



Ocean City, MD
Performance Outlook
& Summary

2020 - 2021

revolution is not a one time event.
Audre Lorde



Market Pulse

- ✓ Market Pulse & Variable – Maryland Area
- ✓ Year-over-Year Competitive Variable Trends

2021 Outlook Performance & Strategy

- ✓ Year-over-Year Competitive Variable Trends

RevROC

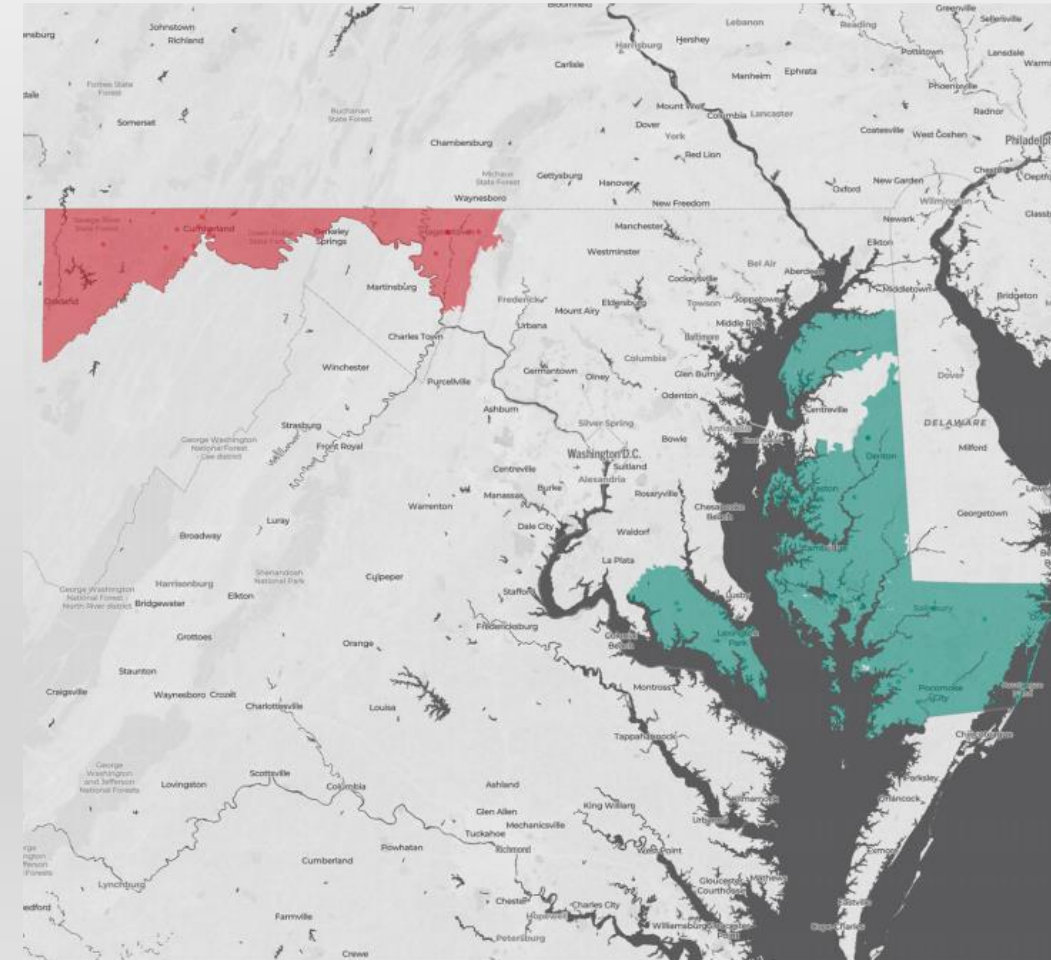
- ✓ Company Overview
- ✓ Company / Regional Ocean City Structure

Maryland Area Market Pulse & Variable



Maryland Area

● Chesapeake/Ocean City, MD ● Maryland West/Hagerstown, MD



- ✓ After 2018 finished down **-0.35%** in RevPAR for the first time in years, as supply exceeded demand, the market rebounded in 2019 growing **+3.22%** in RevPAR. This was primarily driven by a **+2.55%** increase in ADR and a slight **+0.65%** occupancy lift
- ✓ Jan/Feb 2020 continued to witness demand exceed supply by **+5.4%** year to date. The market saw a **+3.4%** occupancy increase year over year
- ✓ In mid-March, the COVID-19 pandemic started to heavily impact our market, causing demand to significantly decrease. The Maryland Area market witnessed a sizeable RevPAR loss of **-64.87%** from March to May. Once restrictions started to loosen as the months progressed and approached peak season, June to Sep only decreased **-27.75%**; far less than the national average of **-53.47%** RevPAR loss during the same months.

