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2020

GREATER TORONTO HOTEL ASSOCIATION

ACCOMMODATION OUTLOOK

CBRE HOTELS - CANADA

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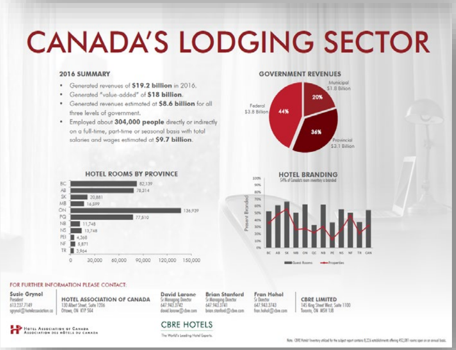

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ECONOMIC & TRAVEL OUTLOOKS

NATIONAL ECONOMIC OUTLOOK 2019-2021

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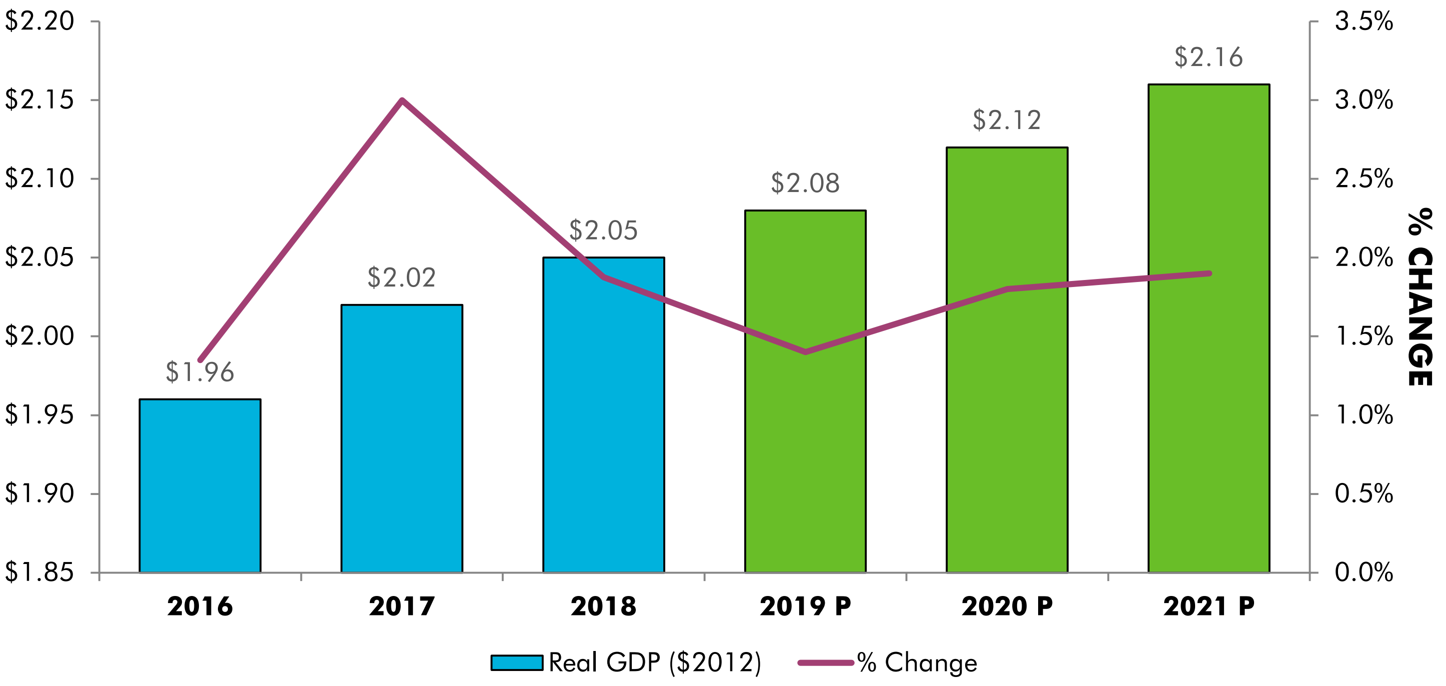

Source: Statistics Canada, Conference Board of Canada, Canadian Outlook Autumn 2019, Scotiabank Group – Global Forecast Update July 2019; CIBC World Markets – Monthly FX Outlook, 2019; RBC – Economic and Financial Market Outlook – 2019

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NATIONAL TRAVEL OUTLOOK 2019-2020

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OVERNIGHT TRAVEL	2018	2019 F	2020 P
Business travel domestic	1.8%	2.1%	2.1%
Pleasure travel domestic	1.8%	1.9%	1.6%
Total domestic travel	1.6%	1.6%	1.5%
U.S. Travel	1.2%	3.2%	2.5%
Overseas travel	1.8%	4.7%	4.8%
TOTAL OVERNIGHT TRAVEL	**1.6%**	**2.0%**	**1.8%**
National Accommodation Demand Growth	2.1%*	1.6%	1.8%

Source: Statistics Canada, TSRC (2017) and ITS (2016); The Conference Board of Canada, Autumn 2018/Winter 2019
**Actual results as per CBRE Hotels*

NATIONAL MARKET & FINANCIAL OUTLOOK

NATIONAL SUPPLY AND DEMAND OUTLOOK

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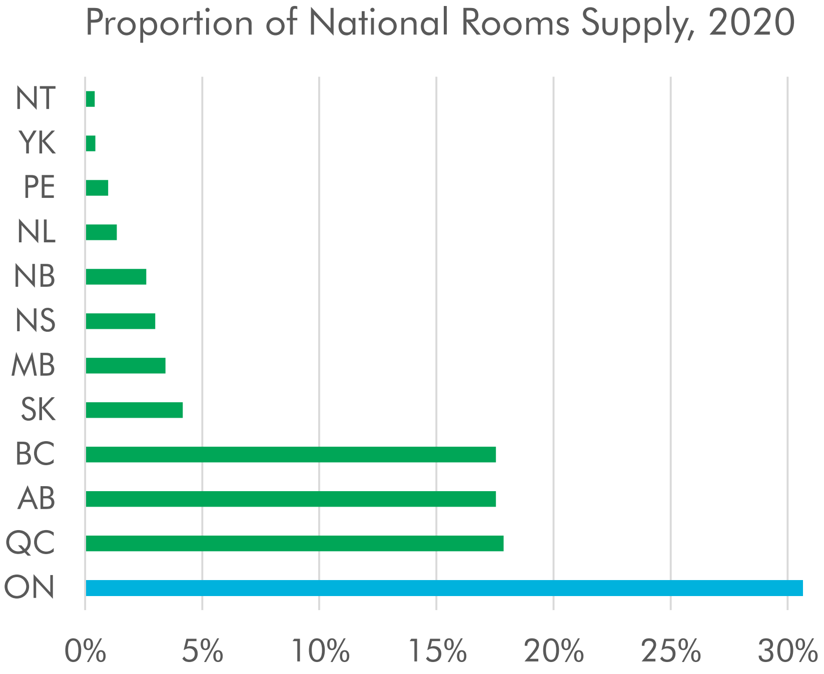

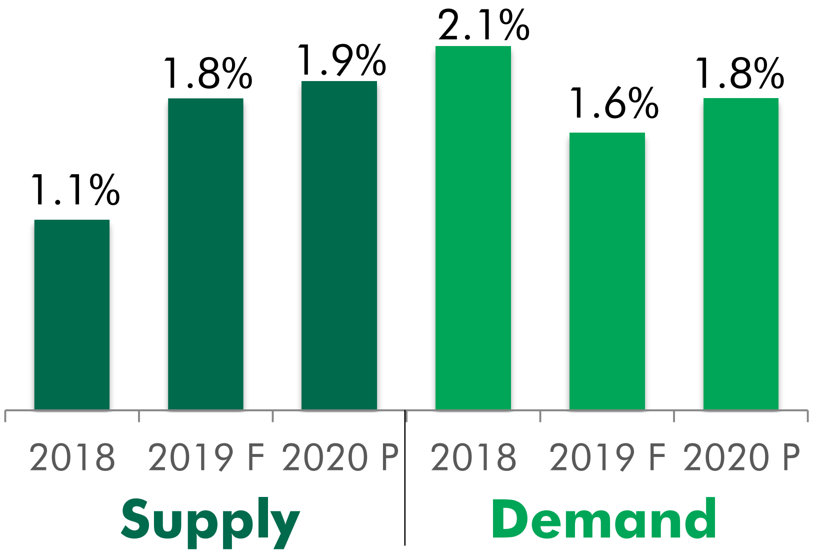

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NATIONAL ADR, REVPAR OUTLOOK

