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Data Collection Checklist

The following checklist illustrates the specific types of data that might be accumulated in performing a hotel market study and valuation. The list is not all-encompassing, but it does indicate most of the major data used by hotel appraisers. Some of the data listed may not be appropriate for all studies; the appraiser should, of course, select only the information that is applicable to the specific assignment.

Client-Supplied Data

- Date of market study and valuation (and opening date if hotel is proposed)
- Interest appraised – i.e., fee simple, leasehold, leased fee, other value
- Purpose of study
- Balance sheets and profit and loss statements for past three years with supporting schedules
Financial statements should be prepared in accordance with the Uniform System of Accounts for Hotels.
- Development costs including land, improvements, and furniture, fixtures, and equipment
Cost estimates are particularly important for proposed hotels.
- Monthly occupancy and average rate over two years
These data are most important for hotels with seasonal demand patterns.
- Copies or summaries of all leases, management contracts, franchise agreements, title reports, stock or partnership agreements, etc.
Leases include ground, property, furniture, and equipment leases.
- Architectural plans, floor layouts as built, plot plans, survey and legal description
If hotel is proposed, a detailed estimate of the project's cost is essential.
- Operating budgets and projections
The owner or operator will usually prepare these items.
- Marketing plans
The subject property's competitive position and proposed marketing orientation should be evaluated.
- Engineering reports
Reports should show current condition and any need for capital improvements.
- Capital expenditures over the past three years and capital budget (cost) projections
Past expenditures will indicate need for future capital expenditures.
- Real and personal property tax bills, assessments of other hotels in the market area, name of legal owner
Assessments of comparable hotels in the market area can be used to verify the fairness of the subject property's assessed value or develop an assessed value if the subject hotel is proposed.
- Past appraisals and market studies
Studying the work of others can sometimes save time, but all findings should be verified.



- Purchase price, date, terms, contract, and closing statement for subject property if sold within the past five years
A previous sale price of the subject property may be a good indicator of value.
- Agreement of sale, option, or listing for subject property
Although such data are not strong indicators of value, they can sometimes provide useful information.
- Financing documents and mortgage and equity data
Such information forms a basis for developing a capitalization rate if the data are recent.
- Union contracts
Contracts provide insight into labor rates and work rules. The appraiser should follow up to determine how effectively the unions control productivity.
- Franchise reports concerning occupancy, inspection, and reservations
Hotel franchise companies often provide owners with a wide variety of reports and surveys, including occupancy reports, inspection reports, and reservation reports. An occupancy report compares the occupancy and average rate of the subject property with other hotels in the same franchise system. An inspection report records the results of periodic physical inspections made by the franchisor. A reservation report documents the reservation activity generated by the franchisor's central reservation system. It sometimes includes a denial report, which indicates the number of guests turned away because the hotel was full. All franchise reports should be requested when the subject property is an existing, franchised hotel.
- Meeting planner's brochure and marketing packages
All property-specific descriptive information should be reviewed before starting fieldwork. Data can also be collected during inspection of the property.

Field Data and Key Contacts

The individuals listed below are primary sources of data and information pertaining to an existing subject property.

- General manager
- Assistant/resident manager
- Director of marketing
- Director of sales
- Director of engineering
- Front desk manager
- Controller/accountant

Market Area Information

The market area information listed below can usually be obtained from key contacts.

- Introductions to other general managers and representatives of the local chamber of commerce, convention and visitors bureau, hotel association, etc.
Ask the subject property's personnel to provide introductions to other data sources in the market area.



