



# UConn/GHAR Annual Conference

*June 8, 2022*

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# Today's Agenda

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1. **Historic Overview**
2. **Current Economic Indicators**
3. **Recent Trends**
4. **Future Outlook**

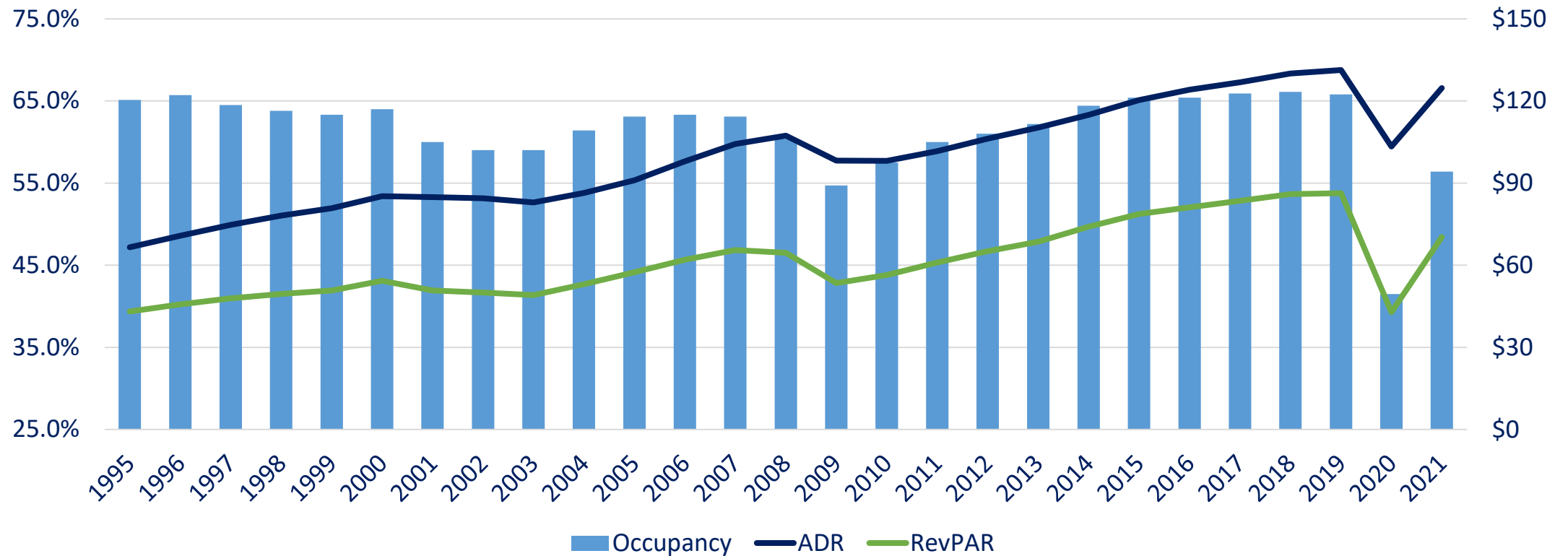




# ***Historic Overview***

# Historic Market Performance

## Historic Lodging Performance 1995 to 2021

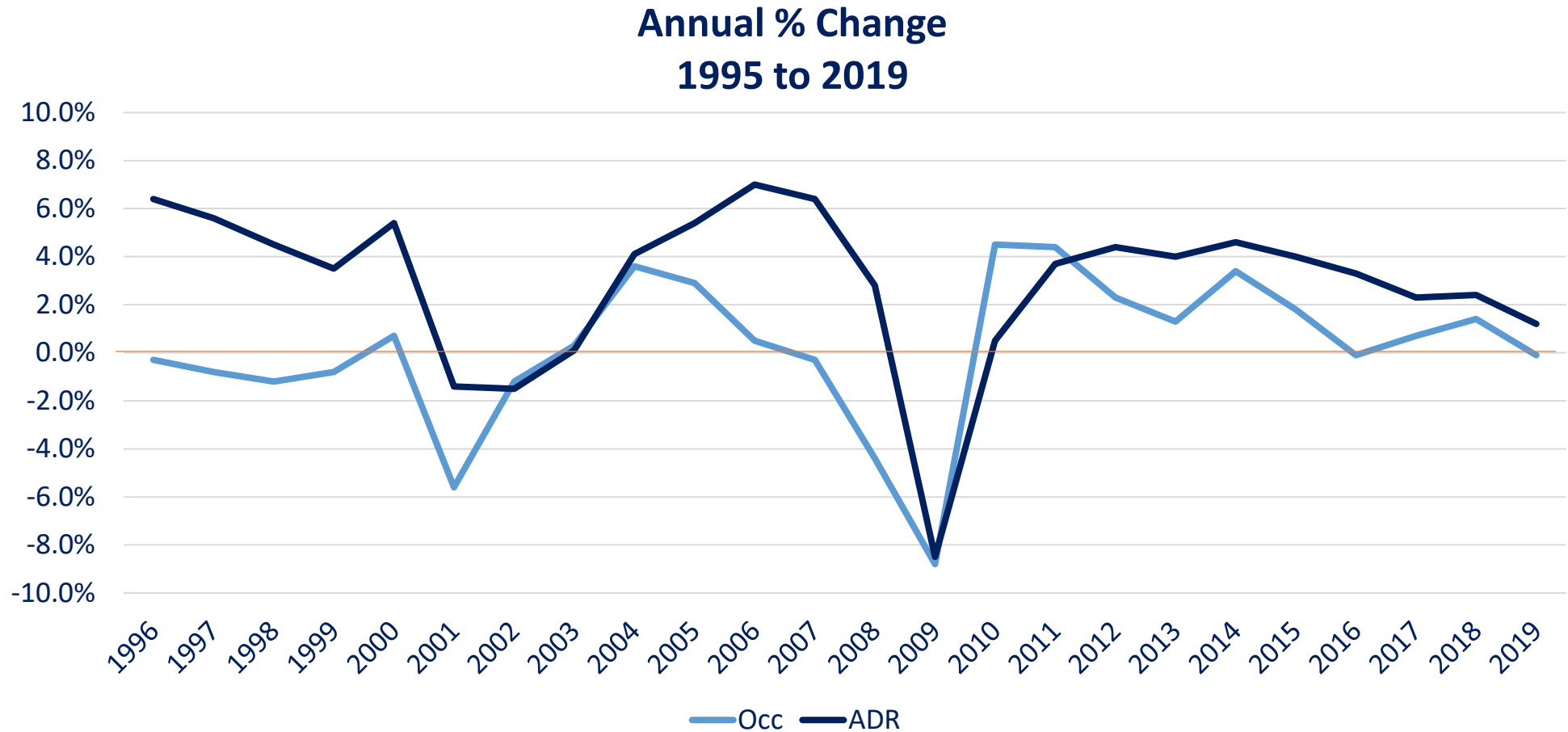


