

State of the Pace

New Orleans Hospitality Industry 2012 Outlook



How Marketing Really Happens



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Overview

- Transient rate & RevPAR growth is fueling destination overall RevPAR growth
- Group is flat to last year
- NOLA not the RevPAR leader this year, have fallen to lower end of top 25

STR Year End 2010 vs. 2009

2009	Occ	ADR	RevPAR	2010	Occ	ADR	RevPAR	% Chg	Occ	ADR	RevPAR
<i>Transient</i>	33.5	131.72	44.14	<i>Transient</i>	36.6	139.95	51.18	<i>Transient</i>	9.1	6.2	16
<i>Group</i>	27.3	164.97	45.05	<i>Group</i>	31.2	159.21	49.75	<i>Group</i>	14.4	-3.5	10.4
<i>Contract</i>	2.5	84.56	2.1	<i>Contract</i>	3.6	90.52	3.3	<i>Contract</i>	46.6	7.1	56.9
<i>Total</i>	63.3	144.21	91.29	<i>Total</i>	71.5	145.85	104.23	<i>Total</i>	12.9	1.1	14.2

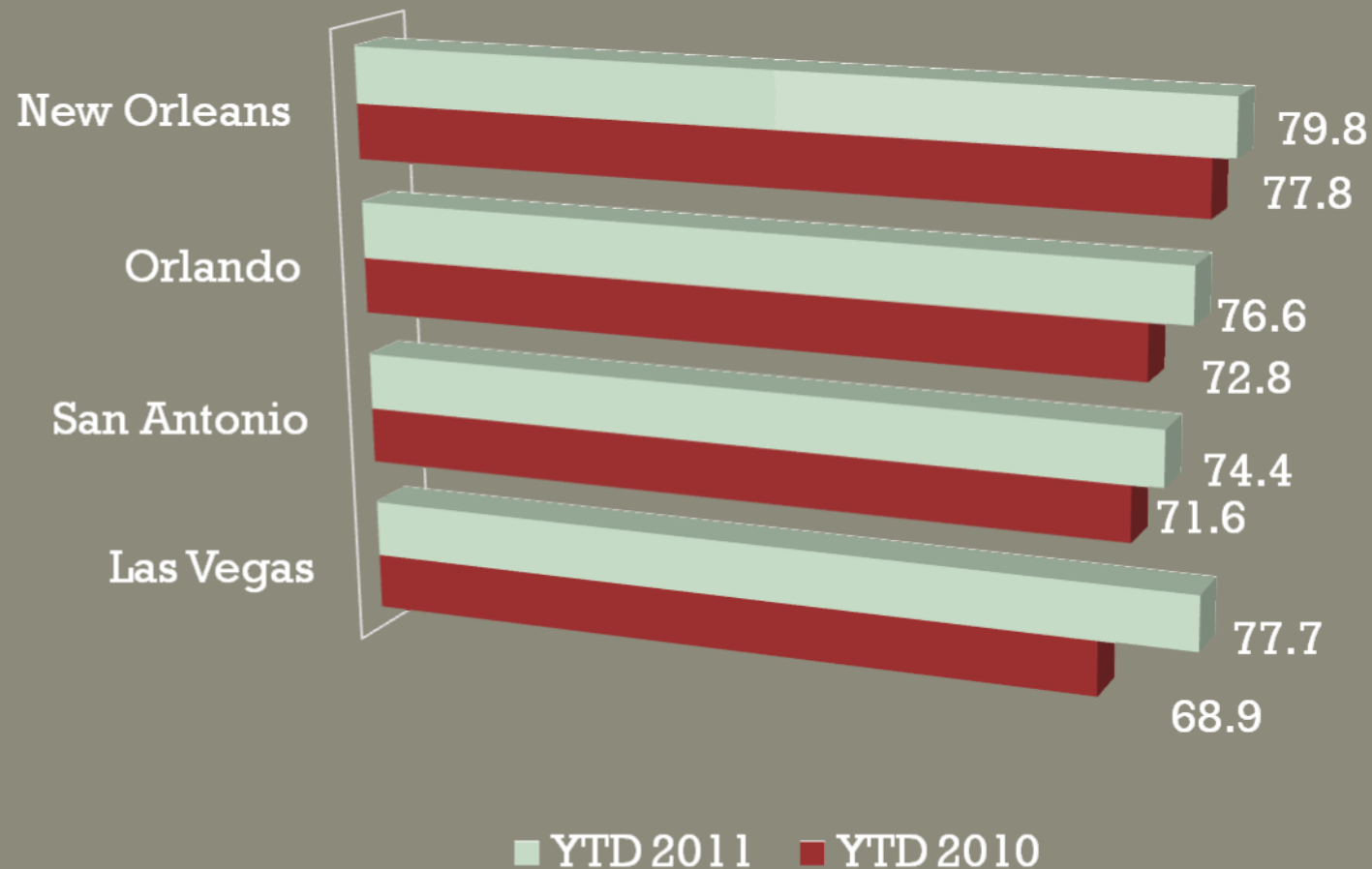
27 Downtown Hotels that Report Group, Transient and Contract to STR

STR July 2011 vs. July 2010 YTD Comparison

YTD Jul 2010	Occ	ADR	RevPAR	YTD Jul 2011	Occ	ADR	RevPAR	% Chg	Occ	ADR	RevPAR
<i>Transient</i>	36.4	145.28	52.87	<i>Transient</i>	37.7	161.39	60.86	<i>Transient</i>	3.6	11.1	15.1
<i>Group</i>	35.5	163.98	58.21	<i>Group</i>	35	166.29	58.25	<i>Group</i>	-1.3	1.4	0.1
<i>Contract</i>	3.2	88.87	2.87	<i>Contract</i>	2.5	92.43	2.34	<i>Contract</i>	-21.6	4	-18.5
<i>Total</i>	75.1	151.39	113.95	<i>Total</i>	75.3	161.35	121.45	<i>Total</i>	0.2	6.4	6.6

STR Weekend Destination Comparisons Jan – Jul 2010 vs. 2011

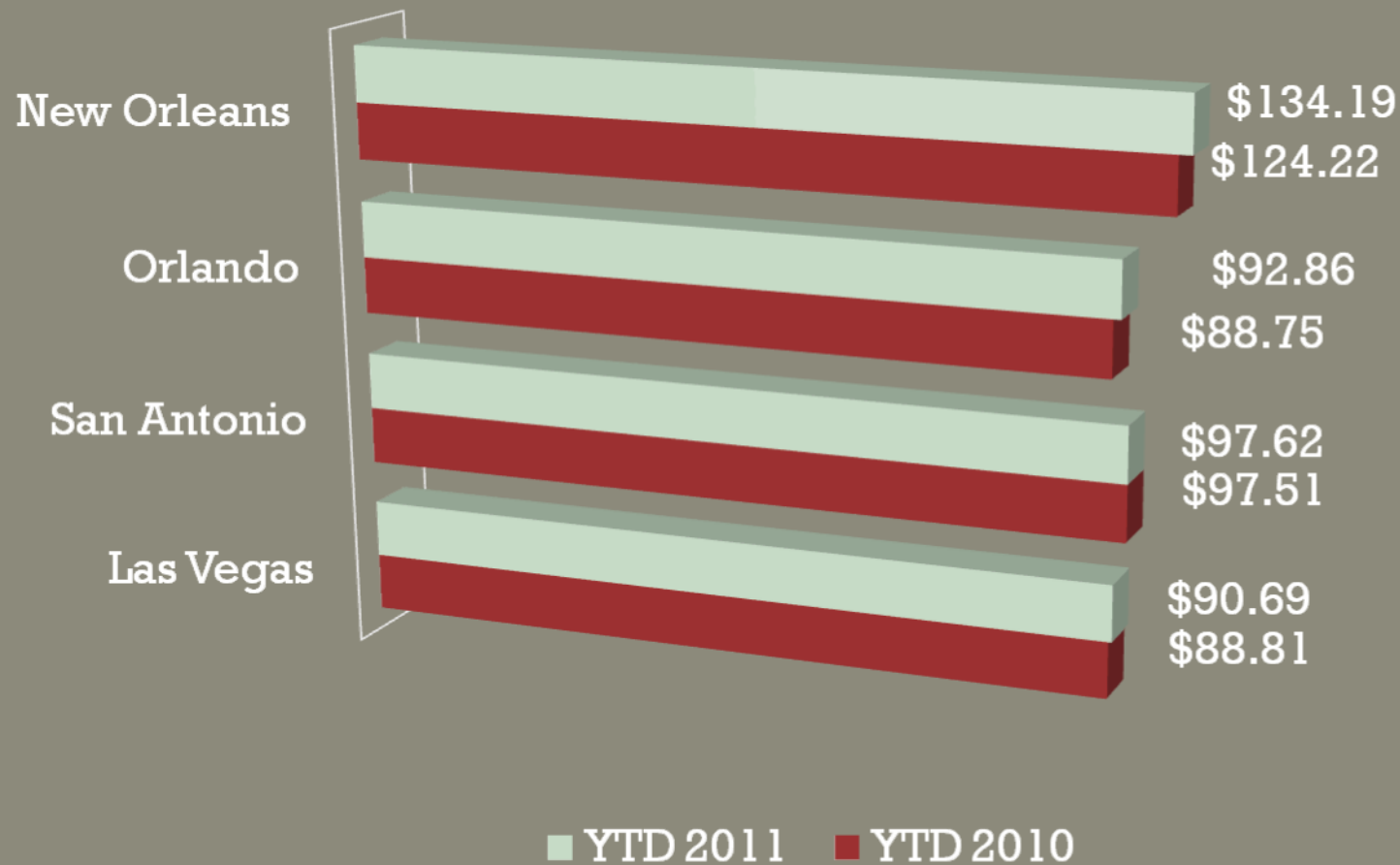
Weekend Occupancy



Source: STR Performance in Top 25 Markets

STR Weekend Destination Comparison Jan – Jul 2010 vs. 2011

Weekend ADR



Source: STR Performance in the Top 25 Markets

PKF RevPar Forecast & STR Results

- PKF predicts 5.5% RevPar Growth for 2011
 - Increase in ADR of 5.1%
 - Increase in RevPar of 5.5%
- PKF predicts 10.3% RevPar Growth for 2012
 - Increase in ADR of 8.2%
 - Increase in RevPar of 10.3%

STR RevPAR Performance in the Top 25 Markets YTD July 2011 vs. July 2010

- San Francisco 21.0%
- Dallas 14.3%
- Oahu 13.9%
- Houston 11.4%
- Nashville 11.4%

- New Orleans (#19) 6.2%

New Hotel Inventory

- Hyatt Opens – October 2011 with 1187 rooms in inventory
- The Saint Hotel opens December 2011 – 166 rooms, upscale modeled after Delano in Miami
- Downtown inventory increases from 17,501 in the 65 hotels tracked by STR to 18,854 rooms, an increase of 7.7% in downtown rooms inventory

CVB Room Night Production Analysis

Number of Bookings

Peak Night	2010	2011
1 - 100	249	237
101-300	125	121
301 - 500	46	50
501-1000	32	30
1001-1500	15	10
1501 - 2000	12	12
2001-2500	1	-
2501 - 5000	10	15
5001 - 10,000	2	4
10,001+	-	1
Grand Total	492	480

January – July for Each Year

CVB Room Night Production Analysis

Number of Room Nights and Percentage

Peak Size	2010	2011	2010%	2011%
1 - 100	36,045	29,320	5.8%	3.6%
101-300	77,750	70,696	12.5%	8.8%
301 - 500	63,203	72,086	10.2%	9.0%
501-1000	91,353	85,425	14.7%	10.6%
1001-1500	77,792	48,206	12.5%	6.0%
1501 - 2000	78,599	85,033	12.7%	10.6%
2001-2500	7,368	-	1.2%	0.0%
2501 - 5000	134,375	231,158	21.7%	28.8%
5001 - 10,000	53,980	134,666	8.7%	16.8%
10,001+	-	47,090	0.0%	5.9%
Grand Total	620,465	803,680	100.0%	100.0%

CVB Room Night Production Analysis

Room Nights Booked by Market Segment

Peak Night	2010		2011	
	Assn	Corp	Assn	Corp
1 - 100	24,396	11,108	21,076	7,584
101-300	61,754	15,553	55,560	10,547
301 - 500	40,469	21,456	59,856	9,535
501-1000	84,288	3,020	66,393	19,032
1001-1500	61,569	16,223	34,701	13,505
1501 - 2000	72,754	5,845	78,830	6,203
2001-2500	7,368	-	-	-
2501 - 5000	120,073	14,302	193,691	37,467
5001 - 10,000	53,980	-	134,666	-
10,001+	-	-	47,090	-
Grand Total	526,651	87,507	691,863	103,873

