

Manhattan lodging index

Fourth quarter 2017



This Quarter:

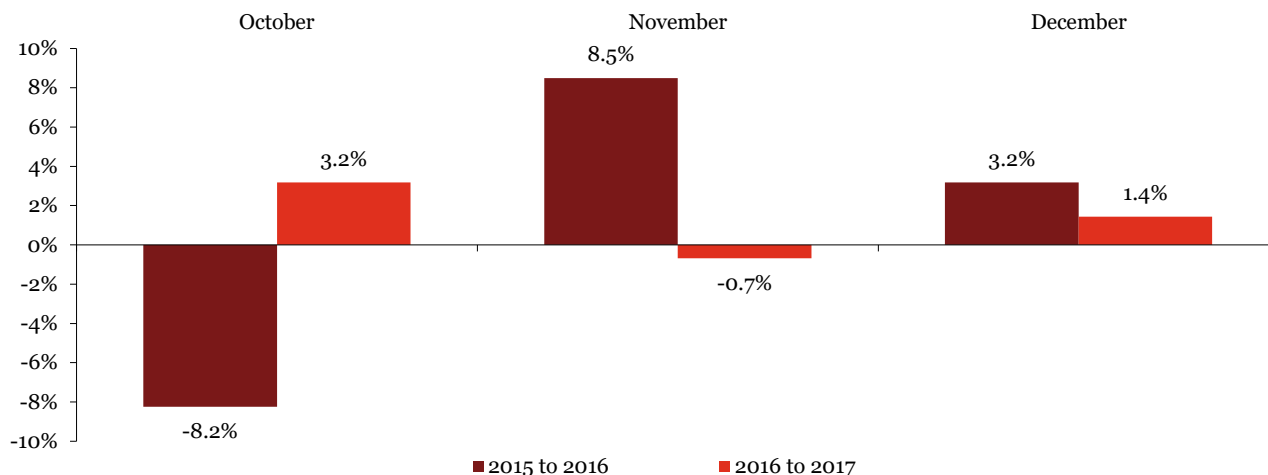
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Manhattan lodging overview

After ten quarters of continuous RevPAR declines, performance finally turned around in the fourth quarter of 2017. RevPAR increased 1.4 percent, driven entirely by resilient occupancy levels. While supply growth showed signs of deceleration, growth in average daily rate remained elusive.

Looking back through 2017, top line lodging performance in Manhattan was all about room night demand. Despite an increase in supply of 2.6 percent, lodging demand grew at a 3.7 percent rate, driving a second year of occupancy growth. However, maintaining pricing power proved challenging in the face of this new supply, resulting in a 1.6 percent decline in average daily rate (“ADR”). Overall, while revenue per available room (“RevPAR”) decreased 0.5 percent, this was a marked improvement from the 2.9 and 2.4 percent declines reported in 2015 and 2016, respectively.

Manhattan Q4 RevPAR Growth by Month



Source: PwC, based on STR data

In Q4, higher-priced hotels in the Luxury class reported sizeable increases in occupancy levels of 5.6 percent, although ADR remained flat. However, while RevPAR for Luxury hotels increased meaningfully in the quarter, it grew just 0.7 percent for the year. Upper Upscale hotels reported a moderate increase in occupancy, coupled with modest growth in ADR. For the year, these hotels grew RevPAR by 1.0 percent, the strongest performance of all of the classes. Upscale and Upper Midscale hotels reported mixed results. Hotels in the Upscale category grew occupancy at the expense of ADR in the quarter, resulting in a tepid increase in RevPAR of 0.1 percent. Conversely, hotels in the Upper Midscale category were the only class to report a decrease in occupancy, while also reporting the strongest increase in ADR, at 1.1 percent. For the year, RevPAR for Upscale hotels decreased 2.6 percent, while RevPAR for Upper Midscale hotels increased 0.2 percent.

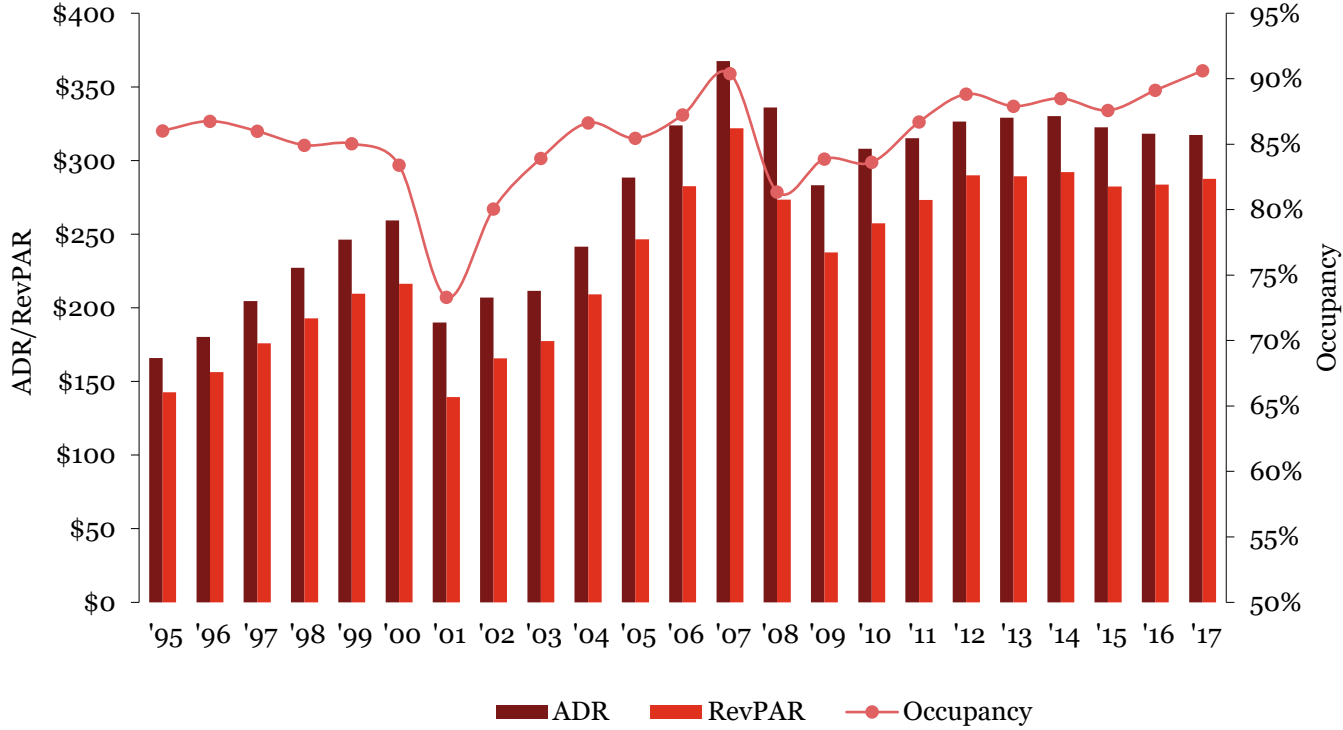
In the Q4, four of the five Manhattan submarkets reported increases in RevPAR, driven largely by increases in occupancy. Lower Manhattan performed the best, increasing RevPAR by 4.0 percent in the quarter, despite a 1.0 percent decline in ADR. Upper Manhattan was able to increase both occupancy and ADR levels, resulting in a 2.9 percent increase in RevPAR. Midtown West was the only submarket to experience a decline in RevPAR for the quarter, with occupancy levels decreasing 0.6 percent and ADR levels increasing only marginally, at 0.1 percent. Midtown East reported mixed results for occupancy and ADR, though RevPAR increased 2.0 percent. Midtown South saw a 1.7 percent increase in occupancy during the

