

# ANALYZING HOTEL VALUES IN A POST COVID-19 WORLD

June 3<sup>rd</sup>, 2021

Presented to  
**23<sup>rd</sup> Annual Inland Empire  
Market Trends Seminar**

Presented by  
**ALAN X. REAY**  
PRESIDENT, ATLAS HOSPITALITY GROUP  
CALDRE: 00959901

ATLAS HOSPITALITY GROUP  
TELEPHONE: (949) 622-3400, EXT. 409  
E-MAIL: [ALAN@ATLASHOSPITALITY.COM](mailto:ALAN@ATLASHOSPITALITY.COM)  
WEB: [WWW.ATLASHOSPITALITY.COM](http://WWW.ATLASHOSPITALITY.COM)



**Atlas**  
HOSPITALITY GROUP

# CALIFORNIA REVPAR PERFORMANCE IN 2020

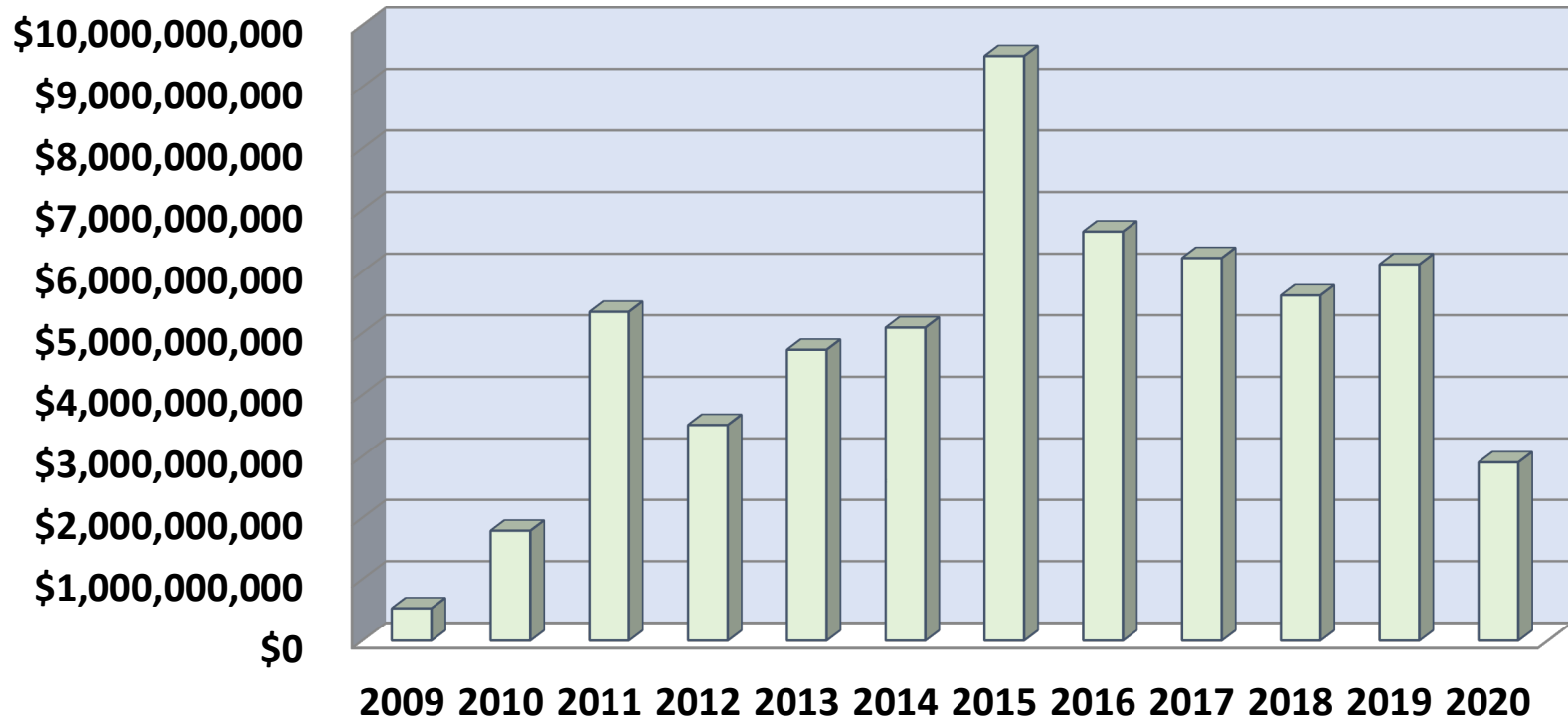
## STR California Rev PAR DECEMBER 2020

12/20 vs. 12/19	%	12/20 YTD	%
United States	-51.0	United States	-47.5
Pacific	-61.3	Pacific	-51.6
California	-60.4	California	-50.1
Custom Anaheim/Disneyland+	-86.5	Custom Anaheim/Disneyland+	-64.4
San Francisco/San Mateo, CA	-79.6	San Francisco/San Mateo, CA	-64.0
Custom Los Angeles+	-72.0	San Jose/Santa Cruz, CA	-62.0
San Jose/Santa Cruz, CA	-68.5	Custom Los Angeles+	-56.9
Monterey/Salinas, CA	-61.6	Monterey/Salinas, CA	-49.0
Santa Barbara/Santa Maria, CA	-56.4	Long Beach, CA	-46.5
Sacramento, CA	-48.3	Sacramento, CA	-39.2
Long Beach, CA	-46.2	Santa Barbara/Santa Maria, CA	-36.7
San Luis Obispo/Paso Robles, CA	-42.4	San Luis Obispo/Paso Robles, CA	-26.3

# HISTORICAL CALIFORNIA HOTEL SALES VOLUME

Total Dollar Volume (Annual)

