



# ***GEORGIA LODGING FORECAST***

# Lodging Forecast Panel



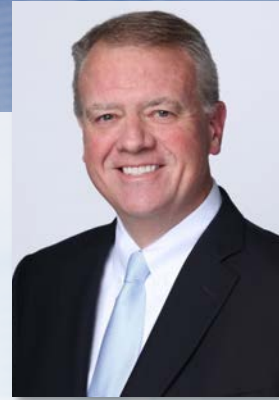
**Mark  
Woodworth**

**RM Woodworth  
& Assoc.**



**Mark Vaughan**

**Atlanta  
Convention &  
Visitors Bureau**



**Tim Dick**

**CBRE**



**Sofya  
McIntosh**

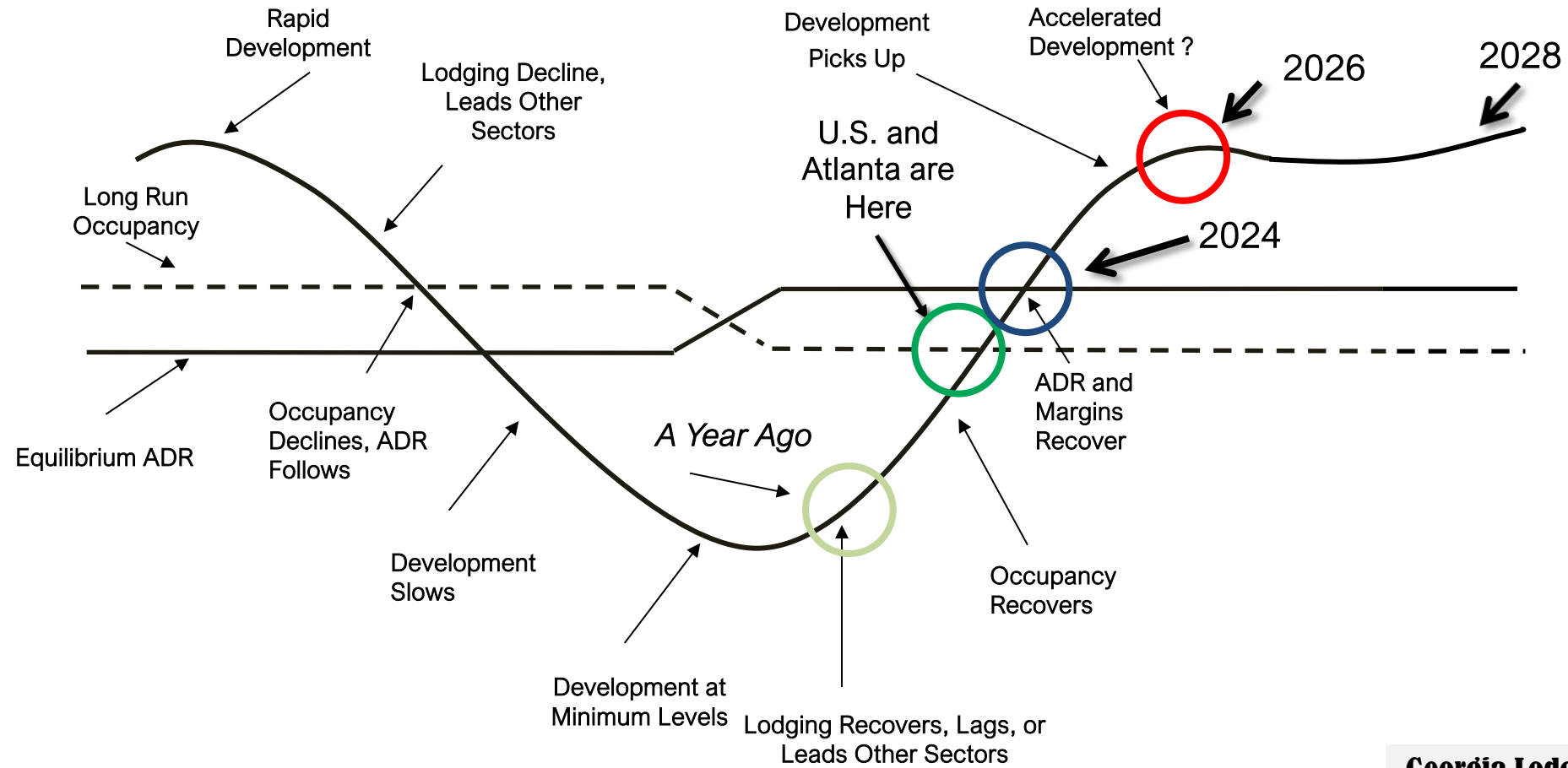
**Kalibri Labs**

# Where Are We?

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# THE HOTEL MARKET CYCLE

A Long Up-Cycle Ahead!



# Economic Situation:

	<u>2022</u>	<u>2023F</u>	<u>2024F</u>	<u>2025F</u>
<b>Real Gross Domestic Product (GDP):</b>	2.1%		↓	
<b>Inflation, end of period, year-over-year:</b>	8.3%		↓	
<b>Unemployment Rate (end of period):</b>	3.6%		↓	
<b>Non-farm Payrolls, monthly avg. (000):</b>	401			
<b>Treasury 10-yr Note Yield % (end of period):</b>	3.2%		↓	
<b>Federal funds rate % (end of period):</b>	2.4%		↓	
<i>Source: The Economic Outlook Group</i>				

# National Perspectives

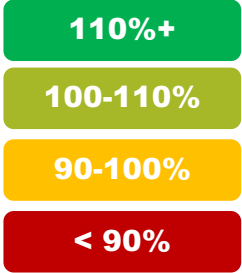
Mark Vaughan - ACVB

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# INDUSTRY RECOVERY DASHBOARD

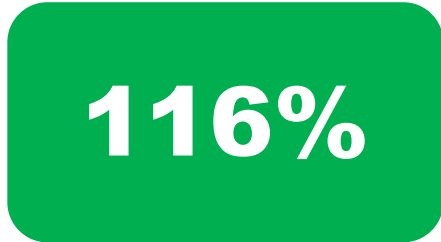
First half of 2023 (July YTD) vs. 2019

Legend



## Lead Volume

Total number of leads received by DMOs, counted for each DMO that received



- Conversion is down
- Planners sending leads to multiple destinations is up

## Number of Bookings

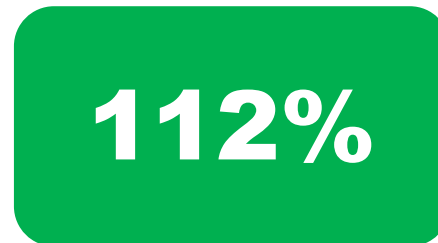
Number of leads turned definite, counted once per DMO that booked



- Average expected attendance (ratio of attendance to meetings) is up
- Planners may have consolidated smaller meetings in a fewer number of large meetings
- Varied booking practices and large attendee events with multiple year bookings may also have contributed

## Expected Attendance

Total expected attendance for leads that were turned definite



- Average block size per event and per attendee is down
- Planners may be cautious about restoring block size, planning shorter events, expecting attendees to book outside block.

