

Hotel Asset Value Enhancement

Presents Its
2H 2016 & 2017 Outlook

Creating Value – Protecting the Owner's Interests™



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2016 YTD



2016 YTD Industry Performance Does Not Tell the Full Story

U.S. Hotel Industry at a Glance

For the Month of: July 2016

	Current Month			Running 3 Months			Running 12 Months			Year to Date		
Supply	▲	up	1.6 %	▲	up	1.5 %	▲	up	1.4 %	▲	up	1.5 %
Demand	▲	up	0.6 %	▲	up	1.1 %	▲	up	1.7 %	▲	up	1.4 %
Occupancy	▼	down	1.0 %	▼	down	0.4 %	▲	up	0.3 %	▼	down	0.1 %
ADR	▲	up	3.6 %	▲	up	3.2 %	▲	up	3.4 %	▲	up	3.2 %
RevPAR	▲	up	2.5 %	▲	up	2.8 %	▲	up	3.7 %	▲	up	3.0 %

Source: Smith Travel Research as of July 2016

Demand & ADR slow as Supply accelerates

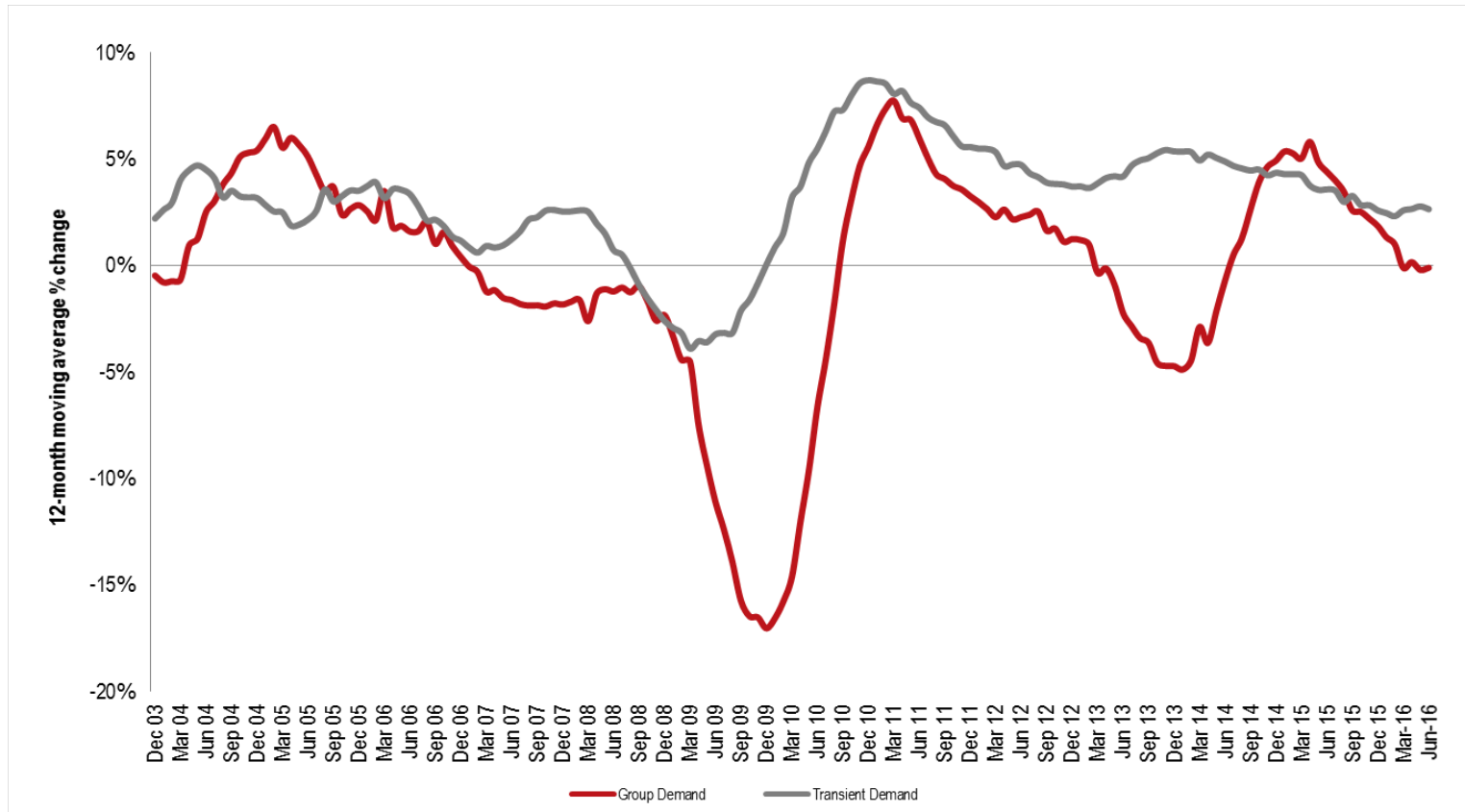
US Hotel Trend vs PY - % Chg													
	Years	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Supply	2014	0.9%	0.8%	0.8%	0.8%	0.9%	0.9%	0.9%	1.0%	0.9%	0.9%	0.9%	0.9%
	2015	1.0%	1.0%	1.1%	1.2%	1.0%	1.1%	1.2%	1.1%	1.2%	1.3%	1.4%	1.5%
	15 vs 14	0.1%	0.2%	0.3%	0.4%	0.1%	0.2%	0.3%	0.1%	0.3%	0.4%	0.5%	0.6%
	2016	1.5%	1.6%	1.6%	1.5%	1.5%	1.6%	1.6%					
	16 vs 15	0.5%	0.6%	0.5%	0.3%	0.5%	0.5%	0.4%					
Demand	2014	3.3%	4.2%	3.8%	4.0%	5.9%	3.7%	4.7%	4.8%	4.9%	6.3%	3.4%	5.8%
	2015	5.2%	4.3%	3.5%	3.1%	1.9%	3.2%	3.5%	0.3%	4.6%	2.9%	2.5%	2.3%
