Maine's Vacation & Hospitality Forecast

Sean Riley

Chief Operating Officer

Maine Course Hospitality Group

mchg Maine Course Hospitality Group

2006 & 2007 Industry Performance

National Results

*Data provided by Smith Travel Research

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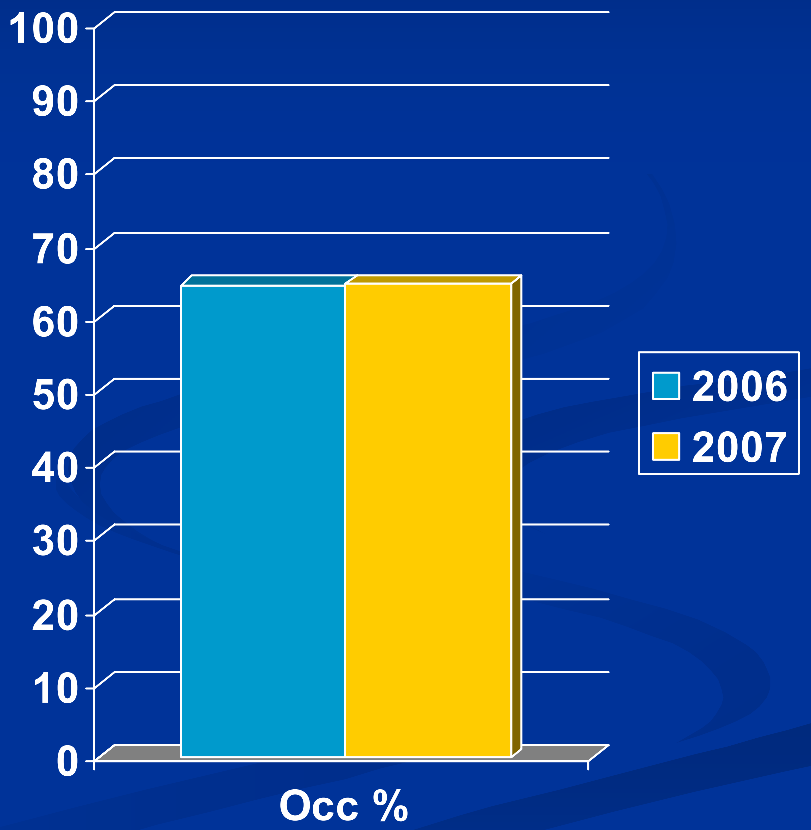
2006/2007 YTD November Occupancy

- **Occupancy**
  - Rooms Sold/Rooms Available
- 2006 64.5%
- 2007 64.6 %



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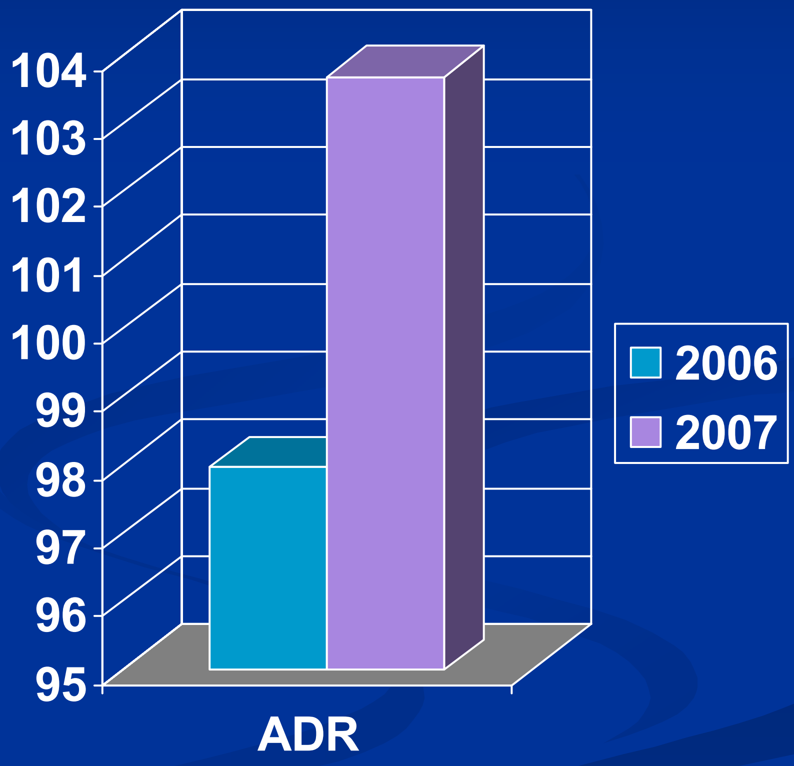
2006/2007 YTD November ADR

