

Greater Toronto Hotel Association

2024 Outlook

September 11, 2023



Agenda & Today's Speaker

-
1. Economic & Travel outlooks for the GTA
 2. Greater Toronto Market Outlooks
 3. Ontario Market Outlook
 4. National Outlook
 5. Q&A



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Underlying Assumptions

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



September 5, 2023



Slow/Low Economic Growth



Slow Corporate Travel Recovery



Typical Travel Patterns



Lower ADR Yield Pressure

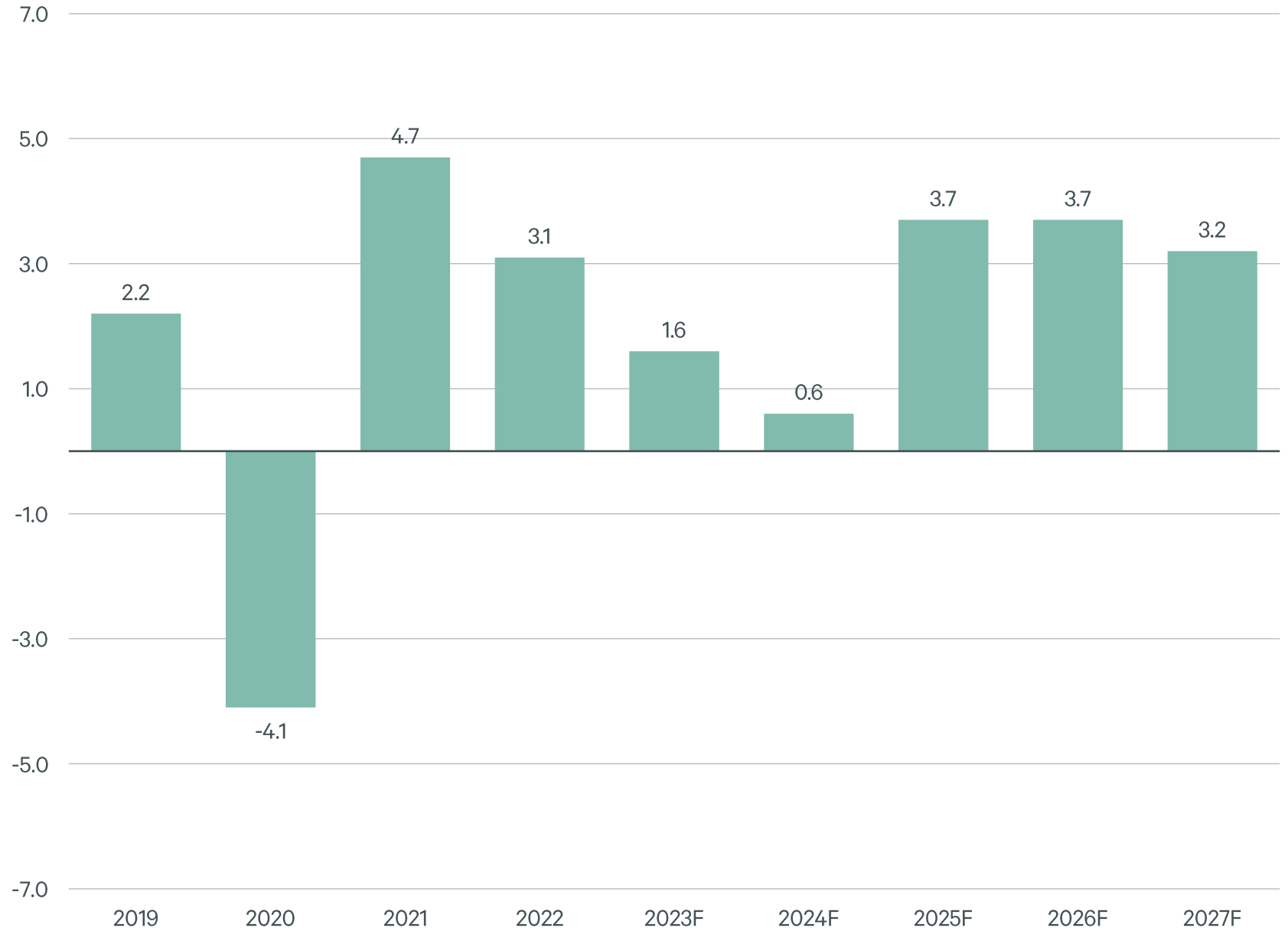
Economic & Travel outlooks for the GTA

1



Toronto's Projected GDP Growth

Source: Oxford Economics, 2023



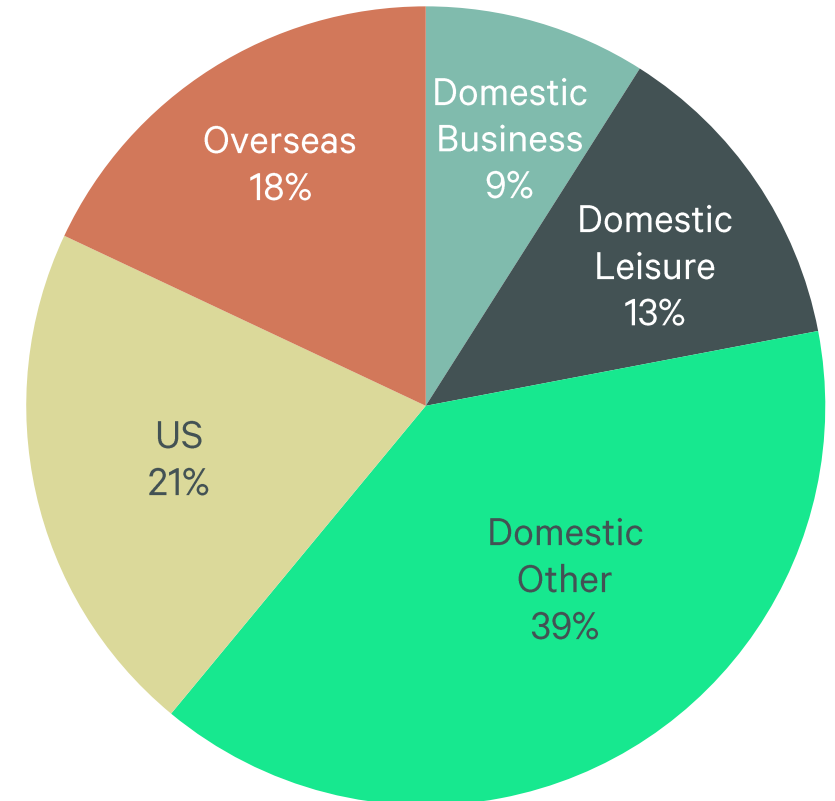
Toronto Travel Indicators

Source: Conference Board of
Canada, Spring 2023

Toronto Overnight Visits, 2023-2025F (000s)

