

# 2023 Alberta Accommodation Outlook

Ascend 2022



# Agenda & Today's Speaker

- 
1. National Economic & Travel Outlooks
  2. Alberta Outlook
  3. Calgary & Edmonton
  4. Investment
  5. National Outlook
  6. Q&A



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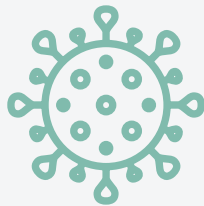
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## Underlying Assumptions

The CBRE Hotels Canadian Accommodation Outlook is based on the following underlying assumptions.



**September 8, 2022**



**No Lockdowns**



**No Further Travel Restrictions**



**Continued Moderate Economic Growth**



**Corporate & Meeting Conference Travel Continues to Return**

# National Economic & Travel Outlooks

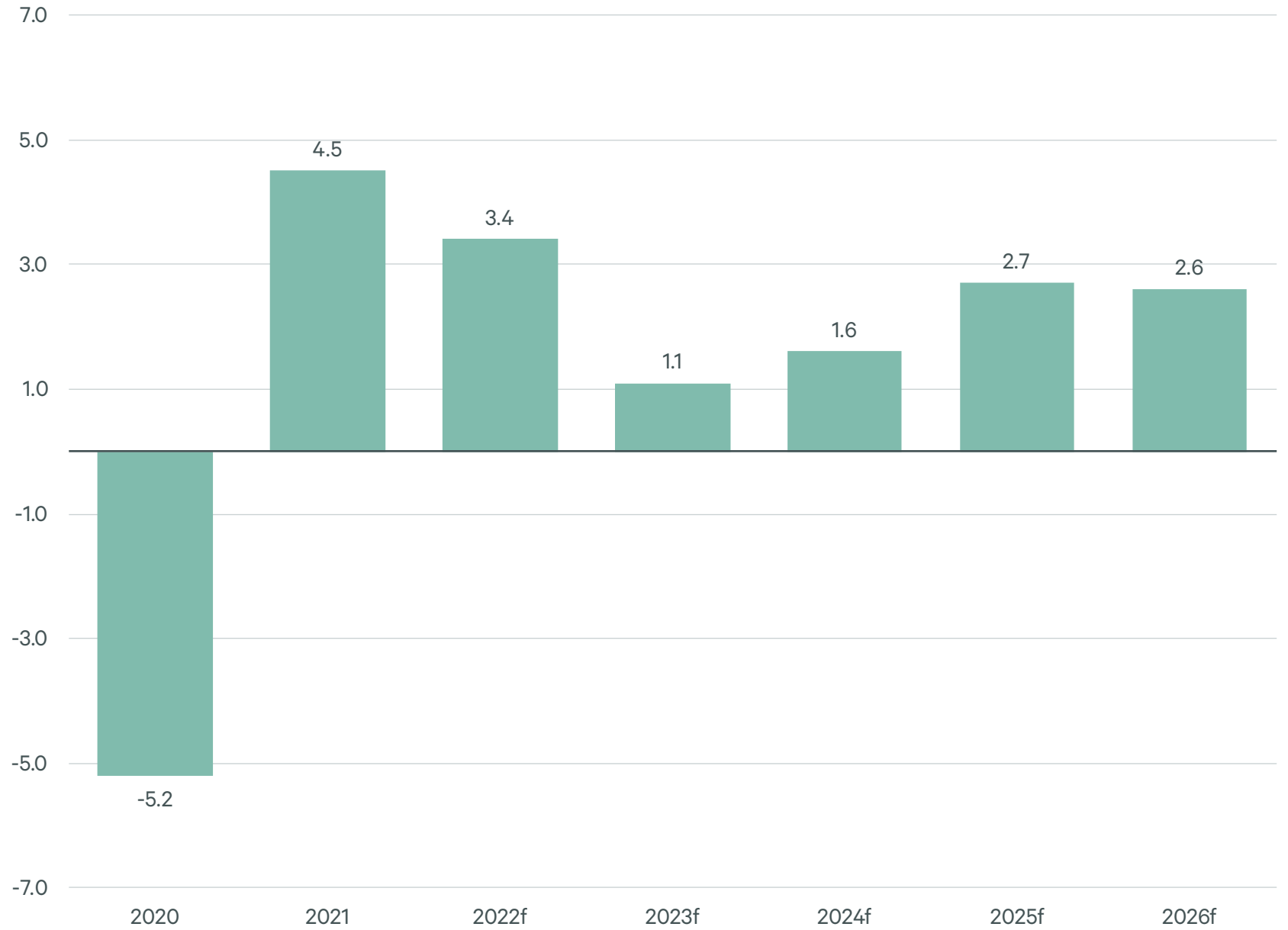
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# Canada Projected GDP Growth

Source: Oxford Economics, 2022



# Canada Travel Indicators

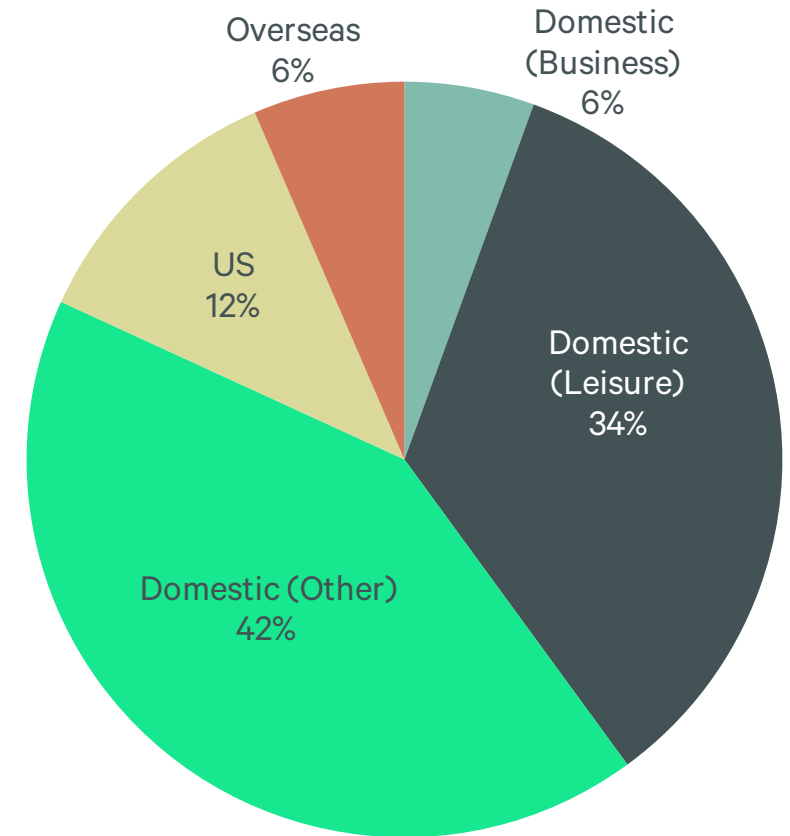
\* % Change vs. 2021

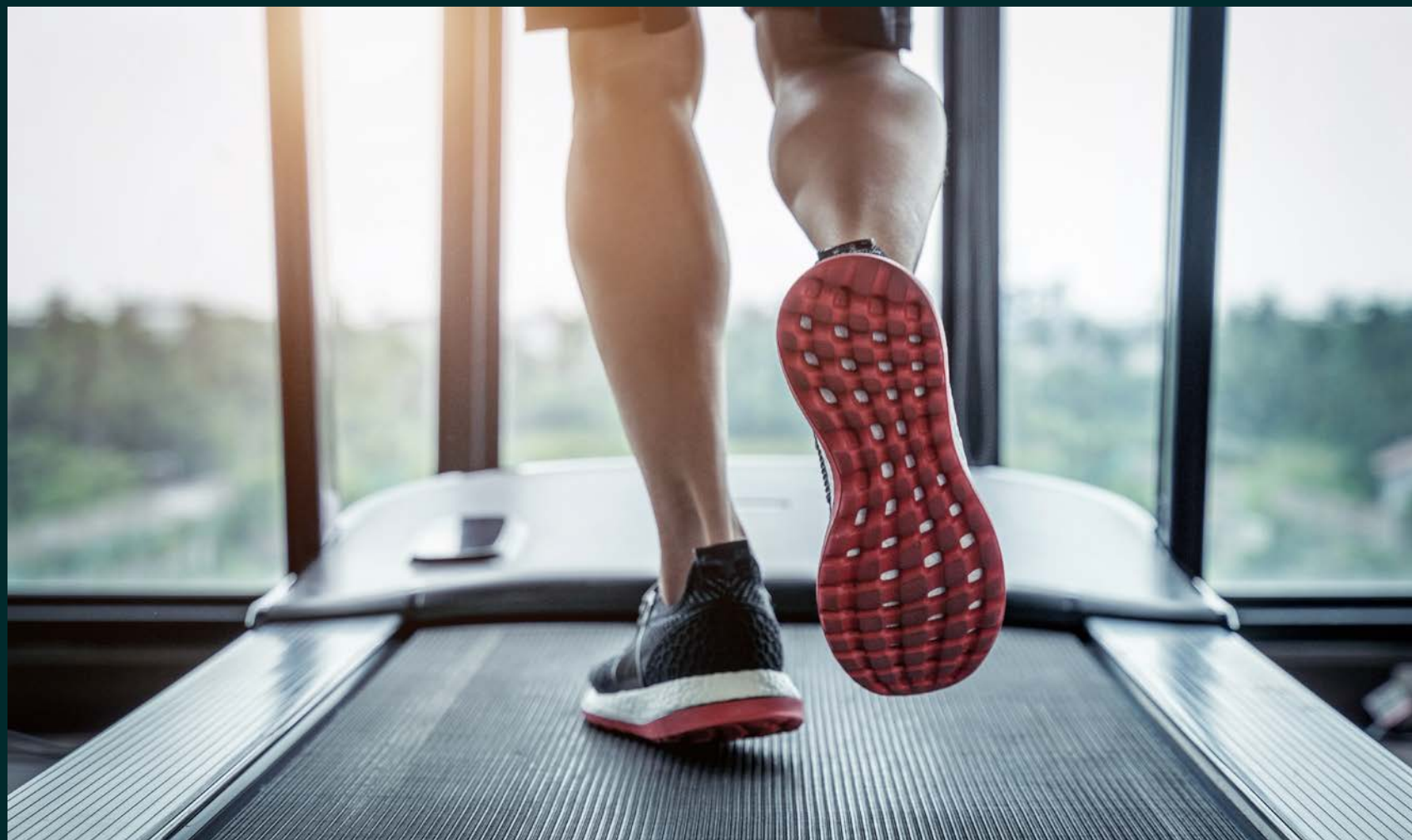
Source: Conference Board of  
Canada, Spring 2022

