



Greeting/Introductory Remarks



Smith Travel Research - Tracks accommodations performance nationally. Overnight stays key indicator. Most recent data reflects performance for the full calendar year 2013.

Statewide Data

NC lodging hit records last year in 5 of the 6 indicators shown on this slide.

Room Demand was up 2.7% statewide and surpassed last year's demand to reach a new record for lodging demand in the state. More than **31 million room nights** were sold throughout the state in 2013. Nationally, **room demand** was up 3.0%, and **room demand** in the South Atlantic states was up 2.6% in 2012 from 2011.

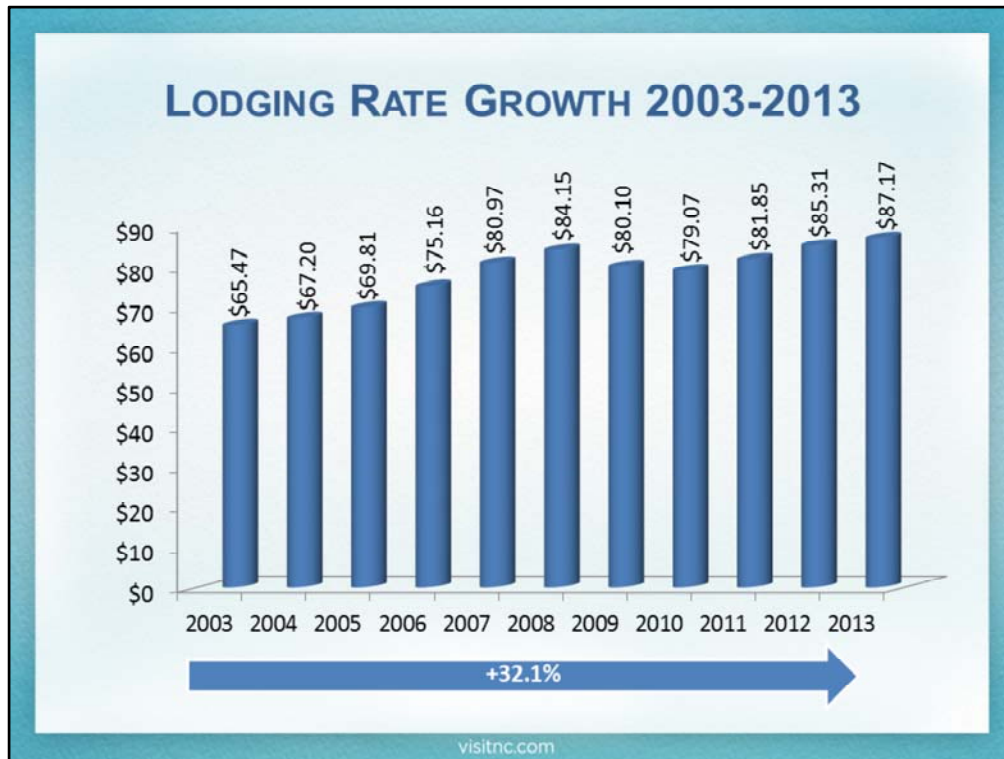
Hotel/motel **occupancy** was up 1.7% statewide in 2013, similar to the performance seen both nationally and within the South Atlantic region in 2013.

Room rates (ADR) in North Carolina also hit record levels last year, increasing 2.2%, slightly behind growth of 3.9% at the national level and 3.0% at the South Atlantic level.

Statewide, **RevPAR** was up 3.9% in 2013, the growth slightly less than national (+5.4%) and South Atlantic region (+5.0%) growth, **BUT** still a record for North Carolina.

North Carolina **room revenues** grew 5.0% 2013, reaching more than \$2.7 billion and topping the previous high set last year. US revenues increased 6 percent and South Atlantic revenues increased 5.3 percent.

