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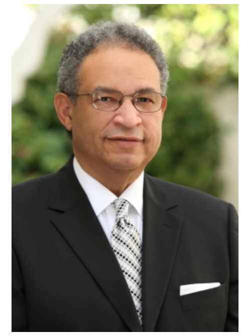
DISCOVER Los Angeles™

MARKET OUTLOOK FORUM 2018

MARKETING AND PLANNING RESOURCE

2018 MARKET OUTLOOK DATA FOR THE LOS ANGELES TRAVEL & TOURISM INDUSTRY



Dear Friends,

I am pleased to share Los Angeles Tourism & Convention Board's 2018 Marketing and Planning Resource.

As today's tourism landscape becomes increasingly competitive, identifying and understanding the profile of your potential customers is vital for success. In this guide, you'll find up-to-date consumer insights that will prepare you for engaging future Los Angeles visitors.

Updated annually, our Marketing and Planning Resource is curated to shape your marketing strategy and budget development. It provides a comprehensive collection of local tourism data, economic indicators, lodging statistics, visitor profiles, forecasts and air market data. Its content is derived from several unbiased sources including government agencies, economic research firms and tourism & hospitality experts.

L.A. Tourism prides itself on the quality and quantity of research-based information prepared by our best-in-industry Tourism Insights department. Our team commissions extensive surveys, studies and focus groups around the world in addition to analyzing competitive industry data.

Thank you for your endless dedication to making Los Angeles one of the world's premier travel destinations.

With best wishes,

Ernie

Ernest Wooden Jr.
President & CEO
Los Angeles Tourism & Convention Board

2018 MEMBER SURVEY HIGHLIGHTS

DISCOVER Los Angeles

We work on behalf of more than 1,100 Members from the area's hospitality and tourism community to promote Los Angeles as one of the world's preferred travel destinations. Our objective is to engage and showcase Member businesses throughout L.A., as well as facilitate a variety of opportunities with Los Angeles Tourism partners.

SURVEY FINDINGS

MEMBER SATISFACTION

- OVERALL MEMBER SATISFACTION GREW TO A RECORD **4.1 OUT OF 5**
- **40%** OF MEMBERS SAY THEIR EXPERIENCE IS "MUCH BETTER/BETTER" THAN LAST YEAR
- THE NUMBER OF **"VERY SATISFIED"** MEMBERS HAS MORE THAN DOUBLED IN THE LAST 5 YEARS

MOST VALUABLE MEMBERSHIP BENEFITS

- TOURISM INSIGHTS/RESEARCH
- CONVENTION & EVENTS CALENDAR
- NETWORKING EVENTS / EDUCATIONAL SEMINARS
- MEMBER PRESENTATIONS & STAFF SITE VISITS

MEMBER EVENTS

- **75%** SAID THE MEMBER NETWORKING EVENTS AND EDUCATIONAL SEMINARS ARE VERY IMPORTANT OR IMPORTANT
- MEMBERS ACKNOWLEDGE THAT THE MORE ENGAGED THEY BECOME, THE GREATER THE VALUE THEY DERIVE FROM THEIR L.A. TOURISM MEMBERSHIP

LOYALTY

- **NINE OUT OF TEN** MEMBERS ARE "VERY LIKELY/LIKELY" TO RENEW MEMBERSHIP
- **95%** OF MEMBERS WOULD RECOMMEND L.A. TOURISM MEMBERSHIP TO OTHERS

For more information, contact the Membership team at MemberCommunications@latourism.org

2018 Marketing and Planning Resource

Preface

Los Angeles Tourism & Convention Board's Tourism Insights department has compiled this annual report to assist our valued members with their marketing plans and budgets as well as serve as a comprehensive resource of local tourism industry data.

Included are economic, lodging, and visitor profile statistics for the Los Angeles area.

- The information is current as of **August 2018**. Data and Forecasts may change as the year progresses.
- The information contained in this document has been obtained from various independent resources which are believed to be unbiased, reputable and reliable.
- However, Los Angeles Tourism & Convention Board does not represent the data contained herein to be definitive or free from error.
- Although every effort is made to ensure the accuracy of the information, mistakes can occur. If you notice any discrepancies, please notify us immediately via the contacts below.
- Please feel free to suggest any additional topics or data points to be included in next year's edition.

The contents of this report should not be construed as a recommendation of particular policies or actions.

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DISCOVER Los Angeles

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TOURISM & LODGING FORECASTS

TOURISM & LODGING FORECASTS

U.S. Visitation

- The U.S. Travel Association projects inbound international travel to the U.S. to increase by +3.5% in 2018, ultimately reaching 91.9 million visitors by the end of 2022.
- Domestic trips are forecasted to increase +2.0% in 2018, followed by similar annual increases through 2022 with stronger growth in the leisure sector versus the business sector.

U.S. Travel Forecast (Volume)						
	2017	2018	2019	2020	2021	2022
GDP (Billions of current dollars)	19,391	20,267	20,954	21,626	22,370	23,172
Unemployment Rate (%)	4.4	3.8	3.6	3.8	3.9	4.0
Consumer Price Index (CPI)	245.1	251.3	256.3	261.3	266.4	271.8
Travel Price Index (TPI)	279.4	285.9	289.8	295.3	301.9	307.6
Total Travel Spending in the U.S. ($ Billions)	**1,035.7**	**1,086.8**	**1,135.1**	**1,181.2**	**1,227.9**	**1,272.2**
U.S. Residents	879.9	924.7	964.5	1,000.7	1,038.1	1,072.9
International Visitors	155.8	163.2	171.6	181.6	191.0	200.5
Total International Visitors to the U.S. (Millions)	**76.5**	**79.2**	**82.1**	**85.3**	**88.6**	**91.9**
Canada	20.2	20.9	21.5	22.2	22.8	23.6
Mexico	17.8	18.6	19.0	19.5	20.1	20.8
Overseas Arrivals to the U.S.	38.5	39.7	41.7	43.7	45.7	47.6
Total Domestic Person-Trips (Millions)	**2,248.7**	**2,292.8**	**2,334.5**	**2,369.4**	**2,404.7**	**2,445.2**
Business	462.0	471.5	479.5	485.6	491.9	499.4
Leisure	1,786.7	1,821.2	1,855.1	1,883.9	1,912.8	1,945.8
U.S. Travel Forecast (% Growth)						
	2017	2018	2019	2020	2021	2022
Real GDP (chained 2005 dollars)	2.3%	3.0%	2.3%	1.5%	1.6%	1.8%
Consumer Price Index (CPI)	2.1%	2.5%	2.0%	1.9%	2.0%	2.0%
Travel Price Index (TPI)	2.3%	2.3%	1.4%	1.9%	2.2%	1.9%
Total Travel Spending in the U.S. ($ Billions)	**4.3%**	**5.0%**	**4.4%**	**4.1%**	**4.0%**	**3.6%**
U.S. Residents	5.2%	5.1%	4.3%	3.8%	3.7%	3.4%
International Visitors	0.1%	4.7%	5.2%	5.8%	5.2%	5.0%
Total International Visitors to the U.S. (Millions)	**0.8%**	**3.5%**	**3.7%**	**3.9%**	**3.8%**	**3.7%**
Canada	4.8%	3.6%	2.6%	3.0%	3.0%	3.3%
Mexico	-6.1%	4.2%	2.1%	3.0%	3.1%	3.2%
Overseas Arrivals to the U.S.	2.3%	3.2%	5.1%	4.8%	4.5%	4.1%
Total Domestic Person-Trips (Millions)	**1.9%**	**2.0%**	**1.8%**	**1.5%**	**1.5%**	**1.7%**
Business	1.3%	2.1%	1.7%	1.3%	1.3%	1.5%
Leisure	2.1%	1.9%	1.9%	1.6%	1.5%	1.7%

U.S. Travel Association, August 2018

U.S. Visitor Spending

- The U.S. Travel Association projects that travel spending in the U.S. by international visitors will increase by 4.7% in 2018 and 5.2% in 2019.

U.S. Lodging Market

U.S. Lodging Market Outlook				
	2018 Forecast	YOY % Change	2019 Forecast	YOY % Change
Supply	1.91 Billion	+2.0%	1.94 Billion	+1.9%
Demand	1.26 Billion	+2.6%	1.29 Billion	+2.1%
Occupancy	66.3%	+0.6%	66.5%	+0.2%
ADR	$130.02	+2.6%	$133.15	+2.4%
RevPAR	$86.22	+3.2%	$88.47	+2.6%

Source: Smith Travel Research (STR), August 2018

L.A. County Visitation

- Total visitors to L.A. County in 2017 were 48.5 million and is estimated to increase +2.6% in 2018 to 49.8 million total visitors.

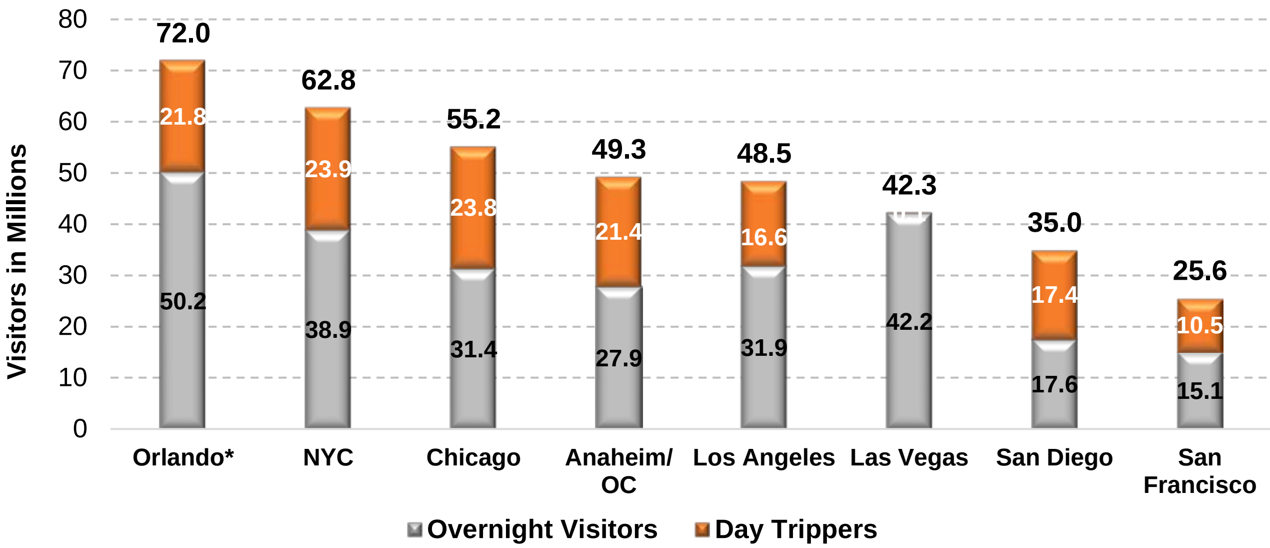
- Overnight visitation is estimated to increase +2.9% in 2018, and reach 32.9 million, including 25.4 million domestic overnight visitors and 7.5 million international visitors.

    - Domestic overnight visitation is estimated to grow +2.7% in 2018 and +2.4% in 2019.

    - International visitation is estimated to grow +3.5% in 2018 and +3.5% in 2019.

Top U.S. Destinations Visitor Volume

- In 2017, Los Angeles ranked 5th in total visitation and 4th in overnight visitation among key competitive U.S. destinations



*Orlando has not yet released their overnight/day visitor split. 2016 split has been applied to 2017 total visitation.

L.A. County Visitor Spending

- Total direct visitor spending grew by +3.9% in 2017 totaling $22.7 billion and is expected to increase +4.9% in 2018 and +4.6% in 2019.

- Total direct visitor spending in 2017 averaged $62.3 million a day, $2.6 million an hour, and $43,265 every minute.

L.A. County Lodging Market

L.A. County Lodging Market Outlook				
	2018 Forecast	YOY % Change	2019 Forecast	YOY % Change
Supply	37.76 Million	+2.9%	38.76 Million	+2.6%
Demand	30.06 Million	+2.3%	30.71 Million	+2.2%
Occupancy	79.6%	-0.5%	79.2%	-0.4%
ADR	$181.96	+3.4%	$186.78	+2.6%
RevPAR	$144.84	+2.3%	$148.01	+2.2%

Source: Tourism Economics; Los Angeles Tourism & Convention Board July 2018

L.A. County <u>Calendar Year</u> 5-Year Visitor Forecast (Volume)

Los Angeles Visitor CALENDAR YEAR Forecast (Revised July 2018) (millions)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Visits	**42.205**	**44.242**	**45.597**	**47.278**	**48.496**	**49.764**	**50.993**	**52.096**	**53.196**	**54.322**
Total Domestic Visits	**36.033**	**37.722**	**38.761**	**40.245**	**41.237**	**42.252**	**43.221**	**44.057**	**44.875**	**45.712**
Domestic Day Visits	**13.693**	**14.749**	**15.346**	**16.221**	**16.545**	**16.895**	**17.250**	**17.585**	**17.893**	**18.260**
Leisure		13.186	13.781	14.556	14.877	15.193	15.519	15.814	16.087	16.416
Business		1.563	1.565	1.665	1.668	1.702	1.731	1.772	1.806	1.843
Domestic Overnight Visits	**22.340**	**22.973**	**23.415**	**24.024**	**24.692**	**25.357**	**25.971**	**26.472**	**26.982**	**27.453**
Leisure	17.095	17.712	18.311	18.859	19.334	19.914	20.433	20.853	21.283	21.672
Business	5.245	5.261	5.104	5.165	5.358	5.443	5.539	5.620	5.699	5.781
Convention	0.996	1.005	0.949	0.967	1.031	1.045	1.072	1.090	1.106	1.123
Transient Business	4.249	4.256	4.155	4.198	4.327	4.398	4.467	4.530	4.593	4.658
Paid Accommodation	12.720	14.613	15.243	15.570	16.007	16.528	16.985	17.355	17.719	18.069
Hotel/Motel	12.720	13.832	14.447	14.690	14.923	15.293	15.608	15.848	16.073	16.316
Homesharing/Airbnb		0.781	0.796	0.880	1.084	1.235	1.377	1.507	1.646	1.753
Private Accommodation	9.620	8.360	8.172	8.454	8.685	8.829	8.987	9.117	9.263	9.383
Drive	14.781	15.051	15.103	15.440	15.840	16.151	16.525	16.812	17.101	17.374
Fly	7.559	7.922	8.312	8.584	8.852	9.206	9.446	9.660	9.881	10.078
In-State	11.300	11.441	11.450	11.685	11.984	12.285	12.539	12.765	12.993	13.212
Out-of-State	11.040	11.532	11.965	12.339	12.708	13.072	13.432	13.707	13.989	14.240
Total International Visits	**6.172**	**6.520**	**6.836**	**7.033**	**7.259**	**7.512**	**7.772**	**8.038**	**8.321**	**8.610**
Leisure	4.999	5.282	5.568	5.710	5.951	6.162	6.375	6.613	6.861	7.115
Business	1.173	1.238	1.268	1.323	1.308	1.351	1.397	1.425	1.460	1.495
Convention	0.309	0.370	0.381	0.393	0.390	0.402	0.413	0.421	0.432	0.441
Transient Business	0.864	0.869	0.886	0.931	0.917	0.948	0.984	1.004	1.028	1.054
Paid Accommodation	4.305	4.336	4.543	4.680	4.861	5.077	5.270	5.473	5.667	5.862
Hotel/Motel				4.320	4.355	4.463	4.612	4.771	4.921	5.068
Homesharing/Airbnb				0.360	0.506	0.614	0.659	0.703	0.747	0.794
Private Accommodation	1.867	2.184	2.293	2.353	2.398	2.435	2.501	2.565	2.653	2.748
Canada	**0.708**	**0.739**	**0.728**	**0.708**	**0.747**	**0.780**	**0.800**	**0.820**	**0.839**	**0.856**
Mexico	**1.701**	**1.732**	**1.737**	**1.757**	**1.708**	**1.756**	**1.810**	**1.875**	**1.951**	**2.031**
Overseas	**3.763**	**4.049**	**4.370**	**4.568**	**4.804**	**4.976**	**5.161**	**5.343**	**5.531**	**5.723**
China	0.570	0.686	0.824	1.005	1.123	1.198	1.282	1.373	1.468	1.563
Japan	0.291	0.310	0.315	0.340	0.341	0.349	0.355	0.358	0.362	0.365
South Korea	0.236	0.254	0.295	0.296	0.341	0.349	0.367	0.384	0.402	0.424
India	0.083	0.092	0.105	0.116	0.123	0.130	0.138	0.146	0.155	0.164
Australia	0.393	0.401	0.430	0.421	0.418	0.430	0.440	0.448	0.455	0.463
UK	0.319	0.328	0.354	0.361	0.371	0.380	0.387	0.393	0.401	0.408
Germany	0.230	0.234	0.244	0.236	0.254	0.247	0.252	0.257	0.260	0.264
France	0.264	0.281	0.283	0.277	0.295	0.308	0.316	0.322	0.328	0.334
Scandinavia	0.134	0.151	0.168	0.181	0.183	0.189	0.193	0.197	0.201	0.205
Brazil	0.121	0.128	0.127	0.101	0.102	0.115	0.120	0.125	0.131	0.136
Middle East	0.090	0.129	0.155	0.159	0.142	0.136	0.141	0.145	0.149	0.154
Other Overseas	1.032	1.055	1.069	1.076	1.111	1.144	1.170	1.195	1.219	1.244
Total Overnight (Domestic & International)	28.512	29.493	30.251	**31.057**	**31.951**	**32.869**	**33.743**	**34.510**	**35.303**	**36.063**
Hotel Room Demand (Nights)	**27.189**	**28.051**	**28.532**	**29.221**	**29.370**	**30.058**	**30.712**	**31.224**	**31.773**	**32.317**
Hotel ADR	**$136.52**	**$147.27**	**$158.35**	**$171.90**	**$175.98**	**$181.96**	**$186.78**	**$191.76**	**$197.18**	**$202.36**
Total Visitor Spending ($ Billions)	**$18.360**	**$19.612**	**$20.571**	**$21.877**	**$22.740**	**$23.862**	**$24.956**	**$25.995**	**$27.069**	**$28.216**
Day ($Billions)	$0.86	$0.93	$0.98	$1.04	$1.09	$1.14	$1.18	$1.22	$1.26	$1.30
Overnight ($) Billions)	$17.50	$18.68	$19.59	$20.83	$21.65	$22.72	$23.77	$24.77	$25.81	$26.91

Source: Tourism Economics

L.A. County Calendar Year 5-Year Visitor Forecast (YOY% Growth)

Los Angeles Visitor CALENDAR YEAR Forecast (Revised July 2018) (Year-on-Year % Change)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Total Visits	**2.0%**	**4.8%**	**3.1%**	**3.7%**	**2.6%**	**2.6%**	**2.5%**	**2.2%**	**2.1%**	**2.1%**
Total Domestic Visits	**1.9%**	**4.7%**	**2.8%**	**3.8%**	**2.5%**	**2.5%**	**2.3%**	**1.9%**	**1.9%**	**1.9%**
Domestic Day Visits	**1.4%**	**7.7%**	**4.0%**	**5.7%**	**2.0%**	**2.1%**	**2.1%**	**1.9%**	**1.8%**	**2.0%**
Leisure				5.6%	2.2%	2.1%	2.1%	1.9%	1.7%	2.0%
Business				6.4%	0.2%	2.0%	1.7%	2.4%	2.0%	2.0%
Domestic Overnight Visits	**2.2%**	**2.8%**	**1.9%**	**2.6%**	**2.8%**	**2.7%**	**2.4%**	**1.9%**	**1.9%**	**1.7%**
Leisure	2.1%	3.61%	3.4%	3.0%	2.5%	3.0%	2.6%	2.1%	2.1%	1.8%
Business	2.6%	0.3%	-3.0%	1.2%	3.7%	1.6%	1.8%	1.5%	1.4%	1.4%
Convention	2.8%	0.9%	-5.6%	1.9%	6.6%	1.3%	2.6%	1.7%	1.4%	1.6%
Transient Business	2.6%	0.2%	-2.4%	1.0%	3.1%	1.6%	1.6%	1.4%	1.4%	1.4%
Paid Accommodation	2.8%	14.9%	4.3%	2.1%	2.8%	3.3%	2.8%	2.2%	2.1%	2.0%
Hotel/Motel				1.7%	1.6%	2.5%	2.1%	1.5%	1.4%	1.5%
Homesharing/Airbnb			1.9%	10.6%	23.2%	13.9%	11.5%	9.5%	9.2%	6.5%
Private Accommodation	1.6%	-13.1%	-2.3%	3.5%	2.7%	1.7%	1.8%	1.5%	1.6%	1.3%
Drive	2.2%	1.8%	0.3%	2.2%	2.6%	2.0%	2.3%	1.7%	1.7%	1.6%
Fly	2.4%	4.8%	4.9%	3.3%	3.1%	4.0%	2.6%	2.3%	2.3%	2.0%
In-State	2.1%	1.2%	0.1%	2.0%	2.6%	2.5%	2.1%	1.8%	1.8%	1.7%
Out-of-State	2.3%	4.5%	3.8%	3.1%	3.0%	2.9%	2.8%	2.0%	2.1%	1.8%
Total International Visits	**2.7%**	**5.6%**	**4.8%**	**2.9%**	**3.2%**	**3.5%**	**3.5%**	**3.4%**	**3.5%**	**3.5%**
Leisure	2.7%	5.7%	5.4%	2.6%	4.2%	3.5%	3.5%	3.7%	3.7%	3.7%
Business	2.7%	5.6%	2.4%	4.4%	-1.2%	3.3%	3.4%	2.0%	2.5%	2.4%
Convention	2.7%	19.7%	3.2%	2.9%	-0.6%	3.1%	2.6%	1.9%	2.6%	2.1%
Transient Business	2.7%	0.5%	2.0%	5.0%	-1.4%	3.4%	3.7%	2.1%	2.4%	2.5%
Paid Accommodation	2.9%	0.7%	4.8%	3.0%	3.9%	4.5%	3.8%	3.9%	3.5%	3.4%
Hotel/Motel					0.8%	2.5%	3.3%	3.4%	3.1%	3.0%
Homesharing/Airbnb					40.6%	21.3%	7.3%	6.7%	6.3%	6.3%
Private Accommodation	2.3%	17.0%	5.0%	2.6%	1.9%	1.5%	2.7%	2.5%	3.4%	3.6%
Canada	**0.6%**	**4.4%**	**-1.5%**	**-2.8%**	**5.5%**	**4.5%**	**2.6%**	**2.4%**	**2.4%**	**2.1%**
Mexico	**3.0%**	**1.8%**	**0.3%**	**1.1%**	**-2.8%**	**2.8%**	**3.1%**	**3.6%**	**4.0%**	**4.1%**
Overseas	**2.8%**	**7.6%**	**7.9%**	**4.5%**	**5.2%**	**3.6%**	**3.7%**	**3.5%**	**3.5%**	**3.5%**
China	21.3%	20.4%	20.2%	21.9%	11.7%	6.7%	7.0%	7.1%	6.9%	6.5%
Japan	-0.3%	6.5%	1.6%	8.0%	0.2%	2.5%	1.6%	1.1%	1.0%	0.9%
South Korea	-1.3%	7.6%	16.3%	0.2%	15.3%	2.2%	5.3%	4.5%	4.8%	5.3%
India	18.6%	10.8%	14.4%	10.2%	6.4%	5.6%	5.9%	6.0%	6.0%	5.7%
Australia	1.3%	2.0%	7.3%	-2.3%	-0.7%	2.9%	2.4%	1.7%	1.7%	1.7%
UK	-0.9%	2.8%	7.9%	1.9%	2.8%	2.5%	1.8%	1.7%	1.8%	1.9%
Germany	4.5%	1.7%	4.2%	-3.0%	7.5%	-2.7%	2.0%	1.8%	1.4%	1.4%
France	-1.1%	6.4%	0.7%	-2.0%	6.5%	4.1%	2.8%	1.8%	2.0%	1.6%
Scandinavia	1.5%	12.7%	11.3%	7.5%	1.1%	3.4%	2.1%	2.2%	2.0%	2.2%
Brazil	4.3%	5.8%	-0.8%	-20.5%	1.2%	12.6%	4.6%	4.2%	4.2%	4.0%
Middle East	25.0%	43.3%	20.2%	2.3%	-10.5%	-3.9%	3.0%	3.0%	3.0%	3.3%
Other Overseas	-3.6%	2.2%	1.3%	0.6%	3.3%	2.9%	2.3%	2.2%	2.0%	2.0%
Total Overnight (Domestic & International)	2.3%	3.4%	2.6%	2.7%	2.9%	2.9%	2.7%	2.3%	2.3%	2.2%
Hotel Room Demand (Nights)	**2.1%**	**3.2%**	**1.7%**	**2.4%**	**0.5%**	**2.3%**	**2.2%**	**1.7%**	**1.8%**	**1.7%**
Hotel ADR	**4.9%**	**7.9%**	**7.5%**	**8.6%**	**2.4%**	**3.4%**	**2.6%**	**2.7%**	**2.8%**	**2.6%**
Total Visitor Spending ($ Billions)	**5.5%**	**6.8%**	**4.9%**	**6.3%**	**3.9%**	**4.9%**	**4.6%**	**4.2%**	**4.1%**	**4.2%**
Day ($Billions)	6.0%	8.2%	4.6%	6.9%	4.7%	4.4%	3.7%	3.4%	3.0%	3.6%
Overnight ($) Billions)	5.4%	6.7%	4.9%	6.3%	3.9%	5.0%	4.6%	4.2%	4.2%	4.3%

Source: Tourism Economics

L.A. County Fiscal Year 5-Year Visitor Forecast

- Fiscal year is defined from July 1 through June 30.

Los Angeles Visitor FISCAL YEAR Forecast (Revised July 2018) (Millions)							
	FY16	FY17	FY18	FY19	FY20	FY21	FY22
Total Visits	**46.260**	**47.735**	**48.969**	**50.213**	**51.358**	**52.454**	**53.563**
Total Domestic Visits	**39.364**	**40.606**	**41.595**	**42.589**	**43.472**	**44.294**	**45.118**
Domestic Day Visits	**15.733**	**16.326**	**16.655**	**17.002**	**17.334**	**17.659**	**17.995**
Domestic Overnight Visits	**23.631**	**24.280**	**24.940**	**25.587**	**26.138**	**26.635**	**27.124**
Total International Visits	**6.895**	**7.129**	**7.374**	**7.625**	**7.886**	**8.160**	**8.445**
Canada	**0.718**	**0.726**	**0.763**	**0.789**	**0.809**	**0.829**	**0.847**
Mexico	**1.744**	**1.734**	**1.737**	**1.784**	**1.841**	**1.911**	**1.988**
Overseas	4.433	4.668	4.874	5.052	5.236	5.421	5.610
China	0.904	1.057	1.162	1.242	1.329	1.416	1.511
Japan	0.327	0.340	0.345	0.352	0.356	0.360	0.364
South Korea	0.296	0.317	0.345	0.357	0.375	0.392	0.412
India	0.110	0.119	0.127	0.134	0.142	0.150	0.159
Australia	0.426	0.419	0.423	0.435	0.443	0.451	0.458
UK	0.354	0.365	0.375	0.383	0.390	0.397	0.404
Germany	0.240	0.244	0.251	0.250	0.254	0.258	0.262
France	0.280	0.285	0.301	0.312	0.319	0.325	0.331
Scandinavia	0.174	0.181	0.185	0.191	0.195	0.199	0.203
Brazil	0.115	0.101	0.108	0.118	0.123	0.128	0.133
Middle East	0.157	0.151	0.139	0.138	0.143	0.147	0.151
Other Overseas	1.072	1.092	1.126	1.156	1.182	1.206	1.230
Total Overnight (Domestic & International)	**30.526**	**31.409**	**32.314**	**33.212**	**34.025**	**34.795**	**35.569**
Hotel Room Demand (Nights)	**28.856**	**29.531**	**29.743**	**30.353**	**30.942**	**31.472**	**32.018**
Hotel ADR	**$166.98**	**$172.82**	**$177.82**	**$183.19**	**$188.05**	**$193.22**	**$198.48**
Total Visitor Spending ($ Billions)	**$21.12**	**$22.18**	**$23.16**	**$24.28**	**$25.34**	**$26.40**	**$27.50**
Day ($Billions)	$1.01	$1.06	$1.11	$1.16	$1.20	$1.24	$1.28
Overnight ($ Billions)	$20.11	$21.12	$22.05	$23.12	$24.13	$25.16	$26.22

Los Angeles Visitor FISCAL YEAR Forecast (Revised July 2018) (Year-on-Year % Change)							
	FY16	FY17	FY18	FY19	FY20	FY21	FY22
Total Visits	**3.3%**	**3.2%**	**2.6%**	**2.5%**	**2.3%**	**2.1%**	**2.1%**
Total Domestic Visits	3.3%	3.2%	2.4%	2.4%	2.1%	1.9%	1.9%
Domestic Day Visits	4.9%	3.8%	2.0%	2.1%	2.0%	1.9%	1.9%
Domestic Overnight Visits	2.3%	2.7%	2.7%	2.6%	2.2%	1.9%	1.8%
Total International Visits	**3.5%**	**3.4%**	**3.4%**	**3.4%**	**3.4%**	**3.5%**	**3.5%**
Canada	**-2.2%**	**1.1%**	**5.1%**	**3.4%**	**2.5%**	**2.5%**	**2.2%**
Mexico	**0.5%**	**-0.6%**	**0.2%**	**2.7%**	**3.2%**	**3.8%**	**4.0%**
Overseas	**5.7%**	**5.3%**	**4.4%**	**3.7%**	**3.6%**	**3.5%**	**3.5%**
China	21.0%	17.0%	9.9%	6.9%	7.0%	6.5%	6.7%
Japan	4.6%	4.1%	1.5%	2.0%	1.1%	1.1%	1.1%
South Korea	8.2%	7.2%	8.8%	3.5%	5.0%	4.5%	5.1%
India	12.3%	8.1%	6.7%	5.5%	6.0%	5.6%	6.0%
Australia	2.7%	-1.6%	1.0%	2.8%	1.8%	1.8%	1.6%
UK	3.0%	3.2%	2.7%	2.1%	1.8%	1.8%	1.8%
Germany	0.9%	1.5%	2.9%	-0.4%	1.6%	1.6%	1.6%
France	-0.5%	1.6%	5.6%	3.7%	2.2%	1.9%	1.8%
Scandinavia	9.5%	4.2%	2.2%	3.2%	2.1%	2.1%	2.0%
Brazil	-10.0%	-12.0%	6.9%	9.3%	4.2%	4.1%	3.9%
Middle East	10.9%	-3.6%	-7.9%	-0.7%	3.6%	2.8%	2.7%
Other Overseas	1.0%	1.8%	3.1%	2.7%	2.2%	2.0%	2.0%
Total Overnight (Domestic & International)	**2.5%**	**2.9%**	**2.9%**	**2.8%**	**2.4%**	**2.3%**	**2.2%**
Hotel Room Demand (Nights)	**2.0%**	**2.3%**	**0.7%**	**2.1%**	**1.9%**	**1.7%**	**1.7%**
Hotel ADR	**8.0%**	**3.5%**	**2.9%**	**3.0%**	**2.7%**	**2.7%**	**2.7%**
Total Visitor Spending ($ Billions)	**5.6%**	**5.0%**	**4.4%**	**4.8%**	**4.4%**	**4.2%**	**4.2%**
Day ($Billions)	5.9%	5.3%	4.5%	4.1%	3.7%	3.2%	3.2%
Overnight ($ Billions)	5.6%	5.0%	4.4%	4.8%	4.4%	4.3%	4.2%

Source: Tourism Economics

LOS ANGELES COUNTY
VISITOR PROFILE SUMMARY

Note: Due to a delay in international spending data from the National Travel & Tourism Office in the U.S. Department of Commerce, we are currently unable to provide spend figures for 2017. We anticipate that 2017 data will be available by December 2018.

LOS ANGELES COUNTY
VISITOR PROFILE SUMMARY

Note: Due to a delay in international spending data from the National Travel & Tourism Office in the U.S. Department of Commerce, we are currently unable to provide spend figures for 2017. We anticipate that 2017 data will be available by December 2018.

THE POWER OF TOURISM

DISCOVER Los Angeles

Tourism is one of the largest and healthiest industries in L.A. County, generating important tax revenues for vital public services. A key economic development tool, tourism sparks investment in hospitality infrastructure and attractions, supports hundreds of thousands of area jobs and enhances the overall quality of life for residents and their local community.

RECORD BREAKING 2017

48.5 MILLION TOTAL VISITORS

41.2 MILLION DOMESTIC VISITORS

7.3 MILLION INTERNATIONAL VISITORS

VISITORS TO L.A. SPENT **$22.7 BILLION**

RESULTING IN

$34.9 BILLION IN TOTAL ECONOMIC IMPACT

523,800 LEISURE AND HOSPITALITY JOBS

1-in-8.5 JOBS IN L.A. COUNTY

13,900 NEW JOBS ADDED

$2.7 BILLION IN STATE & LOCAL TAX REVENUES

$837 SAVED BY EACH L.A. COUNTY HOUSEHOLD ANNUALLY

$283.9 MILLION IN TRANSIENT-OCCUPANCY TAX CONTRIBUTIONS TO THE CITY'S GENERAL FUND

#NTTW2018

LOS ANGELES TOURISM & CONVENTION BOARD

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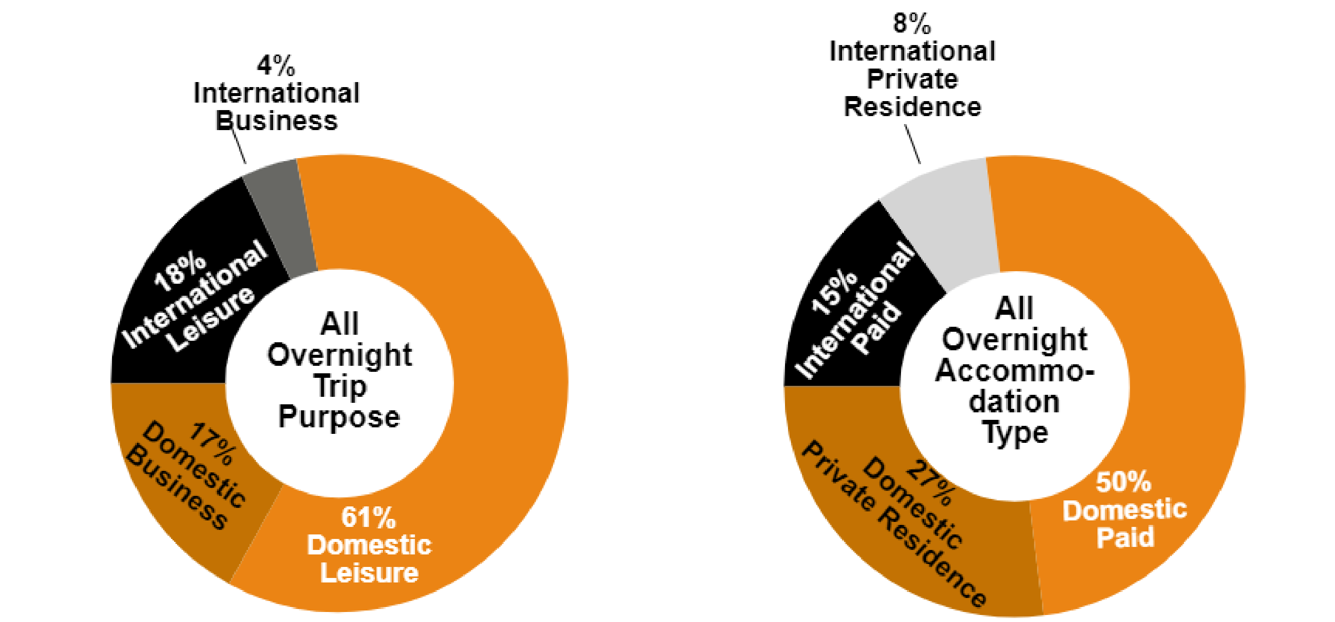
@discoverLA

2016 L.A. County Visitor Profile

2016 L.A. County Visitor Profile	All Visitors	All Overnight Including Canada & Mexico	Domestic Overnight	Overseas Excluding Canada & Mexico	Day Visitor
Visitor Volume (Millions)	47.3	31.1	24.0	4.6	16.2
Travel Party Size	2.7	2.7	2.8	1.8	2.8
Nights Per Trip (Overnight Visitors Only)	N/A	4.1	3.3	6.6	0.0
First Time Visit to L.A.	21%	24%	23%	33%	14%
Average Visitor Age (Adults Only)	41.3	41.7	42.3	38.2	40.5
Annual Household Income*	$72K	$72K	$76K	$76K	$68K

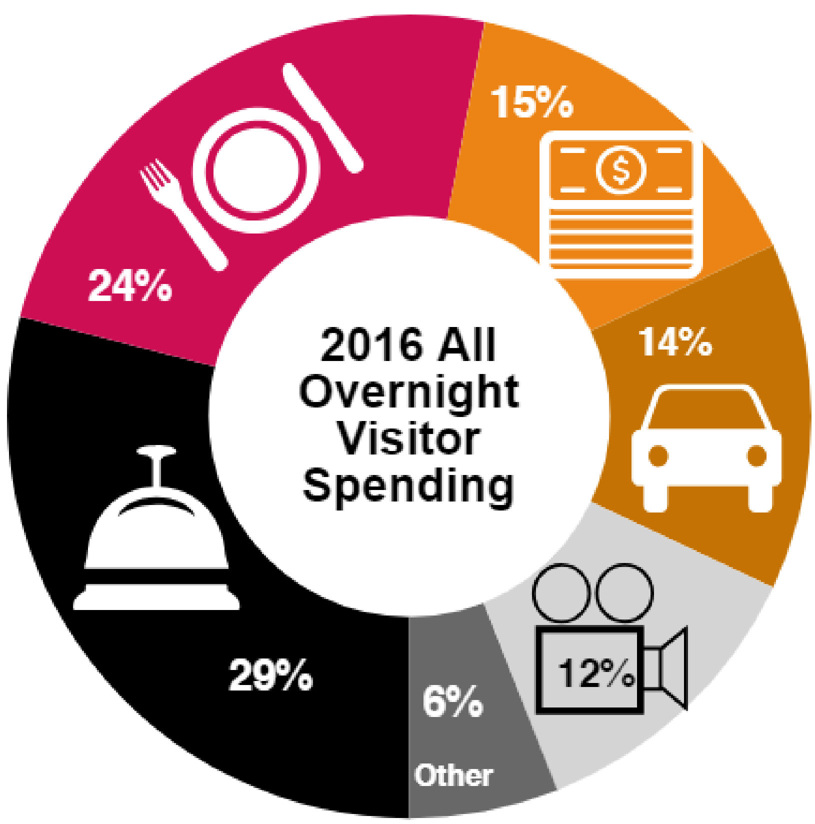
2016 Overnight Visitor Market Segments



Source: Tourism Economics, Longwoods International 2016 L.A. Resurvey, NTTO

2016 All Visitor Spending

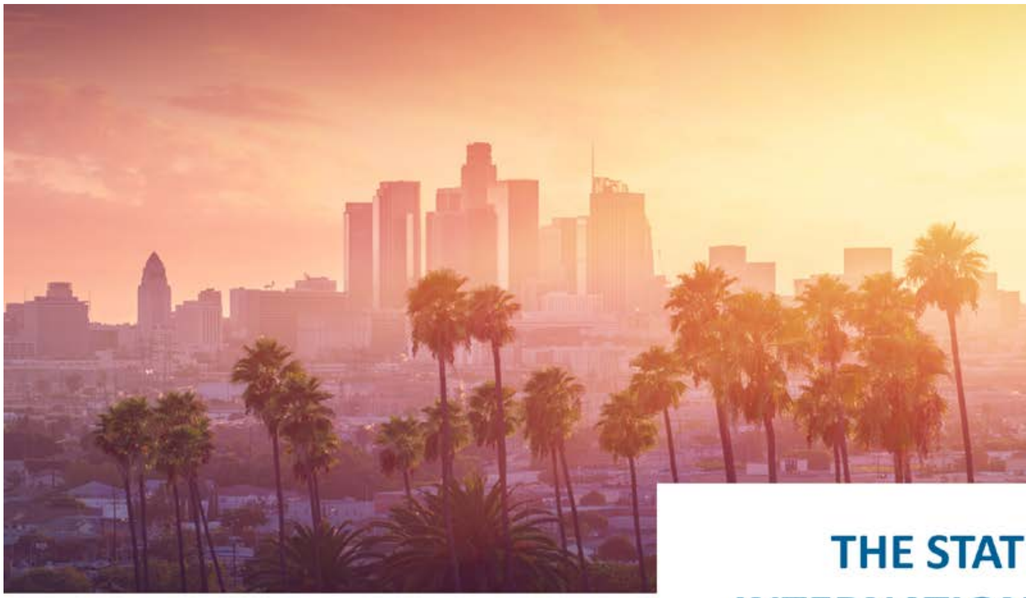
2016 Visitors	All Visitors	All Overnight	Domestic Overnight	International	Overseas	Day Visitor
Direct Spend ($Billions)	$21.9	$20.8	$13.9	$6.9	$5.2	$1.1
Visitor Trip Spend	$463	$671	$580	$980	$1,150	$64
Average Nights (Day) Stay	3.0	4.1	3.3	6.7	6.6	(1.0)
Spend Per Day	$154	$164	$176	$146	$174	$64



Source: Tourism Economics, Longwoods International 2016 L.A. Resurvey, NTTO, VisaVue, BEA

THE STATE OF THE INTERNATIONAL TRAVELER: PREPARED BY DESTINATION ANALYSTS

THE STATE OF THE INTERNATIONAL TRAVELER: PREPARED BY DESTINATION ANALYSTS



THE STATE OF THE INTERNATIONAL TRAVELER

Los Angeles Edition – 2018

Destination Analysts

Welcome to

The State of the International Traveler, 2018!

This report presents the findings of an annual tracking survey conducted by Destination Analysts, Inc. of likely international travelers in the top 14 global tourism feeder markets for the United States. These 14 countries comprised 83% of all arrivals to the United States in 2017.

This report represents the fifth edition of the study.

Destination Analysts

Introduction

GLOBAL TOURISM IS IN AN ERA OF BOOM. In fact, 46.5 percent of the 11,535 international travelers we surveyed for the 2018 The State of the International Traveler said they will take more international trips this year than the year prior--up. These optimistic sentiments translate to real behaviors. 2017 was a record year for international travel according to the UNWTO—growing 7 percent to over 1.3 billion international tourist arrivals—and 2018 looks to exceed that by a remarkable 4-5 percent.

CAN THE UNITED STATES MAINTAIN—EVEN GROW—ITS SHARE OF GLOBAL TRAVEL?

CHALLENGES ABOUND...

While we wait for the international visitation data from the US National Travel and Tourism Office to be cleaned and released to understand how past and ongoing challenges may have affected arrivals, it is important to take a holistic look at the United States international tourism situation at both a brand and economic level. On the latter, the U.S. dollar remains strong, adding fuel to feelings that the United States is too expensive. Although the global economy is expected to grow, travelers' personal budgets still deter visitation to the U.S. On a brand level, fierce competition exists from many strong international tourism brands—from Spain to Japan—who are powered by ever strategic national tourism offices.

Deterrents to Visiting the United States (Aided)
(Overall - All Countries)

Destination Analysts

Methodology

*NOTE: For the purposes of this research, **a "likely international traveler"** is a person who responded positively to the question **"How likely are you to travel for leisure to any foreign countries outside (home country) in the next three (3) years?"** The sample thus represents travelers in each market who consider themselves likely (to some degree) to travel internationally in the near future.*

The survey was designed to take approximately 20 minutes to complete. Topics covered in the survey include:

- Future travel expectations
- Travel spending intentions
- Global destination popularity
- Media & travel planning resource consumption
- American destinations' awareness, appeal and likelihood of visitation
- Desired American travel experiences

The survey questionnaire was professionally translated into the native language of each country and field tested amongst native speakers and residents of those countries.

The survey was conducted online in January 2018 using the international panel of Toluna, Inc., a leading provider of sample to the market research industry. For each of the fourteen top feeder markets studied, at least 800 fully completed surveys were collected from a random sample of likely international travelers. The sample collected from each country of study is shown in the table at right.

In total, 11,535 completed surveys were collected.

	SAMPLE SIZE
Argentina	823
Australia	850
Brazil	850
China	819
Canada	805
France	821
Germany	828
India	851
Italy	821
Japan	813
Mexico	821
Netherlands	807
South Korea	807
United Kingdom	819
TOTAL	**11,535**

Most Desired International Destinations

The United States' position as a top global destination is strong, but has weakened in the last year. In seven of the fourteen countries studied, the United States was the most desired destination for international travel. Despite its top position, the United States is facing an increasingly competitive environment, as evidenced by the decline in the overall number of international travelers naming it as a country they most want to visit. Nevertheless, about one third of all likely international travelers surveyed named the United States as a destination they most wanted to visit, far surpassing any other country. (The next-highest was Spain, at 17.3%). European destinations continue to be the closest competitors to the United States in global destination appeal.

Most Desired International Destinations (Unaided)
(Overall - All Countries)

	2017	2018	% CHNG
United States	34.3%	32.7%	-4.7%
Spain	17.8%	17.3%	-2.8%
France	18.1%	16.6%	-8.3%
Italy	16.3%	15.0%	-8.0%
Japan	12.0%	12.3%	2.5%
Australia	8.7%	10.7%	23.0%
United Kingdom	13.8%	9.3%	-32.6%
Canada	8.8%	8.7%	-1.1%
Thailand	6.6%	7.2%	9.1%
Germany	9.0%	7.1%	-21.1%

Desire to Visit United States
(By market)

	2017	2018	% CHNG	USA's Rank
Mexico	47.9%	53.7%	12.1%	1
Brazil	56.0%	51.1%	-8.8%	1
Japan	43.2%	42.1%	-2.5%	1
Canada	47.6%	39.4%	-17.2%	1
China	37.2%	38.6%	3.8%	1
India	45.3%	38.1%	-15.9%	1
Australia	37.9%	33.9%	-10.6%	1
Argentina	32.1%	31.3%	-2.5%	2
South Korea	32.5%	31.0%	-4.6%	2
United Kingdom	31.3%	27.4%	-12.5%	2
Italy	26.6%	25.5%	-4.1%	4
France	18.8%	21.0%	11.7%	3
Germany	12.1%	12.1%	0.0%	6
Netherlands	13.1%	11.6%	-11.5%	6

Executive Summary – Destination Global Brand Performance: Los Angeles

Most Desired Destinations —
(Overall - All Markets)

	Most Desired US Destinations
New York	60.7%
Las Vegas	23.4%
Miami	22.3%
Hawaii	20.1%
Los Angeles	19.7%
San Francisco	16.6%
Niagara Falls	16.2%
Disney/Anaheim	15.1%
California	13.2%
Washington D.C.	11.6%
Florida	10.3%
Washington State	8.6%
Orlando	8.4%
Alaska	8.1%
Texas	7.9%
Chicago	7.8%
Boston	7.3%
Hollywood	6.0%
Grand Canyon	5.8%
New Orleans	5.8%
Yellowstone National Park	4.8%
National Parks	4.5%
Seattle	4.4%
Dallas	3.6%
San Diego	2.7%
Amusement Park	2.6%
Philadelphia	2.5%
Route 66	2.3%
Houston	2.2%
New Jersey	1.9%
Walt Disney World / Orlando	1.8%
Nevada	1.8%
Atlanta	1.5%

Most Desired Destinations – Los Angeles
(by market)

	% Writing in Los Angeles
Italy	36.8%
France	29.6%
China	26.8%
Mexico	24.8%
Argentina	20.3%
Brazil	19.9%
India	17.7%
Germany	17.6%
Netherlands	17.3%
Canada	14.2%
South Korea	13.0%
Australia	12.1%
United Kingdom	12.0%
Japan	10.8%

DESTINATION BRAND METRICS

DESTINATION APPEAL: Los Angeles

Destination Analysts

Question: *Given what you currently know and feel about these destinations, please use the scale below to state how appealing each is to you as a place to visit on a vacation?*

*Top 3 Box score indicates some level of familiarity (Somewhat Appealing, Appealing or Extremely Appealing)

	APPEALING	EXTREMELY APPEALING	TOP 3 BOX SCORE*
India	28.2%	51.9%	**90.1%**
Mexico	34.2%	44.2%	**89.5%**
Brazil	28.9%	49.9%	**89.4%**
China	40.5%	29.9%	**88.0%**
South Korea	41.8%	20.6%	**85.0%**
Argentina	36.7%	36.5%	**84.2%**
Italy	26.2%	40.9%	**83.7%**
France	28.1%	34.2%	**81.5%**
United Kingdom	30.4%	29.8%	**76.7%**
Australia	32.7%	26.5%	**75.4%**
Germany	25.0%	30.4%	**70.7%**
Canada	28.1%	24.7%	**70.3%**
Japan	27.3%	12.1%	**66.7%**
Netherlands	27.0%	14.3%	**59.7%**

TRAVEL PLANNING

TRAVEL PLANNING

Destination Analysts

SNAPSHOTS

- International travelers from Brazil, India and Mexico are the most likely to incorporate information and ideas shared by digital influencers in their trip planning process.
- International travelers in the trip-planning phase are commonly reachable and marketable to via search engines and online travel agencies.
- Travel-related online video content is an important resources to likely international travelers. After information about lodging, dining and attractions, content related to national parks and ways to experience nature was the most desired.

