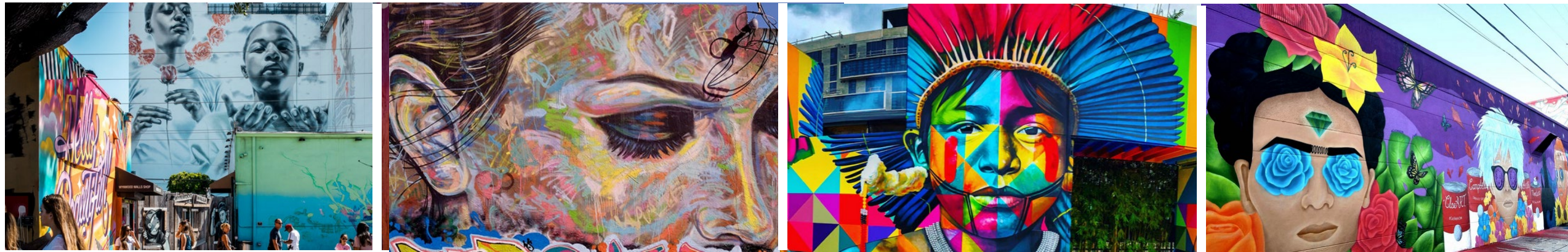


Miami-Dade County Industry Updates

August 2023



In Summary

- Travel is holding up across the country, but economics, competition and just the time of year are making it more difficult for us. Americans are being lured to other domestic as well as international destinations.
- For now, consumer spending is still high, but they are starting to cut back and focus on essentials; for many, that means less. The traveler may have champagne taste for travel, but it will be on a Budweiser budget. Discounts are important. Prevailing opinions seem to feel that a US recession is more likely to occur sometime next year.
- Visitation to our county is holding up, but we are seeing a return to more normal visitor numbers. Domestic volume peaked last year, while international is mostly rebounding.
- Year-over-year, our Miami-Dade upper-tier hotel properties have seen the biggest hits, while our economy hotels seem to have been performing the best of all segments.
- Hotel bookings are much more short-term for weekend stays compared to a year ago, so opportunities may exist to capitalize on need periods. Q1 2024 looks good for meetings.
- Hotel average daily rates are not anticipated to grow in 2024, but hotel room demand is expected to be on par or better with this year.

Busy Summer Season Will Carry Over Into Shoulder Season

Not only will **88% of Americans travel this summer**, almost all of those (91%) plan to travel more than or about the same as they did this past year—that was according to [Triplt's May research](#). Backing up a tweet from the [Transportation Security Administration](#) (TSA) that said the **Friday before the long Fourth of July weekend was its busiest ever**, Triplt's data from July showed that:

- **Domestic flight bookings were up 42% compared to 2022, while international flight volume increased 41%.** Popular domestic destinations included **Denver, Chicago, New York, San Diego, Dallas and San Francisco.**
- For international travel, **London, Cancun, Paris, San Jose, Cabo, Rome and Tokyo** were the top destinations.

Looking forward, **flight volume in August is up: Domestic travel is pacing to grow 75% over 2022, while international flights will increase 78%. Hotel stays (47%) and vacation rentals (34%)** are both up versus August 2022 numbers, as well.

Trip length in August will also increase from July: Those staying in the States plan to travel for **8.2 days**, while international travelers will spend an average of **13.1 days** abroad.

As for shoulder season, expect more crowds than usual. In September, flight volumes will double: International flights will be up 100% from 2022, while domestic flights will follow close behind with an increase of 98%. Rental car and accommodation bookings will soar, as well. **Car rentals will be up 56% compared to last year, while hotel stays will increase 48% and vacation rental reservations will be up 35%.**

Friday, September 1—the start to Labor Day Weekend—will be the busiest day for travel across the board. The first of the month will see the highest volume of international and domestic flights, rental car pick-ups, and check-ins to hotels and vacation rentals. **Trip length will increase again with an average of 8.7 days of travel for those flying domestically and 13.3 days for those going internationally.**

July 2023 International Air Passenger Travel To And From The United States

Originating Non-Stop Air Travel in July 2023

- **Non-U.S. citizen air passenger arrivals to the United States from foreign countries totaled:**
 - 5.065 million in July 2023, **up 19.4%** compared to July 2022.
 - This represents **83.6% of pre-pandemic July 2019 volume**.
- **U.S. citizen air passenger departures from the United States to foreign countries totaled:**
 - 7.099 million in July 2023, **up 14.0%** compared to July 2022 and exceeding July 2019



World Region Highlights in July 2023

- **Total air passenger travel (arrivals and departures) between the United States and other countries were led by Mexico (3.743 million), Canada (2.894 million), the United Kingdom (2.181 million), the Dominican Republic (1.147 million) and Germany (1.120 million).**
- **International regional air travel to/from the United States:**
 - **Europe** totaled 7.759 million passengers, **up 11.8%** over July 2022, and down only (-6.1%) compared to July 2019.
 - **South/Central America/Caribbean** totaled 6.050 million, **up 15.9%** over July 2022, and up 8.5% compared to July 2019.
 - Asia totaled 2.317 million passengers, up 79.3% over July 2022, but still down (-32.8%) compared to July 2019.
- **Top U.S. Ports serving international locations were** New York (JFK) 3.477 million, Los Angeles (LAX) 2.277 million, **Miami (MIA) 2.129 million**, Newark (EWR) 1.539 million and San Francisco (SFO) 1.487 million.

Consumers power the U.S. economy, and their **capacity to spend has repeatedly defied predictions**. Now there are **signs that some shoppers are becoming more cautious**, as Americans' **savings erode, inflation continues to bite** and **other factors tighten their wallets** — namely, the **resumption of student loan payments in October**. Financial reports from retailers — including Macy's, Kohl's, Foot Locker and Nordstrom — that landed this week suggest **a shift is underway, from consumers buying with abandon to spending more on their needs**.

But even retailers with strong sales say there are **signs of economic strain among shoppers**. In calls with Wall Street analysts this week, retail executives also flagged **rising credit card delinquencies** and **higher rates of retail theft**, ominous signs that consumers **could be more strapped for cash**.

“Probably the most important thing people are spending money on is general merchandise.” said Max Levchin, the chief executive of Affirm, which extends credit to shoppers at checkout via a so-called buy-now, pay-later model. ***“People are looking for more value for less money, or simpler functionality and lower price.”***

The finance chiefs of Macy's, Kohl's and Nordstrom told analysts that **delinquencies on the department stores' credit cards had risen**. In Macy's case, the **increase in nonpayments last quarter was “faster than expected.”** ***“When people are not paying their credit card bills, that suggests a really stretched consumer.”*** Ms. Stichter of BTIG said.

Can We Handle The Truth? – That's What Some Economists Are Asking

- It's going to get worse before it gets better.
- The global economy is weakening, the national economy is weakening, borrowing costs are higher and excess inflation persists.
- Some segments stand to hold up better than others, including construction, grocery stores and multifamily housing.
- At some point, the Federal Reserve will stop raising rates – that will represent a key inflection point for the economy.
- Recessionary conditions will prevail at some point over the next 12 months.



Dichotomy – “a division or contrast between two things that are or are represented as being opposed or entirely different.”