Canada Overnight Visits, 2022-2024F (000s)

	2019	2022F*	2023F	2024F
Domestic – Business	8,479	6,213	6,590	7,050
		68.8%	6.1%	7.0%
Domestic – Leisure	37,255	37,255	40,775	42,104
		5.3%	9.4%	3.3%
Domestic – Other	48,961	45,041	49,662	49,096
		47.5%	10.3%	-1.1%
US	16,577	9,224	13,833	16,173
		222.8%	50.0%	16.9%
Overseas	9,407	3,914	7,685	8,886
		222.9%	96.3%	15.6%
Total Overnight Visits	121,399	101,648	118,546	123,309
		38.0%	16.6%	4.0%

Canada Overnight Visits Breakdown, 2023





# Alberta GDP Growth Projections 2022-2023

**\*Sources:**

ATB Financial – Alberta Economic Outlook (September 2022)

Scotiabank – Global Outlook & Forecast Tables (September 2022)

National Bank of Canada – Monthly Economic Monitor (September 2022)

RBC Economics – Provincial Outlook (September 2022)

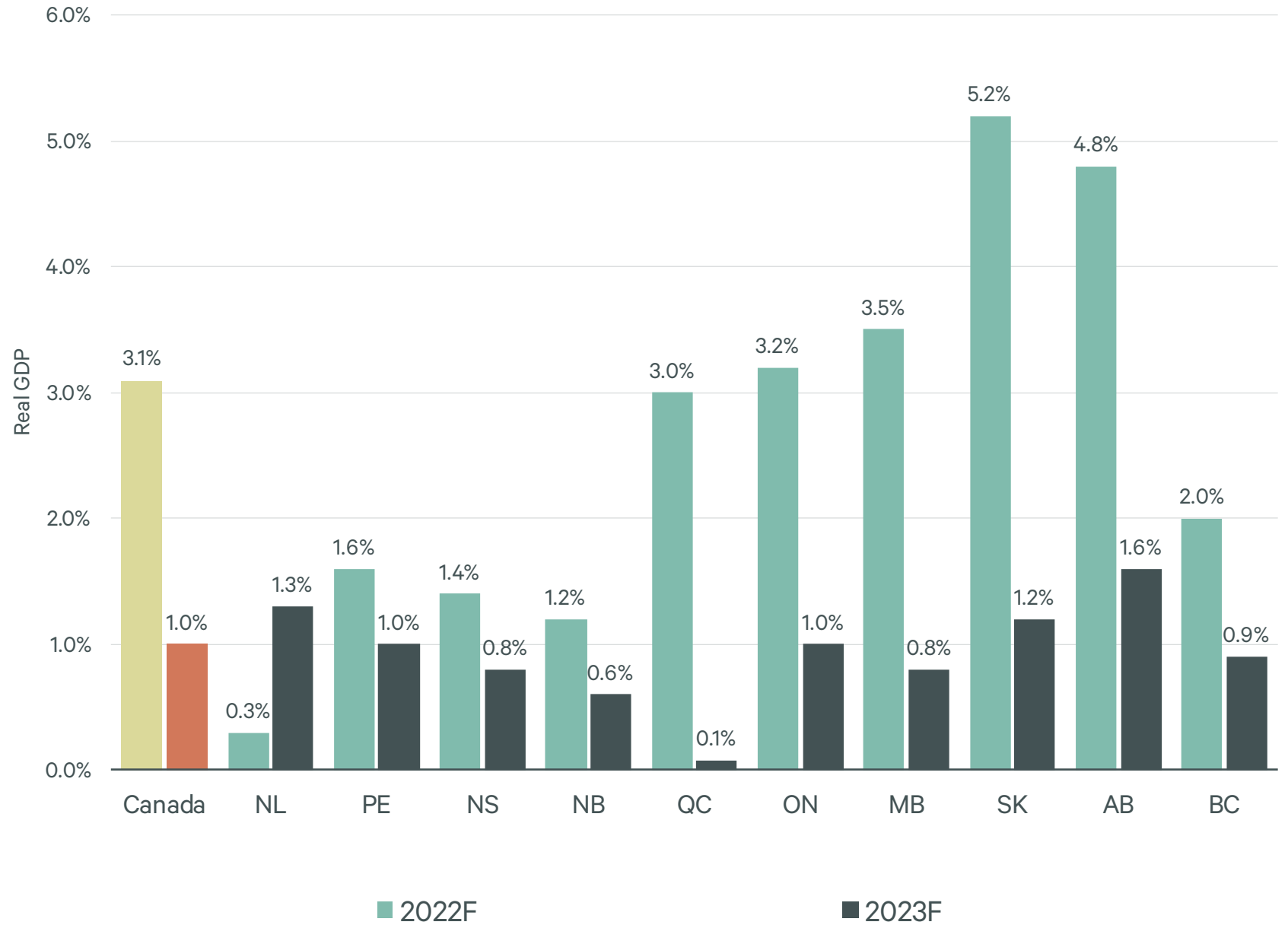
Conference Board of Canada – Provincial Outlook (September 2022)

	2021 E	2022 F	2023 F
<b>ATB Financial</b>	5.1%	5.0%	3.0%
<b>Scotiabank</b>	5.1%	4.8%	1.6%
<b>National Bank of Canada</b>	4.8%	4.0%	1.9%
<b>RBC</b>	5.1%	5.1%	1.8%
<b>Conference Board of Canada</b>	5.0%	4.9%	3.5%



# 2022-2023 Real GDP Forecast By Province

Source: Scotiabank Global Outlook & Forecast Tables, September 12, 2022



# Alberta Travel Indicators

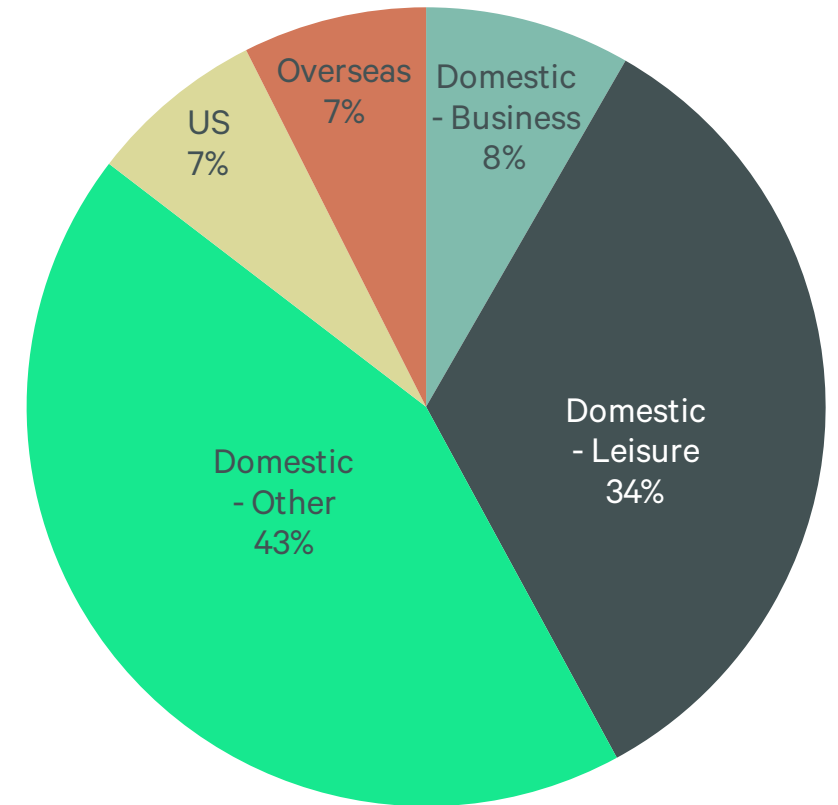
\* % Change vs 2021

Source: Conference Board of Canada, Spring 2022 Travel Market Outlook

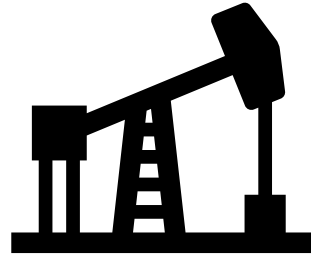
Alberta Overnight Visits, 2022-2024F (000s)

	2019	2022F*	2023F	2024F
Domestic – Business	1,397	1,048	1,122	1,202
		73.5%	7.0%	7.1%
Domestic – Leisure	4,139	4,182	4,552	4,604
		-1.0%	8.9%	1.1%
Domestic – Other	5,918	5,396	5,843	5,861
		49.0%	8.3%	0.3%
US	1,198	646	965	1,122
		358.2%	49.3%	16.3%
Overseas	1,150	502	1,003	1,164
		205.2%	100.0%	16.0%
Total Overnight Visits	13,802	11,774	13,485	13,954
		34.8%	14.5%	3.5%