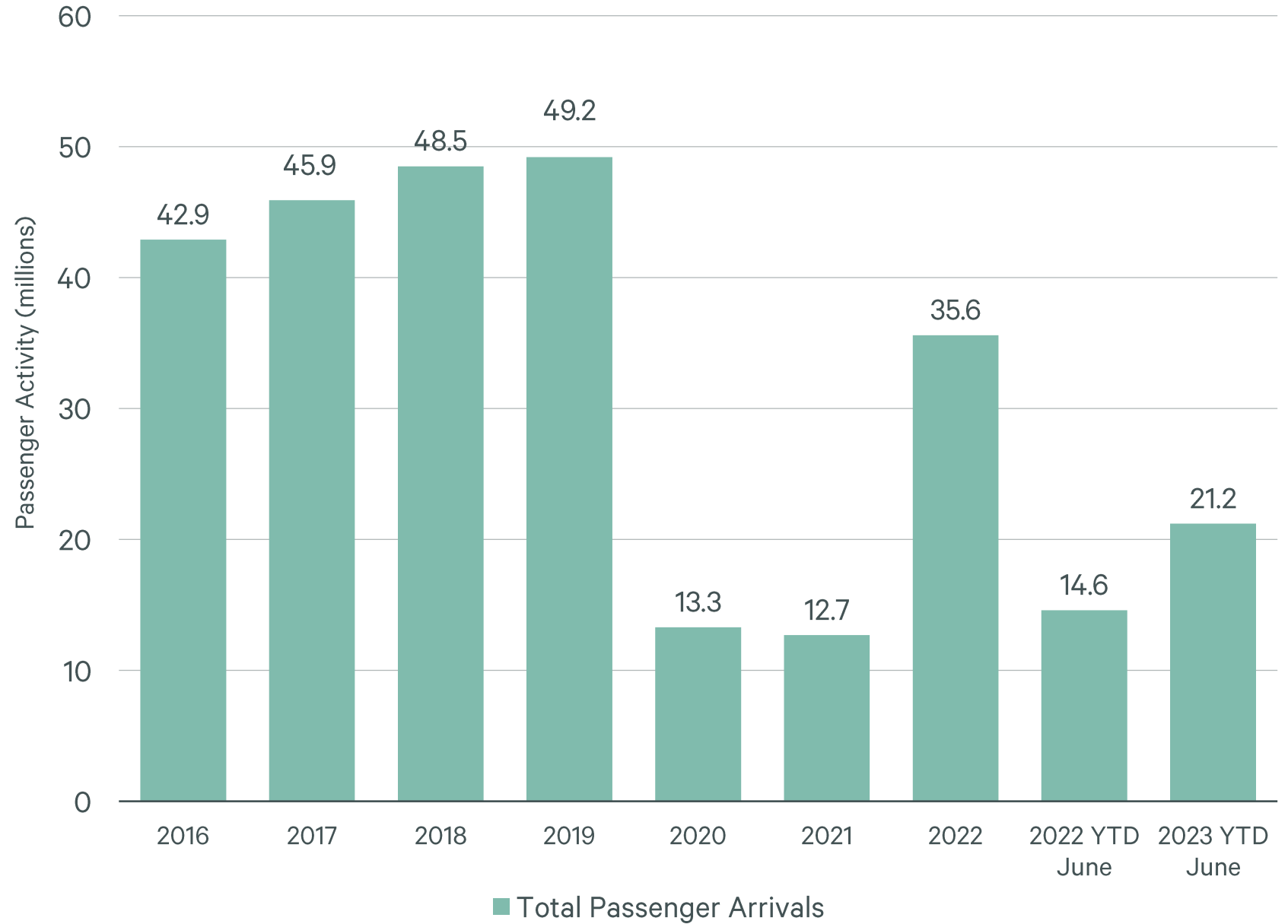
	2023F	2024F	2025F
Domestic – Business	1,134	1,203	1,257
	29.6%	6.1%	4.5%
Domestic – Leisure	1,621	1,700	1,723
	35.0%	4.9%	1.4%
Domestic – Other	5,179	5,330	5,425
	22.6%	2.9%	1.8%
US	2,512	2,783	3,034
	50.0%	10.8%	9.0%
Overseas	2,096	2,495	2,653
	75.9%	19.0%	6.4%
Total Overnight Visits	12,542	13,511	14,092
	36.8%	7.7%	4.3%

Toronto Travel Breakdown, 2024



Toronto Pearson Air Passenger Traffic

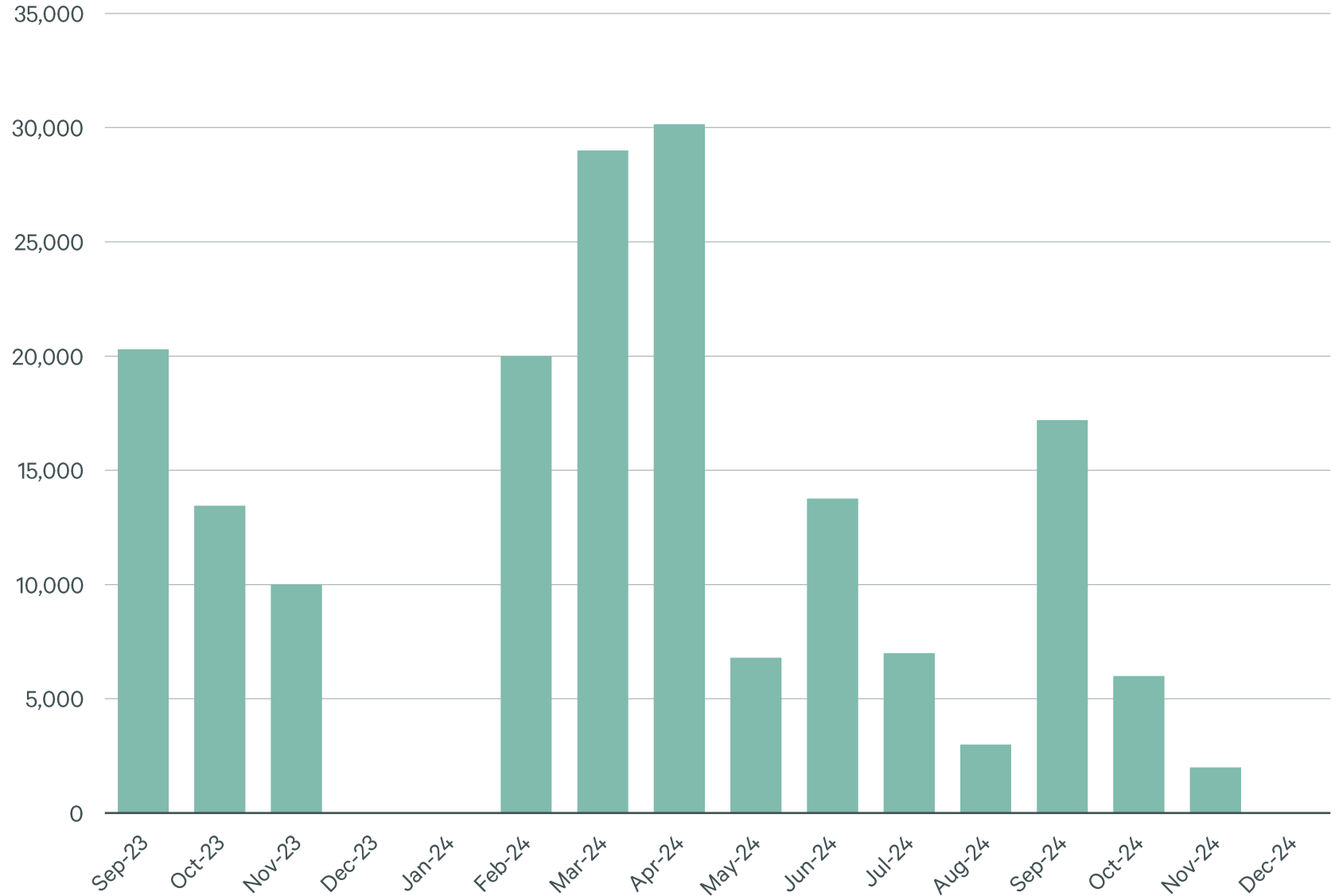
Source: Statistics Canada, GTAA,
Ports Toronto



