



Accelerating success.

MENA | Hotels

September 2015



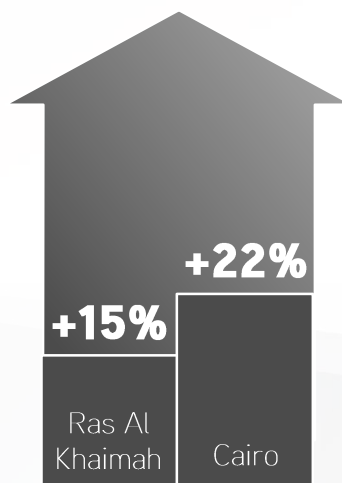
MENA HOTEL FORECASTS

3-Month Rolling Forecast Highlights

Sep – Nov 2015 | YoY RevPAR Variance %



Hot Spots



Cairo

Demand from GCC and Arab countries. Return of international tourists and strong destination marketing driving the growth.

Ras Al Khaimah

Continued momentum in occupancy growth, mainly attributed to strong leisure demand from UAE residents and emerging markets like India.



Sure & Steady

Fujairah

Drop in business from traditional market like Russia and Europe, however this is being balanced by strong local demand which is expected to keep demand levels in line with LY.

0% -1%

Fujairah Riyadh

Riyadh

Occupancy levels under pressure mainly due to (1) the limited corporate activity from a drop in oil prices, and (2) the expected opening of new hotels such as the Crowne Plaza ITCC and the Fairmont Business Gate.



Work in Progress

Amman

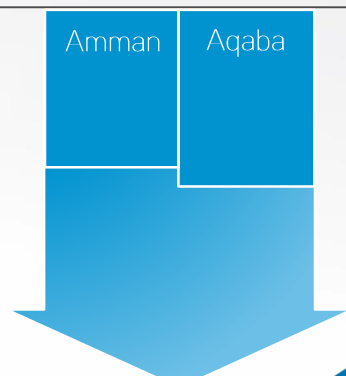
Drop in corporate and MICE activity due to travel advisory and drop in business from Western and Arab markets.

Aqaba

Cancellation of charter business and shift in business to Egypt and Turkey is continuously impacting the demand.

-18% -20%

Amman Aqaba



Occupancy, ADR & RevPAR

3-Month Forecast | Sep – Nov 2015

Full-Year Forecast | 2015



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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	83	235	196	↓ -4%	78	233	182	↓ -11%
UAE	Dubai	Sheikh Zayed Road / DIFC	82	193	158	↓ -6%	78	199	156	↓ -7%
UAE	Dubai	Palm Jumeirah	79	446	354	↓ -9%	79	454	358	↓ -7%
UAE	Dubai	Dubai Marina / JBR	81	295	240	↓ -6%	81	290	235	↓ -6%
UAE	Abu Dhabi	Abu Dhabi City	79	145	114	↓ -10%	73	141	103	↓ -2%
UAE	Abu Dhabi	Abu Dhabi Beach	75	260	196	↓ -1%	70	245	172	↑ 7%
UAE	Ras Al Khaimah	Ras Al Khaimah	73	185	136	↑ 15%	68	171	116	↑ 3%
UAE	Sharjah	Sharjah	75	80	61	↓ -5%	73	83	60	↓ -9%
UAE	Fujairah	Fujairah	68	127	86	→ 0%	63	119	75	↓ -13%
KSA	Riyadh	Riyadh	61	244	148	↓ -1%	60	241	144	↑ 2%
KSA	Jeddah	Jeddah	76	252	191	↓ -2%	76	257	196	↑ 1%
KSA	Makkah	Makkah	54	256	137	↓ -5%	62	233	144	↑ 3%
KSA	Madinah	Madinah	57	190	108	↑ 8%	65	160	104	↑ 14%
KSA	Al Khobar	Al Khobar	68	178	122	↓ -3%	69	181	125	→ 0%
Egypt	Cairo	Cairo	69	121	84	↑ 22%	59	131	76	↑ 49%
Egypt	Sharm El Sheikh	Sharm El Sheikh	73	52	38	↓ -6%	66	51	34	↑ 14%
Egypt	Hurghada	Hurghada	71	55	39	↓ -8%	69	49	34	↓ -1%
Egypt	Alexandria	Alexandria	66	75	49	↓ -3%	68	75	51	↑ 6%
Egypt	Luxor	Luxor	17	47	8	↑ 4%	18	47	9	↑ 22%
Qatar	Doha	Doha Airport / City Centre	75	158	119	↓ -6%	72	158	113	→ 0%
Qatar	Doha	West Bay Lagoon	76	228	172	↓ -9%	72	278	200	↑ 10%
Qatar	Doha	Doha Serviced Apartments	68	249	169	↓ -6%	86	188	162	↑ 7%
Qatar	Doha	West Bay / Diplomatic Area	85	183	155	↓ -7%	72	227	164	↑ 2%
Oman	Muscat	Muscat	68	226	153	↓ -10%	61	218	133	↓ -14%
Bahrain	Manama	Manama	54	210	113	↑ 1%	52	211	110	↓ -2%
Kuwait	Kuwait City	Kuwait City	53	241	128	↓ -1%	53	242	127	↑ 2%
Jordan	Amman	Amman	54	154	82	↓ -18%	53	157	84	↓ -20%
Jordan	Aqaba	Aqaba	50	110	55	↓ -20%	50	128	64	↓ -13%
Lebanon	Beirut	Beirut	60	157	94	↑ 12%	56	160	90	↑ 17%

Source: Colliers International, 2015

Disclaimer

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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.



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

keys
valued

8,880

Hotel keys
under asset management

502 offices in 67 countries on 6 continents

United States: **151**

Canada: **46**

Latin America: **26**

Asia Pacific: **190**

EMEA: **89**

\$2.3

billion in
annual revenue

1.7

billion square feet
under management

16,300

professionals
and staff

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Colliers International, 2015

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