Philadelphia Area
Hospitality Industry "Snapshot" #73
December 2010

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Welcome to the monthly "snapshot" report for the Philadelphia-area hospitality industry sponsored by the Greater Philadelphia Tourism Marketing Corporation ("the GPTMC") (www.visitphilly.com), the Philadelphia Convention & Visitors Bureau ("the PCVB") (www.PhiladelphiaUSA.travel) and the Greater Philadelphia Hotel Association ("the GPHA") (www.philadelphiahotelassoc.org). ***Please visit each sponsor's website to get the latest news concerning its activities.***

The data presented in the accompanying table at this time come from a number of sources: Smith Travel Research; the hotels in Center City; the GPTMC; the PCVB; the Pennsylvania Convention Center; the Independence Visitor Center; various attractions in Center City; and, the Division of Aviation. A glossary of terms is included at the conclusion of this report.

AREA SUPPLY, DEMAND, OCCUPANCY, ADR AND MARKET MIX

The following Smith Travel Research ("STR") data compare the hotel results for various jurisdictions in the Philadelphia area for the month of December 2010 with comparisons to the data for December 2009.

GEOGRAPHIC AREA OCCUPANCY, ADR & RevPAR
DECEMBER 2010

	% Change vs. December 2009		Occupancy		Average Room Rate		RevPAR	
Area	Supply	Demand	Percent	% Chg.	Amount	% Chg.	Amount	% Chg.
5-County Totals	1.3%	5.8%	52.4%	4.4%	$112.18	2.1%	$58.73	6.6%
Philadelphia Co.	1.2%	3.8%	56.7%	2.6%	$132.88	3.6%	$75.34	6.3%
Bucks Co.	2.8%	2.0%	45.7%	-0.8%	$84.20	-1.1%	$38.49	-1.9%
Chester Co.	0.0%	8.6%	49.1%	8.6%	$100.65	0.5%	$49.41	9.1%
Delaware Co.	0.8%	7.5%	53.1%	6.7%	$82.17	3.1%	$43.61	9.9%
Montgomery Co.	1.7%	10.9%	48.3%	9.1%	$96.48	0.5%	$46.63	9.6%
Sub-markets:								
Center City	1.7%	4.0%	55.5%	2.3%	$143.56	3.0%	$79.64	5.4%
Airport/Stadium	0.5%	1.3%	60.8%	0.8%	$97.47	7.3%	$59.28	8.2%

The table on the following page presents the same data for the year-to-date period in 2010.

GEOGRAPHIC AREA OCCUPANCY, ADR & RevPAR FULL YEAR 2010								
	% Change vs. Full Year 2009		Occupancy		Average Room Rate		RevPAR	
Area	Supply	Demand	Percent	% Chg.	Amount	% Chg.	Amount	% Chg.
5-County Totals	1.5%	8.1%	66.4%	6.4%	$115.27	-3.1%	$76.51	3.2%
Philadelphia Co.	1.7%	6.6%	71.7%	4.8%	$134.16	-3.4%	$96.16	1.3%
Bucks Co.	3.6%	8.5%	60.3%	4.7%	$90.94	-1.0%	$54.84	3.7%
Chester Co.	1.8%	9.9%	62.9%	7.9%	$105.46	-2.3%	$66.30	5.4%
Delaware Co.	0.0%	8.7%	63.5%	8.8%	$85.71	-2.8%	$54.44	5.7%
Montgomery Co.	0.6%	10.3%	61.7%	9.7%	$100.94	-2.4%	$62.28	7.1%
Sub-markets:								
Center City	2.7%	6.9%	71.6%	4.1%	$145.33	-3.8%	$104.06	0.2%
Airport/Stadium	-0.7%	6.1%	71.9%	6.8%	$95.02	-2.9%	$68.28	3.6%

The following table compares occupancy and average room rate data reported by STR for the Metropolitan Statistical Areas ("MSAs") deemed most competitive to the Philadelphia MSA for convention, group and leisure/tourist demand for December 2010 with the results for December 2009. (Note: The Philadelphia MSA data include the results for the South Jersey market and, thus, differ from the data shown for the "five-county Philadelphia area" in the preceding table.) The table also presents performance data for the downtown areas of these MSAs as provided by STR and, for Manhattan ("NY"), by PKF Consulting.

