

# May 2019 Monthly Lodging Report (Smith Travel Research)

## Statewide

- NC hotel/motel **occupancy** increased 4.9% statewide in May 2019 from May 2018 (two-year change, +6.2%)
  - US **occupancy** was up 0.9% in May 2019 from May 2018 (two-year change, +1.4%).
  - South Atlantic states **occupancy** increased 2.0% in May 2019 from May 2018 (two-year change, +1.4%).
- May 2019 **room rates (ADR)** in North Carolina were up 2.8% (two-year change, +3.6%).
  - **Room rates** in the US increased 1.6% from May 2018 (two-year change, +4.6%).
  - **Room rates** in the South Atlantic states increased 2.3% from May 2018 (two-year change, +4.7%)
- Statewide, **RevPAR** was up 7.8% from May of 2018 (two-year change, +10.0%).
  - US **RevPAR** increased 2.5% from May 2018 (two-year change, +6.1%).
  - South Atlantic **RevPAR** increased 4.3% from May 2018 (two-year change, +6.2%).
- **Room Supply** increased by 0.5% in the state from May 2018 to May 2019 (two-year change +2.7%).
  - US **room supply** increased 2.0% in May 2019 (two-year change, +3.7%).
  - South Atlantic **room supply** was up 1.9% from May 2018 to May 2019 (two-year change, +3.2%).
- **Room Demand** increased 5.4% in the state from May 2018 to May 2019 (two-year change +9.0%).
  - **Room demand** in the US increased 2.9% in May 2019 from May 2018 (two-year change, +5.2%).
  - **Room demand** in the South Atlantic increased 3.9% in May 2019 from May 2018 (two-year change, +4.7%).
- North Carolina **room revenues** increased 8.3% in May 2019 (two-year change +13.0%).
  - **Room revenues** in the US increased 4.6% from May 2018 to May 2019 (two-year change, +10.1%).
  - **Room revenues** in the South Atlantic increased 6.2% from May 2018 to May 2019 (two-year change, +9.6%).

