

NATIONAL MARKET REPORT

March 2019

- In March 2019, the CBRE national hotel sample achieved a 60.3% occupancy level, a 1.3 percentage point decrease from March 2018.
- The national average daily room rate for March 2019 was \$147.75, a decrease of 0.5% from March 2018.
- Revenue per available room dropped by 2.6% to \$89.08 in March 2019 from \$91.49 in March 2018.

FIRST QUARTER RESULTS FOR 2019

CBRE Hotels published its 2019 Market Forecast for the Canadian Lodging Sector in the December 2018 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 or slightly behind the CBRE forecasts for 2019.

Nationally, to the end of the first quarter, occupancy was down 0.5 points with a 1.0% improvement in ADR over the same period in 2018. This has resulted in 0.1% growth nationally in RevPAR year-to-date, which is behind our 2019 growth forecast of 4.0%.

	2018	2019F	2019 Outlook	2019 (YTD Q1)
Occupancy	66%	66%	◀▶ 0.0 pts	▼ 0.5 pts
ADR	\$162	\$168	▲ 3.9%	▲ 1.0%
RevPAR	\$107	\$112	▲ 4.0%	▲ 0.1%

In **Atlantic Canada**, to the end of the first quarter of 2019, occupancy dropped by 0.4 points from the same period in 2018, while ADR growth is currently tracking below CBRE's year-end forecasts. RevPAR in Atlantic Canada, which was originally forecast to see over 2.6% growth in 2019, is below forecasts, down 1.6% year to date.

	2018	2019F	2019 Outlook	2019 (YTD Q1)
Occupancy	61%	61%	◀▶ 0.0 pts	▼ 0.4 pts
ADR	\$140	\$143	▲ 2.8%	▼ 0.7%
RevPAR	\$86	\$88	▲ 2.6%	▼ 1.6%

In **Central Canada**, to the end of the first quarter of 2019, occupancy experienced a decline of 1.4 points compared to the same period in 2018 while ADR showed growth of 1.9%. RevPAR in Central Canada which was originally forecast to see above 4.0% improvement is tracking below CBRE 2019 forecasts.

	2018	2019F	2019 Outlook	2019 (YTD Q1)
Occupancy	70%	70%	◀▶ 0.0 pts	▼ 1.4 pts
ADR	\$165	\$171	▲ 3.6%	▲ 1.9%
RevPAR	\$115	\$120	▲ 4.0%	▼ 0.5%

In **Western Canada**, to the end of the first quarter of 2019 results, occupancy, ADR and RevPAR are tracking behind CBRE's 2019 forecasts. The region experienced a slight increase of 0.3 points in occupancy, with 0.4% improvement in ADR over the same period in 2018. This resulted in 0.9% growth in RevPAR year-to-date, which is below our 2019 forecast of 4.4%.

	2018	2019F	2019 Outlook	2019 (YTD Q1)
Occupancy	63%	63%	◀▶ 0.0 pts	▲ 0.3 pts
ADR	\$163	\$170	▲ 4.4%	▲ 0.4%
RevPAR	\$103	\$107	▲ 4.4%	▲ 0.9%

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QUARTER 1 2019 RESULTS FOR MAJOR MARKETS

- Toronto's first quarter RevPAR showed a decline of 0.8% which is behind the original RevPAR forecast of 5.8% for 2019.
- Montreal's first quarter RevPAR performance saw a 1.0% decline, which is tracking behind our original RevPAR forecast of 3.6% in 2019.
- Vancouver's Q1 RevPAR growth of 4.5% is tracking behind our annual forecast of 8.5%.
- Calgary's RevPAR performance with a decline of 0.2% growth is lagging slightly behind our original RevPAR forecast of 1.2% in 2019.

TORONTO				
	2018	2019F	2019 Outlook	2019 (YTD Q1)
Occupancy	76%	76%	◀0.0 pts	▼1.8 pts
ADR	\$183	\$194	▲6.3%	▲1.9%
RevPAR	\$139	\$147	▲5.8%	▼0.8%
MONTREAL				
	2018	2019F	2019 Outlook	2019 (YTD Q1)
Occupancy	73%	72%	▼1.0 pts	▼1.1 pts
ADR	\$179	\$186	▲3.9%	▲0.8%
RevPAR	\$130	\$135	▲3.6%	▼1.0%
VANCOUVER				
	2018	2019F	2019 Outlook	2019 (YTD Q1)
Occupancy	80%	81%	▲1.0 pts	▲0.4 pts
ADR	\$212	\$229	▲7.9%	▲3.9%
RevPAR	\$170	\$184	▲8.5%	▲4.5%
CALGARY				
	2018	2019F	2019 Outlook	2019 (YTD Q1)
Occupancy	63%	62%	▼1.0 pts	▼0.3 pts
ADR	\$146	\$149	▲2.1 %	▲0.4%
RevPAR	\$92	\$93	▲1.2 %	▼0.2%

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