quarter, coupled with a relatively flat ADR (up 0.1 percent). For the year, Upper Manhattan and Lower Manhattan increased RevPAR by 1.2 and 0.3 percent, respectively, supported entirely by increases in occupancy. The remaining submarkets recorded varying decreases in RevPAR. ADR was a consistent challenge for the Manhattan market, with all five submarkets recording declines in ADR ranging from 0.8 to 4.2 percent in 2017.

Both full-service and limited-service hotels grew RevPAR in Q4, unsurprisingly driven entirely by strength in occupancy. Full-service hotels reported a decrease in ADR of 0.4 percent, while limited-service hotels reported a decline of 0.2 percent. For the year, RevPAR for full-service hotels decreased by 0.7 percent, while limited-service hotels saw an increase of 0.6 percent.

In Q2 and Q3 of 2017, we noted that chain-affiliated hotels had outperformed against independent hotels, in a reversal of recent trending. However, in Q4, independent hotels once again outperformed chain-affiliated hotels, growing occupancy by 2.2 percent and ADR by 0.4 percent, for a resulting RevPAR increase of 2.6 percent. Chain-affiliated hotels were also able to grow occupancy, by 1.5 percent, though ADR decreased slightly, resulting in a RevPAR increase of 1.4 percent. For the year, performance growth metrics for chain-affiliated and independent hotels were nearly identical. Occupancy grew 1.0 and 1.1 percent, with ADR declining 1.2 and 1.1 percent, respectively. For 2017, RevPAR decreased 0.1 percent for chain-affiliated hotels and was flat for independent hotels.

Manhattan Q4 Performance, 23-Year Trend



Source: PwC, based on STR data

Employment Trends

The labor markets in New York City and the State improved moderately in the fourth quarter, with unemployment rates decreasing from the prior quarter and the same period last year. According to the New York State Department of Labor, New York City's seasonally-adjusted unemployment rate averaged 4.7 percent in Q4, a decrease of approximately 7.3 percent from the same period last year. New York State's seasonally-adjusted unemployment rate also averaged 4.7 percent during the quarter, a decrease of approximately 3.4 percent from the same period a year ago.

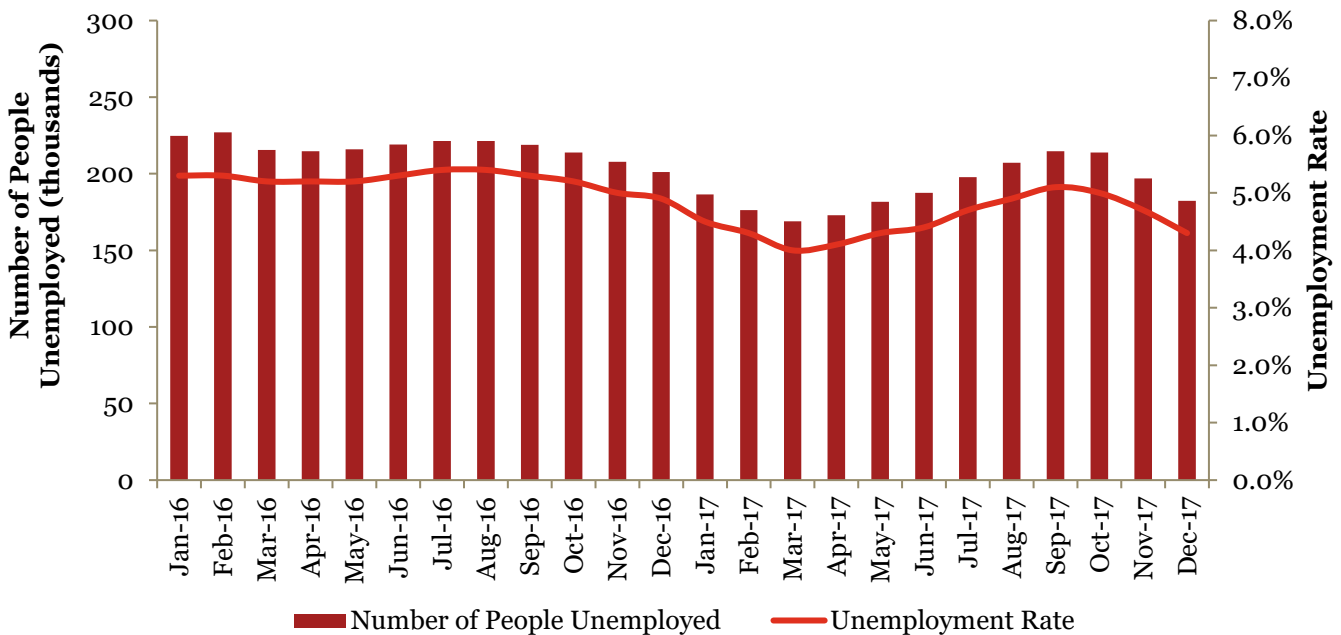
The overall US unemployment rate declined from 4.3 percent in the third quarter to 4.1 percent in Q4.

