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COVID-19

ASSESSMENT OF THE IMPACTS ON

THE CANADIAN ACCOMMODATION

SECTOR

Hotel Association of Vancouver
OCTOBER 2020

PRESENTERS

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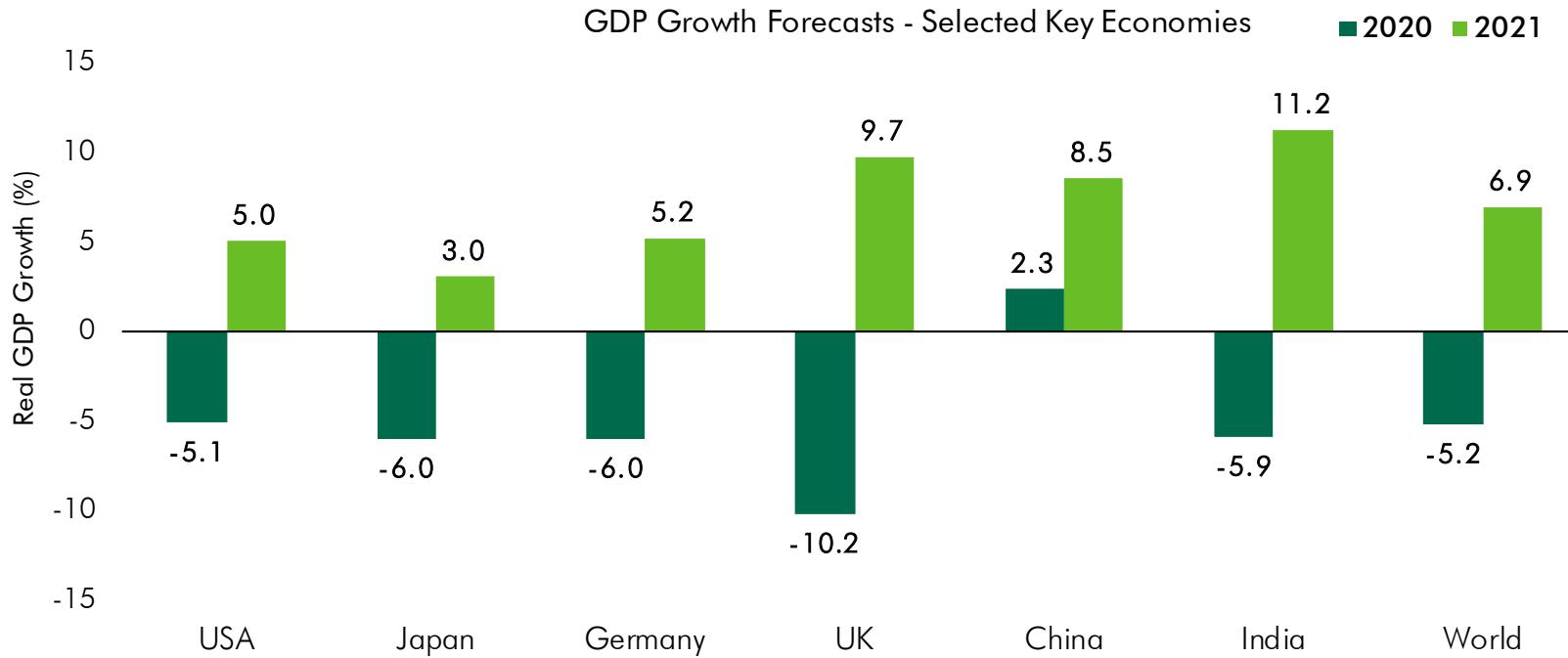
CBRE HOTELS CANADA

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ECONOMIC OUTLOOKS

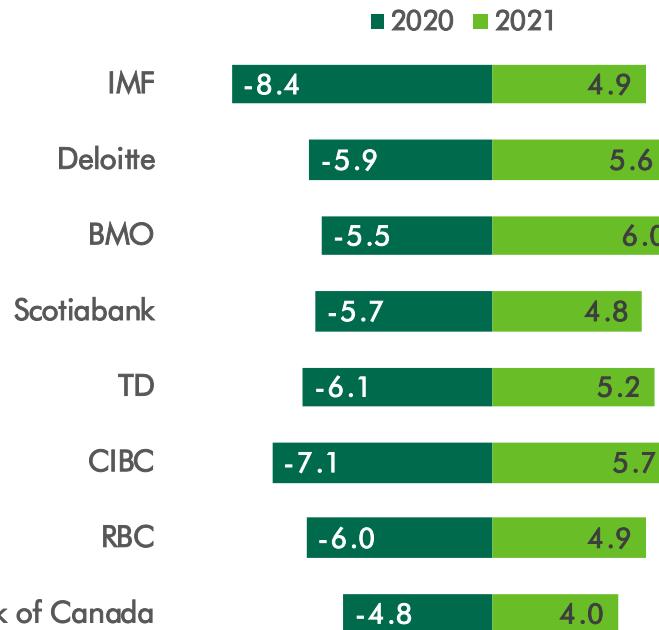


Source: CBRE Global Real Estate Market Outlook, July 2020.

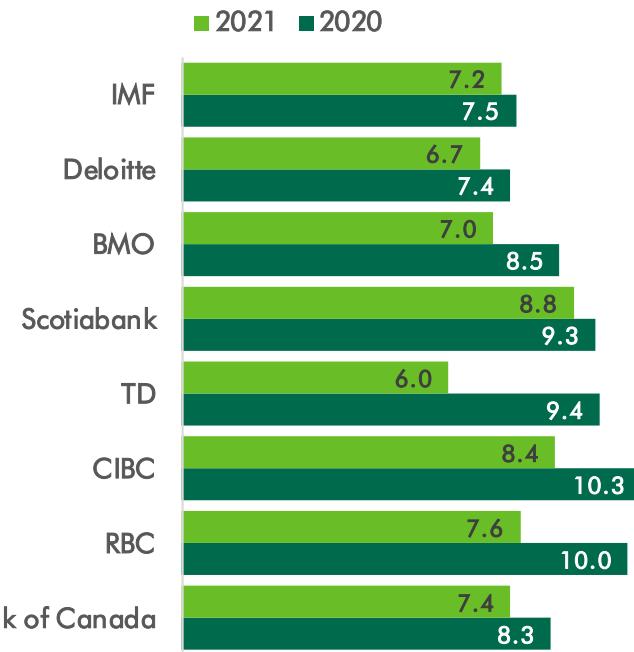
CANADIAN ECONOMIC OUTLOOKS

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GDP Forecast (% Change)



Unemployment Forecast (%)

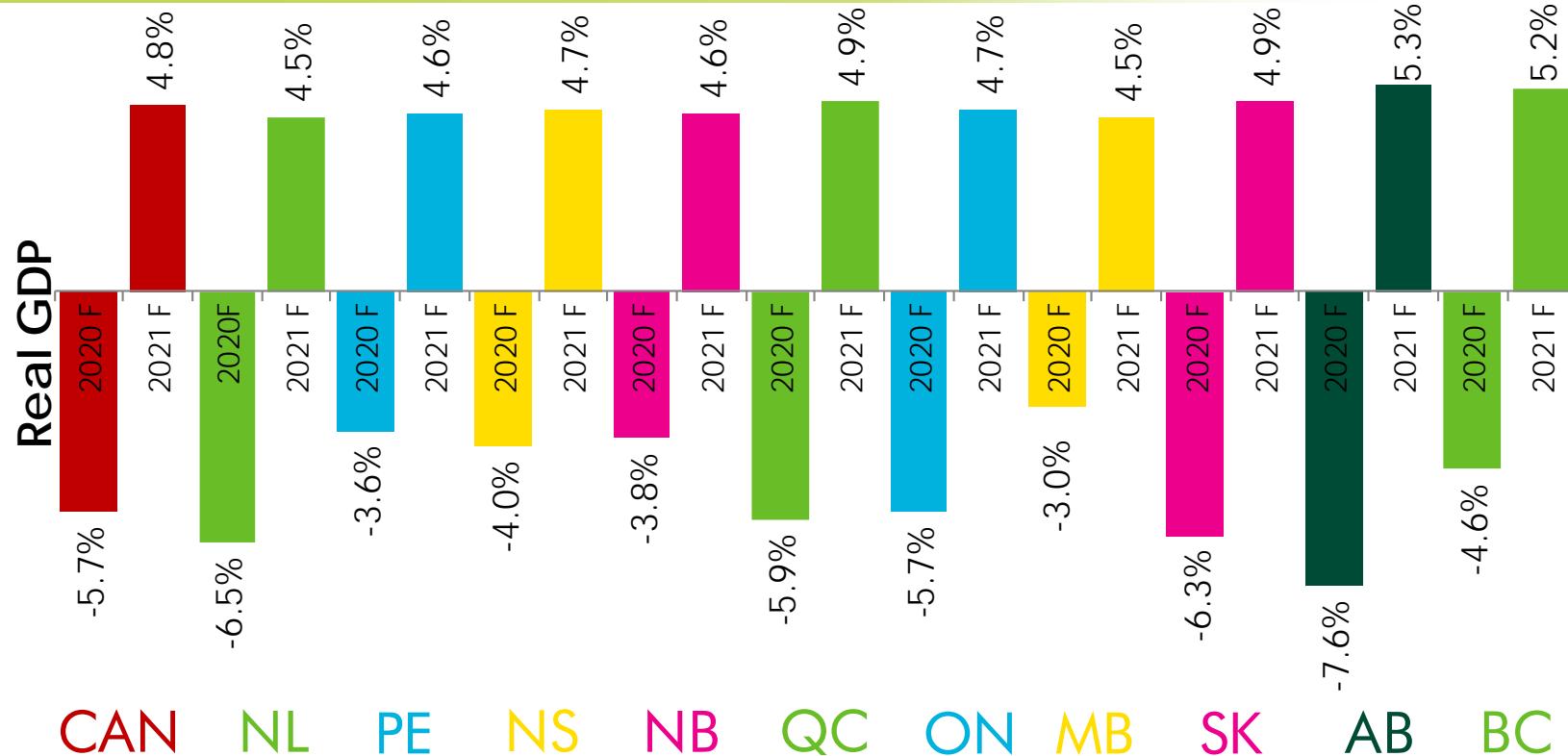


Compiled by CBRE Hotels, July or August 2020 Forecasts

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2020-2021 REAL GDP FORECAST BY PROVINCE