\* 2020 & 2021 reflect Total Room Inventory

Source: STR



# Occupancy & ADR



Source: STR

# YE2021 & Q1 2022

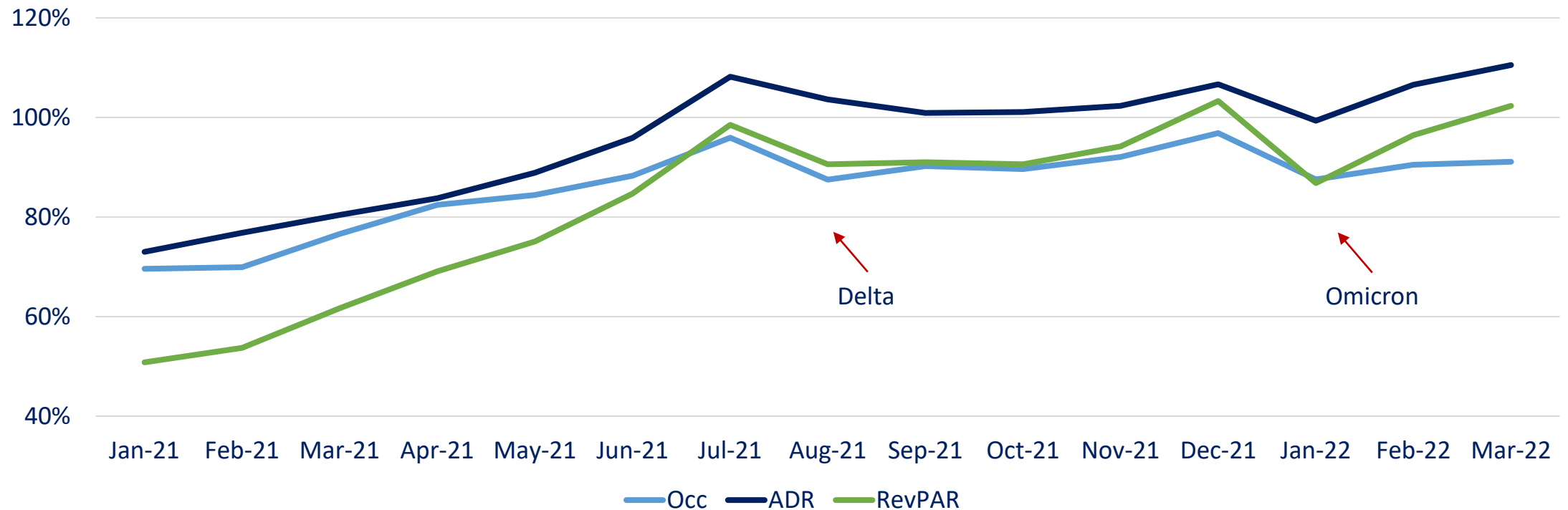
	2019	2020	2021
Occ %	66.1%	41.5%	56.4%
ADR	\$131	\$103	\$125
RevPAR	\$87	\$43	\$70
RevPAR Index		49%	80%

	Q1 2019	Q1 2021	Q1 2022
Occ %	61.8%	44.5%	55.6%
ADR	\$129	\$100	\$137
RevPAR	\$80	\$44	\$76
RevPAR Index		55%	95%

