

ROWAN COUNTY

Tourism Development Authority
Salisbury, North Carolina

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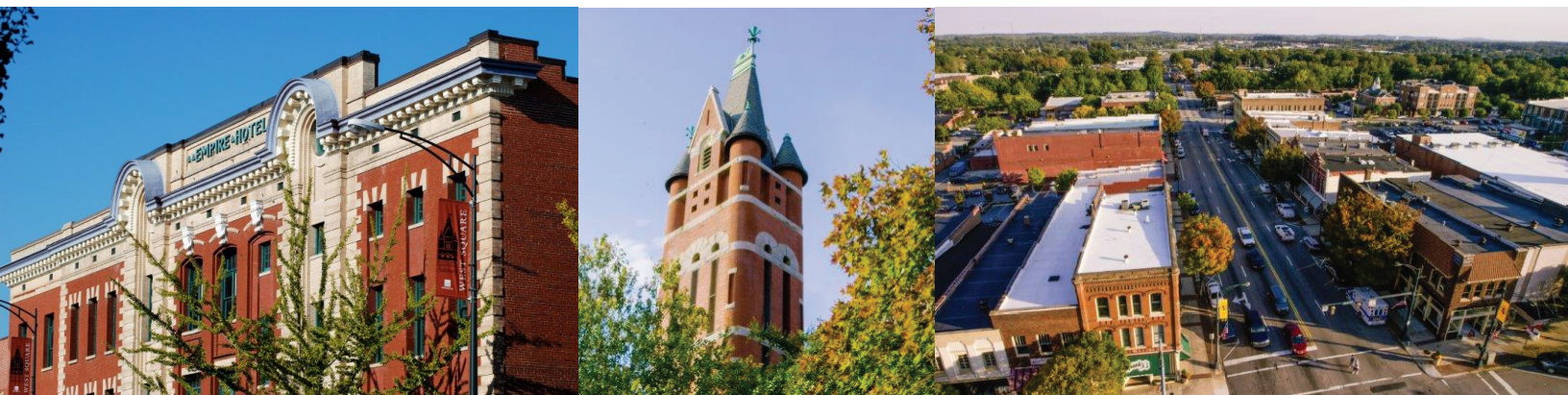
The Salisbury-Rowan County Lodging Market consists primarily of limited service hotels located on the Interstate 85 corridor that service business, transient and leisure travelers. Recent growth in online travel companies and new hosted platforms such as Airbnb and VRBO now account for between 6% to 8% of monthly lodging revenues with commercial lodging businesses accounting for the remainder.

The market saw continued growth from the calendar year ending 2011 when lodging revenues equaled \$10.5 million annually to the end of calendar year 2019 when lodging revenues reached \$17.9 million annually, a 70% increase over the eight year period. During these eight years new capital investments included a Courtyard Marriott in 2013, a Holiday Inn Express in 2017 and a Hilton Home 2 in 2019.

Area lodging businesses in Salisbury have experienced steady increases annually from business, transient and leisure travel with approximately 60% of lodging revenues coming from business travel, 20% transient and 20% leisure. Before the onset of COVID-19 through February 2020 the Salisbury lodging market witnessed record growth on a monthly basis and experienced 58 straight months of revenue growth compared to previous years.

Utilizing Smith Travel's Custom Lodging Trend's Monthly Lodging Report reveals that when looking at all reporting properties in Salisbury, NC (Hampton Inn, Courtyard Marriott, Holiday Inn Express, Comfort Suites, Home 2, Econolodge, Days Inn, Quality Inn, Super 8 and Affordable Suites) the market on an annual basis through February 2020 produced annual occupancy rates at 71% an \$89.10 ADR and a \$63.22 RevPar based on the aforementioned properties.

When COVID set in during early March 2020 market revenues bottomed in April 2020 down 58.6% from the previous year. Revenues have continued to rise each month finishing August 2020 down 21.1% from the previous year. The Salisbury market has fared better than many markets dealing with the impacts of COVID and is supported by high volumes of transient travelers, access to interstate travel and home to many essential businesses and organizations including but not limited to Delhaize (Food Lion), Chewy distribution center, Freightliner, the Federal Government's VA Hospital and Gildan productions.



