



US LODGING INDUSTRY OVERVIEW

Mark V Lomanno

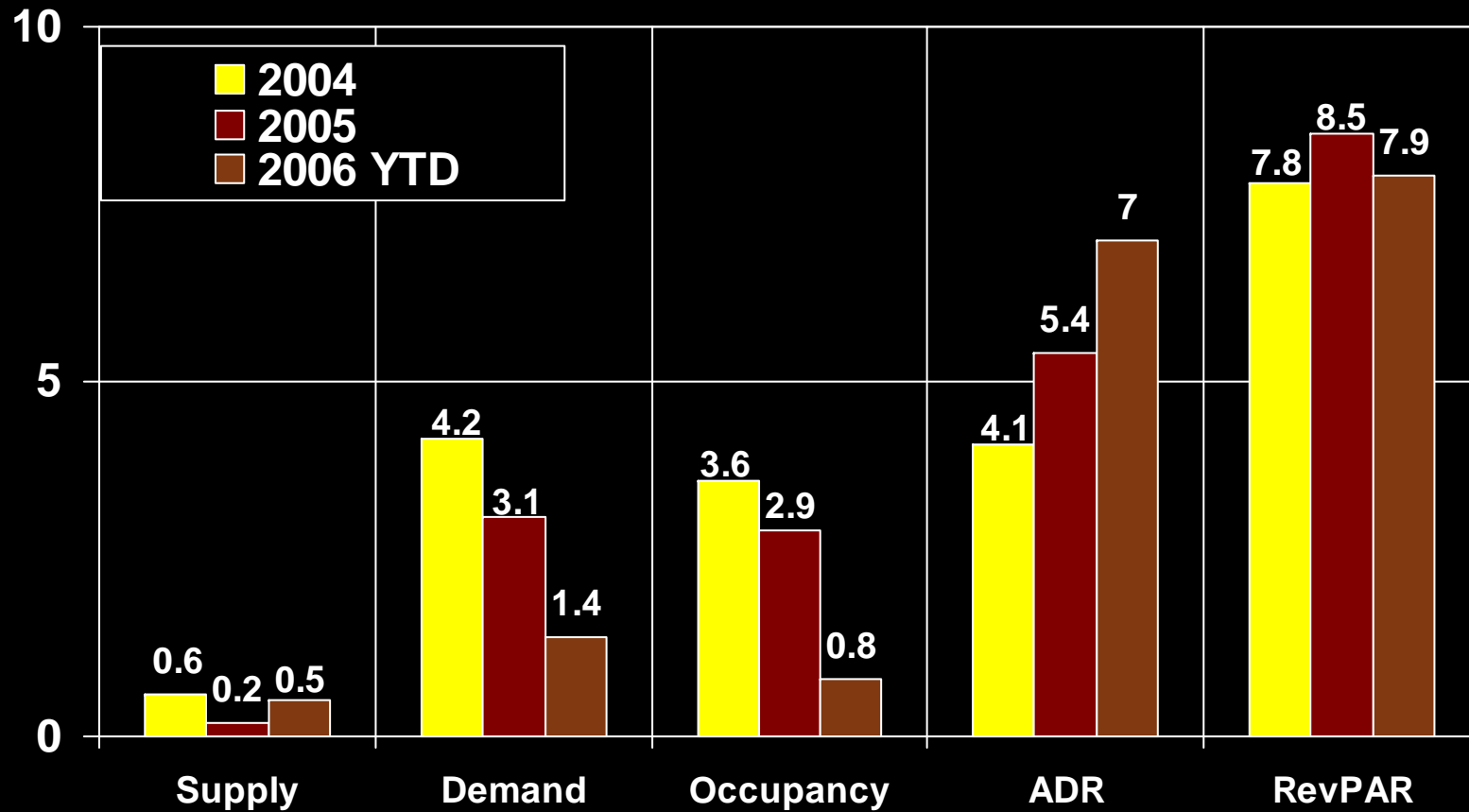
President

SMITH TRAVEL RESEARCH

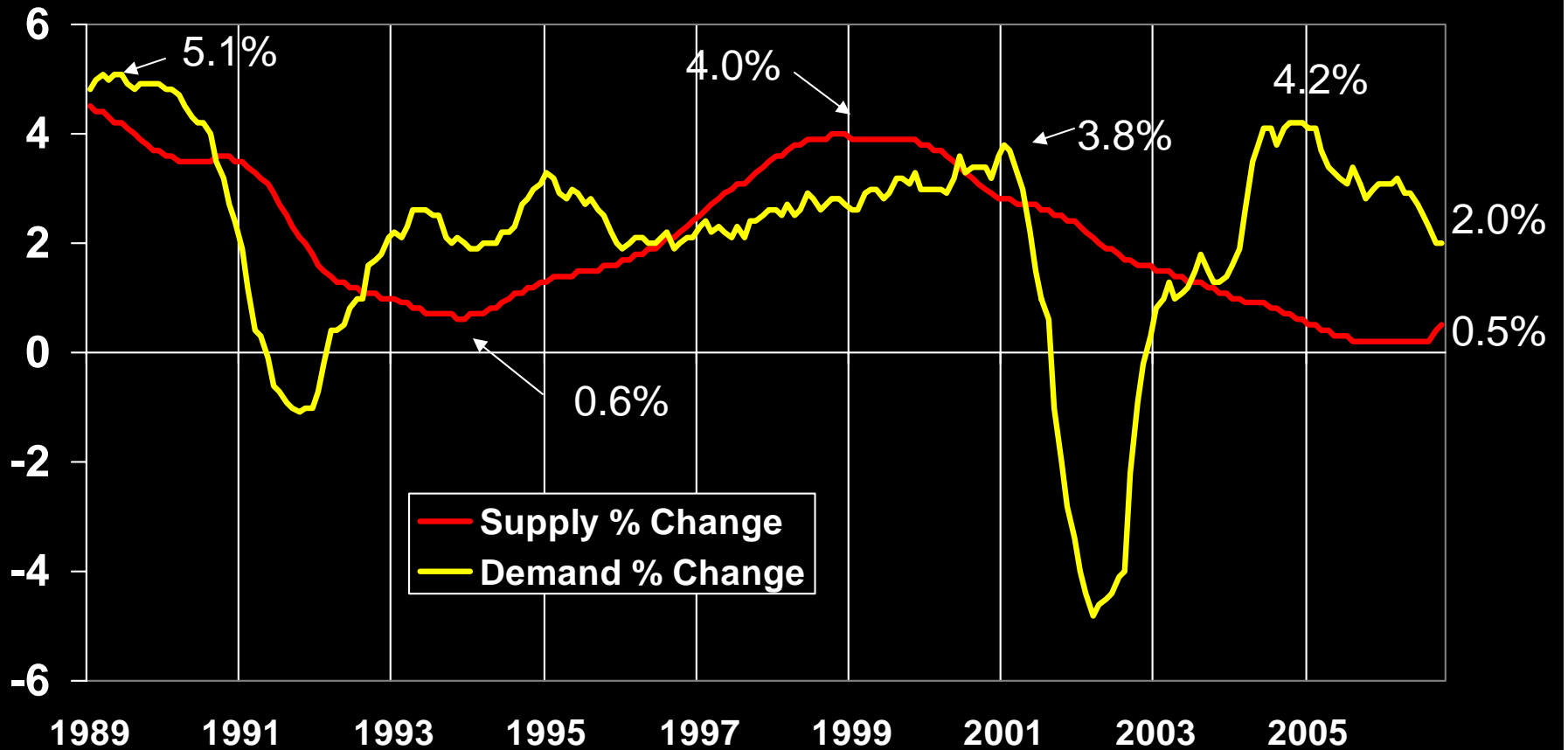
U.S. Lodging Industry - Key Statistics October 2006 YTD

		<u>% Change</u>
• Hotels	48,900	0.4%
• Rooms	4.5mm	0.5%
• Demand	2.7mm	1.4%
• Occupancy	65.0%	0.8%
• A.D.R.	\$97.25	7.0%
• RevPAR	\$63.21	7.9%
• Room Revenue	\$76.7B	8.5%