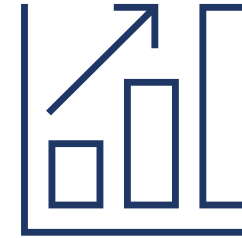
Alberta Overnight Visit Breakdown, 2023



# Some Key Issues We Are Following



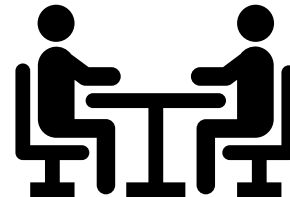
Energy Sector Capital Spending



Interest Rates and Inflation



Staffing Challenges



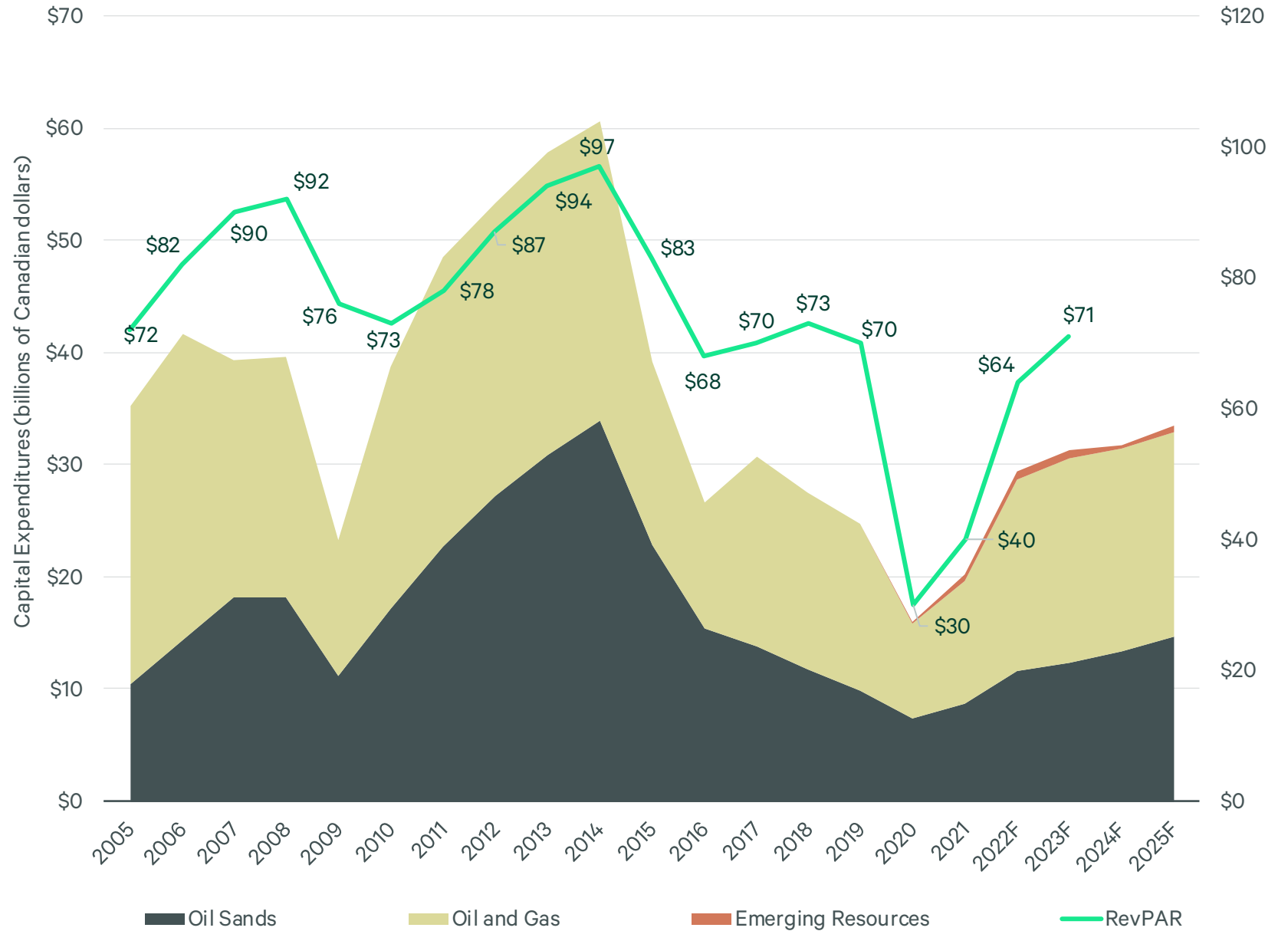
Shifts in Segmentation



Inbound/Outbound Travel

# Alberta Energy Sector Capital Expenditures and RevPAR

Source: Alberta Energy Regulator,  
CBRE Hotels



## Changes in Employees by Industry (National) (Jan 2019 – July 2022)

Source: Statistics Canada, CBC  
News

## Industries Canadian workers are flocking to — and which ones they're fleeing

Number of employees between January 2019 and July 2022

<b>Professional, scientific and technical services</b>	<b>19.5%</b>
<b>Public administration</b>	<b>17.1%</b>
<b>Finance, insurance, real estate, rental and leasing</b>	<b>14.4%</b>
<b>Information, culture and recreation</b>	<b>10.3%</b>
<b>Educational services</b>	<b>10.2%</b>
<b>Construction</b>	<b>6.5%</b>
<b>Health care and social assistance</b>	<b>5.0%</b>
<b>Wholesale and retail trade</b>	<b>4.0%</b>
<b>Manufacturing</b>	<b>0.7%</b>
<b>Utilities</b>	<b>0.4%</b>
<b>Transportation and warehousing</b>	<b>-2.3%</b>
<b>Forestry, fishing, mining, quarrying, oil and gas</b>	<b>-5.1%</b>
<b>Agriculture</b>	<b>-10.7%</b>
<b>Business, building and other support services</b>	<b>-11.6%</b>
<b>Other services (except public administration)</b>	<b>-12.4%</b>
<b>Accommodation and food services</b>	<b>-14.2%</b>

Table: Graeme Bruce Source: Statistics Canada CBC News

## Alberta YTD Accommodation Performance\*

\*Excludes Alberta Resorts

		July YTD	Month of July
<b>2021</b>	Occupancy	30%	50%
	ADR	\$104	\$115
	RevPAR	\$31	\$58
<b>2022</b>	Occupancy	52%	68%
	ADR	\$130	\$156
	RevPAR	\$68	\$107
<b>YoY Change</b>	Occupancy	22pts	18pts
	ADR	25%	36%
	RevPAR	116%	85%

## Alberta Historic “Top Line” Results Comparison

\*Excludes assets that were not open both years.

		2021 YTD Jan-July	2022 YTD Jan-July
<b>Grande Prairie</b>	Occupancy	40%	58%
	ADR	\$117	\$127
	RevPAR	\$47	\$73
<b>Red Deer</b>	Occupancy	26%	46%
	ADR	\$90	\$106
	RevPAR	\$23	\$49
<b>Lethbridge</b>	Occupancy	29%	54%
	ADR	\$95	\$117
	RevPAR	\$27	\$63
<b>Medicine Hat</b>	Occupancy	34%	58%
	ADR	\$100	\$111
	RevPAR	\$34	\$65
<b>Fort McMurray*</b>	Occupancy	39%	42%
	ADR	\$133	\$135
	RevPAR	\$52	\$57

## Alberta Historic “Top Line” Results Comparison (Continued)

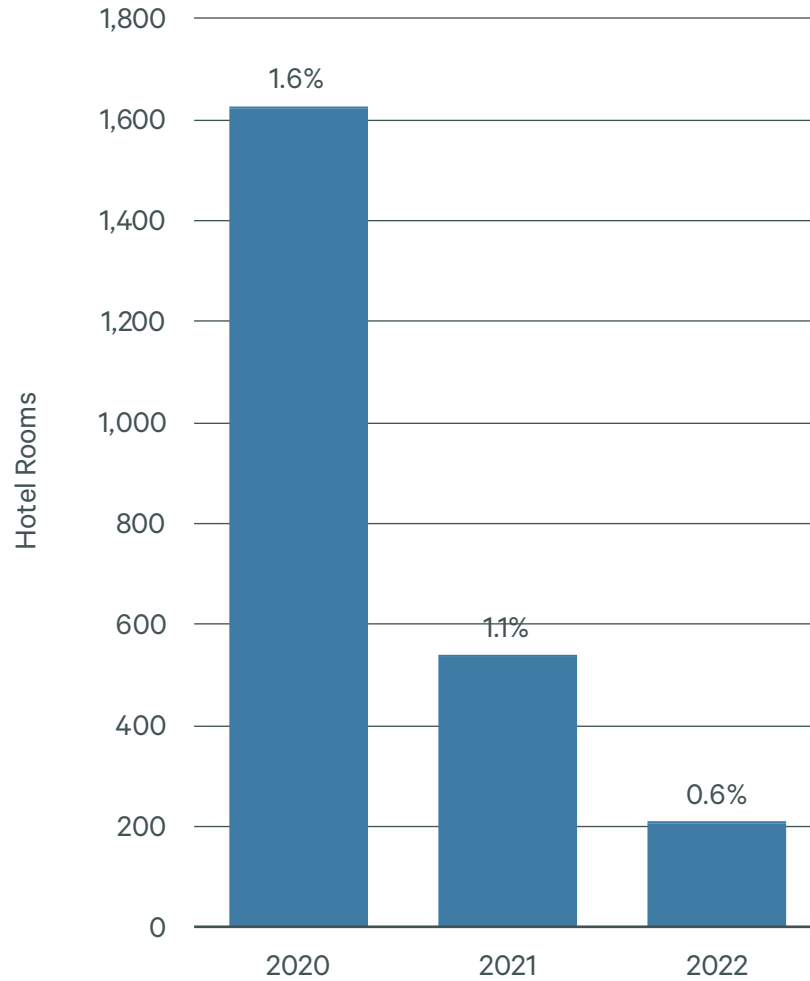
\*Excludes Assets that were  
NOT open both years