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Demand GROWTH	
2018 Actual	2.1%
2019 Forecast	1.6%
2020 Projection	1.8%

ADR GROWTH	
2018 Actual	4.4%
2019 Forecast	2.5%
2020 Projection	3.0%

RevPAR GROWTH	
2018 Actual	5.5%
2019 Forecast	2.3%
2020 Projection	2.8%

	2017	2018	2019 F	2020 P
Occupancy	66%	66%	66%	66%
ADR	$155	$162	$166	$171
RevPAR	$102	$107	$110	$113

Source: CBRE Hotels' Trends in the Hotel Industry National Market with reproduction and use of information subject to CBRE Limited Disclaimer | Terms of Use as detailed at https://www.cbre.ca/en/real-estate-services/business-lines/valuation-and-advisory-services/hotels-valuation-and-advisory-services/disclaimer

NATIONAL BOTTOM LINE OUTLOOK

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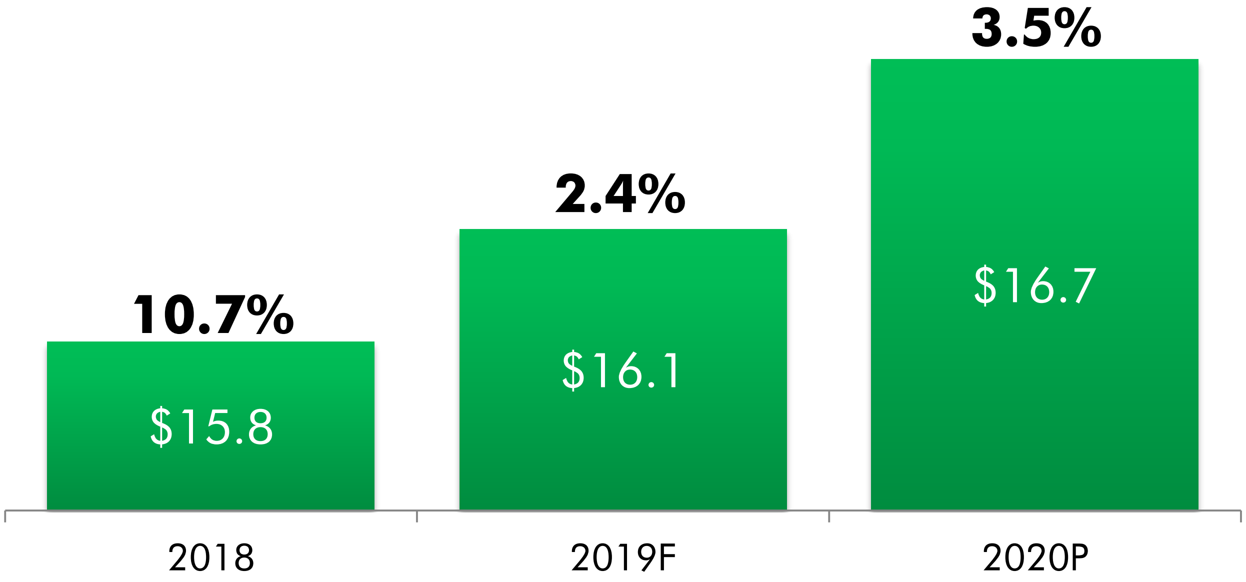
Adjusted Net Operating Income/ Available Room ($000's)



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MAJOR MARKET OUTLOOKS

2020 MAJOR MARKET OUTLOOKS REVPAR PROJECTION

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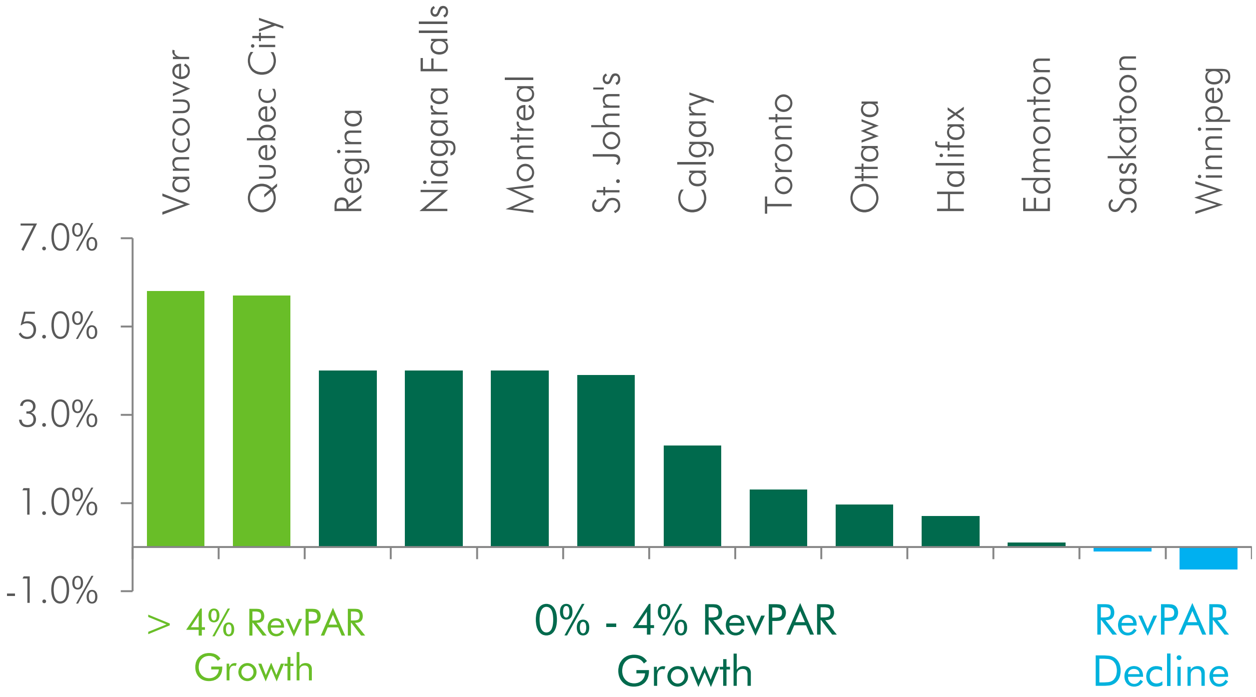

2020 RevPAR Ranking	
Vancouver	$193
Toronto	$142
Montreal	$141
Quebec City	$132
Ottawa	$125
Niagara Falls	$122
Halifax	$110
Calgary	$91
Winnipeg	$90
Saskatoon	$76
St. John's	$73
Edmonton	$73
Regina	$68

"Major Markets" refer to Greater Metro Areas

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ONTARIO MARKET & FINANCIAL OUTLOOKS

ONTARIO – GDP GROWTH

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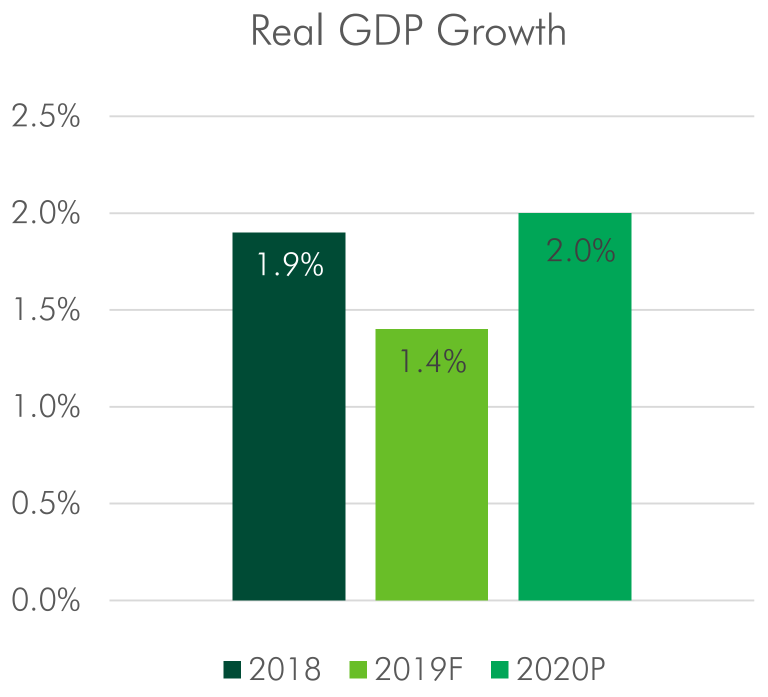
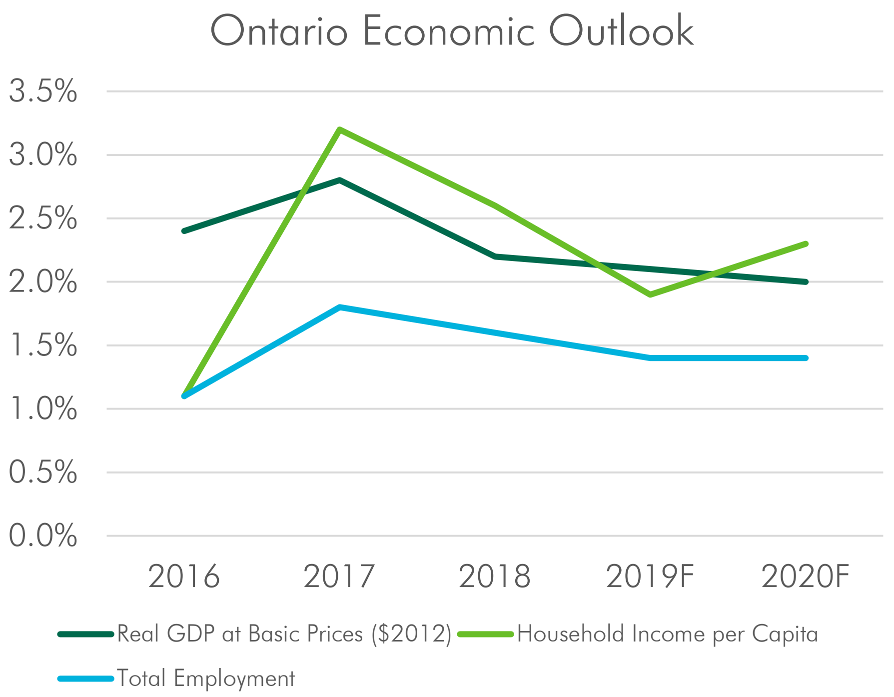


