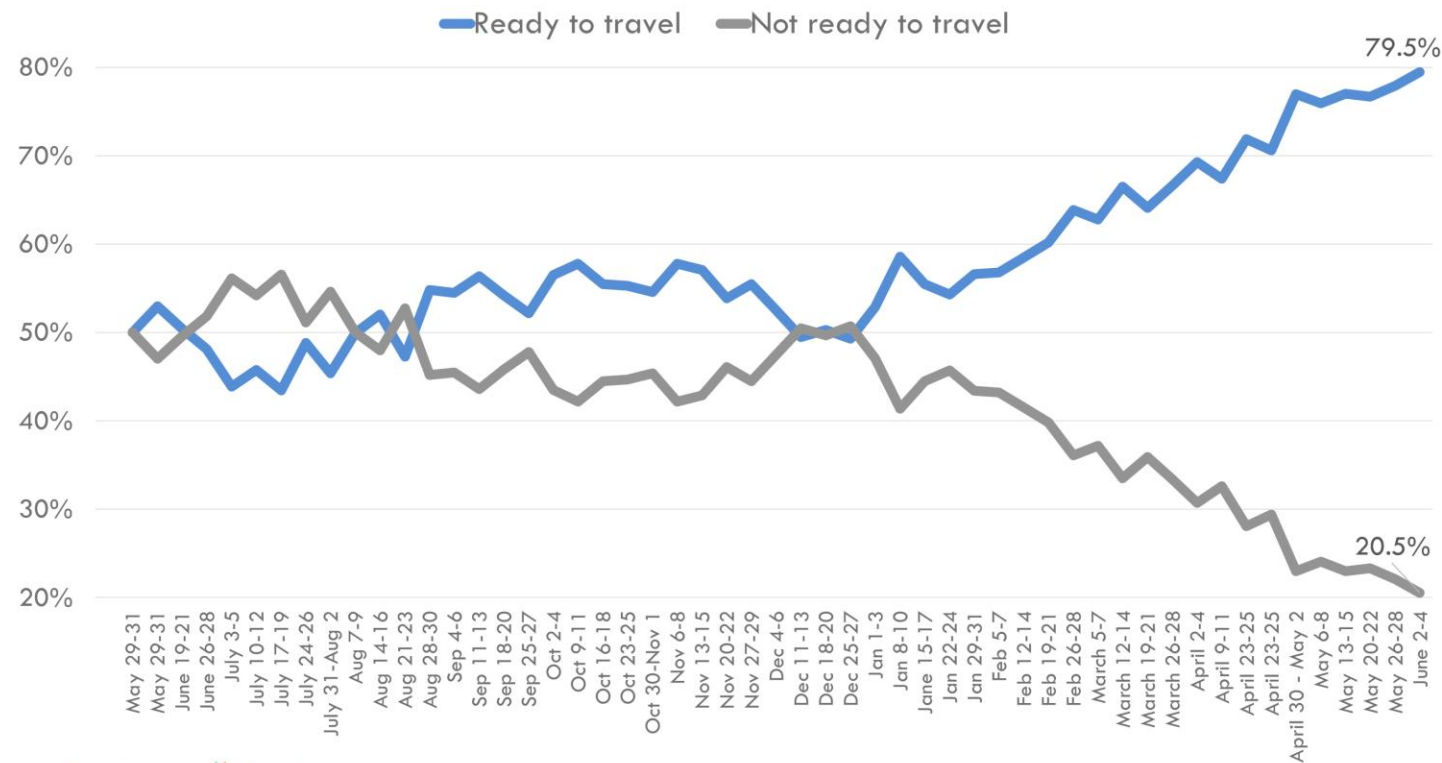


# highlights

SEATTLE & KING COUNTY  
2021 HOTEL SYMPOSIUM  
Tuesday, June 22, 2021

VISIT  
**seattle**

## Travel confidence is steadily rising



Destination Analysts  
DO YOUR RESEARCH

**Question:** When it comes to getting back out and traveling again, which best describes your current state of mind? (Select one)

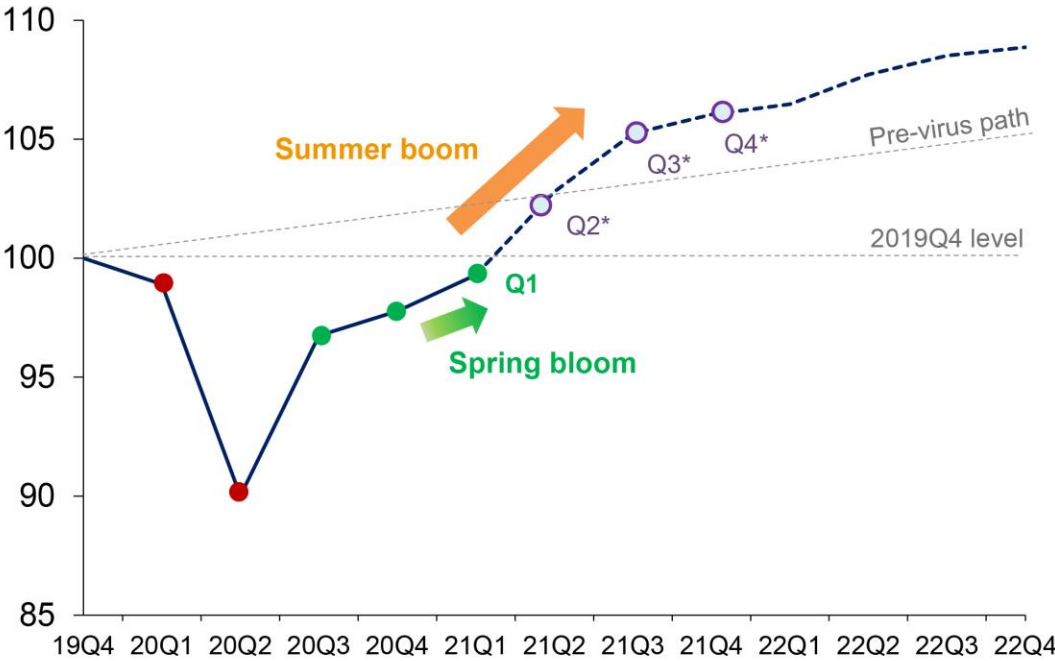




## US economy is set to accelerate

### Spring bloom will turn into a summer boom

GDP Q4 2019 = 100



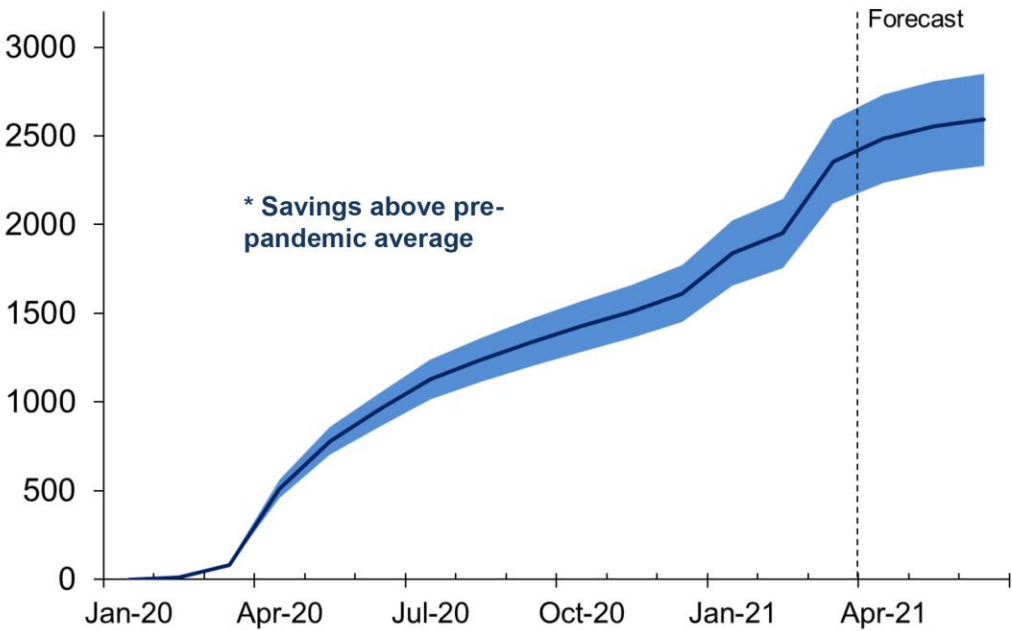
Source: Oxford Economics

**Better health & fiscal stimulus = summer mini-boom**

...and a massive \$2.5 tn cash stash for households

US: Cumulative excess\* household savings

\$, billion, since January 2020

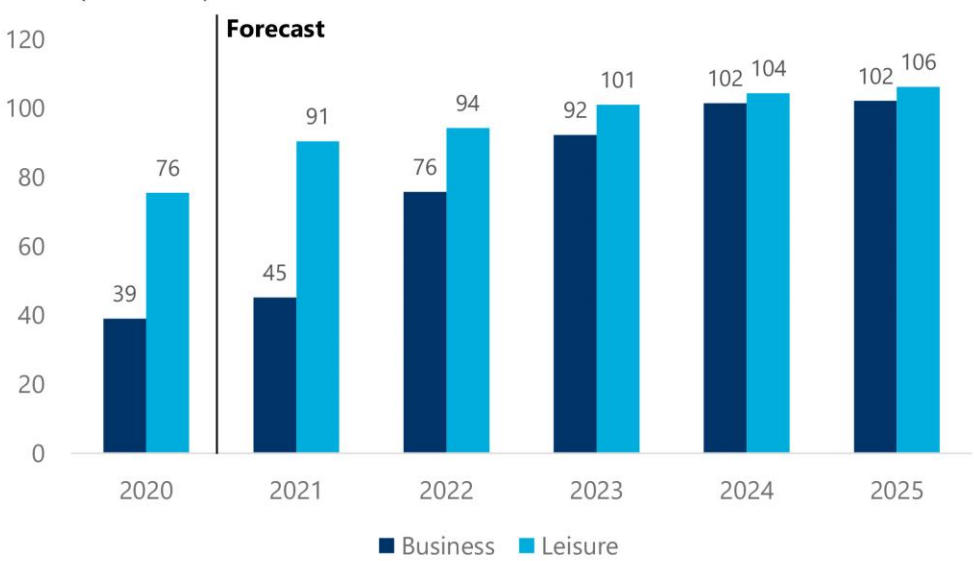


Source: Oxford Economics

## Business travel begins its real comeback next year

### Business and leisure trips

Index (2019=100)