		2021 YTD Jan-July	2022 YTD Jan-July
<b>Hinton</b>	Occupancy	40%	56%
	ADR	\$108	\$137
	RevPAR	\$44	\$76
<b>Edson</b>	Occupancy	51%	64%
	ADR	\$105	\$112
	RevPAR	\$56	\$72
<b>Stony Plain/ Spruce Grove</b>	Occupancy	33%	51%
	ADR	\$90	\$102
	RevPAR	\$30	\$52
<b>Whitecourt</b>	Occupancy	32%	50%
	ADR	\$91	\$93
	RevPAR	\$29	\$46
<b>Other Alberta</b>	Occupancy	36%	50%
	ADR	\$109	\$121
	RevPAR	\$39	\$61



# Alberta Supply Curve Has Shifted

Projected Supply Growth as at Q1 2020



Projected Supply Growth at August 2022



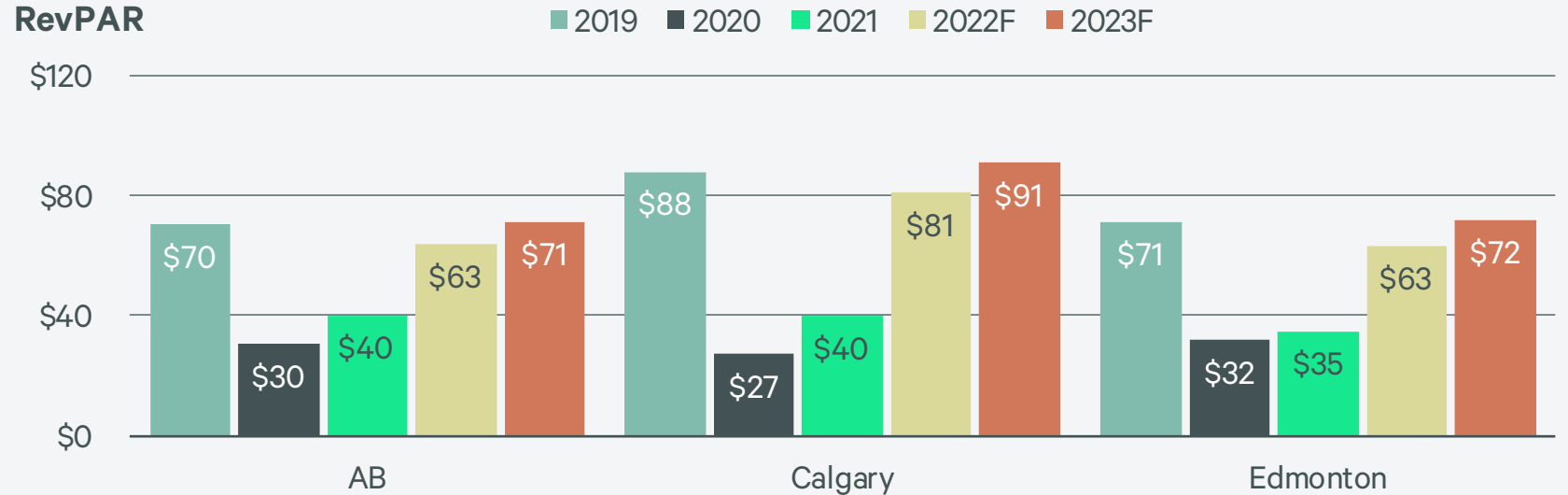
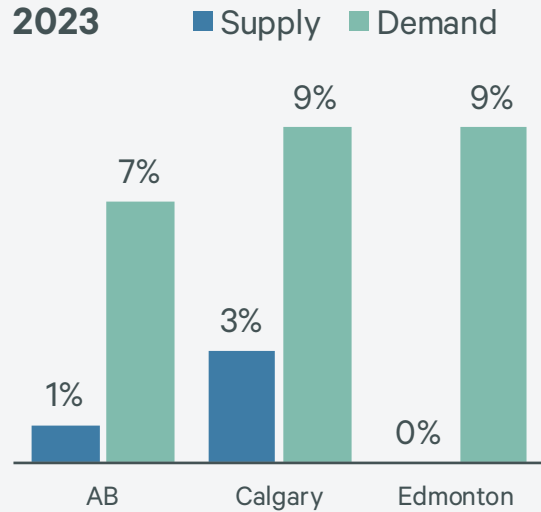
# Alberta\*

## 12%

RevPAR Growth vs 2023

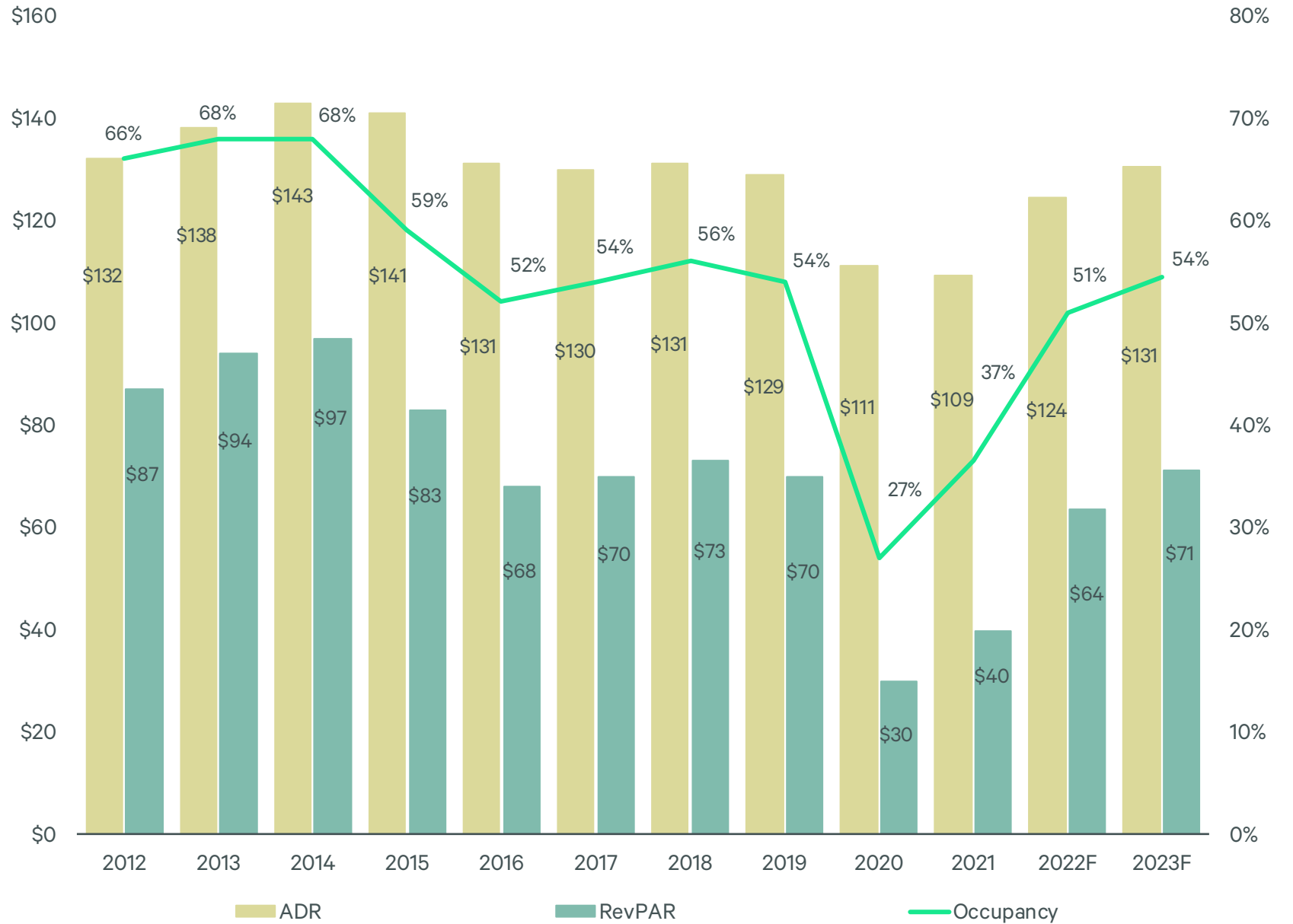
\* Excluding Resorts

	2019	2020	2021	2022F	2023F
Occupancy	54%	27%	37%	51%	54%
ADR	\$129	\$111	\$109	\$124	\$131
RevPAR	\$70	\$30	\$40	\$64	\$71



# Alberta Top Line History & Forecast

Source: CBRE Hotels



# Calgary & Edmonton

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# CALGARY ECONOMIC INDICATORS

Downtown and suburban office vacancy rates still in record territory, but there are signs of life going forward

Industrial activity still dominating non-residential construction. Vacancy rate across Calgary below 3.0% in Q2 2022

Economic diversification gradually paying off

Calgary GDP Growth over Next 5 Years Forecast to be Highest among all large Canadian urban centres

## Key Economic Indicators

	2020	2021	2022F	2023F	2024F	2025F	2026F
<b>Real GDP (\$2012 millions)</b>	\$109,227	\$116,044	\$125,131	\$130,210	\$133,896	\$138,527	\$142,886
<i>Annual Growth (%)</i>	-6.0%	6.2%	7.8%	4.1%	2.8%	3.5%	3.1%
<b>Total Employment (000s)</b>	781.4	813.7	891.1	923.4	936.8	954.8	973.0
<i>Annual Growth (%)</i>	-6.3%	4.1%	9.5%	3.6%	1.4%	1.9%	1.9%
<b>Unemployment Rate (%)</b>	11.9%	9.0%	6.6%	7.4%	7.8%	7.7%	7.4%
<b>Household Disposable Income (\$)</b>	\$114,414	\$114,596	\$123,949	\$127,873	\$130,997	\$134,324	\$137,797
<b>Population (000s)</b>	1,540.0	1,558.3	1,589.2	1,625.7	1,662.7	1,700.2	1,738.1
<i>Annual Growth (%)</i>	2.0%	1.2%	2.0%	2.3%	2.3%	2.3%	2.2%
<b>Total Housing Starts (units)</b>	9,324	15,012	15,795	14,425	16,632	18,460	18,844
<b>Real Retail Sales (\$2012 millions)</b>	\$25,957	\$28,132	\$28,963	\$30,129	\$31,095	\$32,328	\$33,529
<i>Annual Growth (%)</i>	-4.3%	8.4%	3.0%	4.0%	3.2%	4.0%	3.7%

F = Forecast data. Forecast completed June 29, 2022.