## Regional

- Six of the regions posted gains in **occupancy** rates in May 2019 from 2018. While hurricane recovery efforts continue to affect the Southeast Region, the Sandhills Region had thirteen percent growth in occupancy and the Northeast Region had seven percent growth.
  - Western Region +5.3% (+6.2%)      ○ Piedmont Triad Region +2.8% (+4.1%)      ○ Northeast Region +7.2% (+7.6%)
  - Northwest Region -2.6% (+4.0%)      ○ North Central Region +5.7% (+7.4%)      ○ Southeast Region +20.8% (+21.8%)
  - Southwest Region -2.5% (-1.6%)      ○ Sandhills Region +13.1% (+13.3%)
- Each of the eight zones experienced increased **ADR** in May 2019 from May 2018. The Sandhills Region led the state in ADR growth in May with nine percent growth, followed by the Southeast Region with nearly nine percent growth. Two-year percent change can be found in parentheses.
  - Western Region +2.0% (+3.5%)      ○ Piedmont Triad Region +1.4% (+3.9%)      ○ Northeast Region +6.0% (+5.5%)
  - Northwest Region +2.9% (+4.3%)      ○ North Central Region +1.9% (+4.1%)      ○ Southeast Region +8.8% (+5.0%)
  - Southwest Region +0.3% (+0.3%)      ○ Sandhills Region +9.0% (+10.6%)
- **RevPAR** was up in seven of the regions in May 2019 from May 2018. Two-year percent changes also show increases in each region (in parentheses).
  - Western Region +7.4% (+9.8%)      ○ Piedmont Triad Region +4.2% (+8.2%)      ○ Northeast Region +13.6% (+13.6%)
  - Northwest Region +0.2% (+8.5%)      ○ North Central Region +7.7% (+11.8%)      ○ Southeast Region +31.5% (+27.8%)
  - Southwest Region -2.2% (-1.3%)      ○ Sandhills Region +23.2% (+25.3%)
- **Room Supply** was up in five of the eight regions of the state in May 2019 from May 2018, particularly in the Southwest Region with more than three percent growth. The Southeast Region is still down ten percent in room supply due to the hurricanes last fall.
  - Western Region -0.3% (+4.3%)      ○ Piedmont Triad Region +2.0% (+2.9%)      ○ Northeast Region -1.2% (+0.8%)
  - Northwest Region +1.2% (+0.6%)      ○ North Central Region +1.7% (+4.4%)      ○ Southeast Region -9.9% (-7.9%)
  - Southwest Region +3.5% (+5.6%)      ○ Sandhills Region +1.6% (+4.0%)
- **Room Demand** was up in seven of the regions in May 2019 from 2018. The Sandhills Region demand was up fifteen percent and the Southeast Region was up nearly nine percent in May. The two-year change for each region is shown in parentheses.
  - Western Region +5.0% (+10.7%)      ○ Piedmont Triad Region +4.8% (+7.2%)      ○ Northeast Region +5.9% (+8.5%)
  - Northwest Region -1.4% (+4.6%)      ○ North Central Region +7.5% (+12.1%)      ○ Southeast Region +8.8% (+12.2%)
  - Southwest Region +1.0% (+3.8%)      ○ Sandhills Region +14.9% (+17.8%)
- **Room Revenues** were up in each of the prosperity zones of the state for May 2019 from 2018, with three of them posting double-digit gains. Each region also shows strong two-year growth (in parentheses).
  - Western Region +7.1% (+14.6%)      ○ Piedmont Triad Region +6.3% (+11.4%)      ○ Northeast Region +12.2% (+14.5%)
  - Northwest Region +1.5% (+9.1%)      ○ North Central Region +9.5% (+16.8%)      ○ Southeast Region +18.4% (+17.8%)
  - Southwest Region +1.3% (+4.2%)      ○ Sandhills Region +25.3% (+30.3%)

# Year-To-Date (through May 2019) Lodging Report

## Statewide Comparison

- Hotel/motel **occupancy** is up 5.9% statewide YTD (through May) 2019 (two-year change, +5.0%).
  - The US **occupancy** is up 0.4% in 2019 from 2018 (two-year change, +1.3%).
  - The South Atlantic states **occupancy** is up 1.0% in 2019 from 2018 (two-year change, +1.0%).
- YTD **room rates (ADR)** in North Carolina are up 2.9% (two-year change, +5.2%).
  - The US **ADR** is up 1.2% in 2019 from 2018 (two-year change, +4.0%).
  - The South Atlantic states **ADR** is up 1.8% in 2019 from 2018 (two-year change, +5.1%).
- Statewide, **RevPAR** is up 9.0% year-to-date (two-year change +10.5%).
  - Nationally, **RevPAR** is also up 1.6% in 2019 from 2018 (two-year change, +5.4%).
  - The South Atlantic states **RevPAR** is up 2.9% in 2019 from 2018 (two-year change, +6.2%).
- **Room Supply** is up 0.4% in the state year-to-date (two-year change, +3.0%).
  - Nationally, **room supply** is also up 2.0% in 2019 from 2018 (two-year change, +3.7%).
  - The South Atlantic states **room supply** is up 2.0% in 2019 from 2018 (two-year change, +3.3%).
- **Room Demand** is up 6.3% in the state year-to-date (two-year change, +8.1%).
  - Nationally, **room demand** is also up 2.5% in 2019 from 2018 (two-year change, +5.1%).
  - The South Atlantic states **room demand** is up 2.9% in 2019 from 2018 (two-year change, +4.3%).
- North Carolina **room revenues** are up 9.4% year-to date (two-year change, +13.7%).
  - Nationally, **room revenues** are also up 3.7% in 2019 from 2018 (two-year change, +9.4%).
  - The South Atlantic states **room revenues** are up 4.8% in 2019 from 2018 (two-year change, +9.7%).