Source: Scotiabank Global Outlook, July 2019



Source: Conference Board of Canada, Metro Outlook 1, Spring 2019

ONTARIO TRAVEL OUTLOOK 2018-2020 F

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OVERNIGHT TRAVEL	2018	2019 F	2020 P
Business travel domestic	1.6%	2.2%	2.5%
Pleasure travel domestic	1.5%	1.8%	1.8%
Total domestic travel	1.4%	1.6%	1.7%
U.S. Travel	-0.8%	3.0%	2.5%
Overseas travel	-2.1%	4.1%	4.3%
TOTAL OVERNIGHT TRAVEL	**1.0%**	**1.9%**	**2.0%**
Accommodation Demand Growth	1.9%*	1.0%	1.5%

Source: Canadian Tourism Research Institute, Conference Board of Canada, Autumn 2018/Winter 2019
**Actual results as per CBRE Hotels*

ONTARIO SUPPLY & DEMAND OUTLOOK

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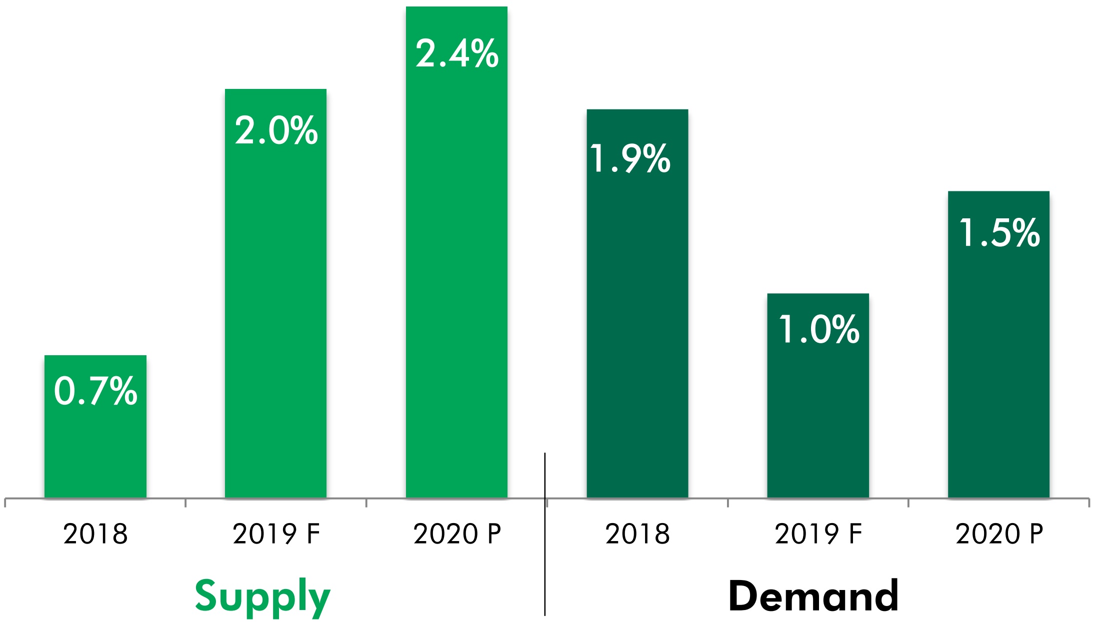

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ONTARIO SUPPLY GROWTH VS. DEMAND GROWTH

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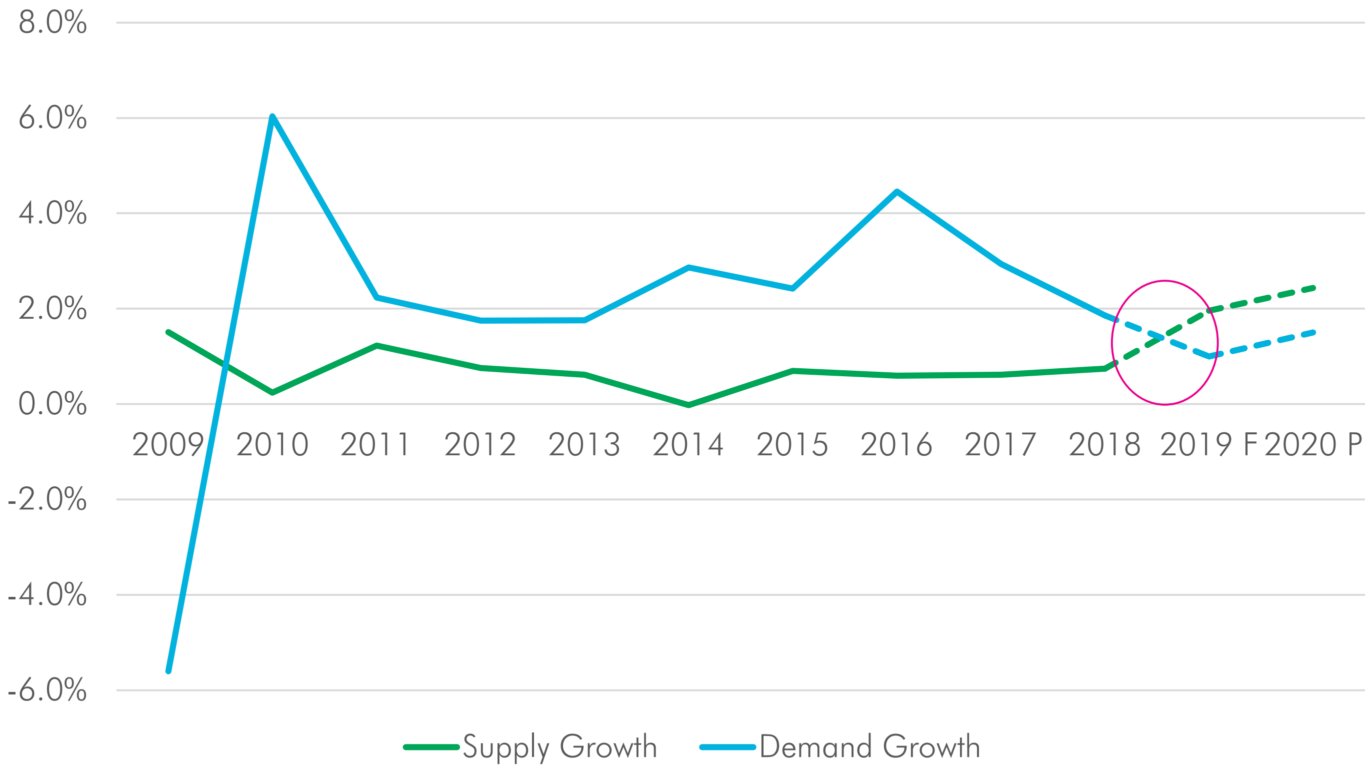