**Historical Sales Chart**  
\$ Volume

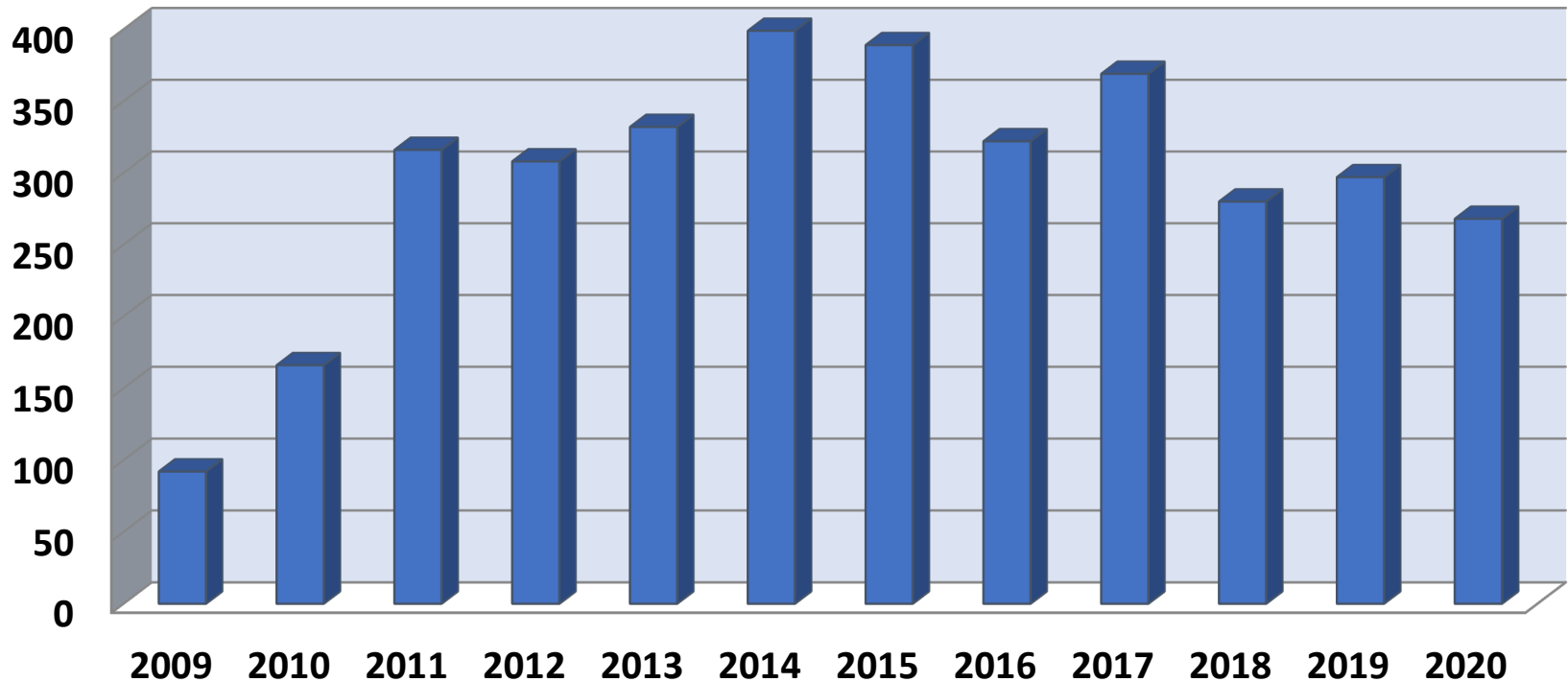


# HISTORICAL CALIFORNIA HOTEL SALES VOLUME

Number of Transaction (Annual)

**Historical Sales Chart**

#Sales



# 2020 CALIFORNIA HOTEL SALES RESULTS

## Effects of COVID-19 Pandemic

- COVID-19 has had a devastating impact on hotel sales transactions in every State – except California.
- In 2020 the total number of hotel sales in the US plummeted by 52.6%, New York State was down 62%, Texas down 54% and Florida down 48%.
- California on the other hand had a slight increase in sales from 2019, up 0.3% and accounted for 28% of all of the Sales in the US in 2020.
- California hotel sales transactions were 15.5% higher than Florida, Texas, and New York States, combined.
- The total dollar volume of sales for California showed a decrease of 46% (the steepest decline since 2009), while the median price per room declined only by 5%.

# CALIFORNIA HOTEL SALES SURVEY 2020

## Los Angeles County

Los Angeles County hotel transactions increased 19.6% in 2020 versus 2019, from 51 to 61. However, total dollar volume went down 39%. The county's average sales price per room dropped 17.6%, while the median price per room went up 15.5%.

The largest hotel sold was the 502-room Renaissance Los Angeles Airport. The most expensive sale was the \$100 million paid for the 116-room L'Ermitage Beverly Hills. It also led in price per room at \$862,069.



