Gulf Shores / Orange Beach 2025 Outlook

Agenda

- **Property Performance**
  - How are occupancy, rates, and revenues changing in your region?
- **Traveller Trends**
  - How are traveler booking behaviors changing?
- **Strategies for responding**
  - Let's set you up for success.

Key Data

Where does the data come from?
Directly from top property management systems.

- **60+** Property Management System integrations

- Data is **aggregated daily** in near real-time

- KPIs and visualizations are **instantly updated**

- **Directly sourced data** from local and regional competitors for comparative data analysis
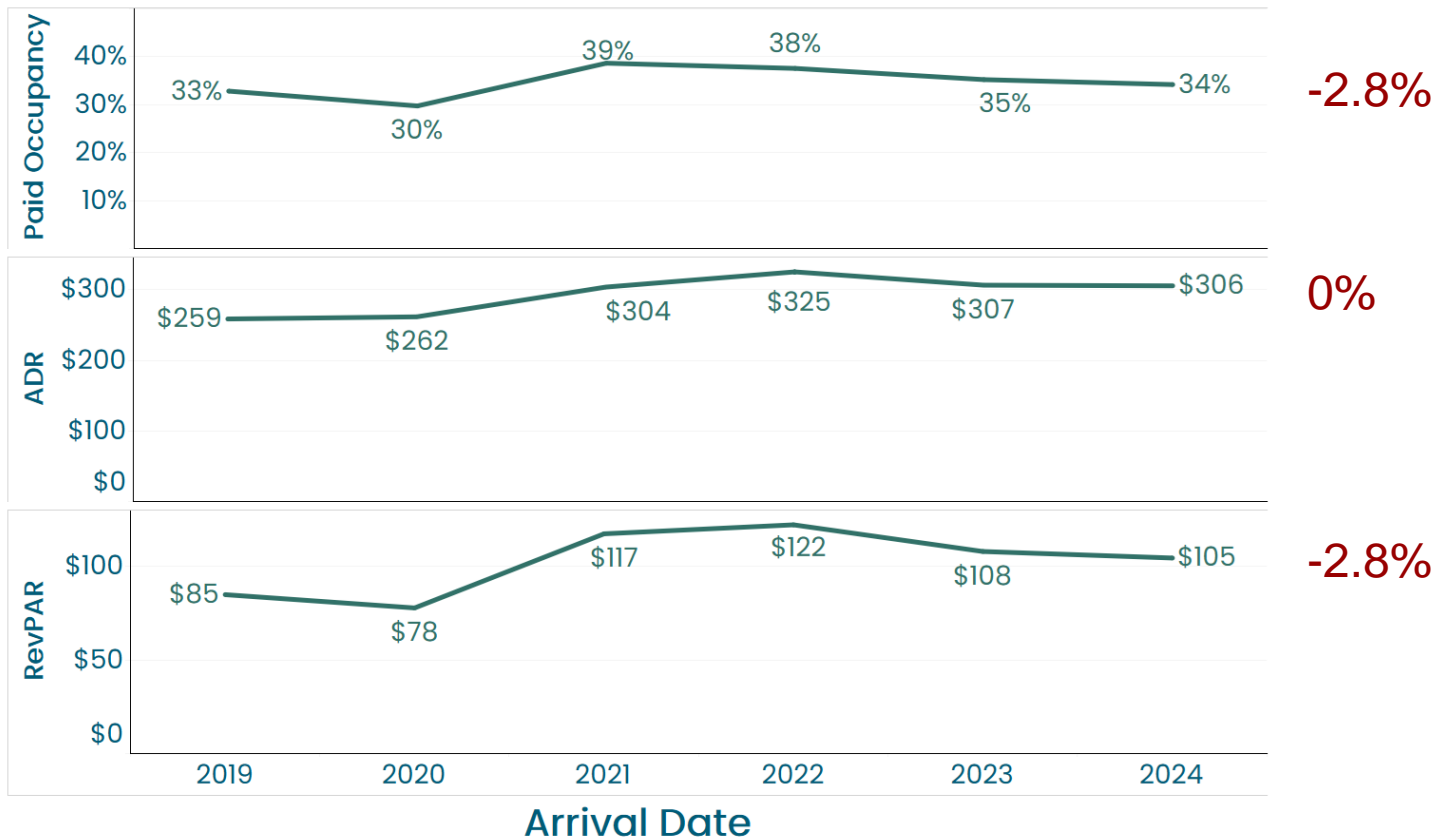
2025 United States Trends