- **ADR**

  Room Sales / Rooms Sold

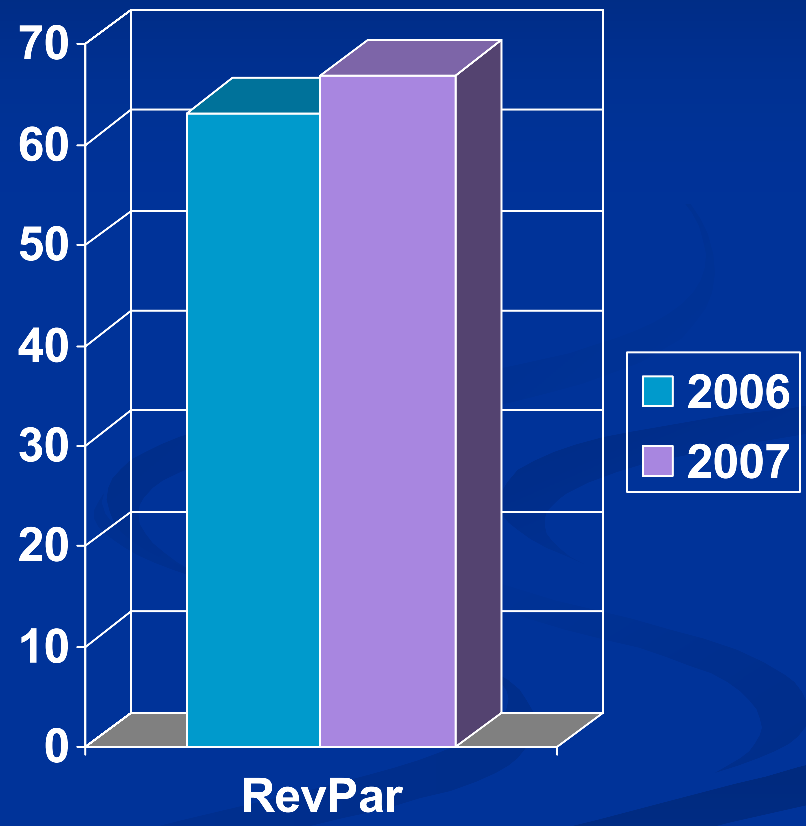
  2006 $97.56

  2007 $103.70



2006/2007 YTD November RevPar

- **RevPar**
  - Sales / rooms available
- 2006 $63.21
- 2007 $66.95



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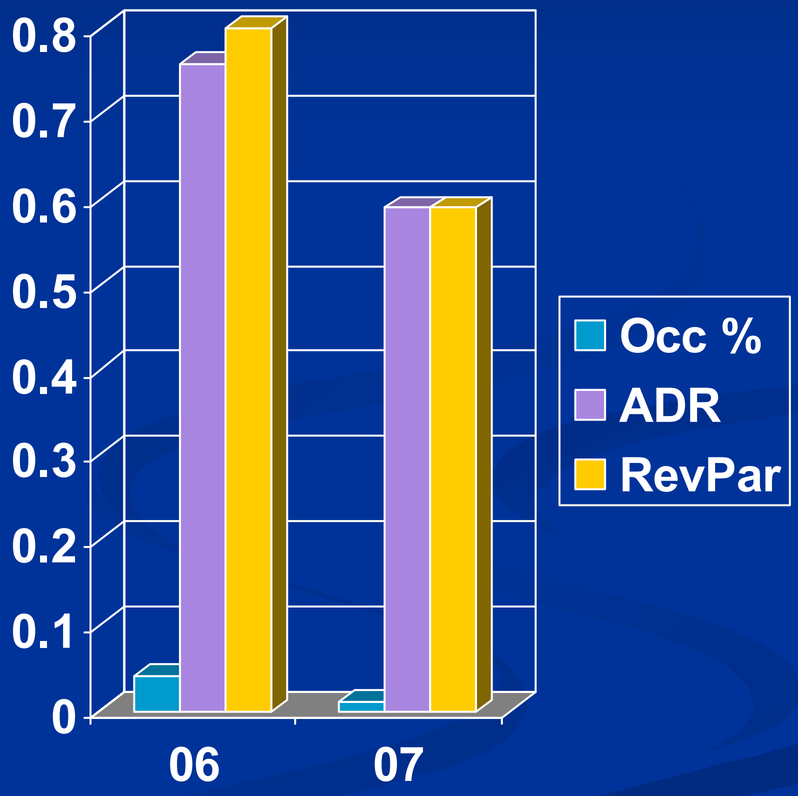
Percent change YOY