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Source: Scotiabank Group, Global Forecast Update, September 3, 2020

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CURRENT MARKET PERFORMANCE

NATIONAL

NATIONAL PERFORMANCE

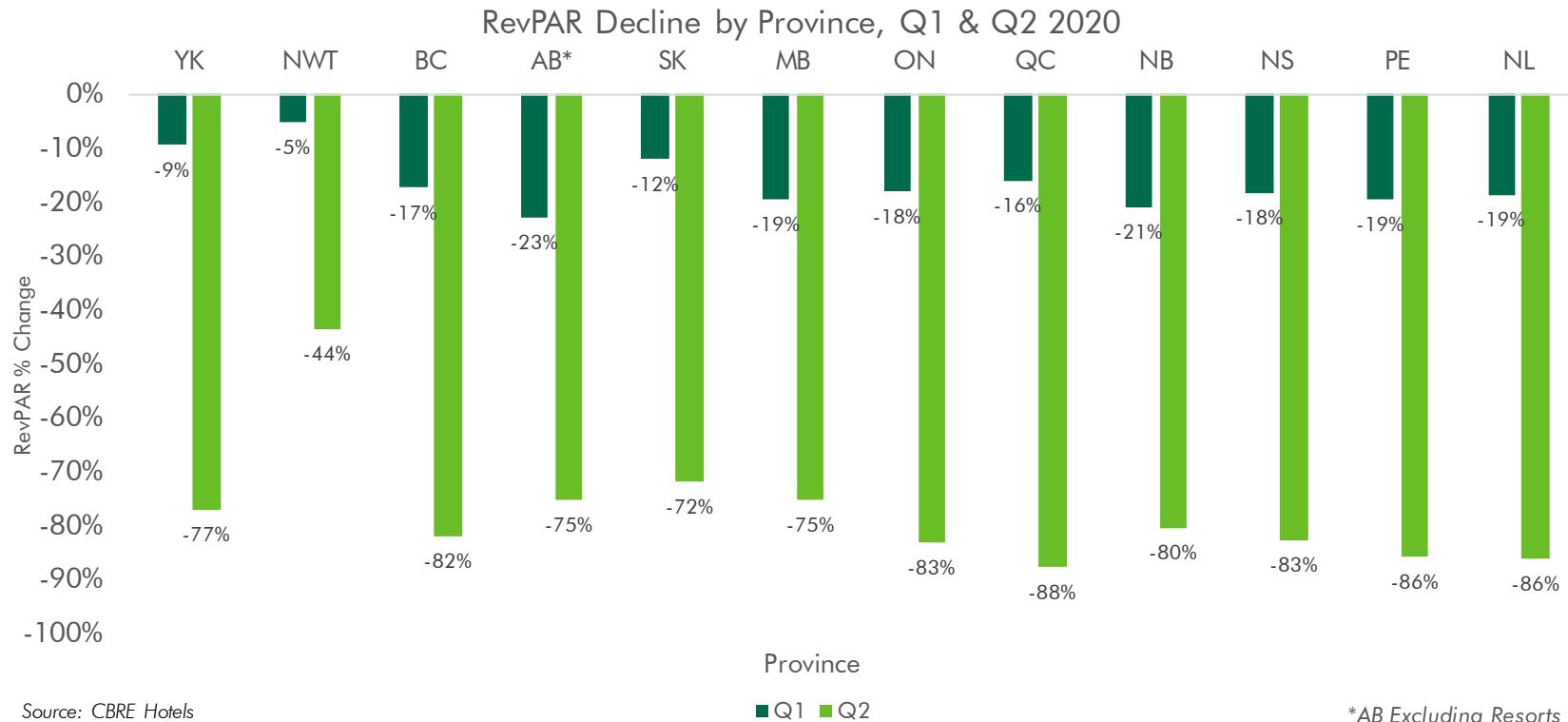
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2019	Q1	Q2	July	August
Occupancy	57%	68%	76%	79%
ADR	\$148	\$166	\$180	\$181
RevPAR	\$84	\$113	\$137	\$142
2020	Q1	Q2	July	August (est.)
Occupancy	47%	19%	34%	42%
ADR	\$147	\$106	\$128	\$134
RevPAR	\$69	\$20	\$43	\$56
YoY Change	Q1	Q2	July	August (est.)
Occupancy	-10pts	-49pts	-42pts	-37pts
ADR	-1%	-36%	-29%	-26%
RevPAR	-18%	-82%	-68%	-61%

Source: CBRE Hotels

PROVINCIAL REVPAR PERFORMANCE

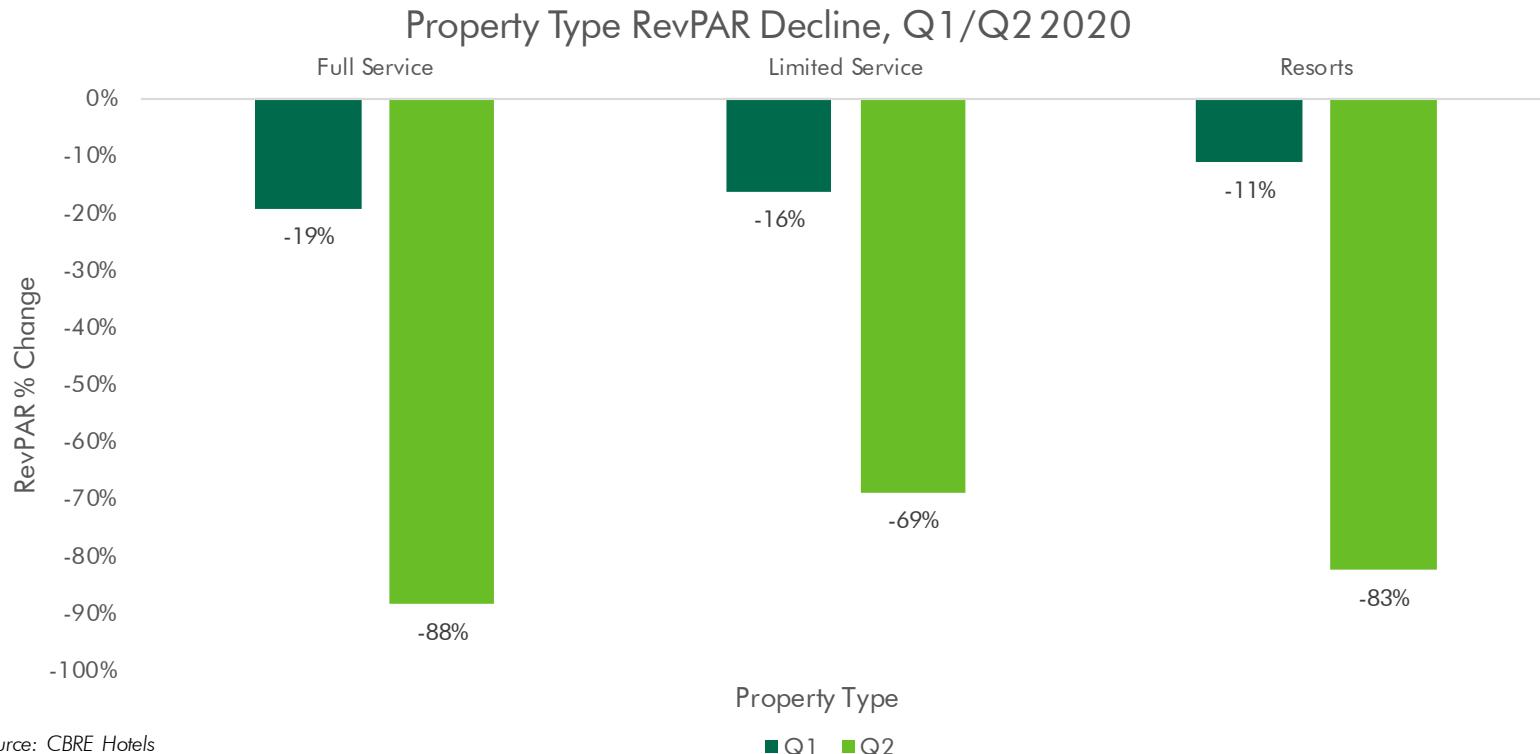
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Source: CBRE Hotels

PROPERTY TYPE REVPAR PERFORMANCE

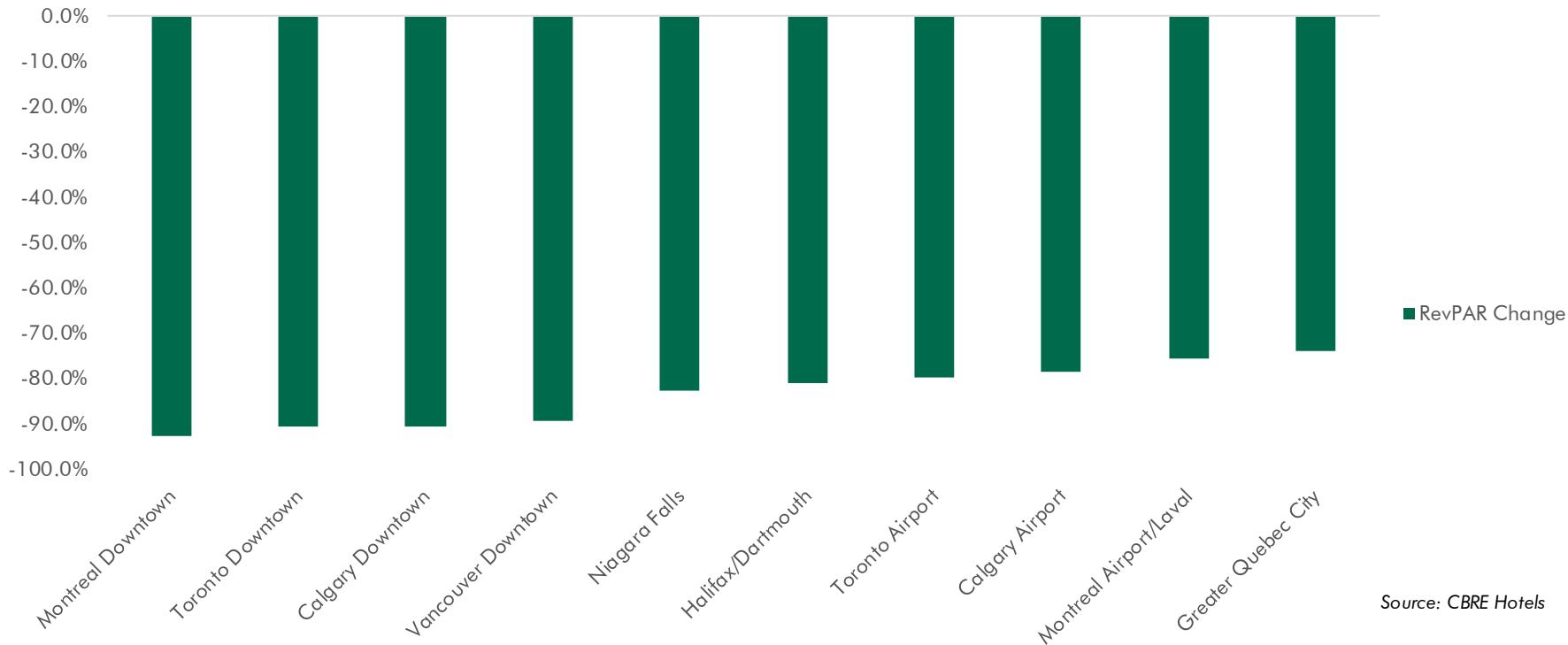
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Source: CBRE Hotels

