

DESTINATION LEVEL RESERVATIONS ACTIVITY SUMMARY

Produced by Inntopia DestiMetrics. Presented as a community service by the Sun Valley DestiMetrics subscribing organization



Destination: Sun Valley

Period: Bookings as of Aug 31, 2017

Executive Summary - Year over Year Variance and Analysis

Data based on a sample of up to 9 properties in the Sun Valley destination, representing up to 666 Units ("DestiMetrics Census") and 49.8% of 1,338 total units in the Sun Valley destination ("Destination Census")

MARKET OVERVIEW: The economy continued to grow, but took a moderate shift to the flatter side of the spectrum in August, with financial markets essentially flat, while job creation and consumer confidence kept pace with recent months. The Dow Jones added a very slight 0.3 percent in August, though remained in record territory despite the low gains, and showed ongoing resilience to policy challenges in Washington and geopolitical rhetoric. Employers showed this same resilience, adding more than 150,000 jobs during the month, while consumer confidence rose to its second-highest level since December 2000. Wildfires in the Western US and Canada remained widespread, and ski areas have been spared any direct impact for the most part this year, but the fires are such that smoke is widespread through the entire western region, including at altitude, and whether this impacted occupancy rates, which declined slightly year over year, is not clear. However, mountain destination lodging performance is still reflective of the strong employment and consumer markets, with strong gains in rate and revenue. Based on aggregate data from all West DestiMetrics destinations, occupancy for August was down -1.2 percent versus the same time last year, while rate was up 9.7 percent for the month. Bookings taken in August for arrival in August were down -7.4 percent (not shown). Locally, Sun Valley occupancy was down -6.0 percent in August versus 2016, while there was an increase in rate of 22.1 percent. Sun Valley occupancy for the past six months (March - August) was down -11.4 percent for the period compared to the same period in 2016, while rate had increased 23.3 percent.

		2017/18	2016/17	Year over Year % Diff
a. Last Month Performance: Current YTD vs. Previous YTD				
Occupancy Rates during last month (August, 2017) were down (-6.0%) compared to the same period last year (August, 2016), while Average Daily Rate was up (22.1%).	Occupancy (August) :	66.1%	70.4%	-6.0%
	ADR (August) :	\$251	\$206	22.1%
b. Next Month Performance: Current YTD vs. Previous YTD				
Occupancy for next month (September, 2017) is at (36.0%) with an Average Daily Rate of (\$224).	Occupancy (September) :	36.0%	N/A	N/A*
	ADR (September) :	\$224	N/A	N/A*
c. Historical 6 Month Actual Performance: Current YTD vs. Previous YTD				
Occupancy Rates for the previous 6 months (March - August) are down (-11.4%) compared to the same period last year, while Average Daily Rate is up (23.3%).	Occ - 6 Month Historic	46.0%	51.9%	-11.4%
	ADR - 6 Month Historic	\$219	\$178	23.3%
d. Future 6 Month On The Books Performance: Current YTD vs. Previous YTD				
Occupancy Rate and Average Daily Rate for the upcoming 6 months (September - February) On-the-books.	Occ % - 6 Month Future	19.6%	N/A	N/A*
	ADR - 6 Month Future	\$238	N/A	N/A*

* There is insufficient property data to include prior year data but could be made available in the coming months.

LOOKING FORWARD: We have moved into what DestiMetrics considers the 'new' fall season, where mountain resorts have found incredible growth in September and October in recent years. With a strong economy and a peak summer season that saw little or no direct impact from wildfires, this growth should be expected to continue. But global and domestic politics are breaking new ground or, in some cases, revisiting an era-gone-by, and how markets and consumers will react to them is an unknown; thus far the impact has been little, if any. However, there may be some impact from the aftermath of Hurricane Harvey, which hit Texas in late August and will have the attention of both travelers from and to that market for some time. While not all destinations see Texas as a large source for visitation, the Colorado, and to a lesser extent, Utah, resorts may see some negative impact as Texans in the south deal with cleanup. Additionally, we'll be looking to see what fallout Hurricane Irma has on the market and whether beach snowbirds consider mountain alternatives while recovery takes place in the southeast. Based on the aggregate of West DestiMetrics industry-wide data, on-the-books occupancy for the upcoming six months (September - February) is slightly down -0.4 percent, while rate is up 6.8 percent from the same period last year. Meanwhile, bookings made during August for arrival August - January were down -10.1 percent compared to the same period last year. Locally, Sun Valley on-the-books occupancy for September 2017 is at 36.0 percent whereas September historic actual was at 56.3 percent. Rate for September is at \$224 versus September historic actual was \$166 last year. Occupancy on-the-books for the upcoming six months (September - February) is at 19.6 percent whereas the same period last year had actualized at 45.2 percent. Rate is at \$238 for the coming six months which is higher than where the same time period last year had actualized at \$173. Information available for future performance measures is limited and will become more readily available upon annualization of the report program.

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