

Maine's Vacation & Hospitality Forecast

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2016 - 2019 Industry Performance

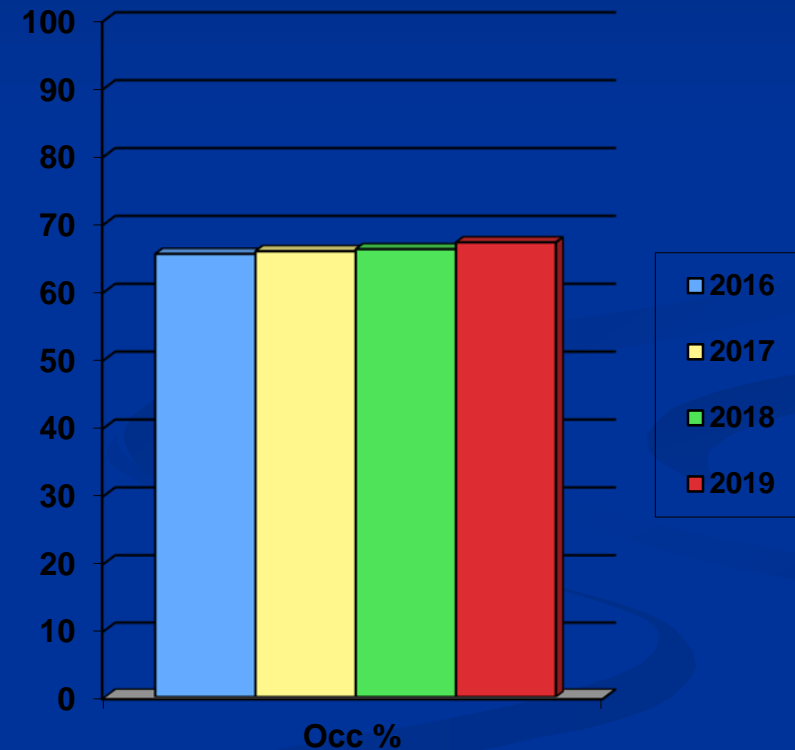
National Results

*Data provided by Smith Travel Research



2016 - 2019 Occupancy

- **Occupancy**
- Rooms Sold/Rooms Available
- 2016 65.5% Y/E
- 2017 65.9 % Y/E
- 2018 66.2% Y/E
- 2019 67.2% YTD



