

<b>Hotel Occupancy</b> <b>56.5%</b> YOY % Chg ▲ 37.8%	<b>Hotel Average Daily Rate</b> <b>\$214.62</b> YOY % Chg ▲ 20.0%	<b>Hotel Revenue per Available Room</b> <b>\$121.35</b> YOY % Chg ▲ 65.3%	<b>Hotel Supply</b> <b>5.1M</b> YOY % Chg ▲ 6.6%	<b>Hotel Room Nights Sold</b> <b>2.9M</b> YOY % Chg ▲ 46.9%	<b>Hotel Room Revenue</b> <b>\$618.1M</b> YOY % Chg ▲ 76.2%
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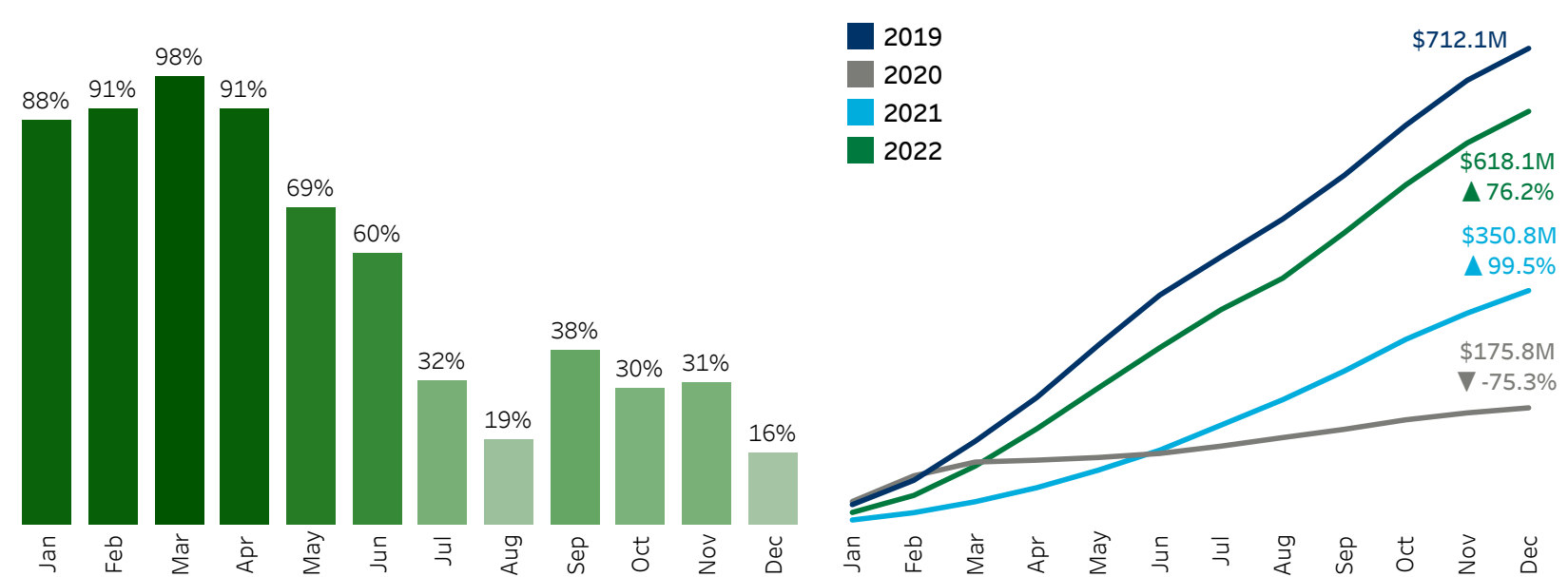
### Key Takeaways

Year-end 2022

- 1 After a slow start to 2022 with Omicron impacting Q1 demand, hotel demand picked up steam throughout the year and reached 2.9M room nights sold in 2022 – nearly a doubling over prior year.
- 2 The increased demand was a good mix of growth in all key segments (group, leisure, and corporate) with leisure closing out the year just short of 1M room nights followed by group who – at 900k room nights – nearly tripled 2021 demand.
- 3 Average daily rate (ADR) continued to grow as well, hitting \$215 this year – a 20% above prior year and well above growth of inflation (+6.5% YOY).
- 4 As a result of increased demand and ADR, room revenue reached \$618M this year – up 76.2% over prior year, recovering to 13.4% below the 2019 benchmark.
- 5 Despite the additional demand, leisure & hospitality jobs ended the year at 70.4k – an 8.3% increase over 2021, but 9.2% below 2019 levels.

