



June Board of Directors Meeting



*Prepared for:
The Hilton Austin and Austin Convention Enterprises
June 5, 2020*

US STR Data – April 2020

Worst Single Month Ever

Total US, April 2020

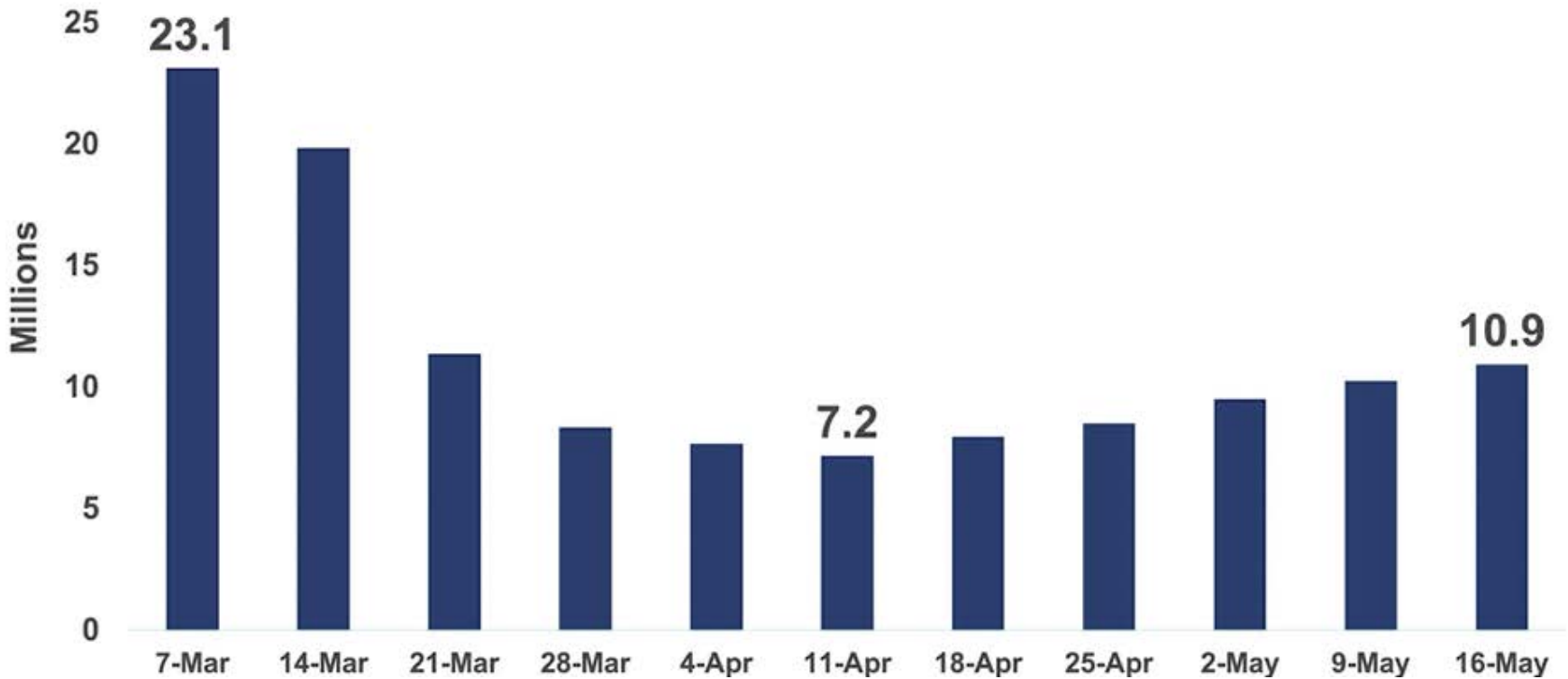


		% Change
Room Supply		-12.1%
Room Demand		-68.3%
Occupancy	24.5%	-63.9%
ADR	\$73	-44.4%
RevPAR	\$18	-79.9%
Room Revenue		-82.4%

U.S. Demand STR Market Performance

Weekly Room Demand: 5th Week Of Increases

Total U.S., by Week



U.S. / Austin STR Market Performance



- **April Austin CBD:** Occupancy 4.1%, ADR \$115.72 and RevPAR \$4.72
- **April Austin CBD Year over Year:** Occupancy -94.1%, ADR -52.2% and RevPAR -97.7%
- **The Hilton Austin Year over Year:** Occupancy -96%, ADR -45.9% and RevPAR -97.9%