\* 2020 & 2021 reflect Total Room Inventory  
Source: STR

# Current Recovery

Monthly Performance, Indexed to 2019



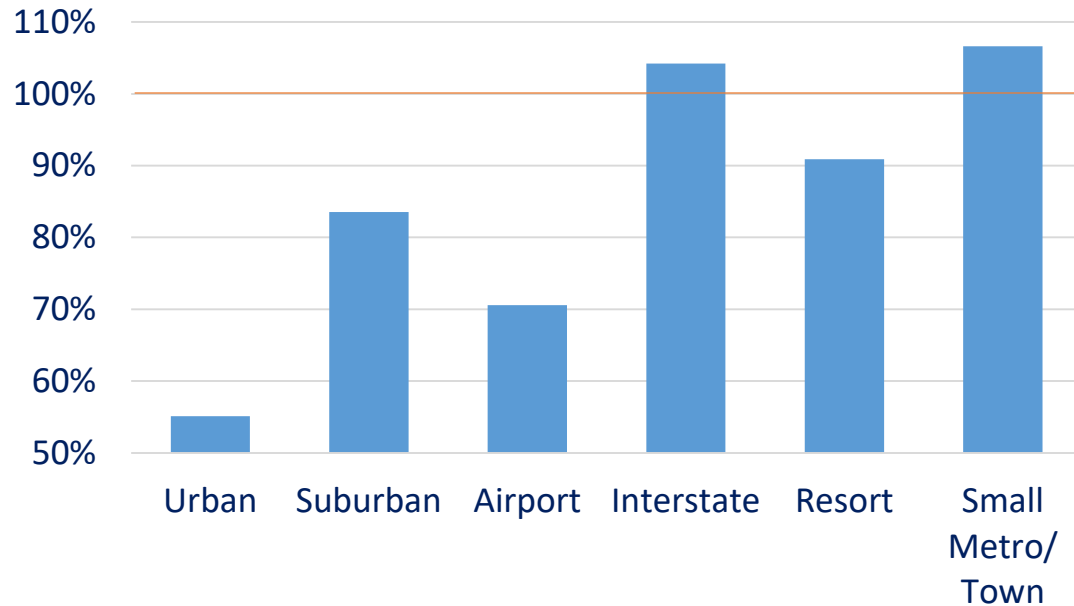
\* 2021 and 2022 reflect Total Room Inventory