- Occ %
  - 2006 .04%
  - 2007 0.0%
- ADR
  - 2006 7.6%
  - 2007 5.9%
- RevPar
  - 2006 8.0 %
  - 2007 5.9%



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2006 & 2007 Industry Performance

Maine

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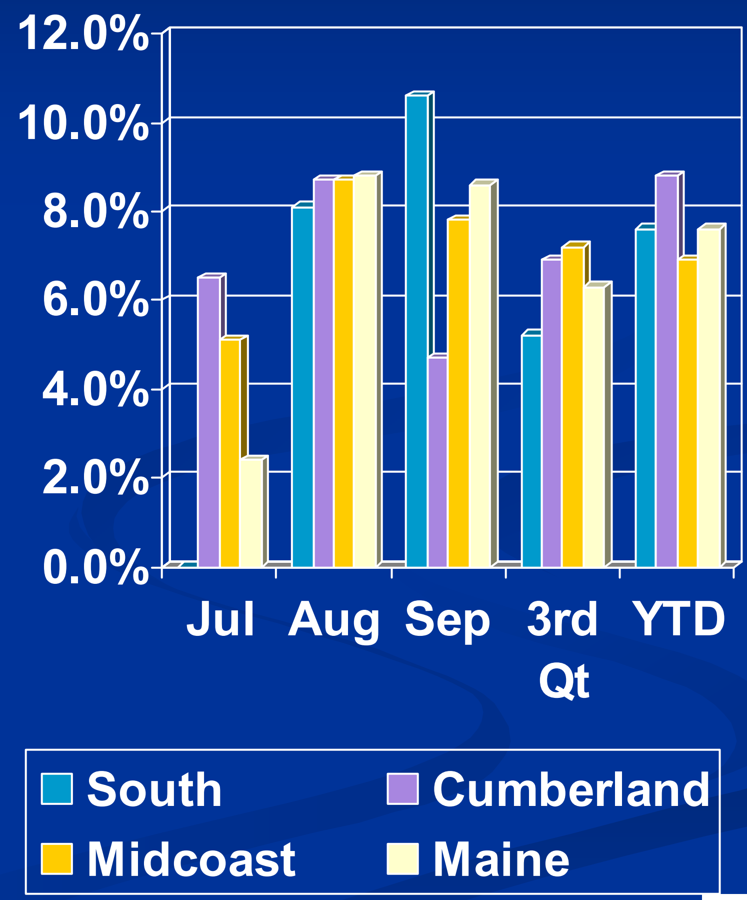
Maine's Lodging Industry