- | | |
|---|---|
| <ul style="list-style-type: none">• Low unemployment• Growing job market<ul style="list-style-type: none">• Rising wages• Record consumer spending• Pandemic savings still available to spend<ul style="list-style-type: none">• Interest rates hikes are working to cool economy• Rate of inflation going down | <ul style="list-style-type: none">• People no longer in the workforce, varies by sector, based on unemployment claims• Frequent report revisions, layoffs in retail sector, low business expansion optimism• Wages not keeping up with inflation, less disposable income, real income down• Record consumer debt• Savings going down, people are not saving• Interest rate hikes are working to cool economy• Prices still going up, no end in sight, government spending/ \$\$\$ printing, fuel prices |
|---|---|

Dining Performance – Dining Volume And Tax Revenues

% Change in volume of seated diners at restaurants								
City	Jan 23	Feb 23	Mar 23	Apr 23	May 23	Jun 23	Jul 23	Aug 23
Atlanta	15%	0%	-9%	-5%	-7%	-8%	-6%	-9%
Baltimore	36%	2%	-3%	-4%	5%	-8%	-4%	-6%
Boston	48%	9%	0%	-2%	0%	-5%	-6%	-4%
Brooklyn	47%	5%	1%	1%	6%	0%	3%	-2%
Chicago	51%	19%	-5%	-1%	-3%	-3%	-5%	-6%
Dallas	8%	-2%	-10%	-9%	-9%	-4%	-5%	-5%
Fort Lauderdale	8%	-6%	-8%	-12%	-9%	-8%	-9%	-8%
Honolulu	37%	16%	3%	-5%	2%	5%	2%	2%
Houston	11%	1%	-5%	-2%	-6%	-4%	-5%	-5%
Las Vegas	21%	1%	2%	-4%	-5%	-4%	-3%	-4%
Los Angeles	20%	-3%	-9%	-9%	-5%	-2%	-4%	-5%
Miami	1%	-8%	-11%	-14%	-10%	-8%	-13%	-15%
Miami Beach	2%	-11%	-11%	-12%	-9%	-6%	-11%	-12%
Milwaukee	19%	4%	1%	0%	4%	8%	2%	3%
Minneapolis	32%	7%	-4%	8%	-6%	-4%	-9%	-4%
Naples	0%	-5%	-8%	-6%	-4%	0%	4%	-3%
Nashville	24%	9%	2%	0%	0%	-2%	3%	-5%
New Orleans	26%	10%	3%	-4%	-2%	-11%	-7%	-7%
New York	73%	15%	3%	0%	2%	-3%	0%	1%
Orlando	12%	-1%	-7%	-8%	-6%	-7%	-6%	-10%
Philadelphia	61%	10%	-2%	-2%	3%	-2%	-2%	-3%
Phoenix	11%	-1%	0%	-2%	2%	4%	2%	-5%
San Diego	12%	-1%	-8%	-9%	-6%	-4%	-1%	-9%
San Francisco	30%	4%	-5%	-5%	-7%	-7%	-4%	-7%
Seattle	40%	11%	1%	-6%	0%	1%	0%	-5%
Tampa	13%	3%	-1%	-1%	-2%	-2%	-1%	-4%
Washington	62%	16%	3%	-1%	0%	-2%	-1%	-8%

Miami-Dade County 1% Food & Beverage Tax Collections - By Activity Month						
Month	2023	2022	2021	2020	2019	23 vs 22
January	\$3,799,707	\$3,338,794	\$2,682,864	\$2,539,065	\$2,515,317	13.8%
February	\$3,530,514	\$3,377,921	\$2,412,888	\$2,408,661	\$2,663,844	4.5%
March	\$4,108,293	\$3,822,849	\$2,728,013	\$1,254,424	\$2,888,228	7.5%
April	\$3,811,176	\$3,817,542	\$2,993,124	\$982,924	\$2,649,613	-0.2%
May	\$4,205,986	\$3,834,643	\$3,211,916	\$992,802	\$2,486,342	9.7%
June	\$3,512,365	\$3,322,197	\$3,062,393	\$1,407,794	\$2,518,575	5.7%

First 6 Months	\$22,968,042	\$21,513,946	\$17,091,198	\$9,585,671	\$15,721,919	6.8%
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Miami-Dade County 2% Hotel Food & Beverage Tax Collections - By Activity Month						
Month	2023	2022	2021	2020	2019	23 vs 22
January	\$1,141,288	\$785,034	\$398,722	\$901,265	\$791,512	45.4%
February	\$1,234,592	\$919,951	\$419,444	\$1,024,803	\$947,864	34.2%
March	\$1,227,458	\$1,065,131	\$518,240	\$341,892	\$879,328	15.2%
April	\$1,007,246	\$963,145	\$565,184	\$96,552	\$855,108	4.6%
May	\$929,399	\$950,739	\$720,742	\$44,125	\$791,295	-2.2%
June	\$721,137	\$731,994	\$680,331	\$120,484	\$627,791	-1.5%

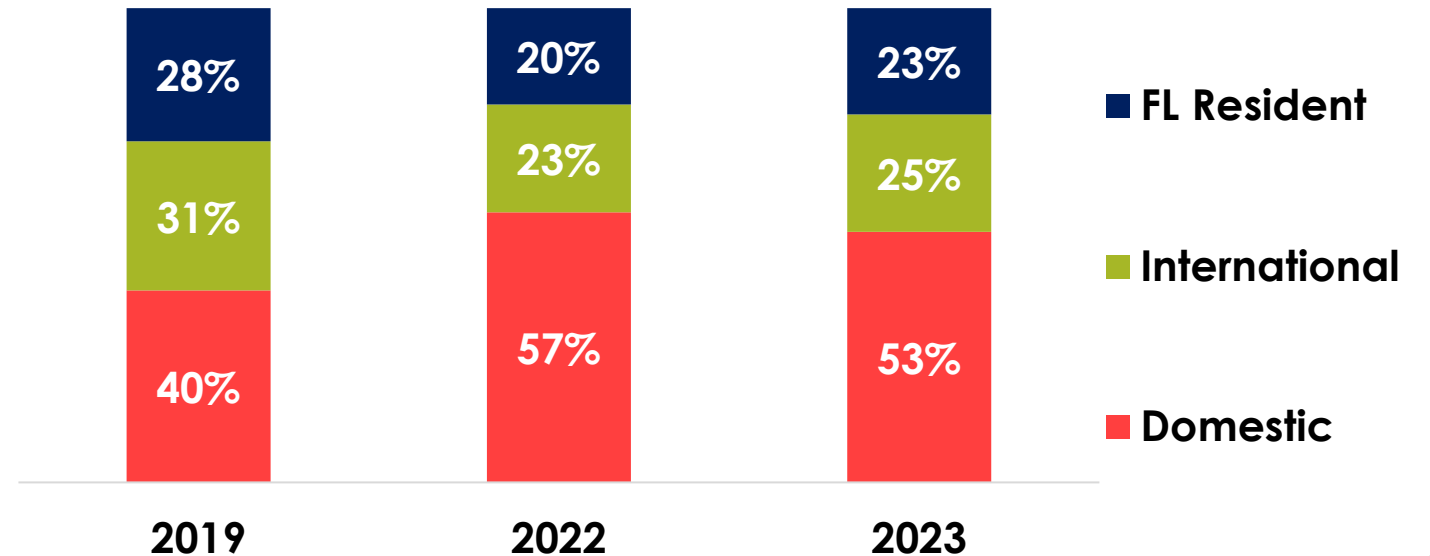
First 6 Months	\$6,261,120	\$5,415,994	\$3,302,663	\$2,529,121	\$4,892,898	15.6%
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Miami-Dade County – First 6 Months 2023 Visitation

Rank	Market	Total	% YOY
1	Colombia	202,000	-4%
2	Canada	168,000	46%
3	Brazil	164,000	22%
4	United Kingdom	112,000	18%
5	Mexico	100,000	-9%
6	Germany	94,000	19%
7	Venezuela	85,000	6%
8	Spain	83,000	0%
9	Argentina	80,000	-5%
10	France	77,000	19%