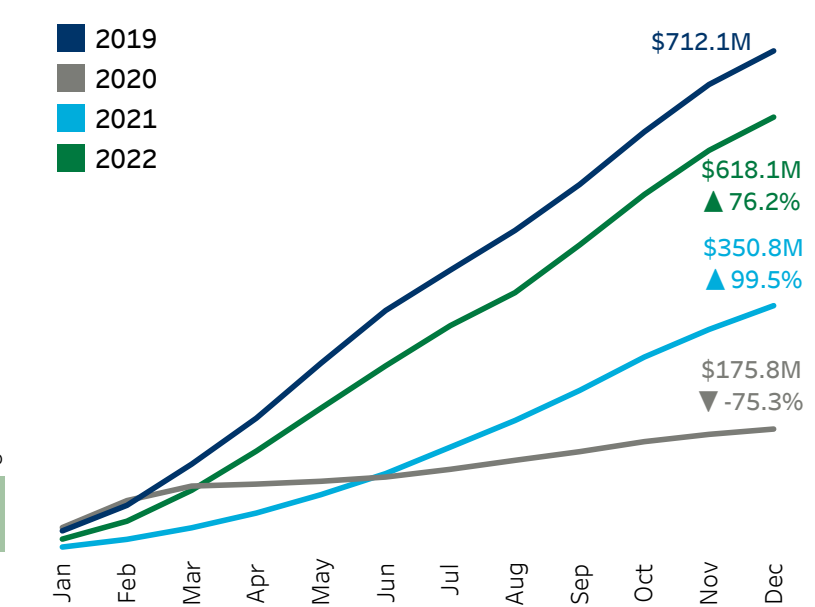
### Hotel Room Nights Sold

Prior 12 months YOY % change by month ending December, 2022



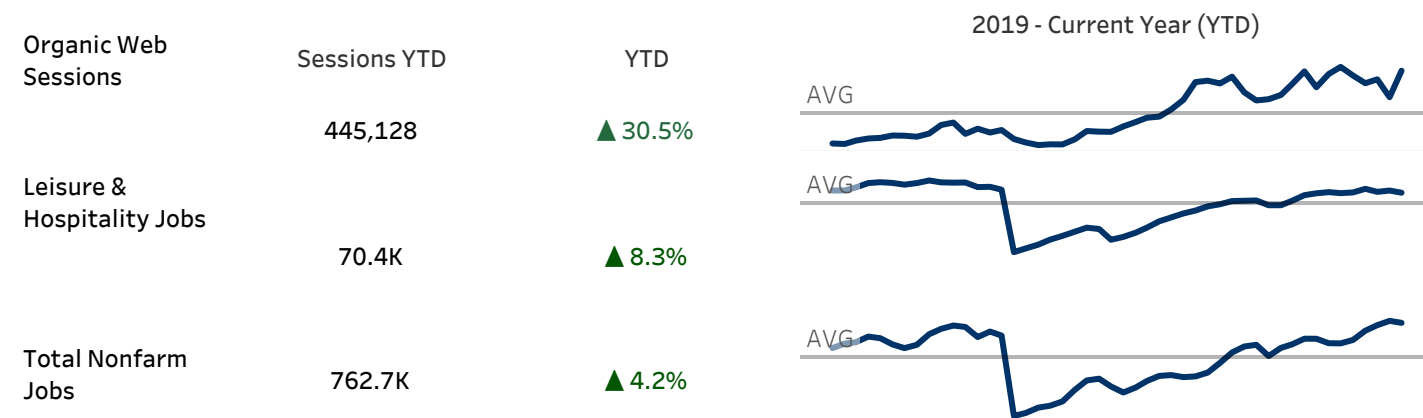
### Hotel Room Revenue YTD

Running total and % change YOY



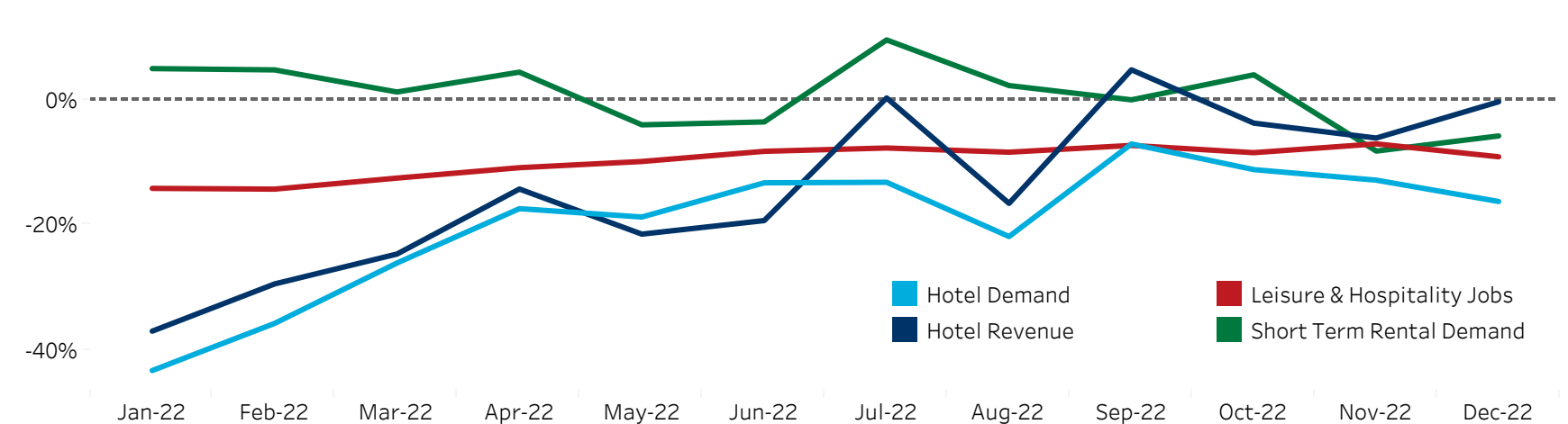
### Key Metrics

December, 2022 Employment trends and leading indicators for travel



### Recovery Indicators

% change relative to same month in 2019



# Executive Summary

## January, 2023

Month January, 2023

Hotel Occupancy			Hotel Average Daily Rate			Hotel Revenue per Available Room			Hotel Supply			Hotel Room Nights Sold			Hotel Room Revenue		
MOM	YOY	YTD	MOM	YOY	YTD	MOM	YOY	YTD	MOM	YOY	YTD	MOM	YOY	YTD	MOM	YOY	YTD
45.4%			\$181.17			\$82.26			436.4K			198.1K			\$35.9M		
▼ -7.4%	▲ 61.1%	▲ 61.1%	▼ -17.1%	▲ 9.9%	▲ 9.9%	▼ -23.2%	▲ 77.1%	▲ 77.1%	▼ -1.0%	▲ 2.9%	▲ 2.9%	▼ -8.3%	▲ 65.8%	▲ 65.8%	▼ -24.0%	▲ 82.3%	▲ 82.3%

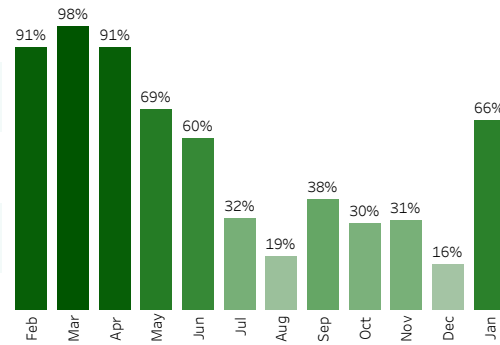
### Insights

#### January, 2023 Key takeaways

- Center City Philadelphia hotels sold 197.9K rooms in January 2023, a 65.9% increase over the same month in 2022. Although lagging January 2019 by 5.1%, this month's performance marks the closest CC Philadelphia hotels have come to 2019 room demand benchmarks.
- Average rate for CC Philadelphia hotels was \$181, a 9.9% increase over the same month last year and a 20.4% increase over January 2019. This is a continuation of a pattern started in July 2022 of rates remaining well over 2019 benchmarks despite room demand falling short of the volumes seen pre-pandemic.
- PHLCVB's website experienced a 27.0% YOY increase in sessions in January. While several sections of the website contributed to growth, the blog stood out this month with 60.8% of total sessions landing on a blog-related page. At 43.8K sessions in January starting on a post, the blog attracted 45.9% more sessions to the website than it did in January 2022.
- Job performance across the US exceeded expectations in January with the economy adding 517K jobs, while the unemployment rate remained low at 3.4%. Leisure and hospitality continues to fuel job growth, with 25% of total US job growth sourced from the industry.
- The US inflation rate sped up in January, with overall CPI up 6.4% compared to a year ago. Despite this, inflation has slowed from its 9.1% peak in June 2022, and is expected to continue to slow throughout the coming months.

