Las Cruces, New Mexico

Hotel/Hospitality Market Study

Gibbs Planning Group, Inc.
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Figure 1: *The Hilton Garden Inn in Las Cruces is one of the three Upper Midscale hotels in the Las Cruces marketplace.*

Executive Summary

This study finds that the Las Cruces study area lodging market cannot statistically support any additional lodging facilities at this time, because of the two existing hotel projects which are projected to come on line in 2016 and 2017. However, lodging revenue growth and existing room depletion caused by obsolesce over the next five years will create unmet demand for $3.25 million dollars in lodging revenue, supporting 100 new midscale class rooms by 2021. In 2026, the Las Cruces study area's lodging market can support an additional 130 midscale rooms, generating $4.51 million in revenue. This forecast is based on the 2026 revenue per available room (RevPAR) in the submarket expanding to just less than the $49.75 level, and occupancy stabilizing at today's level of about 55 percent. This Las Cruces study area is projected to capture just over $2.3 million dollars of unmet lodging demand revenue in 2016, most of which will be absorbed by the upper midscale project scheduled to open in March 2016. Numerous midscale national chain hospitality brands including America's Best Suites, Best Western, Hawthorn Suites by Windham and MainStay Suites are among the hotels that meet the industry's 2.0 to 2.5 star midscale rating. This analysis takes into account the 178 rooms in the pipeline at the construction stage in the overall Las Cruces market. GPG's study does not factor in projects in the planning phases, like the hotel project at the Las Cruces Convention Center, because of uncertainties in financing and branding.

- Although the regional lodging industry suffered during the 2008-2009 recession, the New Mexico market in general, and the overall Las Cruces submarket specifically, have returned to pre-crisis levels. Anticipated lodging development could out-perform the projection by being a part of a mixed-use commercial redevelopment project, which would capture demand from increasing levels of both the leisure and business trip segments. A future lodging project should attempt to establish access to on- and off-site attractions in the immediate vicinity, and offer at least the minimum amenities associated with the 2.0 to 2.5 star economy classifications. To earn the hospitality industry's hotel rating level of 2.0 to 2.5 stars, the midscale rooms must be in the 40th to 75th percentile price range, have onsite fitness, pool, and/or restaurant, good state highway access, and possible visibility from the interstate highway system.

Gibbs Planning Group's (GPG) findings are based on the following parameters:

- Stable Las Cruces study area occupancy rate of between 53.0 and 55.5 percent.
- The Las Cruces study site will capture 45 to 50 percent of the MSA's lodging expenditure.
- Annualized room demand growth pace in the range of 0.75 to 1.25 percent.
- Hotel room depletion/closure yearly tempo of 1.0 to 1.5 percent
- RevPAR of economy level lodging product climbing by 1.25 percent per year from near $44 in 2015 to $49 in 2026.
- Development of the 178 rooms currently under construction in the Las Cruces lodging submarket.

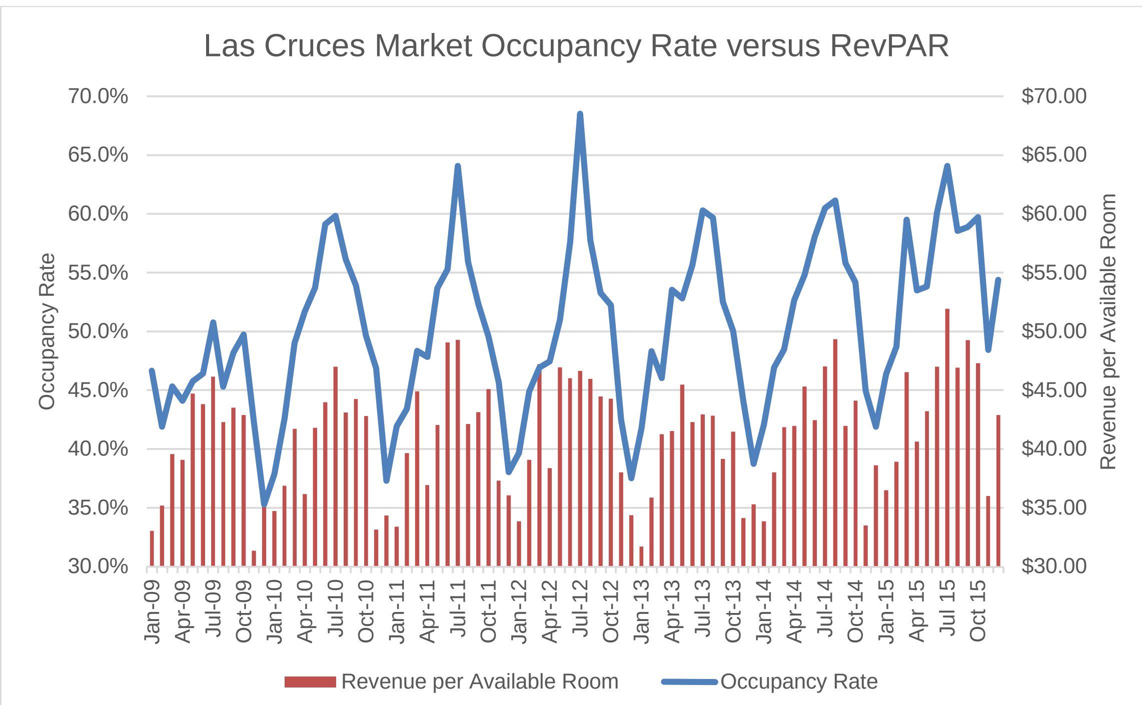


Chart 1: *Revenue per available room is very sensitive to the market's occupancy rate. (Source: STR)*

New Mexico Tourism Trends

Tourism in New Mexico has seen steady gains in the number of travelers and expenditure since the Great Recession of 2009. Number of travelers rose at an annualized rate of 2.3 percent between 2010 and 2014, while travel expenditures grew by a 3.7 percent yearly rate during the same period.

Chart 2: Although the number of travelers to New Mexico has increased by only 9.7 percent since 2010, statewide tourism expenditure has increased by 15.7 percent (Source: New Mexico Tourism Department 2015 Report)

In 2014, leisure travel accounted for 89.5 percent of tourism, up 1.3 percent from the previous year, while business travel rose by 0.7 percent to 10.5 percent of total trips to New Mexico. As a destination, New Mexico ranks 31st among the 50 states in 2014, rising from 36th in 2010. International guests accounted for only1.9 percent of the volume, with 52 percent of international travelers coming from Mexico.

Day trips accounted for 54.4 percent of the 32.7 million person journeys. Overnight stays account for the remaining 45.6 percent. The typical visitor spent $166 per trip in New Mexico, which is substantially lower than the national average of $225. The explanation for this disparity is New Mexico being a “Driver Destination” with a disproportionally large share of day trips versus overnights. Although the overnight traveler stays longer and spends more than the day-tripper spends, the latter category should see significant gains in volume because of the recent sharp decline in gasoline prices. The industry standard for the metric “Person Trip” is travel of 50 or more miles, which is not part of an individual’s normal routine.

