

BC Hotel Sector Transaction Market Outlook presented by HVS and Colliers

BCHA May 2021

The webinar will begin shortly



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Ingrid Jarrett - President & CEO, BCHA



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Russell Beaudry
Senior Director

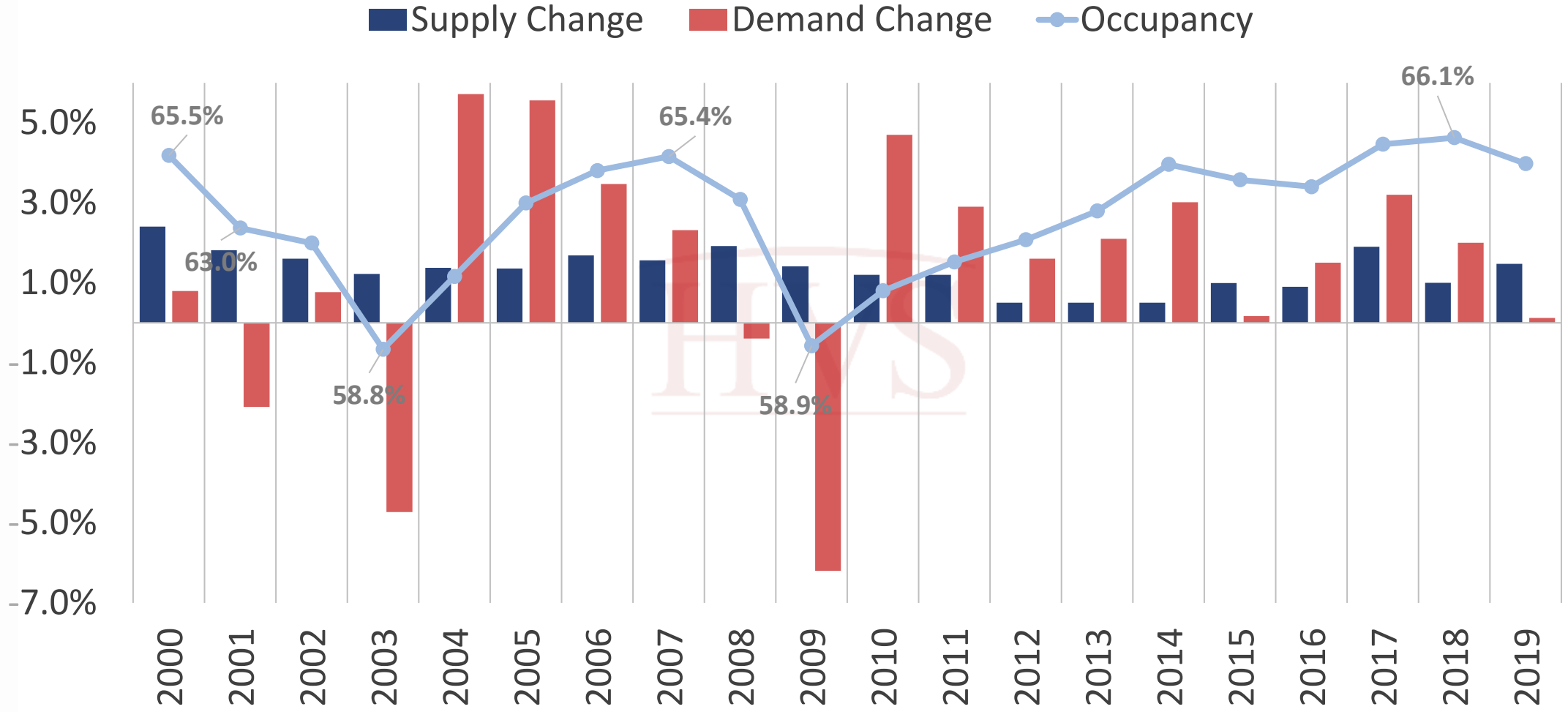


Carrie Russell
Senior Managing Partner



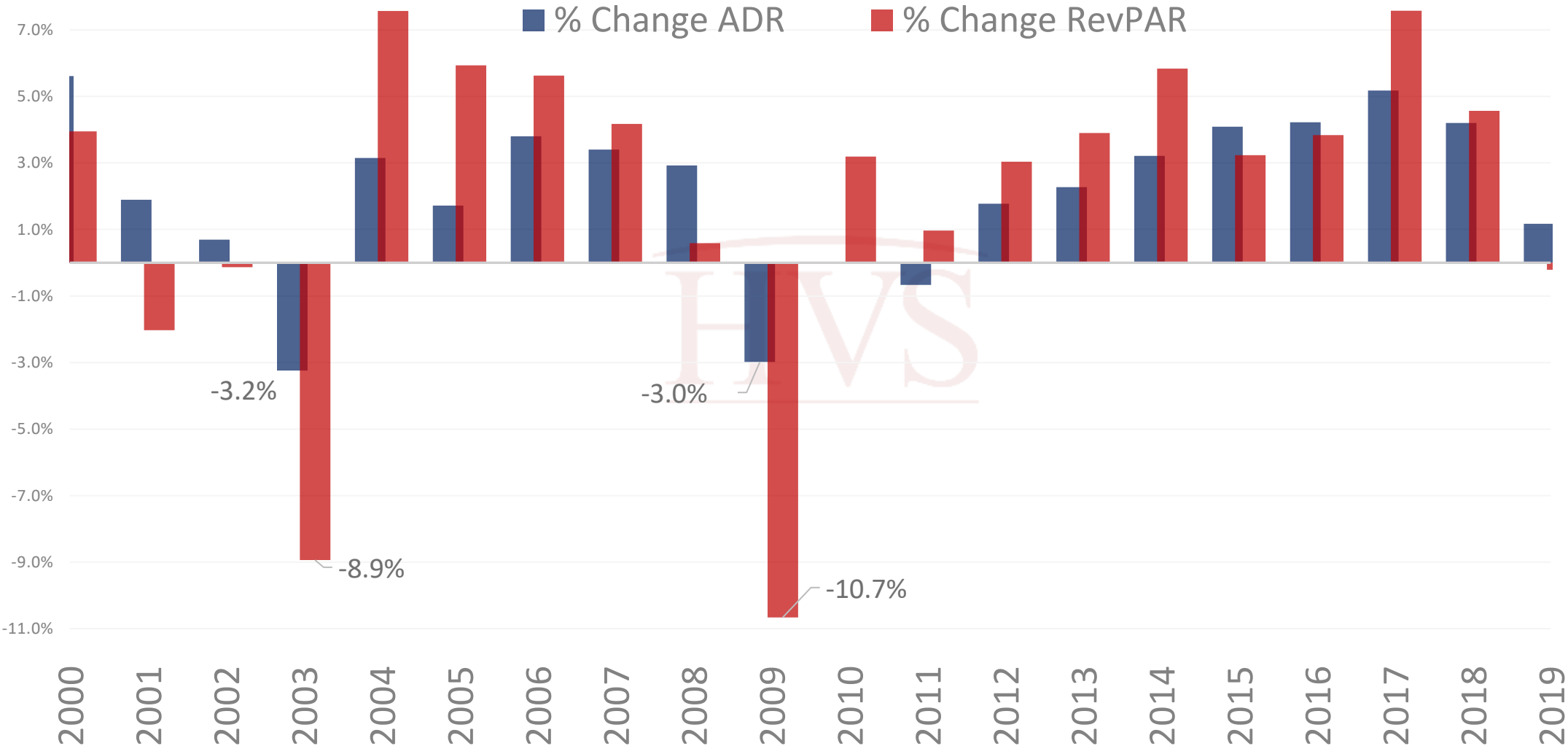
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Canadian Lodging Market Trends Through Prior Cycles



