



**The Commercial Industrial Association of South Florida**  
**2010 Hospitality Report**

Presented By Guy Trusty of Lodging and Hospitality Realty



IMPACT ON SOUTH FLORIDA

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# Direct Impact

- Goods and Services
- Operating Supplies
- Building repairs and maintenance
- Replacement of furniture and equipment
- Food and Beverage Sales
- Utilities
- Marketing and Advertising

# Non-economic Impact

- Image of City
- Cultural Attractions

# Annual Financial Economic Impact

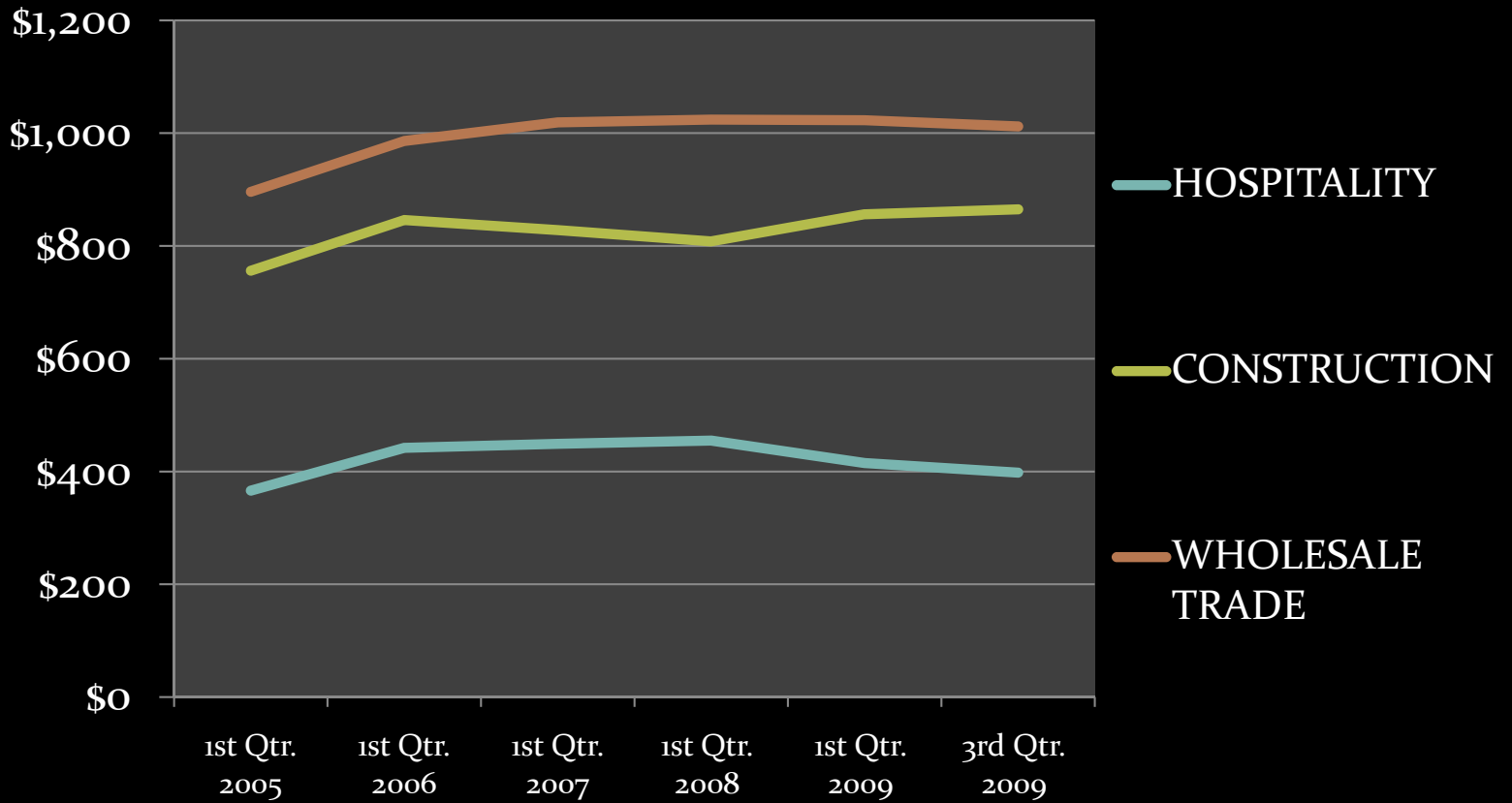
• Sales Tax Revenues	\$128,000,000
• Convention Development Tax	\$ 40,700,000
• Real Estate Tax Revenues	\$ 88,500,000
• Total	\$257,200,000

