

Duff on Hospitality Law

GSB's Regional Hospitality Forums - Time to Build?

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“Out of the valley – Toward the peak” summarizes PKF Consulting USA’s predictions as offered by Chris Kraus, at the annual Northwest Hospitality Forums in Seattle, Washington and Portland, Oregon hosted by Garvey Schubert Barer’s [Hospitality, Travel & Tourism](#) practice group and program sponsors, [CBRE Hotels](#), [Premier Capital Associations, LLC](#) and PKF Consulting USA. The forums are designed for hotel owners, developers, investors and operators as well as hospitality industry service providers, consultants and lenders.

One suspects that most Forum attendees liked what they heard about the status of Northwest economy generally from economists Mathew Gardner of [Gardner Economics](#) and Mark McMullen, State Economist and Director of the [Oregon Office of Economic Analysis](#), and in particular the Northwest Hospitality Report from Chris Kraus. The linked [chart](#) offers Chris’s analysis regarding the hospitality industry’s place in the market cycle, and shows Seattle ahead of the curve.

Fueled, in part, by dramatically curtailed new development and supply over the last few years, Chris predicts above average increases in Occupancy, ADR and Rev Par in each year from 2013 – 2015. See Chris's forecast [here](#).

According to our panelists, the hospitality industry’s place in the market cycle, combined with strong multi-year forecasts for Occupancy, ADR and Rev Par, have caught the attention of investors, lenders and developers. According to Seattle Forum panelists, there is a growing appetite to finance and break ground on hotel development projects, especially for branded projects in markets with strong fundamentals. One can expect that significant increases in supply will curtail future forecasts somewhat, but owing to the development timeline, new supply is not expected to materially affect existing hotel performance for several years. Relatedly, panelists such as Shaiza Damji of [360 Hotel Group](#), and Bret Wirta of [Wirta Hospitality Worldwide](#), can expect to benefit from their perseverance in completing developing projects during the recession with new product coming on line in markets where few, if any, competitors are offering new development options to guests.

Those who attended in Seattle heard from Jeff McKee, [Premier Capital Associates, LLC](#), Tom Humann, [Banner Bank](#), Erik Houser, [Northwest Business Development](#), Bret Wirta, [Wirta Hospitality Worldwide](#) and Nick Losada, [Goldman Sachs](#), with regard to Debt and Equity

Financing, and from Scott Biethan, [CBRE Hotels](#), Bobby Molinary, [InterContinental Hotels Group](#), Shaiza Damji, [360 Hotel Group](#), Don Trainor, Trainor Management, Inc. and Julia Holden-Davis, Garvey Schubert Barer, with regard to Construction and Transactional Developments.

Those who attended in Portland heard from Jeff McKee, Kelly White, West Coast Bank, Jim Bright, [Northwest Business Development](#), Fred Smith, Burke Street Advisors and Nick Losada with regard to Debt and Equity Financing and from Chris Burdett, Bobby Molinary, Don Trainor, and Bashar Wali, [Provenance Hotels](#) and Julia Holden-Davis, with regard to Construction and Transactional Developments.

Garvey Schubert Barer's Hospitality, Travel & Tourism Practice Group, is pleased to bring together an amazing group of industry participants and we enjoyed catching up with many of our industry clients, friends and colleagues. We extend a special thanks to the program sponsors, and to all of the panel presenters. Complete agendas for the [Seattle](#) and [Portland](#) Forums are attached, and we encourage you to contact any one of our sponsors or presenters with your hospitality questions or business needs.

If you have questions about the Northwest Hospitality Forum or want more information about attending or speaking, please let [Greg](#) know. We look forward to seeing everyone again next year.