

December 2017 Monthly Lodging Report (Smith Travel Research)

Statewide

- NC hotel/motel **occupancy** decreased 3.9% statewide in December 2017 from December 2016 (two-year change, +0.7%).
 - US **occupancy** increased 2.3% in December 2017 from December 2016 (two-year change, +2.0%).
 - South Atlantic states **occupancy** increased 2.2% in December 2017 from December 2016 (two-year change, +3.3%).
- December 2017 **room rates (ADR)** in North Carolina were up 3.6% (two-year change, +6.6%).
 - **Room rates** in the US increased 2.2% from December 2016 (two-year change, +4.8%).
 - **Room rates** in the South Atlantic states increased 5.8% from December 2016 (two-year change, +6.2%)
- Statewide, **RevPAR** was down 0.5% from December of 2016 (two-year change, +7.4%).
 - US **RevPAR** increased 4.6% from December 2016 (two-year change, +6.9%).
 - South Atlantic **RevPAR** increased 8.2% from December 2016 (two-year change, 9.7%).
- **Room Supply** increased by 3.2% in the state from December 2016 to December 2017 (two-year change +4.8%).
 - US **room supply** increased 2.0% in December 2017 (two-year change, +3.7%).
 - South Atlantic **room supply** was up 1.5% from December 2016 to December 2017 (two-year change, 2.7%).
- **Room Demand** decreased 0.8% in the state from December 2016 to December 2017 (two-year change +5.6%).
 - **Room demand** in the US increased 4.3% in December 2017 from December 2016 (two-year change, 5.7%).
 - **Room demand** in the South Atlantic increased 3.8% in December 2017 from December 2016 (two-year change, 6.1%).
- North Carolina **room revenues** increased 2.7% in December 2017 (two-year change +12.6%).
 - **Room revenues** in the US increased 6.6% from December 2016 to December 2017 (two-year change, 10.9%).
 - **Room revenues** in the South Atlantic increased 9.9% from December 2016 to December 2017 (two-year change, 12.7%).

Regional

- Three of the regions posted an increase in **occupancy** rates in December 2017 from 2016, though several had double-digit decreases. However, October 2016 saw Hurricane Matthew and the western NC forest fires, with the effects lingering into December. This may have inflated some indicator growth last year. As well, several regions had record breaking December in 2016, which would have softened somewhat by 2017. Change for a two-year period is provided in parentheses in addition to the one-year change.
 - Western Region +3.2% (+4.2%)
 - Piedmont Triad Region -1.1% (+2.3%)
 - Northeast Region -10.5% (-2.3%)
 - Northwest Region +1.8% (+14.9%)
 - North Central Region -5.5% (-1.1%)
 - Southeast Region -10.5% (-1.8%)
 - Southwest Region +0.9% (-0.1%)
 - Sandhills Region -19.0% (-2.6%)
- Six of the eight zones experienced increased **ADR** in December 2017 from December 2016. ADR in the Western and Southwest regions increased four percent from last December. Two-year percent change can be found in parentheses.
 - Western Region +4.0% (+13.1%)
 - Piedmont Triad Region +2.7% (+3.9%)
 - Northeast Region -0.2% (+5.7%)
 - Northwest Region +1.4% (+11.3%)
 - North Central Region +2.2% (+2.5%)
 - Southeast Region +0.3% (+5.7%)
 - Southwest Region +3.9% (+5.6%)
 - Sandhills Region -3.0% (+3.2%)
- **RevPAR** was up in four of the eight prosperity zones of the state for December 2017 from November 2016, particularly in the Western Region. Two-year percent change shows increases in each region (in parentheses).
 - Western Region +7.4% (+17.8%)
 - Piedmont Triad Region +1.6% (+6.3%)
 - Northeast Region -10.7% (+3.3%)
 - Northwest Region +3.2% (+27.9%)
 - North Central Region -3.4% (+1.4%)
 - Southeast Region -10.2% (+3.8%)
 - Southwest Region +4.8% (+5.4%)
 - Sandhills Region -21.4% (+0.5%)
- **Room Supply** was up in seven of the eight of the regions of the state for December 2017 from December 2016, particularly in the Western, North Central and Southwest regions.
 - Western Region +5.0% (+6.4%)
 - Piedmont Triad Region +0.9% (+2.8%)
 - Northeast Region +0.7% (+1.3%)
 - Northwest Region 0.0% (+0.6%)
 - North Central Region +4.9% (+6.0%)
 - Southeast Region +2.6% (+2.5%)
 - Southwest Region +4.5% (+7.5%)
 - Sandhills Region +1.5% (+4.0%)
- **Room Demand** was up in three of the prosperity zones of the state for December 2017 from 2016, though several regions had significant decreases. Extremely high growth in 2016 due to hurricane recovery muted growth in 2017. The two-year change shows positive demand growth for each region (in parentheses).
 - Western Region +8.4% (+10.8%)
 - Piedmont Triad Region -0.2% (+5.1%)
 - Northeast Region -9.9% (-1.0%)
 - Northwest Region +1.8% (+15.6%)
 - North Central Region -0.8% (+4.8%)
 - Southeast Region -8.2% (+0.6%)
 - Southwest Region +5.5% (+7.4%)
 - Sandhills Region -17.8% (+1.3%)
- **Room Revenues** were up in five of the prosperity zones of the state for December 2017 from 2016, particularly the Western and Southwest regions. Two-year change shows positive revenue growth for each region (in parentheses).
 - Western Region +12.8% (+25.4%)
 - Piedmont Triad Region +2.5% (+9.2%)
 - Northeast Region -10.1% (+4.6%)
 - Northwest Region +3.2% (+28.6%)
 - North Central Region +1.3% (+7.4%)
 - Southeast Region -7.9% (+6.4%)
 - Southwest Region +9.6% (+13.4%)
 - Sandhills Region -20.2% (+4.5%)