COMPARATIVE RESULTS SELECTED COMPETITIVE MSAs and DOWNTOWNS DECEMBER 2010												
	December 2010						Year-to-Date					
	Occupancy		Average Rate		RevPAR		Occupancy		Average Rate		RevPAR	
Area	%	% Δ	$	% Δ	$	% Δ	%	% Δ	$	% Δ.	$	% Δ
MSAs												
Phila.	51.2%	4.4%	$104.10	1.1%	$53.27	5.6%	64.2%	5.0%	$108.12	-2.7%	$69.47	2.1%
Balt.	45.3	7.3	91.89	1.4	41.59	8.8	62.2	6.4	103.99	-2.3	64.68	4.0
Boston	48.1	4.9	119.35	2.1	57.42	7.1	68.7	10.4	141.48	2.4	97.19	13.0
NY	77.7	-2.8	282.38	6.9	219.31	3.9	80.9	5.0	232.29	7.5	187.93	12.9
Wash.	46.4	0.3	124.96	0.4	58.04	0.7	67.0	3.8	143.39	-1.3	96.12	2.5
CBDs												
Phila.	55.5%	2.3%	$143.56	3.0%	$79.64	5.4%	71.6%	4.1%	$145.33	-3.8%	$104.06	0.2%
Balt.	40.9	14.2	118.82	4.0	48.63	18.8	61.0	8.2	137.51	-1.0	83.82	7.1
Boston	53.0	3.5	149.82	1.3	79.43	4.9	75.7	7.2	188.49	4.5	142.71	12.0
NYC	83.8	-3.2	321.24	6.4	269.20	14.2	85.4	4.2	256.94	7.4	219.43	11.9
Wash.	50.0	0.8	169.88	2.2	84.99	3.1	74.1	1.8	201.73	1.6	149.53	3.4

The "downtown" areas referred to above had the following available room inventories in December 2010: Philadelphia – 11,155 rooms; Baltimore – 9,657 rooms; Boston – 18,196 rooms; New York City (Manhattan – year-end 2008) – 66,526 rooms; and, Washington – 27,431 rooms.

The table on the following page summarizes day-of-the-week occupancy and average room rate data for Center-City Philadelphia, with the highest metrics highlighted.

CENTER-CITY PHILADELPHIA LODGING MARKET DAY-OF-THE-WEEK OCCUPANCIES & AVERAGE ROOM RATES - 2010							
Metric/Period	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Occupancy							
January	46.6%	57.7%	**63.8%**	55.7%	50.0%	55.0%	29.4%
February	53.7	63.9	63.3	56.3	60.6	**70.3**	43.2
March	68.8	78.6	83.6	81.4	84.4	**88.4**	47.7
April	80.1	87.5	**89.4**	84.1	83.8	85.6	54.8
May	77.1	90.1	87.5	73.5	79.4	**90.6**	64.4
June	78.5	88.7	**91.6**	85.4	80.4	82.2	53.6
July	72.9	82.0	81.9	71.8	73.4	**87.4**	64.2
August	74.3	80.1	**81.9**	73.4	66.5	79.3	52.7
September	72.4	84.2	79.1	67.6	70.4	**84.8**	57.8
October	79.0	87.3	85.7	76.7	79.4	**90.6**	60.3
November	66.9	73.9	79.4	77.1	81.9	**87.0**	48.2
December	55.6	**61.0**	58.0	50.6	60.2	59.3	43.1
Annual	69.1%	78.2%	78.8%	71.0%	72.3%	**80.2%**	51.7%
Average Rate							
January	$140.44	**$141.44**	$141.17	$138.47	$120.86	$120.70	$126.78
February	141.00	139.65	**141.09**	138.88	130.28	130.71	133.09
March	144.92	146.66	149.37	**153.81**	143.08	137.05	135.63
April	151.89	156.17	**156.34**	145.48	137.79	136.50	139.24
May	**164.49**	163.92	159.77	150.59	150.56	158.78	158.82
June	150.44	154.37	**154.53**	152.66	139.42	135.48	139.06
July	**145.03**	144.83	143.85	136.54	128.30	131.62	135.26
August	137.50	**139.04**	137.67	134.40	120.39	123.21	128.31
September	157.43	**161.38**	157.49	147.10	135.17	136.70	138.14
October	157.61	**162.33**	160.90	160.08	146.25	152.73	147.66
November	151.04	153.24	**158.18**	157.05	149.35	150.22	141.21
December	140.89	141.91	142.29	139.76	**154.82**	146.90	132.74
Annual	$149.39	**$151.07**	$150.93	$146.63	$138.75	$139.47	$139.36

The following table presents the same data for the suburban Pennsylvania counties for December 2010 and the trailing 12-month period, again with the highest daily metrics highlighted for each county.

