Hotel InduSTRy Overview

Brittany Baldwin CSGP, CHIA

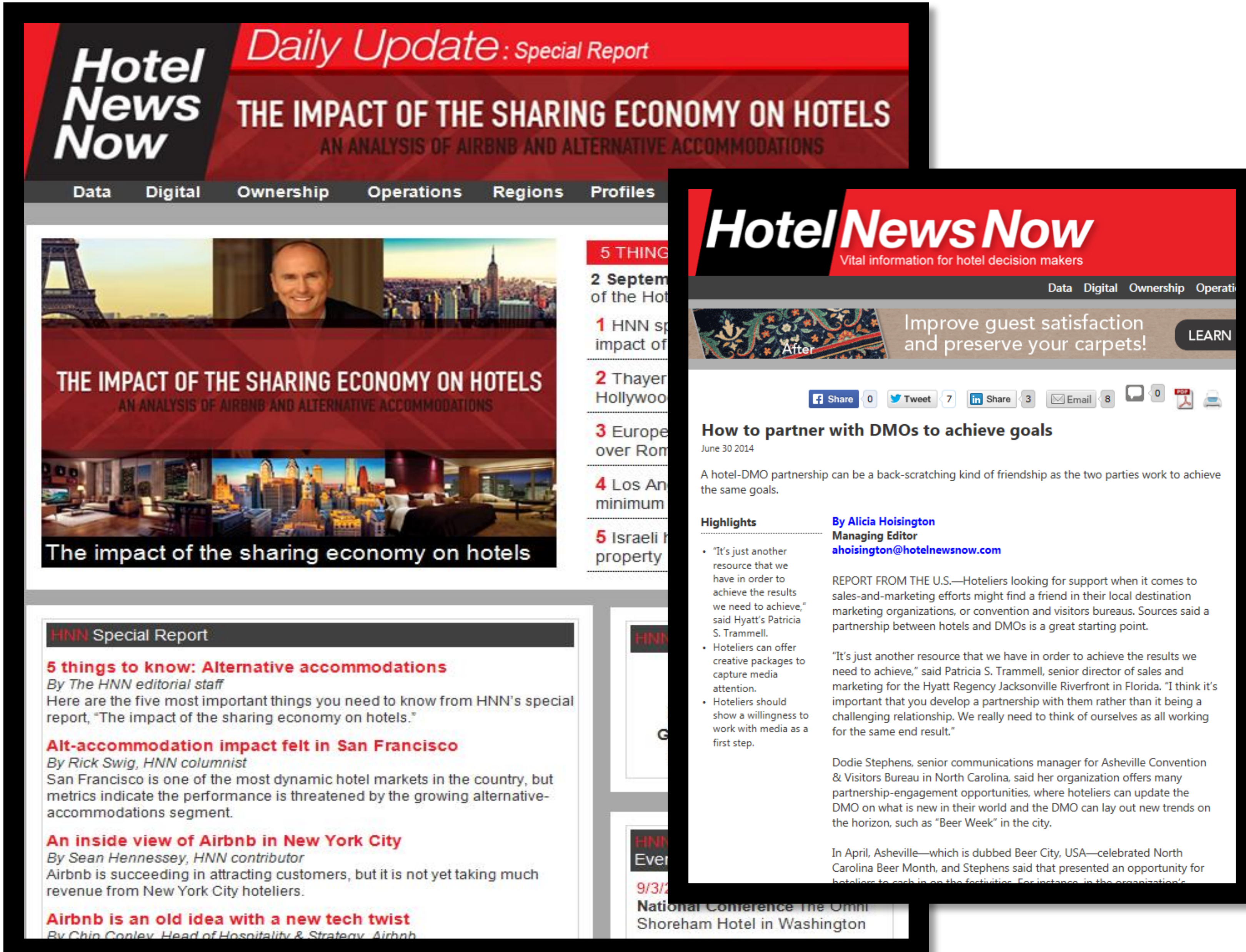
Director of Business Development, Destinations

Lee County Visitors & Convention Bureau

January 8, 2015

1. Visit www.HotelNewsNow.com
2. Create Free Login
3. Click on "Data Presentations"

HOTEL DATA CONFERENCE
Hosted by STR and HotelNewsNow.com
Presented by Loews Vanderbilt Hotel



Hotel News Now

Daily Update: Special Report

THE IMPACT OF THE SHARING ECONOMY ON HOTELS

AN ANALYSIS OF AIRBNB AND ALTERNATIVE ACCOMMODATIONS

Data Digital Ownership Operations Regions Profiles

THE IMPACT OF THE SHARING ECONOMY ON HOTELS

AN ANALYSIS OF AIRBNB AND ALTERNATIVE ACCOMMODATIONS

The impact of the sharing economy on hotels

5 THING

2 Septem
of the Hot

1 HNN sp
impact of

2 Thayer
Hollywoo

3 Europe
over Rom

4 Los An
minimum

5 Israeli h
property

HNN Special Report

5 things to know: Alternative accommodations
By The HNN editorial staff
Here are the five most important things you need to know from HNN's special report, "The impact of the sharing economy on hotels."

Alt-accommodation impact felt in San Francisco
By Rick Swig, HNN columnist
San Francisco is one of the most dynamic hotel markets in the country, but metrics indicate the performance is threatened by the growing alternative-accommodations segment.

An inside view of Airbnb in New York City
By Sean Hennessey, HNN contributor
Airbnb is succeeding in attracting customers, but it is not yet taking much revenue from New York City hoteliers.

Airbnb is an old idea with a new tech twist
By Chip Conley, Head of Hospitality & Strategy, Airbnb

HNN

G

HNN
Ever

9/3/2
National Conference The Omni Shoreham Hotel in Washington

HotelNewsNow

Vital information for hotel decision makers

Data Digital Ownership Operati

After

Improve guest satisfaction and preserve your carpets!

LEARN

Share 0 Tweet 7 Share 3 Email 8 0

How to partner with DMOs to achieve goals

June 30 2014

A hotel-DMO partnership can be a back-scratching kind of friendship as the two parties work to achieve the same goals.

Highlights

- "It's just another resource that we have in order to achieve the results we need to achieve," said Hyatt's Patricia S. Trammell.
- Hoteliers can offer creative packages to capture media attention.
- Hoteliers should show a willingness to work with media as a first step.

By Alicia Hoisington
Managing Editor
ahoisington@hotelnewsnow.com

REPORT FROM THE U.S.—Hoteliers looking for support when it comes to sales-and-marketing efforts might find a friend in their local destination marketing organizations, or convention and visitors bureaus. Sources said a partnership between hotels and DMOs is a great starting point.

"It's just another resource that we have in order to achieve the results we need to achieve," said Patricia S. Trammell, senior director of sales and marketing for the Hyatt Regency Jacksonville Riverfront in Florida. "I think it's important that you develop a partnership with them rather than it being a challenging relationship. We really need to think of ourselves as all working for the same end result."

Dodie Stephens, senior communications manager for Asheville Convention & Visitors Bureau in North Carolina, said her organization offers many partnership-engagement opportunities, where hoteliers can update the DMO on what is new in their world and the DMO can lay out new trends on the horizon, such as "Beer Week" in the city.

In April, Asheville—which is dubbed Beer City, USA—celebrated North Carolina Beer Month, and Stephens said that presented an opportunity for

STR.

5 Things to Know .....

1. Industry Pulse from 30,000 ft.
2. Lee County
3. Florida Comparable Counties
4. Pipeline Growth
5. Where Are We Headed?

#1 U.S. Pulse – Gangbusters

U.S. Records Set in 2013!

✓Most Rooms Available

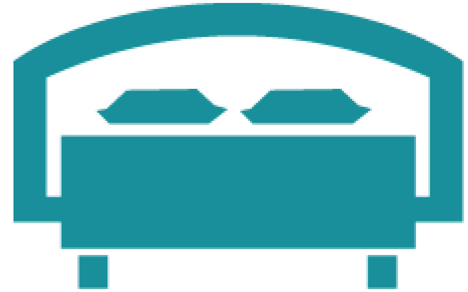
✓Most Rooms Sold

✓Highest Rooms Revenue

✓Highest ADR ($110)

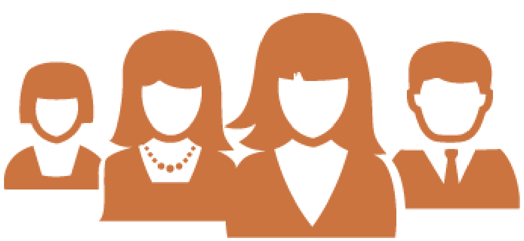
✓Highest RevPAR ($70)

MAY:
RevPAR Growth
10% Highest May of any on record… ever!



JULY:
Most Rooms Sold Ever!
113 Million

2014



JUNE:
Occupancy
71.7% Highest June occupancy this decade!

AUGUST:
Room Revenue
$90.8 bn
Highest August YTD!

2014 Room Revenue Will Set Record

Total 2008: $107 Billion

Total 2013: $122 Billion

November YTD 2014: $124 Billion

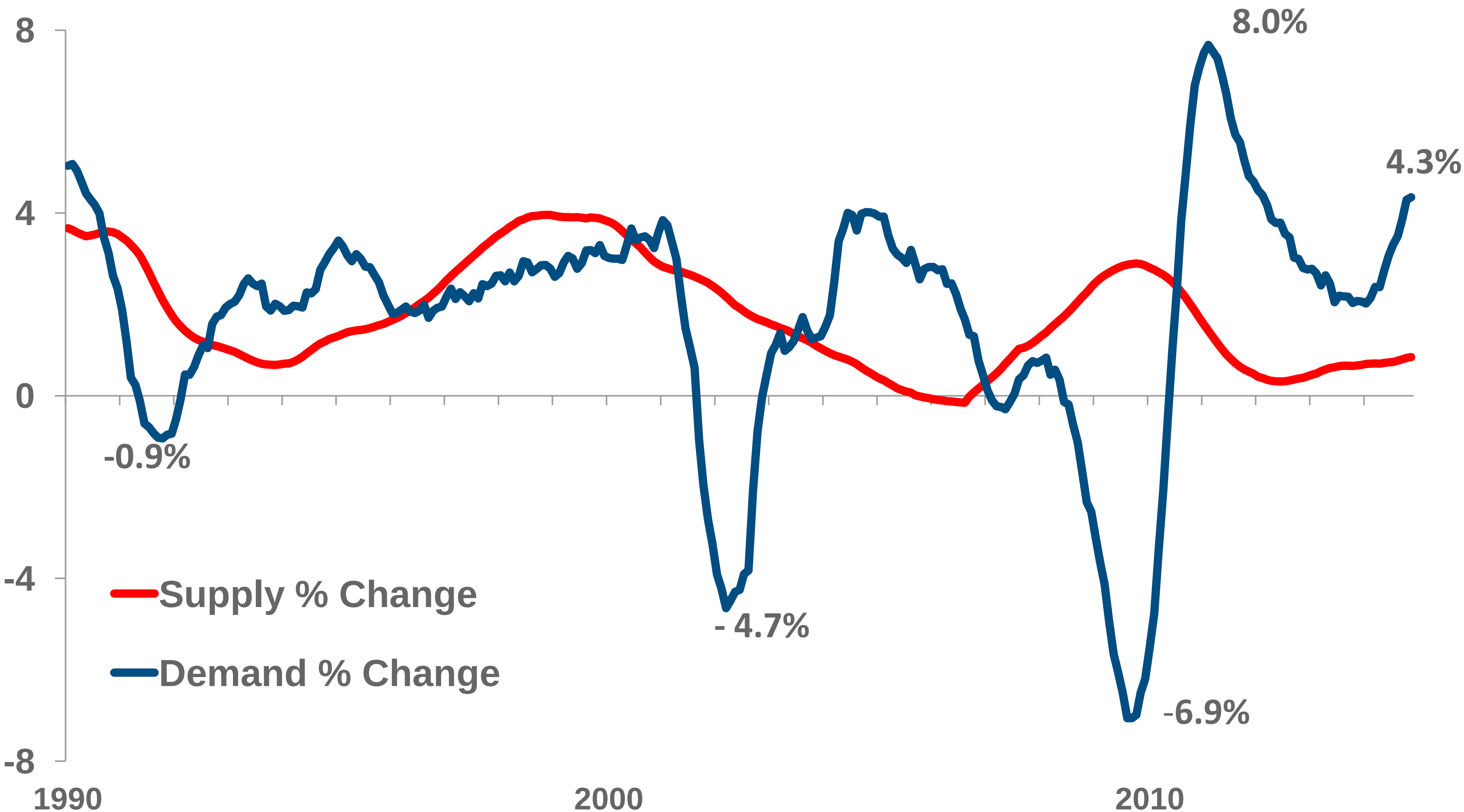
STR

November 2014 YTD: Everything Is Awesome!

