

QUARTERLY NEWSLETTER

Status Hospitality Management, LLC

4th Quarter 2017

ANNOUNCEMENTS

Upcoming Birthdays

- Terra Dressler – Jan. 11th
- Gary Patel – Feb. 13th
- Darcie Crowe – Mar. 3rd

As of December 29th, 2017, we have acquired a new property, the Springhill Suites of Provo. We are excited to add this amazing property to our portfolio.

Farewell 2017 & Welcome 2018!

It's hard to believe that 2017 is coming to an end. This year had its ups and downs and lots of learning moments for all of our hotels and our corporate office.

In 2017 we were also able to make several changes within our organization. Including hiring a full time, dedicated payroll admin to process payroll, investing in a new time management system for all properties, investment in state of the art accounting software, employee transitions from individual LLC's to a single LLC – and back to individual LLC's by the end of the year. We were able to acquire 3 additional properties in 2017 (Fairfield Inn of Provo, Holiday Inn Express & Suites of Price and SpringHill Suites of Provo)– which is amazing growth for us.

We are making quite a few changes in the upcoming year to improve our overall operations and structures for all our hotels. Most of these changes will be announced in the upcoming GM Training which will be held within the first months of 2018.

We currently have a very strong and passionate team with all of our General Managers and rely on you to be able to make the changes required. We know that sometimes changes can be a challenge, but we guarantee that these changes will improve the overall operations and success of your hotel. We are dedicated to make 2018 an excellent year and make more focused efforts on improving our operations at all locations. Let's all work together and make the extra efforts to make 2018 even better than 2017!



2017 MANAGER APPRECIATION PARTY

FALLBACK — OR HOW NOT TO GIVE UP UNNECESSARY ADR

Last time I “spoke” to y’all in this forum, we talked about upselling, and in a sense, I am going to talk about that again today, except from the other direction. I am talking about fallback offers.

What do you fall back to when you quote your basic king standard room to a walk in, at the rack (IGCOR, BAR, whatever term your brand uses) rate? A lot of you have “fallback”, “walkaway rates” or member rates, but some of you just have to invent a rate and override your rack rate to keep them in the building. It’s hard to fall back when you start at the bottom, so why not start above the bottom?

Almost all of our hotels have either upgraded room types or packages that include bonus loyalty points, or some other feature (like breakfast at our Holiday Inn at the airport) – start there. That way, if the potential guest doesn’t like that rate you can then fall back to rack or fall back to a standard room without giving up any unnecessary ADR.

I am going to use the Hampton Inn Tremonton as an example in this tactic:

- Guest walks in and wants a single king room.
- Rack for the room tonight is \$85, but the Hilton Double Points promotion is \$90.
- Desk agent quotes the rate of \$90 for a king bed featuring double Hilton Honors points for \$90 plus tax.

The guest will either a) state they are not a member of Hilton Honors, in which you may be able to get an enrollment, or b) you can then let him know we can do that same room for a rate of \$85.

I will use the Holiday Inn Airport in the next example:

- Guest walks in and wants a single king room.
- Rack for the basic king room is \$90, but for \$95 we can offer either the 1,000 Bonus Point package on the standard room or the rack rate for the King Corner room.
- Desk agent states we have a fabulous king room available for \$95 plus tax, and I can either include 1,000 bonus IHG Rewards Club points or an upgrade to one of our corner rooms for that price. Which would you like me to set up for you tonight?

This tactic is what the brand reservations agents are trained to do, why shouldn’t we be doing it at our front desks for reservations or walk in guests?

- By Russell Boltz, Corporate Revenue Manager

Getting to know you...Dave Mehr

Dave began his career in the hospitality industry back in 2006 as a front desk agent and was able to climb the ladder to become a successful General Manager. His first GM experience was in 2013 and has continued in this role to this date at several hotels. Dave became a part of our team in October on 2016 when we purchased the Fairfield Inn & Suites of SLC Airport and was recently transferred to our Holiday Inn & Suites of SLC Airport in September to take on a new challenge running a full-service property.

Favorites:

Shape: the shape of a Corvette **Snack:** Chips & Salsa

Color: Green **TV Show:** The Office **Movie:** Star Wars

Ice Cream: Cookie Dough **Drink:** Dr. Pepper

Cartoon Character: Super Mario **Candy:** Skittles

Book: The Hobbit **Restaurant:** Any Mexican

Quote: “Ah, but a man’s reach should exceed his grasp, or what’s a Heaven for?” – Robert Browning

Other Interesting Facts about Dave:

He has a twin sister who currently lives in New York.

He has been married to his wife for almost 11 years and has 2 sons and a daughter. He also has several pets which include; 2 cats, 1 bunny and a fish. Dave loves the hospitality industry.



Dave and his family