THE 2026 BOSTON LODGING MARKET

A Market Transformed

March 3, 2026

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Before and After the Pandemic, How Boston's Lodging Dynamics Have Shifted Since 2019

- **Supply:** Growth has not only increased room count but shifted materially toward luxury product and select submarkets
- **Demand:** Strong transient demand recovery has offset sustained softness in group, the Seaport continues to capture disproportionate new/induced demand.
- **Pricing:** ADR growth remains broad-based, supported by higher quality inventory and pricing discipline.
- **Pricing Power:** Event-driven demand now requires greater volume, timing alignment, and venue coordination to move the full market.

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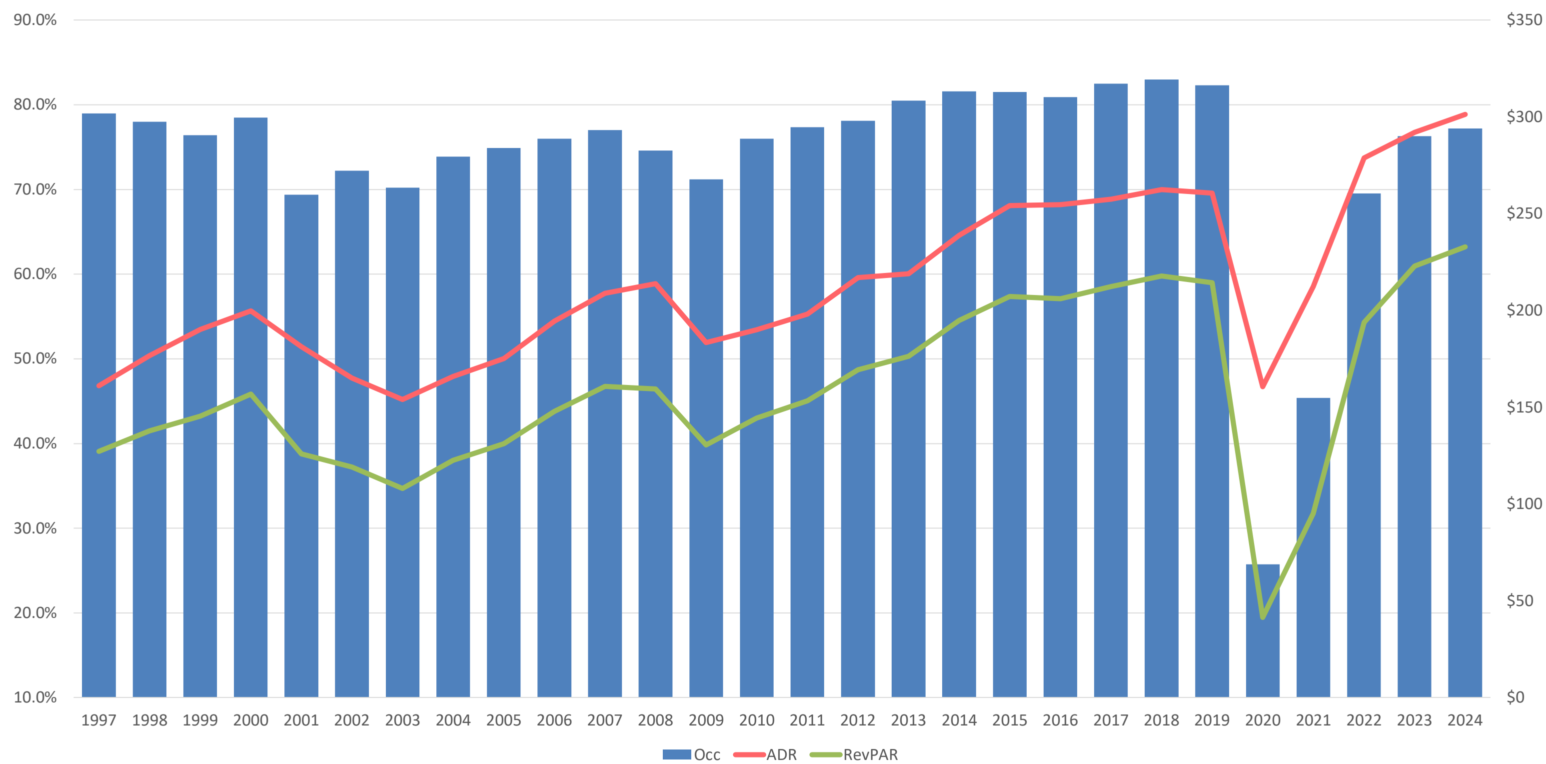
Boston & Cambridge, Historic Performance