Source: STR

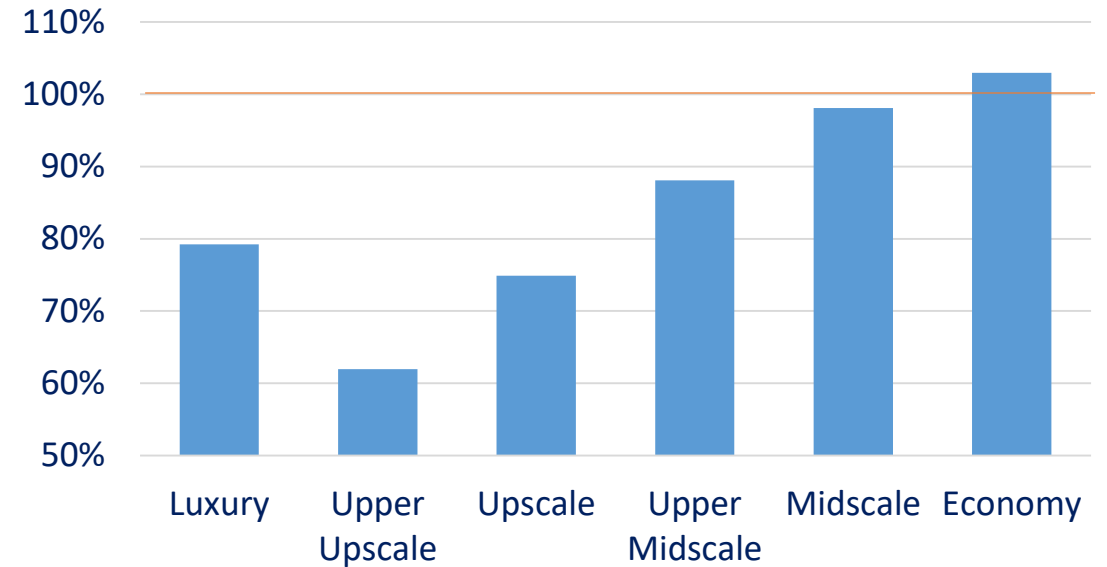
# An Uneven Recovery

## 2021 RevPAR, Indexed to 2019

### By Location Type



### By Hotel Class

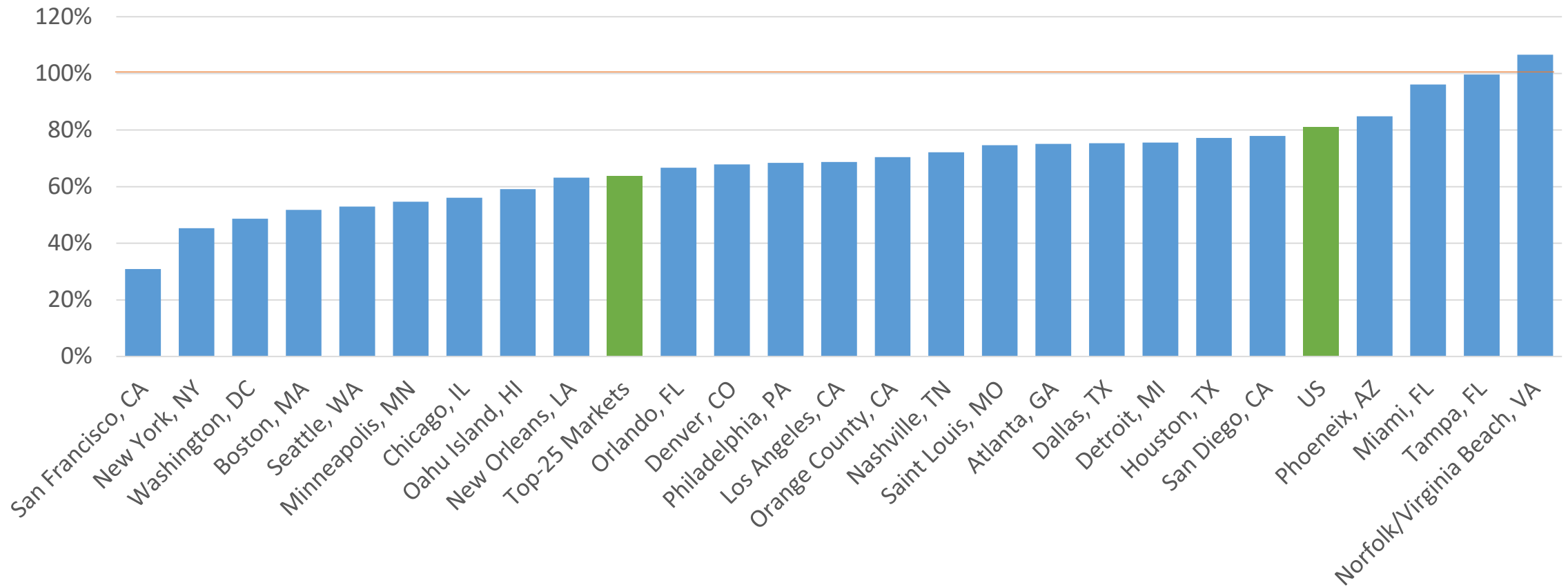


*\* 2021 reflects Total Room Inventory*  
*Source: STR*



# Top-25 Markets, YE2021

2021 RevPAR, Indexed to '19



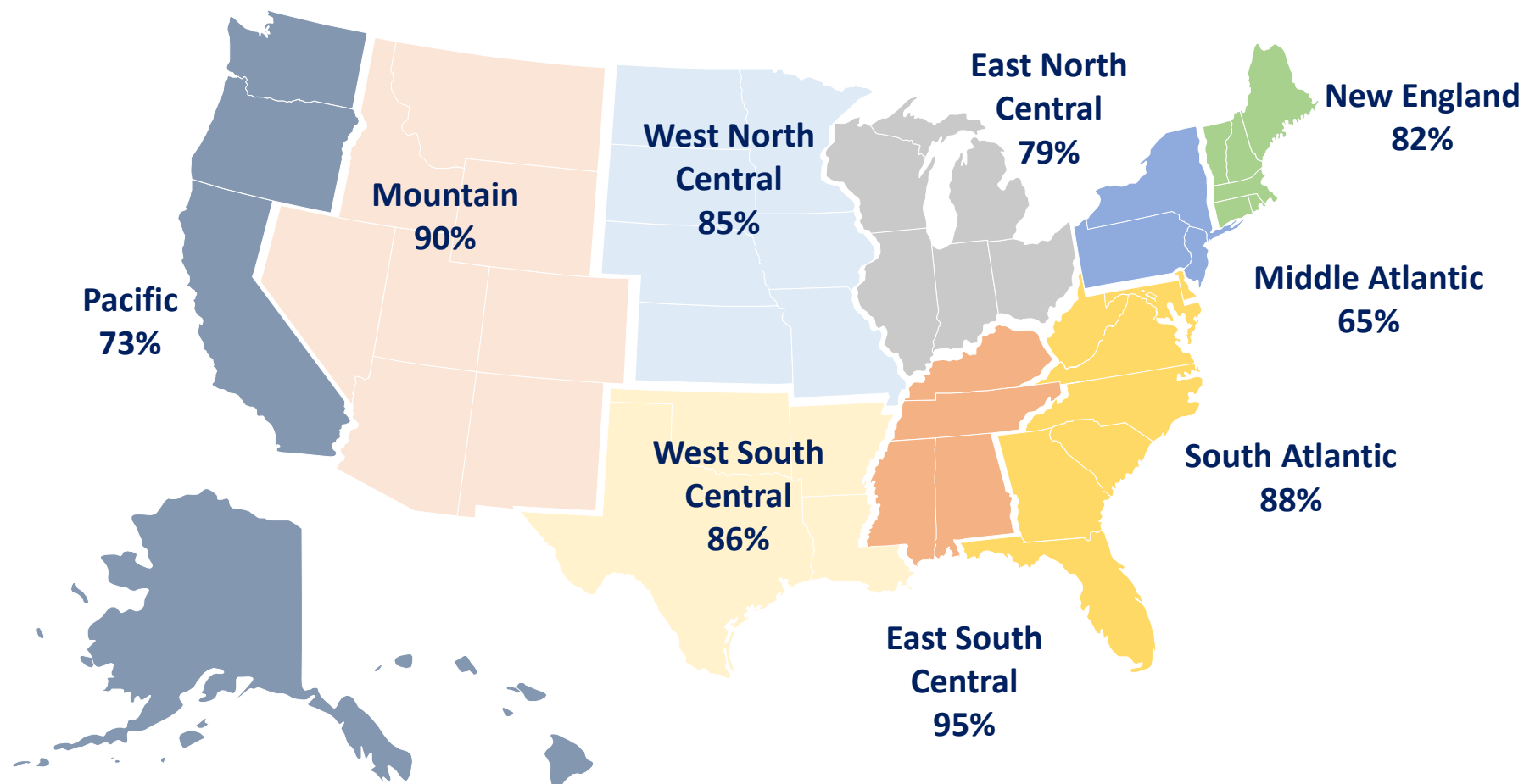
\* 2021 reflects Total Room Inventory

Source: STR



# Recovery by Region

2021 RevPAR Indexed to 2019



\* 2021 reflects Total Room Inventory  
Source: STR





