National Property Sector Overviews: Mid-Year 2023

Industry market participants are closely monitoring the commercial real estate (CRE) market, which has been affected by macroeconomic uncertainty and continuing fears of a potential recession as well as the residual effects of the COVID work from home (WFH) phenomenon. Since the Federal Reserve (Fed) started raising rates in early 2022 to curb inflation, the CRE investment market has been affected by increased lending costs, and uncertainty as to when and where interest rates will peak and the pricing of assets impacted by WFH. Tight monetary policy raised the cost of borrowing and reduced liquidity. Commercial property price index data from providers such as Green Street, MSCI and NCREIF[1] show property valuations generally declining in all sectors except for the hotel sector, leading to greater industrywide concern and challenges. There are challenges ahead for owners faced with a refinancing in the next 18 to 24 months with significantly higher interest rates and only modest growth in income, or worse - declining income. Some landlords are making a proactive decision that a property is obsolete and not worth the debt considering the cost to update or repurpose the asset.

Based on FTI Consulting's research, we present overall real estate sector highlights and a more detailed discussion for each of the four core property types (office, industrial, multi-family apartment and retail) plus hotel below:

Overall

— CRE investment activity will remain constrained for all sectors, given tight CRE lending standards and high interest rates.

— Distress transactions will increase as loans mature in a challenging and expensive borrowing environment, creating opportunity for well-capitalized and patient investors.

— Capital market volatility will recede as inflation decreases and interest rates stabilize and begin to decline, signaling it is safe again to transact.

— CMBS performance will continue being challenged by high interest rates and uncertainty in the CRE market.

— Environmental, social and governance (ESG) in CRE will continue to be an investor focus to prioritize an asset's appeal to attract credit-worthy tenants.

— Flight to quality persists as investors pursue properties with enhanced building amenities and proximity to public transportation.

— High construction costs combined with high interest rates continue to stall or cancel projects.

— Higher operating costs continue to erode margins for both owners and tenants.

— The Association of Foreign Investors' *Real Estate Q1 2023 International Investor Survey*[2] indicated that the United States is still regarded as a preferred destination for CRE investment.

Office Market

— Vacancy exceeds highs of the Great Recession due to declining space demand.

— Sublet space has increased 120% since the end of 2019 and 21% YoY to a record level.

— Net absorption was negative for the fifth consecutive quarter in 2023 with the pace of vacant spaces accelerating.

— Rent growth is generally flat with more sublet space on the market.

— Slowing construction did not positively impact vacancy.

— Investment sales activity during the first half of 2023 was the lowest since 2010.

National Office Market Indicators

	Current	YoY Change	Trend
Market Rent (psf)	$35.19	0.9%	▲
Vacancy Rate	13.2%	100 BPS	▲
Sublet sf	216 M	37.1 M	▲
Under Construction (sf)	125 M	(15.7 M)	▼
Deliveries sf (past 12 Mos.)	63.1 M	(2 M)	▼
Net Absorption sf (past 12 Mos.)	(44.5 M)	(52.4 M)	▼
Sale Transactions (past 12 Mos.)	16,294	-8,743	▼
Sale Volume (past 12 Mos.)	$47 B	($69.8 B)	▼
Market Sale Price/psf	$300	($27)	▼
Cap Rate	7.00%	70 BPS	▲

Source: Data compiled from CoStar (as of July 11, 2023).

Below are key metrics for the largest office markets in the United States:

10 Largest Office Markets (by Inventory) Comparison

Vacancy Rate		Net Absorption (12 Mos.)		Construction Deliveries (12 Mos.)		Under Construction		Rent Growth (12 Mos.)		Sales Volume (12 Mos.)		Avg Sale Price Per SF		Cap Rate	
		Million SF		Million SF		Million SF				(In Billions)					
Philadelphia	10.6%	Dallas/Fort Worth	0.7	New York	11.3	Boston	18.6	Dallas/Fort Worth	2.9%	New York	$7.9	New York	$590	New York	6.3%
Boston	10.7%	Boston	(0.6)	Boston	6.1	Seattle	11.9	Philadelphia	1.5%	Washington, D.C.	$3.5	Seattle	$453	Los Angeles	6.5%
Seattle	12.7%	New York	(1.0)	Dallas/Fort Worth	5.1	New York	9.3	Chicago	1.0%	Los Angeles	$3.1	Boston	$413	Seattle	6.5%
New York	13.1%	Houston	(1.1)	Washington, D.C.	3.9	Dallas/Fort Worth	8.1	Houston	1.0%	Atlanta	$3.0	Los Angeles	$399	Boston	6.9%
Atlanta	14.7%	Atlanta	(1.5)	Seattle	3.2	Washington, D.C.	5.3	Atlanta	0.8%	Boston	$2.6	Washington, D.C.	$330	Dallas/Fort Worth	7.9%
Los Angeles	15.2%	Washington, D.C.	(2.0)	Atlanta	3.0	Houston	5.0	New York	0.6%	Dallas/Fort Worth	$1.5	Dallas/Fort Worth	$225	Atlanta	8.1%
Chicago	15.7%	Philadelphia	(2.6)	Los Angeles	2.5	Los Angeles	4.2	Seattle	0.2%	Chicago	$1.5	Atlanta	$212	Washington, D.C.	8.2%
Washington, D.C.	16.1%	Seattle	(2.6)	Houston	2.2	Atlanta	3.3	Los Angeles	0.0%	Philadelphia	$1.1	Houston	$206	Chicago	8.7%
Dallas/Fort Worth	17.9%	Chicago	(3.1)	Chicago	2.1	Philadelphia	3.0	Boston	-0.1%	Seattle	$0.8	Chicago	$198	Houston	8.9%
Houston	18.9%	Los Angeles	(4.8)	Philadelphia	1.2	Chicago	1.7	Washington, D.C.	-0.6%	Houston	$0.5	Philadelphia	$171	Philadelphia	9.3%

Source: Data compiled from CoStar Office National Report - United States (July 11, 2023).
Note: 12 Mos. represents August 2022 to July 2023 period.

Source: Data compiled from CoStar Office National Report - United States (July 11, 2023).
Source: Data compiled from CoStar Office Capital Markets Report - United States (July 11, 2023).
Note: 12 Mos. represents August 2022 to July 2023 period.

Insights:

Office market recovery faces many challenges.

— Hybrid work models continue being implemented by firms.

— Downward pressure on effective rents will persist from tenants gaining more bargaining power.

— Office utilization continues to significantly lag pre-pandemic levels per Kastle Systems' Back to Work Barometer.[3]

— Market bifurcation will create more pressure to upgrade older spaces.

— Net operating income (NOI) and net absorption will continue being negatively impacted by lower renewal rates and reduced tenant footprints.

— Near-term lease expirations will continue to challenge property owners.

Industrial Market

— Market performance is cooling but steady rental rate growth and positive net absorption continue.

— Vacancy rates have increased from record lows but are still nearly 70 bps below the 10-year average.

— Inventory is set to increase 3.0% in 2023, the fastest pace of supply growth in more than three decades.

— The pace of rental gains has moderated.

— Absorption is being negatively impacted by distribution center closures from retailers reassessing logistical operations.[4]

— Sales volume has noticeably declined after peaking in 2022.

National Industrial Market Indicators

	Current	YoY Change	Trend
Market Rent (psf)	$11.60	8.6%	▲
Vacancy Rate	4.8%	90 BPS	▲
Sublet sf	130 M	66 M	▲
Under Construction (sf)	588 M	(68.2 M)	▼
Deliveries sf (past 12 Mos.)	480 M	80.8 M	▲
Net Absorption sf (past 12 Mos.)	273 M	(158 M)	▼
Sale Transactions (past 12 Mos.)	19,617	-9,747	▼
Sale Volume (past 12 Mos.)	$88.2 B	($51.9 B)	▼
Market Sale Price/psf	$154	$5	▲
Cap Rate	6.80%	50 BPS	▲

Source: Data compiled from CoStar (as of July 11, 2023).

