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***Philadelphia Area
 Hospitality Industry “Snapshot” #61
 December 2009***

Welcome to the monthly “snapshot” report for the Philadelphia-area hospitality industry sponsored by the Greater Philadelphia Tourism Marketing Corporation (“the GPTMC”) (**new website address:** 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 relates to the hotel results for various jurisdictions in the Philadelphia area for the month of December 2009 with comparisons to the data for December 2008.

GEOGRAPHIC AREA OCCUPANCY, ADR & RevPAR DECEMBER 2009								
Area	% Change vs. December 2008		Occupancy		Average Room Rate		RevPAR	
	Supply	Demand	Percent	% Chg.	Amount	% Chg.	Amount	% Chg.
5-County Totals	1.4%	9.5%	50.6%	8.0%	\$109.71	-10.2%	\$55.52	-3.1%
Philadelphia Co.	1.5%	10.8%	55.3%	9.1%	\$128.70	-9.1%	\$71.16	-0.8%
Bucks Co.	2.3%	9.2%	47.1%	6.8%	\$84.57	-6.5%	\$39.83	-0.1%
Chester Co.	3.2%	7.0%	45.4%	3.6%	\$100.11	-12.8%	\$45.41	-9.6%
Delaware Co.	0.0%	5.5%	52.6%	5.5%	\$78.66	-12.5%	\$41.37	-7.6%
Montgomery Co.	0.5%	9.7%	44.5%	9.2%	\$95.94	-14.6%	\$42.68	-6.8%
Sub-markets:								
Center City	2.1%	13.5%	54.3%	11.2%	\$139.78	-9.2%	\$75.90	0.9%
Airport/Stadium	0.0%	8.0%	61.9%	8.0%	\$90.61	-14.0%	\$56.05	-7.2%

The table on the following page presents similar data for the full year 2009 versus the full year 2008.

GEOGRAPHIC AREA OCCUPANCY, ADR & RevPAR FULL YEAR 2009								
Area	% Change vs. Same Period 2008		Occupancy		Average Room Rate		RevPAR	
	Supply	Demand	Percent	% Chg.	Amount	% Chg.	Amount	% Chg.
5-County Totals	<u>2.0%</u>	<u>-2.8%</u>	<u>62.7%</u>	<u>-4.7%</u>	<u>\$118.52</u>	<u>-11.3%</u>	<u>\$74.36</u>	<u>-15.5%</u>
Philadelphia Co.	1.8%	-0.7%	68.5%	-2.4%	\$138.54	-12.4%	\$94.97	-14.4%
Bucks Co.	3.4%	-2.8%	57.8%	-5.9%	\$91.69	-7.4%	\$53.03	-12.9%
Chester Co.	2.7%	-5.0%	58.6%	-7.5%	\$107.74	-10.5%	\$63.15	-17.1%
Delaware Co.	4.2%	-5.5%	60.3%	-9.2%	\$87.53	-9.4%	\$52.79	-17.8%
Montgomery Co.	0.7%	-5.5%	56.5%	-6.2%	\$103.23	-12.5%	\$58.36	-17.9%
Sub-markets:								
Center City	1.6%	-1.2%	68.9%	-2.8%	\$150.60	-12.3%	\$103.79	-14.7%
Airport/Stadium	3.2%	-0.7%	68.6%	-3.8%	\$97.40	-12.4%	\$66.84	-15.7%

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 2009 with the results for December 2008. (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, by PKF Consulting.

