

# October 2017 Monthly Lodging Report (Smith Travel Research)

## Statewide

- NC hotel/motel **occupancy** decreased 8.1% statewide in October 2017 from October 2016 (two-year change, -0.2%).
  - US **occupancy** increased 1.6% in October 2017 from October 2016 (two-year change, +1.1%).
  - South Atlantic states **occupancy** increased 2.0% in October 2017 from October 2016 (two-year change, +4.3%).
- October 2017 **room rates (ADR)** in North Carolina were up 2.4% (two-year change, +6.2%).
  - **Room rates** in the US increased 2.5% from October 2016 (two-year change, +4.7%).
  - **Room rates** in the South Atlantic states increased 3.9% from October 2016 (two-year change, +6.3%).
- Statewide, **RevPAR** was down 6.0% from October of 2016 (two-year change, +6.0%).
  - US **RevPAR** increased 4.1% from October 2016 (two-year change, +5.8%).
  - South Atlantic **RevPAR** increased 5.9% from October 2016 (two-year change, 10.9%).
- **Room Supply** increased by 2.8% in the state from October 2016 to October 2017 (two-year change +4.0%).
  - US **room supply** increased 1.9% in October 2017 (two-year change, +3.4%).
  - South Atlantic **room supply** was up 1.4% from October 2016 to October 2017 (two-year change, 2.4%).
- **Room Demand** decreased 5.6% in the state from October 2016 to October 2017 (two-year change +3.8%).
  - **Room demand** in the US increased 3.6% in October 2017 from October 2016 (two-year change, 4.5%).
  - **Room demand** in the South Atlantic increased 3.4% in October 2017 from October 2016 (two-year change, 6.8%).
- North Carolina **room revenues** decreased 3.3% in October 2017 (two-year change +10.3%).
  - **Room revenues** in the US increased 6.1% from October 2016 to October 2017 (two-year change, 9.5%).
  - **Room revenues** in the South Atlantic increased 7.4% from October 2016 to October 2017 (two-year change, 13.6%).

## Regional

- None of the regions posted an increase in **occupancy** rates in October 2017 from 2016, and several had double-digit decreases. However, October 2016 saw Hurricane Matthew and the western NC forest fires, which may have inflated some indicator growth last year. Change for a two-year period is provided in parentheses in addition to the one-year change.
  - Western Region -5.1% (-1.1%)      ○ Piedmont Triad Region -5.3% (-0.4%)      ○ Northeast Region -11.0% (+1.1%)
  - Northwest Region -4.8% (+3.5%)      ○ North Central Region -10.2% (+1.3%)      ○ Southeast Region -5.9% (+3.6%)
  - Southwest Region -6.4% (-3.2%)      ○ Sandhills Region -20.9% (-2.7%)
- Five of the eight zones experienced increased **ADR** in October 2017 from October 2016. ADR in the Northeast and North Central regions increased more than four percent from last October. Two-year percent change can be found in parentheses.
  - Western Region +0.9% (+8.3%)      ○ Piedmont Triad Region +3.9% (+7.7%)      ○ Northeast Region +4.6% (+8.4%)
  - Northwest Region -0.9% (+3.1%)      ○ North Central Region +4.6% (+6.2%)      ○ Southeast Region +2.7% (+6.6%)
  - Southwest Region -0.5% (+4.5%)      ○ Sandhills Region -0.8% (+2.6%)
- **RevPAR** was down in each of the eight prosperity zones of the state for October 2017 from October 2016, but two-year percent change shows all but one region with increased RevPAR (in parentheses).
  - Western Region -4.3% (+7.1%)      ○ Piedmont Triad Region -1.6% (+7.3%)      ○ Northeast Region -6.9% (+9.6%)
  - Northwest Region -5.6% (+6.7%)      ○ North Central Region -6.1% (+7.6%)      ○ Southeast Region -3.3% (+10.4%)
  - Southwest Region -6.8% (+1.1%)      ○ Sandhills Region -21.6% (-0.2%)
- **Room Supply** was up in seven of the eight of the regions of the state for October 2017 from October 2016, particularly in the Southwest Region.
  - Western Region +3.0% (+5.4%)      ○ Piedmont Triad Region +0.9% (+2.6%)      ○ Northeast Region +0.8% (+0.5%)
  - Northwest Region -1.1% (+0.6%)      ○ North Central Region +3.8% (+5.3%)      ○ Southeast Region +1.3% (+1.2%)
  - Southwest Region +5.2% (+6.6%)      ○ Sandhills Region +2.8% (+3.4%)
- **Room Demand** was down in each of the prosperity zones of the state for October 2017 from 2016, however the two-year change shows positive demand growth for each region (in parentheses).
  - Western Region -2.3% (+4.2%)      ○ Piedmont Triad Region -4.4% (+2.2%)      ○ Northeast Region -10.3% (+1.6%)
  - Northwest Region -5.8% (+4.1%)      ○ North Central Region -6.8% (+6.6%)      ○ Southeast Region -4.6% (+4.9%)
  - Southwest Region -1.5% (+3.2%)      ○ Sandhills Region -18.7% (+0.6%)
- **Room Revenues** were up in each of the prosperity zones of the state for October 2017 from 2016, however the two-year change shows positive revenue growth for each region (in parentheses).
  - Western Region -1.4% (+12.9%)      ○ Piedmont Triad Region -0.7% (+10.1%)      ○ Northeast Region -6.2% (+10.2%)
  - Northwest Region -6.6% (+7.3%)      ○ North Central Region -2.5% (+13.3%)      ○ Southeast Region -2.0% (+11.8%)
  - Southwest Region -2.0% (+7.8%)      ○ Sandhills Region -19.4% (+3.3%)