MOST IMPACTED MARKETS BY REVPAR

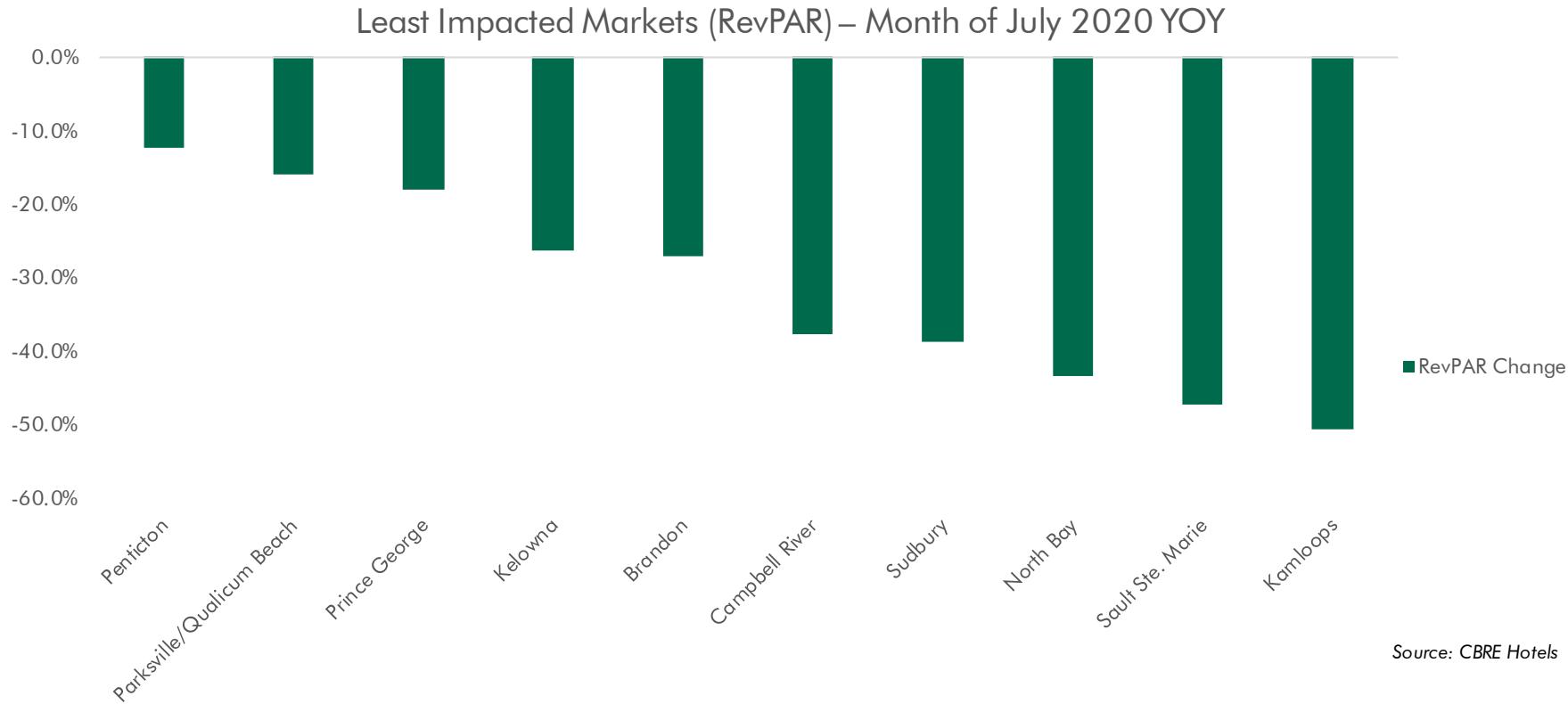
Most Impacted Markets (RevPar) - Month of July 2020 YOY



Source: CBRE Hotels

LEAST IMPACTED MARKETS BY REVPAR

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CURRENT MARKET PERFORMANCE BRITISH COLUMBIA

BRITISH COLUMBIA PERFORMANCE

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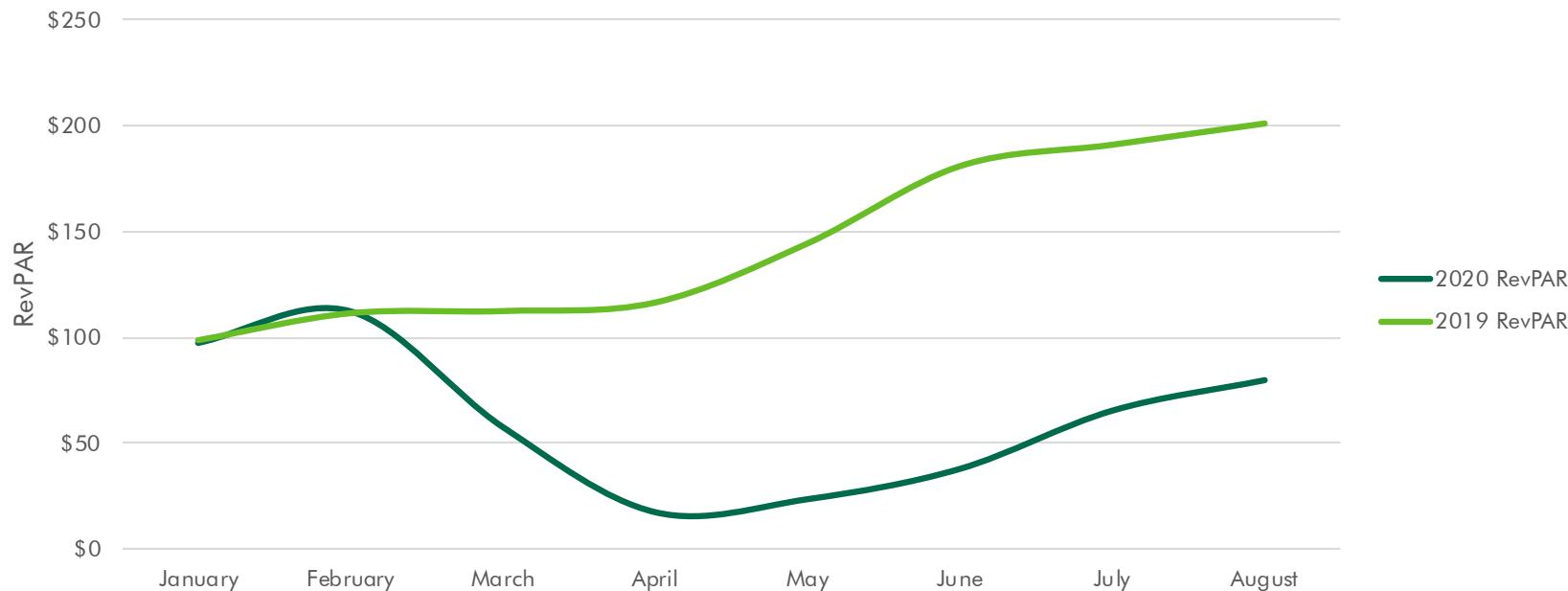
2019	Q1	Q2	July (Month)	August (Month)
Occupancy	63%	75%	84%	87%
ADR	\$171	\$198	\$228	\$232
RevPAR	\$108	\$147	\$191	\$201
2020	Q1	Q2	July	August (est.)
Occupancy	53%	23%	44%	52%
ADR	\$168	\$115	\$149	\$155
RevPAR	\$89	\$27	\$66	\$80
YoY Change	Q1	Q2	July	August (est.)
Occupancy	-10pts	-52pts	-40pts	-35pts
ADR	-2%	-42%	-35%	-33%
RevPAR	-17%	-82%	-66%	-60%

