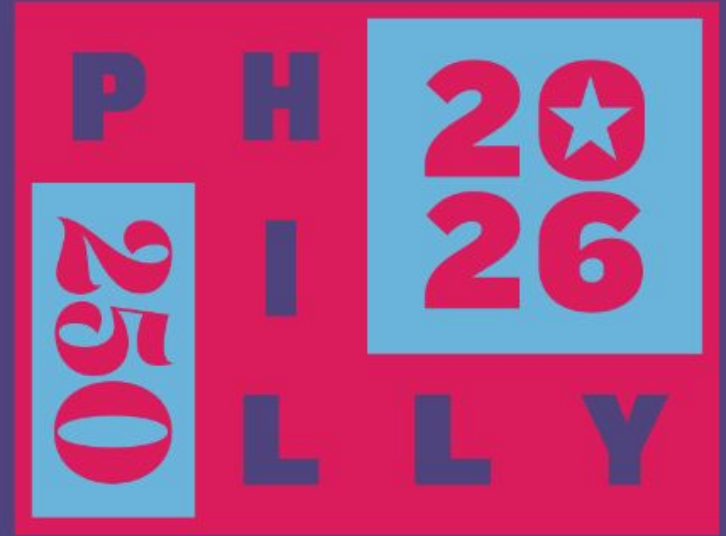


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Philadelphia Convention
& Visitors Bureau



