



RESEARCH UPDATE

**NOVEMBER 2024
REVIEW**

Big Sky Travel & Tourism Trends

- 137,744 total revenue passengers passed through the Bozeman Yellowstone International Airport in November 2024, a drop of 3.1% compared to the same month last year.
 - Total revenue passengers are up 7.1% Year-To-Date (YTD) in 2024 compared to YTD 2023.
- Average Occupancy at Airbnb and Vrbo short term rentals in Big Sky increased from 33% in November 2023 to 36% in November 2024.
 - However, Average Daily Rate at those same properties declined, slipping from \$656 in November of last year to \$574 this year.
- Professionally managed short-term rentals reported no change in Occupancy Year-over-Year (YoY), with Occupancy staying flat at 14% for the month.
 - Average Daily Rate also deteriorated significantly, falling from \$353 in November 2023 to \$234 in November 2024.
- Visa credit card spend in Big Sky was flat YoY in October of 2024, with just over \$2.0 million being spent by domestic visitors and residents on Visa cards in the month.
 - International Visa card spend increased YoY, with \$23,134 being spent by international visitors on Visa cards during the month of October 2024.

West Region Mountain Market Summary

- “Winter is here, the snow is falling, the election is over, and the holidays are upon us, all of which sets the positive tone for this month’s report of performance at western mountain resorts. Positive economic conditions, which have dominated the macro data for most of the year, appear to be coming home to roost, with a strong booking pace, longer stays, and stable early winter rates suggesting that consumers may be on the cusp of a shift away from their 24-month siege against increasing rates. However, pent-up demand from the pre-election slump and the first snow of the year can create a false sense of certainty, and it will take another month of momentum, and a few months under the new administration’s economic policies, before things become wholly clear.”
- “Snowfall and a proliferation of opening days in November combined to push booking pace and revenue ahead, and transactions exceeded typical patterns for November in an election year, suggesting unusually strong demand during the month.”
- “Room rates, strategically pulled back on a YoY basis, helped trigger consumers to respond and winter occupancy shifted to positive for the first time since the Aug 31 data. RevPAR edged upwards, most notably in Nov and Jan, and only Dec remains down – but just slightly.”
- “However, there’s a lot of nuance in the November data, including conflicting signs of rate sensitivity (or not), the impact of pre-election pent up demand, and gains/loss around the holidays that are creating periods of instability.”

U.S. MARKET REVIEW

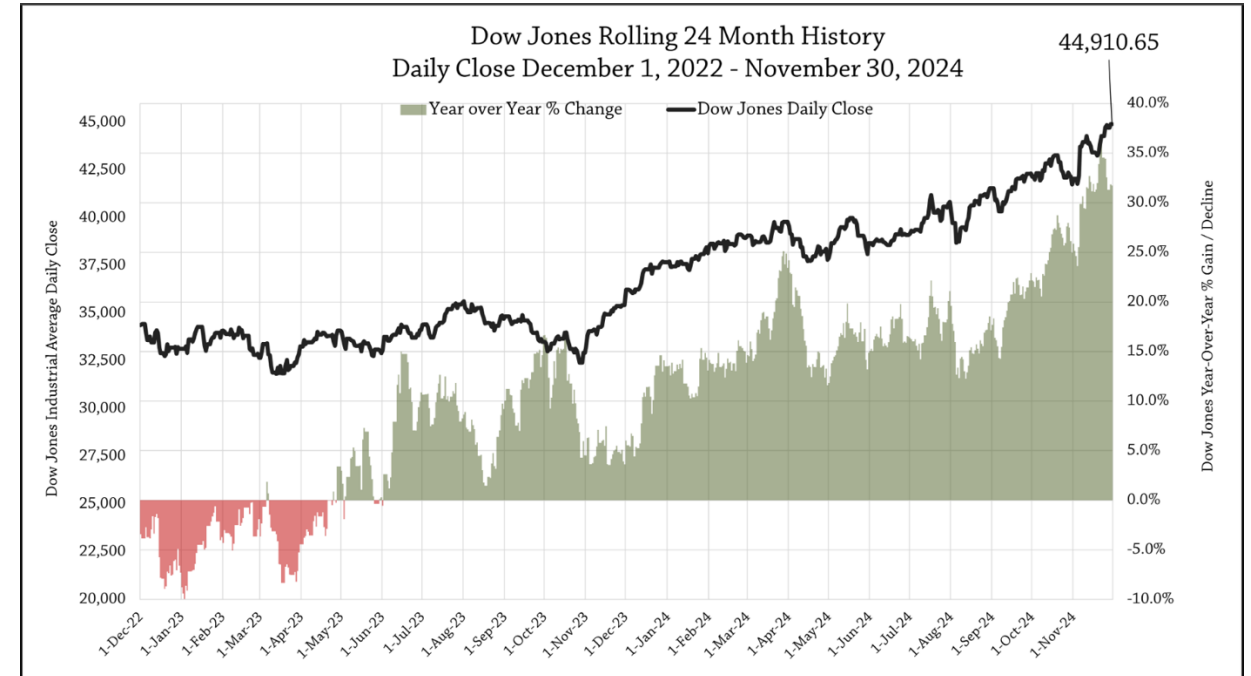
VISIT BIG SKY
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U.S. MARKET REVIEW

The Dow Jones Industrial Average

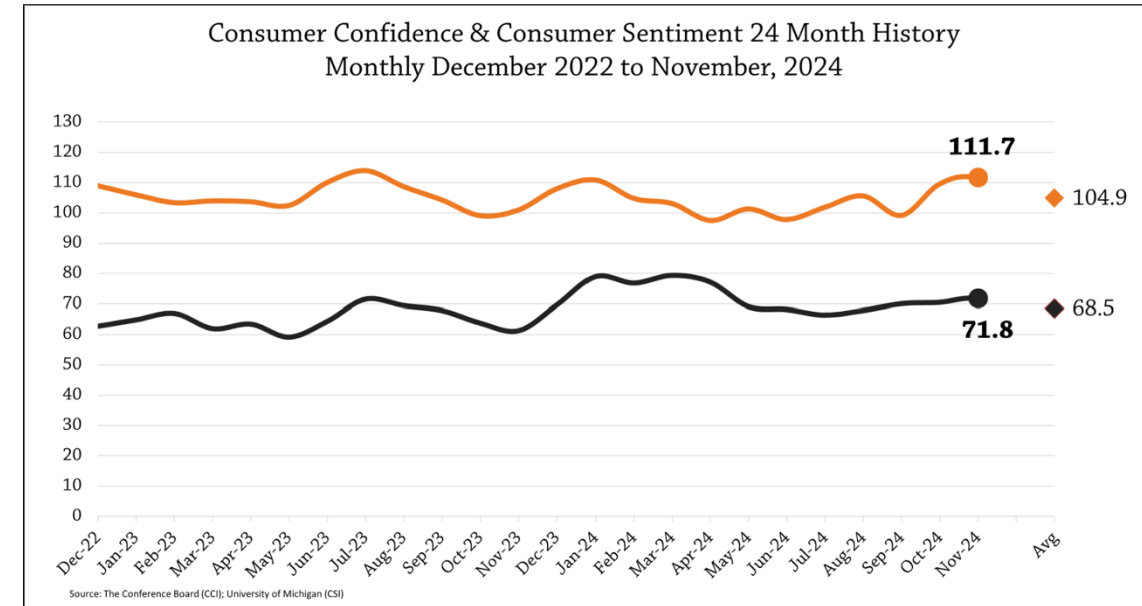
- “The DJIA increased dramatically in November, adding an impressive 7.5 percent, or 3,147.19 points during the month, to close at 44,910.65 points. This is the DJIA’s highest monthly close on record and the fourth in the last five months.”
- “Markets reacted positively to the outcome of the presidential election, anticipating an easing regulation of Wall Street under the new administration.”
- “The DJIA is currently up an impressive 26.8 percent – or 9,480 points – from last November, which puts a smile of the face of consumers who are watching IRA and 401(K) accounts balloon.”



U.S. MARKET REVIEW

The Consumer Confidence Index & Consumer Sentiment Index

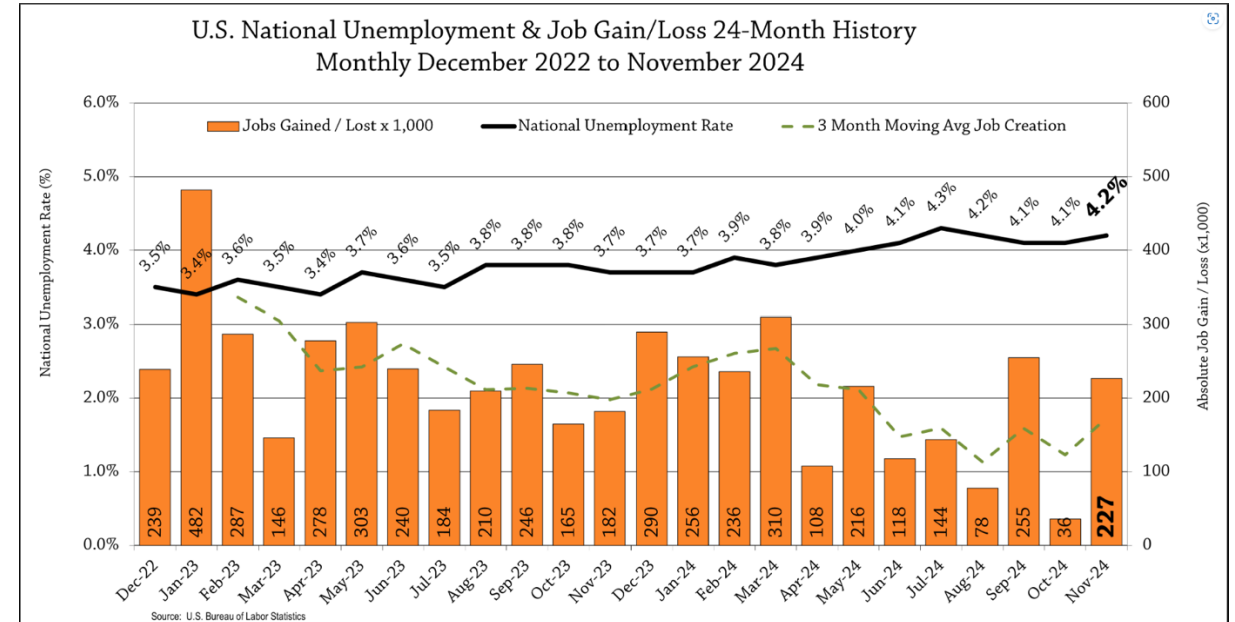
- “The CCI and CSI both increased in November for the second consecutive month, with both moving up enough to nudge their 24-month averages higher.”
- “The CCI was adjusted upward slightly for October but also increased in November, adding 2.1 points to reach 111.7 points and its highest point since July 2023.”
- “The recent surge in the stock market also showed up in the CCI, with over 56 percent of respondents feeling stock would continue upward in the year ahead...But the price of goods continues to remain an issue.”
- “The University of Michigan’s CSI also increased in November, the fifth consecutive month for gains, adding 2.1 points and finishing at 71.8 points – the highest since April.”



U.S. MARKET REVIEW

The National Unemployment Rate

- “Unemployment and Jobs rebounded strongly in November from October’s concerning report, with employers adding 227,000 new positions to payrolls while the national unemployment rate increased slightly from 4.1 to 4.2 percent during the month.”
- “This month’s report had upward revisions of September and October’s data, adding a combined 56,000 positions, helping to temper concerns that the labor market may be slowing – and the 227,000 added in November further supports a positive position on employment.”
- “Wage growth was also strong last month, up 0.4 percent from October and up 4.0 percent from last year, well ahead of inflation.”



The National Inflation Rate

- “Inflation ticked up slightly in November from 2.6 to 2.7 percent as monthly prices increased 0.3 percent in November from October. The Consumer Price Index is currently at 315.5 points. This is the largest month-over-month increase in prices since April.”
- “While gasoline, most foods, and fuel oil all went up (and just in time for the holidays and cold weather), long-anticipated softening such as the rental housing market, have been slowing which will have a positive impact across all spending categories.”
- “Airfares were up 0.4 percent in November from October, while gasoline increased 0.6 percent, and eating out increased 0.3 percent.”
- “While prices went up 0.3 percent from last month, wages went up 0.4 percent and overall wages are up 4.0 percent compared to last year, well above the 2.7 percent inflation for the 18th consecutive month.”