# ***Current Economic Indicators***

# Economic Trends

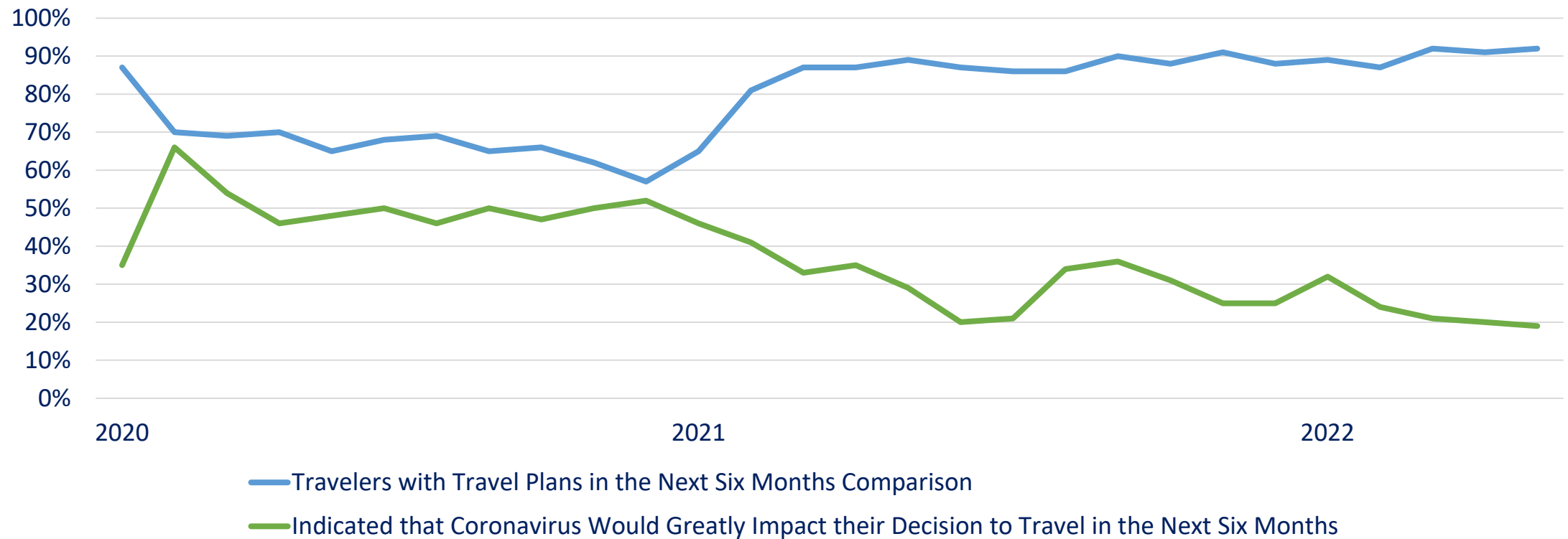
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- **Headwinds likely to improve over time. Unlikely to derail progress to date**
  - COVID-19, waves, surges, etc
  - Russia/Ukraine
  - Inflation
  - Labor Force
- **Positive Economic Trends**
  - Jobs gained, 2m short of pre-pandemic levels
  - Wealth accumulation; shift from saving to spending (on services).
  - Consumer sentiment may be down but not reflected in retail sales
- **Resiliency, people want to travel, “live with Covid” mentality grows.**



