



Maine Lodging Outlook 2016

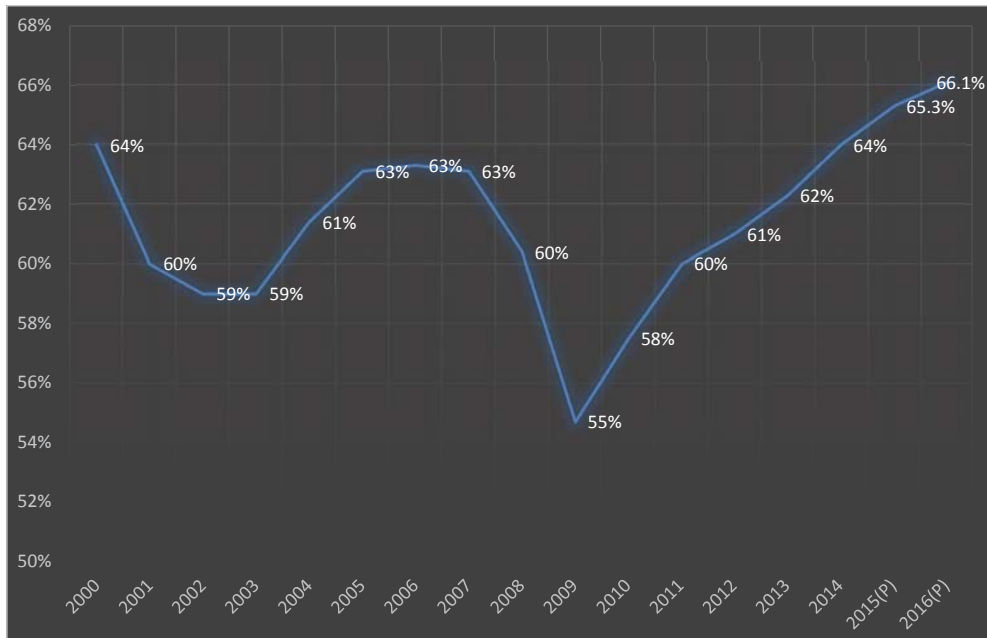
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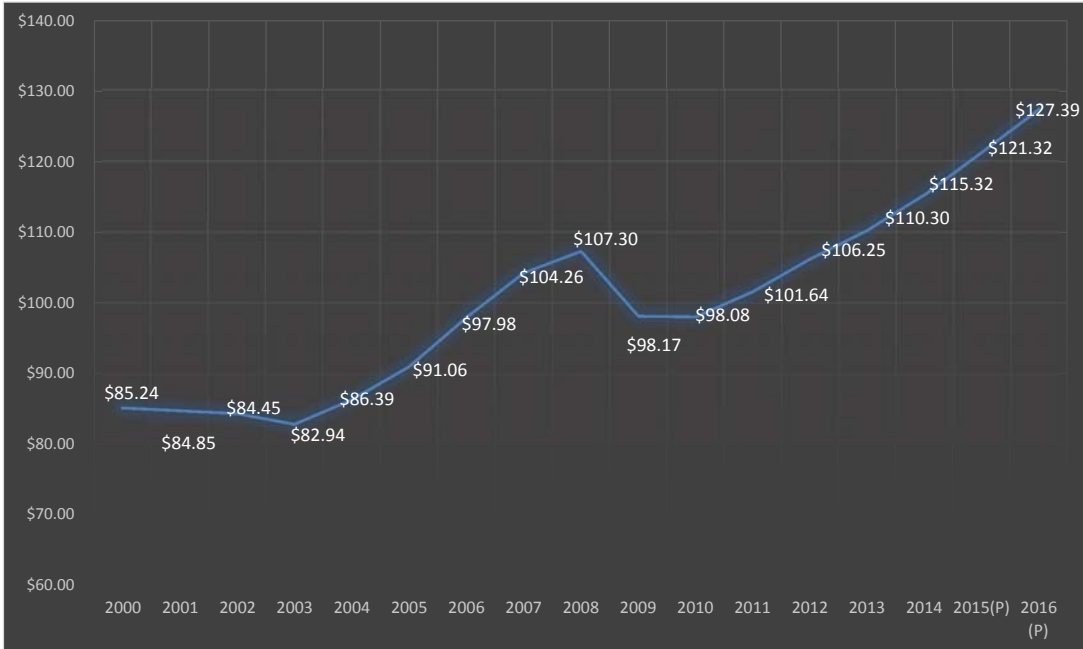
U.S. Occupancy 2000–2016(P)



