

NATIONAL MARKET REPORT

May 2019

- In May 2019, the CBRE national hotel sample experienced a 67.5% occupancy level, a 0.5 percentage point decrease in occupancy from May 2018.
- The May 2019 average daily room rate for hotels tracked by CBRE increased by 2.7% to \$165.70 compared with \$161.36 in May 2018.
- Revenue per available room for CBRE's sample increased by 1.9% to \$111.90 in May 2019 compared with \$109.81 in May 2018.

Q1 2019 – Q2 2019 CAP RATE TRENDS

Across the country, through the end of May, indications are for 2019 top line performance growth to be more moderate than initially expected. As projected, occupancy is holding flat relative to 2018, however ADR growth to the end of May has been more modest than the 4.0% forecast, at about 2.0% restricting RevPAR growth to about 1.0%. Stronger growth is expected over the balance of the year, however it is unlikely that the original 4.0% RevPAR growth forecast nationally for 2019 will be met.

Amongst the major banks and economists, the consensus seems to be that the country is entering a period of more tempered economic growth as GDP forecasts have been revised downward and are in the range of 1.0%-1.5% for 2019. The uncertainty with respect to geo-political conditions, interest rates and major infrastructure spending are driving a cautious outlook. Similarly, while the forecast for overnight travel nationally is still positive, growth is projected to be more moderate, at 2.0% in 2019.

While there are many markets across the country which are still operating at peak or near-peak occupancy levels, after significant historic year over year increases, ADR growth in 2019 has been constrained by perceived rate sensitivity from both Corporate and Leisure demand.

Additionally, in markets, where new supply is making an impact there is evidence of existing properties using discounting, in an attempt to mitigate a loss in demand. With top line growth moderating, expectations are for profitability growth to slow in a similar manner.

In spite of the moderation in top and bottom line growth, profitability in the accommodation sector remains high, and the sector is expected to continue to attract investment as interest rates remain low and overall returns in the sector still offer a premium over other asset types.

As in 2018, there continues to be a limited pool of assets available for purchase as owners are still enjoying the low costs of financing and the strong profitability level environment, with many hotel investors still taking a wait and see approach to asset disposition.

While investors have capital to deploy and are actively looking for acquisition opportunities, transaction volume is trending below the ten year average of \$1.8 billion annually, down to \$515 million YTD June from \$889 million in the first half of last year, based largely on the limited product available for acquisition. While there are a few significant transactions expected to close in the last half of 2019, it is unlikely that transaction volumes will meet the \$1.5 billion generated last year.