PHILADELPHIA AREA COUNTY LODGING MARKETS DAY-OF-THE-WEEK OCCUPANCIES & AVERAGE ROOM RATES DECEMBER 2010 AND TRAILING 12-MONTH PERIODS							
Period/Metric/County	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Month of December							
Occupancy							
Philadelphia Co.	57.5%	**61.6**%	59.2%	52.8%	60.0%	60.0%	45.3%
Bucks Co.	46.7	51.8	**51.9**	43.0	44.7	46.7	34.5
Chester Co.	55.5	**59.7**	**59.6**	45.0	41.4	45.8	37.1
Delaware Co.	55.2	**55.9**	54.6	50.5	54.8	53.6	46.8
Montgomery Co.	53.9	**58.6**	57.8	43.6	42.0	46.6	36.2
Average Rate							
Philadelphia Co.	$131.23	$133.20	$133.47	$130.36	**$140.47**	$134.15	$122.94
Bucks Co.	86.27	**88.80**	87.82	82.83	81.57	81.08	78.31
Chester Co.	106.20	107.78	**109.80**	101.51	88.32	88.10	93.93
Delaware Co.	84.40	85.21	**85.83**	80.93	79.92	80.96	76.96
Montgomery Co.	104.18	104.73	**105.44**	97.04	84.11	82.55	88.85
Trailing 12 Months							
Occupancy							
Philadelphia Co.	69.1%	77.6%	78.4%	71.9%	72.4%	**78.9**%	53.4%
Bucks Co.	59.8	**67.6**	66.9	58.4	59.0	67.1	43.4
Chester Co.	67.5	**77.1**	75.8	59.1	56.5	61.9	42.2
Delaware Co.	60.9	67.6	68.6	63.0	65.9	**69.1**	49.4
Montgomery Co.	64.3	**73.5**	72.1	58.4	57.5	64.0	42.1
Average Rate							
Philadelphia Co.	$138.44	**$141.18**	$141.13	$135.94	$126.21	$127.33	$126.84
Bucks Co.	92.07	**93.71**	92.96	89.70	88.71	91.56	85.77
Chester Co.	111.96	**113.66**	112.92	104.53	94.06	94.95	98.96
Delaware Co.	87.44	**90.70**	90.07	85.58	82.06	83.31	79.18
Montgomery Co.	108.62	**111.41**	110.05	100.92	87.20	88.03	94.08

For comparison purposes, the table below presents the day-of-the-week occupancies and average room rates for the Philadelphia, Baltimore, Boston and Washington CBDs for the month of December 2010 and the trailing 12 months. The highest daily occupancies are highlighted.

DAY-OF-THE-WEEK OCCUPANCIES & AVERAGE ROOM RATES
COMPETITIVE DOWNTOWNS
DECEMBER 2010 AND TRAILING 12-MONTH PERIODS

	Occupancy				Average Room Rates			
	Phila.	Balt.	Boston	Wash.	Phila.	Balt.	Boston	Wash.
December 2010:								
Monday	**55.6%**	39.6%	52.3%	54.8%	$140.89	$122.38	$149.56	**$183.57**
Tuesday	**61.0**	40.5	54.4	60.2	141.91	123.05	149.60	**184.56**
Wednesday	58.0	38.2	**59.4**	59.1	142.29	117.26	155.52	**185.66**
Thursday	50.6	35.1	**53.8**	48.7	139.76	114.19	153.32	**174.07**
Friday	**60.2**	46.4	54.1	44.4	154.82	118.49	**155.66**	143.28
Saturday	**59.3**	47.2	53.8	42.8	**146.90**	115.72	139.30	137.28
Sunday	**43.1**	40.3	41.4	39.8	132.74	122.09	138.67	**165.19**
Trailing 12 Months:								
Monday	69.1	56.5	73.1	**76.2**	149.39	141.66	193.48	**221.20**
Tuesday	78.2	64.1	78.6	**82.7**	151.07	142.97	194.70	**226.12**
Wednesday	78.8	65.3	80.0	**81.9**	150.93	141.68	193.91	**222.05**
Thursday	71.0	59.7	**77.4**	73.5	146.63	138.65	189.48	**203.94**
Friday	72.3	64.0	**75.6**	68.8	138.75	130.82	**180.95**	168.42
Saturday	80.2	71.0	**80.8**	72.5	139.47	131.42	**182.75**	166.09
Sunday	51.7	46.1	**64.4**	63.3	139.36	136.30	183.56	**195.28**
Sat. vs. Weds. variances:								
Month	+1.3 pts	+9.0 pts	-5.6 pts	-16.3 pts	+$4.61	-$1.54	-$16.22	-$48.38
Trailing 12 months	+1.4 pts	+5.7 pts	+0.8 pts	-9.4 pts	-$11.46	-$10.26	-$11.16	-$55.96

MARKET MIX AND SEGMENTS – CENTER CITY

The following tables present market demand and average room rate data by primary demand segment for the Center-City lodging market for December in 2009 and 2010.

