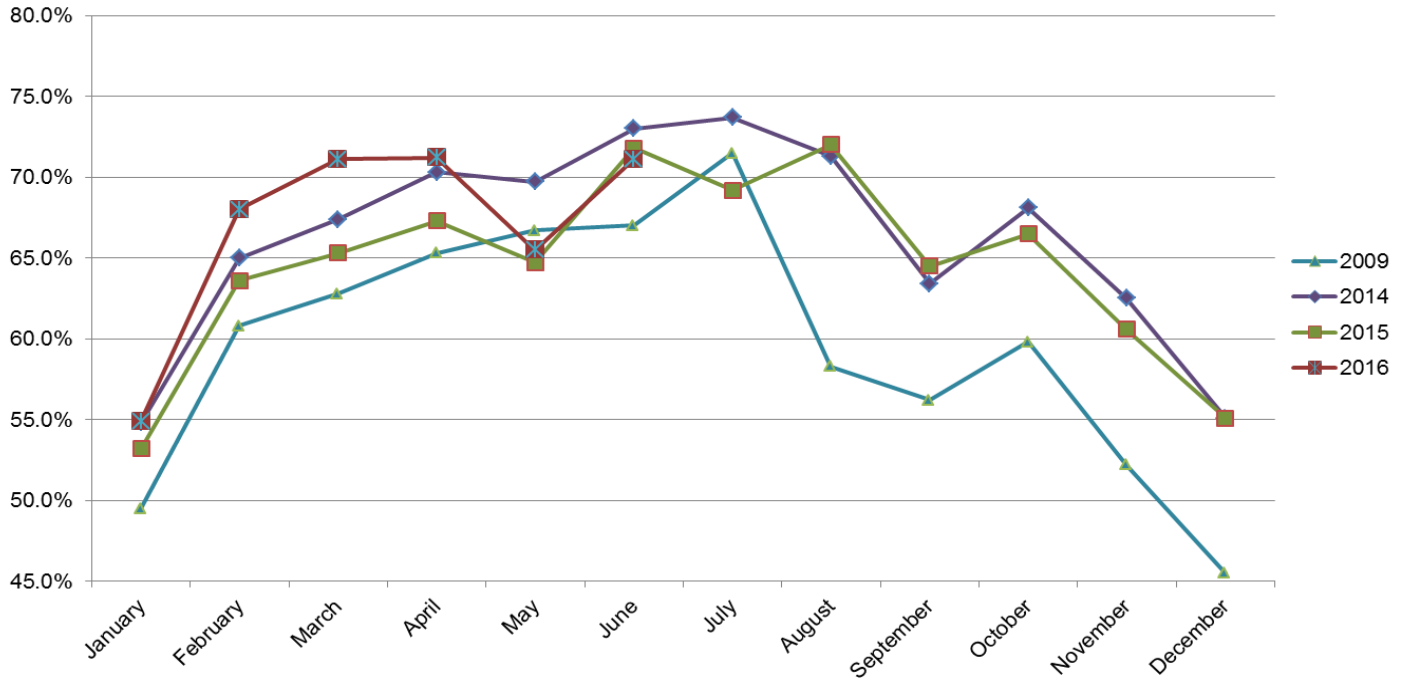


Lubbock Lodging Analysis June 2016

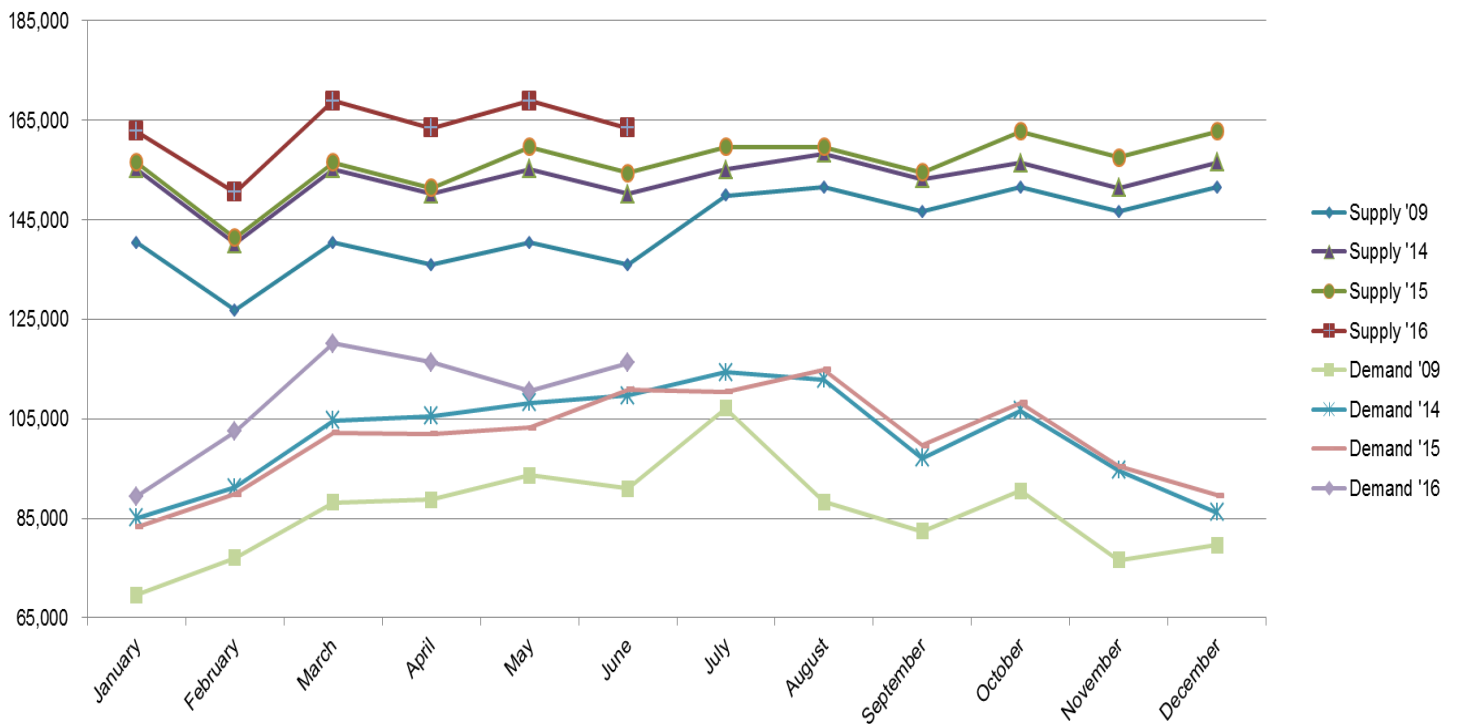
Occupancy for June 2016 decreased 0.9% from June 2015 to 71.1%, but occupancy was up 8.5% over May 2016. Occupancy is calculated as a percentage of the rooms that are available in any given month.

