



Accelerating success.

MENA | Hotels

April 2016



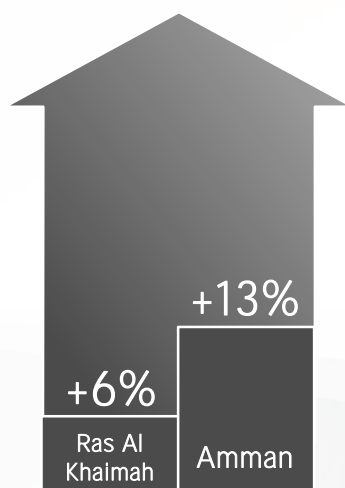
MENA HOTEL FORECASTS

3-Month Rolling Forecast Highlights

Apr 2016 – Jun 2016 | YoY RevPAR Variance %



Hot Spots



Amman

Stronger MICE demand driven by the biannual Special Operations Forces Exhibition and Conference (SOFEX) in May 2016 – followed by a quieter June due to the occurrence of the holy month of Ramadan.

Ras Al Khaimah

Strong performance expected based on continued leisure demand from UAE residents and emerging markets such as India. Demand from the Egypt's Red Sea markets is expected to shift to Ras Al Khaimah as well.



Sure & Steady

Kuwait City

The upcoming three months are expected to see stable corporate and MICE demand, keeping the demand in line with last year. In the next three months, no new openings are expected in the capital city.



Manama

Recovery in corporate and MICE demand, along with stable weekend leisure business. This will keep performance levels in line with last year. The Wyndham Grand Manama is expected to open in the next three months within the iconic "United Tower".



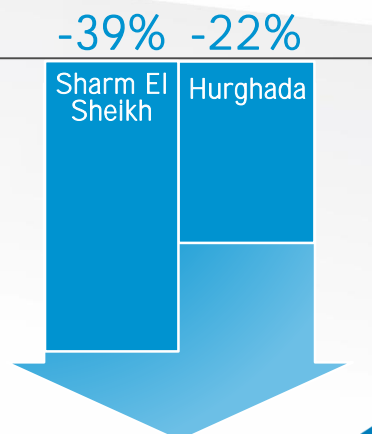
Work in Progress

Sharm El Sheikh

The resort area continues to feel the repercussions of negative tourist sentiments caused by the unfortunate incidents of the past 4 months.

Hurghada

Travel advisories continue to have a downward effect on international demand. The Western European / CIS source market have dipped considerably, thereby increasing reliance on domestic demand.



