November 2018 Monthly Lodging Report - (Smith Travel Research)

Statewide

- NC hotel/motel occupancy increased 7.7% statewide in November 2018 from November 2017 (two-year change, +0.9%).
  - US occupancy increased 0.4% in November 2018 from November 2017 (two-year change, +1.9%).
  - South Atlantic states occupancy increased 0.3% in November 2018 from November 2017 (two-year change, +1.7%).
- November 2018 room rates (ADR) in North Carolina were up 4.5% (two-year change, +7.5%).
  - Room rates in the US increased 1.2% from November 2017 (two-year change, +3.6%).
  - Room rates in the South Atlantic states increased 1.0% from November 2017 (two-year change, +4.8%).
- Statewide, RevPAR was up 12.6% from November of 2017 (two-year change, +8.5%).
  - US RevPAR increased 1.6% from November 2017 (two-year change, +5.6%).
  - South Atlantic RevPAR increased 1.3% from November 2016 (two-year change, +6.6%).
- Room Supply increased by 0.7% in the state from November 2017 to November 2018 (two-year change +3.5%).
  - US room supply increased 2.0% in November 2018 (two-year change, +3.7%).
  - South Atlantic room supply was up 2.2% from November 2017 to November 2018 (two-year change, +3.4%).
- Room Demand increased 8.5% in the state from November 2017 to November 2018 (two-year change +4.4%).
  - Room demand in the US increased 2.5% in November 2018 from November 2017 (two-year change, +5.7%).
  - Room demand in the South Atlantic increased 2.5% in November 2017 from November 2016 (two-year change, +5.1%).
- North Carolina room revenues increased 13.4% in November 2018 (two-year change +12.2%).
  - Room revenues in the US increased 3.7% from November 2017 to November 2018 (two-year change, +9.5%).
  - Room revenues in the South Atlantic increased 3.4% from November 2017 to November 2018 (two-year change, +10.2%).

Regional

- Seven of the regions posted gains in occupancy rates in November 2018 from 2017. The Southeast Region continues to have extremely high occupancy growth, presumably as a result of Hurricane Florence recovery efforts. Continued supply growth continues to affect occupancy both regionally and statewide. Two-year percent change can be found in parentheses.
  - Western Region -0.2% (-6.6%)  Piedmont Triad Region +5.9% (+5.9%)  Northeast Region +9.4% (-6.6%)  
  - Northwest Region +2.7% (-8.1%)  North Central Region +7.5% (+1.7%)  Southeast Region +40.2% (+25.4%)  
  - Southwest Region +0.7% (-0.8%)  Sandhills Region +13.4% (-8.9%)  
- Each of the eight zones experienced increased ADR in November 2018 from November 2017, particularly in the Southeast, Sandhills and Piedmont Triad regions. Two-year percent change can be found in parentheses.
  - Western Region +5.2% (+12.2%)  Piedmont Triad Region +7.4% (+10.8%)  Northeast Region +4.7% (+5.6%)  
  - Northwest Region +3.1% (+1.5%)  North Central Region +4.1% (+5.7%)  Southeast Region +18.8% (+20.2%)  
  - Southwest Region +0.4% (+2.1%)  Sandhills Region +7.2% (+7.1%)  
- RevPAR was up in each of the regions for November 2018 from November 2017, some of the increases presumed to be related to hurricane occupancy. Two-year percent changes can be found in parentheses.
  - Western Region +5.0% (+4.8%)  Piedmont Triad Region +13.7% (+17.3%)  Northeast Region +14.5% (-1.4%)  
  - Northwest Region +5.9% (-6.7%)  North Central Region +11.9% (+7.5%)  Southeast Region +66.5% (+50.8%)  
  - Southwest Region +1.1% (+1.2%)  Sandhills Region +21.5% (-2.4%)  
- Room Supply was up in six of the eight regions of the state in November 2018 from November 2017. Due to the hurricane, room inventory decreases in the Southeast Region were evident, but supply continues to grow at a steady pace in many of the other regions. Two-year percent changes can be found in parentheses.
  - Western Region +2.9% (+6.5%)  Piedmont Triad Region +0.7% (+1.5%)  Northeast Region +0.1% (+0.9%)  
  - Northwest Region 0.0% (-1.7%)  North Central Region +2.6% (+6.5%)  Southeast Region -10.0% (-9.0%)  
  - Southwest Region +2.7% (+7.7%)  Sandhills Region +2.2% (+4.1%)  
- Room Demand was up in each of the regions for November 2018 from 2017, with the Southeast Region leading the state in demand growth with twenty-six percent growth. It is presumed that the high increase is partially explained by recovery efforts from Hurricane Florence. The Sandhills Region also had high growth with sixteen percent. The two-year change for each region is shown in parentheses.
  - Western Region +2.7% (-0.5%)  Piedmont Triad Region +6.6% (+7.5%)  Northeast Region +9.5% (-5.7%)  
  - Northwest Region +2.7% (-9.7%)  North Central Region +10.2% (+8.3%)  Southeast Region +26.1% (+14.1%)  
  - Southwest Region +3.3% (+6.9%)  Sandhills Region +16.0% (-5.2%)  
- Room Revenues were up in each of the prosperity zones of the state for November 2018 from 2017. The Southeast Region had nearly fifty percent growth from last year, and the Sandhills Region had more than twenty-four percent growth. This growth can be explained by both demand and ADR increases, presumably due to hurricane recovery. Two-year change shows positive revenue growth for each of the regions (in parentheses).
  - Western Region +8.1% (+11.7%)  Piedmont Triad Region +14.5% (+19.1%)  Northeast Region +14.6% (-0.5%)  
  - Northwest Region +5.9% (-8.3%)  North Central Region +14.8% (+14.5%)  Southeast Region +49.8% (+37.2%)  
  - Southwest Region +3.8% (+9.1%)  Sandhills Region +24.3% (+1.6%)
Year-To-Date (through November 2018) Lodging Report