Source: CBRE Hotels

COVID-19 IMPACT – BC MONTHLY PERFORMANCE

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BRITISH COLUMBIA - COVID 19 ACCOMMODATION INDUSTRY REVPAR IMPACT

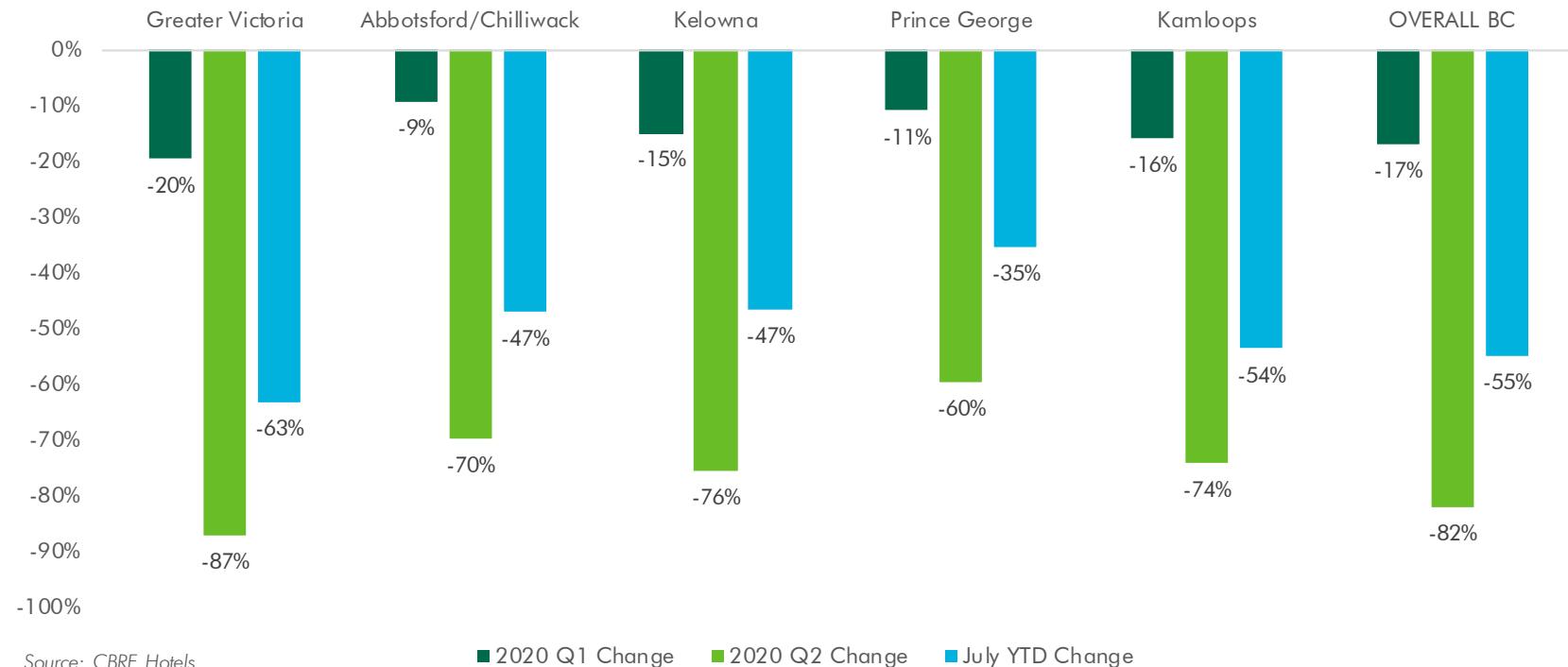


Source: CBRE Hotels

BC SUBMARKET REVPAR PERFORMANCE

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Year over Year RevPAR Decline by Submarket, Q1, Q2 and YTD July 2020





CURRENT MARKET PERFORMANCE METRO VANCOUVER

METRO VANCOUVER PERFORMANCE

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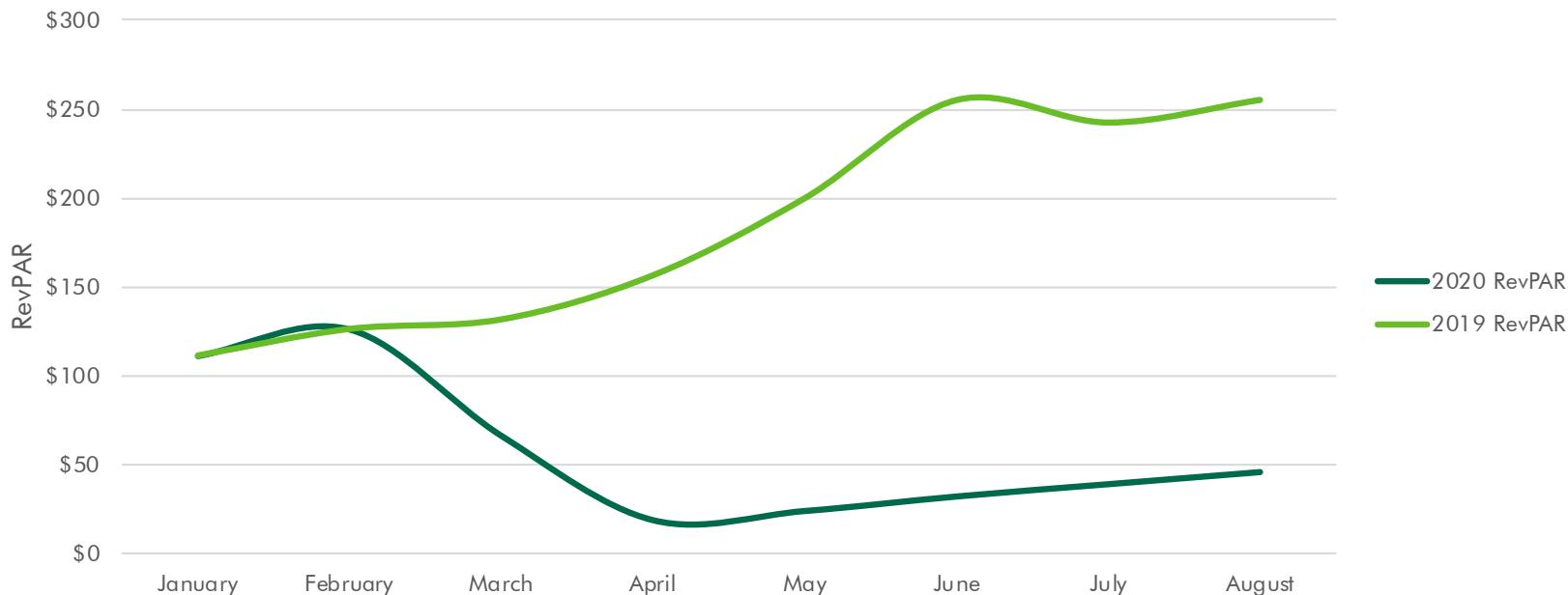
2019	Q1	Q2	July (Month)	August (Month)
Occupancy	71%	84%	89%	92%
ADR	\$172	\$241	\$272	\$277
RevPAR	\$123	\$204	\$242	\$255
2020	Q1	Q2	July (Month)	August (est.)
Occupancy	59%	20%	28%	34%
ADR	\$171	\$125	\$138	\$138
RevPAR	\$102	\$25	\$39	\$46
YoY Change	Q1	Q2	July (Month)	August (est.)
Occupancy	-12pts	-64pts	-61pts	-58pts
ADR	-0.3%	-48%	-49%	-50%
RevPAR	--17%	-88%	-84%	-82%

Source: CBRE Hotels

METRO VANCOUVER MONTHLY PERFORMANCE

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METRO VANCOUVER - COVID 19 ACCOMMODATION INDUSTRY REVPAR IMPACT

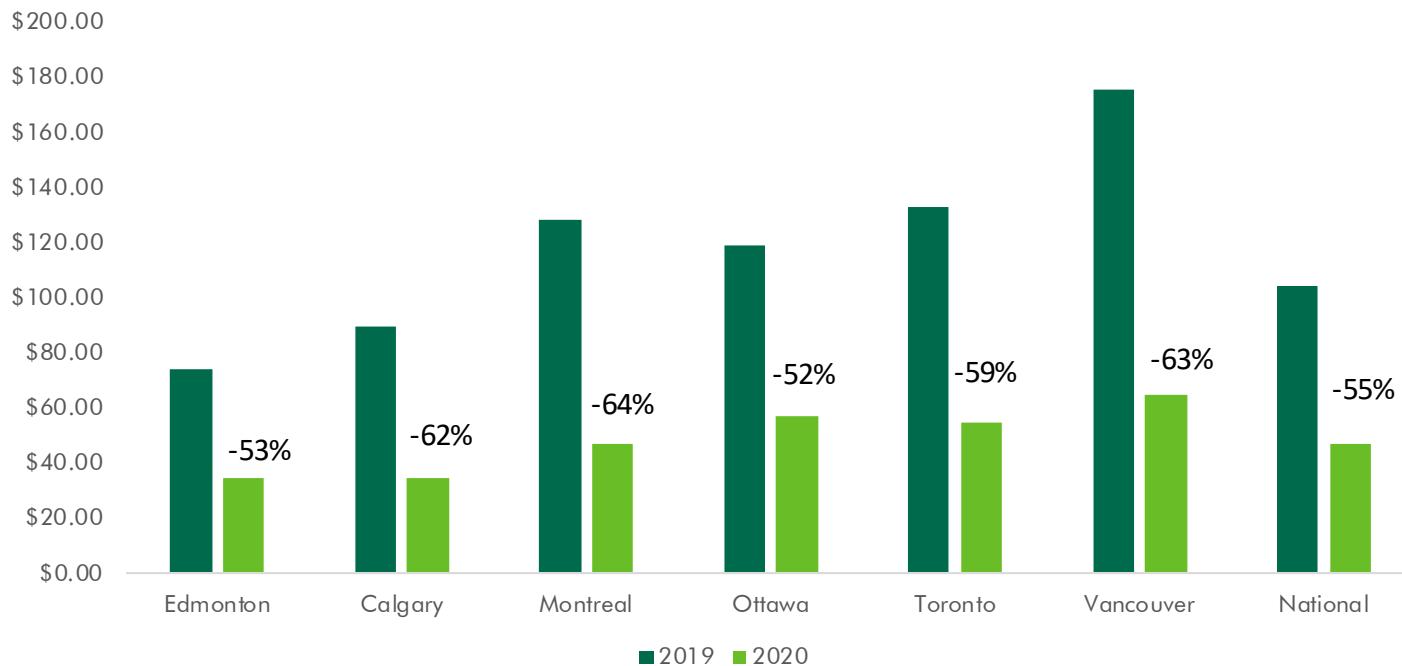


Source: CBRE Hotels

MAJOR MARKET PERFORMANCE COMPARISON

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Major Market RevPAR YTD July