	Domestic	International	FL Resident	Total
2023	6,600,000	3,100,000	2,800,000	<u>12,400,000</u>
2022	7,000,000	2,800,000	2,500,000	<u>12,300,000</u>
2019	4,900,000	3,800,000	3,400,000	<u>12,100,000</u>

2023 vs 2022	-6%	10%	12%	<u>1%</u>
2023 vs 2019	34%	-17%	-17%	<u>4%</u>



Top 25 Hotel Markets – July 2023 & July YTD

Rank	Region	Jan - July 2023	23 vs 22
1	Oahu Island	79.7%	5.7%
2	New York	78.8%	12.9%
3	Las Vegas	78.4%	6.5%
4	Orlando	76.1%	2.1%
5	Saint Louis	75.6%	3.2%
6	Tampa	74.5%	0.1%
7	Miami-Dade	74.2%	-1.7%
8	Los Angeles	72.1%	2.6%
9	Anaheim	72.0%	3.8%
10	Phoenix	70.7%	2.3%

Rank	Region	Jan - July 2023	23 vs 22
1	Oahu Island	\$278.92	7.1%
2	New York	\$264.34	8.2%
3	Miami-Dade	\$238.75	-5.9%
4	San Diego	\$223.25	9.6%
5	Boston	\$215.14	6.9%
6	Saint Louis	\$212.88	3.9%
7	Anaheim	\$210.90	4.2%
8	Orlando	\$201.09	6.8%
9	Los Angeles	\$199.34	2.1%
10	Phoenix	\$188.89	11.1%

Rank	Region	Jan - July 2023	23 vs 22
1	Oahu Island	\$222.23	13.2%
2	New York	\$208.28	22.2%
3	Miami-Dade	\$177.20	-7.5%
4	Saint Louis	\$160.96	7.2%
5	Orlando	\$153.07	9.1%
6	Anaheim	\$151.75	8.2%
7	Boston	\$150.13	16.1%
8	Las Vegas	\$145.76	19.1%
9	San Diego	\$145.14	14.6%
10	Los Angeles	\$143.74	4.7%

Rank	Region	July 2023	23 vs 22
1	Saint Louis	86.5%	2.6%
2	New York	85.7%	10.2%
3	Oahu Island	84.6%	-2.0%
4	Boston	81.0%	3.5%
5	Las Vegas	80.7%	3.0%
6	Denver	80.7%	2.0%
7	Anaheim	80.6%	0.7%
8	San Francisco	80.2%	0.0%
9	Los Angeles	76.5%	0.4%
10	Orlando	73.8%	-4.0%

Rank	Region	July 2023	23 vs 22
1	Oahu Island	\$306.26	-0.2%
2	New York	\$264.68	6.0%
3	Saint Louis	\$264.43	-0.5%
4	Anaheim	\$235.56	-0.3%
5	Boston	\$233.72	3.8%
6	San Francisco	\$225.90	9.4%
7	San Diego	\$207.12	-4.3%
8	Los Angeles	\$203.78	-2.7%
9	Nashville	\$180.74	8.1%
10	Orlando	\$177.60	-1.0%

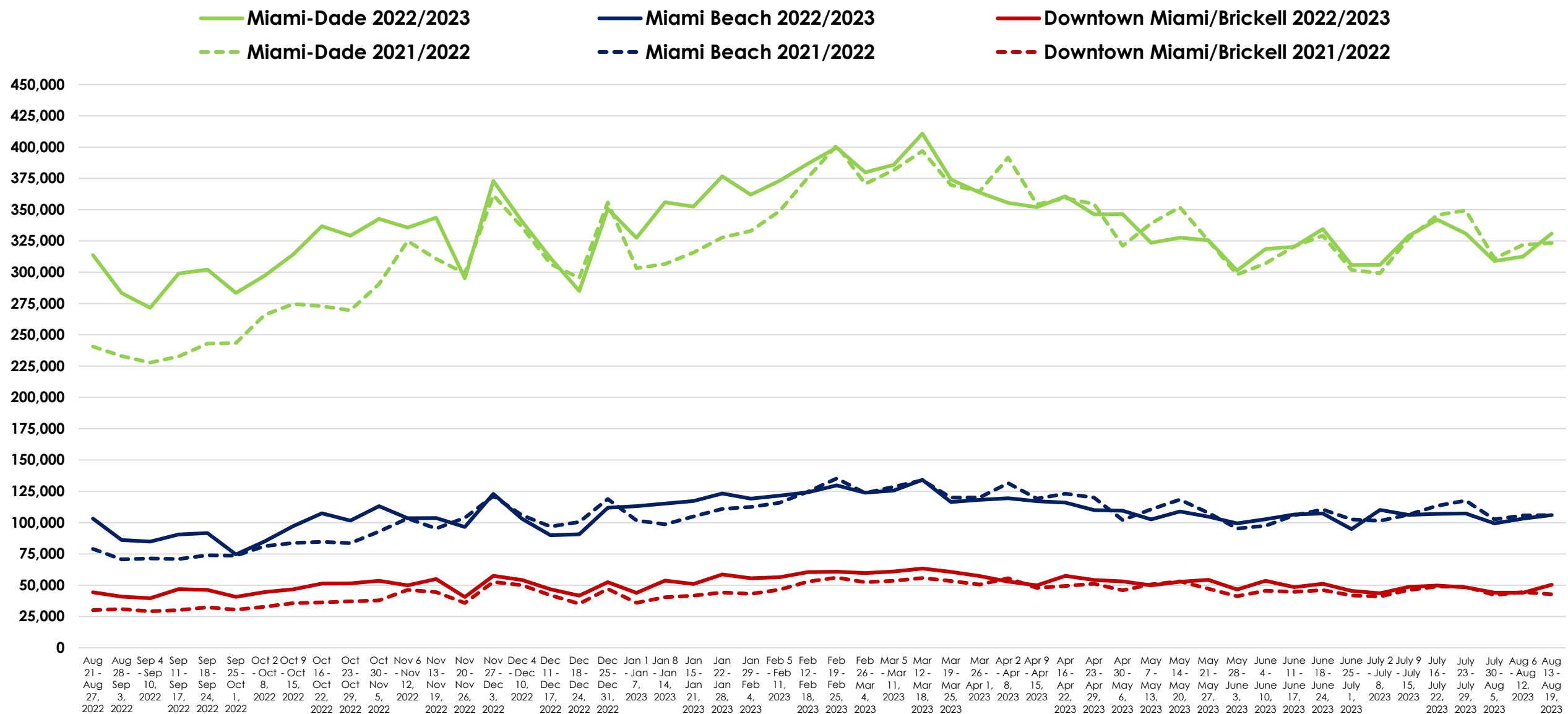
Rank	Region	July 2023	23 vs 22
1	Oahu Island	\$259.15	-2.2%
2	Saint Louis	\$228.68	2.1%
3	New York	\$226.92	16.8%
4	Anaheim	\$189.96	0.4%
5	Boston	\$189.30	7.4%
6	San Francisco	\$181.22	9.4%
7	Los Angeles	\$155.84	-2.4%
8	San Diego	\$146.48	-4.1%
9	Denver	\$142.71	10.2%
10	Las Vegas	\$140.18	6.9%