- Definition of primary market area in geographic terms
- Demand generator analysis: industry type, location, map
Identify which attractions create local transient hotel demand and plot them on a map. Investigate major generators within the market area.
- Major businesses and industries in the market area
List businesses to quantify commercial and meeting demand and forecast future growth trends.
- Major users of subject property
List the primary users of the hotel and determine whether any users receive special, discounted rates. This information is useful for conducting demand interviews.
- Major contract business: term, rate, number of room nights
Contract business users such as airline crews typically rent rooms for a specific period of time at a set rate. Appraisers should understand the terms of any significant contract business.
- Competition analysis: competitive hotels, occupancy, average rate, and market segmentation
A marketing plan should contain detailed information on all the hotels that are competitive with the subject property. This information is used to quantify area demand and determine the subject property's relative competitiveness.
- Mode of arrival and transportation provided
What modes of transportation do guests generally use to travel to the subject property? This information shows the importance of access and visibility and indicates the relative competitiveness of the subject property.
- Market segmentation
Determine the types of travelers (e.g., commercial, meeting, leisure) as a percentage of the total usage. Note any changes in the percentages that occur over the year. This information can be used to determine the suitability of the improvements and amenities and project future hotel usage.
- Average length of stay
How long does the average guest stay at the subject property? Identify by market segment.
- Points of origin – feeder markets
Where do the guests come from? Identify by market segment for both the subject property and the market area.
- Seasonality – weekly, monthly, by segment
How does usage change over the year? Identify by market segment for both the subject property and the market area.
- Unaccommodated demand by segment
Quantify the amount of demand that cannot be accommodated because facilities are filled. Identify for both the subject property and the market area. These data are important if new supply enters the hotel market.
- Double occupancy percentage
Determine the average number of guests per room for each market segment. This information affects the subject property's room rates and usage.



- Indications of rate resistance, by segment
What market segments display rate resistance and at what rate level does this begin? This information influences future rate increases.
- Rack rate strategy – usage of yield management
What type of yield management, or hotel pricing policy, does the subject property use? How does it function?
- Percent of reservations from franchise
How effective is the franchise identification in generating room reservations? If the subject hotel is proposed, the franchiser can sometimes provide estimates.
- Amount of travel agent commissions
How much business is generated from travel agents?
- Unions
Which hotels in the market area are union operated? This affects the labor component of operating expenses.

Neighborhood

- Neighborhood boundaries and uses
A neighborhood is a group of complementary land uses that are similarly affected by the operation of the forces that affect property value. The geographic boundaries of the subject property's neighborhood are indicated by:
 - Land use changes
 - Transportation arteries/bodies of water
 - Changes in elevation and topography
- Neighborhood characteristics – residential, commercial, retail, or industrial use; rural, suburban, city, or CBD; age, condition, and economic trends
Define the characteristics of the neighborhood and describe how these characteristics could impact the subject property's ability to generate revenues.
- Neighborhood buildings
Make an inventory of the improvements surrounding the subject property and consider what impact they might have on the subject property's revenue-generating ability. Investigate the following factors:
 - Types of building improvements
 - Style, size, density, vacancy levels, rental rates, and trends
 - Effective ages and maintenance or condition
 - New development and construction
 - Competitive facilities, particularly food and beverage
 - Immediate generators of visitation
 - Adverse conditions such as noise or other nuisances
- Future trends and potential changes in neighborhood characteristics. What impact will these changes have on the subject property?



Property-Specific Information

Land

- Description of the size, topography, and shape of the land
Data obtained from the plot plan or survey is important for evaluating access and visibility and the site's suitability for new improvements.
- Municipalities
Determine the municipality in which the subject property is located and identify other municipalities in the market area. This information is needed to research sources of local economic, demographic, and municipal information.
- Area or acreage
The site area found on the plot plan or survey determines the number of units for a proposed hotel and the amount of excess land for an existing hotel. Land value, which is calculated in the cost approach, is usually based on area.
- Excess land – salability, highest and best use
If the subject site contains surplus land that could be used for expansion or another use, additional value may be present.
- Plot plan, survey
These documents are sources of land information
- Frontages
Frontage determines access and visibility.
- Adjoining uses
Inventory the land uses surrounding the subject property. Surrounding land uses can enhance or detract from the value of the property.
- Grade compared to surrounding roads, uses
Grade level can impact access, visibility, and development costs.
- Contours, slope, drainage
Topography affects development costs.
- Flood hazard insurance
If extra insurance is required, a hotel's fixed expenses increase.
- Soil tests: water table, percolation tests, flood zones, other engineering studies
These considerations can affect a proposed hotel's development costs.
- Air rights, subsurface rights, water rights
Additional rights generally enhance a property's value.
- Landscaping
Landscaping can significantly influence the competitiveness of a hotel.
- Easements, other restrictions
Restrictions can have a positive or negative impact on property value.



