



connecting **THE** dots

WITH **ALHI**



Michael Dominguez
President & CEO - ALHI |
Meetings|Event |Travel |Hospit...



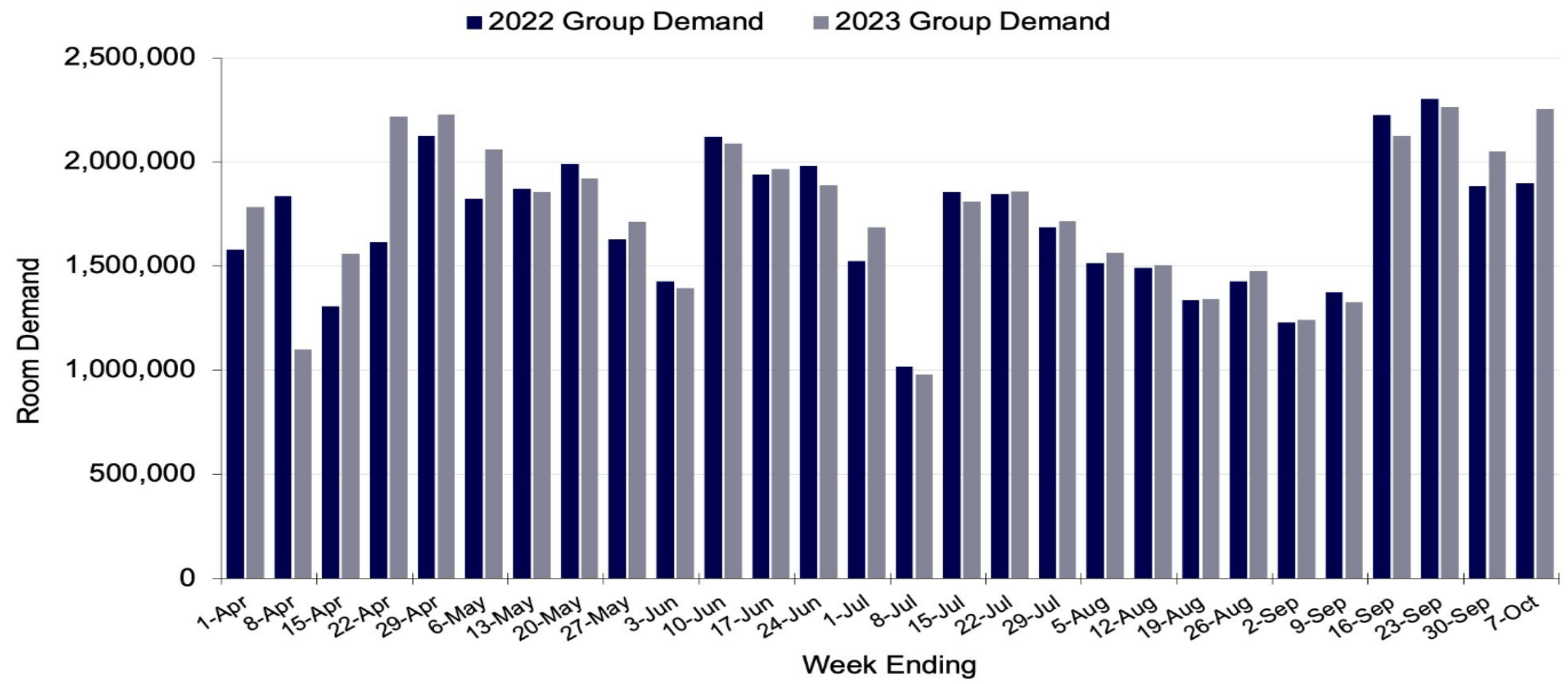


US Hotel Industry



Group Demand Strengthening

US Weekly Segmented Room Demand, Luxury and Upper Upscale Classes



Source: CoStar, October 2023

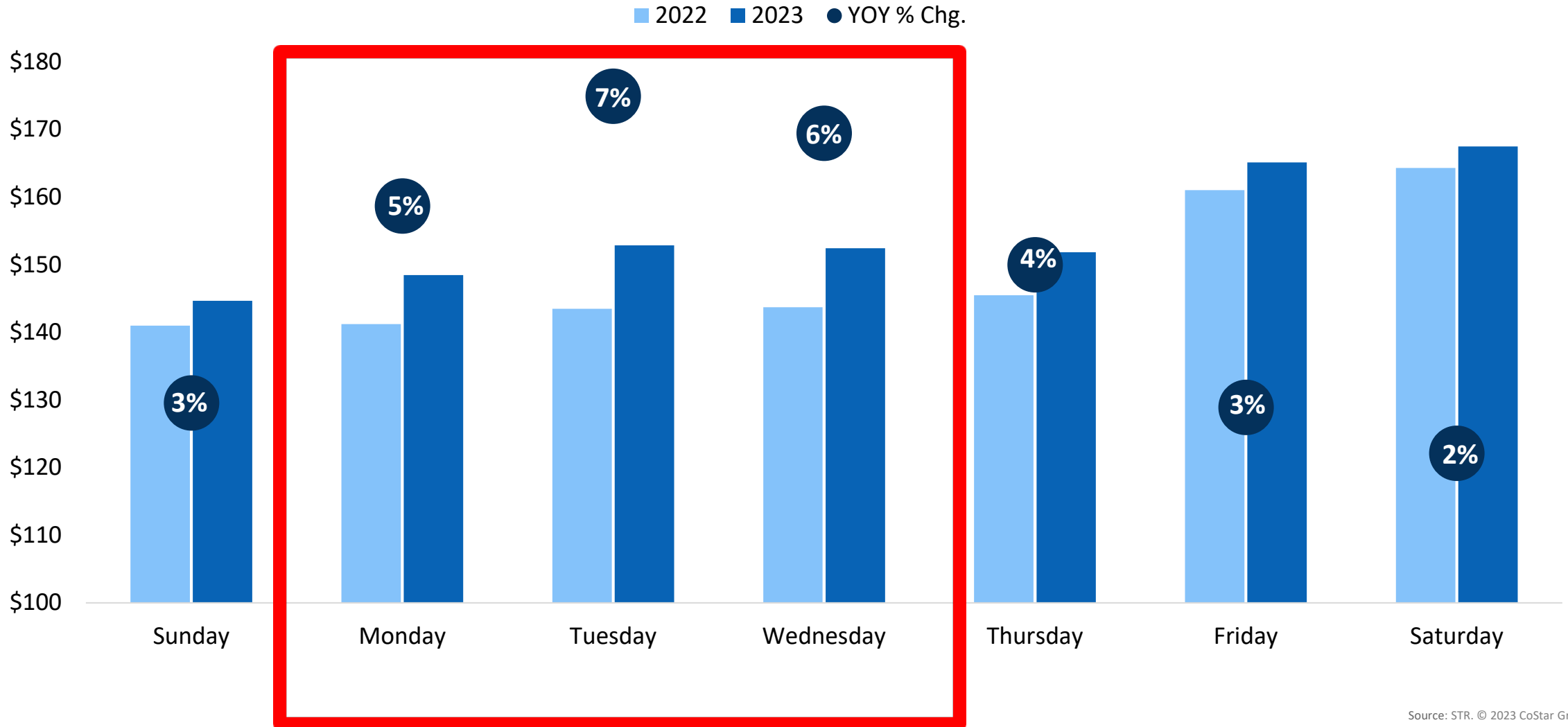
Weekdays are coming back!

US, average daily occ, Apr 2022 and 2023



Rates grew across all DOW

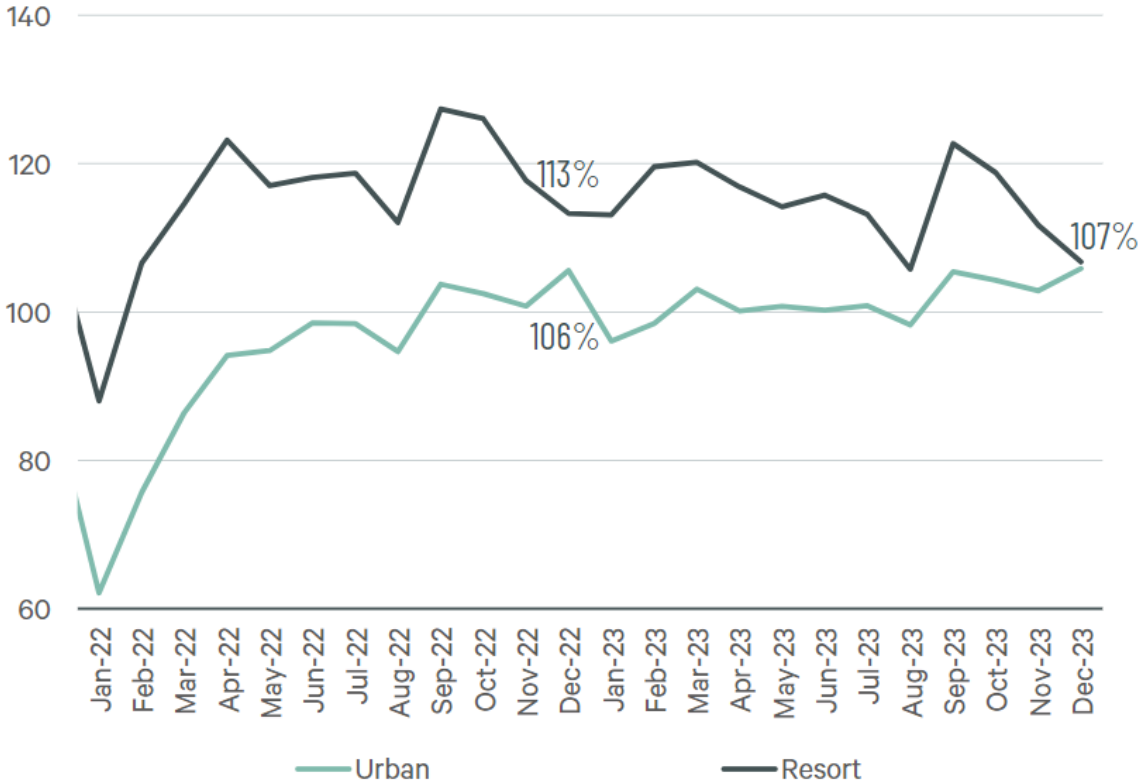
US, ADR, Apr 2022 and 2023



Resorts continued to decline but Urban locations grew as trends converge

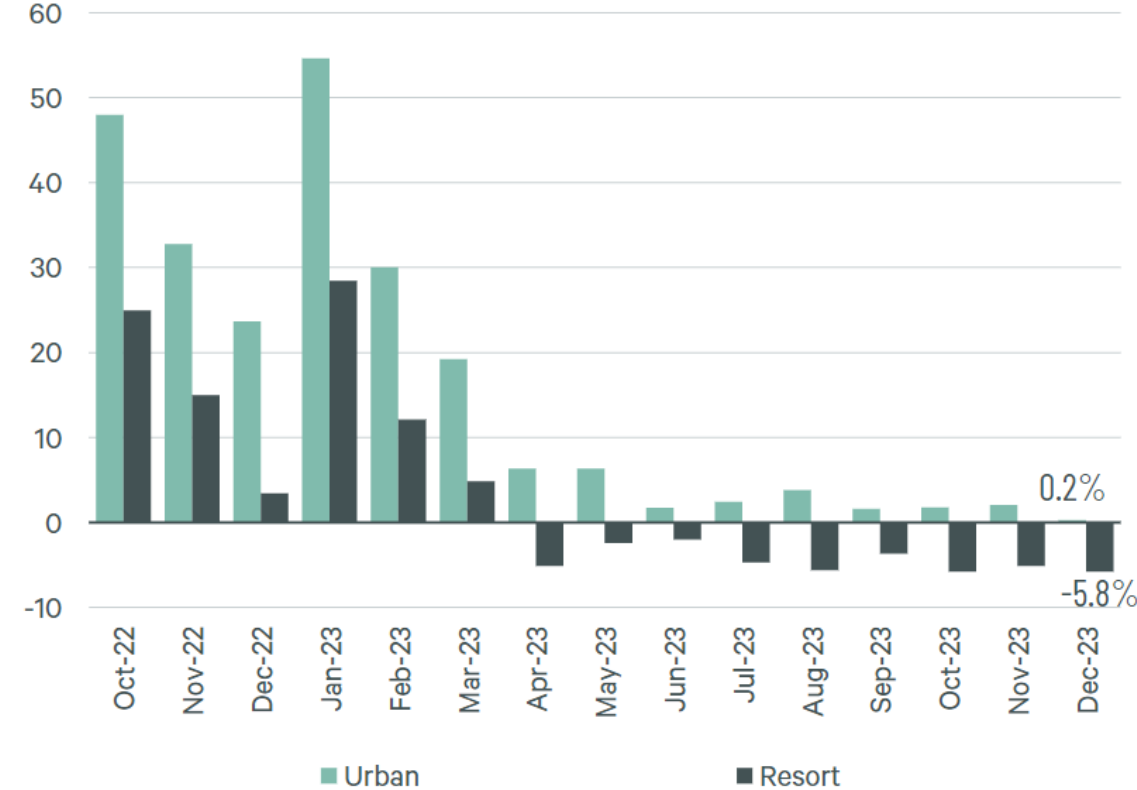
RevPAR Relative to 2019

Percent of 2019 (%)