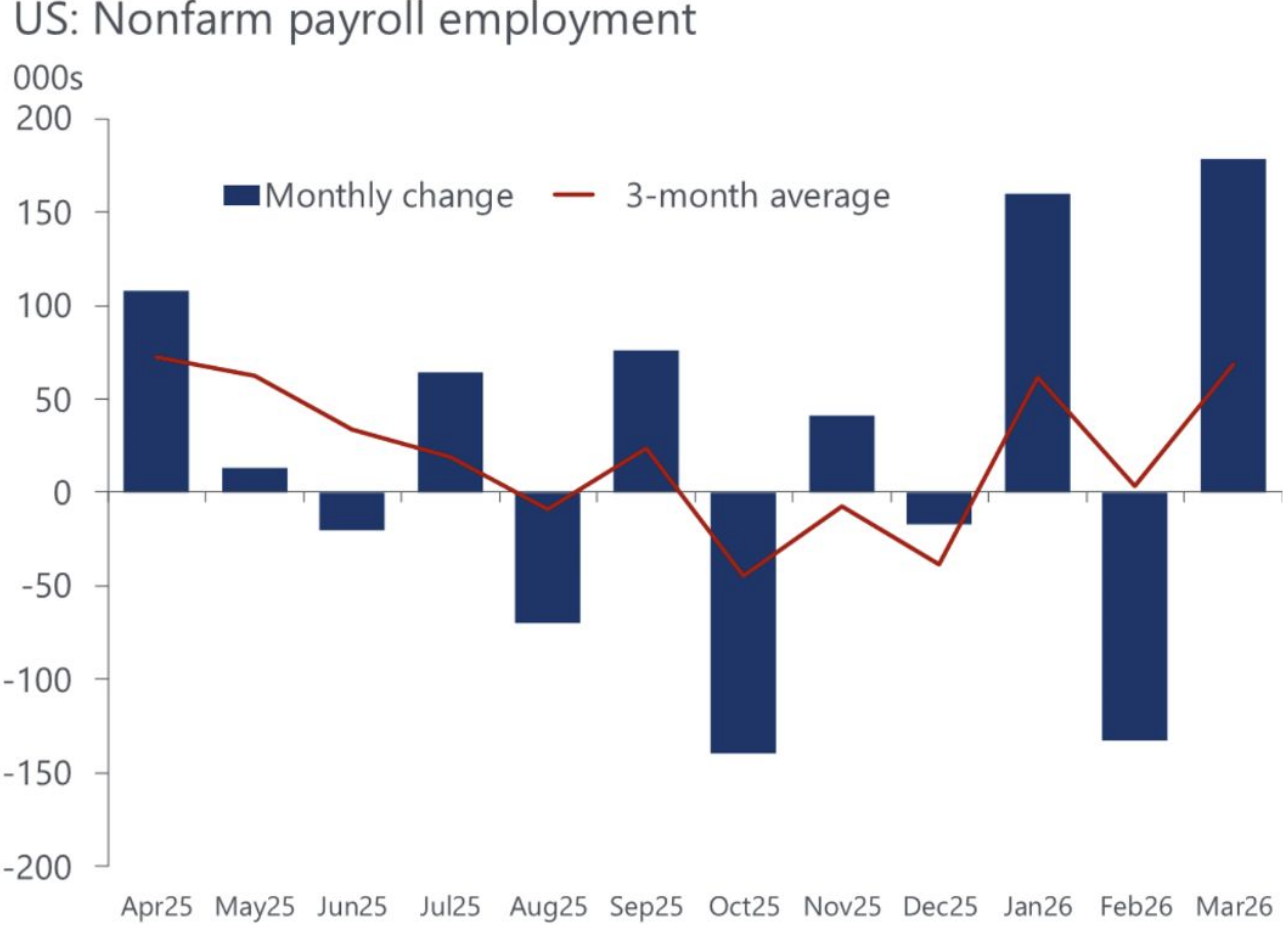
PHILADELPHIA TOURISM OUTLOOK

ADAM SACKS

PRESIDENT
TOURISM ECONOMICS

Labor market is sending mixed signals

-133k jobs in Feb
+178k in March



Sources: Oxford Economics, Haver Analytics

A new reality

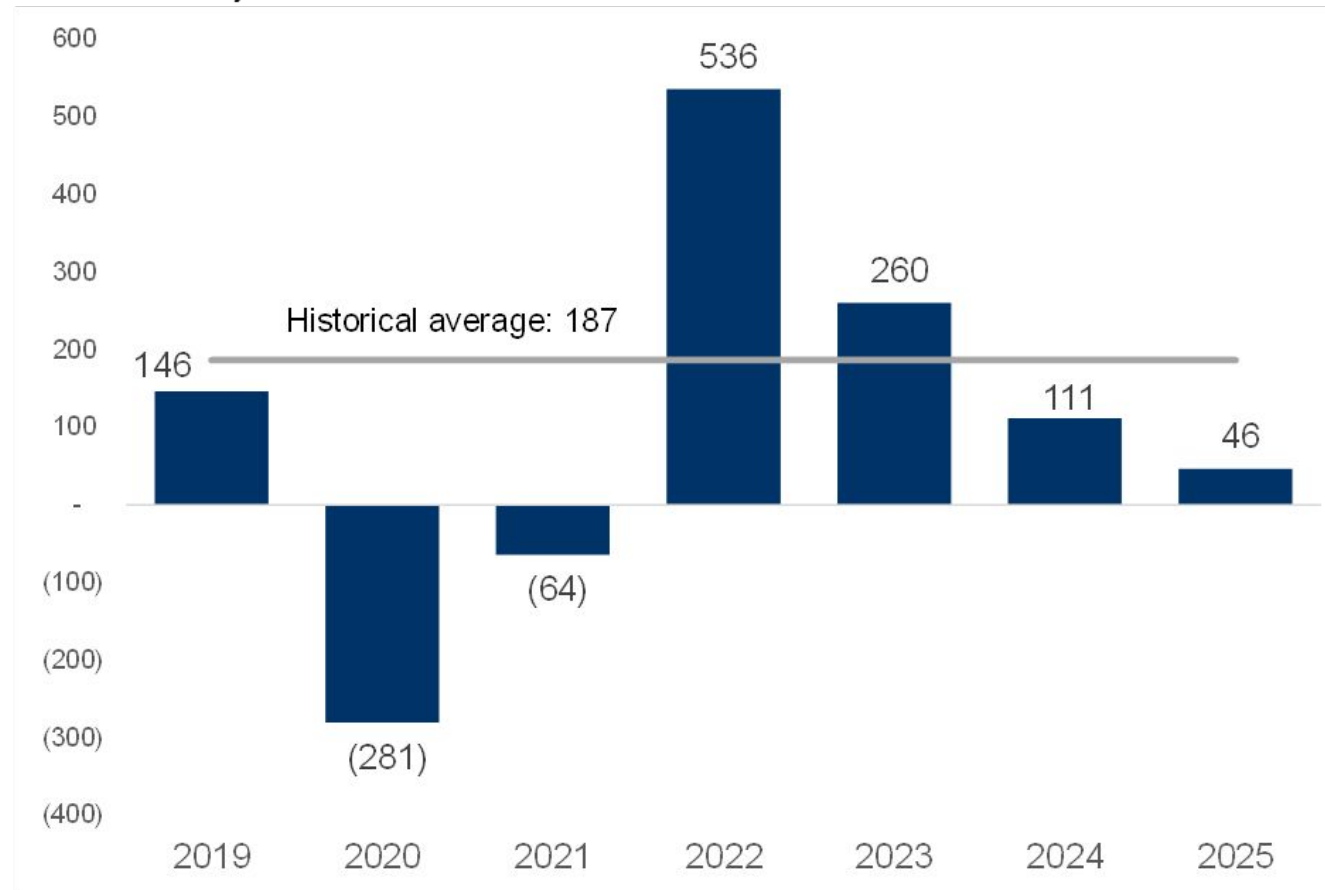
2026 = 40,000 per month

Why so low?

- legacy of over-hiring
- strong productivity growth
- slowdown in net migration

US: Average monthly increase in nonfarm payrolls

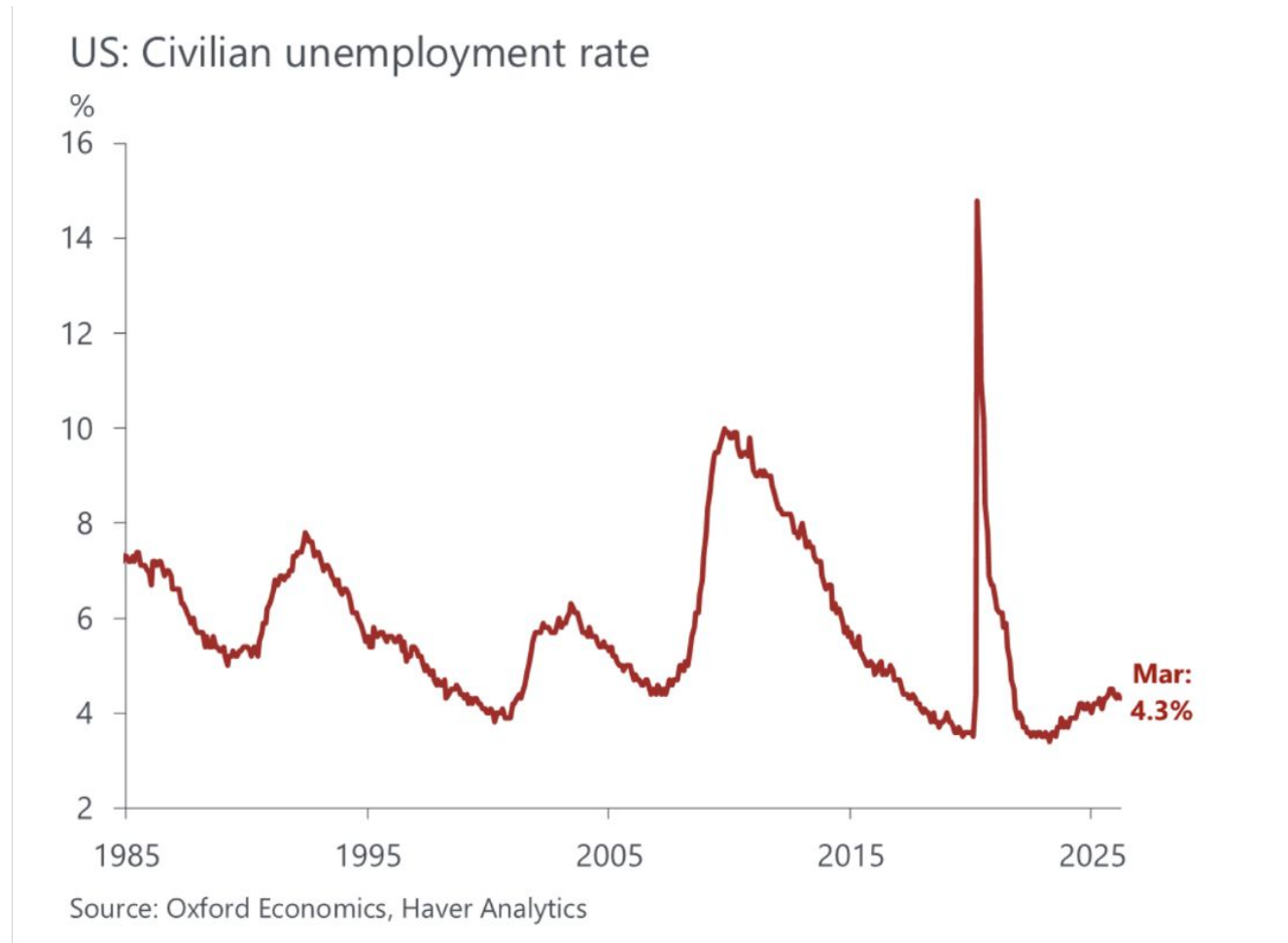
In thousands of jobs



Note: Historical average 2011 to 2019. Source: BLS, Oxford Economics (as of Feb 2026).

