--|--|--|---|--|
| Upper Manhattan 59th Street and North | Midtown West 5th Avenue and West from 34th Street to 58th Street | Midtown East 5th Avenue and East from 34th Street to 58th Street | Midtown South 14th Street to 34th Street | Lower Manhattan 14th Street and South |

Fourth Quarter 2020 Manhattan Lodging Index

By Service

| | Occupancy | | | | ADR | | | | RevPAR | | | | December YTD | | |
|------------------------|--------------------|--------|--------|--------|--------------------|----------|----------|----------|--------------------|----------|----------|----------|--------------------|----------|----------|
| | Oct | Nov | Dec | Q4 | Oct | Nov | Dec | Q4 | Oct | Nov | Dec | Q4 | Occ | ADR | RevPAR |
| Full Service – 2019 | 91.4% | 88.3% | 89.7% | 89.8% | \$328.53 | \$298.57 | \$342.14 | \$323.53 | \$300.32 | \$263.61 | \$307.03 | \$290.62 | 86.9% | \$280.46 | \$243.65 |
| Full Service – 2020 | 28.8% | 23.6% | 26.1% | 26.2% | \$151.25 | \$148.21 | \$146.27 | \$148.66 | \$43.57 | \$34.97 | \$38.23 | \$38.93 | 39.9% | \$172.43 | \$68.75 |
| Limited Service – 2019 | 91.1% | 89.3% | 90.2% | 90.2% | \$279.95 | \$241.81 | \$276.02 | \$266.18 | \$255.09 | \$216.03 | \$248.86 | \$240.12 | 87.5% | \$234.57 | \$205.31 |
| Limited Service – 2020 | 44.5% | 39.4% | 38.5% | 40.8% | \$121.01 | \$120.09 | \$114.65 | \$118.67 | \$53.88 | \$47.26 | \$44.10 | \$48.40 | 48.8% | \$134.64 | \$65.74 |
| | % Change from 2019 | | | | % Change from 2019 | | | | % Change from 2019 | | | | % Change from 2019 | | |
| Full Service | -68.5% | -73.3% | -70.9% | -70.9% | -54.0% | -50.4% | -57.2% | -54.1% | -85.5% | -86.7% | -87.5% | -86.6% | -54.1% | -38.5% | -71.8% |
| Limited Service | -51.1% | -55.9% | -57.3% | -54.8% | -56.8% | -50.3% | -58.5% | -55.4% | -78.9% | -78.1% | -82.3% | -79.8% | -44.2% | -42.6% | -68.0% |

By Affiliation

| | Occupancy | | | | ADR | | | | RevPAR | | | | December YTD | | |
|-------------------------|--------------------|--------|--------|--------|--------------------|----------|----------|----------|--------------------|----------|----------|----------|--------------------|----------|----------|
| | Oct | Nov | Dec | Q4 | Oct | Nov | Dec | Q4 | Oct | Nov | Dec | Q4 | Occ | ADR | RevPAR |
| Chain Affiliated – 2019 | 91.5% | 89.1% | 90.4% | 90.3% | \$335.06 | \$304.85 | \$350.26 | \$330.48 | \$306.72 | \$271.60 | \$316.53 | \$298.56 | 87.5% | \$286.93 | \$250.95 |
| Chain Affiliated – 2020 | 35.0% | 29.0% | 31.1% | 31.7% | \$125.39 | \$121.29 | \$124.49 | \$123.86 | \$43.87 | \$35.21 | \$38.77 | \$39.28 | 43.5% | \$161.17 | \$70.09 |
| Independent – 2019 | 91.5% | 87.8% | 89.4% | 89.6% | \$297.76 | \$262.19 | \$298.41 | \$286.62 | \$272.58 | \$230.19 | \$266.91 | \$256.85 | 86.9% | \$250.67 | \$217.76 |
| Independent – 2020 | 30.9% | 26.8% | 27.0% | 28.3% | \$162.73 | \$162.08 | \$152.62 | \$159.26 | \$50.28 | \$43.43 | \$41.27 | \$45.00 | 40.8% | \$160.26 | \$65.38 |
| | % Change from 2019 | | | | % Change from 2019 | | | | % Change from 2019 | | | | % Change from 2019 | | |
| Chain Affiliated | -61.8% | -67.4% | -65.5% | -64.9% | -62.6% | -60.2% | -64.5% | -62.5% | -85.7% | -87.0% | -87.8% | -86.8% | -50.3% | -43.8% | -72.1% |
| Independent | -66.2% | -69.5% | -69.8% | -68.5% | -45.4% | -38.2% | -48.9% | -44.4% | -81.6% | -81.1% | -84.5% | -82.5% | -53.0% | -36.1% | -70.0% |

Source: PwC, based on STR data

About Manhattan Lodging Index

Warren Marr

Managing Director

warren.marr@pwc.com

Abhishek Jain

Director

a.jain@pwc.com

Contributing Writers

Jennifer Blum

jennifer.l.blum@pwc.com

Julia Baker

julia.baker@pwc.com

For media inquiries

Angela Chambliss

US Marketing Leader, Consumer Markets

angela.chambliss@pwc.com

Hospitality & Leisure Sectors:

Convention center

Casino gaming

Cruise

Lodging

Travel & tourism

Vacation ownership

About the data

For information regarding this publication or for permission to print this report in whole or in part, please contact Maridel Gutierrez at maridel.gonzalezgutierrez@pwc.com or email us at us_contact_hospitality@pwc.com.

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