ISHC 2014 Annual Conference

Keeping Up With the Tempo
Global Performance Update

Randy Smith, Chairman and Founder, STR
Amanda Hite, President and COO, STR
Elizabeth Winkle, Managing Director, STR Global

Total US - Key Statistics

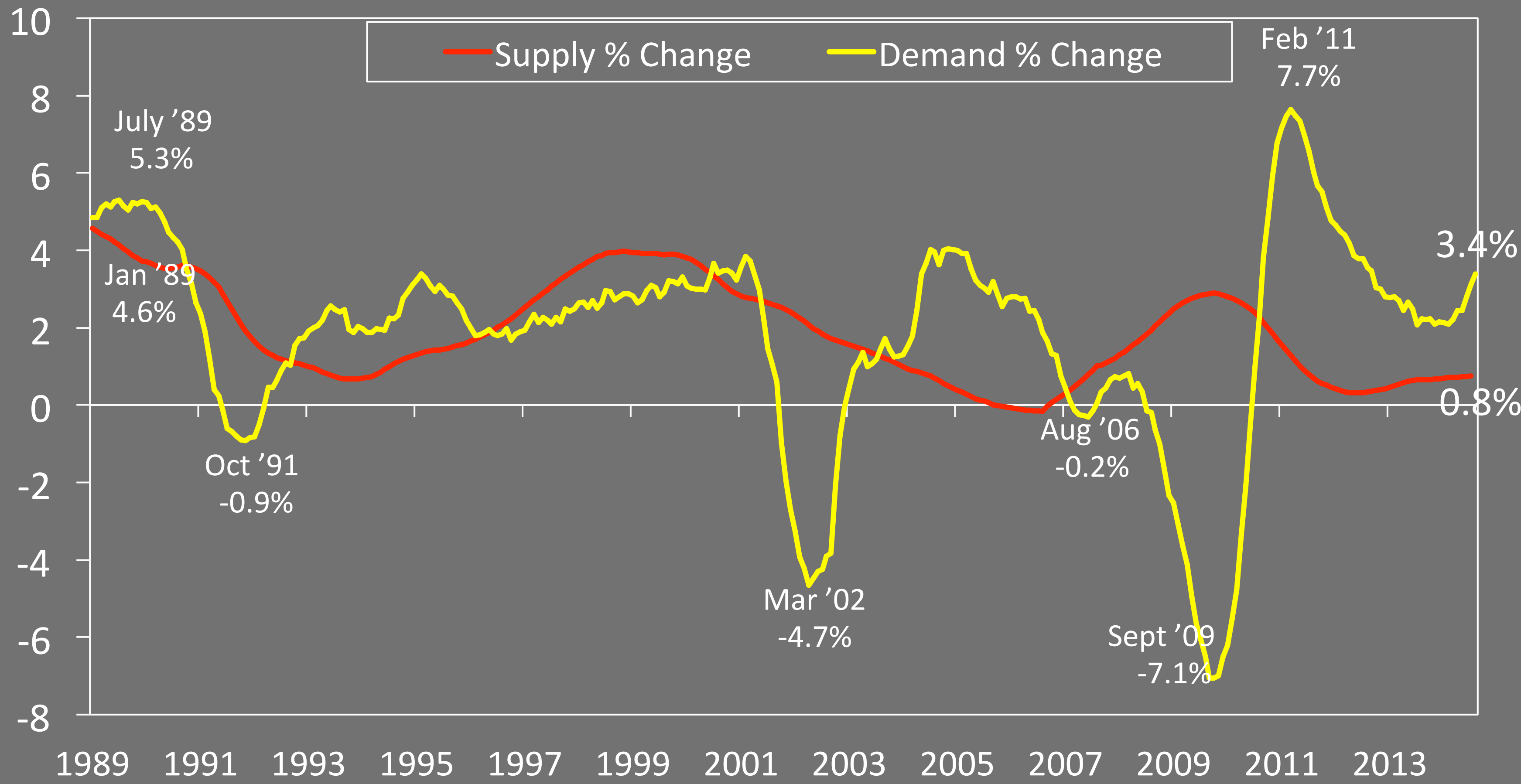
12-Months Ending July 2014

		% Change
• Hotels	53 k	
• Room Supply	1.8 bn	0.8%
• Room Demand	1.1 bn	3.4%
• Occupancy	63.4%	2.6%
• ADR	$113.16	4.0%
• RevPAR	$71.75	6.7%
• Room Revenue	$128.4 bn	7.5%

Total United States

Room Supply/Demand Percent Change

Twelve Month Moving Average – 1989 to July 2014



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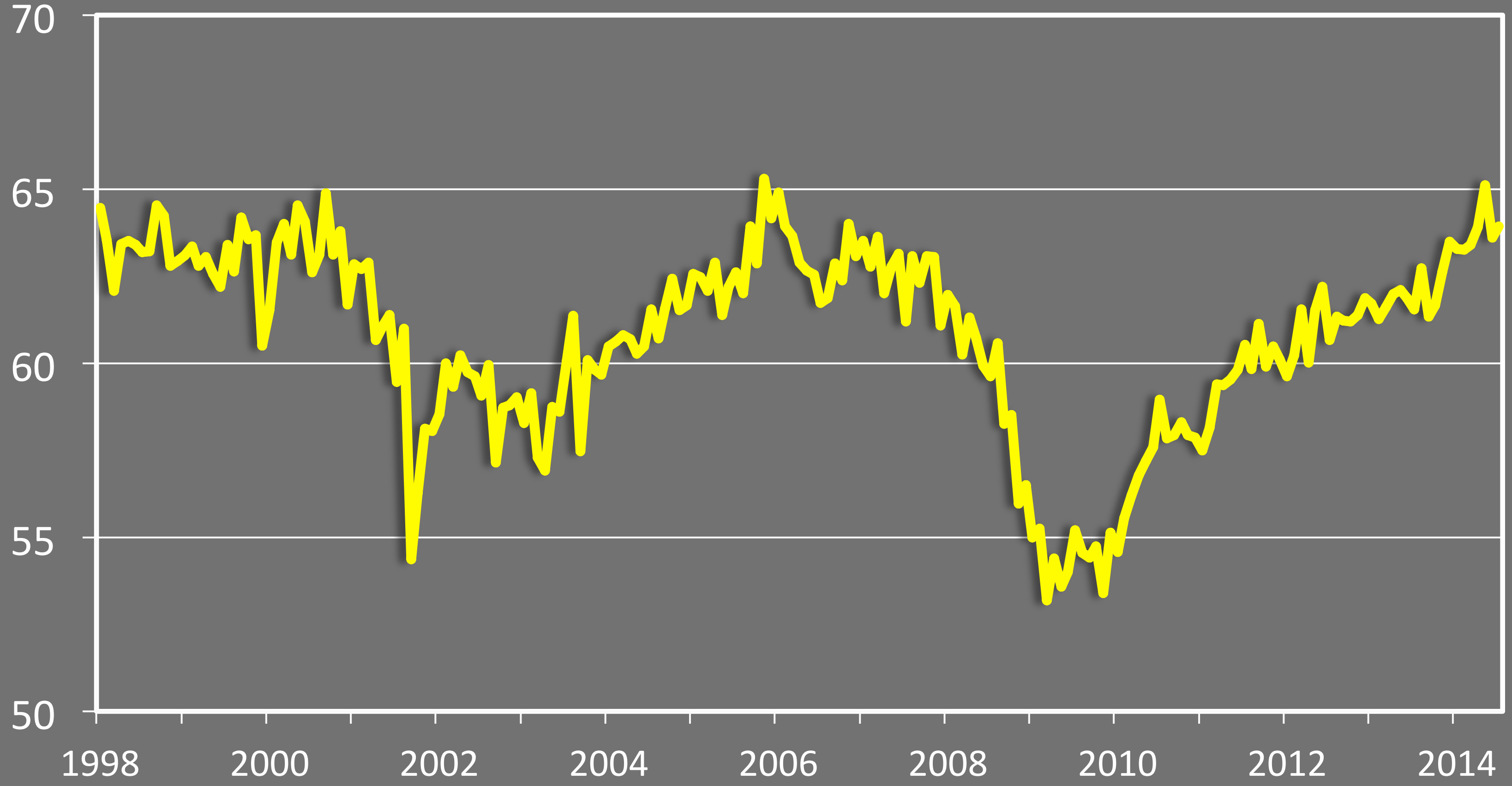
Total United States