	15 vs 14	1.9%	0.1%	-0.3%	-0.9%	-4.0%	-0.5%	-1.2%	-4.5%	-0.3%	-3.4%	-0.9%	-3.5%
	2016	1.2%	0.8%	1.2%	3.7%	1.1%	1.9%	0.6%					
	16 vs 15	-4.0%	-3.5%	-2.3%	0.6%	-0.8%	-1.3%	-2.9%					
Occ	2014	2.3%	3.3%	2.9%	6.2%	4.9%	2.9%	3.9%	3.8%	3.9%	5.3%	2.5%	4.8%
	2015	4.2%	3.2%	2.3%	1.9%	0.8%	2.1%	2.3%	1.4%	3.3%	1.6%	1.1%	0.8%
	15 vs 14	1.9%	-0.1%	-0.6%	-4.3%	-4.1%	-0.8%	-1.6%	-2.4%	-0.6%	-3.7%	-1.4%	-4.0%
	2016	-0.3%	0.8%	0.4%	2.2%	-0.5%	0.3%	-1.0%					
	16 vs 15	-4.5%	-2.4%	-1.9%	0.3%	-1.3%	-1.8%	-3.3%					
ADR	2014	2.9%	3.9%	4.1%	4.0%	4.8%	4.3%	4.8%	5.4%	5.3%	4.6%	4.5%	4.3%
	2015	4.3%	4.7%	5.0%	4.5%	5.0%	5.0%	5.9%	3.6%	4.6%	4.8%	3.2%	2.4%
	15 vs 14	1.4%	0.8%	0.9%	0.5%	0.2%	0.7%	1.1%	-1.8%	-0.7%	0.2%	-1.3%	-1.9%
	2016	2.8%	3.6%	3.2%	2.8%	2.4%	3.5%	3.6%					
	16 vs 15	-1.5%	-1.1%	-1.8%	-1.7%	-2.6%	-1.5%	-2.3%					
RevPAR	2014	5.3%	7.3%	7.2%	7.4%	10.0%	7.2%	8.8%	9.4%	9.5%	10.1%	7.1%	9.3%
	2015	8.6%	8.0%	7.4%	6.4%	5.9%	7.2%	8.3%	2.2%	8.0%	6.5%	4.3%	3.2%
	15 vs 14	3.3%	0.7%	0.2%	-1.0%	-4.1%	0.0%	-0.5%	-7.2%	-1.5%	-3.6%	-2.8%	-6.1%
	2016	2.4%	2.8%	2.7%	5.0%	1.9%	3.8%	2.5%					
	16 vs 15	-6.2%	-5.2%	-4.7%	-1.4%	-4.0%	-3.4%	-5.8%					

Easter Favorable

Source: Smith Travel Research as of July 2016, hotelAVE

Future Group Bookings went negative in March

Short term and longer lead group weakening despite good group outlook.



