

CAL POLY POMONA ENTERPRISES
PROGRAM COMMITTEE
Friday, February 6, 2026
1:30 p.m.-3:30 p.m.
Zoom Meeting
<https://cpp.zoom.us/j/81958031092?from=addon>
Meeting ID: 819 5803 1092



AGENDA

Committee Chair: April Jimenez-Valadez

Members: Amiyah Ellsworth, Craig LaMunyon, Madison Navarro, Monique Robles, Dr. David Speak, Sherwin Weerakoon, Kris Zoleta

Staff: Shari Benson, Claudia Burciaga-Ramos, Lisa Coats, David Corral, Suzanne Donnelly, Juan Hernandez, Thomas Sekayan

I. ACKNOWLEDGEMENT OF MEMBERS OF THE PUBLIC

Who may or may not be commenting on a specific item or making a general comment

II. CONSENT ACTION ITEMS

Items in this section are routine and acted on in one motion. Each item of the Consent agenda approved by the committee shall be deemed to have been considered in full and adopted as recommended. Any committee member may request that a consent item be removed from the consent agenda to be considered as a separate action item. If no additional information is requested, the approval vote will be taken without discussion. An "A" distinguishes items requiring approval.

A. Approval of Minutes Program Committee Meeting – December 2, 2025	April Jimenez-Valadez, Chair	Page 2-4
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III. GENERAL UPDATES

B. CEO's Report	Thomas Sekayan, Acting CEO
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IV. ACTION ITEMS

C. Capital Budget FY25/26 (Attachment) A	Juan Hernandez, CFO Thomas Sekayan	5 - 8
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D. KW Hotel Brand Franchise Update (Attachment) A	Thomas Sekayan Bill Nazur, General Manager, Kellogg West	9 - 54
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V. INFORMATION & DISCUSSION ITEMS

E. Dining Refresh Update (Attachment) I	Thomas Sekayan David Corral, Director, Dining Services
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F. Bookstore Program Update (Attachment) I	Thomas Sekayan Suzanne Donnelly, Acting Bookstore Director
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G. Kellogg West Program Update (Attachment) I	Thomas Sekayan Bill Nazur, General Manager, Kellogg West
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VI. OPEN FORUM

VII. ADJOURNMENT

CAL POLY POMONA ENTERPRISES
Program Committee
Tuesday, December 2, 2025, 2:30 p.m.
Minutes



Notice is hereby given that a regular meeting of the Personnel Committee was held by video conference/teleconference on Tuesday, December 2, 2025, at 2:30 pm to discuss matters on the posted agenda. The meeting notice in its entirety was posted on the internet at: <https://cppenterprises.org/wp-content/uploads/Program-Committee-Meeting-12-2-25-Packet-2.pdf>

Committee Chair: April Jimenez-Valadez

Members: Amiyah Ellsworth, Craig LaMunyon, Madison Navarro, Dr. David Speak, Sherwin Weerakoon, Kris Zoleta

Absent: Monique Robles

Staff: Claudia Burciaga-Ramos, Lisa Coats, David Corral, Suzanne Donnelly, Juan Hernandez, Tariq Marji, Thomas Sekayan

Guests: None

Program Committee Chair April Jimenez-Valadez called the meeting to order at 2:31 PM.

CONSENT ACTION ITEMS

A. Approval of minutes for February 18, 2025

A motion was made by Craig LaMunyon and seconded by Dr. David Speak to approve the minutes, and the motion carried unanimously.

GENERAL UPDATES

B. CEO Report

Thomas Sekayan provided a comprehensive update on programmatic operations across Cal Poly Pomona Enterprises, emphasizing the Program Committee's role in overseeing student-facing programs, particularly Dining Services, the Bronco Bookstore, and Kellogg West.

Dining Services was reported to have a strong start to the academic year, supported by expanded collaboration with the Collins College of Hospitality. Recent initiatives focused on student value and accessibility were highlighted, including reduced pricing at campus convenience stores. A temporary energy drink price reduction during Dead Week and Finals Week was described as a pilot effort to assess student demand and purchasing behavior during high-stress academic periods.

Updates were also shared regarding the Bronco Bookstore, including the continued implementation of the Instant Access Complete program to ensure students receive required course materials at the start of the semester. Rising textbook and course material costs were noted as an ongoing challenge, with staff actively engaging academic leadership to explore cost-containment strategies to support the program's long-term sustainability. The successful collaboration between the Bookstore and Apparel Merchandising & Management (AMM) students was highlighted, with student-designed merchandise selling out quickly and potential plans to feature the partnership at a future Board meeting.

Progress at Kellogg West was discussed, including the Crestview hotel remodel. While construction delays related to supply chain disruptions and regulatory reviews were acknowledged, positive operational outcomes were reported, including improved occupancy through dynamic pricing strategies despite a temporarily reduced room inventory. Additional updates included current and prospective lodging agreements connected to the LA-28 Olympic Games, including direct contracts with international delegations.

Student housing operations at The Current were also addressed. Enhancements to security, increased coordination with Student Affairs, and steps toward transitioning the property to student-only housing upon expiration of existing non-student leases were outlined as part of a broader effort to ensure consistent, student-centered management across all Enterprise-managed housing.

The report concluded with reaffirmation of a commitment to data-informed decision-making, cross-divisional collaboration, and continued focus on student needs and programmatic integrity.

ACTION ITEMS

C. Mid-year Additional Capital Budget Requests

Juan Hernandez presented mid-year capital budget requests outside of the regular annual capital planning cycle due to operational urgency. These requests are intended to address critical infrastructure needs at Kellogg West that could impact program continuity, safety, and guest occupancy if not addressed in a timely manner.

The first request involves the replacement of two failing boilers serving the Kellogg West Conference Center. The boilers were described as having reached end of life, with ongoing repairs no longer cost-effective. Replacement is necessary to maintain reliable building operations and avoid service disruptions. The estimated cost for this project is \$60,000.

The second request involves installation of a fire sprinkler system in the Crestview Building, with an estimated cost ranging from \$600,000 to \$1,000,000, depending on whether prevailing wage requirements are determined to apply. The need for this installation is currently under review by the Office of Fire Safety and Facilities Planning and Management. While a final determination has not yet been issued, the request was brought forward to ensure timely approval should the requirement be confirmed.

It was noted that failure to complete the sprinkler installation, if required, could result in limitations on occupancy, including reliance on a temporary certificate of occupancy or potential delays in opening or operating the Crestview hotel rooms. Both items were reviewed by the Finance & Investment Committee from a financial capacity standpoint prior to being presented to the Program Committee for consideration of programmatic impact.

A motion was made by Dr. David Speak and seconded by Kris Zoleta that the members of the Program Committee have reviewed the Mid-year Additional Capital Budget Requests and that they be presented to the Board of Directors at their next regularly scheduled meeting. There was no opposition, the motion was approved unanimously.

INFORMATION & DISCUSSION ITEMS

D. Dining Refresh Update

David Corral provided an overview of ongoing dining refresh initiatives centered on value, variety, and student demand. He reported positive performance indicators across multiple dining locations, including increased transaction volume at BRIC Break and The Patio, which were attributed to expanded healthy and value-based menu options.

Updates were shared regarding pilot pricing initiatives, including discounted tacos and smoothies, as well as a temporary reduction in energy drink pricing during the week before finals and finals week. These initiatives were described as efforts to improve affordability and accessibility while assessing student response.

Future planning was also discussed, including the anticipated opening of the Choolaah concept in Spring 2026, pending equipment delivery and final approvals. Additional initiatives under consideration included expanded mobile ordering through the Starship platform, which is expected to reduce transaction costs and improve operational efficiency. Discussions are ongoing regarding increased halal offerings and potential vendor changes, as well as exploration of in-house value-based dining concepts to replace or supplement existing franchise operations.

E. Kellogg West Hotel Remodel

Thomas Sekayan provided an update on the Crestview hotel remodel at Kellogg West, highlighting the scope of renovations designed to modernize guest rooms, improve accessibility, and address deferred maintenance. Enhancements include updated furnishings, additional lighting, ADA-compliant features, and fire safety upgrades.

While acknowledging construction delays due to supply chain constraints and regulatory review processes, progress was reported as ongoing. Despite a temporarily reduced room inventory, improved occupancy levels were achieved through dynamic pricing strategies and increased turnover. Future phases of renovation, including conference center improvements, are planned to ensure consistency across facilities and improve the overall guest experience.

F. Instant Access Complete Program Fall Report

Suzanne Donnelly presented an update on the Instant Access Complete program, which provides automated access to required course materials for students at a flat per-semester fee. She reported continued growth in program participation and highlighted the introduction of a Flexible Access option, allowing students with limited material needs to opt into a reduced-cost tier.

The program was noted to have contributed to significant estimated cost savings for students compared to traditional textbook purchasing models. However, rising publisher and material costs were identified as an emerging challenge, prompting ongoing analysis and discussions with academic partners regarding cost-conscious material selection. Potential future fee adjustments were discussed as part of ensuring the program's long-term sustainability.

Additional updates were provided on general merchandise initiatives within the Bronco Bookstore, including expanded technology offerings, licensed and co-branded apparel, and wellness-focused products intended to enhance student engagement and foster a sense of belonging.

G. AHC Teaching Horse Update

Thomas Sekayan provided an in-depth update on Cal Poly Pomona Enterprises' support role for the Arabian Horse Center Teaching Horse program, which is being developed as a campus initiative focused on experiential leadership learning.

It was reported that Enterprises is assisting with revising the program's business plan to better reflect Cal Poly Pomona's longstanding equestrian legacy and to more accurately assess the program's operational and financial viability. The revised business plan is intended to clarify program

scope, target markets, pricing assumptions, and capacity limitations, including consideration of the number of training sessions that can be supported given animal welfare and facility constraints.

Enterprises is also providing operational infrastructure support by making available existing systems used at Kellogg West, including customer relationship management, sales tracking, contracting, and invoicing tools. These systems will allow the Teaching Horse program to track prospective clients, manage bookings, monitor revenues and expenses, and improve visibility into program performance as it develops.

From a financial perspective, it was noted that the Teaching Horse program is currently operating as a cost center, with expenses being tracked but no revenue generated to date. Enterprises is working with campus partners to establish appropriate financial structures and reporting mechanisms that will support future revenue generation and inform decision-making regarding program sustainability.

The update also addressed the leadership development framework of the program. Committee members discussed the importance of clearly defining the role of facilitators and instructional outcomes, noting that the horses serve as a tool within the learning experience, while trained facilitators are central to delivering effective leadership development. Questions were raised regarding program positioning, competition with other leadership offerings, and the institution's role in endorsing such programming.

Enterprises' involvement was emphasized as being focused on providing objective business and operational support to ensure the program is thoughtfully developed, aligned with institutional values, and positioned for long-term success. Coordination with the President's Office and the Arabian Horse Center will continue as the business plan and program framework are refined.

OPEN FORUM

During Open Forum, committee members discussed student transportation and campus mobility. Dr. David Speak emphasized transportation as a fundamental student need affecting safety, access, and campus livability. He encouraged exploration of opportunities for increased coordination among the Foundation, Enterprises, campus leadership, and the City of Pomona, noting recent changes in housing and evolving transportation models. Dr. Speak suggested that this may be an appropriate time to revisit transportation strategies in a more comprehensive manner.

Amiyah Ellsworth shared that Associated Students, Inc. (ASI) has recently partnered with Zipcar to expand off-campus transportation options for students and is exploring additional infrastructure projects related to bicycle and scooter storage and charging. She expressed interest in collaborative discussions to align efforts across campus entities.

Thomas Sekayan stated that Cal Poly Pomona Enterprises is open to supporting transportation initiatives where feasible and noted prior discussions with third-party vendors, including rideshare and micro-mobility providers. He explained that some proposed models would require institutional subsidies and that Enterprises has referred such proposals to appropriate campus departments for further evaluation. The committee agreed that transportation remains an important topic for continued coordination and future discussion.

ADJOURNMENT

A motion to adjourn the meeting was made by Dr. David Speak and seconded by Amiyah Ellsworth. Meeting was adjourned at 3:57 p.m.

Respectfully submitted,

April Jimenez-Valadez
Program Committee, Chair



CEO's Report

February 06, 2026

Program Committee

Memorandum



Date: February 6, 2026

To: Program Committee

From: Thomas Sekayan, Interim Chief Executive Officer
Juan Hernandez, Chief Financial Officer

Attached: Capital Budget for 2026-2027 – detail by division

Subject: **Capital Budget 2026-2027**

Pursuant to the Enterprise Foundation's Policy #118, Management is presenting to the Committee the Budget of capital expenditures for fiscal year 2026-2027.

Capital expenditures requested cover the divisions of the Bookstore, CPPE Student Housing, Employment Services, Information Technology, Dining Services, Kellogg West, Real Estate, Administration, Information Technology, Agriculture and Center for Professional and Global Education at a total amount of \$4.7M, remaining consistent with the requested amount in the previous year. Carry-over budget requests decreased year-over-year from \$1.6M to \$1.125M, resulting in a favorable \$458K decrease in the total Capital Budget (\$5.8M). Projects are designated as Scheduled Renewals/Security, Programmatic, Deferred Maintenance, ADA related, Health & Safety, or Contractual/Legal. A significant portion of the requests are a result of Kellogg West facility improvements and room renovations required for the Series by Marriott branding opportunity (Programmatic). Some projects may have components in other designated categories that are not reflected in the report.

RECOMMENDED ACTION:

Management is requesting that the Program Committee approve the capital expenditure budget for 2026-2027 as presented for approval by the Board of Directors.

BE IT RESOLVED THAT the members of the Program Committee have reviewed and approved the presented 2026-2027 capital expenditure budget.

BE IT FURTHER RESOLVED that the Program Committee forwards this resolution to the Board of Directors for approval at their next scheduled meeting.

PASSED AND ADOPTED THIS 6th DAY OF FEBRUARY 2026

By: _____
April Jimenez-Valadez
Program Committee Chair

Division	Project Name	Carryover to Proposed Budget Year	2026-2027 Requested Budget	Purpose	Category
ADMINISTRATION					
	FOUNDATION ADMINISTRATION	\$ -	\$ 70,000	~ 10 cubicles, walls, and access doors	Health & Safety
	FOUNDATION ADMINISTRATION	\$ -	\$ 550,000	Emergency and unanticipated needs	Programmatic
ADMINISTRATION Total		\$ -	\$ 620,000		
ARGICULTURE					
	FARM STORE AT KELLOGG RANCH	\$ 35,000	\$ -	Resurface the Farm Store roof	Deferred Maintenance
	ORNAMENTAL HORTICULTURE	\$ -	\$ 35,000	Forklift	Deferred Maintenance
	ORNAMENTAL HORTICULTURE	\$ -	\$ 35,000	Pallet Racks for Greenhouse Storage	Programmatic
ARGICULTURE Total		35,000	70,000		
BRONCO BOOKSTORE					
	BRONCO BOOKSTORE	\$ 25,000	\$ -	back office carpet and employee area updates	Deferred Maintenance
BRONCO BOOKSTORE Total		\$ 25,000	\$ -		
CPGE					
	CPGE-ADMINISTRATION	\$ -	\$ 11,000	CTTI (CPGE) Restroom painting, sinks, etc.	Deferred Maintenance
	CPGE-ADMINISTRATION	\$ -	\$ 23,000	CTTi - parking lot slurry and restriping project (50% of \$46K)	Deferred Maintenance
	CPGE-ADMINISTRATION	\$ -	\$ 29,660	CTTi Bldg. 220A, B, C (CPGE) Refinish walkways with slip resistant deck treatment	Deferred Maintenance
CPGE Total		\$ -	\$ 63,660		
CPPE Student Housing					
	THE CURRENT HOUSING	\$ 150,000	\$ -	Security fencing for acquired property	Scheduled Renewals/Security
	THE CURRENT HOUSING	\$ -	\$ 100,000	New request: Additional funds for security fencing for acquired property	Health & Safety
	UNIVERSITY VILLAGE	\$ 25,000	\$ -	Enlarge trash enclosure to fit dumpster and recycling	Health & Safety
	UNIVERSITY VILLAGE	\$ 7,270	\$ -	Treads: repair stairwells for safety	Health & Safety
	UNIVERSITY VILLAGE	\$ 37,000	\$ -	Boiler replacement	Scheduled Renewals/Security
	UNIVERSITY VILLAGE	\$ 81,930	\$ -	HVAC replacement	Scheduled Renewals/Security
	UNIVERSITY VILLAGE	\$ 108,000	\$ -	Furniture Replacement : apartments & shared spaces	Scheduled Renewals/Security
	UNIVERSITY VILLAGE	\$ 126,233	\$ -	Lighting: degrading street lights and building lights	Scheduled Renewals/Security
	UNIVERSITY VILLAGE	\$ -	\$ 20,000	remidiation of elevator wall	Health & Safety
	UNIVERSITY VILLAGE	\$ -	\$ 15,000	Landscaping: Phase III planters	Scheduled Renewals/Security
	UNIVERSITY VILLAGE	\$ -	\$ 25,000	Drainage wall	Health & Safety
	UNIVERSITY VILLAGE	\$ -	\$ 30,000	Rec Center flooring	Health & Safety
	UNIVERSITY VILLAGE	\$ -	\$ 40,000	New vehicle	Scheduled Renewals/Security
	UNIVERSITY VILLAGE	\$ -	\$ 40,000	Replace Ducts	Deferred Maintenance
	UNIVERSITY VILLAGE	\$ -	\$ 125,000	Phase III vanity replacement	Scheduled Renewals/Security
	UNIVERSITY VILLAGE	\$ -	\$ 135,000	Boiler replacement	Scheduled Renewals/Security
	UNIVERSITY VILLAGE	\$ -	\$ 220,000	HVAC replacement	Deferred Maintenance
	UNIVERSITY VILLAGE	\$ -	\$ 300,000	Parking Lot Repair	Deferred Maintenance
CPPE Student Housing Total		\$ 535,433	\$ 1,050,000		
DINING SERVICES					