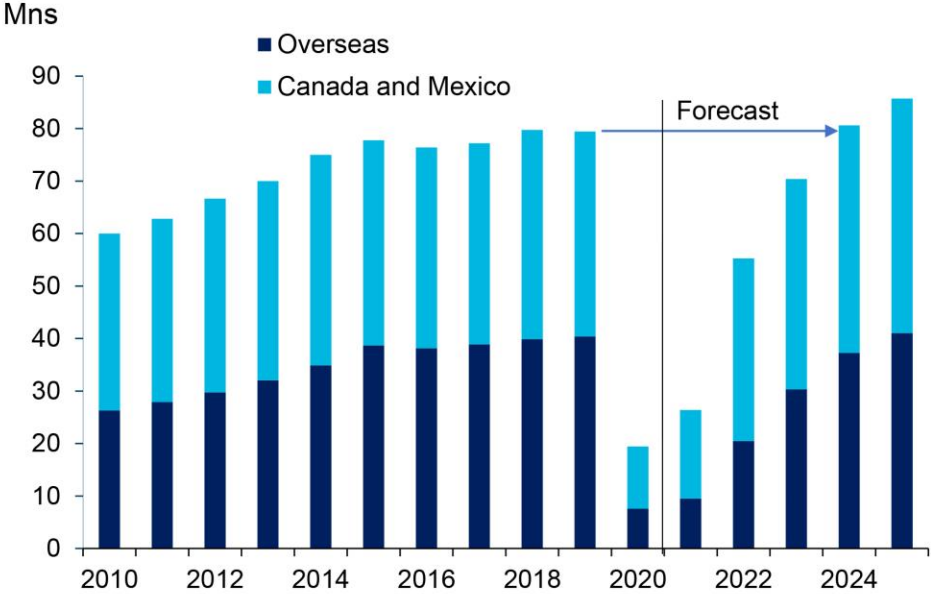


Note: Only domestic trips

Source: U.S. Travel Association, Tourism Economics

## Models indicate full international recovery in 2024

### US inbound arrivals



- Stage 1**  
United Kingdom  
Canada  
Mexico
- Stage 2**  
EU  
S Korea  
Australia
- Stage 3**  
China  
India  
Brazil

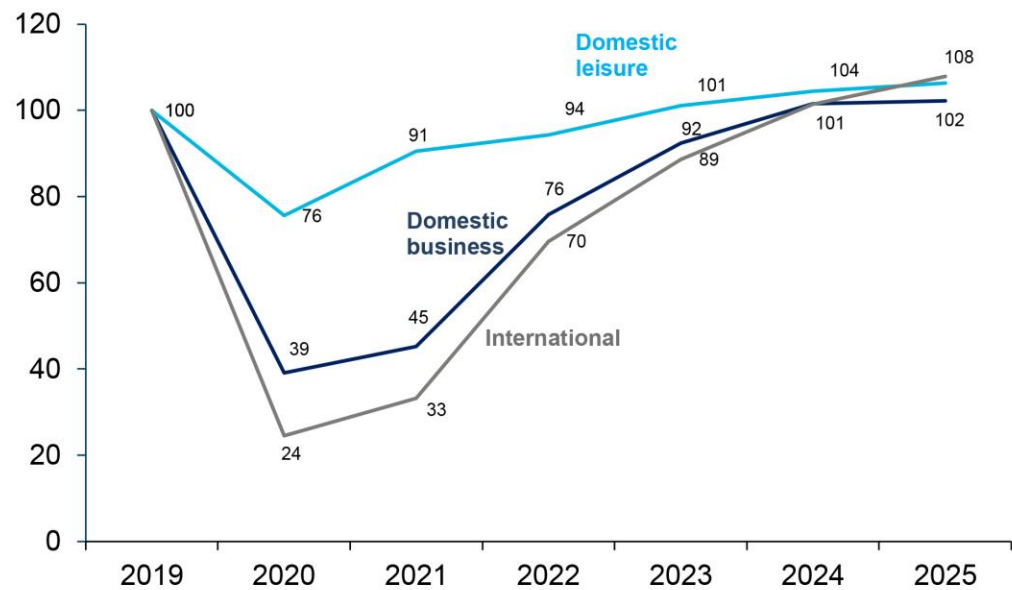
- Three barriers**
- Policy
  - Sentiment
  - Air service

Source: U.S. Travel Association, Tourism Economics

## Recovery schedule in one picture

### US Travel Volume

Index (2019 = 100)



Source: U.S. Travel Association, Tourism Economics



An aerial photograph of Seattle, Washington, showing the city skyline, the waterfront, and the Space Needle. The image is used as a background for a promotional graphic.