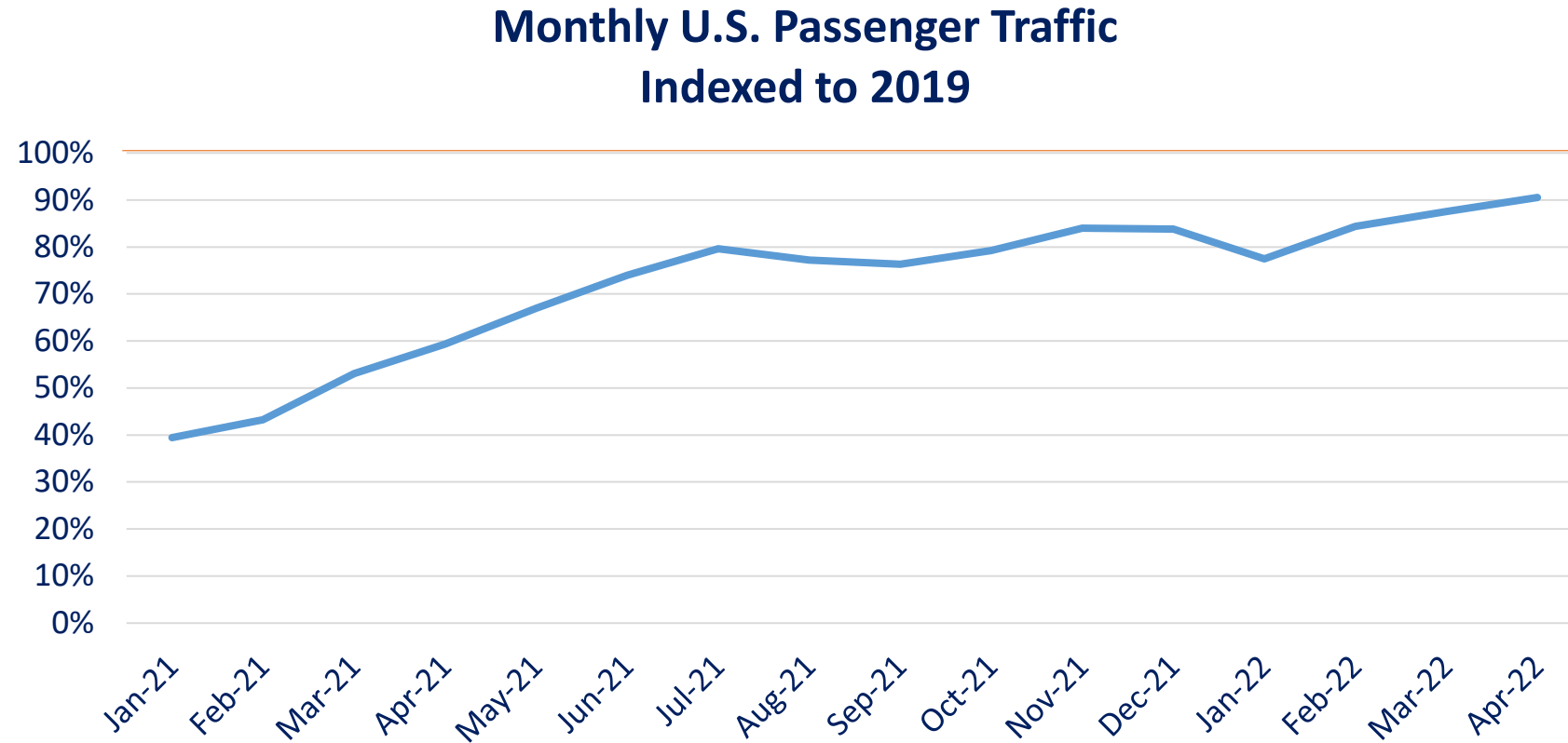
# Consumer Sentiment

## Travel Sentiment & COVID-19 Impact



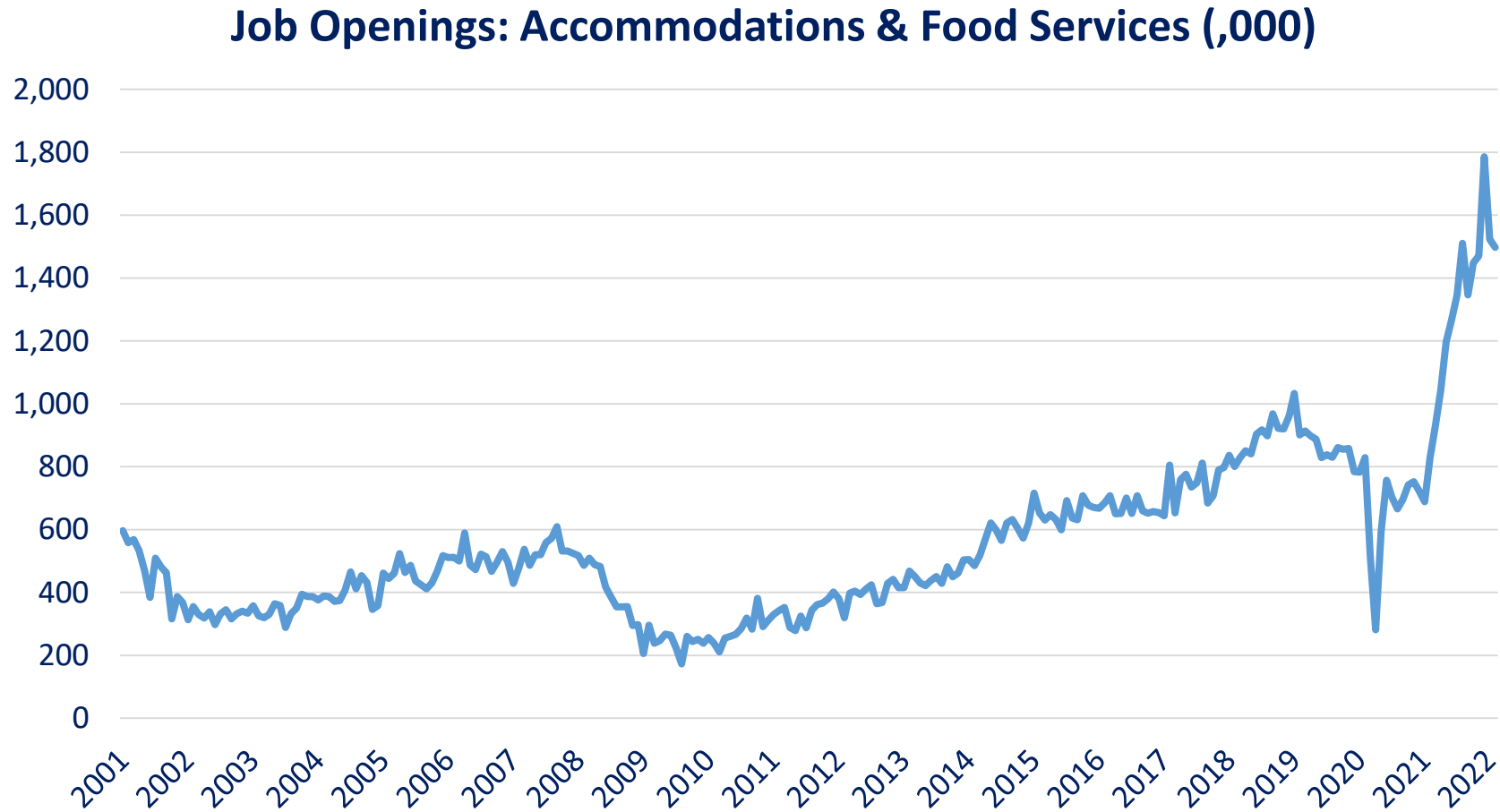
Source: Longwoods International  
Monthly survey from a consumer panel of 1,000 adults

