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2000 Canadian Hotel Sales

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There were 48 hotels sold in Canada in 2000, compared to 36 transactions in 1999, and 172 hotels in 1998. Total investment was approximately \$488 million for 5,760 rooms, or \$84,642 per room. Of the 48 transactions, 21 of them took place in British Columbia and Alberta, and these two provinces represented 52% of the total hotel investment throughout Canada. The most significant transaction, representing 36% of the total hotel investment, was the Chateau Whistler in British Columbia at \$177.5 million. Legacy REIT, partially owned by Fairmont Hotels & Resorts, purchased an 80% interest in the Chateau Whistler from Yamanouchi Real Estate Canada Ltd. Without this transaction the average price per room in Canada in 2000 would have been approximately \$60,000 per room.

Ontario had twelve transactions totalling approximately \$94 million, which accounted for 19% of total sales. The major transactions in Ontario were the Royal Park Hotel, which was acquired for \$8 million, or \$190,476 per room, and the Days Inn Over Looking the Falls (formerly the Oakes Inn Fallsview), which traded for \$25 million (share purchase at \$20 million including excess land), or \$149,701 per room. The Sheraton Hamilton Hotel was purchased in March for \$15 million (estimated), and the Best Western Sunset Inn in Mississauga sold in June for \$12.25 million (included retail plaza).

The province of Manitoba had three sales totaling \$62.1 million, including the Delta

Winnipeg (formerly the Crowne Plaza Winnipeg) and The Fairmont Winnipeg (formerly the Lombard Hotel). Legacy REIT purchased both of these properties for a total of \$58.5 million.

There were six transactions, totaling over \$49 million recorded in Quebec, which accounted for just over 10% of Canada's total transactions. The largest transaction was the 352-room Hotel des Gouverneurs in Montreal that was purchased for \$18.75 million, or \$53,267 per room. The Four Points by Sheraton Centreville in Montreal traded for \$13.3 million, or \$68,205 per room. The Sheraton Four Points Hotel in Hull (formerly the Ramada Plaza Hotel Hull) sold for \$10.85 million, or \$53,980 per room.

Alberta had eleven hotel transactions totaling over \$46 million. The 90-unit Kananaskis Inn sold for \$9.4 million, or \$104,444 per room. The 80-unit Waterton Lakes Lodge sold for \$9.5 million, or \$118,750 per room. The remaining nine hotels sold for between \$18,214 and \$60,204 per room, including the 169-room Delta Centre Suites in Edmonton that sold for \$7.7 million.

A single transaction took place in Newfoundland. The 276-unit Delta St. John's Hotel & Conference Centre traded in February for \$20.5 million, or \$74,275 per room.

There were five hotel sales in Saskatchewan with a total of 270 rooms, for approximately \$8.5 million, or \$31,278 per room. The 55-room Marquis Inn (formerly

the Madison Inn), sold for over \$62,000 per room to Prince Albert Development Group.

The majority (61%) of the hotels that sold were 100 or less rooms. Hotels with over 200 guestrooms accounted for 22% of all transactions. We expect this trend to continue due to the lack of hotel financing throughout the country.

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HVS International - Vancouver and Toronto have not verified all individual hotel sales in this newsletter. However, we collected the information from sources we deemed reliable and the data is thought to be correct. We cannot warrant its accuracy and provide it for your convenience only. Use of this information without verification from original sources is at your own risk.



