

June 10, 2020



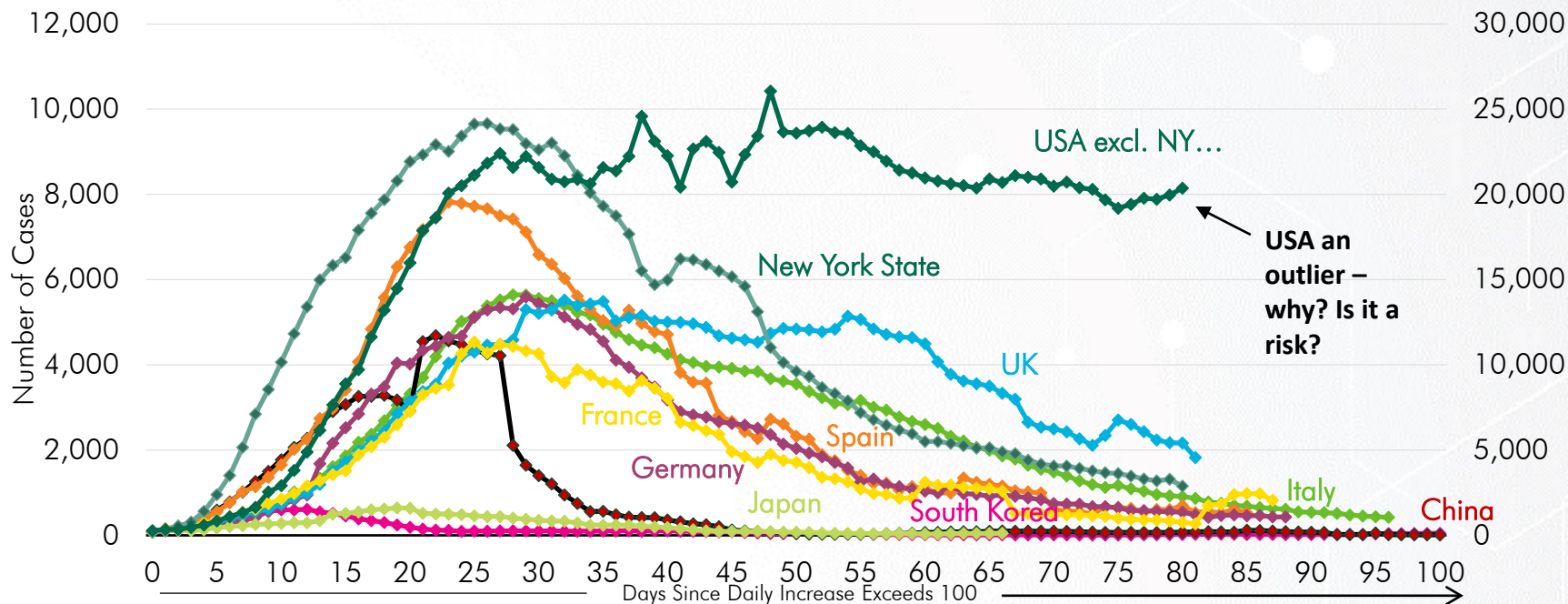
## HOTEL OUTLOOK

# NAVIGATING THE STORM FINDING SAFE HARBOR

**CBRE**

# PAST PEAK NEW INFECTIONS

Daily new cases in 7-day moving averages

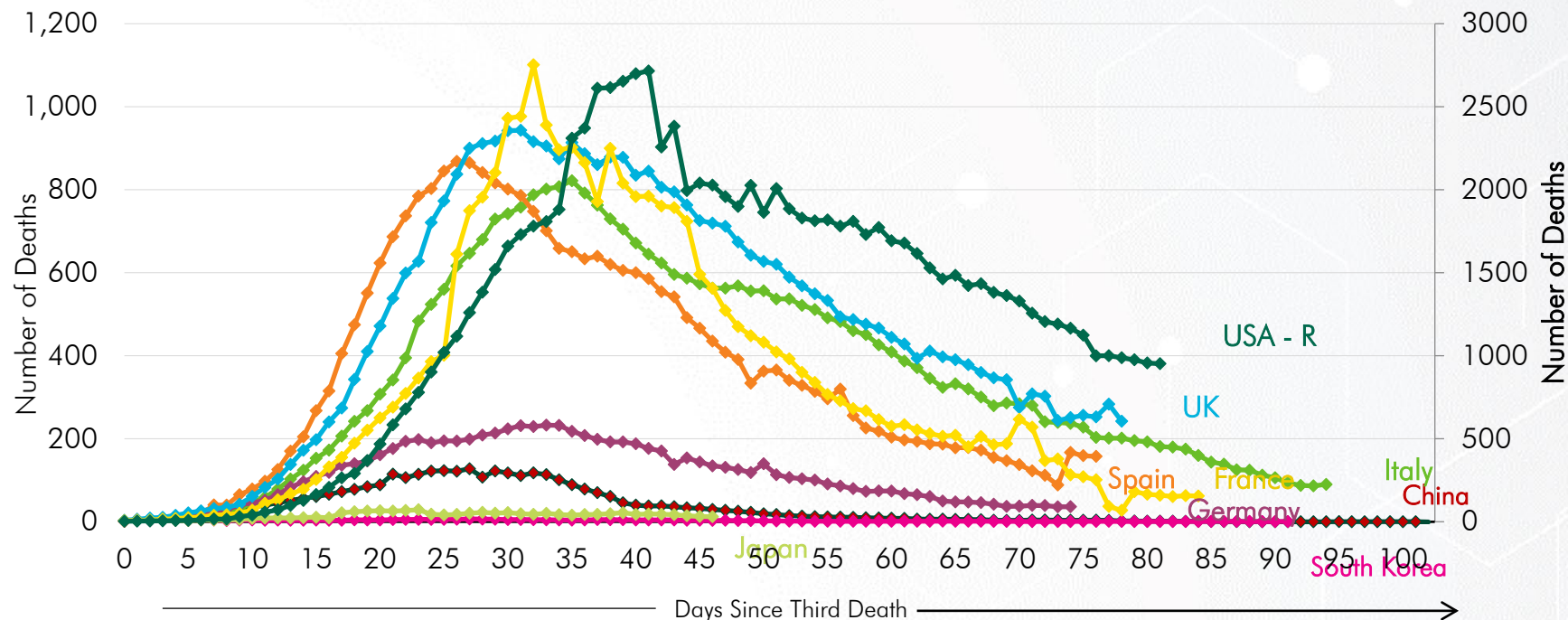


USA an outlier – why? Is it a risk?

Source: CBRE Research, European Centre for Disease Prevention, COVID Tracking Project, Macrobond, 3 Jun 2020.  
Note: Number reported as a 7-day moving average.

