



# Hospitality Outlook

## Asheville, NC

Karrie Keen

STR



# Agenda:

- 1. Industry overview**
2. Local Market update
3. Forecast

# Total US - Key Statistics

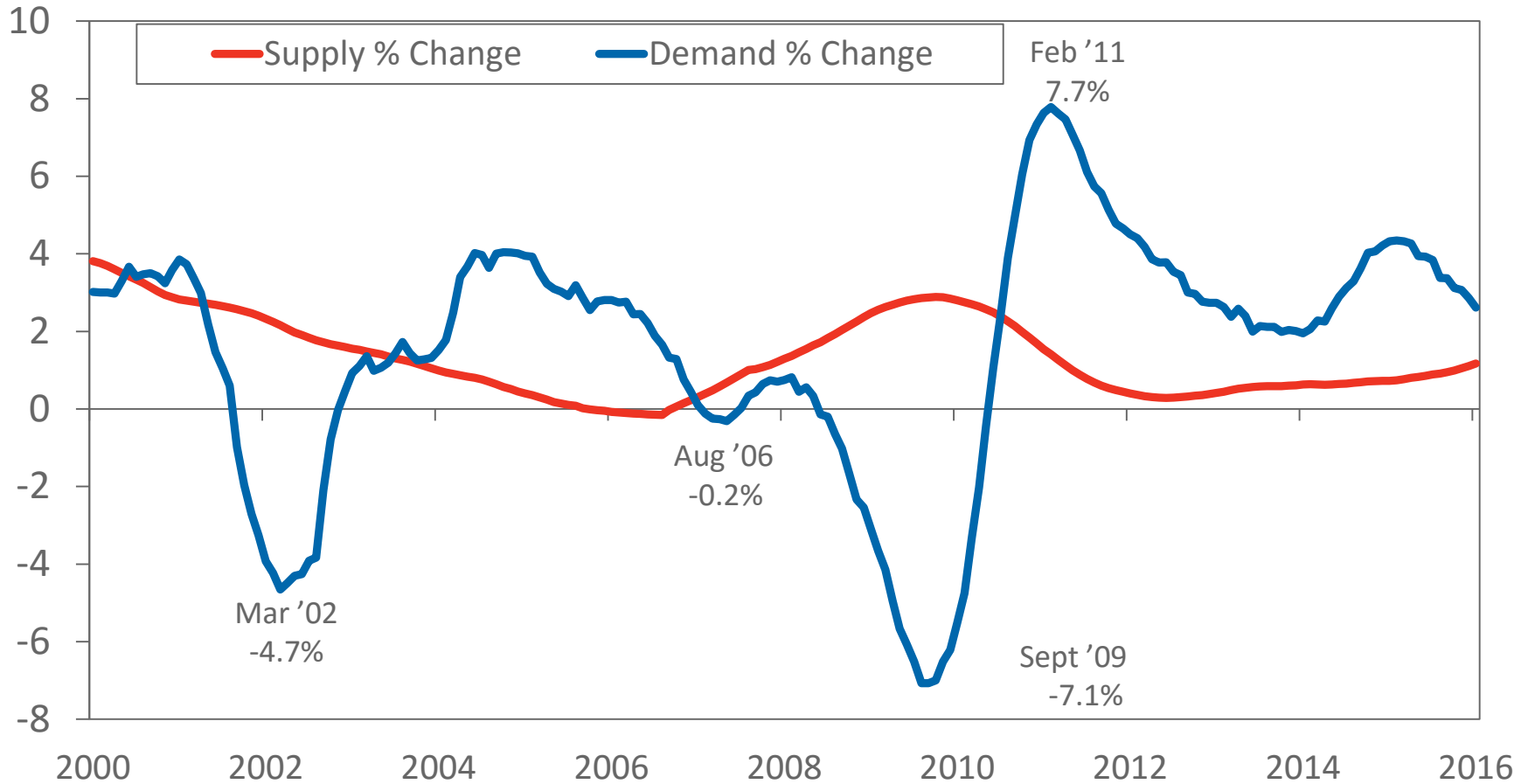
Twelve Month Moving Average January 2016

|                |          | <u>% Change</u> |
|----------------|----------|-----------------|
| • Hotels       | 52 k     |                 |
| • Room Supply  | 1.8 bn   | 1.2%            |
| • Room Demand  | 1.2 bn   | 2.6%            |
| • Occupancy    | 65.5%    | 1.4%            |
| • ADR          | \$120.23 | 4.3%            |
| • RevPAR       | \$78.75  | 5.8%            |
| • Room Revenue | \$143 bn | 7.1%            |

# Total United States

Room Supply/Demand Percent Change

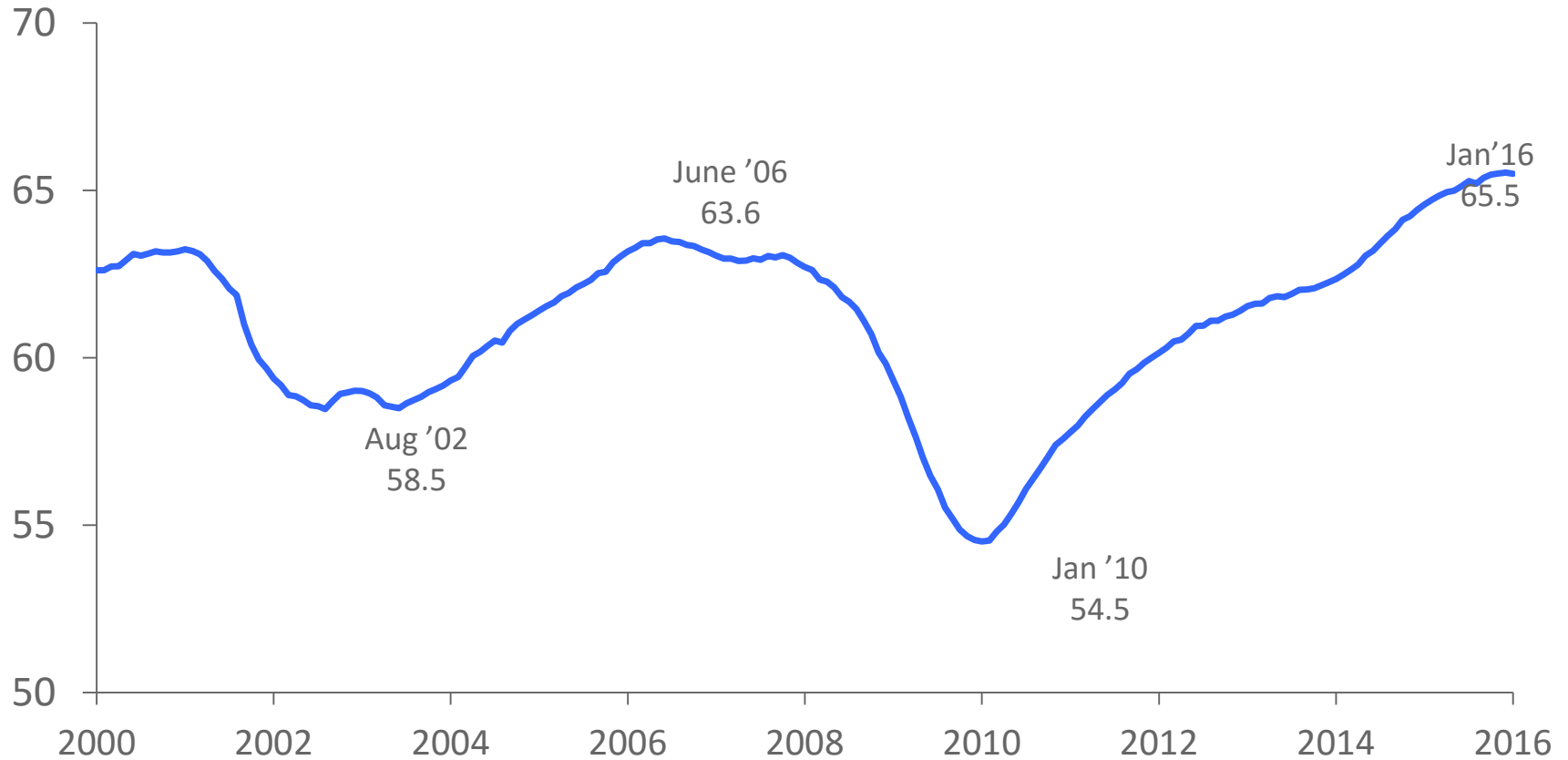
Twelve Month Moving Average – 2000 to January 2016



# Total United States

Occupancy

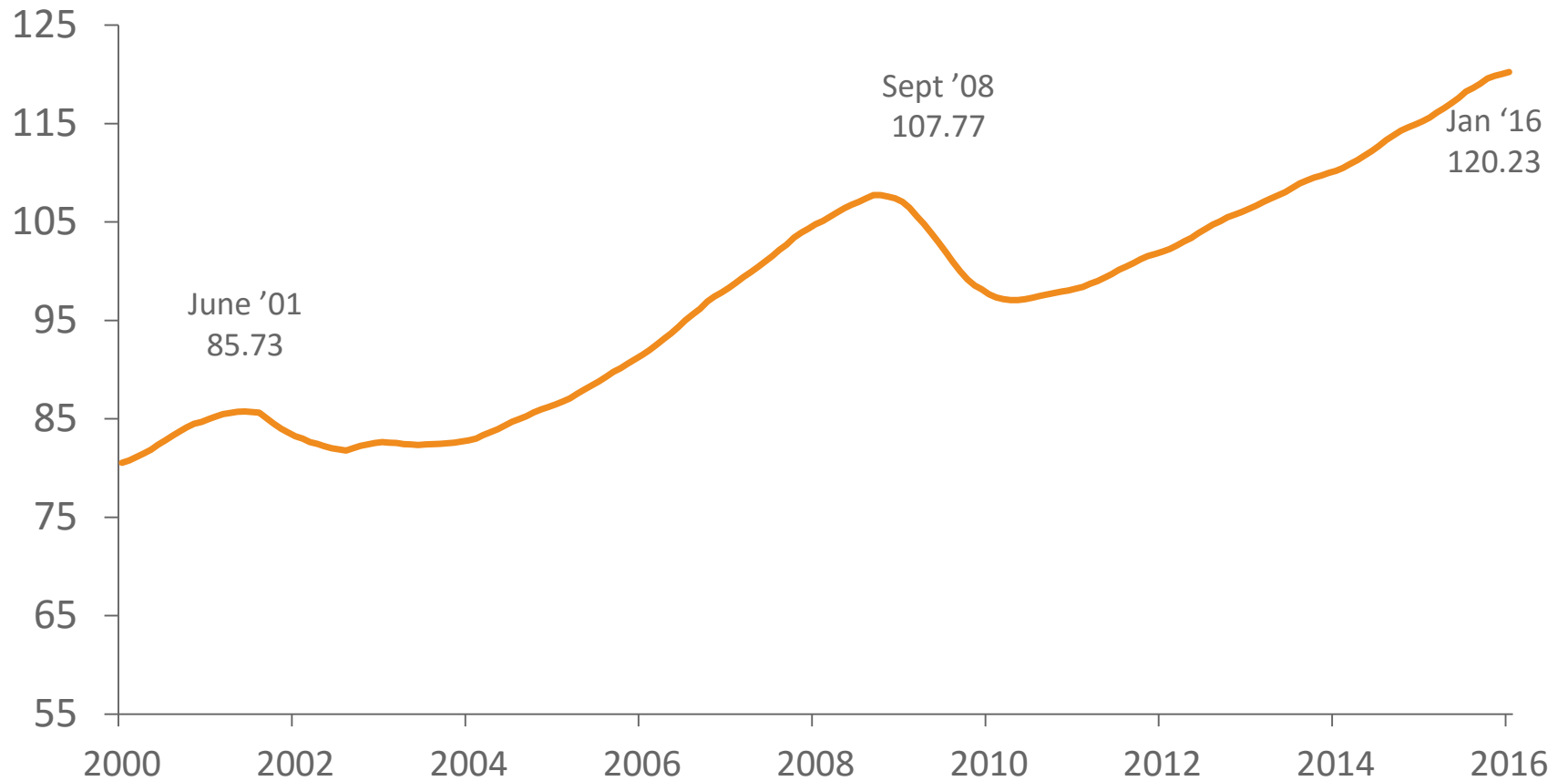
Twelve Month Moving Average – 2000 to January 2016