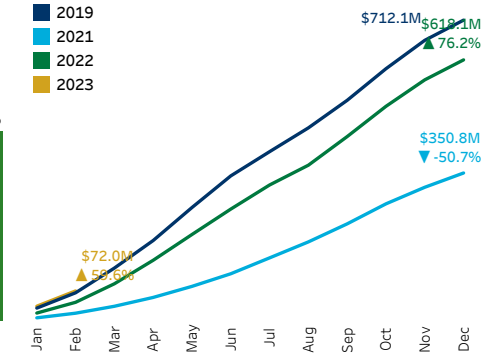
### Hotel Room Nights Sold

Prior 12 months YOY % change by month ending January, 2023



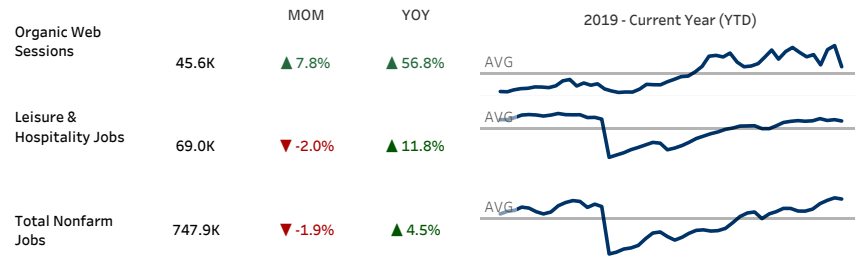
### Hotel Room Revenue YTD

Running total and % change YOY



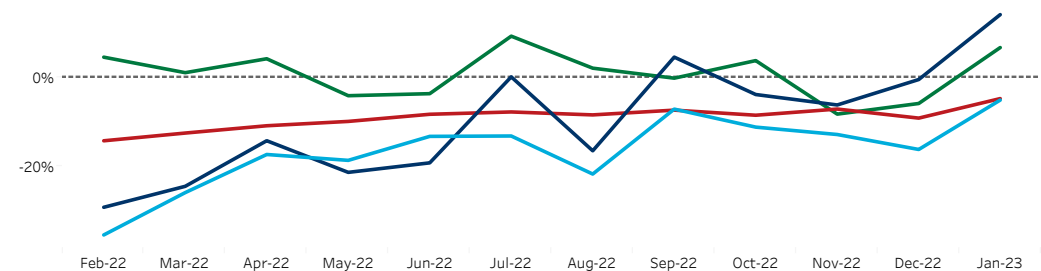
### Key Metrics

#### January, 2023 Employment trends and leading indicators for travel



### Recovery Indicators

% change relative to same month in 2019



# Executive Summary

## February, 2023

Month February, 2023

Hotel Occupancy			Hotel Average Daily Rate			Hotel Revenue per Available Room			Hotel Supply			Hotel Room Nights Sold			Hotel Room Revenue		
MOM	YOY	YTD	MOM	YOY	YTD	MOM	YOY	YTD	MOM	YOY	YTD	MOM	YOY	YTD	MOM	YOY	YTD
<b>48.7%</b>			<b>\$187.95</b>			<b>\$91.56</b>			<b>394.4K</b>			<b>192.1K</b>			<b>\$36.1M</b>		
▲7.3%	▲23.4%	▲40.4%	▲3.7%	▲9.0%	▲9.2%	▲11.3%	▲34.5%	▲53.2%	▲0.1%	▲5.5%	▲4.1%	▼-3.0%	▲30.3%	▲46.2%	▲0.6%	▲42.0%	▲59.6%

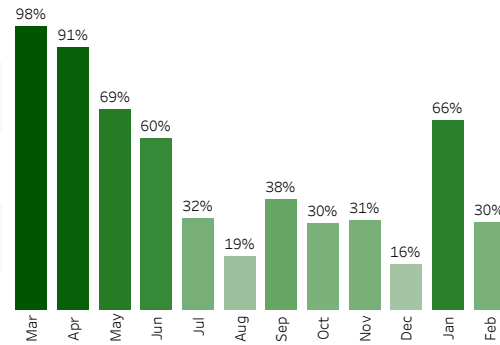
### Insights

#### February, 2023 Key takeaways

- While Oxford Economics does not associate the recent bank failures with a systemic risk to the broader economy, a mild recession is still predicted to occur in the second half of 2023 representing a 1% loss in GDP.
- Food services and drinking places accounted for 22.5% of total job growth in the United States during the month of February. Despite these gains, Leisure and hospitality as a whole remained below its pre-pandemic level (February 2020) by 2.4%.
- Hotel performance for Center City in February led room nights sold to 192.1K, up 30.3% YOY but 15.7% down from February 2019. Given supply growth (+12.2% vs. 2019), RevPAR of \$92 was down relative to 2019 by 11.2%.
- ADR of \$188 was 9% ahead of last year and 18.2% ahead of 2019 ADR, leading room revenue to \$36.1M, significantly ahead of the previous year by 42% and level with February 2019 revenue.
- Organic web sessions were 28.5K for the month, down 37.5% MOM and 8.2% below the previous year. Of those sessions, the top landing section was "Blog" (73%), and the top landing page was "Free and Budget Friendly" (12.7%).