## ...AND FATALITIES

Daily new deaths, by number of days since 3 daily deaths

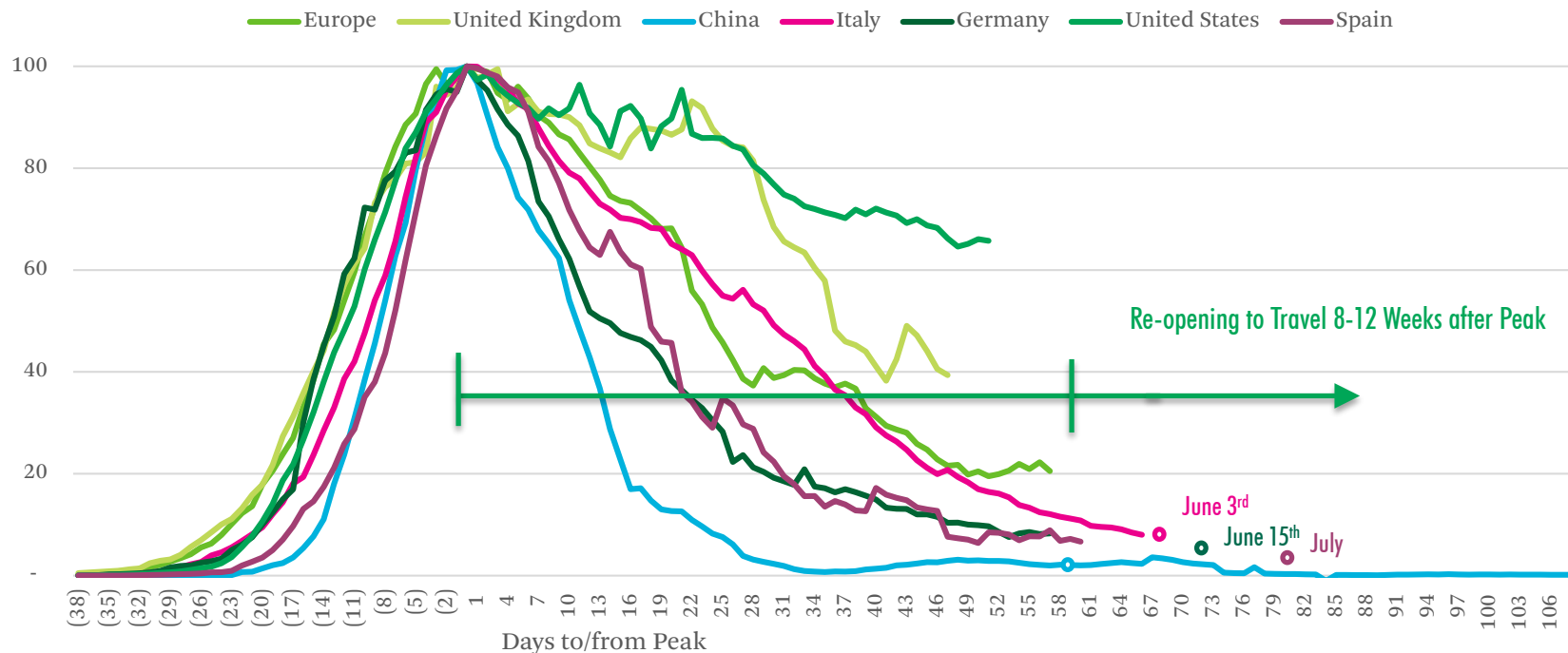


Source: Financial Times, CBRE Research, European Centre for Disease Prevention, Macrobond, 31 May 2020.

Note: Number reported as a 7-day moving average.

# MOVING TO REOPEN

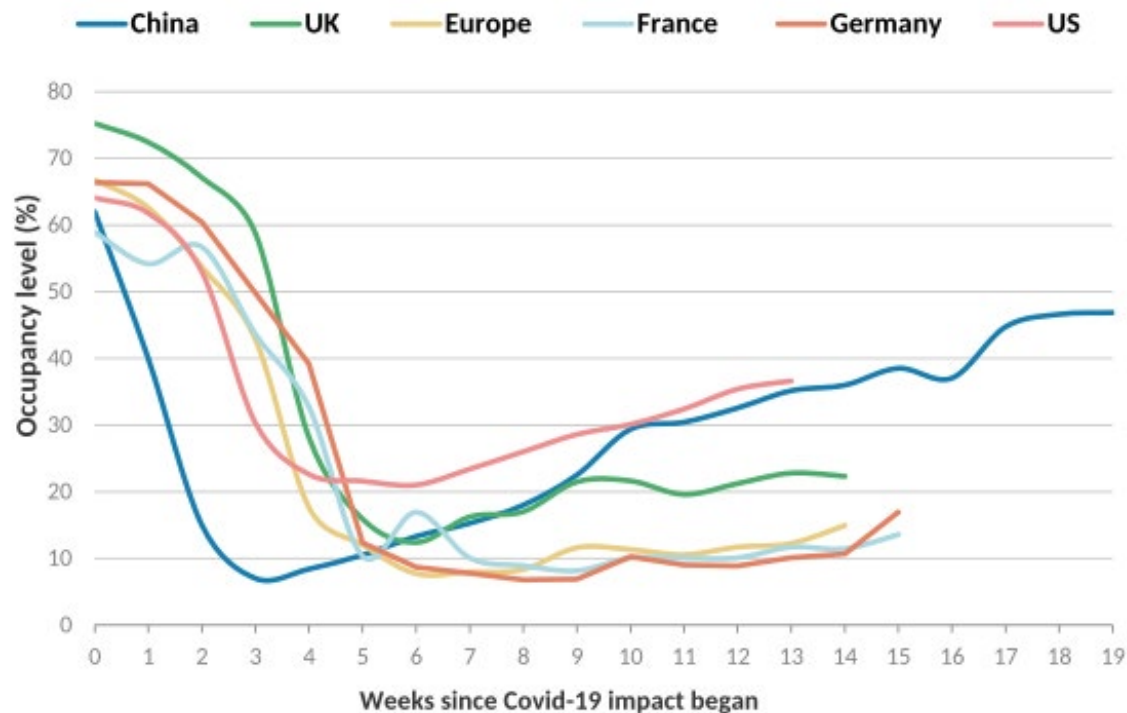
Daily new cases confirmed, indexed and aligned from historical peak



Source: CBRE Research, European Centre for Disease Prevention, Macrobond, 9 June 2020.

Note: Number reporting as a 7-day moving average with each country indexed and aligned from its peak.

## DISRUPTION CURVE – HOTEL OCCUPANCY



Source: CBRE, STR, Morgan Stanley, June 3 2020.

Note: China data beginning week ending 16th Jan, France and Germany from w/e 15th Feb, UK and Europe from w/e 22nd Feb, US from w/e 29th Feb, which all correspond to the weekly occupancy highs this year

