

NATIONAL MARKET REPORT

March 2018

- In March 2018, the CBRE national hotel sample achieved a 61.7% occupancy level, a 1.2 percentage point increase from March 2017.
- The national average daily room rate for March 2018 was \$148.40, an increase of 5.5% over March 2017.
- Revenue per available room increased by 7.5% to \$91.49 in March 2018 from \$85.12 in March 2017.

FIRST QUARTER RESULTS FOR 2018

CBRE Hotels published its 2018 Market Forecast for the Canadian Lodging Sector in the December 2017 edition of our Monthly Trends report. Based on results to the end of the first quarter, with a few exceptions, hotel markets across the country look to be tracking on par with the CBRE forecasts for 2018.

Nationally, to the end of the first quarter, occupancy was up 1.4 points with a 4.7% improvement in ADR over the same period in 2017. This has resulted in 7.3% growth nationally in RevPAR year-to-date, which is ahead of our 2018 growth forecast of 4.7%.

	2017	NATIONAL		
		2018F	2018 Outlook	2018 (YTD Q1)
Occupancy	66%	66%	0.0 pts	▲1.4 pts
ADR	\$155	\$161	▲4.0%	▲4.7%
RevPAR	\$102	\$107	▲4.7%	▲7.3%

In **Atlantic Canada**, to the end of the first quarter of 2018, occupancy is 1.8 percentage points below the same period in 2017, and ADR growth is currently tracking on par with CBRE's year-end forecasts. RevPAR in Atlantic Canada, which was originally forecast to see over 2.9% in 2018, is below forecasts, down 0.4% year to date.

	2017	ATLANTIC CANADA		
		2018F	2018 Outlook	2018 (YTD Q1)
Occupancy	63%	63%	0.0 pts	▼1.8 pts
ADR	\$135	\$140	▲3.4%	▲3.4%
RevPAR	\$86	\$88	▲2.9%	▼0.4%

In **Central Canada**, to the end of the first quarter of 2018, occupancy is up by 1.5 percentage points, ADR is ahead by 4.9% and RevPAR is 7.5% above Q1 2017 results. Central Canada is tracking ahead of the CBRE 2018 forecasts.

	2017	CENTRAL CANADA		
		2018F	2018 Outlook	2018 (YTD Q1)
Occupancy	70%	70%	0.0 pts	▲1.5 pts
ADR	\$158	\$165	▲4.6%	▲4.9%
RevPAR	\$110	\$115	▲4.9%	▲7.5%

In **Western Canada**, to the end of the first quarter of 2018 results, occupancy, ADR and RevPAR are ahead of CBRE's 2018 forecasts. The region experienced an increase of 1.7 points in occupancy, with 4.6% improvement in ADR over the same period in 2017. This resulted in 7.9% growth in RevPAR year-to-date, which is ahead of our 2018 forecast of 4.7%.

	2017	WESTERN CANADA		
		2018F	2018 Outlook	2018 (YTD Q1)
Occupancy	62%	63%	▲1.0 pts	▲1.7 pts
ADR	\$155	\$160	▲3.3%	▲4.6%
RevPAR	\$96	\$100	▲4.7%	▲7.9%

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QUARTER 1 2018 RESULTS FOR MAJOR MARKETS

- Toronto's first quarter RevPAR growth of 11.2% is well ahead of the original RevPAR forecast of 6.1% for 2018.
- Montreal's first quarter RevPAR performance with a 0.7% decline, is tracking behind our original RevPAR forecast of 3.5% in 2018.
- Vancouver's Q1 RevPAR growth of 14.3% is tracking ahead of our annual forecast of 7.5%.
- Calgary's RevPAR performance with a 4.4% growth is tracking ahead of our original RevPAR forecast of 0.7% in 2018.

TORONTO				
	2017	2018F	2018 Outlook	2018 (YTD Q1)
Occupancy	76%	75%	▼1.0 pts	▲2.4 pts
ADR	\$172	\$183	▲6.1%	▲7.2%
RevPAR	\$130	\$138	▲6.1%	▲11.2%
MONTREAL				
	2017	2018F	2018 Outlook	2018 (YTD Q1)
Occupancy	75%	73%	▼2.0 pts	▼3.1 pts
ADR	\$175	\$186	▲6.4%	▲4.4%
RevPAR	\$131	\$136	▲3.5%	▼0.7%
VANCOUVER				
	2017	2018F	2018 Outlook	2018 (YTD Q1)
Occupancy	79%	80%	▲1.0 pts	▲2.7 pts
ADR	\$190	\$202	▲6.7%	▲9.9%
RevPAR	\$150	\$161	▲7.5%	▲14.3%
CALGARY				
	2017	2018F	2018 Outlook	2018 (YTD Q1)
Occupancy	59%	59%	0.0 pts	▲3.0 pts
ADR	\$143	\$145	▲1.2 %	▼1.7%
RevPAR	\$85	\$86	▲0.7 %	▲4.4%

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