Trip Inspiration & Planning Resources

Destination Analysts

SOURCES OF DESTINATION INSPIRATION (% saying they use this resource for ideas & inspiration for international travel)	
Opinions of friends and relatives – in-person/through direct contact (email, text, etc.)	58.2%
Online media – travel content found on the internet	45.1%
Opinions of friends and relatives – via social media	31.5%
Travel agencies or tour operators	28.9%
Opinions & experiences of digital influencers	26.5%
Online video travel content	23.5%
Offline media – tv, printed newspapers, magazines, etc.	20.6%
Television	20.4%
Movies	12.1%

Question: *Please think specifically about how you get your inspiration for the destinations you want to visit internationally. Which would you typically use to find destination ideas and inspiration? (Select all that apply)*

TRAVEL PLANNING RESOURCES (% saying they would use resource for planning an international leisure trip)	
Online search engines	68.9%
Online travel agencies	57.0%
Official visitor's bureau website	35.2%
Tour agent or tour operator websites	32.6%
Online travel reviews, blogs, itineraries or opinions from other travelers	32.5%
Online mapping website	27.8%
Social media websites	24.6%
Online video travel content	16.8%
Travel or lifestyle magazine websites	16.4%
Official visitor's bureau social media content	15.6%
Home-sharing or vacation rental websites (Airbnb, etc.)	15.2%
Travel-related apps on a mobile phone	14.6%
Travel-related e-mail newsletters	8.9%
Newspaper travel section (online content)	8.3%

Question: *If you were planning an international leisure trip, which of the following resources would you likely use to plan your trip? (Select all that apply)*

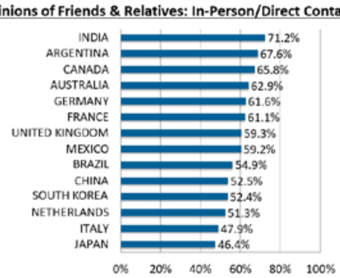
Sources of Inspiration (1 of 2)

Destination Analysts

Question: *Please think specifically about how you get your inspiration for the destinations you want to visit internationally. Which would you typically use to find destination ideas and inspiration? (Select all that apply)*

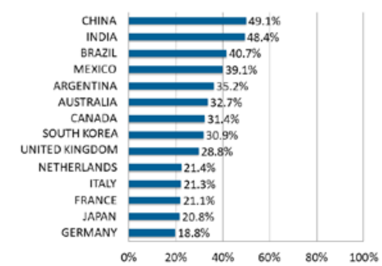
(Charts show % from each country that typically use the indicated resource for trip ideas & inspiration)

Opinions of Friends & Relatives: In-Person/Direct Contact

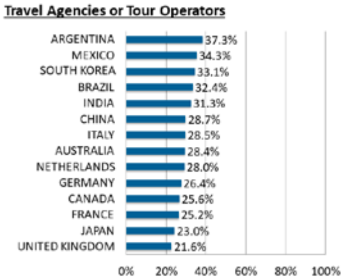


Online Media: Travel Content Found on Internet

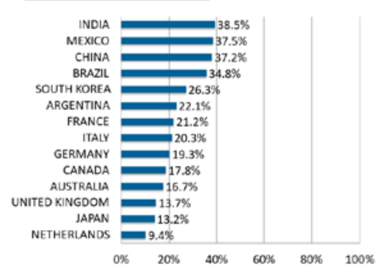
Opinions of Friends & Relatives Via Social Media



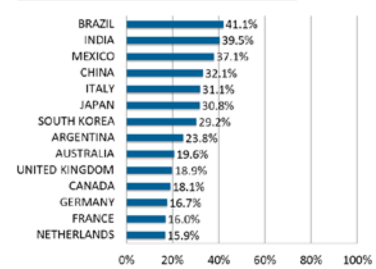
Travel Agencies or Tour Operators



Online Video Travel Content



Opinions/Experiences of Digital Influencers

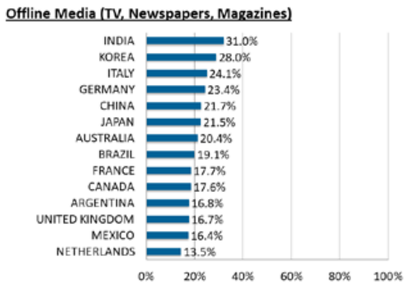


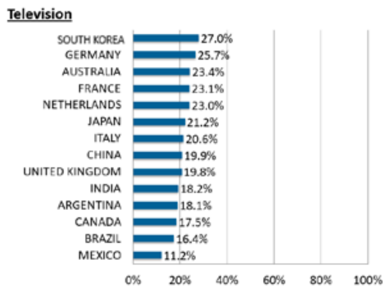
SOURCES OF INSPIRATION (2 OF 2)

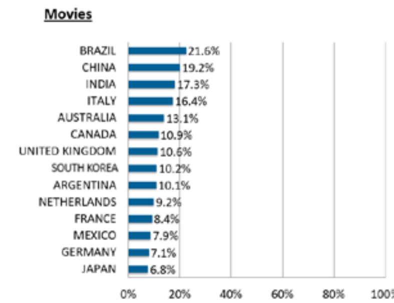
Destination Analysts

Question: *Please think specifically about how you get your inspiration for the destinations you want to visit internationally. Which would you typically use to find destination ideas and inspiration? (Select all that apply)*

(Charts show % from each country that typically use the indicated resource for trip ideas & inspiration)





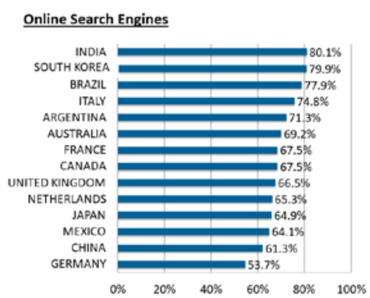


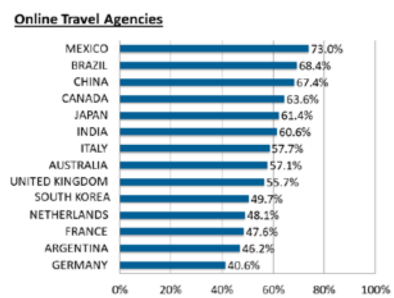
PLANNING RESOURCES – ONLINE (1 OF 3)

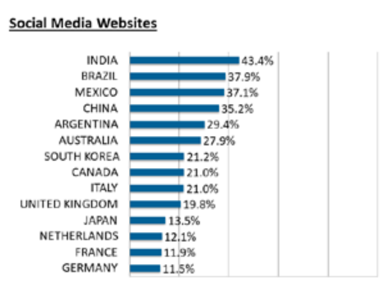
Destination Analysts

Question: *: If you were planning an international leisure trip, which of the following ONLINE RESOURCES would you likely use to plan your trip? (Select all that apply)*

(Charts show % from each country that typically use the indicated resource for trip planning)







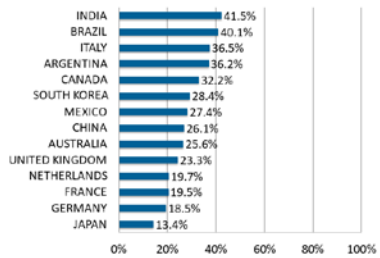
PLANNING RESOURCES – ONLINE (2 OF 3)

Destination Analysts

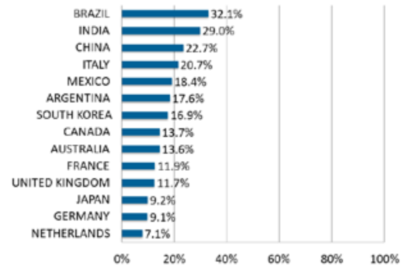
***Question:** : If you were planning an international leisure trip, which of the following ONLINE RESOURCES would you likely use to plan your trip? (Select all that apply)*

(Charts show % from each country that typically use the indicated resource for trip planning)

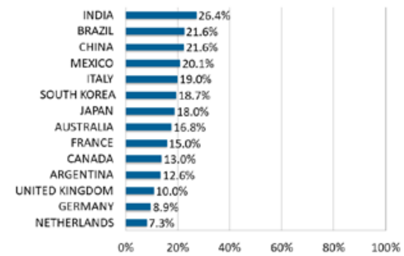
Mapping Websites



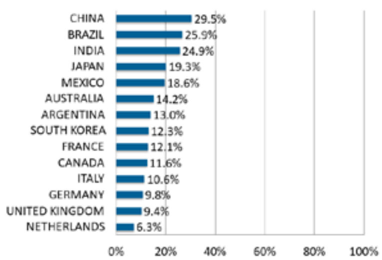
Online Video Content



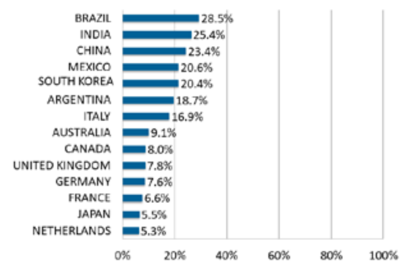
Travel/Lifestyle Magazine Websites



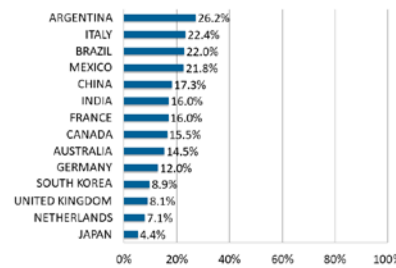
Official Visitor's Bureau Social Media Content



Travel-Related Apps on Mobile Phone



Home Sharing/Vacation Rental Websites



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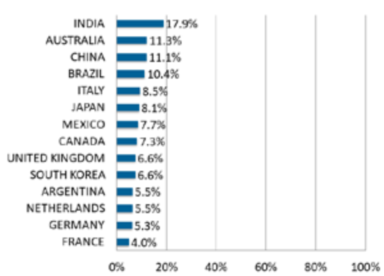
PLANNING RESOURCES – ONLINE (3 OF 3)

Destination Analysts

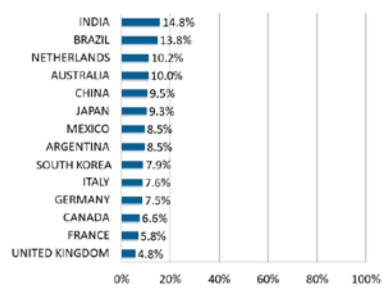
***Question:** : If you were planning an international leisure trip, which of the following ONLINE RESOURCES would you likely use to plan your trip? (Select all that apply)*

(Charts show % from each country that typically use the indicated resource for trip planning)

Newspaper Travel Section (Online)



Travel-Related E-Newsletters



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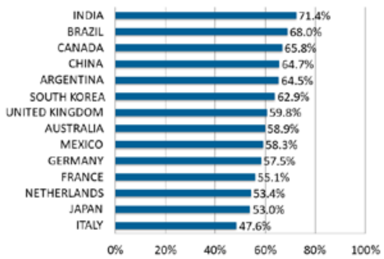
PLANNING RESOURCES – OFFLINE (1 OF 2)

Destination Analysts

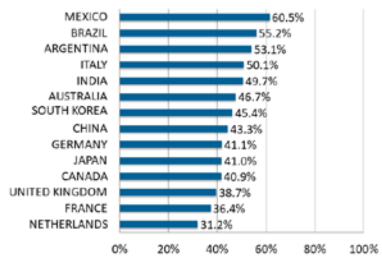
***Question:** : If you were planning an international leisure trip, which of the following OFFLINE RESOURCES would you likely use to plan your trip? (Select all that apply)*

(Charts show % from each country that typically use the indicated resource for trip planning)

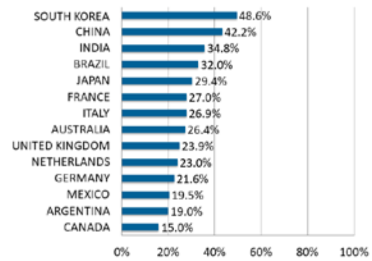
Opinions of Friends/Colleagues/Relatives



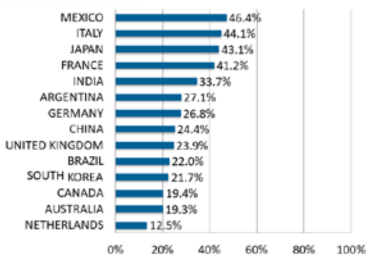
Travel Agent/Tour Operator



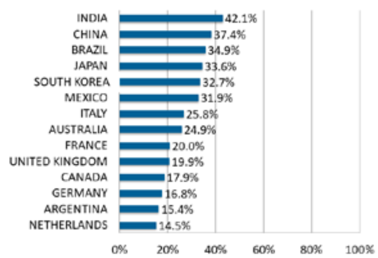
Travel-Related TV Programming



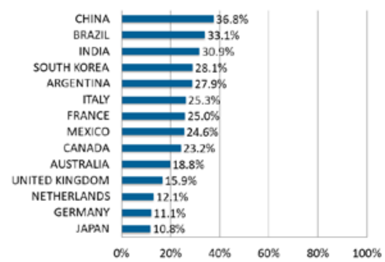
Commercial Guidebook



Travel/Lifestyle Magazine



Official Visitor's Information Center



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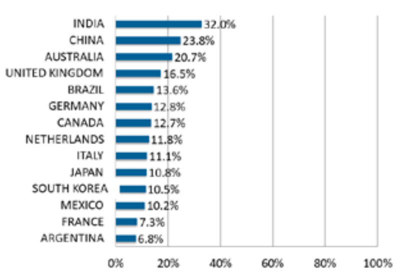
PLANNING RESOURCES – OFFLINE (2 OF 2)

Destination Analysts

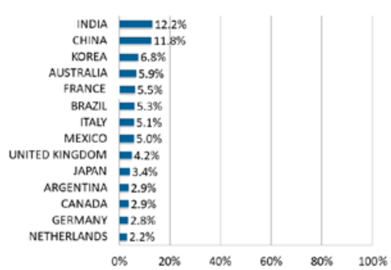
***Question:** : If you were planning an international leisure trip, which of the following OFFLINE RESOURCES would you likely use to plan your trip? (Select all that apply)*

(Charts show % from each country that typically use the indicated resource for trip planning)

Newspaper Travel Section



Travel-Related Radio Programming



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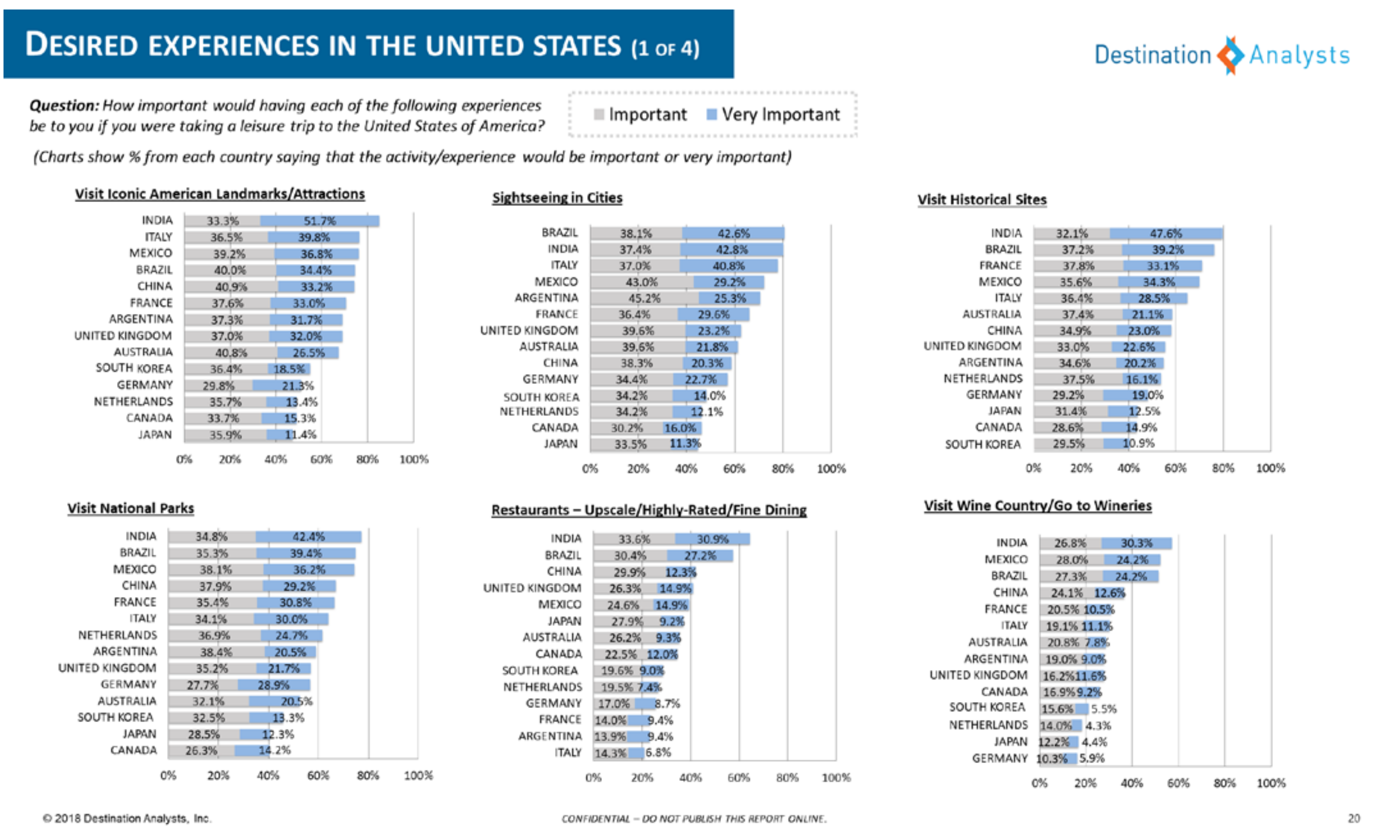
DESIRED EXPERIENCES IN THE UNITED STATES



DESIRED EXPERIENCES IN THE UNITED STATES (2 OF 4)

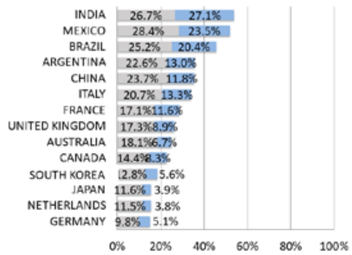
Destination Analysts

Question: *How important would having each of the following experiences be to you if you were taking a leisure trip to the United States of America?*

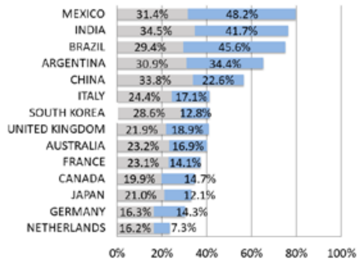
Important ■ Very Important

(Charts show % from each country saying that the activity/experience would be important or very important)

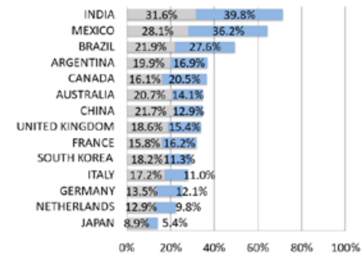
Visit Breweries/Distilleries



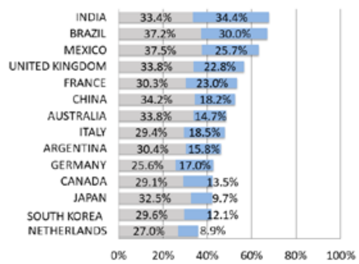
Theme & Amusement Parks



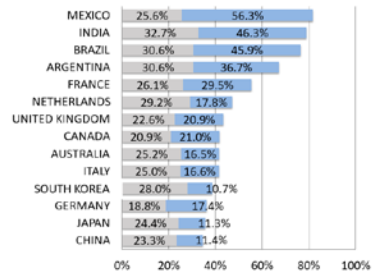
Visit Friends or Family that Live in U.S.



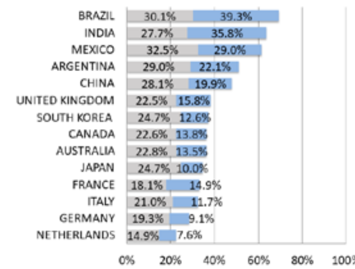
Restaurants - Authentic American / Regional Specialties



Family Fun



Shopping



DESIRED EXPERIENCES IN THE UNITED STATES (3 OF 4)

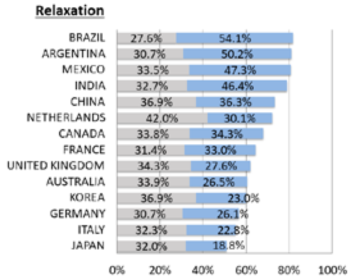
Destination Analysts

Question: *How important would having each of the following experiences be to you if you were taking a leisure trip to the United States of America?*

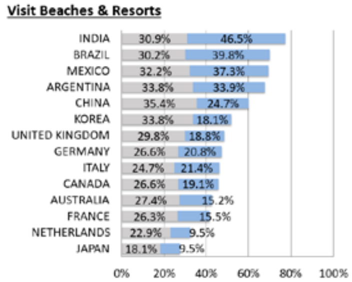
Important ■ Very Important

(Charts show % from each country saying that the activity/experience would be important or very important)

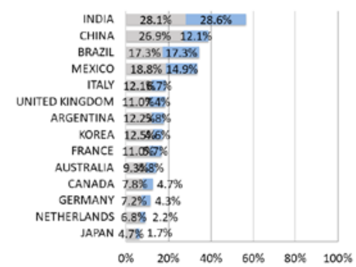
Relaxation



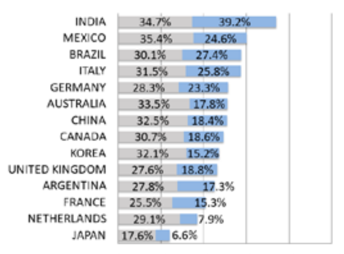
Visit Beaches & Resorts



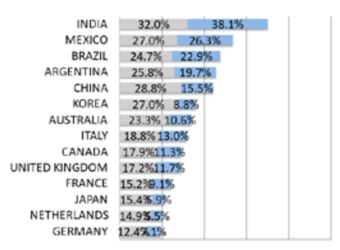
Visit/Tour University Campuses



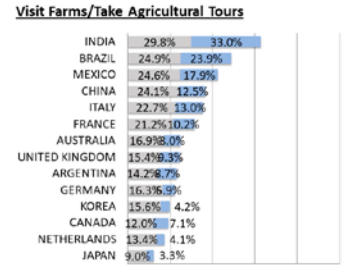
Take a Scenic Drive/Road Trip



Take a Cruise (Ocean, River, etc.)



Visit Farms/Take Agricultural Tours



DESIRED EXPERIENCES IN THE UNITED STATES (4 OF 4)

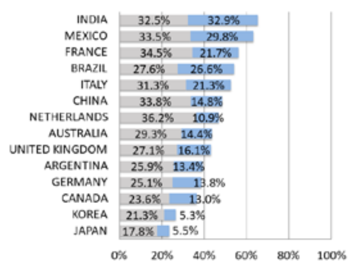
Destination Analysts

Question: *How important would having each of the following experiences be to you if you were taking a leisure trip to the United States of America?*

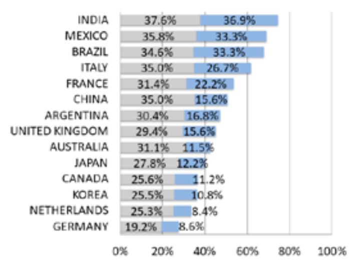
Important ■ Very Important

(Charts show % from each country saying that the activity/experience would be important or very important)

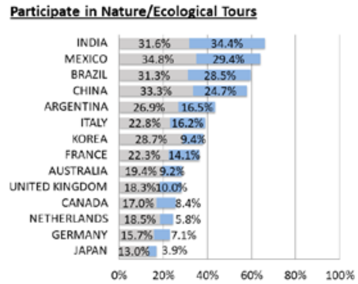
Visit Small Towns/Villages/Rural Areas



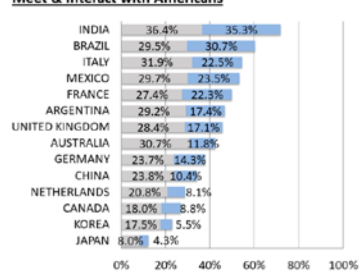
Museums



Participate in Nature/Ecological Tours



Meet & Interact with Americans



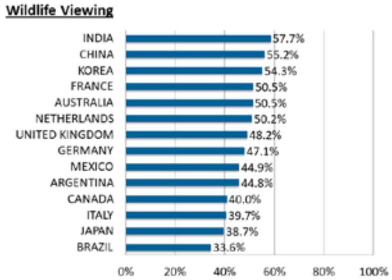
DESIRED OUTDOOR EXPERIENCES (1 OF 1)

Destination Analysts

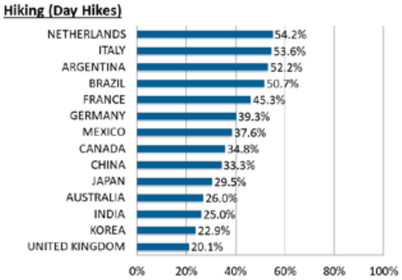
Question: *Which of these outdoor activities would it be IMPORTANT that you participate in during your trip to the United States? (Select all that apply)*

(Charts show % from each country saying that the activity/experience would be important to participate in)

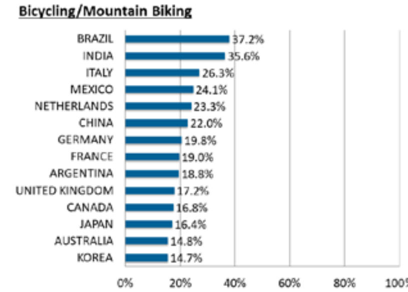
Wildlife Viewing



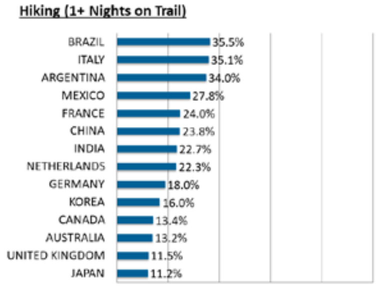
Hiking (Day Hikes)



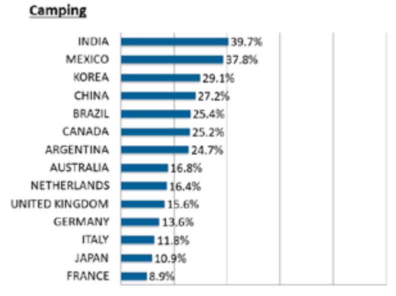
Bicycling/Mountain Biking



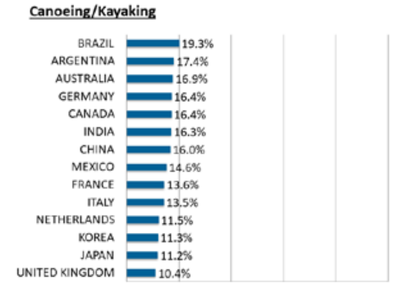
Hiking (1+ Nights on Trail)



Camping



Canoeing/Kayaking

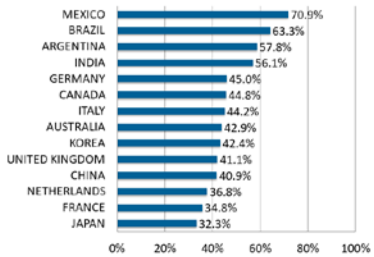


DESIRED CULTURAL EXPERIENCES (1 OF 1)

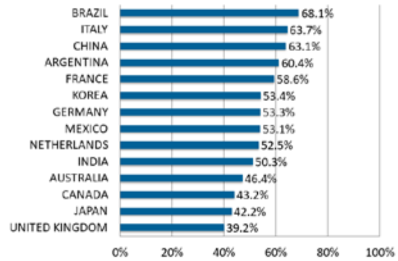
Question: *Which of these cultural activities would it be IMPORTANT that you participate in during your trip to the United States? (Select all that apply)*

(Charts show % from each country saying that the activity/experience would be important to participate in)

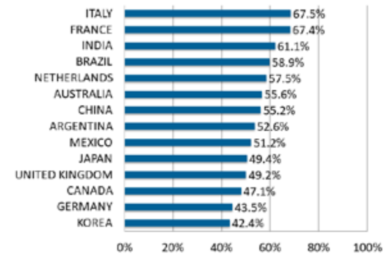
Aquariums & Zoos



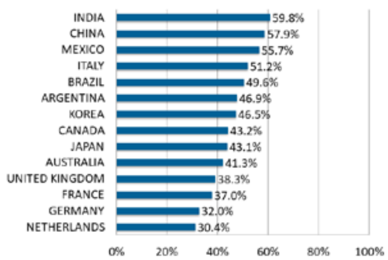
Urban Parks/Botanical Gardens



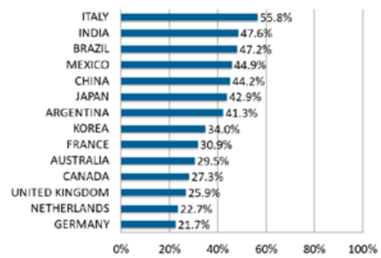
Historical Monuments



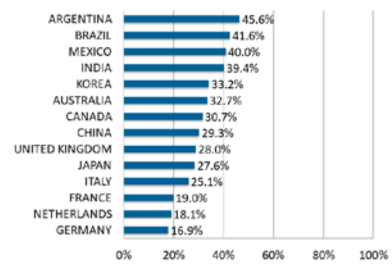
Science/Natural History Museums



Art Museums



Theater & Performing Arts



MISCELLANEOUS TRAVEL INTERESTS

SNAPSHOTS

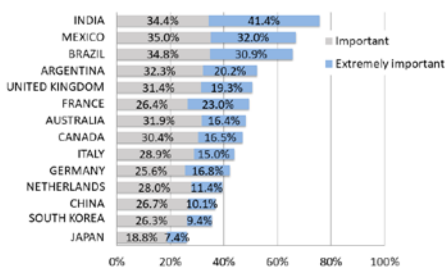
- The opportunity to experience genuine American lifestyles while traveling in the United States is particularly important to international travelers from India, Brazil, and China.
- International travelers from China, India and Latin markets are the most likely to travel on an organized group tour when visiting the United States.
- Over four in ten international travelers in India and China say they prefer to have their native cuisine at least once a day while visiting the United States.

MISCELLANEOUS TRAVEL INTERESTS (1 OF 3)

Destination Analysts

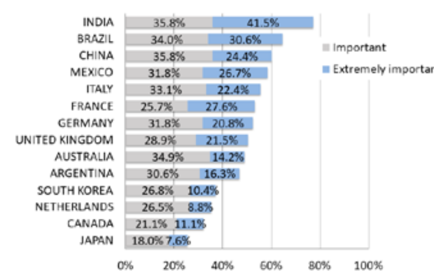
Importance of Off-the-Beaten-Path Experiences

Question: *If traveling for leisure in the United States, how important would getting off the beaten path or exploring hidden gems be to you?*



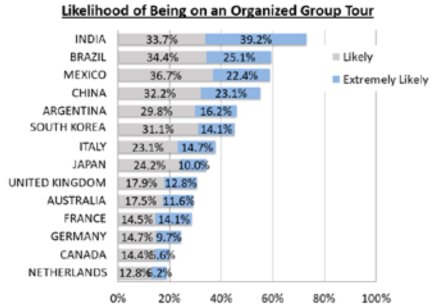
Importance of Experiencing American Lifestyle

Question: *If traveling for leisure in the United States, how important would experiencing the genuine lifestyle of Americans be to you?*



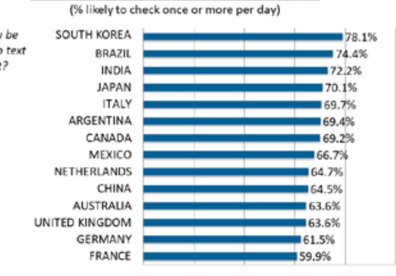
Likelihood of Being on an Organized Group Tour

Question: *How likely would you be to travel on an ORGANIZED GROUP TOUR, going from destination to destination on a pre-planned trip with the assistance of a tour guide?*



Frequency of Checking Email/Text Messages
(% likely to check once or more per day)

Question: *How often would you be likely to check email, respond to text messages or access the internet?*

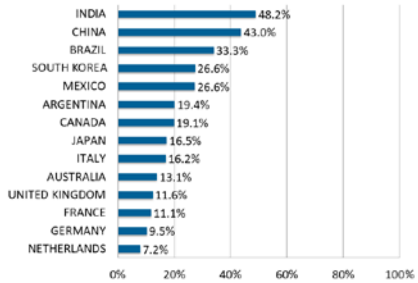


MISCELLANEOUS TRAVEL INTERESTS (2 OF 3)

Destination Analysts

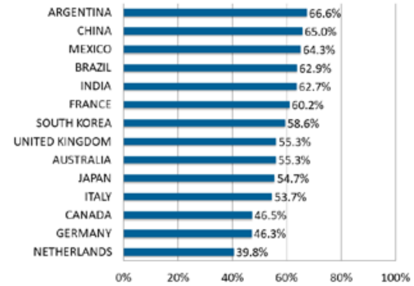
Question: *How often would you prefer to have Canadian-style food (like you eat in Canada) for your meals?*

Preference for (Native Country) Cuisine
(% from each country preferring to this cuisine once a day or more)



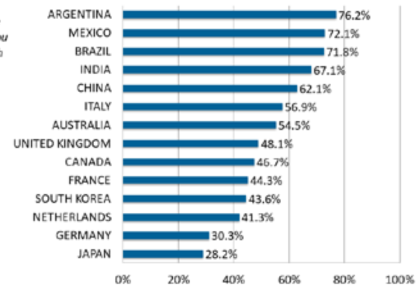
Question: *If you took a vacation to the United States, which of these would you do to share your travel experience with friends and relatives? (Select all that apply).*

"Bring back gifts for friends or relatives purchased in the United States"
(% saying this is a method they would use to share travel experiences)



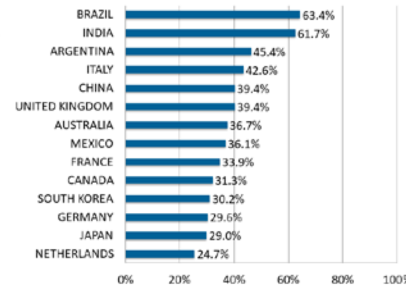
Question: *If you took a vacation to the United States, which of these would you do to share your travel experience with friends and relatives? (Select all that apply).*

"Post pictures or videos on social media websites"
(% saying this is a method they would use to share travel experiences)



Question: *If you took a vacation to the United States, which of these would you do to share your travel experience with friends and relatives? (Select all that apply).*

"Show them products purchased in the United States"
(% saying this is a method they would use to share travel experiences)

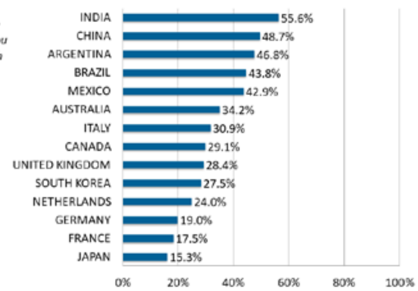


MISCELLANEOUS TRAVEL INTERESTS (3 OF 3)

Destination Analysts

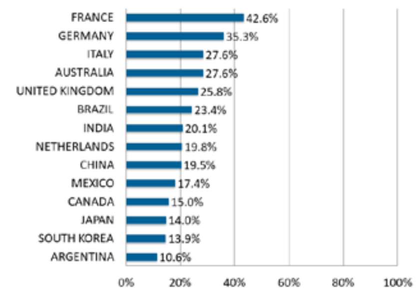
Question: *If you took a vacation to the United States, which of these would you do to share your travel experience with friends and relatives? (Select all that apply).*

"Share stories about my trip experiences on social media websites"
(% saying this is a method they would use to share travel experiences)



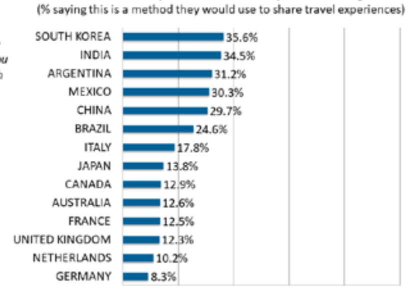
Question: *If you took a vacation to the United States, which of these would you do to share your travel experience with friends and relatives? (Select all that apply).*

"Send postcards or letters from the United States"
(% saying this is a method they would use to share travel experiences)



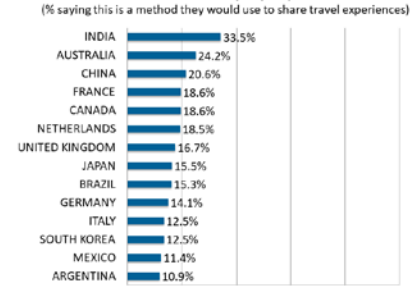
Question: *If you took a vacation to the United States, which of these would you do to share your travel experience with friends and relatives? (Select all that apply).*

"Post stories, pictures, etc. on a personal blog"
(% saying this is a method they would use to share travel experiences)



Question: *If you took a vacation to the United States, which of these would you do to share your travel experience with friends and relatives? (Select all that apply).*

"Send emails about my trip experiences"
(% saying this is a method they would use to share travel experiences)



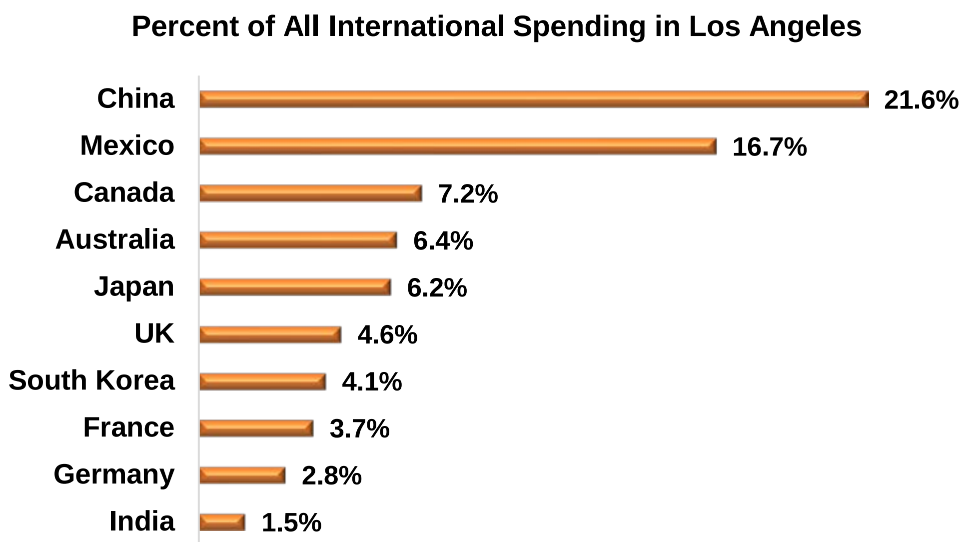
INTERNATIONAL VISITOR INSIGHTS

Note: Due to a delay in international spending data from the National Travel & Tourism Office in the U.S. Department of Commerce, we are currently unable to provide spend figures for 2017. We anticipate that 2017 data will be available by December 2018.

INTERNATIONAL VISITOR INSIGHTS

Note: Due to a delay in international spending data from the National Travel & Tourism Office in the U.S. Department of Commerce, we are currently unable to provide spend figures for 2017. We anticipate that 2017 data will be available by December 2018.

2016 International Visitor Spending



The top 10 international markets comprise **75%** of total international spend in L.A. County

2016 International Visitor Spending by Country

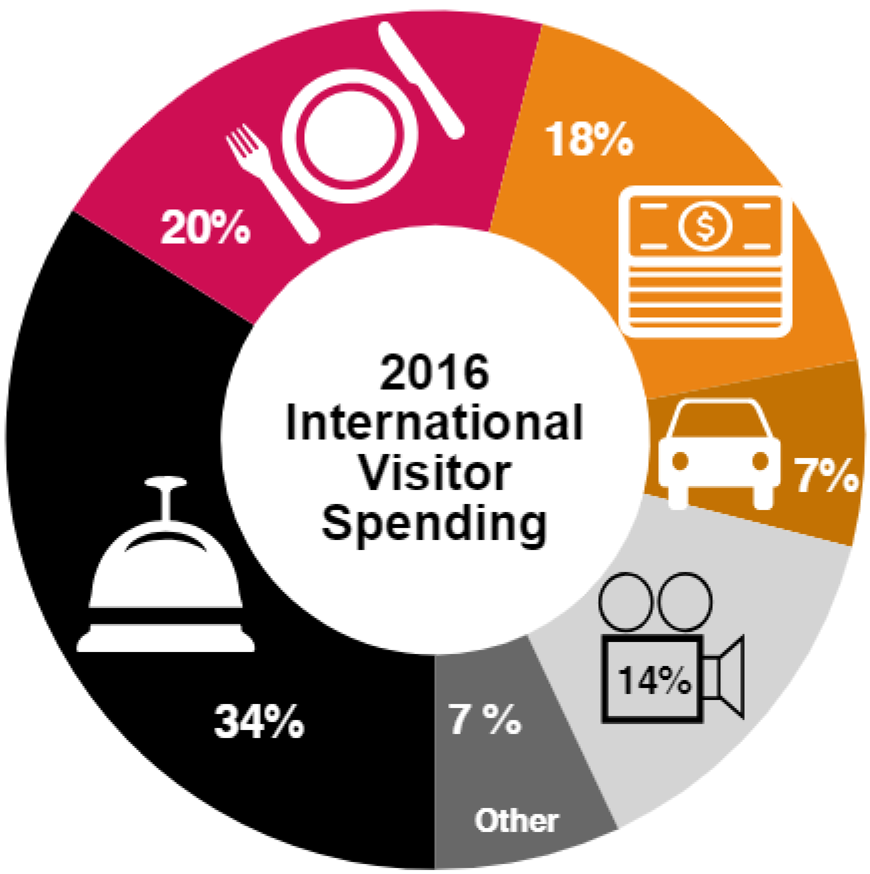
Country	Average Length of Stay	Direct spend (Millions)	Average Trip Spend per Visitor	Per Visitor per Day Spend
Australia	5.3	$438.7	$1,042	$197
Brazil	6.6	$95.8	$949	$144
China	7.2	$1,489.4	$1,482	$206
France	7.6	$256.5	$926	$122
Germany	6.5	$192.8	$817	$126
India	8.6	$105.8	$912	$106
Japan	4.8	$428.1	$1,259	$262
South Korea	7.1	$285.9	$996	$136
UK	5.8	$315.2	$873	$151
Total Overseas	**6.6**	**$5,253.2**	**$1,150**	**$174**
Canada	5.2	$495.6	$700	$135
Mexico	7.4	$1,149.8	$654	$88
Total International	**6.7**	**$6,898.6**	**$980**	**$146**

Source: U.S. Department of Commerce, NTTO; Tourism Economics, VisaVue, BEA

2016 International Visitor Spend and Lodging Analysis

- For all hotel visitors to L.A. County, there is an average of 2.2 persons per hotel room

2016 Spend and Lodging Analysis for Top International Markets				
Markets	Spending/Day ($)	% Stay in Hotels	Hotel nights in L.A.	% Dollar spent on Lodging
Australia	$197	86%	4.9	34%
Brazil	$144	69%	6.4	34%
China	$206	72%	5.6	30%
France	$122	82%	4.6	31%
Germany	$126	84%	6.0	41%
India	$106	69%	10.1	53%
Japan	$262	85%	3.7	35%
Scandinavia	$127	77%	6.4	35%
South Korea	$136	71%	3.8	38%
UK	$151	75%	4.6	34%
Total Overseas	**$174**	**75%**	**5.7**	**34%**



Source: U.S. Department of Commerce, NTTO

2015 – 2019f International Visitors to Los Angeles

2015 – 2019f Top International Visitor Markets – Volume					
Market	**2015**	**2016**	**2017**	**2018f**	**2019f**
China	824,000	1,005,000	1,123,000	1,198,000	1,282,000
Australia	430,000	421,000	418,000	430,000	440,000
U.K.	354,000	361,000	371,000	380,000	387,000
Japan	315,000	340,000	341,000	349,000	355,000
South Korea	295,000	296,000	341,000	349,000	367,000
France	283,000	277,000	295,000	308,000	316,000
Germany	244,000	236,000	254,000	247,000	252,000
Scandinavia	168,000	181,000	183,000	189,000	193,000
India	105,000	116,000	123,000	130,000	138,000
Middle East	155,000	159,000	142,000	136,000	141,000
Brazil	127,000	101,000	102,000	115,000	120,000
Total Overseas	**4,370,000**	**4,568,000**	**4,804,000**	**4,976,000**	**5,161,000**
Mexico	1,737,000	1,757,000	1,708,000	1,756,000	1,810,000
Canada	728,000	708,000	747,000	780,000	800,000
Total International	**6,836,000**	**7,033,000**	**7,259,000**	**7,512,000**	**7,772,000**

2015 – 2019f Top International Visitor Markets – YOY % Change					
Market	**2014/15**	**2015/16**	**2016/17**	**2017/18f**	**2018f/19f**
China	20.2%	21.9%	11.7%	6.7%	7.0%
Australia	7.3%	-2.3%	-0.7%	2.9%	2.4%
U.K.	7.9%	1.9%	2.8%	2.5%	1.8%
Japan	1.6%	8.0%	0.2%	2.5%	1.6%
South Korea	16.3%	0.2%	15.3%	2.2%	5.3%
France	0.7%	-2.0%	6.5%	4.1%	2.8%
Germany	4.2%	-3.0%	7.5%	-2.7%	2.0%
Scandinavia	11.3%	7.5%	1.1%	3.4%	2.1%
India	14.4%	10.2%	6.4%	5.6%	5.9%
Middle East	20.2%	2.3%	-10.5%	-3.9%	3.0%
Brazil	-0.8%	-20.5%	1.2%	12.6%	4.6%
Total Overseas	**7.9%**	**4.5%**	**5.2%**	**3.6%**	**3.7%**
Mexico	0.3%	1.1%	-2.8%	2.8%	3.1%
Canada	-1.5%	-2.8%	5.5%	4.5%	2.6%
Total International	**4.8%**	**2.9%**	**3.2%**	**3.5%**	**3.5%**

Source: *Tourism Economics July 2018*

VISITOR PROFILE BY COUNTRY

Note: Due to a delay in international spending data from the National Travel & Tourism Office in the U.S. Department of Commerce, we are currently unable to provide spend figures for 2017. We anticipate that 2017 data will be available by December 2018.

VISITOR PROFILE BY COUNTRY

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THE OVERSEAS VISITOR TO LOS ANGELES

Airlift

2018 Overseas Average Non-Stop Weekly Flights to L.A.			
Origin Countries	Origin Cities	Weekly Flights	Weekly Seats
44	64	753	223,180

2018/17 Seat Capacity Growth – +5.4%

Visitation

L.A. County Visitation			
Year	Volume	+/- Change	% Change
2016	4,568,000	198,000	4.5%
2017	4,804,000	236,000	5.2%
2018f	4,976,000	172,000	3.6%
2019f	5,161,000	185,000	3.7%
2020f	5,343,000	182,000	3.5%
2121f	5,531,000	188,000	3.5%
2022f	5,723,000	192,000	3.5%

Source: OAG, Tourism Economics July 2018

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LOS ANGELES TOURISM & CONVENTION BOARD

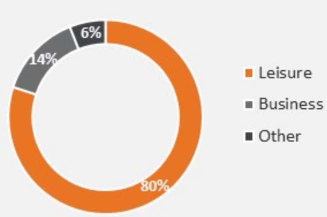
THE OVERSEAS VISITOR TO LOS ANGELES

Demographics

Average Age **38.2**

Average HHI **$76,027**

Primary Reason for Recent L.A. Trip



L.A. Travel Details

Average Party Size **1.8**

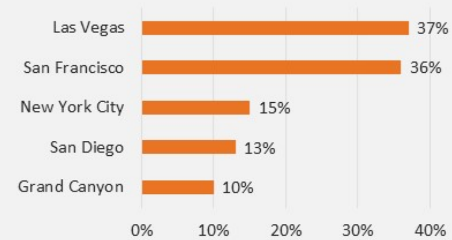
First-Time Visitor to U.S. **33%**

U.S. Average Length of Stay **20.5 Nights**

L.A. Average Length of Stay **6.6 Nights**

Average Number of U.S. Destinations Visited **3.5**

U.S. Destinations Visited on Same Trip



Most Popular Trip Months

Source: U.S. Department of Commerce, NTTO

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THE OVERSEAS VISITOR TO LOS ANGELES
Top Resources Used to Plan Trip
Airlines 42%
Personal Recommendation 36%
OTA 35%
Travel Agency 21%
Advance Planning for Trip
< 7 Days 4%
8-30 Days 26%
31-60 Days 18%
61-90 Days 15%
> 3 Months 37%
0% 10% 20% 30% 40%
Average Planning Time 110 Days
Timing of Booking L.A. Trip (Airline)
< 7 Days 9%
8-30 Days 32%
31-60 Days 19%
61-90 Days 13%
> 3 Months 27%
0% 10% 20% 30% 40%
Average Booking Time 78 Days
Travel Companions*
Alone 52%
Spouse/Partner 24%
Family/Relatives 19%
Friends 8%
Business Assoc. 2%
Tour Group 1%
0% 10% 20% 30% 40% 50% 60%
Modes of Transportation in U.S.
Rented Auto 46%
Airlines 42%
Private Auto 38%
Subway/Bus 30%
Place of Stay
Paid Lodging 75%
VFR 25%
Mean Nights In Paid Lodging - 5.7
Source: U.S. Department of Commerce, NTTO
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*Note- The SIAT question asked is "With whom are you traveling now" which may skew the "Alone" and "Tour Group" travel companion responses.
LOS ANGELES TOURISM & CONVENTION BOARD


THE OVERSEAS VISITOR TO LOS ANGELES
Top Trip Activities
Sightseeing 86%
Shopping 86%
National Parks 55%
Amusement Parks 50%
Visiting Small Towns 43%
Fine Dining 38%
Trip Spending
Lodging $391
F&B $230
Entertainment $161
Gifts $207
Transportation $81
Other $80
Trip Spending
Total Spending Per Visitor/Trip $1,150
Total Estimated Direct Visitor Spend $5,253,200,000
Source: U.S. Department of Commerce, NTTO
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LOS ANGELES TOURISM & CONVENTION BOARD

AUSTRALIA

Market Conditions

GDP Forecast – 2.8% in 2018 & 2.5% in 2019

Exchange Rate – 1 Aust $ = 0.77 U.S. $

Changes in Laws/Policies

The Australian Federal Government implemented changes to the Fair Work Commission policy on annual leave effective July 29, 2016

Positive Impact on Outbound Travel

- Taking annual leave in advance: allows employees to take annual leave before they have accrued it if their employer agrees in writing
- Forced leave: If an employee has an excessive annual leave balance, the employer can now force the employee to utilize up to 2 weeks of their accrued leave

Negative Impact on Outbound Travel

- Cashing out leave: Employees can now cash out annual leave instead of taking vacation days when annual leave balances are in excess of 4 weeks in a 12 month period

Competitive Landscape

For travelers seeking certain amenities or attractions, select cities continue to be of most interest:

Culinary: SE Asia, Europe, NYC, Asia
Entertainment: NYC, U.S. South, Europe
Family: Queensland, New Zealand, Florida
Luxury: SE Asia, S. Africa, Europe, ME
Outdoor: New Zealand, Canada, SE Asia

Source: Tourism Economics; Visit California

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LOS ANGELES TOURISM & CONVENTION BOARD

AUSTRALIA

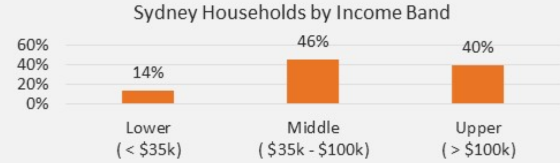
Population

Population of Select Countries & Cities in 2018		
Country & City	**2018 Population**	**% of City to Country**
Total Australia	24,772,000	
Sydney	5,219,000	21.1%
Melbourne	4,943,000	20.0%
Sum of Key Cities	**10,162,000**	**41.0%**
Other	14,610,000	59.0%

Household Income

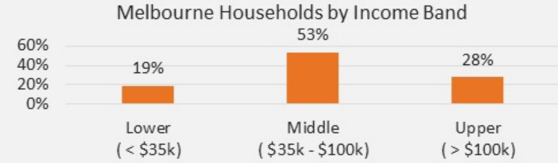
Sydney 2018 Average Household Income **$117,900**

Sydney Households by Income Band



Melbourne 2018 Average Household Income **$90,400**

Melbourne Households by Income Band



Source: Tourism Economics City to City Data, United Nations

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LOS ANGELES TOURISM & CONVENTION BOARD

THE AUSTRALIAN VISITOR TO LOS ANGELES

Airlift

2018 Average Non-Stop Weekly Flights to L.A.		
Departing City	Weekly Flights	Weekly Seats
Sydney	35	11,370
Melbourne	23	7,580
Brisbane	14	4,540
Total Australia	72	23,490

2018/17 Seat Capacity Growth – +3.2%

2017 New Service –
Virgin Australia / Melbourne-LAX / 5x Weekly / April

Visitation

L.A. County Visitation			
Year	Volume	+/- Change	% Change
2016	421,000	-9,000	-2.3%
2017	418,000	-3,000	-0.7%
2018f	430,000	12,000	2.9%
2019f	440,000	10,000	2.4%
2020f	448,000	8,000	1.7%
2121f	455,000	7,000	1.7%
2022f	463,000	8,000	1.7%

Source: OAG, Tourism Economics July 2018

THE AUSTRALIAN VISITOR TO THE USA

Travel Outlook

Days Available for International Travel 19.3

Most Important Content for Destination Decision

Hotels & Lodging 38.5%

Restaurants & Food 31.1%

Sightseeing Tours 29.5%

Transportation & How to Get Around 28.9%

Deterrents to Visiting the USA

USA Is Too Expensive - 38.2%

Unfavorable Currency Exchange Rate – 30.0%

Better Destinations Exist – 24.1%

Concerns About My Personal Safety in the USA – 23.2%

I Don't Have Enough Holiday Time – 17.8%

Desired U.S. Vacation Experiences

Visit Famous/Iconic Landmarks – 67.3%

Sightseeing in Cities – 61.4%

Relaxation – 60.4%

Visiting Historical Sites – 58.5%

Desired Lodging Types

Full Service (4 or 3 Star) – 59.4%

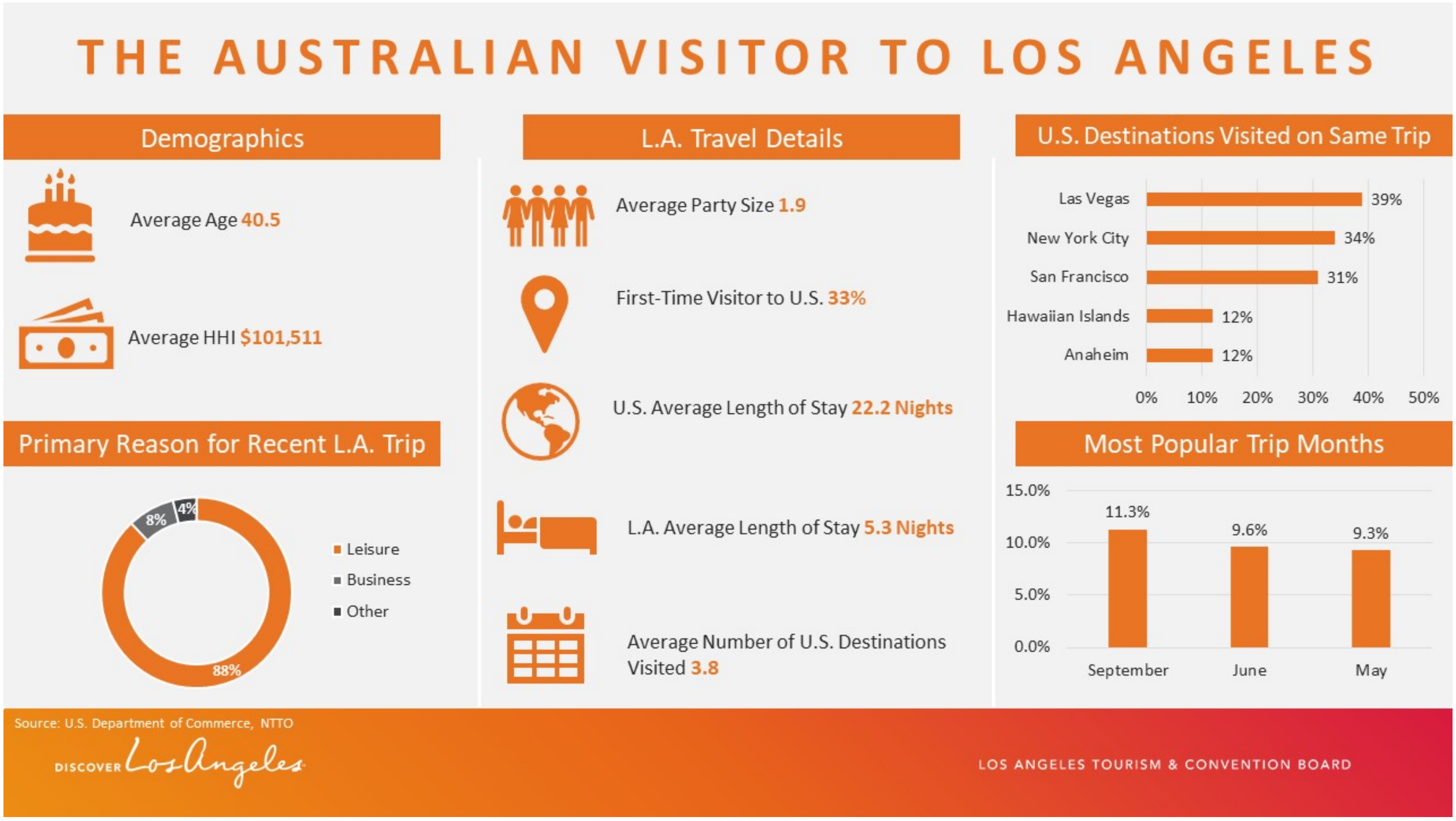
Mid-Priced (2 star) – 29.5%

Bed & Breakfast – 20.2%

Vacation Home or Apartment – 18.0%

What One Word Best Describes The USA

Source: Destination Analysts "The State of the International Traveler" May 2018


THE AUSTRALIAN VISITOR TO LOS ANGELES
Demographics
Average Age 40.5
Average HHI $101,511
Primary Reason for Recent L.A. Trip
Leisure 88%
Business 8%
Other 4%
L.A. Travel Details
Average Party Size 1.9
First-Time Visitor to U.S. 33%
U.S. Average Length of Stay 22.2 Nights
L.A. Average Length of Stay 5.3 Nights
Average Number of U.S. Destinations Visited 3.8
U.S. Destinations Visited on Same Trip
Las Vegas 39%
New York City 34%
San Francisco 31%
Hawaiian Islands 12%
Anaheim 12%
0% 10% 20% 30% 40% 50%
Most Popular Trip Months
September 11.3%
June 9.6%
May 9.3%
15.0% 10.0% 5.0% 0.0%
Source: U.S. Department of Commerce, NTTO
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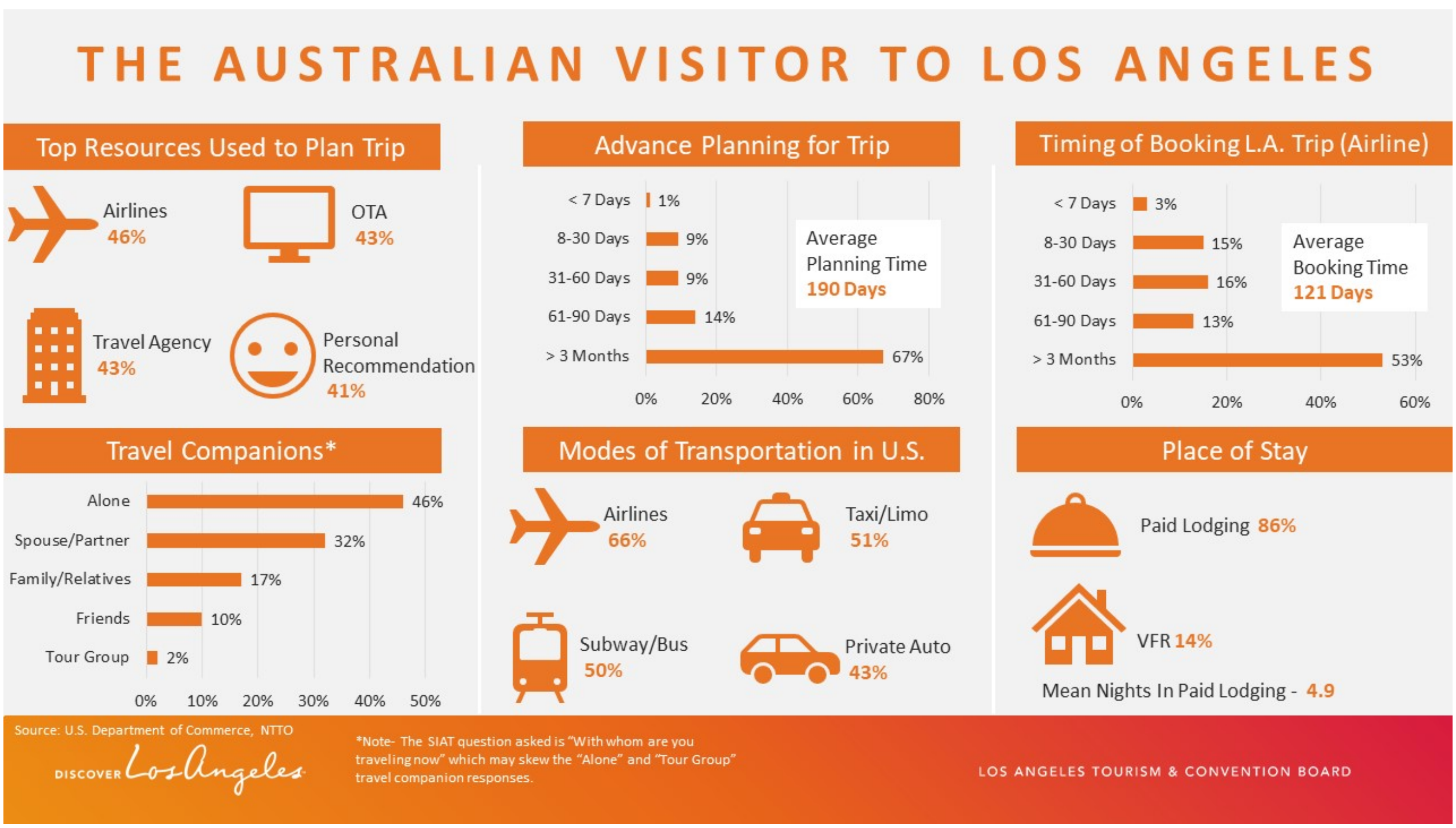
LOS ANGELES TOURISM & CONVENTION BOARD


THE AUSTRALIAN VISITOR TO LOS ANGELES
Top Resources Used to Plan Trip
Airlines 46%
OTA 43%
Travel Agency 43%
Personal Recommendation 41%
Advance Planning for Trip
< 7 Days 1%
8-30 Days 9%
31-60 Days 9%
61-90 Days 14%
> 3 Months 67%
0% 20% 40% 60% 80%
Average Planning Time 190 Days
Timing of Booking L.A. Trip (Airline)
< 7 Days 3%
8-30 Days 15%
31-60 Days 16%
61-90 Days 13%
> 3 Months 53%
0% 20% 40% 60%
Average Booking Time 121 Days
Travel Companions*
Alone 46%
Spouse/Partner 32%
Family/Relatives 17%
Friends 10%
Tour Group 2%
0% 10% 20% 30% 40% 50%
Modes of Transportation in U.S.
Airlines 66%
Taxi/Limo 51%
Subway/Bus 50%
Private Auto 43%
Place of Stay
Paid Lodging 86%
VFR 14%
Mean Nights In Paid Lodging - 4.9
Source: U.S. Department of Commerce, NTTO
*Note- The SIAT question asked is "With whom are you traveling now" which may skew the "Alone" and "Tour Group" travel companion responses.
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LOS ANGELES TOURISM & CONVENTION BOARD

THE AUSTRALIAN VISITOR TO LOS ANGELES

Demographics

Average Age **40.5**

Average HHI **$101,511**

Primary Reason for Recent L.A. Trip

Leisure	88%
Business	8%
Other	4%

L.A. Travel Details

Average Party Size **1.9**

First-Time Visitor to U.S. **33%**

U.S. Average Length of Stay **22.2 Nights**

L.A. Average Length of Stay **5.3 Nights**

Average Number of U.S. Destinations Visited **3.8**

U.S. Destinations Visited on Same Trip

Las Vegas	39%
New York City	34%
San Francisco	31%
Hawaiian Islands	12%
Anaheim	12%

Most Popular Trip Months

September	11.3%
June	9.6%
May	9.3%

Source: U.S. Department of Commerce, NTTO

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LOS ANGELES TOURISM & CONVENTION BOARD

THE AUSTRALIAN VISITOR TO LOS ANGELES

Top Resources Used to Plan Trip

Airlines **46%**

OTA **43%**

Travel Agency **43%**

Personal Recommendation **41%**

Advance Planning for Trip

	%
< 7 Days	1%
8-30 Days	9%
31-60 Days	9%
61-90 Days	14%
> 3 Months	67%

Average Planning Time **190 Days**

Timing of Booking L.A. Trip (Airline)

	%
< 7 Days	3%
8-30 Days	15%
31-60 Days	16%
61-90 Days	13%
> 3 Months	53%

Average Booking Time **121 Days**

Travel Companions*

	%
Alone	46%
Spouse/Partner	32%
Family/Relatives	17%
Friends	10%
Tour Group	2%

Modes of Transportation in U.S.

