

Maine's Vacation & Hospitality Forecast

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President & CEO
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2009 - 2012 Industry Performance

National Results

*Data provided by Smith Travel Research

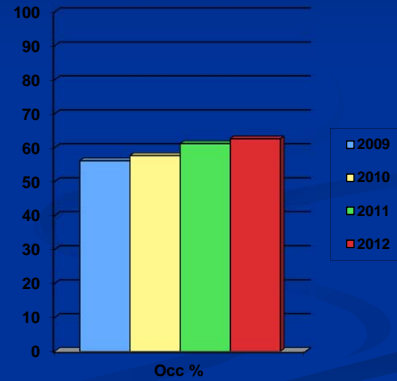


2009 - 2012 YTD November Occupancy

■ Occupancy

■ Rooms Sold/Rooms Available

- 2009 56.1%
- 2010 57.5 %
- 2011 61.1%
- 2012 62.6%

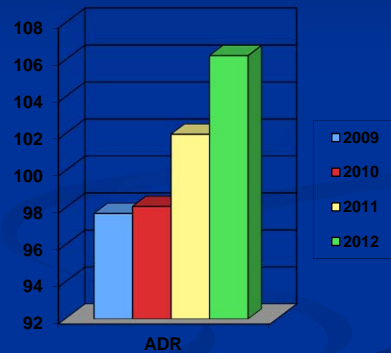


2009 - 2012 YTD November ADR

■ ADR

■ Room Sales / Rooms Sold

- 2009 \$ 97.77
- 2010 \$ 98.10
- 2011 \$101.98
- 2012 \$106.23

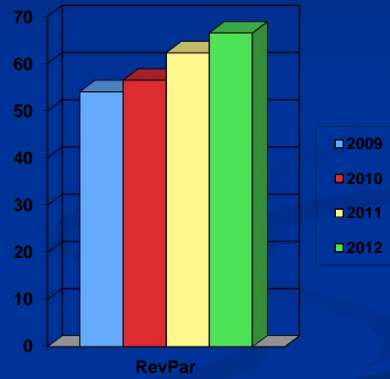


2009 - 2012 YTD November RevPAR

■ RevPAR

■ Sales / Rooms Available

- 2009 \$ 54.85
- 2010 \$ 56.41
- 2011 \$ 62.27
- 2012 \$ 66.47



Percent change YOY

■ Occ %

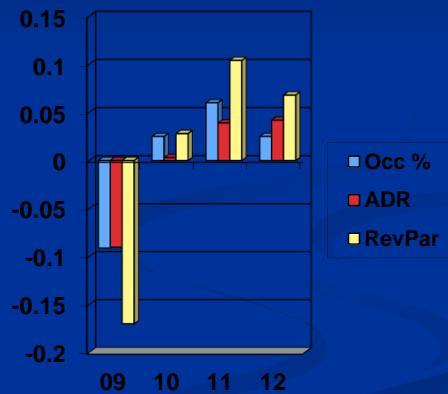
- 2009 - 9.1 %
- 2010 + 6.0%
- 2011 + 2.5 %
- 2012 +2.5%

■ ADR

- 2009 - 9.0%
- 2010 + .3%
- 2011 + 4.0%
- 2012 + 4.2%

■ RevPar

- 2009 - 17.1 %
- 2010 + 2.8%
- 2011 + 10.4%
- 2012 + 6.8%



2009 - 2012 Industry Performance

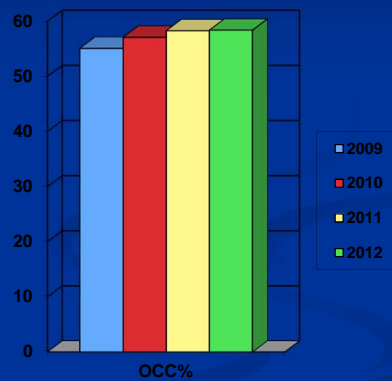
Maine



2009 - 2012 YTD November Occupancy (Maine)

■ Occupancy

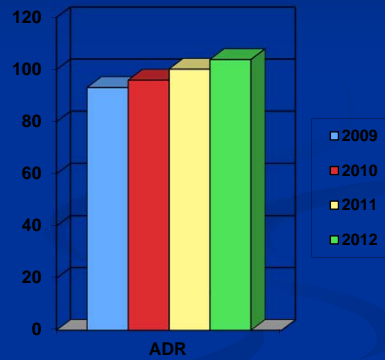
- 2009 55.1 %
- 2010 57.4 %
- 2011 58.3 %
- 2012 58.4%



2009 - 2012 YTD November ADR (Maine)

■ ADR

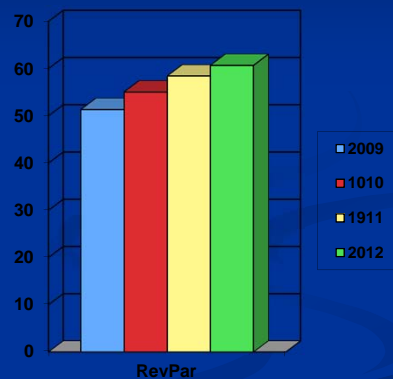
- 2009 \$ 93.12
- 2010 \$ 95.92
- 2011 \$ 100.20
- 2012 \$ 103.84