## Booked Room Nights

Total room nights for leads that were turned definite



# National Perspectives

Tim Dick - CBRE

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# CBRE Hotel Horizons<sup>®</sup> U.S. Lodging Market Forecast

Year	Occ	ΔOcc	ADR	ΔADR	RevPAR	ΔRevPAR	Supply	ΔSupply	Demand	ΔDemand
2022	64.2%	10.0%	\$143.97	18.6%	\$92.42	30.5%	5,466,565	0.5%	3,509,223	10.5%
2023F	64.8%	0.9%	\$149.15	3.6%	\$96.64	4.6%	5,490,434	0.4%	3,557,404	1.4%
2024F	65.5%	1.1%	\$153.13	2.7%	\$100.29	3.8%	5,535,237	0.8%	3,625,444	1.9%
2025F	66.2%	1.1%	\$157.30	2.7%	\$104.17	3.9%	5,585,736	0.9%	3,698,964	2.0%
2026F	66.7%	0.8%	\$161.48	2.7%	\$107.77	3.5%	5,642,878	1.0%	3,766,025	1.8%

Figures in red mark full recovery to 2019 levels.

# National Perspectives

Sofya McIntosh + Mark Lomanno  
- Kalibri Labs

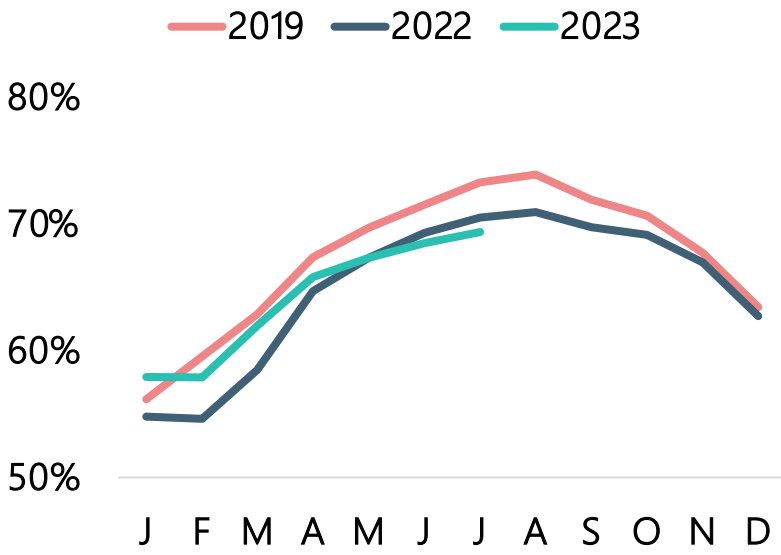
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# YoY '23 Demand Growth Remains Sluggish; ADR still growing over '22 In '23

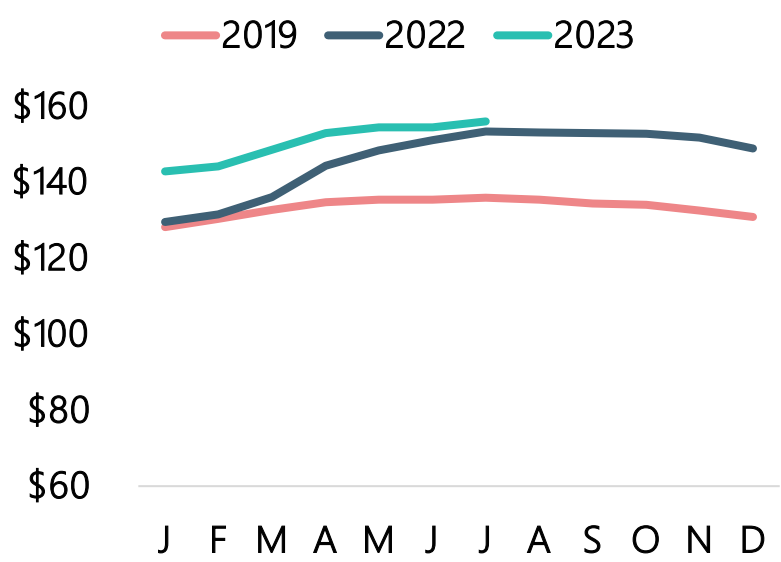
## 2019, 2022 Full Year, and 2023 July YTD



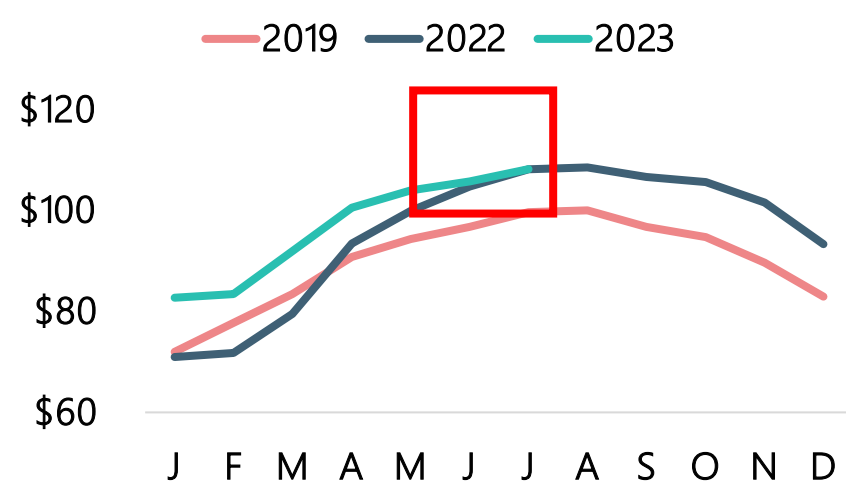
### Occupancy by Month (T3M)



