



Monthly Research Update

August 2024

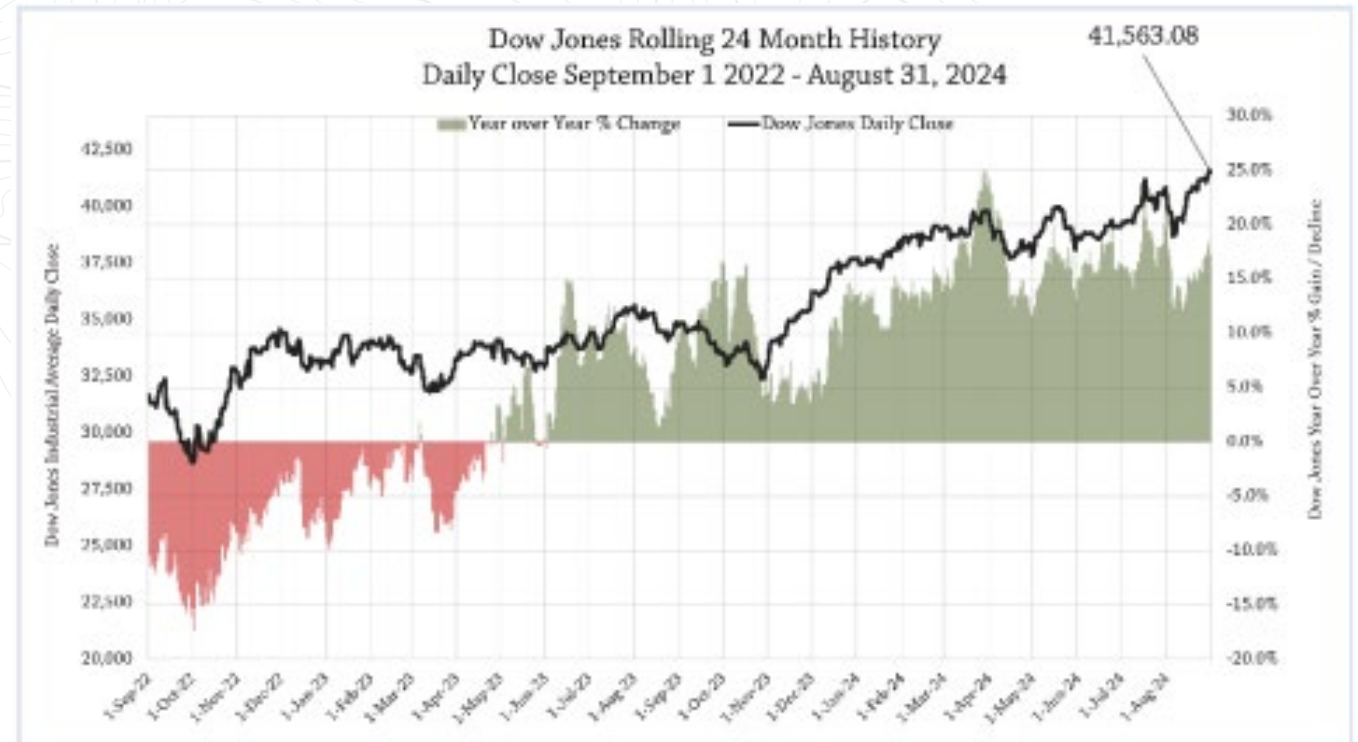
Kalispell Tourism Trends

- 154,420 total passengers traveled through Glacier Park International Airport in August, a 19.6% increase over last year. Calendar-year-to-date, total passengers are pacing 12.5% ahead of 2023.
- Kalispell hotels outperformed past years in August, as Occupancy increased to 82.5%, up 1.3% from last year.
 - Average Daily Rate was virtually unchanged YoY in August, settling at \$224 for the month.
 - The gain in Occupancy brought RevPAR up 1.7% YoY to \$185 in August.
- Short-term rental Supply appears to have peaked in July, dropping by a few hundred room nights to settle at 6,127 available room nights in August. The rise in Demand YoY outpaced Supply growth however, resulting in Occupancy spiking 11.6% compared to last August.
 - Short-term rentals averaged 66% Occupancy for the month, which was far ahead of the 59% Occupancy last year but well below the 76% seen in August 2022.
 - Total Available Listings grew 3.4% YoY, primarily driven by an increase in 3-Bedroom listings.
 - Average Daily Rate outperformed 2023 results by 8%, rising to \$290 compared to \$269 in August 2023.
 - Paired with strong Demand and rising ADR, Revenue increased a staggering 25% YoY to an estimated \$1.17 million for August.

U.S. Market Review

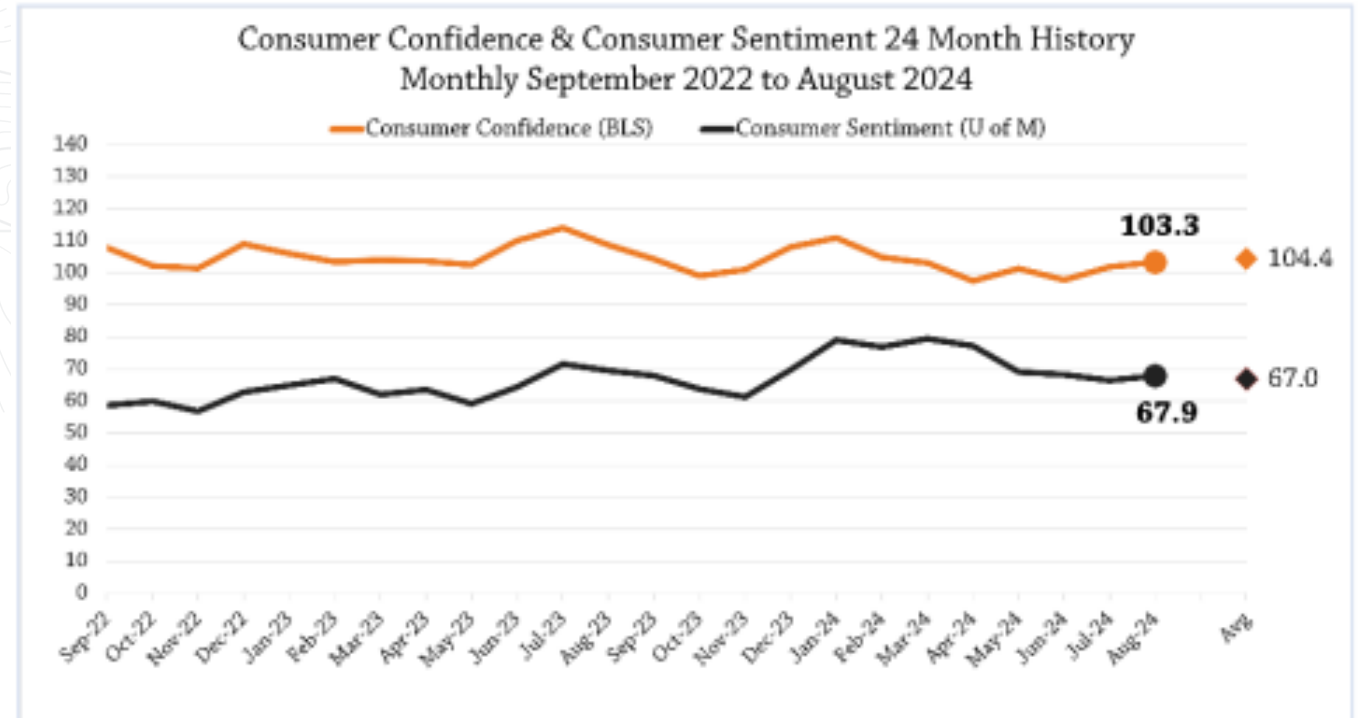
The Dow Jones Industrial Average

- “The Dow Jones Industrial Average (DJIA) fluctuated sharply in August, but ultimately gained somewhat, adding 1.76 percent – or 720.3 points – to finish the month at 41,563.08 points.”
- “Overall, financial markets continue to be on an extended run of gains, with the DJIA currently up a dramatic 19.7 percent, or 6,841.2 points, from last year at this time.”
- “While strength on Wall Street is typically good for consumer spending, that hasn’t really materialized over the past 24 months, and long-term price sensitivity remains an issue and should be expected to persist into 2025.”



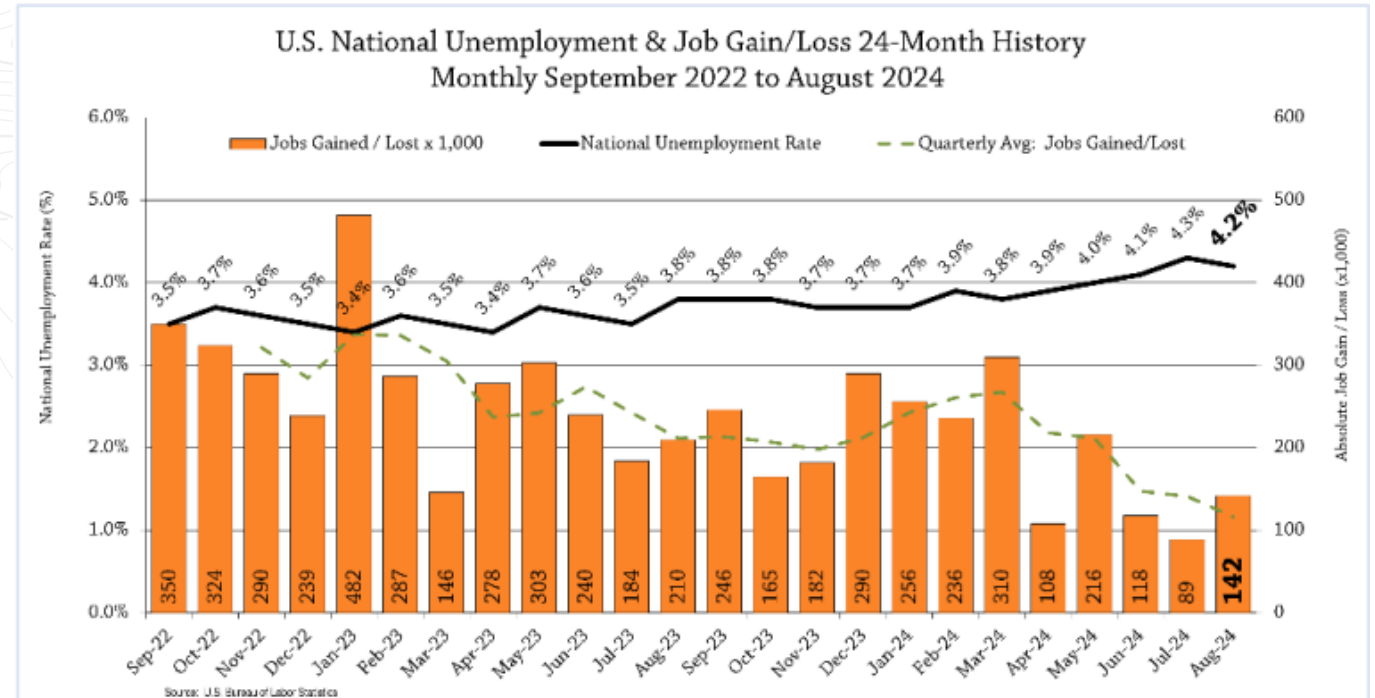
The Consumer Confidence Index & Consumer Sentiment Index

- “The CCI edged up from a revised July value of 101.9, gaining 1.4 points and finishing August at 103.3 points...the fourth increase in confidence in 2024 and the second consecutive gain.”
- “Consumers’ evaluation of both current and future conditions was largely mixed during the month, though trended towards the positive. Their assessment of business conditions was up and expectations about inflation improved... [but] consumers remain less confident about the labor market and future income...[and] also lost confidence in the stock market.”
- “The CSI from the University of Michigan also increased in August, up a slight 1.5 points to 67.9...the first increase since March.”



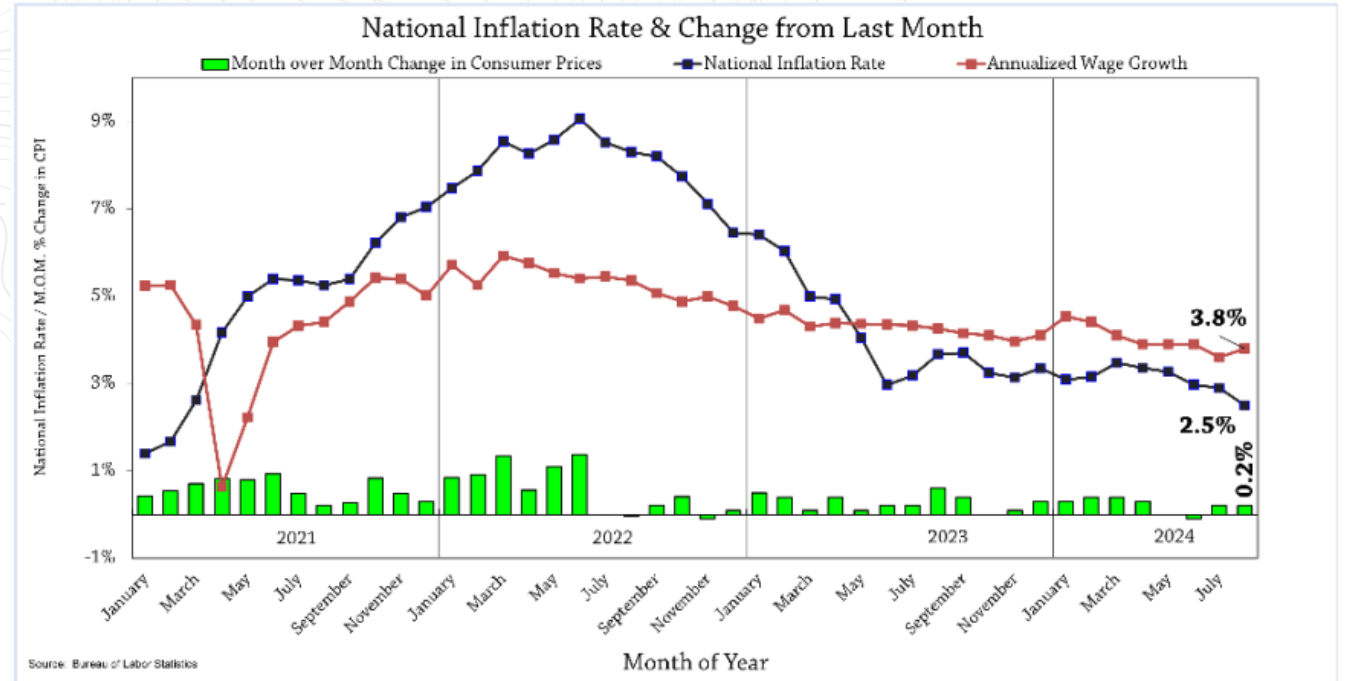
The National Unemployment Rate

- “August has added angst to the economic discussion, with employers significantly missing expectations by adding just 142,000 jobs during the month while the unemployment rate slipped from 4.3 to 4.2 percent.”
- “Average job creation in the past three months was 116,000 per month – down sharply from the 12-month average of 202,000 from June 2023 through May.”
- “Focusing on Leisure and Hospitality, the Accommodations sector added just 1,912 positions during August, while Food Services and Driving Places added 12,233.”
- “On a more positive note – for employees at least – wages increased more than expected, up 0.4 percent, and year-over-year growth is currently at 3.9 percent, well above the 2.5 percent annual inflation rate.”



The National Inflation Rate

- “The National Inflation Rate declined for the fifth consecutive month in August...from 2.9 percent in July to 2.5 percent, slightly exceeding analysts’ expectations.”
- “At 2.5 percent, inflation is the lowest it’s been in three years, and it is a full 1.3 percentage points lower than the average annual wage growth of 3.8 percent. This is the sixteenth consecutive month that wages have outpaced inflation, helping consumers recover from their losses in 2021 to early ‘23.”
- “Month-over-month prices were up 0.2 percent from July, but when the more volatile food and energy prices are stripped out of the data, the core inflation increased more than expected, up 0.3 percent. That nuance will likely result in the Federal Reserve Bank dropping interest rates by just one-quarter of a percent next week, rather than the more hopeful half percent.”