* Maryland Area consists of the STR defined Chesapeake / Ocean City MD & Western Maryland highlighted in Green and Red on map, respectively

Maryland Area Market Outlook

	MARKET 2019							MARKET 2020							MARKET 2021						
	GROWTH				FORECAST			GROWTH				FORECAST			GROWTH				FORECAST		
	Days	Occ. %	ADR %	RevPAR %	Occ. %	ADR	RevPAR	Days	Occ. %	ADR %	RevPAR %	Occ. %	ADR	RevPAR	Days	Occ. %	ADR %	RevPAR %	Occ. %	ADR	RevPAR
January	31	-4.03%	1.87%	-2.24%	35.34%	\$83.63	\$29.56	31	3.77%	0.72%	4.52%	36.66%	\$83.91	\$30.76	31	-20.00%	-3.00%	-22.00%	29.33%	\$81.40	\$23.87
February	28	-2.81%	-1.22%	-4.00%	41.27%	\$88.30	\$36.44	29	3.78%	3.85%	7.78%	42.73%	\$91.15	\$38.94	28	-18.00%	-6.00%	-23.00%	35.03%	\$85.68	\$30.02
March	31	-3.54%	2.11%	-1.50%	47.84%	\$92.54	\$44.28	31	-39.53%	-8.40%	-44.61%	28.82%	\$84.43	\$24.33	31	40.00%	4.00%	46.00%	40.34%	\$87.81	\$35.43
April	30	2.48%	1.60%	4.12%	53.52%	\$98.46	\$52.70	30	-76.00%	-30.00%	-83.00%	12.85%	\$68.92	\$8.85	30	270.00%	34.00%	396.00%	47.53%	\$92.36	\$43.90
May	31	5.12%	3.14%	8.42%	62.65%	\$123.23	\$77.20	31	-56.27%	-24.52%	-66.99%	27.39%	\$92.59	\$25.36	31	100.00%	27.00%	154.00%	54.77%	\$117.60	\$64.41
June	30	-0.40%	2.65%	2.24%	71.40%	\$163.92	\$117.04	30	-22.76%	-8.90%	-29.63%	55.08%	\$148.67	\$81.90	30	24.00%	7.00%	33.00%	68.31%	\$159.08	\$108.66
July	31	2.13%	2.78%	4.97%	78.13%	\$200.72	\$156.82	31	-20.01%	-0.47%	-20.38%	62.25%	\$199.22	\$124.02	31	21.00%	-2.00%	19.00%	75.33%	\$195.24	\$147.06
August	31	0.35%	4.16%	4.52%	79.03%	\$200.78	\$158.68	31	-22.46%	-10.60%	-31.00%	61.28%	\$179.50	\$110.00	31	24.00%	7.00%	33.00%	75.99%	\$192.07	\$145.94
September	30	6.85%	1.00%	7.93%	67.21%	\$131.84	\$88.61	30	-16.52%	5.99%	-12.00%	56.10%	\$139.74	\$78.40	30	12.00%	-6.50%	5.00%	62.83%	\$130.66	\$82.10
October	31	-1.86%	0.04%	-1.82%	56.24%	\$106.02	\$59.62	31	-18.00%	-6.00%	-23.00%	46.12%	\$99.66	\$45.96	31	14.00%	2.50%	17.00%	52.57%	\$102.15	\$53.70
November	30	-1.27%	1.23%	-0.06%	45.53%	\$91.04	\$41.46	30	-16.00%	-4.00%	-19.00%	38.25%	\$87.40	\$33.43	30	7.00%	2.00%	9.00%	40.93%	\$89.15	\$36.49
December	31	-0.26%	0.44%	0.18%	37.94%	\$87.44	\$33.17	31	-14.00%	-3.00%	-17.00%	32.63%	\$84.82	\$27.67	31	4.00%	2.00%	6.00%	33.93%	\$86.51	\$29.36
TOTAL	365	0.65%	2.55%	3.22%	57.82%	\$136.16	\$78.73	366	-22.54%	-4.97%	-26.00%	44.79%	\$129.39	\$57.95	365	16.35%	1.69%	18.00%	52.11%	\$131.58	\$68.57