The Trump Administration 2.0

- “Trump’s first term was marked by policies and pronouncements that strained international relations, including trade tariffs and a travel ban on selected countries. During this period, international travel to the US experienced marginal growth, with an average increase of 1% over three pre-pandemic years, and a loss of global market share.”
- “Definitive policy changes remain uncertain and will likely fall short of campaign promises, but experience shows travel markets are susceptible to policy and sentiment.”
- What to consider:
 - “Tariffs, restrictive immigration policies, and nationalist rhetoric may negatively impact inbound travel through direct travel restrictions as well as shifts in sentiment.”
 - “Mass deportation talk is likely overdone. Rather, we anticipate a moderate step down in annual net immigration, resulting in fewer available hospitality staff.”
 - “GDP should experience a moderate boost in 2026 and 2027 due to expansionary fiscal policy, but the negative effects of tariffs and immigration reductions on the labor force will set the stage for a long-term drag.”

Business and Group Travel Resurgence

- “Corporate investment continues to outpace broader GDP growth, boding well for business travel. Momentum is gaining for business travel intentions according to MMGY’s latest Portrait of the American Traveler, and while work patterns have shifted toward remote, over half of remote employees state they meet their colleagues in person at least quarterly.”
- “Business travel within the US grew 5.5% in 2024 and is expected to reach 98% of pre-pandemic levels in 2025. While the recovery has taken longer than for leisure travel, it is clear that face-to-face meetings remain fundamental to business performance. Once again, the doomsayers have been proven wrong.”
- “Group room demand is closing in on 2019 levels and the hotel sector is seeing continued growth:
 - *“Group RevPAR rose more than 5% year-over-year, led by strong demand for both corporate and social meetings and events. For the full year, group position is up 10% with group position in '25 and '26 up low double digits to mid-teens.” - Hilton Earnings Call, October 2024*

Influential Travel Trends

- “This year saw the continuation of many key travel trends, but new shifts also emerged and stand to shape the industry ecosystem for 2025:”
- “The Return of International Travel: US outbound travel recovered to 2019 levels far ahead of inbound, but our forecast projects a full inbound recovery in 2026. India and Mexico lead the way, surpassing 2019 numbers, while Asia Pacific regions still have a long recovery journey ahead.”
- “Blended Leisure and Business Trips: “Bleisure” travel, solidifies itself as a significant growth niche according to responses from Tourism Economics’ 2024 Travel Industry Monitor survey. Over half of industry experts surveyed rank the blended travel model as the top opportunity for expansion, highlighting its rising importance.”
- “New Wave of Cruise Demand: The rapid resurgence of cruise punches far above its weight regarding demand. The sector’s impressive post-pandemic rebound contributed to \$138B in total economic output and 1.2 million jobs globally in 2022 and continues to grow.”
- US. cruise passenger volume is on pace to exceed 18 million this year, an 8% increase from 2023 and 28% above 2019’s pre-pandemic baseline of 14.2 million.
- Accounting for just 3.1% of total lodging demand compared to hotels’ dominant 82.7%, we project cruises will add 5.4 million sold cabin nights year-over-year in 2024—surpassing the additional 4.4 million room nights expected for hotels.

Influential Travel Trends (continued)

- “Record Airport Volumes: Passenger traffic in US airports continues to set records, with the newest record recorded on December 1—the Sunday following Thanksgiving—when TSA Officers screened more than 3 million people at airport security checkpoints nationwide. The previous busiest-ever day, and the first day to exceed 3 million passengers through TSA checkpoints, was July 7, the Sunday after the July 4th holiday.”
- “Upswing in Upscale Hotels, Lagging Economy Brands: Lower-income Americans affected by inflation coincide with lackluster performance for economy and midscale properties and strong demand for upscale and luxury hotels.”
- “Since 2022, US hotel demand has hovered near pre-pandemic levels, though recovery has been uneven across segments. Economy hotel demand has trended downward throughout 2023 and 2024, while luxury hotels have fully rebounded and continue to experience robust growth.”

Short Term Rentals

- “Available listings grew by 3.9% in November, marking the third consecutive month of modest growth in the 4% range. Listing growth has steadily slowed since the Federal Reserve began raising interest rates in March 2022 to combat global inflation. Higher borrowing costs have created a barrier to new investments. With house prices remaining high, the development of short-term rentals (STR) has become notably more expensive compared to just a few years ago.”
- “The challenges of expanding the STR market are evident in the slower growth of new listings, which have been entering the market at a significantly lower rate than last year since March.”
- “While the growth rate of new listings has improved slightly—rising from a low of -18.5% in September to -12.6% in November—this modest recovery is largely due to a late-season surge in 2023. This surge created a high baseline for year-over-year (YOY) comparisons for June through September in 2024.”
- “The current figures, while representing a relative slowdown in listing growth, seem especially weak when compared to the artificially high growth rates from the same period last year.”
- “Supply nights, which can be understood as the total number of nights that STR listings are open for booking, have seen slowing growth after a brief resurgence in the second half of 2023. This metric peaked at a 10.6% growth rate in February but has since declined to 2.3% in November.”

Short Term Rentals (continued)

- “Meanwhile, demand growth is gaining momentum in response to positive economic news over the past year. As inflation declined and real incomes recovered, travelers resumed making more vacation plans. Demand growth has been generally accelerating since dropping to -1.8% in March and April of 2023.”
- “January of 2024 saw weak demand growth, driven by low snowfall and a cold snap that discouraged travel across much of the country. April and September also faced challenges due to unfavorable calendar shifts. However, demand growth throughout the rest of this year has been significantly stronger compared to 2023.”
- “As supply night or available night growth continues to slow and demand growth accelerates, occupancy has stabilized. Due to calendar fluctuations this year, 2024’s year-to-date occupancy has alternated between slightly above and below 2023 levels. The two series were essentially neck-and-neck in October.”
- “November saw a notable gain in occupancy, pushing it 3.4% higher year-over-year (YOY) and above 2019 levels. This increase also nudged year-to-date occupancy marginally ahead of 2023.”
- “The most dramatic reversal in performance has been the recent rise in average daily rate (ADR) growth. Throughout much of 2023, ADR declined—partly due to a mix shift, which occurs when changes in the types of properties entering or leaving the market artificially raise or lower the average rate.”

Short Term Rentals (continued)

- “Mix shift pulled down overall ADR, as the composition of listings tilted toward more affordable options. By early 2024, the situation began to stabilize. ADR had fully reversed its downward trend by March, posting a 4.1% year-over-year (YOY) increase.”
- “November’s growth of 7.0% was the strongest monthly ADR increase of 2024 and the highest growth rate since early 2022. This turnaround highlights a key dynamic for operators: stable or rising occupancy rates are critical to maintaining pricing power. When occupancy is strong, hosts have more flexibility to raise rates without sacrificing bookings.”
- “This connection became particularly evident following the peak performance of 2021, when demand surged to unprecedented levels. At that time, ADR growth began to stall, even as inflation and broader price levels climbed. The reason? Occupancy had already maxed out in many markets, leaving little room for further price increases.”
- **Key U.S. Short Term Rental Performance Metrics for November 2024**
 - Occupancy was 3.4% higher YOY at 48.9%
 - Average Daily Rate (ADR) increased 7.0% YOY to \$294.79
 - Revenue per Available Rental (RevPAR) increased 10.7% year-over-year (YOY) to \$144.19
 - Total demand (nights) rose 5.8% YOY
 - Available listings were 1.68 million, up 3.9% YOY

AIRPORT DATA



BOZEMAN YELLOWSTONE INTERNATIONAL AIRPORT NON-STOP DESTINATIONS

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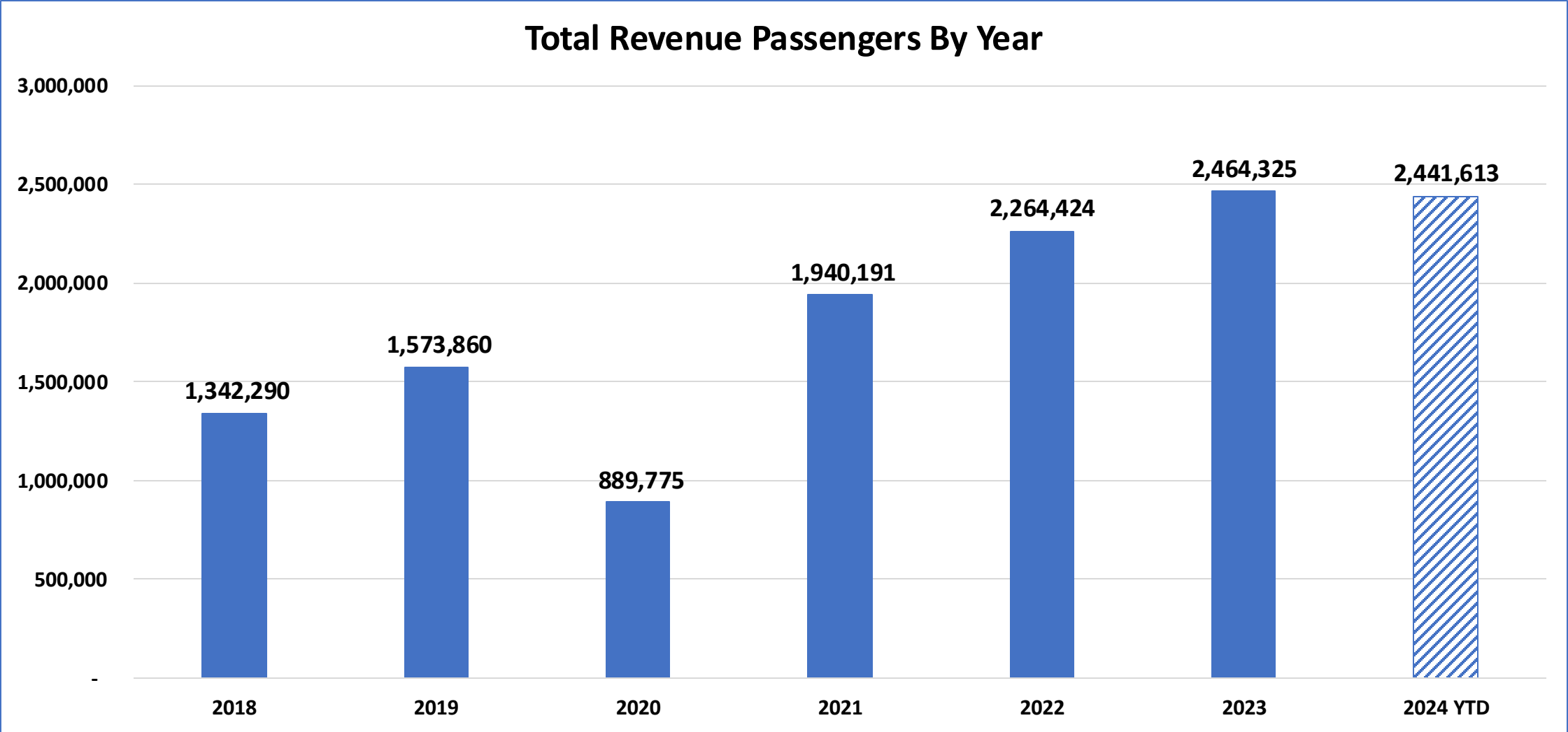


BOZEMAN YELLOWSTONE INTERNATIONAL AIRPORT - TOTAL PASSENGERS YEAR-TO-DATE



Total Revenue Passengers					
<u>Month</u>	<u>2024</u>	<u>2023</u>	<u>% Change vs. 2023</u>	<u>2022</u>	<u>% Change vs. 2022</u>
January	184,239	182,309	1.1%	167,043	10.3%
February	192,315	188,040	2.3%	171,096	12.4%
March	226,724	212,084	6.9%	206,216	9.9%
April	148,434	144,862	2.5%	140,031	6.0%
May	190,101	173,251	9.7%	165,145	15.1%
June	285,722	248,492	15.0%	225,410	26.8%
July	322,732	286,163	12.8%	256,234	26.0%
August	314,279	281,444	11.7%	254,445	23.5%
September	249,773	234,589	6.5%	203,844	22.5%
October	189,550	185,605	2.1%	167,851	12.9%
November	137,744	142,205	-3.1%	132,939	3.6%
December		185,281		174,170	
Year-to-Date	2,441,613	2,279,044	7.1%	2,090,254	16.8%
Total		2,464,325		2,264,424	

BOZEMAN YELLOWSTONE INTERNATIONAL AIRPORT - YEARLY TOTAL PASSENGERS



(Jan-Nov 2024)