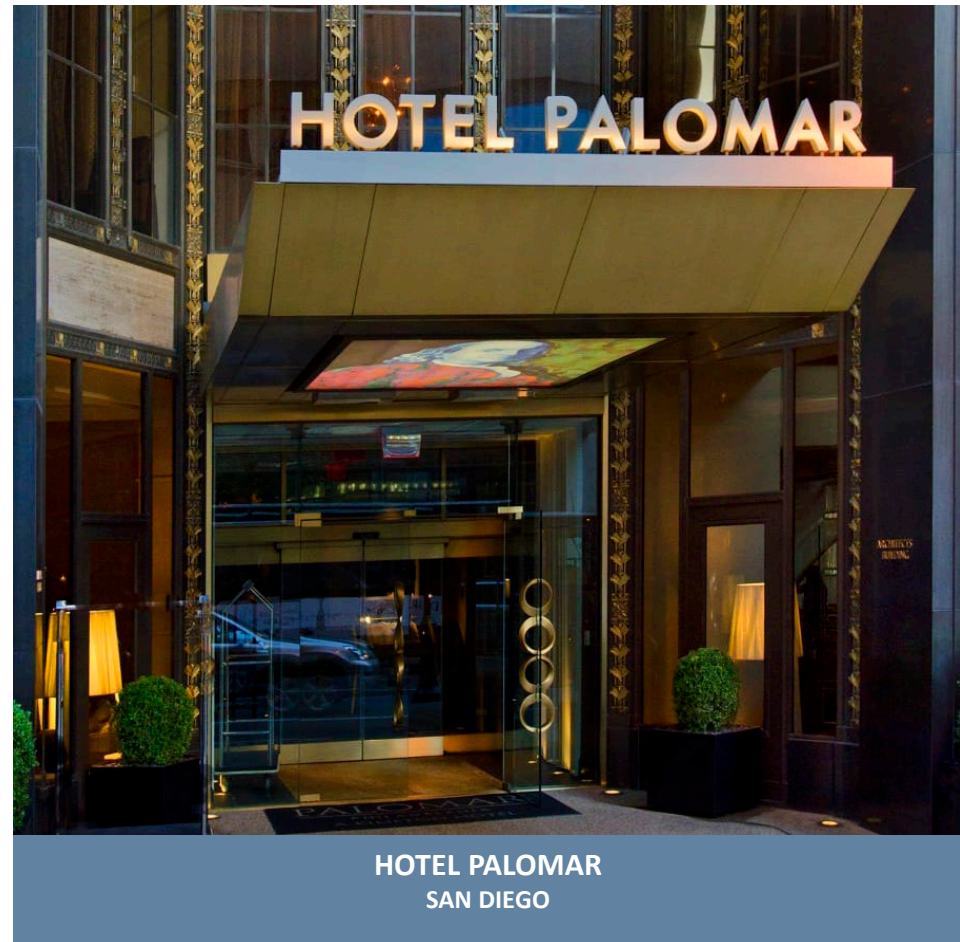
# CALIFORNIA HOTEL SALES SURVEY 2020

## San Diego County

San Diego County had a 10% increase in individual transactions, from 20 to 22. Total dollar volume went down 61%. The county's average price per room decreased 12.1%, and the median price per room also decreased 3.4%.

The 211-room Hotel Palomar San Diego was the largest hotel sold at \$62,380,000.

The most expensive sale was the \$67 million paid for the 192-room Residence Inn Mission Valley in San Diego. It also led on a price per room basis, at \$348,958.





# CALIFORNIA HOTEL SALES SURVEY 2020

## Orange County

Individual transactions in Orange County increased 5.6%, from 18 to 19. Total dollar volume dropped 57%. The county's average price per room decreased 33.7%, and the median price per room went down 21.5%.

The 532-room Newport Beach Marriott Hotel & Spa topped the chart in all categories. It was the largest hotel sold in 2020, the most expensive hotel at the price of \$216 million, and led on a price per room basis, at \$406,015.