According to the New York State Department of Labor, for the twelve-month period ended December 2017, New York City's private sector employment increased by 65,200 or 1.7 percent, to 3,936,000.

During the period, job growth occurred in educational and health services, which added 23,500 jobs, professional and business services, which added 16,600 jobs, financial activities, which added 14,000 jobs, natural resources, mining and construction, which added 10,100 jobs, leisure and hospitality, which added 9,400 jobs, and other services which added 4,700 jobs.

Job losses occurred in information, which lost 7,000 jobs, trade, transportation and utilities, which shed 5,700 jobs, and manufacturing, which lost 400 jobs.

New York City Unemployment for the 24-Month Period Ended December 2017



Source: New York State Department of Labor

Gross Metro Product and Consumer Price Index

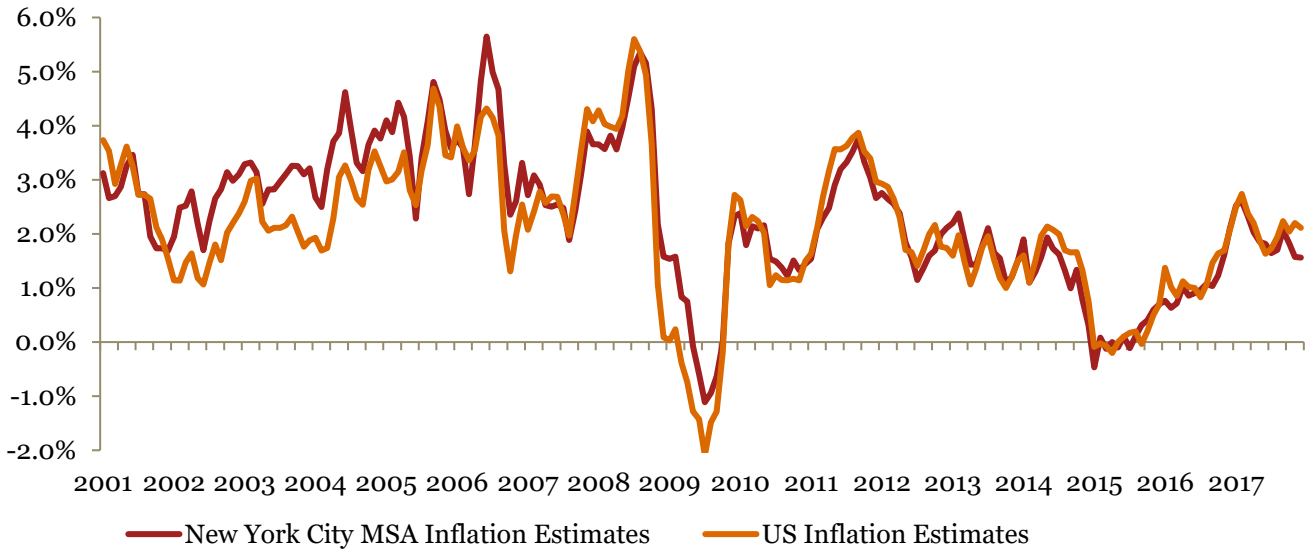
As expected, U.S. economic growth decelerated slightly in Q4. According to the advance estimate released by the Bureau of Economic Analysis, U.S. real gross domestic product ("GDP") increased at a seasonally-adjusted, annualized rate of 2.6 percent, compared to a 3.2 percent increase in the third quarter. This increase was driven by positive contributions from personal consumption expenditures (PCE), nonresidential fixed investment, exports, residential fixed investment, state and local government spending, and federal

government spending, but partially offset by a negative contribution from private inventory investment. Imports, which are a subtraction in the calculation of GDP, increased.

At the local level, the gross metro product is expected to increase by 1.7 percent in 2017 and 2.3 percent 2018, according to Moody's Economy.com November 2017 forecast.

New York City's consumer price index ("CPI") increased by an average of 1.7 percent during the fourth quarter, compared to 2.1 percent nationally.

Consumer Price Index



Source: Bureau of Labor Statistics

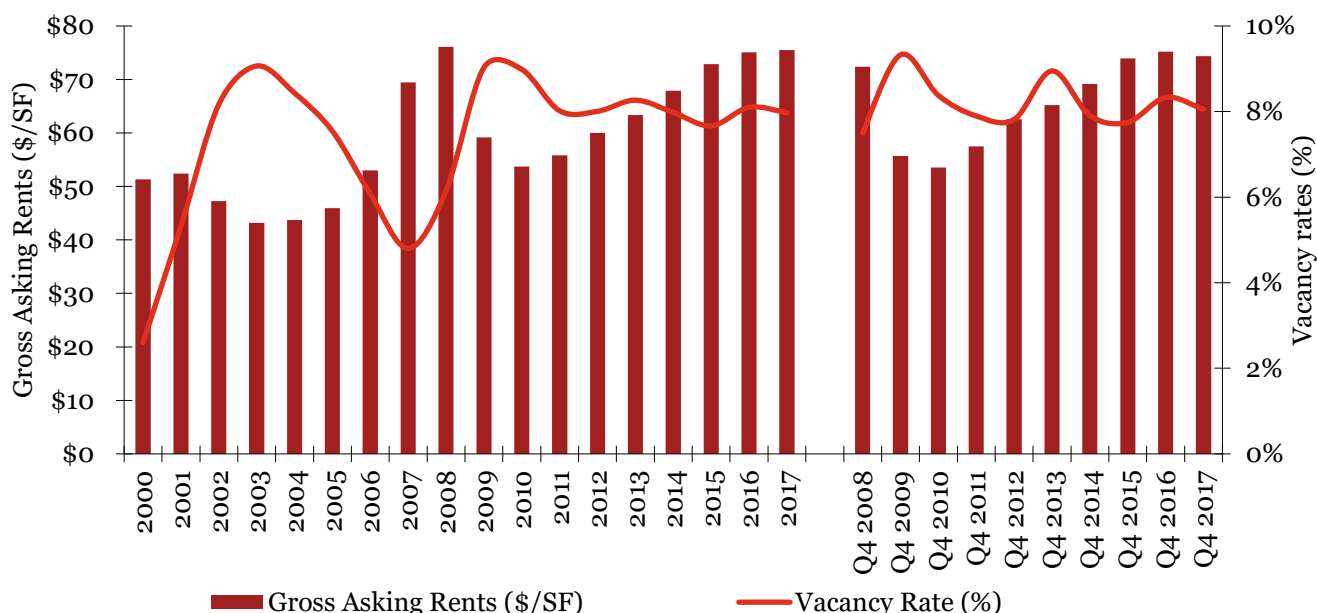
Office Market Statistics

Office market performance improved slightly from year-ago levels, while remaining largely static from the prior quarter. Overall vacancy rates, at 8.1 percent, increased slightly from last quarter but dropped 3.3 percent from year-ago levels, driven by a drop in vacancy rates in Downtown Manhattan. Gross asking rents decreased slightly from year-ago levels, falling 1.1 percent, to \$74.36 per square foot.

