

Canadian October 2004 Lodging Outlook



SMITH TRAVEL RESEARCH

HVS Canada Holiday Water Cooler...

By: Betsy MacDonald, MAI, AACI, RIBC - HVS International - Canada

Well we have great news! Carrie Russell received her AACI designation (Accredited Appraiser Canadian Institute) at the end of last month. Carrie completed her Bachelor of Commerce degree (with a tourism specialty) from the University of Victoria in 1997. Shortly after, she joined HVS International in our Vancouver office, and proceeded to work on her Urban Land Economics Diploma from the University of British Columbia. Carrie completed this diploma in November 2002. In 2004 she successfully completed her demonstration report for which we sincerely thank Superior Lodging Corporation for allowing us to use one of their Super 8 properties. Carrie did all this while having her first child (Sydney) in June 2003.

Carrie is the first associate with HVS Canada to obtain their AACI designation. Please join us in congratulating Carrie in this monumental achievement.

Monique Rosszell came back from maternity leave in September. She missed out on our office move from the beaches area of Toronto, into the downtown core. (smart woman!). Monique has been with HVS in Toronto since 2000. She has her undergraduate degree in Economics from Queens University, and her Masters Degree in Hotel Administration from Lausanne in Switzerland. Monique is currently

working on her Urban Land Economic Diploma from the University of British Columbia (UBC). Monique also had a beautiful baby girl named Sophie in August 2003.

Rena Ryhorchuk has just completed her second year with HVS, working in both the Vancouver and Toronto offices. Rena graduated from the hotel program at the University of Calgary, and has just started the fast track on the postgraduate certificate program to obtaining her AACI designation through UBC, but first she has to pass calculus. We are keeping our fingers crossed, and really glad that Carrie's husband Jim is helping Rena with her homework. Go Jim!

Ian Ricci has been with us for about three months now. Ian is currently based in Vancouver, but will be permanently located in Toronto early next year. Ian is a graduate of the Hotel Program at the University of Guelph. He spent two years in operations with Hilton International, his latest posting at the Drake Hotel in Chicago. Ian will also be starting his diploma in Urban Land Economics at UBC. Moving from hotel operations into hotel appraisal has been a real eye opener for Ian, and the Vancouver personnel tease this poor guy unmercifully.

Selina Lai is our office manager in Toronto. Selina came to us from CB

Richard Ellis in 2000. Selina is responsible for both our weekly and monthly Canadian Lodging Outlook publications. Selina was instrumental in organizing our move into the downtown core. My sincere and wholehearted thanks Selina!

Kimberly Tyls is our office manager in Vancouver and has been with us since 1998. Kim pretty much keeps us all in line, and is also a significant help with the Vancouver Chapters of the Real Estate Institute of British Columbia and the British Columbia Association of the Appraisal Institute of Canada. All of these associations appreciate her efforts, and so do we.

Well, as for me, I have had a good year. I was thrilled that both Carrie and Monique came back after a year's maternity leave. Rena and Ian are an absolute pleasure to work with. We moved offices in Toronto, and I got out of that small basement apartment in the Beaches. Salim Gulamani left HVS in September, after four years, and joined GE Capital as an underwriter. We wish him well.

We had a good year, and we thank all of our clients for their continued support.

That is it for our update. All the best to you and your families in 2005!