COMPARATIVE RESULTS SELECTED COMPETITIVE MSAs and DOWNTOWNS DECEMBER 2009								
Area	December 2009				Full Year 2009			
	Occupancy		Average Room Rate		Occupancy		Average Room Rate	
	Percent	% Chg.	Amount	% Chg.	Percent	% Chg.	Amount	% Chg.
Metro Areas:								
Philadelphia	49.8%	4.6%	\$102.61	-8.4%	61.7%	-5.5%	\$110.62	-9.9%
Baltimore	42.6	0.6	90.44	-10.6	58.8	-3.8	106.23	-9.1
Boston	46.1	-0.6	116.27	-6.3	62.2	-6.3	137.49	-10.5
New York	79.6	4.4	262.12	-11.3	77.2	-5.7	215.14	-21.8
Washington	46.8	0.5	123.91	-8.7	64.9	-3.2	144.93	-5.4
“Downtowns”:								
Philadelphia	54.3%	11.2%	\$139.78	-9.2%	68.9%	-2.8%	\$150.60	-12.3%
Baltimore	35.9	-1.6	114.44	-10.1	56.6	-6.2	138.92	-10.7
Boston	51.7	3.3	147.29	-5.6	70.8	-4.2	180.09	-12.1
New York (Manhattan)	85.8	4.8	302.99	-11.9	81.6	-4.8	240.50	-22.1
Washington	49.7	-1.3	166.05	-5.1	73.0	-1.1	198.36	-4.8

The “downtown” areas referred to above had the following available room inventories in December 2009: Philadelphia – 10,971 rooms; Baltimore – 9,517 rooms; Boston – 18,184 rooms; New York City (Manhattan – year-end 2008) – 66,526 rooms; and, Washington – 27,359 rooms.

The following tables summarize these Smith Travel Research data: day-of-the-week occupancy and average room rate for Center-City and the PA counties for December 2009 and the trailing 12 months (the highest monthly and annual metrics are highlighted).

CENTER-CITY PHILADELPHIA LODGING MARKET DAY-OF-THE-WEEK OCCUPANCIES & AVERAGE ROOM RATES - 2009							
Metric/Period	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Occupancy							
January	50.3%	62.1%	58.7%	48.2%	45.2%	49.6%	31.3%
February	52.7	61.2	62.6	54.9	59.9	74.7	36.7
March	68.8	76.0	68.7	64.4	66.3	81.2	50.7
April	68.4	75.9	83.7	83.0	86.3	84.5	49.2
May	67.0	75.4	74.2	67.1	77.6	90.3	65.7
June	78.6	82.6	85.8	76.2	75.7	87.5	57.8
July	70.3	79.2	74.5	71.2	78.1	87.5	51.7
August	67.6	77.4	75.6	65.3	63.5	78.9	49.4
September	64.9	78.1	83.8	75.7	73.3	87.2	54.7
October	77.9	85.9	82.9	79.7	86.2	94.6	67.4
November	66.3	69.0	70.1	73.9	82.8	89.3	57.4
December	51.6	56.3	51.4	56.8	55.6	68.3	39.7
Average Rate							
January	\$154.54	\$158.20	\$156.40	\$148.40	\$130.29	\$128.90	\$138.35
February	151.72	155.46	154.72	147.02	130.45	130.97	135.50
March	165.37	164.05	156.24	151.70	138.30	140.46	153.65
April	153.31	157.29	165.69	160.91	153.00	142.32	138.25
May	173.93	168.07	162.82	152.15	152.44	160.34	167.08
June	158.00	156.87	158.57	151.52	139.35	140.68	145.57
July	148.96	150.31	145.97	139.30	130.27	130.02	134.15
August	142.78	143.29	140.43	134.06	119.32	125.51	129.52
September	155.22	157.78	158.99	153.83	137.36	137.32	139.13
October	183.05	180.37	173.52	169.85	171.48	174.06	178.71
November	162.54	155.72	150.55	150.23	145.03	154.42	158.83
December	135.44	139.17	142.89	149.82	141.16	137.25	125.90