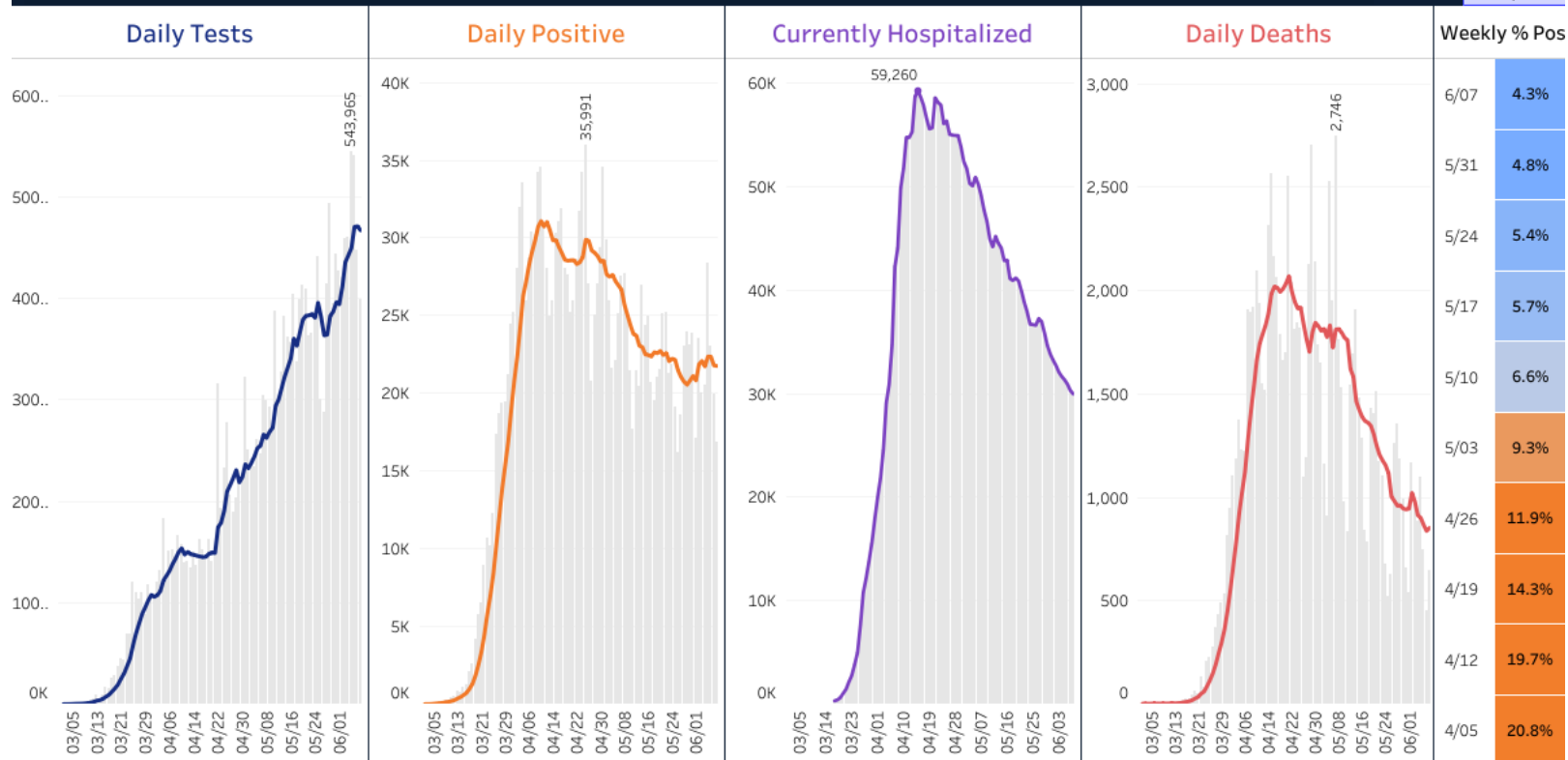
# COVID-19 Key Metrics Since Mar 1 - \*

Choose Your State

All

Group

Hospital



[www.covidcharts.tech/state](http://www.covidcharts.tech/state)

Data From



Visuals By



PeterJ\_Walker

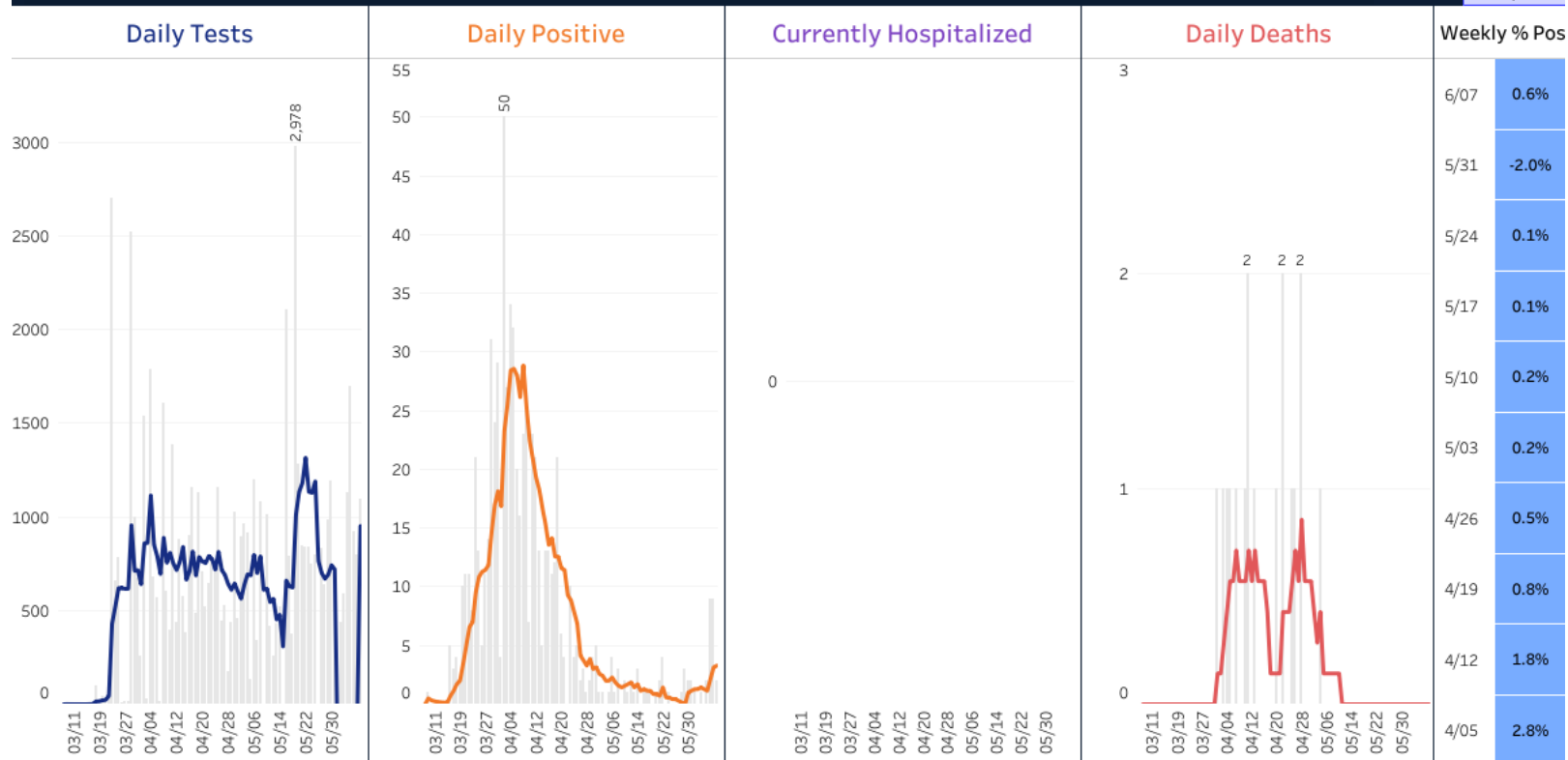
# COVID-19 Key Metrics Since Mar 1 - Hawaii

Choose Your State

HI

Group

Hospital



[www.covidcharts.tech/state](http://www.covidcharts.tech/state)