# Hospitality Impact

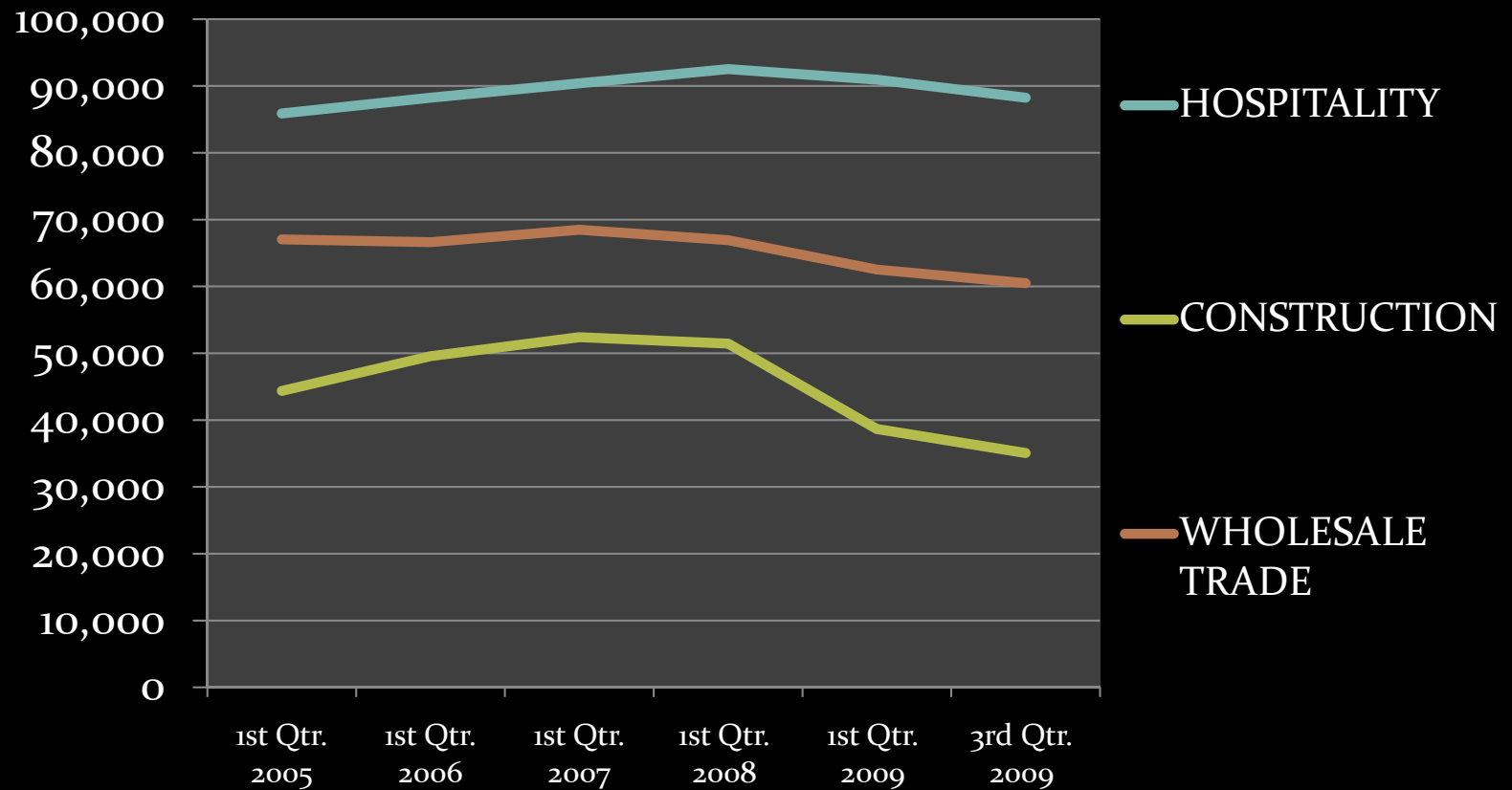
## Historical Employment Leisure and Hospitality