2016 - 2019 ADR

■ ADR

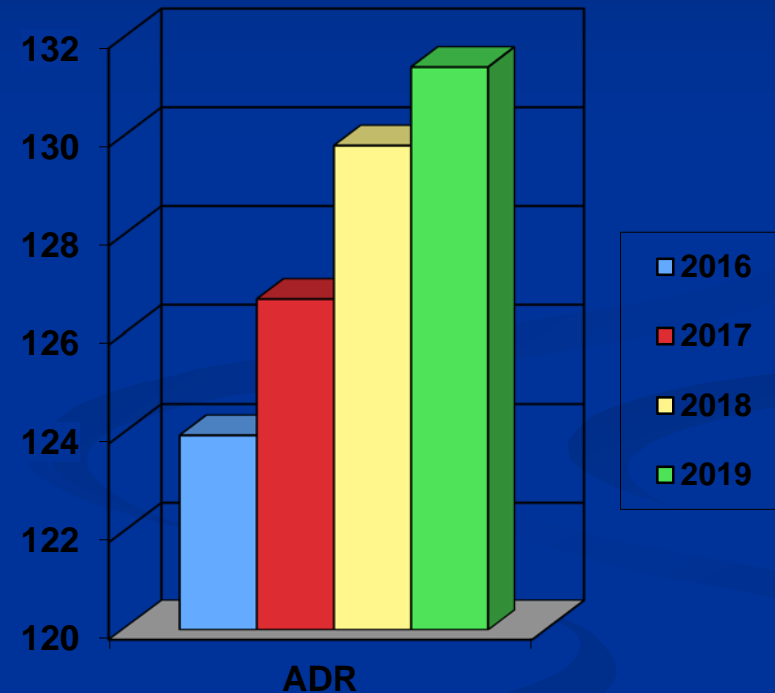
■ Room Sales / Rooms Sold

2016 \$ 123.97 Y/E

2017 \$ 126.72 Y/E

2018 \$ 129.83 Y/E

2019 \$ 131.53 YTD



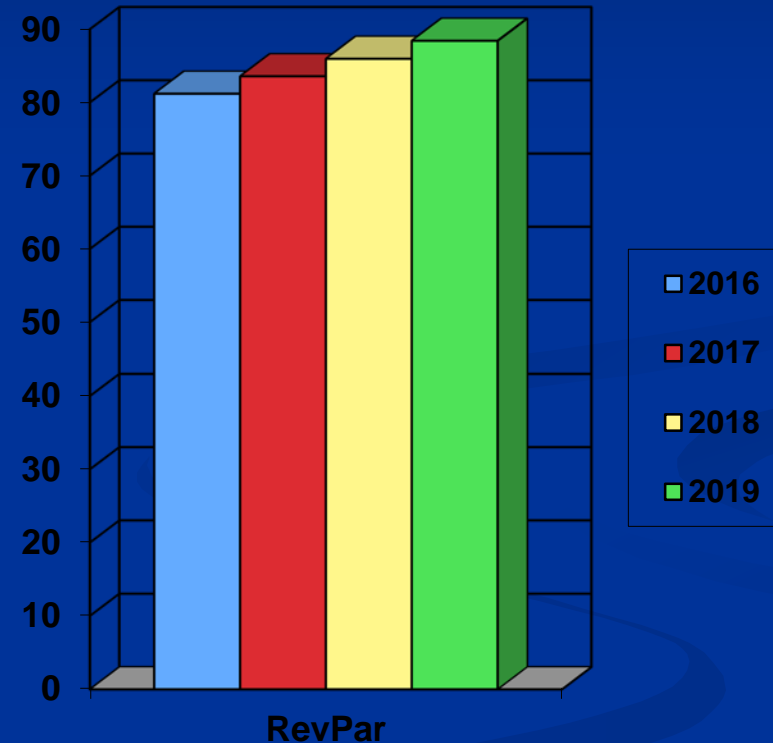
2016 - 2019

RevPAR

■ RevPAR

■ Sales / Rooms Available

- 2016 \$ 81.19 Y/E
- 2017 \$ 83.57 Y/E
- 2018 \$ 85.96 Y/E
- 2019 \$ 88.42 YTD



Percent change YOY

■ Occ %

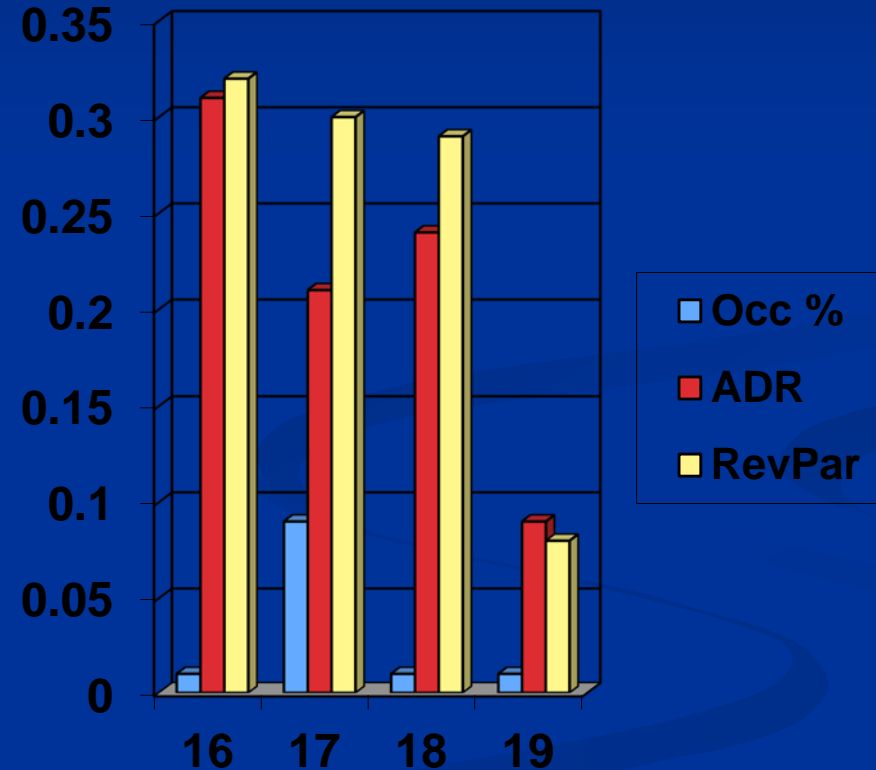
- 2016 + 0.1 %
- 2017 + 0.9%
- 2018 + 0.1 %
- 2019 - 0.1% YTD