# Total United States

Average Daily Rate

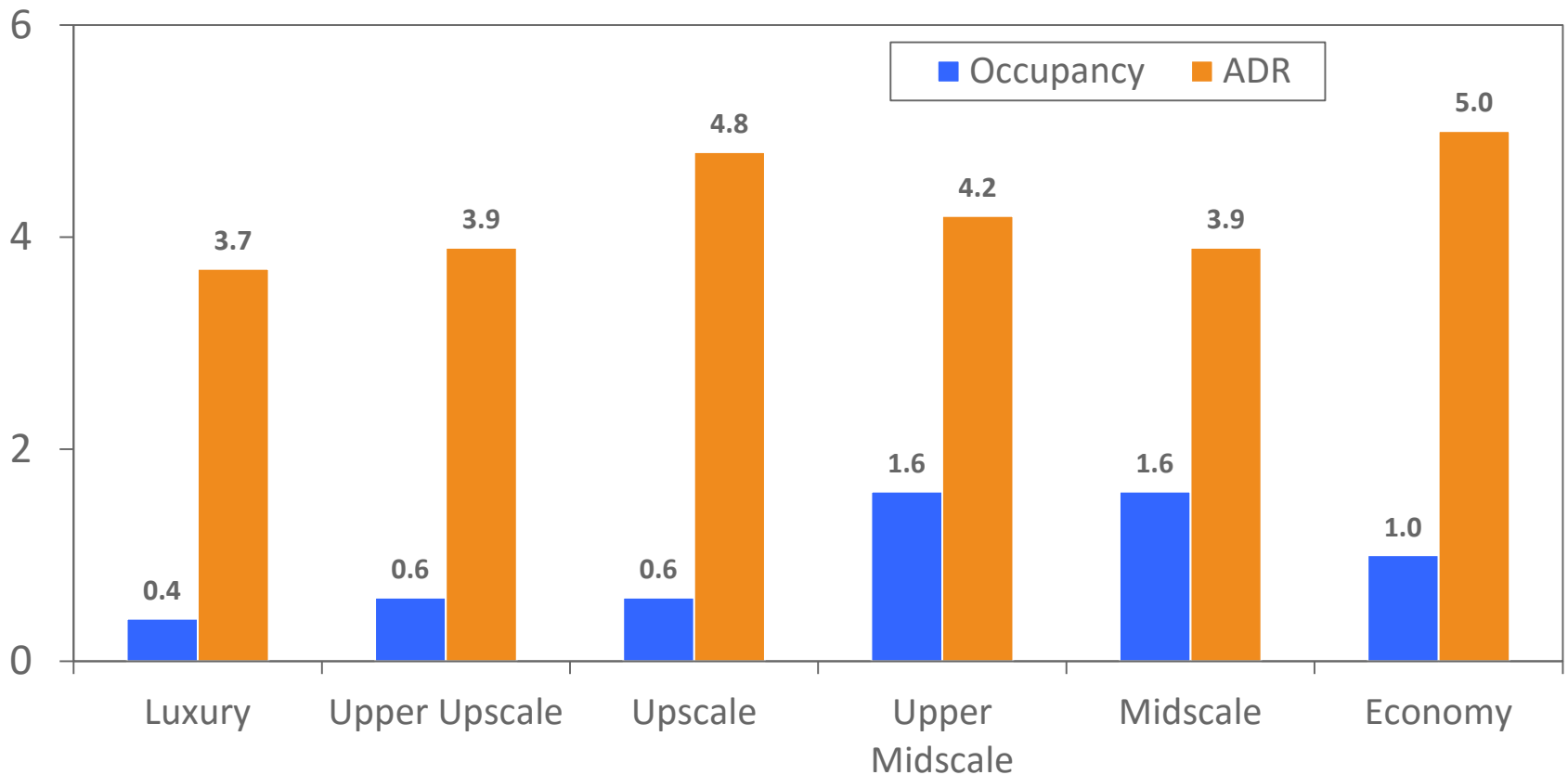
Twelve Month Moving Average – 2000 to January 2016



# Chain Scales

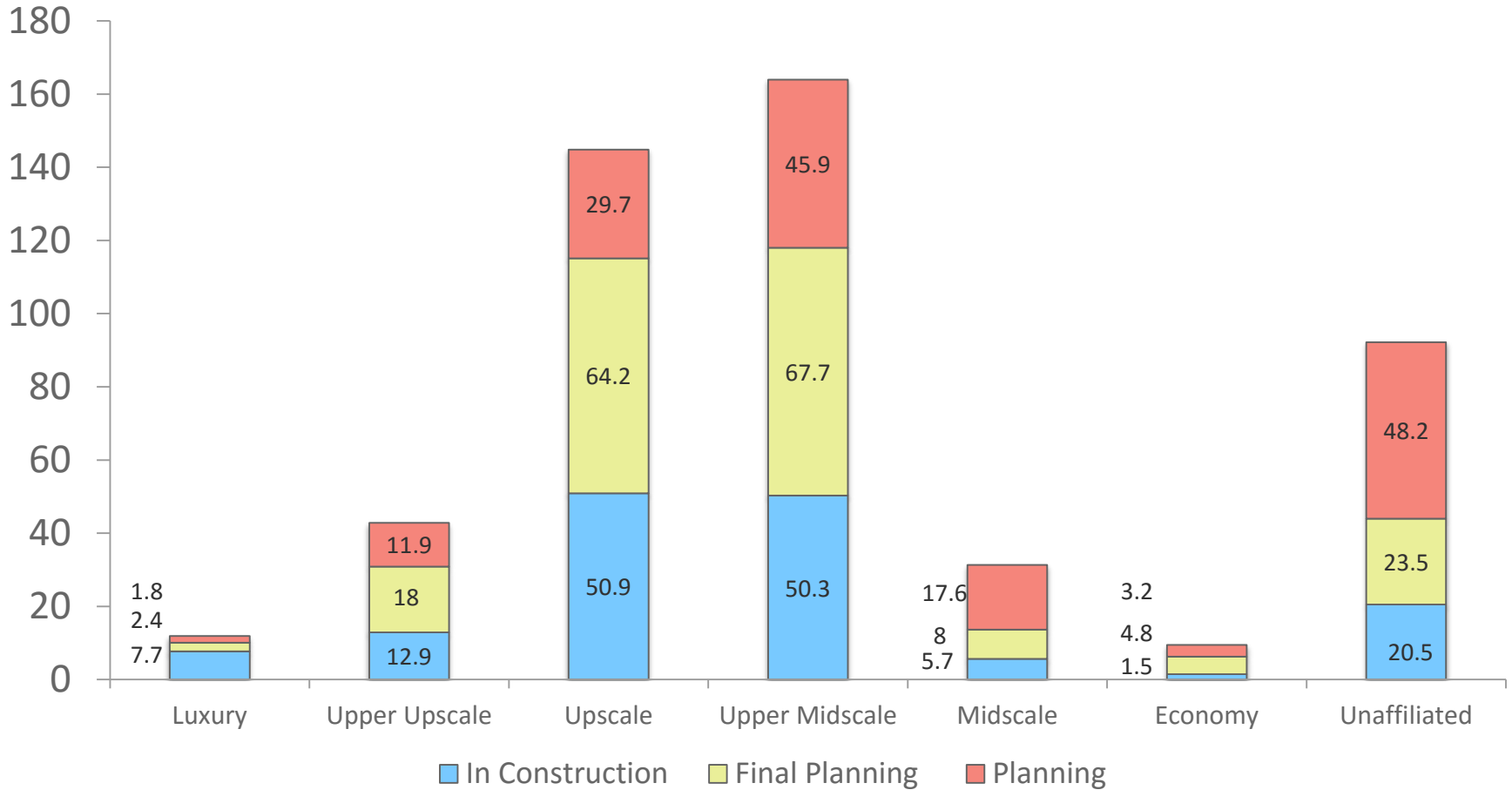
Occupancy / ADR Percent Change

Twelve Month Moving Average January 2016



# Total United States

Under Contract Pipeline by Chain Scale – In Thousands  
January 2016







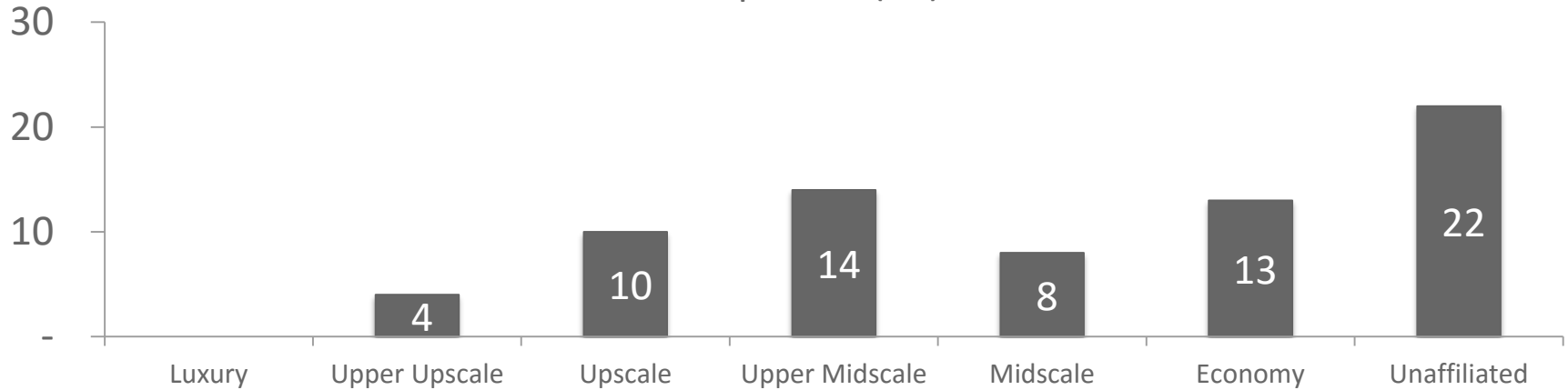
# Agenda:

1. Industry overview
- 2. Local Market update**
3. Forecast

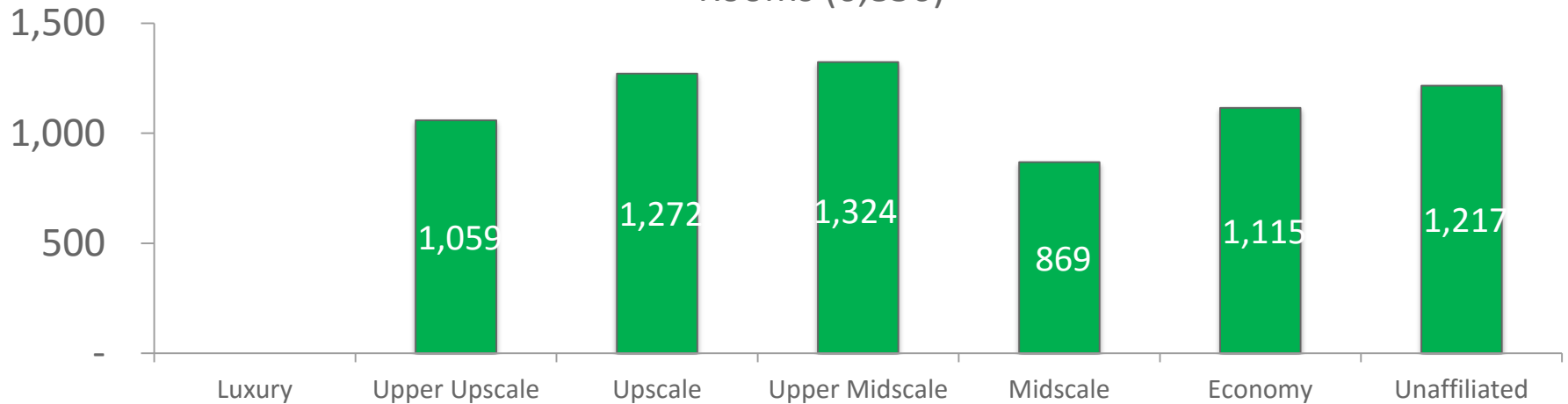
# Buncombe Co. Hotel Census

As of Jan 2016

Properties (70)



Rooms (6,856)



# Development Activity

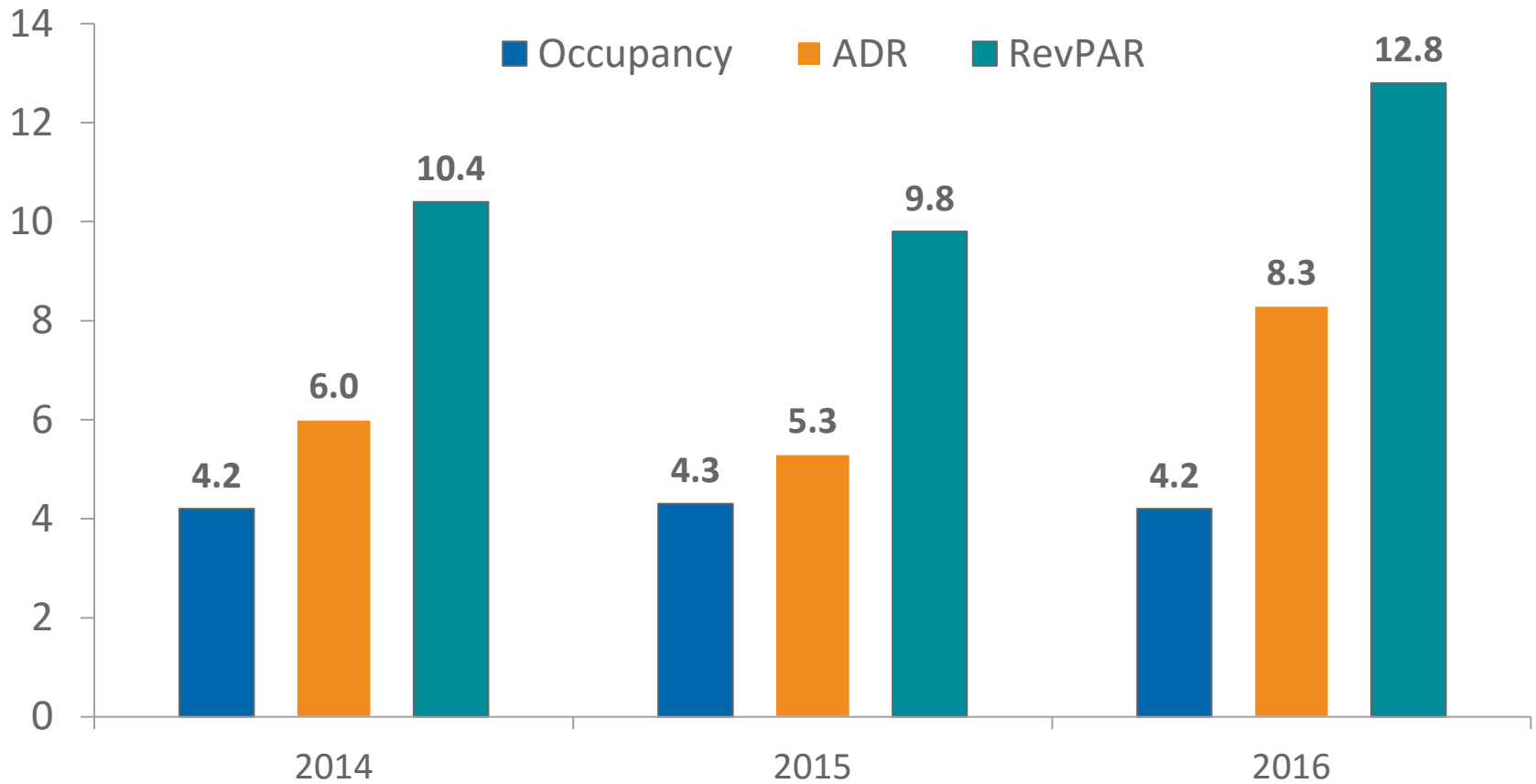
- 16 properties in the active pipeline
  - Either in construction or planning stages
  - Approx. 878 rooms slated for 2016 (~13% of current stock)

|  |
|--|
| Hyatt Place Asheville Downtown                         |
| Country Inn and Suites By Carlson - Asheville–Westgate |
| Hilton Garden Inn City Center                          |
| Holiday Inn Express Blue                               |
| AC Hotel   |
| Hilton Curio/Foundry                                   |
| Holiday Inn & Suites - Biltmore                        |
| La Quinta Inn  |
| TownePlace Suites by Marriott                          |

# Buncombe County Performance Snapshot

## Key Performance Indicators

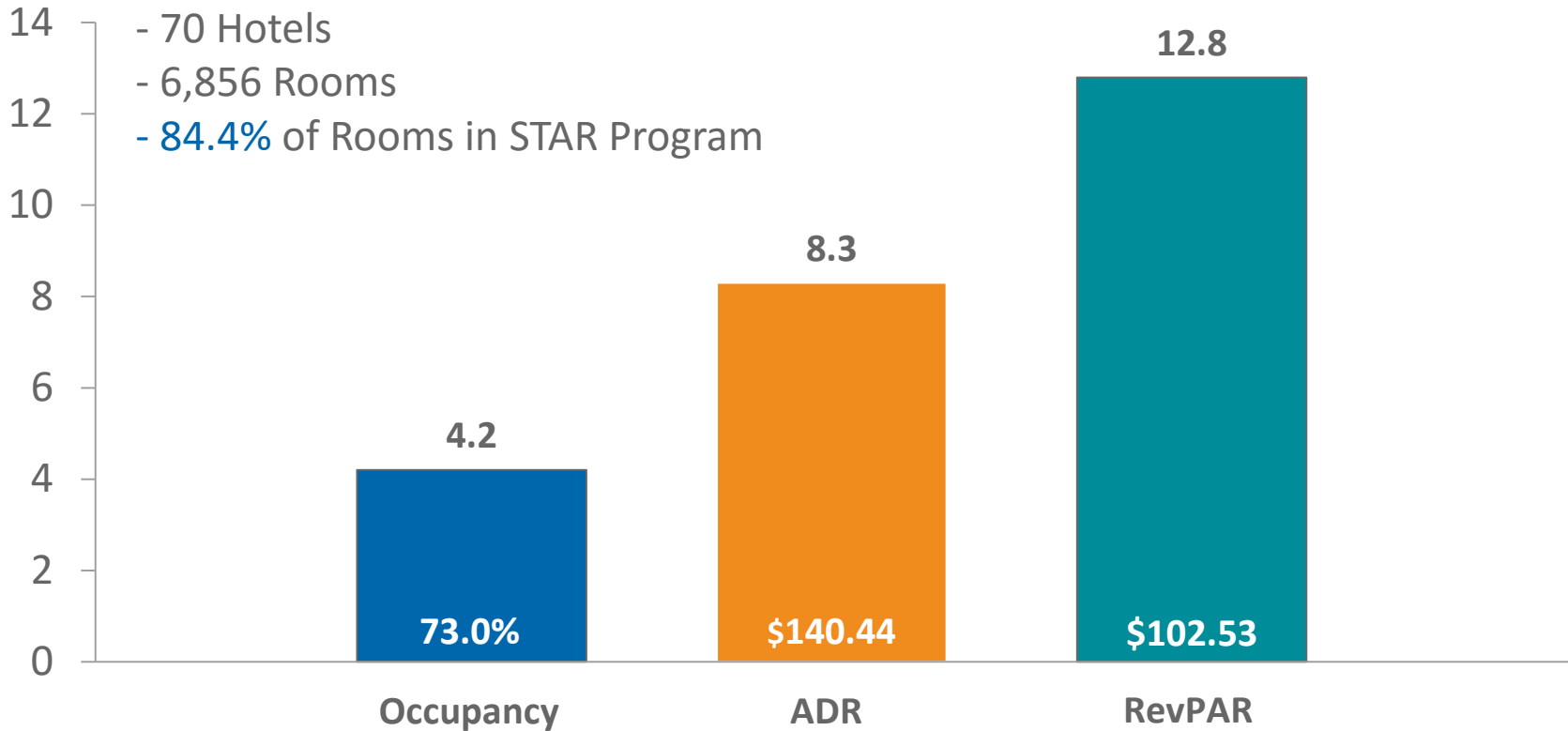
Twelve Month Moving Average percentage change January 2014 -2016