# CALIFORNIA HOTEL SALES SURVEY 2020

## Inland Empire

Riverside County had a 12% increase in transactions, from 25 to 28. Total dollar volume increased 30.4%. The average price per room increased 17%; the median price per room increased 10.5%.

At \$16 million, the 215-room Miramonte Resort Indian Wells was the largest sale. The Residence Inn Moreno Valley was the most expensive at \$26.25 million. The 17-room Willows Historic Palm Springs Inn had the highest price per room in the entire State, sold at \$1,112,588 per key.

San Bernardino County had a 5.6% increase in sales, from 18 to 19. Total dollar volume went up 19.8%. The average price per room dropped 6.75%, and the median price per room was up 46.76%.

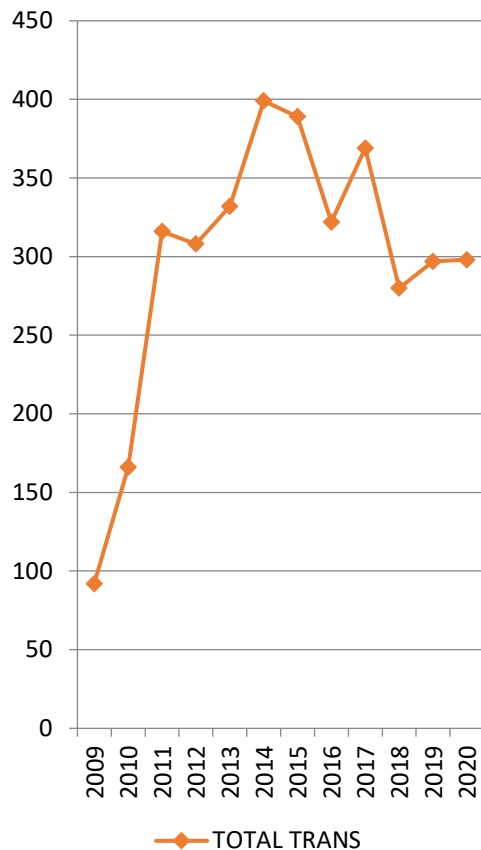
The largest hotel sold was the 173-room Lake Arrowhead Resort and Spa. The most expensive was the 131-room Element Hotel Ontario, at \$27.5 million. It was also the highest price per room sold in the County, at \$209,924.



