

TRENDS[®]

IN THE HOTEL INDUSTRY USA EDITION 2015

SAMPLE

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FULL-SERVICE HOTELS

Summary Operating Statement

Dollars Per Available and Occupied Room

Figure Number 10

	2014 Dollars Per Available Room	Change From Prior Year	2014 Percent Revenue	2014 Dollars Per Occupied Room
Revenue				
Rooms	\$ 45,360	5.6 %	71.3 %	\$ 166.05
Food and Beverage	15,526	5.9	24.4	56.84
Other Operated Departments	2,177	4.3	3.4	7.97
Rentals and Other Income	1,000	4.8	0.9	2.16
Total Revenue	\$ 64,063	7.0 %	100.0 %	\$ 233.01
Departmental Expenses*				
Rooms	14,893	5.9 %	26.2 %	\$ 43.54
Food and Beverage	12,295	4.1	74.6	42.41
Other Operated Departments	1,530	2.1	70.3	5.60
Total Departmental Expenses	\$ 28,718	4.8 %	39.3 %	\$ 91.55
Total Departmental Income	\$ 35,345	8.5 %	60.7 %	\$ 141.47
Undistributed Operating Expenses				
Administrative and General	\$ 5,566	4.4 %	8.7 %	\$ 20.37
Sales and Marketing	5,228	5.8	8.2	19.14
Property Operations and Maintenance	2,784	3.8	4.4	10.19
Utilities	2,241	5.1	3.5	8.20
Total Undistributed Expenses	\$ 15,818	4.9 %	24.8 %	\$ 57.90
Gross Operating Profit	\$ 22,827	11.2 %	35.9 %	\$ 83.56
Management Fees	\$ 2,278	8.7 %	3.6 %	\$ 8.34
Income Before Fixed Charges	\$ 20,550	11.5 %	32.3 %	\$ 75.23
Fixed Charges				
Property and Other Taxes	\$ 2,245	2.5 %	3.5 %	\$ 8.22
Insurance	614	4.0	1.0	2.25
Total Fixed Charges	\$ 2,859	2.8 %	4.5 %	\$ 10.47
Net Operating Income**	\$ 17,690	13.0 %	27.8 %	\$ 64.76
Percentage of Occupancy	74.8 %	3.1 %		
Average Daily Rate	\$ 166.05	4.3 %		
RevPAR	\$ 124.27	7.6 %		
Average Size (Rooms)	248	(0.2)%		

* Expressed as a percent of departmental revenue.

** Before deduction for rent.

SUITE HOTELS WITH FOOD AND BEVERAGE

Payroll Costs

Figure Number 18

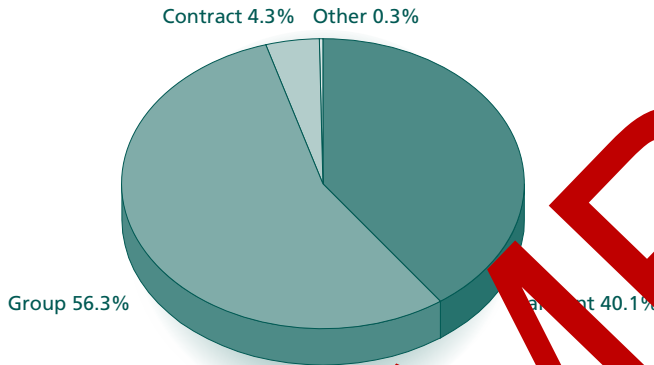
	2014 Dollars Per Available Room	Change from Prior Year	2014 Dollars Per Occupied Room	2014 Percent of Revenue
Rooms Department*				
Salaries, Wages and Bonuses	\$ 1,758	5.6 %	\$ 15.57	10.4 %
Payroll-Related Expenses	1,427	5.4	5.15	3.4
Total Labor Costs	\$ 5,800	5.6 %	\$ 20.72	13.9 %
Food and Beverage Department*				
Salaries, Wages and Bonuses	\$ 2,191	5.7 %	\$ 7.83	25.6 %
Payroll-Related Expenses	656	3.3	2.34	7.7
Total Labor Costs	\$ 17	5.2 %	\$ 10.17	33.3 %
Other Operated Departments*				
Salaries, Wages and Bonuses	\$ 104	0.2 %	\$ 0.37	6.7 %
Payroll-Related Expenses	27	5.3	0.10	1.8
Total Labor Costs	\$ 132	1.2 %	\$ 0.47	8.5 %
Administrative and General Department**				
Salaries, Wages and Bonuses	\$ 1,447	4.5 %	\$ 5.17	2.8 %
Payroll-Related Expenses	406	4.1	1.45	0.8
Total Labor Costs	\$ 1,853	4.4 %	\$ 6.62	3.5 %
Marketing Department**				
Salaries, Wages and Bonuses	\$ 1,136	6.0 %	\$ 4.06	2.2 %
Payroll-Related Expenses	307	6.1	1.10	0.6
Total Labor Costs	\$ 1,444	6.0 %	\$ 5.16	2.8 %
Maintenance Department**				
Salaries, Wages and Bonuses	\$ 806	3.9 %	\$ 2.88	1.5 %
Payroll-Related Expenses	257	4.7	0.92	0.5
Total Labor Costs	\$ 1,063	4.1 %	\$ 3.80	2.0 %
All Departments**				
Salaries, Wages and Bonuses	\$ 10,043	5.3 %	\$ 35.88	19.2 %
Payroll-Related Expenses	3,096	4.8	11.06	5.9
Total Labor Costs	\$ 13,139	5.2 %	\$ 46.94	25.1 %