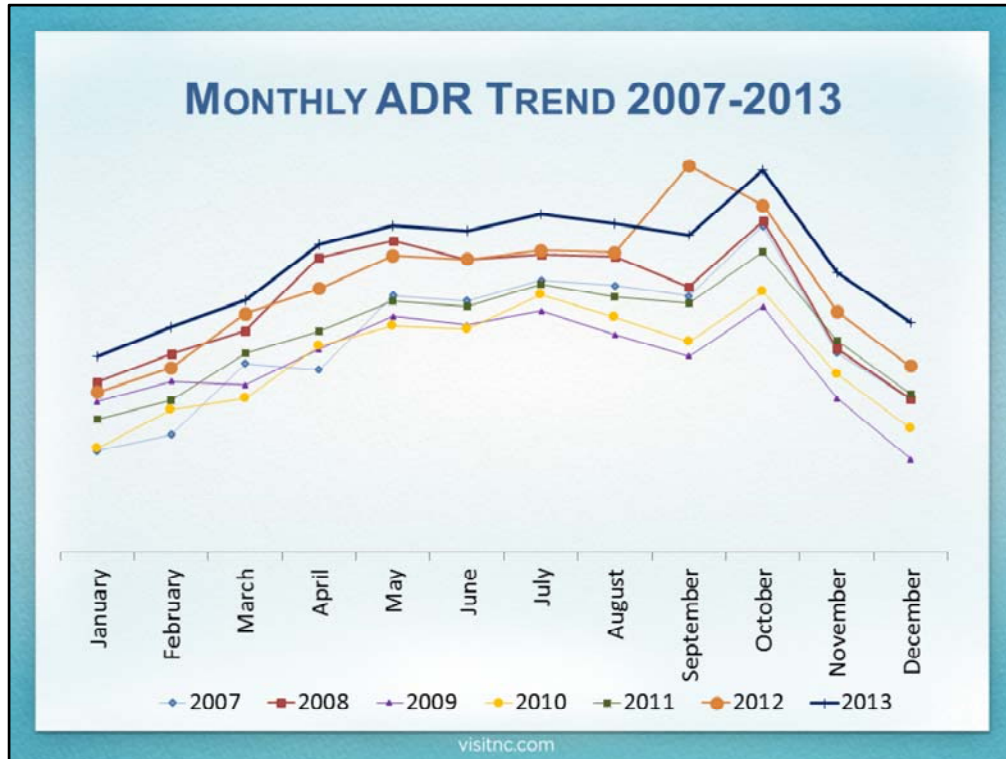
Room Supply in North Carolina increased 1.1% in 2013, topping growth at the national and regional level. Nationally, **room supply** was up 0.7%, while **room supply** in the South Atlantic states was up 0.3%. Room supply is at its highest on record for North Carolina with more than 53 million room nights available last year.



Lodging Rate Growth

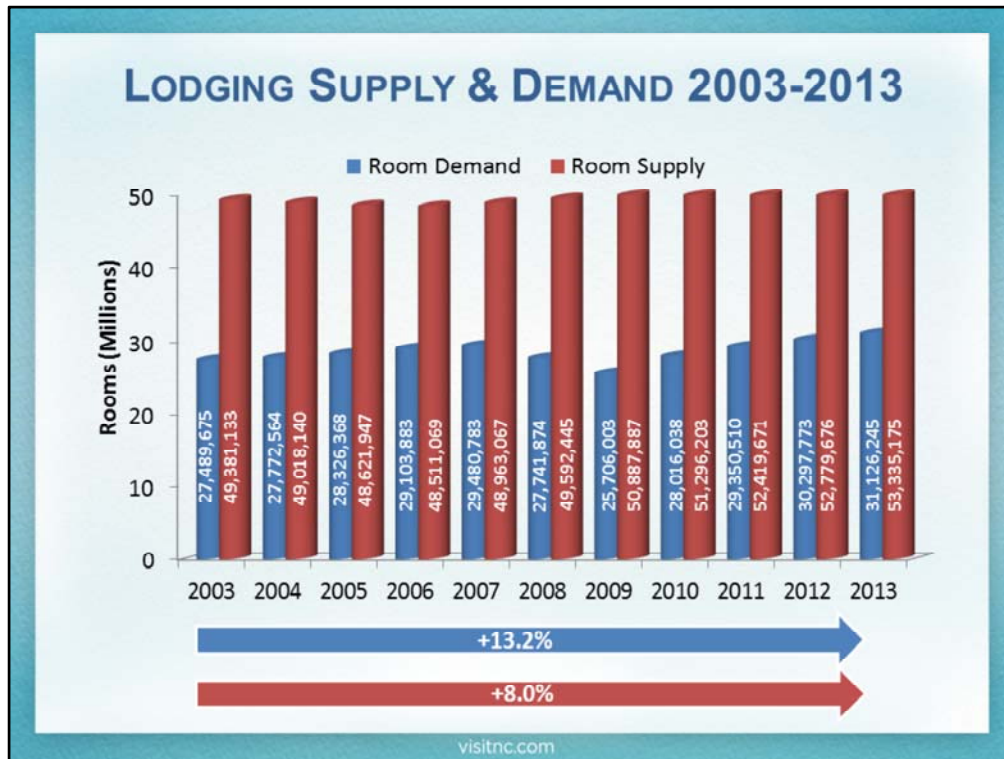
ADR up +32.1% over last 10 years.