Airlines **66%**

Taxi/Limo **51%**

Subway/Bus **50%**

Private Auto **43%**

Place of Stay

Paid Lodging **86%**

VFR **14%**

Mean Nights In Paid Lodging - **4.9**

Source: U.S. Department of Commerce, NTTO

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*Note- The SIAT question asked is "With whom are you traveling now" which may skew the "Alone" and "Tour Group" travel companion responses.

LOS ANGELES TOURISM & CONVENTION BOARD

THE AUSTRALIAN VISITOR TO LOS ANGELES

Top Trip Activities

- Sightseeing 93%
- Shopping 93%
- National Parks 61%
- Amusement Parks 61%
- Guided Tour 55%
- Art Gallery/Museum 48%

Trip Spending

- Lodging $354
- F&B $208
- Entertainment $198
- Gifts $188
- Transportation $63
- Other $31

Trip Spending

- Total Spending Per Visitor/Trip $1,042
- Total Estimated Direct Visitor Spend $438,682,000

Source: U.S. Department of Commerce, NTTO

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LOS ANGELES TOURISM & CONVENTION BOARD

BRAZIL

Market Conditions

GDP Forecast – 2.6% in 2018 & 2.7% in 2019

Exchange Rate – 1 Brazilian Real = 0.31 U.S. $

Changes in Laws/Policies

2016 to 2018 are decisive years for Brazil`s politics and economy

- Acting president Michel Temer, who will be in office until the end of 2018, sanctioned the Labor Reform to combat unemployment and the economic crisis in the country
- Ex-president Lula has been sentenced to 12.5 years in prison for corruption and money laundering
- Elections will be held in October to determine the new president of Brazil
- Corruption has led to the arrest of politicians and businessmen

Competitive Landscape

- Florida is still a top-of-mind destination for Brazilians. This destination has good connections (several direct flights and competitive rates) and is cheaper than California (including sales tax).
- New York City, Las Vegas and Canada remain popular.
- Portugal has redesigned its product and has widespread appeal, no language barriers and is less expensive in comparison to other European countries.
- Europe continues to offer value to the Brazilian traveler, with the opportunity for cultural trips, good flight connections and positive exchange rate.
- Exotic destinations are garnering the attention of the luxury and mainstream traveler.

Source: Visit California; Tourism Economics

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LOS ANGELES TOURISM & CONVENTION BOARD

THE BRAZILIAN VISITOR TO LOS ANGELES

Airlift

2018 Average Non-Stop Weekly Flights to L.A.		
Departing City	Weekly Flights	Weekly Seats
Sao Paulo	6	1,750

2018/17 Seat Capacity Growth – +12.6%

2017 Increased Service –
American Airlines/ Sao Paulo -LAX / November

Visitation

L.A. County Visitation			
Year	Volume	+/- Change	% Change
2016	101,000	-26,000	-20.5%
2017	102,000	1,000	1.2%
2018f	115,000	13,000	12.6%
2019f	120,000	5,000	4.6%
2020f	125,000	5,000	4.2%
2121f	131,000	6,000	4.2%
2022f	136,000	5,000	4.0%

Source: OAG, Tourism Economics July 2018

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LOS ANGELES TOURISM & CONVENTION BOARD

THE BRAZILIAN VISITOR TO THE USA

Travel Outlook

Days Available for International Travel **18.0**

Most Important Content for Destination Decision

- Shopping **48.7%**
- Sightseeing Tours **43.6%**
- Restaurants & Food **42.8%**
- Hotels & Lodging **41.1%**

Deterrents to Visiting the USA

- USA Is Too Expensive - **46.9%**
- Unfavorable Currency Exchange Rate – **42.5%**
- Uncomfortable with US National Politics – **19.6%**
- Concerns About My Personal Safety in the USA – **14.2%**
- I Don't Have Enough Holiday Time – **14.2%**

Desired U.S. Vacation Experiences

- Relaxation – **81.8%**
- Sightseeing in Cities – **80.7%**
- Family Fun – **76.5%**
- Visiting Historical Sites – **76.4%**

Desired Lodging Types

- Full Service (4 or 3 Star) – **41.9%**
- Mid-Priced (2 star) – **41.9%**
- Vacation Home or Apartment – **25.4%**
- Friend's or Relative's Home – **15.4%**

What One Word Best Describes The USA

Source: Destination Analysts "The State of the International Traveler" May 2018

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LOS ANGELES TOURISM & CONVENTION BOARD

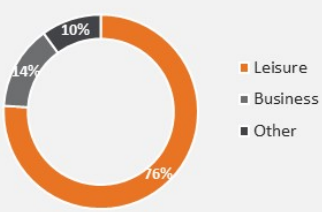
THE BRAZILIAN VISITOR TO LOS ANGELES

Demographics

Average Age **36.7**

Average HHI **$79,178**

Primary Reason for Recent L.A. Trip



L.A. Travel Details

Average Party Size **1.9**

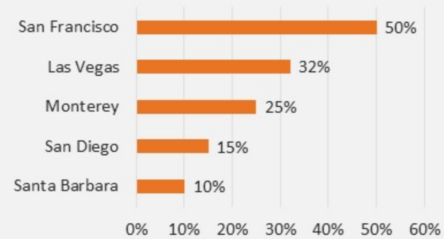
First-Time Visitor to U.S. **11%**

U.S. Average Length of Stay **17.3 Nights**

L.A. Average Length of Stay **6.6 Nights**

Average Number of U.S. Destinations Visited **3.2**

U.S. Destinations Visited on Same Trip



Most Popular Trip Months

Source: U.S. Department of Commerce, NTTO

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LOS ANGELES TOURISM & CONVENTION BOARD


THE BRAZILIAN VISITOR TO LOS ANGELES
Top Resources Used to Plan Trip
Personal Recommendation 55%
Airlines 54%
OTA 36%
National Travel Office 16%
Advance Planning for Trip
< 7 Days 3%
8-30 Days 16%
31-60 Days 17%
61-90 Days 30%
> 3 Months 34%
0% 10% 20% 30% 40%
Average Planning Time 104 Days
Timing of Booking L.A. Trip (Airline)
< 7 Days 6%
8-30 Days 27%
31-60 Days 18%
61-90 Days 29%
> 3 Months 20%
0% 10% 20% 30% 40%
Average Booking Time 77 Days
Travel Companions*
Alone 46%
Spouse/Partner 22%
Friends 19%
Family/Relatives 16%
Business Assoc. 2%
0% 10% 20% 30% 40% 50%
Modes of Transportation in U.S.
Rented Auto 59%
Private Auto 48%
Airlines 41%
Subway/Bus 29%
Place of Stay
Paid Lodging 69%
VFR 31%
Mean Nights In Paid Lodging - 6.4
Source: U.S. Department of Commerce, NTTO
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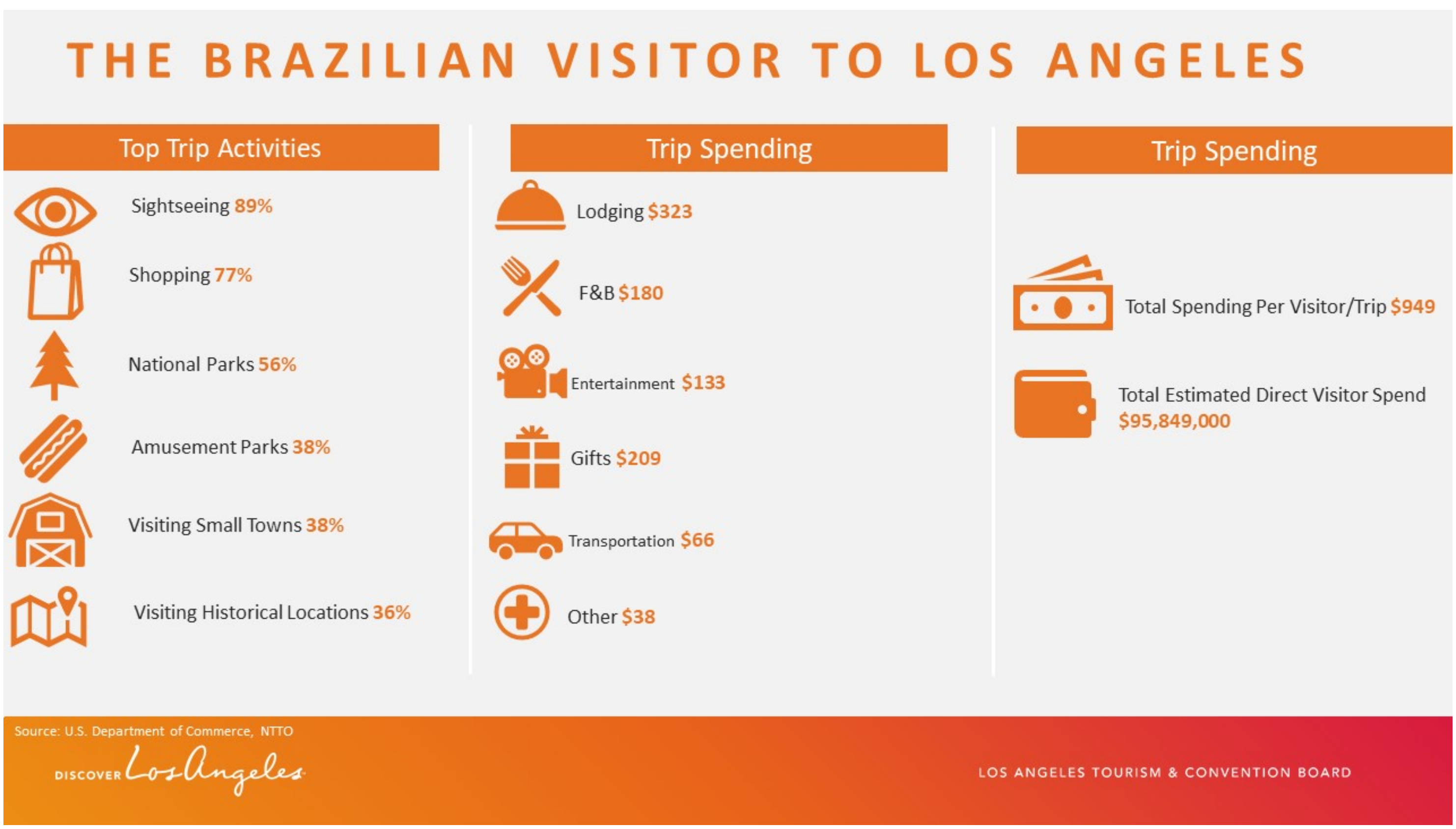
*Note- The SIAT question asked is "With whom are you traveling now" which may skew the "Alone" and "Tour Group" travel companion responses.
LOS ANGELES TOURISM & CONVENTION BOARD


THE BRAZILIAN VISITOR TO LOS ANGELES
Top Trip Activities
Sightseeing 89%
Shopping 77%
National Parks 56%
Amusement Parks 38%
Visiting Small Towns 38%
Visiting Historical Locations 36%
Trip Spending
Lodging $323
F&B $180
Entertainment $133
Gifts $209
Transportation $66
Other $38
Trip Spending
Total Spending Per Visitor/Trip $949
Total Estimated Direct Visitor Spend $95,849,000
Source: U.S. Department of Commerce, NTTO
DISCOVER Los Angeles
LOS ANGELES TOURISM & CONVENTION BOARD

CANADA

Market Conditions

GDP Forecast –
1.8% in 2018 & 2019

Exchange Rate –
1 Canadian $ = 0.78 U.S. $

Changes in Laws/Policies

In late 2016 Canada passed a bill changing foreign ownership and eased rules for all Canadian airlines.

- Prior to, Canada was the only major air market in the world without an ultra-low-cost airline
- Sparking a race to launch service, 4 new ULCC were announced last year
    - Enerjet - Calgary-based former charter airline
    - Jetlines - Southern Ontario hub will launch June 2018, plans to fly to US & Mexico
    - Flair Air – Domestic service

Air Canada & WestJet have enjoyed a duopoly – AC & WJ control 82% of domestic seats & 66% of market

- WestJet last year announced they will debut a new ULCC, Swoops (launching June 20, 2018)
- Air Canada is considering new price points for some of Rouge service (leisure brand, not a true ULCC)
- Canadians will no longer need to cross the border to hop on American ULCC; 5M Canadians cross board to fly ULCC
- Expect to see lower fares, aggressive price wars to hold/keep market share and new secondary/tertiary markets O/D

Competitive Landscape

For travelers seeking certain amenities or attractions, select cities continue to be of most interest:

Culinary: NYC, Las Vegas, France
Entertainment: NYC, Las Vegas, London
Family: Florida, Mexico, Canada
Luxury: Hawaii, NYC, London
Outdoor: Canada, Hawaii, Florida

Top Outbound Markets

- Ontario
- Quebec
- British Columbia

Source: Visit California; Tourism Economics

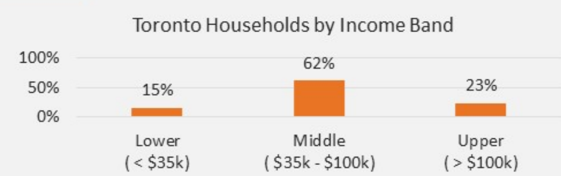
CANADA

Population

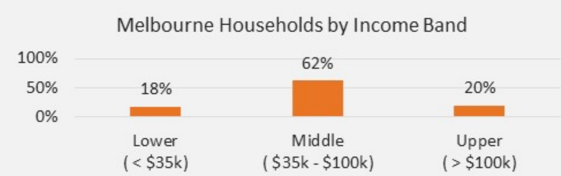
Population of Select Countries & Cities in 2018		
Country & City	2018 Population	% of City to Country
Total Canada	36,954,000	
Toronto	6,442,000	17.4%
Vancouver	2,619,000	7.1%
Sum of Key Cities	**9,061,000**	**24.5%**
Other	27,893,000	75.5%

Household Income

Vancouver 2018 Average Household Income **$80,500**



Toronto 2018 Average Household Income **$75,500**



Source: Tourism Economics City to City Data, United Nations

THE CANADIAN VISITOR TO THE USA

Travel Outlook

Days Available for International Travel **16.1**

Most Important Content for Destination Decision

Restaurants & Food **40.2%**

Hotels & Lodging **40.2%**

Safety **30.4%**

Shopping **29.9%**

Deterrents to Visiting the USA

Unfavorable Currency Exchange Rate – **54.0%**

USA Is Too Expensive - **28.9%**

Uncomfortable with US National Politics – **24.3%**

Better Destinations Exist – **22.0%**

Concerns About My Personal Safety in the USA – **21.4%**

Desired U.S. Vacation Experiences

Relaxation – **68.1%**

Take Scenic Drives or Road Trips – **49.3%**

Visit Famous or Iconic Landmarks – **48.9%**

Sightseeing in Cities – **46.2%**

Desired Lodging Types

Full Service (4 or 3 Star) – **49.9%**

Mid-Priced (2 star) – **32.3%**

Friend's or Relative's Home – **23.2%**

Bed & Breakfast – **20.1%**

What One Word Best Describes The USA

Source: Destination Analysts "The State of the International Traveler" May 2018

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LOS ANGELES TOURISM & CONVENTION BOARD

THE CANADIAN VISITOR TO LOS ANGELES

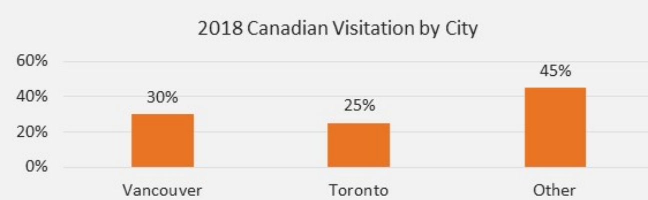
Airlift

2018 Average Non-Stop Weekly Flights to L.A.		
Departing City	Weekly Flights	Weekly Seats
Vancouver	79	10,260
Toronto	54	10,220
Calgary	28	3,930
Montreal	18	2,790
Edmonton	6	1,010
Total Canada	**185**	**28,210**

2018/17 Seat Capacity Growth – +1.5%

Visitation

L.A. County Visitation			
Year	Volume	+/- Change	% Change
2016	708,000	-20,000	-2.8%
2017	747,000	39,000	5.5%
2018f	780,000	33,000	4.5%
2019f	800,000	20,000	2.6%
2020f	820,000	20,000	2.4%
2121f	839,000	19,000	2.4%
2022f	856,000	17,000	2.1%



Source: OAG, Tourism Economics July 2018

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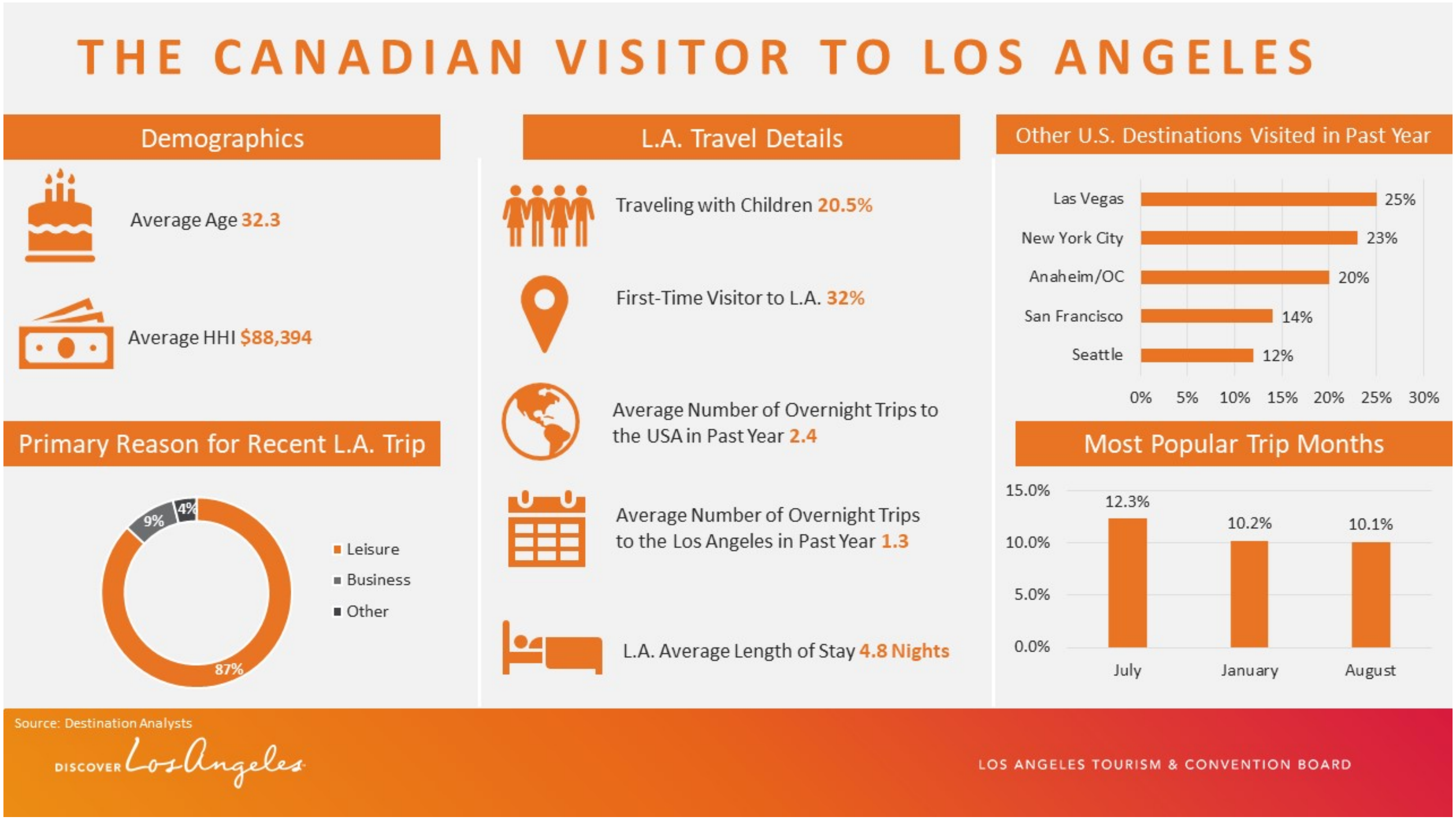
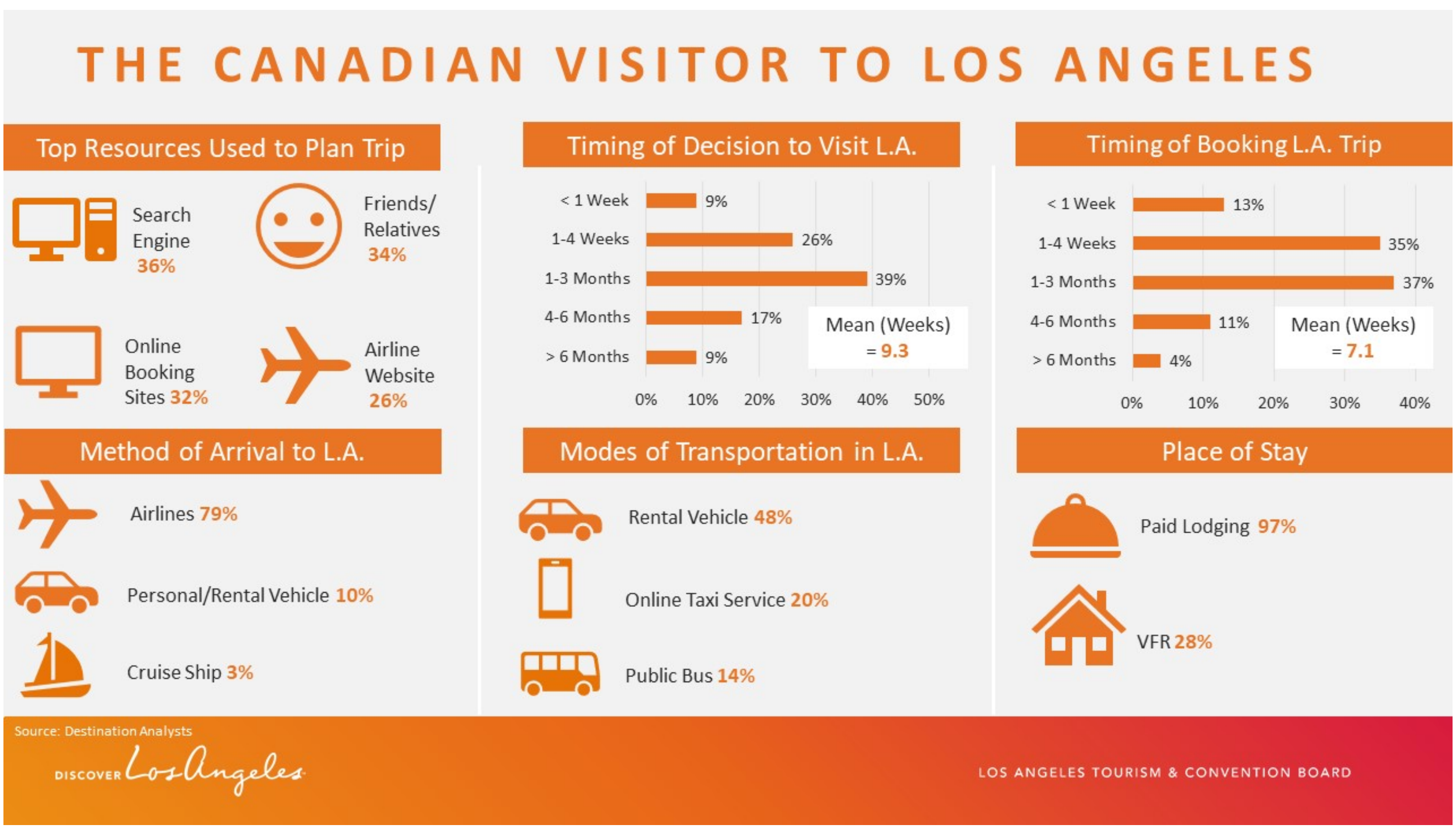
LOS ANGELES TOURISM & CONVENTION BOARD


THE CANADIAN VISITOR TO LOS ANGELES
Demographics
Average Age 32.3
Average HHI $88,394
Primary Reason for Recent L.A. Trip
9%
4%
87%
Leisure
Business
Other
L.A. Travel Details
Traveling with Children 20.5%
First-Time Visitor to L.A. 32%
Average Number of Overnight Trips to the USA in Past Year 2.4
Average Number of Overnight Trips to the Los Angeles in Past Year 1.3
L.A. Average Length of Stay 4.8 Nights
Other U.S. Destinations Visited in Past Year
Las Vegas 25%
New York City 23%
Anaheim/OC 20%
San Francisco 14%
Seattle 12%
0% 5% 10% 15% 20% 25% 30%
Most Popular Trip Months
15.0%
10.0%
5.0%
0.0%
July 12.3%
January 10.2%
August 10.1%
Source: Destination Analysts
DISCOVER Los Angeles
LOS ANGELES TOURISM & CONVENTION BOARD


THE CANADIAN VISITOR TO LOS ANGELES
Top Resources Used to Plan Trip
Search Engine 36%
Friends/ Relatives 34%
Online Booking Sites 32%
Airline Website 26%
Timing of Decision to Visit L.A.
< 1 Week 9%
1-4 Weeks 26%
1-3 Months 39%
4-6 Months 17%
> 6 Months 9%
0% 10% 20% 30% 40% 50%
Mean (Weeks) = 9.3
Timing of Booking L.A. Trip
< 1 Week 13%
1-4 Weeks 35%
1-3 Months 37%
4-6 Months 11%
> 6 Months 4%
0% 10% 20% 30% 40%
Mean (Weeks) = 7.1
Method of Arrival to L.A.
Airlines 79%
Personal/Rental Vehicle 10%
Cruise Ship 3%
Modes of Transportation in L.A.
Rental Vehicle 48%
Online Taxi Service 20%
Public Bus 14%
Place of Stay
Paid Lodging 97%
VFR 28%
Source: Destination Analysts
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LOS ANGELES TOURISM & CONVENTION BOARD

THE CANADIAN VISITOR TO LOS ANGELES

Important Decision Factors For Choosing L.A.

- Weather **40%**
- Restaurant/Food Scene **37%**
- Shopping Opportunities **35%**
- Beaches **35%**
- Friends/Family in the Area **29%**
- Hollywood/Celebrities **28%**

Top Trip Activities

- Dining **68%**
- Shopping **62%**
- Visit a Beach **52%**
- Theme Park **33%**
- Bars/Nightlife **32%**
- Art Gallery/Museum **27%**

Source: Destination Analysts

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LOS ANGELES TOURISM & CONVENTION BOARD

CHINA

Market Conditions

GDP Forecast –
6.4% in 2018 & 6.1% in 2019

Exchange Rate –
1 Chinese Yuan = 0.16 U.S. $

Changes in Laws/Policies

China's list of first tier cities expanded
- According to the CBNweekly magazine, 15 cities (Chengdu, Hangzhou, Wuhan, Chongqing, Nanjing, Tianjin, Suzhou, Xi'an, Changsha, Shenyang, Qingdao, Zhengzhou, Dalian, Dongguan, Ningbo) were updated in addition to the acknowledged 4 Tier-1 cities of Beijing, Shanghai, Guangzhou and Shenzhen. Tier-2 cities were increased to 30.

CNTA encourages the development of quality tourism
- The China National Tourism Administration (CNTA) stressed attention to "quality tourism" and safety travel during the CNTA annual conference in Xiamen on Jan. 8, 2018.

Chinese government announced a new Ministry of Culture and Tourism
- CNTA will no longer be an independent entity, but merged with the Ministry of Culture, upgrading to Ministry level.

China's Ministry of Public Security announced more relaxed policies on Entry-Exit Certification application for Chinese citizens
- This new policy enables Chinese citizens to apply for entry-exit certificate approvals at any office, avoiding the necessity to return to their home city to apply. This new policy is a vast improvement for the Chinese to apply or renew passports.

Impact of the US government's restriction on immigration and travel:
- Consumer's perception: It is difficult to get U.S. Visa.
- Trade partners reluctant to sell U.S. groups due to above perception.
- According to the US Embassy in Beijing, the number of applicants for U.S visa interviews in 2017 declined by around 6% YOY.

Rising risk of trade war between US and China
- Donald Trump's "America-first" approach risks creating a more fragmented global economy.
- The Trump Administration's announced tariffs have created strong dissatisfaction. China is likely to take a measured approach in response.

Partnerships: The Canada-China Tourism Year and China-EU Tourism Year will impact marketing efforts
- Key wholesalers and tour operators have shifted their marketing efforts of U.S. to Canada from 7:3 or 6:4 to 5:5, including CITS, CTS, Utour, etc.

Source: Visit California; Tourism Economics

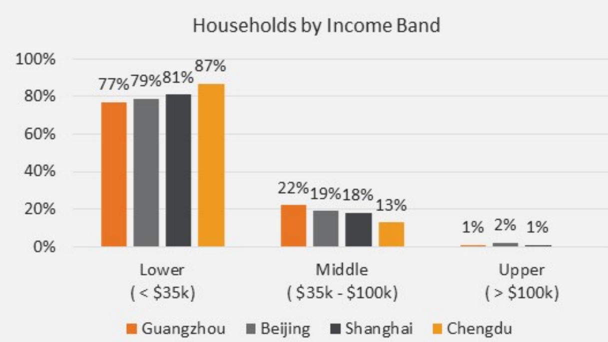
CHINA

Population

Population of Select Countries & Cities in 2018		
Country & City	2018 Population	% of City to Country
Total China	1,415,046,000	
Shanghai	24,987,000	1.8%
Beijing	22,272,000	1.6%
Chengdu, Sichuan	14,685,000	1.0%
Guangzhou	13,936,000	1.0%
Sum of Key Cities	**75,880,000**	**5.4%**
Other	1,339,166,000	94.6%

Household Income

Guangzhou 2018 Average Household Income **$27,500**
Beijing 2018 Average Household Income **$25,400**
Shanghai 2018 Average Household Income **$24,600**
Chengdu 2018 Average Household Income **$21,800**



Source: Tourism Economics City to City Data, United Nations

THE CHINESE VISITOR TO THE USA

Travel Outlook

Days Available for International Travel **15.0**

Most Important Content for Destination Decision

Ways to Experience Nature **45.1%**

Sightseeing Tours **37.5%**

National Parks **34.1%**

Safety **32.5%**

Deterrents to Visiting the USA

Concerns About My Personal Safety in the USA – **44.4%**

USA Is Too Expensive - **34.8%**

I Don't Have Enough Holiday Time – **28.0%**

Unfavorable Currency Exchange Rate – **19.0%**

Better Destinations Exist – **18.8%**

Desired U.S. Vacation Experiences

Visit Famous or Iconic Landmarks – **74.1%**

Relaxation – **73.1%**

Visit National Parks – **67.0%**

Visit Beaches and Resorts – **60.1%**

Desired Lodging Types

Full Service (4 or 3 Star) – **46.9%**

Mid-Priced (2 star) – **42.1%**

Budget Hotel or Motel (1 Star) – **29.8%**

Vacation Home or Apartment – **29.3%**

What One Word Best Describes The USA

Source: Destination Analysts "The State of the International Traveler" May 2018

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LOS ANGELES TOURISM & CONVENTION BOARD

THE CHINESE VISITOR TO LOS ANGELES

Airlift

2018 Average Non-Stop Weekly Flights to L.A.		
Departing City	Weekly Flights	Weekly Seats
Shanghai	34	9,910
Beijing*	27	7,930
Guangzhou	10	4,390
Shenzhen*	2	690
Qingdao*	3	860
Hangzhou	3	770
Jinan	3	770
Nanjing	3	690
Xiamen*	3	850
Changsha	2	570
Chengdu*	2	580
Chongqing*	2	490
Total China	94	28,500

2018/17 Seat Capacity Growth – +20.5%

* Indicates 2017 New Service

Visitation

L.A. County Visitation			
Year	Volume	+/- Change	% Change
2016	1,005,000	181,000	21.9%
2017	1,123,000	118,000	11.7%
2018f	1,198,000	75,000	6.7%
2019f	1,282,000	84,000	7.0%
2020f	1,373,000	91,000	7.1%
2121f	1,468,000	95,000	6.9%
2022f	1,563,000	95,000	6.5%

2018 Chinese Visitation by City

Source: OAG, Tourism Economics July 2018

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LOS ANGELES TOURISM & CONVENTION BOARD


THE CHINESE VISITOR TO LOS ANGELES
Demographics
Average Age 36.5
Average HHI $65,764
Primary Reason for Recent L.A. Trip
9%
14%
77%
Leisure
Business
Other
L.A. Travel Details
Average Party Size 2.2
First-Time Visitor to U.S. 59%
U.S. Average Length of Stay 23.6 Nights
L.A. Average Length of Stay 7.2 Nights
Average Number of U.S. Destinations Visited 3.3
U.S. Destinations Visited on Same Trip
San Francisco 39%
Las Vegas 37%
New York City 20%
Hawaiian Islands 14%
D.C. 13%
0% 10% 20% 30% 40% 50%
Most Popular Trip Months
15.0%
10.0%
5.0%
0.0%
August 13.4%
July 12.1%
September 9.9%
Source: U.S. Department of Commerce, NTTO
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LOS ANGELES TOURISM & CONVENTION BOARD


THE CHINESE VISITOR TO LOS ANGELES
Top Resources Used to Plan Trip
Personal Recommendation 37%
Airlines 34%
OTA 29%
Travel Guide 20%
Travel Companions*
Alone 44%
Family/Relatives 26%
Spouse/Partner 25%
Friends 8%
Business Assoc. 5%
Tour Group 3%
0% 10% 20% 30% 40% 50%
Advance Planning for Trip
< 7 Days 4%
8-30 Days 39%
31-60 Days 25%
61-90 Days 16%
> 3 Months 16%
0% 10% 20% 30% 40% 50%
Average Planning Time 64 Days
Modes of Transportation in U.S.
Airlines 50%
Rented Auto 42%
Private Auto 42%
Subway/Bus 16%
Timing of Booking L.A. Trip (Airline)
< 7 Days 9%
8-30 Days 55%
31-60 Days 23%
61-90 Days 7%
> 3 Months 6%
0% 20% 40% 60%
Average Booking Time 40 Days
Place of Stay
Paid Lodging 72%
VFR 28%
Mean Nights In Paid Lodging - 5.6
Source: U.S. Department of Commerce, NTTO
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*Note- The SIAT question asked is "With whom are you traveling now" which may skew the "Alone" and "Tour Group" travel companion responses.
LOS ANGELES TOURISM & CONVENTION BOARD

THE CHINESE VISITOR TO LOS ANGELES

Top Trip Activities

- Shopping 90%
- Sightseeing 89%
- Fine Dining 62%
- Amusement Parks 58%
- National Parks 52%
- Visiting Small Towns 49%

Trip Spending

- Lodging $445
- F&B $237
- Entertainment $193
- Gifts $371
- Transportation $74
- Other $162

Trip Spending

- Total Spending Per Visitor/Trip $1,482
- Total Estimated Direct Visitor Spend $1,489,410,000

Source: U.S. Department of Commerce, NTTO

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LOS ANGELES TOURISM & CONVENTION BOARD

FRANCE

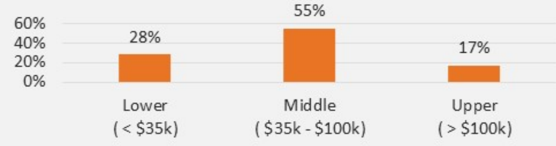
Population

Population of Select Countries & Cities in 2018		
Country & City	2018 Population	% of City to Country
Total France	65,223,000	
Paris	12,707,000	19.5%
Other	52,516,000	80.5%

Household Income

Paris 2018 Average Household Income **$71,900**

Paris Households by Income Band



Source: Tourism Economics City to City Data, United Nations

THE FRENCH VISITOR TO LOS ANGELES

Airlift

2018 Average Non-Stop Weekly Flights to L.A.		
Departing City	Weekly Flights	Weekly Seats
Paris	27	9,560

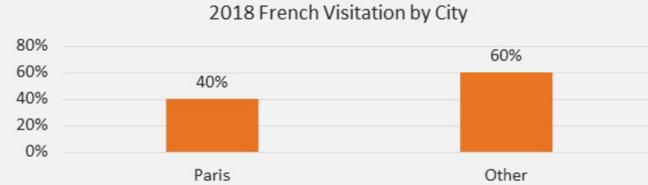
2018/17 Seat Capacity Growth – +14.1%

2018 New Service –
Delta / Paris-LAX / 3x Weekly / June

Visitation

L.A. County Visitation			
Year	Volume	+/- Change	% Change
2016	277,000	-6,000	-2.0%
2017	295,000	18,000	6.5%
2018f	308,000	13,000	4.1%
2019f	316,000	8,000	2.8%
2020f	322,000	6,000	1.8%
2121f	328,000	6,000	2.0%
2022f	334,000	6,000	1.6%

2018 French Visitation by City



Source: OAG, Tourism Economics July 2018

THE FRENCH VISITOR TO THE USA

Travel Outlook

Days Available for International Travel **13.3**

Most Important Content for Destination Decision

Hotels & Lodging **34.8%**

Ways to Experience Nature **33.7%**

National Parks **33.0%**

Ways to Experience the American Lifestyle **30.9%**

Deterrents to Visiting the USA

USA Is Too Expensive - **57.0%**

The USA Is Too Far Away – **20.3%**

Uncomfortable with US National Politics – **17.2%**

Better Destinations Exist – **16.8%**

I Don't Have Enough Holiday Time – **13.9%**

Desired U.S. Vacation Experiences

Visiting Historical Sites – **70.9%**

Visit Famous or Iconic Landmarks – **70.6%**

Visit National Parks – **66.3%**

Sightseeing in Cities – **66.0%**

Desired Lodging Types

Mid-Priced (2 star) – **43.0%**

Bed & Breakfast – **33.7%**

Vacation Home or Apartment – **31.3%**

Full Service (4 or 3 Star) – **28.7%**

What One Word Best Describes The USA

Source: Destination Analysts "The State of the International Traveler" May 2018

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LOS ANGELES TOURISM & CONVENTION BOARD

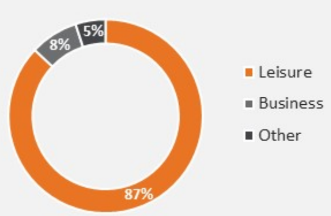
THE FRENCH VISITOR TO LOS ANGELES

Demographics

Average Age **39.9**

Average HHI **$60,848**

Primary Reason for Recent L.A. Trip



L.A. Travel Details

Average Party Size **1.9**

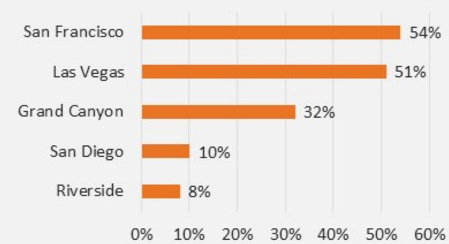
First-Time Visitor to U.S. **32%**

U.S. Average Length of Stay **21.6 Nights**

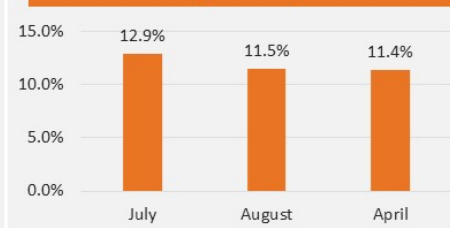
L.A. Average Length of Stay **7.6 Nights**

Average Number of U.S. Destinations Visited **4.3**

U.S. Destinations Visited on Same Trip



Most Popular Trip Months



Source: U.S. Department of Commerce, NTTO

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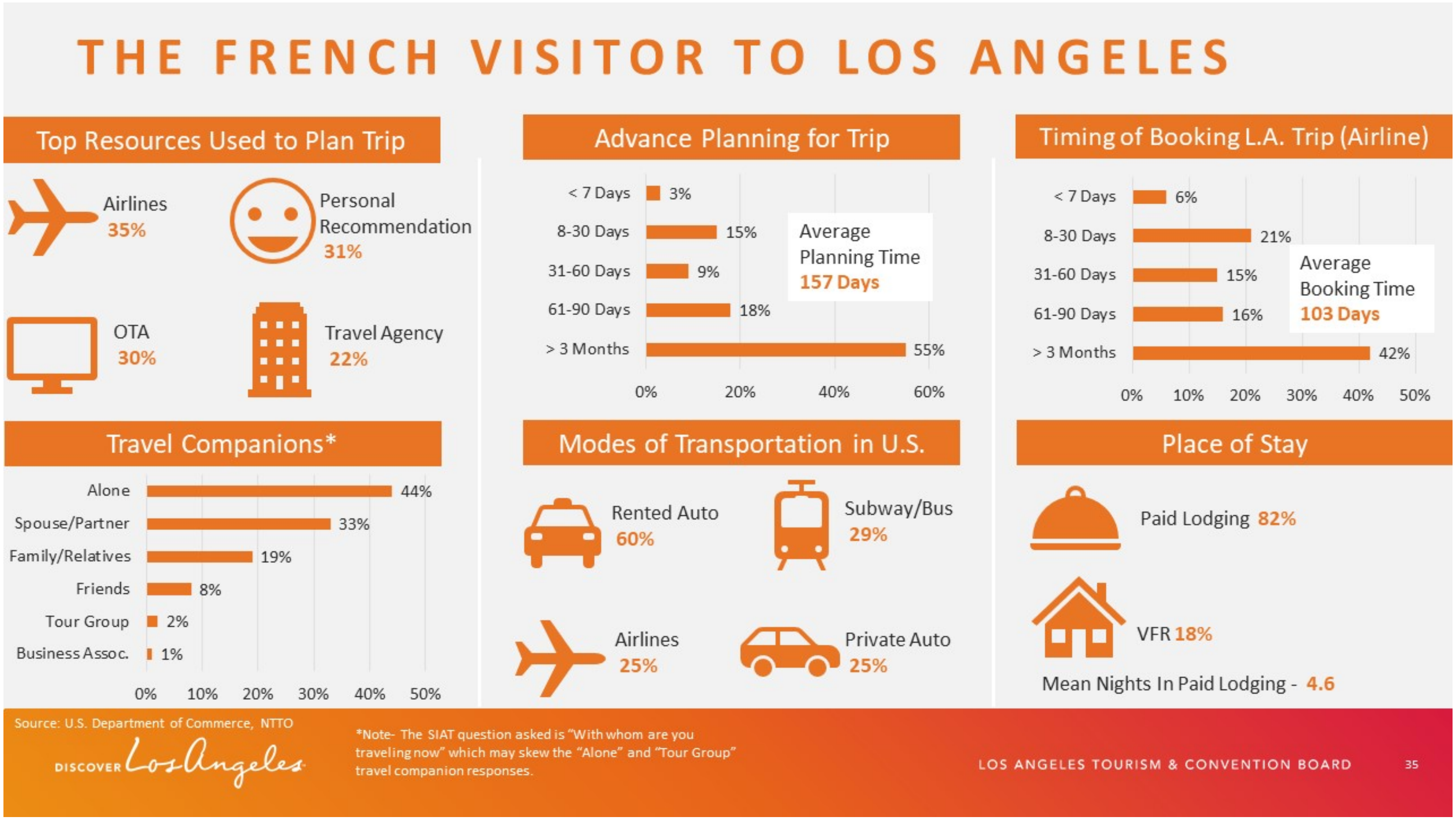
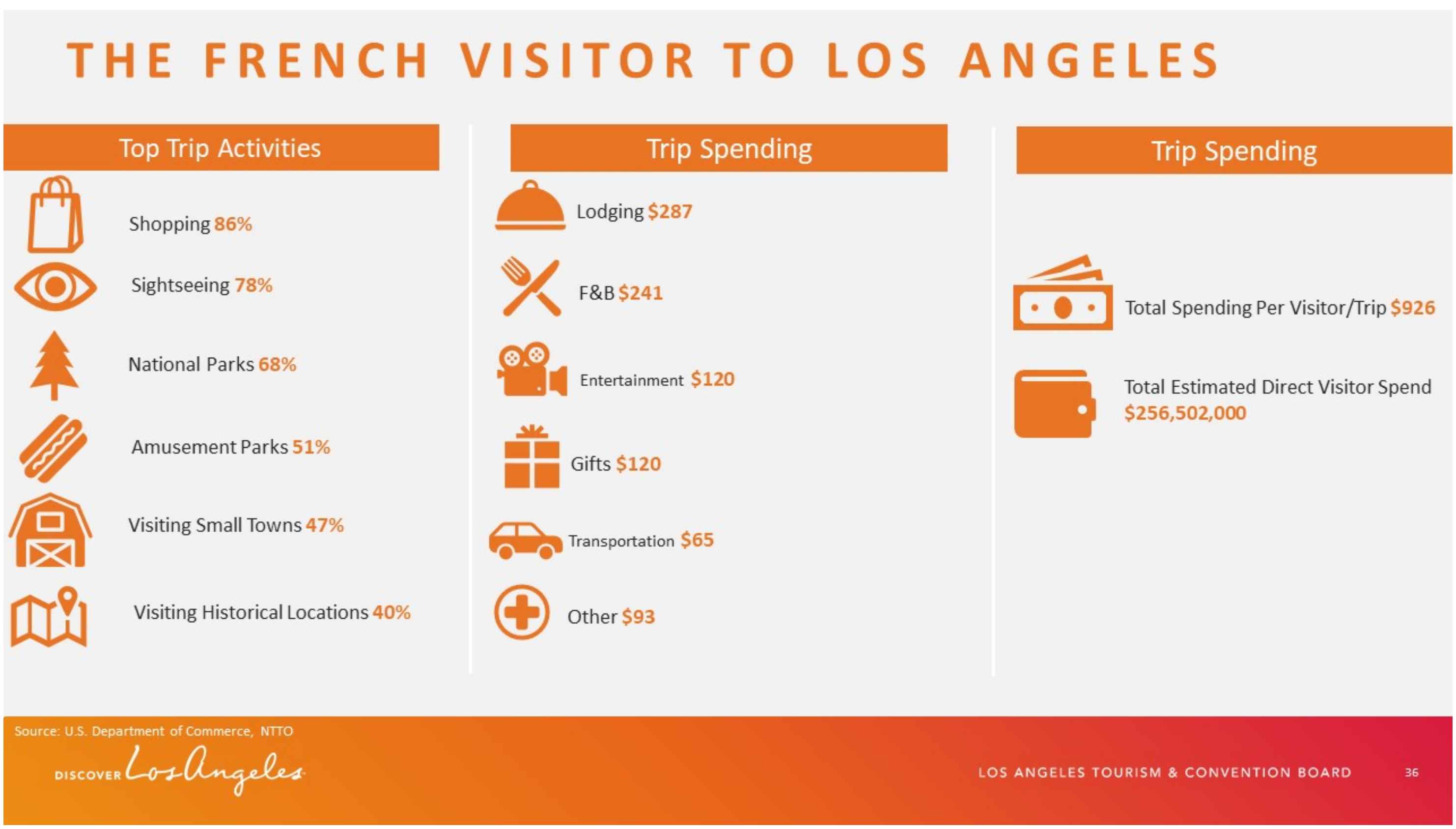
LOS ANGELES TOURISM & CONVENTION BOARD 34


THE FRENCH VISITOR TO LOS ANGELES
Top Resources Used to Plan Trip
Airlines 35%
Personal Recommendation 31%
OTA 30%
Travel Agency 22%
Advance Planning for Trip
< 7 Days 3%
8-30 Days 15%
31-60 Days 9%
61-90 Days 18%
> 3 Months 55%
0% 20% 40% 60%
Average Planning Time 157 Days
Timing of Booking L.A. Trip (Airline)
< 7 Days 6%
8-30 Days 21%
31-60 Days 15%
61-90 Days 16%
> 3 Months 42%
0% 10% 20% 30% 40% 50%
Average Booking Time 103 Days
Travel Companions*
Alone 44%
Spouse/Partner 33%
Family/Relatives 19%
Friends 8%
Tour Group 2%
Business Assoc. 1%
0% 10% 20% 30% 40% 50%
Modes of Transportation in U.S.
Rented Auto 60%
Subway/Bus 29%
Airlines 25%
Private Auto 25%
Place of Stay
Paid Lodging 82%
VFR 18%
Mean Nights In Paid Lodging - 4.6
Source: U.S. Department of Commerce, NTTO
DISCOVER Los Angeles
*Note- The SIAT question asked is "With whom are you traveling now" which may skew the "Alone" and "Tour Group" travel companion responses.
LOS ANGELES TOURISM & CONVENTION BOARD
35


THE FRENCH VISITOR TO LOS ANGELES
Top Trip Activities
Shopping 86%
Sightseeing 78%
National Parks 68%
Amusement Parks 51%
Visiting Small Towns 47%
Visiting Historical Locations 40%
Trip Spending
Lodging $287
F&B $241
Entertainment $120
Gifts $120
Transportation $65
Other $93
Trip Spending
Total Spending Per Visitor/Trip $926
Total Estimated Direct Visitor Spend $256,502,000
Source: U.S. Department of Commerce, NTTO
DISCOVER Los Angeles
LOS ANGELES TOURISM & CONVENTION BOARD
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GERMANY

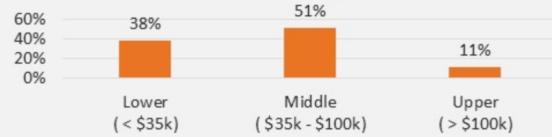
Population

Population of Select Countries & Cities in 2018		
Country & City	2018 Population	% of City to Country
Total Germany	82,293,000	
Berlin	4,465,000	5.4%
Frankfurt	2,762,000	3.4%
Sum of Key Cities	**7,227,000**	**8.8%**
Other	75,066,000	91.2%

Household Income

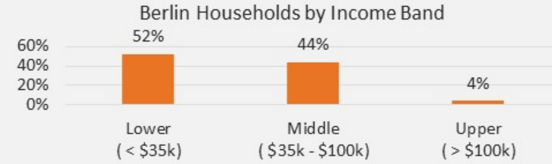
Frankfurt 2018 Average Household Income **$62,400**

Frankfurt Households by Income Band



Berlin 2018 Average Household Income **$46,500**

Berlin Households by Income Band



Source: Tourism Economics City to City Data, United Nations

DISCOVER Los Angeles

THE GERMAN VISITOR TO LOS ANGELES

Airlift

2018 Average Non-Stop Weekly Flights to L.A.		
Departing City	Weekly Flights	Weekly Seats
Frankfurt	10	3,600
Munich	7	2,870
Total Germany	17	6,470

2018/17 Seat Capacity Growth – -20.1%

2018/17 Decreased Service –
Cessation of Air Berlin Flight from Dusseldorf as of Oct 2017

Visitation

L.A. County Visitation			
Year	Volume	+/- Change	% Change
2016	236,000	-8,000	-3.0%
2017	254,000	18,000	7.5%
2018f	247,000	-7,000	-2.7%
2019f	252,000	5,000	2.0%
2020f	257,000	5,000	1.8%
2121f	260,000	3,000	1.4%
2022f	264,000	4,000	1.4%

2018 German Visitation by City

Source: OAG, Tourism Economics July 2018

DISCOVER Los Angeles

THE GERMAN VISITOR TO THE USA

Travel Outlook

Days Available for International Travel **17.1**

Most Important Content for Destination Decision

National Parks **40.7%**

Ways to Experience Nature **39.0%**

Hotels & Lodging **35.1%**

Important Iconic Attractions **34.7%**

Deterrents to Visiting the USA

USA Is Too Expensive - **45.4%**

The USA Is Too Far Away – **30.3%**

Uncomfortable with US National Politics – **27.7%**

Better Destinations Exist – **19.3%**

I Don't Have Enough Holiday Time – **18.2%**

Desired U.S. Vacation Experiences

Sightseeing in Cities – **57.1%**

Relaxation – **56.8%**

Visit National Parks – **56.5%**

Take Scenic Drives or Road Trips – **51.6%**

Desired Lodging Types

Full Service (4 or 3 Star) – **45.4%**

Mid-Priced (2 star) – **33.6%**

Bed & Breakfast – **27.9%**

Vacation Home or Apartment – **24.4%**

What One Word Best Describes The USA

Source: Destination Analysts "The State of the International Traveler" May 2018

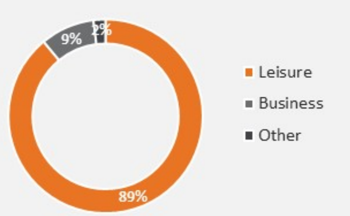
THE GERMAN VISITOR TO LOS ANGELES

Demographics

Average Age **36.0**

Average HHI **$83,174**

Primary Reason for Recent L.A. Trip



L.A. Travel Details

Average Party Size **1.8**

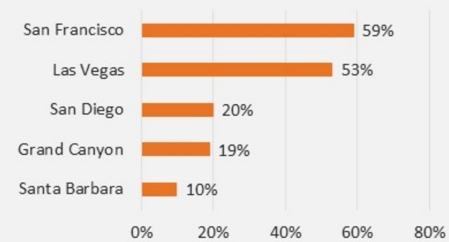
First-Time Visitor to U.S. **30%**

U.S. Average Length of Stay **23.0 Nights**

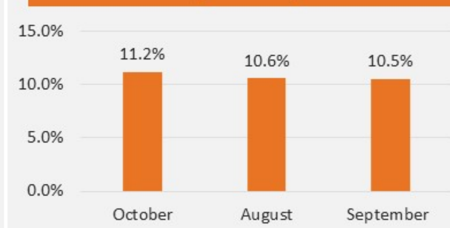
L.A. Average Length of Stay **6.5 Nights**

Average Number of U.S. Destinations Visited **4.5**

U.S. Destinations Visited on Same Trip



Most Popular Trip Months



Source: U.S. Department of Commerce, NTTO

THE GERMAN VISITOR TO LOS ANGELES

Top Resources Used to Plan Trip

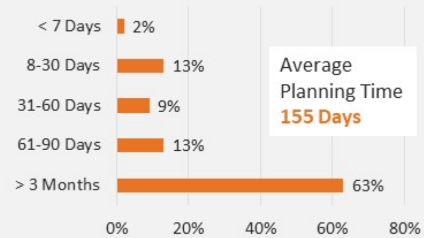
OTA **44%**

Airlines **36%**

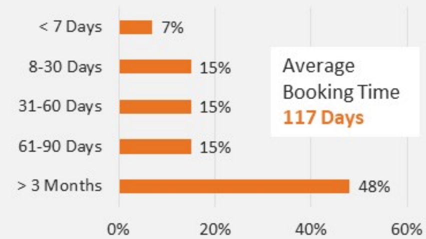
Personal Recommendation **36%**

Travel Agency **30%**

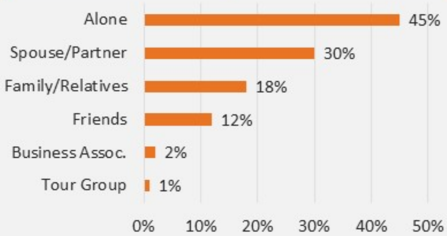
Advance Planning for Trip



Timing of Booking L.A. Trip (Airline)



Travel Companions*



Modes of Transportation in U.S.