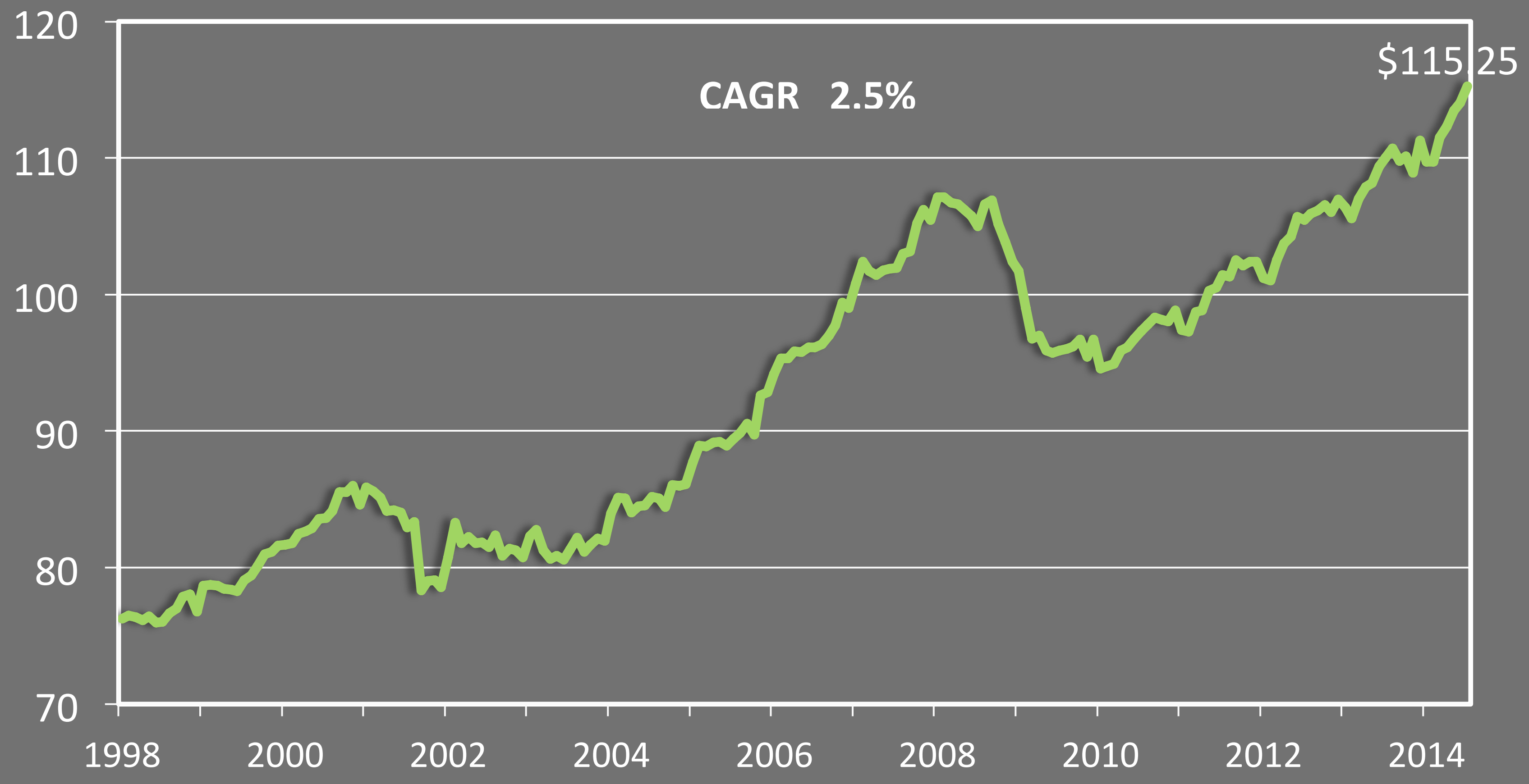
Occupancy Percent – Seasonally Adjusted

1998 to July 2014

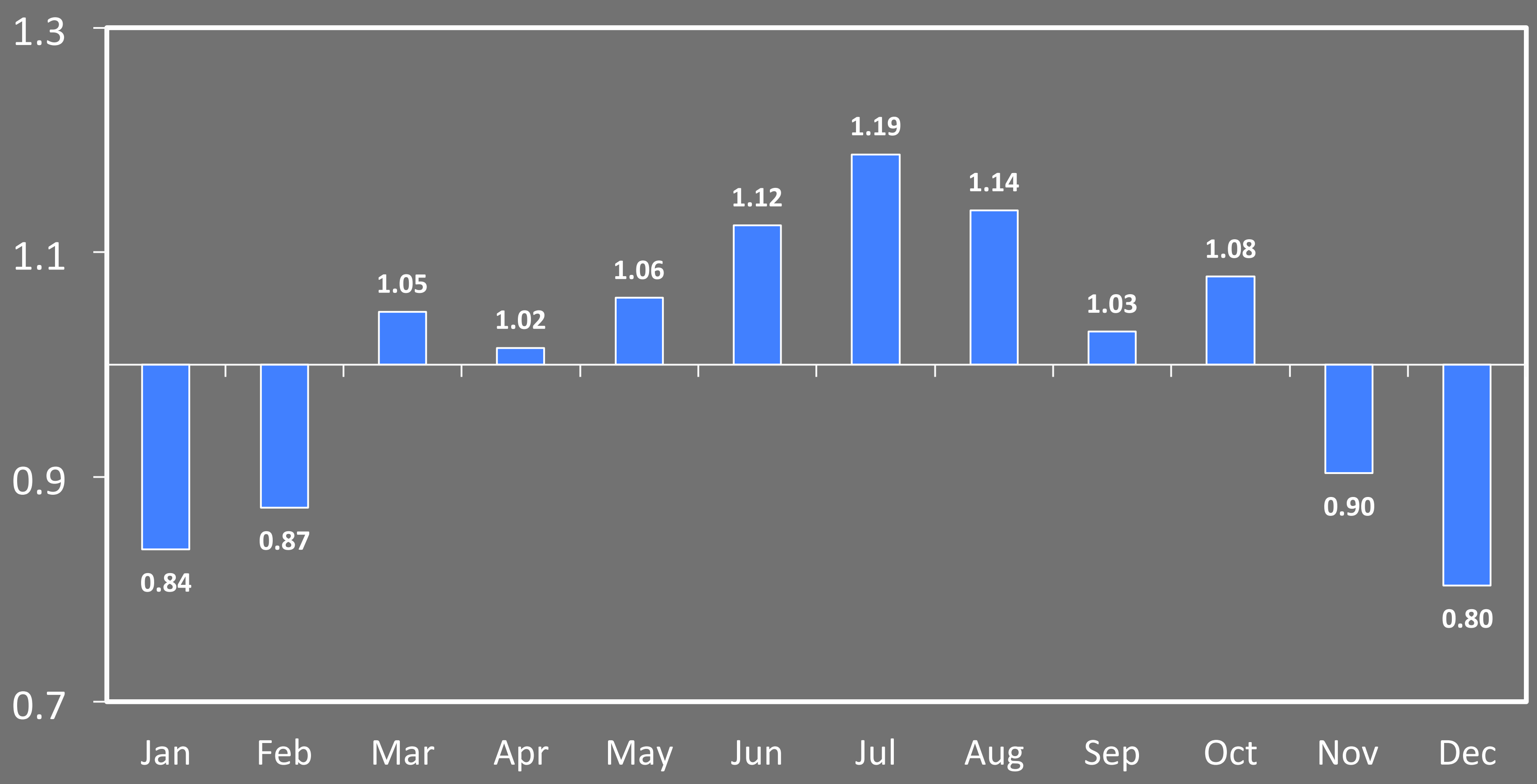


Total United States

ADR – Seasonally Adjusted
1998 to July 2014



Total US
Room Demand Seasonal Factors
Jan 2003 – Jun 2014



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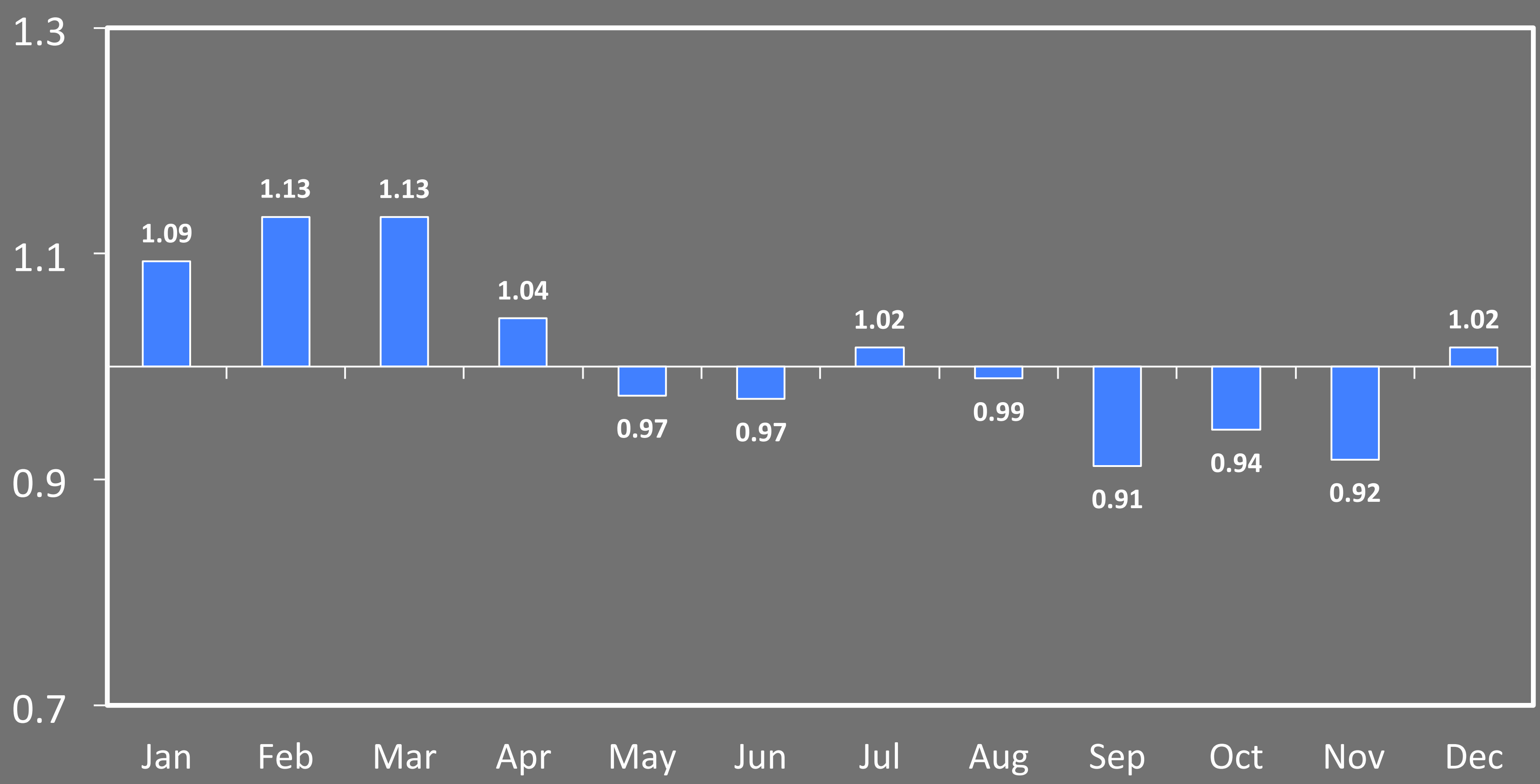
Total US
ADR Seasonal Factors
Jan 2003 – Jun 2014