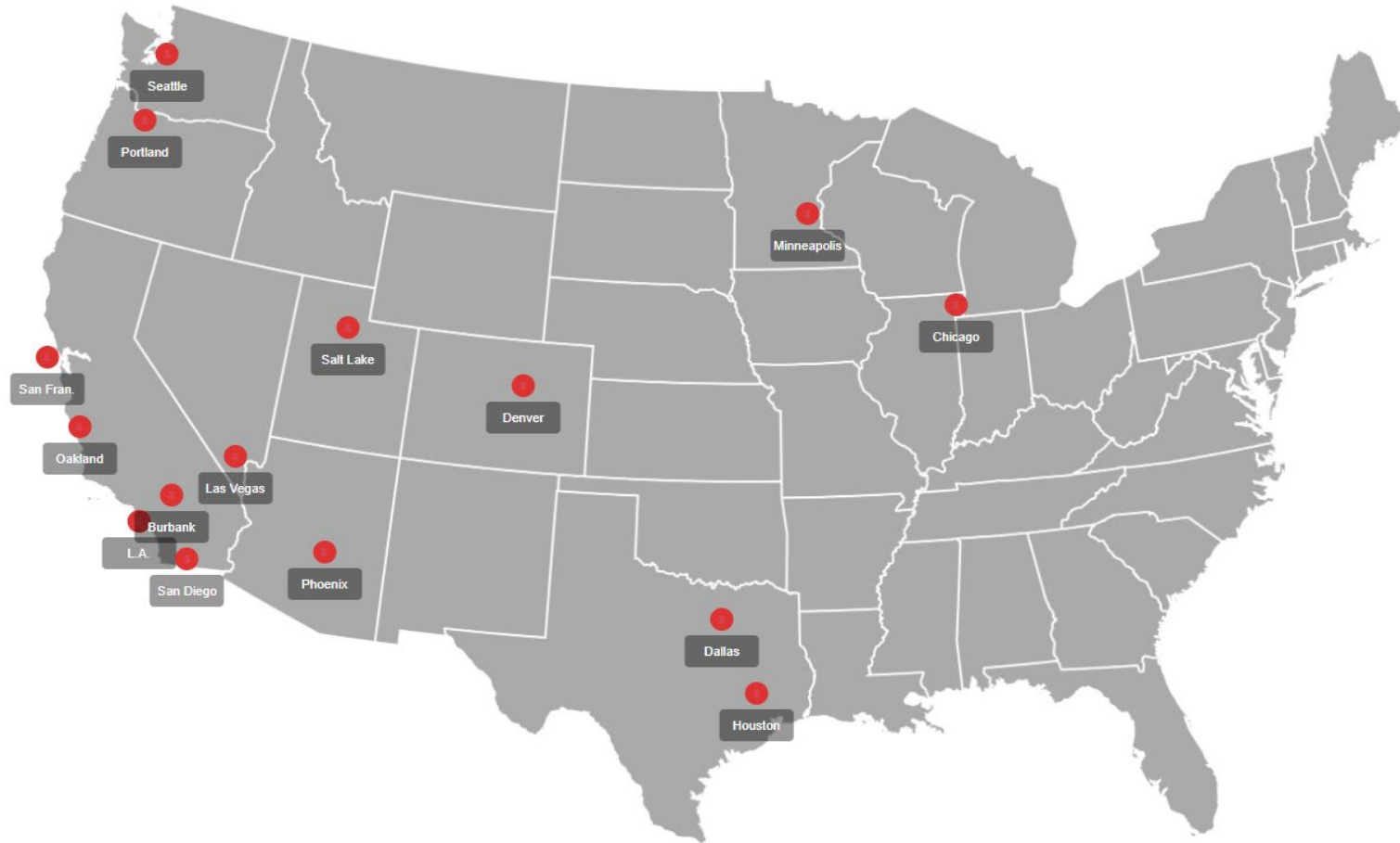
Takeaways from CBRE's Q2 2024 U.S. Hotels Investment Performance Forecast

- “On a trailing twelve months (TTM) basis, U.S. hotels experienced a 1.3% year-over-year decline in net operating income (NOI) for the quarter ended Jun 2024. The declines were driven by a 120-bps contraction in margins year-over-year as the 2.5% growth in hotel revenue has failed to keep up with growth in costs (+4.5%). CBRE forecasts NOI margin to continue declining until Q4 2025, given softer revenue growth outlook in near term.”
- “Cap rates expanded 5-bps on a TTM basis in Q2 2024 vs Q1 2024, and +24.5-bps vs. Q2 2023. CBRE continues to forecast cap rates will peak in Q1 2025 as Federal Reserve delayed interest rate cuts this year.”

Glacier Park International Airport Data

Glacier Park International Airport

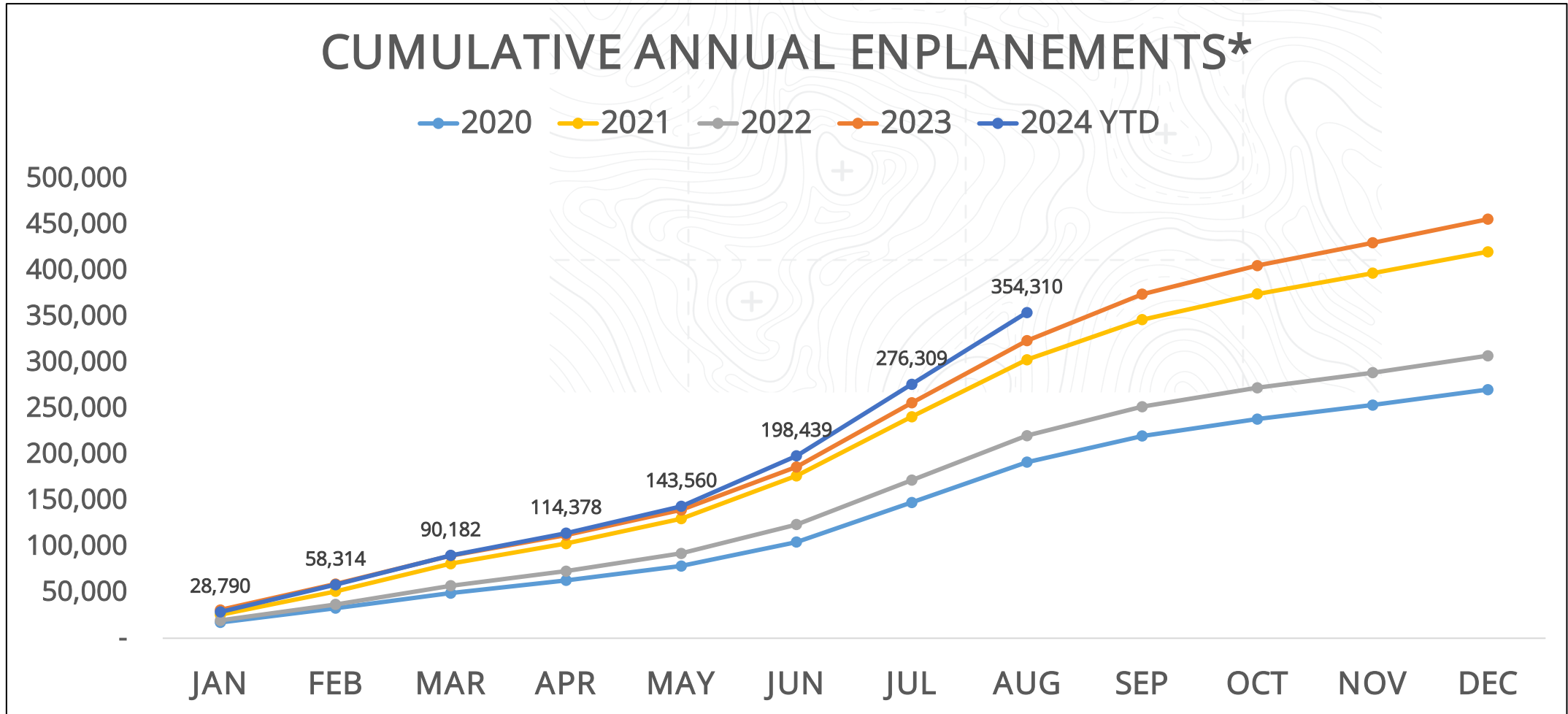
— Direct Flights —
MAJOR CITIES SERVED



Glacier Park International Airport

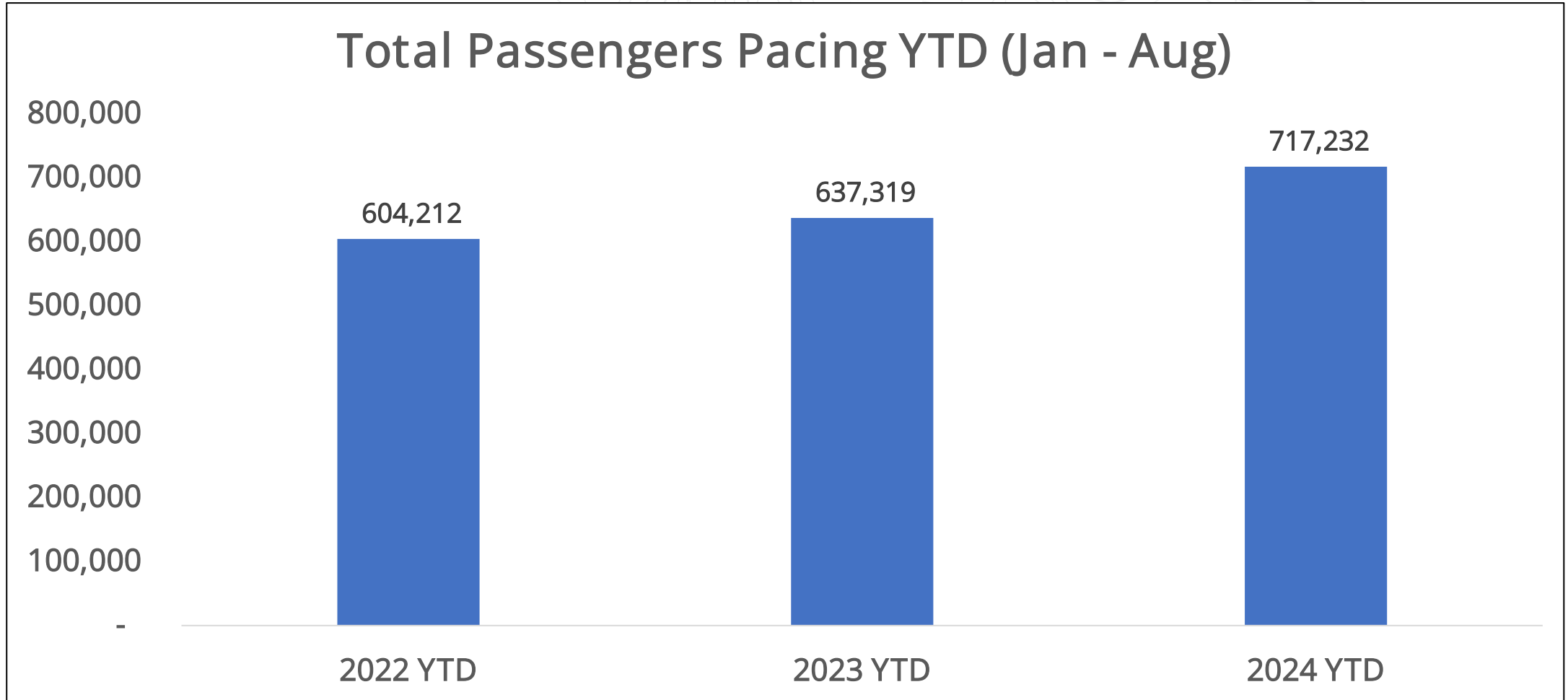
Total Passengers					
Month	2024	2023	% Change 2024 vs. 2023	2022	% Change 2024 vs. 2022
January	54,403	58,161	-6.5%	49,261	10.4%
February	59,344	56,277	5.4%	50,555	17.4%
March	63,846	59,460	7.4%	58,672	8.8%
April	48,426	45,073	7.4%	43,836	10.5%
May	62,723	54,694	14.7%	56,807	10.4%
June	117,040	96,564	21.2%	97,429	20.1%
July	157,024	138,012	13.8%	128,144	22.5%
August	154,420	129,078	19.6%	119,508	29.2%
September		96,891		82,965	
October		59,071		53,031	
November		48,460		44,681	
December		54,257		47,629	
Year-to-Date	717,226	637,319	12.5%	604,212	18.7%
Total		895,998		832,518	

Glacier Park International Airport

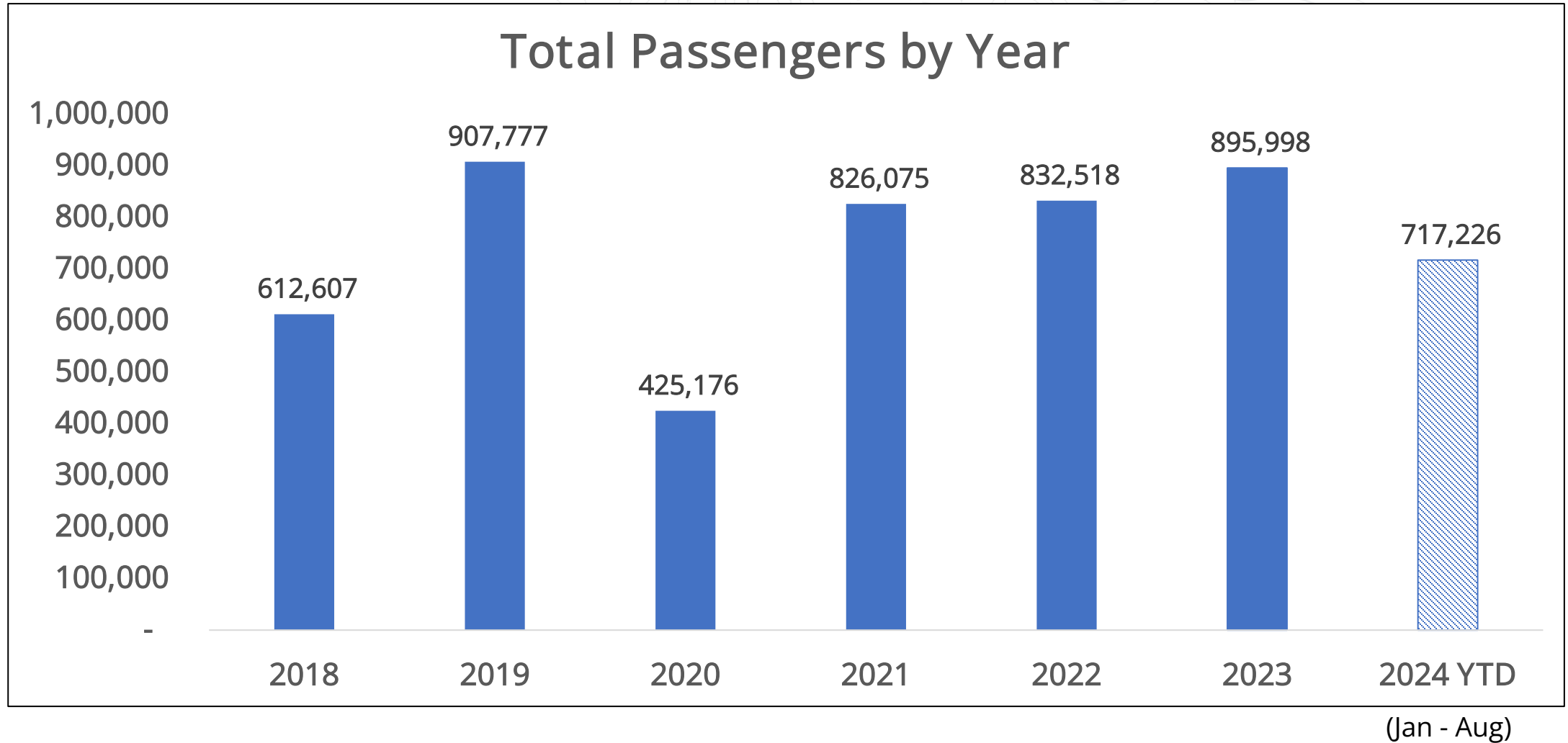


* Enplanements only (not total passengers)

Glacier Park International Airport



Glacier Park International Airport

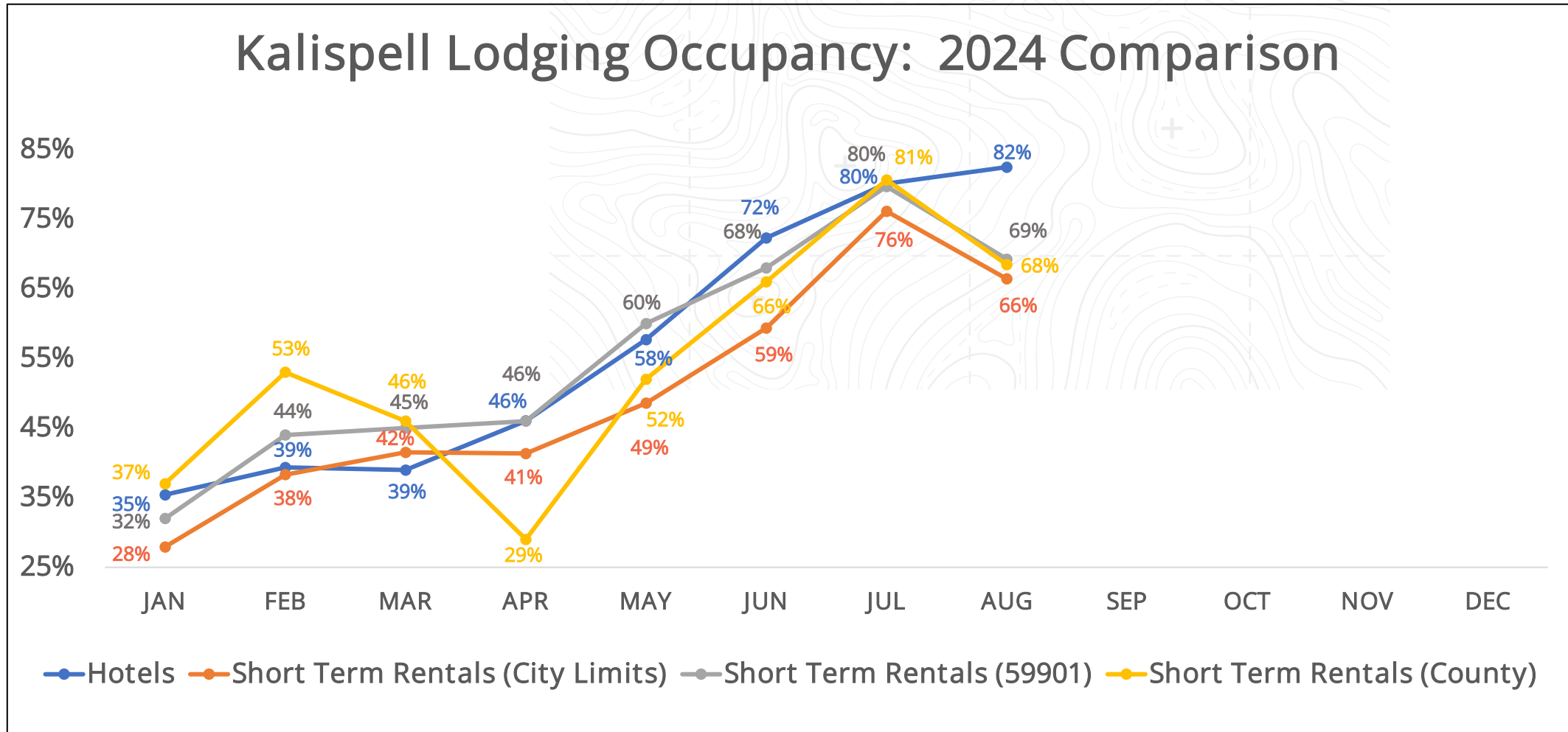


STR Hotel Data

STR Hotel Data - Definitions

- **Average Daily Rate (ADR)** – A measure of the average rate paid for rooms sold, calculated by dividing room revenue by rooms sold.
 - $ADR = \text{Room Revenue} / \text{Rooms Sold}$
- **Demand** – The number of rooms sold in a specified time period (excludes complementary rooms).
- **Occupancy** – Percentage of available rooms sold during a specific time period. Occupancy is calculated by dividing the number of rooms sold by rooms available.
 - $Occupancy = \text{Rooms Sold} / \text{Rooms Available}$
- **Revenue** – Total room revenue generated from the guestroom rentals or sales.
- **Revenue Per Available Room (RevPAR)** – Total room revenue divided by the total number of available rooms.
 - $RevPAR = \text{Room Revenue} / \text{Rooms Available}$