Below are key metrics for the largest industrial markets in the United States:

10 Largest Industrial Markets (by Inventory) Comparison

Vacancy Rate	Net Absorption (12 Mos.)	Construction Deliveries (12 Mos.)	Under Construction	Rent Growth (12 Mos.)	Sales Volume (12 Mos.)	Avg Sale Price Per SF	Cap Rate
	Million SF	Million SF	Million SF		(In Billions)		
Detroit 3.7%	Dallas/Fort Worth 37.1	Dallas/Fort Worth 61.2	Dallas/Fort Worth 63.5	Phoenix 14.6%	Inland Empire CA $8.9	Los Angeles $336	Inland Empire CA 4.2%
Los Angeles 3.7%	Chicago 25.3	Houston 31.8	Phoenix 58.6	Atlanta 11.0%	Los Angeles $7.3	Inland Empire CA $275	Los Angeles 4.5%
Inland Empire CA 3.9%	Houston 21.5	Chicago 27.8	Inland Empire CA 38.7	Philadelphia 11.0%	New York $5.8	New York $271	New York 5.6%
Chicago 4.0%	Phoenix 17.2	Atlanta 22.2	Chicago 36.0	Inland Empire CA 10.3%	Chicago $4.8	Phoenix $178	Phoenix 6.1%
Phoenix 4.4%	Atlanta 10.7	Inland Empire CA 20.8	Houston 30.3	Dallas/Fort Worth 9.4%	Atlanta $4.7	Philadelphia $117	Dallas/Fort Worth 6.2%
Atlanta 4.5%	Philadelphia 6.3	Phoenix 19.1	Atlanta 30.2	Chicago 8.0%	Dallas/Fort Worth $3.0	Dallas/Fort Worth $113	Atlanta 6.3%
New York 4.9%	Detroit 6.1	Philadelphia 16.7	Philadelphia 23.5	Los Angeles 7.7%	Phoenix $3.0	Atlanta $108	Philadelphia 6.9%
Philadelphia 5.5%	Inland Empire CA 1.6	New York 11.7	New York 19.8	New York 7.5%	Philadelphia $2.4	Houston $99	Houston 7.2%
Houston 6.3%	New York (1.9)	Detroit 5.0	Los Angeles 7.7	Detroit 4.8%	Detroit $1.0	Chicago $92	Chicago 7.5%
Dallas/Fort Worth 7.2%	Los Angeles (14.7)	Los Angeles 3.0	Detroit 7.3	Houston 4.2%	Houston $0.9	Detroit $71	Detroit 9.8%

Source: Data compiled from CoStar Industrial National Report - United States (July 11, 2023).
Note: 12 Mos. represents August 2022 to July 2023 period.

Source: Data compiled from CoStar Industrial National Report - United States (July 11, 2023).
Source: Data compiled from CoStar Industrial Capital Markets Report - United States (July 11, 2023).
Note: 12 Mos. represents August 2022 to July 2023 period.

Insights:

— Significant space deliveries in the near term are likely to increase vacancy rates in select markets.

— Current construction pipeline is still insufficient to satisfy distribution space shortages in many major coastal markets.

— Slower construction starts may result in declining vacancies and faster rent growth by mid-2024.

— Amazon began easing expansion plans in late 2022 and has reportedly closed, cancelled or delayed work on 115 U.S. warehouses in the past year, perhaps signaling moderating demand.[5]

— Onshoring of high-tech manufacturing is expected to drive long-term industrial demand resulting from the 2022 passage of the CHIPS and Science Act and the Inflation Reduction Act.[6]

— Sales volume is expected to rebound due to perceived sector safety, rent and NOI growth.

Multi-Family Market

— New supply outpaced demand during 2023 for the seventh consecutive quarter.

— Rental growth decelerated from the nearly 4.0% YoY pace at the end of 2022.

— Vacancy rates are trending near 6.0% for affordable units versus 9.0% for higher-end units.

— New construction deliveries are estimated to reach a 40-year high in 2023.

— Sales volume continues to surpass the other property sectors despite declining from the prior 12-month period.

National Multi-Family Market Indicators

	Current	YoY Change	Trend
Market Rent (per unit)	$1,674	1.2%	▲
Vacancy Rate	6.8%	150 BPS	▲
Concession Rate	0.8%	20 BPS	▲
Under Construction (units)	1,056,138	22,061	▲
Deliveries units (past 12 Mos.)	501,501	51,994	▲
Net Absorption units (past 12 Mos.)	193,038	-22,908	▼
Sale Transactions (past 12 Mos.)	14,932	-11,827	▼
Sale Volume (past 12 Mos.)	$131 B	($184 B)	▼
Market Sale Price/Unit	$244K	($17.7 K)	▼
Cap Rate	5.40%	50 BPS	▲

Source: Data compiled from CoStar (as of July 11, 2023).