United States – Annual Performance

Direct data: As of December 31

Paid Occupancy

- 2019: 33%
- 2020: 30%
- 2021: 39%
- 2022: 38%
- 2023: 35%
- 2024: 34%

-2.8%

ADR

- 2019: $259
- 2020: $262
- 2021: $304
- 2022: $325
- 2023: $307
- 2024: $306

0%

RevPAR

- 2019: $85
- 2020: $78
- 2021: $117
- 2022: $122
- 2023: $108
- 2024: $105

-2.8%

Arrival Date

United States - Paid Occupancy Rate

Direct data: As of January 20

40%

20%

0%

1/1/25 1/8/25 1/15/25 1/22/25 1/29/25 2/5/25 2/12/25 2/19/25 2/26/25 3/5/25 3/12/25 3/19/25 3/26/25 4/2/25 4/9/25 4/16/25 4/23/25 4/30/25 5/7/25 5/14/25 5/21/25 5/28/25 6/4/25 6/11/25 6/18/25 6/25/25

2024   2025

Easter Shift
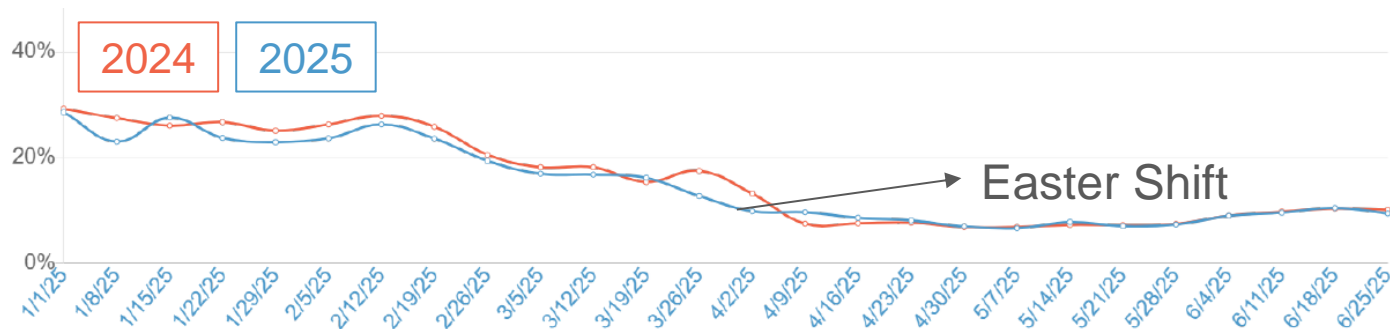
Easter was in Q1 last year, and is in Q2 in 2025. That will affect Q1 YoY occupancy and revenue comparisons.