2000 CANADIAN HOTEL SALES

Prov.	Date	Hotel Name	City	Vendor	Purchaser	Number of Rooms	Price	Price per Room	Cap Rate
BC	Mar.	Super 8	Surrey	Sukhi Sandhu	Mr. Sidhu	56	\$3,900,000	\$69,643	n/a
	May	Super 8	Saanichton	Rivett Group LLC	Las Palmas Lodging Inc.	51	\$800,000	\$15,686	n/a
	June	Super 8	Kamloops	Rivett Group LLC	Ebenezer Motel Ltd.	47	\$2,050,000	\$43,617	n/a
	June	Hotel Douglas	Victoria	Rachel Katz	TPM Management	80	\$3,000,000	\$37,500	n/a
	June	Quality Inn of the Rockies	Kimberley	481111 BC Ltd.	602165 BC Ltd.	43	\$1,800,000	\$41,860	19.0%
	Aug.	Dufferin Hotel	Vancouver	Mier Ginden	Rex Investments Ltd.	71	\$6,200,000	\$87,324	10.0%
	Sep.	Best Western Exhibition Park	Vancouver	Super Hospitality Ltd.	Neilson Development	58	\$5,250,000	\$90,517	8.4%
	Oct.	Qualicum College Inn	Qualicum Beach	N.J.Q. Holdings	Proprietary Industries Inc.	69	\$2,100,000	\$30,435	10.1%
	Nov.	Ramada Inn Airport (1)	Richmond	Grant Thornton	Mr. Ayala	78	\$4,900,000	\$62,821	n/a
	Dec.	Chateau Whistler (2)	Whistler	Yamanouchi Real Estate Canada Ltd.	CP Hotels & Resorts	556	\$177,500,000	\$319,245	n/a
10 Hotels Total						1,109	\$207,500,000	\$187,106	
AB	Jan.	Sportsman Motor Inn	Olds	635485 Alberta Ltd.	85880 Alberta Ltd.	44	\$860,000	\$19,545	14.8%
	Jan.	Super 8	Airdrie	Anwill Holdings	856223 Alberta Ltd.	49	\$2,950,000	\$60,204	11.7%
	May	Service Plus Inn	Lloydminster	Service Plus Hospitality Ltd.	809849 Alberta Ltd.	63	\$2,750,000	\$43,651	16.5%
	June	Coliseum Inn	Edmonton	Forum Motor Hotel Ltd.	Coliseum Inn Ltd.	100	\$3,225,000	\$32,250	n/a
	June	Kananaskis Inn	Kananaskis	Peter G. White Management, Ltd.	Proprietary Industries Inc.	90	\$9,400,000	\$104,444	8.1%
	Aug.	Delta Centre Suites	Edmonton	Cadillac Fairview; Stockton & Bush	Centre Suite Holdings Ltd.	169	\$7,700,000	\$45,562	13.5%
	Aug.	Super 8	Wetaskiwin	Moon Lee	Brian Denham	47	\$2,100,000	\$44,681	n/a
	Nov.	Waterton Lakes Lodge (3)	Waterton Park	The Lodge at Waterton Lakes Inc.	Proprietary Industries Inc.	80	\$9,500,000	\$118,750	9.7%
	Dec.	One Thornton Court	Edmonton	Courts	Sunrise Investments Inc.	205	\$3,750,000	\$18,293	n/a
	Dec.	Howard Johnson Plaza - Hotel	Edmonton	Westmont Hospitality	Silver Prime Hotel Ltd.	140	\$2,550,000	\$18,214	n/a
Dec.	Oasis Entertainment Hotel (form. Neighborhood Inn)	Edmonton	412058 Alberta Ltd.	332196 Alberta Ltd.	40	\$1,400,000	\$35,000	n/a	
11 Hotels Total						1,027	\$46,185,000	\$44,971	
SK	Jan.	Madison Inn (re-named Marquis Inn) (4)	Prince Albert	Madison Development Group	Prince Albert Dev. Group	55	\$3,430,000	\$62,364	n/a
	Feb.	Thriftlodge Moose Jaw (formerly Best Western) (3)	Moose Jaw	Joe Sikowski	Gary Grewal	28	\$740,000	\$26,429	11.3%
	Apr.	Marlboro Hotel	Prince Albert	Lier Family	Prince Albert Dev. Group	110	\$2,450,000	\$22,273	23.7%
	Apr.	Crescent Park Hideaway (form. Midtown Motor Inn)	Moose Jaw	Lewis Draper	MELLOR Enterprises	27	\$275,000	\$10,185	13.2%