AIRDNA DATA

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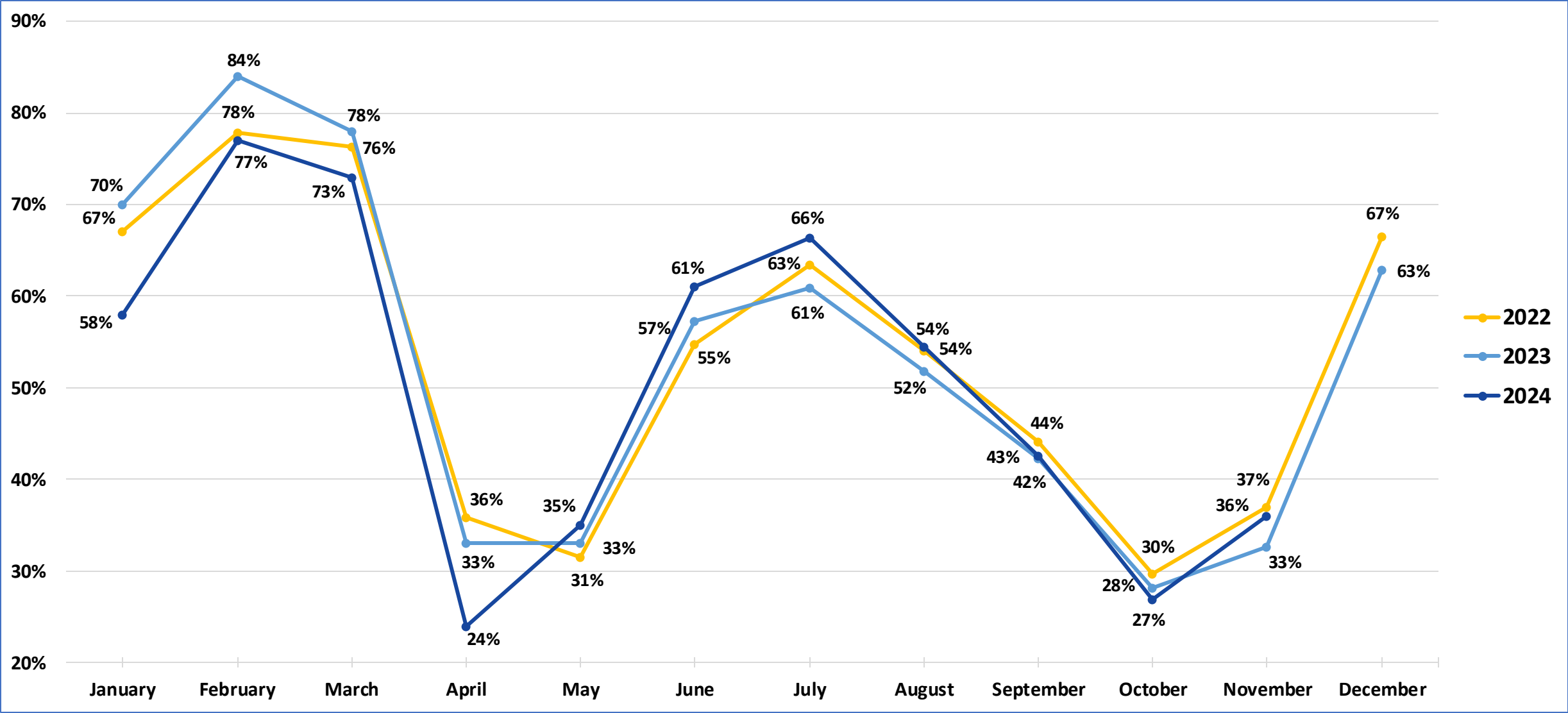
AIRDNA SHORT TERM RENTAL (INCLUDES AIRBNB & VRBO LISTINGS) DEFINITIONS



Definitions (provided by AirDNA)

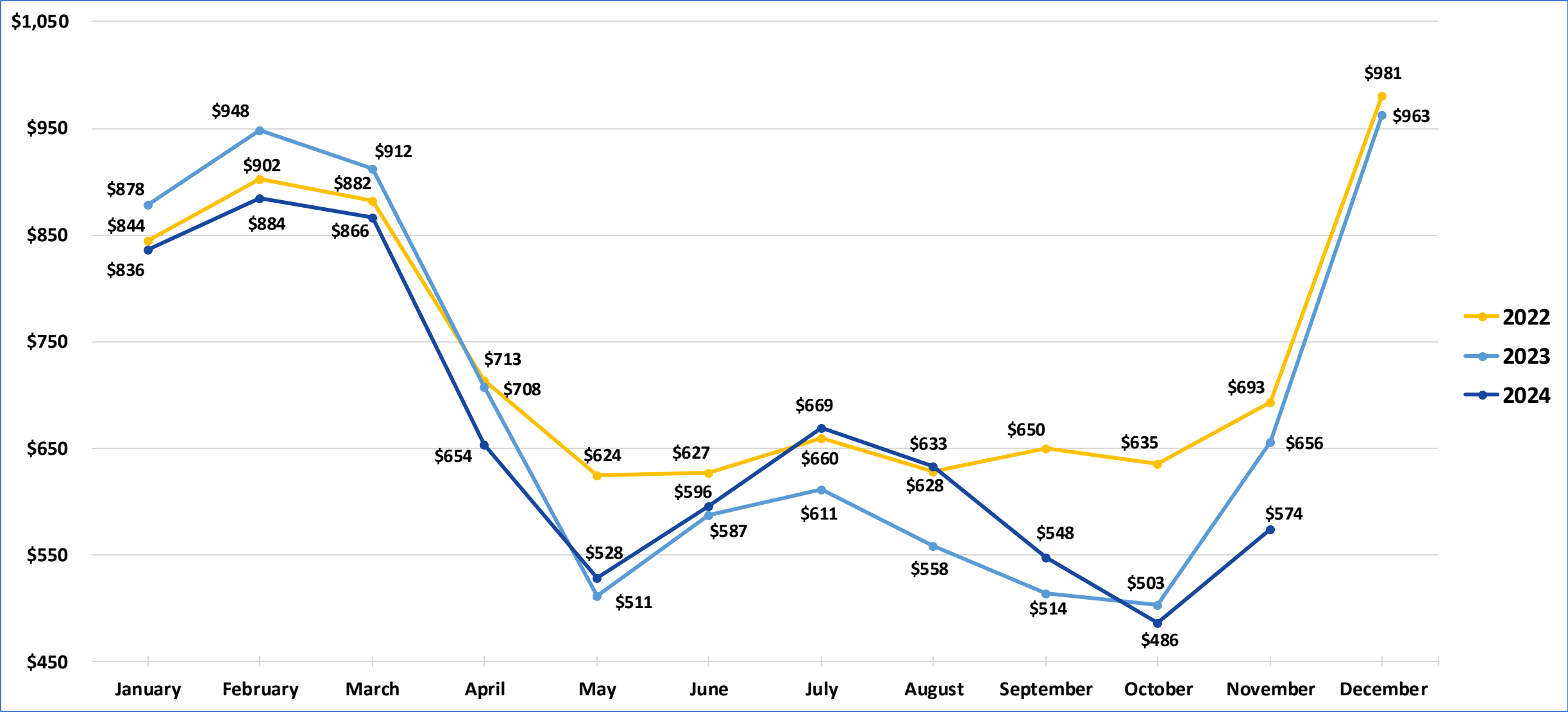
- **Available Listings** – Total number of listings whose calendars had at least one day classified as available or reserved during the reporting period.
- **Average Daily Rate** – Average daily rate (ADR) of booked nights in USD ($ADR = \text{Total Revenue} / \text{Booked Nights}$).
- **Booked Listings** – Total number of listings that had at least one reservation during the reporting period.
- **Demand (Nights)** – Total number of Booked Nights during the reporting period.
- **Entire Place** – Type of listing in which guests have the whole home to themselves. This usually includes a bedroom, a bathroom, and a kitchen.
- **Hotel Comparable Listings** – Studio and one-bedroom Entire Home vacation rentals. AirDNA believes these are the type of listings most likely to compete directly with hotels.
- **LTM** – Last Twelve Months
- **Occupancy Rate** – $\text{Occupancy Rate} = \text{Total Booked Days} / (\text{Total Booked Days} + \text{Total Available Days})$. Calculation only includes vacation rentals with at least one Booked Night.
- **Private Room** – Type of listing in which guests have their own private room for sleeping. Other areas could be shared.
- **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** – $\text{Revenue Per Available Rental} = ADR * \text{Occupancy Rate}$
- **Shared Room** – Type of listing in which guests sleep in a bedroom or a common area that could be shared with others.
- **Supply (Nights)** – Total number of Available Nights and Booked Nights from Active Listings.

AIRDNA – OCCUPANCY (%) BY MONTH



Source: AirDNA (Includes Airbnb and Vrbo data)

AIRDNA – AVERAGE DAILY RATE (\$) BY MONTH



Source: AirDNA (Includes Airbnb and Vrbo data)

KEY DATA DATA



KEY DATA DIRECT SOURCE LODGING PARTNERS

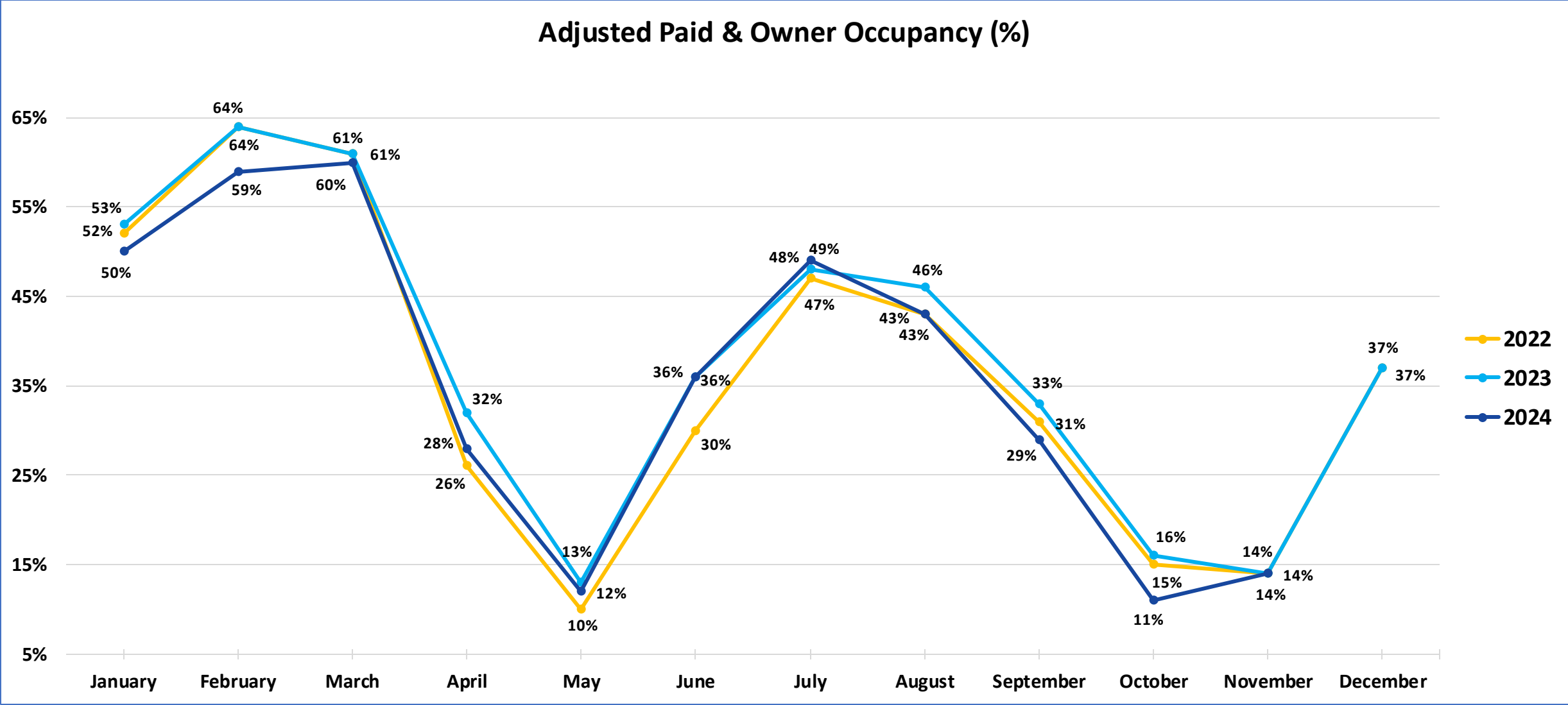


- Key Data currently partners with 12 Big Sky property management companies and hotels.
 - In total, this represents ~1,564 rental units in the Big Sky area.
 - All figures in the following slides are taken exclusively from the following 12 property management companies and hotels:
 - Alpine Property Management, Big Sky Luxury Vacations, Big Sky Resort, Big Sky Vacation Rentals, EVOLVE, Private, Montage Big Sky, Moonlight Basin, Natural Retreats, Stay Montana, Two Pines, and Vacasa.
- We hope to add additional property management companies to the platform in the future, which will improve data quality and increase the total rental unit count.