ESTIMATED MARKET SEGMENTATIONS
CENTER-CITY LODGING MARKET

	Individual Commercial		Government		Convention & Group: PCVB PCC-Related		Convention & Group: PCVB Non-PCC-Related		Convention & Group: Hotel-Generated		Individual Leisure		Airline Crews	
Month	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010
January	30%	32%	3%	3%	2%	5%	9%	4%	25%	23%	26%	28%	5%	5%
February	37	38	3	3	4	2	2	6	26	21	24	25	4	5
March	30	32	3	3	12	8	6	7	22	22	23	24	4	4
April	28	26	3	3	10	8	12	7	19	27	24	26	4	3
May	27	29	3	3	13	2	7	9	19	26	27	28	4	3
June	26	24	3	3	7	9	8	7	21	23	31	30	4	4
July	24	24	3	3	11	5	12	12	13	16	32	36	5	4
August	26	29	3	3	1	3	7	5	21	22	37	34	5	4
September	24	24	2	3	7	4	6	9	23	22	33	34	5	4
October	24	27	2	3	18	12	10	10	18	15	25	29	3	4
November	27	28	2	3	18	8	7	7	15	22	27	28	4	4
December	35	30	2	3	15	8	2	6	13	16	28	32	5	5
YTD	28%	28%	3%	3%	11%	6%	8%	8%	17%	21%	29%	30%	4%	4%

ESTIMATED MARKET SEGMENT AVERAGE ROOM RATES CENTER-CITY LODGING MARKET												
	Individual Commercial		Government		Convention and Group		Individual Leisure		Airline Crews		Totals	
Month	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010	2009	2010
January	$164	$149	$155	$162	$153	$140	$131	$118	$89	$85	$145	$133
February	158	155	155	160	156	146	121	119	94	85	144	136
March	161	160	155	154	170	155	130	126	98	91	154	145
April	159	160	156	177	172	152	137	133	96	77	155	146
May	185	183	157	172	173	167	140	137	95	77	162	159
June	174	164	155	154	171	156	124	132	89	78	151	148
July	159	149	153	152	152	146	120	124	98	76	140	137
August	150	146	154	154	152	139	115	119	88	72	134	132
September	161	163	162	167	162	159	133	130	99	74	149	148
October	193	175	161	152	193	166	140	134	101	72	176	155
November	175	176	166	153	159	159	135	134	98	78	153	152
December	155	160	166	139	146	151	129	135	81	74	139	144
YTD	$166	$163	$157	$150	$166	$154	$132	$131	$94	$73	$151	$145

The estimates shown for the government, convention and group and airline crew segments were based on data provided by the hotels comprising some 98 percent of the available rooms in Center City. The estimates for commercial and leisure demand were based primarily on the hotel-provided data, but were adjusted by us in recognition of the fact that the hotels are unable to precisely identify and quantify the room-nights contributed by each of these segments due to certain all-encompassing rate categorizations (e.g. AAA, internet, AARP, “best available rate”, etc.). Our adjustments were based on discussions with individual hoteliers and our knowledge of the weekday-weekend market characteristics of the City’s lodging market. The resulting aggregate estimates appear reasonable in our opinion.

Convention and Group Market

The table below presents information on the groups utilizing the PA Convention Center in December 2009 and 2010.

GROUPS UTILIZING THE PENNSYLVANIA CONVENTION CENTER DECEMBER 2009 AND DECEMBER 2010				
			Room-Nights Consumed	
Month/Group	Nights	Attendance	Peak	Total
December 2009:				
Army-Navy Weekend	1	10,000	6,000	10,000
Modern Language Association	3	6,800	4,807	17,985
Sub-total				27,985
Net adjustment for overlaps from November/into January				0
Totals		16,800		27,985
December 2010:				
American Society for Cell Biology	9	9,000	3,000	14,468
Lincoln National Corporation	7	1,200	7,000	1,978
Sub-total				16,446
Net adjustment for overlaps from November/into January				-1,413
Totals		10,200		15,033

It should be noted that “Army-Navy Weekend” is not listed as a PCC event in December 2010. While the Army-Navy Game was held in Philadelphia in December 2010, certain Army-Navy events typically held in the PCC had to relocated to the National Constitution Center as the PCC had been previously booked by the American Society for Cell Biology.

The PCVB provided delegate spending and economic impact data for December 2010. These data, and the annual totals, are presented in the table on the following page, <u>with no adjustments for any overlapping events as was done, if appropriate, with the data in the preceding table</u>.

MONTHLY AND YEAR-TO-DATE DELEGATE SPENDING AND ECONOMIC IMPACTS – 2010

Period	Delegate Spending	Economic Impact	Percent Change from 2009
January	$8,789,166	$16,699,415	198.6%
February	2,942,487	5,590,725	-44.1
March	18,966,825	36,036,968	-21.4
April	24,953,895	47,412,401	19.1
May	4,158,900	7,901,910	-87.3
June	20,376,270	38,714,913	81.4
July	7,509,618	14,268,274	-62.5
August	4,192,200	7,965,180	138.1
September	12,577,860	23,897,934	-35.4
October	11,966,472	22,736,297	-62.2
November	23,917,500	45,443,250	-31.7
December	29,448,000	55,951,200	-9.0
Full Year	$169,799,193	$322,618,467	-27.7%