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ONTARIO SUPPLY OUTLOOK 2020

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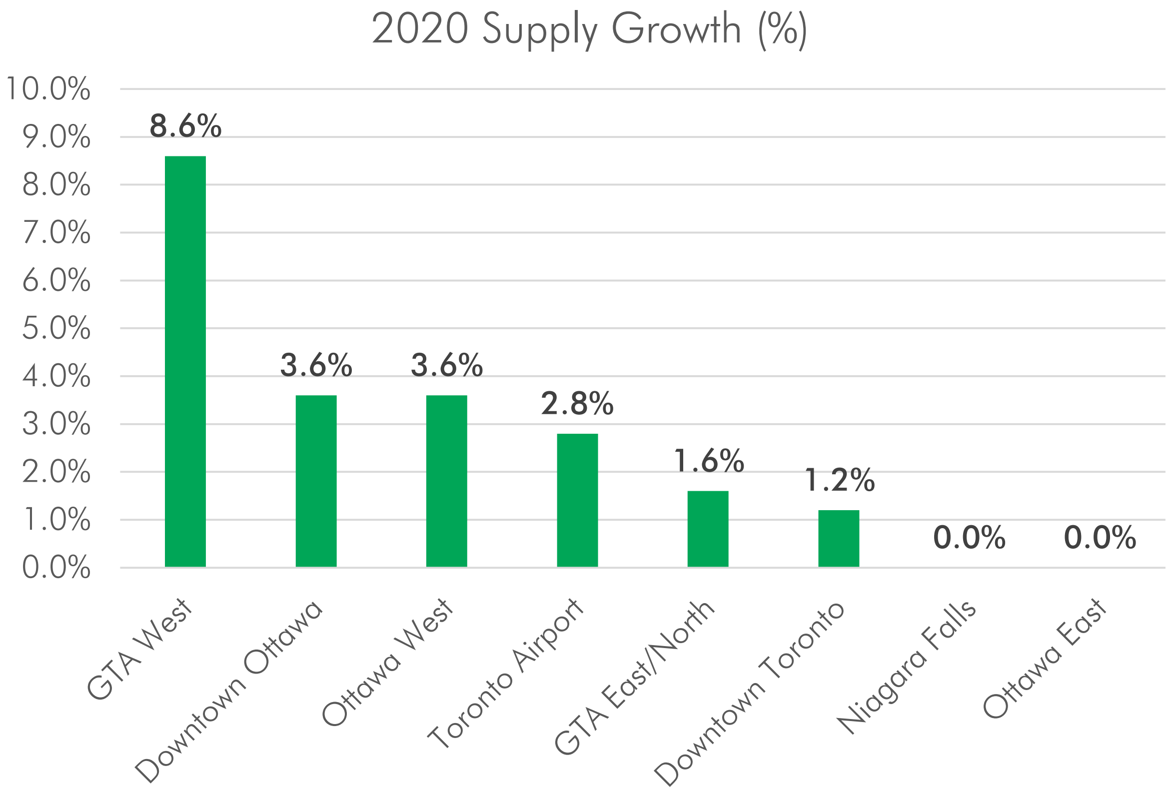

Other Significant Supply Growth Markets (2020)
Belleville/Quinte West/Napanee
Kitchener-Waterloo-Cambridge
Brockville/Kingston
Hamilton/Brantford
Owen Sound/Collingwood/Orillia

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ONTARIO DEMAND, ADR, REVPAR & MARKET OUTLOOK

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Demand GROWTH	
2018 Actual	1.9%
2019 Forecast	1.0%
2020 Projection	1.5%

ADR GROWTH	
2018 Actual	4.7%
2019 Forecast	3.0%
2020 Projection	3.0%

RevPAR GROWTH	
2018 Actual	5.8%
2019 Forecast	2.0%
2020 Projection	2.1%

	2017	2018	2019 F	2020 P
Occupancy	69%	70%	69%	69%
ADR	$155	$162	$167	$172
RevPAR	$107	$113	$116	$118

Source: CBRE Hotels' Trends in the Hotel Industry National Market with reproduction and use of information subject to CBRE Limited Disclaimer | Terms of Use as detailed at https://www.cbre.ca/en/real-estate-services/business-lines/valuation-and-advisory-services/hotels-valuation-and-advisory-services/disclaimer

ONTARIO BOTTOM LINE OUTLOOK

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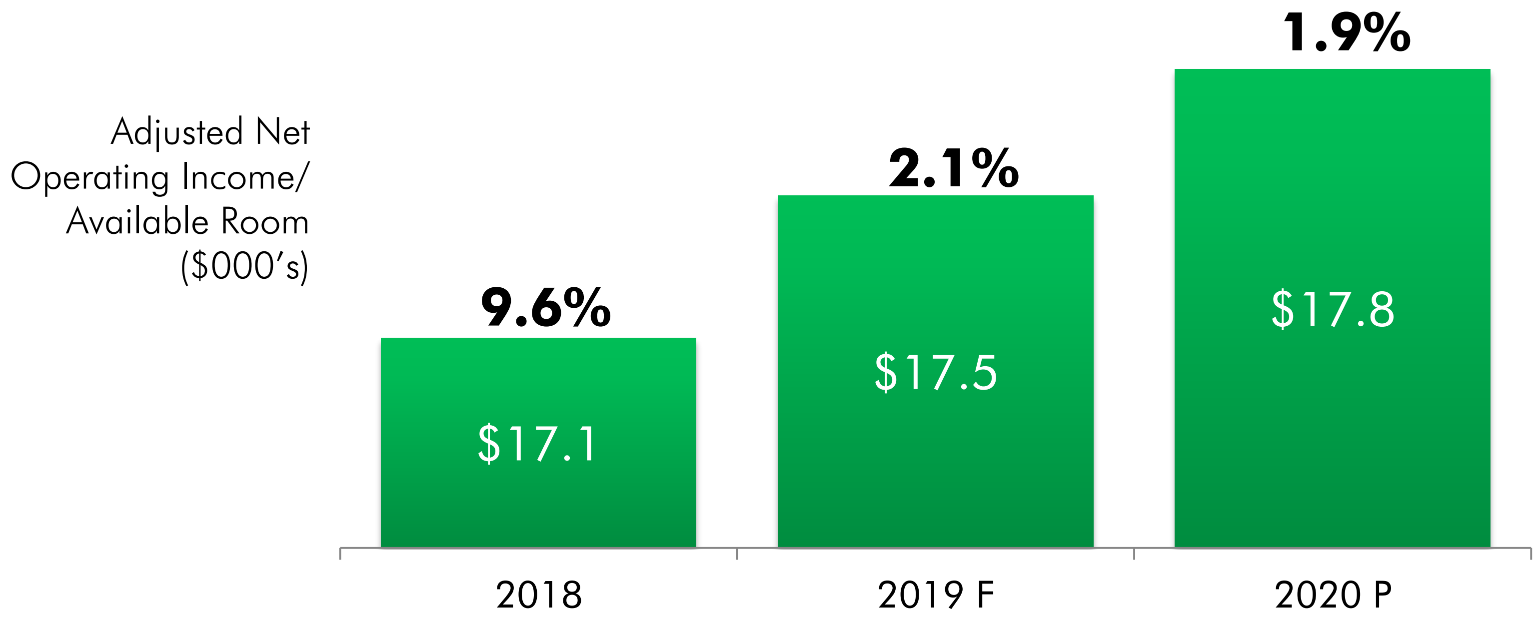

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OTHER ONTARIO MAJOR MARKET OUTLOOKS

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Niagara Falls	2017	2018	2019 F	2020 P
Occupancy	68%	67%	68%	68%
ADR	$161	$167	$173	$180
RevPAR	$109	$112	$117	$122

Ottawa	2017	2018	2019 F	2020P
Occupancy	75%	74%	72%	71%
ADR	$172	$169	$173	$176
RevPAR	$128	$124	$123	$125

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ECONOMIC & TRAVEL OUTLOOKS FOR THE GTA

GTA ECONOMIC INDICATORS

	2018 Actual	2019 Forecast	2020 Forecast
Job Growth	63,400	45,400	65,500
Unemployment Rate	6.1%	5.9%	5.6%
Household Income Per Capita Growth	2.8%	1.6%	2.5%
Housing Starts	41,107	36,850	38,420
GDP Growth	2.4%	2.4%	2.4%

