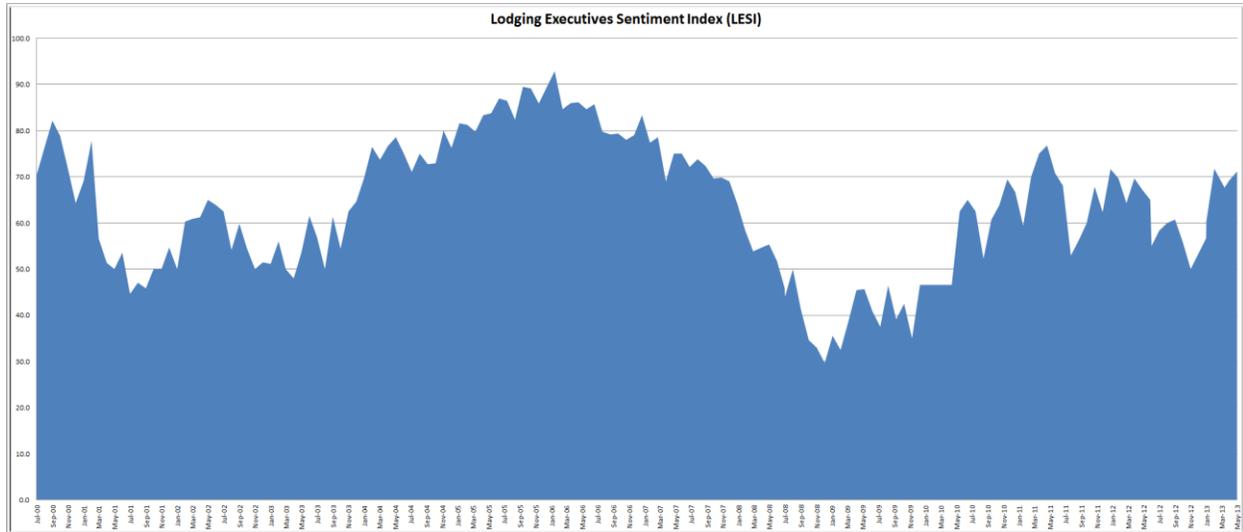


LODGING EXECUTIVE SENTIMENT INDEX TICKS UP SLIGHTLY IN MAY

The Lodging Executives Sentiment Index for the current period ending May 2013 showed modest growth to 71.2 from 69.3 in April 2013. These results are from lodging executives' sentiment of the present general business conditions for their properties which moved upward 16% over last period, offset by a 7% decline in their sentiment for how they view general business conditions twelve months in the future. Future business conditions are influenced by the 3% decline in expectations about room reservations over the same twelve month period



Thirty-eight percent of lodging executives indicated current business conditions were good, an increase from nineteen percent last period, while sixty-two percent indicated conditions were normal, down from seventy-seven percent during the same period. None of the executives indicated such conditions were bad, an improvement in sentiment from last period's reading of four percent.

Looking forward, forty-six percent of the executives thought conditions will be better in the next 12 months versus fifty-eight percent last month, while fifty-four percent indicated they will be the same versus forty-two percent last month indicating they would be the same. Executive sentiment for this period revealed that no executive thought they would be worse.

Looking forward twelve months, lodging executives expect a pull back on hiring of non-managerial employees, representing a decrease in expectations for lodging executives' reporting from April 2013. This period's change is in-line with the ISM Employment Index, which decreased by 0.1 percentage points, registering 50.1 percent and the national unemployment rate which increased to 7.6% in May 2013 from 7.5% in April 2013 as reported by BLS (Bureau of Labor Statistics).

The LESI indices follow the Institute of Supply Management's Index (ISM) method of tracking leading indicators. A LESI survey reading of greater than 50 indicates expansion whereas a reading below 50 indicates decline and the distance from 50 in either direction is indicating the

strength of the expansion or decline. During this same period of time, the ISM Index its previous months decreased to 49.0 from 50.7.

Lodging Executive Sentiment at a Glance				
Sentiment Indicator	Current Period	Last Period	Direction of Business Activity	Speed of Change in Business Activity
ISM Index	49.0	50.7	Contracting	Very Slightly Slower
LESI Index	71.2	69.3	Expanding	Very Slightly Faster
Present Business Sentiment	69.2	59.6	Expanding	Very Faster
Future Business Sentiment	73.1	78.8	Expanding	Very Slower
Future Rooms Reservation Sentiment	76.9	78.8	Expanding	Very Slower
Future Employment Sentiment	61.5	63.5	Expanding	Very Slightly Slower
Source: Department of Hospitality Management, Peter T Paul College of Business and Economics				

Managed by the Department of Hospitality Management at the UNH Peter T. Paul College of Business and Economics (formerly the Whittemore School of Business and Economics), the Lodging Executive Sentiment Index (LESI) is based on a monthly survey of lodging executives representing companies with more than 2.5 million hotel rooms across lodging segments and geographic regions of the United States --representing more than 55 percent of all U.S. rooms.