January – July for Each Year

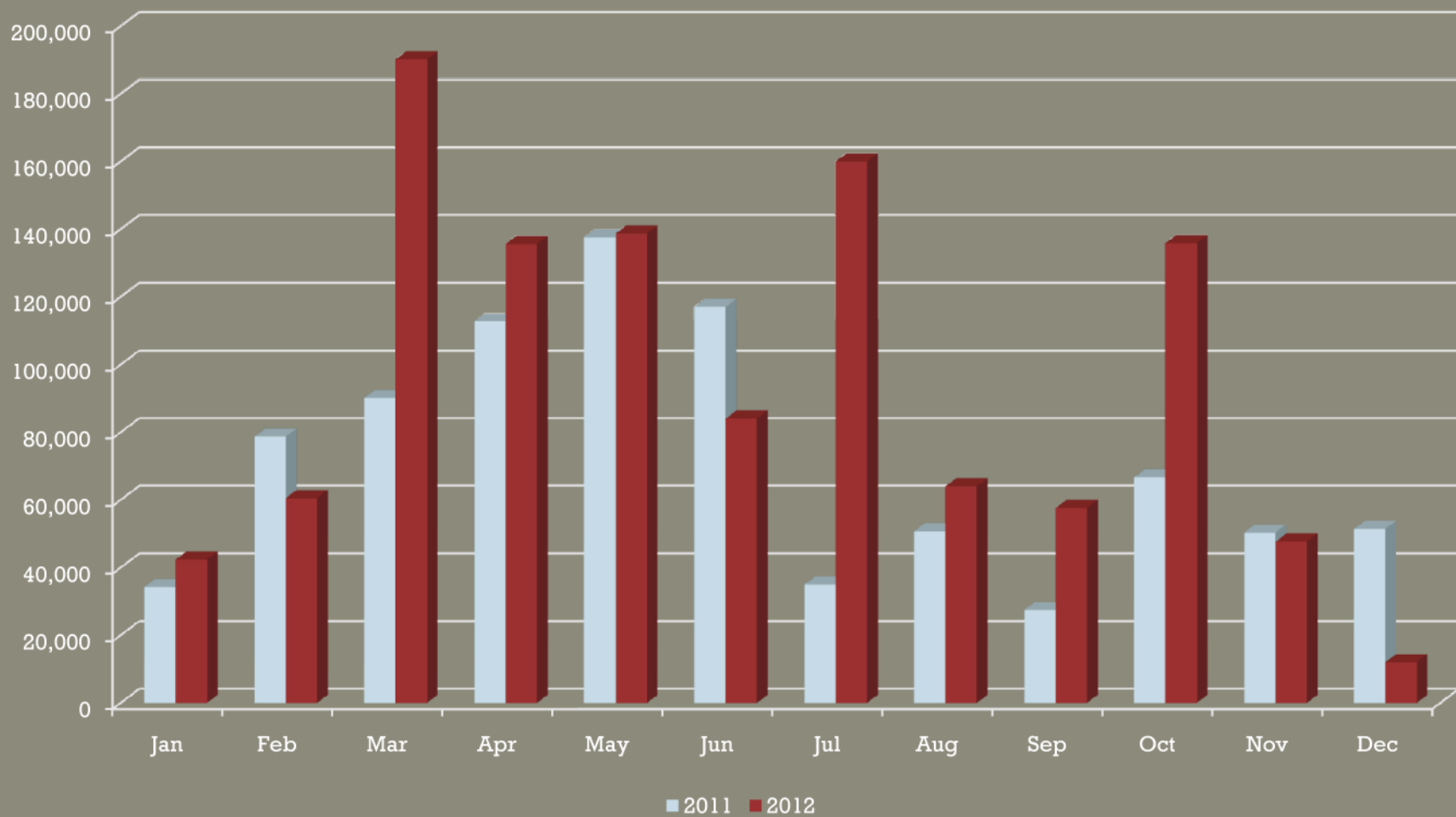
CVB Room Night Production Analysis

Avg. Duration (Months) from Lead to Arrival

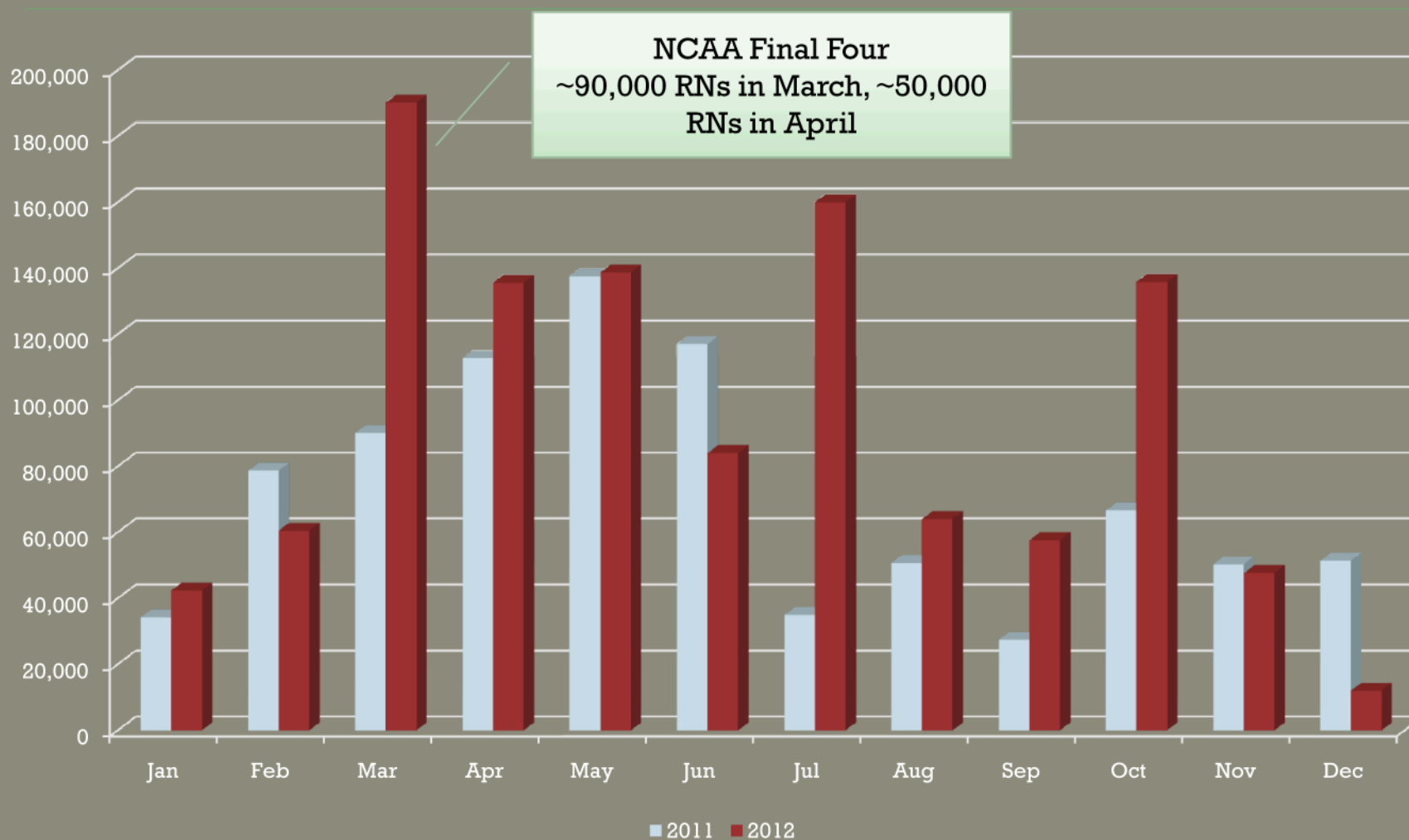
Row Labels	2010	2011
1 - 100	4.6	5.0
101-300	13.5	13.1
301 - 500	20.8	20.2
501-1000	30.0	26.9
1001-1500	35.8	36.3
1501 - 2000	65.3	38.3
2001-2500	11.3	-
2501 - 5000	43.2	45.1
5001 - 10,000	101.5	70.6
10,001+	-	13.7
Grand Total	13.7	13.3

January – July for Each Year

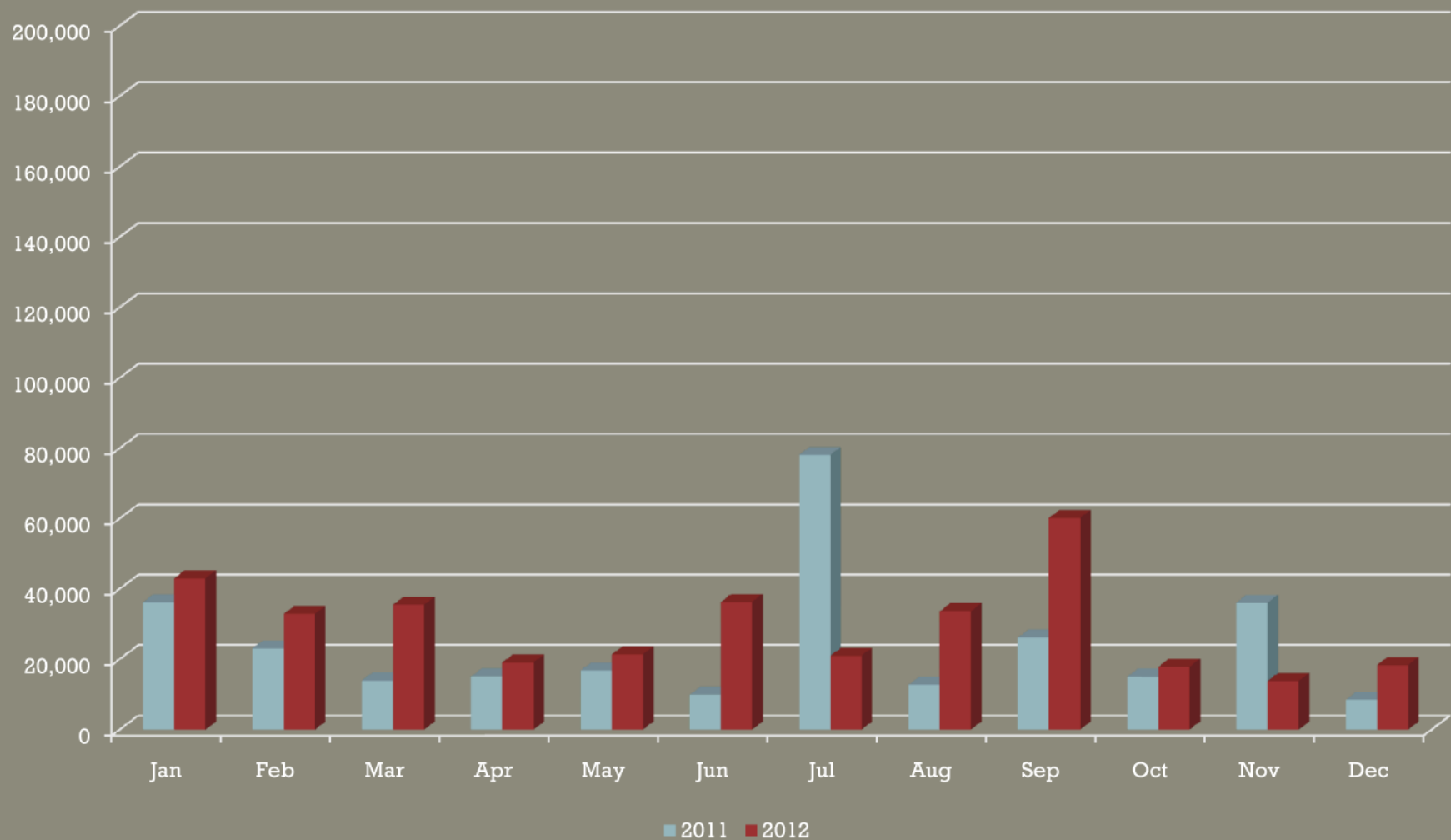
2012 vs. 2011 CVB Definite Room Nights



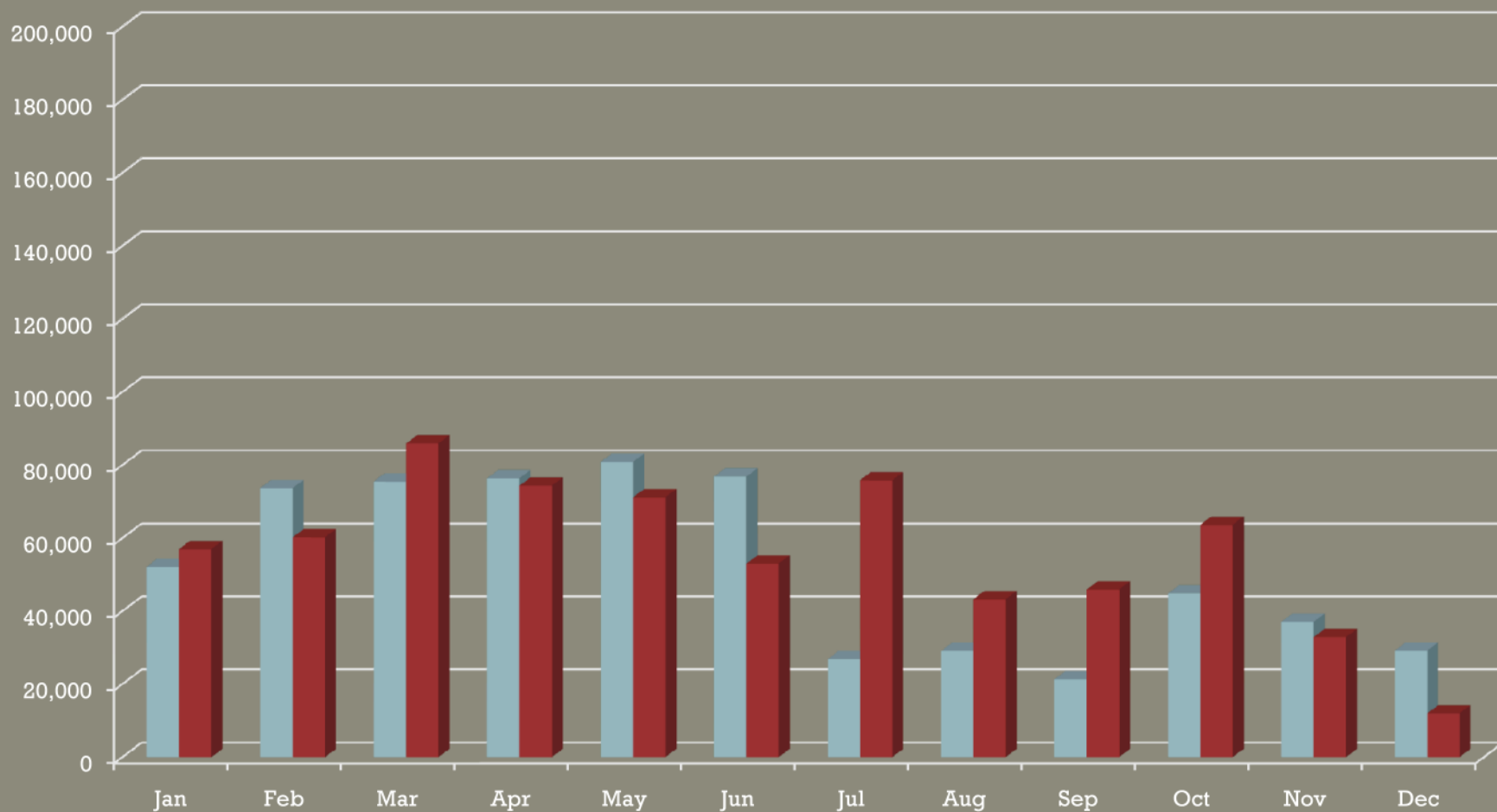
2012 vs. 2011 CVB Definite Room Nights



2011 vs. 2012 Tentative Room Nights as of Previous July One Year Out



CORE Booking Comparison 1 Year Out (2011 vs. 2012)