# Buncombe County Performance Snapshot

## Key Performance Indicators

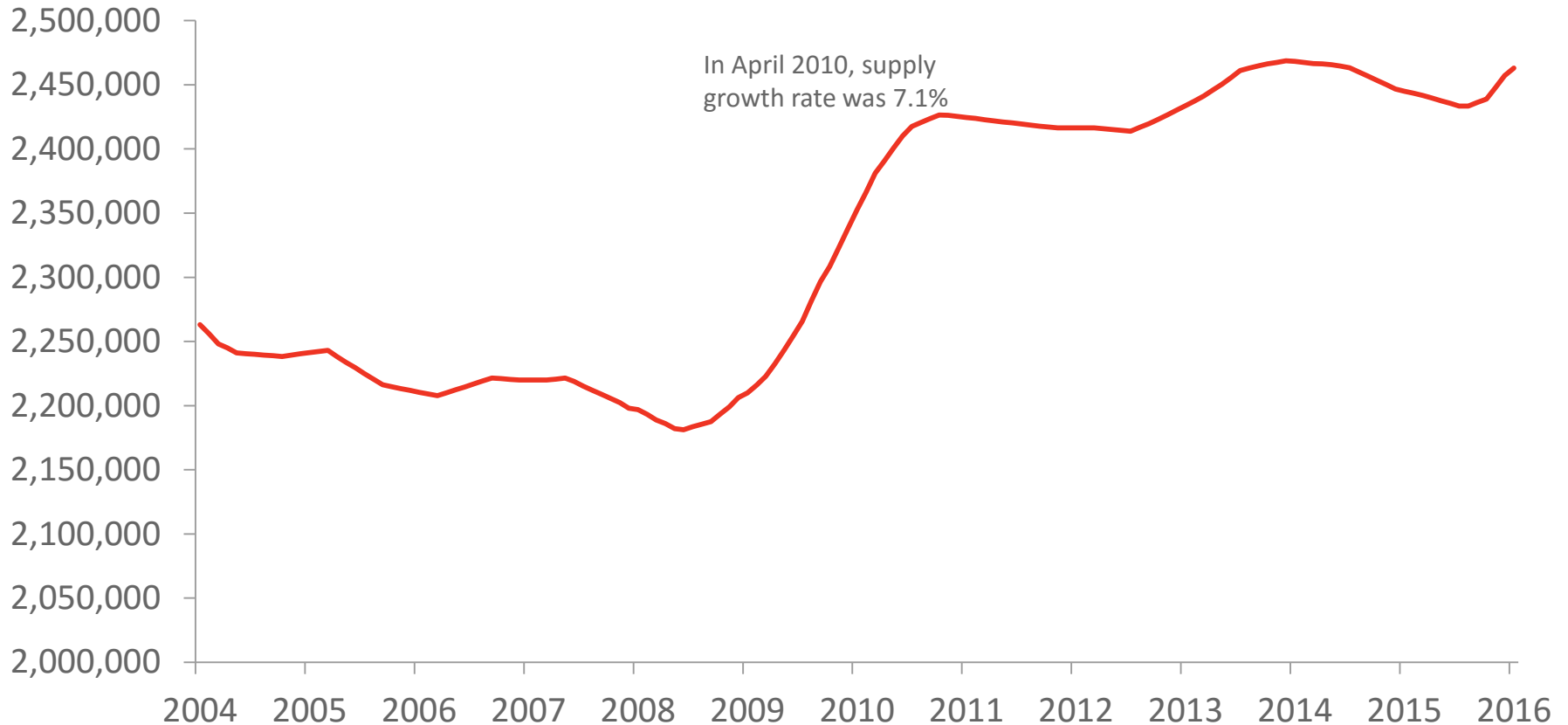
Twelve Month Moving Average January 2016 vs. 2015