Occupancy, ADR & RevPAR

3-Month Forecast | Apr 2016 – Jun 2016

Full-Year Forecast | 2016



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Country	City	Market	3 Month Rolling Forecast				Full-Year Forecast			
			Occ %	ADR (\$)	RevPAR (\$)	YoY RevPAR Variance	Occ %	ADR (\$)	RevPAR (\$)	YoY RevPAR Variance
UAE	Dubai	Dubai Creek / Festival City	76	192	145	↓ -9%	75	214	161	↓ -12%
UAE	Dubai	Sheikh Zayed Road / DIFC	74	160	118	↓ -10%	75	184	139	↓ -11%
UAE	Dubai	Palm Jumeirah	75	420	317	↓ -6%	76	452	343	↓ -6%
UAE	Dubai	Dubai Marina / JBR	81	245	200	↔ -3%	83	263	218	↓ -7%
UAE	Abu Dhabi	Abu Dhabi City	66	109	72	↓ -12%	74	114	84	↓ -15%
UAE	Abu Dhabi	Abu Dhabi Beach	67	207	139	↓ -7%	70	213	149	↓ -11%
UAE	Ras Al Khaimah	Ras Al Khaimah	71	154	110	↑ 6%	72	163	117	↔ 3%
UAE	Sharjah	Sharjah	67	69	46	↓ -7%	73	72	52	↓ -12%
UAE	Fujairah	Fujairah	64	109	70	↔ 2%	72	114	82	↔ 2%
KSA	Riyadh	Riyadh	60	218	131	↓ -11%	53	220	116	↓ -14%
KSA	Jeddah	Jeddah	72	243	174	↓ -10%	69	240	167	↓ -11%
KSA	Makkah	Makkah	66	181	119	↔ -2%	61	209	127	↓ -11%
KSA	Madinah	Madinah	63	136	86	↔ 3%	59	161	95	↓ -4%
KSA	Al Khobar	Al Khobar	66	161	107	↓ -11%	57	176	100	↓ -10%
Egypt	Cairo	Cairo	59	130	76	↑ 5%	62	136	83	↑ 13%
Egypt	Sharm El Sheikh	Sharm El Sheikh	44	43	19	↓ -39%	45	46	21	↓ -31%
Egypt	Hurghada	Hurghada	48	54	26	↓ -22%	43	61	26	↓ -18%
Egypt	Alexandria	Alexandria	73	76	56	↔ 2%	68	83	56	↑ 6%
Qatar	Doha	Doha Airport / City Centre	68	139	95	↓ -11%	64	154	98	↓ -12%
Qatar	Doha	West Bay Lagoon	52	248	129	↓ -17%	61	244	149	↓ -10%
Qatar	Doha	Doha Serviced Apartments	76	172	130	↓ -12%	73	187	136	↓ -12%
Qatar	Doha	West Bay / Diplomatic Area	68	205	139	↓ -11%	67	210	141	↓ -10%
Oman	Muscat	Muscat	57	174	98	↓ -10%	60	198	118	↓ -11%
Bahrain	Manama	Manama	50	217	110	↔ 0%	54	204	110	↔ 2%
Kuwait	Kuwait City	Kuwait City	54	246	134	↔ -1%	52	247	127	↔ 1%
Jordan	Amman	Amman	65	152	100	↑ 13%	57	152	87	↔ 0%
Jordan	Aqaba	Aqaba	52	118	62	↓ -9%	52	105	54	↔ -3%
Lebanon	Beirut	Beirut	55	147	80	↓ -4%	49	146	72	↓ -12%

Source: Colliers International, 2016

Disclaimer

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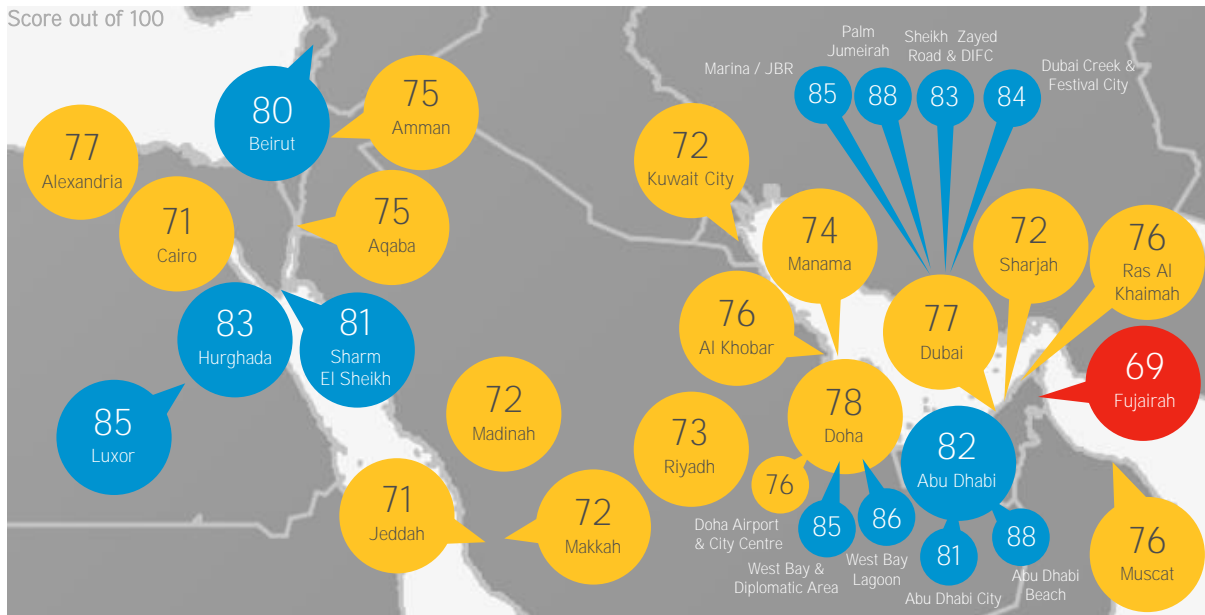
Guest Experience Index™