VISIT  
seattle

**GOOD NEWS**

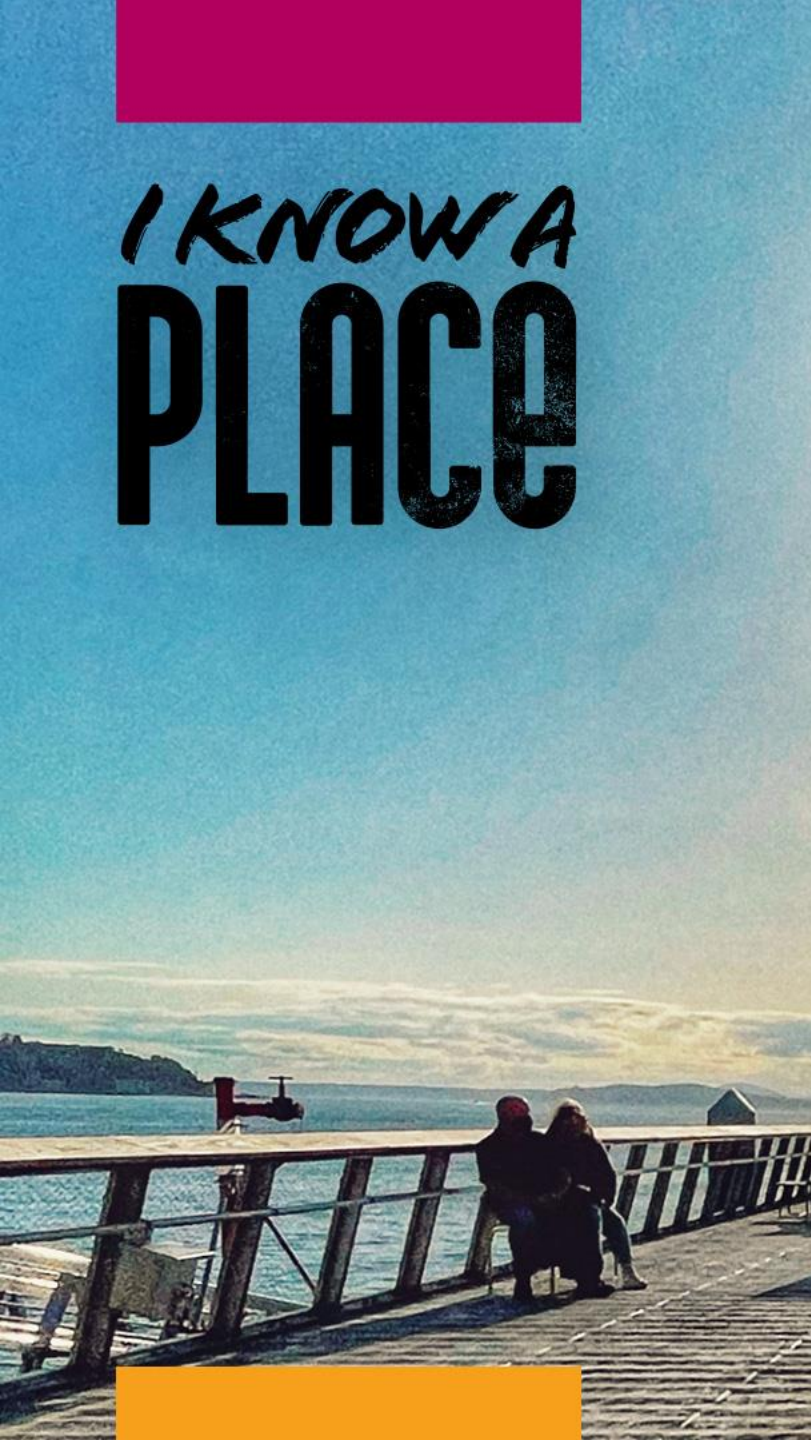




# I KNOW A PLACE

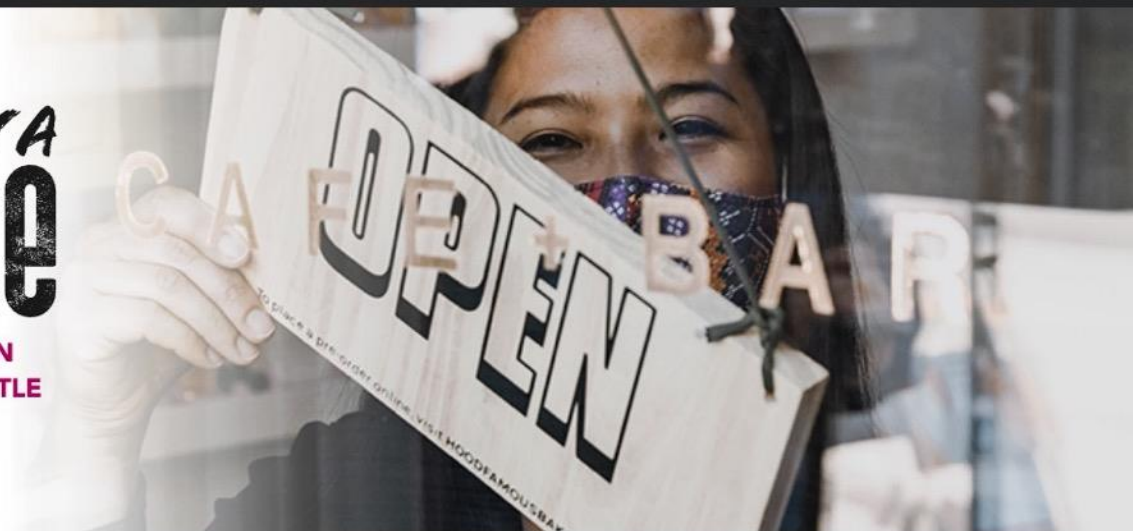
HOW DO YOU





# I KNOW A PLACE

INSIDER'S TIPS ON  
CAN'T MISS SEATTLE



## I KNOW A PLACE WITH SECRET MENUS AND WORLD-FAMOUS VIEWS, OPEN-AIR MARKETS AND ROOFTOP COCKTAILS.

[#IKnowSeattle](#). Welcome to your one-stop guide to getting a real-time look into Seattle today. And while things may look a little different right now, these locals will help you navigate so you can get the most out of Seattle—safely.



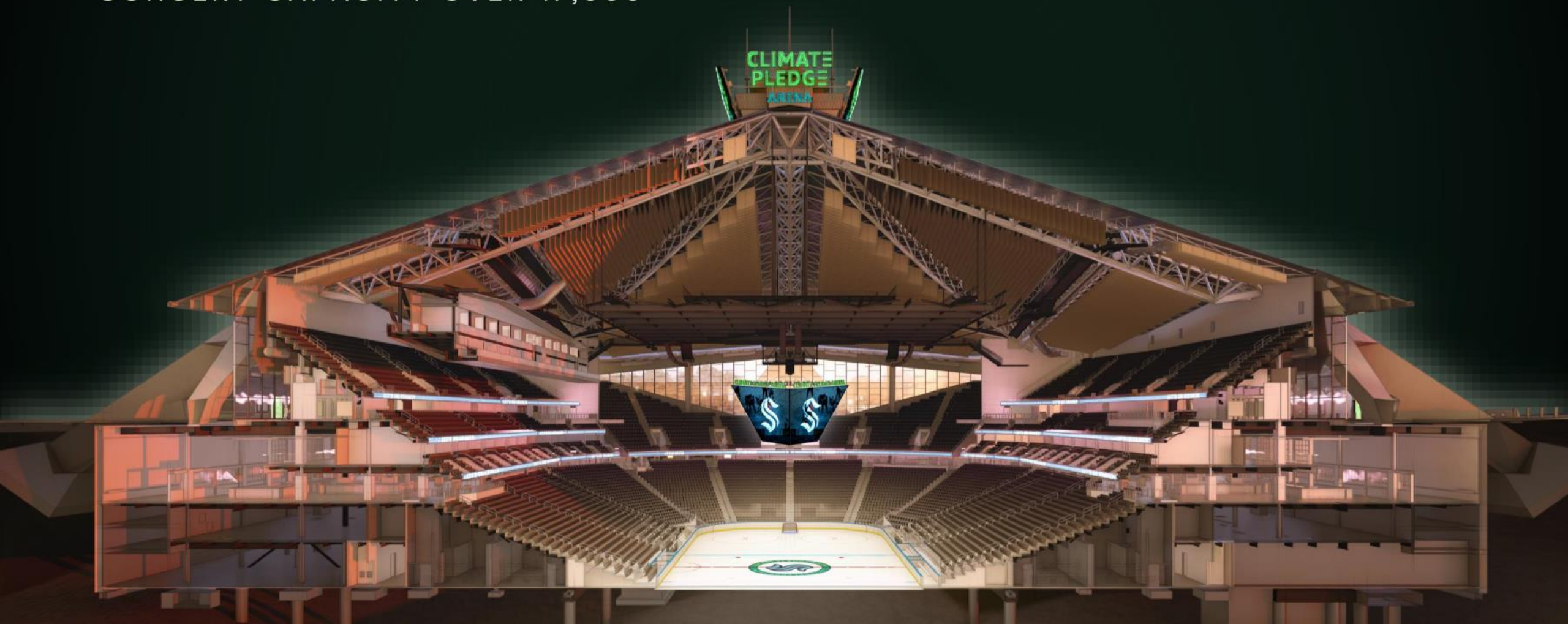


# GROUNDBREAKING TRANSFORMATION

\$1B PROJECT

COMPLETION OCTOBER 2021

CONCERT CAPACITY OVER 17,000





# PROGRAMMING PRIORITIES

## CONCERTS & EVENTS

- Grand Opening Celebration – October 2021 (TBA)
- Targeting **80+** Concerts/Special Events for Fiscal Year 2021/2022
  - Current Announced/On Sale - **11**
- NCAA National Championship Events
  - 2023 DI Women's Basketball Regional
  - 2025 DI Men's Basketball First & Second Rounds
- Additional Targets Include:
  - College Basketball
  - Other Sporting Events
  - Corporate and Private Events
  - Special Developed Arena Events



# 2021 Cruise Season At A Glance

- Season: July 19 – October 23
- Homeport ships: 8
- Total cruise ship calls: 83
- Sailing days: Monday, Tuesday, Thursday, Friday, Saturday and Sunday
  - Thursday is new
  - Ships arrive 6am-7am and depart 4pm-5pm
  - Guests may have pre-assigned check-in time
- Brands continue to deploy newer, larger ships to Seattle + premium brands.
- Guests and crew 100% vaccinated
- Royal Caribbean pursuing CDC simulation cruise to permit children less than 12 yrs
- Port will sponsor Port Valet