## Regional

- **Occupancy** is up year-to-date in seven of the eight regions (through May). The Southwest Region has a slight decline in occupancy from last year, likely due in part to increased supply in that region. For the two-year period, occupancy is up in all eight regions (in parentheses).
  - Western Region +5.8% (+4.8%)      ○ Piedmont Triad Region +4.7% (+4.3%)      ○ Northeast Region +5.5% (+2.5%)
  - Northwest Region +2.2% (+4.9%)      ○ North Central Region +5.4% (+3.9%)      ○ Southeast Region +28.3% (+24.7%)
  - Southwest Region -1.2% (-0.1%)      ○ Sandhills Region +9.9% (+5.2%)
- **ADR** in seven of the eight prosperity zones is up year-to-date through May. Western Region ADR is flat year-to-date through May.
  - Western Region 0.0% (+2.2%)      ○ Piedmont Triad Region +1.8% (+6.0%)      ○ Northeast Region +5.6% (+6.2%)
  - Northwest Region +4.0% (+5.8%)      ○ North Central Region +2.6% (+4.6%)      ○ Southeast Region +10.0% (+9.4%)
  - Southwest Region +1.9% (+4.3%)      ○ Sandhills Region +5.7% (+7.9%)
- **RevPAR** is up year-to-date in each of the eight prosperity zones of the state.
  - Western Region +5.8% (+7.1%)      ○ Piedmont Triad Region +6.6% (+10.6%)      ○ Northeast Region +11.4% (+8.8%)
  - Northwest Region +6.3% (+11.0%)      ○ North Central Region +8.1% (+8.7%)      ○ Southeast Region +41.1% (+36.4%)
  - Southwest Region +0.8% (+4.2%)      ○ Sandhills Region +16.3% (+13.5%)
- **Room Supply** is up in five of the prosperity zones year-to-date through May, particularly in the Southwest and Sandhills regions. The Southwest Region room supply is up six percent over the last two years.
  - Western Region 0.0% (+4.9%)      ○ Piedmont Triad Region +1.0% (+2.3%)      ○ Northeast Region -0.7% (+1.0%)
  - Northwest Region +0.8% (+0.2%)      ○ North Central Region +1.7% (+5.2%)      ○ Southeast Region -10.0% (-8.1%)
  - Southwest Region +3.3% (+6.0%)      ○ Sandhills Region +2.1% (+4.1%)
- **Room Demand** is up each of the prosperity zones of the state year-to-date through May. The Southeast Region demand is up more than fifteen percent, in part due to hurricane recovery efforts. However, the Sandhills Region demand is up twelve percent and the Western Region demand is up nearly six percent. For the two-year period, room demand is up in each of the eight regions (in parentheses).
  - Western Region +5.8% (+10.0%)      ○ Piedmont Triad Region +5.7% (+6.7%)      ○ Northeast Region +4.8% (+3.5%)
  - Northwest Region +3.0% (+5.0%)      ○ North Central Region +7.2% (+9.3%)      ○ Southeast Region +15.5% (+14.6%)
  - Southwest Region +2.1% (+5.9%)      ○ Sandhills Region +12.3% (+9.5%)
- **Room Revenues** are up in each of the prosperity zones year-to-date through May. Revenues in the Southeast Region are up twenty-seven percent, followed by the Sandhills, Northeast, North Central and Piedmont Triad regions.
  - Western Region +5.8% (+12.4%)      ○ Piedmont Triad Region +7.6% (+13.1%)      ○ Northeast Region +10.6% (+9.9%)
  - Northwest Region +7.1% (+11.1%)      ○ North Central Region +9.9% (+14.4%)      ○ Southeast Region +27.0% (+25.3%)
  - Southwest Region +4.1% (+10.5%)      ○ Sandhills Region +18.7% (+18.2%)

## 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