RevPAR Change

Y-o-Y Change (%)



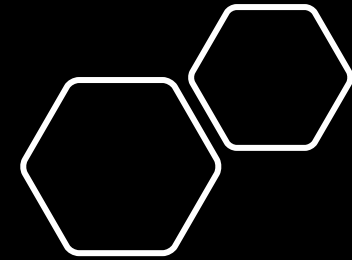
CBRE Hotels Research, Kalibri Labs

“

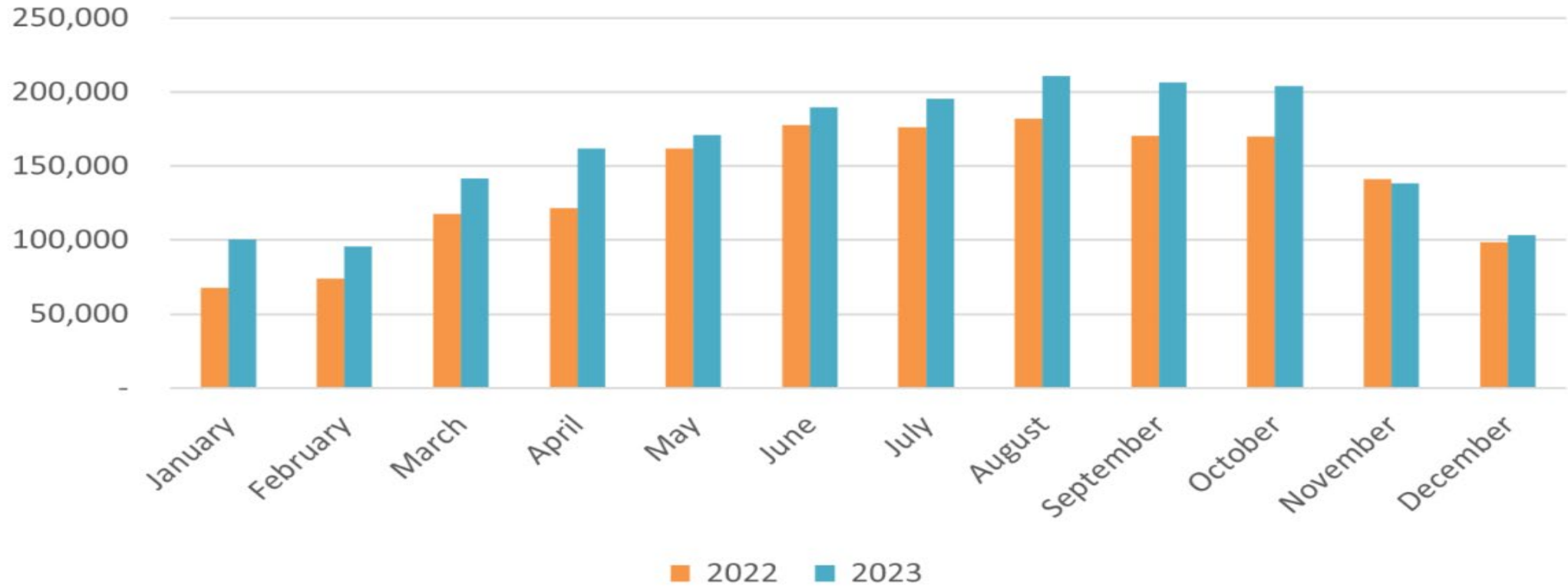
We expect urban hotels to outperform resorts over the next few years, as inbound international travel tends to skew urban; however, we still expect resort growth to be positive going forward.

Rachael Rothman

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Minneapolis Monthly Hotel Demand 2022 vs. 2023

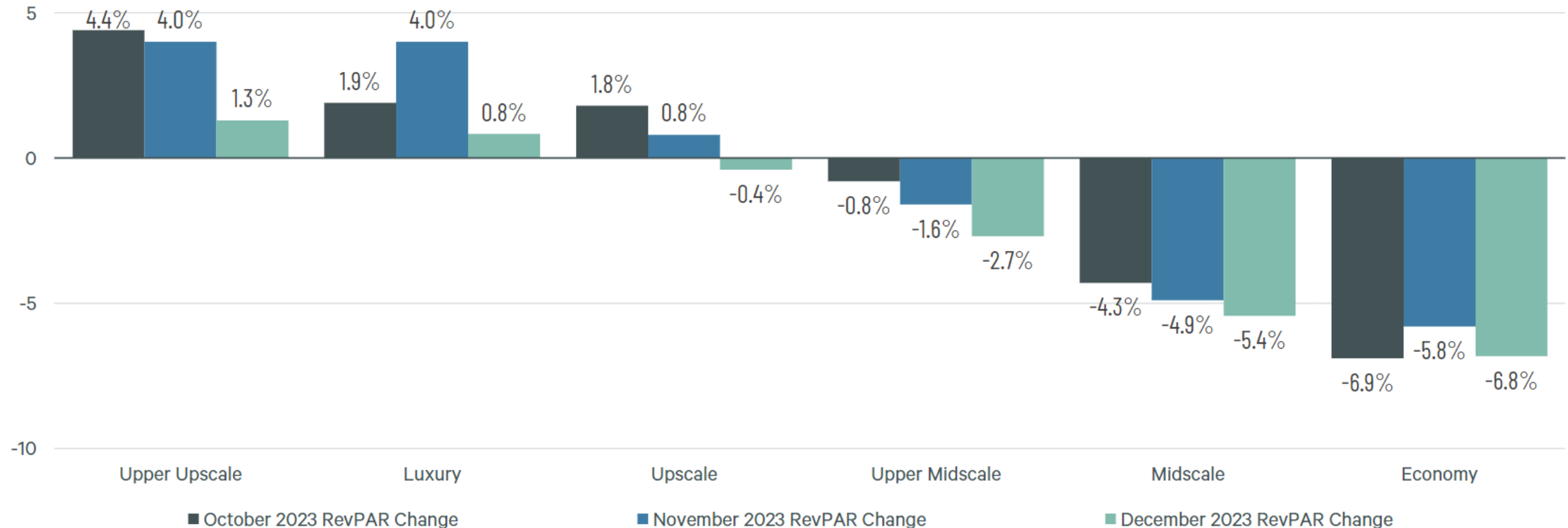


Hotel data according to hospitality industry data provider Smith Travel Research (STR)

Only Luxury and Upper Upscale posted RevPAR gains in December

Monthly RevPAR Change by Chain Scale

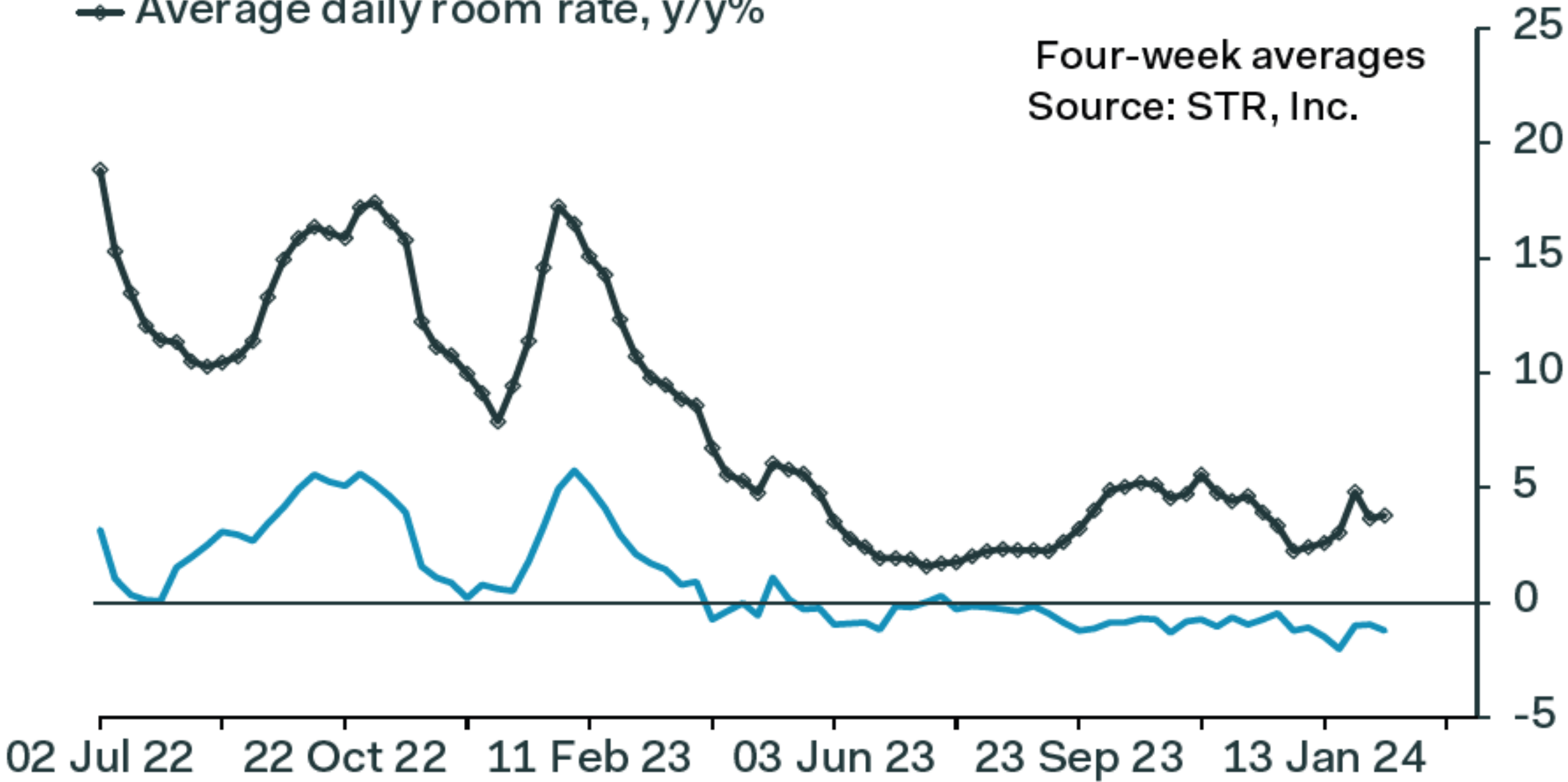
Y-o-Y Change (%)



— U.S. hotel occupancy, y/y percentage points

— Average daily room rate, y/y%

Four-week averages
Source: STR, Inc.