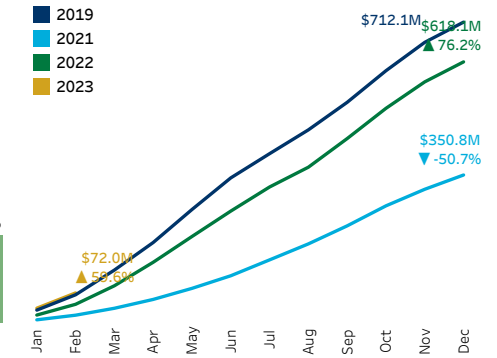
### Hotel Room Nights Sold

Prior 12 months YOY % change by month ending February, 2023



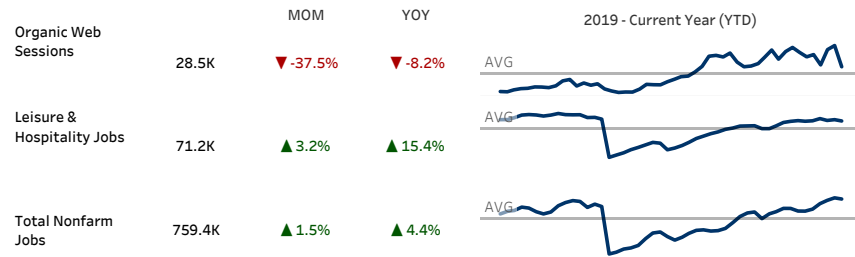
### Hotel Room Revenue YTD

Running total and % change YOY



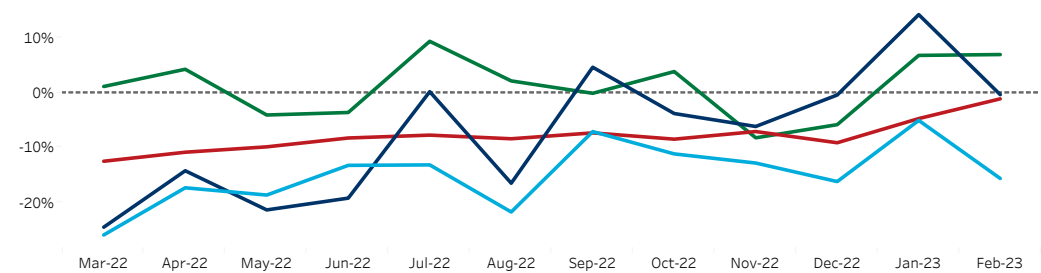
### Key Metrics

February, 2023 Employment trends and leading indicators for travel



### Recovery Indicators

% change relative to same month in 2019



Source: STR (Phila Center City), Google Analytics, AirDNA, and Bureau of Labor Statistics (Philadelphia City geography)

# Executive Summary

## March, 2023

Month March, 2023

Hotel Occupancy			Hotel Average Daily Rate			Hotel Revenue per Available Room			Hotel Supply			Hotel Room Nights Sold			Hotel Room Revenue		
MOM	YOY	YTD	MOM	YOY	YTD	MOM	YOY	YTD	MOM	YOY	YTD	MOM	YOY	YTD	MOM	YOY	YTD
59.5%			\$205.15			\$122.15			436.7K			260.0K			\$53.3M		
▲ 22.2%	▲ 12.4%	▲ 27.5%	▲ 9.2%	▲ 5.6%	▲ 6.8%	▲ 33.5%	▲ 18.8%	▲ 36.1%	▲ 0.0%	▲ 2.5%	▲ 3.6%	▲ 35.3%	▲ 15.3%	▲ 32.0%	▲ 47.8%	▲ 21.8%	▲ 41.0%