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Supply: Expansion Moderated by Closures & Reductions

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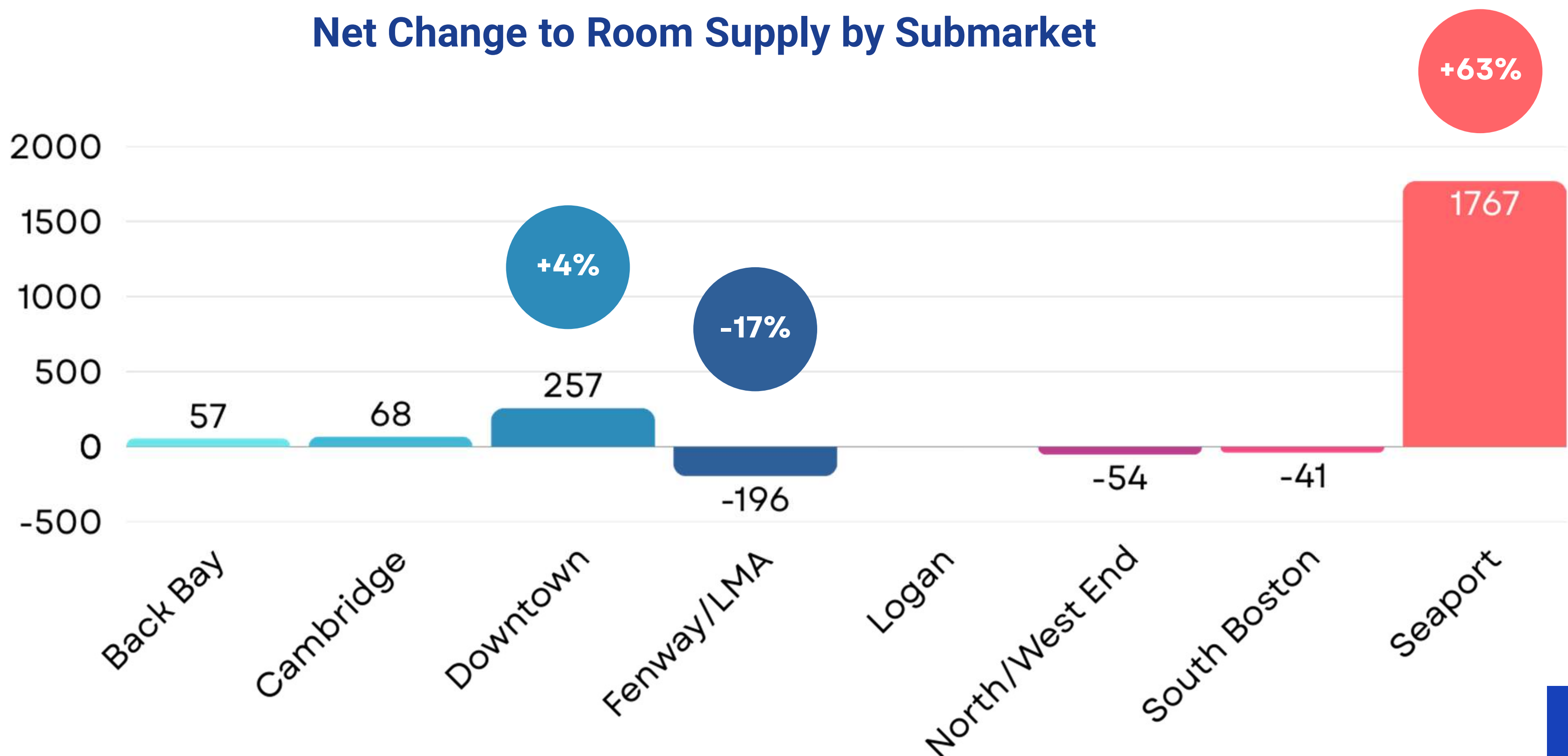
Supply: Growth Concentrated in Select Submarkets