### Guest-Paid ADR by Month (T3M)



### Guest-Paid RevPAR by Month (T3M)

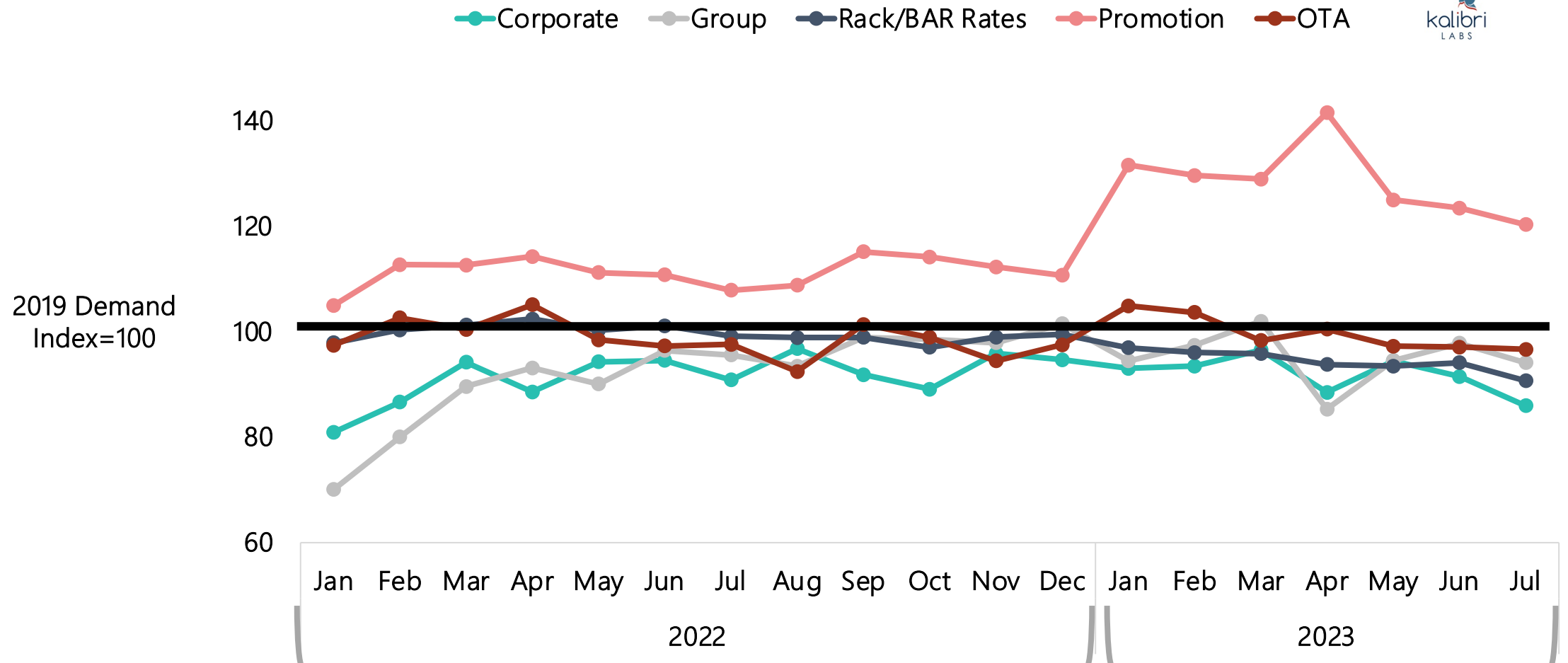


2023—July YTD Actual



# U.S. Room Nights: Corporate and Group are still below 2019 levels

## January 2022-July 2023 - Indexed vs. 2019 -All U.S. Hotels

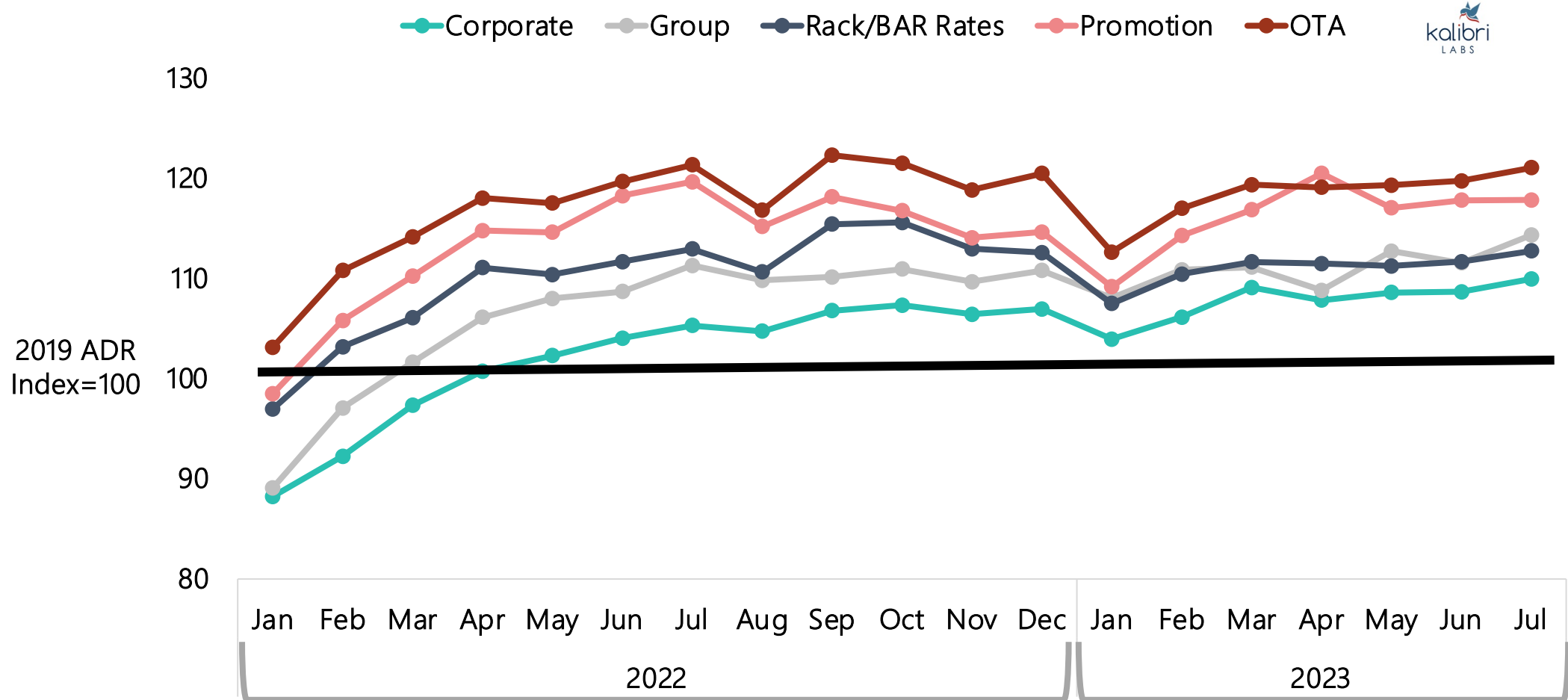


2023—July YTD Actual  
Total U.S.



