

Town of Whitby

Staff Report

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Report Title: Hotel Feasibility Study

Report to: Committee of the Whole

Date of meeting: June 9, 2025

Report Number: CAO 11-25

Department(s) Responsible:

Office of the Chief Administrative Officer

Submitted by:

Sarah Klein, Deputy CAO

**Acknowledged by M. Gaskell,
Chief Administrative Officer**

For additional information, contact:

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Economic Development, x4312

1. Recommendation:

1. That Report CAO 11-25 Hotel Feasibility Study be received for information; and,
2. That Council endorse Attachment 2 of this report to support staff in advancing and promoting the proposed hotel and conference centre in the Town of Whitby.

2. Highlights:

- As identified in the 2022-2026 Economic Development Strategy, Action 1.6 aims to attract a hotel and conference centre to Whitby.
- HVS Consulting & Valuation Services was contracted in July 2024 to complete a Hotel Feasibility Study for hotel development purposes.
- The purpose of the Hotel Feasibility Study was to assess the potential development for a hotel and conference centre in Whitby in order to share detailed metrics and analysis when promoting this opportunity to the hospitality investment community.
- This study addresses this action and provides the analysis to support the investment of a hotel and conference centre in Whitby.

- Following the approval of the report, Town of Whitby staff will market the hotel and conference centre opportunities to potential hospitality investors.

3. Background:

The Town of Whitby 2022-2026 Economic Development Strategy outlines Pillar 1: Strengthening Economic Development Capacity, which includes Action 1.6 – Attract a hotel and conference centre to Whitby by 2026. The desire for a large-scale meeting and event venue has been a long-standing need for Whitby, as facilities in neighbouring municipalities currently absorb the demand. In July 2024, the Town of Whitby engaged HVS Consulting & Valuation Services to conduct a feasibility study and market analysis for hotel development purposes. The scope of the work included the following:

- Assessment of the local hospitality market conditions and research on comparable facilities in Durham Region.
- Supply and Demand Analysis of Whitby's local lodging market.
- 10-year projections for demand and revenue for the optimal proposed development.

The work was undertaken in two phases:

- Phase One: Desktop research, including consulting with various staff members for engagement and statistical data review.
- Phase Two: Market analysis and revenue projections based on the data and information collected in Phase One. Based on these findings, recommendations were developed for a hotel with a conference centre, including detailed projections, location considerations, and occupancy forecasts.

Study Approach

As a part of this study, the consultants conducted a review of various sites in the Town of Whitby to identify the most financially viable approach for establishing a new hotel and conference centre. It should also be noted that this report refers to “conference centre” instead of “convention centre.” A convention centre is typically located in major cities or near airports, and hosts large-scale events, accommodating thousands of people. A conference centre is smaller in scale and can hold a few hundred to several thousand attendees, and is more appropriate for the Whitby market.

This study did not include construction and land costs, as the goal was to review the market conditions to advance this type of development project in Whitby. Specifically, the study highlights the market conditions and projection of income to share with the private sector for further discussions and to serve as a promotion and attraction tool.

4. Discussion:

The following summarizes the key findings of the Feasibility Study, outlining the ideal parameters and recommended approach for developing a new hotel and conference centre in Whitby.

Market Analysis

The economic vitality of Whitby and, to a larger extent, Durham Region is a key consideration for forecasting the demand and future income of a new hotel and conference centre. The Town of Whitby is one of the fastest-growing communities in Canada with an excellent transportation infrastructure and steady economic growth. Situated in Ontario's Golden Horseshoe, Whitby is a part of one of the most important economic hubs in the country and an appealing place for public and private investment.

Tourism Trends

Whitby's strategic location, strong economic fundamentals, and growing workforce make it a prime destination for businesses seeking long-term growth. Specifically, there are numerous opportunities in the hospitality, retail, and tourism sectors, due to the following key factors:

- Conference Activity—Whitby does not currently have a conference centre. The Ajax Convention Centre is the closest convention centre and offers 13,000 square feet of rentable space, holding up to 600 attendees.
- Major Projects —The Whitby Sports Complex, the new Lakeridge Health hospital in Whitby, and Dockside Whitby Development are just a few of the projects that will significantly impact Whitby's local economy.
- Growth – The current Official Plan Review estimates by the year 2031, the Town of Whitby is anticipated to reach a population of 176,360 people, 63,760 jobs and 58,670 households.
- Tourist Attractions - Whitby offers various attractions, including the Whitby Pier, Port Whitby Marina, Station Gallery, the longest entertainment centrum east of Toronto, Abilities Centre, award-winning events, two heritage downtowns, Thermea Spa Village, golf courses, a robust arts, culture and food scene and over 100 parks with playgrounds, splash pads, and sports fields.
- Airport Traffic—Airport Passenger Counts are an important indicator of lodging demand. Toronto Pearson International Airport anticipates 65 million passengers by the early 2030s, with various international events taking place in the coming years.

Supply and Demand

A review of the existing accommodation supply and demand was conducted to assess the need for a proposed hotel and conference centre in Whitby. The Greater Durham Region lodging market includes 14 branded hotels and motels with about 1,400 rooms,

4 of which, totaling 441 rooms, are in Whitby. These hotels (Attachment 1 – Figure 1) were used as the future competition for the proposed hotel based on proximity, price point, age, and product type.

Supply is measured by the number of guestrooms available, and demand is measured by the number of rooms occupied, with the net effect of supply and demand being represented by a prevailing price or average daily rate (ADR). The RevPAR or revenue per available room, is a metric that considers the ADR and occupancy rate.

Essentially, the RevPAR provides a comprehensive view of a hotel's performance. A review of national and provincial figures highlighted a drop in room supply and demand, which was growing steadily from 2010, but collapsed in 2020 due to the COVID-19 pandemic.

Occupancy was back in line with pre-pandemic levels, and the country finished 2022 with record-high RevPAR, supported by higher room rates. In addition, Ontario sustained continuous growth in RevPAR from 2010 to 2018, and with recent trends (2022-2024), the market has continued to make gains with higher room rates and occupancy (Attachment 1 - Figure 2).

After evaluating all fourteen hotels in Durham Region, five were identified and are expected to be the primary competition for the proposed hotel and conference centre. The other nine hotels are projected to play a secondary role in the competitive landscape (Attachment 1 - Figure 3).

The following summarizes key highlights from the five primary comparators:

- Four of the five hotels are located in Oshawa, with the remaining hotel in Ajax.
- Occupancy penetration index in 2023 was 100.4%. This index is a performance metric that compares a property's occupancy to the average occupancy in a competitive market. With an index over 100, these five properties are outperforming the market (i.e. room for more competition).
- Four of the five are located along Highway 401 and close to the waterfront.

