



Hospitality Group
Fourth Quarter 2020

Hospitality Market Trends

Post COVID-19 Edition

**AVISON
YOUNG**

We Do Three Things

1. Sell Hotels
2. Auction Hotels
3. Sell Hotel Loans/Notes



Two Main Questions

1 When will this be over?

2 What are the long-term effects going to be?

When Will This Be Over?

Election will be decided

Next President will be installed

COVID-19 Vaccine should be available

Civil unrest should be manageable

My personal opinion

2022

Potential Long-term effects

- Moving from city to the country
- Impenetrable to possibly volatile – Orlando, NYC, Nashville, Charlotte
- Density to distancing
- Office space and office buildings
- Personal greatest concern – Habits of the
- corporate traveler

Hotel Values - Bellwethers

Public companies = Private companies

- Office, multifamily, industrial, retail, hotels etc.
- Don't listen to me – look for yourself

Hotel public companies

Hotel REITs

Hotel brand companies

- Look at public debt - CMBS

Next Two Years

- Debt will be available – lower LTV, higher rates, shorter terms – compress values
- Most hotels will see value impact

Two things drive value

1. Buyer can see some upside
2. Buyer can get a loan

Next Two Years /continued

- By 2022-2023

Financial Markets – Movement Habits – back to acceptable

- 2020 will be written about in history
- 100 years from now students will be taught about 2020

We Are Avison Young

- Are available to help advise, consult
- We sell hotels
- We auction hotels
- We sell hotel loan/notes

Thank You

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