State of the Lodging Industry

Florida Association of Convention and Visitors Bureaus Destination Marketing Summit

Lana Yoshii

Vice President

June 5, 2009

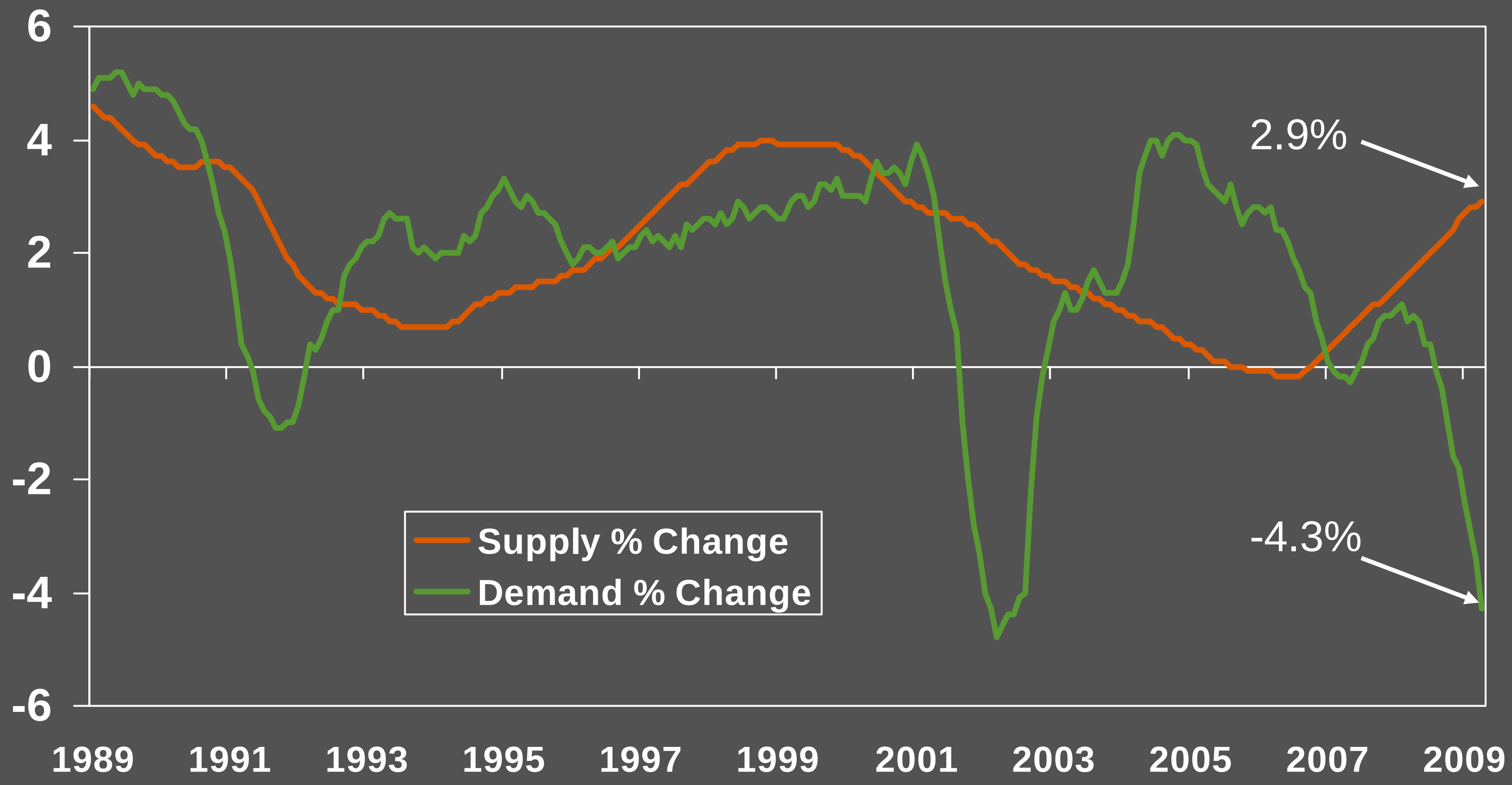
Agenda

- Total US Lodging Overview
- A Look at the Southeast Region
- Florida Trends
- US Projections
- Questions

Total US Overview

Total United States

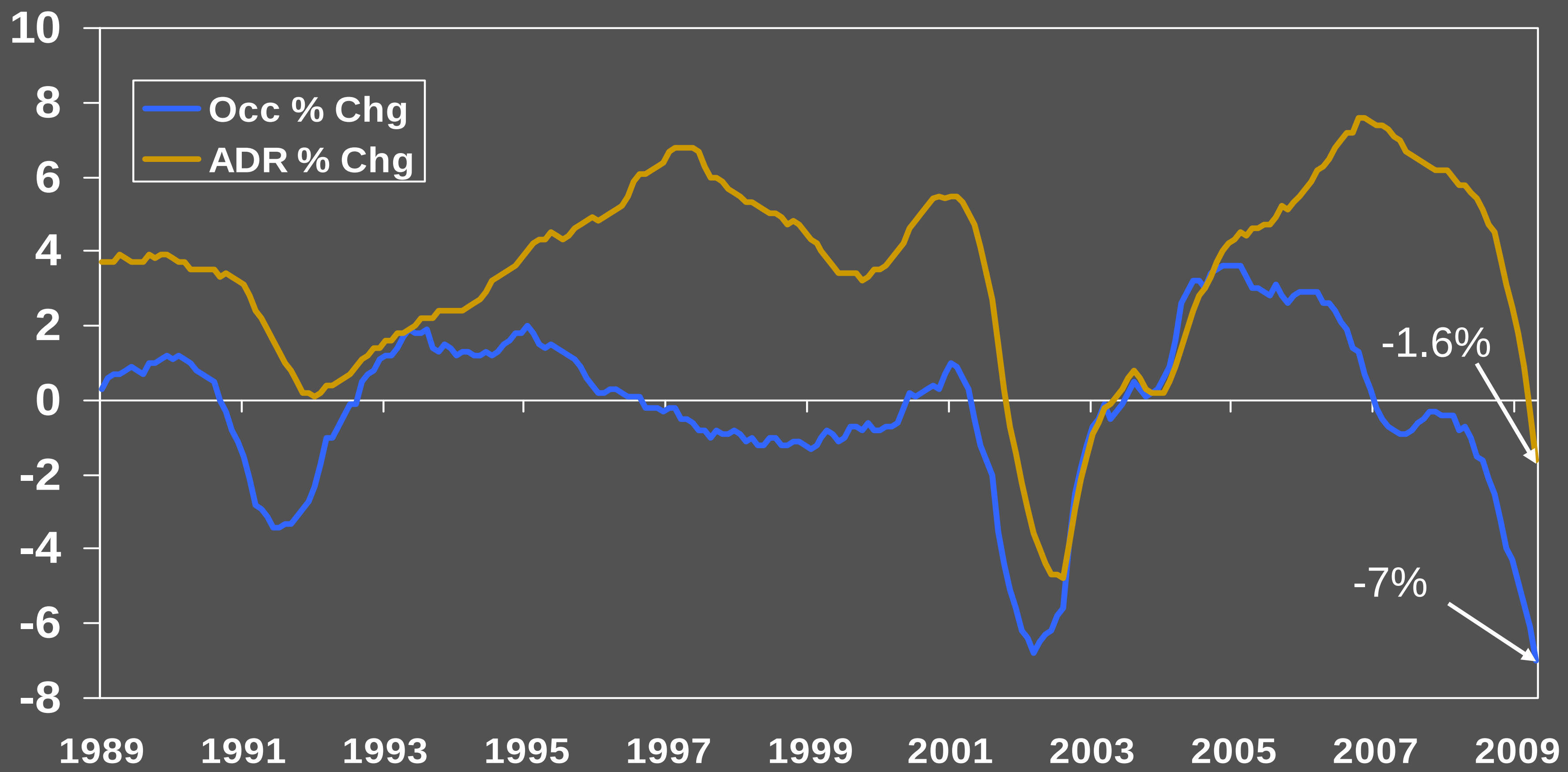
Room Supply/Demand Percent Change
Twelve Month Moving Average – 1989 to April 2009