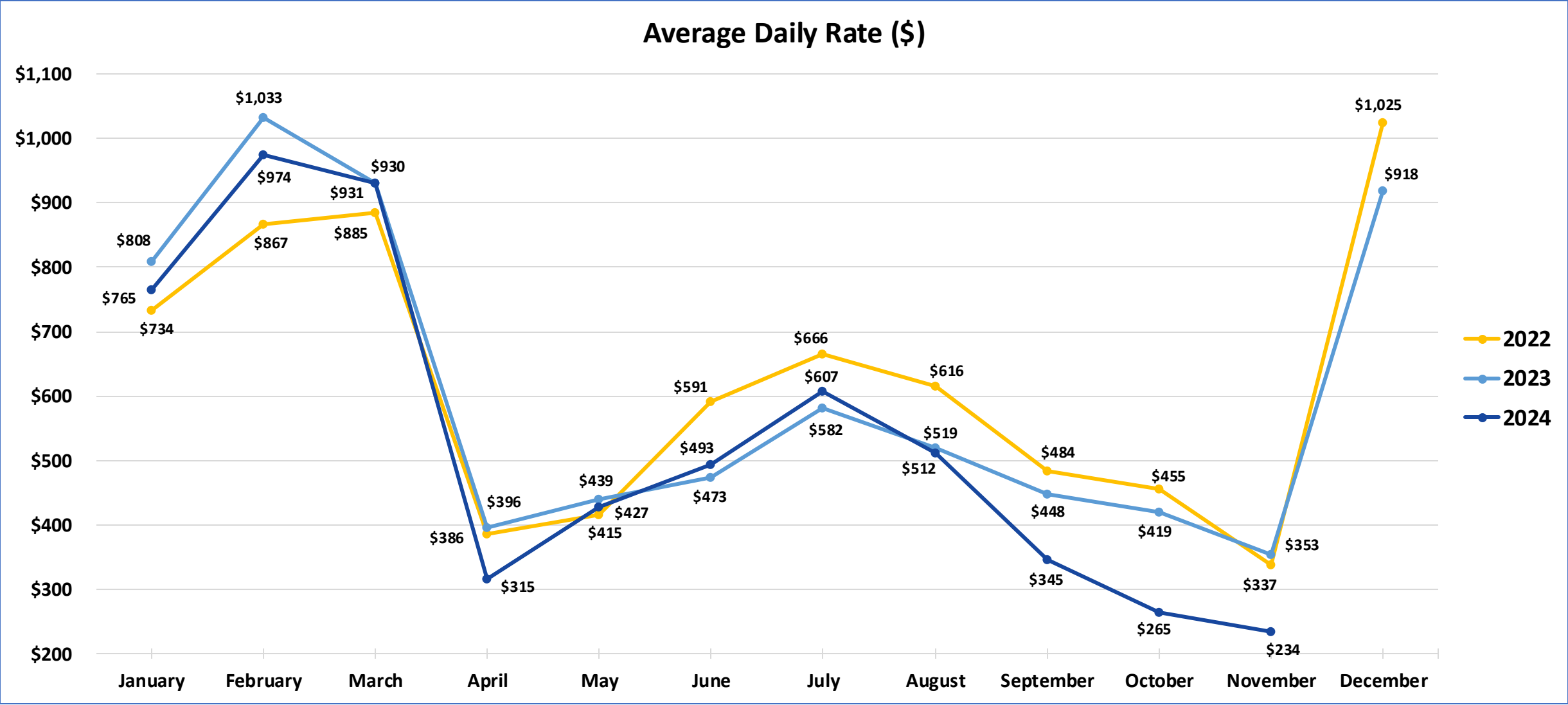
KEY DATA DIRECT SOURCE DEFINITIONS

- **Average Daily Rate (ADR)** - The average Unit Revenue paid by guests for all the Nights Sold in a given period. ADR, along with the property's Occupancy, are the foundations for the property's financial performance.
 - = Total Unit Revenue / Nights Sold
- **Adjusted Paid & Owner Occupancy** - The percentage of nights occupied by guests and owners out of the Total Nights minus hold nights in the period.
 - = (Nights Sold + Owner Nights) / (Total Nights - Hold Nights)
- **Adjusted Revenue Per Available Room (RevPAR)** - A critical KPI for measuring revenue performance, RevPAR takes into account both the average rate at which you booked the property (ADR) and the number of nights it was booked (Occupancy). This provides a better indicator of overall performance when compared to looking at the ADR or the Occupancy alone.
 - = Occupancy x ADR (or) Total Unit Revenue / Nights Available in a given period
- **Average Revenue (Nightly)** - The amount charged to guests, excluding taxes. The total property revenue generated directly from the property rental, including any mandatory, non-discretionary or other charges automatically added to a guest account in which a guest has no ability to “opt-out.”

KEY DATA – OCCUPANCY (%) BY MONTH



KEY DATA – AVERAGE DAILY RATE (\$) BY MONTH



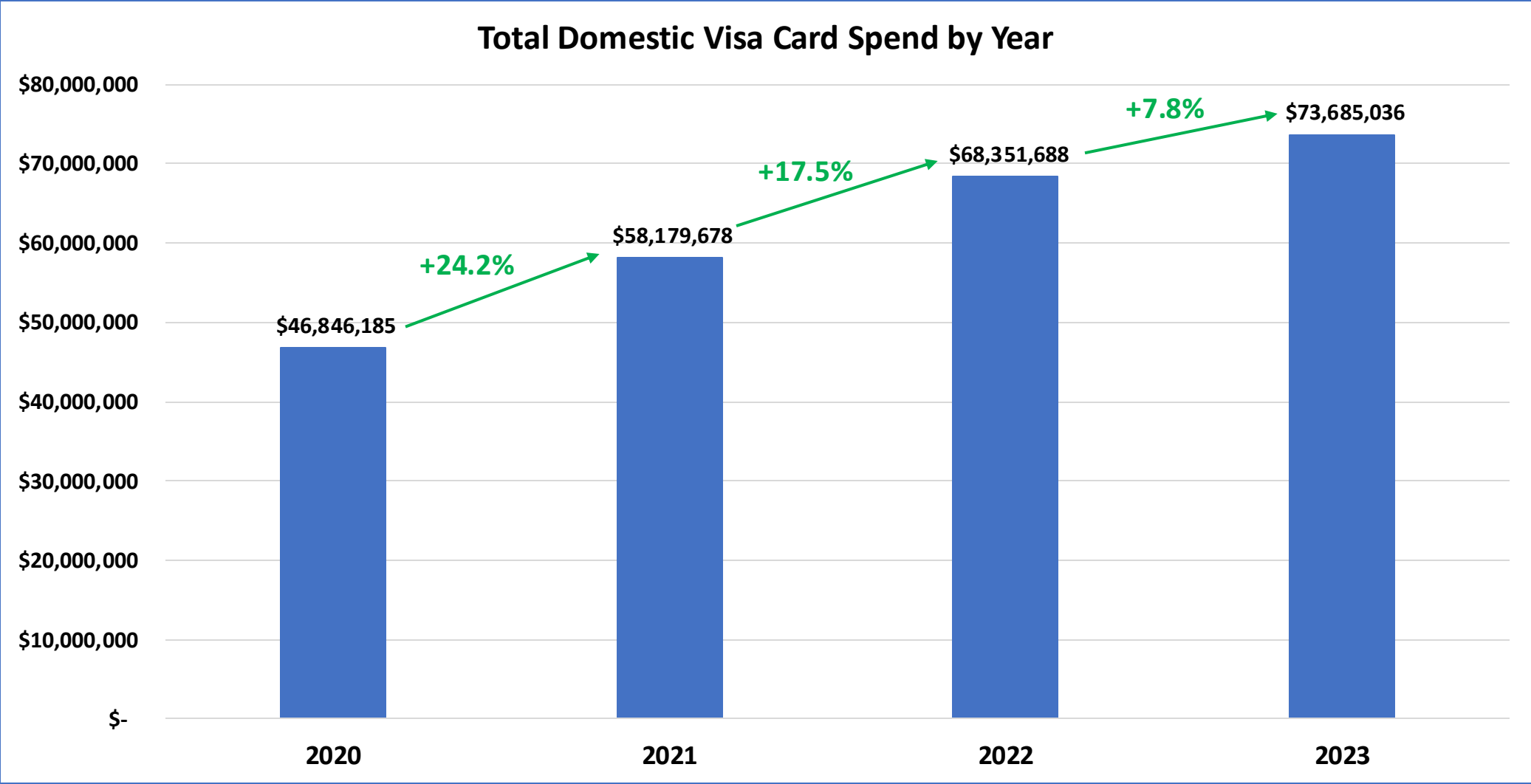
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VISA DESTINATION INSIGHTS



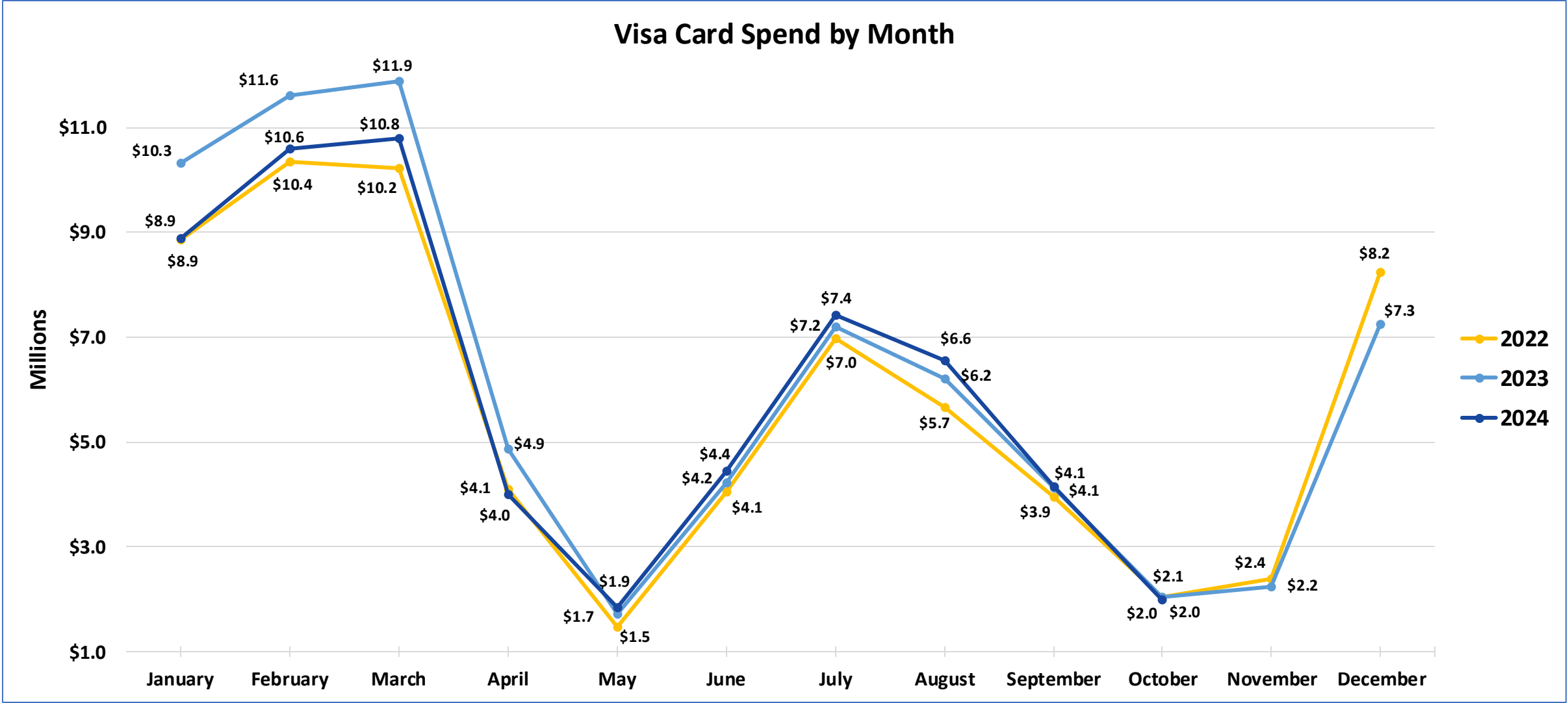
VISA VUE – TOTAL DOMESTIC VISA CARD SPEND