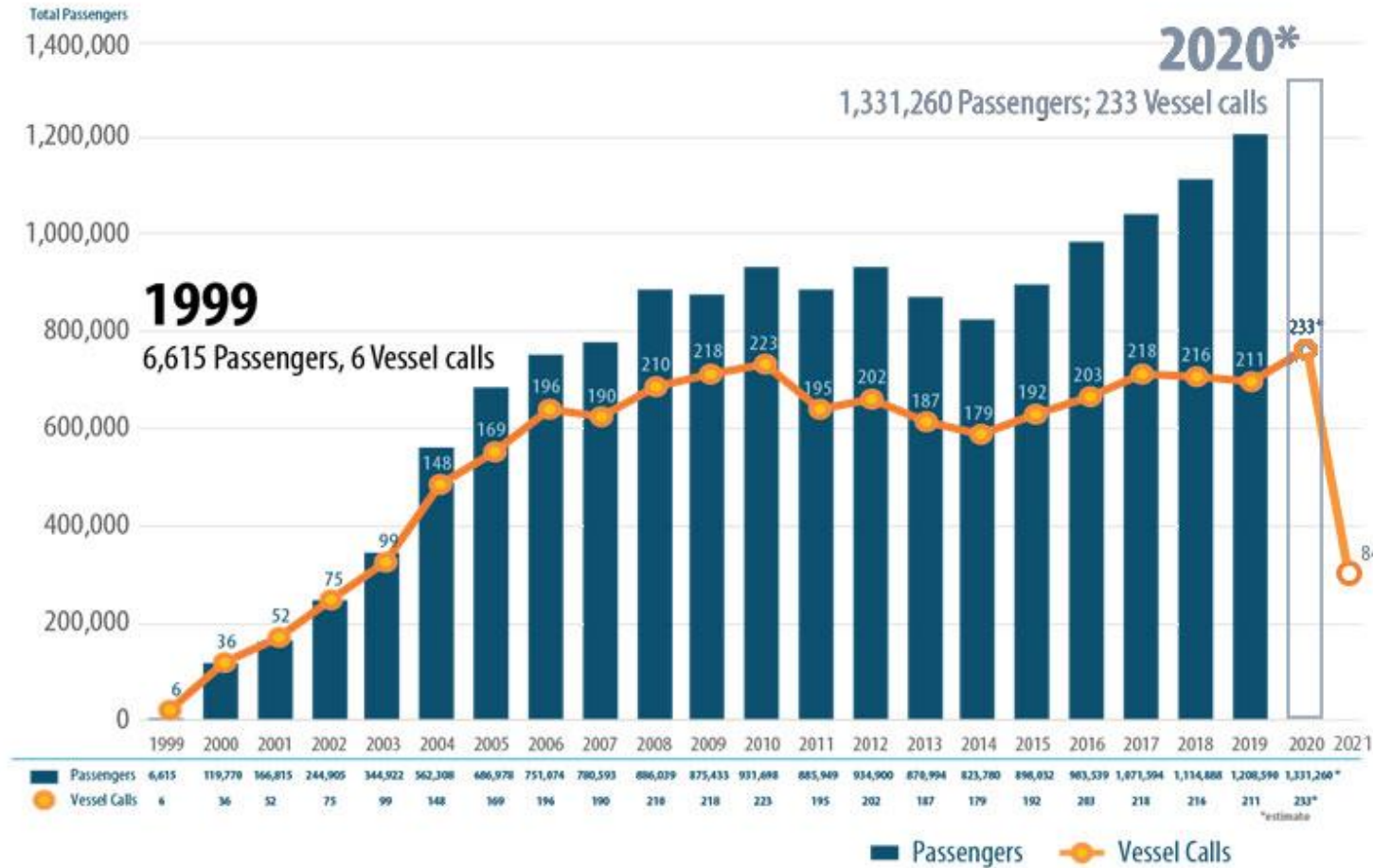
# Seattle- Alaska Demand Remains High

## 2021 Ship Deployment

Brand	Ship	Capacity	Itinerary	Sailing Day
Norwegian	Encore	4,000	7-day Alaska	Saturday
Silver Sea	Silver Muse	596	10 & 11-day Alaska	Sunday & Thursday
Celebrity	Celebrity Millennium	1,950	7-day Alaska	Friday
Royal Caribbean	Serenade of the Seas	2,501	7-day Alaska	Monday
Royal Caribbean	Ovation of the Seas	4,200	7-day Alaska	Friday
Holland America	Nieuw Amsterdam	2,106	7-day Alaska	Saturday
Princess	Majestic Princess	3,560	7-day Alaska	Sunday
Carnival	Carnival Miracle	2,124	7-day Alaska	Tuesday



# Economic Impact Lost in 2020



**\$893.6 M**  
revenue to local businesses




**\$4.2 M**  
in regional economic activity  
per vessel call



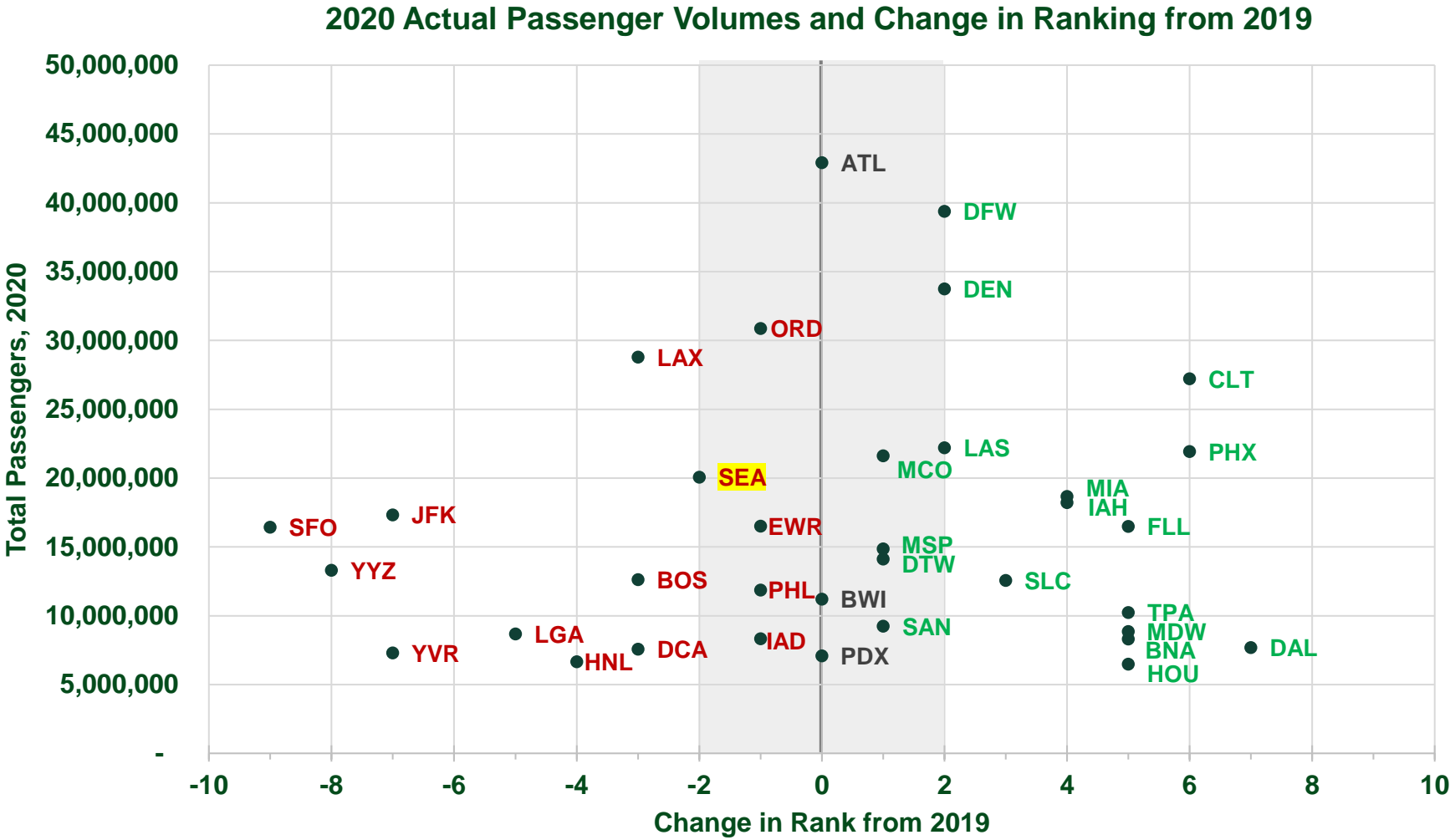
**5,500**  
total jobs related to cruise

# Looking Ahead to 2022

- Expect a robust season and well over 1 million guests
  - Cruise line sales for 2022 Alaska travel are very brisk
  - Seattle could have up to 13 homeport ships
    - Norwegian is selling four ships out of Seattle
    - Royal Caribbean: Quantum of the Seas and Ovation of the Seas
    - Holland America & Princess: each selling two ships
    - Celebrity, Carnival and Oceania each selling one ship
- 

