

# Canadian April 2007 Lodging Outlook



SMITH TRAVEL RESEARCH

## Year-To-Date April Is Not Bad...

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

Year-to-date through April, RevPAR growth across Canada was 6.4%, which was largely driven by a 5.8% increase in average room rate. The highest RevPAR in the country was actually the province of British Columbia area, which reported a RevPAR at \$116.66. This RevPAR is somewhat misleading because it includes Whistler during its prime season. In comparing the major urban areas in the STR survey, downtown Toronto had the highest RevPAR at \$98.70 for the first four months of 2007 in comparison to \$90.91 for the same period in 2006. This represents an increase in RevPAR of 8.6%, with growth in both occupancy and average room rate.

Not surprisingly, the Alberta North Area had the second highest RevPAR at \$93.21 as compared to \$86.29 during the same period in 2006. This represents an increase

of 8.0%. This increase was completely driven by the average room rate, which was up 16.0%. Occupancy actually declined by 5 points. Room night demand was down 5.7%. This is fairly consistent with what operators report, occupancy is down, but they are still pushing average rates.

Calgary came in third with a RevPAR of \$90.86 as compared to \$80.85 year to date April 2006. This was an increase of 12.4%, driven by both occupancy and average room rate. Demand was up 5.9%, average room rate was up 10.0%, and supply increased 3.7%.

Vancouver was ever so slightly below Calgary with a year-to-date RevPAR of \$89.77 as compared to \$82.40 in 2006. RevPAR growth was up 8.9%. Although actual occupancy was up slightly, room

night demand declined. This is due to the closing of the Crowne Plaza Hotel Georgia at the beginning of this year.

Ottawa came in fifth with a RevPAR of \$84.48, up 6.3% over \$79.49 in 2006. Sixth was Edmonton with a RevPAR of \$83.28, up 13.6% over \$73.31 in 2006. Seventh was Toronto Airport/West with a RevPAR of \$79.57, up 2.9% over \$77.32 in 2006.

Downtown Montreal's RevPAR at \$73.12 was down slightly from 2006. Downtown Montreal had a slight increase in occupancy, but the average room rate declined. It appears that, group/convention bookings are noticeably light in 2007 however, we were surprised that downtown Montreal's RevPAR was \$25 lower than downtown Toronto, and \$16 lower than downtown Vancouver.

Market	2007 April	2006 April	Percent Change (%)
Downtown Toronto	\$98.70	\$90.91	8.6 %
Alberta North	\$93.21	\$86.29	8.0
Calgary	\$90.86	\$80.85	12.4
Downtown Vancouver	\$89.77	\$82.40	8.9
Ottawa	\$84.48	\$79.49	6.3
Edmonton	\$83.28	\$73.31	13.6
Toronto Airport	\$79.57	\$77.32	2.9
Downtown Montreal	\$73.12	\$73.26	--