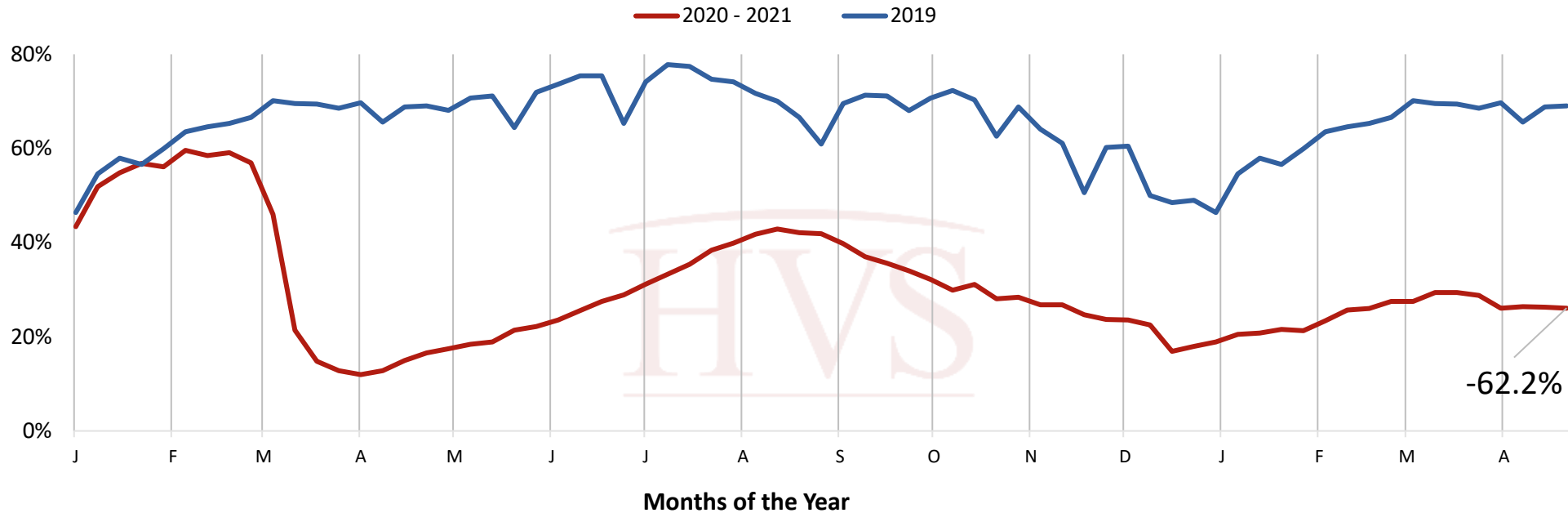
Source: STR/HVS

Canadian Lodging Market Trends through Prior Cycles



COVID Impact - Occupancy

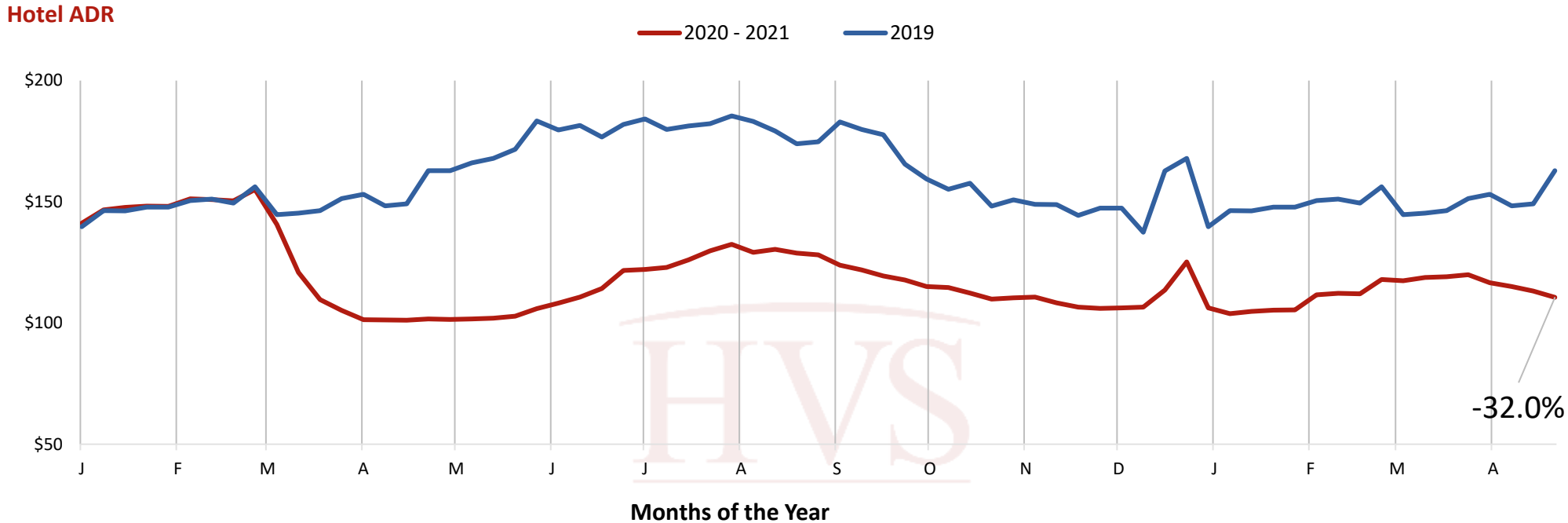
Hotel Occupancy



Data for Canada illustrates that the industry bottomed in April and improved through August and slid through the year-end as a second-wave of travel restrictions were required.