Data From



Visuals By



PeterJ\_Walker

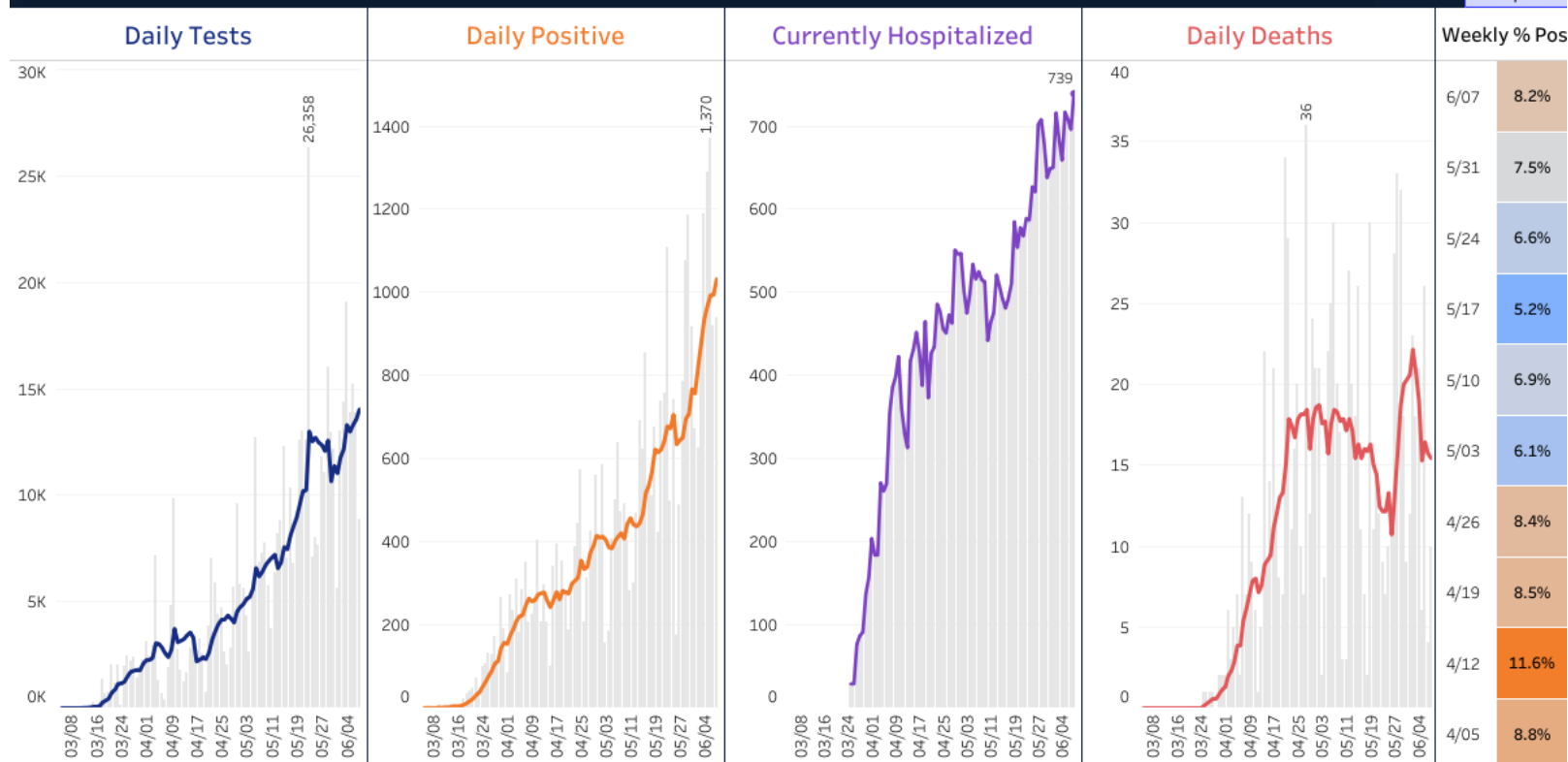
# COVID-19 Key Metrics Since Mar 1 - North Carolina

Choose Your State

NC

Group

Hospital



[www.covidcharts.tech/state](http://www.covidcharts.tech/state)

Data From

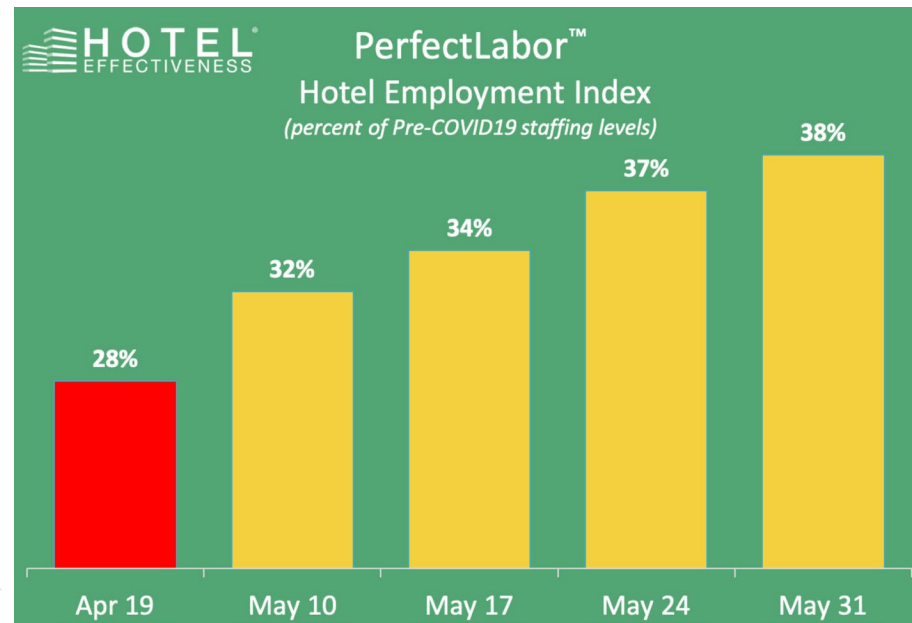
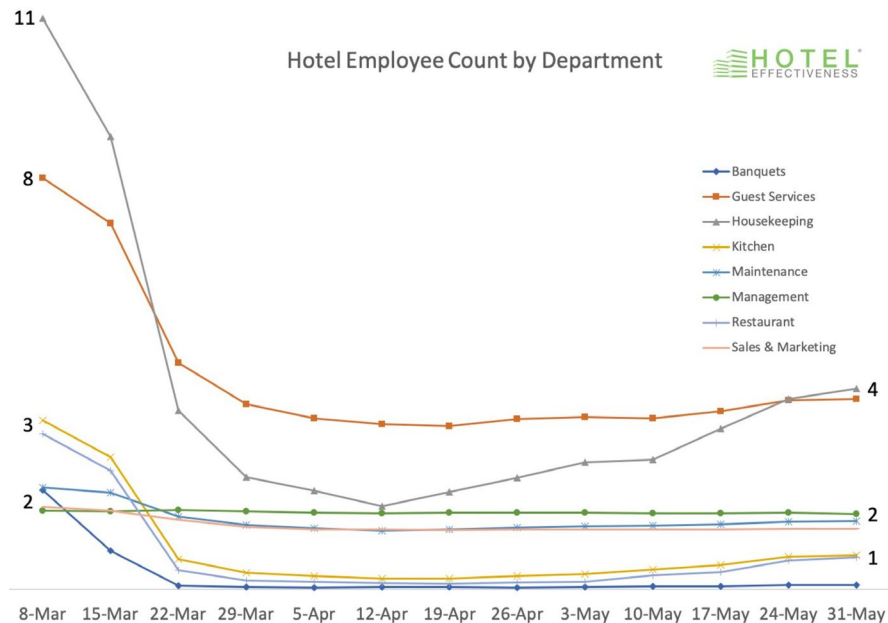


Visuals By



PeterJ\_Walker

# HOTELS ARE REHIRING



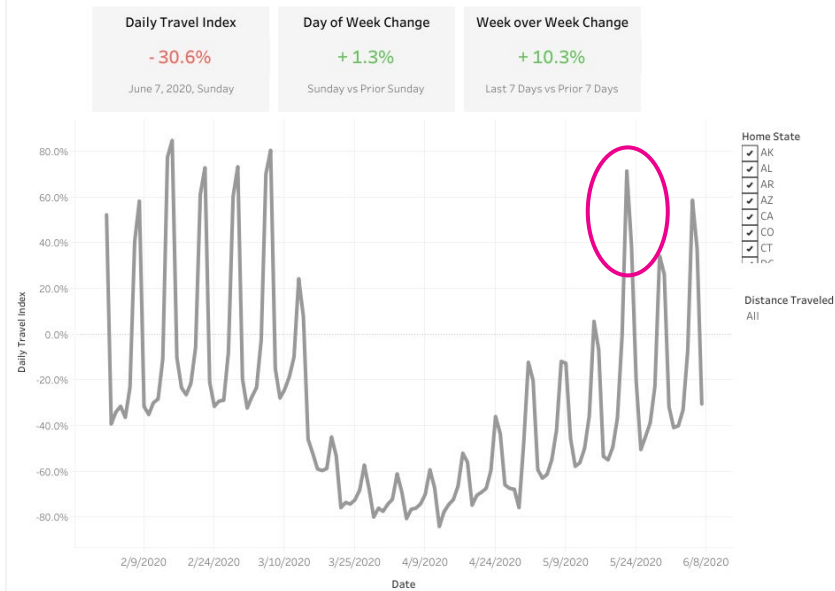
Source: Hotel Effectiveness, CBRE Research, June 2020.