Source: Oxford Economics, 2022.

# Calgary Travel Indicators

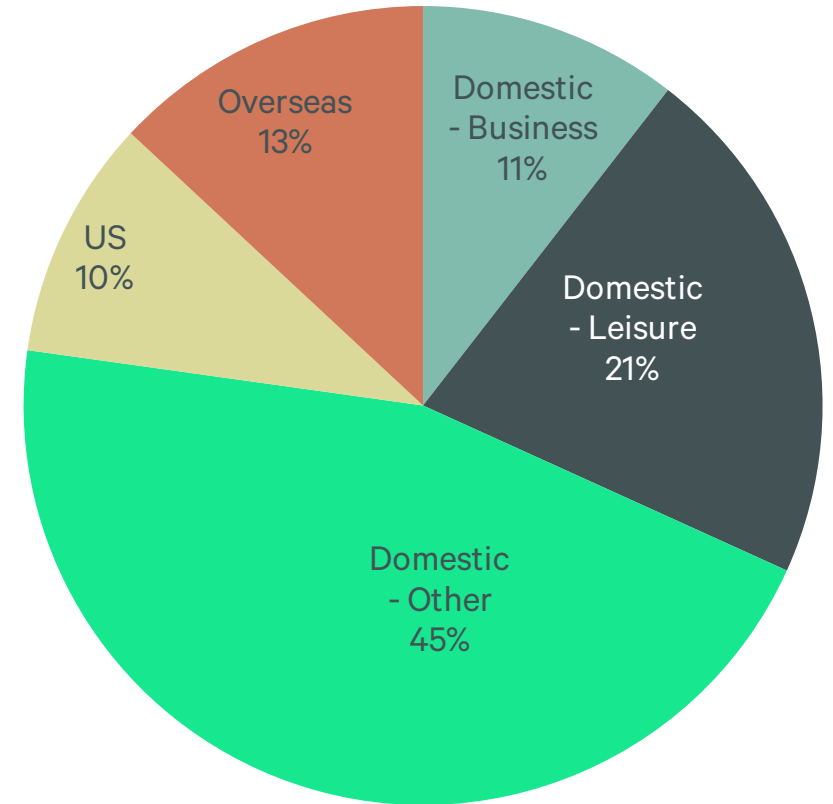
\* Change vs 2021

Source: Conference Board of Canada, Spring 2022

Calgary Overnight Visits, 2022-2024F (000s)

	2019	2022F*	2023F	2024F
Domestic – Business	465	348	374	396
		72.7%	7.5%	5.9%
Domestic – Leisure	655	667	757	784
		1.7%	13.5%	3.5%
Domestic – Other	1,690	1,518	1,617	1,629
		44.1%	6.5%	0.7%
US	438	234	346	407
		276.2%	48.2%	17.6%
Overseas	541	242	465	538
		248.4%	92.2%	15.9%
Total Overnight Visits	3,789	3,008	3,560	3,775
		47.3%	18.3%	5.5%

Calgary Overnight Visit Breakdown, 2023



## Calgary YTD Accommodation Performance

		July YTD	Month of July	Month of July 2019
<b>2021</b>	Occupancy	26%	52%	
	ADR	\$113	\$131	
	RevPAR	\$29	\$68	
<b>2022</b>	Occupancy	56%	83%	80%
	ADR	\$154	\$207	\$178
	RevPAR	\$86	\$173	\$143
<b>YoY Change</b>	Occupancy	30pts	31pts	
	ADR	36%	59%	
	RevPAR	196%	152%	

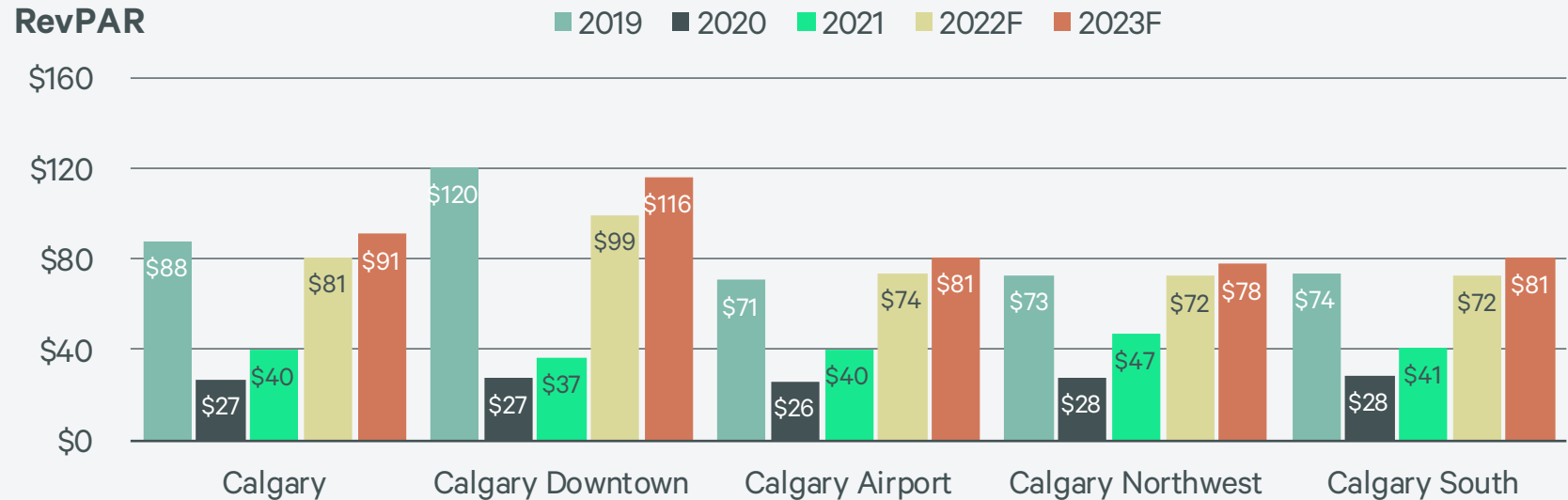
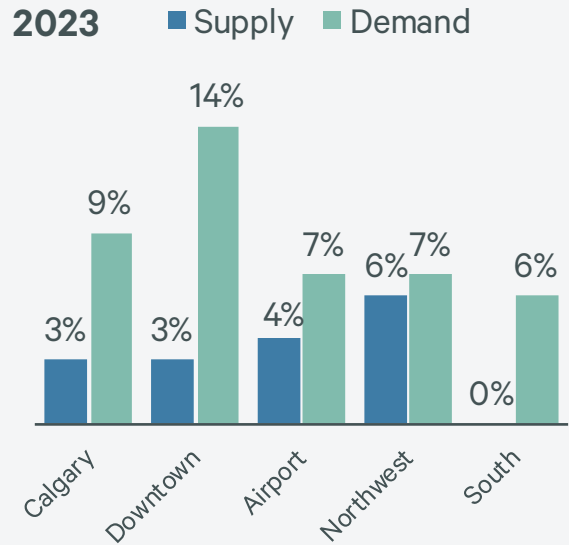
Source: CBRE

# Calgary

## 12%

RevPAR Growth vs 2023

	2019	2020	2021	2022F	2023F
Occupancy	61%	24%	33%	55%	58%
ADR	\$145	\$113	\$119	\$146	\$156
RevPAR	\$88	\$27	\$40	\$81	\$91





# EDMONTON ECONOMIC INDICATORS

## Key Economic Indicators

Downtown core office market struggling to recover. Hybrid work situation being monitored closely. “Tenants Market” downtown.

Strong industrial sector, with new construction, sales and leasing increasing. Leduc/Nisku seeing positive performance due to energy prices.

Transborder and International air arrivals gradually increasing

	2020	2021	2022F	2023F	2024F	2025F	2026F
<b>Real GDP (\$2012 millions)</b>	\$83,275	\$87,989	\$94,619	\$97,523	\$100,216	\$103,777	\$107,106
<i>Annual Growth (%)</i>	-7.5%	5.7%	7.5%	3.1%	2.8%	3.6%	3.2%
<b>Total Employment (000s)</b>	707.0	770.7	803.1	823.1	835.3	852.8	870.4
<i>Annual Growth (%)</i>	-8.1%	9.0%	4.2%	2.5%	1.5%	2.1%	2.1%
<b>Unemployment Rate (%)</b>	12.1%	8.9%	6.5%	7.2%	7.5%	7.4%	7.2%
<b>Household Disposable Income (\$)</b>	\$106,256	\$108,458	\$109,749	\$112,547	\$115,386	\$118,430	\$121,593
<b>Population (000s)</b>	1,464.2	1,479.9	1,507.2	1,539.2	1,571.6	1,604.4	1,637.6
<i>Annual Growth (%)</i>	1.7%	1.1%	1.8%	2.1%	2.1%	2.1%	2.1%
<b>Total Housing Starts (units)</b>	11,555	12,552	13,655	12,290	14,087	15,595	15,925
<b>Real Retail Sales (\$2012 millions)</b>	\$24,346	\$26,440	\$25,977	\$26,820	\$27,679	\$28,781	\$29,835
<i>Annual Growth (%)</i>	0.4%	8.6%	-1.8%	3.2%	3.2%	4.0%	3.7%