REPORT OF ROOMS OPERATIONS BY LOCATION MONTH OF MAY 2019*

Location	Occupancy Percentage			Average Daily Rate			Revenue Per Available Room		
	2019	2018	**Point Change	2019	2018	Variance	2019	2018	Variance
ATLANTIC CANADA	63.0%	61.6%	1.4	\$139.37	\$138.01	1.0%	\$87.75	\$84.96	3.3%
NEWFOUNDLAND	55.8%	49.3%	6.5	\$130.00	\$140.89	-7.7%	\$72.54	\$69.49	4.4%
St. John's	57.3%	49.1%	8.2	\$131.30	\$143.20	-8.3%	\$75.20	\$70.30	7.0%
PRINCE EDWARD ISLAND	52.8%	58.3%	-5.5	\$135.36	\$140.56	-3.7%	\$71.49	\$81.99	-12.8%
NOVA SCOTIA	70.4%	67.4%	3.0	\$155.46	\$149.74	3.8%	\$109.39	\$100.87	8.4%
Halifax/Dartmouth	77.6%	72.8%	4.7	\$167.94	\$161.57	3.9%	\$130.25	\$117.68	10.7%
Other Nova Scotia	55.5%	56.1%	-0.5	\$119.46	\$117.97	1.3%	\$66.32	\$66.12	0.3%
NEW BRUNSWICK	61.5%	63.0%	-1.4	\$124.95	\$122.35	2.1%	\$76.88	\$77.02	-0.2%
Moncton	66.4%	68.6%	-2.2	\$126.35	\$126.98	-0.5%	\$83.85	\$87.13	-3.8%
Other New Brunswick	58.9%	60.0%	-1.1	\$124.10	\$119.58	3.8%	\$73.16	\$71.75	2.0%
CENTRAL CANADA	71.4%	71.7%	-0.3	\$170.86	\$164.09	4.1%	\$122.08	\$117.68	3.7%
QUEBEC	72.6%	69.8%	2.7	\$178.44	\$169.83	5.1%	\$129.50	\$118.58	9.2%
Greater Quebec City	70.7%	72.4%	-1.7	\$170.31	\$168.27	1.2%	\$120.45	\$121.90	-1.2%
Other Quebec	56.0%	58.2%	-2.1	\$142.74	\$142.68	0.0%	\$79.95	\$82.98	-3.6%
Greater Montreal	81.3%	74.6%	6.7	\$192.59	\$180.33	6.8%	\$156.58	\$134.61	16.3%
Downtown Montreal	80.9%	73.9%	7.0	\$224.60	\$207.45	8.3%	\$181.69	\$153.29	18.5%
Montreal Airport/Laval	83.3%	77.2%	6.0	\$151.42	\$145.68	3.9%	\$126.07	\$112.50	12.1%
ONTARIO	71.0%	72.2%	-1.2	\$168.31	\$162.29	3.7%	\$119.54	\$117.25	2.0%
Greater Toronto Area (GTA)	75.6%	79.1%	-3.5	\$193.88	\$186.24	4.1%	\$146.60	\$147.36	-0.5%
Downtown Toronto	84.0%	84.0%	0.0	\$272.58	\$260.92	4.5%	\$228.91	\$219.24	4.4%
Toronto Airport	79.6%	80.0%	-0.3	\$162.83	\$156.41	4.1%	\$129.67	\$125.09	3.7%
GTA West	73.5%	78.7%	-5.1	\$135.56	\$132.16	2.6%	\$99.66	\$103.96	-4.1%
GTA East/North	64.5%	72.3%	-7.8	\$140.75	\$134.43	4.7%	\$90.76	\$97.20	-6.6%
Eastern Ontario	62.9%	65.6%	-2.6	\$126.86	\$125.24	1.3%	\$79.84	\$82.13	-2.8%
Kingston	62.9%	70.3%	-7.4	\$135.32	\$134.05	0.9%	\$85.12	\$94.27	-9.7%
Other Eastern Ontario	62.9%	63.0%	-0.1	\$122.43	\$119.91	2.1%	\$77.07	\$75.55	2.0%
Ottawa	83.1%	78.3%	4.8	\$186.23	\$179.57	3.7%	\$154.75	\$140.51	10.1%
Downtown Ottawa	85.5%	83.5%	2.1	\$215.55	\$205.21	5.0%	\$184.37	\$171.32	7.6%
Ottawa West	83.7%	80.7%	3.0	\$160.05	\$153.91	4.0%	\$134.00	\$124.21	7.9%
Ottawa East	75.0%	61.5%	13.4	\$136.04	\$127.34	6.8%	\$101.98	\$78.33	30.2%
Southern Ontario	66.3%	66.8%	-0.5	\$139.34	\$134.49	3.6%	\$92.45	\$89.90	2.8%
London	65.0%	66.9%	-1.9	\$119.79	\$115.66	3.6%	\$77.86	\$77.42	0.6%
Windsor	65.0%	69.9%	-4.9	\$121.99	\$128.57	-5.1%	\$79.26	\$89.89	-11.8%
Kitchener/Waterloo/Cambridge/Guelph	62.9%	65.1%	-2.2	\$129.24	\$126.13	2.5%	\$81.33	\$82.15	-1.0%
Hamilton/Brantford	67.0%	68.4%	-1.4	\$132.96	\$131.70	1.0%	\$89.08	\$90.03	-1.1%
Niagara Falls	71.1%	69.5%	1.6	\$159.55	\$150.73	5.9%	\$113.43	\$104.72	8.3%
Other Niagara Region	52.1%	54.5%	-2.4	\$127.92	\$124.21	3.0%	\$66.67	\$67.70	-1.5%
Other Southern Ontario	66.3%	63.8%	2.5	\$123.19	\$119.63	3.0%	\$81.61	\$76.30	7.0%
Central Ontario	55.2%	55.2%	0.0	\$129.26	\$128.89	0.3%	\$71.33	\$71.17	0.2%
North Eastern Ontario	62.6%	58.1%	4.5	\$125.03	\$119.30	4.8%	\$78.24	\$69.27	13.0%
North Bay	63.5%	54.6%	8.9	\$114.45	\$113.00	1.3%	\$72.65	\$61.65	17.9%
Sudbury	56.1%	57.3%	-1.2	\$123.21	\$117.35	5.0%	\$69.11	\$67.23	2.8%
North Central Ontario									
Sault Ste. Marie	52.7%	56.2%	-3.4	\$109.78	\$104.85	4.7%	\$57.88	\$58.88	-1.7%
North Western Ontario	73.7%	76.3%	-2.6	\$126.24	\$122.50	3.1%	\$93.06	\$93.47	-0.4%
Thunder Bay	72.8%	76.8%	-4.0	\$125.25	\$121.48	3.1%	\$91.21	\$93.29	-2.2%

* Based on the operating results of 254,814 rooms (unweighted data)

** Please note that the variance between current and previous year occupancy is reported as a point change and not as a percentage variance.

