

## NATIONAL MARKET REPORT

May 2018

- Hotel cap rates held at record lows across the country.
- National hotel cap rates average at 7.28% for Downtown Full Service, 8.34% for Suburban Limited Service, and 8.05% for Focused Service Hotels.
- Capitalization rates in Vancouver and Toronto are the lowest in the country, averaging between 4.50% and 7.50%.

### Q1 2018 – Q2 2018 CAP RATE TRENDS

All indications are for continued strong performance in the hotel sector for 2018. Despite softness in some energy-based regions, most markets across the country are operating at unprecedented performance levels. National RevPAR was up 7% to the end of May, supported by gains in both occupancy and ADR. Overall, industry fundamentals remain healthy and supply growth for British Columbia, Ontario and Quebec and Atlantic Canada remains in balance with projected increases in demand that will readily absorb new hotel product over the next few years.

Over the first quarter of 2018, national average hotel cap rates held at record lows for Downtown Full Service and Focused Service hotels, while marginal declines were noted for suburban limited service hotels, with the upper end of the range for this asset class falling 25 bps. National average hotel cap rates ranged from a low of 7.28% for downtown full-service hotels to a high of 8.34% for suburban limited service hotels.

Hotels continue to fetch higher returns than other real estate sectors and the strong year-to-date performance combined with the positive outlook for the industry and the continued wide availability of debt from a variety of sources, is expected to support continued interest from buyers in this sector over the foreseeable future.

The major urban centres in Ontario and British Columbia remain the most desirable hotel investment markets. The highly sought markets of Toronto and Vancouver have seen RevPAR advance 10% and 14% respectively year-to-date May. With assets generating strong returns in these locations, and with no expectation of performance declines in the near term, many owners are choosing to reap the benefits of this cycle and hold resulting in only a limited number of quality assets coming to market. These factors will work to keep cap rates sitting at current levels over the near term.

As a result, secondary and tertiary markets (particularly in southern BC and Ontario, but elsewhere across the country as well) continue to see increased interest in both hotel acquisition and development opportunities. To date, there are few markets that are at risk of oversupply, and this combined with the readily available debt from a wide variety of sources is expected to put downward pressure on cap rates for quality assets across several markets over Q2 2018 (Halifax, Winnipeg, London-Windsor, Kitchener-Waterloo).

### Capitalization Rates See Little Decline in 2018

Property Type	Overall Capitalization Rates - National	
	Q4 2017	Q1/Q2 2018
Downtown Full Service	4.50% - 9.00%	4.50% - 9.00%
Suburban Limited Service	6.50% - 9.75%	6.50% - 9.50%
Focused Service	6.00% - 9.50%	6.00% - 9.50%

Source: CBRE Limited

### Average Cap Rates by Market Q1/Q2 2018

Market	Downtown Full Service		Suburban LS		Focused Service	
	Q4 2017	Q1/Q2 2018	Q4 2017	Q1/Q2 2018	Q4 2017	Q1/Q2 2018
Vancouver	5.25%	5.25%	7.00%	7.00%	6.75%	6.75%
Calgary	7.88%	7.88%	8.63%	8.63%	8.38%	8.38%
Edmonton	8.00%	8.00%	9.00%	9.00%	8.75%	8.75%
Winnipeg	8.25%	7.75%	8.75%	8.75%	8.13%	8.13%
London-Windsor	8.38%	8.13%	8.50%	8.50%	8.38%	8.38%
Kitchener-Waterloo	8.38%	8.00%	8.50%	8.50%	8.38%	8.38%
Toronto	5.50%	5.25%	7.75%	7.75%	7.50%	7.50%
Ottawa	7.50%	7.50%	8.25%	8.25%	8.00%	8.00%
Montreal	7.50%	7.50%	8.38%	8.38%	8.13%	8.13%
Halifax	8.25%	8.00%	9.13%	8.50%	8.75%	8.25%