Source: CBRE Hotels

SUB MARKET PERFORMANCE – VANCOUVER DOWNTOWN

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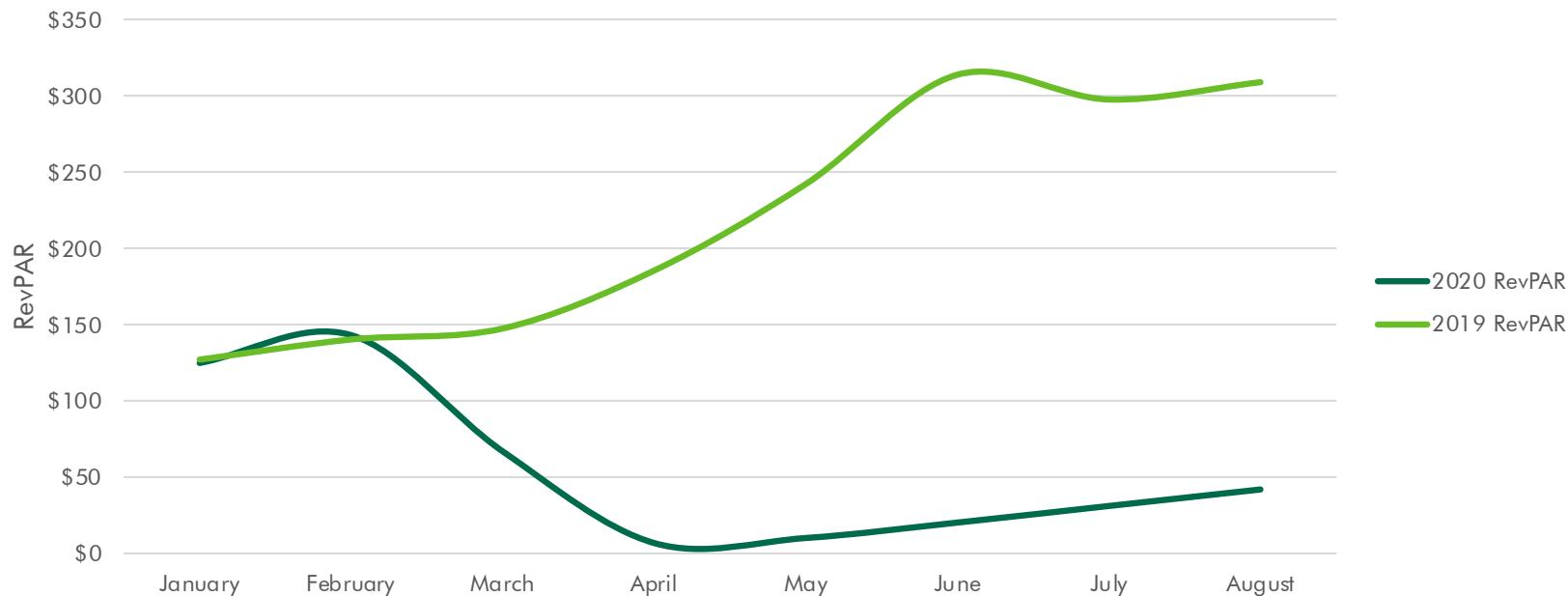
2019	Q1	Q2	July (Month)	August (Month)
Occupancy	70%	86%	91%	93%
ADR	\$199	\$290	\$328	\$333
RevPAR	\$139	\$248	\$299	\$310
2020	Q1	Q2	July	August (est.)
Occupancy	56%	9%	19%	26%
ADR	\$201	\$137	\$163	\$162
RevPAR	\$112	\$13	\$31	\$42
YoY Change	Q1	Q2	July	August (est.)
Occupancy	-14 pts	-77 pts	-72 pts	-67 pts
ADR	1%	-53%	-50%	-51%
RevPAR	-20%	-95%	-90%	-86%

Source: CBRE Hotels

DOWNTOWN VANCOUVER MONTHLY PERFORMANCE

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DOWNTOWN VANCOUVER - COVID 19 ACCOMMODATION INDUSTRY REVPAR IMPACT



Source: CBRE Hotels

SUB MARKET PERFORMANCE – AIRPORT/RICHMOND

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2019	Q1	Q2	July (Month)	August (Month)
Occupancy	77%	84%	87%	92%
ADR	\$157	\$197	\$216	\$223
RevPAR	\$121	\$165	\$189	\$206
2020	Q1	Q2	July (Month)	August (est.)
Occupancy	66%	33%	38%	38%
ADR	\$155	\$135	\$134	\$129
RevPAR	\$103	\$45	\$50	\$49
YoY Change	Q1	Q2	July (Month)	August (est.)
Occupancy	-11 pts	-51 pts	-49 pts	-54 pts
ADR	-0.8%	-31%	-38%	-42%
RevPAR	-15%	-73%	-73%	-76%

Source: CBRE Hotels

SUB MARKET PERFORMANCE – LANGLEY/SURREY

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2019	Q1	Q2	July (Month)	August (Month)
Occupancy	67%	81%	83%	87%
ADR	\$123	\$152	\$177	\$175
RevPAR	\$82	\$123	\$147	\$153
2020	Q1	Q2	July (Month)	August (est.)
Occupancy	56%	27%	41%	50%
ADR	\$123	\$107	\$111	\$111
RevPAR	\$69	\$29	\$46	\$55
YoY Change	Q1	Q2	July (Month)	August (est.)
Occupancy	-11 pts	-54 pts	-42 pts	-37 pts
ADR	0%	-30%	-37%	-37%
RevPAR	-16%	-76%	-69%	-64%

Source: CBRE Hotels

SUB MARKET PERFORMANCE – OTHER VANCOUVER*

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2019	Q1	Q2	July (Month)	August (Month)
Occupancy	72%	84%	88%	91%
ADR	\$137	\$189	\$213	\$220
RevPAR	\$98	\$158	\$187	\$200
2020	Q1	Q2	July (Month)	August (est.)
Occupancy	64%	28%	37%	44%
ADR	\$137	\$109	\$126	\$123
RevPAR	\$88	\$30	\$46	\$54
YoY Change	Q1	Q2	July (Month)	August (est.)
Occupancy	-8pts	-56pts	-51 pts	-47 pts
ADR	0%	-42%	-41%	-44%
RevPAR	-11%	-81%	-75%	-73%

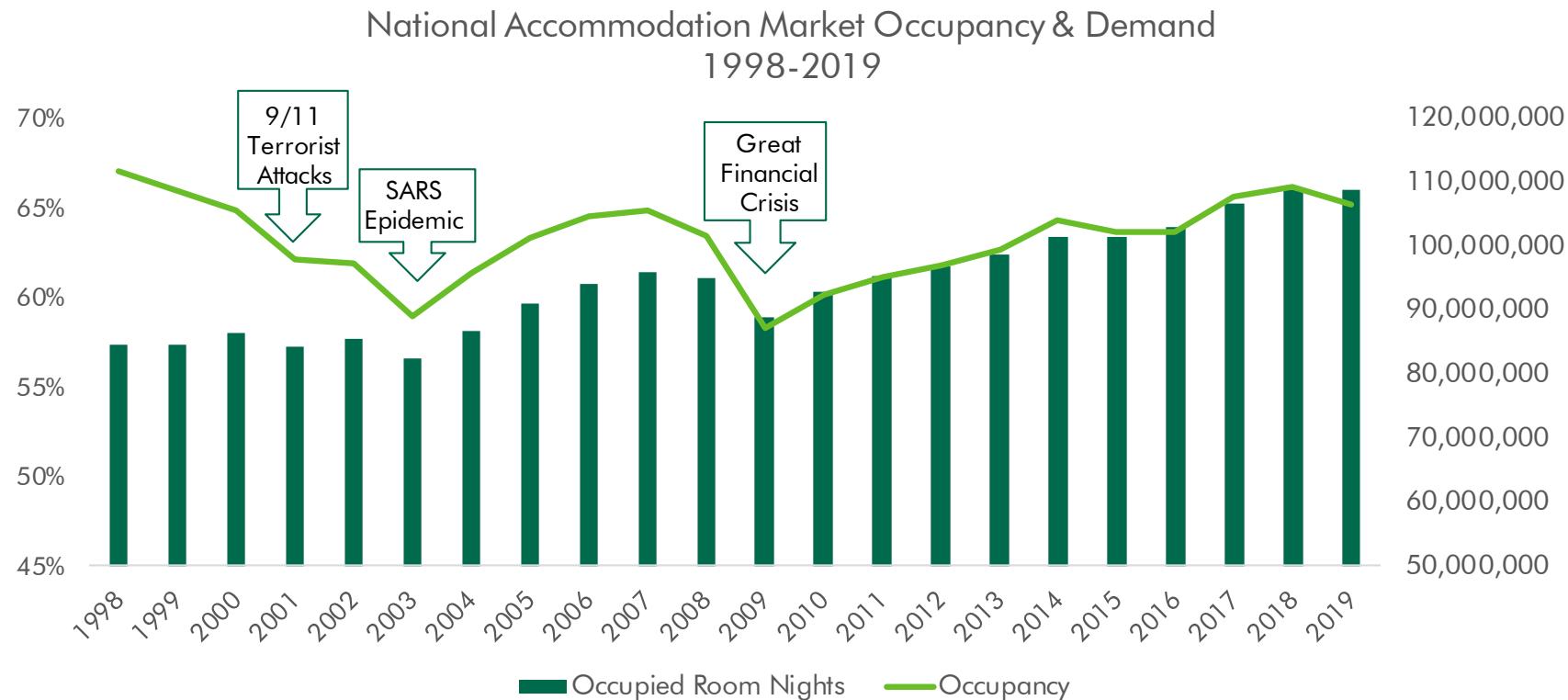
Source: CBRE Hotels

* Includes North Shore, Burnaby, New Westminster, Coquitlam, Port Coquitlam, Pitt Meadows, Maple Ridge, Delta, Tsawwassen



