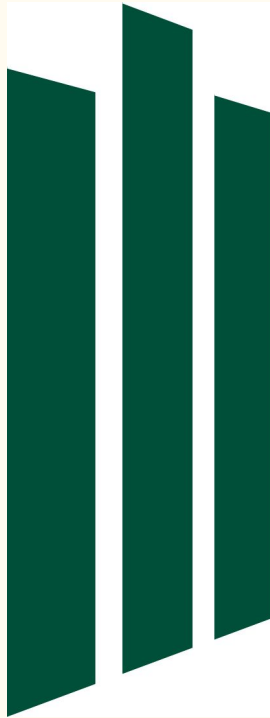


Real Estate Investment Club

Tuesday September 19 2017

Please Welcome Dr. Singh!



The **SCHOOL of HOSPITALITY BUSINESS**

Real Estate
Investment
Management

Stand up if....

You went to Blaze for our
fundraiser before the meeting!

Stand up if....

This if you're first meeting

Stand up if....

You're not a Hospitality
Business Major

Stand up if....

You worked in a hotel this
summer

Stand up if....

You worked at a real estate
company this summer

Stand up if....

You're not from Michigan

Stand up if....

You hate icebreakers

Arcadia Trip Recap



Current Event of The Week:

Hurricane Harvey

- Houston is the 8th largest hotel market
- Including nearby submarkets there is just under 7,000 rooms
- Over the nine day period of the hurricane RevPAR dropped 42.1%
- Hurricane Katrina damage costs were about \$108 billion
- Hurricane Irma is expected to generate \$100 billion
- Hurricane Harvey is expected to generate \$150 billion in damages



Current Event of The Week

Hurricane Irma

- Almost a quarter of Florida's population needed to evacuate
- Demand increases for relief workers, volunteers, government employees, contractors, insurance adjusters, media and press and displaced residents

Markets	Occ (%)	Occ % Chg	ADR (\$)	ADR % Chg	RevPAR (\$)	RevPAR % Chg
Impacted Markets						
Melbourne/Titusville, FL	44.8	-39.0	\$ 92.65	-5.8	\$ 41.50	-42.5
Miami/Hialeah, FL	42.0	-37.7	\$ 118.33	-14.9	\$ 49.65	-47.0
West Palm Beach/Boca Raton, FL	44.8	-24.0	\$ 105.75	-7.4	\$ 47.38	-29.6
Fort Lauderdale, FL	54.2	-17.8	\$ 100.06	-1.1	\$ 54.18	-18.7
Tampa/St Petersburg, FL	56.2	-8.0	\$ 102.10	1.0	\$ 57.40	-7.1
Sarasota/Bradenton, FL	50.1	-7.5	\$ 102.34	-2.6	\$ 51.28	-9.9
Fort Myers, FL	47.7	-3.8	\$ 83.33	-14.6	\$ 39.72	-17.9
Daytona Beach, FL	50.0	-3.7	\$ 92.27	2.4	\$ 46.15	-1.4
Jacksonville, FL	65.6	-0.5	\$ 98.63	-0.9	\$ 64.68	-1.4
Destination Markets						
Orlando, FL	72.7	14.7	\$ 112.49	22.0	\$ 81.73	39.9
Atlanta, GA	82.9	30.0	\$ 111.92	18.1	\$ 92.77	53.5
Birmingham, AL	79.5	35.9	\$ 98.60	14.7	\$ 78.36	55.8
Augusta, GA-SC	73.5	36.3	\$ 79.38	12.0	\$ 58.34	52.6
Chattanooga, TN-GA	92.0	39.6	\$ 121.28	30.5	\$ 111.64	82.2
Macon/Warner Robins, GA	89.8	81.9	\$ 84.15	19.9	\$ 75.59	118.1

Hotel of The Week:



Built in 1900 and converted to a hotel in 1986

The old Union Station in Nashville, TN is now a 125 room hotel

Pebblebrook acquired the hotel end of 2014

Acquisition price: \$52.3M (\$418K per room)

Comprehensive \$11M renovation in 2007





Company of The Week: Pebblebrook Hotel Trust

Real Estate Investment Trust

Created in 2009

CEO: Jon Bortz

The logo for Pebblebrook Hotel Trust features the word "pebblebrook" in a large, dark brown, serif font. Below it, the words "HOTEL TRUST" are written in a smaller, dark brown, all-caps, serif font. The "H" in "HOTEL" is significantly larger than the other letters and has a vertical line extending downwards from its top bar, creating a bracket-like effect around the word "HOTEL".