Note: Employment Indexed to Pre-recession levels

# TRAVEL DATA

## Arrivalist: US daily travel index

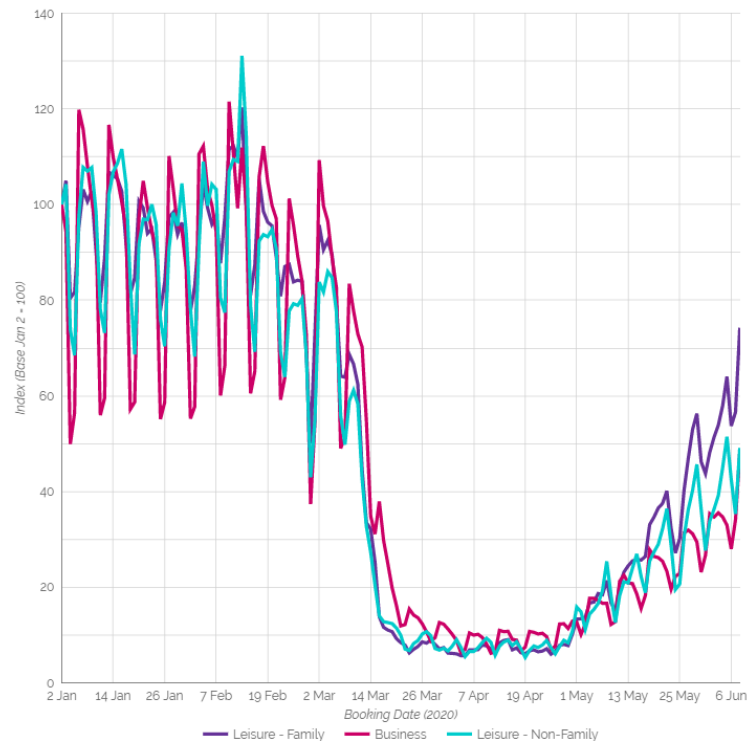
### Arrivalist US Daily Travel Index



Daily drive market index of US travelers who moved at least 50 miles from their home and spent a minimum of 2 hours on their journey. The index is the relative daily volume of travelers compared to the average number of daily travelers in February 2020.  
Last updated: 06/07/2020

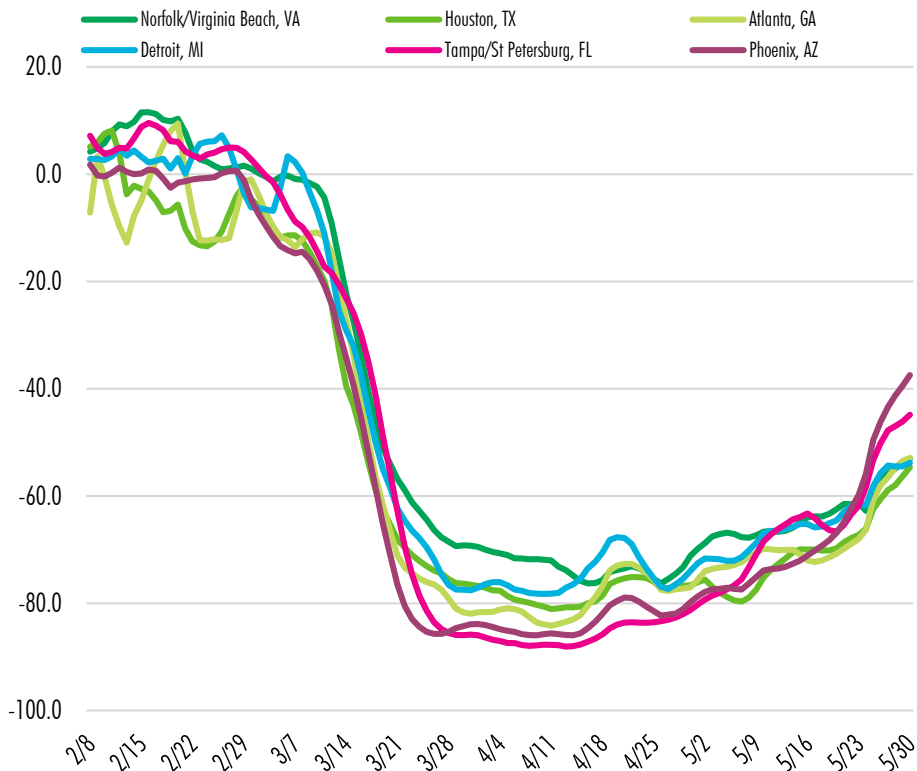
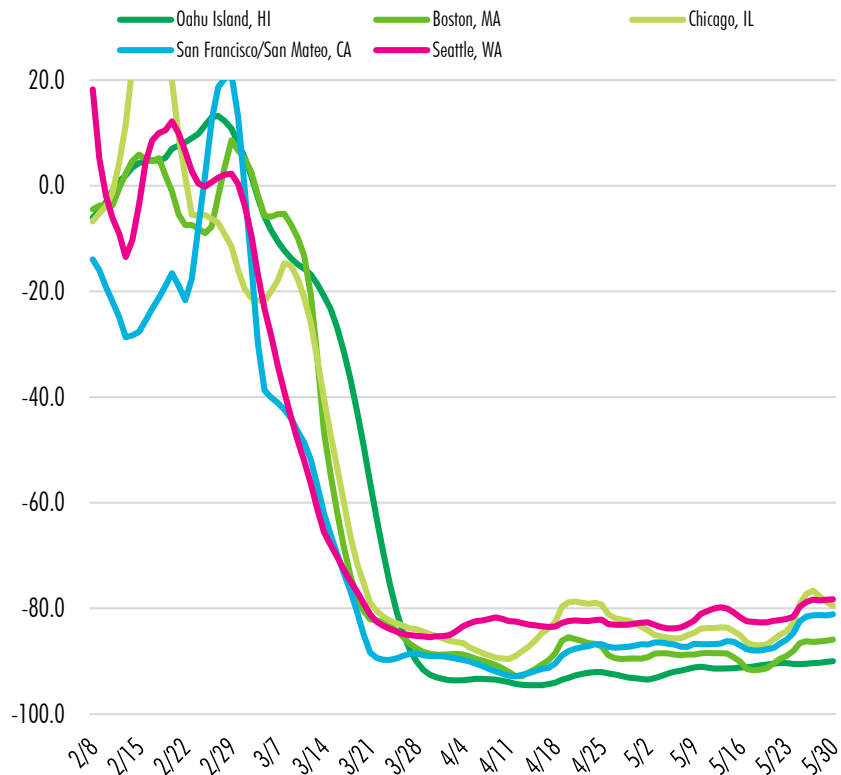
SOURCE: ARRIVALIST, 6/7/2020