	Final			Pacing			
	Q3	Q4		Q1	Q2	Q3	Q4

Paid Occupancy

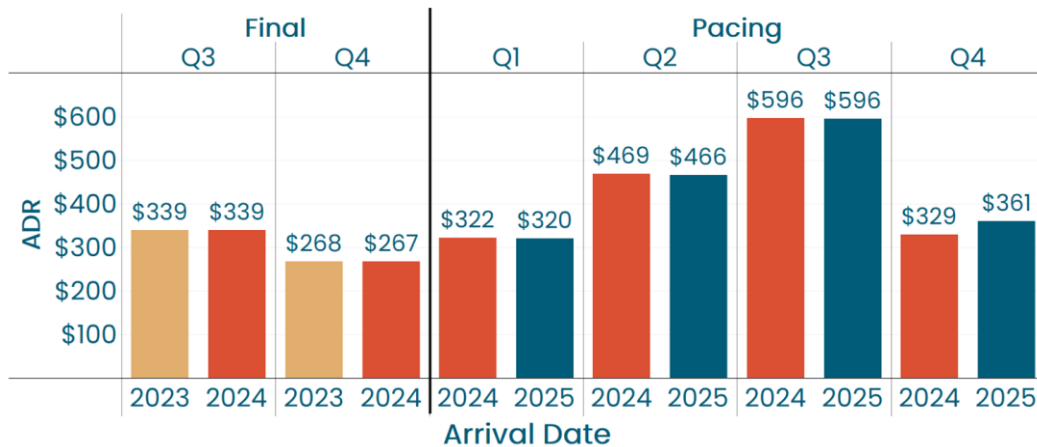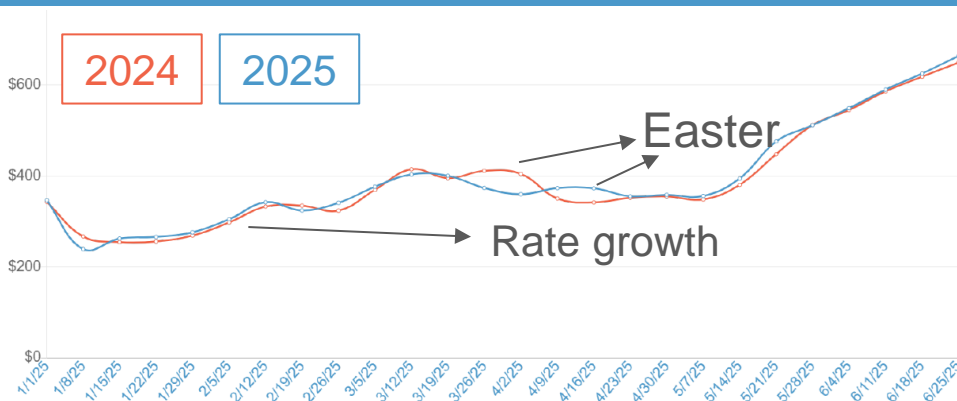| 40% | 42% (2023) | 41% (2024) | | | | | |
30%	27% (2023)	27% (2024)	23% (2024)	22% (2025)			
20%							
10%					8% (2024)	8% (2025)	6% (2024) 6% (2025)
0%							1% (2024) 1% (2025)

Arrival Date
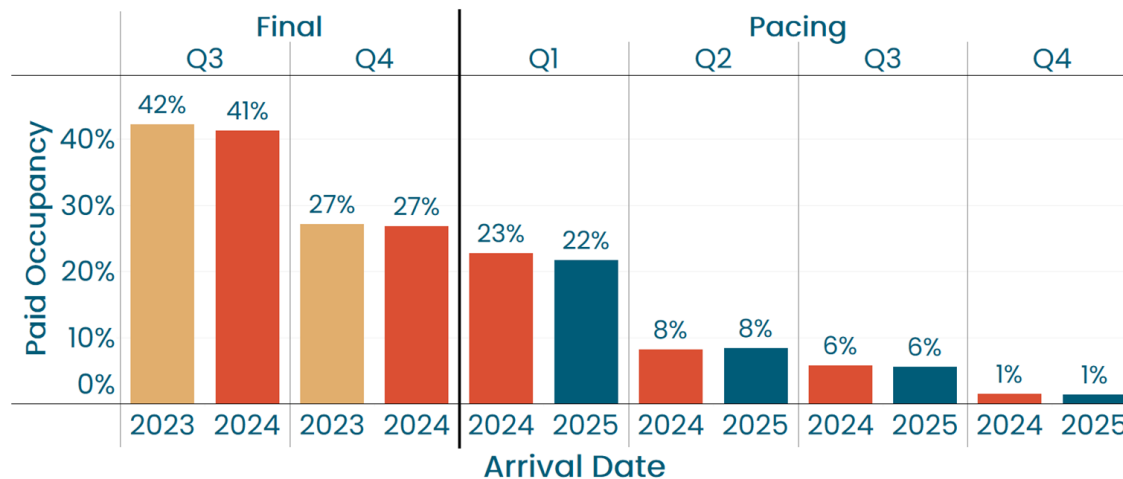
United States - Average Daily Rate