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REPORT OF ROOMS OPERATIONS BY LOCATION MONTH OF MAY 2019*

Location	Occupancy Percentage			Average Daily Rate			Revenue Per Available Room		
	2019	2018	**Point Change	2019	2018	Variance	2019	2018	Variance
WESTERN CANADA	64.2%	65.3%	-1.1	\$163.69	\$161.61	1.3%	\$105.06	\$105.47	-0.4%
MANITOBA	67.8%	70.2%	-2.4	\$129.40	\$129.02	0.3%	\$87.73	\$90.53	-3.1%
Winnipeg	72.5%	73.9%	-1.5	\$133.51	\$132.81	0.5%	\$96.78	\$98.20	-1.4%
Brandon	49.6%	62.4%	-12.8	\$103.15	\$110.78	-6.9%	\$51.11	\$69.09	-26.0%
Other Manitoba	58.1%	58.1%	0.1	\$120.87	\$122.17	-1.1%	\$70.26	\$70.95	-1.0%
SASKATCHEWAN	58.5%	59.3%	-0.8	\$121.73	\$121.16	0.5%	\$71.20	\$71.82	-0.9%
Regina	65.0%	70.0%	-5.0	\$124.39	\$130.38	-4.6%	\$80.90	\$91.31	-11.4%
Saskatoon	65.5%	61.5%	4.0	\$127.95	\$125.22	2.2%	\$83.77	\$76.98	8.8%
Other Saskatchewan	47.2%	49.6%	-2.4	\$111.00	\$107.36	3.4%	\$52.38	\$53.23	-1.6%
ALBERTA (excl. Alta Resorts)	55.2%	57.4%	-2.2	\$129.08	\$131.16	-1.6%	\$71.20	\$75.27	-5.4%
Calgary	59.9%	63.6%	-3.7	\$145.21	\$146.57	-0.9%	\$86.99	\$93.16	-6.6%
Calgary Airport	58.1%	60.4%	-2.3	\$112.27	\$115.10	-2.5%	\$65.18	\$69.52	-6.3%
Downtown Calgary	65.1%	69.2%	-4.1	\$196.85	\$198.04	-0.6%	\$128.24	\$137.14	-6.5%
Calgary Northwest	56.1%	63.6%	-7.5	\$119.36	\$116.98	2.0%	\$67.01	\$74.44	-10.0%
Calgary South	56.4%	60.3%	-4.0	\$125.97	\$128.20	-1.7%	\$70.98	\$77.33	-8.2%
Edmonton	58.6%	63.1%	-4.5	\$126.62	\$131.95	-4.0%	\$74.21	\$83.29	-10.9%
Downtown Edmonton	65.2%	72.1%	-6.8	\$156.75	\$164.11	-4.5%	\$102.27	\$118.29	-13.5%
Edmonton South	57.9%	64.0%	-6.1	\$112.97	\$116.14	-2.7%	\$65.42	\$74.33	-12.0%
Edmonton West	54.8%	55.7%	-1.0	\$116.46	\$124.37	-6.4%	\$63.80	\$69.32	-8.0%
Other Alberta	49.7%	49.7%	0.0	\$117.34	\$117.31	0.0%	\$58.30	\$58.31	0.0%
Lethbridge	63.7%	53.0%	10.7	\$112.28	\$111.23	0.9%	\$71.51	\$58.96	21.3%
Red Deer	46.3%	53.7%	-7.3	\$111.44	\$110.50	0.9%	\$51.62	\$59.29	-12.9%
Other Alberta Communities	48.3%	48.0%	0.3	\$119.41	\$119.49	-0.1%	\$57.70	\$57.41	0.5%
Alberta Resorts	67.3%	69.8%	-2.5	\$257.24	\$244.50	5.2%	\$173.23	\$170.75	1.5%
BRITISH COLUMBIA	74.1%	73.5%	0.6	\$194.69	\$189.63	2.7%	\$144.32	\$139.38	3.5%
Greater Vancouver	83.7%	85.4%	-1.7	\$237.72	\$226.15	5.1%	\$198.89	\$193.10	3.0%
Airport (Richmond)	82.3%	85.6%	-3.3	\$195.49	\$184.00	6.2%	\$160.84	\$157.42	2.2%
Downtown Vancouver	85.1%	86.8%	-1.7	\$286.25	\$273.47	4.7%	\$243.66	\$237.41	2.6%
Langley/Surrey	80.9%	75.8%	5.0	\$154.17	\$142.36	8.3%	\$124.70	\$107.97	15.5%
Other Vancouver	82.7%	86.6%	-3.9	\$187.13	\$173.14	8.1%	\$154.76	\$149.91	3.2%
Vancouver Island	74.7%	74.5%	0.2	\$186.33	\$176.91	5.3%	\$139.16	\$131.78	5.6%
Campbell River	78.3%	77.7%	0.5	\$120.15	\$116.51	3.1%	\$94.04	\$90.57	3.8%
Greater Victoria	77.2%	79.3%	-2.0	\$201.56	\$189.24	6.5%	\$155.68	\$149.98	3.8%
Nanaimo	81.7%	72.8%	8.9	\$147.46	\$136.62	7.9%	\$120.42	\$99.45	21.1%
Parksville/Qualicum Beach	56.5%	53.6%	2.9	\$175.07	\$161.40	8.5%	\$98.90	\$86.45	14.4%
Other Vancouver Island	70.0%	67.6%	2.4	\$175.16	\$180.85	-3.1%	\$122.69	\$122.32	0.3%
Whistler Resort Area	54.0%	50.6%	3.4	\$197.97	\$210.14	-5.8%	\$106.87	\$106.37	0.5%
Other British Columbia	65.6%	61.8%	3.7	\$133.25	\$129.84	2.6%	\$87.37	\$80.27	8.8%
Abbotsford/Chilliwack	78.7%	70.4%	8.3	\$120.26	\$115.80	3.8%	\$94.59	\$81.49	16.1%
Kamloops	79.3%	80.0%	-0.7	\$124.24	\$117.85	5.4%	\$98.53	\$94.33	4.5%
Kelowna	76.3%	74.0%	2.3	\$163.26	\$159.17	2.6%	\$124.50	\$117.76	5.7%
Penticton	66.7%	69.3%	-2.5	\$150.51	\$147.78	1.9%	\$100.45	\$102.37	-1.9%
Prince George	72.1%	71.8%	0.3	\$121.20	\$125.43	-3.4%	\$87.39	\$90.07	-3.0%
Other B.C. Communities	56.9%	52.2%	4.7	\$128.20	\$125.88	1.8%	\$72.96	\$65.74	11.0%
NORTHWEST TERRITORIES	45.7%	51.5%	-5.7	\$142.49	\$134.75	5.7%	\$65.17	\$69.35	-6.0%
YUKON	61.5%	55.2%	6.3	\$161.05	\$153.63	4.8%	\$99.05	\$84.79	16.8%
CANADA	67.5%	68.1%	-0.5	\$165.70	\$161.36	2.7%	\$111.90	\$109.81	1.9%

* Based on the operating results of 254,814 rooms (unweighted data)

** Please note that the variance between current and previous year occupancy is reported as a point change and not as a percentage variance.