PHILADELPHIA AREA COUNTY LODGING MARKETS DAY-OF-THE-WEEK OCCUPANCIES & AVERAGE ROOM RATES DECEMBER 2009 AND TRAILING 12-MONTH PERIODS							
Period/Metric/County	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Month of December							
Occupancy							
Philadelphia Co.	53.0%	56.9%	52.7%	56.8%	56.3%	68.5%	42.8%
Bucks Co.	47.8	53.2	50.0	50.6	42.0	48.2	34.7
Chester Co.	48.7	56.8	53.5	45.3	37.4	40.3	30.7
Delaware Co.	51.3	53.4	51.2	51.2	51.8	62.8	46.9
Montgomery Co.	46.7	53.8	49.9	43.6	39.1	44.2	30.5
Average Rate							
Philadelphia Co.	\$125.10	\$130.05	\$132.39	\$136.95	\$127.99	\$126.65	\$115.72
Bucks Co.	85.89	87.85	87.89	86.80	79.35	80.31	78.62
Chester Co.	105.08	109.60	109.30	100.15	83.91	83.78	91.30
Delaware Co.	78.06	81.92	81.39	79.87	75.28	78.83	72.77
Montgomery Co.	101.28	105.97	105.64	97.77	80.30	78.95	87.28
Trailing 12 Months							
Occupancy							
Philadelphia Co.	65.2%	72.7%	72.6%	68.0%	70.4%	78.9%	52.2%
Bucks Co.	58.0	65.1	64.1	55.2	56.9	64.9	40.8
Chester Co.	62.6	72.3	70.8	54.6	53.9	58.0	38.2
Delaware Co.	56.7	63.7	63.2	59.4	64.4	67.6	47.3
Montgomery Co.	57.5	66.5	65.4	53.6	54.5	60.9	37.4
Average Rate							
Philadelphia Co.	\$145.41	\$145.88	\$144.56	\$139.70	\$129.27	\$130.80	\$134.06
Bucks Co.	93.02	94.56	94.12	90.29	89.30	91.92	86.26
Chester Co.	114.89	117.57	116.48	106.03	95.04	95.60	99.99
Delaware Co.	90.09	92.39	92.35	86.80	84.02	85.17	80.59
Montgomery Co.	111.95	114.94	113.75	103.24	88.56	88.65	95.64

For comparison purposes, the table on the following page presents the day-of-the-week occupancies and average room rates for the Philadelphia, Baltimore, Boston and Washington CBDs for the month of December 2009 and the trailing 12 months. The highest daily occupancies are highlighted.

DAY-OF-THE-WEEK OCCUPANCIES & AVERAGE ROOM RATES COMPETITIVE DOWNTOWNS DECEMBER 2009 AND TRAILING 12 MONTH PERIODS								
Period	Occupancy				Average Room Rates			
	Phila.	Baltimore	Boston	Wash.	Phila.	Balt.	Boston	Wash.
December 2009:								
Monday	51.6%	32.4%	48.0%	54.2%	\$135.44	\$116.17	\$144.66	\$172.10
Tuesday	56.3	35.9	54.4	59.3	139.17	120.31	151.51	183.47
Wednesday	51.4	35.6	54.3	53.9	142.89	119.52	153.27	185.44
Thursday	56.8	42.2	59.7	51.0	149.82	121.52	160.47	169.18
Friday	55.6	35.5	46.8	38.8	141.16	102.20	137.83	137.64
Saturday	68.3	40.5	54.9	44.2	137.25	106.12	135.40	131.49
Sunday	39.7	27.3	40.8	42.8	125.90	109.05	136.11	154.44
Trailing 12 Months:								
Monday	65.7	53.2	68.3	76.0	158.06	143.54	186.16	220.03
Tuesday	73.1	58.7	73.3	82.1	157.02	145.39	187.53	226.02
Wednesday	72.6	59.8	73.7	79.9	155.47	144.20	185.93	216.77
Thursday	67.9	55.8	72.2	72.4	151.11	139.54	181.20	195.87
Friday	70.9	60.6	71.3	67.3	142.20	133.28	172.11	160.41
Saturday	80.9	67.5	76.9	71.3	143.12	132.12	172.26	163.10
Sunday	51.3	40.8	60.0	62.0	147.73	134.52	175.07	196.12
Sat. vs. Weds. variances:								
Month	+16.9 pts	+4.9 pts	+0.6 pts	-9.7 pts	-\$5.64	-\$13.40	-\$17.87	-\$53.95
Trailing 12 months	+8.3 pts	+7.7 pts	+3.2 pts	-8.6 pts	-\$12.35	-\$12.08	-\$13.67	-\$53.67

MARKET MIX AND SEGMENTS – CENTER CITY

The following table presents market demand data by segment relating to the primary demand segments for the Center-City lodging market through December of 2008 and 2009.