It should be noted that this analysis was limited as most of the area conference centres, banquet halls, and event centres are owner-managed properties without a brand affiliation, making it difficult to collect industry supply and demand data. For this analysis, the consultants reviewed the physical attributes and operating performance where available.

Target market and group segments

The report identified the following top segments for existing demand in this growing market: commercial, leisure, and meeting & group segments.

The commercial segment, consisting mainly of individual business people passing through the market area, is the largest source of demand in the Whitby and Durham Region. This 55% represents business travellers visiting companies in manufacturing, technology, health and the many diverse sectors in Whitby.

The leisure segment consists of families and individuals focused on sightseeing, recreation and visiting family and friends. At 24%, this is a smaller, yet still substantial source of demand for the Whitby/Durham Region market. The leisure market has grown considerably over the last two years as Whitby benefits from being more affordable for travellers coming to Toronto. New attractions, such as Thermae Spa Village, have brought new demand to the segment. Sports tourism is also associated with this segment and is a significant impact in Whitby as it involves individuals or groups taking sports-focused vacations.

The meeting and group segment market is the smallest group at 21%, representing meetings, seminars, conferences, trade shows and other small gatherings. Sports teams, bus tours, social events and conferences are this group's primary sources of demand. Sports tourism can also be included in this segment as it involves organized groups attending large sporting events or large-scale sporting conferences and events (i.e. hockey tournaments).

Seasonality and Occupancy Rates

The market's seasonality trends indicate that the high season is from June to October, where the occupancy rates are in the low 80% range, with an average rate of \$167.14, and RevPAR is \$134.79. The most popular days are Fridays and Saturdays (>80% occupancy), with Mondays to Thursdays ranging from 70 – 76% occupancy rates.

Business travel, including commercial travellers and corporate groups, is the predominant source of demand from Monday to Thursday nights, with leisure and non-business groups taking up the demand on Fridays and Saturdays. Sundays consistently see the lowest demand year-round.

Locational Analysis

The consultants reviewed selected sites to determine the most suitable approach for a new hotel and conference centre in Whitby. Overall, the research suggests that the ideal location for a hotel and conference centre is near the waterfront, while an extended stay hotel would be best situated in North Whitby. The following provides an overview of these two opportunities:

Opportunity 1 - Hotel and Conference Centre

Close to the Whitby Waterfront

- Close to corporate offices, industrial zones and a growing residential base.
- Key drivers included the Whitby GO Station, Durham College, and the Iroquois Park Sports Centre, which hosts large sporting events.

- Growing retail hub with restaurants and entertainment options.
- Easy access to major arterial highways, including Highway 401, Highway 412, and connectivity to the GTA.
- This location would have the ideal visibility and accessibility, making it a unique opportunity for a conference centre.
- Internationally recognized upscale brands such as Four Points by Marriot, Hyatt Place by Hyatt, or Wyndham Garden by Wyndham should be targeted.

Opportunity 2 - Extended Stay Hotel

North Whitby

- An extended stay hotel offers long-term accommodation for guests (e.g. a week or longer stay).
- The number of guestrooms would be 100.
- Nearby commercial and industrial developments.
- Key projects such as Lakeridge Health's new hospital location in Whitby and multiple business parks under planning and construction would make the extended-stay hotel format the most suitable option.
- Internationally recognized midscale/upper mid-scale branding should be targeted at these sites.

Recommendations for Hotel and Conference Centre – Opportunity 1

Based on the market research and analysis, the following recommendations were formed:

Size and Branding

The hotel and conference centre should have approximately 150 rooms and be associated with an internationally recognized brand such as Four Points Marriott, Hilton Garden Inn by Hilton IHG, or Wyndham Garden by Wyndham. The conference centre or banquet hall should feature 11,000 square feet of meeting space and accommodate large events with up to 550 attendees, as well as 370 surface parking stalls. Depending on the building layout, the site required for the recommended facilities is estimated to range between 4 and 6 acres.

Type/Amenities

The hotel should include a restaurant, fitness centre, pool, market pantry, and laundry area. Ideally, an integrated design approach would physically connect the hotel and conference space, making it convenient for guests using both facilities.

Approach

A waterfront location has been identified as the optimal site for a potential hotel and conference centre. Given the analysis that highlighted the transportation infrastructure (i.e. GO Transit train service) and additional locational factors make this a unique destination. While the waterfront location is considered ideal, staff will also work with property owners of the other potential sites to explore opportunities for hospitality investment.

Financial Feasibility – Opportunity 1

Projection of Occupancy and Average Rate

A hotel's penetration factor measures how well a hotel is performing compared to its competitors in the same market area. Attachment 1 - Figure 4 depicts the Occupancy Forecast for the Proposed Facility for the years 2026 – 2029 and demonstrates that the proposed subject hotel is projected to stabilize with an occupancy level of 79% and a penetration rate of 100% by 2029. Occupancy shows how full a hotel is, with 65–75% considered healthy. A penetration rate of 100% or higher indicates the property is outperforming the market.

The study concluded that the Average Daily Rate (ADR) forecast for the proposed hotel, based on measuring existing target market and group segments, projected a market-wide ADR growth of 2.5%. This project's positioning based on location, brand affiliation, and new-build status was the basis for a higher-than-average projection.

Projected Revenue

The proposed hotel would begin with a base-year ADR of \$185.00, which is above many of the five primary competitors attained in 2023. This occupancy level is projected at 78% and an ADR of \$209.30 in 2029. Attachment 1 - Figure 5 summarizes the ADR forecast for the hotel and conference centre.

Based on the limited data for a conference centre, the 2029/2030 projected figures indicate an estimated 41,830 attendees, \$63.67 average revenue per attendee, and \$242.13 revenue per rentable square foot (Attachment 2 – p.9).

10-year Income Forecast

In order to project future income, the operating statements from the five hotels were chosen for their similarity to the proposed subject hotel and conference centre. In these statements, the following common measures of industry performance were reviewed and included: ratio to sales (RTS), amounts per available room (PAR), and amounts per occupied room night (POR). These statements and analysis (Attachment 1 - Figure 6A and 6B) indicate favourable revenue performance levels to share with hospitality investors.

It should be noted that this initial study did not address construction and land costs, as this will be the next stage in any future discussions with the development and investment community. Staff will engage with property owners to determine their interest in continuing discussions and advancing this potential investment opportunity.

Financial Feasibility – Opportunity 2

Projection of Occupancy and Average Rate

A hotel's penetration factor measures how well it performs compared to its competitors in the same market area. The Occupancy Forecast for the Proposed Extended Stay for the years 2026 – 2029 demonstrates that the proposed subject hotel is projected to stabilize with an occupancy level of 80% and a penetration rate of 106% by 2029. Occupancy shows how full a hotel is, with 65–75% considered healthy. A penetration rate of 100% or higher indicates the property is outperforming the market.