Source: CBRE Limited

## REPORT OF ROOMS OPERATIONS BY LOCATION MONTH OF MAY 2018\*

Location	Occupancy Percentage			Average Daily Rate			Revenue Per Available Room		
	2018	2017	**Point Change	2018	2017	Variance	2018	2017	Variance
<b>ATLANTIC CANADA</b>	<b>61.6%</b>	<b>64.0%</b>	<b>-2.5</b>	<b>\$138.01</b>	<b>\$132.70</b>	<b>4.0%</b>	<b>\$84.96</b>	<b>\$84.99</b>	<b>0.0%</b>
<b>NEWFOUNDLAND</b>	<b>49.3%</b>	<b>66.7%</b>	<b>-17.4</b>	<b>\$140.89</b>	<b>\$145.87</b>	<b>-3.4%</b>	<b>\$69.49</b>	<b>\$97.36</b>	<b>-28.6%</b>
St. John's	49.1%	70.0%	-20.9	\$143.20	\$150.54	-4.9%	\$70.30	\$105.31	-33.2%
<b>PRINCE EDWARD ISLAND</b>	<b>58.3%</b>	<b>47.4%</b>	<b>10.9</b>	<b>\$140.56</b>	<b>\$123.51</b>	<b>13.8%</b>	<b>\$81.99</b>	<b>\$58.54</b>	<b>40.1%</b>
<b>NOVA SCOTIA</b>	<b>67.4%</b>	<b>70.1%</b>	<b>-2.7</b>	<b>\$149.74</b>	<b>\$140.51</b>	<b>6.6%</b>	<b>\$100.87</b>	<b>\$98.44</b>	<b>2.5%</b>
Halifax/Dartmouth	72.8%	77.9%	-5.1	\$161.57	\$151.68	6.5%	\$117.68	\$118.18	-0.4%
Other Nova Scotia	56.1%	55.8%	0.3	\$117.97	\$112.21	5.1%	\$66.12	\$62.60	5.6%
<b>NEW BRUNSWICK</b>	<b>63.0%</b>	<b>60.6%</b>	<b>2.4</b>	<b>\$122.35</b>	<b>\$117.83</b>	<b>3.8%</b>	<b>\$77.02</b>	<b>\$71.35</b>	<b>8.0%</b>
Moncton	68.6%	69.6%	-1.0	\$126.98	\$123.85	2.5%	\$87.13	\$86.21	1.1%
Other New Brunswick	60.0%	56.0%	4.0	\$119.58	\$114.07	4.8%	\$71.75	\$63.90	12.3%
<b>CENTRAL CANADA</b>	<b>71.7%</b>	<b>71.9%</b>	<b>-0.1</b>	<b>\$163.83</b>	<b>\$159.76</b>	<b>2.6%</b>	<b>\$117.55</b>	<b>\$114.84</b>	<b>2.4%</b>
<b>QUEBEC</b>	<b>69.9%</b>	<b>73.0%</b>	<b>-3.1</b>	<b>\$169.82</b>	<b>\$166.93</b>	<b>1.7%</b>	<b>\$118.71</b>	<b>\$121.84</b>	<b>-2.6%</b>
Greater Quebec City	72.4%	66.5%	6.0	\$168.27	\$158.96	5.9%	\$121.90	\$105.66	15.4%
Other Quebec	58.2%	58.4%	-0.2	\$142.68	\$137.12	4.1%	\$82.98	\$80.04	3.7%
Greater Montreal	74.9%	82.4%	-7.6	\$180.47	\$179.66	0.5%	\$135.10	\$148.11	-8.8%
Downtown Montreal	74.2%	83.0%	-8.8	\$208.31	\$213.75	-2.5%	\$154.62	\$177.37	-12.8%
Montreal Airport/Laval	77.2%	83.1%	-5.9	\$145.68	\$138.28	5.4%	\$112.50	\$114.90	-2.1%
<b>ONTARIO</b>	<b>72.3%</b>	<b>71.5%</b>	<b>0.8</b>	<b>\$161.96</b>	<b>\$157.56</b>	<b>2.8%</b>	<b>\$117.03</b>	<b>\$112.63</b>	<b>3.9%</b>
Greater Toronto Area (GTA)	79.2%	78.2%	1.1	\$185.73	\$176.85	5.0%	\$147.17	\$138.22	6.5%
Downtown Toronto	84.4%	79.2%	5.2	\$260.54	\$245.91	6.0%	\$219.88	\$194.74	12.9%
Toronto Airport	80.0%	82.0%	-2.0	\$156.41	\$147.80	5.8%	\$125.09	\$121.16	3.2%
GTA West	78.8%	78.0%	0.8	\$132.22	\$126.62	4.4%	\$104.13	\$98.76	5.4%
GTA East/North	72.3%	74.6%	-2.3	\$134.56	\$130.55	3.1%	\$97.29	\$97.40	-0.1%
Eastern Ontario	65.5%	61.3%	4.2	\$125.35	\$120.08	4.4%	\$82.16	\$73.64	11.6%
Kingston	70.3%	65.3%	4.9	\$134.48	\$129.56	3.8%	\$94.53	\$84.66	11.7%
Other Eastern Ontario	63.0%	59.1%	3.9	\$119.91	\$114.39	4.8%	\$75.55	\$67.65	11.7%
Ottawa	78.3%	81.1%	-2.9	\$179.57	\$185.67	-3.3%	\$140.51	\$150.66	-6.7%
Downtown Ottawa	83.5%	83.7%	-0.2	\$205.21	\$211.64	-3.0%	\$171.32	\$177.04	-3.2%
Ottawa West	80.7%	83.3%	-2.6	\$153.91	\$155.58	-1.1%	\$124.21	\$129.65	-4.2%
Ottawa East	61.5%	70.8%	-9.3	\$127.34	\$140.71	-9.5%	\$78.33	\$99.60	-21.4%
Southern Ontario	66.8%	66.6%	0.2	\$134.49	\$133.61	0.7%	\$89.90	\$89.00	1.0%
London	66.9%	66.6%	0.3	\$115.66	\$112.34	3.0%	\$77.42	\$74.82	3.5%
Windsor	69.9%	67.4%	2.5	\$128.57	\$119.78	7.3%	\$89.89	\$80.72	11.4%
Kitchener/Waterloo/Cambridge/Guelph	65.1%	64.0%	1.1	\$126.13	\$120.09	5.0%	\$82.15	\$76.85	6.9%
Hamilton/Brantford	68.4%	72.2%	-3.8	\$131.70	\$125.42	5.0%	\$90.03	\$90.51	-0.5%
Niagara Falls	69.5%	71.1%	-1.7	\$150.73	\$155.50	-3.1%	\$104.72	\$110.61	-5.3%
Other Niagara Region	54.5%	52.1%	2.4	\$124.21	\$117.58	5.6%	\$67.70	\$61.26	10.5%
Other Southern Ontario	63.8%	58.0%	5.8	\$119.63	\$117.57	1.8%	\$76.30	\$68.19	11.9%
Central Ontario	55.2%	56.0%	-0.8	\$128.89	\$123.81	4.1%	\$71.17	\$69.33	2.7%
North Eastern Ontario	58.1%	56.9%	1.2	\$119.30	\$118.03	1.1%	\$69.27	\$67.17	3.1%
North Bay	54.6%	58.7%	-4.2	\$113.00	\$113.24	-0.2%	\$61.65	\$66.51	-7.3%
Sudbury	57.3%	55.4%	1.9	\$117.35	\$115.03	2.0%	\$67.23	\$63.70	5.5%
North Central Ontario									
Sault Ste. Marie	56.2%	52.6%	3.5	\$104.85	\$104.52	0.3%	\$58.88	\$55.01	7.0%
North Western Ontario	76.3%	73.1%	3.2	\$122.50	\$114.50	7.0%	\$93.47	\$83.68	11.7%
Thunder Bay	76.8%	77.3%	-0.5	\$121.48	\$114.65	6.0%	\$93.29	\$88.58	5.3%

\* Based on the operating results of 250,747 rooms (unweighted data)

\*\* Please note that the variance between current and previous year occupancy is reported as a point change and not as a percentage variance.