## Year-To-Date (through October 2017) Lodging Report

### Statewide & Competitive State Comparison

- Hotel/motel **occupancy** is down 1.8% statewide YTD (through October) 2017 (two-year change, +0.8%).
  - The US **occupancy** is up 0.7% in 2017 from 2016 (two-year change, +0.5%).
  - The South Atlantic states **occupancy** is up 1.3% in 2017 from 2016 (two-year change, +1.9%).
- YTD **room rates (ADR)** in North Carolina are up 2.8% (two-year change, +6.7%).
  - The US **ADR** is up 2.1% in 2017 from 2016 (two-year change, +5.3%).
  - The South Atlantic states **ADR** is up 2.6% in 2017 from 2016 (two-year change, +5.8%).
- Statewide, **RevPAR** is up 1.0% year-to-date (two-year change +7.6%).
  - Nationally, **RevPAR** is also up 2.8% in 2017 from 2016 (two-year change, +5.9%).
  - The South Atlantic states **RevPAR** is up 3.9% in 2017 from 2016 (two-year change, +7.8%).
- **Room Supply** is up 2.4% in the state year-to-date (two-year change, +3.9%).
  - Nationally, **room supply** is also up 1.8% in 2017 from 2016 (two-year change, +3.2%).
  - The South Atlantic states **room supply** is up 1.5% in 2017 from 2016 (two-year change, +2.6%).
- **Room Demand** is up 0.6% in the state year-to-date (two-year change, +4.8%).
  - Nationally, **room demand** is also up 2.6% in 2017 from 2016 (two-year change, +3.8%).
  - The South Atlantic states **room demand** is up 2.8% in 2017 from 2016 (two-year change, +4.6%).
- North Carolina **room revenues** are up 3.4% year-to date (two-year change, +11.8%).
  - Nationally, **room revenues** are also up 4.7% in 2017 from 2016 (two-year change, +9.3%).
  - The South Atlantic states **room revenues** are up 5.5% in 2017 from 2016 (two-year change, +10.6%).

### Regional

- **Occupancy** in only the Piedmont Triad Region is up year-to-date (through October). For the two-year period, occupancy is up in all but two regions (in parentheses).
  - Western Region -2.8% (-0.8%)
  - Piedmont Triad Region +0.5% (+4.0%)
  - Northeast Region -0.9% (+2.8%)
  - Northwest Region -3.8% (+2.8%)
  - North Central Region -0.4% (+0.3%)
  - Southeast Region -2.6% (+1.6%)
  - Southwest Region -3.8% (-1.2%)
  - Sandhills Region -0.5% (+1.1%)
- **ADR** in each of the eight prosperity zones is up year-to-date through October.
  - Western Region +3.0% (+10.2%)
  - Piedmont Triad Region +2.4% (+3.2%)
  - Northeast Region +3.1% (+5.4%)
  - Northwest Region +0.4% (+5.2%)
  - North Central Region +1.8% (+5.9%)
  - Southeast Region +4.1% (+6.0%)
  - Southwest Region +3.3% (+8.0%)
  - Sandhills Region +3.6% (+5.6%)
- **RevPAR** is up year-to-date in six of the eight prosperity zones of the state.
  - Western Region +0.1% (+9.3%)
  - Piedmont Triad Region +2.9% (+7.3%)
  - Northeast Region +2.1% (+8.3%)
  - Northwest Region -3.4% (+8.1%)
  - North Central Region +1.4% (+6.2%)
  - Southeast Region +1.5% (+7.7%)
  - Southwest Region -0.7% (+6.6%)
  - Sandhills Region +3.1% (+6.8%)
- **Room Supply** is up in each of the prosperity zones year-to-date through October, particularly in the Southwest Region.
  - Western Region +2.6% (+6.0%)
  - Piedmont Triad Region +0.9% (+2.0%)
  - Northeast Region +0.4% (-0.1%)
  - Northwest Region +0.5% (+0.8%)
  - North Central Region +2.4% (+5.4%)
  - Southeast Region +0.9% (+2.5%)
  - Southwest Region +4.7% (+5.6%)
  - Sandhills Region +2.7% (+3.8%)
- **Room Demand** is up four of the prosperity zones of the state year-to-date through October, particularly in the Sandhills and North Central regions. For the two-year period, room demand is up in each of the eight regions (in parentheses).
  - Western Region -0.3% (+5.1%)
  - Piedmont Triad Region +1.4% (+6.1%)
  - Northeast Region -0.5% (+2.6%)
  - Northwest Region -3.4% (+3.6%)
  - North Central Region +2.0% (+5.7%)
  - Southeast Region -1.7% (+4.1%)
  - Southwest Region +0.7% (+4.3%)
  - Sandhills Region +2.2% (+4.9%)
- **Room Revenues** are up in seven of the prosperity zones year-to-date through October. Revenues in the Sandhills Region are up nearly six percent, followed by the Southwest, Piedmont Triad and North Central regions. Only the Northwest Region has negative growth in revenues year-to-date, however the two-year change shows a nine percent increase for the region (in parentheses).
  - Western Region +2.7% (+15.8%)
  - Piedmont Triad Region +3.9% (+9.5%)
  - Northeast Region +2.5% (+8.2%)
  - Northwest Region -3.0% (+9.0%)
  - North Central Region +3.8% (+12.0%)
  - Southeast Region +2.3% (+10.4%)
  - Southwest Region +4.0% (+12.6%)
  - Sandhills Region +5.9% (+10.8%)

## 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