The study concluded that the Average Daily Rate (ADR) forecast for the proposed hotel, based on measuring existing target market and group segments, projected a market-wide ADR growth of 2.5%. This project's positioning based on location, brand affiliation, and new-build status was the basis for a higher-than-average projection.

Projected Revenue

The proposed hotel would begin with a base-year average daily rate (ADR) of \$168.70. This occupancy level is projected at 85% and an ADR of \$186.70 in 2029. Attachment 2 highlights the financial feasibility figures for Opportunity 2.

This initial study focused on the hotel and conference center and did not provide additional revenue metrics for an extended-stay hotel.

Economic Impact

A hotel and conference centre will deliver long-term economic value to the Town of Whitby. The proposed development will create jobs, increase tax revenue, and align with economic development, community, and tourism strategies. Job creation would be seen through the construction of this hotel and the resulting permanent positions associated with this project. Once established, indirect employment will result from this new development in a growing part of the Town. Once completed, this project will require the remittance of the Municipal Accommodation Taxes (MAT).

The MAT was established in July 2024, where all hotels and motels pay a 4% MAT to the Town of Whitby. The revenue from the MAT is allocated 50% to the Whitby Tourism Development Corporation, which is a municipal services corporation that supports the tourism industry and promotes the Town of Whitby. The remaining 50% is allocated to the Town of Whitby to fund tourism-related initiatives, including infrastructure. Additional municipal revenue potential includes development charges (one-time fees) to help pay for growth-related infrastructure and incremental property taxes once the hotel is built.

This investment opportunity is identified in the Town of Whitby 2022-2026 Economic Development Strategy outlines Pillar 1: Strengthening Economic Development Capacity, which recommended Action 1.6 – Attract a hotel and conference centre to Whitby by 2026. The investment would be a catalyst for development along the

waterfront and encourage investment in infrastructure, transit, and other public amenities.

Next Steps

To advance the hotel and conference centre investment opportunity, staff will follow up with the property owners of the reviewed sites and explore other potential sites that meet the parameters outlined in the feasibility study. Staff will also consider any appropriate Town-owned sites that could fulfill these requirements. The goal is to assess interest and promote the opportunity for investment with the data and analysis provided through this study.

Staff will also actively market the opportunity to potential investors in the hospitality sector, using Attachment 2 as a key promotional tool to support outreach efforts to the broader hospitality market. This marketing brochure will highlight the benefits of locating in Whitby, showcase potential amenities and attractions, and emphasize the market potential for hospitality investment.

Any recommendations resulting from these discussions will be brought back to Council for consideration and approval. In parallel, the Economic Development team will develop a communications plan to share the investment opportunity with the hospitality sector and generate broader awareness. Additionally, staff will reach out to the Whitby Tourism Development Corporation (WTDC) Board to identify further outreach opportunities and determine how this initiative aligns with their strategic planning process.

5. Financial Considerations:

The cost of the Hotel Feasibility Study was \$23,049, funded through the Economic Development Operating Account.

6. Communication and Public Engagement:

Economic Development will develop a communications plan to share this investment opportunity with the hospitality sector. Staff will also engage with the WTDC Board to explore additional outreach opportunities and assess how this investment initiative aligns with their strategic planning priorities. Attachment 2 will be used to pitch this investment opportunity to the greater hospitality market.

7. Input from Departments/Sources:

The internal review committee included the Senior Manager of Economic Development, the Senior Manager of Creative Communities, and the Manager of Events, Culture, and Tourism. Staff reviewed all draft reports and this final report.

8. Strategic Priorities:

This initiative is consistent with the Town's Community Strategic Plan, specifically Strategic Pillar 3: Whitby's Economy – Innovative and Competitive and focused on Objective 3.1 – Accelerate progress, create jobs, and drive economic growth. In addition, under Objective 3.2 - Attract and retain businesses and industry, Action 3.2.1 directly cites attracting a hotel and conference centre as a key action and deliverable.

9. Attachments:

Attachment 1 – Feasibility Study - Figures 1-6
Attachment 2 – Hotel marketing brochure

Whitby's Hotel Opportunities: Discover Something New

Presented by the Town of Whitby



whitby.ca/Invest





A Destination for Business, Culture, and Community

Whitby is a community with vision. We are a forward-thinking municipality committed to championing projects that reflect our growth and support the community's economic vitality, cultural diversity, and strategic significance. Attracting a hotel and conference centre has been identified as a key objective in the Town's 2023–2026 Community Strategic Plan, highlighting our commitment to bringing this long-standing community priority to life.

There is a significant opportunity for a new hotel and conference centre in the Town of Whitby. With our beautiful waterfront, close proximity to Whitby GO Station, and convenient access to Highway 401, this development offers a unique and well-positioned investment opportunity in a thriving corner of the Greater Toronto Area.



Whitby Entertainment Centrum



Historic Downtown Whitby



Station Gallery Art Gallery

Community Overview



An aerial view of the Whitby Marina and the waterfront community

Whitby is one of Canada's fastest growing communities located in the heart of Durham Region in southern Ontario. Whitby combines a small town welcoming atmosphere with the amenities of a larger urban centre. Whitby is known for its built and natural heritage, including the waterfront, parks, trails and greenspaces, two historic downtowns, and productive agricultural areas. Whitby currently has a variety of tourism assets including places like Station Gallery, Port Whitby Marina, the largest entertainment centrum east of Toronto, Abilities Centre, Iroquois Park Sports Centre, numerous award-winning events, golf courses, restaurants, and Canadian owned wellness attraction, Thermëa Spa Village.

QUICK FACTS



By **2031**, the Town of Whitby is expected to grow to a **population of 176,360**, with 63,760 jobs and 58,670 households.



The median household income is \$131,600, which is **18% higher than the National average**. In a 2024 community survey, 87% reported overall quality of life in Whitby as excellent or good.



We continue to be a **community of choice for development** as permit values exceeded over \$500 million in 2023. And our detached house prices are approximately 30 to 45% lower than other western and northern GTA communities.

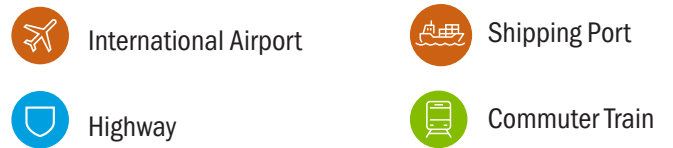


Whitby's diverse economy is supported by growth in the following sectors **advanced manufacturing, healthcare, technology, and retail**.