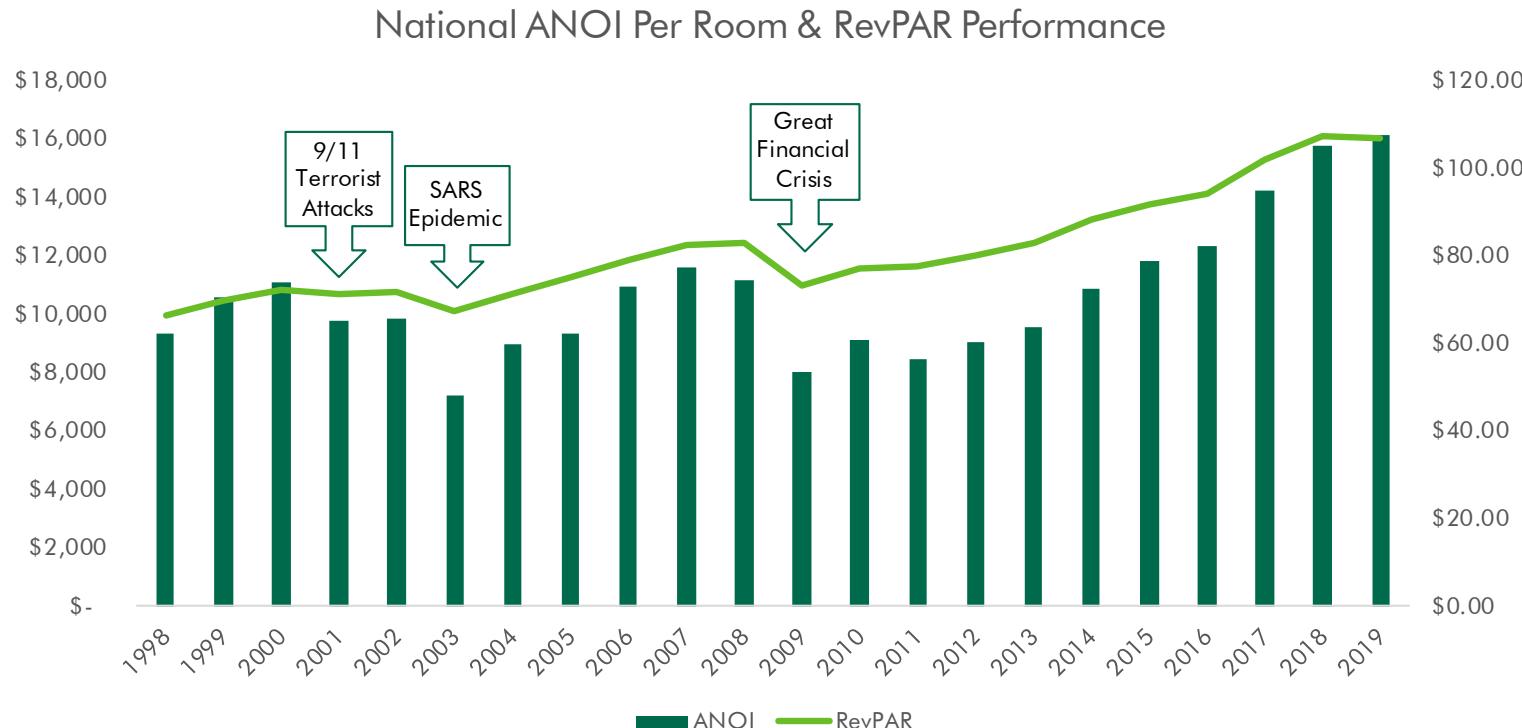
COMING OUT OF COVID-19

IMPACT OF HISTORIC EVENTS



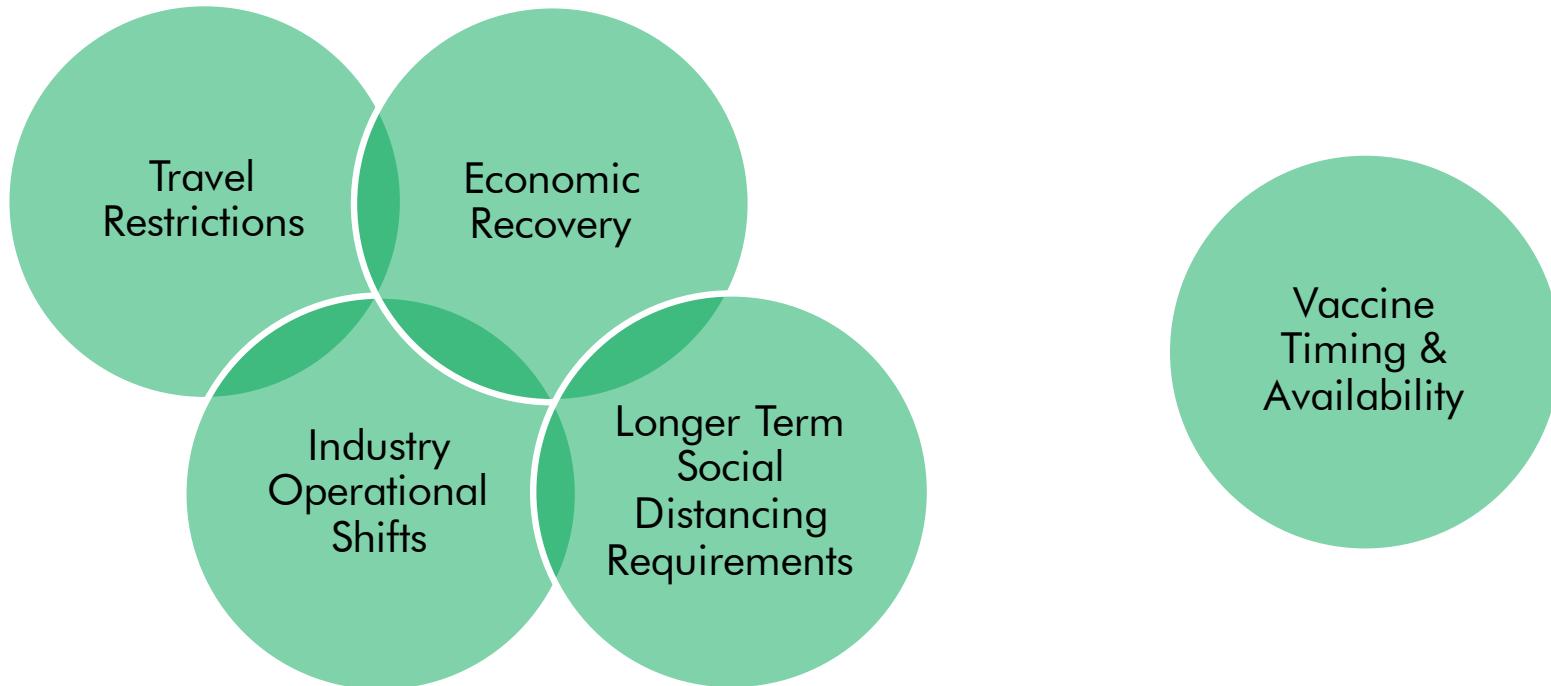
Source: CBRE Hotels

IMPACT OF HISTORIC EVENTS



Source: CBRE Hotels

RECOVERY INFLUENCES



Source: CBRE Hotels

PRELIMINARY 2020-2025 CANADIAN OUTLOOK

CBRE Original Canadian Forecasts 1/1/2020

	Occ	ADR	RevPAR	Supply	Demand	Occ	ADR	RevPAR
2019	65.1%	\$163.52	\$106.52	1.8%	0.2%	-1.1%	0.8%	-0.8%
2020	65.3%	\$167.44	\$109.39	1.9%	2.5%	0.2%	2.4%	2.7%

Canadian Forecasts

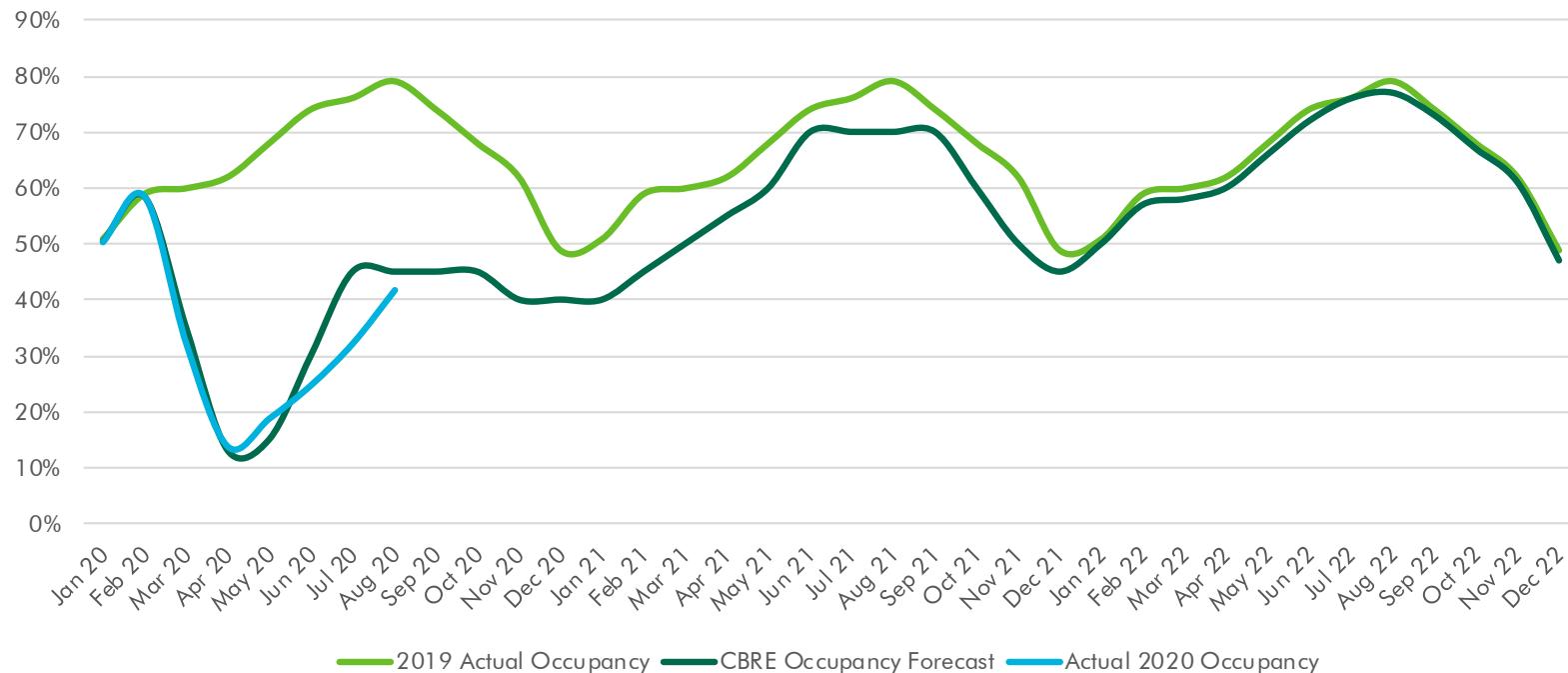
	Occ	ADR	RevPAR	Supply	Demand	Occ	ADR	RevPAR
2020	38.2%	\$138.99	\$53.15	1.9%	-40.0%	-27.1%	-15.0%	-50.1%
2021	57.0%	\$152.89	\$87.09	0.7%	50.0%	18.7%	10.0%	63.8%
2022	63.5%	\$159.01	\$100.94	0.5%	12.0%	6.5%	4.0%	15.9%
2023	65.1%	\$163.78	\$106.55	0.5%	3.0%	1.6%	3.0%	5.6%
2024	65.1%	\$167.87	\$109.22	1.5%	1.5%	0.0%	2.5%	2.5%
2025	65.1%	\$172.07	\$111.95	1.5%	1.5%	0.0%	2.5%	2.5%