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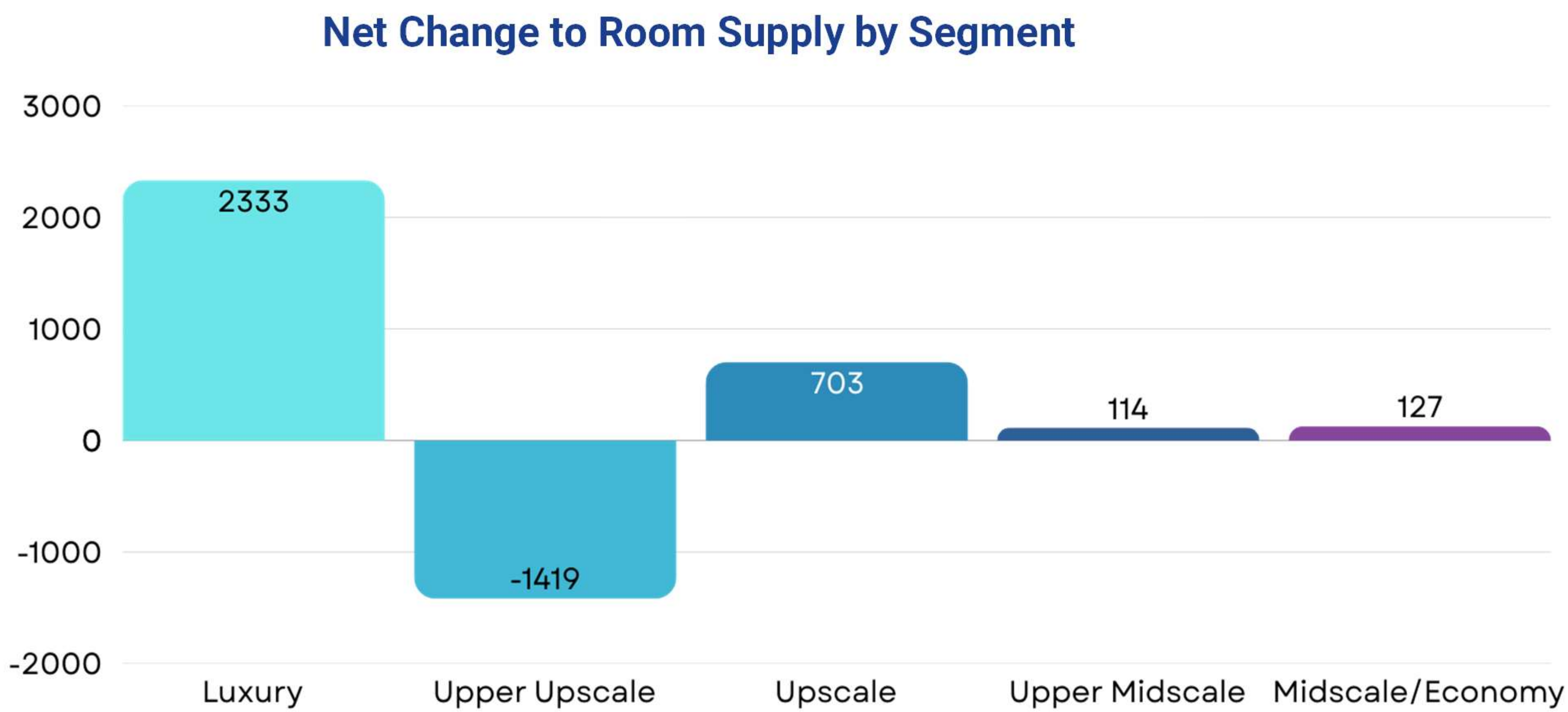
Supply: A Not-So-Subtle Shift Upwards in Quality