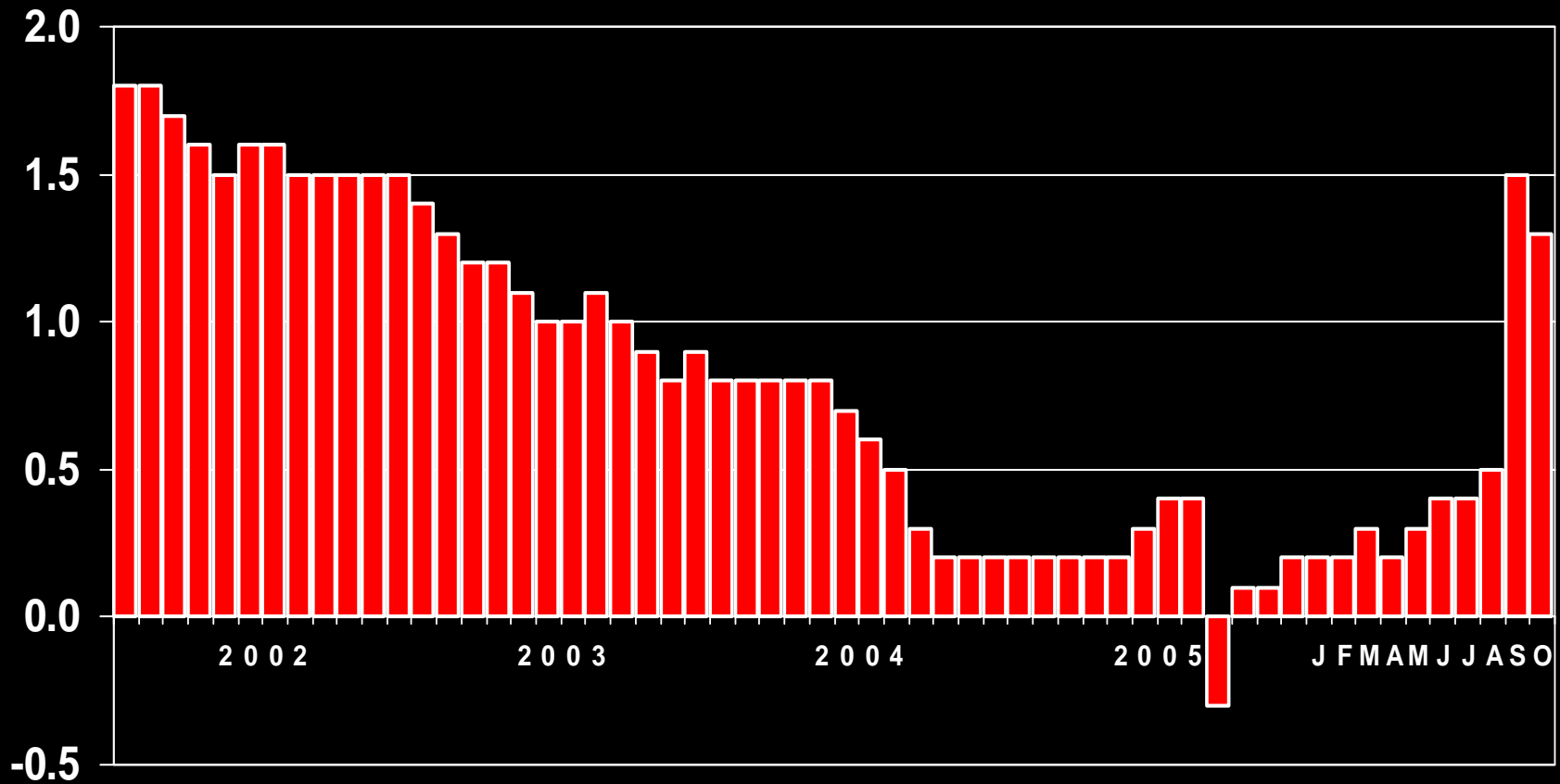
Total United States Key Performance Indicators Percent Change 2004, 2005 and October 2006 YTD



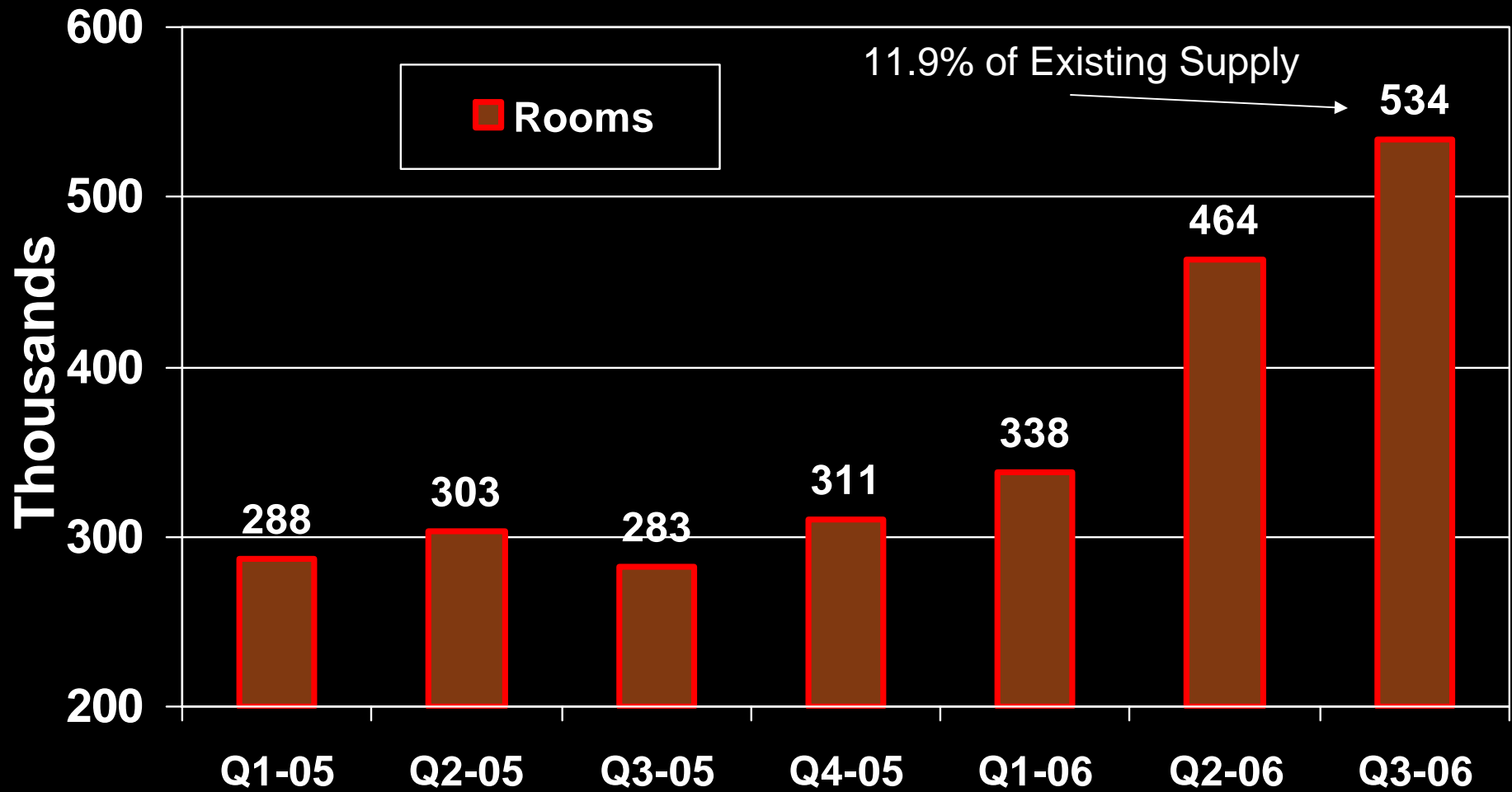
Total United States
Room Supply/Demand Percent Change
Twelve Month Moving Average – 1989 to October 2006