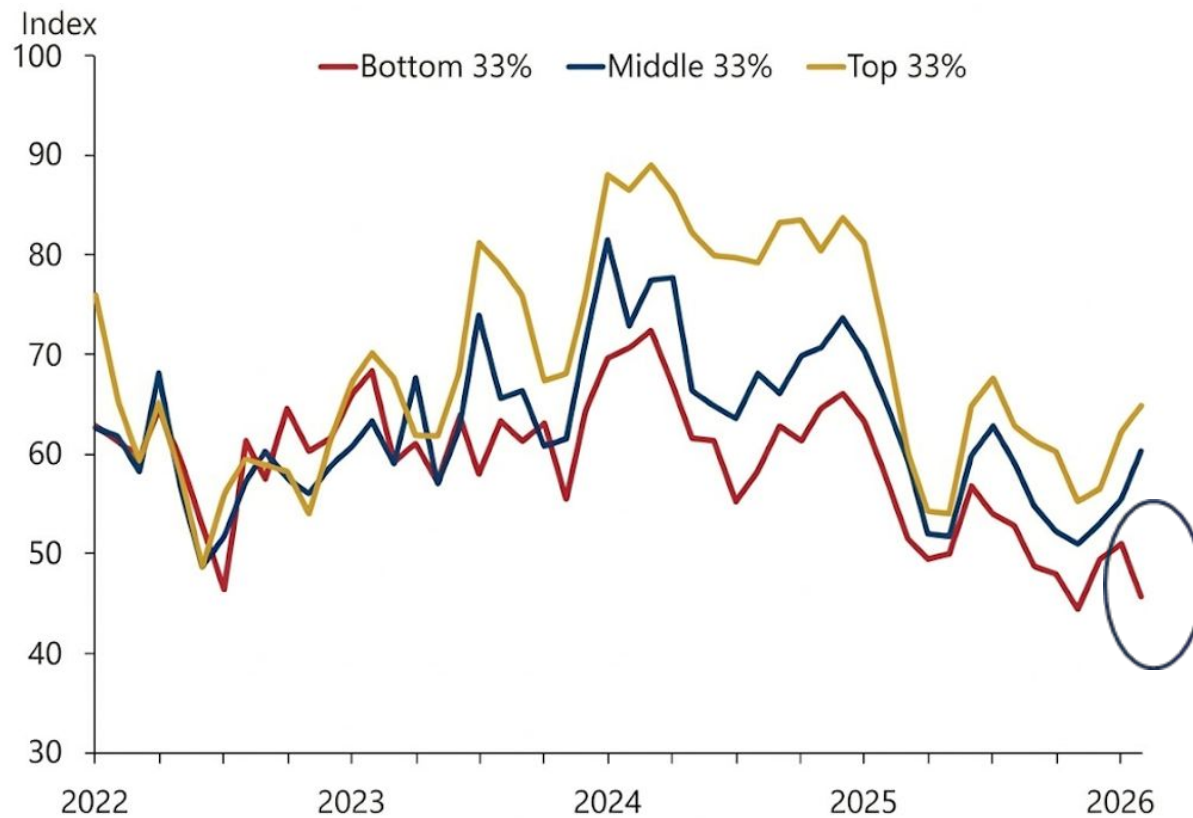
Labor market is cooling, not collapsing

Slow job creation will
about match slow
labor force growth



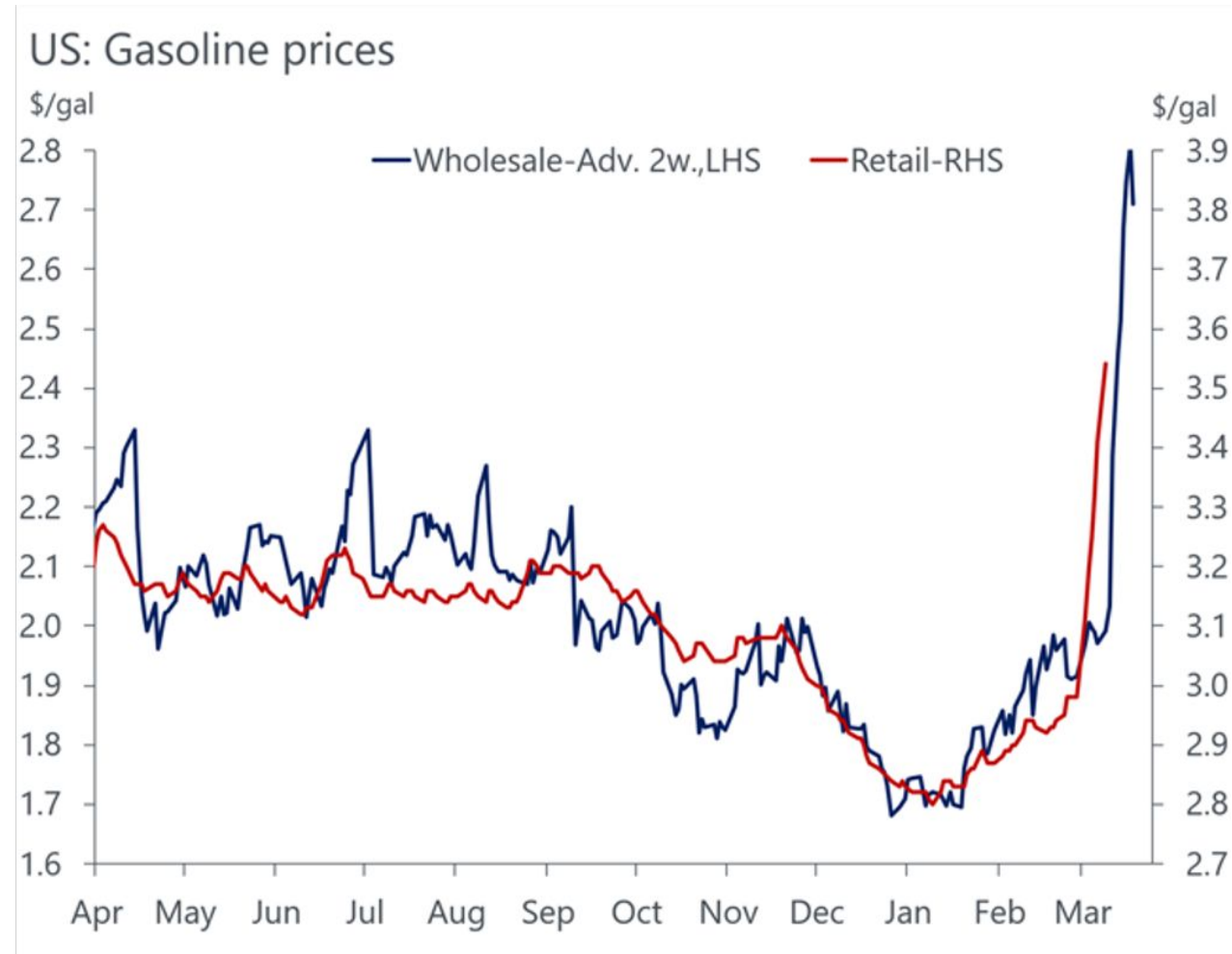
No one is in a great mood

US: Sentiment by income bracket



Sources: Oxford Economics, Haver Analytics

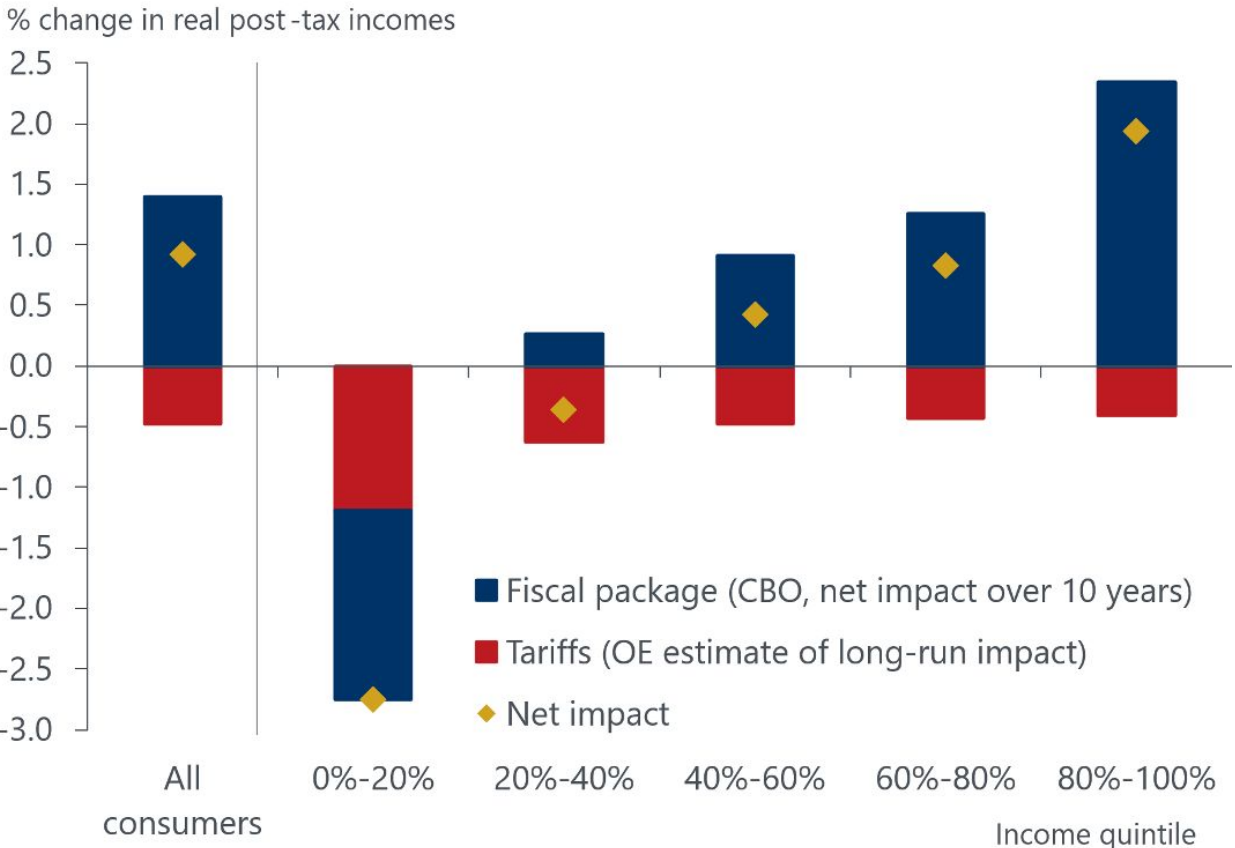
Gas price spike will hit lower income earners