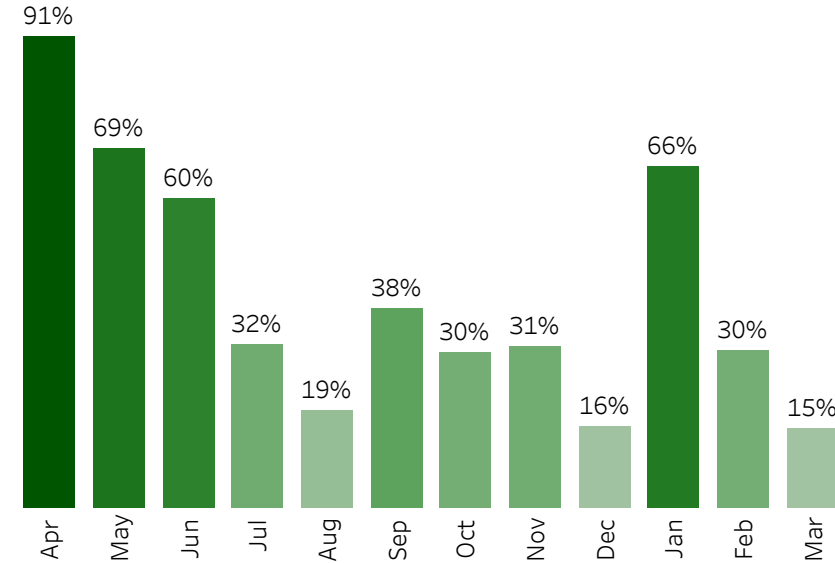
### Insights

#### March, 2023 Key takeaways

- Philadelphia Center City hotel demand in March reached 260K nights, up 15.3% from last year, and 14.4% behind 2019 levels. This was an increase in recovery vs. 2019 of 2ppt from last month, with demand down 16% relative to 2019.
- Given a lesser increase in supply from last year (+2.5%) than that of demand (+15.3%), occupancy of 59.5% was ahead of last year by 12.4%. In combination with greater ADR (+5.6%), room revenue reached \$53.3M, up 21.8%.
- Organic web sessions in March grew 3.5% from last month, but were 18.3% behind last year. In-market sessions from Philadelphia represented 18.8% of organic sessions, with "blog" as the most popular landing section at 68.3%.
- Inflation remains a key source of US consumer unease, as prices register 6% higher than one year ago, equivalent to average households spending an additional \$400/month to buy the same goods and services as last year.
- The US unemployment rate remains at its lowest level in the past 50 years, pulling a 3.5% unemployment rate for March. Gains to total nonfarm jobs (+236K) were lower than the average monthly gain of the past six months (+334K).