Location Advantage



- 45 minutes from the City of Toronto
- 13 million customers within an hour's drive
- Connected to three 400-series highways (Highways 401, 407, and 412)
- GO Train service into Toronto and major markets



Market Trends

The Town's strategic location makes it an ideal destination for businesses and visitors, offering diverse opportunities in the hospitality, retail, and tourism sectors. Several new projects include:

- The Whitby Sports Complex
- Lakeridge Health hospital
- Dockside Whitby Development
- Waterfront restaurant, park, and visitors centre



Artist's concept of the Whitby Sports Complex

Market Analysis in Greater Durham Region



Whitby currently lacks a conference centre. To assess the demand for a proposed hotel and conference centre, a review of existing accommodation supply and demand was conducted. Within the Greater Durham Region, the lodging market comprises 14 branded hotels and motels, offering approximately 1,400 rooms. Of these, Whitby accounts for 4 properties with a total of 441 rooms.

A conference centre would stimulate the economy, draw visitors, and support major events.

Primary Competitors by Year Opened

Hotels Included in Sample	Class	Competitive Status	Number of Rooms	Year Opened
Courtyard Oshawa	Upscale	Primary	115	November 2019
TownePlace Suites Oshawa	Upper Midscale	Secondary	96	November 2019
Holiday Inn Express & Suites Oshawa Downtown	Upper Midscale	Primary	125	March 2016
Homewood Suites by Hilton Ajax	Upscale	Secondary	104	May 2014
La Quinta Inns & Suites Oshawa	Upper Midscale	Secondary	59	November 2013
Hilton Garden Inn Ajax	Upscale	Primary	134	May 2006
Residence Inn Whitby	Upscale	Secondary	122	February 2005
Super 8 Ajax	Economy	Secondary	64	January 2003
Motel 6 Whitby	Economy	Secondary	123	June 2000
Holiday Inn Express Whitby Oshawa	Upper Midscale	Primary	92	January 2000
Quality Suites Whitby	Midscale	Secondary	104	November 1990
Travelodge by Wyndham Oshawa	Economy	Secondary	114	November 1989
Comfort Inn Oshawa	Upper Midscale	Secondary	77	June 1984
Best Western Plus Durham Hotel & Conference Centre Oshawa	Upper Midscale	Primary	84	June 1960

Total: 1,413

Target Market and Group Segments

The primary demand segments in the growing Whitby market include the commercial, meeting and group, and leisure sectors.



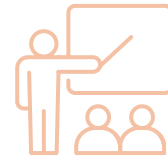
Commercial

The commercial segment, consisting mainly of individual business people passing through the market area, is the largest source of demand (55%) in the Whitby and Durham Region.



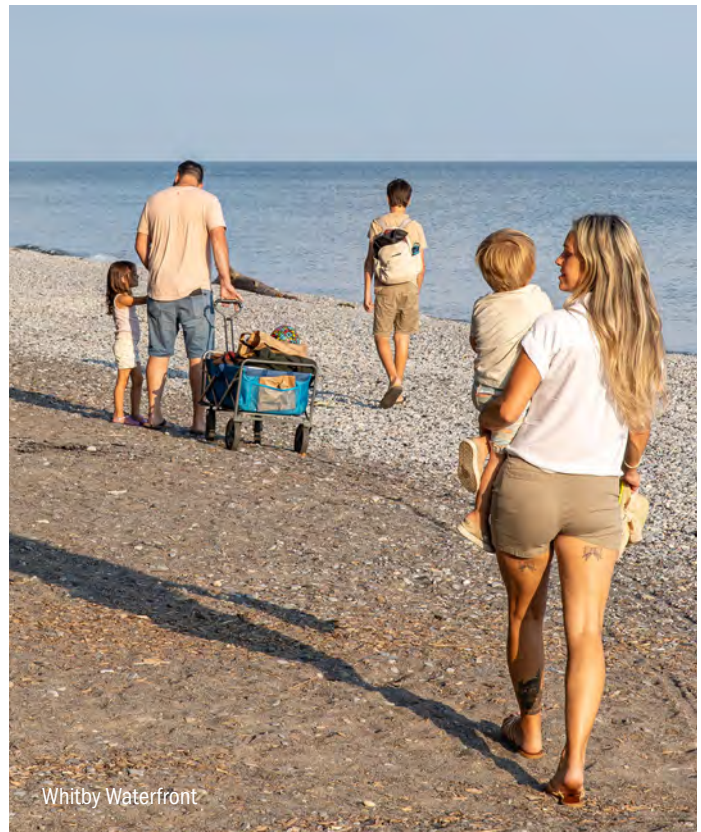
Leisure

The leisure segment consists of families and individuals focused on sightseeing, recreation, and visiting family and friends (24%).



Meeting and Group

The meeting and group segment market is the smallest group (21%) includes meetings, seminars, conventions, trade shows, and other small gatherings.



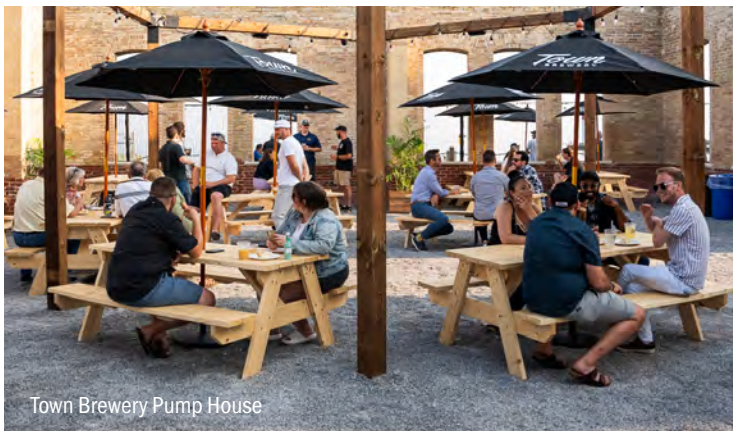
Whitby's market includes a variety of user groups from personal to business

Hotel and Conference Centre

A new hotel and conference centre would elevate Whitby as a key destination, offering a unique location to drive local economic growth.



- **Key nearby amenities:** Whitby GO Station, Durham College, Abilities Centre, and the Iroquois Park Sports Centre, which hosts large sporting events.
- **Cultural hub:** New restaurants, entertainment options, dockside events, and programming.
- **Locational Advantages:** Easy access to major arterial highways, including Highway 401, Highway 412, and connectivity to the GTA.
- **Prime Opportunity:** Location would have the ideal visibility and accessibility, making it a unique opportunity for a conference centre.



Town Brewery Pump House



Whitby's expansive waterfront area

Conference Centre Outlook

Projected Revenue

The proposed conference centre features 11,000 square feet of versatile event space, with the capacity to host up to 550 attendees. Designed to support a wide range of events, the facility is anticipated to require 4 to 6 acres, depending on the final building layout. The following table outlines the projected revenue metrics for the conference centre, providing insight into its strong potential as a high-performing, revenue-generating asset.

