

September 2018 Monthly Lodging Report - (Smith Travel Research)

Statewide

- NC hotel/motel **occupancy** increased 7.6% statewide in September 2018 from September 2017 (two-year change, +6.8%).
 - US **occupancy** decreased 2.1% in September 2018 from September 2017 (two-year change, -1.0%).
 - South Atlantic states **occupancy** decreased 2.9% in September 2018 from September 2017 (two-year change, -1.6%).
- September 2018 **room rates (ADR)** in North Carolina were up 4.8% (two-year change, +8.8%).
 - **Room rates** in the US increased 1.9% from September 2017 (two-year change, +2.9%).
 - **Room rates** in the South Atlantic states increased 0.3% from September 2017 (two-year change, +2.3%)
- Statewide, **RevPAR** was up 12.8% from September of 2017 (two-year change, +16.2%).
 - US **RevPAR** decreased 0.3% from September 2017 (two-year change, +1.9%).
 - South Atlantic **RevPAR** decreased 2.6% from September 2016 (two-year change, +0.7%).
- **Room Supply** increased by 2.3% in the state from September 2017 to September 2018 (two-year change +4.9%).
 - US **room supply** increased 2.0% in September 2018 (two-year change, +3.8%).
 - South Atlantic **room supply** was up 2.0% from September 2017 to September 2018 (two-year change, +3.5%).
- **Room Demand** increased 10.1% in the state from September 2017 to September 2018 (two-year change +12.0%).
 - **Room demand** in the US decreased 0.1% in September 2018 from September 2017 (two-year change, +2.7%).
 - **Room demand** in the South Atlantic decreased 1.0% in September 2017 from September 2016 (two-year change, +1.9%).
- North Carolina **room revenues** increased 15.4% in September 2018 (two-year change +22.0%).
 - **Room revenues** in the US increased 1.7% from September 2017 to September 2018 (two-year change, +5.7%).
 - **Room revenues** in the South Atlantic decreased 0.7% from September 2017 to September 2018 (two-year change, +4.3%).

Regional

- Seven of the regions posted gains in **occupancy** rates in September 2018 from 2017, particularly the regions most affected by Hurricane Florence. However, continued supply growth both regionally and statewide continue to affect occupancy. Two-year percent change can be found in parentheses.
 - Western Region -1.6% (-0.7%) ○ Piedmont Triad Region +14.3% (+14.9%) ○ Northeast Region +11.4% (+6.1%)
 - Northwest Region +4.5% (-3.0%) ○ North Central Region +9.9% (+10.6%) ○ Southeast Region +7.4% (-0.1%)
 - Southwest Region +4.6% (+4.8%) ○ Sandhills Region +13.3% (+16.6%)
- Seven of the eight zones experienced increased **ADR** in September 2018 from September 2017, particularly in the Western Region with more than ten percent increase in rates. Two-year percent change can be found in parentheses.
 - Western Region +10.2% (+15.4%) ○ Piedmont Triad Region +5.3% (+8.7%) ○ Northeast Region -0.2% (+1.5%)
 - Northwest Region +2.2% (+3.4%) ○ North Central Region +5.9% (+8.1%) ○ Southeast Region +9.9% (+12.1%)
 - Southwest Region +2.1% (+7.4%) ○ Sandhills Region +6.1% (+13.7%)
- **RevPAR** was up in each of the regions for September 2018 from September 2017. Two-year percent changes can be found in parentheses.
 - Western Region +8.4% (+14.5%) ○ Piedmont Triad Region +20.4% (+24.8%) ○ Northeast Region +11.2% (+7.7%)
 - Northwest Region +6.8% (+0.3%) ○ North Central Region +16.3% (+19.6%) ○ Southeast Region +18.1% (+12.0%)
 - Southwest Region +6.9% (+12.6%) ○ Sandhills Region +20.2% (+32.6%)
- **Room Supply** was up in seven of the eight regions of the state in September 2018 from September 2017, particularly the Western and the Southwest regions with more than three percent increase each. Two-year percent changes can be found in parentheses.
 - Western Region +3.5% (+7.1%) ○ Piedmont Triad Region +0.4% (+1.0%) ○ Northeast Region +1.3% (+1.8%)
 - Northwest Region 0.0% (0.0%) ○ North Central Region +2.8% (+5.8%) ○ Southeast Region +1.8% (+3.1%)
 - Southwest Region +3.5% (+8.3%) ○ Sandhills Region +2.0% (+4.9%)
- **Room Demand** was up in each of the regions for September 2018 from 2017, with the Sandhills Region leading the state in demand growth with nearly sixteen percent growth. It is presumed that the high increase is partially explained by evacuees from Hurricane Florence. The Piedmont Triad, North Central and Northeast regions also had more than ten percent demand increases in September. The two-year change for each region is shown in parentheses.
 - Western Region +1.8% (+6.3%) ○ Piedmont Triad Region +14.7% (+16.0%) ○ Northeast Region +12.9% (+8.1%)
 - Northwest Region +4.4% (-3.0%) ○ North Central Region +13.0% (+17.1%) ○ Southeast Region +9.4% (+3.0%)
 - Southwest Region +8.3% (+13.4%) ○ Sandhills Region +15.6% (+22.3%)
- **Room Revenues** were up in each of the prosperity zones of the state for September 2018 from 2017. The Sandhills, Piedmont Triad and Southeast regions had more than twenty percent growth, followed closely by the North Central Region, all presumed to have been affected by displaced persons from the hurricane. Two-year change shows positive revenue growth for each of the regions (in parentheses).
 - Western Region +12.2% (+22.7%) ○ Piedmont Triad Region +20.9% (+26.0%) ○ Northeast Region +12.7% (+9.6%)
 - Northwest Region +6.8% (+0.3%) ○ North Central Region +19.6% (+26.6%) ○ Southeast Region +20.2% (+15.5%)
 - Southwest Region +10.6% (+21.9%) ○ Sandhills Region +22.7% (+39.1%)