ESTIMATED MARKET SEGMENTATIONS CENTER-CITY LODGING MARKET														
Month	Individual Commercial		Government		Convention & Group						Individual Leisure		Airline Crews	
					PCVB PCC-Related		PCVB Non-PCC-Related		Hotel-Generated					
	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009
January	30%	30%	4%	3%	17%	2%	5%	9%	19%	26%	21%	26%	4%	5%
February	37%	35%	3%	3%	4%	4%	4%	2%	25%	27%	23%	26%	4%	4%
March	30%	29%	3%	3%	11%	17%	13%	19%	16%	5%	24%	23%	3%	4%
April	29%	30%	3%	3%	7%	13%	8%	12%	26%	16%	24%	23%	3%	4%
May	28%	27%	2%	3%	14%	16%	8%	7%	16%	16%	28%	27%	4%	4%
June	25%	27%	3%	3%	11%	11%	11%	8%	17%	16%	28%	30%	4%	4%
July	23%	23%	3%	3%	11%	7%	9%	12%	18%	17%	32%	34%	4%	4%
August	25%	27%	3%	3%	10%	1%	7%	6%	17%	21%	34%	36%	4%	5%
September	23%	24%	3%	2%	7%	8%	10%	6%	24%	22%	30%	33%	4%	5%
October	23%	22%	2%	2%	14%	18%	12%	10%	19%	18%	27%	27%	3%	3%
November	25%	27%	2%	2%	24%	16%	8%	7%	12%	17%	26%	27%	3%	4%
December	<u>37%</u>	<u>35%</u>	<u>3%</u>	<u>2%</u>	<u>7%</u>	<u>15%</u>	<u>6%</u>	<u>2%</u>	<u>16%</u>	<u>13%</u>	<u>26%</u>	<u>28%</u>	<u>5%</u>	<u>5%</u>
Annual	27%	28%	3%	3%	11%	11%	8%	8%	19%	17%	28%	29%	4%	4%

The data in the table on the following page presents average room rate data by market segment for the same periods.

ESTIMATED MARKET SEGMENT AVERAGE ROOM RATES CENTER-CITY LODGING MARKET												
Month	Individual Commercial		Government		Convention and Group		Individual Leisure		Airline Crews		Totals	
	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009
January	\$189	\$164	\$151	\$155	\$158	\$153	\$147	\$131	\$85	\$89	\$159	\$145
February	\$180	\$158	\$151	\$155	\$162	\$156	\$147	\$121	\$89	\$93	\$159	\$144
March	\$194	\$161	\$153	\$155	\$184	\$170	\$156	\$130	\$91	\$98	\$175	\$154
April	\$199	\$161	\$151	\$156	\$180	\$172	\$161	\$137	\$89	\$96	\$175	\$155
May	\$209	\$185	\$152	\$157	\$188	\$173	\$167	\$137	\$91	\$95	\$183	\$162
June	\$196	\$174	\$153	\$155	\$183	\$171	\$158	\$124	\$91	\$89	\$177	\$151
July	\$191	\$159	\$155	\$153	\$165	\$152	\$145	\$120	\$93	\$98	\$162	\$140
August	\$178	\$150	\$151	\$154	\$171	\$152	\$145	\$115	\$90	\$88	\$160	\$134
September	\$188	\$161	\$151	\$162	\$189	\$162	\$153	\$133	\$91	\$99	\$176	\$149
October	\$201	\$193	\$166	\$161	\$201	\$193	\$170	\$140	\$91	\$101	\$190	\$175
November	\$201	\$175	\$165	\$166	\$195	\$159	\$162	\$135	\$89	\$97	\$185	\$154
December	<u>\$169</u>	<u>\$155</u>	<u>\$157</u>	<u>\$166</u>	<u>\$161</u>	<u>\$146</u>	<u>\$143</u>	<u>\$129</u>	<u>\$90</u>	<u>\$81</u>	<u>\$154</u>	<u>\$140</u>
Annual	\$192	\$166	\$154	\$157	\$180	\$166	\$157	\$132	\$91	\$94	\$172	\$151

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 Demand

The following table presents information on the groups utilizing the PA Convention Center in December 2008 and 2009.