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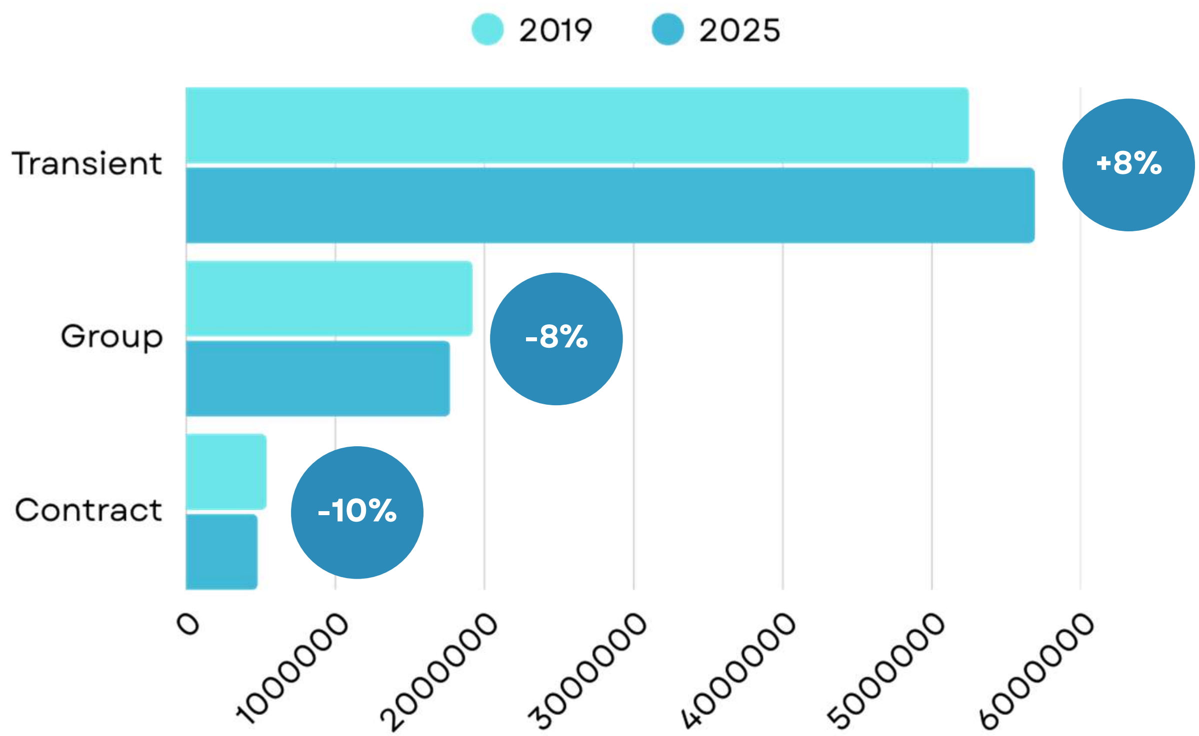
Demand: Driven by Transient, Surpassed 2019 Levels