## ADARA: US hotel booking volume



SOURCE: ADARA, 6/9/2020

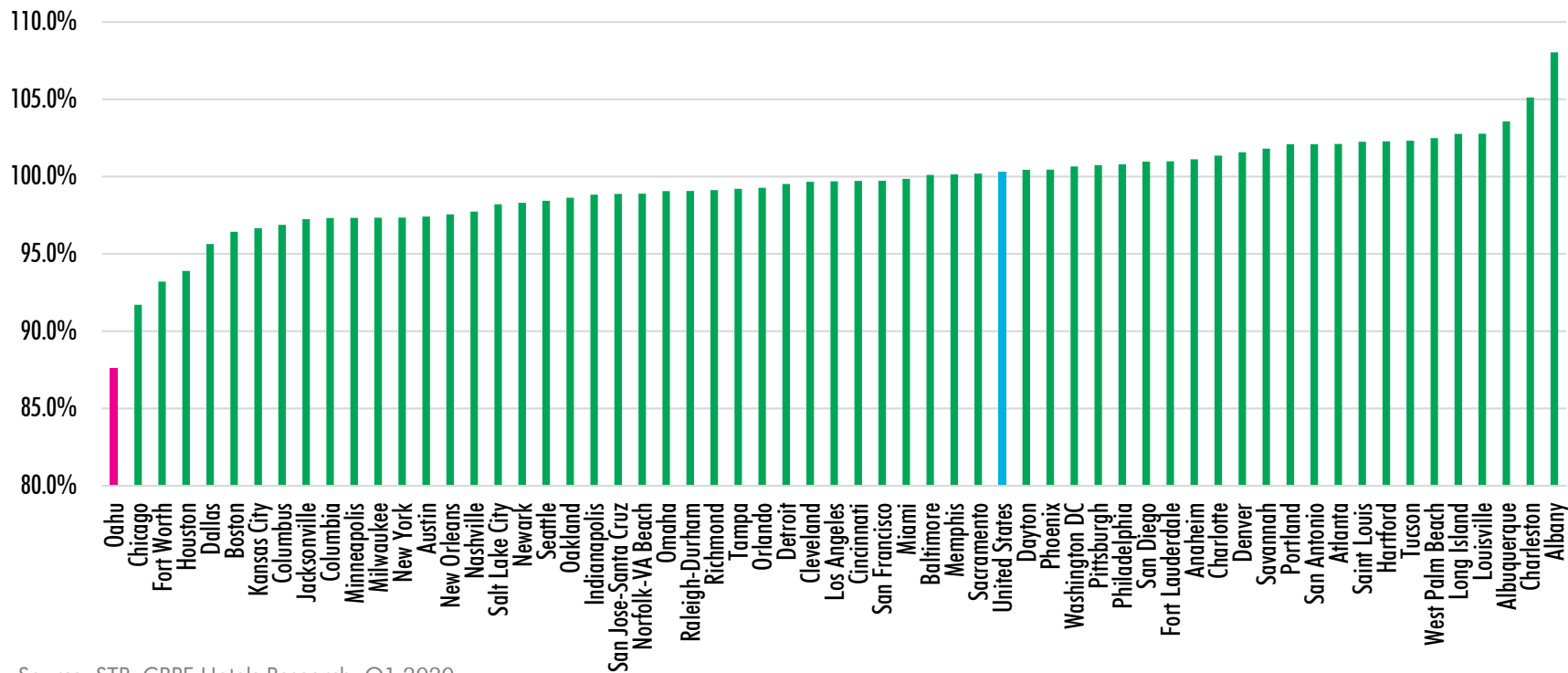
# AN UNEVEN RECOVERY



Source: CBRE Hotels Research, STR, June 3rd, 2020.

# WHERE WILL THE MARKETS BE IN 2023?

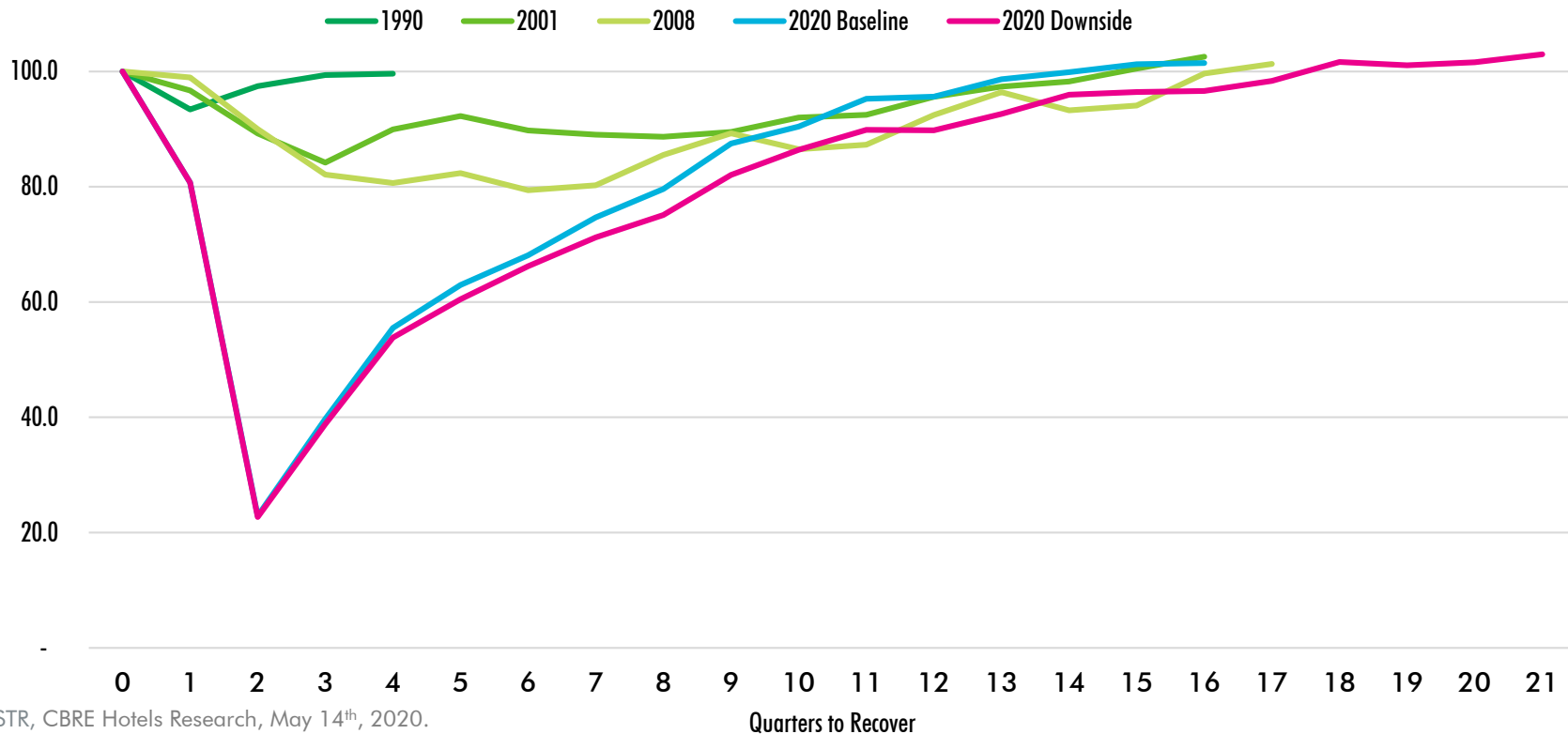
2023 RevPAR forecast as a % of 2019 levels