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NATIONAL MARKET REPORT • A MONTHLY PROFESSIONAL PUBLICATION

REPORT OF ROOMS OPERATIONS BY LOCATION FIVE MONTHS ENDED MAY 2019

Location	Occupancy Percentage			Average Daily Rate			Revenue Per Available Room		
	2019	2018	**Point Change	2019	2018	Variance	2019	2018	Variance
ATLANTIC CANADA	51.7%	52.0%	-0.3	\$127.29	\$128.59	-1.0%	\$65.84	\$66.91	-1.6%
NEWFOUNDLAND	44.6%	43.1%	1.5	\$123.30	\$133.87	-7.9%	\$55.02	\$57.66	-4.6%
St. John's	44.4%	42.5%	1.9	\$122.07	\$133.90	-8.8%	\$54.14	\$56.87	-4.8%
PRINCE EDWARD ISLAND	46.6%	44.2%	2.4	\$122.22	\$120.93	1.1%	\$56.95	\$53.41	6.6%
NOVA SCOTIA	57.1%	57.4%	-0.3	\$134.29	\$135.13	-0.6%	\$76.65	\$77.58	-1.2%
Halifax/Dartmouth	61.1%	61.9%	-0.8	\$141.27	\$142.54	-0.9%	\$86.33	\$88.27	-2.2%
Other Nova Scotia	48.7%	47.8%	0.9	\$115.99	\$114.70	1.1%	\$56.44	\$54.83	2.9%
NEW BRUNSWICK	50.5%	51.8%	-1.3	\$119.88	\$118.16	1.5%	\$60.52	\$61.18	-1.1%
Moncton	56.1%	58.7%	-2.6	\$121.92	\$123.54	-1.3%	\$68.37	\$72.49	-5.7%
Other New Brunswick	47.5%	48.3%	-0.7	\$118.61	\$114.85	3.3%	\$56.38	\$55.45	1.7%
CENTRAL CANADA	62.7%	63.6%	-0.8	\$157.62	\$153.18	2.9%	\$98.88	\$97.37	1.6%
QUEBEC	61.9%	61.7%	0.2	\$161.84	\$156.64	3.3%	\$100.16	\$96.61	3.7%
Greater Quebec City	59.7%	59.7%	0.0	\$150.10	\$145.08	3.5%	\$89.67	\$86.60	3.5%
Other Quebec	54.8%	57.2%	-2.4	\$155.88	\$153.68	1.4%	\$85.43	\$87.95	-2.9%
Greater Montreal	66.0%	64.4%	1.6	\$167.20	\$161.03	3.8%	\$110.29	\$103.70	6.4%
Downtown Montreal	62.7%	61.0%	1.7	\$185.96	\$177.91	4.5%	\$116.60	\$108.56	7.4%
Montreal Airport/Laval	74.4%	74.0%	0.4	\$147.99	\$143.64	3.0%	\$110.11	\$106.32	3.6%
ONTARIO	63.0%	64.2%	-1.2	\$156.28	\$152.11	2.7%	\$98.45	\$97.60	0.9%
Greater Toronto Area (GTA)	70.1%	72.2%	-2.1	\$178.01	\$172.94	2.9%	\$124.87	\$124.90	0.0%
Downtown Toronto	72.5%	74.0%	-1.5	\$237.04	\$231.32	2.5%	\$171.91	\$171.21	0.4%
Toronto Airport	77.5%	78.3%	-0.8	\$159.89	\$153.76	4.0%	\$123.91	\$120.46	2.9%
GTA West	67.9%	70.6%	-2.8	\$133.87	\$129.24	3.6%	\$90.84	\$91.29	-0.5%
GTA East/North	64.0%	67.1%	-3.1	\$135.33	\$131.50	2.9%	\$86.59	\$88.25	-1.9%
Eastern Ontario	51.2%	52.5%	-1.3	\$122.34	\$119.72	2.2%	\$62.68	\$62.90	-0.4%
Kingston	54.6%	57.4%	-2.8	\$126.31	\$123.04	2.7%	\$68.91	\$70.60	-2.4%
Other Eastern Ontario	49.5%	49.9%	-0.4	\$120.02	\$117.60	2.1%	\$59.37	\$58.64	1.3%
Ottawa	67.3%	68.7%	-1.4	\$167.31	\$165.38	1.2%	\$112.60	\$113.67	-0.9%
Downtown Ottawa	68.5%	70.6%	-2.1	\$185.62	\$182.12	1.9%	\$127.07	\$128.49	-1.1%
Ottawa West	67.9%	70.8%	-3.0	\$148.57	\$146.56	1.4%	\$100.84	\$103.81	-2.9%
Ottawa East	61.7%	58.8%	3.0	\$132.07	\$129.42	2.0%	\$81.53	\$76.05	7.2%
Southern Ontario	56.2%	56.9%	-0.7	\$127.35	\$123.45	3.2%	\$71.55	\$70.21	1.9%
London	63.0%	64.2%	-1.2	\$121.06	\$115.77	4.6%	\$76.24	\$74.27	2.6%
Windsor	58.2%	62.5%	-4.3	\$120.20	\$126.95	-5.3%	\$69.97	\$79.31	-11.8%
Kitchener/Waterloo/Cambridge/Guelph	62.1%	61.8%	0.3	\$128.43	\$124.81	2.9%	\$79.74	\$77.08	3.4%
Hamilton/Brantford	58.7%	66.5%	-7.9	\$132.09	\$129.15	2.3%	\$77.48	\$85.94	-9.8%
Niagara Falls	53.3%	52.4%	0.9	\$134.62	\$128.31	4.9%	\$71.76	\$67.21	6.8%
Other Niagara Region	43.0%	44.3%	-1.3	\$117.88	\$116.21	1.4%	\$50.65	\$51.46	-1.6%
Other Southern Ontario	54.2%	53.4%	0.9	\$114.28	\$111.52	2.5%	\$61.99	\$59.53	4.1%
Central Ontario	50.0%	49.9%	0.1	\$135.51	\$132.33	2.4%	\$67.80	\$66.04	2.7%
North Eastern Ontario	58.4%	57.0%	1.4	\$122.97	\$119.50	2.9%	\$71.80	\$68.11	5.4%
North Bay	55.5%	50.0%	5.5	\$114.32	\$117.22	-2.5%	\$63.49	\$58.60	8.3%
Sudbury	60.7%	61.0%	-0.4	\$122.56	\$117.84	4.0%	\$74.35	\$71.90	3.4%
North Central Ontario	48.1%	47.0%	1.1	\$107.75	\$104.94	2.7%	\$51.81	\$49.29	5.1%
Sault Ste. Marie									
North Western Ontario	66.1%	66.4%	-0.3	\$124.29	\$119.38	4.1%	\$82.14	\$79.27	3.6%
Thunder Bay	67.8%	68.3%	-0.5	\$122.20	\$118.80	2.9%	\$82.82	\$81.15	2.1%

** Please note that the variance between current and previous year occupancy is reported as a point change and not as a percentage variance.