# U.S. Air Travel



Source: TSA

# Open Jobs

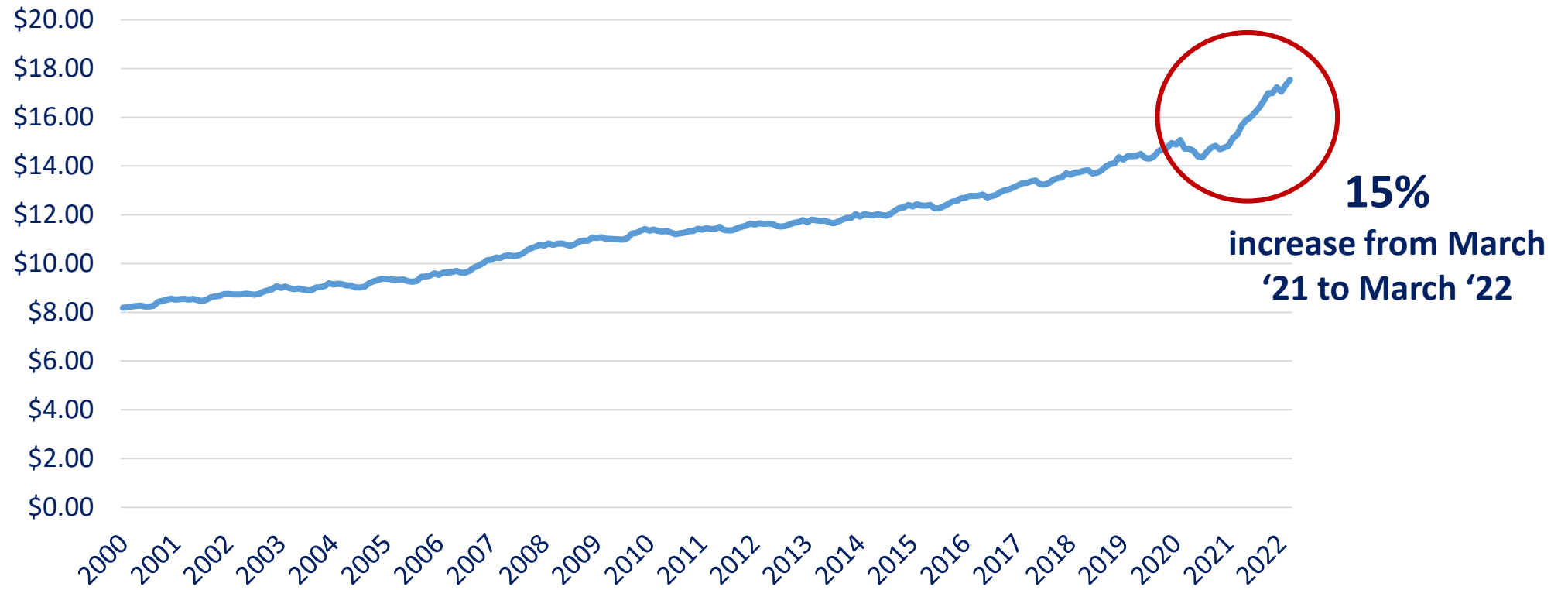


Source: Bureau of Labor Statistics



# Hourly Wages

## Average Hourly Earnings of Production and Nonsupervisory Employees, Leisure and Hospitality



Source: Bureau of Labor Statistics







# ***Recent Lodging Trends***

# Today's Trends & Hot Topics in Lodging

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- **Leisure demand outpacing pre-pandemic levels**
- **The return of corporate demand**
- **Group demand's growth in Q1**
- **Leisure-driven ADR, impact moving forward**
- **Operating margins**
- **Development pipeline**