Source: Oxford Economics

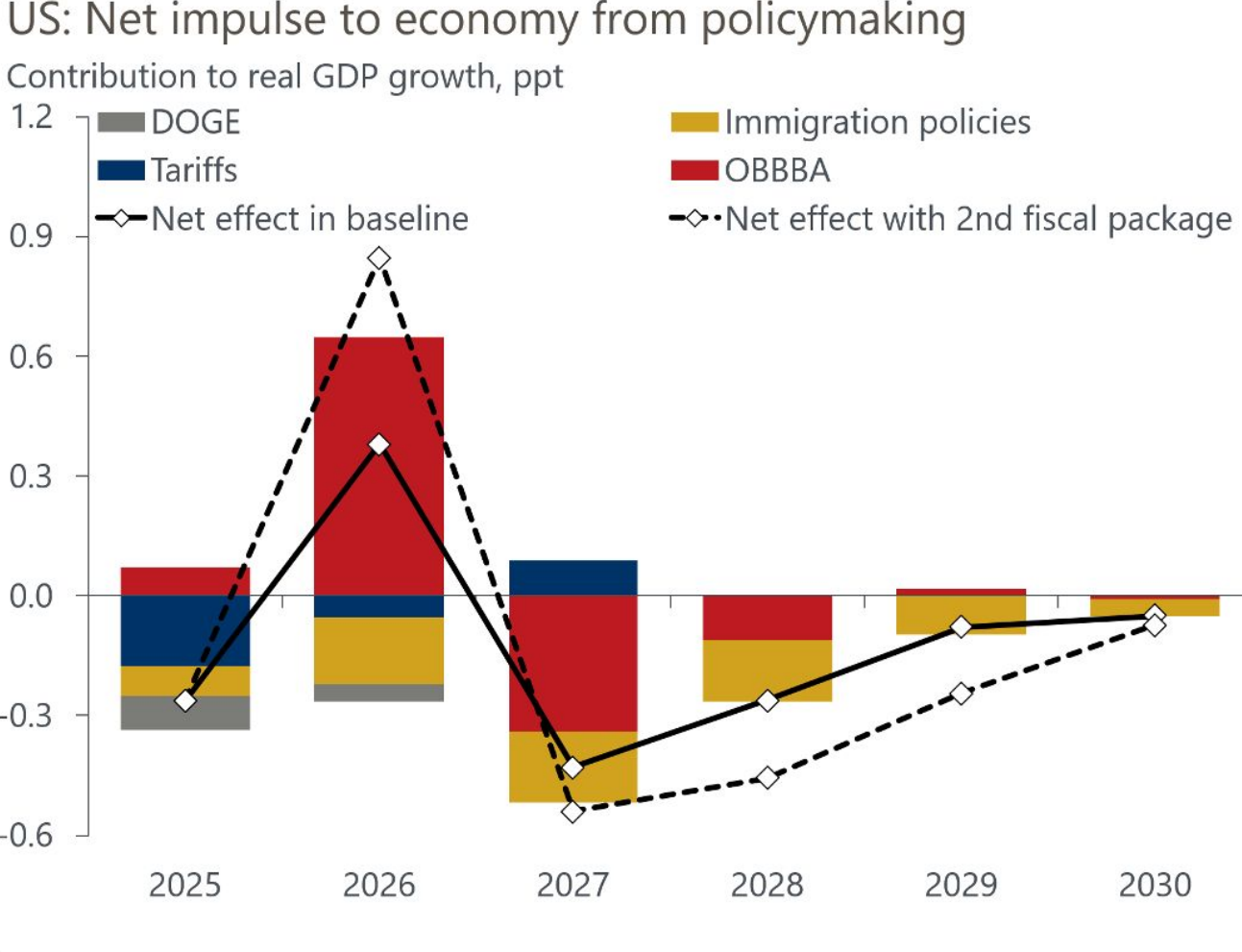
Policies favor higher income households

US: Net impact of policy by household income



Source: Oxford Economics/Haver Analytics

Fiscal policy to boost growth this year

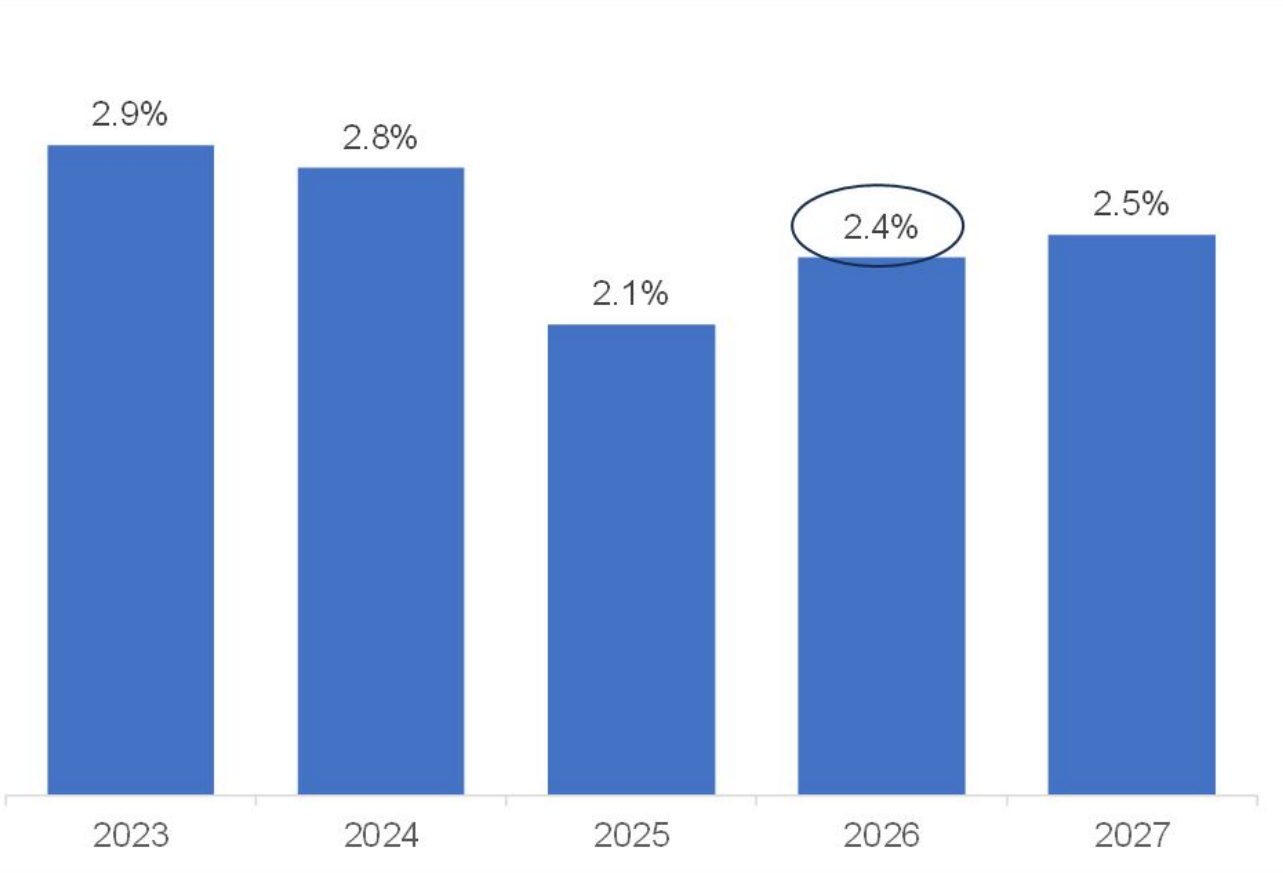


Source: Oxford Economics

Economy's rebound muted by geopolitics

- + Fiscal stimulus
- Inflation and sentiment

US Real GDP
\$ annualized



Source: Oxford Economics

Some Cause for Optimism



Wages are outpacing inflation

US: Average private hourly earnings



Source: Oxford Economics

Experiences > stuff

*“The U.S. economy remains on firm footing and consumers continue to **prioritize experiences** with travel among the top spending categories.”*

(Delta, Jan 13, 2026)