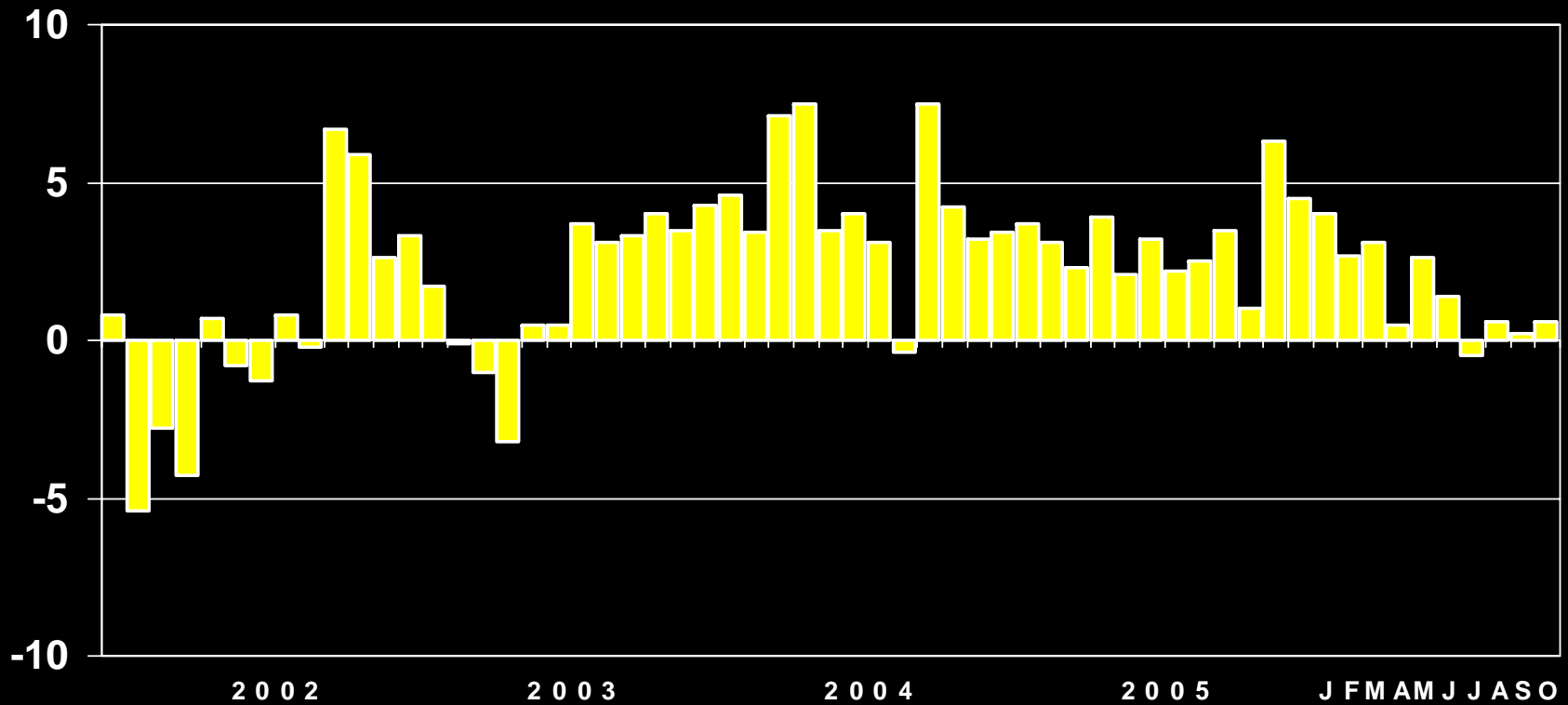
Total United States Room Supply Percent Change Jan 2002 – October 2006



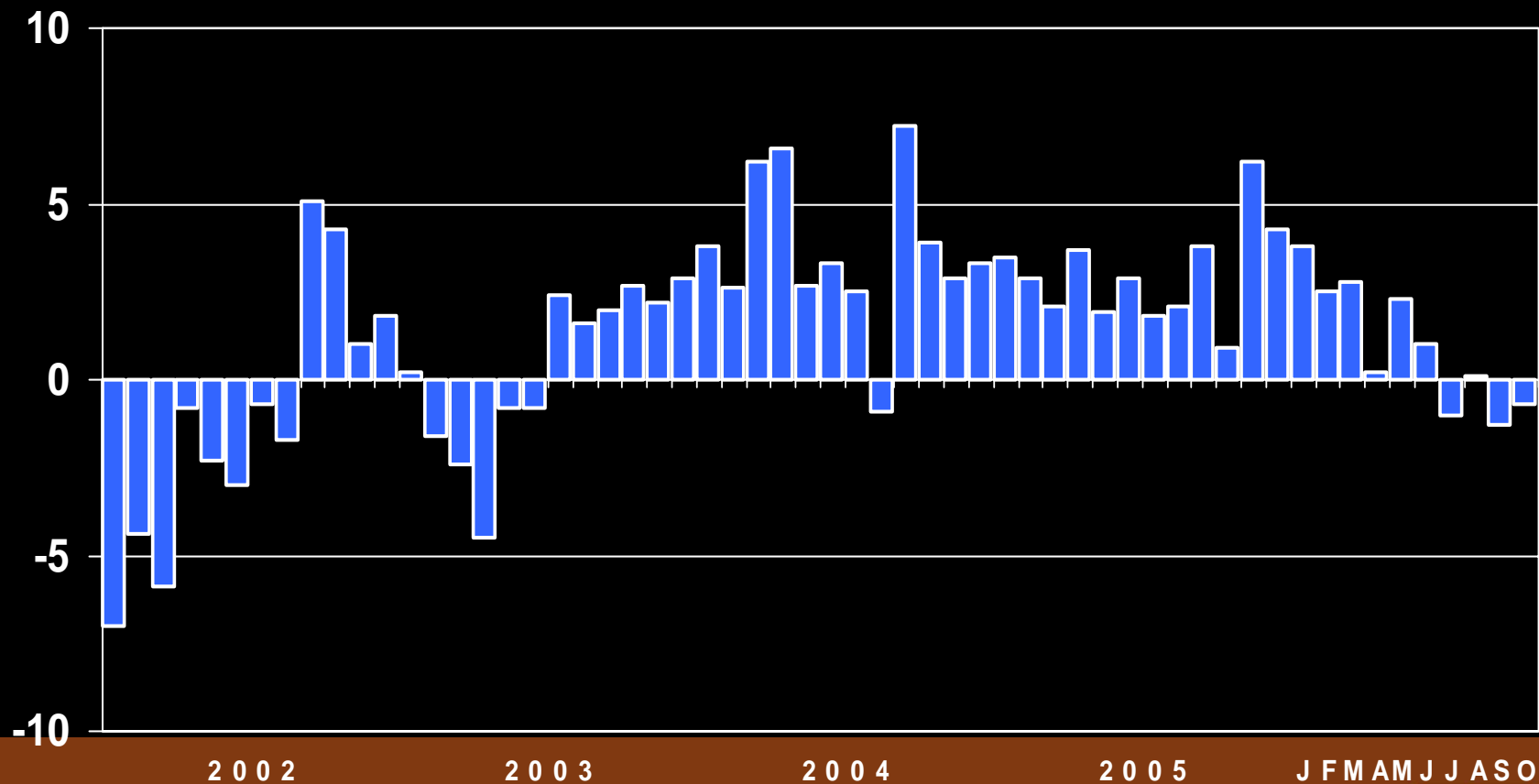
Total United States
Active Pipeline
First Quarter 2005 to Third Quarter 2006



