

# July 2018 Monthly Lodging Report (Smith Travel Research)

## Statewide

- NC hotel/motel **occupancy** decreased 1.2% statewide in July 2018 from July 2017 (two-year change, -3.8%).
  - US **occupancy** decreased 0.2% in July 2018 from July 2017 (two-year change, -0.9%).
  - South Atlantic states **occupancy** decreased 0.8% in July 2018 from July 2017 (two-year change, -1.5%).
- July 2018 **room rates (ADR)** in North Carolina were up 0.6% (two-year change, +2.9%).
  - **Room rates** in the US increased 2.0% from July 2017 (two-year change, +3.4%).
  - **Room rates** in the South Atlantic states increased 1.3% from July 2017 (two-year change, +3.7%)
- Statewide, **RevPAR** was down 0.6% from July of 2017 (two-year change, -1.0%).
  - US **RevPAR** increased 1.8% from July 2017 (two-year change, +2.5%).
  - South Atlantic **RevPAR** increased 0.4% from July 2016 (two-year change, +2.9%).
- **Room Supply** increased by 2.2% in the state from July 2017 to July 2018 (two-year change +4.8%).
  - US **room supply** increased 2.1% in July 2018 (two-year change, +4.0%).
  - South Atlantic **room supply** was up 1.7% from July 2017 to July 2018 (two-year change, 3.4%).
- **Room Demand** increased 0.9% in the state from July 2017 to July 2018 (two-year change +0.8%).
  - **Room demand** in the US increased 1.9% in July 2018 from July 2017 (two-year change, 3.0%).
  - **Room demand** in the South Atlantic increased 0.9% in July 2017 from June 2016 (two-year change, +1.8%).
- North Carolina **room revenues** increased 1.6% in July 2018 (two-year change +3.7%).
  - **Room revenues** in the US increased 3.9% from July 2017 to July 2018 (two-year change, 6.5%).
  - **Room revenues** in the South Atlantic increased 2.2% from June 2017 to July 2018 (two-year change, +5.6%).

## Regional

- Two of the regions posted gains in **occupancy** rates in July 2018 from 2017. Continued supply growth both regionally and statewide continue to affect occupancy. Two-year percent change can be found in parentheses.
  - Western Region -1.7% (-3.9%)
  - Piedmont Triad Region +2.9% (+1.9%)
  - Northeast Region -2.1% (-3.9%)
  - Northwest Region +2.7% (-2.9%)
  - North Central Region -0.3% (-0.2%)
  - Southeast Region -1.2% (-4.1%)
  - Southwest Region -4.0% (-9.3%)
  - Sandhills Region -2.1% (-4.8%)
- Four of the eight zones experienced increased **ADR** in July 2018 from July 2017. The Piedmont Triad and North Central regions led the state in ADR growth in July with more than six and three percent growth respectively. Two-year percent change can be found in parentheses.
  - Western Region 0.0% (0.0%)
  - Piedmont Triad Region +6.3% (+9.1%)
  - Northeast Region -2.2% (+0.1%)
  - Northwest Region -0.3% (-0.5%)
  - North Central Region +3.7% (+4.7%)
  - Southeast Region +0.1% (+4.7%)
  - Southwest Region -2.1% (+1.1%)
  - Sandhills Region +1.7% (+7.0%)
- **RevPAR** was up in three of the regions for July 2018 from July 2017. Two-year percent changes can be found in parentheses.
  - Western Region -1.7% (-3.9%)
  - Piedmont Triad Region +9.4% (+11.2%)
  - Northeast Region -4.2% (-3.8%)
  - Northwest Region +2.4% (-3.5%)
  - North Central Region +3.4% (+4.5%)
  - Southeast Region -1.1% (+0.4%)
  - Southwest Region -6.1% (-8.3%)
  - Sandhills Region -0.4% (+1.9%)
- **Room Supply** was up in seven of the eight regions of the state in July 2018 from July 2017, particularly in the Western Region.
  - Western Region +3.6% (+7.4%)
  - Piedmont Triad Region +0.9% (+1.0%)
  - Northeast Region +1.3% (+2.1%)
  - Northwest Region 0.0% (+0.6%)
  - North Central Region +2.2% (+4.8%)
  - Southeast Region +2.6% (+3.8%)
  - Southwest Region +2.9% (+8.1%)
  - Sandhills Region +2.0% (+4.5%)
- **Room Demand** was up in five of the regions for July 2018 from 2017, with the Piedmont Triad leading the state in demand growth with nearly four percent, followed by the Northwest Region with nearly three percent growth. The two-year change for each region is shown in parentheses.
  - Western Region +1.8% (+3.1%)
  - Piedmont Triad Region +3.8% (+2.9%)
  - Northeast Region -0.8% (-1.8%)
  - Northwest Region +2.6% (-2.4%)
  - North Central Region +1.9% (+4.6%)
  - Southeast Region +1.3% (-0.5%)
  - Southwest Region -1.2% (-1.9%)
  - Sandhills Region -0.1% (-0.5%)
- **Room Revenues** were up in six of the prosperity zones of the state for July 2018 from 2017. The Piedmont Triad Region had more than ten percent growth in revenues and the North Central Region had nearly six percent growth. Two-year change shows positive revenue growth for seven of the regions (in parentheses).
  - Western Region +1.9% (+3.1%)
  - Piedmont Triad Region +10.3% (+12.3%)
  - Northeast Region -3.0% (-1.7%)
  - Northwest Region +2.3% (-2.9%)
  - North Central Region +5.7% (+9.5%)
  - Southeast Region +1.4% (+4.2%)
  - Southwest Region -3.3% (-0.9%)
  - Sandhills Region +1.6% (+6.4%)