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REPORT OF ROOMS OPERATIONS BY LOCATION FIVE MONTHS ENDED MAY 2019

Location	Occupancy Percentage			Average Daily Rate			Revenue Per Available Room		
	2019	2018	**Point Change	2019	2018	Variance	2019	2018	Variance
WESTERN CANADA	58.6%	58.7%	-0.2	\$151.72	\$149.83	1.3%	\$88.87	\$88.02	1.0%
MANITOBA	64.2%	64.5%	-0.3	\$125.84	\$125.27	0.5%	\$80.75	\$80.78	0.0%
Winnipeg	66.6%	66.5%	0.1	\$128.22	\$127.48	0.6%	\$85.37	\$84.72	0.8%
Brandon	59.7%	59.6%	0.1	\$117.00	\$117.61	-0.5%	\$69.85	\$70.15	-0.4%
Other Manitoba	56.0%	58.8%	-2.8	\$119.93	\$119.60	0.3%	\$67.21	\$70.33	-4.4%
SASKATCHEWAN	53.3%	54.3%	-1.0	\$118.38	\$118.74	-0.3%	\$63.04	\$64.46	-2.2%
Regina	55.7%	58.5%	-2.8	\$116.94	\$121.68	-3.9%	\$65.08	\$71.14	-8.5%
Saskatoon	60.2%	60.8%	-0.5	\$126.01	\$124.40	1.3%	\$75.88	\$75.59	0.4%
Other Saskatchewan	45.3%	45.6%	-0.4	\$110.49	\$109.47	0.9%	\$50.02	\$49.96	0.1%
ALBERTA (excl. Alta Resorts)	51.7%	52.3%	-0.6	\$126.80	\$128.33	-1.2%	\$65.51	\$67.12	-2.4%
Calgary	54.3%	56.1%	-1.8	\$138.14	\$139.25	-0.8%	\$74.97	\$78.08	-4.0%
Calgary Airport	55.0%	55.3%	-0.3	\$113.03	\$114.55	-1.3%	\$62.13	\$63.32	-1.9%
Calgary Downtown	55.0%	58.4%	-3.4	\$183.72	\$184.24	-0.3%	\$101.03	\$107.62	-6.1%
Calgary Northwest	53.1%	54.0%	-0.9	\$112.12	\$108.65	3.2%	\$59.57	\$58.72	1.5%
Calgary South	51.8%	54.7%	-2.9	\$124.28	\$125.27	-0.8%	\$64.43	\$68.58	-6.0%
Edmonton	56.6%	58.7%	-2.0	\$127.82	\$129.82	-1.5%	\$72.40	\$76.17	-5.0%
Downtown Edmonton	62.7%	63.8%	-1.0	\$154.20	\$154.82	-0.4%	\$96.75	\$98.76	-2.0%
Edmonton South	55.4%	58.5%	-3.0	\$113.47	\$114.33	-0.8%	\$62.91	\$66.84	-5.9%
Edmonton West	52.7%	53.8%	-1.1	\$117.97	\$124.15	-5.0%	\$62.22	\$66.83	-6.9%
Other Alberta	46.7%	45.7%	0.9	\$116.77	\$118.08	-1.1%	\$54.51	\$54.01	0.9%
Lethbridge	60.9%	48.1%	12.8	\$112.17	\$111.52	0.6%	\$68.30	\$53.59	27.4%
Red Deer	45.4%	43.7%	1.7	\$112.49	\$109.33	2.9%	\$51.11	\$47.81	6.9%
Other Alberta Communities	45.2%	45.3%	-0.1	\$118.54	\$120.40	-1.6%	\$53.58	\$54.55	-1.8%
Alberta Resorts	56.6%	55.5%	1.1	\$220.38	\$214.71	2.6%	\$124.83	\$119.22	4.7%
BRITISH COLUMBIA	66.4%	65.6%	0.8	\$176.36	\$170.89	3.2%	\$117.06	\$112.05	4.5%
Greater Vancouver	75.4%	75.2%	0.2	\$191.88	\$181.75	5.6%	\$144.64	\$136.67	5.8%
Airport (Richmond)	78.7%	78.9%	-0.3	\$166.89	\$155.20	7.5%	\$131.31	\$122.51	7.2%
Downtown Vancouver	74.8%	74.6%	0.2	\$226.61	\$215.36	5.2%	\$169.49	\$160.71	5.5%
Langley/Surrey	71.4%	68.8%	2.6	\$131.84	\$124.15	6.2%	\$94.08	\$85.42	10.1%
Other Vancouver	75.4%	75.9%	-0.5	\$152.72	\$142.45	7.2%	\$115.11	\$108.08	6.5%
Vancouver Island	65.5%	64.8%	0.7	\$150.87	\$143.43	5.2%	\$98.76	\$92.95	6.3%
Campbell River	68.2%	74.0%	-5.8	\$111.54	\$106.70	4.5%	\$76.12	\$79.01	-3.7%
Greater Victoria	66.4%	68.1%	-1.7	\$157.38	\$147.82	6.5%	\$104.46	\$100.59	3.8%
Nanaimo	71.8%	63.5%	8.3	\$135.95	\$126.17	7.8%	\$97.67	\$80.18	21.8%
Parksville/Qualicum Beach	56.2%	51.2%	5.0	\$136.32	\$132.07	3.2%	\$76.59	\$67.62	13.3%
Other Vancouver Island	62.4%	58.0%	4.4	\$154.54	\$157.95	-2.2%	\$96.40	\$91.65	5.2%
Whistler Resort Area	75.9%	74.6%	1.2	\$378.47	\$369.82	2.3%	\$287.12	\$276.05	4.0%
Other British Columbia	54.8%	52.8%	2.0	\$123.11	\$122.27	0.7%	\$67.43	\$64.55	4.5%
Abbotsford/Chilliwack	70.2%	62.7%	7.5	\$110.11	\$104.76	5.1%	\$77.25	\$65.65	17.7%
Kamloops	58.3%	53.4%	4.9	\$108.56	\$106.97	1.5%	\$63.30	\$57.15	10.8%
Kelowna	59.2%	58.1%	1.1	\$131.94	\$128.73	2.5%	\$78.13	\$74.79	4.5%
Penticton	42.2%	49.2%	-7.0	\$124.26	\$120.79	2.9%	\$52.44	\$59.42	-11.7%
Prince George	59.7%	62.2%	-2.6	\$117.99	\$123.22	-4.2%	\$70.38	\$76.69	-8.2%
Other B.C. Communities	51.1%	49.3%	1.8	\$127.12	\$126.69	0.3%	\$64.96	\$62.42	4.1%
NORTHWEST TERRITORIES	62.6%	72.5%	-9.9	\$147.99	\$150.09	-1.4%	\$92.70	\$108.89	-14.9%
YUKON	54.6%	52.8%	1.7	\$137.18	\$131.48	4.3%	\$74.86	\$69.45	7.8%
CANADA	60.0%	60.5%	-0.5	\$153.12	\$150.21	1.9%	\$91.93	\$90.91	1.1%