# Buncombe County

## Room Nights Available

Twelve Month Moving Average 2004-2016

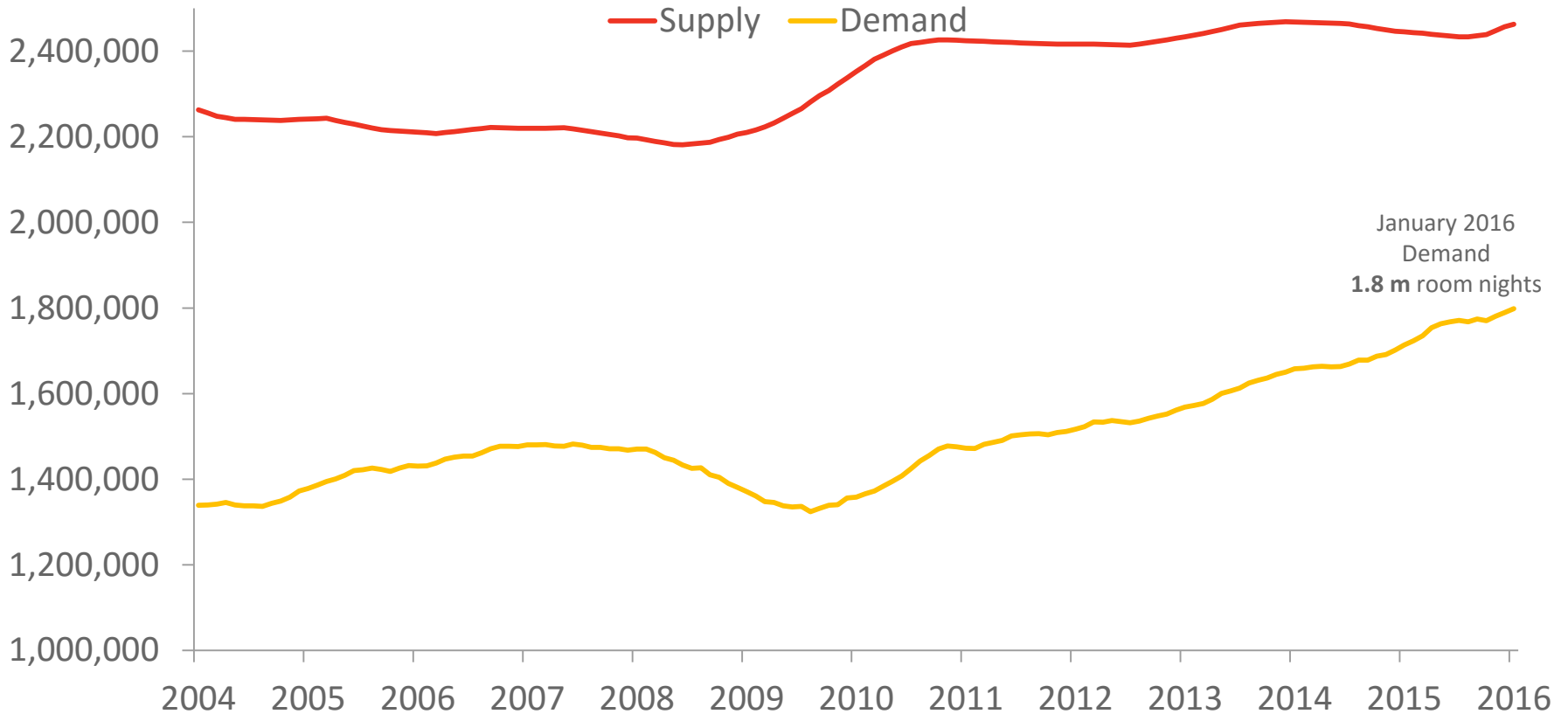


In April 2010, supply growth rate was 7.1%

# Buncombe County

## Room Nights Available & Demand

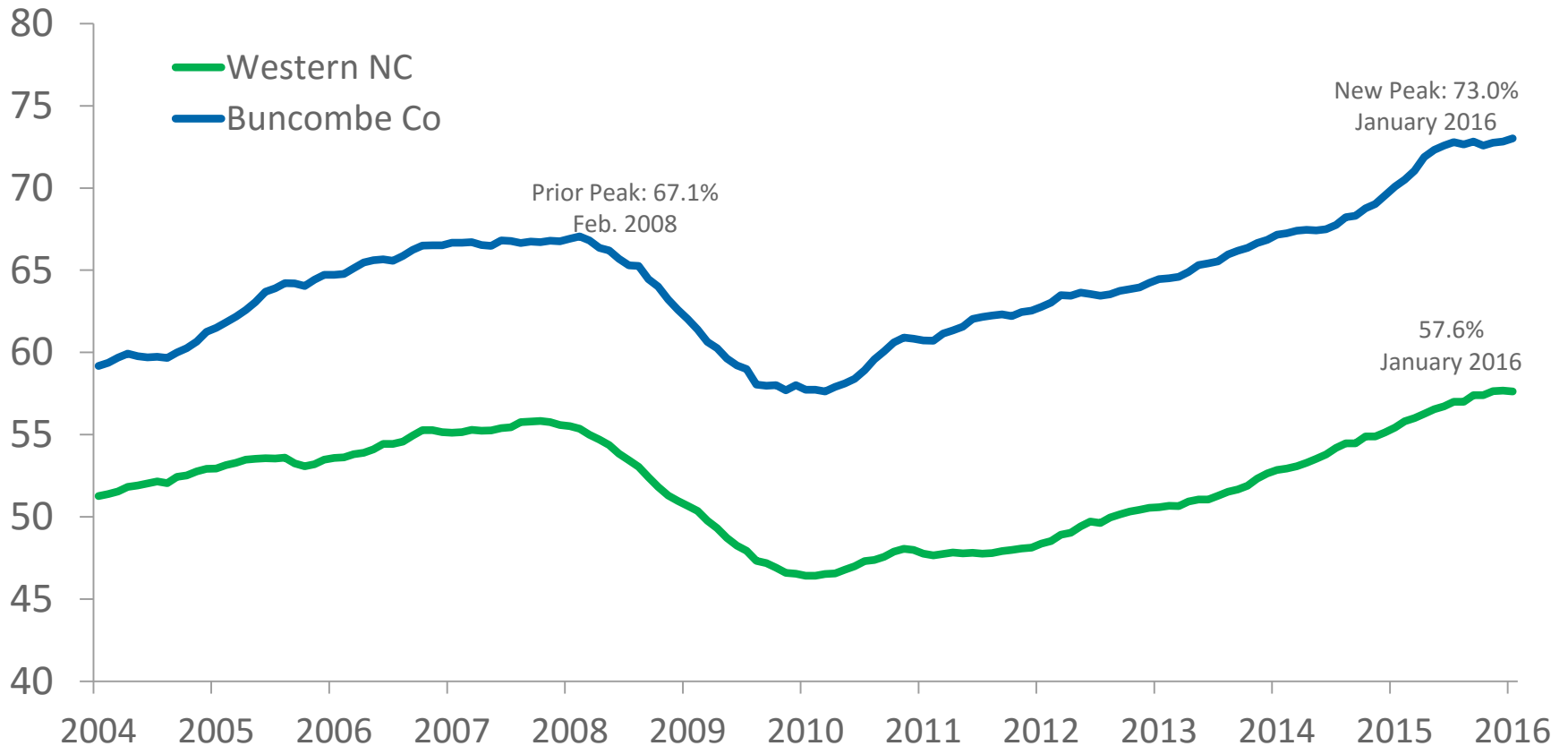
Twelve Month Moving Average 2004-2016



# Buncombe County/Western NC

## Occupancy Rate

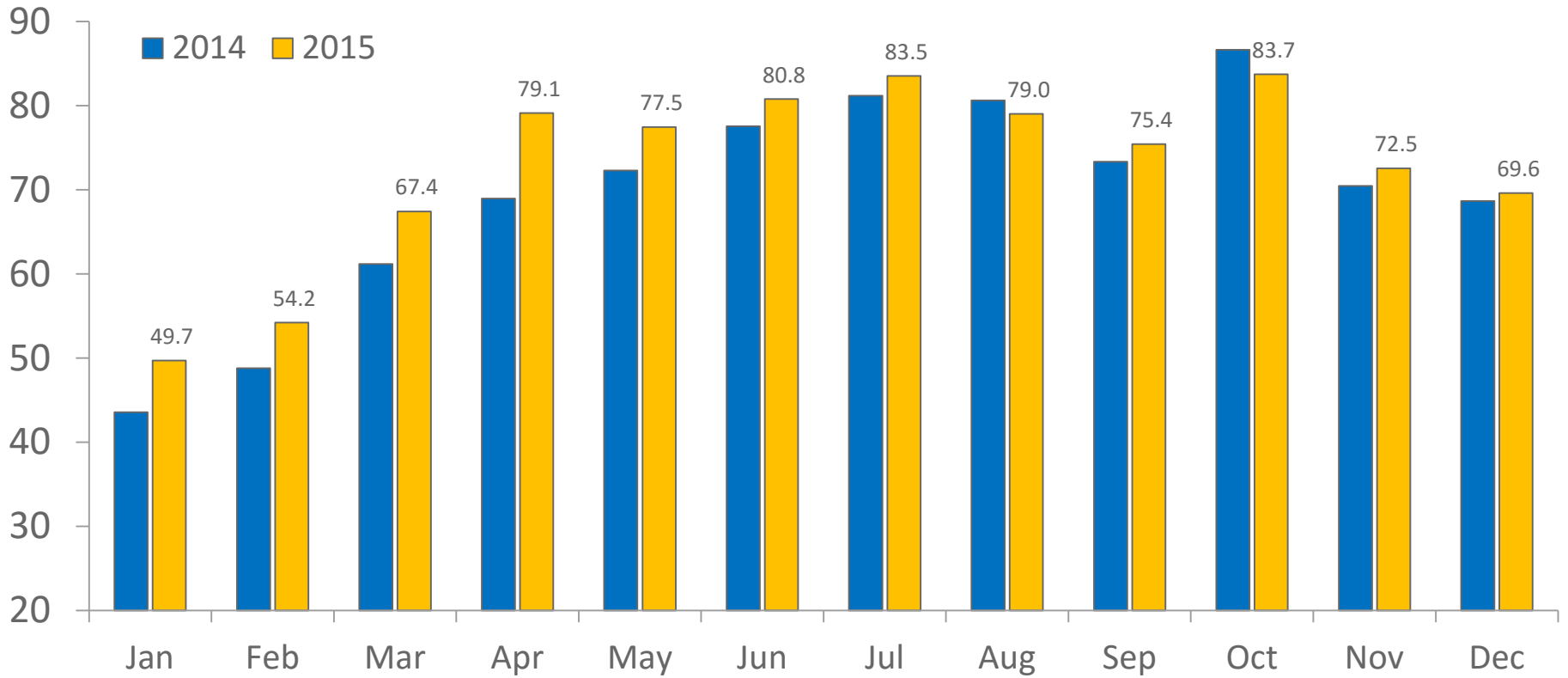
### Twelve Month Moving Average 2004-2016





# Buncombe County

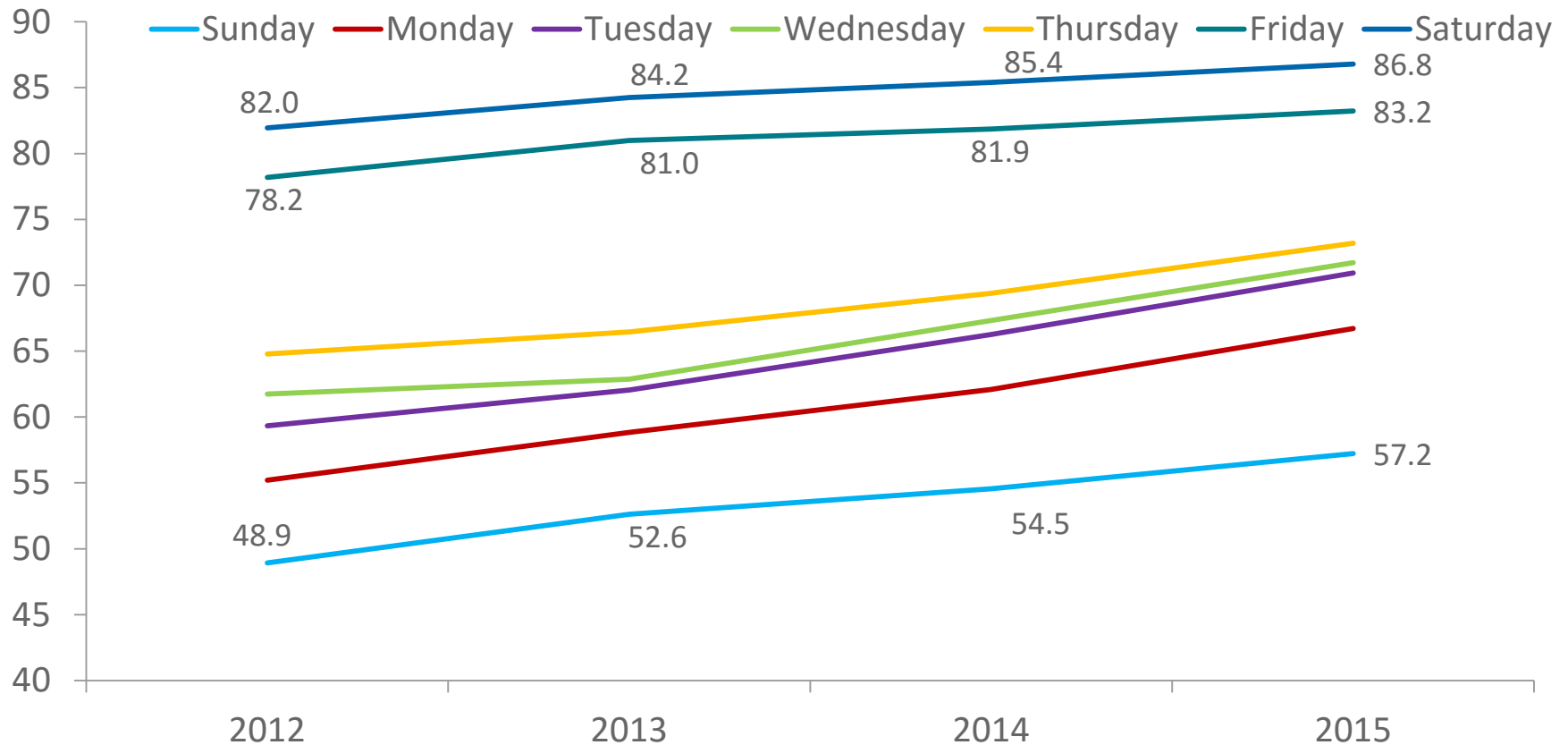
## Occupancy Rate by Month 2014 vs. 2015



