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## California Lodging Investment Conference



## Who We Are

LE's team of market research intelligence specialist maintains relationships with over: 200 Domestic and International Brands, 800 Developers and 1,500 Ownership and Management groups. We continuously monitor industry-wide news and conduct outbound calls to bring you the most up-to date and accurate intelligence possible. No other company can offer this.

LE delivers opportunities as a three-module program consisting of a:

- **Database of Hotel Records** that is continuously updated and available online and as an app from the App Store and Google Play
- **Customized Management Guidance Reports** that summarize your portfolio by state, market and tract, and chain scale
- **Lodging Real Estate Trend Reports** that supply the insights to plan, forecast, and make confident portfolio decisions

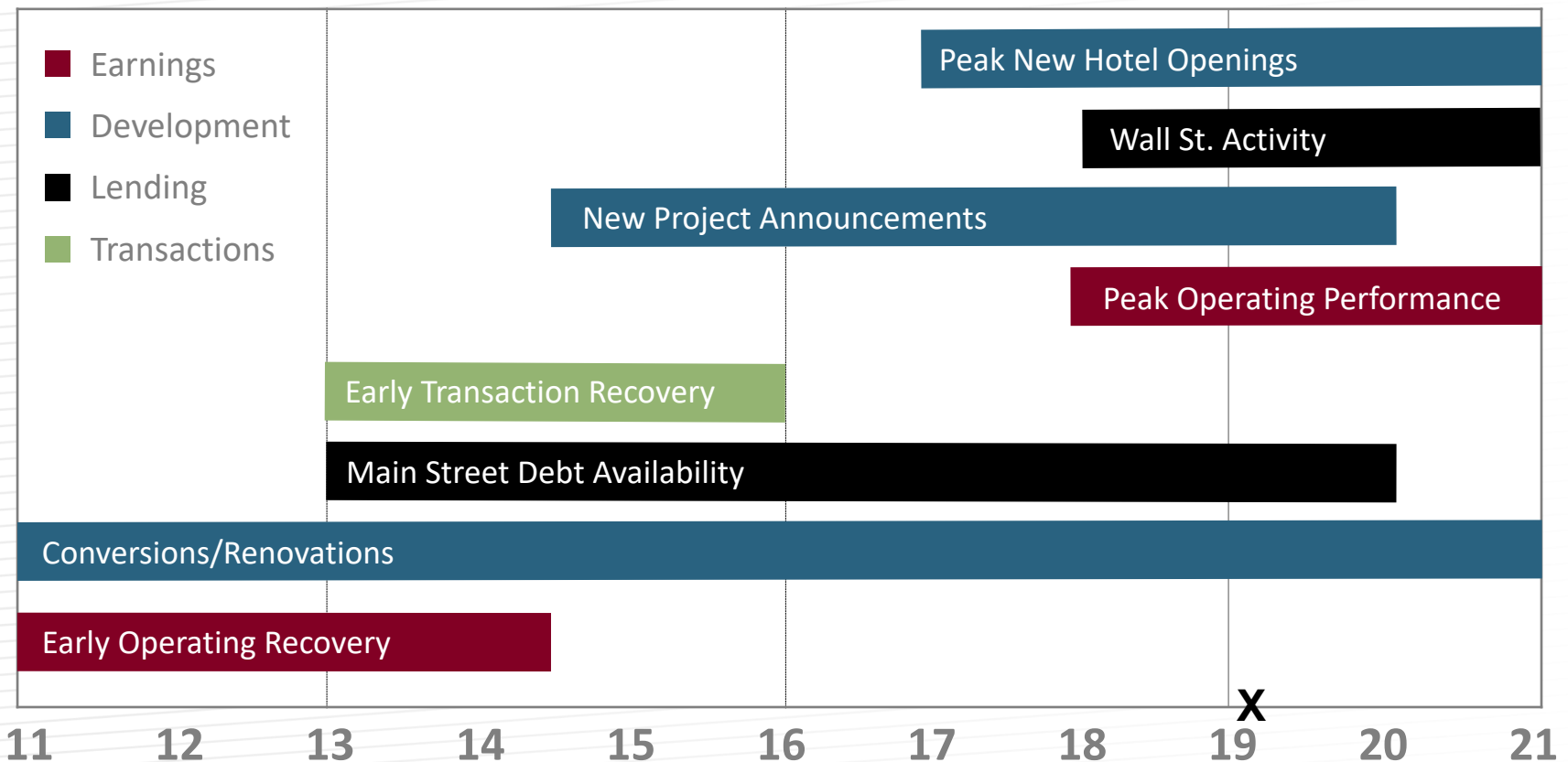
### **Our Commitment to Your Success**

LE's Client Concierge Services will orient and train you and your team on how to effectively use the program. They will also be available to answer any questions you may have about specific development projects, assist with the interpretation of real estate trends and share any insights on lodging development that may be helpful. This is our commitment to your success.



# US Lodging Real Estate Cycle

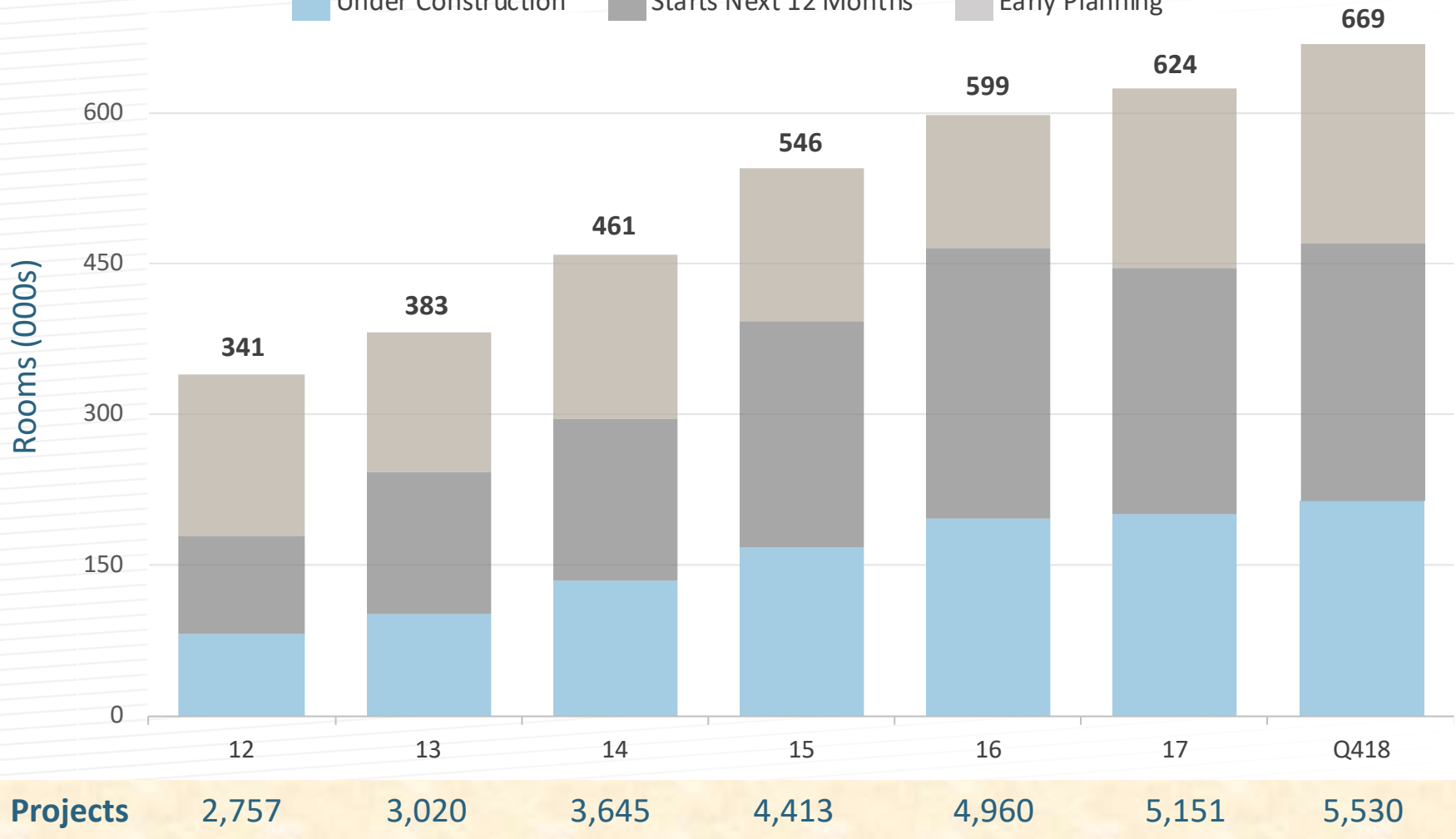
**Current Quarter:** Q418 with 5,530 Projects/669,456 Rooms  
**Last Cycle Bottom:** Q112 with 2,720 Projects/331,129 Rooms  
**Last Cycle Peak:** Q208 with 5,883 Projects/785,547 Rooms