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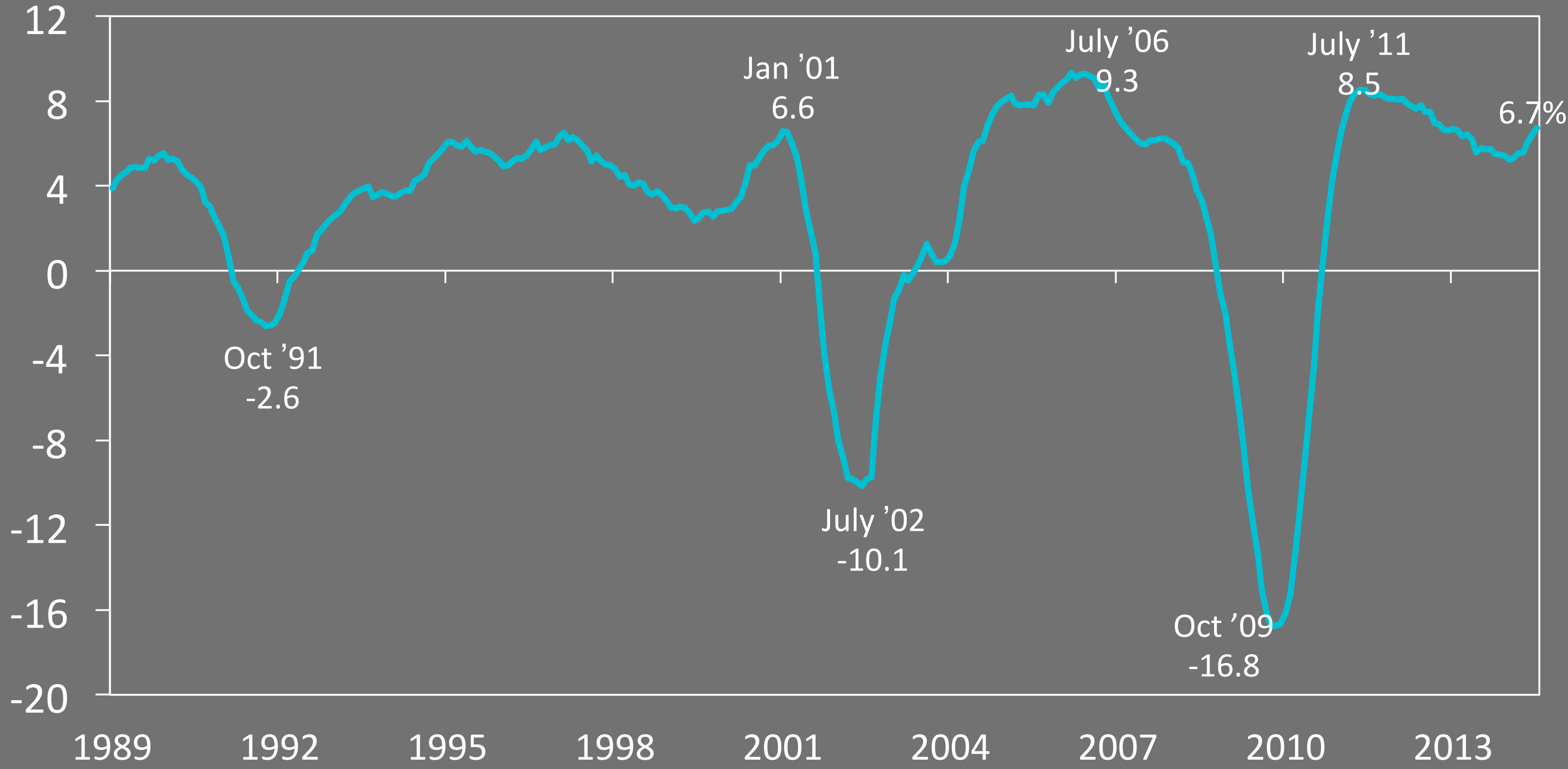
Total United States

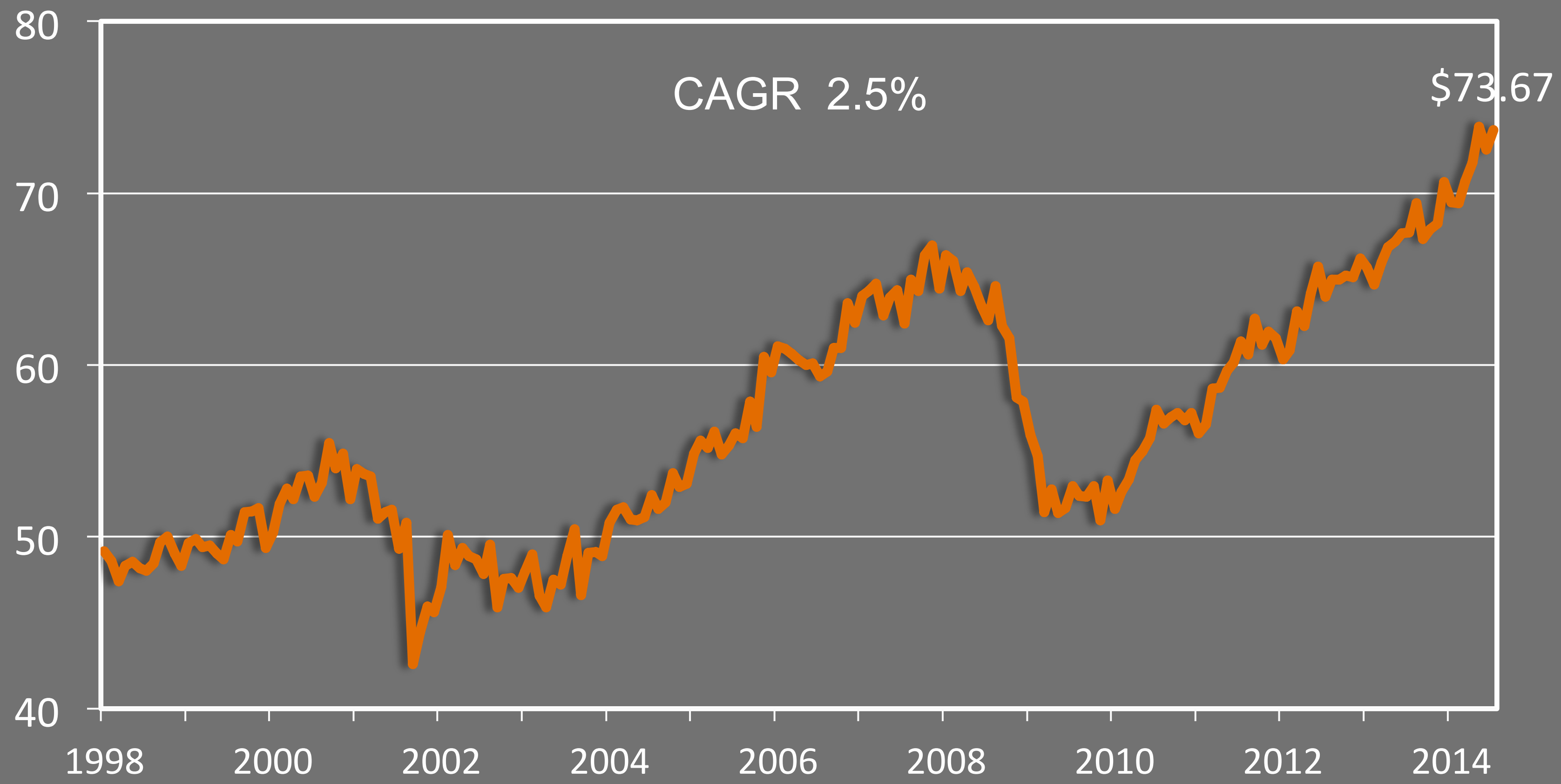
RevPAR Percent Change

Twelve Month Moving Average – 1989 to July 2014



Total United States

RevPAR – Seasonally Adjusted
1998 to July 2014



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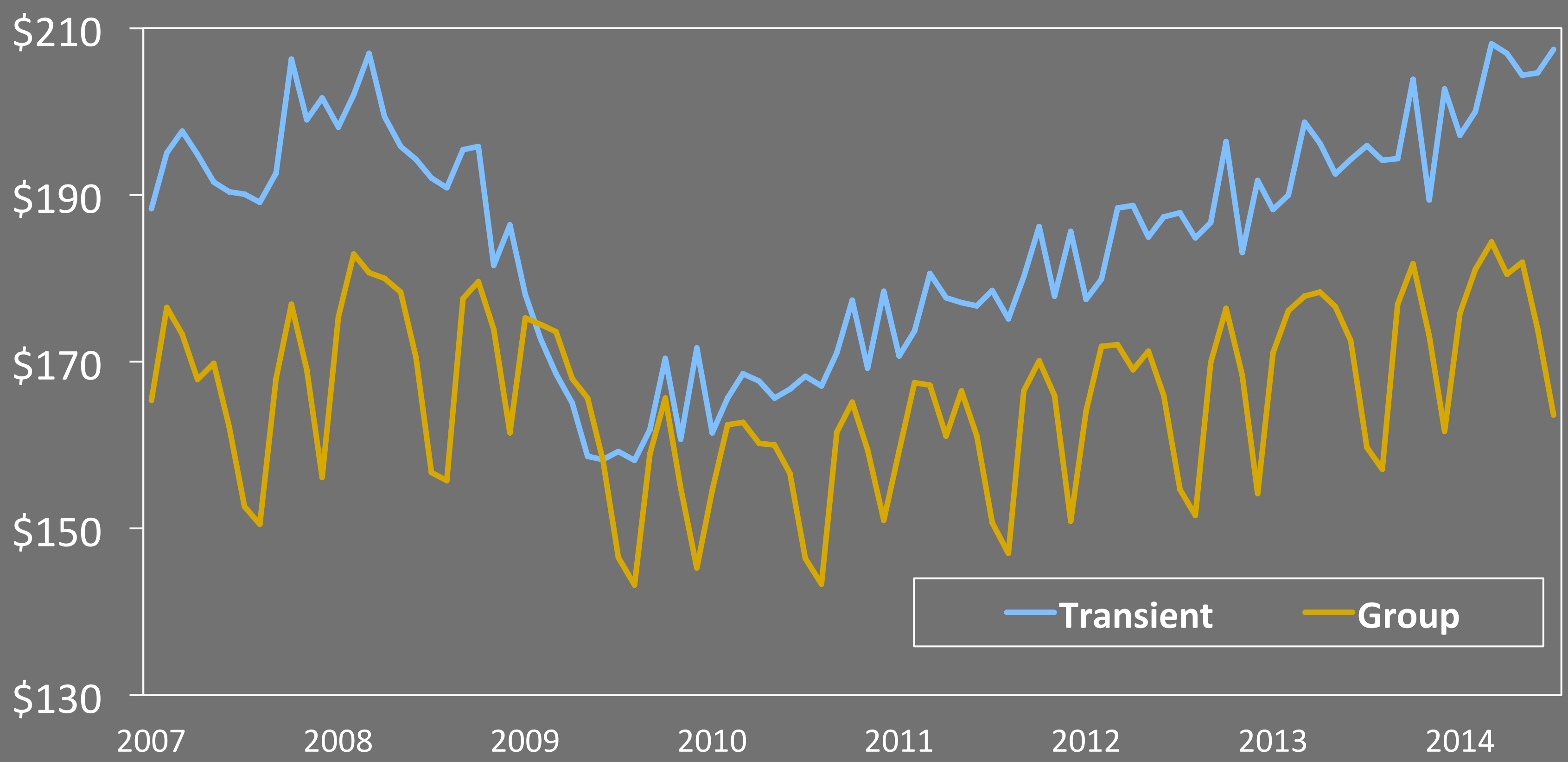
Total United States

US Transient vs. Group Monthly ADR ($)

January 2007 – July 2014



NOTE: Data is for luxury and upper upscale classes only.