Direct data: As of January 20

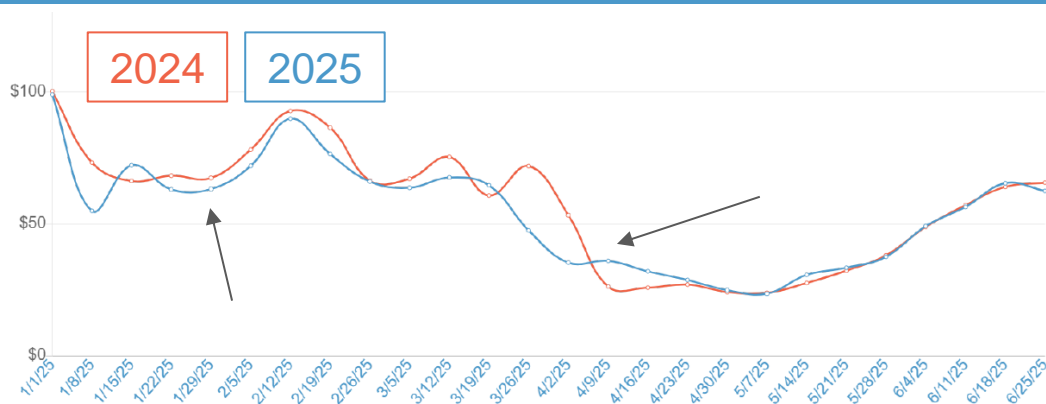Easter rates are pacing lower than last year, but we're seeing rate growth mid-Q1

United States – RevPAR

2024 was a leap year.
Q1 2025 Revenue is automatically 1% lower.

	Final			Pacing						
	Q3		Q4		Q1		Q2		Q3	Q4
RevPAR	$143	$140	$72	$72	$73	$70	$38	$39	$35 $33	$5 $5
Arrival Date	2023	2024	2023	2024	2024	2025	2024	2025	2024 2025	2024 2025