# U.S. ADR: All Rate Categories are outperforming 2019 levels in 2023

## January 2022-July 2023 - Indexed vs. 2019 - *All U.S. Hotels*

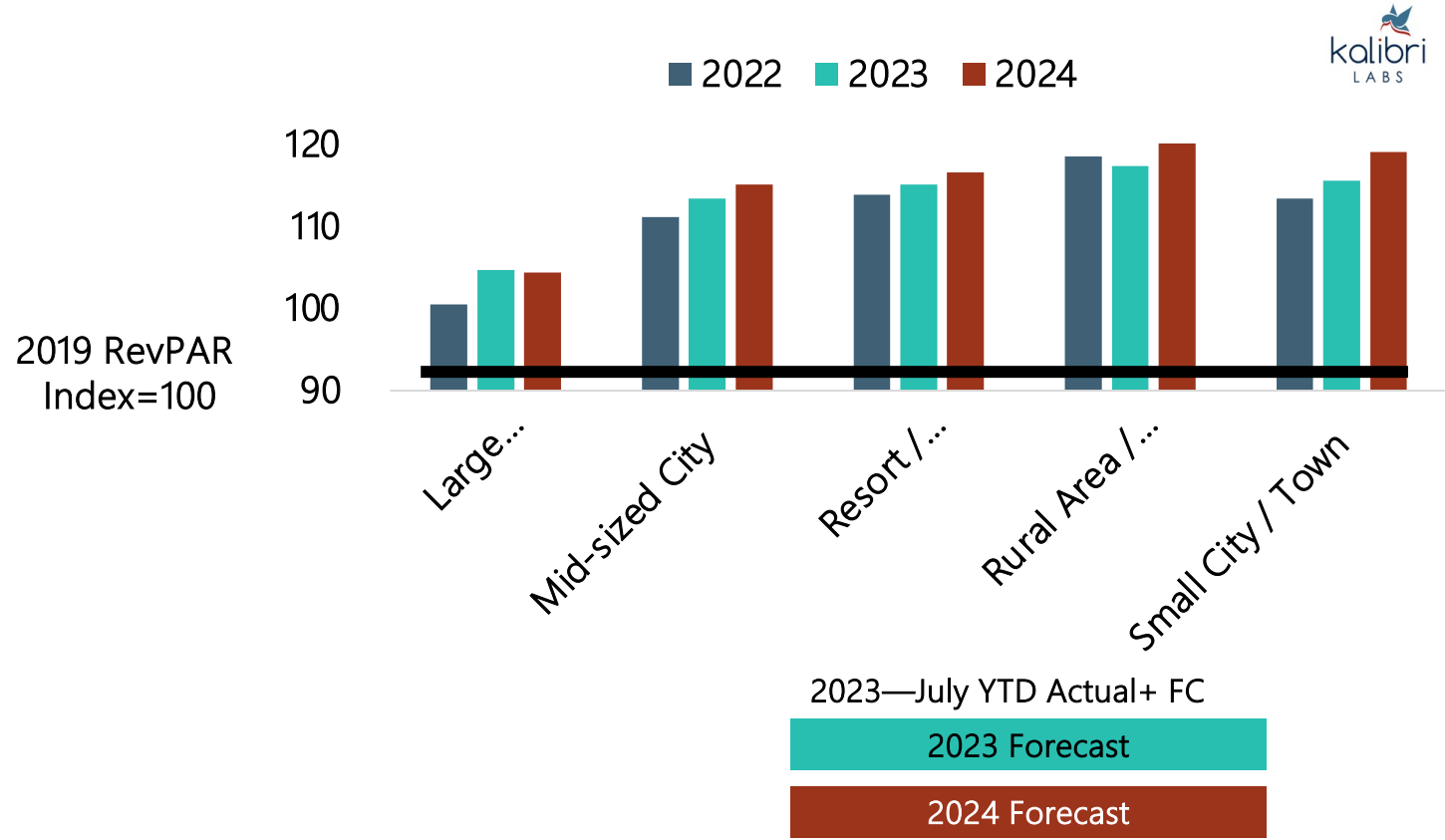


2023—July YTD Actual  
Total U.S.



# Large Metro Areas Reach 2019 levels in 2022; Rural/Resort Strongest

## January 2022-December 2024 (f) -Indexed vs. 2019; Guest Paid RevPAR by Market Type



SCAN ME



# 2023 Summary

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## ✦ Trends so far in 2023

- ADR growth plateauing
- Demand still below 2019 levels
- Length of Stay shrinking slightly
- Recent bi-modal trends
- Early recovery markets performance metrics retreating

## ✦ Second half of 2023

- Tracking Length of Stay
- Pause in cycle or end of cycle
- Commercial/Leisure Mix
- International Travel
- Economic factors

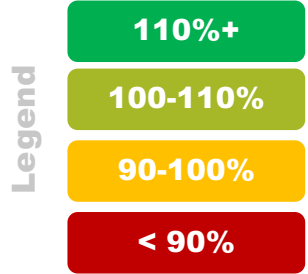
# Atlanta Perspectives

Mark Vaughan - ACVB

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# INDUSTRY RECOVERY DASHBOARD

First half of 2023 (July YTD) vs. 2019



Lead Volume

Number of Bookings

Expected Attendance

Booked Room Nights

Total Industry

116%

91%

112%

88%

Convention Center Events at Category D Cities

107%

88%

107%

71%

ACVB's recovery metrics surpass peers

Convention Center Events at ACVB

ACVB attendance recovery is closer to normal than peers and room night recovery

149%

115%

99%

92%

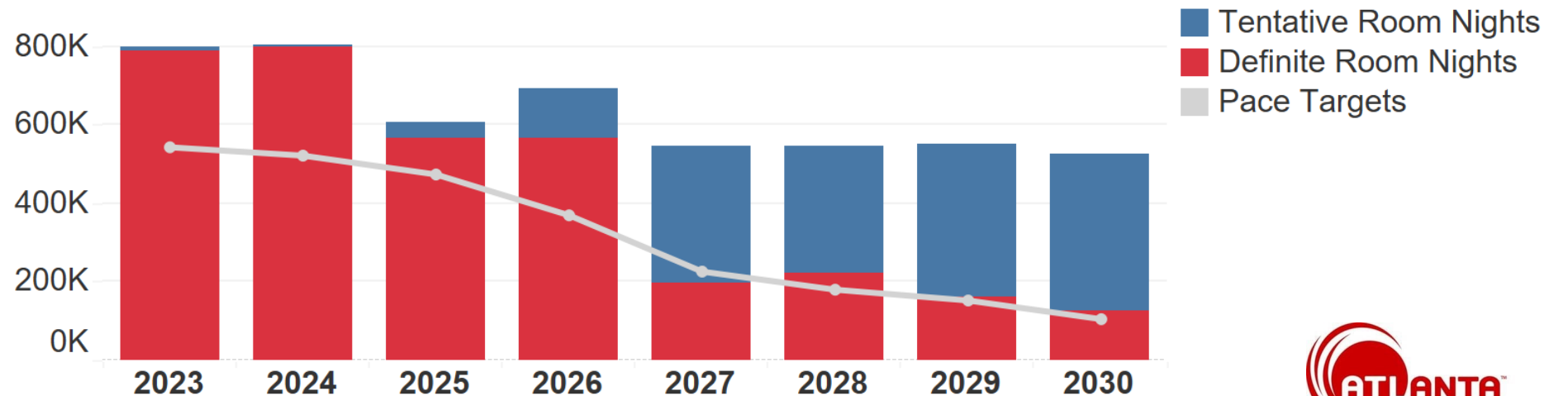
MV

Source: 2Synergize, Simpleview Sales Quarterly Mid-Year 2023 (Cstegory D cities defined as 500,000+ exhibit GSF)