	Apr.	Rodeway Inn (re-named Best Canadian Motor Inn)	North Battleford	Long Enterprises	Best Canadian Motor Inns	50	\$1,550,000	\$31,000	18.4%
5 Hotels Total						270	\$8,445,000	\$31,278	
MB	Feb.	Charter House Hotel	Winnipeg	Broadway Holdings	Alamo Management	91	\$3,600,000	\$39,560	n/a
	July	The Delta Winnipeg (formerly the Crowne Plaza)	Winnipeg	Bass Hotels & Resorts	Legacy REIT	389	\$29,500,000	\$75,835	11.0%
	Sep.	The Fairmont Winnipeg (The Lombard Hotel) (5)	Winnipeg	James Richardson & Sons	Legacy REIT	350	\$29,000,000	\$82,857	n/a
3 Hotels Total						830	\$62,100,000	\$74,819	
ON	Feb.	Holiday Inn St. Catharines	St. Catharines	Winfair Hospitality Ltd.	Five Brothers Hospitality	140	\$6,400,000	\$45,714	12.9%
	Feb.	Days Inn Over Looking the Falls (6) (formerly Oakes Inn Fallsview)	Niagara Falls	Harry Oakes Company	Niagara Hospitality Hotels	167	\$25,000,000	\$149,701	8.4%
	Apr.	Holiday Inn Kingston	Kingston	N/A	Westmont Hospitality	200	\$9,750,000	\$48,750	n/a
	Mar.	Sheraton Hamilton Hotel (7)	Hamilton	GGs Hotel Holdings Canada	Starwood Hotels Canada	229	\$15,000,000	\$65,502	n/a
	May	Trillium Resort & Spa (formerly Divine Lake Resort)	Port Sydney	Kretschmar Holdings	Walter Prychidny	18	\$1,322,000	\$73,444	n/a
	June	Best Western Sunset Inn (8)	Mississauga	Sunset Motels Ltd.	BWD Hotel Investment Ltd.	165	\$12,250,000	\$74,242	12.5%
	July	Super 8	Kingston	Sol Palmeros Lodging Inc.	Mr. Rahin	51	\$1,750,000	\$34,314	10.0%
	Oct.	Howard Johnson Kitchener	Kitchener	N/A	EW Investments Canada Inc.	102	\$3,200,000	\$31,373	n/a
	Oct.	Super 8 (9)	Vaughan	Superior Lodging Corp.	Rose Corporation	85	\$5,350,000	\$62,941	n/a
	Dec.	Ben Miller Inn	Goderich	Independence Order of Foresters	Rose Corporation	47	\$3,400,000	\$72,340	20.0%
	Dec.	Royal Park Hotel	Niagara-on-the-Lake	Rudan Holdings Ltd.	Upper Canada Hotels	42	\$8,000,000	\$190,476	12.0%
	Dec.	Gladstone Hotel	Toronto	N/A	N/A	60	\$2,250,000	\$37,500	13.0%
12 Hotels Total						1,306	\$93,672,000	\$71,724	
PQ	Jan.	Sheraton Four Points Hotel (formerly Ramada Plaza Hotel Hull)	Hull	Heafy Group	KSE Enterprises	201	\$10,850,000	\$53,980	n/a
	Jan.	Hotel Centre-Ville	Montreal	Immeuble Jean-Claude Chenade Inc.	9076-1305 Quebec Inc.	62	\$1,400,000	\$22,581	n/a
	Mar.	Motel Le Marquis	Montreal	Les Investissements Yenman Ltee.	Placements Ojeil Inc.	72	\$835,000	\$11,597	n/a
	Sep.	Hotel des Gouverneurs	Montreal	General Trust of Canada	Gouverneur Inc.	352	\$18,750,000	\$53,267	n/a
	Oct.	Hotel Montreal-Crescent	Montreal	2330-3076 Quebec Inc.	Societe de Dev.de Montreal	60	\$4,000,000	\$66,667	n/a
	Dec.	Four Points by Sheraton Centreville	Montreal	Ing Realty Partners Holdings LLC	Silver Hotel Holdings	195	\$13,300,000	\$68,205	n/a
6 Hotels Total						942	\$49,135,000	\$52,160	
NF	Feb.	Delta St. John's Hotel & Conference Centre	St. John's	Manulife	Chimo Hotels Nfld. Inc.	276	\$20,500,000	\$74,275	13.9%
48 Total Sales						5,760	\$487,537,000	\$84,642	