16	Miami-Dade	69.6%	-3.4%
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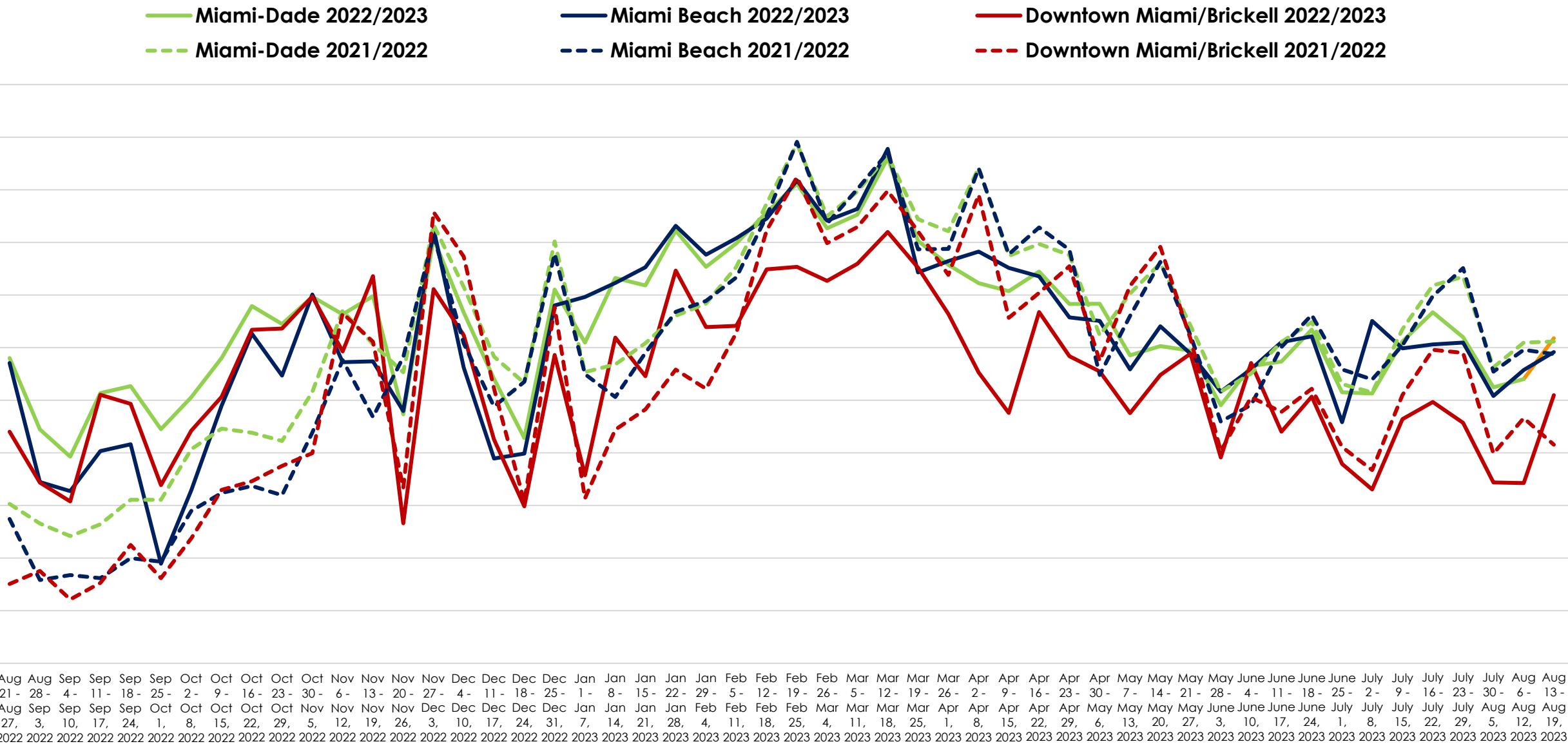
12	Miami-Dade	\$175.03	-7.8%
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14	Miami-Dade	\$121.75	-10.9%
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Hotel Rooms Sold – 52 Week Trend



