

# March 2019 Monthly Lodging Report (Smith Travel Research)

## Statewide

- NC hotel/motel **occupancy** increased 5.6% statewide in March 2019 from March 2018 (two-year change, +5.3%).
  - US **occupancy** was flat in March 2019 from March 2018 (two-year change, +0.7%).
  - South Atlantic states **occupancy** increased 0.4% in March 2019 from March 2018 (two-year change, +1.5%).
- March 2019 **room rates (ADR)** in North Carolina were up 2.8% (two-year change, +5.7%).
  - **Room rates** in the US increased 0.6% from March 2018 (two-year change, +3.9%).
  - **Room rates** in the South Atlantic states increased 0.7% from March 2018 (two-year change, +5.6%).
- Statewide, **RevPAR** was up 8.6% from March of 2018 (two-year change, +11.4%).
  - US **RevPAR** increased 0.6% from March 2018 (two-year change, +4.6%).
  - South Atlantic **RevPAR** increased 1.1% from March 2018 (two-year change, +7.1%).
- **Room Supply** increased by 0.6% in the state from March 2018 to March 2019 (two-year change +3.1%).
  - US **room supply** increased 2.0% in March 2019 (two-year change, +3.7%).
  - South Atlantic **room supply** was up 2.0% from March 2018 to March 2019 (two-year change, +3.2%).
- **Room Demand** increased 6.2% in the state from March 2018 to March 2019 (two-year change +8.6%).
  - **Room demand** in the US increased 2.0% in March 2019 from March 2018 (two-year change, +4.4%).
  - **Room demand** in the South Atlantic increased 2.4% in March 2019 from March 2018 (two-year change, 4.7%).
- North Carolina **room revenues** increased 9.2% in March 2019 (two-year change +14.8%).
  - **Room revenues** in the US increased 2.6% from March 2018 to March 2019 (two-year change, +8.5%).
  - **Room revenues** in the South Atlantic increased 3.2% from March 2018 to March 2019 (two-year change, +10.6%).

## Regional

- Seven of the regions posted gains in **occupancy** rates in March 2019 from 2018. While hurricane recovery efforts continue to affect the coastal region, the Western, North Central, Piedmont Triad and Sandhills regions each had more than six percent growth in March. Two-year percent change can be found in parentheses.
  - Western Region +6.9% (+10.1%)      ○ Piedmont Triad Region +6.3% (+5.1%)      ○ Northeast Region +2.6% (+5.6%)
  - Northwest Region +3.7% (+7.2%)      ○ North Central Region +6.8% (+3.7%)      ○ Southeast Region +23.5% (+25.1%)
  - Southwest Region -1.7% (-2.0%)      ○ Sandhills Region +6.6% (+5.1%)
- Seven of the eight zones experienced increased **ADR** in March 2019 from March 2018. The Southeast Region led the state in ADR growth in March with nearly twelve percent growth. Two-year percent change can be found in parentheses.
  - Western Region -0.5% (+3.3%)      ○ Piedmont Triad Region +4.0% (+7.3%)      ○ Northeast Region +4.6% (+7.5%)
  - Northwest Region +3.4% (+5.5%)      ○ North Central Region +3.5% (+4.2%)      ○ Southeast Region +11.7% (+13.3%)
  - Southwest Region +0.3% (+4.7%)      ○ Sandhills Region +4.1% (+6.7%)
- **RevPAR** was up in seven of the regions in March 2019 from March 2018. Two-year percent changes also show increases in each region (in parentheses).
  - Western Region +6.3% (+13.8%)      ○ Piedmont Triad Region +10.6% (+12.8%)      ○ Northeast Region +7.2% (+13.6%)
  - Northwest Region +7.2% (+13.0%)      ○ North Central Region +10.5% (+8.0%)      ○ Southeast Region +38.0% (+41.7%)
  - Southwest Region -1.4% (+2.6%)      ○ Sandhills Region +11.0% (+12.1%)
- **Room Supply** was up in six of the eight regions of the state in March 2019 from March 2018, particularly in the Southwest Region with nearly four percent growth. The Southeast Region is still down ten percent in room supply due to the hurricane last fall.
  - Western Region +0.6% (+5.3%)      ○ Piedmont Triad Region +1.0% (+2.5%)      ○ Northeast Region -0.7% (+0.9%)
  - Northwest Region +1.3% (+0.7%)      ○ North Central Region +1.7% (+5.2%)      ○ Southeast Region -9.9% (-8.0%)
  - Southwest Region +3.9% (+6.2%)      ○ Sandhills Region +1.8% (+4.2%)
- **Room Demand** was up in each of the regions in March 2019 from 2018. The Southeast Region demand was up more than eleven percent, in part due to ongoing hurricane recovery efforts. However, the North Central and Sandhills regions each had more than eight percent demand growth in March. The Western and Piedmont Triad regions had more than seven percent growth. The two-year change for each region is shown in parentheses.
  - Western Region +7.5% (+16.0%)      ○ Piedmont Triad Region +7.3% (+7.8%)      ○ Northeast Region +1.9% (+6.6%)
  - Northwest Region +5.1% (+7.9%)      ○ North Central Region +8.5% (+9.1%)      ○ Southeast Region +11.3% (+15.1%)
  - Southwest Region +2.1% (+4.0%)      ○ Sandhills Region +8.5% (+9.5%)
- **Room Revenues** were up in each of the prosperity zones of the state for March 2019 from 2018, with four of them posting double-digit gains. Each region also shows strong two-year growth (in parentheses).
  - Western Region +6.9% (+19.8%)      ○ Piedmont Triad Region +11.7% (+15.7%)      ○ Northeast Region +6.5% (+14.6%)
  - Northwest Region +8.6% (+13.8%)      ○ North Central Region +12.4% (+13.6%)      ○ Southeast Region +24.4% (+30.4%)
  - Southwest Region +2.5% (+8.9%)      ○ Sandhills Region +12.9% (+16.8%)