Projected Revenue | Hotel and Conference Centre

Year	Number of Attendees Estimated		Average Revenue Per Attendee Estimated		Revenue Per Rentable Square Foot	
	Total	% Change	Total	% Change	Total	% Change
2026/27	25,098		\$60.00		\$136.90	
2027/28	33,464	33.3%	\$61.20	2.0%	\$186.18	36.0%
Stabilized	41,830	25.0%	\$62.42	2.0%	\$237.38	27.5%
2029/30	41,830	0.0%	\$63.67	2.0%	\$242.13	2.0%



A Profitable Vision

The proposed hotel and conference centre presents a compelling investment opportunity, backed by strong market fundamentals and projected performance. With anticipated high occupancy levels, average daily rate (ADR) growth, and a strategic location, the development is well-positioned to deliver attractive returns and long-term value for hospitality investors.

Occupancy and ADR Projections

The figure below forecasts that the proposed hotel will stabilize at 79% occupancy with a 100% penetration rate by 2029, indicating strong market performance. A 2.5% annual ADR growth is projected, with above-average rates expected due to the hotel's location, brand, and new-build status. Demand refers to the overall market segmented by travel type, indicating the projected number of room nights a hotel can sell.

Occupancy Forecast by Market Segment | Hotel and Conference Centre

Market Segment	2026	2027	2028	2029
Commercial				
Demand	167,838	174,106	178,122	181,598
Market Share	3.5%	11.3%	12.3%	12.8%
Capture	5,851	19,613	21,838	23,158
Penetration	76%	87%	96%	100%
Leisure				
Demand	81,893	85,276	87,168	88,858
Market Share	2.6%	9.3%	9.6%	9.8%
Capture	2,125	7,907	8,338	8,682
Penetration	61%	73%	75%	77%
Meeting and Group				
Demand	61,673	65,037	66,532	67,800
Market Share	4.3%	13.3%	15.9%	16.9%
Capture	2,630	8,637	10,578	11,461
Penetration	92%	103%	125%	133%
Total Room Nights Captured	10,606	36,156	40,753	43,301
Available Room Nights	18,300	54,750	54,750	54,750
Subject Occupancy	58%	66%	74%	79%
Market-wide Available Room Nights	366,964	417,603	429,788	429,788
Fair Share	5%	13%	13%	13%
Market-wide Occupied Room Nights	280,463	318,299	331,822	338,256
Market-wide Occupancy	76%	76%	77%	79%
Total Penetration	76%	87%	96%	100%

Market Outlook

Projected Revenue

The proposed hotel and conference centre would begin with a base-year ADR of \$185.00, which is above many of the five primary competitors attained in 2023. This occupancy level is projected at 78% and an ADR of \$209.30 in 2029.

ADR Forecast | Hotel and Conference Centre

Positioned Historical 2023	2024	2025	2026	2027	2028	2029	
Commercial							
Average Rate Growth	0.0%	2.5%	2.5%	2.5%	2.5%	2.5%	
Captured Room Nights	–	–	5,851	19,613	21,838	23,158	
Rooms Revenue	–	–	\$1,161,422	\$3,990,317	\$4,553,981	\$4,950,100	
Average Rate	\$188.92	\$188.92	\$193.65	\$198.49	\$203.45	\$208.54	\$213.75
Leisure							
Average Rate Growth	0.0%	2.5%	2.5%	2.5%	2.5%	2.5%	
Captured Room Nights	–	–	2,125	7,907	8,338	8,682	
Rooms Revenue	–	–	\$466,354	\$1,778,890	\$1,922,797	\$2,052,289	
Average Rate	\$208.92	\$208.92	\$214.15	\$219.50	\$224.99	\$230.61	\$236.38
Meeting and Group							
Average Rate Growth	0.0%	2.5%	2.5%	2.5%	2.5%	2.5%	
Captured Room Nights	–	–	2,630	8,637	10,578	11,461	
Rooms Revenue	–	–	\$439,070	\$1,478,091	\$1,855,548	\$2,060,736	
Average Rate	\$158.92	\$158.92	\$162.90	\$166.97	\$171.14	\$175.42	\$179.81
Total							
Average Rate Growth	0.0%	2.5%	2.8%	2.9%	2.0%	2.4%	
Captured Room Nights	–	–	10,606	36,156	40,753	43,301	
Rooms Revenue	–	–	\$2,066,846	\$7,247,297	\$8,332,325	\$9,063,125	
Average Rate	\$185.00	\$185.00	\$189.63	\$194.88	\$200.44	\$204.46	\$209.30
Average Rate Penetration	111.6%	111.6%	111.6%	111.9%	112.3%	111.8%	111.6%
Market-wide ADR Growth	0.0%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
Market-wide ADR	\$165.71	\$165.71	\$169.85	\$174.10	\$178.45	\$182.91	\$187.48

Three-Year Income Forecast

To project future income, operating statements from five comparable hotels were analyzed using key industry metrics: ratio to sales (RTS), per available room (PAR), and per occupied room night (POR). The results in the figure below show strong revenue performance, supporting investor interest.

Three-Year Income Forecast | Hotel and Conference Centre

	2026/27		2027/28		2028/29	
Number of Rooms	150		150		150	
Occupied Rooms	34,493		39,420		42,705	
Occupancy	63%		72%		78%	
Average Rate (% of)	\$198.58	% of	\$203.12	% of	\$207.68	% of
RevPAR (Gross)	\$125.11	Gross	\$146.24	Gross	\$161.99	Gross
Operating Revenue (in \$000)						
Rooms	\$6,850	67.8%	\$8,007	69.3%	\$8,869	69.3%
Food and Beverage	\$3,079	30.5%	\$3,459	29.2%	\$3,744	29.2%
Other Operated Department	\$87	0.9%	\$92	0.8%	\$96	0.7%
Miscellaneous Income	\$87	0.9%	\$92	0.8%	\$96	0.7%
Total Operating Revenues	\$10,103	100%	\$11,649	100%	\$12,805	100%



Extended-Stay Hotel

An extended-stay hotel would address a key gap in Whitby’s accommodations, serving business and leisure travelers and aiding economic growth.



- **Lifestyle and Leisure Amenities:** Access to renowned golf courses, Thermēa Spa Village, new Whitby Sports Complex, and an emerging culinary scene make Whitby an attractive destination for multi-day stays.
- **Post-Secondary Institutions:** Proximity to Durham College, Ontario Tech University, and Trent University Durham generates demand from visiting faculty, students, and families.
- **Locational Advantages:** Centrally positioned in Durham Region with easy access to Highways 401, 412, and 407, and served by GO Transit, Whitby offers convenient regional and GTA connectivity.



