

Destination Lodging Reservations Activity

(October 2016-Monitored Monthly**MTrip*)



Occupancy rates were up 8.8 % for the month of October compared to October 2015. The Average Daily Rate (ADR) for October increased by 2.4 %. On average, the occupancy rates for all Colorado mountain resort destinations increased by 1.2 % for the month.



6 Month Projected YTD Occupancy: Future bookings for the upcoming November 2016-April 2017 period show a slight increase of 0.8 % in projected occupancy rate over the corresponding period last year. The Average Daily Rate for the same time period is up 5.0 %.

Summary

Lodging reservations is an indicator of a healthy tourist based economy. An increase in upcoming lodging numbers forecasted translates to more “heads in beds” and therefore, more people in town shopping and eating in local establishments. Our resort area economy experiences regular variations due to seasonal visitation, which is also why we show this forecast in comparison to YTD monthly of the previous year.

The information we use is provided by DestiMetrics and is based on booking information from 19 in-town lodging companies, representing 1,984 units or 56% of the total lodging inventory in town. This is a representative sample of the lodging industry’s performance in Breckenridge- Is the occupancy up or down in comparison to last year? What does the occupancy forecast look like for the next six months? Is the average daily rate going up?

What does the Average Daily Rate and RevPAR tell us?

Occupancy Rate (OR) describes the percentage of rooms full at a given time. Typically, the higher the occupancy rate, the better. However, if a hotel reduces their price in comparison to their competitors to gain a larger occupancy market share, the income does not necessarily translate to more overall profit. We look for total OR for an indicator of revenue.

The *average daily rate (ADR)* is the average amount that a hotel charges for a room in a particular time period. The ADR tells us how hotels in town are doing and is a good tool for hotels to understand how they measure up in part to their competitors. However, ADR is not an all inclusive indicator and should be used to analyze success in conjunction with Revenue per available room (RevPAR) and Occupancy for a more accurate portrait of lodging success.

Revenue per available room (RevPAR) is the amount of revenue collected per available room in inventory. Revenue collected divided by the number of rooms available in inventory equals RevPAR. This is a widely used indicator of how well the property is performing financially and the best indicator of the ability to raise the ADR.

***Note to In-Town Lodging Companies:** *If you would like to participate in the MTrip Occupancy rate, ADR and RevPAR study, you will be able to receive more detailed information than what is provided on this website pertinent to your business at no cost. Please contact Bill Wishowski at bwishowski@gobreck.com for more information.*

More Information/Sources:

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- Breckenridge Tourism Office, Bill Wishowski
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DESTINATION LEVEL REPORT DASHBOARD

Produced by DestiMetrics, LLC. Presented as a community service by the Breckenridge DestiMetrics subscribing organization



Reservations Activity Outlook of Paid Occupancy* as of: Oct 31, 2016

Prior Month (October) Versus Last Year

Occupancy Rate (October)	Average Daily Rate (October)	RevPAR (October)
8.8%	2.4%	11.4%

Previous 6 Months (May to October) Versus Last Year

Occupancy Rate (May to October)	Avg Daily Rate (May to October)	RevPAR (May to October)
6.9%	6.5%	13.9%

Upcoming 6 Months (November to April) Versus Last Year

Occupancy Rate (November to April)	Avg Daily Rate (November to April)	RevPAR (November to April)
0.8%	5.0%	5.8%

*Paid Occupancy is any regular revenue-generating occupancy and does not include owners, guest of owners or other non-revenue generating stays

[Click Here to View the Breckenridge Executive Summary](#)

Daily Occupancy Report of Pure Occupancy** as of: Oct 31, 2016

Breckenridge Pure Occupancy Last Month (October) vs Last Year	Breckenridge Pure Occupancy - Summer Season to-date (May to October) *** vs Last Year
8.3%	3.7%
Industry Pure Occupancy Last Month (October) vs Last Year	Industry Pure Occupancy - Summer Season to-date (May to October) *** vs Last Year
11.8%	6.3%

** "Pure Occupancy" includes all owner, guest-of-owner, comp stays, farm tours and any other non-revenue generating occupancy

*** Summer Season To-Date is an aggregate of transactions on-the-books for the months of May - October as of the date of this report.

