



MENA | Hotels
February 2015

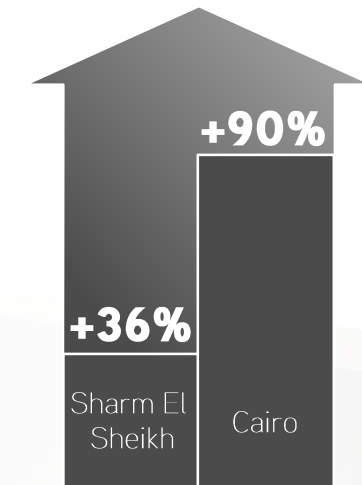


MENA HOTEL FORECASTS

3-Month Rolling Forecast Highlights
 Feb – Apr 2015 | YoY RevPAR Variance %



Hot Spots



Sharm El Sheikh

Recent lifting of travel bans and enhanced image of Egypt's stability to result in continued growth of Red Sea hotel performance.

Cairo

Increased inbound and domestic tourism to reignite demand to Cairo hotels.



Sure & Steady

Makkah

Next three months to see stable Umrah demand, although with visa restrictions from last year still in place due to ongoing construction work around the Masjid al Haram.



Abu Dhabi City

Increase in demand to occur along with the recent opening of the 195-key Courtyard World Trade Centre and the anticipated opening of the 428-key Grand Hyatt Abu Dhabi Hotel & Residences Emirates Pearl.



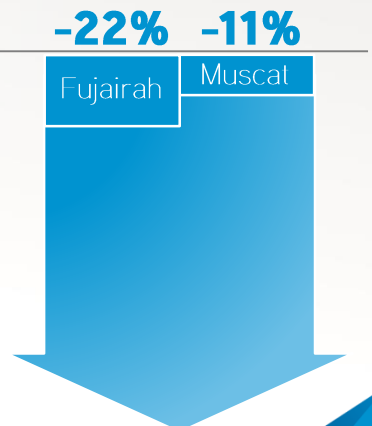
Work in Progress

Fujairah

Presence of newly opened quality supply in the city centre to result in lower occupancy versus last year.

Muscat

Growing competition from sister markets Fujairah and Ras Al Khaimah adding pressure to KPIs, however new tourism anchors to grow demand in the mid-term.



Occupancy, ADR & RevPAR

3-Month Forecast | Feb – Apr 2015

Full-Year Forecast | 2015



Accelerating success.

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	87	298	259	↓ -3%	80	270	216	↑ 5%
UAE	Dubai	Sheikh Zayed Road / DIFC	87	251	219	↓ -2%	78	222	174	↑ 3%
UAE	Dubai	Palm Jumeirah	85	583	495	↓ -2%	82	480	393	↑ 2%
UAE	Dubai	Dubai Marina / JBR	90	367	331	↑ 2%	81	313	254	↑ 2%
UAE	Abu Dhabi	Abu Dhabi City	80	143	114	→ 0%	76	137	104	↓ -1%
UAE	Abu Dhabi	Abu Dhabi Beach	71	285	202	↑ 9%	71	232	165	↑ 2%
UAE	Ras Al Khaimah	Ras Al Khaimah	74	182	134	↑ 14%	63	190	119	↑ 6%
UAE	Sharjah	Sharjah	83	91	76	↓ -6%	75	91	68	↑ 2%
UAE	Fujairah	Fujairah	72	185	133	↓ -22%	65	134	87	↑ 1%
KSA	Riyadh	Riyadh	70	272	190	↑ 10%	62	241	148	↑ 6%
KSA	Jeddah	Jeddah	77	244	188	↑ 1%	76	261	199	↑ 2%
KSA	Makkah	Makkah	73	168	123	→ 0%	64	218	139	↓ -1%
KSA	Madinah	Madinah	79	130	102	↑ 6%	61	157	96	↑ 5%
KSA	Al Khobar	Al Khobar	71	194	138	↓ -1%	67	195	131	↑ 4%
Egypt	Cairo	Cairo	54	126	69	↑ 90%	52	127	65	↑ 28%
Egypt	Sharm El Sheikh	Sharm El Sheikh	70	44	31	↑ 36%	67	47	31	↑ 6%
Egypt	Hurghada	Hurghada	62	46	28	↑ 12%	73	49	36	↑ 5%
Egypt	Alexandria	Alexandria	63	63	39	↑ 2%	67	76	51	↑ 6%
Egypt	Luxor	Luxor	23	46	10	↑ 16%	21	45	10	↑ 36%
Qatar	Doha	Doha Airport / City Centre	73	173	126	↑ 4%	73	158	115	↑ 1%
Qatar	Doha	West Bay Lagoon	70	300	209	↑ 6%	71	274	194	↑ 7%
Qatar	Doha	Doha Serviced Apartments	78	204	159	↑ 9%	81	181	146	↓ -3%
Qatar	Doha	West Bay / Diplomatic Area	80	222	178	↑ 3%	79	203	161	→ 0%
Oman	Muscat	Muscat	76	255	194	↓ -11%	65	241	156	↑ 1%
Bahrain	Manama	Manama	62	204	126	↑ 1%	58	194	113	↑ 1%
Kuwait	Kuwait City	Kuwait City	56	256	144	↓ -3%	52	246	127	↑ 2%
Jordan	Amman	Amman	67	174	116	↑ 5%	62	172	107	↑ 2%
Jordan	Aqaba	Aqaba	59	167	98	↓ -5%	59	125	73	→ 0%
Lebanon	Beirut	Beirut	46	148	68	↑ 13%	49	158	78	↑ 1%

Source: Colliers International, 2015

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Contents of the Publication

This publication has been prepared by Colliers International Hotels MENA, providing hotel performance forecasts for 29 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 total 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



Forecasting Methodology

- The analysis conducted is based on actual operating data from a sample of 3-, 4- and 5-Star hotels and quality serviced apartments (where relevant). Historical data is extracted from Colliers International Hotels' database, complemented by data from STR Global™ and from local statistical offices.
- 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.



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.



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- 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:

\$6

billion
investment value of
projects advised

63,000

keys
of hotel feasibilities and
operator selection

7,856

Hotel keys
under asset management

485 offices in 63 countries on 6 continents

United States: **146**

Canada: **44**

Latin America: **25**

Asia Pacific: **186**

EMEA: **84**

\$2.1

billion in
annual revenue

1.46

billion square feet
under management

15,800

professionals
and staff

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