- YTD Lodging Sales – Sept

Southern	+ 7.6%
Cumberland	+ 8.8%
Mid-Coast	+ 6.9%
Maine	+ 7.6%



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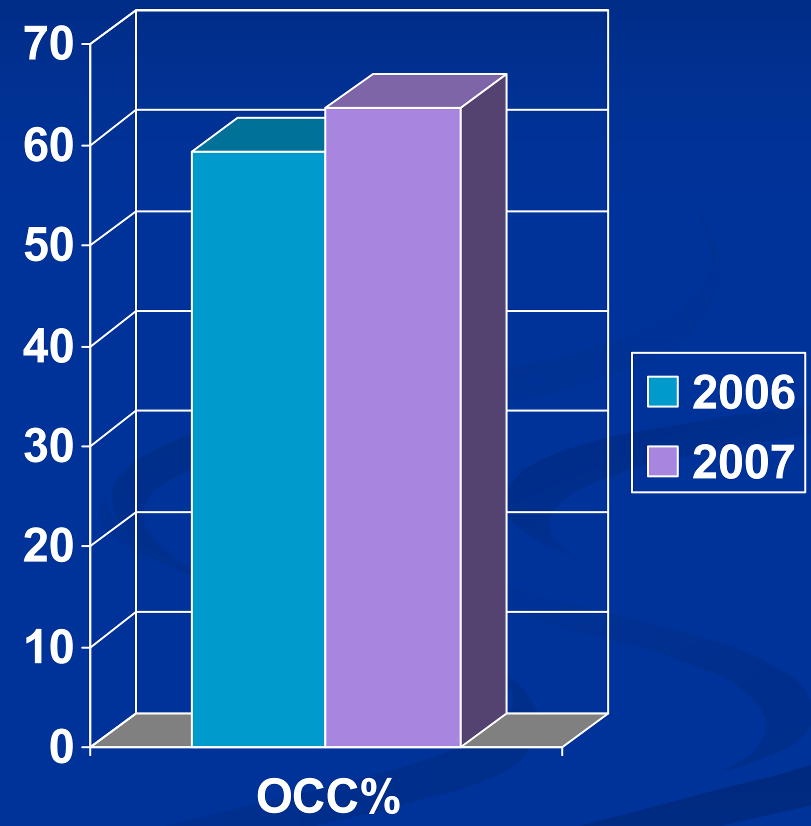
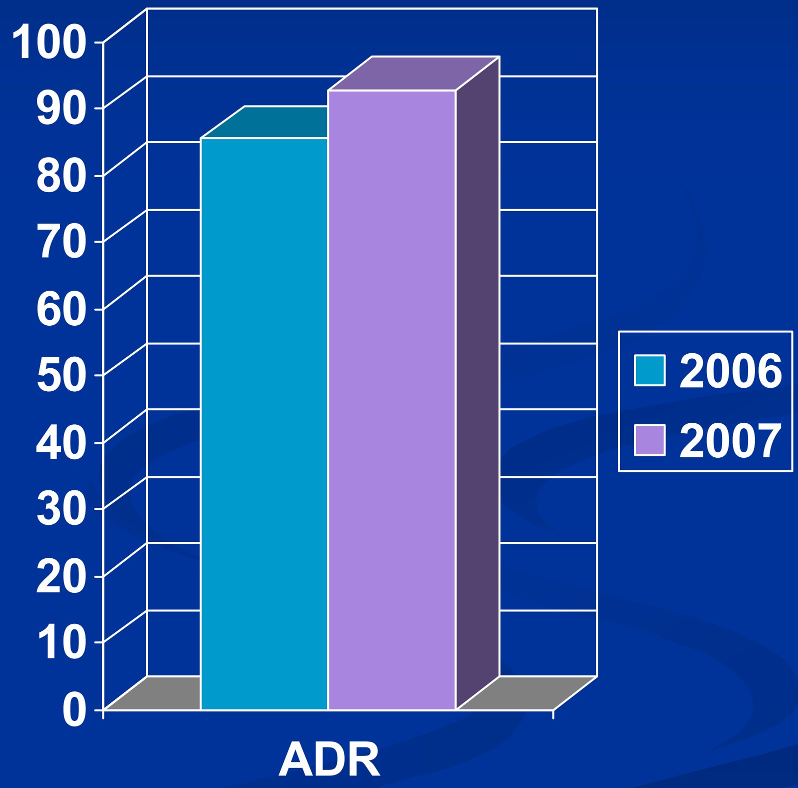
2006/2007 YTD November Occupancy (Maine)