Source: CBRE Hotels

THE CANADIAN RECOVERY OUTLOOK

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Canadian Occupancy Forecast and 2020 Actual Performance



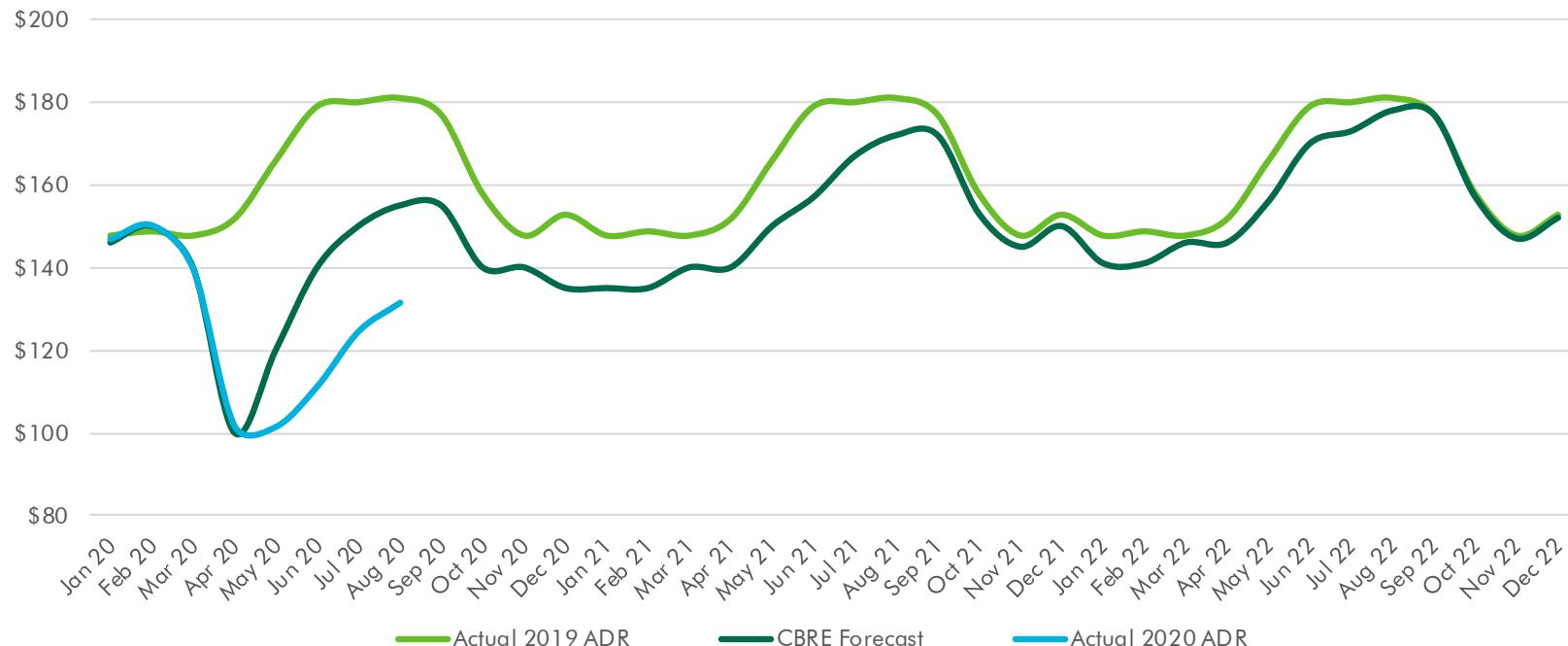
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THE CANADIAN RECOVERY OUTLOOK

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Canadian ADR Forecast and 2020 Actual Performance



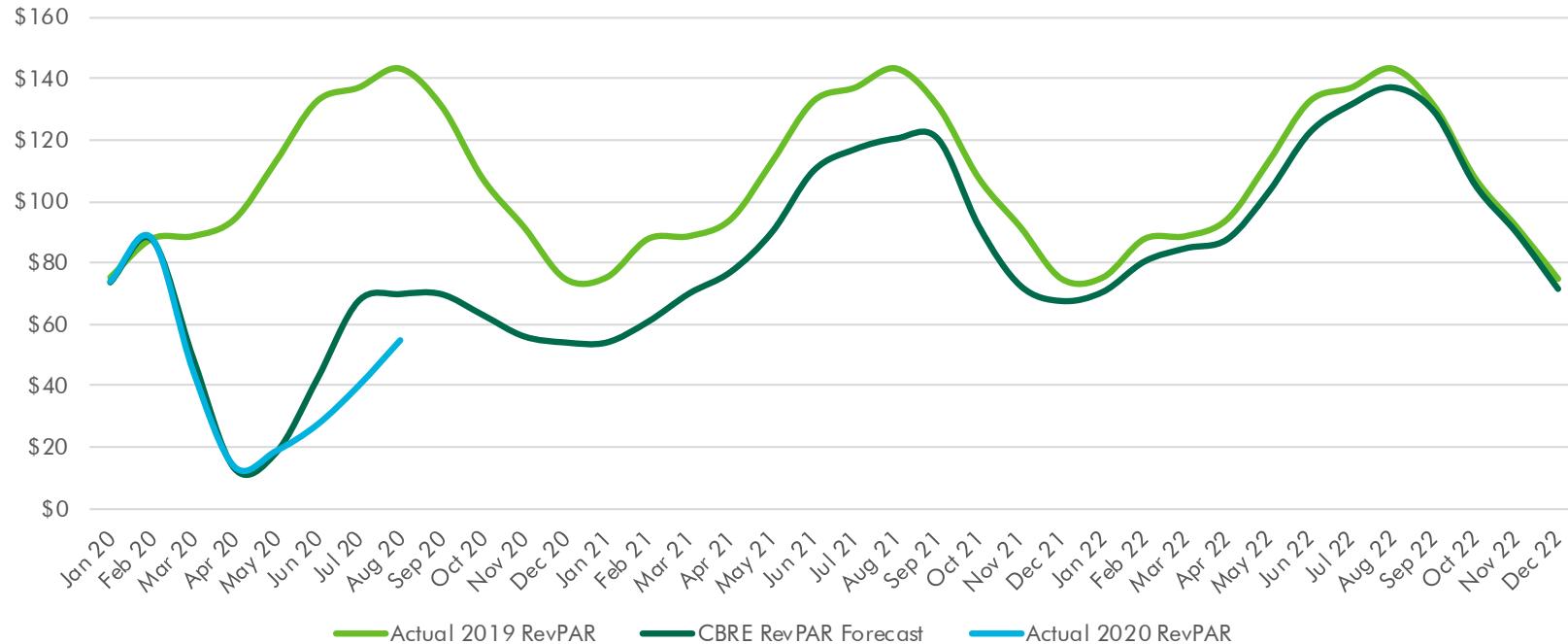
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THE CANADIAN RECOVERY OUTLOOK

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Canadian RevPAR Forecast and 2020 Actual Performance