DATA BY YEAR

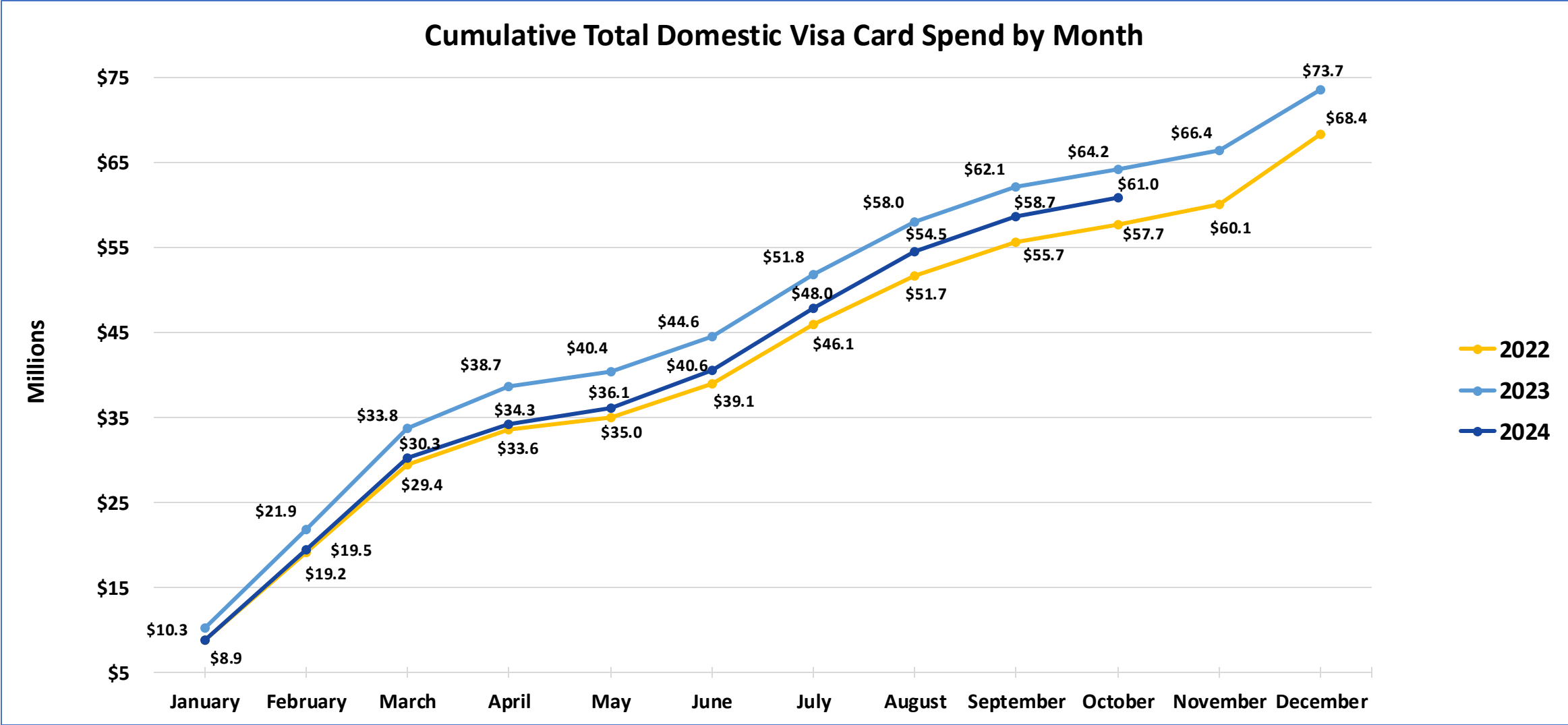


Source: Visa Destination Insights

VISA VUE – TOTAL DOMESTIC VISA CARD SPEND DATA (Spend by Month)



VISA VUE – TOTAL DOMESTIC VISA CARD SPEND DATA (Cumulative Spend by Month)

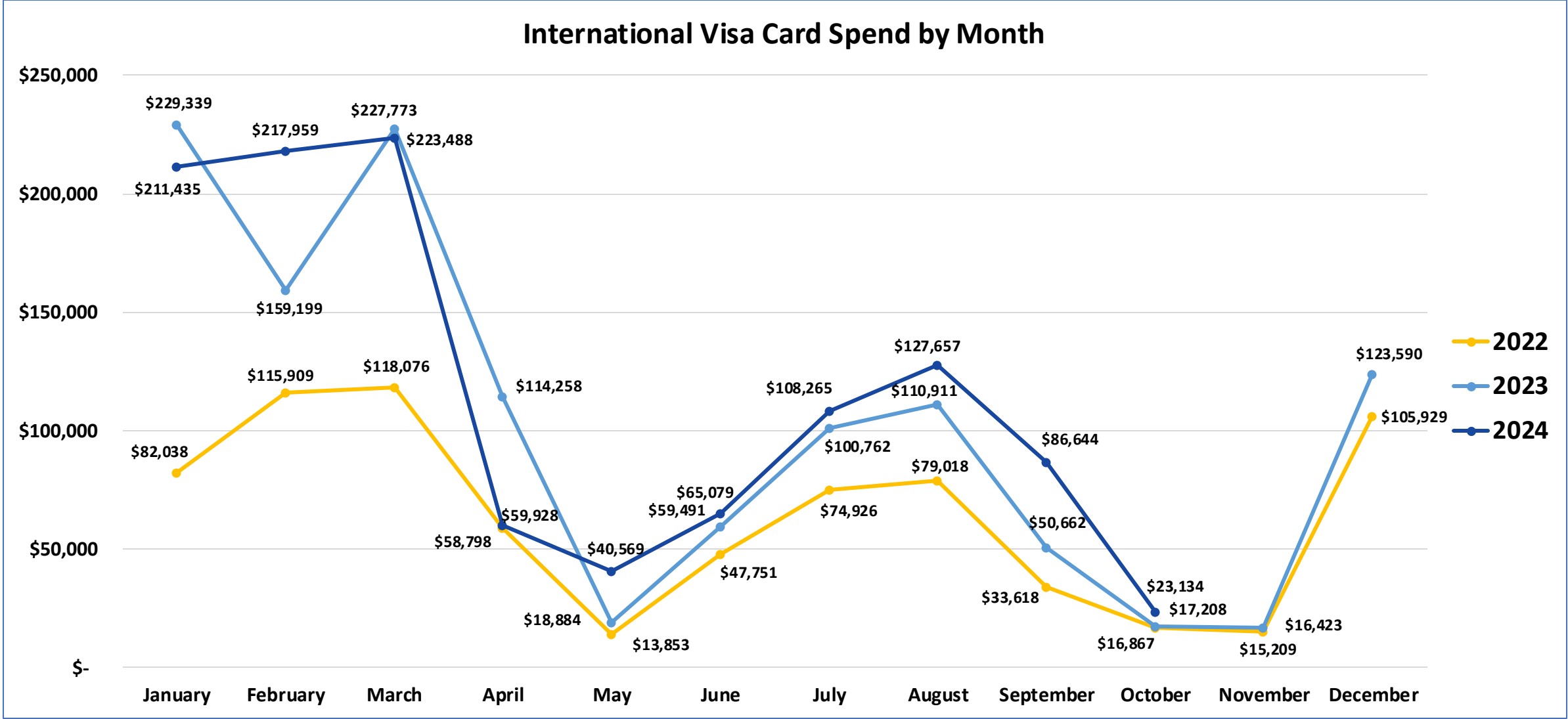


VISA VUE – 2024 YEAR-TO-DATE VISA CARD SPEND
DATA - Spend by Market 2024 YTD (January-October)

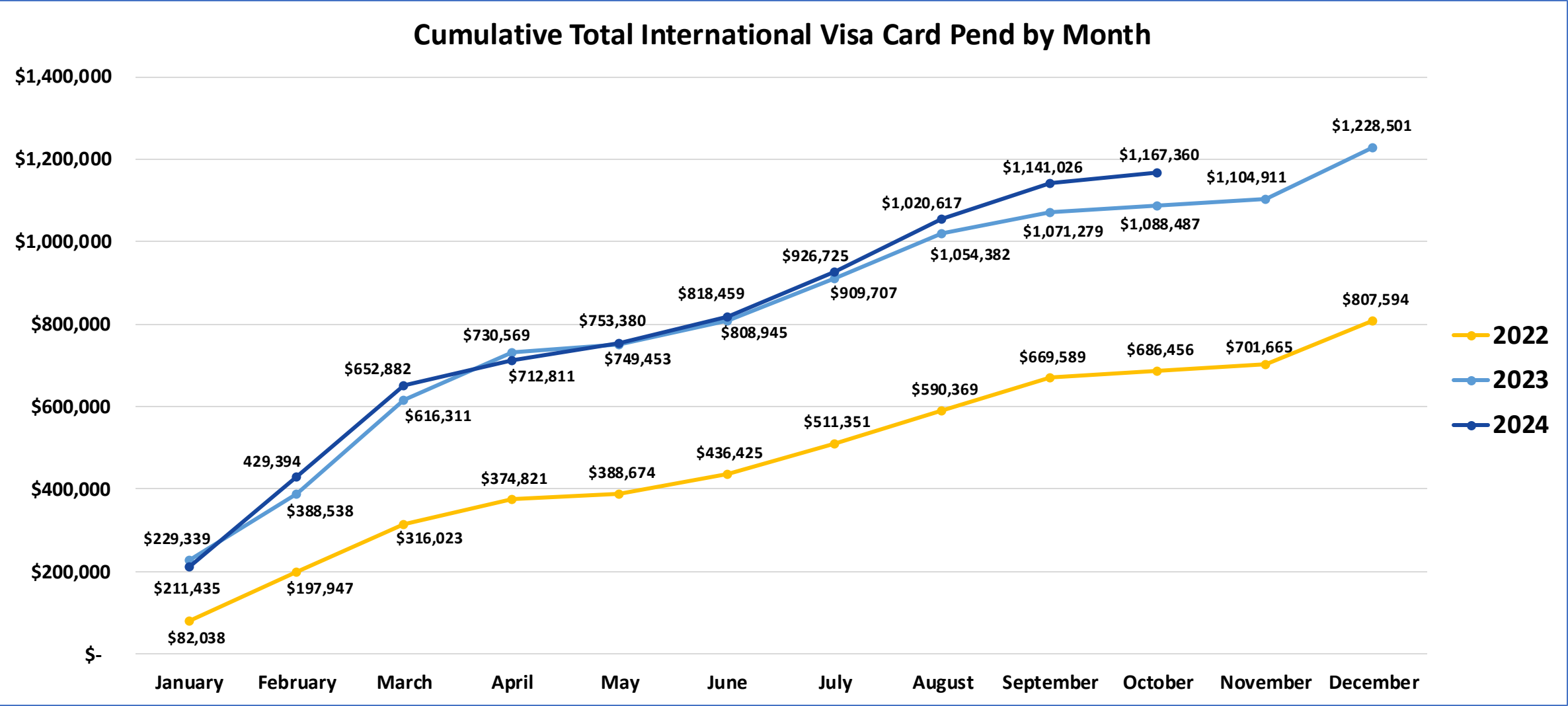
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Rank	Market	Total Spend	YoY Change %	Card Count	YoY Change %
1	Bozeman, MT	\$19,559,935	-1%	47,373	+1%
2	New York-Newark-Jersey City, NY-NJ-PA	\$2,677,144	-2%	8,844	+10%
3	Chicago-Naperville-Elgin, IL-IN-WI	\$1,973,402	+1%	5,520	+5%
4	Los Angeles-Long Beach-Anaheim, CA	\$1,815,694	-8%	6,486	+3%
5	San Francisco-Oakland-Berkeley, CA	\$1,208,087	+2%	4,043	-1%
6	Seattle-Tacoma-Bellevue, WA	\$1,172,924	-19%	5,209	-8%
7	Boston-Cambridge-Newton, MA-NH	\$1,117,634	-11%	3,670	-10%
8	Minneapolis-St. Paul-Bloomington, MN-WI	\$1,025,912	-10%	7,262	+61%
9	Denver-Aurora-Lakewood, CO	\$1,024,560	-13%	5,244	-9%
10	Houston-The Woodlands-Sugarland, TX	\$941,190	-2%	2,923	+15%