Total United States

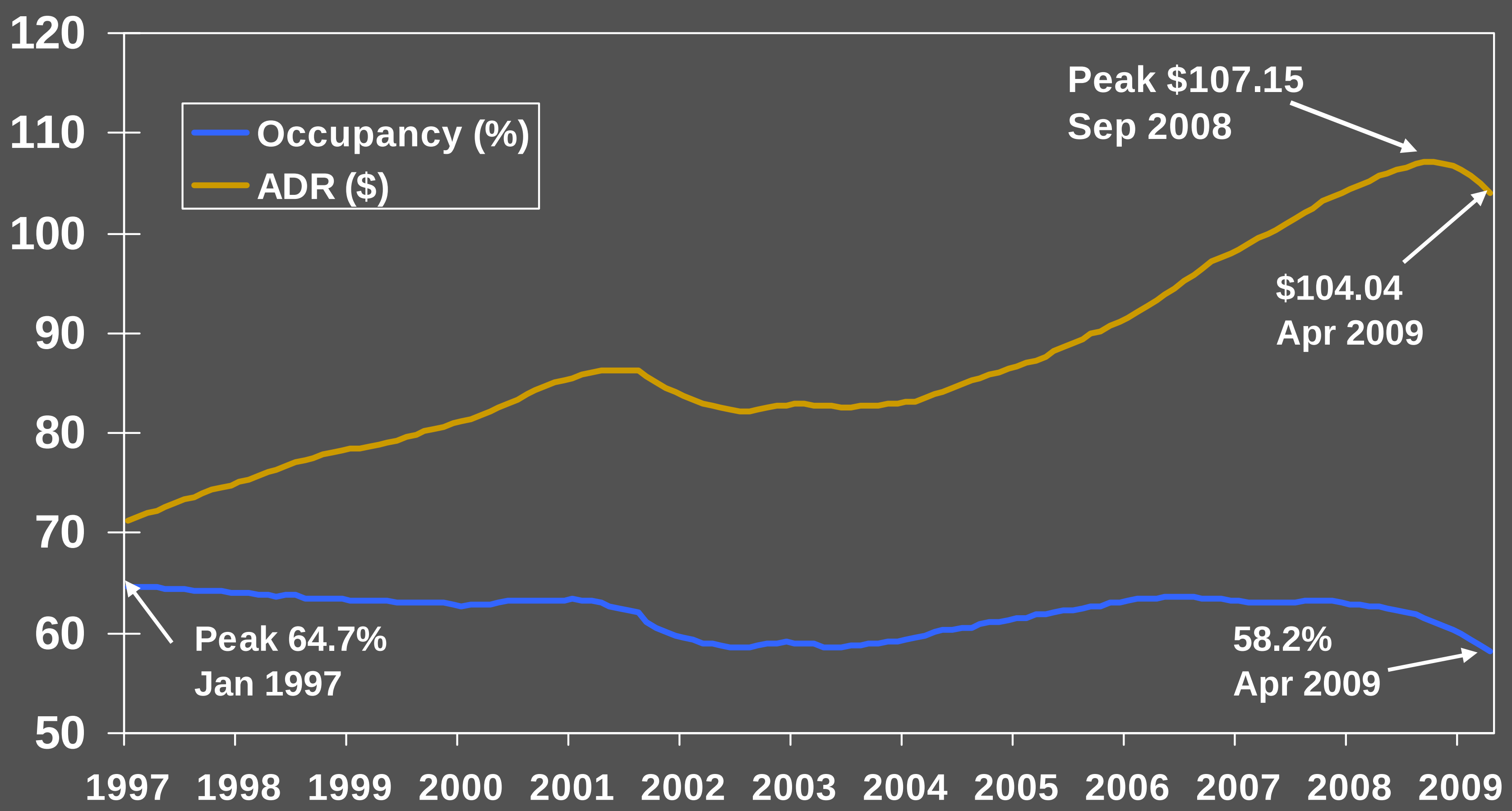
Occupancy/ADR Percent Change

Twelve Month Moving Average – 1989 to April 2009



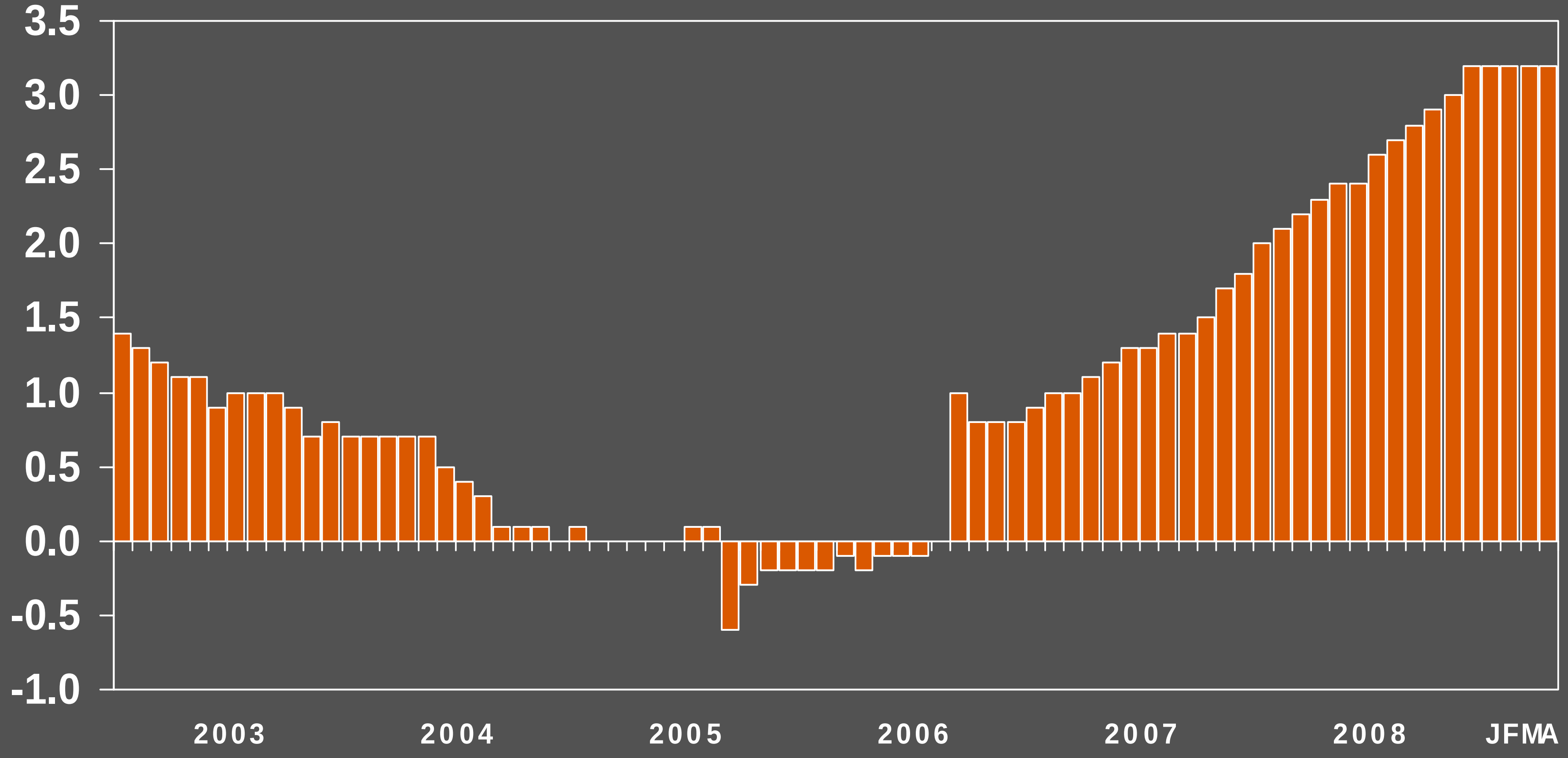
Total United States

Occupancy and ADR
Twelve Month Moving Average – April 2009



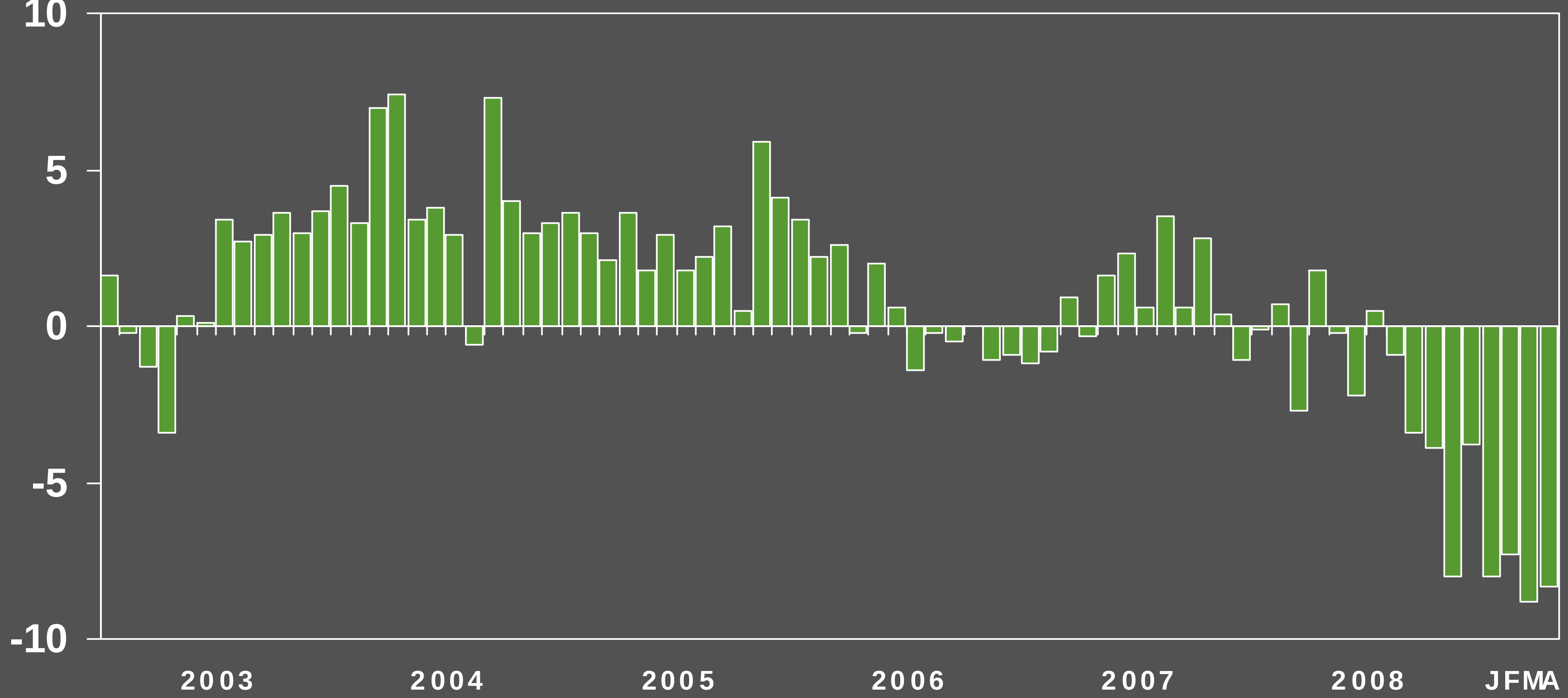
Total United States

Room Supply Percent Change
Jan 2003 – April 2009



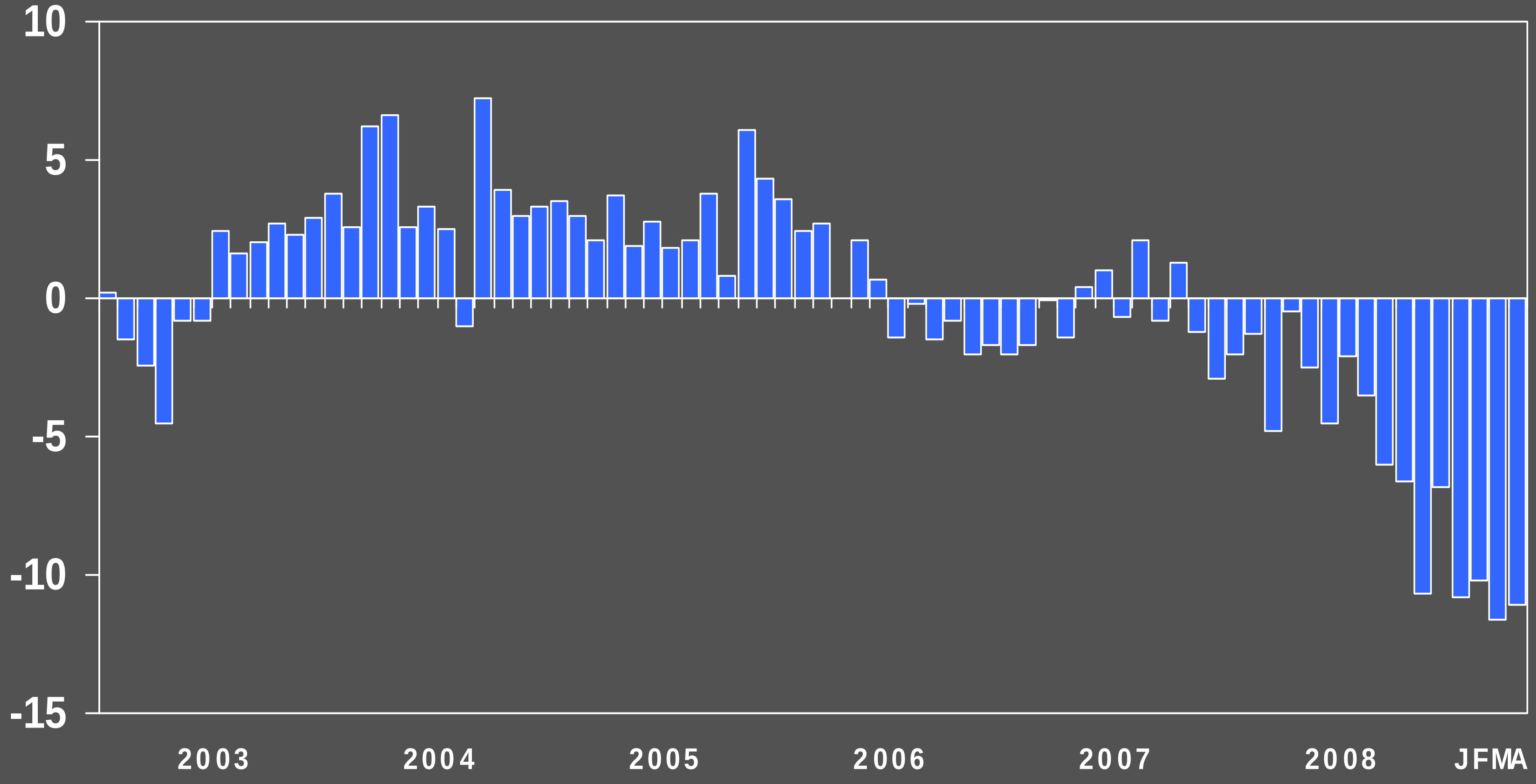
Total United States

Room Demand Percent Change
Jan 2003 – April 2009



Total United States

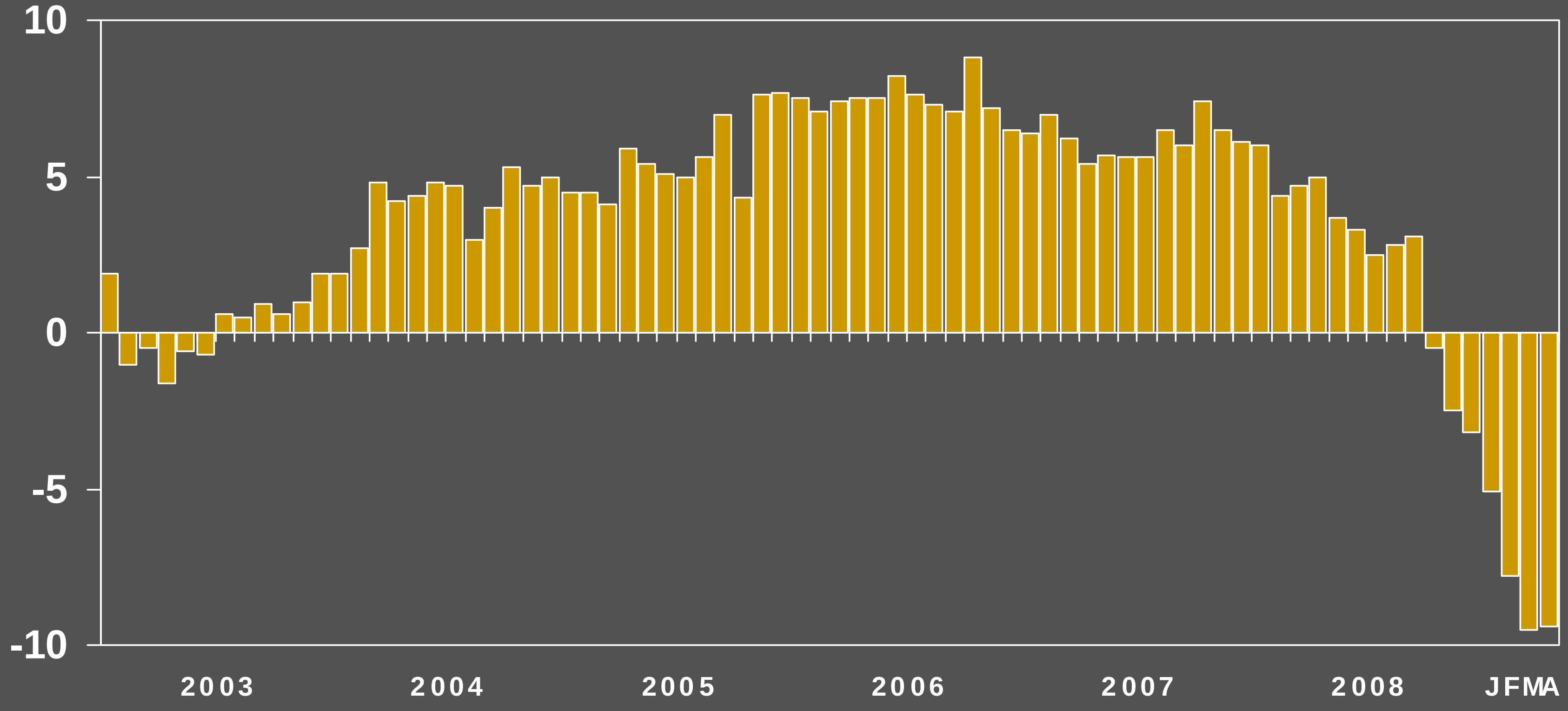
Occupancy Percent Change
Jan 2003 – April 2009