Access

- North-south roads and east-west roads
List immediate and nearby roads and highways. Investigate both the immediate and secondary access for all modes of transportation.
- Modes of transportation
How do guests reach the subject property? Remember, access may be accomplished by more than one mode of transportation.
- Direct access patterns
Describe the access to the subject property by the primary modes of transportation. Describe adjacent and nearby highways, including the number of lanes, medians, turn restrictions, traffic signals, one-way streets, curb cuts, and limited-access roads.
- Future access
How is access likely to change in the future?
- Distance to major facilities
Calculate the distance in miles and time to highways and interchanges, airports, mass transportation, convention centers, major demand generators, and competitive lodging facilities.
- Competition
Compare the subject property's access to that of the competition.

Visibility

- Evaluate visibility from nearby roadways
Consider how long the subject property is visible to drivers and their ability to exit the highway after the property becomes visible.
- Visibility from nearby demand generators
Is the subject property visible from any demand generator?
- Visibility from nearby competitive hotels
Is the subject property visible from any competitive hotels?
- Building height and depth
How does the subject property's building height and depth affect visibility?
- Slope of land
How does the topography of the subject parcel affect visibility?
- Obstructions
Evaluate all obstructions to visibility, both existing and proposed.
- Signage: location, visibility, condition
Describe the subject property's signage and evaluate its visibility. Can it be improved?
- Views from the subject property's guestrooms, food and beverage outlets, etc.
Evaluate visibility during the day and the night and consider how visibility is likely to change in the future.



Utilities

- Location, capacity, and provider
 - Investigate the availability and cost of these utilities:
 - Electricity: local rates, normal demand charges, quantity discounts, seasonal adjustments
 - Natural gas: local rates, quantity discounts, seasonal adjustments
 - Oil: tank size, local prices, quantity discounts
 - Water: potable, hot and chilled
 - Steam
 - Telephone
 - Sewage
 - Liquefied petroleum gas (LPG), propane
 - Trash removal
 - Storm drainage
- Alternative sources

Improvements

- Age and condition of land and improvements as well as furniture, fixtures, and equipment
- Immediate and future need for upgrading and renovation
- Physical attributes of the property compared to the competition
 - Evaluate the facilities offered and their condition, class, and desirability.
- Functionality of the property's layout and design
 - What impact does design have on service, maintenance, labor expenses, and security?
- Improvements' effect on future revenues, expenses, and profits

General Description and Building Layout

- Plans and physical description
 - Obtain all necessary information from the property owner.
- Year opened
- Description and date of expansions and renovations
- Number of structures
- Location of buildings on site
- Number of stories
- Building configuration – H, L, U, straight
- Total square footage
- Landscaping and sidewalks
- Exterior façade – architectural style, materials, balconies
- Future development plans, including project description and costs
- Current engineering reports
- ADA compliant and adequate number of ADA-equipped rooms



Entrance and Lobby

- Porte cochere
- Valet parking stand
- Shuttle bus pickup and parking area
- Doors – automatic, airlock vestibule, bell stand
- Luggage storage
- Concierge desk
- Restrooms
- Phones – house and public
- Front desk
 - Visibility to incoming guests
 - Elevator visibility
 - Reservation and registration systems
- Location of executive offices
- Lobby – decor, size, ceiling height
- Lobby layout and circulation
- Layout and circulation on other floors

