

# February 2018 Monthly Lodging Report (Smith Travel Research)

## Statewide

- NC hotel/motel **occupancy** decreased 4.1% statewide in February 2018 from February 2017 (two-year change, -3.8%).
  - US **occupancy** increased 1.2% in February 2018 from February 2017 (two-year change, +0.4%).
  - South Atlantic states **occupancy** increased 0.5% in February 2018 from February 2017 (two-year change, +0.9%).
- February 2018 **room rates (ADR)** in North Carolina were up 1.2% (two-year change, +3.0%).
  - **Room rates** in the US increased 2.3% from February 2017 (two-year change, +4.3%).
  - **Room rates** in the South Atlantic states increased 4.1% from February 2017 (two-year change, +5.7%)
- Statewide, **RevPAR** was down 3.0% from February of 2017 (two-year change, +0.9%).
  - US **RevPAR** increased 3.5% from February 2017 (two-year change, +4.7%).
  - South Atlantic **RevPAR** increased 4.6% from February 2016 (two-year change, 6.7%).
- **Room Supply** increased by 3.2% in the state from February 2017 to February 2018 (two-year change +5.4%).
  - US **room supply** increased 2.0% in February 2018 (two-year change, +3.7%).
  - South Atlantic **room supply** was up 1.6% from February 2017 to February 2018 (two-year change, 2.9%).
- **Room Demand** decreased 1.1% in the state from February 2017 to February 2018 (two-year change +1.3%).
  - **Room demand** in the US increased 3.2% in February 2018 from February 2017 (two-year change, 4.2%).
  - **Room demand** in the South Atlantic increased 2.1% in February 2017 from February 2016 (two-year change, 3.8%).
- North Carolina **room revenues** increased 0.1% in February 2018 (two-year change +4.4%).
  - **Room revenues** in the US increased 5.6% from February 2017 to February 2018 (two-year change, 8.6%).
  - **Room revenues** in the South Atlantic increased 6.3% from February 2017 to February 2018 (two-year change, 9.8%).

## Regional

- None of the regions posted gains in **occupancy** rates in February 2018 from 2017. Continued supply growth both regionally and statewide are continuing to negatively affect occupancy. Two-year percent change can be found in parentheses.
  - Western Region -6.3% (-5.7%)
  - Piedmont Triad Region -3.9% (-1.6%)
  - Northeast Region -6.9% (-3.2%)
  - Northwest Region -4.2% (-3.7%)
  - North Central Region -4.3% (-1.0%)
  - Southeast Region -6.0% (-3.8%)
  - Southwest Region -1.6% (-7.8%)
  - Sandhills Region -5.8% (-1.5%)
- Seven of the eight zones experienced increased **ADR** in February 2018 from February 2017. The Piedmont Triad Region led the state in ADR growth in February with nearly five percent growth. ADR in the Western Region increased nearly three percent from last February. Two-year percent change can be found in parentheses.
  - Western Region +2.7% (+6.7%)
  - Piedmont Triad Region +4.7% (+5.4%)
  - Northeast Region +1.4% (+6.9%)
  - Northwest Region +0.9% (-0.7%)
  - North Central Region +2.3% (+3.6%)
  - Southeast Region +1.3% (+5.6%)
  - Southwest Region -2.4% (-0.5%)
  - Sandhills Region +0.4% (+4.5%)
- **RevPAR** was up in only the Piedmont Triad Region for February 2018 from February 2017. Two-year percent change shows increases in six regions (in parentheses).
  - Western Region -3.7% (+0.7%)
  - Piedmont Triad Region +0.6% (+3.7%)
  - Northeast Region -5.5% (+3.4%)
  - Northwest Region -3.3% (-4.5%)
  - North Central Region -2.1% (+2.6%)
  - Southeast Region -4.8% (+1.6%)
  - Southwest Region -3.9% (-8.2%)
  - Sandhills Region -5.4% (+2.9%)
- **Room Supply** was up in seven of the eight regions of the state in February 2018 from February 2017, particularly in the Western, North Central and Southwest regions.
  - Western Region +5.6% (+9.3%)
  - Piedmont Triad Region +1.6% (+4.0%)
  - Northeast Region +1.5% (+2.1%)
  - Northwest Region 0.0% (+0.7%)
  - North Central Region +4.3% (+6.1%)
  - Southeast Region +2.5% (+2.4%)
  - Southwest Region +4.1% (+7.5%)
  - Sandhills Region +1.0% (+4.1%)
- **Room Demand** was up in only the Southwest Region for February 2018 from 2017, while four regions had two-year growth in demand in February. The two-year change for each region is shown in parentheses.
  - Western Region -1.1% (+3.1%)
  - Piedmont Triad Region -2.4% (+2.3%)
  - Northeast Region -5.5% (-1.2%)
  - Northwest Region -4.2% (-3.1%)
  - North Central Region -0.1% (+5.0%)
  - Southeast Region -3.7% (-1.4%)
  - Southwest Region +2.4% (-0.8%)
  - Sandhills Region -4.9% (+2.5%)
- **Room Revenues** were up in three of the prosperity zones of the state for February 2018 from 2017. The Piedmont Triad and North Central regions had two percent increases in revenues, while the Western Region had just less than two percent growth. Two-year change shows positive revenue growth for five regions (in parentheses).
  - Western Region +1.6% (+10.0%)
  - Piedmont Triad Region +2.2% (+7.8%)
  - Northeast Region -4.1% (+5.6%)
  - Northwest Region -3.3% (-3.8%)
  - North Central Region +2.1% (+8.8%)
  - Southeast Region -2.4% (+4.1%)
  - Southwest Region 0.0% (-1.3%)
  - Sandhills Region -4.4% (+7.1%)