Rented Auto **67%**

Subway/Bus **33%**

Private Auto **30%**

Airlines **29%**

Place of Stay

Paid Lodging **84%**

VFR **16%**

Mean Nights In Paid Lodging - **6.0**

Source: U.S. Department of Commerce, NTTO

DISCOVER Los Angeles

*Note- The SIAT question asked is "With whom are you traveling now" which may skew the "Alone" and "Tour Group" travel companion responses.

THE GERMAN VISITOR TO LOS ANGELES

Top Trip Activities

Sightseeing **90%**

Shopping **88%**

National Parks **70%**

Visiting Small Towns **64%**

Visiting Historical Locations **50%**

Amusement Parks **34%**

Trip Spending

Lodging **$335**

F&B **$196**

Entertainment **$82**

Gifts **$82**

Transportation **$57**

Other **$65**

Trip Spending

Total Spending Per Visitor/Trip **$817**

Total Estimated Direct Visitor Spend **$192,812,000**

Source: U.S. Department of Commerce, NTTO

DISCOVER Los Angeles

INDIA

Market Conditions

GDP Forecast –
7.5% in 2018 & 7.1% in 2019

Exchange Rate – 1 Indian Rupee=
0.016 U.S. $

Changes in Laws/Policies

Demonetization

- Negative fallout of demonetization was over by mid-2017 and travelers were use to paying by credit card which returned outbound travel back to normal growth rates.

Government reforms

- GST (goods & service tax) was implemented in July 2017 and continuously simplified over the last six (6) months. From January 25, 2018 some of the tax rates were revised to facilitate ease of doing business. Taxes on holiday packages reduced from 9% to 5%.
- Over 300 million additional bank accounts for the weaker sections opened in 2017. This has brought surplus cash back into the banking system which in the long-run will lead to higher savings and economic growth.

Aviation and airports

- Two new world-class international airports announced in New Delhi (2025) and Mumbai (2020).
- The national carrier Air India, is in the process of being privatized. Bids are to be finalized by June 2018 and the final sale is supposed to be completed by December 2018.

Visa

- Over 1 million U.S. Visas were issued in 2017 in India.

Competitive Landscape

Key competitors include:

- Australia
- New Zealand
- Great Britain
- South Africa
- Western Europe

Source: Visit California; Tourism Economics

INDIA

Population

Population of Select Countries & Cities in 2018		
Country & City	**2018 Population**	**% of City to Country**
Total India	**1,354,052,000**	
Mumbai	20,540,000	1.5%
Delhi	19,821,000	1.5%
Sum of Key Cities	**40,361,000**	**3.0%**
Other	1,313,691,000	97.0%

Household Income

Delhi 2018 Average Household Income **$21,800**

Mumbai 2018 Average Household Income **$16,700**

Source: Tourism Economics City to City Data, United Nations

THE INDIAN VISITOR TO THE USA

Travel Outlook

Days Available for International Travel **13.7**

Most Important Content for Destination Decision

Shopping **35.0%**

Restaurants & Food **32.5%**

Hotels & Lodging **32.2%**

Sightseeing Tours **32.1%**

Deterrents to Visiting the USA

USA Is Too Expensive - **58.4%**

Unfavorable Currency Exchange Rate – **28.0%**

I Don't Have Enough Holiday Time – **24.7%**

The US Is Too Far Away – **22.9%**

Better Destinations Exist – **22.8%**

Desired U.S. Vacation Experiences

Visit Famous or Iconic Landmarks – **85.0%**

Sightseeing in Cities – **80.1%**

Visit Historical Sites – **79.7%**

Relaxation – **79.1%**

Desired Lodging Types

Full Service (4 or 3 star) – **44.1%**

Mid-Priced (2 star) – **33.7%**

Luxury Hotel (5 stars or higher) – **26.4%**

Friend's or Relative's Home – **25.1%**

What One Word Best Describes The USA

Source: Destination Analysts "The State of the International Traveler" May 2018

DISCOVER Los Angeles

LOS ANGELES TOURISM & CONVENTION BOARD

THE INDIAN VISITOR TO LOS ANGELES

Visitation

L.A. County Visitation			
Year	Volume	+/- Change	% Change
2016	116,000	11,000	10.2%
2017	123,000	7,000	6.4%
2018f	130,000	7,000	5.6%
2019f	138,000	8,000	5.9%
2020f	146,000	8,000	6.0%
2121f	155,000	9,000	6.0%
2022f	164,000	9,000	5.7%

2018 Indian Visitation by City

Source:, Tourism Economics July 2018

DISCOVER Los Angeles

LOS ANGELES TOURISM & CONVENTION BOARD

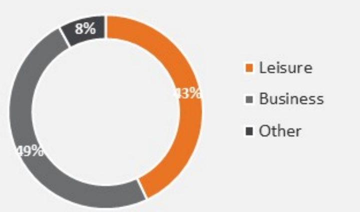
THE INDIAN VISITOR TO LOS ANGELES

Demographics

Average Age **36.1**

Average HHI **$34,582**

Primary Reason for Recent L.A. Trip



L.A. Travel Details

Average Party Size **1.3**

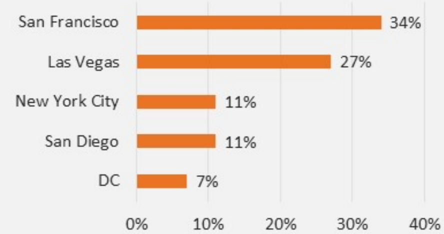
First-Time Visitor to U.S. **37%**

U.S. Average Length of Stay **30.4 Nights**

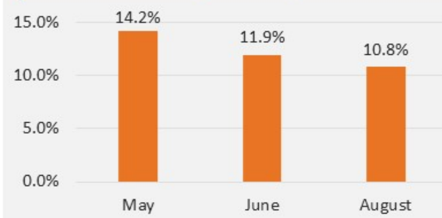
L.A. Average Length of Stay **8.6 Nights**

Average Number of U.S. Destinations Visited **3.0**

U.S. Destinations Visited on Same Trip



Most Popular Trip Months



THE INDIAN VISITOR TO LOS ANGELES

Top Resources Used to Plan Trip

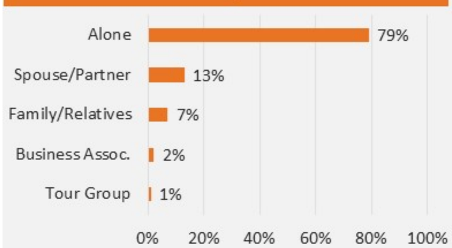
Corporate Travel Department **40%**

Airlines **36%**

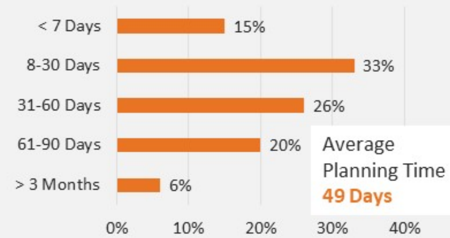
Personal Recommendation **36%**

OTA **25%**

Travel Companions*



Advance Planning for Trip



Modes of Transportation in U.S.

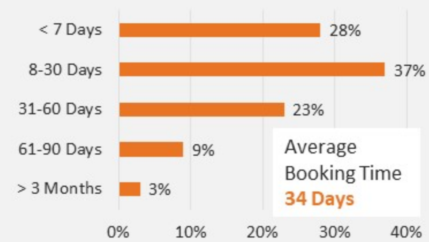
Airlines **57%**

Taxi/Limo **43%**

Subway/Bus **38%**

Ride Sharing **29%**

Timing of Booking L.A. Trip (Airline)



Place of Stay

Paid Lodging **69%**

VFR **31%**

Mean Nights In Paid Lodging - **10.1**

*Note- The SIAT question asked is "With whom are you traveling now" which may skew the "Alone" and "Tour Group" travel companion responses.

THE INDIAN VISITOR TO LOS ANGELES

Top Trip Activities

- Sightseeing **95%**
- Shopping **77%**
- Amusement Parks **52%**
- National Parks **42%**
- Art Gallery/Museum **37%**
- Guided Tour **35%**

Trip Spending

- Lodging **$483**
- F&B **$128**
- Entertainment **$91**
- Gifts **$137**
- Transportation **$64**
- Other **$9**

Trip Spending

- Total Spending Per Visitor/Trip **$912**
- Total Estimated Direct Visitor Spend **$105,792,000**

Source: U.S. Department of Commerce, NTTO

JAPAN

Market Conditions

GDP Forecast – 1.2% in 2018 & 1.1% in 2019

Exchange Rate – 1 Japanese Yen = 0.009 U.S. $

Competitive Landscape

- Hawaii and Australia continue to be the key competitors in Japan.
  - Australia grew 23% in 2016 due to the addition of new air service and intense promotion, and has continued steady growth in 2017.
  - Hawaii was flat in 2016 but has been growing 5% YOY in 2017.
- Canada, a competitor for the traveler interested in natural beauty, continues the growth trend. It recorded a YOY growth of 35% in Q1 2017.
- Due to security concerns over Europe, tour operates continue to shift group tours for seniors to the U.S. (especially California and the West Coast), Canada and Oceania.
- Orlando continues to be a competitor for the family and young female segment.
- Domestic Japan destinations are real competitors for all overseas destinations, as Japanese rediscover their own country thanks to improved tourism product and infrastructure in preparation for the Tokyo 2020 Olympics.

Source: Visit California; Tourism Economics

THE JAPANESE VISITOR TO THE USA

Travel Outlook

Days Available for International Travel 7.1

Most Important Content for Destination Decision

Safety 40.5%

Hotels & Lodging 40.1%

Restaurants & Food 34.4%

Transportation & How to Get Around 26.7%

Deterrents to Visiting the USA

USA Is Too Expensive - 37.5%

USA is Too Far Away – 29.0%

Concerns About My Personal Safety in the USA– 28.4%

I Don't Have Enough Holiday Time – 24.0%

Better Destinations Exist – 16.9%

Desired U.S. Vacation Experiences

Relaxation – 50.8%

Visit Famous or Iconic Landmarks – 47.4%

Sightseeing in Cities – 44.8%

Visit Historical Sites – 43.9%

Desired Lodging Types

Mid-Priced (2 star)– 58.7%

Full Service (4 or 3 star) – 39.7%

Budget Hotel or Motel (1 star) – 19.7%

Bed & Breakfast – 12.7%

What One Word Best Describes The USA

Source: Destination Analysts "The State of the International Traveler" May 2018

THE JAPANESE VISITOR TO LOS ANGELES

Airlift

2018 Average Non-Stop Weekly Flights to L.A.		
Departing City	Weekly Flights	Weekly Seats
Tokyo	63	16,660
Osaka	7	1,420
Total Japan	70	18,080

2018/17 Seat Capacity Growth – +9.5%

2017 Increased Service –
All Nippon / Tokyo-LAX / October

Visitation

L.A. County Visitation			
Year	Volume	+/- Change	% Change
2016	340,000	25,000	8.0%
2017	341,000	1,000	0.2%
2018f	349,000	8,000	2.5%
2019f	355,000	6,000	1.6%
2020f	358,000	3,000	1.1%
2121f	362,000	4,000	1.0%
2022f	365,000	3,000	0.9%

Source: OAG, Tourism Economics July 2018

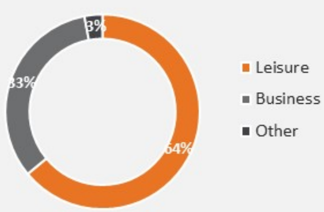
THE JAPANESE VISITOR TO LOS ANGELES

Demographics

Average Age 44.5

Average HHI $110,896

Primary Reason for Recent L.A. Trip



L.A. Travel Details

Average Party Size 1.7

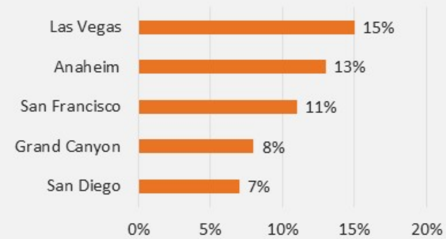
First-Time Visitor to U.S. 14%

U.S. Average Length of Stay 9.6 Nights

L.A. Average Length of Stay 4.8 Nights

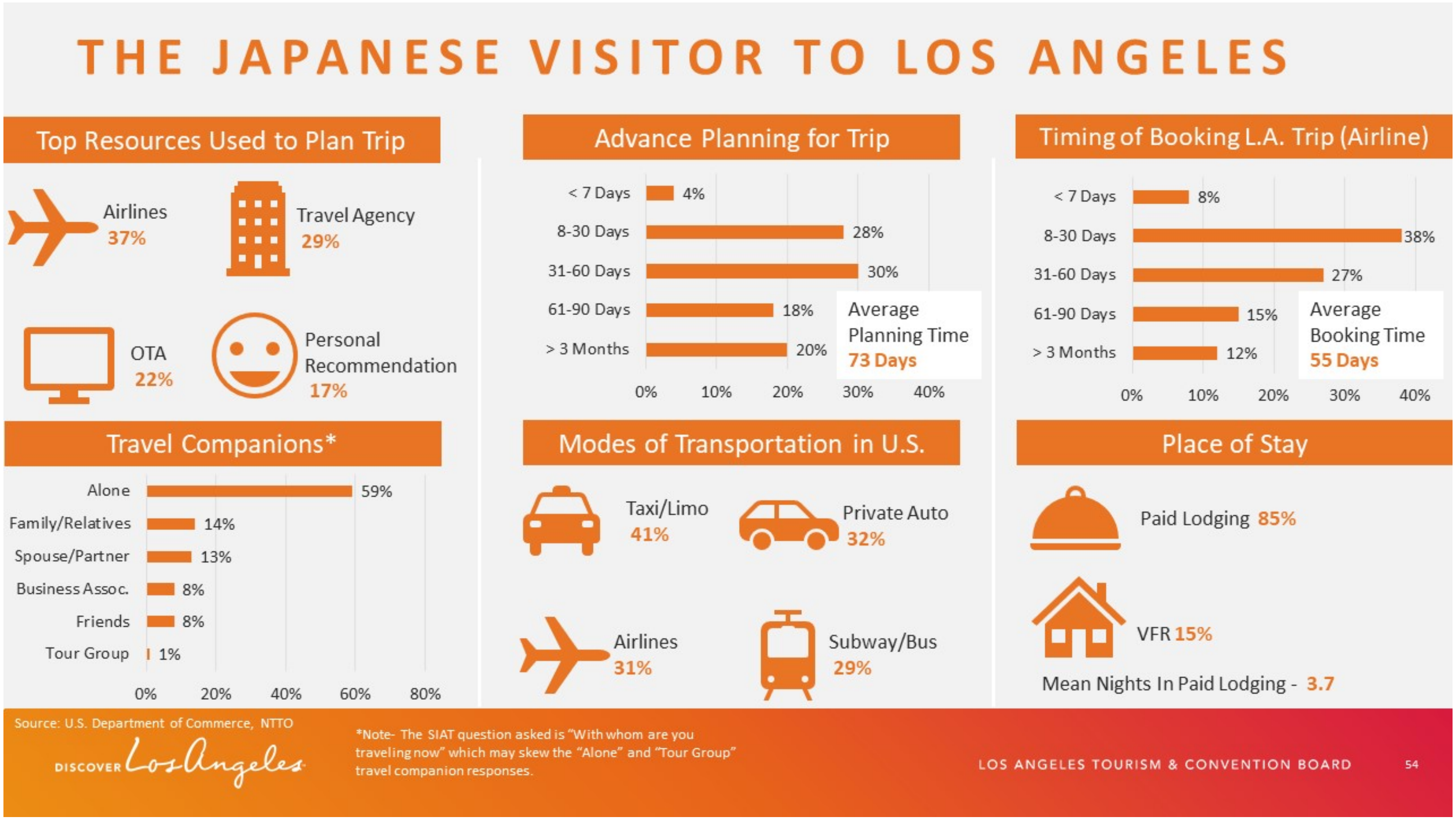
Average Number of U.S. Destinations Visited 2.3

U.S. Destinations Visited on Same Trip



Most Popular Trip Months

Source: U.S. Department of Commerce, NTTO


THE JAPANESE VISITOR TO LOS ANGELES
Top Resources Used to Plan Trip
Airlines 37%
Travel Agency 29%
OTA 22%
Personal Recommendation 17%
Advance Planning for Trip
< 7 Days 4%
8-30 Days 28%
31-60 Days 30%
61-90 Days 18%
> 3 Months 20%
0% 10% 20% 30% 40%
Average Planning Time 73 Days
Timing of Booking L.A. Trip (Airline)
< 7 Days 8%
8-30 Days 38%
31-60 Days 27%
61-90 Days 15%
> 3 Months 12%
0% 10% 20% 30% 40%
Average Booking Time 55 Days
Travel Companions*
Alone 59%
Family/Relatives 14%
Spouse/Partner 13%
Business Assoc. 8%
Friends 8%
Tour Group 1%
0% 20% 40% 60% 80%
Modes of Transportation in U.S.
Taxi/Limo 41%
Private Auto 32%
Airlines 31%
Subway/Bus 29%
Place of Stay
Paid Lodging 85%
VFR 15%
Mean Nights In Paid Lodging - 3.7
Source: U.S. Department of Commerce, NTTO
DISCOVER Los Angeles
*Note- The SIAT question asked is "With whom are you traveling now" which may skew the "Alone" and "Tour Group" travel companion responses.
LOS ANGELES TOURISM & CONVENTION BOARD
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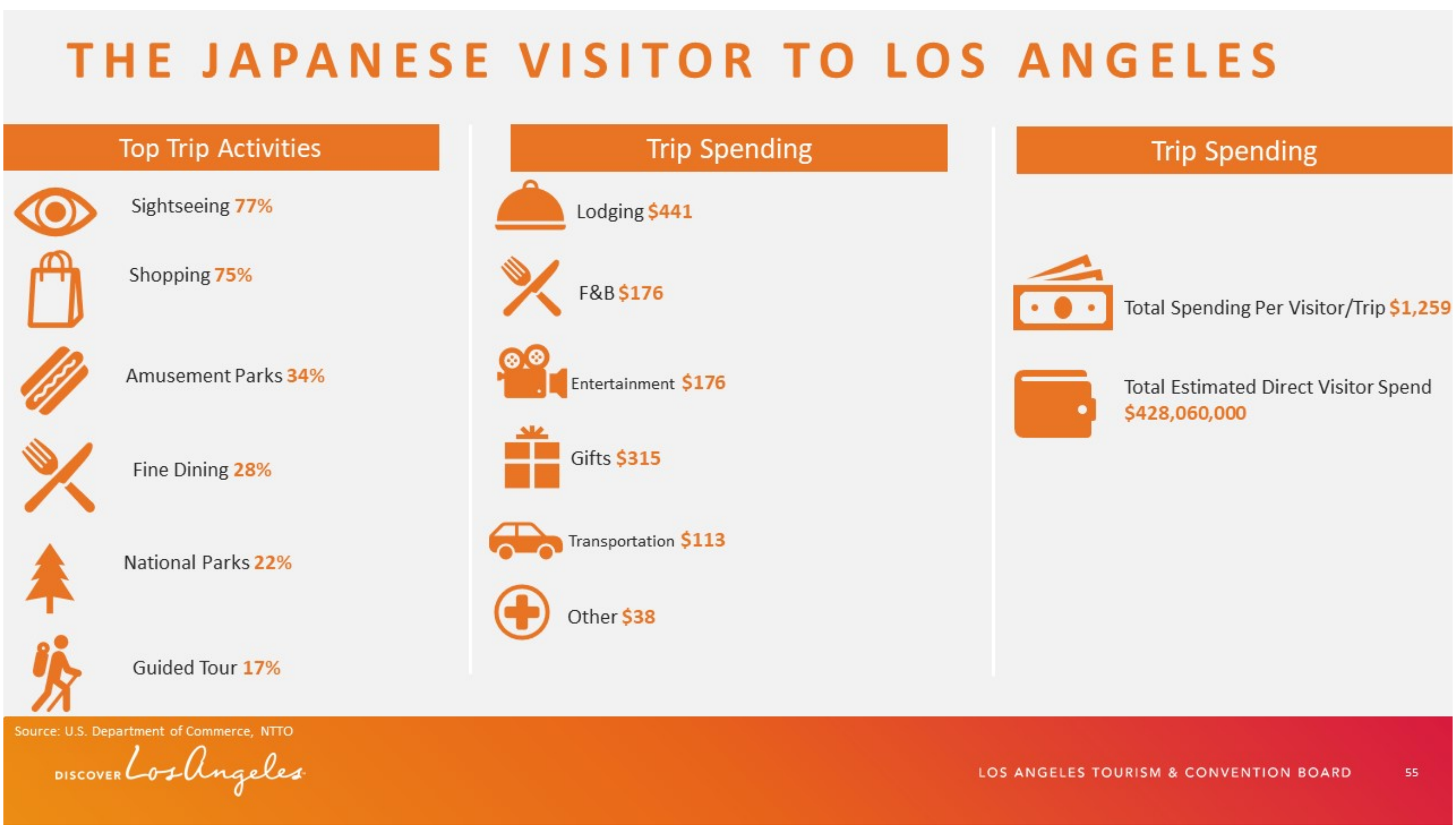
THE JAPANESE VISITOR TO LOS ANGELES
Top Trip Activities
Sightseeing 77%
Shopping 75%
Amusement Parks 34%
Fine Dining 28%
National Parks 22%
Guided Tour 17%
Trip Spending
Lodging $441
F&B $176
Entertainment $176
Gifts $315
Transportation $113
Other $38
Trip Spending
Total Spending Per Visitor/Trip $1,259
Total Estimated Direct Visitor Spend $428,060,000
Source: U.S. Department of Commerce, NTTO
DISCOVER Los Angeles
LOS ANGELES TOURISM & CONVENTION BOARD
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MEXICO

Market Conditions

GDP Forecast –
2.4% in 2018 & 2.2% in 2019

Exchange Rate –
1 Mexican Peso = 0.052 U.S. $

Changes in Laws/Policies

- General elections are scheduled July 2018. Voters will elect a new president to serve a six-year term, 500 members of the Chamber of Deputies and 128 members of the Senate. The new president inauguration takes place on Dec. 1, 2018.
- Mexico remains cautious about the renegotiation of NAFTA. A further economic slowdown is expected due to uncertainty.
- The Mexican economy performed better than expected during 2017 with annual GDP growth at 2.3 percent. The peso appreciated with respect to the U.S. dollar, following a significant depreciation earlier.

Competitive Landscape

- Canada – Visa cancelation, increased airlift to this destination and promotion are attracting more Mexican visitors.
- Inexpensive U.S. destinations like Texas and Florida continue to be a threat.
- Heavy domestic travel campaigns and U.S. dollar exchange rate keep Mexican travelers in their own country.

Source: Visit California; Tourism Economics

MEXICO

Population

Population of Select Countries & Cities in 2018		
Country & City	2018 Population	% of City to Country
Total Mexico	130,759,000	
Mexico City	20,491,000	15.7%
Guadalajara	4,315,000	3.3%
Sum of Key Cities	**24,806,000**	**19.0%**
Other	105,953,000	81.0%

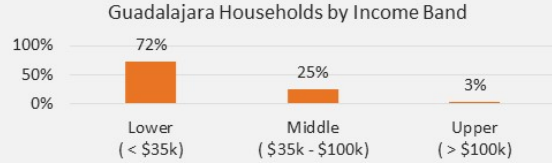
Household Income

Mexico City 2018 Average Household Income **$36,100**

Mexico City Households by Income Band

Guadalajara 2018 Average Household Income **$30,400**

Guadalajara Households by Income Band



Source: Tourism Economics City to City Data, United Nations

THE MEXICAN VISITOR TO THE USA

Travel Outlook

Days Available for International Travel **15.8**

Most Important Content for Destination Decision

- Hotels & Lodging **46.3%**
- Restaurants & Food **42.0%**
- Entertainment **35.4%**
- Shopping **32.0%**

Deterrents to Visiting the USA

- Unfavorable Currency Exchange Rate – **44.0%**
- USA Is Too Expensive – **35.4%**
- Uncomfortable with US National Politics – **33.6%**
- I Don't Feel Welcome in the USA – **23.6%**
- Concerns About My Personal Safety in the USA– **22.2%**

Desired U.S. Vacation Experiences

- Family Fun – **81.9%**
- Relaxation – **80.8%**
- Theme & Amusement Park – **79.7%**
- Visit Famous or Iconic Landmarks – **76.0%**

Desired Lodging Types

- Full Service (4 or 3 star) – **55.3%**
- Mid-Priced (2 star) – **22.2%**
- Friend's or Relative's Home – **21.3%**
- Luxury Hotel (5 stars or higher) – **18.8%**

What One Word Best Describes The USA

Source: Destination Analysts "The State of the International Traveler" May 2018

DISCOVER Los Angeles

LOS ANGELES TOURISM & CONVENTION BOARD

THE MEXICAN VISITOR TO LOS ANGELES

Airlift

2018 Average Non-Stop Weekly Flights to L.A.		
Departing City	Weekly Flights	Weekly Seats
Mexico City*	96	14,890
Guadalajara*	66	11,630
San Jose Cabo*	54	8,460
Cancun	39	6,440
Puerto Vallarta*	36	5,220
Leon/Guanajuato*	26	3,030
Monterrey	7	700
Morelia	5	870
Mazatlán	5	810
Zacatecas	5	720
Other Cities	**20**	**3,140**
Total Mexico	**359**	**55,910**

2018/17 Seat Capacity Growth – +1.6%

* Indicates 2018/2017 New Service

Visitation

L.A. County Visitation			
Year	Volume	+/- Change	% Change
2016	1,757,000	20,000	1.1%
2017	1,708,000	-49,000	-2.8%
2018f	1,756,000	48,000	2.8%
2019f	1,810,000	54,000	3.1%
2020f	1,875,000	65,000	3.6%
2121f	1,951,000	76,000	4.0%
2022f	2,031,000	80,000	4.1%

Source: OAG, Tourism Economics July 2018

DISCOVER Los Angeles

LOS ANGELES TOURISM & CONVENTION BOARD 59

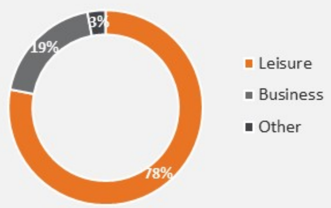
THE MEXICAN AIR VISITOR TO L.A.

Demographics

Average Age **25.7**

Average HHI **$69,031**

Primary Reason for Recent L.A. Trip



L.A. Travel Details

Traveling with Children **35.2%**

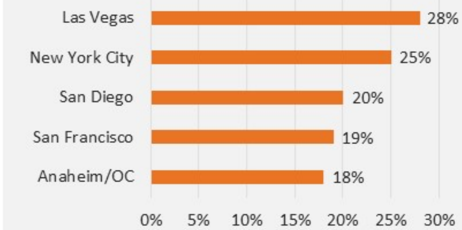
First-Time Visitor to L.A. **18%**

Average Number of Overnight Trips to the USA in Past Year **2.6**

Average Number of Overnight Trips to the Los Angeles in Past Year **1.7**

L.A. Average Length of Stay **5.2 Nights**

Other U.S. Destinations Visited in Past Year



Most Popular Trip Months

Source: Destination Analysts

DISCOVER Los Angeles

LOS ANGELES TOURISM & CONVENTION BOARD

THE MEXICAN AIR VISITOR TO L.A.

Top Resources Used to Plan Trip

Friends/ Relatives **41%**

Airline Website **31%**

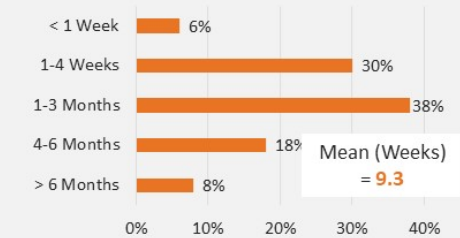
Search Engine **30%**

YouTube / Online Videos **27%**

Method of Arrival to L.A.

Airlines **100%**

Timing of Decision to Visit L.A.



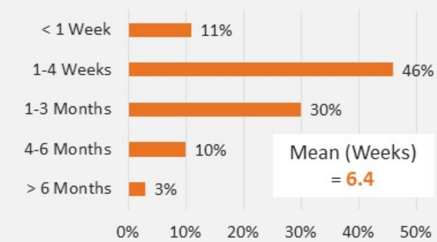
Modes of Transportation in L.A.

Rental Vehicle **38%**

Traditional Taxi Cab **31%**

Online Taxi Service **30%**

Timing of Booking L.A. Trip



Place of Stay

Paid Lodging **97%**

VFR **35%**

Source: Destination Analysts

DISCOVER Los Angeles

LOS ANGELES TOURISM & CONVENTION BOARD

THE MEXICAN AIR VISITOR TO L.A.

Important Decision Factors For Choosing L.A.

- Shopping Opportunities **38%**
- Friends/Family in the Area **36%**
- L.A. is Affordable to Visit **34%**
- Theme Park **33%**
- Hollywood/Celebrities **28%**
- L.A. is Family Friendly **30%**

Top Trip Activities

- Shopping **71%**
- Dining **71%**
- Visit a Beach **47%**
- Bars/Nightlife **46%**
- Theme Park **42%**
- Art Gallery/Museum **34%**

Source: Destination Analysts

DISCOVER Los Angeles

LOS ANGELES TOURISM & CONVENTION BOARD

SOUTH KOREA

Market Conditions

GDP Forecast – 2.7% in 2018 & 2.6% in 2019

Exchange Rate – 1 South Korean Won = 0.0009 U.S. $

Changes in Laws/Policies

- Government officially announced the anti-graft law does not apply to media FAM tours for international destinations
- The Fair Trade Commission is implementing a system that applies ticket cancellation fees based on the time of cancellation for outbound airlines with 10,000 or more passengers per month. This system is designed to reduce the excessive cancellation fees charged by airlines.

Competitive Landscape

- Europe – History, culture, culinary, shopping, FIT including solo/mother-daughter travel.
- Canada – Nature, family, FIT, Active mature travel, ski travel.
- Australia – Nature, family, FIT including solo travel.
- Resort destinations such as Maldives and Hawaii – honeymoon.

SOUTH KOREA

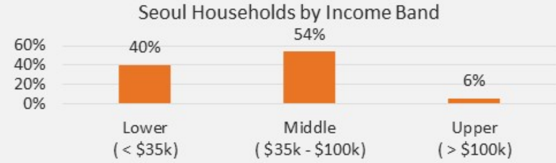
Population

Population of Select Countries & Cities in 2018		
Country & City	2018 Population	% of City to Country
Total S. Korea	51,164,000	
Seoul	9,636,000	18.8%
Other	41,528,000	81.2%

Household Income

Seoul 2018 Average Household Income **$50,400**

Seoul Households by Income Band



THE SOUTH KOREAN VISITOR TO THE USA

Travel Outlook

Days Available for International Travel 10.0

Most Important Content for Destination Decision

Hotels & Lodging 46.1%

Important Iconic Attractions 38.8%

Restaurants & Food 37.3%

Safety 32.2%

Deterrents to Visiting the USA

USA Is Too Expensive – 44.0%

USA Is Too Far Away – 42.8%

I Don't Have Enough Holiday Time – 36.1%

Concerns About My Personal Safety in the USA – 29.7%

Better Destinations Exist – 19.2%

Desired U.S. Vacation Experiences

Relaxation – 60.0%

Visit Famous or Iconic Landmarks – 54.9%

Visit Beaches & Resorts – 51.9%

Sightseeing in Cities – 48.2%

Desired Lodging Types

Mid-Priced (2 star) – 45.0%

Full-Service (4 or 3 star) – 38.2%

Bed & Breakfast – 22.7%

Hostel – 21.4%

What One Word Best Describes The USA

THE SOUTH KOREAN VISITOR TO LOS ANGELES

Airlift

2018 Average Non-Stop Weekly Flights to L.A.		
Departing City	Weekly Flights	Weekly Seats
Seoul	34	13,760

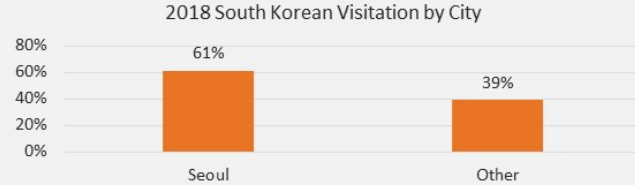
2018/17 Seat Capacity Growth – -7.0%

2018 Reduced/Canceled Service –
Korean Air Reduced Service July – August 2018
Cessation of Singapore Airlines Flight as of Dec 2018

Visitation

L.A. County Visitation			
Year	Volume	+/- Change	% Change
2016	296,000	1,000	0.2%
2017	341,000	45,000	15.3%
2018f	349,000	8,000	2.2%
2019f	367,000	18,000	5.3%
2020f	384,000	17,000	4.5%
2121f	402,000	18,000	4.8%
2022f	424,000	22,000	5.3%

2018 South Korean Visitation by City



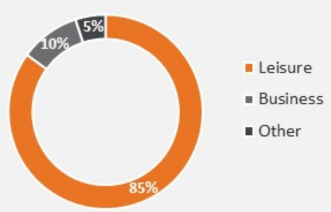
THE SOUTH KOREAN VISITOR TO LOS ANGELES

Demographics

Average Age **36.3**

Average HHI **$62,786**

Primary Reason for Recent L.A. Trip



L.A. Travel Details

Average Party Size **1.9**

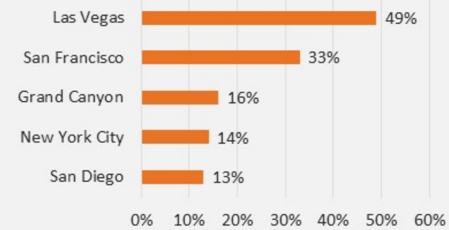
First-Time Visitor to U.S. **49%**

U.S. Average Length of Stay **19.1 Nights**

L.A. Average Length of Stay **7.1 Nights**

Average Number of U.S. Destinations Visited **3.4**

U.S. Destinations Visited on Same Trip



Most Popular Trip Months

Source: U.S. Department of Commerce, NTTO

DISCOVER Los Angeles

THE SOUTH KOREAN VISITOR TO LOS ANGELES

Top Resources Used to Plan Trip

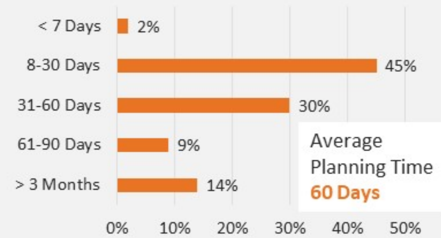
Personal Recommendation **44%**

OTA **33%**

Airlines **23%**

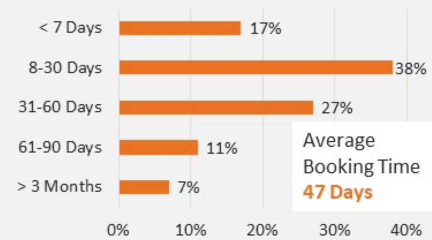
Travel Agency **14%**

Advance Planning for Trip



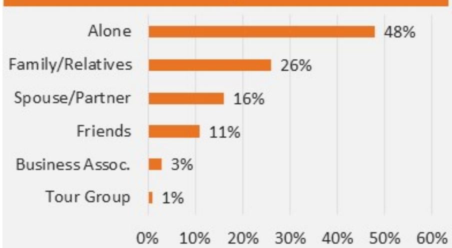
Average Planning Time **60 Days**

Timing of Booking L.A. Trip (Airline)



Average Booking Time **47 Days**

Travel Companions*



Modes of Transportation in U.S.

Rented Auto **38%**

Private Auto **37%**

Airlines **34%**

Ride Sharing **29%**

Place of Stay

Paid Lodging **71%**

VFR **29%**

Mean Nights In Paid Lodging - **7.1**

Source: U.S. Department of Commerce, NTTO

DISCOVER Los Angeles

*Note- The SIAT question asked is "With whom are you traveling now" which may skew the "Alone" and "Tour Group" travel companion responses.

THE SOUTH KOREAN VISITOR TO LOS ANGELES

Top Trip Activities

- Sightseeing **84%**
- Shopping **75%**
- National Parks **59%**
- Amusement Parks **58%**
- Art Gallery/Museum **34%**
- Visiting Historical Locations **28%**

Trip Spending

- Lodging **$378**
- F&B **$189**
- Entertainment **$139**
- Gifts **$139**
- Transportation **$90**
- Other **$61**

Trip Spending

- Total Spending Per Visitor/Trip **$996**
- Total Estimated Direct Visitor Spend **$285,936,000**

Source: U.S. Department of Commerce, NTTO

UK

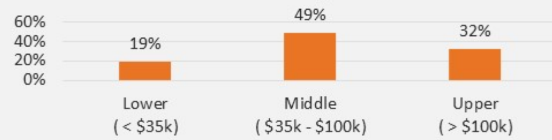
Population

Population of Select Countries & Cities in 2018		
Country & City	2018 Population	% of City to Country
Total UK	66,574,000	
London	15,325,000	23.0%
Other	51,249,000	77.0%

Household Income

London 2018 Average Household Income **$89,400**

London Households by Income Band



Source: Tourism Economics City to City Data, United Nations

THE BRITISH VISITOR TO THE USA

Travel Outlook

Days Available for International Travel **17.3**

Most Important Content for Destination Decision

Hotels & Lodging **34.5%**

Restaurants & Food **34.1%**

Transportation & How to Get Around **27.4%**

Important Iconic Attractions **23.8%**

Deterrents to Visiting the USA

USA Is Too Expensive – **43.6%**

Unfavorable Currency Exchange Rate – **20.4%**

USA Is Too Far Away – **20.1%**

Concerns About My Personal Safety in the USA – **15.5%**

I've Been There Before & Have More Interest In Other Destinations– **15.0%**

Desired U.S. Vacation Experiences

Visit Famous or Iconic Landmarks – **69.0%**

Sightseeing in Cities – **62.8%**

Relaxation – **61.9%**

Visit National Parks – **56.9%**

Desired Lodging Types

Full-Service (4 or 3 star) – **53.2%**

Mid-Priced (2 star) – **31.0%**

Bed & Breakfast – **22.8%**

Vacation Home or Apartment – **17.9%**

What One Word Best Describes The USA

Source: Destination Analysts "The State of the International Traveler" May 2018

THE BRITISH VISITOR TO LOS ANGELES

Airlift

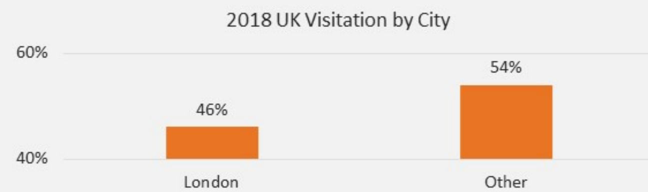
2018 Average Non-Stop Weekly Flights to L.A.		
Departing City	Weekly Flights	Weekly Seats
London	73	22,450
Manchester	3	920
Total UK	**76**	**23,370**

2018/17 Seat Capacity Growth – +7.1%

2018 Increased Service –
Norwegian / London-LAX / March

Visitation

L.A. County Visitation			
Year	Volume	+/- Change	% Change
2016	361,000	7,000	1.9%
2017	371,000	10,000	2.8%
2018f	380,000	9,000	2.5%
2019f	387,000	7,000	1.8%
2020f	393,000	6,000	1.7%
2121f	401,000	8,000	1.8%
2022f	408,000	7,000	1.9%



Source: OAG, Tourism Economics July 2018

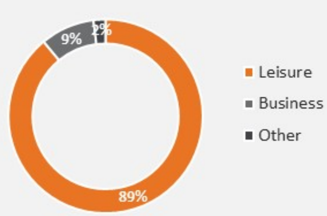
THE BRITISH VISITOR TO LOS ANGELES

Demographics

Average Age **40.5**

Average HHI **$88,103**

Primary Reason for Recent L.A. Trip



L.A. Travel Details

Average Party Size **1.7**

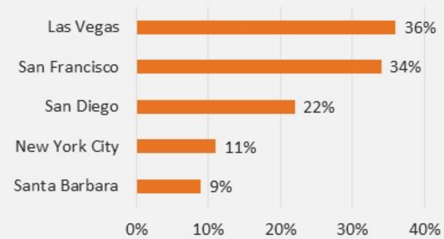
First-Time Visitor to U.S. **15%**

U.S. Average Length of Stay **17.2 Nights**

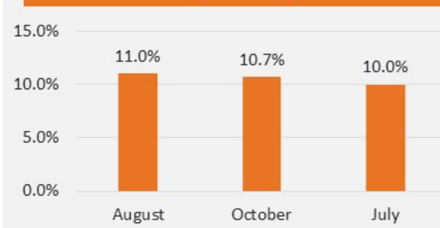
L.A. Average Length of Stay **5.8 Nights**

Average Number of U.S. Destinations Visited **3.7**

U.S. Destinations Visited on Same Trip



Most Popular Trip Months



Source: U.S. Department of Commerce, NTTO

THE BRITISH VISITOR TO LOS ANGELES

Top Resources Used to Plan Trip

- Airlines 58%
- OTA 37%
- Personal Recommendation 32%
- Travel Agency 17%

Advance Planning for Trip

< 7 Days	2%
8-30 Days	14%
31-60 Days	12%
61-90 Days	11%
> 3 Months	61%

Average Planning Time **162 Days**

Timing of Booking L.A. Trip (Airline)

< 7 Days	4%
8-30 Days	17%
31-60 Days	15%
61-90 Days	13%
> 3 Months	51%

Average Booking Time **132 Days**

Travel Companions*

Alone	50%
Spouse/Partner	34%
Family/Relatives	16%
Friends	7%
Tour Group	1%
Business Assoc.	1%

Modes of Transportation in U.S.

- Rented Auto 48%
- Airlines 37%
- Subway/Bus 35%
- Private Auto 35%

Place of Stay

- Paid Lodging 75%
- VFR 25%

Mean Nights In Paid Lodging - 4.6

Source: U.S. Department of Commerce, NTTO

DISCOVER Los Angeles

*Note- The SIAT question asked is "With whom are you traveling now" which may skew the "Alone" and "Tour Group" travel companion responses.

THE BRITISH VISITOR TO LOS ANGELES

Top Trip Activities

- Sightseeing 94%
- Shopping 84%
- National Parks 64%
- Visiting Small Towns 53%
- Guided Tour 52%
- Hhistorical Locations 50%

Trip Spending

- Lodging $297
- F&B $227
- Entertainment $166
- Gifts $105
- Transportation $52
- Other $26

Trip Spending

- Total Spending Per Visitor/Trip $873
- Total Estimated Direct Visitor Spend $315,153,000

Source: U.S. Department of Commerce, NTTO

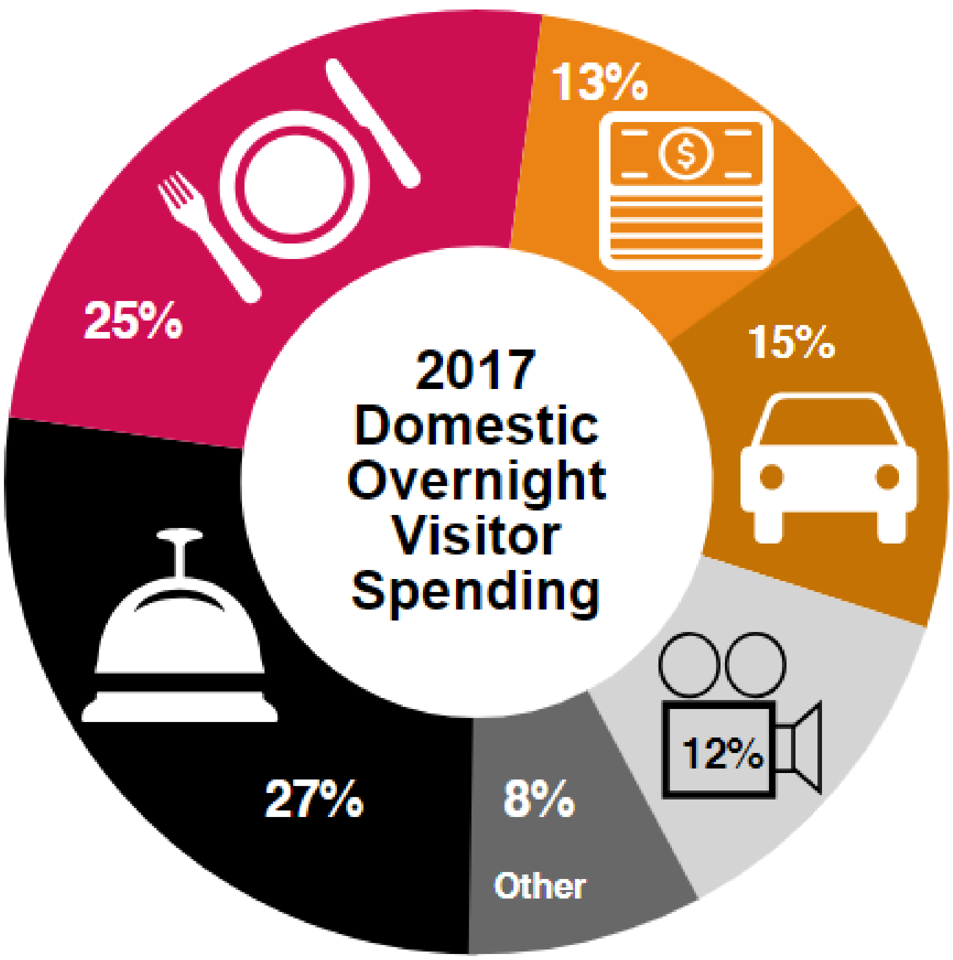
DISCOVER Los Angeles

DOMESTIC VISITOR INSIGHTS

DOMESTIC VISITOR INSIGHTS

2017 Domestic Overnight Visitor Spending

2017 Overnight Visitors	Domestic Overnight (All)	Domestic Hotel	Domestic VFR	Domestic Leisure	Domestic Business (All)	Domestic Convention/ Group Meeting	Domestic Business Transient
Direct Spend ($Billions)	$14.8	$11.4	$3.1	$9.9	$4.9	$0.7	$4.2
Visitor Trip Spend	**$601**	**$710**	**$372**	**$515**	**$933**	**$641**	**$980**
Average Nights Stay	3.3	2.8	3.9	3.3	3.3	3.0	3.5
Spend Per Day	**$182**	**$254**	**$95**	**$156**	**$283**	**$213**	**$278**

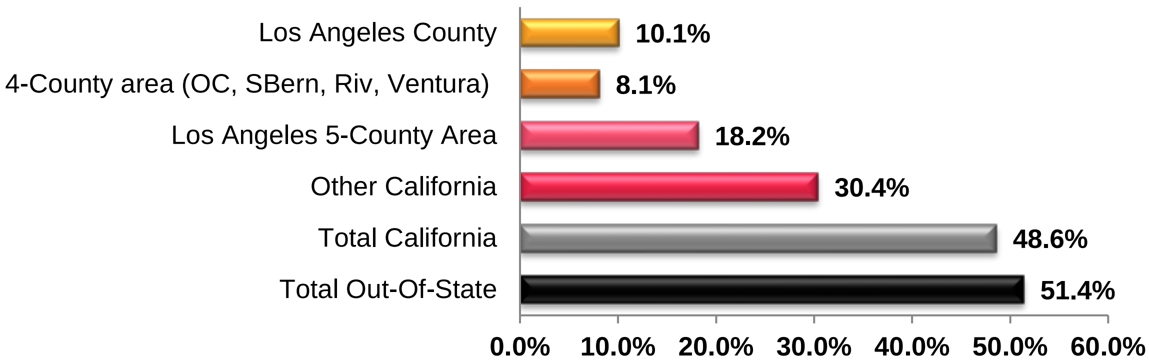


Source: Tourism Economics, Longwoods International 2017 L.A. Resurvey

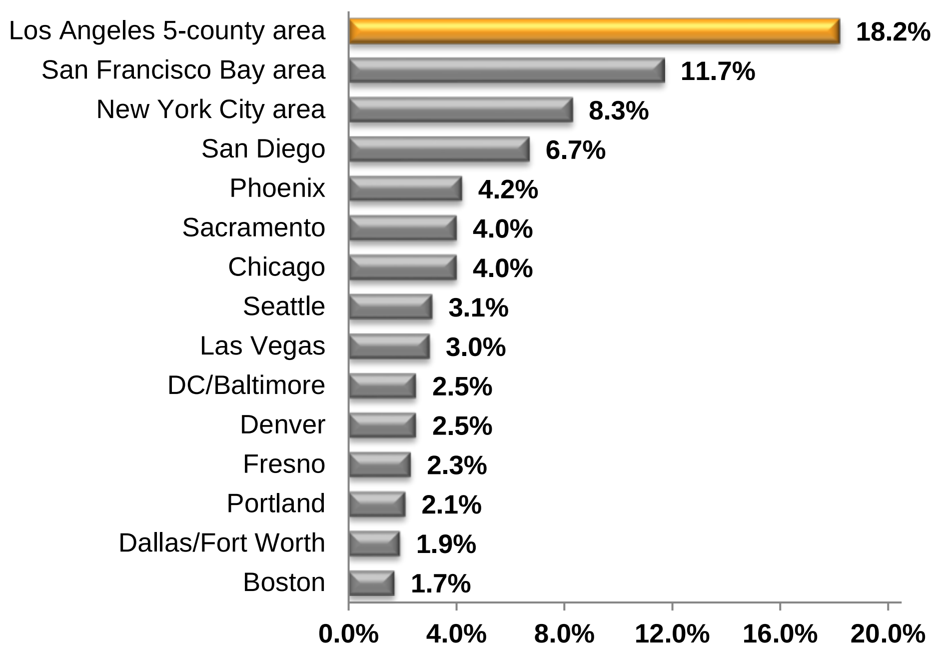
2017 Domestic Overnight Visitor Origin Markets

- In 2017, domestic visitors comprised 77% of total overnight Los Angeles County visitation, with the top two markets sourced from the local 5-county Los Angeles area and the San Francisco Bay area.
- All in-state visitors, including local 5-county residents, account for nearly **50%** of overnight visitation.
  - Out of L.A.'s top 10 domestic overnight markets, five are located within California.
  - The local L.A. 5-county area (L.A., Orange, Ventura, San Bernardino and Riverside counties) provides the largest source of overnight visitors at 18% of total domestic overnight visitation.