# LONG-TERM PACE REPORT

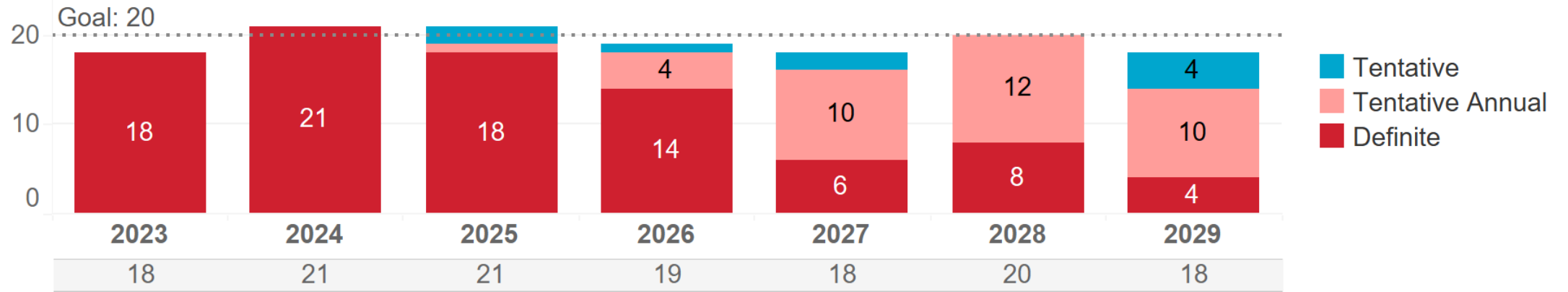
## GWCC Events

	2023	2024	2025	2026	2027	2028	2029	2030	Total
Definite Room Nights	788,025	803,276	567,476	566,803	198,774	222,058	162,869	128,580	3,437,861
Pace Targets	543,857	522,561	474,559	370,677	227,365	181,350	153,802	106,285	2,580,457
Variance	244,168	280,715	92,917	196,126	-28,591	40,708	9,067	22,295	857,404
Consumption Benchmark	545,000	545,000	545,000	545,000	545,000	545,000	545,000	545,000	4,359,999
Pace Percentage	145%	154%	120%	153%	87%	122%	106%	121%	133%
Total Tentatives	8,415		38,717	126,053	346,470	324,429	389,949	395,392	1,629,425
Annual Tentatives	3,146	4,165	27,411	174,090	285,677	304,996	237,082	268,039	1,304,606

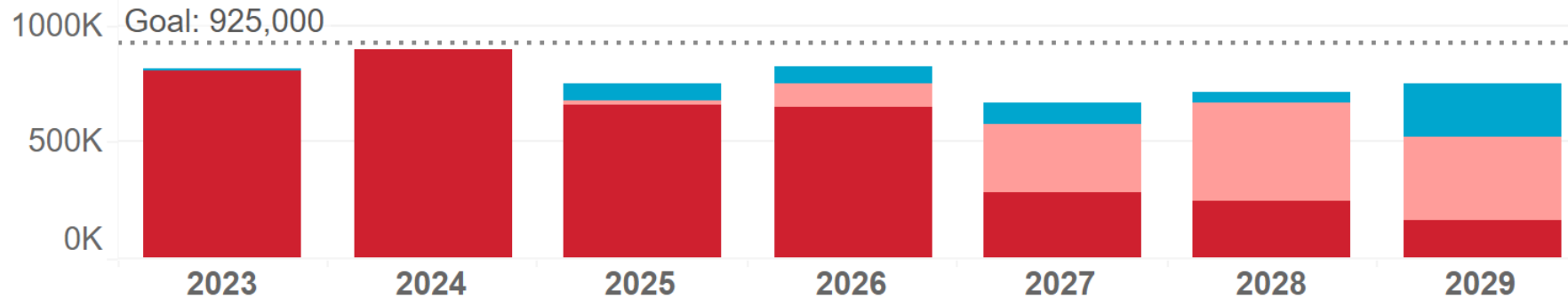


# LARGE GROUPS FOR FUTURE YEARS

## 5,000+ on Peak Number of Events



## 2,500+ on Peak Room Nights



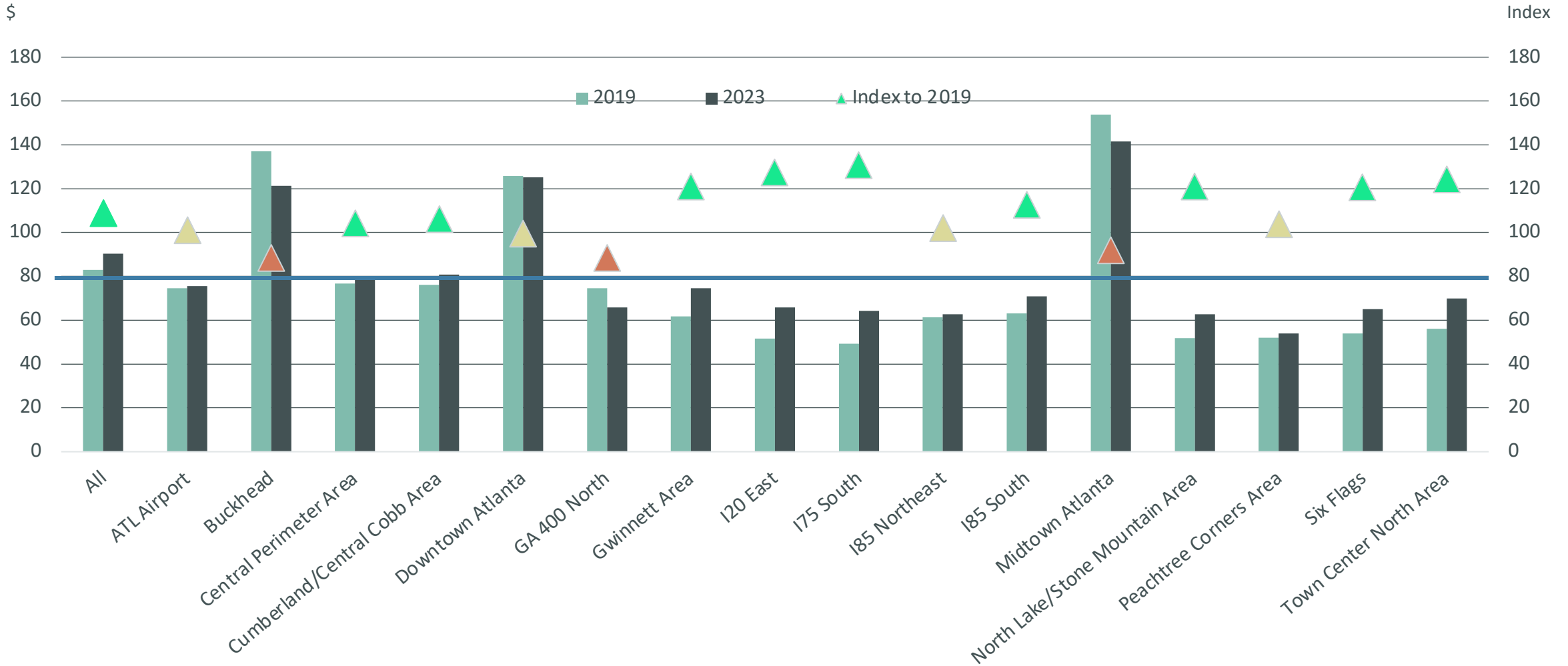
# Atlanta Perspectives

Tim Dick - CBRE

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# RevPAR in Urban core Submarkets are still recovering

Second half 2023 RevPAR and Index Compared to 2019



# Atlanta Market Projects Under Construction

Project Name	Submarket	City	Price Tier	Room Count	Projected Opening Date
Tempo by Hilton	Central Perimeter	Atlanta	Upper	274	2024
Motto by Hilton Old Fourth Ward	Downtown	Atlanta	Upper	100	2024
Signia Hilton Georgia World Congress Center	Downtown	Atlanta	Upper	976	2024
Tapestry Hotel by Hilton, Morris Brown College	Downtown	Atlanta	Middle	150	2025
Fairfield Inn & Suites	GA 400 North	Alpharetta	Middle	166	2024
Westin Atlanta Gwinnett Hotel - Infinite Energy Center	Gwinnett Area	Duluth	Upper	348	2023
Hilton Garden Inn Buford Mall of Georgia	Gwinnett Area	Buford	Middle	109	2023
Tribute Portfolio Hotel - Trilith Studios Boutique Hotel	I85 South	Fayetteville	Upper	180	2023
Everhome Suites	I85 South	Newnan	Lower	115	2023

