

# September 2019 Monthly Lodging Report (Smith Travel Research)

## Statewide

- NC hotel/motel **occupancy** decreased 3.8% September in September 2019 from September 2018 (two-year change, +3.6%)
  - US **occupancy** was down 0.9% in September 2019 from September 2018 (two-year change, -2.9%).
  - South Atlantic states **occupancy** decreased 2.4% in September 2019 from September 2018 (two-year change, -5.3%).
- September 2019 **room rates (ADR)** in North Carolina were down 1.0% (two-year change, +4.0%).
  - **Room rates** in the US increased 0.6% from September 2018 (two-year change, +1.2%).
  - **Room rates** in the South Atlantic states increased 0.7% from September 2018 (two-year change, +0.9%)
- Statewide, **RevPAR** was down 4.8% from September of 2018 (two-year change, +7.8%).
  - US **RevPAR** decreased 0.3% from September 2018 (two-year change, -1.7%).
  - South Atlantic **RevPAR** decreased 1.8% from September 2018 (two-year change, -4.4%).
- **Room Supply** increased by 0.5% in the state from September 2018 to September 2019 (two-year change +2.8%).
  - US **room supply** increased 2.0% in September 2019 (two-year change, +0.8%).
  - South Atlantic **room supply** was up 1.9% from September 2018 to September 2019 (two-year change, +3.4%).
- **Room Demand** decreased 3.3% in the state from September 2018 to September 2019 (two-year change +6.5%).
  - **Room demand** in the US increased 1.2% in September 2019 from September 2018 (two-year change, -2.1%).
  - **Room demand** in the South Atlantic decreased 0.6% in September 2019 from September 2018 (two-year change, -2.0%).
- North Carolina **room revenues** decreased 4.3% in September 2019 (two-year change +10.8%).
  - **Room revenues** in the US increased 1.7% from September 2018 to September 2019 (two-year change, -0.9%).
  - **Room revenues** in the South Atlantic increased 0.1% from September 2018 to September 2019 (two-year change, -1.2%).

## Regional

- Only the Southeast Region posted gains in **occupancy** rates in September 2019 from 2018. The decreases in the other regions, and the increase in the Southeast, are due to the impact of Hurricane in 2018.
  - Western Region -1.0% (-2.1%)
  - Northwest Region -5.8% (-1.5%)
  - Southwest Region -5.5% (-1.2%)
  - Piedmont Triad Region -6.5% (+7.0%)
  - North Central Region -1.7% (+8.0%)
  - Sandhills Region -14.0% (-2.5%)
  - Northeast Region -5.1% (+5.7%)
  - Southeast Region +6.4% (+14.7%)
- Four of the eight zones experienced increased **ADR** in September 2019 from September 2018. The North Central Region led the state in ADR growth in September with more than two percent growth. The Western Region had a decrease of more than eleven percent, due primarily to the high increase in 2018. Two-year percent change can be found in parentheses.
  - Western Region -11.6% (-1.7%)
  - Northwest Region 0.0% (+2.6%)
  - Southwest Region -0.2% (+2.0%)
  - Piedmont Triad Region +1.5% (+6.8%)
  - North Central Region +2.6% (+8.7%)
  - Sandhills Region +1.0% (+7.3%)
  - Northeast Region -1.8% (-1.5%)
  - Southeast Region +1.8% (+11.8%)
- **RevPAR** was up in two of the regions in September 2019 from September 2018. Two-year percent changes also show increases in each region (in parentheses).
  - Western Region -12.5% (-3.8%)
  - Northwest Region -5.8% (+1.1%)
  - Southwest Region -5.7% (+0.8%)
  - Piedmont Triad Region -5.1% (+14.3%)
  - North Central Region +0.8% (+17.3%)
  - Sandhills Region -13.2% (+4.7%)
  - Northeast Region -6.9% (+4.1%)
  - Southeast Region +8.3% (+28.3%)
- **Room Supply** was up in six of the eight regions of the state in September 2019 from September 2018, particularly in the Southwest and Piedmont Triad regions with two percent growth. The Southeast Region is still down nearly six percent in room supply due to the hurricanes last fall.
  - Western Region -0.8% (+2.5%)
  - Northwest Region +1.2% (+1.2%)
  - Southwest Region +2.1% (+5.8%)
  - Piedmont Triad Region +2.0% (+2.4%)
  - North Central Region +0.7% (+3.6%)
  - Sandhills Region +1.8% (+4.0%)
  - Northeast Region +1.5% (+2.0%)
  - Southeast Region -5.8% (-4.4%)
- **Room Demand** was up in only the Southeast Region in September 2019 from 2018. The Sandhills Region demand was down more than twelve percent in September. As with occupancy, most regions were down as a result of the increase in demand in 2018 due to evacuees from the hurricane. The two-year change for each region is shown in parentheses.
  - Western Region -1.8% (+0.4%)
  - Northwest Region -4.6% (-0.3%)
  - Southwest Region -3.5% (+4.5%)
  - Piedmont Triad Region -4.6% (+9.5%)
  - North Central Region -1.0% (+11.8%)
  - Sandhills Region -12.5% (+1.4%)
  - Northeast Region -3.7% (+7.8%)
  - Southeast Region +0.2% (+9.7%)
- **Room Revenues** were up in two of the prosperity zones of the state for September 2019 from 2018, with the Southeast Region posting two percent growth and the North Central Region with nearly two percent growth from last September.
  - Western Region -13.2% (-1.3%)
  - Northwest Region -4.6% (+2.3%)
  - Southwest Region -3.7% (+6.6%)
  - Piedmont Triad Region -3.2% (+17.0%)
  - North Central Region +1.6% (+21.5%)
  - Sandhills Region -11.6% (+8.8%)
  - Northeast Region -5.5% (+6.3%)
  - Southeast Region +2.0% (+22.7%)