# Buncombe County

## Day of Week Occupancy

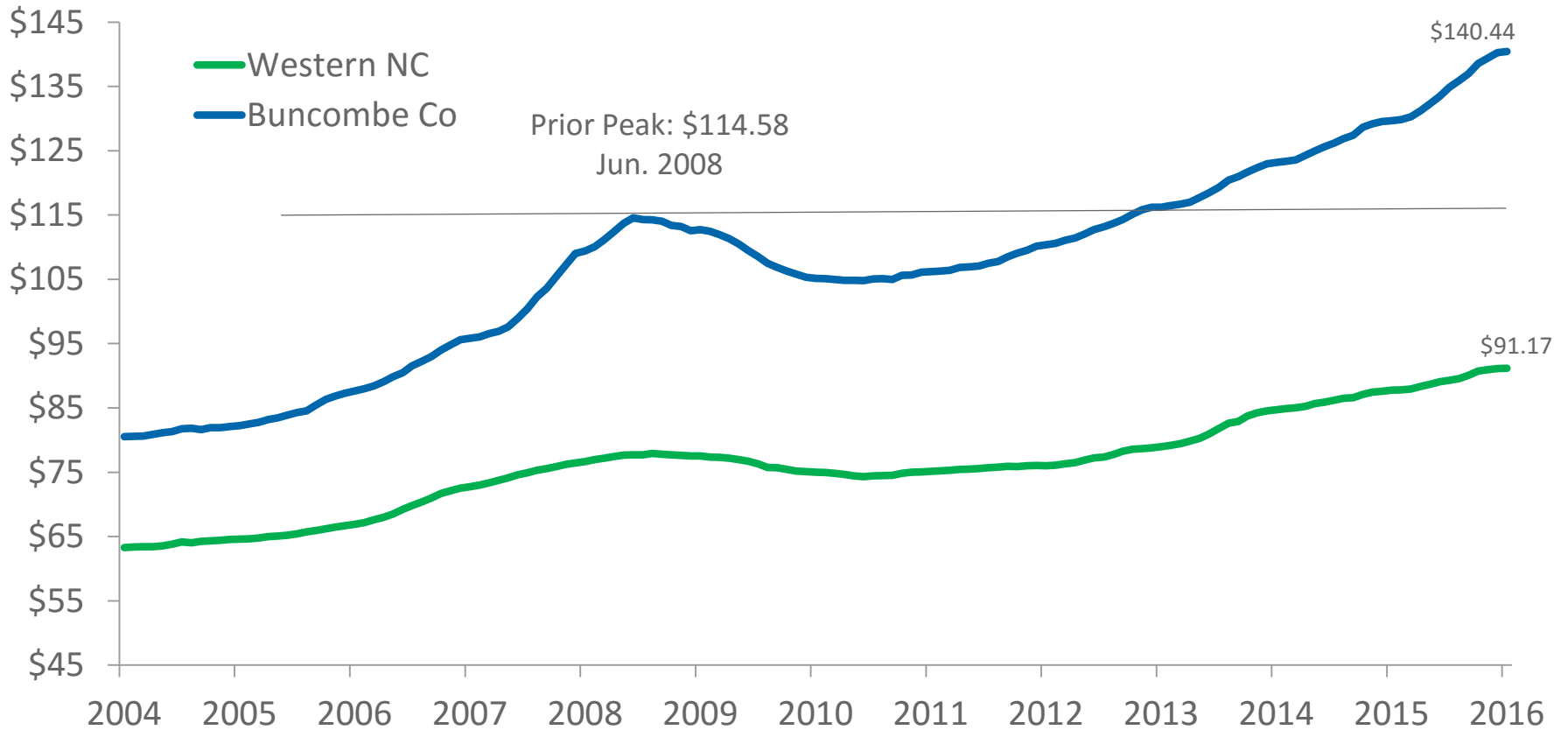
Annual 2012 - 2015



# Buncombe County/Western NC

Average Daily Rate

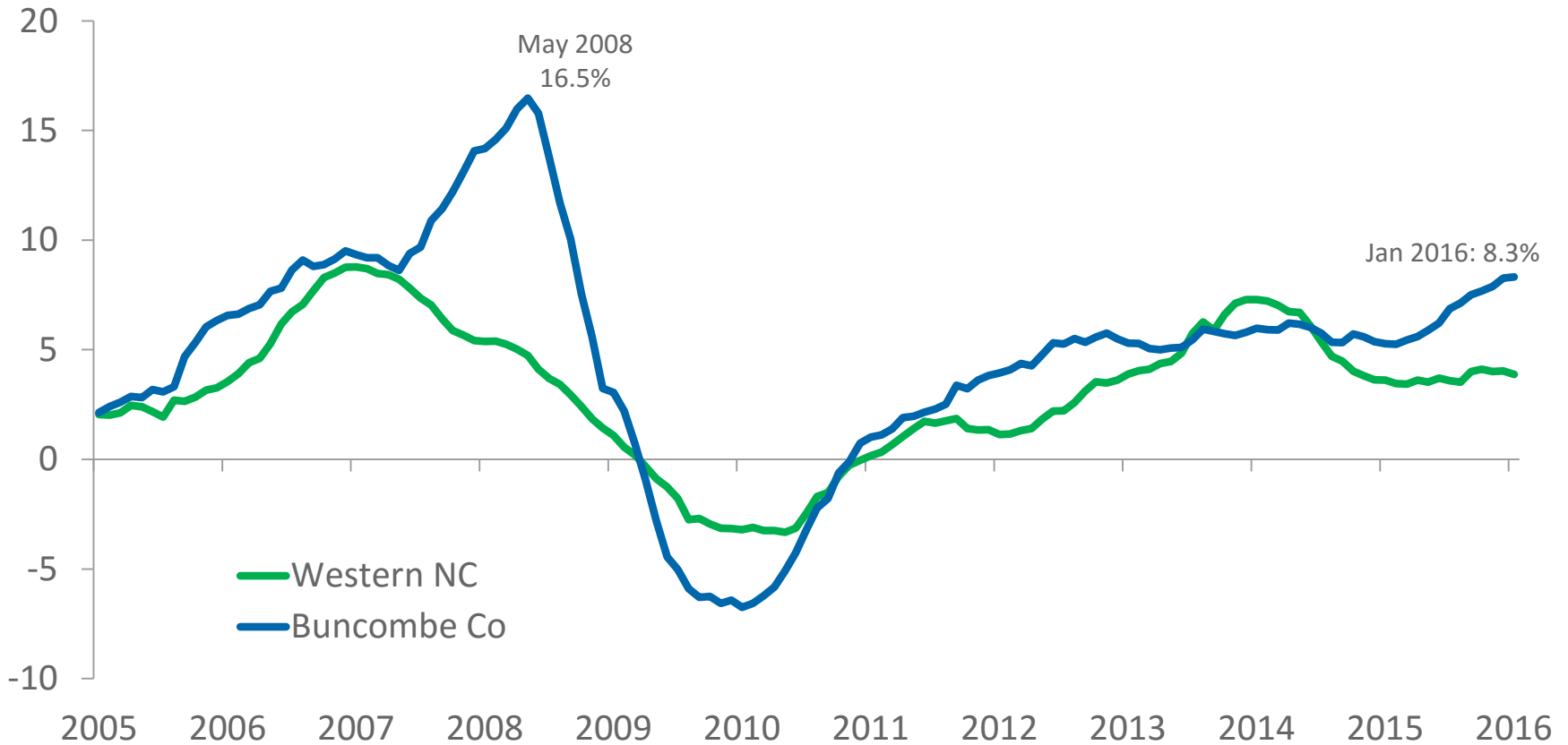
Twelve Month Moving Average 2004-2016



# Buncombe County/Western NC

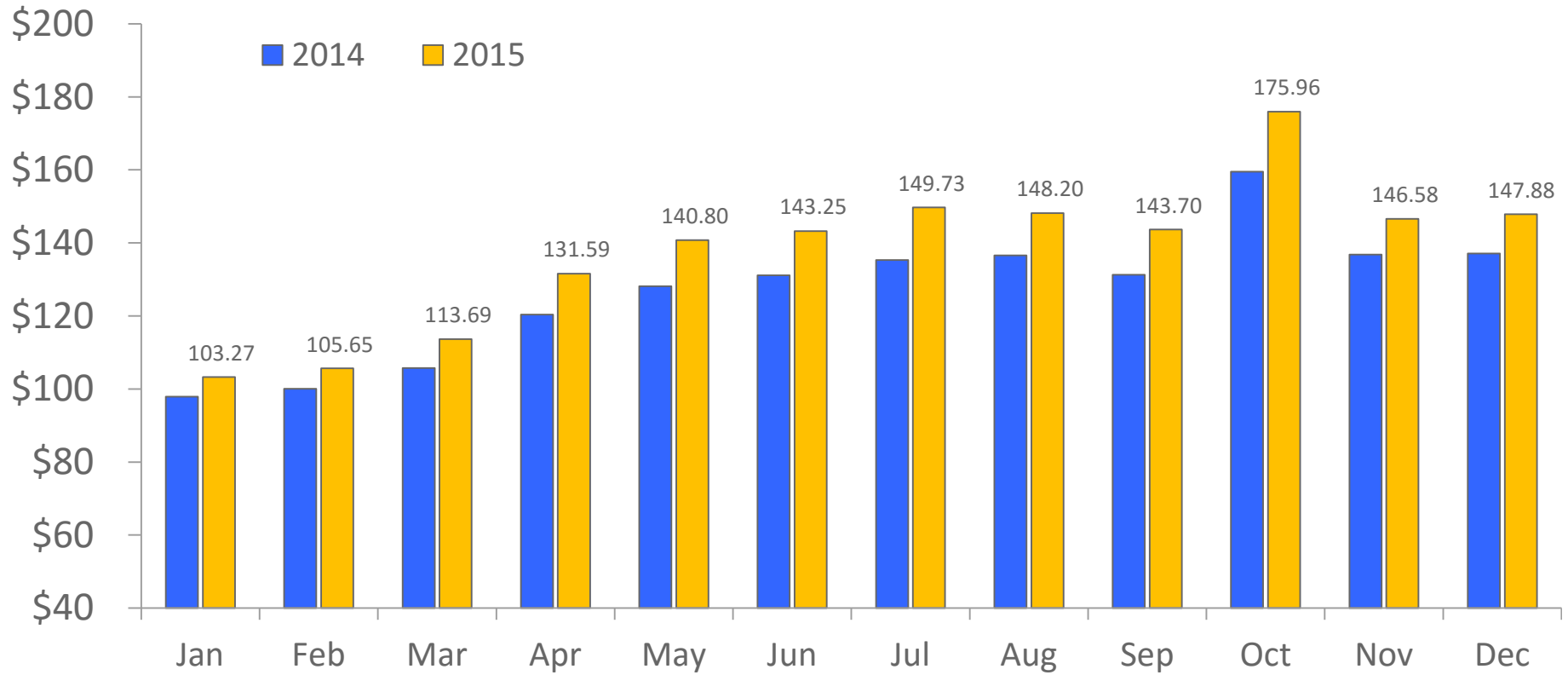