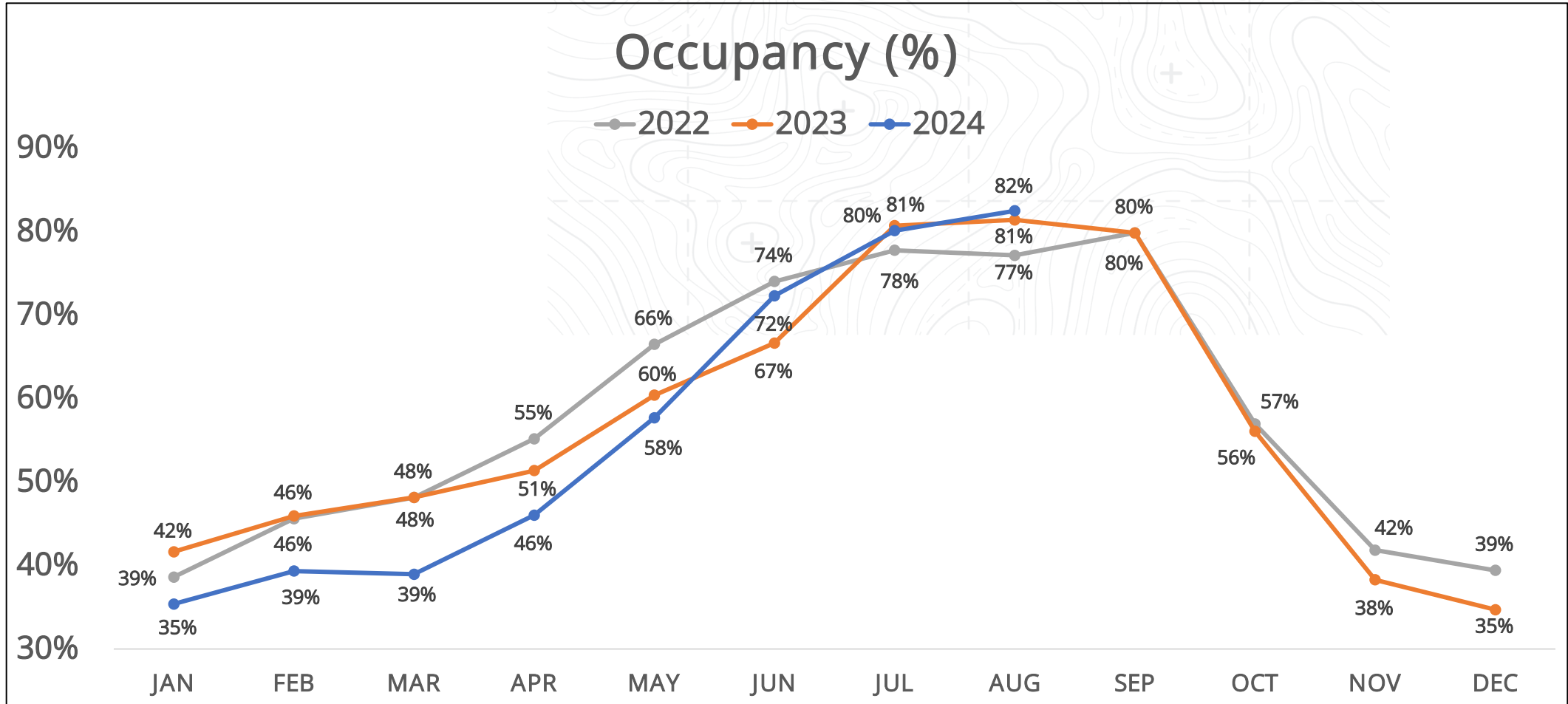
Kalispell 2024 Lodging Comparison





Hotel Occupancy by Month

Kalispell hotel Occupancy increased 1.3%, ADR increased 0.3%, and RevPAR increased 1.7% Year-Over-Year



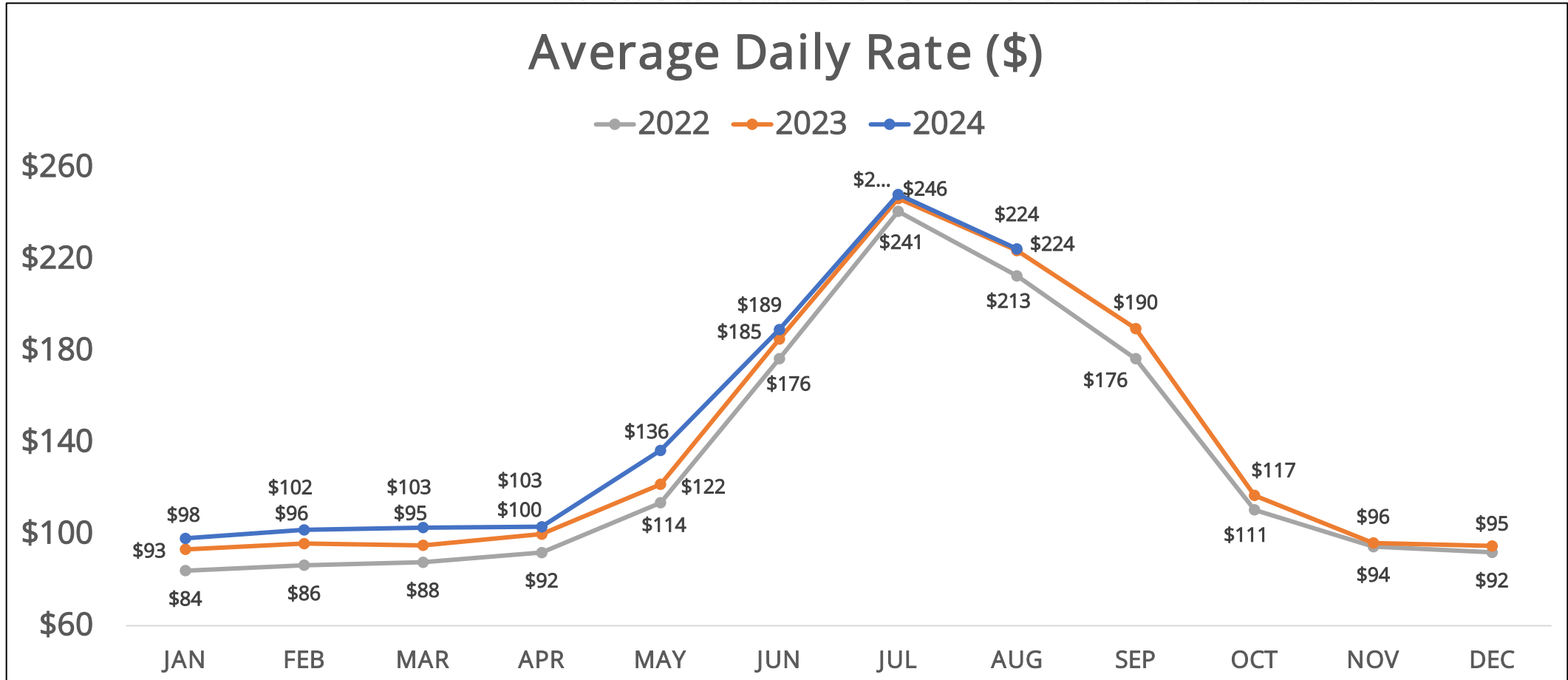
2022 Occupancy = 58.2%

2023 Occupancy = 57.2%



Hotel Average Daily Rate (ADR) by Month

Kalispell hotel Occupancy increased 1.3%, ADR increased 0.3%, and RevPAR increased 1.7% Year-Over-Year



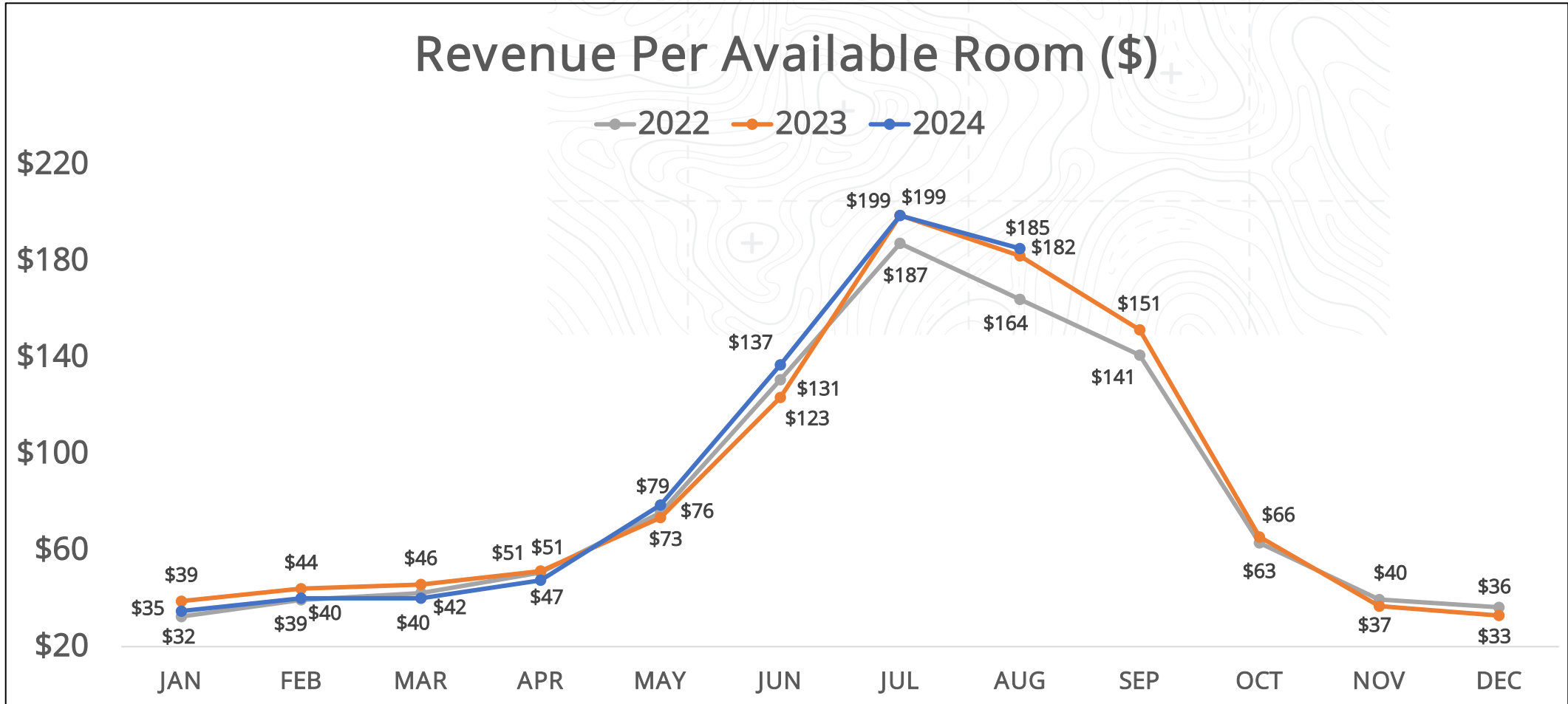
2022 ADR = \$142

2023 ADR = \$153



Hotel Revenue Per Available Room by Month

Kalispell hotel Occupancy increased 1.3%, ADR increased 0.3%, and RevPAR increased 1.7% Year-Over-Year

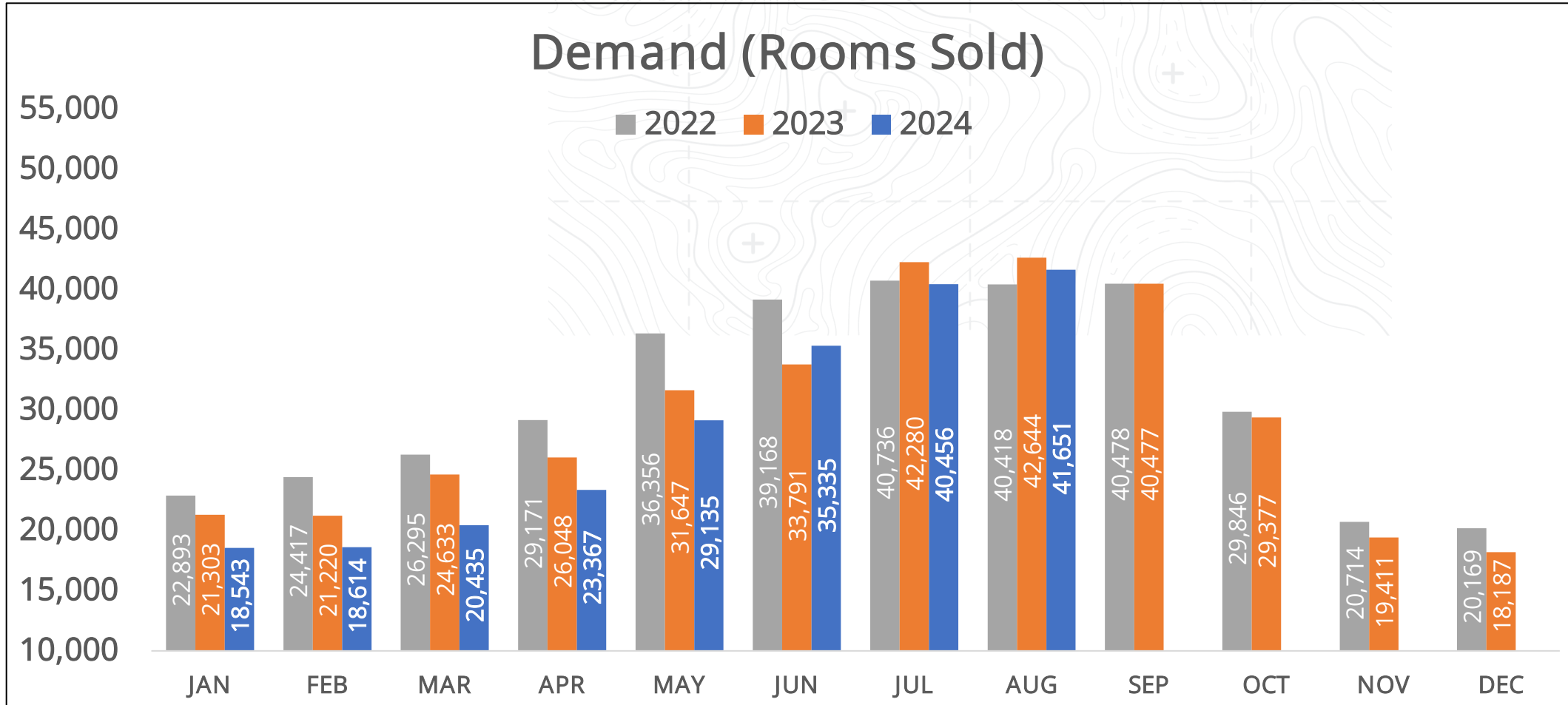


2022 RevPAR = \$83 2023 RevPAR = \$88



Hotel Demand (Rooms Sold) by Month

Kalispell hotel Demand decreased 2.3%, Supply decreased 3.6%, and Total Revenue decreased 2.0% Year-Over-Year