VISA VUE – TOTAL INTERNATIONAL VISA CARD SPEND DATA (Spend by Month)



VISA VUE – TOTAL INTERNATIONAL VISA CARD SPEND DATA (Cumulative Spend by Month)



VISA VUE – 2024 YEAR-TO-DATE VISA CARD SPEND
DATA - Spend by International Market 2024 YTD (January-September)

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Rank	Market	Total Spend	YoY Change %	Card Count	YoY Change %
1	Canada	\$468,371	+11%	1,890	+16%
2	Australia	\$122,951	-28%	349	-6%
3	United Kingdom	\$75,428	0%	312	+32%
4	Mexico	\$58,335	+11%	190	+32%
5	New Zealand	\$42,229	+9%	128	-2%
6	Germany	\$41,648	+26%	158	+31%
7	Puerto Rico	\$28,701	-16%	44	-29%
8	China (mainland)	\$27,860	+9%	121	+53%
9	Switzerland	\$27,096	+67%	65	+30%
10	Brazil	\$18,243	+101%	49	+75%

**CONSUMER
SENTIMENT DATA**

**LONGWOODS
INTERNATIONAL**



TRAVEL SENTIMENT STUDY WAVE 91

*Survey fielded November 7, 2024; US National Sample of 1,000 adults 18+

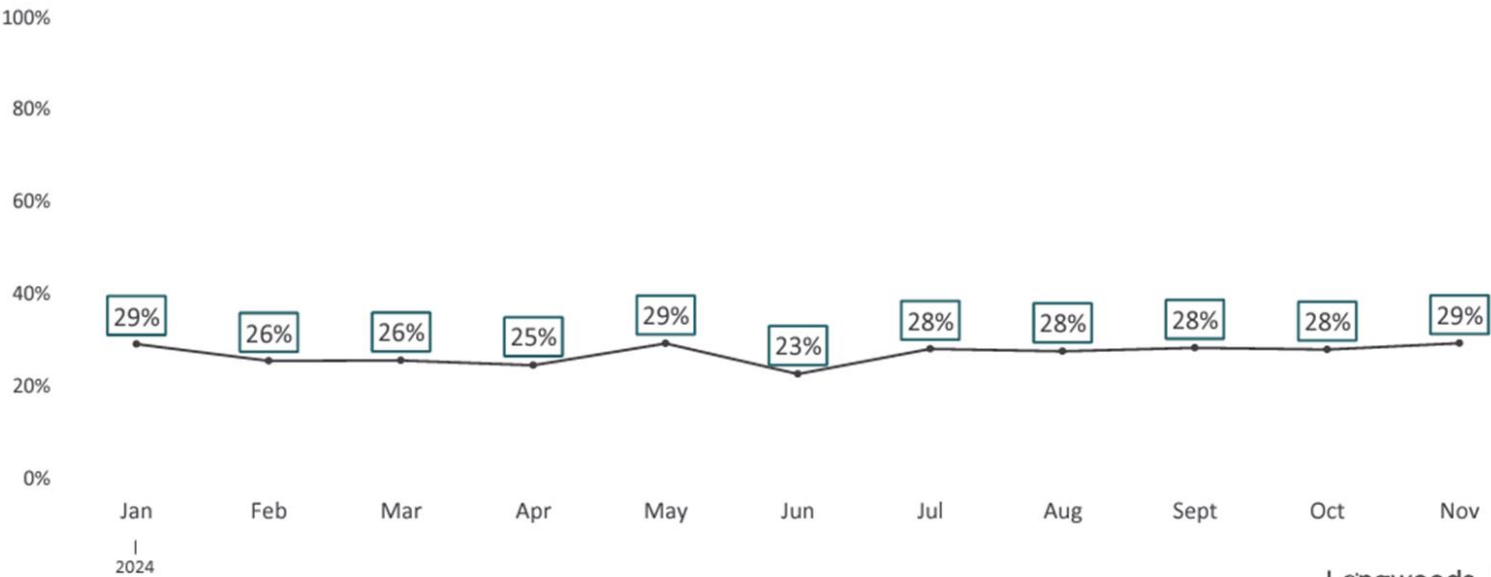


TRAVEL SENTIMENT STUDY WAVE 91

*Survey fielded November 7, 2024; US National Sample of 1,000 adults 18+

IMPACT ON TRAVEL PLANS

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



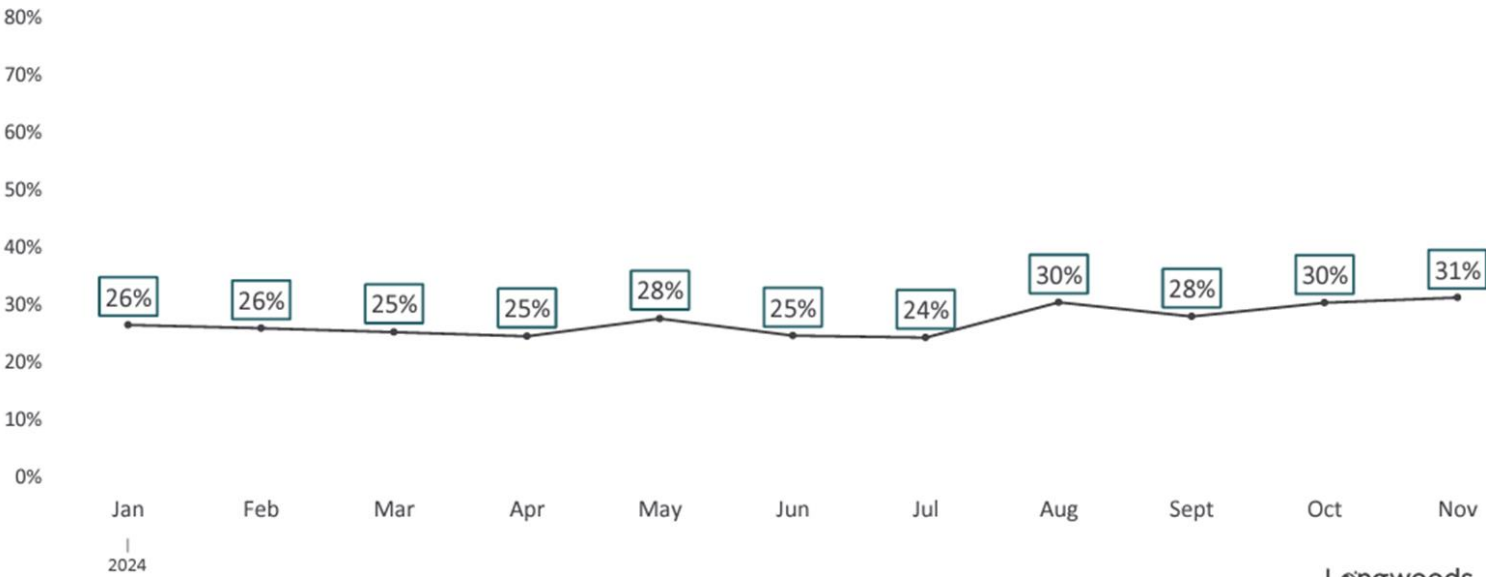
U.S. Travel Sentiment Tracker: Wave 91

TRAVEL SENTIMENT STUDY WAVE 91

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IMPACT ON TRAVEL PLANS

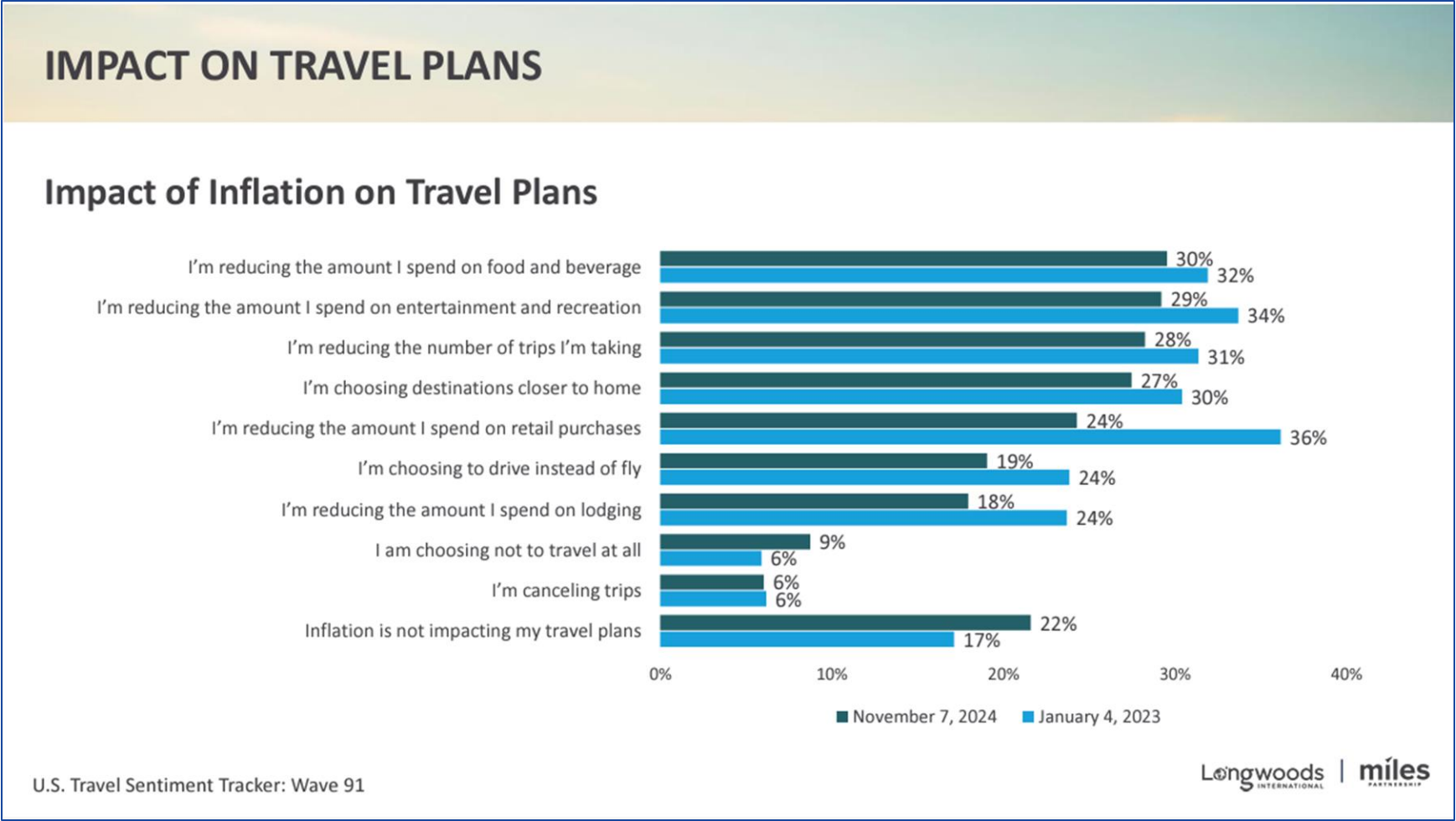
Indicated that Inflation Would Greatly Impact their Decision to Travel in the Next Six Months