Below are key metrics for the largest multi-family markets in the United States:

10 Largest Multi-Family Markets (by Inventory) Comparison

Vacancy Rate	Net Absorption (12 Mos.)	Construction Deliveries (12 Mos.)	Under Construction	Rent Growth (12 Mos.)	Sales Volume (12 Mos.)	Avg Sale Price Per Unit	Cap Rate
	Units	Units	Units		(In Billions)		
New York 2.5%	New York 18,052	Dallas/Fort Worth 29,435	New York 66,263	Chicago 3.6%	New York $10.0	New York $410,266	Los Angeles 4.3%
Los Angeles 4.9%	Phoenix 8,805	New York 20,790	Dallas/Fort Worth 58,216	New York 2.4%	Los Angeles $7.6	Seattle $404,149	Phoenix 4.3%
Chicago 5.3%	Washington, D.C. 8,040	Houston 20,042	Washington, D.C. 36,098	Philadelphia 2.4%	Phoenix $6.3	Los Angeles $397,850	Seattle 4.3%
Philadelphia 5.9%	Dallas/Fort Worth 8,026	Atlanta 19,920	Phoenix 35,393	Washington, D.C. 1.9%	Atlanta $6.0	Washington, D.C. $322,117	New York 4.6%
Seattle 6.3%	Chicago 7,234	Phoenix 16,909	Atlanta 34,057	Houston 1.4%	Washington, D.C. $5.2	Phoenix $285,056	Atlanta 5.0%
Washington, D.C. 6.6%	Houston 5,854	Washington, D.C. 13,015	Houston 31,041	Los Angeles 0.7%	Chicago $4.8	Chicago $226,925	Washington, D.C. 5.1%
Dallas/Fort Worth 8.9%	Seattle 4,825	Los Angeles 11,574	Seattle 29,320	Dallas/Fort Worth -0.3%	Seattle $3.9	Atlanta $221,359	Dallas/Fort Worth 5.2%
Phoenix 9.6%	Philadelphia 3,230	Philadelphia 9,368	Los Angeles 23,811	Seattle -0.8%	Dallas/Fort Worth $2.2	Philadelphia $211,856	Philadelphia 5.6%
Houston 10.0%	Atlanta 2,103	Chicago 8,855	Philadelphia 21,626	Atlanta -1.9%	Houston $1.7	Dallas/Fort Worth $186,080	Houston 5.8%
Atlanta 10.6%	Los Angeles 533	Seattle 7,812	Chicago 14,178	Phoenix -2.6%	Philadelphia $1.1	Houston $157,486	Chicago 6.1%

Source: Data compiled from CoStar Multi-Family National Report - United States (July 11, 2023).
Note: 12 Mos. represents August 2022 to July 2023 period.

Source: Data compiled from CoStar Multi-Family National Report - United States (July 11, 2023).
Source: Data compiled from CoStar Multi-Family Capital Markets Report - United States (July 11, 2023).
Note: 12 Mos. represents August 2022 to July 2023 period.

Insights:

— Affordability issues will continue to pressure owners of newer luxury properties.

— Greater concessions are expected from a record new supply, resulting in higher vacancy rates.

— High housing prices, constrained supply and high mortgage rates will keep potential buyers in rentals.

— Limited investor upside is expected in the near term due to lower rent growth from elevated deliveries.

— Sector outlook remains favorable, driven by lifestyle flexibility, household growth from Generation Z and millennials, and downsizing baby boomers.

Retail Market

— Vacancy rates have declined to record lows, owing in part to minimal new construction.

— The tenth consecutive quarter of positive net absorption in 2023 resulted from steady leasing and lower move-outs.

— Most new construction consists of single-tenant, build-to-suit projects in areas with favorable demographics.

— Demolitions continue removing obsolete product from the market.

— Healthy asking rent growth continues despite moderating.