		% Change
• Room Supply*		0.9%
• Room Demand*		4.4%
• Occupancy	66%	3.6%
• ADR*	$116	4.6%
• RevPAR*	$76	8.3%
• Room Revenue*	$124bn	9.2%

November 2014 YTD, Total US Results
* All Time High for First 10 Months

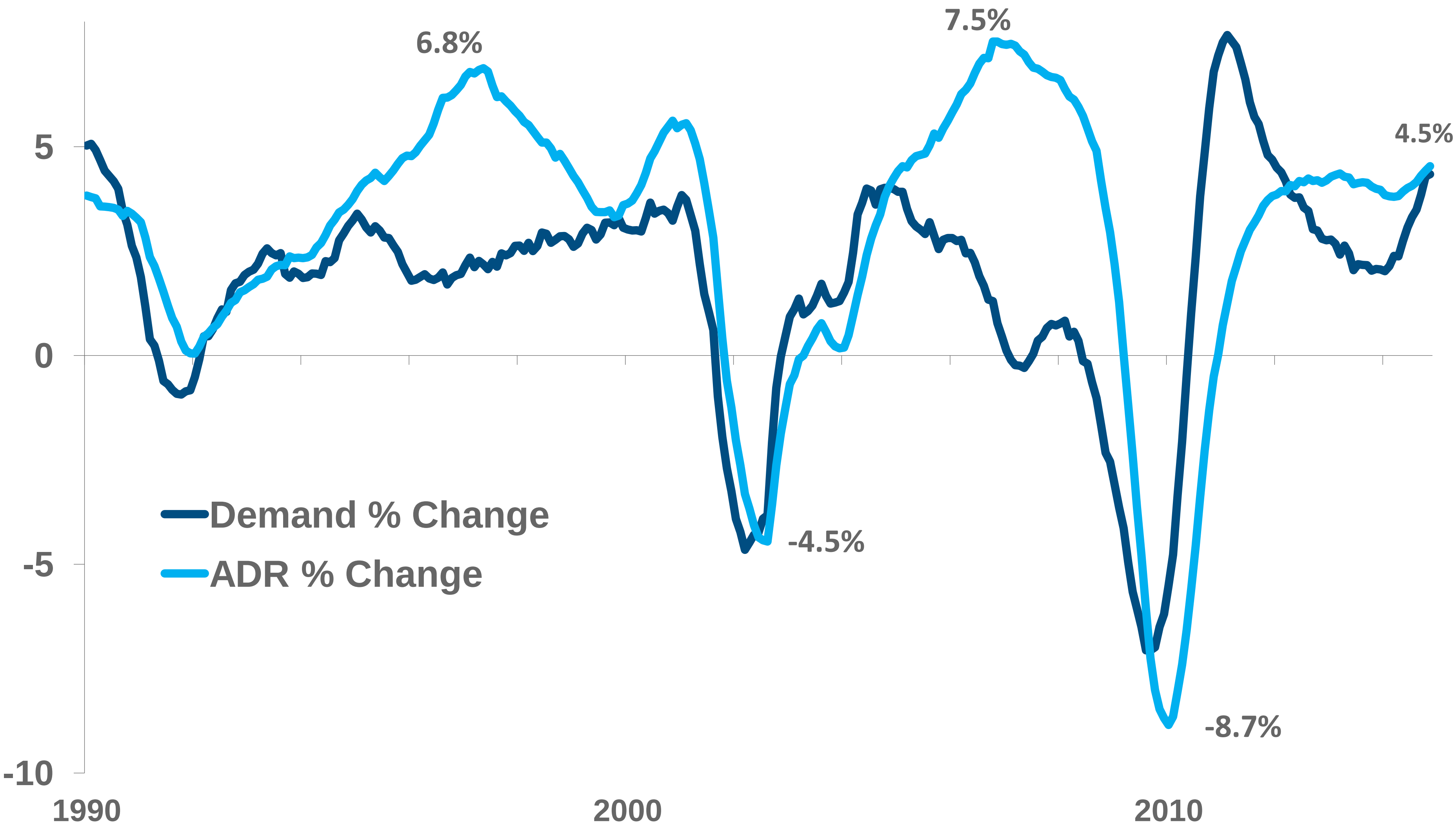
The Best Fundamentals (Maybe In Our Lifetime)



Total U.S., Supply & Demand % Change, 12 MMA 1/1990 – 11/2014

STR.

Finally Some Real Pricing Power (As Demand Soars)



Total U.S., ADR & Demand % Change, 12 MMA 1/1990 – 11/2014

STR.

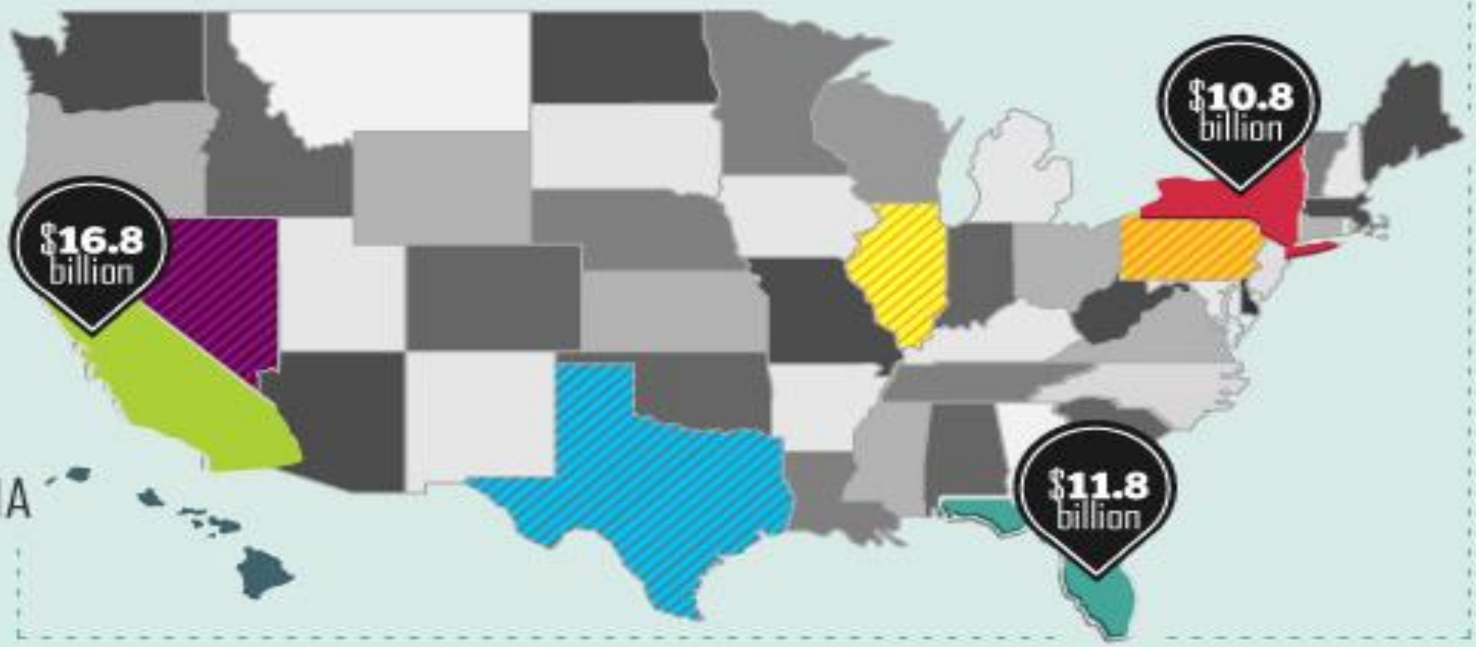
BY STATE

52.1% of total U.S. rooms revenue in 2013 came from 8 states

SOURCE: STR

TOP ROOMS REVENUE STATES

1. CALIFORNIA
2. FLORIDA
3. NEW YORK
4. TEXAS
5. NEVADA
6. ILLINOIS
7. HAWAII
8. PENNSYLVANIA



32.3 % came from California, Florida and New York

$122.3 billion
2013 total U.S. rooms revenue

Data compiled and analyzed by: Jan Freitag, STR, and Ali Hoyt, STR Analytics
Illustrated by: Dana Shelton, Hotel News Now

Hotel News Now

YTD Nov Florida stats:

		% Change
• Room Supply		0.9%
• Room Demand		5.2%
• Occupancy	70%	4.3%
• ADR	$124	5.6%
• RevPAR	$87	10.2%
• Room Revenue	$12bn	9.2%

November 2014 YTD, State of Florida Results

STR.

#2 Welcome to Lee County

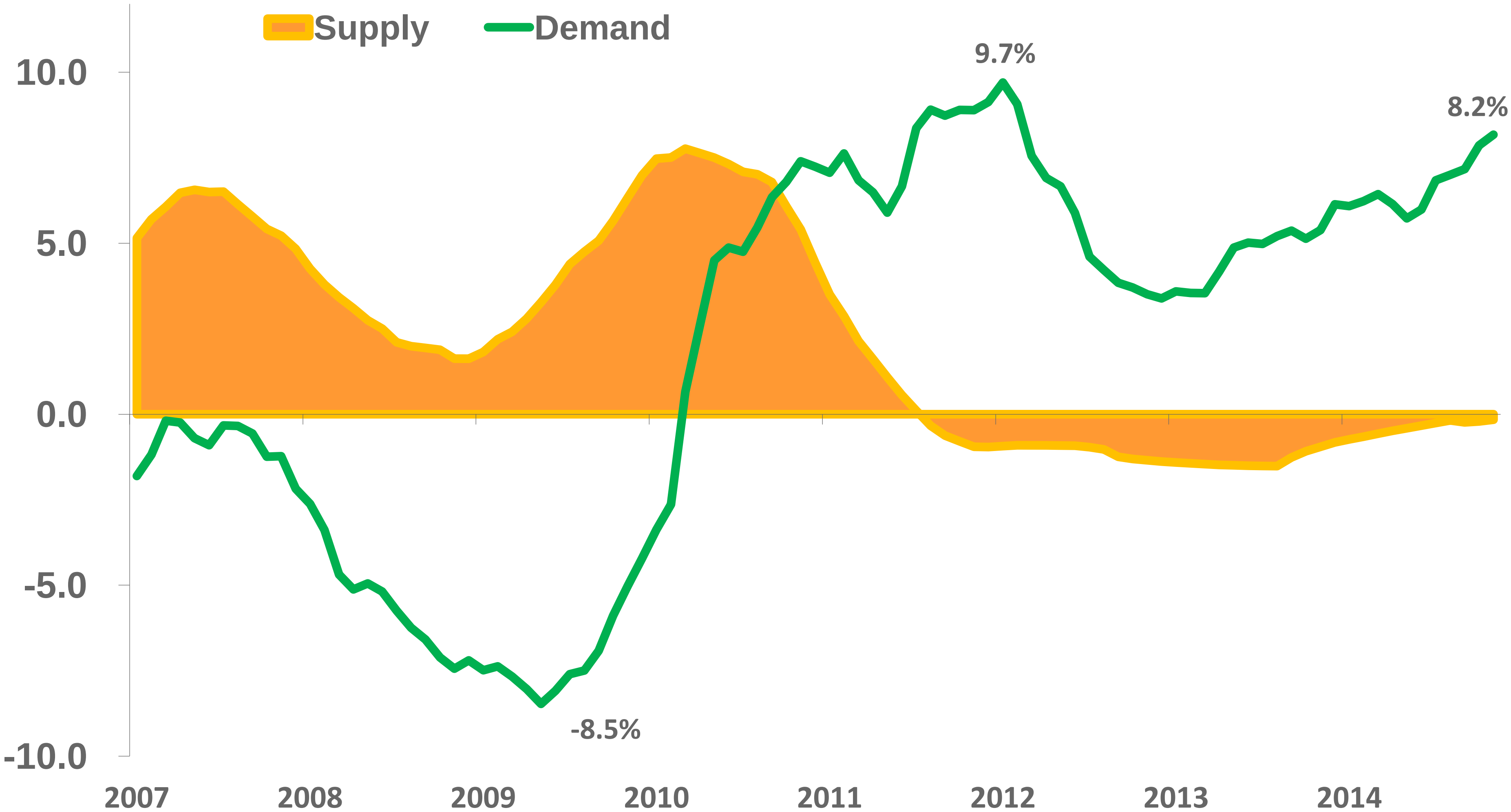
Lee County At A Glance: Closing 2014 With A Bang?!