# Atlanta Perspectives

Sofya McIntosh + Mark Lomanno  
- Kalibri Labs

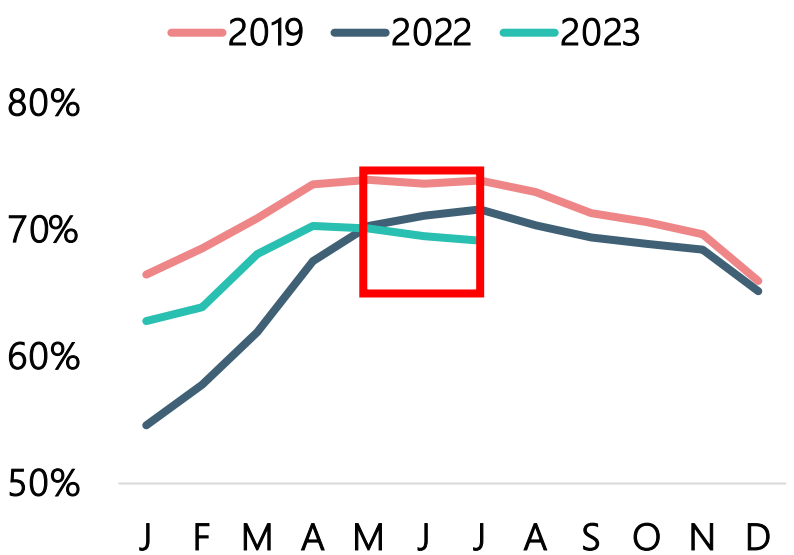
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# Atlanta YoY '23 Demand Growth Remains Below '22; ADR still growing over '22 in '23

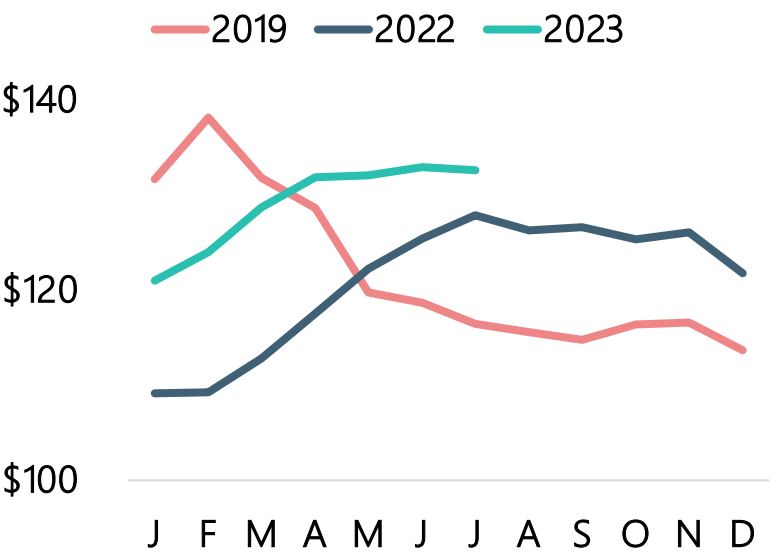
2019, 2022 Full Year, and 2023 July YTD- *All Atlanta Hotels*



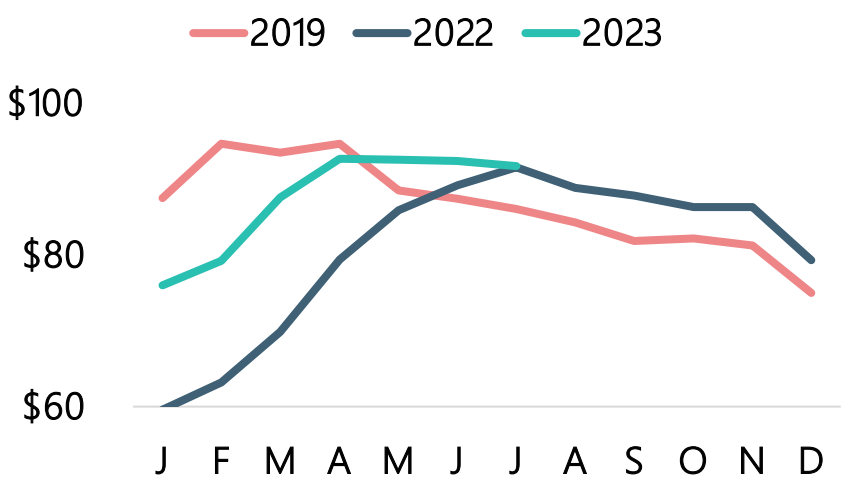
Occupancy by Month (T3M)



Guest-Paid ADR by Month (T3M)



Guest-Paid RevPAR by Month (T3M)

