

INN-TOUCH

Hospitality News

Brown Nester Hospitality Services

Brown Nester Hospitality Services - California

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From Our President: A Decade Ago!



Chuck Nester
President, CHB, CHA

I found the following article that I wrote back in 2004. It caught my attention because it sounds like I'm describing today's real estate market.

"2004 Hotel Real Estate Transactions at Record Pace, 2005 Promises More of the Same" by Chuck Nester

The pace of hotel real estate transactions accelerated through 2004, and 2005 promises a continuation of that trend, across the United States. After 3 years of sluggish activity, the combination of a rebounding economy, low interest rates and the cumulative effect of lower-than-average increases to supply began to bring buyers and sellers back to the market place in earnest in 2004. In talks with owners, brokers, and buyers around the country, it looks like 2005 promises to be as good, if not better than 2004 in number of transactions.

The positive changes in the economy have renewed buyers' and sellers' confidence in the future of hotel real estate, an optimism that has been relatively absent over the past 3-5 years. Buyers and sellers have spent the last 2 years holding off on doing much of anything. Consequently, this year there is a growing urge among buyers to let loose their pent-up demand and acquire quality properties to participate in the rebound.

Hotel Real Estate at a Glance Remember When!?

- 2004 / 2005 the strongest in recent years
- Interest rates to remain attractive
- 2004 / 2005 expected to be as good or better
- High buyer interest

Sounds like we've traveled back to the future!

INTRODUCING OUR NEW SALES ASSOCIATE: RANBIR MOHAN...



Ranbir Mohan
Sales Associate

(WESTLAKE VILLAGE, CA, July 2, 2014) – Brown Nester Hospitality Services – “The Most Trusted Name in Hotel Brokerage” – announced the addition of Ranbir Mohan as a sales associate, further expanding the company's comprehensive collection of services.

Prior to joining Brown Nester, Mohan was with the hospitality brokerage firm, Marcus and Millichap and he has extensive experience in private wealth management and has served in corporate finance with high-level companies like UBS, Paine Webber, Xerox, Clear Channel and Countrywide.

“There's no question that a hotel owner's greatest asset is his or her hotel and Ranbir's incredible results-oriented financial experience brings a whole new dimension to Brown Nester, allowing us to provide our clients with the optimal solution for their assets,” said Brown Nester President Chuck Nester.

Mohan will cover the southern California market from San Fernando Valley to San Diego. He may be reached at ranbirmohan@brownnester.com or 805-496-9797.

Proudly serving our clients from Coast to Coast

Economic Trends

By the numbers

 Reference: HM Editorial Staff
 Hotel and Motel Management
REVENUE**Levels on the rise**

Hotel industry revenue levels rose above an estimated \$163 billion in 2013.

INCOME**House profits and operating income**

House profits in the hospitality industry neared \$60 billion in 2013, with net operating income just over \$41 billion.

GROWTH**Outpacing operational expenses**

Revenue per available room grew 5.4 percent in 2013, leading to a gross operating profit of 9 percent.

EXPENSES**Operational expenses rise modestly**

Departmental and undistributed operating expenses rose just 3.8 percent and 2.8 percent, respectively, in 2013.

Source: STR Analytics Hotel Operating Statistics Almanac



Featured Property: Strong Historical NOI & Cash Flow...



Best Western Regency Inn
Marshalltown, Iowa



Design Excellence – PIP Complete!
“Qualifies for BW Automatic Membership Transfer”



TripAdvisor Traveler Rating:

**Presented by:**

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- 106 Rooms / Interior Corridor
- Strong Historical NOI & Cash Flow
- Highway Location
- New Revenue Generator: Approved Energy Plant coming to the area!
- 3 Diamond AAA Approved
- Design Excellence - PIP Complete
- Junction Bar & Grill
- Indoor Pool & 24 Hour Fitness Facility