

HOSPITALITY ADVISORS' LODGING COMMENTARY

Hospitality Advisors in conjunction with the Michigan Hotel, Motel and Resort Association

Summer/Fall/Winter 2015

Vol 25 ; Number 2

Skelton's Comments

The New Detroit is underway! The Red Wings complex to the north, the M-1 rail project, a state of the art Cobo Center facility, a plan to cover Greektown for more year-round activity, lofts, apartments, condos are all blossoming in the downtown area! Ten years ago who would have thunk it? The changes are huge and the credit goes to GM for keeping its headquarters in the Renaissance Center, Dan Gilbert and his group for their insight and initiative, Mayor Duggan for clearing the path, the casino developers who began their effort decades ago when no one was going downtown, all the entrepreneurs who have come and some who have gone who took the risk to venture downtown in order to offer their unique talents to the mix. In a city of industry and big business, it is once again the risk takers who make the difference.

Now where do we go from here? It is becoming a destination. It is becoming a hub of various types of entertainment and events. It is becoming a place to live and work. It is on its way to becoming a functional city. I think that the city has a much brighter future than at any time in the last forty years. Wow!

The hospitality business benefits from this transition in a huge way. Not only are we looking at all demand segments growing but there is a buzz about the city. The grandeur that Detroit had in decades past has a chance to return. That is a huge step and, frankly, one that seemed impossible not that long ago. Congrats to all who took the chance and had an impact.

Now to business, the mid-year report follows and shows some slowing in demand but overall a solid picture statewide. Some are predicting that nationally we are at the top of the curve, but I think we are perhaps at a resting spot here. We've actually only got back to previous highs in 2012, so real growth has taken place since. The picture should be clearer at year's end.

Michigan Overview

Through June, the State of Michigan showed slight increases in most markets as the state continues to strengthen economically. Commercially-oriented markets benefited from continued improvement in corporate business while leisure/tourism benefitted from weather which was warmer than 2014. Many markets showed changes in supply as new properties are developed and older properties are improved to current standards or leave the market. Demand in Southeast Michigan grew by approximately 2.1% overall while Average Rates grew by 5.6%. Additionally, statewide,

demand grew by 1.5% and Average Rates grew approximately 0.2% overall.

For the first half of the year, most SE Michigan markets we surveyed were up over the same period in 2014, while many of the outstate markets were slower. The only hotel market showing a decline was Southwest Michigan which showed a decline in occupancy with a slight increase in ADR. Ann Arbor continued to be the strongest occupancy in the state at about 66%. It should be interesting to see how Ann Arbor holds up with significant new supply in the pipeline in the coming years. It will be interesting to see the impact of Detroit's performance during the recent ASAE national convention at Cobo Center. Additionally, most outstate markets showed some growth over last year despite the first half of the year generally being slower than the second half. All things considered, demand growth seems to have continued in most of Michigan, particularly Southeast Michigan though slowly, also ADR seems to be leveling off after being the driving growth factor in recent years. We'll see what the second half of 2015 holds!

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We want to thank the ever-expanding base of properties that contribute to both our mid-year and our end of the year publication. Your participation is greatly appreciated and we hope this resulting publication is worthwhile to you. Included in our numbers are estimates and they should be used as guides only. Hospitality Advisors has taken care in the preparation, but we do not guarantee the accuracy of the contents. The numbers are not to be depended upon in calculations of value and may not be used without written permission of Hospitality Advisors. **Feel free to call with questions or comments at any time.**

Markets

| State of Michigan | | | | | | |
|------------------------|-----------|----------|---------|-----------|----------|---------|
| | 2015 YTD | | | 2014 YTD | | |
| | Occ. % | ADR | RevPAR | Occ. % | ADR | RevPAR |
| Total Market | 54.2% | \$96.84 | \$52.50 | 53.4% | \$96.63 | \$51.61 |
| Total Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 47.1% | 11.9% | 41.0% | 47.1% | 11.9% | 41.0% |
| Full Service | 54.7% | \$110.33 | \$60.39 | 54.0% | \$108.02 | \$58.36 |
| FS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 40.3% | 21.4% | 38.3% | 40.4% | 21.4% | 38.3% |
| Limited Service | 53.6% | \$81.62 | \$43.78 | 52.7% | \$83.73 | \$44.14 |
| LS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 54.8% | 1.2% | 44.1% | 54.6% | 1.1% | 44.2% |