GROUPS UTILIZING THE PENNSYLVANIA CONVENTION CENTER DECEMBER 2008 AND DECEMBER 2009				
Month/Group	Nights	Attendance	Room-Nights Consumed	
			Peak	Total
December 2008:				
Army-Navy Weekend	3	10,000	5,000	10,000
Cheertech	2	35	16	32
Association of the Nonwoven Fabrics Industry	6	1,000	500	1,074
Novo Nordisk Pharmaceuticals	1	<u>1,150</u>	600	<u>624</u>
Sub-totals				11,730
Net adjustment for overlaps from November/into January				<u>0</u>
Totals		<u>12,185</u>		<u>11,730</u>
December 2009:				
Army-Navy Weekend	2	10,000	6,000	10,000
Modern Language	3	<u>6,800</u>	4,807	<u>17,985</u>
Sub-totals				27,985
Net adjustment for overlaps from November/into January				<u>0</u>
Totals		<u>16,800</u>		<u>27,985</u>

Of the group room-nights consumed in December 2009, 35.7 percent occurred on Friday and Saturday nights, while that percentage in December 2008 was 64.0 percent.

The PCVB provided delegate spending and economic impact data for December 2009. These data, and the year-to-date totals, are presented in the following table, with no adjustments for overlapping events as was done with the data in the preceding table.

MONTHLY AND YEAR-TO-DATE DELEGATE SPENDING AND ECONOMIC IMPACTS – 2009			
Period	Delegate Spending	Economic Impact	Percent Change From 2008
January	\$2,943,000	\$5,591,700	-89.0%
February	4,965,525	9,434,498	-13.6
March	30,693,375	58,317,413	52.1
April	20,945,493	39,796,437	73.9
May	32,852,700	62,420,130	24.5
June	11,687,580	22,206,402	-47.0
July	14,589,090	27,719,271	-11.9
August	1,760,328	3,344,623	-91.1
September	22,056,129	41,906,645	26.6
October	31,691,529	60,213,905	25.0
November	35,034,570	66,565,683	-15.7
December	<u>32,344,371</u>	<u>61,454,305</u>	<u>74.4</u>
YTD	<u>\$241,563,690</u>	<u>\$458,971,012</u>	<u>-4.9%</u>

Group leisure 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 following table indicates the percentages of total Center-City demand attributable to the group leisure segment in December 2008 and 2009.

ESTIMATED CENTER CITY GROUP LEISURE DEMAND 2008 AND 2009		
Month	Percent of Total Center-City Demand	
	2008	2009
January	7%	9%
February	9	8
March	8	8
April	8	8
May	9	9
June	13	13
July	16	17
August	16	18
September	15	15
October	12	12
November	9	9
December	<u>12</u>	<u>11</u>
Annual	<u>11%</u>	<u>11%</u>

Leisure Demand

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

SPECIAL EVENTS – DECEMBER 2009		
Event	Location	Dates
Diana: A Celebration	National Constitution Center	All Month
Barkley L. Hendricks: Birth of the Cool	Pennsylvania Academy of the Fine Arts	All Month
Body Worlds 2 & The Brain	The Franklin Institute	All Month
Arshile Gorky: A Retrospective	Philadelphia Museum of Art	All Month
George Washington Carver	The Academy of Natural Sciences	Premiered December 14
New Year's Eve & Fireworks	Penns Landing	December 31
Holiday Events	Longwood Gardens, Comcast Center, Macy's, Christmas Village, "The Nut-cracker"	All Month

The table below presents December 2009 attendance data for the Independence Visitor Center and the major attractions in Independence National Historical Park plus The Franklin, the Academy of Natural Sciences, the Philadelphia Zoo, the Please Touch Museum (which was closed in September 2008 for its move), the Philadelphia Museum of Art, the University of Pennsylvania Museum of Archaeology and Anthropology (a new contributor) and the Eastern State Penitentiary. For the full year 2009, total attraction attendance, excluding the Independence Visitor Center, was up 5.4 percent. (If the Please Touch Museum September 2009 numbers are excluded, as it was closed in September 2008, the adjusted annual increase was 4.9 percent.)