(1) Receivership (2) Sale of 80% interest. (3) Share Purchase (4) Foreclosure (5) Paid 40% and issued 1,986,301 units
(6) Share purchase \$20 million including excess land (7) Price estimated (8) Includes Retail Plaza (9) Sale of 50% interest.

Sources: HVS International - Vancouver (604) 988-9743 & Toronto (416) 686-2260

CANADIAN LODGING OUTLOOK
HVS INTERNATIONAL - CANADA

January 2001	Number of Rooms	Occupancy Rate (%)		Average Room Rate (\$)		RevPAR (\$)		Room Supply % change	Room Demand % change
		2001	2000	2001	2000	2001	2000		
Nova Scotia Area	1,345	44.4%	40.9%	\$69.94	\$65.79	\$31.05	\$26.91	0.0%	8.6%
Halifax, NS	2,286	49.2%	43.2%	\$100.09	\$94.70	\$49.24	\$40.91	0.0%	14.1%
Montreal, QC	14,390	51.2%	48.0%	\$120.49	\$111.52	\$61.69	\$53.53	1.2%	7.9%
Quebec City, QC	3,588	40.7%	48.1%	\$97.67	\$94.86	\$39.75	\$45.63	0.2%	-15.2%
Quebec Area	3,833	39.1%	38.3%	\$74.89	\$72.69	\$29.28	\$27.84	0.0%	2.2%
Toronto Downtown	12,261	51.3%	46.7%	\$136.93	\$127.49	\$70.25	\$59.54	1.1%	11.2%
Toronto North/East	6,558	50.2%	48.1%	\$104.14	\$99.77	\$52.28	\$47.99	1.4%	6.0%
Toronto Airport/West	8,698	69.5%	64.2%	\$110.53	\$104.36	\$76.82	\$67.00	2.8%	11.2%
Ottawa, ON	7,568	53.3%	52.7%	\$122.08	\$105.67	\$65.07	\$55.69	-1.5%	-0.6%
Ontario East	4,667	43.5%	43.3%	\$84.50	\$77.99	\$36.76	\$33.77	1.3%	1.7%
Niagara Falls, ON	5,158	28.1%	29.7%	\$81.03	\$76.94	\$22.77	\$22.85	7.2%	1.3%
Ontario Southwest	5,651	48.4%	47.3%	\$94.32	\$88.90	\$45.65	\$42.05	0.9%	3.2%
Ontario North	4,183	45.2%	46.8%	\$81.75	\$78.50	\$36.95	\$36.74	0.3%	-3.2%
Ontario Central	7,104	49.9%	45.8%	\$85.04	\$80.56	\$42.43	\$36.90	0.3%	9.3%
Winnipeg, MB	3,181	53.5%	48.4%	\$90.08	\$85.14	\$48.19	\$41.21	2.4%	13.2%
Regina/Saskatoon, SK	3,788	55.1%	55.4%	\$80.77	\$76.42	\$44.50	\$42.34	5.6%	4.9%
Calgary, AB	7,327	51.1%	51.2%	\$105.39	\$101.20	\$53.85	\$51.81	6.4%	6.2%
Edmonton, AB	5,244	51.6%	45.0%	\$85.86	\$78.53	\$44.30	\$35.34	1.1%	16.0%
Alberta Area	5,535	51.5%	48.5%	\$76.82	\$73.64	\$39.56	\$35.72	1.7%	8.2%
Mountain Regions, AB	2,744	54.8%	56.6%	\$136.57	\$126.72	\$74.84	\$71.72	0.0%	-3.1%
Vancouver, BC	11,860	46.0%	45.4%	\$112.32	\$107.95	\$51.67	\$49.01	2.7%	4.1%
British Columbia Area	4,681	33.5%	34.7%	\$65.74	\$64.78	\$22.02	\$22.48	1.3%	-2.4%
Victoria, BC	2,808	35.8%	33.0%	\$79.37	\$81.52	\$28.41	\$26.90	0.0%	8.7%
Provinces									
Alberta	20,948	51.8%	49.7%	\$97.05	\$93.11	\$50.27	\$46.28	2.3%	6.7%
British Columbia	22,808	44.5%	44.1%	\$127.84	\$116.15	\$56.89	\$51.22	1.9%	2.8%
Manitoba	3,384	53.4%	48.7%	\$89.10	\$84.06	\$47.58	\$40.94	2.0%	11.9%
New Brunswick	2,911	45.9%	46.7%	\$81.00	\$75.65	\$37.18	\$35.33	0.0%	-1.6%
Newfoundland	1,457	49.2%	42.6%	\$91.21	\$87.41	\$44.88	\$37.24	0.0%	15.6%
Nova Scotia	3,631	47.4%	42.3%	\$89.36	\$84.05	\$42.36	\$35.55	0.0%	12.1%
Northwest Territories	INS	INS	INS	INS	INS	INS	INS	INS	INS
Ontario	61,409	50.7%	48.8%	\$107.49	\$100.05	\$54.50	\$48.82	1.4%	5.4%
Prince Edward Island	648	30.2%	24.0%	\$52.66	\$51.63	\$15.90	\$12.39	0.0%	25.7%
Quebec	22,250	47.1%	46.3%	\$110.53	\$102.92	\$52.06	\$47.65	0.6%	2.3%
Saskatchewan	52,397	49.3%	48.9%	\$76.47	\$72.35	\$37.70	\$35.38	2.4%	3.2%
Yukon Territory	384	28.8%	24.2%	\$69.31	\$60.09	\$19.96	\$14.54	0.0%	19.2%
Canada	145,127	44.8%	44.4%	\$92.87	\$86.16	\$41.61	\$38.26	1.4%	2.3%

CANADIAN LODGING OUTLOOK

DEFINITIONS

Occupancy:	The ratio of total occupied rooms to total available rooms.
Average Room Rate:	Defined as room sales divided by the total number of rooms occupied.
RevPAR:	The application of a hotel's average occupancy to its average room rate and a true indicator of the property's ability to generate revenue. It is calculated by multiplying the occupancy by the average room rate.
Number of Rooms:	The total number of rooms at participating hotels.



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The Hotel Association of Canada is a federation of provincial and territorial associations, hotel chains and suppliers with a mandate to represent members nationally and internationally and to provide cost-effective services that stimulate and encourage a free market accommodation industry.

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