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## REPORT OF ROOMS OPERATIONS BY LOCATION MONTH OF MAY 2018\*

Location	Occupancy Percentage <sup>**</sup> Point Change			Average Daily Rate			Revenue Per Available Room		
	2018	2017	Change	2018	2017	Variance	2018	2017	Variance
<b>WESTERN CANADA</b>	<b>65.3%</b>	<b>62.9%</b>	<b>2.4</b>	<b>\$161.71</b>	<b>\$152.06</b>	<b>6.3%</b>	<b>\$105.61</b>	<b>\$95.59</b>	<b>10.5%</b>
<b>MANITOBA</b>	<b>70.4%</b>	<b>70.3%</b>	<b>0.1</b>	<b>\$129.21</b>	<b>\$124.24</b>	<b>4.0%</b>	<b>\$90.94</b>	<b>\$87.35</b>	<b>4.1%</b>
Winnipeg	73.9%	75.0%	-1.0	\$132.81	\$128.15	3.6%	\$98.20	\$96.06	2.2%
Brandon	62.6%	59.8%	2.8	\$108.99	\$103.09	5.7%	\$68.26	\$61.68	10.7%
Other Manitoba	58.1%	57.1%	1.0	\$122.17	\$119.15	2.5%	\$70.95	\$68.05	4.3%
<b>SASKATCHEWAN</b>	<b>59.6%</b>	<b>54.9%</b>	<b>4.7</b>	<b>\$121.29</b>	<b>\$121.11</b>	<b>0.1%</b>	<b>\$72.32</b>	<b>\$66.54</b>	<b>8.7%</b>
Regina	70.0%	62.2%	7.8	\$130.38	\$123.02	6.0%	\$91.31	\$76.54	19.3%
Saskatoon	61.5%	58.8%	2.7	\$125.22	\$128.47	-2.5%	\$76.98	\$75.51	2.0%
Other Saskatchewan	50.2%	46.4%	3.8	\$107.37	\$111.32	-3.5%	\$53.85	\$51.64	4.3%
<b>ALBERTA (excl. Alta Resorts)</b>	<b>57.4%</b>	<b>52.9%</b>	<b>4.5</b>	<b>\$131.22</b>	<b>\$130.33</b>	<b>0.7%</b>	<b>\$75.29</b>	<b>\$68.89</b>	<b>9.3%</b>
<b>Calgary</b>	<b>63.5%</b>	<b>58.9%</b>	<b>4.6</b>	<b>\$146.62</b>	<b>\$145.51</b>	<b>0.8%</b>	<b>\$93.16</b>	<b>\$85.72</b>	<b>8.7%</b>
Calgary Airport	60.3%	56.1%	4.2	\$115.21	\$116.30	-0.9%	\$69.52	\$65.25	6.6%
Downtown Calgary	69.2%	65.3%	3.9	\$198.04	\$196.81	0.6%	\$137.14	\$128.52	6.7%
Calgary Northwest	63.6%	62.4%	1.3	\$116.98	\$112.71	3.8%	\$74.44	\$70.28	5.9%
Calgary South	60.3%	52.0%	8.3	\$128.20	\$122.70	4.5%	\$77.33	\$63.86	21.1%
<b>Edmonton</b>	<b>63.1%</b>	<b>55.3%</b>	<b>7.8</b>	<b>\$131.95</b>	<b>\$130.55</b>	<b>1.1%</b>	<b>\$83.32</b>	<b>\$72.22</b>	<b>15.4%</b>
Downtown Edmonton	72.1%	59.0%	13.1	\$164.11	\$155.57	5.5%	\$118.29	\$91.81	28.8%
Edmonton South	64.0%	56.5%	7.5	\$116.14	\$117.31	-1.0%	\$74.37	\$66.31	12.2%
Edmonton West	55.7%	51.1%	4.7	\$124.37	\$124.11	0.2%	\$69.32	\$63.37	9.4%
<b>Other Alberta</b>	<b>49.7%</b>	<b>47.0%</b>	<b>2.6</b>	<b>\$117.35</b>	<b>\$116.84</b>	<b>0.4%</b>	<b>\$58.27</b>	<b>\$54.97</b>	<b>6.0%</b>
Lethbridge	53.0%	55.0%	-2.0	\$111.23	\$111.42	-0.2%	\$58.96	\$61.30	-3.8%
Red Deer	53.7%	47.8%	5.9	\$110.50	\$106.28	4.0%	\$59.29	\$50.80	16.7%
Other Alberta Communities	48.1%	45.6%	2.6	\$119.67	\$120.10	-0.4%	\$57.62	\$54.74	5.3%
<b>Alberta Resorts</b>	<b>70.9%</b>	<b>68.4%</b>	<b>2.5</b>	<b>\$246.17</b>	<b>\$224.58</b>	<b>9.6%</b>	<b>\$174.59</b>	<b>\$153.61</b>	<b>13.7%</b>
<b>BRITISH COLUMBIA</b>	<b>73.4%</b>	<b>72.8%</b>	<b>0.6</b>	<b>\$189.61</b>	<b>\$169.54</b>	<b>11.8%</b>	<b>\$139.13</b>	<b>\$123.44</b>	<b>12.7%</b>
<b>Greater Vancouver</b>	<b>85.4%</b>	<b>83.5%</b>	<b>1.9</b>	<b>\$226.27</b>	<b>\$196.92</b>	<b>14.9%</b>	<b>\$193.21</b>	<b>\$164.35</b>	<b>17.6%</b>
Airport (Richmond)	85.6%	85.3%	0.2	\$184.00	\$159.67	15.2%	\$157.42	\$136.21	15.6%
Downtown Vancouver	86.8%	83.7%	3.1	\$273.97	\$236.94	15.6%	\$237.90	\$198.30	20.0%
Langley/Surrey	75.8%	77.8%	-1.9	\$142.36	\$128.97	10.4%	\$107.97	\$100.30	7.6%
Other Vancouver	86.6%	83.6%	3.0	\$173.14	\$155.16	11.6%	\$149.91	\$129.64	15.6%
<b>Vancouver Island</b>	<b>74.5%</b>	<b>71.3%</b>	<b>3.2</b>	<b>\$176.91</b>	<b>\$159.27</b>	<b>11.1%</b>	<b>\$131.78</b>	<b>\$113.60</b>	<b>16.0%</b>
Campbell River	77.7%	71.5%	6.2	\$116.51	\$110.42	5.5%	\$90.57	\$78.99	14.7%
Greater Victoria	79.3%	74.7%	4.6	\$189.24	\$166.97	13.3%	\$149.98	\$124.73	20.2%
Nanaimo	72.8%	70.4%	2.3	\$136.62	\$130.29	4.9%	\$99.45	\$91.79	8.3%
Parksville/Qualicum Beach	53.6%	57.0%	-3.5	\$161.40	\$152.12	6.1%	\$86.45	\$86.78	-0.4%
Other Vancouver Island	67.6%	66.9%	0.7	\$180.85	\$165.27	9.4%	\$122.32	\$110.58	10.6%
<b>Whistler Resort Area</b>	<b>50.6%</b>	<b>51.5%</b>	<b>-0.8</b>	<b>\$210.14</b>	<b>\$201.43</b>	<b>4.3%</b>	<b>\$106.37</b>	<b>\$103.67</b>	<b>2.6%</b>
<b>Other British Columbia</b>	<b>61.6%</b>	<b>63.6%</b>	<b>-2.0</b>	<b>\$129.82</b>	<b>\$126.21</b>	<b>2.9%</b>	<b>\$79.93</b>	<b>\$80.25</b>	<b>-0.4%</b>
Abbotsford/Chilliwack	70.4%	67.0%	3.3	\$115.80	\$111.53	3.8%	\$81.49	\$74.78	9.0%
Kamloops	80.0%	74.2%	5.9	\$117.85	\$115.84	1.7%	\$94.33	\$85.92	9.8%
Kelowna	74.0%	73.8%	0.2	\$159.17	\$150.32	5.9%	\$117.76	\$110.86	6.2%
Penticton	69.3%	71.1%	-1.8	\$147.78	\$128.63	14.9%	\$102.37	\$91.46	11.9%
Prince George	71.8%	74.9%	-3.1	\$125.43	\$122.59	2.3%	\$90.07	\$91.82	-1.9%
Other B.C. Communities	51.9%	56.3%	-4.4	\$125.84	\$123.25	2.1%	\$65.25	\$69.35	-5.9%
<b>NORTHWEST TERRITORIES</b>	<b>51.5%</b>	<b>49.9%</b>	<b>1.6</b>	<b>\$134.75</b>	<b>\$135.43</b>	<b>-0.5%</b>	<b>\$69.35</b>	<b>\$67.54</b>	<b>2.7%</b>
<b>YUKON</b>	<b>55.2%</b>	<b>58.3%</b>	<b>-3.1</b>	<b>\$153.63</b>	<b>\$142.28</b>	<b>8.0%</b>	<b>\$84.79</b>	<b>\$82.98</b>	<b>2.2%</b>
<b>CANADA</b>	<b>68.1%</b>	<b>67.2%</b>	<b>0.9</b>	<b>\$161.27</b>	<b>\$154.66</b>	<b>4.3%</b>	<b>\$109.80</b>	<b>\$103.87</b>	<b>5.7%</b>

