

GULF COAST CAPITAL

QUARTERLY DATA REPORT



KEY INSIGHTS

- **Industry surveys continue to tell us that people want to take summer road trips, but gas prices caused them to travel closer to home last quarter. This was visible in minor changes in our in-state visitor composition and drops in hotel demand compared to last year.**
- **If more recent decreases in gas prices continue, it could mean increases in visitation this quarter for places like Corpus Christi and South Padre Island.**
- **Despite general preferences for shorter trips, the visitor share of top out-of-state markets increased compared to last year. This coincides with increases in out of state marketing compared to Q3 of last year and was especially true for Denver, a top advertising target.**
- **While hotel demand fell vs. 2021 in June after strong months in April and May, short term rental demand grew throughout the quarter vs. 2021 and is pacing to continue to greatly exceed last year. This might be indicative of market preferences shifting further towards short term rentals and is a trend that should continue to be monitored.**

PROGRESS REPORT

TOWARD ANNUAL GOALS ACROSS ALL DEPARTMENTS



150

SALES
RFPS

100% OF GOAL



26K

GROUP ROOM
NIGHTS

70% OF GOAL



\$132

GROUP
ROOM RATE

EQUAL TO GOAL



12

SITE
VISITS

100% OF GOAL



134M

EARNED
MEDIA
REACH

ESTABLISHING
BASELINE



6.5M

DIGITAL
ENGAGEMENTS

82% OF GOAL



55K

EMAIL
SUBSCRIBERS

7K UNDER GOAL



965K

WEBSITE
VISITS

94% OF GOAL



1:25

AVG WEBSITE
VISIT DURATION

12 SEC UNDER GOAL



\$140

AVG SPEND
PER PERSON
PER DAY

\$26 OVER GOAL

*in 2021, updated annually



2.01

AVG
DAYS
STAYED

.02 DAYS
UNDER GOAL



8.7

OUT OF 10 | 53 NPS
LEISURE
VISITOR
SENTIMENT

17 POINTS
UNDER GOAL



8.9

OUT OF 10 | 62 NPS
CONVENTION
ATTENDEE
SENTIMENT

ESTABLISHING
BASELINE



8.8

OUT OF 10 | 50 NPS
CONVENTION
PLANNER
SENTIMENT

ESTABLISHING
BASELINE

TRACKING TRAVEL SENTIMENT

Data via MMGY's Portrait of the American Traveler Summer Edition &
Destination Analyst State of the American Traveler July Edition

As gas prices continued to rise throughout Q3, they increasingly altered travel plans.

People did not stop traveling, but they traveled closer to home, affecting places like Corpus Christi and South Padre Island.

70%

of Americans say if gas prices don't come down, it will affect their travel decisions

44%

of prospective Corpus Christi travelers believed gas prices will have an extreme impact on travel in the next 6 months

47%

of prospective Corpus Christi visitors said gas prices would cause them to travel closer to home



TRACKING TRAVEL SENTIMENT

Data via MMGY's Portrait of the American Traveler Summer Edition &
Destination Analyst State of the American Traveler July Edition

**CORPUS CHRISTI
VISITORS
GENERALLY
TRAVEL TO...**

81%

**Get away and
unplug**

78%

**Explore
nature and
the outdoors**

80%

**Spend time with
family**

86%

**of prospective Corpus
Christi visitors plan to road
trip in the next 12 months**

**Prospective Corpus Christi
travelers are still planning to road
trip, and still name summer months
as top road trip months.**

**If recent declines in gas prices
continue, they might encourage
farther road trips, which would
bode well for Corpus Christi next
quarter.**

80%

**of Americans are excited
to travel right now, the
highest this number has
been since the pandemic**

70%

**of Americans are
prioritizing travel as a
high budget priority**

HOTEL REVIEW

DATA FROM
SMITH
TRAVEL
RESEARCH

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AREA	ADR	% CHG	OCCUPANCY	% CHG	REVPAR	% CHG
United States	\$149.90	35.10%	65.51%	14.35%	\$98.20	54.49%
Texas	\$117.52	28.16%	66.42%	6.65%	\$78.05	36.68%
San Antonio	\$138.03	35.72%	67.63%	10.59%	\$93.35	50.08%
Austin	\$176.49	56.05%	77.76%	20.58%	\$137.23	88.16%
Houston	\$106.29	21.64%	61.13%	3.43%	\$64.97	25.82%
South Padre Island	\$137.66	13.89%	73.07%	1.18%	\$100.60	15.23%
Galveston	\$153.07	6.23%	60.31%	12.33%	\$92.32	19.33%
Corpus Christi	\$107.29	10.31%	60.78%	-3.38%	\$65.22	6.58%