		% Change
• # of Hotels	134	
• Hotel Rooms	11,853	
• Occupancy	65.6%	7.8%
• ADR	$140	6.7%
• RevPAR	$91	15%
• Room Revenue	$359m	14.8%

Lee County, FL- Key Statistics; YTD Nov 2014

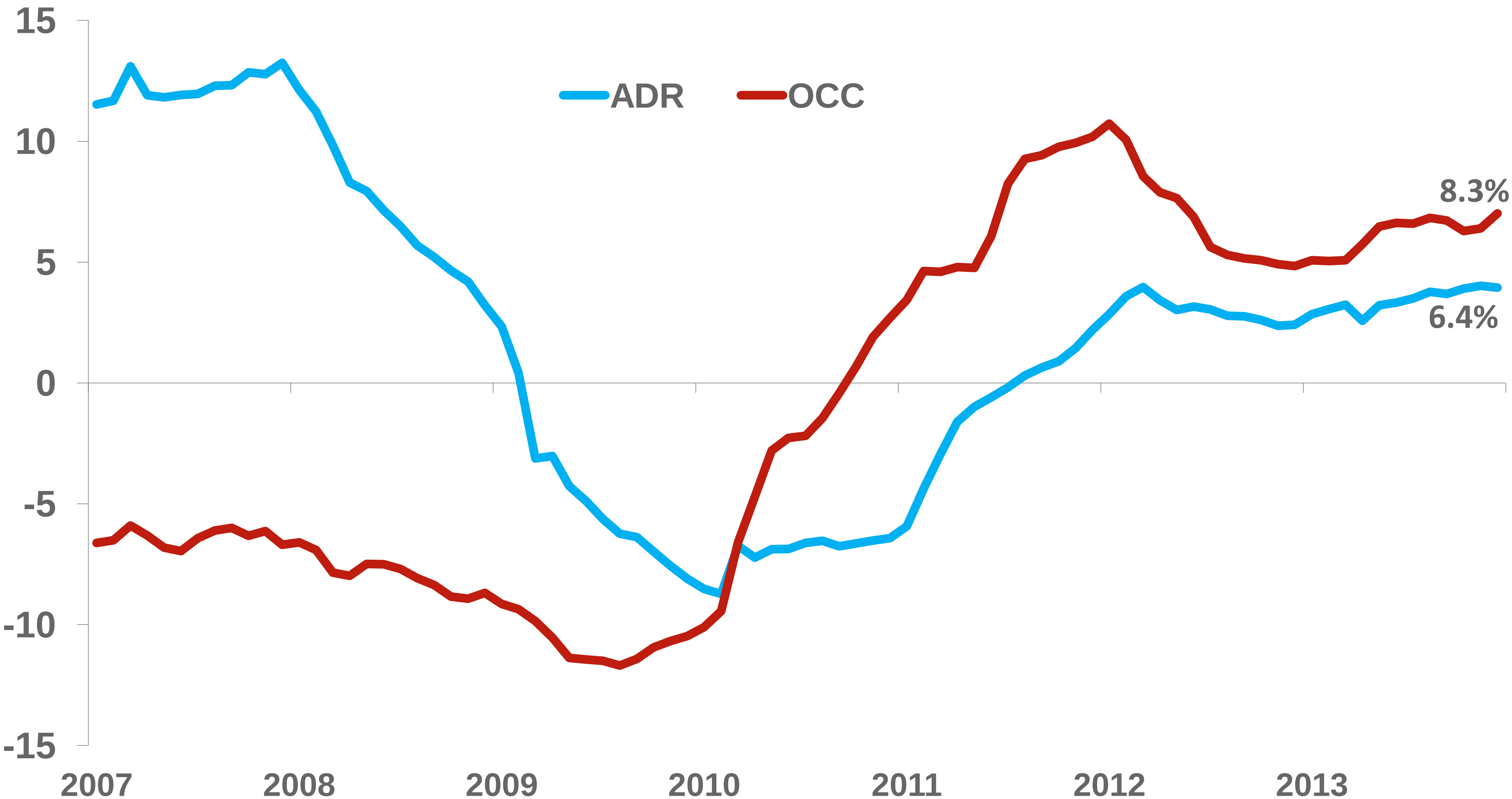
STR.

Demand Soars; Supply Growth Not A Threat At This Time



Lee County, FL; Supply & Demand% Change, 12 MMA, 01/07– 11/14

Rate Growth Remains Steady; Nice Gateway for 2015



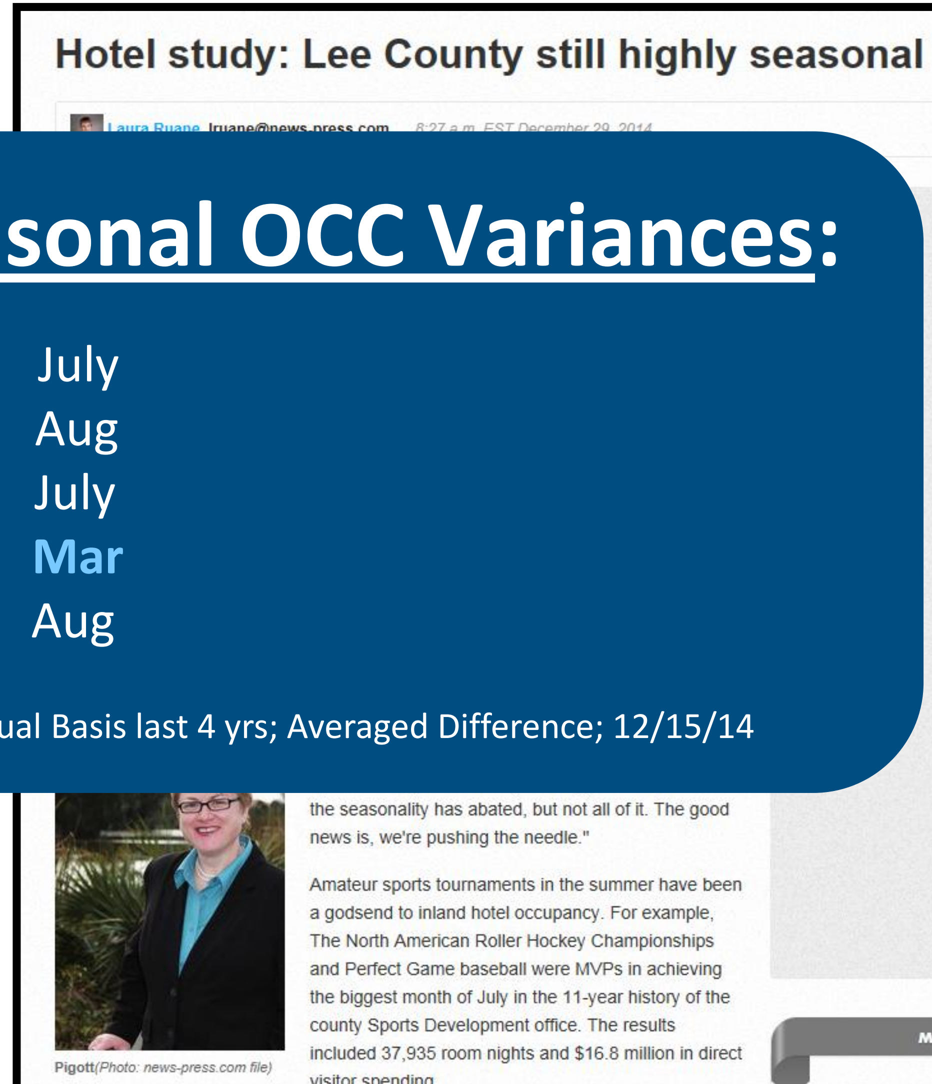
Lee County, FL; ADR & Occupancy % Change, 12 MMA, 01/07 – 11/14

HotelNewsNow
Vital information for hotel decision makers
Data Digital Ownership Operations

1 Grand Canyon/Williams, AZ	64.0	Jul	1 Myrtle Beach, SC	58.5	Jul
2 Myrtle Beach/South, SC	58.9	Jul	2 Maine	50.2	Aug
3 Bozeman/Yellowstone Area, MT	58.4	Jul	3 Montana	48.0	Jul
4 Myrtle Beach/North, SC	57.9	Jul	4 Fort Myers, FL	45.9	Mar
5 Rapid City, SD	56.9	Jul	5 Buffalo, NY	45.1	Aug
6 Panama City, FL	56.4	Jul	6 Colorado Springs, CO	44.1	Jul
7 Fort Walton Beach, FL	56.0	Jul	7 Wyoming	43.2	Jul
8 Niagara Falls, NY	54.5	Aug	8 Maryland Area	42.2	Aug
9 Sandusky/Port Clinton, OH	54.4	Jul	9 South Dakota	41.0	Jul
10 Missoula, MT	52.3	Aug	10 Idaho	40.8	Aug

*Avg. change from annual peak to trough occupancy, in points

Source: STR Analytics



Hotel study: Lee County still highly seasonal

Laura Ruane lruane@news-press.com 8:27 a.m. EST December 29, 2014

the seasonality has abated, but not all of it. The good news is, we're pushing the needle."

Amateur sports tournaments in the summer have been a godsend to inland hotel occupancy. For example, The North American Roller Hockey Championships and Perfect Game baseball were MVPs in achieving the biggest month of July in the 11-year history of the county Sports Development office. The results included 37,935 room nights and $16.8 million in direct visitor spending.

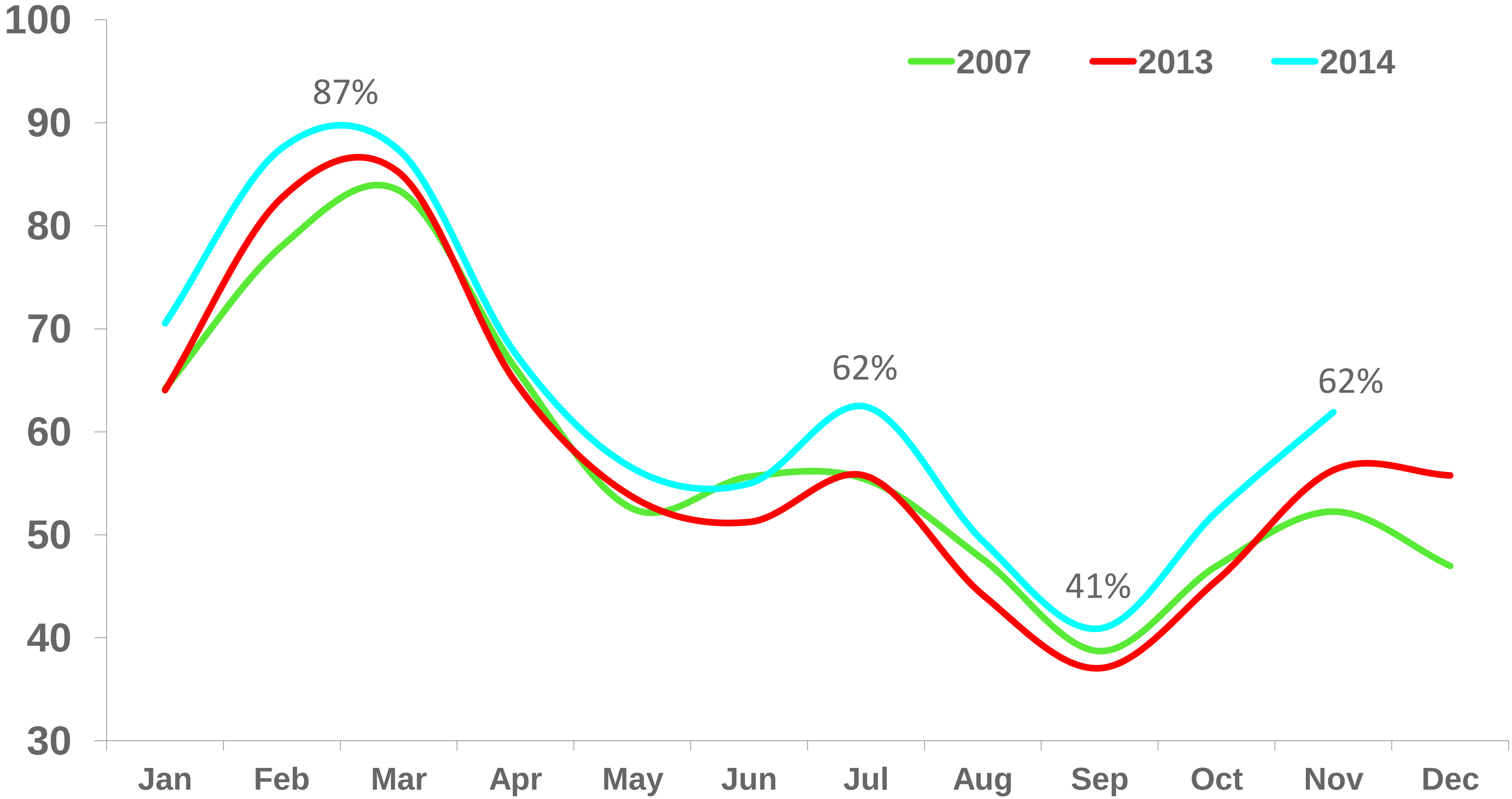
Pigott(Photo: news-press.com file)