■ ADR

- 2016 + 3.1%
- 2017 + 2.1%
- 2018 + 2.4%
- 2019 + 0.9% YTD

■ RevPar

- 2016 + 3.2 %
- 2017 + 3.0%
- 2018 + 2.9%
- 2019 + 0.8% YTD



2016 - 2019 Industry Performance

Maine

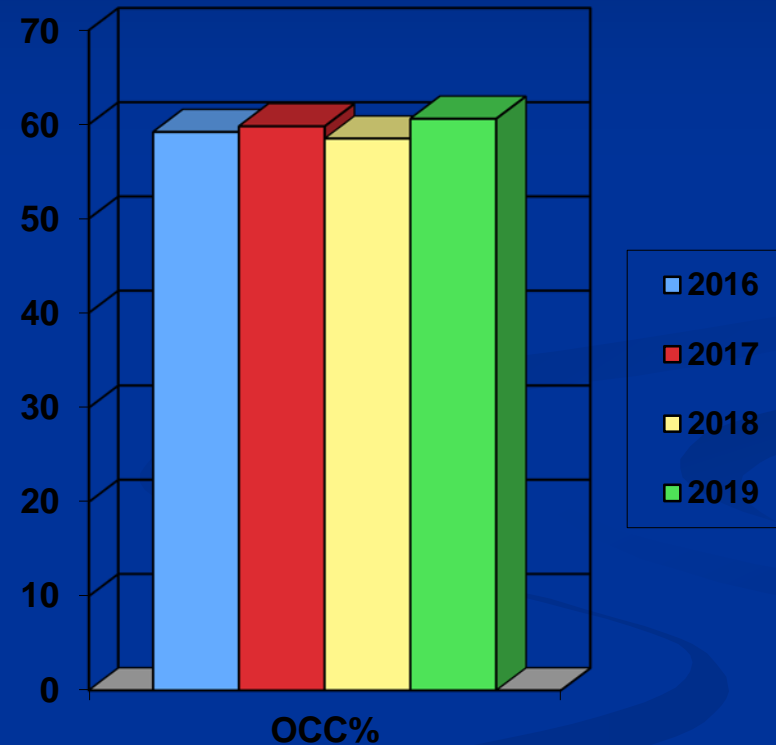


2016 - 2019

Occupancy (Maine)

■ Occupancy

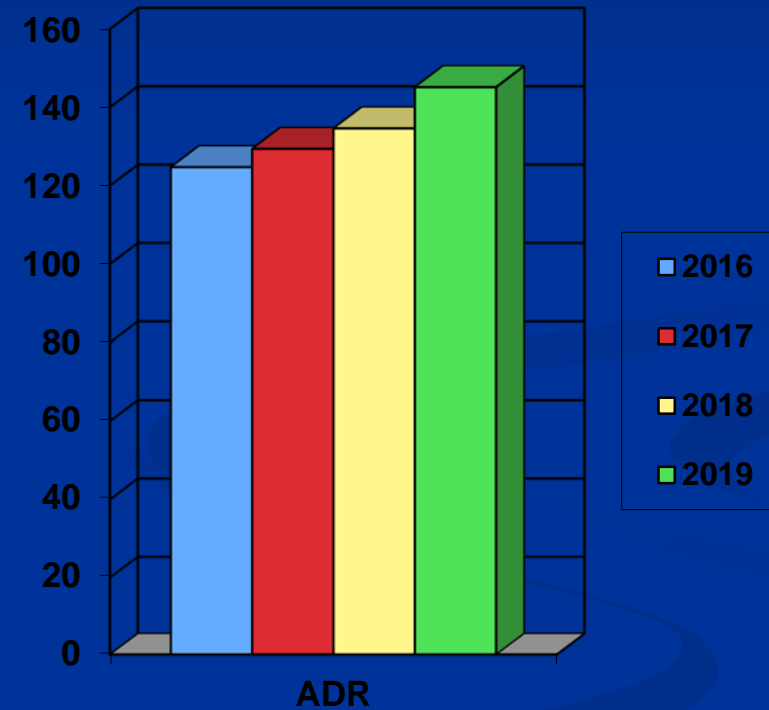
- 2016 59.2 %
- 2017 59.8 %
- 2018 58.5 %
- 2019 60.6% *YTD NOV*