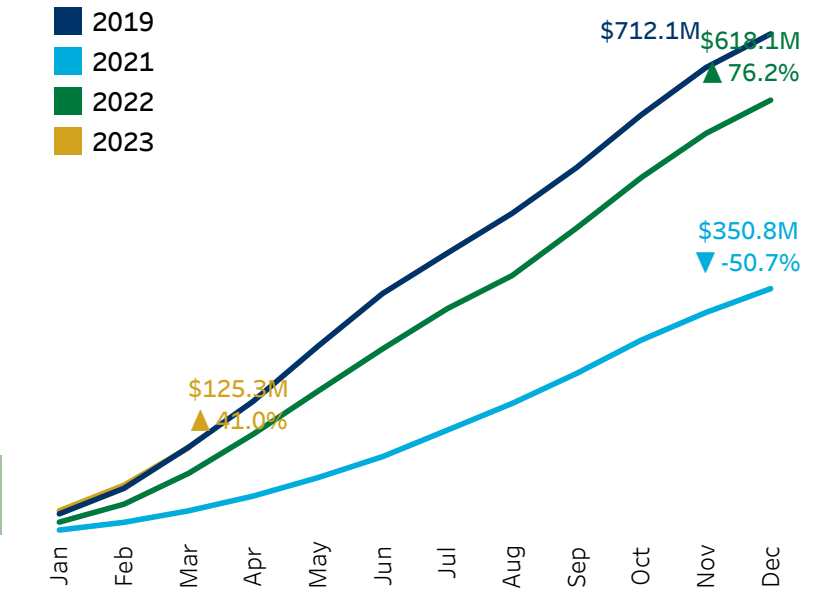
### Hotel Room Nights Sold

Prior 12 months YOY % change by month ending March, 2023



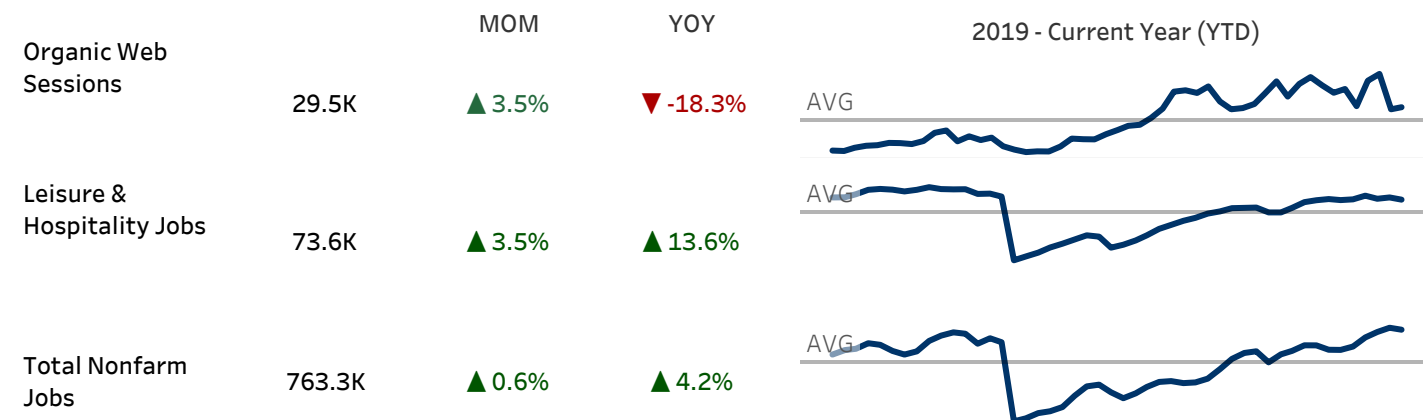
### Hotel Room Revenue YTD

Running total and % change YOY



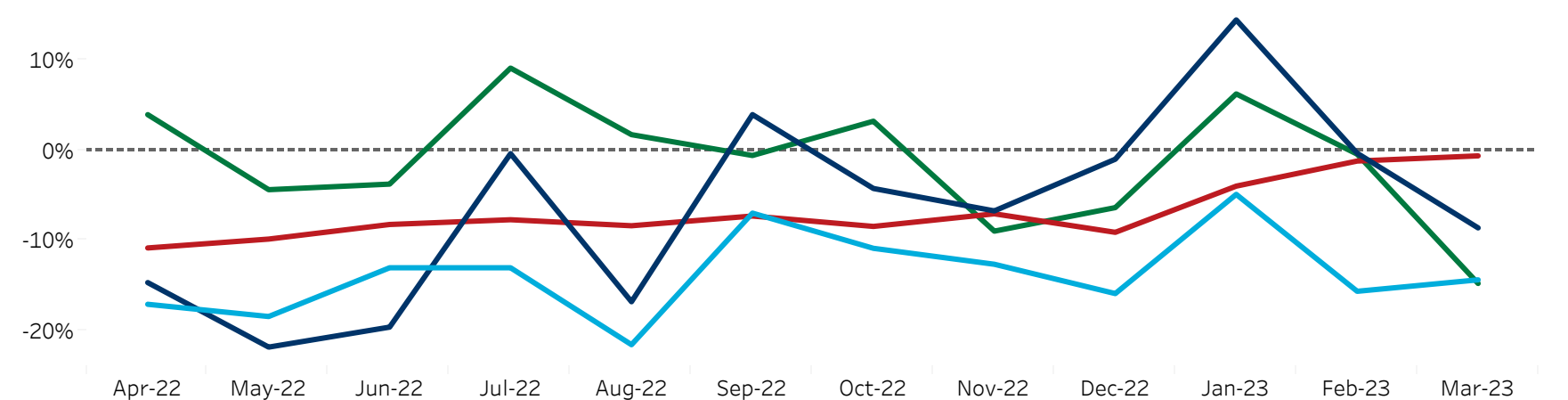
### Key Metrics

#### March, 2023 Employment trends and leading indicators for travel



### Recovery Indicators

% change relative to same month in 2019



# Executive Summary

## April, 2023

Month April, 2023

Hotel Occupancy		Hotel Average Daily Rate		Hotel Revenue per Available Room		Hotel Supply		Hotel Room Nights Sold		Hotel Room Revenue	
<b>62.3%</b>		<b>\$209.29</b>		<b>\$130.38</b>		<b>423.4K</b>		<b>263.7K</b>		<b>\$55.2M</b>	
YOY	YTD	YOY	YTD	YOY	YTD	YOY	YTD	YOY	YTD	YOY	YTD
▼ -0.6%	▲ 17.8%	▼ -2.6%	▲ 2.7%	▼ -3.2%	▲ 20.9%	▲ 2.7%	▲ 3.3%	▲ 2.0%	▲ 21.7%	▼ -0.6%	▲ 24.9%