# CALIFORNIA HOTEL SALES SURVEY 2020

## California Statewide Charts

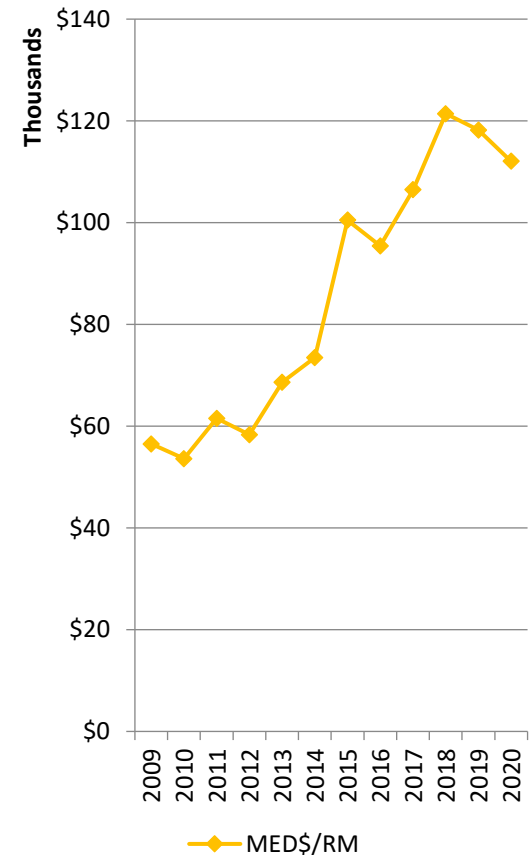
**California Statewide  
No. of Sales by Year**



**California Statewide  
Sales Volume by Year**



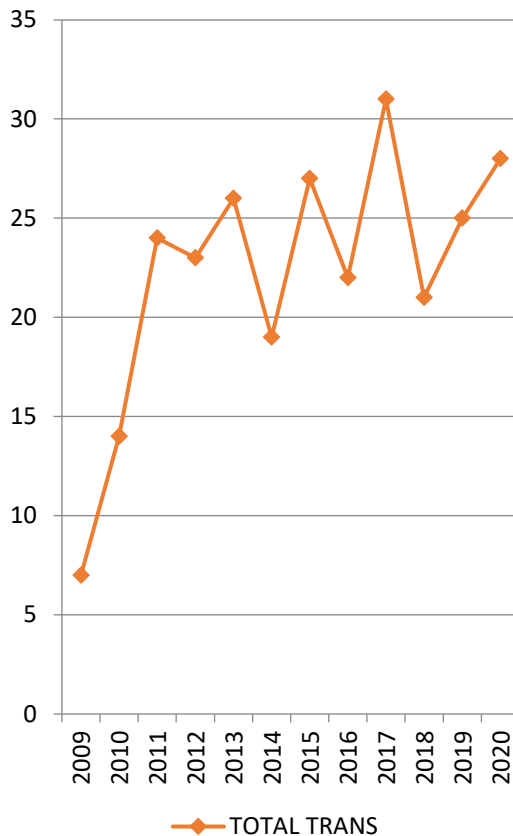
**California Statewide Med.  
Price/Room by Year**