Rowan County Lodging Revenues									
MONTH	FY16-17	FY17-18	%CHNG	FY18-19	%CHNG	FY19-20	%CHNG	FY20-21	%CHNG
July	1,086,802.83	1,216,651.00	11.9%	1,380,463.17	13.5%	1,417,700.67	2.7%	1,028,951.33	-27.4%
August	1,111,059.50	1,266,845.50	14.0%	1,403,792.17	10.8%	1,456,468.83	3.8%	1,106,666.00	-24.0%
September	1,074,458.83	1,237,016.50	15.1%	1,467,679.00	18.6%	1,494,909.67	1.9%		
Quarter Total	3,272,321.17	3,720,513.00	13.7%	4,251,934.33	14.3%	4,369,079.17	2.8%		
October	1,319,486.00	1,538,110.17	16.6%	1,687,156.67	9.7%	1,890,456.83	12.0%		
November	1,040,750.17	1,319,583.00	26.8%	1,406,969.83	6.6%	1,630,804.00	15.9%		
December	902,753.83	1,143,070.83	26.6%	1,248,241.17	9.2%	1,328,110.67	6%		
Quarter Total	3,262,990.00	4,000,764.00	22.6%	4,342,367.67	8.5%	4,849,371.50	11.7%		
January	934,483.33	1,068,570.17	14.3%	1,203,179.00	12.6%	1,335,014.67	11.0%		
February	989,796.00	1,145,063.17	15.7%	1,248,348.00	9.0%	1,464,916.50	17%		
March	1,181,599.83	1,412,660.33	19.6%	1,564,849.83	11%	1,035,816.83	-34%		
Quarter Total	3,105,879.17	3,626,293.67	16.8%	4,016,376.83	10.8%	3,835,748.00	-4.5%		
April	1,386,023.17	1,536,139.17	10.8%	1,621,678.83	5.6%	664,516.17	-59%		
May	1,452,746.33	1,489,906.67	2.6%	1,535,081.50	3.0%	843,093.17	-45%		
June	1,277,081.00	1,429,607.83	11.9%	1,537,581.33	7.6%	935,714.17	-39%		
Quarter Total	\$ 4,115,850.50	4,455,653.67	8.3%	4,694,341.67	5.4%	2,443,323.50	-48%		
Year Total	\$13,757,040.83	\$15,803,224.33	14.9%	\$17,305,020.50	9.5%	15,497,522.17	-10.4%	-	