US: Real consumer spending by category

Jan.25=100



Source: Oxford Economics/Haver Analytics

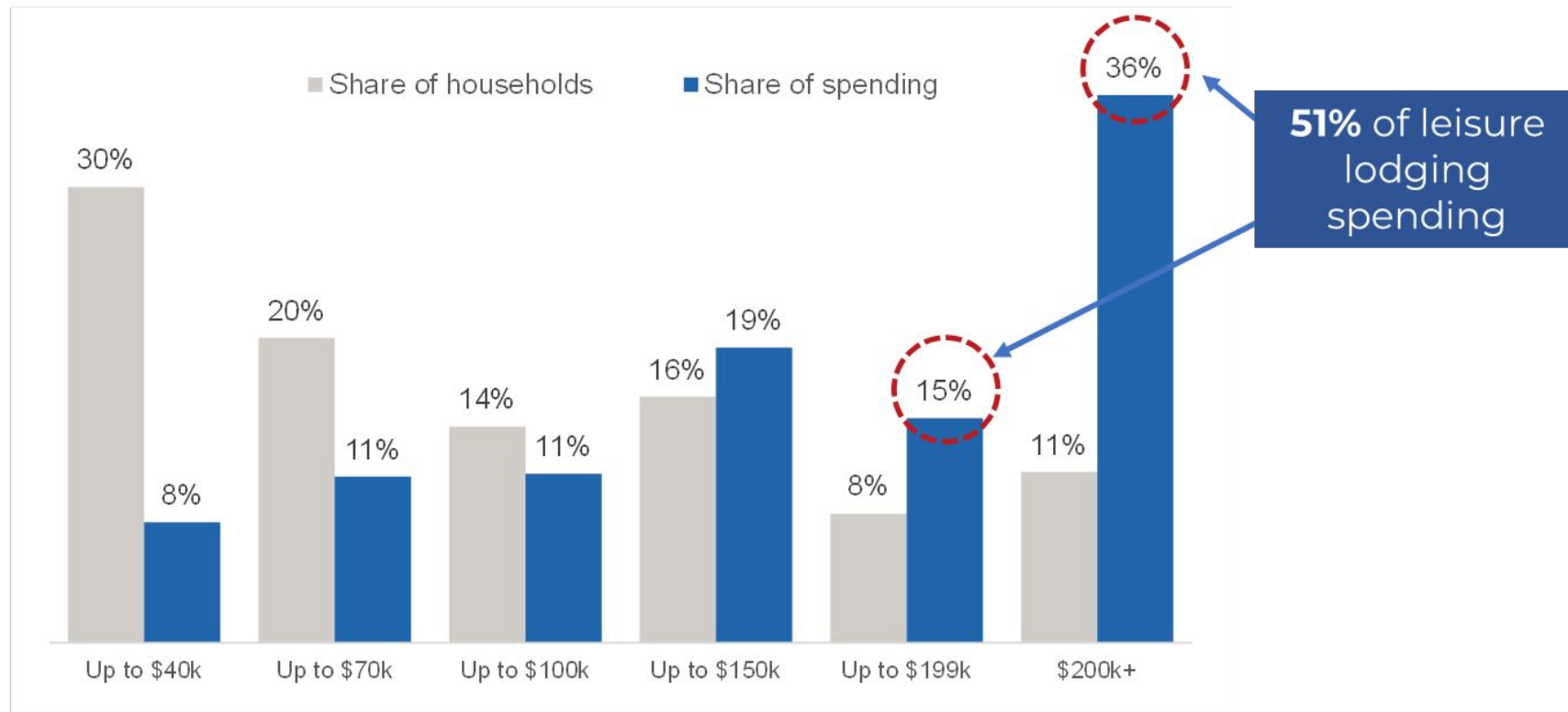
High-incomes underpin lodging spend

“Premium revenues continue to lead the way, while standard main cabin seats continue to show some weakness.”

(United Airlines 01/21/26)

Lodging spending by household income

Leisure travel



Note: Based on three-year average through 2024.
Source: BLS, Tourism Economics

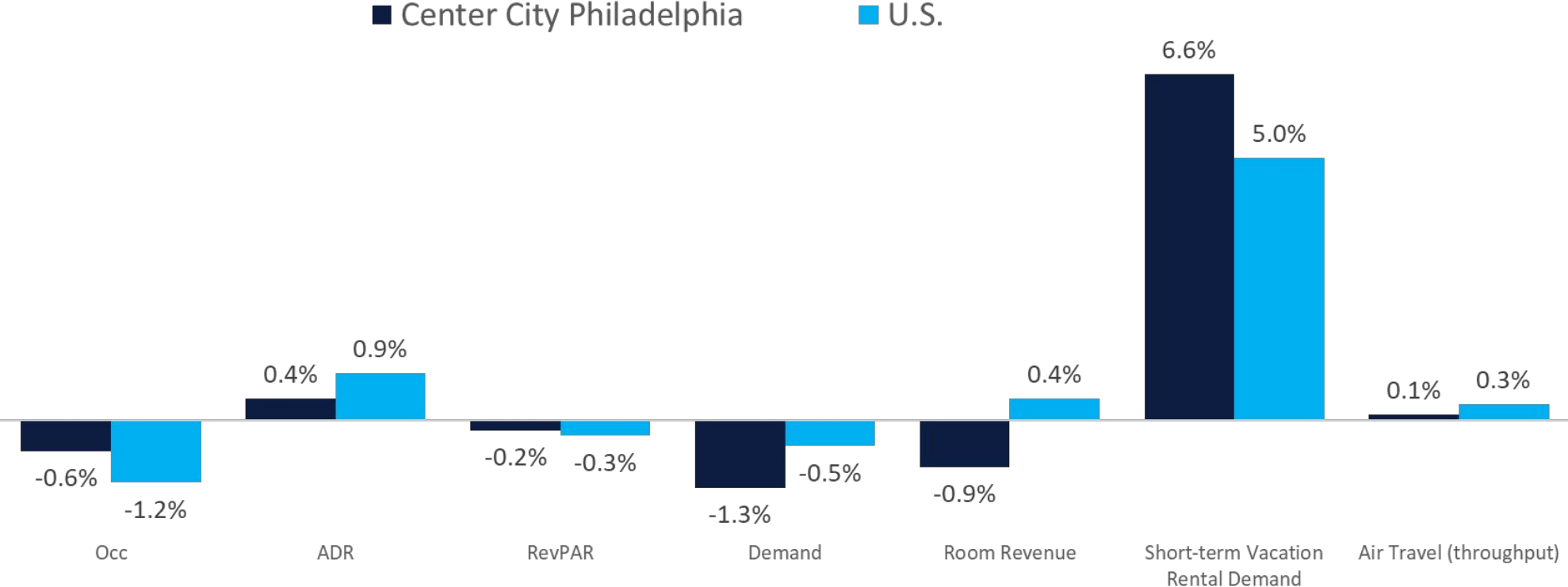
A person in a light-colored suit is pulling a teal suitcase. The background is a blurred airport or travel setting with yellow and white structural elements. The text "Philadelphia's Travel Outlook" is overlaid in white on a dark teal background.

Philadelphia's Travel Outlook

Last year aligned with national trends

2025 Travel Trends

% Change YOY, Center City Philadelphia vs the U.S.