Citywide Conventions on the Books

Source: Destination Toronto

Expected Convention Delegate Attendance



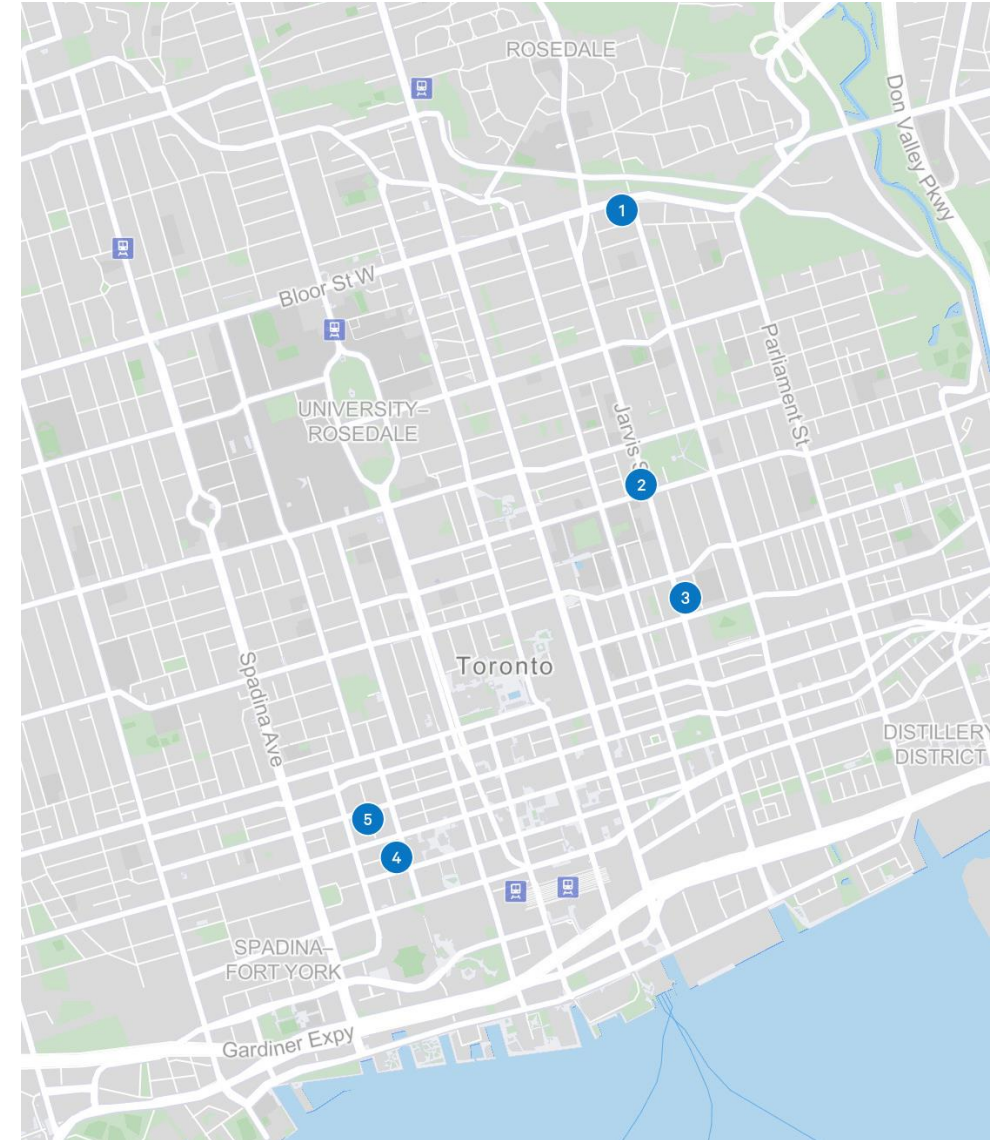
Greater Toronto Market Outlooks

2



Downtown Toronto 2023/2024 Supply

1. Canopy by Hilton Toronto Yorkville
2. Hampton Inn & Suites Toronto Downtown
3. Hyatt Centric Toronto – Downtown/Jarvis
4. Nobu Toronto
5. RIU Plaza Toronto