During Q4, vacancy in the Downtown submarket increased to 8.2 percent, a decrease of 13.7 percent from year-ago levels. Conversely, vacancy in the Midtown submarket rose to 8.0 percent in Q4, an increase of 1.3 percent compared to year-ago levels.

Gross asking rents in the Downtown submarket decreased 1.8 percent on a year-over-year basis, to \$57.41 per square foot. In the Midtown submarket, gross asking rents decreased 0.9 percent from Q4 2016, to \$80.60 per square foot.

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 in the fourth quarter. These transactions are noted in the table below.

Tenant	Address	SF	Transaction Type
Ernst & Young	One Manhattan West	675,062	New Lease
Sidley Austin	787 Seventh Avenue	347,672	Renewal
Bank of America	1100 Avenue of the Americas	343,026	New Lease

Source: Cushman & Wakefield

There were several notable office transactions during the fourth quarter, according to Real Capital Analytics.

The largest transaction of the quarter was the December sale of One Astor Plaza at 1515 Broadway. SL

Green sold the 1.75 million square-foot property to Allianz RE of America for approximately \$1.97 billion, or roughly \$1,123 per square foot.

In October, New York REIT sold the approximately 2.05 million square-foot, 100 percent occupied Worldwide Plaza at 825 Eighth Avenue to RXR Realty and SL Green, for \$1.725 billion, or \$839 per square foot.

The largest building to change hands in the fourth quarter was the 2.35 million square-foot One Liberty Plaza, located at 165 Broadway. Blackstone paid approximately \$1.53 billion, or roughly \$651 per square foot, from Brookfield Property Partners.

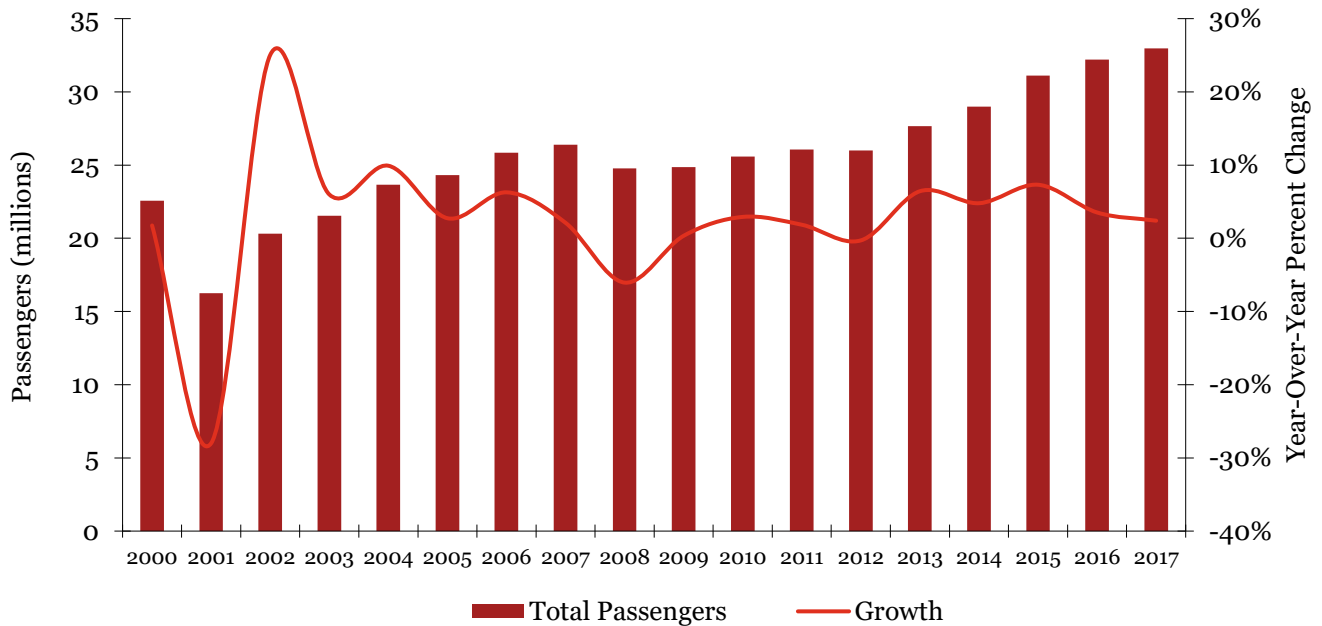
Air Traffic Statistics

Air traffic levels during the fourth quarter increased approximately 2.4 percent from year-ago levels. The three major New York metropolitan airports - Newark Liberty International Airport, LaGuardia International Airport and John F. Kennedy International Airport - combined to serve approximately 32.9 million passengers during the Q4, an increase of approximately 772,000 passengers from the same period a year ago.

International passenger traffic increased approximately 3.0 percent to a level of approximately 11.2 million passengers, compared to approximately 10.9 million passengers during the same period last year. Similarly, domestic passenger traffic increased 2.1 percent to a level of approximately 22.0 million passengers.

The following chart displays passenger traffic and growth data for the fourth quarter over the past eighteen years.

Q4 Passenger Traffic



Source: Port Authority of New York and New Jersey

Recent Manhattan Hotel Transactions

Hotel transaction volume maintained its brisk pace in Q4, with an additional six sales reported. After just two sales during the first half of the year, thirteen have occurred in the second half.