Total United States

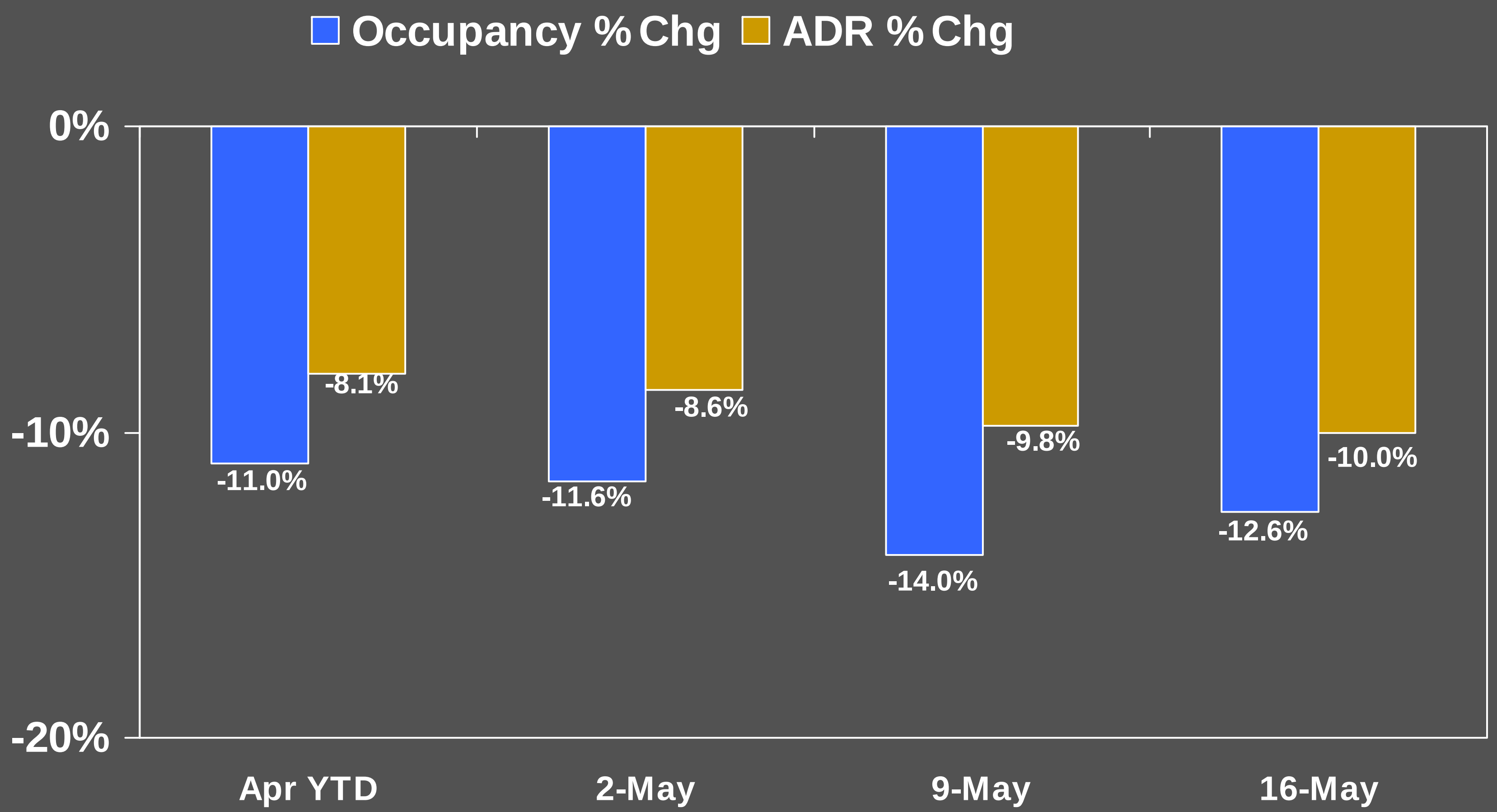
Room Rate Percent Change

Jan 2003 – April 2009



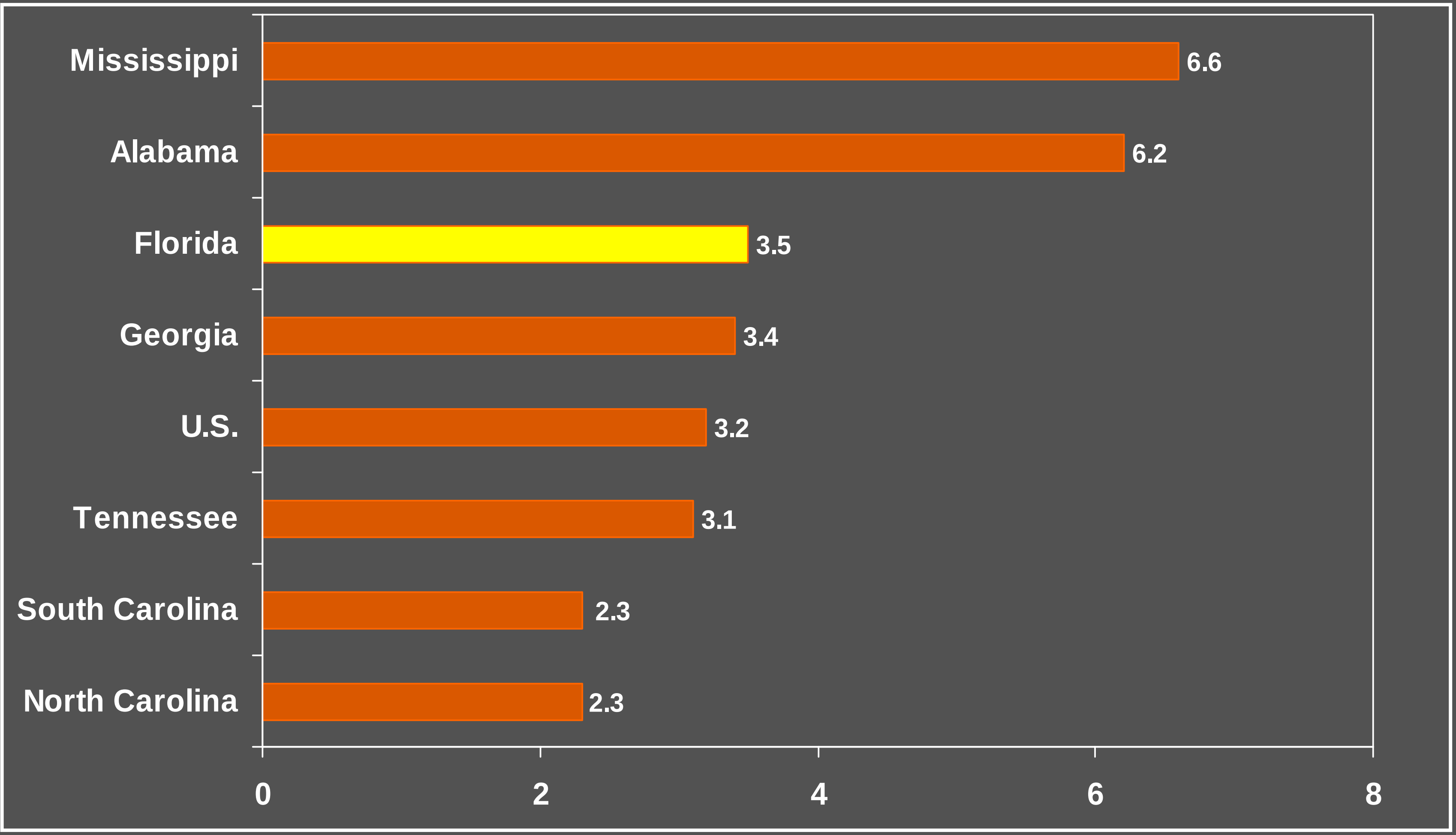
Total United States

Occupancy and ADR Percent Change
YTD through 5/16

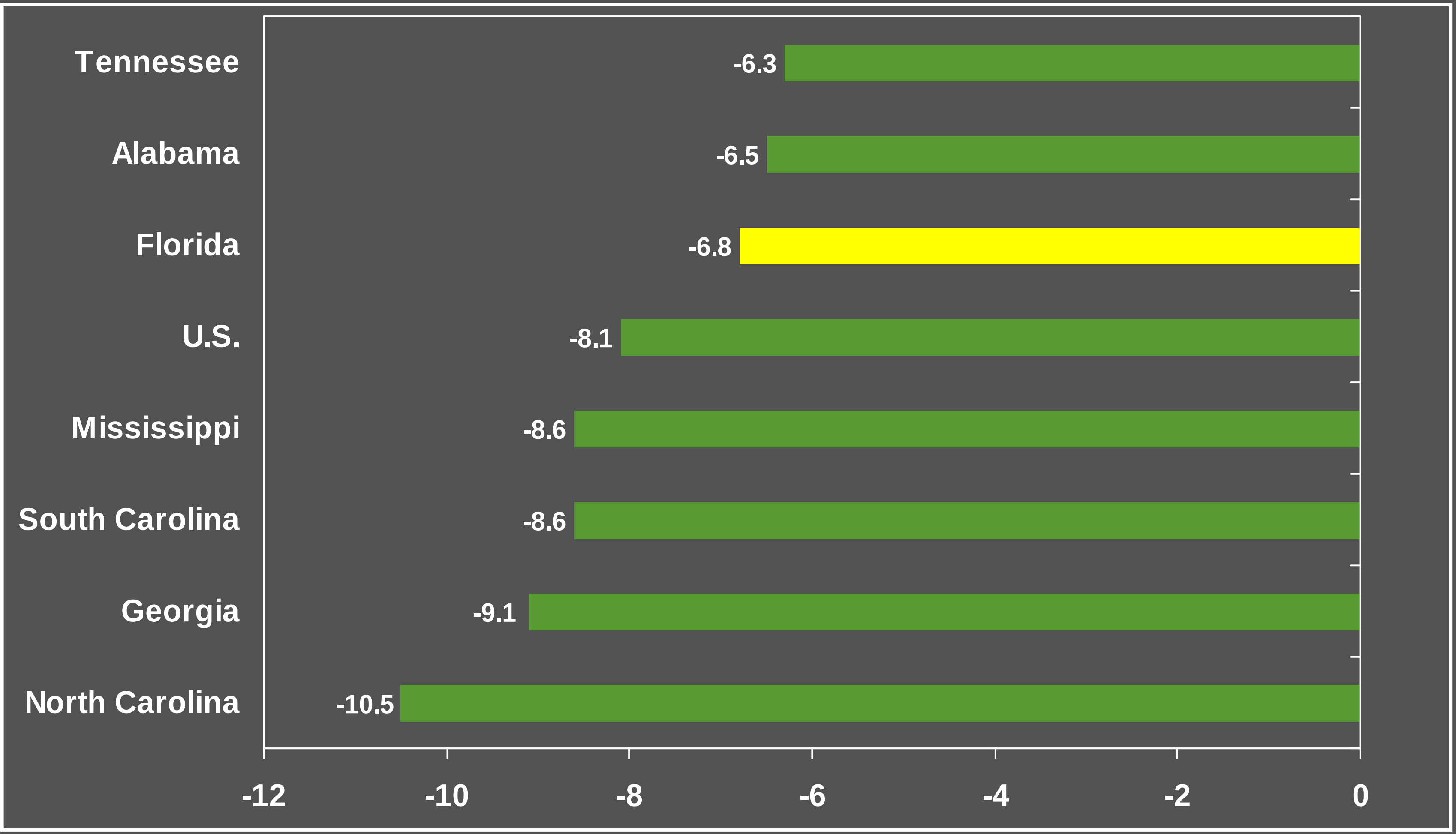


A Look at the Southeast

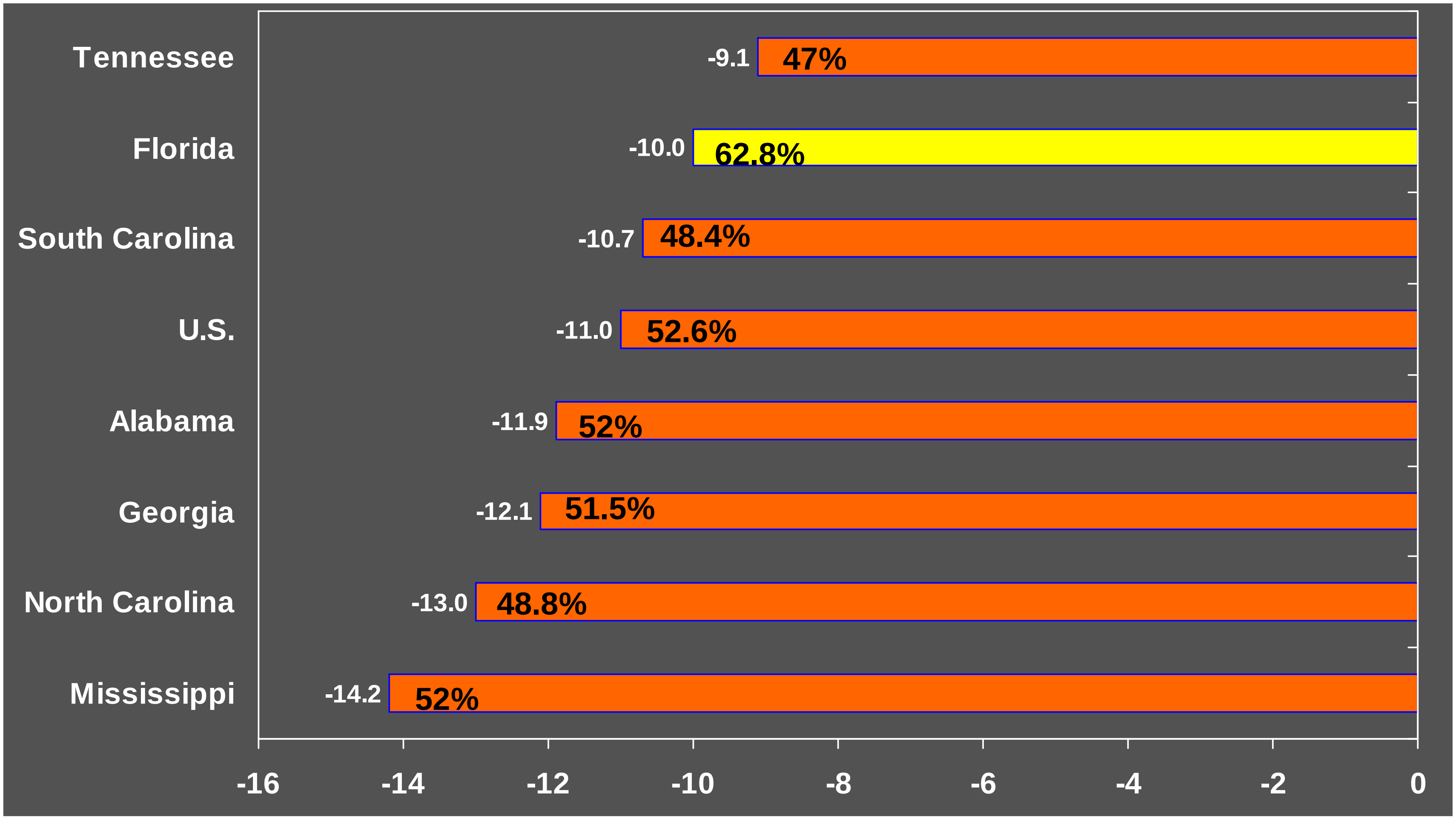
Select States
Room Supply Percent Change
Year-to-Date April 2009



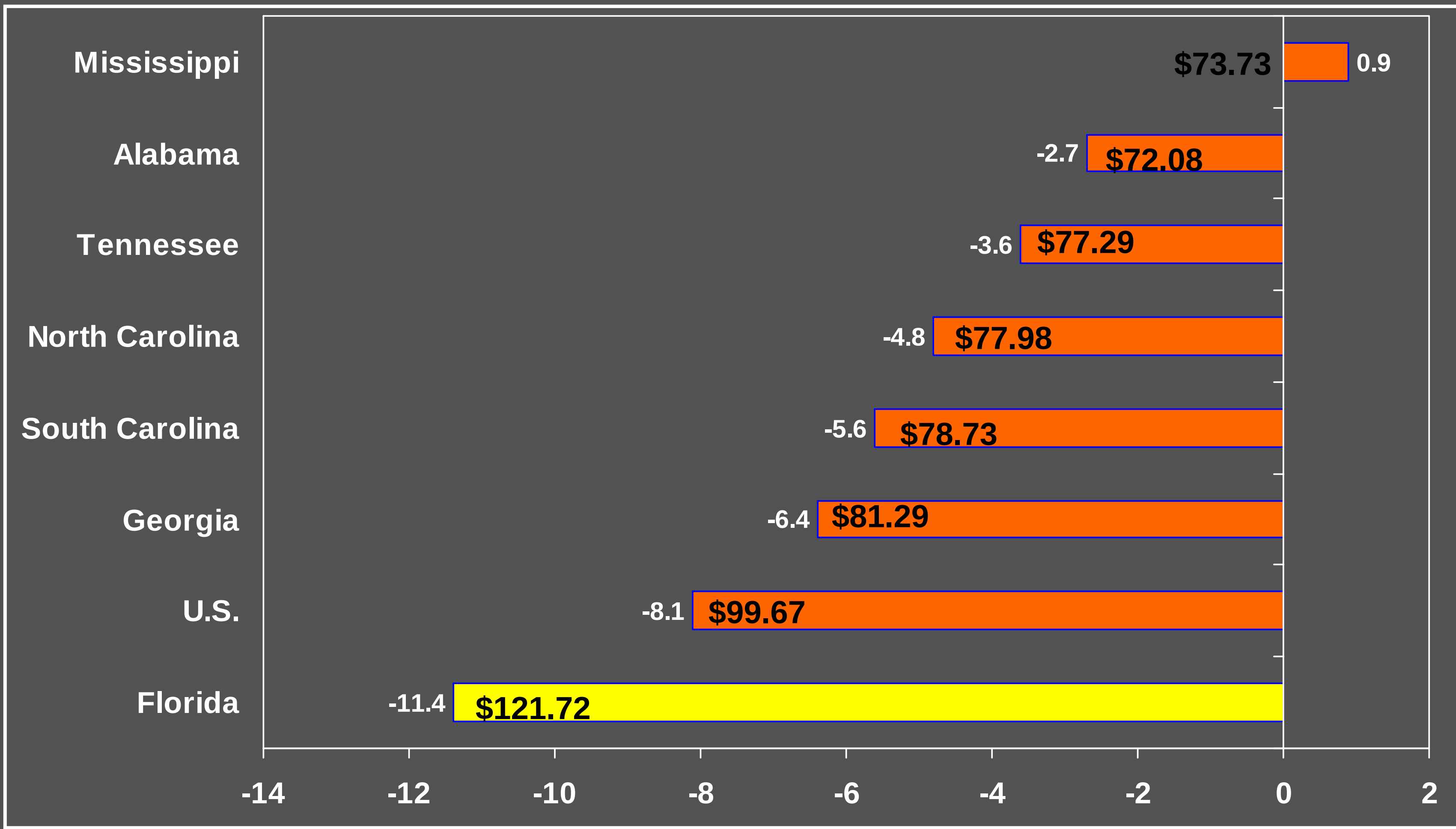
Select States
Room Demand Percent Change
Year-to-Date April 2009



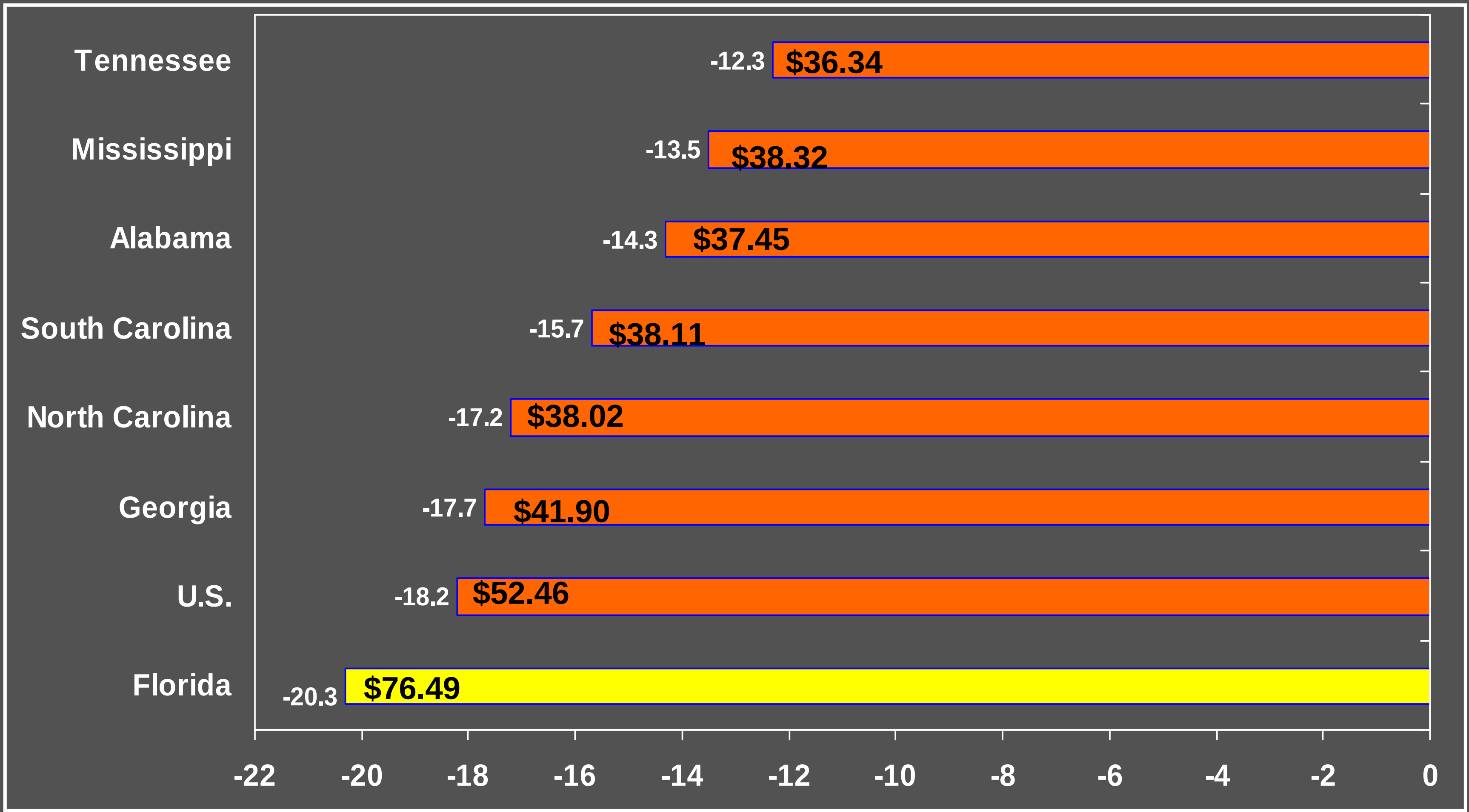
Select States
Occupancy Percent Change
Year-to-Date April 2009



Select States
ADR Percent Change
Year-to-Date April 2009



Select States
RevPAR Percent Change
Year-to-Date April 2009



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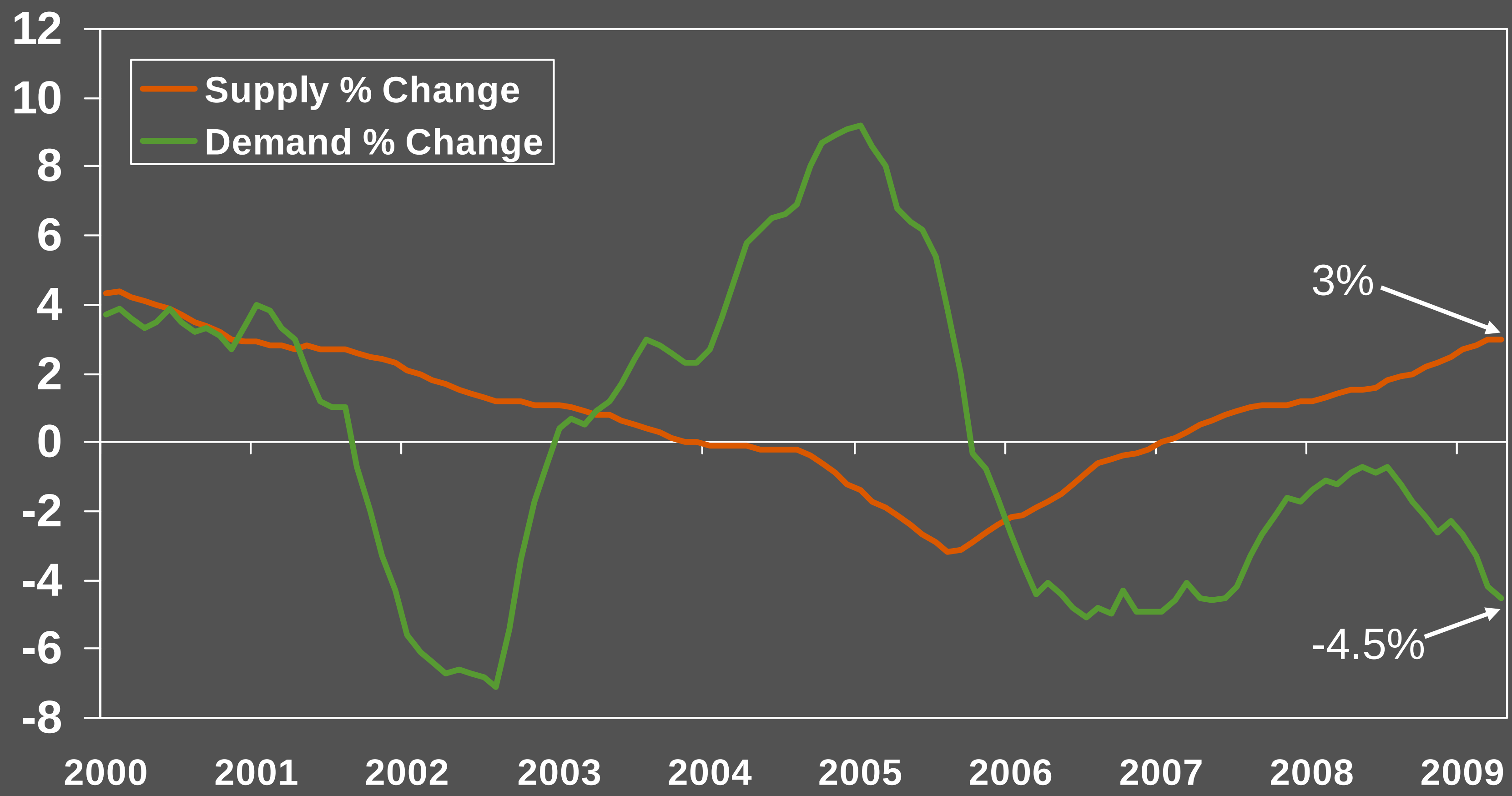
Florida Trends