Total United States

Transient Room Demand Percent Change

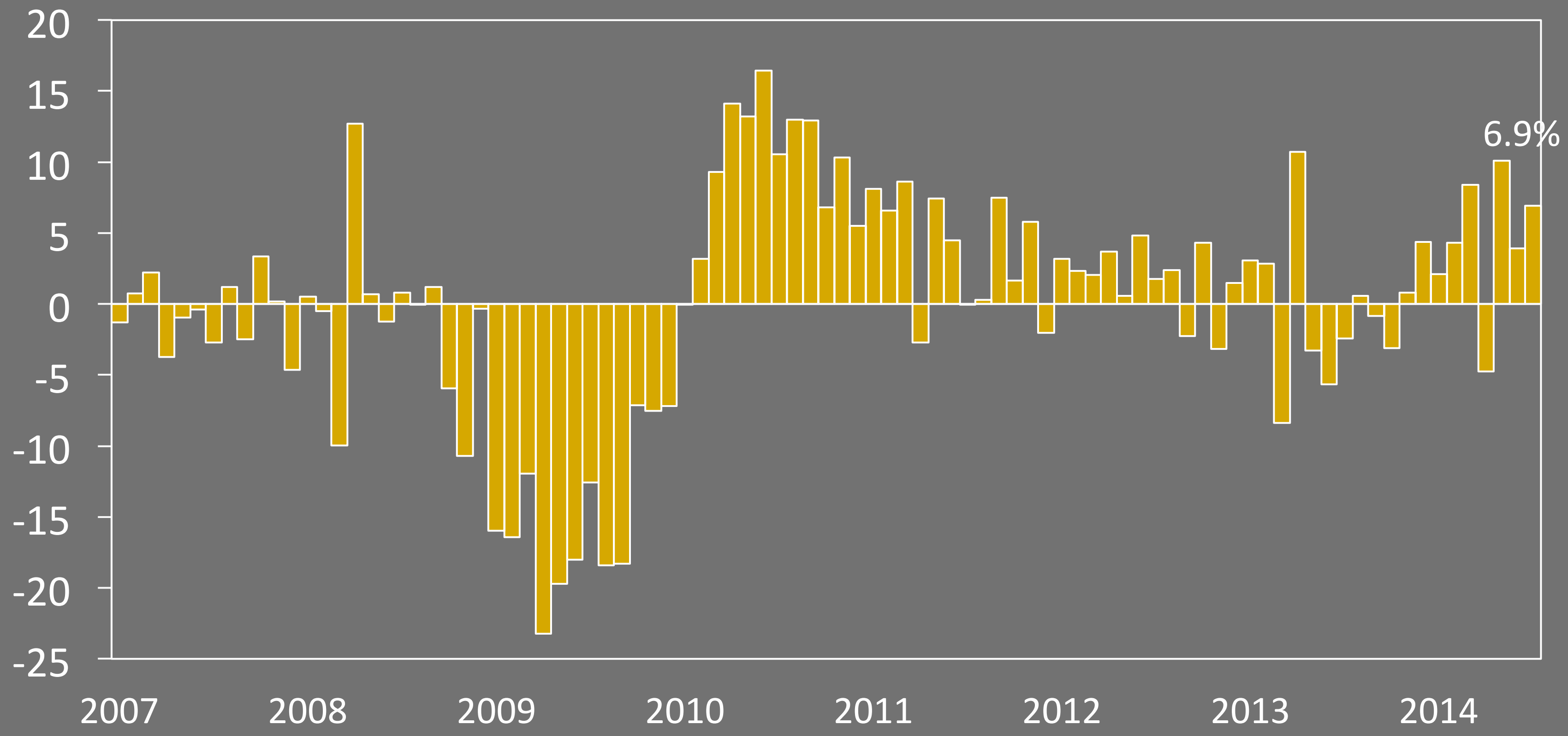
January 2007 – July 2014

NOTE: Data is for luxury and upper upscale classes only.

Total United States

Group Room Demand Percent Change

January 2007 – July 2014

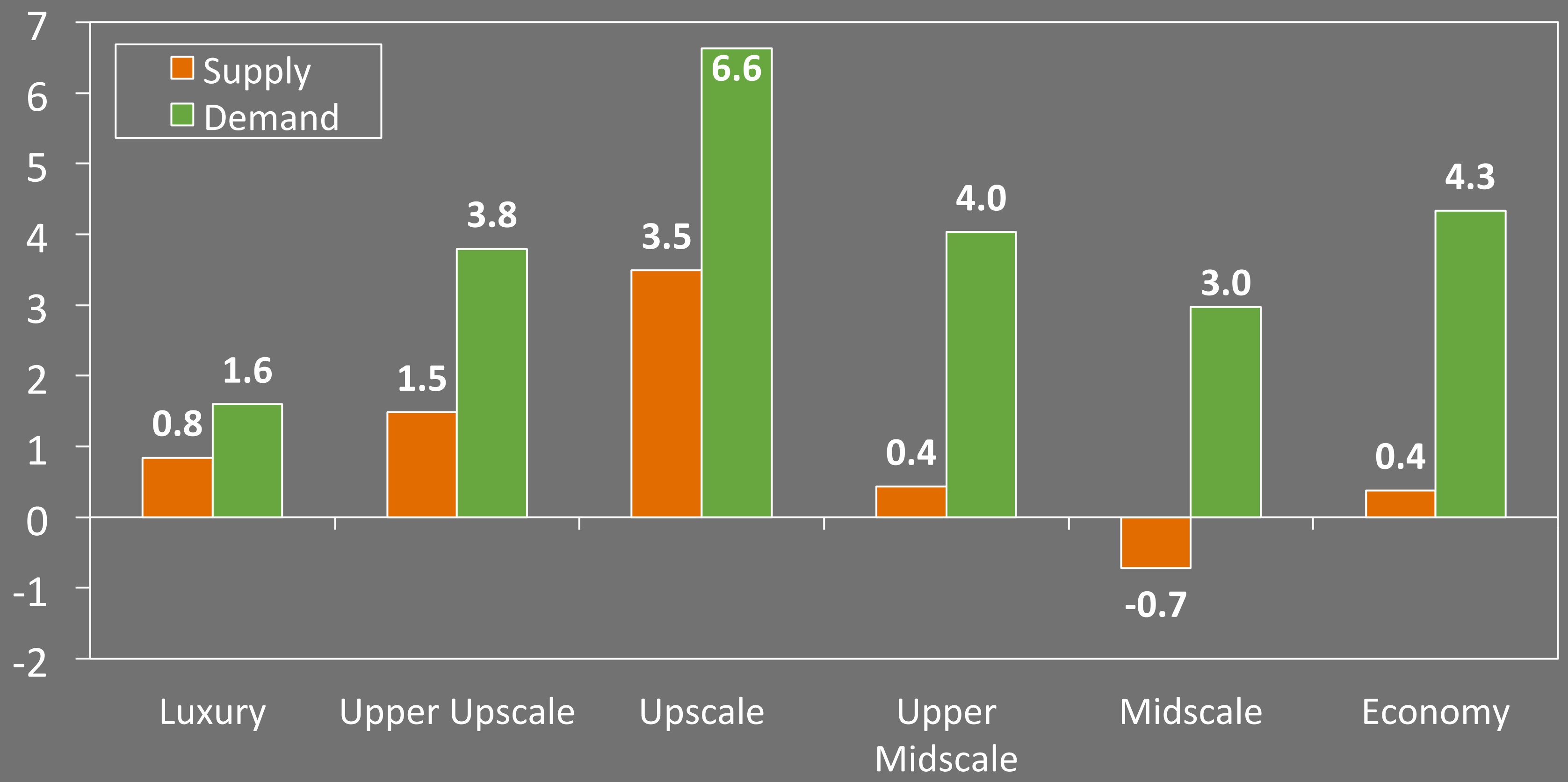


NOTE: Data is for luxury and upper upscale classes only.