12 Month Avg %Δ	Jun 14	Jul 14	Aug 14	Sep 14	Oct 14	Nov 14	Dec 14	Jan 15	Feb 15	Mar 15	Apr 15	May 15	Jun 15
Group Demand	-0.7%	0.5%	1.3%	2.6%	3.9%	4.6%	4.9%	5.4%	5.3%	5.0%	5.8%	4.9%	4.4%
Transient Demand	4.9%	4.7%	4.6%	4.5%	4.5%	4.2%	4.4%	4.3%	4.3%	4.3%	3.8%	3.6%	3.6%
	Jul 15	Aug 15	Sep 15	Oct 15	Nov 15	Dec 15	Jan 16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	
Group Demand	4.0%	3.5%	2.6%	2.5%	2.2%	1.9%	1.3%	1.0%	-0.1%	0.2%	-0.2%	-0.1%	
Transient Demand	3.5%	3.0%	3.3%	2.8%	2.8%	2.6%	2.5%	2.3%	2.6%	2.7%	2.8%	2.7%	

Source: JLL

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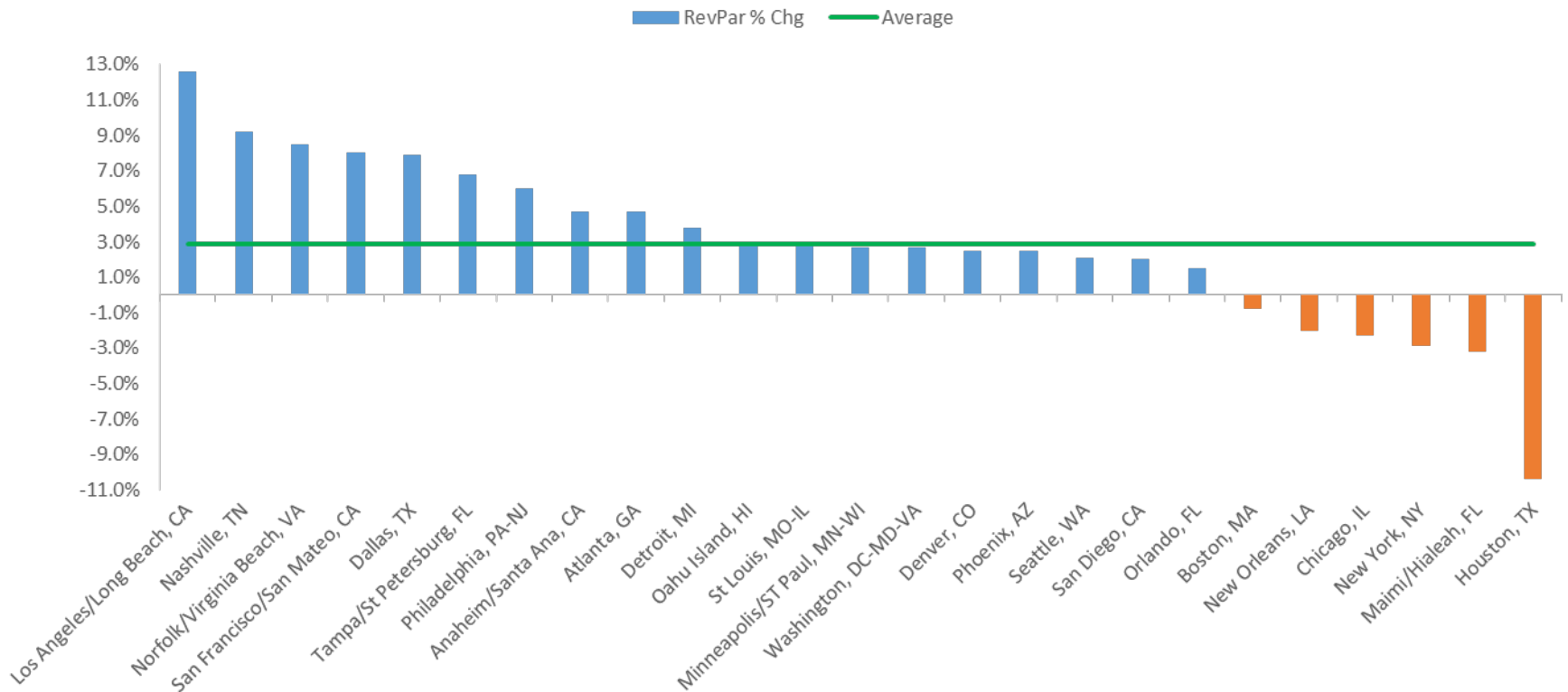
Tale of Two Markets - Top 25 Vs. Rest of US