Florida

Room Supply/Demand Percent Change
Twelve Month Moving Average – 2000 to April 2009



Florida
Active Development Pipeline - Rooms
Change From Last Year

Phase	April 2009	April 2008	Difference	% Change
In Construction	15,002	16,231	-1,229	-7.6%
Final Planning	3,524	10,885	-7,361	-67.6%
Planning	29,245	38,447	-9,202	-23.9%
Active Pipeline	47,771	65,563	-17,792	-27.1%
Pre-Planning	13,766	13,604	162	1.2%
Total	61,537	79,167	-17,630	-22.3%

Source: STR / TWR / Dodge Construction Pipeline

Florida
Active Development Pipeline – Hotels & Rooms
Percent of Existing Supply

Hotels

	Historic Supply	Pipeline Projects					
	Apr-09	In Constr.	Final Planning	Planning	Total Pipeline	Percent of Supply	Pre Planning
Luxury	48	4	1	4	9	19%	
Upper Upscale	154	5	2	8	15	10%	9
Upscale	261	34	2	46	82	31%	12
Mid with F&B	274	4		7	11	4%	3
Mid without F&B	559	45	19	50	114	20%	13
Economy	513	2	7	9	18	4%	2
Independent	1,686	15	5	134	154	9%	51
Total	**3,495**	**109**	**36**	**258**	**403**	**12%**	**90**

Rooms

	Historic Supply	Pipeline Projects					
	Apr-09	In Constr.	Final Planning	Planning	Total Pipeline	Percent of Supply	Pre Planning
Luxury	15,532	736	119	434	1,289	8%	
Upper Upscale	54,108	3,039	333	1,849	5,221	10%	2,259
Upscale	38,172	4,889	244	6,377	11,510	30%	1,467
Mid with F&B	40,016	638		935	1,573	4%	327
Mid without F&B	56,408	4,080	1,797	4,149	10,026	18%	1,170
Economy	50,882	242	619	895	1,756	3%	124
Independent	144,957	1,378	412	14,606	16,396	11%	8,419
Total	**400,075**	**15,002**	**3,524**	**29,245**	**47,771**	**12%**	**13,766**

Source: Smith Travel Research / TWR / McGraw-Hill Construction

Florida
Hotels Under Construction
Opening May/June 2009

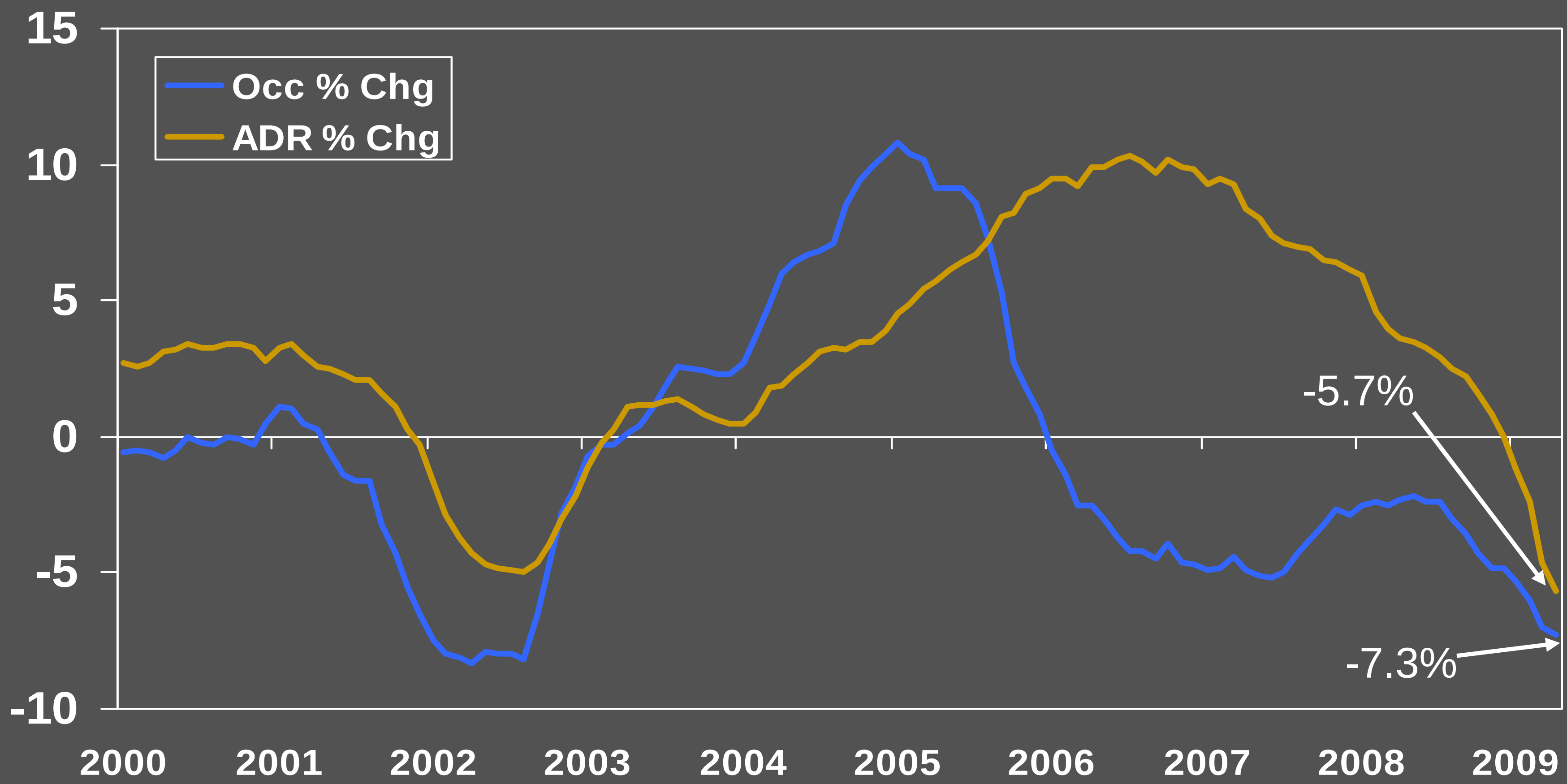
Hotel Name	Brand	Rooms	(Anticipated) Open Date
Sleep Inn & Suites Waldo	Sleep Inn	51	May-09
Sense Hotel South Beach		18	May-09
Four Points By Sheraton Harborside	Four Points	106	May-09
Eurosuites Condotel			May-09
Value Place Pompano Beach	Value Place	121	May-09
Country Inn & Suites Bradenton	Country Inn & Suites	79	Jun-09
W Hotel South Beach Hotel & Residences	W Hotel		Jun-09
Homewood Suites Orlando Lake Buena Vista	Homewood Suites	130	Jun-09
Residence Inn Fernandina Beach	Residence Inn	130	Jun-09
Sleep Inn & Suites Jacksonville	Sleep Inn	52	Jun-09
Holiday Inn Express Crystal River	Holiday Inn Express	75	Jun-09
Fairfield Inn & Suites Saint Augustine	Fairfield Inn	84	Jun-09
Hampton Inn & Suites Orlando Apopka	Hampton Inn Suites	81	Jun-09
The Grand Beach Hotel		430	Jun-09
Value Place Goldenrod	Value Place	121	Jun-09
Hilton Garden Inn Lake Buena Vista Orlando	Hilton Garden Inn	137	Jun-09
Courtyard By Marriott Jacksonville Northeast Kendall Town Cent	Courtyard	97	Jun-09
The Sonesta Orlando Resort Condotel @ Tierra Del Sol			Jun-09
Holiday Inn Express & Suites Crestview	Holiday Inn Express	77	Jun-09
Hilton Garden Inn Jacksonville Downtown Southbank	Hilton Garden Inn	123	Jun-09
Homewood Suites Jacksonville Downtown Southbank	Homewood Suites	98	Jun-09
Country Inn & Suites Port Orange	Country Inn & Suites	87	Jun-09
Fairfield Inn & Suites Miami Airport South	Fairfield Inn	125	Jun-09
Homewood Suites Orlando Universal Studios Addition	Homewood Suites	46	Jun-09
Courtyard By Marriott @ Westpark Center	Courtyard	98	Jun-09
Hampton Inn & Suites Fort Lauderdale Tamarac West	Hampton Inn Suites	113	Jun-09
Homewood Suites West Palm Beach Central	Homewood Suites	114	Jun-09
Fairfield Inn & Suites Orlando Seaworld	Fairfield Inn	200	Jun-09
Springhill Suites Orlando Seaworld	Springhill Suites	200	Jun-09
Springhill Suites West Palm Beach	Springhill Suites	130	Jun-09

Source: Smith Travel Research / TWR / McGraw-Hill Construction

Florida

Occupancy/ADR Percent Change

Twelve Month Moving Average – 2000 to April 2009



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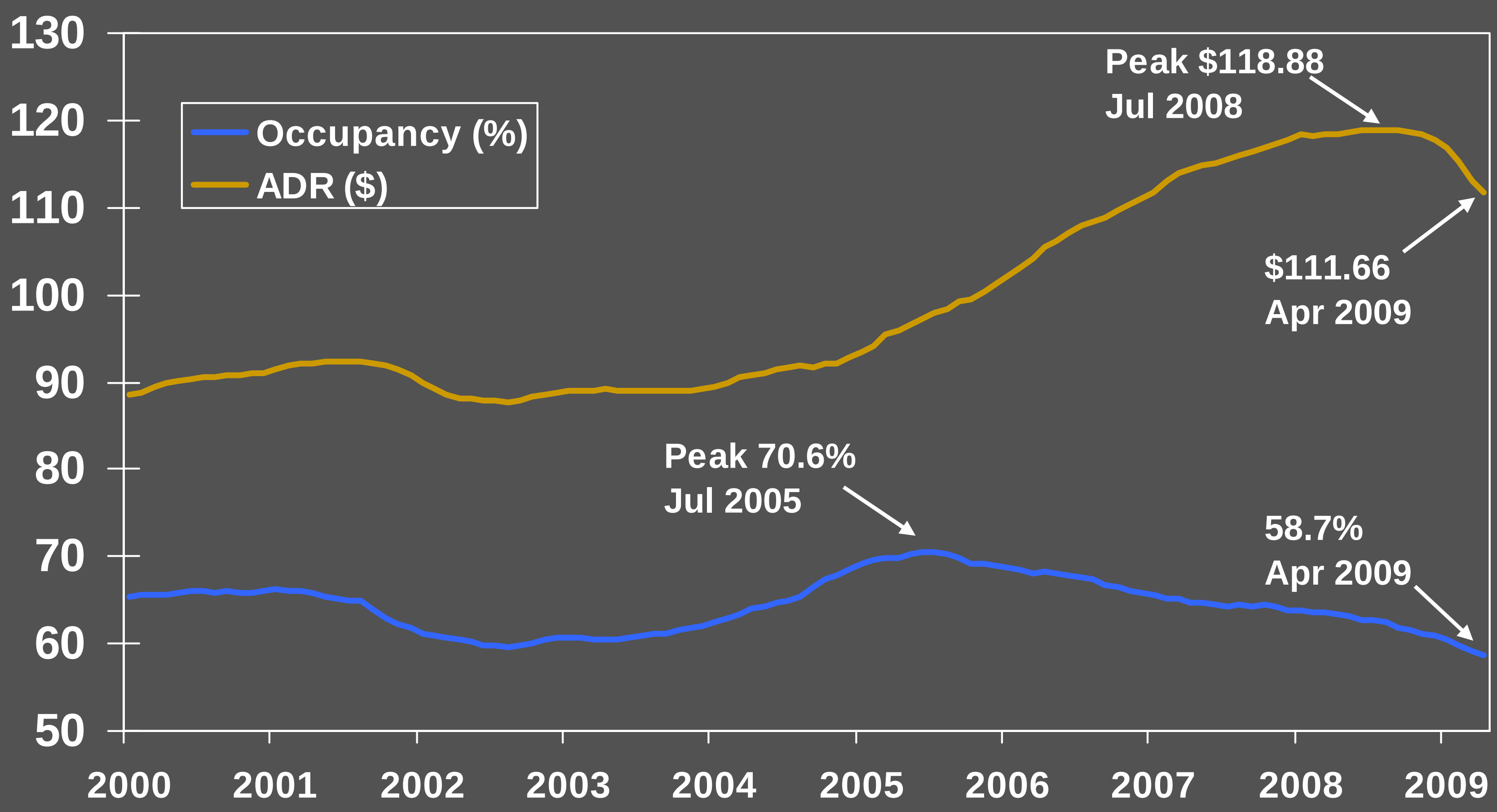
Florida

Occupancy and ADR

Twelve Month Moving Average – 2000 to April 2009



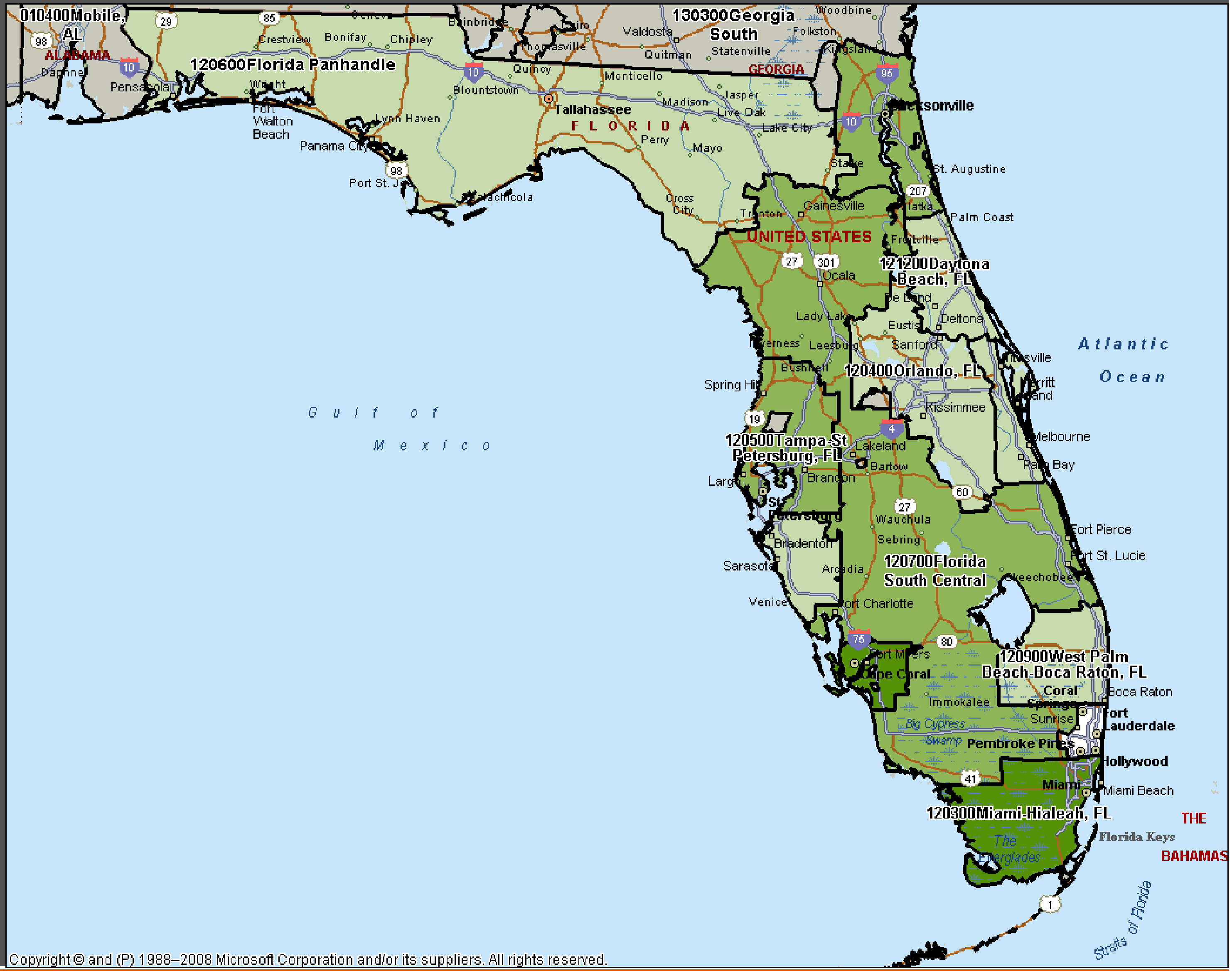
Room Supply Change – Year-to-Date April 2009 vs. 2008