F – Forecast data. Forecast completed June 29, 2022

Source: Oxford Economics, 2022

# Edmonton Travel Indicators

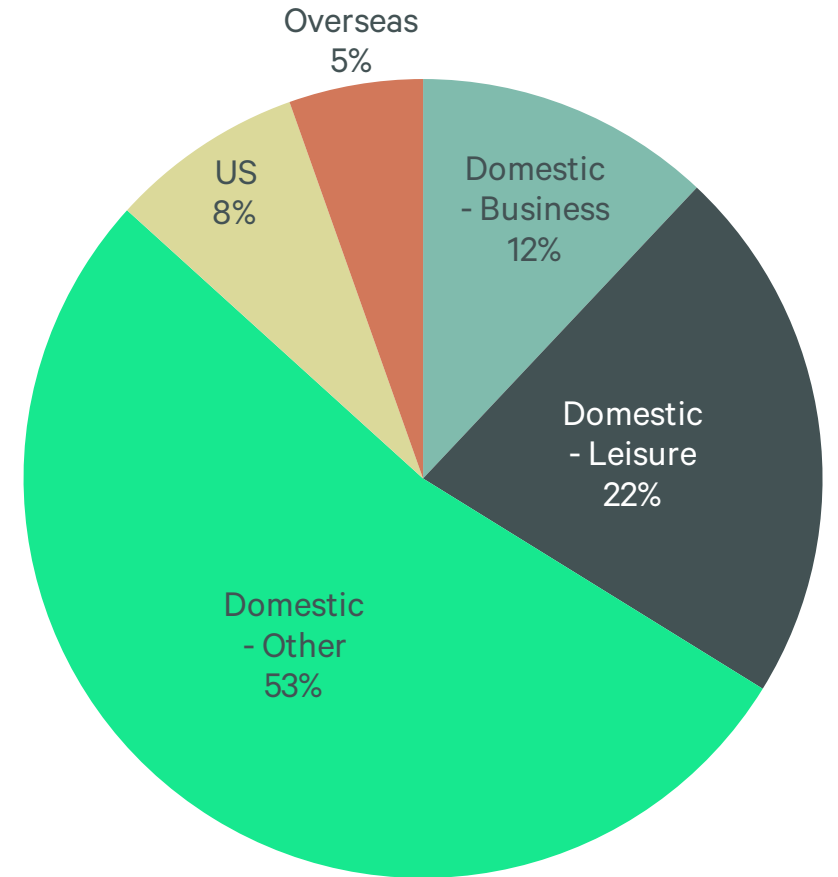
\* % Change vs 2021

Source: Conference Board of Canada, Spring 2022

Edmonton Overnight Visits, 2022-2024F (000s)

	2019	2022F*	2023F	2024F
Domestic – Business	410	339	361	388
		75.4%	6.4%	7.7%
Domestic – Leisure	576	575	655	681
		0.1%	13.9%	4.0%
Domestic – Other	1,587	1,488	1,589	1,580
		38.9%	6.8%	-0.6%
US	289	166	236	276
		239.5%	42.0%	17.1%
Overseas	209	91	163	184
		204.5%	78.7%	12.9%
Total Overnight Visits	3,071	2,660	3,004	3,110
		38.7%	12.9%	3.5%

Edmonton Overnight Visit Breakdown, 2023



## Edmonton YTD Accommodation Performance

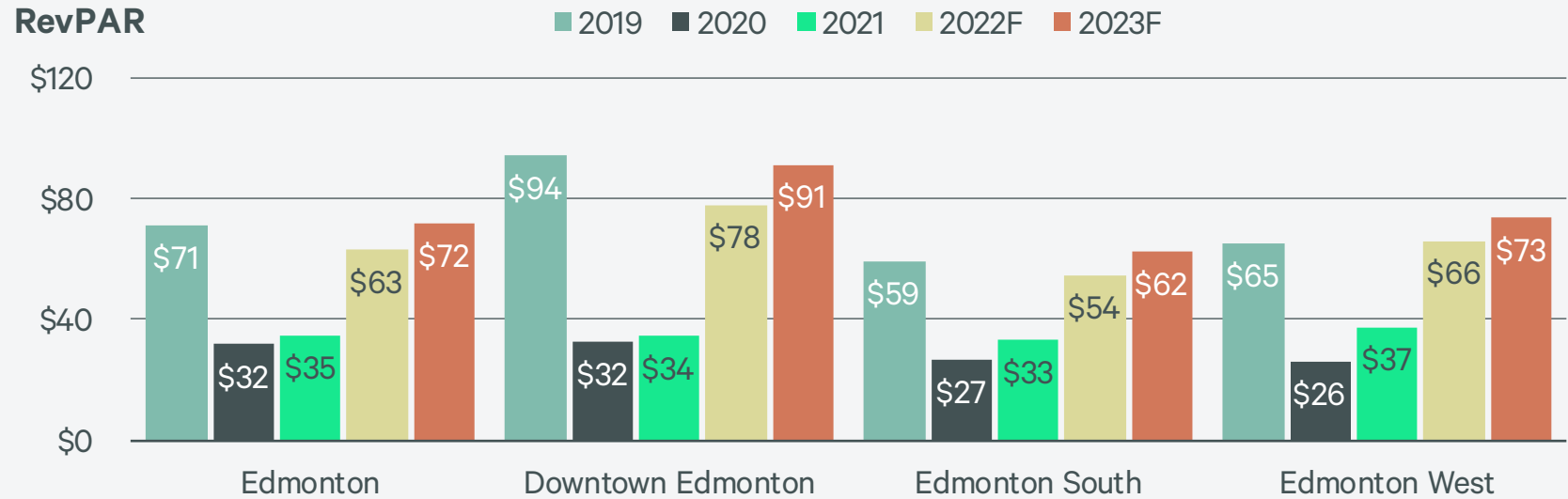
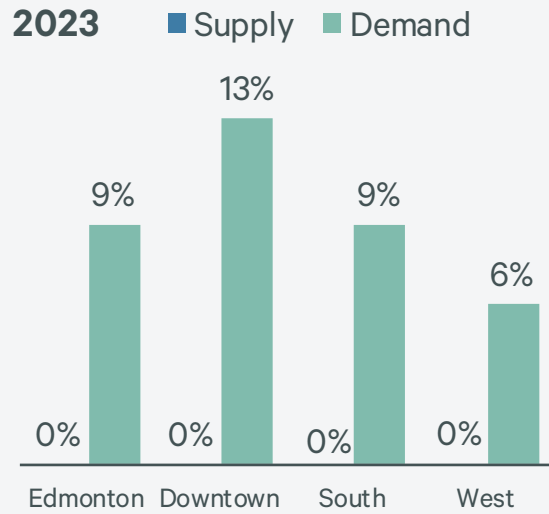
		July YTD	Month of July	Month of July 2019
<b>2021</b>	Occupancy	28%	45%	
	ADR	\$93	\$100	
	RevPAR	\$26	\$45	
<b>2022</b>	Occupancy	50%	62%	58%
	ADR	\$121	\$128	\$122
	RevPAR	\$61	\$79	\$70
<b>YoY Change</b>	Occupancy	22pts	17pts	
	ADR	31%	29%	
	RevPAR	133%	78%	

# Edmonton

## 14%

RevPAR Growth vs 2023

	2019	2020	2021	2022F	2023F
Occupancy	56%	28%	34%	51%	56%
ADR	\$127	\$112	\$100	\$122	\$129
RevPAR	\$71	\$32	\$35	\$63	\$72



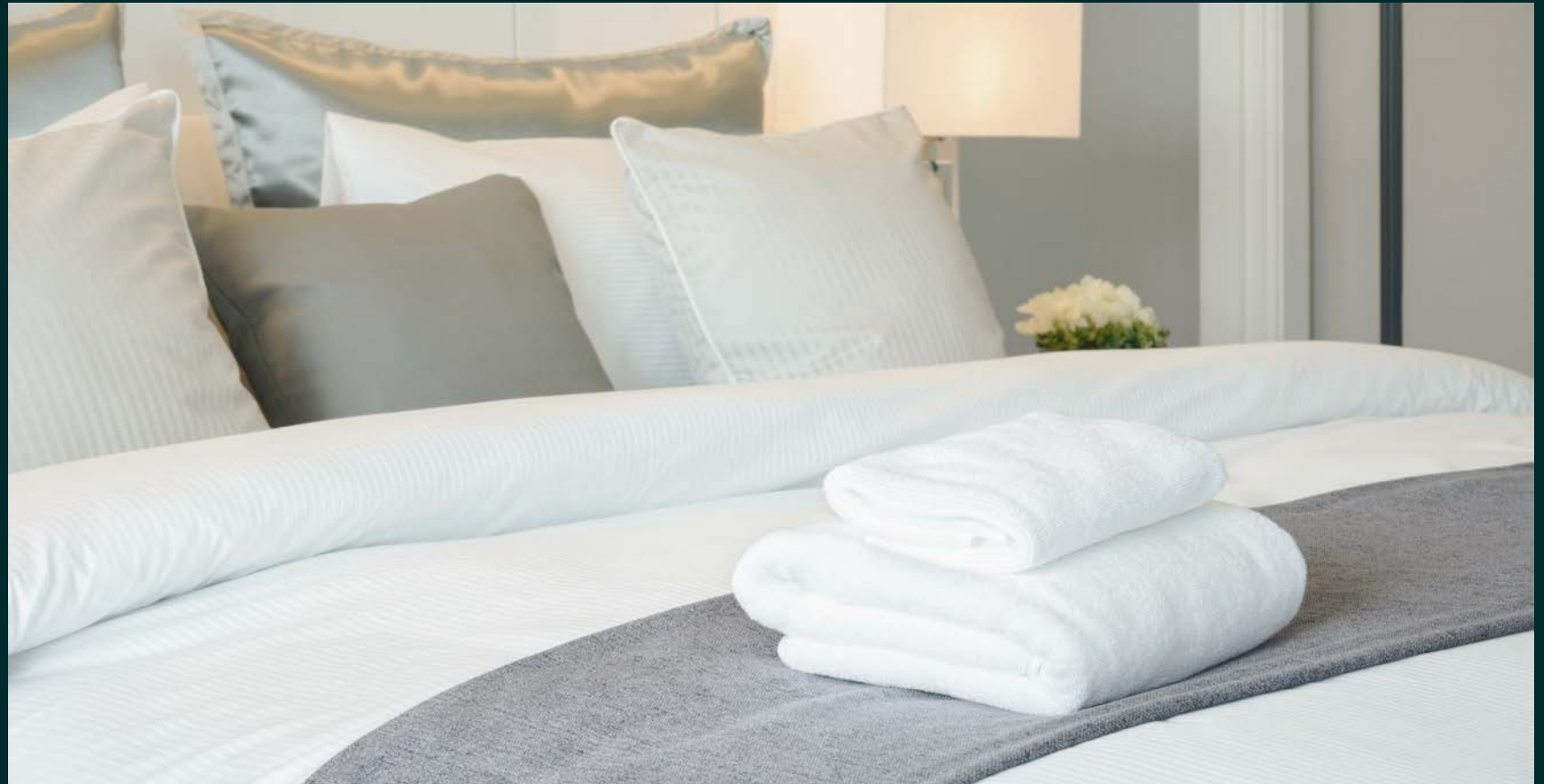
# Alberta Resorts YTD Accommodation Performance