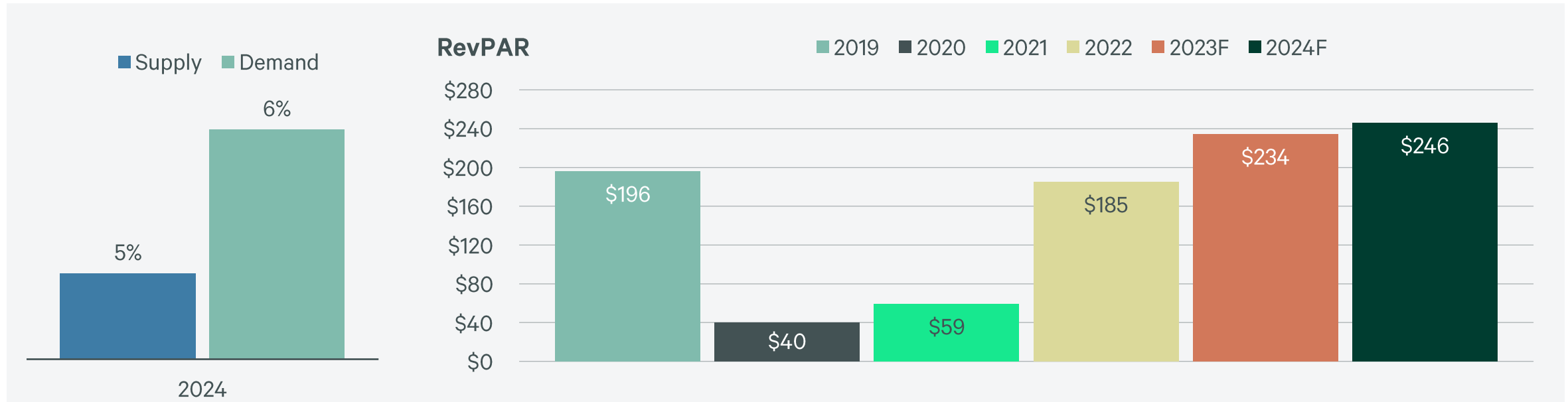


Downtown Toronto

5%

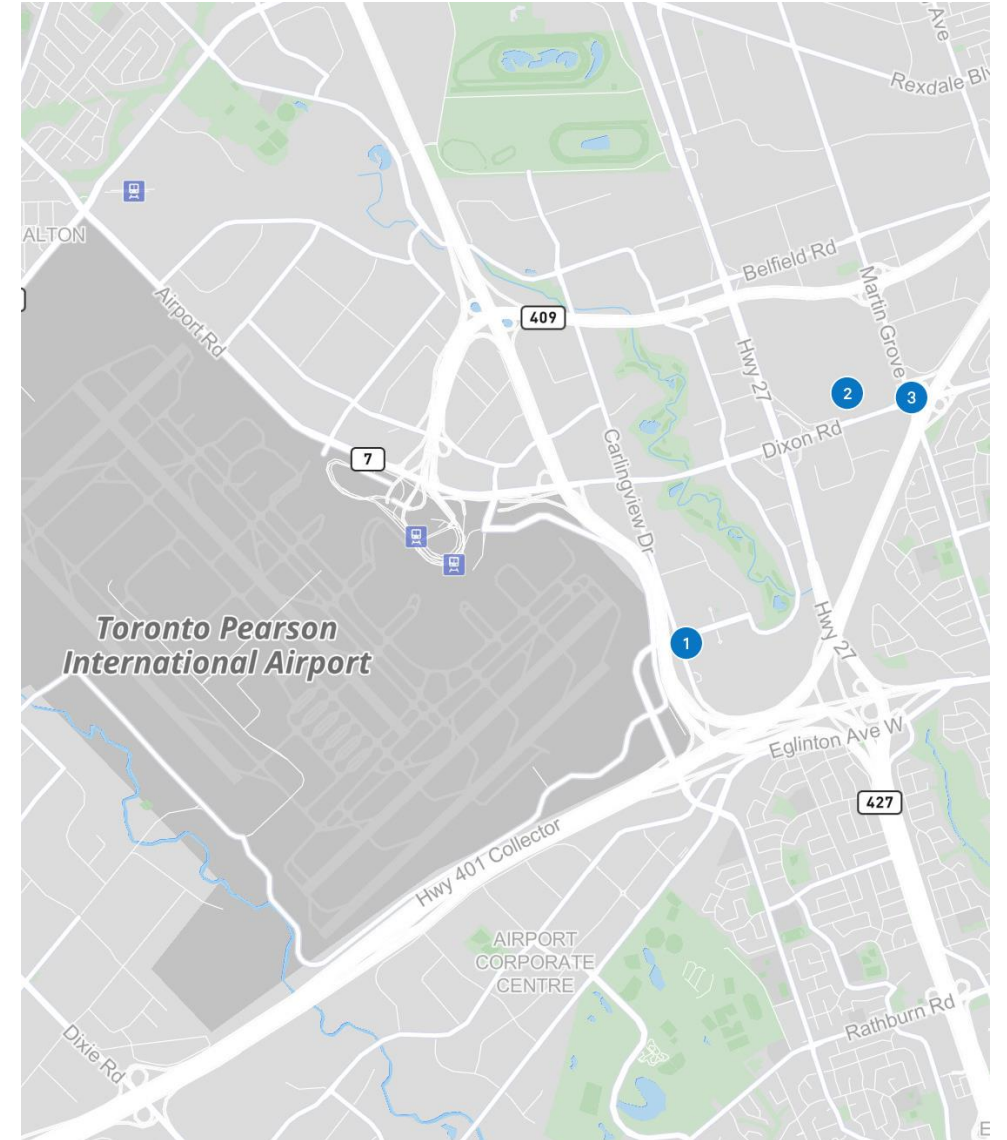
RevPAR Growth vs 2024

	2019	2020	2021	2022	2023F	2024F
Occupancy	78%	20%	31%	63%	73%	74%
ADR	\$252	\$203	\$191	\$292	\$322	\$333
RevPAR	\$196	\$40	\$59	\$185	\$234	\$246



Toronto Airport 2022/2023 Supply

1. Holiday Inn Express & Suites
Toronto Airport South
2. SpringHill Suites by Marriott
Toronto Airport
3. Staybridge Suites Toronto
Airport East