Statewide & Competitive State Comparison

• Hotel/motel occupancy is up 2.1% statewide YTD (through November) 2018 (two-year change, -0.1%).
  o The US occupancy is up 0.5% in 2018 from 2017 (two-year change, +1.5%).
  o The South Atlantic states occupancy is up 0.1% in 2018 from 2017 (two-year change, +1.2%).

• YTD room rates (ADR) in North Carolina are up 2.4% (two-year change, +5.4%).
  o The US ADR is up 2.5% in 2018 from 2017 (two-year change, +4.7%).
  o The South Atlantic states ADR is up 2.4% in 2018 from 2017 (two-year change, +5.2%).

• Statewide, RevPAR is up 4.6% year-to-date (two-year change +5.3%).
  o Nationally, RevPAR is also up 3.0% in 2018 from 2017 (two-year change, +6.2%).
  o The South Atlantic states RevPAR is up 2.5% in 2018 from 2017 (two-year change, +6.5%).

• Room Supply is up 2.1% in the state year-to-date (two-year change, +4.3%).
  o Nationally, room supply is also up 2.0% in 2018 from 2017 (two-year change, +4.1%).
  o The South Atlantic states room supply is up 1.8% in 2018 from 2017 (two-year change, +3.3%).

• Room Demand is up 4.3% in the state year-to-date (two-year change, +4.2%).
  o Nationally, room demand is also up 2.5% in 2018 from 2017 (two-year change, +5.6%).
  o The South Atlantic states room demand is up 1.9% in 2018 from 2017 (two-year change, +4.5%).

• North Carolina room revenues are up 6.9% year-to-date (two-year change, +9.8%).
  o Nationally, room revenues are also up 5.0% in 2018 from 2017 (two-year change, +10.6%).
  o The South Atlantic states room revenues are up 4.3% in 2017 from 2016 (two-year change, +10.0%).

Regional

• Occupancy is up year-to-date (through November) in seven of the eight regions. For the two-year period, occupancy is up in five regions (in parentheses).
  o Western Region -0.7% (-4.0%)
  o Piedmont Triad Region +1.8% (+2.4%)
  o Northeast Region +3.4% (+1.2%)
  o Northwest Region +2.7% (+2.1%)
  o North Central Region +2.5% (+1.6%)
  o South Atlantic Region +6.3% (+2.8%)
  o Northwest Region +0.8% (-2.8%)
  o Sandhills Region +2.7% (+0.1%)

• ADR in each of the eight prosperity zones is up year-to-date through November.
  o Western Region +2.7% (+6.0%)
  o Piedmont Triad Region +3.2% (+5.8%)
  o Northeast Region +1.0% (+4.2%)
  o Northwest Region +1.7% (+1.9%)
  o North Central Region +3.1% (+4.8%)
  o South Atlantic Region +4.5% (+8.7%)
  o Northwest Region +1.0% (+4.5%)
  o Sandhills Region +3.8% (+7.5%)