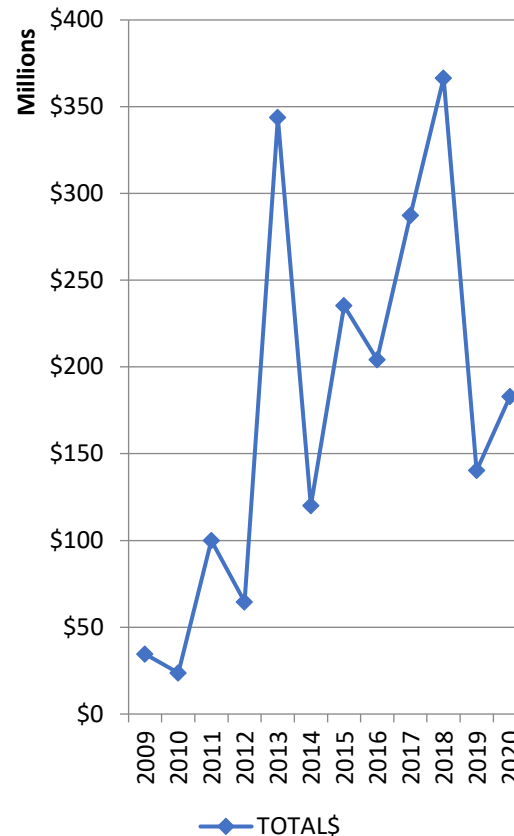
# CALIFORNIA HOTEL SALES SURVEY 2020

## Riverside County Charts

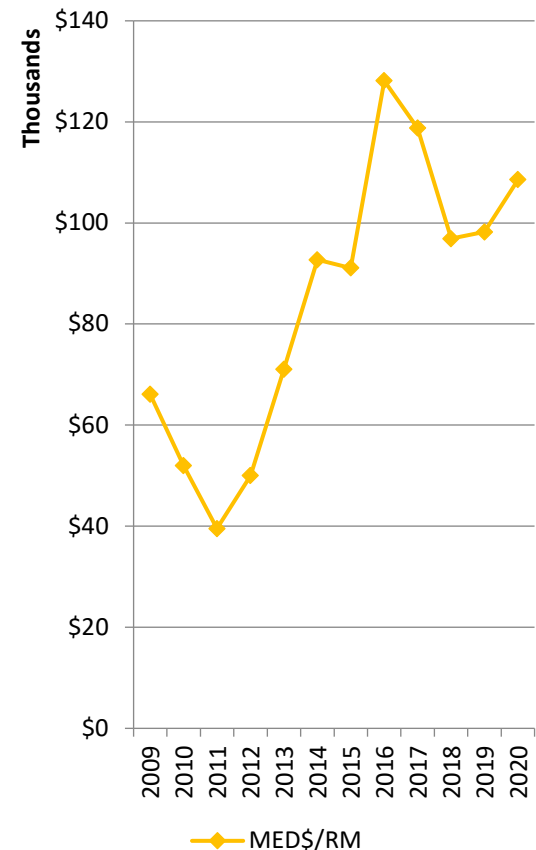
### Riverside County No. of Sales by Year



### Riverside County Sales Volume by Year



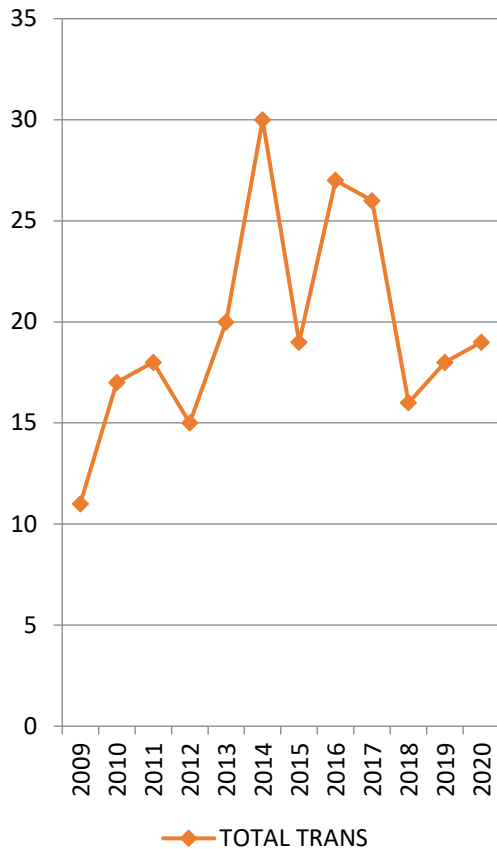
### Riverside County Med. Price/Room by Year