In October, the Standard Highline NYC was sold by a joint venture consisting of Dune Capital Management, Andre Balazs Properties, and Greenfield Partners, for approximately \$340M, or roughly \$1M per key. Gaw Capital was the buyer. In November, Gemini Real Estate sold the 78-room Times Square Comfort Inn for approximately \$27.2M to ABC Properties. Also in November, the 100-room Smyth Hotel was sold by Walton Street Capital and Tribeca Associates for

approximately \$72.3M. A joint venture of Korman Communities, Shorewood Realty, Prodigy Network, and the Vanbarton Group was the buyer.

Three transactions occurred in December. Prudential Real Estate Investors sold the 114-room James for approximately \$66.0M to Thor Equities. A joint venture of Centurion Realty, Douglaston Development, and WSA Management sold the 249-room Royalton Park Avenue to a joint venture of Highgate Holdings and GreenOak for approximately \$200M, or \$803,213 per room. Lastly, the Comfort Inn Midtown West was bought by Sam Chang for approximately \$29.2M from M&R Management.

These transactions are displayed in the following table:

Transaction Date	Hotel Name	Rooms	Transaction Price	Price Per Room
Oct-17	The Standard Highline NYC	338	\$ 340,000,000	\$ 1,005,917
Nov-17	Times Square Comfort Inn	78	\$ 27,200,000	\$ 348,718
Nov-17	Smyth Hotel	100	\$ 72,226,000	\$ 722,260
Dec-17	The James	114	\$ 66,025,000	\$ 579,617
Dec-17	Royalton Park Avenue	249	\$ 200,000,000	\$ 803,213
Dec-17	Comfort Inn Midtown West	88	\$ 29,168,079	\$ 331,455

Source: Real Capital Analytics

Recent and Planned Hotel Openings/Closings

Seven hotels have opened in Manhattan since our third quarter report was published. In October, the 190-key Mondrian Park Avenue opened at 444 Park Avenue, a 250-key Crowne Plaza opened at 320 West 36th Street, and the 88-room Allen Hotel at 88 Allen Street. In

November, a 250-room Hilton Garden Inn opened at 326 West 37th Street. The last hotel to open in 2017, a 192-room Fairfield Inn & Suites by Marriott, opened at 100 Greenwich Street in December.

Two hotels opened in January 2018; the Pod Times Square Hotel at 400 W 42nd Street, and the 310-unit Embassy Suites by Hilton New York Midtown Manhattan at 600 W 37th St.

2018

Property	Location	Neighborhood	Owner/Developer	Anticipated Opening/Closing	Rooms
Assemblage Extended Stay Hotel	17 John St	Lower Manhattan	17 John Street Property Owner LLC	Mar-18	106
AC Hotel New York Times Square	260 W 40th St	Midtown West	OTO Development	Mar-18	290
Park Terrace Hotel	18 W 40th St	Midtown West	Masterworks Development Corp and South BP Associates LLC	Apr-18	230
Hotel Noy	310 W 40th St	Midtown West	310 Group LLC	May-18	287
TownePlace Suites	324 W 44th St	Midtown West	M&R Hotel Management	May-18	112
The Arzezen Hotel	24 John St	Lower Manhattan	Westbury Realty Associates LLC	Jun-18	89
Times Square Edition	701 7th Ave	Midtown West	Ian Schragar Company	Jun-18	452
Walker Hotel Tribeca	396 Broadway	Lower Manhattan	Bridgeton Holdings	Jun-18	170
CitizenM on Bowery	185 Bowery	Lower Manhattan	OSIB-BCRE	Jun-18	300
Unnamed Hotel	11 Stone St	Lower Manhattan	Premier Emerald LLC	Jun-18	143
MOXY NYC NoMad	105 W 28th St	Midtown South	The Lightstone Group	Jun-18	349
aloft New York Midtown	25 W 38th St	Midtown West	Fortuna Fifth Ave LLC	Jul-18	176
AC Hotel by Marriott	151 Maiden Lane	Lower Manhattan	151 Maiden Lane LLC	Jul-18	274
MOXY NYC Downtown	24-26 Ann St	Lower Manhattan	143 Fulton Street Dev. Owner LLC	Jul-18	298
Hyatt Centric	16 E 39th St	Midtown East	M&R Hotel Management	Jul-18	164
Renaissance Hotel	112 W 25th St	Midtown South	Lam Generation	Jul-18	330
Unnamed Hotel	139 Orchard St	Lower Manhattan	Fortuna Realty Group, Elk Investors	Aug-18	105
Unnamed Hotel	333 W 38th St	Midtown West	Optima Real Estate LLC	Aug-18	79
Residence Inn by Marriott	215 Pearl St	Lower Manhattan	The Lam Group	Sep-18	120
Courtyard by Marriott	215 Pearl St	Lower Manhattan	The Lam Group	Sep-18	200
Unnamed Hotel	138 Bowery St	Lower Manhattan	Emmut Properties	Sep-18	46
SpringHill Suites & Fairfield Inn	338 W 36th St	Midtown West	M&R Hotel Management	Oct-18	566
Sister City	225 Bowery	Lower Manhattan	David Samuel PAZ RA	Oct-18	200
Courtyard by Marriott	461 W 34th St	Midtown West	34-10 Development LLC	Oct-18	399
MOXY NYC East Village	112 E 11th St	Lower Manhattan	The Lightstone Group	Dec-18	311