2009 - 2012 YTD November RevPAR (Maine)

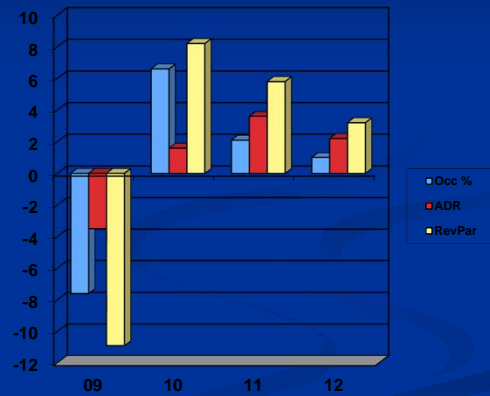
■ RevPar

- 2009 \$ 51.33
- 2010 \$ 55.04
- 2011 \$ 58.43
- 2012 \$ 60.68



Maine Percent Change YOY

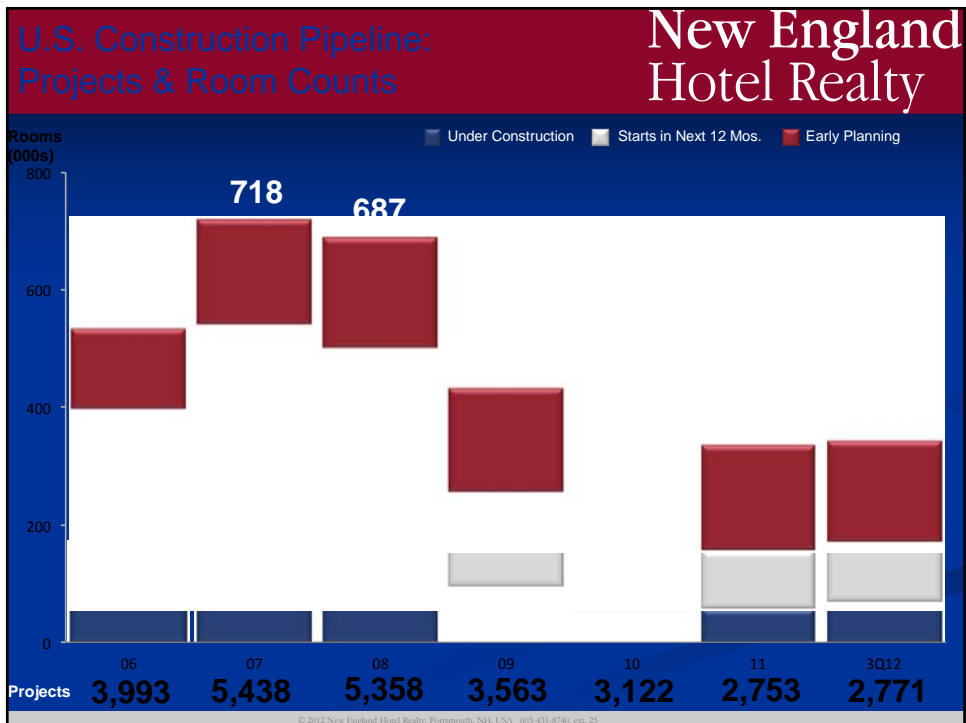
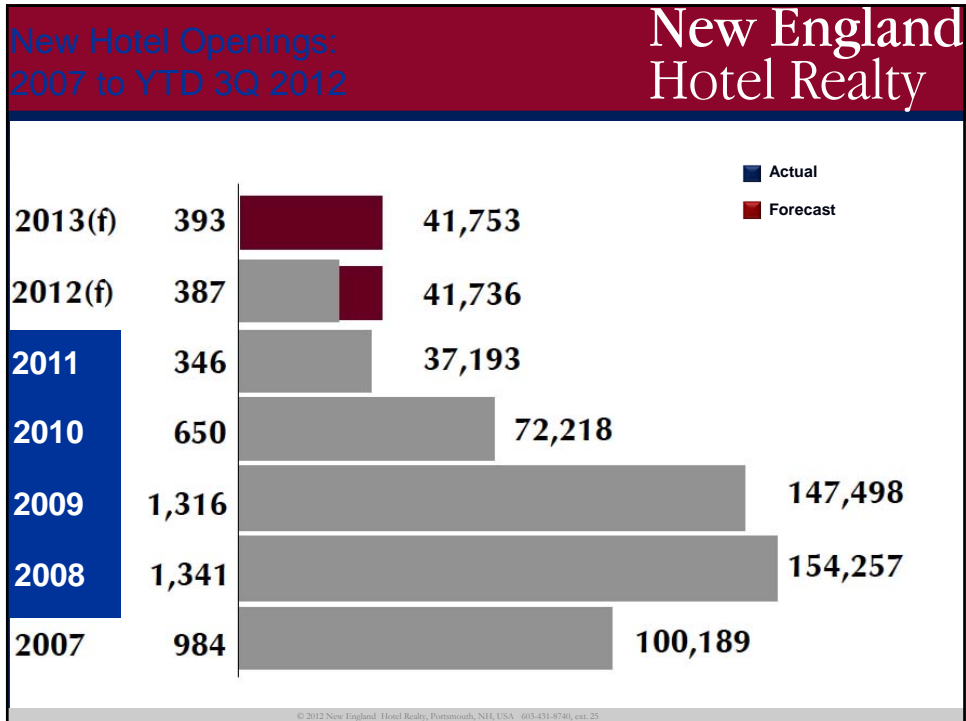
- Occ
 - 2009 <7.6 %>
 - 2010 + 6.6 %
 - 2011 + 2.1 %
 - 2012 + 1.0 %
- ADR
 - 2009 <3.5 %>
 - 2010 + 1.6 %
 - 2011 + 3.6 %
 - 2012 + 2.2 %
- RevPar
 - 2009 <10.9 %>
 - 2010 +8.2 %
 - 2011 +3.6 %
 - 2012 +3.2 %