U.S. Lodging Industry
Chain Scales and Markets

Chain Scales

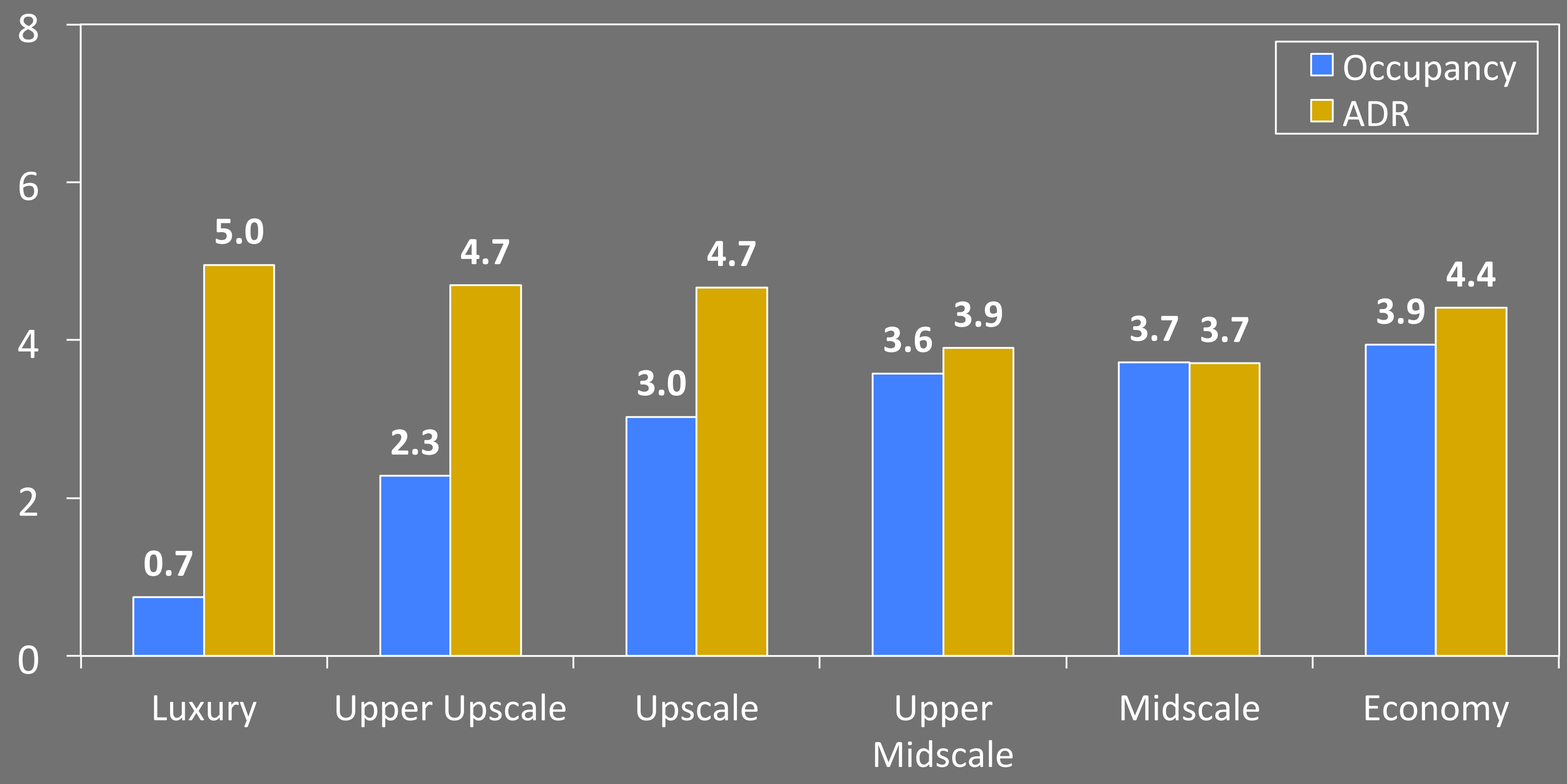
Supply / Demand Percent Change
July 2014 YTD



Chain Scales

Occupancy / ADR Percent Change

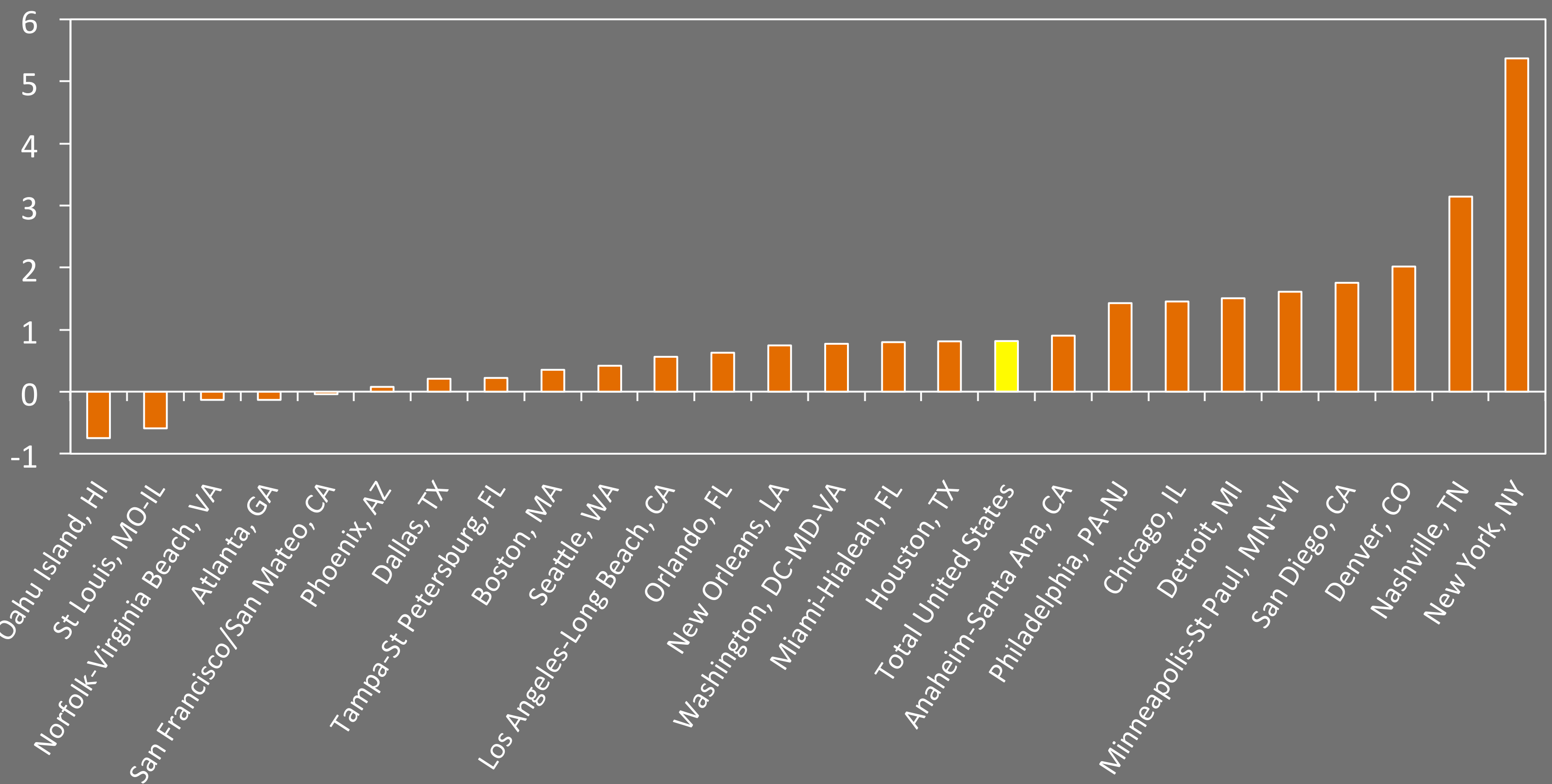
July 2014 YTD



Top 25 Markets

Room Supply Percent Change

July 2014 YTD



Top 25 Markets

Room Demand Percent Change
July 2014 YTD

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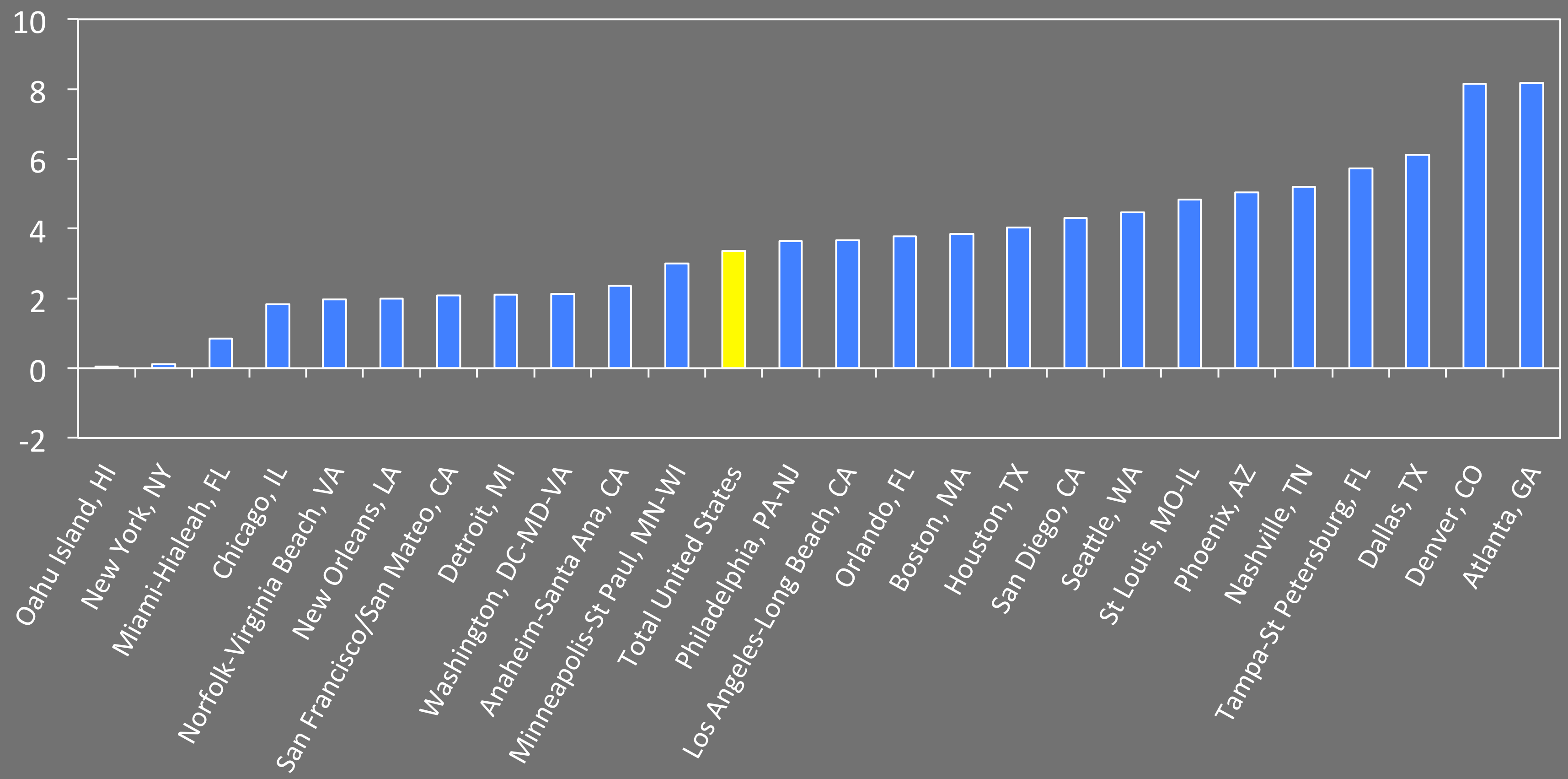
Top 25 Markets