Hotel Occupancy – 52 Week Trend



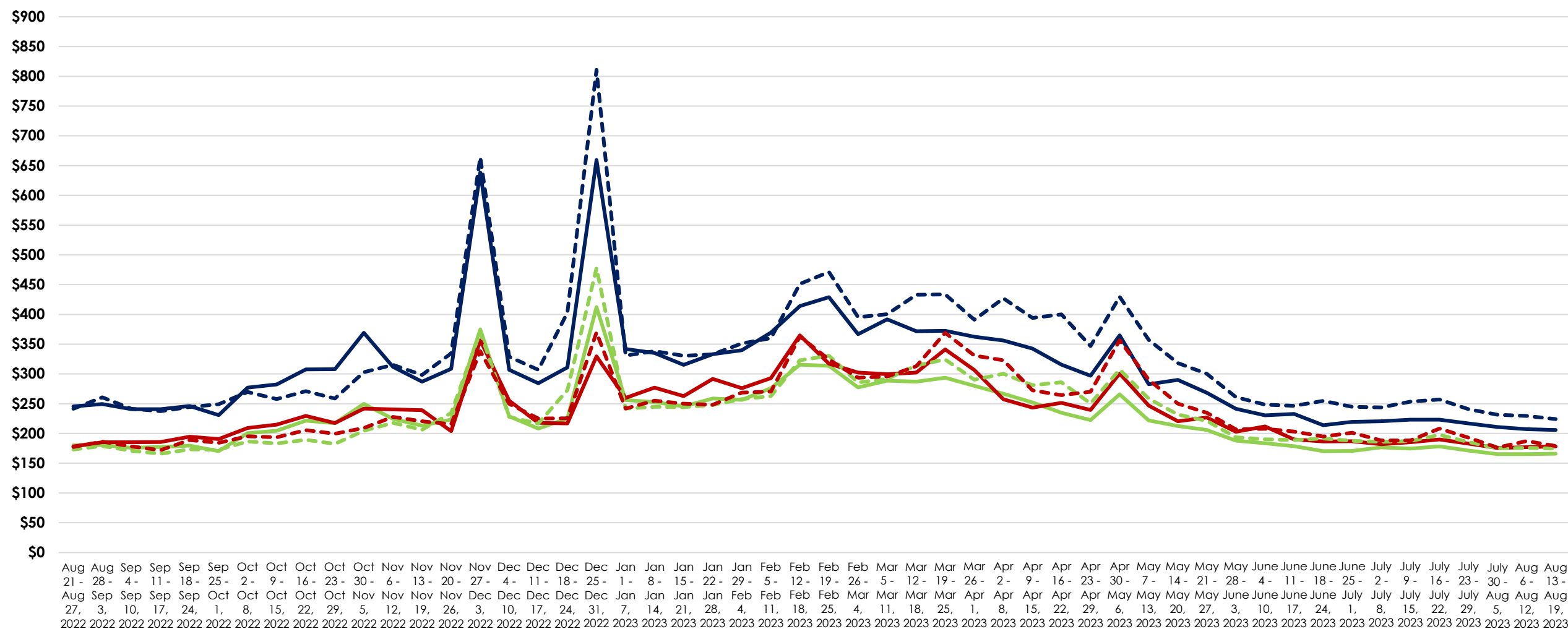
Hotel ADR – 52 Week Trend

- Miami-Dade 2022/2023

Miami-Dade 2021/2022
- Miami Beach 2022/2023

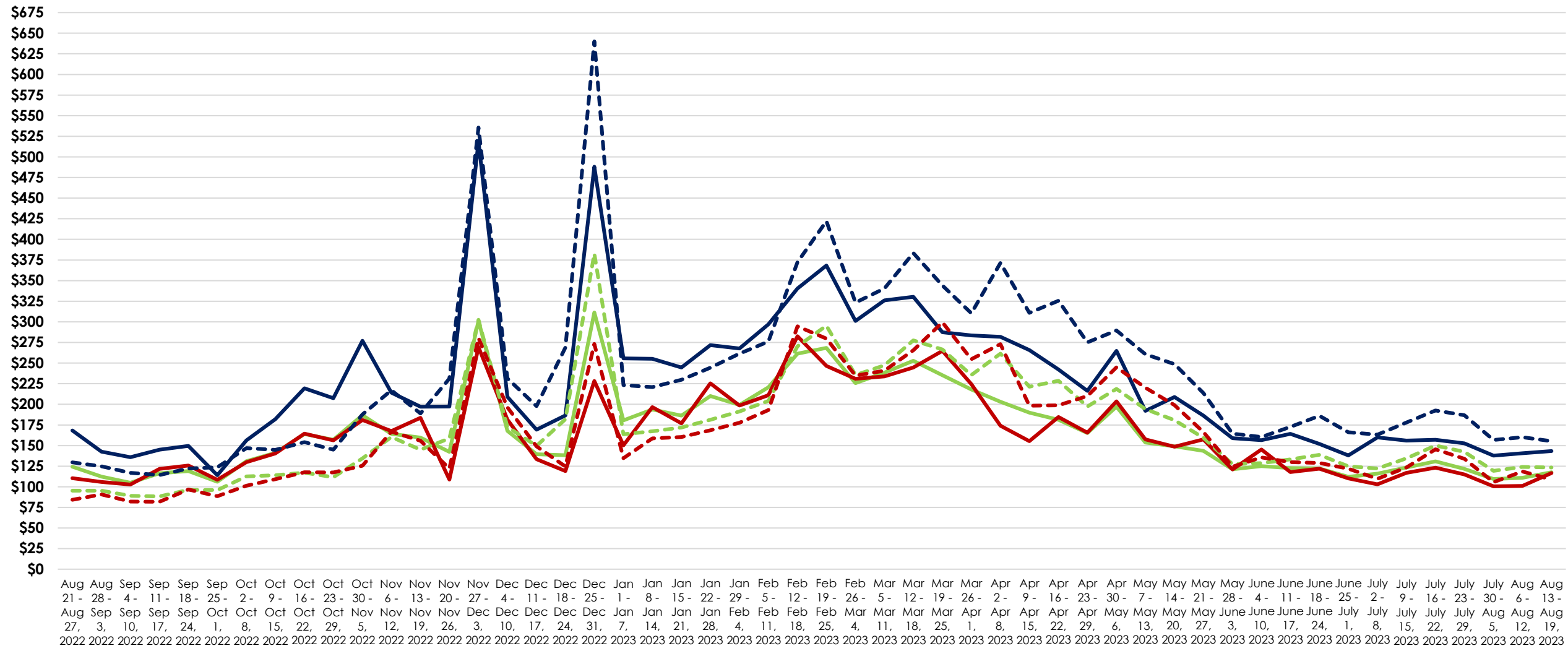
Miami Beach 2021/2022
- Downtown Miami/Brickell 2022/2023

Downtown Miami/Brickell 2021/2022



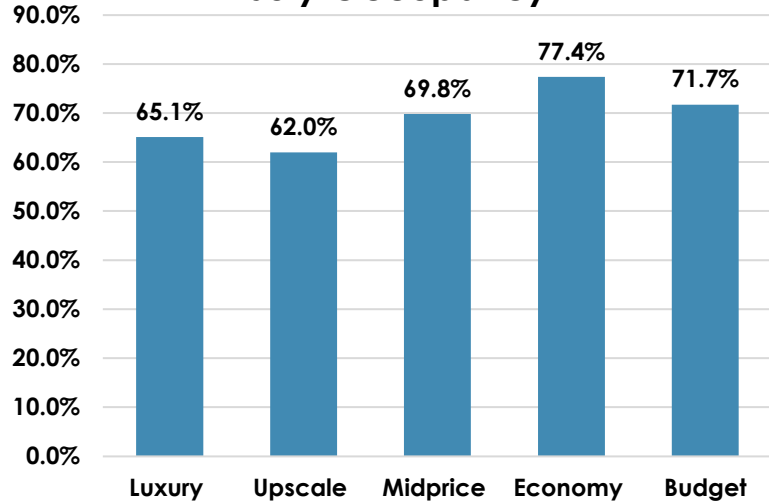
Hotel RevPAR – 52 Week Trend

- Miami-Dade 2022/2023
- Miami Beach 2022/2023
- Downtown Miami/Brickell 2022/2023
- Miami-Dade 2021/2022
- Miami Beach 2021/2022
- Downtown Miami/Brickell 2021/2022