United States – Q1 Supply and Demand
Direct data: As of January 20

Demand | **Supply**

YoY % Change

Demand:
- 2023: +6%
- 2024: +0%
- 2025: −1%

Supply:
- 2023: +16%
- 2024: +6%
- 2025: +2%
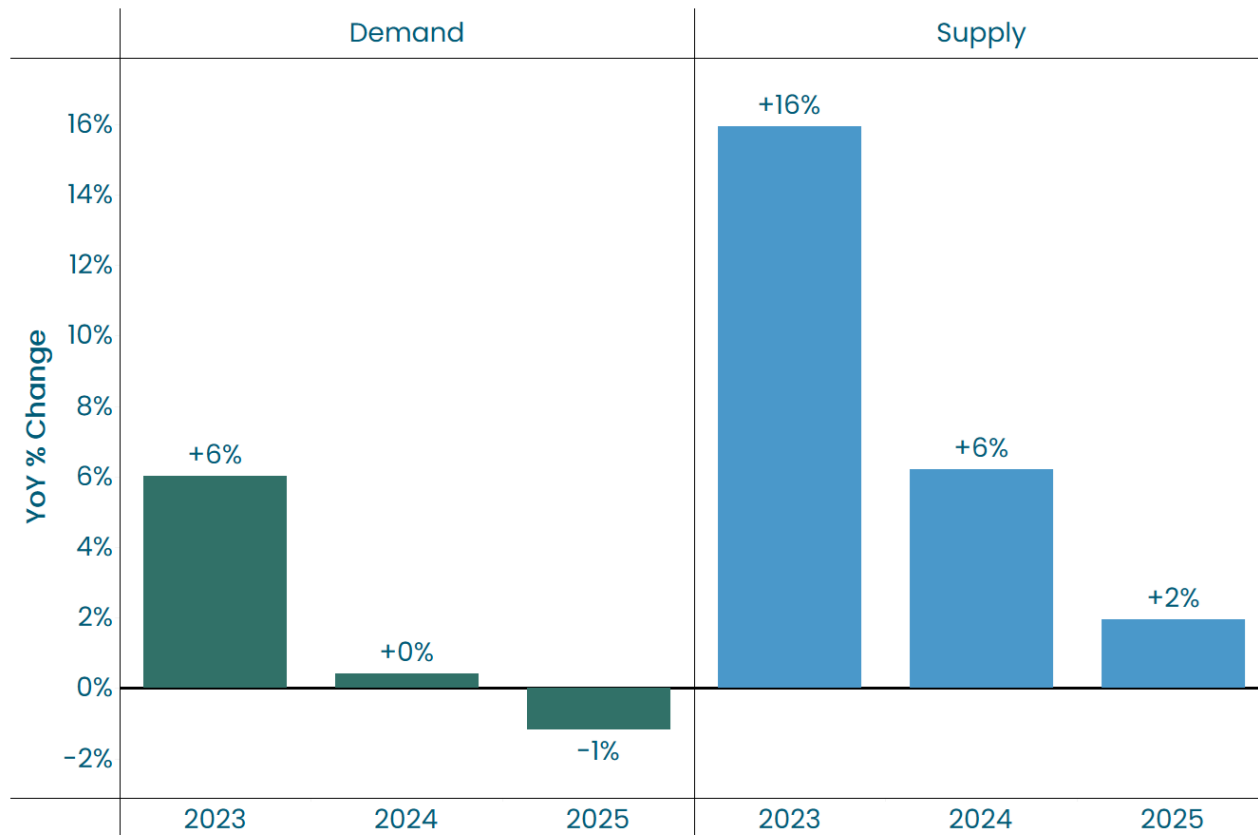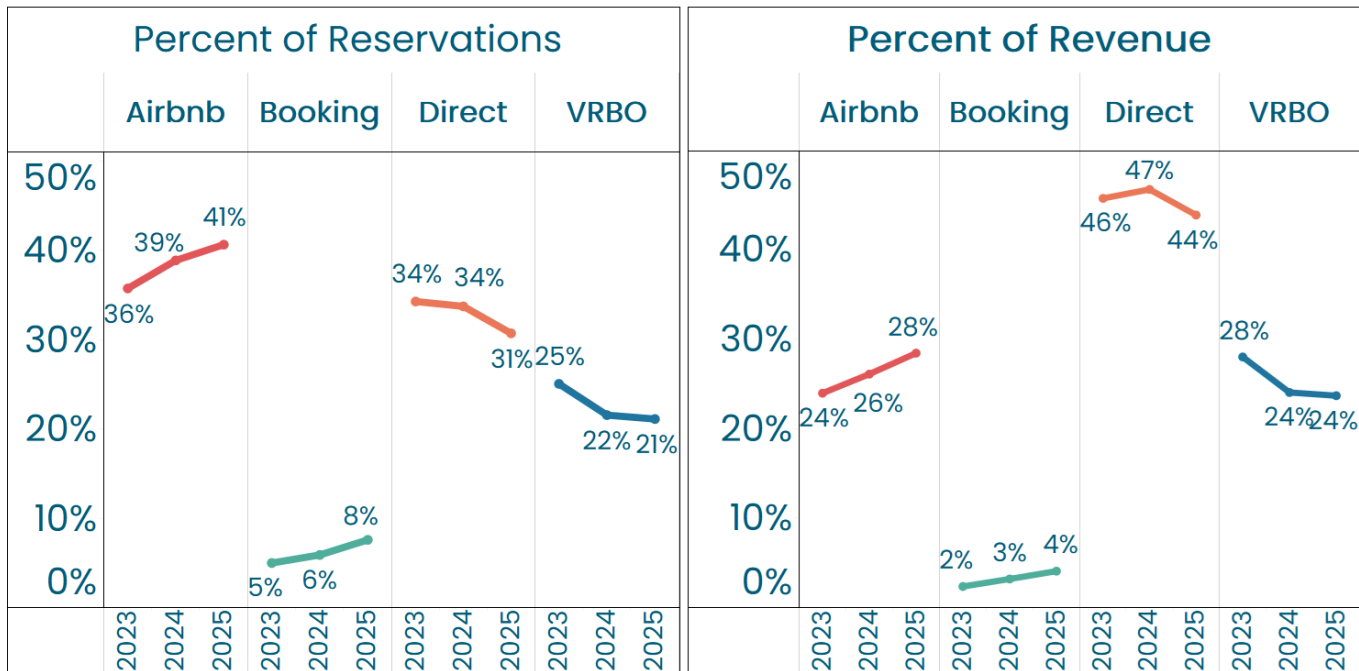
- The gap between supply and demand is closing

- Whenever supply growth outpaces demand growth, occupancy rates decrease

United States – OTA Performance
Direct data: As of January 20.