Rates are at an all time high.



With the exception of September, which was adjusting back to post-DNC September rates, each month of 2013 set a record high ADR for that particular month.

February and December rates were four percent higher than 2012 rates, and posted the highest year over year growth.

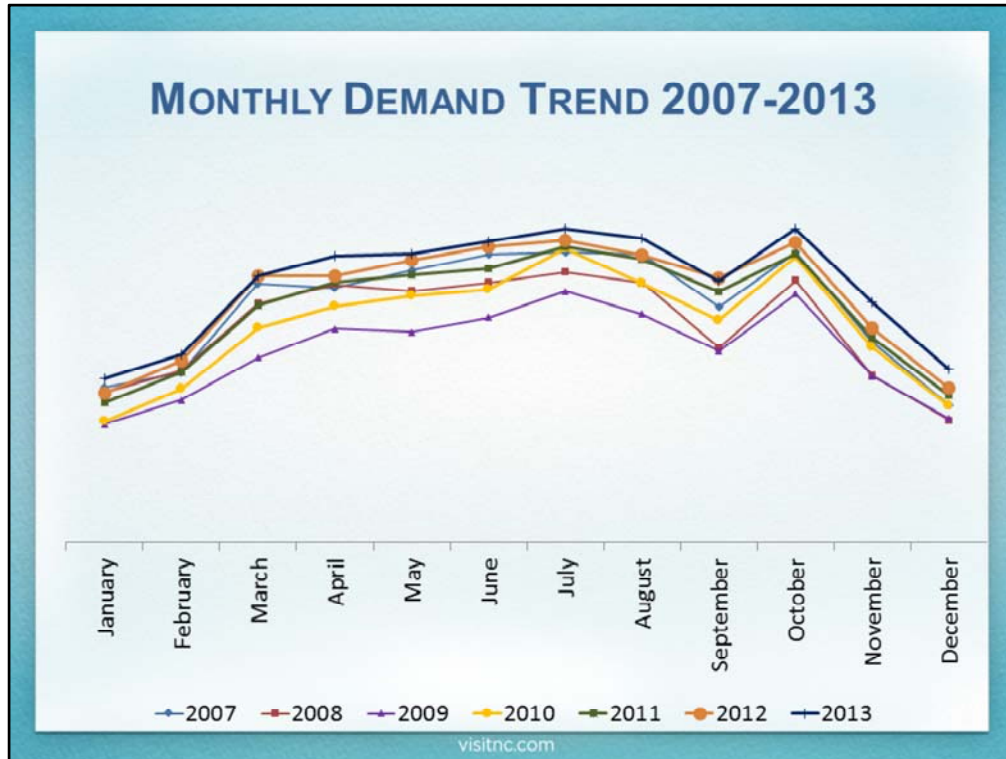


Lodging Demand

Highest demand (number of rooms occupied) on record.

Demand +13% over last 10 years.

