

Flower of the month: MAILE

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The maile is a long lasting, open-ended lei made of the maile stems and leaves. The maile is most often reserved for memorable occasions.



SKYLINE AT ISLAND COLONY



October 2015

ISLAND COLONY PARTNERS NEWSLETTER

ALOHA Island Colony Partners - The holiday season is upon us and everyone is invited to enjoy festive and free performances at various locations in Waikiki including the Royal Grove at the Royal Hawaiian Center which presents Hawaii's top entertainers, hula halau and talented community groups.

HOTEL PERFORMANCE

Below is an abbreviated statistical presentation of Revenue per Available Room (RevPAR) and composite of Average Daily Rate (ADR) for the month of October 2015 versus October 2014:

E Star Report	Skyline 10/2015	Comp Set 10/2015	Skyline 10/2014	Comp Set 10/2014
RevPAR	\$115.10	\$132.83	\$123.11	\$128.41
ADR	\$122.42	\$154.53	\$132.28	\$156.58

[2015 Comp Set = similar competitor hotels including Hyatt Place Waikiki Beach, Aqua Pacific Monarch, OHANA Waikiki Malia, Ilima Hotel and Joie De Vivre Coconut Waikiki Hotel]

The following chart shows percentage changes in Occupancy, ADR, and RevPAR for the month of October 2015, year-to-date, running three months, and running twelve months, for Skyline at Island Colony as compared to our competitive set:

	Current	Month	Year to	Date	Running 3	Months	Running 12	Months
	Skyline	Comp Set	Skyline	Comp Set	Skyline	Comp Set	Skyline	Comp Set
Occupancy	1.0%	4.8%	0.3%	0.5%	-0.4%	2.2%	0.8%	1.0%
ADR	-7.5%	-1.3%	-4.2%	0.6%	-4.8%	-1.5%	-2.1%	2.2%
RevPAR	-6.5%	3.4%	-3.8%	1.2%	-5.1%	-0.7%	-1.2%	3.2%

Skyline at Island Colony's occupancy for October reached 94.0%, versus our competitive set at 86.0%. Demand in Waikiki remained low as we continue through our slow period. Room nights in Waikiki were down due to the closure of several properties but we were unable to capitalize on bookings. We continue to have great base with a large group in-house that is scheduled to check out in mid-December. We continue to yield rates against our competitive set and closely monitor what rates other properties are selling throughout Waikiki.

Comp set hotels include - Hyatt Place Waikiki Beach, Ilima Hotel, OHANA Waikiki Malia and Joie de Vivre Coconut Waikiki Hotel



FINAL NOVEMBER RESULTS:

We will finish the month of November above 90% occupancy. Our slow period continued through November with lower rates to fill occupancy. The IFEBP Conference in Waikiki and a military ship in port contributed to some great business but in the end, we fell a little short of our revenue goals

FUTURE OUTLOOK:

December continues to pace ahead of last year with higher rates during the Marathon period and year end. The first week of December remains weak though as the trend from the past three months continues. Once we move past this hurdle, we enter our peak season which takes us through the end of February and beginning of March.

PARTNERSHIP NEWS:

The Mezzanine level is currently undergoing painting renovations. We are excited about this upgrade that it will be complete before the New Year. During this time, the Partnership office will still be open during regular business hours.

AOAO UPDATE:

Fire System: Work continues on the property fire system upgrade. Contractors are on the 40th and 41st floors and are working their way up the building. Once contractors have installed all the new devices, they will work to tie everything together in a new fire panel to be located at the new Security Office.

Cameras in Hallways: This project is ongoing in conjunction with the hallway renovation which is still in progress.

RENOVATION STATUS:

The renovation of the remaining non-renovated units has been delayed due to the high demand of construction services and the high cost to hire another contractor. Therefore, we made a commitment with our current contractor, who has offered a reasonable price and work will commence after the completion of his current project. Dates are unavailable at this time.

Hawaii News Updates

According to the Hawaii Tourism Authority, total arrivals to the Hawaiian Islands reached a new record for the month of October, with a 4.8 percent growth to 692,930 visitors in October 2015, according to preliminary statistics released by the Hawaii Tourism Authority (HTA). Although visitor counts surpassed October 2014, lower per person per day spending led to a 2.2 percent decrease in total visitor expenditures.

Virgin America - On November 2, Virgin America launched its first flight from San Francisco to Honolulu with VIPs and celebrities on board including Virgin Group founder, Sir Richard Branson (fourth from left); Virgin America CEO, David Cush; actor Joe Manganiello; and HTA's president and CEO George D. Szigeti.



As always, we appreciate your support and thank you for your continued patience and assistance during these extraordinary times. Please feel free to contact Kristie Maruyama at 808-772-2662 or via email at kmaruyama@islandcolonypartners.com, or either one of us should you have any questions.

*Me ke Aloha Pumehana,
"With Warmest Aloha"*

SKYLINE AT ISLAND COLONY

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