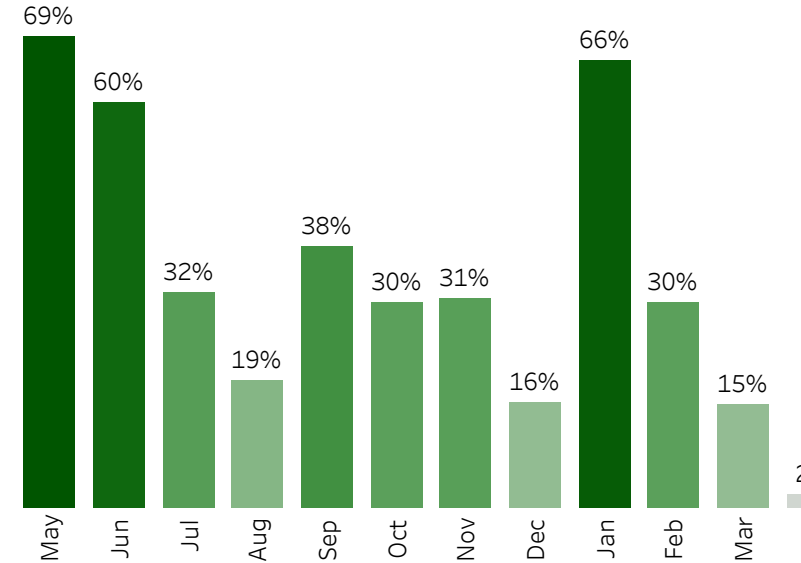
### Insights

#### April, 2023 Key takeaways

- Center City hotels in April accumulated 263.7K room nights, ahead of last year by 2%, but remaining behind 2019 levels by 15%. A decrease in ADR (\$209) of 2.6% contributed to room revenue of \$55.2M dropping slightly from last year by 0.6%.
- Short term rental demand likewise remained below 2019 levels, down 19%, but improved slightly compared to recovery as of last month (-21%). Revenue of \$8.6M was behind April 2019 revenue levels of \$9.4M, and additionally behind last year's \$11M.
- Leisure and hospitality jobs within the city were 76.3K, up 11.1% from job levels one year ago, experiencing faster growth from last year than total nonfarm jobs (+3.7%). However, L&H employment remained plateaued behind 2019 levels, down 1%.
- Although Oxford Economics continues to predict a recession in the second half of 2023, effects are expected to be mild and unemployment projected to only reach 5% (Current rate, April 2023 = 3.4%).
- Gains to leisure and hospitality jobs nationally in April were 81% attributable to food service and drinking places. Despite increases, the pace of jobs added for the month (+31K) was slower than the average gains in the last 6 months (+73K).

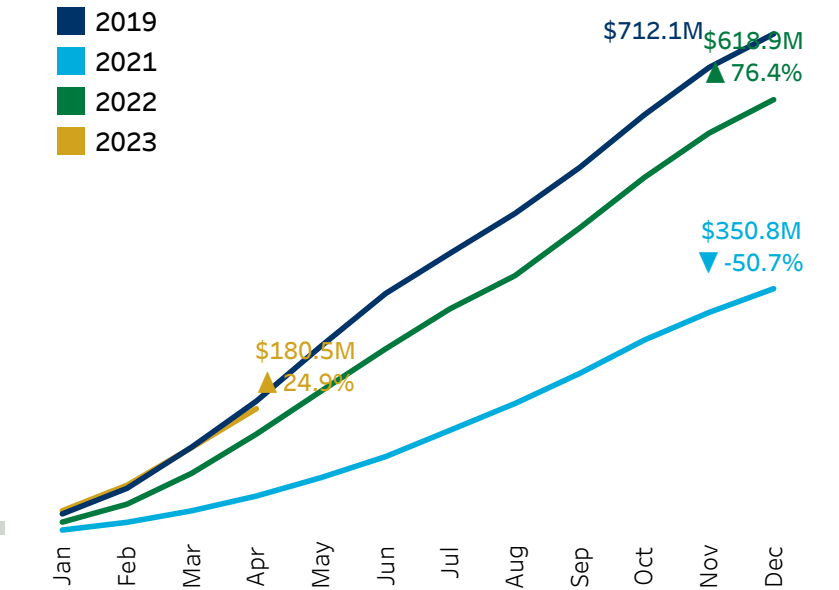
### Hotel Room Nights Sold

Prior 12 months YOY % change by month ending April, 2023



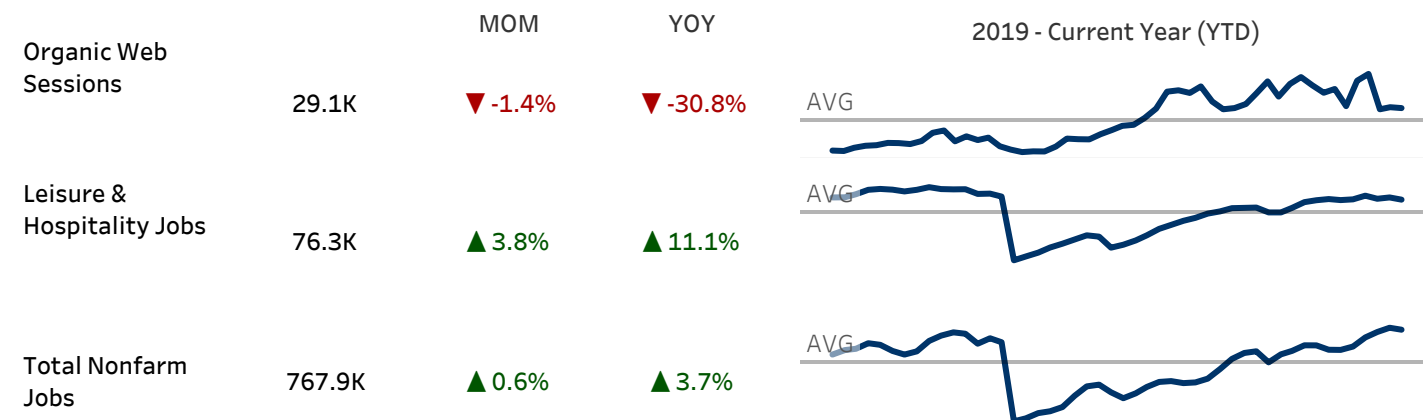
### Hotel Room Revenue YTD

Running total and % change YOY



### Key Metrics

#### April, 2023 Employment trends and leading indicators for travel



### Recovery Indicators

% change relative to same month in 2019