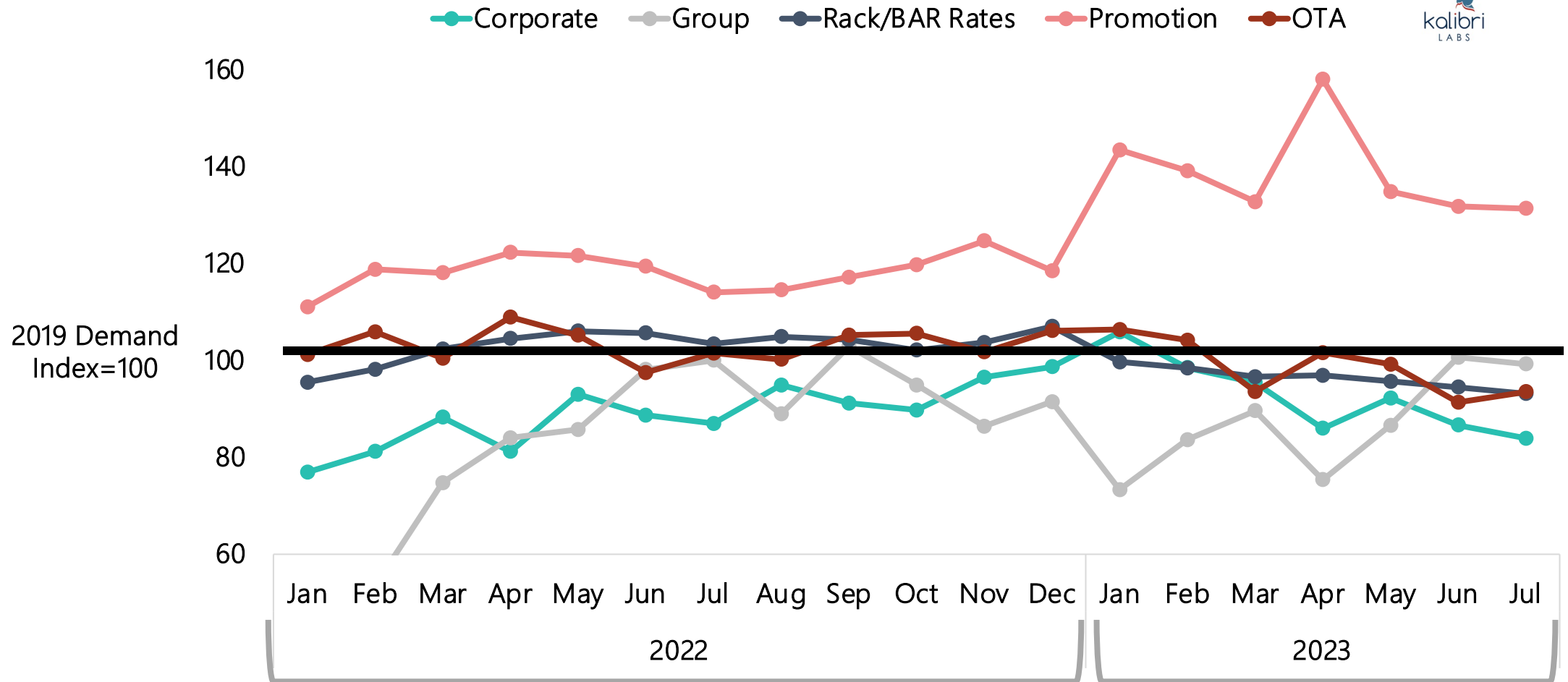


2023—July YTD Actual  
All Atlanta Hotels



# Atlanta Room Nights: Group is beginning to perform near 2019 levels

## January 2022-July 2023 - Indexed vs. 2019 -All Atlanta Hotels



2023—July YTD Actual  
All Atlanta Hotels



# 2024 Considerations

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## ✿ External

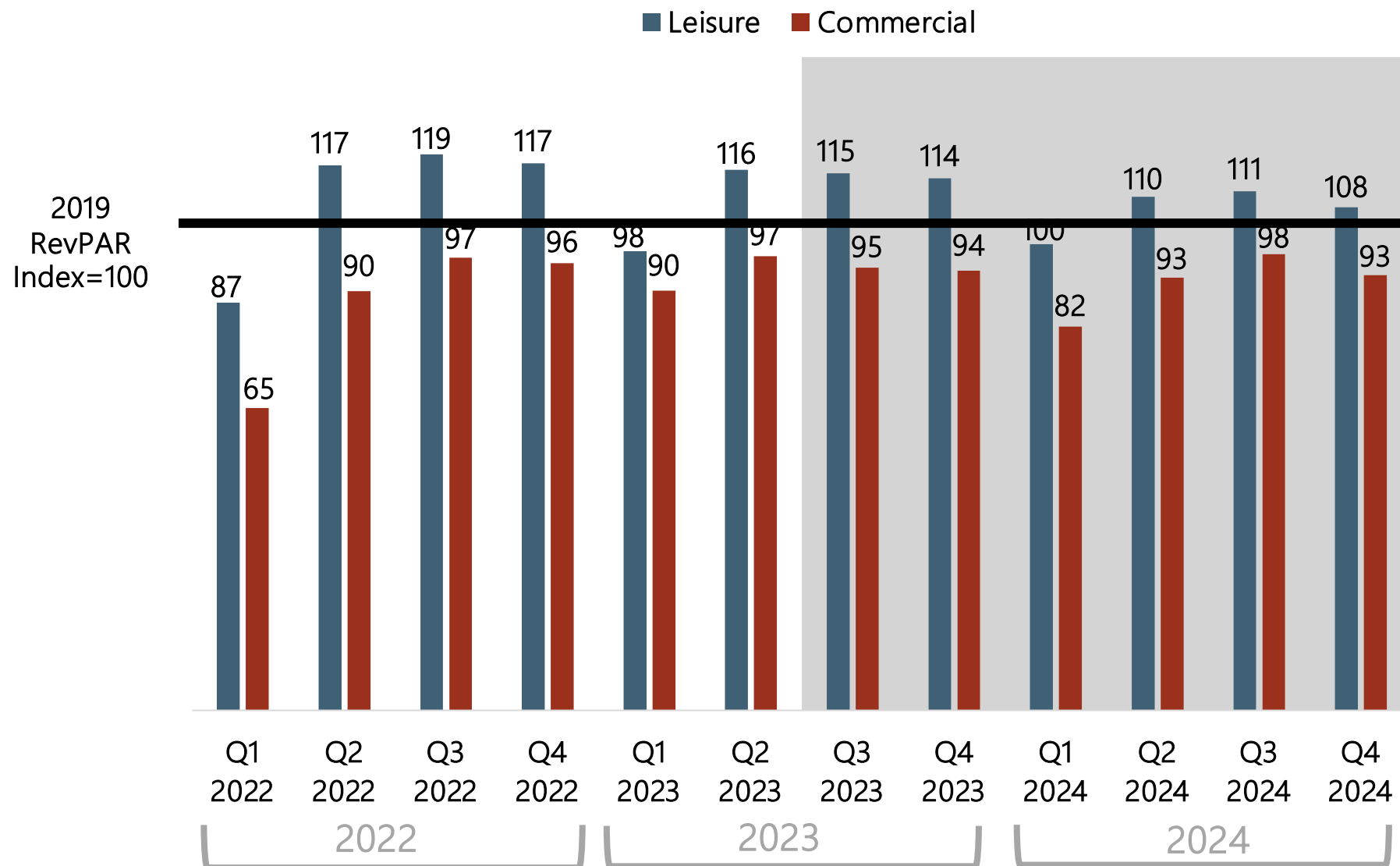
- Presidential Election year
- Leap year
- Economic indicators (savings rate, increasing debt, Real estate)
- Continued lower inflation

## ✿ Internal

- Tracking Length of Stay
- Potential shift in business mix to more historical norms
- Return of International travel ?
- Some major market distress
- ADR plateauing

# Leisure

## January 2022-December 2024 (f) - Indexed vs. 2019 -All Atlanta Hotels



All Atlanta Hotels

2023—July YTD Actual + FC

# The Year Ahead

Mark Vaughan - ACVB

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**Georgia Lodging Industry Forecast 2024**

GEORGIA LODGING INDUSTRY FORECAST 2024

# CLOSING THOUGHTS

- MICHELIN Guide to elevate Atlanta's dining scene
- Group lead volume increasing
- Major convention road map is strong
- International travel trending upward
- Safety, sustainability and community engagement becoming increasingly more important
- Hotel development continues to be attractive for developers

# The Year Ahead

Tim Dick - CBRE

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# Atlanta Market – All Hotels

104,355 Rooms

Year	Occupancy	Occupancy Change %	ADR	ADR Change %	RevPAR	RevPAR Change %	Supply Change %	Demand Change %
2018	70.6%	--	\$112.29	--	\$79.30	--	--	--
2019	70.7%	-0.1%	\$117.38	4.5%	\$82.94	4.6%	1.6%	1.7%
2020	47.3%	-32.3%	\$87.20	-25.7%	\$41.74	-49.7%	1.7%	-31.1%
2021	60.9%	27.2%	\$101.42	16.3%	\$61.77	48.0%	1.7%	29.4%
2022	66.7%	9.6%	\$119.88	18.2%	\$79.96	29.5%	1.7%	11.3%
2023	67.4%	1.0%	\$127.40	6.3%	\$85.82	7.3%	1.2%	2.2%
2024	68.0%	1.0%	\$130.45	2.4%	\$88.77	3.4%	1.9%	2.9%
2025	68.8%	1.2%	\$134.08	2.8%	\$92.31	4.0%	1.1%	2.2%
2026	69.6%	1.1%	\$139.41	4.0%	\$97.03	5.1%	0.9%	2.0%
2027	70.1%	0.7%	\$142.23	2.0%	\$99.73	2.8%	0.9%	1.6%