## US Construction Pipeline By Projects and Rooms

Under Construction Starts Next 12 Months Early Planning





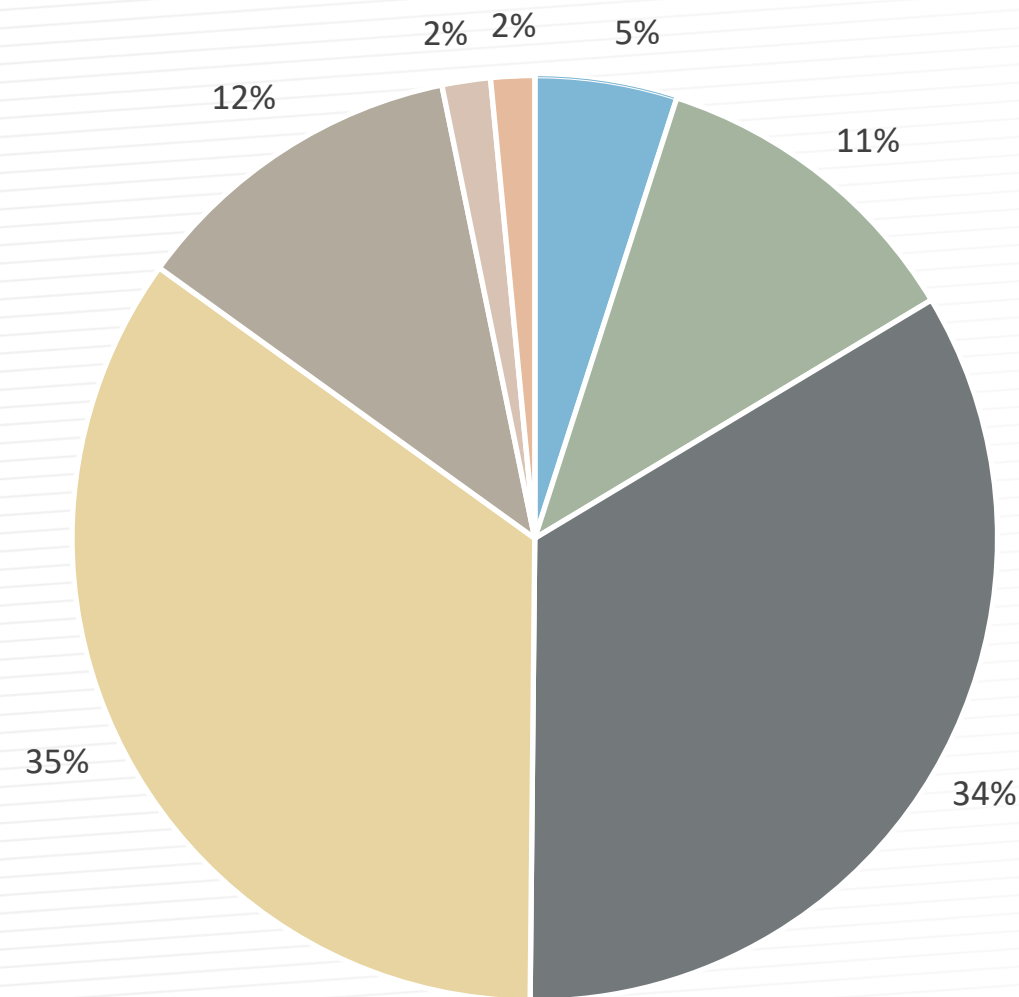
## US Construction Pipeline By Project Stage Year-Over-Year (YOY)