Austin Hotel / STR Information



Update on Austin CBD Hotels

- Fairmont ended TSO June 1st
- JW Marriott Austin is taking reservations post July 4th
- Consensus guidance for 2020, for Austin, is -64.3% in RevPAR decline
- Consensus guidance for 2021, for Austin, is 49.5% in RevPAR growth

STR Data May Information – Austin (Directional)

- L7 days ending May 30th: Occupancy 13.3%, ADR \$147.67 and RevPAR \$19.62
- L28 days ending May 30th: Occupancy 9.3%, ADR \$150.20 and RevPAR \$13.95

Hilton Austin Group Cancellations



- Hilton Austin Group Cancellation Revenue Impact **as of June 3rd** at \$20.5M (March 2020-January 2021)
 - Rooms Revenue \$16.344M
 - Banquet / Catering Revenue \$4.107M
- Hilton Austin Group Cancellation Revenue Impact **as of May 5th** at \$15.0M (March – November 2020)
 - Rooms Revenue \$12.022M
 - Banquet / Catering Revenue \$2.970M
- Hilton Austin Group Cancellation Revenue Impact **as of April 13th** at \$11.5M (March – June 2020)
 - Rooms Revenue \$9.377M
 - Banquet / Catering Revenue \$2.131M

May Actual



Column1	Actual	Previous Forecast	Variance
Occupancy	7.7%	4.3%	3.4%
ADR	\$80.74	\$125.58	(\$44.84)
RevPAR	\$6.21	\$5.41	\$0.80
Revenue	\$231,516	\$158,039	\$73,477
GOP	(\$674,946)	(\$683,979)	\$9,033
EBITDA	(\$1,046,663)	(\$1,056,773)	\$10,110

May Actual

Forecast Data Source; COP Tool 4-30-2020

June Forecast



Column1	Current Forecast	Previous Forecast	Variance
Occupancy	8.8%	5.1%	3.7%
ADR	\$128.70	\$138.95	(\$10.25)
RevPAR	\$11.40	\$7.09	\$4.31
Revenue	\$426,411	\$276,169	\$150,242
GOP	(\$488,600)	(\$597,940)	\$109,340
EBITDA	(\$1,118,826)	(\$970,731)	(\$148,095)

Data Source; COP Tool 6-03-2020 and 4-30-2020

Forecast based on current market conditions and subject to change

July Forecast

Column1	Current Forecast
Occupancy	12.7%
ADR	\$152.20
RevPAR	\$19.30
Revenue	\$766,988
GOP	(\$64,683)
EBITDA	(\$447,671)

Data Source; Hilton

Forecast based on current market conditions and subject to change

Forwarding Looking Guidance - Lodging



CBRE HOTELS - BASELINE FORECAST

Year	Occ	ΔOcc	ADR	ΔADR	RevPAR	ΔRevPAR	ΔSupply	ΔDemand
2018	66.1%	0.4%	\$129.91	2.4%	\$85.90	2.9%	2.0%	2.4%
2019	66.1%	-0.1%	\$131.11	0.9%	\$86.64	0.9%	2.0%	2.0%
2020	41.0%	-38.0%	\$101.67	-22.5%	\$41.67	-51.9%	1.5%	-37.0%
2021	55.9%	36.3%	\$110.69	8.9%	\$61.83	48.4%	-1.1%	34.8%
2022	65.0%	16.4%	\$122.93	11.1%	\$79.95	29.3%	0.0%	16.4%
2023	66.6%	2.4%	\$130.47	6.1%	\$86.92	8.7%	0.5%	3.0%
2024	66.5%	-0.2%	\$135.63	4.0%	\$90.18	3.7%	0.9%	0.7%

Source: CBRE Hotels Research, STR, May 14, 2020.

Hilton Above Property Fixed Fee Costs



- **Management Fix Fee Cost**
 - Continues discussion with Hilton on fee relief
- **Hilton Fix Fee Cost of Group Marketing / Group Sales Fee**
 - Estimated 2020 Savings \$700K - \$721K
 - Impacts March '20 – December '20

Questions?