Occupancy Percent Change
July 2014 YTD



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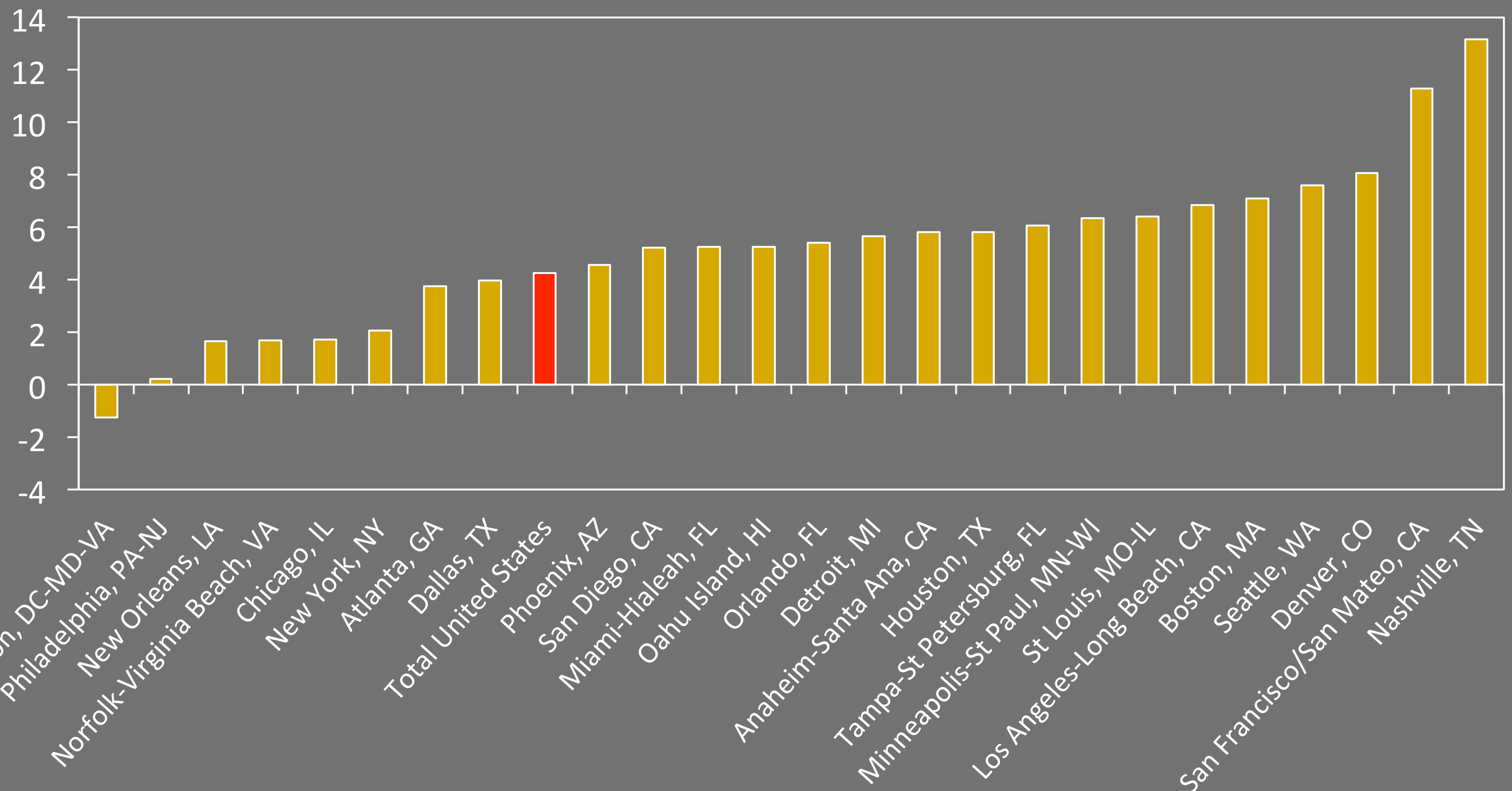
Top 25 Markets

ADR Percent Change

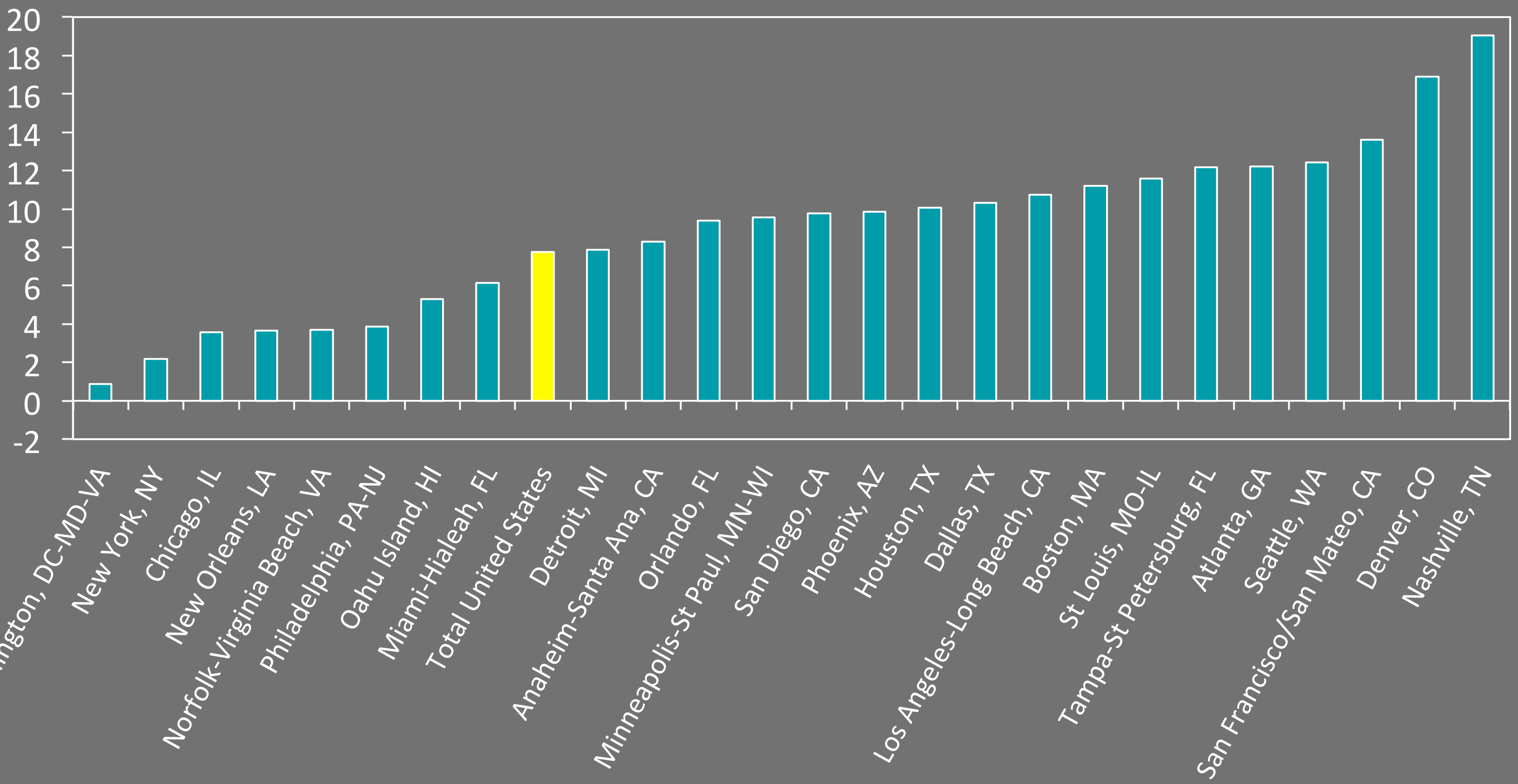
July 2014 YTD



Top 25 Markets

RevPAR Percent Change

July 2014 YTD



U.S. Lodging Industry
Construction Activity

Total United States

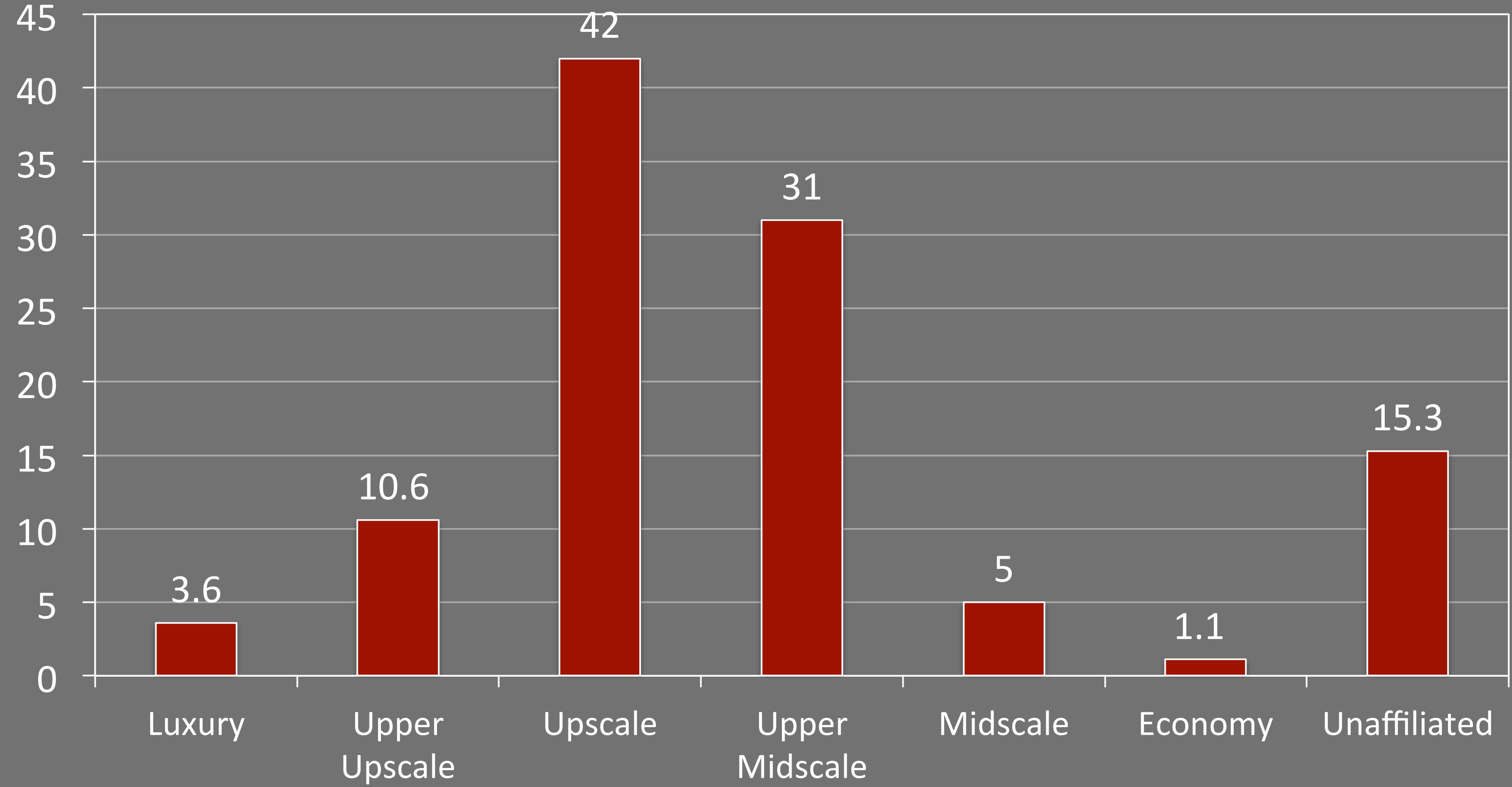
Development Pipeline – Rooms
Change From Last Year