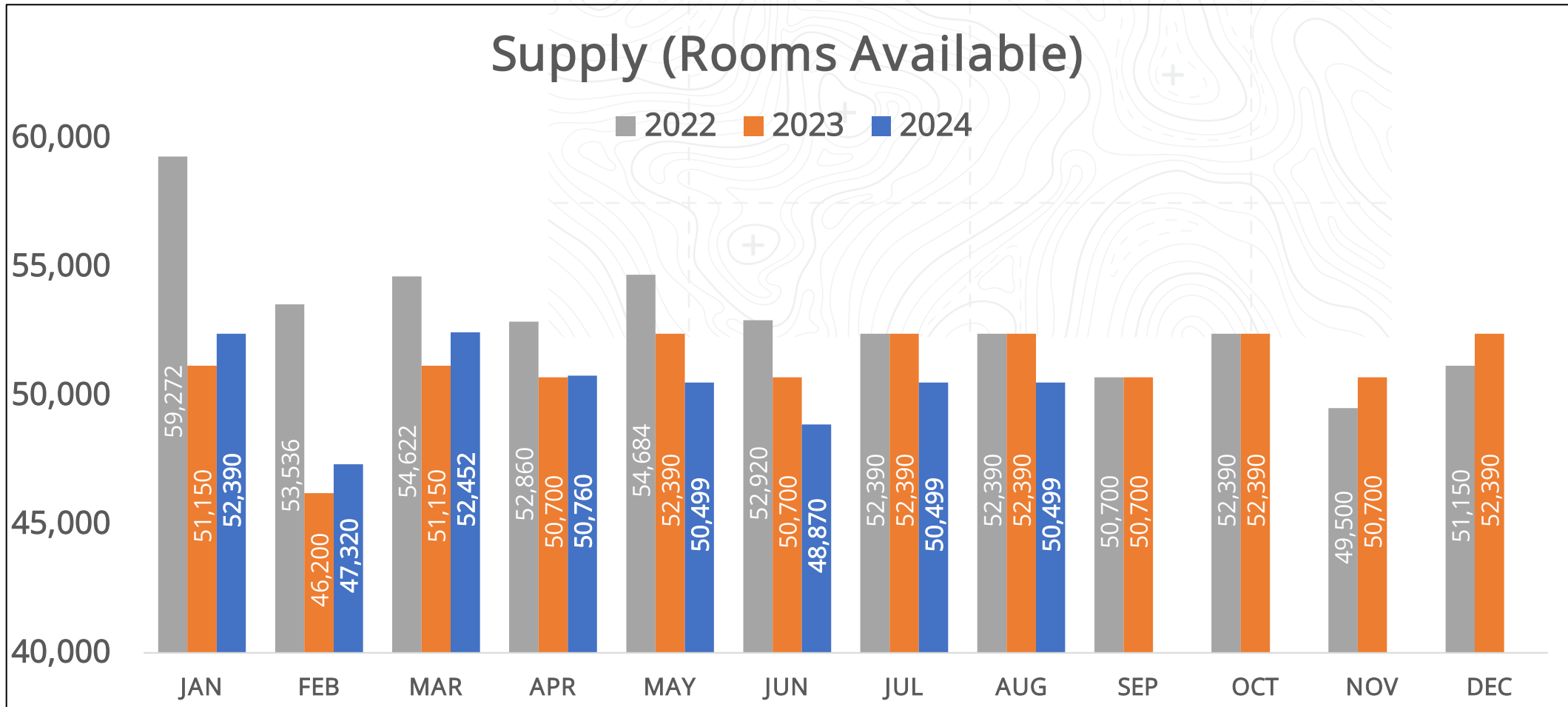


2022 Demand = 370,663

2023 Demand = 351,023

Hotel Supply by Month

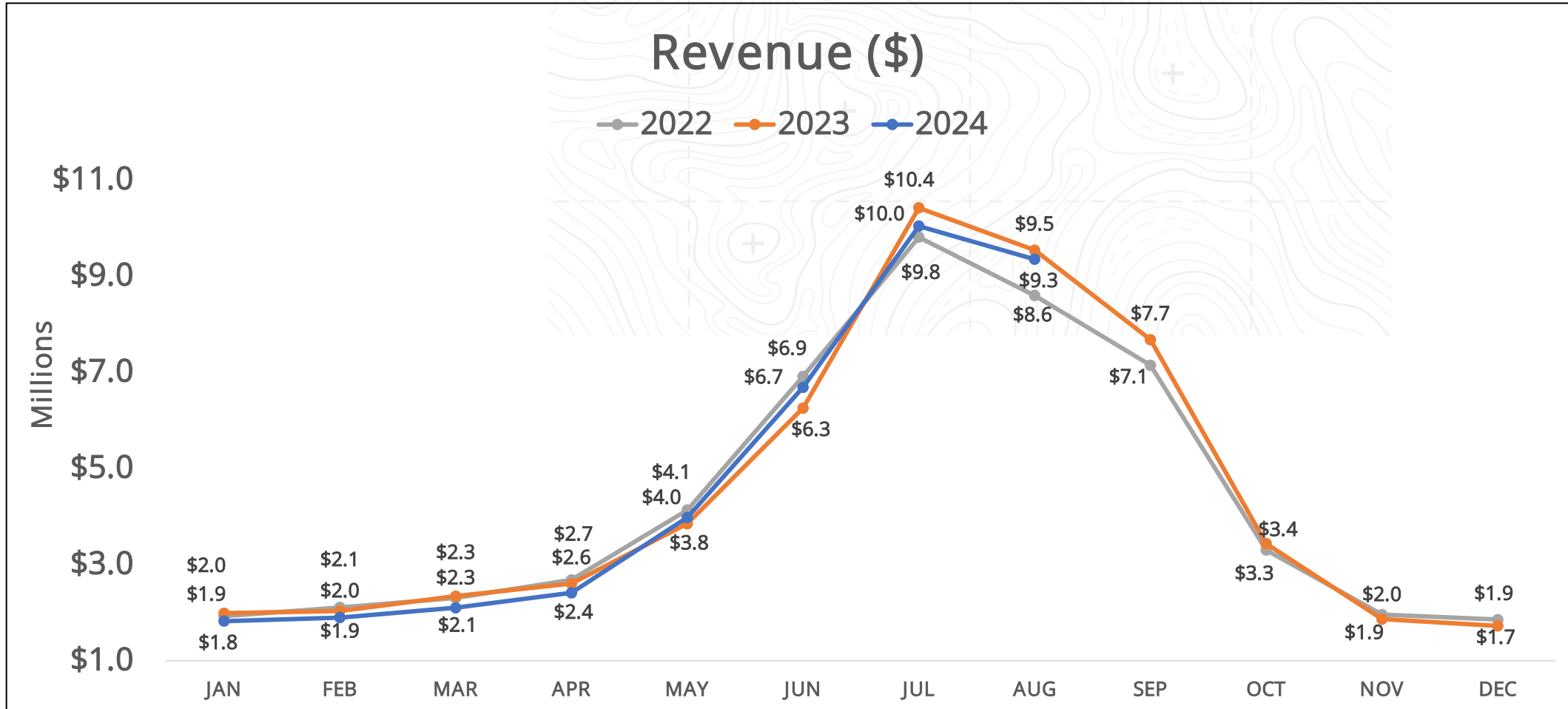
Kalispell hotel Demand decreased 2.3%, Supply decreased 3.6%, and Total Revenue decreased 2.0% Year-Over-Year



2022 Supply = 636,414 2023 Supply = 613,250

Hotel Revenue by Month

Kalispell hotel Demand decreased 2.3%, Supply decreased 3.6%, and Total Revenue decreased 2.0% Year-Over-Year



2022 Revenue = \$52.7M 2023 Revenue = \$53.7M

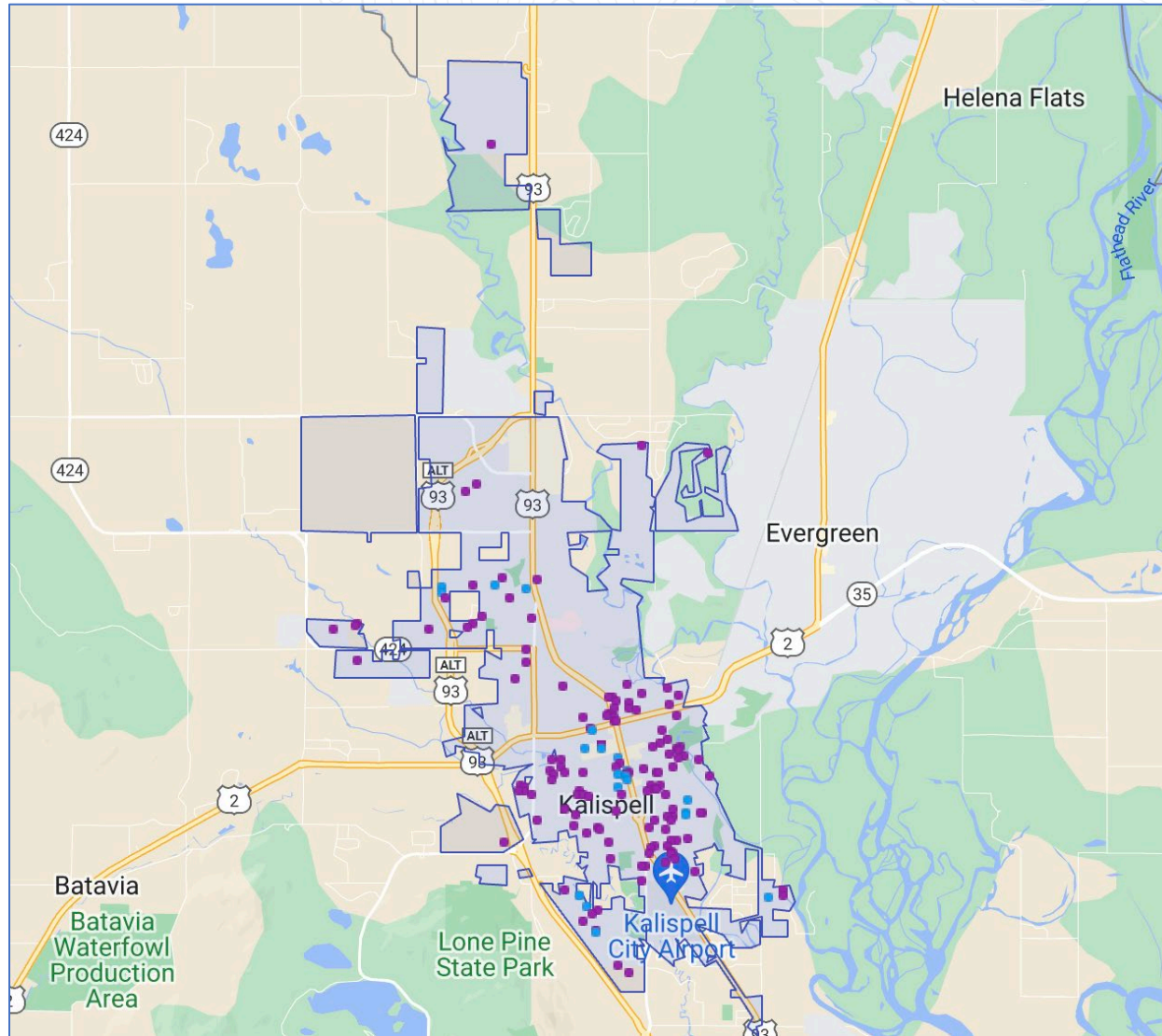
AirDNA Short Term Rental Data (Airbnb & Vrbo listings)

AirDNA Short Term Rentals - Definitions

Note: AirDNA Data is comprised exclusively of Airbnb and Vrbo listing data.

- **Available Listings** – Total number of listings whose calendars had at least one day classified as available or reserved during the reporting period.
- **Average Daily Rate** – Average daily rate (ADR) of booked nights in USD (ADR = Total Revenue / Booked Nights).
- **Demand (Nights)** – Total number of Booked Nights during the reporting period.
- **Occupancy Rate** – Occupancy Rate = Total Booked Days / (Total Booked Days + Total Available Days). Calculation only includes vacation rentals with at least one Booked Night.
- **Revenue (USD)** – Total revenue (in US dollars) earned during the reporting period. Includes the advertised price from the time of booking, as well as cleaning fees.
- **RevPAR** – Revenue Per Available Rental = ADR * Occupancy Rate

AirDNA Short Term Rentals – Geographical Boundary *

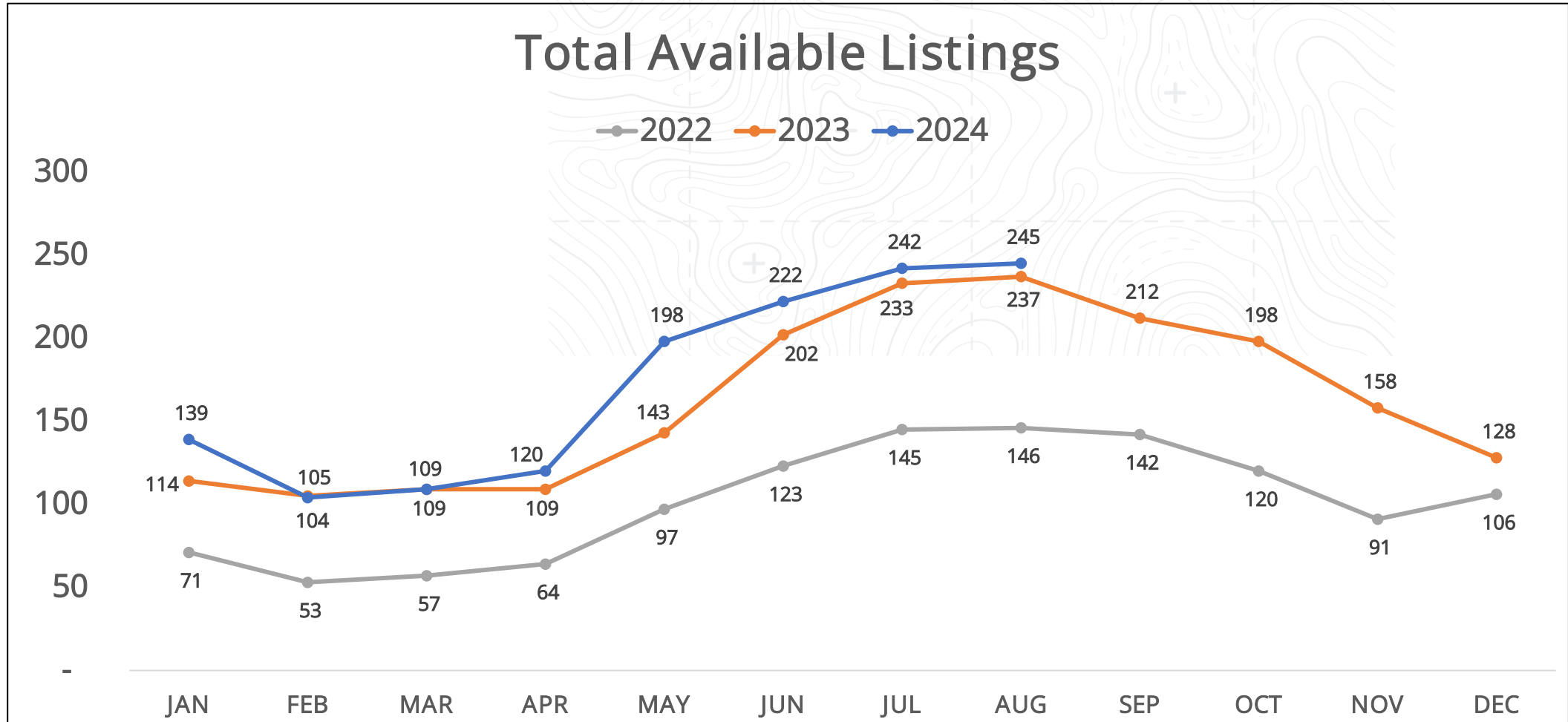


*Kalispell City Limits



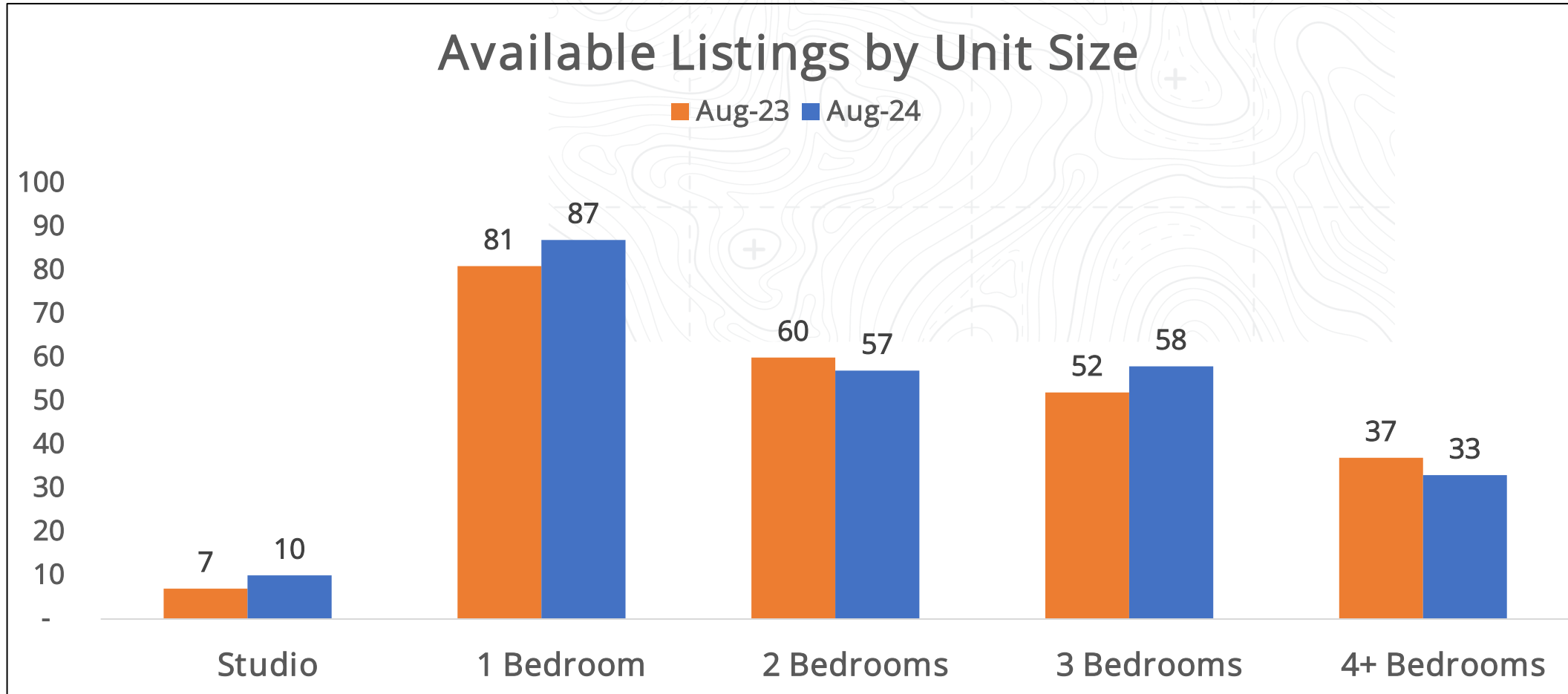
AirDNA Short Term Rentals - Available Listings