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U.S. Average Daily Rate 2000-2016(P)



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U.S. RevPAR 2000- 2016(P)



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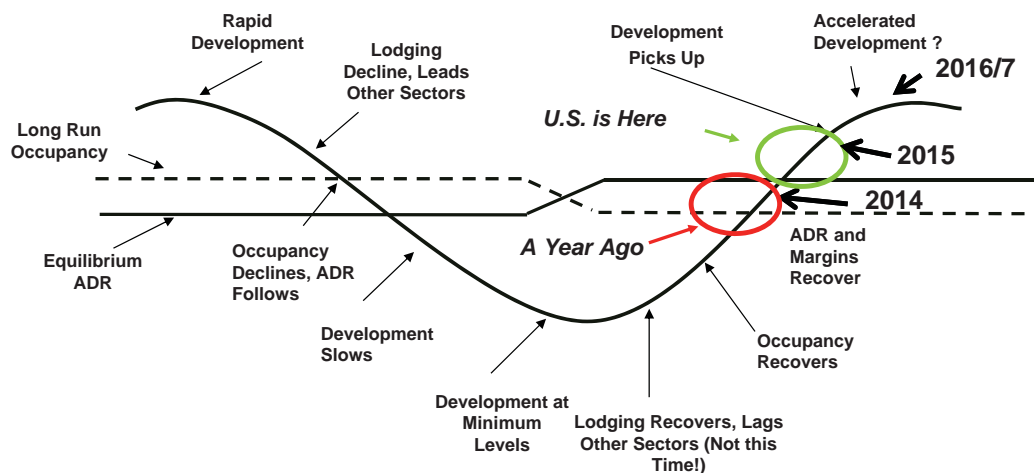
U.S. Projected Change in Occupancy, ADR and RevPAR 2016

Company	Occupancy	ADR	RevPAR
STR	0.8%	5.2%	6.0%
PKF	0.6%	6.3%	6.5%
PWC	0.0%	5.7%	5.7%

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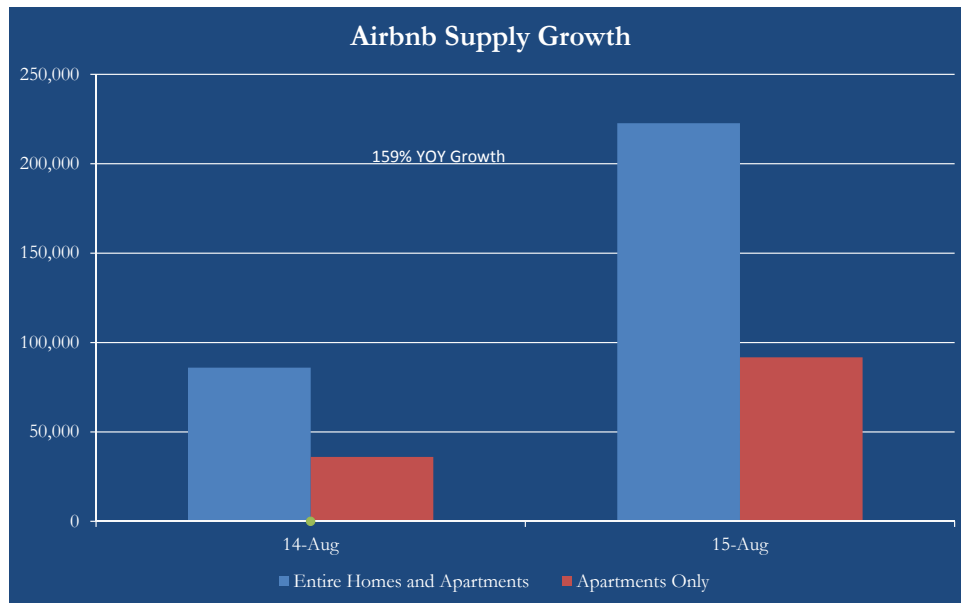
The hotel market cycle



Source: PKF Hospitality Research | CBRE Hotels

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According to BAML, Airbnb is about 2-4% of total U.S. hotel room supply and about 1-2% of total U.S. hotel room demand at present.