AREA	ADR	% CHG	OCCUPANCY	% CHG	REVPAR	% CHG
United States	\$149.91	26.76%	65.06%	10.11%	\$97.53	39.57%
Texas	\$117.37	20.72%	64.17%	3.75%	\$75.31	25.24%
San Antonio	\$129.57	20.05%	62.19%	2.31%	\$80.58	22.82%
Austin	\$175.51	39.83%	74.40%	9.74%	\$130.58	53.46%
Houston	\$108.04	18.38%	59.36%	2.51%	\$64.13	21.35%
South Padre Island	\$153.01	7.93%	68.32%	-5.85%	\$104.54	1.62%
Galveston	\$164.78	-1.70%	60.20%	8.98%	\$99.20	7.13%
Corpus Christi	\$110.50	6.11%	59.85%	-1.52%	\$66.13	4.50%

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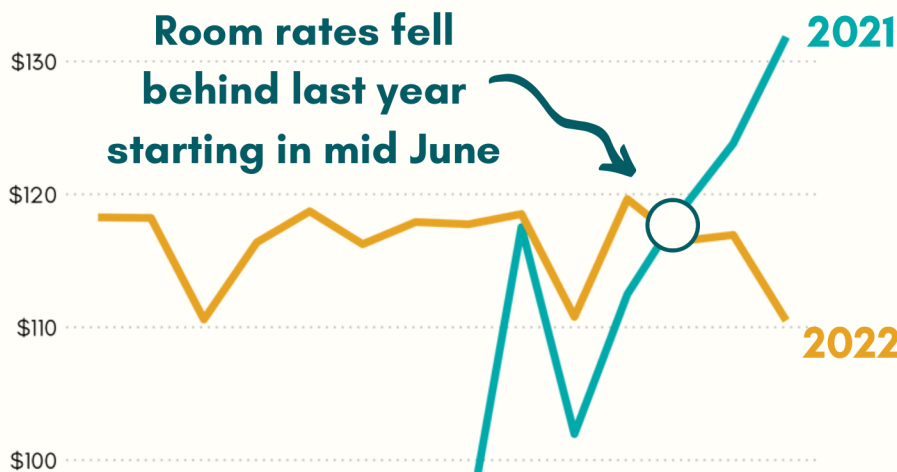
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AREA	ADR	% CHG	OCCUPANCY	% CHG	REVPAR	% CHG
United States	\$155.04	19.34%	70.07%	6.25%	\$108.64	26.80%
Texas	\$116.95	15.30%	66.80%	2.80%	\$78.13	18.53%
San Antonio	\$134.96	12.14%	68.76%	-0.76%	\$92.80	11.28%
Austin	\$173.15	35.41%	74.97%	9.67%	\$129.81	48.50%
Houston	\$103.92	13.17%	58.45%	1.03%	\$60.74	14.34%
South Padre Island	\$179.28	0.23%	80.24%	-3.14%	\$143.85	-2.91%
Galveston	\$183.13	-0.50%	70.72%	-1.08%	\$129.51	-1.58%
Corpus Christi	\$116.98	1.21%	67.74%	-6.80%	\$79.24	-5.68%



