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VANCOUVER INTERNATIONAL AIRPORT HOTEL MARKET TRENDS

1998-1999-2000

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Now that the new hotel development has finally stopped for a while, it is time to assess the results of this four year cycle in the Richmond area of British Columbia, which services the Vancouver International Airport. Who were the developers? Why did they build at such a frenetic pace? What started the short-term hype for strata hotel ownership, called by some as HSO? Who are the owners of the Richmond hotels and who are the third party hotel management companies for those that are not self-managed? Let us start with the basic facts. In 4 years, 11 new hotels have been built, with 1,901 rooms and 3 of the hotels have been sold to strata investors. 671 rooms/suites or 35.3% were strata-titled units, but not all were sold to private investors.

This equates to a 122% increase in the number of hotels since 1996 and 89% in the number of hotel rooms.

Rooms Year open

- Holiday Inn Airport
165 1997
- Holiday Inn Express
107 1997
- Vancouver Airport Marriott Hotel (S)
237 1998
- Ramada Inn, Vancouver Airport
78 1998
- Sheraton Four Points Hotel
139 1998
- Executive Airport Plaza Hotel (S)
197 1998
- Hampton Inn Vancouver Airport
117 1999
- Hilton Vancouver Airport Hotel (S)
237 1999
- Sandman Hotel Vancouver Airport
172 1999

- Fairmont Hotel Vancouver Airport
392 1999
- Days Inn Vancouver Airport
66 2000

(S) Strata titled hotel units

Larco Developments who already owned the land and the Best Western Richmond Inn, which they purchased in the late 1980 s, developed the franchised Hilton and Marriott hotels. The Executive Airport Plaza was built by the Sayani family who own the Executive Inn Group Corporation and the older Executive Inn which was opened in 1985. Both Larco and the Executive Inn Group have their own management companies. The 2 Holiday Inn properties were built and are owned by the Jordan family and the hotels are operated by the Ocean Properties/Atlific Hotels Group, a US based family owned hotel owner and operator with over 74 hotels.

The Hampton Inn was developed by a local hotel group who has several small hotels in the lower mainland, Seattle and Oregon so they are experienced owners and operators. Canadian Pacific Hotels, now operating under the brand name **Fairmont Hotels**, built and operate the 4 diamond hotel which is located on top of the Vancouver International Airport s International Terminal building. This hotel is of comparable quality to the company s well known downtown Vancouver hotels. The Gaglardi family company, Northland Properties, built and operate the Sandman Hotel and have recently added 87 rooms to their downtown Vancouver hotel. The remaining hotels, Ramada Inn, Days Inn and Sheraton Four Points were developed by private investment groups and are operated independently. Two of these hotels tried hiring independent management companies but they are now self-managed. The Ramada Inn was sold in a court ordered sale last November and is now owned and managed by a private investor group.