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| Southeast Michigan | | | | | | |
|------------------------|-----------|----------|---------|-----------|----------|---------|
| | 2015 YTD | | | 2014 YTD | | |
| | Occ. % | ADR | RevPAR | Occ. % | ADR | RevPAR |
| Total Market | 56.9% | \$111.47 | \$63.43 | 55.7% | \$105.55 | \$58.83 |
| Total Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 47.6% | 12.9% | 42.3% | 46.7% | 12.6% | 42.6% |
| Full Service | 57.8% | \$127.20 | \$73.55 | 56.2% | \$118.56 | \$66.60 |
| FS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 43.3% | 22.7% | 39.4% | 42.3% | 22.4% | 39.2% |
| Limited Service | 55.9% | \$93.44 | \$52.22 | 55.3% | \$90.91 | \$50.23 |
| LS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 52.5% | 1.7% | 45.6% | 51.7% | 1.5% | 46.6% |

| Ann Arbor Area | | | | | | |
|------------------------|-----------|----------|---------|-----------|----------|---------|
| | 2015 YTD | | | 2014 YTD | | |
| | Occ. % | ADR | RevPAR | Occ. % | ADR | RevPAR |
| Total Market | 63.9% | \$104.95 | \$67.09 | 63.7% | \$95.53 | \$60.88 |
| Total Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 51.5% | 10.5% | 38.0% | 50.0% | 10.5% | 39.5% |
| Full Service | 62.4% | \$125.80 | \$78.47 | 66.0% | \$100.00 | \$66.00 |
| FS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 45.6% | 23.8% | 30.6% | 44.6% | 22.9% | 32.5% |
| Limited Service | 64.8% | \$94.17 | \$60.98 | 62.5% | \$93.00 | \$58.13 |
| LS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 54.6% | 3.6% | 41.9% | 53.0% | 3.5% | 43.5% |

| Auburn Hills | | | | | | |
|------------------------|-----------|----------|---------|-----------|----------|---------|
| | 2015 YTD | | | 2014 YTD | | |
| | Occ. % | ADR | RevPAR | Occ. % | ADR | RevPAR |
| Total Market | 56.1% | \$106.45 | \$59.77 | 54.5% | \$100.30 | \$54.70 |
| Total Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 55.0% | 7.8% | 37.2% | 54.7% | 7.3% | 38.0% |
| Full Service | 61.9% | \$117.68 | \$72.90 | 59.4% | \$112.80 | \$67.05 |
| FS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 53.2% | 14.1% | 32.7% | 53.1% | 13.8% | 33.0% |
| Limited Service | 52.6% | \$98.45 | \$51.81 | 51.6% | \$91.56 | \$47.22 |
| LS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 56.3% | 3.3% | 40.4% | 55.7% | 2.8% | 41.5% |

| Dearborn | | | | | | |
|------------------------|-----------|----------|---------|-----------|----------|---------|
| | 2015 YTD | | | 2014 YTD | | |
| | Occ. % | ADR | RevPAR | Occ. % | ADR | RevPAR |
| Total Market | 51.5% | \$110.21 | \$56.81 | 51.1% | \$104.81 | \$53.55 |
| Total Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 44.5% | 16.9% | 35.5% | 43.3% | 18.5% | 36.4% |
| Full Service | 50.3% | \$121.96 | \$61.34 | 50.1% | \$115.86 | \$58.05 |
| FS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 42.2% | 24.9% | 32.9% | 40.1% | 27.3% | 32.6% |
| Limited Service | 54.2% | \$87.00 | \$47.17 | 53.2% | \$82.65 | \$43.97 |
| LS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 49.0% | 1.1% | 40.7% | 49.8% | 0.9% | 44.0% |