% Chg from July 2015 YTD					
	Supply	Demand	Occ	ADR	RevPAR
Top 25 Markets	1.9%	1.5%	-0.4%	2.8%	2.4%
All Other Markets	1.3%	1.3%	0.0%	3.4%	3.4%
Total US	1.5%	1.4%	-0.1%	3.2%	3.0%

Source: Smith Travel Research July 2016

Top 25 Markets' RevPAR grew 2.4% Y/Y versus 3.4% in all other markets

2016 YTD Top 25 Market RevPAR % Chg



Occupancy Declines will Temper ADR Growth

- Occupancy is down in 13 of the top 25 markets (supply growing faster than demand).
- Rooms sold is negative in 5 markets YTD thru July 2016.
- Forward pace is negative nationally (-2.8%) and in 25 markets.
- How long can rate growth continue as supply exceeds demand growth?
- 13 of the top 20 markets are showing committed occupancy declines versus STLY.

New Supply



Supply

Financing Trends vs STLY						
	Debt Yields		Max Leverage		Interest Rates (bps)	
	2Q16	2Q15	2Q16	2Q15	2Q16	2Q15
Life Companies	12%+	10%+	50% - 60%	50% - 65%	T+275-300	T+325-450
CMBS Fixed Rate (A)	9.5%+	9.5%+	55% - 70%	65% - 75%	S+300-450	S+450-525
CMBS Fixed Rate (A+B)	9%+	8.5%+	65% - 75%	70% - 80%	S+350-500	S+500-575
Domestic Banks	10%+	10%+	50% - 65%	60% - 70%	L+350-450	L+350-550
Alternative Lenders, Debt Funds, Mortgage REITs	5%+	0%+	65% - 80%	70% - 85%	5.25%+	4.50%+

Source: hotelAVE, Cushman, CBRE, HFF

2016

- 2016 outlook is annual supply growth of 1.8% to 2.0%.
- YTD supply growth of 1.5% implies 2H16 supply growth could be up to 2.4% unless delays push openings into 2017.
- Top 25 market new supply is already over 2%.

2017

- Outlook is to increase 2.0% to 2.1% (per STR) and 2.3% (per Lodging Econometrics – LE).
- Top 25 markets new supply is projected at roundly 3.5%.
- Long term average is roundly 2.0%.

2018

- LE is forecasting 2.7%

Construction in Top 26 Markets: 24 with 2%+ of Supply

Market	Rooms U/C	% of Existing Supply	AirBNB Units/ Hotel Rooms
New York, NY	14,090	14.0%	19.5%
Miami/Hialeah, FL	3,920	7.0%	10.1%
Seattle, WA	2,232	7.0%	9.5%
Denver, CO	1,794	6.0%	4.6%
Dallas, TX	4,177	6.0%	0.1%
Houston, TX	5,710	6.0%	1.3%
Minneapolis/St. Paul MN-WI	1,949	6.0%	1.7%
Nashville, TN	1,982	6.0%	4.6%
Los Angeles/Long Beach, CA	4,240	5.0%	13.3%
Philadelphia, PA-NJ	2,343	5.0%	5.8%
Boston, MA	2,627	4.0%	8.0%
Chicago, IL	2,964	4.0%	4.2%
Anaheim/Santa Ana, CA	2,328	4.0%	N/A
Tampa/St. Petersburg, FL	1,233	4.0%	2.0%
Washington, DC-MD-VA	3,339	3.0%	4.1%
Phoenix, AZ	1,536	3.0%	1.7%
Oahu Island, HI	175	3.0%	6.8%
Detroit, MI	954	2.0%	0.1%
Las Vegas, NV	3,905	2.0%	N/A
San Francisco/San Mateo, CA	751	2.0%	12.5%
San Diego, CA	1,951	2.0%	6.6%
Atlanta, GA	1,255	2.0%	1.6%
Orlando, FL	2,600	2.0%	1.8%
New Orleans, LA	618	2.0%	5.3%
St. Louis, MO-IL	407	1.0%	0.1%
Norfolk/Virginia Beach, VA	300	1.0%	N/A

Source: STR as of April 2016; CBRE Hotels America Research Q4 2015; Airdna; hotelAVE

2016 Reforecast



Hotel Demand is Highly Correlated to GDP

Real GDP	Quarterly	Annual
2013		1.5%
2014		2.4%
2015		2.6%
1Q16	0.8%	
2Q16	1.1%	
3Q16	3.1%	
4Q16	2.4%	
2016E		1.5%
1Q17	2.1%	
2Q17	2.2%	
3Q17	2.1%	
4Q17	2.0%	
2017E		2.2%
2018E		2.1%