pebblebrook
HOTEL TRUST

Pebblebrook Portfolio Map

SEATTLE

Hotel Monaco Seattle
Hotel Vintage Seattle

PORTLAND

Hotel Modera
Hotel Vintage Portland
Skamania Lodge
The Nines Hotel

SAN FRANCISCO

Argonaut Hotel
Hotel Zelos San Francisco
Hotel Zetta San Francisco
Hotel Zephyr Fisherman's Wharf
Sir Francis Drake
Hotel Zeppelin San Francisco
Hotel Zoe San Francisco

LOS ANGELES

Hotel Palomar Los Angeles Beverly Hills
Le Méridien Delfina Santa Monica
Mondrian Hotel Los Angeles
W Los Angeles – West Beverly Hills

SAN DIEGO

Embassy Suites San Diego Bay Downtown
Westin San Diego Gaslamp Quarter

MINNEAPOLIS

Grand Hotel Minneapolis

BOSTON

W Boston
Revere Hotel

PHILADELPHIA

Sofitel Philadelphia

WASHINGTON

Hotel Monaco Washington DC

ATLANTA

InterContinental Buckhead

MIAMI

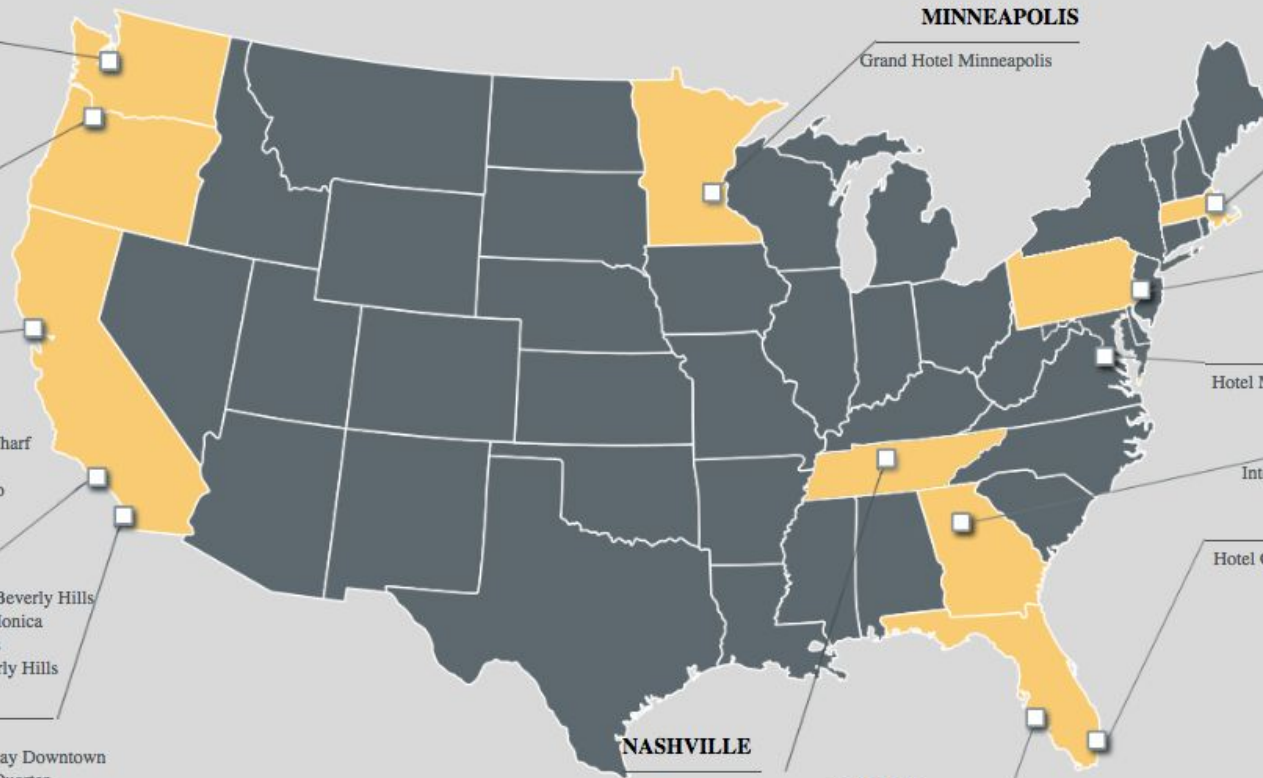
Hotel Colonnade Coral Gables

NASHVILLE

Union Station Hotel

NAPLES

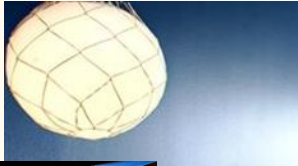
LaPlaya Beach Resort & Club



Radisson Hotel Fishermans Wharf



Hotel Zephyr



The Lodging Conference 2017

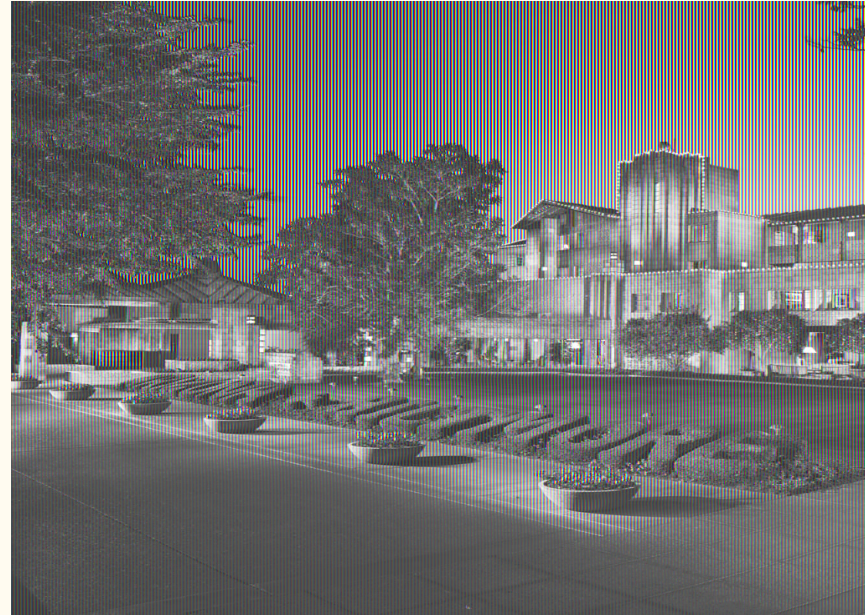
Who: 2 REIC Members!

What: Attend The Lodging Conference 2017!!

When: October 30th - November 2nd

Where: **Phoenix Arizona**

Interested?? Come talk to us after the meeting!



Philanthropy

Ingham County Animal Control and Shelter

October 3rd - Volunteer Orientation