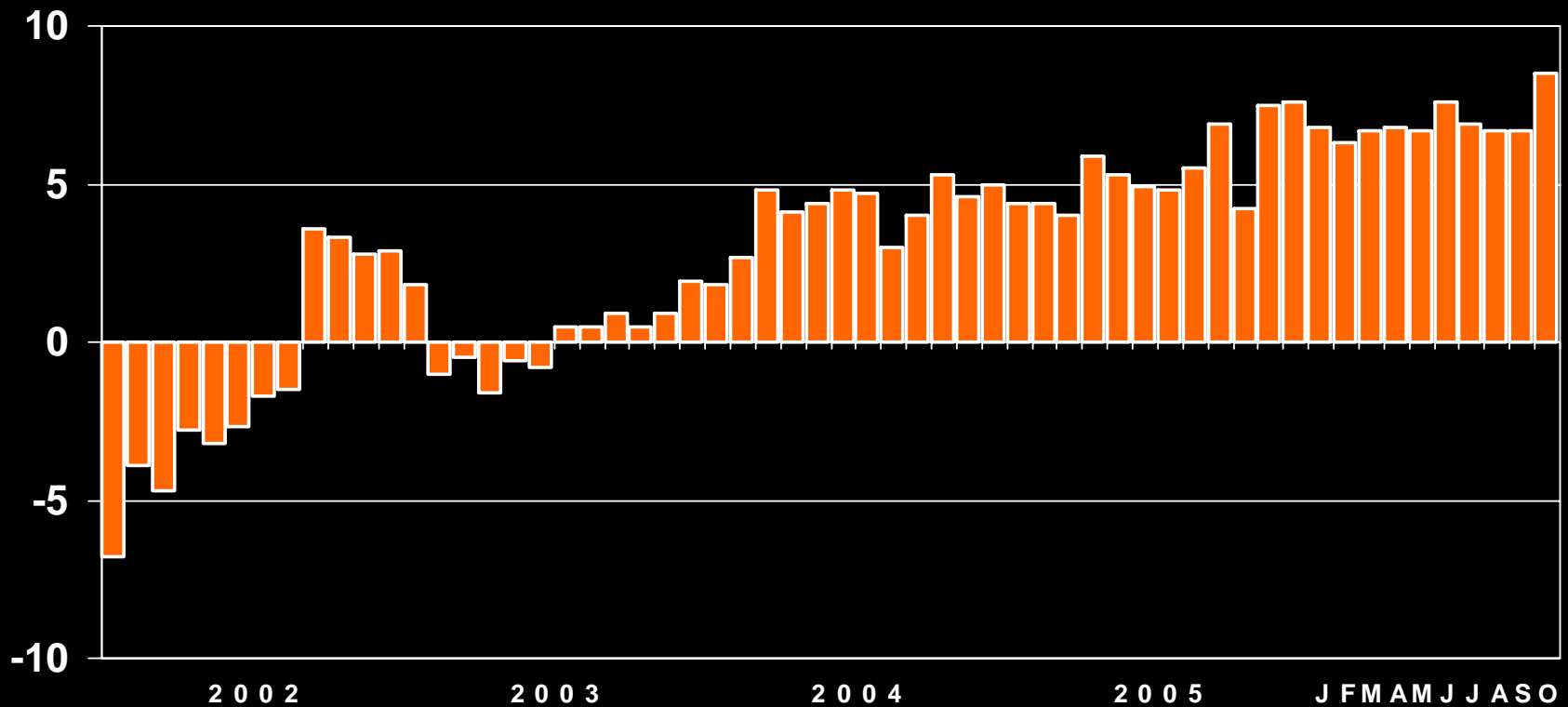
Total United States Room Demand Percent Change Jan 2002 – October 2006



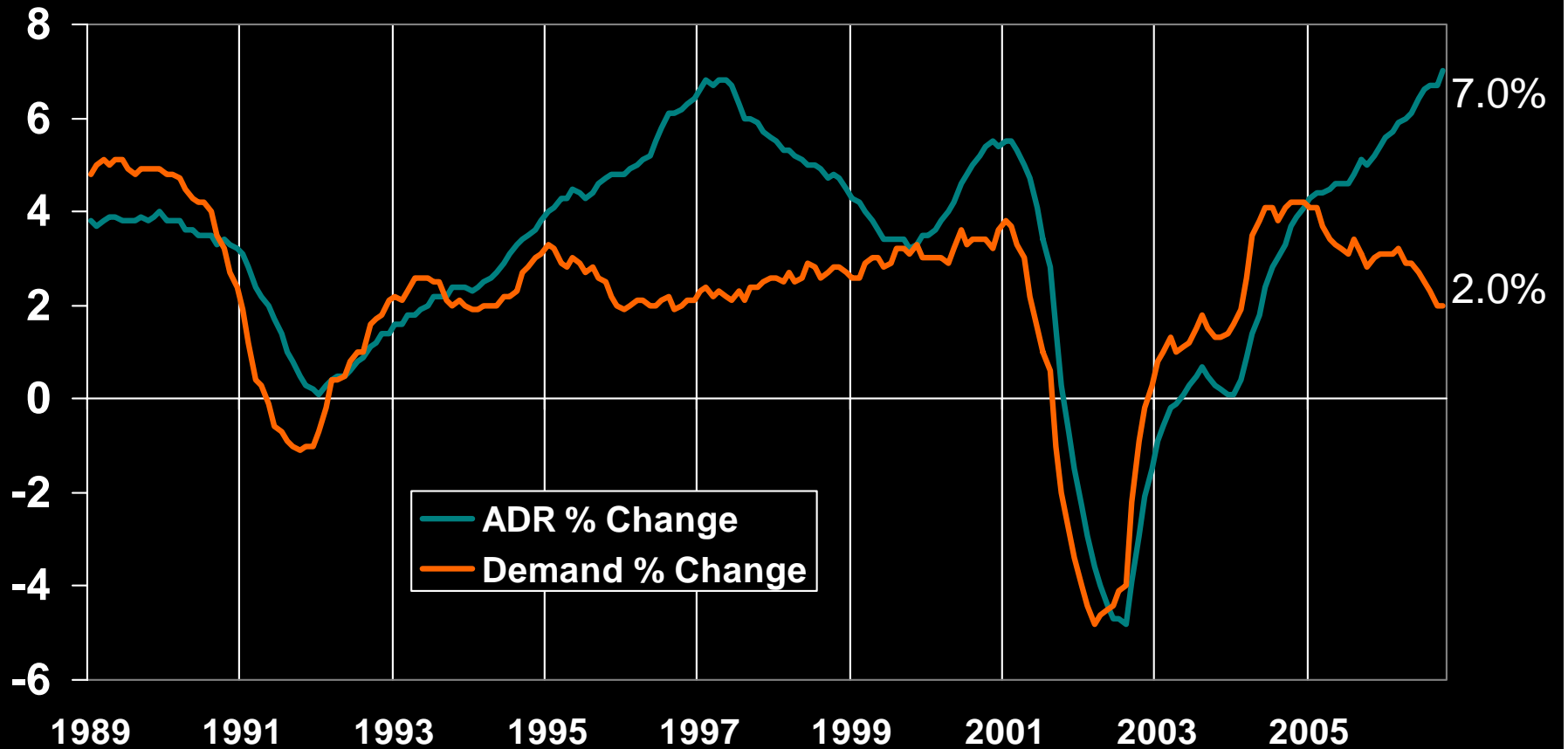
Total United States Occupancy Percent Change Jan 2002 – October 2006



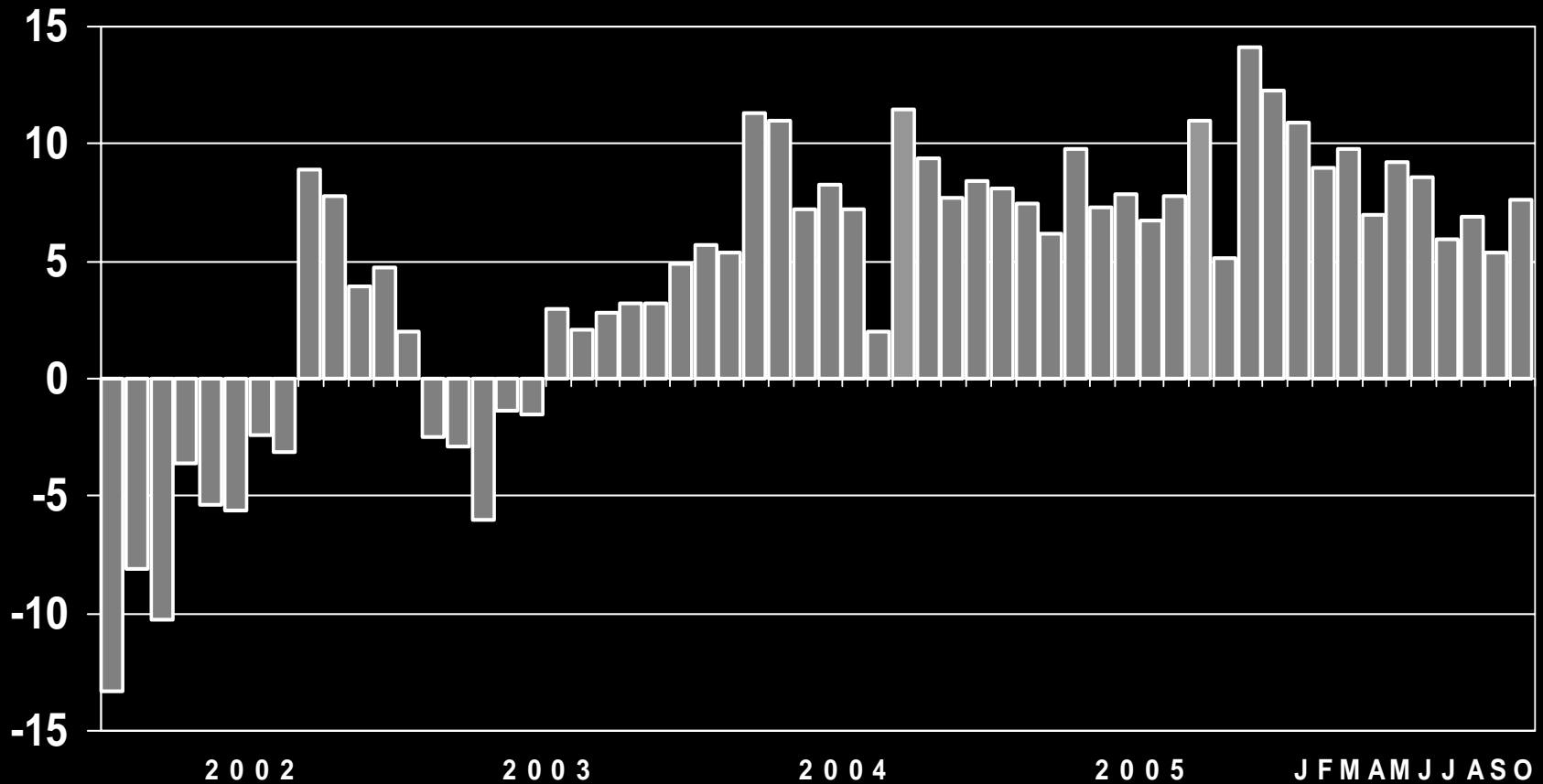
Total United States Room Rate Percent Change Jan 2002 – October 2006