Monthly Occupancy

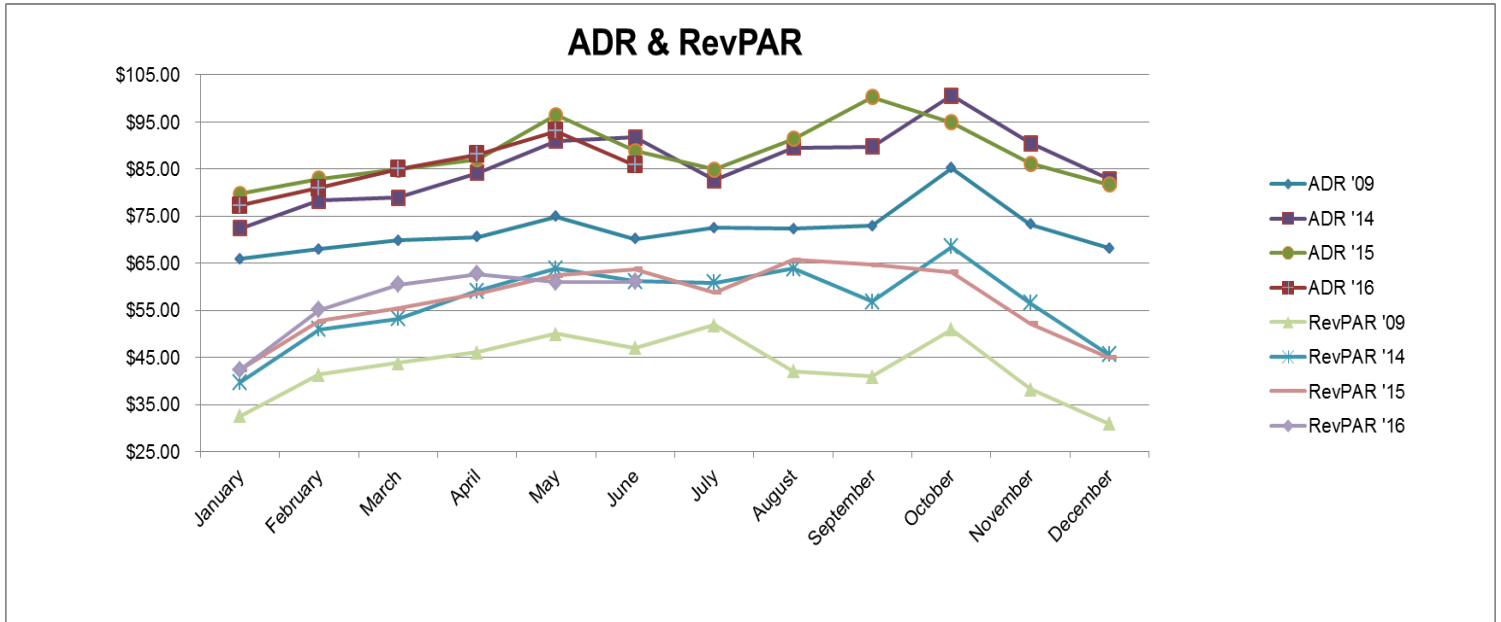


The following chart shows that the Year-to-Date supply of rooms in the market has increased 5.8%. There are currently approximately 720 rooms under construction in Lubbock. Room demand (rooms occupied) increased 4.9% over room demand for June 2015.

Supply & Demand



The following chart shows the average daily rate (ADR) and RevPAR (REvenue Per Available Room) for the market. The chart shows that room rates for June 2016 have decreased 3.4% from June 2015 to \$85.85. RevPAR for June 2016 also decreased 4.2% from June 2015 to \$61.05. RevPAR is calculated based on total room revenues divided by all of the rooms in the supply which includes rooms left vacant.



The final chart below shows that total lodging revenue has increased 1.3% over June 2015 and is up 8.7% for calendar year 2016 over calendar year 2015. Total revenue has increased for 15 of the last 18 consecutive months. The trend shown in the revenue chart directly corresponds to the increases in demand.