Thermēa Spa Village | Whitby



Royal Ashburn Golf Club

A Profitable Vision

The proposed extended-stay hotel presents a compelling investment opportunity. The following forecasts that the proposed hotel will stabilize at 85% occupancy with a 106% penetration rate by 2029, indicating strong market performance. A 2.5% annual ADR growth is projected, with above-average rates expected due to the hotel's location, brand, and new-build status.

Occupancy Forecast by Market Segment | Extended-Stay Hotel

Market Segment	2026	2027	2028	2029
Commercial				
Demand	112,187	115,795	118,625	120,958
Market Share	1.8%	6.8%	7.5%	7.7%
Capture	2,049	7,855	8,911	9,373
Penetration	51%	68%	76%	79%
Leisure				
Demand	64,376	66,376	67,877	69,212
Market Share	3.0%	9.4%	10.0%	10.2%
Capture	1,901	6,237	6,815	7,046
Penetration	90%	95%	102%	103%
Meeting and Group				
Demand	46,593	48,053	49,105	50,072
Market Share	2.0%	6.5%	6.9%	7.4%
Capture	946	3,114	3,385	3,684
Penetration	57%	65%	70%	75%
Extended-Stay				
Demand	52,102	53,665	55,275	56,380
Market Share	4.7%	17.5%	18.7%	19.4%
Capture	2,456	9,377	10,359	10,934
Penetration	136%	175%	190%	197%
Total Room Nights Captured	7,352	26,583	29,471	31,037
Available Room Nights	12,200	36,500	36,500	36,500
Subject Occupancy	60%	73%	81%	85%
Market-wide Available Room Nights	319,254	357,743	369,928	369,928
Fair Share	4%	10%	10%	10%
Market-wide Occupied Room Nights	250,112	277,710	290,881	296,622
Market-wide Occupancy	78%	78%	79%	80%
Total Penetration	77%	94%	103%	106%

Market Outlook

Projected Revenue

The proposed extended-stay hotel would begin with a base-year ADR of \$168.71. This occupancy level is projected at 85% and an ADR of \$186.70 in 2029.

ADR Forecast | Extended-Stay Hotel

Positioned Historical 2023	2024	2025	2026	2027	2028	2029	
Commercial							
Average Rate Growth	0.0%	2.5%	2.5%	2.5%	2.5%	2.5%	
Captured Room Nights	–	–	2,049	7,855	8,911	9,373	
Rooms Revenue	–	–	\$363,126	\$1,427,175	\$1,659,489	\$1,789,172	
Average Rate	\$168.71	\$168.71	\$172.93	\$177.25	\$181.68	\$186.22	\$190.88
Leisure							
Average Rate Growth	0.0%	2.5%	2.5%	2.5%	2.5%	2.5%	
Captured Room Nights	–	–	1,901	6,237	6,815	7,046	
Rooms Revenue	–	–	\$376,907	\$1,267,541	\$1,419,594	\$1,504,315	
Average Rate	\$188.71	\$188.71	\$193.43	\$198.26	\$203.22	\$208.30	\$213.51
Meeting and Group							
Average Rate Growth	0.0%	2.5%	2.5%	2.5%	2.5%	2.5%	
Captured Room Nights	–	–	946	3,114	3,385	3,684	
Rooms Revenue	–	–	\$157,809	\$532,182	\$593,047	\$661,495	
Average Rate	\$158.71	\$158.71	\$162.68	\$166.74	\$170.91	\$175.19	\$179.57
Extended-Stay							
Average Rate Growth	0.0%	2.5%	2.5%	2.5%	2.5%	2.5%	
Captured Room Nights	–	–	2,456	9,377	10,359	10,934	
Rooms Revenue	–	–	\$383,739	\$1,501,646	\$1,700,439	\$1,839,712	
Average Rate	\$148.71	\$148.71	\$152.43	\$156.24	\$160.14	\$164.15	\$168.25
Total							
Average Rate Growth	0.0%	2.5%	3.1%	2.0%	2.5%	2.4%	
Captured Room Nights	–	–	7,352	26,583	29,471	31,037	
Rooms Revenue	–	–	\$1,281,581	\$4,728,544	\$5,372,570	\$5,794,694	
Average Rate	\$165.00	\$165.00	\$169.13	\$174.31	\$177.88	\$182.30	\$186.70
Average Rate Penetration	97.1%	97.1%	97.1%	97.7%	97.2%	97.2%	97.2%
Market-wide ADR Growth	0.0%	2.5%	2.5%	2.5%	2.5%	2.5%	
Market-wide ADR	\$169.85	\$169.85	\$174.10	\$178.45	\$182.91	\$187.48	\$192.17



Royal Ashburn Golf Club

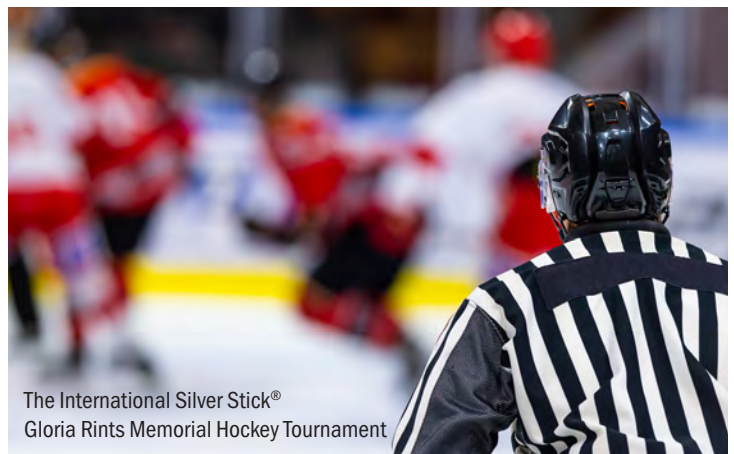
Sports Tourism

Whitby is a dynamic destination for athletic travel, hosting events in hockey, lacrosse, and curling. With impressive facilities like the Abilities Centre and Iroquois Park Sports Centre, it attracts athletes and teams year-round. Soon, Whitby will feature Canada's first Zero Carbon building and LEED Gold facility, including a twin pad arena, gymnasium, and aquatics facility.

- Whitby welcomes 5.7 million guests annually. The Durham Parasport Games brought \$702,853 in economic impact to the region.
- The annual International Silver Stick hockey tournaments generated over \$5 million in economic impact for the community in 2023.
- The Town works with Sport Durham to attract larger sports tourism events.
- Whitby's marina hosts more than 200 fishing charters annually, with postal code data revealing strong interest from visitors coming from Quebec.