## HVS - CANADIAN LODGING OUTLOOK

April 2007	Number of Rooms	Occupancy Rate (%)		Average Room Rates (in \$CAD)		RevPAR (in \$CAD)		Room Supply % chg	Room Demand % chg
		2007	2006	2007	2006	2007	2006		
Nova Scotia Area	1,035	52.8%	45.3%	\$92.37	\$90.35	\$48.77	\$40.93	0.0%	16.5%
Halifax, NS	3,162	65.0%	64.1%	\$116.72	\$113.06	\$75.87	\$72.47	-2.8%	-1.3%
Montreal Downtown	9,846	62.3%	63.2%	\$138.41	\$140.04	\$86.23	\$88.51	2.5%	1.0%
Montreal Area	5,208	59.6%	60.5%	\$106.10	\$104.00	\$63.24	\$62.92	1.1%	-0.4%
Quebec City, QC	3,913	53.5%	54.9%	\$113.39	\$115.49	\$60.66	\$63.40	0.8%	-1.6%
Quebec Area	5,703	46.5%	48.4%	\$111.34	\$107.58	\$51.77	\$52.07	0.6%	-3.4%
Toronto Downtown	13,373	64.7%	67.4%	\$164.74	\$158.98	\$106.59	\$107.15	1.5%	-2.6%
Toronto North/East	6,599	60.3%	62.4%	\$118.53	\$114.69	\$71.47	\$71.57	2.5%	-1.0%
Toronto Airport/West	7,906	67.2%	67.5%	\$114.20	\$113.73	\$76.74	\$76.77	-1.5%	-1.9%
Ottawa, ON	6,440	62.4%	63.0%	\$134.47	\$127.37	\$83.91	\$80.24	-0.3%	-1.3%
Ontario East	4,098	47.2%	52.6%	\$95.24	\$93.70	\$44.95	\$49.29	1.0%	-9.3%
Windsor/ Ontario SW	3,037	49.3%	49.4%	\$98.35	\$99.77	\$48.49	\$49.29	0.0%	-0.4%
London/ Kitchener	6,233	56.8%	61.5%	\$104.46	\$101.35	\$59.33	\$62.33	1.3%	-6.5%
Ontario North/ Thunder Bay	1,836	58.6%	60.5%	\$85.46	\$82.54	\$50.08	\$49.94	0.0%	-3.1%
Ontario NC/ Sudbury	4,023	50.8%	52.7%	\$92.71	\$91.23	\$47.10	\$48.08	2.0%	-1.8%
Niagara Falls, ON	8,838	49.3%	51.6%	\$127.62	\$122.84	\$62.92	\$63.39	0.7%	-3.9%
Ontario Central	3,310	48.0%	46.8%	\$99.78	\$98.55	\$47.89	\$46.12	5.1%	7.9%
Mississauga, ON	5,627	58.0%	58.2%	\$110.23	\$106.66	\$63.93	\$62.08	2.7%	2.4%
Winnipeg, MB	3,692	65.7%	60.9%	\$98.94	\$94.23	\$65.00	\$57.39	-0.2%	7.7%
Regina/Saskatoon, SK	4,423	69.6%	62.7%	\$100.46	\$93.23	\$69.92	\$58.46	0.0%	10.9%
Calgary, AB	8,575	69.7%	69.6%	\$135.06	\$120.95	\$94.14	\$84.18	3.3%	3.4%
Edmonton, AB	7,450	75.3%	75.1%	\$117.61	\$106.52	\$88.56	\$80.00	0.5%	0.8%
Alberta North Area	3,059	56.3%	64.0%	\$133.43	\$119.53	\$75.12	\$76.50	1.1%	-11.1%
Alberta South Area	7,979	53.9%	51.3%	\$116.79	\$107.10	\$62.95	\$54.94	1.2%	6.3%
Vancouver Downtown	7,715	69.7%	69.3%	\$144.69	\$134.36	\$100.85	\$93.11	-2.7%	-2.1%
Vancouver/ Burnaby Area	2,228	70.1%	65.7%	\$101.78	\$96.23	\$71.35	\$63.22	0.0%	6.6%
Richmond-Surrey/ East Area	5,546	64.0%	62.5%	\$102.09	\$94.21	\$65.34	\$58.88	1.0%	3.4%
British Columbia Area	5,375	57.8%	55.0%	\$143.20	\$134.58	\$82.77	\$74.02	0.5%	5.6%
Kamloops/ Kelowna Area	4,367	54.1%	53.2%	\$90.71	\$87.67	\$49.07	\$46.64	1.9%	3.5%
Vancouver Island	3,743	69.8%	67.6%	\$109.68	\$105.28	\$76.56	\$71.17	0.8%	4.2%
<b>Provinces</b>									
Alberta	27,063	62.8%	64.5%	\$115.67	\$104.49	\$72.64	\$67.40	1.4%	-1.2%
British Columbia	28,616	60.0%	57.2%	\$103.67	\$99.11	\$62.20	\$56.69	0.4%	5.4%
Manitoba	4,524	61.0%	56.1%	\$82.53	\$75.87	\$50.34	\$42.56	-0.1%	8.6%
New Brunswick	3,383	43.7%	40.4%	\$91.07	\$89.33	\$39.80	\$36.09	-0.3%	8.1%
Newfoundland	1,839	64.4%	44.4%	\$100.45	\$90.46	\$64.69	\$40.16	0.0%	45.0%
Nova Scotia	4,197	44.4%	48.0%	\$99.30	\$92.58	\$44.09	\$44.44	-1.1%	-8.6%
Northwest Territories	124	INS	INS	INS	INS	INS	INS	INS	INS
Ontario	71,320	55.4%	56.8%	\$111.81	\$109.32	\$61.94	\$62.09	1.2%	-1.1%
Prince Edward Island	951	39.0%	51.0%	\$66.02	\$53.22	\$25.75	\$27.14	0.0%	-23.5%
Quebec	24,670	50.8%	48.6%	\$104.29	\$106.80	\$52.98	\$51.90	1.0%	5.7%
Saskatchewan	5,800	57.8%	52.2%	\$85.43	\$79.80	\$49.38	\$41.66	0.3%	11.2%
Yukon Territory	234	INS	INS	INS	INS	INS	INS	INS	INS
Canada	172,721	54.9%	54.2%	\$105.21	\$101.17	\$57.76	\$54.83	0.8%	2.1%