Mkts w/Highest Seasonal OCC Variances:

1. Myrtle Beach, S.C. — July
2. Maine — Aug
3. Montana — July
4. **Fort Myers (Lee County) — Mar**
5. Buffalo, N.Y. — Aug

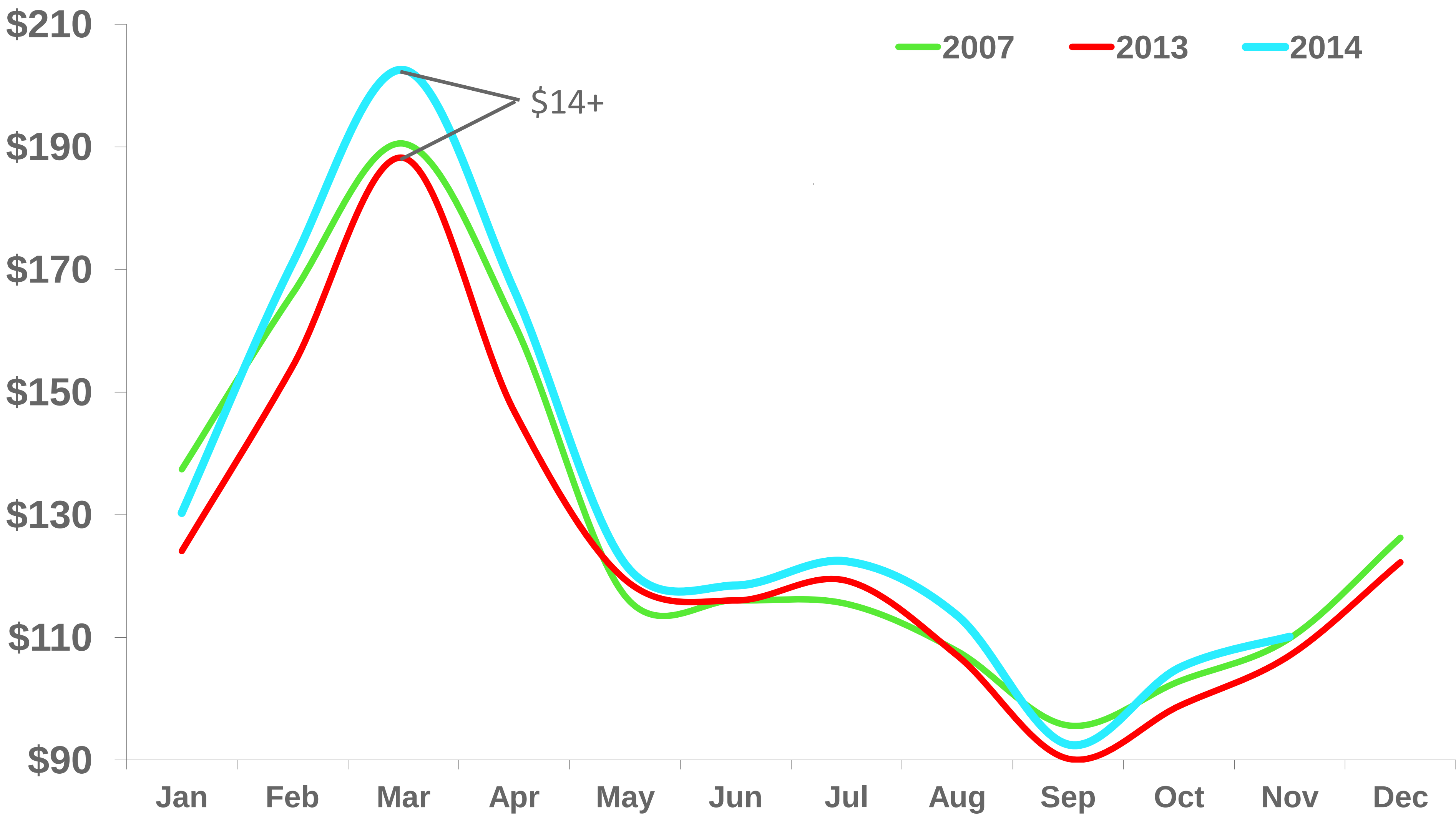
Delta B/t High & Low OCC for all STR U.S. Mkts on Annual Basis last 4 yrs; Averaged Difference; 12/15/14

Weekday Occupancy: Leisure Seasonality



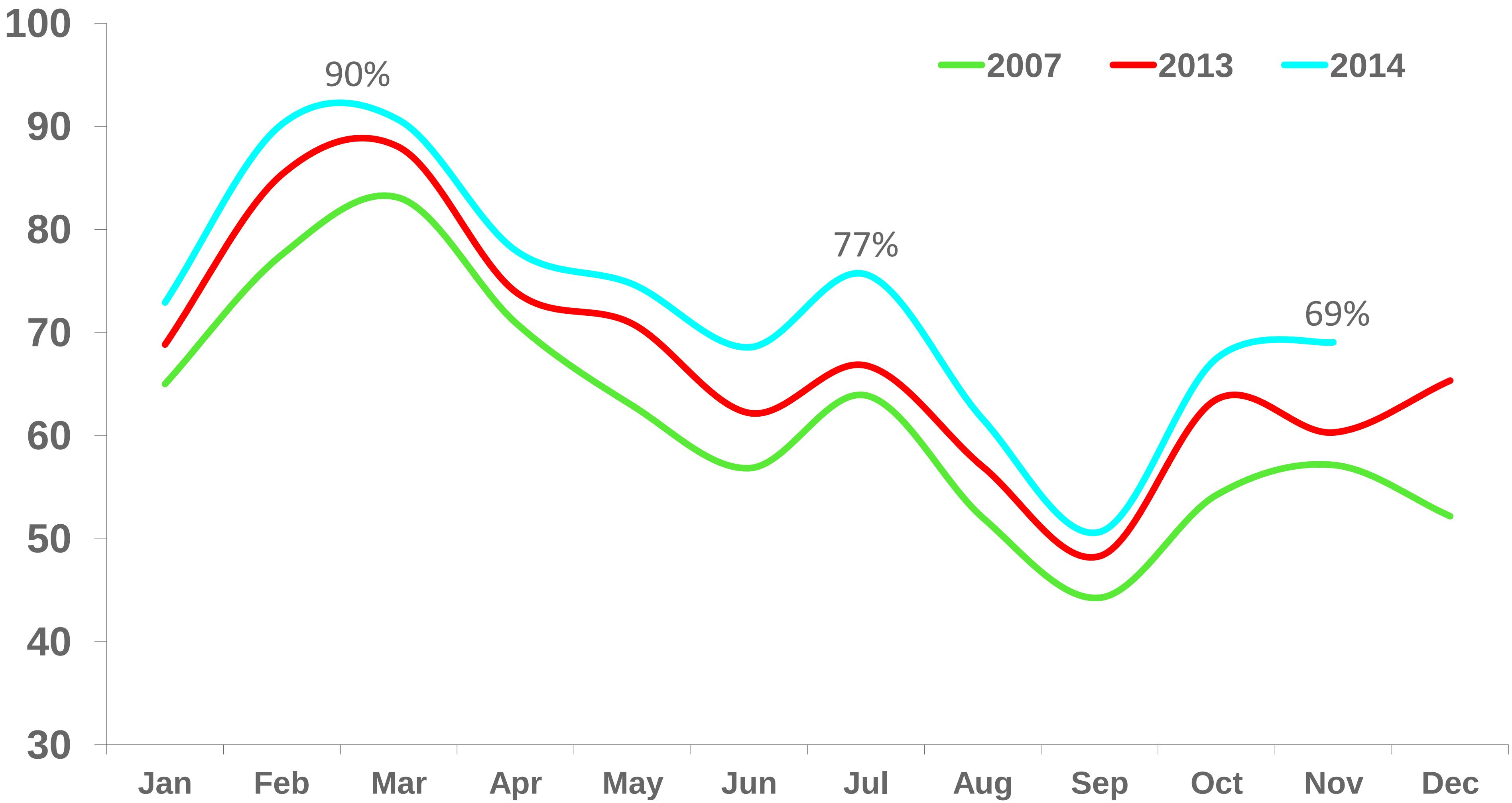
Lee County, FL Weekday Occupancy by Month; 2007, 2013, & Jan-Nov 2014

Weekday ADR: March Rate Peaks YOY



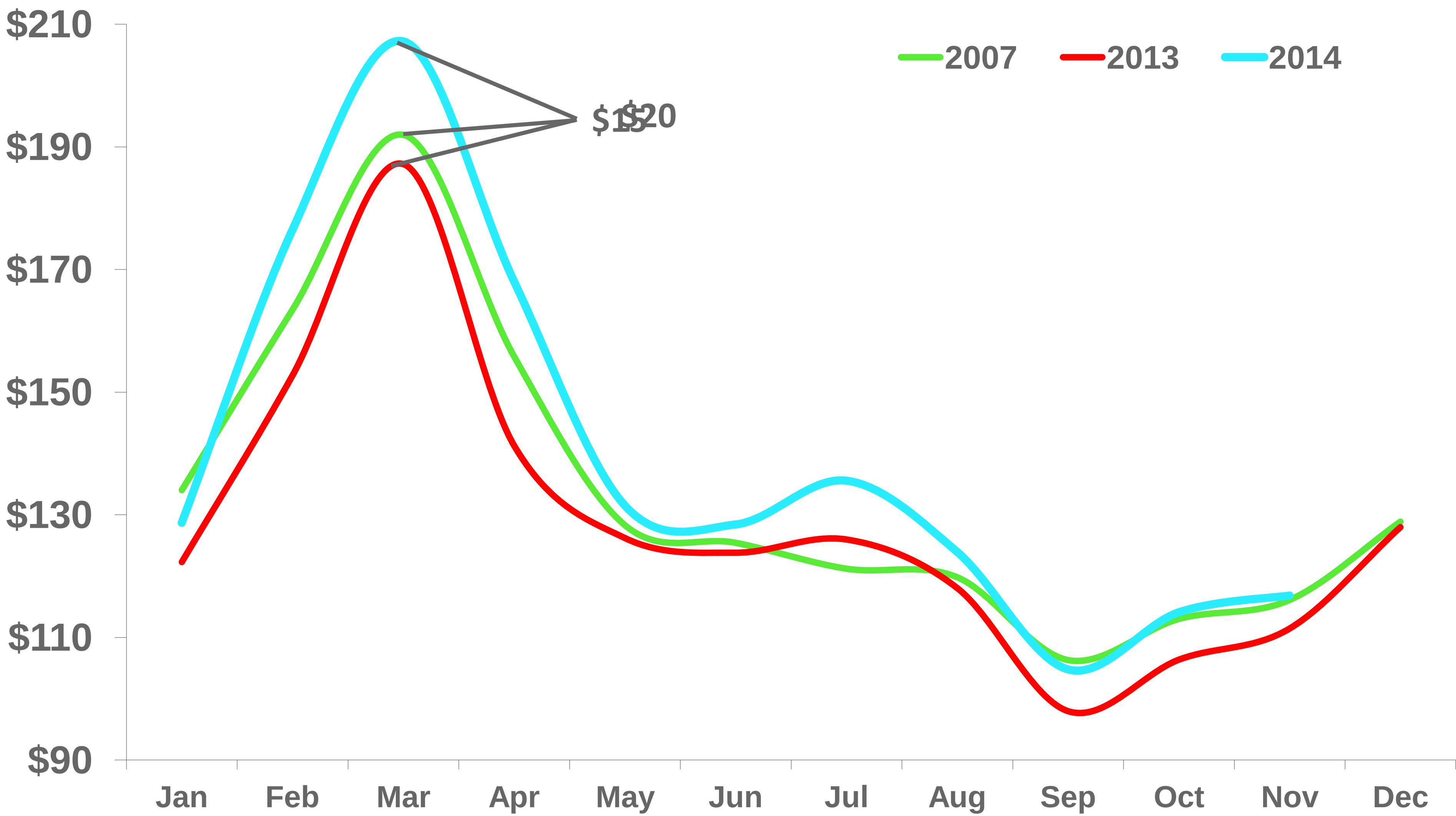
Lee County FL; Weekday ADR by Month, 2007, 2013, & Jan- Nov 2014