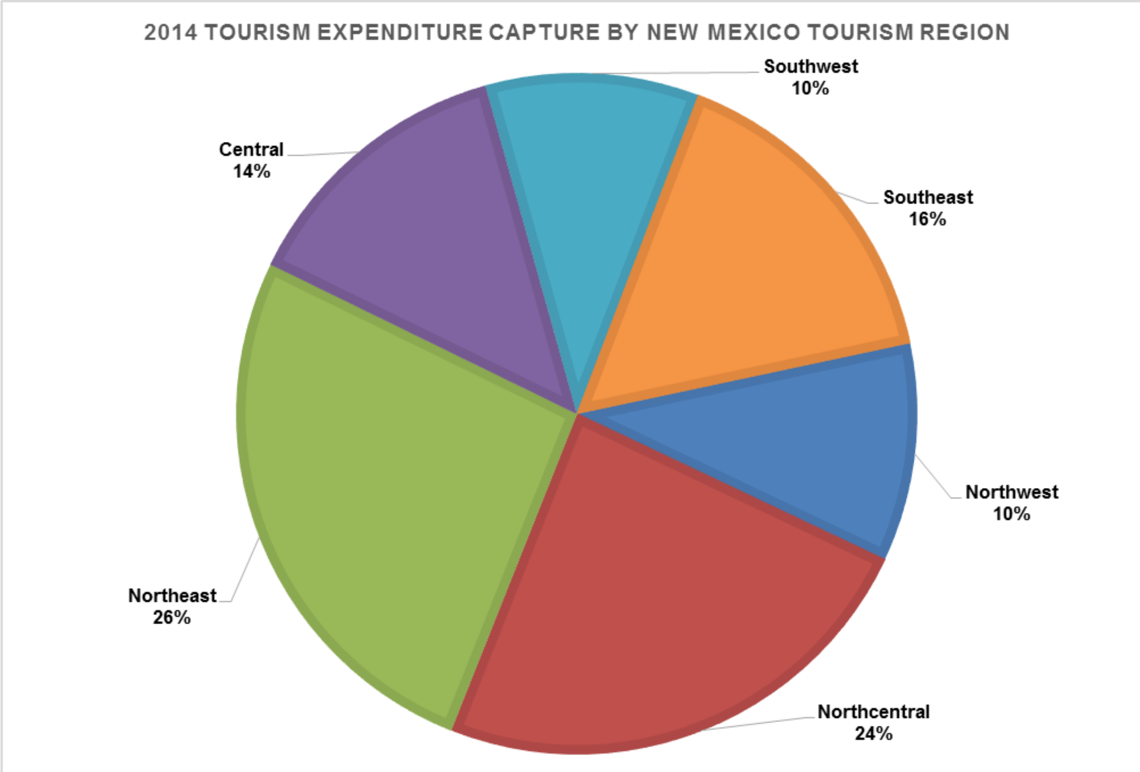


Chart 3: *The Northeast New Mexico tourism region, including Colfax, Guadalupe, Harding, Mora, Quay, San Miguel, and Union counties, captures over one quarter of all of New Mexico's tourism expenditure. (Source: New Mexico Tourism Department).*

The largest category for average tourism expenditure is in the food and beverage grouping, with 24.9 percent of total spending. Lodging, retail shopping, local transportation, recreation and air travel account for 22.8, 19.8, 15.7, 13.9 and 2.9 percent, respectively. The majority of the local transportation spending comes from auto expenses.

Top reasons for visits to New Mexico are: visit friends/family, touring, business trip, special events and city trips. The top tourism season is summer, followed by fall, spring and winter. The top five activities participated in by travelers are shopping, seeing historic sites, visiting National Parks, fine dining and museums. In-state travel accounts for 22.0 percent of trips. Tourists from Texas, California, Colorado, and Arizona account for 16.3, 11.6, 7.7, and 6.5 percent of visitors, respectively.

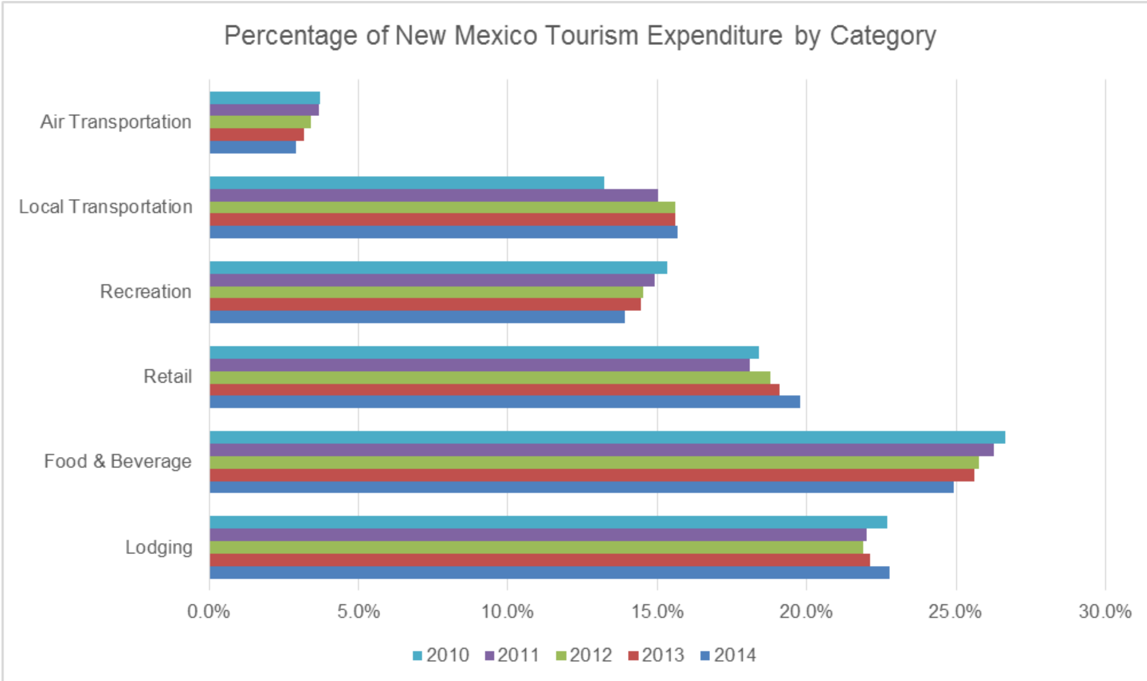


Chart 4: Food and Beverage is the single largest category of tourism expenditure in New Mexico, capturing over 25 percent of total spending in four of the last five years. (Source: New Mexico Tourism Department 2015 Report)

Las Cruces Lodging Market

The overall Las Cruces/Alamogordo hospitality market consists of 84 lodging establishments. Three of these hotels are in the upscale group, 14 are in the upper midscale cluster, 12 are in the midscale category, 17 are economy and 38 are independent operators. Collectively there are almost 5,800 rooms, with 42.3 percent run by independent operators, 25.3 percent are economy, 26.0 percent are midscale, 10.6 percent are upper midscale and 11.7 percent are upscale.

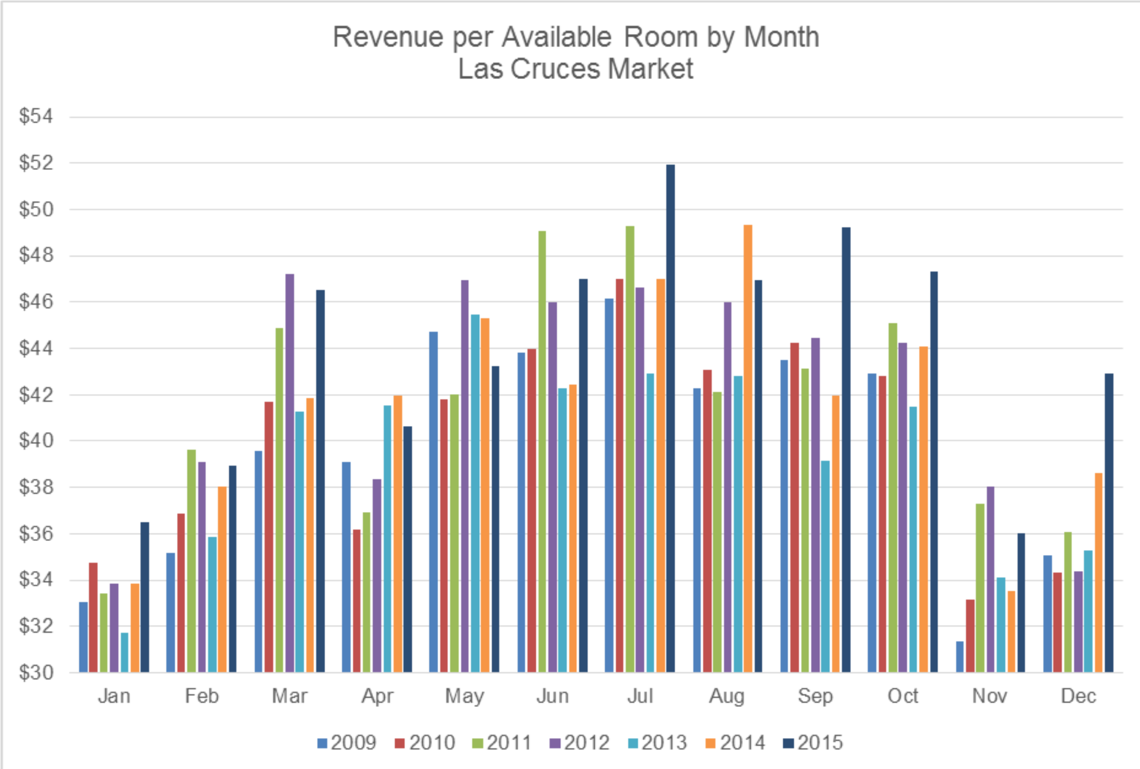


Chart 5: *The year-to-year revenue per available room comparison shows some improvement in 2014 & 2015. (Source: STR, 2016)*

Similar to the New Mexico and national trends, this study area has seen steady five-year growth across all lodging industry metrics, with annualized growth rates of 0.4 percent for occupancy, 1.2 percent for average daily rates, 1.7 percent in revenue per available room, 1.5 percent in room nights sold and 1.0 percent for room nights available. The following Table 1 depicts these measures on an annual basis.