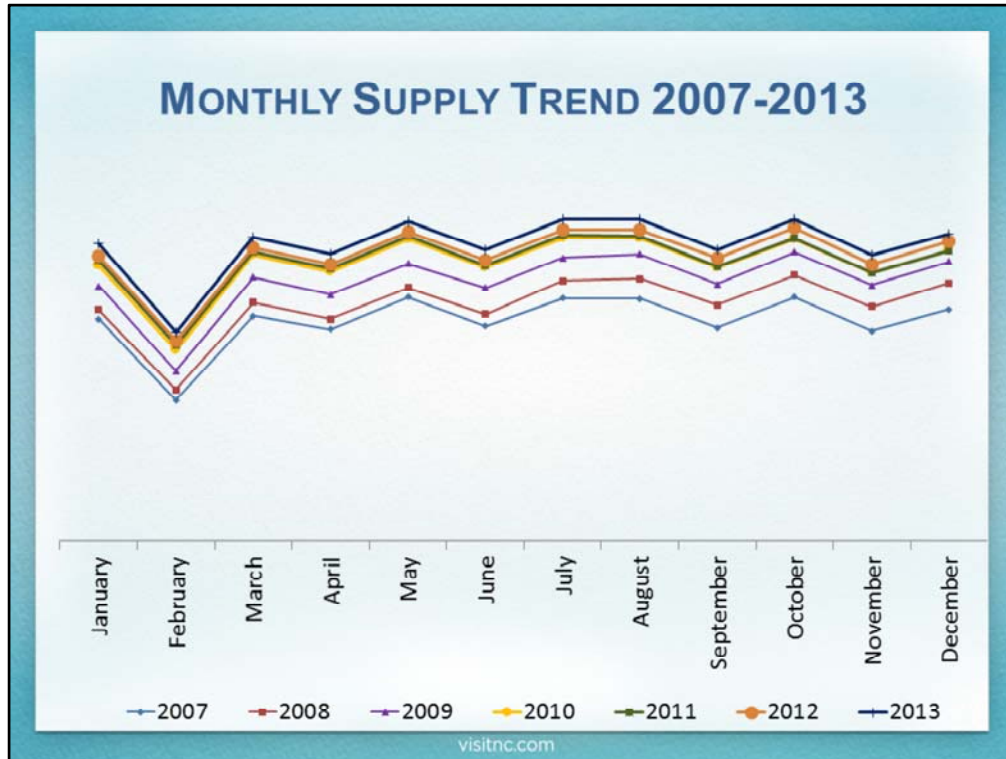
Supply +8% over last 10 years.



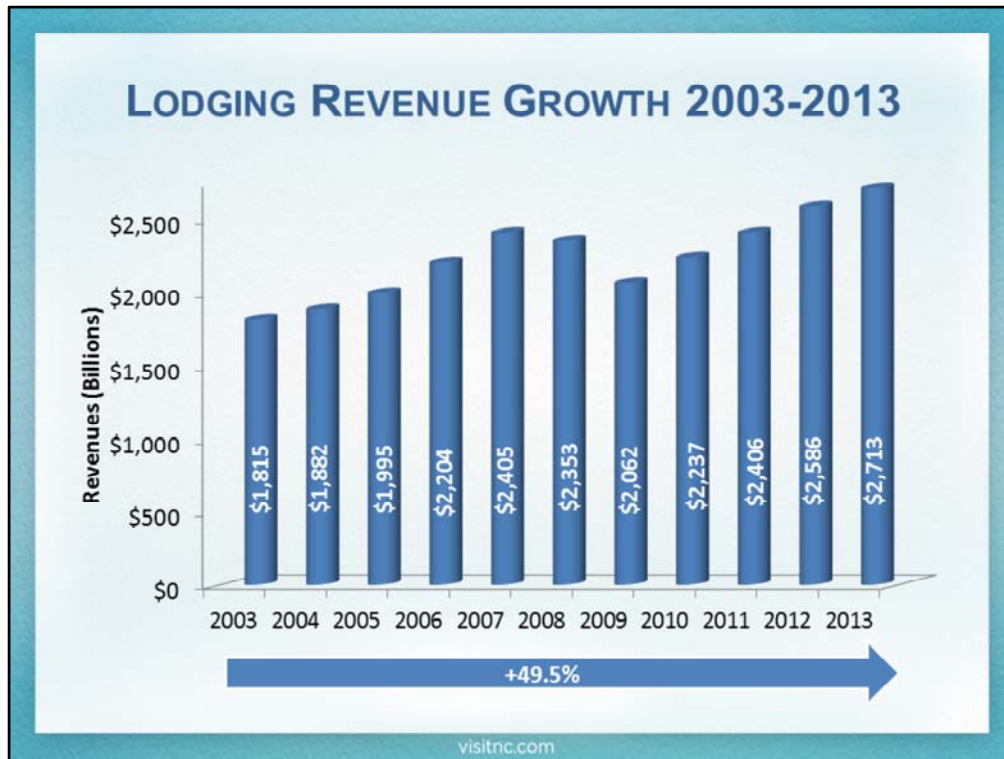
Nearly every month in 2013 showed increased statewide **Room Demand** from 2012.

Ten months of 2013 set records in room demand. November and December, 2013 posted the highest year over year growth with seven percent and six percent growth respectively.

Due to an increased supply in rooms over the last several years, demand has fared somewhat better than occupancy; meaning that while there are more overnight stays in paid accommodations (demand) in the state, there are also more rooms to fill than in previous years.