• RevPAR is up year-to-date in each of the eight prosperity zones of the state.
  o Western Region +2.0% (+1.8%)
  o Piedmont Triad Region +5.1% (+8.4%)
  o Northeast Region +4.4% (+5.5%)
  o Northwest Region +4.5% (-0.3%)
  o North Central Region +5.7% (+6.5%)
  o South Atlantic Region +11.1% (+11.7%)
  o Northwest Region +1.8% (+1.5%)
  o Sandhills Region +6.6% (+7.6%)

• Room Supply is up in six of the prosperity zones year-to-date through November, particularly in the Western Region. This region’s supply of rooms, as well as that in the Southwest Region, has grown more than seven percent in two years.
  o Western Region +4.0% (+7.5%)
  o Piedmont Triad Region +0.9% (+1.9%)
  o Northeast Region +1.1% (+1.1%)
  o Northwest Region -0.3% (-0.3%)
  o North Central Region +3.0% (+5.6%)
  o South Atlantic Region -0.1% (-0.1%)
  o Northwest Region +2.9% (+7.2%)
  o Sandhills Region +2.2% (+4.5%)

• Room Demand is up each of the prosperity zones of the state year-to-date through November. The Southeast Region demand is up more than six percent, the North Central Region demand is up more than five percent, and demand in the Sandhills Region is up five percent. For the two-year period, room demand is up in seven of the eight regions (in parentheses).
  o Western Region +3.3% (+3.2%)
  o Piedmont Triad Region +2.8% (+4.3%)
  o Northeast Region +4.5% (+2.3%)
  o Northwest Region +2.4% (-2.4%)
  o North Central Region +5.6% (+7.3%)
  o South Atlantic Region +6.2% (+2.7%)
  o Southwest Region +3.7% (+4.2%)
  o Sandhills Region +5.0% (+4.6%)

• Room Revenues are up each of the prosperity zones year-to-date through November. Revenues in the Southeast Region are up nearly eleven percent, while revenues in the Sandhills and North Central regions are up nearly ten percent.
  o Western Region +6.1% (+9.4%)
  o Piedmont Triad Region +6.1% (+10.4%)
  o Northeast Region +5.5% (+6.6%)
  o Northwest Region +4.2% (-0.5%)
  o North Central Region +8.8% (+12.5%)
  o South Atlantic Region +10.9% (+11.6%)
  o Southwest Region +4.8% (+8.8%)
  o Sandhills Region +9.0% (+12.5%)
### 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,</td>
</tr>
<tr>
<td></td>
<td>Madison, Polk, Rutherford, Swain, Transylvania</td>
</tr>
<tr>
<td>Northwest Region</td>
<td>Alleghany, Ashe, Alexander, Avery, Burke, Caldwell, Catawba, McDowell,</td>
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<tr>
<td></td>
<td>Mitchell, Watauga, Wilkes, Yancey</td>
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<tr>
<td>Southwest</td>
<td>Anson, Cabarrus, Cleveland, Gaston, Iredell, Lincoln, Mecklenburg, Rowan,</td>
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<tr>
<td></td>
<td>Stanly, Union</td>
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<tr>
<td>Piedmont-Triad (Central)</td>
<td>Alamance, Caswell, Davidson, Davie, Forsyth, Guilford, Randolph,</td>
</tr>
<tr>
<td></td>
<td>Rockingham, Stokes, Surry, Yadkin</td>
</tr>
<tr>
<td>North Central</td>
<td>Chatham, Durham, Franklin, Granville, Harnett, Johnston, Lee, Orange,</td>
</tr>
<tr>
<td></td>
<td>Person, Vance, Wake, Warren</td>
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<tr>
<td>Sandhills (South Central)</td>
<td>Bladen, Columbus, Cumberland, Hoke, Montgomery, Moore, Richmond,</td>
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<tr>
<td></td>
<td>Robeson, Sampson, Scotland</td>
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<tr>
<td>Northeast</td>
<td>Beaufort, Bertie, Camden, Chowan, Currituck, Dare, Edgecombe, Gates,</td>
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<tr>
<td></td>
<td>Halifax, Hertford, Hyde, Martin, Nash, Northampton, Pasquotank, Perquimans,</td>
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<tr>
<td></td>
<td>Pitt, Tyrrell, Washington, Wilson</td>
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<td>Southeast</td>
<td>Brunswick, Carteret, Craven, Duplin, Greene, Jones, Lenoir, New Hanover,</td>
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<tr>
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<td>Onslow, Pamlico, Pender, Wayne</td>
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