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For immediate release

Economic Conditions in the Louisville Metro Area Real Estate Market

LOUISVILLE, KENTUCKY, FEBRUARY 12, 2016 - Brandt Niehaus, President of Huff, Niehaus & Associates, Inc., participated in the 2016 Real Estate Economic Outlook forum on all sectors of the Louisville real estate market (i.e. retail, industrial, office, multi-family, residential, and hospitality and tourism). The forum was hosted by the Building Industry Association of Greater Louisville, the Kentucky Chapter of the CCIM Institute and the Louisville Apartment Association. The keynote speaker was Kevin Kliesen, Business Economist and Research Officer, Federal Reserve Bank of St. Louis.

Niehaus' presentation focused on the hospitality and tourism sector, noting that the closure of the Kentucky International Convention Center may cause slower revenue growth in 2016 than the US expected 5.0% growth. With KICC closed the entire year 2017, Niehaus expects a drop in hotel revenues for 2017.

For the four years 2015 - 2018, the Louisville downtown hotel market will grow from 4,051 to 5,559, for a 37.0% increase in supply. "After several very strong years of demand growth, demand is expected at 5.0% and 4.5% for 2016 and 2017, respectively, according to Smith Travel Research", Niehaus said. "An additional 547 rooms are expected to open in the suburban markets of Louisville Metro. That 13.2% city wide growth in supply well surpasses the 2.1% per year growth nationally for the last 20 years", Niehaus added. When questioned after the presentation about three more hotels in planning stages, Niehaus said that would cause supply to exceed 15% in the MSA. He asked, "Will demand grow that much?"



H. Brandt Niehaus, CHB, CCIM
President
Huff, Niehaus & Associates, Inc.

Huff, Niehaus & Associates, Inc., the Hotel Brokers International 2014 Broker of the Year and ten-time Regional Broker, is located in Louisville, Kentucky and licensed in Alabama, Indiana, Kentucky, Ohio and Tennessee. Since 1975, the company has evolved into a full-service real estate firm providing many

services exclusively to the hospitality industry and lenders, including Brokers' Opinions of Value, expert witness testimony and brokerage services.

Founded in 1959, Hotel Brokers International members lead the industry in hotel real estate sales. HBI hotel brokerage specialists have successfully negotiated more than 10,000 hotel real estate transactions and consistently account for the largest share of all select-service and economy hotel sales in the United States. The organization's database currently comprises more than 100 property listings and the HBI website attracts more than 55,000 monthly site visitors. Founder and host of the popular Hotel Investor's Marketplace Webcast, HBI also developed the Certified Hotel Broker professional designation program. In addition to hospitality real estate advisory services, HBI offers affiliate membership to professionals in allied fields, including franchising, lending, appraisals and investment services. For more information about HBI's hotel listings or to become a broker or affiliate member, visit www.hbihotels.com.

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