2005	109,000
2006	101,300
2007	103,600
2008	105,200
2009	102,600

# Average Weekly Wage



# Employment by Industry



# Hospitality Impact

## Net Change in Room Supply

2007	-1,897
2008	+3,475
2009	+1,934

# New Hotels

Opera Suites & Marina	135
Residence Inn By Marriott Miami Airport	163
Fairfield Inn & Suites Miami South	125
Springhill Suites Continental	199
Hotel Urbano At Brickell	65
Tempo Miami	56
<u>Riverside Motel</u>	<u>8</u>
<b>Rooms</b>	<b>751</b>
<b># Hotels</b>	<b>7</b>

Source: Division Of Hotels And Restaurants

# Hospitality Data

## Number of Hotels

- Department of Business Regulation

2006	423
2007	412
2008	417
2009	435

# Hospitality Data

## Supply of Hotel Rooms

- Department of Business Regulation

2006	43,167
2007	41,270
2008	44,678
2009	46,072

# Largest Hotel

Fontainebleau

1,200 Rooms

458 Hotel Condo Units



# Smallest Hotel

La Maison Du Sud  
3 Rooms  
1350 Collins



# Lowest room rate

## The Aladdin Hotel



\*per 4 hours

# Highest room rate (per night)

## World's Most Expensive Hotel Suites 2009

### Setai Penthouse Yours for \$30,000 a Night

by Jared Paul Stern (RSS feed) – *Luxist*

Filed under: Journeys

There was at least one glaring omission in the *Wealth Bulletin's* list of the world's top 10 most expensive hotel suites, which we reported on last month: the penthouse at The Setai in South Beach, **Miami**. With 6,500 square feet of interior space and 3,000 square feet of terraces and balconies, the pad's \$30,000-per-night pricetag makes it the 3rd most expensive hotel room in the world when inserted in its proper place on the list.

The Setai penthouse is designed with an *haute-Asian* aesthetic employing exotic woods and other luxe finishes, and



# Sale #1 – The Floridian Hotel



# Hotel Sales

## The Floridian Hotel

Location	10775 Caribbean Blvd
Size	154 Rooms
Price	\$6,000,000
Date Sold	June 2009
Price/Room	\$38,961/Room
Price/SF	\$79.45SF

# Sale #2 – The Bay Breeze Hotel



# Hotel Sales

## The Bay Breeze Hotel

Location	6600 Collins Ave
Size	101 Rooms
Price	\$9,250,000
Date Sold	August 2009
Price/Room	\$91,584/Room
Price/SF	\$299.12/SF

# Sale #3 – The Doubletree Hotel



# Hotel Sales

## The Doubletree Hotel

Location	2649 S Bayshore Dr
Size	291 Rooms
Price	\$11,390,000
Date Sold	Sept. 2009
Price/Room	\$39,142/Room
Price/SF	\$68.83/SF