ROOM RATE

Room rates fell
behind last year
starting in mid June

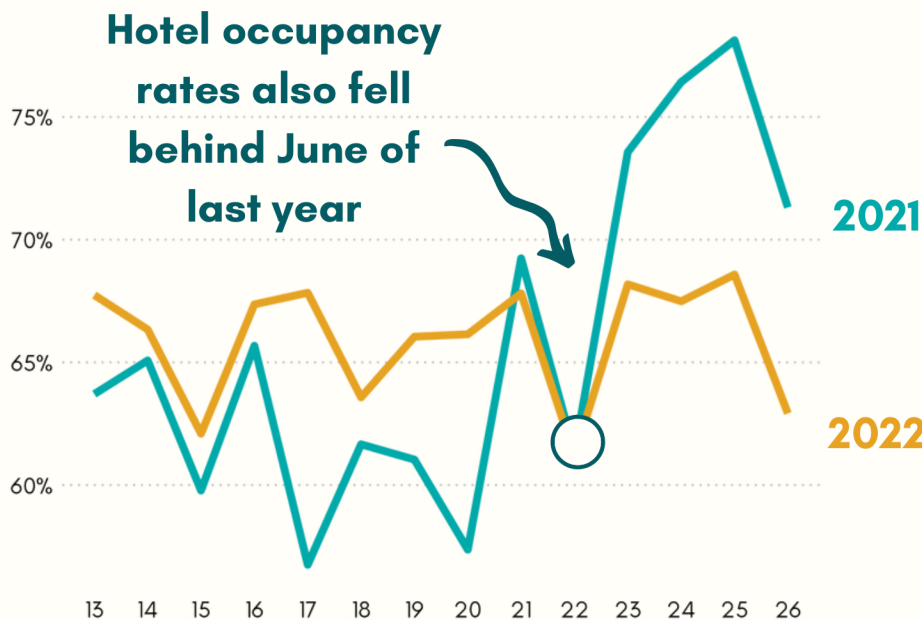


-2%
**HOTEL
DEMAND**
Q3 VS 2021

A strong April and May helped prop up the quarterly hotel numbers in the face of a weak June, a trend that was mirrored by other coastal Texas destinations.

OCCUPANCY

Hotel occupancy
rates also fell
behind June of
last year



+3%
**HOTEL
REVENUE**
Q3 VS 2021

WEEK OF YEAR

HOTEL FORECAST

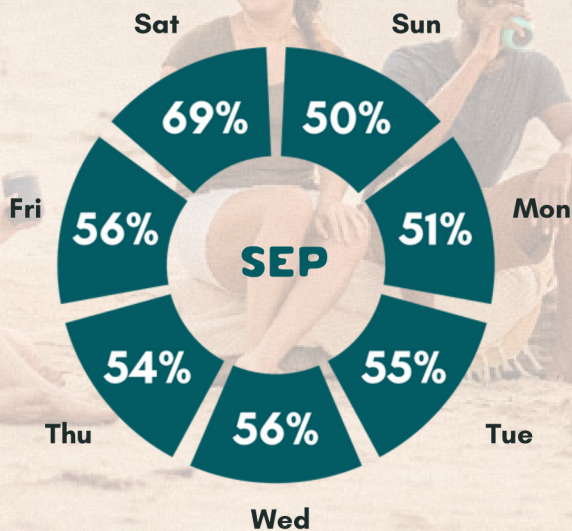
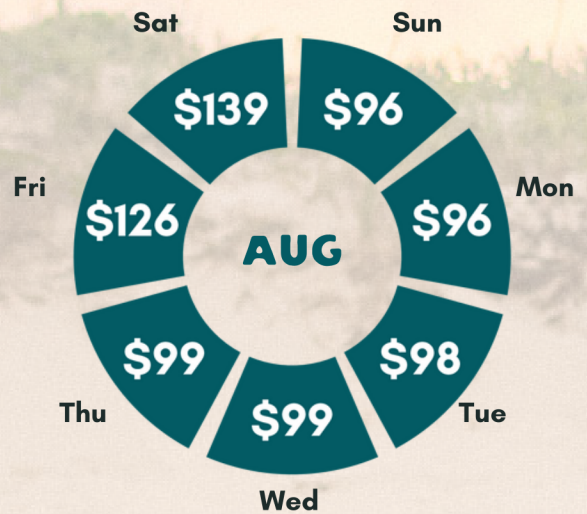
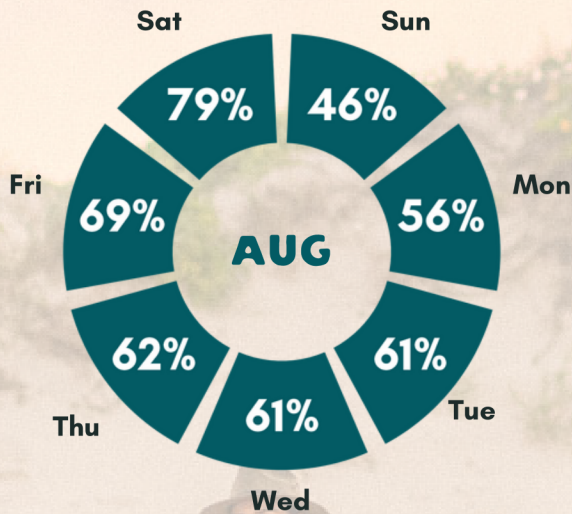
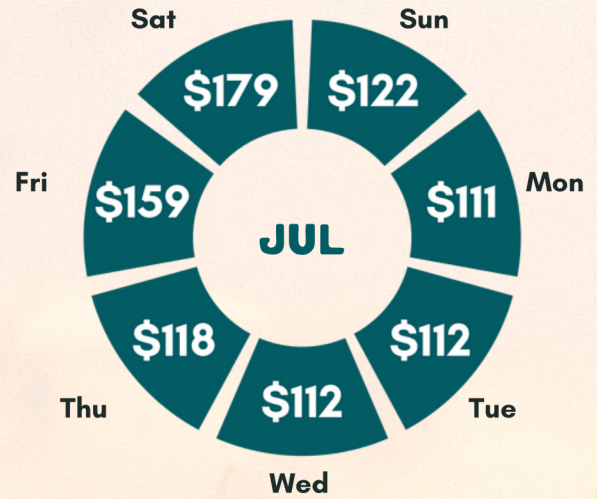
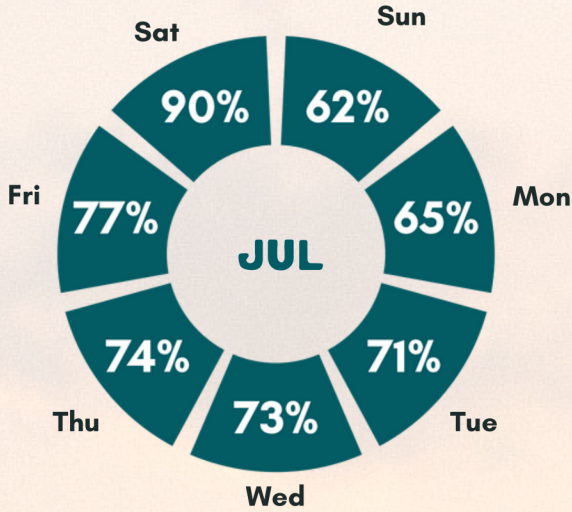
Occupancy forecasts are based on historical patterns and recent trends.