— Foot traffic at U.S. retail businesses declined 2.3% YoY in May 2023.[7]

National Retail Market Indicators

	Current	YoY Change	Trend
Market Rent (psf)	$24.21	3.5%	▲
Vacancy Rate	4.2%	20 BPS	▼
Sublet sf	18.8 M	1.7 M	▲
Under Construction (sf)	62.3 M	(3.2 M)	▼
Deliveries sf (past 12 Mos.)	49.2 M	(1.6 M)	▼
Net Absorption sf (past 12 Mos.)	52.6 M	(24.2 M)	▼
Sale Transactions (past 12 Mos.)	42,302	-18,769	▼
Sale Volume (past 12 Mos.)	$67 B	($44.3 B)	▼
Market Sale Price/psf	$245	$8	▲
Cap Rate	6.70%	None	▶◀

Source: Data compiled from CoStar (as of July 11, 2023).

Below are key metrics for the largest retail markets in the United States:

10 Largest Retail Markets (by Inventory) Comparison

Vacancy Rate		Net Absorption (12 Mos.)		Construction Deliveries (12 Mos.)		Under Construction		Rent Growth (12 Mos.)		Sales Volume (12 Mos.)		Avg Sale Price Per SF		Cap Rate	
		Million SF		Million SF		Million SF				(In Billions)					
Boston	2.6%	Chicago	4.3	Dallas/Fort Worth	4.4	Dallas/Fort Worth	4.8	Atlanta	6.7%	Los Angeles	$4.7	New York	$432	Los Angeles	5.3%
Atlanta	3.7%	Houston	3.3	Houston	4.0	Houston	4.1	Houston	4.1%	New York	$4.5	Los Angeles	$423	New York	5.9%
New York	4.3%	Dallas/Fort Worth	3.0	Atlanta	1.6	New York	3.2	Dallas/Fort Worth	3.9%	Chicago	$3.2	Washington, D.C.	$345	Washington, D.C.	6.1%
Philadelphia	4.4%	Atlanta	2.7	Chicago	1.1	Atlanta	2.1	Detroit	2.8%	Atlanta	$2.9	Boston	$267	Boston	6.2%
Dallas/Fort Worth	4.5%	Washington, D.C.	1.3	Philadelphia	1.0	Los Angeles	1.8	Philadelphia	2.6%	Philadelphia	$1.8	Dallas/Fort Worth	$265	Dallas/Fort Worth	6.4%
Washington, D.C.	4.5%	Philadelphia	1.3	New York	1.0	Chicago	1.6	Washington, D.C.	2.6%	Boston	$1.8	Houston	$244	Houston	6.8%
Houston	4.9%	Boston	0.4	Los Angeles	0.8	Philadelphia	1.5	Chicago	2.2%	Washington, D.C.	$1.7	Atlanta	$210	Atlanta	6.9%
Chicago	5.1%	Detroit	0.1	Washington, D.C.	0.8	Washington, D.C.	1.4	New York	1.3%	Detroit	$0.8	Chicago	$195	Philadelphia	7.0%
Detroit	5.2%	Los Angeles	(0.6)	Detroit	0.6	Detroit	0.8	Los Angeles	1.2%	Houston	$0.7	Philadelphia	$191	Chicago	7.3%
Los Angeles	5.3%	New York	(0.9)	Boston	0.5	Boston	0.7	Boston	0.2%	Dallas/Fort Worth	$0.7	Detroit	$137	Detroit	7.5%

Source: Data compiled from CoStar Retail National Report - United States (July 11, 2023).
Note: 12 Mos. represents August 2022 to July 2023 period.

Source: Data compiled from CoStar Retail National Report - United States (July 11, 2023).
Source: Data compiled from CoStar Retail Capital Markets Report - United States (July 11, 2023).
Note: 12 Mos. represents August 2022 to July 2023 period.

Insights:

— Retail sales grew for the third consecutive month in June 2023.[8]

— Consumer confidence increased to a 17-month high in June 2023.[9]

— Grocery-anchored neighborhood centers and single-tenant net lease assets in well-located areas continue being the most coveted by investors.

— Retail centers in secondary and tertiary markets will be challenged by limited demand and rental growth.

— More notable retailers have filed for Chapter 11 in 2023 as the supply of physical stores continues to outweigh shopper demand (i.e., Bed Bath & Beyond, Party City, Tuesday Morning, Christmas Tree Shops, David's Bridal, Rockport Group).[10]

— Repositioning of underperforming assets will continue transforming the shopping experience.

Hotel Market

— The three key metrics (occupancy, ADR and RevPAR) grew during the past year from pent-up demand.

— Occupancy is still below pre-pandemic levels despite a recovery in hotel revenues.