Guestrooms

- Total rooms, broken down by type of room so all are accounted for
- Number of connecting rooms
- Walking distance from facilities
- Size, ceiling height, terraces
- Furnishings – when last replaced, typical furniture inventory
- Refurbishment schedule
- Amenities – extra phones, multi-line phones, voice mail, high-speed Internet access, Wi-Fi, docking stations for iPods and other electronic devices, shoeshine, cable TV, DVD, etc.
- Doors – construction material, peephole, type of lock
- Closets – size, type of doors
- Wall material – plaster, drywall, concrete
- Windows – material, operation, glazing
- Sprinklers, smoke detectors, other life safety equipment
- Rooms for the handicapped
- No-smoking rooms
- Bathroom – lighting, amenities
- ADA-equipped facilities



Corridors and Elevator Lobbies

- Double, single loaded
- Interior, exterior
- Direction and width
- Lighting type(s), sufficiency of light level
- Ceiling height
- Wall covering, wainscoting
- Floor covering
- Elevator lobby furnishings
- Ice machine
- Soda and snack machines
- Maid, linen closets
- Life safety systems (smoke, fire, evacuation plan, location cards on all room doors)

Food, Beverage, and Room Service Facilities

- Seating capacities, meals served, and hours of operation
- Copies of menus
- Decor, theme, style, and quality of furnishings
- Bar
- Back-of-the-house access from kitchens
- Description of room service facilities
- Separate outside access, visibility of separate entrance
- Access to restrooms
- Entertainment policy
- Point-of-sale accounting system
- Number of meals served (covers) per meal period per outlet
- Average turnover per meal period per outlet
- Average check per meal period per outlet
- Estimate of in-house capture and outside capture per meal period
- Banquet space – square foot area and rental rates

Kitchen(s)

- Locations
- Access and distance to receiving and storage areas, food and beverage outlets, meeting rooms
- Description, quality, quantity, configuration, and condition of equipment
- Adequacy of size and layout



Meeting and Banquet Facilities

- Size, name, and capacities of each meeting room, including floor plan and locations
- Mix and number of breakout rooms
- Decor
- Entrance, porte cochere
- Service and public corridors to and from meeting rooms
- Proximity to kitchen
- Adequacy of audiovisual equipment, furniture, and meeting support amenities
- Furniture storage area
- HVAC zone control

Amenities

- Swimming pool – shape, indoor or outdoor, type of enclosure, type of heating system
- Tennis courts, lighting
- Golf – number of holes and yards, annual rounds played, fees
- Jogging trails
- Type and inventory of health/exercise equipment – sauna, steam bath, whirlpool, massage, aerobics
- Description of spa
- Game rooms
- Facilities for horseback riding, ice skating, bowling, boating, sailing, fishing, water skiing, snorkeling, wind surfing, skiing, racquetball, squash, other sports
- Business services – computer, fax, typing, express mail, etc.

Back-of-the-House Layout

- Employee entrance, lockers, rest areas, cafeteria, access pattern
- Security – timekeeping, personnel, purchasing offices
- Receiving/loading dock – guest view, lift
- Storerooms
- Engineering – shops, paint, TV, locks, carpenter

Building Systems

- Structural support
- Foundation type
- Framing – steel, pre-cast concrete, reinforced concrete
- Walls – load-bearing, non-load-bearing
- Roof age, condition, sloped or flat



- Roof material – asphalt shingle, built-up felt and tar, tar and gravel, slate, metal, clay tile
- Parking
 - Number of spaces
 - Indoor or outdoor
 - Valet service
 - Cost to guests
 - Percentage of use by others

Vertical Transportation Systems

- Passenger elevators
 - Number
 - Floors served
 - Manufacturer
 - Cable or hydraulic
 - Capacity
 - Feet per minute
 - Automatic or manned
 - Control system – mechanical or electrical relays, computerized load system
- Service elevators
 - Number
 - Floors served
 - Manufacturer
 - Cable or hydraulic
 - Capacity
 - Feet per minute
 - Control system – mechanical or electrical relays, computerized load system
- Escalators – number and floors served
- Dumbwaiters/freight lifts – number and floors served
- Stairs