CORE report is 23 Hotels representing
11,774 downtown rooms

■ 2011 ■ 2012

Q1 2011 vs. 2012 Groups of 2,000 Peak

2011		
Month	Client Name	Peak
Jan	American Math Soc	2,750
Feb	Amer Acad of Dermatology	7,000
	Amer Physical Therapy Assn	2,400
	Cisco	2,900
Mar	Teachers Of English	2,465
	Sungard Higher Education	6,500

2012		
Month	Client Name	Peak
Jan	SAP	4,400
Feb	Amer Heart Assn	2,500
	Amer Rental Assn	3,000
Mar	SEC Championship	9,000
	Amer Pharmacists Assn	3,000
	Assn of Perioperative Nurses	5,375
	NCAA Final Four	25,600

Q2 2011 vs. 2012 Groups of 2,000 Peak

2011		
Month	Client Name	Peak
Apr	Amer Coll Of Cardiology	11,245
	Amer Ed Research Assn	6,085
	Jazz Fest	2,851
May	Amer Inst of Architects	7,015
	Amer Soc for Microbiology	4,092
	Rotary Intl	7,000
Jun	Natl Conf on Volunteering	2,040
	Inst of Food Tech	6,500
	Natl Athletic Trainers Assn	3,800
	Amer Library Assn	8,500

2012		
Month	Client Name	Peak
Apr	Amer Coll Of Physicians	4,597
	Amer Acad Of Neurology	4,800
	Jazz Fest	3,198
May	Oncology Nursing Soc	3,500
	CTIA	11,500
Jun	Intl Dairy Deli	3,500
	Southern Baptist Conv	4,200
	Kiwanis Intl	2,975

Q3 2011 vs. 2012 Groups of 2,000 Peak

2011		
Month	Client Name	Peak
Jul	Essence	7,978
	AAU Jr. Olympics	4,000
Aug	Voluntary Protection	2,400
Sep	Natl Assn for Coll Admission Counseling	2,300

2012		
Month	Client Name	Peak
Jul	Essence	8,000
	Southern Reg Educ Bd	4,000
	ELCA	14,000
Aug	AEAONMS (Shrine)	3,650
	Amer Political Science Assn	3,000
Sep	AARP	4,000

Q4 2011 vs. 2012 Groups of 2,000 Peak

2011			2012		
Month	Client Name	Peak Night	Month	Client Name	Peak Night
Oct	Amer Public Trans Assn	4,000	Oct	WEF	8,000
	Specialty Graphics	2,300		Intl Autobody Congress and Expo	3,550
	Intl Fndtn Of Employee Benefit	5,000		Soc for Neuroscience	10,000
Dec	Health-System Pharmacists	8,500		Amer Acad of Pediatrics	4,000
				Amer Soc of Plastic Surgeons	2,700
			Nov	Intl Pool & Spa	2,000
				Amer Assn For Respiratory Care	2,525

TAP Peer Set Report Data 2012

Pace	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
New Orleans Pace Percentage	45%	80%	174%	85%	147%	99%	170%	110%	141%	126%	52%	50%	111%
Competitive Set Pace Percentage	66%	99%	103%	75%	76%	100%	98%	111%	96%	80%	94%	85%	89%

Peer Set: Atlanta, Chicago, Orlando, San Francisco, New Orleans (July 2011)

TAP Peer Set Report Data 2012

Pace	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
New Orleans Pace Percentage	45%	80%	174%	85%	147%	99%	170%	110%	141%	126%	52%	50%	111%
Competitive Set Pace Percentage	66%	99%	103%	75%	76%	100%	98%	111%	96%	80%	94%	85%	89%

Peer Set: Atlanta, Chicago, Orlando, San Francisco, New Orleans (July 2011)

TAP Peer Set Report Data 2012

Benchmark Data	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Definite R/N Share %	9%	11%	28%	19%	23%	11%	26%	10%	11%	21%	7%	8%	17%
Demand R/N Share %	30%	22%	25%	22%	31%	17%	18%	24%	21%	23%	17%	23%	22%
Definite Event Share %	24%	24%	22%	23%	26%	20%	20%	21%	15%	20%	20%	14%	22%
Demand Event Share %	29%	29%	28%	28%	29%	22%	21%	27%	22%	24%	23%	19%	26%

Peer Set: Atlanta, Chicago, Orlando, San Francisco, New Orleans (July 2011)

TAP Peer Set Report Data 2012

Benchmark Data	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Definite R/N Share %	9%	11%	28%	19%	23%	11%	26%	10%	11%	21%	7%	8%	17%
Demand R/N Share %	30%	22%	25%	22%	31%	17%	18%	24%	21%	23%	17%	23%	22%
Definite Event Share %	24%	24%	22%	23%	26%	20%	20%	21%	15%	20%	20%	14%	22%
Demand Event Share %	29%	29%	28%	28%	29%	22%	21%	27%	22%	24%	23%	19%	26%

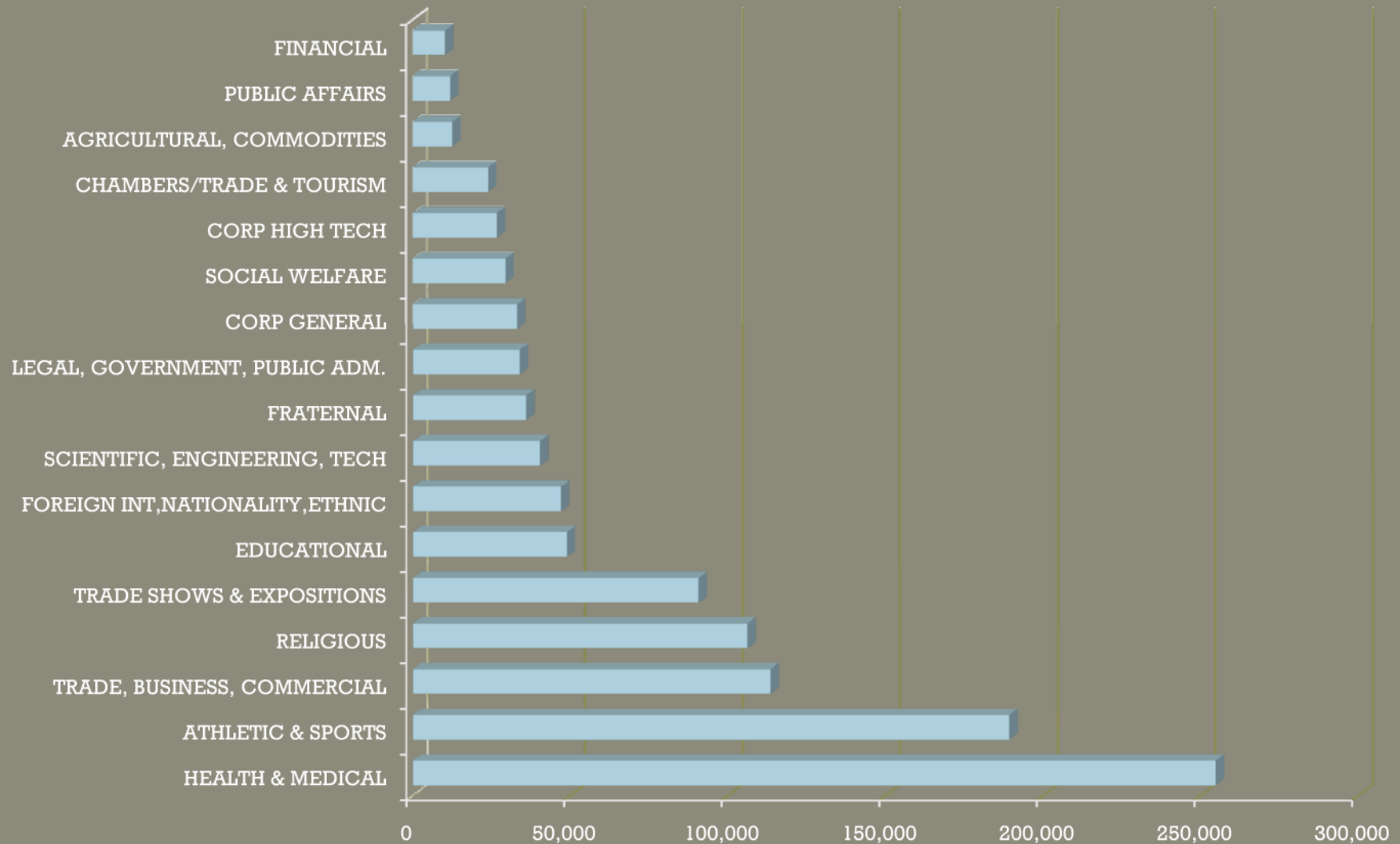
CVB Definites on the Books 2010 - 2015

Peak Rooms	EOY 2010	2011	2012	2013	2014	2015
>10,000	1	1	3	5	1	1
5001 - 10,000	9	9	5	2	8	5
2501 - 5000	10	9	17	13	4	7
1501 - 2500	25	15	11	3	6	10
1001 - 1500	15	20	18	10	7	8
501 - 1000	31	36	45	25	14	19
0 - 500	635	638	232	43	26	6
Total	726	728	331	101	66	55

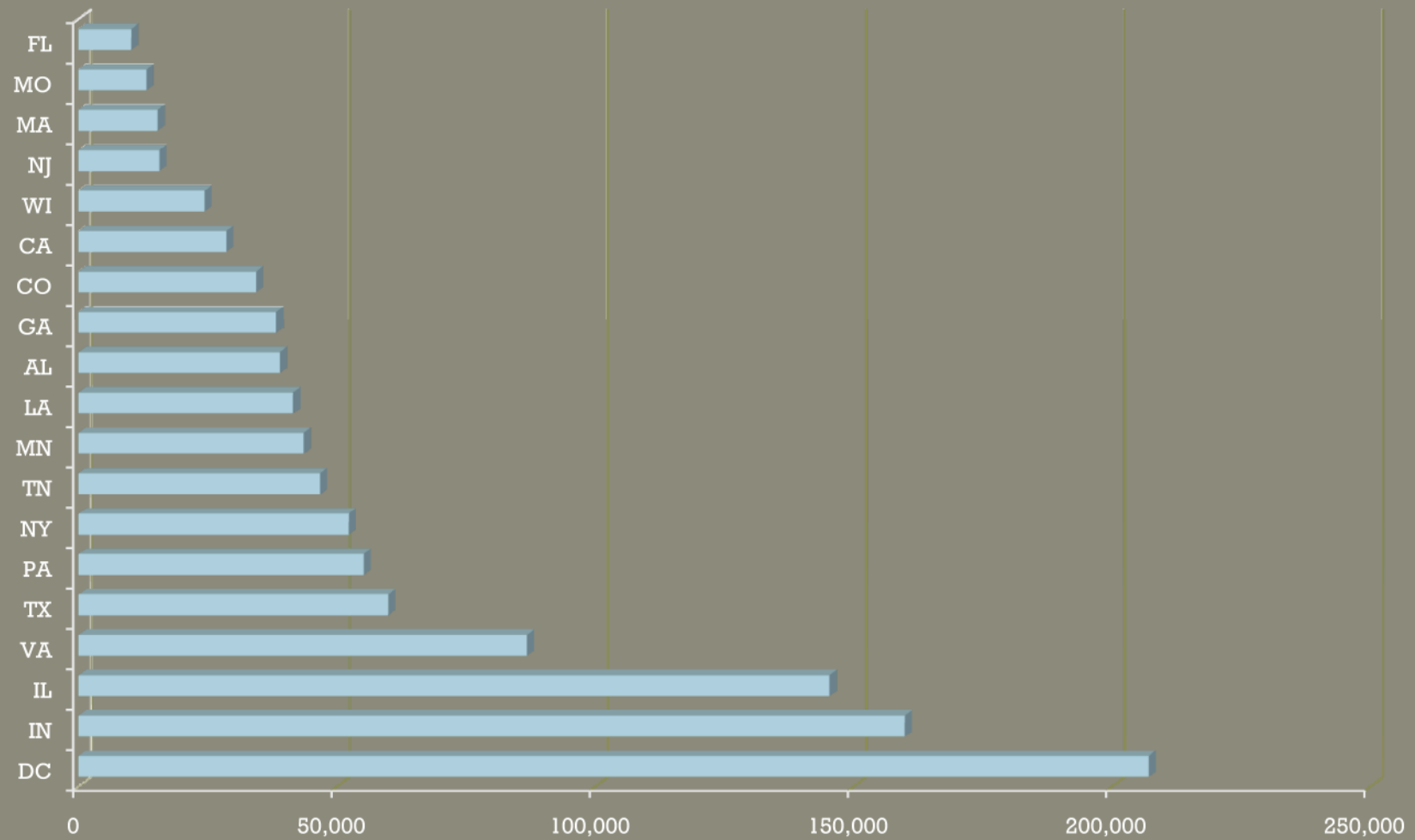
CVB Definite Room Nights On the Books

Peak Rooms	2010	2011	2012	2013	2014	2015
>10,000	61,380	54,146	240,302	375,538	72,600	54,333
5001 - 10,000	314,727	296,262	177,385	48,568	225,063	178,330
2501 - 5000	181,651	164,565	276,010	205,508	84,079	118,921
1501 - 2500	194,635	108,352	81,462	24,916	57,400	84,220
1001 - 1500	78,055	96,283	88,901	49,088	32,594	45,922
501 - 1000	86,303	92,048	121,082	75,315	44,658	63,030
0 - 500	248,166	262,133	155,212	47,137	29,720	9,131
Total	1,164,917	1,073,789	1,140,354	826,070	546,114	553,887

