

DECEMBER 2012



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Maui Regional Director

Jim Hill (808) 669-5901 (Temporary Line) <u>Jim.hill@outrigger.com</u> Aloha,

Home Owner Reservations:

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Our average occupancy for December 2012 is 76.7% compared to 73.7% in 2011. The average daily rate (ADR) for December was \$163.94 compared to \$156.36 in 2011. The occupancy on-book for January 2013 is currently 91%, February 2013 is at 89% and March 2013 is presently at 84%. As of today, on-book for April 2013 is 42%.

Category	Occupancy	Average Daily Rate (ADR)
Garden View Studio	82%	\$123.87
1 Bedroom Garden View	75%	\$154.91
2 Bedroom 1 Bath Garden View	88%	\$163.54
2 Bedroom 2 Bath Garden View	62%	\$178.97

Many of you have purchased 4 bar stools at the kitchen counter and added a table and a couple of chairs based on guest requests. Thank you so much for your prompt attention. Guests are catching on to what units offer extra seating for their family meals or games and are requesting units with a table and chairs. Those of you who are asking for contact information so that you may purchase kitchen bar stools, and/or table and chairs, the following are two options: ***Life Style Maui Furniture at 808-242-1863 or Sandie Lammerding at 808-873-7632. Your proactive attention is very much appreciated.

Hawaii's tourism industry needed just 11 months last year to break the destinations annual visitor expenditures record, generating \$12.9 billion in spending through the end of November and eclipsing the previous full-year peak of \$12.6 billion set in 2007. "Visitor expenditures through November were \$2.1 billion more than the same period last year, "Mike McCartney, Hawaii Tourism Authority (HTA president and CEO), said in a statement. "Every day for the first 11 months of the year, visitors who came to the Hawaiian Islands by air spent \$193 each, which is \$16 more per day than last year."



Total visitor arrivals also increased substantially, jumping 9.9% year over year through November to roughly 7.3 million people, according to preliminary statistics released by the HTA late last month. The Aloha State set its all-time annual arrivals mark of 7.6 million visitors in 2006. In July, the HTA board of directors approved aggressive targets to reach 7.89 million visitors and \$13.9 billion in visitor spending, McCartney added. At the current pace, we anticipate reaching, if not exceeding these targets. McCartney said visitor growth to Hawaii from both Asia and Oceania in 2012 was "tremendous," crediting more flights and increased capacity from those markets for the spike in arrivals.

Meanwhile, arrivals from the U.S. West, Hawaii's largest source market, were up a solid 6.5% through November, while those from the U.S. East increased 3.4%, bolstered by a nearly 5% increase in air seats arriving to the islands from the U.S. mainland. Overall we're doing very well to Hawaii, and we're starting to look at low double digit increases for 2013 if the trends continue, said Jim Tedesco, the marketing director for Gogo Worlwide Vacations, noting that his company's core business comes from the East Coast. (Travel Weekly – Shane Nelson, January 4, 2013)

It's been great having Hawaiian flying direct from New York and United's new nonstop flights to Honolulu from Washington D.C. Both of those have definitely helped production. Hawaii has also benefited from dramatic shoulder season growth in 2012, and November was no exception, generating a 14.5% jump in arrivals year over year and a 22.7% surge in spending to just over \$1.1 billion for the month. Hawaiian Airlines will offer twice-daily service between Los Angeles and Maui for the first time next summer, adding 34,000 air seats to the island during its peak travel period. A result of continued strong demand to the destination, the 10-week seasonal service increase will begin June 13, but Hawaiian will return to one LAX-Maui flight daily on August 26. We're doubling our Maui summer service to give Los Angeles-area residents another option to book their vacation and make it easier for people in other parts of the country to come and experience one of Hawaii's favorite islands for visitors, Peter Ingram, Hawaiian's executive vice president and COO said in a statement. (Travel Weekly, Shane Nelson, December 31, 2012)

The launch of new direct flights last month between Kahului and Washington State helped Maui enjoy continued growth in visitor arrival and spending in November, according to the Hawaii Tourism Authority. Visitor arrivals last month increased by 8 percent to 180,002. That in turn, boosted year-to-date arrivals to 2.08 million, a nearly .6 percent increase over the same time frame in 2011. Maui saw an uptick in visitors for the month from the U.S. West (up 11 percent); Japan (up 11 percent); Canada (up 8.5 percent); and the East Coast (up 5 percent).

Maui hotel guests paid an average of about \$231 a night during November, an almost 5 percent increase over the same month in 2011, according to a new report by Smith Travel Research and Hospitality advisors. Occupancy at Maui hotels in November was up by 2 percent year over year to 70.6 percent. Island wide, Maui hotels saw revenue per available room of \$163 in November, an 8 percent boost over November 2011. Occupancy for the first 11 months of 2012 was up by 2 percent over the previous year to 72.8 percent island wide. Hawaii's hotel performance during the shoulder period has been nothing short of astounding with much of the record revenues achieved by Oahu and Maui, Joseph Toy, President and Chief Executive officer of Hospitality Advisors. While Big Island continues to struggle, we expect to see strength across all islands in the first quarter. Oahu had the highest November occupancy at 81.9 percent, while the island's average daily hotel rate increased by more than 5 percent to \$183.00 for the month. (The Maui News, January 15, 2013)

OUTRIGGER

A Hui Hou! (Until we meet Again)

Sheila Gerbig-Hussey General Manager