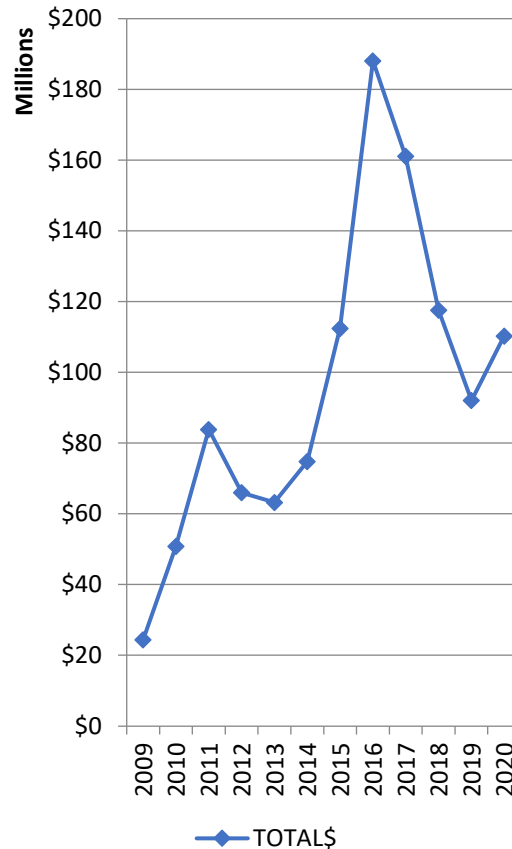
# CALIFORNIA HOTEL SALES SURVEY 2020

## San Bernardino County Charts

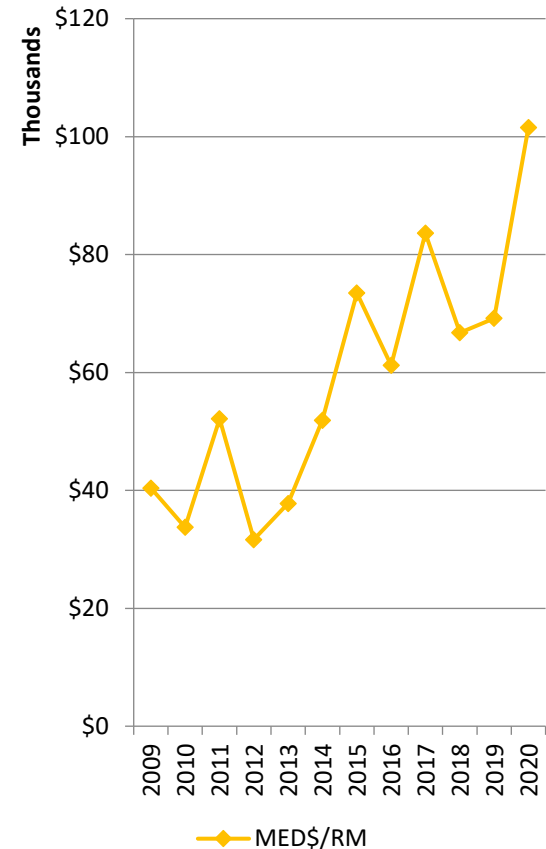
**San Bernardino County  
No. of Sales by Year**



**San Bernardino County  
Sales Volume by Year**



**San Bernardino County  
Med. Price/Room by Year**





Where are  
hotel values  
going in 2021?

# CALIFORNIA REVPAR PERFORMANCE IN 2020

## STR California Rev PAR APRIL 2021

04/21 vs. 04/20	%	04/21 vs. 04/20 YTD	%
United States	256.8	United States	-6.0
Pacific	258.7	Pacific	-22.6
California	234.8	California	-22.5
Santa Barbara/Santa Maria, CA	686.0	San Luis Obispo/Paso Robles, CA	65.5
San Luis Obispo/Paso Robles, CA	614.9	Santa Barbara/Santa Maria, CA	39.7
Monterey/Salinas, CA	592.2	Monterey/Salinas, CA	13.5
Custom Los Angeles+	278.8	Sacramento, CA	-2.2
Long Beach, CA	277.0	Long Beach, CA	-10.2
California	234.8	California	-22.5
San Francisco/San Mateo, CA	191.2	Custom Los Angeles+	-38.6
San Jose/Santa Cruz, CA	188.6	San Jose/Santa Cruz, CA	-47.3
Sacramento, CA	144.4	San Francisco/San Mateo, CA	-65.0





# Plaza Suites Santa Clara

Sold May 2021  
\$72,470,000 - 220 rooms





# Vespera Suites Pismo Beach

Sold April 2021  
\$78,500,000 - 128 rooms





# Montage Healdsburg

Sold April 2021  
\$265,000,000 - 130 rooms



ANY  
QUESTIONS?

- ALAN X. REAY
- PRESIDENT / CALDRE 00959901
- ATLAS HOSPITALITY GROUP
- TELEPHONE: (949) 622-3400, EXT. 409
- E-MAIL: [ALAN@ATLASHOSPITALITY](mailto:ALAN@ATLASHOSPITALITY)
- WEB: [WWW.ATLASHOSPITALITY.COM](http://WWW.ATLASHOSPITALITY.COM)