February 2019 Monthly Lodging Report (Smith Travel Research)

Statewide
- NC hotel/motel occupancy increased 8.8% statewide in February 2019 from February 2018 (two-year change, +4.4%).
  - US occupancy increased 0.7% in February 2019 from February 2018 (two-year change, +1.9%).
  - South Atlantic states occupancy increased 1.5% in February 2019 from February 2018 (two-year change, +1.9%).
- February 2019 room rates (ADR) in North Carolina were up 6.8% (two-year change, +8.0%).
  - Room rates in the US increased 1.9% from February 2018 (two-year change, +4.4%).
  - Room rates in the South Atlantic states increased 3.7% from February 2018 (two-year change, +8.0%).
- Statewide, RevPAR was up 16.3% from February 2018 (two-year change, +12.8%).
  - US RevPAR increased 2.6% from February 2018 (two-year change, +6.4%).
  - South Atlantic RevPAR increased 5.2% from February 2018 (two-year change, +10.0%).
- Room Supply increased by 0.3% in the state from February 2018 to February 2019 (two-year change +3.2%).
  - US room supply increased 2.1% in February 2019 (two-year change, +3.8%).
  - South Atlantic room supply was up 2.1% from February 2018 to February 2019 (two-year change, +3.3%).
- Room Demand increased 9.1% in the state from February 2018 to February 2019 (two-year change +7.8%).
  - Room demand in the US increased 2.8% in February 2019 from February 2018 (two-year change, +5.8%).
  - Room demand in the South Atlantic increased 3.6% in February 2019 from February 2018 (two-year change, 5.3%).
- North Carolina room revenues increased 16.6% in February 2019 (two-year change +16.4%).
  - Room revenues in the US increased 4.8% from February 2018 to February 2019 (two-year change, +10.4%).
  - Room revenues in the South Atlantic increased 7.4% from February 2018 to February 2019 (two-year change, +13.7%).

Regional
- Each of the regions posted gains in occupancy rates in February 2019 from 2018. While hurricane recovery efforts continue to affect the coastal region, the Western and Sandhills regions each had double-digit growth in February. Two-year percent change can be found in parentheses.
  - Western Region +10.0% (+3.0%)  Piedmont Triad Region +5.6% (+1.5%)  Northeast Region +5.4% (-2.2%)
  - Northwest Region +4.7% (+40.2%)  North Central Region +6.3% (+1.8%)  Southeast Region +34.9% (+27.2%)
  - Southwest Region +4.1% (+2.7%)  Sandhills Region +11.1% (+5.1%)
- Seven of the eight zones experienced increased ADR in February 2019 from February 2018. The Southeast Region led the state in ADR growth in February with nearly fourteen percent growth followed very closely by the Southwest Region (+13.4%). Two-year percent change can be found in parentheses.
  - Western Region -2.4% (+0.4%)  Piedmont Triad Region +3.0% (+8.0%)  Northeast Region +4.9% (+6.4%)
  - Northwest Region +5.2% (+6.3%)  North Central Region +3.1% (+5.1%)  Southeast Region +13.5% (+14.8%)
  - Southwest Region +13.4% (+10.7%)  Sandhills Region +7.0% (+7.6%)
- RevPAR was up in each of the regions in February 2019 from February 2018. Two-year percent changes also show increases in each region (in parentheses).
  - Western Region +7.4% (+3.5%)  Piedmont Triad Region +8.9% (+9.7%)  Northeast Region +10.5% (+4.0%)
  - Northwest Region +10.2% (+6.5%)  North Central Region +9.7% (+7.0%)  Southeast Region +53.1% (+46.0%)
  - Southwest Region +18.1% (+13.7%)  Sandhills Region +19.0% (+13.1%)
- Room Supply was up in four of the eight regions of the state in February 2019 from February 2018, particularly in the Southwest and Sandhills regions. The Southeast Region is still down ten percent in room supply due to the hurricane last fall.
  - Western Region +0.7% (+6.3%)  Piedmont Triad Region 0.0% (+1.5%)  Northeast Region -0.2% (+1.3%)
  - Northwest Region 0.0% (-0.6%)  North Central Region +1.5% (+5.6%)  Southeast Region -10.1% (-8.1%)
  - Southwest Region +3.0% (+6.5%)  Sandhills Region +2.8% (+4.2%)
- Room Demand was up in each of the regions in February 2019 from 2018, while three regions had double-digit growth. The Southeast Region demand was up more than twenty percent, in part due to ongoing hurricane recovery efforts. The two-year change for each region is shown in parentheses.
  - Western Region +10.8% (+9.5%)  Piedmont Triad Region +5.6% (+3.1%)  Northeast Region +5.1% (-0.9%)
  - Northwest Region +4.7% (-0.5%)  North Central Region +7.9% (+7.6%)  Southeast Region +21.3% (+16.8%)
  - Southwest Region +7.3% (+9.3%)  Sandhills Region +14.2% (+9.5%)
- Room Revenues were up in each of the prosperity zones of the state for February 2019 from 2018, with six of them posting double-digit gains. Each region also shows strong two-year growth (in parentheses).
  - Western Region +8.2% (+10.0%)  Piedmont Triad Region +8.8% (+11.4%)  Northeast Region +10.3% (+5.4%)
  - Northwest Region +10.2% (+5.8%)  North Central Region +11.3% (+13.0%)  Southeast Region +37.7% (+34.1%)
  - Southwest Region +21.7% (+21.0%)  Sandhills Region +22.3% (+17.8%)
Regional

- Year-To-Date (through February 2019) Lodging Report

**Statewide & Competitive State Comparison**

- **Hotel/motel occupancy** is up 8.9% statewide YTD (through February) 2019 (two-year period, +5.0%).
  - The US occupancy is up 0.7% in 2019 from 2018 (two-year change, +1.7%).
  - The South Atlantic states occupancy is up 1.3% in 2019 from 2018 (two-year change, +1.5%).