U.S. Travel Sentiment Tracker: Wave 91

TRAVEL SENTIMENT STUDY WAVE 91

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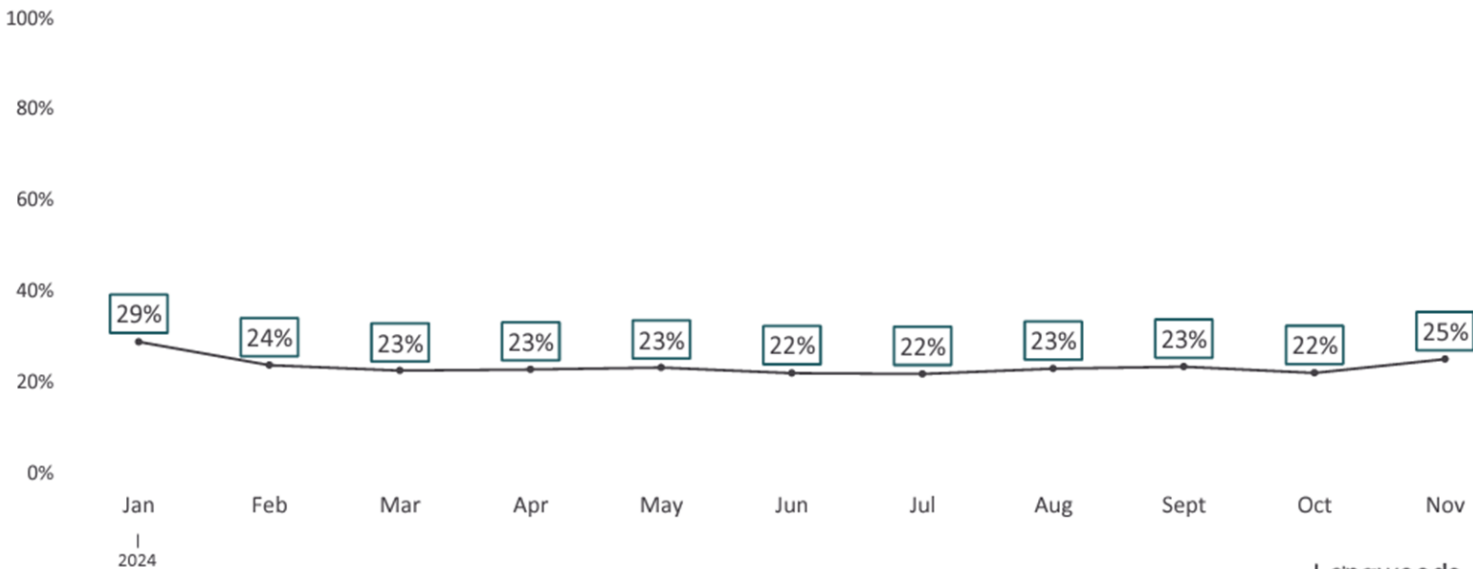


TRAVEL SENTIMENT STUDY WAVE 91

*Survey fielded November 7, 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



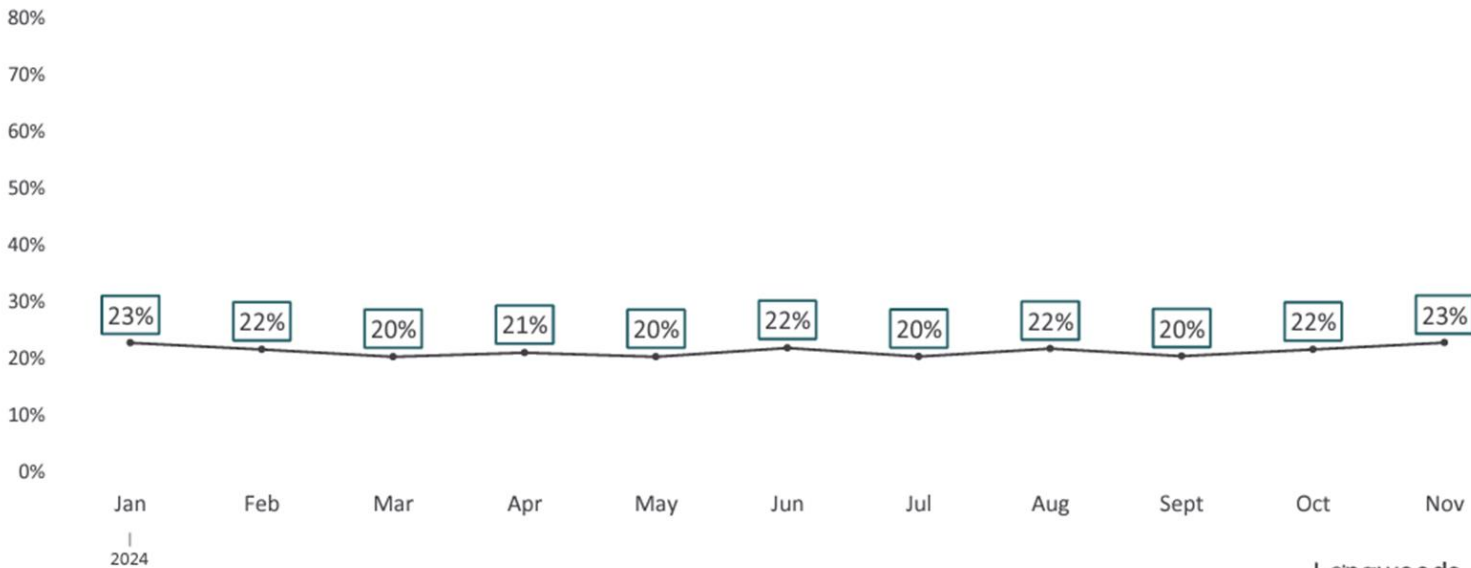
U.S. Travel Sentiment Tracker: Wave 91

TRAVEL SENTIMENT STUDY WAVE 91

*Survey fielded November 7, 2024; US National Sample of 1,000 adults 18+

IMPACT ON TRAVEL PLANS

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



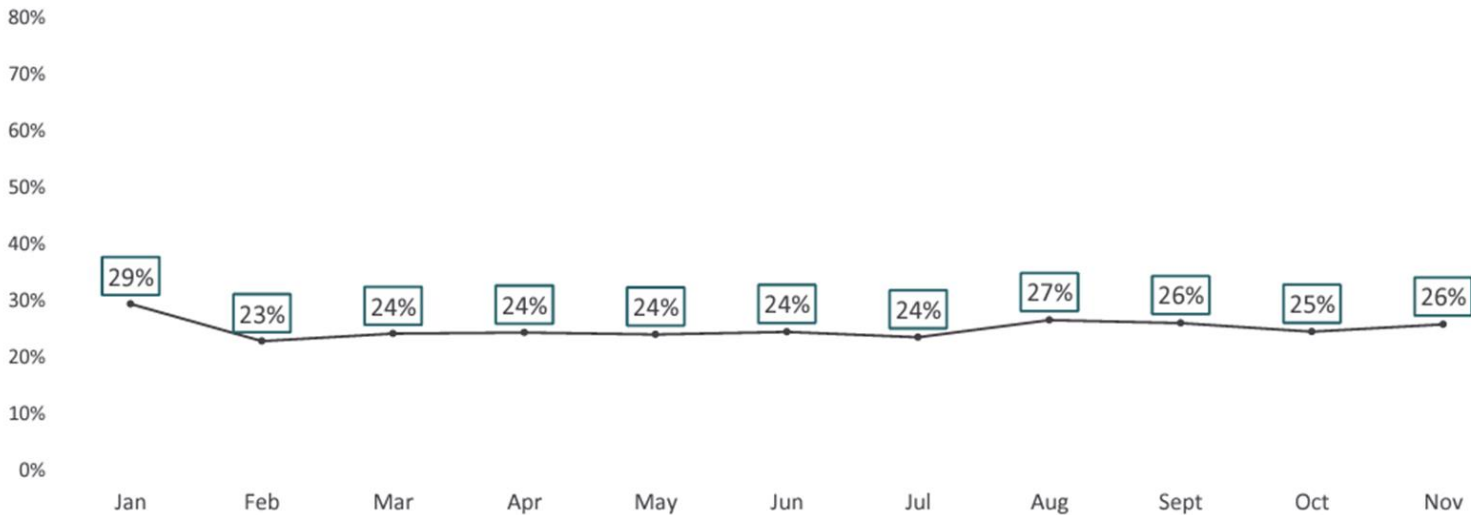
U.S. Travel Sentiment Tracker: Wave 91

TRAVEL SENTIMENT STUDY WAVE 91

*Survey fielded November 7, 2024; US National Sample of 1,000 adults 18+

IMPACT ON TRAVEL PLANS

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



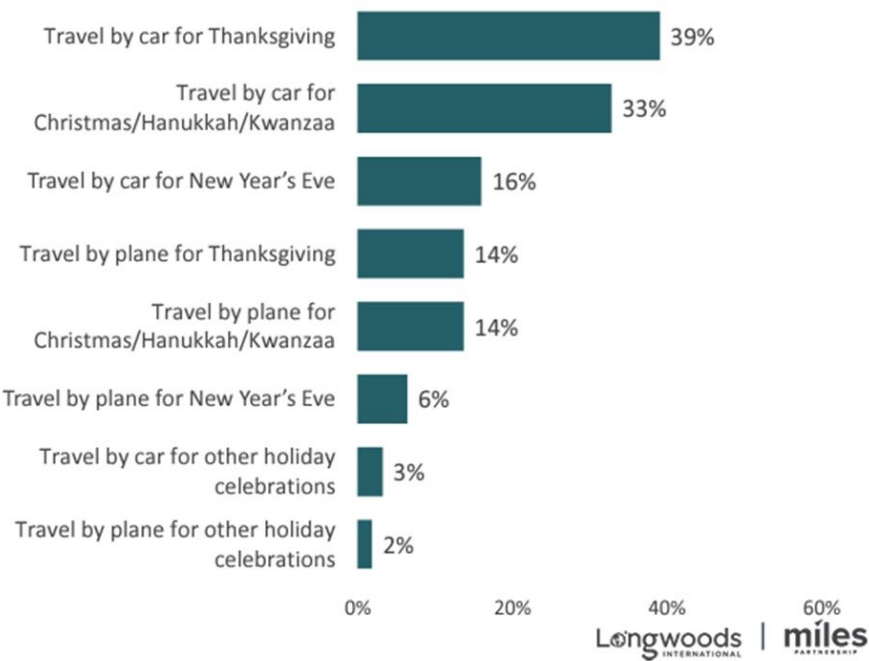
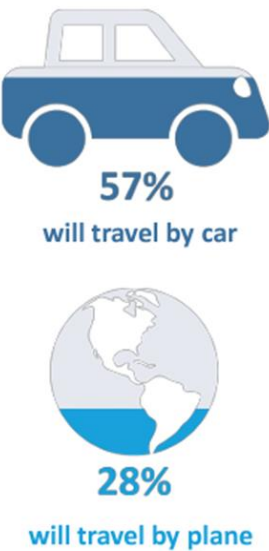
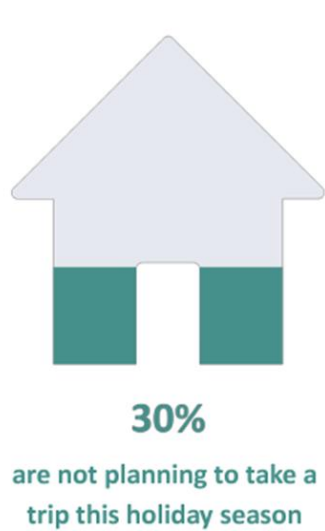
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TRAVEL SENTIMENT STUDY WAVE 91

