

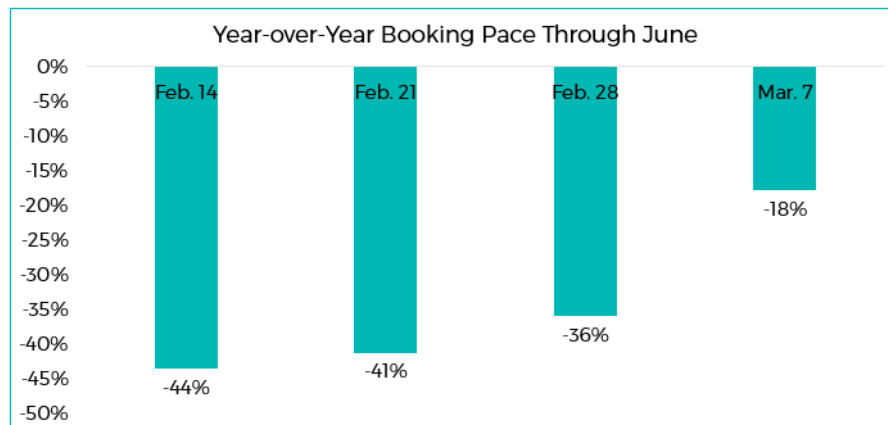


### Research Dashboard – March 17<sup>th</sup>, 2021

With increasing vaccination rates and rising consumer confidence in the safety of travel, bookings and arrivals to Puerto Rico have risen dramatically in recent weeks. In the week ending February 14, hotel data from TravelClick showed that the booking pace through June was down 44% from the same time a year ago. And while that increased slowly in the following two weeks, there was significant movement in bookings in the week ending March 7, 2021. The most recent data shows that hotel bookings through the end of June are only down 18% from the same time a year ago, even before the industry was shuttered from COVID-19.

## SIGNIFICANT PICKUP IN RECENT WEEKS

Bookings had been slowly rising prior to March

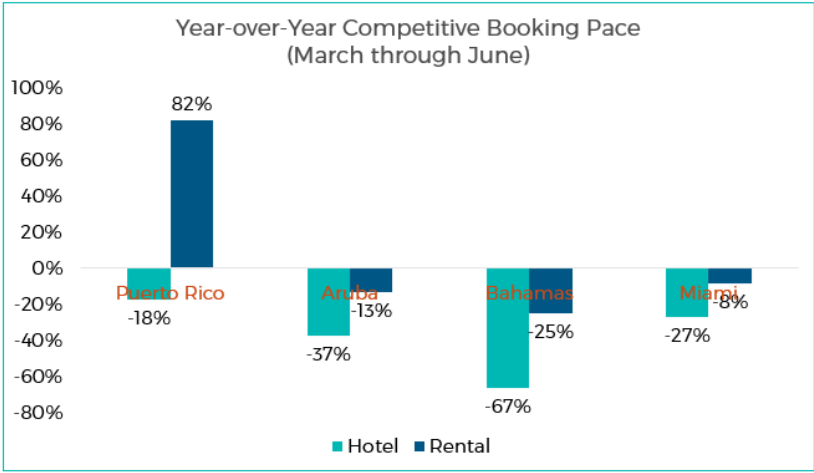


This 18% lower booking pace than a year ago is better than the competition is seeing. Prior to the week ending March 7, Miami had consistently been outperforming Puerto Rico. But with a dramatic increase in bookings, Puerto Rico hotels are now outpacing Miami for year-over-year occupancy through the end of June.

And though the hotel market has picked up considerably, we know that rentals have outperformed them throughout the pandemic as consumers viewed them as a way to remain more isolated. While the rental market in Puerto Rico continues to outperform other destinations, the current year-over-year growth is unprecedented. Rental bookings through the end of June are 82% higher than where they were a year ago, while competitors continue to see year-over-year losses.

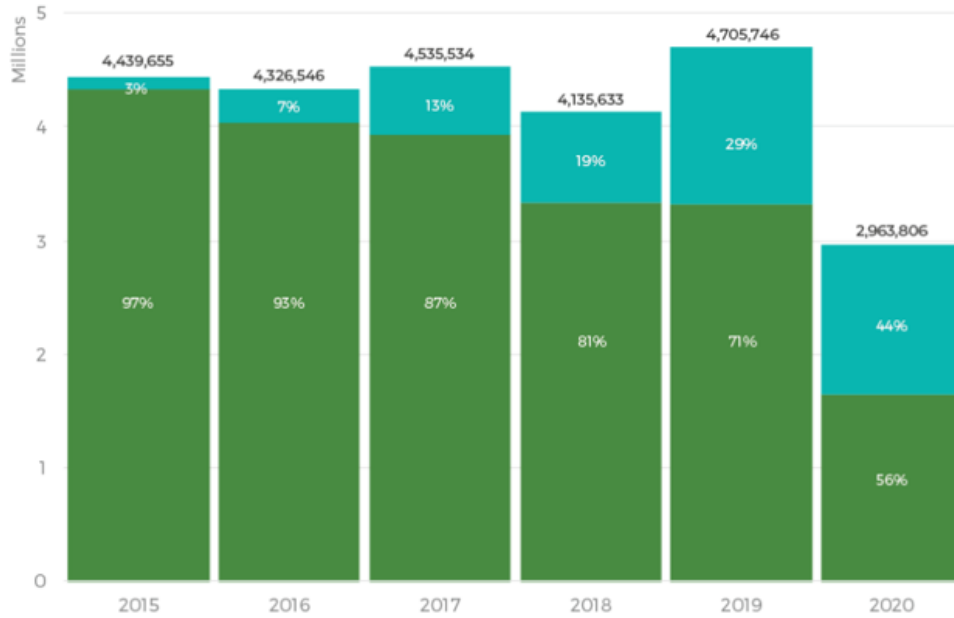
# STRONGER BOOKING PACE THAN AVERAGE

## Outperforming the competitive set



This dramatic difference in the booking pace of hotels and rentals is indicative of changes in the lodging market in Puerto Rico in recent years. Across the globe, both supply and demand of independent rentals have increased as booking platforms like Aribnb and VRBO become more popular with consumers. Discover Puerto Rico has developed an evaluation of the lodging industry on the Island, detailing how rentals have become an important component of the visitor economy in Puerto Rico. The situation analysis is available in English and Spanish for download [here](#).

## Puerto Rico Lodging Demand 2015-2020



	2015	2016	2017	2018	2019	2020
Hotel Nights Supply	4,326,297	4,032,335	3,927,872	3,330,946	3,325,303	1,653,501
Indp Rental Nights Supply	113,358	294,211	607,662	804,687	1,380,443	1,310,305

Since March 2020, the independent rental occupancy rate has only declined 2.8%. Over the same time period, hotel occupancy declined 35.4%. The minimal impact to the rental industry in Puerto Rico over the course of the last twelve months is attributable to increases in usage of larger rentals. Though studio and one-bedroom units saw lower occupancy for the 12 months ending February 2021 compared to a year prior, there was little shift in occupancy for two and three-bedroom units. Independent rentals with four or more bedrooms saw higher occupancy since the start of the COVID-19 pandemic than the 12 months prior.

# MINIMAL SHIFTS IN RENTALS THROUGH PANDEMIC

Higher occupancy in larger rentals