Forecast as of September 7, 2016

Source: Wells Fargo Securities

- 2Q16 was 5th consecutive quarter of public company Y/Y earnings declines (-5.5%) and 6th consecutive quarter of Y/Y revenue declines (-0.6%).
- 3Q16 and 4Q16 forecasted S&P earnings growth are 0.4% and 6.9% and revenue growth is 2.2% and 4.9%, respectively. This is probably optimistic.
- Five of ten sectors reporting Y/Y decline in earnings are energy, consumer discretionary, financial services, materials and IT sectors.

What “Event” is driving the slowdown?

- Predominately the declining/lack of corporate profit growth most negatively affecting business traveler (both transient and group).
- Increased focus on companies to save money on travel/travel cutbacks and/or greater enforcement of travel policies.
- Rising economic and geopolitical risks.
- Weak inbound international travel and strong US outbound international travel due to strong dollar and weakening global economies especially hurt Top 25 markets.
- Exacerbated by increased new supply, especially in Top 25 markets.

We're forecasting 2H16 US RevPAR at 1.5%-3% & slower than 1H16

- Business demand will be negative in 2H16 while group and leisure will be positive. Forward group demand will grow at 3-7% Y/Y and leisure at 4-6% according to TravelClick forward demand tracking (table below).

Occupancy					
3Q vs STLY (Aug + Sept)	Overall	Group	Transient	Business	Leisure
Committed Occupancy	4.4%	7.2%	2.1%	-1.8%	4.3%
Reserve Occupancy	3.5%	7.4%			
New Reservations Added over prior 30 days	-2.8%	N/A	0.7%	-3.1%	1.5%

ADR				
Overall	Group	Transient	Business	Leisure
2.1%	3.8%	1.6%	2.1%	1.5%

Source: TravelClick and hotelAVE

- July occupancy was down 1.0% Y/Y. Group occupancy was down 2.7% vs STLY July transient occupancy was down 1.9%. July leisure demand was up 2.9% versus business down 8.4%.

Occupancy					
4Q vs STLY	Overall	Group	Transient	Business	Leisure
Committed Occupancy	3.9%	3.2%	5.6%	1.5%	6.5%
Reserve Occupancy					
New Reservations Added over prior 30 days	-4.5%	-9.0%	-0.8%	-3.9%	-0.2%

ADR				
Overall	Group	Transient	Business	Leisure
1.7%	2.0%	1.5%		

Source: TravelClick and hotelAVE

2H16 ADR has challenging headwinds

- ADR OTB is 2.1% for August and September and 1.7% for 4Q16 versus 3.6% in July.
- YTD ADR is only down in 4 markets yet 12 markets have occupancy declines and 5 markets sold fewer rooms than STLY.
- In July, occupancy declined in 15 of 25 markets and rooms sold declined in 11 versus STLY. ADR was down in 6 markets including 5 markets with room sold declines.
- If you assume that negative occupancy puts pressure on ADR and shift in type of occupancy, then it's very likely that ADR flattens out more than expected in 2H16.
- Corporate demand has fallen off short term (old news) and forward demand shows trend continuing - replaced by lower rated leisure which further impairs overall ADR.
- Strong leisure (and strong pick up for summer) likely being "induced" by favorable rate offerings.
- Propping up 2H16 rate growth are definite group OTB and the 2016 corporate rates negotiated in 2015.

Election Impact?

How much of the 2H16 weakness are “decisions delayed” due to election outcome versus slowing marco fundamentals?

Date	Occupancy		ADR		RevPar		Supply		Demand	
	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg	This Year	% Chg
Jan 12	49.3	3.7	100.54	3.9	49.53	7.8	148,475,957	0.2	73,149,599	4.0
Feb 12	57.5	3.7	102.90	3.9	59.19	7.7	134,211,812	0.2	77,206,529	3.9
Mar 12	63.5	3.6	105.88	3.9	67.23	7.7	148,862,124	0.2	94,525,570	3.8
Apr 12	61.7	1.1	105.75	4.9	65.28	6.1	144,859,950	0.2	89,424,573	1.4
May 12	63.4	3.4	105.85	4.0	67.09	7.5	150,990,398	0.3	95,704,247	3.7
Jun 12	70.1	4.0	107.58	5.2	75.46	9.4	146,397,960	0.4	102,685,820	4.4
Jul 12	70.0	0.2	107.67	4.0	75.32	4.3	151,337,660	0.4	105,868,332	0.6
Aug 12	67.7	2.5	107.27	4.6	72.63	7.2	151,482,771	0.5	102,556,523	3.0
Sep 12	63.3	0.1	107.32	3.6	67.91	3.7	146,698,350	0.5	92,831,226	0.6
Oct 12	64.3	2.1	109.67	4.4	70.52	6.6	151,180,893	0.6	97,221,572	2.7
Nov 12	56.4	1.4	104.54	3.6	58.93	5.1	144,978,690	0.5	81,723,525	2.0
Dec 12	49.1	3.0	104.29	4.4	51.17	7.5	149,606,527	0.6	73,407,639	3.6
Dec 2012	61.4	2.3	106.02	4.2	65.10	6.6	1,769,083,092	0.4	1,086,305,155	2.7