HIBACHI SAN	\$	225,000	\$	-	cyclical programmatic refresh of retail locations	Programmatic
CAMPUS CENTER OVERHEAD	\$	25,000	\$	-	cyclically replace ice and dishwasher machines in building 97	Deferred Maintenance
CAMPUS CENTER OVERHEAD	\$	30,000	\$	-	CCMP (floor) - health and safety enhancements for lease operations	Health & Safety
CARL'S JR	\$	-	\$	75,000	cyclical programmatic refresh of retail location	Programmatic
CENTERPOINTE DINING COMMONS	\$	-	\$	80,000	Modifications and upgrade of equipment	Deferred Maintenance
INNOVATION BREW WORKS	\$	-	\$	80,000	IBW Exhaust modifications	Health & Safety
DINING SERVICES Total	\$	280,000	\$	235,000		
EMPLOYMENT SERVICES						
EMPLOYMENT SERVICES	\$	45,000	\$	-	Kronos Timeclocks+interfaces+equipment	Programmatic
EMPLOYMENT SERVICES Total	\$	45,000	\$	-		
KELLOGG WEST						
K.W. ROOM REVENUE	\$	35,000	\$	-	KW Freezer Replacement due to end-of-life	Deferred Maintenance
K.W. ROOM REVENUE	\$	45,000	\$	-	Kitchen Hood modifications due to potential fire hazard	Health & Safety
K.W. ROOM REVENUE	\$	90,000	\$	-	Upgrade to old Audio Visual systems within the conference center	Deferred Maintenance
K.W. ROOM REVENUE	\$	-	\$	230,000	Conference Center Lobby Elevator	Deferred Maintenance
K.W. ROOM REVENUE	\$	-	\$	150,000	Buildings 76A and 78 Boiler Replacements	Deferred Maintenance
K.W. ROOM REVENUE	\$	-	\$	20,000	New Equipment for Gym	Programmatic
K.W. ROOM REVENUE	\$	-	\$	15,000	Laundry Equipment Purchase - 4 washer/dyer combos	Programmatic
K.W. ROOM REVENUE	\$	-	\$	2,000,000	KW Marriott Branding Investment	Programmatic
KELLOGG WEST Total	\$	170,000	\$	2,415,000		
MARKETING Total	\$	-	\$	-		
MIS						
FOUNDATION MIS	\$	35,000	\$	-	OneSolution system upgrade and improvements	Programmatic
FOUNDATION MIS	\$	-	\$	20,000	Clover Hardware Refresh for End of Life equipment.	Scheduled Renewals/Security
FOUNDATION MIS	\$	-	\$	20,000	UKG Timeclock refresh. Replacing 4 remaining clocks that will be out of support by end of	Scheduled Renewals/Security
FOUNDATION MIS	\$	-	\$	20,000	Disk to Disk backup server for Foundation servers to replace out dated server.	Scheduled Renewals/Security
FOUNDATION MIS	\$	-	\$	35,000	Workstation refresh for outdated hardware that no longer meets our updated hardware	Scheduled Renewals/Security
MIS Total	\$	35,000	\$	95,000		
REAL ESTATE & FACILITIES						
CENTER FOR TRAINING TECH INCUB	\$	-	\$	15,000	CTTi Restroom painting, sinks, etc.	Deferred Maintenance
CENTER FOR TRAINING TECH INCUB	\$	-	\$	30,000	CTTi parking lot slurry and restriping	Deferred Maintenance
CENTER FOR TRAINING TECH INCUB	\$	-	\$	76,000	CTTi 220A, B, C Refinish walkways with slip resistant deck treatment	Deferred Maintenance
BUILDING 97 OPERATIONS	\$	-	\$	17,000	Bldg. 97 Water Source Heat Pump Replacement	Deferred Maintenance
FOUNDATION MAINTENANCE	\$	-	\$	30,000	Used Service Truck	Scheduled Renewals/Security
REAL ESTATE & FACILITIES Total	\$	-	\$	168,000		
Grand Total	\$	1,125,433	\$	4,716,660		

Total including prior year carryovers \$ 5,842,093

Memorandum

Date: February 06, 2026

To: Program Committee

From: Thomas Sekayan, Interim Chief Executive Officer
Juan Hernandez, Chief Financial Officer

Attached: Executive Summary, CBRE Analysis, & CoStar Analysis

Subject: **Kellogg West – Series by Marriott Branding Investment**

Management has evaluated affiliating the Kellogg West Hotel & Conference Center with **Series by Marriott**, a soft brand for high-quality independent hotels. Third-party market data and historical performance show Kellogg West has materially underperformed branded competitors in occupancy, Average Daily Rate (ADR), and Revenue Per Available Room (RevPAR). A Marriott affiliation is expected to materially improve demand and room revenue while maintaining operational flexibility.

Beyond financial performance, the affiliation supports the University's academic and workforce development objectives and further supports CPPE's mission to enhance University experience. A branded Kellogg West would provide Collins College of Hospitality Management students with hands-on exposure to national brand standards, operating systems, and potential certification pathways, strengthening graduate employability and the College's competitive positioning. The Collins College of Hospitality Dean, Margie Jones, has provided significant support behind this opportunity and continues to work closely with Management.

To meet Series by Marriott standards, Kellogg West must renovate the remaining 36 guest rooms and complete required life-safety, ADA, and infrastructure upgrades. The estimated incremental capital requirement is **\$2.0 million**, supported by the projected increase in room revenue. Conservative projections indicate Marriott branding could increase annual room revenue by approximately **\$850,000 to \$1.1 million**. Using the lower-bound estimate, the investment is projected to be recovered in approximately **2.3 years**, excluding additional upside from food and beverage, group business, or long-term ADR growth.

Additional details and supporting analysis are provided in **Attachment A**.

PROPOSED ACTION: Approve the additional \$2.0 million investment and authorize Management to continue the application process to join the Series by Marriott brand.

RESOLVED, that the members of the Program Committee have reviewed the proposed \$2.0 million capital investment required to support the Series by Marriott brand affiliation for the Kellogg West Hotel & Conference Center, including the projected incremental annual room revenue of approximately \$850,000 to \$1.1 million.

FURTHER RESOLVED, the Program Committee recommends approval of the additional \$2.0 million investment and authorization to continue the Series by Marriott application process to the Board of Directors, for consideration and approval at their next regularly scheduled meeting on February 17th, 2026.

By: _____
April Jimenez-Valadez
Program Committee Chair

To: Presidential Cabinet

From:

TS

Thomas Sekayan, Acting Chief Executive Officer, Cal Poly Pomona Enterprises

WN

Bill Nazur, General Manager, Kellogg West Hotel & Conference Center

MJ

Margie Jones, Dean of Collins College of Hospitality Management

Date: January 15, 2026

Subject: Strategic Affiliation Opportunity – Series by Marriott at Kellogg West

Executive Summary

This briefing outlines the strategic and financial opportunity associated with affiliating the Kellogg West Hotel & Conference Center with **Series by Marriott**, a soft-brand offering designed for high-quality independent hotels. Based on historical performance metrics and third-party market benchmarks, Kellogg West has materially underperformed branded competitors in occupancy, average rate, and total room revenue (RevPAR – Revenue Per Available Room). A Series by Marriott affiliation provides a practical, data-supported pathway to improve hotel performance through enhanced distribution, demand generation, and brand recognition, while preserving the operational flexibility required of a university-affiliated property.

From a financial perspective, conservative, mid-target projections indicate that a branded operating model could increase annual room revenue by approximately \$850,000 and support recovery of an approximately \$5.0 million property improvement investment within six years. Importantly, the Series fee structure applies only to room revenue and excludes food and beverage operations, allowing the University to retain the full financial benefit of conference, catering, and mission-aligned events. This structure, combined with limited brand-mandated capital requirements, aligns well with the University's operating environment and fiscal constraints.

Beyond financial performance, a Series by Marriott affiliation advances the University's academic and workforce development objectives. A branded Kellogg West would serve as a differentiated, on-campus training platform for Collins College of Hospitality Management students, providing hands-on exposure to national brand standards, operating systems, and potential certification pathways. This experiential learning environment, which remains uncommon among West Coast hospitality programs, strengthens graduate employability, enhances the College's competitive positioning, and supports student recruitment and enrollment growth.

In summary, affiliating Kellogg West with Series by Marriott offers a balanced and institutionally aligned solution that strengthens financial performance, enhances educational outcomes, and elevates the University's visibility within both the hospitality industry and higher education. The proposed partnership leverages the scale and reach of Marriott, the nation's largest hotel network, while preserving the identity, mission, and flexibility essential to Kellogg West and the University as a whole.

Timeline of Events

- **November 2024:** Bill Nazur appointed as General Manager and directed to evaluate hotel branding opportunities for Kellogg West, in partnership with Collins College of Hospitality, amidst ongoing renovations due to water intrusion and mold damage from late spring 2024.
- **December 2024 - February 2025:** Outreach to industry contacts (Wyndham, Best Western, Marriott, Hilton) and discussions with Dean Margie Jones on operational improvements and branding goals.
- **Early 2025:** Crestview (51 room building) roof repairs and comprehensive reconstruction plan initiated; building stripped to studs for remediation.
- **Guest Room Furnishing:** Bids reviewed, modern brand-neutral boutique design selected. Final contract awarded at under \$11,000 per room, including new amenities.
- **Mid-2025:** Dean Jones and GM Nazur explore strategic synergies; Marriott and Hilton announce new soft brands with greater flexibility.
- **July 2025:** Preliminary discussions with Marriott's VP of Development confirm Kellogg West's potential addition to their portfolio, aligning with Marriott's vision for independent properties.
- **September 2025:** Marriott's Property Assessment Team tour Kellogg West to review existing rooms, amenities, and surrounding land. Findings will be aggregated into a "Property Improvement Plan" made available late October/early November.
- **November 2025:** Property Improvement Plan (PIP) received at the end of month and reviewed. GM Nazur reviewed and made recommendations, while also sharing with Dean Jones, who provided to members of her board for additional feedback.
- **December 2025:** GM Nazur spoke with Marriott development regarding design consultant, which is outlined in the PIP. While this will not be necessary, we will engage with a digital marketing agency, Tambourine, as previously anticipated to ensure brand voice is consistent with the Kellogg story and the greater history of the hotel and campus.

GM Nazur and Dean Jones collaborate with Collins board members to develop a working document to outline the history of KW, along with its challenges and opportunities from a hospitality perspective. Feedback available for committees and board review.

- **Current Status:** No more bidding or procurement is needed, but 36 unrenovated guest rooms still require upgrades to meet hotel industry standards. Extra capital will be necessary and is not yet budgeted. The rebuild of 51 rooms will be completed by late March 2026 due to an unanticipated requirement to install Fire Sprinklers.
- **February 2026:** Request formal submission of franchise application subject to CPPE Board approval of capital, budget and programmatic benefits to CPP.

The Brand

Marriott's newest brand, Series, offers a flexible soft-brand franchise model tailored for independent hotels. The bundled fee structure tops out at 11% of room revenue, broken down as follows:



- 5% franchise fee (at standard rate)
- 6% for systems, marketing, and support
- No fees on food & beverage revenue

Strategic Advantages

1. Brand Recognition: Marriott's name boosts visibility and trust
2. Loyalty Program Access: Marriott Bonvoy drives new and repeat business
3. Operational Support: Includes training, systems, standards, marketing, and templates
4. F&B Fee Exemption: Preserves margins on food and beverage operations
5. Soft Branding: Series allows more flexibility and lower costs than most traditional hotel brands that require substantial capital investment
6. Academic Integration: Supports Collins College students learning the systems and structure of the nation's largest hotel brand family, increasing employability upon graduation



Risks & Considerations

1. Capital Investment: Estimated \$2,000,000 renovation cost for remaining 36 guest rooms, which is inclusive of programmatic costs and required infrastructure (mostly fire, life and safety) upgrades required by the brand. Assuming CPPE Board approval for estimated costs (Feb 2026), design and renovation timeline approximation is 6-9 months. The extent of the timeline accounts for unanticipated facility remediation needs.
2. Loss of Easy Availability: Brand standards may create increased demand that may inhibit internal partner engagement and participation at the hotel, and would require close coordination and collaboration with University departments that rely on the Kellogg West Hotel for University business.
3. Long-Term Commitment: Franchise agreements are typically 10-20 years. While there is the ability to exist earlier, these come with costs.

4. Onboarding & Exit Strategy: Extensive review of franchise terms needed; GM Nazur is certified through Marriott and served as Certified Trainer for Western Region Pre-Opening of hotels. Exit terms depend on the reason for cancellation.

Advantage to Marriott – Skilled Workforce Access

One of the key components of this partnership is the potential for preferred access to the future hospitality workforce through Collins College. Marriott would benefit from additional highly trained graduates with specialized knowledge of Marriott business operations specific to their brand requirements. This would include proprietary systems, sales strategy, standard operating procedures, mandatory and discretionary training, structural norms, and more. This will deliver substantial cost savings to recruit and train entry-level management candidates.

Advantage to CPP/CPPE – Access

Access to CPP Enterprises and its affiliated properties would deliver meaningful benefits across the broader Kellogg West ecosystem, including the Kellogg West Hotel & Conference Center, the Kellogg House, the Lyle Center, and other ancillary locations. Affiliation with the nation's largest hotel network provides enhanced visibility, demand generation, and access to shared leads through Marriott's regional and national sales channels. In addition, proximity to neighboring Marriott-branded properties—such as the Sheraton Fairplex and the planned TownePlace Suites by Marriott—creates opportunities for coordinated demand management, including overflow accommodations during peak periods, thereby increasing the attractiveness and scalability of the Kellogg West Conference Center for larger group business.

For the Collins College of Hospitality Management, the primary value lies in the on-campus, hands-on training environment provided through student employment and experiential learning at a branded Kellogg West operation. This setting allows students to develop practical skills aligned with national brand standards while supporting academic outcomes. An additional potential benefit includes expanded access to philanthropic and industry support from Marriott, further strengthening the College's educational mission and industry engagement.

Potential Added Partner Benefits

CPP Enterprises and the Collins College of Hospitality Management seek to build upon the University's longstanding academic and business relationship with Marriott through a potential affiliation with the Series by Marriott brand. In addition to the operational and financial benefits to Kellogg West, this partnership presents a strategic opportunity to enhance student training, professional certification pathways, and workforce readiness. Industry research and higher education analyses, including those published by *U.S. News & World Report*, emphasize the increasing value placed on experiential learning and brand-aligned education within hospitality programs.

Affiliating Kellogg West with a nationally recognized hotel brand would create a differentiated, on-campus training environment where students gain hands-on exposure to branded operating standards, technology platforms, and service cultures. This type of integrated academic and operational experience is available at only a limited number of hospitality programs nationwide and remains uncommon on the West Coast. As a result, the partnership would elevate Collins College's competitive positioning by aligning the program with industry expectations and establishing parity with peer institutions that operate branded teaching hotels.

This differentiation has the potential to drive increased student interest and enrollment by offering a clear, tangible value proposition: access to real-world brand training and certification opportunities prior to graduation. By combining a branded hotel operation with a nationally ranked hospitality program, the University strengthens its appeal to prospective students, improves graduate employability, and reinforces its standing as a leader in applied hospitality education. Collins College would lead the academic integration of this partnership, supported by CPP Enterprises leadership, ensuring alignment with both educational objectives and operational excellence.

Why Series by Marriott?

In evaluating potential brand partnerships for the Kellogg West Hotel & Conference Center, the primary considerations were financial impact, operational flexibility, alignment with the University's mission, and the ability to improve hotel performance without imposing disproportionate capital or compliance requirements. Emphasis was placed on brand fee structures, revenue treatment, and accommodation of operational constraints unique to a university-affiliated property.

Series by Marriott is specifically designed for independent hotels that seek the benefits of national brand affiliation while retaining operational flexibility. The Series model applies a bundled fee of approximately 11% of room revenue, consisting of a base franchise fee (approximately 5%, prior to any Collins College partnership considerations where Marriott could provide a minor discount, though unlikely) and ancillary support fees (approximately 6%). Importantly, these fees apply only to room revenue and exclude food and beverage sales.

This exclusion is a critical advantage for Kellogg West, where food and beverage operations represent a meaningful and mission-aligned revenue stream driven by University-sponsored activity, external nonprofit and philanthropic organizations, and social catering events, including weddings and memorial services. Under the Series structure, KW would retain full financial benefit from its catering and conference operations, preserving a key economic and institutional function of the facility.

Additionally, the soft-brand nature of Series by Marriott allows flexibility around constraints that are difficult to reconcile under traditional branded models. These include the hotel's dual ownership and management structure (state-owned facility operated by an auxiliary organization), limited access to capital for extensive façade or structural modifications, and the need to maintain the existing identity of the Kellogg West Hotel. Under the Series model, the Kellogg West name would be retained, with a co-branding designation such as "Kellogg West Hotel, a Series

Collection by Marriott,” as confirmed during review of Marriott’s Property Improvement Plan (PIP) documentation.

By comparison, more traditional Marriott brands such as Fairfield Inn & Suites are significantly more prescriptive. While base franchise fees are comparable (generally 5–5.5%), these brands impose stricter requirements related to room layouts, signage, amenities, and design standards. Additional ancillary fees can drive total brand-related costs closer to 15% of revenue, with no carve-out for food and beverage operations, which are not a core focus of that brand. These requirements would likely result in higher renovation costs, reduced operational flexibility, and limited relevance to the group-focused and conference-oriented demand that is central to KW’s business model.

Alternative brand families were also evaluated. Hilton’s soft-brand category, Outset by Hilton, was formally launched in December 2025 and targets properties with an independent, boutique orientation. However, preliminary information indicates that Hilton’s fee structure is likely to be based on total hotel revenue, including food and beverage, which would materially increase operating costs given Kellogg West’s conference and catering mix. Other Hilton brands, such as Canopy, would require substantial upfront capital investment, initial franchise fees exceeding \$75,000, ongoing food and beverage fees of approximately 5%, and total recurring fees approaching or exceeding 13% of revenue.

Based on available data, alternative brands would result in higher ongoing operating costs and greater capital requirements, without a commensurate increase in financial or operational benefit. Additionally, Marriott’s scale, market penetration, and brand strength exceed that of its closest competitors, while avoiding reputational risks associated with recent public controversies affecting other hotel companies.

Beyond financial considerations, Marriott maintains a longstanding and positive relationship with the Collins College of Hospitality Management, including alumni employment pathways, institutional collaboration, and financial support of the Marriott Learning Center at the college. This alignment reinforces the educational and professional mission of Kellogg West as a living laboratory for hospitality education.

In summary, Series by Marriott offers the optimal balance of brand strength, cost efficiency, operational flexibility, and institutional alignment, making it the most suitable national brand affiliation for the Kellogg West Hotel & Conference Center.

Renovation Requirement for Series by Marriott



Remodeled room example at Crestview

Kellogg West is currently remodeling 51 rooms that meet Series brand standards. Marriott will require us to remodel the remaining 36 rooms to qualify as a brand partner. The estimated FF&E cost per room is \$15,000, totaling \$540,000, with additional monies required for ADA compliance, deferred maintenance and infrastructure upgrades at an estimated amount of \$1.5M.

Performance Metrics for Last Full Year

The most recent fiscal year in which the Kellogg West Hotel (KW) operated continuously with its full 87-room inventory was FY 2019/2020. This period therefore serves as the most appropriate baseline for evaluating the hotel's historical performance at full capacity.