Year-To-Date (through September 2018) Lodging Report

Statewide & Competitive State Comparison

- Hotel/motel **occupancy** is up 0.6% statewide YTD (through September) 2018 (two-year change, -0.4%).
 - The US **occupancy** is up 0.5% in 2018 from 2017 (two-year change, +1.0%).
 - The South Atlantic states **occupancy** is up 0.2% in 2018 from 2017 (two-year change, +1.2%).
- YTD **room rates (ADR)** in North Carolina are up 2.0% (two-year change, +5.0%).
 - The US **ADR** is up 2.5% in 2018 from 2017 (two-year change, +4.5%).
 - The South Atlantic states **ADR** is up 2.7% in 2018 from 2017 (two-year change, +5.2%).
- Statewide, **RevPAR** is up 2.6% year-to-date (two-year change +4.6%).
 - Nationally, **RevPAR** is also up 3.1% in 2018 from 2017 (two-year change, +5.5%).
 - The South Atlantic states **RevPAR** is up 2.8% in 2018 from 2017 (two-year change, +6.5%).
- **Room Supply** is up 2.5% in the state year-to-date (two-year change, +4.8%).
 - Nationally, **room supply** is also up 2.0% in 2018 from 2017 (two-year change, +3.8%).
 - The South Atlantic states **room supply** is up 1.7% in 2018 from 2017 (two-year change, +3.2%).
- **Room Demand** is up 3.1% in the state year-to-date (two-year change, +4.4%).
 - Nationally, **room demand** is also up 2.5% in 2018 from 2017 (two-year change, +4.9%).
 - The South Atlantic states **room demand** is up 1.9% in 2018 from 2017 (two-year change, +4.4%).
- North Carolina **room revenues** are up 5.2% year-to date (two-year change, +9.7%).
 - Nationally, **room revenues** are also up 5.1% in 2018 from 2017 (two-year change, +9.6%).
 - The South Atlantic states **room revenues** are up 4.6% in 2017 from 2016 (two-year change, +9.9%).