Source: STR, CBRE Hotels Research, Q1 2020

# US HOTEL REVPAR

Current forecast scenarios compared to past recessions



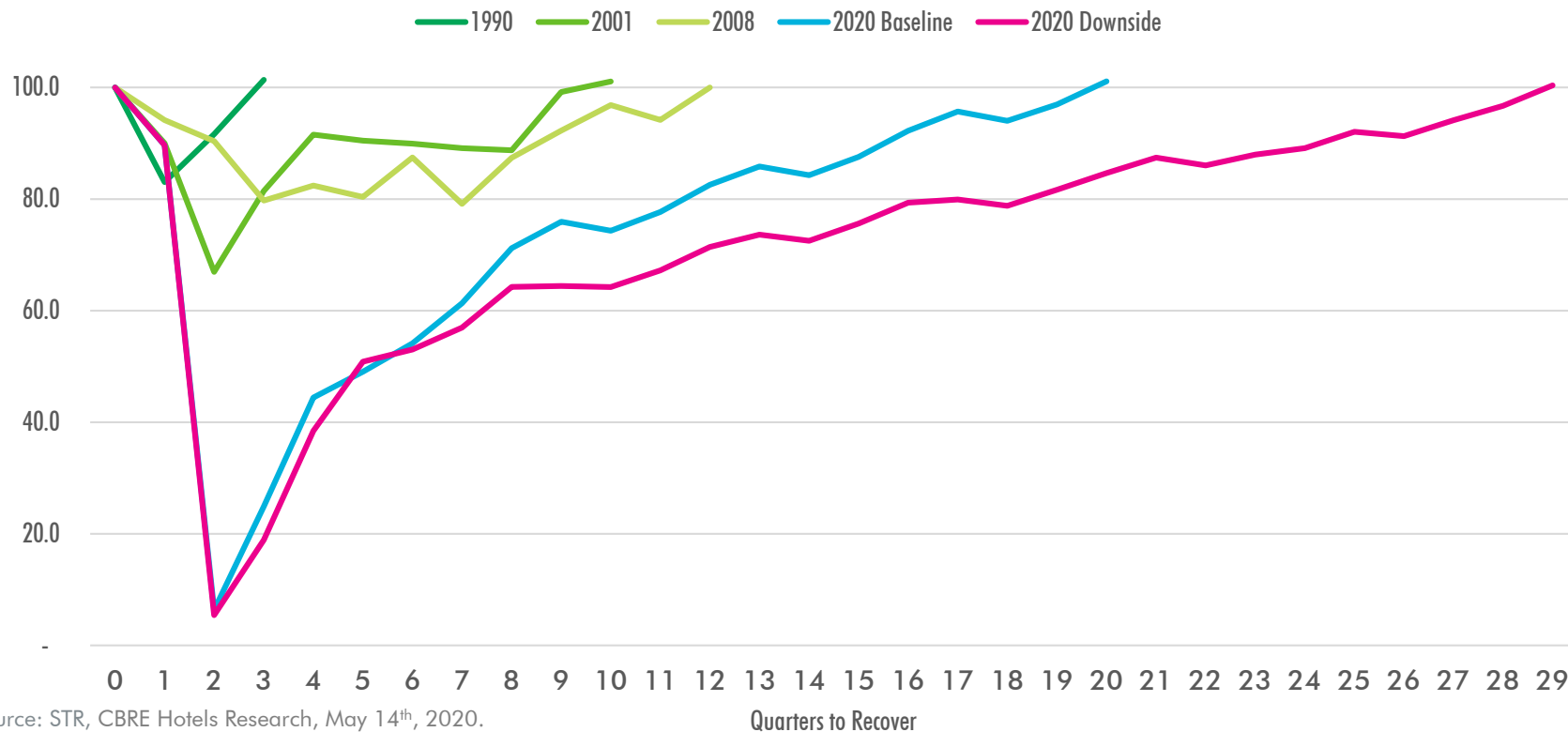
Source: STR, CBRE Hotels Research, May 14<sup>th</sup>, 2020.

Note: RevPAR Indexed to Pre-recession levels

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# OAHU HOTEL REVPAR

Current forecast scenarios compared to past recessions



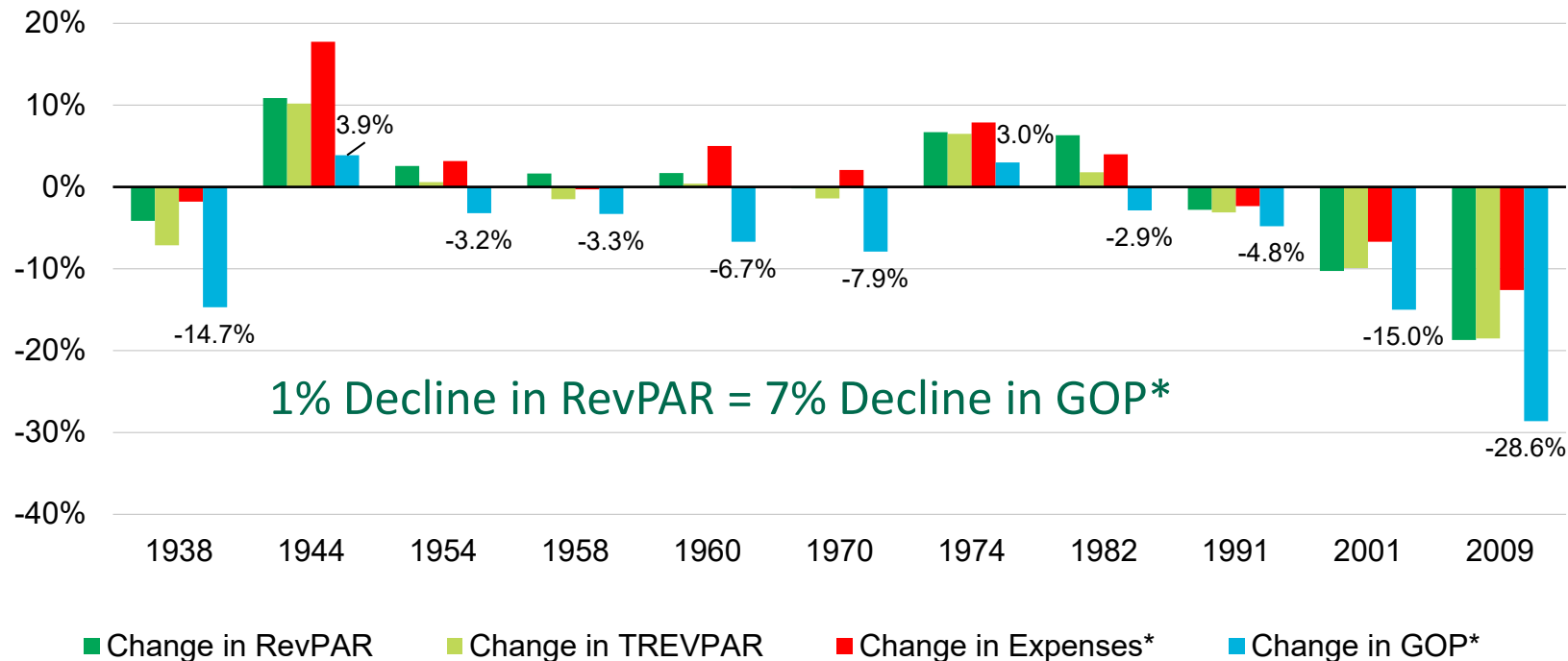
Source: STR, CBRE Hotels Research, May 14<sup>th</sup>, 2020.

Note: RevPAR Indexed to Pre-recession levels

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# US HOTELS: GOP PERFORMANCE DURING RECESSIONS

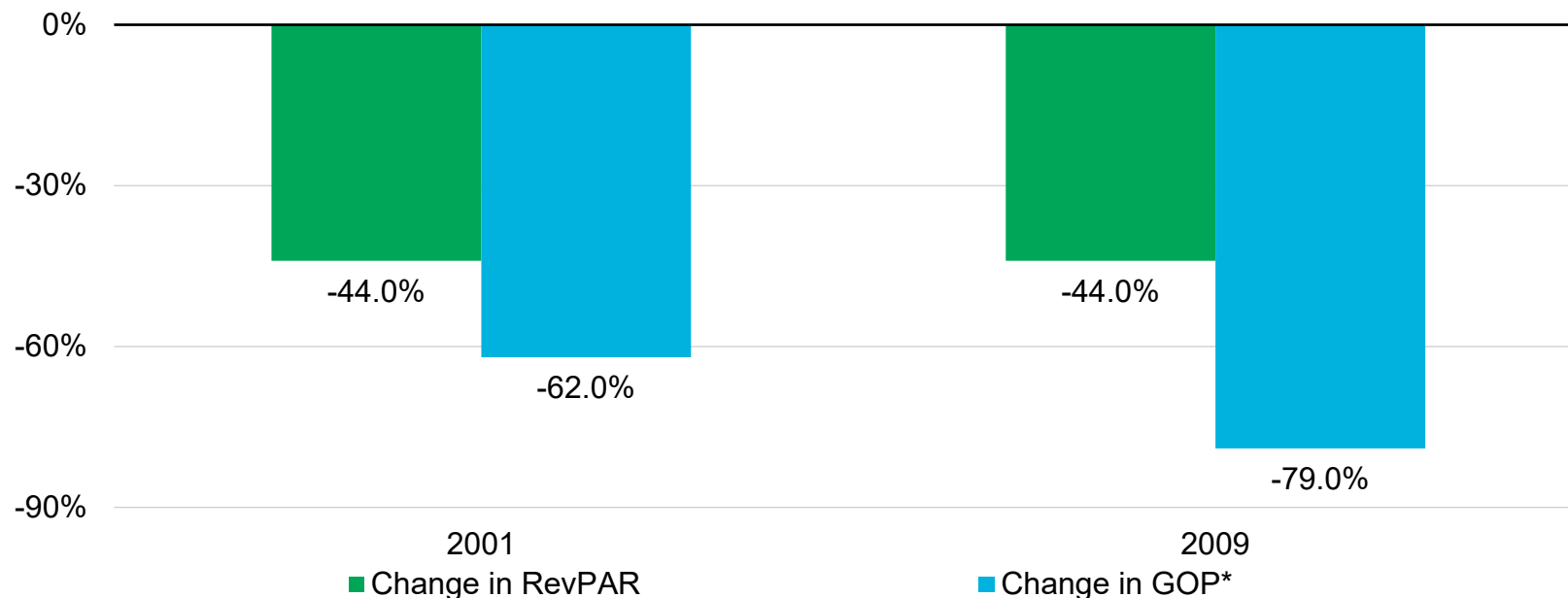
Annual Nominal Change – Year of Most Significant Drop in GOP\*