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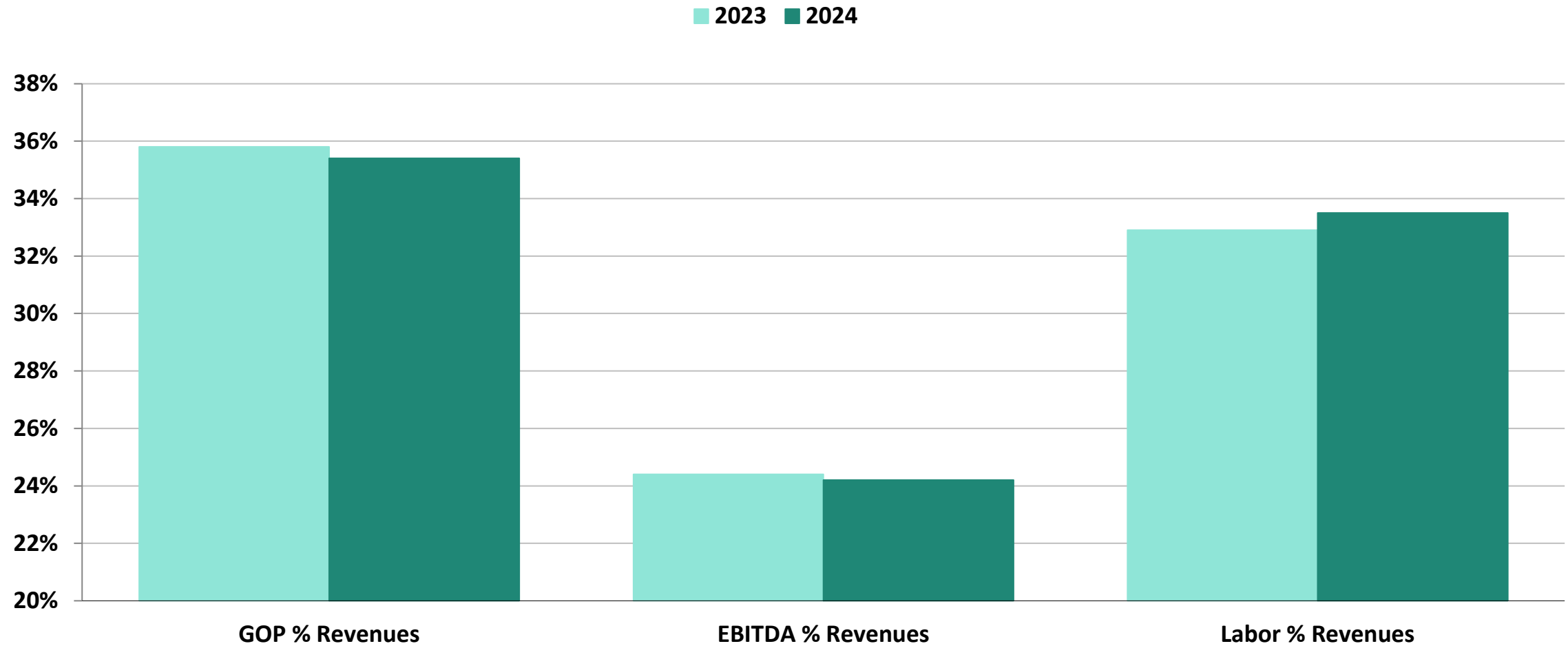
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Profitability to remain somewhat stable

U.S. P&L forecast, year-over-year change

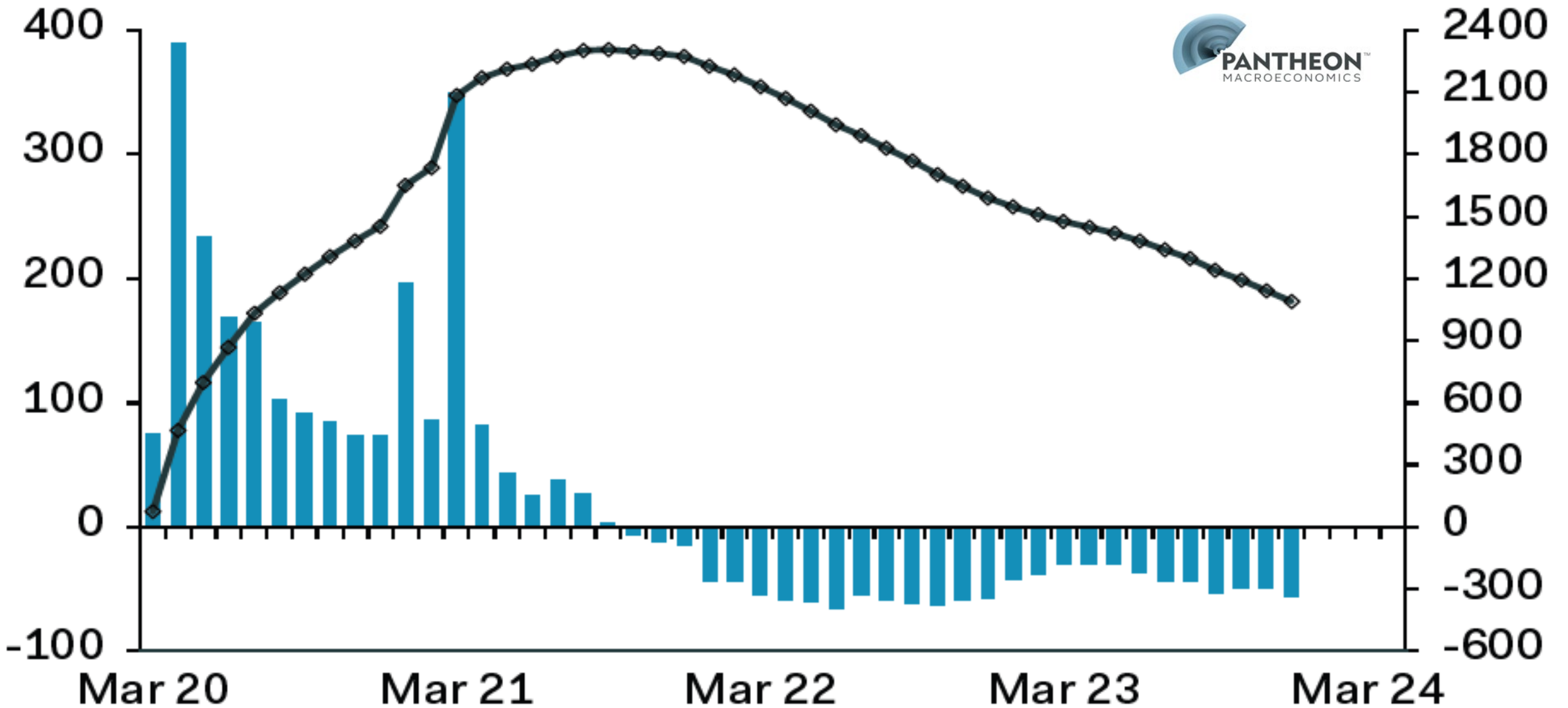


CONSUMER BEHAVIOR



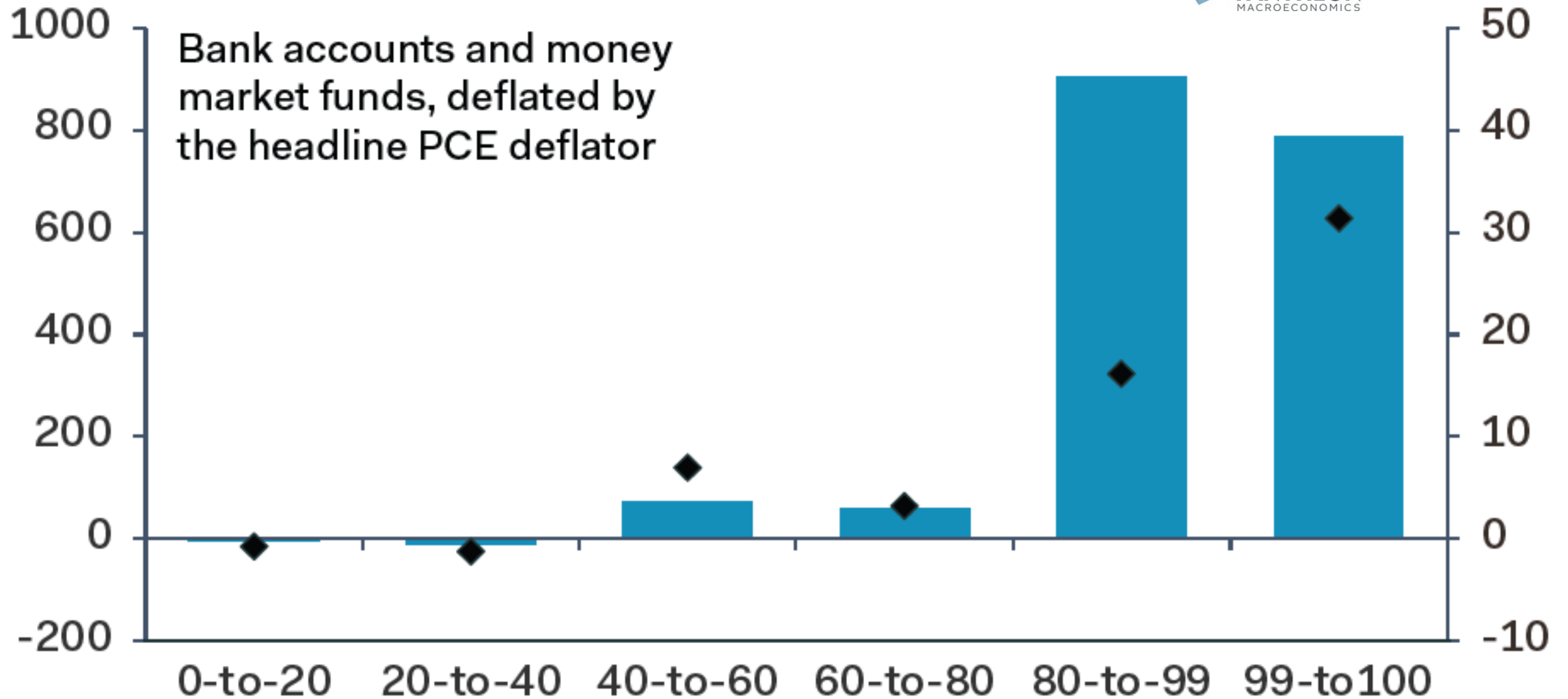
■ Month-to-month change in excess savings, \$B (Left)

◆ Cumulative excess household savings since March 2020, \$B (Right)

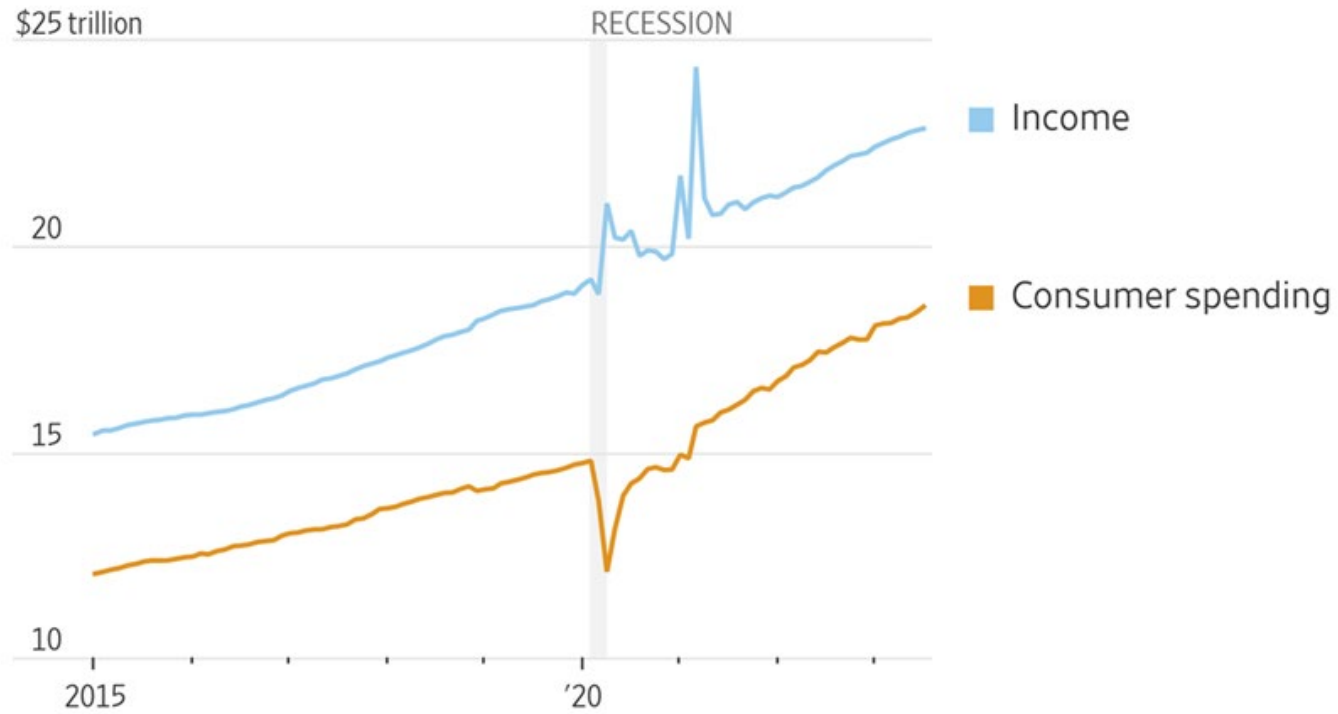


■ Change real liquid assets, Q4 19-to-Q2 23 by income quintile, \$B (Left)

◆ % change (Right)