	Q418		Q417		% Variance	
	Projects	Rooms	Projects	Rooms	Projects	Rooms
Under Construction	1,654	215,047	1,544	200,632	7%	7%
Starts Next 12 Months	2,153	255,083	2,101	245,214	2%	4%
Early Planning	1,723	199,326	1,506	177,849	14%	12%
<b>Total Pipeline</b>	<b>5,530</b>	<b>669,456</b>	<b>5,151</b>	<b>623,695</b>	<b>7%</b>	<b>7%</b>



# US Construction Pipeline

By Chain Scale with Unbranded Included



% by rooms

Q4 2018	Rooms
Luxury	33,241
Upper Upscale	76,478
Upscale	226,080
Upper Midscale	232,805
Midscale	79,299
Economy	11,330
Casino	10,223
Total	669,456



## US Development Pipeline By Top US Franchise Companies\*

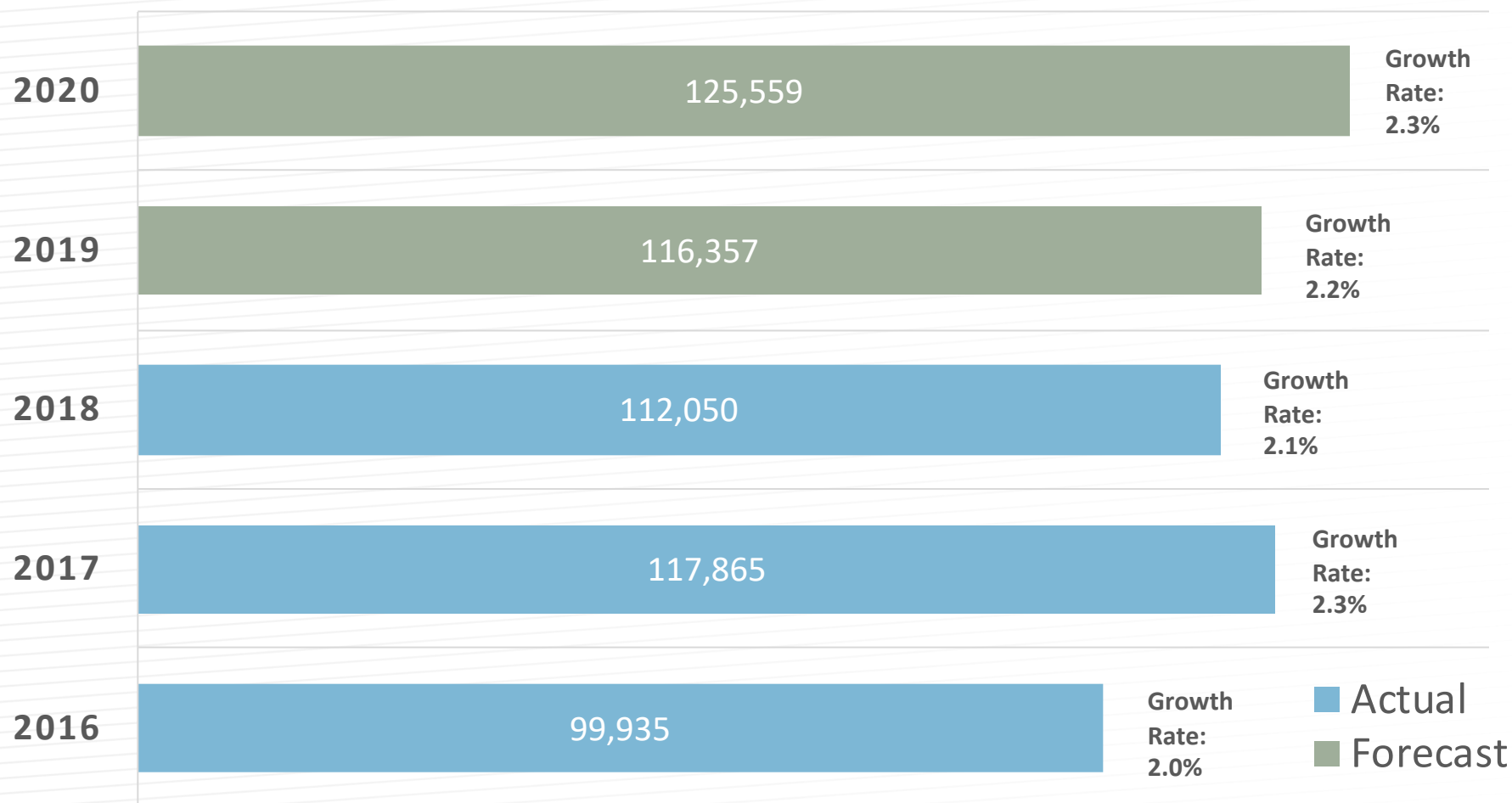
	Q418		Q417	
	Projects	Rooms	Projects	Rooms
Marriott International	1,591	212,335	1,503	195,187
Hilton Worldwide	1,428	163,556	1,359	156,016
InterContinental Hotels Group (IHG)	1,042	106,590	902	93,280
Choice Hotels	779	60,974	704	54,418
Best Western Hotels & Resorts	322	29,004	280	24,367