Source: Conference Board of Canada, Metropolitan Outlook I, Spring 2019

Source: CBRE Hotels

MAJOR NEW BUILDS PIPELINE

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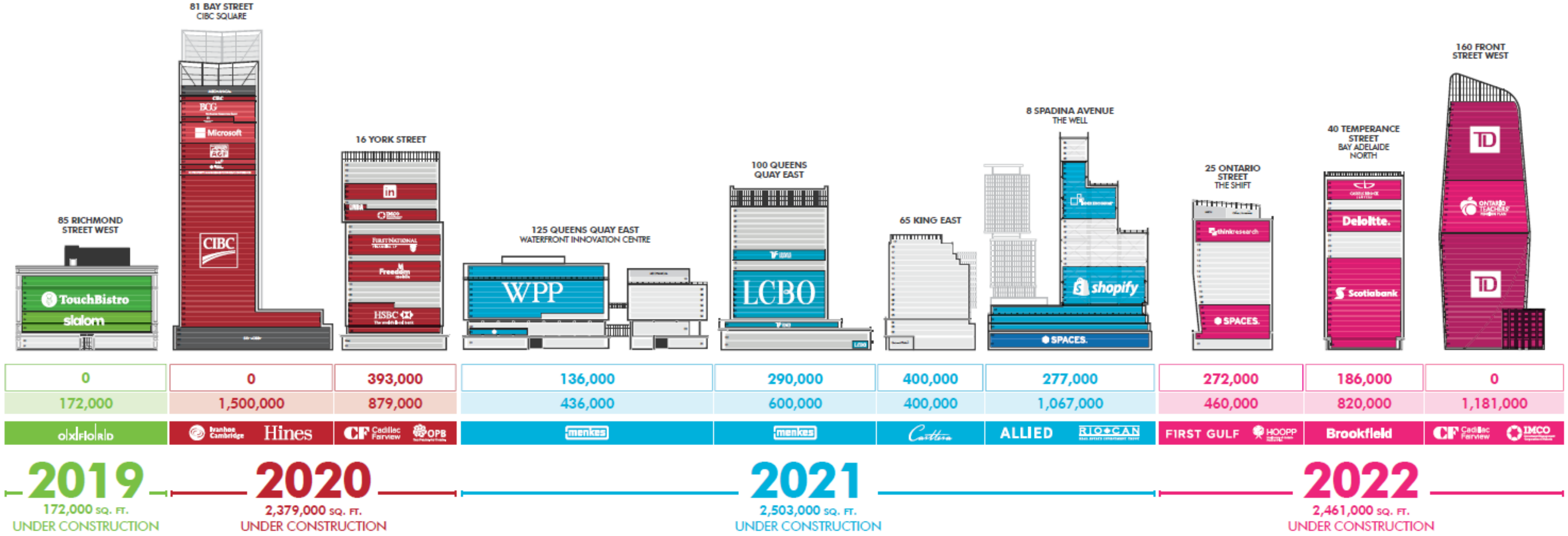

GTA TRAVEL INDICATORS

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OVERNIGHT TRAVEL	2018	2019 F	2020 P
Business travel domestic	2.7%	2.9%	3.2%
Pleasure travel domestic	2.4%	2.0%	1.9%
Total domestic travel	2.3%	1.9%	1.9%
U.S. Travel	-1.0%	3.6%	3.2%
Overseas travel	-0.9%	5.0%	5.2%
TOTAL OVERNIGHT TRAVEL	**1.2%**	**2.6%**	**2.6%**
GTA Accommodation Demand Growth	1.8%*	0.4%	1.8%

*Denotes actual historic performance

Source: Conference Board of Canada, Metropolitan Travel Outlooks, Autumn 2018/Winter 2019 ; CBRE Hotels

GTA AIR PASSENGERS BY AIRPORT

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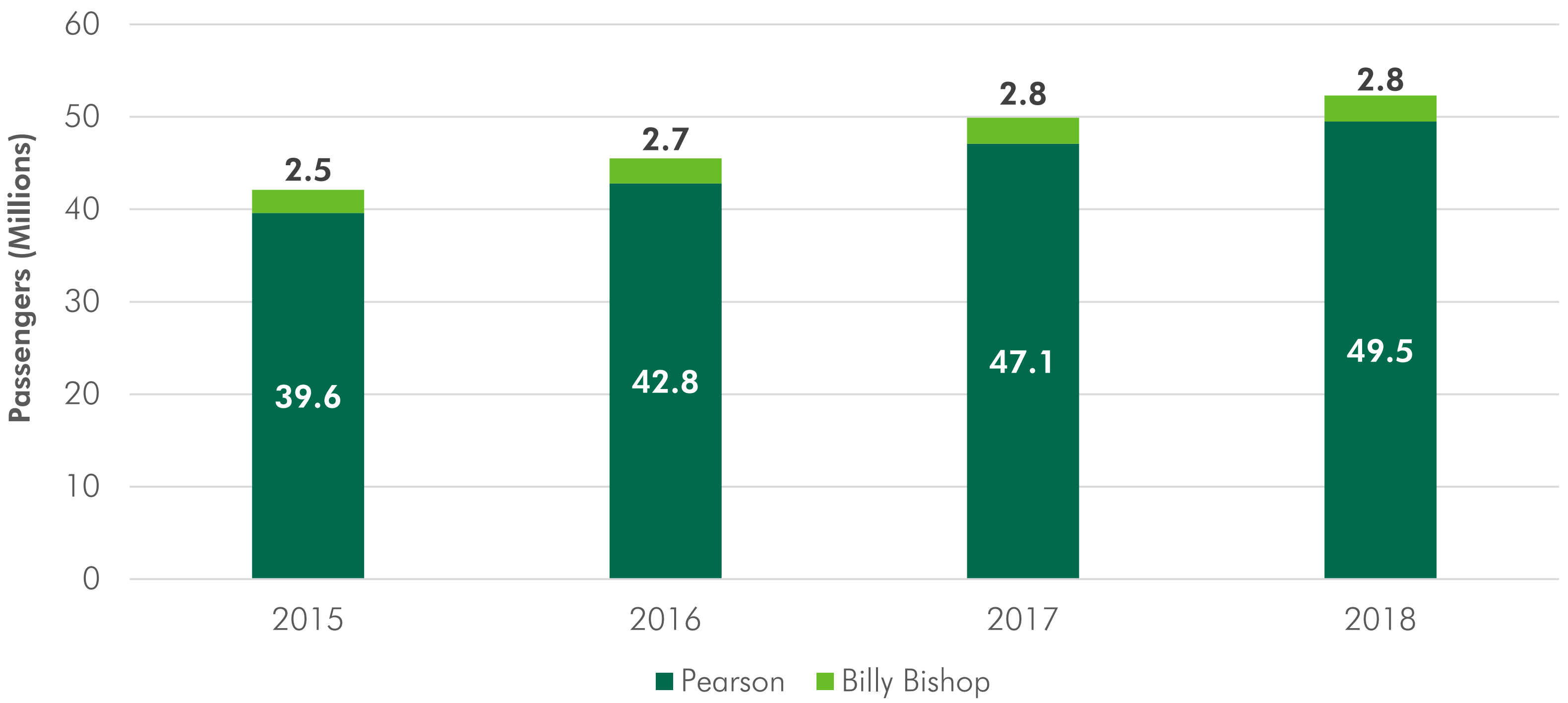

Source: Statistics Canada, GTAA, Ports Toronto

CITY WIDE STATS 2019 AND 2020

44
Events Booked

>269,000
Estimated Delegates

>496,000
Occupied Room Nights

Strong pace 2021 2022 has been identified as a potential "need" year

Source: Tourism Toronto

FUTURE CITY WIDE BOOKING MARCH 2019 – JUNE 2029

96
Future Events Booked

$1.9B
Estimated Economic Impact

586,305
Estimated Delegates

~1.13 million
Estimated Occupied Room Nights

Source: Tourism Toronto

CITYWIDE CONVENTIONS

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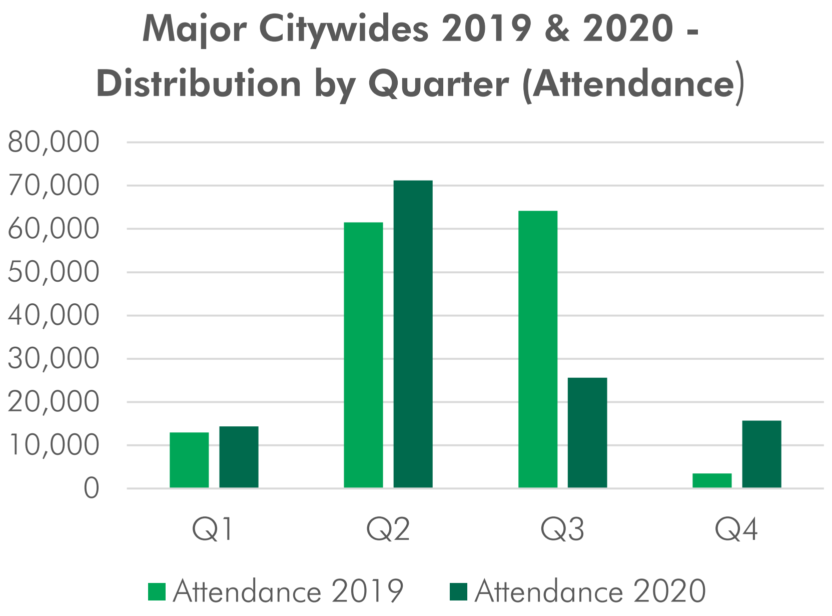

