

December 2019 Monthly Lodging Report (Smith Travel Research)

Statewide

- NC hotel/motel **occupancy** decreased 5.2% December in December 2019 from December 2018 (two-year change, +0.7%)
 - US **occupancy** was up 0.6% in December 2019 from December 2018 (two-year change, +0.7%).
 - South Atlantic states **occupancy** was flat in December 2019 from December 2018 (two-year change, -0.4%).
- December 2019 **room rates (ADR)** in North Carolina were up 1.7% (two-year change, +3.5%).
 - **Room rates** in the US increased 2.0% from December 2018 (two-year change, +3.9%).
 - **Room rates** in the South Atlantic states increased 2.2% from December 2018 (two-year change, +3.7%).
- Statewide, **RevPAR** was down 3.6% from December of 2018 (two-year change, +4.3%).
 - US **RevPAR** increased 2.6% from December 2018 (two-year change, +4.6%).
 - South Atlantic **RevPAR** increased 2.2% from December 2018 (two-year change, +3.3%).
- **Room Supply** increased by 2.9% in the state from December 2018 to December 2019 (two-year change +3.1%).
 - US **room supply** increased 2.1% in December 2019 (two-year change, +4.2%).
 - South Atlantic **room supply** was up 2.3% from December 2018 to December 2019 (two-year change, +4.2%).
- **Room Demand** decreased 2.5% in the state from December 2018 to December 2019 (two-year change +3.9%).
 - **Room demand** in the US increased 2.8% in December 2019 from December 2018 (two-year change, +4.9%).
 - **Room demand** in the South Atlantic increased 2.3% in December 2019 from December 2018 (two-year change, +3.8%).
- North Carolina **room revenues** decreased 0.8% in December 2019 (two-year change +7.5%).
 - **Room revenues** in the US increased 4.8% from December 2018 to December 2019 (two-year change, 9.0%).
 - **Room revenues** in the South Atlantic increased 4.6% from December 2018 to December 2019 (two-year change, +7.6%).

Regional

- None of the regions posted gains in **occupancy** rates in December 2019 from 2018. Some of the decreases can likely be linked to the impact of hurricanes the last several fall seasons. However, supply increases continue to negatively affect occupancy rates in several regions.
 - Western Region -0.6% (-4.1%)
 - Northwest Region -8.2% (-4.0%)
 - Southwest Region -2.0% (-3.4%)
 - Piedmont Triad Region -9.4% (-0.1%)
 - North Central Region -1.8% (+3.5%)
 - Sandhills Region -7.6% (-0.7%)
 - Northeast Region -1.6% (+2.3%)
 - Southeast Region -20.0% (+16.2%)
- Six of the eight zones experienced increased **ADR** in December 2019 from December 2018. The Western Region led the state in ADR growth in December with more than five percent growth. This region had nearly six percent growth over the last two Decembers. Two-year percent change can be found in parentheses.
 - Western Region +5.6% (+5.9%)
 - Northwest Region +2.3% (+4.1%)
 - Southwest Region +0.4% (-0.4%)
 - Piedmont Triad Region -1.5% (+3.0%)
 - North Central Region +2.5% (+4.7%)
 - Sandhills Region +1.4% (+8.1%)
 - Northeast Region +0.5% (+4.7%)
 - Southeast Region -4.4% (+12.0%)
- **RevPAR** was up in two of the regions in December 2019 from December 2018. Large RevPAR decreases in the Southeast Region are a result of occupancy changes due to storm impacts.
 - Western Region +5.0% (+1.5%)
 - Northwest Region -6.1% (0.0%)
 - Southwest Region -1.6% (-3.8%)
 - Piedmont Triad Region -10.7% (+2.9%)
 - North Central Region +0.7% (+8.3%)
 - Sandhills Region -6.3% (+7.4%)
 - Northeast Region -1.0% (+7.1%)
 - Southeast Region -23.5% (+30.2%)
- **Room Supply** was up in seven of the eight regions of the state in December 2019 from December 2018, particularly in the Southeast Region with nearly ten percent growth. While the region's inventory is up from last December, it is still down three percent from December 2017 due to rooms being lost as a result of Hurricane Florence in September of 2018. .
 - Western Region +1.3% (+2.9%)
 - Northwest Region +2.3% (+2.3%)
 - Southwest Region +4.3% (+7.1%)
 - Piedmont Triad Region +3.0% (+3.7%)
 - North Central Region 0.0% (+1.4%)
 - Sandhills Region +1.6% (+4.8%)
 - Northeast Region +1.5% (+2.1%)
 - Southeast Region +9.9% (-3.3%)
- **Room Demand** was up in only two regions in December 2019 from 2018. The Southeast Region demand was down more than twelve percent in December as a result of high demand in post-hurricane 2018 with recovery efforts. As with occupancy, most regions were down as a result of the increase in demand in 2018 due to evacuees from the hurricanes. The two-year change for each region is shown in parentheses.
 - Western Region +0.7% (-1.3%)
 - Northwest Region -6.1% (-1.8%)
 - Southwest Region +2.2% (+3.5%)
 - Piedmont Triad Region -6.7% (+3.6%)
 - North Central Region -1.7% (+4.9%)
 - Sandhills Region -6.1% (+4.1%)
 - Northeast Region -0.1% (+4.5%)
 - Southeast Region -12.1% (+12.4%)
- **Room Revenues** were up in four of the prosperity zones of the state for December 2019 from 2018, with the Western Region posting more than six percent growth from last December.
 - Western Region +6.4% (+4.5%)
 - Northwest Region -3.9% (+2.3%)
 - Southwest Region +2.6% (+3.1%)
 - Piedmont Triad Region -8.0% (+6.7%)
 - North Central Region +0.7% (+9.8%)
 - Sandhills Region -4.8% (+12.5%)
 - Northeast Region +0.5% (+9.4%)
 - Southeast Region -15.9% (+25.9%)