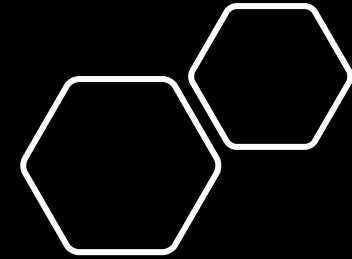


U.S. income and spending



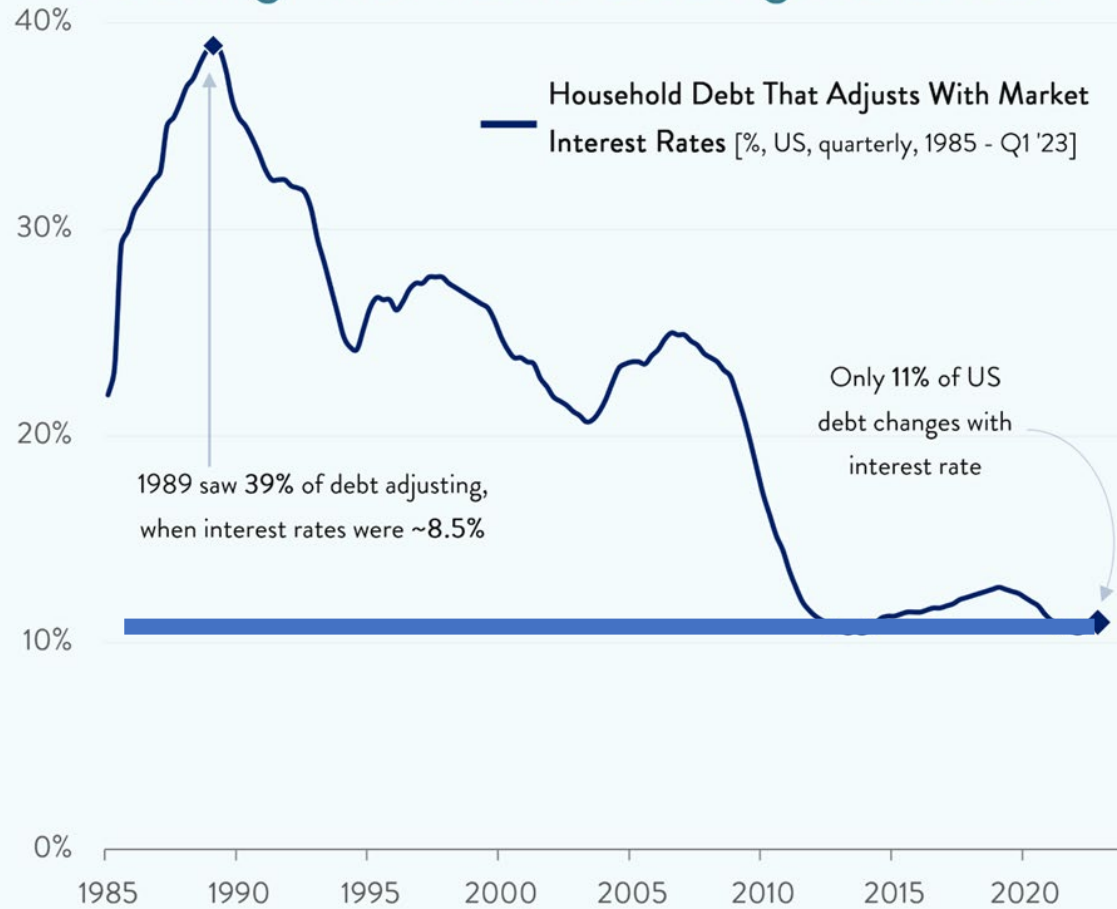
Note: Seasonally adjusted at annual rates

Source: Commerce Department



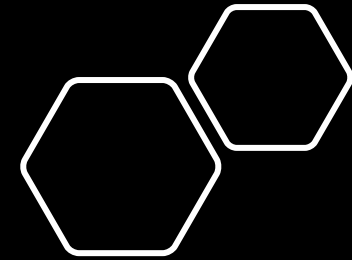
THE WALL STREET JOURNAL
WSJ

Locked In: Most Americans Aren't Yet Feeling The Pain Of Higher Rates



Source: Moody's Analytics via WSJ

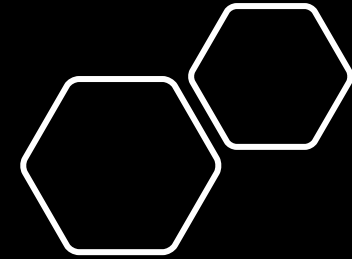
charttr



MORTGAGE COSTS HAVE BARELY RISEN THANKS TO THE REFI WAVE

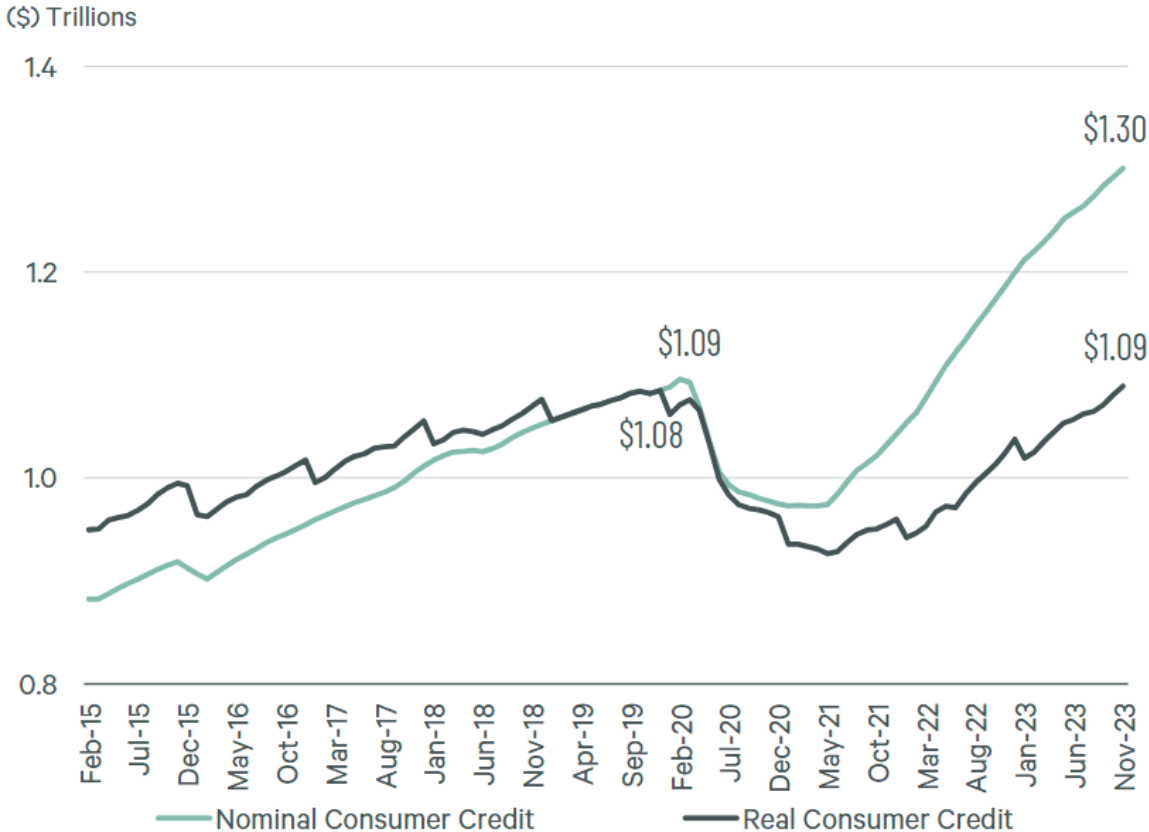
- Average interest rate on outstanding mortgages, %
- 30-year conventional mortgage rate, %

Latest data on outstanding mortgages are for Q2 2023

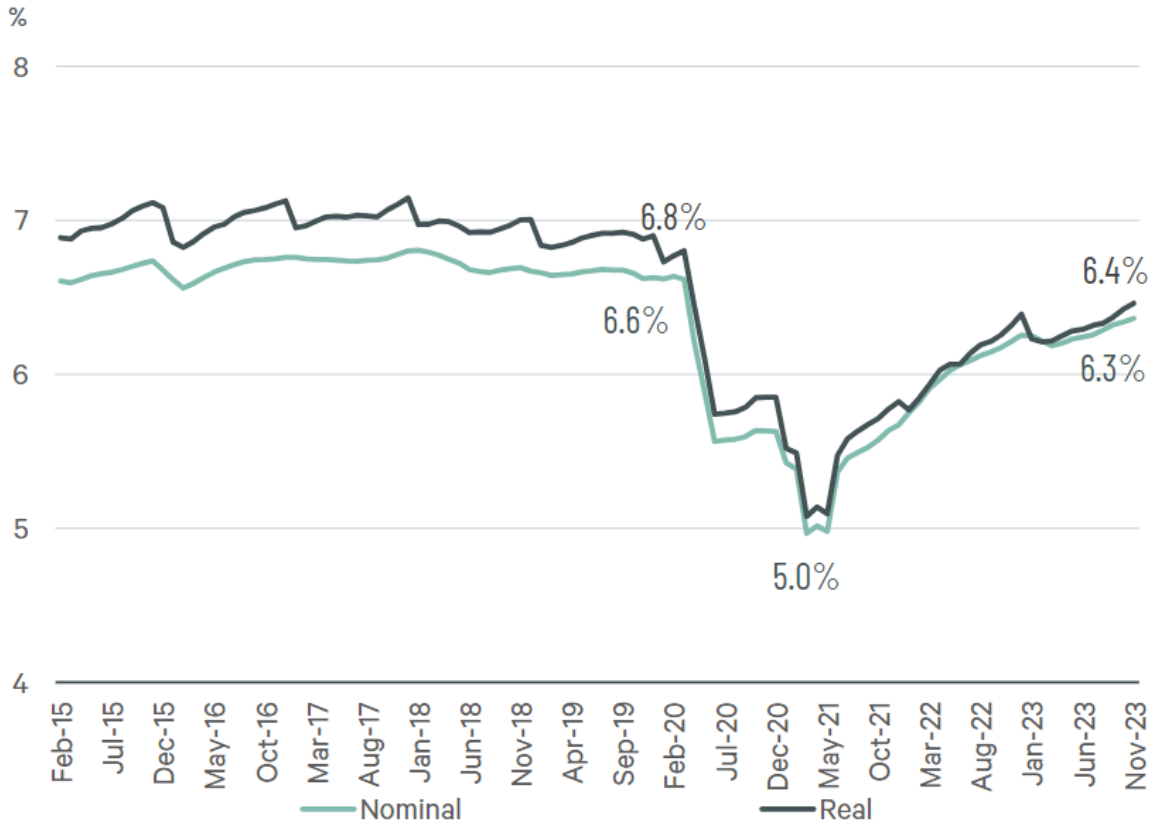


Despite increases in nominal borrowings, Real and Nominal leverage are below 2019

Revolving Consumer Credit: Nominal vs. Real (3MMA)



Real and Nominal Consumer Credit to Personal Disposable Income (3MMA)



CBRE Hotels Research, Federal Reserve
 *Real Revolving Credit Indexed to 2019

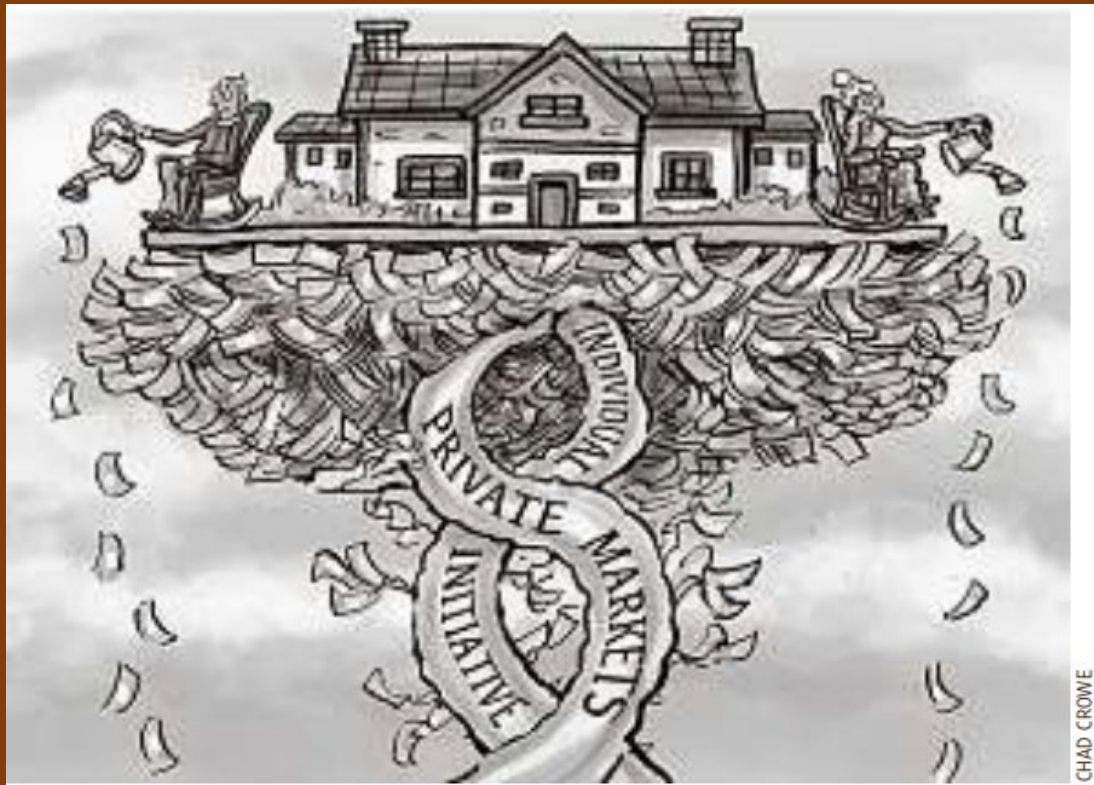


FOLLOW THE MONEY

The image features a dark background with numerous US dollar bills falling from the top. A white line graph is overlaid, showing a sharp upward trend. The text 'FOLLOW THE MONEY' is prominently displayed in the center. 'FOLLOW' is in white, 'THE' is in green, and 'MONEY' is in white. A green dashed arrow points from the end of 'FOLLOW' to the start of 'MONEY'. A horizontal green dashed line is positioned below 'FOLLOW' and above 'MONEY'. A vertical green dashed line is positioned to the left of 'MONEY'. A solid white vertical line is positioned to the right of 'FOLLOW' and to the left of 'MONEY'. A solid white horizontal line is positioned below 'MONEY'.