| Detroit | | | | | | |
|------------------------|-----------|----------|---------|-----------|----------|---------|
| | 2015 YTD | | | 2014 YTD | | |
| | Occ. % | ADR | RevPAR | Occ. % | ADR | RevPAR |
| Total Market | 59.5% | \$139.75 | \$83.18 | 56.5% | \$130.50 | \$73.73 |
| Total Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 47.7% | 26.2% | 45.2% | 45.2% | 25.0% | 44.0% |
| Full Service | 59.5% | \$139.75 | \$83.18 | 56.5% | \$130.50 | \$73.73 |
| FS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 47.7% | 26.2% | 45.2% | 45.2% | 25.0% | 44.0% |
| Limited Service | N/A | N/A | N/A | N/A | N/A | N/A |
| LS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | N/A | N/A | N/A | N/A | N/A | N/A |

| Downriver Area | | | | | | |
|------------------------|-----------|---------|---------|-----------|---------|---------|
| | 2015 YTD | | | 2014 YTD | | |
| | Occ. % | ADR | RevPAR | Occ. % | ADR | RevPAR |
| Total Market | 56.7% | \$85.02 | \$48.17 | 55.5% | \$82.91 | \$46.01 |
| Total Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 40.7% | 3.1% | 50.4% | 41.0% | 3.4% | 52.1% |
| Full Service | 49.6% | \$94.22 | \$46.73 | 48.8% | \$93.00 | \$45.41 |
| FS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 43.2% | 13.4% | 43.4% | 41.5% | 14.3% | 44.3% |
| Limited Service | 59.2% | \$82.20 | \$48.70 | 57.9% | \$79.80 | \$46.22 |
| LS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 40.0% | 0.0% | 52.5% | 40.8% | 0.0% | 54.5% |

| East Area | | | | | | |
|------------------------|-----------|---------|---------|-----------|---------|---------|
| | 2015 YTD | | | 2014 YTD | | |
| | Occ. % | ADR | RevPAR | Occ. % | ADR | RevPAR |
| Total Market | 52.9% | \$92.85 | \$49.09 | 54.0% | \$90.00 | \$48.60 |
| Total Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 52.7% | 3.1% | 44.2% | 25.0% | 0.0% | 75.0% |
| Full Service | 46.4% | \$93.75 | \$43.45 | 44.0% | \$92.00 | \$40.48 |
| FS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 48.4% | 11.5% | 40.1% | 40.0% | 10.0% | 50.0% |
| Limited Service | 54.9% | \$92.61 | \$50.86 | 54.0% | \$90.00 | \$48.60 |
| LS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 53.8% | 0.9% | 45.3% | 40.0% | 0.0% | 60.0% |

| I-275 Area | | | | | | |
|------------------------|-----------|----------|---------|-----------|----------|---------|
| | 2015 YTD | | | 2014 YTD | | |
| | Occ. % | ADR | RevPAR | Occ. % | ADR | RevPAR |
| Total Market | 55.8% | \$105.99 | \$59.18 | 54.8% | \$102.20 | \$55.98 |
| Total Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 43.6% | 12.4% | 44.4% | 43.3% | 12.0% | 44.7% |
| Full Service | 56.7% | \$116.26 | \$65.94 | 55.2% | \$111.25 | \$61.41 |
| FS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 35.8% | 22.9% | 41.4% | 35.6% | 22.7% | 41.6% |
| Limited Service | 55.0% | \$95.96 | \$52.79 | 54.4% | \$93.50 | \$50.85 |
| LS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 51.2% | 2.3% | 47.4% | 50.7% | 1.7% | 47.7% |