** Please note that the variance between current and previous year occupancy is reported as a point change and not as a percentage variance.

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REGIONAL REPORT OF ROOMS OPERATIONS BY PROPERTY SIZE, PROPERTY TYPE AND PRICE LEVEL MONTH OF MAY 2019*

ATLANTIC

	Occupancy Percentage			Average Daily Rate		
	2019	2018	**Point Change	2019	2018	Variance
Property Size						
Under 50 rooms	50.7%	55.7%	-5.0	\$123.68	\$111.75	10.7%
50-75 rooms	57.5%	56.9%	0.6	\$108.95	\$108.44	0.5%
76-125 rooms	61.0%	64.2%	-3.1	\$127.76	\$126.37	1.1%
126-200 rooms	66.3%	61.4%	4.9	\$146.47	\$144.72	1.2%
201-500 rooms	67.0%	61.9%	5.1	\$169.05	\$170.37	-0.8%
Over 500 rooms	N/A	N/A	N/A	N/A	N/A	N/A
Total	63.0%	61.6%	1.4	\$139.37	\$138.01	1.0%
Property Type						
Limited Service	60.5%	60.9%	-0.4	\$123.46	\$122.73	0.6%
Full Service	65.7%	62.8%	2.8	\$147.96	\$147.04	0.6%
Suite Hotel	76.7%	78.7%	-2.0	\$175.77	\$169.08	4.0%
Resort	N/A	N/A	N/A	N/A	N/A	N/A
Total	63.0%	61.6%	1.4	\$139.37	\$138.01	1.0%
Price Level						
Budget	52.6%	53.7%	-1.1	\$103.75	\$102.17	1.5%
Mid-Price	65.5%	63.5%	2.0	\$143.91	\$142.97	0.7%
Upscale	60.9%	60.9%	0.0	\$171.57	\$171.85	-0.2%
Total	63.0%	61.6%	1.4	\$139.37	\$138.01	1.0%

CENTRAL

	Occupancy Percentage			Average Daily Rate		
	2019	2018	**Point Change	2019	2018	Variance
Property Size						
Under 50 rooms	57.5%	56.4%	1.2	\$128.14	\$117.72	8.8%
50-75 rooms	62.2%	63.9%	-1.7	\$119.77	\$117.83	1.6%
76-125 rooms	69.5%	71.3%	-1.8	\$136.54	\$132.45	3.1%
126-200 rooms	73.1%	72.7%	0.4	\$153.09	\$146.57	4.4%
201-500 rooms	75.1%	73.8%	1.3	\$198.01	\$191.65	3.3%
Over 500 rooms	73.8%	75.1%	-1.3	\$236.90	\$221.77	6.8%
Total	71.4%	71.7%	-0.3	\$170.86	\$164.09	4.1%
Property Type						
Limited Service	64.7%	65.8%	-1.1	\$125.54	\$119.77	4.8%
Full Service	76.4%	75.9%	0.5	\$193.34	\$185.85	4.0%
Suite Hotel	76.2%	76.8%	-0.5	\$168.06	\$163.41	2.8%
Resort	46.9%	49.8%	-2.9	\$204.24	\$203.32	0.5%
Total	71.4%	71.7%	-0.3	\$170.86	\$164.09	4.1%
Price Level						
Budget	60.0%	62.2%	-2.2	\$105.05	\$100.89	4.1%
Mid-Price	74.6%	74.7%	-0.1	\$165.99	\$160.02	3.7%
Upscale	77.2%	75.2%	2.0	\$273.32	\$262.04	4.3%
Total	71.4%	71.7%	-0.3	\$170.86	\$164.09	4.1%