*Survey fielded November 7, 2024; US National Sample of 1,000 adults 18+

IMPACT ON TRAVEL PLANS

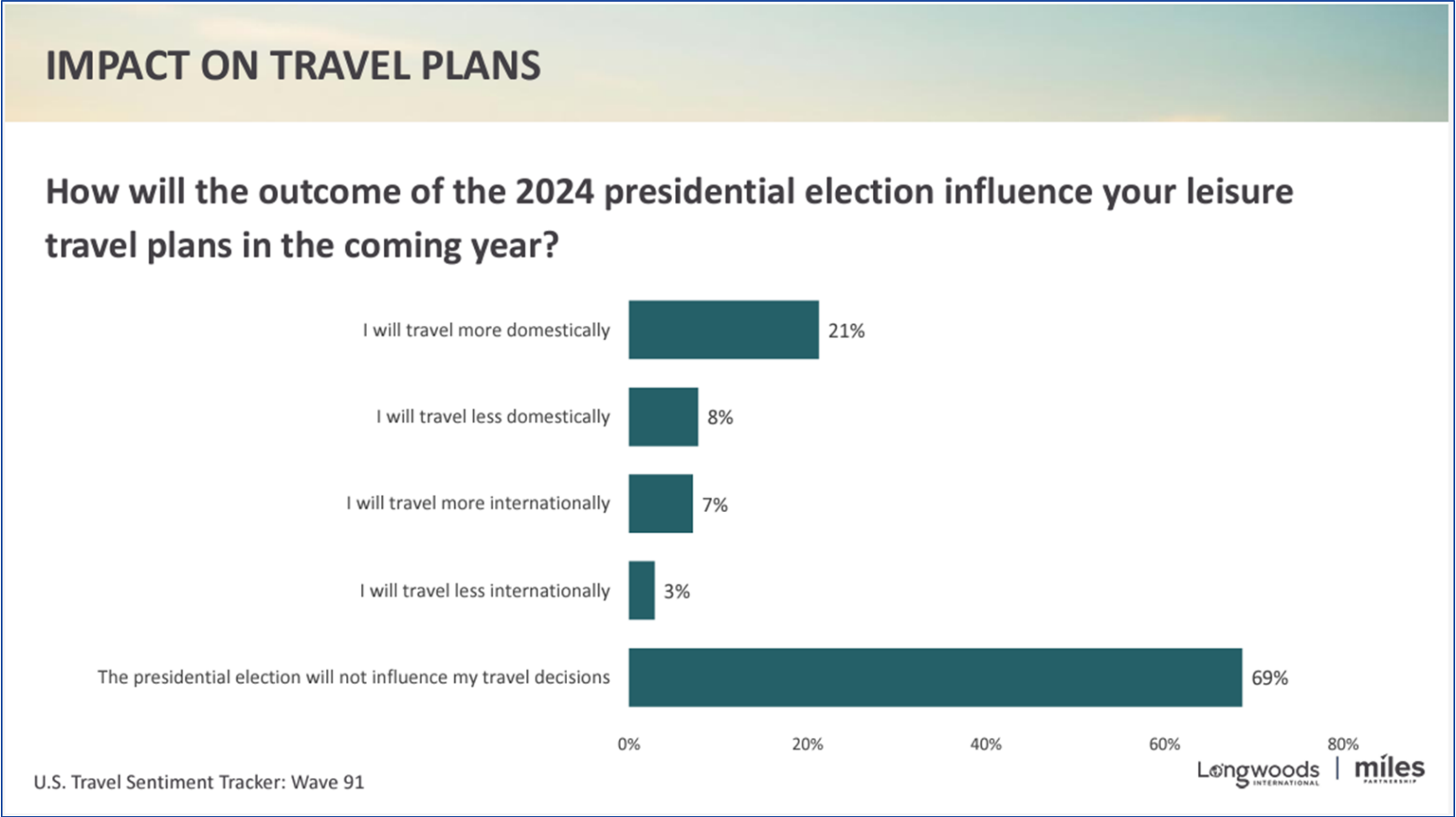
Upcoming Holiday Travel Plans*



*Involving traveling at least 50 miles from home
U.S. Travel Sentiment Tracker: Wave 91

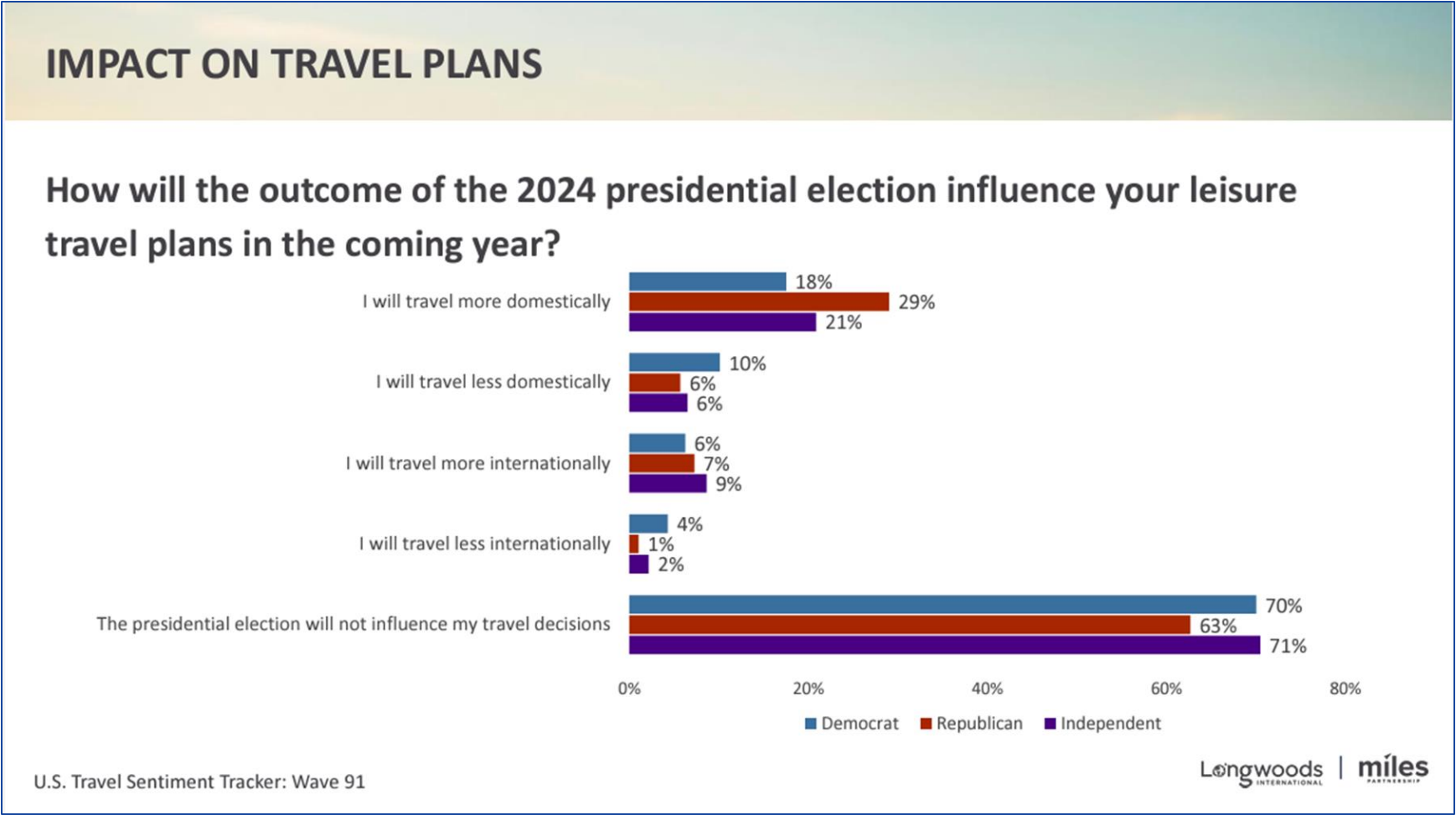
TRAVEL SENTIMENT STUDY WAVE 91

*Survey fielded November 7, 2024; US National Sample of 1,000 adults 18+



TRAVEL SENTIMENT STUDY WAVE 91

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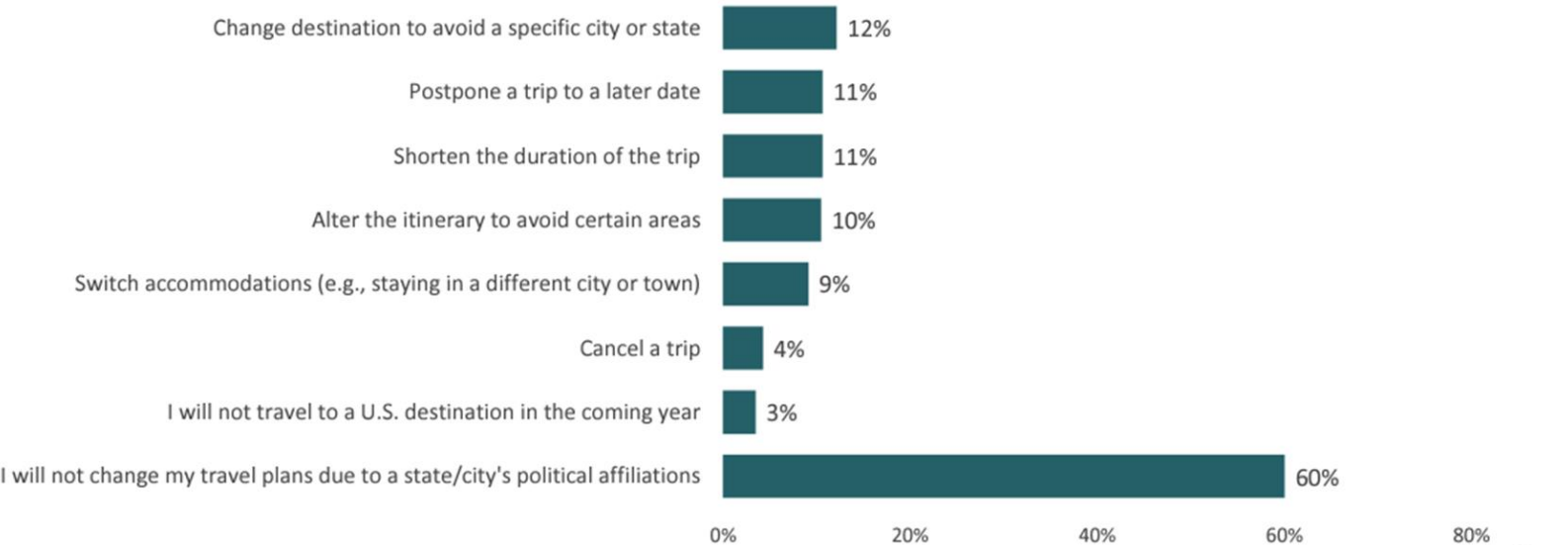


TRAVEL SENTIMENT STUDY WAVE 91

*Survey fielded November 7, 2024; US National Sample of 1,000 adults 18+

IMPACT ON TRAVEL PLANS

In the upcoming year, will you change your travel plans to a U.S. destination due to legislation, policies, or political affiliations?



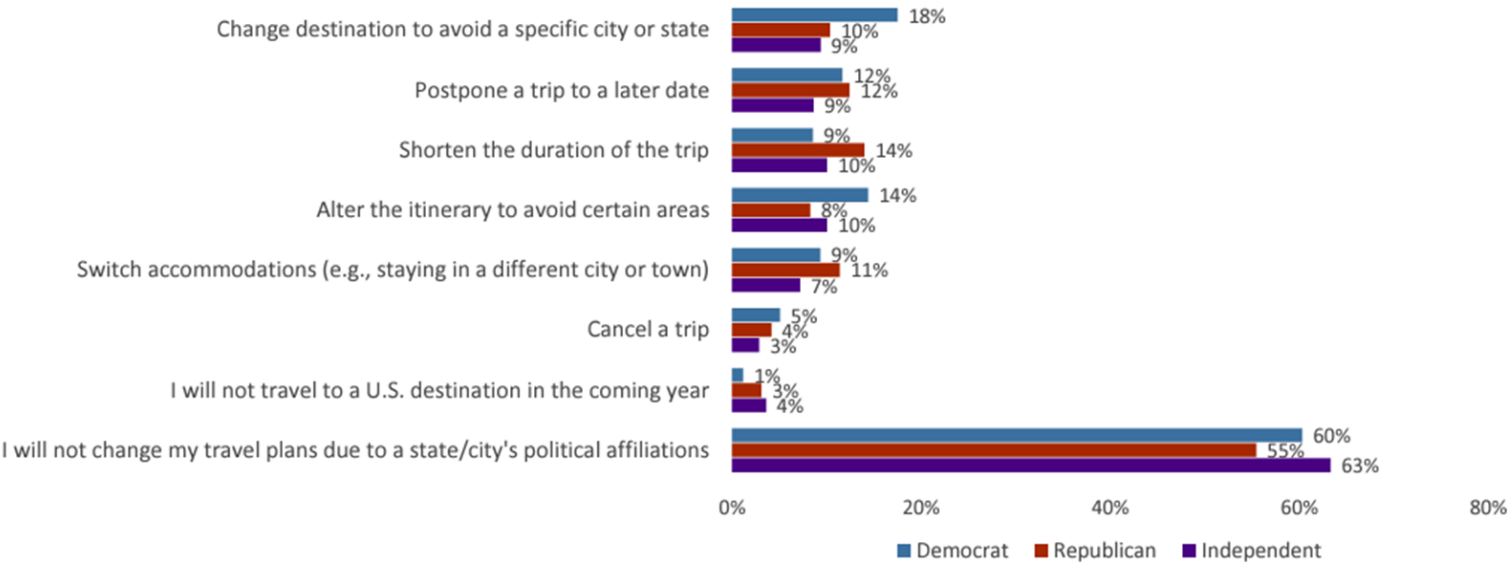
U.S. Travel Sentiment Tracker: Wave 91

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IMPACT ON TRAVEL PLANS

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