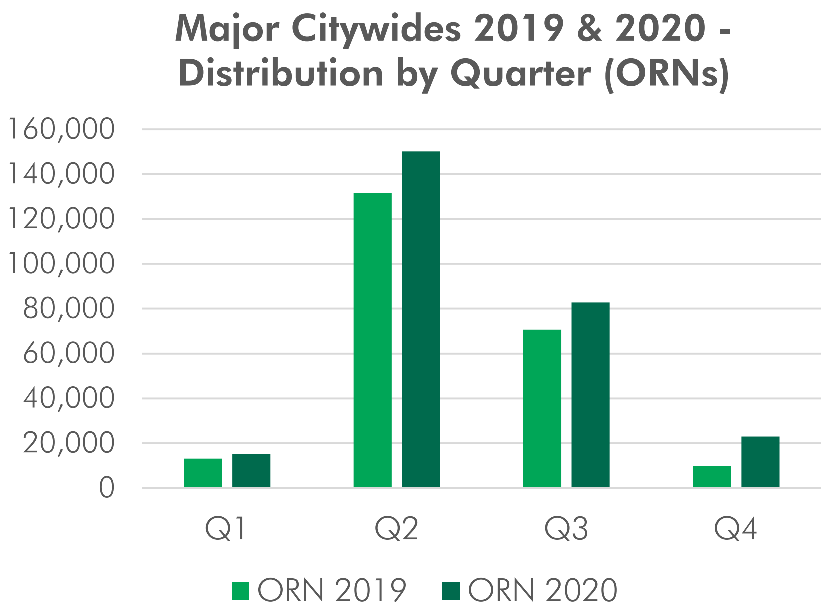

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CITYWIDE DELEGATES

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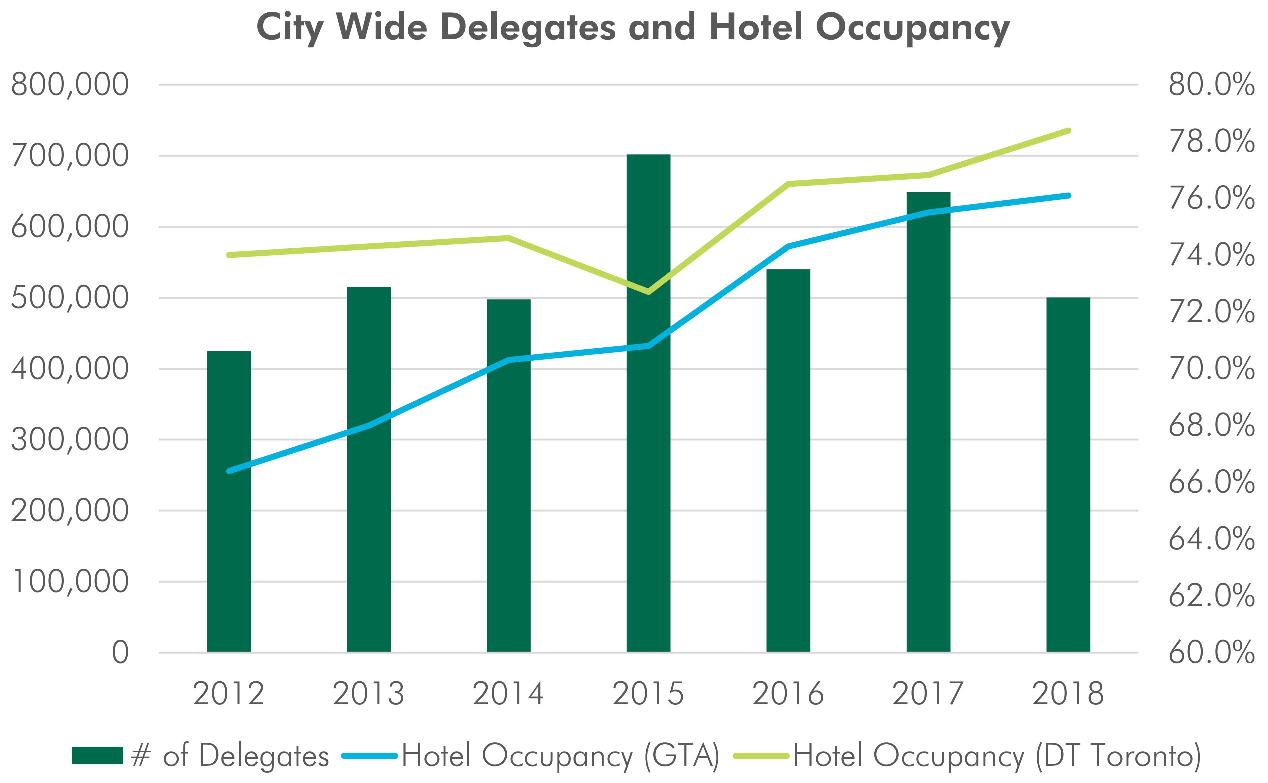

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TOP FIVE CITYWIDE CONVENTIONS 2020 (BY ATTENDANCE)

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Top Five Citywide Conventions - 2020	Attendance	Total Occupied Room Nights
Collision Conference (June 22-25)	30,000	62,100
American Academy of Neurology (Apr 22- May 3)	10,000	36,123
Little Native Hockey League (LNHL) (Mar 14-20)	10,000	5,700
Ontario Volleyball Association – Ontario Championships (Apr 15-21)	7,200	6,154
IMM International (Aug 8- 11)	7,000	16,800

Source: Tourism Toronto, August 2019; CBRE Hotels

GTA OVERALL & SUB-MARKETS MARKET & FINANCIAL OUTLOOKS

MARKET OUTLOOKS - DOWNTOWN TORONTO

1 Drake Hotel (Expansion)
2 Kimpton St. George
3 Hotel X
4 Park Hyatt
5 51 Camden
6 King Blue

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MARKET OUTLOOKS – DOWNTOWN TORONTO

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	2017	2018	2019 F	2020 P
Downtown				
Rooms	17,126	17,050	17,274	17,489
Occupancy	77%	78%	78%	78%
ADR	$236	$251	$256	$264
RevPAR	$181	$197	$199	$205
% Change				
Supply	0.2%	-0.4%	1.3%	1.2%
Demand	0.6%	1.6%	0.5%	1.0%
ADR	8.2%	6.3%	2.0%	3.0%
RevPAR	8.6%	8.5%	1.2%	2.8%