National Development Pipeline

Provided by
Lodging Econometrics






		3Q 2012 Total Pipeline	
		Projects	Rooms
New York City		141	24,821
Washington, DC		94	15,085
San Diego, CA		28	7,227
Houston, TX		73	7,125
Los Angeles, CA		38	6,982

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Maine Development Pipeline

Provided by
Lodging Econometrics



Maine Construction Pipeline by Projects – As of 3Q 2012

Early Planning

▪ Portland MSA	1
▪ Maine North	2
▪ <u>Maine South</u>	<u>1</u>
▪ Maine Totals	4



Maine Construction Pipeline by Projects – As of 3Q 2012

Under Construction

▪ Portland MSA	0
▪ Maine North	0
▪ <u>Maine South</u>	<u>0</u>
▪ Maine Totals	0

Starts Next 12 Months

▪ Portland MSA	6
▪ Maine North	0
▪ <u>Maine South</u>	<u>2</u>
▪ Maine Totals	8



Maine Actual & Forecasted Hotel Openings

- 2009 3
- 2010 2
- 2011 2
- 2012 4 Forecasted
- 2013 2 Forecasted



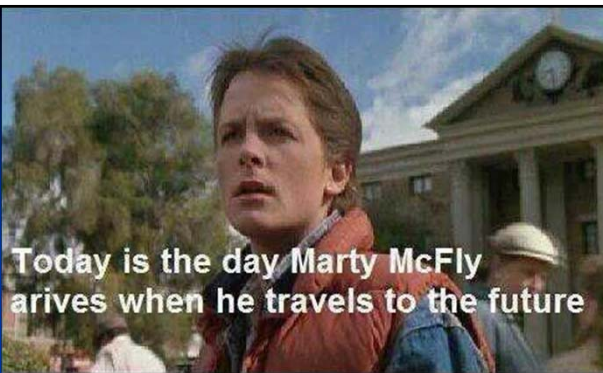
2012 & 2013

Industry Trends



Back to the Future

2013



Trends

- Rates on the rise ...Rate Rate Rate
- Negotiated rates were issues.
- Occupancies grew but at slower rate than ADR
- Financing & Capital
 - Brighter future, low supply growth, higher demand
 - Money on the side line
 - Private Equity firms coming on stronger
 - Cap rates better, but not like before recession
 - Local bank relationship are still the keys to development for 10- 15 Million
- Technology Importance
 - Mobile Apps Zero – 20% Up to 80% in three years
 - In-room Technology Key, Bandwidth, Expect Perfection
 - Planning for in-room technology difficult.
- Hotel Design of the future
 - Boomers vs X and Y Generation



Total United States
Key Performance Indicator Outlook (% Change vs. Prior Year)
 2012 - 2013

Outlook		
	2012 Forecast	2013 Forecast
Supply	0.5%	0.9%
Demand	2.6%	1.2%
Occupancy	2.1%	0.3%
ADR	4.4%	4.6%
RevPAR	6.5%	4.9%

What's in Store?

PKF

(as of Dec 2012)

PKF Predictions

- RevPar Growths in the 7.2% range
- 62.1% Occ (behind pre-recession 63.1% but better than long run average of 61.9%)
- Assuming Budget Negotiating Resolution
- Uncertainty, so... “no one is overtly showing signs of optimism.... that should exist”?
- Compounded Growth of 5.4% annually in ADR over next 5 years
- 2014 and beyond Strong
- “We look beyond next year, we see the best times in history to invest in the US lodging business.” Woodworth, PKF



Back to the 70's?



85% growth ADR, so 10% increase in Profits per year will be best streak since the 70's

Different than 70's

Walkman



Hotel phones



Ipod



Hotel phones



Top 5 Lost and Found Items in Hotels

- Phone chargers
- Odd clothing
- False Teeth & Hearing aids
- Pillows
- Underwear

Contact Info

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