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CBRE Tourism & Leisure Group

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David MacLachlan  
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Via e-mail: david.maclachlan@destinationnorthernontario.com

**RE: NORTHERN ONTARIO FIXED ROOF ACCOMMODATION OPERATOR PERFORMANCE AND DATA SURVEY ANALYSIS – 2017/2018 – Final Reports**

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Dear David:

In accordance with the terms of our agreement, CBRE Tourism & Leisure Group (“CBRE”) is pleased to provide Destination Northern Ontario (DNO) with 3 Final Reports in conjunction with our **Analysis of Accommodation Operator Performance Survey Data for Northeastern Ontario (13A), Algoma Country (13B), and Northwest Ontario (13C) for the 2016 and 2017 calendar years.**

With input provided by DNO and Algoma Country, CBRE prepared an online survey on SurveyMonkey. The survey link was provided to DNO, who then distributed it to accommodation operators across the region through their internal operator databases. It should be noted that this survey focused primarily on smaller rural operators that do not participate in *CBRE Hotels’ Monthly Trends in the Hotel Industry* program.

The subject operator performance survey exercise was conducted for the purpose of enabling DNO to more accurately track changes in overnight guest volumes, market and geographic segmentation and tourism accommodation receipts as a whole, thus allowing the organization to plan for the region’s tourism sector growth and sustainability.

Following the online survey process, which was conducted over the period of February to April 2019, the survey data was collected and analyzed by CBRE. A total of 32 Northeastern Ontario respondents, 31 Algoma Country respondents, and 27 Northwest Ontario respondents completed the survey. Within the survey, participants were asked to identify how they would best categorize their accommodation type to help streamline the analysis. The survey results were compiled under the following four categories:

- Bed & Breakfasts
- Hotels / Motels
- Hunting & Fishing Lodges / Remote Outposts
- Housekeeping Cottage / Cabin Resorts

Based on CBRE’s analysis, it was determined that insufficient data was received to report on the Remote Outpost segment as a separate category. As such, these results were combined with Hunting & Fishing Lodges. Results from respondents that ranked their properties as primarily RV Park / Campground (i.e. ranked “1” out of 6) were not included in our analysis, as these are not fixed roof accommodations.

None of the samples had sufficient samples of B&B survey responses for us to be able to report individually on these properties; however, they have been included in the market summary where applicable.

CBRE's reports for the three sub-regions include separate two-year analysis of the operating performance of **Northeastern Ontario, Algoma Country, and Northwest Ontario's Fixed Roof Accommodation Markets**. Individual property results have been kept strictly confidential, with all data reported in aggregate form.

Since detailed inventory databases for Northeastern Ontario and Northwest Ontario remain incomplete at this time, the results within those two sub-markets have been based on same-on-same survey samples over 2 years (2017-2018), and reflect the per property averages, rather than total weighted industry performance.

With respect to Algoma County (13B), individual property results have been weighted to the total fixed roof accommodation supply provided by Algoma Country's member operator database. Algoma Country's operator database represents all operators, including several properties located outside the boundaries set by the Ministry of Tourism, Culture and Sport for North Central Ontario – Region 13B.

The three reports provide highlights of average performance indicators for the 2017 and 2018 fiscal years, and where applicable, are inclusive of:

- Breakdown of Accommodations Available by Type
  - Total Fixed Roof Accommodations
  - Hotels / Motels
  - Fishing & Hunting Lodges / Remote Outposts
  - Housekeeping Cottage / Cabin Resorts
- Growth in Accommodation Supply (average units per property)
- Change in Operating Season (average operating days)
- Growth in Occupancy (based on room nights for Hotels/Motels, and based on bed nights for Lodges/Outposts and Cottage Resorts)
- Change in Average Guests per Property
- Average revenue per occupied room night (Hotels/Motels) or occupied bed night (Lodges, Outposts and Cottage Resorts)
- Growth in Average Revenue per Guest
- Growth in Revenue per Property / Total Revenue
- Breakdown of Revenues by Expenditure Type
- Breakdown of Guest Geographic Segmentation

As requested, an analysis has been completed on the 2017/18 Sault Ste. Marie accommodation performance for the Algoma County report, generated through a separate CBRE internal survey. CBRE Hotels' *National Trends in the Hotel Industry* database includes occupancy, average daily rate and revenue per available room for 74% of the hotel/motel industry base in Sault Ste. Marie.

It was a pleasure working with you and we are happy to answer any questions you may have at your convenience.

Yours truly,



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