- **YTD room rates (ADR)** in North Carolina are up 4.1% (two-year change, +6.5%).
  - The US ADR is up 1.4% in 2019 from 2018 (two-year change, +4.9%).
  - The South Atlantic states ADR is up 2.2% in 2019 from 2018 (two-year change, +5.0%).

- Statewide, **RevPAR** is up 13.3% year-to-date (two-year change +11.9%).
  - Nationally, RevPAR is also up 2.0% in 2019 from 2018 (two-year change, +5.4%).
  - The South Atlantic states RevPAR is up 3.6% in 2019 from 2018 (two-year change, +6.7%).

- **Room Supply** is up 0.2% in the state year-to-date (two-year change, +3.1%).
  - Nationally, room supply is also up 2.1% in 2019 from 2018 (two-year change, +3.8%).
  - The South Atlantic states room supply is up 2.1% in 2019 from 2018 (two-year change, +3.3%).

- **Room Demand** is up 9.1% in the state year-to-date (two-year change, +8.3%).
  - Nationally, room demand is also up 2.7% in 2019 from 2018 (two-year change, +5.5%).
  - The South Atlantic states room demand is up 3.4% in 2019 from 2018 (two-year change, +4.8%).

- North Carolina **room revenues** are up 13.6% year-to-date (two-year change, +15.4%).
  - Nationally, room revenues are also up 4.1% in 2019 from 2018 (two-year change, +9.4%).
  - The South Atlantic states room revenues are up 5.7% in 2019 from 2018 (two-year change, +10.1%).

**Regional**

- **Occupancy** is up year-to-date in each of the eight regions (through February). For the two-year period, occupancy is up in seven regions (in parentheses).
  - Western Region +9.1% (+4.5%)
  - North Central Region +6.0% (+1.6%)
  - Northeast Region +7.8% (-1.1%)
  - Piedmont Triad Region +8.3% (+4.7%)
  - South Carolina +11.6% (+0.4%)
  - North Central Region +6.0% (+1.6%)
  - Northeast Region +7.8% (-1.1%)
  - Piedmont Triad Region +8.3% (+4.7%)
  - South Carolina +11.6% (+0.4%)

- **ADR** in seven of the eight prosperity zones is up year-to-date through February. Western Region ADR is down less than two percent year-to-date through February.
  - Western Region -1.9% (+0.4%)
  - Northeast Region +5.1% (+6.2%)
  - Piedmont Triad Region +2.3% (+6.8%)
  - South Carolina +11.6% (+0.4%)
  - North Central Region +2.5% (+4.9%)
  - Southeast Region +13.4% (+14.3%)
  - Piedmont Triad Region +2.3% (+6.8%)
  - South Carolina +11.6% (+0.4%)

- **RevPAR** is up year-to-date in each of the eight prosperity zones of the state.
  - Western Region +7.0% (+4.9%)
  - North Central Region +8.6% (+6.6%)
  - Northeast Region +13.3% (+5.0%)
  - Piedmont Triad Region +10.9% (+11.8%)
  - Southeast Region +63.5% (+53.1%)
  - North Central Region +8.6% (+6.6%)
  - Northeast Region +13.3% (+5.0%)
  - Piedmont Triad Region +10.9% (+11.8%)
  - Southeast Region +63.5% (+53.1%)

- **Room Supply** is up in five of the prosperity zones year-to-date through February, particularly in the Southwest and Sandhills regions. The Southwest Region room supply is up more than six percent over the last two years.
  - Western Region +0.5% (+6.0%)
  - North Central Region +1.5% (+5.6%)
  - Northeast Region -0.2% (+1.3%)
  - Piedmont Triad Region +0.2% (+1.5%)
  - Southeast Region -10.3% (-8.4%)
  - North Central Region +1.5% (+5.6%)
  - Northeast Region -0.2% (+1.3%)
  - Piedmont Triad Region +0.2% (+1.5%)
  - Southeast Region -10.3% (-8.4%)

- **Room Demand** is up each of the prosperity zones year-to-date through February. The Southeast Region demand is up nearly thirty percent, in part due to hurricane recovery efforts. However, the Sandhills Region demand is up nearly fifteen percent and the Western Region demand is up nearly ten percent. For the two-year period, room demand is up in each of the eight regions (in parentheses).
  - Western Region +9.6% (+10.7%)
  - North Central Region +7.6% (+7.3%)
  - Northeast Region +7.6% (+0.2%)
  - Piedmont Triad Region +8.6% (+6.3%)
  - South Carolina +14.7% (+4.7%)
  - North Central Region +7.6% (+7.3%)
  - Northeast Region +7.6% (+0.2%)
  - Piedmont Triad Region +8.6% (+6.3%)
  - Sandhills Region +22.7% (+11.3%)
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


Southeast - Brunswick, Carteret, Craven, Duplin, Greene, Jones, Lenoir, New Hanover, Onslow, Pamlico, Pender, Wayne