-2 to 0%

0.1 to 3.9%

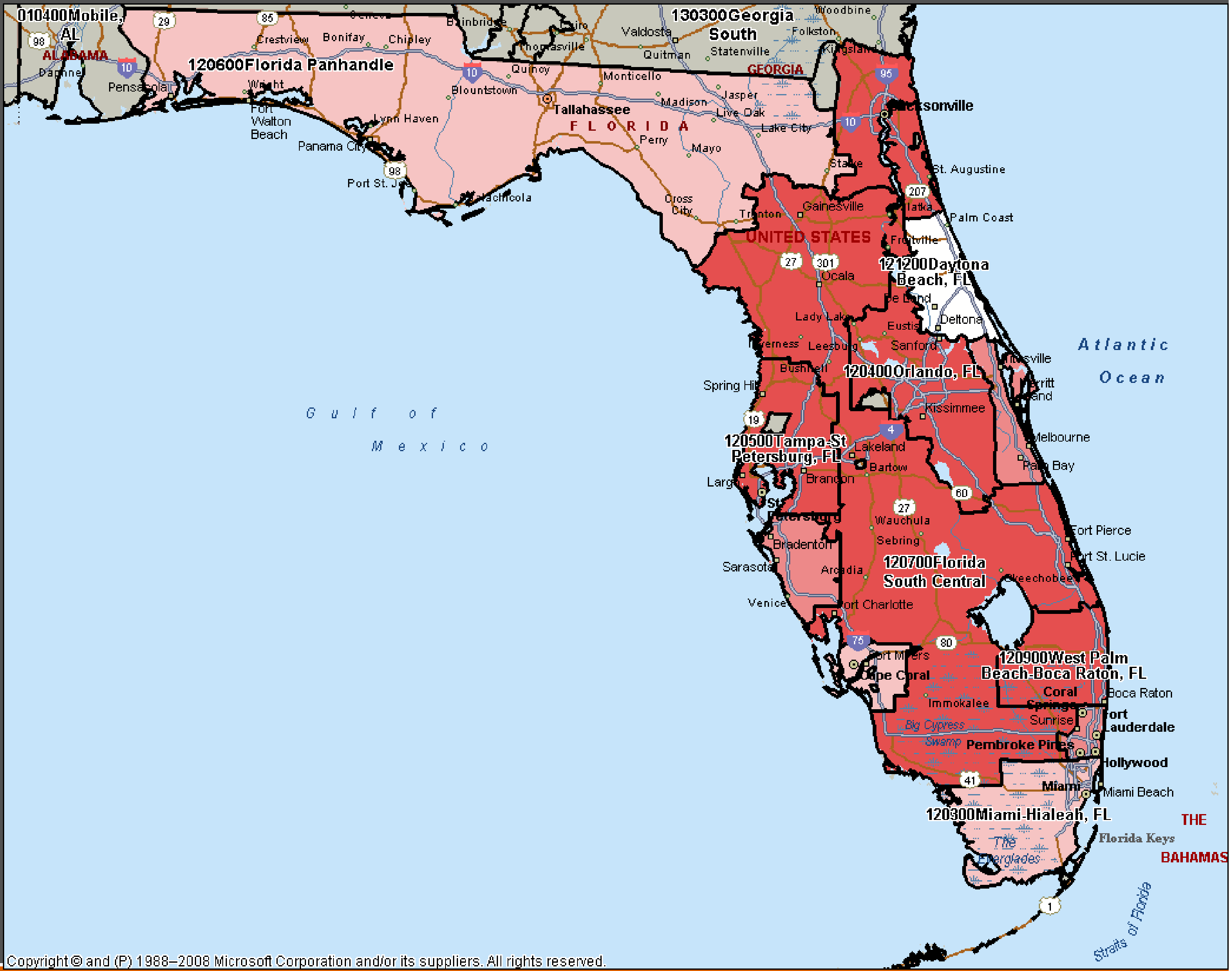
4 to 6.9%

7 to 10%



Room Demand Change - Year-to-Date April 2009 vs. 2008

0 to 1%
-4.5 to 0%
-7.5 to -4.6
-10 to -7.6%



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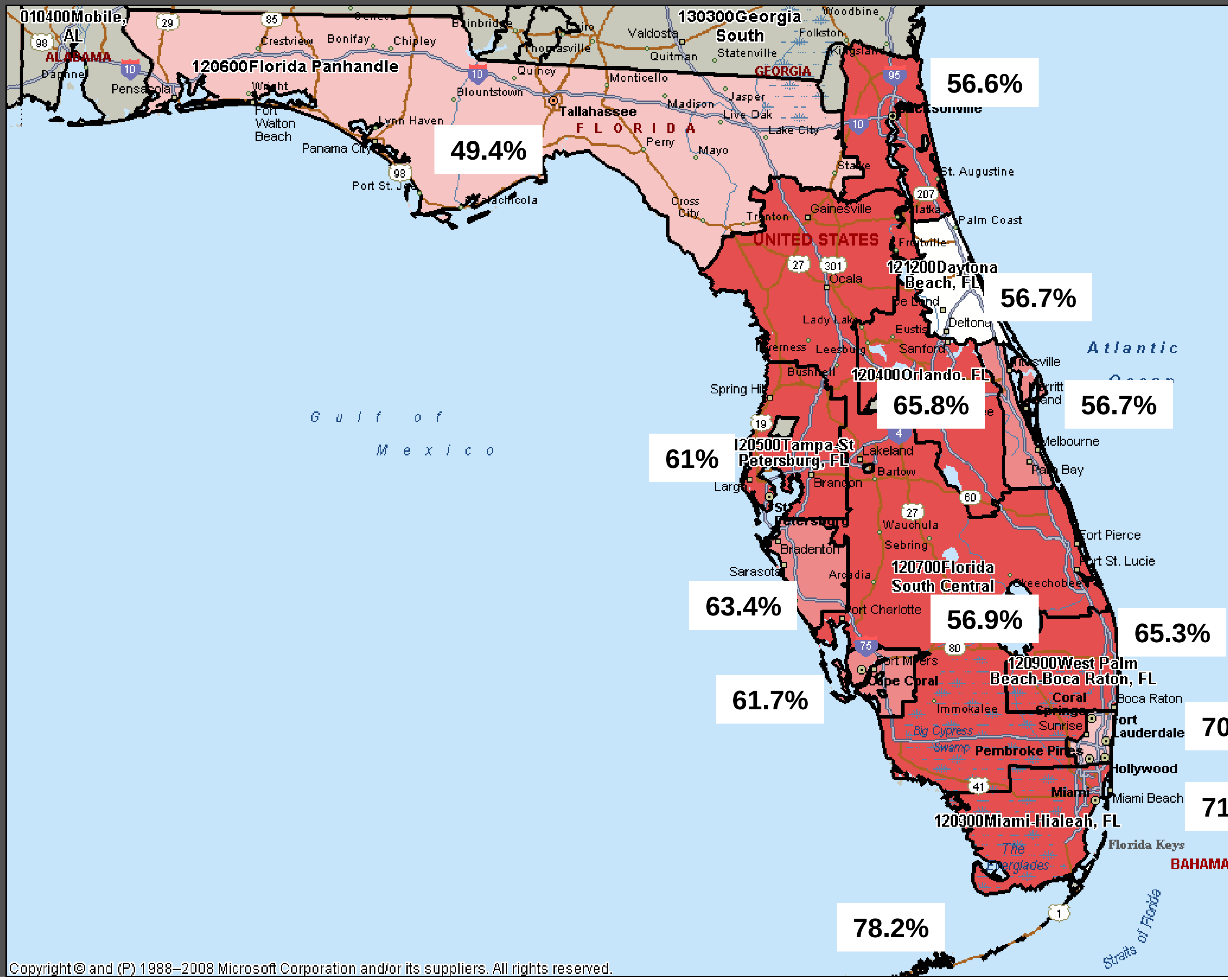
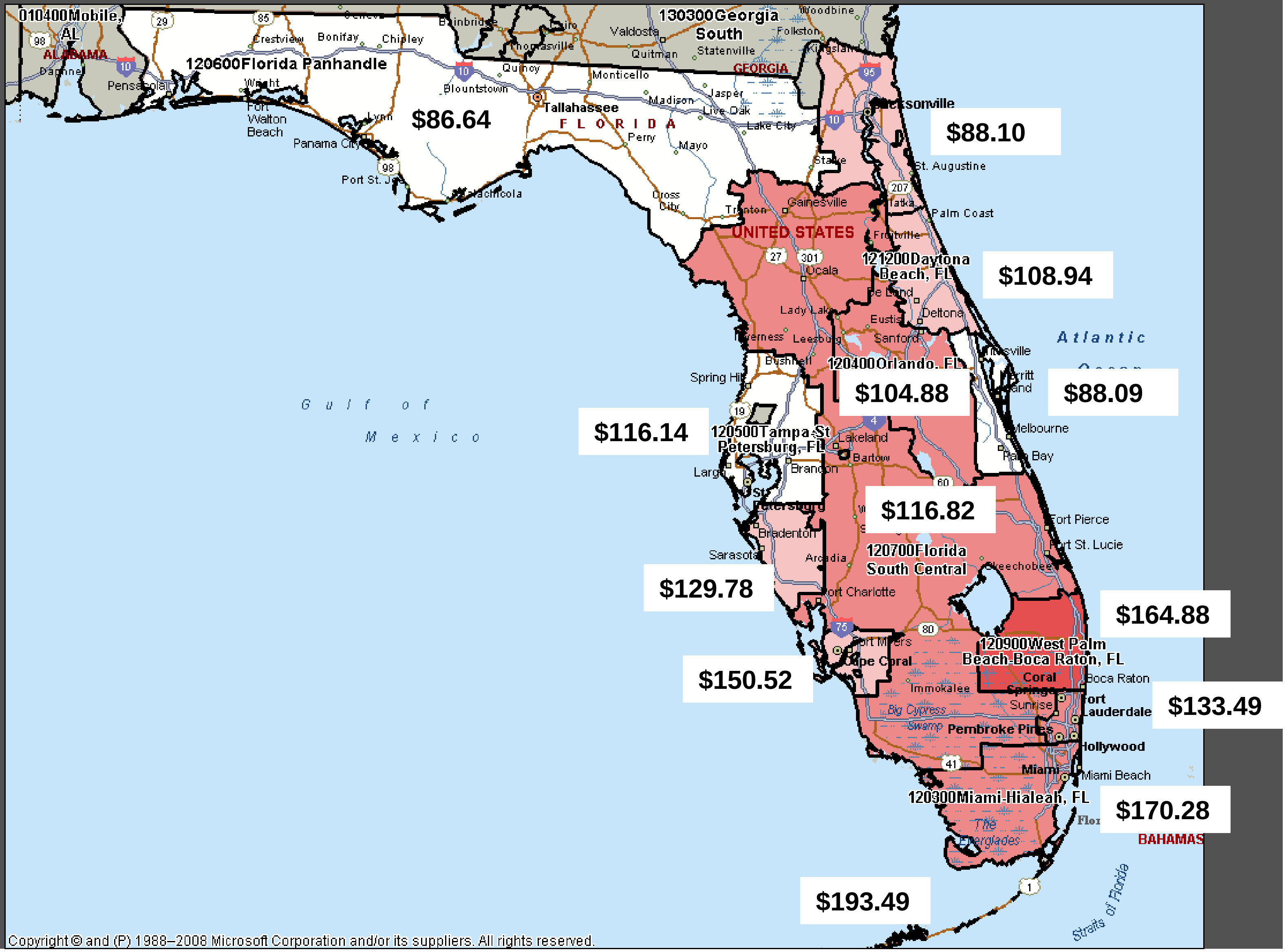
Occupancy with Percent Change - Year-to-Date April 2009 vs. 2008

-3.5 to 0%
-7 to -3.6%
-10.5 to -7.1
-14 to -10.6%



Average Room Rate with Percent Change - Year-to-Date April 2009 vs. 2008

-7.5 to -4%
-11 to -7.6%
-14.5 to -11.1
-18 to -14.6%



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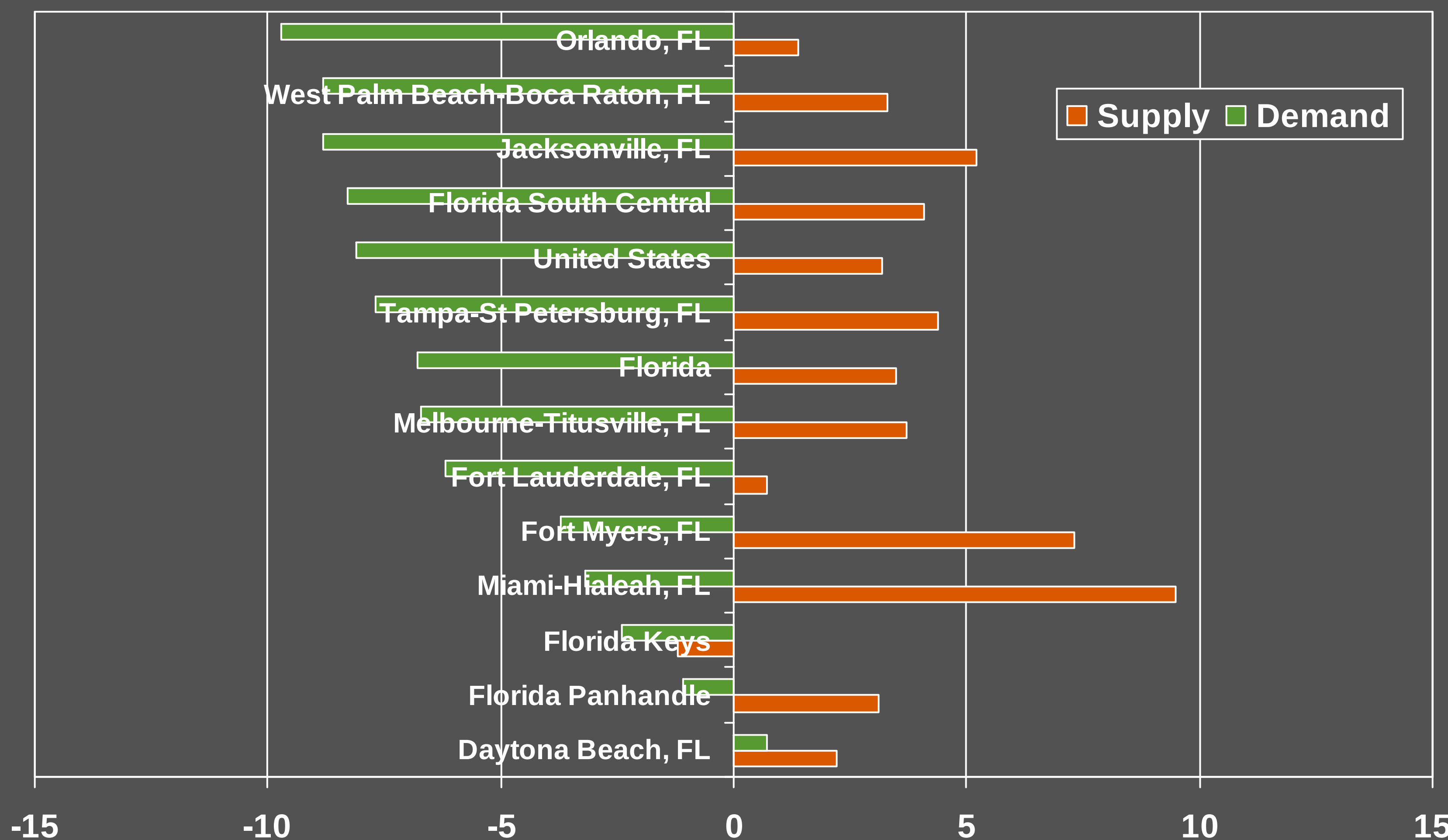
Select Florida Markets