Airbnb versus the Hotel Industry – August 2015



Leisure Travel Trends

Bliesure = Business + Leisure

Baby Boomers

- Plan to travel A LOT
- Are NOT price sensitive

Experiential Travel

National Park Service 100th Anniversary August 2016

TravelClick: Transient Leisure demand is up 4.6% and ADR is up 2.8%



Group Travel Outlook

Bliesure:

- Planners are looking to incorporate leisure activities into meetings
- Attendees are adding vacation time before and after meetings and business trips

Flexible meeting space is more important than ever

TravelClick: Demand is up 2.5% rate is up 4.0%

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Business Travel Outlook

Bliesure – Business travelers are incorporating leisure into business trips

Global Business Travel Association predicts that hotel prices will rise 4.7% in 2016

Starwood/Marriott merger could lead to higher prices...eventually

Rewards programs are becoming less generous

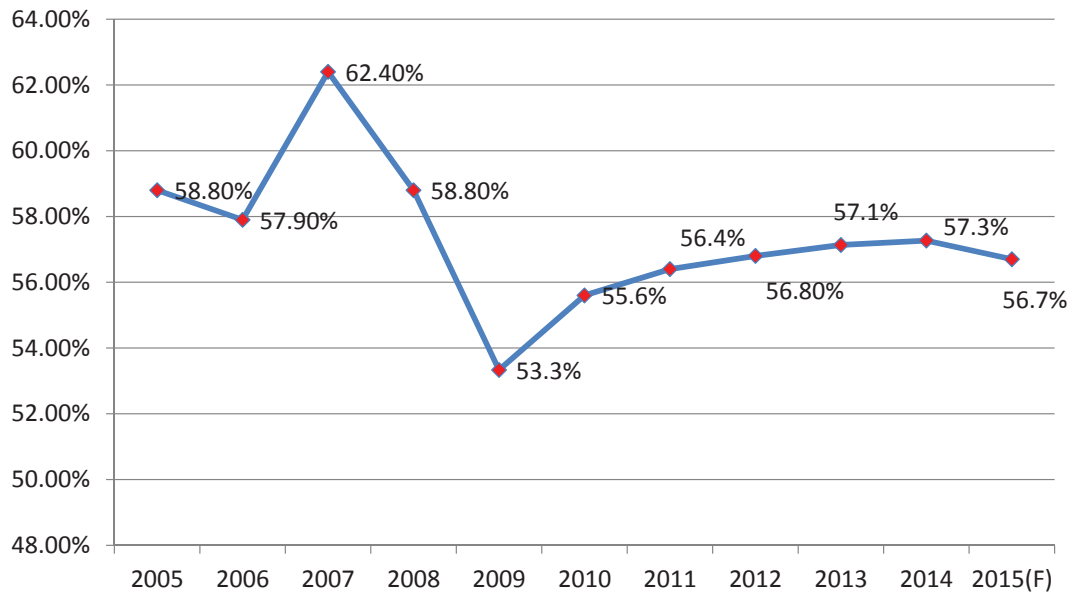
Fees are going up

TravelClick: Transient Business bookings are down 3.2% and ADR is up 3.5%

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Maine Occupancy 2005 – 2015(F)