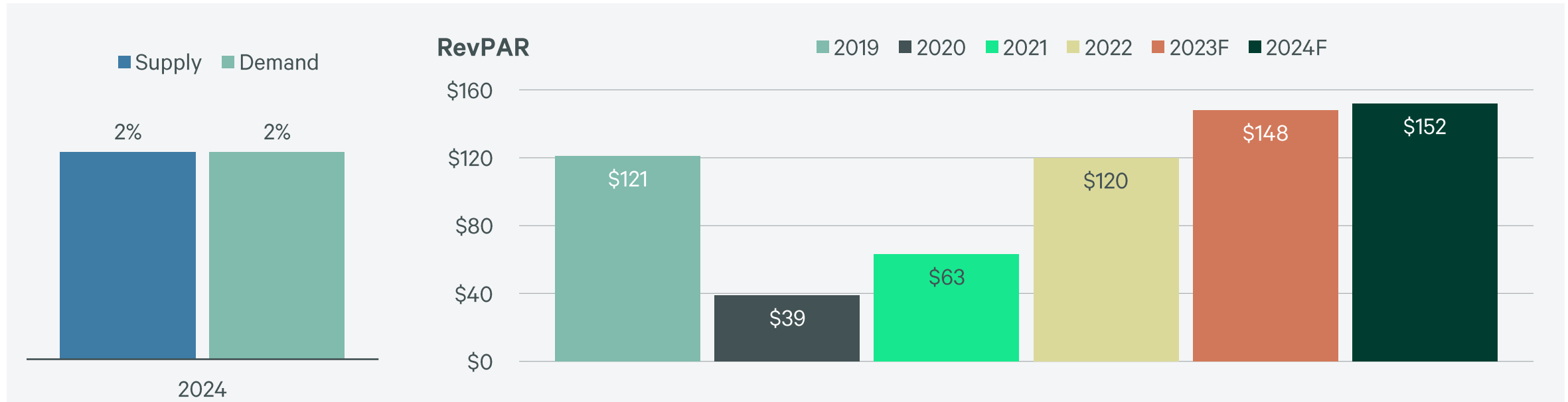


Toronto Airport

3%

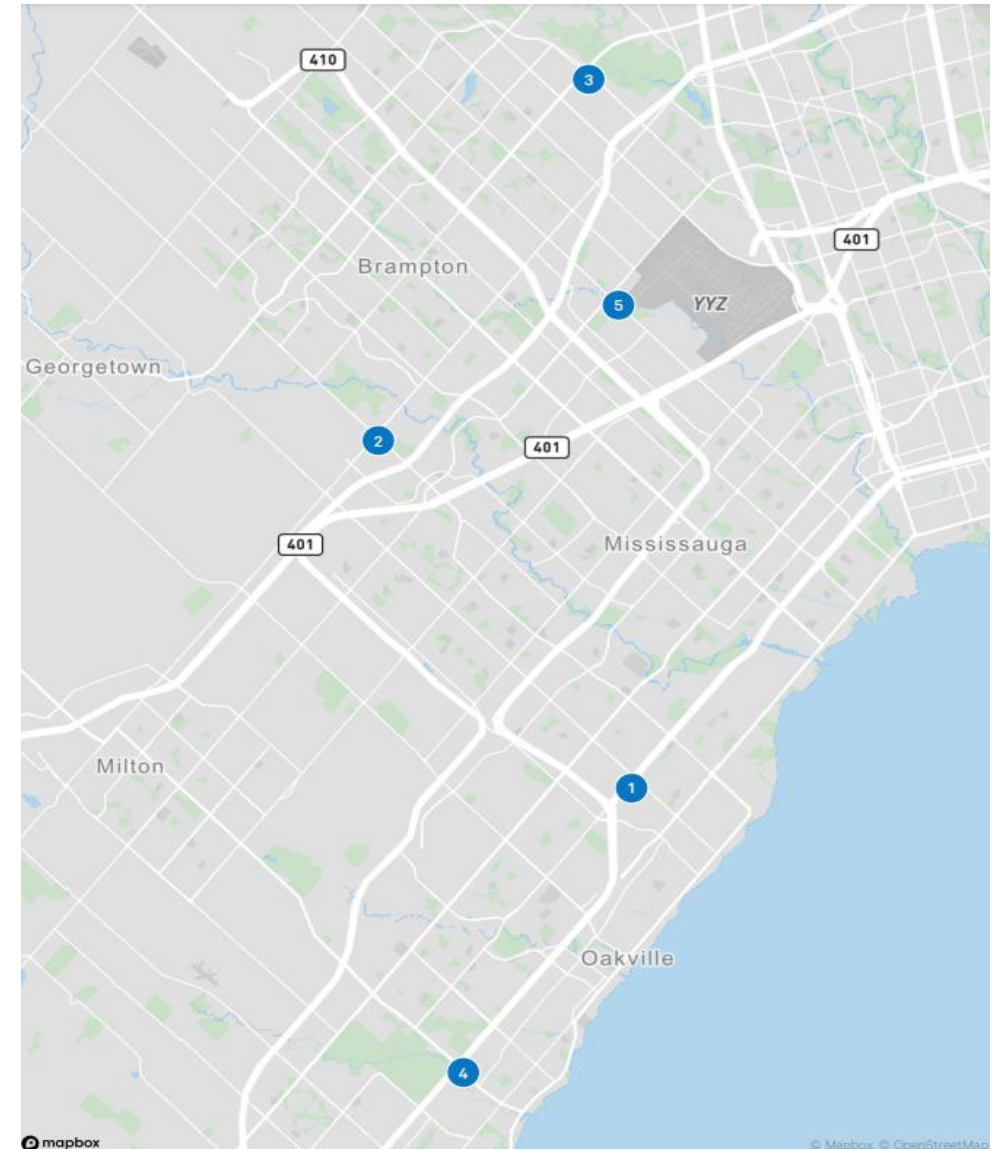
RevPAR Growth vs 2023

	2019	2020	2021	2022	2023F	2024F
Occupancy	78%	29%	49%	74%	79%	79%
ADR	\$156	\$132	\$129	\$163	\$187	\$193
RevPAR	\$121	\$39	\$63	\$120	\$148	\$152



GTA West 2022/2023 Supply

1. Four Points by Sheraton Oakville
2. Holiday Inn Express & Suites Brampton South
3. TownePlace Suites Brampton
4. TownePlace Suites Toronto Oakville
5. Tru by Hilton Toronto Airport West

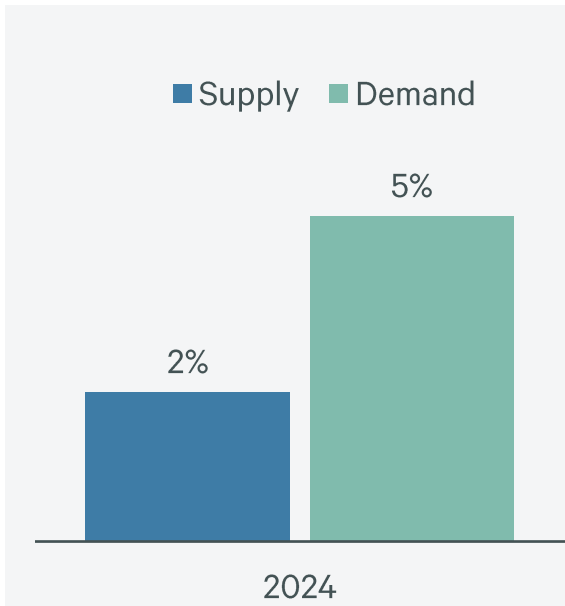


GTA West

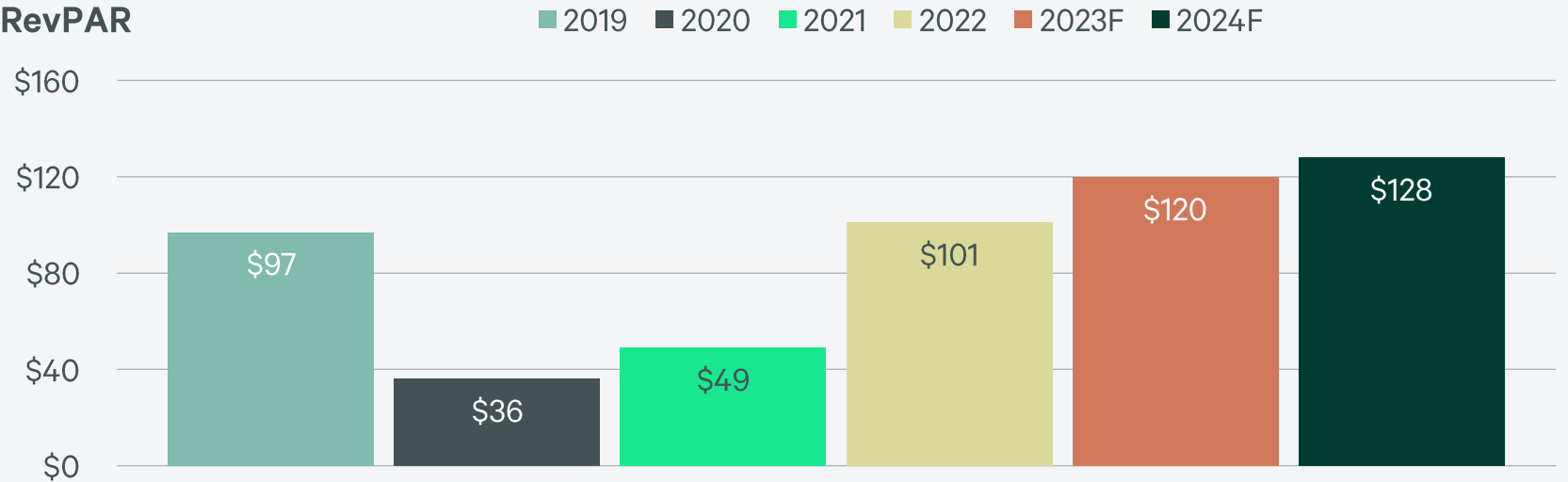
6%

RevPAR Growth vs 2023

	2019	2020	2021	2022	2023F	2024F
Occupancy	72%	34%	47%	67%	72%	74%
ADR	\$134	\$107	\$104	\$151	\$167	\$173
RevPAR	\$97	\$36	\$49	\$101	\$120	\$128

