

August, the last month before the U.S. hotel industry will begin to see tough hurricane demand comps from 2017, generated strong overall RevPAR and group demand performance.

1

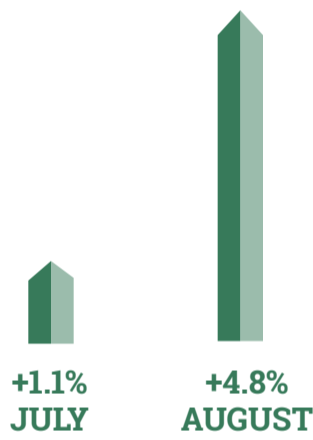
**Room demand jumps 3.2%** – The U.S. hotel industry sold 3.6 million more roomnights (116 million) than in August 2017. Occupancy (+1.2%), ADR (+2.3%) and RevPAR (+3.5%) each increased, and RevPAR has increased for 102 consecutive months.



2

**Group demand recovers** – After a slow July (+1.1%), August group demand increased 4.8%. Group RevPAR rose 5% during the month.

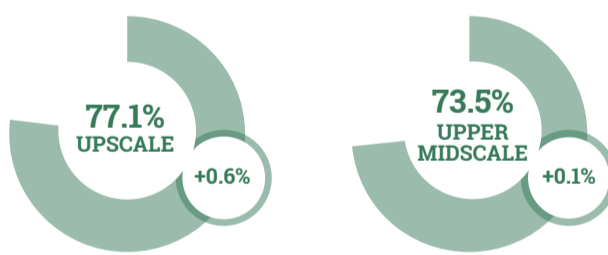
GROUP DEMAND



3

**Midtier class segments are absorbing supply** – Upscale room demand (+5.1%) and upper-midscale demand (+4%) kept occupancy growing in both classes, although slightly.

OCCUPANCY BY CLASS



4

**US pipeline unlikely to rise** – In August, the number of hotel rooms in construction declined 0.8%, which marks a decrease in eight of the last nine months.

US PIPELINE ROOMS



5

**Year-to-date metrics stay healthy** – ADR growth (+2.6% YTD) is driving RevPAR growth (+3.5% YTD), and demand growth (+2.9% YTD) shows no real sign of weakening.

YTD 2018