# Sale #4 – The Beach Plaza Hotel



# Hotel Sales

## The Beach Plaza Hotel

Location	1401 Collins Ave
Size	55 Rooms*
Price	\$12,250,000
Date Sold	Nov. 2009
Price/Room	\$222,727/Room
Price/SF	\$378.90/SF

\*Increased room count to 77 after purchase

# Sale #5 – The Raleigh Hotel



# Hotel Sales

## The Raleigh Hotel

Location	1775 Collins Ave
Size	126 Rooms*
Price	\$21,800,000
Date Sold	Sept. 2009
Price/Room	\$173,016/Room
Price/SF	\$328.56/SF

\*Decreased rooms to 105 after purchase

# Closed Hotels

Grand Bay Hotel – Coconut Grove

Ritz Plaza – Miami Beach

Saxony Hotel – Miami Beach

Breakwater – Miami Beach

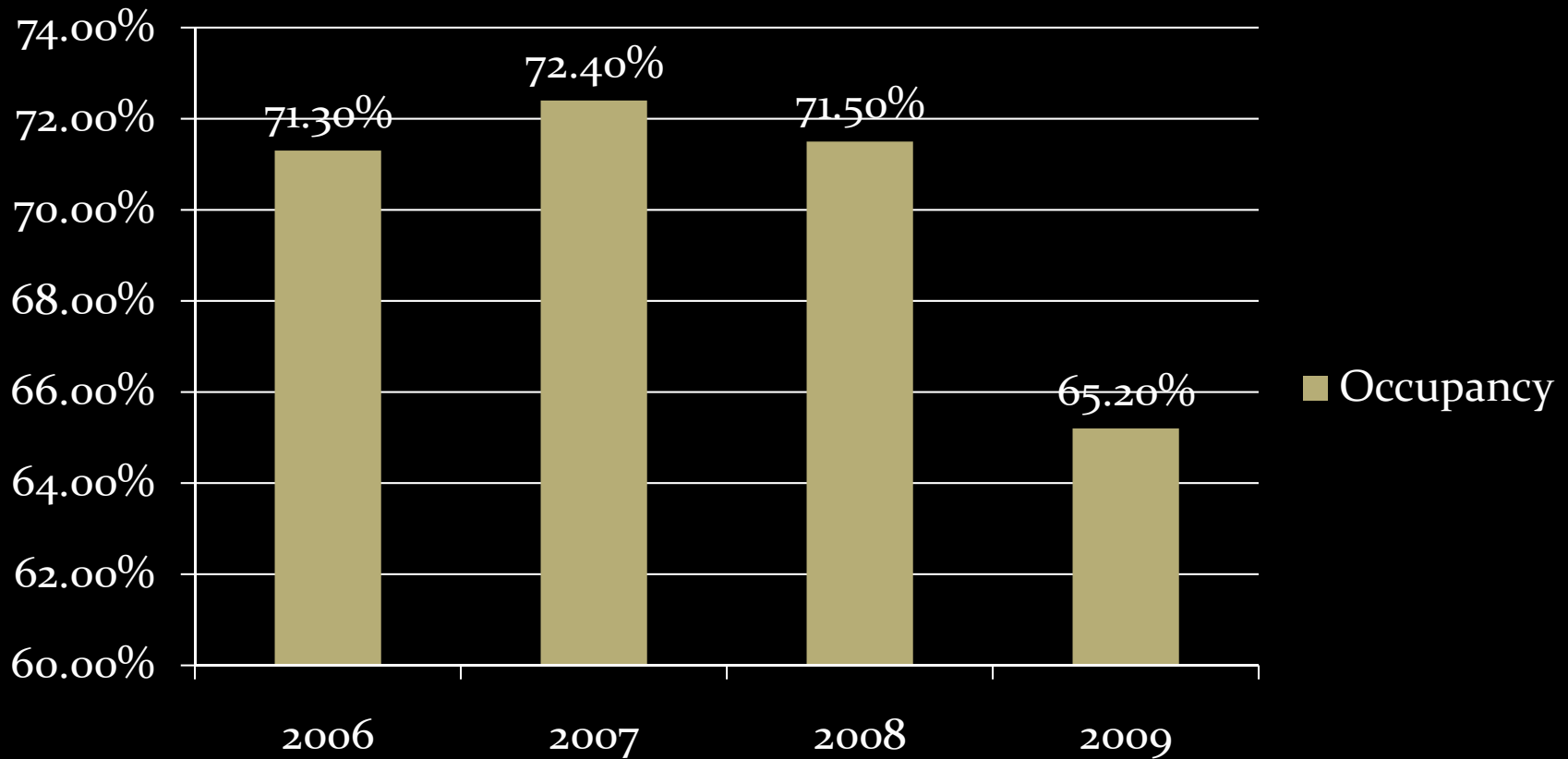
# Hospitality Data

## Average Occupancy Rates by Years

2006	71.3%
2007	72.4%
2008	71.5%
2009	65.2%

# Average Occupancy

## Occupancy



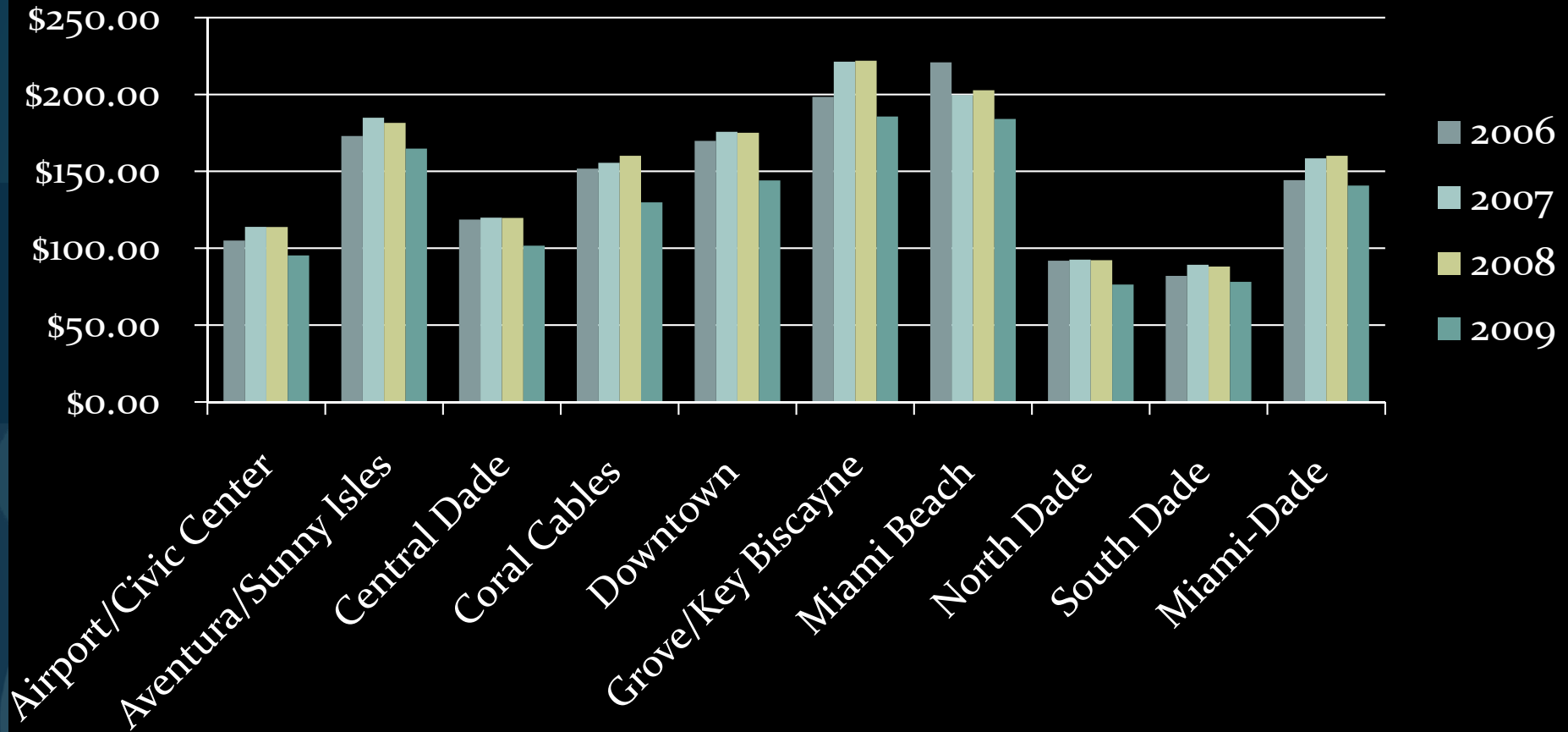
Source: Greater Miami Visitors and Convention Bureau; Smith Travel Research