Source: STR/HVS

COVID Impact - ADR



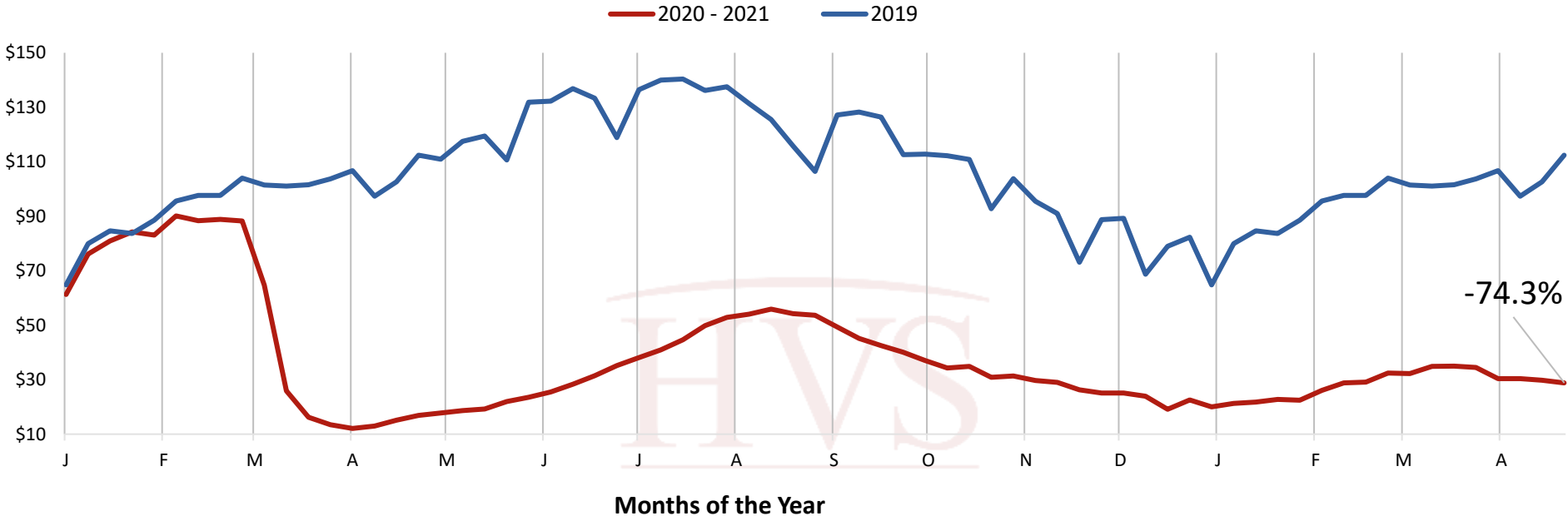
ADR has been a function of the demand that has been in the market much of which is extended stay, front-line workers and compassionate rates.

Source: STR/HVS

COVID Impact - RevPAR



Hotel RevPAR



RevPAR was under \$20 for the two troughs experienced in 2020...it can only go up from here.