		July YTD	Month of July
<b>2021</b>	Occupancy	32%	54%
	ADR	\$258	\$364
	RevPAR	\$83	\$196
<b>2022</b>	Occupancy	57%	81%
	ADR	\$378	\$575
	RevPAR	\$216	\$463
<b>YoY Change</b>	Occupancy	25pts	27pts
	ADR	47%	58%
	RevPAR	160%	136%

# Investment Market Summary

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# Investment Volume by Province 2021 & 2020

## 2021 Hotel Transactions

By Province	Properties	Volume	%
BC	22	\$378,541,000	21.9%
AB	24	\$230,199,835	13.3%
SK	3	\$3,900,000	0.2%
MB	2	\$21,749,975	1.3%
ON	57	\$947,649,456	54.8%
QC	4	\$114,800,000	6.6%
NB	1	\$17,848,000	1.0%
PEI	0	\$0	0.0%
NS	3	\$15,841,000	0.9%
NL	0	\$0	0.0%
<b>TOTAL</b>	<b>116</b>	<b>\$1,730,529,266</b>	<b>100.0%</b>

## 2020 Hotel Transactions

By Province	Properties	Volume	%
BC	25	\$214,667,650	25.3%
AB	18	\$91,818,000	10.8%
SK	6	\$16,775,100	2.0%
MB	0	\$0	0.0%
ON	43	\$388,658,393	45.9%
QC	17	\$115,523,000	13.6%
NB	1	\$2,025,000	0.2%
PEI	1	\$5,641,028	0.7%
NS	1	\$10,750,000	1.3%
NL	1	\$1,200,000	0.1%
<b>TOTAL</b>	<b>113</b>	<b>\$847,058,171</b>	<b>100.0%</b>

# Investment Volume by Province YTD July 2022 & 2021

## 2022 YTD July Hotel Transactions

By Province	Properties	Volume	%
BC	5	\$44,400,000	6.8%
AB	15	\$154,521,300	23.8%
SK	1	\$6,885,000	1.1%
MB	0	\$0	0.0%
ON	24	\$397,195,500	61.2%
QC	3	\$23,090,000	3.6%
NB	2	\$22,755,000	3.5%
PEI	0	\$0	0.0%
NS	0	\$0	0.0%
NL	0	\$0	0.0%
<b>TOTAL</b>	<b>50</b>	<b>\$648,846,800</b>	<b>100.0%</b>

## 2021 YTD July Hotel Transactions

By Province	Properties	Volume	%
BC	28	\$308,952,000	36.8%
AB	18	\$135,049,800	16.1%
SK	3	\$22,900,000	2.7%
MB	1	\$4,250,000	0.5%
ON	40	\$315,149,000	37.5%
QC	5	\$53,720,000	6.4%
NB	0	\$0	0.0%
PEI	0	\$0	0.0%
NS	0	\$0	0.0%
NL	0	\$0	0.0%
<b>TOTAL</b>	<b>95</b>	<b>\$840,020,900</b>	<b>100.0%</b>



# Investment by Location Type - National and Alberta

## National

### 2020 HOTEL TRANSACTIONS (NATIONAL)

By Market	Volume	%
Primary	\$462,120,773	54.6%
Secondary	\$187,335,620	22.1%
Tertiary	\$197,601,778	23.3%
<b>TOTAL</b>	<b>\$847,058,171</b>	<b>100.0%</b>

### 2021 HOTEL TRANSACTIONS (NATIONAL)

By Market	Volume	%
Primary	\$896,977,051	51.8%
Secondary	\$482,240,545	27.9%
Tertiary	\$351,311,670	20.3%
<b>TOTAL</b>	<b>\$1,730,529,266</b>	<b>100.0%</b>

### YTD JULY 2022 HOTEL TRANSACTIONS (NATIONAL)

By Market	Volume	%
Primary	\$97,215,000	15.0%
Secondary	\$396,333,500	61.1%
Tertiary	\$155,298,300	23.9%
<b>TOTAL</b>	<b>\$648,846,800</b>	<b>100.0%</b>

## Alberta

### 2020 HOTEL TRANSACTIONS (ALBERTA)

By Market	Volume	%
Primary	\$37,818,000	41.2%
Secondary	\$19,000,000	20.7%
Tertiary	\$35,000,000	38.1%
<b>TOTAL</b>	<b>\$91,818,000</b>	<b>100.0%</b>

### 2021 HOTEL TRANSACTIONS (ALBERTA)

By Market	Volume	%
Primary	\$80,293,140	34.9%
Secondary	\$43,785,000	19.0%
Tertiary	\$106,121,695	46.1%
<b>TOTAL</b>	<b>\$230,199,835</b>	<b>100.0%</b>

### YTD JULY 2022 HOTEL TRANSACTIONS (ALBERTA)

By Market	Volume	%
Primary	\$44,175,000	28.6%
Secondary	\$85,718,000	55.5%
Tertiary	\$24,628,300	15.9%
<b>TOTAL</b>	<b>\$154,521,300</b>	<b>100.0%</b>

# Investment by Asset Type - National and Alberta

## National

### 2020 HOTEL TRANSACTIONS (NATIONAL)

By Hotel Type	Properties	Volume	%
Limited Service/ Select Service	85	\$495,660,378	58.5%
Full Service	22	\$338,471,693	40.0%
Resort	6	\$12,926,100	1.5%
<b>TOTAL</b>	<b>113</b>	<b>\$847,058,171</b>	<b>100.0%</b>

### 2021 HOTEL TRANSACTIONS (NATIONAL)

By Hotel Type	Properties	Volume	%
Limited Service/ Select Service	89	\$1,081,031,594	62.5%
Full Service	16	\$256,200,977	14.8%
Resort	11	\$393,296,695	22.7%
<b>TOTAL</b>	<b>116</b>	<b>\$1,730,529,266</b>	<b>100.0%</b>

### YTD JULY 2022 HOTEL TRANSACTIONS (NATIONAL)

By Hotel Type	Volume	%
Limited Service/ Select Service	\$507,176,800	78.2%
Full Service	\$37,250,000	5.7%
Resort	\$104,420,000	16.1%
<b>TOTAL</b>	<b>\$648,846,800</b>	<b>100.0%</b>

## Alberta

### 2020 HOTEL TRANSACTIONS (ALBERTA)

By Hotel Type	Properties	Volume	%
Limited Service/ Select Service	16	\$68,618,000	74.7%
Full Service	2	\$23,200,000	25.3%
Resort	0	\$0	0.0%
<b>TOTAL</b>	<b>18</b>	<b>\$91,818,000</b>	<b>100.0%</b>

### 2021 HOTEL TRANSACTIONS (ALBERTA)

By Hotel Type	Properties	Volume	%
Limited Service/ Select Service	16	\$100,793,140	43.8%
Full Service	3	\$18,500,000	8.0%
Resort	5	\$110,906,695	48.2%
<b>TOTAL</b>	<b>24</b>	<b>\$230,199,835</b>	<b>100.0%</b>

### YTD JULY 2022 HOTEL TRANSACTIONS (ALBERTA)

By Hotel Type	Volume	%
Limited Service/ Select Service	\$78,021,300	50.5%
Full Service	\$0	0.0%
Resort	\$76,500,000	49.5%
<b>TOTAL</b>	<b>\$154,521,300</b>	<b>100.0%</b>

## Sale Type - National and Alberta

### National

#### 2020 HOTEL TRANSACTIONS (NATIONAL)

By Sales Type	Volume	%
Traditional Sale	\$423,917,043	50.0%
Conversion to Alternate Use	\$403,759,028	47.7%
Receivership	\$19,382,100	2.3%
<b>Total</b>	<b>\$847,058,171</b>	<b>100.0%</b>

#### 2021 HOTEL TRANSACTIONS (NATIONAL)

By Sales Type	Volume	%
Traditional Sale	\$1,015,863,332	58.7%
Conversion to Alternate Use	\$677,515,934	39.2%
Receivership	\$37,150,000	2.1%
<b>Total</b>	<b>\$1,730,529,266</b>	<b>100.0%</b>

#### YTD JULY 2022 HOTEL TRANSACTIONS (NATIONAL)

By Sales Type	Volume	%
Traditional Sale	\$569,080,500	87.7%
Conversion to Alternate Use	\$66,088,000	10.2%
Receivership	\$13,678,300	2.1%
<b>Total</b>	<b>\$648,846,800</b>	<b>100.0%</b>