Data for March 2016



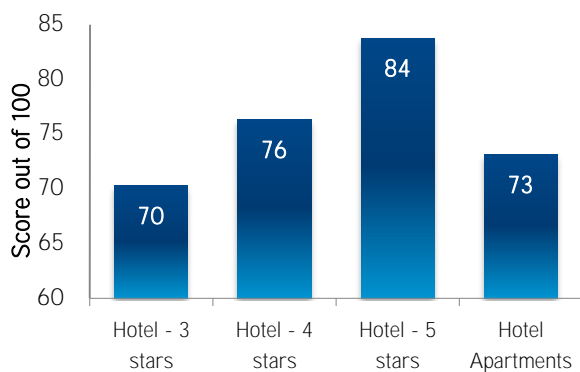
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GEI - SCORE MAPPING - BY SUBMARKET



Source: Olery; Colliers International, 2016

GEI - BY TYPE OF PROPERTY



Source: Olery; Colliers International, 2016

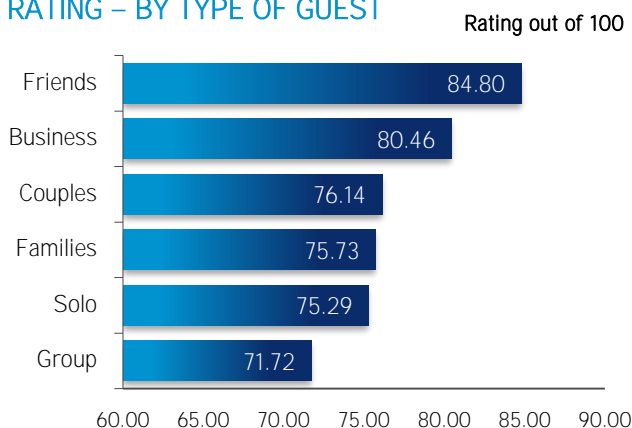
RATING - TOP 10 REVIEW SOURCES

Rank	Source of Review	Average Rating
1	Saudi Arabia	73.79
2	United Arab Emirates	75.15
3	United Kingdom	80.05
4	Egypt	77.96
5	Kuwait	76.39
6	Qatar	76.26
7	Germany	80.06
8	Oman	74.95
9	United States	80.41
10	France	77.53

Source: Olery; Colliers International, 2016

Note: Countries ranked by number of reviews

RATING - BY TYPE OF GUEST



Source: Olery; Colliers International, 2016

- Luxor saw the largest improvement in GEI score from 79 in February to 85 in March.
- KSA was the largest generator of online reviews in the last month, with over 45,000 entries, while guests from the United States were most satisfied with the quality of hotels in MENA, with an average rating of 80.41.
- Guests travelling as 'Friends' were by far the most satisfied, with a rating of 84.80.



Contents of the Publication



This publication has been prepared by Colliers International Hotels MENA, providing hotel performance forecasts and Guest Experience Indicators for 28 submarkets in key MENA hospitality markets.

- Key Performance Indicators include
 - Hotel occupancy %, calculated as occupied room nights / available room nights
 - Average Daily Rate (ADR), calculated as total rooms revenue / occupied room nights
 - Revenue per Available Room (RevPAR), calculated as rooms revenue / available room nights
- Forecasts include
 - 3-Month Rolling forecast, starting with the month of the publication
 - Year-End forecast, revisited on a monthly basis
- ADR and RevPAR are presented in USD for ease of comparison between markets
- Guest Experience Indicators™ for the previous month include
 - Overall GEI score for each submarket analysed
 - Overall GEI Score by property star rating for MENA
 - Overall GEI Score by type of guest in MENA
 - Rating by review source for top 10 countries (from where the review originated)



Forecasting Methodology

- The analysis is based on actual operating data from a sample of 3-, 4- and 5-Star hotels and quality serviced apartments (where relevant). Data is extracted from Colliers International Hotels' database, complemented by data from STR Global™ and local statistics centres.
- The forecasting methodology is based on an analysis of rolling averages, trend estimation and extrapolation. Anticipated events expected to shape the future dynamics of supply and demand are identified then weighted against relevance and impact, thereby forecasting performance of the hospitality market.
- Where available, monthly historical data trends from 2008 onwards is analysed to identify demand patterns, and is utilised as a forecasting base.
- The ADR of a sample submarket reflects its price positioning. As such, the markets containing a higher proportion of high-end properties show higher rates than samples with a larger share of limited-service establishments.