Submarket: Chesapeake/ Ocean City MD Outlook

	SUBMARKET 2019							SUBMARKET 2020							SUBMARKET 2021						
	GROWTH				FORECAST			GROWTH				FORECAST			GROWTH				FORECAST		
	Days	Occ. %	ADR %	RevPAR %	Occ. %	ADR	RevPAR	Days	Occ. %	ADR %	RevPAR %	Occ. %	ADR	RevPAR	Days	Occ. %	ADR %	RevPAR %	Occ. %	ADR	RevPAR
January	31	-6.92%	3.34%	-3.81%	31.87%	\$85.85	\$27.36	31	10.14%	-1.39%	8.61%	34.98%	\$84.28	\$29.48	31	-22.00%	-3.00%	-24.00%	27.29%	\$81.75	\$22.31
February	28	-5.04%	-1.29%	-6.27%	38.20%	\$91.41	\$34.91	29	9.50%	2.92%	12.70%	41.62%	\$93.84	\$39.05	28	-20.00%	-7.00%	-26.00%	33.29%	\$87.27	\$29.05
March	31	-3.61%	2.56%	-1.14%	45.76%	\$96.34	\$44.09	31	-40.68%	-9.84%	-46.52%	27.00%	\$86.87	\$23.45	31	43.00%	4.00%	49.00%	38.61%	\$90.35	\$34.88
April	30	4.27%	1.12%	5.43%	51.86%	\$102.62	\$53.22	30	-77.40%	-29.60%	-84.10%	11.72%	\$72.24	\$8.47	30	292.00%	35.00%	429.00%	45.95%	\$97.53	\$44.81
May	31	6.65%	2.51%	9.33%	61.71%	\$131.93	\$81.42	31	-56.50%	-24.78%	-67.28%	26.84%	\$99.13	\$26.61	31	95.50%	24.00%	142.00%	52.48%	\$122.92	\$64.51
June	30	0.46%	2.15%	2.62%	72.09%	\$181.86	\$131.11	30	-17.43%	-11.12%	-26.62%	59.50%	\$161.55	\$96.12	30	17.00%	7.00%	25.00%	69.61%	\$172.85	\$120.33
July	31	3.63%	1.98%	5.69%	80.92%	\$224.77	\$181.89	31	-18.48%	-1.08%	-19.36%	65.95%	\$222.18	\$146.53	31	19.00%	-1.00%	18.00%	78.48%	\$219.95	\$172.62
August	31	1.78%	3.50%	5.33%	82.82%	\$223.23	\$184.87	31	-22.60%	-10.90%	-31.00%	64.10%	\$198.90	\$127.49	31	21.00%	8.50%	31.00%	77.56%	\$215.81	\$167.38
September	30	11.00%	-0.40%	10.55%	69.10%	\$141.48	\$97.76	30	-16.49%	7.83%	-10.00%	57.71%	\$152.56	\$88.04	30	13.50%	-8.50%	4.00%	65.50%	\$139.59	\$91.43
October	31	0.56%	-0.72%	-0.16%	54.41%	\$110.82	\$60.30	31	-18.00%	-6.50%	-23.00%	44.62%	\$103.62	\$46.23	31	15.50%	2.00%	18.00%	51.53%	\$105.69	\$54.46
November	30	1.77%	0.03%	1.79%	43.55%	\$93.47	\$40.70	30	-16.00%	-4.00%	-19.00%	36.58%	\$89.73	\$32.82	30	7.50%	2.00%	10.00%	39.33%	\$91.52	\$35.99
December	31	3.10%	-0.39%	2.70%	36.28%	\$89.96	\$32.63	31	-14.00%	-3.00%	-17.00%	31.20%	\$87.26	\$27.22	31	6.50%	2.00%	9.00%	33.22%	\$89.01	\$29.57
TOTAL	365	2.23%	1.95%	4.23%	57.86%	\$150.43	\$87.04	366	-21.69%	-5.20%	-26.00%	45.31%	\$142.60	\$64.62	365	15.05%	1.08%	16.00%	52.13%	\$144.15	\$75.15