### Alberta

#### 2020 HOTEL TRANSACTIONS (ALBERTA)

By Sales Type	Volume	%
Traditional Sale	\$67,600,000	73.6%
Conversion to Alternate Use	\$19,068,000	20.8%
Receivership	\$5,150,000	5.6%
<b>Total</b>	<b>\$91,818,000</b>	<b>100.0%</b>

#### 2021 HOTEL TRANSACTIONS (ALBERTA)

By Sales Type	Volume	%
Traditional Sale	\$144,699,835	62.9%
Conversion to Alternate Use	\$56,300,000	24.5%
Receivership	\$29,200,000	12.7%
<b>Total</b>	<b>\$230,199,835</b>	<b>100.0%</b>

#### YTD JULY 2022 HOTEL TRANSACTIONS (ALBERTA)

By Sales Type	Volume	%
Traditional Sale	\$133,343,000	86.3%
Conversion to Alternate Use	\$13,800,000	8.9%
Receivership	\$7,378,300	4.8%
<b>Total</b>	<b>\$154,521,300</b>	<b>100.0%</b>

## ANOI Key Challenges

- ADR
- Staffing Levels
- Labour rates
- Deferred maintenance
- Insurance premiums
- Food and beverage costs
- Inflation



# Alberta Historic Financial Performance

## (2021 Estimate Only - Data to be verified later)



NOTE: Adjusted Net Operating Income is defined as income after property taxes, insurance, management fees, franchise fees, and capital reserves; but before rent, interest, income taxes, depreciation and amortization.

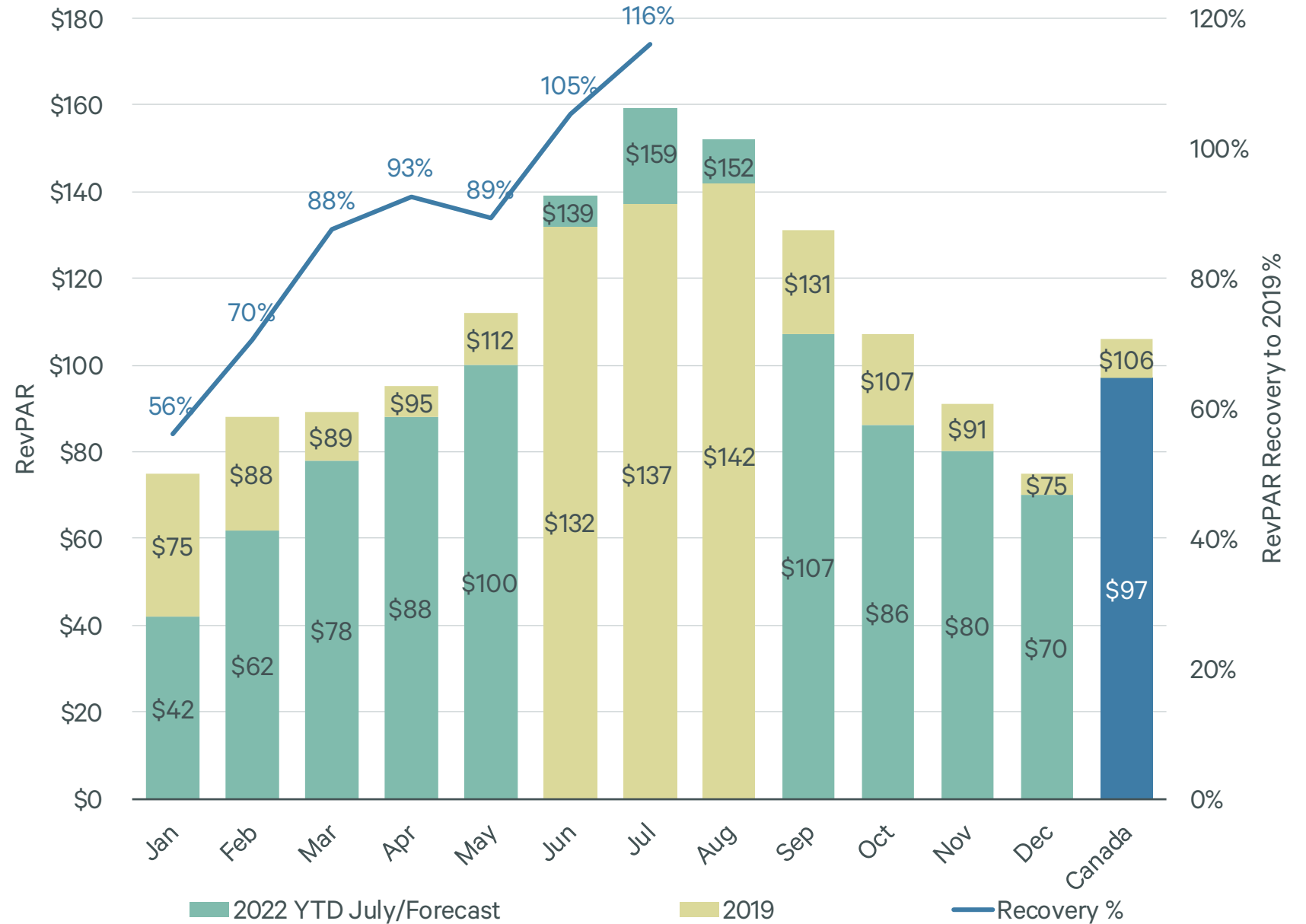
# National Outlook

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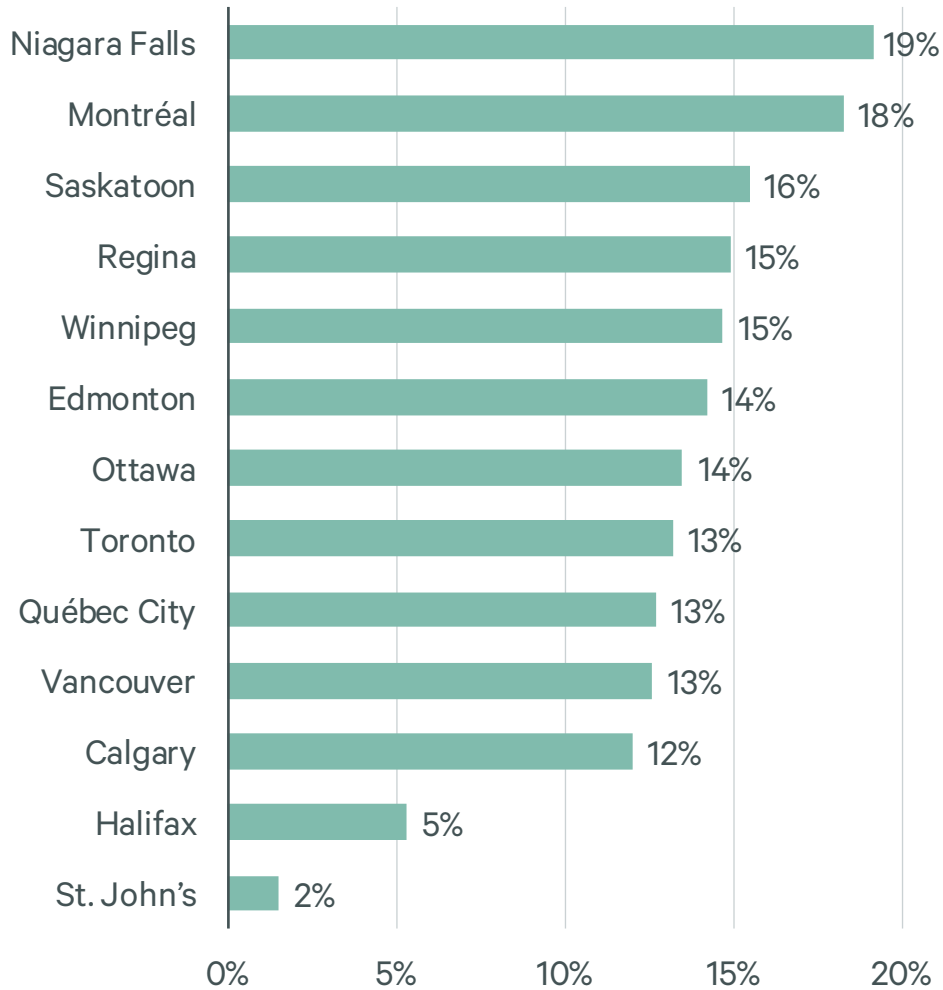


# Summer 2022 Months Recover Beyond 2019 RevPAR



# 2023 Major Market Outlooks RevPAR Projection

2023 RevPAR Growth over 2022



2023 RevPAR Projection Ranking

	RevPAR \$
Vancouver	\$182
Montréal	\$135
Toronto	\$129
Québec City	\$128
Niagara Falls	\$117
Ottawa	\$108
Halifax	\$108
Winnipeg	\$96
Calgary	\$91
Saskatoon	\$78
St. John's	\$76
Edmonton	\$72
Regina	\$70



# 2023 to 2025 Canadian Outlook

	Indicator			Year Over Year Change				
	Occ	ADR	RevPAR	Supply	Demand	Occ	ADR	RevPAR
<b>HISTORIC</b>								
2019	65%	\$163	\$106	1.4%	0.8%	-1 pt	5%	5%
2020	30%	\$128	\$39	0.7%	-53%	-35 pts	-21%	-64%
2021	42%	\$135	\$57	0.5%	40%	12 pts	6%	47%
<b>OUTLOOK</b>								
2022	58%	\$165	\$97	0.6%	40%	16 pts	22%	70%
2023	63%	\$171	\$107	1.2%	8%	5 pts	4%	11%
2024	64%	\$176	\$113	0.8%	3%	1 pt	3%	5%
2025	65%	\$181	\$118	0.6%	2%	1 pt	3%	4%



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