Demand and Supply Percent Change

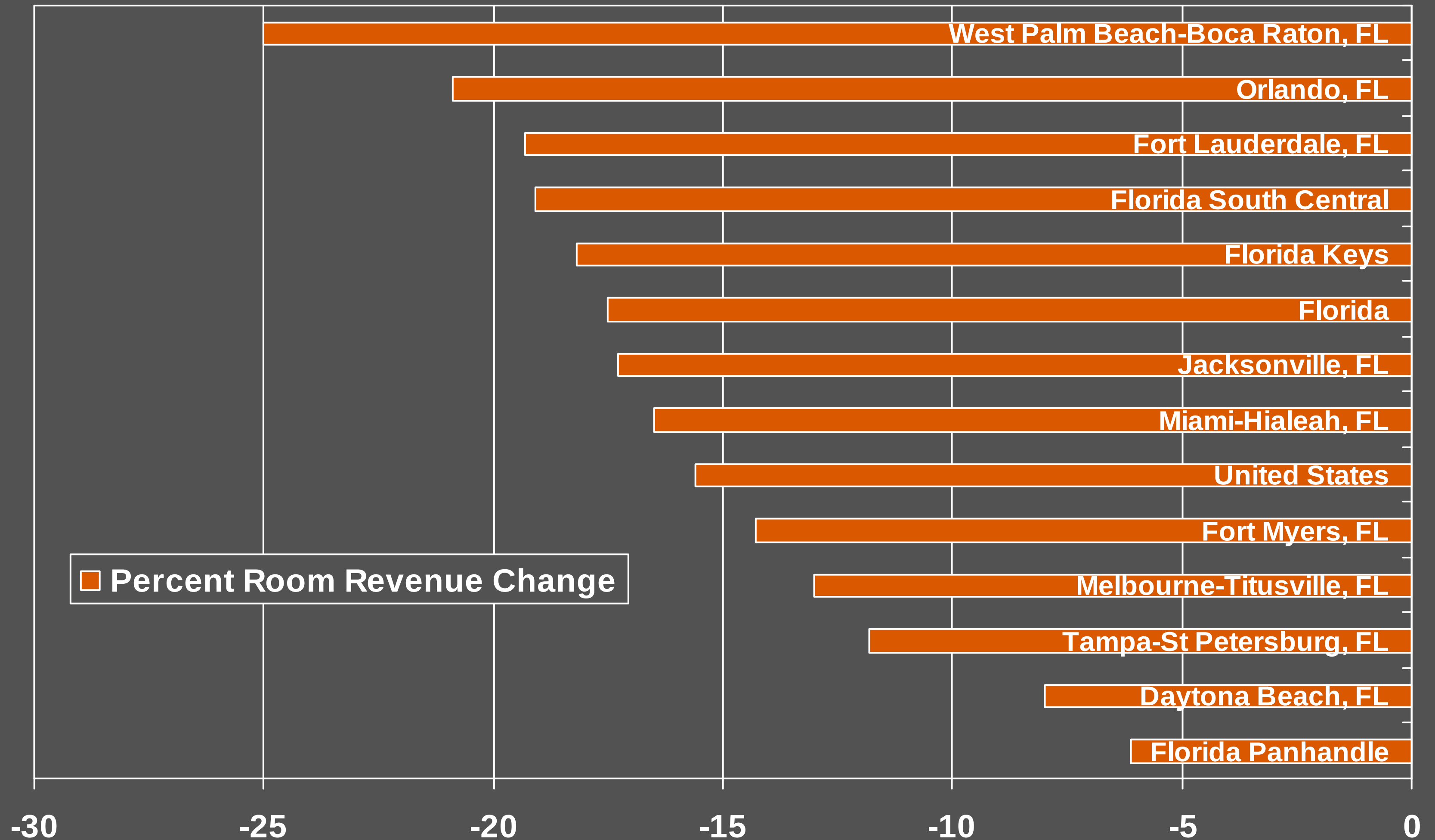
Year-to-Date April 2009



Select Florida Markets

Room Revenue Percent Change

Year-to-Date April 2009



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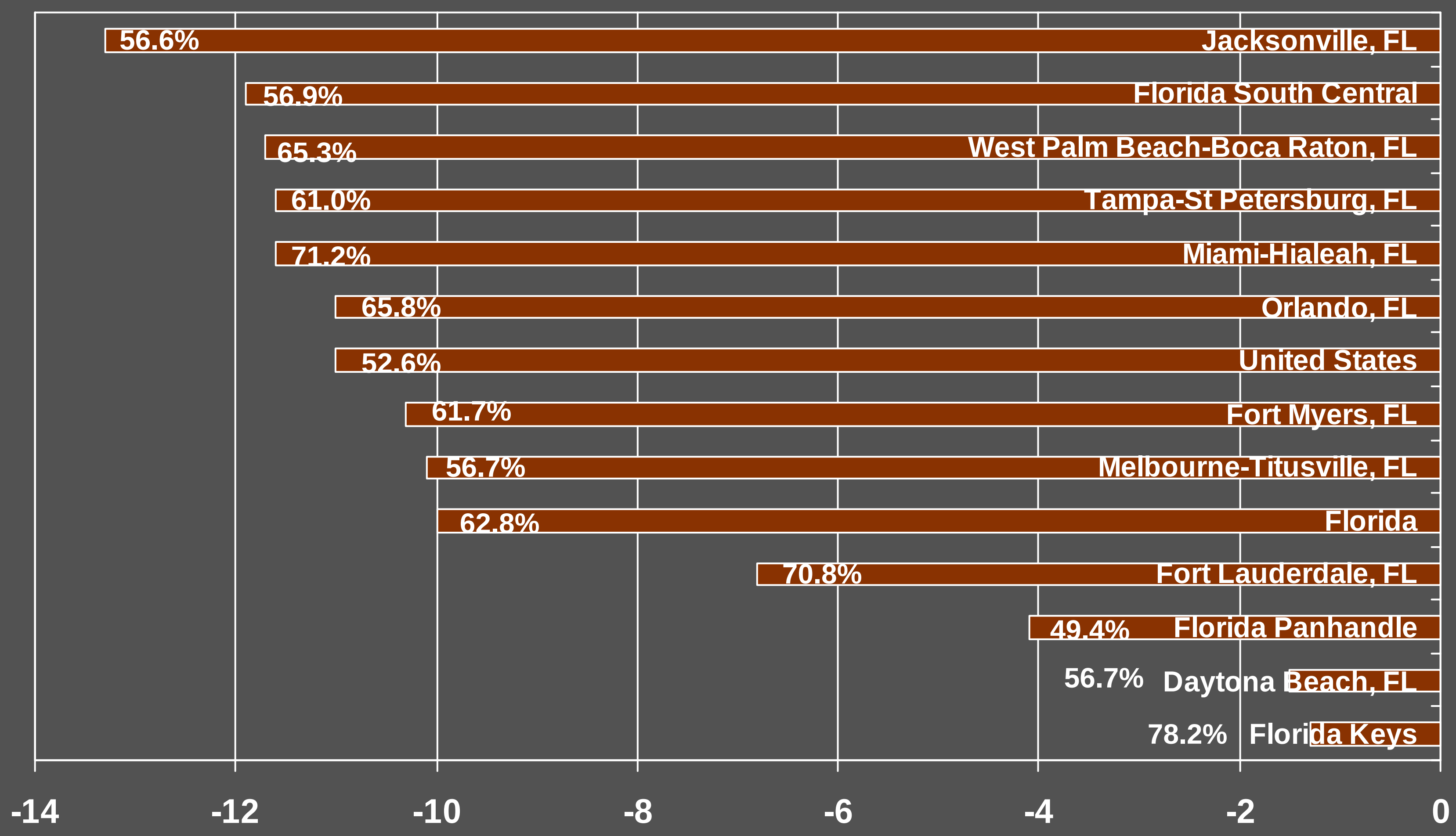
Select Florida Markets

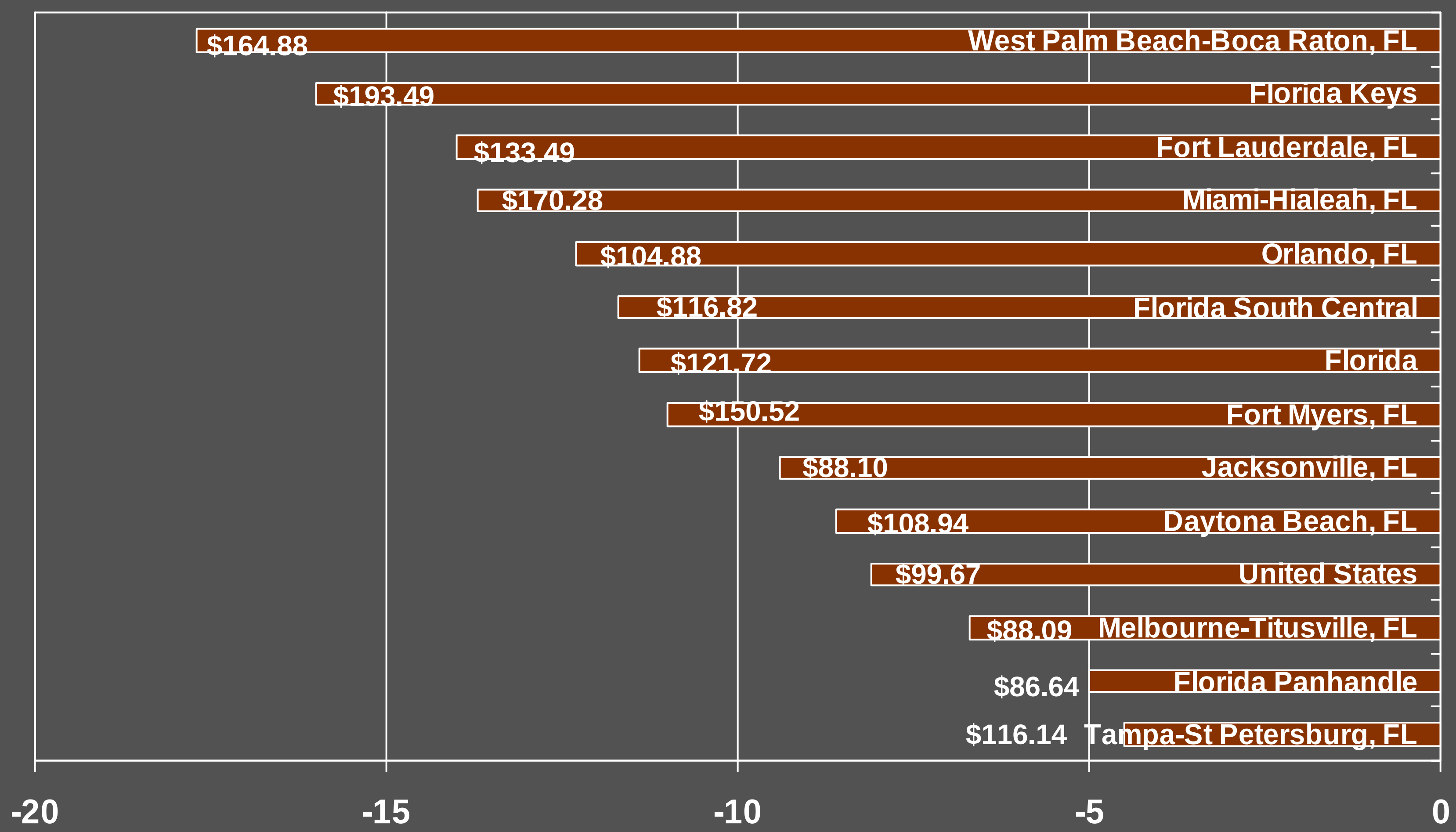
Occupancy Percent Change

Year-to-Date April 2009



Select Florida Markets

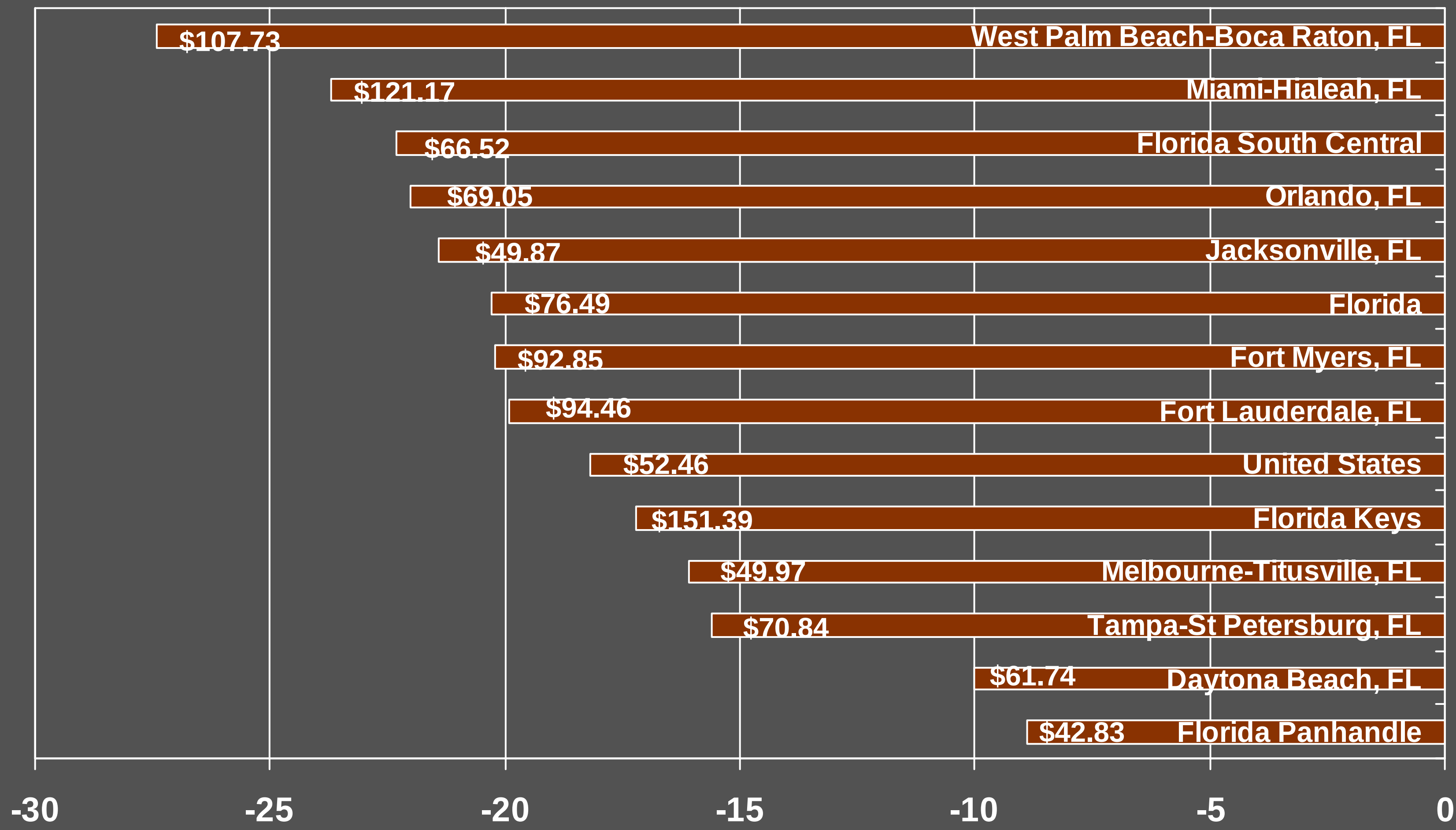
ADR Percent Change
Year-to-Date April 2009



Select Florida Markets

REVPAR Percent Change

Year-to-Date April 2009



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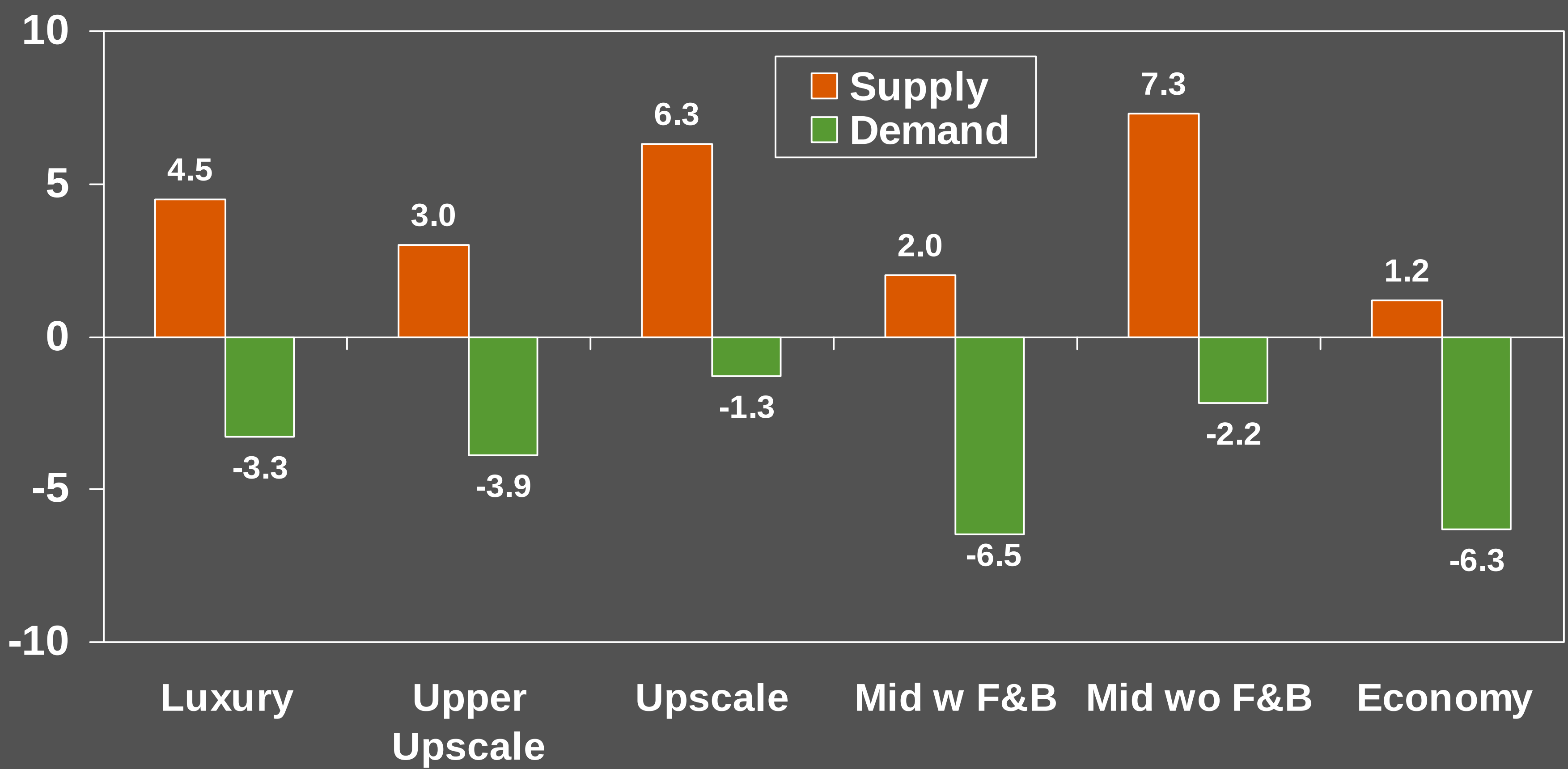
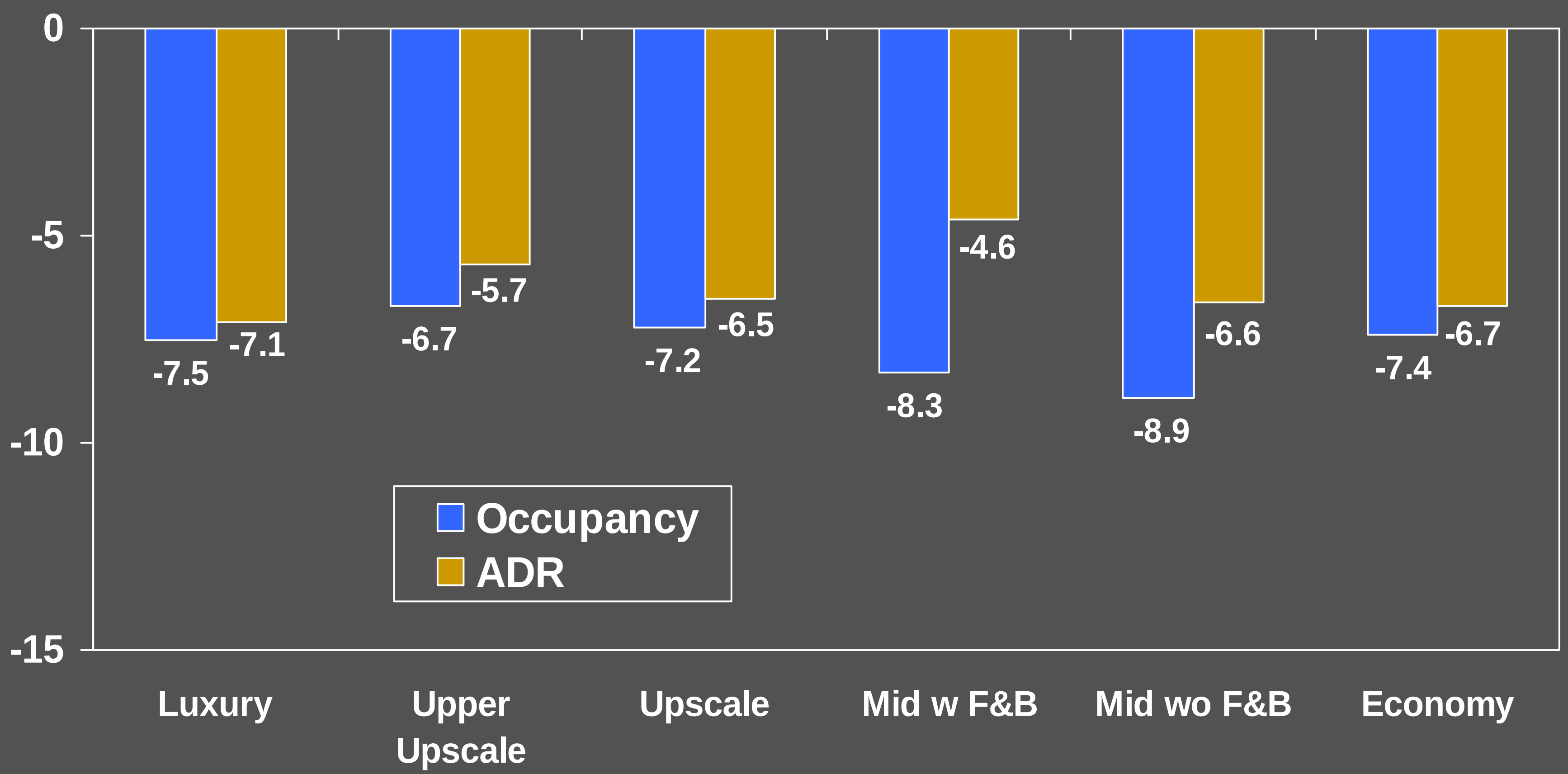
Florida Class