\*Includes New Construction & Conversions





## US Forecast New Hotel Openings By Rooms







# San Francisco

## Total Construction Pipeline

- Under Construction.....2,336 rooms
- Start Next 12 Months.....1,567 rooms
- Early Planning.....2,231 rooms

- Brand Conversions.....372 rooms
- Announced Renovations.....3,399 rooms
- Total Transactions.....3,994 rooms



# San Jose

## Total Construction Pipeline

- Under Construction.....3,651 rooms
- Start Next 12 Months.....2,897 rooms
- Early Planning.....2,602 rooms

- Brand Conversions.....895 rooms
- Announced Renovations.....2,082 rooms
- Total Transactions.....1,363 rooms



# Sacramento

## Total Construction Pipeline

- Under Construction.....902 rooms
- Start Next 12 Months.....1,681 rooms
- Early Planning.....1,241 rooms

- Brand Conversions.....146 rooms
- Announced Renovations.....853 rooms
- Total Transactions.....1,058 rooms





# Los Angeles

## Total Construction Pipeline

- Under Construction.....5,877 rooms
- Start Next 12 Months.....8,604 rooms
- Early Planning.....8,923 rooms

- Brand Conversions.....1,600 rooms
- Announced Renovations.....5,733 rooms
- Total Transactions.....3,574 rooms



# San Diego

## Total Construction Pipeline

- Under Construction.....1,836 rooms
- Start Next 12 Months.....4,458 rooms
- Early Planning.....3,122 rooms

- Brand Conversions.....1,191 rooms
- Announced Renovations.....2,905 rooms
- Total Transactions.....2,616 rooms



# Riverside-San Bernardino

## Total Construction Pipeline

- Under Construction.....2,644 rooms
- Start Next 12 Months.....3,064 rooms
- Early Planning.....2,142 rooms

- Brand Conversions.....970 rooms
- Announced Renovations.....1,443 rooms
- Total Transactions.....1,778 rooms





# Anaheim

## Total Construction Pipeline

- Under Construction.....3,357 rooms
- Start Next 12 Months.....2,408 rooms
- Early Planning.....863 rooms