# Year-To-Date (through February 2018) Lodging Report

## Statewide & Competitive State Comparison

- Hotel/motel **occupancy** is down 3.6% statewide YTD (through February) 2018 (two-year change, -2.6%).
  - The US **occupancy** is up 1.0% in 2018 from 2017 (two-year change, +0.8%).
  - The South Atlantic states **occupancy** is up 0.2% in 2018 from 2017 (two-year change, +1.1%).
- YTD **room rates (ADR)** in North Carolina are up 2.3% (two-year change, +4.0%).
  - The US **ADR** is up 2.2% in 2018 from 2017 (two-year change, +4.9%).
  - The South Atlantic states **ADR** is up 2.8% in 2018 from 2017 (two-year change, +5.6%).
- Statewide, **RevPAR** is down 1.4% year-to-date (two-year change +1.2%).
  - Nationally, **RevPAR** is also up 3.2% in 2018 from 2017 (two-year change, +5.6%).
  - The South Atlantic states **RevPAR** is up 3.0% in 2018 from 2017 (two-year change, +6.8%).
- **Room Supply** is up 3.2% in the state year-to-date (two-year change, +5.3%).
  - Nationally, **room supply** is also up 2.0% in 2018 from 2017 (two-year change, +3.7%).
  - The South Atlantic states **room supply** is up 1.6% in 2018 from 2017 (two-year change, +2.9%).
- **Room Demand** is down 0.5% in the state year-to-date (two-year change, +2.6%).
  - Nationally, **room demand** is also up 3.0% in 2018 from 2017 (two-year change, +4.6%).
  - The South Atlantic states **room demand** is up 1.7% in 2018 from 2017 (two-year change, +4.0%).
- North Carolina **room revenues** are up 1.8% year-to date (two-year change, +6.6%).
  - Nationally, **room revenues** are also up 5.3% 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, +9.8%).

## Regional

- **Occupancy** in only the Northwest and Southwest regions is up year-to-date (through February), and only by less than one percent. For the two-year period, occupancy is up only in the Northwest and Piedmont Triad regions (in parentheses).
  - Western Region -4.0% (-7.8%)      ○ Piedmont Triad Region -3.4% (+0.3%)      ○ Northeast Region -7.6% (-3.3%)
  - Northwest Region +0.6% (+0.2%)      ○ North Central Region -4.2% (-0.6%)      ○ Southeast Region -7.1% (-5.5%)
  - Southwest Region +0.5% (-3.8%)      ○ Sandhills Region -10.2% (-1.8%)
- **ADR** in seven of the eight prosperity zones is up year-to-date through February. Sandhills Region ADR is down less than one percent year-to-date through February.
  - Western Region +1.9% (+5.0%)      ○ Piedmont Triad Region +4.3% (+5.2%)      ○ Northeast Region +0.8% (+5.5%)
  - Northwest Region +1.8% (+1.1%)      ○ North Central Region +2.6% (+3.8%)      ○ Southeast Region +0.7% (+5.3%)
  - Southwest Region +1.1% (+2.6%)      ○ Sandhills Region -0.8% (+3.4%)
- **RevPAR** is up year-to-date in three of the eight prosperity zones of the state.
  - Western Region -2.2% (-3.2%)      ○ Piedmont Triad Region +0.7% (+5.6%)      ○ Northeast Region -6.9% (+2.0%)
  - Northwest Region +2.4% (+1.3%)      ○ North Central Region -1.7% (+3.2%)      ○ Southeast Region -6.4% (-0.5%)
  - Southwest Region +1.6% (-1.3%)      ○ Sandhills Region -11.0% (+1.5%)
- **Room Supply** is up in seven of the prosperity zones year-to-date through February, particularly in the Western Region. This region's supply of rooms has grown nearly ten percent in two years.
  - Western Region +5.6% (+9.3%)      ○ Piedmont Triad Region +1.3% (+3.5%)      ○ Northeast Region +1.5% (+2.1%)
  - Northwest Region 0.0% (+0.7%)      ○ North Central Region +4.3% (+6.1%)      ○ Southeast Region +2.6% (+2.5%)
  - Southwest Region +4.3% (+7.5%)      ○ Sandhills Region +1.0% (+4.1%)
- **Room Demand** is up three of the prosperity zones of the state year-to-date through February. The Southwest Region demand is up nearly five percent. For the two-year period, room demand is up in six of the eight regions (in parentheses).
  - Western Region +1.3% (+0.8%)      ○ Piedmont Triad Region -2.1% (+3.8%)      ○ Northeast Region -6.2% (-1.3%)
  - Northwest Region +0.5% (+0.8%)      ○ North Central Region 0.0% (+5.5%)      ○ Southeast Region -4.7% (-3.2%)
  - Southwest Region +4.9% (+3.4%)      ○ Sandhills Region -9.3% (+2.2%)
- **Room Revenues** are up in five of the prosperity zones year-to-date through February. Revenues in the Southwest Region are up six percent, followed by the Western, North Central and Northwest regions.
  - Western Region +3.3% (+5.8%)      ○ Piedmont Triad Region +2.0% (+9.2%)      ○ Northeast Region -5.5% (+4.1%)
  - Northwest Region +2.4% (+1.9%)      ○ North Central Region +2.5% (+9.5%)      ○ Southeast Region -4.0% (+1.9%)
  - Southwest Region +6.0% (+6.1%)      ○ Sandhills Region -10.0% (+5.7%)

## 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