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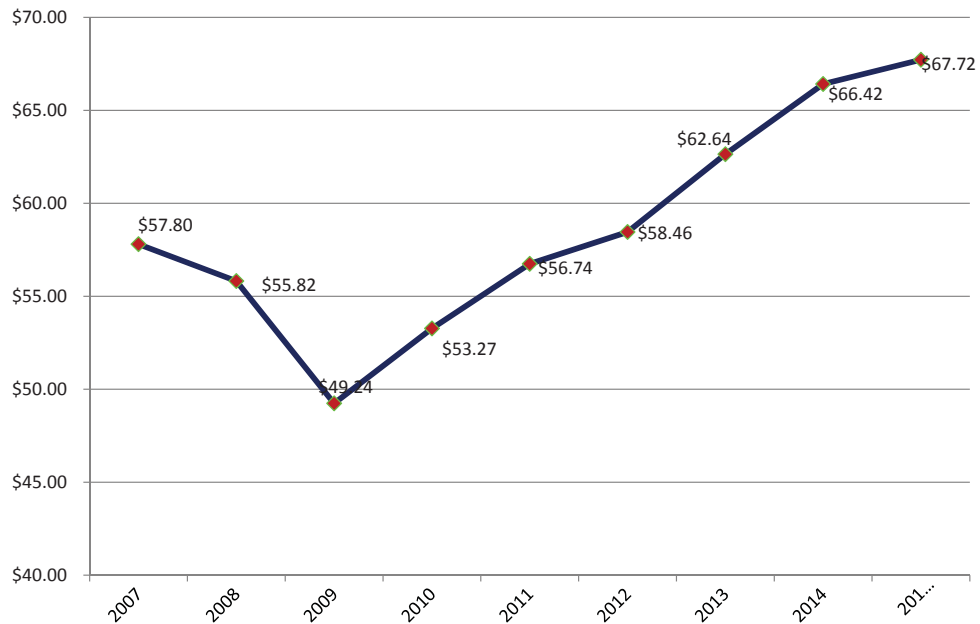
Maine Average Daily Rate 2005 – 2015(F)



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Maine RevPAR 2005 – 2015(F)



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Augusta Market Snapshot

	T12 November 2015	Change from Prior Year
Occupancy	53%	1.7%
ADR	\$109.37	3.8%
RevPAR	\$57.42	5.5%

Source: Smith Travel Research

- Homewood Suites under construction – Open June?
- Proposed Courtyard
- No major changes to demand



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Bath/Brunswick Market Snapshot

	T12 November 2015	Change from Prior Year
Occupancy	61%	2.2%
ADR	\$121.09	3.3%
RevPAR	\$73.86	5.6%

- Holiday Inn Replaced with a Residence Inn
- BIW – fairly steady
- Naval Air Station Redevelopment



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Bangor Market Snapshot

	T12 November 2015	Change from Prior Year
Occupancy	65%	-7.3%
ADR	\$108.85	-1.0%
RevPAR	\$70.64	-8.2%

Source: Smith Travel Research

- Loonie, Loonie, Loonie
- New Supply
- Casino Stabilized
- Riverfront Pavilion



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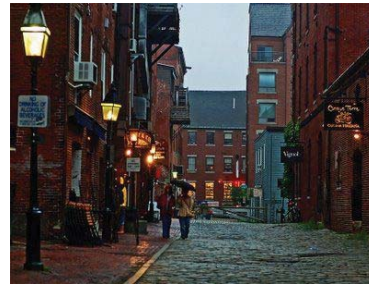


Portland (Peninsula) Market Snapshot

	T12 November 2015	Change from Prior Year
Occupancy	70%	3.6%
ADR	\$190.02	0.1%
RevPAR	\$132.29	3.7%

Source: Smith Travel Research

- Trip Advisor Top 10 Destination on the Rise
- Press Hotel open and absorbed
- Lots of interest – proposed AC by Marriott
- Demand still leisure driven
- No rate wars...yet



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South Portland (Maine Mall) Market Snapshot

	T12 November 2015	Change from Prior Year
Occupancy	66%	-0.2%
ADR	\$110.23	2.5%
RevPAR	\$73.10	2.3%

Source: Smith Travel Research

- This is the limited/select service set – It would be different if the Marriott, Embassy Suites and Doubletree were included
- Limited and select service have held up OK at a rate that's often \$100 lower than the Peninsula
- New Supply:
 - Hampton Inn and Suites – 86 Rooms
 - Hilton Home 2 – 100 Rooms



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Miscellaneous

Cliff House

- Phase 1 – July 2016 – 135 Rooms – Four-Diamond
- Phase 2 – Spring 2017 110 Room

Growth in 2015 will be hard to beat in 2016

New Supply:

Kennebunk - 73-room Hampton Inn

Kittery – 83-room Hampton Inn and Suites

Oxford Casino

90-Room Hampton Inn

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