Concerning the year-end results for the convention and group meeting segment, certain occurrences are worthy of mention. The Pennsylvania Convention Center expansion was originally scheduled for completion in late 2009. Until the late summer (August) of 2007, the PCVB was selling to groups, confirming and contracting PCC space and hotel accommodations on a “definite” basis for 2010. Once the PCVB was notified that the expansion would not be completed in late 2009, it contacted four major groups to move them to other destinations and have them return in future years. These groups represented 69,000 visitors and 126,252 group room-nights lost for 2010 and opened availability for other demand segments to fill the void. The groups were ASIS, IAFC, DDW and DIA and collectively represented $159.4M in lost economic impact for the city in 2010. The average booking cycle for groups this size is 5 to 6 years prior to the event, so there was no way to replace all of these room-nights at the PCC in just 2.5 years. Compounding this was the fact that the PCVB had 216, 482 room-nights in “tentative” business for the Center in 2010 that also had to be informed that the expansion would not be ready on time that the PCVB/PCC would have to work with them for future years when their rotation cycles would allow.

<u>Group leisure</u> room-nights have always been included in the total Convention and Group demand figures reported by the hotels. These room-nights represent groups of 10 rooms or more visiting the City primarily for leisure/social purposes such as reunions, weddings, sporting events and sightseeing (bus tours in particular). Military, religious and fraternal groups are also included in this sub-segment. This demand tends to occur most frequently on weekends and in the summer months. A majority of this SMERF (social, military, educational, religious and fraternal) business is booked/sold by individual hotel sales and catering staffs. Larger SMERF groups are booked by the PCVB into one or multiple hotels.

Our revised market-mix methodology enables us to estimate the levels and trends of group leisure demand. The table on the following page indicates the percentages of total Center-City demand attributable to the group leisure segment in December 2009 and 2010.

ESTIMATED CENTER CITY GROUP LEISURE DEMAND 2009 AND 2010		
	Percent of Total Center-City Demand	
Month	2009	2010
January	9%	9%
February	8	8
March	8	8
April	8	8
May	9	9
June	14	12
July	16	16
August	17	17
September	15	16
October	11	13
November	9	9
December	11	13
YTD	11%	12%

Leisure Market

The table on the following page presents a sampling of special events that helped drive overall visitation and hotel demand levels in the month of December.

SPECIAL EVENTS – DECEMBER 2010		
Event	Location	Dates
Cleopatra: The Search for the Last Queen of Egypt	The Franklin Institute	All Month
An Eakin's Masterpiece Restored: Seeing "The Gross Clinic" Anew	Perelman Building	All Month
Art of the American Soldier	National Constitution Center	All Month
Narcissus in the Studio	PAFA	All Month
Michelangelo Pistoletto	Philadelphia Museum of Art	All Month
Alessi: Ethical and Radical	Perelman Building	All Month
Holiday Shopping and Celebrations	Various	All Month
The President's House	Independence Mall	Opened December 15
New Year's Eve Weekend Celebrations	Various	Dec. 31 – Jan. 2

The table on the following page presents December 2010 and total 2010 attendance data for the Independence Visitor Center and the major attractions in Independence National Historical Park plus The Franklin Institute, the Academy of Natural Sciences, the Philadelphia Zoo, the Please Touch Museum, the Philadelphia Museum of Art, the University of Pennsylvania Museum of Archaeology and Anthropology and the Eastern State Penitentiary.

ATTENDANCE LEVELS PHILADELPHIA VISITOR CENTER & PARTICIPATING ATTRACTIONS DECEMBER AND YEAR-END 2010				
	December 2010		Annual 2010	
Visitor Center/Attraction	Attendance	% Chg.	Attendance	% Chg.
Independence Visitor Center	104,831	-1.3%	2,440,295	-10.2%
Attractions:				
Liberty Bell Center	97,089	-12.2%	2,271,938	-3.1%
Independence Hall	34,159	-4.6	694,552	-3.7
National Constitution Center	21,662	-67.0	804,551	-12.9
Franklin Institute	78,604	14.3	958,330	13.3
Academy of Natural Sciences	8,023	-14.5	155,632	-5.3
Philadelphia Zoo	8,866	-23.8	1,255,604	-4.4
Please Touch Museum	45,600	10.6	568,581	-13.1
Philadelphia Museum of Art	36,609	-9.7	680,544	-8.8
University of Pennsylvania Museum of Archaeology and Anthropology	10,628	-12.1	138,718	-4.0
Eastern State Penitentiary	4,042	27.5	250,458	7.6
Total Attractions	345,282	-13.4%	7,778,908	-3.9%

The table below presents estimates of the numbers of international visitors to the Independence Visitor Center for each quarter of 2007, 2008, 2009 and 2010 based on visitor surveys taken by Econsult Corporation on behalf of the PCVB at the Independence Visitor Center every month. While a majority of these visitors are tourists, some could be in the area on business or attending a convention or group meeting.