Year	Occupancy	Average Daily Rate	Revenue per Available Room	Room Nights Sold	Room Nights Available
2009	54.6%	$72.66	$39.73	1,066,948	1,954,843
2010	55.1%	$72.40	$39.99	1,092,486	1,980,967
2011	56.5%	$73.46	$41.58	1,133,164	2,006,179
2012	54.6%	$76.91	$42.10	1,127,669	2,063,849
2013	53.0%	$74.48	$39.50	1,091,164	2,059,938
2014	54.4%	$76.16	$41.50	1,126,688	2,071,577
2015	56.0%	$78.28	$43.93	1,165,305	2,080,019

Table 1: *Year-to-year and year-to-date occupancy comparisons for the Las Cruces study area show the recovery from the 2009 national financial crisis. (Source: Smith Travel Research, 2016)*

The average age of all buildings is 27.5 years old, with independent establishments the oldest at an average 42.3 years, and upper midscale the youngest at 10.6 years old. The oldest property in the Las Cruces lodging study area is the Canyon Creek Lodge, which first opened in June of

1927. The youngest facility is the newly opened Comfort Suites of Las Cruces, which began receiving guests in November of 2015.

Currently, two of the three projects under construction will impact the Las Cruces study area. The Hampton Inn & Suites upper midscale brand is located on Hickory Loop, and anticipated to open in March of 2016 with 87 rooms. The other project, Home2 Suites on North Telshor Boulevard, is also an upper midscale development, estimated to open in November of 2017 with 91 rooms. Both of these projects are anticipated to deplete the current unmet demand, pushing back to 2021 the supportability of a new project.

Property Class	Number of Properties	Number of Rooms	Average Age (years)	Past 60 Months		
				Rooms Removed from Class	Rooms Added to Class	Net Change in Class
Luxury						
Upper Upscale						
Upscale	3	330	11.7			
Upper Midscale	14	989	10.6	-353	286	-67
Midscale	12	956	26.0	-274	147	-127
Economy	17	1,279	25.3	-276	479	203
Independent	38	2,205	42.3	-110	410	300
Totals	**84**	**5,759**	**23.2**	**-1,013**	**1,322**	**309**

Table 2: The Las Cruces hospitality market has seen a net gain of 300+ rooms over the last five years, mostly newly built rooms in the Upper Midscale classification. See Exhibit F in the appendix. (Source: Smith Travel Research, 2016)

This market has almost 66,000 square feet (sf) of convention space; 39,600 sf of meeting space is associated with 15 of the lodging properties, plus 26,300 sf of leasable space in the Las Cruces Convention Center. The Convention Center, which is the single largest facility, is considering adding an onsite, publicly subsidized hotel to increase its desirability as a convention destination.

Rationale

Increased lodging expenditure in the Las Cruces submarket will be absorbed by the existing projects in the pipeline in the near term. In five years, the Las Cruces study site can capture up to $3.25 million in potential lodging revenue with a 100-room midscale project. This represents a 45 to 50 percent capture of lodging expenditure in the Las Cruces/Alamogordo MSA. Leisure travelers are attracted to the Las Cruces study area primarily to visit friends and family. Business guests will come from the top three industries in Las Cruces: government contracting, service industry and retail trade. In addition to the above projected lodging capture, at 10 years there will be an additional $4.51 million of revenue, which can support a 130-room expansion at the site.

In December of 2015, the submarket twelve-month moving average of revenue has peaked at over $91.1 million from the January 2010 level of $78.1 million, showing 2.7 percent annual growth. The 12-month moving average of room supply has expanded at an average yearly rate of 1.0 percent over the same six-year period. The moving average for occupancy since the beginning of 2010 has remained stable, between 53 and 57 percent. The 12-month moving average of the most important statistic, revenue per available room, was at a six-year high of $43.96 in December 2015.

GPG concludes that lodging demand in the Las Cruces study area cannot currently support any new lodging units, because of the inventory coming on line in 2016 and 2017. Although the Las Cruces market is exceeding pre-recession levels of tourist volume and lodging expenditure, the current pipeline of 178 rooms in the local market will exceed the projected gap caused by greater demand and depletion of beds from the marketplace, and put downward pressure on the revenue per available room rate while also decreasing the occupancy rate. At the five-year horizon, the combination of climbing RevPAR, aging hotel properties and a 1.25 percent estimated annual growth rate in room demand will generate demand for 100 units of lodging development in the study area. At the ten-year mark, an additional 130 rooms will be supportable, for a ten-year total of 230 units of new midscale hospitality product.

Study Assumptions
The findings of this study are based on the following assumptions:

- The overall Las Cruces lodging market will continue to support a 1.00 to 1.40 percent annualized growth in room demand through 2026.

- Lodging occupancy rate will stabilize at near current levels of 53.0 to 55.0 percent through 2026.

- The 2026 Total Lodging Potential Gross Revenue for overall Las Cruces/Alamogordo MSA is $108,700,000.

- GPG projects the 178 upper midscale rooms in the pipeline will meet and exceed current unmet lodging demand Las Cruces study area. By 2021, this report estimates $3.25 million of unmet hotel demand, which is estimated to expand to by an additional $4.51 million by 2026, totaling $7.76 million over the next 10 years. Any midscale facility will also gain five to eight percent of additional yearly revenue in other ancillary fees.

- During the next ten years, GPG estimates that the Las Cruces study area will deplete 0.75 to 1.25 percent of room inventory annually. Except for projects that are currently under construction, no other growth is projected through 2026. The opening of new hotels or the closing of existing rooms at a rate greater than the depletion rate would alter the demand.

- The Las Cruces marketplace could out-perform its existing lodging market demand with a strong brand located within a state-of-the-art walkable mixed-use development such as Easton Town Center in Columbus, Ohio or Legacy Town Center in Plano, Texas.

Market Segmentation
There is no single industry standard for the hotel market. Some sources use the star rating system; some reference the quality of the brand image or its front line retail room pricing. See Appendix H for a list of hotel brands and their associated classification. For purposes of this study, GPG uses the following hybrid system of star ratings and market scale:

Luxury & Upper Upscale – 4.5 & 5 Star: These properties include many services and amenities such as bellmen, business center, concierge desk, 24/7 restaurants and room service, and fitness centers. The rooms are beautifully furnished, and the lobby and guest areas are finely decorated with such touches as fresh flowers and custom art. The locations always offer close proximity to walkable off site amenities such as shopping, restaurants, recreation destinations or cultural exhibitions. These facilities are in the top 10 percent of average room rates in any given market. Commonly recognized brands include Conrad, Four Seasons, Park Hyatt and Ritz-Carlton. There is none of this product represented in the Las Cruces market.

Figure 2: *The Las Cruces market offers 3 Upscale, 26 Midscale, 17 Economy, and 38 Independent lodging choices to business and leisure travelers of all sorts.*

Upscale – 4 Star: These fine properties distinguish themselves with a high level of service, as well as a wide variety of amenities and upscale facilities. They are often located in an urban environment to take advantage of nearby amenities. With services similar to luxury hotels, these properties offer room rates in the 75th to 90th percentile of the market. Franchises include Hilton, Marriott, Radisson, Westin and Wyndham. There are three upscale class hotels in the Las Cruces market.