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## REPORT OF ROOMS OPERATIONS BY LOCATION FIVE MONTHS ENDED MAY 2018

Location	Occupancy Percentage			Average Daily Rate			Revenue Per Available Room		
	2018	2017	**Point Change	2018	2017	Variance	2018	2017	Variance
<b>ATLANTIC CANADA</b>	<b>52.1%</b>	<b>53.6%</b>	<b>-1.6</b>	<b>\$128.59</b>	<b>\$123.28</b>	<b>4.3%</b>	<b>\$66.93</b>	<b>\$66.12</b>	<b>1.2%</b>
<b>NEWFOUNDLAND</b>	<b>43.1%</b>	<b>55.3%</b>	<b>-12.1</b>	<b>\$133.85</b>	<b>\$135.66</b>	<b>-1.3%</b>	<b>\$57.75</b>	<b>\$74.99</b>	<b>-23.0%</b>
St. John's	42.5%	55.0%	-12.4	\$133.88	\$137.36	-2.5%	\$56.96	\$75.52	-24.6%
<b>PRINCE EDWARD ISLAND</b>	<b>44.2%</b>	<b>41.9%</b>	<b>2.3</b>	<b>\$120.93</b>	<b>\$109.66</b>	<b>10.3%</b>	<b>\$53.41</b>	<b>\$45.96</b>	<b>16.2%</b>
<b>NOVA SCOTIA</b>	<b>57.4%</b>	<b>57.5%</b>	<b>-0.1</b>	<b>\$135.13</b>	<b>\$127.18</b>	<b>6.3%</b>	<b>\$77.58</b>	<b>\$73.08</b>	<b>6.2%</b>
Halifax/Dartmouth	61.9%	63.4%	-1.5	\$142.54	\$133.38	6.9%	\$88.27	\$84.59	4.4%
Other Nova Scotia	47.8%	45.8%	2.0	\$114.70	\$110.40	3.9%	\$54.83	\$50.58	8.4%
<b>NEW BRUNSWICK</b>	<b>51.8%</b>	<b>50.9%</b>	<b>0.9</b>	<b>\$118.16</b>	<b>\$113.61</b>	<b>4.0%</b>	<b>\$61.18</b>	<b>\$57.82</b>	<b>5.8%</b>
Moncton	58.7%	59.3%	-0.6	\$123.54	\$120.48	2.5%	\$72.49	\$71.40	1.5%
Other New Brunswick	48.3%	46.7%	1.5	\$114.85	\$109.28	5.1%	\$55.45	\$51.07	8.6%
<b>CENTRAL CANADA</b>	<b>63.6%</b>	<b>62.7%</b>	<b>0.9</b>	<b>\$152.96</b>	<b>\$146.68</b>	<b>4.3%</b>	<b>\$97.27</b>	<b>\$91.92</b>	<b>5.8%</b>
<b>QUEBEC</b>	<b>61.8%</b>	<b>63.5%</b>	<b>-1.8</b>	<b>\$156.62</b>	<b>\$152.75</b>	<b>2.5%</b>	<b>\$96.72</b>	<b>\$97.00</b>	<b>-0.3%</b>
Greater Quebec City	59.7%	57.9%	1.8	\$145.08	\$142.97	1.5%	\$86.60	\$82.72	4.7%
Other Quebec	57.2%	56.4%	0.8	\$154.08	\$149.86	2.8%	\$88.16	\$84.53	4.3%
Greater Montreal	64.6%	68.9%	-4.3	\$160.86	\$156.46	2.8%	\$103.84	\$107.73	-3.6%
Downtown Montreal	61.2%	68.2%	-6.9	\$177.77	\$176.13	0.9%	\$108.88	\$120.03	-9.3%
Montreal Airport/Laval	74.0%	73.3%	0.8	\$143.64	\$134.22	7.0%	\$106.31	\$98.33	8.1%
<b>ONTARIO</b>	<b>64.2%</b>	<b>62.4%</b>	<b>1.8</b>	<b>\$151.83</b>	<b>\$144.79</b>	<b>4.9%</b>	<b>\$97.43</b>	<b>\$90.36</b>	<b>7.8%</b>
Greater Toronto Area (GTA)	72.3%	70.3%	2.0	\$172.51	\$161.45	6.8%	\$124.72	\$113.47	9.9%
Downtown Toronto	74.2%	69.8%	4.4	\$230.78	\$215.20	7.2%	\$171.36	\$150.24	14.1%
Toronto Airport	78.3%	77.8%	0.5	\$153.76	\$138.97	10.6%	\$120.46	\$108.12	11.4%
GTA West	70.6%	69.6%	1.0	\$129.18	\$121.81	6.1%	\$91.24	\$84.81	7.6%
GTA East/North	67.1%	67.0%	0.1	\$131.54	\$125.49	4.8%	\$88.27	\$84.02	5.1%
Eastern Ontario	52.5%	49.1%	3.4	\$119.75	\$114.90	4.2%	\$62.91	\$56.44	11.5%
Kingston	57.4%	51.4%	6.0	\$123.11	\$119.03	3.4%	\$70.66	\$61.20	15.5%
Other Eastern Ontario	49.9%	47.9%	2.0	\$117.62	\$112.46	4.6%	\$58.64	\$53.82	9.0%
Ottawa	68.7%	69.0%	-0.4	\$165.14	\$165.51	-0.2%	\$113.40	\$114.25	-0.7%
Downtown Ottawa	70.5%	71.2%	-0.7	\$181.86	\$181.18	0.4%	\$128.14	\$129.02	-0.7%
Ottawa West	70.8%	69.3%	1.5	\$146.55	\$146.95	-0.3%	\$103.80	\$101.81	1.9%
Ottawa East	58.8%	60.6%	-1.8	\$129.42	\$132.74	-2.5%	\$76.05	\$80.42	-5.4%
Southern Ontario	56.9%	55.6%	1.3	\$123.47	\$119.71	3.1%	\$70.22	\$66.52	5.6%
London	64.2%	61.4%	2.8	\$115.84	\$110.91	4.5%	\$74.31	\$68.04	9.2%
Windsor	62.5%	57.7%	4.8	\$126.95	\$114.50	10.9%	\$79.31	\$66.05	20.1%
Kitchener/Waterloo/Cambridge/Guelph	61.8%	58.7%	3.0	\$124.83	\$118.03	5.8%	\$77.10	\$69.31	11.2%
Hamilton/Brantford	66.5%	63.5%	3.0	\$129.15	\$117.85	9.6%	\$85.94	\$74.85	14.8%
Niagara Falls	52.4%	54.7%	-2.3	\$128.31	\$128.64	-0.3%	\$67.21	\$70.31	-4.4%
Other Niagara Region	44.3%	45.4%	-1.1	\$116.21	\$110.43	5.2%	\$51.46	\$50.09	2.7%
Other Southern Ontario	53.4%	44.5%	8.8	\$111.56	\$110.47	1.0%	\$59.56	\$49.21	21.0%
Central Ontario	49.9%	48.8%	1.1	\$132.33	\$126.84	4.3%	\$66.06	\$61.89	6.7%
North Eastern Ontario	57.0%	54.9%	2.1	\$119.50	\$115.68	3.3%	\$68.11	\$63.56	7.2%
North Bay	50.0%	54.6%	-4.6	\$117.22	\$112.10	4.6%	\$58.60	\$61.21	-4.3%
Sudbury	61.0%	55.7%	5.3	\$117.84	\$114.71	2.7%	\$71.90	\$63.90	12.5%
North Central Ontario	47.0%	45.0%	1.9	\$104.94	\$101.80	3.1%	\$49.29	\$45.86	7.5%
Sault Ste. Marie									
North Western Ontario	66.4%	62.4%	4.0	\$119.38	\$113.07	5.6%	\$79.27	\$70.59	12.3%
Thunder Bay	68.3%	65.9%	2.5	\$118.80	\$112.67	5.4%	\$81.15	\$74.20	9.4%

\*\* Please note that the variance between current and previous year occupancy is reported as a point change and not as a percentage variance.