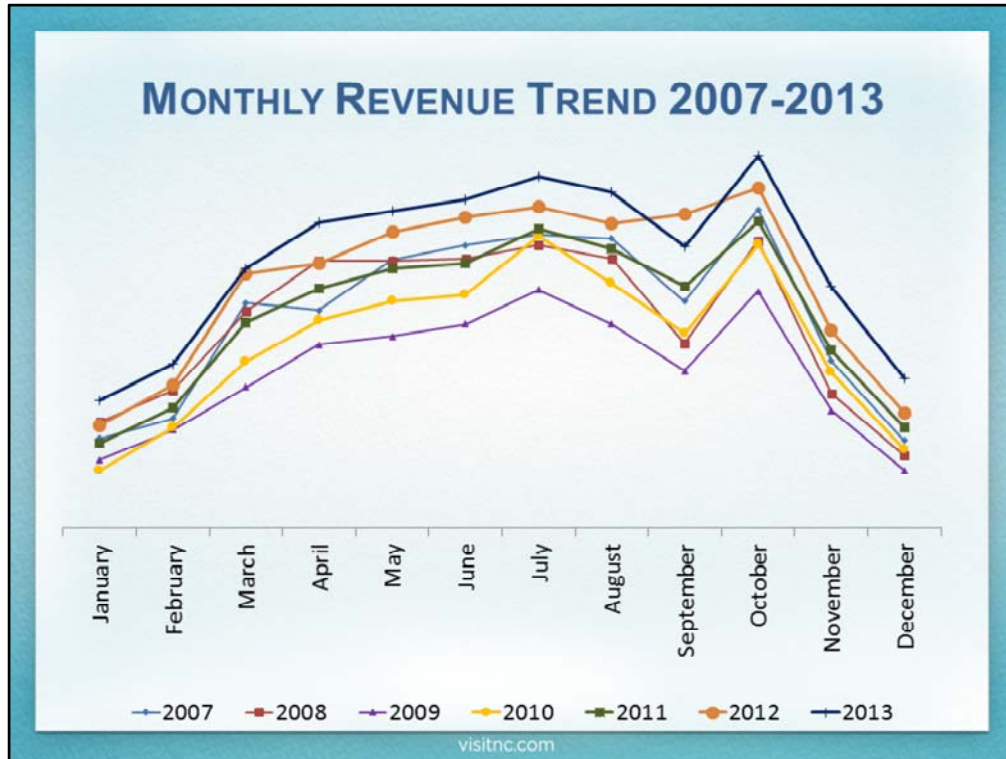


Room Supply in 2013 followed the same trend line as the last several years, showing consistent growth throughout the year.