2019

Property	Location	Neighborhood	Owner/Developer	Anticipated Opening/Closing	Rooms
aloft New York Chelsea North	450 11th Ave	Midtown West	Marx Development Group	Jan-19	438
Virgin Hotel	1225-1227 Broadway	Midtown South	The Lam Group	Jan-19	460
Hyatt Place	350 W 39th St	Midtown West	NDBPW 44 LLC	Jan-19	518
The Draper	4 W 37th St	Midtown West	4 West 37 th Street LLC	Feb-19	120
Hard Rock Hotel	153 W 48th St	Midtown West	Extell Development Co	Apr-19	445
Best Western	88 Walker St	Lower Manhattan	88 City Development LLC	Apr-19	61
Renaissance	233 -237 W 125th St	Uptown	Danforth Development Partners LLC	Jun-19	210
Unnamed Hotel	12 E 48th St	Midtown East	Hidrocks Realty Inc.	Jun-19	161
Six Senses Hotel	76 11th Ave	Midtown South	HFZ Capital	Jun-19	137
The Pestana CR7 New York Hotel	338 W 39th St	Midtown West	CBCS 39 LLC	Jun-19	176
Unnamed Hotel	111 E 24th St	Midtown South	338 West LLC	Jun-19	120
Equinox Hotel	560 W 33rd St	Midtown South	The Related Companies	Jul-19	223
Unnamed Hotel	525 8th Ave	Midtown West	LSCH LLC	Jul-19	252
Battery Maritime Building Hotel	10 South St	Lower Manhattan	Dermot BMB LLC c/o Dermot Co Inc.	Aug-19	61
Central Park Tower	217 W 57th St	Midtown West	Extell Development Co	Sep-19	433
Unnamed Hotel	255 W 34th St	Midtown West	North True Construction Management LLC	Sep-19	300
TownPlace Suites & SpringHill Suites	140 W 28th St	Midtown South	McSam Hotel Group	Sep-19	526
Howard Johnson	11 W 37th St	Midtown West	HKONY West 37 LLC	Sep-19	68
Unnamed Hotel	351 W 38th St	Midtown West	Quadrum Global	Oct-19	353
Hotel Indigo	120 Water St	Lower Manhattan	NY Times Square Hotel Group, LLC	Oct-19	122
Pestana Hotel	23 E 39th St	Midtown East	SLC2 Holdings LLC	Oct-19	96
Unnamed Hotel	16 E 30th St	Midtown South	16-18 East 30th Street LLC	Dec-19	36

2020, 2021, and Hotels in Permitting and Planning

Property	Location	Neighborhood	Owner/Developer	Anticipated Opening/ Closing	Rooms
Hotel Indigo NYC Financial District	10 Maiden Lane	Lower Manhattan	10-12 MLane LLC	Jan-20	192
Unnamed Hotel	265 Broadway	Lower Manhattan	Roe Corporation	Jan-20	109
Aman Hotel	730 Fifth Avenue	Midtown West	OKO Group	Jun-20	83
Unnamed Hotel	456 Greenwich St	Lower Manhattan	CBCS Washington Street LP	Jun-20	96
Unnamed Hotel	305 W 48th St	Midtown West	Bright Management	Jun-20	211
Unnamed Hotel	1150 Avenue of the Americas	Midtown West	Fortuna Realty Group	Jan-21	310
Ritz-Carlton Hotel	1185 Broadway	Midtown South	Flag Luxury Properties	Jun-21	164
Margaritaville Hotel	560 7th Ave	Midtown West	Soho Properties	N/A	N/A
Prime Hotel	17 W 24th St	Midtown South	Prime Hotel Management LLC	N/A	68
aloft Manhattan	50 Trinity Place	Lower Manhattan	Fit Investment Corporation	N/A	173
Restoration Hardware Hotel	55 Gansevoort	Lower Manhattan	Delshah Capital	N/A	14
Unnamed Hotel	360 10th Ave	Midtown South	McCourt Group	N/A	N/A
Unnamed Hotel	292 5th Ave	Midtown South	DDG	N/A	142
Unnamed Hotel	250 5th Ave	Midtown South	Cosmic Realty Partners LLC	N/A	188
Unnamed Hotel	520 5th Ave	Midtown West	Ceruzzi Properties Inc.	N/A	208
Unnamed Hotel	710 3rd Ave	Midtown East	710 Third Partners LLC	N/A	96
Unnamed Hotel	341 Madison Ave	Midtown East	Cushman & Wakefield	N/A	N/A
James Farley Post Office	421 W 8th Ave	Midtown South	Moynihan Station Development Corporation	N/A	N/A
Unnamed Hotel	3-11 W 29th St	Midtown South	HFZ 344 West 72nd Street Owner	N/A	349
AC Hotel by Marriott	432 W 31st St	Midtown South	Concord Hospitality	N/A	220
Comfort Inn/Days Inn	337 W 36th St	Midtown West	NDBPW 44 LLC	N/A	89
Unnamed Hotel	451 10th Ave	Midtown West	Spitzer Enterprises	N/A	362
Unnamed Hotel	1162 Broadway	Midtown South	1162 Broadway LLC	N/A	52
Unnamed Hotel	20 W 15th St	Midtown South	NMR Realty LLC	N/A	30
Unnamed Hotel	244 W 49th St	Midtown West	250 West 49 Associates LLC	N/A	246
Hudson Rise Hotel	468 11th Ave	Midtown West	Bifrost LLC	N/A	242
Unnamed Hotel	31 W 57th St	Midtown West	Lefrak Organization	N/A	271
Unnamed Hotel	319 W 38th St	Midtown West	319 West 38th Street LLC	N/A	142
Unnamed Hotel	306-308 W 40th St	Midtown West	Checkmate Capital, Imperium Financial Group	N/A	120
Unnamed Hotel	137 Centre St	Lower Manhattan	NYC Economic Development Corporation	N/A	N/A
Unnamed Hotel	876 6th Ave	Midtown South	Pinky Realty LLC	N/A	37
Unnamed Hotel	80 South St - 163 Front St	Lower Manhattan	China Oceanwide Holdings LTD	N/A	716
Unnamed Hotel	1710 Broadway	Midtown West	C & K Properties	N/A	306
Unnamed Hotel	550 Washington St	Lower Manhattan	Westbrook Partners	N/A	1586
Unnamed Hotel	79 Eldridge St	Lower Manhattan	Southern Blvd Hotel LLC	N/A	38
Unnamed Hotel	144 Barrow St	Lower Manhattan	144-150 Barrow St LLC	N/A	16
Unnamed Hotel	317-319 W 35th St	Midtown West	H 317-319 LLC	N/A	170
Unnamed Hotel	145-155 W 47th St	Midtown West	Tribeach Holdings	N/A	343
Unnamed Hotel	132 W 28th St	Midtown South	28th Street Properties LLC	N/A	203
Unnamed Hotel	6-22 W 57th St	Midtown West	Solow Management Corporation	N/A	162
Unnamed Hotel	30 W 39th St	Midtown West	Fortuna Realty Group	N/A	299
Unnamed Hotel	140 W 24th St	Midtown South	142 West 24th St LLC	N/A	508

2020, 2021, and Hotels in Permitting and Planning (continued)