Weekend Occupancy: Stronger Shoulder Season



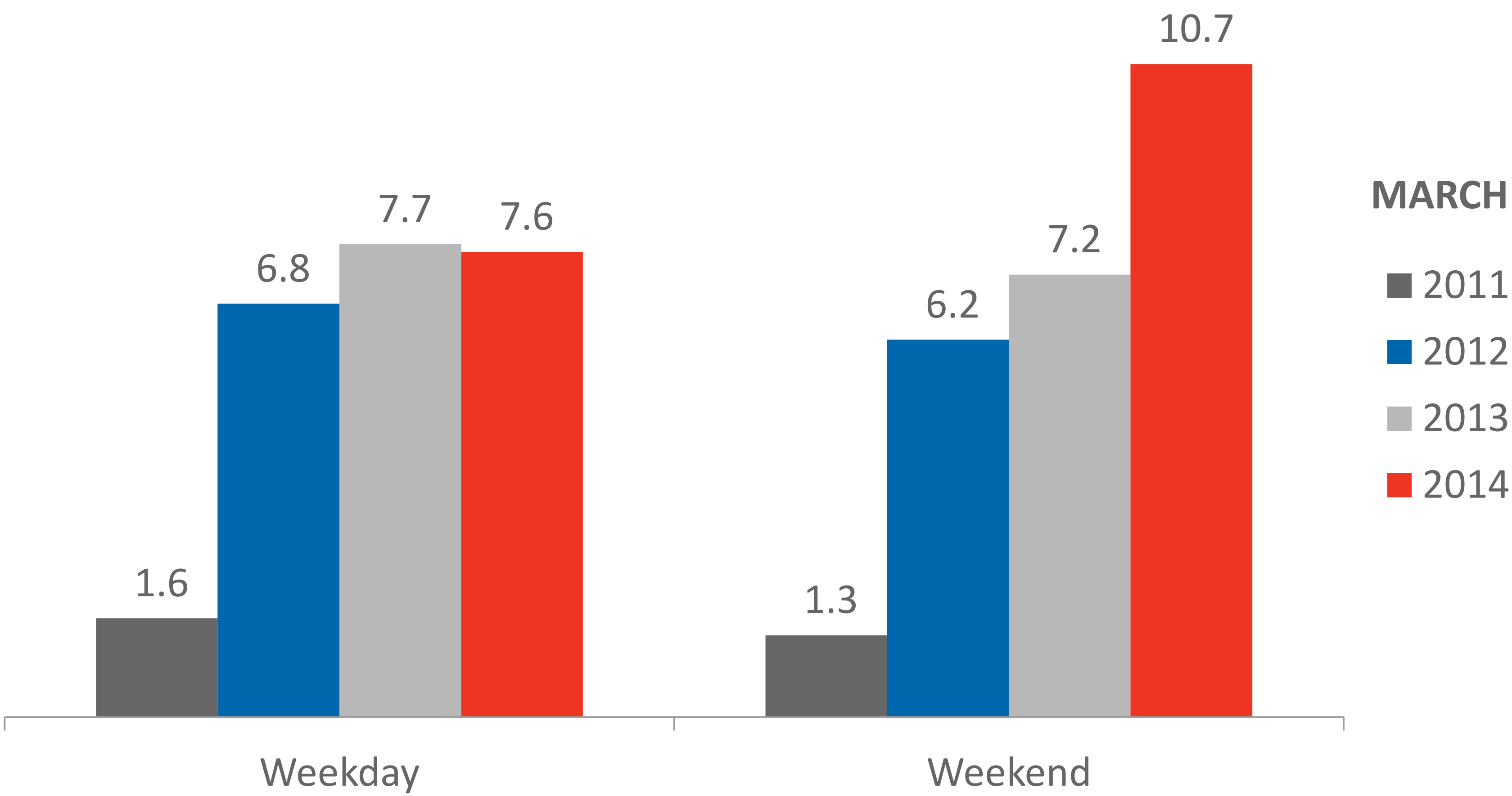
Lee County, FL Weekend Occupancy by Month; 2007, 2013, & Jan-Nov 2014

Weekend ADR: Virtually No Rate Movement This Fall



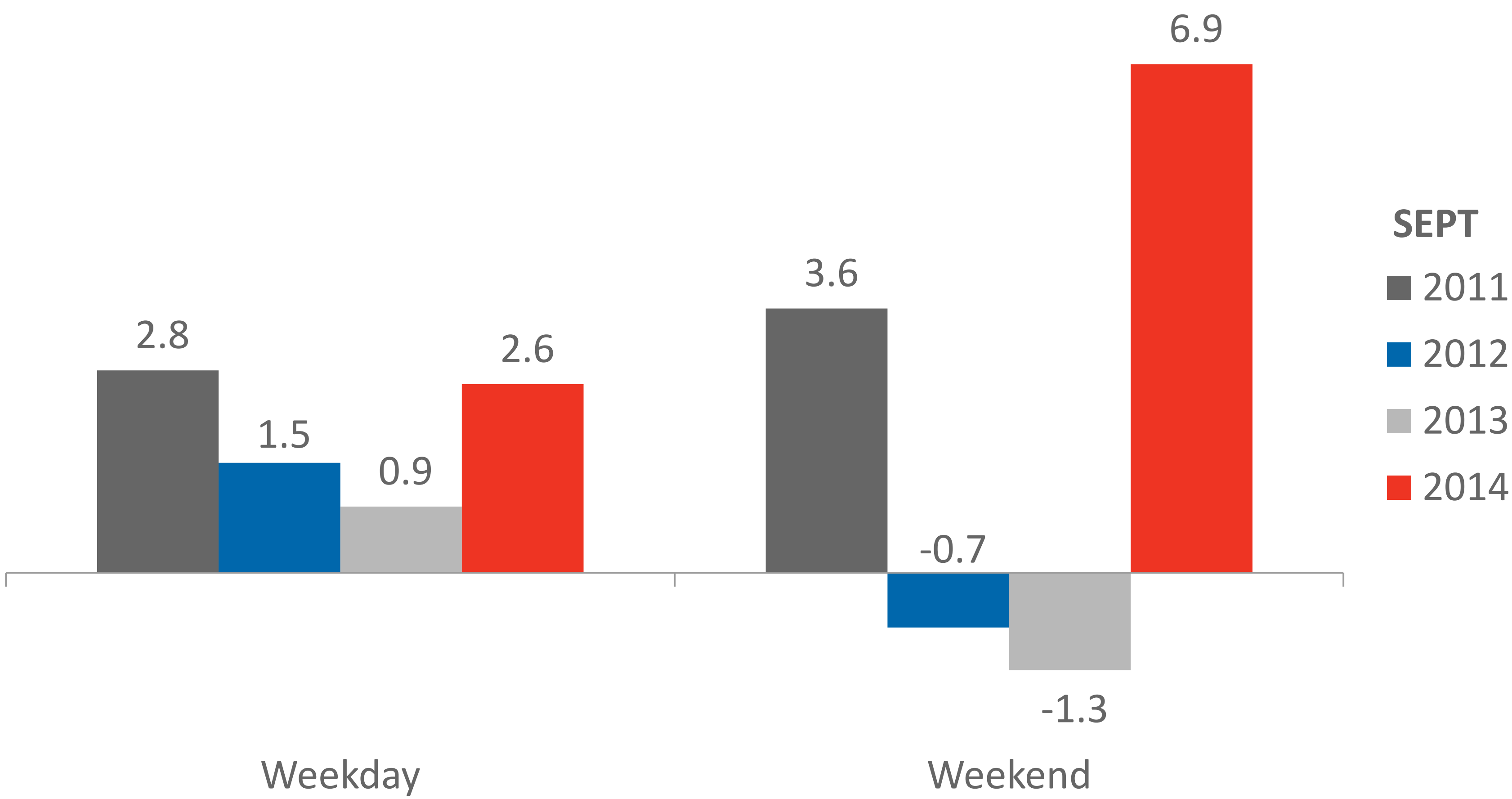
Lee County FL; Weekend ADR by Month, 2007, 2013, & Jan- Nov 2014