2016 - 2019 ADR (Maine)

■ ADR

- 2016 \$ 124.74
- 2017 \$ 129.42
- 2018 \$ 134.63
- 2019 \$ 145.16

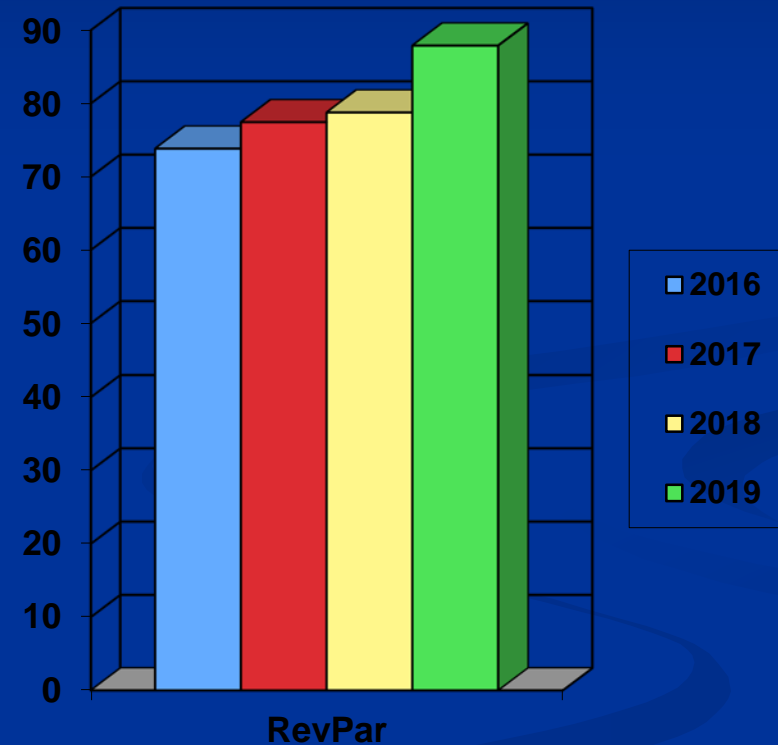


2016 - 2019

RevPAR (Maine)