# Hospitality Data

## Average Daily Rates (ADR)

2006	\$144.29
2007	\$158.41
2008	\$160.1
2009	\$140.73

# Average Daily Rates (ADR)



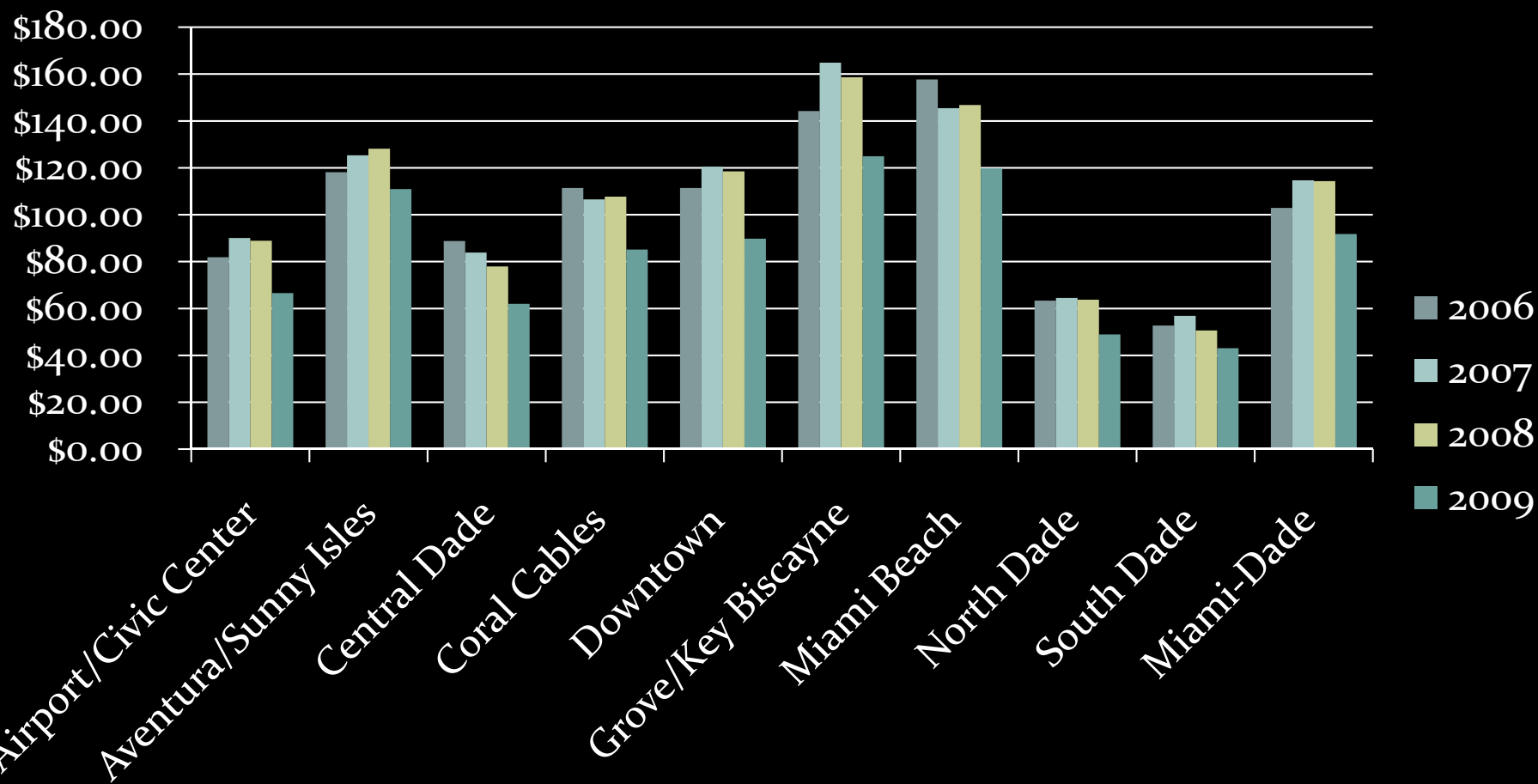
Source: Greater Miami Visitors and Convention Bureau; Smith Travel Research

