May 2018 Monthly Lodging Report (Smith Travel Research)

Statewide

- NC hotel/motel occupancy increased 1.2% statewide in May 2018 from May 2017 (two-year change, -0.2%).
  - US occupancy increased 0.7% in May 2018 from May 2017 (two-year change, +2.1%).
  - South Atlantic states occupancy decreased 0.4% in May 2018 from May 2017 (two-year change, +1.0%).
- May 2018 room rates (ADR) in North Carolina were up 0.9% (two-year change, +4.9%).
  - Room rates in the US increased 2.6% from May 2017 (two-year change, +4.7%).
  - Room rates in the South Atlantic states increased 2.3% from May 2017 (two-year change, +5.0%)
- Statewide, RevPAR was up 2.1% from May of 2017 (two-year change, +4.7%).
  - US RevPAR increased 3.3% from May 2017 (two-year change, +6.9%).
  - South Atlantic RevPAR increased 1.8% from May 2016 (two-year change, +6.0%).
- Room Supply increased by 2.4% in the state from May 2017 to May 2018 (two-year change +4.9%).
  - US room supply increased 2.0% in May 2018 (two-year change, +3.9%).
  - South Atlantic room supply was up 1.7% from May 2017 to May 2018 (two-year change, 3.2%).
- Room Demand increased 3.6% in the state from May 2017 to May 2018 (two-year change +4.6%).
  - Room demand in the US increased 2.7% in May 2018 from May 2017 (two-year change, 6.1%).
  - Room demand in the South Atlantic increased 1.2% in May 2017 from May 2016 (two-year change, +4.3%).
- North Carolina room revenues increased 4.5% in May 2018 (two-year change +9.8%).
  - Room revenues in the US increased 5.4% from May 2017 to May 2018 (two-year change, 11.0%).
  - Room revenues in the South Atlantic increased 3.5% from May 2017 to May 2018 (two-year change, +9.5%).

Regional

- Seven of the regions posted gains in occupancy rates in May 2018 from 2017, particularly the Northwest Region. Continued supply growth both regionally and statewide continue to affect occupancy. Two-year percent change can be found in parentheses.
  - Western Region +0.9% (-0.2%)  Piedmont Triad Region +1.2% (+1.5%)  Northeast Region +0.6% (+4.1%)
  - Northwest Region +6.7% (+3.2%)  North Central Region +1.8% (0.0%)  Southeast Region +0.7% (-0.6%)
  - Southwest Region +0.8% (-4.0%)  Sandhills Region -0.4% (+2.8%)
- Five of the eight zones experienced increased ADR in May 2018 from May 2017. The Piedmont Triad and North Central regions led the state in ADR growth in May with more than two percent growth. Two-year percent change can be found in parentheses.
  - Western Region +2.7% (+6.6%)  Piedmont Triad Region +2.6% (+4.9%)  Northeast Region -0.6% (+4.6%)
  - Northwest Region +1.1% (+3.5%)  North Central Region +2.5% (+5.0%)  Southeast Region -3.5% (+5.8%)
  - Southwest Region 0.0% (+3.5%)  Sandhills Region +1.7% (+6.4%)
- RevPAR was up in six of the regions for May 2018 from May 2017. Two-year percent changes can be found in parentheses.
  - Western Region +2.7% (+6.6%)  Piedmont Triad Region +3.8% (+6.6%)  Northeast Region 0.0% (+8.9%)
  - Northwest Region +7.9% (+6.7%)  North Central Region +4.3% (+4.9%)  Southeast Region -2.9% (+5.2%)
  - Southwest Region +0.8% (-0.9%)  Sandhills Region +1.3% (+9.4%)
- Room Supply was up in seven of the eight regions of the state in May 2018 from May 2017, particularly in the Western and North Central regions.
  - Western Region +4.6% (+7.4%)  Piedmont Triad Region +0.9% (+1.0%)  Northeast Region +2.0% (+1.8%)
  - Northwest Region 0.0% (+0.6%)  North Central Region +2.9% (+5.6%)  Southeast Region +2.4% (+3.7%)
  - Southwest Region +2.4% (+8.1%)  Sandhills Region +2.0% (+4.2%)
- Room Demand was up in each of the regions for May 2018 from 2017, with the Northwest Region posting a nearly seven percent growth from last May. The two-year change for each region is shown in parentheses.
  - Western Region +5.6% (+7.1%)  Piedmont Triad Region +2.1% (+2.5%)  Northeast Region +2.6% (+6.0%)
  - Northwest Region +6.7% (+3.8%)  North Central Region +4.8% (+5.5%)  Southeast Region +3.1% (+3.1%)
  - Southwest Region +3.2% (+3.5%)  Sandhills Region +1.5% (+7.1%)
- Room Revenues were up in seven of the prosperity zones of the state for May 2018 from 2017. The Northwest Region had nearly eight percent growth in revenues. Two-year change shows positive revenue growth for seven of the regions (in parentheses).
  - Western Region +7.5% (+14.2%)  Piedmont Triad Region +4.7% (+7.6%)  Northeast Region +2.0% (+10.8%)
  - Northwest Region +7.9% (+7.4%)  North Central Region +7.4% (+10.8%)  Southeast Region -0.5% (+9.0%)
  - Southwest Region +3.2% (+7.1%)  Sandhills Region +3.3% (+14.0%)
Year-To-Date (through May 2018) Lodging Report