# What airports have seen the greatest impact from the pandemic?

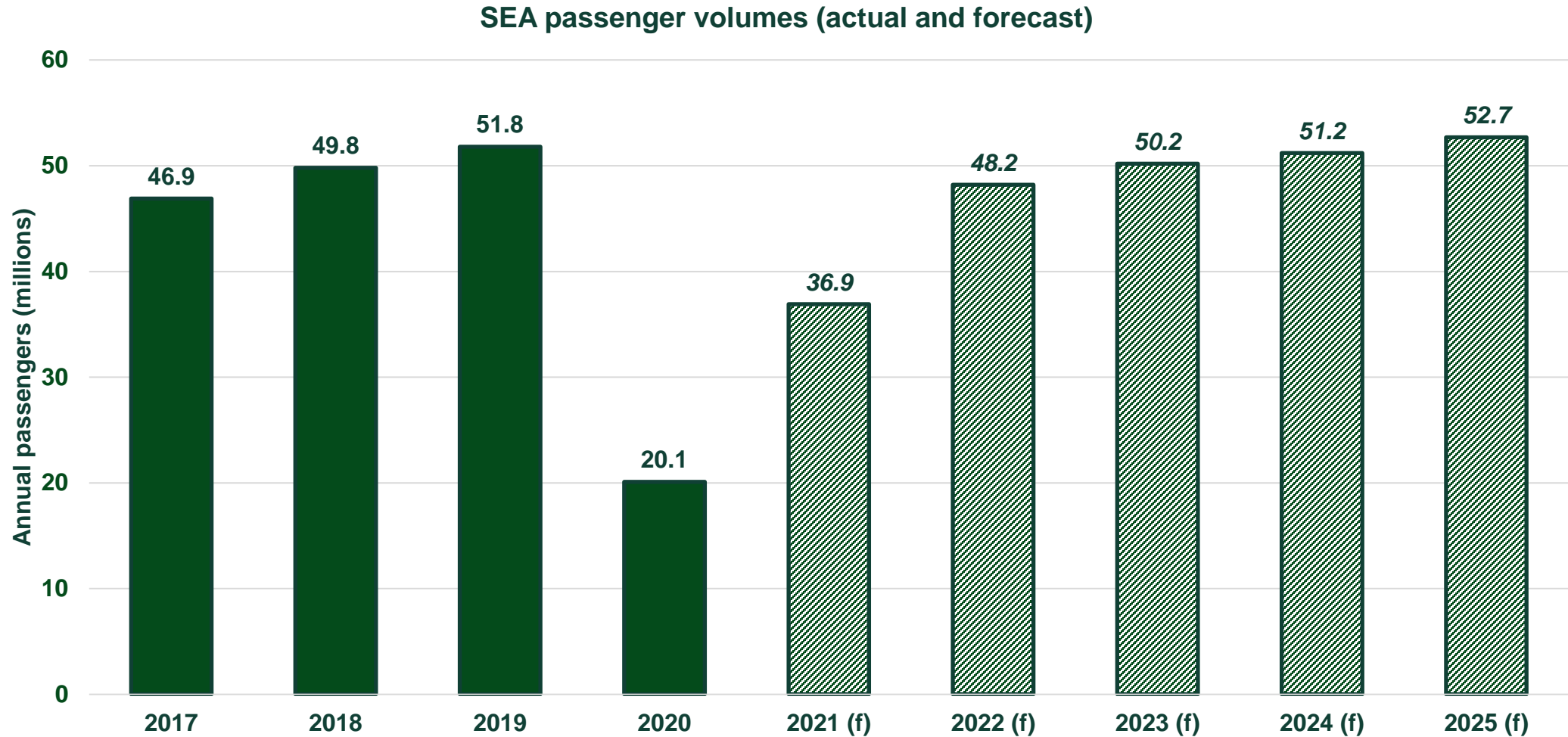
2020 Rank	Airport	Total Pax 2020	% Change	Rank Change
1	ATL	42.9 m	- 61%	—
2	DFW	39.4 m	- 48%	▲2
3	DEN	33.7 m	- 51%	▲2
4	ORD	30.9 m	- 64%	▼1
5	LAX	28.8 m	- 67%	▼3
6	CLT	27.2 m	- 46%	▲6
7	LAS	22.2 m	- 57%	▲2
8	PHX	21.9 m	- 53%	▲6
9	MCO	21.6 m	- 57%	▲1
10	SEA	20.1 m	- 61%	▼2
11	MIA	18.7 m	- 59%	▲4
12	IAH	18.2 m	- 60%	▲4
13	JFK	17.3 m	- 73%	▼7
14	EWR	16.5 m	- 65%	▼1
15	FLL	16.5 m	- 55%	▲5
16	SFO	16.4 m	- 71%	▼9
17	MSP	14.9 m	- 62%	▲1
18	DTW	14.1 m	- 62%	▲1
19	YYZ	13.3 m	- 74%	▼8
20	BOS	12.6 m	- 70%	▼3
32	YVR	7.3 m	- 72%	▼7
33	PDX	7.1 m	- 64%	—



Source: Passenger numbers reported by individual airports. Top 35 US/Canadian airports.

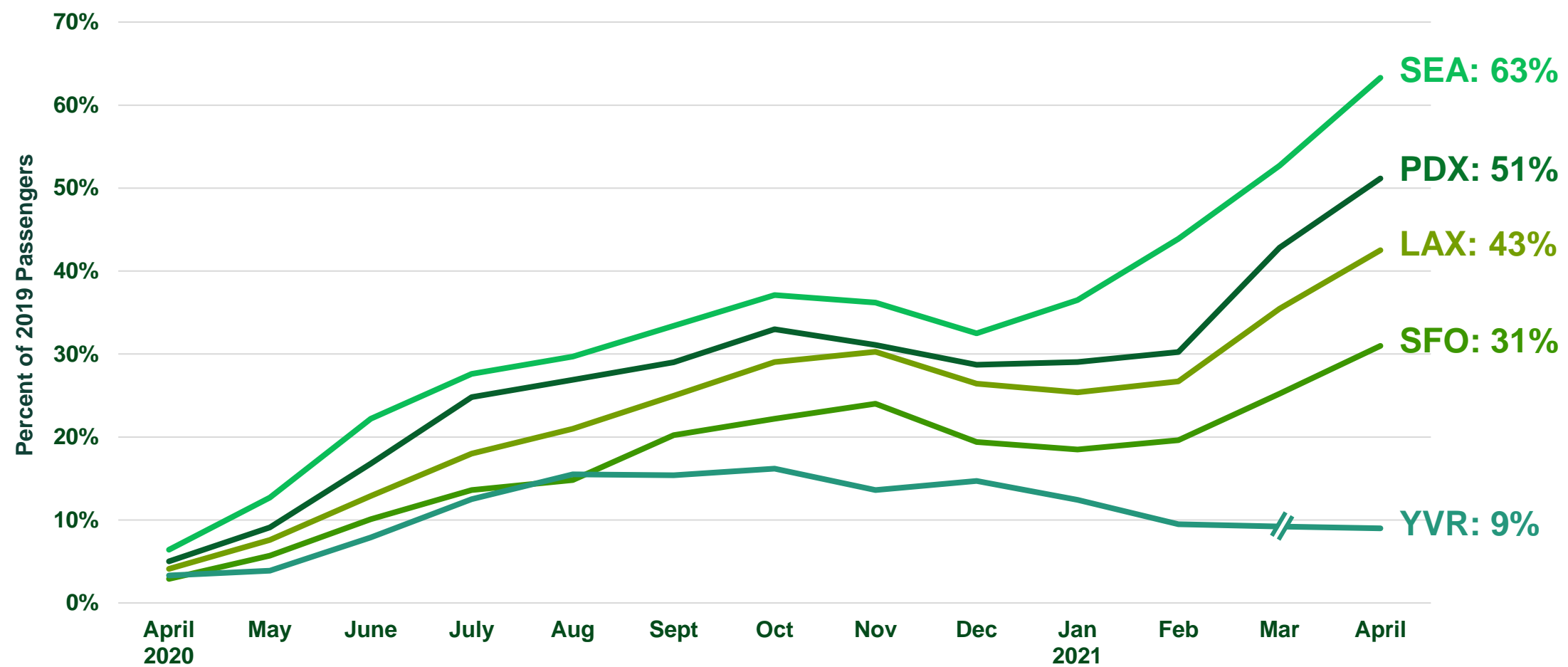


# Big Picture: SEA's recovery is well underway, and we expect to see more than 90% of 2019's passenger volume next year



# SEA has seen the strongest recovery of West Coast airports

Percentage of 2019 Passengers by month



March passenger data for YVR not available

# Status as a oneworld hub brings significant benefits to SEA

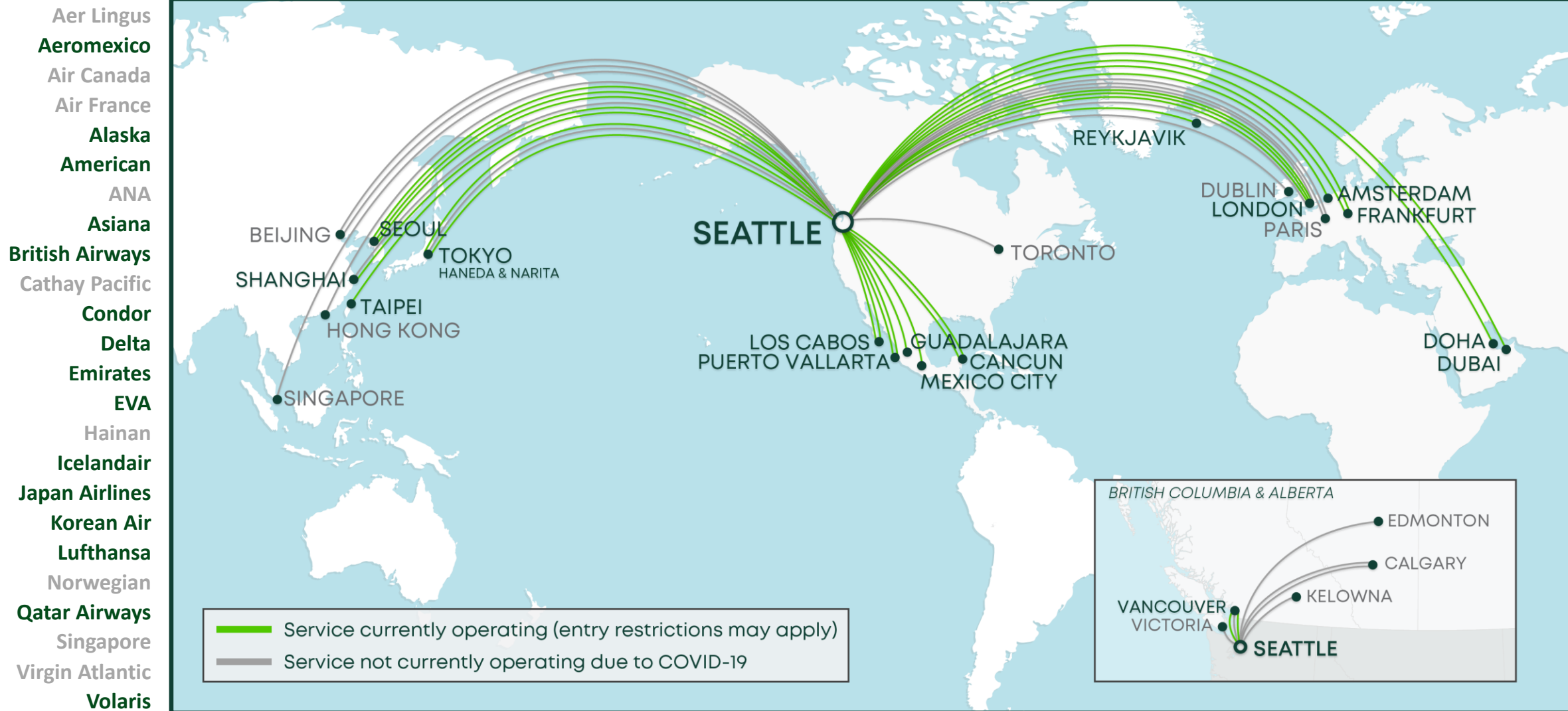
- New Seattle-Doha service began on January 29<sup>th</sup> with 4 weekly flights, scheduled to increase to a daily operation in July
- Qatar Airways' inaugural flight carried 298 passengers, who connected to more than 15 countries from Doha hub and spoke over 20 languages
- American Airlines is shifting its West Coast international gateway from LAX to focus on Seattle, with new services to London, Shanghai and Bangalore