Room rate forecasts are to roughly match 2021 citywide averages.

Hotels should aim to match this **at minimum** to keep pace with recent Corpus Christi trends.

OCCUPANCY RATE

AVG ROOM RATE



VISITOR ORIGINS

DATA FROM
NEAR VIA
ZARTICO

Q3 saw small rises in the market share of visitors from Houston and RGV and small dips in the share of DFW and Austin markets. This pattern is expected if gas prices cause shorter road trips.

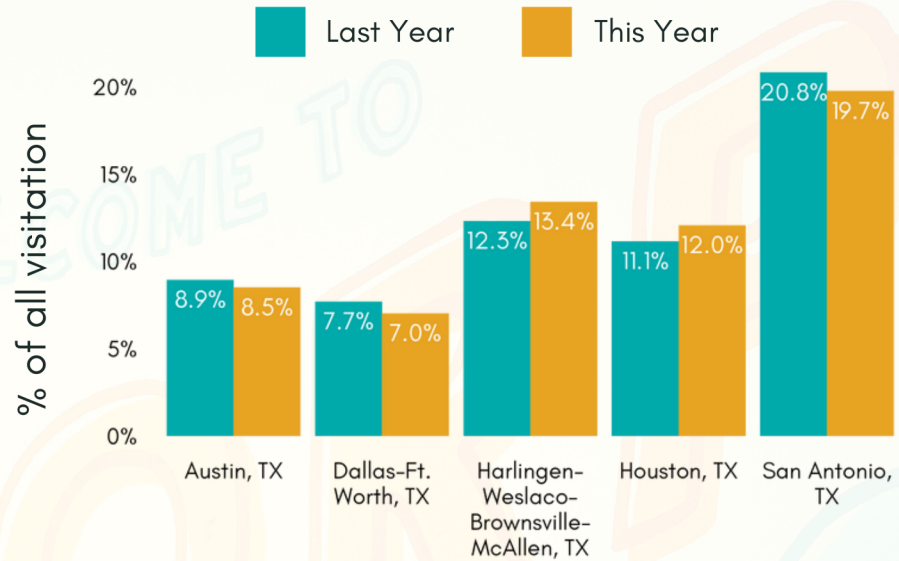
However, Denver (a top marketing target) saw an increase in visitor share compared to last year.