Agency/Individual Responsible	Occupancy	ADR	RevPAR	Revenue Actual/Fair Share
Last full year performance 2019/2020 as 87 rooms	23.60%	\$ 111.22	\$ 26.24	\$ 833,502.70
KW YTD Jan 1 to Oct 8 2025 on 36 rms (280 days)	40.32%	\$ 128.30	\$ 51.74	\$ 521,541.15
KW YTD Oct 9 to Dec 15 2025 on 36 rooms	17.50%	\$ 117.20	\$ 29.78	\$ 72,896.09
Dec 16 2025 to Dec 31 2025	25.60%	\$ 120.48	\$ 30.96	\$ 17,831.04
KW Full Year 365 days 2025	36.79%	\$ 126.63	\$ 48.87	\$ 612,268.28
Co-Star last hotel average	67.50%	\$ 127.67	\$ 86.21	\$ 2,736,558.67
CBRE- EVP and Hotel Alumni	69.90%	\$ 143.07	\$ 100.05	\$ 3,175,688.31
KW Independent Projections Year 1 Budget 2025/2026				
KW Independent Proforma 87 rooms annualized scenarios	40.00%	\$ 135.00	\$ 54.00	\$ 1,714,770.00
higher occupancy and higher rate	55.00%	\$ 140.00	\$ 77.00	\$ 2,445,135.00
Higher occupancy and lower rate	60.00%	\$ 130.00	\$ 78.00	\$ 2,476,890.00

The table above compares KW's full-year operating results to benchmark data from the "Los Angeles East" hotel market. Market data is sourced from branded hotels and has been normalized to an 87-room operation to ensure an accurate, like-for-like comparison with KW's scale. This adjustment allows for a meaningful assessment of relative performance across occupancy, average daily rate (ADR), revenue per available room (RevPAR), and total annual revenue.

The data indicates that KW achieved an average occupancy rate of 23.6% during FY 2019/2020. In practical terms, this means that guest rooms were unoccupied for approximately three-quarters of the year. This level of occupancy is significantly below market benchmarks and highlights a substantial underutilization of available inventory during that period. As a result, overall room revenue materially underperformed relative to comparable hotels in the Los Angeles East market.

Notably, branded hotels within the same market achieved substantially higher occupancy levels, stronger average daily rates, and materially higher RevPAR and total room revenue. This

performance gap underscores that the observed underperformance is not driven by market conditions alone, but rather by operational and positioning factors specific to KW. Accordingly, the comparison highlights a clear opportunity for the Kellogg West Hotel to capture incremental demand and revenue by narrowing the gap toward prevailing market performance levels.

Financial Projections Associated with Marriott’s Series Brand

Based on current operating conditions, and assuming no additional room outages or material disruptions, projected total room revenue for the Kellogg West Hotel (KW) is estimated to range between \$1.0 million and \$1.2 million over a twelve-month period under its current, unbranded operating model. This projection reflects continued operations at a reduced inventory of 36 rooms through calendar year 2025 (annualized), followed by the planned restoration to the full 87-room inventory effective March 2026. As a result, the full revenue-generating potential of higher-demand periods following the return to full inventory is not yet fully reflected in these baseline projections.

When benchmarked against comparable midscale and upscale branded hotels in the Los Angeles East market—including properties such as La Quinta, DoubleTree, and Sheraton—the revenue potential for KW under a Marriott Series (soft brand) affiliation is materially higher. Market performance data from CoStar and CBRE, normalized to an 87-room operation, indicates that branded hotels in this submarket consistently achieve occupancy, ADR, and RevPAR levels well above KW’s historical and current performance. Under a national brand affiliation, KW’s estimated fair share of annual room revenue is projected to range between approximately \$2.0 million and \$3.3 million, depending on the degree to which branded demand and pricing power are realized.

Using KW’s recent unbranded performance as a baseline and applying a conservative, data-supported merging toward branded market benchmarks, projected operating metrics under a Marriott Series affiliation are as follows:

Scenario	Occupancy	ADR	RevPAR	Annual Room Revenue (87 rooms)
Current KW (Unbranded Baseline)	36.8%	\$126.63	\$48.87	~\$1.55M
Conservative Marriott Case	48.0%	\$132.00	\$63.36	~\$2.01M
Target Marriott Case	55.0%	\$138.00	\$75.90	~\$2.41M
Upper Marriott Case (Below Market Avg.)	60.0%	\$140.00	\$84.00	~\$2.67M
CoStar Market Benchmark	67.5%	\$127.67	\$86.21	~\$2.74M
CBRE Market Benchmark	69.9%	\$143.07	\$100.05	~\$3.18M

These projections do not assume full parity with branded market performance; rather, they reflect partial gap-closure driven primarily by improved occupancy. Notably, even the Target Marriott Case remains below CoStar and CBRE benchmark occupancy levels, yet results in an increase of

approximately \$850,000 to \$1.1 million in incremental annual room revenue compared to current unbranded projections. The higher occupancy will also drive higher food and beverage revenues.

The disparity between KW's current revenue outlook and branded market benchmarks mirrors the historical underperformance observed in occupancy, ADR, and RevPAR metrics. While external factors—such as state-related travel budget constraints and KW's smaller room count relative to other hotels in the market—present ongoing challenges, these factors alone do not explain the magnitude of the performance gap. Closing this gap will require a sustained increase in transient demand, which a national brand affiliation is uniquely positioned to support.

Affiliation with Marriott's Series Brand provides access to the largest global hotel booking and loyalty ecosystem, as well as sophisticated revenue management and distribution infrastructure. These capabilities directly address KW's historical demand constraints and represent a practical, data-supported pathway to improving utilization, strengthening rate integrity, and moving the Kellogg West Hotel materially closer to its fair share of market performance.

Capital Investment Payback Analysis Marriott Series Brand – Mid-Target Performance Scenario

This analysis evaluates the expected payback period associated with an approximately \$5.0 million (~\$3 million expensed for the initial 51 rooms, plus an estimated \$2 million for the remaining 36 rooms) property improvement investment required to affiliate the Kellogg West Hotel & Conference Center with Series by Marriott. The analysis is based on a mid-target branded performance scenario that assumes partial convergence toward branded market benchmarks while remaining conservatively below CoStar and CBRE averages.

Assumptions

- **Brand Scenario:** Marriott Series (Mid-Target Case)
- **Occupancy:** 55%
- **Average Daily Rate (ADR):** \$138
- **RevPAR:** \$75.90
- **Available Rooms:** 87
- **Operating Days:** 365
- **Capital Investment:** Approximately \$5,000,000 (one-time)

Room Revenue Impact

Under the current unbranded operating model, KW generates an estimated \$1.55 million in annual room revenue, based on a RevPAR of approximately \$48.87. Under the mid-target Marriott Series scenario, projected annual room revenue increases to approximately \$2.41 million. This represents an incremental annual net gross room revenue improvement of approximately \$860,000, driven primarily by improved occupancy and modest rate growth attributable to national brand affiliation.

Payback Period

Using a simple payback methodology based on incremental room revenue:

$$\text{Payback Period} = \frac{\$5,000,000}{\$860,000} \approx 5.8 \text{ years}$$

Accordingly, the approximately \$5.0 million capital investment is projected to be recovered in approximately **5.5 to 6.0 years** under the mid-target branded performance scenario.

This payback estimate remains conservative and does not incorporate:

- Incremental food and beverage revenue, which remains fully retained under the Series by Marriott fee structure
- Long-term ADR growth from inflation or improved market conditions
- Ancillary revenue benefits associated with increased group and transient demand

Additionally, the mid-target scenario does not assume full parity with branded market performance, further reinforcing the credibility of the projected recovery timeframe.

Even under conservative, mid-range performance assumptions, affiliating the Kellogg West Hotel with Series by Marriott provides a viable pathway to recovering an approximately \$5.0 million capital investment within six years. This payback period aligns with hospitality industry reinvestment norms and supports the financial rationale for pursuing a national soft-brand affiliation.

Conclusion

Affiliation with the Series by Marriott brand represents a strategically sound opportunity aligned with the shared objectives of the University and Cal Poly Pomona Enterprises to enhance the university and community experience through optimized solutions and responsible resource generation that empower student success. For CPPE, the proposed affiliation strengthens the performance and long-term viability of a key auxiliary asset while ensuring operations directly support the educational mission of Cal Poly Pomona.

The Series by Marriott model is particularly well suited to a higher education environment, offering a competitive overall fee structure while preserving operational flexibility. The exclusion of food and beverage revenue from brand fees provides meaningful financial value given Kellogg West's conference and catering focus, enabling continued support for University-sponsored programs, community engagement, and mission-aligned events. Alignment with industry-leading operational standards also enhances service quality, consistency, and asset stewardship.

Beyond financial performance, the proposed partnership directly advances CPPE's mission by expanding experiential learning and workforce development opportunities for students. A branded Kellogg West would function as an on-campus training platform for Collins College of Hospitality

Management students, providing hands-on exposure to nationally recognized hotel standards, operating systems, and service cultures. This integrated learning environment strengthens graduate employability, supports enrollment competitiveness, and reinforces the University's standing in applied hospitality education, supported by Marriott's longstanding engagement with the campus.

The approximately \$5.0 million capital investment required to meet brand standards including, but not limited to, FF&E and ADA-related improvements, must be evaluated against projected revenue gains and long-term institutional benefits. Based on conservative, mid-target performance assumptions, the anticipated lift in room revenue supports recovery of this investment within an acceptable timeframe while materially improving Kellogg West's competitive position within the Los Angeles East market. While the property will remain smaller in scale than the largest conference hotels in the submarket, a Series by Marriott affiliation positions Kellogg West to perform closer to its fair share of demand and to more effectively deliver on CPPE's mission of empowering student success through optimized operations and sustainable resource generation.

Attachments:

1. CBRE Letter from Brand Feighner, Executive Vice President – CBRE Hotels Advisory, Collins College Alumni.
2. CoStar "Hospitality Submarket Report – Los Angeles East" prepared by CPP Professor Linchi Kwok.



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November 24, 2025

Dr. Margie Ferree Jones
Dean and James A. Collins Distinguished Chair
Collins College of Hospitality Management
79B-2236B
Cal Poly Pomona
3801 West Temple Avenue
Pomona, California 91768

Dear Dr. Jones:

Pursuant to our recent conversations, we have drafted this letter relative to the Kellogg West Conference Center and Hotel ("KWCCCH" or the "Subject") and its in progress renovation. As a proud graduate of Cal Poly, a member of the CCHM Board of Advisors and twenty-year hotel consultant now leading CBRE's hospitality practice, I cannot recommend strongly enough that the renovation and rebranding progress be completed in a full and timely matter to enable KWCC to achieve its greatest potential by offering competitive market accommodations and better serving the campus community. The supporting rationale for my conclusion is as follows.

Subject Hotel

KWCCCH was originally constructed in the 1970's and in the more recent decades has operated as a more affordable, unbranded hotel and has not been substantially renovated for approximately the past 20 years. Before reducing its room count in 2024, the Subject's last full year of historical performance at 87 available rooms on a nightly basis it finished calendar year at an occupancy of 23.6 percent and an average daily rate ("ADR") of \$111.22 which equates to a revenue per available room ("RevPAR") of \$26.24. While the hotel industry was in the mid to latter stages of its COVID-19 recovery at this point, these performance figures are significantly below that of the aggregate performance of the local comparables, as will be shown on the following page.

As we understand it, the Subject is in the process of completing a renovation to modernize the facilities and align itself with Series by Marriott, the world's largest hotel company. Without stating the obvious, both aspects of the plan underway are anticipated to be highly beneficial to the future profitability of KWCCCH. In offering more modernized accommodations the Subject

will be able to better compete for business among its local competitors and also it will attractively benefit from Marriott's global reach, booking platforms, and the Marriott Bonvoy loyalty program which currently has nearly 260 million global members.

Local Competitive Market

In order to develop conclusions relative to the competitive environment in which the renovated and Marriott affiliated Subject will compete, we have analyzed the local lodging market and have identified six hotels located proximate to the interchange of the 10 and 57 Freeways which we believe represent primarily competition to the Subject. Of note, all of the competitive hotels are affiliated with a major brand and both the La Quinta and DoubleTree located in proximity to the Subject were renovated and rebranded to offer more appealing guest facilities.

The competitive properties have been selected based on their facilities, location, market performance and orientation, property rating, and rate structure. Though there are a number of additional properties in the area we have not included these for a number of reasons, including positioning, condition, location, and rate structure.

Summary of The Competitive Lodging Market					
Property Name	Property Address	City	Year Built	Rooms	Affiliation
Holiday Inn Express & Suites	485 W Arrow Hwy	San Dimas	2007	68	IHG
Fairfield Inn & Suites	3211 Garvey Ave	West Covina	2010	110	Marriott
Hampton by Hilton Inn	3145 E Garvey Ave N	West Covina	1988	127	Hilton
Sheraton Hotel Fairplex & Conference Center	601 W McKinley Ave	Pomona	1992	244	Marriott
DoubleTree by Hilton Pomona	3101 W Temple Ave	Pomona	1989	132	Hilton
La Quinta Inn & Suites	3200 W Temple Ave	Pomona	1985	161	Wyndham

The aggregate average annual available and occupied rooms, resulting occupancy levels, average daily rate, and revenue per available room (RevPAR) for the competitive set between 2016 and 2024, as well as year-to-date through October 2024 and 2025, are presented in the table on the following page.

Historical Market Performance of the Competitive Supply									
Year	Annual Supply	Percent Change	Occupied Rooms	Percent Change	Market Occupancy	Average Daily Rate	Percent Change	REVPAR	Percent Change
2016	296,866		215,956		72.7%	\$124.67		\$90.69	
2017	272,104	-8.3%	203,148	-5.9%	74.7%	\$128.18	2.8%	\$95.70	5.5%
2018	314,518	15.6%	230,518	13.5%	73.3%	\$128.92	0.6%	\$94.49	-1.3%
2019	322,695	2.6%	244,625	6.1%	75.8%	\$127.84	-0.8%	\$96.91	2.6%
2020	219,552	-32.0%	117,914	-51.8%	53.7%	\$112.12	-12.3%	\$60.22	-37.9%
2021	279,941	27.5%	176,811	49.9%	63.2%	\$133.20	18.8%	\$84.13	39.7%
2022	322,702	15.3%	194,946	10.3%	60.4%	\$146.79	10.2%	\$88.68	5.4%
2023	322,688	0.0%	208,613	7.0%	64.6%	\$148.10	0.9%	\$95.74	8.0%
2024	322,737	0.0%	225,702	8.2%	69.9%	\$143.07	-3.4%	\$100.05	4.5%
CAGR/Avg.	1.0%		0.6%		0.0%	1.7%		1.2%	
Oct 2024 YTD	268,807	N/A	188,786	N/A	70.2%	\$143.35	N/A	\$100.68	N/A
Oct 2025 YTD	268,765	0.0%	197,954	4.9%	73.7%	\$142.14	-0.8%	\$104.69	4.0%

As shown in the preceding table, prior to the pandemic the local competitive set achieved an occupancy of approximately 75 percent at an ADR of approximately \$128.00. At the onset of the pandemic in 2020, the performance of the local competitive market, similar to the nation as a whole, declined precipitously with the number of occupied rooms declining by more than 22 points and the average ADR dropping by more than one-third. However, as vaccines became more readily available and travel restrictions were lifted, the competitive market saw growth in the number of occupied rooms each year between 2021 and 2024, while posting ADR gains in all but one of these years. In comparison to the Subject, the competitive set's 2023 RevPAR performance was more than 250 percent greater. As evidenced by year-to-date performance through October 2025 as compared to the prior period last year, it appears that occupancy levels have or will soon return to their pre-pandemic stabilized level.

It should be noted that we have not completed a formal market study relative to the proposed Kellogg West Conference Center Hotel Series by Marriott and that our conclusions are based on general market information and a high-level understanding to the proposed plan.

I appreciate your cooperation extended to us during the course of the engagement and would be pleased to hear from you if I could be of further assistance in the interpretation of our findings and recommendations.

Sincerely,



Brandon Feighner
Executive Vice President
CBRE Hotels Advisory



Hospitality Submarket Report

Los Angeles East

Los Angeles - CA USA

PREPARED BY



Linchi Kwok
Professor



HOSPITALITY SUBMARKET REPORT

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Overview

12 Mo Occupancy	12 Mo ADR	12 Mo RevPAR	12 Mo Supply	12 Mo Demand
67.5%	\$127.67	\$86.21	4.4M	3M

Los Angeles East comprises 160 hotel properties, which contain around 12,000 rooms. Among the subtypes, there are 1,300 Luxury & Upper Upscale rooms, 4,600 Upscale & Upper Midscale rooms, and 6,200 Midscale & Economy rooms in Los Angeles East.

As of December, Los Angeles East 12-month occupancy is 67.6%, 12-month ADR is \$128, and 12-month RevPAR is \$86. Year over year, 12-month occupancy in Los Angeles East has changed by 0.9%, 12-month ADR has changed -2.0%, and 12-month RevPAR has changed by -1.1%.

For Luxury & Upper Upscale properties, 12-month occupancy is 75.9% and ADR is \$177, resulting in a 12-month RevPAR of \$134. On a year over year basis, 12-month occupancy changed by -0.7%, 12-month ADR changed by -2.2%, and 12-month RevPAR changed by -2.9%.

Among Upscale & Upper Midscale assets, 12-month occupancy is 71.2% and ADR is \$147, resulting in a 12-month RevPAR of \$104. On a year over year basis, 12-month occupancy changed by 2.1%, 12-month ADR changed by -3.3%, and 12-month RevPAR changed by -1.3%.

For Midscale & Economy class hotels in Los Angeles East, 12-month occupancy is 63.7% and ADR is \$101, resulting in a 12-month RevPAR of \$64. On a year over year basis, 12-month occupancy changed by 0.2%, 12-month ADR changed by -1.5%, and 12-month RevPAR changed by -1.3%.

Approximately 510 rooms are under construction in Los Angeles East, accounting for 4.3% of its existing inventory. Over the past 12 months, roughly 240 rooms have opened across 2 buildings.