+3.0% over 5 Years



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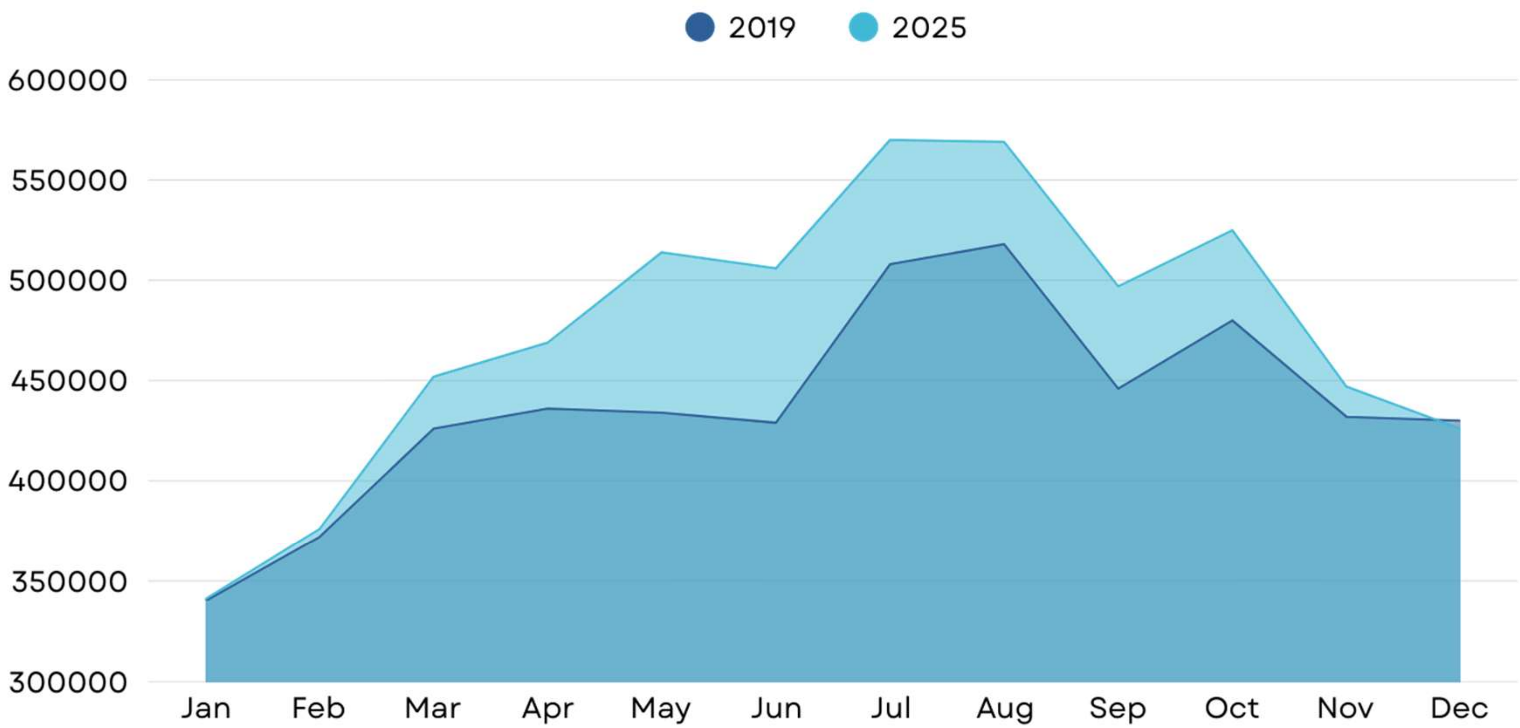
Transient Demand: Peak-Season Strengthened May to Oct