Regional

- **Occupancy** is up year-to-date (through September) in six of the eight regions. For the two-year period, occupancy is up only three regions (in parentheses).
 - Western Region -0.5% (-3.1%) ○ Piedmont Triad Region +1.3% (+2.8%) ○ Northeast Region +1.2% (+1.6%)
 - Northwest Region +3.6% (-0.6%) ○ North Central Region +0.9% (+1.8%) ○ Southeast Region +0.6% (-1.7%)
 - Southwest Region +0.2% (-3.3%) ○ Sandhills Region -1.2% (+0.8%)
- **ADR** in each of the eight prosperity zones is up year-to-date through September.
 - Western Region +2.7% (+6.1%) ○ Piedmont Triad Region +3.6% (+6.1%) ○ Northeast Region +0.3% (+3.1%)
 - Northwest Region +1.6% (+2.3%) ○ North Central Region +3.0% (+4.5%) ○ Southeast Region +1.8% (+6.2%)
 - Southwest Region +0.6% (+4.6%) ○ Sandhills Region +2.2% (+6.7%)
- **RevPAR** is up year-to-date in each of the eight prosperity zones of the state.
 - Western Region +2.2% (+2.8%) ○ Piedmont Triad Region +4.9% (+9.0%) ○ Northeast Region +1.5% (+4.7%)
 - Northwest Region +5.3% (+1.6%) ○ North Central Region +3.9% (+6.4%) ○ Southeast Region +2.5% (+4.4%)
 - Southwest Region +0.8% (+1.1%) ○ Sandhills Region +0.9% (+7.6%)
- **Room Supply** is up in seven of the prosperity zones year-to-date through September, particularly in the Western Region. This region's supply of rooms, as well as that in the Southwest Region, has grown nearly eight percent in two years.
 - Western Region +4.3% (+7.8%) ○ Piedmont Triad Region +1.0% (+2.0%) ○ Northeast Region +1.6% (+1.6%)
 - Northwest Region -0.3% (0.0%) ○ North Central Region +3.1% (+5.4%) ○ Southeast Region +2.3% (+3.1%)
 - Southwest Region +3.0% (+7.6%) ○ Sandhills Region +1.9% (+4.7%)
- **Room Demand** is up each of the prosperity zones of the state year-to-date through September. The North Central Region demand is up four percent, the Western Region demand is up nearly four percent, and demand in the Northwest and Southwest regions is up three percent. For the two-year period, room demand is up in seven of the eight regions (in parentheses).
 - Western Region +3.8% (+4.4%) ○ Piedmont Triad Region +2.4% (+4.8%) ○ Northeast Region +2.8% (+3.2%)
 - Northwest Region +3.3% (-0.6%) ○ North Central Region +4.1% (+7.3%) ○ Southeast Region +2.9% (+1.4%)
 - Southwest Region +3.2% (+4.1%) ○ Sandhills Region +0.6% (+5.5%)
- **Room Revenues** are up in each of the prosperity zones year-to-date through September. Revenues in the North Central Region are up seven percent, followed by the Western, Piedmont Triad, Northwest and Southeast regions.
 - Western Region +6.6% (+10.8%) ○ Piedmont Triad Region +6.0% (+11.2%) ○ Northeast Region +3.2% (+6.4%)
 - Northwest Region +4.9% (+1.7%) ○ North Central Region +7.2% (+12.2%) ○ Southeast Region +4.8% (+7.7%)
 - Southwest Region +3.9% (+8.8%) ○ Sandhills Region +2.9% (+12.6%)

North Carolina Prosperity Zones

Western Region -	Buncombe, Cherokee, Clay, Graham, Haywood, Henderson, Jackson, Macon, Madison, Polk, Rutherford, Swain, Transylvania
Northwest Region -	Alleghany, Ashe, Alexander, Avery, Burke, Caldwell, Catawba, McDowell, Mitchell, Watauga, Wilkes, Yancey
Southwest -	Anson, Cabarrus, Cleveland, Gaston, Iredell, Lincoln, Mecklenburg, Rowan, Stanly, Union
Piedmont-Triad (Central) -	Alamance, Caswell, Davidson, Davie, Forsyth, Guilford, Randolph, Rockingham, Stokes, Surry, Yadkin
North Central -	Chatham, Durham, Franklin, Granville, Harnett, Johnston, Lee, Orange, Person, Vance, Wake, Warren
Sandhills (South Central) -	Bladen, Columbus, Cumberland, Hoke, Montgomery, Moore, Richmond, Robeson, Sampson, Scotland
Northeast -	Beaufort, Bertie, Camden, Chowan, Currituck, Dare, Edgecombe, Gates, Halifax, Hertford, Hyde, Martin, Nash, Northampton, Pasquotank, Perquimans, Pitt, Tyrrell, Washington, Wilson
Southeast -	Brunswick, Carteret, Craven, Duplin, Greene, Jones, Lenoir, New Hanover, Onslow, Pamlico, Pender, Wayne