# SEA's international services are returning

More than 60% of SEA's pre-pandemic services have resumed



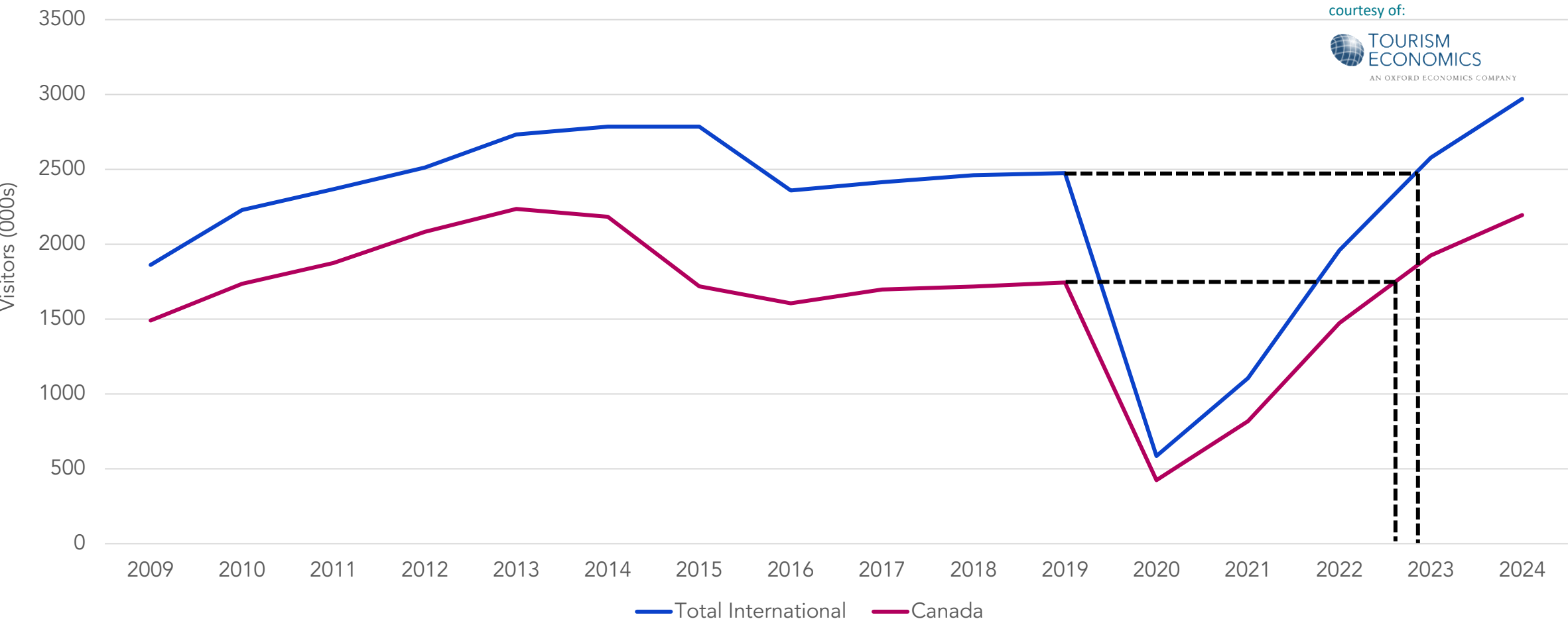
Does not include services announced but not yet operating

# International Visitation to Seattle 2019-2022

courtesy of:  
 **TOURISM  
ECONOMICS**  
AN OXFORD ECONOMICS COMPANY

	Visits (000's)				YOY Growth	
	2019	2020	2021	2022	2021	2022
<b>Total</b>	<b>2,475</b>	<b>586</b>	<b>1,105</b>	<b>1,959</b>	<b>88%</b>	<b>77%</b>
<b>Overseas</b>	<b>713</b>	<b>154</b>	<b>274</b>	<b>468</b>	<b>78%</b>	<b>70%</b>
Canada	1,744	424	818	1,473	93%	80%
China	166	25	42	84	67%	100%
United Kingdom	76	16	31	53	99%	70%
South Korea	76	20	33	49	68%	50%
Japan	53	14	28	42	92%	54%
India	49	13	19	30	46%	55%
Germany	47	10	18	32	78%	80%
Australia	37	6	13	25	129%	95%

# Long Road Ahead—International (2009-2024)



# Office Space Demand

## Total Office Market

**2021 = 55.9M SF**

*(up 1M SF from 2019)*

## Average Direct Asking Rate

**2021 = \$51.11  
psf**

*(2019 = \$42.41 psf)*

## Total Vacancy

**2021 = 18.6%**

*(2019 = 9.4%)*

- Touring activity in Q1 2021 back to 73% of pre-pandemic levels, and now even stronger than pre-pandemic
- Hybrid is the answer - feedback is that people want an office space, just not for 5 days a week



# Business Travel Sentiments

96%

of respondents are  
willing to travel for  
business over the next 12  
months, including 65%  
who are very willing

# Predictions

Compared to 2019, what percentage of business travel do you see returning by end of the year 2021 and 2022?

2021 vs. 2019

50%

20-30%

30-40%

2022 vs. 2019

70%

50-60%

50-60%



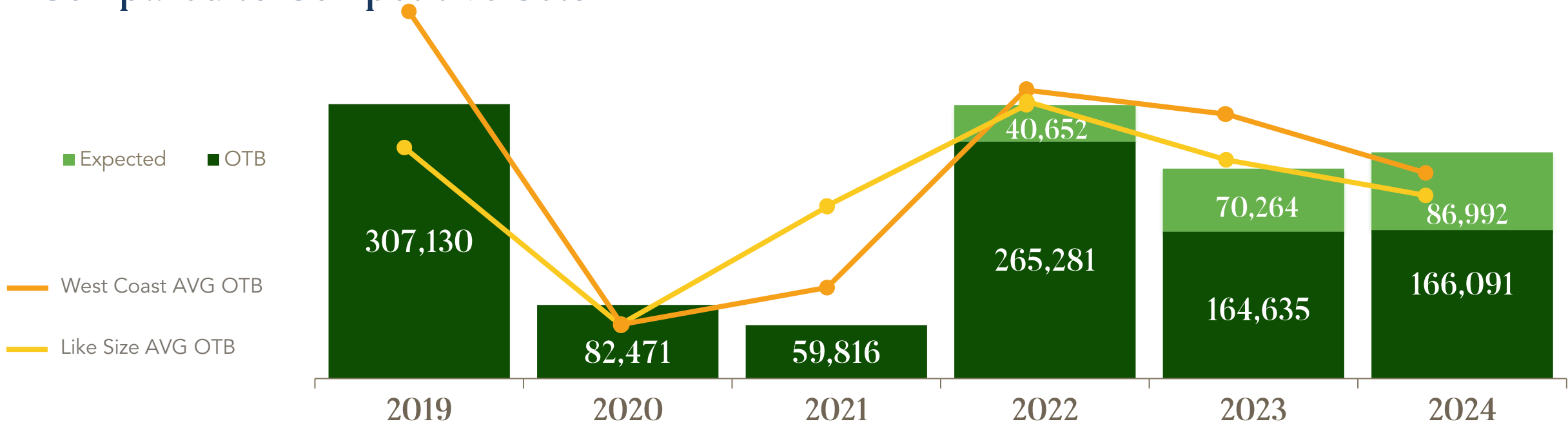


# Summit Business On The Books

Year	Meetings	Attendance	Total Room Nights	Economic Impact
2022	4	13,400	26,827	\$29,919,045
2023	11	41,050	82,839	\$85,595,578
2024	7	37,890	74,834	\$90,770,225
2025	5	21,200	33,567	\$42,709,189
2026	5	20,700	28,916	\$40,571,928
Grand Totals	32	134,240	247,083	\$289,565,965