* Expressed as a percent of department revenue.

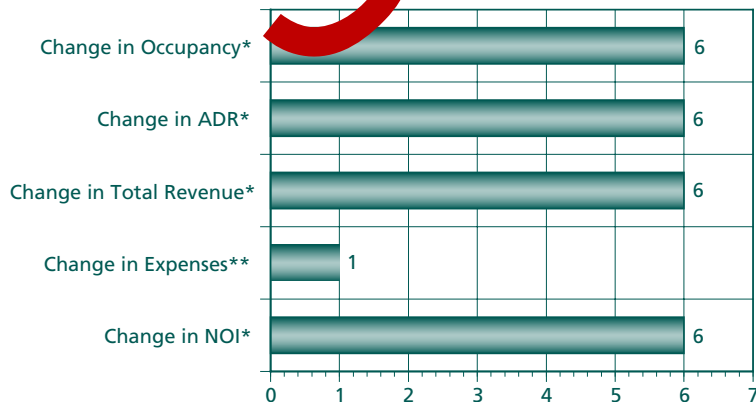
** Expressed as a percent of total revenue.

CONVENTION HOTELS Performance in 2014

CONVENTION HOTELS Market Mix



RANKING Rank Among Six Property Type Categories Change from 2013 to 2014



NOTE: * 1 = greatest increase, 6 = least increase
 ** 1 = least increase, 6 = greatest increase

- Total convention hotel revenues increased 5.6 percent in 2014, driven by a 2.3 percent gain in occupancy and a 3.1 percent rise in ADR.
- With expenses growing at 4.3 percent, convention hotel NOI increased 9.2 percent.
- Expenses in the rooms and sales and marketing departments grew the most on a percentage basis from 2013 to 2014.
- Labor costs at convention hotels increased 3.5 percent in 2014. The combined costs of salaries, wages, bonuses, and benefits represented 46.7 percent of total operating expenses for the year.
- Mid-sized and upper-priced convention properties achieved the lowest gains in NOI in 2014. Convention properties with an ADR over \$200 achieved NOI growth of 3.7 percent in 2014, while those with 500 to 1000 rooms achieved NOI growth of 5.8 percent.
- Convention hotels in the New England and Middle Atlantic states suffered a decline in NOI, while properties in the Mountain/Pacific region enjoyed the greatest gains in NOI.