| Airport/I-94 Corridor Area | | | | | | |
|----------------------------|-----------|----------|---------|-----------|----------|---------|
| | 2015 YTD | | | 2014 YTD | | |
| | Occ. % | ADR | RevPAR | Occ. % | ADR | RevPAR |
| Total Market | 58.0% | \$110.54 | \$64.15 | 55.5% | \$104.85 | \$58.14 |
| Total Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 37.5% | 11.4% | 53.1% | 38.4% | 11.2% | 51.4% |
| Full Service | 63.1% | \$128.08 | \$80.78 | 59.0% | \$120.00 | \$70.76 |
| FS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 32.7% | 21.2% | 46.1% | 33.3% | 21.2% | 45.5% |
| Limited Service | 53.1% | \$90.10 | \$47.82 | 52.0% | \$88.00 | \$45.76 |
| LS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 43.0% | 0.0% | 61.2% | 43.9% | 0.0% | 58.1% |

| Southfield | | | | | | |
|------------------------|-----------|----------|---------|-----------|----------|---------|
| | 2015 YTD | | | 2014 YTD | | |
| | Occ. % | ADR | RevPAR | Occ. % | ADR | RevPAR |
| Total Market | 52.6% | \$106.34 | \$55.89 | 51.9% | \$103.41 | \$53.64 |
| Total Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 54.0% | 13.8% | 32.2% | 52.9% | 13.4% | 33.7% |
| Full Service | 59.1% | \$116.56 | \$68.91 | 58.0% | \$112.50 | \$65.20 |
| FS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 50.8% | 22.7% | 26.5% | 50.1% | 22.3% | 27.6% |
| Limited Service | 45.1% | \$91.13 | \$41.11 | 45.0% | \$90.10 | \$40.51 |
| LS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 58.8% | 0.5% | 40.7% | 57.0% | 0.4% | 42.6% |

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| Troy | | | | | | |
|------------------------|-----------|----------|---------|-----------|----------|---------|
| | 2015 YTD | | | 2014 YTD | | |
| | Occ. % | ADR | RevPAR | Occ. % | ADR | RevPAR |
| Total Market | 56.5% | \$123.71 | \$69.84 | 55.8% | \$119.72 | \$66.86 |
| Total Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 50.4% | 11.2% | 38.4% | 50.7% | 10.5% | 38.7% |
| | Occ. % | ADR | RevPAR | Occ. % | ADR | RevPAR |
| Full Service | 56.8% | \$146.32 | \$83.10 | 55.5% | \$141.00 | \$78.21 |
| FS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 40.9% | 20.8% | 38.3% | 45.0% | 25.0% | 30.0% |
| | Occ. % | ADR | RevPAR | Occ. % | ADR | RevPAR |
| Limited Service | 56.1% | \$98.92 | \$55.48 | 56.3% | \$97.00 | \$54.57 |
| LS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 60.8% | 0.8% | 38.5% | 48.3% | 12.4% | 39.3% |

| Flint/Tri-Cities/Port Huron | | | | | | |
|-----------------------------|-----------|----------|---------|-----------|---------|---------|
| | 2015 YTD | | | 2014 YTD | | |
| | Occ. % | ADR | RevPAR | Occ. % | ADR | RevPAR |
| Total Market | 53.2% | \$89.91 | \$47.82 | 49.5% | \$87.98 | \$43.53 |
| Total Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 51.9% | 8.8% | 39.3% | 51.4% | 9.0% | 39.7% |
| | Occ. % | ADR | RevPAR | Occ. % | ADR | RevPAR |
| Full Service | 51.6% | \$106.45 | \$54.89 | 48.7% | \$95.00 | \$46.24 |
| FS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 43.0% | 22.1% | 34.9% | 43.2% | 21.8% | 35.0% |
| | Occ. % | ADR | RevPAR | Occ. % | ADR | RevPAR |
| Limited Service | 54.2% | \$79.73 | \$43.25 | 50.0% | \$83.56 | \$41.78 |
| LS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 57.4% | 0.6% | 42.0% | 75.0% | 0.0% | 25.0% |