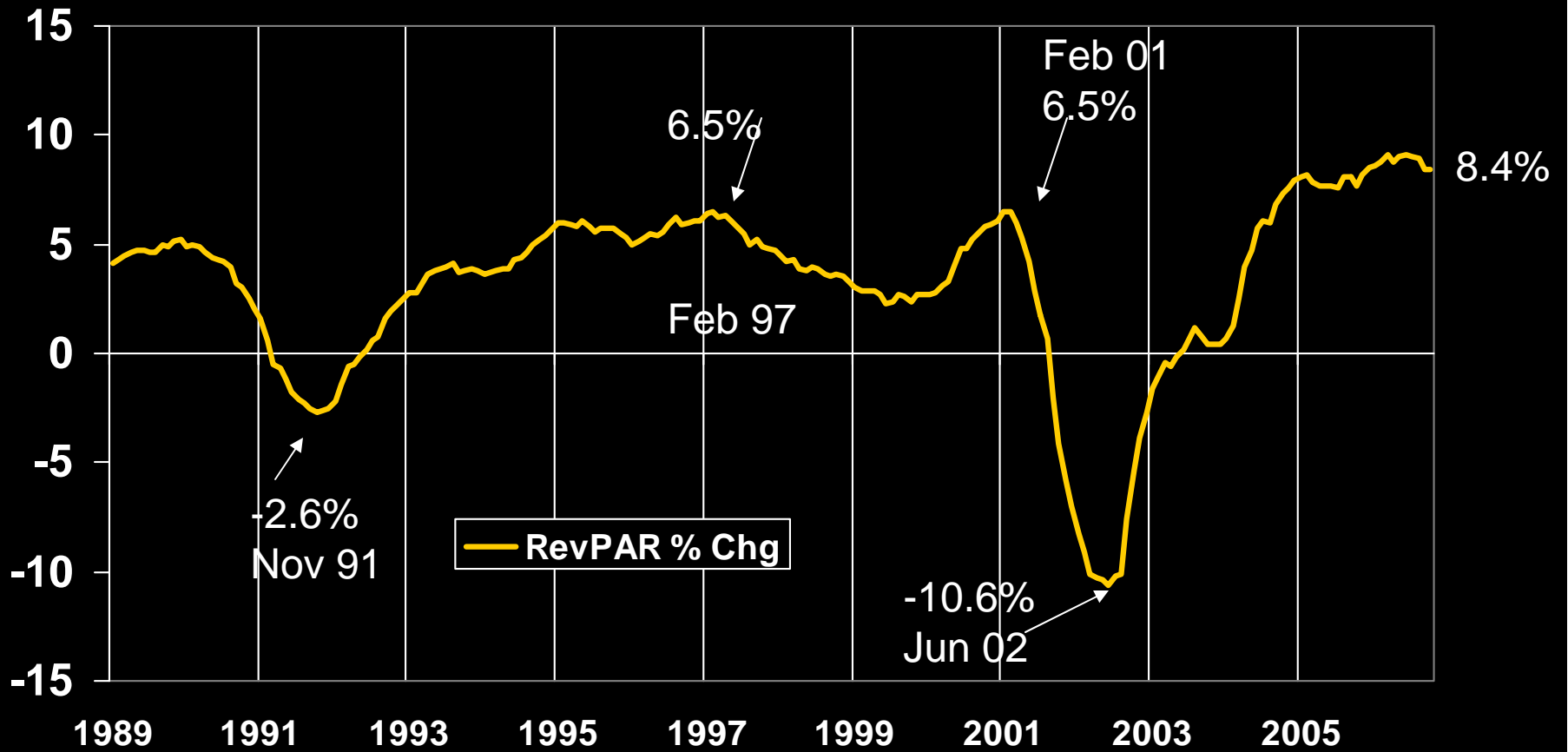
Total United States
Room Demand / ADR Percent Change
Twelve Month Moving Average – 1989 to October 2006



Total United States RevPAR Percent Change Jan 2002– October 2006



Total United States
RevPAR Percent Change
Twelve Month Moving Average – 1989 to October 2006