## HVS - CANADIAN LODGING OUTLOOK

April 2007 Year-To-Date	Number of Rooms	Occupancy Rate (%)		Average Room Rates (in \$CAD)		RevPAR (in \$CAD)		Room Supply % chg	Room Demand % chg
		2007	2006	2007	2006	2007	2006		
Nova Scotia Area	1,035	48.8%	45.7%	\$90.73	\$88.02	\$44.28	\$40.23	0.0%	6.8%
Halifax, NS	3,162	59.3%	57.3%	\$113.48	\$107.90	\$67.29	\$61.83	-2.8%	0.6%
Montreal Downtown	9,846	54.4%	53.9%	\$134.42	\$135.92	\$73.12	\$73.26	2.5%	3.4%
Montreal Area	5,208	57.2%	58.4%	\$104.61	\$104.67	\$59.84	\$61.13	1.2%	-0.9%
Quebec City, QC	3,913	51.7%	54.5%	\$115.53	\$114.68	\$59.73	\$62.50	0.8%	-4.4%
Quebec Area	5,703	51.2%	51.6%	\$125.35	\$121.91	\$64.18	\$62.91	0.6%	-0.1%
Toronto Downtown	13,373	62.3%	60.0%	\$158.42	\$151.51	\$98.70	\$90.91	0.4%	4.3%
Toronto North/East	6,599	55.9%	55.9%	\$117.40	\$114.16	\$65.63	\$63.82	1.2%	1.2%
Toronto Airport/West	7,906	68.4%	67.0%	\$116.33	\$115.40	\$79.57	\$77.32	-0.4%	1.8%
Ottawa, ON	6,440	63.9%	61.7%	\$132.20	\$128.83	\$84.48	\$79.49	-0.2%	3.4%
Ontario East	4,098	46.3%	48.9%	\$97.57	\$93.83	\$45.17	\$45.88	1.0%	-4.5%
Windsor/ Ontario SW	3,037	47.2%	50.9%	\$97.13	\$106.74	\$45.85	\$54.33	0.0%	-7.2%
London/ Kitchener	6,233	53.8%	56.8%	\$102.32	\$99.23	\$55.05	\$56.36	1.3%	-4.1%
Ontario North/ Thunder Bay	1,836	57.7%	60.6%	\$84.78	\$81.59	\$48.92	\$49.44	0.0%	-4.8%
Ontario NC/ Sudbury	4,023	48.2%	51.4%	\$93.88	\$91.30	\$45.25	\$46.93	2.1%	-4.3%
Niagara Falls, ON	8,838	40.4%	41.8%	\$122.05	\$113.75	\$49.31	\$47.55	2.6%	-0.7%
Ontario Central	3,310	49.2%	51.6%	\$107.49	\$104.87	\$52.89	\$54.11	5.4%	0.3%
Mississauga, ON	5,627	54.4%	52.7%	\$110.56	\$106.42	\$60.14	\$56.08	3.3%	6.8%
Winnipeg, MB	3,692	62.8%	58.6%	\$98.29	\$92.99	\$61.73	\$54.49	-0.2%	7.0%
Regina/Saskatoon, SK	4,423	68.5%	63.2%	\$101.17	\$95.31	\$69.30	\$60.24	0.0%	8.4%
Calgary, AB	8,575	68.7%	67.3%	\$132.26	\$120.13	\$90.86	\$80.85	3.7%	5.9%
Edmonton, AB	7,450	71.5%	70.2%	\$116.48	\$104.43	\$83.28	\$73.31	0.4%	2.2%
Alberta North Area	3,059	69.7%	74.9%	\$133.73	\$115.21	\$93.21	\$86.29	1.2%	-5.7%
Alberta South Area	7,979	56.6%	56.1%	\$120.82	\$114.49	\$68.38	\$64.23	1.4%	2.3%
Vancouver Downtown	7,715	65.0%	63.5%	\$138.11	\$129.77	\$89.77	\$82.40	-2.7%	-0.5%
Vancouver/ Burnaby Area	2,228	64.8%	60.5%	\$100.72	\$95.64	\$65.27	\$57.86	0.0%	7.2%
Richmond-Surrey/ East Area	5,546	63.7%	62.3%	\$101.43	\$92.99	\$64.61	\$57.93	1.0%	3.3%
British Columbia Area	5,375	63.9%	58.8%	\$182.56	\$170.32	\$116.66	\$100.15	0.5%	9.3%
Kamloops/ Kelowna Area	4,367	46.9%	45.3%	\$88.62	\$84.30	\$41.56	\$38.19	1.9%	5.6%
Vancouver Island	3,743	59.5%	57.1%	\$99.97	\$94.86	\$59.48	\$54.17	0.8%	4.9%
<b>Provinces</b>									
Alberta	27,063	64.6%	66.1%	\$116.24	\$104.06	\$75.09	\$68.78	1.6%	-0.7%
British Columbia	28,616	55.7%	53.7%	\$106.84	\$100.06	\$59.51	\$53.73	0.4%	4.2%
Manitoba	4,524	58.8%	55.6%	\$82.02	\$74.76	\$48.23	\$41.57	-0.1%	5.6%
New Brunswick	3,383	41.8%	41.6%	\$90.28	\$86.56	\$37.74	\$36.01	0.4%	0.8%
Newfoundland	1,839	53.3%	41.7%	\$99.40	\$92.45	\$52.98	\$38.55	0.8%	28.9%
Nova Scotia	4,197	40.8%	43.6%	\$96.64	\$88.25	\$39.43	\$38.48	-1.1%	-7.6%
Northwest Territories	124	INS	INS	INS	INS	INS	INS	INS	INS
Ontario	71,320	52.3%	52.8%	\$110.89	\$106.85	\$58.00	\$56.42	1.4%	0.5%
Prince Edward Island	951	37.4%	48.0%	\$61.38	\$51.61	\$22.96	\$24.77	0.0%	-22.1%
Quebec	24,670	47.5%	46.3%	\$105.22	\$107.09	\$49.98	\$49.58	1.1%	3.8%
Saskatchewan	5,800	54.7%	49.9%	\$86.24	\$81.11	\$47.17	\$40.47	0.3%	9.9%
Yukon Territory	234	INS	INS	INS	INS	INS	INS	INS	IN
Canada	172,721	52.4%	52.1%	\$106.62	\$100.74	\$55.87	\$52.49	0.9%	1.6%