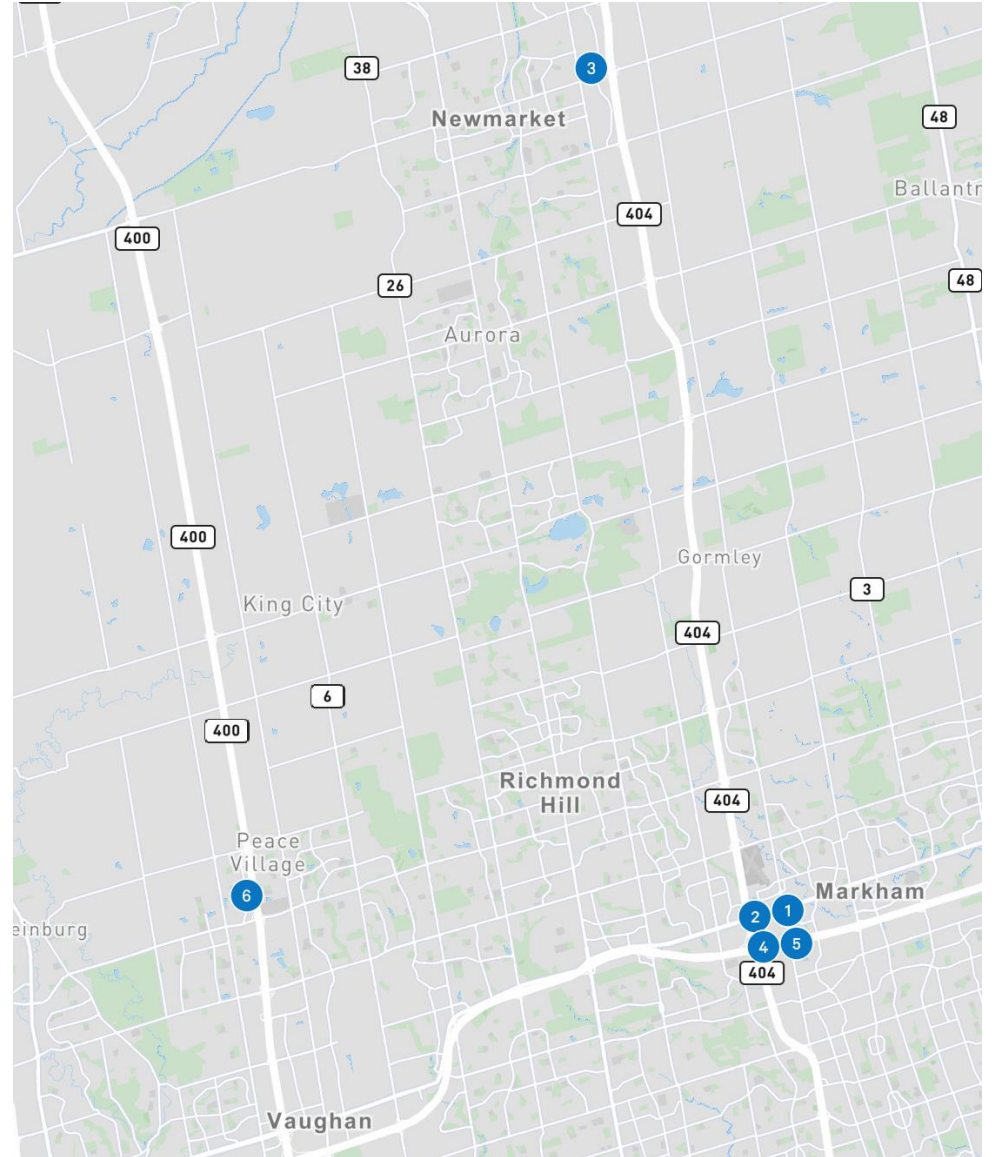


RevPAR



GTA East/North 2023/2024 Supply

1. Delta Toronto Markham
2. Holiday Inn North York
3. Fairfield by Marriott Inn & Suites
Newmarket
4. Sandman Signature Markham
5. Spark by Spark by Hilton Toronto
Markham
6. TownePlace Suites by Marriott
Vaughan

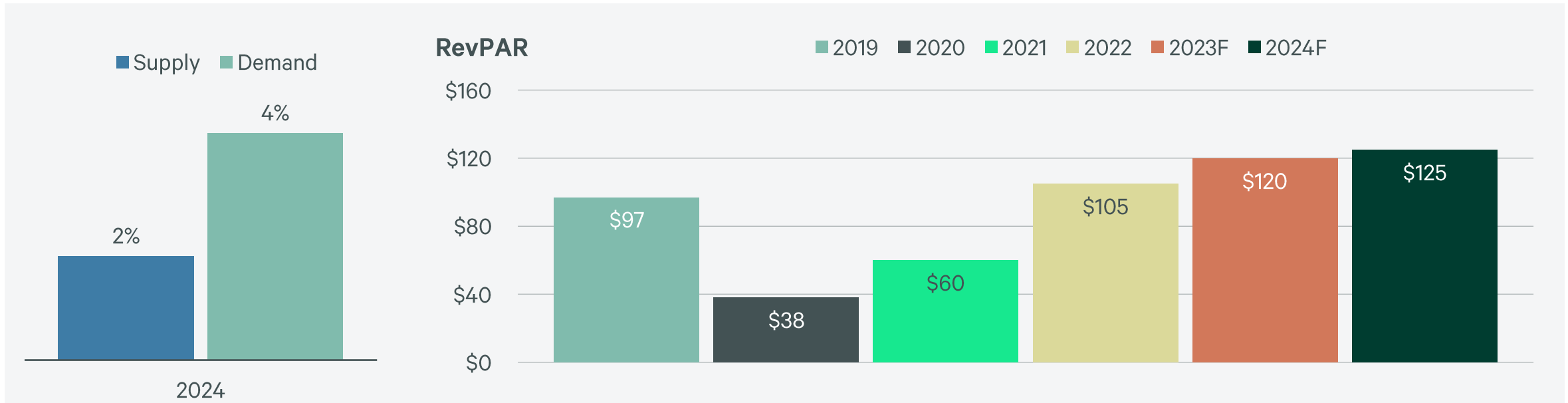


GTA East/North

4%

RevPAR Growth vs 2023

	2019	2020	2021	2022	2023F	2024F
Occupancy	70%	34%	57%	69%	72%	73%
ADR	\$139	\$110	\$106	\$152	\$167	\$171
RevPAR	\$97	\$38	\$60	\$105	\$120	\$125