Iroquois Park Sports Centre



The International Silver Stick®
Gloria Rints Memorial Hockey Tournament

Historic Downtowns

Our downtowns are the heart of our community, embodying our past, present, and future. These vibrant hubs of creativity and economic diversity draw visitors, businesses, and talent alike. Whitby proudly boasts **two** historic downtowns - Downtown Whitby and Downtown Brooklin - each full of character and charm. Here, you'll find:

- A rich mix of unique restaurants, boutique shops, spas, fitness studios, and lively entertainment options.
- Farmers' Markets brimming with fresh produce, homemade baked goods, and artisan creations.
- Year-round events and programming, from the lively Music in the Park and Culture in the Square to festive holiday markets and beyond.
- Stunning public art, including murals, sculptures, and creative placemaking to immerse yourself in our arts and culture scene.



Downtown Brooklin Harvest Festival



Bohemian Bliss Yoga class at Jacked Up Coffee



Balti Indian Restaurant



Whitby Farmers' Market



Whitby's Waterfront



The Lake Grill



Culture Pop-Up event at the Whitby Pier



Waterfront Trail

Discover Something New

Whitby's waterfront is a lively destination, featuring the award-winning Whitby Marina and the scenic Waterfront Trail. Whether you're kayaking on Lake Ontario, enjoying a craft brew at Town Brewery Pump House, or dining at The Lake Grill, Port Whitby offers a perfect mix of relaxation and recreation.

Reconnect with your mind and body through wellness experiences in Whitby. The luxurious Thermëa Spa Village offers the widest selection of wellbeing experiences in North America, while the Town has over 100 parks with playgrounds, splash pads, and sports fields.



Enjoying the Waterfront Trail

Choose Whitby Let's Grow Together

Whitby is a vibrant and growing hub where innovation, tourism, and economic opportunity come together. Investing in a hotel here means more than opening your doors to guests—it means becoming part of a forward-thinking community with a bright future. From planning to opening day and beyond, we're here to support you every step of the way.



For more information please contact:
Karol Murillo Corrigan, Senior Manager,
Economic Development
invest@whitby.ca | 905-430-4312
whitby.ca/Invest



Attachment 1 - Figure 1

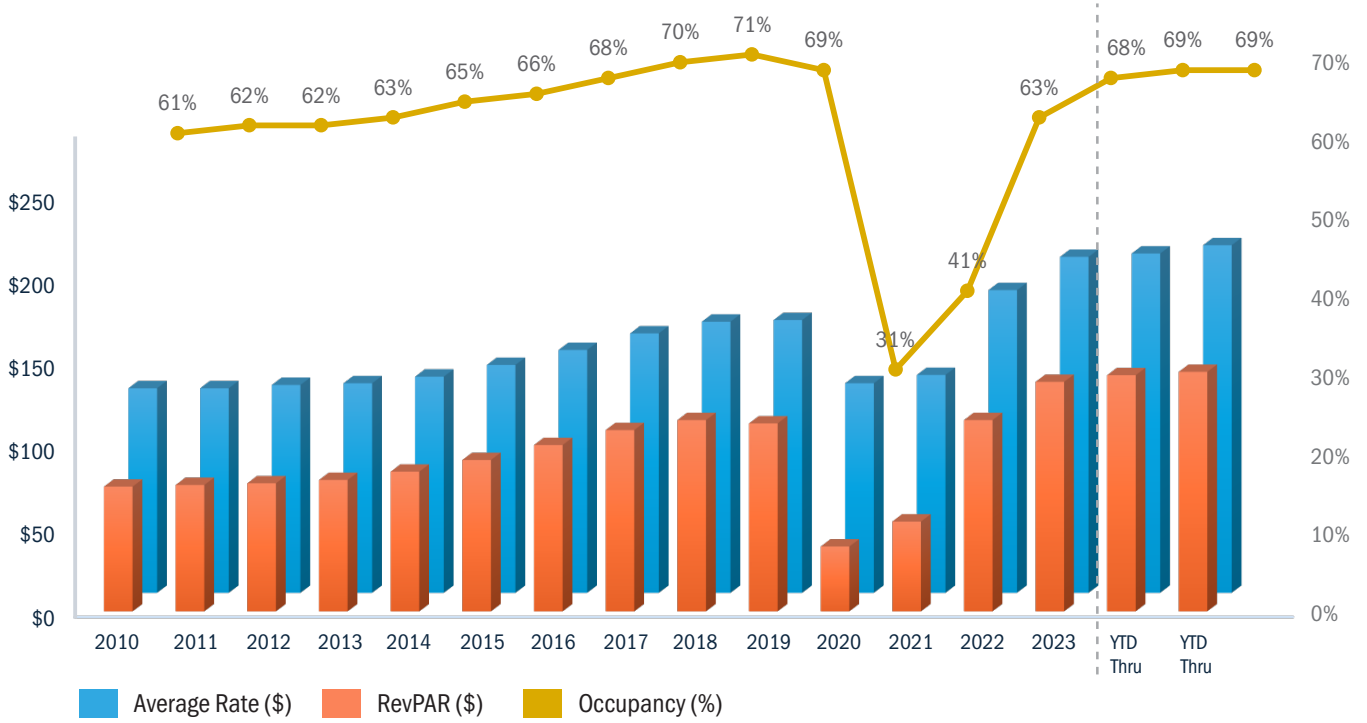
Primary Competitors by Year Opened

Hotels Included in Sample	Class	Competitive Status	Number of Rooms	Year Opened
Courtyard Oshawa	Upscale	Primary	115	November 2019
TownePlace Suites Oshawa	Upper Midscale	Secondary	96	November 2019
Holiday Inn Express & Suites Oshawa Downtown	Upper Midscale	Primary	125	March 2016
Homewood Suites by Hilton Ajax	Upscale	Secondary	104	May 2014
La Quinta Inns & Suites Oshawa	Upper Midscale	Secondary	59	November 2013
Hilton Garden Inn Ajax	Upscale	Primary	134	May 2006
Residence Inn Whitby	Upscale	Secondary	122	February 2005
Super 8 Ajax	Economy	Secondary	64	January 2003
Motel 6 Whitby	Economy	Secondary	123	June 2000
Holiday Inn Express Whitby	Upper Midscale	Primary	92	January 2000
Quality Suites Whitby	Midscale	Secondary	104	November 1990
Travelodge by Wyndham Oshawa	Economy	Secondary	114	November 1989
Comfort Inn Oshawa	Upper Midscale	Secondary	77	June 1984
Best Western Plus Durham Hotel & Conference Centre Oshawa	Upper Midscale	Primary	84	June 1960