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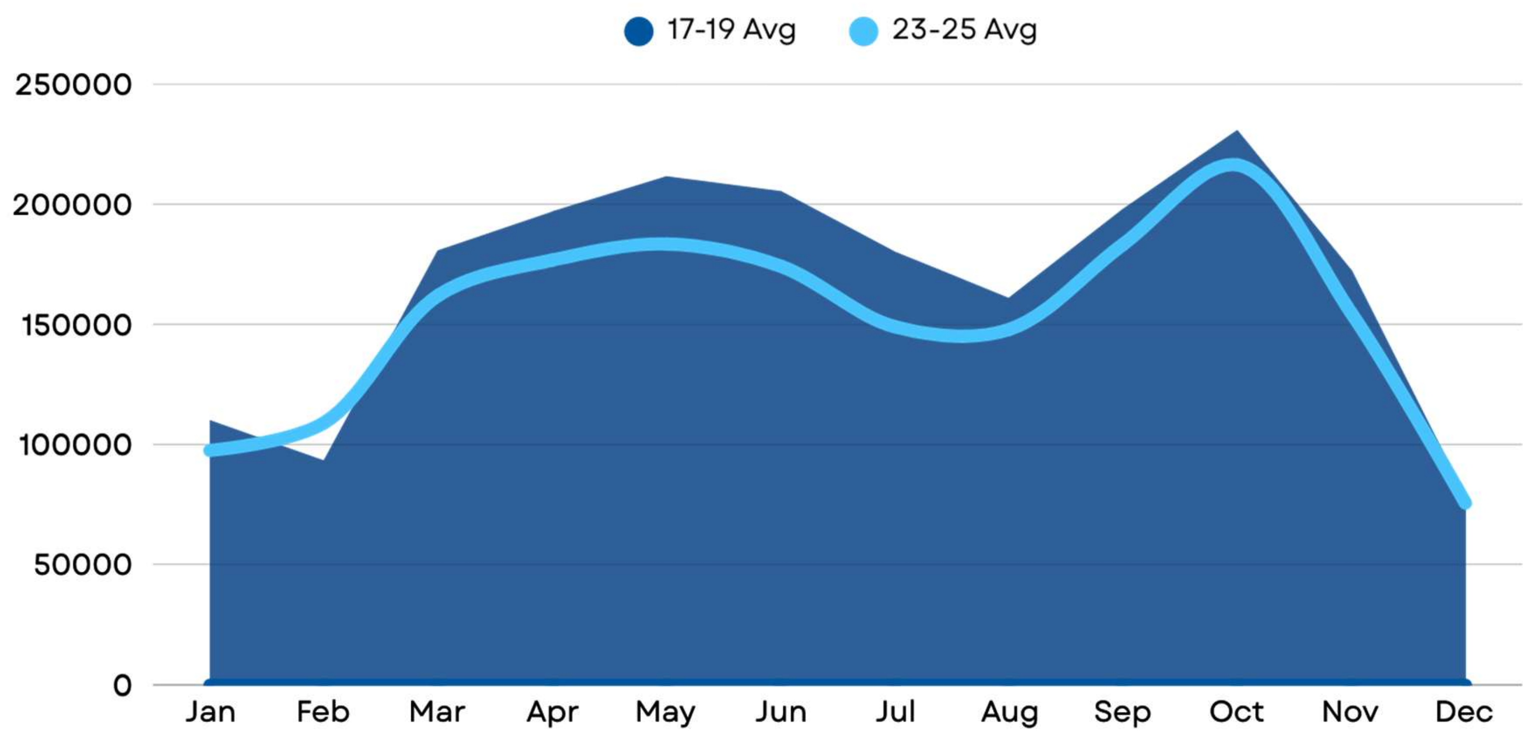
Group Demand: Similar Pattern but Peak Season Remains Below Prior-Cycle



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Demand: Demand & Occ Softened, With One Clear Outlier

Market Occ
-5 points

Demand
+3%

Submarket	2019 Occ	2025 Occ	Demand Change
Back Bay	82%	76%	-6%
Cambridge	82%	75%	-6%
Downtown	84%	76%	-5%
Fenway	83%	78%	-22%
Logan	83%	83%	-
North/West End	85%	81%	-8%
South Boston	81%	79%	-5%
Seaport	79%	79%	+63%