Year-To-Date (through December 2017) Lodging Report

Statewide & Competitive State Comparison

- Hotel/motel **occupancy** is down 2.3% statewide YTD (through December) 2017 (two-year change, +1.0%).
 - The US **occupancy** is up 0.9% in 2017 from 2016 (two-year change, +0.9%).
 - The South Atlantic states **occupancy** is up 1.4% in 2017 from 2016 (two-year change, +2.3%).
- 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 2.9% in 2017 from 2016 (two-year change, +5.9%).
- Statewide, **RevPAR** is up 0.5% year-to-date (two-year change +7.7%).
 - Nationally, **RevPAR** is also up 3.0% in 2017 from 2016 (two-year change, +6.3%).
 - The South Atlantic states **RevPAR** is up 4.3% in 2017 from 2016 (two-year change, +8.3%).
- **Room Supply** is up 2.5% in the state year-to-date (two-year change, +4.0%).
 - Nationally, **room supply** is also up 1.8% in 2017 from 2016 (two-year change, +3.3%).
 - The South Atlantic states **room supply** is up 1.5% in 2017 from 2016 (two-year change, +2.6%).
- **Room Demand** is up 0.1% in the state year-to-date (two-year change, +5.0%).
 - Nationally, **room demand** is also up 2.7% in 2017 from 2016 (two-year change, +4.2%).
 - The South Atlantic states **room demand** is up 2.9% in 2017 from 2016 (two-year change, +5.0%).
- North Carolina **room revenues** are up 3.0% year-to date (two-year change, +12.0%).
 - Nationally, **room revenues** are also up 4.9% in 2017 from 2016 (two-year change, +9.7%).
 - The South Atlantic states **room revenues** are up 5.9% in 2017 from 2016 (two-year change, +11.1%).

Regional

- **Occupancy** in only the Piedmont Triad Region was up year-to-date (through December). For the two-year period, occupancy is up in all but the Southwest Region (in parentheses).
 - Western Region -2.7% (+0.1%) ○ Piedmont Triad Region +0.3% (+4.1%) ○ Northeast Region -2.7% (+2.2%)
 - Northwest Region -4.0% (+3.9%) ○ North Central Region -1.2% (+0.5%) ○ Southeast Region -3.7% (+1.4%)
 - Southwest Region -3.3% (-1.3%) ○ Sandhills Region -3.8% (+1.1%)
- **ADR** in each of the eight prosperity zones was up year-to-date through December.
 - Western Region +3.4% (+10.6%) ○ Piedmont Triad Region +2.5% (+3.4%) ○ Northeast Region +3.0% (+5.6%)
 - Northwest Region +0.3% (+5.6%) ○ North Central Region +1.8% (+5.6%) ○ Southeast Region +3.9% (+6.2%)
 - Southwest Region +3.2% (+7.6%) ○ Sandhills Region +3.0% (+5.5%)
- **RevPAR** was up year-to-date in four of the eight prosperity zones of the state.
 - Western Region +0.6% (+10.6%) ○ Piedmont Triad Region +2.9% (+7.6%) ○ Northeast Region +0.2% (+8.0%)
 - Northwest Region -3.7% (+9.7%) ○ North Central Region +0.6% (+6.1%) ○ Southeast Region 0.0% (+7.6%)
 - Southwest Region -0.3% (+6.2%) ○ Sandhills Region -0.9% (+6.7%)
- **Room Supply** was up in each of the prosperity zones year-to-date through December, particularly in the Southwest Region.
 - Western Region +2.9% (+5.9%) ○ Piedmont Triad Region +0.9% (+2.1%) ○ Northeast Region +0.4% (0.0%)
 - Northwest Region +0.3% (+0.8%) ○ North Central Region +2.7% (+5.4%) ○ Southeast Region +1.0% (+2.4%)
 - Southwest Region +4.8% (+5.9%) ○ Sandhills Region +2.5% (+3.8%)
- **Room Demand** was up four of the prosperity zones of the state year-to-date through December. The North Central led the state in demand growth, however no region had growth more than two percent. For the two-year period, room demand is up in each of the eight regions (in parentheses).
 - Western Region +0.1% (+6.0%) ○ Piedmont Triad Region +1.3% (+6.3%) ○ Northeast Region -2.3% (+2.3%)
 - Northwest Region -3.7% (+4.7%) ○ North Central Region +1.5% (+5.9%) ○ Southeast Region -2.7% (+3.8%)
 - Southwest Region +1.3% (+4.5%) ○ Sandhills Region -1.3% (+4.9%)
- **Room Revenues** were up in seven of the prosperity zones year-to-date through December. Revenues in the Southwest Region were up more than four percent, followed by the Piedmont Triad, Western and North Central regions. Only the Northwest Region has negative growth in revenues year-to-date, however the two-year change shows a nearly eleven percent increase for the region (in parentheses).
 - Western Region +3.5% (+17.2%) ○ Piedmont Triad Region +3.8% (+9.9%) ○ Northeast Region +0.6% (+8.0%)
 - Northwest Region -3.4% (+10.6%) ○ North Central Region +3.3% (+11.9%) ○ Southeast Region +1.1% (+10.2%)
 - Southwest Region +4.5% (+12.5%) ○ Sandhills Region +1.6% (+10.7%)

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