ADR Percent Change

Twelve Month Moving Average 2005-2016



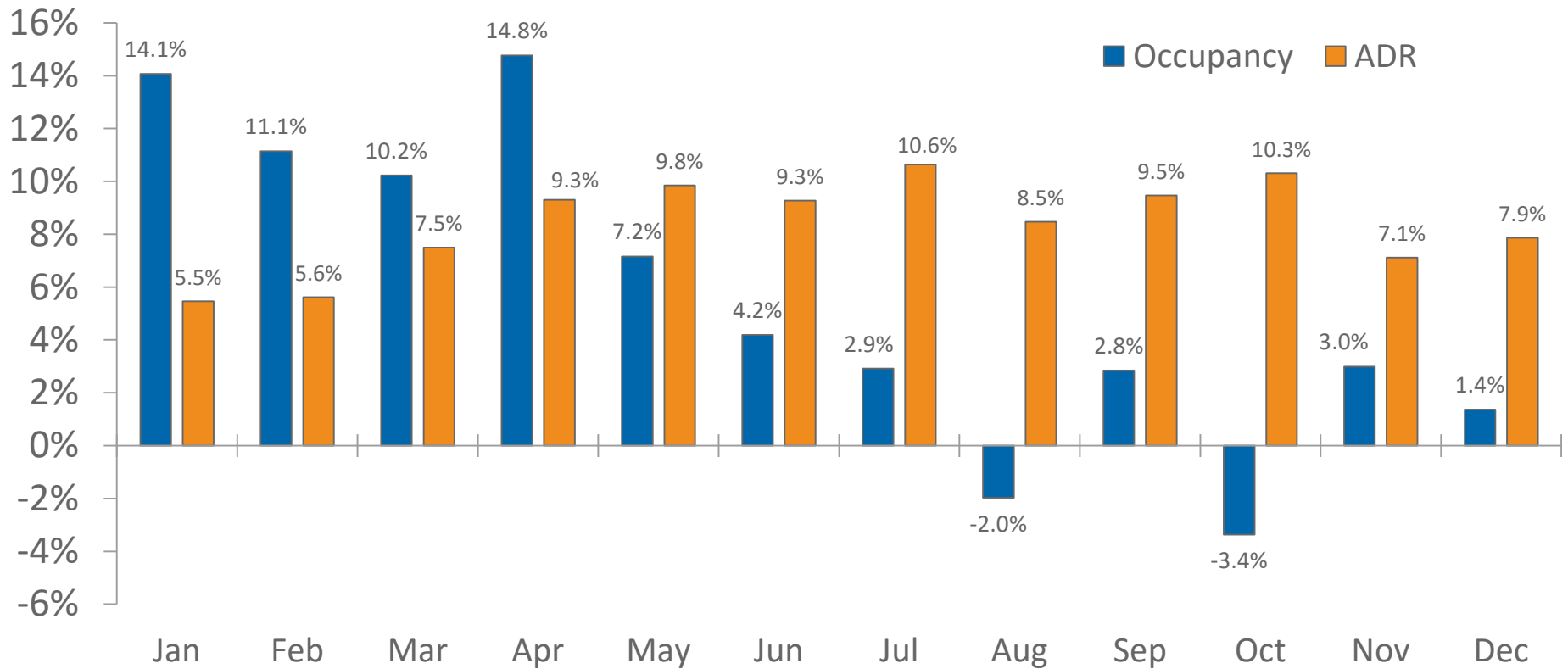
# Buncombe County

Average Daily Rate (ADR) by Month  
2014 vs. 2015



# Buncombe County

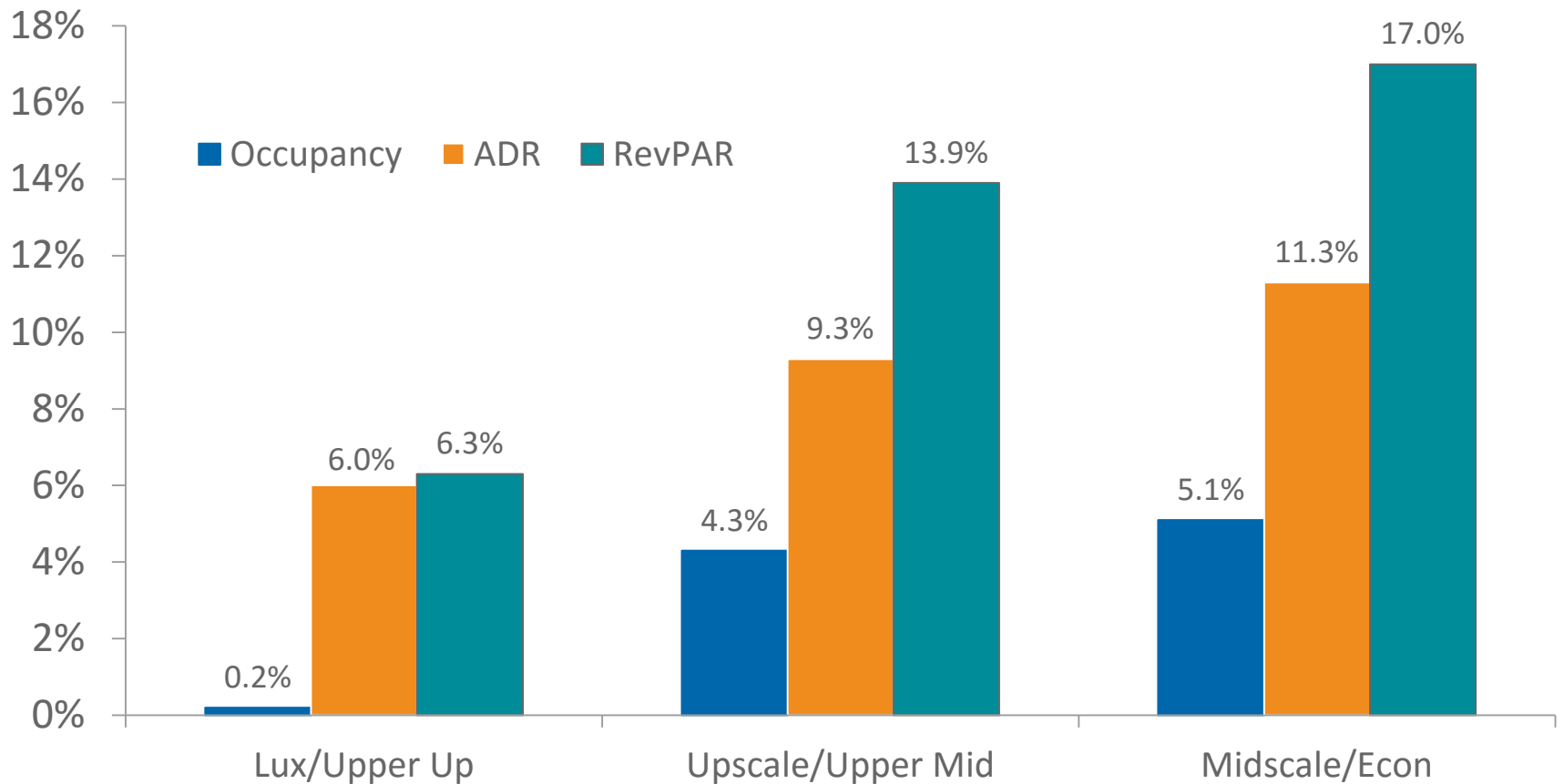
## Occupancy & Average Daily Rate % Change by Month 2015