Older Americans Are Better Off Than Ever

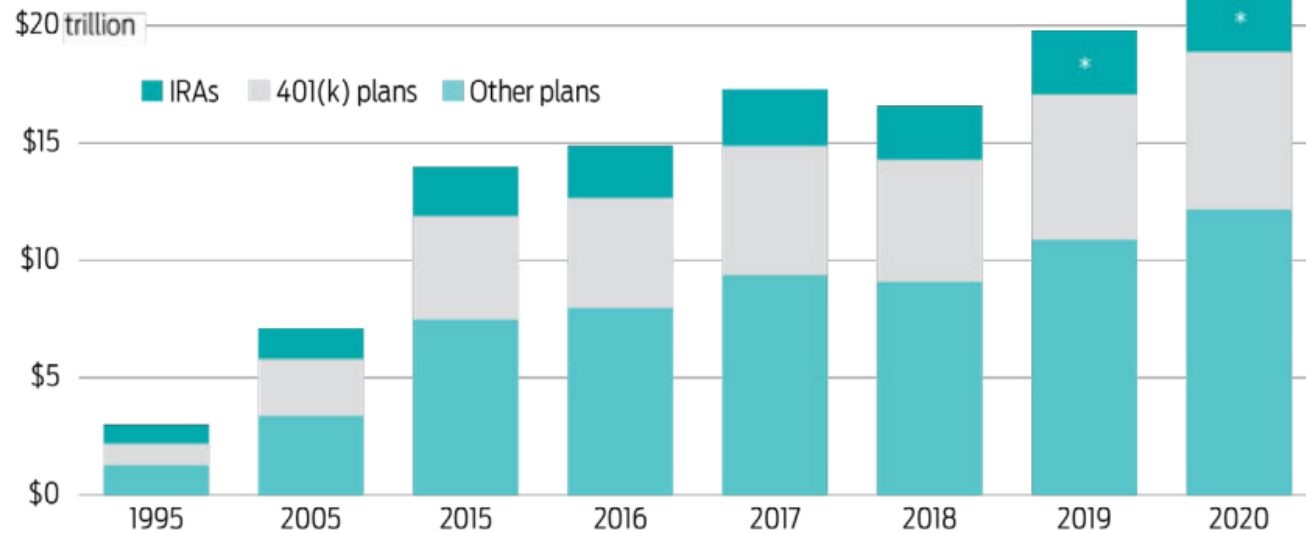
They invested for decades, are working longer and get bigger Social Security checks than past cohorts.



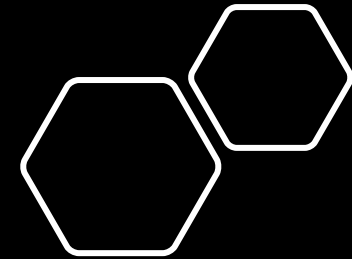
THE WALL STREET JOURNAL
WSJ

Growing Nest Eggs

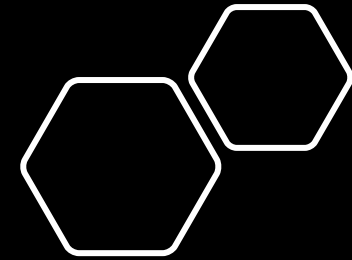
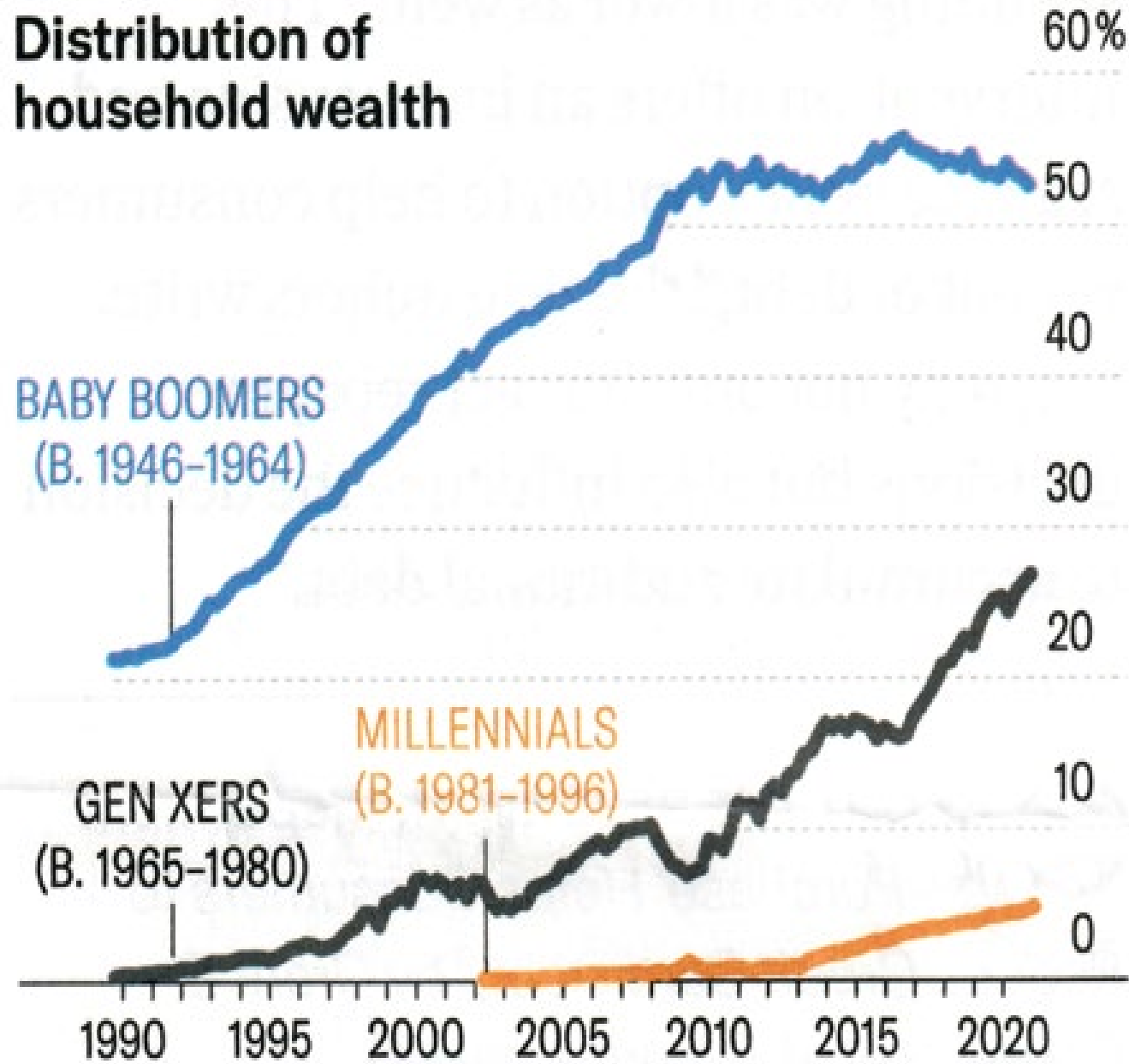
Americans held nearly \$22 trillion in tax-advantaged accounts in 2020. A large amount of that money will go to their heirs.



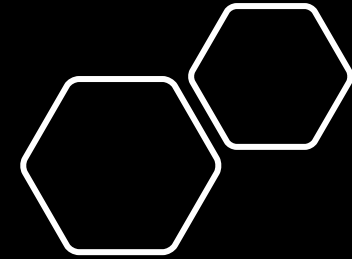
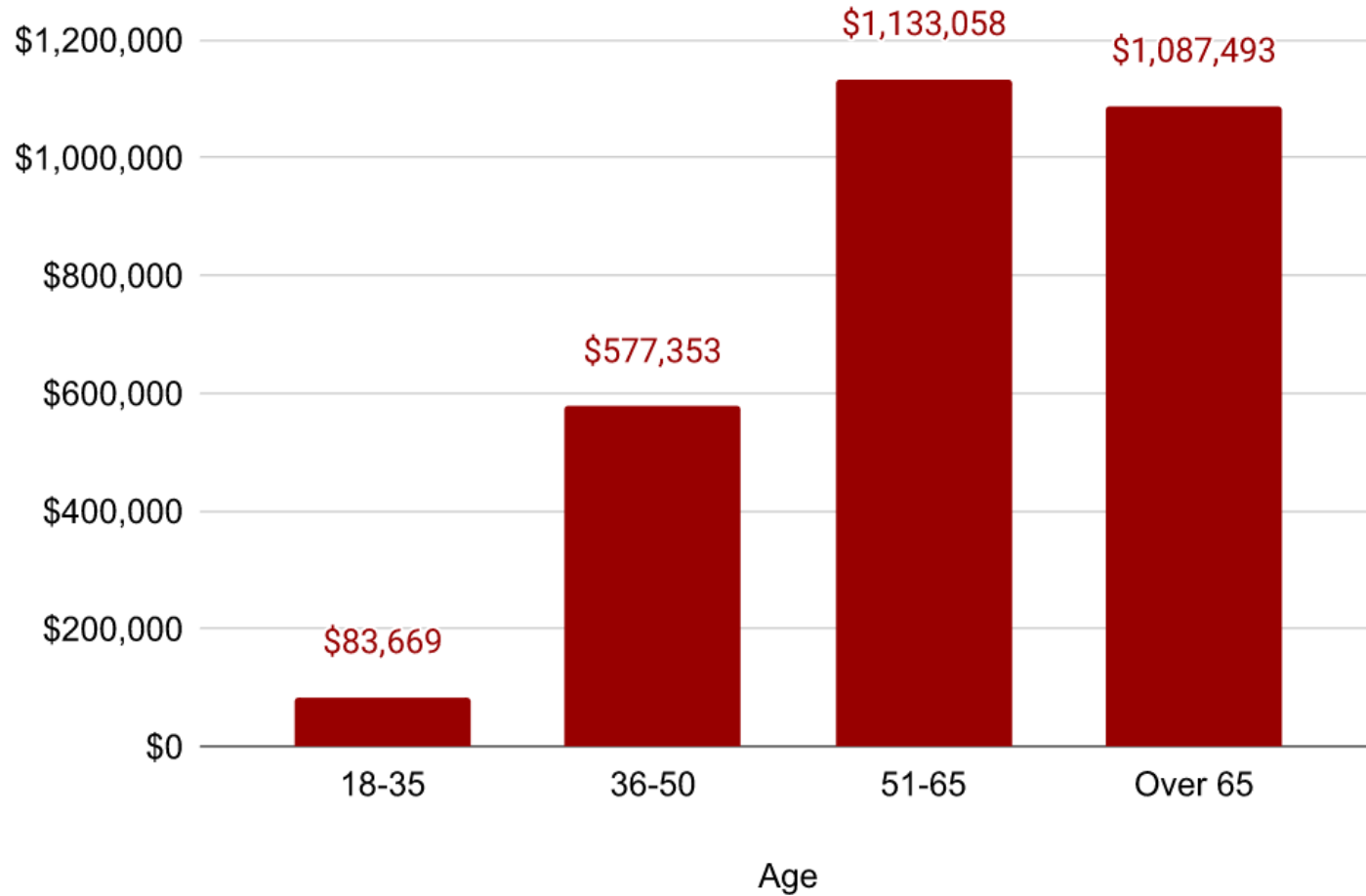
*Data are estimated. SOURCE: Investment Company Institute. For a complete list of sources, see Investment Company Institute, "The US Retirement Market, Fourth Quarter 2020."