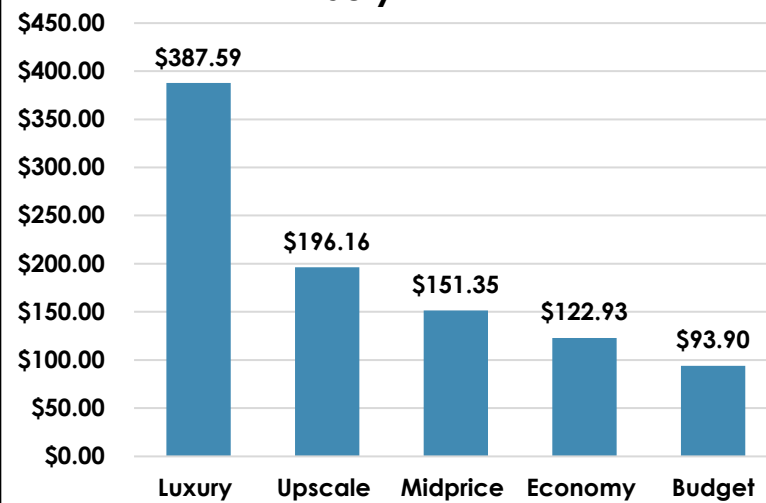


Miami-Dade Hotels By Scale – July 2023 & July YTD

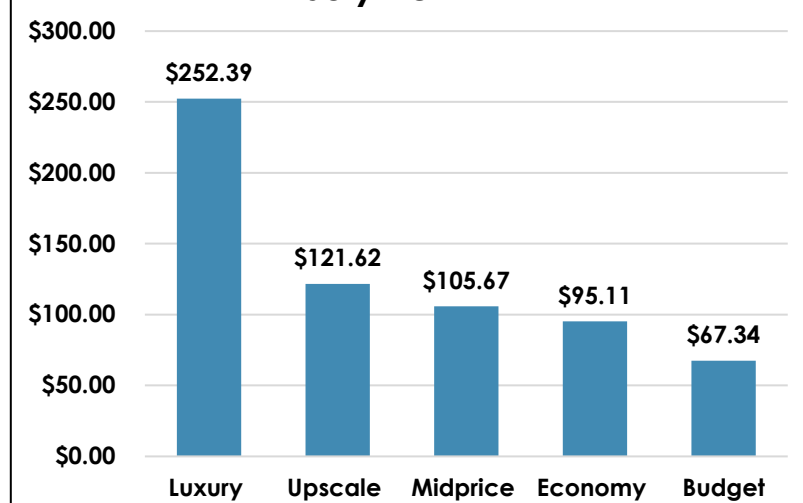
July Occupancy



July ADR



July RevPAR



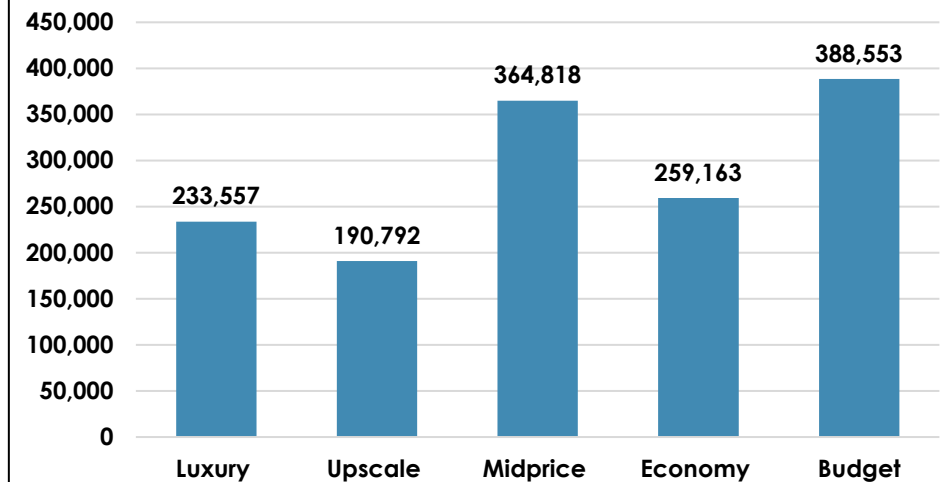
Occupancy	Luxury	Upscale	Midprice	Economy	Budget
July	-1.1%	-10.1%	-1.0%	-0.1%	-5.0%
Jan – July	-3.7%	-1.9%	0.5%	0.0%	-3.1%

ADR	Luxury	Upscale	Midprice	Economy	Budget
July	-10.4%	-12.6%	-6.8%	-5.7%	-7.7%
Jan – July	-9.7%	-7.7%	-3.6%	-0.6%	-4.7%

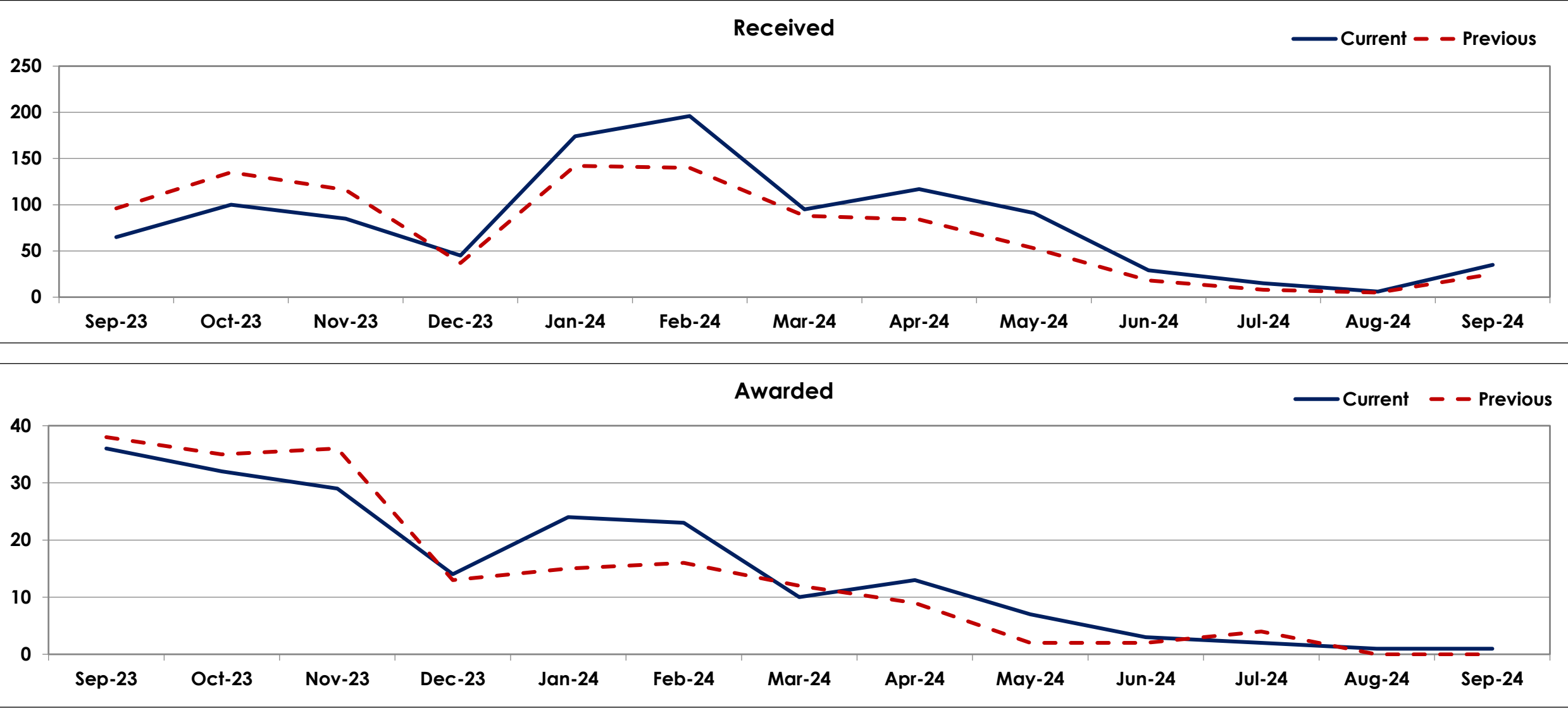
RevPAR	Luxury	Upscale	Midprice	Economy	Budget
July	-11.4%	-21.4%	-7.8%	-5.8%	-12.3%
Jan – July	-13.0%	-9.5%	-3.1%	-0.6%	-7.7%

Rooms Sold	Luxury	Upscale	Midprice	Economy	Budget
July	4.2%	-4.2%	-0.2%	0.0%	-4.2%
Jan - July	1.9%	4.8%	3.1%	2.3%	-2.5%