Heating, Ventilation, and Air Conditioning

- Type of heating system
 - Hot water, steam, electric
 - Fuel type
 - Two-, three-, or four-pipe, forced-air delivery
 - Simultaneous heating and cooling
- Boilers
 - Manufacturer
 - Model number
 - Age and condition



- Burners
 - Manufacturer
 - Model number
 - Age and condition
- Water heater
 - Manufacturer
 - Model number
 - Size of holding tank
 - Age and condition
- Resistance
 - Manufacturer
 - Model or capacity
 - Age and condition
- Heat exchanger
 - Manufacturer
 - Model or capacity
 - Age and condition
- Heat pump
 - Manufacturer
 - Model number
 - Capacity
 - Age and condition
- Type of cooling system
 - Central/chilled water, heat pumps
- Chiller
 - Manufacturer
 - Model number
 - Age and condition
- Cooling tower
 - Manufacturer
 - Model number
 - Age and condition
- Zones
 - Guestrooms, meeting rooms, public space control

Energy Management System

- Type of system
 - Manufacturer
 - Model number
- Individual thermostats
 - Guestrooms
 - Meeting and public space



Housekeeping

- Offices, storage, sorting areas
- Trash chute
- Linen chute
- Exhaust fan
- Washers
 - Manufacturer
 - Model number
 - Quantity
- Dryer
 - Manufacturer
 - Model number
 - Quantity
 - Fuel
 - Guest laundry, contract
- Self-serve guest laundries

Telephone

- Type of system
 - Manufacturer
 - Model number
- Type of call accounting
 - Least-cost routing
- Other special functions – e.g., two lines, call waiting, call forwarding, voice mail

Life Safety Systems

- Smoke detectors – local or wired
- Heat detectors – local or wired
- Sprinkler system
- Fire extinguisher
- Pull stations
 - Control, communication system
 - Manufacturer and model
- Annunciator panel – location
- Emergency lighting – battery backup
- Exit signage – battery backup
- Fire hoses
 - Fire pump manufacturer
 - Fire pump model
- Standpipes



- Kitchen range hood – CO2 system/dry system
- Public address system
- Emergency generators and power
 - Manufacturer
 - Model number

Security

- Electronic surveillance equipment

Exterior Lighting

- Sodium, fluorescent, incandescent, spot, mercury, halogen bulbs
- Building signage

Miscellaneous

- Presence of asbestos
- Presence of urea-formaldehyde foam insulation
- Building inspection reports
- Health inspection reports
- Underground tanks
- Estimated deferred maintenance
- Estimated functional obsolescence

Area-Specific Data

Assessed Valuation and Real Estate and Personal Property Taxes

- Estimate of future property taxes for the subject property
Evaluate local assessing practices and determine which jurisdictions levy real estate and personal property taxes.
- Current assessment of subject property
Obtain the name, address, and phone number of the assessor and a tax map showing the subject acreage in square feet and the length of boundaries. Research lot and block number, tax identification number, current assessed value of land and building, and assessment date.
- Basis for assessment – income, cost, sales comparison, change upon sale?
Consider how the assessed value is calculated for land, improvements, and personal property.
- Date and frequency of assessment, fiscal year
- Five-year and current tax history
- Future trends in equalization rates, assessed values, and mill rates for the subject property's taxing jurisdictions
- Comparable hotel parcel numbers and assessments of land and buildings
Obtain information on how comparable hotels in the area are assessed. What are the assessed values of comparable hotels for land, improvements, and personal property on a per-room basis?