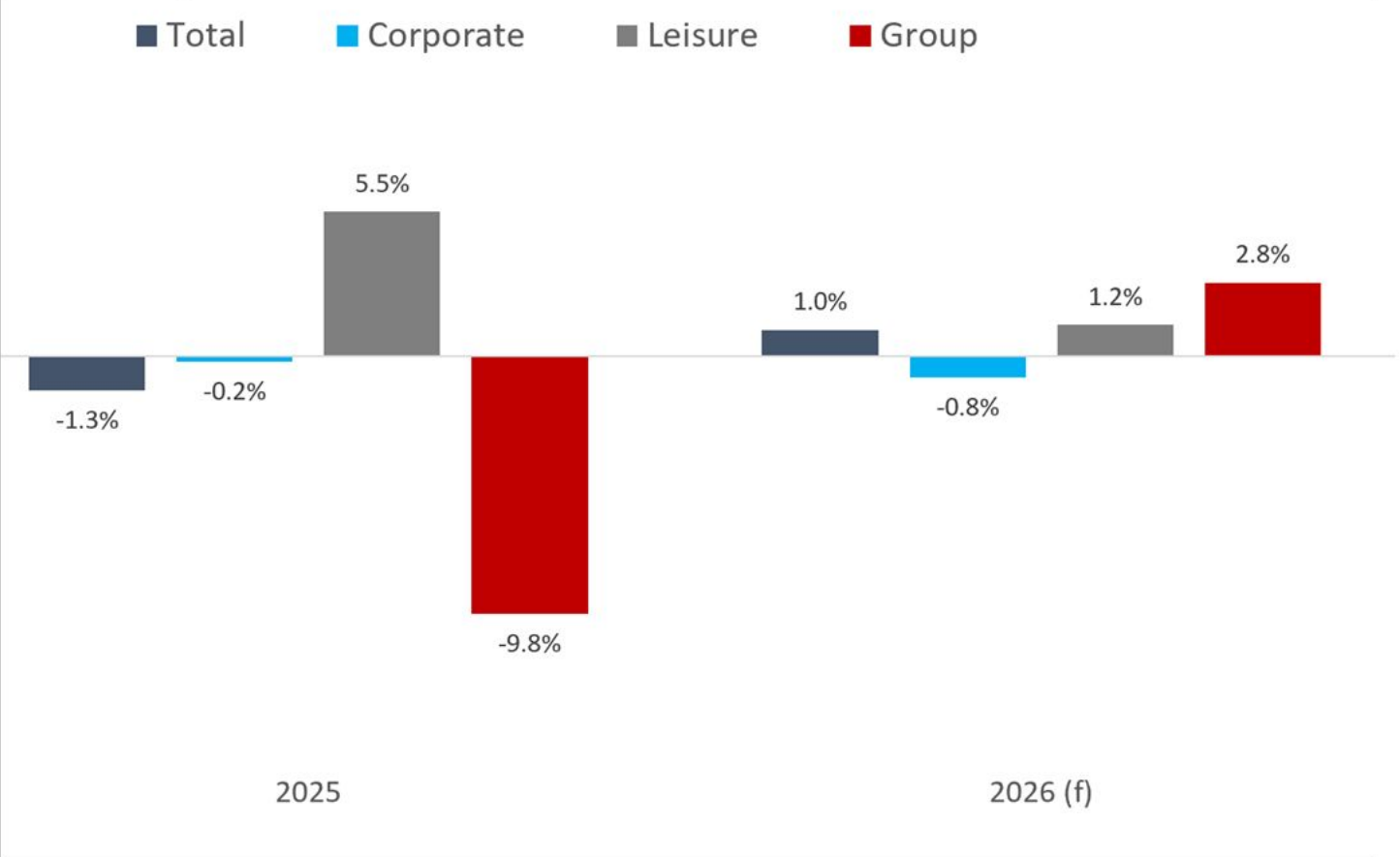


Source: STR (hotel); AIRDNA (short term rental); TSA (air travel)

Group will lead demand growth in 2026

Center City Philadelphia Market Mix

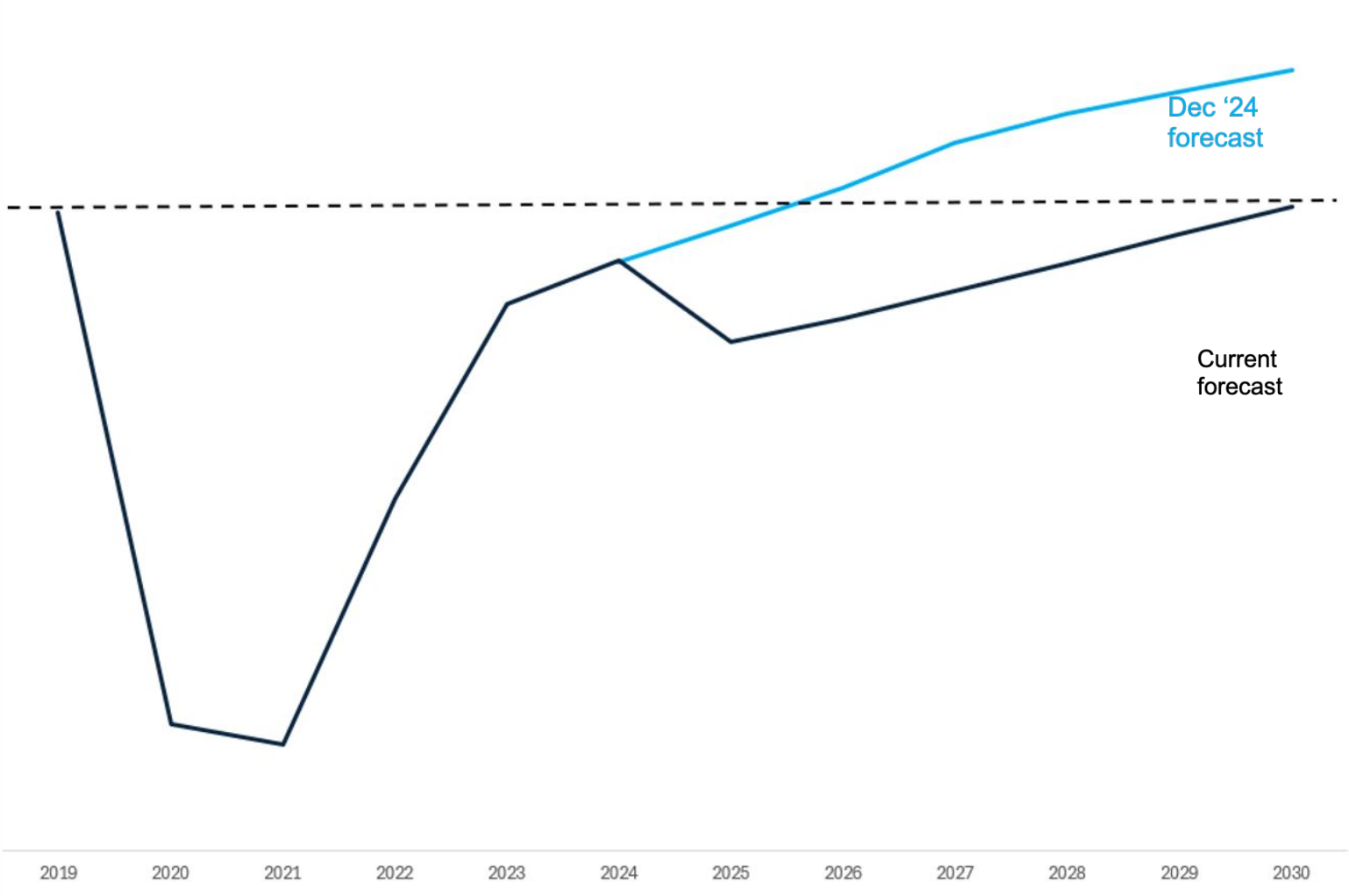
Demand, % change YOY



Source: Tourism Economics (forecast as of January 2026)