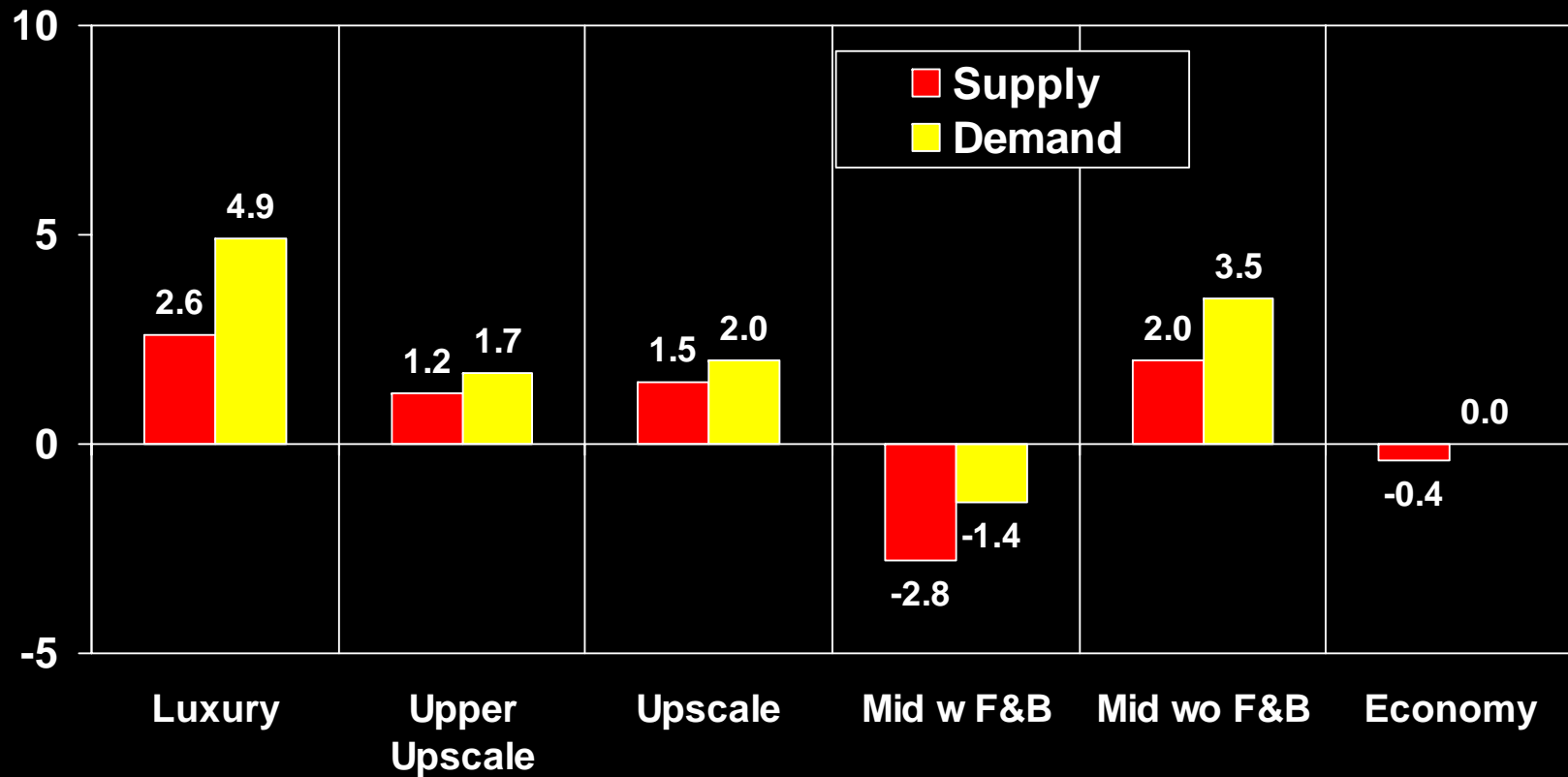


Segment and Market Performance

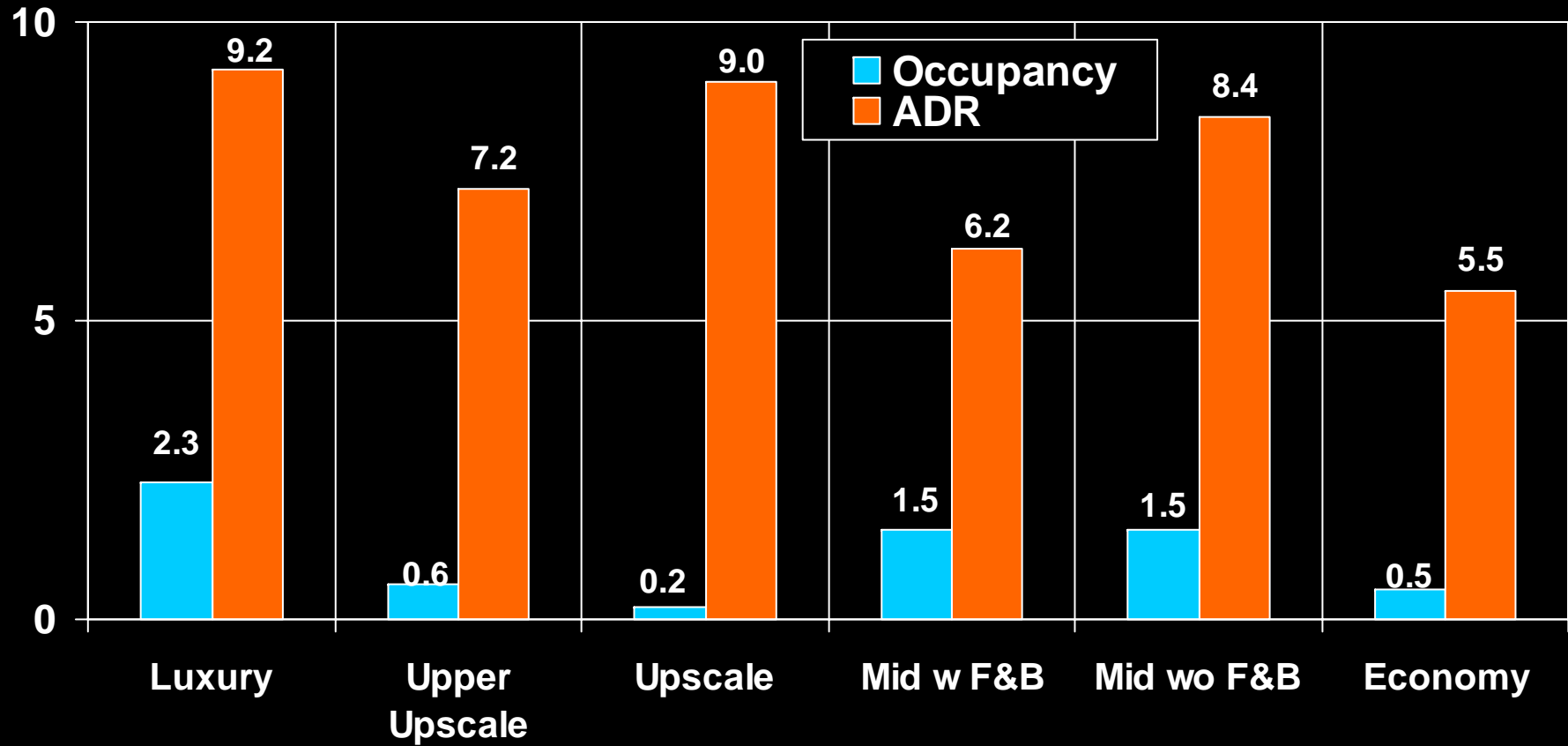
Chain Scales

Supply/Demand Percent Change

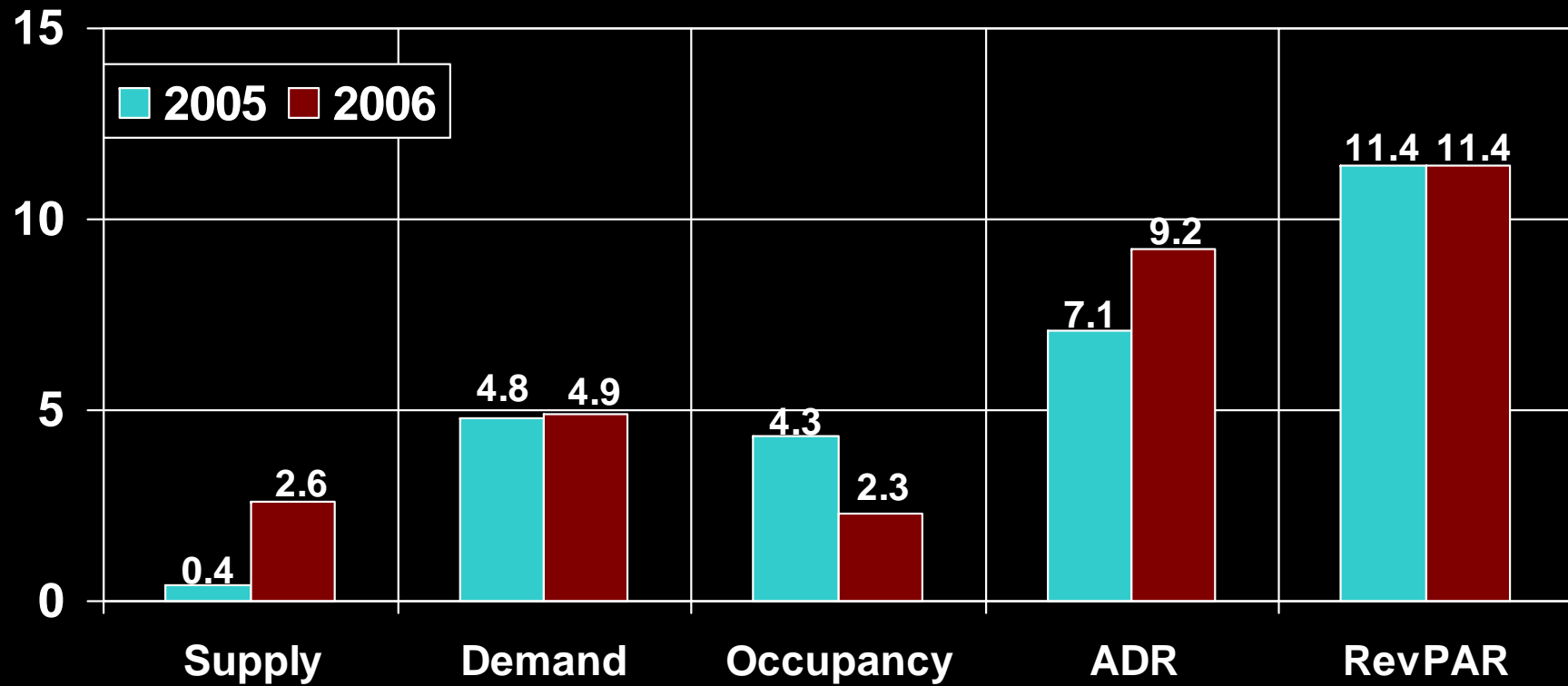
October 2006 YTD



Chain Scales
Occupancy/ADR Percent Change
October 2006 YTD



Luxury Chains Key Performance Indicators October YTD



Lodging Industry Outlook

Fundamentals Remain Strong

- * RevPAR rate of growth peaked in 2nd Qtr of 2006
- * ADR rate of growth will peak in 2007
- * Occupancy still at high levels
- * Demand growth still evident
- * Group ADR's still on the rise as they burn off lower rated business booked in '02 and '03.

