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Flower of the month:

Shell Ginger
 Showy and drooping..
 The waxy, shell-like
 flower buds are shiny
 white and tipped
 with pink.



SKYLINE AT ISLAND COLONY



November 2016

ISLAND COLONY PARTNERS NEWSLETTER

ALOHA ... Hawai'i Tourism Authority confirmed ESPN's telecasts of the Hawai'i Bowl and Hawaiian Airlines Diamond Head Classic, December 22-25. Sports fans nationally have opportunities see a lot of Hawai'i's enticing warmth and spectacular natural beauty over four straight days, with many undoubtedly envisioning how they can join us in the Islands to escape the freezing cold of winter. Many make their first trip to Hawai'i because of these sporting events and the majority will likely choose Waikiki.

HOTEL PERFORMANCE:

To the right is an abbreviated statistical presentation of Revenue per Available Room (RevPAR) and composite of Average Daily Rate (ADR) for the month of November 2016 versus November 2015:

E Star Report	Skyline 11/2016	Comp Set 11/2016	Skyline 11/2015	Comp Set 11/2015
RevPAR	\$106.31	\$123.59	\$113.61	\$128.14
ADR	\$117.05	\$152.56	\$125.10	\$153.97

The following chart shows percentage changes in Occupancy, ADR, and RevPAR for the current month of November 2016, 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
E_Star Report	Skyline	Comp Set	Skyline	Comp Set	Skyline	Comp Set	Skyline	Comp Set
Occupancy	-0.0%	-2.7%	-3.3%	1.4%	-0.7%	-1.3%	-3.1%	2.0%
ADR	-6.4%	-0.9%	5.4%	3.1%	0.2%	3.2%	4.8%	3.1%
RevPAR	-6.4%	-3.5%	1.9%	4.5%	-0.4%	2.0%	1.6%	5.1%

Aqua Skyline at Island Colony finished behind budget goals for the month of November. This dismal month, which ended our slow period of the year, saw competitive set rates fall to its lowest in years and demand throughout Waikiki fall as well. While we finished the month of November with a RevPAR of \$106.31, our competitive set also dropped and finished at \$123.59 which was a drop for both over last year. As December and the start of our busy period approaches, we look to seeing ADR, RevPAR and occupancy increase as we move to 2017.



2016 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



PROJECTED DECEMBER RESULTS:

December started off great with forecasts looking positive with Marathon and year end rates coming in high, then the slump hit. Dates other than these saw rates fall to fill occupancy. Demand has been down and rates throughout our competitive set falling as well. With Hawaiian Airlines running weekly on-line specials, that can only tell us how bad their market is, which in fact will hurt our business in Waikiki and throughout the state. Currently at 90% occupancy, we will finish behind pace but revenues will be up over November.

FUTURE OUTLOOK:

As we move into 2017, pace is up over the next few months of the first quarter. January through March looks good as base is set and trend moving upward. With Pro Bowl not returning, this will hurt us but we look to utilize other areas of opportunity as we try to gain momentum moving into the New Year.

PARTNERSHIP NEWS:

Great news, after years of litigation, the Partnership has won a Summary Judgment on the ruling for the 30-day minimum rental restriction. In short, the Court ruled that the 30-day rental restriction is valid and enforceable and that only ICP is permitted to rent units in Island Colony for less than 30 days. A notice of this judgment was sent to all owners in late December. If you have not received such notice and/or you have any questions, please contact Kristie Maruyama at kmaruyama@islandcolonypartners.com.

Happy New Year! As a reminder, please contact the Partnership office to start reserving owner use nights for 2017. Please email your reservation dates directly to Kristie Maruyama at kmaruyama@islandcolonypartners.com and copy Admin/Emily Lee at admin@islandcolonypartners.com. If you do not receive an email confirmation from reservations within 48 hours, please contact our office at (808) 921-7110.

AOAO UPDATE:

Rooftop: Contractors continue to work on the installation of the solar panels on the rooftop. Projected completion to be determined at a later date.

One Bedroom Window Replacement: Contractors continue to work on the 01 and 02 stack weather pending.

RENOVATION STATUS:

Due to high occupancy and demand, carpet replacement is put on hold until next year.

CALENDAR OF UPCOMING EVENTS ...

January 16, 2017 Monday, 9:00 am Starts 12:00 pm Ends

Dr. Martin Luther King Jr. Day Parade sponsored by Martin Luther King Coalition. The event is expected to have 2,000 marchers, 100 vehicles, 20 floats, 6 bands. It will start at Ala Moana Park, to Ala Moana Blvd., to Kalakaua Ave., to Monsarrat Ave., end at Waikiki Shell Parking Lot in Queen Kapiolani Park.

Lane closures start at 8:00 am.

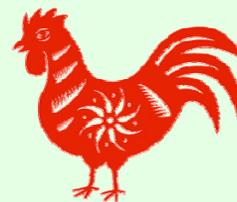
January 28 In The Royal Grove (Royal Hawaiian Center) —**Celebrate Chinese New Year**

Chinese Lantern Making Classes, 3 pm - Phoenix Dance Chamber, 4pm

Meet Miss Chinatown & Her Court, 4:30 pm

Chinese Lion Dance Performances, 5 pm - Lung Kong Physical Culture Club, 5 pm

Lion Dance Visits Participating Stores, 5:30 pm



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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