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NATIONAL MARKET REPORT • A MONTHLY PROFESSIONAL PUBLICATION

## REPORT OF ROOMS OPERATIONS BY LOCATION FIVE MONTHS ENDED MAY 2018

Location	Occupancy Percentage			Average Daily Rate			Revenue Per Available Room		
	2018	2017	**Point Change	2018	2017	Variance	2018	2017	Variance
<b>WESTERN CANADA</b>	<b>58.7%</b>	<b>56.8%</b>	<b>1.9</b>	<b>\$149.67</b>	<b>\$142.99</b>	<b>4.7%</b>	<b>\$87.93</b>	<b>\$81.29</b>	<b>8.2%</b>
<b>MANITOBA</b>	<b>64.7%</b>	<b>64.7%</b>	<b>0.0</b>	<b>\$124.94</b>	<b>\$121.70</b>	<b>2.7%</b>	<b>\$80.80</b>	<b>\$78.76</b>	<b>2.6%</b>
Winnipeg	66.5%	67.7%	-1.3	\$127.49	\$123.71	3.1%	\$84.73	\$83.78	1.1%
Brandon	61.0%	57.4%	3.7	\$114.73	\$113.66	0.9%	\$70.01	\$65.21	7.4%
Other Manitoba	58.8%	56.3%	2.5	\$119.46	\$116.86	2.2%	\$70.23	\$65.78	6.8%
<b>SASKATCHEWAN</b>	<b>54.4%</b>	<b>50.2%</b>	<b>4.2</b>	<b>\$118.74</b>	<b>\$121.14</b>	<b>-2.0%</b>	<b>\$64.55</b>	<b>\$60.77</b>	<b>6.2%</b>
Regina	58.5%	53.0%	5.5	\$121.68	\$120.50	1.0%	\$71.23	\$63.87	11.5%
Saskatoon	60.8%	57.8%	3.0	\$124.37	\$128.84	-3.5%	\$75.57	\$74.46	1.5%
Other Saskatchewan	45.7%	41.5%	4.2	\$109.45	\$112.51	-2.7%	\$50.04	\$46.71	7.1%
<b>ALBERTA (excl. Alta Resorts)</b>	<b>52.3%</b>	<b>49.4%</b>	<b>2.9</b>	<b>\$128.08</b>	<b>\$128.60</b>	<b>-0.4%</b>	<b>\$66.95</b>	<b>\$63.54</b>	<b>5.4%</b>
<b>Calgary</b>	<b>56.2%</b>	<b>52.3%</b>	<b>3.9</b>	<b>\$139.20</b>	<b>\$139.62</b>	<b>-0.3%</b>	<b>\$78.17</b>	<b>\$72.96</b>	<b>7.1%</b>
Calgary Airport	55.3%	52.6%	2.7	\$114.44	\$117.25	-2.4%	\$63.29	\$61.73	2.5%
Calgary Downtown	58.6%	54.1%	4.5	\$184.22	\$185.69	-0.8%	\$108.03	\$100.44	7.5%
Calgary Northwest	54.0%	55.8%	-1.8	\$108.65	\$107.28	1.3%	\$58.72	\$59.89	-2.0%
Calgary South	54.8%	46.4%	8.3	\$125.29	\$121.67	3.0%	\$68.62	\$56.48	21.5%
<b>Edmonton</b>	<b>58.5%</b>	<b>56.0%</b>	<b>2.6</b>	<b>\$129.04</b>	<b>\$131.74</b>	<b>-2.1%</b>	<b>\$75.55</b>	<b>\$73.73</b>	<b>2.5%</b>
Downtown Edmonton	63.8%	61.9%	1.9	\$154.82	\$154.14	0.4%	\$98.76	\$95.43	3.5%
Edmonton South	58.5%	55.6%	2.9	\$114.33	\$116.63	-2.0%	\$66.85	\$64.79	3.2%
Edmonton West	53.8%	51.3%	2.5	\$124.15	\$126.06	-1.5%	\$66.83	\$64.66	3.4%
<b>Other Alberta</b>	<b>45.7%</b>	<b>43.2%</b>	<b>2.5</b>	<b>\$118.07</b>	<b>\$116.64</b>	<b>1.2%</b>	<b>\$53.98</b>	<b>\$50.35</b>	<b>7.2%</b>
Lethbridge	48.1%	50.0%	-2.0	\$111.52	\$110.38	1.0%	\$53.59	\$55.22	-2.9%
Red Deer	43.7%	40.4%	3.3	\$109.33	\$105.85	3.3%	\$47.81	\$42.78	11.8%
Other Alberta Communities	45.3%	42.5%	2.8	\$120.43	\$119.56	0.7%	\$54.57	\$50.79	7.4%
<b>Alberta Resorts</b>	<b>55.8%</b>	<b>55.4%</b>	<b>0.3</b>	<b>\$216.29</b>	<b>\$203.43</b>	<b>6.3%</b>	<b>\$120.62</b>	<b>\$112.77</b>	<b>7.0%</b>
<b>BRITISH COLUMBIA</b>	<b>65.5%</b>	<b>64.5%</b>	<b>1.0</b>	<b>\$170.81</b>	<b>\$155.53</b>	<b>9.8%</b>	<b>\$111.92</b>	<b>\$100.35</b>	<b>11.5%</b>
<b>Greater Vancouver</b>	<b>75.2%</b>	<b>73.2%</b>	<b>1.9</b>	<b>\$181.64</b>	<b>\$163.24</b>	<b>11.3%</b>	<b>\$136.55</b>	<b>\$119.56</b>	<b>14.2%</b>
Airport (Richmond)	78.8%	78.1%	0.7	\$155.21	\$139.45	11.3%	\$122.38	\$108.96	12.3%
Downtown Vancouver	74.6%	72.2%	2.4	\$215.57	\$191.91	12.3%	\$160.86	\$138.55	16.1%
Langley/Surrey	68.8%	65.4%	3.4	\$124.15	\$116.09	6.9%	\$85.42	\$75.88	12.6%
Other Vancouver	75.8%	74.7%	1.2	\$142.45	\$131.32	8.5%	\$108.05	\$98.06	10.2%
<b>Vancouver Island</b>	<b>64.9%</b>	<b>61.3%</b>	<b>3.6</b>	<b>\$143.48</b>	<b>\$131.96</b>	<b>8.7%</b>	<b>\$93.08</b>	<b>\$80.89</b>	<b>15.1%</b>
Campbell River	74.0%	64.0%	10.0	\$106.75	\$101.97	4.7%	\$79.01	\$65.29	21.0%
Greater Victoria	68.0%	62.9%	5.1	\$147.80	\$133.18	11.0%	\$100.48	\$83.71	20.0%
Nanaimo	63.5%	61.8%	1.8	\$126.17	\$121.71	3.7%	\$80.18	\$75.18	6.6%
Parksville/Qualicum Beach	51.7%	53.8%	-2.1	\$132.55	\$120.17	10.3%	\$68.58	\$64.67	6.0%
Other Vancouver Island	58.0%	58.2%	-0.2	\$157.95	\$151.04	4.6%	\$91.65	\$87.95	4.2%
<b>Whistler Resort Area</b>	<b>74.6%</b>	<b>74.5%</b>	<b>0.2</b>	<b>\$369.82</b>	<b>\$326.27</b>	<b>13.3%</b>	<b>\$276.05</b>	<b>\$243.04</b>	<b>13.6%</b>
<b>Other British Columbia</b>	<b>52.8%</b>	<b>53.6%</b>	<b>-0.8</b>	<b>\$122.25</b>	<b>\$117.50</b>	<b>4.0%</b>	<b>\$64.49</b>	<b>\$62.97</b>	<b>2.4%</b>
Abbotsford/Chilliwack	62.7%	58.7%	4.0	\$104.76	\$102.76	1.9%	\$65.65	\$60.34	8.8%
Kamloops	53.4%	49.2%	4.2	\$106.96	\$104.86	2.0%	\$57.11	\$51.58	10.7%
Kelowna	58.0%	55.7%	2.3	\$128.74	\$125.07	2.9%	\$74.70	\$69.63	7.3%
Penticton	49.2%	48.9%	0.3	\$120.70	\$105.71	14.2%	\$59.42	\$51.69	14.9%
Prince George	62.2%	63.2%	-1.0	\$123.29	\$121.39	1.6%	\$76.74	\$76.76	0.0%
Other B.C. Communities	49.2%	52.7%	-3.4	\$126.64	\$120.42	5.2%	\$62.35	\$63.42	-1.7%
<b>NORTHWEST TERRITORIES</b>	<b>72.5%</b>	<b>68.1%</b>	<b>4.5</b>	<b>\$150.09</b>	<b>\$145.30</b>	<b>3.3%</b>	<b>\$108.89</b>	<b>\$98.89</b>	<b>10.1%</b>
<b>YUKON</b>	<b>52.8%</b>	<b>54.6%</b>	<b>-1.8</b>	<b>\$131.53</b>	<b>\$122.05</b>	<b>7.8%</b>	<b>\$69.45</b>	<b>\$66.64</b>	<b>4.2%</b>
<b>CANADA</b>	<b>60.5%</b>	<b>59.3%</b>	<b>1.2</b>	<b>\$150.02</b>	<b>\$143.59</b>	<b>4.5%</b>	<b>\$90.82</b>	<b>\$85.18</b>	<b>6.6%</b>