— Rooms under construction have declined from a pre-pandemic peak of 210,000 rooms.

— Limited-service hotels comprise most projects in the development pipeline.

— Sales volume declined to the lowest first half number since 2020.

National Hotel Market Indicators

	Current	YoY Change	Trend
Occupancy (past 12 Mos.)	63.3%	230 BPS	▲
ADR (past 12 Mos.)	$153.26	$10.33	▲
RevPAR (past 12 Mos.)	$97.02	$12.78	▲
Under Construction (rooms)	149,299	-2,195	▼
Deliveries Rooms (past 12 Mos.)	64,521	-12,610	▼
Sale Transactions (past 12 Mos.)	4,242	-1,081	▼
Sale Volume (past 12 Mos.)	$36.9 B	($29.7 B)	▼
Market Sale Price/Room	$150 K	$14.7 K	▲
Cap Rate	8.90%	30 BPS	▲

Source: Data compiled from CoStar (as of July 11, 2023).

Below are key metrics for the largest hotel markets in the United States:

10 Largest Hotel Markets (by Inventory) Comparison

12 Month Occupancy		12 Month ADR		12 Month RevPAR		Construction Deliveries (12 Mos.)		Under Construction		Sales Volume (12 Mos.)		Avg Sale Price Per Room		Cap Rate	
		Average Daily Rate		Revenue per Available Room		Rooms		Rooms		(In Billions)					
New York	79.4%	New York	$284	New York	$226	New York	3,984	New York	11,089	New York	$1.5	Miami	$418,446	Phoenix	7.2%
Orlando	74.9%	Miami	$227	Miami	$165	Miami	2,257	Phoenix	4,678	Miami	$1.1	New York	$247,459	Miami	7.5%
Miami	72.7%	Los Angeles	$198	Orlando	$146	Los Angeles	2,185	Atlanta	4,563	Los Angeles	$1.0	Phoenix	$244,792	Los Angeles	7.8%
Los Angeles	71.5%	Orlando	$194	Los Angeles	$141	Atlanta	1,856	Dallas	3,940	Phoenix	$0.9	Los Angeles	$239,443	Orlando	8.0%
Phoenix	69.1%	Washington, D.C.	$174	Phoenix	$120	Dallas	1,771	Orlando	3,901	Atlanta	$0.8	Orlando	$209,095	Atlanta	8.3%
Dallas	66.3%	Phoenix	$173	Washington, D.C.	$114	Washington, D.C.	1,722	Washington, D.C.	2,789	Dallas	$0.7	Washington, D.C.	$157,654	New York	8.7%
Atlanta	66.0%	Chicago	$160	Chicago	$101	Chicago	1,552	Houston	2,362	Chicago	$0.6	Atlanta	$139,546	Dallas	8.8%
Washington, D.C.	65.5%	Atlanta	$124	Atlanta	$82	Houston	1,379	Los Angeles	2,315	Washington, D.C.	$0.6	Chicago	$138,805	Washington, D.C.	9.2%
Chicago	62.9%	Dallas	$121	Dallas	$80	Phoenix	1,156	Chicago	1,805	Orlando	$0.4	Dallas	$134,122	Chicago	9.6%
Houston	58.9%	Houston	$111	Houston	$65	Orlando	401	Miami	1,203	Houston	$0.3	Houston	$100,294	Houston	10.7%

Source: Data compiled from CoStar Hospitality National Report - United States (July 11, 2023).
Note: 12 Mos. represents August 2022 to July 2023 period.
Of Note: CoStar U.S. Hospitality report does not include the Las Vegas Market.

Source: Data compiled from CoStar Hospitality National Report - United States (July 11, 2023).
Source: Data compiled from CoStar Hospitality Capital Markets Report - United States (July 11, 2023).
Note: 12 Mos. represents August 2022 to July 2023 period.
Of Note: CoStar U.S. Hospitality report does not include the Las Vegas Market.

Insights:

— Steady leisure and business travel activity is projected to benefit U.S. hotels.[11]

— Hotel brands will continue being challenged by higher labor costs and labor shortages.[12]

— New development is projected to be constrained in the near term due to higher construction and debt costs.

— Domestic hotel occupancy from international travelers may increase due to a weakening dollar.[13]

— More focus on environmental sustainability, smart technology and unique user experiences will continue transforming the hotel experience.[14]

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