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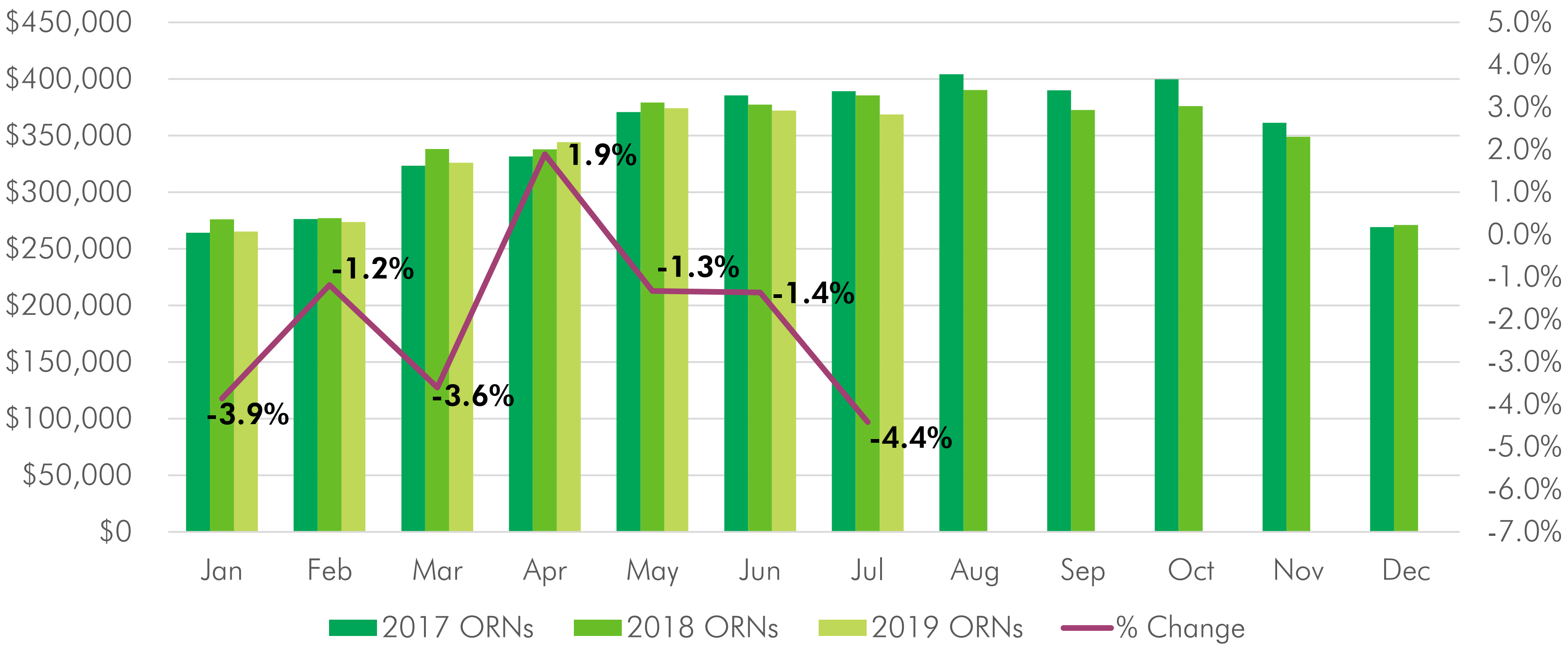
DOWNTOWN TORONTO HOTEL DEMAND



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TORONTO AIRPORT

1 Four Points – Toronto Airport East (Conversion)
2 Element Toronto Airport

MARKET OUTLOOKS – GTA AIRPORT

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	2013	2017	2018	2019 F	2020 P
Airport					
Rooms	8,121	8,121	8,653	8,651	8,895
Occupancy	71%	78%	79%	78%	78%
ADR	$107	$142	$154	$158	$162
RevPAR	$76	$110	$121	$123	$126
% Change					
Supply	*0.0%**	0.0%	6.6%	0.0%	2.8%
Demand	*17.7%**	1.1%	8.0%	-0.5%	2.0%
ADR	*43.6%**	12.2%	8.2%	2.5%	3.0%
RevPAR	*58.7%**	13.4%	9.7%	2.0%	2.2%

**percentage change from 2013 to 2018*

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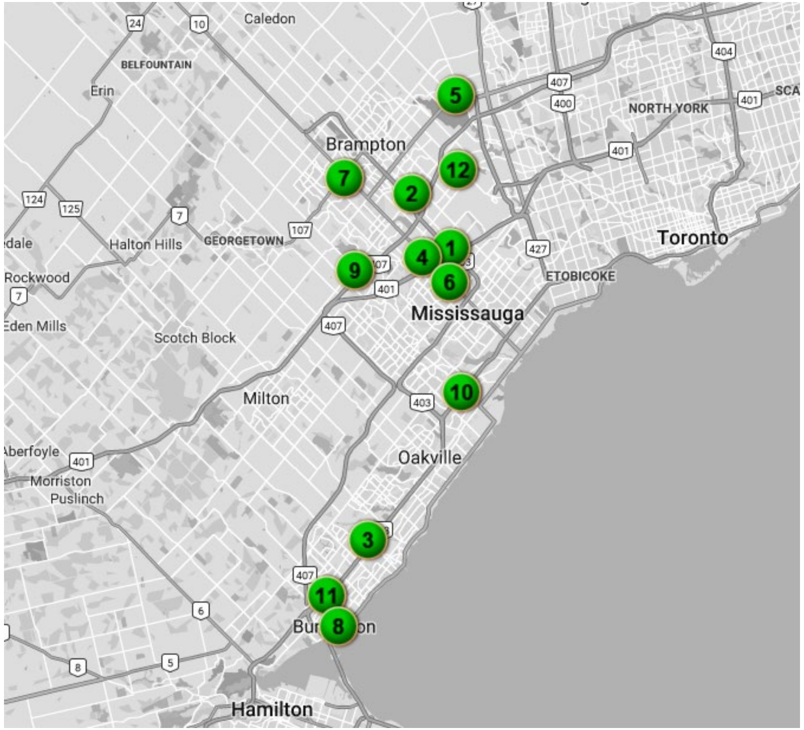
MARKET OUTLOOKS – GTA WEST

1 Holiday Inn - Mississauga Toronto West
2 Home2 Suites & Hilton Garden Inn Brampton
3 Courtyard Burlington
4 Residence Inn Courtney Park Mississauga
5 Park Inn by Radisson Brampton
6 Hyatt Place Mississauga Centre
7 The Pearle Hotel & Spa, Autograph Collection
8 Holiday Inn Express - Mississauga
9 Residence Inn Toronto Mississauga Southwest - Erin Mills
10 Delta Hotels Toronto Mississauga
11 Hampton Inn & Suites Burlington
12 Chandni, a BW Signature Collection Hotel - Mississauga



MARKET OUTLOOKS – GTA WEST

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	2017	2018	2019 F	2020 P
West				
Rooms	8,459	8,564	9,019	9,793
Occupancy	75%	75%	72%	68%
ADR	$125	$134	$137	$140
RevPAR	$93	$100	$99	$95
% Change				
Supply	0.9%	1.2%	5.3%	8.6%
Demand	3.3%	1.4%	1.5%	3.0%
ADR	6.5%	7.0%	2.5%	2.0%
RevPAR	9.0%	7.2%	-1.2%	-3.2%

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MARKET OUTLOOKS – GTA EAST/NORTH

1 Comfort Inn & Suites - Bowmanville
2 Toronto Marriott Markham Hotel
3 Courtyard/TownePlace Suites Oshawa
4 Microtel Inn & Suites - Aurora
5 Tru by Hilton Markham

MARKET OUTLOOKS – GTA EAST/NORTH

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	2017	2018	2019 F	2020 P
East/North				
Rooms	10,617	10,684	10,942	11,117
Occupancy	73%	72%	71%	71%
ADR	$131	$138	$141	$144
RevPAR	$96	$100	$99	$102
% Change				
Supply	0.7%	0.6%	2.4%	1.6%
Demand	4.0%	-0.2%	0.0%	2.0%
ADR	7.2%	4.9%	2.0%	2.5%
RevPAR	10.8%	4.0%	-0.4%	2.9%

Source: CBRE Hotels' Trends in the Hotel Industry National Market with reproduction and use of information subject to CBRE Limited Disclaimer | Terms of Use as detailed at https://www.cbre.ca/en/real-estate-services/business-lines/valuation-and-advisory-services/hotels-valuation-and-advisory-services/disclaimer

TORONTO SUPPLY AND DEMAND OUTLOOK

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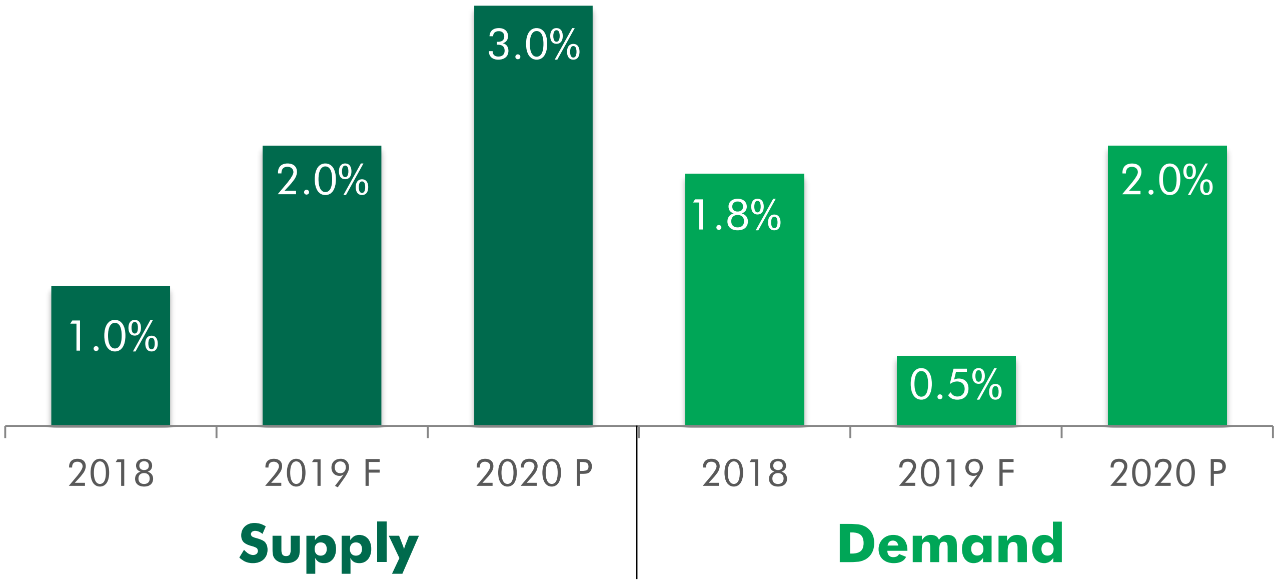