The long path to PHL international visitor recovery

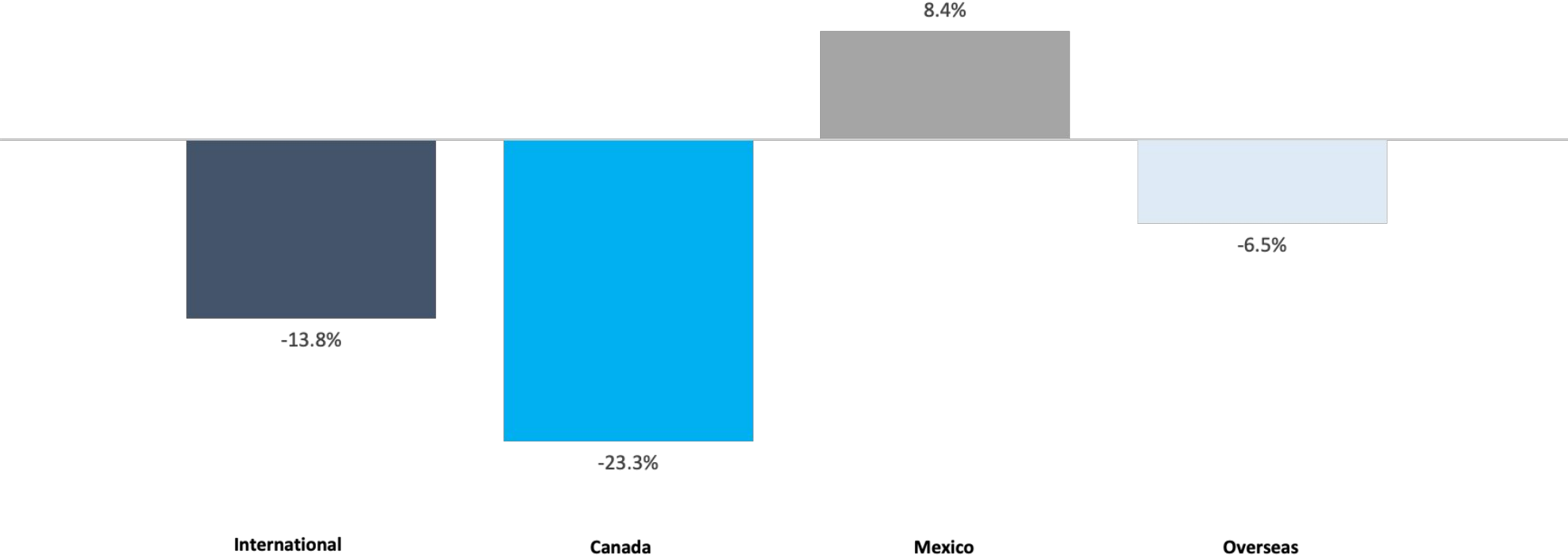
Inbound recovery delayed from 2025 to 2029/2030



Source: Tourism Economics Global City Travel

Sharpest drop from Canada

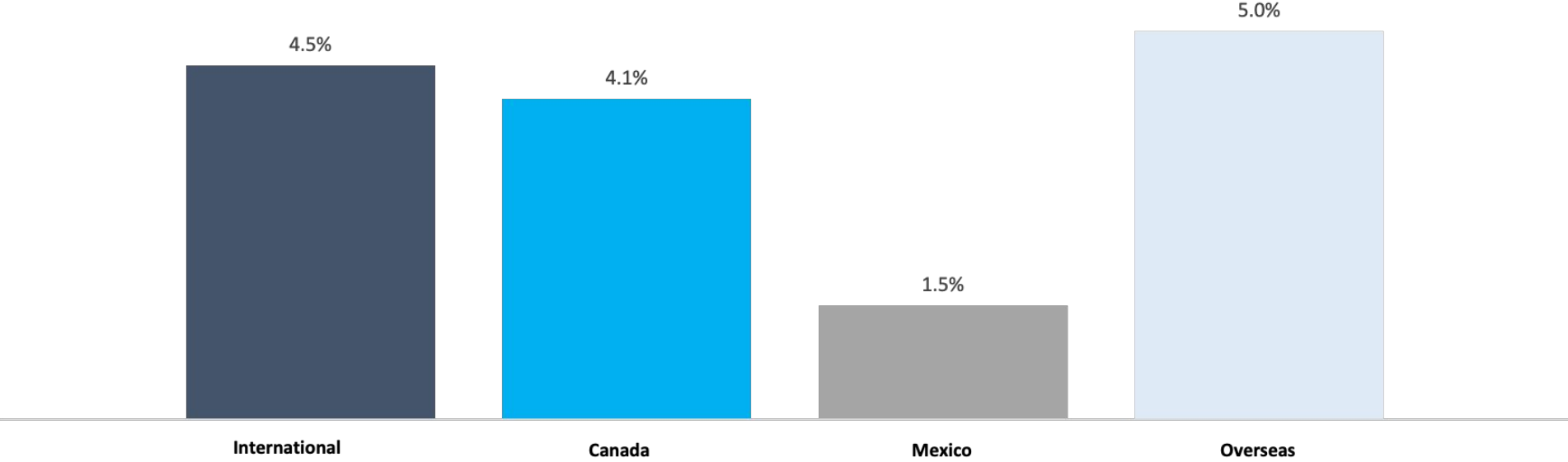
Philadelphia 2025 Forecast vs. 2024 Actual
As of January 2026



Source: Tourism Economics GCT

2026: a bounce-back year

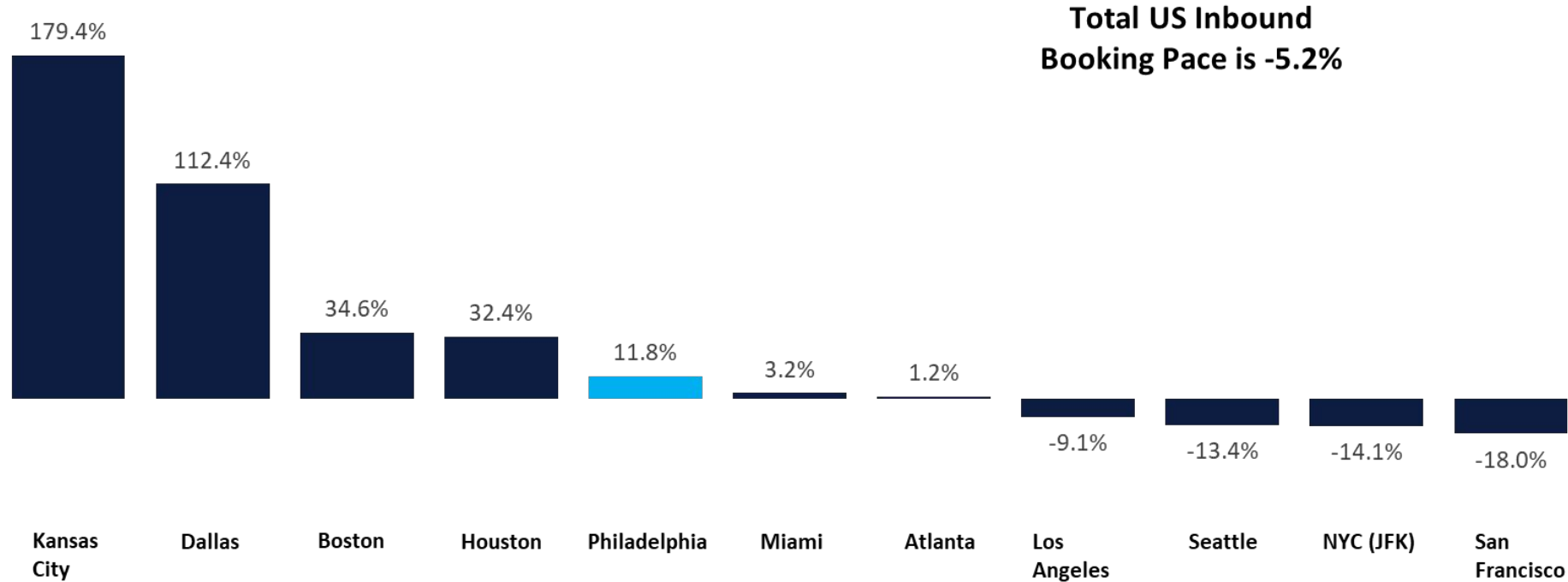
Philadelphia 2026 Forecast vs. 2025 Forecast
As of January 2026



Source: Tourism Economics GCT

Some markets seeing strong int'l PAX demand for World Cup

International Flight Bookings June 2026 compared to June 2025
As of February 2026/2025



Source: OAG

Center City Philadelphia Hotel Forecast

| | 2026 | % Ch YOY | vs 2019 |
|----------------|----------|----------|---------|
| Occ | 68.0% | 2.8% | -10.9% |
| ADR | \$226.66 | 5.3% | 12.4% |
| RevPAR | \$154.16 | 8.2% | -0.1% |
| Supply (daily) | 14,421 | -1.7% | 13.8% |
| Demand | 3.58M | 1.0% | 1.4% |
| Revenue | \$811.5M | 6.3% | 14.0% |

Source: STR (history); Tourism Economics (forecast as of January 2026)