Midscale – 2.0, 2.5, 3.0& 3.5 Star: These recognizable mainstream brand hotels, such as Hampton Inn, Fairfield Inn and Holiday Inn, offer a moderate level of service with some amenities and features. Often located at highway interchanges, these buildings offer a self-contained traveler's oasis, not relying on any nearby amenities. Most facilities in this category feature restaurants serving breakfast, lunch and dinner. Room service availability may vary. Onsite parking, indoor pools and fitness centers are often provided. The pricing for this product is in the middle range, from the 40th to the 75th percentile of market rates. There are twenty six Midscale and Upper Midscale hotels in the Las Cruces area.

Economy – 1 & 1.5 Star: Economy scale properties include Days Inn, Econo Lodge, Howard Johnson Express, Motel 6 and Red Roof Inns. These properties meet the budget-traveler's basic needs for shelter. They tend to be located at the fringe of major attractions or thoroughfares and provide clean guest rooms with very limited services. Most do not have food and beverage services, but in-room internet service is common. The Las Cruces area has seventeen Economy facilities.

Independent operators maintain a wide range of lodging facilities of all classes. Often family run, they are generally responsive to customer needs, but do not hold themselves to national corporate standards of any kind. Although there can be exceptional Independent properties, they are generally hit and miss on customer service, cleanliness and availability of on-site amenities. There are thirty-eight Independent operators in the Las Cruces market place.

Economy and Independent operations generally share the bottom 40 percent of the average daily rate market.

Limits of Study

Every reasonable effort has been made to ensure that the data contained in this study reflect the most accurate and timely information possible and are believed to be reliable. This study is based on estimates, assumptions and other information developed by GPG independent research effort, Smith Travel Research reporting, general knowledge of the industry, and consultations with the client and its representatives.

The proprietary room demand estimate produced by GPG relies on the growth and trend rates of U.S. Gross Domestic Product, New Mexico traveler overnight lodging expenditure, and the Las Cruces study area room demand, occupancy rate and revenue per available room.

No responsibility is assumed for inaccuracies in reporting by the client, its agent and representatives or in any other data source used in preparing or presenting this study. This report is based on information that was current as of January 31, 2016, and GPG has not undertaken any update of its research effort since such date.

This report may contain prospective financial information, estimates, or opinions that represent GPG's view of reasonable expectations at a particular time, but such information, estimates, or opinions are not offered as predictions or assurances that a particular level of income or profit will be achieved, that particular events will occur, or that a particular price will be offered or accepted.

Actual results achieved during the period covered by our prospective financial analysis may vary from those described in our report, and the variations may be material. Therefore, no warranty or representation is made by GPG that any of the projected values or results contained in this study will be achieved. This study should not be the sole basis for programming, planning, purchasing, financing, or development of any commercial project. This study is for the use of the client for general market analysis purposes only and is void for other site locations or developers.

- END OF STUDY -

Appendix EXHIBIT A: Data by Measure

EXHIBIT A - Data by Measure

Occupancy (%)

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Dec YTD
2009	46.7	50.0	55.8	55.1	60.7	60.5	60.8	56.6	56.8	58.2	45.7	47.8	54.6	54.6
2010	49.2	52.3	58.1	52.1	56.9	60.7	62.0	58.5	58.5	57.6	47.3	48.4	55.1	55.1
2011	48.2	56.4	61.9	52.5	56.6	66.2	64.3	56.6	56.2	59.3	51.9	48.1	56.5	56.5
2012	46.1	52.3	61.8	52.0	59.3	58.4	57.7	56.9	54.8	57.6	51.7	46.7	54.6	54.6
2013	45.3	50.2	56.2	56.1	59.4	56.8	56.0	55.0	51.7	54.0	47.4	47.2	53.0	53.0
2014	47.1	51.8	55.5	56.4	57.7	56.1	59.2	60.2	54.8	56.1	46.7	50.6	54.4	54.4
2015	49.4	51.6	59.5	53.5	53.8	60.1	64.1	58.6	58.9	59.7	48.4	54.4	56.0	56.0
Avg	47.4	52.1	58.4	54.0	57.8	59.8	60.6	57.5	55.9	57.5	48.5	49.1	54.9	54.9

ADR ($)

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Dec YTD
2009	70.81	70.40	70.94	70.89	73.63	72.45	75.92	74.70	76.63	73.66	68.55	73.34	72.83	72.83
2010	70.63	70.45	71.81	69.36	73.53	72.48	75.82	73.62	75.67	74.38	70.04	71.01	72.57	72.57
2011	69.34	70.29	72.58	70.36	74.23	74.08	76.61	74.37	76.78	76.08	71.84	74.90	73.60	73.60
2012	73.43	74.73	76.43	73.85	79.09	78.76	80.81	80.79	81.12	76.82	73.57	73.56	77.11	77.11
2013	69.95	71.53	73.35	74.08	76.53	74.49	76.64	77.87	75.75	76.75	72.04	74.76	74.63	74.63
2014	71.84	73.47	75.43	74.36	78.45	75.72	79.43	81.89	76.55	78.66	71.78	76.30	76.40	76.40
2015	73.95	75.48	78.20	75.97	80.33	78.17	81.04	80.14	83.63	79.20	74.38	78.88	78.47	78.47
Avg	71.45	72.36	74.19	72.77	76.57	75.18	78.08	77.73	78.10	76.54	71.83	74.81	75.13	75.13

RevPAR ($)

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Dec YTD
2009	33.03	35.19	39.58	39.09	44.71	43.80	46.16	42.30	43.52	42.90	31.35	35.07	39.75	39.75
2010	34.72	36.88	41.72	36.15	41.80	43.98	46.99	43.10	44.24	42.82	33.16	34.34	40.02	40.02
2011	33.40	39.65	44.90	36.92	42.04	49.07	49.29	42.11	43.14	45.10	37.31	36.05	41.57	41.57
2012	33.86	39.08	47.21	38.37	46.93	46.01	46.63	45.97	44.48	44.27	38.02	34.36	42.13	42.13
2013	31.70	35.88	41.26	41.54	45.49	42.30	42.94	42.83	39.17	41.47	34.13	35.30	39.53	39.53
2014	33.86	38.03	41.85	41.97	45.30	42.46	47.01	49.33	41.96	44.11	33.51	38.62	41.55	41.55
2015	36.50	38.93	46.53	40.63	43.22	47.00	51.92	46.93	49.25	47.30	36.01	42.90	43.96	43.96
Avg	33.87	37.68	43.33	39.27	44.23	44.94	47.28	44.70	43.68	44.01	34.82	36.70	41.24	41.24

Supply

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Dec YTD
2009	165,137	149,156	165,137	159,810	165,137	159,810	165,137	165,137	159,810	168,671	163,230	168,671	1,954,843	1,954,843
2010	168,671	151,928	168,206	162,780	168,206	162,660	168,082	168,082	162,660	168,082	162,660	168,950	1,980,967	1,980,967
2011	168,950	152,572	168,919	163,470	168,919	163,470	168,919	168,919	165,660	171,182	169,770	175,429	2,006,179	2,006,179
2012	175,429	158,452	175,429	169,770	175,367	169,710	175,367	175,367	169,710	174,964	169,320	174,964	2,063,849	2,063,849
2013	174,964	158,032	174,964	169,320	174,964	169,320	174,964	174,964	169,320	174,964	169,260	174,902	2,059,938	2,059,938
2014	174,902	158,004	174,933	169,290	176,669	170,850	176,390	176,390	170,700	176,390	170,700	176,359	2,071,577	2,071,577
2015	176,359	159,292	176,359	170,670	176,235	170,550	176,235	176,235	170,550	176,235	172,770	178,529	2,080,019	2,080,019
Avg	172,059	155,348	171,992	166,444	172,214	166,624	172,156	172,156	166,916	172,927	168,244	173,972	2,031,053	2,031,053