Kalispell Short Term Rental Available Listings increased 3.4% Year-Over-Year



AirDNA Short Term Rentals - Unit Size

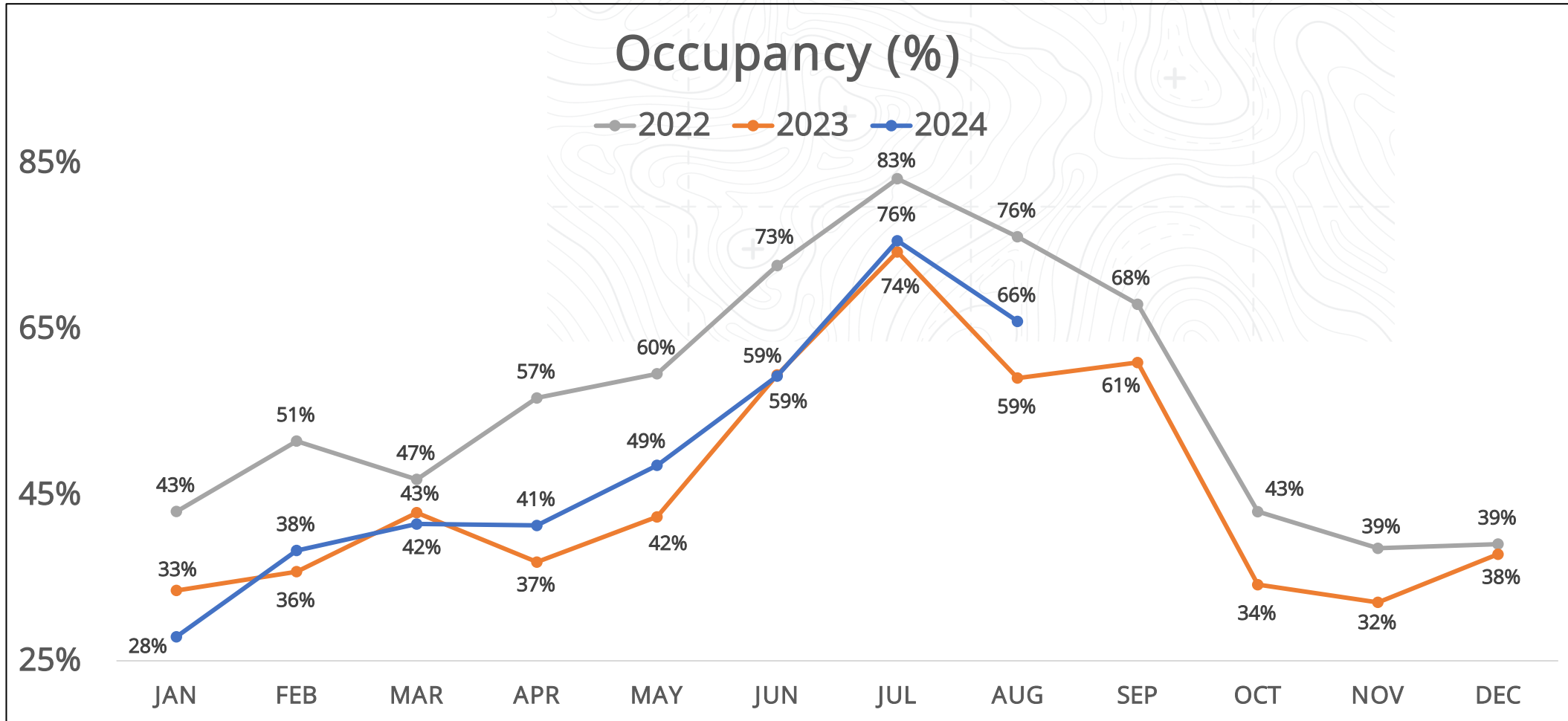
Total Available Listings increased 3.4%, with 3-Bedroom Listings growing by 11.5% Year-Over-Year





AirDNA Short Term Rentals – Occupancy

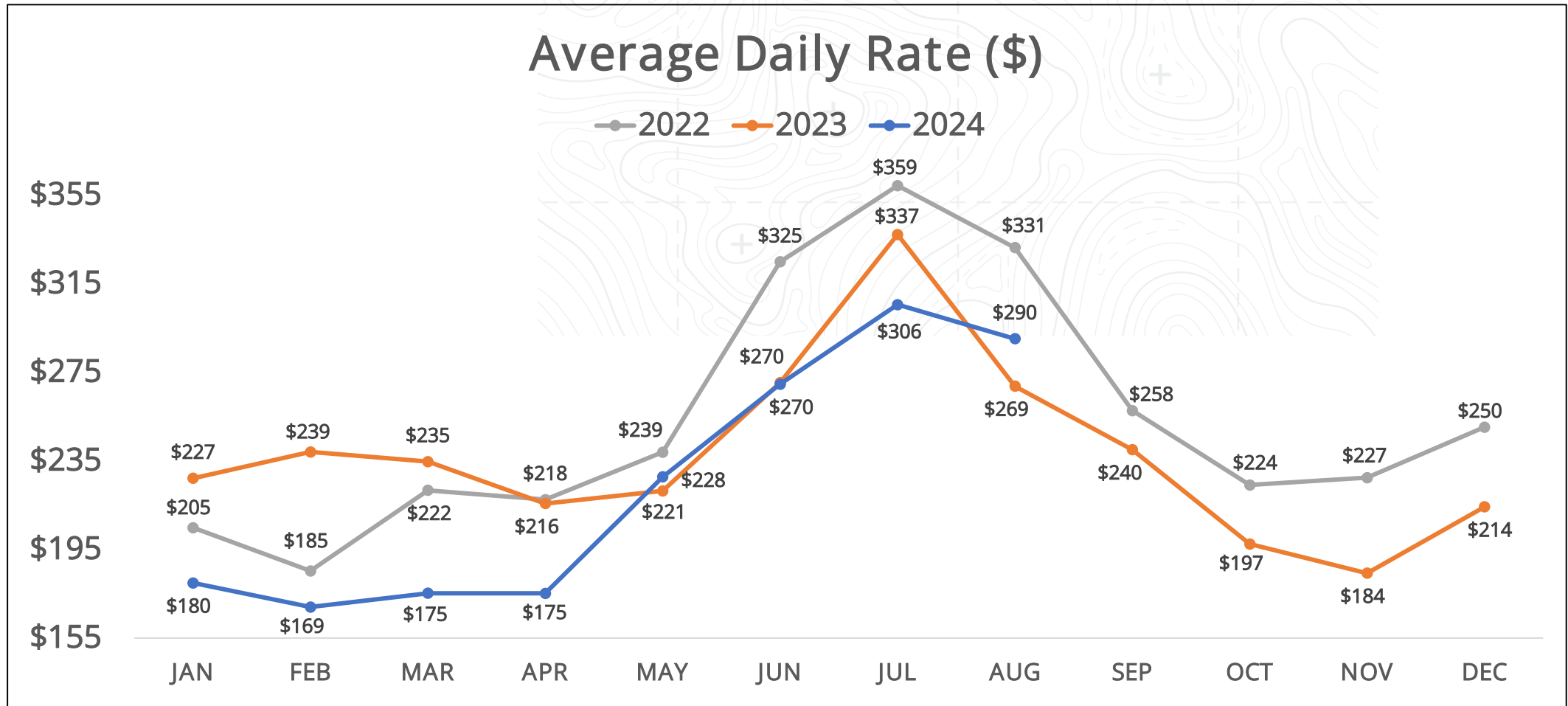
Kalispell Short Term Rental Occupancy increased 11.6%, ADR increased 8.0%, and RevPAR increased 20.4% Year-Over-Year





AirDNA Short Term Rentals - ADR

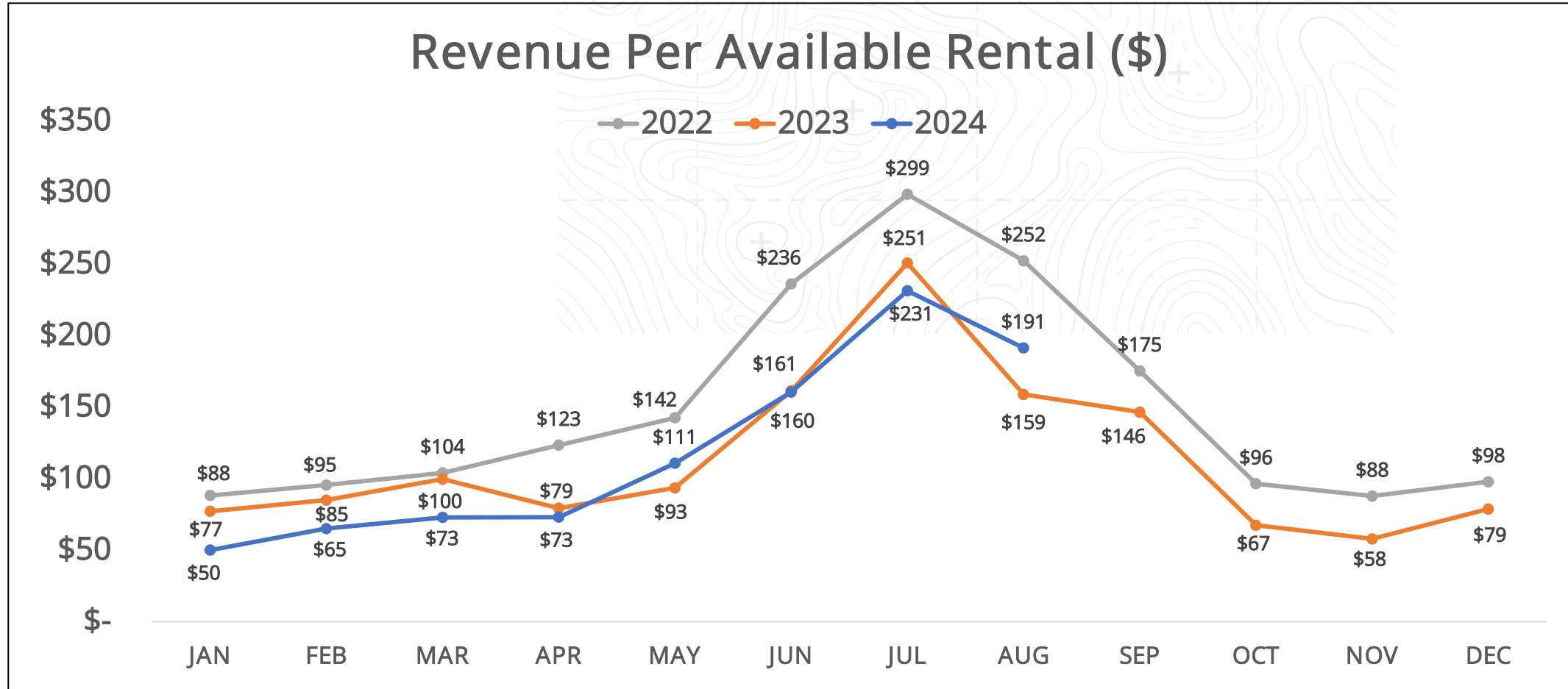
Kalispell Short Term Rental Occupancy increased 11.6%, ADR increased 8.0%, and RevPAR increased 20.4% Year-Over-Year





AirDNA Short Term Rentals - RevPAR

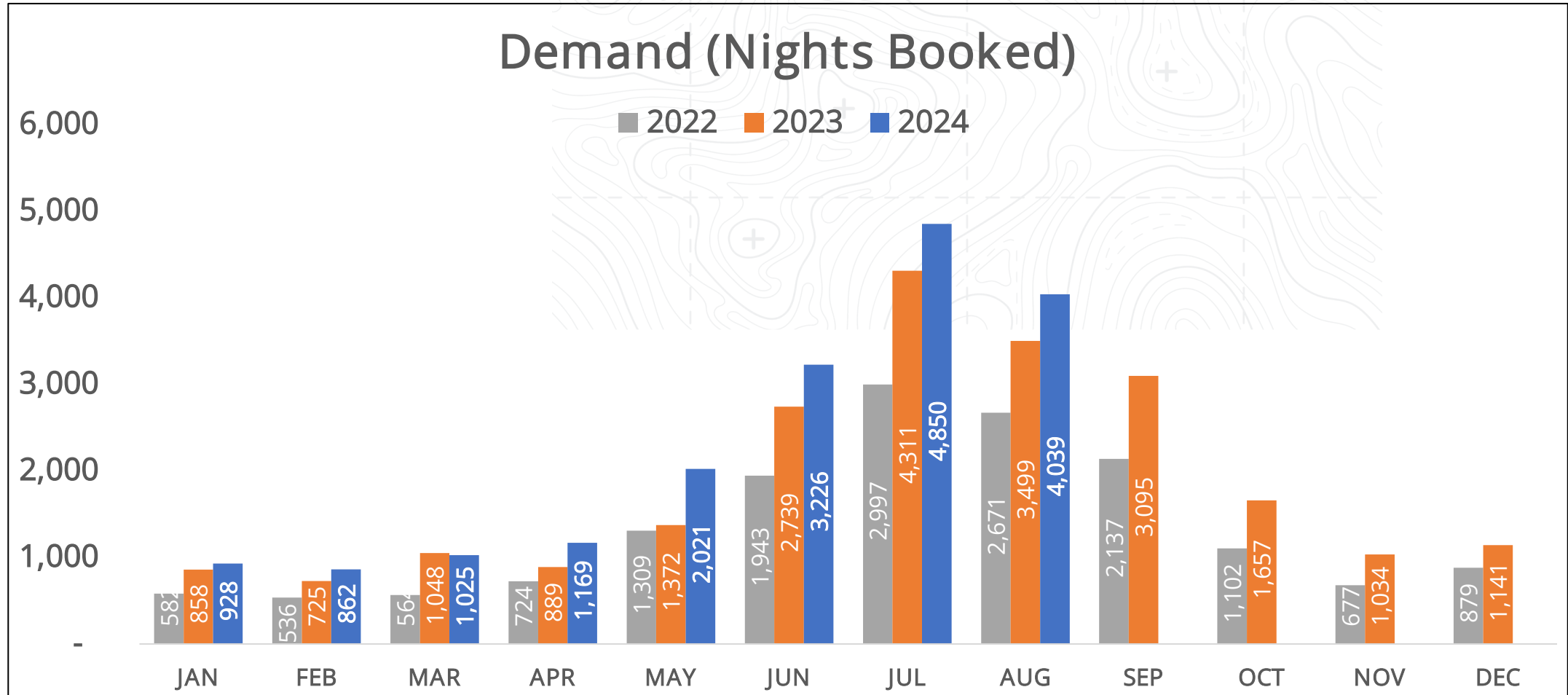
Kalispell Short Term Rental Occupancy increased 11.6%, ADR increased 8.0%, and RevPAR increased 20.4% Year-Over-Year





