

# March 2018 Monthly Lodging Report (Smith Travel Research)

## Statewide

- NC hotel/motel **occupancy** decreased 0.4% statewide in March 2018 from March 2017 (two-year change, +1.2%).
  - US **occupancy** increased 0.9% in March 2018 from March 2017 (two-year change, +3.4%).
  - South Atlantic states **occupancy** increased 1.2% in March 2018 from March 2017 (two-year change, +3.1%).
- March 2018 **room rates (ADR)** in North Carolina were up 2.7% (two-year change, +6.8%).
  - **Room rates** in the US increased 3.0% from March 2017 (two-year change, +5.4%).
  - **Room rates** in the South Atlantic states increased 5.0% from March 2017 (two-year change, +6.6%)
- Statewide, **RevPAR** was up 2.3% from March of 2017 (two-year change, +8.1%).
  - US **RevPAR** increased 3.9% from March 2017 (two-year change, +9.0%).
  - South Atlantic **RevPAR** increased 6.3% from March 2016 (two-year change, 9.9%).
- **Room Supply** increased by 2.7% in the state from March 2017 to March 2018 (two-year change +5.1%).
  - US **room supply** increased 2.0% in March 2018 (two-year change, +3.8%).
  - South Atlantic **room supply** was up 1.6% from March 2017 to March 2018 (two-year change, 3.0%).
- **Room Demand** increased 2.3% in the state from March 2017 to March 2018 (two-year change +6.4%).
  - **Room demand** in the US increased 2.9% in March 2018 from March 2017 (two-year change, 7.3%).
  - **Room demand** in the South Atlantic increased 2.8% in March 2017 from March 2016 (two-year change, 6.2%).
- North Carolina **room revenues** increased 5.1% in March 2018 (two-year change +13.6%).
  - **Room revenues** in the US increased 6.0% from March 2017 to March 2018 (two-year change, 13.1%).
  - **Room revenues** in the South Atlantic increased 8.0% from March 2017 to March 2018 (two-year change, 13.2%).

## Regional

- Four of the regions posted gains in **occupancy** rates in March 2018 from 2017, particularly the Northeast and Northwest regions. Continued supply growth both regionally and statewide continue to affect occupancy. Two-year percent change can be found in parentheses.
  - Western Region +2.9% (-2.1%)      ○ Piedmont Triad Region -1.0% (+2.0%)      ○ Northeast Region +3.5% (+0.1%)
  - Northwest Region +3.4% (+6.1%)      ○ North Central Region -2.8% (+2.1%)      ○ Southeast Region +0.9% (-3.2%)
  - Southwest Region -1.0% (+2.2%)      ○ Sandhills Region -1.4% (+2.0%)
- Each of the eight zones experienced increased **ADR** in March 2018 from March 2017. The Western and Southwest regions led the state in ADR growth in March with nearly four percent growth. ADR in the Piedmont Triad Region increased nearly three percent from last March. Two-year percent change can be found in parentheses.
  - Western Region +3.8% (+10.1%)      ○ Piedmont Triad Region +2.9% (+3.7%)      ○ Northeast Region +2.7% (+4.3%)
  - Northwest Region +1.9% (+3.1%)      ○ North Central Region +0.9% (+2.5%)      ○ Southeast Region +1.5% (+3.9%)
  - Southwest Region +3.8% (+11.1%)      ○ Sandhills Region +2.3% (+6.2%)
- **RevPAR** was up in seven of the zones for March 2018 from March 2017. Two-year percent changes show increases in all regions (in parentheses).
  - Western Region +6.8% (+7.8%)      ○ Piedmont Triad Region +1.9% (+5.8%)      ○ Northeast Region +6.3% (+4.5%)
  - Northwest Region +5.4% (+9.4%)      ○ North Central Region -1.9% (+4.7%)      ○ Southeast Region +2.4% (+0.5%)
  - Southwest Region +2.7% (+13.6%)      ○ Sandhills Region +1.0% (+8.3%)
- **Room Supply** was up in seven of the eight regions of the state in March 2018 from March 2017, particularly in the Western, North Central and Southwest regions.
  - Western Region +4.7% (+8.0%)      ○ Piedmont Triad Region +1.5% (+3.9%)      ○ Northeast Region +1.6% (+1.3%)
  - Northwest Region 0.0% (+0.7%)      ○ North Central Region +3.7% (+5.6%)      ○ Southeast Region +2.5% (+2.4%)
  - Southwest Region +2.9% (+7.4%)      ○ Sandhills Region +2.0% (+5.1%)
- **Room Demand** was up in each of the regions for March 2018 from 2017, with the Western Region posting a nearly eight percent growth from last March. The two-year change for each region is shown in parentheses.
  - Western Region +7.8% (+5.8%)      ○ Piedmont Triad Region +0.5% (+6.1%)      ○ Northeast Region +5.1% (+1.4%)
  - Northwest Region +3.4% (+6.8%)      ○ North Central Region +0.8% (+7.8%)      ○ Southeast Region +3.4% (-0.9%)
  - Southwest Region +1.9% (+9.8%)      ○ Sandhills Region +0.6% (+7.2%)
- **Room Revenues** were up in each of the prosperity zones of the state for March 2018 from 2017. The Western Region had nearly twelve percent growth and the Northeast Region had eight percent growth in revenues. Two-year change shows positive revenue growth for each region (in parentheses).
  - Western Region +11.9% (+16.5%)      ○ Piedmont Triad Region +3.4% (+10.0%)      ○ Northeast Region +8.0% (+5.8%)
  - Northwest Region +5.3% (+10.1%)      ○ North Central Region +1.7% (+10.5%)      ○ Southeast Region +5.0% (+3.0%)
  - Southwest Region +5.7% (+22.0%)      ○ Sandhills Region +3.0% (+13.9%)