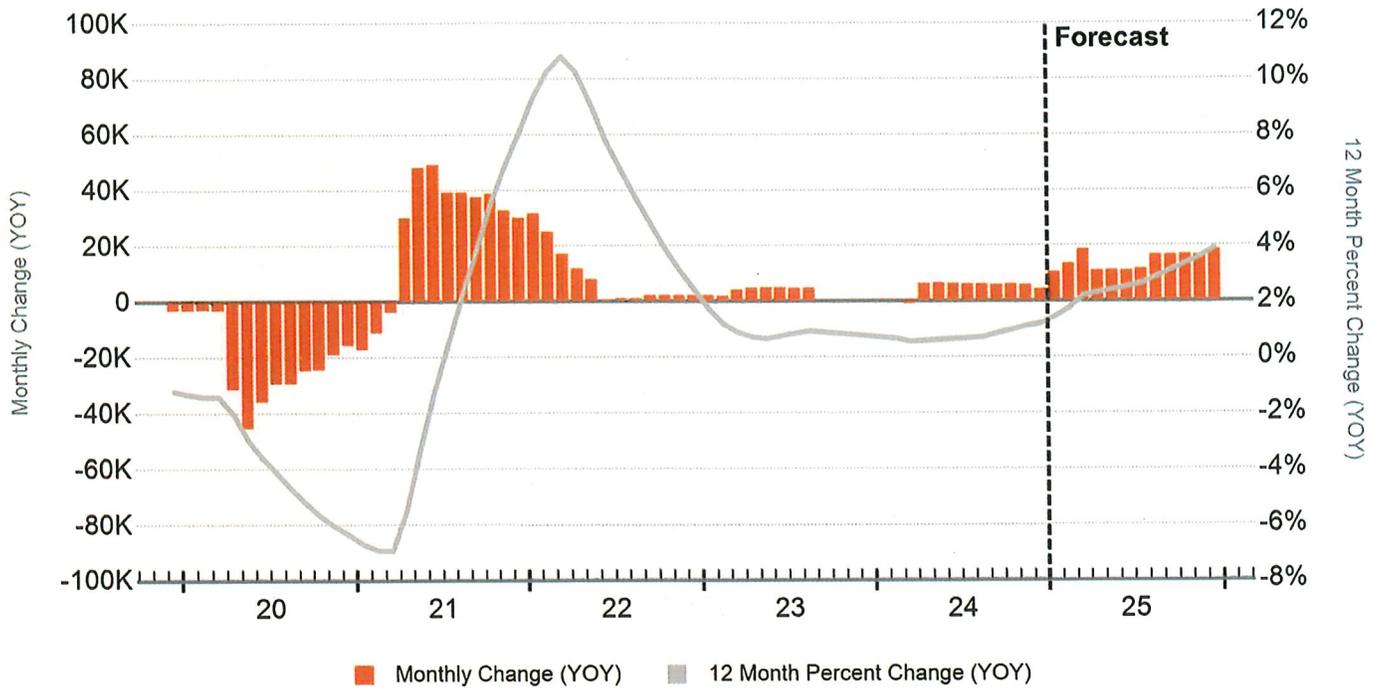
KEY INDICATORS

Class	Rooms	12 Mo Occ	12 Mo ADR	12 Mo RevPAR	12 Mo Delivered	Under Construction
Luxury & Upper Upscale	1,251	75.9%	\$176.77	\$134.09	0	392
Upscale & Upper Midscale	4,576	71.2%	\$146.57	\$104.29	245	120
Midscale & Economy	6,214	63.3%	\$100.65	\$63.68	0	0
Total	12,041	67.5%	\$127.67	\$86.21	245	512

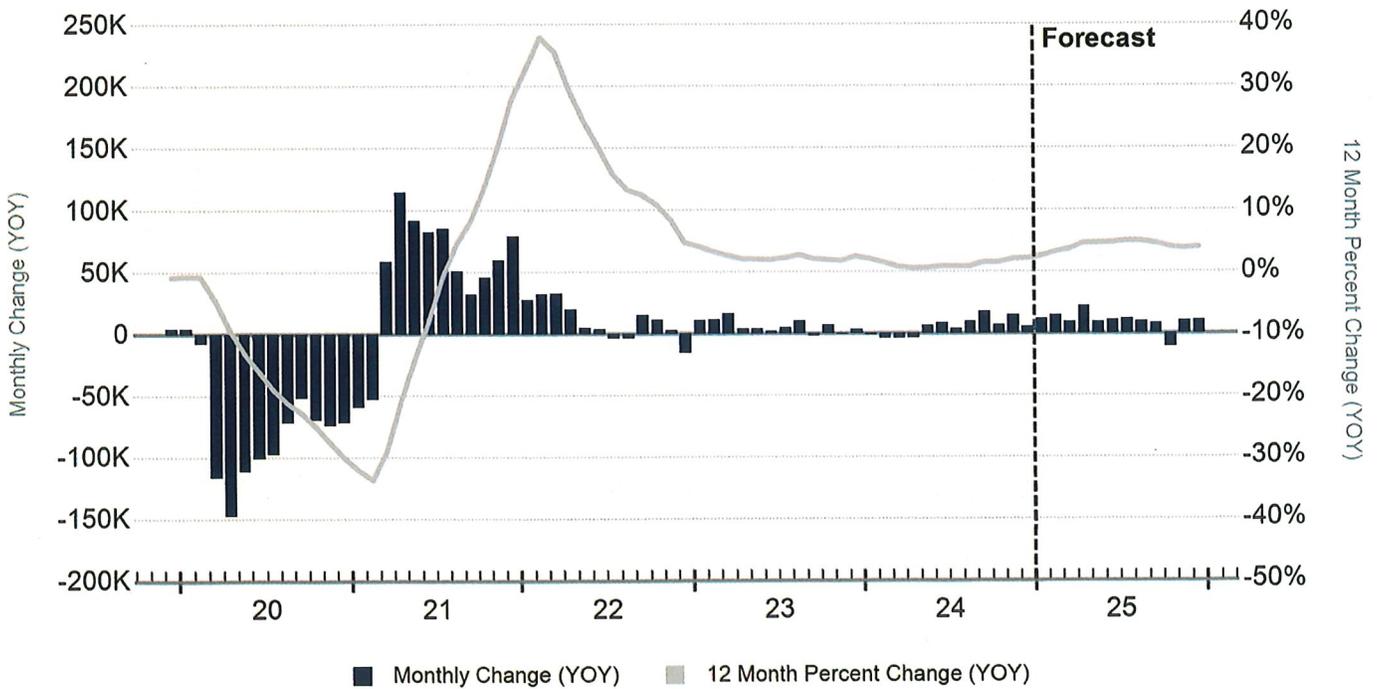
Average Trend	Current	3 Mo	YTD	12 Mo	Historical Average	Forecast Average
Occupancy	62.0%	66.4%	67.5%	67.5%	64.0%	70.5%
Occupancy Change	0.5%	2.1%	0.9%	0.9%	-1.5%	1.5%
ADR	\$122.78	\$127.16	\$127.67	\$127.67	\$119.42	\$148.03
ADR Change	-2.7%	-3.0%	-2.0%	-2.0%	2.9%	4.3%
RevPAR	\$76.09	\$84.45	\$86.21	\$86.21	\$76.47	\$104.28
RevPAR Change	-2.2%	-0.9%	-1.2%	-1.2%	1.3%	5.9%