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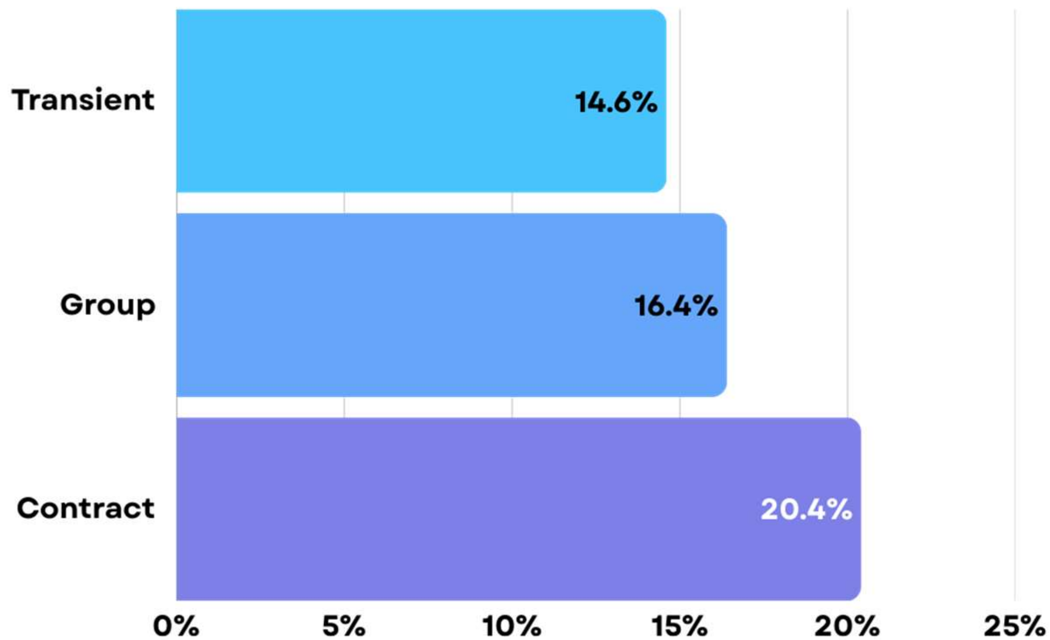
ADR: Remains the Primary Performance Driver

+15.7% over 5 Years



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Moving Rate: Fundamental Changes, A New Dynamic

- **A traditional 2,000-room “citywide” is now only a baseline indicator**
- **True market compression requires alignment of scale, timing, and venue mix**
- **Peak impact typically occurs when there are a considerable amount of rooms at BOTH the BCEC and the Hynes**
- **Shoulder season compression even more rooms to materially influence occupancy and rate**
- **Summer citywides remain impactful, while Q1 and Q4 events must exceed prior thresholds to move the market**

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Demand Mix & Pricing Comparison 2019 vs 2025

FEBRUARY	2019	2025
Convention Rooms	15,000	31,100
Total Market Group Rooms	94,100	121,500
Group as a % of Total	21%	23%
Nights over 90% occupancy	1	1
YoY Market ADR Growth	**+3.2%**	**+1.6%**
YoY Transient ADR Growth	**+6%**	**-1%**

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Demand Mix & Pricing Comparison 2019 vs 2025

MAY	2019	2025
Convention Rooms	47,000	61,700
Total Market Group Rooms	202,800	173,300
Group as a % of Total	31%	24%
Nights over 90% occupancy	15	9
YoY Market ADR Growth	**+4.8%**	**+0.1%**
YoY Transient ADR Growth	**+8%**	**0.0%**

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The Structurally Reset Market

What Changed...

- Higher-quality supply concentrated in key submarkets
- Transient-led demand recovery
- Rate-driven performance
- More selective pricing power

What it Means...

- A stable but more competitive operating environment
- Base demand matters more than ever
- Pricing discipline separates winners
- The next cycle will reward strategy, not momentum

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Outlook: 2026

	2025	2026	% Change
Occupancy	77%	77%	-
Average Daily Rate	$302	$312	3.5%
Revenue Per Available Room	$233	$241	3.5%

Q1	0.4%
Q2	5.0%
Q3	5.5%
Q4	-0.1

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Thank you.