2017 Los Angeles Domestic Overnight Visitor Regions
As a Percent of Total Domestic Overnight Visitation



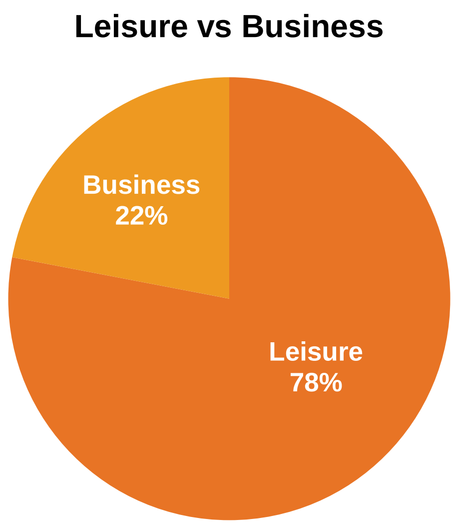
2017 Top 15 Domestic Overnight Visitor Markets (Air & Ground)
As a Percent of Total Domestic Overnight Visitation

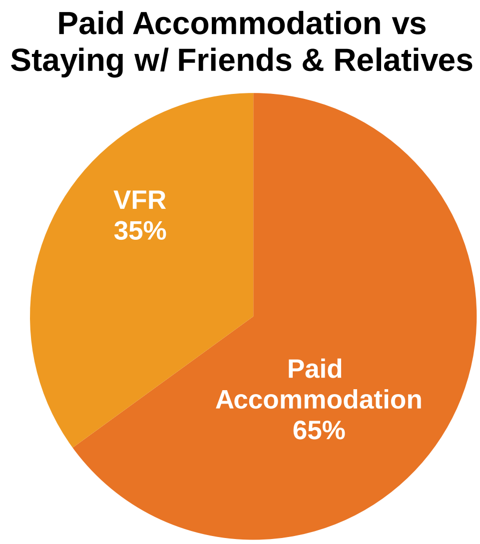


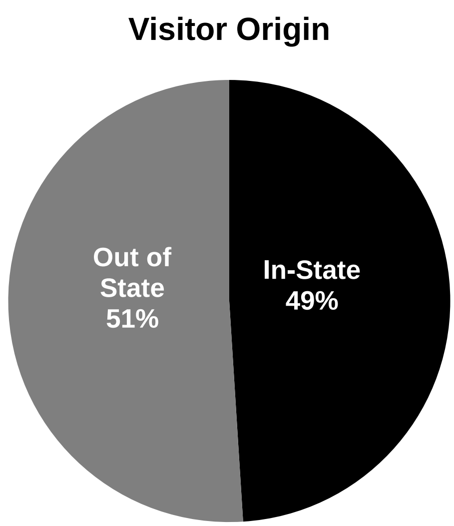
Source: Longwoods International, Tourism Economics

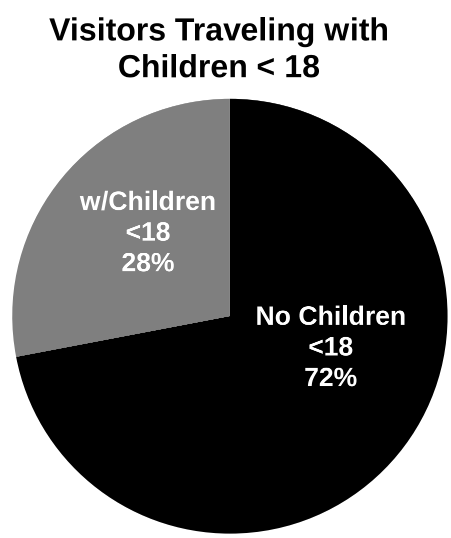
2017 Domestic Overnight Visitor Insights

Los Angeles County Domestic Overnight Visitor Profile Summary









Source: Longwoods International 2017 L.A. Resurvey, Tourism Economics

2017 Domestic Overnight Visitor Insights

Top Domestic Overnight Visitor DMA Origin

- The table below depicts the top DMA's excluding the L.A. 5-County area

ALL OVERNIGHT	Hotel Visitors	Staying w/ Friends & Relatives	Business & Convention	Leisure Only	With Children <18	No Children <18
San Francisco (11.7%)	San Francisco	San Francisco	New York City	San Francisco	San Francisco	San Francisco
New York City (8.3%)	New York City	New York City	San Francisco	New York City	San Diego	New York City
San Diego (6.7%)	San Diego	Portland	Chicago	San Diego	New York City	San Diego
Phoenix (4.2%)	Sacramento	San Diego	Sacramento	Phoenix	Sacramento	Chicago
Sacramento (4.0%)	Phoenix	Las Vegas	San Diego	Sacramento	Phoenix	Las Vegas
Chicago (4.0%)	Chicago	Sacramento	Portland	Las Vegas	Miami	Phoenix
Las Vegas (3.0%)	Miami	Chicago	Houston	Chicago	Chicago	Sacramento

Leisure vs Business Main Purpose by Visitor Type

VISITOR TYPE	ALL OVERNIGHT	Hotel Visitors	Staying w/ Friends & Relatives	Business & Convention	Leisure Only	With Children <18	No Children <18
LEISURE	**78%**	**74%**	**96%**	**0%**	**100%**	**94%**	**76%**
Vacation/Getaway	**23%**	30%	12%	0%	31%	36%	22%
Visiting friends/Relatives	**41%**	28%	72%	0%	51%	46%	39%
Personal/ Special events	**14%**	16%	12%	0%	18%	12%	15%
BUSINESS	**22%**	**26%**	**4%**	**100%**	**0%**	**6%**	**24%**
Transient	18%	21%	3%	82%	0%	3%	19%
Group meeting/ Convention	4%	5%	1%	18%	0%	3%	5%

Source: Longwoods International 2017 L.A. Resurvey

2017 Domestic Overnight Visitor Insights

Accommodation Type & Average Nights Spent by Visitor Type

VISITOR TYPE	ALL OVERNIGHT	Hotel Visitors	Staying w/ Friends & Relatives	Business & Convention	Leisure Only	With Children <18	No Children <18
Average nights in L.A. County	**3.3**	2.8	3.9	3.3	3.3	2.8	3.5
% Stay in Paid Accommodation	**65%**	100%	8%	95%	58%	66%	61%
Average nights in Paid Accommodation	**2.7**	2.7	1.7	3.3	2.6	2.3	3.0
% Stay in Private Residence (VFR)	**35%**	5%	100%	5%	42%	34%	39%
Average nights in Private Residence (VFR)	**3.8**	2.3	3.7	N/A**	3.7	3.1	3.9

** Visitors can report staying in both a Hotel and Private Residence on the same trip*
*** N/A reflects absence of a readable sample for reportable results*

Accommodation Type & Average Nights Spent by DMA Origin

DMA ORIGIN	OC, SBern, Riv, Ventura	San Diego	San Francisco	Sacramento	New York	Chicago	Phoenix
Average nights in L.A. County	2.0	2.0	2.7	2.8	4.4	3.5	3.3
% Stay in Paid Accommodation	60%	60%	62%	58%	66%	53%	63%
Average nights in Paid Accommodation	2.1	2.1	2.4	2.7	3.5	3.2	2.6
% Stay in Private Residence (VFR)	40%	40%	38%	42%	34%	47%	37%
Average nights in Private Residence (VFR)	1.9	2.1	2.6	3.0	6.3	3.6	3.6

Source: Longwoods International 2017 L.A. Resurvey

2017 Domestic Overnight Visitor Insights

Travel Party Size

- The average travel party size of domestic overnight visitors to Los Angeles County was **2.8** visitors with the largest being those traveling with children (4.3)

VISITOR TYPE	ALL OVERNIGHT	Hotel Visitors	Staying w/ Friends & Relatives	Business & Convention	Leisure Only	With Children <18	No Children <18
Average Party Size	**2.8**	3.0	2.6	1.8	2.9	4.3	2.2
% of Parties With Children Under 18	**28%**	33%	27%	2%	32%	100%	0%
Average # of People per Hotel Room	**2.5**	2.5	2.9	1.6	2.6	3.3	2.1

DMA ORIGIN	OC, SBern, Riv, Ventura	San Diego	San Francisco	Sacramento	New York	Chicago	Phoenix
Average Party Size	2.7	2.7	3.1	3.1	2.3	2.4	2.9
% of Parties With Children Under 18	18%	38%	29%	40%	17%	28%	37%
Average # of People per Hotel Room	2.2	2.5	2.5	2.7	2.1	2.2	2.9

Prior Visitation to Los Angeles

- Visitors traveling with children under 18 and those staying in hotels are the most likely to be first time visitors to Los Angeles

VISITOR TYPE	ALL OVERNIGHT	Hotel Visitors	Staying w/ Friends & Relatives	Business & Convention	Leisure Only	With Children <18	No Children <18
1st Trip	**23%**	28%	16%	16%	24%	30%	20%
Repeat Visitor	**77%**	72%	84%	84%	76%	70%	80%

DMA ORIGIN	OC, SBern, Riv, Ventura	San Diego	San Francisco	Sacramento	New York	Chicago	Phoenix
1st Trip	11%	10%	16%	11%	26%	24%	14%
Repeat Visitor	89%	90%	84%	89%	74%	76%	86%

Source: Longwoods International 2017 L.A. Resurvey

2017 Domestic Overnight Visitor Insights

In-Market Person Trip Expenditures Category Spending by Visitor Type

VISITOR TYPE	ALL OVERNIGHT	Hotel Visitors	Staying w/ Friends & Relatives	Business & Convention	Leisure Only	With Children <18	No Children <18
Lodging	$162	$219	$31	$507	$113	$67	$198
Food & Beverage	$151	$162	$130	$202	$134	$98	$169
Local Transportation, Gas, Taxis, Rental Car, Parking	$93	$104	$65	$126	$81	$60	$100
Entertainment/Activities	$73	$86	$52	$20	$71	$50	$80
Shopping	$79	$88	$66	$44	$76	$56	$86
Amenities (Spa/Health Club grooming, etc.)	$20	$25	$12	$4	$19	$17	$19
Other	$23	$26	$16	$30	$21	$24	$18
TOTAL TRIP SPEND	**$601**	**$710**	**$372**	**$933**	**$515**	**$372**	**$670**

** Some visitors staying with Friends and Relatives also report having hotel or paid accommodation stays on the same trip*

In-Market Person Trip Expenditures Category Spending by Visitor Type

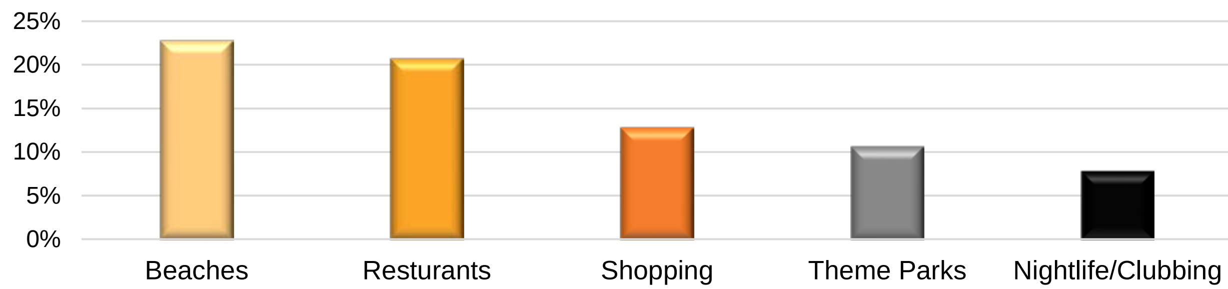
DMA ORIGIN	OC, SBern, Riv, Ventura	San Diego	San Francisco	Sacramento	New York	Chicago	Phoenix
Lodging	$57	$103	$134	$151	$279	$172	$81
Food & Beverage	$59	$119	$148	$101	$247	$161	$127
Local Transportation, Gas, Taxis, Rental Car, Parking	$38	$49	$73	$54	$151	$113	$75
Entertainment/Activities	$43	$48	$74	$46	$84	$58	$75
Shopping	$36	$46	$61	$79	$76	$45	$49
Amenities (Spa/Health Club grooming, etc.)	$11	$15	$16	$7	$46	$6	$18
Other	$8	$13	$13	$12	$53	$2	$54
TOTAL TRIP SPEND	**$252**	**$393**	**$519**	**$450**	**$936**	**$557**	**$479**

Source: Longwoods International 2017 L.A. Resurvey

2017 Domestic Overnight Visitor Insights

Top Factors for Trip Decision by Visitor Type

All Leisure Overnight Visitors - Top Factors for L.A. Trip Decision
% respondents citing factors important in their trip decision



ALL LEISURE OVERNIGHT	Hotel Visitors	Staying w/Friends Relatives	With Children < 18	No Children < 18
Beaches	Restaurants	Restaurants	Beaches	Restaurants
Restaurants	Beaches	Beaches	Theme Parks	Beaches
Shopping	Shopping	Shopping	Restaurants	Shopping
Theme Parks	Theme Parks	Nightlife/Clubbing	Shopping	Nightlife/Clubbing
Nightlife/Clubbing	Nightlife/Clubbing	Outdoor Recreation	Outdoor Recreation	Theme Parks

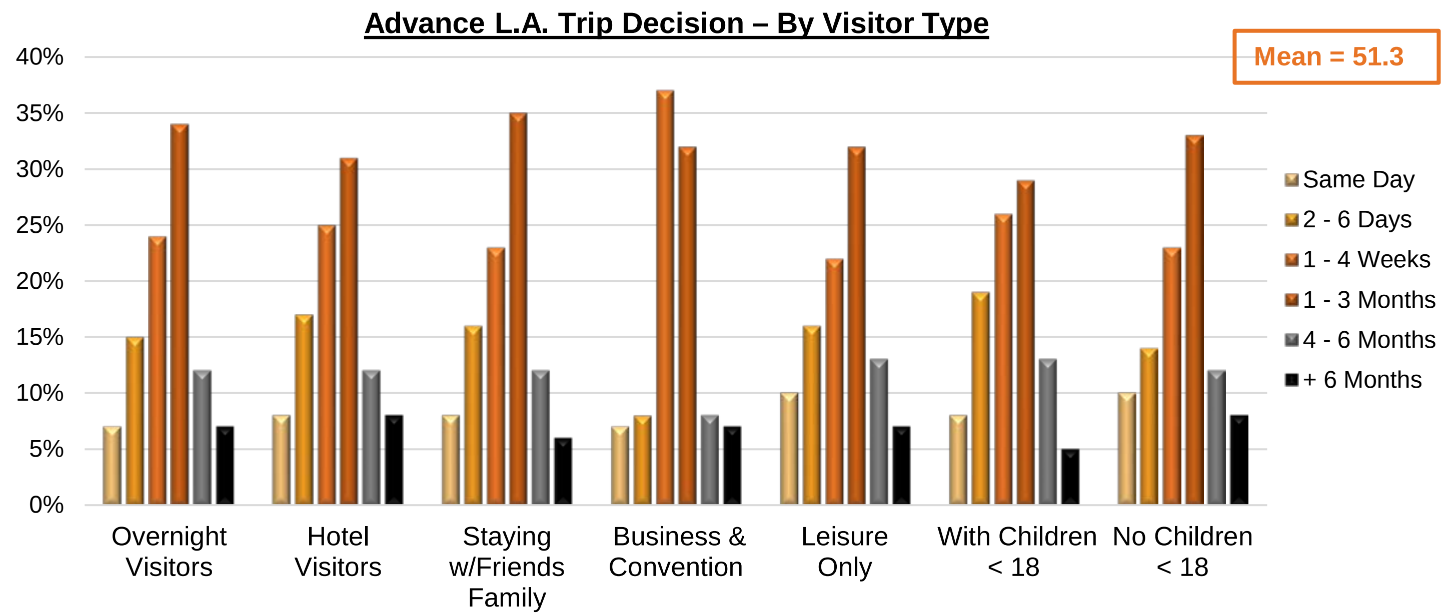
Top Factors for Trip Decision by DMA Origin

OC, SBern, Riv, Ventura	San Diego	San Francisco	Sacramento	New York	Chicago	Phoenix
Restaurants	Restaurants	Restaurants	Beaches	Restaurants	Restaurants	Beaches
Beaches	Shopping	Beaches	Theme Parks	Beaches	Beaches	Theme Parks
Shopping	Beaches	Shopping	Restaurants	Nightlife/ Clubbing	Shopping	Restaurants
Theme Parks	Nightlife/ Clubbing	Museums	Nightlife/ Clubbing	Shopping	Nightlife/ Clubbing	Nightlife/ Clubbing
Nightlife/ Clubbing	Theater	Theme Park	Museums	Outdoor Recreation	Museums	Shopping

Source: Longwoods International 2017 L.A. Resurvey

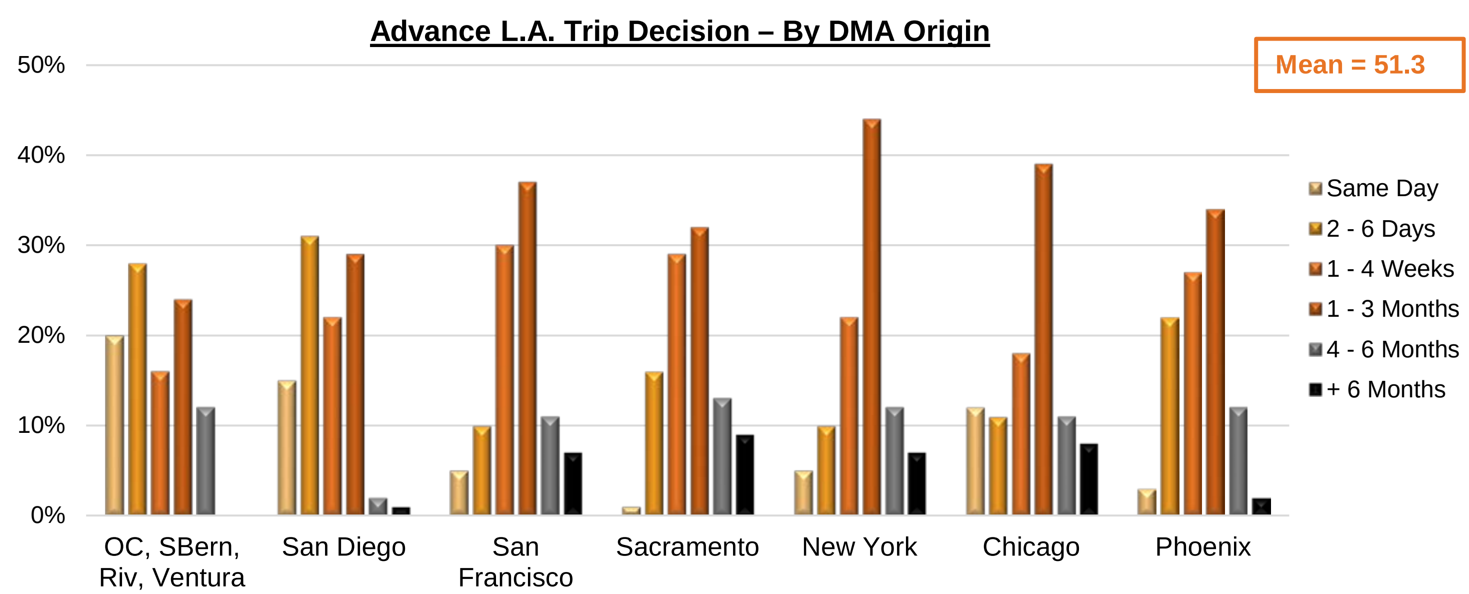
2017 Domestic Overnight Visitor Insights

Advanced Trip Decision by Visitor Type



Mean # of Days	51.3	51.5	48.2	44.9	49.4	45.1	50.9

Advanced Trip Decision by DMA Origin

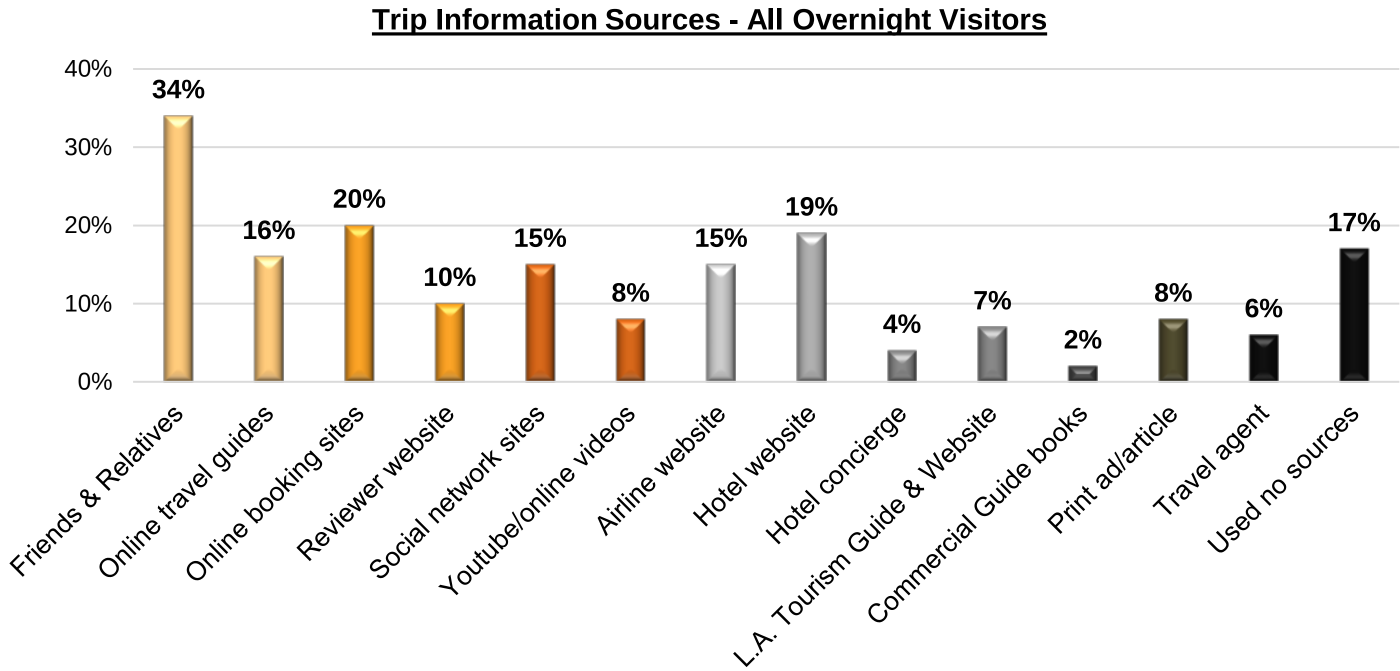


Mean # of Days	31.1	22.2	35.9	38.7	40.0	53.0	40.7

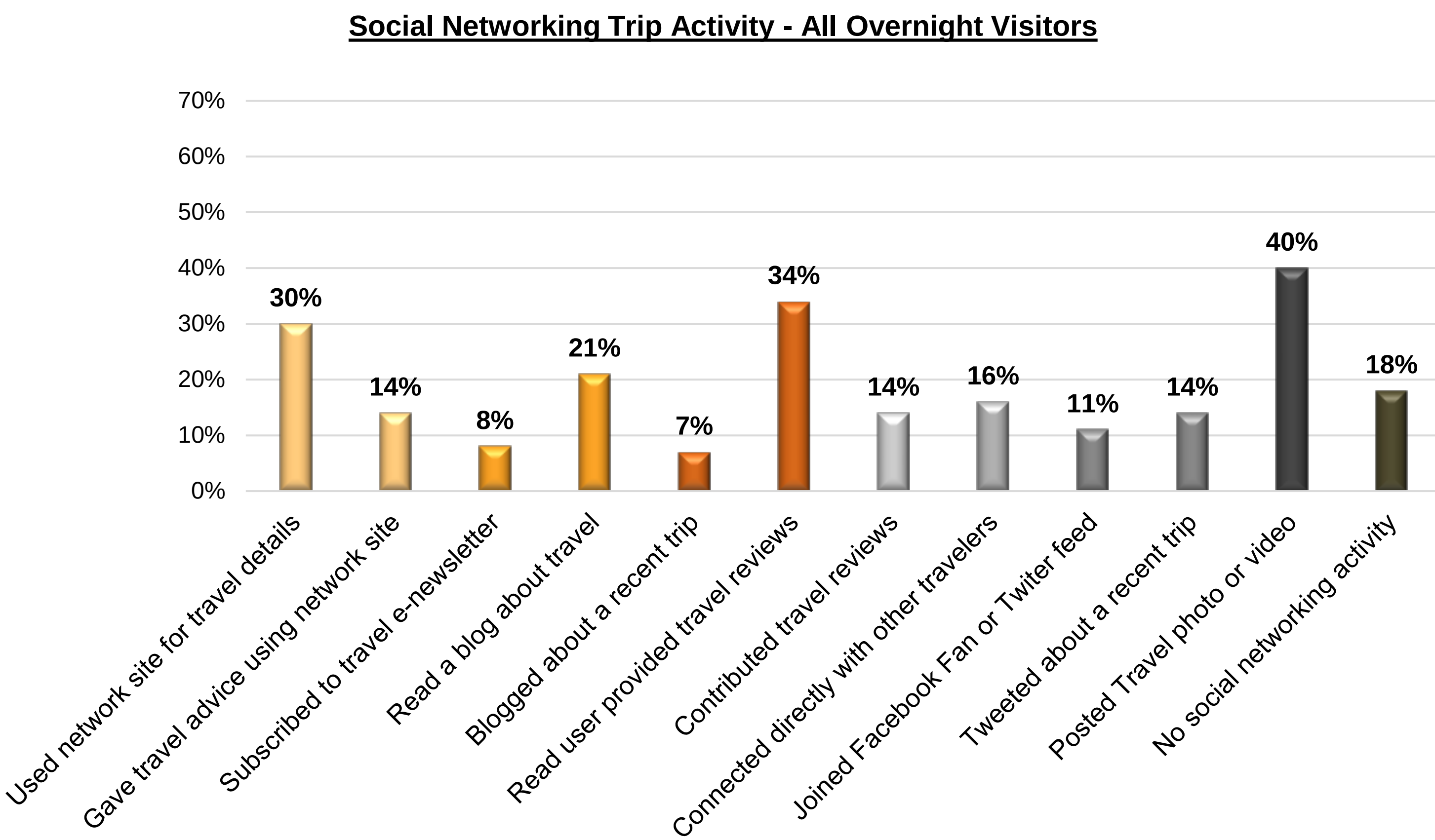
Source: Longwoods International 2017 L.A. Resurvey

2017 Domestic Overnight Visitor Insights

Trip Information Sources



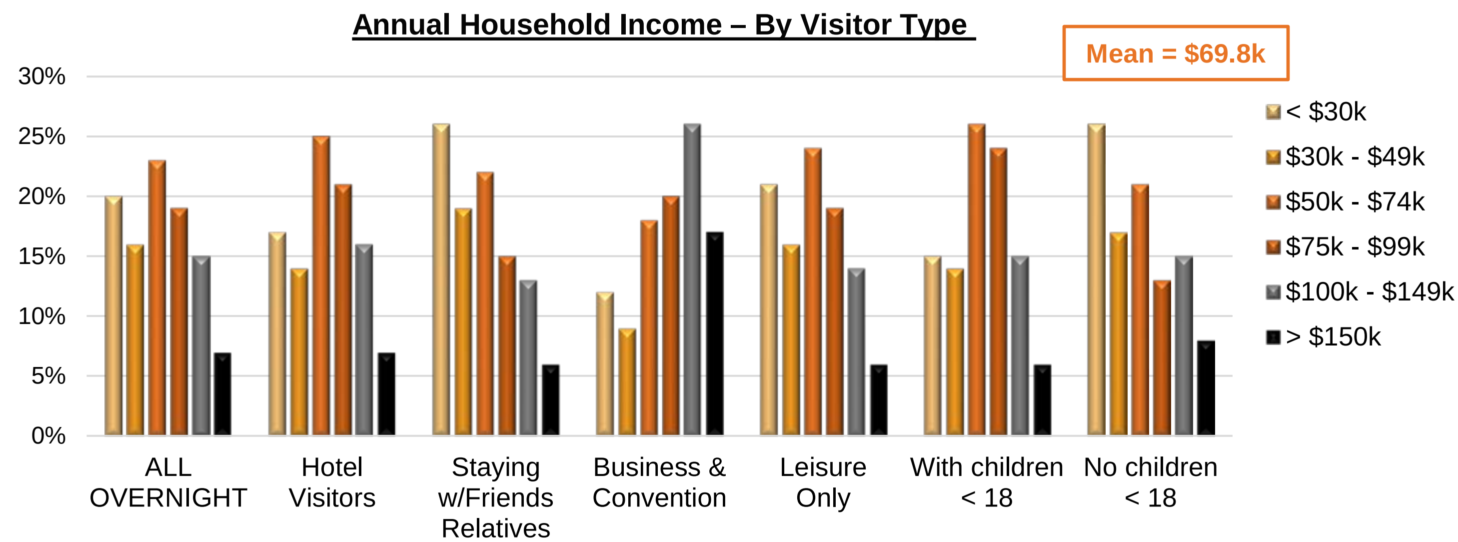
Social Networking Trip Activity



Source: Longwoods International 2017 L.A. Resurvey

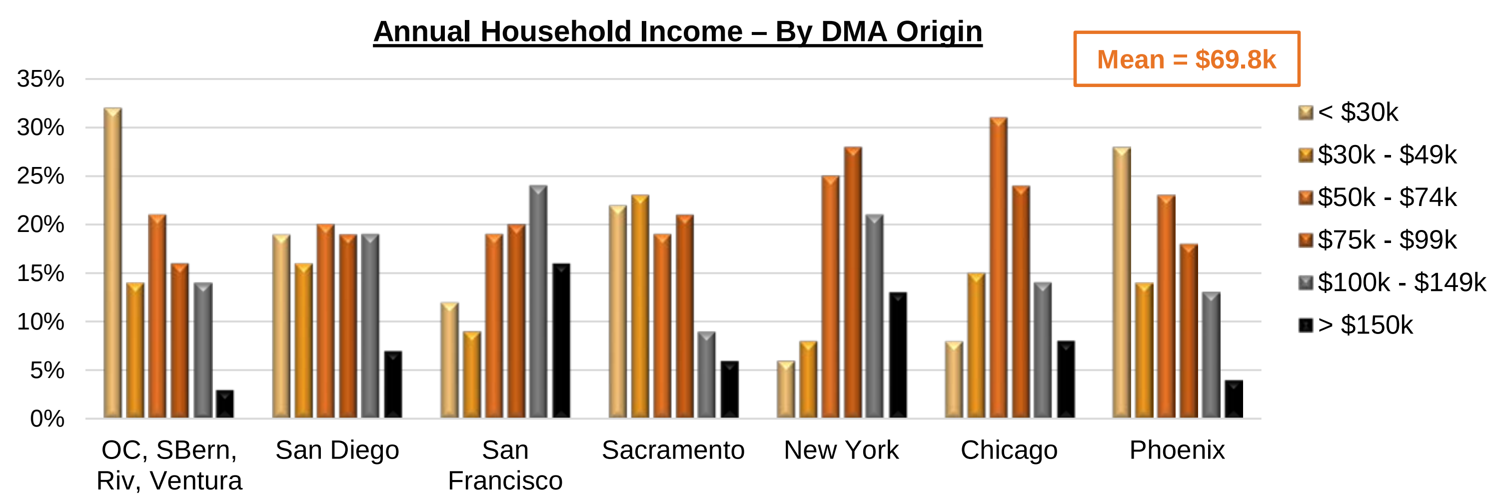
2017 Domestic Overnight Visitor Insights

Household Income by Visitor Type



Average Income	$69.8k	$73.3k	$63.5k	$90.4k	$67.4k	$73.4k	$65.9k

Household Income by DMA Origin

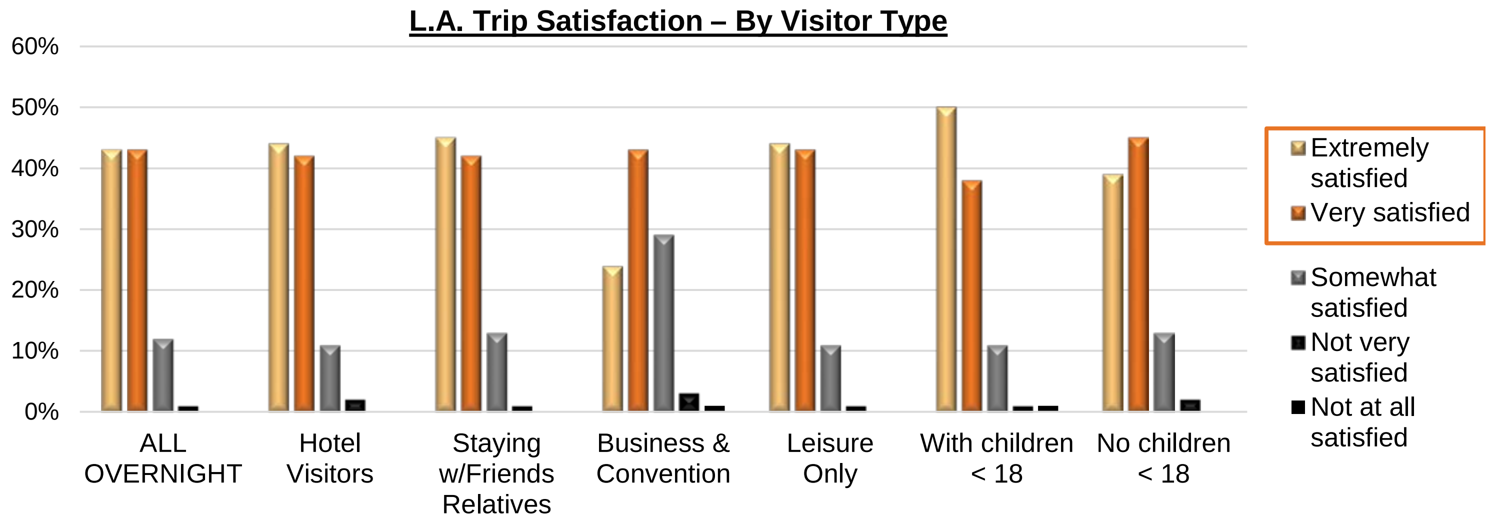


Average Income	$59.4k	$73.3k	$88.9k	$63.6k	$88.6k	$77.1k	$62.7k

Source: Longwoods International 2017 L.A. Resurvey

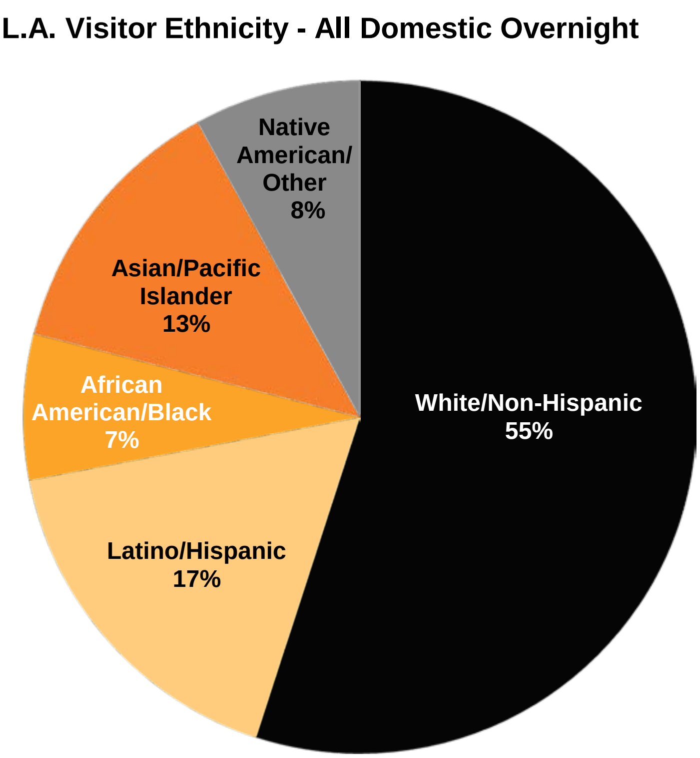
2017 Domestic Overnight Visitor Insights

Satisfaction with Recent Los Angeles County Visit by Visitor Type



Extremely/ Very Satisfied	87%	87%	86%	67%	88%	88%	85%

Ethnicity of All Domestic Overnight Visitors to Los Angeles



Source: Longwoods International 2017 L.A. Resurvey

2017 Characteristics of Domestic Visitors to L.A. County: DAY Visitors (40% of All Domestic Visitors)

Primary Purpose of Trip

27% Leisure-Vacation/Getaway

47% Leisure-Visiting Friends & Relatives

16% Leisure-Personal/Special Event

10% Business & Convention

Visitor Origin

80%
Visiting From Own Home

13%
Staying Outside of L.A. County in a Hotel

7%
Staying Outside of L.A. County at Friends/Relatives Home

51%
OC/Riverside/San Bernadino/Ventura Resident

12%
San Diego Resident

5%
San Francisco Resident

11%
Other California Resident

21%
Out of State Resident

(Lodging in Hotel/VFR Outside L.A. County)

Top Activities in Los Angeles

37%
Dining

25%
Beaches

23%
Shopping

15%
Theme Parks

Travel Behavior

2.6
Average Party Size

27%
Traveling with Children

$66
Average Total Spend

Traveler Characteristics

40.8
Average Age

$72.0k
Average Income

84%
Extremely / Very Satisfied with L.A. Experience

95%
Definitely / More Than Likely to Recommend L.A. to Others

79%
Very Likely to Return to L.A.

2017 Characteristics of Domestic Visitors to L.A. County: Overnight Travelers that Visited DOWNTOWN L.A. (32% of All Overnight Domestic Visitors)

Primary Purpose of Trip

27% Leisure-Vacation/Getaway

38% Leisure-Visiting Friends & Relatives

14% Leisure-Personal/Special Event

22% Business & Convention

Place of Stay

33% Private Home

67% Hotel

2.9 Hotel Nights in L.A.

2.5 People per Hotel Room

Visitor Origin / Method of Arrival

46% In-State

54% Out of State

60% Drive

40% Fly

Top Activities in Los Angeles

56% Dining

42% Beaches

41% Shopping

29% Nightlife

Travel Behavior

2.3
Nights in
Los Angeles

2.7 Average Party Size

24% Traveling with Children

$703 Average Total Spend

Traveler Characteristics

36.7 Average Age

$64.5k Average Income

89% Extremely / Very Satisfied with L.A. Experience

96% Definitely / More Than Likely to Recommend L.A. to Others

74% Very Likely to Return to L.A.

2017 Characteristics of Domestic Visitors to L.A. County: Overnight Travelers that Visited HOLLYWOOD (24% of All Overnight Domestic Visitors)

Primary Purpose of Trip

27% Leisure-Vacation/Getaway

38% Leisure-Visiting Friends & Relatives

14% Leisure-Personal/Special Event

21% Business & Convention

Place of Stay

34% Private Home

66% Hotel

3.0 Hotel Nights in L.A.

2.8 People per Hotel Room

Visitor Origin / Method of Arrival

40% In-State

60% Out of State

59% Drive

41% Fly

Top Activities in Los Angeles

61% Dining

53% Beaches

46% Shopping

31% Nightlife

Travel Behavior

3.8 Nights in Los Angeles

3.0 Average Party Size

26% Traveling with Children

$739 Average Total Spend

Traveler Characteristics

36.2 Average Age

$67.1k Average Income

90% Extremely / Very Satisfied with L.A. Experience

96% Definitely / More Than Likely to Recommend L.A. to Others

74% Very Likely to Return to L.A.

2017 Characteristics of Domestic Visitors to L.A. County: Overnight Travelers that Visited the SAN FERNANDO VALLEY (20% of All Overnight Domestic Visitors)

Primary Purpose of Trip

28% Leisure-Vacation/Getaway

38% Leisure-Visiting Friends & Relatives

18% Leisure-Personal/Special Event

16% Business & Convention

Place of Stay

38% Private Home

62% Hotel

3.2 Hotel Nights in L.A.

2.5 People per Hotel Room

Visitor Origin / Method of Arrival

40% In-State

60% Out of State

56% Drive

44% Fly

Top Activities in Los Angeles

61% Dining

47% Beaches

44% Shopping

37% Nightlife

Travel Behavior

2.7 Nights in Los Angeles

3.0 Average Party Size

24% Traveling with Children

$712 Average Total Spend

Traveler Characteristics

39.0 Average Age

$71.1k Average Income

90% Extremely / Very Satisfied with L.A. Experience

94% Definitely / More Than Likely to Recommend L.A. to Others

81% Very Likely to Return to L.A.

2017 Characteristics of Domestic Visitors to L.A. County: LGBT Overnight Travelers (9% of All Overnight Domestic Visitors)

Primary Purpose of Trip

22% Leisure-Vacation/Getaway

31% Leisure-Visiting Friends & Relatives

16% Leisure-Personal/Special Event

15% Business & Convention

Place of Stay

42% Private Home

58% Hotel

3.0 Hotel Nights in L.A.

2.1 People per Hotel Room

Visitor Origin / Method of Arrival

59% In-State

41% Out of State

69% Drive

31% Fly

Top Activities in Los Angeles

53% Dining

36% Beaches

30% Shopping

24% Nightlife

Travel Behavior

3.1 Nights in Los Angeles

2.6 Average Party Size

11% Traveling with Children

$716 Average Total Spend

Traveler Characteristics

36.4 Average Age

$56.3k Average Income

87% Extremely / Very Satisfied with L.A. Experience

92% Definitely / More Than Likely to Recommend L.A. to Others

76% Very Likely to Return to L.A.

2017 Characteristics of Domestic Visitors to L.A. County: Overnight Travelers of AFRICAN AMERICAN ORIGIN (7% of All Overnight Domestic Visitors)

Primary Purpose of Trip

- 27% Leisure-Vacation/Getaway
- 46% Leisure-Visiting Friends & Relatives
- 7% Leisure-Personal/Special Event
- 22% Business & Convention

Place of Stay

- 38% Private Home
- 62% Hotel
- 2.9 Hotel Nights in L.A.
- 2.4 People per Hotel Room

Visitor Origin / Method of Arrival

- 36% In-State
- 64% Out of State
- 59% Drive
- 41% Fly

Top Activities in Los Angeles

- 45% Beaches
- 45% Dining
- 42% Shopping
- 31% Nightlife

Travel Behavior

- **2.4** Nights in Los Angeles
- 2.6 Average Party Size
- **24%** Traveling with Children
- **$628** Average Total Spend

Traveler Characteristics

- **35.5** Average Age
- **$55.2k** Average Income
- **89%** Extremely / Very Satisfied with L.A. Experience
- **92%** Definitely / More Than Likely to Recommend L.A. to Others
- **80%** Very Likely to Return to L.A.

2017 Characteristics of Domestic Visitors to L.A. County: Overnight Travelers of HISPANIC ORIGIN (17% of All Overnight Domestic Visitors)

Primary Purpose of Trip

30% Leisure-Vacation/Getaway

43% Leisure-Visiting Friends & Relatives

15% Leisure-Personal/Special Event

13% Business & Convention

Place of Stay

40% Private Home

60% Hotel

2.5 Hotel Nights in L.A.

2.8 People per Hotel Room

Visitor Origin / Method of Arrival

63% In-State

37% Out of State

73% Drive

27% Fly

Top Activities in Los Angeles

47% Dining

38% Beaches

30% Shopping

25% Theme Parks

Travel Behavior

2.9 Nights in Los Angeles

3.1 Average Party Size

28% Traveling with Children

$546 Average Total Spend

Traveler Characteristics

32.6 Average Age

$57.5k Average Income

84% Extremely / Very Satisfied with L.A. Experience

92% Definitely / More Than Likely to Recommend L.A. to Others

68% Very Likely to Return to L.A.

AIR TRAVEL MARKET

AIR TRAVEL MARKET

LAX Statistics & Current Service

Los Angeles International Airport (LAX) Statistics			
	Domestic	International	Total
2017 Passenger Traffic (millions)	59.7	24.8	**84.5**
2017/2016 YOY% Change	+2.9%	+8.7%	**+4.5%**
Jan-Jun 2018 Passenger Traffic (millions)	30.1	12.6	**42.7**
Jan-Jun 2018/2017 YOY% Change	+4.5%	+6.5%	**+5.1%**
Current Cities Serviced	88	87	**175**
Number of Airlines (by Flag)	15	56	**71**
Current Inbound Nonstop Flights (Average/Day)	701	185	**886**
Current Inbound Seats (Average/Day)	99,000	43,900	**142,900**

Note: Passenger traffic includes passengers on connecting flights, Los Angeles area residents, and U.S. residents traveling internationally. As such, passenger traffic is <u>not</u> an indication of visitation but only of airport activity.

LAX Inbound Seat Capacity				
Region	Full Year 2018	% Share	January – June 2019	% Share
USA	36,173,518	69.5%	15,104,915	66.4%
Asia	4,523,770	8.7%	2,221,647	9.8%
Latin America	4,093,629	7.9%	1,940,741	8.5%
Europe	3,462,542	6.7%	1,664,168	7.3%
Oceania	1,832,960	3.5%	859,505	3.8%
Canada	1,471,136	2.8%	721,669	3.2%
Middle East	503,207	1.0%	229,553	1.0%
Total	**52,060,762**	**100.0%**	**22,742,198**	**100.0%**

Current List of Airlines Serving LAX – 71 Total			
Aer Lingus	Cathay Pacific Airways	Interjet	Southwest Airlines
Aeroflot Russian Airlines	China Airlines	Japan Airlines	Spirit Airlines
Aeromexico	China Eastern Airlines	JetBlue Airways	Sun Country Airlines
Air Canada	China Southern Airlines	KLM Airlines	SWISS
Air China	Copa Airlines	Korean Air	Thomas Cook Airlines
Air France	Delta Air Lines	LATAM Airlines Group	Turkish Airlines
Air New Zealand	El Al Israel Airlines	LOT Polish Airlines	United Airlines
Air Tahiti Nui	Emirates	Lufthansa Airlines	Virgin America
Alaska Airlines	Ethiopian Airlines	Mokulele Airlines	Virgin Atlantic Airways
Alitalia	Etihad Airways	Norwegian Air Shuttle	Virgin Australia International
All Nippon Airways	EVA Airways	Norwegian Air UK	Vivaaerobus
Allegiant Air	Fiji Airways	Philippine Airlines	Volaris
American Airlines	Frontier Airlines Inc.	Qantas Airways	Volaris Costa Rica
Asiana Airlines	Great Lakes Airlines	Qatar Airways	Westjet
Austrian Airlines	Hainan Airlines	SAS Scandinavian Airlines	WOW Air
Avianca	Hawaiian Airlines	Saudi Arabian Airlines	Xiamen Airlines
Boutique Air	Hong Kong Airlines	Sichuan Airlines	XL Airways France
British Airways	Iberia	Singapore Airlines	

Source: OAG Schedules Analyser July 2018

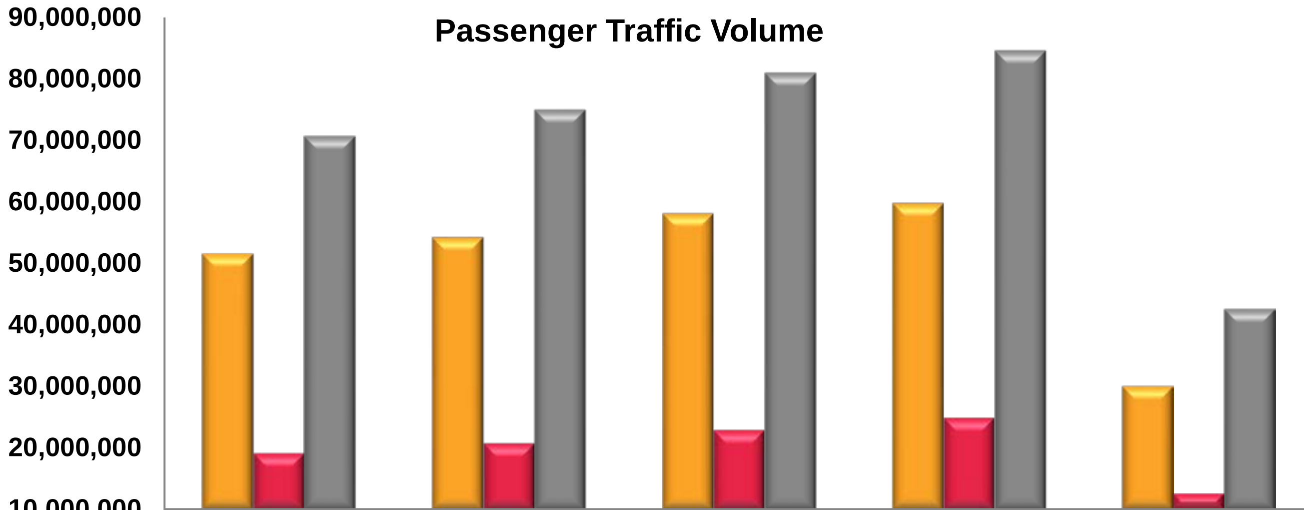
2017 Ranking of World Airports by Passenger Traffic

- In 2017, LAX ranked 5th busiest world airport in passenger traffic and 2nd in the U.S.

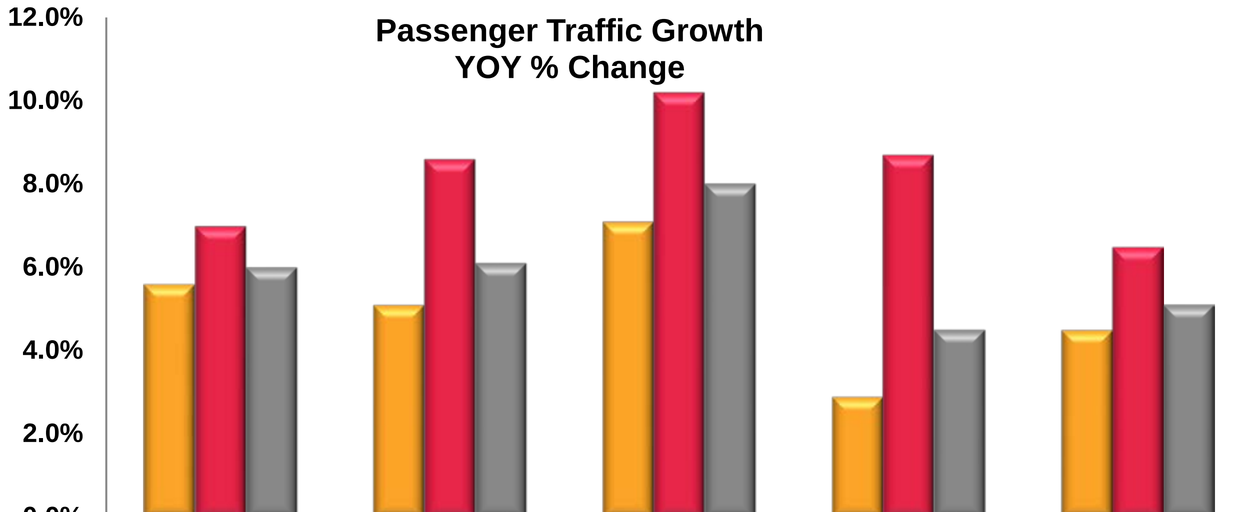
Ranking	Airport	2017 Total Passenger Traffic	YOY % Change
1	Atlanta, GA, US (ATL)	103,934,417	-0.2%
2	Beijing, CN (PEK)	95,786,296	1.5%
3	Dubai, AE (DXB)	88,242,099	5.5%
4	Tokyo, JP (HND)	85,408,975	7.2%
5	Los Angeles, CA, US (LAX)	84,557,968	4.5%
6	Chicago, IL, US (ORD)	79,828,183	2.4%
7	London, GB (LHR)	78,047,278	3.1%
8	Hong Kong, HK (HKG)	72,867,000	3.6%
9	Shanghai, CN (PVG)	70,001,237	6.1%
10	Paris, FR (CDG)	69,471,442	5.4%
11	Amsterdam, NL (AMS)	68,515,425	7.7%
12	Dallas/Fort Worth TX, US (DFW)	67,092,224	2.3%
13	Guangzhou, CN (CAN)	65,806,977	10.2%
14	Frankfurt, DE (FRA)	64,500,386	6.1%
15	Istanbul, TR (IST)	63,727,448	6.0%
16	Delhi, IN (DEL)	63,451,503	14.1%
17	Jakarta, ID (CGK)	63,015,620	12.0%
18	Singapore, SG (SIN)	62,219,573	6.0%
19	Seoul, SK (ICN)	62,082,032	7.5%
20	Denver, CO, US (DEN)	61,379,396	5.3%

Source: Individual Airport Websites

2014 – 2018 Historical LAX Passenger Traffic



	2014	2015	2016	2017	1H-2018
Domestic Traffic	51,556,773	54,216,230	58,071,419	59,728,605	30,073,340
Int'l Traffic	19,106,746	20,740,075	22,850,232	24,829,363	12,605,098
Total Traffic	70,663,519	74,956,305	80,921,651	84,557,968	42,678,438



	2014	2015	2016	2017	1H-2018
Domestic Traffic	5.6%	5.1%	7.1%	2.9%	4.5%
Int'l Traffic	7.0%	8.6%	10.2%	8.7%	6.5%
Total Traffic	6.0%	6.1%	8.0%	4.5%	5.1%

Source: Los Angeles World Airports

2017 Domestic Air Arrivals

Domestic Air Arrivals Los Angeles County Airports (LAX, BUR, LGB) Excludes returning Southern California residents Ranked by 2017 Arrivals				
Origin	2017 Arrivals	2016 Arrivals	% YOY Change	2017 L.A. Market Share
SF Bay Area	1,825,652	1,558,743	17.1%	13.1%
Sacramento	370,624	342,500	8.2%	2.7%
IN STATE TOTAL	**2,268,989**	**1,975,802**	**14.8%**	**16.3%**
New York	1,325,757	1,317,166	0.7%	9.5%
Chicago	718,850	663,253	8.4%	5.2%
Seattle	709,629	649,872	9.2%	5.1%
Dallas/FW	584,134	566,742	3.1%	4.2%
DC/Balt.	547,738	541,457	1.2%	3.9%
Denver	533,802	456,111	17.0%	3.8%
Portland	448,823	379,844	18.2%	3.2%
Atlanta	412,557	357,050	15.5%	3.0%
Salt Lake	403,739	330,028	22.3%	2.9%
Houston	396,210	367,497	7.8%	2.8%
Boston/Manchester	382,386	364,578	4.9%	2.7%
Phoenix	328,502	359,183	-8.5%	2.4%
Miami	280,784	278,058	1.0%	2.0%
Las Vegas	278,890	229,377	21.6%	2.0%
Minn/St. Paul	278,205	251,409	10.7%	2.0%
Philadelphia	239,816	223,476	7.3%	1.7%
Detroit	216,540	208,923	3.6%	1.6%
Austin	189,524	161,772	17.2%	1.4%
Orlando	184,394	163,232	13.0%	1.3%
Kansas City	171,009	147,320	16.1%	1.2%
Honolulu	128,901	126,504	1.9%	0.9%
Cleveland	113,493	113,216	0.2%	0.8%
St. Louis	110,712	113,334	-2.3%	0.8%
OUT OF STATE TOTAL	**11,647,704**	**10,926,615**	**6.6%**	**83.7%**
U.S. TOTAL	**13,916,693**	**12,902,417**	**7.9%**	**100.0%**

Source: Dean Runyan Associates

2017 & 2018 New LAX International Service

Market	Carrier	City	Frequency	Launch Date
2017				
Asia	Hainan Airlines	Chengdu	2x Weekly	March
	Hainan Airlines	Chongqing	2x Weekly	March
	Xiamen Airlines	Xiamen	4x Weekly	July
	United	Singapore	Daily	October
	American	Beijing	Daily	November
	Xiamen Airlines	Qingdao	3x Weekly	December
	Hong Kong Airlines	Hong Kong	4x Weekly	December
	Air China	Shenzhen	3x Weekly	December
Europe	United	London(Heathrow)	Daily	April
	Austrian	Vienna	5x Weekly; 6x Weekly	April; June - September
	LOT Polish	Warsaw	2x Weekly	April
	airberlin	Berlin	3x Weekly	May
	airberlin	Dusseldorf	Daily	May
	Norwegian	Barcelona	2x Weekly	June
	Level	Barcelona	2x Weekly	June
	Norwegian	Rome	3x Weekly	November
Latin America	Alaska	Havana	Daily; 2x Daily	January; November
	Alaska	Mexico City	Daily	August
	Volaris	Puerto Vallarta	1x Weekly	November
	InterJet	Leon	Daily	November
	InterJet	Los Cabos	3x Weekly	November
	InterJet	Puerto Vallarta	4x Weekly	November
	Delta	Mexico City	Daily	November
	Volaris	Acapulco	1x Weekly	December
	Vivaaerobus	Guadalajara	Daily	December
Oceania	Virgin Australia	Melbourne	5x Weekly	April
2018				
Asia	Singapore Airlines	Singapore	10x Weekly	November
	Hainan	Xian	2x Weekly	December
Europe	Delta	Paris/CDG	3x weekly	June
	Delta	Amsterdam	4x weekly	June
	Norwegian	Madrid	3x weekly	July
Latin America	Volaris Costa Rica	San Jose	2x weekly	March
	Volaris Costa Rica	San Salvador	2x Weekly	March
	Volaris Costa Rica	Guatemala City	1x weekly	March
	Vivaaerobus	Mexico City	Daily	November
	American	Buenos Aires	3x weekly	December

Source: Los Angeles World Airports (LAWA) as of July 15, 2018

2018 International Non-Stop Seat Capacity

- 2018 reported an **5.4%** increase for overseas non-stop seat capacity over 2017

International Non-Stop Seat Capacity				
Departure Country	FULL YEAR 2018 TTL Seats	FULL YEAR 2017 TTL Seats	2018/2017 +/- Seats	2018/2017 % Change
China	1,485,388	1,232,849	252,539	20.5%
Australia	1,223,962	1,185,761	38,201	3.2%
United Kingdom	1,194,208	1,114,814	79,394	7.1%
Japan	942,547	860,422	82,125	9.5%
South Korea	717,223	770,969	-53,746	-7.0%
Hong Kong	530,474	476,727	53,747	11.3%
Taiwan	511,307	610,027	-98,720	-16.2%
France	498,699	437,014	61,685	14.1%
Germany	337,416	422,455	-85,039	-20.1%
United Arab Emirates	296,635	318,025	-21,390	-6.7%
New Zealand	287,520	316,176	-28,656	-9.1%
El Salvador	280,473	263,804	16,669	6.3%
Philippines	250,444	253,304	-2,860	-1.1%
Netherlands	226,279	172,436	53,843	31.2%
French Polynesia	200,394	203,977	-3,583	-1.8%
Panama	189,912	176,932	12,980	7.3%
Costa Rica	166,246	178,817	-12,571	-7.0%
Spain	164,012	78,342	85,670	109.4%
Peru	148,116	155,204	-7,088	-4.6%
Guatemala	145,061	128,429	16,632	13.0%
Ireland	132,850	113,617	19,233	16.9%
Sweden	131,782	130,277	1,505	1.2%
Turkey	127,385	125,291	2,094	1.7%
Switzerland	124,100	124,100	0	0.0%
Russian	115,886	114,852	1,034	0.9%
Italy	115,213	62,672	52,541	83.8%
Fiji	104,937	102,786	2,151	2.1%
Iceland	95,520	94,400	1,120	1.2%
Qatar	94,772	94,535	237	0.3%
Colombia	91,262	75,506	15,756	20.9%
Total Overseas*	**11,505,656**	**10,911,746**	**593,910**	**5.4%**
Mexico	2,910,452	2,865,952	44,500	1.6%
Canada	1,471,136	1,450,069	21,067	1.5%
Total International	**15,887,244**	**15,227,767**	**659,477**	**4.3%**

** Total Overseas includes non-stop seat capacity from other countries not listed in the table*

Seat Capacity Decreases:

- **South Korea** Reduction of Korean Air and Singapore Airlines service in 2018
- **Taiwan** Reduction of China Airlines service in 2018
- **Germany** Cessation of Air Berlin flight from Duesseldorf as of October 2017
- **United Arab Emirates** Emirates Airways reducing 2x daily service to 1x daily as of July 2017
- **New Zealand** Suspension of low season service from April to October 2018
- **Costa Rica** Cessation of Southwest Airlines flight from Liberia as of April 2017

Source: OAG Schedules Analyser July 2018

Jan-Jun 2019 International Non-Stop Seat Capacity

- 1H-19 is forecasted for overseas non-stop seat capacity to increase **+0.2%** over 1H-18.