ESTIMATED INTERNATIONAL VISITATION INDEPENDENCE VISITOR CENTER					
Period		Estimated International Visitors	Year-Over-Year Percent Change	IVC Attendance	Percent International
2007:	First Quarter	36,997	-4.3%	278,567	13.3%
	Second Quarter	150,000	84.7	702,035	21.4
	Third Quarter	174,768	3.7	867,852	20.1
	Fourth Quarter	74,785	-22.6	456,188	16.4
	Annual	436,550	13.4%	2,304,642	18.9%
2008:	First Quarter	52,429	41.7%	304,792	17.2%
	Second Quarter	143,215	-4.5	853,462	16.8
	Third Quarter	141,827	-18.8	1,005,450	14.1
	Fourth Quarter	102,856	37.5	456,188	20.1
	Annual	440,326	0.9%	2,674,674	16.9%
2009:	First Quarter	76,671	46.2%	321,301	23.9%
	Second Quarter	208,329	45.5	875,098	23.8
	Third Quarter	206,094	45.3	1,001,982	20.6
	Fourth Quarter	118,528	15.2	525,326	22.6
	Annual	609,622	38.4%	2,723,707	22.4%
2010:	First Quarter	63,629	-17.0%	245,306	25.9%
	Second Quarter	215,529	3.5	820,690	35.6
	Third Quarter	217,303	5.4	918,304	23.7
	Fourth Quarter	84,366	-28.8	455,101	18.5
	Annual	532,951	-12.6%	2,439,401	22.6%

It should also be noted that the room-night data shown in the table at the end of this report for AAA room-nights <u>are contributed almost entirely by some Center-City hotels</u> and, thus, should not be construed as representing the results for all of Center City nor the entire five-county area.

The data in the following table, provided by the Pennsylvania Gaming Control Board, summarizes the casino revenue (win) performance for the two racinos and one casino in the Philadelphia area for the month of December 2010 and year-to-date. The format has been changed to incorporate the revenues from table games which were introduced between September 14th and 24th. The SugarHouse Casino was open for 10 days in September. More detailed information on all of the casinos in Pennsylvania can be obtained from the website of the PGCB, www.pgcb.state.pa.us. "Casino win" is the amount remaining in the casino at the end of the day after all winners are paid (amounts wagered less amounts paid-out to winners). Win/Unit/Day is the average daily win divided by the number of slot machines or table games in operation.

PHILADELPHIA-AREA CASINO REVENUES
DECEMBER 2010 AND ANNUAL 2010

Game Type/	Parx		Chester Downs		SugarHouse		Total	
Metric	Month	*YTD*	Month	*YTD*	Month	*YTD*	Month	*YTD*
Slot Machines:								
Win (000)	$28,706	***$398,155***	$20,737	***$296,492***	$9,631	***$37,076***	$59,075	***$731,723***
Units (average)	3,458	***3,386***	2,938	***2,912***	1,598	***1,600***	7,994	***6,736***
W/U/D	$268	***$322***	$228	***$279***	$194	***$232***	$238	***$298***
Table Games:								
Win (000)	$6,776	***$34,447***	$6,049	***$30,020***	$5,632	***$17,118***	$18,457	***$81,585***
Units (average)	105	***70***	123	***107***	42	***41***	270	***196***
W/U/D	$2,082	***$2,937***	$1,586	***$1,679***	$4,326	***$4,214***	$2,205	***$2,423***
Totals/Averages:								
Win (000)	$35,482	***$432,602***	$26,786	***$326,511***	$15,264	***$54,194***	$77,532	***$813,308***
% Change	34.6%	***20.4%***	11.1%	***3.3%***	N.A.	***N.A.***	53.6%	***20.5%***
Units (average)	3,563	***3,456***	3,061	***3,019***	1,640	***1,641***	8,264	***6,932***
W/U/D	$321	***$347***	$282	***$302***	$300	***$330***	$303	***$326***

SPECIAL ANALYSES

Comparative Occupancies and ADRs for the Month of December

The following tables present comparative occupancies and average room rates for December for the Philadelphia area counties and two major sub-markets going back to 2000.