# WSCC Room Nights On The Books

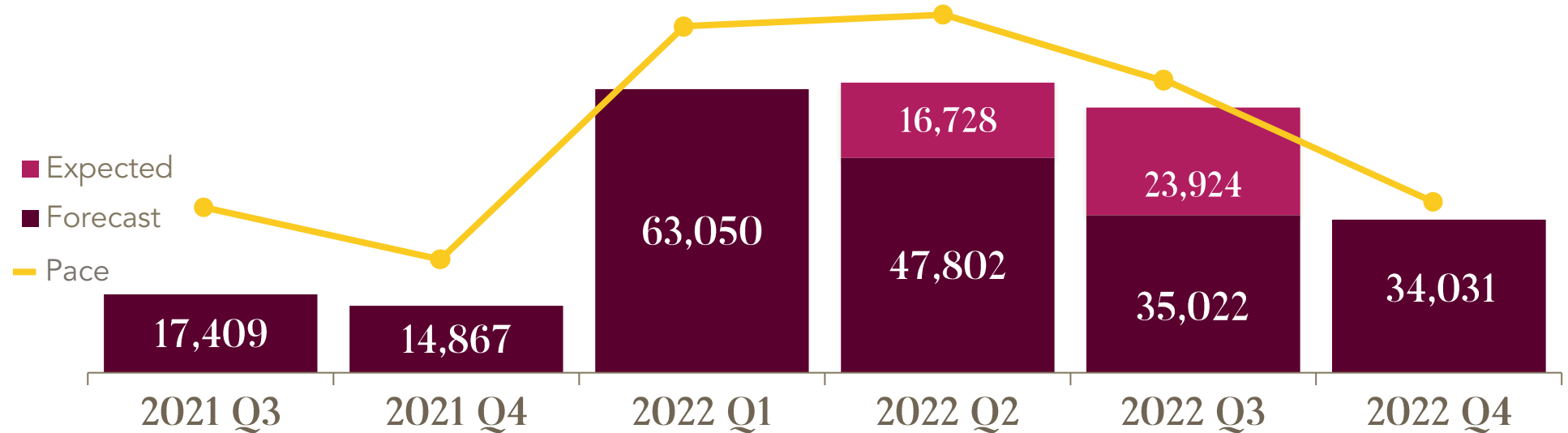
## Compared to Competitive Sets



SEATTLE - OTB	307,130	82,471	59,816	265,281	164,635	166,091
WEST COAST SET – AVG OTB	442,673	56,972	116,091	344,025	314,308	225,541
LIKE-SIZE CITIES SET – AVG OTB	264,532	55,718	198,602	330,134	255,121	190,137



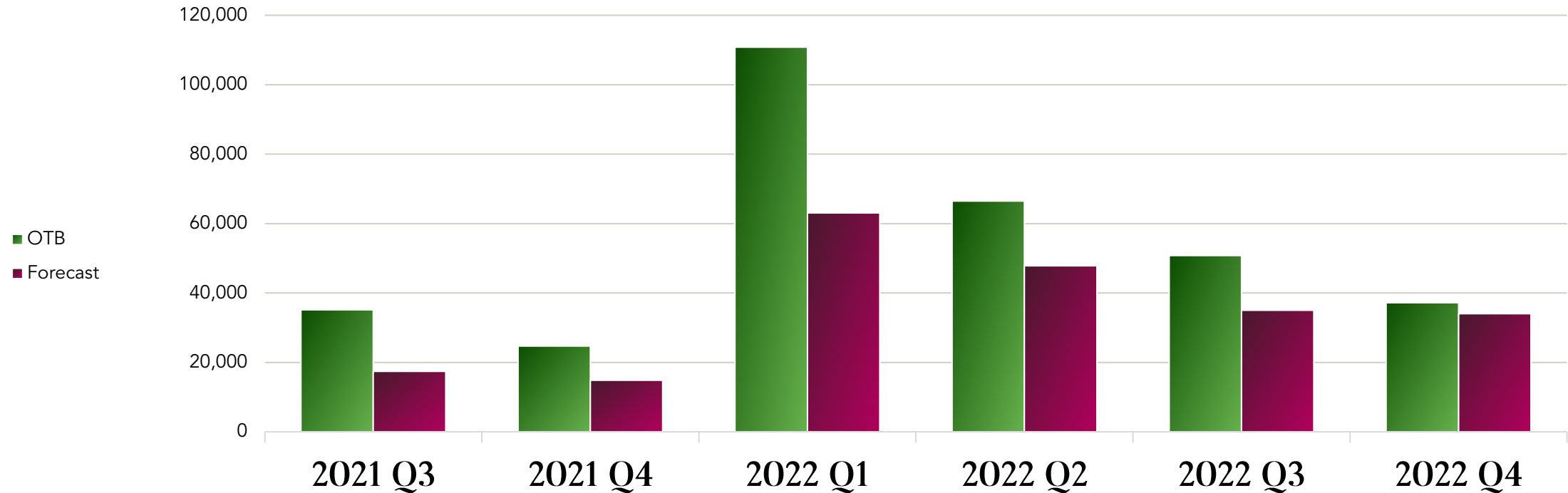
# WSCC Room Nights – Forecasted, June



CONVENTIONS REMAINING FROM ORIGINALLY BOOKED	3 of 10	6 of 7	9 of 9	7 of 10	6 of 7	6 of 7
PACE TARGET	65,746	47,277	102,277	106,844	69,948	43,382
SEATTLE - FORECASTED ROOM NIGHTS	17,409	14,867	63,050	47,802	35,022	34,031
VARIANCE TO TARGET PACE	-73%	-68%	-38%	-55%	-48%	-29%
VARIANCE TO OTB	-50%	-40%	-43%	-28%	-31%	-9%

# On The Books vs. June Forecast

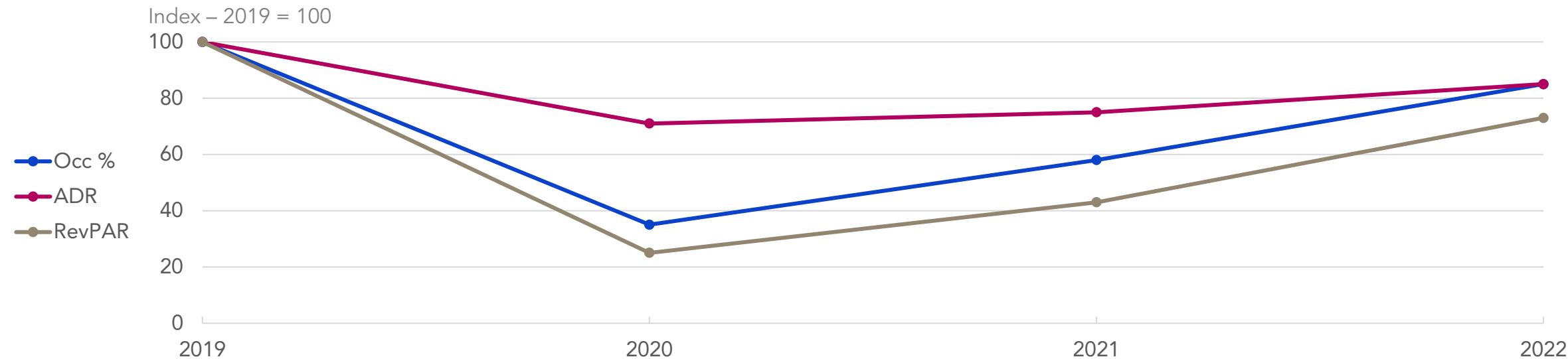
## Attendance and Room Nights by Quarter



CONVENTIONS REMAINING FROM NUMBER ORIGINALLY BOOKED	3 of 10	6 of 7	9 of 9	7 of 10	6 of 7	6 of 7
% ROOM NIGHTS ESTIMATED	50%	60%	57%	72%	69%	91%