Source: CBRE Hotels

MARKET OUTLOOKS – GTA OVERALL

CBRE HOTELS
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	2017	2018	2019 F	2020 P
Total GTA				
Rooms	44,503	44,951	45,886	47,294
Occupancy	76%	76%	75%	74%
ADR	$172	$183	$187	$192
RevPAR	$130	$139	$140	$142
% Change				
Supply	0.4%	1.0%	2.1%	3.1%
Demand	2.1%	1.8%	0.4%	1.8%
ADR	7.9%	6.0%	2.2%	2.6%
RevPAR	9.7%	6.9%	0.5%	1.3%

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SEASONALITY 2017, 2018, AND YTD JULY 2019

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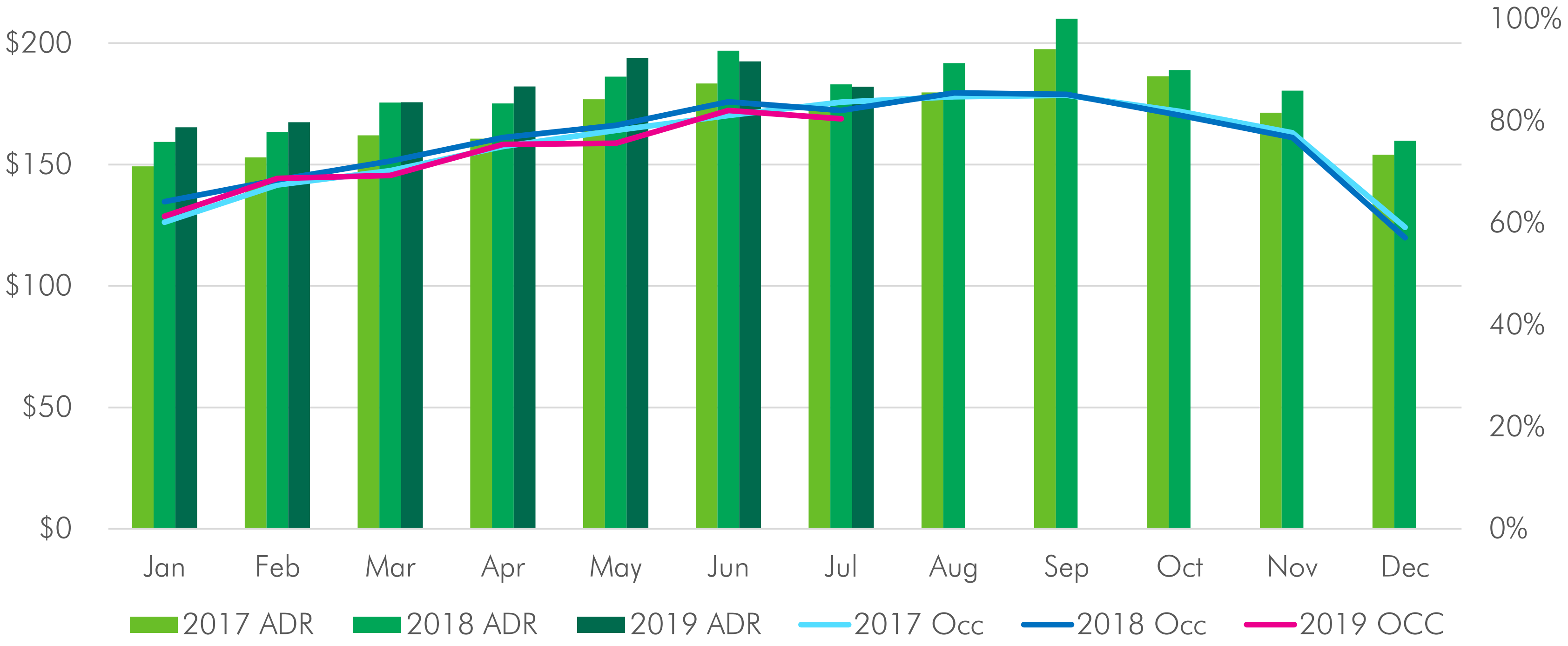

Source: CBRE Hotels

NORTH AMERICAN MAJOR CITY COMPARISON 2019

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	New York		Boston		Chicago	
Occupancy	86%	Δ -1.5%	75%	Δ -1.6%	70%	Δ 0.3%
ADR	$255	Δ -2.7%	$203	Δ 1.9%	$148	Δ -0.3%
RevPAR	$219	Δ -4.1%	$151	Δ 0.3%	$103	Δ 0.0%

	Downtown Toronto CAD	Downtown TO USD	2019F Δ
Occupancy	78%	78%	Δ -0.6%
ADR	$256	$193	Δ 2.0%
RevPAR	$199	$150	Δ 1.2%

Source: CBRE Hotels

Source: CBRE Hotels' Trends in the Hotel Industry National Market with reproduction and use of information subject to CBRE Limited Disclaimer | Terms of Use as detailed at https://www.cbre.ca/en/real-estate-services/business-lines/valuation-and-advisory-services/hotels-valuation-and-advisory-services/disclaimer

FINANCIAL OUTLOOK - GTA

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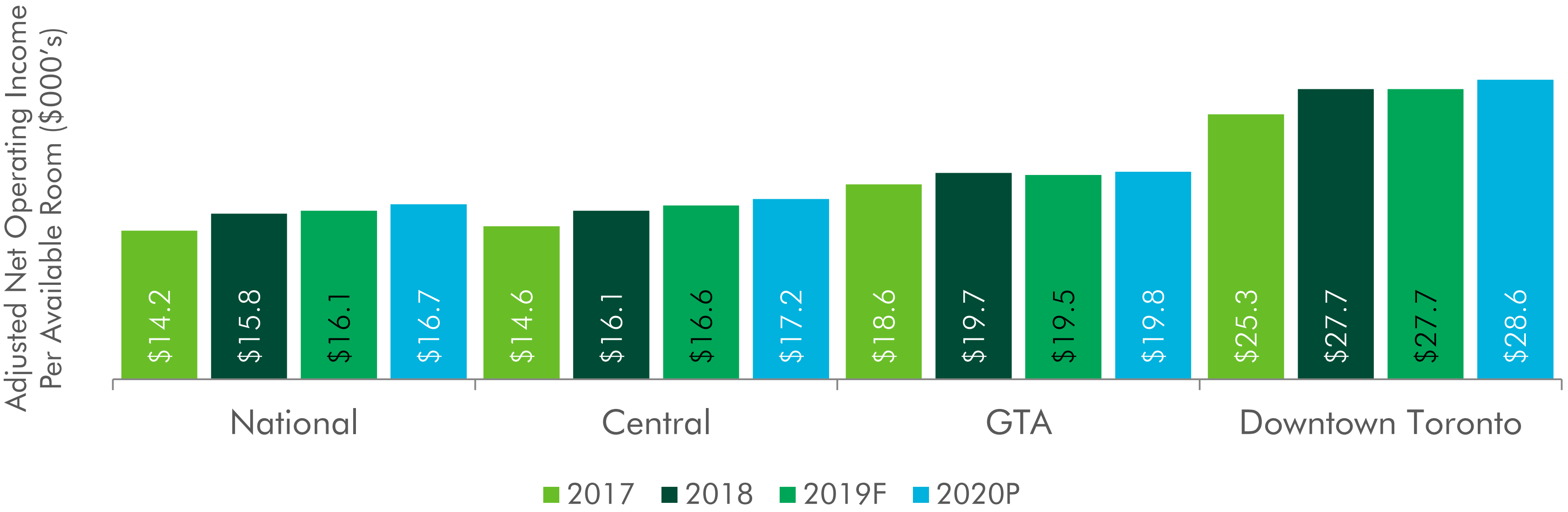

NOTE: Adjusted Net Operating Income is defined as income after property taxes, insurance, management fees, franchise fees, and capital reserves; but before rent, interest, income taxes, depreciation and amortization.
Source: CBRE Hotels

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