\*\* Please note that the variance between current and previous year occupancy is reported as a point change and not as a percentage variance.

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## REGIONAL REPORT OF ROOMS OPERATIONS BY PROPERTY SIZE, PROPERTY TYPE AND PRICE LEVEL MONTH OF MAY 2018\*

### ATLANTIC

	Occupancy Percentage			Average Daily Rate		
	2018	2017	**Point Change	2018	2017	Variance
<b>Property Size</b>						
Under 50 rooms	55.7%	55.7%	0.0	\$111.75	\$111.06	0.6%
50-75 rooms	56.9%	56.7%	0.3	\$108.44	\$102.58	5.7%
76-125 rooms	64.2%	65.2%	-1.0	\$126.37	\$123.88	2.0%
126-200 rooms	61.3%	64.2%	-2.8	\$143.49	\$135.12	6.2%
201-500 rooms	62.0%	68.7%	-6.8	\$170.64	\$163.93	4.1%
Over 500 rooms	N/A	N/A	N/A	N/A	N/A	N/A
<b>Total</b>	<b>61.6%</b>	<b>64.0%</b>	<b>-2.5</b>	<b>\$138.01</b>	<b>\$132.70</b>	<b>4.0%</b>
<b>Property Type</b>						
Limited Service	60.9%	63.9%	-2.9	\$122.76	\$118.90	3.2%
Full Service	62.8%	65.1%	-2.4	\$146.73	\$140.56	4.4%
Suite Hotel	78.7%	82.7%	-4.0	\$169.08	\$155.69	8.6%
Resort	N/A	N/A	N/A	N/A	N/A	N/A
<b>Total</b>	<b>61.6%</b>	<b>64.0%</b>	<b>-2.5</b>	<b>\$138.01</b>	<b>\$132.70</b>	<b>4.0%</b>
<b>Price Level</b>						
Budget	53.0%	50.9%	2.1	\$101.86	\$97.02	5.0%
Mid-Price	63.7%	67.6%	-3.9	\$143.21	\$137.82	3.9%
Upscale	60.9%	63.1%	-2.2	\$171.85	\$161.53	6.4%
<b>Total</b>	<b>61.6%</b>	<b>64.0%</b>	<b>-2.5</b>	<b>\$138.01</b>	<b>\$132.70</b>	<b>4.0%</b>

### CENTRAL

	Occupancy Percentage			Average Daily Rate		
	2018	2017	**Point Change	2018	2017	Variance
<b>Property Size</b>						
Under 50 rooms	56.2%	53.2%	3.0	\$117.85	\$114.82	2.6%
50-75 rooms	63.9%	62.3%	1.6	\$117.83	\$114.02	3.3%
76-125 rooms	71.3%	71.1%	0.2	\$131.76	\$128.17	2.8%
126-200 rooms	72.7%	73.2%	-0.5	\$146.57	\$141.91	3.3%
201-500 rooms	73.9%	74.8%	-0.9	\$191.48	\$189.95	0.8%
Over 500 rooms	75.1%	75.9%	-0.8	\$221.77	\$214.06	3.6%
<b>Total</b>	<b>71.7%</b>	<b>71.9%</b>	<b>-0.1</b>	<b>\$163.83</b>	<b>\$159.76</b>	<b>2.6%</b>
<b>Property Type</b>						
Limited Service	65.9%	65.4%	0.5	\$119.88	\$116.44	3.0%
Full Service	76.0%	75.8%	0.1	\$185.78	\$180.10	3.2%
Suite Hotel	76.9%	80.7%	-3.8	\$161.67	\$161.33	0.2%
Resort	49.8%	48.9%	1.0	\$203.32	\$193.84	4.9%
<b>Total</b>	<b>71.7%</b>	<b>71.9%</b>	<b>-0.1</b>	<b>\$163.83</b>	<b>\$159.76</b>	<b>2.6%</b>
<b>Price Level</b>						
Budget	62.3%	63.1%	-0.8	\$100.96	\$98.64	2.4%
Mid-Price	74.8%	74.5%	0.3	\$160.30	\$157.81	1.6%
Upscale	75.4%	76.4%	-1.1	\$261.73	\$251.00	4.3%
<b>Total</b>	<b>71.7%</b>	<b>71.9%</b>	<b>-0.1</b>	<b>\$163.83</b>	<b>\$159.76</b>	<b>2.6%</b>