- Occupancy
  - 2006 59.3%
  - 2007 63.7 %



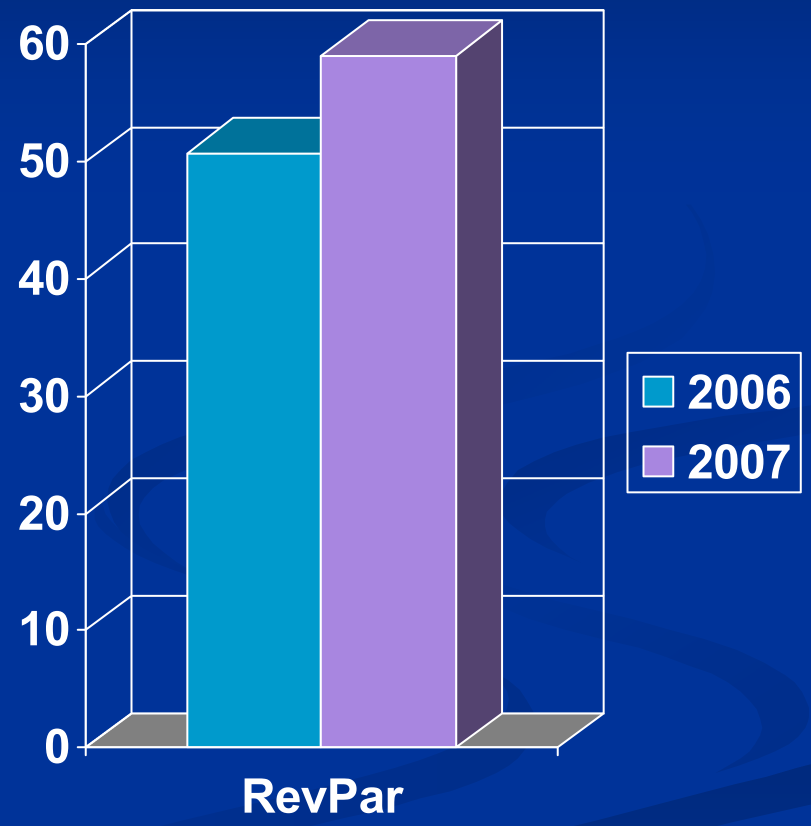
2006/2007 YTD November ADR (Maine)

- ADR
  - 2006 $85.47
  - 2007 $92.81



2006/2007 YTD November RevPar (Maine)