Lodging Industry Outlook

Segment/Market Performance Will Vary

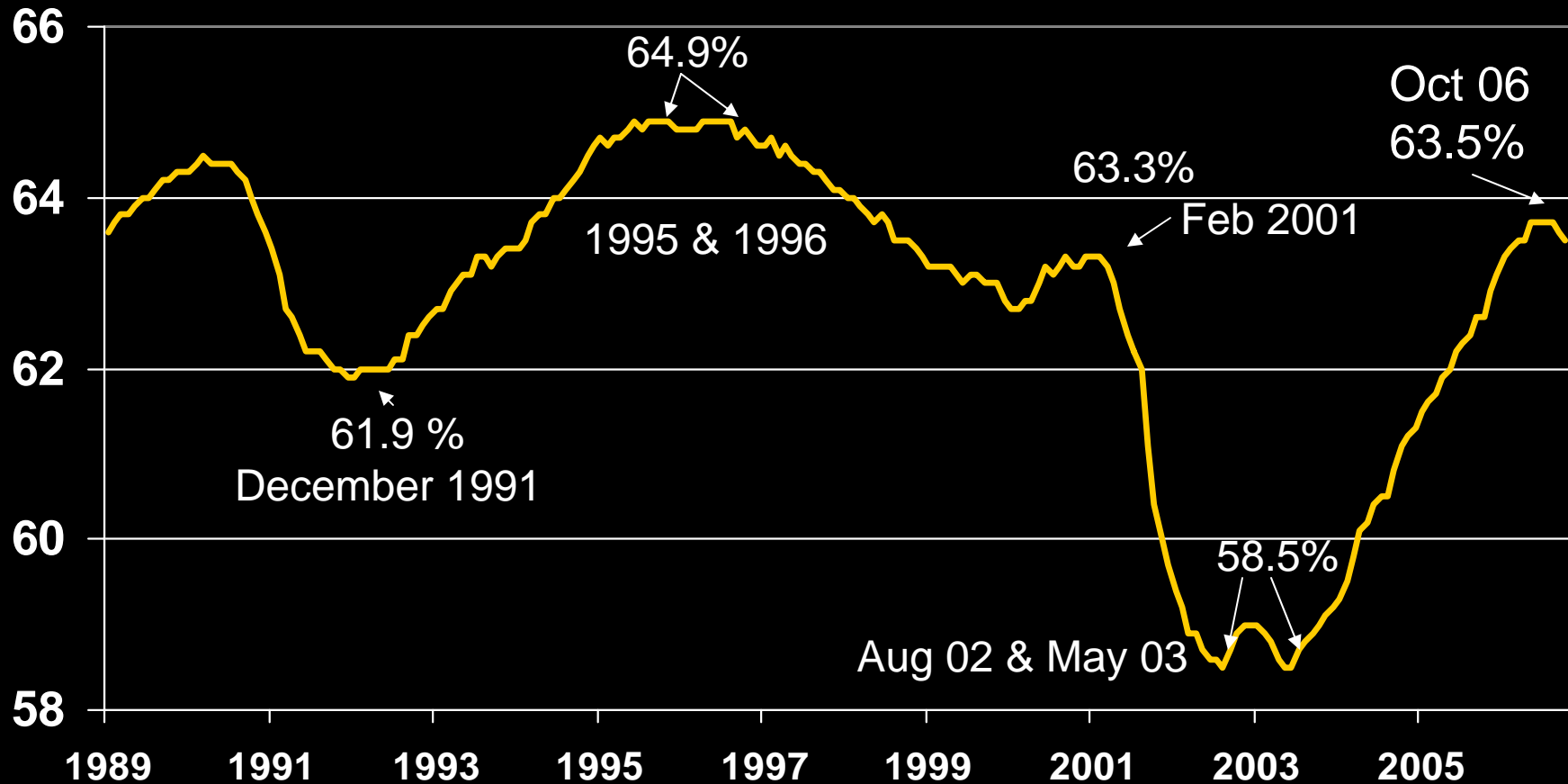
- * Luxury will outperform
- * Most major markets will remain strong
- * Katrina affected markets will lag
- * Economy segment weak

**Total United States
Active Development Pipeline - Rooms
Change From Last Year**

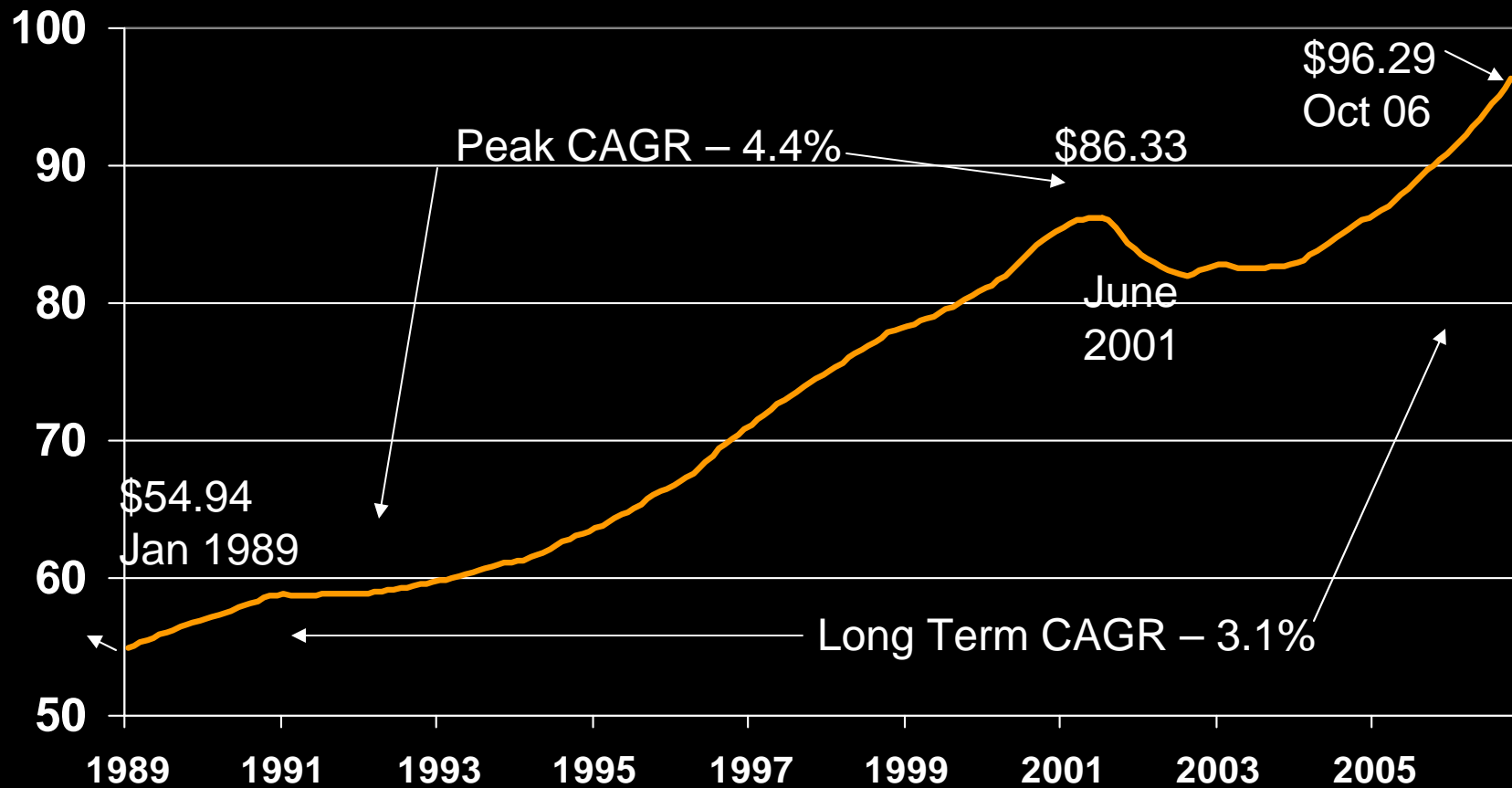
<u>Phase</u>	<u>Sept 2006</u>	<u>Sept 2005</u>	<u>Difference</u>	<u>% Change</u>
In Construction	163,434	95,967	67,467	70.3%
Final Planning	58,010	18,226	39,784	218.3%
Planning	312,832	168,687	144,145	85.5%
Active Pipeline	534,276	282,880	251,396	88.3%
Pre-Planning	79,104	56,489	22,615	40.0%
Total	613,380	339,369	274,011	80.7%