# The Year Ahead

Sofya McIntosh + Mark Lomanno  
- Kalibri Labs

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# Atlanta Guest Paid RevPAR and ADR rise in 2023 but are forecasted to decline in 2024

2019, 2022 2023 (f), and 2024 (f) -All Atlanta Hotels



	2019	2022	% Change '19 vs. '22	2023(f)	% Change '22 vs. '23	2024(f)	% Change '23(f) vs. '24(f)
Occupancy	70.5%	66.9%	-5.0%	67.2%	0.3%	68.0%	1.2%
ADR	\$119.76	\$121.99	1.9%	\$127.64	4.6%	\$122.23	-4.2%
RevPAR	\$84.39	\$81.64	-3.3%	\$85.71	5.0%	\$83.05	-3.1%

2023—July YTD Actual + FC

All Atlanta Hotels



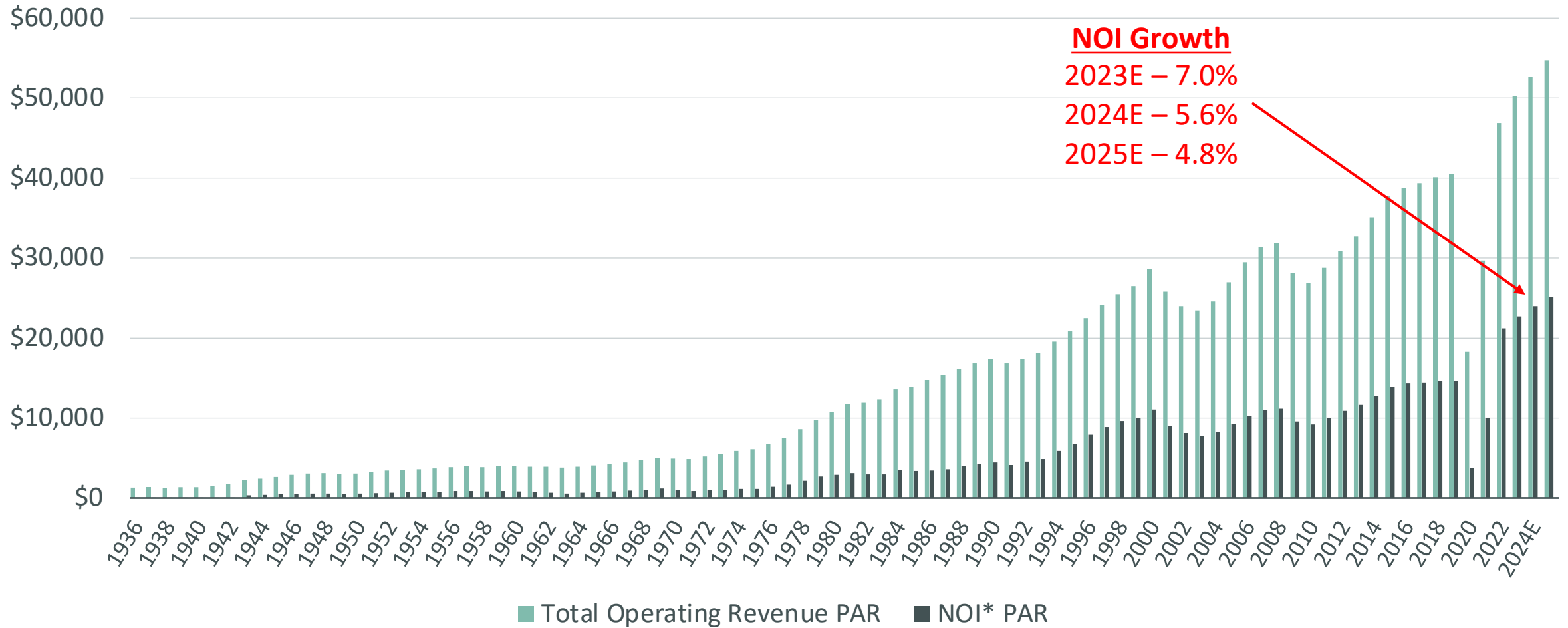
# The Year Ahead for Profits

Tim Dick - CBRE

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# U.S. Hotels – Recession Revenue and Profit\* Recovery

Total Operating Revenue and NOI\*\* – Nominal Dollars per Available Room



CBRE Hotels Research, Trends® in the Hotel Industry, May 2023 Investment Performance data.

\* NOI = Income after deductions for management fees, property taxes and insurance. Before rent, non-operating income, other non-operating expenses, and rent.



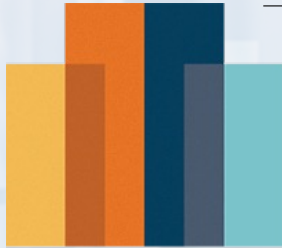
# ***GEORGIA LODGING FORECAST***



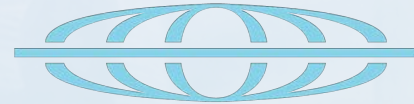
LODGING FORECAST

## Forecast Partners

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#GHLALodgingForecast2023



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**Book Your Next Career**

*Book Your Next Career*

**GEORGIA**  
Hotel & Lodging Association



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## SAMPLE BLOG

### Meet Andrew Hopson, Sea Island Resorts

8/7/2023 0 COMMENTS

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“A manager saw something in me I didn’t see in myself. Within six months, I moved from working in the kitchen to purchasing responsibility for ordering food and beverages for a 700-room hotel.”

— Andrew Hopson, Food & Beverage Supervisor,  
Sea Island Resorts

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# SAMPLE SOCIAL MEDIA POST



— Robin Coleman,  
National Account Manager,  
Carver Hotel Group



It's my passion to 'put wings' on housekeeping and help people know how valuable they are. Many have grown from housekeeping to leadership positions. From this entry level position, you can grow from a caterpillar to a butterfly.

*Book Your Next Career*

**GEORGIA**  
Hotel & Lodging Association

Learn more at [GHLA.net/BYNC](https://ghla.net/bync)

*Book Your Next Career*  
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*Your Next Career  
is Waiting For You!*

Whether you're on the cusp of launching a career or ready to move in a new direction, the Hospitality Industry is ready for you. You'll find immediate job openings, flexibility, and on-the-job training that leads you up the career ladder.

**[GHLA.net/BYNC](https://ghla.net/bync)**



## PROMO CARD

The 'Book Your Next Career' promo card features a QR code that can easily send someone to our dynamic website to learn about exciting hospitality job opportunities. This card offers a quick and easy way to discover a world of career possibilities. It can be used in hotel properties, for job fairs and recruitment events, at educational institutions, by community organizations, and more.



# HOW YOU CAN HELP

- Add to GHLA's list of resources for job seekers
- Share the BYNC campaign with community advocates and partners
- Put the campaign to work for you:
  - Social posts
  - Use and distribute Promo Card
  - Partner with local community advocates who will promote the industry



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