Occupancy (%)	2019												2020							
	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug		
This Year	78.3	79.0	73.0	77.3	69.0	63.3	66.2	77.9	71.7	58.5	58.6	66.1	48.6	41.2	41.6	48.5	53.6	56.9		
Last Year	72.8	79.6	73.1	76.0	69.4	72.0	76.3	78.6	72.2	64.4	59.2	69.9	78.3	79.0	73.0	77.3	69.0	63.3		
Percent Change	7.5	-0.8	-0.1	1.7	-0.6	-12.1	-13.2	-0.8	-0.7	-9.1	-1.0	-5.5	-37.9	-47.9	-43.0	-37.3	-22.3	-10.0		
ADR	2019												2020							
	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug		
This Year	86.24	91.48	92.47	90.00	88.43	86.47	90.33	95.01	91.97	85.01	85.15	88.72	82.33	72.79	71.90	76.74	77.20	75.82		
Last Year	85.61	87.38	89.74	84.78	84.66	85.41	87.57	95.06	88.29	86.38	87.83	89.66	86.24	91.48	92.47	90.00	88.43	86.47		
Percent Change	0.7	4.7	3.0	6.2	4.5	1.2	3.2	-0.1	4.2	-1.6	-3.1	-1.1	-4.5	-20.4	-22.2	-14.7	-12.7	-12.3		
RevPAR	2019												2020							
	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug		
This Year	67.50	72.23	67.55	69.59	61.04	54.74	59.82	74.01	65.94	49.75	49.91	58.63	40.05	29.96	29.94	37.19	41.42	43.18		
Last Year	62.34	69.53	65.63	64.47	58.78	61.52	66.80	74.68	63.74	55.63	51.99	62.70	67.50	72.23	67.55	69.59	61.04	54.74		
Percent Change	8.3	3.9	2.9	7.9	3.8	-11.0	-10.4	-0.9	3.5	-10.6	-4.0	-6.5	-40.7	-58.5	-55.7	-46.6	-32.1	-21.1		
Supply	2019												2020							
	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug		
This Year	21,700	21,000	21,700	21,000	21,700	24,583	23,790	24,583	23,790	24,583	24,583	22,204	24,583	20,970	24,583	23,790	24,583	24,583		
Last Year	21,700	21,000	21,700	21,000	21,700	21,700	21,000	21,700	21,000	21,700	21,700	19,600	21,700	21,000	21,700	21,000	21,700	24,583		
Percent Change	0.0	0.0	0.0	0.0	0.0	13.3	13.3	13.3	13.3	13.3	13.3	13.3	13.3	-0.1	13.3	13.3	13.3	0.0		
Demand	2019												2020							
	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug		
This Year	16,986	16,581	15,851	16,238	14,978	15,563	15,755	19,149	17,057	14,387	14,409	14,674	11,959	8,631	10,238	11,528	13,188	13,999		
Last Year	15,801	16,708	15,869	15,969	15,066	15,629	16,019	17,048	15,159	13,976	12,844	13,706	16,986	16,581	15,851	16,238	14,978	15,563		
Percent Change	7.5	-0.8	-0.1	1.7	-0.6	-0.4	-1.6	12.3	12.5	2.9	12.2	7.1	-29.6	-47.9	-35.4	-29.0	-12.0	-10.0		
Revenue	2019												2020							
	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug		
This Year	1,464,857	1,516,841	1,465,768	1,461,340	1,324,526	1,345,771	1,423,215	1,819,280	1,568,723	1,223,090	1,226,891	1,301,870	984,528	628,247	736,096	884,677	1,018,164	1,061,446		
Last Year	1,352,700	1,460,027	1,424,080	1,353,805	1,275,442	1,334,936	1,402,831	1,620,515	1,338,439	1,207,257	1,128,132	1,228,925	1,464,857	1,516,841	1,465,768	1,461,340	1,324,526	1,345,771		
Percent Change	8.3	3.9	2.9	7.9	3.8	0.8	1.5	12.3	17.2	1.3	8.8	5.9	-32.8	-58.6	-49.8	-39.5	-23.1	-21.1		

Year To Date		
2018	2019	2020
70.7	71.0	51.9
64.3	70.7	71.0
10.1	0.3	-26.8
Year To Date		
2018	2019	2020
85.74	89.10	79.51
87.80	85.74	89.10
-2.4	3.9	-10.8
Year To Date		
2018	2019	2020
60.64	63.22	41.30
56.43	60.64	63.22
7.5	4.3	-34.7
Year To Date		
2018	2019	2020
170,100	172,983	189,879
167,310	170,100	172,983
1.7	1.7	9.8
Year To Date		
2018	2019	2020
120,308	122,747	98,626
107,521	120,308	122,747
11.9	2.0	-19.7
Year To Date		
2018	2019	2020
10,314,607	10,936,160	7,841,920
9,440,619	10,314,607	10,936,160
9.3	6.0	-28.3

Participating Hotels
Comfort Suites Salisbury
Courtyard Salisbury
Hampton Inn Salisbury
Holiday Inn Express & Suites Salisbury
Quality Inn & Suites Salisbury
Days Inn Salisbury
Econo Lodge Salisbury
Home2 Suites by Hilton Salisbury
Super 8 Salisbury
Affordable Suites Salisbury