Supply/Demand Percent Change
Twelve Months Ended April 2009



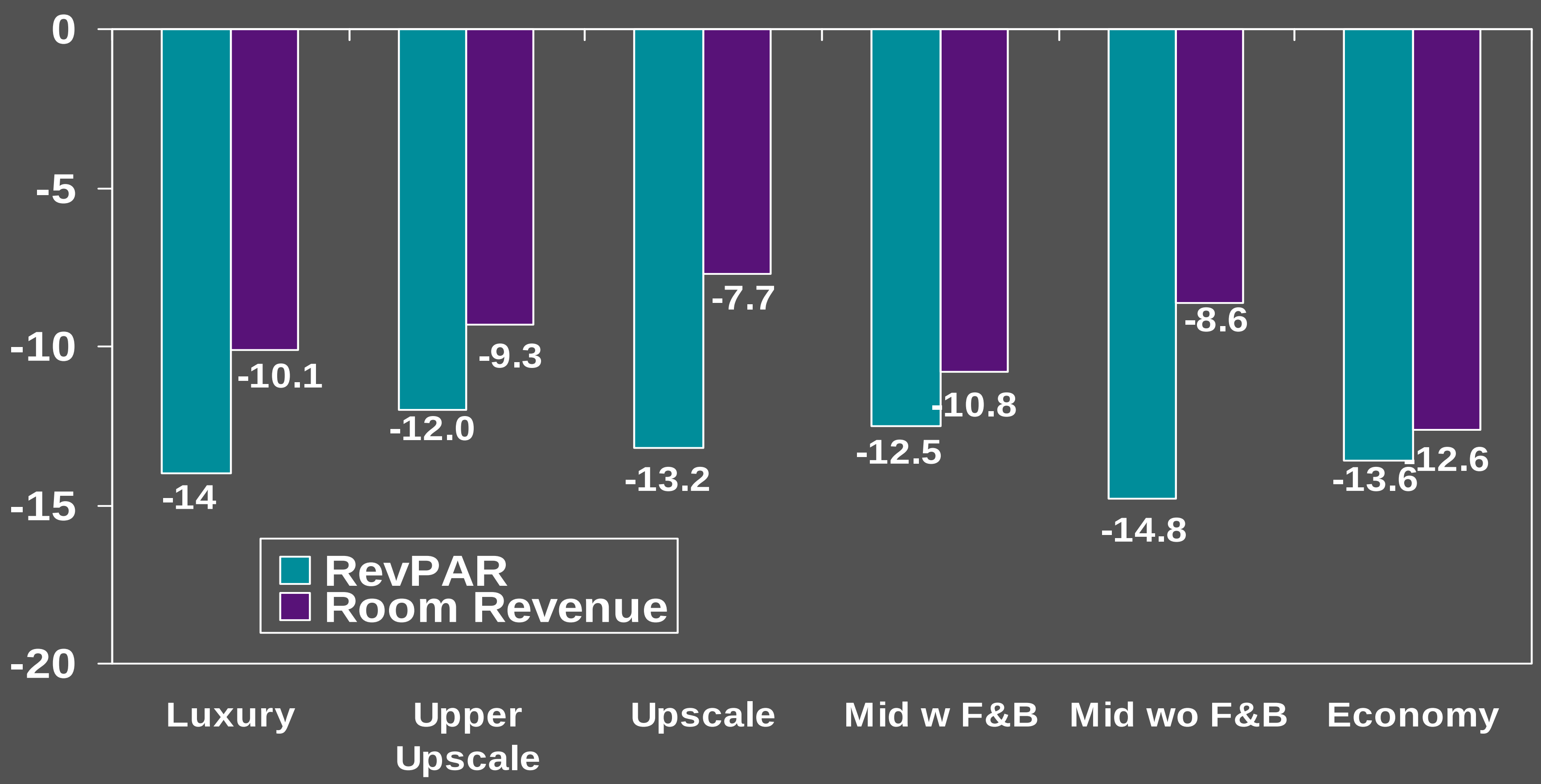
Florida Class

Occupancy/ADR Percent Change
Twelve Months Ended April 2009



Florida Class

RevPAR/Room Revenue Percent Change
Twelve Months Ended April 2009



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US Projections

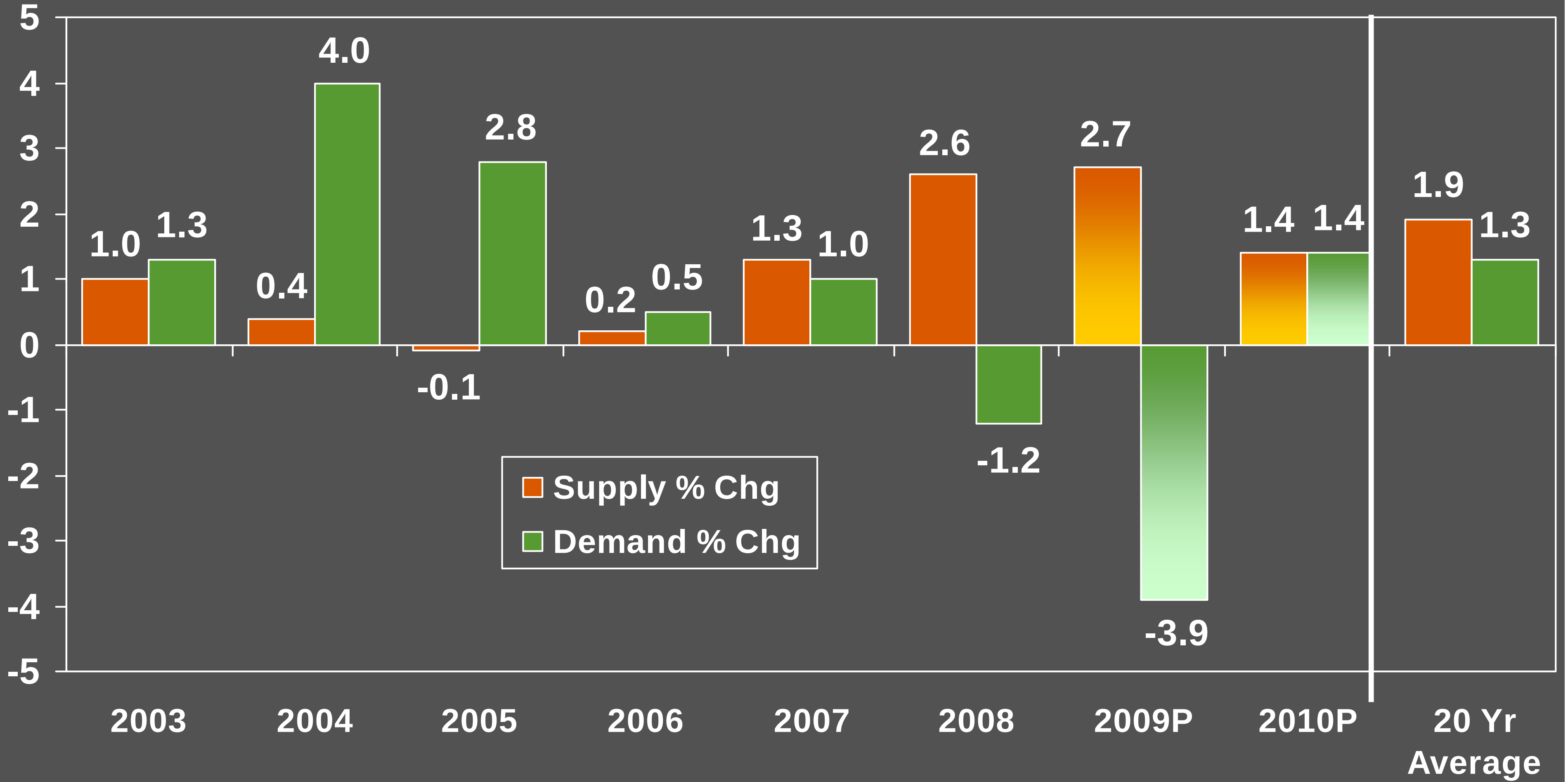
Total US Industry
Consecutive Quarterly Declines
Key Indicators

	1990/ 1991	2001/ 2002	Current (Q109)	*Estimate 2008/09*
Demand	3	5	5	*7*
Occupancy	7	6	6	*9*
ADR	0	5	2	*4*
RevPAR	5	5	3	*6*
Room Revenue	2	5	2	*4*

Total United States

Supply/Demand Percent Change

2003 – 2010P



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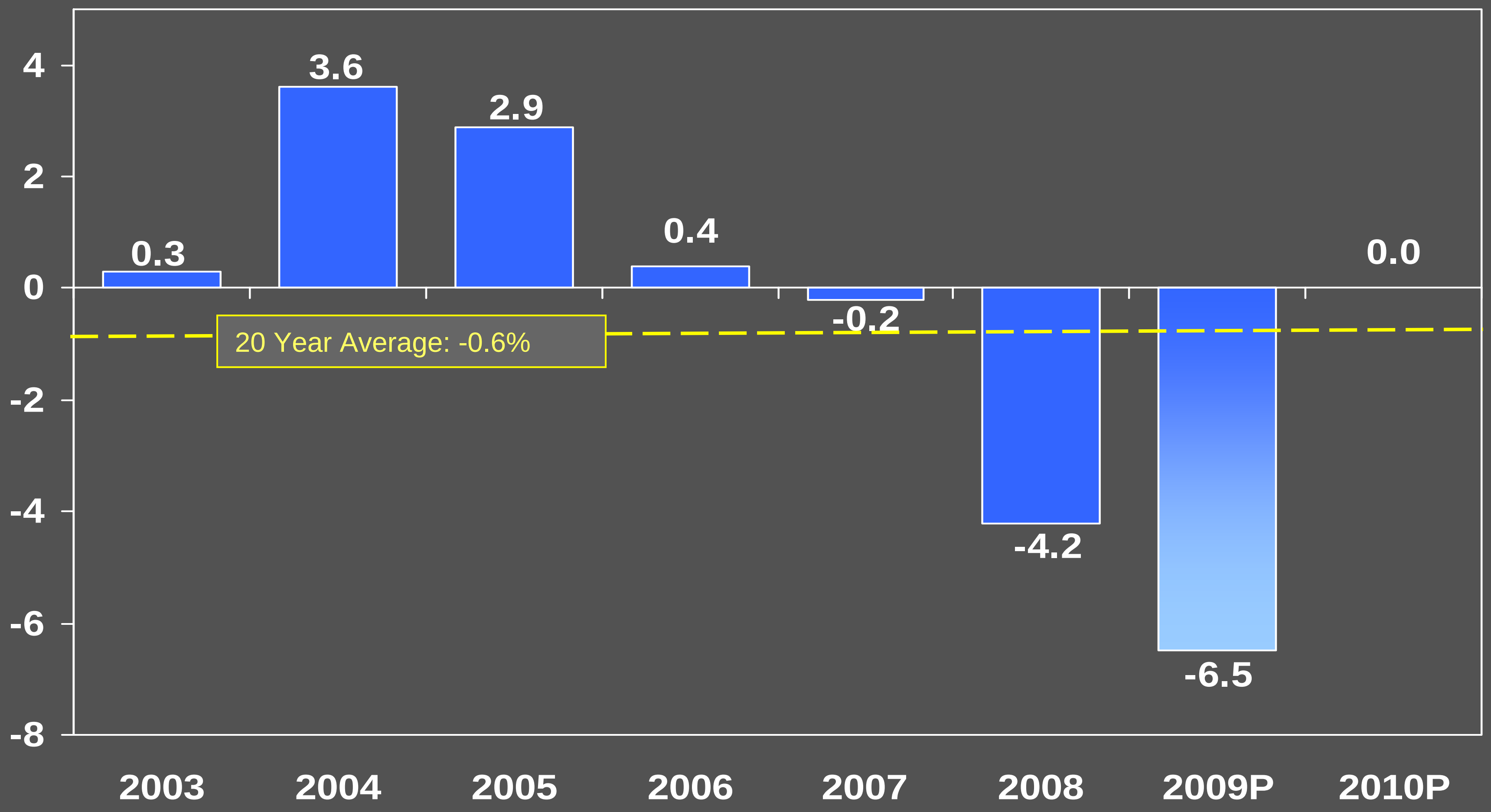
Total United States