For more information or to participate

Breckenridge Properties - to participate in the Breckenridge DestiMetrics research program free of charge contact:

Bill Wishowski, Breckenridge Resort Chamber:

bwishowski@gobreck.com www.gobreck.com

Breckenridge non-lodging properties: to purchase a subscription to Breckenridge data:

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DESTINATION LEVEL RESERVATIONS ACTIVITY SUMMARY

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Destination: Breckenridge

Period: Bookings as of October 31, 2016

Executive Summary - Year over Year Variance and Analysis

Data based on a sample of up to 23 properties in the Breckenridge destination, representing up to 2,181 Units ('DestiMetrics Census'**) and 58.2% of 3,749 total units in the Breckenridge destination ('Destination Census'**)

MARKET OVERVIEW: The month of October finished up economically much as it started, with financial markets losing a small amount of ground over the course of the month but remaining strong. The Dow Jones lost 0.9 percent in October but remains up 2.4 percent from where it was last year and was still above the 18,000-point mark on October 31. Employers picked up the pace slightly on job creation, adding 161,000 new jobs, and increased wages by the largest year-over-year amount (2.8 percent) since the recession began. Though this is good news overall for consumers, consumer confidence took a downturn from over 102 points to 98.6 points, the first dip below 100 since July. Consumers were feeling a bit anxious about long-term business prospects. Though there has been a fundamental shift nationally since October 31, with a surprise election result, the data reflect pre-election behavior, and October finished strong in most mountain destination communities, sealing the deal on a fifth consecutive record summer season. Based on an aggregate data from all DestiMetrics destinations, occupancy for October was up 1.2 percent versus the same time last year, while rate was also up 7.2 percent for the month. Bookings taken in October for arrival in October was down -5.3 percent (not shown). Locally, Breckenridge occupancy was up 8.8 percent in October versus 2015 and accompanied by an increase in rate of 2.4 percent. Breckenridge occupancy for the past six months (May - October) was up 6.9 percent compared to the same period last year, while rate increased 6.5 percent. Bookings taken in October for arrival in October were down -8.0 percent compared to October 2015 (not shown).

		2016/17	2015/16	Year over Year % Diff
a. Last Month Performance: Current YTD vs. Previous YTD				
Occupancy Rates during last month (October, 2016) were up (8.8%) compared to the same period last year (October, 2015) , while Average Daily Rate was also up (2.4%).	Occupancy (October) :	24.3%	22.3%	8.8%
	ADR (October) :	\$128	\$125	2.4%
b. Next Month Performance: Current YTD vs. Previous YTD				
Occupancy Rates for next month (November, 2016) are up (19.7%) compared to the same period last year, while Average Daily Rate is down (-1.0%).	Occupancy (November) :	17.9%	14.9%	19.7%
	ADR (November) :	\$178	\$180	-1.0%
c. Historical 6 Month Actual Performance: Current YTD vs. Previous YTD				
Occupancy Rates for the previous 6 months (May - October) are up (6.9%) compared to the same period last year, while Average Daily Rate is also up (6.5%).	Occ - 6 Month Historic	36.7%	34.3%	6.9%
	ADR - 6 Month Historic	\$162	\$153	6.5%
d. Future 6 Month On The Books Performance: Current YTD vs. Previous YTD				
Occupancy Rates for the upcoming 6 months (November - April) are up (0.8%) compared to the same period last year, while Average Daily Rate is also up (5.0%).	Occ % - 6 Month Future	22.9%	22.7%	0.8%
	ADR - 6 Month Future	\$331	\$315	5.0%
e. Incremental Pacing - % Change in Rooms Booked last Calendar Month: Oct. 31, 2016 vs. Previous Year				
Rooms Booked during last month (October, 2016) compared to Rooms Booked during the same period last year (October, 2015) for all arrival dates is by (1.0%)	Booking Pace (October) :	6.7%	6.6%	1.0%

LOOKING FORWARD Though the data for this report pre-date the election results, it's worth noting that we now head into winter on a wave of uncertainty following the close of a combative Presidential election and an outcome that has surprised even the parties. While first-term presidencies are typically associated with slower economic growth, analysts are concerned with the lack of direction indicated by the new administration, so we'll have to watch the transition unfold and then check our November 30th data to see what impact, if any, the results have on bookings. In the meantime, we head into the Holiday season knowing that this is a time of job creation – albeit often temporary – and economic growth, as well as the true beginning of the ski season as snow starts to fall. Employers are expected to add 750,000 new jobs over the coming two months and many are expecting those to convert to full-time. Combined with the recent increase in average wages, this should trickle down nicely to the consumer side of the marketplace. Clearly snow equity from last year, strong momentum out of the summer months and healthy economic conditions are spurring early season strength. Based on the aggregate of DestiMetrics industry-wide data, on-the-books aggregate occupancy for all destinations for the upcoming six months (November – April) is up 6.6 percent, while rate is also up 7.5 percent from the same period last year. Meanwhile, bookings made during October for arrival October - April was up 1.7 percent compared to the same period in 2015. Locally, Breckenridge on-the-books Occupancy for November 2016 is up 19.7 percent compared to 2015, accompanied by a slight decrease in rate of 1.0 percent. Occupancy on-the-books for the upcoming six months (November - April) is slightly up 0.8 percent compared to the same period last year, with an increase in rate of 5.0 percent. Breckenridge bookings taken in October for arrival October - March are up 2.1 percent compared to the same period last year, with an increase three of the six months within scope.

Breckenridge Resort Chamber: Bill Wishowski	For more information:		
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