



2015 Canadian Hotel Investor Sentiment Survey

What is the issue?

Canadian Hotel investment has rapidly increased over the past few years with particular development in the Downtown core of Toronto, Vancouver and Calgary, yet current trends and sentiments of active Canadian hotel investors is not well known.

What did the researcher do?

The overall research objective for this study was to collect and analyse sentiments from active Canadian hotel investors. Through a proctored survey with 1,515 investors (response rate 95) in the Fall of 2014, current sentiments of Canadian hotel investors were determined for 2015. Questions included investor profile, investment parameters, economic conditions, and the financing environment.

Why is this research Useful?

Identification of current trends would be quite useful to a number of different stakeholders. For investors, this information would be helpful when carrying out preliminary investment research, such as emerging markets and financing options. This report was distributed to over 6,000 key stakeholders in the Canadian hotel real estate industry

What were the outcomes?

Findings indicated that the primary issues affecting decisions are the cost of debt and the Canadian economy. Cost of debt is seen as less expensive with

access to debt not changing. Investors were somewhat concerned with the Canadian economy; however, their sentiments over the next 3 to 5 years were positive.

Analysis also indicated that the profile of key decision makers has shifted, with the highest frequency now being private investors. When asked how they view Canadian market growth for the upcoming year, decision makers thought that capitalization rates were likely to stay the same, indicating less change in terms of how well the market will be doing.

The top markets for investment in Canada are Calgary and Edmonton, Downtown Toronto and Toronto Airport/West, and Halifax and Dartmouth, respectively

About the Researcher

Fourth year students - Matthew Esper, Hasheel Lodhia, Gaith Saqqa and Diandra Sandoval – from the Ted Rogers School of Hospitality & Tourism Management undertook this research in collaboration with Colliers International Hotels

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