AirDNA Short Term Rentals – Demand

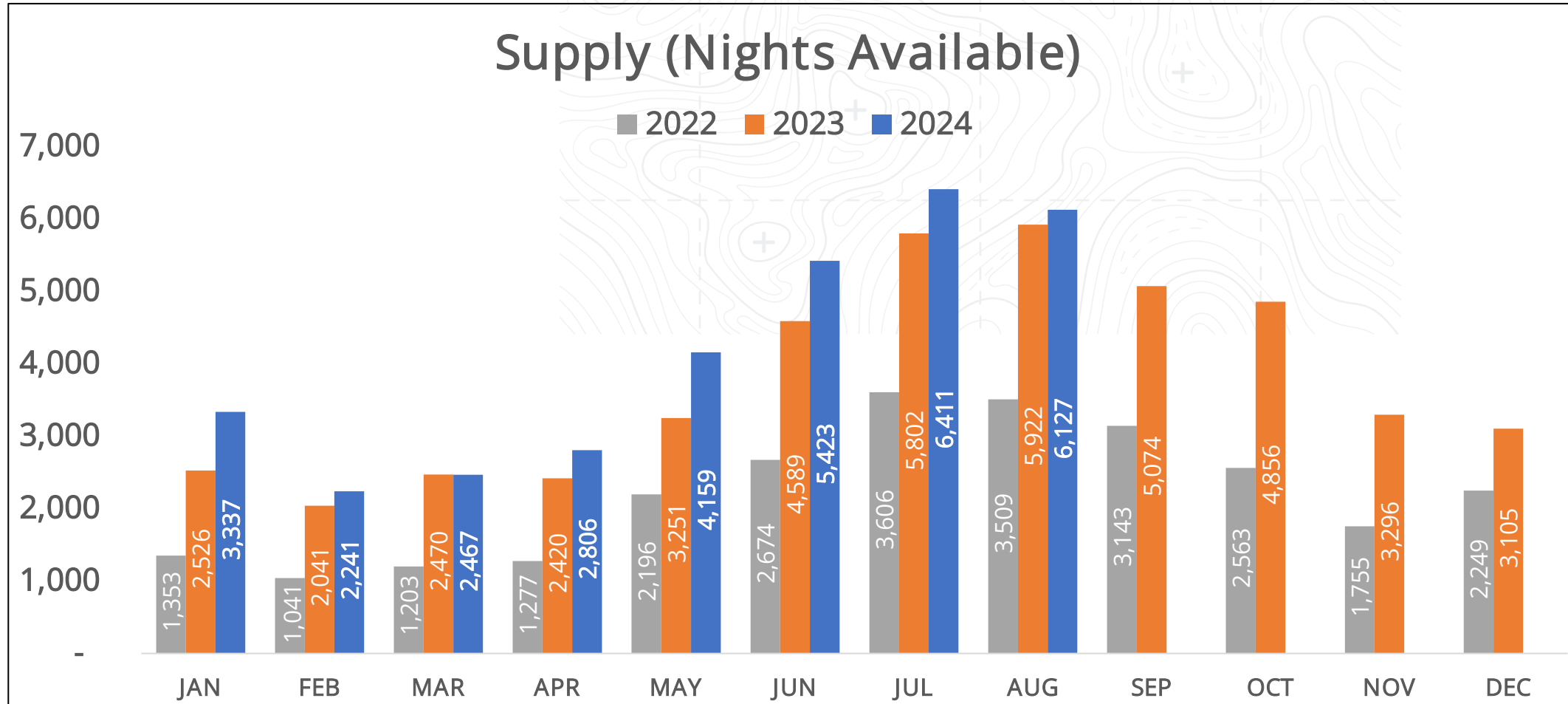
Kalispell Short Term Rental Demand increased 15.4%, Supply increased 3.5%, while Total Revenue increased 24.6% Year-Over-Year





AirDNA Short Term Rentals – Supply

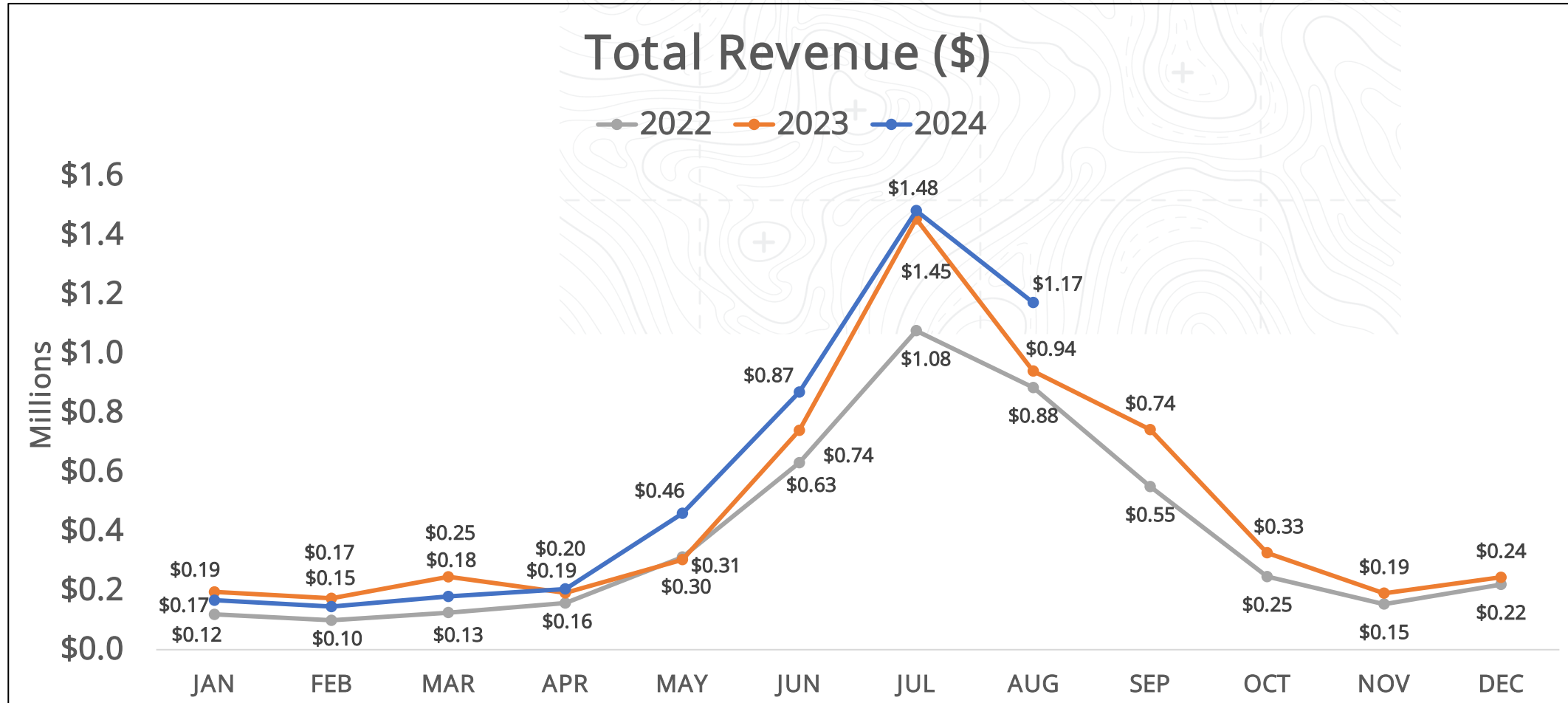
Kalispell Short Term Rental Demand increased 15.4%, Supply increased 3.5%, while Total Revenue increased 24.6% Year-Over-Year





AirDNA Short Term Rentals – Total Revenue

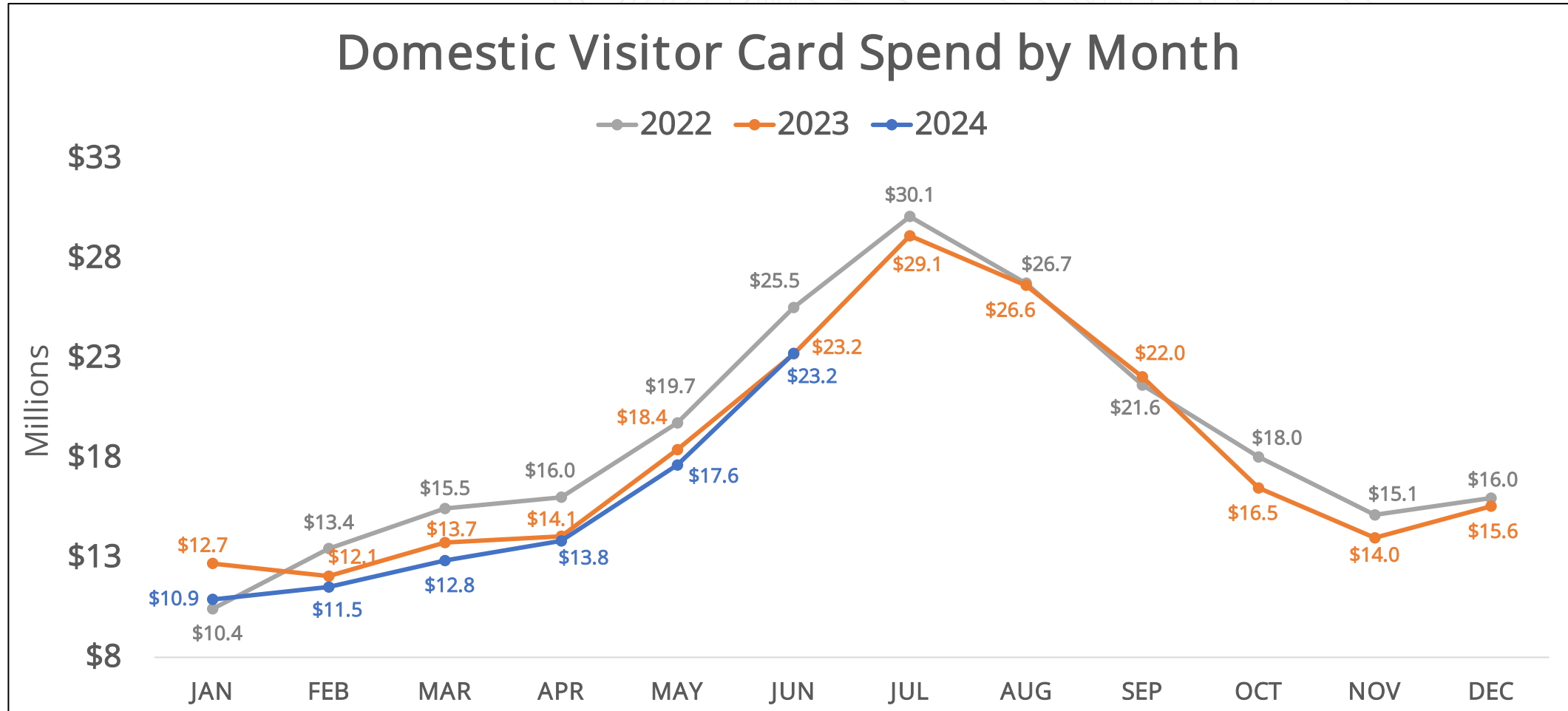
Kalispell Short Term Rental Demand increased 15.4%, Supply increased 3.5%, while Total Revenue increased 24.6% Year-Over-Year



Visa Destination Insights

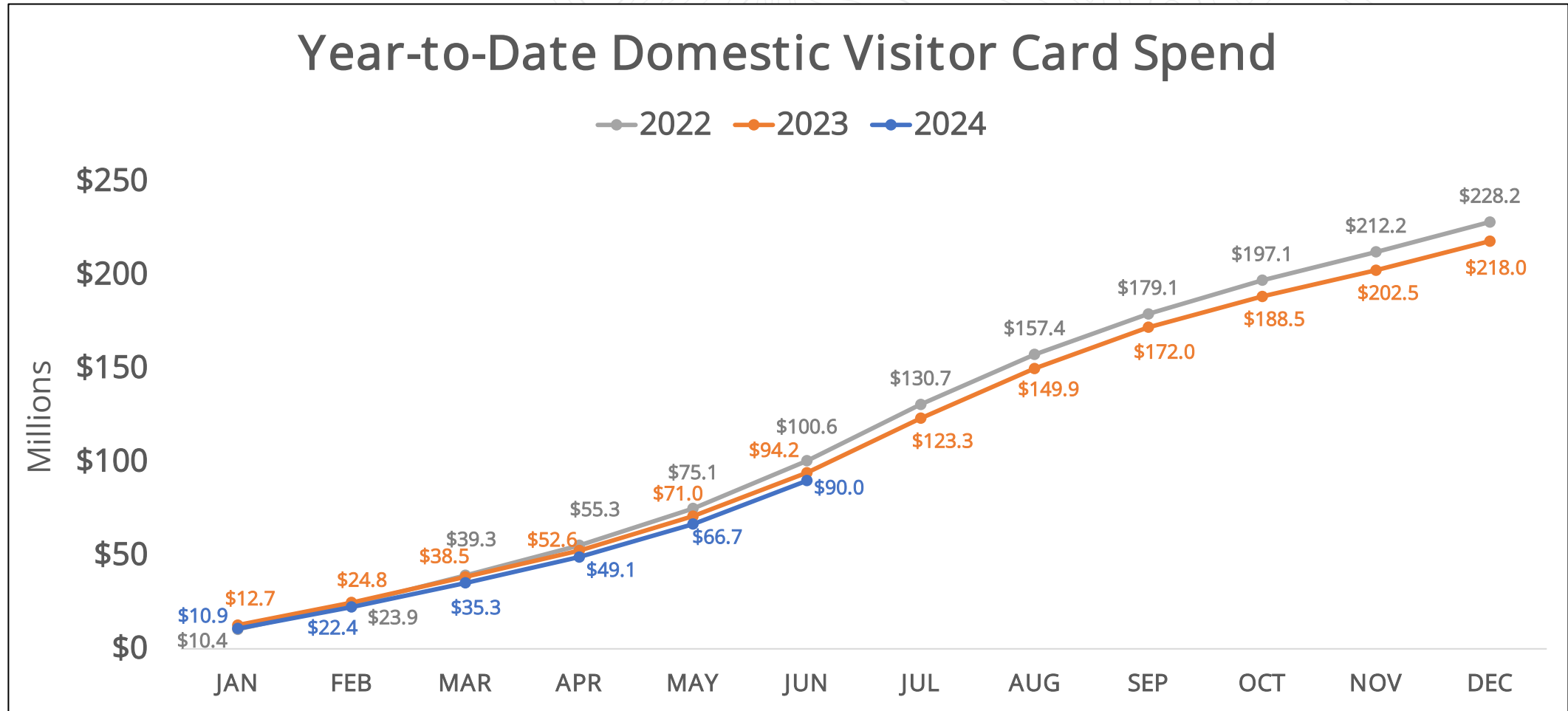
Visa – Domestic Visitor Spending

Q2 Domestic Visitor Visa Card Spend decreased 1.7% and Year-to-Date Spend decreased 6.4% Year-Over-Year



Visa – Domestic Visitor Spending

Q2 Domestic Visitor Visa Card Spend decreased 1.7% and Year-to-Date Spend decreased 6.4% Year-Over-Year





Visa – Domestic Visitor Origin (January – June 2024)

Rank	Origin Market	Spend (\$)	YoY % Change	Card Count	YoY % Change
1	Missoula, MT	\$3,755,664	11%	25,902	36%
2	Seattle-Tacoma-Bellevue, WA	\$1,732,043	-9%	8,208	2%
3	Phoenix-Mesa-Chandler, AZ	\$1,445,860	19%	4,936	15%
4	Los Angeles-Long Beach-Anaheim, CA	\$1,210,868	2%	4,517	-3%
5	Bozeman, MT	\$1,172,405	-5%	6,775	-8%
6	Helena, MT	\$978,058	-1%	6,496	0%
7	Great Falls, MT	\$943,337	-7%	5,862	-10%
8	Spokane-Spokane Valley, WA	\$812,255	-1%	5,288	-3%
9	Billings, MT	\$790,460	1%	3,899	0%
10	Portland-Vancouver-Hillsboro, OR-WA	\$767,410	-17%	4,157	-14%
11	San Diego-Chula Vista-Carlsbad, CA	\$673,771	7%	2,318	5%
12	Coeur d'Alene, ID	\$628,690	-4%	3,993	-3%
13	Las Vegas-Henderson-Paradise, NV	\$596,068	10%	2,023	-7%
14	Dallas-Fort Worth-Arlington, TX	\$557,742	8%	2,589	10%
15	Houston-The Woodlands-Sugar Land, TX	\$557,110	35%	2,012	28%

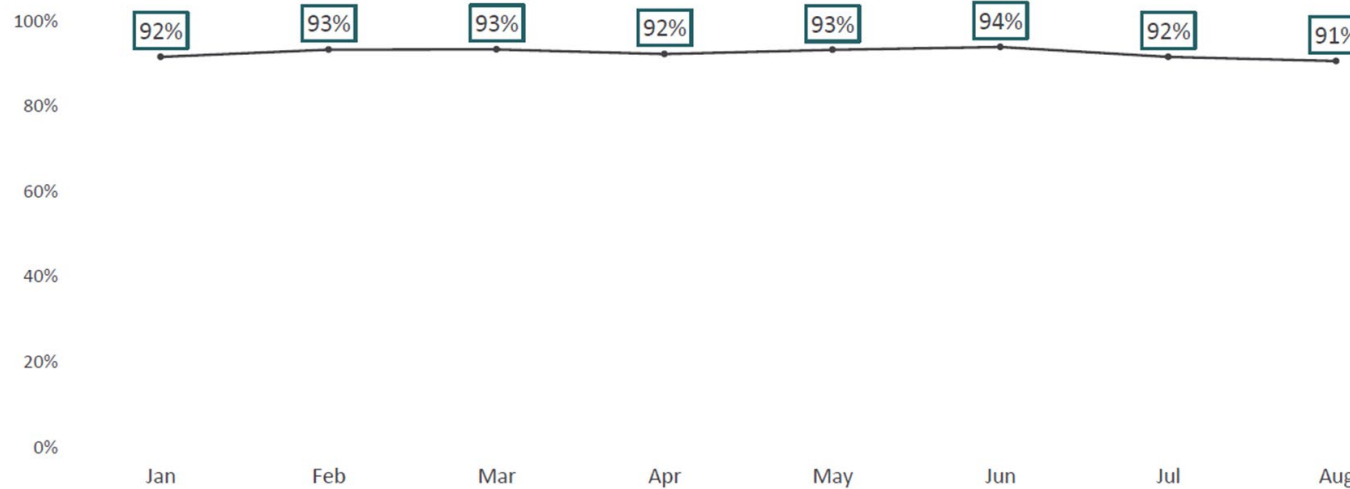
Consumer Sentiment Data

LONGWOODS INTERNATIONAL Travel Sentiment Study Wave 88

*Survey Fielded August 6, 2024; US National Sample of 1,000 adults 18+

IMPACT ON TRAVEL PLANS

Travelers with Travel Plans in the Next Six Months Comparison



U.S. Travel Sentiment Tracker: Wave 88

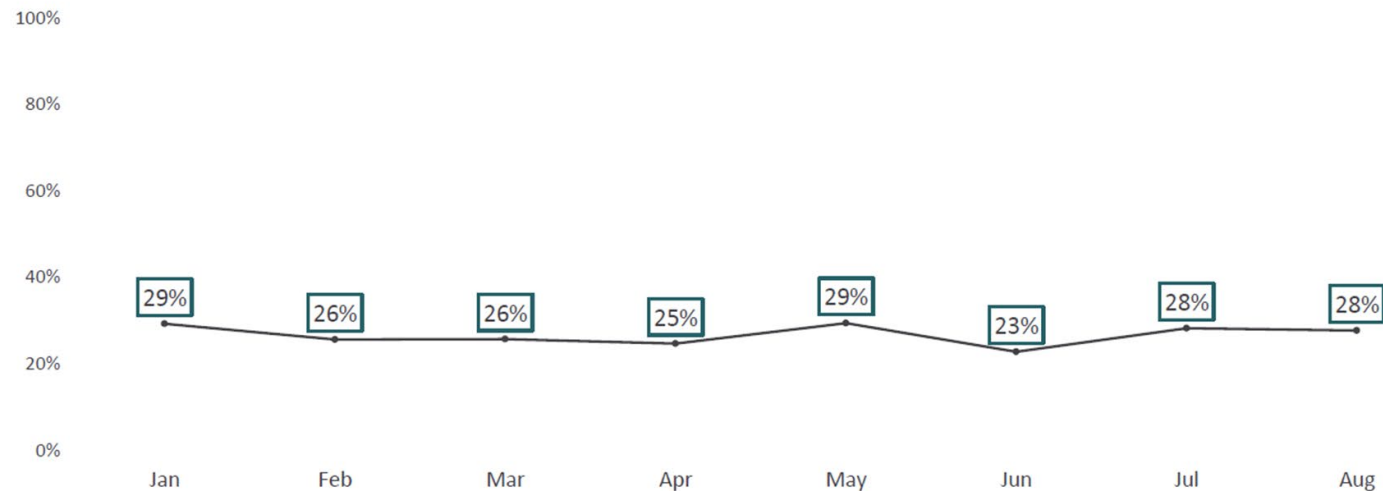
Longwoods INTERNATIONAL | miles PARTNERSHIP