Group and Leisure Transient leading growth in 2026

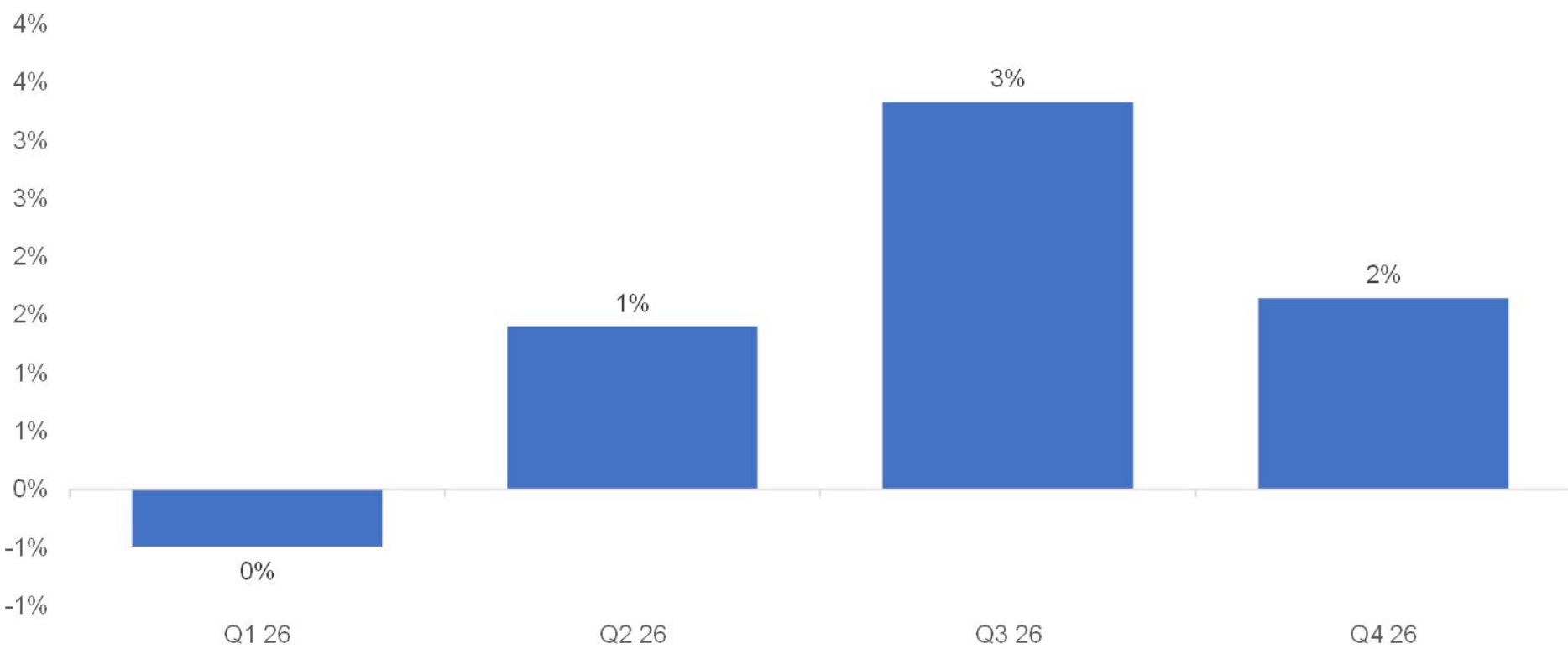
Center City Philadelphia Hotel Demand

| Rooms Sold | 2026 | % Chg YOY | % Chg vs 2019 |
|-------------------|-----------|-----------|---------------|
| Corp. transient | 1,069,300 | -0.8% | -6.9% |
| Leisure transient | 1,333,000 | 1.2% | 20.0% |
| Group | 1,046,200 | 2.8% | -7.1% |
| Contract | 131,600 | -0.9% | -9.4% |
| Total | 3.58M | 1.0% | 8.4% |

Source: STR (history); Tourism Economics (forecast as of January 2026)

Growth will peak this summer

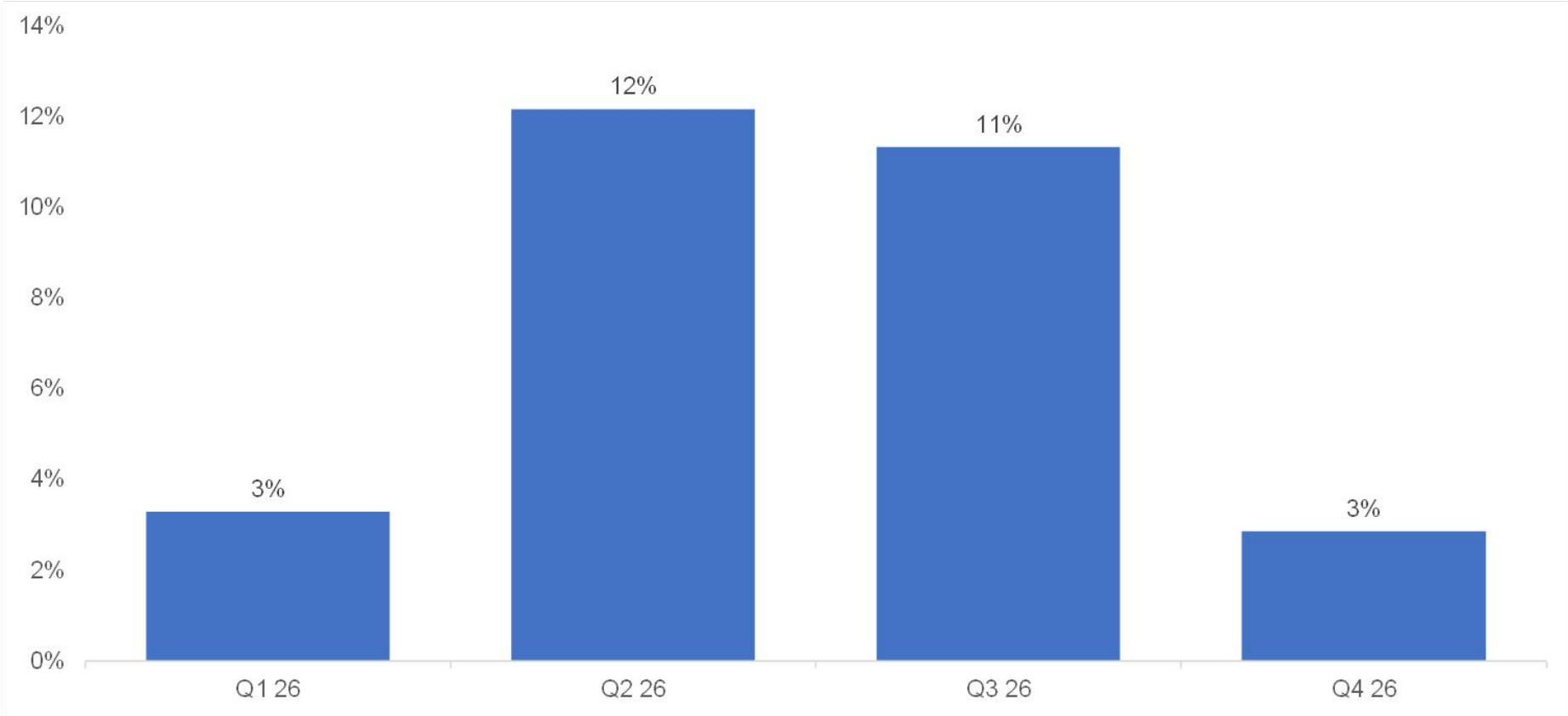
Center City Philadelphia Room Demand - Forecast
% change year ago



Source: STR

... with ADR driving revenue gains

Center City Philadelphia Room Revenue - Forecast
% change year ago



Source: Tourism Economics

Summary

Policy

- + Interest rate relief
- + Investment incentives
- + Tax cut extensions
- Tariffs
- Immigration
- Geopolitical uncertainty

Economy

- + Real income growth
- + Solid balance sheets
- + Productivity gains
- Small firm weakness
- Softening labor market

Travel

- + Prioritization
- + K-shaped economy
- + Upcoming events / international
- Travel sentiment
- Fuel prices