

January 2020 Monthly Lodging Report (Smith Travel Research)

Statewide

- NC hotel/motel **occupancy** decreased 5.4% statewide in January 2020 from January 2019 (two-year change, +3.0%).
 - US **occupancy** increased 0.8% in January 2020 from January 2019 (two-year change, +1.3%).
 - South Atlantic states **occupancy** increased 1.2% in January 2020 from January 2019 (two-year change, +2.1%).
- January 2020 **room rates (ADR)** in North Carolina were up 2.1% (two-year change, +3.5%).
 - **Room rates** in the US increased 1.4% from January 2019 (two-year change, +2.2%).
 - **Room rates** in the South Atlantic states increased 3.7% from January 2019 (two-year change, +4.2%)
- Statewide, **RevPAR** was down 3.5% from January of 2019 (two-year change, +6.6%).
 - US **RevPAR** increased 2.2% from January 2019 (two-year change, +3.5%).
 - South Atlantic **RevPAR** increased 4.9% from January 2019 (two-year change, 6.4%).
- **Room Supply** increased by 3.1% in the state from January 2019 to January 2020 (two-year change +3.1%).
 - US **room supply** increased 2.1% in January 2019 (two-year change, +4.2%).
 - South Atlantic **room supply** was up 2.3% from January 2019 to January 2020 (two-year change, 4.3%).
- **Room Demand** decreased 2.5% in the state from January 2019 to January 2020 (two-year change +6.2%).
 - **Room demand** in the US increased 3.0% in January 2020 from January 2019 (two-year change, 5.5%).
 - **Room demand** in the South Atlantic increased 3.5% in January 2020 from January 2019 (two-year change, 6.5%).
- North Carolina **room revenues** decreased 0.5% in January 2020 (two-year change +9.9%).
 - **Room revenues** in the US increased 4.4% from January 2019 to January 2020 (two-year change, 7.8%).
 - **Room revenues** in the South Atlantic increased 7.3% from January 2019 to January 2020 (two-year change, 11.0%).

Regional

- Seven of the eight regions posted a decrease in **occupancy** rates in January 2020 from 2019. Change for a two-year period is provided in parentheses in addition to the one-year change. The large fluctuations in growth for the Southeast Region can partially be explained by both a decrease in supply and increase in demand due to hurricane recovery efforts. It is best to look at a three-year change in occupancy to best understand this trend. The three year change in occupancy for the Southeast is +8.5%,
 - Western Region +3.0% (+11.3%) ○ Piedmont Triad Region -5.5% (+5.8%) ○ Northeast Region -4.9% (+4.7%)
 - Northwest Region -6.7% (-5.4%) ○ North Central Region -1.2% (+4.3%) ○ Southeast Region -23.3% (+18.7%)
 - Southwest Region -3.1% (-5.2%) ○ Sandhills Region -10.4% (+0.3%)
- Six of the eight zones experienced increased **ADR** in January 2020 from January 2019. ADR in the Western Region increased seven percent from last January. Two-year percent change can be found in parentheses.
 - Western Region +7.3% (+7.9%) ○ Piedmont Triad Region +3.4% (+5.0%) ○ Northeast Region +0.7% (+5.7%)
 - Northwest Region -0.2% (+4.2%) ○ North Central Region +1.4% (+3.3%) ○ Southeast Region -0.9% (+12.3%)
 - Southwest Region +0.7% (-0.8%) ○ Sandhills Region +0.5% (+7.6%)
- **RevPAR** was up in two of the eight prosperity zones of the state for January 2020 from January 2019. Two-year percent change show increases in each region (in parentheses).
 - Western Region +10.4% (+20.1%) ○ Piedmont Triad Region -2.2% (+11.1%) ○ Northeast Region -4.3% (+10.6%)
 - Northwest Region -6.9% (-1.5%) ○ North Central Region +0.2% (+7.7%) ○ Southeast Region -24.0% (+33.3%)
 - Southwest Region -2.5% (-6.0%) ○ Sandhills Region -9.9% (+7.9%)
- **Room Supply** was up in each of the eight of the regions of the state for January 2020 from January 2019, particularly in the Southeast Region as rooms continue to re-open after the hurricanes. The Southeast Region supply is down three from 2018, and the three-year change is -1.0%..
 - Western Region +2.7% (+2.6%) ○ Piedmont Triad Region +3.4% (+3.8%) ○ Northeast Region +1.6% (+1.1%)
 - Northwest Region +2.3% (+2.3%) ○ North Central Region +0.4% (+1.9%) ○ Southeast Region +9.1% (-3.1%)
 - Southwest Region +4.3% (+7.1%) ○ Sandhills Region +1.6% (+4.4%)
- **Room Demand** was up in only two of the prosperity zones of the state for January 2020 from 2019. A large decline in demand in the Southeast Region, similar to occupancy, can be attributed to the hurricanes. The three-year change for this region is +7.4%.
 - Western Region +5.8% (+14.2%) ○ Piedmont Triad Region -2.2% (+9.9%) ○ Northeast Region -3.4% (+5.9%)
 - Northwest Region -4.5% (-3.3%) ○ North Central Region -0.8% (+6.3%) ○ Southeast Region -16.3% (+15.0%)
 - Southwest Region +1.0% (+1.6%) ○ Sandhills Region -8.9% (+4.7%)
- **Room Revenues** were up in four of the prosperity zones of the state for January 2020 from 2019, particularly the Southeast and Western regions. Similar to occupancy and demand for the Southeast Region, there is a link to the hurricanes the last several years. Three-year change for the Southeast Region is still more than twenty-one percent positive, indicating that room rates also affected these revenues positively in addition to demand.
 - Western Region +13.5% (+23.2%) ○ Piedmont Triad Region +1.1% (+15.4%) ○ Northeast Region -2.8% (+11.8%)
 - Northwest Region -4.8% (+0.8%) ○ North Central Region +0.6% (+9.8%) ○ Southeast Region -17.1% (+29.1%)
 - Southwest Region +1.7% (+0.7%) ○ Sandhills Region -8.4% (+12.7%)

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