### WESTERN

	Occupancy Percentage			Average Daily Rate		
	2018	2017	**Point Change	2018	2017	Variance
<b>Property Size</b>						
Under 50 rooms	53.1%	50.9%	2.2	\$106.67	\$105.49	1.1%
50-75 rooms	59.8%	58.9%	0.9	\$120.86	\$115.50	4.6%
76-125 rooms	63.0%	60.4%	2.6	\$134.01	\$130.77	2.5%
126-200 rooms	66.7%	63.9%	2.8	\$155.03	\$144.94	7.0%
201-500 rooms	69.6%	66.9%	2.8	\$197.40	\$180.28	9.5%
Over 500 rooms	79.9%	77.5%	2.3	\$303.31	\$275.32	10.2%
<b>Total</b>	<b>65.3%</b>	<b>62.9%</b>	<b>2.4</b>	<b>\$161.71</b>	<b>\$152.06</b>	<b>6.3%</b>
<b>Property Type</b>						
Limited Service	59.5%	57.4%	2.0	\$120.42	\$116.49	3.4%
Full Service	69.9%	67.0%	2.9	\$179.18	\$165.43	8.3%
Suite Hotel	72.6%	65.3%	7.2	\$171.43	\$162.38	5.6%
Resort	63.7%	63.4%	0.4	\$230.99	\$214.61	7.6%
<b>Total</b>	<b>65.3%</b>	<b>62.9%</b>	<b>2.4</b>	<b>\$161.71</b>	<b>\$152.06</b>	<b>6.3%</b>
<b>Price Level</b>						
Budget	59.3%	59.0%	0.2	\$116.48	\$105.68	10.2%
Mid-Price	65.3%	62.3%	3.0	\$145.59	\$139.51	4.4%
Upscale	71.5%	69.9%	1.6	\$268.47	\$249.32	7.7%
<b>Total</b>	<b>65.3%</b>	<b>62.9%</b>	<b>2.4</b>	<b>\$161.71</b>	<b>\$152.06</b>	<b>6.3%</b>

### CANADA \*

	Occupancy Percentage			Average Daily Rate		
	2018	2017	**Point Change	2018	2017	Variance
<b>Property Size</b>						
Under 50 rooms	54.5%	52.1%	2.4	\$111.49	\$109.61	1.7%
50-75 rooms	61.1%	60.0%	1.1	\$118.48	\$113.70	4.2%
76-125 rooms	66.4%	65.0%	1.4	\$132.48	\$129.12	2.6%
126-200 rooms	69.0%	68.3%	0.7	\$149.99	\$142.65	5.1%
201-500 rooms	71.4%	71.0%	0.4	\$192.87	\$184.58	4.5%
Over 500 rooms	76.3%	76.3%	-0.1	\$242.63	\$230.24	5.4%
<b>Total</b>	<b>68.1%</b>	<b>67.2%</b>	<b>0.9</b>	<b>\$161.27</b>	<b>\$154.66</b>	<b>4.3%</b>
<b>Property Type</b>						
Limited Service	62.3%	61.3%	1.0	\$120.37	\$116.66	3.2%
Full Service	72.5%	71.3%	1.2	\$180.80	\$171.78	5.3%
Suite Hotel	75.6%	75.9%	-0.3	\$165.06	\$161.30	2.3%
Resort	58.3%	57.7%	0.6	\$223.06	\$208.67	6.9%
<b>Total</b>	<b>68.1%</b>	<b>67.2%</b>	<b>0.9</b>	<b>\$161.27</b>	<b>\$154.66</b>	<b>4.3%</b>
<b>Price Level</b>						
Budget	60.6%	60.8%	-0.2	\$106.39	\$101.02	5.3%
Mid-Price	69.3%	67.9%	1.4	\$152.26	\$147.93	2.9%
Upscale	73.2%	73.0%	0.2	\$262.98	\$248.24	5.9%
<b>Total</b>	<b>68.1%</b>	<b>67.2%</b>	<b>0.9</b>	<b>\$161.27</b>	<b>\$154.66</b>	<b>4.3%</b>

\* Based on the operating results of 250,747 rooms (unweighted data)

\*\* Please note that the variance between current and previous year occupancy is reported as a point change and not as a percentage variance.

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NATIONAL MARKET REPORT • A MONTHLY PROFESSIONAL PUBLICATION

## REGIONAL REPORT OF ROOMS OPERATIONS BY PROPERTY SIZE, PROPERTY TYPE AND PRICE LEVEL FIVE MONTHS ENDED MAY 2018

### ATLANTIC

	Occupancy Percentage			Average Daily Rate		
	2018	2017	**Point Change	2018	2017	Variance
<b>Property Size</b>						
Under 50 rooms	40.2%	42.0%	-1.9	\$113.36	\$108.35	4.6%
50-75 rooms	45.5%	46.8%	-1.3	\$105.40	\$99.53	5.9%
76-125 rooms	54.4%	54.8%	-0.4	\$121.24	\$118.93	1.9%
126-200 rooms	55.3%	57.6%	-2.3	\$134.80	\$127.73	5.5%
201-500 rooms	50.3%	53.7%	-3.4	\$148.29	\$141.45	4.8%
Over 500 rooms	N/A	N/A	N/A	N/A	N/A	N/A
<b>Total</b>	<b>52.1%</b>	<b>53.6%</b>	<b>-1.6</b>	<b>\$128.59</b>	<b>\$123.28</b>	<b>4.3%</b>
<b>Property Type</b>						
Limited Service	52.3%	54.5%	-2.2	\$120.84	\$116.77	3.5%
Full Service	51.6%	53.1%	-1.5	\$132.74	\$126.62	4.8%
Suite Hotel	64.2%	65.2%	-1.0	\$148.30	\$139.04	6.7%
Resort	N/A	N/A	N/A	N/A	N/A	N/A
<b>Total</b>	<b>52.1%</b>	<b>53.6%</b>	<b>-1.6</b>	<b>\$128.59</b>	<b>\$123.28</b>	<b>4.3%</b>
<b>Price Level</b>						
Budget	41.0%	41.0%	0.0	\$99.69	\$93.57	6.5%
Mid-Price	54.7%	56.9%	-2.2	\$132.53	\$127.33	4.1%
Upscale	54.1%	52.9%	1.2	\$152.64	\$146.28	4.4%
<b>Total</b>	<b>52.1%</b>	<b>53.6%</b>	<b>-1.6</b>	<b>\$128.59</b>	<b>\$123.28</b>	<b>4.3%</b>