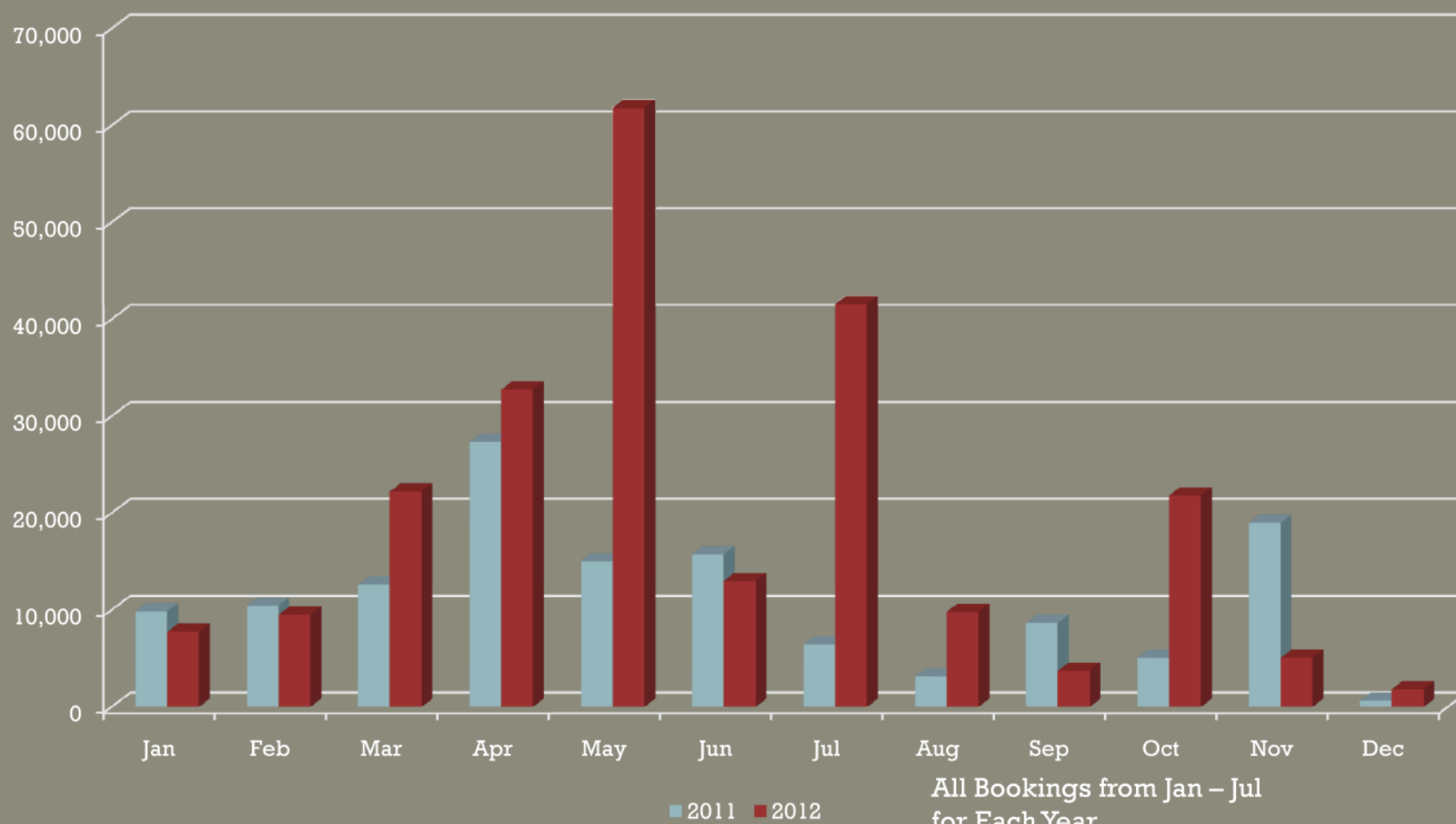
2012 Bookings by Market Segment



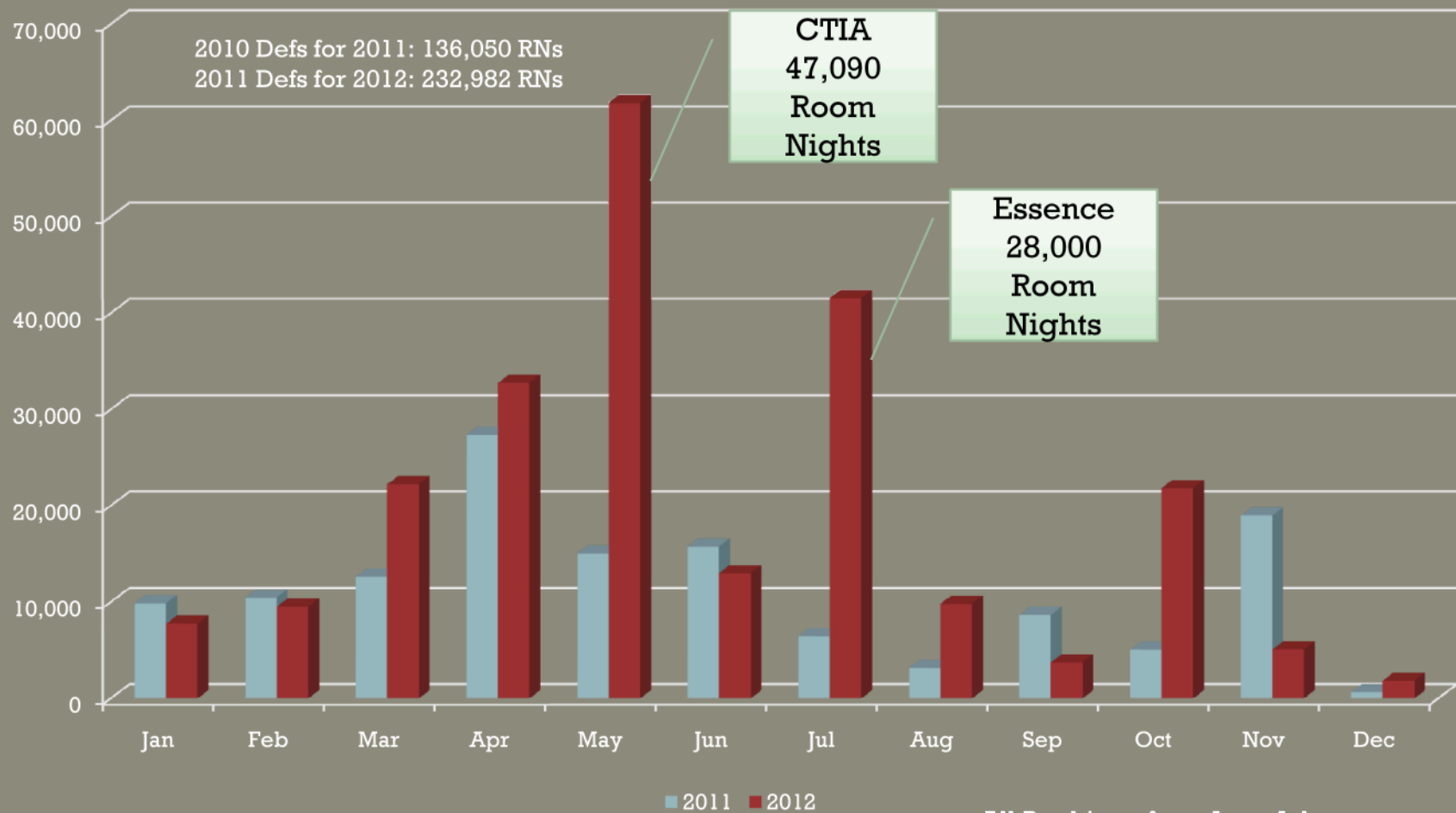
2012 Bookings by State of Origin



Short Term CVB Bookings by Month



2011 vs. 2012 Short Term CVB Bookings by Month



All Bookings from Jan – Jul
for Each Year

Lost & Cancelled Business for 2012

Number of Tentative Leads Lost	897
Tentative Room Nights Lost	4,434,059
Number of Definite Bookings Cancelled	20
Definite Room Nights Cancelled	416,365

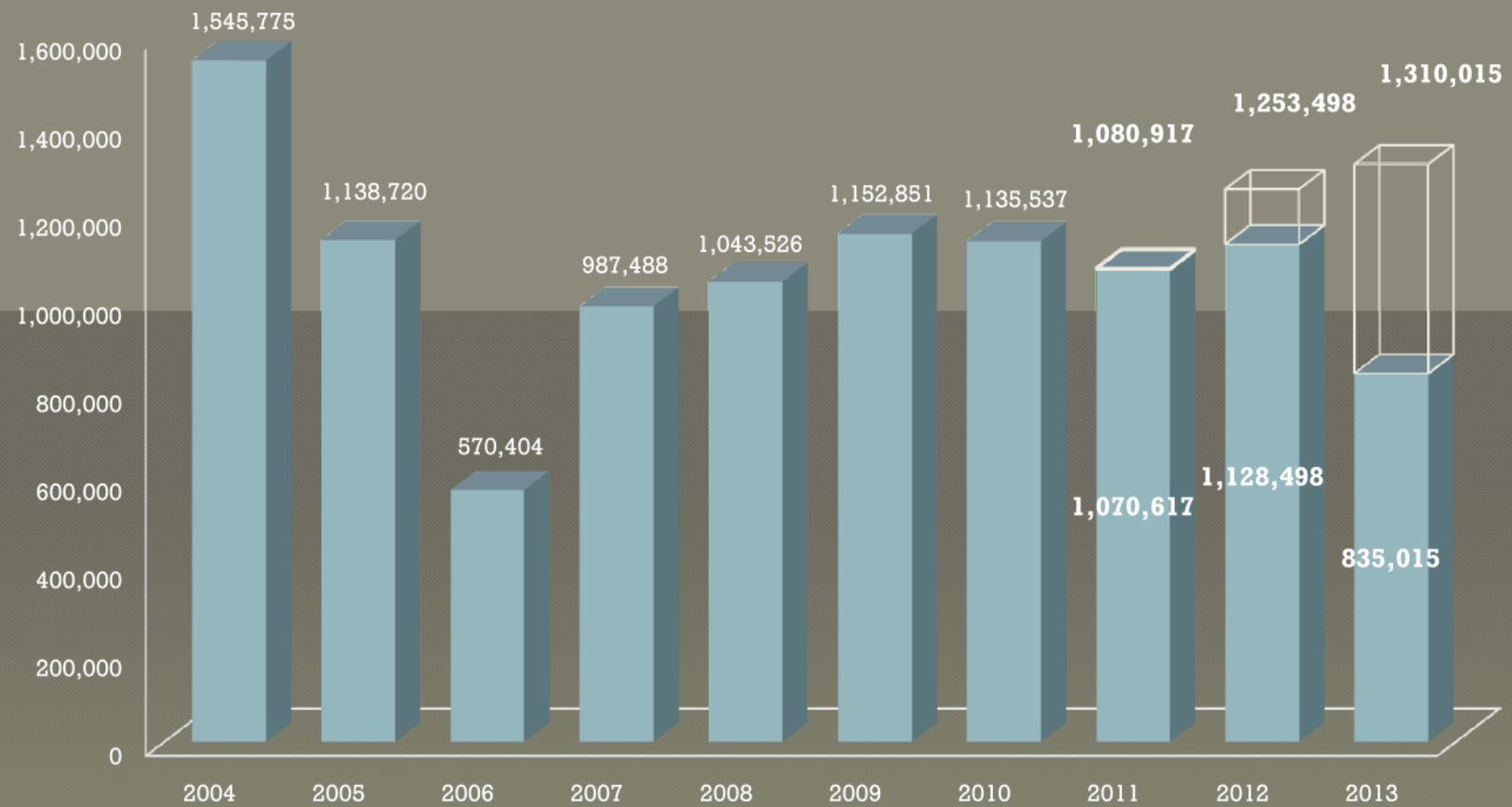
2012 Cancelled Definite Bookings

Modern Language Association Of America	Jan	5,500
Society of Thoracic Surgeons	Jan	2,300
American Association Of School Administrators	Feb	3,500
Golf Course Superintendents Association Of America	Feb	9,000
American Rental Association	Feb	2,500
NACE International	Mar	2,400
National Association Of Secondary School Principals	Mar	2,500
National Business Aviation Association Inc	Oct	9,000
Direct Marketing Association	Oct	4,300
Society of Petroleum Engineers	Oct	2,800
National Safety Council	Sep	4,500
American Heart Association	Nov	11,500
American Society of Health-System Pharmacists	Dec	7,500