Distribution of household wealth

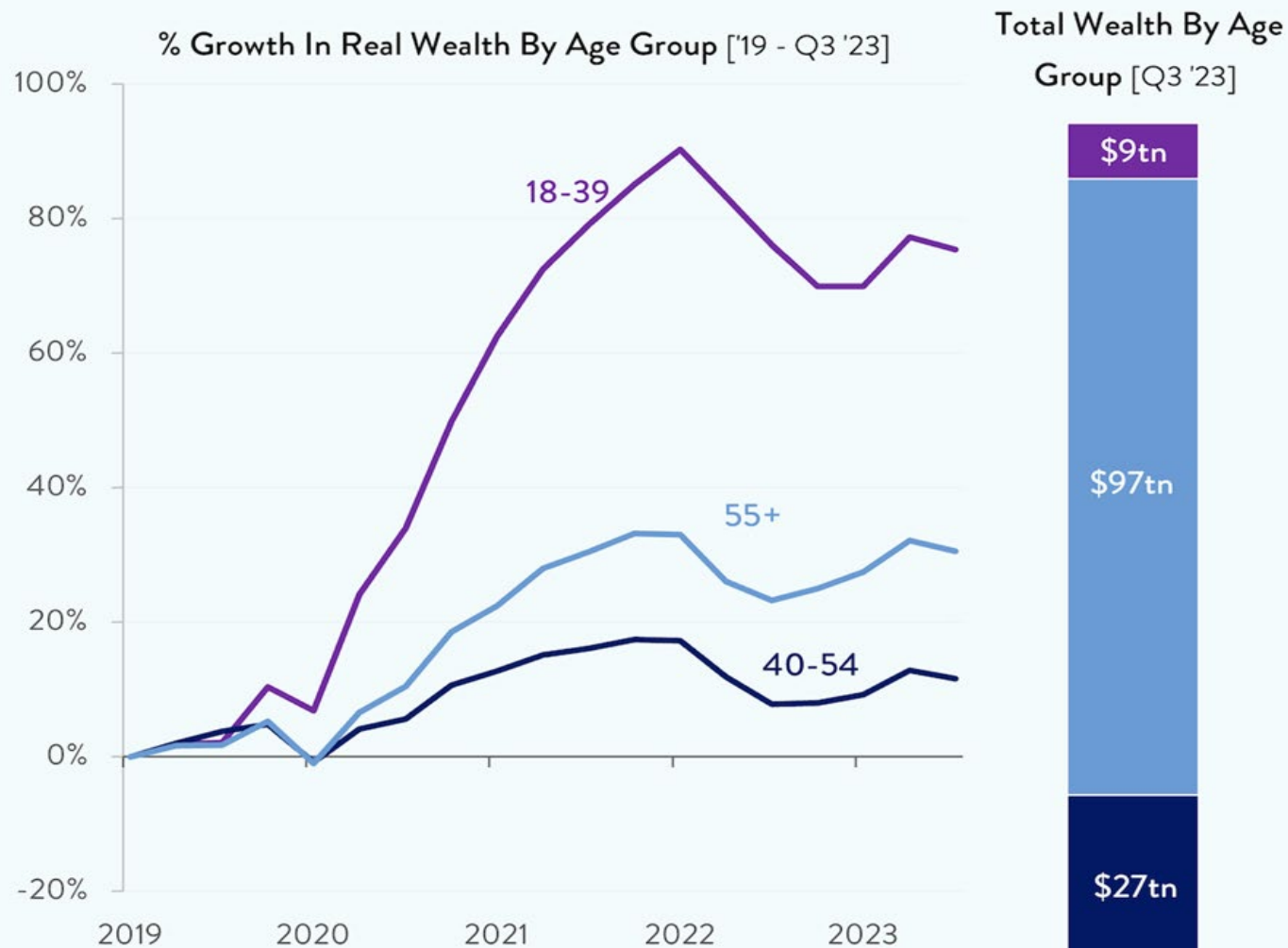


Mean Wealth by Age (2019)



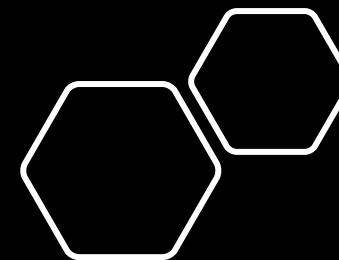
WSJ

New Money: Americans Under 40 Are Getting Wealthier... But It's All Relative



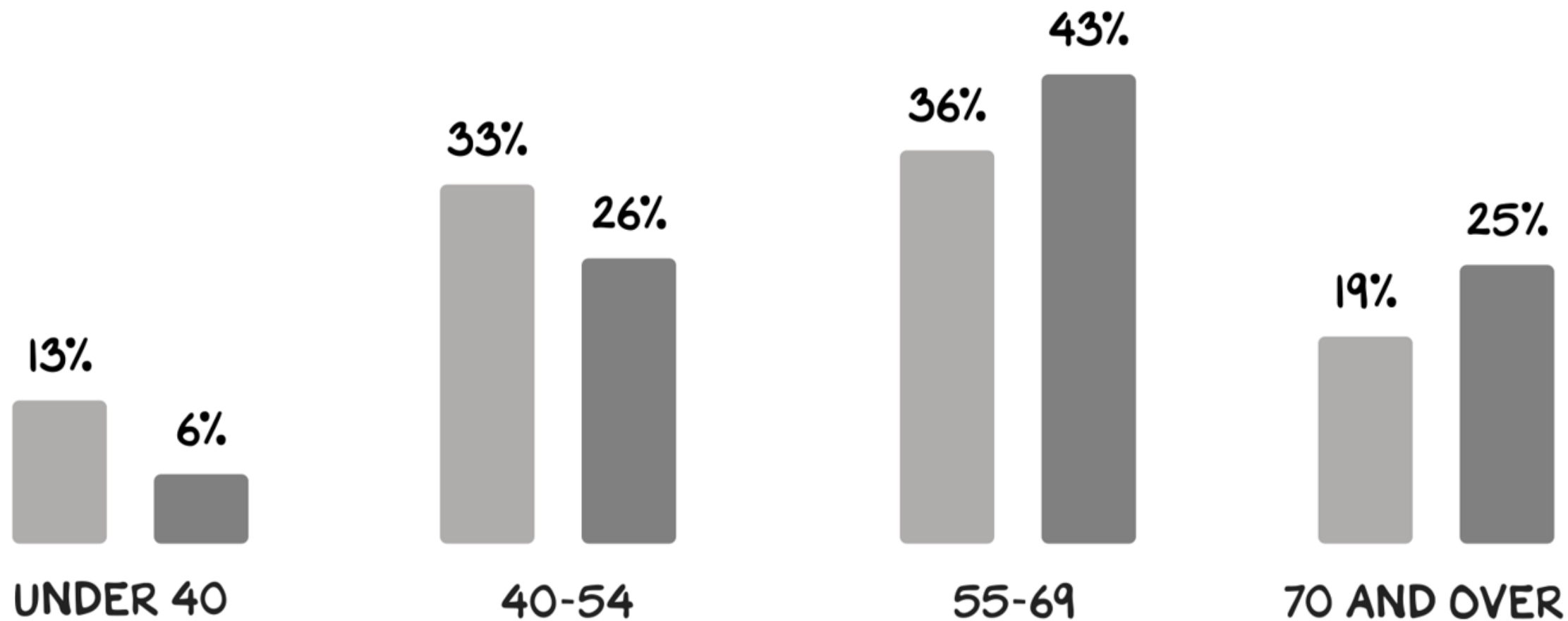
Source: New York Fed, figures are adjusted for inflation