# Year-To-Date (through March 2018) Lodging Report

## Statewide & Competitive State Comparison

- Hotel/motel **occupancy** is down 2.4% statewide YTD (through March) 2018 (two-year change, -1.2%).
  - The US **occupancy** is up 0.9% in 2018 from 2017 (two-year change, +1.7%).
  - The South Atlantic states **occupancy** is up 0.6% in 2018 from 2017 (two-year change, +1.9%).
- YTD **room rates (ADR)** in North Carolina are up 2.5% (two-year change, +5.1%).
  - The US **ADR** is up 2.5% in 2018 from 2017 (two-year change, +5.1%).
  - The South Atlantic states **ADR** is up 3.7% in 2018 from 2017 (two-year change, +5.9%).
- Statewide, **RevPAR** is up 0.1% year-to-date (two-year change +3.9%).
  - Nationally, **RevPAR** is also up 3.5% in 2018 from 2017 (two-year change, +6.9%).
  - The South Atlantic states **RevPAR** is up 4.3% in 2018 from 2017 (two-year change, +8.0%).
- **Room Supply** is up 3.0% in the state year-to-date (two-year change, +5.3%).
  - Nationally, **room supply** is also up 2.0% in 2018 from 2017 (two-year change, +3.8%).
  - The South Atlantic states **room supply** is up 1.6% in 2018 from 2017 (two-year change, +2.9%).
- **Room Demand** is up 0.6% in the state year-to-date (two-year change, +4.0%).
  - Nationally, **room demand** is also up 3.0% in 2018 from 2017 (two-year change, +5.6%).
  - The South Atlantic states **room demand** is up 2.1% in 2018 from 2017 (two-year change, +4.9%).
- North Carolina **room revenues** are up 3.1% year-to date (two-year change, +9.3%).
  - Nationally, **room revenues** are also up 5.6% in 2018 from 2017 (two-year change, +11.0%).
  - The South Atlantic states **room revenues** are up 6.0% in 2017 from 2016 (two-year change, +11.2%).

## Regional

- **Occupancy** in only the Northwest Region is up year-to-date (through March), and only by less than two percent. For the two-year period, occupancy is up only three regions (in parentheses).
  - Western Region -1.4% (-5.8%)    ○ Piedmont Triad Region -2.5% (+1.0%)    ○ Northeast Region -3.3% (-2.0%)
  - Northwest Region +1.6% (+2.3%)    ○ North Central Region -3.7% (+0.3%)    ○ Southeast Region -3.9% (-4.5%)
  - Southwest Region -0.2% (-1.6%)    ○ Sandhills Region -6.9% (-0.3%)
- **ADR** in each of the eight prosperity zones is up year-to-date through March.
  - Western Region +3.0% (+7.3%)    ○ Piedmont Triad Region +3.8% (+4.7%)    ○ Northeast Region +1.7% (+5.0%)
  - Northwest Region +1.9% (+1.8%)    ○ North Central Region +2.0% (+3.3%)    ○ Southeast Region +1.2% (+4.7%)
  - Southwest Region +2.1% (+5.7%)    ○ Sandhills Region +0.6% (+4.6%)
- **RevPAR** is up year-to-date in four of the eight prosperity zones of the state.
  - Western Region +1.6% (+1.1%)    ○ Piedmont Triad Region +1.2% (+5.7%)    ○ Northeast Region -1.6% (+2.9%)
  - Northwest Region +3.5% (+4.2%)    ○ North Central Region -1.8% (+3.7%)    ○ Southeast Region -2.7% (0.0%)
  - Southwest Region +2.0% (+4.0%)    ○ Sandhills Region -6.3% (+4.3%)
- **Room Supply** is up in seven of the prosperity zones year-to-date through March, particularly in the Western Region. This region's supply of rooms has grown more than nine percent in two years.
  - Western Region +5.3% (+9.3%)    ○ Piedmont Triad Region +1.4% (+3.6%)    ○ Northeast Region +1.5% (+1.8%)
  - Northwest Region 0.0% (+0.7%)    ○ North Central Region +4.1% (+6.0%)    ○ Southeast Region +2.5% (+2.4%)
  - Southwest Region +3.9% (+7.5%)    ○ Sandhills Region +1.4% (+4.4%)
- **Room Demand** is up four of the prosperity zones of the state year-to-date through March. The Western Region demand is up nearly four percent, as is demand in the Southwest Region. For the two-year period, room demand is up in six of the eight regions (in parentheses).
  - Western Region +3.8% (+3.0%)    ○ Piedmont Triad Region -1.1% (+4.7%)    ○ Northeast Region -1.8% (-0.2%)
  - Northwest Region +1.6% (+3.0%)    ○ North Central Region +0.2% (+6.3%)    ○ Southeast Region -1.4% (-2.2%)
  - Southwest Region +3.7% (+5.8%)    ○ Sandhills Region -5.7% (+4.1%)
- **Room Revenues** are up in five of the prosperity zones year-to-date through March. Revenues in the Western Region are up nearly seven percent, followed by the Southwest, Northwest and Piedmont Triad regions.
  - Western Region +6.9% (+10.5%)    ○ Piedmont Triad Region +2.6% (+9.5%)    ○ Northeast Region -0.1% (+4.8%)
  - Northwest Region +3.5% (+4.8%)    ○ North Central Region +2.2% (+9.9%)    ○ Southeast Region -0.2% (+2.4%)
  - Southwest Region +5.9% (+11.8%)    ○ Sandhills Region -5.1% (+8.9%)

## 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