



Hotel Hotsheet
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Buying a room of your own: What's the deal?

Business travelers often are repeat clients for hoteliers; they may return to the same city many times in one year. Most have their favorite spots to stay the night. And it seems the lodging industry has noticed this (albeit not new) trend and decided there might just be a better way to get you back to their property: They can let you own it.

And the notion of owning your own room in a swanky urban hotel is catching on like wildfire. According to [USA TODAY](#), the trend is being driven by aging baby boomers looking for second properties.

Once hot in just vacation markets, the condo hotel is getting an urban revival. In Chicago, Falor Companies has purchased two properties that will become condo hotels within the next year, according to [The New York Times](#).

Falor also has designs on properties in Los Angeles; San Francisco; Washington, D.C.; and Boston — all of which will become condo hotels if the purchase deals go through.

So what's the appeal in owning your own hotel room? For most investors, it's the chance to recoup some expenses by renting out the room when it's not in use. Investors also have the opportunity for tax breaks through rental depreciation, and even some income from appreciation.

It's also a place to call home when you're nowhere near your primary residence. Of course, there are a few restrictions: It's not exactly home, so you can't redecorate as you choose, and often you can stay only an agreed-upon number of nights. Plus, your room may be rented on a day you want it, leaving you to pay for another room in your "own" hotel. Now that would be kind of a bummer, but hey, that's the price you pay ... sort of.

And another thing ...

Paradise found, and bought: Second cousin to hotel condos is fractional ownership in resort hotels. Similar in some ways to timeshares of old, the fractional ownership differentiates itself through amenities and service. Resorts such as the [Parkside Victoria](#) in British Columbia offer ownership akin to a timeshare, but they also include the service offered at a five-star hotel, such as a full-time concierge, airport shuttles and car rentals at your disposal.

The biggest difference to the potential buyer is the amount of time you can spend in your fractional; timeshares typically offer one- to two-weeks stay per year for your "ownership" fees, but some fractionals allow owners to choose between two and 13 weeks a year. At the Parkside Victoria, for instance, owners can use all their allotted time (12 weeks), put some weeks into a rental pool or exchange weeks for travel points good at other resorts worldwide. Not all fractionals offer rental programs, so you may not make money as you would with a condo hotel, but the tax benefits of appreciation/depreciation still apply.

Haven't spent enough yet? This appears to be my high-end traveler column, so let's continue, shall we? If you're not interested in purchasing a place to stay, but you've got gobs of money to spare, check out the Four Seasons in New York City. The Penthouse Suite — all 3,000 square feet of it — is available for a mere \$30,000 a night. If that's too rich for your blood, perhaps two smaller suites at the Four Seasons are more your style; they'll only set you back \$15,000 a night.

Still too much? How about the Mandarin Oriental? Its presidential room can be yours for just \$12,595 each night, but if you feel the urge, you better hurry; according to a story in [Newsday.com](#) someone has asked to purchase the unit for a two-month stay beginning in December. For the record, this person is no one I know, but someone I'd like to know.

Oh, and belying the notion that he's an over-the-top spending machine, the Donald offers rooms at his Trump International Hotel & Tower for just \$2,275. He tells [Newsday](#) \$2,000-a-night suites are more profitable and more in demand "even by very wealthy people — because they didn't get wealthy by being stupid." From where my checkbook sits, nearly \$3K is still pretty stupid for a place to sleep.

Those who can afford, do: Seems the upscale lodging market is doing rather well, if the previous items weren't proof enough for you. According to [Hospitality Net](#), Small Luxury Hotels of the World saw a 32% increase in revenue from last year. This [super-luxe brand of hotels](#), with more than 300 hotels in 50 countries, aims to make more than \$60 million this year. Not a bad chunk of change.

Fast fact: The St. James Hotel in Selma, Ala., which housed Union troops during the Civil War, was once managed by Benjamin Sterling Turner, the first African-American to serve in the United States Congress. Turner was elected in 1871 and served a two-year term. The St. James closed in 1892, but in 1997 a \$6 million restoration brought the property back to life.