DECEMBER OCCUPANCIES AND AVERAGE RATES
2000 THROUGH 2010

		Individual Counties					Sub-Markets	
	Total 5 Counties	Phila-delphia	Bucks	Chester	Delaware	Mont-gomery	Center City	Airport/ Stadium
Occupancies:								
2000	48.9%	46.4%	51.7%	50.4%	55.3%	50.3%	42.9%	62.0%
2001	46.5	45.7	47.6	49.5	50.4	44.8	44.6	54.2
2002	49.6	50.1	47.4	51.9	54.3	46.6	49.1	58.3
2003	49.2	48.7	51.5	49.6	51.2	48.2	47.3	57.3
2004	55.6	58.7	47.1	56.5	67.0	48.2	57.9	74.9
2005	54.8	58.1	47.7	54.4	61.5	49.4	56.6	66.0
2006	54.2	56.7	50.1	56.6	59.9	47.7	55.2	64.8
2007	49.5	50.1	48.3	49.6	55.3	46.3	49.5	57.7
2008	46.6	50.5	44.3	43.6	49.0	40.3	48.8	57.3
2009	50.1	55.3	46.1	45.2	49.8	44.3	54.2	60.3
2010	52.4	56.7	45.7	49.1	53.1	48.3	55.5	60.8
Average Rates:								
2000	$98.36	$114.08	$71.79	$90.39	$75.70	$92.81	$125.37	$87.13
2001	94.93	108.34	71.83	90.75	72.32	89.24	117.86	78.47
2002	102.64	122.17	72.96	90.30	75.71	89.98	133.64	87.45
2003	95.63	108.13	73.98	90.45	72.65	91.82	116.99	81.17
2004	100.66	116.13	76.77	89.58	71.79	93.52	127.52	79.50
2005	112.97	133.78	82.51	95.45	82.32	101.08	145.73	96.25
2006	118.16	139.53	87.50	103.12	84.63	107.97	152.85	98.76
2007	123.03	144.66	93.09	114.56	90.50	112.29	156.46	104.59
2008	122.37	141.79	90.84	114.77	89.98	111.96	154.18	105.42
2009	109.87	128.21	85.15	100.19	79.72	96.02	139.33	90.81
2010	112.18	132.88	84.20	100.65	82.17	96.48	143.56	97.47

FULL-YEAR OCCUPANCIES AND AVERAGE RATES 2000 THROUGH 2010								
		Individual Counties					Sub-Markets	
	Total 5 Counties	Phila-delphia	Bucks	Chester	Delaware	Mont-gomery	Center City	Airport/ Stadium
Occupancies:								
2000	66.9%	65.2%	66.1%	70.1%	69.7%	68.8%	63.1%	74.7%
2001	62.8	60.8	63.5	66.5	64.7	65.1	59.4	68.6
2002	64.4	65.5	61.2	65.7	65.8	62.2	65.8	69.0
2003	64.8	65.2	64.6	64.9	63.8	64.0	66.0	67.3
2004	68.4	70.6	65.4	68.5	68.3	65.2	70.6	76.1
2005	70.7	73.4	64.6	69.4	74.8	67.3	72.8	79.5
2006	70.3	73.3	64.0	70.9	73.2	66.2	73.2	76.5
2007	69.8	73.5	63.3	70.1	72.5	64.7	73.4	77.8
2008	65.6	70.1	61.5	63.1	65.6	60.0	70.8	71.3
2009	62.4	68.4	57.6	58.2	58.4	56.3	68.8	67.3
2010	66.4	71.7	60.3	62.9	63.5	61.7	71.6	71.9
Average Rates:								
2000	$108.46	$127.60	$76.91	$98.23	$80.99	$100.45	$141.31	$90.89
2001	104.16	119.39	77.97	96.27	78.30	98.62	129.55	87.31
2002	105.13	122.37	77.60	94.08	76.57	95.23	133.31	85.74
2003	101.09	116.06	78.57	92.68	74.40	92.83	125.33	82.63
2004	104.00	120.20	80.80	92.69	75.77	94.82	131.26	84.34
2005	112.53	131.89	85.90	98.32	81.75	101.64	142.84	93.99
2006	121.30	143.08	92.10	105.25	88.47	108.96	155.17	102.74
2007	129.85	153.47	97.01	115.14	94.81	115.72	166.88	109.40
2008	134.06	158.89	99.11	120.32	96.82	117.88	172.71	111.18
2009	118.91	138.87	91.87	107.96	88.17	103.37	151.00	97.88
2010	115.27	134.16	90.94	105.46	85.71	100.94	145.33	95.02

Airport Traffic Levels

The Division of Aviation data for Philadelphia International Airport reported total passenger traffic to be up 5.4 percent in December 2010. For the first 11 months of 2010, traffic was even with that through the first 11 months of 2009.

* * * * * *

As always, the Snapshot is a work in progress…your comments and suggestions are therefore requested and appreciated. Specific questions relating to the Snapshot should be directed to the following sponsor representatives:

GPTMC	PCVB	GPHA
Mr. Ethan Conner-Ross 215-599-0776	Ms. Danielle Cohn 215-636-3320	Mr. Ed Grose 215-557-1900

To all those who are contributing data to this effort…thank you!