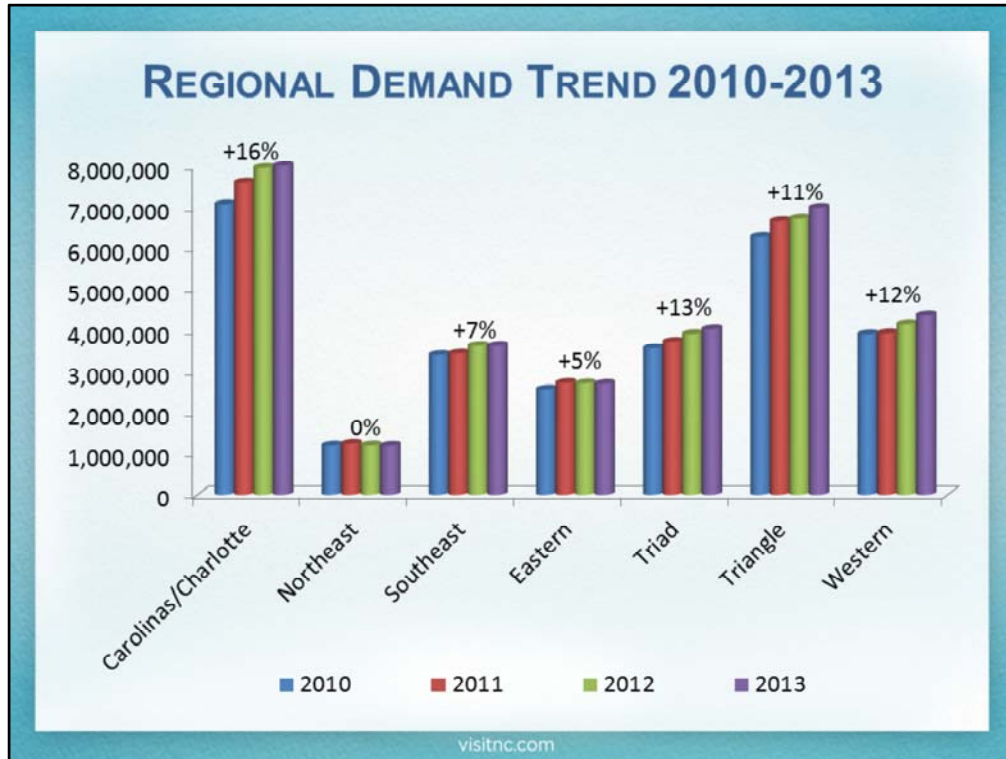
Lodging Revenues

Revenue growth +50% over last 10 years – an all-time high.



With the exception of September (as a result of the previously noted DNC in Charlotte), each month in 2013 posted record **room revenues**.

November and December each posted over ten percent growth in revenues from 2012.

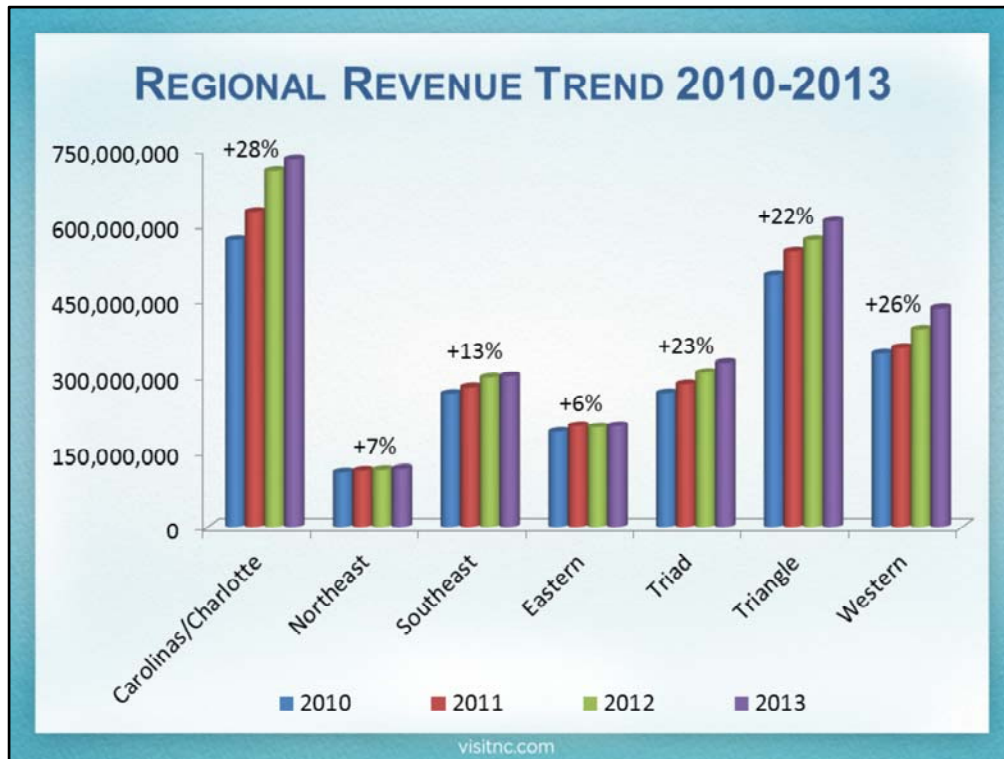


A quick look at room demand regionally across the state.

With the exception of the Northeast Region, all regions have seen growth in demand over the last 4 years.

****Note that this lodging data is indicative of hotels/motels only. Due to the large number of rental properties in the Northeast, these numbers are likely conservative.**

In particular, the Carolinas, Triangle and Western regions have seen double digit growth.



A quick look at room revenues regionally across the state.

All regions have seen positive growth in demand over the last 4 years.

5 of the regions have seen double digit growth in revenues.



Report: Travel industry's job recovery outpacing rest of U.S.

The US travel industry has recovered 101% of the jobs it lost since 2007. In NC, 104% of travel jobs have been recovered. Both the US and NC travel employment recovery has outpaced other industry employment.