All top out of state markets saw some growth year over year, coinciding with increases in out of state marketing vs. last year. These increases were in spite of market preferences for shorter trips.

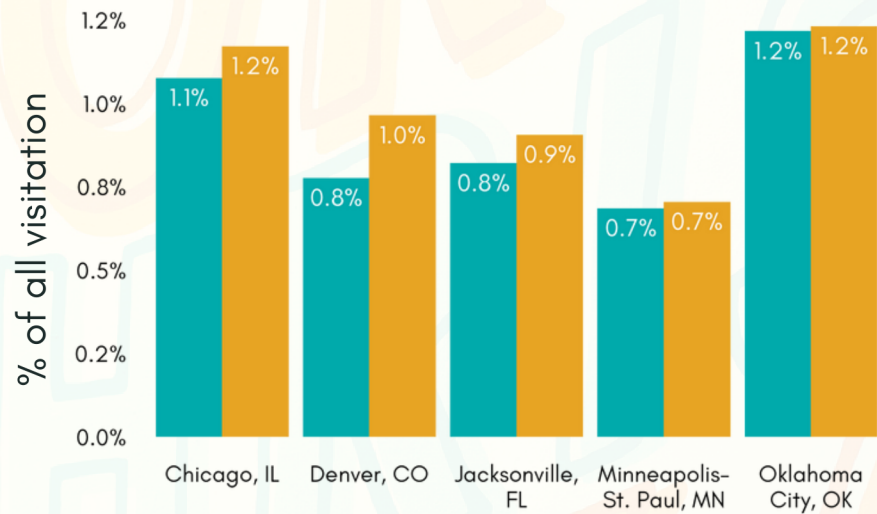


**OF VISITORS
FROM OUT OF STATE**

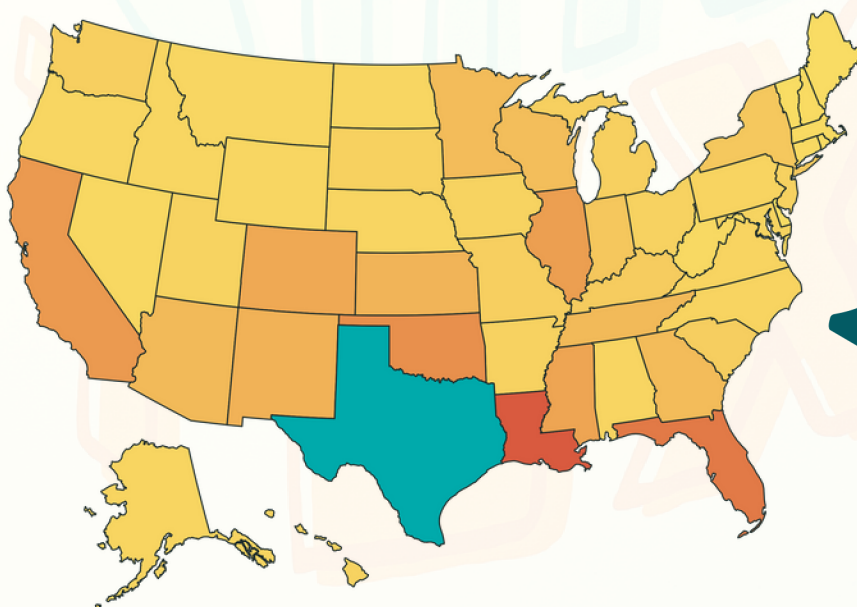
ORIGINS BY VISITOR SHARE WITHIN EACH YEAR



**TOP TEXAS
MARKETS**



**TOP OUT OF STATE
MARKETS**



**Darker red
means more
visitors from
state in Q3**

SHORT TERM RENTAL REVIEW

DATA FROM
KEYDATA

*data listed only for properties for which data provider has data directly from property

	AREA	DEMAND	% CHG	ADR	% CHG	REVPAR	% CHG
APR	Galveston	5,177	-27.74%	\$250.58	4.27%	\$48.85	-33.29%
	Nueces County	11,288	1.35%	\$281.20	4.55%	\$80.30	-10.39%
	S Padre Island	6,414	-8.14%	\$245.60	16.43%	\$100.68	2.45%
MAY	Galveston	6,146	1.72%	\$299.30	-6.37%	\$65.05	-14.21%
	Nueces County	15,029	48.36%	\$351.12	-6.37%	\$125.58	19.70%
	S Padre Island	7,473	17.67%	\$270.03	13.66%	\$123.19	31.33%
JUN	Galveston	10,325	52.96%	\$349.06	-11.60%	\$127.91	20.90%
	Nueces County	25,658	81.74%	\$453.38	-4.85%	\$280.00	46.93%
	S Padre Island	10,040	52.47%	\$397.52	5.77%	\$249.36	57.59%

Unlike hotel demand, short term rental demand increased YoY as the quarter went on.