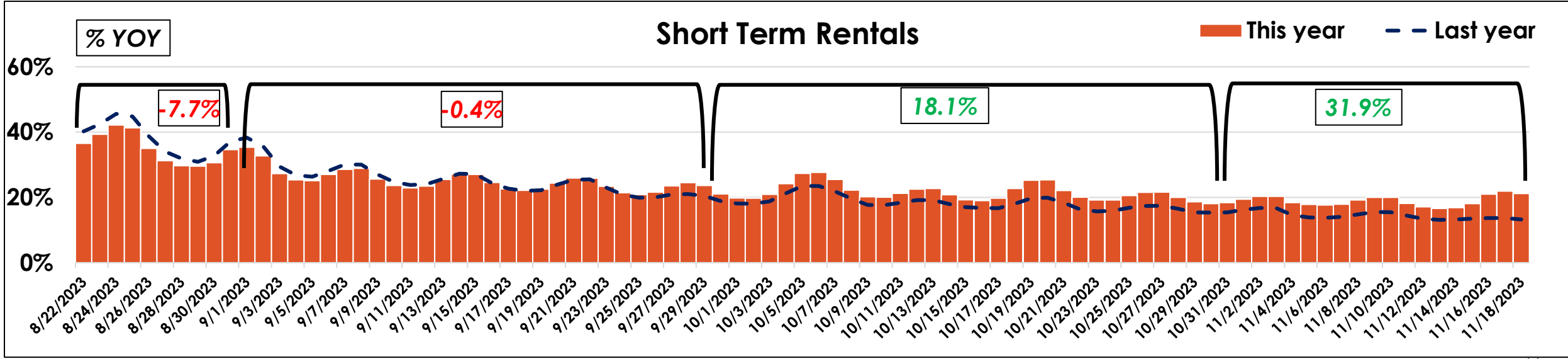
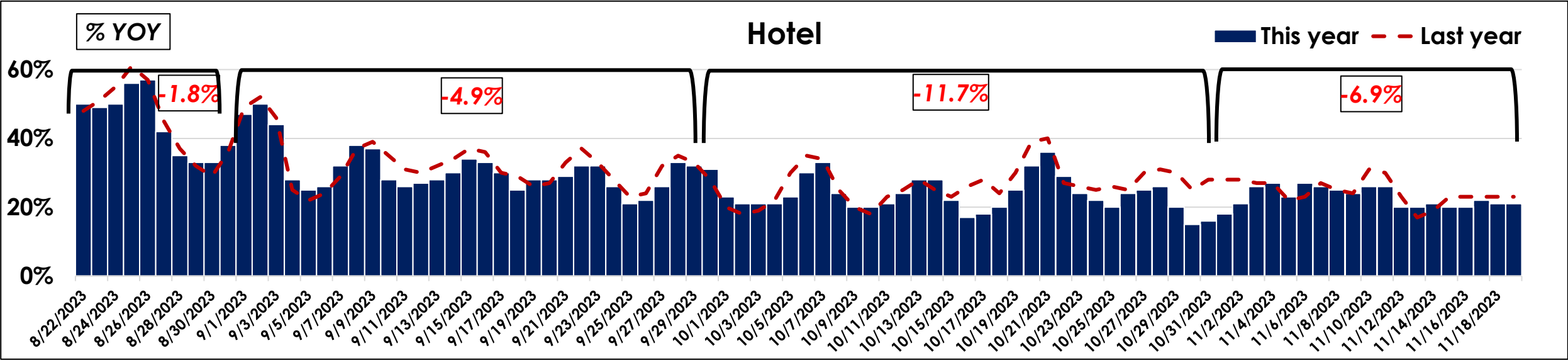
July Rooms Sold



Meeting Leads Received VS Rewarded RFPs By Arrival Date



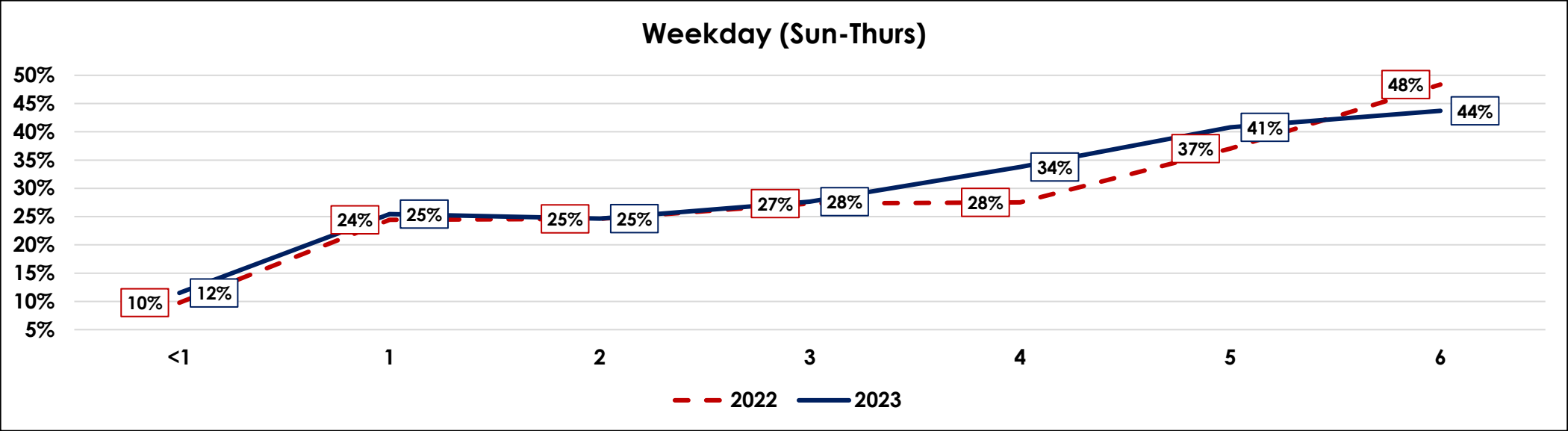
Miami-Dade County - 90 Day Reserved Occupancy, Hotel & STRs



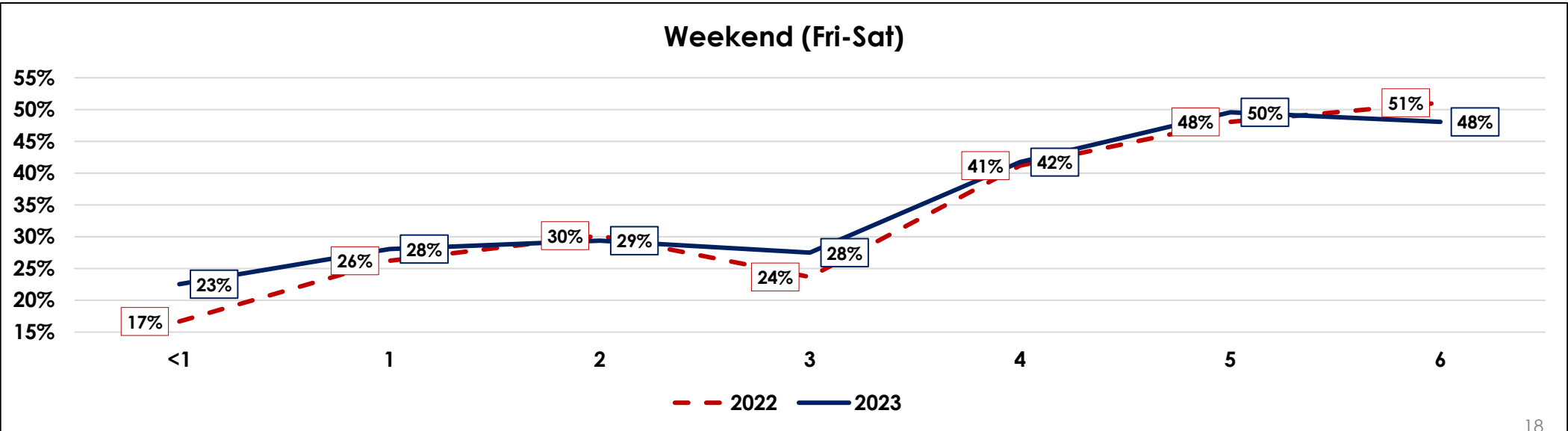
Sources: STR, Transparent as of August 21 2023

Average Additional Incremental Hotel Occupancy - Six Weeks Out Summer 2023 VS 2022 Patterns

Week	Weekday (S-Th)	
Time period	2023	2022
<1	12%	10%
1	25%	24%
2	25%	25%
3	28%	27%
4	34%	28%
5	41%	37%
6	44%	48%



Week	Weekend (F-S)	
Time period	2023	2022
<1	23%	17%
1	28%	26%
2	29%	30%
3	28%	24%
4	42%	41%
5	50%	48%
6	48%	51%