| Grand Rapids/Holland | | | | | | |
|------------------------|-----------|----------|---------|-----------|----------|---------|
| | 2015 YTD | | | 2014 YTD | | |
| | Occ. % | ADR | RevPAR | Occ. % | ADR | RevPAR |
| Total Market | 59.7% | \$101.89 | \$60.83 | 56.5% | \$97.48 | \$55.05 |
| Total Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 50.2% | 9.5% | 40.3% | 50.4% | 9.4% | 40.2% |
| | Occ. % | ADR | RevPAR | Occ. % | ADR | RevPAR |
| Full Service | 58.8% | \$116.47 | \$68.54 | 55.0% | \$100.00 | \$55.00 |
| FS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 38.5% | 17.9% | 43.6% | 39.5% | 18.0% | 42.5% |
| | Occ. % | ADR | RevPAR | Occ. % | ADR | RevPAR |
| Limited Service | 60.6% | \$87.25 | \$52.85 | 58.0% | \$95.00 | \$55.10 |
| LS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 50.2% | 9.5% | 40.3% | 61.1% | 1.0% | 37.9% |

| Lansing/Jackson | | | | | | |
|------------------------|-----------|----------|---------|-----------|---------|---------|
| | 2015 YTD | | | 2014 YTD | | |
| | Occ. % | ADR | RevPAR | Occ. % | ADR | RevPAR |
| Total Market | 59.7% | \$95.48 | \$56.95 | 56.4% | \$95.74 | \$54.01 |
| Total Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 51.3% | 9.1% | 39.6% | 51.2% | 8.7% | 40.0% |
| | Occ. % | ADR | RevPAR | Occ. % | ADR | RevPAR |
| Full Service | 55.1% | \$102.49 | \$56.46 | 54.0% | \$99.00 | \$53.46 |
| FS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 42.9% | 20.3% | 36.9% | 43.4% | 19.0% | 37.6% |
| | Occ. % | ADR | RevPAR | Occ. % | ADR | RevPAR |
| Limited Service | 62.7% | \$91.42 | \$57.28 | 58.0% | \$93.75 | \$54.38 |
| LS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 56.1% | 2.7% | 41.1% | 56.0% | 2.4% | 41.5% |

| Northern Michigan | | | | | | |
|------------------------|-----------|----------|---------|-----------|----------|---------|
| | 2015 YTD | | | 2014 YTD | | |
| | Occ. % | ADR | RevPAR | Occ. % | ADR | RevPAR |
| Total Market | 55.8% | \$100.47 | \$56.02 | 49.8% | \$100.11 | \$49.87 |
| Total Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 42.7% | 13.3% | 44.1% | 42.6% | 13.1% | 44.3% |
| | Occ. % | ADR | RevPAR | Occ. % | ADR | RevPAR |
| Full Service | 55.9% | \$115.08 | \$64.37 | 49.7% | \$104.20 | \$51.75 |
| FS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 40.7% | 22.3% | 37.0% | 40.8% | 22.2% | 37.0% |
| | Occ. % | ADR | RevPAR | Occ. % | ADR | RevPAR |
| Limited Service | 55.5% | \$82.00 | \$45.54 | 50.0% | \$95.00 | \$47.50 |
| LS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 45.1% | 1.8% | 53.0% | 44.9% | 1.7% | 53.4% |

| Southwest Michigan | | | | | | |
|------------------------|-----------|---------|---------|-----------|---------|---------|
| | 2015 YTD | | | 2014 YTD | | |
| | Occ. % | ADR | RevPAR | Occ. % | ADR | RevPAR |
| Total Market | 53.7% | \$85.69 | \$46.03 | 55.6% | \$88.00 | \$50.16 |
| Total Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 55.3% | 7.2% | 37.5% | 55.3% | 0.6% | 35.8% |
| | Occ. % | ADR | RevPAR | Occ. % | ADR | RevPAR |
| Full Service | 51.7% | \$95.91 | \$49.54 | 53.7% | \$95.00 | \$51.02 |
| FS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 43.0% | 16.9% | 40.1% | 43.2% | 17.8% | 39.0% |
| | Occ. % | ADR | RevPAR | Occ. % | ADR | RevPAR |
| Limited Service | 55.2% | \$78.70 | \$43.46 | 57.0% | \$88.00 | \$50.16 |
| LS Market Mix | Corporate | Group | Leisure | Corporate | Group | Leisure |
| | 63.7% | 0.7% | 35.7% | 63.6% | 1.0% | 30.0% |

*Some figures may not match previous publications due to differences in sample size and late arriving statistics.