WESTERN

	Occupancy Percentage			Average Daily Rate		
	2019	2018	**Point Change	2019	2018	Variance
Property Size						
Under 50 rooms	54.0%	53.6%	0.4	\$111.73	\$108.05	3.4%
50-75 rooms	58.9%	59.7%	-0.7	\$124.35	\$121.13	2.7%
76-125 rooms	62.2%	63.0%	-0.8	\$135.12	\$133.93	0.9%
126-200 rooms	64.7%	66.7%	-2.0	\$153.46	\$154.82	-0.9%
201-500 rooms	68.5%	69.5%	-1.0	\$201.94	\$197.21	2.4%
Over 500 rooms	78.2%	79.9%	-1.6	\$315.61	\$303.31	4.1%
Total	64.2%	65.3%	-1.1	\$163.69	\$161.61	1.3%
Property Type						
Limited Service	59.2%	59.6%	-0.4	\$122.09	\$120.52	1.3%
Full Service	68.4%	69.8%	-1.4	\$182.84	\$178.97	2.2%
Suite Hotel	67.6%	72.6%	-5.0	\$168.54	\$171.43	-1.7%
Resort	63.6%	63.3%	0.3	\$235.60	\$230.23	2.3%
Total	64.2%	65.3%	-1.1	\$163.69	\$161.61	1.3%
Price Level						
Budget	59.3%	59.1%	0.2	\$119.52	\$116.46	2.6%
Mid-Price	64.0%	65.3%	-1.3	\$147.37	\$145.53	1.3%
Upscale	70.1%	71.5%	-1.4	\$270.39	\$268.47	0.7%
Total	64.2%	65.3%	-1.1	\$163.69	\$161.61	1.3%

CANADA *

	Occupancy Percentage			Average Daily Rate		
	2019	2018	**Point Change	2019	2018	Variance
Property Size						
Under 50 rooms	55.2%	54.8%	0.4	\$118.54	\$112.24	5.6%
50-75 rooms	60.0%	61.0%	-0.9	\$121.08	\$118.65	2.0%
76-125 rooms	65.1%	66.4%	-1.3	\$135.17	\$132.74	1.8%
126-200 rooms	68.7%	68.9%	-0.2	\$152.69	\$149.99	1.8%
201-500 rooms	71.8%	71.3%	0.5	\$198.10	\$192.92	2.7%
Over 500 rooms	74.9%	76.3%	-1.4	\$256.54	\$242.63	5.7%
Total	67.5%	68.1%	-0.5	\$165.70	\$161.36	2.7%
Property Type						
Limited Service	61.6%	62.3%	-0.7	\$123.72	\$120.36	2.8%
Full Service	72.3%	72.4%	-0.2	\$186.43	\$180.81	3.1%
Suite Hotel	73.3%	75.6%	-2.2	\$168.60	\$166.13	1.5%
Resort	57.7%	58.1%	-0.4	\$227.23	\$222.57	2.1%
Total	67.5%	68.1%	-0.5	\$165.70	\$161.36	2.7%
Price Level						
Budget	59.3%	60.6%	-1.3	\$110.09	\$106.39	3.5%
Mid-Price	68.7%	69.2%	-0.5	\$155.89	\$152.09	2.5%
Upscale	73.4%	73.1%	0.3	\$269.86	\$263.13	2.6%
Total	67.5%	68.1%	-0.5	\$165.70	\$161.36	2.7%

* Based on the operating results of 254,814 rooms (unweighted data)

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REGIONAL REPORT OF ROOMS OPERATIONS BY PROPERTY SIZE, PROPERTY TYPE AND PRICE LEVEL FIVE MONTHS ENDED MAY 2019

ATLANTIC

	Occupancy Percentage			Average Daily Rate		
	2019	2018	**Point Change	2019	2018	Variance
Property Size						
Under 50 rooms	40.8%	40.2%	0.6	\$117.80	\$113.35	3.9%
50-75 rooms	46.6%	45.5%	1.1	\$104.69	\$105.40	-0.7%
76-125 rooms	51.5%	54.4%	-2.8	\$120.99	\$121.24	-0.2%
126-200 rooms	55.8%	55.1%	0.7	\$134.11	\$135.38	-0.9%
201-500 rooms	51.4%	50.3%	1.1	\$144.18	\$148.18	-2.7%
Over 500 rooms	N/A	N/A	N/A	N/A	N/A	N/A
Total	51.7%	52.0%	-0.3	\$127.29	\$128.59	-1.0%
Property Type						
Limited Service	51.4%	52.2%	-0.7	\$120.33	\$120.79	-0.4%
Full Service	51.9%	51.7%	0.2	\$130.90	\$132.93	-1.5%
Suite Hotel	63.2%	64.2%	-0.9	\$147.56	\$148.30	-0.5%
Resort	N/A	N/A	N/A	N/A	N/A	N/A
Total	51.7%	52.0%	-0.3	\$127.29	\$128.59	-1.0%
Price Level						
Budget	42.1%	41.8%	0.4	\$99.84	\$99.87	0.0%
Mid-Price	54.1%	54.4%	-0.2	\$130.79	\$132.39	-1.2%
Upscale	48.6%	54.1%	-5.5	\$152.30	\$152.64	-0.2%
Total	51.7%	52.0%	-0.3	\$127.29	\$128.59	-1.0%

CENTRAL

	Occupancy Percentage			Average Daily Rate		
	2019	2018	**Point Change	2019	2018	Variance
Property Size						
Under 50 rooms	47.1%	46.2%	0.9	\$123.33	\$113.10	9.0%
50-75 rooms	55.3%	55.2%	0.1	\$114.94	\$113.30	1.4%
76-125 rooms	61.6%	62.8%	-1.1	\$130.05	\$126.71	2.6%
126-200 rooms	63.1%	64.0%	-0.9	\$143.95	\$138.36	4.0%
201-500 rooms	65.9%	66.7%	-0.8	\$181.64	\$177.61	2.3%
Over 500 rooms	65.8%	67.7%	-1.8	\$206.41	\$198.90	3.8%
Total	62.7%	63.6%	-0.8	\$157.62	\$153.18	2.9%
Property Type						
Limited Service	58.8%	59.1%	-0.2	\$120.23	\$116.02	3.6%
Full Service	64.5%	65.6%	-1.2	\$174.00	\$168.81	3.1%
Suite Hotel	70.3%	70.3%	0.0	\$156.52	\$153.35	2.1%
Resort	51.6%	54.2%	-2.6	\$209.83	\$206.38	1.7%
Total	62.7%	63.6%	-0.8	\$157.62	\$153.18	2.9%
Price Level						
Budget	55.9%	56.1%	-0.2	\$102.17	\$99.15	3.0%
Mid-Price	64.2%	65.7%	-1.4	\$153.08	\$148.91	2.8%
Upscale	66.4%	66.2%	0.2	\$239.67	\$235.16	1.9%
Total	62.7%	63.6%	-0.8	\$157.62	\$153.18	2.9%