Source: STR / TWR / Dodge Construction Pipeline

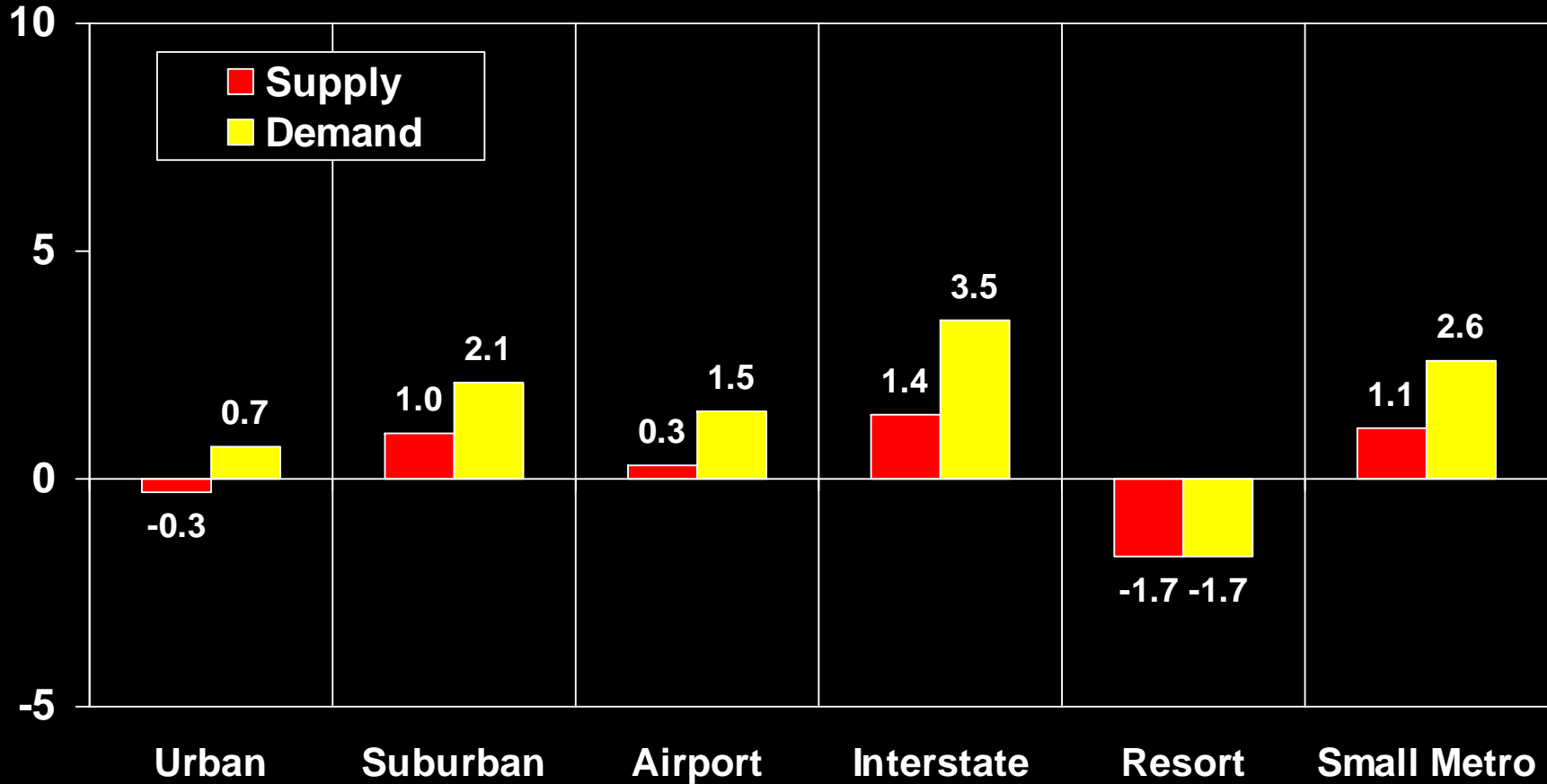
Total United States Occupancy Percent Twelve Month Moving Average – 1989 to October 2006



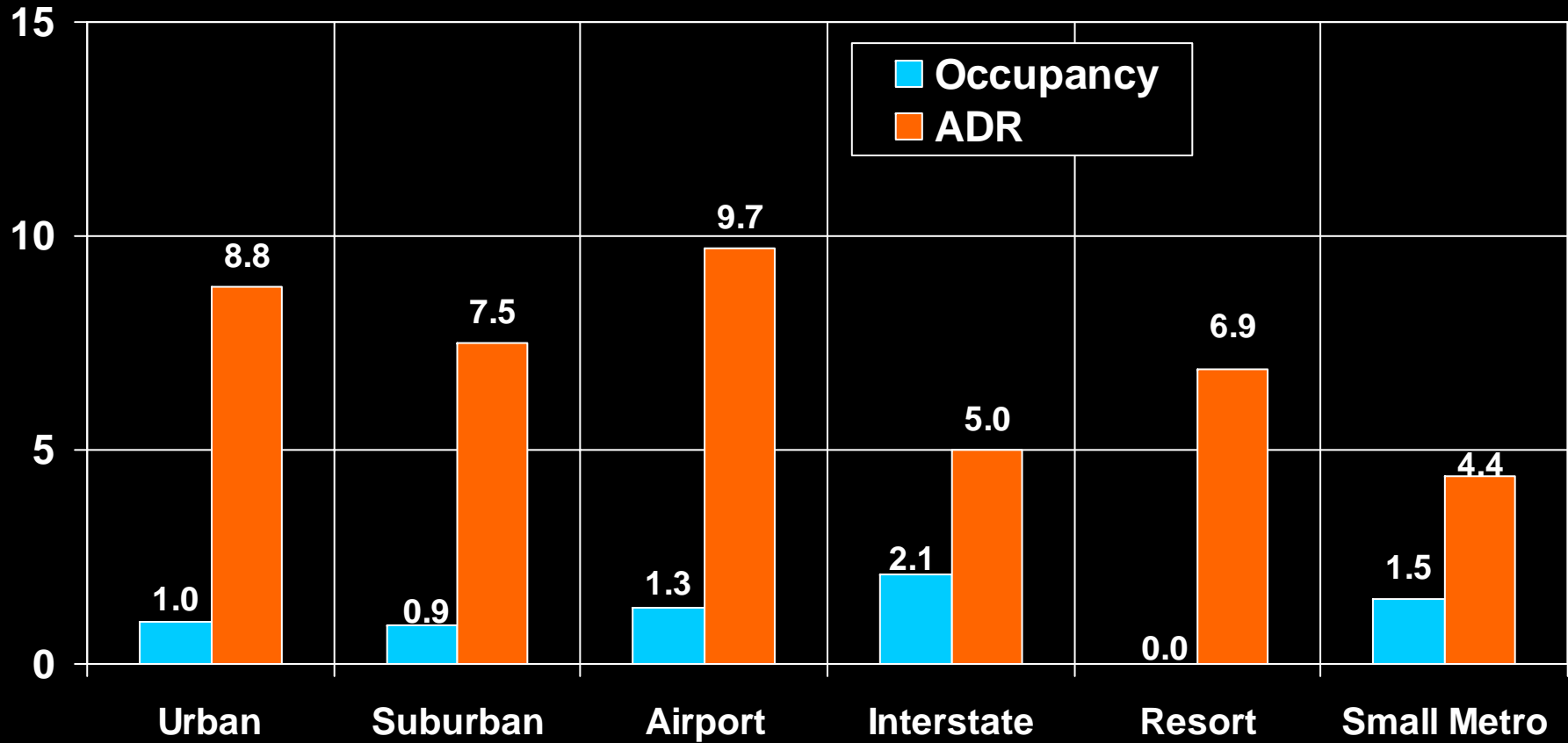
Total United States
Average Daily Rate
Twelve Month Moving Average – 1989 to October 2006



Location Segments Supply/Demand Percent Change October 2006 YTD



Location Segments Occupancy/ADR Percent Change October 2006 YTD



Total United States Occupancy/ADR Percent Change Twelve Month Moving Average – 1989 to October 2006