- RevPar
  - 2006 $50.70
  - 2007 $59.08



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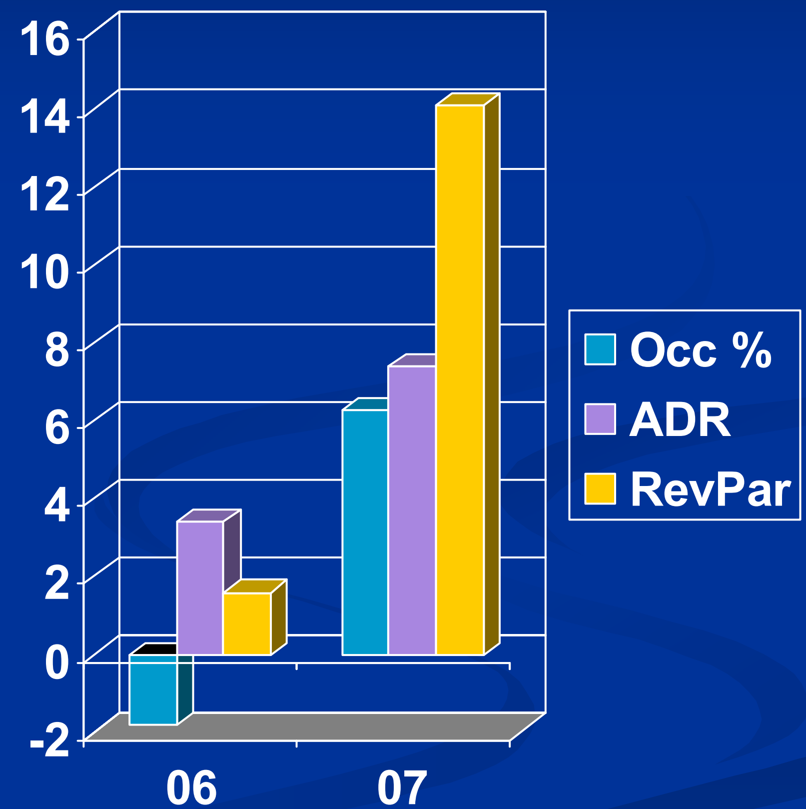
Maine
Percent Change YOY

- Occ
  - 2006 <1.8%>
  - 2007 6.3%
- ADR
  - 2006 3.4%
  - 2007 7.4%
- RevPar
  - 2006 1.6 %
  - 2007 14.1%



2006 & 2007 Industry Trends

Trends

- Pricing power
  - Years of repeated growth
- Occupancy
  - Constant increases
- Capital has been available
- Construction costs increase
- Amenity creep
- Technology importance
- Going Green

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Trends

- Consolidation
  - RLJ / White Lodging
  - Blackstone / Hilton
  - Hyatt / Blackstone
- New Lifestyle Brands
  - Element 14
  - Aloft 55
  - Nylo
  - Cambria 49
  - Hotel Indigo 32
  - Hyatt Place 52

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National Development Pipeline