ATTENDANCE LEVELS PHILADELPHIA VISITOR CENTER & PARTICIPATING ATTRACTIONS DECEMBER AND FULL YEAR 2009				
Visitor Center/Attraction	December 2009		Full Year 2009	
	Attendance	% Chg.	Attendance	% Chg.
Independence Visitor Center	<u>106,256</u>	<u>-20.6%</u>	<u>2,718,890</u>	<u>-1.5%</u>
Attractions:				
Liberty Bell Center	110,628	1.1%	2,344,515	3.3%
Independence Hall	35,808	-8.7	720,883	-0.8
National Constitution Center	65,641	78.1	924,213	-0.3
Franklin Institute	68,794	23.0	845,827	-16.7
Academy of Natural Sciences	9,384	-9.5	164,316	-7.2
Philadelphia Zoo	11,637	-36.2	1,309,930	12.3
Please Touch Museum	41,219	-26.1	654,325	139.6
Philadelphia Museum of Art	40,524	-14.5	746,487	-2.7
University of Pennsylvania Museum of Archaeology and Anthropology	12,094	-0.5	144,429	-0.4
Eastern State Penitentiary	<u>3,170</u>	<u>12.6</u>	<u>118,114</u>	<u>21.0</u>
Total Attractions	<u>398,899</u>	<u>2.8%</u>	<u>7,973,039</u>	<u>5.4%</u>

The table on the following page presents estimates of the numbers of international visitors to the Independence Visitor Center for each quarter of 2007 and 2008 and the first three quarters of 2009 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	<u>436,550</u>	<u>13.4%</u>	<u>2,304,642</u>	<u>18.9%</u>
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	<u>440,326</u>	<u>0.9%</u>	<u>2,674,674</u>	<u>16.9%</u>
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

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

The Pennsylvania Gaming Control Board data in the table below summarizes the casino revenue (win) performance for the two racinos in the Philadelphia area since January 2008. Casino “win” is the amount remaining in the slot machine at the end of the day after all winners are paid (amounts wagered less amounts paid-out to winners and promotional plays). Win/Unit/Day is the average daily win divided by the number of slot machines in operation.