HA Peer Mentorship Program

Freshmen/Sophomores/Transfer Students!!

Get more involved in *The School* with help from us!

The logo for The School of Hospitality Business. It features the word "The" in a green script font, followed by "SCHOOL OF HOSPITALITY BUSINESS" in a bold, black, sans-serif font. A green horizontal line with an arrowhead pointing right is positioned above the word "SCHOOL".

The SCHOOL OF
HOSPITALITY
BUSINESS

The logo for Michigan State University. It features the words "MICHIGAN STATE" and "UNIVERSITY" in a green, sans-serif font, stacked vertically. A green horizontal line is positioned between the two words.

MICHIGAN STATE
UNIVERSITY

Dues!

This is how we fund our trips and other fun things!

For one semester: \$25

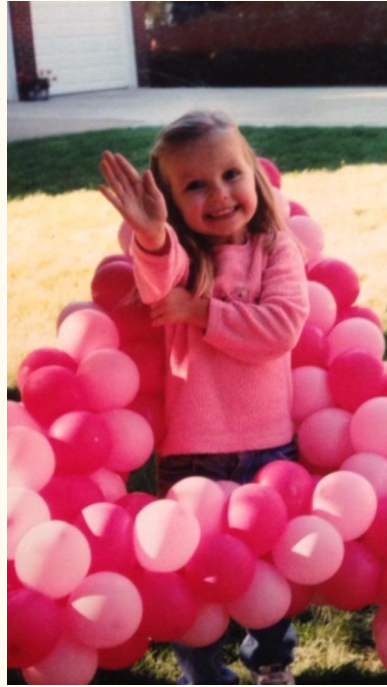
For the year: \$45

(or more if you're willing)

We accept checks (made out to Real Estate Investment Club), cash, or Venmo to Allie-Chapekis



Questions??
See you next time!



Happy 21st Audrey!

Finance Tip of The Week:

Abbreviations to Know

Average Daily Rate

ADR

Basis Points

BPS

Commercial Mortgage Backed Security

C M B S

Earnings Per Share

EPS

London Interbank Offering Rate

LIBOR

Million

MM

Operating Expenditures

OpEx

Revenue Per Available Room

RevPAR

Weighted Average Cost of Capital

WACC

Year Over Year

YOY

Year To Date

YTD