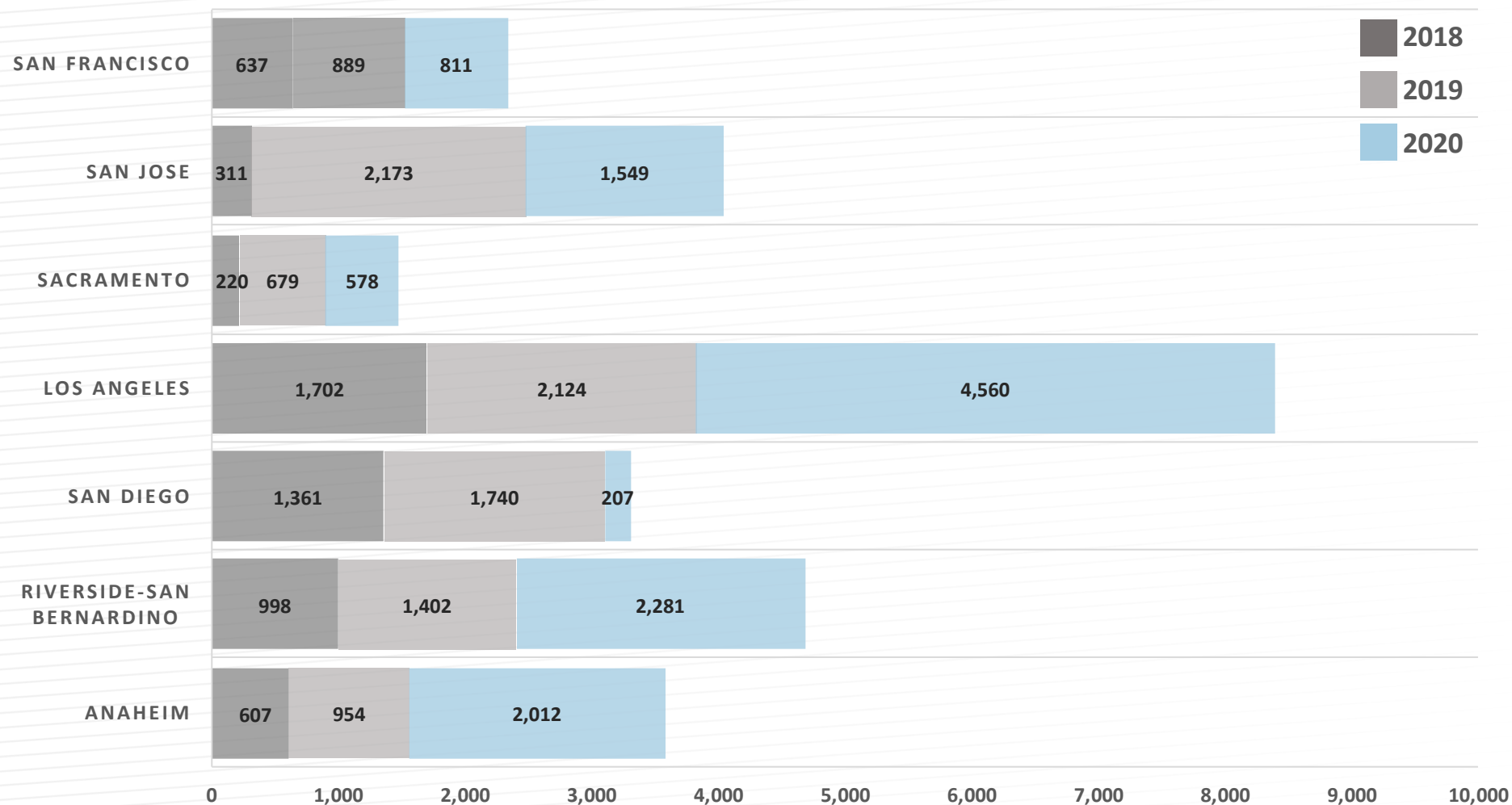
- Brand Conversions.....304 rooms
- Announced Renovations.....2,065 rooms
- Total Transactions.....1,484 rooms





# California New Hotel Openings

## Select Markets by Rooms





# California Forecast for New Hotel Openings

## By Chain Scale

	2019		2020	
	Projects	Rooms	Projects	Rooms
Luxury	4	595	5	904
Upper Upscale	6	1,072	8	1,604
Upscale	36	4,877	48	6,490
Upper Midscale	43	4,877	46	4,495
Midscale	3	296	3	227
Economy	2	246	2	245
Unbranded	13	1,566	14	1,572
Casino	1	300	-	-
Total	108	13,829	126	15,537



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# Thank You

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**Bruce Ford**

*SVP, Director of Global Business Development*

**Office:** +1 603.427.9546

**Mobile:** +1 603.770.5634

**Email:** [bford@LodgingEconometrics.com](mailto:bford@LodgingEconometrics.com)