Provided by

Lodging Econometrics

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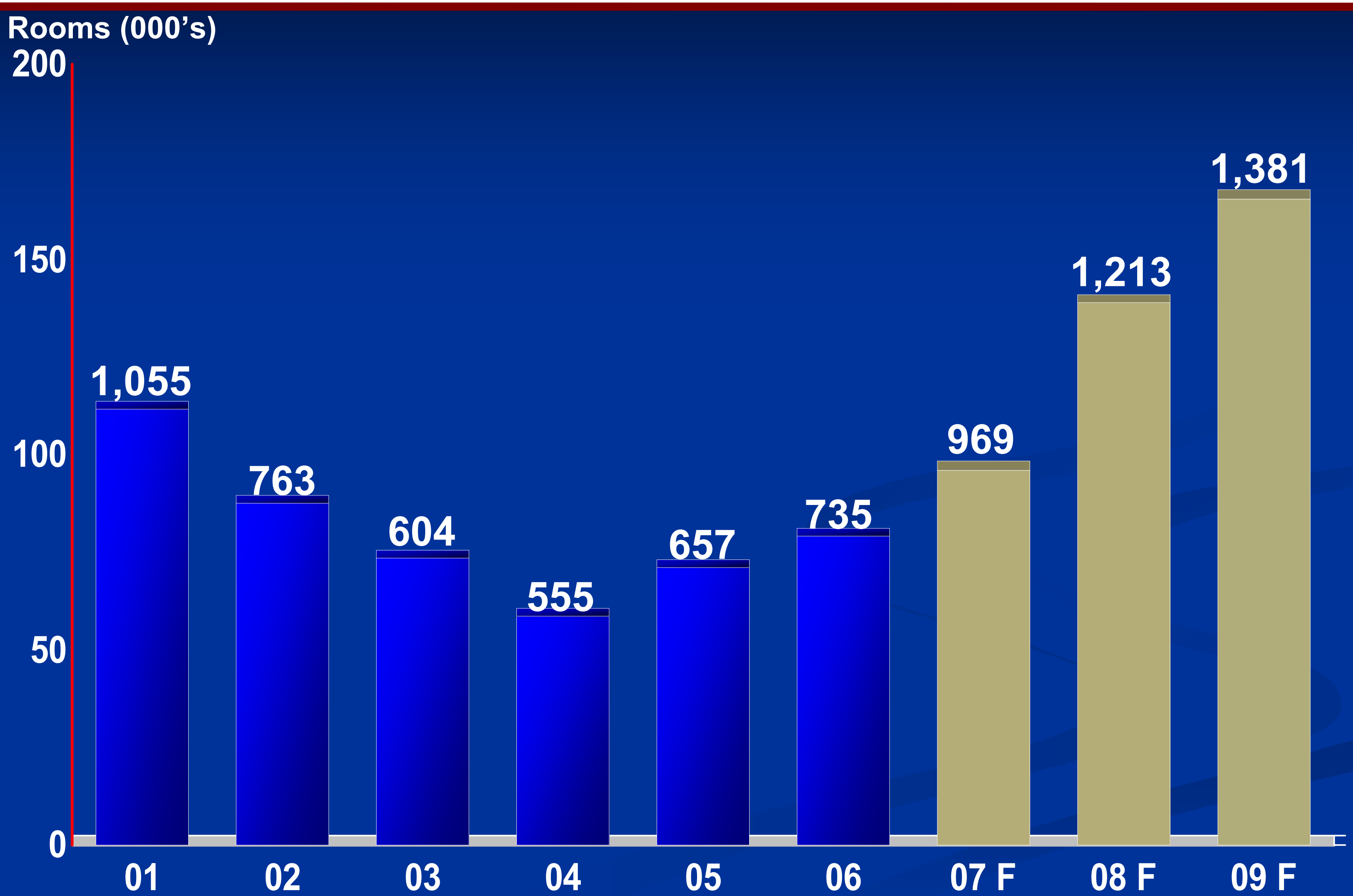
PIPELINE ROOMS AS %AGE OF CENSUS

	Hotels	Guest Rooms	%age Census
Phoenix	119	18,227	33%
San Antonio	74	10,757	32%
Washington	139	23,255	24%
New York	104	15,705	20%
San Diego	46	11,444	19%
Houston	97	11,007	18%
Norfolk	58	6,755	17%

	Hotels	Guest Rooms	%age Census
Miami	36	7,427	16%
Chicago	85	15,786	15%
Nashville	36	4,945	15%
Philadelphia	56	6,361	15%
Dallas	85	9,880	14%
Atlanta	101	12,935	14%
Orlando	65	16,263	13%

