

2010 YTD Lodging Report

The Research Section of the VTC has contracted with Smith Travel Research (STR), a leading lodging industry research company, to provide monthly and annual lodging data for the state of Virginia. The following report provides an analysis for the state and various pre-defined regions through the fourth quarter of 2010. [Note: STR's pre-defined regions do not correspond to political boundaries in all cases; however, they do provide a level of detail that allows for near complete coverage of the state. You may view a map and explanation of STR's pre-defined regions here: <http://www.vatc.org/research/ExplanationofVirginiaRegions.doc>]

There are five major areas of analysis contained in this report:

- 1) Room Demand – Reflects the percent change in the number of rooms sold
- 2) Room Supply – Reflects the percent change in the number of rooms available
- 3) Room Rates – Reflects the average cost per room
- 4) Room Revenue – Reflects the percent change in the amount of revenue collected
- 5) Occupancy Percent – Reflects the percentage of rooms occupied

Statewide Analysis

Lodging room demand was up 6.0% YTD through 2010, compared to the same 12-month period of 2009. The number of rooms available (room supply) grew by 2.5% in 2010, reflecting an increase in building or expansion of new rooms around the state. Average room rates (prices per room rented) for the state as a whole decreased from \$98.15 to \$96.49 per room, down 1.7% from the same 12-month period of 2009. Room revenues, which are tied to room demand and room rates, increased 4.2% in 2010. Occupancy rates, which reflect changes in both the supply and demand for rooms, averaged 56.4%, up 3.5% from the YTD 2009 occupancy rate of 54.5%. This compares to the US average occupancy rate of 57.6% (up 5.7% YTD).

The following table details the above 5 areas of analysis for the US, Virginia and various segments around the state. Sub-segments are also included within several of the larger segments. For example, the larger Washington DC Segment is broken down into Arlington, Alexandria, Fairfax, Suburban VA, I-95 Fredericksburg, and Dulles Airport sub-segments.

	Room Demand	Room Supply	Average Room Rates (1/01-12/31)			Room Revenue	Occupancy Percent		
	% Change	% Change	2010	2009	% Change	% Change	2010	2009	% Change
United States	7.7	2.0	98.08	98.17	-0.1	7.6	57.6	54.5	5.7
Virginia	6.0	2.5	96.49	98.15	-1.7	4.2	56.4	54.5	3.5
Washington, DC-MD-VA	6.8	2.9	143.39	145.22	-1.3	5.5	67.0	64.6	3.8
Arlington, VA	5.2	2.3	163.69	164.10	-0.3	4.9	73.5	71.5	2.8
Alexandria	11.1	3.8	133.15	135.72	-1.9	9.0	66.7	62.4	7.0
Fairfax/Tysons Corner	7.8	2.4	124.12	128.05	-3.1	4.5	67.2	63.8	5.3
Suburban Virginia Area	2.0	3.0	89.09	92.99	-4.2	-2.2	51.2	51.7	-0.9
I-95 Fredericksburg	4.7	3.3	78.74	78.02	0.9	5.7	57.4	56.6	1.3
Dulles Airport Area	14.7	5.8	103.99	112.23	-7.3	6.2	72.0	66.4	8.4
Norfolk-Virginia Beach, VA	1.6	0.7	85.78	86.60	-0.9	0.7	53.3	52.8	0.9
Chesapeake/ Suffolk	11.0	4.1	66.91	69.07	-3.1	7.5	58.6	54.9	6.7
Newport News/Hampton	-3.9	-0.0	62.23	66.33	-6.2	-9.8	54.9	57.1	-3.9
Norfolk/ Portsmouth	0.6	-0.8	81.51	84.75	-3.8	-3.3	55.7	54.9	1.4
Virginia Beach	1.3	0.2	107.35	103.78	3.4	4.8	57.8	57.1	1.1
Williamsburg	2.4	0.9	94.72	96.34	-1.7	0.7	41.9	41.2	1.5
Virginia Area	3.7	1.5	79.65	79.19	0.6	4.3	50.2	49.2	2.1
Virginia Area	2.1	2.2	76.98	75.91	1.4	3.5	46.6	46.6	-0.1
Lynchburg MSA	0.2	-2.8	76.65	74.98	2.2	2.4	54.1	52.4	3.1
Blacksburg/Wytheville	3.2	1.3	75.68	74.92	1.0	4.2	47.8	47.0	1.8
Staunton/Harrisonburg	5.3	2.2	74.45	73.93	0.7	6.1	51.4	49.9	3.0
Roanoke MSA	7.1	2.2	76.59	78.34	-2.2	4.7	51.6	49.3	4.8
Charlottesville MSA, VA	6.8	-0.0	104.25	105.35	-1.0	5.6	65.9	61.7	6.8
Richmond-Petersburg, VA	11.5	4.9	74.35	77.66	-4.3	6.8	51.3	48.2	6.3
Petersburg/Chester	16.8	3.2	67.44	68.59	-1.7	14.8	56.5	50.0	13.1
Richmond Downtown/Airport	12.8	2.0	88.81	94.76	-6.3	5.8	53.1	48.0	10.6
Richmond North/Glen Allen	8.9	6.5	73.96	77.35	-4.4	4.2	46.5	45.4	2.3
Richmond West/Midlothian	6.7	8.5	63.14	65.96	-4.3	2.1	54.4	55.3	-1.7
Bristol-Kingsport MSA	5.8	2.6	74.92	75.20	-0.4	5.4	46.5	45.1	3.1

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