# ***Future Lodging Outlook***

# Industry Projections – National, YOY % Change

## 2022

	CBRE	STR
Occ	6.7%	10.8%
ADR	10.1%	7.2%
RevPAR	17.5%	19.4%
RevPAR Index	95%	99%

## 2023

	CBRE	STR
Occ	5.2%	3.6%
ADR	6.0%	4.5%
RevPAR	11.5%	7.0%
RevPAR Index	106%	107%

*\* 2021 reflects Total Room Inventory*

*Source: STR (March 2022), CBRE (March 2022)*



# Industry Forecast

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- Latest LARC industry forecast is US RevPar @ 27.3% increase to \$91.48 in 2022
- This is 5% over 2019 (a pre-Covid benchmark) (all rate, not occupancy)
- EBITDA will grow 60% in 2022 and will recover to 2019 levels by 2023
- Hotel values will recover to 2019 levels by end of 2022



# Connecticut

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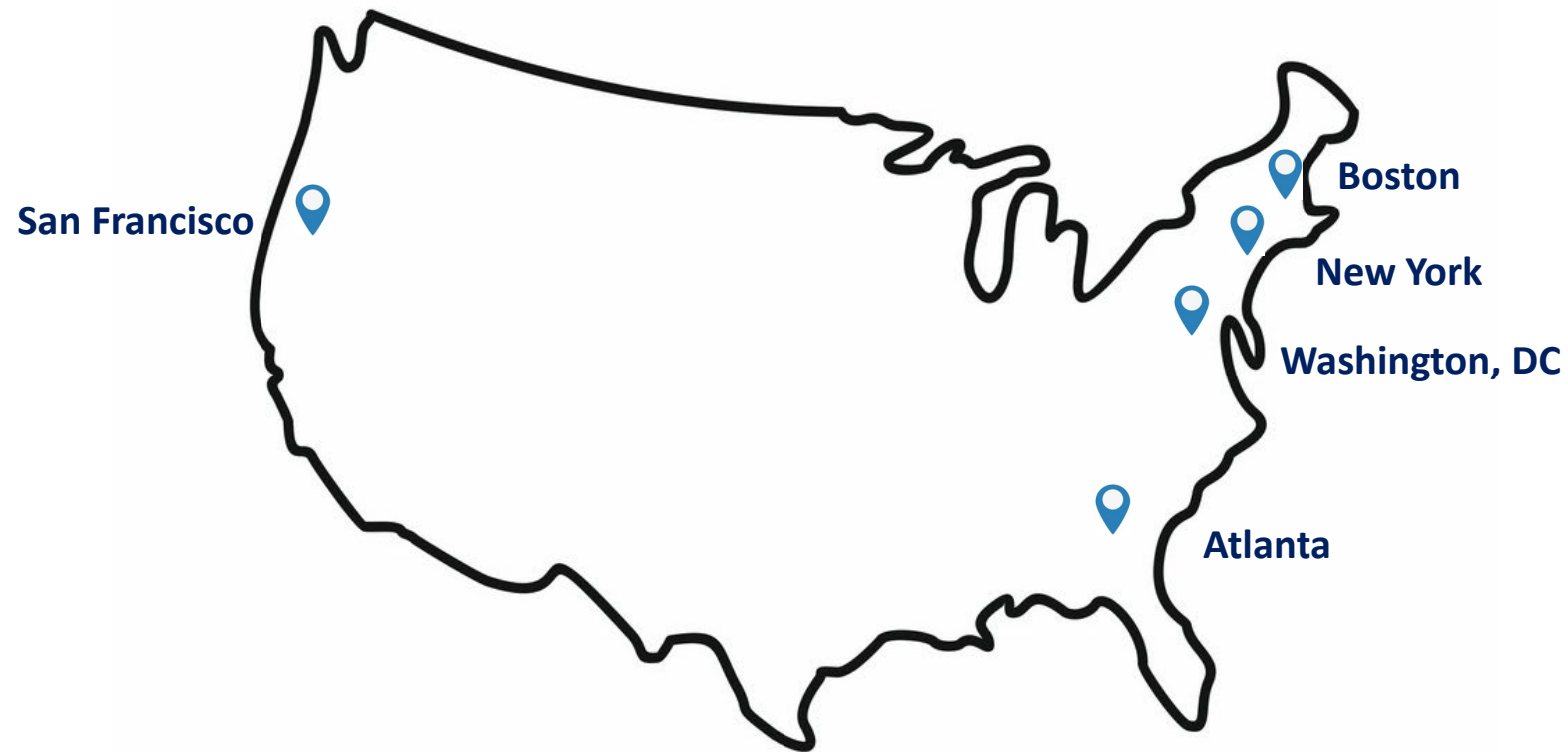
**Limited published CT information, but some relevant general statistics**

Hartford Market Trailing 12 months as of March		
Occupancy	57.2%	+54.3%
ADR	\$107.86	+29.1%
RevPAR	\$81.70	+99.3%

# RevPAR Growth

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## Bottom Revpar Growth Markets 2019 – 2026 (LARC)





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