# Hospitality Data

## Revenue Per Available Room (RevPAR)

2006	\$102.88
2007	\$114.69
2008	\$114.34
2009	\$91.76

# RevPAR



Source: Greater Miami Visitors and Convention Bureau; Smith Travel Research

# 2006 - Direct Economic Impact

Average Daily Rate X # Rooms X Occupancy

\$144.29 X 43,167 X 71.3% X 365

= \$1,621,000,000

# 2007 - Direct Economic Impact

Average Daily Rate X # Rooms X Occupancy

\$158.41 X 41,270 X 72.4% X 365

= \$1,727,000,000

# 2008 - Direct Economic Impact

Average Daily Rate X # Rooms X Occupancy

\$160.14 X 44,678 X 71.5% X 365

= \$1,867,000,000

# 2009 - Direct Economic Impact

Average Daily Rate X # Rooms X Occupancy

\$140.73 X 46,072 X 65.2% X 365

= \$1,543,000,000

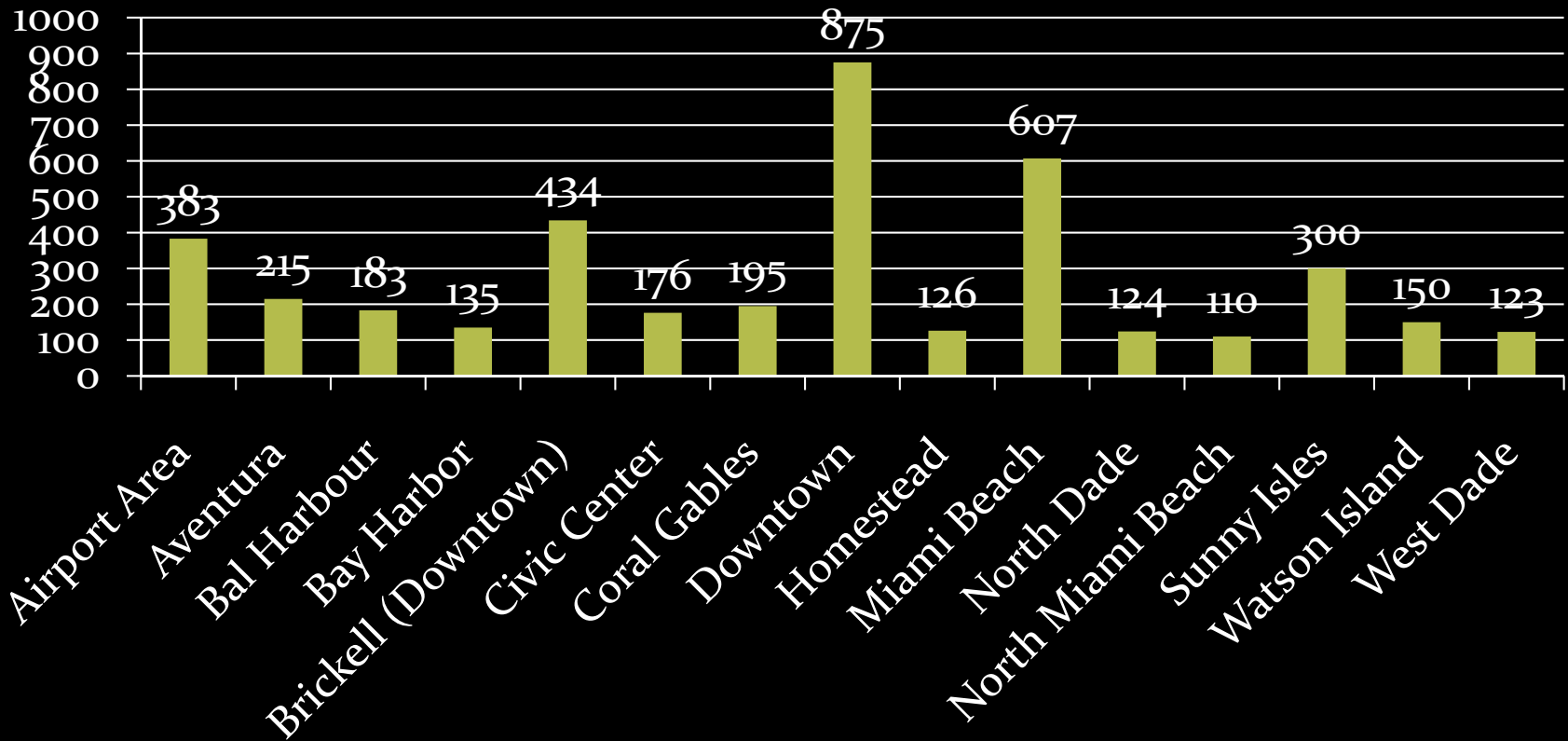


# WHAT TO EXPECT FOR 2010

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# Hotel Supply 2010 and Beyond

## Planned Rooms Distribution



Source: Greater Miami Visitors and Convention Bureau; Smith Travel Research

# 2010 National Forecast

	2008	2009	2010