SUPPLY CHANGE



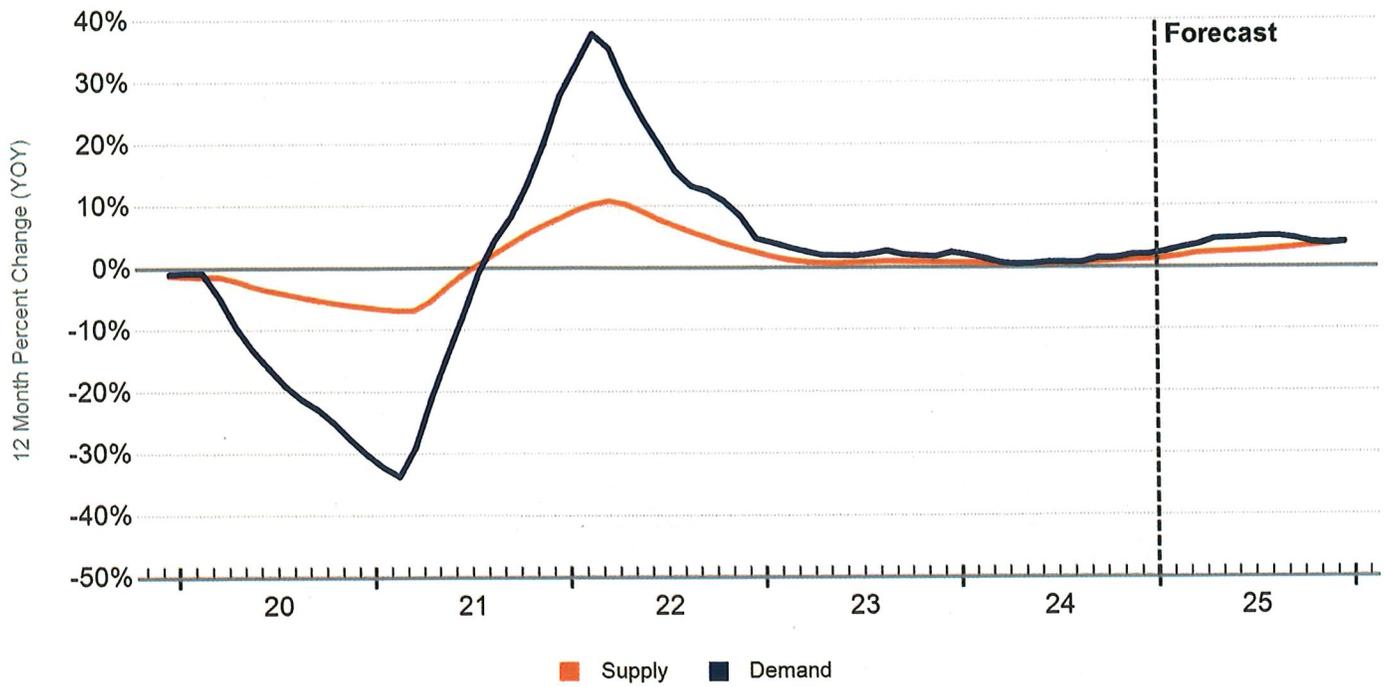
DEMAND CHANGE



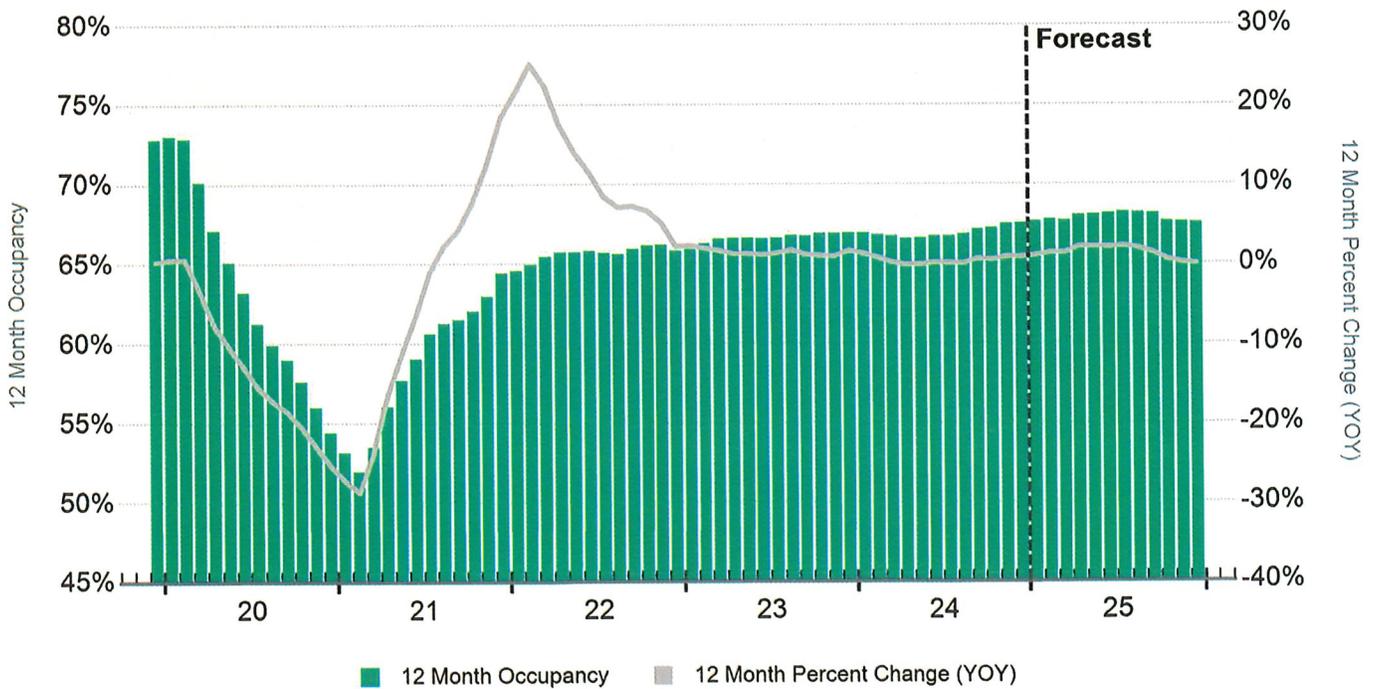
Performance

Los Angeles East Hospitality

SUPPLY & DEMAND CHANGE



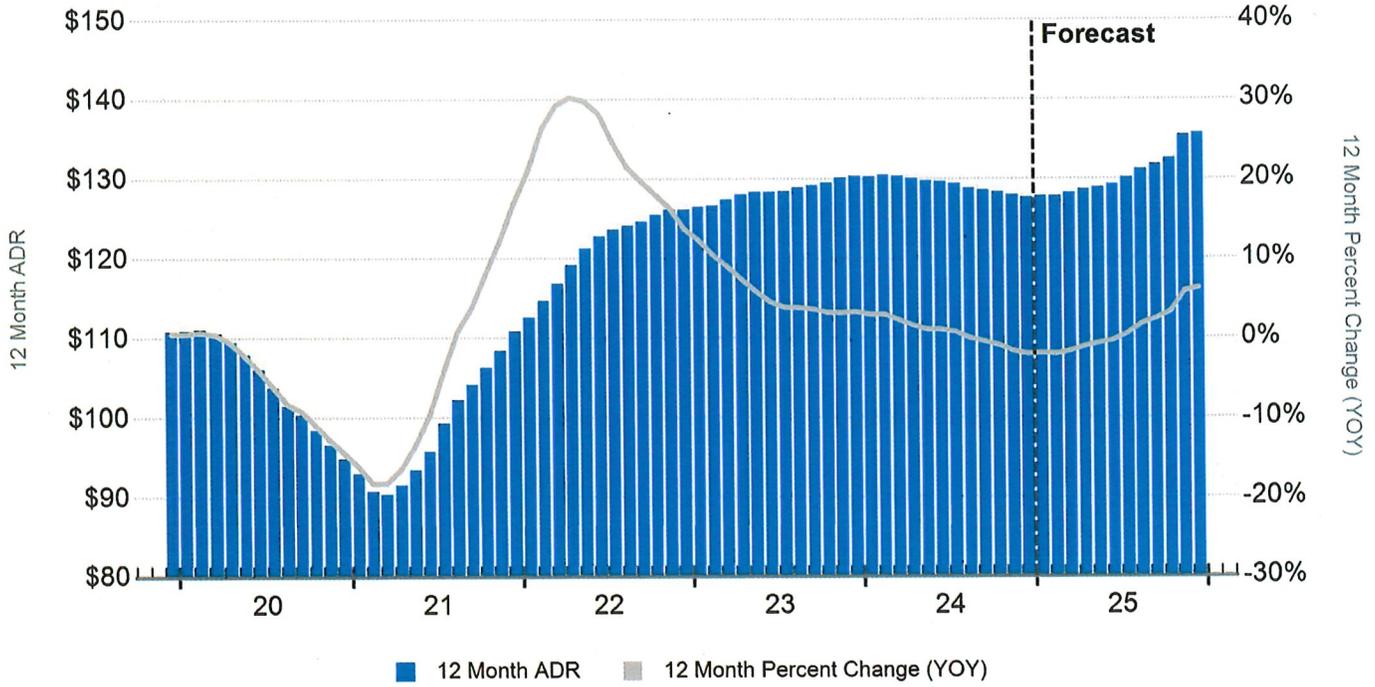
OCCUPANCY



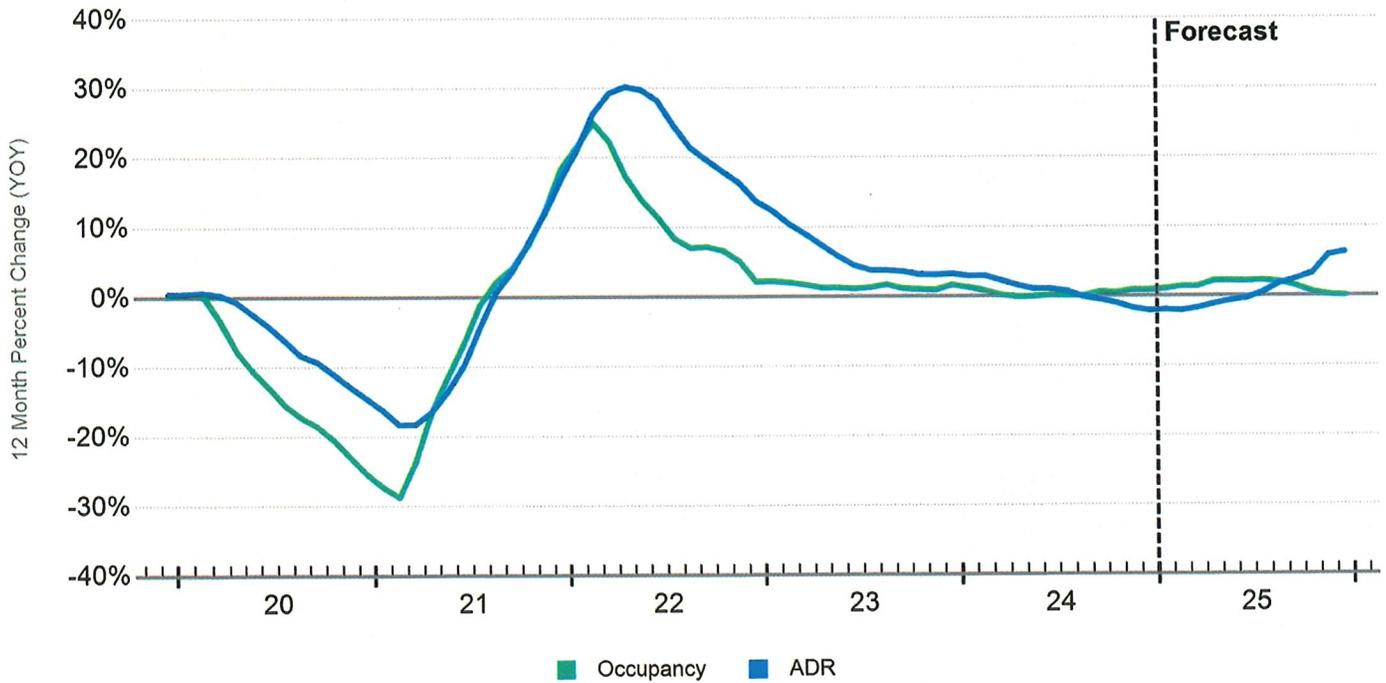
Performance

Los Angeles East Hospitality

ADR



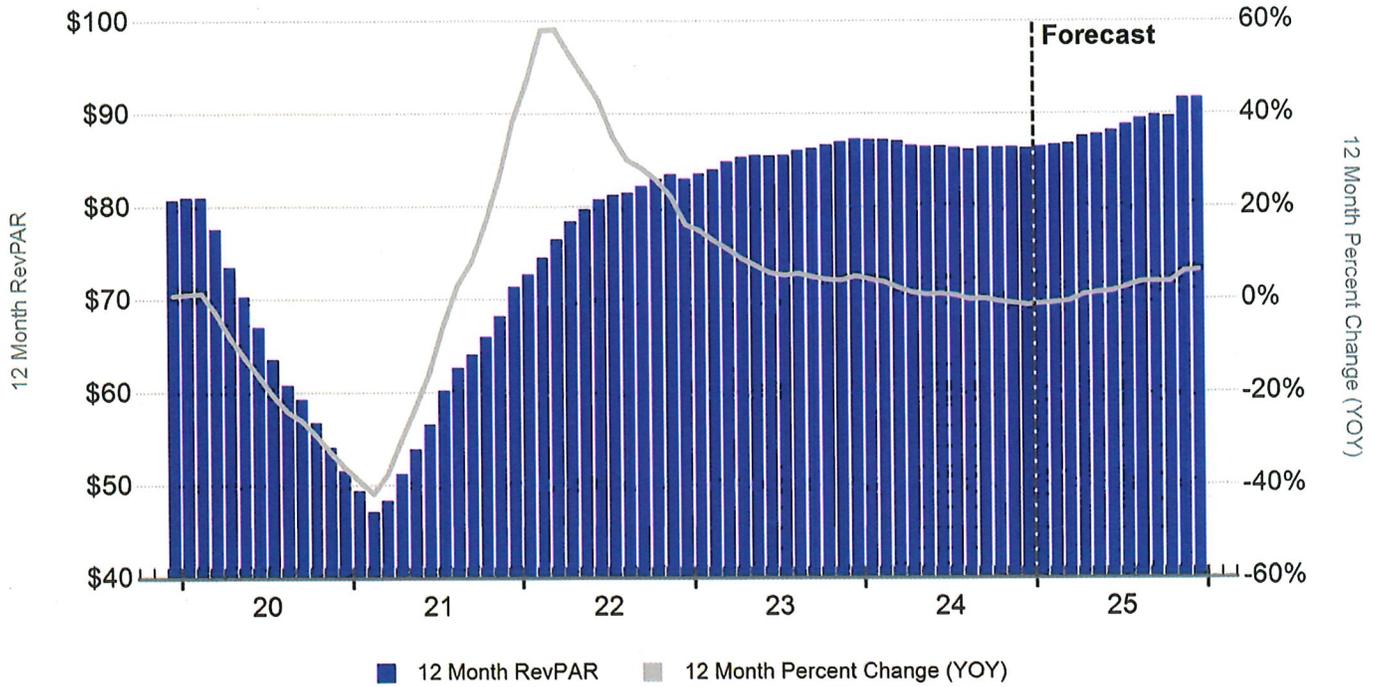
OCCUPANCY & ADR CHANGE



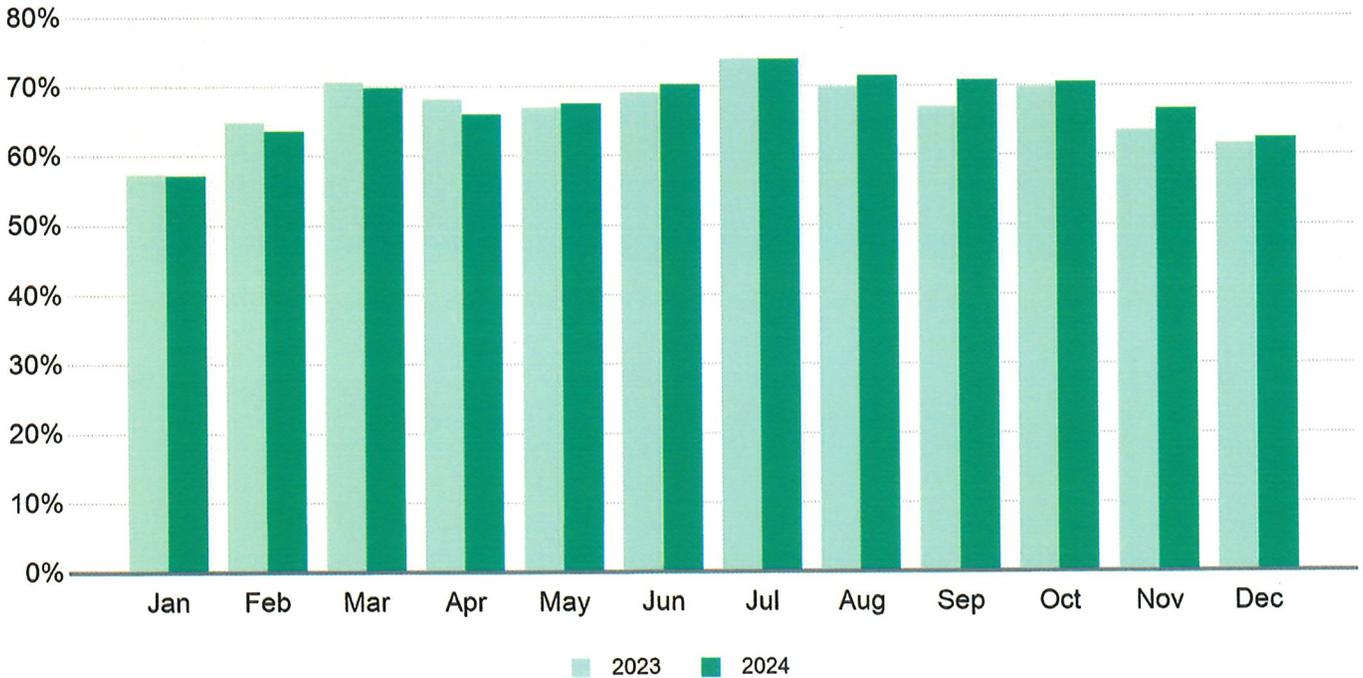
Performance

Los Angeles East Hospitality

REVPAR

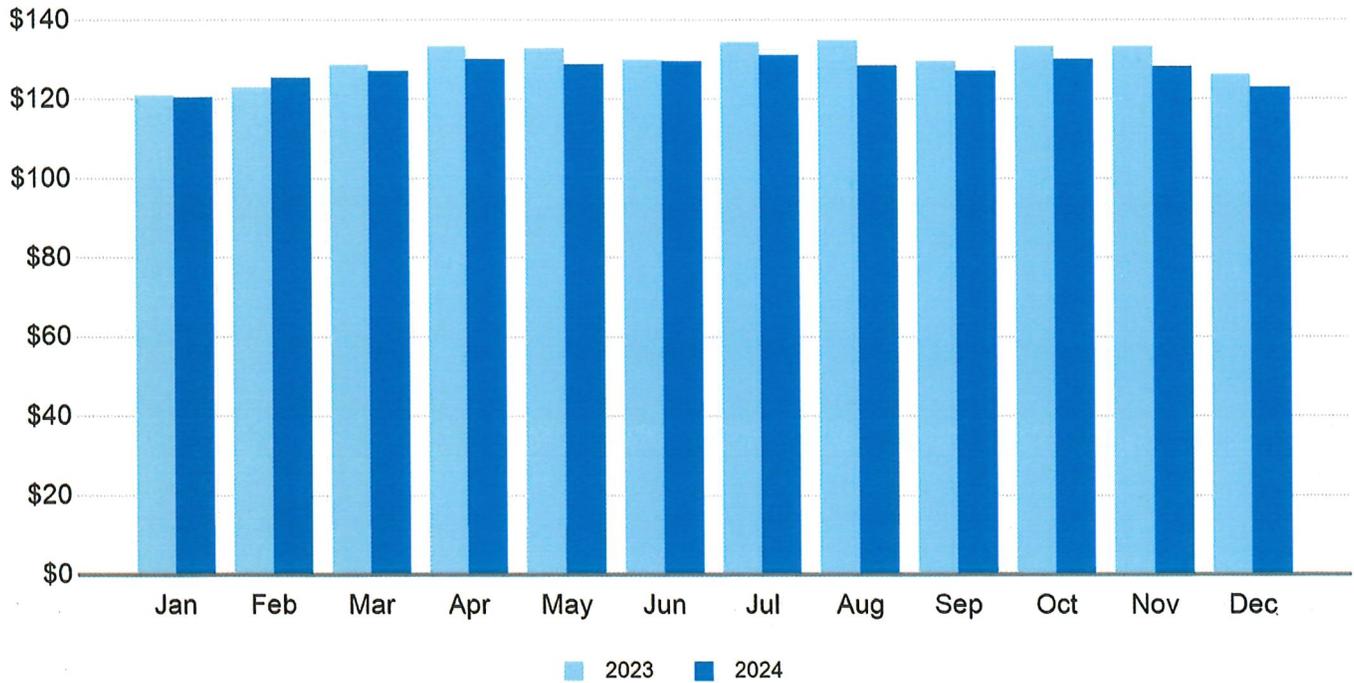


OCCUPANCY MONTHLY

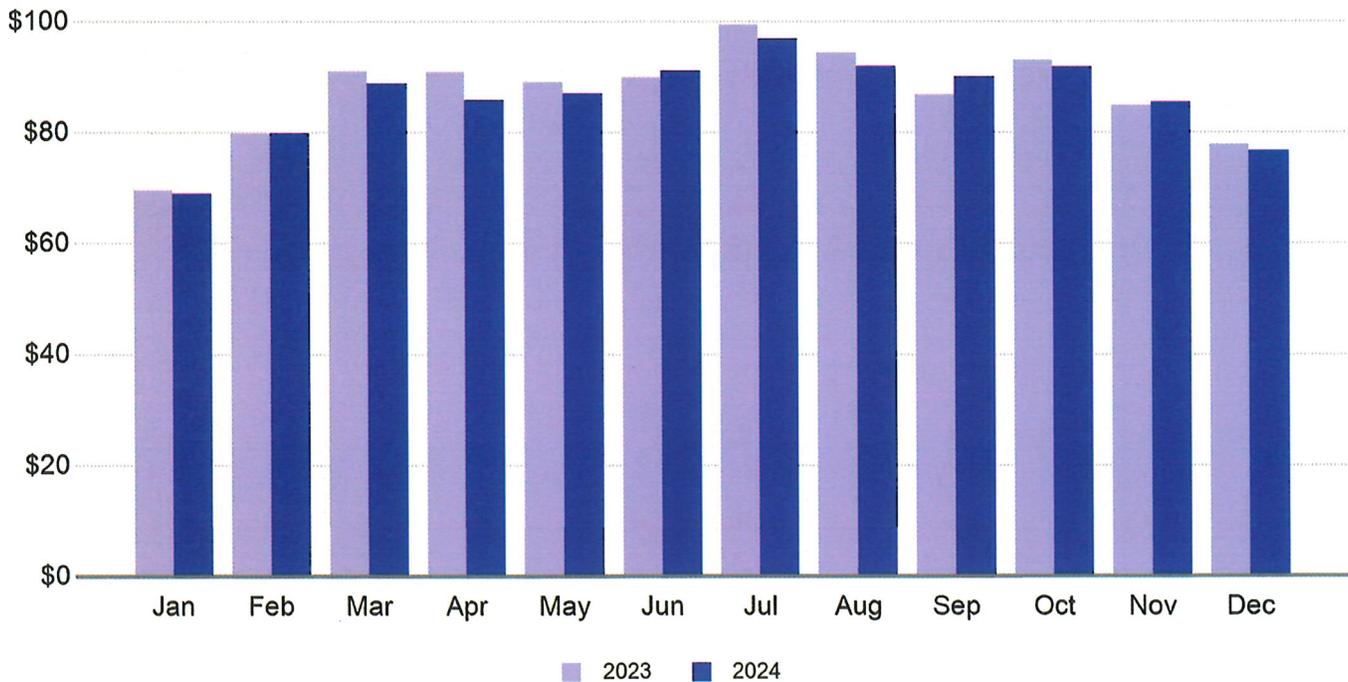


Performance

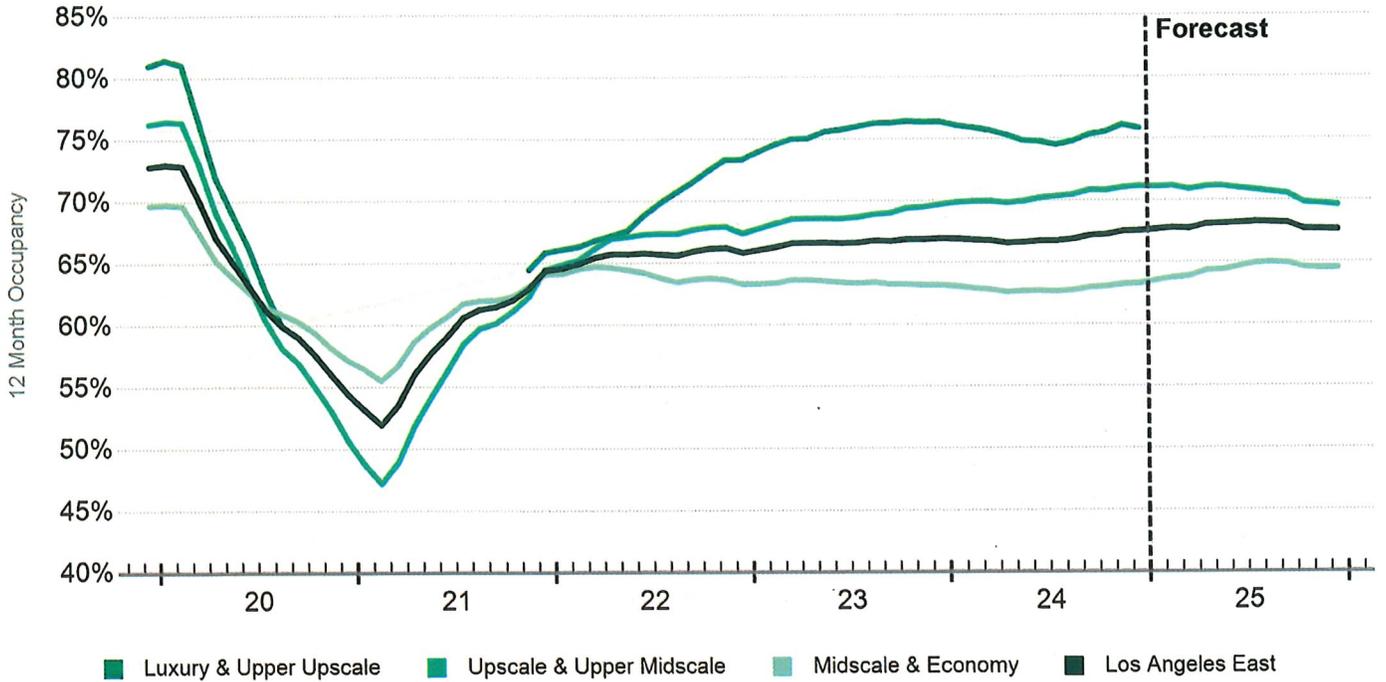
ADR MONTHLY



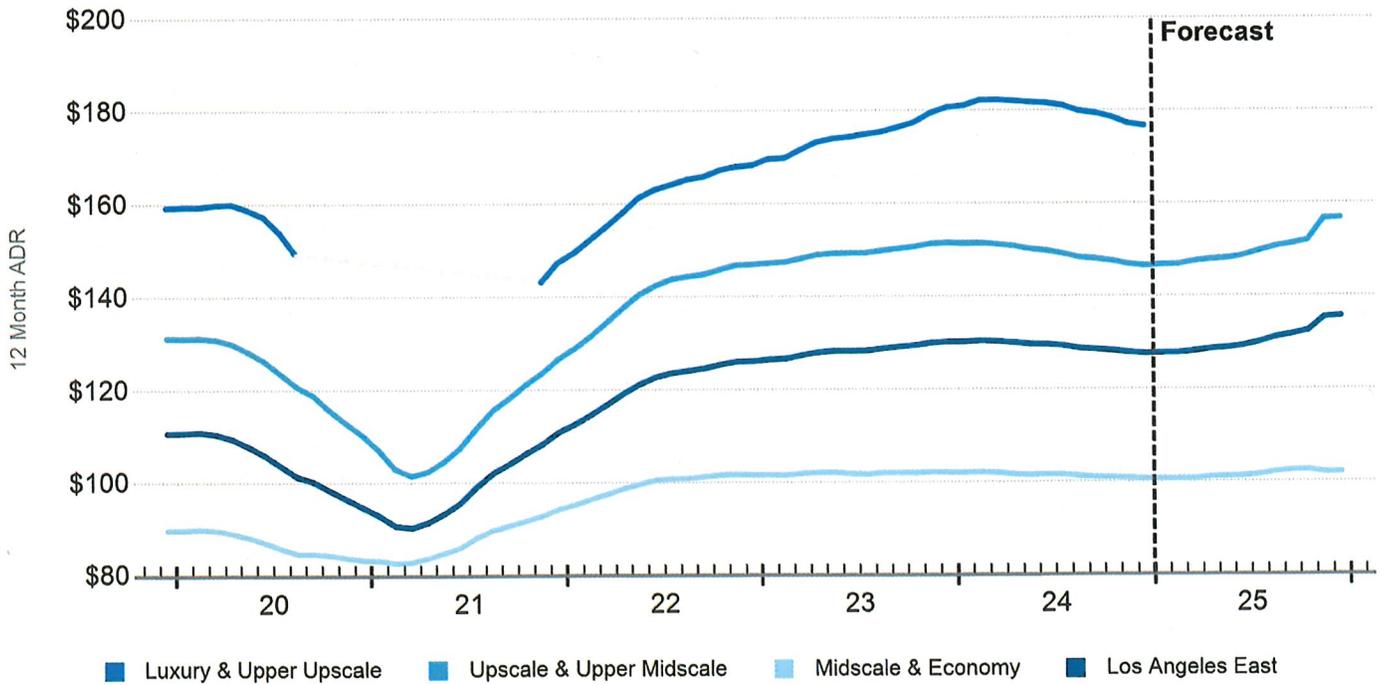
REVPAR MONTHLY



OCCUPANCY BY CLASS

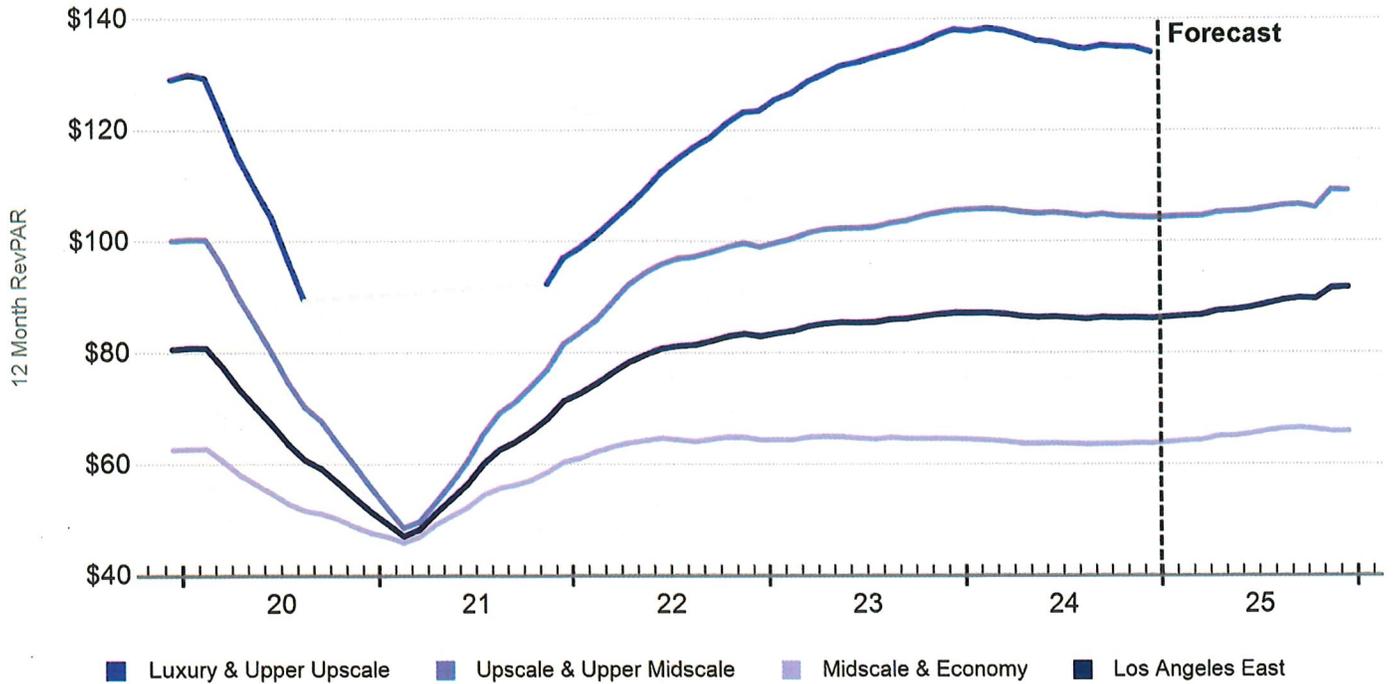


ADR BY CLASS

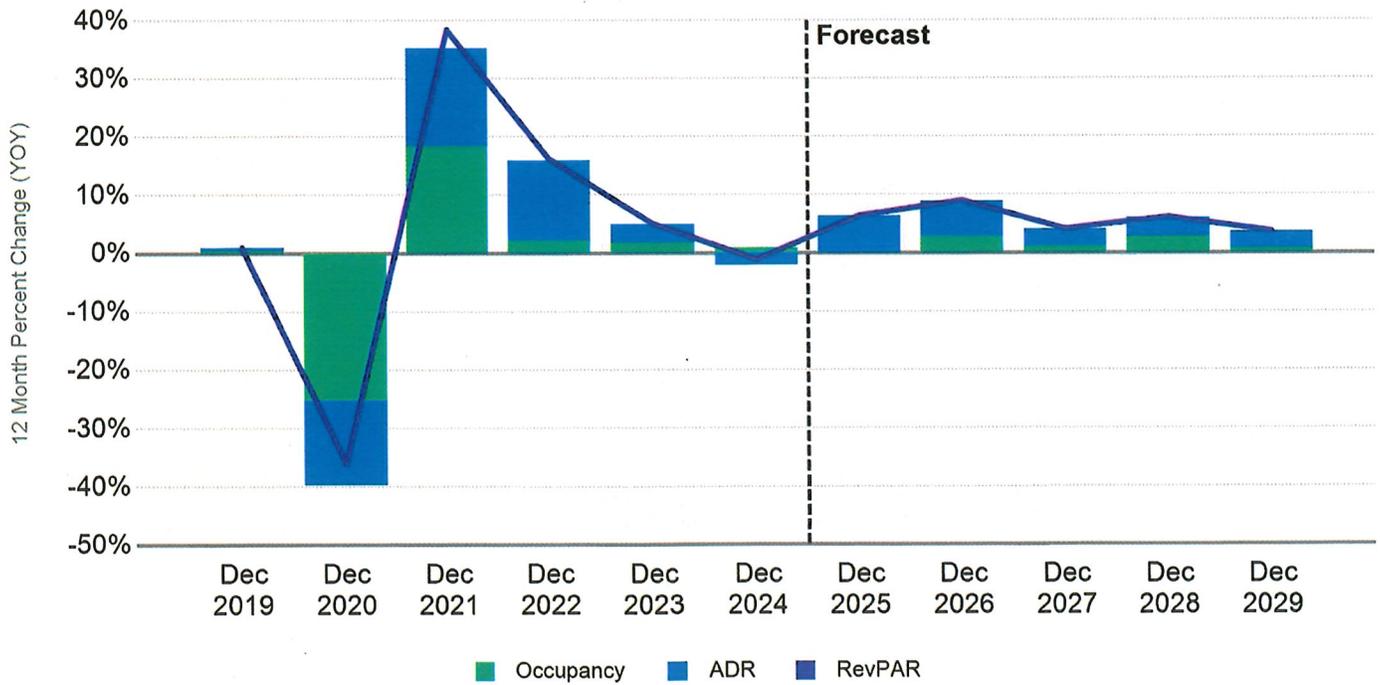


Performance

REVPAR BY CLASS

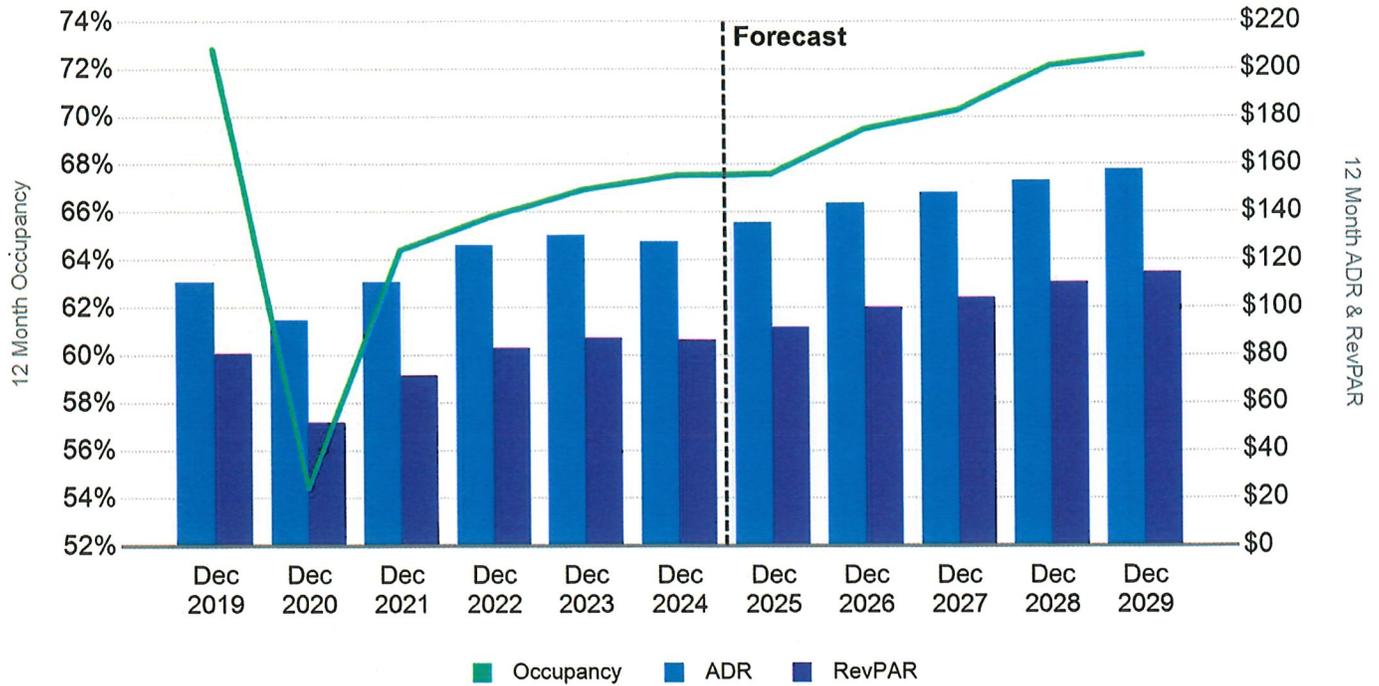


REVPAR GROWTH COMPOSITION



Performance

OCCUPANCY, ADR & REVPAR



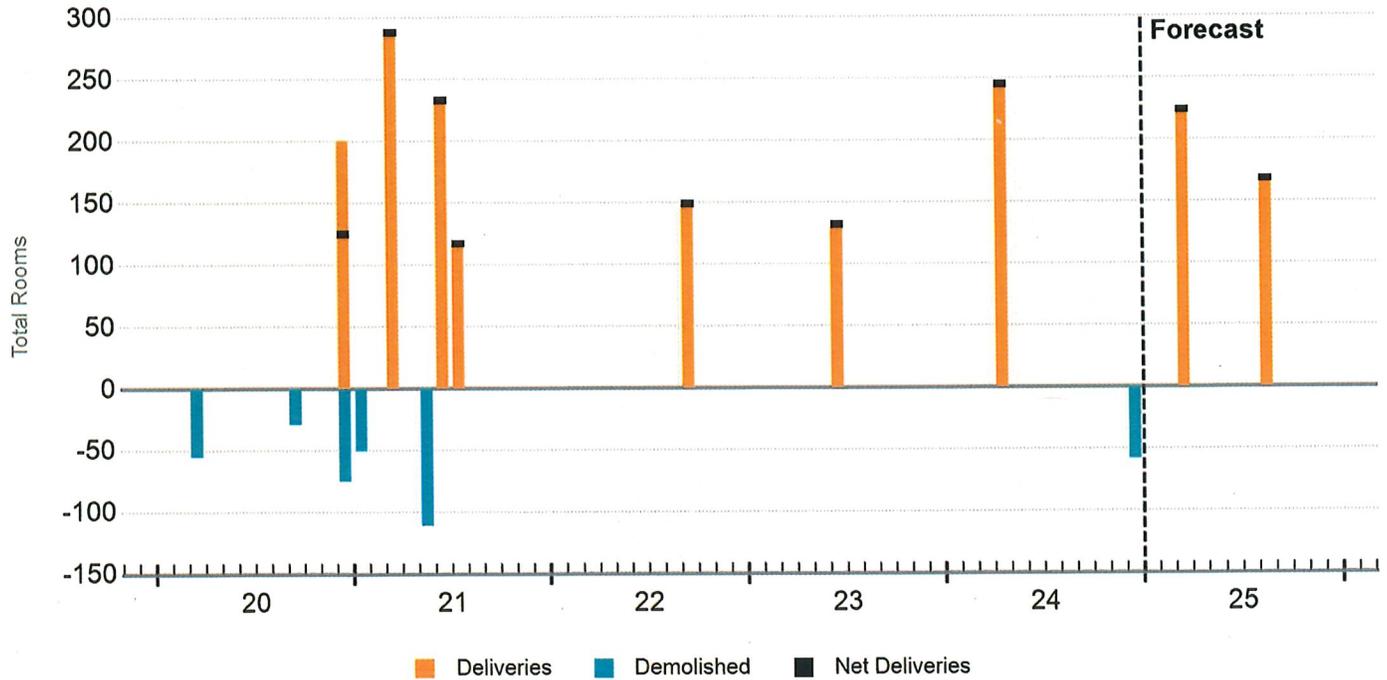
FULL-SERVICE HOTELS PROFITABILITY (ANNUAL)

Market	% of Revenues	2023		2022-2023 % Change	