Demand

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Dec YTD
2009	77,041	74,555	92,136	88,120	100,263	96,615	100,407	93,504	90,772	98,224	74,660	80,651	1,066,948	1,066,948
2010	82,915	79,534	97,721	84,850	95,626	98,708	104,166	98,392	95,107	96,757	77,001	81,709	1,092,486	1,092,486
2011	81,377	86,060	104,495	85,783	95,653	108,283	108,695	95,658	93,079	101,483	88,171	84,427	1,133,164	1,133,164
2012	80,905	82,868	108,370	88,213	104,071	99,141	101,196	99,800	93,055	100,819	87,501	81,730	1,127,669	1,127,669
2013	79,277	79,272	98,408	94,932	103,993	96,138	98,029	96,229	87,557	94,547	80,193	82,589	1,091,164	1,091,164
2014	82,435	81,774	97,059	95,540	102,012	95,802	104,402	106,249	93,572	98,902	79,687	89,254	1,126,688	1,126,688
2015	87,049	82,149	104,932	91,271	94,824	102,543	112,914	103,191	100,430	105,260	83,646	97,096	1,165,305	1,165,305
Avg	81,571	80,887	100,446	89,816	99,492	99,604	104,258	99,003	93,367	99,427	81,551	85,351	1,114,775	1,114,775

Revenue ($)

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Dec YTD
2009	5,455,109	5,248,684	6,535,951	6,247,091	7,382,793	7,000,194	7,622,874	6,985,120	6,955,423	7,235,267	5,118,071	5,915,335	77,701,912	77,701,912
2010	5,855,926	5,603,183	7,017,453	5,884,784	7,031,682	7,154,188	7,897,988	7,244,064	7,196,453	7,196,810	5,393,162	5,801,785	79,277,478	79,277,478
2011	5,642,568	6,049,114	7,584,694	6,035,728	7,100,788	8,021,072	8,326,672	7,113,931	7,146,279	7,721,133	6,334,491	6,324,001	83,400,471	83,400,471
2012	5,940,731	6,192,505	8,282,647	6,514,871	8,230,495	7,808,018	8,178,132	8,062,477	7,548,316	7,745,072	6,437,517	6,011,837	86,952,618	86,952,618
2013	5,545,531	5,670,023	7,218,361	7,033,023	7,958,527	7,161,539	7,512,993	7,493,188	6,632,300	7,256,268	5,777,089	6,173,942	81,432,784	81,432,784
2014	5,922,020	6,008,188	7,321,280	7,104,711	8,002,692	7,254,501	8,292,947	8,700,833	7,162,846	7,779,820	5,720,330	6,810,239	86,080,407	86,080,407
2015	6,436,954	6,200,598	8,206,036	6,933,784	7,616,789	8,016,073	9,150,220	8,270,053	8,399,161	8,336,301	6,221,445	7,659,180	91,446,594	91,446,594
Avg	5,828,406	5,853,185	7,452,346	6,536,285	7,617,681	7,487,941	8,140,261	7,695,667	7,291,540	7,610,096	5,857,444	6,385,188	83,756,038	83,756,038

Appendix EXHIBIT B: Percent Change from Previous Year

EXHIBIT B - Percent Change from Previous Year

Occupancy

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Dec YTD
2010	5.4	4.7	4.1	-5.5	-6.4	0.4	1.9	3.4	2.9	-1.1	3.5	1.1	1.0	1.0
2011	-2.0	7.7	6.5	0.7	-0.4	9.2	3.8	-3.3	-3.9	3.0	9.7	-0.5	2.4	2.4
2012	-4.3	-7.3	-0.1	-1.0	4.8	-11.8	-10.3	0.5	-2.4	-2.8	-0.5	-2.9	-3.3	-3.3
2013	-1.8	-4.1	-9.0	7.9	0.2	-2.8	-2.9	-3.4	-5.7	-6.2	-8.3	1.1	-3.1	-3.1
2014	4.0	3.2	-1.4	0.7	-2.9	-1.2	5.6	9.5	6.0	3.8	-1.5	7.2	2.7	2.7
2015	4.7	-0.4	7.2	-5.2	-6.8	7.2	8.2	-2.8	7.4	6.5	3.7	7.5	3.0	3.0
Avg	1.0	0.7	1.2	-0.4	-1.9	0.2	1.1	0.7	0.7	0.5	1.1	2.2	0.5	0.5

ADR

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Dec YTD
2010	-0.3	0.1	1.2	-2.2	-0.1	0.0	-0.1	-1.4	-1.3	1.0	2.2	-3.2	-0.4	-0.4
2011	-1.8	-0.2	1.1	1.4	1.0	2.2	1.0	1.0	1.5	2.3	2.6	5.5	1.4	1.4
2012	5.9	6.3	5.3	5.0	6.5	6.3	5.5	8.6	5.7	1.0	2.4	-1.8	4.8	4.8
2013	-4.7	-4.3	-4.0	0.3	-3.2	-5.4	-5.2	-3.6	-6.6	-0.1	-2.1	1.6	-3.2	-3.2
2014	2.7	2.7	2.8	0.4	2.5	1.7	3.6	5.2	1.1	2.5	-0.4	2.1	2.4	2.4
2015	2.9	2.7	3.7	2.2	2.4	3.2	2.0	-2.1	9.3	0.7	3.6	3.4	2.7	2.7
Avg	0.8	1.2	1.7	1.2	1.5	1.3	1.1	1.3	1.6	1.2	1.4	1.3	1.3	1.3

RevPAR

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Dec YTD
2010	5.1	4.8	5.4	-7.5	-6.5	0.4	1.8	1.9	1.7	-0.2	5.7	-2.1	0.7	0.7
2011	-3.8	7.5	7.6	2.1	0.6	11.6	4.9	-2.3	-2.5	5.3	12.5	5.0	3.9	3.9
2012	1.4	-1.4	5.1	3.9	11.6	-6.2	-5.4	9.2	3.1	-1.9	1.9	-4.7	1.3	1.3
2013	-6.4	-8.2	-12.6	8.2	-3.1	-8.1	-7.9	-6.8	-11.9	-6.3	-10.2	2.7	-6.2	-6.2
2014	6.8	6.0	1.4	1.0	-0.4	0.4	9.5	15.2	7.1	6.3	-1.8	9.4	5.1	5.1
2015	7.8	2.4	11.2	-3.2	-4.6	10.7	10.4	-4.9	17.4	7.2	7.5	11.1	5.8	5.8
Avg	1.8	1.8	3.0	0.8	-0.4	1.5	2.2	2.0	2.5	1.8	2.6	3.6	1.8	1.8

Supply

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Dec YTD
2010	2.1	1.9	1.9	1.9	1.9	1.8	1.8	1.8	1.8	-0.3	-0.3	0.2	1.3	1.3
2011	0.2	0.4	0.4	0.4	0.4	0.5	0.5	0.5	1.8	1.8	4.4	3.8	1.3	1.3
2012	3.8	3.9	3.9	3.9	3.8	3.8	3.8	3.8	2.4	2.2	-0.3	-0.3	2.9	2.9
2013	-0.3	-0.3	-0.3	-0.3	-0.2	-0.2	-0.2	-0.2	-0.2	0.0	-0.0	-0.0	-0.2	-0.2
2014	-0.0	-0.0	-0.0	-0.0	1.0	0.9	0.8	0.8	0.8	0.8	0.9	0.8	0.6	0.6
2015	0.8	0.8	0.8	0.8	-0.2	-0.2	-0.1	-0.1	-0.1	-0.1	1.2	1.2	0.4	0.4
Avg	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	1.1	0.7	1.0	1.0	1.0	1.0

Demand

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Dec YTD
2010	7.6	6.7	6.1	-3.7	-4.6	2.2	3.7	5.2	4.8	-1.5	3.1	1.3	2.4	2.4
2011	-1.9	8.2	6.9	1.1	0.0	9.7	4.3	-2.8	-2.1	4.9	14.5	3.3	3.7	3.7
2012	-0.6	-3.7	3.7	2.8	8.8	-8.4	-6.9	4.3	-0.0	-0.7	-0.8	-3.2	-0.5	-0.5
2013	-2.0	-4.3	-9.2	7.6	-0.1	-3.0	-3.1	-3.6	-5.9	-6.2	-8.4	1.1	-3.2	-3.2
2014	4.0	3.2	-1.4	0.6	-1.9	-0.3	6.5	10.4	6.9	4.6	-0.6	8.1	3.3	3.3
2015	5.6	0.5	8.1	-4.5	-7.0	7.0	8.2	-2.9	7.3	6.4	5.0	8.8	3.4	3.4
Avg	2.1	1.7	2.4	0.7	-0.8	1.2	2.1	1.8	1.8	1.3	2.1	3.2	1.5	1.5