Guest Experience Index™

The **Guest Experience Index™ (GEI)** has been developed by Olery – a travel & hotel data specialist - in conjunction with the VU University Amsterdam. The Index indicates hotel guests' general perceptions of a property's quality, on a scale from 1 to 100 (with 100 being the perfect top score).

Data from nearly 100 review sites and Online Travel Agencies is analysed and processed through Olery's proprietary algorithm to calculate the weighted score. A new score is generated on a monthly basis, and MENA data is analysed by Colliers to compare online reputation for markets, operators, types of properties and from different types of guests.



Resource Utilisation

- The data contained herein may be utilised to understand the anticipated shifts in market performance in accordance with the future trends expected in the short term, thereby allowing hoteliers to revisit forecasts accordingly.
- The Colliers MENA Hotel Forecast is seen as a tool to enhance the general understanding of market movements and increase the forecasting accuracy of hoteliers in relation to anticipated future events.
- The Guest Experience Index is able to provide valuable insights for perceived service quality and how it differs from one market to the next. This information can help assess the strength of markets and is also able to highlight areas of opportunity.
 - For instance, a low GEI score can be due to low brand penetration within the market or a lack of adequate training / hospitality academic knowledge.
 - On the other hand, a higher score is a sign of a strong, competitive market with a good service culture and strong hospitality fundamentals.



Colliers International Hotels

Colliers International Hotels division is a global network of specialist consultants in hotel, resort, marina, golf, leisure and spa sectors, dedicated to providing strategic advisory services to owners, developers and government institutions to extract best values from projects and assets. The foundation of our service is the hands-on experience of our team combined with the intelligence and resources of global practice. Through effective management of the hospitality process, Colliers delivers tangible financial benefits to clients. With offices in Dubai, Abu Dhabi, Jeddah, Riyadh and Cairo, Colliers International Hotels combines global expertise with local market knowledge.

SERVICES AT A GLANCE

The team can advise throughout the key phases and lifecycle of projects

- Destination / Tourism / Resort / Brand Strategy
- Market and Financial Feasibility Study
- Development Consultancy & Highest and Best Use Analysis
- Operator Search, Selection and Contract Negotiation
- Pre-Opening Budget Analysis and Operational Business Plan
- Technical Services / Asset Management / Project Monitoring
- Site and Asset Investment Sale and Acquisition/Due Diligence
- RICS Valuations for Finance Purposes and IPOs

Our hotels team in the MENA region:

\$9

billion
Investment value of
projects advised

39,200

Hotel keys
valued

8,880

Hotel keys
under asset management

554 offices in 66 countries on 6 continents

United States: 153

Canada: 34

Latin America: 24

Asia Pacific: 231

EMEA: 112

\$2.5

billion in
annual revenue

2

billion square feet
under management

16,000

professionals
and staff

For further information,
please contact:

Fillippo Sona

Director | Head of Hotels | MENA Region

Main +971 4 453 7400

Mobile +971 55 899 6102

filippo.sona@colliers.com

Selim El Zein

Associate Director | Hotels | MENA Region

Main +971 4 453 7400

Mobile +971 55 899 6103

selim.elzein@colliers.com

Colliers International | MENA Region

Dubai | United Arab Emirates

+971 4 453 7400

About Colliers International

Colliers International is a leading global real estate services company with more than 16,000 skilled professionals operating in 66 countries. With an enterprising culture and significant employee ownership, Colliers professionals provide a full range of services to real estate occupiers, owners and investors worldwide. Services include strategic advice and execution for property sales, leasing and finance; global corporate solutions; property, facility and project management; workplace solutions; appraisal, valuation; customized research; and thought leadership consulting. Colliers professionals think differently, share great ideas and offer thoughtful and innovative advice that help clients accelerate their success. Colliers has been ranked among the top 100 outsourcing firms by the International Association of Outsourcing Professionals' Global Outsourcing for 11 consecutive years, more than any other real estate services firm.

In MENA, Colliers International has provided leading advisory services through its regional offices located in Dubai, Abu Dhabi, Riyadh and Jeddah since 1996. The latest annual real estate survey by Euromoney named Colliers International 'Best Advisor' in the MENA region, UAE, Qatar and Saudi Arabia.

Colliers International, 2016

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