Top 10 Destinations for 2012 Lost Tentative Leads

City	Room Nights
ORLANDO	258,058
LAS VEGAS	92,271
SAN DIEGO	86,528
HOUSTON	83,034
CHICAGO	82,051
NASHVILLE	72,469
SAN ANTONIO	59,460
SAN FRANCISCO	56,609
WASHINGTON	48,207
INDIANAPOLIS	47,458

2012 – 2013 Projections



Cruise Line & GDS Update

Carnival Cruise Lines 2012

Carnival Conquest

- Begins sailing Nov. 13, 2011
- 7 Nights – Departing Every Sunday – Year Round
- 3,700 Passengers
- 1,150 Crew
- 1,487 Cabins

Carnival Elation

- Begins sailing Nov. 2011 – Year Round
- 2,628 Passengers
- 920 Crew
- 1,028 Cabins

Norwegian Cruise Line

Norwegian Spirit

- 7 Night Cruises through April 15, 2012 departing every Sunday
- 1,966 Passengers
- 970 Crew
- 983 Cabins

Norwegian Star

- Begins sailing Nov. 4, 2012 – April 14, 2013
- 7 Night Cruises departing every Sunday
- 2,240 Passengers
- 1,095 Crew
- 1,120 Cabins

Royal Caribbean International

Voyager of the Seas

- 7 Nights – Departing Every Sunday
- Nov. 12, 2011 – April 7, 2012
- 3,414 Passengers
- 1,180 Crew
- 1,557 Cabins

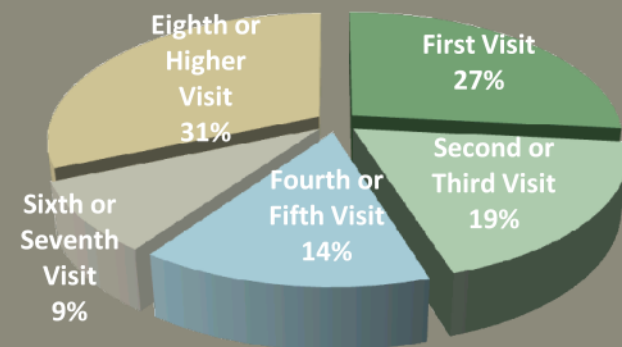
Cruise Highlights

- **60% of cruise passengers reported making a purchase in New Orleans.**
 - 87% of these stayed overnight in New Orleans either prior to or after their cruise.
 - The remaining 13% arrived on the day of their cruise and visited venues prior to embarking on their cruise.
- **Cruise parties with an overnight stay spent an average of \$424 during their two-night stay, or \$193 per passenger.**
 - This figure is about 25% below the national average, which is dominated by the east coast Florida ports.
 - The typical cruise party (2.2 passengers) with an overnight stay spent two nights in New Orleans prior to or after their cruise. The average stay was 1.8 nights.
- **Passengers who had an overnight stay prior to and/or after their cruise spent \$26.3 million.**
 - Lodging (\$14.2 million) and food and beverages (\$5.1 million) accounted for 74% of their total expenditures.

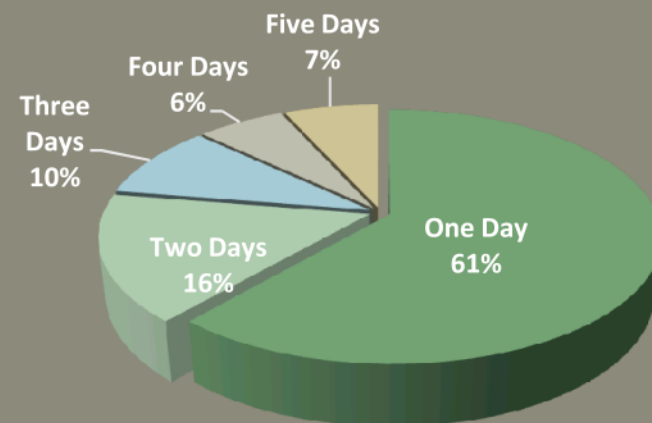
Attributes of Cruise Passenger Visits

- Cruise passengers are frequent visitors to New Orleans.
 - Only 27% of embarking cruise parties reported that this was their first visit to New Orleans.
 - 31% of the respondents reported that this was their eighth or higher visit to New Orleans.
- The typical passenger with prior visits had visited New Orleans on six previous occasions.
 - The average was 5.8 prior visits.
- Overall, 51% of cruise parties spent one or more nights in New Orleans either prior to and/or after their cruise.
 - 78% of these cruise parties spent an average of 1.5 nights in New Orleans prior to their cruise.
 - 6% of the parties planned to stay an average of 1.6 nights in New Orleans after the cruise.
 - 16% of the passengers planned both a pre- and post-cruise stay of 3.2 nights in total.

Number of Visits to New Orleans



Length of Overnight Stay Prior to or After Cruise



2010 vs. 2011 GDS Room Night Growth

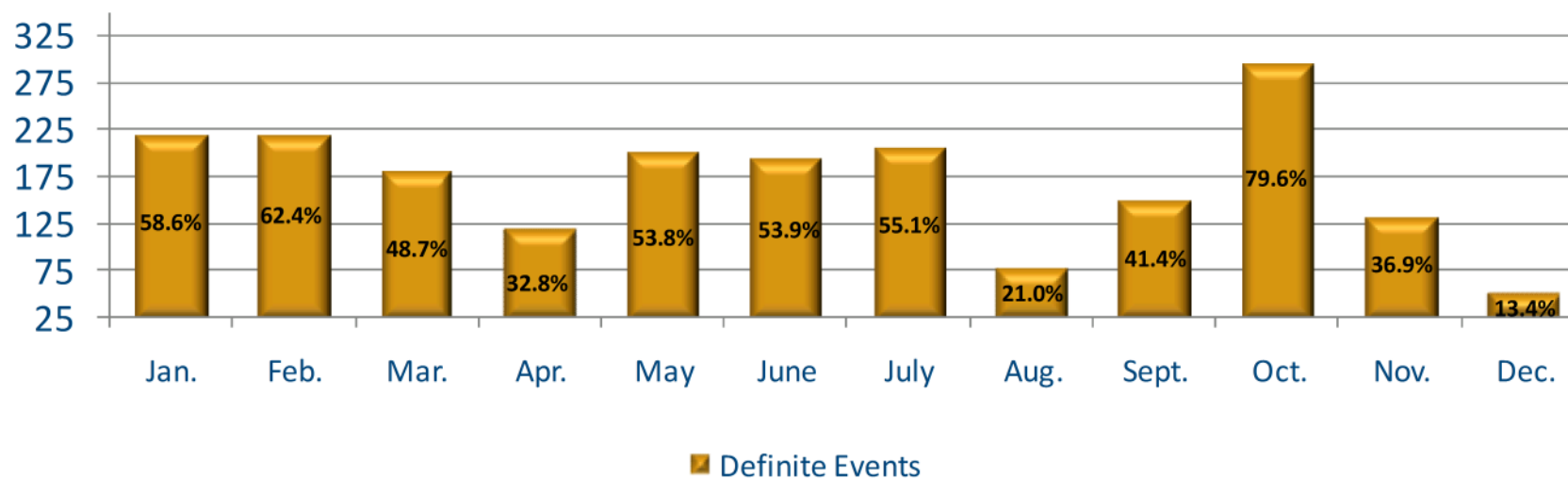
GDS	Aug '09 – Jul '10	Aug '10 – Jul '11
Amadeus	20,538	21,671
Galileo	109,853	117,375
Sabre	427,054	436,708
Worldspan	51,822	47,867
Total	609,267	623,621

