RECENT QUOTES AND ARTICLES

Hotel Consulting International (HCI) Boutique appraisal/consulting firm (www.hotelconsulting.net) devoted exclusively to the hotel industry. In 2000, firm evaluated hotel assets worth $1.4 billion. Firm in its 10th year established as a leader in its field of hotel financial analysis. Has completed 1,000 appraisal assignments in U.S. and internationally. Clients are leading investors (debt & equity) and hotel companies.

Firm provides appraisals (valuations), market studies, feasibility reports, highest and best use studies, optimal franchise affiliation analyses, financial forecasts, and other specialized consulting services. Property types include major convention hotels (1,000 rooms plus), exclusive destination resorts, unique boutique hotels, condo-hotels, country clubs and branded limited service hotels. In addition, assignments have included Condominium/ Residential Components, Interval Ownership, Golf and Country Club, Marina, Tennis Centers, Spa, Casino, Commercial, and Convention Center Facilities.

The principal has 25 years of hotel operations, ownership, development, consulting and valuation experience. Designations include *Counselors of Real Estate (CRE)*; *Member Appraisal Institute (MAI)* and *International Society of Hospitality Consultants (ISHC)*. Also has Masters Degree *in Real Estate Development & Investment* (*New York University).*

All professional positions are specifically suitable for a candidate who is determined to be a leading hotel appraiser/valuation consultant **expert. Applicant core requirements are exceptionally strong computer skills (Office XP and other software), advanced technical writing ability (in English) and at least 4 years of hotel industry exposure. Assignments require extensive reporting, in-depth research, analysis and extensive technical report writing. The responsibilities demand strong work** ethic and analytical and problem solution skills. The opportunity however is unique for candidates who are interested in excelling in appraising and evaluating hotel real estate and in obtaining the highest recognized professional designations.

Note: positions not suitable for candidates whose interests are consulting only but hotel appraising and consulting.

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PLOTS & PLOYS

By Peter Grant

What's Brewing in the Real Estate Mark

Not So Magical Kingdom

BIG CROWDS HAVE YET to return to Disney World and other Orlando, Fla., attractions, much to the disappointment of the local tourism industry. While the theme parks still draw well from people who live within driving distance, air traffic remains way down, especially from overseas. November hotel occupancy was down 16.2 percentage points from last year, according to the Orlando/Orange County Convention & Visitors Bureau. That's just a one percentage point improvement over October.

"Internationally, people's perception of the U.S. is that it's not a safe place to be," says Thomas O'Neill, president of Hotel Consultants International, a Miami consulting firm.

Numerous hotel companies are putting on the brakes. Walt Disney Co. earlier this fall postponed the opening of the first phase of the Pop Century Resort, a 2,880-room development at Disney World scheduled to be completed next spring. Disney also has shuttered a 1,000-room section of its Port Orleans resort area and cut back use of the Disney Institute hotel. "Our goal is to preserve as many jobs as possible," says spokeswoman Rena Callahan.

Meantime, developers are reconsidering plans to break ground on numerous projects in Orlando. The Visitors Bureau has been projecting that 7,900 new hotel rooms will be added between now and the end of 2004 for a total of 113,000. Many of those plan to cater to upscale tourists, a class of traveler that has found few offerings in the Orlando market.

Some of the upscale projects still are proceeding on schedule, like Loews Hotel's Royal Pacific Resort at Universal Orlando and the Grande Lakes Resort, that's going to include a 500-room Ritz Carlton and a 1,000 room J.W. Marriott. But hotel experts predict that the difficulty in raising financing will delay others, including some planned near Orlando's expanding convention center.

Mr. O'Neill estimates about one-half of the developments in the pipeline are delayed. "Before [Sept. 11] it wasn't very encouraging for lenders," he says. "Now even developers are becoming cautious."

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- News Spot: TrizecHahn office-building lobbies to get information kiosks

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2002 REGIONAL OUTLOOK

With the exception of Chile, recession is expected across Latin America and, possibly, the Caribbean, predicts Thomas O'Neill, president, Hotel Consulting International, Miami. The airline industry's shift from globalization toward insularity will have "serious" implications for the travel and hotel industries. The bright spot: inter-regional traffic has been "fair" and traffic between major Latin America cities and among interior cities has held up well. "Travel in Brazil has been brisk, but recessionary forces will eventually reduce travel within the regions," O'Neill says.

The drop-off in U.S. travel has been "significant." In Central America, El Salvador has been hit hard by the subsequent economic impact. The less the influence of the United States, the less impact. Cases in point include Nicaragua, Venezuela and Aruba.

Development is slowing in the region, even by the region's two major players, **Accor** and **Sol Meliá.** International companies looking for potential should consider mixed use projects in selected resort destinations. Mid-scale and limited-service are niches that will be under-served in many markets once recovery gets underway. "Acquisition and repositioning opportunities for individual assets and even groups of hotels are significant, as the industry will recover at some point," says O'Neill.

Or, maybe it is not all that bad. Resort properties in the Caribbean and Latin America could benefit, says Jose Ernesto Marino Neto, BSH International, São Paulo. He predicts some Europeans will be changing from U.S. destinations to those "out of the war zone:" Cuba instead of California or northeastern Brazil instead of Florida. Lack of U.S. travel to South America is likely to hurt 5-star urban hotels the most. Domestic demand will be the key. In 2001, nearly 50 million Brazilians traveled in Brazil—a figure which looks likely to grow as more people travel closer to home. He expects franchise companies to outperform those with substantial property equity. **Carlson Companies** and **Six Continents** are among those to watch. His view is that hotel stocks will remain flat at least until the second half of 2002.