CANADIAN LODGING OUTLOOK HVS INTERNATIONAL - CANADA

October 2004	Number of Rooms	Occupancy Rate (%)		Average Room Rates (\$)		RevPAR (\$)		Room Supply % change	Room Demand % change
		2004	2003	2004	2003	2004	2003		
Nova Scotia Area	1,616	62.0%	65.6%	\$80.81	\$83.24	\$50.10	\$54.61	0.6%	-4.9%
Halifax, NS	2,169	75.9%	85.0%	\$132.19	\$131.66	\$100.33	\$111.91	2.7%	-8.2%
Montreal, QC	14,738	68.0%	71.0%	\$119.36	\$120.18	\$81.16	\$85.33	0.6%	-3.5%
Quebec City, QC	3,971	76.5%	67.6%	\$153.50	\$143.10	\$117.43	\$96.74	0.0%	13.2%
Quebec Area	3,523	62.0%	55.4%	\$91.06	\$85.97	\$56.46	\$47.63	0.6%	12.4%
Toronto Downtown	12,313	75.7%	73.4%	\$165.20	\$155.08	\$125.06	\$113.83	0.7%	3.8%
Toronto North/East	6,726	63.1%	61.7%	\$110.17	\$108.21	\$69.52	\$66.77	0.0%	2.2%
Toronto Airport/West	7,098	70.8%	74.1%	\$107.32	\$110.05	\$75.98	\$81.55	4.9%	0.1%
Ottawa, ON	7,965	72.8%	70.2%	\$129.67	\$128.24	\$94.40	\$90.02	-0.1%	3.6%
Ontario East	3,949	62.1%	60.9%	\$93.58	\$90.41	\$58.11	\$55.06	0.0%	2.0%
Ontario Southwest	8,900	57.7%	61.0%	\$90.07	\$88.29	\$51.97	\$53.86	1.4%	-4.0%
Ontario North	5,925	59.9%	59.2%	\$82.64	\$81.95	\$49.50	\$48.51	0.3%	1.5%
Niagara Falls, ON	7,604	61.8%	57.1%	\$122.80	\$112.43	\$75.89	\$64.20	4.4%	13.1%
Ontario Central	8,147	63.5%	67.0%	\$101.57	\$103.17	\$64.50	\$69.12	0.7%	-4.6%
Winnipeg, MB	4,076	63.6%	62.0%	\$93.06	\$90.99	\$59.19	\$56.41	0.0%	2.7%
Regina/Saskatoon, SK	4,055	63.4%	62.0%	\$87.06	\$87.94	\$55.20	\$54.52	0.0%	2.1%
Calgary, AB	5,629	70.0%	63.4%	\$118.53	\$113.05	\$82.97	\$71.67	-1.2%	9.0%
Edmonton, AB	6,129	61.6%	62.2%	\$100.38	\$97.08	\$61.83	\$60.38	3.2%	2.1%
Alberta Area	9,865	64.7%	61.4%	\$89.84	\$87.30	\$58.13	\$53.60	1.8%	7.3%
Mountain Regions, AB	2,150	60.6%	57.9%	\$189.56	\$181.57	\$114.87	\$105.13	0.9%	5.5%
Vancouver, BC	12,319	65.6%	61.4%	\$117.93	\$123.69	\$77.36	\$75.95	0.2%	6.9%
British Columbia Area	9,537	43.8%	44.6%	\$80.45	\$74.03	\$35.24	\$33.02	0.4%	-1.4%
Victoria, BC	3,420	53.7%	52.0%	\$90.81	\$94.59	\$48.76	\$49.19	2.7%	6.2%
Provinces									
Alberta	23,773	64.8%	61.8%	\$108.42	\$104.46	\$70.26	\$64.56	1.5%	6.4%
British Columbia	26,835	56.7%	55.4%	\$105.85	\$107.04	\$60.02	\$59.30	0.9%	3.3%
Manitoba	4,660	62.9%	60.9%	\$90.93	\$88.80	\$57.19	\$54.08	0.0%	3.3%
New Brunswick	2,904	64.0%	62.5%	\$97.50	\$94.79	\$62.40	\$59.24	0.0%	2.4%
Newfoundland	1,521	67.9%	75.1%	\$112.98	\$111.30	\$76.71	\$83.59	0.0%	-9.5%
Nova Scotia	3,785	70.0%	75.8%	\$112.79	\$111.70	\$78.95	\$84.67	1.2%	-6.5%
Northwest Territories	66	INS	INS	INS	INS	INS	INS	INS	INS
Ontario	67,524	66.8%	66.6%	\$120.18	\$115.85	\$80.28	\$77.16	1.2%	1.6%
Prince Edward Island	938	55.8%	52.2%	\$96.12	\$92.10	\$53.63	\$48.08	0.0%	6.9%
Quebec	23,335	70.8%	69.0%	\$134.29	\$134.19	\$95.08	\$92.59	0.5%	3.1%
Saskatchewan	5,675	61.0%	62.1%	\$81.45	\$81.43	\$49.68	\$50.57	0.5%	-1.2%
Yukon Territory	181	INS	INS	INS	INS	INS	INS	INS	INS
Canada	161,197	60.2%	59.4%	\$99.39	\$96.96	\$59.83	\$57.59	0.9%	2.2%

CANADIAN LODGING OUTLOOK HVS INTERNATIONAL - CANADA

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Quebec Area	3,523	58.1%	56.8%	\$93.31	\$91.81	\$54.21	\$52.15	0.3%	2.6%
Toronto Downtown	12,313	70.4%	57.7%	\$157.22	\$145.55	\$110.68	\$83.98	-0.8%	21.1%
Toronto North/East	6,726	60.6%	52.1%	\$109.17	\$107.06	\$66.16	\$55.78	0.0%	16.3%
Toronto Airport/West	7,098	69.0%	62.7%	\$108.07	\$107.07	\$74.57	\$67.13	-1.9%	8.0%
Ottawa, ON	7,965	63.5%	63.6%	\$125.49	\$125.48	\$79.69	\$79.81	0.9%	0.8%
Ontario East	3,949	56.8%	55.6%	\$95.27	\$93.71	\$54.11	\$52.10	0.1%	2.2%
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DEFINITIONS

Occupancy:	Rooms sold divided by rooms available.
Room Revenue:	Total room revenue generated from the sale or rental of rooms.
Average Daily Rate (ADR):	Room revenue divided by rooms sold.
Room Revenue Per Available Room (RevPAR):	Room revenue divided by rooms available (occupancy times average room rate will closely approximate RevPAR).

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SMITH TRAVEL RESEARCH

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HOTEL ASSOCIATION OF CANADA INC.

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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