



# HOSPITALITY MARKET OVERVIEW: DEMAND DRIVERS & THE FINANCE LANDSCAPE

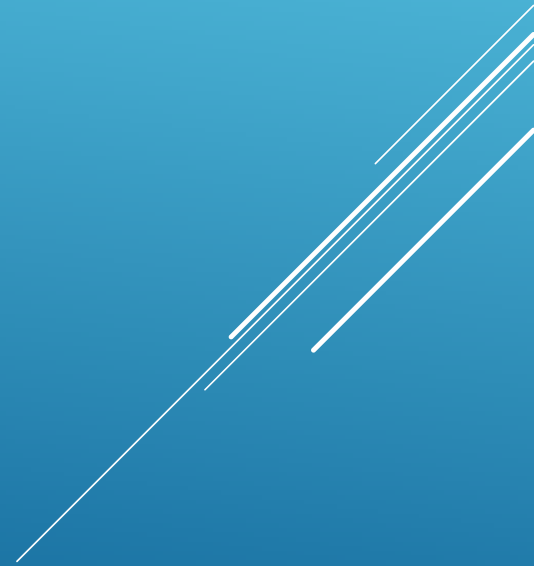
A REAL ESTATE FINANCE ASSOCIATION (REFA)  
PROGRAM  
TUESDAY, FEBRUARY 17<sup>TH</sup>, 2015

Presented by

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Pinnacle Advisory Group

# NATIONAL LODGING MARKET





Source: STR

# US OCCUPANCY 2000-2014



Source: STR

# US AVERAGE DAILY RATE 2000-2014



	2015	2016
Supply	+1.30%	+1.40%
Demand	+2.40%	+2.40%
OCC	+1.20%	+0.80%
ADR	+5.20%	+5.00%
RevPAR	+6.40%	+5.90%
<i>SOURCE: STR</i>		

## 2015 AND 2016 PROJECTIONS

# BOSTON AND CAMBRIDGE





Source: Pinnacle Advisory Group

# BOSTON/CAMBRIDGE OCCUPANCY 2000-2014



Source: Pinnacle Advisory Group

# BOSTON/CAMBRIDGE AVERAGE DAILY RATE 2000-2014



DEMAND FACTORS:

STRONG OFFICE MARKET, LOW UNEMPLOYMENT, STRONG CONVENTION DEMAND, STRONG ECONOMY

SUPPLY FACTORS:

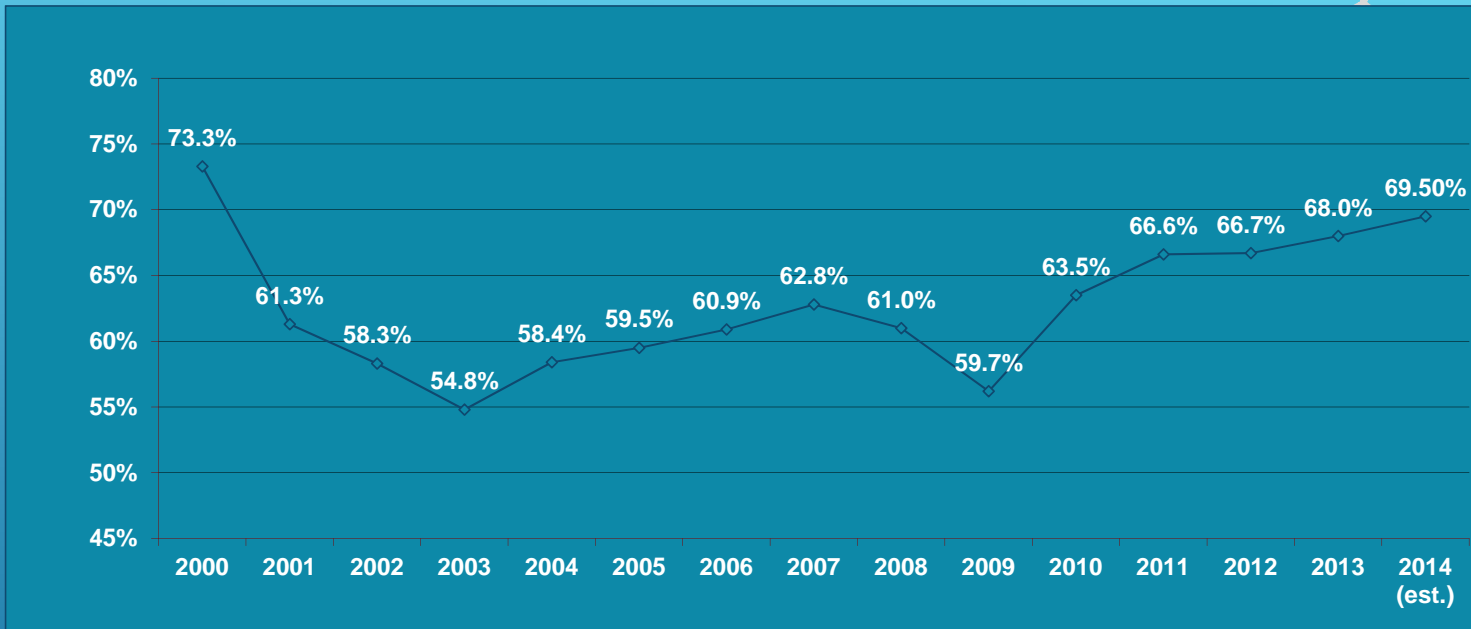
8 HOTELS – APPROXIMATELY 1,400 ROOMS TO OPEN 2015  
LONG TERM – 8,100 PROPOSED WITH 1,100 UC AND  
2,900 BRA APPROVED

2015 PROJECTIONS:

81% OCCUPANCY, \$256 AVERAGE DAILY RATE,  
\$207 REVPAR

# SUBURBAN BOSTON





Source: STR compiled by Pinnacle Advisory Group

# SUBURBAN BOSTON OCCUPANCY 2000-2014



Source: STR compiled by Pinnacle Advisory Group

# SUBURBAN BOSTON AVERAGE DAILY RATE 2000-2014

DEMAND FACTORS:

STRONG OFFICE MARKET INNER SUBURBS,  
IMPROVEMENTS IN OUTER SUBURBS,  
IMPROVING ECONOMY

SUPPLY FACTORS:

3 NEW HOTELS, 2 UC

LONG TERM – MARKET BY MARKET – MOSTLY SELECT SERVICE

2015 PROJECTIONS: 70% OCCUPANCY,  
\$128 AVERAGE DAILY RATE, \$89.60 REVPAR

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212/292-4824



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Point Drive, Ste. 150  
Tampa, FL 33067  
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4507 38th Street North  
Arlington, VA 22207  
703/531-1320



6 Town Landing  
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