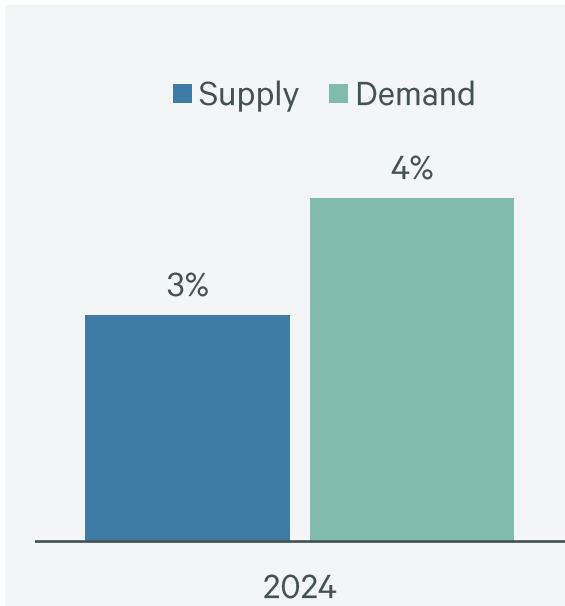


Overall Toronto

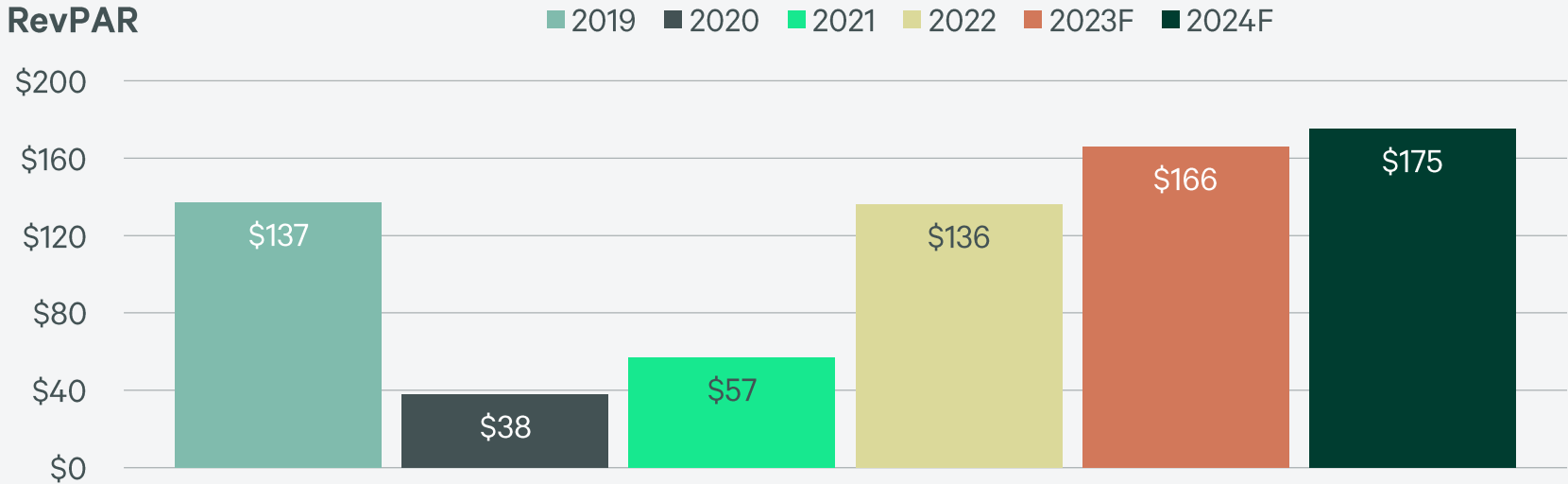
5%

RevPAR Growth vs 2023

	2019	2020	2021	2022F	2023F	2024F
Occupancy	74%	28%	44%	67%	73%	75%
ADR	\$184	\$138	\$131	\$202	\$227	\$235
RevPAR	\$137	\$38	\$57	\$136	\$166	\$175



RevPAR



Ontario Market Outlook

3



Ontario Hotel Supply



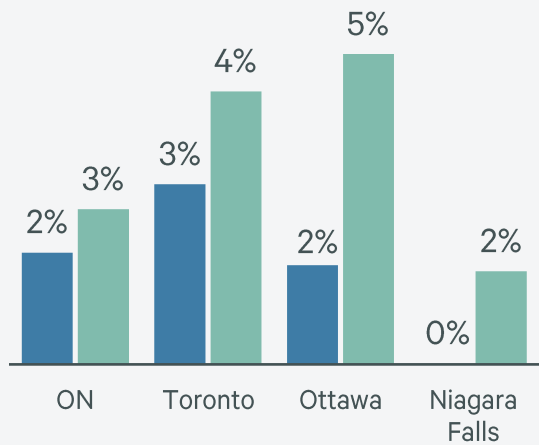
Ontario

4%

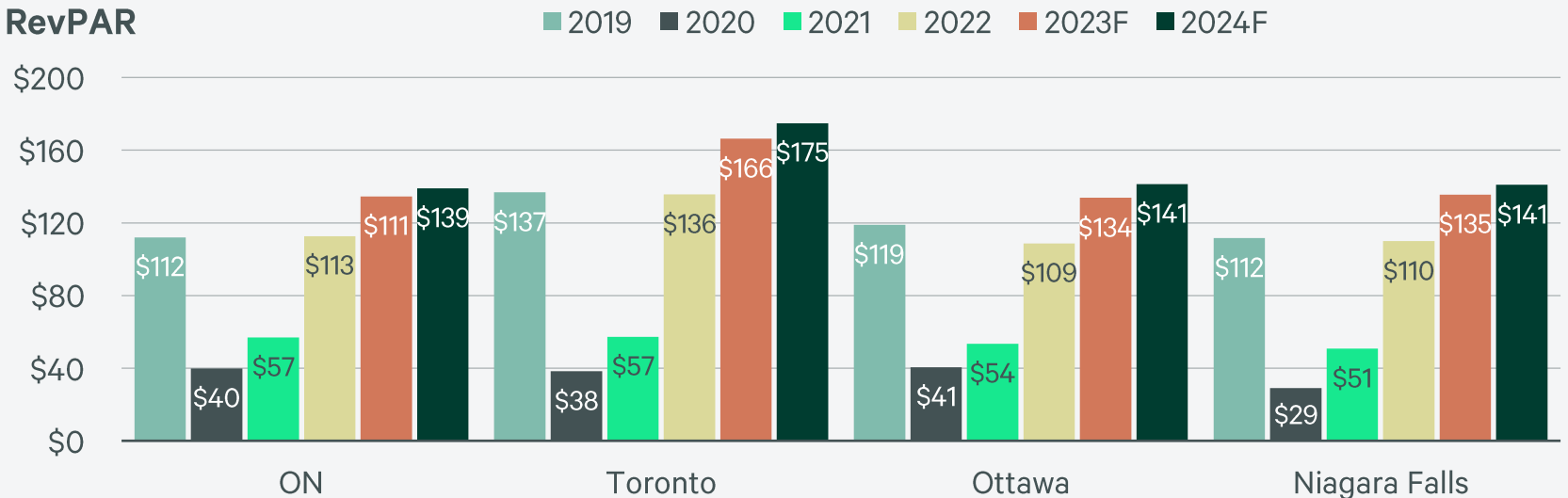
RevPAR Growth vs 2023

	2019	2020	2021	2022	2023F	2024F
Occupancy	69%	32%	44%	63%	69%	69%
ADR	\$163	\$126	\$129	\$179	\$195	\$201
RevPAR	\$112	\$40	\$57	\$113	\$135	\$139

2024 Supply Demand



RevPAR



ON Major Market Outlooks

		2019	2020	2021	2022	2023F	2024F
Toronto	Occupancy	74%	28%	44%	67%	73%	75%
	ADR	\$184	\$138	\$130	\$202	\$227	\$235
	RevPAR	\$137	\$38	\$57	\$136	\$166	\$175
Ottawa	Occupancy	71%	30%	41%	62%	69%	71%
	ADR	\$167	\$136	\$131	\$177	\$194	\$198
	RevPAR	\$119	\$41	\$54	\$109	\$134	\$141
Niagara Falls	Occupancy	67%	25%	33%	55%	67%	68%
	ADR	\$168	\$116	\$156	\$201	\$203	\$207
	RevPAR	\$112	\$29	\$51	\$110	\$135	\$141