International Non-Stop Seat Capacity				
Departure Country	JAN-JUN 2019 TTL Seats	JAN-JUN 2018 TTL Seats	2019/2018 +/- Seats	2019/2018 % Change
China	746,385	729,624	16,761	2.3%
Australia	609,312	605,489	3,823	0.6%
United Kingdom	571,339	580,112	-8,773	-1.5%
Japan	466,299	467,589	-1,290	-0.3%
South Korea	326,524	358,175	-31,651	-8.8%
Hong Kong	264,803	262,752	2,051	0.8%
France	253,280	215,737	37,543	17.4%
Taiwan	241,997	267,101	-25,104	-9.4%
Germany	158,101	159,217	-1,116	-0.7%
El Salvador	149,278	132,581	16,697	12.6%
New Zealand	149,169	147,249	1,920	1.3%
Philippines	133,940	128,720	5,220	4.1%
United Arab Emirates	131,481	146,299	-14,818	-10.1%
Netherlands	119,247	96,196	23,051	24.0%
Panama	98,098	96,712	1,386	1.4%
French Polynesia	92,912	96,994	-4,082	-4.2%
Costa Rica	76,834	81,858	-5,024	-6.1%
Guatemala	75,252	68,275	6,977	10.2%
Spain	73,848	55,580	18,268	32.9%
Peru	71,864	74,177	-2,313	-3.1%
Ireland	65,445	63,515	1,930	3.0%
Turkey	63,169	63,169	0	0.0%
Switzerland	61,540	61,540	0	0.0%
Italy	55,809	50,169	5,640	11.2%
Russia	55,765	55,834	-69	-0.1%
Fiji	52,171	52,036	135	0.3%
Sweden	51,959	70,222	-18,263	-26.0%
Qatar	46,978	47,090	-112	-0.2%
Colombia	45,434	45,262	172	0.4%
Iceland	42,435	41,700	735	1.8%
Total Overseas*	**5,623,103**	**5,613,767**	**9,336**	**0.2%**
Mexico	1,344,682	1,489,385	-144,703	-9.7%
Canada	721,669	685,899	35,770	5.2%
Total International	**7,667,629**	**7,789,051**	**-121,422**	**-1.6%**

** Total Overseas includes non-stop seat capacity from other countries not listed in the table*

Seat Capacity Decreases:

- **China** Reduction of Air China service from Shenzhen in June 2018
- **UK** Change of aircraft by British Airways from London
- **South Korea** Cessation of Singapore Airlines flight from Seoul in December 2018
- **Taiwan** Reduction of China Airlines service in 2018
- **United Arab Emirates** Emirates Airways reducing 2x daily service to 1x daily as of July 2017
- **Sweden** Suspension of low season service from November 2018 to April 2019

Source: OAG Schedules Analyser July 2018

2018 Non-Stop Weekly International Frequency and Seats
(Only Major Markets)

International Markets Serviced by LAX			
	ORIGIN COUNTRY	AVERAGE WEEKLY FLIGHTS*	AVERAGE WEEKLY SEATS*
1.	**Mexico** (18 Origin Cities)	359	55,910
2.	**China** (12 Origin Cities)	94	28,500
3.	**Canada** (5 Origin Cities)	185	28,210
4.	**Australia** (Brisbane, Melbourne, Sydney)	72	23,490
5.	**United Kingdom** (London, Manchester)	76	23,370
6.	**Japan** (Osaka, Tokyo)	70	18,080
7.	**South Korea** (Seoul)	34	13,760
8.	**Hong Kong** (Hong Kong)	35	10,170
9.	**Taiwan** (Taipei)	29	9,810
10.	**France** (Paris)	27	9,560
11.	**Germany** (Frankfurt, Munich)	17	6,470
12.	**United Arab Emirates** (Abu Dhabi, Dubai)	12	5,690
13.	**New Zealand** (Auckland)	17	5,510
14.	**El Salvador** (San Salvador)	30	5,380
15.	**Philippines** (Manila)	13	4,800
16.	**Netherlands** (Amsterdam)	13	4,340
17.	**French Polynesia** (Tahiti)	13	3,850
18.	**Panama** (Panama)	24	3,640
19.	**Spain** (Barcelona, Madrid)	12	3,610
20.	**Costa Rica** (Liberia, San Jose)	18	3,180
21.	**Peru** (Lima)	12	2,840
22.	**Guatemala** (Guatemala City)	16	2,780
23.	**Ireland** (Dublin)	10	2,550
24.	**Sweden** (Stockholm)	9	2,530
25.	**Turkey** (Istanbul)	7	2,440
26.	**Switzerland** (Zurich)	7	2,380
27.	**Russia** (Moscow)	7	2,220
28.	**Italy** (Rome)	7	2,200
29.	**Fiji** (Nadi)	7	2,010
30.	**Iceland** (Reykjavik)	5	1,840
31.	**Qatar** (Doha)	7	1,820
32.	**Austria** (Vienna)	6	1,800
33.	**Brazil** (Sal Paulo)	6	1,750
34.	**Colombia** (Bogota)	7	1,750
35.	**Singapore** (Singapore)	7	1,660
	TOTAL (Includes ALL International Cities)	**1,297**	**307,300**

Source: OAG Schedules Analyser – July 2018

**Flight Arrivals and Seat Capacity are based on the average number of flights operating per day and does not reflect exact number of flights operating or seats available on any specific day. Flight schedules may change anytime.*

2018 Non-Stop Weekly Domestic Frequency and Seats
(Only Major Markets)

	Domestic Cities Serviced by LAX		
	ORIGIN CITY	AVERAGE WEEKLY FLIGHTS*	AVERAGE WEEKLY SEATS*
1.	**San Francisco**, CA	370	47,770
2.	**New York (JFK)**, NY	253	39,750
3.	**Las Vegas**, NV	245	34,880
4.	**Chicago (O'Hare)**, IL	162	29,940
5.	**Seattle/Tacoma,** WA	203	28,950
6.	**Denver**, CO	165	26,600
7.	**Honolulu**, HI	116	25,120
8.	**Dallas (Fort Worth)**, TX	151	24,720
9.	**Atlanta,** GA	127	24,110
10.	**Phoenix**, AZ	162	20,640
11.	**Boston,** MA	111	18,510
12.	**San Jose**, CA	173	18,040
13.	**Houston (George Bush Intl)**, TX	104	17,850
14.	**New York (Newark),** NY	100	17,490
15.	**Oakland**, CA	131	17,390
16.	**Portland**, OR	116	15,270
17.	**Salt Lake City,** UT	118	14,850
18.	**Sacramento**, CA	141	14,450
19.	**Minneapolis/St Paul**, MN	68	12,960
20.	**Washington DC** (Dulles Intl)	74	12,460
21.	**Orlando**, FL	70	12,300
22.	**Kahului,** HI	65	12,280
23.	**Miami**, FL	57	10,500
24.	**Austin**, TX	76	10,400
25.	**Philadelphia**, PA	55	10,180
26.	**Detroit,** MI	50	9,610
27.	**San Diego**, CA	116	8,920
28.	**Charlotte**, NC	42	7,810
29.	**New Orleans,** LA	49	7,420
30.	**Lihue**, HI	39	7,370
31.	**Kona**, HI	36	7,260
32.	**Nashville**, TN	44	6,750
33.	**Baltimore**, MD	40	6,580
34.	**Dallas (Love Field)**, TX	47	6,570
35.	**Chicago (Midway)**, IL	39	6,230
	TOTAL (Includes ALL Domestic Cities)	**4,905**	**693,020**

Source: OAG Schedules Analyser – July 2018

**Flight Arrivals and Seat Capacity are based on the average number of flights operating per day and does not reflect exact number of flights operating or seats available on any specific day. Flight schedules may change anytime.*

CONVENTIONS & EVENTS

CONVENTIONS & EVENTS

Value of LACC Citywide Conventions Held in 2017

- **29** Citywide conventions hosted at the Los Angeles Convention Center in 2017 drew **457,637** attendees who booked **408,297*** room nights.
- These **29** events generated **$348.7 million** in direct spending by attendees, organizers, and exhibitors.
- Including indirect and induced effects, LACC Citywide Conventions in 2017 generated a total of **$597.5 million** in local business sales.
- This spending supported **4,770** FTE (full-time equivalent) jobs.
- State and local governments received a combined **$40 million** in tax and assessment revenue in 2017.

Economic Impact Details			
	Direct	Indirect/Induced	Total
Business Sales	$348,711,260	$248,750,540	$597,461,800
Jobs Supported			
Annual FTEs	3,637	1,131	4,770
Taxes and Assessments			
Federal Total	$33,921,450	$22,630,740	$56,552,190
State Total	$12,484,940	$6,892,140	$19,377,080
Local Total	$18,526,610	$1,692,910	$20,219,520

Direct Business Sales				
Industry	Attendees	Organizer	Exhibitor	Total
Lodging	$100,334,783	$5,859,735	$0	$106,194,516
Transportation	$27,196,686	$1,961,496	$5,350,632	$34,508,814
Food & Beverage	$50,609,709	$40,633,654	$11,151,980	$102,395,340
Retail	$16,817,975	$0	$0	$16,817,975
Recreation	$13,113,101	$0	$0	$13,113,101
Space Rental	$0	$17,397,236	$3,122,438	$20,519,674
Business Services	$0	$39,161,227	$16,000,612	$55,161,840
TOTAL	**$208,072,249**	**$105,013,351**	**$35,625,658**	**$348,711,262**

*408,297 room nights estimated to include those rooms booked outside the audit and room block.

Source: Calculated using the DMAI Event Impact Calculator

2018 L.A. Convention Center Citywide Calendar*				
Dates	**Convention**	**Attendance**	**Peak Rooms**	**Total Rooms In Block**
Jan 13 - 17	Society for Simulation in Healthcare IMSH Conference	3,487	2,100	7,580
Jan 24 - 29	American Heart Association International Stroke Conference	5,634	2,760	9,243
Feb 03 - 07	Dassault Systemes Americas SOLIDWORKS World	4,858	2,850	10,936
Feb 15 - 19	NBA 2018 All-Star Weekend	110000	5,266	28,003
Feb 21 - 24	College Art Association Annual Conference	4,500	1,587	4,060
Feb 28 - Mar 03	Academy of Osseointegration Annual Meeting	3,200	1,400	3,603
Mar 05 - 09	American Physical Society March Meeting	11,502	1,775	9,466
Mar 16 - 22	Society of Interventional Radiology Scientific Meeting	5,096	2,100	7,492
Mar 16 - 17	Conqur Endurance Group LA Marathon	19,567	2,140	1,901
Mar 22 - 25	Herbalife International of America, Inc. Honors	4,500	1,483	6,729
Apr 21 - 28	American Academy of Neurology Annual Meeting	14,297	6,200	36,937
May 18 - 24	Society for Information Display International Symposium, Seminar & Exhibition	7,700	1,650	5,860
May 29 - 31	YouTube LLC All Hands	4,300	2,875	6,990
Jun 12 - 14	IRL Events E3	69,200	6,100	27,650
Jun 21 - 24	BET Experience & Awards 2018	34,500	779	4,170
Jun 24 - 27	Million Dollar Round Table Annual Meeting	12,000	2,000	9,150
Jul 05 - 08	Society for the Promotion of Japanese Animation ANIME EXPO	115,000	2,660	12,724
Jul 14 - 17	American School Counselor Association Annual Conference	2,000	1,351	5,126
Jul 29 - Aug 03	National Conference of State Legislatures Legislative Summit	3,500	3,200	13,676
Sep 12 - 14	GSMA Mobile World Congress Americas	25,000	6,200	22,510
Sep 26 - 29	North American Spine Society Annual Meeting	6,500	4,000	13,887
Oct 03 - 08	Project Management Institute Annual Global Congress North America	3,000	1,838	8,142
Oct 09 - 10	International Council of Shopping Centers Western Dealmaking Conference	4,500	800	1,718
Oct 15 - 17	Adobe Systems Incorporated MAX	10,000	5,100	20,787
Nov 07 - 10	National League of Cities City Summit	4,000	2,327	11,920
Totals	**25**	**487,841**	**70,541**	**290,260**

*As of July 2018

Source: Los Angeles Tourism & Convention Board

2019 L.A. Convention Center Citywide Calendar*				
Dates	**Convention**	**Attendance**	**Peak Rooms**	**Total Rooms In Block**
Jan 15 - 20	Cabi Spring Scoop	4,200	1,930	7,984
Feb 14 - 17	The School Superintendents Association Annual Convention	7,000	2,400	7,912
Mar 06 - 13	Student Affairs Administrators in Higher Education NASPA Annual Conference	7,000	3,249	16,050
Mar 14 - 17	Tony Robbins UPW LAX	3000	1,480	6,525
Mar 22 - 23	Conqur Endurance Group LA Marathon	2,000	2,140	4,880
Mar 31 - Apr 03	American Assoc. of Collegiate Registrars & Admissions Officers Annual Meeting	2,500	1,130	4,476
Apr 08 - 11	Institute of Scrap Recycling Industries Annual Convention and Exposition	4,800	1,940	7,928
Apr 15 - 17	Shell Oil Company Convention & Trade Show	3,000	1,400	5,012
Apr 24 - 28	American Assoc. of Clinical Endocrinologists Scientific & Clinical Congress	3,300	1,207	5,450
May 03 - 07	American Association of Orthodontists Annual Session	20,000	4,000	19,404
May 18 - 22	Government Finance Officers Assoc. of the US & Canada Annual Conference	9,000	3,000	13,551
Jun 11 - 13	IRL Events E3	68,400	6,100	27,619
Jun 26 - 29	International Society for Stem Cell Research Annual Meeting	3,300	1,350	5,927
Jun 27 - 30	BET Experience & Awards 2019	10,000	700	2,947
Jul 04 - 07	Society for the Promotion of Japanese Animation Anime Expo	100,000	2,660	10,500
Jul 14 - 18	Alzheimer's Association International Conference on Alzheimers Disease	5,000	1,700	8,781
Jul 28 - Aug 02	Association for Computing Machinery Annual ACM-SIGGRAPH Conference	25,000	4,500	27,382
Sep 09 - 12	Airline Passenger Experience Association APEX/IFSA and AIX EXPO	2,600	701	3,249
Sep 14 - 18	International Council of Shopping Centers Western Dealmaking Conference	4,500	800	2,131
Oct 19 - 24	GSMA Mobile World Congress Americas	25,000	8,035	27,314
Nov 04 - 06	Adobe Systems Incorporated MAX	10,000	5,500	22,165
Totals	**23**	**319,600**	**55,922**	**237,187**

*As of July 2018

Source: Los Angeles Tourism & Convention Board

2017 Los Angeles County Attractions Visited

- The following results are an aggregate of day and overnight visitors to Los Angeles.
- Attractions are ranked in descending order.
- **Paid Attractions*** include those with fees for admission, required parking, conveyance or ticketed performances.

Top 20 Los Angeles Attractions		
ALL ATTRACTIONS	**PAID ATTRACTIONS**	**FREE ATTRACTIONS**
Griffith Park / Observatory	Universal Studios Hollywood	Griffith Park / Observatory
Santa Monica Pier	L.A. Lakers Game	Santa Monica Pier
Hollywood Walk of Fame	L.A. Dodgers Game	Hollywood Walk of Fame
Venice Beach / Boardwalk	L.A. Zoo	Venice Beach / Boardwalk
3rd Street Promenade Santa Monica	Getty Center	3rd Street Promenade Santa Monica
Chinatown	L.A. County Museum of Art (LACMA)	Chinatown
The Grove / The Original Farmers Market	Hollywood Bowl	The Grove / The Original Farmers Market
Universal Studios Hollywood	Aquarium of the Pacific (Long Beach)	Hollywood & Highland Center
Hollywood & Highland Center	Staples Center	Rodeo Drive (Beverly Hills)
Rodeo Drive (Beverly Hills)	Dolby Theater	Beverly Center
Beverly Center	California Science Center/Endeavor	Hollywood Sign Lookout
Hollywood Sign Lookout	Knott's Berry Farm	Little Tokyo
Little Tokyo	L.A. Clippers Game	Old Pasadena
Old Pasadena	Six Flags Magic Mountain	Universal CityWalk Hollywood
L.A. Lakers Game	Greek Theater	DTLA Fashion / Jewelry District
Universal CityWalk Hollywood	Walt Disney Concert Hall	Citadel Outlets
L.A. Dodgers Game	Getty Villa (Malibu)	The BLOC Downtown L.A.
DTLA Fashion / Jewelry District	Madame Tussauds Hollywood	Americana at Brand
L.A. Zoo	Grammy Museum at L.A. LIVE	The Broad Museum
Getty Center	Queen Mary (Long Beach)	L.A. LIVE

Source: Longwoods International 2017 L.A. Resurvey

2018 - 2019 Los Angeles County Major Events

2018 Event Dates (Jul-Dec)	Event	Location
July 05 - 08	Anime Expo	Los Angeles Convention Center
July 13 - 27	dineL.A. Summer 2018	L.A. County Restaurants
July 18	The ESPYs	Microsoft Theater, L.A. LIVE
August 11 - 19	Nisei Week Japanese Festival	Little Tokyo
August 31 - September 02	L.A. Times: The Taste	Paramount Pictures Studios
August 31 - September 23	Los Angeles County Fair	Pomona Fairplex
September 14 - November 03	Universal Studios Halloween Horror Nights	Universal Studios
September 15 - October 28	Six Flags Magic Mountain Fright Fest	Six Flags Magic Mountain
September 17	The Emmy Awards	Microsoft Theater, L.A. LIVE
September 20 - 28	L.A. Film Festival	Arclight Cinemas
September 27 - November 02	Queen Mary's Dark Harbor	Queen Mary
September 30	Abbot Kinney Festival	Abbot Kinney
September 30	New Balance L.A. Dodgers Foundation 5 & 10K Run	Dodger Stadium
September 30	LA Phil x CicLAVia	Downtown, Hollywood
October 05 - 07	JetBlue Long Beach Marathon	Long Beach
October 09	American Music Awards	Microsoft Theater, L.A. LIVE
October 20 - 21	Beverly Hills artSHOW	Beverly Gardens Park
October 20 - 21	Calabasas Pumpkin Festival	Calabasas
October 21	AIDS Walk Los Angeles	Grand Park
October 27	Dia de Los Muertos at Hollywood Forever Cemetery	Hollywood
October 31	West Hollywood Halloween Carnival	West Hollywood
November 08 - 15	AFI Fest	Various Hollywood Venues
November 17 - January 06	Christmas in The Wizarding World of Harry Potter	Universal Studios Hollywood
November 30 - December 09	L.A. Auto Show	Los Angeles Convention Center
2019 Event Dates (Jan-Jun)	**Event**	**Location**
January 01	Tournament of Roses, Rose Parade	Pasadena
January 01	College Football Playoff Semifinals	The Rose Bowl
January 13	The Golden Globe Awards	Beverly Hilton
January - Specific Dates TBD	dineL.A. Winter 2019	L.A. County Restaurants
February 10	The Grammy Awards	Staples Center
February 24	The Academy Awards	Dolby Theater
March 24	Skechers Performance Los Angeles Marathon	Begins at Dodger Stadium
April 13 - 14	Los Angeles Times Festival of Books	USC
June 08 - 09	The Playboy Jazz Festival	Hollywood Bowl
June 11 - 13	E3 Expo	Los Angeles Convention Center
June 08 - 09	Los Angeles Gay Pride Festival	Santa Monica Blvd

INFRASTRUCTURE UPDATES

INFRASTRUCTURE UPDATES

THE TRANSFORMATION OF THE LOS ANGELES CONVENTION CENTER

AS OF JULY 2018

The City of Los Angeles is currently considering a proposal made earlier this year by Anschutz Entertainment Group (AEG) to expand the Los Angeles Convention Center (LACC) and to increase the supply of hotel rooms within walking distance.

The proposed LACC expansion would add exhibit hall space to bridge the gap between the existing West and South Halls over Pico Boulevard, creating the largest contiguous exhibit hall on the west coast with 747,000 square feet. Other improvements to the facility would be increased meeting room space, a new multipurpose space and a redeveloped outdoor plaza. The proposal is based on a design-build-finance-operate-maintain delivery method (DBFOM), in which AEG would serve as the developer of the project in partnership with Plenary Group, and as the building operator on a long-term basis.

In addition, AEG proposes to expand the existing JW Marriott Los Angeles LA Live hotel by adding a new, 850-room tower connected to West Hall via a pedestrian bridge. New meeting room space would accompany the tower, including a 50,000-square-foot ballroom.

This project presents an opportunity to realize a vision with long-term and wide-reaching impacts, such as increasing the LACC's market share and growing the economic benefits generated from citywide conventions. Furthermore, it would better integrate the LACC with the LA Live campus, creating an event destination that would contain over two million square feet of total event space and over 2,000 hotel rooms.

Los Angeles City Council has authorized City staff to analyze both the LACC expansion proposal and the hotel expansion project. In order to meet a targeted completion date of late 2021, AEG is proposing to start construction during 2019.

LAX Landside Access Modernization Program (LAMP)

- LAX is undergoing a $5.5 billion Landside Access Modernization Program that will help improve the LAX passenger experience, relieve traffic congestion and make LAX a world-class airport.

- The LAMP is a new ground transportation network consisting of four major elements. These elements include:

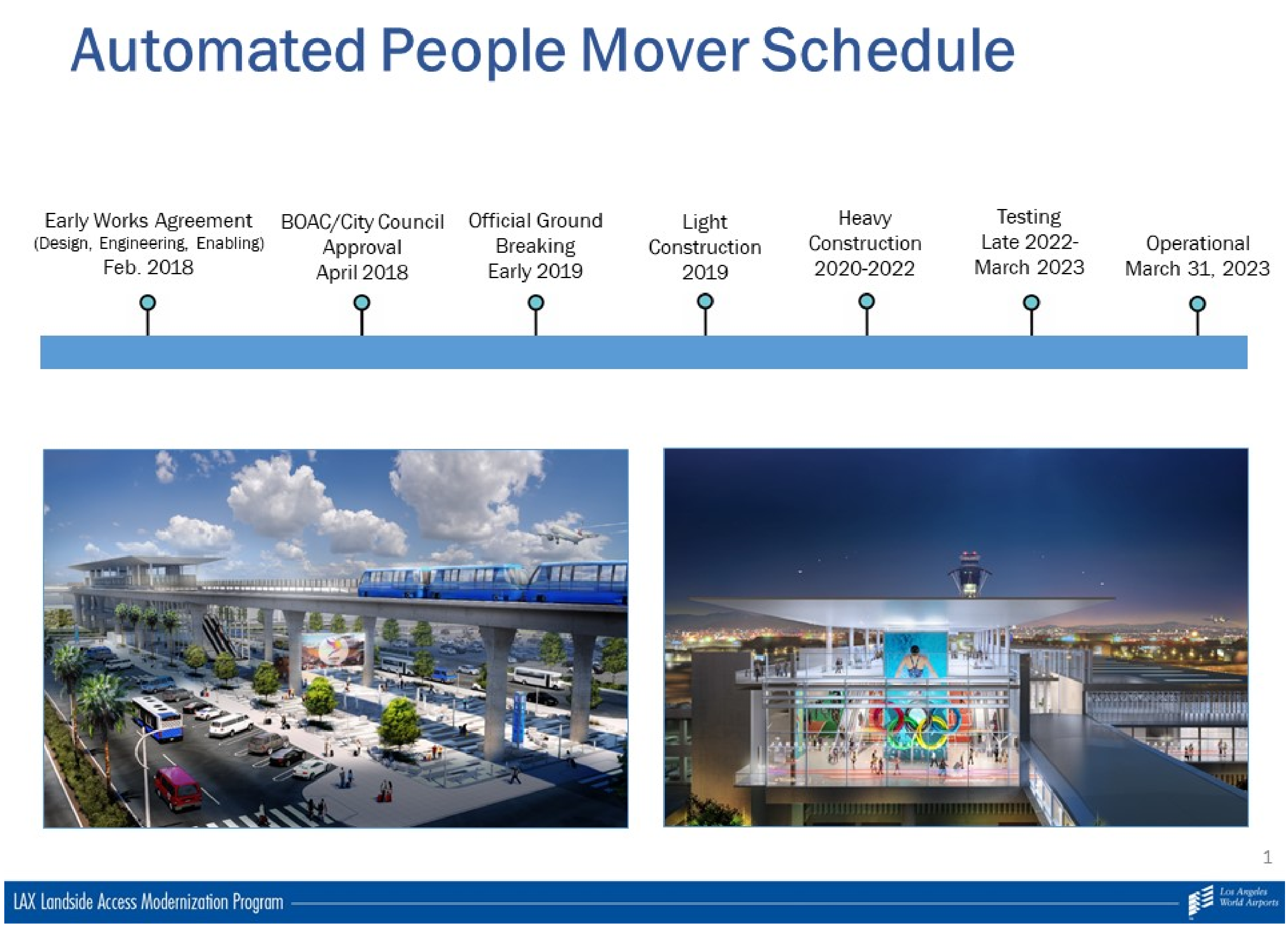
    1. An elevated, 2.25-mile Automated People Mover (APM)

    2. Two Intermodal Transportation Facilities (ITF) with parking areas allowing for drop-offs and pick-ups from personal vehicles, buses, shuttles, taxis and ride-sharing services

    3. A consolidated Rental Car facility (CONRAC) which will consolidate the rental car agencies near the airport at one location

    4. A comprehensive series of roadway improvements to alleviate traffic congestion in and around airport facilities. This system will also connect LAX with Metro’s proposed Airport Metro Connector (AMC).

- A timeline of the first three elements can be found below.



Source: LAWA July 2018

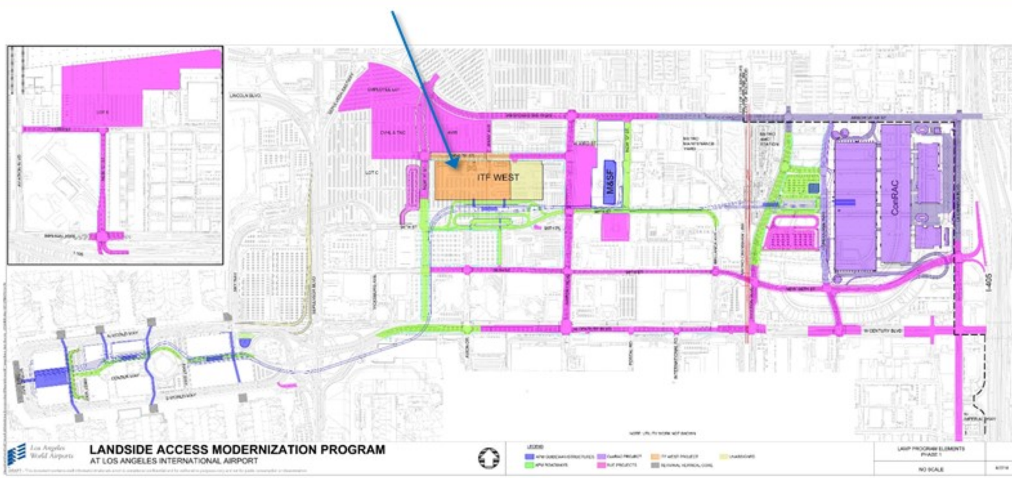
Consolidated Rent-a-Car Facility

Final RFP Released April 2018	Technical Proposals Due July 2018	Financial Proposals Due August 2018	Selection Notice Sept. 2018	BOAC Approval/ TTT Committee Approval Oct./Nov. 2018	Breaking Ground 2019	Construction Completed 2022	Operational 2023

March 2018
Geotechnical
Investigation

Intermodal Transportation Facility - West

Final RFP Released July 2017	BOAC Approval July 11, 2018	Breaking Ground Early 2019	Construction Complete Early 2020	Operational Early 2021



Source: LAWA July 2018

Metro Rail Extensions

- In 2017, Metro reported 112,783,075 riders on the rail system, traveling 706,696,035 passenger miles.

- The Metro Rail system has expanded to 93 stations and over 105 miles of rail to destinations across Los Angeles County.

- Current Metro Rail projects include:

  1. **The Metro Crenshaw/LAX Line (Under Construction Opening 2019)** - Extends from the existing Metro Exposition Line at Crenshaw and Exposition Boulevards. The Line will travel 8.5 miles to the Metro Green Line and will serve the cities of Los Angeles, Inglewood and El Segundo; and portions of unincorporated Los Angeles County.

  2. **Regional Connector Project (Under Construction Opening 2021)** - Extends from the Metro Gold Line Little Tokyo/Arts District Station to the 7th Street/Metro Center Station in downtown Los Angeles, allowing passengers to transfer to Blue, Expo, Red and Purple Lines, bypassing Union Station. The 1.9-mile alignment will serve Little Tokyo, the Arts District, Civic Center, The Historic Core, Broadway, Grand Av, Bunker Hill, Flower St and the Financial District. This new Metro Rail extension will also provide a one-seat ride for travel across Los Angeles County. From the Metro Gold Line, passengers will be able to travel from Azusa to Long Beach and from East Los Angeles to Santa Monica without transferring lines.

  3. **The Purple Line (Under Construction)** –The Purple Line Extension will extend westward from the current terminus at Wilshire/Western, for about nine miles with seven new stations. The project is being built in three sections:

     1. The first section will add 3 new stations between Wilshire/Western and Wilshire/La Cienega is now under construction and is scheduled for completion in 2023.

     2. Section 2 will add two stations and extend the subway to downtown Beverly Hills and Century City. Construction for Section 2 is planned to begin in 2018. The extension is expected to begin operations by 2025.

     3. Section 3 will then extend the project to two stations in Westwood and connect downtown Los Angeles to the Westside. Currently, in pre-construction, the project is anticipated to begin construction in 2019 and be open for operations in 2026.

  4. **The Gold Line (Under Construction Opening 2026) -** Extends the line for 12 miles east from Azusa to Montclair. Phase 2 includes new stations at Glendora, San Dimas, La Verne, Pomona, Claremont, and Montclair.

Source: Metro

Metro Rail & Busway with Measure M Transit Projects

Source: Metro

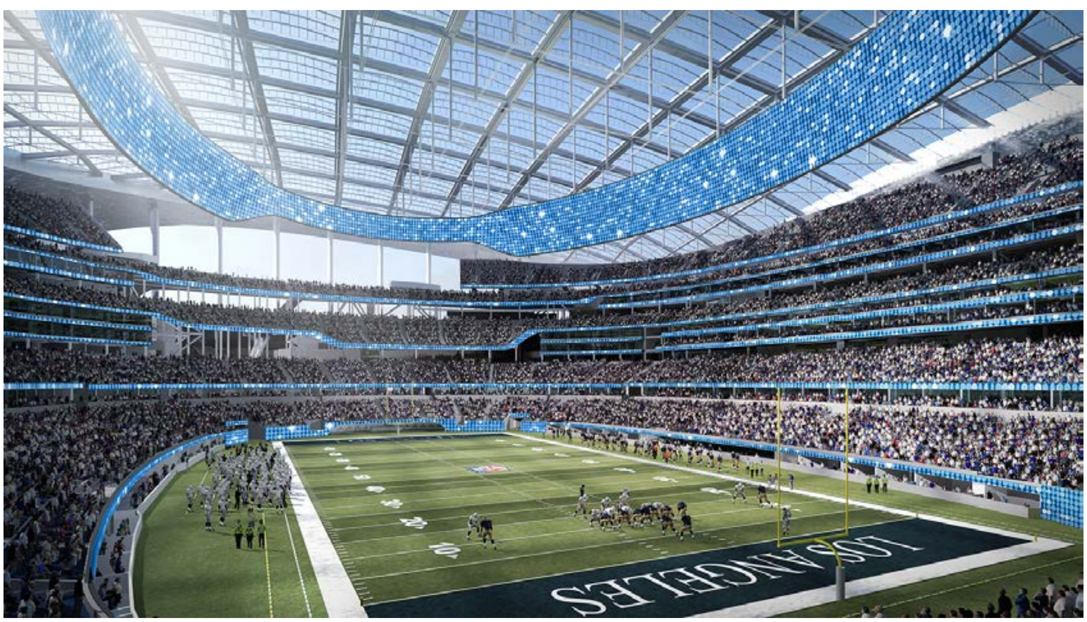
Lucas Museum of Narrative Art

- The Lucas Museum of Narrative Art in Exposition Park officially broke ground in March 2018 and is anticipated to be completed by late 2021.
- With an iconic building designed by Ma Yansong of MAD Architects, the 300,000 square-foot non-profit museum will feature collection galleries and exhibition spaces displaying original works of art from world renowned artists, cutting-edge digital technologies and daily film screenings in two state-of-the-art theaters.
- It will also offer extraordinary educational opportunities with hands-on and digital classrooms and a free public research library for educators, scholars and students. Education will be a centerpiece of the Museum's programming to provide diverse students of all ages the skills to voice their own stories and spark creativity.
- The project will transform a series of asphalt parking lots into a museum surrounded by 11 acres of new park land and gardens

Source: Lucas Museum, Curbed Los Angeles

Inglewood Stadium

- Construction on the Inglewood football stadium, the future home of the Los Angeles Rams and Chargers football teams, is 40% complete as of June 2018.
- The stadium is on track to open in summer 2020
- Not long after it opens, the stadium will be thrust into the national spotlight, not only as the largest and most state-of-the-art football stadium to date, but also as the host of the 2022 Super Bowl.



Source: Curbed Los Angeles, CBS

Academy Museum of Motion Pictures

- Opening in 2019, The Academy Museum will be the world's premier institution dedicated to the art and science of movies

- Located on Wilshire and Fairfax in Los Angeles, the Museum will be simultaneously immersive, experimental, educational, and entertaining and will offer experiences and insights into movies and moviemaking.

- The Academy Museum will draw from the unparalleled collection of the Academy of Motion Picture Arts and Sciences, which includes more than 12 million photographs, 190,000 film and video assets, 80,000 screenplays, 61,000 posters, 20,000 production and costume design drawings, and 104,000 pieces of production art.

Source: Curbed Los Angeles, Academy Museum of Motion Pictures

LOS ANGELES COUNTY HOTEL MARKET

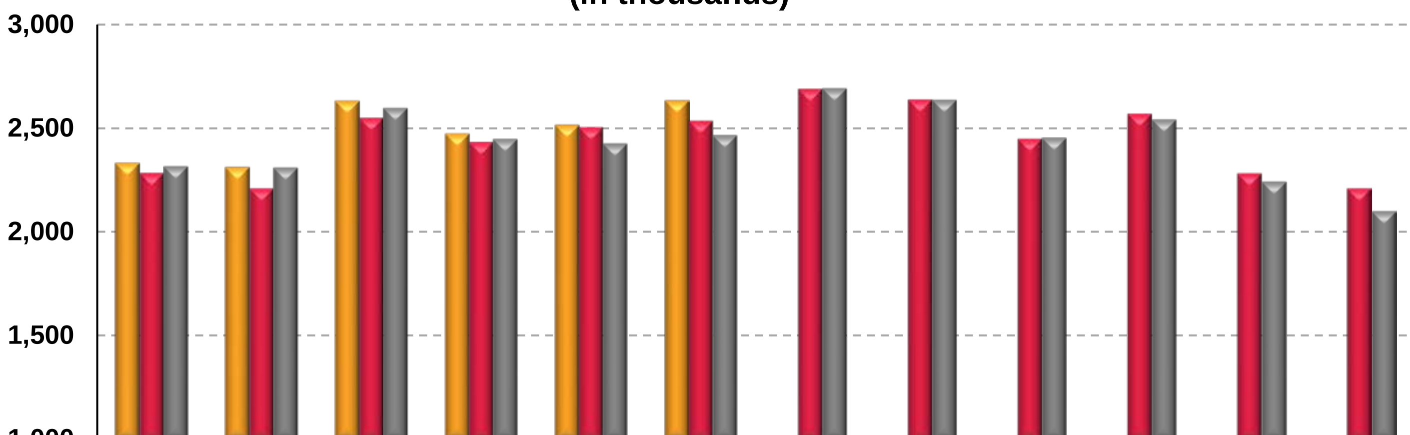
LOS ANGELES COUNTY HOTEL MARKET

Los Angeles County Hotel Market

2017 Lodging Performance						
Industry Metrics	United States		Top 25 Markets		Los Angeles	
	2017	% Chg	2017	% Chg	2017	% Chg
Supply (million)	1,868.8	1.8%	595.3	2.4%	36.7	2.3%
Demand (million)	1,232.4	2.7%	438.9	3.0%	29.4	0.5%
Occupancy (%)	65.9%	0.9%	73.7%	0.6%	80.0%	-1.6%
ADR ($)	$126.72	2.1%	$153.81	1.7%	$175.98	2.4%
RevPAR ($)	$83.57	3.0%	$113.41	2.2%	$140.85	0.8%

Source: STR

LOS ANGELES COUNTY Room Nights Sold 2016 - 2018
(in thousands)



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2018	2,336	2,315	2,634	2,476	2,518	2,635						
2017	2,287	2,212	2,551	2,434	2,506	2,536	2,689	2,638	2,450	2,570	2,285	2,212
2016	2,316	2,309	2,597	2,447	2,425	2,465	2,691	2,636	2,453	2,541	2,241	2,100

Source: STR; Tourism Economics

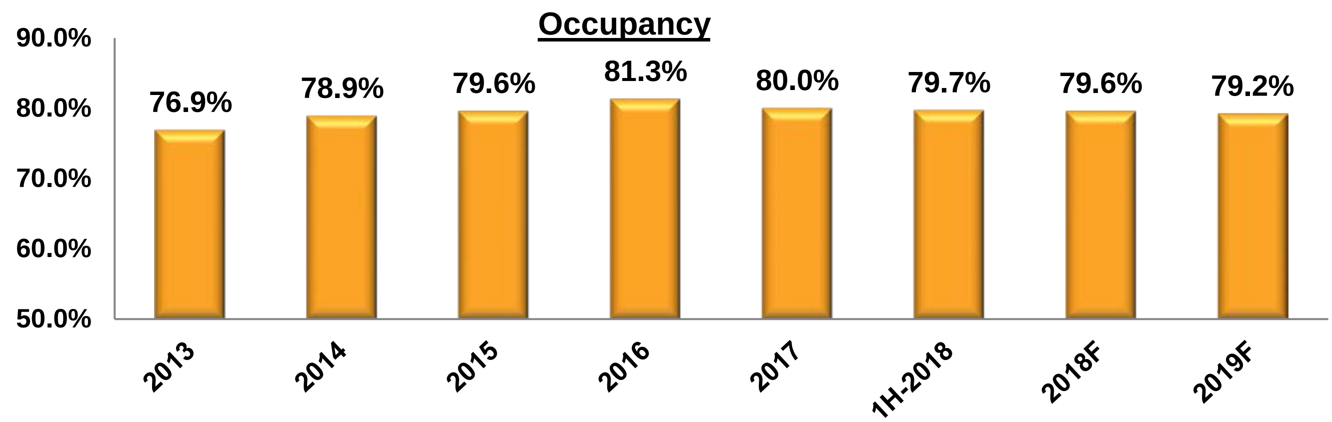
2017 Top 15 U.S. Market Supply Inventory	Properties	Room Supply	Average Rooms Per Property
Las Vegas (from LCVA)	282	148,897	528
Orlando, FL	497	124,314	250
New York, NY	653	119,056	182
Chicago, IL	768	116,465	152
Washington, DC-MD-VA	722	111,978	155
Los Angeles/Long Beach, CA	**1,022**	**102,102**	**100**
Atlanta, GA	819	96,594	118
Houston, TX	885	87,509	99
Dallas, TX	685	86,036	126
Phoenix, AZ	472	64,949	138
San Diego, CA	485	61,737	127
Anaheim/Santa Ana, CA	445	57,465	129
Boston, MA	377	55,490	147
Miami/Hialeah, FL	428	54,816	128
San Francisco/San Mateo, CA	397	52,411	132

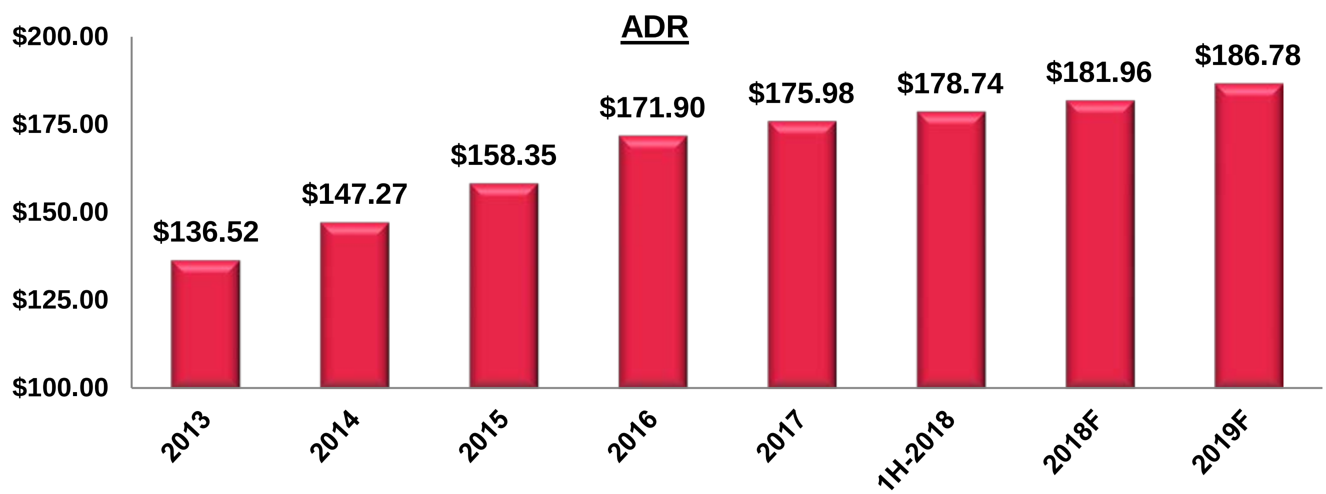
Source: STR Dec 2017 Inventory (except for Las Vegas which with CVB provides)

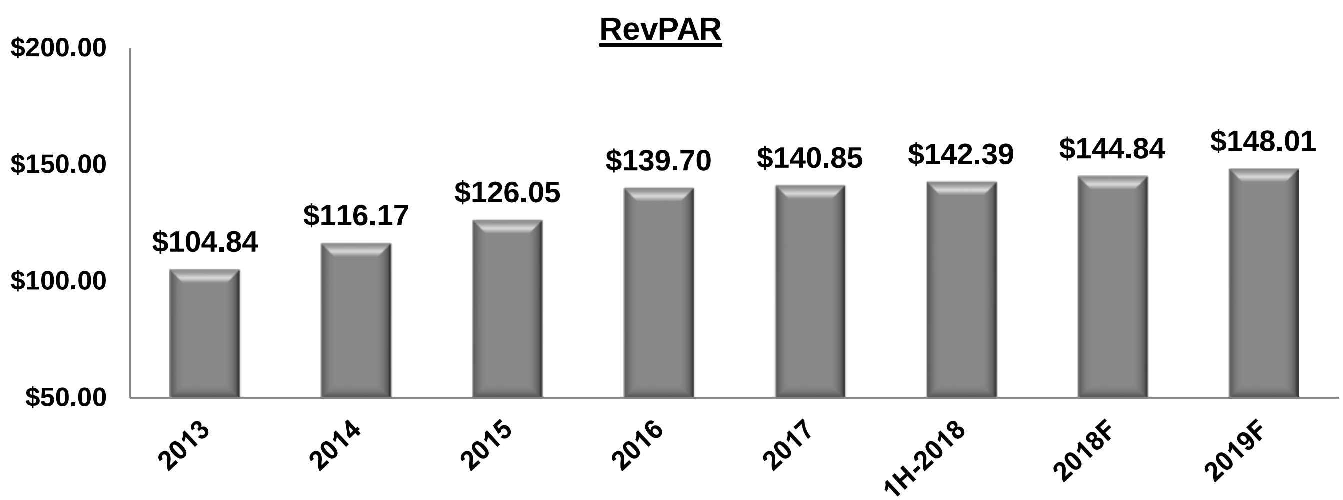
Los Angeles Property & Room Census as of June 2018	Total Properties	Total Rooms
Los Angeles County, CA	**1,029**	**103,399**
Downtown L.A. (Full Region)	104	13,106
Downtown L.A. (Central Business District)	25	8,841
Hollywood/West Hollywood	79	7,874
Beverly Hills/Westside L.A.	59	6,980
LAX Area/Inglewood/Culver City	81	14,238
Long Beach	59	6,251
South Bay	133	11,580
L.A. Southeast (Gateway Cities)	112	7,276
Santa Monica/MDR/Venice/Malibu	61	6,207
L.A. East (San Gabriel Valley/Pomona)	139	10,840
Los Angeles North (inc SF Valley)	136	12,736
San Fernando Valley (only)	120	12,010
Pasadena/Arcadia/Monrovia	37	4,254

Source: STR

2013 – 2019f L.A. County Lodging Performance



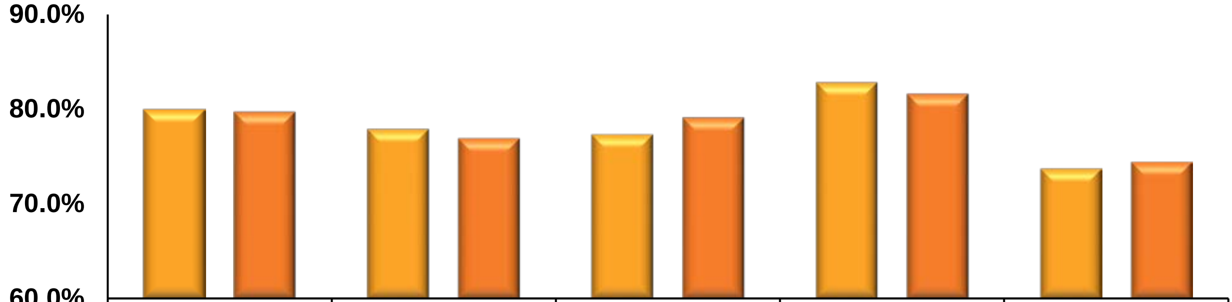




Source: Tourism Economics, STR

Competitive Cities Lodging Metrics

Occupancy

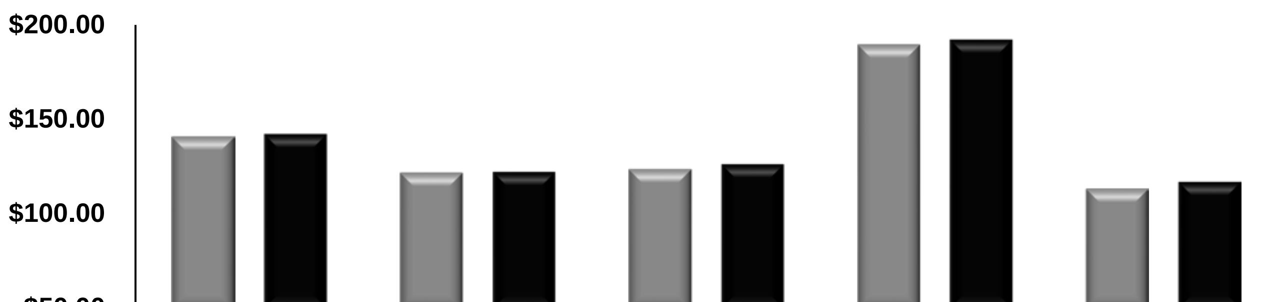


	L.A. County	Anaheim	San Diego	San Francisco	Top 25 U.S. Markets
Jan-Dec 2017	80.0%	77.9%	77.3%	82.8%	73.7%
Jan-Jun 2018	79.7%	76.9%	79.1%	81.6%	74.4%

ADR

	L.A. County	Anaheim	San Diego	San Francisco	Top 25 U.S. Markets
Jan-Dec 2017	$175.98	$156.54	$160.08	$229.24	$153.81
Jan-Jun 2018	$178.74	$159.15	$159.86	$235.71	$157.23

RevPAR



	L.A. County	Anaheim	San Diego	San Francisco	Top 25 U.S. Markets
Jan-Dec 2017	$140.85	$121.88	$123.74	$189.73	$113.41
Jan-Jun 2018	$142.39	$122.33	$126.47	$192.35	$117.04

Source: STR

2017 Full Year Lodging Performance of L.A. County and Submarkets

2017 Lodging Metrics	Occ %		ADR ($)		RevPAR ($)	
L.A. County & Submarkets	2017	% Chg	2017	% Chg	2017	% Chg
Los Angeles County	**80.0%**	**-1.6%**	**$175.98**	**+2.4%**	**$140.85**	**+0.8%**
Downtown L.A. (CBD)	78.7%	-0.1%	$217.35	+2.5%	$171.16	+2.5%
Hollywood/West Hollywood	80.8%	-4.3%	$233.03	+0.7%	$188.33	-3.7%
Beverly Hills/Westside L.A.	80.8%	-0.4%	$369.87	+0.9%	$298.94	+0.4%
Santa Monica/MDR/Venice/Malibu	84.0%	-0.4%	$311.78	+1.5%	$261.89	+1.1%
LAX Area/Inglewood/Culver City	84.7%	+0.2%	$145.47	+2.6%	$123.24	+2.8%
South Bay	82.2%	-1.4%	$145.03	+2.5%	$119.26	+1.1%
San Fernando Valley	80.4%	-2.0%	$147.48	-3.4%	$118.53	-5.3%
Pasadena/Arcadia/Monrovia	76.2%	-7.7%	$166.74	+3.9%	$127.08	-4.1%
L.A. East (San Gabriel Valley)	76.1%	-1.2%	$105.09	+4.8%	$79.98	+3.5%
L.A. Southeast (Gateway Cities)	77.7%	+0.0%	$101.47	+3.1%	$78.82	+3.1%

Jan-Jun YTD 2018 Lodging Performance of L.A. County and Submarkets

- Room nights sold (demand) increased year over year, however supply grew at a faster rate resulting in decreased occupancy for the first half of the year.

2018 Jan-Jun Lodging Metrics	Occ %		ADR ($)		RevPAR ($)	
L.A. County & Submarkets	1H 2018	% Chg	1H 2018	% Chg	1H 2018	% Chg
Los Angeles County	**79.7%**	**-1.3%**	**$178.74**	**+3.2%**	**$142.39**	**+1.8%**
Downtown L.A. (CBD)	76.4%	-1.4%	$225.60	+1.7%	$172.25	+0.3%
Hollywood/West Hollywood	79.7%	-4.0%	$239.73	+3.8%	$191.14	-0.3%
Beverly Hills/Westside L.A.	80.3%	-2.0%	$371.32	+4.6%	$298.32	+2.5%
Santa Monica/MDR/Venice/Malibu	85.5%	+2.5%	$311.00	+4.0%	$265.99	+6.6%
LAX Area/Inglewood/Culver City	86.4%	+0.9%	$144.51	+0.0%	$124.86	+0.9%
South Bay	81.2%	-3.0%	$143.75	+0.9%	$116.75	-2.1%
San Fernando Valley	80.0%	-0.9%	$147.35	+2.1%	$117.84	+1.2%
Pasadena/Arcadia/Monrovia	79.6%	+4.2%	$165.38	-0.2%	$131.20	+3.6%
L.A. East (San Gabriel Valley)	73.6%	-3.8%	$105.42	+1.5%	$77.63	-2.4%
L.A. Southeast (Gateway Cities)	75.3%	-2.5%	$106.06	+5.0%	$79.85	+2.4%

Source: STR

2018 Full Year Forecast Lodging Performance in L.A. County & Submarkets

- Declining occupancy is forecast for 2018 due to additional new supply countywide.
- Room demand, however, is forecast to increase 2.3% over 2017.