Revenue

	January	February	March	April	May	June	July	August	September	October	November	December	Total Year	Dec YTD
2010	7.3	6.8	7.4	-5.8	-4.8	2.2	3.6	3.7	3.5	-0.5	5.4	-1.9	2.0	2.0
2011	-3.6	8.0	8.1	2.6	1.0	12.1	5.4	-1.8	-0.7	7.3	17.5	9.0	5.2	5.2
2012	5.3	2.4	9.2	7.9	15.9	-2.7	-1.8	13.3	5.6	0.3	1.6	-4.9	4.3	4.3
2013	-6.7	-8.4	-12.8	8.0	-3.3	-8.3	-8.1	-7.1	-12.1	-6.3	-10.3	2.7	-6.3	-6.3
2014	6.8	6.0	1.4	1.0	0.6	1.3	10.4	16.1	8.0	7.2	-1.0	10.3	5.7	5.7
2015	8.7	3.2	12.1	-2.4	-4.8	10.5	10.3	-5.0	17.3	7.2	8.8	12.5	6.2	6.2
Avg	3.0	3.0	4.2	1.9	0.8	2.5	3.3	3.2	3.6	2.5	3.7	4.6	2.8	2.8

EXHIBIT C - 12 Month Moving Average

Occupancy (%)

	January	February	March	April	May	June	July	August	September	October	November	December
2010	54.8	55.0	55.2	54.9	54.6	54.6	54.7	54.9	55.0	55.0	55.1	55.1
2011	55.1	55.4	55.7	55.7	55.7	56.2	56.4	56.2	56.0	56.2	56.5	56.5
2012	56.3	56.0	56.0	55.9	56.2	55.5	55.0	55.0	54.9	54.8	54.8	54.6
2013	54.6	54.4	53.9	54.3	54.3	54.1	54.0	53.8	53.6	53.3	*52.9*	53.0
2014	53.1	53.2	53.2	53.2	53.1	53.0	53.3	53.7	54.0	54.2	54.1	54.4
2015	54.6	54.6	54.9	54.7	54.3	54.7	55.1	54.9	55.3	55.6	55.7	56.0

ADR ($)

	January	February	March	April	May	June	July	August	September	October	November	December
2010	72.80	72.79	72.86	72.75	72.74	72.74	72.74	72.65	72.58	72.64	72.74	72.57
2011	72.47	*72.45*	72.52	72.59	72.65	72.81	72.90	72.96	73.05	73.21	73.31	73.60
2012	73.89	74.23	74.59	74.85	75.29	75.71	76.08	76.64	77.00	77.06	77.20	77.11
2013	76.87	76.65	76.38	76.38	76.15	75.77	75.39	75.12	74.66	74.64	74.54	74.63
2014	74.76	74.90	75.08	75.11	75.28	75.39	75.66	76.07	76.13	76.30	76.29	76.40
2015	76.54	76.69	76.94	77.07	77.22	77.44	77.61	77.44	78.05	78.11	78.27	78.47

RevPAR ($)

	January	February	March	April	May	June	July	August	September	October	November	December
2010	39.88	40.01	40.19	39.94	39.70	39.72	39.80	39.88	39.94	39.93	40.08	40.02
2011	39.91	40.12	40.39	40.45	40.47	40.89	41.09	41.01	40.92	41.12	41.45	41.57
2012	41.59	41.54	41.75	41.85	42.28	42.04	41.84	42.17	42.28	42.21	42.27	42.13
2013	41.95	41.70	41.20	41.46	41.33	41.03	40.71	40.45	40.01	39.77	*39.45*	39.53
2014	39.72	39.88	39.93	39.97	39.95	39.97	40.32	40.88	41.11	41.33	41.27	41.55
2015	41.77	41.84	42.24	42.13	41.95	42.32	42.74	42.53	43.13	43.40	43.60	43.96

Supply

	January	February	March	April	May	June	July	August	September	October	November	December
2010	*1,958,377*	1,961,149	1,964,218	1,967,188	1,970,257	1,973,107	1,976,052	1,978,997	1,981,847	1,981,258	1,980,688	1,980,967
2011	1,981,246	1,981,890	1,982,603	1,983,293	1,984,006	1,984,816	1,985,653	1,986,490	1,989,490	1,992,590	1,999,700	2,006,179
2012	2,012,658	2,018,538	2,025,048	2,031,348	2,037,796	2,044,036	2,050,484	2,056,932	2,060,982	2,064,764	2,064,314	2,063,849
2013	2,063,384	2,062,964	2,062,499	2,062,049	2,061,646	2,061,256	2,060,853	2,060,450	2,060,060	2,060,060	2,060,000	2,059,938
2014	2,059,876	2,059,848	2,059,817	2,059,787	2,061,492	2,063,022	2,064,448	2,065,874	2,067,254	2,068,680	2,070,120	2,071,577
2015	2,073,034	2,074,322	2,075,748	2,077,128	2,076,694	2,076,394	2,076,239	2,076,084	2,075,934	2,075,779	2,077,849	2,080,019

Demand

	January	February	March	April	May	June	July	August	September	October	November	December
2010	*1,072,822*	1,077,801	1,083,386	1,080,116	1,075,479	1,077,572	1,081,331	1,086,219	1,090,554	1,089,087	1,091,428	1,092,486
2011	1,090,948	1,097,474	1,104,248	1,105,181	1,105,208	1,114,783	1,119,312	1,116,578	1,114,550	1,119,276	1,130,446	1,133,164
2012	1,132,692	1,129,500	1,133,375	1,135,805	1,144,223	1,135,081	1,127,582	1,131,724	1,131,700	1,131,036	1,130,366	1,127,669
2013	1,126,041	1,122,445	1,112,483	1,119,202	1,119,124	1,116,121	1,112,954	1,109,383	1,103,885	1,097,613	1,090,305	1,091,164
2014	1,094,322	1,096,824	1,095,475	1,096,083	1,094,102	1,093,766	1,100,139	1,110,159	1,116,174	1,120,529	1,120,023	1,126,688
2015	1,131,302	1,131,677	1,139,550	1,135,281	1,128,093	1,134,834	1,143,346	1,140,288	1,147,146	1,153,504	1,157,463	1,165,305

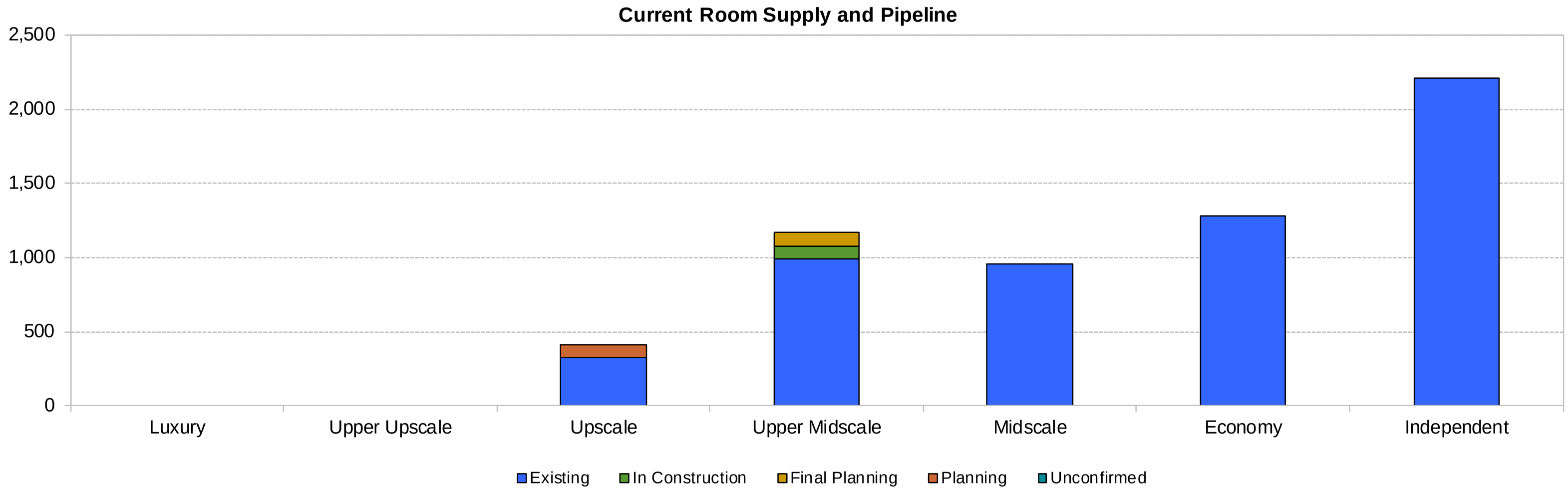
Revenue ($)