High Season = Seller's Market



Lee County, FL; ADR % Chng; Weekday & Weekend; March only 2011-2014

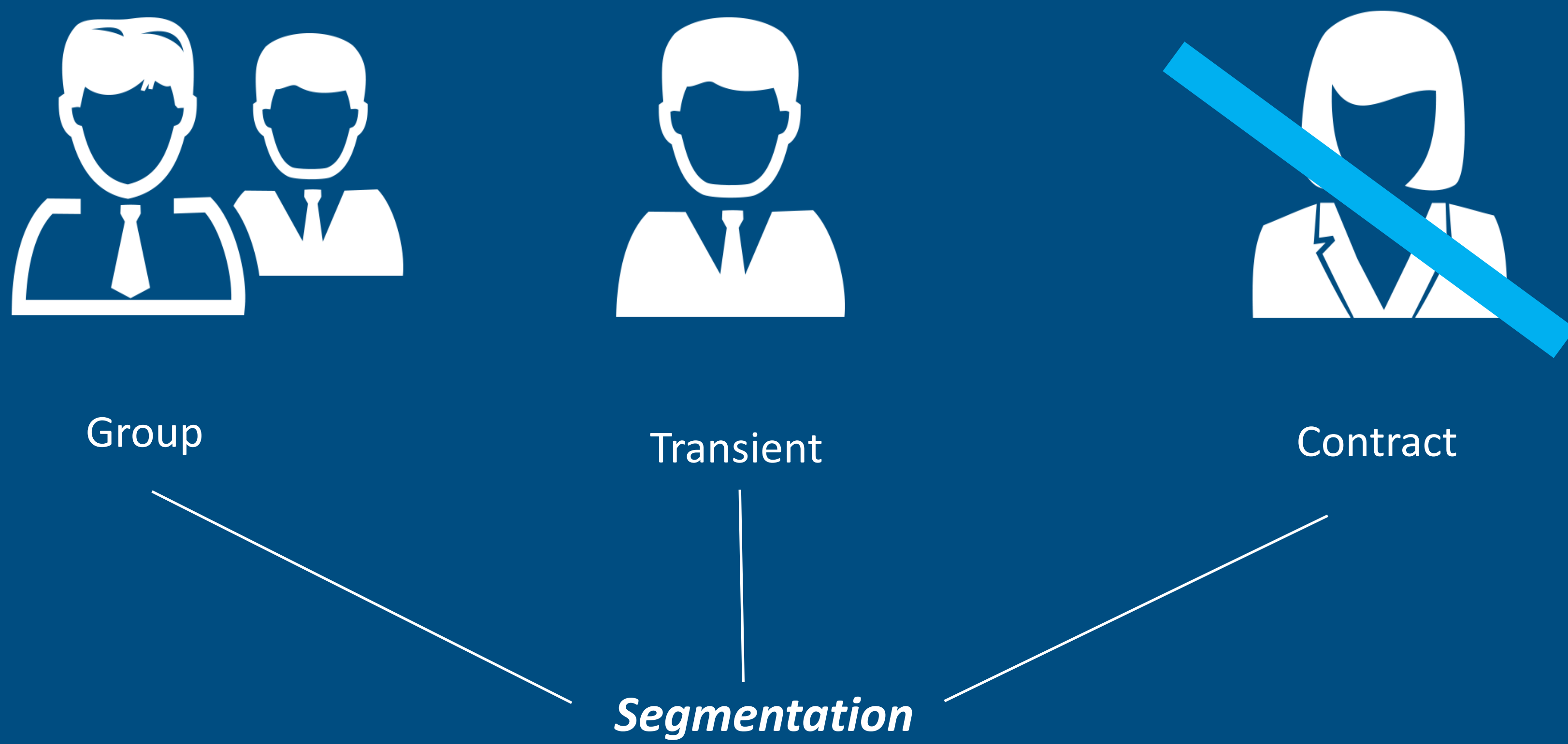
Low Season = Not So Much



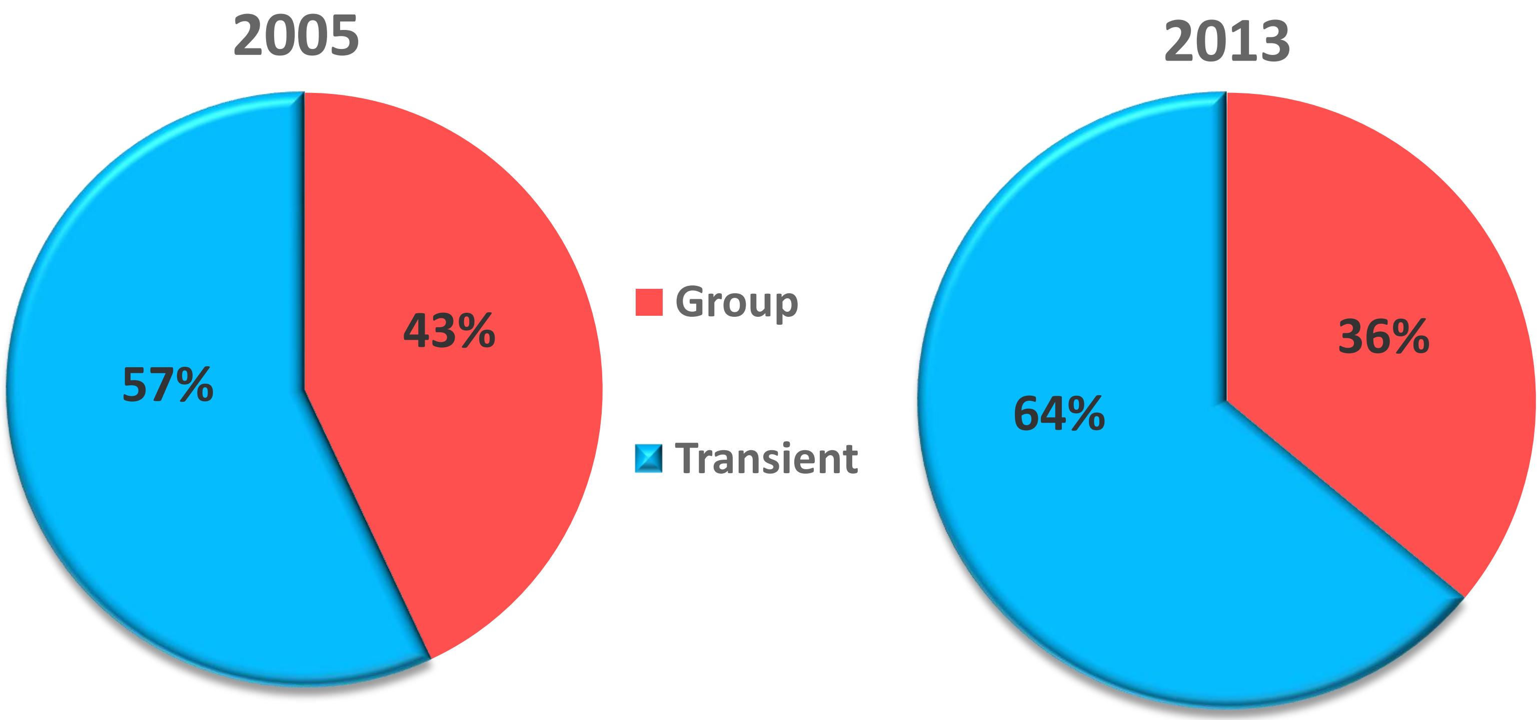
Lee County, FL; ADR % Chng; Weekday & Weekend; September only 2011-2014

STR.

Segmentation Glance:

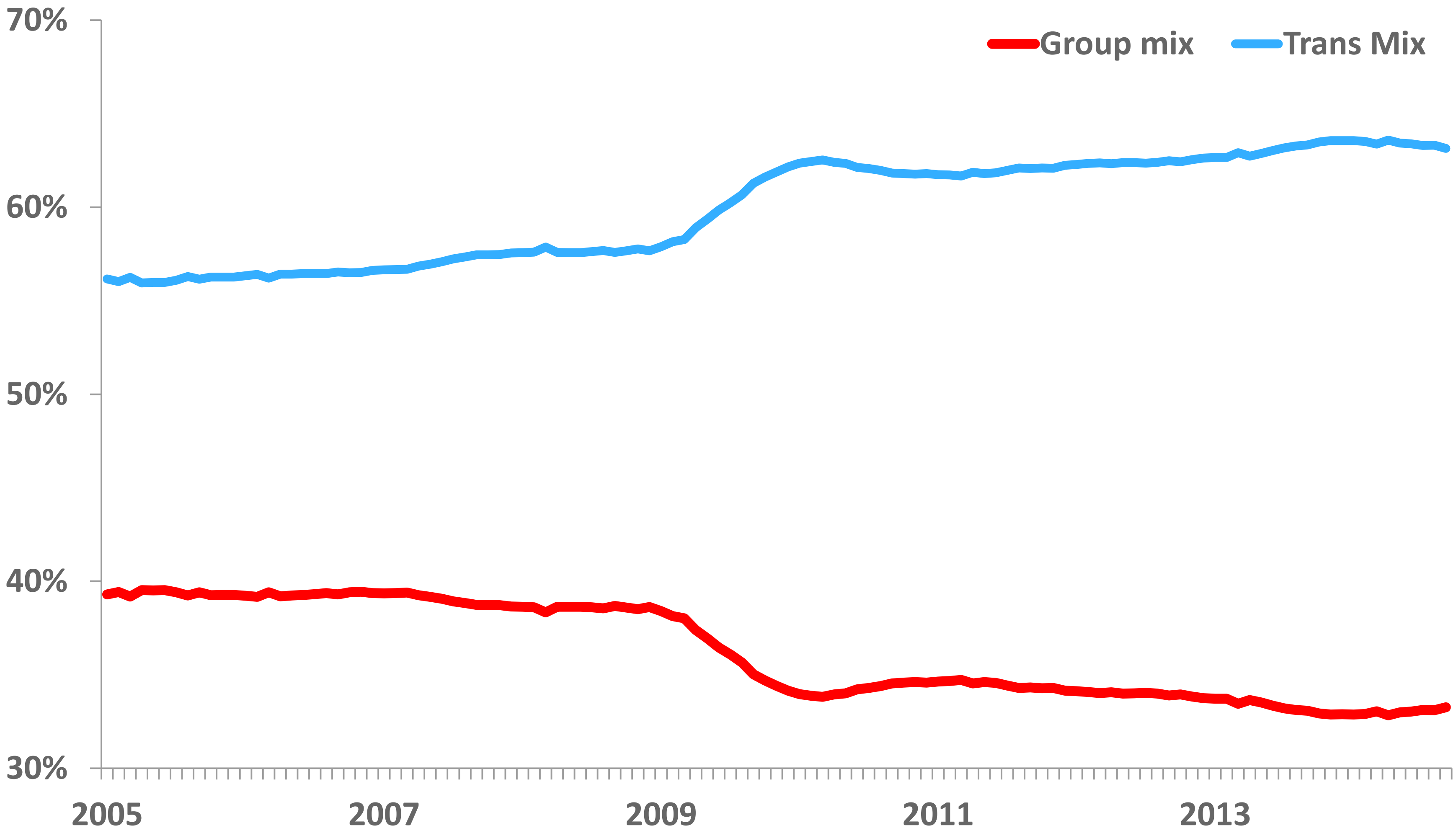


Total U.S.: Transient Occupancy <u>Share</u> Increases



Transient and Group Occupancy as Share of Total OCC, 2005 and 2013 (Share does not include contract)

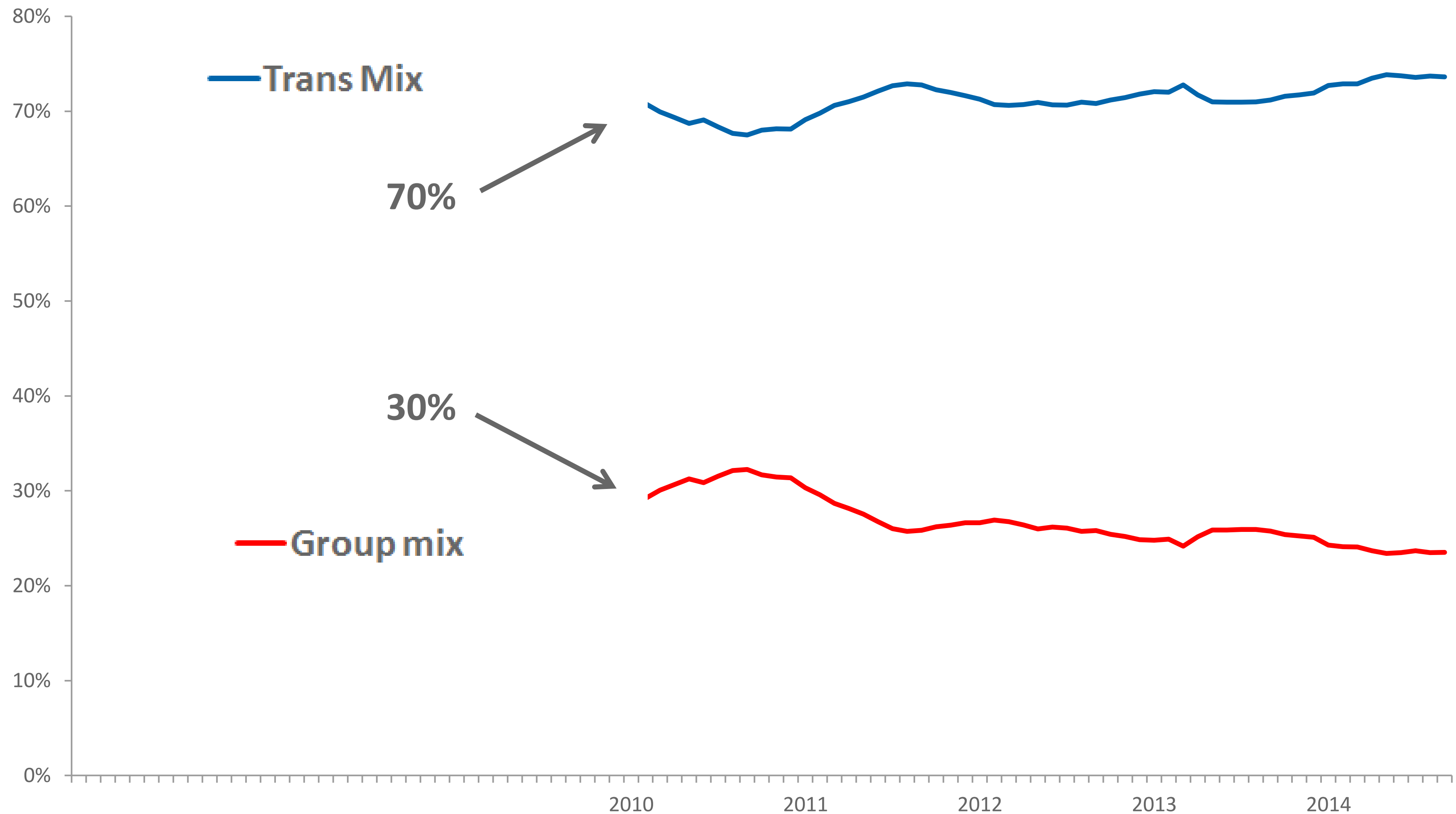
While Transient Continues To Grow Share of Occupancy …..