Source: STR

Over the past 4 election years, RevPAR was slower in the second half of each election year by a median of 1.4 percentage points.

Consensus 2016 Annual RevPAR Outlook is 2% to 3%

Reported North America RevPAR Comparison 2Q2016 vs 2Q2015							
	1Q16 vs. 1Q15	2Q16 vs. 2Q15	1H16 vs. 1H15	3Q16 vs. 3Q15	4Q16 vs. 4Q15	2016E (as of July)	2016E (as of March)
Ashford	3.2%	5.7%	4.3%	N/A	N/A	No guidance	No guidance
Chesapeake	10.1%	2.2%	5.5%	0% - 2.0%	N/A	3.0% - 4.5%	5.0% - 7.0%
Chatham	2.6%	0.6%	0.2%	-1% - 1%	N/A	0.0% - 1.0%	2.0% - 3.5%
DiamondRock	-2.1%	0.8%	-0.7%	N/A	N/A	0.0% - 1.0%	2.0% - 4.0%
Extended Stay America	5.0%	3.3%	4.0%	N/A	N/A	No guidance	No guidance
FelCor	4.7%	2.6%	3.5%	N/A	N/A	3.0% - 4.0%	3.5% - 5.5%
Hersha	2.7%	2.6%	N/A	N/A	N/A	2.5% - 3.5%	4.0% - 6.0%
Hilton (US Systemwide)	1.8%	2.9%	2.4%	2% - 4%	N/A	2%-4% (really 2-3%)	3.0% - 5.0%
Host (Domestic)	3.4%	2.0%	2.6%	N/A	N/A	2.0% - 3.0%	3.0% - 4.0%
HPT	4.4%	4.9%	4.7%	N/A	N/A	No guidance	No guidance
Hyatt (US Full Service)	2.2%	3.2%	2.8%	N/A	N/A	2.0% - 3.0%	3.0% - 5.0%
Hyatt (US Select Service)	6.8%	6.9%	6.8%	N/A	N/A	2.0% - 3.0%	3.0% - 5.0%
LaSalle	2.1%	1.7%	1.8%	N/A	N/A	No guidance	No guidance
Marriott (US systemwide)	2.4%	3.2%	2.8%	3% - 4%	1%-3%	3.0%	3.0% - 5.0%
Pebblebrook	8.0%	2.5%	4.9%	-1%- 1%	N/A	2.0 - 3.0%	2.0% - 4.0%
RLJ	2.1%	1.9%	2.0%	N/A	N/A	1.5% - 2.5%	3.0% - 5.0%
Starwood (North America)	1.3%	3.1%	2.1%	3% - 4%	3% - 4%	3.0% - 4.0%	2.0% - 4.0%
Summit	4.5%	6.5%	5.5%	1% - 3%	N/A	3.0% - 4.5%	4.0% - 5.5%
Sunstone	1.5%	1.3%	1.3%	3.5%	N/A	0.5% - 2.5%	2.5% - 5.0%

Source: 2Q & 1Q 2016 Earnings Release; hotelAVE

Note*: Excludes currency effect and under renovation

2017 Outlook



2017 Outlook of 1% to 2% RevPAR Growth

- The major industry forecasters (PwC, PKF, STR) projected 2017 RevPAR growth to decelerate from 2016 .
- SunTrust, most recent analyst to forecast the industry, projecting 2017 RevPAR at 1-3%.
- National/supply growth forecast at 2.0% to 2.1% per STR; 3.5% in Top 25 markets.
- Corporate RFP season occurring during election uncertainty and with declines in business demand. Tougher to push rates.
- Group demand remains positive (although weakening as well). Demand outlook will likely be in low- to mid-single digits.
- Group pricing may come under pressure as more hotels seek to lock-in more group and new business pace is less than STLY.