These are fairly consistent trends across each of the three Texas Gulf destinations for which we have short term rental data.

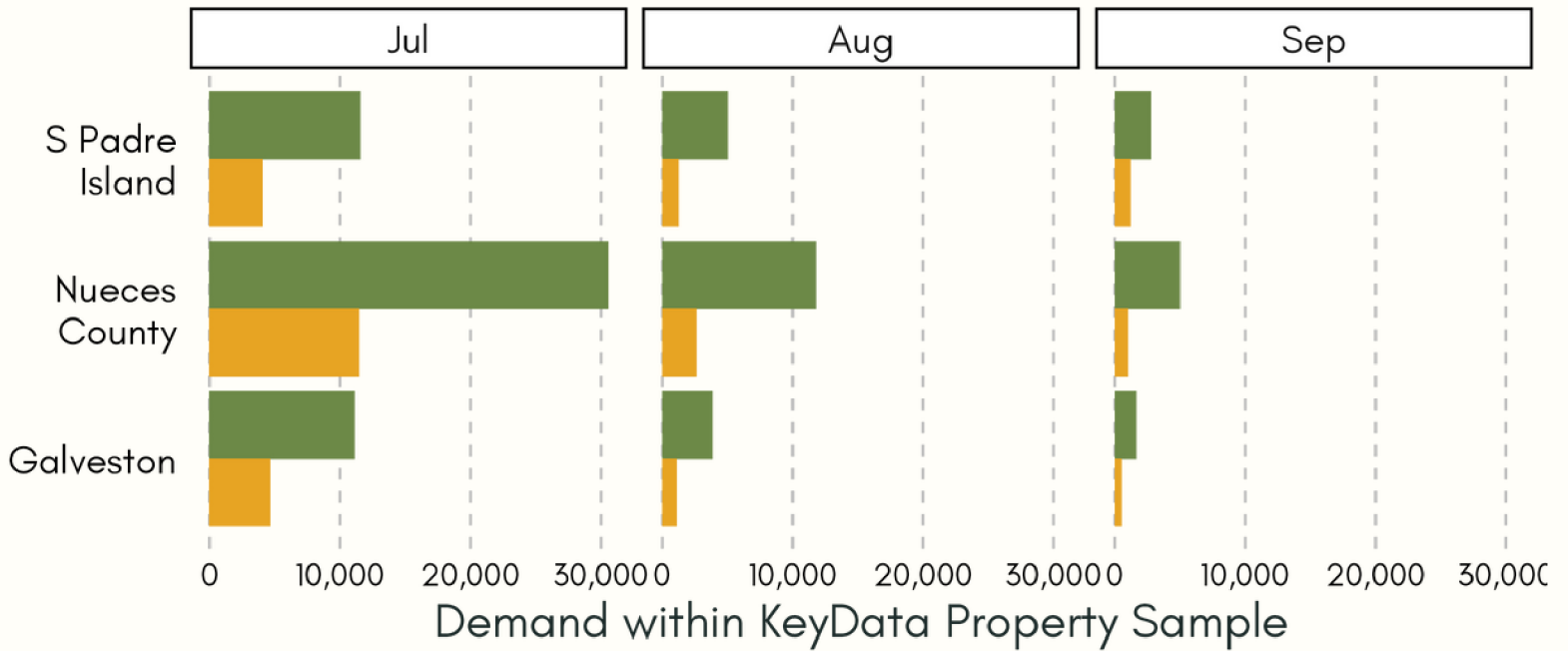
Supply has also increased - there were about 2,500 units in Nueces county listed this year vs. 2,100 last year.

SHORT TERM RENTAL PACING

DATA FROM
KEYDATA

*data listed only for properties for which data provider has data directly from property

■ Last Year at this Time ■ This Year



Future short term rental bookings for the coming quarter are well outpacing last year's numbers, indicating these increases seem likely to continue.

