

Global hotel pulse: Americas news

15 JANUARY 2020 8:52 AM

In this week's roundup of news from the Americas region: U.S. hotel performance backed by group demand in November; strategies to maintain profits in 2020; a handful of deals; and more.

By [the HNN editorial staff](#)

Hotel News Now each week features a news roundup from a different region of the world. Today's review covers the Americas.

US hotel performance helped by group demand in November

According to Jan Freitag, SVP of lodging insights at [STR](#), parent company of Hotel News Now, thanks to convention business in San Francisco and healthy demand at luxury and upper-upscale hotels, [overall revenue-per-available-room growth increased in November](#).

Freitag described November performance results as good, not great.

"November RevPAR increased 1.3%. In 2019, RevPAR has now increased eight of 11 months (meaning RevPAR decreased in 27% of the months). ADR was up 1%, which counts as 'good performance' these days. Occupancy increased slightly (+0.3%) as 2.4% demand growth outpaced the usual supply increase (+2%). The data was positively impacted by one market: San Francisco hosted the Dreamforce 2019 Salesforce conference (moved from September last year), and that city's result moved the U.S. data higher by 0.5 percentage points," he notes.

Ways to stay profitable in 2020

Although maintaining profitability was the name of the game in 2019, it's still top of mind for owners, operators and asset managers in 2020, reports HNN's Dana Miller. [Here's a glimpse at some of these experts' strategies](#).

"Of course we tend to focus on the big impact areas on the cost side, like labor—from executing on opportunities to adjust the operating model to be more efficient while better meeting guest expectations, to getting granular in forecast accuracy and labor scheduling based on volume," said Maxine Taylor, SVP of asset management at CHMWarnick. "However, there are also opportunities to be had on the revenue side, even in a slow growth period. Mind your mix—both from a channel and segment standpoint, and challenge operating teams to base their strategies on net RevPAR to ensure optimal profitability. Likewise, look for other revenue opportunities. When was the last time banquet menus were updated and compared to market? Is there an opportunity for increasing banquet pricing during peak periods? Does your hotel charge a destination fee, and does the team look for upsell opportunities at the desk and enforce early/late check-out fees? These are all examples of small tweaks that can have meaningful margin impact if implemented."

For more 2020 forecast content by the HNN editorial staff, [click here](#).

Marriott completes Elegant Hotels Group deal

Marriott International announced 9 December it completed the acquisition of Elegant Hotels Group

for £100.8 million (\$131 million), which will propel [the company's all-inclusive platform](#) and give Marriott a presence in Barbados, according to a news release.

The deal was first announced [in October 2019](#).

Deals, developments, people on the move

- Service Properties Trust has amended its agreements with Marriott, joining the real estate investment trust's 122 Marriott properties into one portfolio.
- BHG Hotels acquired the 161-room Crowne Plaza Portland-Lake Oswego. JLL brokered the sale.
- Park Hotels & Resorts sold the 410-room Le Méridien New Orleans for \$84 million to Stonebridge Companies and an affiliate of Walton Street Capital.
- Xenia Hotels & Resorts acquired the 600-key Hyatt Regency Portland at the Oregon Convention Center for \$190 million.
- Xenia also sold a pair of hotels, the 409-key Marriott Griffin Gate Resort and Spa in Lexington, Kentucky, and the 113-key Marriott Chicago at Medical District/UIC. The Lexington property sold for \$51.5 million and the Chicago property sold for \$10 million.
- PMB Properties sold the 352-room West Palm Beach Marriott to LR West Palm Beach for \$50 million.
- Carey Watermark Investors sold the 302-room, dual-brand Hampton Inn & Suites Downtown Denver and Homewood Suites by Hilton Downtown Denver for \$86.6 million to Noble Investment Group.
- The Clift Royal Sonesta Hotel in San Francisco officially reopened on 8 January after closing in September 2019 for an extensive, multimillion-dollar renovation.
- Raffles Boston Back Bay Hotel & Residences broke ground and is expected to open in 2022.
- AC Hotels by Marriott announced the opening of the 249-room AC Hotel Santiago Costanera Center as its debut into Chile.
- Radisson Hotel Group announced the opening of the 337-key [Radisson Bogotá ta Metrotel](#) in Bogotá, Colombia.
- Mandarin Oriental Hotel Group announced the 110-year-old Hotel Ritz, Madrid will open summer 2020 as Mandarin Oriental Ritz, Madrid, following an extensive restoration.
- Cabot, a Canadian developer and operator of a collection on residential, resort, golf club and master-planned communities, appointed Jules Cowan-Dewar as VP, sales and marketing.

Compiled by Dana Miller.