Property	Location	Neighborhood	Owner/Developer	Anticipated Opening/ Closing	Rooms
Unnamed Hotel	157 W 24th St	Midtown South	157 West 24th St Lodging LLC	N/A	77
Unnamed Hotel	842 6th Ave	Midtown South	842 Enterprises Inc.	N/A	168

Source: PwC, based on CBRE Econometric Advisors data, and news reports

Fourth Quarter 2017 Manhattan Lodging Index

All Manhattan

	Occupancy				ADR				RevPAR				December YTD		
	Oct	Nov	Dec	4Q	Oct	Nov	Dec	4Q	Oct	Nov	Dec	4Q	Occ	ADR	RevPAR
2016 Market Average	89.7%	89.0%	88.6%	89.1%	\$323.57	\$306.05	\$324.91	\$318.30	\$290.37	\$272.45	\$287.80	\$283.65	86.6%	\$278.61	\$241.41
2017 Market Average	91.8%	89.6%	90.4%	90.6%	\$326.33	\$302.12	\$322.78	\$317.33	\$299.59	\$270.60	\$291.94	\$287.55	87.6%	\$274.28	\$240.18
	% Change from 2016				% Change from 2016				% Change from 2016				% Change from 2016		
Market Average	2.3%	0.6%	2.1%	1.7%	0.9%	-1.3%	-0.7%	-0.3%	3.2%	-0.7%	1.4%	1.4%	1.1%	-1.6%	-0.5%

By Class

	Occupancy				ADR				RevPAR				December YTD		
	Oct	Nov	Dec	4Q	Oct	Nov	Dec	4Q	Oct	Nov	Dec	4Q	Occ	ADR	RevPAR
Luxury - 2016	82.1%	82.2%	81.6%	82.0%	\$514.12	\$511.10	\$537.47	\$520.96	\$422.14	\$419.98	\$438.53	\$426.96	79.8%	\$455.13	\$363.19
Luxury - 2017	87.6%	85.9%	86.1%	86.5%	\$519.91	\$508.33	\$534.46	\$521.04	\$455.34	\$436.78	\$460.00	\$450.86	81.4%	\$449.25	\$365.58
Upper Upscale - 2016	89.8%	89.9%	89.0%	89.6%	\$324.75	\$312.24	\$329.25	\$322.16	\$291.55	\$280.82	\$293.06	\$288.56	86.1%	\$283.51	\$244.16
Upper Upscale - 2017	91.9%	90.2%	90.7%	91.0%	\$332.03	\$311.58	\$326.30	\$323.49	\$305.12	\$281.10	\$296.07	\$294.24	87.2%	\$282.71	\$246.49
Upscale - 2016	93.3%	91.5%	90.8%	91.9%	\$273.15	\$249.48	\$267.64	\$263.60	\$254.95	\$228.38	\$243.14	\$242.26	90.3%	\$231.28	\$208.73
Upscale - 2017	93.6%	91.3%	92.4%	92.4%	\$273.87	\$243.10	\$268.76	\$262.24	\$256.27	\$221.96	\$248.28	\$242.39	90.3%	\$225.33	\$203.38
Upper Midscale - 2016	92.5%	92.4%	92.7%	92.5%	\$242.46	\$214.84	\$231.01	\$229.60	\$224.22	\$198.47	\$214.21	\$212.45	90.1%	\$201.93	\$181.88
Upper Midscale - 2017	92.2%	89.2%	91.3%	90.9%	\$244.65	\$214.78	\$236.25	\$232.19	\$225.46	\$191.61	\$215.71	\$211.07	90.4%	\$201.53	\$182.16
	% Change from 2016				% Change from 2016				% Change from 2016				% Change from 2016		
Luxury	6.7%	4.6%	5.5%	5.6%	1.1%	-0.5%	-0.6%	0.0%	7.9%	4.0%	4.9%	5.6%	2.0%	-1.3%	0.7%
Upper Upscale	2.4%	0.3%	1.9%	1.5%	2.2%	-0.2%	-0.9%	0.4%	4.7%	0.1%	1.0%	2.0%	1.2%	-0.3%	1.0%
Upscale	0.3%	-0.3%	1.7%	0.6%	0.3%	-2.6%	0.4%	-0.5%	0.5%	-2.8%	2.1%	0.1%	0.0%	-2.6%	-2.6%
Upper Midscale	-0.3%	-3.4%	-1.5%	-1.8%	0.9%	0.0%	2.3%	1.1%	0.6%	-3.5%	0.7%	-0.6%	0.4%	-0.2%	0.2%