- Tax abatement
 - Does the subject property qualify for or receive any form of tax abatement? If so, how is it calculated and what impact does it have on property tax liability?
- Special and future assessments
 - Investigate probable future changes in assessments, including any special assessments and tax liabilities. The assessing department can sometimes provide information related to local hotel trends, including:
 - Proposed hotels or hotels under construction
 - Land sales of hotel sites
 - Sales of hotels
 - Rates and occupancies of local hotels
 - Names of hotel owners

Zoning/Building Department

- Jurisdiction covering the subject property and, when appropriate, adjacent jurisdictions
- Name, address, and phone number of all contacts
- Proposed hotel development in market
 - Names of developers, hotel companies, etc.
 - Estimated completion dates
- Hotels under construction
 - Status of each proposed hotel
 - Description of approval process
- Zoning of subject property – historical and current
 - Obtain zoning map and a copy of zoning regulations. Investigate the following:
 - Conforming or nonconforming use of subject property
 - Height restrictions
 - Lot coverage, number of units, size restrictions, floor-area ratio
 - Setback restrictions
 - Parking requirements
 - Sign restrictions
 - Other restrictions
- Moratoriums on building, utilities
- Environmental impact study required for new development
- Zoning of surrounding land uses
- Future of neighborhood
- Floodplain areas
- Zoning trends for area
 - Potential/probability of zoning changes
 - Building permits – five-year history, number, and dollar value
- Ability to expand subject property



Planning Department

- Jurisdictions encompassing the subject property and adjacent jurisdictions
- Occupancy and rates of existing hotels
- Proposed hotels, additions, expansions, or renovations
- Master (renewal) plan for development
- Pertinent documents
 - Land use map
 - Economic/demographic studies
 - Transportation studies
- Directions of growth – industrial, commercial, redevelopment
- Availability of public development or redevelopment funds/tax incentives for hotels
- Proposed hotels or hotels under construction

Highway/Transportation Department

- Name, address, and phone number of all contacts
- Origination and destination studies
- Traffic flow/count maps
- Future changes in transportation – road improvements and traffic rerouting roadway changes such as left-turn lanes, lights, curb cuts, medians, turn restrictions, and additional lanes
- Historical and current traffic counts, toll receipts
- Proposed hotels or hotels under construction

Economic and Demographic Data – Trends

- NAIC employment within the local market area
- Population – migration vs. births, peak vs. annual
- Population age distribution
- Income levels and effective buying income
- Retail sales
- Sales at eating and drinking establishments
- Office space occupancy levels, absorption trends
- Major businesses by employment sector, number of employees, ability to generate hotel demand
- Industrial space occupancy levels, absorption trends
- Unemployment trends
- Housing starts
- Building permits – number, dollar value
- Area maps
- Major generators of visitation
- Room/bed tax data
- Visitor statistics, area attractions



Chamber of Commerce/Economic Development Agency

- Name, address, and phone number of all contacts
- Area description – growth, economic and population trends, industries, demand generators
- Businesses entering and leaving area
- Area attractions – historical and projected visitation
- Introductions to area officials, hotel association, etc.
- Occupancy and average rates at existing hotels, area-wide average
- Proposed hotels and hotels under construction
- Miscellaneous economic and demographic data

Newspapers

- Advertising/research department
 - Economic and demographic data
- Real estate department
 - Articles on recently announced commercial/hotel projects
 - Stories on recent hotel or land sales

Demand Generators of Visitation

The appraiser should develop a list of market area demand generators.

- Typical hotel demand generators
 - Major companies
 - Office and industrial parks
 - Scenic sites
 - Hospitals – local, regional, or national specialty
 - Military installations
 - Colleges
 - Amusement parks
 - Resort facilities
 - Government offices
 - Residential developments
 - Racetracks
 - Sports stadiums
 - Historic attractions
 - Retail shopping
 - Theaters
 - Museums
 - World and state fairs
 - Sporting events
 - Festivals



- Shows
- Historic events
- National and state parks
- Courts
- County seats and state capitals
- Information collected about each generator
 - Description
 - Proximity to subject property
 - Type of visitors
 - Visitor counts, admission charges, recent changes
 - Origin of visitors
 - Accommodations required
 - Season of visitation
- New generators entering the market

Airport Authority

If the market benefits from a nearby airport, data related to its usage should be obtained.