■ RevPar

- 2016 \$ 73.84
- 2017 \$ 77.45
- 2018 \$ 78.77
- 2019 \$ 87.90



2016 - 2019 Performance

PORTLAND



Portland Market

■ Occ

- 2016 63.6 %
- 2017 64.7 %
- 2018 66.5 %
- 2019 68.9% YTD Nov

■ ADR

- 2016 \$ 133.46
- 2017 \$ 137.59
- 2018 \$ 138.90
- 2019 \$ 140.40 YTD Nov

■ RevPar

- 2016 \$ 84.93
- 2017 \$ 89.03
- 2018 \$ 92.36
- 2019 \$ 93.99 YTD Nov

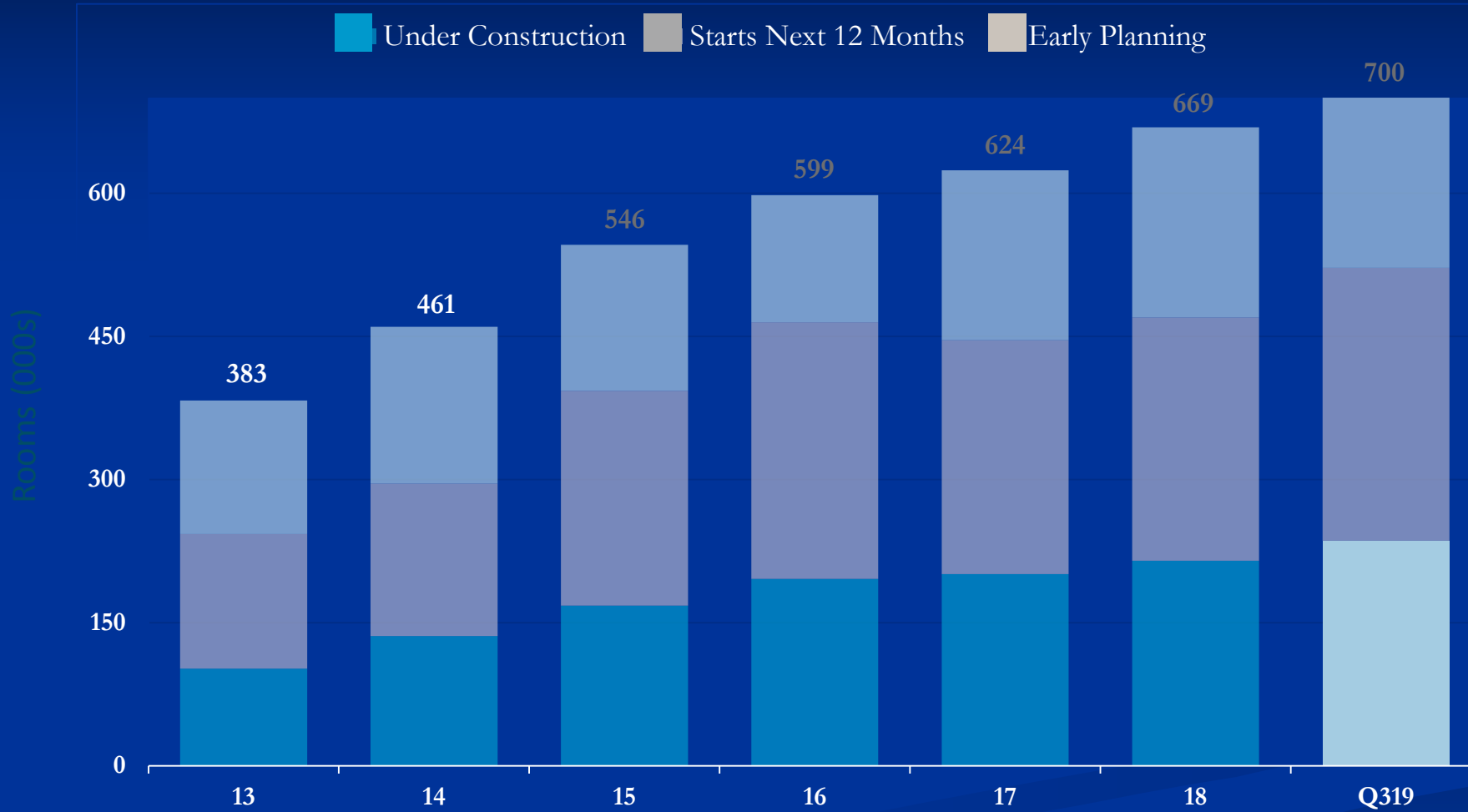


National Development Pipeline

Provided by
Lodging Econometrics

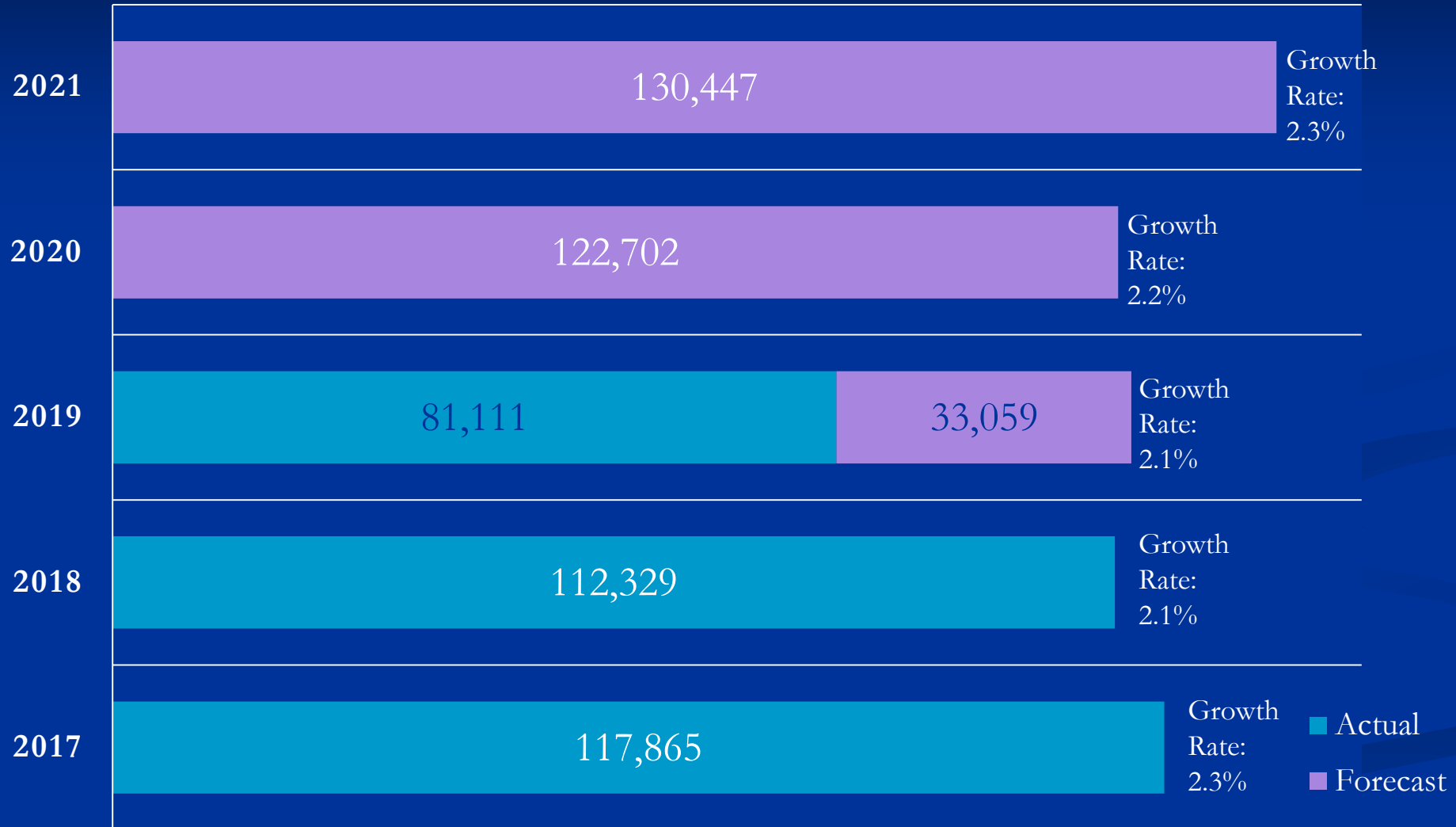


US Construction Pipeline By Projects and Rooms



Projects	3,020	3,645	4,413	4,960	5,151	5,530	5,704
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US Forecast New Hotel Openings by Rooms