Phase	July 2014	July 2013	Difference	% Change
In Construction	108,534	75,620	32,914	43.5%
Final Planning	124,328	125,745	-1,417	-1.1%
Planning	155,497	144,588	10,909	7.5%
Under Contract Pipeline	**388,359**	**345,953**	**42,406**	**12.3%**
Unconfirmed	41,201	16,488	24,713	149.9%
Total	**429,560**	**362,441**	**67,119**	**18.5%**

Total United States

Rooms In Construction by Scale – In Thousands

July 2014



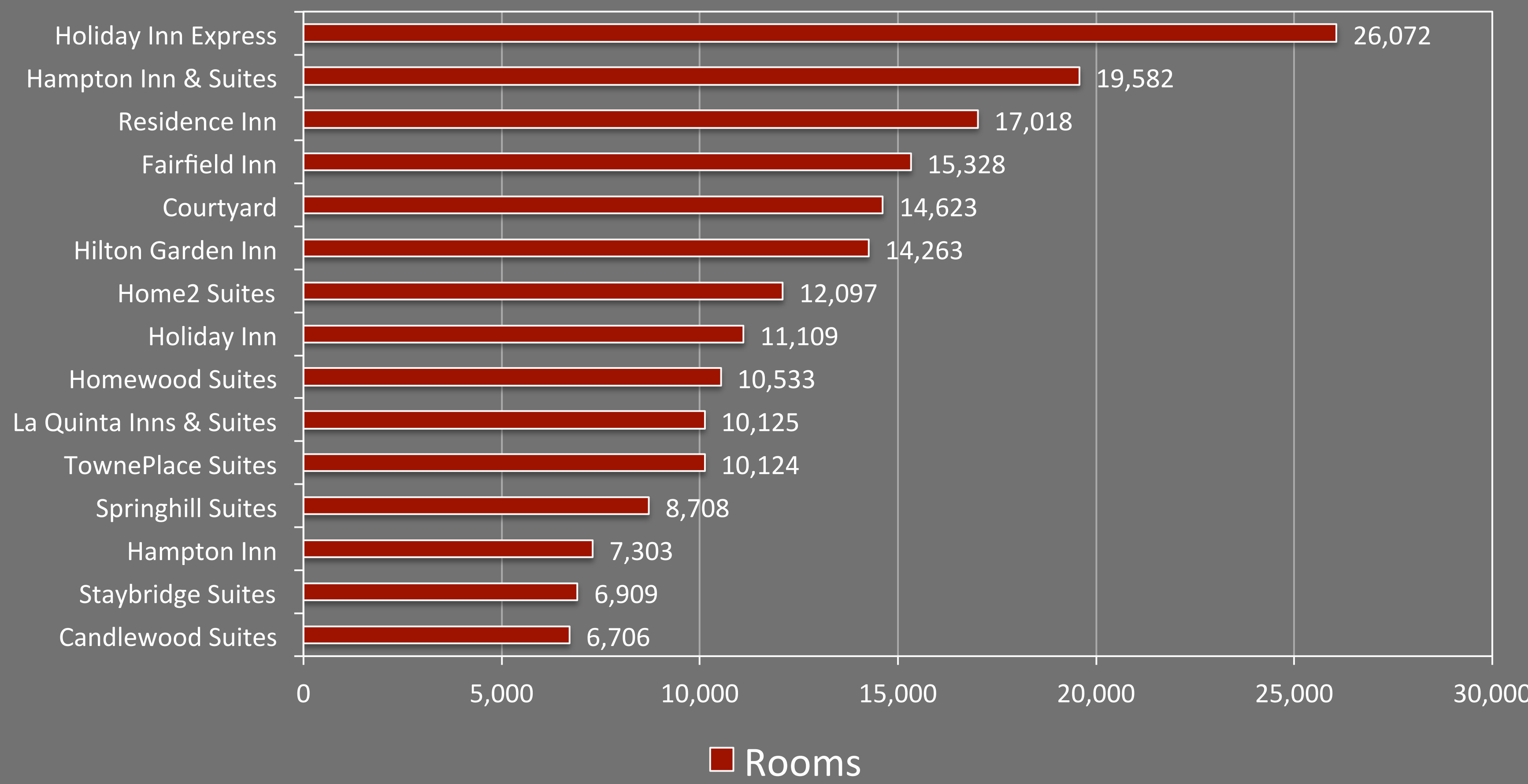
Total United States

Top 25 Markets with Most Rooms In Construction
July 2014

Market	Rooms	% of Existing Supply
New York, NY	13,989	11.7
Houston, TX	4,672	5.9
LA-Long Beach, CA	2,187	2.2
Washington, DC	2,507	2.3
Miami-Hialeah, FL	2,653	5.2
Denver, CO	1,250	2.9
Orlando, FL	595	0.5
Seattle, WA	1,937	4.5
Dallas, TX	1,826	2.3
Chicago, IL	2,292	2.1
Boston, MA	1,379	2.6
Anaheim-Santa Ana, CA	2,394	4.3

Total United States

Top 15 Brands – Under Contract Pipeline
July 2014



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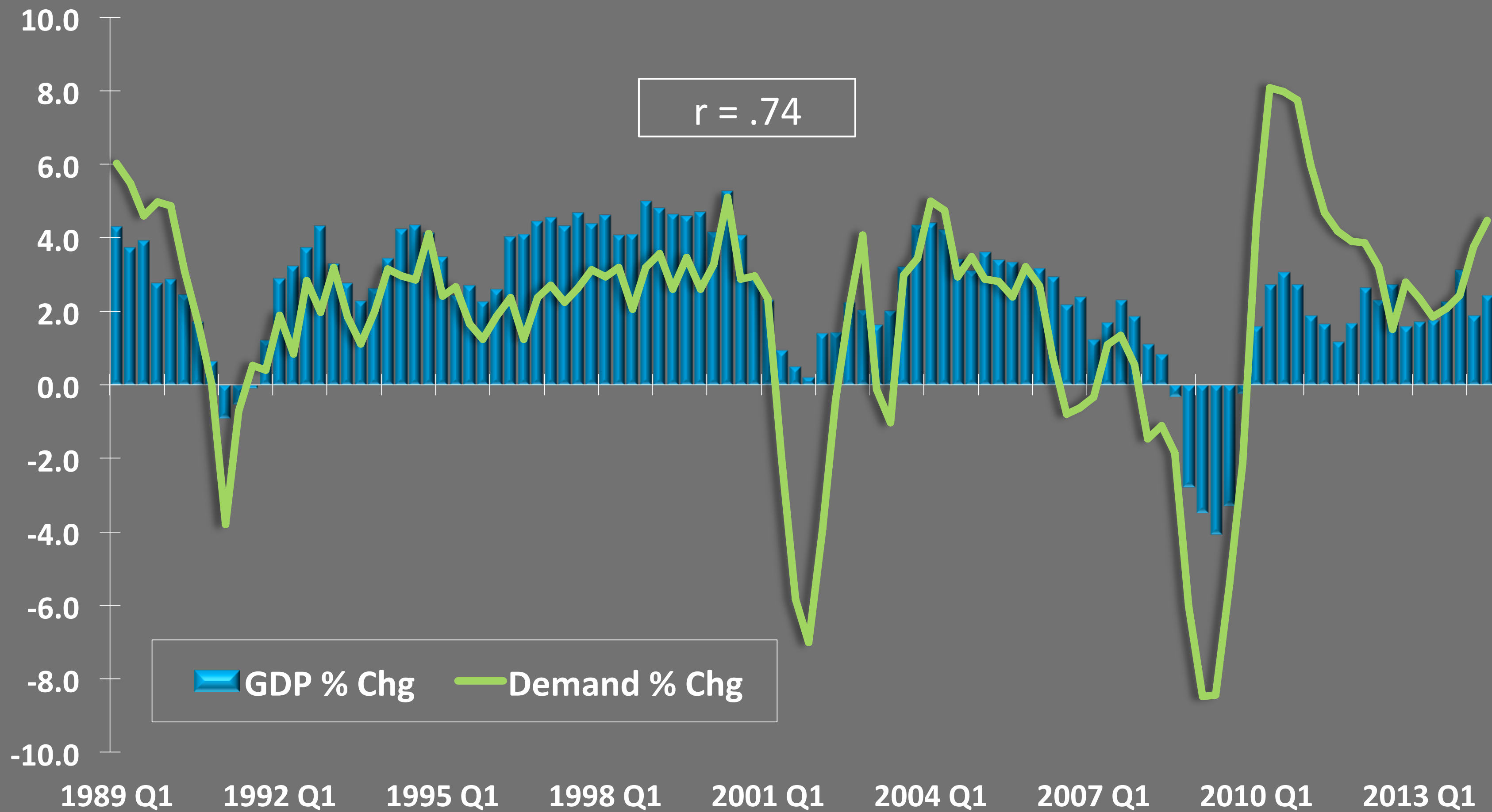
U.S. Lodging Industry Projections

