Hotel Investment Almanac 2016

For the year 2015

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In our sample, complete data was not always available for various reasons. Because of these exceptions, the sample size for each line item is not consistent throughout the report. At times the development cost includes other components, such as condominiums, retail, or office space. If a hotel's development cost could not be identified separately, the data was removed from the sample.

This publication is not intended to represent the rendering of legal, accounting or professional services. When determining the value of hotel assets, the final computation should be estimated by an experienced hotel appraiser. An inclusive value computation not only references important cost comparables but also includes details about the market's land value and comments on the motivation of the developer.

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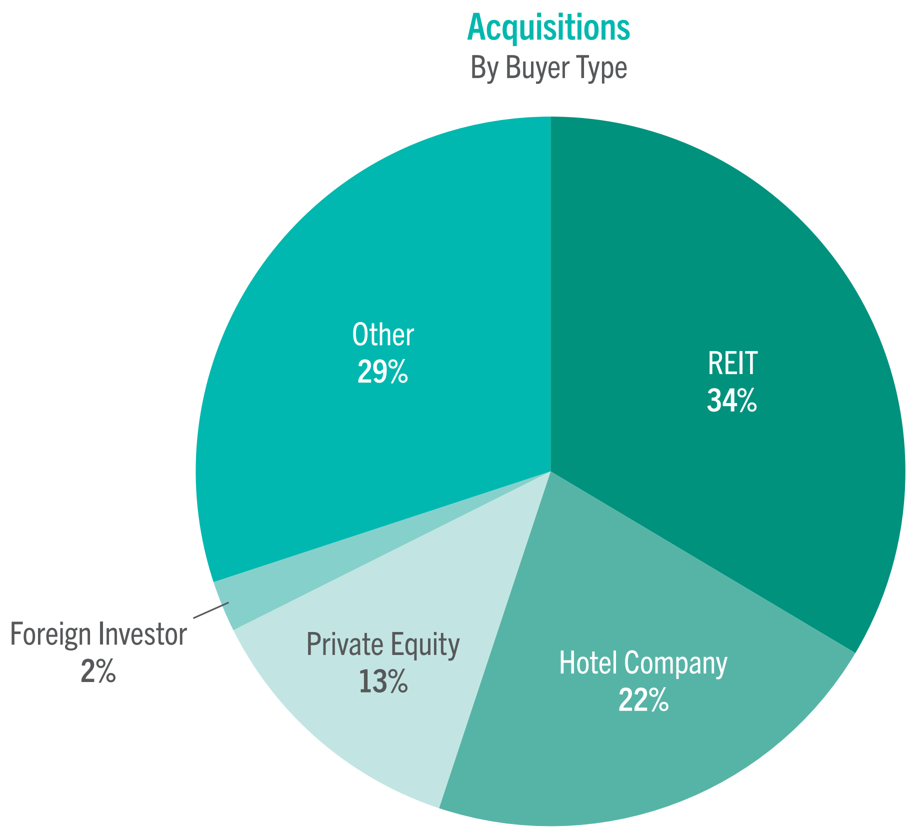
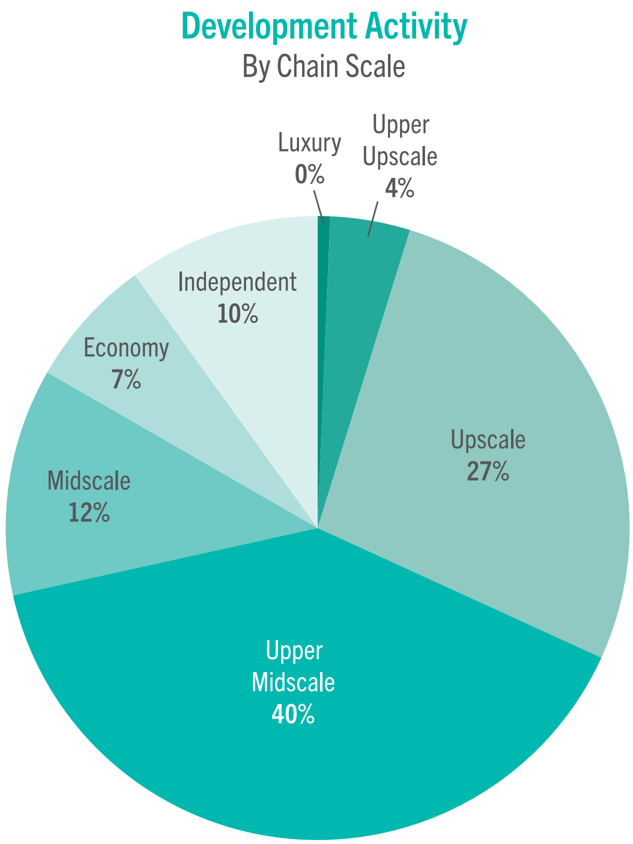
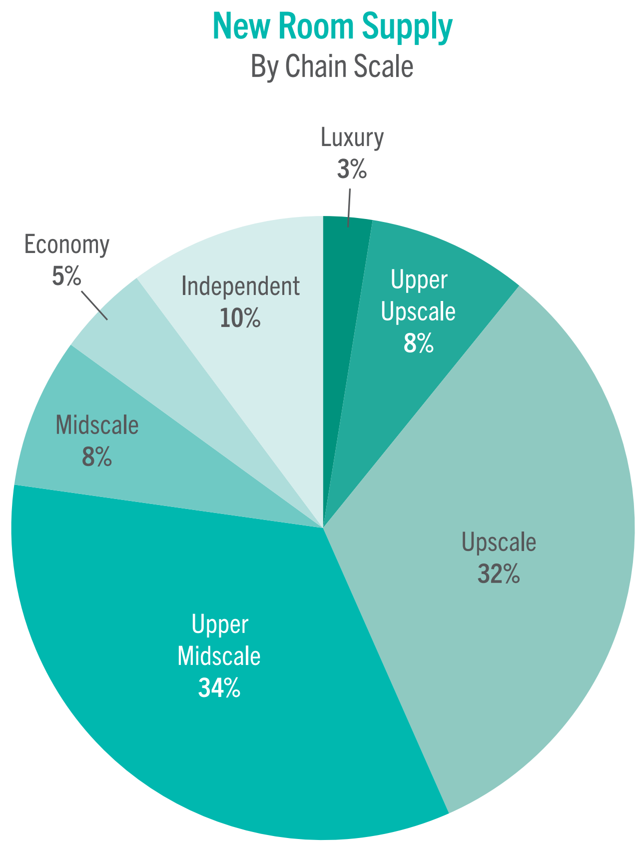
Buyers

REITs and hotel companies accounted for more than half of the hotel real estate acquisitions in 2015. Private equity groups accounted for 13% of the hotel acquisitions. While overseas entities gained headlines with several large purchases in New York like the Waldorf-Astoria and the Palace, overall foreign investors only accounted for 2% of the hotel asset trades in 2016. Other groups, including real estate conglomerates, high-net-worth individuals, insurance companies, and the like, accounted for the remaining 29% of the hotel buyers.







Chain Scale	Number of Openings	Number of Rooms	Average Room Count	Average Price Per Room
Luxury	5	2,152	430	$398,000
Upper Upscale	32	7,007	219	$262,000
Upscale	209	27,484	132	$189,000
Upper Midscale	307	28,590	93	$101,000
Midscale	91	6,572	72	$98,000
Economy	52	4,056	78	$67,000
Independent	77	8,615	112	$483,000
Total	**773**	**84,476**	**109**	**$180,000**