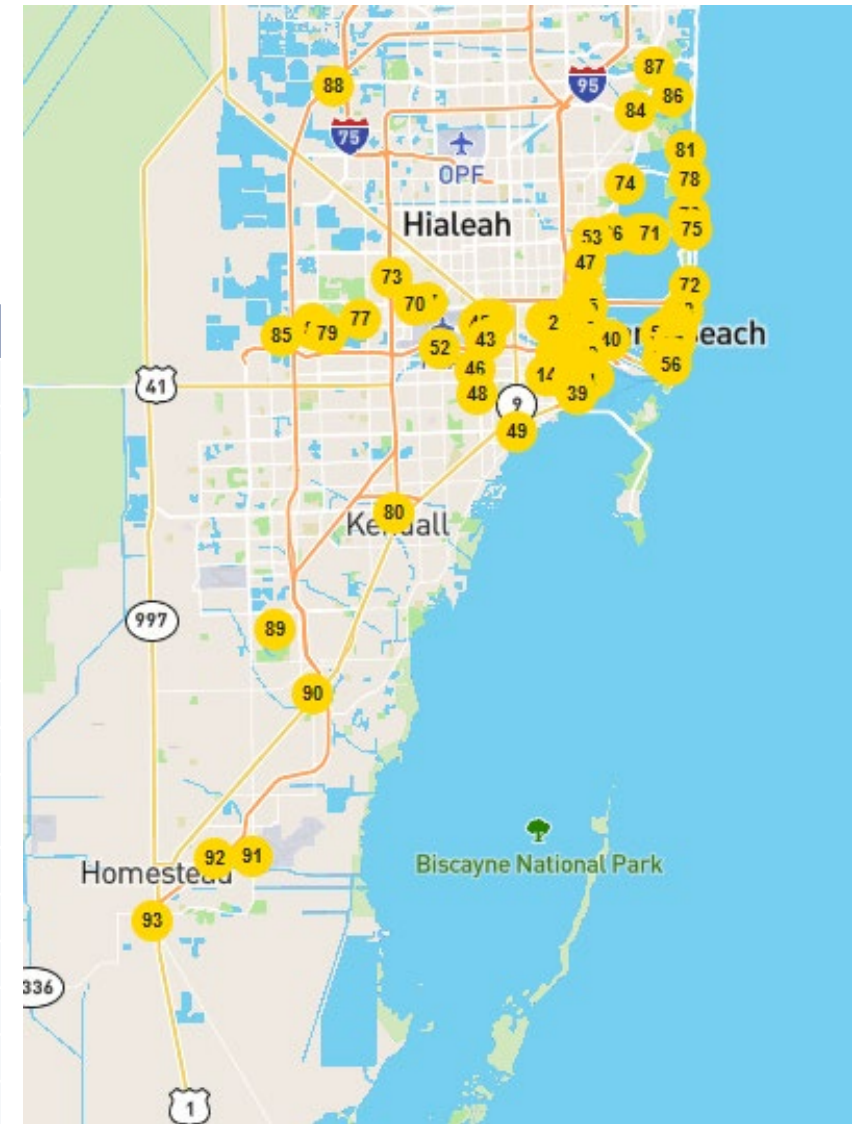
Miami-Dade County Hotel Forecast

Month	Occupancy		ADR		RevPAR		Daily Supply		Demand		Revenue	
	%	% Change	\$	% Change	\$	% Change	Rooms	% Change	Room nights (millions)	% Change	\$ (millions)	% Change
Aug-2023	66.6%	-2.3%	\$164.44	-3.4%	\$109.53	-5.6%	66,480	1.9%	1.373	-0.4%	\$225.7	-3.8%
Sep-2023	61.0%	-6.5%	\$159.85	-2.5%	\$97.46	-8.8%	66,454	1.9%	1.215	-4.7%	\$194.3	-7.1%
Oct-2023	66.6%	-5.3%	\$184.44	-4.7%	\$122.82	-9.7%	66,545	2.1%	1.374	-3.3%	\$253.4	-7.8%
Nov-2023	74.0%	1.0%	\$200.15	-9.7%	\$148.08	-8.8%	66,846	0.9%	1.484	2.0%	\$297.0	-7.9%
Dec-2023	73.0%	1.2%	\$281.77	6.7%	\$205.75	8.0%	66,965	1.1%	1.516	2.4%	\$427.1	9.2%
Jan-2024	72.7%	-3.8%	\$261.42	3.4%	\$190.06	-0.5%	67,004	1.3%	1.510	-2.5%	\$394.8	0.8%
Feb-2024	79.0%	-2.4%	\$292.18	-0.6%	\$230.93	-3.0%	67,082	0.9%	1.485	-1.5%	\$433.8	-2.1%
Mar-2024	80.4%	-1.4%	\$288.53	0.4%	\$232.03	-1.0%	67,353	1.3%	1.679	-0.1%	\$484.5	0.3%
Apr-2024	75.7%	0.5%	\$248.62	0.9%	\$188.16	1.4%	67,432	1.5%	1.531	2.0%	\$380.6	2.9%
May-2024	71.2%	3.1%	\$201.86	-10.1%	\$143.77	-7.4%	67,381	1.3%	1.488	4.4%	\$300.3	-6.1%
Jun-2024	69.4%	2.1%	\$173.47	-1.5%	\$120.42	0.6%	67,418	1.2%	1.404	3.3%	\$243.5	1.8%
Jul-2024	71.4%	3.4%	\$180.61	2.1%	\$128.92	5.6%	67,379	1.2%	1.491	4.7%	\$269.3	6.9%
Aug-2024	68.7%	3.1%	\$169.04	2.8%	\$116.05	6.0%	67,323	1.3%	1.433	4.4%	\$242.2	7.3%
Sep-2024	59.3%	-2.7%	\$159.20	-0.4%	\$94.45	-3.1%	67,338	1.3%	1.199	-1.4%	\$190.8	-1.8%
2023	71.7%	-1.9%	\$223.79	-4.3%	\$160.40	-6.1%	66,544	2.5%	17.408	0.5%	\$3,896	-3.8%
2024	71.8%	0.2%	\$223.53	-0.1%	\$160.46	0.0%	67,408	1.3%	17.661	1.5%	\$3,948	1.3%
2025	73.3%	2.1%	\$227.58	1.8%	\$166.71	3.9%	68,138	1.1%	18.218	3.2%	\$4,146	5.0%

Miami-Dade County Hotel Pipeline

	Properties	Rooms
Now - December 2023	4	405
2024	10	1,721
2025	28	6,278
2026 +	43	8,914
No date	8	634

Hotel Name	Address	City	Opening	Status	Keys
citizenM Miami South Beach	1212 Lincoln Rd	Miami Beach	September-23	In Construction	168
Say Center	5500 NW 74th Ave	Miami	October-23	Planning	105
The Moore Miami	4040 NE 2nd Ave	Miami	November-23	In Construction	12
MOXY Miami North	NW 2nd Ave and NW 25th St	Miami	December-23	In Construction	120
Legacy Hotel & Residences Miami Worldcenter	36 NE 10th St	Miami	January-24	In Construction	219
Gale Miami Hotel & Residence	601 NE 1st St	Miami	January-24	Unconfirmed	240
Collins Park Hotel	2000 Park Ave	Miami Beach	February-24	In Construction	294
Wyndham Hotels and Resorts Miami	3677 NW 24th St	Miami	June-24	Final Planning	250
Thompson South Beach	1685 Washington Ave	Miami Beach	June-24	In Construction	150
Krymwood Hotel	176 NW 28th St	Miami	July-24	Final Planning	48
Galbut Hotel	1030 6th St	Miami Beach	July-24	Final Planning	65
Colonnade	1201 Brickell Ave	Miami	October-24	Final Planning	95
Miami Wilds Hotel	North of Miami Zoo	Miami	October-24	Unconfirmed	200
Urbanica Beach Hotel	6747 Collins Ave	Miami Beach	December-24	Final Planning	160



Thank you!!!



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