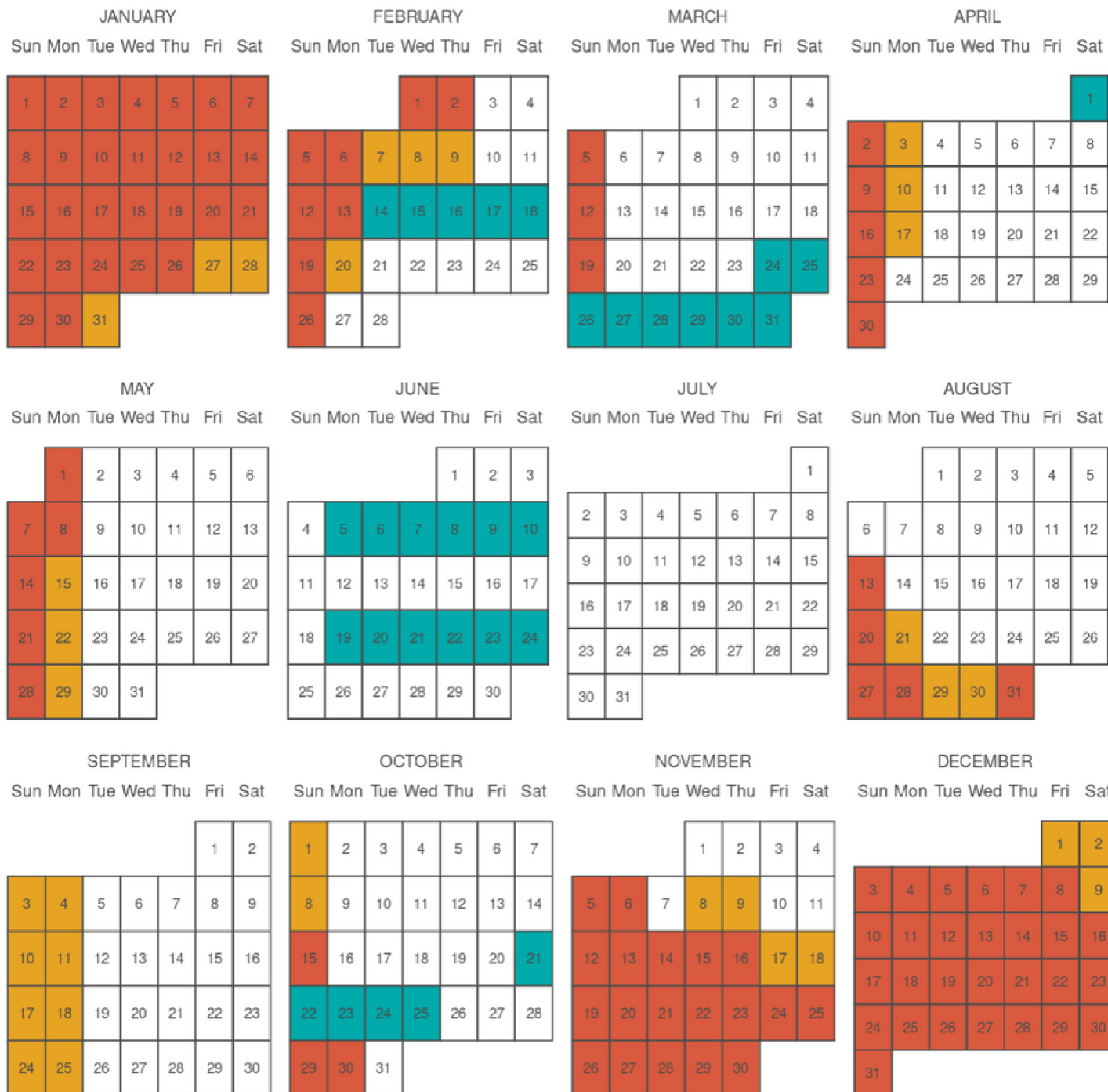
This trend might indicate a general market shift toward short term rentals as they become increasingly important to the visitor experience and economic impact of travel on the community.

Even with this shift, hotels hold a much larger share of the overnight market than short term rentals in Corpus Christi.