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

## Statewide & Competitive State Comparison

- Hotel/motel **occupancy** is up 7.6% statewide YTD (through March) 2019 (two-year change, +5.1%).
  - The US **occupancy** is up 0.4% in 2019 from 2018 (two-year change, +1.3%).
  - The South Atlantic states **occupancy** is up 0.9% in 2019 from 2018 (two-year change, +1.5%).
- YTD **room rates (ADR)** in North Carolina are up 3.6% (two-year change, +6.2%).
  - The US **ADR** is up 1.1% in 2019 from 2018 (two-year change, +3.7%).
  - The South Atlantic states **ADR** is up 1.6% in 2019 from 2018 (two-year change, +5.2%).
- Statewide, **RevPAR** is up 11.5% year-to-date (two-year change +11.7%).
  - Nationally, **RevPAR** is also up 1.5% in 2019 from 2018 (two-year change, +5.1%).
  - The South Atlantic states **RevPAR** is up 2.6% in 2019 from 2018 (two-year change, +6.9%).
- **Room Supply** is up 0.3% in the state year-to-date (two-year change, +3.1%).
  - 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 8.0% in the state year-to-date (two-year change, +8.4%).
  - Nationally, **room demand** is also up 2.4% in 2019 from 2018 (two-year change, +5.1%).
  - The South Atlantic states **room demand** is up 3.0% in 2019 from 2018 (two-year change, +4.8%).
- North Carolina **room revenues** are up 11.8% year-to date (two-year change, +15.2%).
  - Nationally, **room revenues** are also up 3.5% in 2019 from 2018 (two-year change, +9.0%).
  - The South Atlantic states **room revenues** are up 4.6% in 2019 from 2018 (two-year change, +10.3%).

## Regional

- **Occupancy** is up year-to-date in seven of the eight regions (through March). The Southwest Region has flat occupancy from last year. For the two-year period, occupancy is up in all eight regions (in parentheses).
  - Western Region +8.1% (+6.6%)
  - Piedmont Triad Region +7.5% (+4.9%)
  - Northeast Region +5.6% (+1.5%)
  - Northwest Region +3.2% (+4.8%)
  - North Central Region +6.3% (+2.4%)
  - Southeast Region +35.5% (+30.4%)
  - Southwest Region 0.0% (+0.3%)
  - Sandhills Region +9.6% (+2.2%)
- **ADR** in seven of the eight prosperity zones is up year-to-date through March. Western Region ADR is down less than two percent year-to-date through March.
  - Western Region -1.3% (+1.8%)
  - Piedmont Triad Region +3.0% (+7.0%)
  - Northeast Region +4.8% (+6.8%)
  - Northwest Region +4.3% (+6.4%)
  - North Central Region +2.9% (+4.6%)
  - Southeast Region +12.4% (+13.8%)
  - Southwest Region +3.9% (+6.3%)
  - Sandhills Region +5.7% (+6.6%)
- **RevPAR** is up year-to-date in each of the eight prosperity zones of the state.
  - Western Region +6.7% (+8.6%)
  - Piedmont Triad Region +10.8% (+12.2%)
  - Northeast Region +10.7% (+8.4%)
  - Northwest Region +7.7% (+11.5%)
  - North Central Region +9.4% (+7.1%)
  - Southeast Region +52.2% (+48.4%)
  - Southwest Region +3.9% (+6.7%)
  - Sandhills Region +15.9% (+8.9%)
- **Room Supply** is up in six of the prosperity zones year-to-date through March, particularly in the Southwest and Sandhills regions. The Southwest Region room supply is up more than six percent over the last two years.
  - Western Region +0.5% (+5.7%)
  - Piedmont Triad Region +0.5% (+1.9%)
  - Northeast Region -0.4% (+1.2%)
  - Northwest Region +0.4% (-0.2%)
  - North Central Region +1.6% (+5.5%)
  - Southeast Region -10.2% (-8.2%)
  - Southwest Region +3.2% (+6.4%)
  - Sandhills Region +2.4% (+4.2%)
- **Room Demand** is up each of the prosperity zones of the state year-to-date through March. The Southeast Region demand is up nearly twenty-two 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 nine percent. For the two-year period, room demand is up in each of the eight regions (in parentheses).
  - Western Region +8.6% (+12.7%)
  - Piedmont Triad Region +8.1% (+6.9%)
  - Northeast Region +5.2% (+2.7%)
  - Northwest Region +3.7% (+4.7%)
  - North Central Region +7.9% (+8.0%)
  - Southeast Region +21.7% (+19.7%)
  - Southwest Region +3.2% (+6.8%)
  - Sandhills Region +12.3% (+6.5%)
- **Room Revenues** are up in each of the prosperity zones year-to-date through March. Revenues in the Southeast Region are up more than thirty-six percent, followed by the Sandhills, Piedmont Triad and North Central regions.
  - Western Region +7.2% (+14.7%)
  - Piedmont Triad Region +11.3% (+14.4%)
  - Northeast Region +10.3% (+9.6%)
  - Northwest Region +8.2% (+11.3%)
  - North Central Region +11.1% (+13.0%)
  - Southeast Region +36.8% (+36.2%)
  - Southwest Region +7.3% (+13.5%)
  - Sandhills Region +18.7% (+13.4%)

## 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