Total: 1,413

Attachment 1 - Figure 2

Ontario Occupancy and Average Rate Trends



Attachment 1 - Figure 3

Primary Competitors

Property	Number of Rooms	Commercial	Leisure	Meetings & Groups	WARC	Occupancy	Average Rate	RevPAR	Occupancy Penetration	Yield Penetration
Best Western Plus Durham Hotel & Conference Centre	84	40%	25%	35%	84	60-65%	\$140 - 150	\$90 - 95	80 - 85%	70 - 75%
Holiday Inn Express & Suites Oshawa Downtown	125	40%	25%	35%	125	65-70%	\$160 - 170	\$110 - 115	90 - 95%	85 - 90%
Holiday Inn Express Whitby	92	65%	20%	15%	92	85 - 90%	\$160 - 170	\$140 - 150	110 - 120%	110 - 120%
Hilton Garden Inn Ajax	134	60%	25%	15%	134	80 - 85%	\$170 - 180	\$150 - 160	110 - 120%	120 - 130%
Courtyard by Marriott Oshawa	115	50%	20%	30%	115	65 - 70%	\$170 - 180	\$120 - 125	90 - 95%	95 - 100%
Sub-Totals / Averages	550	52%	25%	23%	550	74.8%	\$168.41	\$125.98	100.4%	102.0%
Secondary Competitors	863	60%	14%	25%	342	74.1%	\$161.31	\$119.47	99.4%	96.7%
Totals / Averages	1,413	55%	21%	24%	892	74.5%	\$165.71	\$123.49	100.0%	100.0%

Specific occupancy and average rate data are used in our analysis, but ranges are presented in the above table to preserve confidentiality.

Attachment 1 - Figure 4

Occupancy Forecast by Market Segment

Market Segment	2026	2027	2028	2029
Commercial				
Demand	167,838	174,106	178,122	181,598
Market Share	3.5%	11.3%	12.3%	12.8%
Capture	5,851	19,613	21,838	23,158
Penetration	76%	87%	96%	100%
Leisure				
Demand	81,893	85,276	87,168	88,858
Market Share	2.6%	9.3%	9.6%	9.8%
Capture	2,125	7,907	8,338	8,682
Penetration	61%	73%	75%	77%
Meeting and Group				
Demand	61,673	65,037	66,532	67,800
Market Share	4.3%	13.3%	15.9%	16.9%
Capture	2,630	8,637	10,578	11,461
Penetration	92%	103%	125%	133%
Total Room Nights Captured	10,606	36,156	40,753	43,301
Available Room Nights	18,300	54,750	54,750	54,750
Subject Occupancy	58%	66%	74%	79%
Market-wide Available Room Nights	366,964	417,603	429,788	429,788
Fair Share	5%	13%	13%	13%
Market-wide Occupied Room Nights	280,463	318,299	331,822	338,256
Market-wide Occupancy	76%	76%	77%	79%
Total Penetration	76%	87%	96%	100%

Attachment 1 - Figure 5

ADR Forecast

Positioned Historical 2023	2024	2025	2026	2027	2028	2029	
Commercial							
Average Rate Growth	0.0%	2.5%	2.5%	2.5%	2.5%	2.5%	
Captured Room Nights			5,851	19,613	21,838	23,158	
Rooms Revenue			\$1,161,422	\$3,990,317	\$4,553,981	\$4,950,100	
Average Rate	\$188.92	\$188.92	\$193.65	\$198.49	\$203.45	\$208.54	\$213.75
Leisure							
Average Rate Growth	0.0%	2.5%	2.5%	2.5%	2.5%	2.5%	
Captured Room Nights			2,125	7,907	8,338	8,682	
Rooms Revenue			\$466,354	\$1,778,890	\$1,922,797	\$2,052,289	
Average Rate	\$208.92	\$208.92	\$214.15	\$219.50	\$224.99	\$230.61	\$236.38
Meeting and Group							
Average Rate Growth	0.0%	2.5%	2.5%	2.5%	2.5%	2.5%	
Captured Room Nights			2,630	8,637	10,578	11,461	
Rooms Revenue			\$439,070	\$1,478,091	\$1,855,548	\$2,060,736	
Average Rate	\$158.92	\$158.92	\$162.90	\$166.97	\$171.14	\$175.42	\$179.81
Total							
Average Rate Growth	0.0%	2.5%	2.8%	2.9%	2.0%	2.4%	
Captured Room Nights			10,606	36,156	40,753	43,301	
Rooms Revenue			\$2,066,846	\$7,247,297	\$8,332,325	\$9,063,125	
Average Rate	\$185.00	\$185.00	\$189.63	\$194.88	\$200.44	\$204.46	\$209.30
Average Rate Penetration	111.6%	111.6%	111.6%	111.9%	112.3%	111.8%	111.6%
Market-wide ADR Growth	0.0%	2.5%	2.5%	2.5%	2.5%	2.5%	
Market-wide ADR	\$165.71	\$165.71	\$169.85	\$174.10	\$178.45	\$182.91	\$187.48

Attachment 1 - Figure 6

Three-Year Income Forecast | Figure 6A

	2026/27		2027/28		2028/29	
Number of Rooms	150		150		150	
Occupied Rooms	34,493		39,420		42,705	
Occupancy	63%		72%		78%	
Average Rate (% of)	\$198.58	% of	\$203.12	% of	\$207.68	% of
RevPAR (Gross)	\$125.11	Gross	\$146.24	Gross	\$161.99	Gross
Operating Revenue (in \$000)						
Rooms	\$6,850	67.8%	\$8,007	69.3%	\$8,869	69.3%
Food and Beverage	\$3,079	30.5%	\$3,459	29.2%	\$3,744	29.2%
Other Operated Department	\$87	0.9%	\$92	0.8%	\$96	0.7%
Miscellaneous Income	\$87	0.9%	\$92	0.8%	\$96	0.7%
Total Operating Revenues	\$10,103	100%	\$11,649	100%	\$12,805	100%

10-Year Income Forecast | Figure 6B

	2026/27		2030/31		2035/36	
Number of Rooms	150		150		150	
Occupied Rooms	34,493		42,705		42,705	
Occupancy	63%		78%		78%	
Average Rate (% of)	\$198.58	% of	\$216.07	% of	\$238.56	% of
RevPAR (Gross)	\$125.11	Gross	\$168.54	Gross	\$186.08	Gross
Operating Revenue (in \$000)						
Rooms	\$6,850	67.8%	\$9,227	69.3%	\$10,188	69.3%
Food and Beverage	\$3,079	30.5%	\$3,895	29.2%	\$4,300	29.2%
Other Operated Department	\$87	0.9%	\$100	0.7%	\$110	0.7%
Miscellaneous Income	\$87	0.9%	\$100	0.7%	\$110	0.7%
Total Operating Revenues	\$10,103	100%	\$13,322	100%	\$14,709	100%