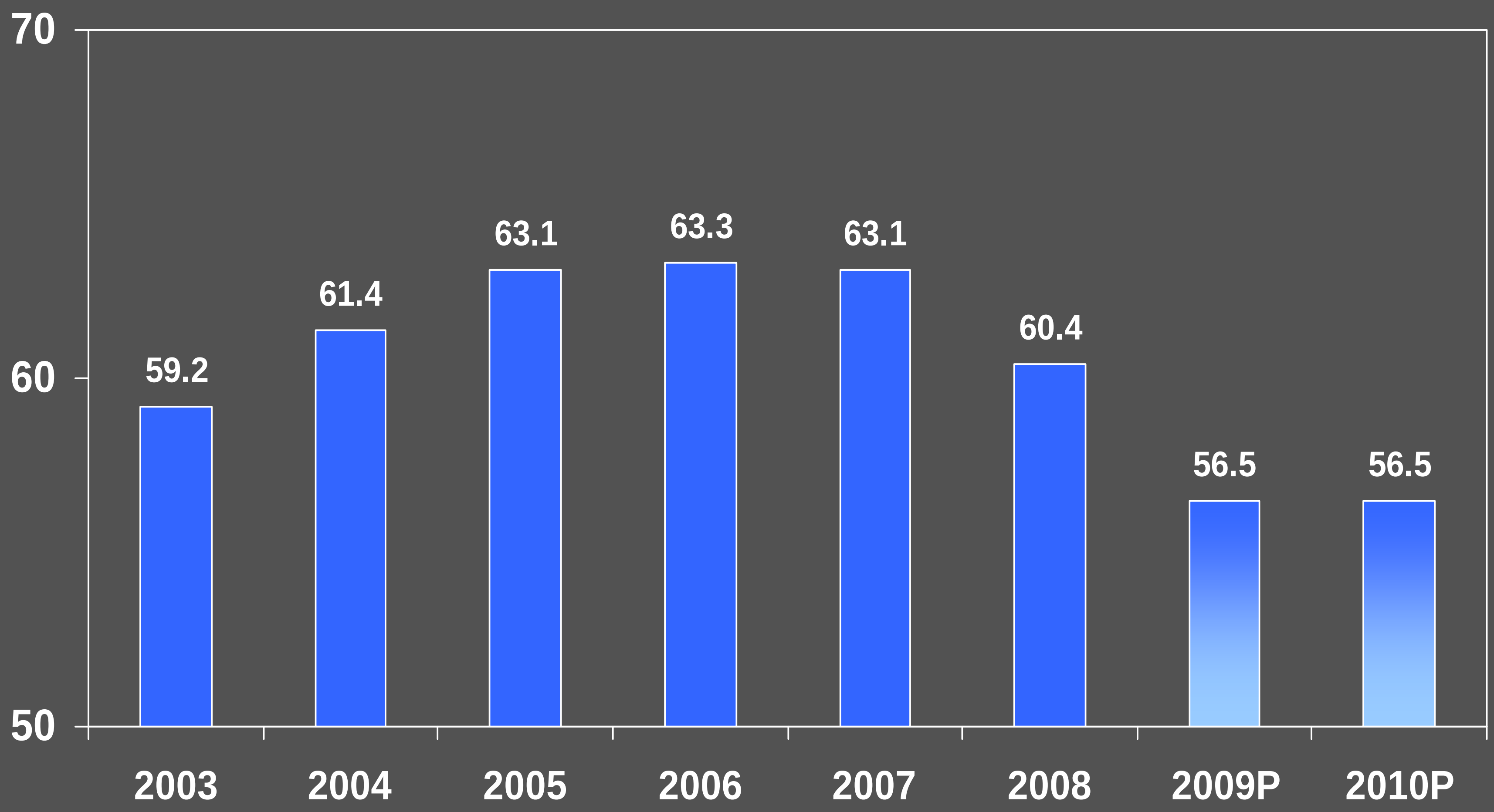
Occupancy Percent Change
2003 – 2010P



Total United States

Occupancy Percent

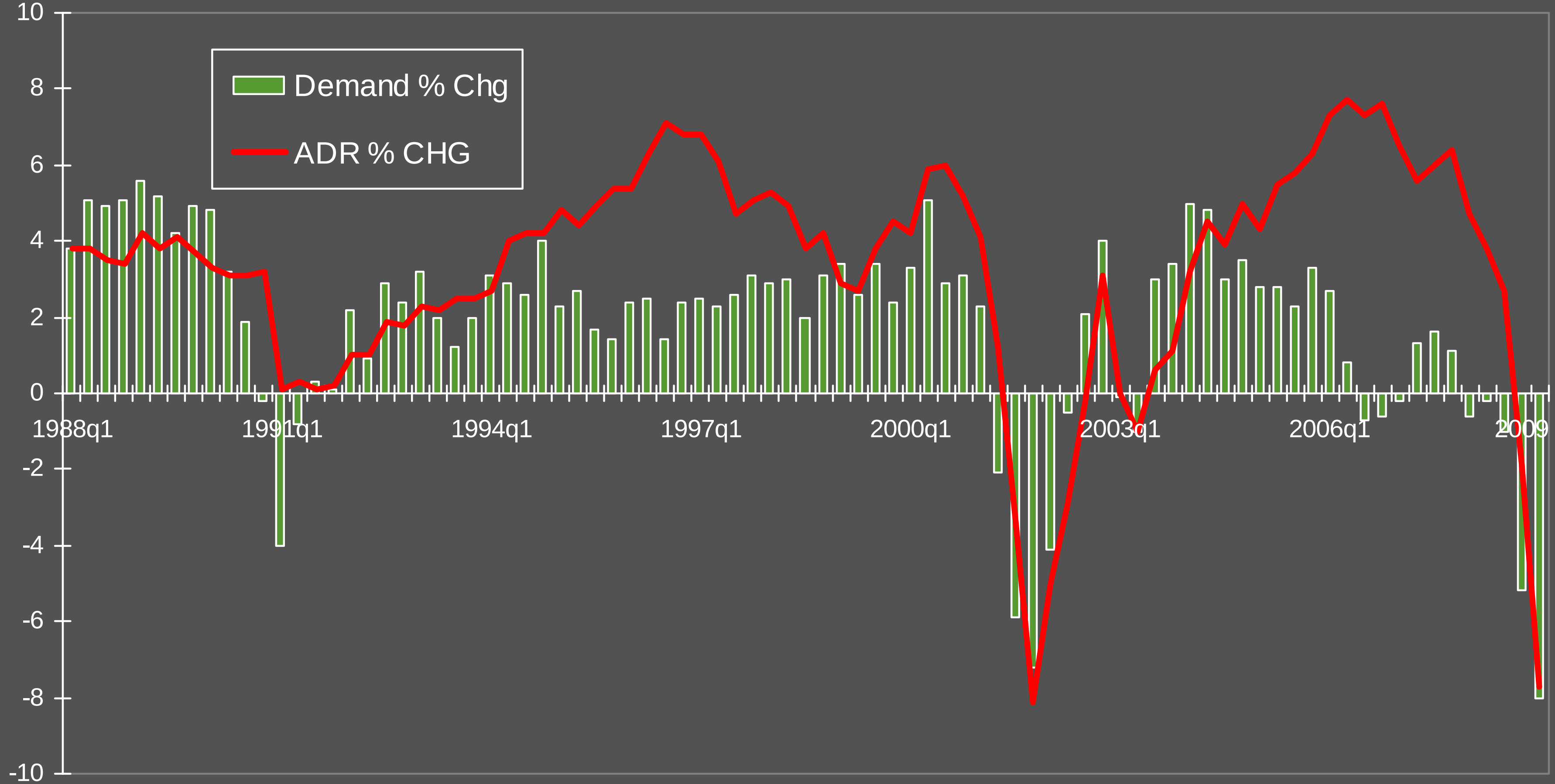
2003 – 2010P



Total United States

Hotel Rooms Sold vs. ADR Change

Quarterly Change – 1988 to Q1 2009



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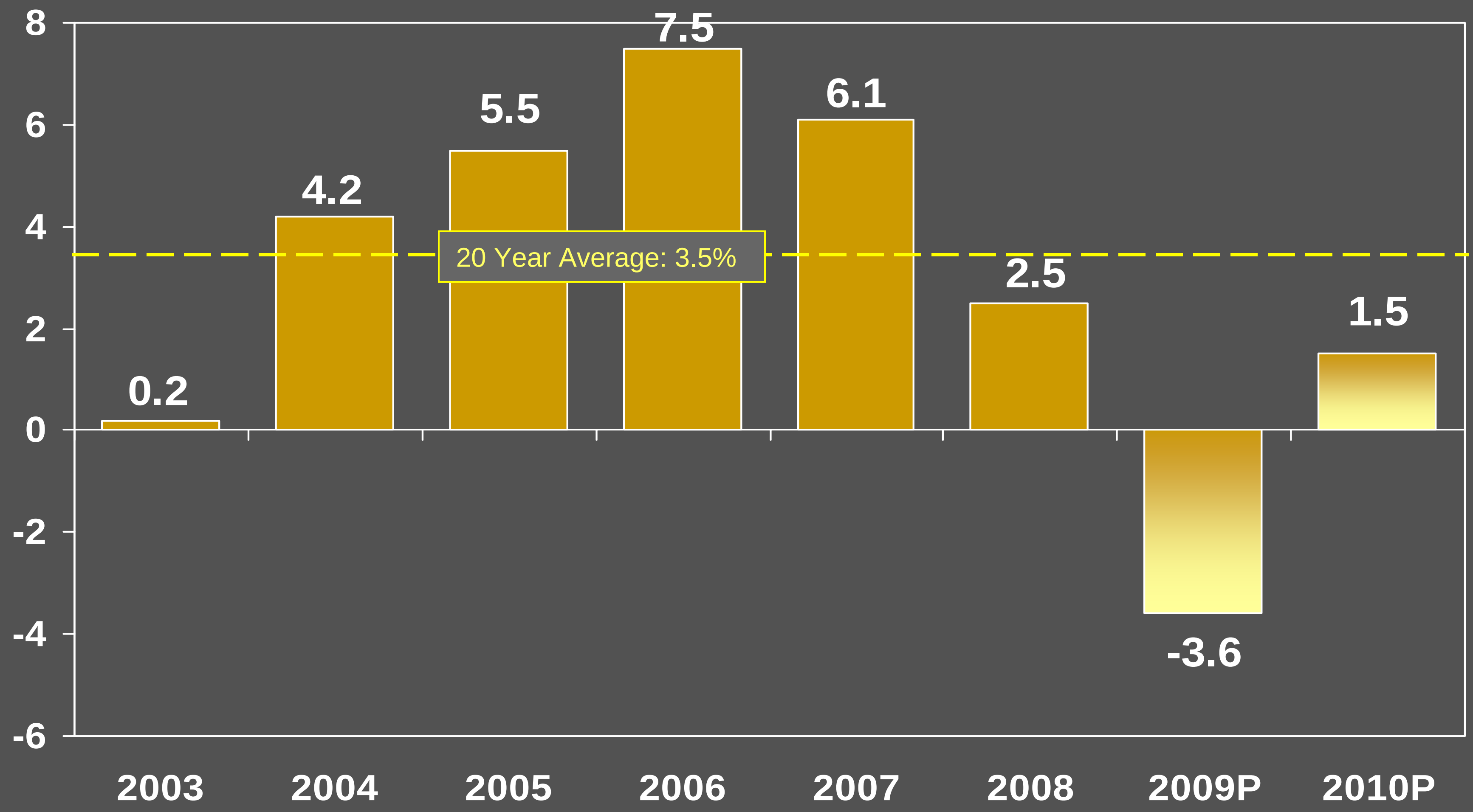
Total United States

ADR Percent Change

2003 – 2010P



Total United States

Average Daily Rate (In Dollars)

2003 – 2010P

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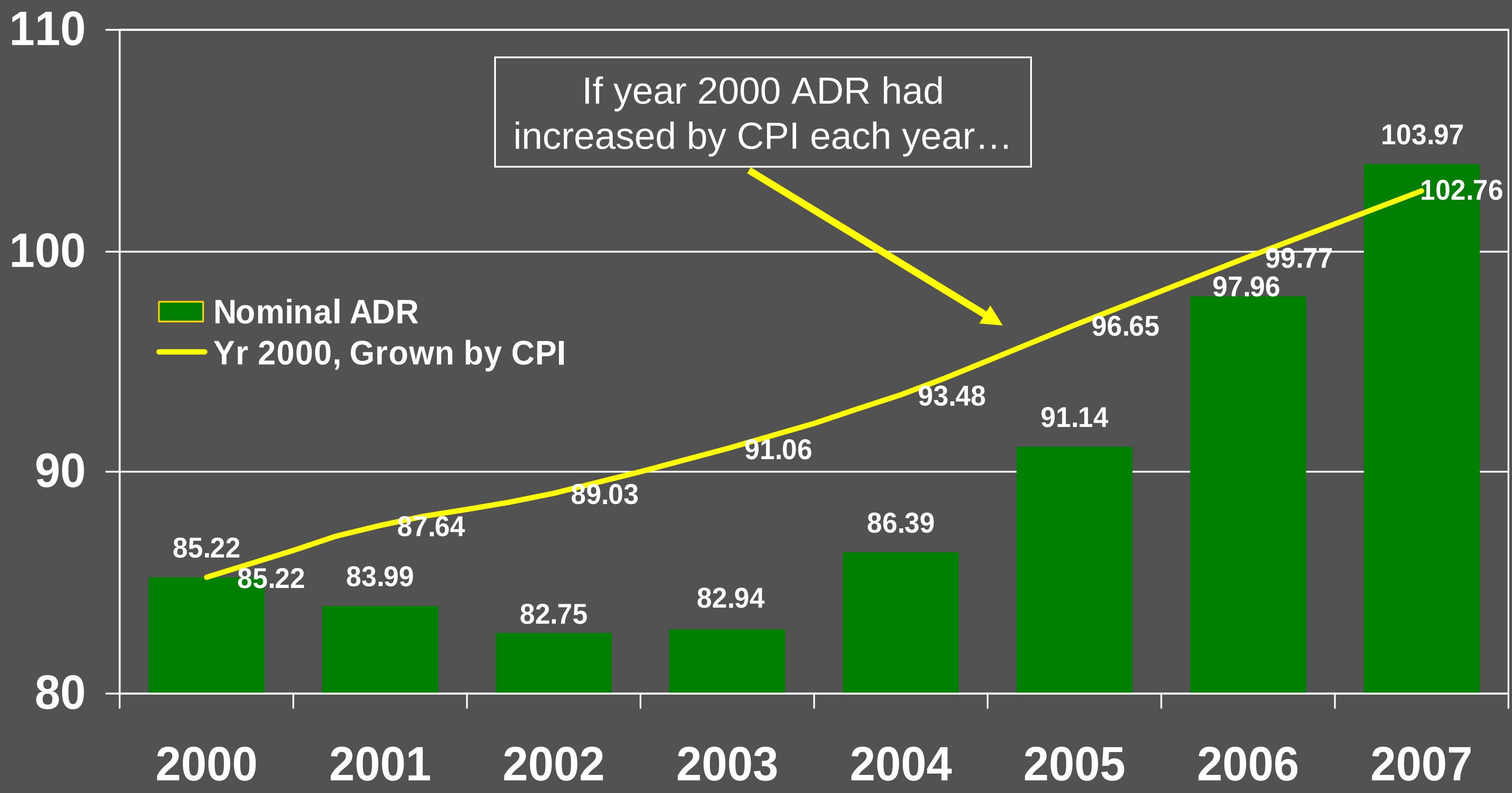
Total US Room Rates

Actual vs Inflation Adjusted
2000 - 2007

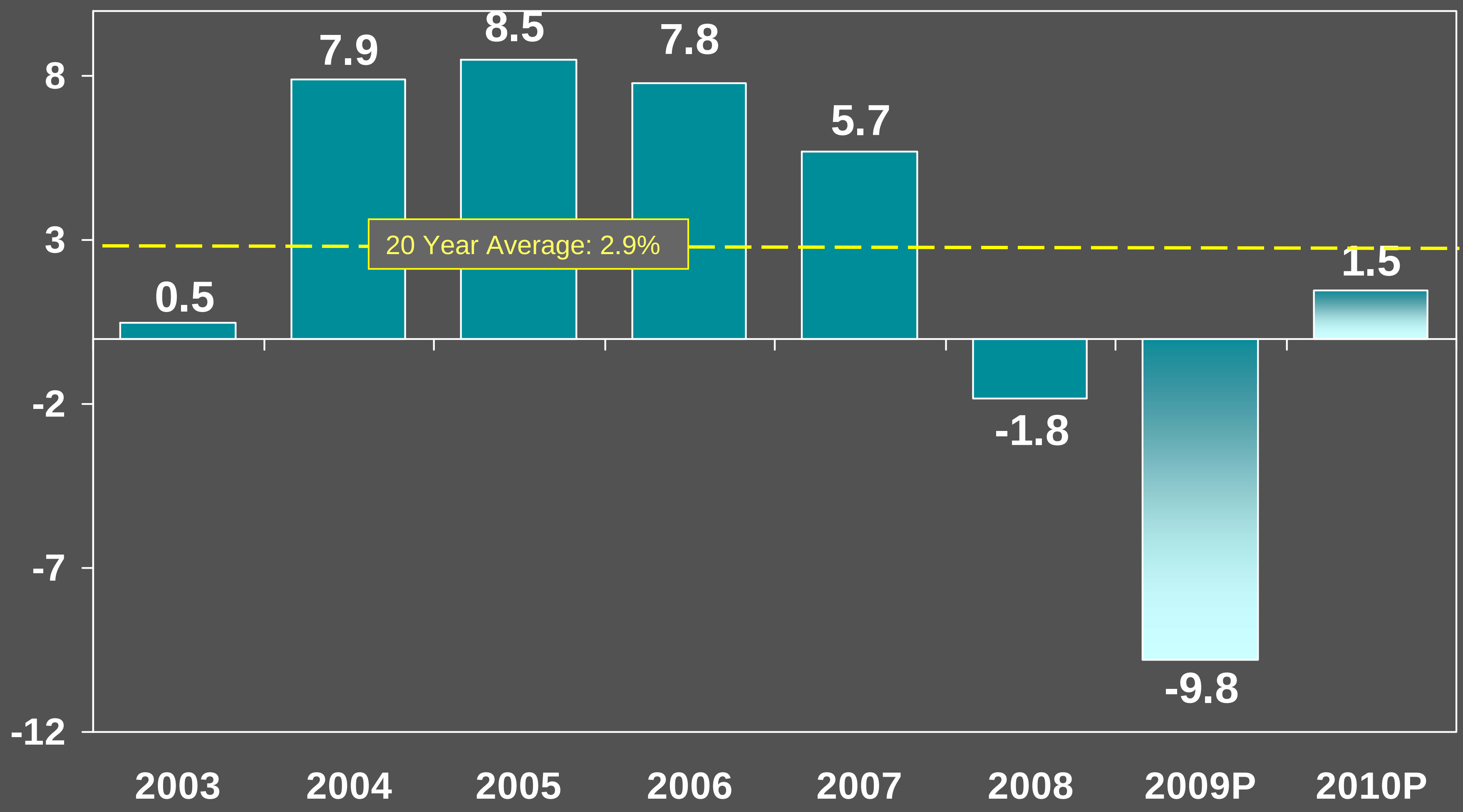


Rate Cuts on ’01 Were Felt for 6 Years

Total United States

RevPAR Percent Change

2003 – 2010P



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2009 Lodging Industry Takeaways

- Supply Growth – Pipeline Attrition?...Have we peaked?
  - Increased attrition rate in planning & final planning
  - Yes, we've probably peaked
- Slowing Economy = Slower Demand Growth (Perceptions of Disp. Income)
  - Need another stimulus check?
  - Leisure feels greater impact than business during recovery
- Airline Woes
  - Decreased routes and capacity impacts fly-in destination significantly
  - Routes may be added back once things improve
- Gas Prices
- Financial Institutions
  - Impacts much in our industry…development, reinvestment, etc.
- Revenue Management Discipline!

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