		PAR	POR	PAR	POR
Revenue					
Rooms					
Food					
Beverage					
Other F&B					
Other Departments					
Miscellaneous Income					
Total Revenue					
Operating Expenses					
Rooms					
Food & Beverage					
Other Departments					
Administrative & General					
Information & Telecommunication Systems					
Sales & Marketing					
Property Operations & Maintenance					
Utilities					
Gross Operating Profit					
Management Fees					
Rent					
Property Taxes					
Insurance					
EBITDA					
Total Labor Costs					

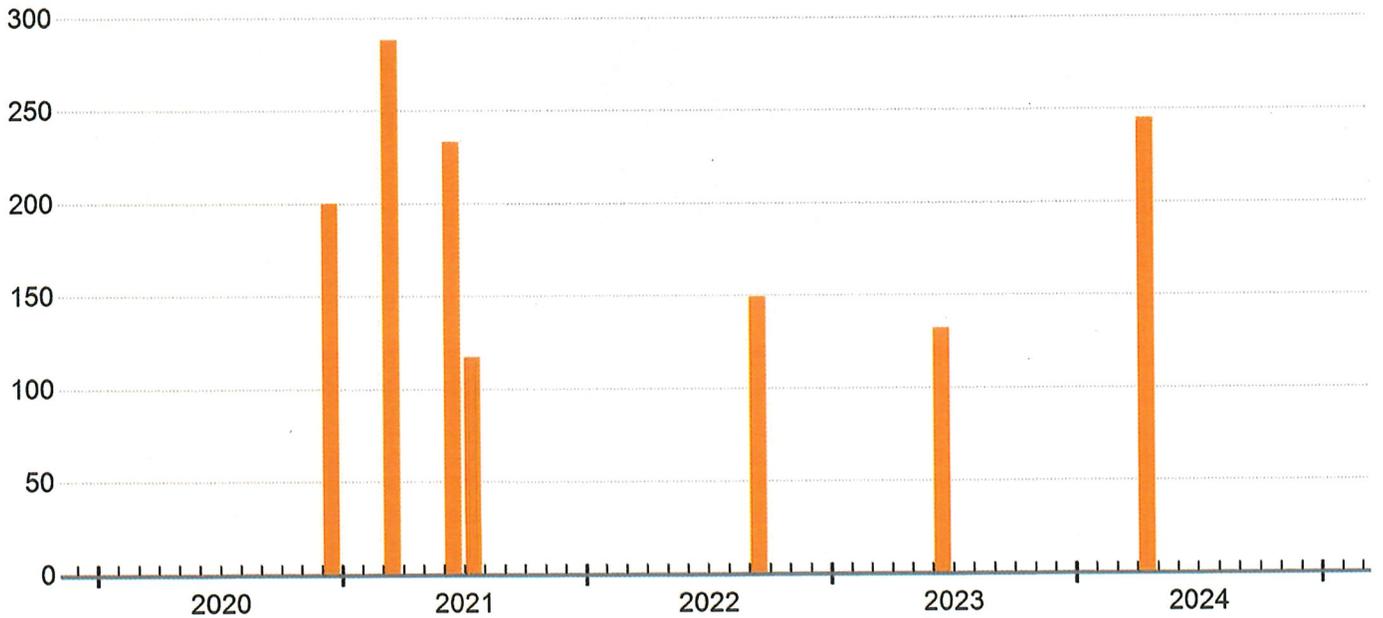
- (1) For Annual P&L, the current year exchange rate is used for each year going back in time. This current year exchange rate is the average of all 12 monthly rates for that year.
- (2) Percentage of Revenues for departmental expenses (Rooms, Food & Beverage, and Other Departments) are based on their respective departmental revenues. All other expense percentages are based on Total Revenue.
- (3) Labor costs are already included in the operating expenses above. Amounts shown in Total Labor Costs are for additional detail only.