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

## Statewide & Competitive State Comparison

- Hotel/motel **occupancy** is down 0.5% statewide YTD (through July) 2018 (two-year change, -1.5%).
  - The US **occupancy** is up 0.8% in 2018 from 2017 (two-year change, +1.2%).
  - The South Atlantic states **occupancy** is up 0.4% in 2018 from 2017 (two-year change, +1.3%).
- YTD **room rates (ADR)** in North Carolina are up 1.8% (two-year change, +4.5%).
  - The US **ADR** is up 2.6% in 2018 from 2017 (two-year change, +4.8%).
  - The South Atlantic states **ADR** is up 3.1% in 2018 from 2017 (two-year change, +5.7%).
- Statewide, **RevPAR** is up 1.3% year-to-date (two-year change +2.9%).
  - Nationally, **RevPAR** is also up 3.5% in 2018 from 2017 (two-year change, +6.0%).
  - The South Atlantic states **RevPAR** is up 3.4% in 2018 from 2017 (two-year change, +7.1%).
- **Room Supply** is up 2.6% in the state year-to-date (two-year change, +4.9%).
  - 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 1.7% in 2018 from 2017 (two-year change, +3.1%).
- **Room Demand** is up 2.0% in the state year-to-date (two-year change, +3.4%).
  - Nationally, **room demand** is also up 2.9% in 2018 from 2017 (two-year change, +5.1%).
  - The South Atlantic states **room demand** is up 2.0% in 2018 from 2017 (two-year change, +4.5%).
- North Carolina **room revenues** are up 3.9% year-to date (two-year change, +8.0%).
  - Nationally, **room revenues** are also up 5.6% in 2018 from 2017 (two-year change, +10.1%).
  - The South Atlantic states **room revenues** are up 5.2% in 2017 from 2016 (two-year change, +10.5%).

## Regional

- **Occupancy** in only the Northwest and Southwest regions is up year-to-date (through July), with the Northwest Region occupancy up nearly four percent. For the two-year period, occupancy is up only four regions (in parentheses).
  - Western Region -0.6% (-4.2%)      ○ Piedmont Triad Region -0.1% (+1.3%)      ○ Northeast Region -1.1% (+0.6%)
  - Northwest Region +3.6% (+0.3%)      ○ North Central Region -0.6% (+0.6%)      ○ Southeast Region -1.2% (-2.5%)
  - Southwest Region +0.1% (-4.2%)      ○ Sandhills Region -4.2% (-1.3%)
- **ADR** in seven of the eight prosperity zones is up year-to-date through July. ADR in the Northeast Region is flat from 2017.
  - Western Region +1.5% (+4.4%)      ○ Piedmont Triad Region +4.1% (+6.0%)      ○ Northeast Region 0.0% (+3.7%)
  - Northwest Region +1.1% (+1.8%)      ○ North Central Region +2.6% (+3.9%)      ○ Southeast Region +0.4% (+5.3%)
  - Southwest Region +1.2% (+4.3%)      ○ Sandhills Region +1.5% (+5.6%)
- **RevPAR** is up year-to-date in five of the eight prosperity zones of the state.
  - Western Region +0.8% (+0.0%)      ○ Piedmont Triad Region +4.0% (+7.3%)      ○ Northeast Region -1.2% (+4.3%)
  - Northwest Region +4.7% (+2.0%)      ○ North Central Region +2.0% (+4.6%)      ○ Southeast Region -0.8% (+2.7%)
  - Southwest Region +1.3% (-0.2%)      ○ Sandhills Region -2.7% (+4.3%)
- **Room Supply** is up in seven of the prosperity zones year-to-date through July, particularly in the Western Region. This region's supply of rooms has grown eight percent in two years.
  - Western Region +4.7% (+8.0%)      ○ Piedmont Triad Region +1.2% (+2.3%)      ○ Northeast Region +1.7% (+1.9%)
  - Northwest Region 0.0% (+0.6%)      ○ North Central Region +3.2% (+5.3%)      ○ Southeast Region +2.4% (+3.1%)
  - Southwest Region +2.9% (+7.6%)      ○ Sandhills Region +1.9% (+4.6%)
- **Room Demand** is up seven of the prosperity zones of the state year-to-date through July. The Western Region demand is up four percent, and demand in the Northwest Region is up nearly four percent. For the two-year period, room demand is up in each of the eight regions (in parentheses).
  - Western Region +4.0% (+3.5%)      ○ Piedmont Triad Region +1.1% (+3.6%)      ○ Northeast Region +0.5% (+2.4%)
  - Northwest Region +3.5% (+0.9%)      ○ North Central Region +2.6% (+6.0%)      ○ Southeast Region +1.2% (+0.5%)
  - Southwest Region +3.0% (+3.0%)      ○ Sandhills Region -2.4% (+3.3%)
- **Room Revenues** are up in seven of the prosperity zones year-to-date through July. Revenues in the Western Region are up nearly six percent, followed by the North Central and Piedmont Triad and Northwest regions.
  - Western Region +5.6% (+8.1%)      ○ Piedmont Triad Region +5.3% (+9.7%)      ○ Northeast Region +0.5% (+6.3%)
  - Northwest Region +4.7% (+2.6%)      ○ North Central Region +5.3% (+10.1%)      ○ Southeast Region +1.6% (+5.9%)
  - Southwest Region +4.2% (+7.4%)      ○ Sandhills Region -0.9% (+9.1%)

## 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