### CENTRAL

	Occupancy Percentage			Average Daily Rate		
	2018	2017	**Point Change	2018	2017	Variance
<b>Property Size</b>						
Under 50 rooms	46.1%	44.4%	1.7	\$113.17	\$108.40	4.4%
50-75 rooms	55.2%	53.3%	1.9	\$113.30	\$109.42	3.5%
76-125 rooms	62.8%	61.2%	1.7	\$126.11	\$121.56	3.7%
126-200 rooms	64.0%	62.8%	1.2	\$138.18	\$132.42	4.4%
201-500 rooms	66.8%	66.4%	0.4	\$177.45	\$170.73	3.9%
Over 500 rooms	67.7%	68.6%	-0.9	\$199.12	\$188.46	5.7%
<b>Total</b>	<b>63.6%</b>	<b>62.7%</b>	<b>0.9</b>	<b>\$152.96</b>	<b>\$146.68</b>	<b>4.3%</b>
<b>Property Type</b>						
Limited Service	59.1%	57.1%	2.0	\$116.15	\$111.58	4.1%
Full Service	65.7%	64.8%	0.9	\$168.62	\$160.82	4.9%
Suite Hotel	70.3%	72.9%	-2.5	\$152.67	\$147.54	3.5%
Resort	54.2%	53.7%	0.5	\$207.63	\$198.14	4.8%
<b>Total</b>	<b>63.6%</b>	<b>62.7%</b>	<b>0.9</b>	<b>\$152.96</b>	<b>\$146.68</b>	<b>4.3%</b>
<b>Price Level</b>						
Budget	56.1%	54.7%	1.5	\$99.19	\$93.74	5.8%
Mid-Price	65.7%	64.7%	1.1	\$149.11	\$144.55	3.2%
Upscale	66.2%	67.3%	-1.0	\$234.89	\$221.05	6.3%
<b>Total</b>	<b>63.6%</b>	<b>62.7%</b>	<b>0.9</b>	<b>\$152.96</b>	<b>\$146.68</b>	<b>4.3%</b>

### WESTERN

	Occupancy Percentage			Average Daily Rate		
	2018	2017	**Point Change	2018	2017	Variance
<b>Property Size</b>						
Under 50 rooms	45.7%	44.9%	0.7	\$103.51	\$101.37	2.1%
50-75 rooms	53.6%	51.8%	1.8	\$111.94	\$108.65	3.0%
76-125 rooms	56.8%	54.8%	2.0	\$127.02	\$124.89	1.7%
126-200 rooms	59.8%	58.6%	1.2	\$140.56	\$134.08	4.8%
201-500 rooms	63.6%	60.9%	2.7	\$183.69	\$170.35	7.8%
Over 500 rooms	69.8%	66.7%	3.1	\$270.87	\$251.54	7.7%
<b>Total</b>	<b>58.7%</b>	<b>56.8%</b>	<b>1.9</b>	<b>\$149.67</b>	<b>\$142.99</b>	<b>4.7%</b>
<b>Property Type</b>						
Limited Service	53.2%	51.2%	2.0	\$113.81	\$111.46	2.1%
Full Service	62.5%	60.3%	2.2	\$157.34	\$148.92	5.7%
Suite Hotel	67.4%	62.8%	4.5	\$165.21	\$155.25	6.4%
Resort	59.9%	60.6%	-0.6	\$245.35	\$225.42	8.8%
<b>Total</b>	<b>58.7%</b>	<b>56.8%</b>	<b>1.9</b>	<b>\$149.67</b>	<b>\$142.99</b>	<b>4.7%</b>
<b>Price Level</b>						
Budget	52.5%	51.4%	1.1	\$103.45	\$96.54	7.2%
Mid-Price	58.6%	56.7%	1.9	\$133.79	\$130.47	2.5%
Upscale	66.2%	63.9%	2.3	\$253.86	\$238.92	6.3%
<b>Total</b>	<b>58.7%</b>	<b>56.8%</b>	<b>1.9</b>	<b>\$149.67</b>	<b>\$142.99</b>	<b>4.7%</b>

### CANADA

	Occupancy Percentage			Average Daily Rate		
	2018	2017	**Point Change	2018	2017	Variance
<b>Property Size</b>						
Under 50 rooms	45.6%	44.6%	1.0	\$107.79	\$104.54	3.1%
50-75 rooms	53.4%	51.9%	1.5	\$111.91	\$108.11	3.5%
76-125 rooms	59.0%	57.3%	1.7	\$126.23	\$123.06	2.6%
126-200 rooms	61.3%	60.5%	0.8	\$138.98	\$132.79	4.7%
201-500 rooms	64.4%	63.2%	1.2	\$178.81	\$169.15	5.7%
Over 500 rooms	68.2%	68.1%	0.1	\$217.20	\$204.76	6.1%
<b>Total</b>	<b>60.5%</b>	<b>59.3%</b>	<b>1.2</b>	<b>\$150.02</b>	<b>\$143.59</b>	<b>4.5%</b>
<b>Property Type</b>						
Limited Service	55.5%	53.9%	1.7	\$115.36	\$111.94	3.1%
Full Service	63.4%	62.0%	1.3	\$161.94	\$153.90	5.2%
Suite Hotel	69.0%	69.3%	-0.2	\$156.40	\$149.32	4.7%
Resort	57.6%	57.7%	-0.1	\$234.03	\$217.21	7.7%
<b>Total</b>	<b>60.5%</b>	<b>59.3%</b>	<b>1.2</b>	<b>\$150.02</b>	<b>\$143.59</b>	<b>4.5%</b>
<b>Price Level</b>						
Budget	53.7%	52.6%	1.2	\$100.79	\$94.78	6.3%
Mid-Price	61.3%	60.1%	1.3	\$140.76	\$136.68	3.0%
Upscale	66.0%	65.3%	0.6	\$242.40	\$227.85	6.4%
<b>Total</b>	<b>60.5%</b>	<b>59.3%</b>	<b>1.2</b>	<b>\$150.02</b>	<b>\$143.59</b>	<b>4.5%</b>

\*\* Please note that the variance between current and previous year occupancy is reported as a point change and not as a percentage variance.

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Despite the perception of higher rates, cap rates on Alberta transactions have held relatively low as buyers tend not to double punish weak market-wide performance with high yield expectations and bought on a per room basis with lower initial yields. To date, transaction volume remains subdued in Alberta and Saskatchewan but expectations are for increased activity over the next few months.

Looking ahead, we expect that the hotel sector will continue to attract capital domestically and from around the globe. Over the past two and a half years the appetite for hotel investment has led to compression in cap rates across almost every major city in the country. Nationally, cap rates are at the lowest they have ever been and while further compression is not anticipated, with multiple buyers outstripping sellers in almost every market, barring any unpredictable turn of events, the expectation is for cap rates to hold at these levels over the near term.

Overall, buoyed by stable market fundamentals, strong industry performance, and readily available debt, investment interest in the hotel sector is expected to remain healthy through the balance of 2018.

*Erin O'Brien, AACI p. App, Senior Director  
CBRE Hotels*



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