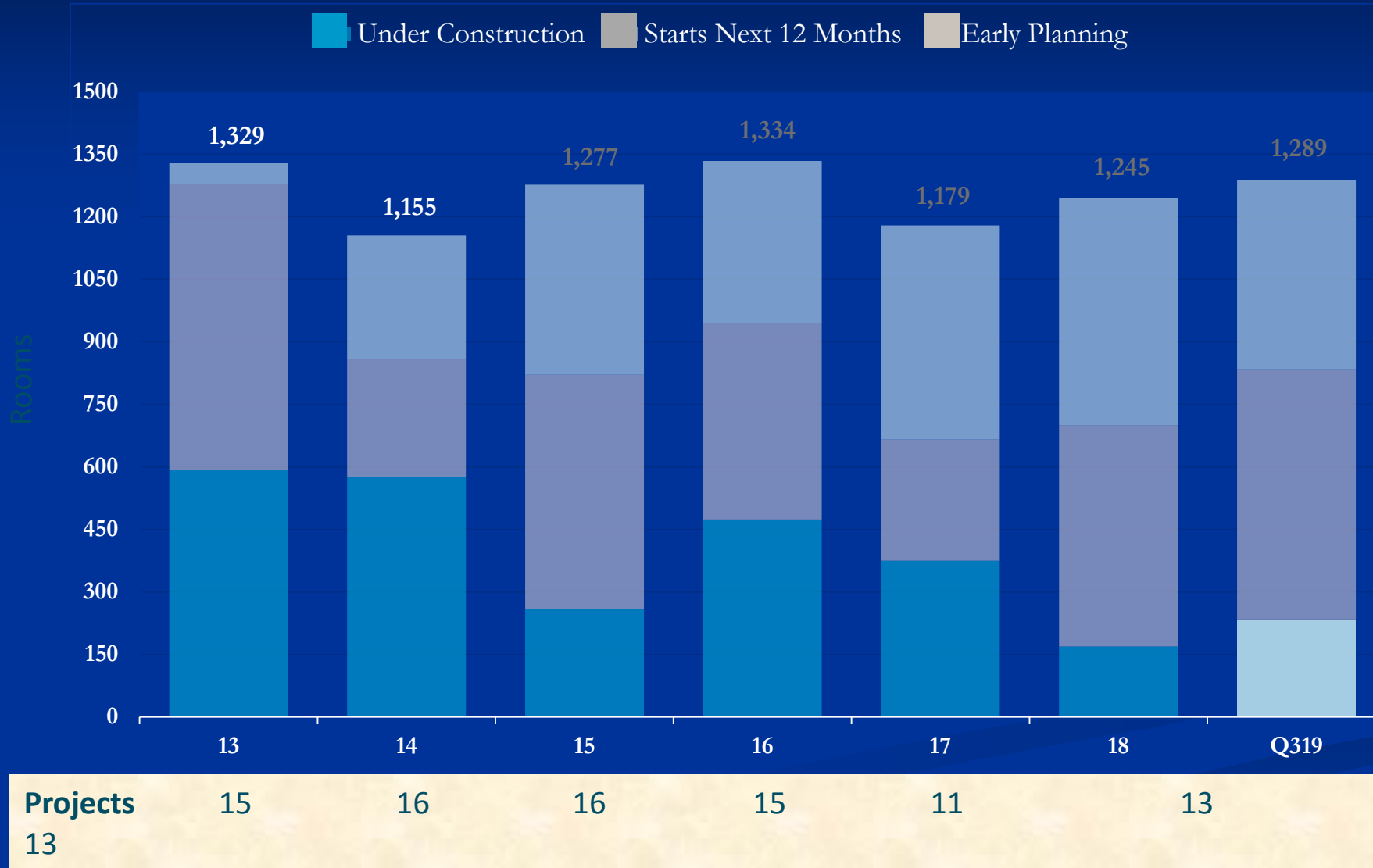


Maine Development Pipeline

Provided by
Lodging Econometrics

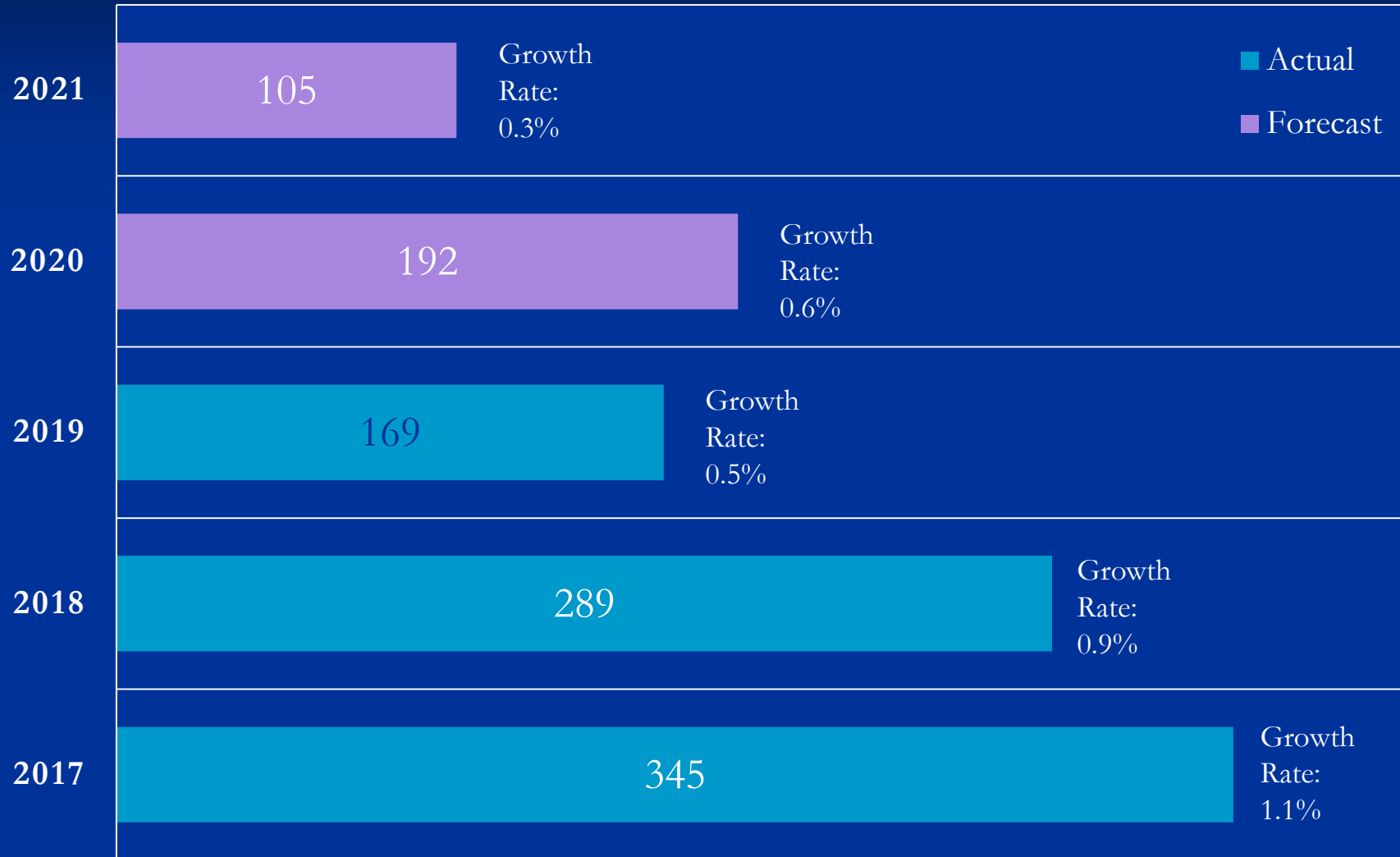


Maine Construction Pipeline By Projects and Rooms



Maine Forecast

New Hotel Openings by Rooms



Maine Construction Pipeline by Projects – As of 3Q 2019

Early Planning

▪ Portland MSA	3
▪ Maine North	0
▪ <u>Maine South</u>	<u>1</u>
▪ Maine Totals	4

Maine Construction Pipeline by Projects – As of 3Q 2019

Under Construction

▪ Portland MSA	1
▪ Maine North	0
▪ Maine South	1
▪ <u>Maine Midcoast</u>	<u>2</u>
▪ Maine Totals	4

Maine Construction Pipeline by Projects – As of 3Q 2019

Starts Next 12 Months

▪ Portland MSA	4
▪ Maine North	0
▪ Maine Midcoast	0
▪ <u>Maine South</u>	<u>1</u>
▪ Maine Totals	5

Predictions

- STR: 2020 Less than 1% RevPar. Worst since recession
- CBRE: Occ decrease in 2020 & 2021, but slower than reported earlier
- CBRE: Because Occ & ADR decrease is minimal, it may lead to a sustained expansion.
 - 2022: +2.1%
 - 2023: +3.5
- Marriott & Hilton: Anemic growth less than 1% in 2020 & 2021, slight tick up 2022 and 2023
- JLL: CAP Rates 6.5 BOS, Tertiary 8.0-9.0
- REITS out, Large Cap Out, Small companies are in
- JLL: Local Banks are the winners



Trends in the Hotel Industry

- Digital Transforming guests experience
 - Guestroom Entertainment
 - Phone does it all
 - Find Hotel
 - Reserve room
 - Choose room
 - Check in via phone
 - Use as room Key
- Tech in your room. Both Marriott and Hilton have plans
 - Control TV, Shades, Music lights from phone
 - Use Personal Data to adjust heat before arrival, have personal pics on screens, Wake up calls pre set, Uber reserved at usual time
- Hotels Embrace Sustainability
- Hotels focus on Direct Bookings
- Air B&Bs here to stay

Contact Info

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