Ocean City Market Outlook

	Ocean City Market 2019							Ocean City Market 2020							Ocean City Market 2021						
	GROWTH				FORECAST			GROWTH				FORECAST			GROWTH				FORECAST		
	Days	Occ.%	ADR%	RevPAR%	Occ.%	ADR	RevPAR	Days	Occ.%	ADR%	RevPAR%	Occ.%	ADR	RevPAR	Days	Occ.%	ADR%	RevPAR%	Occ.%	ADR	RevPAR
January	31	-9.30%	0.10%	-9.20%	26.60%	\$81.47	\$21.69	31	16.40%	-0.50%	15.80%	30.70%	\$80.25	\$24.63	31	-20.00%	-4.00%	-23.00%	24.56%	\$77.04	\$18.92
February	28	-2.40%	-1.80%	-4.20%	34.00%	\$91.73	\$31.20	29	11.20%	2.90%	14.40%	37.30%	\$93.71	\$34.92	28	-19.00%	-8.00%	-25.00%	30.21%	\$86.21	\$26.05
March	31	-2.10%	3.90%	1.70%	42.60%	\$96.78	\$41.27	31	-44.30%	-11.30%	-50.60%	23.70%	\$85.67	\$20.29	31	49.00%	4.00%	55.00%	35.31%	\$89.10	\$31.46
April	30	7.60%	0.40%	8.00%	50.70%	\$100.77	\$51.11	30	-51.60%	-26.40%	-64.40%	24.60%	\$73.95	\$18.18	30	74.00%	24.00%	116.00%	42.80%	\$91.70	\$39.25
May	31	6.60%	2.70%	9.60%	62.00%	\$137.32	\$85.15	31	-59.40%	-20.00%	-67.50%	25.20%	\$109.65	\$27.60	31	108.00%	15.00%	139.00%	52.42%	\$126.10	\$66.10
June	30	1.40%	1.20%	2.60%	75.10%	\$200.72	\$150.70	30	-10.50%	-11.30%	-20.60%	67.10%	\$177.94	\$119.43	30	7.50%	4.00%	12.00%	72.13%	\$185.06	\$133.49
July	31	3.60%	1.80%	5.50%	85.60%	\$255.98	\$219.05	31	-16.00%	-1.90%	-17.60%	71.90%	\$250.82	\$180.27	31	17.00%	0.00%	17.00%	84.12%	\$250.82	\$211.00
August	31	2.30%	3.10%	5.50%	88.10%	\$254.30	\$224.11	31	-21.60%	-12.60%	-31.40%	69.10%	\$222.07	\$153.43	31	20.50%	11.00%	34.00%	83.27%	\$246.50	\$205.25
September	30	12.50%	-1.00%	11.30%	71.50%	\$149.05	\$106.58	30	-13.80%	9.60%	-6.00%	61.63%	\$163.36	\$100.68	30	10.00%	-8.00%	1.00%	67.80%	\$150.29	\$101.89
October	31	-1.70%	-0.40%	-2.10%	52.00%	\$107.99	\$56.14	31	-15.00%	-7.00%	-21.00%	44.20%	\$100.43	\$44.39	31	9.50%	2.00%	12.00%	48.40%	\$102.44	\$49.58
November	30	-1.70%	-0.50%	-2.10%	37.90%	\$85.19	\$32.28	30	-12.00%	-4.00%	-16.00%	33.35%	\$81.78	\$27.28	30	4.50%	2.00%	7.00%	34.85%	\$83.42	\$29.07
December	31	4.50%	-0.80%	3.60%	32.80%	\$83.61	\$27.42	31	-12.00%	-4.00%	-16.00%	28.86%	\$80.27	\$23.17	31	4.50%	2.00%	7.00%	30.16%	\$81.87	\$24.69
TOTAL	365	2.68%	1.49%	4.21%	55.04%	\$159.35	\$87.70	366	-21.63%	-5.90%	-26.00%	43.13%	\$149.96	\$64.68	365	17.38%	3.42%	21.00%	50.63%	\$155.08	\$78.51

Ocean City Market

- ✓ While the impact of COVID-19 on Ocean City was still very significant, the town fared better than the vast majority of US markets this year. The unique combination of a drive-in beach market, largely dependent on leisure transient guests, provided OCMD with peak season demand that many markets did not see.
- ✓ The US hotel economy and many major markets are currently expected to see multi-year recovery before returning to pre-COVID figures. Ocean City will continue to rebound quicker as the town is not as reliant on segment demand like corporate travel, convention group, government business, etc.
- ✓ Ocean City Market is expected to grow 21% in RevPAR YoY for 2021. Forecasted \$78.51 RevPAR will be only -10.5% down from historic 2019 performance
- ✓ With cold weather approaching, the reality that COVID-19 will still be a major factor for the first part of 2021, and large group functions canceled/down-sized, we are anticipating occupancy to be underneath 2019 actuals
 - ✓ Jan-Feb will see year-over-year loss as these months were not impacted by COVID-19 in 2020
 - ✓ Slow growth in March with only half the month affected in 2020, but significant growth begins in April 2021 and will continue through end of year
- ✓ Forecasting a strong 2021 summer season; much closer to 2019 actuals in occupancy/ ADR. However, competitive beach markets along the East Coast will be fully open and may shift some demand from OCMD. Return of international travel may also have a slight negative impact on market potential
- ✓ Q4 will see RevPAR increases from 2020, but with the expected increase in supply in the market, town will finish underneath 2019 actuals