Construction

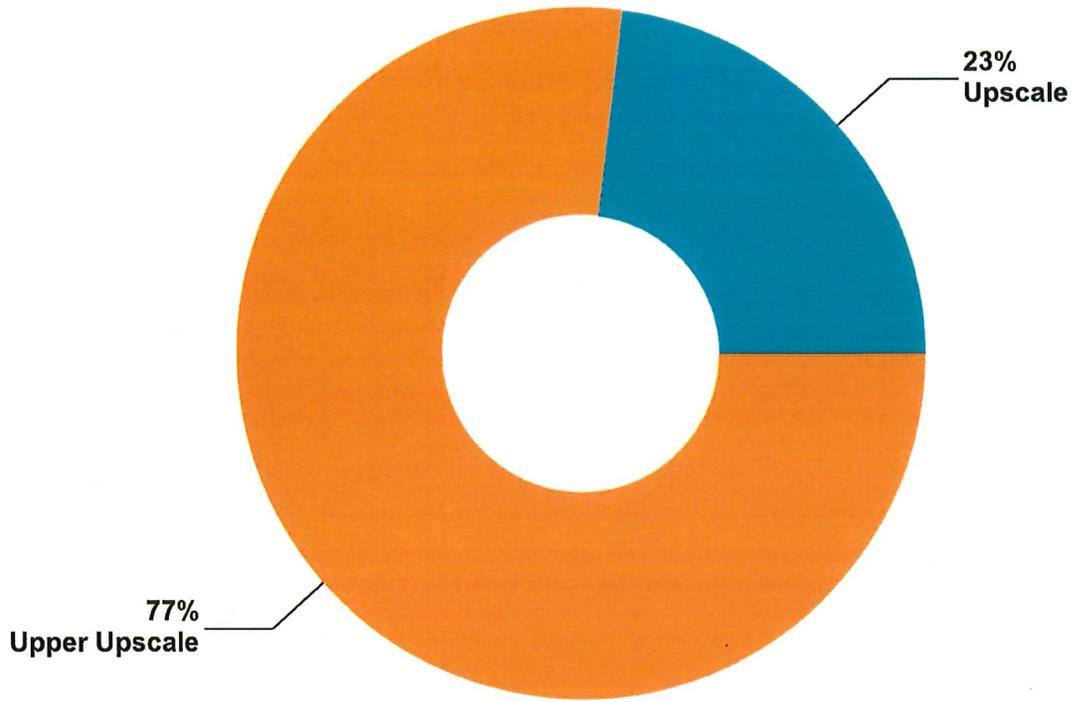
DELIVERIES & DEMOLITIONS



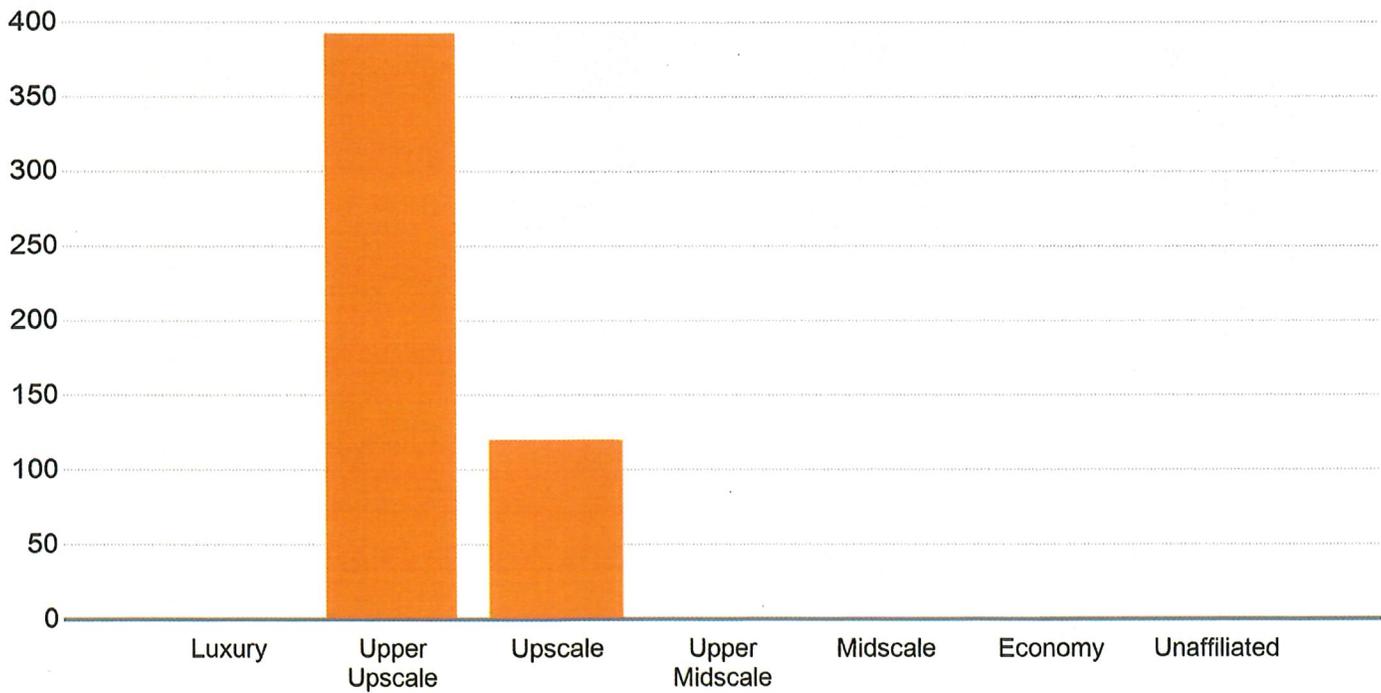
ROOMS DELIVERED



TOTAL ROOMS UNDER CONSTRUCTION BY SCALE



ROOMS UNDER CONSTRUCTION BY SCALE

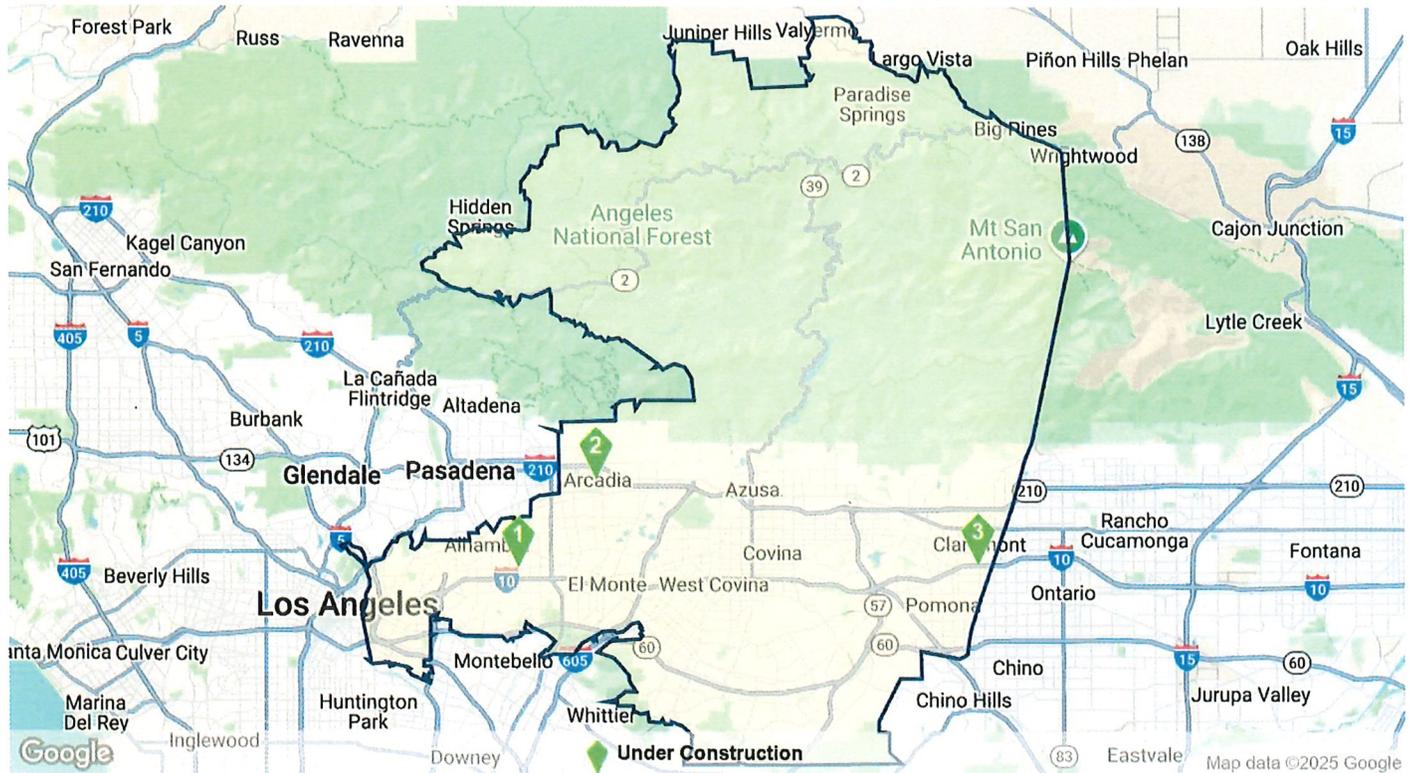


Under Construction Properties

Los Angeles East Hospitality

Properties	Rooms	Percent of Inventory	Average Rooms
3	512	4.3%	171

UNDER CONSTRUCTION PROPERTIES



UNDER CONSTRUCTION

	Property Name/Address	Class	Rooms	Stories	Start	Complete	Brand/Developer
1	The Jordan San Gabriel, Curio Co... 111 W Valley Blvd	Upper Upscale	224	6	May 2019	Mar 2025	Curio Collection by Hilton Landwin Management
2	Hilton Arcadia Los Angeles 123 W Huntington Dr	Upper Upscale	168	5	Nov 2023	Aug 2025	Hilton R.D. Olson Construction
3	Residence Inn by Marriott Claremont 542 W San Jose Ave	Upscale	120	5	Jul 2024	Jan 2026	Residence Inn -



Sales

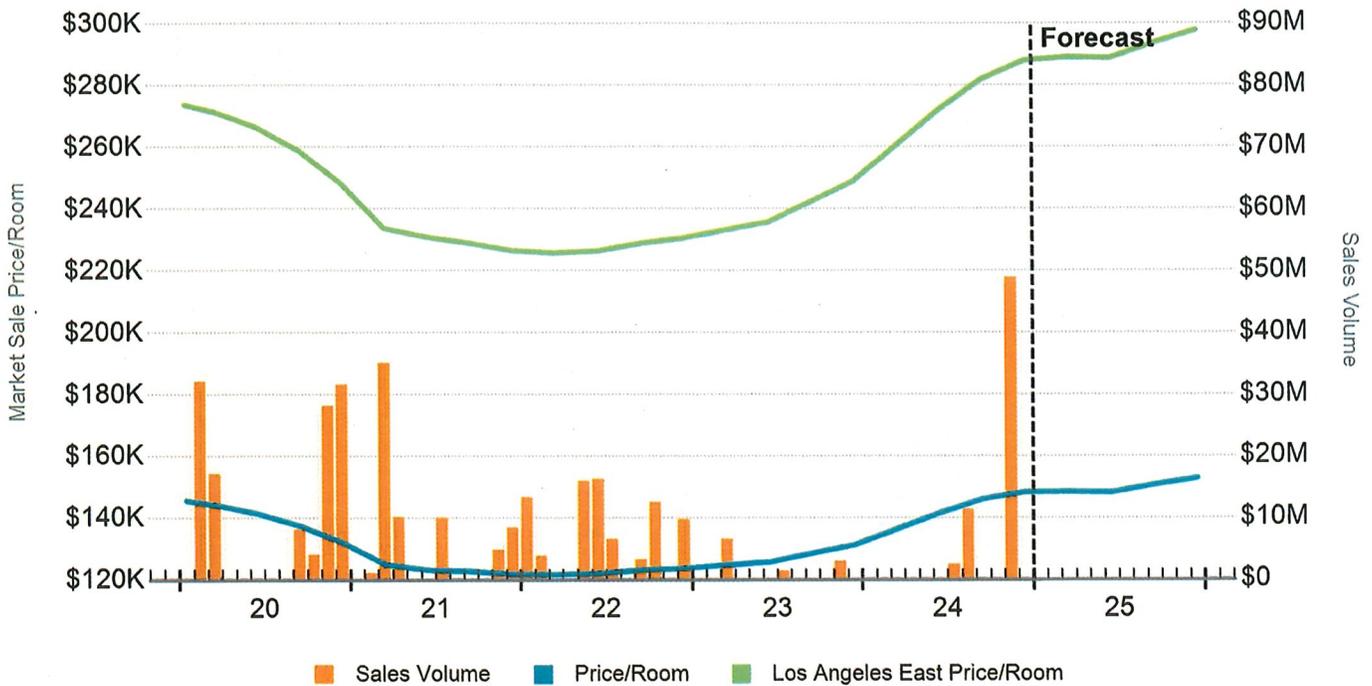
In the past 12 months, 4 hotels traded in Los Angeles East, for a transaction volume of \$62.6 million. This compares to the three-year annual sales volume average of \$42.0 million.

and trades involving Midscale & Economy assets accounted for \$24.6 million over the same period.

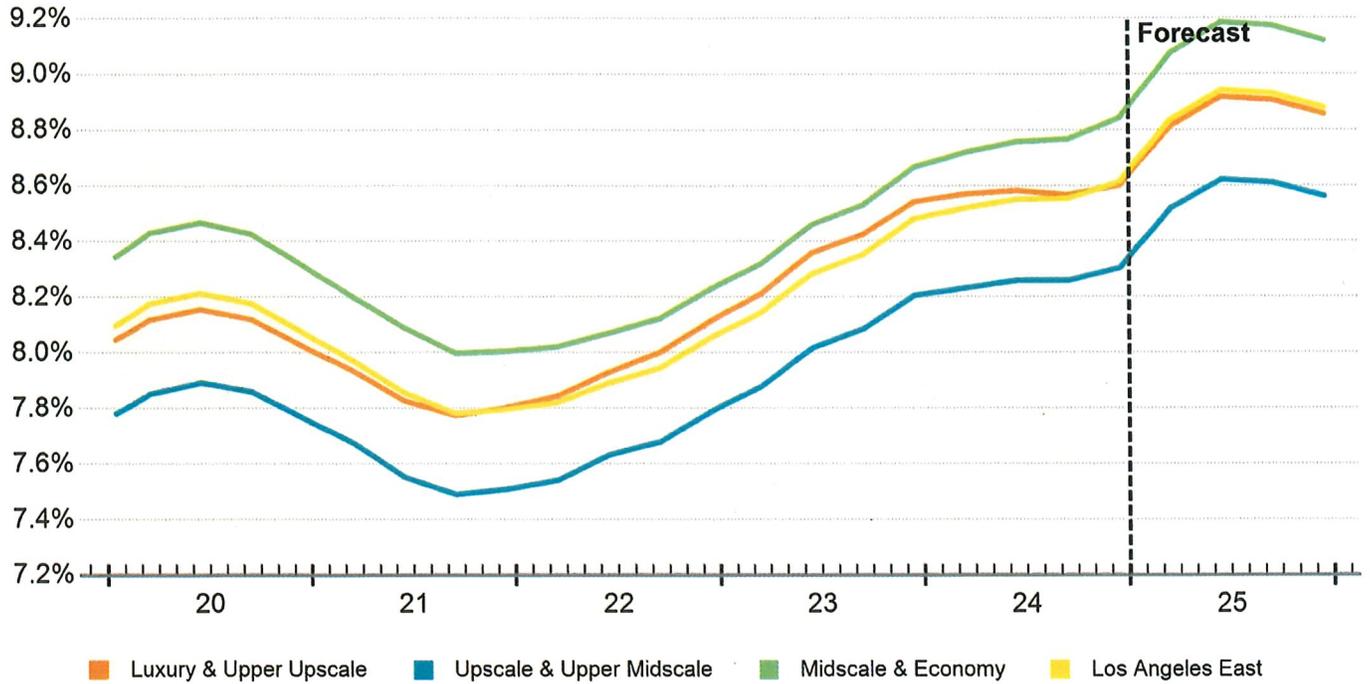
Sales involving Upscale & Upper Midscale accounted for \$38.0 million in sales volume over the past 12 months

The market cap rate, or the estimated cap rate for the market, stands at 8.6% compared to the Los Angeles average of 8.0%.

SALES VOLUME & MARKET SALE PRICE PER ROOM



MARKET CAP RATE



Sales Past 12 Months

Los Angeles East Hospitality

Sale Comparables

Average Price/Room

Average Price

Average Cap Rate

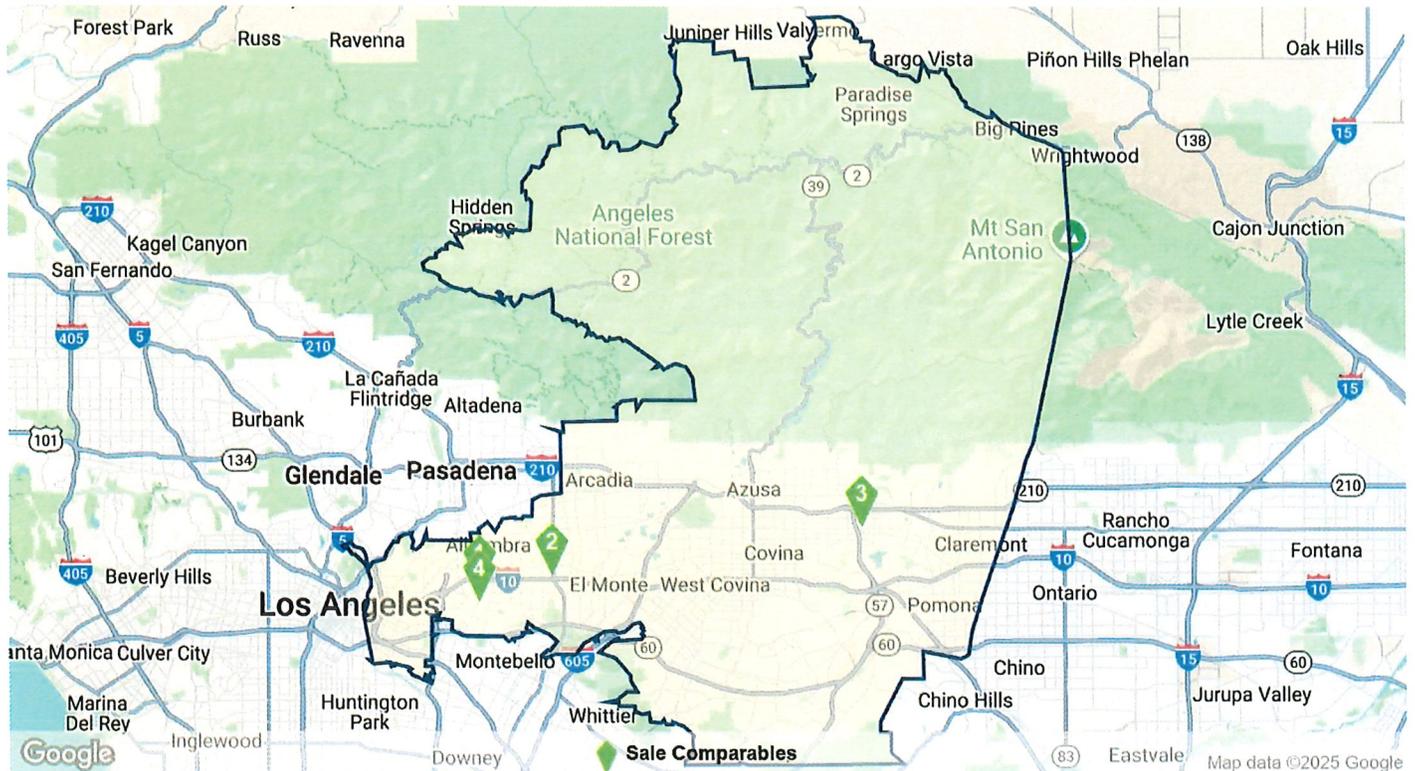
4

\$177K

\$15.6M

5.0%

SALE COMPARABLE LOCATIONS



SALE COMPARABLES SUMMARY STATISTICS

Sale Attributes	Low	Average	Median	High
Sale Price	\$2,500,000	\$15,637,500	\$10,750,000	\$38,000,000
Price/Room	\$103,365	\$177,195	\$113,000	\$279,412
Cap Rate	5.0%	5.0%	5.0%	5.0%
Time Since Sale in Months	2.0	4.1	2.2	6.5
Property Attributes	Low	Average	Median	High
Property Size in Rooms	13	88	100	136
Number of Floors	1	3	3	6
Total Meeting Space	450	1,317	1,317	2,900
Year Built	1948	1986	1974	2024
Class	Economy	Midscale	Economy	Upper Midscale



Sales Past 12 Months

RECENT SIGNIFICANT SALES

Property Name/Address	Property Information				Sale Information		
	Class	Yr Built	Rooms	Brand	Sale Date	Price	Price/Room
1 Holiday Inn Monterey Park – Los... 400 N Atlantic Blvd	Upper Midscale	2024	136	Holiday Inn	11/22/2024	\$38,000,000	\$279,412
2 Bokai Garden Hotel 3633 Rosemead Blvd	Economy	1974	100	-	8/1/2024	\$11,300,000	\$113,000
3 Extended Hotel Studio San Dimas 601 W Bonita Ave	Midscale	1998	104	-	11/18/2024	\$10,750,000	\$103,365
4 Milla Motel 438 El Mercado Ave	Economy	1948	13	-	7/8/2024	\$2,500,000	\$192,308