- Passenger and cargo traffic – past five years, projected, monthly fluctuations
- FAA terminal forecast of projected enplanements
- Airlines and number of flights
- Physical description of airport
- Airport expansion plans
- Cities served (origination)
- Restrictions on aircraft size, times of usage, number of days closed annually

Convention Center and Visitors Bureau

- Name, address, and phone number of all contacts
- Physical description of convention center – size, capacities, age, facilities
- Historical and projected number of conventions and delegates, seasonality
- Average expenditure per conventioner
- Average length of stay, average convention size
- Future calendar, number of future events
- Marketing plan
- Promotion budget – past five years and projected, deficit funding
- Nature and type of events – local, state, regional, national
- Visitor statistics
- Hotel association
- Proposed hotels and hotels under construction

Car Rental Agency

- List of major companies renting cars
- Number of cars rented monthly, annually
- Average length of rentals
- Renters' points of origin



Competitive Hotels

- Name and address of competition
- Name of owner, management company, franchise
- Location and distance from subject property and demand generators
- Access and visibility
- Year opened
- Number of rooms
- Various room types – e.g., king, double-double, ADA-equipped, etc.
- Square foot area
- Rates – high, medium, or low
- Type of construction
- Income-producing facilities
 - Name of restaurants, number of seats, type of service, hours of operation
 - Other food and beverage service
 - Banquet and meeting rooms
 - Amenities
- Interior or exterior corridors
- Condition and renovation plans
- Expansion plans
- Layout and functional utility
- Brochure description
- Published rates and special rates
- Occupancy and average rates, existing and historical trends
- Percentage of reservations from central reservation system
- Market segmentation (commercial, meeting, leisure)
- Usage of food and beverage facilities
- Seasonality of demand and usage
- Major customers
- Frequent travel programs
- Special services provided
- Unionization of workers
- Proposed hotels and hotels under construction
- Additions and renovations of existing hotels
- Hotels for sale or recently sold in market area
- Photographs of properties

Rooms, Bed, or Occupancy Tax

- Definition of taxable properties, change in number of taxable rooms
- Method of tax computation
- Historical taxes per month for past five years, projections
- Identification of tax by property – occupancy and rate if available
- Historical tax rates and changes in rates



Hotel Association

- Name, address, and phone number of all contacts
- List of existing hotels, market segmentation, rates, occupancies
- Total room count – current and historical
- Taxes per room or bed
- Hotels recently withdrawn or added to supply
- Sales transactions involving hotels
- Proposed hotels or hotels under construction

Competitive Restaurants and Lounges

- Name and address of competing facility
- Number of seats
- Year opened
- Meals served, days open
- Affiliation
- Name of owner
- Renovation, expansion plans
- Seasonality – weekly, monthly
- Type of menu, service
- Type of patrons – age, income
- Decor/theme
- Entertainment policy
- Average check
- Covers, turnover
- Annual sales
- Reputation
- Location relative to subject property
- Condition

Liquor License Laws

- Acquisition, time, cost, limitations
- Restrictions
 - Ratio of liquor to food
 - Open to public
 - Required unit of sale
 - Minimum age
- Types of licenses

Sales of Competitive Hotels

- Local databases that accumulate information on property transfers
- Hospitality Market Data Exchange – a national clearinghouse of sales transactions involving hotels and motels.



Commercial Real Estate Firm/Board/Brokers/Developers/Relocation Services

- Apartments that accommodate extended-stay demand (less than six months)
- Inventory of commercial, office, industrial, and retail space
 - Historical absorption, anticipated growth
- New projects, expansions, renovations
 - Useful data may include developer, location, size (in square feet), opening date, description of major committed tenants, projected occupancy, and tenant mix. Tenant mix by NAIC code and national vs. local company can indicate a hotel's ability to generate room nights.
- Geographic patterns of growth in office, industrial, retail, and residential space
- Source of tenants
- Sales transactions involving hotels
- Proposed hotels or hotels under construction

Local Appraisers, Counselors, Bankers

- Land and hotel sales
- Occupancy and average rate
- Market segmentation
- Proposed hotels, additions, and expansions
- Economic and demographic data
- Land use, value, and property tax rate trends