2018 Full Year Forecast	Occ %		ADR ($)		RevPAR ($)	
L.A. County & Submarkets	2018 FY Forecast	% Chg	2018 FY Forecast	% Chg	2018 FY Forecast	% Chg
Los Angeles County	**79.6%**	**-0.5%**	**$181.96**	**+3.4%**	**$144.84**	**+2.3%**
Downtown L.A. (CBD)	77.3%	-1.8%	$226.50	+4.2%	$175.10	+2.3%
Hollywood/West Hollywood	80.0%	-1.0%	$242.80	+4.2%	$194.30	+3.2%
Beverly Hills/Westside L.A.	80.1%	-0.9%	$380.75	+2.9%	$304.90	+2.0%
Santa Monica/MDR/Venice/Malibu	83.8%	-0.3%	$318.30	+2.1%	$266.70	+1.8%
LAX Area/Inglewood/Culver City	84.8%	+0.1%	$149.55	+2.8%	$126.80	+2.9%
South Bay	83.6%	+1.7%	$148.85	+2.6%	$124.40	+4.3%
San Fernando Valley	79.7%	-0.9%	$151.30	+2.6%	$120.60	+1.7%
Pasadena/Arcadia/Monrovia	79.0%	+3.6%	$168.45	+1.0%	$133.00	+4.7%
L.A. East (San Gabriel Valley)	77.4%	+1.7%	$107.20	+2.0%	$83.00	+3.8%
L.A. Southeast (Gateway Cities)	75.8%	-2.5%	$106.40	+4.9%	$80.60	+2.3%

2019 Full Year Forecast Lodging Performance in L.A. County & Submarkets

- Declining occupancy is forecast for 2019 due to additional new supply countywide.
- Room demand, however, is forecast to increase 2.2% over 2018.

2019 Full Year Forecast	Occ %		ADR ($)		RevPAR ($)	
L.A. County & Submarkets	2019 FY Forecast	% Chg	2019 FY Forecast	% Chg	2019 FY Forecast	% Chg
Los Angeles County	**79.2%**	**-0.4%**	**$186.78**	**+2.6%**	**$148.01**	**+2.2%**
Downtown L.A. (CBD)	76.9%	-0.5%	$234.50	+3.5%	$182.13	+4.0%
Hollywood/West Hollywood	80.3%	+0.4%	$250.47	+3.2%	$205.29	+5.7%
Beverly Hills/Westside L.A.	79.9%	-0.2%	$389.62	+2.3%	$311.34	+2.1%
Santa Monica/MDR/Venice/Malibu	81.7%	-2.5%	$322.76	+1.4%	$263.75	-1.1%
LAX Area/Inglewood/Culver City	83.0%	-2.1%	$154.47	+3.3%	$128.77	+1.6%
South Bay	81.5%	-2.5%	$153.25	+3.0%	$125.07	+0.5%
San Fernando Valley	80.3%	+0.8%	$160.26	+5.9%	$132.37	+9.8%
Pasadena/Arcadia/Monrovia	79.0%	+0.0%	$175.95	+4.5%	$138.98	+4.5%
L.A. East (San Gabriel Valley)	74.6%	-3.6%	$110.29	+2.9%	$81.80	-1.4%
L.A. Southeast (Gateway Cities)	75.7%	-0.1%	$106.93	+0.5%	$81.04	+0.5%

Source: Los Angeles Tourism & Convention Board

2016 - 2018 YTD L.A. County Lodging Data

LOS ANGELES COUNTY	Supply	Demand (Rooms Sold)				Revenue (ADR)			
	Total	Transient	Group	Contract	Total	Transient	Group	Contract	Total
Jan-Jun 2018	18,722,025	10,861,000	2,857,180	1,196,058	14,914,238	$184.30	$184.57	$114.34	$178.74
Jan-Jun 2017	17,987,519	10,355,714	2,937,611	1,229,403	14,522,728	$181.00	$173.08	$108.13	$173.23
YOY% Change	**4.1%**	**4.9%**	**-2.7%**	**-2.7%**	**2.7%**	**1.8%**	**6.6%**	**5.7%**	**3.2%**
2017 (Full Year)	36,713,073	21,394,696	5,473,335	2,501,969	29,370,000	$184.15	$174.26	$110.22	$175.98
2016 (Full Year)	35,869,043	21,000,533	5,666,128	2,554,339	29,221,000	$182.23	$165.34	$101.49	$171.90
YOY% Change	**2.4%**	**1.9%**	**-3.4%**	**-2.1%**	**0.5%**	**1.1%**	**5.4%**	**8.6%**	**2.4%**

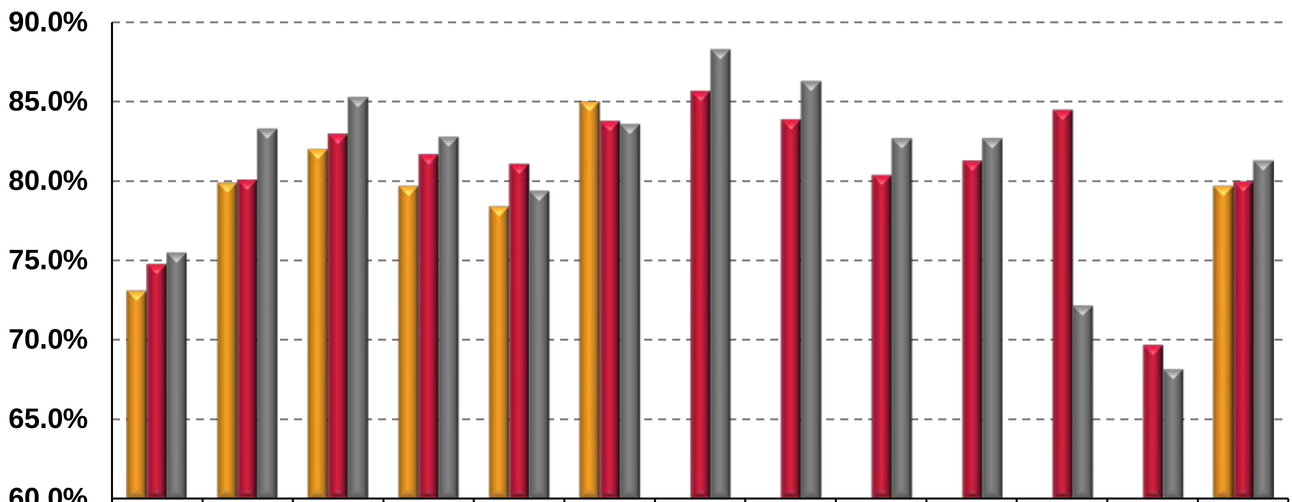
2017 Room Demand Segmentation

Transient: Includes rooms occupied by discretionary leisure travel and independent business travelers.

Contract: Rooms occupied at rates that are stipulated by contracts, including airline crews and permanent guests.

Group: Rooms occupied in blocks of ten or more, e.g. group tours, domestic and international groups, convention and corporate groups, and various leisure activities.

Occupancy Rates 2016 - 2018 YTD



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YE
2018	73.1%	79.9%	82.0%	79.7%	78.4%	85.0%							79.7%
2017	74.8%	80.1%	83.0%	81.7%	81.1%	83.8%	85.7%	83.9%	80.4%	81.3%	84.5%	69.7%	80.0%
2016	75.5%	83.3%	85.3%	82.8%	79.4%	83.6%	88.3%	86.3%	82.7%	82.7%	72.2%	68.2%	81.3%

*YE = January–June YTD for 2018; Full calendar year end occupancy rate for all other years.

Source: STR

2016 - 2018 YTD DTLA Central Business District Lodging Data

DTLA CENTRAL BUS. DISTRICT	Supply	Demand (Rooms Sold)				Revenue (ADR)			
	Total	Transient	Group	Contract	Total	Transient	Group	Contract	Total
Jan-Jun 2018	1,591,913	697,268	395,320	122,840	1,215,428	$228.27	$247.76	$139.16	$225.60
Jan-Jun 2017	1,420,535	619,710	389,116	91,502	1,100,328	$231.62	$226.60	$134.40	$221.76
YOY% Change	**12.1%**	**12.5%**	**1.6%**	**34.2%**	**10.5%**	**-1.4%**	**9.3%**	**3.5%**	**1.7%**
2017 (Full Year)	3,002,028	1,328,869	745,777	212,484	2,287,130	$226.78	$220.83	$137.32	$217.35
2016 (Full Year)	2,805,441	1,288,039	722,702	200,290	2,211,031	$225.54	$211.83	$124.93	$211.94
YOY% Change	**7.0%**	**3.2%**	**3.2%**	**6.1%**	**3.4%**	**0.6%**	**4.2%**	**9.9%**	**2.5%**

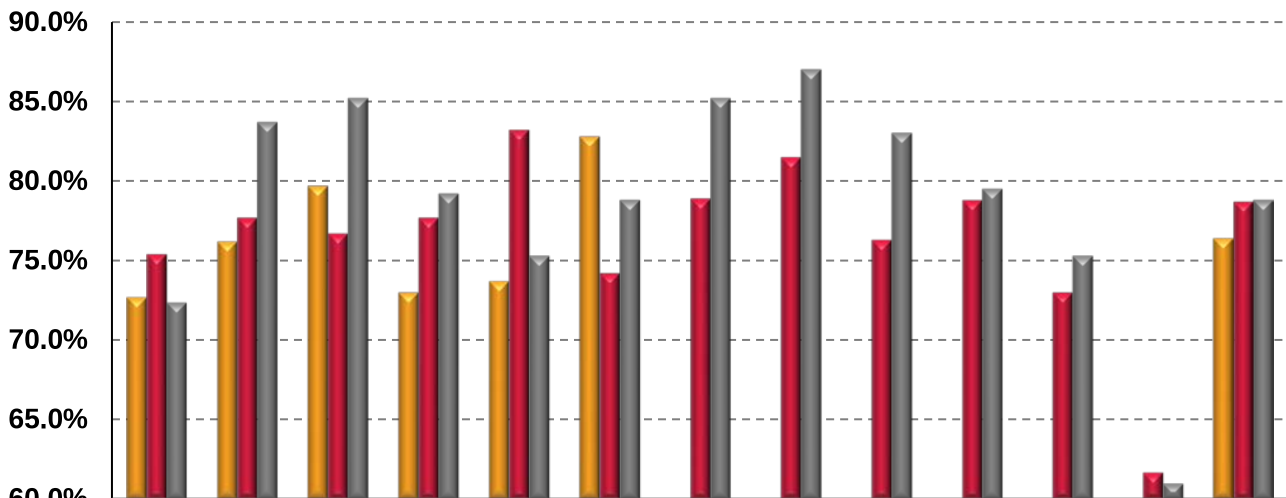
2017 Room Demand Segmentation

Transient: Includes rooms occupied by discretionary leisure travel and independent business travelers.

Contract: Rooms occupied at rates that are stipulated by contracts, including airline crews and permanent guests.

Group: Rooms occupied in blocks of ten or more, e.g. group tours, domestic and international groups, convention and corporate groups, and various leisure activities.

Occupancy Rates 2016 - 2018 YTD



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YE
2018	72.7%	76.2%	79.7%	73.0%	73.7%	82.8%							76.4%
2017	75.4%	77.7%	76.7%	77.7%	83.2%	74.2%	78.9%	81.5%	76.3%	78.8%	73.0%	61.7%	78.7%
2016	72.4%	83.7%	85.2%	79.2%	75.3%	78.8%	85.2%	87.0%	83.0%	79.5%	75.3%	61.0%	78.8%

*YE = January–June YTD for 2018; Full calendar year end occupancy rate for all other years.

Source: STR

2016 - 2018 YTD LAX Area / Inglewood/ Culver City Lodging Data

LAX AREA / INGLEWOOD/ CULVER CITY	Supply	Demand (Rooms Sold)				Revenue (ADR)			
	Total	Transient	Group	Contract	Total	Transient	Group	Contract	Total
Jan-Jun 2018	2,589,857	1,662,750	246,874	303,217	2,237,790	$145.05	$140.86	$144.75	$144.51
Jan-Jun 2017	2,514,863	1,571,611	242,458	338,681	2,152,749	$146.00	$138.66	$141.95	$144.53
YOY% Change	**3.0%**	**5.8%**	**1.8%**	**-10.5%**	**4.0%**	**-0.7%**	**1.6%**	**2.0%**	**0.0%**
2017 (Full Year)	5,124,782	3,217,582	445,016	678,759	4,341,357	$146.50	$138.99	$144.85	$145.47
2016 (Full Year)	4,886,873	3,000,109	464,689	665,557	4,130,355	$146.11	$131.28	$129.60	$141.78
YOY% Change	**4.9%**	**7.2%**	**-4.2%**	**2.0%**	**5.1%**	**0.3%**	**5.9%**	**11.8%**	**2.6%**

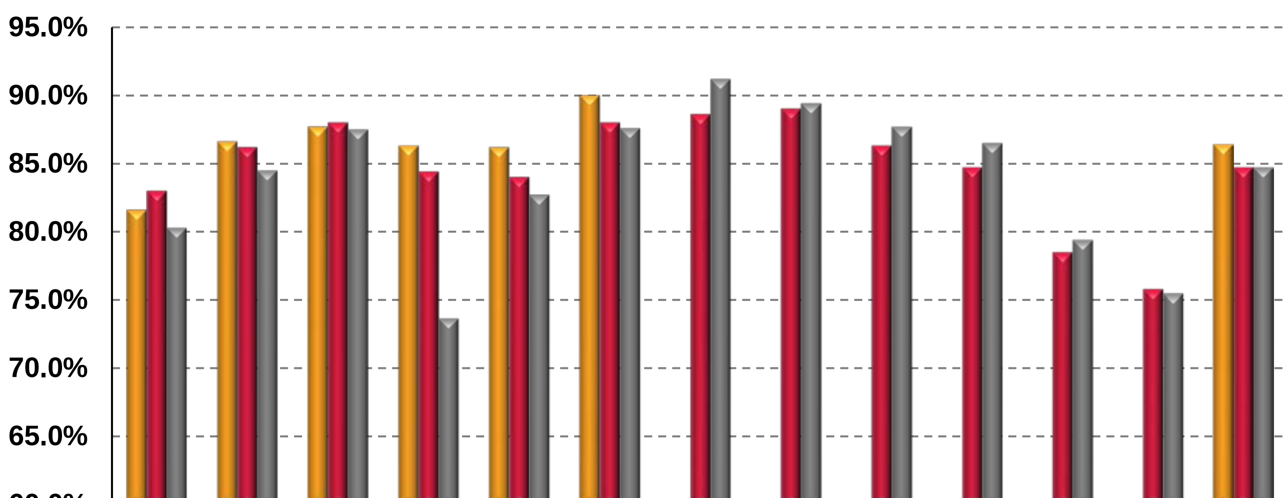
2017 Room Demand Segmentation

Transient: Includes rooms occupied by discretionary leisure travel and independent business travelers.

Contract: Rooms occupied at rates that are stipulated by contracts, including airline crews and permanent guests.

Group: Rooms occupied in blocks of ten or more, e.g. group tours, domestic and international groups, convention and corporate groups, and various leisure activities.

Occupancy Rates 2016 - 2018 YTD



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YE
2018	81.6%	86.6%	87.7%	86.3%	86.2%	90.0%							86.4%
2017	83.0%	86.2%	88.0%	84.4%	84.0%	88.0%	88.6%	89.0%	86.3%	84.7%	78.5%	75.8%	84.7%
2016	80.3%	84.5%	87.5%	73.7%	82.7%	87.6%	91.2%	89.4%	87.7%	86.5%	79.4%	75.5%	84.7%

*YE = January–June YTD for 2018; Full calendar year end occupancy rate for all other years.
Source: STR

2016 - 2018 YTD Hollywood / West Hollywood Lodging Data

HOLLYWOOD / WEST HOLLYWOOD	Supply	Demand (Rooms Sold)				Revenue (ADR)			
	Total	Transient	Group	Contract	Total	Transient	Group	Contract	Total
Jan-Jun 2018	1,425,345	921,755	211,256	3,443	1,136,454	$240.57	$236.48	$213.80	$239.73
Jan-Jun 2017	1,243,378	834,152	197,032	1,321	1,032,505	$233.81	$218.89	$174.25	$230.89
YOY% Change	**14.6%**	**10.5%**	**7.2%**	**160.6%**	**10.1%**	**2.9%**	**8.0%**	**22.7%**	**3.8%**
2017 (Full Year)	2,623,026	1,767,940	349,651	2,260	2,119,851	$236.00	$218.37	$179.91	$233.03
2016 (Full Year)	2,506,675	1,747,307	362,310	7,311	2,116,928	$236.23	$208.08	$248.10	$231.45
YOY% Change	**4.6%**	**1.2%**	**-3.5%**	**-69.1%**	**0.1%**	**-0.1%**	**4.9%**	**-27.5%**	**0.7%**

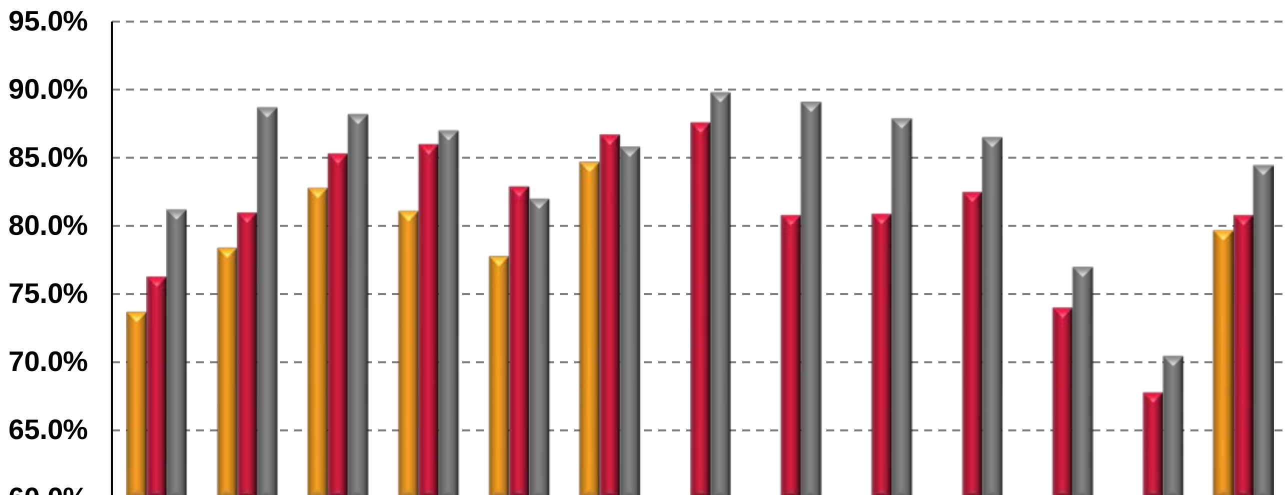
2017 Room Demand Segmentation

Transient: Includes rooms occupied by discretionary leisure travel and independent business travelers.

Contract: Rooms occupied at rates that are stipulated by contracts, including airline crews and permanent guests.

Group: Rooms occupied in blocks of ten or more, e.g. group tours, domestic and international groups, convention and corporate groups, and various leisure activities.

Occupancy Rates 2016 - 2018 YTD



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YE
2018	73.7%	78.4%	82.8%	81.1%	77.8%	84.7%							79.7%
2017	76.3%	81.0%	85.3%	86.0%	82.9%	86.7%	87.6%	80.8%	80.9%	82.5%	74.0%	67.8%	80.8%
2016	81.2%	88.7%	88.2%	87.0%	82.0%	85.8%	89.8%	89.1%	87.9%	86.5%	77.0%	70.5%	84.5%

*YE = January–June YTD for 2018; Full calendar year end occupancy rate for all other years.
Source: STR

2016 - 2018 YTD Beverly Hills / Westside L.A. Lodging Data

BEVERLY HILLS / WESTSIDE L.A.	Supply	Demand (Rooms Sold)				Revenue (ADR)			
	Total	Transient	Group	Contract	Total	Transient	Group	Contract	Total
Jan-Jun 2018	1,263,200	830,797	175,942	8,126	1,014,865	$374.11	$360.14	$328.70	$371.32
Jan-Jun 2017	1,225,895	832,528	164,875	7,208	1,004,612	$358.95	$337.26	$302.87	$354.99
YOY% Change	**3.0%**	**-0.2%**	**6.7%**	**12.7%**	**1.0%**	**4.2%**	**6.8%**	**8.5%**	**4.6%**
2017 (Full Year)	2,496,580	1,671,238	332,059	14,496	2,017,794	$372.29	$360.40	$307.73	$369.87
2016 (Full Year)	2,454,711	1,641,796	325,873	25,138	1,992,807	$370.33	$354.52	$279.84	$366.60
YOY% Change	**1.7%**	**1.8%**	**1.9%**	**-42.3%**	**1.3%**	**0.5%**	**1.7%**	**10.0%**	**0.9%**

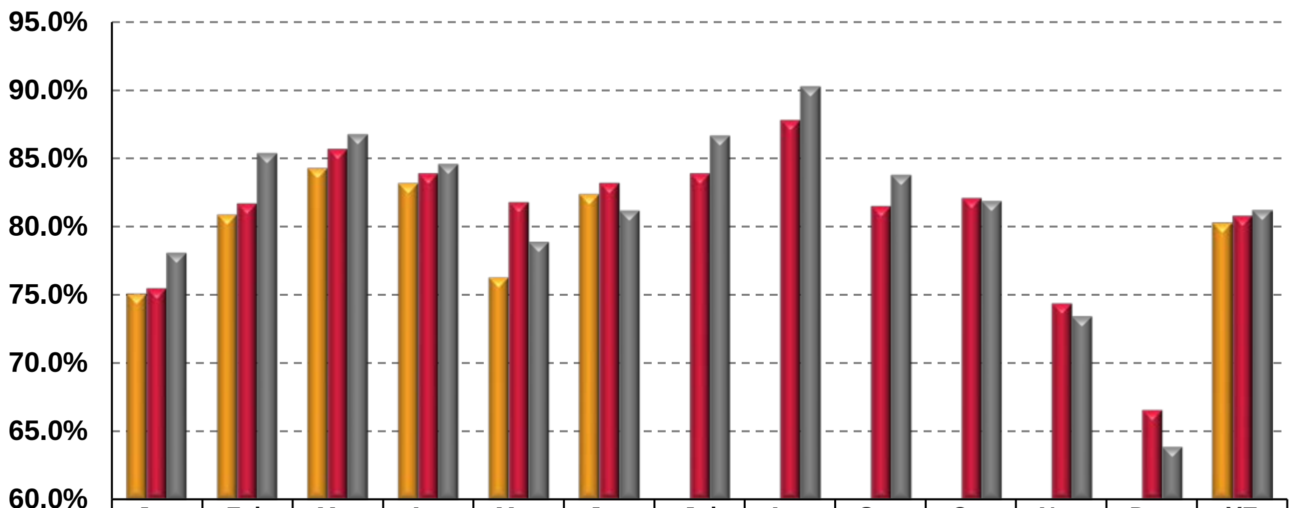
2017 Room Demand Segmentation

Transient: Includes rooms occupied by discretionary leisure travel and independent business travelers.

Contract: Rooms occupied at rates that are stipulated by contracts, including airline crews and permanent guests.

Group: Rooms occupied in blocks of ten or more, e.g. group tours, domestic and international groups,
convention and corporate groups, and various leisure activities.

Occupancy Rates 2016 - 2018 YTD



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YE
2018	75.1%	80.9%	84.3%	83.2%	76.3%	82.4%							80.3%
2017	75.5%	81.7%	85.7%	83.9%	81.8%	83.2%	83.9%	87.8%	81.5%	82.1%	74.4%	66.6%	80.8%
2016	78.1%	85.4%	86.8%	84.6%	78.9%	81.2%	86.7%	90.3%	83.8%	81.9%	73.5%	63.9%	81.3%

*YE = January–June YTD for 2018; Full calendar year end occupancy rate for all other years.
Source: STR

2016 - 2018 YTD Santa Monica / MDR/ Venice / Malibu Lodging Data

SANTA MONICA / MDR / VENICE / MALIBU	Supply	Demand (Rooms Sold)				Revenue (ADR)			
	Total	Transient	Group	Contract	Total	Transient	Group	Contract	Total
Jan-Jun 2018	1,123,426	783,394	153,581	12,686	960,842	$317.04	$289.28	$182.34	$311.00
Jan-Jun 2017	1,098,004	750,667	154,571	11,253	916,491	$303.88	$282.79	$188.93	$298.91
YOY% Change	**2.3%**	**4.4%**	**-0.6%**	**12.7%**	**4.8%**	**4.3%**	**2.3%**	**-3.5%**	**4.0%**
2017 (Full Year)	2,233,317	1,569,463	283,894	22,565	1,875,922	$318.83	$282.69	$187.40	$311.78
2016 (Full Year)	2,148,023	1,462,603	328,546	20,307	1,811,456	$317.71	$268.94	$166.85	$307.18
YOY% Change	**4.0%**	**7.3%**	**-13.6%**	**11.1%**	**3.6%**	**0.4%**	**5.1%**	**12.3%**	**1.5%**

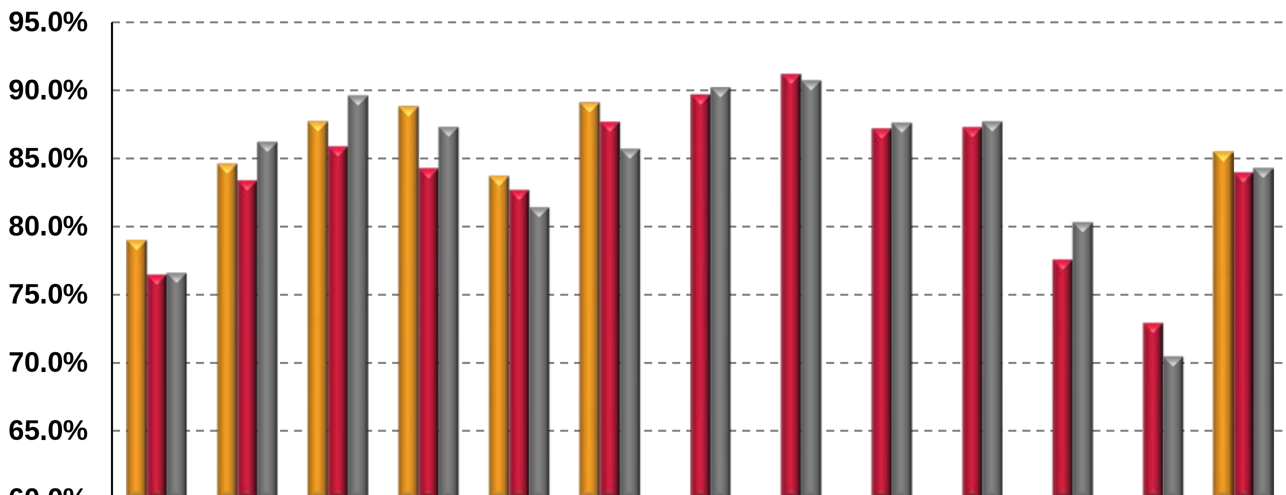
2017 Room Demand Segmentation

Transient: Includes rooms occupied by discretionary leisure travel and independent business travelers.

Contract: Rooms occupied at rates that are stipulated by contracts, including airline crews and permanent guests.

Group: Rooms occupied in blocks of ten or more, e.g. group tours, domestic and international groups, convention and corporate groups, and various leisure activities.

Occupancy Rates 2016 - 2018 YTD



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YE
2018	79.0%	84.6%	87.7%	88.8%	83.7%	89.1%							85.5%
2017	76.5%	83.4%	85.9%	84.3%	82.7%	87.7%	89.7%	91.2%	87.2%	87.3%	77.6%	73.0%	84.0%
2016	76.6%	86.2%	89.6%	87.3%	81.4%	85.7%	90.2%	90.7%	87.6%	87.7%	80.3%	70.5%	84.3%

*YE = January–June YTD for 2018; Full calendar year end occupancy rate for all other years.
Source: STR

2016 - 2018 YTD South Bay Lodging Data

SOUTH BAY	Supply	Demand (Rooms Sold)				Revenue (ADR)			
	Total	Transient	Group	Contract	Total	Transient	Group	Contract	Total
Jan-Jun 2018	2,094,384	966,681	285,119	399,058	1,701,023	$149.37	$174.30	$106.81	$143.75
Jan-Jun 2017	2,069,074	983,223	325,297	424,317	1,732,838	$151.22	$175.07	$96.98	$142.42
YOY% Change	**1.2%**	**-1.7%**	**-12.4%**	**-6.0%**	**-1.8%**	**-1.2%**	**-0.4%**	**10.1%**	**0.9%**
2017 (Full Year)	4,195,316	2,041,510	559,639	848,665	3,449,814	$155.20	$175.81	$100.25	$145.03
2016 (Full Year)	4,135,679	1,898,982	643,763	906,970	3,449,715	$155.48	$167.58	$93.55	$141.45
YOY% Change	**1.4%**	**7.5%**	**-13.1%**	**-6.4%**	**0.0%**	**-0.2%**	**4.9%**	**7.2%**	**2.5%**

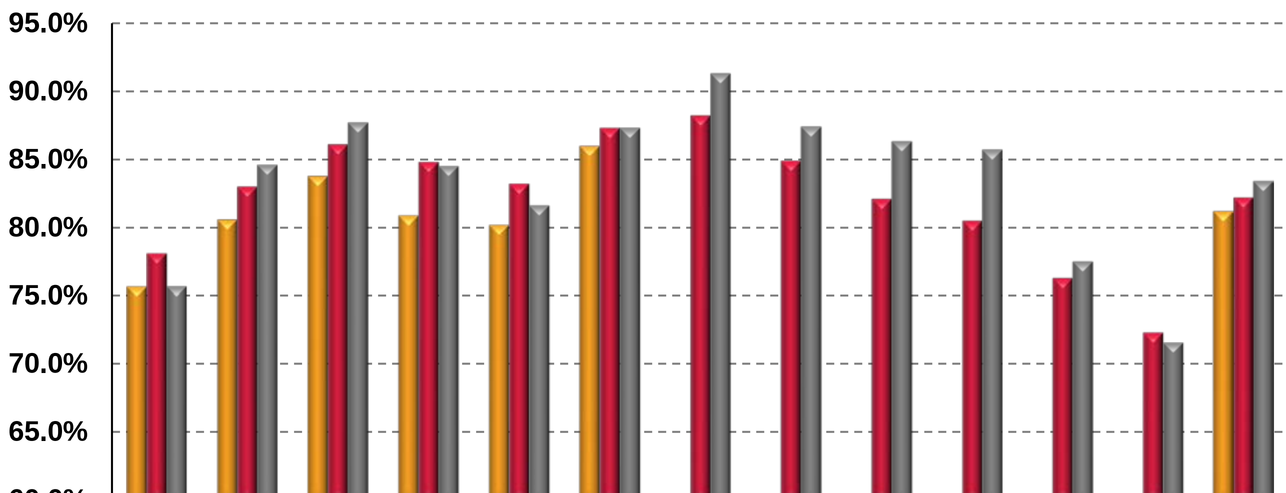
2017 Room Demand Segmentation

Transient: Includes rooms occupied by discretionary leisure travel and independent business travelers.

Contract: Rooms occupied at rates that are stipulated by contracts, including airline crews and permanent guests.

Group: Rooms occupied in blocks of ten or more, e.g. group tours, domestic and international groups,
convention and corporate groups, and
various leisure activities.

Occupancy Rates 2016 - 2018 YTD



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YE
2018	75.7%	80.6%	83.8%	80.9%	80.2%	86.0%							81.2%
2017	78.1%	83.0%	86.1%	84.8%	83.2%	87.3%	88.2%	84.9%	82.1%	80.5%	76.3%	72.3%	82.2%
2016	75.7%	84.6%	87.7%	84.5%	81.6%	87.3%	91.3%	87.4%	86.3%	85.7%	77.5%	71.6%	83.4%

*YE = January–June YTD for 2018; Full calendar year end occupancy rate for all other years.
Source: STR

2016 - 2018 YTD San Fernando Valley Lodging Data

SAN FERNANDO VALLEY	Supply	Demand (Rooms Sold)				Revenue (ADR)			
	Total	Transient	Group	Contract	Total	Transient	Group	Contract	Total
Jan-Jun 2018	2,173,899	1,349,372	317,133	71,981	1,738,487	$153.37	$132.72	$99.11	$147.35
Jan-Jun 2017	2,171,276	1,370,637	326,506	54,998	1,752,141	$149.29	$131.28	$98.11	$144.33
YOY% Change	**0.1%**	**-1.6%**	**-2.9%**	**30.9%**	**-0.8%**	**2.7%**	**1.1%**	**1.0%**	**2.1%**
2017 (Full Year)	4,378,540	2,788,491	605,512	125,038	3,519,041	$153.09	$131.90	$97.90	$147.48
2016 (Full Year)	4,303,763	2,872,349	630,915	25,395	3,528,659	$158.93	$126.00	$99.88	$152.62
YOY% Change	**1.7%**	**-2.9%**	**-4.0%**	**392.4%**	**-0.3%**	**-3.7%**	**4.7%**	**-2.0%**	**-3.4%**

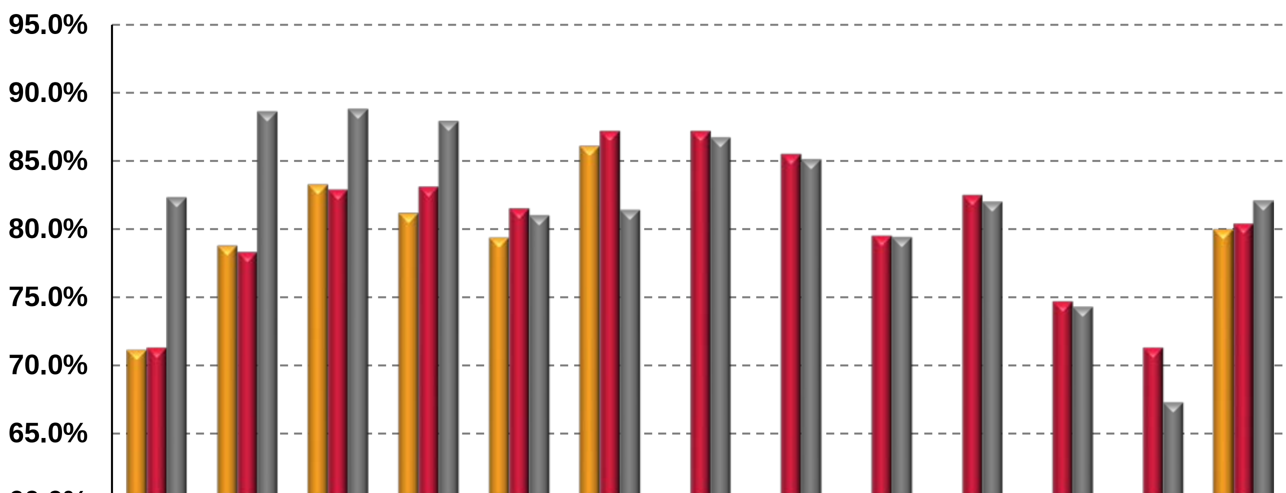
2017 Room Demand Segmentation

Transient: Includes rooms occupied by discretionary leisure travel and independent business travelers.

Contract: Rooms occupied at rates that are stipulated by contracts, including airline crews and permanent guests.

Group: Rooms occupied in blocks of ten or more, e.g. group tours, domestic and international groups, convention and corporate groups, and various leisure activities.

Occupancy Rates 2016 - 2018 YTD



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YE
2018	71.2%	78.8%	83.3%	81.2%	79.4%	86.1%							80.0%
2017	71.3%	78.3%	82.9%	83.1%	81.5%	87.2%	87.2%	85.5%	79.5%	82.5%	74.7%	71.3%	80.4%
2016	82.3%	88.6%	88.8%	87.9%	81.0%	81.4%	86.7%	85.1%	79.4%	82.0%	74.3%	67.3%	82.1%

*YE = January–June YTD for 2018; Full calendar year end occupancy rate for all other years.
Source: STR

2016 - 2018 YTD Pasadena / Arcadia / Monrovia Lodging Data

PASADENA / ARCADIA / MONROVIA	Supply	Demand (Rooms Sold)				Revenue (ADR)			
	Total	Transient	Group	Contract	Total	Transient	Group	Contract	Total
Jan-Jun 2018	901,204	548,291	153,168	5,493	706,952	$164.90	$169.78	$90.11	$165.38
Jan-Jun 2017	767,866	434,445	141,893	10,571	586,909	$168.46	$163.50	$82.01	$165.71
YOY% Change	**17.4%**	**26.2%**	**7.9%**	**-48.0%**	**20.5%**	**-2.1%**	**3.8%**	**9.9%**	**-0.2%**
2017 (Full Year)	1,547,792	891,221	277,868	10,572	1,179,661	$168.31	$164.90	$82.00	$166.74
2016 (Full Year)	1,521,909	912,841	298,231	45,777	1,256,849	$164.77	$158.82	$85.78	$160.48
YOY% Change	**1.7%**	**-2.4%**	**-6.8%**	**-76.9%**	**-6.1%**	**2.2%**	**3.8%**	**-4.4%**	**3.9%**

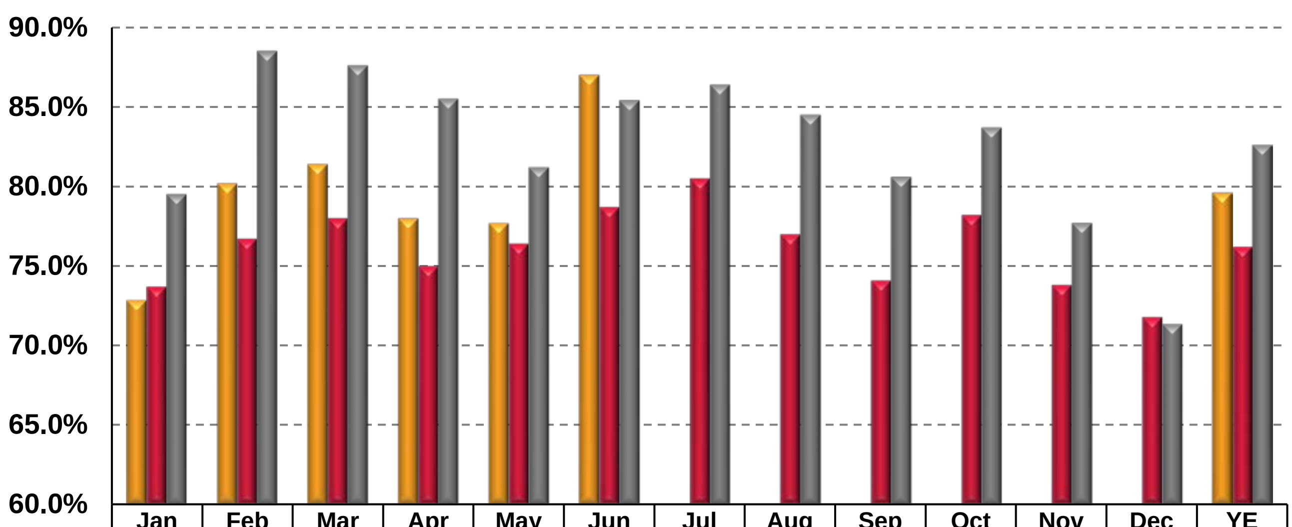
2017 Room Demand Segmentation

Transient: Includes rooms occupied by discretionary leisure travel and independent business travelers.

Contract: Rooms occupied at rates that are stipulated by contracts, including airline crews and permanent guests.

Group: Rooms occupied in blocks of ten or more, e.g. group tours, domestic and international groups, convention and corporate groups, and various leisure activities.

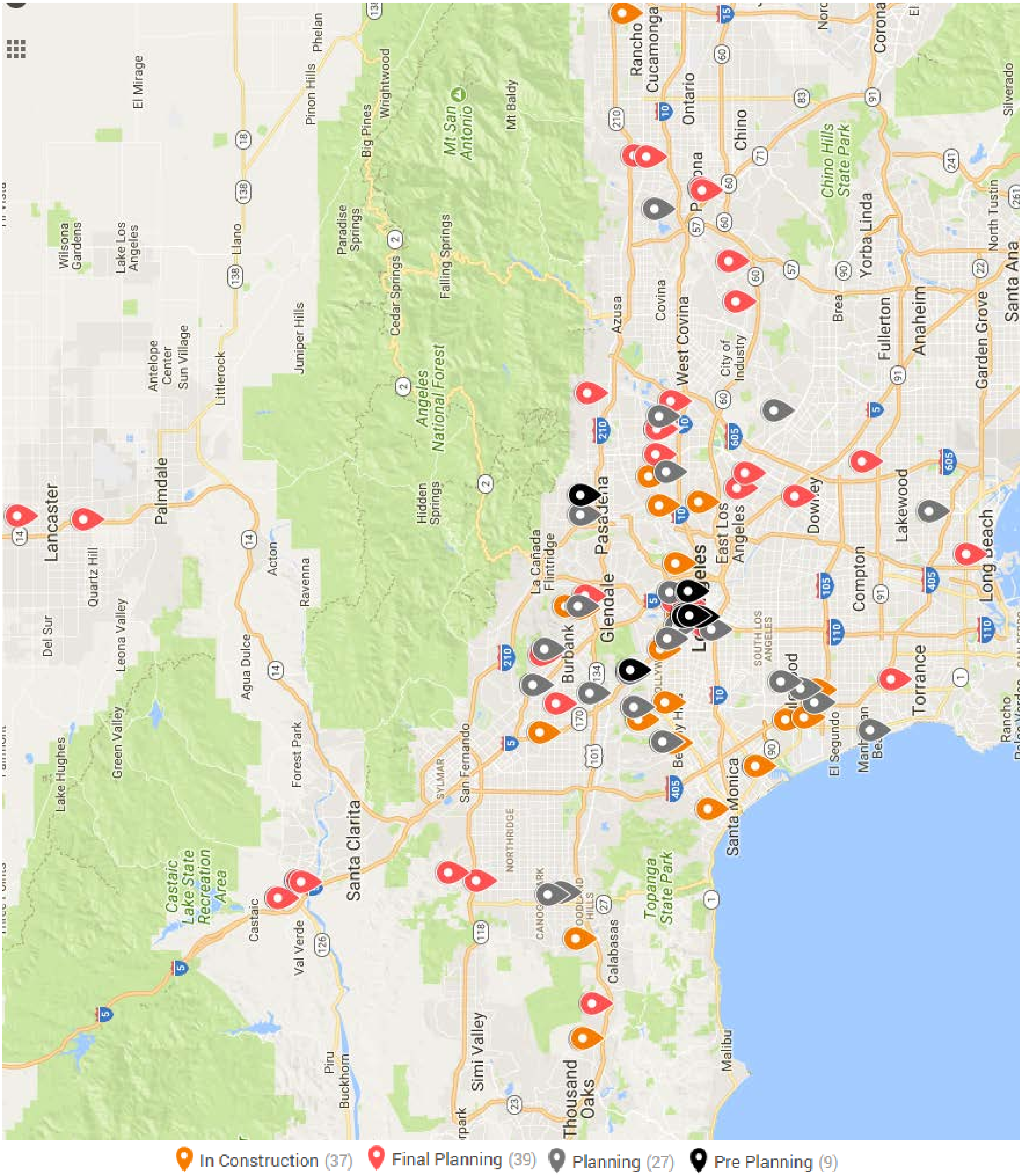
Occupancy Rates 2016 - 2018 YTD



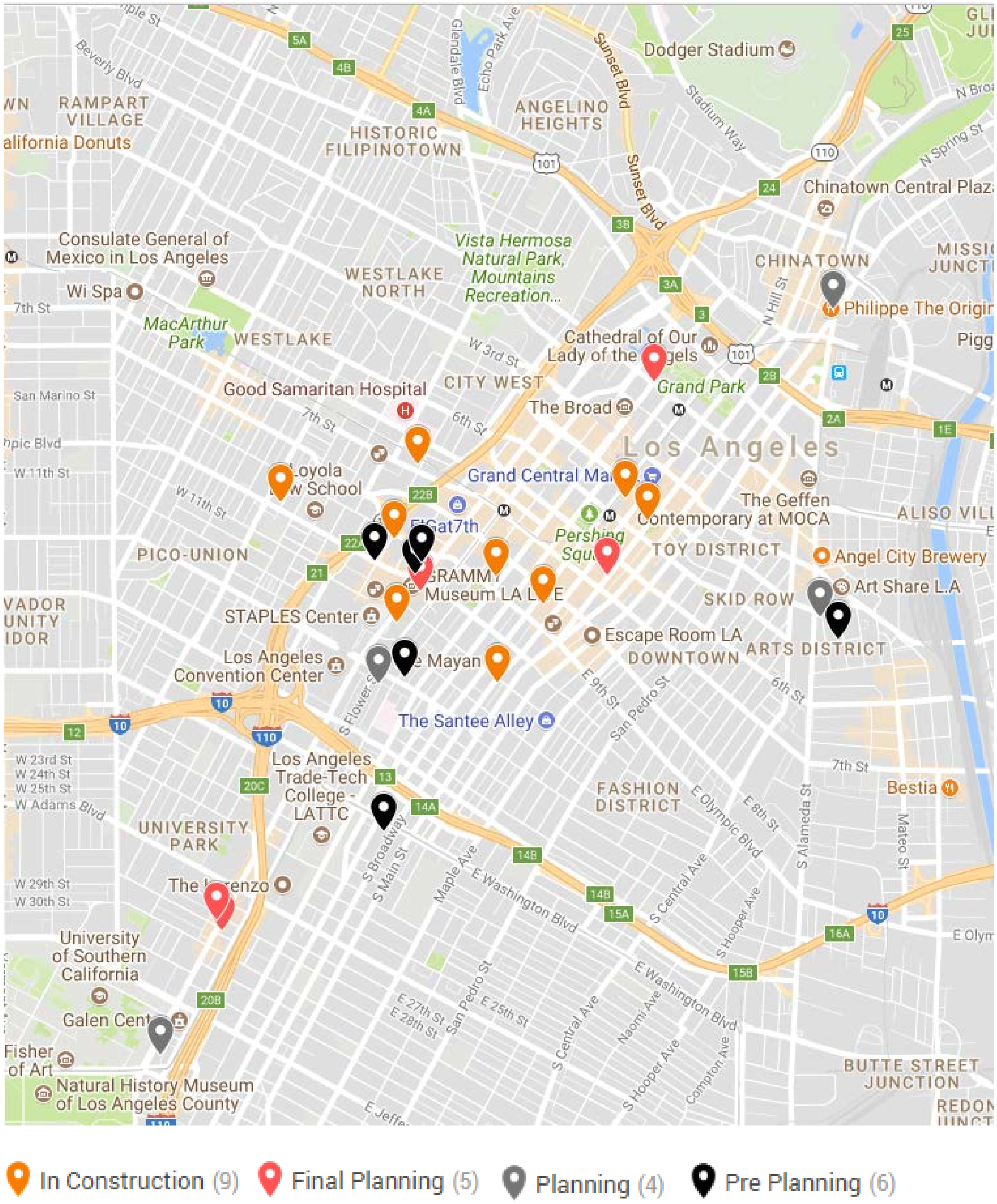
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YE
2018	72.9%	80.2%	81.4%	78.0%	77.7%	87.0%							79.6%
2017	73.7%	76.7%	78.0%	75.0%	76.4%	78.7%	80.5%	77.0%	74.1%	78.2%	73.8%	71.8%	76.2%
2016	79.5%	88.5%	87.6%	85.5%	81.2%	85.4%	86.4%	84.5%	80.6%	83.7%	77.7%	71.4%	82.6%

*YE = January–June YTD for 2018; Full calendar year end occupancy rate for all other years.
Source: STR

L.A. County Hotel Development Pipeline Map – 112 Total Properties



Downtown L.A. Hotel Development Pipeline Map – 24 Total Properties



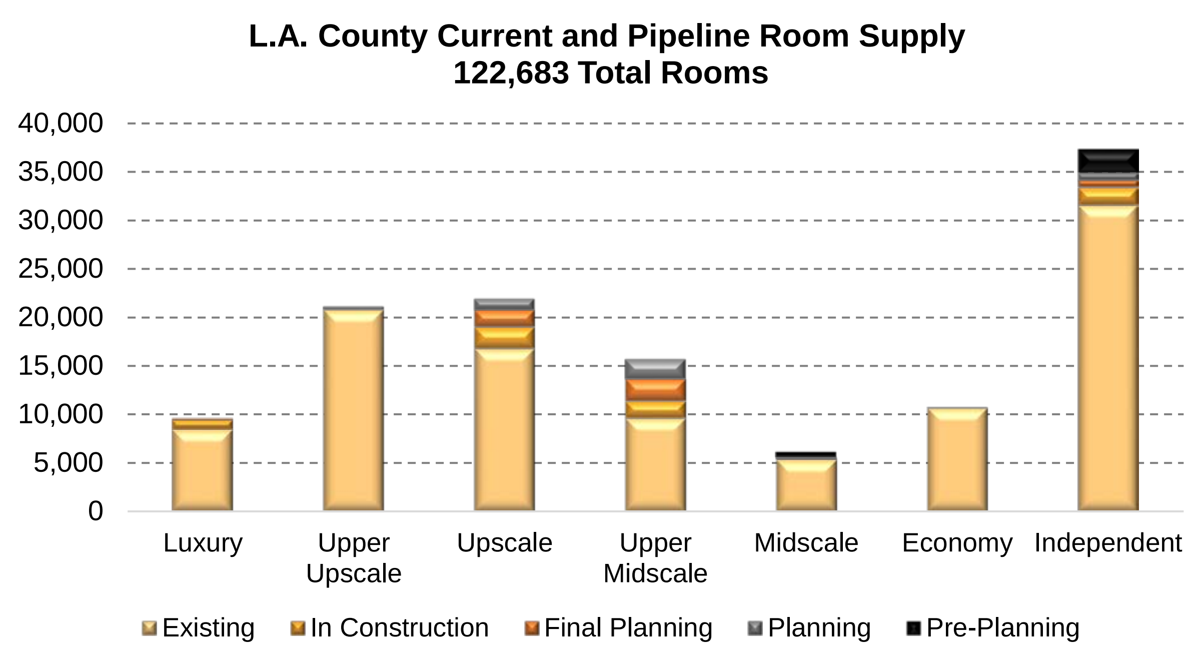
Region	Beverly Hills/ West Hollywood	Downtown L.A.	Hollywood/ Universal	L.A. Metro	L.A. North	L.A. Southeast
# Pipeline Hotels	5	24	7	8	18	6
# Pipeline Rooms	754	6,270	1,445	1,508	1,840	644
Region	**LAX Area**	**Long Beach**	**Pasadena/ Glendale/ Burbank**	**Santa Monica/ MDR**	**San Gabriel Valley**	**South Bay**
# Pipeline Hotels	2	2	12	3	19	6
# Pipeline Rooms	480	314	2,134	559	2,571	765

L.A. County Lodging Development Pipeline

Hotels	Current Supply Jun-18	In Construction	Final Planning	Planning	Pre-Planning / Unconfirmed
Luxury	28	4	1		
Upper Upscale	53			2	
Upscale	93	12	14	7	
Upper Midscale	84	12	19	9	
Midscale	60		1	3	2
Economy	151			1	
Independent	560	9	4	5	7
Total	**1,029**	**37**	**39**	**27**	**9**

Rooms	Current Supply Jun-18	In Construction	Final Planning	Planning	Pre-Planning / Unconfirmed
Luxury	8,490	988	122		
Upper Upscale	20,796			330	
Upscale	16,807	2,206	1,762	1,166	
Upper Midscale	9,635	1,768	2,261	2,076	
Midscale	5,374		81	219	525
Economy	10,716			50	
Independent	31,581	1,820	717	759	2,434
Total	**103,399**	**6,782**	**4,943**	**4,600**	**2,959**

Source: STR as of July 2018

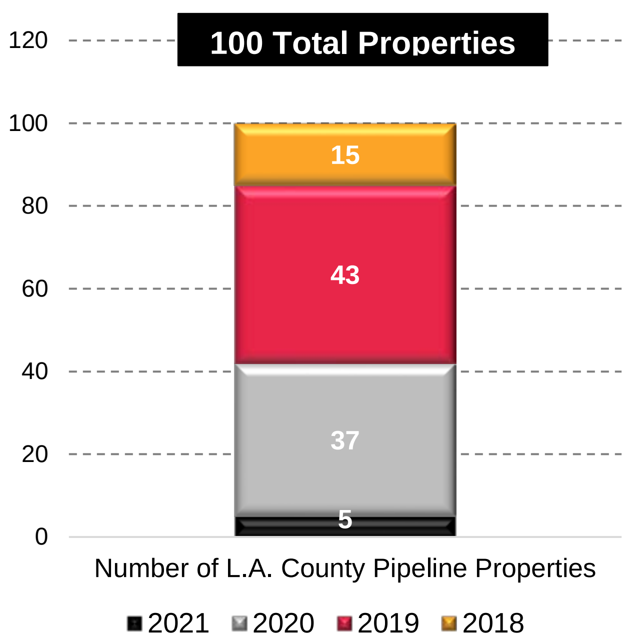


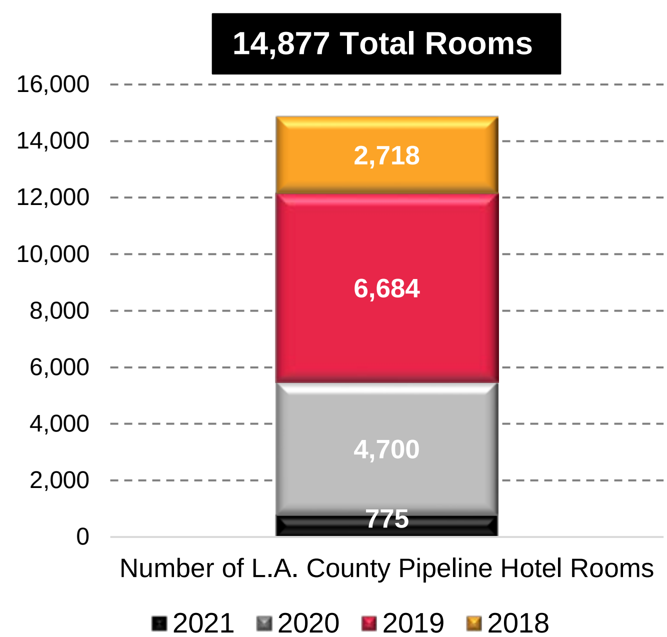
L.A County Hotels Opened January 2017 - June 2018