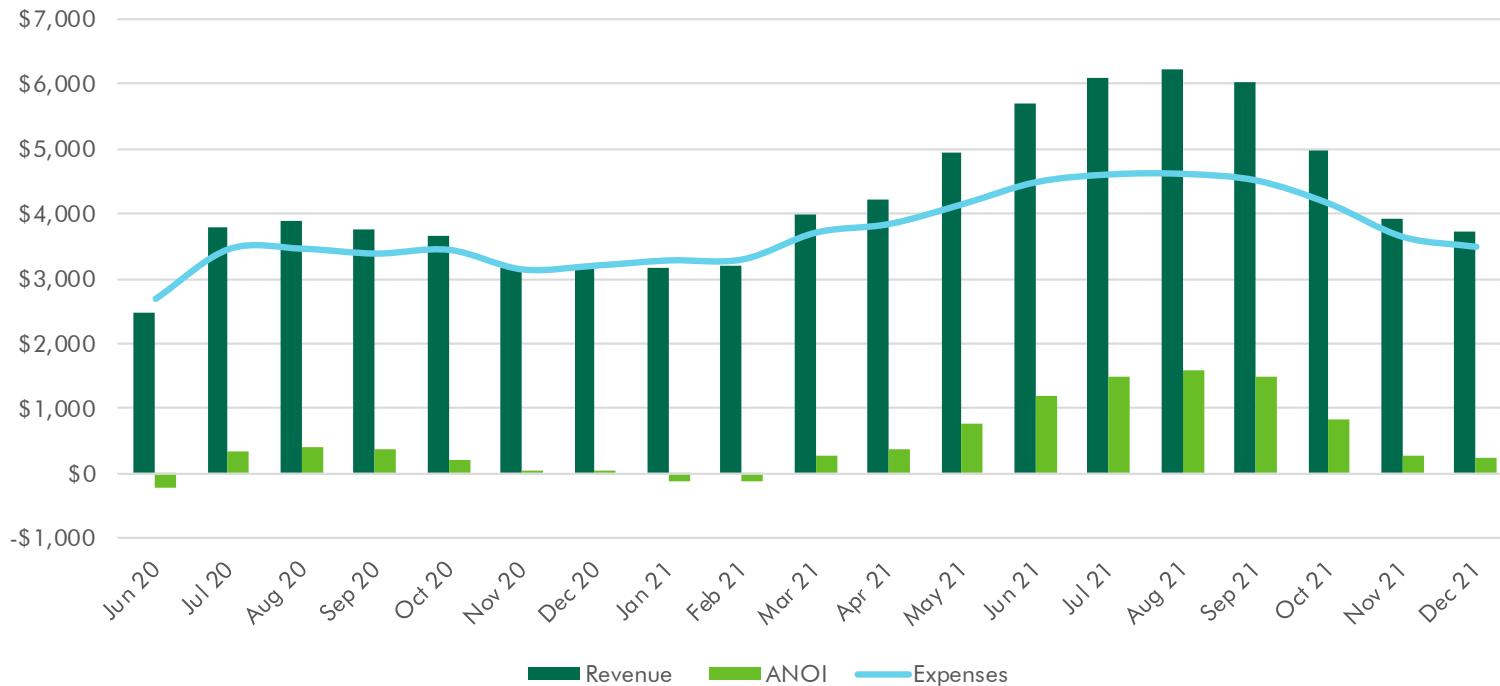


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THE NEXT 18 MONTHS - CANADA

Monthly Operating Income Per Room

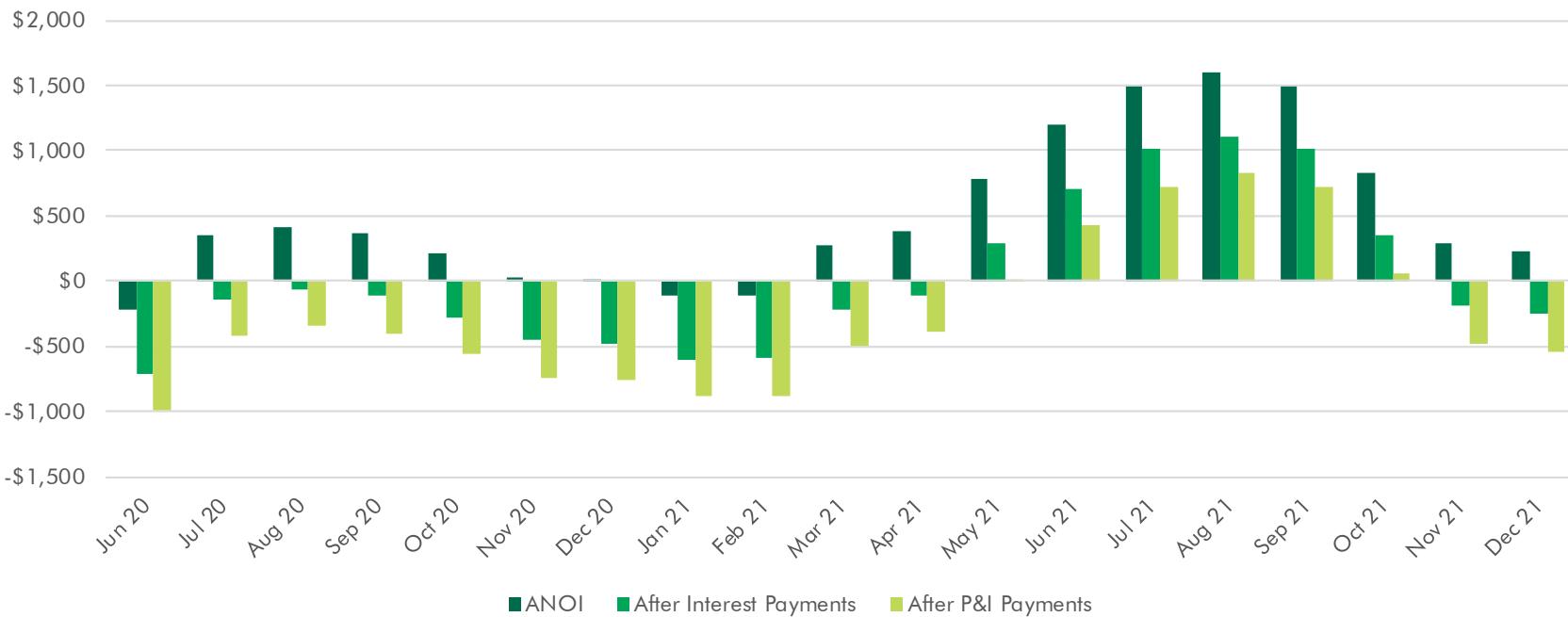


Source: CBRE Hotels

THE NEXT 18 MONTHS - CANADA

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Monthly Cashflow Per Room

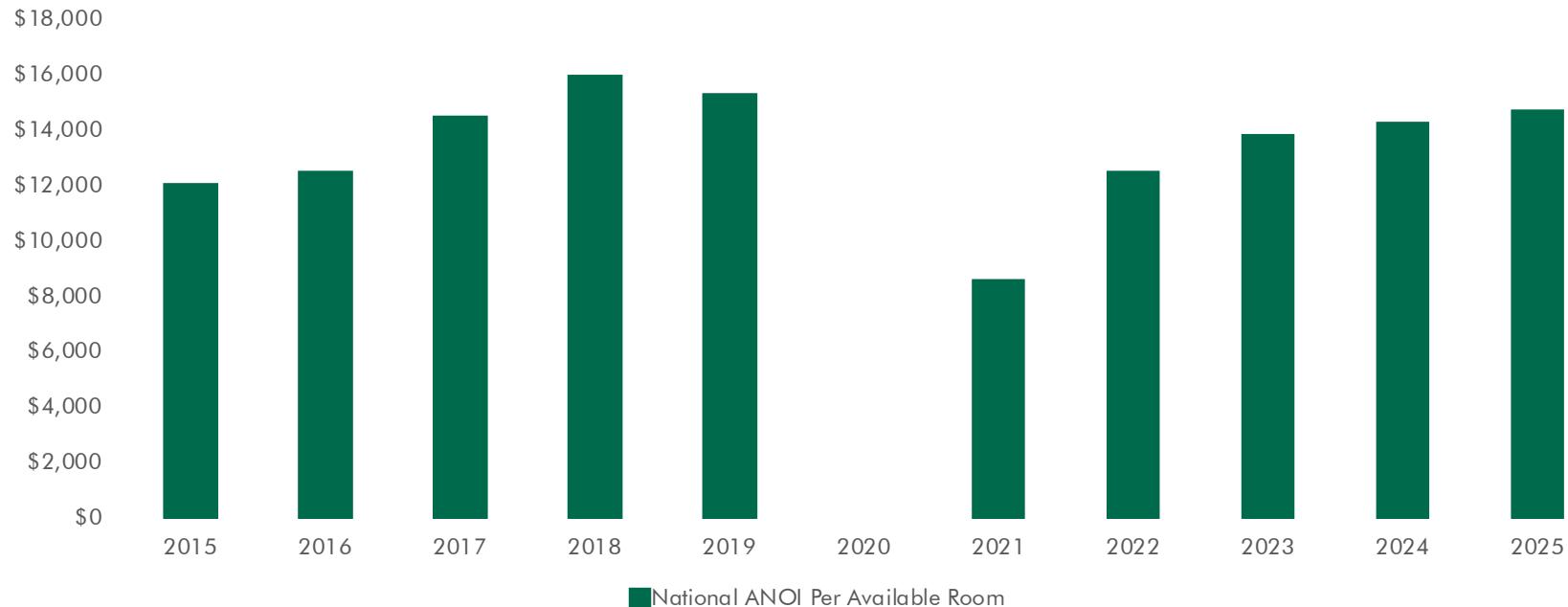


Source: CBRE Hotels

NATIONAL FINANCIAL OUTLOOK

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National ANOI Per Available Room



Source: CBRE Hotels

THE RECOVERY: PHASING

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Source: CBRE Hotels

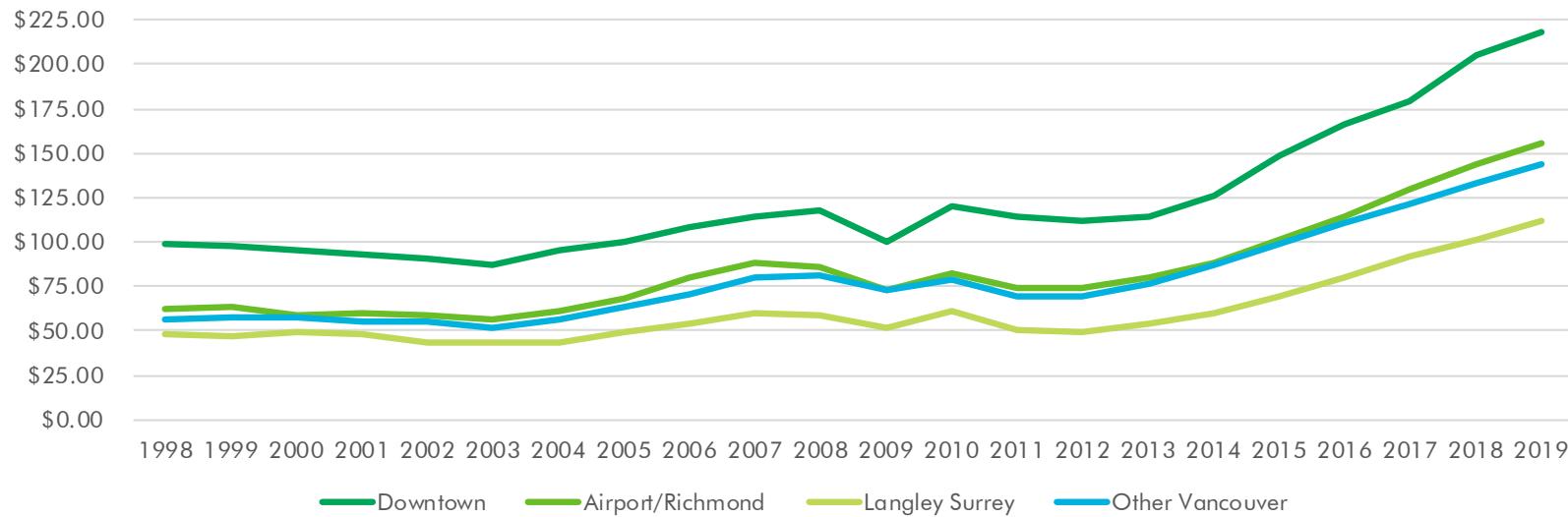


RECOVERY - IMPLICATIONS FOR METRO VANCOUVER

HISTORIC SUB MARKET REVPAR PERFORMANCE

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Metro Vancouver Historic RevPar Recovery by Sub Market





QUESTIONS?

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