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

## Statewide & Competitive State Comparison

- Hotel/motel **occupancy** is up 3.5% statewide YTD (through September) 2019 (two-year change, +4.2%).
  - The US **occupancy** is flat in 2019 from 2018 (two-year change, +0.5%).
  - The South Atlantic states **occupancy** is down 0.2% in 2019 from 2018 (two-year change, -0.1%).
- YTD **room rates (ADR)** in North Carolina are up 2.4% (two-year change, +4.6%).
  - The US **ADR** is up 1.0% in 2019 from 2018 (two-year change, +3.6%).
  - The South Atlantic states **ADR** is up 1.6% in 2019 from 2018 (two-year change, +4.2%).
- Statewide, **RevPAR** is up 6.0% year-to-date (two-year change +8.9%).
  - Nationally, **RevPAR** is also up 1.0% in 2019 from 2018 (two-year change, +4.2%).
  - The South Atlantic states **RevPAR** is up 1.4% in 2019 from 2018 (two-year change, +4.3%).
- **Room Supply** is up 0.5% in the state year-to-date (two-year change, +2.9%).
  - Nationally, **room supply** is also up 2.0% in 2019 from 2018 (two-year change, +3.4%).
  - The South Atlantic states **room supply** is up 2.0% in 2019 from 2018 (two-year change, +3.3%).
- **Room Demand** is up 4.0% in the state year-to-date (two-year change, +7.2%).
  - Nationally, **room demand** is also up 2.0% in 2019 from 2018 (two-year change, +3.9%).
  - The South Atlantic states **room demand** is up 1.8% in 2019 from 2018 (two-year change, +3.2%).
- North Carolina **room revenues** are up 6.5% year-to date (two-year change, +12.1%).
  - Nationally, **room revenues** are also up 3.0% in 2019 from 2018 (two-year change, +7.7%).
  - The South Atlantic states **room revenues** are up 3.4% in 2019 from 2018 (two-year change, +7.6%).

## Regional

- **Occupancy** is up year-to-date in six of the eight regions (through September). The Southeast Region still has large growth in occupancy due primarily to supply decreases due to the hurricane last fall. For the two-year period, occupancy is up in seven regions (in parentheses).
  - Western Region +2.1% (+1.8%)      ○ Piedmont Triad Region +3.1% (+4.5%)      ○ Northeast Region +2.5% (+3.6%)
  - Northwest Region -0.9% (+2.7%)      ○ North Central Region +4.8% (+5.7%)      ○ Southeast Region +17.2% (+18.0%)
  - Southwest Region -1.3% (-0.9%)      ○ Sandhills Region +4.4% (+3.2%)
- **ADR** in seven of the eight prosperity zones is up year-to-date through September. The Southeast Region ADR is up eight percent year-to-date through September.
  - Western Region -1.3% (+1.7%)      ○ Piedmont Triad Region +1.9% (+5.5%)      ○ Northeast Region +2.7% (+3.2%)
  - Northwest Region +2.9% (+4.7%)      ○ North Central Region +2.7% (+5.7%)      ○ Southeast Region +8.0% (+9.9%)
  - Southwest Region +1.9% (+2.6%)      ○ Sandhills Region +5.1% (+7.5%)
- **RevPAR** is up year-to-date in each of the eight prosperity zones of the state.
  - Western Region +0.8% (+3.6%)      ○ Piedmont Triad Region +5.1% (+10.3%)      ○ Northeast Region +5.2% (+7.0%)
  - Northwest Region +2.0% (+7.5%)      ○ North Central Region +7.6% (+11.7%)      ○ Southeast Region +26.6% (+29.7%)
  - Southwest Region +0.6% (+1.7%)      ○ Sandhills Region +9.7% (+11.0%)
- **Room Supply** is up in six of the prosperity zones year-to-date through September, particularly in the Southwest Region. The Southwest Region room supply is up nearly six percent over the last two years.
  - Western Region -0.2% (+4.1%)      ○ Piedmont Triad Region +1.4% (+2.5%)      ○ Northeast Region +0.4% (+1.7%)
  - Northwest Region +1.0% (+0.6%)      ○ North Central Region +1.4% (+4.6%)      ○ Southeast Region -8.3% (-6.4%)
  - Southwest Region +2.9% (+5.8%)      ○ Sandhills Region +1.9% (+4.1%)
- **Room Demand** is up each of the prosperity zones of the state year-to-date through September. The Southeast Region demand is up nearly eight percent, in part due to hurricane recovery efforts. The Sandhills and North Central regions' demand is up more than six percent.
  - Western Region +1.9% (+6.0%)      ○ Piedmont Triad Region +4.5% (+7.1%)      ○ Northeast Region +2.9% (+5.3%)
  - Northwest Region +0.1% (+3.3%)      ○ North Central Region +6.3% (+10.5%)      ○ Southeast Region +7.5% (+10.4%)
  - Southwest Region +1.6% (+4.9%)      ○ Sandhills Region +6.3% (+7.5%)
- **Room Revenues** are up in each of the prosperity zones year-to-date through September. Revenues in the Southeast Region are up sixteen percent, followed by the Sandhills, North Central, Piedmont Triad and Northeast regions.
  - Western Region +0.6% (+7.8%)      ○ Piedmont Triad Region +6.6% (+13.0%)      ○ Northeast Region +5.6% (+8.8%)
  - Northwest Region +3.0% (+8.2%)      ○ North Central Region +9.1% (+16.8%)      ○ Southeast Region +16.2% (+21.4%)
  - Southwest Region +3.5% (+7.6%)      ○ Sandhills Region +11.8% (+15.6%)

## 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