- 24 hotels totaling 4,893 rooms have opened in from January 2017 to June 2018

Hotel	L.A. County Submarket	Opening Date	Number of Rooms
Courtyard Los Angeles Santa Monica	Santa Monica/MDR	Mar-17	136
Hampton Inn & Suites Los Angeles Santa Monica	Santa Monica/MDR	Apr-17	143
Hotel Indigo Los Angeles Downtown	Downtown L.A.	Apr-17	350
Cambria Suites El Segundo LAX	Los Angeles Airport	May-17	152
Homewood Suites Los Angeles Redondo Beach	South Bay	May-17	184
Waldorf Astoria Beverly Hills	Hollywood/Beverly Hills	Jun-17	170
Freehand Hotel	Downtown L.A.	Jun-17	167
InterContinental Los Angeles Downtown	Downtown L.A.	Jun-17	889
Dream Hollywood	Hollywood/Beverly Hills	Jul-17	178
Home2 Suites Azusa	Los Angeles East	Jul-17	110
The Kimpton Everly Hollywood	Hollywood/Beverly Hills	Aug-17	216
The Jeremy West Hollywood	Hollywood/Beverly Hills	Aug-17	286
Hampton Inn & Suites Los Angeles Hollywood	Hollywood/Beverly Hills	Aug-17	112
H Hotel Los Angeles	Los Angeles Airport	Oct-17	168
Homewood Suites LAX	Los Angeles Airport	Oct-17	122
element Palmdale	L.A. North	Nov-17	123
Hampton Inn Long Beach Airport	Long Beach	Nov-17	143
Homewood Suites Long Beach Airport	Long Beach	Nov-17	98
Holiday Inn El Monte	Los Angeles East	Dec-17	133
Sheraton San Gabriel	Los Angeles East	Jan-18	288
Kimpton La Peer Hotel	Hollywood/Beverly Hills	Jan-18	105
NoMad Hotel Los Angeles	Downtown L.A.	Jan-18	241
Home2 Suites Palmdale	L.A. North	Feb-18	93
Hotel Figueroa Re-Opening	Downtown L.A.	Feb-18	286

New L.A. County Hotels 2018 - 2021





L.A. County Lodging Development Pipeline

In Construction - 37 Properties / 6,782 Rooms – Designated by Orange pins on accompanying map				
Name	**Anticipated Opening**	**# Rooms**	**Address**	**City**
Park Hyatt (Oceanwide Plaza)	Mar-20	184	1101 S Flower St	Downtown L.A.
The Downtown L.A. Proper	Nov-18	148	1106 S Broadway	Downtown L.A.
Cambria Hotel & Suites Historic Core	Dec-22	180	419 S Spring St	Downtown L.A.
Cambria Hotel & Suites at L.A. LIVE	Mar-20	225	926 W. James M Wood Blvd	Downtown L.A.
The Bricks	Dec-18	200	1543 W Olympic Blvd	Downtown L.A.
Broadway Trade Center	Q1-19	200	830 S Hill St	Downtown L.A.
Home2 Suites Los Angeles Downtown	Aug-19	143	1101 W 7th St	Downtown L.A.
Dazzler Hotel Clark	Dec-19	348	426 S Hill St	Downtown L.A.
Trinity Hotel	Dec-19	190	831 S Grand Ave	Downtown L.A.
Hampton Inn & Suites Los Angeles County Hospital	Jun-19	81	1030 N Soto St	Los Angeles
Hampton Inn & Suites Los Angeles Koreatown	Nov-19	171	301 S Harvard Blvd	Los Angeles
Fairmont Century Plaza Los Angeles	Sep-19	394	2025 Avenue of the Stars	Los Angeles
AC Hotels by Marriott Miracle Mile	Nov-18	176	6399 Wilshire Blvd	Los Angeles
Hyatt Place / Hyatt House LAX	Dec-19	401	5959 Century Blvd	Los Angeles
Thompson Hollywood Hotel	Jun-19	220	1541 Wilcox Ave	Hollywood
Godfrey Hotel	Jun-19	180	1400 N Cahuenga Blvd	Hollywood
Edition Hotel West Hollywood	Nov-18	190	9040 W Sunset Blvd	West Hollywood
Pendry Hotel & Residences	Dec-19	149	8430 W Sunset Blvd	West Hollywood
Hampton Inn North Hollywood	Aug-19	80	12409 Victory Blvd	North Hollywood
One Beverly Hills	Jun-19	134	9900 Wilshire Blvd	Beverly Hills
The Santa Monica Proper	Mar-19	271	710 Wilshire Blvd	Santa Monica
Courtyard Marina Del Rey	Aug-19	159	13555 Fiji Way	Marina Del Rey
Residence Inn Marina Del Rey	Aug-19	129	13555 Fiji Way	Marina Del Rey
AC Hotels by Marriott El Segundo	Aug-19	180	E Maple Ave & Campus Square	El Segundo
Courtyard by Marriott Hawthorne	Aug-18	221	4427 W El Segundo Blvd	Hawthorne
TownePlace Suites Hawthorne	Aug-18	133	4427 W El Segundo Blvd	Hawthorne
Hyatt Place Glendale	Aug-18	179	225 W Wilson Ave	Glendale
aloft Hotel Glendale	May-19	90	1100 N Brand Blvd	Glendale
Hyatt Place Pasadena	Jan-19	189	280 E Colorado Blvd	Pasadena
Hyatt Place San Gabriel	Dec-18	222	111 Valley Blvd	San Gabriel
Courtyard by Marriott Monterey Park	Jan-19	288	633 N Atlantic Blvd	Monterey Park
Hilton Graden Inn Pomona	Jun-19	148	NWQ 71 Fwy & Rio Rancho	Pomona
Home2 Suites Montebello	Oct-18	203	988 Via San Clemente	Montebello
Hilton Garden Inn Calabasas	Nov-18	51	24150 Park Sorrento	Calabasas
Hampton Inn & Suites Rancho Cucamonga	May-19	100	11669 Foothill Blvd	Rancho Cucamonga
Courtyard Thousand Oaks Agoura Hills	Oct-19	129	29508 Roadside Dr	Agoura Hills
TownePlace Suites Thousand Oaks Agoura Hills	Oct-19	96	Agoura Rd & Roadside Dr	Agoura Hills

The hotel pipeline is continually being revised and updated. The chart above reflects known projects as of **July 2018.**

Source: STR

L.A. County Lodging Development Pipeline

Final Planning - 39 Properties / 4,943 Rooms – Designated by Pink pins on accompanying map				
Name	**Anticipated Opening**	**# Rooms**	**Address**	**City**
Residence Inn Los Angeles Downtown	Feb-20	150	S Figueroa St & W 30th St	Downtown L.A.
Equinox Hotel @ Grand Avenue	Jan-22	300	1st & Grand Ave	Downtown L.A.
Spring Street Hotel	Jul-19	170	633 S Spring St	Downtown L.A.
W Los Angeles Downtown*	Sep-21	122	1020 S Figueroa St	Downtown L.A.
Fairfield Inn & Suites Los Angeles Downtown	Feb-20	125	S Figueroa St & W 30th St	Downtown L.A.
Ascend Collection Selma	Jul-19	35	6600 Selma Avenue	Los Angeles
Tommie Hotel Hollywood	Jun-19	212	1400 Cahuenga	Hollywood
Fairfield Inn & Suites North Hollywood	Sep-20	106	5518 Vineland Ave	North Hollywood
Hampton Inn & Suites Torrance	Nov-19	127	535 Maple Ave	Torrance
Holiday Inn Express & Suites Glendale	Jan-20	132	1011 E Colorado St	Glendale
AC Hotels by Marriott Burbank	Aug-20	196	550 North Third Street	Burbank
TownePlace Suites Pasadena Monrovia	Jul-20	113	116 W Huntington Drive	Monrovia
Hyatt House Pomona	Oct-20	100	Pomona Ranch Plaza	Pomona
Hyatt Place Pomona	Oct-20	115	20-50 Rancho Caminio Dr	Pomona
Comfort Inn & Suites Montebello	Nov-19	55	524 Washington Blvd	Montebello
Residence Inn Rowland Heights	May-20	197	18850 Gale Ave	Rowland Heights
Springhill Suites Downey	Nov-19	140	Lakewood & Firestone Blvd	Downey
Candlewood Suites Pico Rivera	Nov-19	81	6605 Rosemead Blvd	Pico Rivera
Courtyard Los Angeles Artesia	Mar-20	115	17618 Pioneer Blvd	Artesia
Hampton Inn & Suites Diamond Bar	Feb-20	110	850 Brea Canyon Rd	Diamond Bar
Hampton Inn & Suites Rosemead	Aug-19	123	3520 Ivar Ave	Rosemead
Springhill Suites Claremont	Sep-20	128	I 10 & S Indian Hill Blvd	Claremont
Hampton Inn & Suites Claremont	Apr-20	117	721 S Indian Hill Blvd	Claremont
Holiday Inn Express El Monte	May-20	103	12432 Valley Blvd	El Monte
Hilton Garden Inn El Monte	Sep-20	110	3333 Santa Anita Ave	El Monte
Residence Inn El Monte	Nov-20	174	3335 Santa Anita Ave	El Monte
Fairfield Inn & Suites El Monte	Nov-20	150	Santa Anita Ave & Santa Fe Dr	El Monte
Springhill Suites El Monte	Nov-20	100	Santa Anita Ave & Santa Fe Dr	El Monte
Homewood Suites Santa Clarita Valencia	Oct-19	107	Newhall Ranch & Vanderbilt	Valencia
Hampton Inn & Suites Santa Clarita Valencia	Dec-19	78	Newhall Ranch & Vanderbilt	Valencia
Residence Inn Santa Clarita Valencia	Nov-19	105	Wayne Mill Pl & Tourney Rd	Valencia
Springhill Suites Santa Clarita Valencia	Nov-19	91	Wayne Mill Pl & Tourney Rd	Valencia
Holiday Inn Express & Suites Santa Clarita	Jan-20	110	27413 Wayne Mills Pl	Santa Clarita
Residence Inn Lancaster Palmdale	Oct-19	105	Lancaster Blvd & Gadsden	Palmdale
Fairfield Inn & Suites Palmdale	Aug-20	106	10th St & I 14	Palmdale
Residence Inn Chatsworth	Jun-20	125	Lassen St & Mason Ave	Chatsworth
Hampton Inn & Suites Porter Ranch	Jun-20	100	Porter Ranch Dr & Rinaldi St	Porter Ranch
Cambria Hotel Calabasas	Jul-19	121	26300 Rondell St	Calabasas
Cambria Hotel Long Beach	Jul-19	189	110 Pine Ave	Long Beach

*Only net rooms included in totals
The hotel pipeline is continually being revised and updated. The chart above reflects known projects as of **July 2018.**
Source: STR

L.A. County Lodging Development Pipeline

Planning – 27 Properties / 4,600 Rooms – Designated by Gray pins on accompanying map				
Name	**Anticipated Opening**	**# Rooms**	**Address**	**City**
MOB Hotel Los Angeles Chinatown	Jul-20	150	Chinatown	Downtown L.A.
Unnamed Boutique Hotel in Arts District	NA	66	400 S Alameda St	Downtown L.A.
Fig + Pico Conference Center Hotels (AC Hotel, Hilton Garden Inn & MOXY)	Jan-22	1,162	Corner of Fig & Pico	Downtown L.A.
La Quinta Inn & Suites Downtown	Jul-20	48	1320 South Flower Street	Downtown L.A.
Staybridge Suites Los Angeles	Jun-20	100	2001 W 9th St	Los Angeles
Kimpton Koreatown	Mar-20	150	3240 Wilshire Blvd	Los Angeles
Cambria Hotel Hollywood	Jul-20	138	1526 Cassil Pl	Hollywood
Hyatt Unbound	Jan-20	55	1525 N Cahuenga Blvd	Hollywood
Hotel @ Sunset Time	Dec-19	149	8430 W Sunset Blvd	West Hollywood
Hilton Universal Expansion	NA	365	555 Universal Hollywood Dr	Universal City
Wanda Vista Los Angeles	Mar-21	132	9900 Wilshire Blvd	Beverly Hills
Strand & Pier Hotel	Dec-19	111	11 Pier Ave	Hermosa Beach
Holiday Inn Express Hawthorne	Oct-19	90	5151 El Segundo Blvd	Hawthorne
Tru by Hilton Hawhtorne	Aug-20	83	4334 Imperial Hwy	Hawthorne
Unnamed Hotel @ Hollywood Park Tomorrow	NA	300	1050 S Prairie Ave	Inglewood
Cambria Hotel Glendale	Dec-22	137	233 N Maryland Ave	Glendale
Cambria Hotel Burbank	Dec-22	90	201 S Glenoaks Blvd	Burbank
aloft Hotel Burbank Airport	Jan-21	217	2500 N Hollywood Way	Burbank
Residence Inn Burbank Aiport	Jan-21	199	2500 N Hollywood Way	Burbank
Kimpton Pasadena YWCA Building	Jan-20	180	78 N Marengo Ave	Pasadena
Fairfield Inn & Suites Pomona	Oct-20	105	1791 Gillette Road	Pomona
Wingate by Wyndham El Monte	N/A	88	Valley Rd	El Monte
Holiday Inn Express Rosemead	Jun-20	80	8002 Garvey Ave	Rosemead
Motel 6 Whittier	Jul-20	50	14116 Whittier Blvd	Whittier
Residence Inn Woodland Hills	Apr-21	105	Ventura Blvd & Alhama Dr	Woodland Hills
Hampton Inn Woodland Hills	Sep-20	125	21322 Oxnard St	Woodland Hills
Staybridge Suites Long Beach Airport	Jun-19	125	2640 N Lakewood Blvd	Long Beach

-The hotel pipeline is continually being revised and updated. The chart above reflects known projects as of **July 2018.**

Source: STR

L.A. County Lodging Development Pipeline

Pre-Planning / Unconfirmed - 9 Properties / 2,959 Rooms Designated by Black pins on accompanying map				
Name	**Anticipated Opening**	**# Rooms**	**Address**	**City**
Olympic Tower Hotel	NA	373	811 W. Olympic Blvd	Downtown L.A.
Figueroa Centre Project	2023	220	925 S. Figueroa Street	Downtown L.A.
Arts District Center	NA	113	Corner of 5th & Seaton	Downtown L.A.
The Reef	NA	208	1933 S. Broadway	Downtown L.A.
Olympia	NA	1,000	1001 Olympic Blvd	Downtown L.A.
Morrison Hotel	2020	245	1246 S. Hope Street	Downtown L.A.
Ivar Gardens	NA	275	Cahuenga & Sunset	Hollywood
Unnamed Hotel at Colorado and Hill	NA	375	1355 E. Colorado Blvd	Pasadena
Unnamed Hotel 2 at Colorado and Hill	NA	150	1365 E. Colorado Blvd	Pasadena

-The hotel pipeline is continually being revised and updated. The chart above reflects known projects as of **July 2018.**

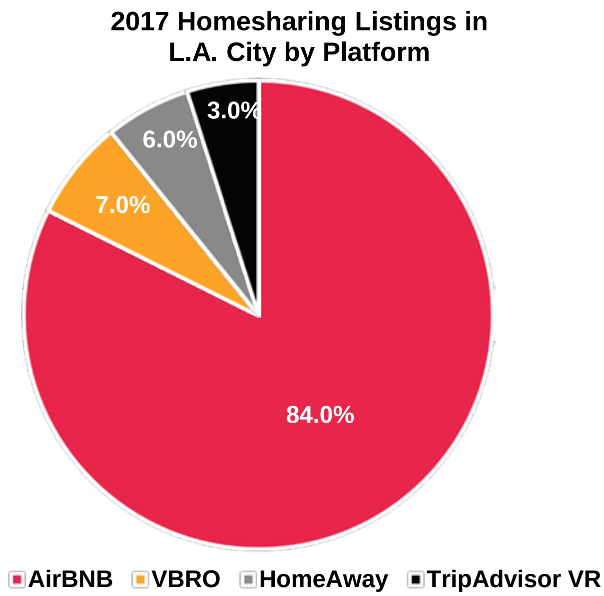
Source: STR

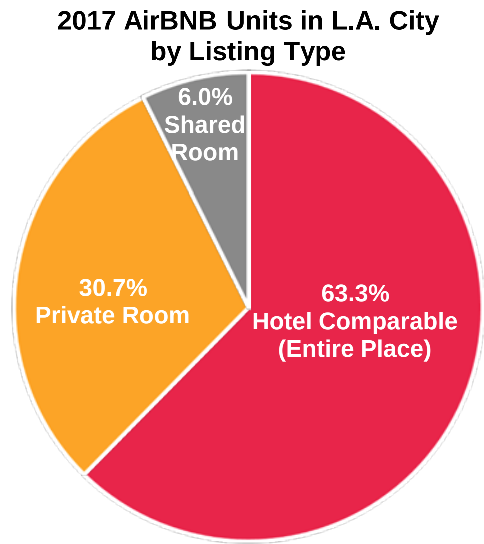
Glossary:
In Construction – Vertical construction on the physical building has begun
Final Planning – Confirmed, under contract projects where construction will begin within the next 12 months
Planning – Confirmed, under contract projects where construction will begin in more than 13 months
Pre-Planning/Unconfirmed – No architect has been selected

L.A. COUNTY HOMESHARING MARKET

L.A. COUNTY HOMESHARING MARKET

L.A. County Homesharing Market





2017 AirBNB Performance			
2017 L.A. County	AirBNB Hotel Comparable	Hotels	Aribnb as a % of Total Paid Accommodations
Available Supply	3,752,830	36,694,519	9.3%
Units Sold	2,404,403	29,370,000	7.6%
Occupancy (%)	64.1%	80.0%	
ADR ($)	$120.53	$175.98	
2017	AirBNB Hotel Comparable Room Nights Sold		% of Total L.A. County
L.A. County	2,404,403		100.0%
City of L.A.	1,865,844		77.6%
Downtown L.A. Metro	590,379		24.6%
Hollywood	515,759		21.5%
Westside	335,210		13.9%
LAX/ Beach Cities	331,900		13.8%
The Valley	92,596		3.9%

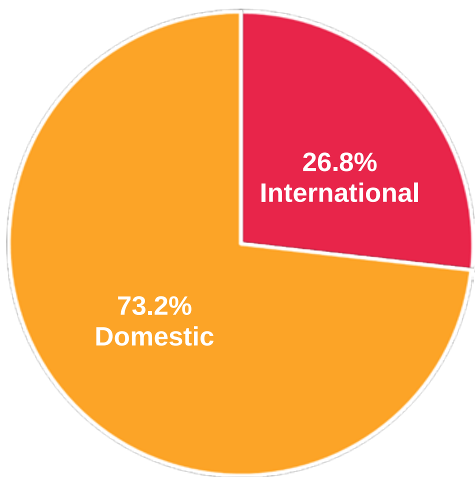
Source: All The Rooms, AirDNA

2016 - 2018 YTD L.A. County AirBNB Data

L.A. COUNTY HOTEL COMPARABLE AIRBNB					
	Room Nights Available (Supply)	Room Nights Sold (Demand)	Occupancy	ADR	Difference Between AirBNB & Hotel ADR
Jan-Jun 2018	2,180,970	1,446,784	66.3%	$117.96	-$60.78
Jan-Jun 2017	1,628,928	1,032,439	63.4%	$119.26	-$53.97
YOY% Change	**33.9%**	**40.1%**	**4.6%**	**-1.1%**	
2017 (Full Year)	3,752,830	2,404,403	64.1%	$120.53	-$55.45
2016 (Full Year)	2,784,623	1,713,019	61.5%	$121.38	-$50.52
YOY% Change	**34.8%**	**40.4%**	**4.2%**	**-0.7%**	

L.A. COUNTY PAID ACCOMMODATIONS		
	Jan - Jun 2018 YTD	Jan - Jun 2017 YTD
Total Paid Accommodations Supply (Hotel + AirBNB)	20,902,995	19,616,447
AirBNB Supply as a % of Total Paid Accommodations	10.4%	8.3%
Total Paid Accommodations Demand (Hotel + AirBNB)	16,361,022	15,555,167
AirBNB Demand as a % of Total Paid Accommodations	8.8%	6.6%

2017 AirBNB Origin Data



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Top International Countries
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Australia
Germany
China
France
South Korea
Mexico
Japan
Brazil

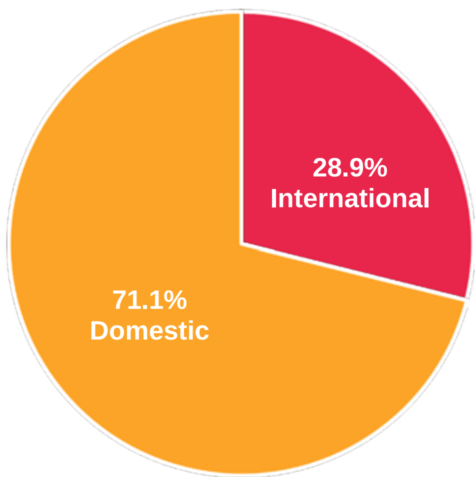
Source: AirDNA

2016 - 2018 YTD L.A. City AirBNB Data

L.A. CITY HOTEL COMPARABLE AIRBNB					
	Room Nights Available (Supply)	Room Nights Sold (Demand)	Occupancy	ADR	Difference Between AirBNB & Hotel ADR
Jan-Jun 2018	1,671,586	1,135,545	67.9%	$117.88	-$69.02
Jan-Jun 2017	1,248,441	807,326	64.7%	$118.42	-$64.88
YOY% Change	**33.9%**	**40.7%**	**4.9%**	**-0.5%**	
2017 (Full Year)	2,852,677	1,865,844	65.4%	$119.51	-$64.23
2016 (Full Year)	2,136,902	1,343,395	62.9%	$119.78	-$62.29
YOY% Change	**33.5%**	**38.9%**	**4.0%**	**-0.2%**	

L.A. CITY PAID ACCOMMODATIONS		
	Jan - Jun 2018 YTD	Jan - Jun 2017 YTD
Total Paid Accommodations Supply (Hotel + AirBNB)	8,922,021	8,125,630
AirBNB Supply as a % of Total Paid Accommodations	18.7%	15.4%
Total Paid Accommodations Demand (Hotel + AirBNB)	6,955,889	6,387,821
AirBNB Demand as a % of Total Paid Accommodations	16.3%	12.6%

2017 AirBNB Origin Data



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France
South Korea
Mexico
Sweden
Japan

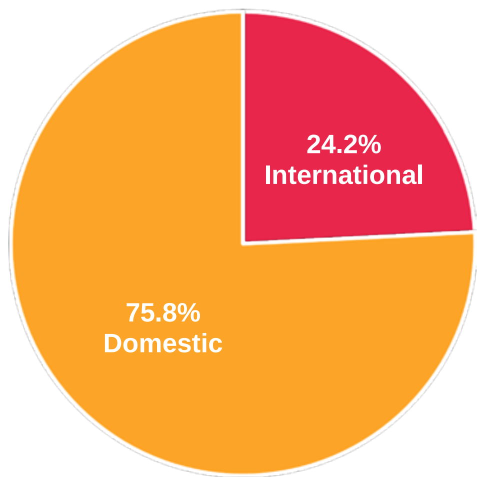
Source: AirDNA

2016 - 2018 YTD Downtown L.A. Metro AirBNB Data

DOWNTOWN L.A. METRO HOTEL COMPARABLE AIRBNB					
	Room Nights Available (Supply)	Room Nights Sold (Demand)	Occupancy	ADR	Difference Between AirBNB & Hotel ADR
Jan-Jun 2018	570,156	393,564	69.0%	$113.29	-$85.82
Jan-Jun 2017	390,367	250,751	64.2%	$115.91	-$77.80
YOY% Change	**46.1%**	**57.0%**	**7.5%**	**-2.3%**	
2017 (Full Year)	904,477	590,379	65.3%	$115.05	-$75.35
2016 (Full Year)	658,934	415,344	63.0%	$115.12	-$68.98
YOY% Change	**37.3%**	**42.1%**	**3.6%**	**-0.1%**	

DOWNTOWN L.A. METRO PAID ACCOMMODATIONS		
	Jan - Jun 2018 YTD	Jan - Jun 2017 YTD
Total Paid Accommodations Supply (Hotel + AirBNB)	3,079,950	2,672,735
AirBNB Supply as a % of Total Paid Accommodations	18.5%	14.6%
Total Paid Accommodations Demand (Hotel + AirBNB)	2,322,444	2,034,913
AirBNB Demand as a % of Total Paid Accommodations	16.9%	12.3%

2017 AirBNB Origin Data



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Oakland
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Top International Countries
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Canada
United Kingdom
Australia
China
Germany
France
Mexico
South Korea
Japan
Singapore

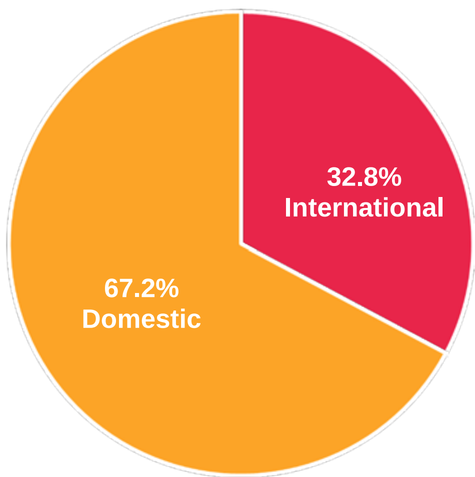
Source: AirDNA

2016 - 2018 YTD Hollywood AirBNB Data

HOLLYWOOD HOTEL COMPARABLE AIRBNB					
	Room Nights Available (Supply)	Room Nights Sold (Demand)	Occupancy	ADR	Difference Between AirBNB & Hotel ADR
Jan-Jun 2018	430,283	293,285	68.2%	$115.88	-$96.82
Jan-Jun 2017	336,928	225,531	66.9%	$116.46	-$89.82
YOY% Change	**27.7%**	**30.0%**	**1.9%**	**-0.5%**	
2017 (Full Year)	769,716	515,759	67.0%	$117.77	-$92.49
2016 (Full Year)	588,807	385,302	65.4%	$118.78	-$87.71
YOY% Change	**30.7%**	**33.9%**	**2.4%**	**-0.9%**	

HOLLYWOOD PAID ACCOMMODATIONS		
	Jan - Jun 2018 YTD	Jan - Jun 2017 YTD
Total Paid Accommodations Supply (Hotel + AirBNB)	1,356,973	1,178,848
AirBNB Supply as a % of Total Paid Accommodations	31.7%	28.6%
Total Paid Accommodations Demand (Hotel + AirBNB)	1,030,406	911,942
AirBNB Demand as a % of Total Paid Accommodations	28.5%	24.7%

2017 AirBNB Origin Data



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Canada
China
Germany
France
Brazil
Mexico
South Korea
Sweden

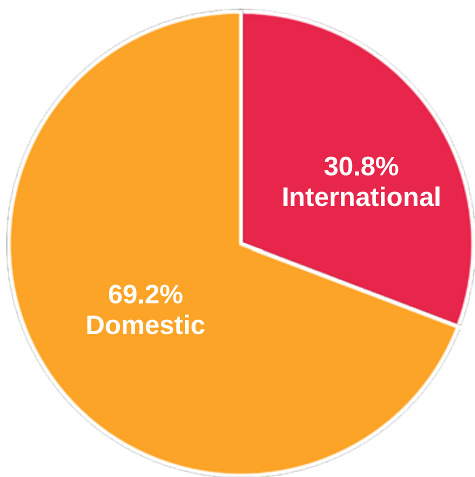
Source: AirDNA

2016 - 2018 YTD Westside AirBNB Data

WESTSIDE HOTEL COMPARABLE AIRBNB					
	Room Nights Available (Supply)	Room Nights Sold (Demand)	Occupancy	ADR	Difference Between AirBNB & Hotel ADR
Jan-Jun 2018	290,981	187,650	64.5%	$116.83	-$173.74
Jan-Jun 2017	238,865	149,440	62.6%	$113.87	-$172.21
YOY% Change	**21.8%**	**25.6%**	**3.0%**	**2.6%**	
2017 (Full Year)	529,263	335,210	63.3%	$116.78	-$174.16
2016 (Full Year)	381,780	230,394	60.3%	$115.16	-$182.47
YOY% Change	**38.6%**	**45.5%**	**5.0%**	**1.4%**	

WESTSIDE PAID ACCOMMODATIONS		
	Jan - Jun 2018 YTD	Jan - Jun 2017 YTD
Total Paid Accommodations Supply (Hotel + AirBNB)	1,099,026	1,036,880
AirBNB Supply as a % of Total Paid Accommodations	26.5%	23.0%
Total Paid Accommodations Demand (Hotel + AirBNB)	835,302	809,491
AirBNB Demand as a % of Total Paid Accommodations	22.5%	18.5%

2017 AirBNB Origin Data



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Germany
France
South Korea
Brazil
Japan
Italy

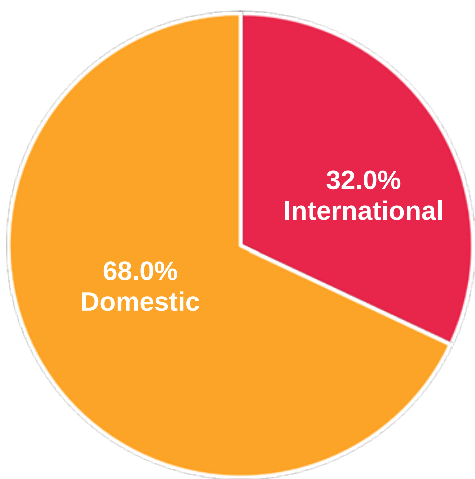
Source: AirDNA

2016 - 2018 YTD LAX / Beach Cities AirBNB Data

LAX/BEACH CITIES HOTEL COMPARABLE AIRBNB					
	Room Nights Available (Supply)	Room Nights Sold (Demand)	Occupancy	ADR	Difference Between AirBNB & Hotel ADR
Jan-Jun 2018	296,244	207,144	69.9%	$137.33	-$13.35
Jan-Jun 2017	216,939	144,311	66.5%	$137.47	-$12.49
YOY% Change	**36.6%**	**43.5%**	**5.1%**	**-0.1%**	
2017 (Full Year)	494,433	331,900	67.1%	$140.65	-$9.56
2016 (Full Year)	391,950	245,769	62.7%	$140.62	-$6.96
YOY% Change	**26.1%**	**35.0%**	**7.1%**	**0.0%**	

LAX/BEACH CITIES PAID ACCOMMODATIONS		
	Jan - Jun 2018 YTD	Jan - Jun 2017 YTD
Total Paid Accommodations Supply (Hotel + AirBNB)	2,217,236	2,087,092
AirBNB Supply as a % of Total Paid Accommodations	13.4%	10.4%
Total Paid Accommodations Demand (Hotel + AirBNB)	1,865,507	1,741,668
AirBNB Demand as a % of Total Paid Accommodations	11.1%	8.3%

2017 AirBNB Origin Data



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Germany
France
Sweden
China
Netherlands
Switzerland
New Zealand

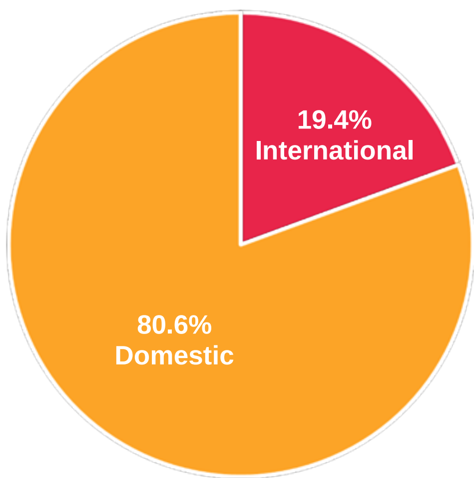
Source: AirDNA

2016 - 2018 YTD The Valley AirBNB Data

THE VALLEY HOTEL COMPARABLE AIRBNB					
	Room Nights Available (Supply)	Room Nights Sold (Demand)	Occupancy	ADR	Difference Between AirBNB & Hotel ADR
Jan-Jun 2018	86,035	55,465	64.5%	$92.13	-$36.27
Jan-Jun 2017	65,342	37,293	57.1%	$91.78	-$34.13
YOY% Change	**31.7%**	**48.7%**	**13.0%**	**0.4%**	
2017 (Full Year)	154,788	92,596	59.8%	$91.76	-$36.97
2016 (Full Year)	115,431	66,586	57.7%	$93.73	-$40.42
YOY% Change	**34.1%**	**39.1%**	**3.7%**	**-2.1%**	

THE VALLEY PAID ACCOMMODATIONS		
	Jan - Jun 2018 YTD	Jan - Jun 2017 YTD
Total Paid Accommodations Supply (Hotel + AirBNB)	2,259,934	2,236,618
AirBNB Supply as a % of Total Paid Accommodations	3.8%	2.9%
Total Paid Accommodations Demand (Hotel + AirBNB)	1,793,952	1,789,434
AirBNB Demand as a % of Total Paid Accommodations	3.1%	2.1%

2017 AirBNB Origin Data



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Phoenix
Houston

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United Kingdom
China
Germany
France
Sweden
China
Netherlands
Switzerland
New Zealand

Source: AirDNA

ECONOMIC OUTLOOK

ECONOMIC OUTLOOK

Economic Summary Tables

Outlook for the U.S. Economy

- The U.S. economy will remain on a fairly steady growth path over the next few years.
- With growing confidence in their financial situation and continued job growth, consumer spending will stay on an upward trajectory.

	Historical		Forecast	
U.S. Economic Outlook	**2016**	**2017**	**2018F**	**2019F**
Real GDP (% Change)	**1.5**	**2.3**	**3.1**	**2.9**
Nonfarm Jobs (% Change)	**1.8**	**1.6**	**1.6**	**1.5**
Unemployment Rate	**4.9**	**4.4**	**4.0**	**3.9**
Consumer Price Index (% Change)	**1.3**	**2.1**	**2.4**	**2.2**

Outlook for the California Economy

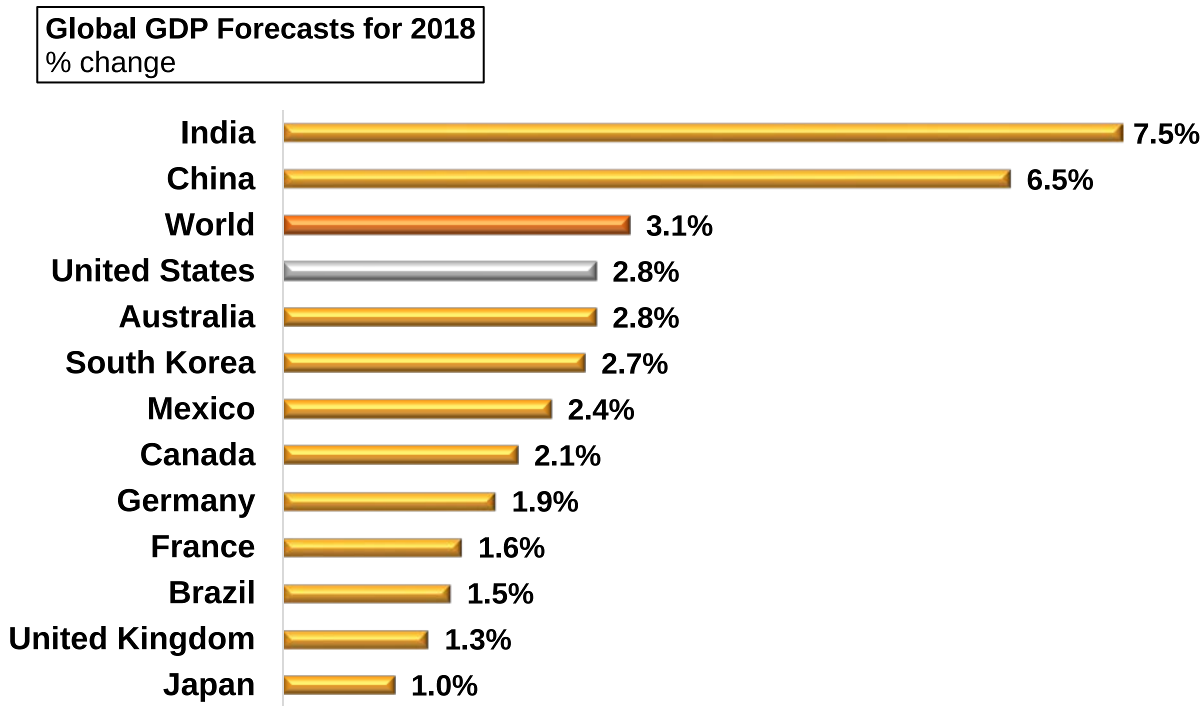
- California accounts for 14.1% of U.S. GDP.
- Already at full employment, unemployment will continue to decline, which should trigger upward wage pressure
- Job growth continues across most industry sectors, but is now likely to slow as the labor market tightens.

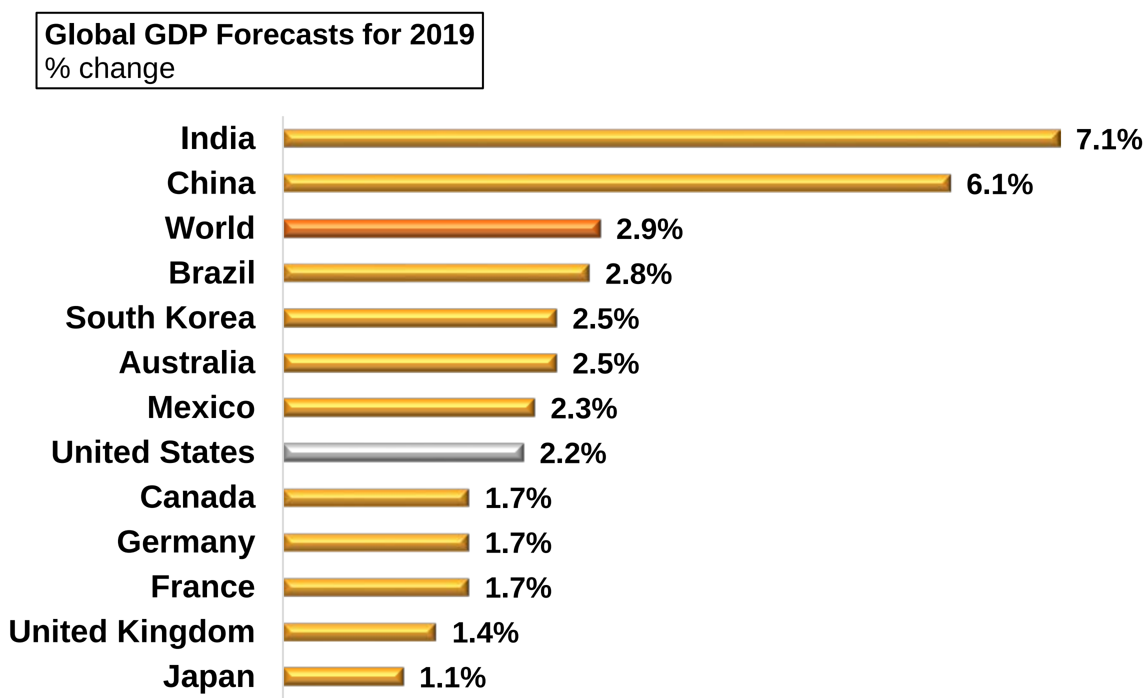
	Historical		Forecast	
California Economic Outlook	**2016**	**2017**	**2018F**	**2019F**
Nonfarm Jobs (% Change)	**2.6**	**1.8**	**1.9**	**1.8**
Unemployment Rate	**5.4**	**4.8**	**4.4**	**4.2**
Population Growth (% Change)	**0.6**	**0.8**	**0.9**	**0.9**

Source: LAEDC Economic Forecast, February 2018; Oxford Economics August 2018, Tourism Economics

Global Economic Outlook

Mixed But Positive Global GDP in 2018 and 2019





Source: Oxford Economics, August 2018

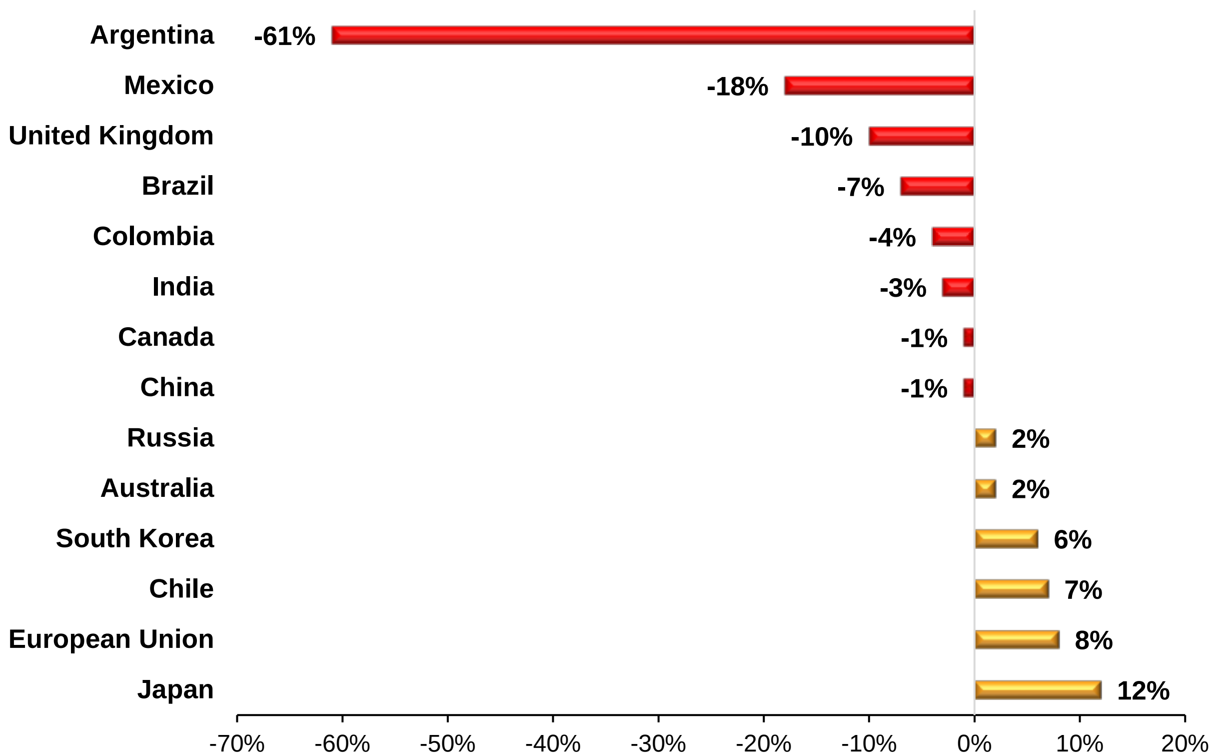
Foreign Exchange Rates

The U.S. Dollar Continues to be Strong Against Most Foreign Currencies

- The value of the U.S. Dollar has eased relative to other currencies making the U.S. more price attractive than two years ago.

Country	Foreign Currency	1H 2018 Exchange Rate	2017 Exchange Rate	2016 Exchange Rate
Australia	1 Australian Dollar =	0.771 US $	0.767 US $	0.745 US $
Canada	1 Canadian Dollar =	0.783 US $	0.770 US $	0.755 US $
China	1 Yuan =	0.157 US $	0.149 US $	0.151 US $
Euro Area	1 Euro =	1.211 US $	1.130 US $	1.107 US $
Japan	1 Yen =	0.009 US $	0.009 US $	0.009 US $
Mexico	1 Peso =	0.052 US $	0.053 US $	0.054 US $
New Zealand	1 New Zealand Dollar =	0.716 US $	0.711 US $	0.698 US $
UK	1 Pound =	1.377 US $	1.289 US $	1.356 US $

Exchange Rate Depreciation, 2018 / 2015
Local per $US



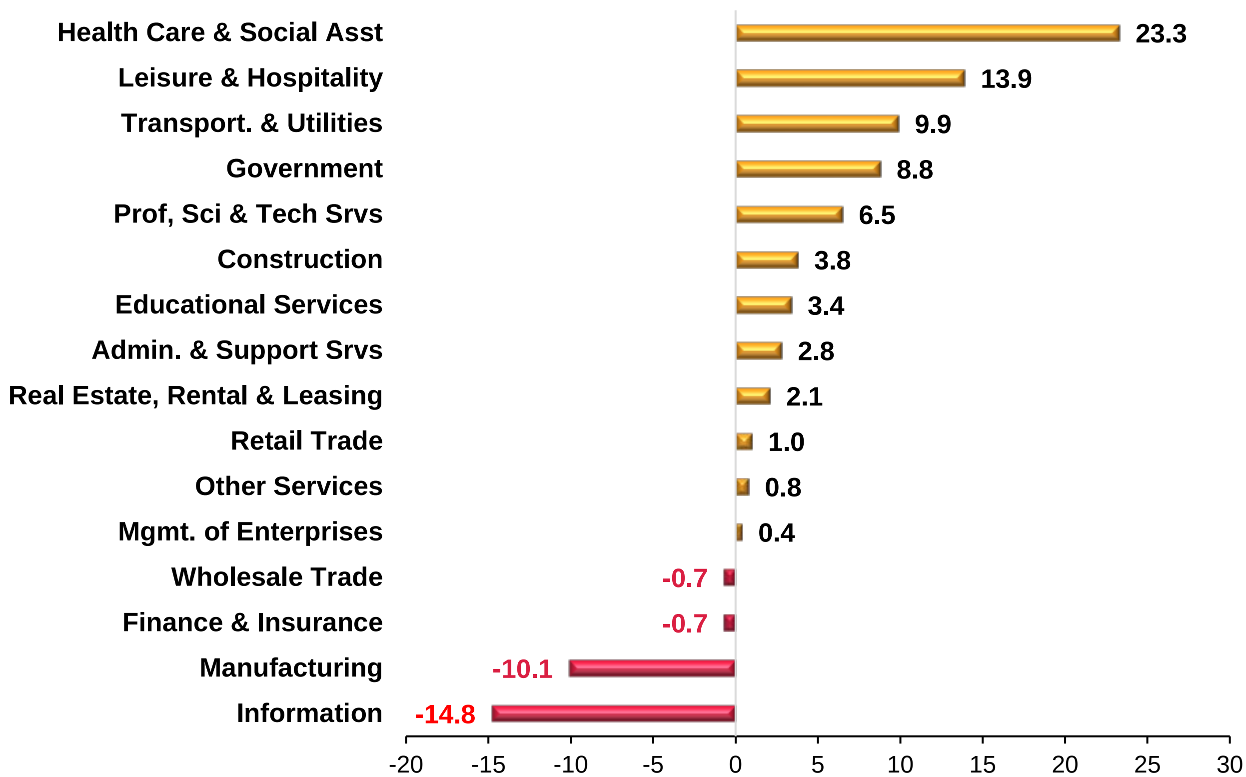
Source: U.S. Travel Association; Federal Reserve, Oxford Economics

2017 Los Angeles Employment Impact of Tourism

Los Angeles County Employment Benefits

- Leisure & Hospitality was #2 in Los Angeles County for job creation. Visitor spending in Los Angeles County supported approximately 523,800 jobs within the Leisure & Hospitality sector.
- The Leisure & Hospitality industry grew by 13,900 new jobs and represents 1 out of every 8.5 jobs within the entire county.
- 28% of the 50,180 net jobs added in Los Angeles County were from Leisure & Hospitality.

2017 Employment Growth by Industry in Los Angeles County
(Job Growth in 000s)



Source: California EDD, March 2018

2017 Top 40 Private-Sector Employers within Los Angeles County		
Company	**L.A County Employees**	**L.A. County Location**
Kaiser Permanente	36,500	Pasadena
University of Southern California	20,200	Los Angeles
Northrop Grumman Corp.	16,600	Redondo Beach
Providence Health & Services SoCal	15,300	Torrance
Target Corp.	15,000	Various L.A. County Locations
Ralphs / Food 4 Less	15,000	Compton
Walt Disney Co.	13,000	Burbank
Albertsons / Vons / Pavilions	13,000	Fullerton
Bank of America Corp.	12,500	Los Angeles
Cedars-Sinai Medical Center	12,200	Los Angeles
NBCUniversal	12,000	Burbank
AT&T Inc.	11,500	Los Angeles
Home Depot	11,200	Orange
UPS	10,100	Los Angeles
Wells Fargo	9,000	Los Angeles
Boeing Co.	9,000	El Segundo
California Institute of Technology	8,700	Pasadena
Allied Universal	8,400	Santa Ana
ABM Industries Inc.	8,000	Commerce
FedEx Corp.	7,000	Various L.A. County Locations
Dignity Health	6,300	Pasadena
Costco Wholesale	6,000	Various L.A. County Locations
Amgen Inc.	5,600	Thousand Oaks
SoCal Gas	5,600	Los Angeles
Raytheon Co.	5,500	El Segundo
Long Beach Memorial Medical Center	5,100	Long Beach
City of Hope	5,000	Duarte
Paramount Pictures	5,000	Hollywood
Torrance Memorial Medical Center	5,000	Torrance
JPMorgan Chase & Co.	5,000	Los Angeles
Warner Bros. Entertainment Inc.	5,000	Burbank
Children's Hospital Los Angeles	4,900	Los Angeles
Adventist Health	4,800	Roseville
99 Cents Only Stores	4,400	City of Commerce
Edison International	4,200	Rosemead
Whole Foods Market	4,200	Sherman Oaks
Huntington Memorial Hospital	3,900	Pasadena
Charter Communications	3,700	El Segundo
Wal-Mart Stores Inc.	3,600	Various L.A. County Locations
Aerospace Corp.	3,500	El Segundo

Source: Los Angeles Business Journal, August 2017

OFFICE INVENTORY & VACANCY RATES

OFFICE INVENTORY & VACANCY RATES

Los Angeles, CA Office Trend Report (2nd QTR 2018)

Overview

- Growth in office inventory and absorption is an indicator used to estimate growth in business travel.
- Per the latest Newmark Night Frank Los Angeles Office Market report, vacancy in the Los Angeles County Office Market fell to 14.7% for the second quarter of 2018.

Los Angeles, CA Office Trend Report (2nd QTR 2018)							
				NET ABSORPTION		ASKING RENT	
Submarket	Total SF	Vacant SF	Vacant %	Quarter	YTD	Class A	Class B
Downtown L.A.	33,801,518	97,961	17.9%	68,540	315,998	$3.70	$3.30
Mid-Wilshire	7,871,548	0	21.3%	-119,249	-194,793	$2.45	$2.16
L.A. North	31,963,914	218,267	11.4%	-76,924	-140,965	$2.73	$2.43
Park Mile	1,686,837	0	22.4%	-31,713	-15,907	$3.11	$2.81
San Gabriel Valley	14,158,068	0	14.1%	15,424	6,113	$2.63	$2.27
South Bay	32,526,573	0	16.8%	-56,273	-197,471	$2.72	$2.57
Tri-Cities	20,357,796	0	13.0%	70,974	-107,591	$3.12	$3.00
West L.A.	57,933,514	2,103,072	13.1%	143,357	751,255	$4.67	$4.32
Total L.A.	**200,272,768**	**2,419,300**	**14.7%**	**14,136**	**416,639**	**$3.59**	**$2.87**

For more granular submarket breakdowns please refer to the Submarket Statistics table on next page

Source: Newmark Night Frank Los Angeles Office Market Report

Los Angeles, CA Office Trend Report (2nd QTR 2018)

Submarket Statistics								
	Total Inventory (SF)	Under Construction (SF)	Total Vacancy Rate	Qtr Absorption (SF)	YTD Absorption (SF)	Class A Asking Rent (Price/SF)	Class B Asking Rent (Price/SF)	Total Asking Rent (Price/SF)
DTLA	**33,801,518**	**97,961**	**17.9%**	**68,540**	**315,998**	**$3.70**	**$3.30**	**$3.48**
MID-WILSHIRE	**7,871,548**	**0**	**21.3%**	**-119,249**	**-194,793**	**$2.45**	**$2.16**	**$2.18**
L.A. NORTH	**31,963,914**	**218,267**	**11.4%**	**-76,924**	**-140,965**	**$2.73**	**$2.43**	**$2.70**
Central Valley	8,149,097	0	10.1%	-31,611	45,845	$3.12	$2.60	$3.03
Conejo Valley	8,268,614	0	13.3%	23,112	-62,126	$2.67	$2.53	$2.64
East Valley	3,116,213	218,267	5.5%	11,796	20,058	$3.08	$2.53	$2.79
Santa Clarita	2,741,551	0	13.9%	-46,217	-37,690	$2.62	$2.02	$2.44
West Valley	9,661,439	0	12.0%	-34,004	-107,052	$2.54	$2.31	$2.51
PARK MILE	**1,686,837**	**0**	**22.4%**	**-31,713**	**-15,907**	**$3.11**	**$2.81**	**$2.74**
SGV	**14,158,068**	**0**	**14.1%**	**15,424**	**6,113**	**$2.63**	**$2.27**	**$2.34**
Eastern SGV	7,961,113	0	15.2%	9,145	12,462	$2.57	$2.24	$2.30
Western SGV	6,196,955	0	12.6%	6,279	-6,349	$2.73	$2.35	$2.44
SOUTH BAY	**32,526,573**	**0**	**16.8%**	**-56,273**	**-197,471**	**$2.72**	**$2.57**	**$2.59**
190th St Corridor	3,305,802	0	22.1%	49,160	-88,970	$2.70	$2.31	$2.45
Carson	977,109	0	37.1%	-21,065	-25,963	$2.29	$2.25	$2.25
Beach Cities	12,019,849	0	13.5%	-112,787	-28,554	$3.61	$3.56	$3.58
LAX/Century Blvd	3,845,398	0	38.0%	-309	-58,850	$1.98	$1.84	$1.94
LB Downtown	4,510,208	0	15.1%	22,889	-12,802	$2.86	$2.12	$2.47
LB Suburban	8,450,781	0	8.9%	2,004	12679	$2.77	$2.38	$2.35
Torrance Central	3,017,426	0	6.1%	3,835	4,989	$3.19	$2.61	$2.76
TRI-CITIES	**20,357,796**	**0**	**13.0%**	**70,974**	**-107,591**	**$3.12**	**$3.00**	**$3.08**
Burbank	6,532,310	0	10.1%	25,806	86,336	$3.38	$2.88	$3.30
Glendale	6,327,067	0	17.6%	-48,259	-313,141	$2.81	$2.52	$2.77
Pasadena	7,498,419	0	11.5%	93,427	119,214	$3.28	$3.20	$3.24
WEST L.A.	**57,933,514**	**2,103,072**	**13.1%**	**143,357**	**751,255**	**$4.67**	**$4.32**	**$4.60**
Beverly Hills	6,377,694	0	11.3%	-13,601	107,608	$5.44	$4.81	$5.26
Brentwood	3,329,333	0	9.5%	-4,341	-35,609	$3.94	$3.65	$3.93
Century City	10,383,273	0	7.4%	108,489	124,468	$4.39	-	$4.39
Culver City	4,722,719	719,393	27.9%	59,669	142,897	$4.71	$3.46	$4.31
Hollywood	3,335,170	795,427	11.3%	-6,186	130,175	$4.43	$3.88	$4.31
MDR/Venice	1,215,322	220,170	12.2%	-65,079	55,275	$4.83	$4.81	$4.82
Miracle Mile	4,390,712	0	16.7%	4,716	-83,699	$4.06	$2.91	$3.96
Olympic Corridor	2,535,449	80,340	4.2%	9,894	4,390	$5.20	$3.32	$4.90
Playa Vista	3,296,568	190,000	25.9%	66,806	126,623	$5.27	$3.96	$5.09
Santa Monica	8,853,766	0	12.0%	-93,771	58,301	$5.89	$5.33	$5.63
West Hollywood	2,685,307	97,742	13.1%	-4,259	106,809	$4.20	$4.85	$4.21
Westside Other	3,660,392	0	8.2%	38,523	53,632	$3.59	$3.54	$3.58
Westwood	3,147,809	0	17.6%	42,497	-39,615	$4.77	$3.81	$4.73
TOTAL L.A.	**200,272,768**	**2,419,300**	**14.7%**	**14,136**	**416,639**	**$3.59**	**$2.87**	**$3.25**

Source: Newmark Night Frank Los Angeles Office Market Report