As of August 8, 2014

US Hotel Demand Growth vs. GDP Growth

1989-2014 Q2, Quarterly % Chg



Note: Percentage change is current quarter vs. same quarter last year (GDP in 2009 dollars)
Source: BEA

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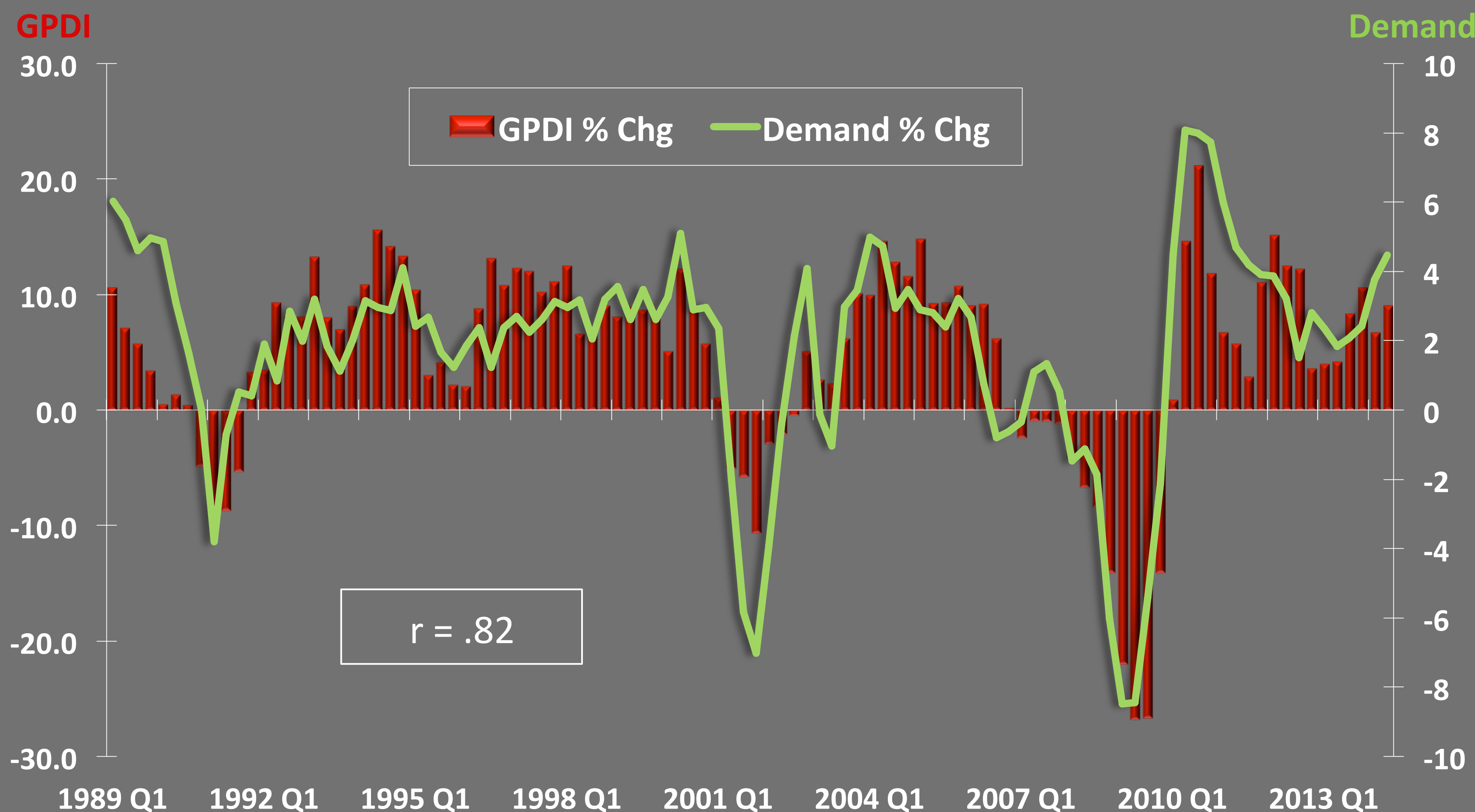
US Hotel Demand Growth vs. GPDI Growth

1989-2014 Q2, Quarterly % Chg



Note: GPDI is Gross Private Domestic Investment – the amount of GDP generated by business investment. Percentage change is current quarter vs. same quarter last year

Source: BEA

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

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Outlook		
	2014 Forecast	2015 Forecast
Supply	1.0%	1.3%
Demand	3.6%	2.1%
Occupancy	2.6%	0.7%
ADR	4.2%	4.4%
RevPAR	6.9%	5.2%

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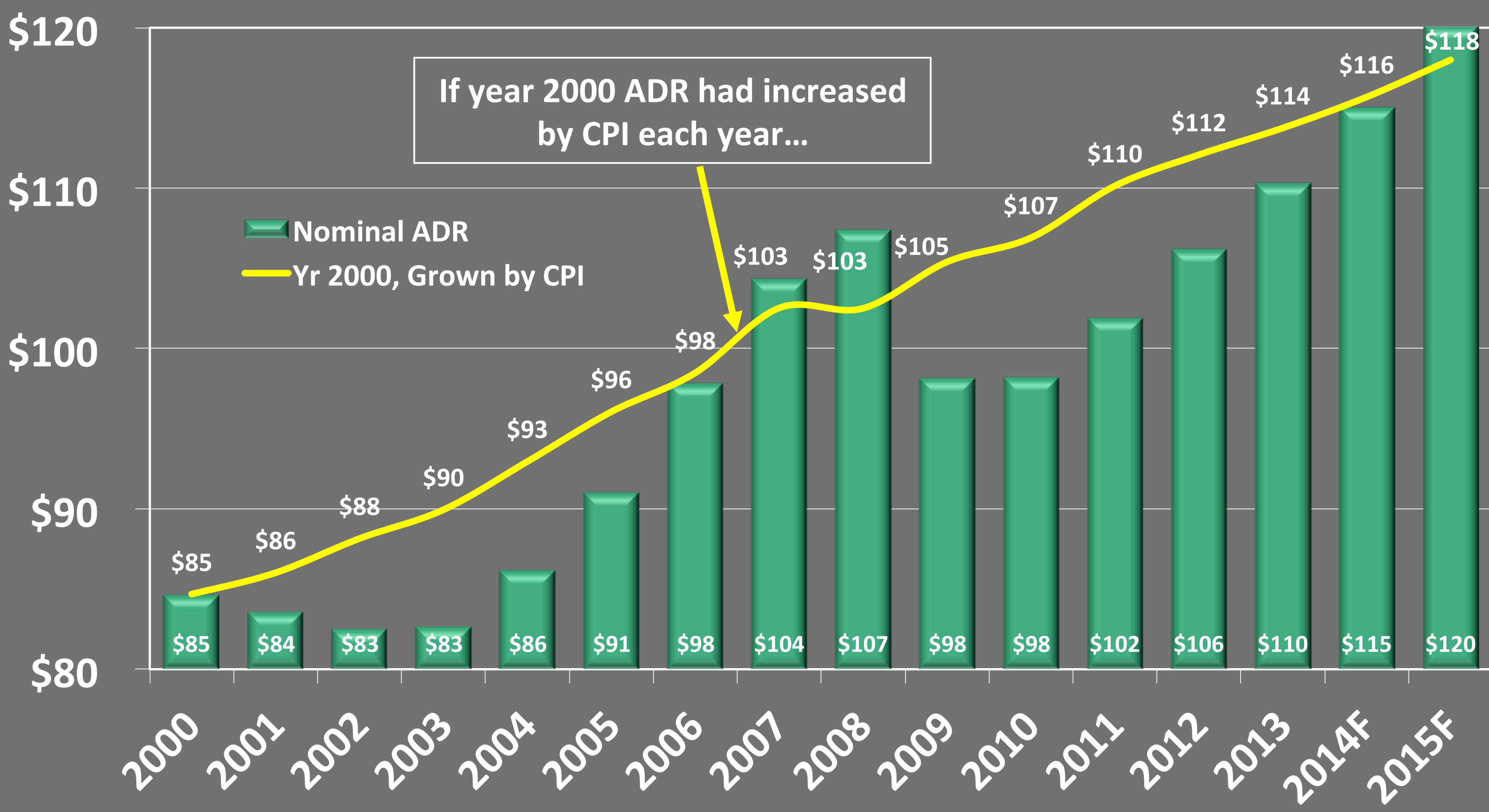
Total US Room Rates

Actual vs. Inflation Adjusted

2000 – 2015F



Note: 2014 & 2015 CPI forecast from Blue Chip Economic Indicators

Total United States

Chain Scale Key Performance Indicator Outlook
2014F by Chain Scale

2014 Year End Outlook			
Chain Scale	Occupancy (% chg)	ADR (% chg)	RevPAR (%chg)
Luxury	-0.1%	4.6%	4.5%
Upper Upscale	2.0%	4.4%	6.5%
Upscale	2.0%	4.4%	6.5%
Upper Midscale	2.6%	3.3%	6.0%
Midscale	3.0%	3.5%	6.6%
Economy	2.9%	3.9%	6.8%
Independent	2.8%	4.6%	7.5%
Total United States	**2.6%**	**4.2%**	**6.9%**

Total United States

Chain Scale Key Performance Indicator Outlook
2015F by Chain Scale

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2015 Year End Outlook			
Chain Scale	Occupancy (% chg)	ADR (% chg)	RevPAR (%chg)
Luxury	0.2%	4.8%	5.0%
Upper Upscale	0.5%	4.8%	5.3%
Upscale	0.2%	4.7%	5.0%
Upper Midscale	0.1%	3.5%	3.6%
Midscale	1.0%	3.6%	4.6%
Economy	1.0%	3.5%	4.5%
Independent	0.9%	4.3%	5.2%
Total United States	**0.7%**	**4.4%**	**5.2%**

2014 Year End RevPAR Forecast

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

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

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2015 Year End RevPAR Forecast

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

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

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Questions?

To view this presentation, go to HotelNewsNow.com and click on “Industry Analysis” then “Hotel data presentations”