# 2019 & 2020 Actual | 2021 & 2022 Forecasts

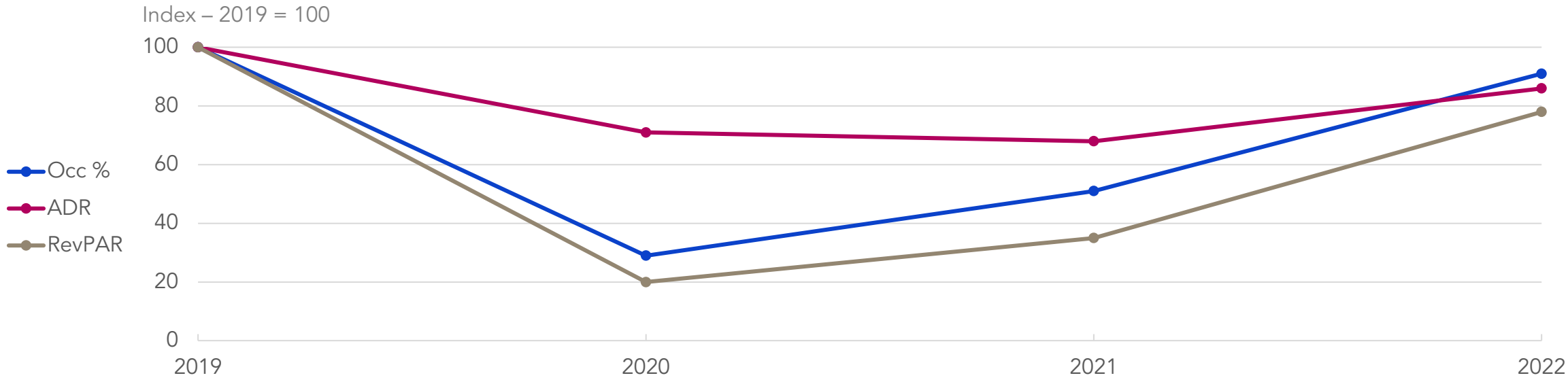
## Tourism Economics – STIA Hotels



				% Change to Prior Year		
	OCC %	ADR	RevPAR	OCC % (PTS)	ADR	RevPAR
2019A	80%	\$208	\$165	-2%	-7%	-9%
2020A	28%	\$148	\$41	-52%	-29%	-75%
2021F	46%	\$155	\$71	18%	5%	75%
2022F	68%	\$177	\$120	22%	14%	69%

# 2019 & 2020 Actual | 2021 & 2022 Forecasts

## STR - Seattle CBD Hotels

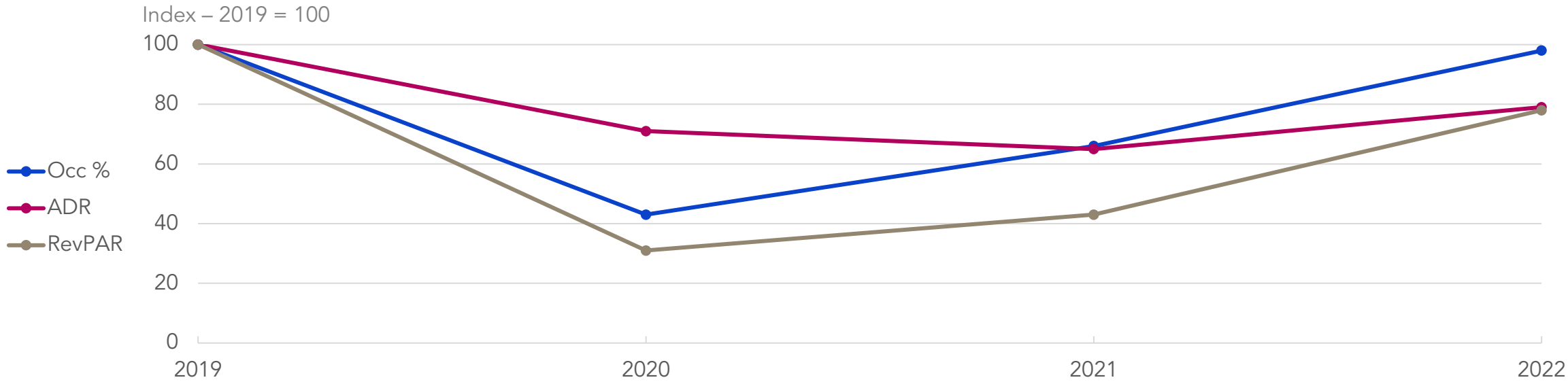


% Change to Prior Year						
	OCC %	ADR	RevPAR	OCC % (PTS)	ADR	RevPAR
2019A	79%	\$205	\$163	-2%	-7%	-9%
2020A	23%	\$145	\$33	-56%	-29%	-80%
2021F	40%	\$141	\$56	17%	-3%	69%
2022F	72%	\$177	\$127	32%	26%	126%



# 2019 & 2020 Actual | 2021 & 2022 Forecasts

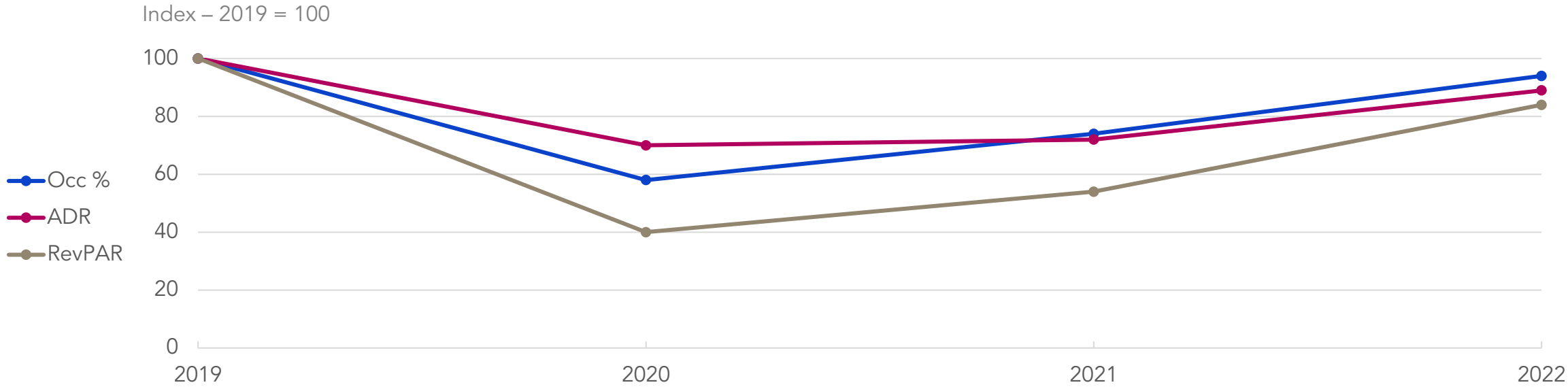
## STR – Bellevue Hotels



% Change to Prior Year						
	OCC %	ADR	RevPAR	OCC % (PTS)	ADR	RevPAR
2019A	69%	\$177	\$123	69%	\$177	\$123
2020A	30%	\$127	\$38	30%	\$127	\$38
2021F	46%	\$116	\$53	46%	\$116	\$53
2022F	68%	\$140	\$96	68%	\$140	\$96

# 2019 & 2020 Actual | 2021 & 2022 Forecasts

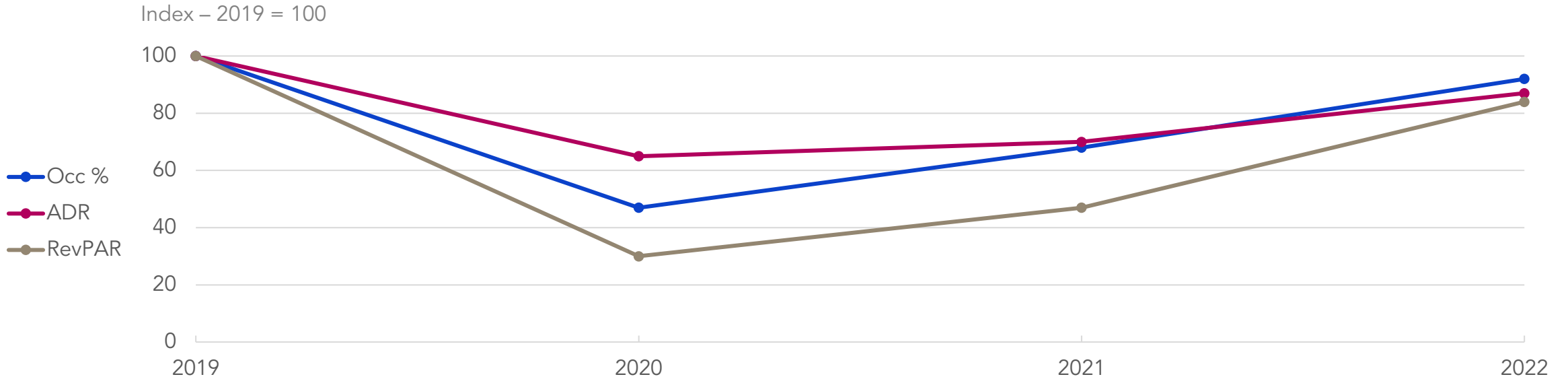
## STR – SEA Airport Hotels



	STR Metrics			% Change to Prior Year		
	OCC %	ADR	RevPAR	OCC % (PTS)	ADR	RevPAR
2019A	76%	\$127	\$96	-2%	-1%	-3%
2020A	44%	\$89	\$39	-32%	-30%	-60%
2021F	56%	\$92	\$52	12%	4%	33%
2022F	71%	\$113	\$81	15%	23%	56%

# 2019 & 2020 Actual | 2021 & 2022 Forecasts

## CBRE – Seattle Region Hotels



	OCC %	ADR	RevPAR	% Change to Prior Year		
	OCC %	ADR	RevPAR	OCC % (PTS)	ADR	RevPAR
2019A	74%	\$163	\$121	-2%	-1%	-3%
2020A	35%	\$105	\$36	-32%	-30%	-60%
2021F	50%	\$114	\$57	12%	4%	33%
2022F	68%	\$142	\$96	15%	23%	56%





# VISIT seattle

THE OFFICIAL RESOURCE *for* MEETINGS & CONVENTIONS

[visitseattle.org](http://visitseattle.org)