U.S. Transient and Group Occupancy Mix of Total OCC

January 2005 thru Sept 2014

Lee Co. Occupancy Mix Transient Driven

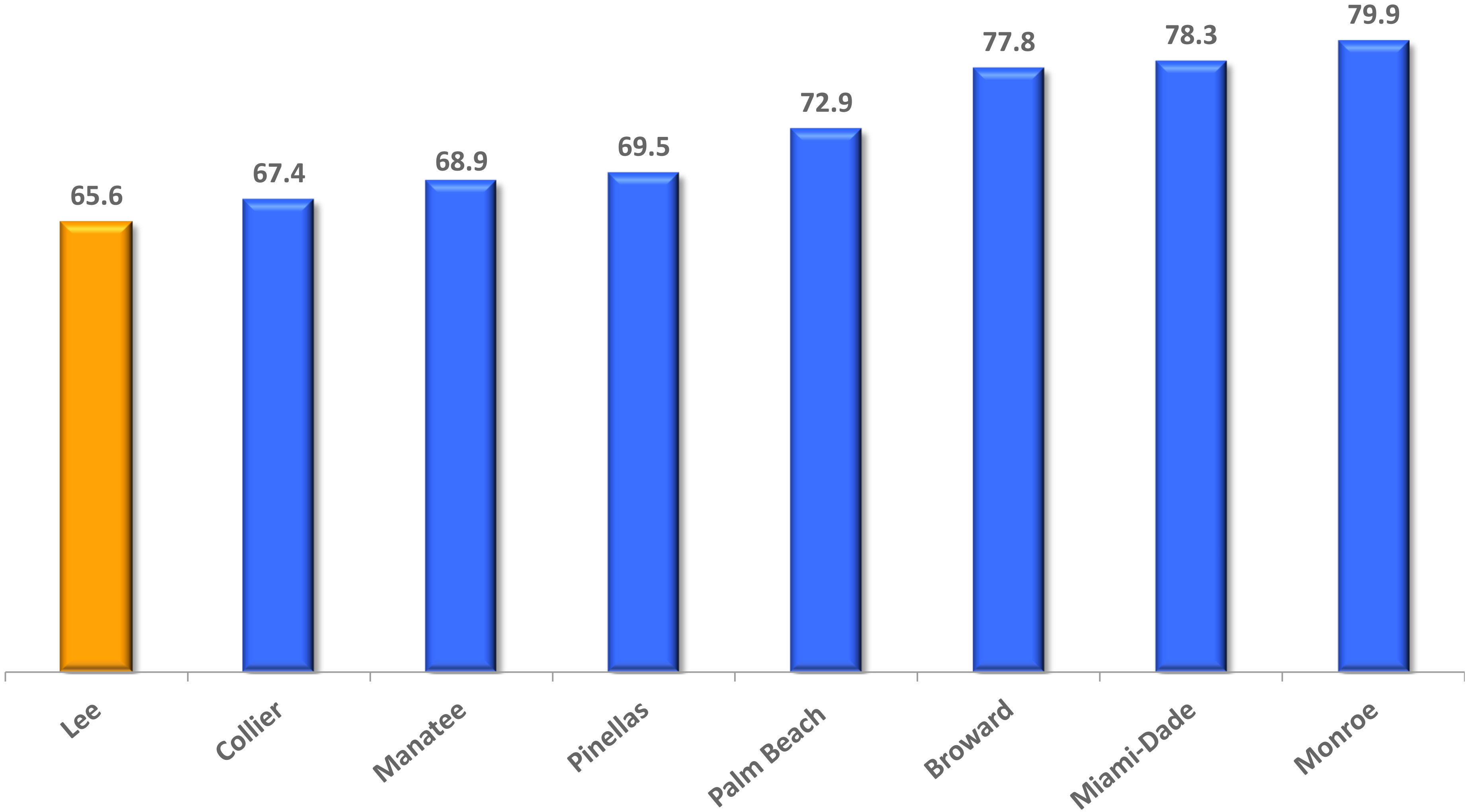


Lee County, FL; Transient and Group Occupancy Mix of Total OCC; January 2010 thru Nov 2014

STR.


#3
Greetings from
FLORIDA
"The Land of Sunshine"
© CURT TEICH & CO., INC.

All Counties Selling at Least 6 Of 10 Room Nights



Select Florida Counties: Actual Occupancy %; YTD Nov 2014

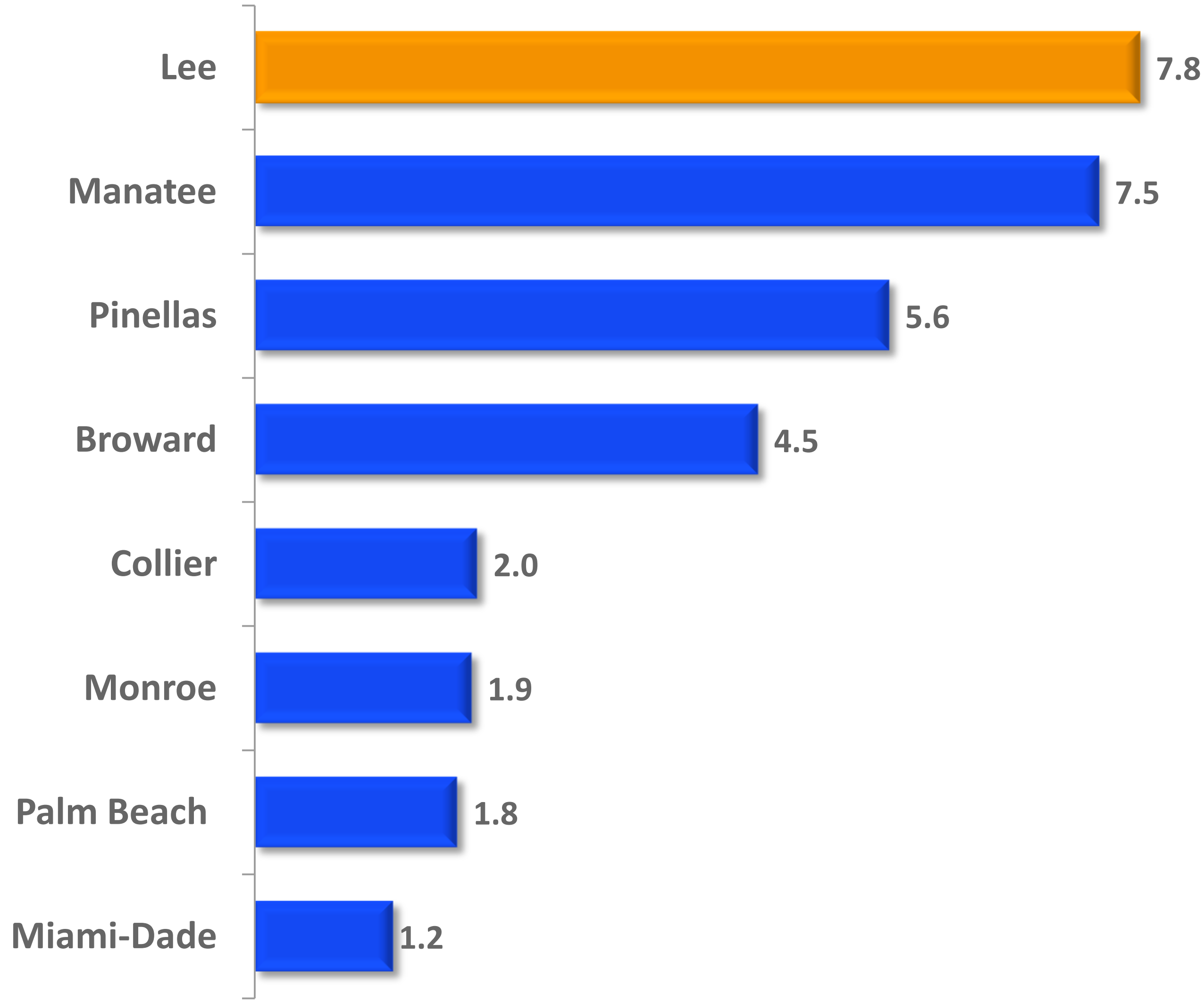
STR.

Rate Leader = Monroe County

Select Florida Counties : Actual ADR $; YTD Nov 2014

STR.