By Neighborhood

	Occupancy				ADR				RevPAR				December YTD		
	Oct	Nov	Dec	4Q	Oct	Nov	Dec	4Q	Oct	Nov	Dec	4Q	Occ	ADR	RevPAR
Upper Manhattan - 2016	86.5%	83.2%	84.5%	84.7%	\$439.09	\$431.88	\$436.85	\$436.03	\$379.70	\$359.33	\$368.94	\$369.43	81.5%	\$372.50	\$303.49
Upper Manhattan - 2017	89.3%	84.5%	85.1%	86.3%	\$444.99	\$440.11	\$436.29	\$440.54	\$397.45	\$372.05	\$371.07	\$380.28	83.5%	\$367.77	\$307.25
Midtown West - 2016	92.6%	92.7%	93.1%	92.8%	\$315.17	\$300.92	\$327.96	\$314.86	\$291.78	\$278.95	\$305.41	\$292.20	90.0%	\$271.99	\$244.92
Midtown West - 2017	92.6%	91.4%	92.7%	92.3%	\$317.17	\$297.45	\$329.97	\$315.13	\$293.83	\$271.98	\$305.87	\$290.76	89.9%	\$268.38	\$241.22
Midtown East - 2016	87.0%	87.5%	87.4%	87.3%	\$343.20	\$330.26	\$345.36	\$339.72	\$298.43	\$288.83	\$301.77	\$296.45	83.7%	\$299.27	\$250.54
Midtown East - 2017	91.8%	89.6%	91.1%	90.8%	\$341.48	\$319.06	\$337.63	\$332.97	\$313.36	\$285.82	\$307.43	\$302.38	86.5%	\$286.79	\$248.07
Midtown South - 2016	91.4%	88.9%	87.1%	89.1%	\$280.56	\$254.97	\$266.03	\$267.36	\$256.38	\$226.72	\$231.67	\$238.26	87.5%	\$239.19	\$209.27
Midtown South - 2017	92.0%	90.0%	89.6%	90.5%	\$285.45	\$250.19	\$266.53	\$267.71	\$262.55	\$225.14	\$238.80	\$242.35	87.1%	\$237.18	\$206.50
Lower Manhattan - 2016	86.0%	84.0%	81.1%	83.7%	\$337.68	\$309.98	\$311.80	\$320.02	\$290.29	\$260.35	\$253.02	\$267.79	83.2%	\$290.33	\$241.53
Lower Manhattan - 2017	90.6%	86.2%	86.8%	87.9%	\$340.10	\$305.18	\$303.76	\$316.73	\$308.28	\$263.12	\$263.80	\$278.43	85.2%	\$284.51	\$242.35
	% Change from 2016				% Change from 2016				% Change from 2016				% Change from 2016		
Upper Manhattan	3.3%	1.6%	0.7%	1.9%	1.3%	1.9%	-0.1%	1.0%	4.7%	3.5%	0.6%	2.9%	2.5%	-1.3%	1.2%
Midtown West	0.1%	-1.4%	-0.5%	-0.6%	0.6%	-1.2%	0.6%	0.1%	0.7%	-2.5%	0.2%	-0.5%	-0.2%	-1.3%	-1.5%
Midtown East	5.5%	2.4%	4.2%	4.1%	-0.5%	-3.4%	-2.2%	-2.0%	5.0%	-1.0%	1.9%	2.0%	3.3%	-4.2%	-1.0%
Midtown South	0.7%	1.2%	2.9%	1.6%	1.7%	-1.9%	0.2%	0.1%	2.4%	-0.7%	3.1%	1.7%	-0.5%	-0.8%	-1.3%
Lower Manhattan	5.4%	2.7%	7.0%	5.1%	0.7%	-1.5%	-2.6%	-1.0%	6.2%	1.1%	4.3%	4.0%	2.4%	-2.0%	0.3%

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

By Service

	Occupancy				ADR				RevPAR				December YTD		
	Oct	Nov	Dec	4Q	Oct	Nov	Dec	4Q	Oct	Nov	Dec	4Q	Occ	ADR	RevPAR
Full Service - 2016	89.7%	89.4%	88.8%	89.3%	\$334.34	\$318.33	\$339.27	\$330.77	\$299.83	\$284.53	\$301.26	\$295.32	86.6%	\$289.17	\$250.40
Full Service - 2017	91.6%	89.8%	90.6%	90.7%	\$337.22	\$314.30	\$336.29	\$329.50	\$308.74	\$282.31	\$304.79	\$298.79	87.3%	\$284.74	\$248.60
Limited Service - 2016	90.0%	87.6%	87.7%	88.4%	\$279.28	\$254.97	\$265.67	\$266.81	\$251.36	\$223.26	\$232.98	\$235.91	86.9%	\$235.52	\$204.61
Limited Service - 2017	92.9%	88.5%	89.7%	90.3%	\$281.09	\$250.54	\$265.80	\$266.17	\$261.01	\$221.72	\$238.31	\$240.48	88.6%	\$232.35	\$205.90
	% Change from 2016				% Change from 2016				% Change from 2016				% Change from 2016		
Full Service	2.1%	0.5%	2.1%	1.6%	0.9%	-1.3%	-0.9%	-0.4%	3.0%	-0.8%	1.2%	1.2%	0.8%	-1.5%	-0.7%
Limited Service	3.2%	1.1%	2.2%	2.2%	0.6%	-1.7%	0.0%	-0.2%	3.8%	-0.7%	2.3%	1.9%	2.0%	-1.3%	0.6%

By Affiliation

	Occupancy				ADR				RevPAR				December YTD		
	Oct	Nov	Dec	4Q	Oct	Nov	Dec	4Q	Oct	Nov	Dec	4Q	Occ	ADR	RevPAR
Chain Affiliated - 2016	89.5%	89.7%	89.5%	89.5%	\$335.60	\$320.82	\$340.72	\$332.50	\$300.24	\$287.64	\$304.84	\$297.69	87.2%	\$290.76	\$253.61
Chain Affiliated - 2017	91.5%	89.9%	91.1%	90.9%	\$339.59	\$316.85	\$339.30	\$332.15	\$310.75	\$284.80	\$309.21	\$301.76	88.1%	\$287.41	\$253.24
Independent - 2016	90.2%	87.9%	86.9%	88.3%	\$302.45	\$278.98	\$295.91	\$292.64	\$272.67	\$245.36	\$257.21	\$258.51	85.9%	\$256.55	\$220.28
Independent - 2017	92.3%	89.1%	89.4%	90.2%	\$305.70	\$278.71	\$296.25	\$293.86	\$282.09	\$248.22	\$264.74	\$265.20	86.8%	\$253.76	\$220.23
	% Change from 2016				% Change from 2016				% Change from 2016				% Change from 2016		
Chain Affiliated	2.3%	0.3%	1.9%	1.5%	1.2%	-1.2%	-0.4%	-0.1%	3.5%	-1.0%	1.4%	1.4%	1.0%	-1.2%	-0.1%
Independent	2.4%	1.3%	2.8%	2.2%	1.1%	-0.1%	0.1%	0.4%	3.5%	1.2%	2.9%	2.6%	1.1%	-1.1%	0.0%

Source: PwC, based on STR data

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Further reading



Hospitality Directions US

January 2018

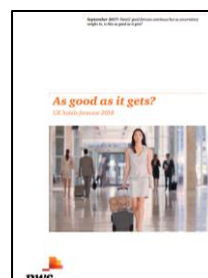
PwC's updated outlook anticipates that in 2018, moderate growth in ADR, paired a slight increase in occupancy levels, will drive the ninth consecutive year of RevPAR growth



Emerging Trends in Real Estate - US and Canada

2018

Now in its 39th year, Emerging Trends in Real Estate is one of the oldest, most highly regarded annual industry outlooks for the real estate and land use industry.



UK Hotels Forecast 2018

The good fortune of the hotel sector continues but as uncertainty weighs in, is this as good as it gets? UK hotels have enjoyed record trading, underpinned by the boom in overseas leisure travel. PwC forecasts a slower pace of growth in 2018 as the stimulus of the weak pound starts to weaken, and new supply kicks in.

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