LONGWOODS INTERNATIONAL Travel Sentiment Study Wave 88

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IMPACT ON TRAVEL PLANS

Indicated that Concerns About Personal Financial Situation Would Greatly Impact their Decision to Travel in the Next Six Months



U.S. Travel Sentiment Tracker: Wave 88

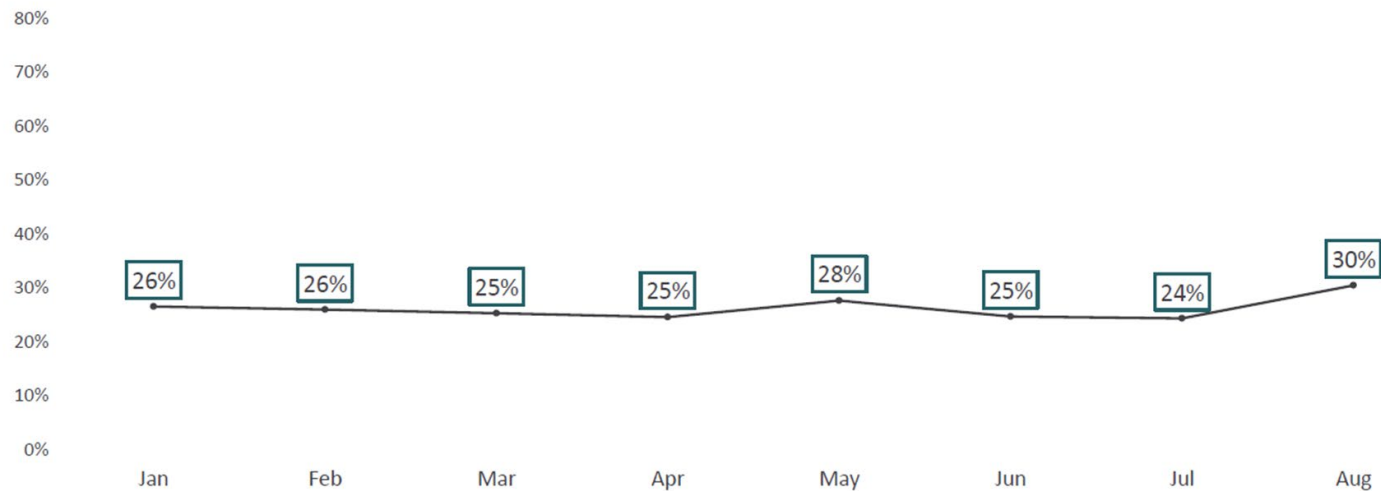
Longwoods INTERNATIONAL | miles

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IMPACT ON TRAVEL PLANS

Indicated that Inflation Would Greatly Impact their Decision to Travel in the Next Six Months



U.S. Travel Sentiment Tracker: Wave 88

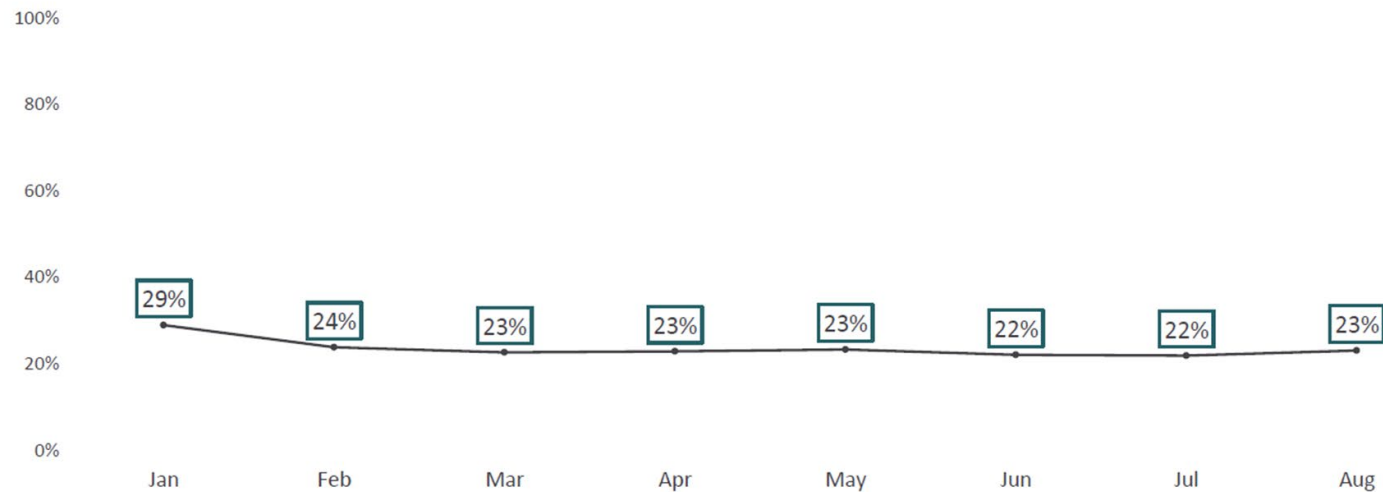
Longwoods INTERNATIONAL | miles PARTNERSHIP

LONGWOODS INTERNATIONAL Travel Sentiment Study Wave 88

*Survey Fielded August 6, 2024; US National Sample of 1,000 adults 18+

IMPACT ON TRAVEL PLANS

Indicated that Transportation Costs Would Greatly Impact their Decision to Travel in the Next Six Months



U.S. Travel Sentiment Tracker: Wave 88

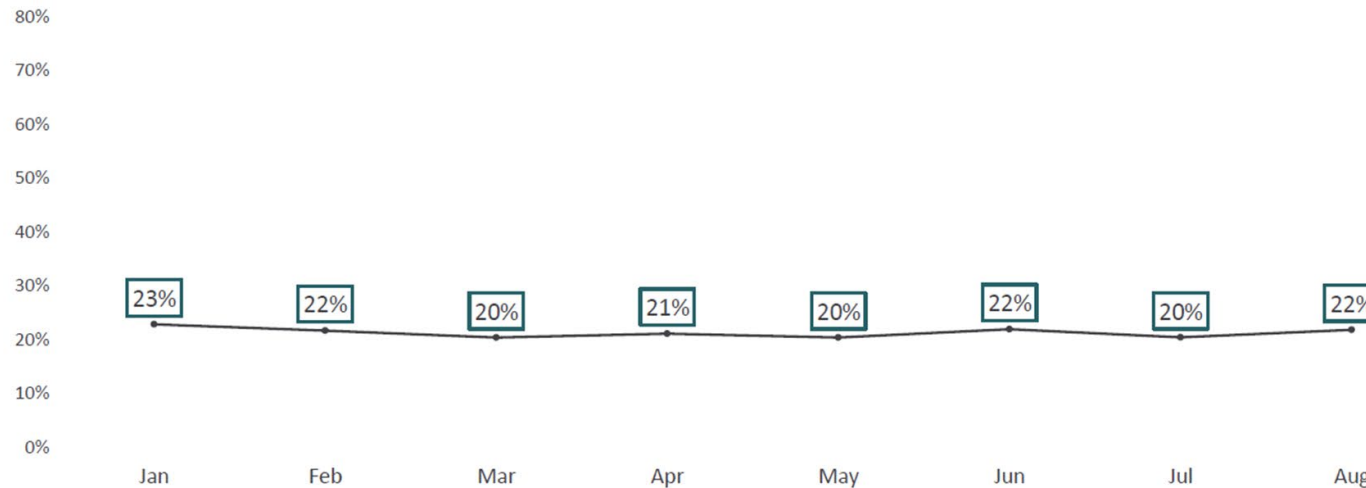
Longwoods INTERNATIONAL | miles

LONGWOODS INTERNATIONAL Travel Sentiment Study Wave 88

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IMPACT ON TRAVEL PLANS

Indicated that Gas Prices Would Greatly Impact their Decision to Travel in the Next Six Months



U.S. Travel Sentiment Tracker: Wave 88

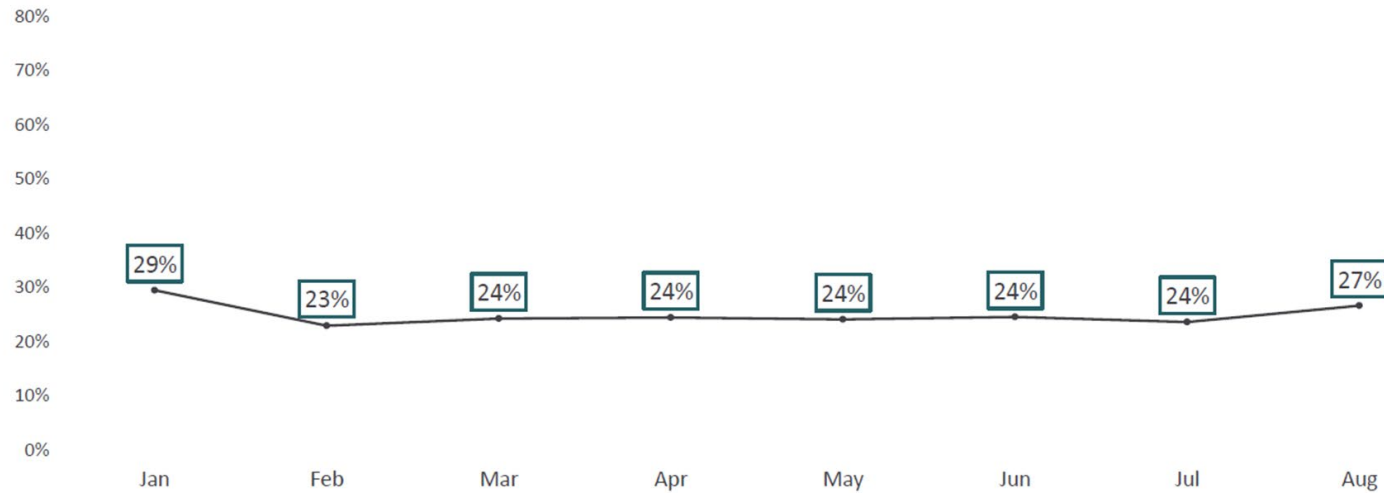
Longwoods INTERNATIONAL | miles

LONGWOODS INTERNATIONAL Travel Sentiment Study Wave 88

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IMPACT ON TRAVEL PLANS

Indicated that Airfare Prices Would Greatly Impact their Decision to Travel in the Next Six Months



U.S. Travel Sentiment Tracker: Wave 88

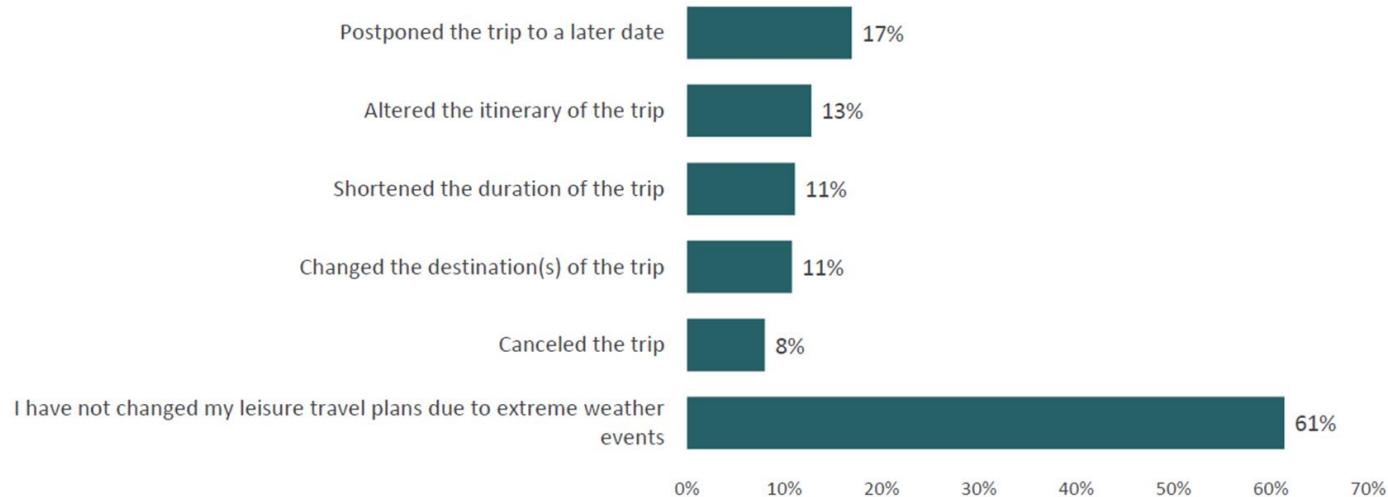
Longwoods INTERNATIONAL | miles

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IMPACT ON TRAVEL PLANS

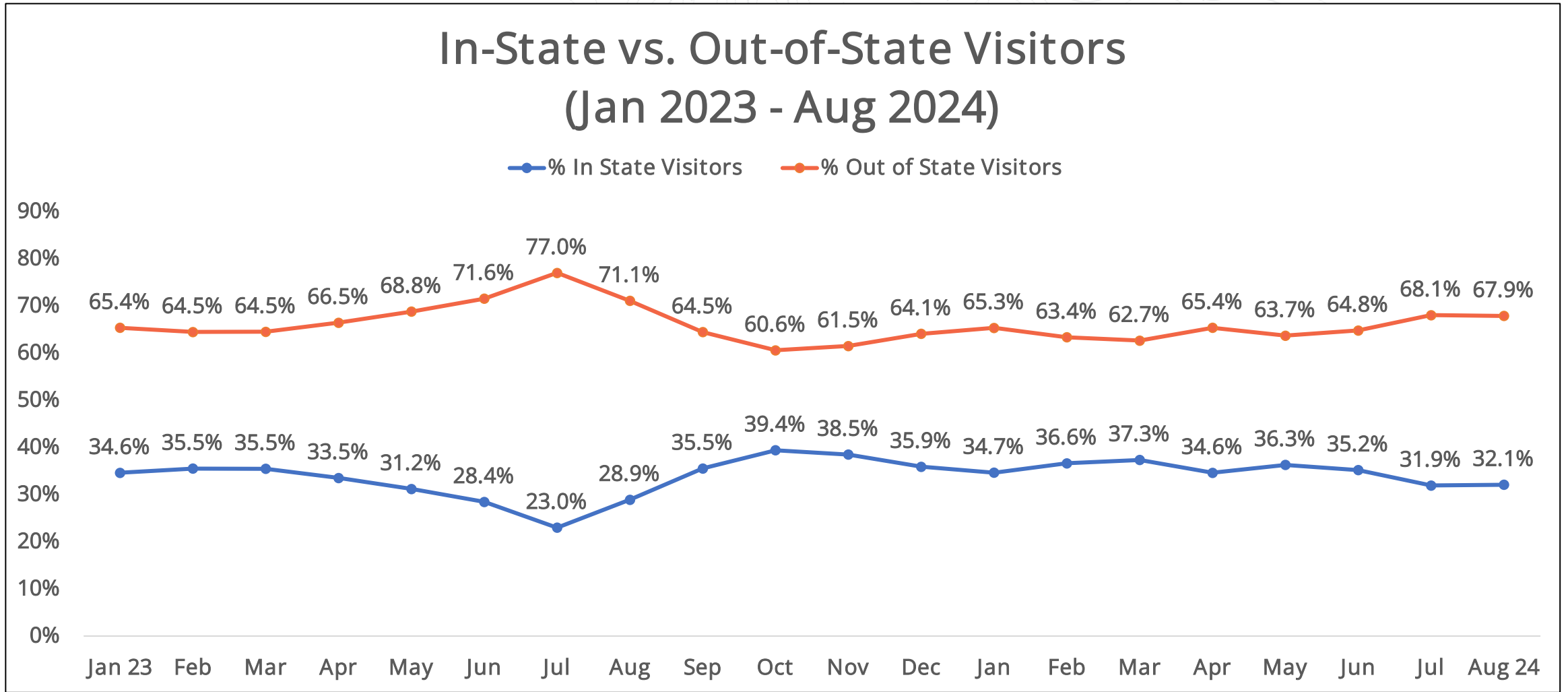
In the past year, have you changed your leisure travel plans due to extreme weather events, such as extreme heat, drought, flooding, hurricanes, etc?