WESTERN

	Occupancy Percentage			Average Daily Rate		
	2019	2018	**Point Change	2019	2018	Variance
Property Size						
Under 50 rooms	47.8%	45.7%	2.0	\$106.88	\$104.57	2.2%
50-75 rooms	53.0%	53.5%	-0.5	\$113.34	\$112.19	1.0%
76-125 rooms	56.5%	56.8%	-0.3	\$127.99	\$127.06	0.7%
126-200 rooms	59.4%	59.8%	-0.4	\$139.71	\$140.55	-0.6%
201-500 rooms	63.8%	63.5%	0.2	\$188.45	\$183.69	2.6%
Over 500 rooms	69.1%	69.8%	-0.7	\$280.11	\$269.11	4.1%
Total	58.6%	58.7%	-0.2	\$151.72	\$149.83	1.3%
Property Type						
Limited Service	53.3%	53.3%	0.0	\$114.86	\$113.89	0.9%
Full Service	62.2%	62.4%	-0.2	\$161.11	\$157.51	2.3%
Suite Hotel	64.3%	67.4%	-3.1	\$160.29	\$165.22	-3.0%
Resort	61.3%	59.6%	1.8	\$250.16	\$242.92	3.0%
Total	58.6%	58.7%	-0.2	\$151.72	\$149.83	1.3%
Price Level						
Budget	53.6%	52.4%	1.3	\$107.11	\$103.51	3.5%
Mid-Price	58.1%	58.6%	-0.4	\$135.12	\$133.89	0.9%
Upscale	65.8%	66.3%	-0.5	\$257.33	\$253.75	1.4%
Total	58.6%	58.7%	-0.2	\$151.72	\$149.83	1.3%

CANADA

	Occupancy Percentage			Average Daily Rate		
	2019	2018	**Point Change	2019	2018	Variance
Property Size						
Under 50 rooms	47.3%	45.7%	1.5	\$113.28	\$108.38	4.5%
50-75 rooms	53.2%	53.3%	-0.1	\$113.21	\$112.05	1.0%
76-125 rooms	58.1%	59.0%	-0.9	\$128.35	\$126.51	1.5%
126-200 rooms	60.8%	61.3%	-0.4	\$141.30	\$139.09	1.6%
201-500 rooms	64.1%	64.4%	-0.3	\$182.87	\$178.97	2.2%
Over 500 rooms	66.7%	68.2%	-1.6	\$225.38	\$216.87	3.9%
Total	60.0%	60.5%	-0.5	\$153.12	\$150.21	1.9%
Property Type						
Limited Service	55.3%	55.5%	-0.2	\$117.57	\$115.34	1.9%
Full Service	62.7%	63.3%	-0.7	\$166.24	\$162.15	2.5%
Suite Hotel	68.0%	69.1%	-1.0	\$157.27	\$156.81	0.3%
Resort	57.6%	57.4%	0.3	\$238.61	\$232.08	2.8%
Total	60.0%	60.5%	-0.5	\$153.12	\$150.21	1.9%
Price Level						
Budget	54.1%	53.8%	0.4	\$103.92	\$100.80	3.1%
Mid-Price	60.4%	61.3%	-0.8	\$143.09	\$140.71	1.7%
Upscale	65.7%	66.0%	-0.3	\$246.54	\$242.47	1.7%
Total	60.0%	60.5%	-0.5	\$153.12	\$150.21	1.9%

** Please note that the variance between current and previous year occupancy is reported as a point change and not as a percentage variance.

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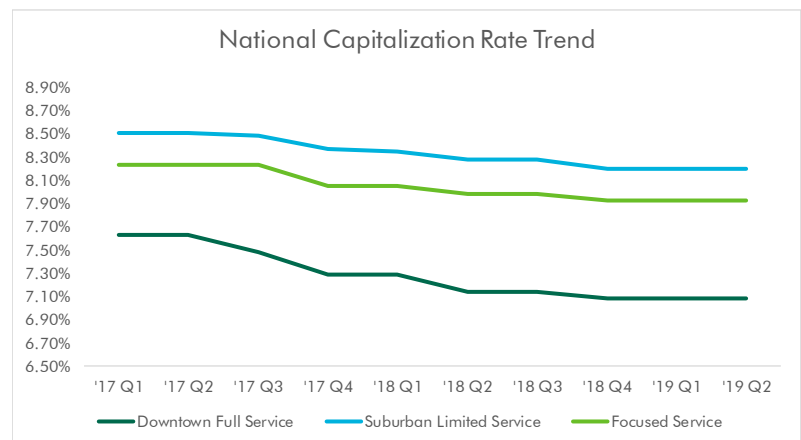


We find ourselves in a very unique position with respect to investment in the hotel sector in Canada:

- We remain at all-time highs in profit levels, tempered with slowing growth in performance, which is in part ADR sensitivity driven and in part new supply driven.
- We have strong investor interest, an abundance of equity to invest, and access to low cost debt, offset by the lack of available investment product, limiting transaction activity.

As a result, cap rates are expected to hold steady and remain at the lowest levels they have ever been. Further compression or an increase in cap rates is not anticipated in the short-term.

The question going forward for the mid to long term, assuming no dramatic shifts in the economy or in the cost of debt, is whether the tempering of industry profits, will see investor expectations/cap rates hold and values decline, or whether we will see values hold with a tempering of investor expectations/cap rates.



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