2009 Total: 508,259



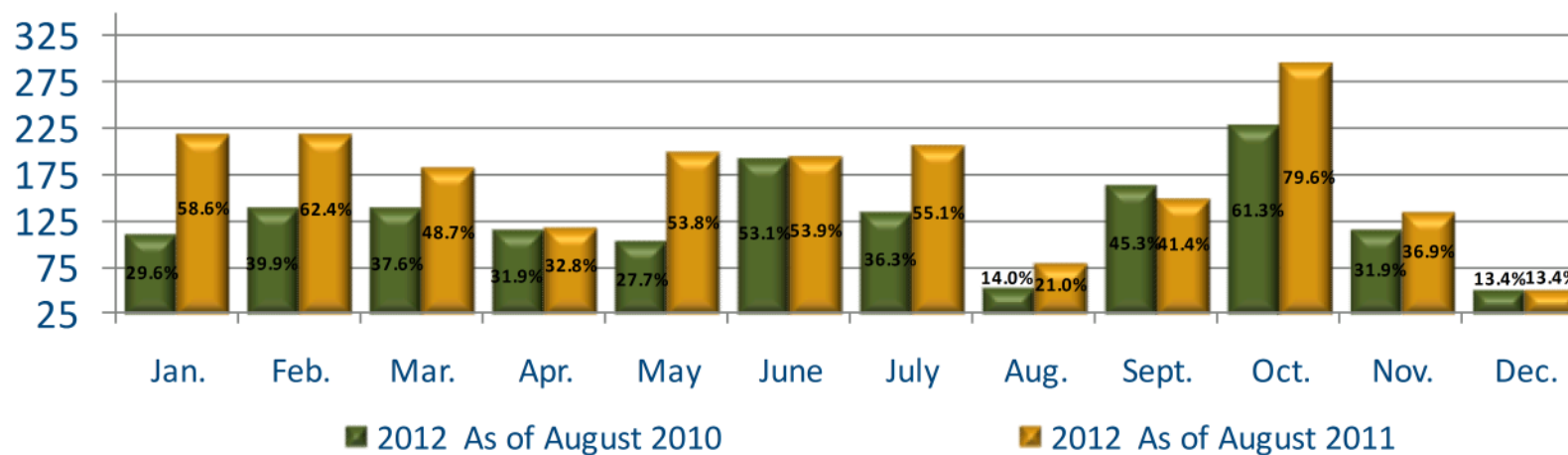
2012

January - December

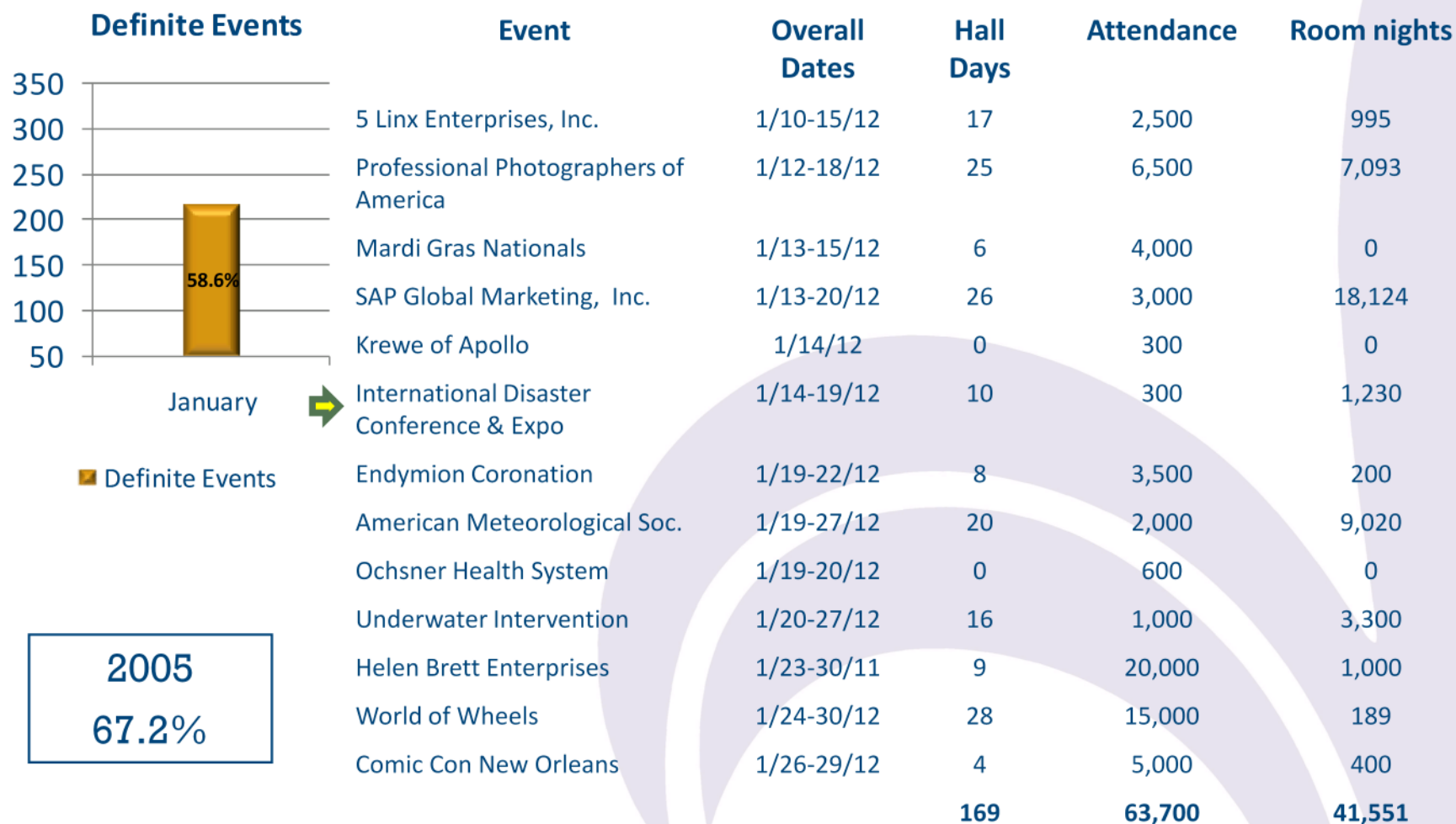


ls X 66 Days
s = %

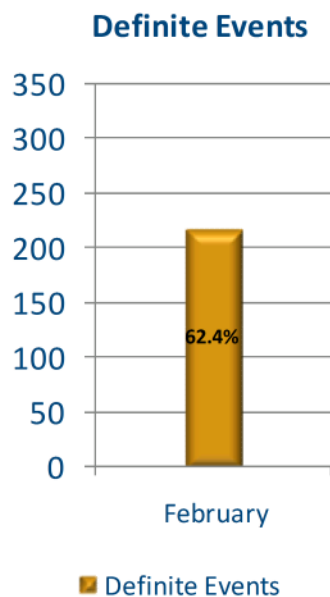
January - December



January



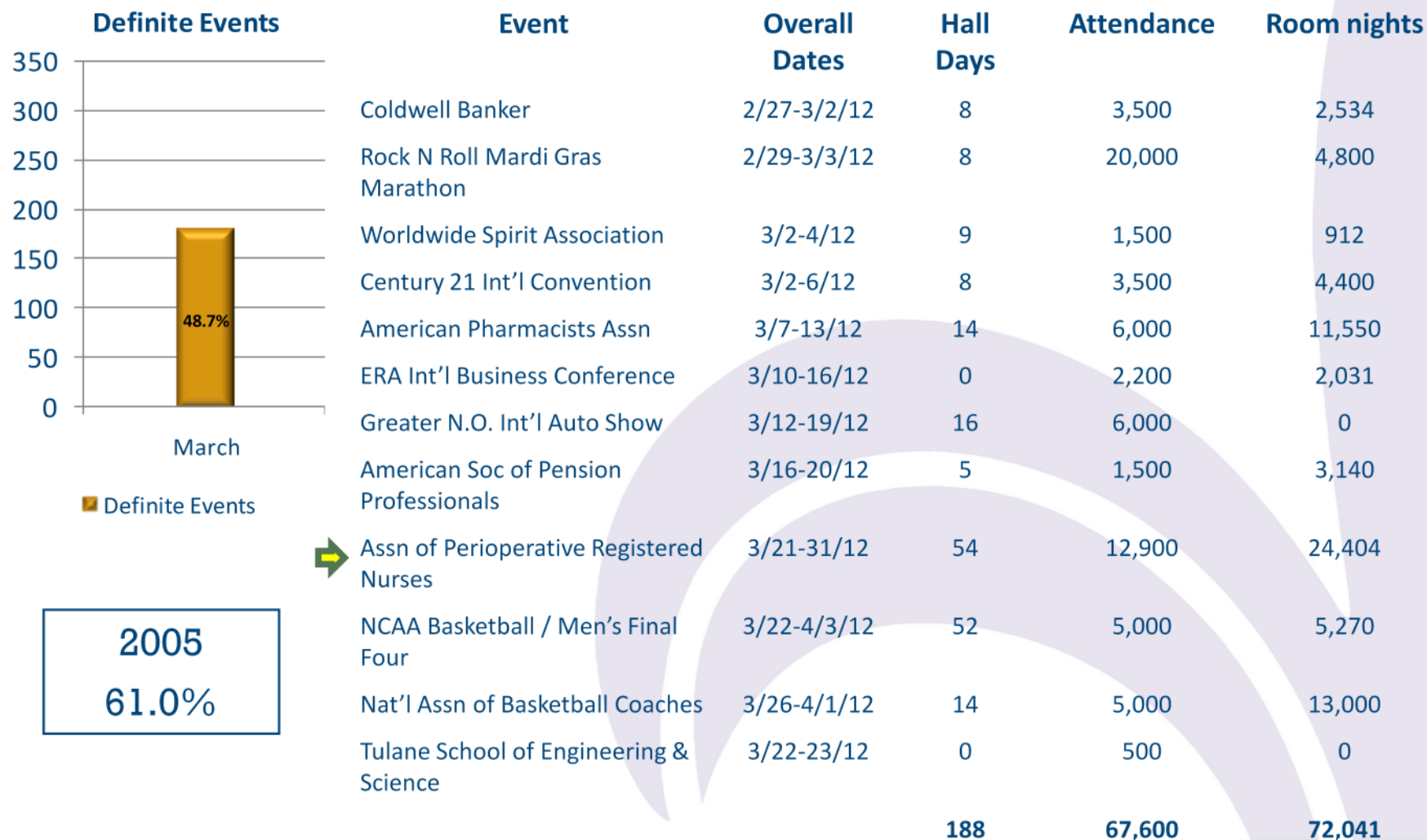
Februrary



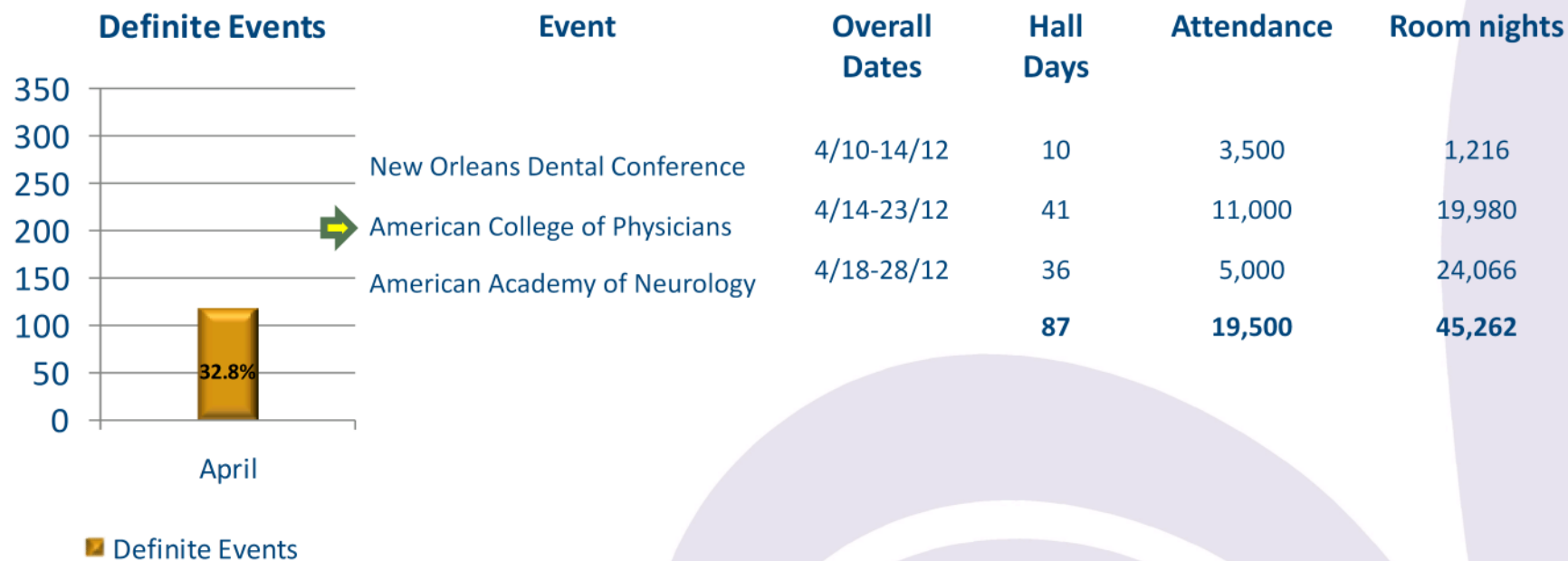
2005
62.8%

Event	Overall Dates	Hall Days	Attendance	Room nights
➡ American Heart Association	1/27-2/4/12	36	2,600	9,775
American Rental Association	2/1-10/12	70	15,000	14,226
Sunbelt Rentals	2/5-8/12	4	700	1,250
UBM-Informex Meeting	2/11-18/12	24	4,500	4,999
Krewe of Zulu	2/16-18/12	12	13,000	500
Krewe of Bacchus	2/18-20/12	18	8,000	500
Krewe of Orpheus	2/17-21/12	18	7,000	500
Emergency Nurses Association	2/20-26/12	7	2,185	3,810
Club Managers Assn of America	2/23-28/12	6	2,400	7,786
Empire Gymnastics	2/23-26/12	4	600	670
Vacuum & Sewing Dealers Assn	2/24-29/12	12	3,500	1,505
La Quinta 2012 Nat'l Conference	2/25-29/12	11	1,000	3,724
		222	60,485	49,245

March

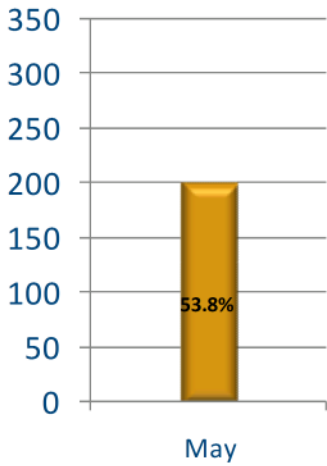


April



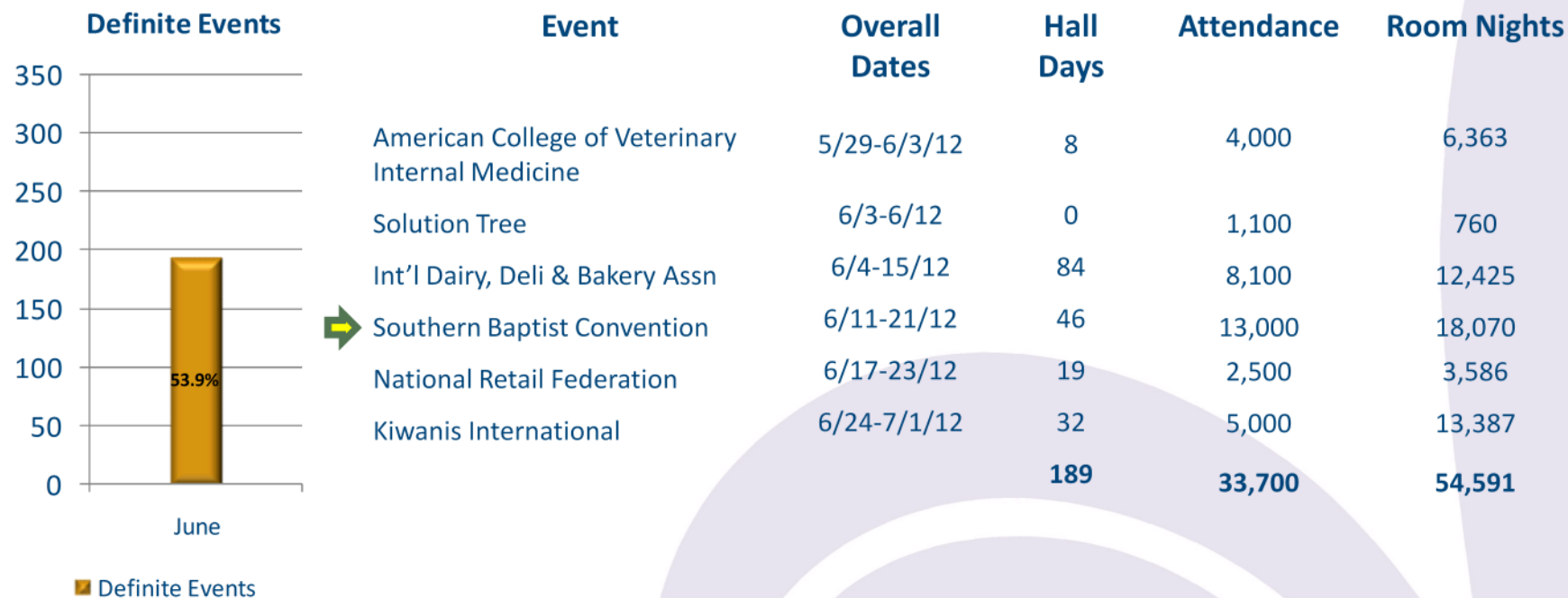
2005
62.2%

May

Definite Events	Event	Overall Dates	Hall Days	Attendance	Room nights
 <p>May</p> <p>53.8%</p> <p>Definite Events</p>	Oncology Nursing Society	4/29-5/6/12	32	6,000	16,365
	CTIA-The Wireless Association	5/2-13/12	84	40,000	37,000
	Helen Brett Enterprises	5/14-21/12	24	24,000	1,140
	Society of Government Meeting Professionals	5/16-18/12	6	900	2,159
	Nat'l Assn of Orthopedic Nurses	5/18-23/12	6	2,000	4,328
	Nat'l Defense Industrial Assn	5/19-25/12	14	2,000	7,135
	IEEE-Particle Accelerator Conf.	5/19-25/12	13	1,500	6,091
	New Orleans Wine & Food Experience	5/24-27/12	8	10,000	0
			187	86,400	74,218