CONVENTION HOTELS

Departmental Expenses

Figure Number 23

	2014 Dollars Per Available Room	Change From Prior Year	2014 Dollars Per Occupied Room	2014 Percent of Revenue
Rooms Department*				
Total Labor Costs	\$ 2,970	5.6 %	\$ 31.48	17.1 %
Other Expenses	5,601	6.1	20.57	11.2
Total Department Expenses	14,171	5.4 %	\$ 52.05	28.3 %
Food and Beverage Department*				
Total Labor Costs	\$ 11,570	3.4 %	\$ 43.95	41.7 %
Other Expenses***	7,512	4.7	27.59	26.2
Total Department Expenses	\$ 21,079	3.9 %	\$ 71.55	67.8 %
Other Operated Departments*				
Total Labor Costs	1,267	1.2 %	\$ 4.66	29.9 %
Other Expenses***	1,006	4.8	3.70	23.8
Total Department Expenses	\$ 2,274	2.8 %	\$ 8.35	53.7 %
Administrative and General Department**				
Total Labor Costs	\$ 2,868	2.4 %	\$ 10.53	3.4 %
Other Expenses	3,385	4.3	12.43	4.0
Total Department Expenses	\$ 6,253	3.4 %	\$ 22.97	7.4 %
Marketing Department*				
Total Labor Costs	\$ 1,649	4.1 %	\$ 6.06	2.0 %
Other Expenses	3,729	7.1	13.70	4.4
Total Department Expenses	\$ 5,378	6.1 %	\$ 19.75	6.4 %
Maintenance Department**				
Total Labor Costs	\$ 1,986	3.0 %	\$ 7.29	2.4 %
Other Expenses	1,468	2.6	5.39	1.7
Total Department Expenses	\$ 3,454	2.8 %	\$ 12.69	4.1 %
Utilities Department**				
Other Expenses	\$ 2,593	4.3 %	\$ 9.52	3.1 %
Total Departmental Expenses**				
Total Labor Costs	\$ 28,307	3.5 %	\$ 103.97	33.7 %
Other Expenses***	25,295	5.2	92.91	30.1
Total Departmental Expenses****	\$ 53,602	4.3 %	\$ 196.88	63.8 %

* Expressed as a percent of department revenue.

** Expressed as a percent of total revenue.

*** Includes cost of sales.

****Before management fees, property taxes, insurance, and rent.

RESORT HOTELS

Summary Operating Statement – Dollars Per Guest Day

Figure Number 26

	2014 Dollars Per Guest Day	2013 Dollars Per Guest Day	Change From Prior Year
Revenue			
Rooms	\$ 130.71	\$ 124.65	4.9 %
Food and Beverage	84.61	80.55	5.0
Other Operated Departments	24.45	23.20	5.4
Rentals and Other Income	4.41	4.36	2.0
Total Revenue	\$ 244.22	\$ 232.76	4.9 %
Departmental Expenses			
Rooms	\$ 34.18	\$ 32.99	3.6 %
Food and Beverage	59.07	57.74	2.3
Other Operated Departments	16.40	16.25	0.9
Total Departmental Expenses	\$ 109.65	\$ 106.99	2.5 %
Total Departmental Income	\$ 134.57	\$ 125.77	7.0 %
Undistributed Operating Expenses			
Administrative and General	\$ 18.76	\$ 18.14	3.4 %
Sales and Marketing	16.17	15.70	3.0
Property Operations and Maintenance	10.95	10.76	1.8
Utilities	9.23	9.12	1.2
Total Undistributed Expenses	\$ 55.11	\$ 53.73	2.6 %
Gross Operating Profit	\$ 79.45	\$ 72.04	10.3 %
Management Fees	\$ 7.64	\$ 7.13	7.1 %
Income Before Fixed Charges	\$ 71.81	\$ 64.91	10.6 %
Fixed Charges			
Property and Other Taxes	\$ 5.40	\$ 5.38	0.4 %
Insurance	3.09	3.11	(0.6)
Total Fixed Charges	\$ 8.48	\$ 8.48	—
Net Operating Income*	\$ 63.33	\$ 56.43	12.2 %
Percentage of Occupancy	72.4 %	70.2 %	3.3 %
Average Daily Rate	\$ 227.03	\$ 218.45	3.9 %
RevPAR	\$ 164.48	\$ 153.25	7.3 %
Average Size (Rooms)	470	471	(0.2)%

* Before deduction for rent.