NEED DATE CALENDAR

GROUPS BOOKED IN 2023

 Group Booked
  High Need
  Low Need
  Medium Need

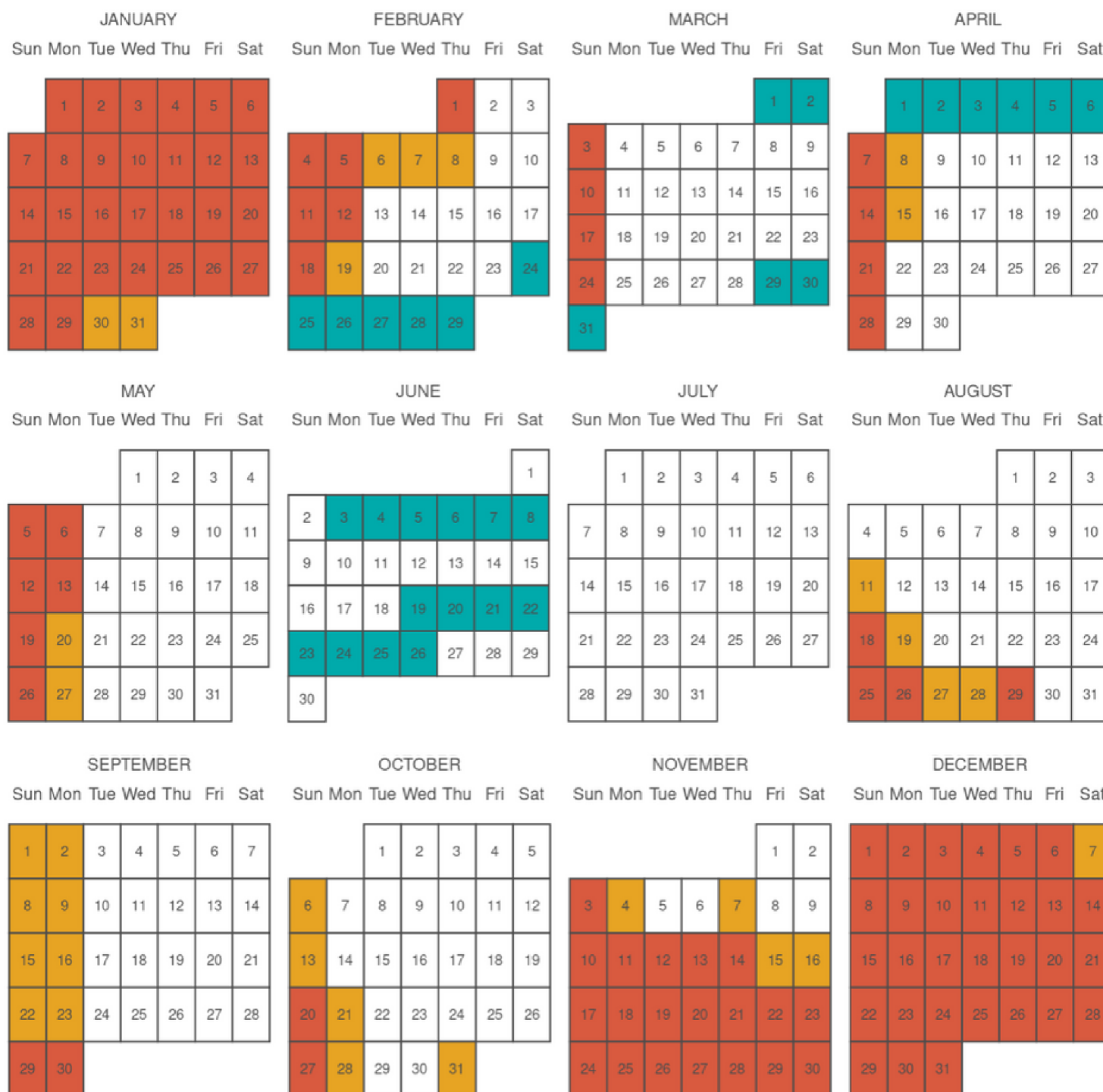


Our strategy is to bring visitors to Corpus Christi when our community benefits from their impact the most: during slower times of year. To accomplish this, we use a need date calendar based on seasonal projections to help monitor our progress. Projected occupancy rates below 55% are marked as medium need (orange); below 50% are marked high need (red).

NEED DATE CALENDAR

GROUPS BOOKED IN 2024

Group Booked
 High Need
 Low Need
 Medium Need



The calendar does not depict effects of holidays, but they are always taken into account when booking groups. Only very large groups are blocked off on the calendar which represent dates for which we can no longer book further group business – we have booked business for dates elsewhere, but will continue to try to fill those dates.