Positive Forward Bookings for 2017 but Slowing

SMITH TRAVEL RESEARCH DATA					TRAVELCLICK DATA as of August 15					
Performance in Top 25 Markets	YTD July				Committed Occ. FTM (3Q16 - 2Q17)		3Q16	4Q16	1Q17	2Q17
	% Rms Avail	% Rms Sold	% Δ occ	% Δ ADR	Var % vs LY	Pace Var % vs LY	Var % vs LY	Var % vs LY	Var % vs LY	Var % vs LY
Anaheim, CA	2.4%	2.3%	-0.1%	4.8%						
Atlanta, GA	1.5%	0.3%	-1.2%	5.9%	-0.8%	-4.8%	8.0%	0.9%	-8.5%	-6.8%
Boston, MA	2.9%	-0.1%	-2.9%	2.2%	-0.4%	1.6%	1.5%	3.6%	-12.6%	4.8%
Chicago, IL	1.7%	-0.4%	-2.1%	-0.2%	3.3%	-1.7%	2.3%	3.0%	17.8%	13.3%
Dallas, TX	1.8%	4.5%	2.7%	5.1%	1.9%	-4.4%	3.3%	2.7%	7.0%	-7.3%
Denver, CO	3.6%	0.2%	-3.3%	6.0%	0.5%	-3.0%	2.1%	1.2%	12.1%	-8.9%
Detroit, MI	1.7%	2.0%	0.2%	3.5%	-1.3%	7.1%	3.3%	0.8%	7.9%	-8.4%
Houston, TX	5.2%	-3.6%	-8.3%	-2.2%	-8.9%	-5.8%	-5.0%	-20.3%	28.9%	-23.5%
LA/Long Beach, CA	-0.1%	2.5%	2.6%	9.7%	8.2%	-4.6%	5.5%	12.3%	20.7%	40.8%
Miami/Hialeah, FL	4.0%	2.8%	-1.1%	-2.0%	0.4%	-9.1%	6.5%	0.6%	-5.1%	-3.3%
Minne/St Paul, MN-WI	2.5%	1.6%	-0.8%	3.6%	7.7%	4.6%	13.9%	8.6%	17.7%	15.5%
Nashville, TN	2.2%	4.8%	2.6%	6.4%						
New Orleans, LA	2.1%	-0.5%	-2.6%	0.6%						
New York, NY	5.3%	5.4%	0.1%	-3.0%	2.8%	-8.5%	0.2%	7.1%	22.0%	7.1%
Norfolk, VA	-1.4%	2.5%	4.0%	4.4%						
Oahu Island, HI	0.1%	0.2%	0.1%	2.9%						
Orlando, FL	0.8%	-1.7%	-2.5%	4.1%	5.5%	8.5%	10.0%	2.0%	8.6%	12.6%
PHL, PA-NJ	0.8%	1.7%	1.0%	5.0%	-0.1%	-14.7%	4.9%	-6.2%	-9.8%	-4.2%
Phoenix, AZ	0.6%	3.1%	2.6%	0.0%	1.9%	10.0%	4.7%	1.3%	-3.3%	10.5%
San Diego, CA	1.5%	1.1%	-0.4%	2.4%	8.9%	-2.5%	9.5%	12.8%	16.5%	10.3%
SF/San Mateo, CA	0.9%	1.5%	0.6%	7.3%	-0.8%	-3.5%	-2.3%	3.5%	5.0%	-11.9%
Seattle, WA	3.0%	2.2%	-0.8%	3.0%	1.5%	4.0%	1.8%	-2.4%	18.7%	2.7%
St Louis, MO-IL	1.2%	3.0%	1.7%	1.0%	2.5%	0.0%	3.9%	10.2%	11.4%	-10.4%
Tampa/ St Pete, FL	0.5%	1.3%	0.7%	6.1%	2.8%	-1.6%	5.7%	4.7%	10.3%	-19.6%
DC-MD-VA	1.1%	2.2%	1.2%	1.5%	4.7%	-0.2%	6.7%	8.0%	15.3%	-1.3%
Total United States	1.5%	1.4%	-0.1%	3.2%	3.0%	-2.8%	4.4%	3.9%	9.4%	3.6%

Source: STR, TravelClick, hotelAVE

- This table shows STR history and TravelClick forward booking demand.
- YTD STR - Five markets had rooms sold declines and occupancy declined in 12 markets.
- Forward 12-month (FTM) demand appears good at 3.0%; six markets show FTM to be worse than the prior 12 months (50% more than last month). Longer lead group (+4.7%) likely booked prior to 2016 suggests that transient FTM demand is down to STLY.
- The forward quarterly data shows that 11 markets will be weaker in 2Q17 vs. 2Q16.
- The “Pace” column is of most concern as described on the next page.