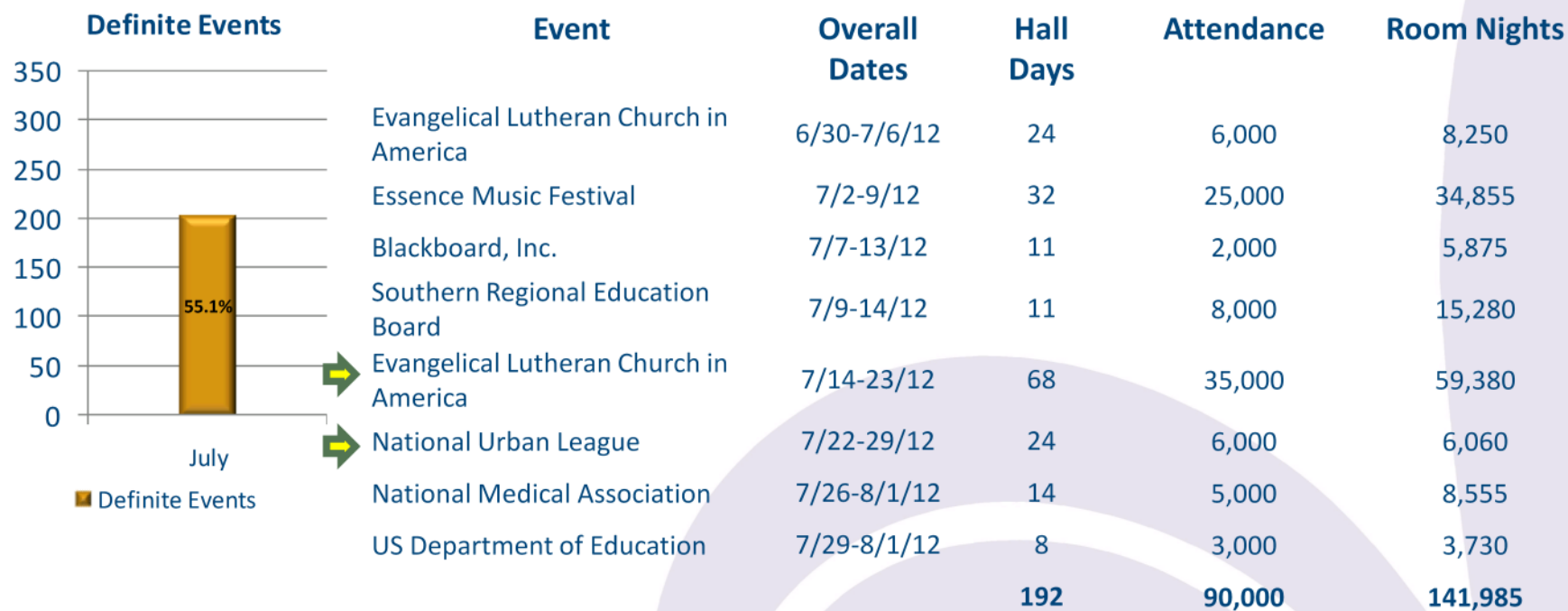
2005
55.4%

June



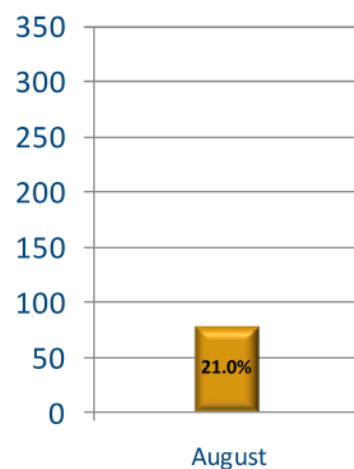
2005
44.2%


July



2005
40.1%

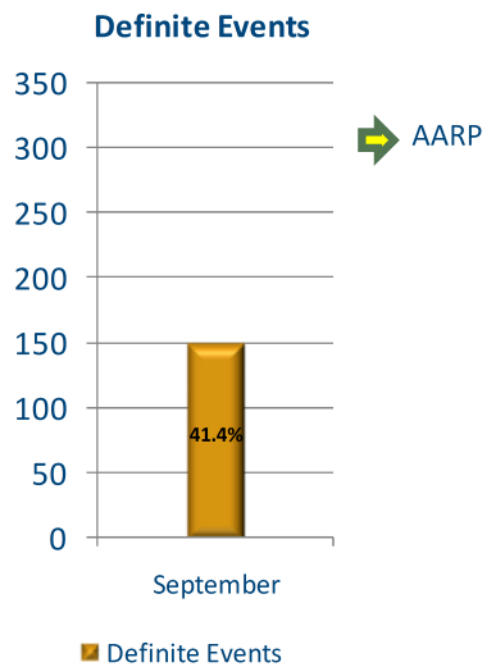
August



Event	Overall Dates	Hall Days	Attendance	Room Nights
Pentecostal Assemblies of the World	8/2-12/12	22	6,000	8,350
Louisiana Restaurant Association	8/8-14/12	21	13,300	0
Connect Marketplace	8/16-19/12	4	1,000	3,200
 Ancient Egyptian Arabic Order Nobles	8/19-21/12	3	6,000	22,536
Helen Brett Enterprises	8/20-27/12	24	27,000	1,200
		74	53,300	35,286

2005
53.5%

September

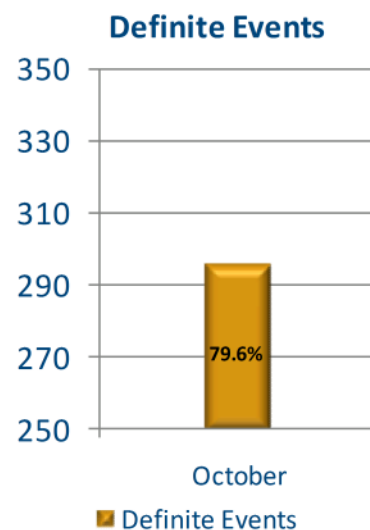


2005

56.7%

Event	Overall Dates	Hall Days	Attendance	Room Nights
	9/15-23/12	72	12,000	29,520
		72	12,000	29,520

October



2005
81.4%

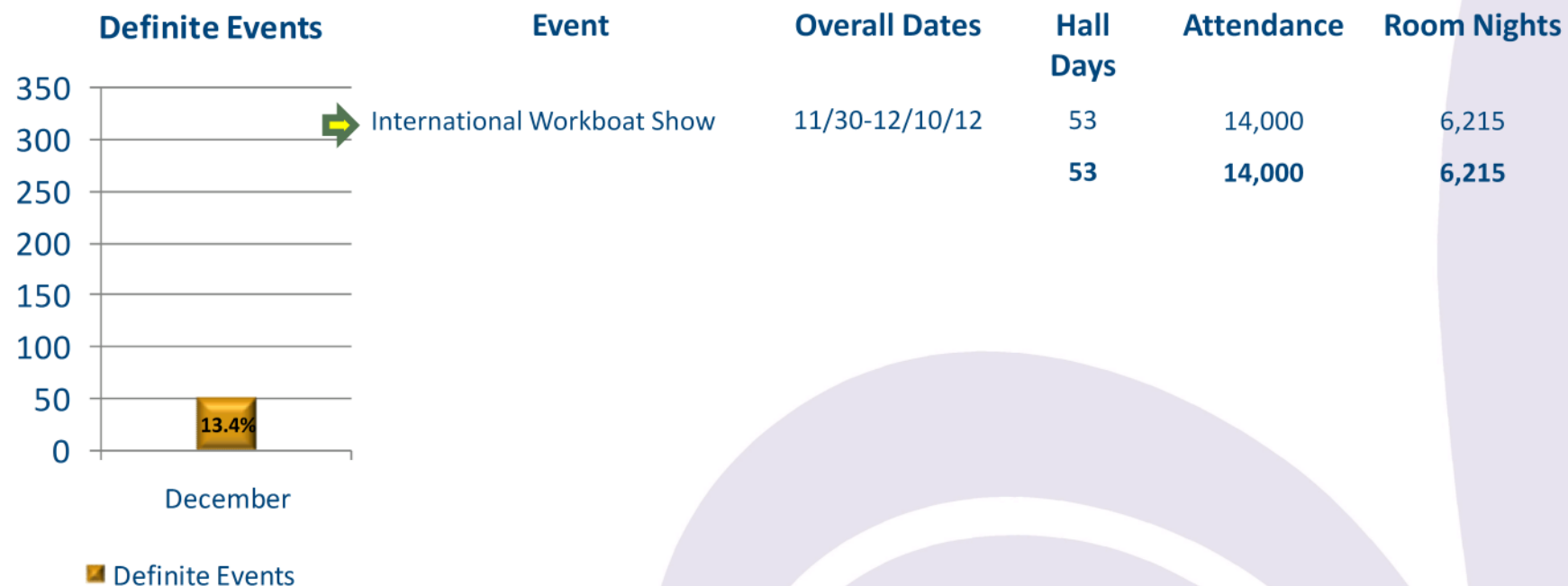
Event	Overall Dates	Hall Days	Attendance	Room Nights
Water Environment Federation	9/24-10/5/12	132	18,000	33,920
IACE Expo	10/6-14/12	27	5,000	14,320
→ Society for Neuroscience	10/8-19/12	92	25,000	54,120
→ American Academy of Pediatrics	10/15-24/12	37	12,000	17,840
American Soc of Plastic Surgeons	10/23-31/12	34	7,000	11,000
		322	67,000	131,200