PHILADELPHIA-AREA CASINO PERFORMANCE SUMMARY									
Casino (Date)	Philadelphia Park/Parx (12/19/06)			Chester Downs (1/22/07)			Total Philadelphia-Area Venues		
Year/ Month/YTD	Casino Win	Weighted Aver. # of Slots	Average Win/Unit/Day	Casino Win	Weighted Aver. # of Slots	Average Win/Unit/Day	Casino Win	Weighted Aver. # of Slots	Average Win/Unit/Day
2008									
January	\$26,733,129	2,703	\$319	\$27,565,803	2,750	\$323	\$54,298,932	5,453	\$321
February	28,549,086	2,703	364	28,482,341	2,771	354	57,031,427	5,474	359
March	30,772,918	2,703	367	31,595,072	2,771	368	62,367,990	5,474	368
April	28,339,918	2,688	351	28,338,514	2,774	341	56,678,432	5,462	346
May	32,025,085	2,800	369	31,283,316	2,778	363	63,308,401	5,578	366
June	28,088,853	2,912	322	26,859,996	2,853	314	54,948,849	5,765	318
July	31,254,844	2,912	346	27,748,266	2,873	312	59,003,110	5,785	329
August	31,587,160	2,912	350	28,831,905	2,858	325	60,419,065	5,770	338
September	26,879,990	2,911	308	24,491,758	2,873	284	51,371,748	5,784	296
October	27,166,546	2,912	301	24,689,004	2,873	277	51,855,550	5,785	289
November	27,430,503	2,912	314	24,793,248	2,835	292	52,223,751	5,747	303
December	26,674,661	2,912	295	23,764,549	2,755	278	50,439,210	5,667	287
Total	<u>\$345,502,693</u>	<u>2,832</u>	<u>\$333</u>	<u>\$328,443,772</u>	<u>2,814</u>	<u>\$319</u>	<u>\$673,946,465</u>	<u>5,646</u>	<u>\$326</u>
2009									
January	\$28,976,916	2,912	\$321	\$25,942,562	2,847	\$294	\$54,921,478	5,759	\$308
February	30,391,887	2,912	373	27,945,142	2,867	348	58,337,029	5,779	361
March	32,706,513	2,912	362	29,269,145	2,863	330	61,975,658	5,775	346
April	31,122,401	2,912	356	27,639,292	2,868	321	58,761,693	5,780	339
May	32,832,771	2,912	364	29,355,487	2,869	330	62,188,258	5,781	347
June	29,229,526	2,911	335	25,130,946	2,836	295	54,360,472	5,747	315
July	30,797,546	2,912	341	27,274,414	2,889	305	58,071,960	5,801	323
August	30,312,468	2,912	336	25,709,961	2,959	280	56,022,429	5,871	308
September	28,668,432	2,912	328	23,685,223	2,989	264	52,353,655	5,901	296
October	29,556,599	2,912	327	25,265,358	2,999	276	55,181,957	5,911	301
November	28,307,007	2,910	324	24,251,118	3,000	269	52,558,125	5,910	296
December	26,370,179	2,813	302	24,109,718	3,000	259	50,479,897	5,813	280
Total	<u>\$359,274,245</u>	<u>2,903</u>	<u>\$339</u>	<u>\$315,938,366</u>	<u>2,916</u>	<u>\$297</u>	<u>\$675,212,611</u>	<u>5,820</u>	<u>\$318</u>
YTD % Chg.	4.0%			-3.8%			0.2%		

SPECIAL ANALYSES

Comparative Occupancies and ADRs

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

DECEMBER OCCUPANCIES AND AVERAGE RATES 2000 THROUGH 2009								
	Total 5 Counties	Individual Counties					Sub-Markets	
		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	55.7	58.8	47.9	56.5	67.3	48.2	58.1	74.9
2005	54.9	58.0	47.7	54.4	61.3	50.0	56.5	66.0
2006	54.2	56.7	50.0	56.7	59.7	48.0	55.4	64.8
2007	49.4	50.1	48.1	49.6	55.3	46.4	49.4	57.7
2008	46.9	50.7	44.1	43.8	49.8	40.7	48.9	57.3
2009	50.6	55.3	47.1	45.4	52.6	44.5	54.3	61.9
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	100.58	116.14	76.42	89.58	71.64	93.50	127.51	79.50
2005	113.05	133.83	82.78	95.43	82.26	101.43	145.81	96.25
2006	118.10	139.51	87.09	103.09	84.59	107.91	152.79	98.76
2007	122.95	144.61	92.78	114.53	90.43	112.26	156.39	104.59
2008	122.23	141.54	90.42	114.82	89.86	112.33	154.00	105.42
2009	109.71	128.70	84.57	100.11	78.66	95.94	139.78	90.61

In the following table, the highest annual occupancies and ADRs since 1999 are highlighted in green, while the lowest are highlighted in pink.

ANNUAL OCCUPANCIES AND AVERAGE RATES 2000 THROUGH 2009								
	Total 5 Counties	Individual Counties					Sub-Markets	
		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	68.5	70.6	65.5	68.5	68.1	65.4	70.6	76.1
2005	70.8	73.4	64.7	69.4	74.9	67.4	72.9	79.5
2006	70.4	73.3	64.0	71.0	73.3	66.4	73.3	76.5
2007	69.9	73.6	63.5	70.2	72.6	64.8	73.4	77.8
2008	65.9	70.2	61.5	63.3	66.5	60.3	70.9	71.3
2009	62.7	68.5	57.8	58.6	60.3	56.5	68.9	68.6
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	78.67	92.68	74.40	92.83	125.33	82.63
2004	103.96	120.09	80.86	92.70	75.76	94.88	131.14	84.34
2005	112.55	131.93	85.92	98.32	81.75	101.66	142.87	93.99
2006	121.26	143.04	92.07	105.22	88.48	108.95	155.13	102.74
2007	129.75	153.43	96.69	115.11	94.73	115.68	166.79	109.40
2008	133.60	158.07	98.98	120.33	96.60	117.91	171.73	111.18
2009	118.52	138.54	91.69	107.74	87.53	103.23	150.60	97.40