Peter R. Tyson, Vice President
PKF Consulting

January 31, 2011

PHILADELPHIA AREA
MONTHLY HOSPITALITY INDUSTRY "SNAPSHOT" REPORT
December 2010

Metric	Data for the Month: Number	Data for the Month: % Change vs. Same Month 2009	Year-to-Date 2010: Number	Year-to-Date 2010: % Change vs. 2009
5-County Hotel Supply	1,042,220	1.3%	12,208,925	1.5%
5-County Hotel Demand	545,632	5.8%	8,103,563	8.1%
5-County Hotel Occupancy	52.4%	4.4%	66.4%	6.4%
5-County Hotel Revenues	$61,207,955	8.0%	$934,077,150	4.8%
5-County Hotel ADR	$112.18	2.1%	$115.27	-3.1%
5-County Hotel Weekday Occupancy (M-Th)	55.0%	5.4%	70.0%	7.3%
5-County Hotel Friday Occupancy	51.7%	7.0%	65.2%	3.8%
5-County Hotel Saturday Occupancy	53.3%	-6.7%	71.4%	2.1%
5-County Hotel Sunday Occupancy	41.2%	7.9%	48.1%	6.1%
Center-City Hotel Supply	345,805	1.7%	4,047,335	2.7%
Center-City Hotel Demand	191,829	4.0%	2,898,117	6.9%
Center-City Hotel Occupancy	55.5%	2.3%	71.6%	4.1%
Center-City Hotel Revenues	$27,539,019	7.2%	$421,181,512	2.9%
Center-City Hotel ADR	$143.56	3.0%	$145.33	-3.8%
Center-City Hotel Weekday Occupancy (M-Th)	56.3%	4.3%	74.3%	6.4%
Center-City Hotel Friday Occupancy	60.2%	8.3%	72.3%	2.0%
Center-City Hotel Saturday Occupancy	59.3%	-13.2%	80.2%	-1.2%
Center-City Hotel Sunday Occupancy	43.1%	8.6%	51.7%	1.4%
visitphilly.com Visits	265,213	0.0%	3,256,993	-0.4%
visitphilly.com Page Views	1,104,179	-8.8%	15,838,663	-9.0%
PCC Total Attendance	22,974	14.7%	375,088	-0.3%
Center-City Hotel Convention & Group Meeting Room-Nights (R-Ns) Consumed - Total Consisting of:	58,047	4.6%	1,018,116	1.2%
PCVB Convention Center-Related R-Ns	15,033	-46.3%	179,142	-36.9%
PCVB Non-Convention Center-Related R-Ns	12,031	236.7%	222,519	8.7%
Hotel-Generated Room-Nights	30,983	29.4%	616,455	19.1%
PhiladelphiaUSA.travel User Sessions	20,957	-22.2%	356,285	-33.9%
PhiladelphiaUSA.travel Page Views	55,455	-27.9%	1,099,916	-37.8%
AAA Room-Nights	-	-100.0%	89,610	-0.4%
Total Attraction Attendance	345,282	-13.4%	7,778,908	-3.9%
Airport Passengers (November)	2,490,760	5.4%	28,377,456	0.0%

Sources: Smith Travel Research; GPTMC; PCVB; PCC; Participating Attractions; Center-City Hotels; Division of Aviation.
Data compiled and presented by PKF Consulting.; 215-563-5300 x33; Peter R. Tyson, Vice President.

GLOSSARY OF TERMS	
Term	Definition
ADR	Average daily room rate achieved by a hotel or group of hotels
Airline Crews	Airline crews staying overnight in the area
Airport Passengers	Total passenger movements through the Philadelphia International Airport, both scheduled and unscheduled
Center City	Hotels located in the CBD, Old City, Society Hill and University City
Commercial Travelers	Individuals or groups occupying less than 10 rooms visiting the area primarily to conduct business
Consumed	Occupied
Conventions & Group Meetings	Groups of 10 or more attending conventions, group meetings, events and gatherings whether utilizing the Convention Center or not
Convention Center Total Attendance	Attendance reported at conventions, meetings and trade shows held at the Pennsylvania Convention Center
Delegate Spending	Total expenditures by convention and group meeting delegates on lodging, food and beverage, retail outlets, recreational and sporting events, tours and sightseeing and auto rentals utilizing the industry formula of the IACVB for large markets and as reported by the PCVB
Economic Impact	The measurement of the impact of delegate spending on the area economy, applying a 1.9 factor to delegate spending as provided by the Pennsylvania Economy League
Five-County Area	Philadelphia, Bucks, Chester, Delaware and Montgomery Counties
Government Travelers	Those commercial travelers paying government per-diem rates
Hotel-Generated (Group) Room-Nights Consumed	Convention & group meeting occupied/consumed room-nights sold by the sales staffs of the area's hotels
Leisure Travelers	Individuals visiting the area primarily for pleasure, including those attending social and family events
Motor Coach Groups/Room-Nights Consumed	Groups of, and room-nights occupied/consumed by, visitors arriving by motor coach
Occupancy	Rooms occupied/consumed divided by rooms available
Page Views	Number of separate website pages viewed/visited
PCVB Convention Center-Related	Room-nights occupied/consumed by groups booked by the PCVB and utilizing the Convention Center
PCVB Non-Convention Center-Related	Room-nights occupied/consumed by groups booked by the PCVB but not utilizing the Convention Center
User Sessions	Number of visits to the website
Weekday	Monday through Thursday nights