Source: STR/HVS

Outlook for the Canadian Lodging Industry



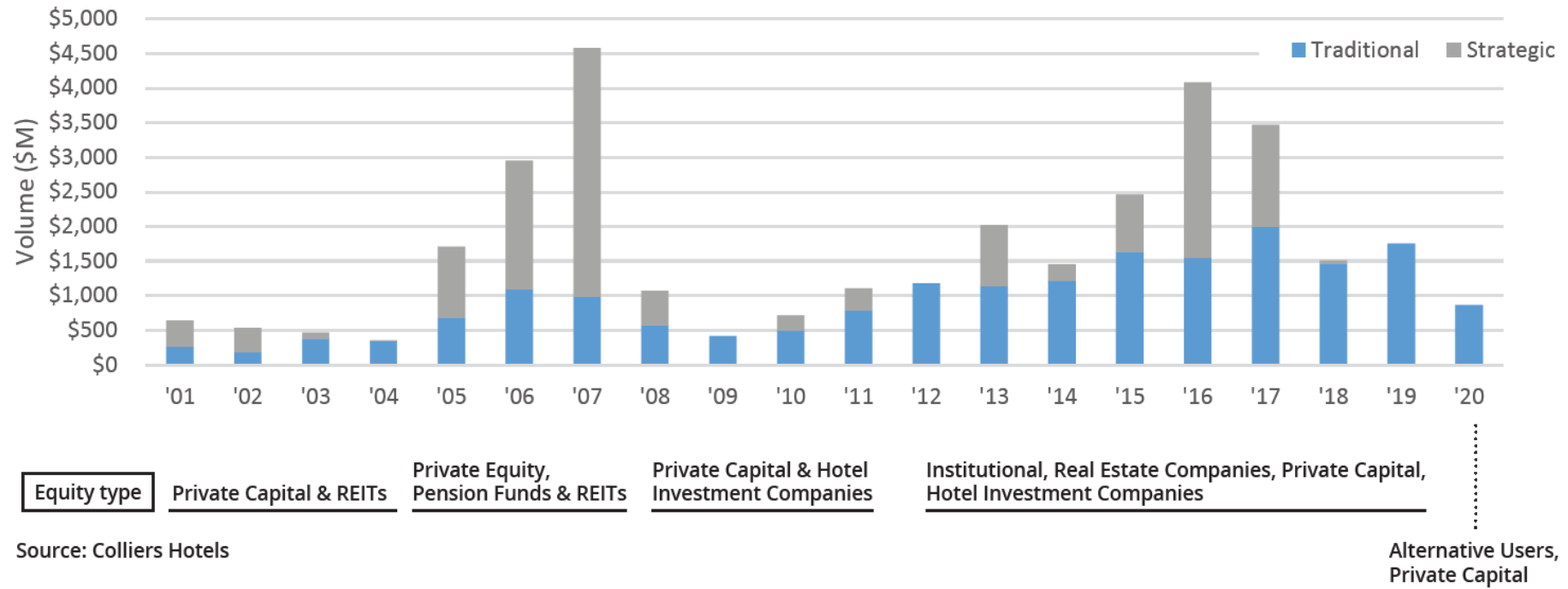
The following forecasts for the Canadian lodging industry reflect the current outlook of market participants, assuming the vaccination roll out is completed and the U.S. border re-opens by September 2021.

	Historical			Forecast			
	2018	2019	2020	2021	2022	2023	2024
Occupancy	66.3%	65.2%	32.0%	43.7%	56.4%	63.5%	65.0%
<i>Percent Change</i>		-1.7%	-50.9%	36.3%	29.0%	12.7%	2.4%
Average Rate	\$163.40	\$165.23	\$129.70	\$142.28	\$156.77	\$163.04	\$167.93
<i>Percent Change</i>		1.1%	-21.5%	9.7%	10.2%	4.0%	3.0%
RevPAR	\$108.33	\$107.73	\$41.56	\$62.15	\$88.35	\$103.53	\$109.16
<i>Percent Change</i>		-0.6%	-61.4%	49.6%	42.2%	17.2%	5.4%

Source: STR and HVS

This represents the current expectation for the timing and pattern of recovery, with occupancy expected to recover first, followed by ADR. All forecasts are in current dollars.

Historical Canadian Hotel Transaction Volume



Source: Colliers Hotels

BC Hotel Transaction Volume (since 2016)

	# Hotels	\$ Vol. (M)	\$/Room
YTD 2021	9	\$168	N/A
2020	18	\$187	\$123,600
2019	19	\$190	\$101,100
2018	35	\$337	\$129,700
2017	26	\$305	\$149,200
2016	26	\$332	\$133,100

Excludes strategic deals

Source: Colliers Hotels



Q&A

Open Forum – Please submit questions via the chat function



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Thank you

If you have any follow up questions or inquiries, please contact:
Ingrid Jarrett, BCHA President & CEO – Ingrid.Jarrett@bcha.com



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The logo for HVS, consisting of the letters 'HVS' in a bold, red, serif font, with a thin red arch above the letters and a thin red line below them.