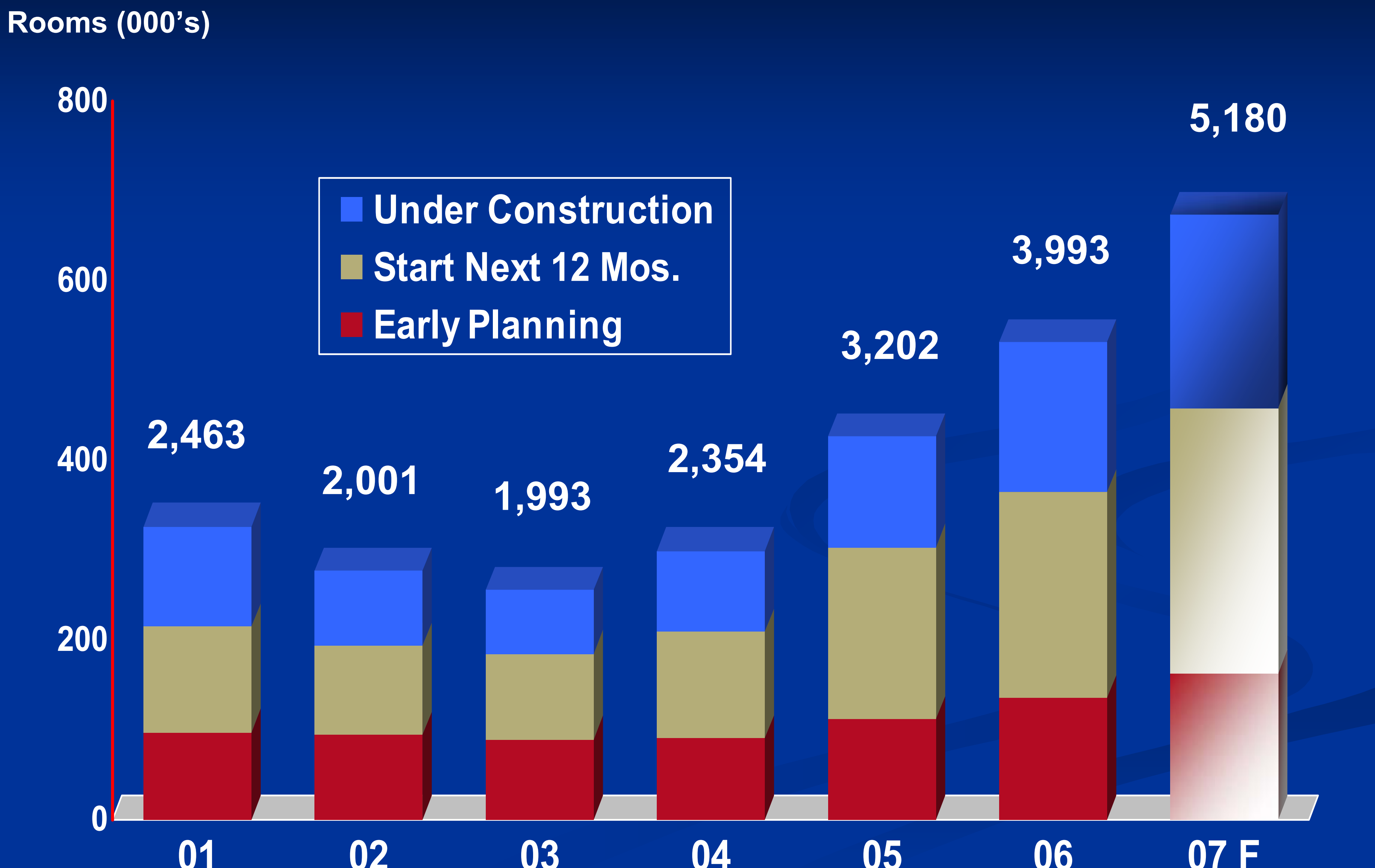
LODGING Econometrics THE GLOBAL AUTHORITY FOR HOTEL REAL ESTATE

NEW HOTEL OPENINGS '01 - '09



LODGING Econometrics THE GLOBAL AUTHORITY FOR HOTEL REAL ESTATE

CONSTRUCTION PIPELINE '01 - '07



LODGING Econometrics
THE GLOBAL AUTHORITY FOR HOTEL REAL ESTATE

MAINE Pipeline
As of 3rd Qt 07

- **Under Construction**
  - Portland MSA 1
  - Maine North 3
  - Maine South 3
  - *Maine Totals 7*
- **Starts next 12 months**
  - Portland MSA 2
  - Maine North 3
  - Maine South 5
  - *Maine Totals 10*

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MAINE Pipeline
As of 3rd Qt 07

- Early Planning
  - Portland MSA 3
  - Maine North 1
  - Maine South 5
  - *Maine Totals 9*

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THE GLOBAL AUTHORITY FOR HOTEL REAL ESTATE

Maine Forecasted Openings

Maine Forecasted Hotel Openings

2008	3
2009	4
2010	6

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What's in Store?

- Lower occupancy?
- Rate increases?
- More new hotels? Lifestyle Hotels?
- Changing of brands?
- Tighter equity markets?
- Local lending relationships more important?
- Continued development?
- Healthy but slowing
- Continued mergers?
- Gas price impact?
- Economy impact?

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