November



2005
78.0%

December

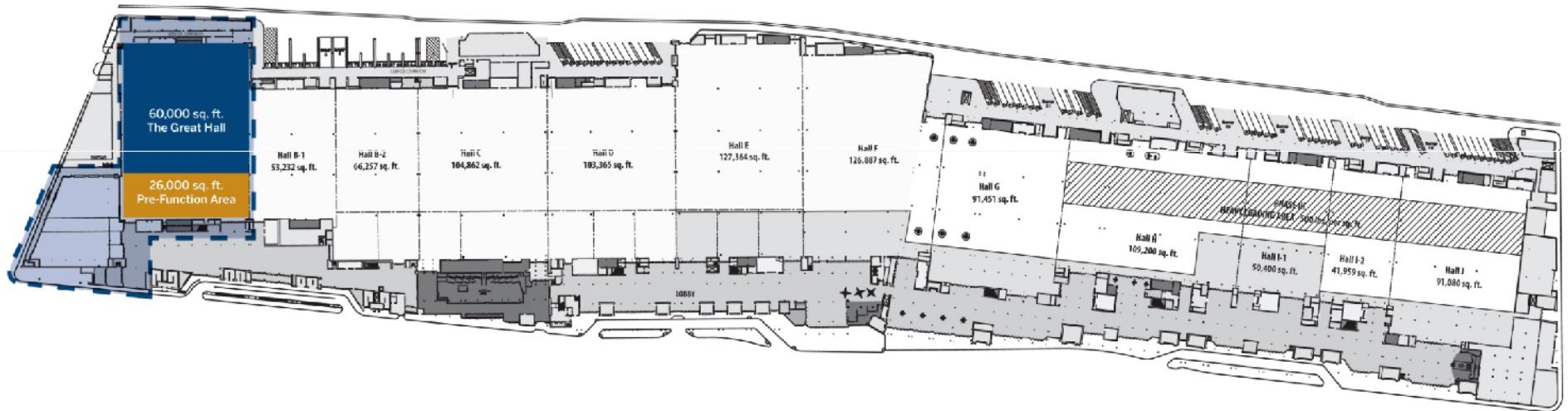


2005
 26.6%

1984 World Fair



Background



Features



Ballroom: 60,300 square feet

Flexible Pre-function Space: 25,400 square feet

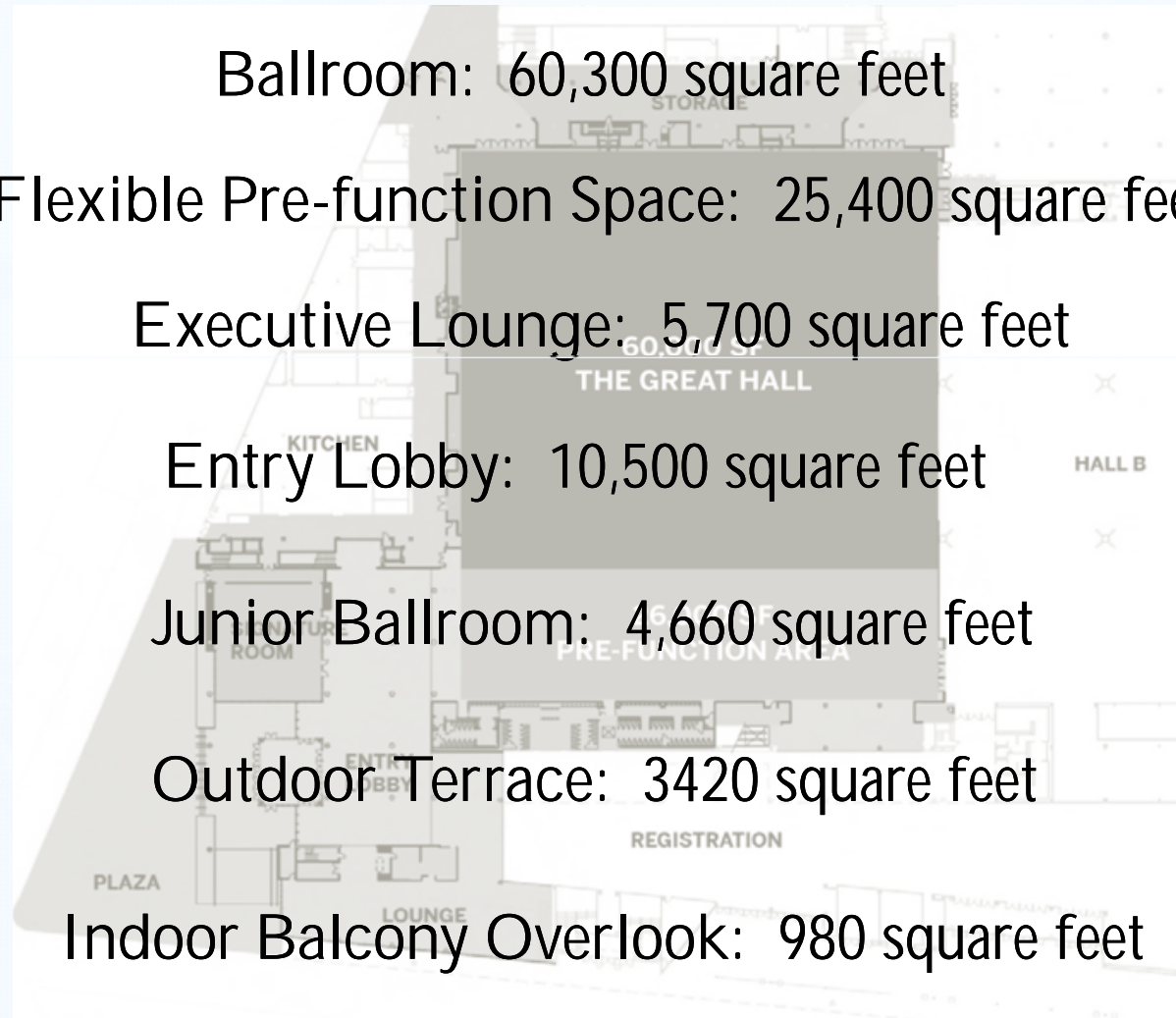
Executive Lounge: 5,700 square feet

Entry Lobby: 10,500 square feet

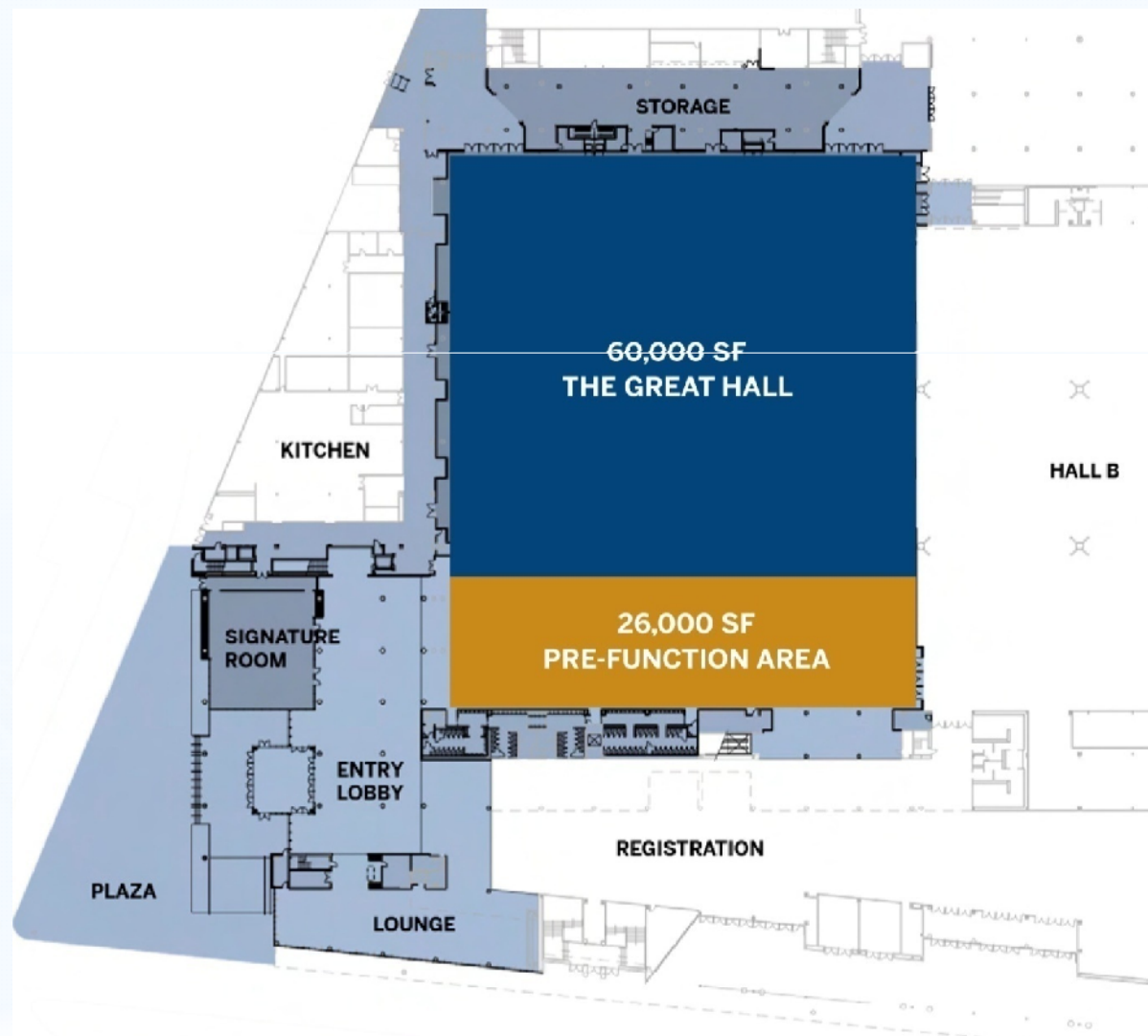
Junior Ballroom: 4,660 square feet

Outdoor Terrace: 3420 square feet

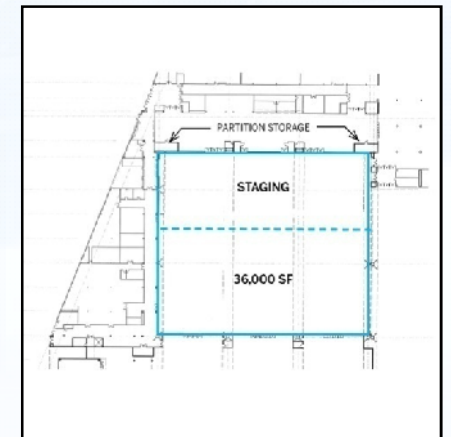
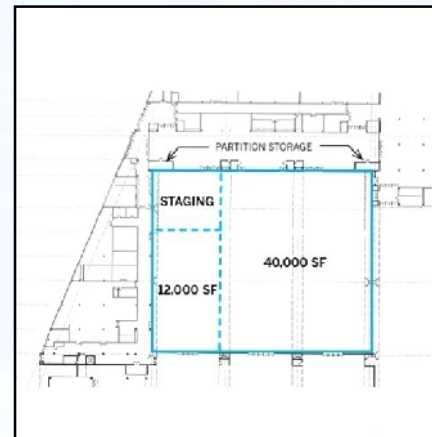
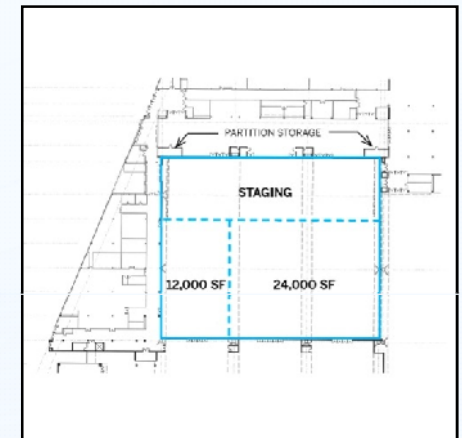
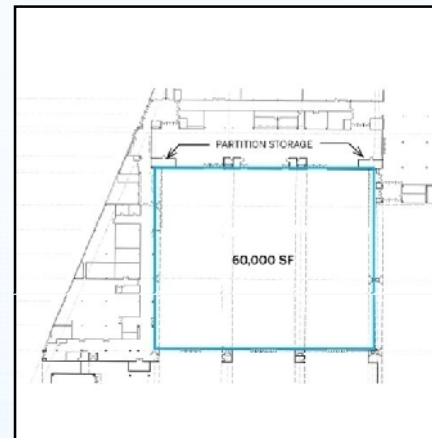
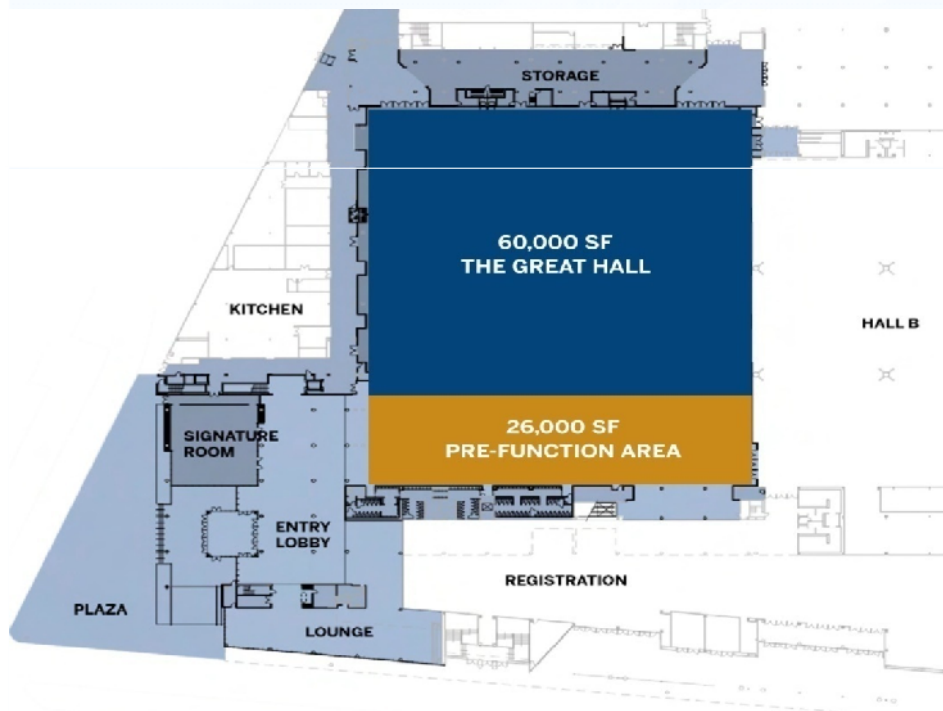
Indoor Balcony Overlook: 980 square feet



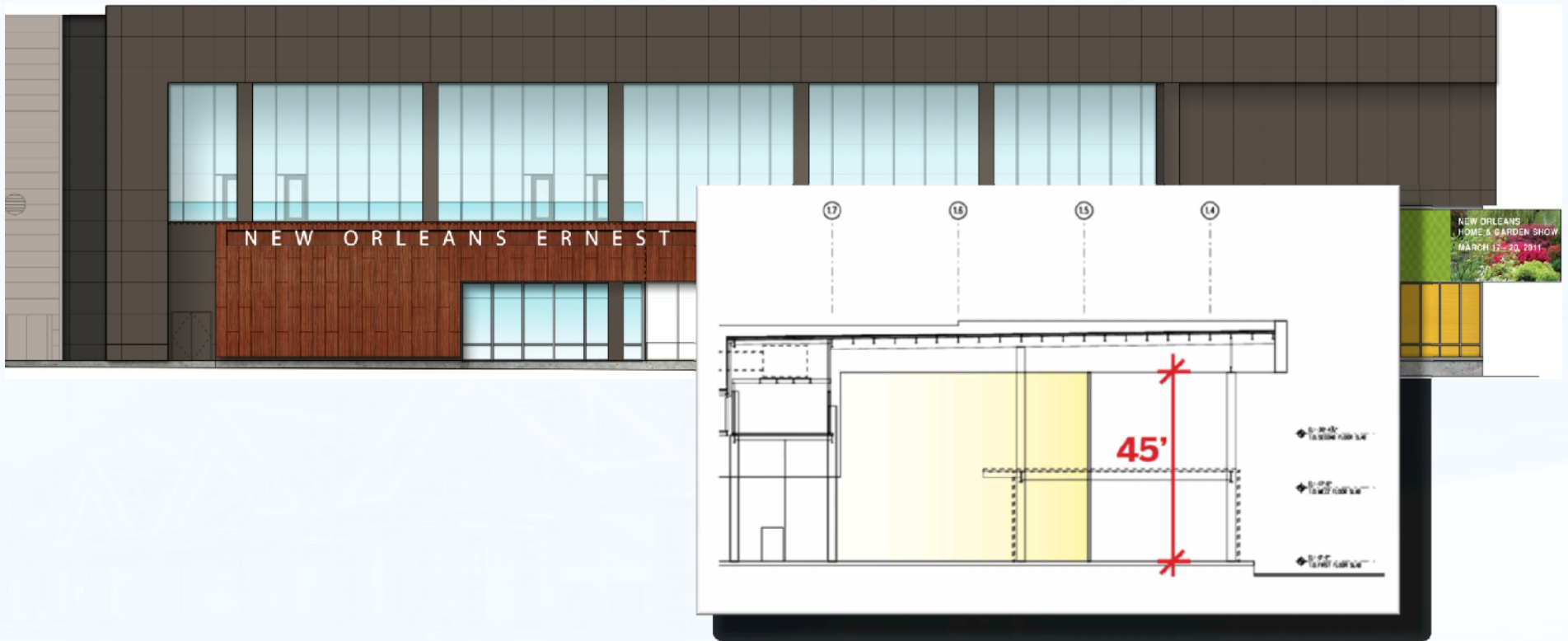
Features



Features



Features



Features



Features



Features



Features