Forward 12 Month Pace is Increasingly Negative

TRAVELCLICK DATA							
Performance in Top 25 Markets	Forward 12 Month Pace As Of:						
	Pace 8/16	Pace 7/16	Pace 6/16	Pace 5/16	Pace 4/16	Pace 3/16	Pace 2/16
Anaheim/Santa Ana, CA							
Atlanta, GA	-4.8%	-3.4%	-8.9%	-1.5%	-8.9%	5.7%	1.4%
Boston, MA	1.6%	-7.7%	-4.5%	-5.4%	-12.5%	-4.8%	4.8%
Chicago, IL	-1.7%	-10.1%	-3.9%	-2.0%	-3.2%	-1.0%	1.4%
Dallas, TX	-4.4%	-12.2%	-9.6%	6.5%	-2.1%	1.2%	6.7%
Denver, CO	-3.0%	1.6%	-7.8%	-9.7%	-9.4%	-8.7%	-2.1%
Detroit, MI	7.1%	-16.8%	-2.3%	-0.9%	8.2%	-4.5%	-13.8%
Houston, TX	-5.8%	-12.2%	-13.1%	-4.7%	-20.6%	-2.4%	1.1%
Los Angeles/Long Beach, CA	-4.6%	3.6%	-7.1%	1.4%	-2.7%	0.4%	8.7%
Miami/Hialeah, FL	-9.1%	0.8%	5.7%	2.9%	0.2%	-5.8%	-3.9%
Minneapolis/St Paul, MN-WI	4.6%	-7.3%	-9.6%	-0.5%	7.4%	-1.9%	3.2%
Nashville, TN							
New Orleans, LA							
New York, NY	-8.5%	0.0%	-5.2%	-1.9%	-16.6%	1.7%	0.1%
Norfolk/Virginia Beach, VA							
Oahu Island, HI							
Orlando, FL	8.5%	-2.2%	-12.9%	45.2%	-10.6%	6.1%	1.9%
Philadelphia, PA-NJ	-14.7%	-6.8%	-0.1%	9.3%	0.2%	-0.5%	5.3%
Phoenix, AZ	10.0%	-10.8%	13.1%	3.8%	-12.1%	-2.9%	8.9%
San Diego, CA	-2.5%	-5.5%	-3.1%	-8.2%	-21.7%	3.8%	0.2%
San Francisco/San Mateo, CA	-3.5%	3.7%	-10.3%	0.4%	-1.8%	1.8%	-3.1%
Seattle, WA	4.0%	-2.7%	4.6%	-5.5%	-21.5%	-3.0%	0.7%
St Louis, MO-IL	0.0%	2.3%	-3.6%	-4.1%	-4.2%	-8.9%	-10.0%
Tampa/ St Petersburg, FL	-1.6%	2.0%	2.7%	1.8%	9.9%	-11.5%	-5.7%
Washington, DC-MD-VA	-0.2%	-11.7%	4.2%	3.1%	-7.6%	-0.7%	-4.0%
Total United States	-2.8%	-3.6%	-4.4%	2.4%	-7.1%	-0.2%	1.0%

Source: TravelClick and hotelAVE

- Travelclick tracks new demand (Pace) added over the prior 30 days for forward 12 months.
- Beginning in March, the industry started booking less demand for future dates vs. STLY and the negative trend continues.
- Except for Tampa and Miami, there are no other markets with consistently positive forward booking trends (Note: Miami 8/16 pace impacted by Zika).
- This data supports less short-term group, 2018 group and corporate being booked for FTM versus STLY.

Planning for 2017

- We will plan nationally for:
 - 1% to 2% national RevPAR growth,
 - Flat occupancy,
 - 1-2% ADR growth.
- Each market is different. To determine outlook, evaluate/quantify:
 - New Supply versus STLY,
 - Demand trends,
 - “Health” of each demand generator’s industry as part of each RFP strategy,
 - Citywide demand trends - TAP report by quarter versus STLY and 3-year average,
 - Group pace and booking productivity (Group pace may create false confidence as short term group has been weaker).
- Revisit New Supply protocols (protect key accounts and key personnel).
- Continue aggressive cost containment.

Hotel Asset Value Enhancement

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