Airport Traffic Levels

The Division of Aviation reported total passenger traffic in December to be down 3.7 percent and also down 3.7 percent for the entire year 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:

<u>GPTMC</u>	<u>PCVB</u>	<u>GPHA</u>
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

February 1, 2010

**PHILADELPHIA AREA
MONTHLY HOSPITALITY INDUSTRY "SNAPSHOT" REPORT
December 2009**

Metric	Data for the Month		Year-to-Date 2009	
	Number	% Change Same Month 2008	Number	% Change 2008
5-County Hotel Supply	1,029,603	1.4%	12,024,846	2.0%
5-County Hotel Demand	520,998	9.5%	7,544,475	-2.8%
5-County Hotel Occupancy	50.6%	8.0%	62.7%	-4.7%
5-County Hotel Revenues	\$57,160,317	-1.7%	\$894,169,904	-13.8%
5-County Hotel ADR	\$109.71	-10.2%	\$118.52	-11.3%
5-County Hotel Weekday Occupancy (M-Th)	52.2%	7.9%	65.2%	-7.0%
5-County Hotel Friday Occupancy	48.3%	2.3%	62.9%	-1.5%
5-County Hotel Saturday Occupancy	57.1%	10.7%	69.9%	0.8%
5-County Hotel Sunday Occupancy	38.2%	15.1%	45.5%	-5.5%
Center-City Hotel Supply	340,101	2.1%	3,941,625	1.6%
Center-City Hotel Demand	184,668	13.5%	2,716,396	-1.2%
Center-City Hotel Occupancy	54.3%	11.2%	68.9%	-2.8%
Center-City Hotel Revenues	\$25,812,473	3.0%	\$409,101,914	-13.4%
Center-City Hotel ADR	\$139.78	-9.2%	\$150.60	-12.3%
Center-City Hotel Weekday Occupancy (M-Th)	54.0%	10.7%	69.8%	-5.1%
Center-City Hotel Friday Occupancy	55.6%	5.3%	70.9%	-0.5%
Center-City Hotel Saturday Occupancy	68.3%	8.8%	80.9%	2.8%
Center-City Hotel Sunday Occupancy	39.7%	17.1%	51.3%	-5.0%
Gophila.com User Sessions	520,500	28.8%	6,422,163	17.8%
Gophila.com Page Views	2,388,795	15.7%	34,333,099	15.3%
PCC Total Attendance	20,310	7.6%	375,209	-11.1%
Center-City Hotel Convention & Group Meeting Room-Nights (R-Ns) Consumed - Total Consisting of:	55,585	17.0%	1,008,216	-5.7%
PCVB Convention Center-Related R-Ns	27,985	138.6%	302,651	-4.4%
PCVB Non-Convention Center-Related R-Ns	3,573	-62.6%	233,706	-0.8%
Hotel-Generated Room-Nights	24,027	-8.3%	471,859	-8.7%
PhiladelphiaUSA.travel User Sessions	26,922	-40.7%	539,071	-23.1%
PhiladelphiaUSA.travel Page Views	76,962	-42.7%	1,768,713	-32.0%
AAA Room-Nights	6,316	42.6%	89,937	23.9%
Group Motor Coach Visitor Room-Nights	872	9.5%	27,892	-15.6%
Motor Coach Groups	20	-9.1%	884	-5.8%
Total Attraction Attendance	398,899	2.8%	7,973,039	5.4%
Airport Passengers	2,295,882	-3.7%	30,669,564	-3.7%

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