	January	February	March	April	May	June	July	August	September	October	November	December
2010	*78,102,729*	78,457,228	78,938,730	78,576,423	78,225,312	78,379,306	78,654,420	78,913,364	79,154,394	79,115,937	79,391,028	79,277,478
2011	79,064,120	79,510,051	80,077,292	80,228,236	80,297,342	81,164,226	81,592,910	81,462,777	81,412,603	81,936,926	82,878,255	83,400,471
2012	83,698,634	83,842,025	84,539,978	85,019,121	86,148,828	85,935,774	85,787,234	86,735,780	87,137,817	87,161,756	87,264,782	86,952,618
2013	86,557,418	86,034,936	84,970,650	85,488,802	85,216,834	84,570,355	83,905,216	83,335,927	82,419,911	81,931,107	81,270,679	81,432,784
2014	81,809,273	82,147,438	82,250,357	82,322,045	82,366,210	82,459,172	83,239,126	84,446,771	84,977,317	85,500,869	85,444,110	86,080,407
2015	86,595,341	86,787,751	87,672,507	87,501,580	87,115,677	87,877,249	88,734,522	88,303,742	89,540,057	90,096,538	90,597,653	91,446,594

High value is boxed.   Low value is boxed and italicized.

Appendix EXHIBIT D: Supply Summary

EXHIBIT D - Supply Summary



Hotels

	Historic Supply						Pipeline Projects			
	Dec-10	Dec-11	Dec-12	Dec-13	Dec-14	Dec-15	In Constr.	Final Planning	Planning	Unconfirmed
Luxury										
Upper Upscale										
Upscale	3	3	3	3	3	3			1	
Upper Midscale	14	16	14	13	13	14	1	1		
Midscale	13	12	12	12	12	12				
Economy	14	16	17	17	17	17				
Independent	35	35	36	37	38	38				1
Total	**79**	**82**	**82**	**82**	**83**	**84**	**1**	**1**	**1**	**1**

Rooms

	Historic Supply						Pipeline Projects			
	Dec-10	Dec-11	Dec-12	Dec-13	Dec-14	Dec-15	In Constr.	Final Planning	Planning	Unconfirmed
Luxury										
Upper Upscale										
Upscale	330	330	330	330	330	330			79	
Upper Midscale	1,056	1,174	1,019	913	915	989	87	91		
Midscale	1,083	1,010	997	997	956	956				
Economy	1,076	1,240	1,288	1,288	1,283	1,279				
Independent	1,905	1,905	2,010	2,114	2,205	2,205				
Total	**5,450**	**5,659**	**5,644**	**5,642**	**5,689**	**5,759**	**87**	**91**	**79**	**-**

Appendix EXHIBIT E: Pipeline by Brand

EXHIBIT E - Pipeline by Brand

	Hotels						Rooms					
	Existing Supply*		Pipeline Projects				Existing Supply*		Pipeline Projects			
	Total	Recently Opened	In Constr.	Final Planning	Planning	Unconfirmed	Total	Recently Opened	In Constr.	Final Planning	Planning	Unconfirmed
Luxury												
	-	-	-	-	-	-	-	-	-	-	-	-
Luxury Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Upper Upscale												
	-	-	-	-	-	-	-	-	-	-	-	-
Upper Upscale Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Upscale												
Ascend Collection					1						79	
Hilton Garden Inn	1						114					
Springhill Suites	1						101					
Staybridge Suites	1						115					
Upscale Total	**3**	**-**	**-**	**-**	**1**	**-**	**330**	**-**	**-**	**-**	**79**	**-**
Upper Midscale												
Best Western Plus	1						56					
Comfort Inn	2						104					
Comfort Suites	2	1					136	75				
Drury Inn & Suites	1						73					
Fairfield Inn	2						149					
Hampton Inn	1						70					
Hampton Inn & Suites	1		1				73		87			
Holiday Inn Express	3						247					
Home2 Suites				1						91		
TownePlace Suites	1						81					
Upper Midscale Total	**14**	**1**	**1**	**1**	**-**	**-**	**989**	**75**	**87**	**91**	**-**	**-**

Appendix EXHIBIT E (con’t): Pipeline by Brand

EXHIBIT E - Pipeline by Brand (con't)

Midscale												
Best Western	2						166					
La Quinta Inns & Suites	3						289					
Oak Tree Inn	1						56					
Quality Inn	3						207					
Ramada	2						175					
Sleep Inn	1						63					
Midscale Total	**12**	**-**	**-**	**-**	**-**	**-**	**956**	**-**	**-**	**-**	**-**	**-**
Economy												
Americas Best Value Inn	2						210					
Days Inn	3						206					
Econo Lodge	1						38					
Motel 6	4						368					
Suburban Extended Stay	1						57					
Super 8	4						229					
Travelodge	1						58					
Value Place	1						113					
Economy Total	**17**	**-**	**-**	**-**	**-**	**-**	**1,279**	**-**	**-**	**-**	**-**	**-**
Independents												
Independent	**38**					**1**	**2,205**					

Appendix EXHIBIT F: Change in Supply

EXHIBIT F - Supply Changes

12 Month Change

	Dec-14 Existing Supply	Add: New Build	Add: Converted In	Add: Room Additions	Removed: Closed	Removed: Converted Out	Removed: Rooms Removed	Net Gain / Loss	Dec-15 Existing Supply
Luxury									
	-	-	-	-	-	-	-	-	-
Luxury Total	-	-	-	-	-	-	-	-	-
Upper Upscale									
	-	-	-	-	-	-	-	-	-
Upper Upscale Total	-	-	-	-	-	-	-	-	-
Upscale									
Hilton Garden Inn	114							-	114
Springhill Suites	101							-	101
Staybridge Suites	115							-	115
Upscale Total	**330**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**330**
Upper Midscale									
Best Western Plus	56							-	56
Comfort Inn	104							-	104
Comfort Suites	61	75						75	136
Drury Inn & Suites	73							-	73
Fairfield Inn	150						(1)	(1)	149
Hampton Inn	70							-	70
Hampton Inn & Suites	73							-	73
Holiday Inn Express Hotel	247							-	247
TownePlace Suites	81							-	81
Upper Midscale Total	**915**	**75**	**-**	**-**	**-**	**-**	**(1)**	**74**	**989**

60 Month Change

	Dec-10 Existing Supply	Add: New Build	Add: Converted In	Add: Room Additions	Removed: Closed	Removed: Converted Out	Removed: Rooms Removed	Net Gain / Loss	Dec-15 Existing Supply
Luxury									
	-	-	-	-	-	-	-	-	
Luxury Total	-	-	-	-	-	-	-	-	-
Upper Upscale									
	-	-	-	-	-	-	-	-	
Upper Upscale Total	-	-	-	-	-	-	-	-	-
Upscale									
Hilton Garden Inn	114							-	114
Springhill Suites	101							-	101
Staybridge Suites	115							-	115
Upscale Total	**330**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**330**
Upper Midscale									
Best Western Plus			56	2			(2)	56	56
Comfort Inn	233					(129)		(129)	104
Comfort Suites	61	75						75	136
Drury Inn & Suites	73							-	73
Fairfield Inn	77	73					(1)	72	149
Hampton Inn	187					(117)		(117)	70
Hampton Inn & Suites	73							-	73
Holiday Inn Express Hotel	271	80				(104)		(24)	247
TownePlace Suites	81							-	81
Upper Midscale Total	**1,056**	**228**	**56**	**2**	**-**	**(350)**	**(3)**	**(67)**	**989**