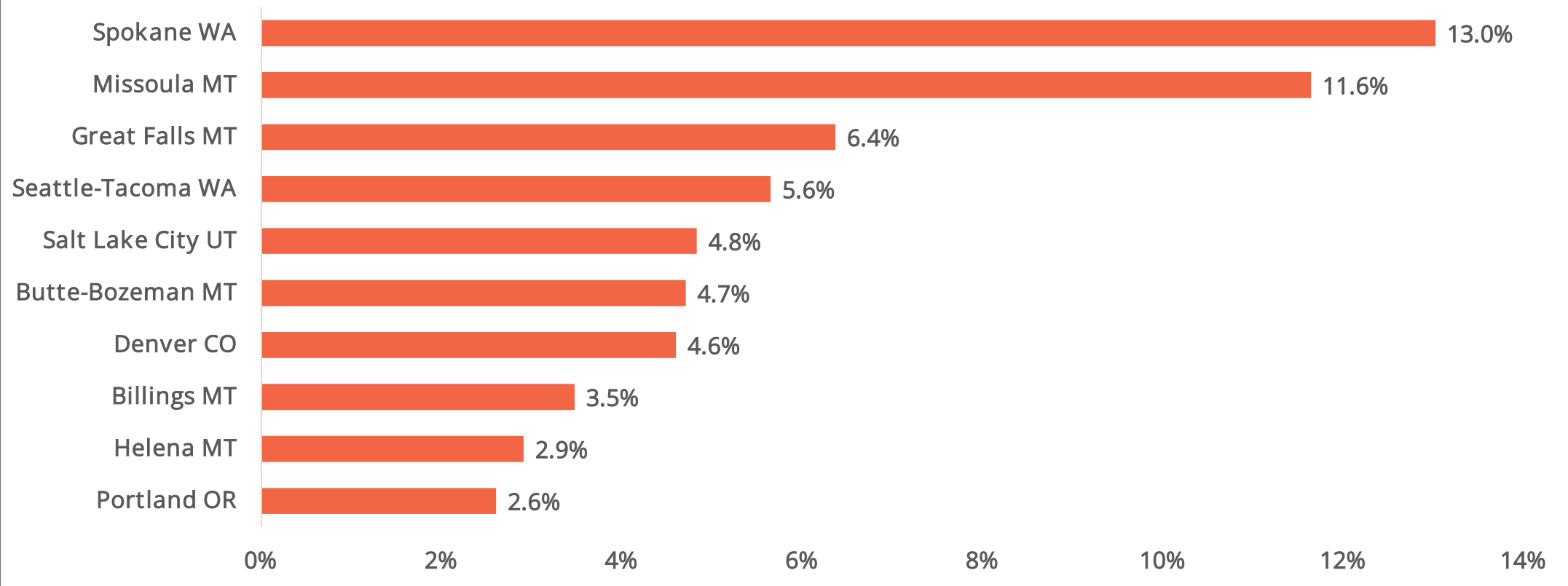
U.S. Travel Sentiment Tracker: Wave 88

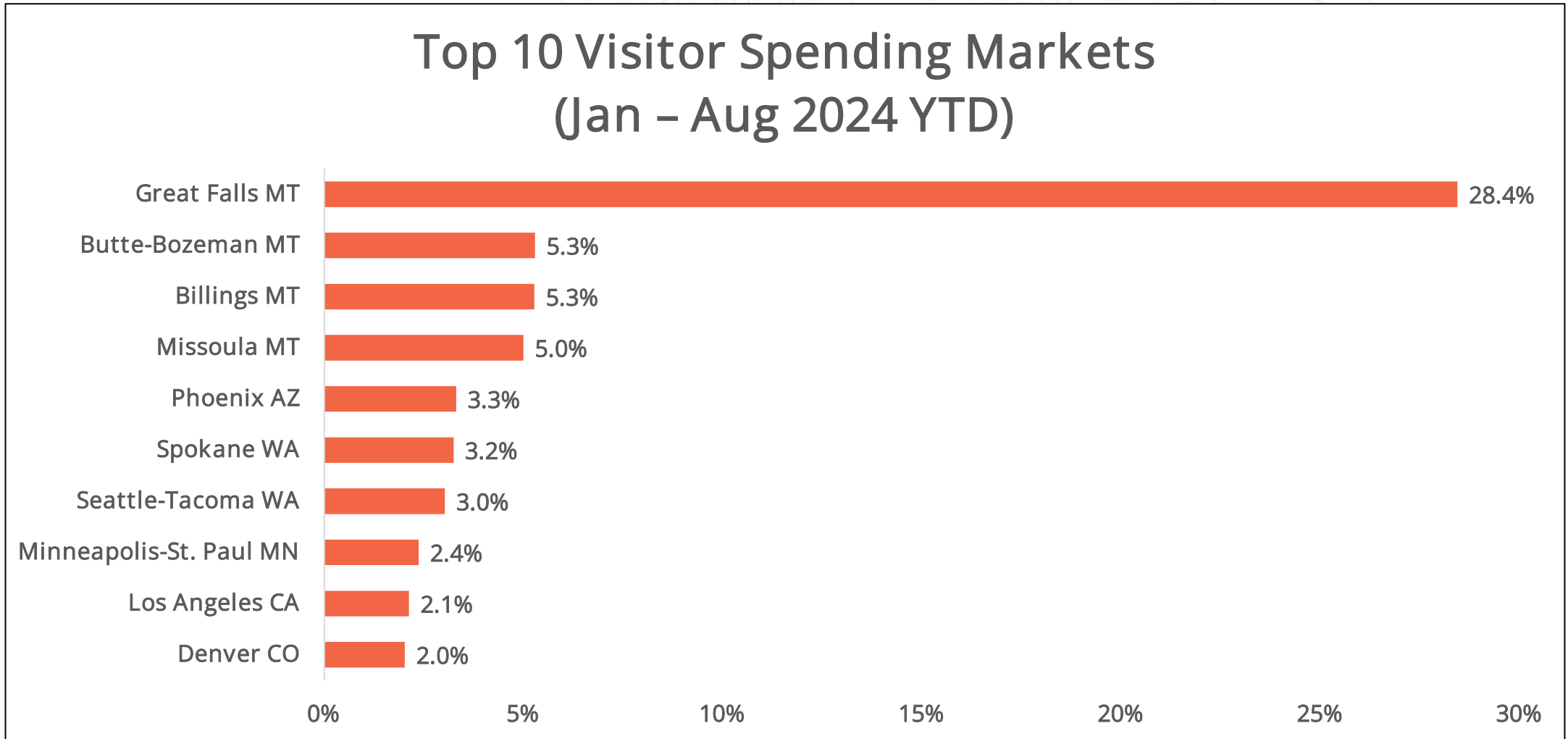
Longwoods INTERNATIONAL | miles PARTNERSHIP

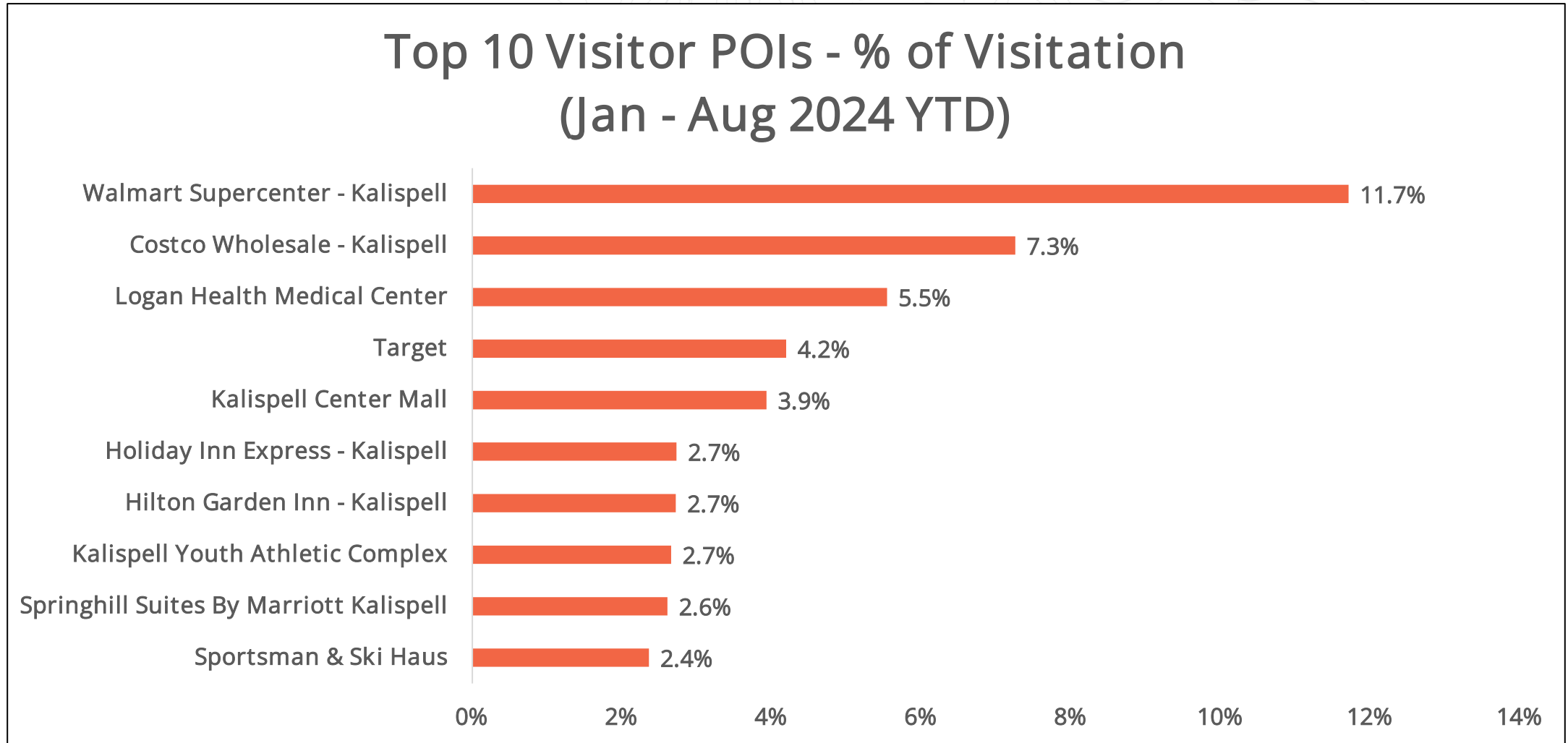
Zartico Geolocation Data

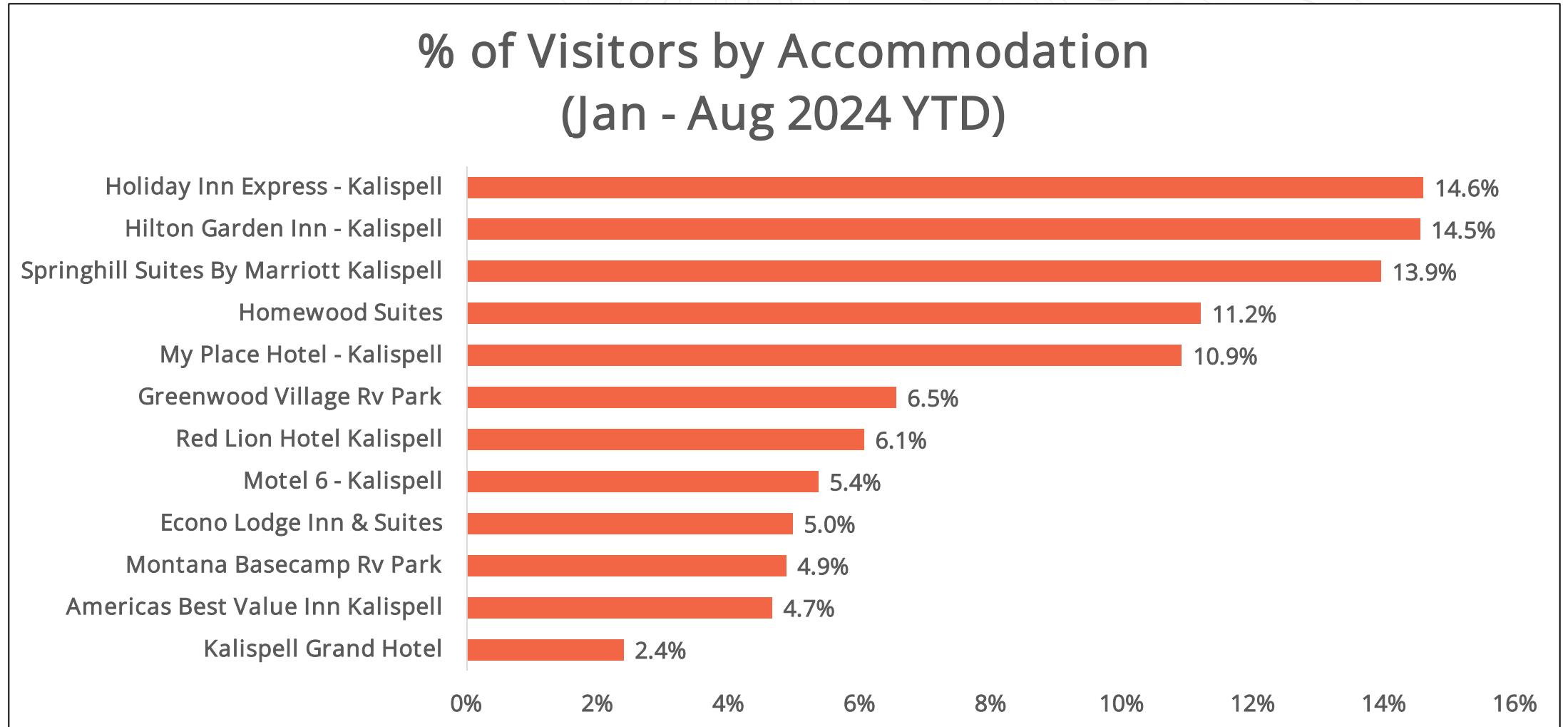


Top 10 Visitor Origin Markets (Jan – Aug 2024 YTD)

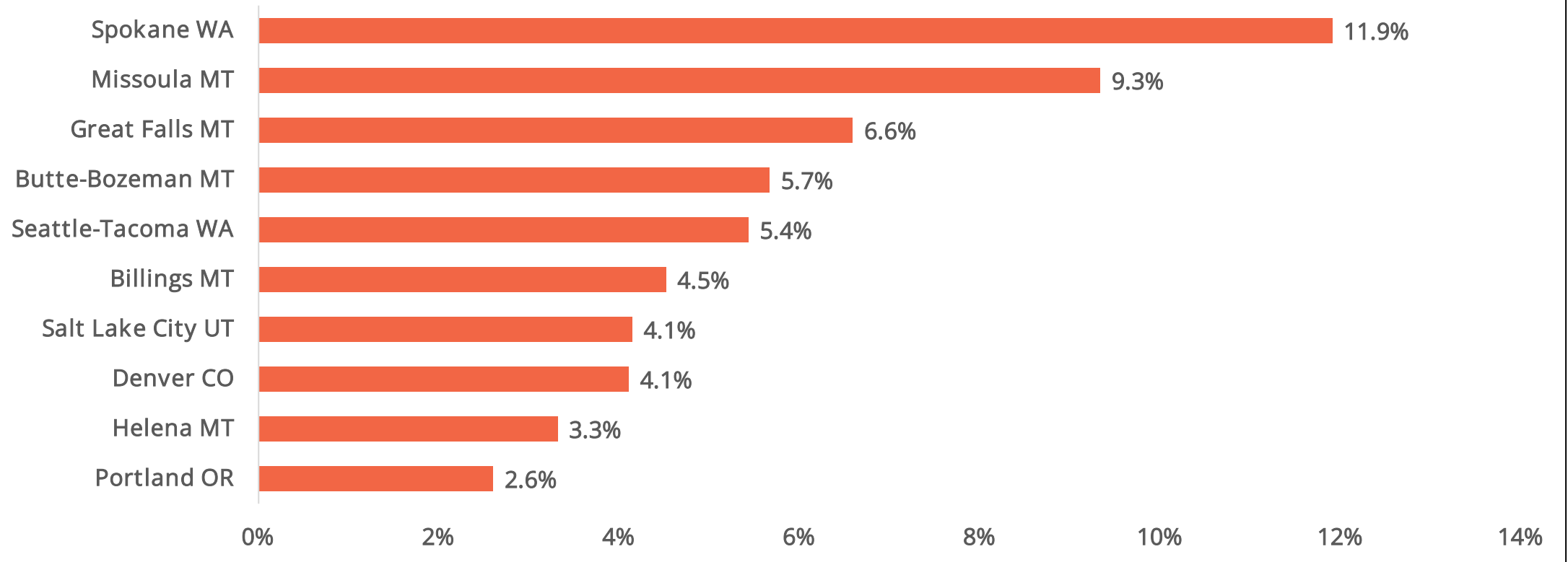








Accommodations - Top 10 Visitor Origin Markets (Jan – Aug 2024 YTD)





Thank You!