Occupancy (Percent)	60.3%	55.1%	55.4%
Percentage Change from Prior Year	-4.4%	-8.7%	0.6%
Pct. Point Difference from Prior Year	(2.8)	(5.2)	0.4
Average Daily Rate (\$)	\$106.92	\$97.51	\$95.43
Percentage Change from Prior Year	2.7%	-8.8%	-2.1%
<b>Nominal RevPAR (\$)</b>	<b>\$64.47</b>	<b>\$53.71</b>	<b>\$52.90</b>
Percentage Change from Prior Year	-1.8%	-16.7%	-1.5%

Source: Smith Travel Research; Macroeconomic Advisers, LLC; and PricewaterhouseCoopers LLP.

# 2010 Miami-Dade Forecast

	2008	2009	2010
Occupancy (Percent)	71.5%	65.2%	65.6%
Percentage Change from Prior Year	-1.2%	-8.8%	+0.6%
Pct. Point Difference from Prior Year	(-0.9)	(-6.5)	+0.4
Average Daily Rate (\$)	\$160.14	\$140.73	\$137.73
Percentage Change from Prior Year	-1.1%	-12.1%	-2.1%
<b>Nominal RevPAR (\$)</b>	<b>\$114.34</b>	<b>\$91.76</b>	<b>\$90.38</b>
Percentage Change from Prior Year	-2.4%	-19.7%	-1.5%

Source: Smith Travel Research; Macroeconomic Advisers, LLC; and Lodging and Hospitality Realty

# THE END

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