OVERALL SUPPLY & DEMAND

Year	Supply			Demand		
	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2028	4,664,310	0	0%	3,365,931	87,509	2.7%
2027	4,664,310	0	0%	3,278,422	36,374	1.1%
2026	4,664,310	95,011	2.1%	3,242,048	152,605	4.9%
2025	4,569,299	172,085	3.9%	3,089,443	118,478	4.0%
2024	4,397,214	51,792	1.2%	2,970,965	61,261	2.1%
YTD	4,397,214	51,792	1.2%	2,970,965	61,261	2.1%
2023	4,345,422	32,335	0.7%	2,909,704	70,022	2.5%
2022	4,313,087	103,450	2.5%	2,839,682	127,811	4.7%
2021	4,209,637	311,399	8.0%	2,711,871	590,406	27.8%
2020	3,898,238	(265,391)	-6.4%	2,121,465	(911,578)	-30.1%
2019	4,163,629	(50,941)	-1.2%	3,033,043	(25,027)	-0.8%
2018	4,214,570	202,677	5.1%	3,058,070	41,099	1.4%
2017	4,011,893	(9,015)	-0.2%	3,016,971	(77,317)	-2.5%
2016	4,020,908	(52,938)	-1.3%	3,094,288	60,199	2.0%
2015	4,073,846	44,536	1.1%	3,034,089	82,967	2.8%
2014	4,029,310	(36,590)	-0.9%	2,951,122	98,591	3.5%

LUXURY & UPPER UPSCALE SUPPLY & DEMAND

Year	Supply			Demand		
	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2028	602,875	0	0%			
2027	602,875	0	0%			
2026	602,875	50,365	9.1%			
2025	552,510	95,895	21.0%			
2024	456,615	0	0%	346,368	(2,516)	-0.7%
YTD	456,615	0	0%	346,368	(2,516)	-0.7%
2023	456,615	0	0%	348,884	13,875	4.1%
2022	456,615	64,280	16.4%	335,009	76,541	29.6%
2021	392,335	105,433	36.7%	258,468		
2020	286,902	(84,668)	-22.8%			
2019	371,570	0	0%	301,064	13,980	4.9%
2018	371,570	105,120	39.5%	287,084	82,820	40.5%
2017	266,450	120	0%	204,264	(11,416)	-5.3%
2016	266,330	426	0.2%	215,680		
2015	265,904	184	0.1%			
2014	265,720	0	0%			

UPSCALE & UPPER MIDSACLE SUPPLY & DEMAND

Year	Supply			Demand		
	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2028	1,716,401	0	0%	1,250,585	30,124	2.5%
2027	1,716,401	0	0%	1,220,461	10,643	0.9%
2026	1,716,401	44,646	2.7%	1,209,818	46,412	4.0%
2025	1,671,755	23,292	1.4%	1,163,406	(9,771)	-0.8%
2024	1,648,463	67,556	4.3%	1,173,177	70,985	6.4%
YTD	1,648,463	67,556	4.3%	1,173,177	70,985	6.4%
2023	1,580,907	36,299	2.4%	1,102,192	61,101	5.9%
2022	1,544,608	46,751	3.1%	1,041,091	74,809	7.7%
2021	1,497,857	192,790	14.8%	966,282	305,105	46.1%
2020	1,305,067	(42,513)	-3.2%	661,177	(367,111)	-35.7%
2019	1,347,580	9,490	0.7%	1,028,288	14,169	1.4%
2018	1,338,090	104,512	8.5%	1,014,119	53,716	5.6%
2017	1,233,578	21,999	1.8%	960,403	(24,914)	-2.5%
2016	1,211,579	(13,988)	-1.1%	985,317	28,154	2.9%
2015	1,225,567	44,686	3.8%	957,163	32,443	3.5%
2014	1,180,881	(23,839)	-2.0%	924,720	20,841	2.3%

MIDSCALE & ECONOMY SUPPLY & DEMAND

Year	Supply			Demand		
	Available Rooms	Change	% Change	Occupied Rooms	Change	% Change
2028	2,345,034	0	0%	1,644,592	45,739	2.9%
2027	2,345,034	0	0%	1,598,853	26,961	1.7%
2026	2,345,034	0	0%	1,571,892	59,176	3.9%
2025	2,345,034	52,898	2.3%	1,512,716	61,296	4.2%
2024	2,292,136	(15,764)	-0.7%	1,451,420	(7,208)	-0.5%
YTD	2,292,136	(15,764)	-0.7%	1,451,420	(7,208)	-0.5%
2023	2,307,900	(3,964)	-0.2%	1,458,628	(4,954)	-0.3%
2022	2,311,864	(7,581)	-0.3%	1,463,582	(23,539)	-1.6%
2021	2,319,445	13,176	0.6%	1,487,121	168,333	12.8%
2020	2,306,269	(138,210)	-5.7%	1,318,788	(384,903)	-22.6%
2019	2,444,479	(60,431)	-2.4%	1,703,691	(53,176)	-3.0%
2018	2,504,910	(6,955)	-0.3%	1,756,867	(95,437)	-5.2%
2017	2,511,865	(31,134)	-1.2%	1,852,304	(40,987)	-2.2%
2016	2,542,999	(39,376)	-1.5%	1,893,291	32,912	1.8%
2015	2,582,375	(334)	0%	1,860,379	52,582	2.9%
2014	2,582,709	(12,751)	-0.5%	1,807,797	76,539	4.4%

OVERALL PERFORMANCE

Year	Occupancy		ADR		RevPAR	
	Percent	% Change	Per Room	% Change	Per Room	% Change
2028	72.2%	2.7%	\$153.22	3.4%	\$110.57	6.2%
2027	70.3%	1.1%	\$148.20	3.0%	\$104.17	4.1%
2026	69.5%	2.8%	\$143.95	6.0%	\$100.05	9.0%
2025	67.6%	0.1%	\$135.73	6.3%	\$91.77	6.4%
2024	67.6%	0.9%	\$127.68	-2.0%	\$86.27	-1.1%
YTD	67.6%	0.9%	\$127.68	-2.0%	\$86.27	-1.1%
2023	67.0%	1.7%	\$130.32	3.3%	\$87.26	5.1%
2022	65.8%	2.2%	\$126.13	13.8%	\$83.04	16.3%
2021	64.4%	18.4%	\$110.89	16.9%	\$71.43	38.4%
2020	54.4%	-25.3%	\$94.85	-14.4%	\$51.62	-36.1%
2019	72.8%	0.4%	\$110.85	0.6%	\$80.75	1.0%
2018	72.6%	-3.5%	\$110.20	1.9%	\$79.96	-1.7%
2017	75.2%	-2.3%	\$108.20	3.3%	\$81.36	1.0%
2016	77.0%	3.3%	\$104.73	7.4%	\$80.59	11.0%
2015	74.5%	1.7%	\$97.53	6.3%	\$72.64	8.1%
2014	73.2%	4.4%	\$91.72	6.4%	\$67.18	11.1%

LUXURY & UPPER UPSCALE PERFORMANCE

Year	Occupancy		ADR		RevPAR	
	Percent	% Change	Per Room	% Change	Per Room	% Change
2028						
2027						
2026						
2025						
2024	75.9%	-0.7%	\$176.77	-2.2%	\$134.09	-2.9%
YTD	75.9%	-0.7%	\$176.77	-2.2%	\$134.09	-2.9%
2023	76.4%	4.1%	\$180.81	7.4%	\$138.15	11.8%
2022	73.4%	11.4%	\$168.35	14.2%	\$123.52	27.2%
2021	65.9%		\$147.38		\$97.09	
2020						
2019	81.0%	4.9%	\$159.39	-0.2%	\$129.14	4.7%
2018	77.3%	0.8%	\$159.72	0.3%	\$123.40	1.0%
2017	76.7%	-5.3%	\$159.31	0.9%	\$122.13	-4.5%
2016	81.0%		\$157.91		\$127.88	
2015						
2014						

UPSCALE & UPPER MIDSACLE PERFORMANCE

Year	Occupancy		ADR		RevPAR	
	Percent	% Change	Per Room	% Change	Per Room	% Change
2028	72.9%	2.5%	\$176.89	3.5%	\$128.88	6.0%
2027	71.1%	0.9%	\$170.96	3.5%	\$121.57	4.4%
2026	70.5%	1.3%	\$165.19	5.3%	\$116.43	6.7%
2025	69.6%	-2.2%	\$156.83	7.0%	\$109.14	4.6%
2024	71.2%	2.1%	\$146.57	-3.3%	\$104.31	-1.3%
YTD	71.2%	2.1%	\$146.57	-3.3%	\$104.31	-1.3%
2023	69.7%	3.4%	\$151.56	3.1%	\$105.66	6.7%
2022	67.4%	4.5%	\$146.96	16.1%	\$99.05	21.3%
2021	64.5%	27.3%	\$126.62	14.6%	\$81.68	46.0%
2020	50.7%	-33.6%	\$110.46	-15.9%	\$55.96	-44.2%
2019	76.3%	0.7%	\$131.33	-0.8%	\$100.22	-0.2%
2018	75.8%	-2.7%	\$132.44	-2.4%	\$100.38	-4.9%
2017	77.9%	-4.3%	\$135.63	2.4%	\$105.60	-1.9%
2016	81.3%	4.1%	\$132.40	5.8%	\$107.67	10.2%
2015	78.1%	-0.3%	\$125.09	5.8%	\$97.69	5.5%
2014	78.3%	4.4%	\$118.20	7.7%	\$92.56	12.4%

MIDSCALE & ECONOMY PERFORMANCE

Year	Occupancy		ADR		RevPAR	
	Percent	% Change	Per Room	% Change	Per Room	% Change
2028	70.1%	2.9%	\$113.93	3.4%	\$79.90	6.4%
2027	68.2%	1.7%	\$110.17	2.5%	\$75.12	4.2%
2026	67.0%	3.9%	\$107.53	5.3%	\$72.08	9.5%
2025	64.5%	1.9%	\$102.07	1.4%	\$65.85	3.3%
2024	63.3%	0.2%	\$100.69	-1.5%	\$63.76	-1.3%
YTD	63.3%	0.2%	\$100.69	-1.5%	\$63.76	-1.3%
2023	63.2%	-0.2%	\$102.19	0.5%	\$64.58	0.4%
2022	63.3%	-1.3%	\$101.66	7.8%	\$64.36	6.4%
2021	64.1%	12.1%	\$94.32	13.0%	\$60.47	26.7%
2020	57.2%	-18.0%	\$83.48	-7.1%	\$47.74	-23.8%
2019	69.7%	-0.6%	\$89.90	0.7%	\$62.66	0.1%
2018	70.1%	-4.9%	\$89.27	1.1%	\$62.61	-3.9%
2017	73.7%	-1.0%	\$88.34	4.8%	\$65.14	3.8%
2016	74.5%	3.3%	\$84.27	9.2%	\$62.74	12.8%
2015	72.0%	2.9%	\$77.21	8.1%	\$55.62	11.3%
2014	70.0%	4.9%	\$71.42	6.0%	\$49.99	11.2%



OVERALL SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Room	Avg Cap Rate	Price/Room	Price Index	Cap Rate
2029	-	-	-	-	-	-	\$206,152	303	7.8%
2028	-	-	-	-	-	-	\$194,663	286	8.0%
2027	-	-	-	-	-	-	\$178,642	263	8.3%
2026	-	-	-	-	-	-	\$166,751	245	8.6%
2025	-	-	-	-	-	-	\$152,960	225	8.9%
YTD	-	-	-	-	-	-	\$150,514	221	8.6%
2024	4	\$62.6M	2.9%	\$15,637,500	\$177,195	5.0%	\$148,368	218	8.6%
2023	3	\$10.9M	0.9%	\$3,630,000	\$100,833	-	\$131,386	193	8.5%
2022	9	\$81.2M	5.6%	\$9,022,778	\$121,747	9.3%	\$123,778	182	8.1%
2021	6	\$69.5M	3.1%	\$11,578,333	\$188,266	7.8%	\$121,896	179	7.8%
2020	14	\$121M	10.0%	\$8,639,706	\$104,996	6.2%	\$132,185	194	8.1%
2019	3	\$45.3M	2.2%	\$15,083,333	\$178,854	9.1%	\$146,410	215	8.1%
2018	6	\$28.7M	2.4%	\$4,777,989	\$104,628	-	\$153,226	225	7.6%
2017	2	\$42.4M	3.2%	\$21,175,000	\$115,395	8.0%	\$147,230	217	7.6%
2016	3	\$14.2M	1.7%	\$4,748,000	\$74,576	-	\$132,394	195	7.8%
2015	8	\$46.6M	3.7%	\$5,826,369	\$111,243	6.2%	\$119,591	176	7.8%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred. The price index is not smoothed.

LUXURY & UPPER UPSCALE SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Room	Avg Cap Rate	Price/Room	Price Index	Cap Rate
2029	-	-	-	-	-	-	\$250,896	265	7.7%
2028	-	-	-	-	-	-	\$236,913	250	8.0%
2027	-	-	-	-	-	-	\$217,415	229	8.3%
2026	-	-	-	-	-	-	\$202,943	214	8.6%
2025	-	-	-	-	-	-	\$186,158	196	8.9%
YTD	-	-	-	-	-	-	\$183,182	193	8.6%
2024	-	-	-	-	-	-	\$180,465	190	8.6%
2023	-	-	-	-	-	-	\$160,223	169	8.5%
2022	-	-	-	-	-	-	\$152,638	161	8.1%
2021	-	-	-	-	-	-	\$152,625	161	7.8%
2020	-	-	-	-	-	-	\$164,647	174	8.0%
2019	-	-	-	-	-	-	\$181,485	191	8.0%
2018	-	-	-	-	-	-	\$190,419	201	7.7%
2017	-	-	-	-	-	-	\$199,088	210	7.4%
2016	-	-	-	-	-	-	\$184,621	195	7.5%
2015	1	\$10M	9.9%	\$10,000,000	\$138,889	-	\$168,344	178	7.5%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred. The price index is not smoothed.



UPSCALE & UPPER MIDSACLE SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Room	Avg Cap Rate	Price/Room	Price Index	Cap Rate
2029	-	-	-	-	-	-	\$250,501	317	7.5%
2028	-	-	-	-	-	-	\$236,540	300	7.7%
2027	-	-	-	-	-	-	\$217,073	275	8.0%
2026	-	-	-	-	-	-	\$202,624	257	8.3%
2025	-	-	-	-	-	-	\$185,865	235	8.6%
YTD	-	-	-	-	-	-	\$182,894	232	8.3%
2024	1	\$38M	3.0%	\$38,000,000	\$279,412	-	\$180,147	228	8.3%
2023	-	-	-	-	-	-	\$157,557	200	8.2%
2022	1	\$12.5M	1.5%	\$12,500,000	\$189,394	6.5%	\$147,956	187	7.8%
2021	1	\$35M	3.4%	\$35,000,000	\$248,227	8.4%	\$146,749	186	7.5%
2020	2	\$32.1M	5.4%	\$16,055,000	\$152,905	-	\$159,629	202	7.8%
2019	1	\$32M	3.3%	\$32,000,000	\$266,667	9.1%	\$177,438	225	7.7%
2018	-	-	-	-	-	-	\$184,589	234	7.4%
2017	1	\$19.8M	3.0%	\$19,750,000	\$181,193	8.0%	\$175,465	222	7.5%
2016	-	-	-	-	-	-	\$157,402	199	7.7%
2015	-	-	-	-	-	-	\$142,109	180	7.7%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred. The price index is not smoothed.

MIDSCALE & ECONOMY SALES

Year	Completed Transactions (1)						Market Pricing Trends (2)		
	Deals	Volume	Turnover	Avg Price	Avg Price/Room	Avg Cap Rate	Price/Room	Price Index	Cap Rate
2029	-	-	-	-	-	-	\$161,226	306	8.0%
2028	-	-	-	-	-	-	\$152,241	289	8.2%
2027	-	-	-	-	-	-	\$139,711	265	8.6%
2026	-	-	-	-	-	-	\$130,412	247	8.9%
2025	-	-	-	-	-	-	\$119,626	227	9.1%
YTD	-	-	-	-	-	-	\$117,713	223	8.9%
2024	3	\$24.6M	3.5%	\$8,183,333	\$113,134	5.0%	\$116,167	220	8.8%
2023	3	\$10.9M	1.7%	\$3,630,000	\$100,833	-	\$104,236	198	8.7%
2022	8	\$68.7M	9.5%	\$8,588,125	\$114,318	12.0%	\$98,116	186	8.2%
2021	5	\$34.5M	3.6%	\$6,894,000	\$151,184	7.5%	\$95,239	180	8.0%
2020	12	\$88.8M	14.3%	\$7,403,824	\$94,316	6.2%	\$103,132	195	8.3%
2019	2	\$13.3M	2.0%	\$6,625,000	\$99,624	-	\$113,991	216	8.3%
2018	6	\$28.7M	4.0%	\$4,777,989	\$104,628	-	\$120,000	227	7.7%
2017	1	\$22.6M	3.7%	\$22,600,000	\$87,597	-	\$112,505	213	7.8%
2016	3	\$14.2M	2.7%	\$4,748,000	\$74,576	-	\$99,988	189	8.0%
2015	7	\$36.6M	4.8%	\$5,230,136	\$105,507	6.2%	\$89,960	170	8.0%

(1) Completed transaction data is based on actual arms-length sales transactions and levels are dependent on the mix of what happened to sell in the period.

(2) Market price trends data is based on the estimated price movement of all properties in the market, informed by actual transactions that have occurred. The price index is not smoothed.



DELIVERIES & UNDER CONSTRUCTION

Year	Inventory			Deliveries		Net Deliveries		Under Construction	
	Bldgs	Rooms	% Change	Bldgs	Rooms	Bldgs	Rooms	Bldgs	Rooms
YTD	155	12,041	0%	0	0	0	0	3	512
2024	155	12,041	1.1%	2	245	1	187	3	512
2023	156	11,907	0%	1	132	1	132	4	637
2022	156	11,903	0.6%	1	149	1	149	4	601
2021	157	11,837	3.1%	3	638	0	477	5	750
2020	158	11,476	0.8%	1	200	(2)	41	4	894
2019	159	11,381	-2.0%	-	-	-	-	4	861
2018	162	11,608	1.5%	1	288	(3)	76	2	437
2017	164	11,435	2.3%	2	251	0	194	3	725
2016	162	11,181	-1.6%	-	-	-	-	2	251
2015	163	11,363	0.5%	-	-	-	-	1	142

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DINING REFRESH UPDATE

- Choolah Opening
 - Finals \$2 Energy Results
 - Starship Rollout
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BOOKSTORE PROGRAM UPDATE

- IAC Spring Results
 - Advisory Increase Request
 - Management Update – Clint Aase
 - General Upcoming Events
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KELLOGG WEST PROGRAM UPDATE

- Crestview Renovation Project
 - Hotel Branding
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