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%)
  - Northeast 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%)
  - Northeast Region -10.2% (+3.8%)
  - Sandhills Region +4.8% (+5.4%)
  - North Central 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%)
  - Sandhills Region +1.5% (+4.0%)
  - North Central Region +4.9% (+6.0%)
  - North Central Region +4.9% (+6.0%)
  - North Central Region +4.9% (+6.0%)
- 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 -8.3% (+0.6%)
  - South Region +5.5% (+7.4%)
  - Sandhills Region +1.7% (+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%)
  - Sandhills Region -0.2% (+5.1%)
  - Northwest Region +3.2% (+28.6%)
  - North Central Region +1.3% (+7.4%)
  - Northeast Region -10.1% (+4.6%)
  - 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%)  South Carolina Region -2.7% (+3.1%)
  - 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**

<table>
<thead>
<tr>
<th>Region</th>
<th>Counties</th>
</tr>
</thead>
<tbody>
<tr>
<td>Western Region</td>
<td>Buncombe, Cherokee, Clay, Graham, Haywood, Henderson, Jackson, Macon, Madison, Polk, Rutherford, Swain, Transylvania</td>
</tr>
<tr>
<td>Northwest Region</td>
<td>Alleghany, Ashe, Alexander, Avery, Burke, Caldwell, Catawba, McDowell, Mitchell, Watauga, Wilkes, Yancey</td>
</tr>
<tr>
<td>Southwest</td>
<td>Anson, Cabarrus, Cleveland, Gaston, Iredell, Lincoln, Mecklenburg, Rowan, Stanly, Union</td>
</tr>
<tr>
<td>Piedmont-Triad (Central)</td>
<td>Alamance, Caswell, Davidson, Davie, Forsyth, Guilford, Randolph, Rockingham, Stokes, Surry, Yadkin</td>
</tr>
<tr>
<td>North Central</td>
<td>Chatham, Durham, Franklin, Granville, Harnett, Johnston, Lee, Orange, Person, Vance, Wake, Warren</td>
</tr>
<tr>
<td>Sandhills (South Central)</td>
<td>Bladen, Columbus, Cumberland, Hoke, Montgomery, Moore, Richmond, Robeson, Sampson, Scotland</td>
</tr>
<tr>
<td>Southeast</td>
<td>Brunswick, Carteret, Craven, Duplin, Greene, Jones, Lenoir, New Hanover, Onslow, Pamlico, Pender, Wayne</td>
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