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

Statewide & Competitive State Comparison

- Hotel/motel **occupancy** is up 1.2% statewide YTD (through December) 2019 (two-year change, +3.7%).
 - The US **occupancy** was flat in 2019 from 2018 (two-year change, +0.5%).
 - The South Atlantic states **occupancy** was down 0.4% in 2019 from 2018 (two-year change, -0.3%).
- YTD **room rates (ADR)** in North Carolina are up 2.0% (two-year change, +4.5%).
 - The US **ADR** is up 1.0% in 2019 from 2018 (two-year change, +3.4%).
 - The South Atlantic states **ADR** is up 1.6% in 2019 from 2018 (two-year change, +3.9%).
- Statewide, **RevPAR** is up 3.2% year-to-date (two-year change +8.4%).
 - Nationally, **RevPAR** is also up 1.0% in 2019 from 2018 (two-year change, +3.9%).
 - The South Atlantic states **RevPAR** is up 1.3% in 2019 from 2018 (two-year change, +3.7%).
- **Room Supply** is up 1.0% 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, +3.6%).
 - The South Atlantic states **room supply** is up 2.1% in 2019 from 2018 (two-year change, +3.5%).
- **Room Demand** is up 2.2% in the state year-to-date (two-year change, +6.8%).
 - Nationally, **room demand** is also up 2.1% in 2019 from 2018 (two-year change, +4.0%).
 - The South Atlantic states **room demand** is up 1.7% in 2019 from 2018 (two-year change, +3.2%).
- North Carolina **room revenues** are up 4.2% year-to date (two-year change, +11.6%).
 - Nationally, **room revenues** are also up 3.0% in 2019 from 2018 (two-year change, +7.6%).
 - The South Atlantic states **room revenues** are up 3.3% in 2019 from 2018 (two-year change, +7.3%).

Regional

- **Occupancy** was up year-to-date in five of the eight regions (through December). The Southeast Region still has large growth in occupancy due in part to supply decreases due to the hurricane last fall. For the two-year period, occupancy is up in seven regions (in parentheses).
 - Western Region +2.0% (+1.2%) ○ Piedmont Triad Region +1.3% (+3.8%) ○ Northeast Region +0.5% (+3.9%)
 - Northwest Region -1.3% (+1.5%) ○ North Central Region +2.9% (+5.7%) ○ Southeast Region +7.0% (+16.3%)
 - Southwest Region -1.9% (-1.1%) ○ Sandhills Region -0.6% (+2.4%)
- **ADR** in seven of the eight prosperity zones was up year-to-date through December. The Southeast Region ADR is up five percent year-to-date through December.
 - Western Region 0.0% (+3.0%) ○ Piedmont Triad Region +1.6% (+4.9%) ○ Northeast Region +1.9% (+3.2%)
 - Northwest Region +2.5% (+4.4%) ○ North Central Region +2.5% (+5.6%) ○ Southeast Region +5.3% (+10.5%)
 - Southwest Region +1.0% (+2.0%) ○ Sandhills Region +3.8% (+7.9%)
- **RevPAR** was up year-to-date in seven of the eight prosperity zones of the state.
 - Western Region +2.0% (+4.2%) ○ Piedmont Triad Region +3.0% (+8.9%) ○ Northeast Region +2.5% (+7.3%)
 - Northwest Region +1.1% (+5.9%) ○ North Central Region +5.5% (+11.7%) ○ Southeast Region +12.7% (+28.6%)
 - Southwest Region -0.9% (+0.8%) ○ Sandhills Region +3.2% (+10.6%)
- **Room Supply** was up in six of the prosperity zones year-to-date through December, particularly in the Southwest Region. The Southwest Region room supply is up six percent over the last two years.
 - Western Region 0.0% (+3.8%) ○ Piedmont Triad Region +1.7% (+2.6%) ○ Northeast Region +0.7% (+1.8%)
 - Northwest Region +1.1% (+0.8%) ○ North Central Region +1.2% (+4.0%) ○ Southeast Region -4.4% (-5.6%)
 - Southwest Region +3.0% (+6.0%) ○ Sandhills Region +2.0% (+4.3%)
- **Room Demand** was up seven of the prosperity zones of the state year-to-date through December. The North Central Region demand was up more than four percent and the Piedmont Triad Region demand is up three percent.
 - Western Region +2.0% (+5.0%) ○ Piedmont Triad Region +3.1% (+6.6%) ○ Northeast Region +1.2% (+5.8%)
 - Northwest Region -0.2% (+2.3%) ○ North Central Region +4.1% (+10.0%) ○ Southeast Region +2.2% (+9.8%)
 - Southwest Region +1.0% (+4.8%) ○ Sandhills Region +1.4% (+6.9%)
- **Room Revenues** are up in each of the prosperity zones year-to-date through December. Revenues in the Southeast Region are up nearly eight percent, followed by the North Central, Sandhills and Piedmont Triad regions.
 - Western Region +2.0% (+8.2%) ○ Piedmont Triad Region +4.7% (+11.8%) ○ Northeast Region +3.2% (+9.1%)
 - Northwest Region +2.2% (+6.8%) ○ North Central Region +6.8% (+16.2%) ○ Southeast Region +7.7% (+21.4%)
 - Southwest Region +2.1% (+6.8%) ○ Sandhills Region +5.2% (+15.4%)

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