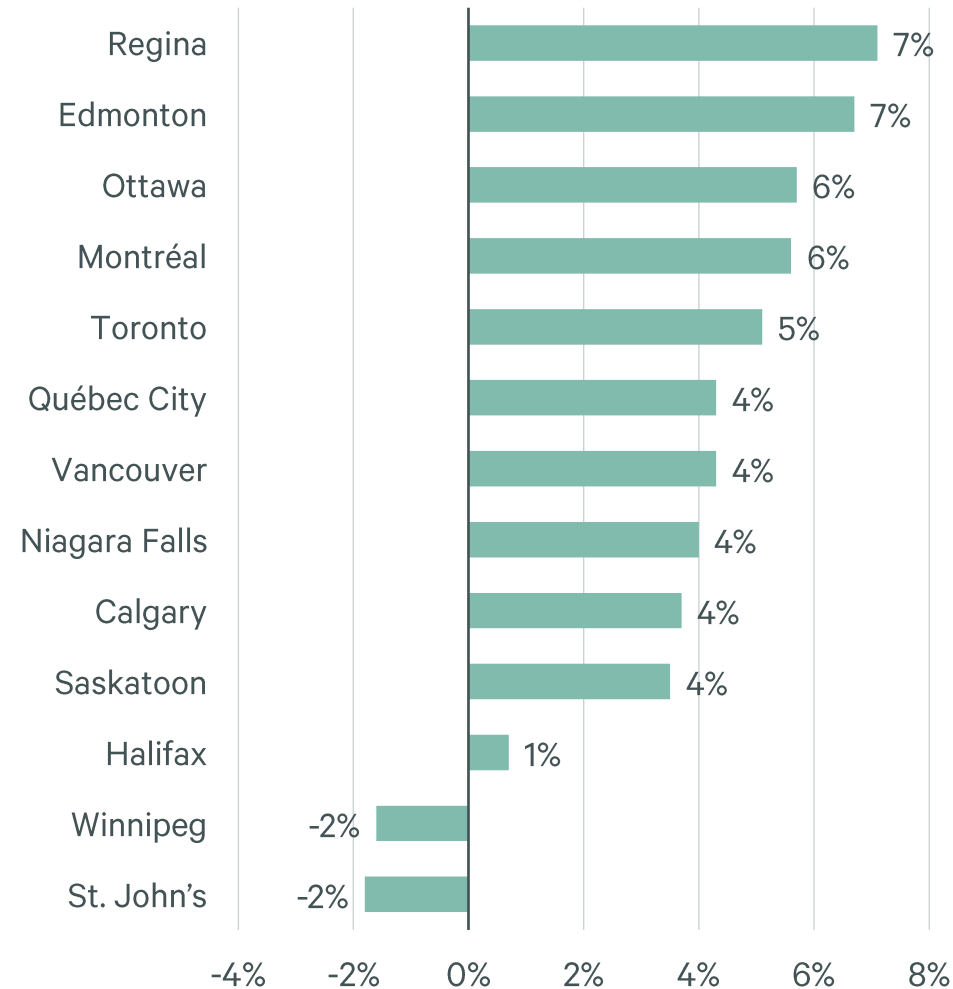
National Outlook

4



2024 Major Market Outlooks RevPAR Projection

2024 RevPAR Growth over 2023

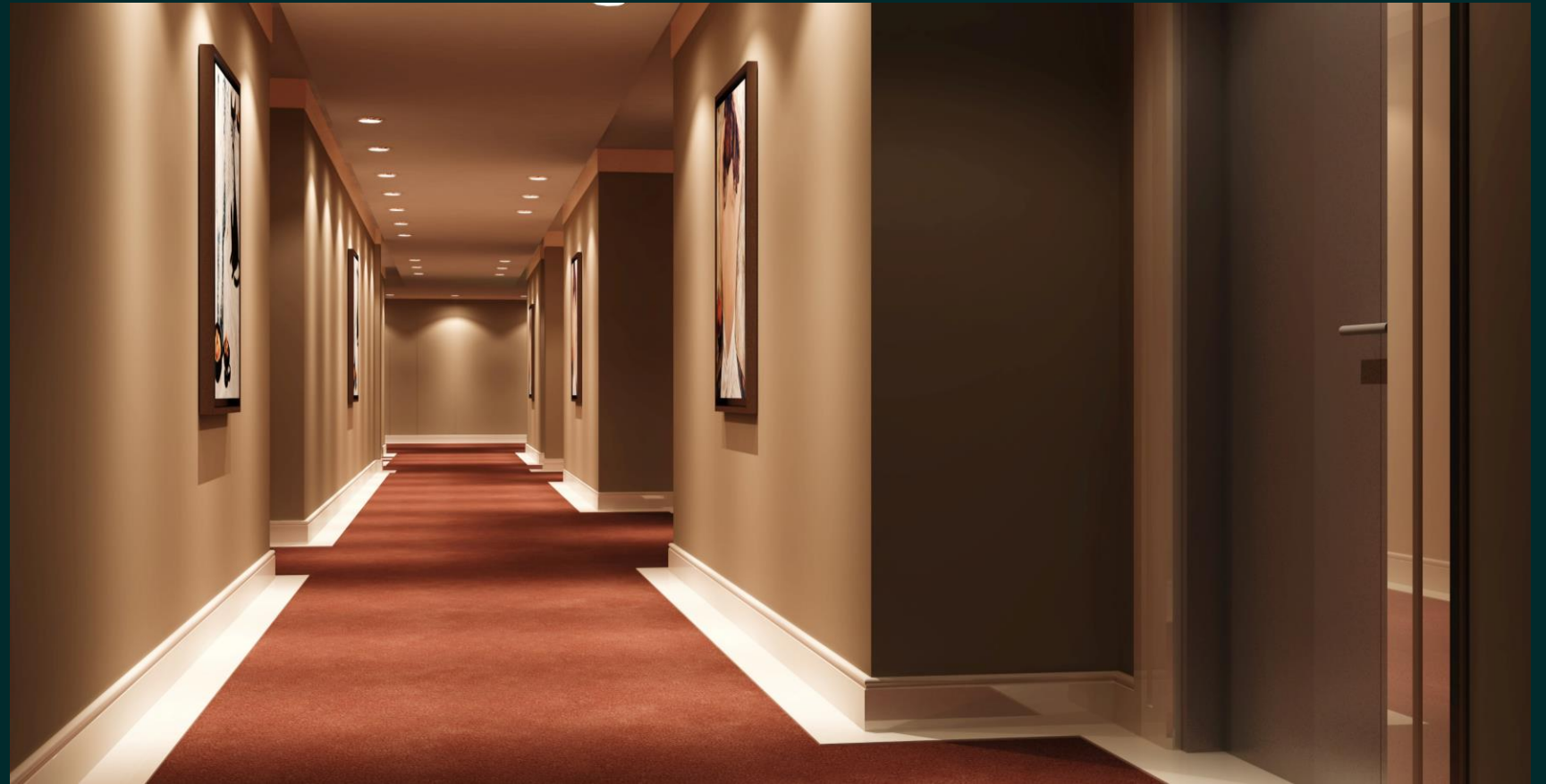


2024 RevPAR Projection Ranking

	RevPAR \$
Vancouver	\$225
Toronto	\$175
Montréal	\$165
Québec City	\$155
Niagara Falls	\$141
Ottawa	\$141
Halifax	\$140
Winnipeg	\$122
Calgary	\$107
St. John's	\$106
Saskatoon	\$91
Edmonton	\$85
Regina	\$80

2023 to 2025 Canadian Outlook

	Indicator			Year Over Year Change				
	Occ	ADR	RevPAR	Supply	Demand	Occ	ADR	RevPAR
HISTORIC								
2019	65%	\$163	\$106	1.4%	0.8%	-1 pt	5%	5%
2020	30%	\$128	\$39	0.7%	-54%	-35 pts	-22%	-64%
2021	41%	\$135	\$56	0.6%	39%	11 pts	5%	45%
2022	61%	\$179	\$109	0.6%	48%	20 pts	33%	95%
OUTLOOK								
2023	66%	\$193	\$128	0.9%	10%	5 pts	8%	17%
2024	67%	\$198	\$133	1.0%	2%	1 pt	3%	4%
2025	68%	\$202	\$137	0.6%	2%	1 pt	2%	4%



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