charttr



U.S. WEALTH DISTRIBUTION BY AGE

1989 vs. 2022

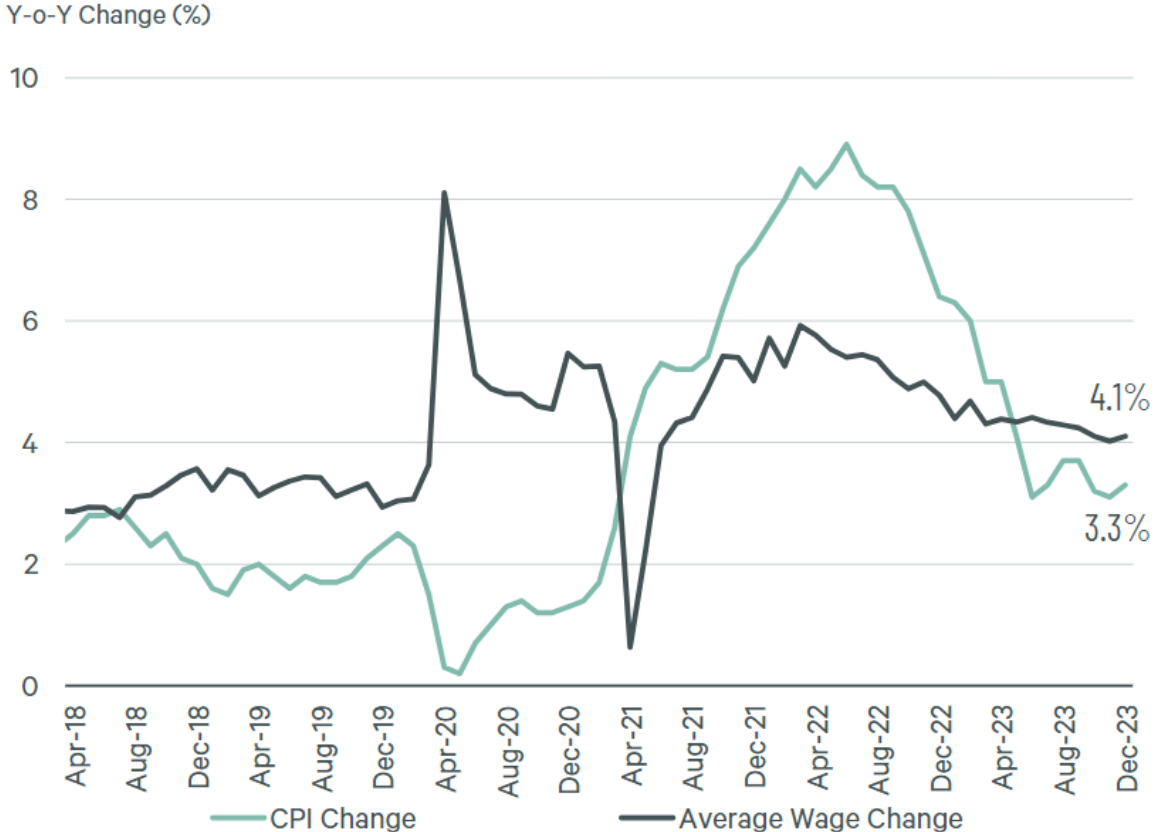




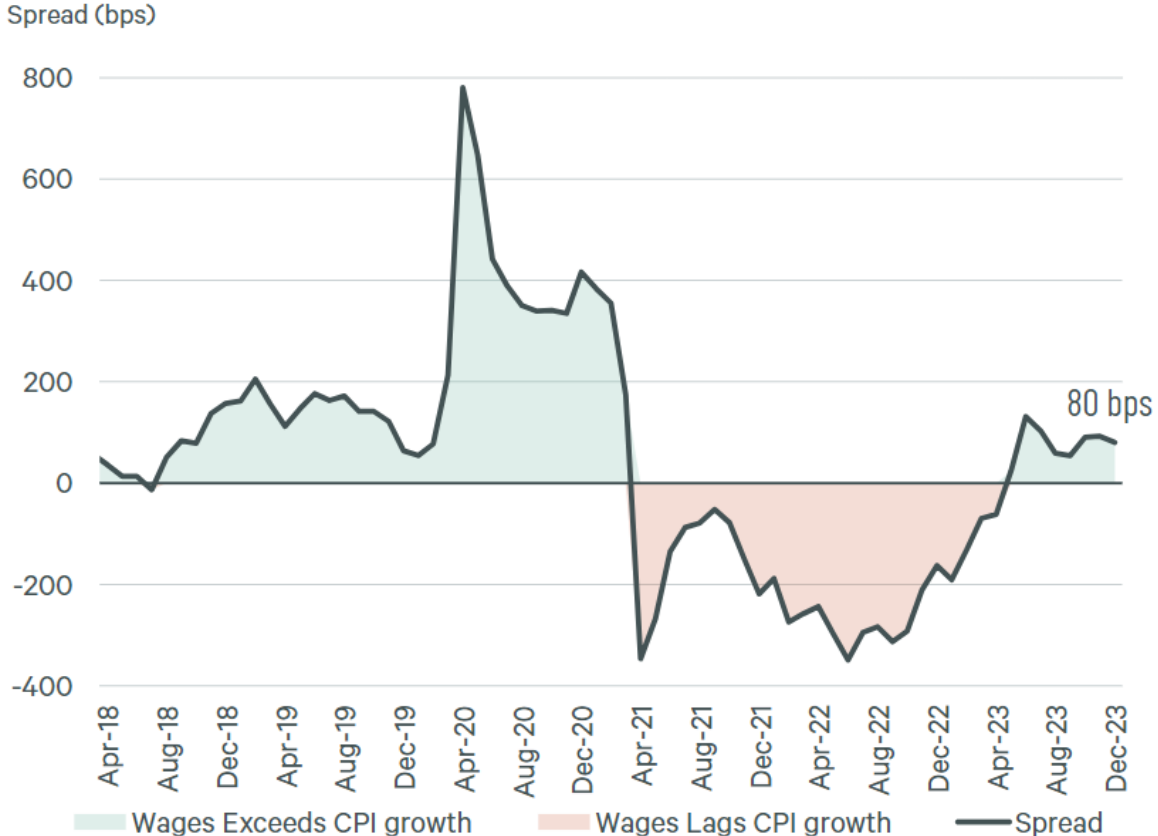
Employment and Labor Trends

Wage growth has outpaced inflation for the last eight months

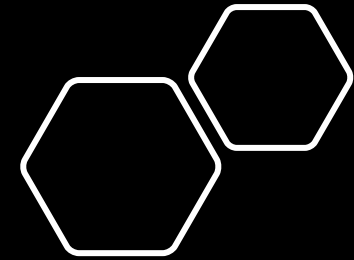
U.S. CPI Change vs. U.S. Average Hourly Wage Change



Spread between U.S. Average Hourly Wage and CPI Change

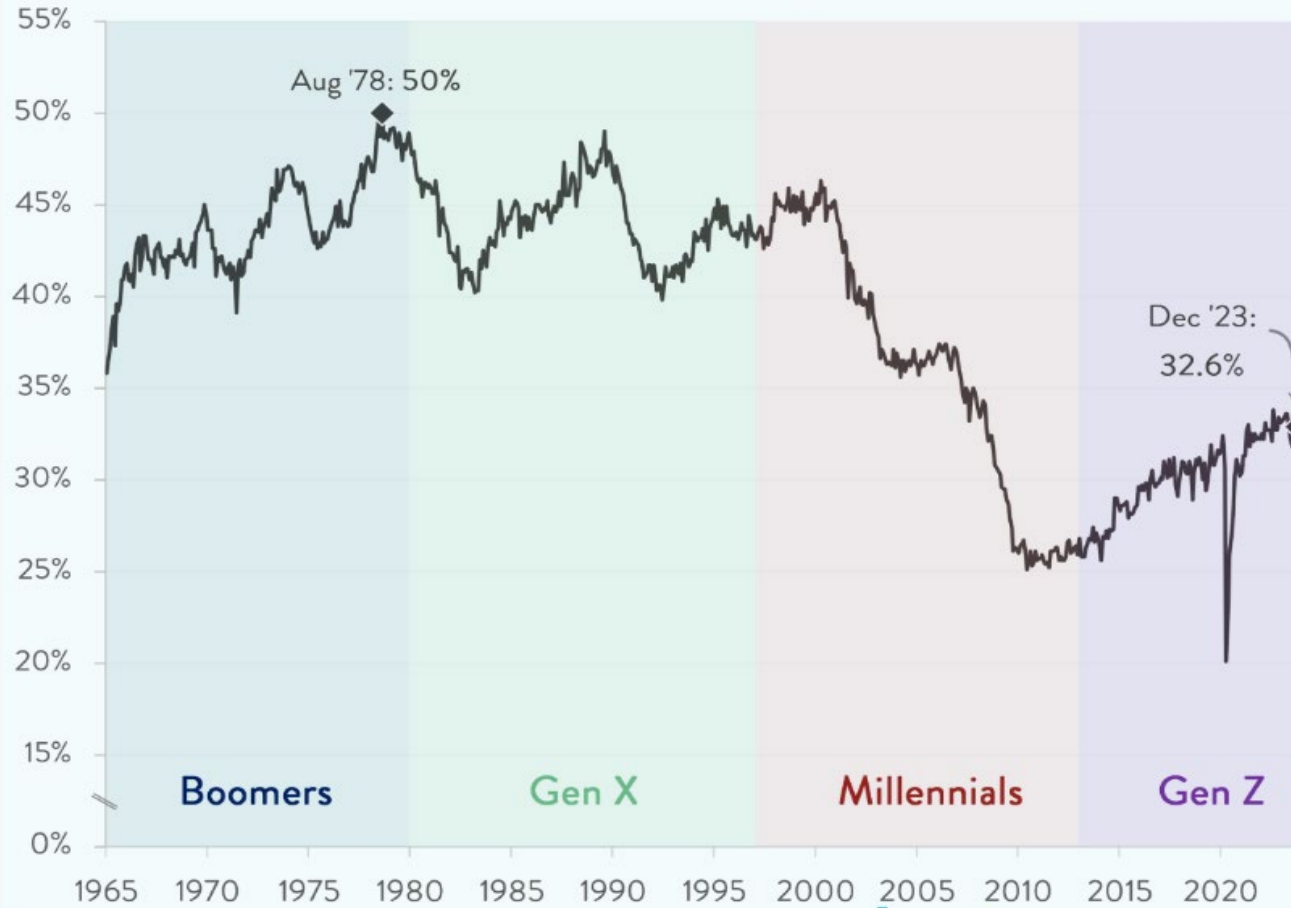


Gen Z is bringing back the part-time job



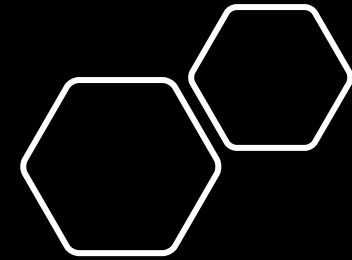
Gen Z Teens Have Been Getting To Work Since The Pandemic

— Employment-to-Population Ratio, Ages 16-19 Years Old [%], US



Source: Bureau of Labor Statistics via FRED

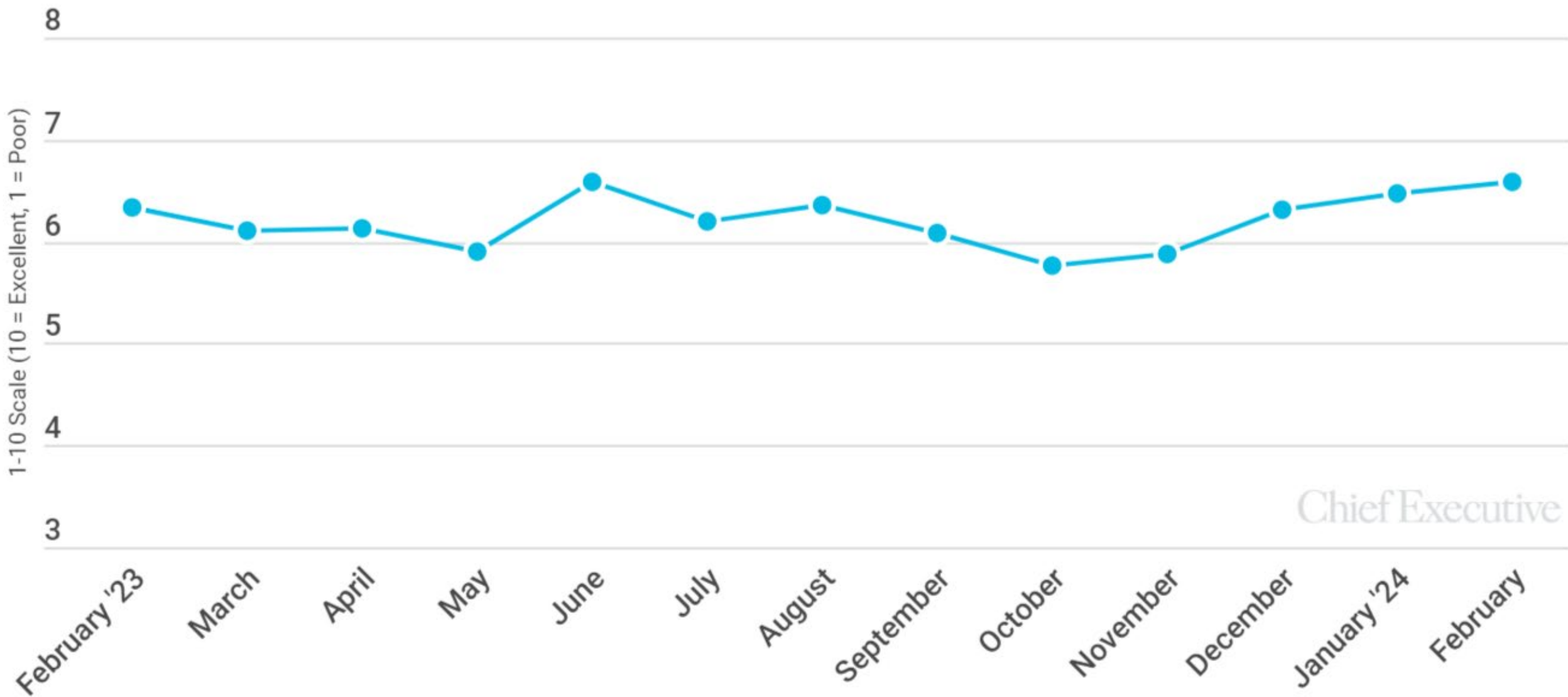
chart



A hand with a pointing finger is positioned above a row of seven wooden blocks. The blocks are arranged to spell out the word 'OPTIMISM'. The first two blocks are stacked vertically, with 'OP' on top and 'PE' on the bottom of the first block, and 'T' on top and 'SS' on the bottom of the second block. The remaining five blocks are single and contain the letters 'I', 'M', 'I', 'S', and 'M' respectively.

**OP
PE** **T
SS** **I** **M** **I** **S** **M**

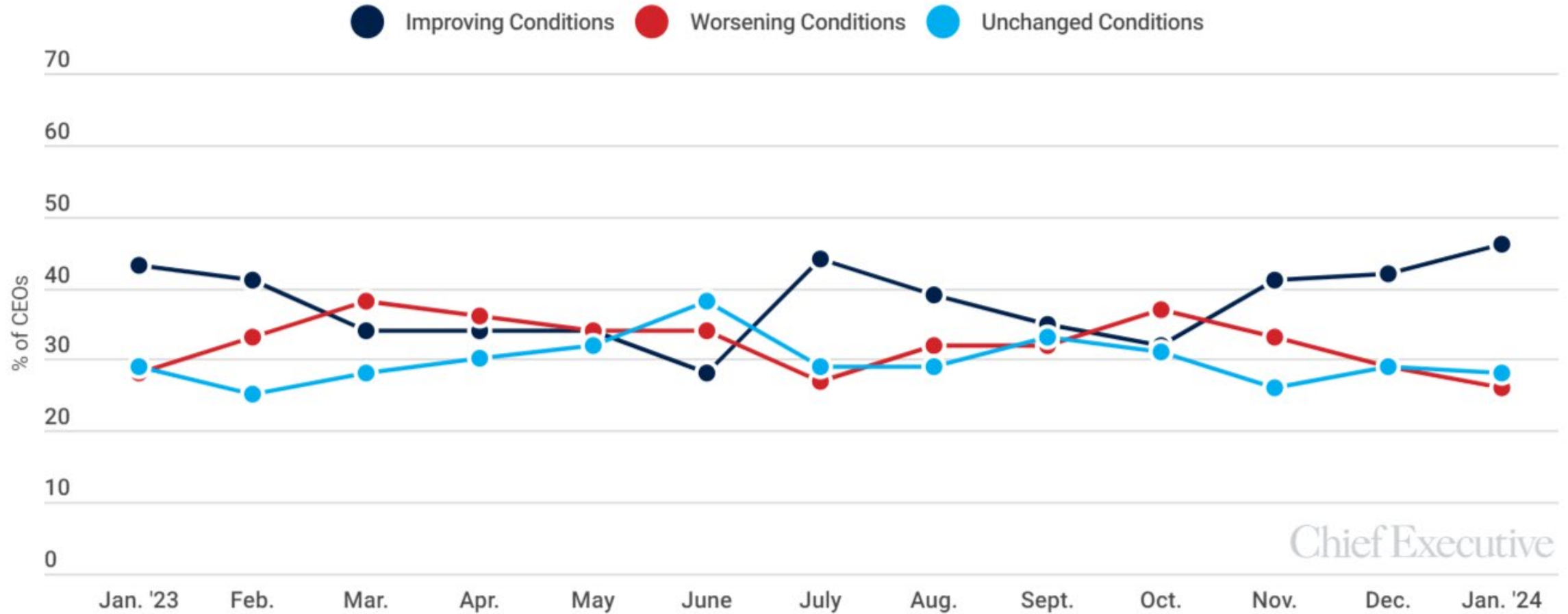
CEO Forecast of Business Conditions 12 Months from Now