## HVS - CANADIAN LODGING OUTLOOK

### 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).

*If you have any questions regarding this publication please send a message to [bmacdonald@hvs.com](mailto:bmacdonald@hvs.com)  
Web Site: <http://www.hvs.com>*

---

*The Canadian Lodging Outlook is a joint publication of Smith Travel Research and HVS, Vancouver and Toronto, Canada. If you wish to reprint any of the articles presented through HVS's website, prior permission from HVS and the respective article's author must be granted. For further information please contact [info@hvs.com](mailto:info@hvs.com). Hospitality Valuation Services, HVS and HVS logo are registered service marks.*

---



Vancouver Office  
Suite 400 - 145 West 17th Street  
North Vancouver, BC  
Canada BC V7M 3G4  
(604) 988-9743  
(604) 988-4625 fax

Toronto Office  
6 Victoria Street  
Toronto, ON  
Canada M5E 1L4  
(416) 686-2260  
(416) 686-2264 fax

**HVS** is the leading consulting and appraisal firm specializing solely in the hospitality industry. **HVS** personnel have university degrees in Hotel Administration, or actual hotel work experience, and are taking further courses of study to obtain recognized real estate designations. **HVS** has consulted for over 10,000 hotels in 55 countries.

For a complete list of consulting and valuation offices [click here](#).



SMITH TRAVEL RESEARCH

STR provides information and analysis to all major Canadian and U.S. hotel chains. Individual hotels, management companies, appraisers, consultants, investors, lenders and other lodging industry analysts also rely on STR data for the accuracy they require. With the most comprehensive database of hotel performance information ever compiled. STR has developed a variety of products and services to meet the needs of industry leaders.

OFFICE:  
735 E. Main St.,  
Hendersonville, TN 37075  
(615) 824-8664



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.

OFFICE:  
Anthony Pollard,  
1206-130 Albert Street,  
Ottawa, Ontario K1P 5G4  
(613) 237-7149