Note: \* Before Management Fees and Non-Operating Income and Expenses  
 Source: CBRE, Trends® in the Hotel Industry

## GOP DECLINES DURING TWO MOST RECENT RECESSIONS

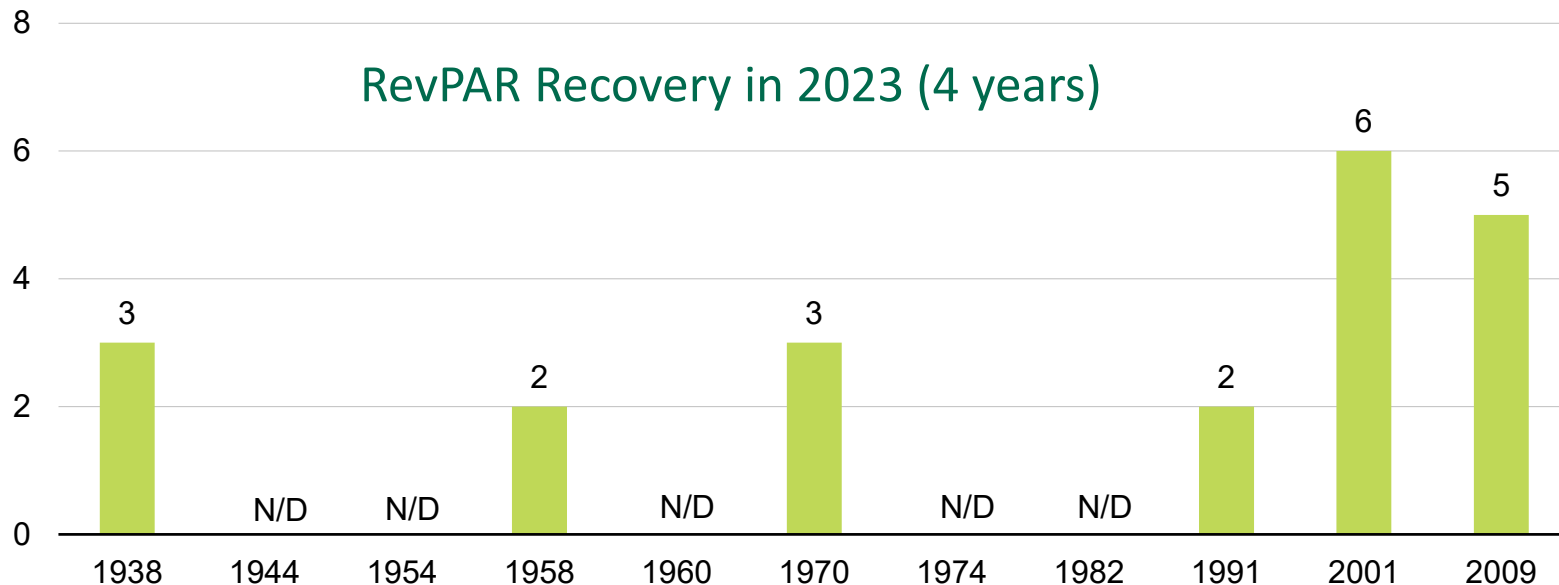
Nominal Change in RevPAR and GOP\*



Note: \* Before Management Fees and Non-Operating Income and Expenses  
Source: CBRE, Trends® in the Hotel Industry

# REVENUE \* RECOVERY

Years to Recovery – Nominal Dollars



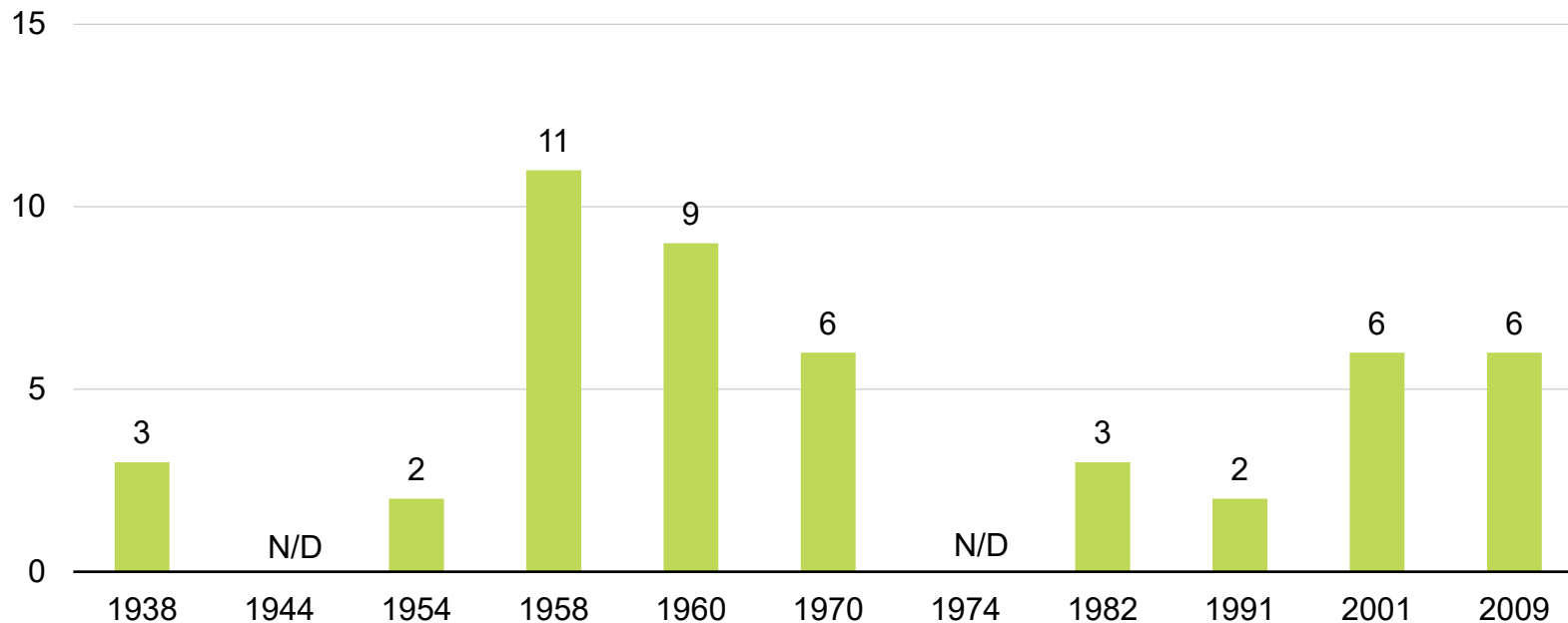
Notes: \* Total operating revenue

N/D – No decline

Source: CBRE Hotels Research, Trends® in the Hotel Industry

# PROFIT\* RECOVERY

Years to Recovery – Nominal Dollars



Notes: \* Before deductions for management fees and non-operating income and expenses

N/D – No decline

Source: CBRE Hotels Research, Trends® in the Hotel Industry

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# MAHALO

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