If you wish to be included in our sample, your occupancy, average rate, and business mix information should be faxed to Hospitality Advisors - Consulting Group, (734) 741-7499. **Your responses, as always, will be held in confidence.**

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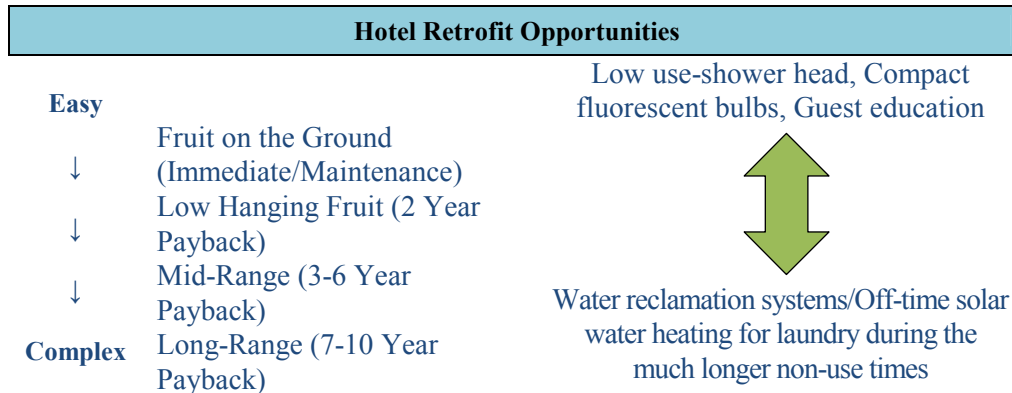
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Guest Commentary - Green Hotel Retrofits

Ronald Rivers, Jr. - Allen & Associates Appraisal

Hotels as life-style leaders and often like small city/campuses can provide many ways to participate in green programs—energy and water conservation, waste hauling costs and recycling. Green building is good business and can in almost any case produce a win-win for an owner.

A retrofit involves assessment, planning for upgrade and implementation with on-going measurement, verification and improvement. New technologies provide real-time visual data monitoring, management and programming of property systems - allowing an owner to do more with less, decreasing expense. Retrofits can be classified based upon time between payback and investment as follows:



Per the payback ratios, detailed modeling and planning of data can be incorporated with NPV analyses to develop a retrofit to meet a goal for savings (say 50% of costs) or to meet a specific budget savings (say \$30,000); or some combination of the above.

Revenue Enhancement - Green hotels can boost marketing. Various organizations now include inquiry about green participation in bids for meetings. Some require stays in green hotels by employees at some times. Concerns about guests' complaints in changes to the operating practices are largely unfounded suggests Pat Griffin of Greenhotels.com recognizing the growing trend in noting "a close connection between environmentalism and good health. There will never be an end to this." Guests appear to be ambivalent or are truly enthusiastic.

Valuation - Retrofits for green construction can usually cut energy costs by 20% to 35%, extend the life of the property, enhance value and provide other non-monetary benefits. A retrofit coupled with measurement and verification of energy data tracked over time will provide support for valuations that better recognize the value of the property and set your property apart from the field in terms of marketing. . Some benefits are indicated below:

| Hard Value Benefits | Other Soft Revenue Benefits | Non Valuation Notable Benefits |
|------------------------------------|-----------------------------|--------------------------------|
| Increased occupancy/repeats | Reputation/Certification | Employee retention |
| Increased rental rates | Market differentiation | Employee health (Costs) |
| Reduced operating costs | Reduced obsolescence | Employee attraction |
| Increased Return on Invest/W alues | Lower energy cost risk | |

Allen and Associates can help you prepare your property for an assessment and retrofit which will enhance valuation via costs savings, revenue enhancement, etc. Use of financing incentives and alternative finance programs can help finance the work which will ultimately pay for itself.

For more information contact Ronald Rivers, Jr. at (248) 433-9630 or rrivers@allenappraisal.com