Photographs

- Access to and visibility of subject property
- Entrance and sign
- View of subject property – four sides
- View from subject property – four sides
- Traffic photos – all directions
- Interior photos – lobby, registration, rooms, food and beverage outlets, meeting space, recreational facilities, back-of-the-house
- Surrounding land uses
- Competitive hotels
- Significant demand generators



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Learn "How to Value a Hotel" from the creator of the Hotel Valuation Methodology

Hi- I'm Steve Rushmore and I would like to tell you about my online course- "**How to Value a Hotel.**" It teaches how to perform a hotel valuation using my **Modern Hotel Valuation Methodology**. Designed for experienced appraisers looking to specialize in valuing hotels or new valuers starting their careers, this course provides all the knowledge and tools needed to evaluate hotel markets, forecast income and expense, and value all types of hotels. For the final project, students value an actual hotel.

You will be working with the latest version (6.0) of my **Hotel Market Analysis and Valuation Software**-three powerful software models that have become the hotel industry standard for hotel valuations and investment analysis throughout the world. By the end of the course, you will be able to perform your own hotel market analysis and valuation plus many other applications.

The course consists of video lectures, readings, hands-on software case studies, quizzes, and a final project valuing an actual hotel. It should take about 20-35 hours to complete.

Most importantly, I will play a vital role during your learning process- through the wonders of Zoom- you can reach out to me with your questions and I will personally assist. After completing the course, I will also be available to mentor your professional development. Hopefully, this will be the start of a long-term friendship.

Upon successfully completing the course and final project you will receive the Certified Hotel Appraiser (CHA) or a Certified Hotel Valuer (CHV) certification. These certifications recognizing your hotel valuation skills will set you apart from other appraisers and consultants. For more information: www.hotel-learning-online.com

Hotel Valuation Software- For Performing Hotel Market Analyses, Financial Projections and Valuations

Hotel Market Analysis & Valuation Software was developed by Steve Rushmore for his firm- HVS. It was then enhanced by Professor Jan deRoos of the Cornell Hotel School. This software has been the most downloaded product on the Cornell website and is used by thousands of hotel professionals around the world. It consists of three models:

- Hotel Market Analysis and ADR Forecasting Model
- Hotel Revenue and Expense Forecasting Model
- Hotel Mortgage Equity Valuation Model.

This software package also provides answers to a wide range of key hotel investment questions such as How much is my hotel worth? What can I do to maximize value? What is the likely impact of new competition? How much value will a refurbishment add? Is my market strong enough to support adding more hotel rooms? What is the impact of my brand adding another hotel to the market?

If your role includes responsibility for performing hotel valuations and associated financial analyses- you need to include this software in your business toolbox.

Hotel Market Analysis & Valuation Software v. 6.0 is written as Microsoft Excel files (which runs on both Windows and Apple OS X operating systems) and comes with a detailed users' guide and case study. Version 6.0 contains significant enhancements over Version 5.0 which is no longer distributed.

HOTEL VALUATION SOFTWARE



Steve Rushmore is the Founder of HVS and the **Creator of the Hotel Valuation Methodology**. He has authored eight textbooks on hotel valuation and investing, along with over 350 articles on similar topics. In addition, Steve has taught thousands of industry professionals around the world. His online course- "**How to Value a Hotel**" is used by the leading hotel schools and consulting organizations. Contact Steve at steve@steverushmore.com or visit his website www.steверushmore.com

Become a Certified Hotel Appraiser

If you currently appraise hotels or want to learn how, a Certified Hotel Appraiser (CHA) certification will set you apart from all other appraisers.

Created by Steve Rushmore, MAI, the CHA certification can be obtained based on your hotel valuation experience or completing Steve's online course, "How to Value a Hotel."

Over 250 hotel appraisers around the world have earned this prestigious certification which is perfect for anyone looking to specialize in valuing hotels.



For more information the the Certified Hotel Appraiser (CHA) certification [Click Here](http://www.certifiedhotelappraiser.org)

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