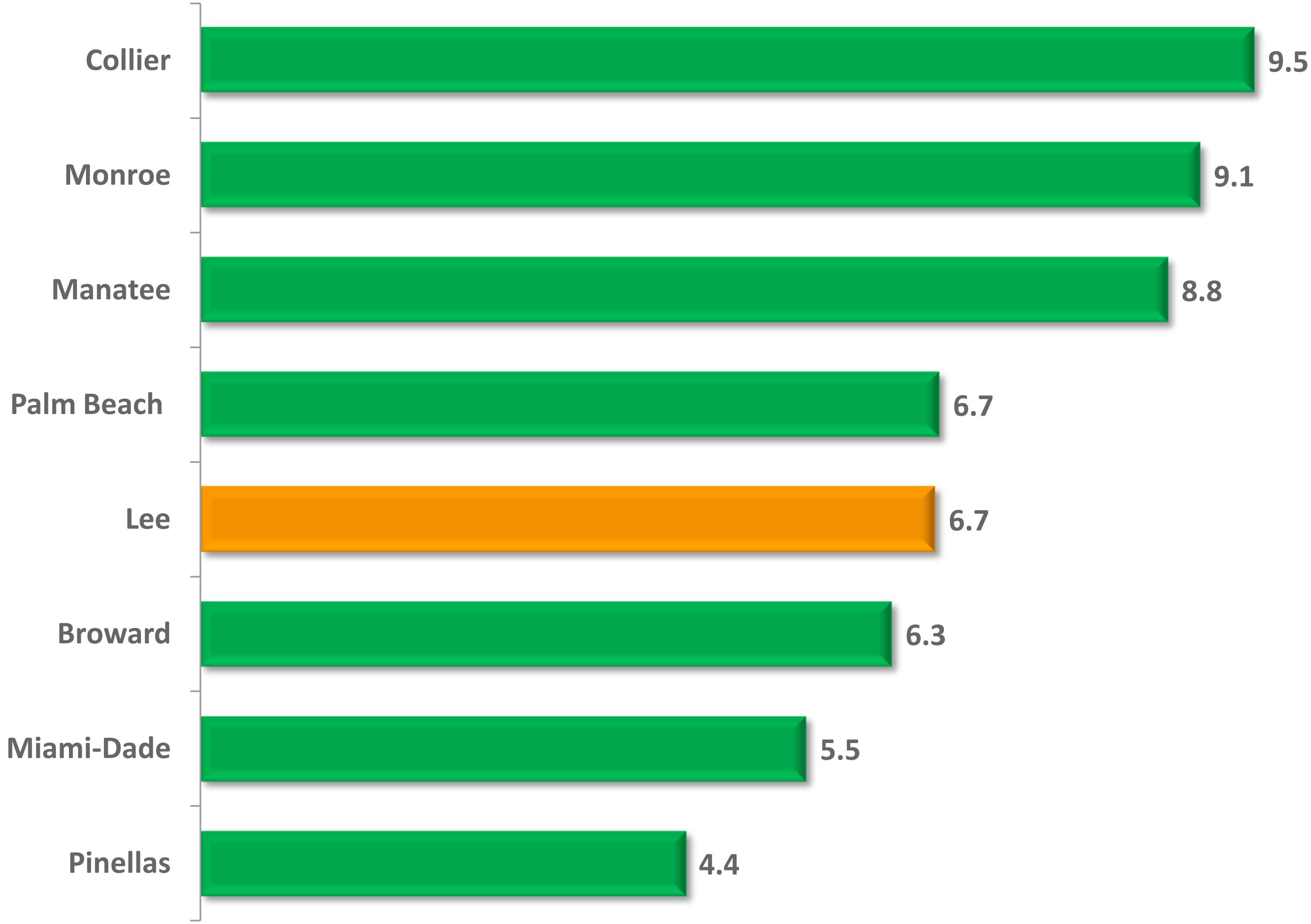
Lee County With Highest OCC Growth YOY



Select Florida Counties: OCC % Change; YTD Nov 2014

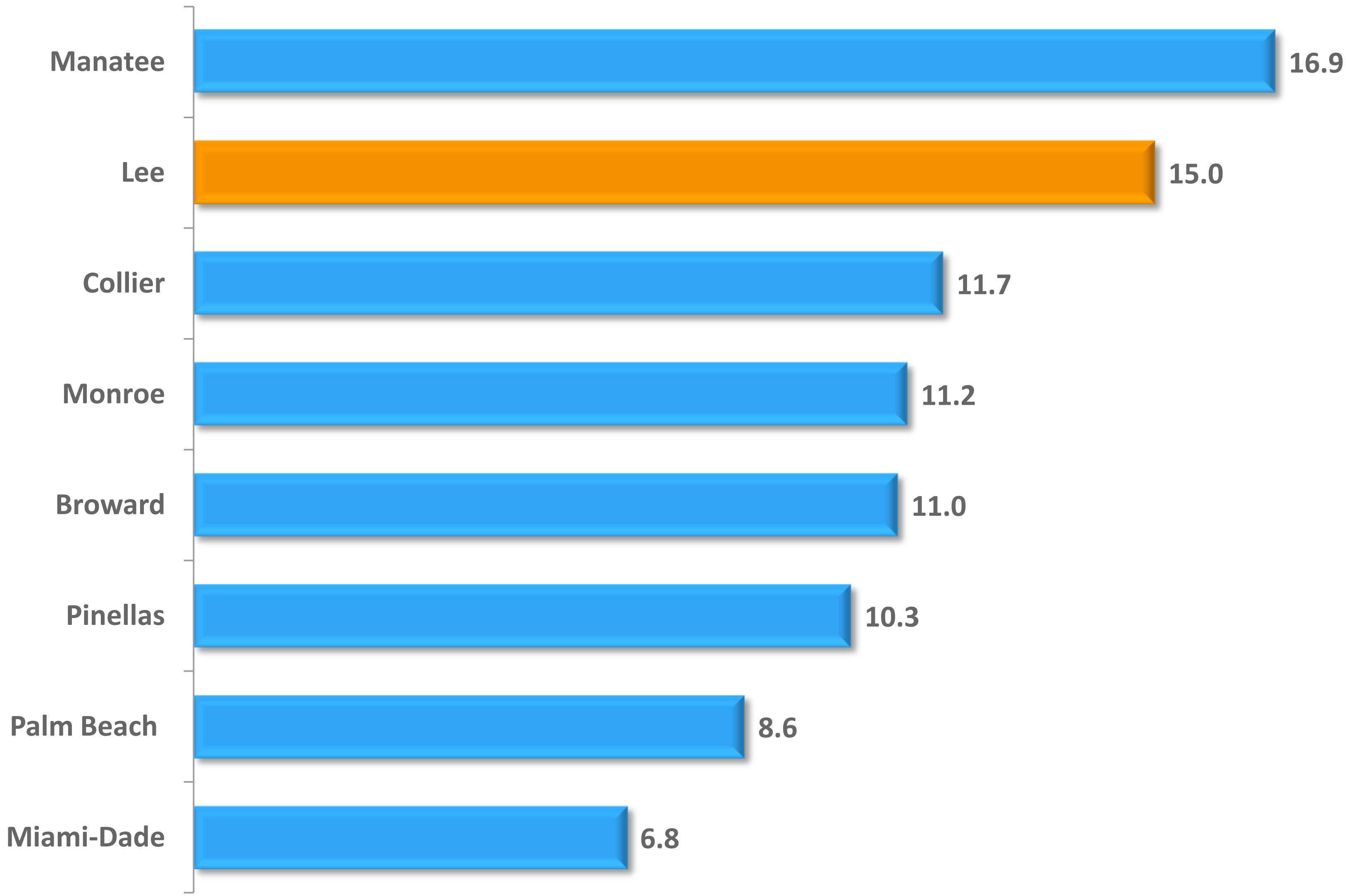
STR.

Most Seeing 6 to 9% Rate Growth YOY



Select Florida Counties: ADR % Change; YTD Nov 2014

Lee County RevPAR Growth- Strong Contender



Select Florida Counties: RevPAR % Change; YTD Nov 2014

STR.

#4 Hotel Pipeline

STR Pipeline Phases

Under Contract

In Construction – Vertical construction on the physical building has begun. (This does not include construction on any sub-grade structures.)

Final Planning – construction will begin within the next 12 months.

Planning – construction will begin in more than 13 months.

Unconfirmed (formerly Pre-Planning) - Potential projects that remain unconfirmed at this time.

STR.

US Pipeline: Construction Accelerates, But Is Still Muted

Phase	2014	2013	% Change
In Construction	117	92	28%
Final Planning	126	133	-6%
Planning	170	128	33%
Under Contract	**413**	**352**	**17%**

Total US Pipeline, by Phase, ‘000s Rooms, November 2014 and 2013

Highest YTD Supply Growth Markets

Market	Supply Growth %
New York, NY	5.6
Nashville, TN	2.4
Denver, CO	2.3
San Diego, CA	1.7
Philadelphia, PA-NJ	1.6

Top 5 Markets in Top 25 Markets, Supply Growth %, November 2014 YTD

New York, NY Market

13,148

Rooms Under Construction

12% of the Market's Existing Supply

U/C Rooms as % of Existing Supply, November 2014

STR.

Total Florida
Active Development Pipeline

Phase	Projects (December 2014)
In Construction	57
Final Planning	61
Planning	101
Under Contract	219
Unconfirmed	24
Total	243

Source: STR Construction Pipeline; December 2014

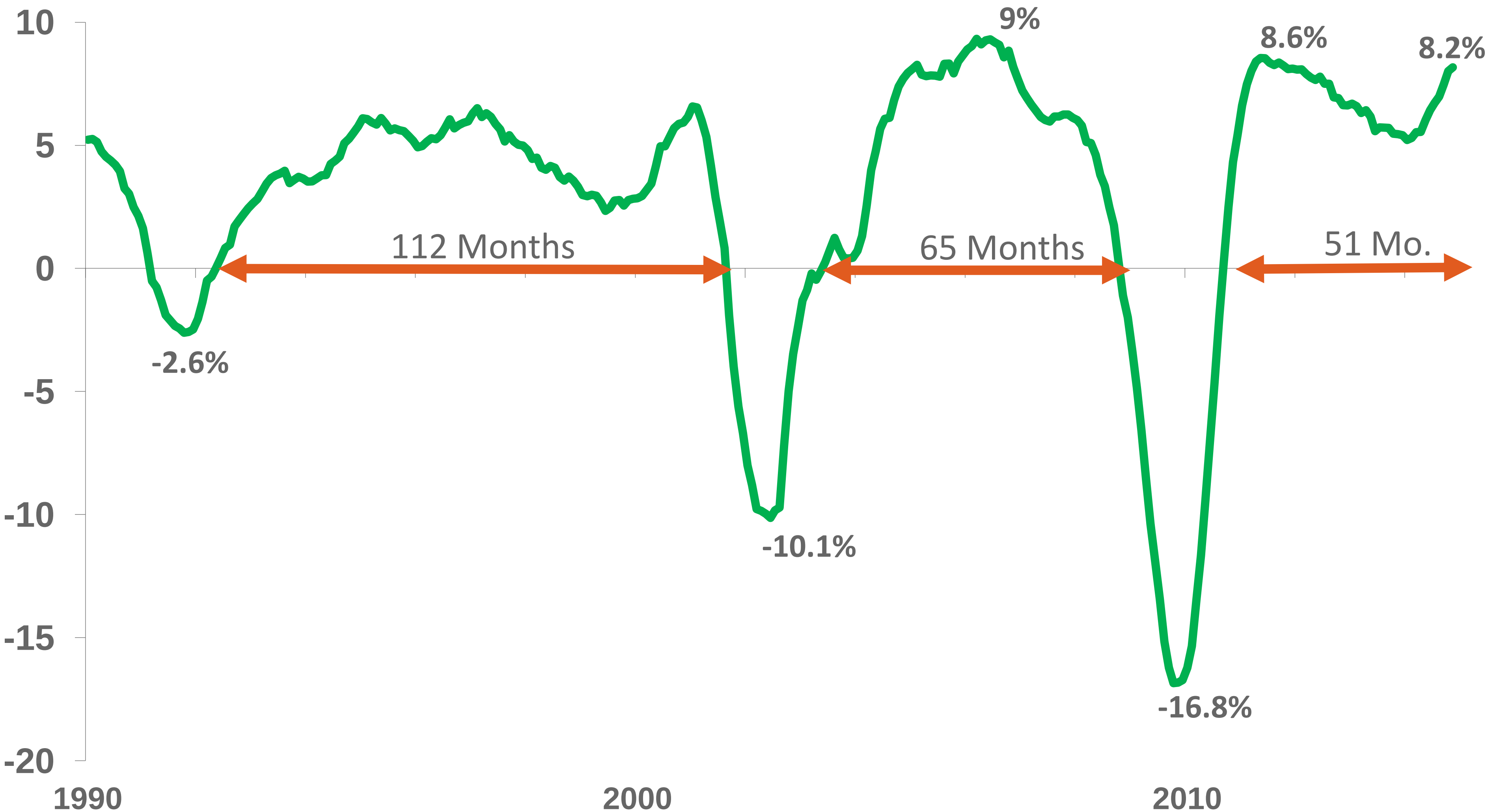
Lee County
Active Development Pipeline
(December 2014)

Phase	Projects	Rooms
In Construction	-	-
Final Planning	-	-
Planning	3	330
Unconfirmed	-	-
Total	**3**	**330**

Source: STR Construction Pipeline; December 2014

#5 Where Are We Headed?

“Everything is Awesome!” (TM “The Lego Movie”)



Total U.S., RevPAR % Change, 12 MMA 1/1990 – 11/2014

STR.

U.S. Outlook		
	2014 Forecast	2015 Forecast
Supply	0.8%	1.3%
Demand	4.5%	2.4%
Occupancy	3.7%	1.1%
ADR	4.6%	5.0%
RevPAR	8.5%	6.2%

Total US; Key Performance Indicator Outlook (% Change vs. Prior Year) 2014 - 2015

TOURISM ECONOMICS
AN OXFORD ECONOMICS COMPANY

STR.

2015 Year End RevPAR Forecast

Top 25 US Markets, November 2014 Forecast (Markets sorted alphabetically)

0% to 5%	5% to 10%	10% to 15%
New York	Anaheim	
Norfolk	Atlanta	
Philadelphia	Boston	
	Chicago	
	Dallas	
	Denver	
	Detroit	
	Houston	
	Los Angeles	
	Miami	
	Minneapolis	
	Nashville	
	New Orleans	
	Oahu	
	Orlando	
	Phoenix	
	San Diego	
	San Francisco	
	Seattle	
	St. Louis	
	Tampa	
	Washington	

STR.

Custom Forecast – Lee County, Florida	
	2015 YE Forecast
Occupancy	**5.1%**
ADR	**5.0%**
RevPAR	**10.3%**

Lee County Florida; Key Performance Indicator Outlook (% Change vs. Prior Year) YE 2015

STR

To Recap…

- Life is Great!   '***Fish While the Fishing is Good***'
- Demand Growth: Strong & Steady
- Supply growth: Not an Issue For Now
- YE RevPAR Forecast: Rosy!

STR.


ANY
QUESTIONS
?

Questions: info@str.com

Slides: www.HotelNewsNow.com

Thank you!

Hosted by STR and HotelNewsNow.com
Presented by Loews Vanderbilt Hotel