# Buncombe County Hotel Class Segments

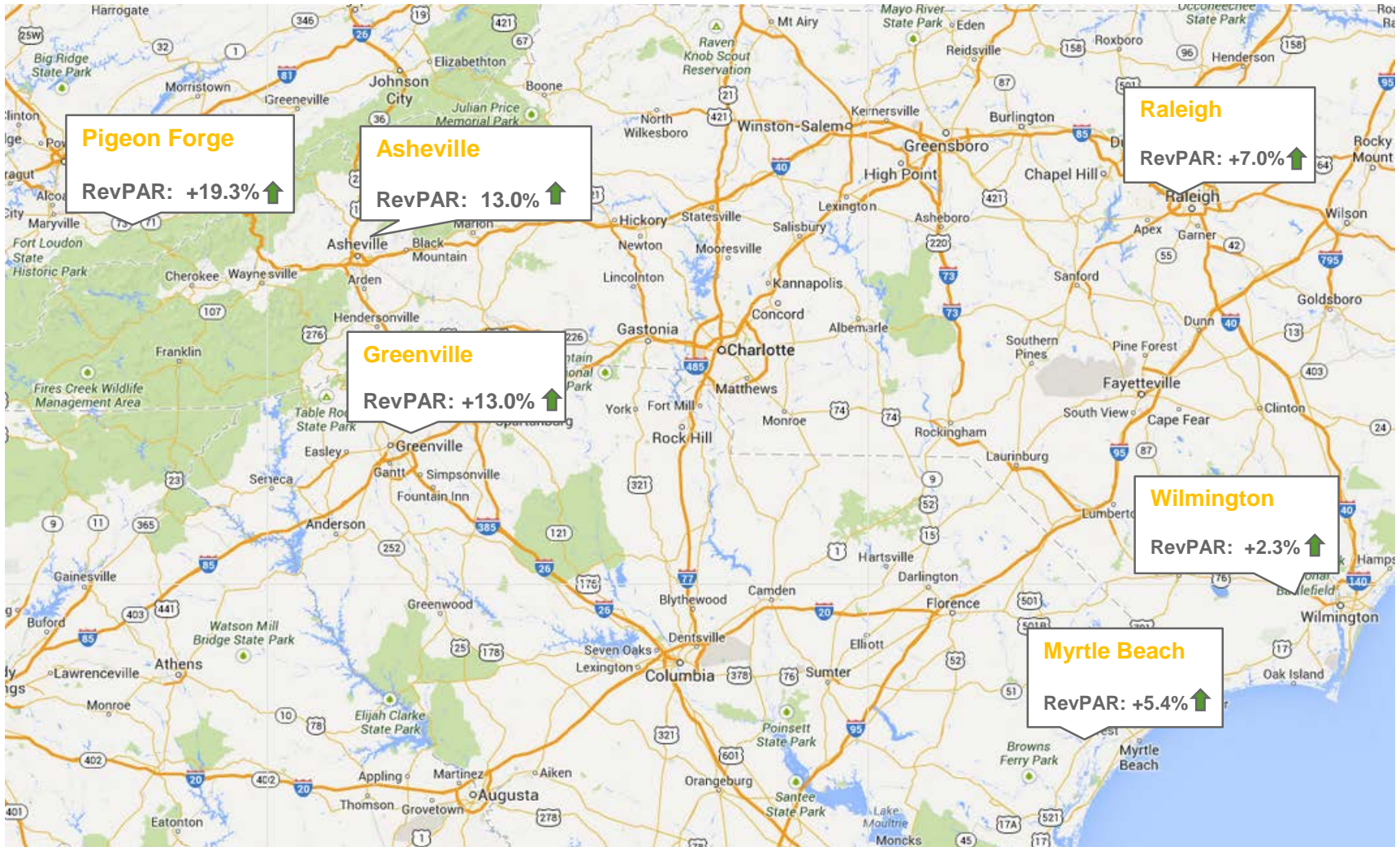
Occupancy/ADR/RevPAR Percent Change

Twelve Month Moving Average **2016 vs. 2015**



# Regional Market Comparison

## Twelve Month Moving Average January 2016 RevPAR % Change

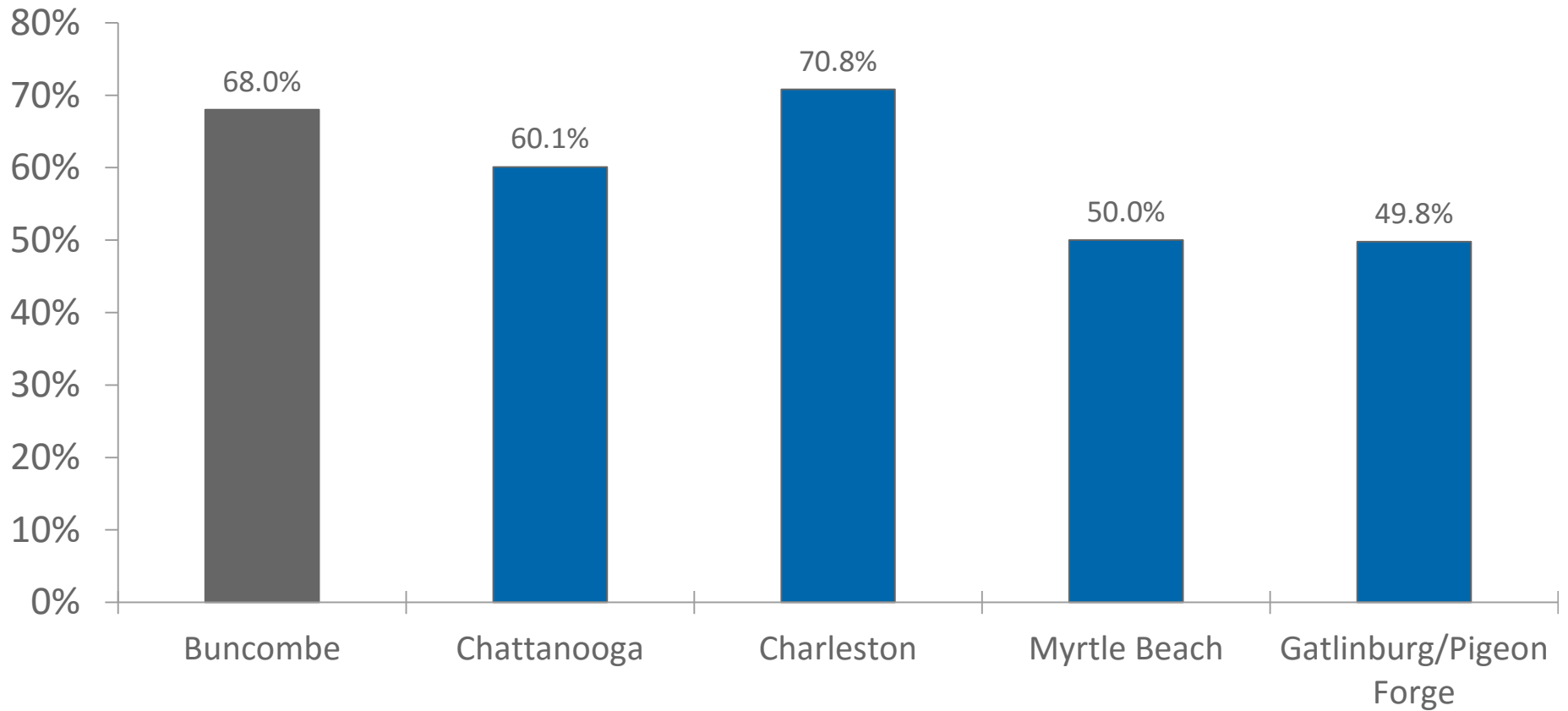




# Comparable Markets

Weekday Occupancy

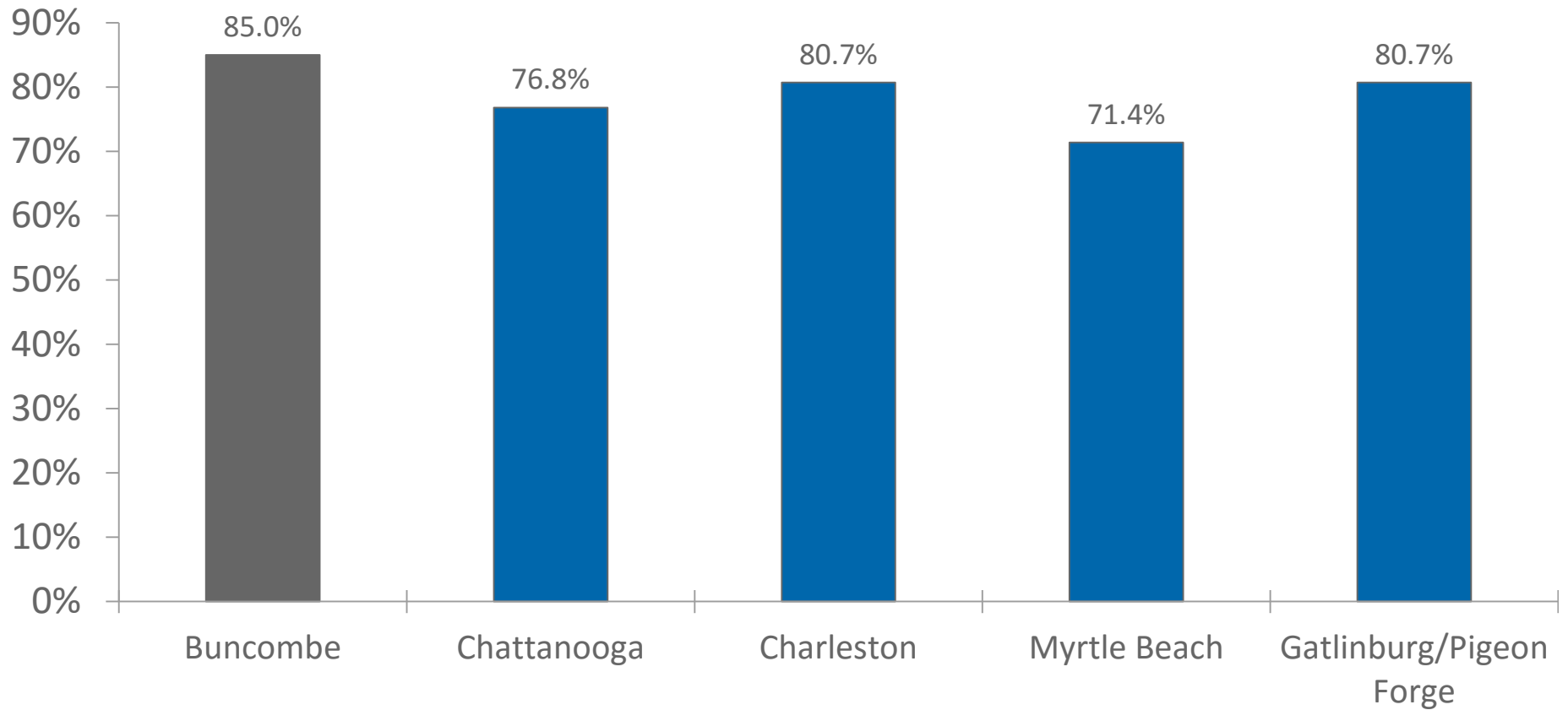
Total Year 2015



# Comparable Markets

Weekend Occupancy

Total Year 2015





# Agenda:

1. Industry overview
2. Local Market update
- 3. Forecast**

# Total United States

## Key Performance Indicator Outlook (% Change vs. Prior Year)

2016 - 2017

| <b>Outlook</b>   |                          |                          |
|------------------|--------------------------|--------------------------|
|                  | <b>2016<br/>Forecast</b> | <b>2017<br/>Forecast</b> |
| <b>Supply</b>    | 1.7%                     | 1.9%                     |
| <b>Demand</b>    | 2.3%                     | 2.1%                     |
| <b>Occupancy</b> | 0.6%                     | 0.2%                     |
| <b>ADR</b>       | 4.4%                     | 4.3%                     |
| <b>RevPAR</b>    | 5.0%                     | 4.5%                     |

# Total United States

## Chain Scale Key Performance Indicator Outlook 2016F by Chain Scale

| 2016 Year End Outlook      |                      |                |                   |
|----------------------------|----------------------|----------------|-------------------|
| Chain Scale                | Occupancy<br>(% chg) | ADR<br>(% chg) | RevPAR<br>(% chg) |
| Luxury                     | 0.4%                 | 4.5%           | 4.9%              |
| Upper Upscale              | 0.5%                 | 4.6%           | 5.2%              |
| Upscale                    | -0.2%                | 4.5%           | 4.3%              |
| Upper Midscale             | 0.4%                 | 4.1%           | 4.5%              |
| Midscale                   | 0.5%                 | 3.5%           | 4.0%              |
| Economy                    | 0.9%                 | 3.7%           | 4.6%              |
| Independent                | 0.6%                 | 4.4%           | 5.1%              |
| <b>Total United States</b> | <b>0.6%</b>          | <b>4.4%</b>    | <b>5.0%</b>       |

# Total United States

## Chain Scale Key Performance Indicator Outlook 2017F by Chain Scale

| 2017 Year End Outlook      |                      |                |                   |
|----------------------------|----------------------|----------------|-------------------|
| Chain Scale                | Occupancy<br>(% chg) | ADR<br>(% chg) | RevPAR<br>(% chg) |
| Luxury                     | 0.1%                 | 4.7%           | 4.8%              |
| Upper Upscale              | 0.1%                 | 4.6%           | 4.7%              |
| Upscale                    | -0.6%                | 3.8%           | 3.2%              |
| Upper Midscale             | -0.1%                | 3.7%           | 3.6%              |
| Midscale                   | 0.6%                 | 4.1%           | 4.7%              |
| Economy                    | 0.4%                 | 3.4%           | 3.9%              |
| Independent                | 0.3%                 | 4.4%           | 4.7%              |
| <b>Total United States</b> | <b>0.2%</b>          | <b>4.3%</b>    | <b>4.5%</b>       |



# Hospitality Outlook

## Asheville, NC

Karrie Keen

STR