Chief Executive

Source: CEO Confidence Index, Chief Executive Group, ChiefExecutive.net

CEO Forecast for Business 12 Months From Now

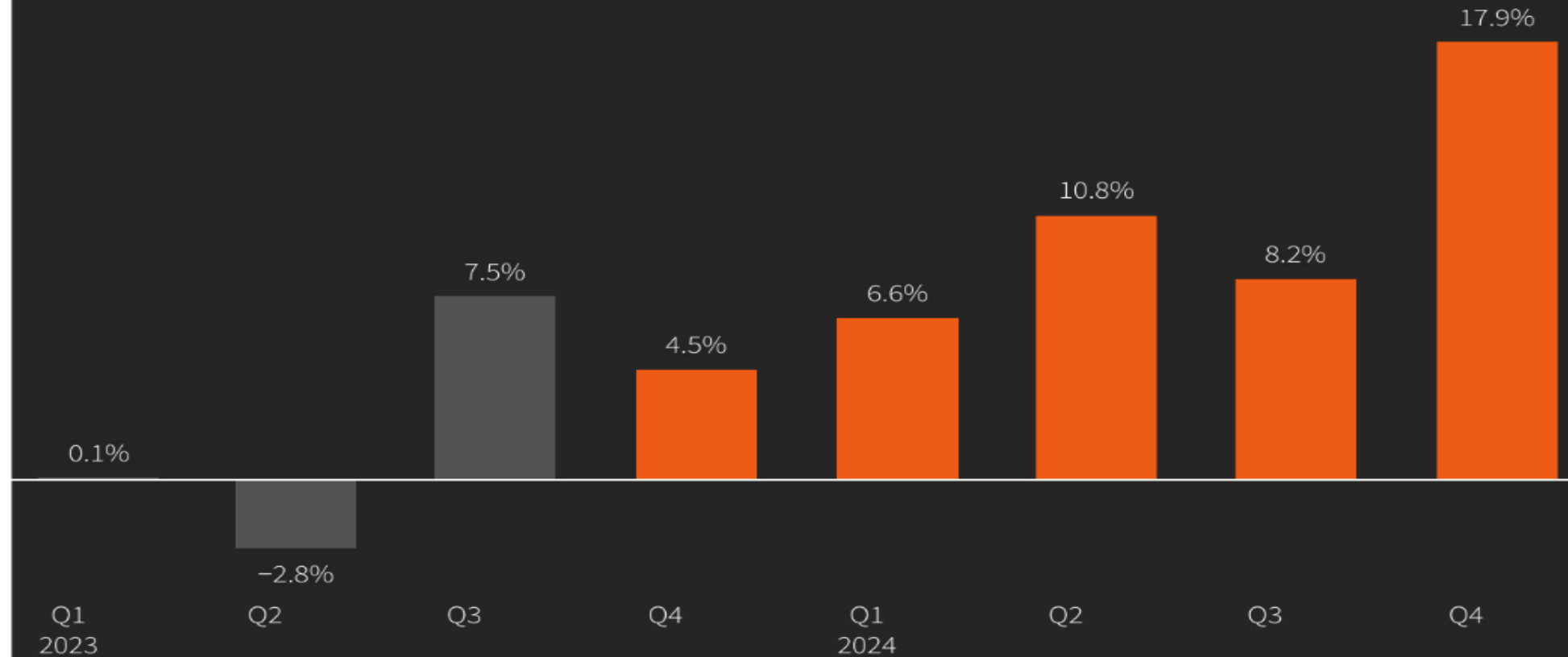


Chief Executive

Source: [CEO Confidence Index, ChiefExecutive.net](#)

S&P 500 earnings expected to pick up in 2024

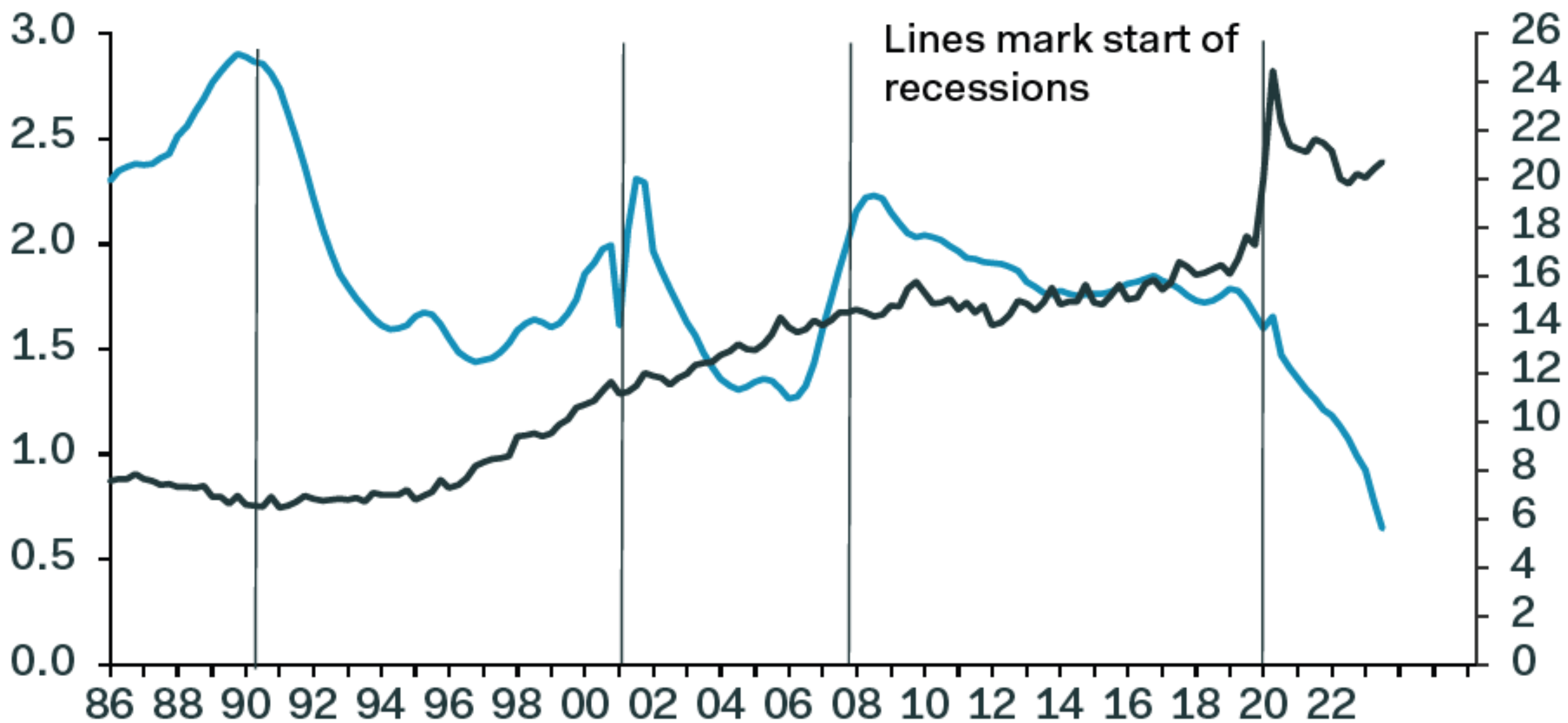
Year-over-year change (orange is estimated)



Source: LSEG IBES data | Graphic by Lewis Krauskopf

— Net interest paid by corporations, % GDP (Left)

— Liquid corporate/non-corporate business assets, % GDP (Right)



A person is holding a large white sign with the text "OPENING SOON" written in a bold, black, serif font. The sign is held in front of the person's face, which is partially visible at the top. The background is blurred, showing an indoor setting with a plant and a window.

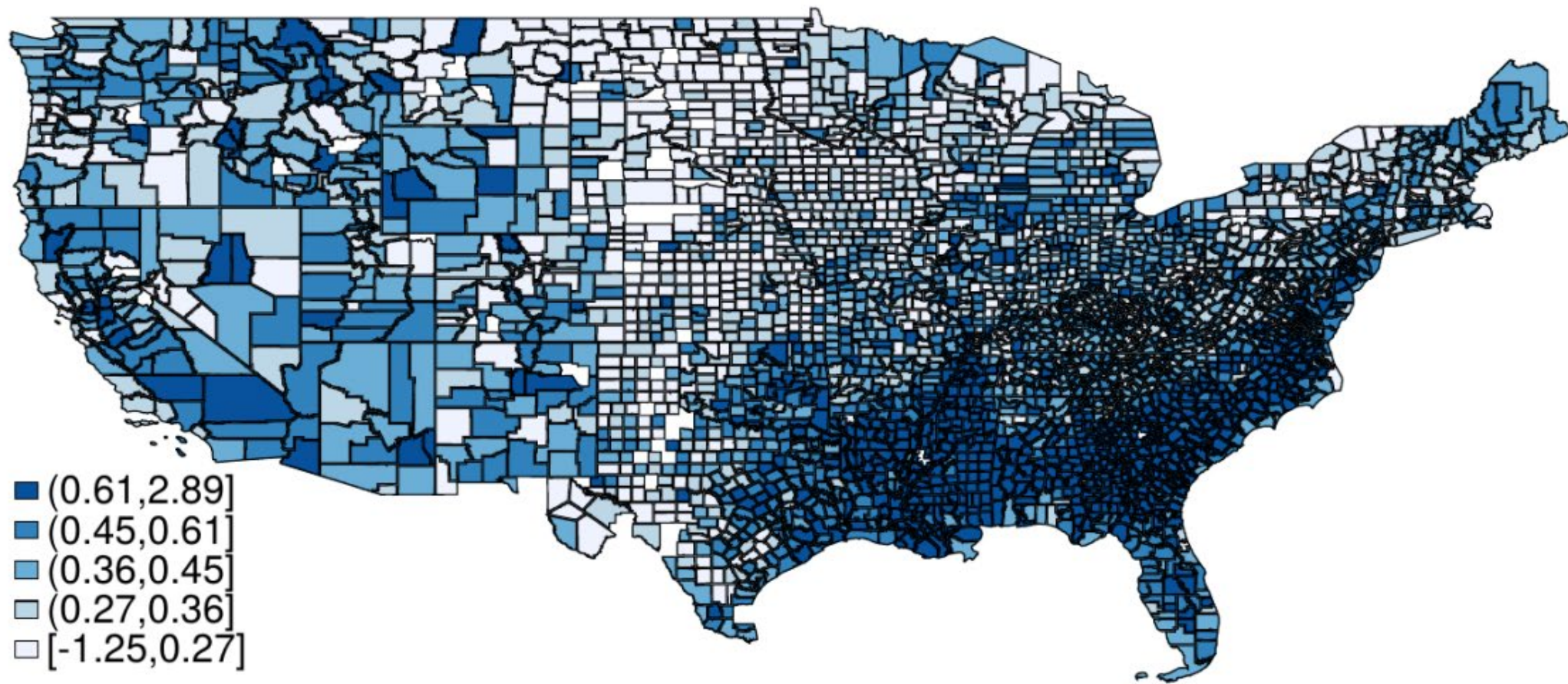
**OPENING
SOON**

U.S. business applications



Note: Seasonally adjusted

Source: Commerce Department



Note: Difference of average (log) all applications per capita, 2020-2022 vs. 2010-2019.
Source: Census Bureau Business Formation Statistics and population estimates.

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Michael Dominguez
President & CEO - ALHI |
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