Statewide & Competitive State Comparison

- Hotel/motel occupancy is down 1.0% statewide YTD (through May) 2018 (two-year change, -1.4%).
  - The US occupancy is up 0.8% in 2018 from 2017 (two-year change, +1.4%).
  - The South Atlantic states occupancy is up 0.1% in 2018 from 2017 (two-year change, +1.4%).
- YTD room rates (ADR) in North Carolina are up 2.3% (two-year change, +4.9%).
  - The US ADR is up 2.7% in 2018 from 2017 (two-year change, +5.1%).
  - The South Atlantic states ADR is up 3.2% in 2018 from 2017 (two-year change, +5.9%).
- Statewide, RevPAR is up 1.3% year-to-date (two-year change +3.5%).
  - Nationally, RevPAR is also up 3.6% in 2018 from 2017 (two-year change, +6.6%).
  - The South Atlantic states RevPAR is up 3.3% in 2018 from 2017 (two-year change, +7.5%).
- Room Supply is up 2.8% in the state year-to-date (two-year change, +5.1%).
  - 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 1.6% in 2018 from 2017 (two-year change, +3.0%).
- Room Demand is up 1.8% in the state year-to-date (two-year change, +3.7%).
  - Nationally, room demand is also up 2.9% in 2018 from 2017 (two-year change, +5.3%).
  - The South Atlantic states room demand is up 1.7% in 2018 from 2017 (two-year change, +4.5%).
- North Carolina room revenues are up 4.1% year-to-date (two-year change, +8.8%).
  - Nationally, room revenues are also up 5.7% in 2018 from 2017 (two-year change, +10.7%).
  - The South Atlantic states room revenues are up 5.0% in 2017 from 2016 (two-year change, +10.7%).

Regional

- Occupancy in only the Northwest and Southwest regions is up year-to-date (through May), and only by less than three percent. For the two-year period, occupancy is up only four regions (in parentheses).
  - Western Region -1.0% (-5.2%) Piedmont Triad Region -0.4% (+0.7%) Northeast Region -2.5% (+0.2%)
  - Northwest Region +2.6% (+1.2%) North Central Region -1.5% (+0.3%) Southeast Region -2.8% (-3.1%)
  - Southwest Region +0.7% (-3.1%) Sandhills Region -4.5% (-0.6%)
- ADR in seven of the eight prosperity zones is up year-to-date through May.
  - Western Region +2.4% (+6.1%) Piedmont Triad Region +4.1% (+5.3%) Northeast Region +0.4% (+4.8%)
  - Northwest Region +1.5% (+2.2%) North Central Region +2.3% (+3.7%) Southeast Region -0.6% (+5.0%)
  - Southwest Region +2.2% (+5.3%) Sandhills Region +2.0% (+5.2%)
- RevPAR is up year-to-date in five of the eight prosperity zones of the state.
  - Western Region +1.4% (+0.6%) Piedmont Triad Region +3.7% (+6.0%) Northeast Region -2.1% (+5.0%)
  - Northwest Region +4.1% (+3.5%) North Central Region +0.8% (+4.0%) Southeast Region -3.4% (+1.8%)
  - Southwest Region +2.9% (+2.0%) Sandhills Region -2.6% (+4.5%)
- Room Supply is up in seven of the prosperity zones year-to-date through May, particularly in the Western Region. This region’s supply of rooms has grown more than eight percent in two years.
  - Western Region +5.0% (+8.3%) Piedmont Triad Region +1.3% (+2.8%) Northeast Region +1.7% (+1.8%)
  - Northwest Region 0.0% (+0.6%) North Central Region +3.8% (+5.7%) Southeast Region +2.4% (+2.8%)
  - Southwest Region +3.2% (+7.7%) Sandhills Region +1.6% (+4.5%)
- Room Demand is up five of the prosperity zones of the state year-to-date through May. The Southwest Region demand is up four percent, and demand in the Western Region is up nearly four percent. For the two-year period, room demand is up in seven of the eight regions (in parentheses).
  - Western Region +3.9% (+2.7%) Piedmont Triad Region +0.9% (+3.6%) Northeast Region -0.8% (+2.0%)
  - Northwest Region +2.5% (+1.8%) North Central Region +2.3% (+6.0%) Southeast Region -0.5% (-0.4%)
  - Southwest Region +4.0% (+4.3%) Sandhills Region -3.0% (+3.9%)
- Room Revenues are up in five of the prosperity zones year-to-date through May. Revenues in the Western and Southwest regions are up more than six percent, followed by the Piedmont Triad and North Central regions.
  - Western Region +6.4% (+8.9%) Piedmont Triad Region +5.1% (+9.0%) Northeast Region -0.4% (+6.9%)
  - Northwest Region +4.1% (+4.1%) North Central Region +4.6% (+10.0%) Southeast Region -1.1% (+4.6%)
  - Southwest Region +6.3% (+9.9%) Sandhills Region -1.0% (+9.3%)
## 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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</tbody>
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