Company Overview

RevROC is an established, premier Revenue Management service provider to over 70 hotels and resorts. In pursuing its vision for top market achievement, RevROC dedicates its resources to reaching its Partners' top potential revenue performance. Ensuring consistency, RevROC employs proven talent with various market and product versatility to independent hotels and all brands, property and inventory management systems. Innovative partners afford us both presence in various markets and across several brands. Hotels' challenges may be threefold:

- ✓ Continuously implementing market-specific, independent RM processes to achieve optimum performance
- ✓ Driving competitive rate share to and above market potential
- ✓ Retaining a fully structured RM Department to meet the needs of any size hotel

Consistently meeting these challenges can yield a difference of millions in uncaptured top-line revenue over brief time increments.

Hotel Revenue Management WE ARE

The leading provider of outsourced RM support services in the Industry

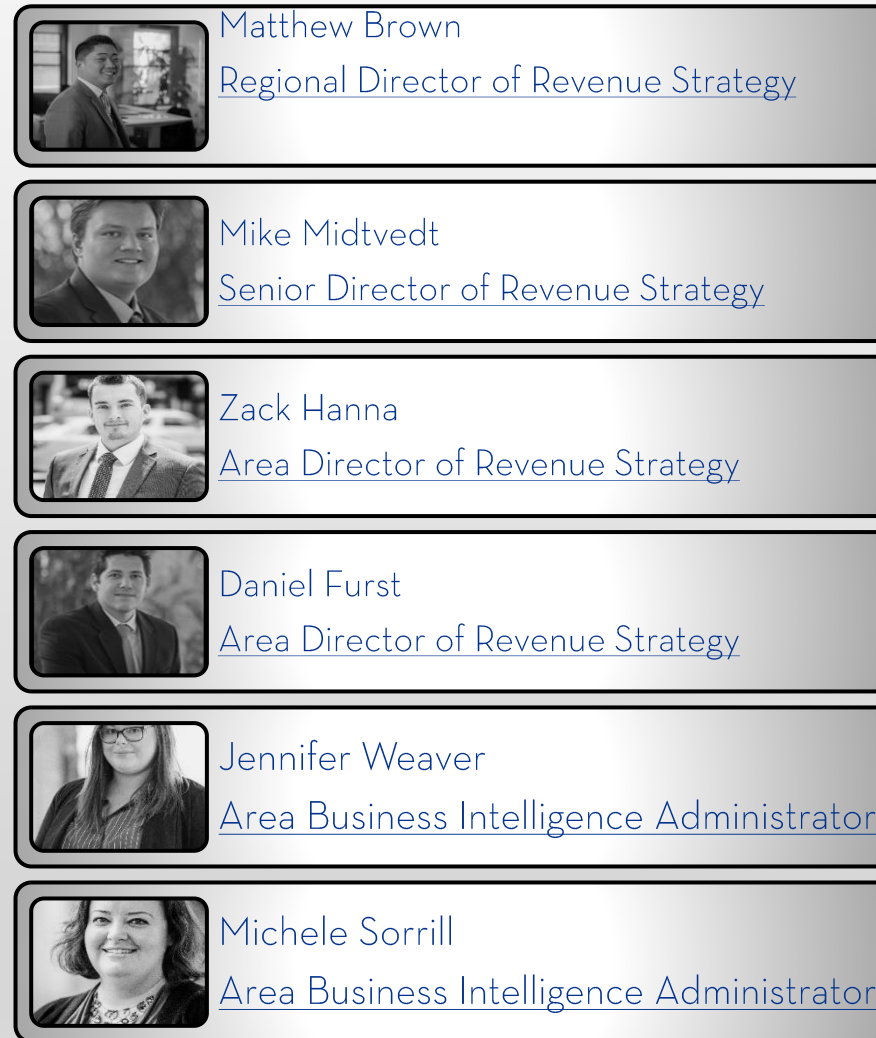
2019 Portfolio Overview

70+ Hotels, 10,000+ keys, & \$750M+ in annual revenues managed
50%/50% Branded & Independent Hotels. Trusted by 15+ different
Management Companies & 45+ Owners
Hotels in NY, NJ, RI, PA, MD, DE, NC, VA, FL, LA, IL, NH & CA
Passionate Associates with Offices in NYC & Maryland

Company Structure



Ocean City Office





revolution.
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