Appendix EXHIBIT F (con’t): Change in Supply

EXHIBIT F - Supply Changes

Midscale									
Best Western	166							-	166
La Quinta Inns & Suites	289							-	289
Oak Tree Inn	56							-	56
Quality Inn	207							-	207
Ramada	175							-	175
Sleep Inn	63							-	63
Midscale Total	**956**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**956**
Economy									
Americas Best Value Inn	210							-	210
Days Inn	207						(1)	(1)	206
Econo Lodge	38							-	38
Motel 6	368							-	368
Suburban Extended Stay Hotels	57							-	57
Super 8	232						(3)	(3)	229
Travelodge	58							-	58
Value Place	113							-	113
Economy Total	**1,283**	**-**	**-**	**-**	**-**	**-**	**(4)**	**(4)**	**1,279**
Independents									
Independent	**2,205**							**-**	**2,205**

Midscale									
Best Western	314					(148)		(148)	166
La Quinta Inns & Suites	289							-	289
Oak Tree Inn		56						56	56
Quality Inn	242		91			(107)	(19)	(35)	207
Ramada	175							-	175
Sleep Inn	63							-	63
Midscale Total	**1,083**	**56**	**91**	**-**	**-**	**(255)**	**(19)**	**(127)**	**956**
Economy									
Americas Best Value Inn	50		267			(107)		160	210
Days Inn	250		117			(160)	(1)	(44)	206
Econo Lodge			38					38	38
Motel 6	369						(1)	(1)	368
Suburban Extended Stay Hotels		57						57	57
Super 8	235						(6)	(6)	229
Travelodge	59						(1)	(1)	58
Value Place	113							-	113
Economy Total	**1,076**	**57**	**422**	**-**	**-**	**(267)**	**(9)**	**203**	**1,279**
Independents									
Independent	**1,905**		**410**			**(107)**	**(3)**	**300**	**2,205**

Appendix EXHIBIT G: Construction Pipeline

EXHIBIT G - Construction Pipeline

		Location	Owner/Developer	Architect
Unconfirmed		**Chain:** Independent		
Projected opening:				
Rooms:		Unnamed Hotel @ Las Cruces Convention Center		
Market:	New Mexico South	E University Ave		
Sub-Market:	Las Cruces/Alamogordo, NM	Las Cruces, NM 88001		
Notes:	1) hotel to be built adjacent to Convention Center as part of New Mexico State University; private development company will finance construct own & operate hotel			

		Location	Owner/Developer	Architect
In Construction		**Chain:** Hampton Inn & Suites	Premier Hospitality LLC	Afra Construction & Design LLC
Projected opening:	3/21/2016 12:00:00 AM			
Rooms:	87	Hampton Inn & Suites Las Cruces Mesilla	Albuquerque, NM 87109	Albuquerque, NM 87106
Market:	New Mexico South	1651 Hickory Loop	Phone: 5052216363	Phone: 5052439093
Sub-Market:	Las Cruces/Alamogordo, NM	Las Cruces, NM 88005-6587		

		Location	Owner/Developer	Architect
Final Planning		**Chain:** Home2 Suites	Alpesh Kanti Patel	
Projected opening:	11/27/2017 12:00:00 AM			
Rooms:	91	Home 2 Suites Las Cruces		
Market:	New Mexico South	1120 North Telshor Blvd		
Sub-Market:	Las Cruces/Alamogordo, NM	Las Cruces, NM 88011		

		Location	Owner/Developer	Architect
Planning		**Chain:** Ascend Collection		
Projected opening:	8/24/2017 12:00:00 AM			
Rooms:	79	Ascend Collection Sunland Park		
Market:	New Mexico South	1200 Futurity Dr		
Sub-Market:	Las Cruces/Alamogordo, NM	Sunland Park, NM 88063		

Appendix EXHIBIT H: Hotels by Classification

Luxury (5 Star)	Upper Upscale (4 & 4.5 Star)	Upscale (3.5 & 4 Star)
Affina	Autograph Collection	Adam`s Mark
AKA	AVIA	aloft Hotel
Andaz	Camino Real	Ascend
Colony	Club Quarters	Aston Hotel
Conrad	Dolce	Best Western Premier
Doyle Collection	Doral	Cambria Suites
Edition	Dream	Canad Inn
Fairmont	Embassy Suites	Club Med
Firmdale	Gaylord	Coast Hotel
Four Seasons	Hard Rock	Courtyard
Grand Hyatt	Hilton	Crowne Plaza
Helmsley Hotel	Hyatt	Disney
InterContinental	Joie De Vivre	DoubleTree
Jumeirah	Kimpton	element
JW Marriott	Le Meridien	Fitzpatrick Hotel
Langham	Marriott	Four Points
Loews	Marriott Conference Center	Grand America
Luxury Collection	Marriott Executive Apartments	Great Wolf Lodge
Mandarin Oriental	Millennium	Hilton Garden Inn
Mokara Hotel & Spa	New Otani	Homewood Suites
Montage	Nikko	Hotel Indigo
Park Hyatt	Omni	Hotel Sierra
Ritz-Carlton	Pan Pacific	Hyatt House
RockResorts	Radisson Blu	Hyatt Place
Rosewood	Red Carnation	Jolly
Sofitel	Renaissance	Larkspur
St Regis	Sheraton Hotel	Legacy Vacation Club
Taj	St Giles Hotel	Melia
The Peninsula	Starhotels	Miyako Hotels & Resorts
The Prince	Swissotel	Novotel
The Tides	Westin	NYLO Hotel
Trump Hotel Collection	Wyndham	O'Callaghan
Viceroy		Outrigger
W Hotel		Park Plaza
Waldorf=Astoria		Prince Hotel
		Radisson
		Residence Inn
		Room Mate
		Sonesta Hotel
		Springhill Suites
		Staybridge Suites

Appendix EXHIBIT H: Hotels by Classification

Upper Midscale (3 & 3.5 Star)	Midscale (2 & 2.5 Star)	Economy
3 Palms	America`s Best Suites	1st Interstate Inn
Ayres	AmericInn	Affordable Suites of America
Best Western Plus	Baymont Inn & Suites	America`s Best Inn
Chase Suites	Best Western	Americas Best Value Inn
Clarion	Cabot Lodge	Budget Host
Comfort Inn	Candlewood Suites	Budget Suites of America
Comfort Suites	ClubHouse	Budgetel
Country Inn & Suites	Crossings by GrandStay	Country Hearth Inn
Doubletree Club	Crystal Inn	Crestwood Suites
Drury Inn	GrandStay Residential Suites	Crossland Suites
Drury Inn & Suites	Hawthorn Suites by Wyndham	Days Inn
Drury Lodge	Heartland Inn	Downtowner Inn
Drury Plaza Hotel	Howard Johnson	Econo Lodge
Drury Suites	InnSuites Hotel	Extended Stay America
Fairfield Inn	Lakeview	Extended Stay Deluxe
Golden Tulip	La Quinta Inn & Suites	E-Z 8
Hampton Inn	MainStay Suites	Family Inns of America
Hampton Inn & Suites	Oak Tree Inn	Good Nite Inn
Holiday Inn	Quality Inn	Great Western
Holiday Inn Express	Ramada	GuestHouse Inn
Holiday Inn Select	Red Lion	HomeGate
Home2 Suites by Hilton	Rode Inn	Homestead
Isle of Capri	Settle Inn	Home-Towne Suites
Key West Inns & Suites	Shilo Inn	Howard Johnson Express
Larkspur Landing	Signature Inn	Inns of America
Lexington	Sleep Inn	InTown Suites
Night	Vagabond Inn	Jameson Inn
OHANA	Vista	Key West Inn
Park Inn	Wingate by Wyndham	Knights Inn
Phoenix Inn		Lees Inn Of America
Ramada Plaza		Master Hosts Inns
Scanticon		Masters Inn
Silver Cloud		Microtel Inn
Sunspree Resorts		Motel 6
Tryp by Wyndham		National 9
TownePlace Suites		Passport Inn
Westmark		Pear Tree Inn
Wyndham Garden Hotel		Red Carpet Inn
Xanterra		Red Roof Inn
		Road Star Inn
		Rodeway Inn
		Savannah Suites
		Scottish Inn
		Select Inn
		Studio 6
		Studio Plus
		Suburban Extended Stay
		Sun Suites Extended Stay Hotel
		Super 8
		Travelodge
		Value Place
		Wellesley Inn
		Yotel