United States Booking Source

Q1 Arrivals, On the Books

Percent of Reservations

	Airbnb	Booking	Direct	VRBO
2023	36%	5%	34%	25%
2024	39%	6%	34%	22%
2025	41%	8%	31%	21%

Percent of Revenue

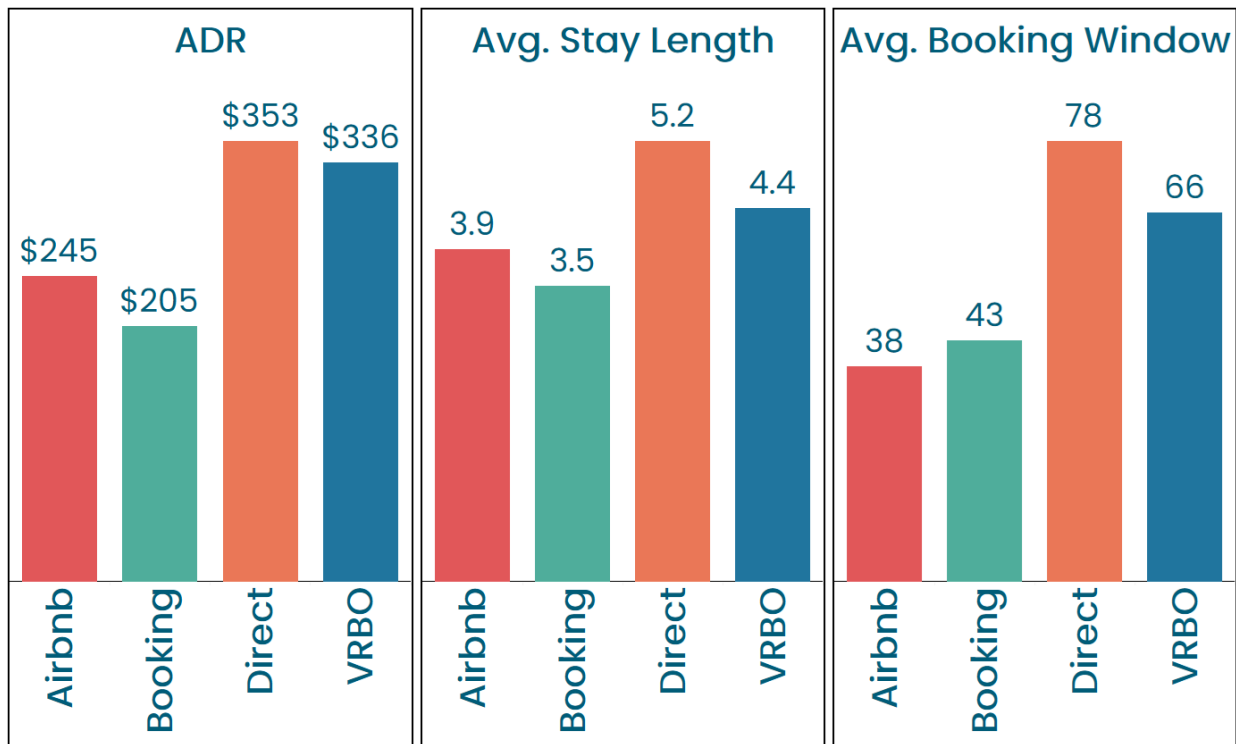|	Airbnb	Booking	Direct	VRBO
2023	24%	2%	46%	28%
2024	26%	3%	47%	24%
2025	28%	4%	44%	24%

- Airbnb and Booking.com have been gaining shares of reservations and revenue over the past few years

- Direct and Vrbo bookings and revenue have been declining

United States Booking Sources 2024 KPIs
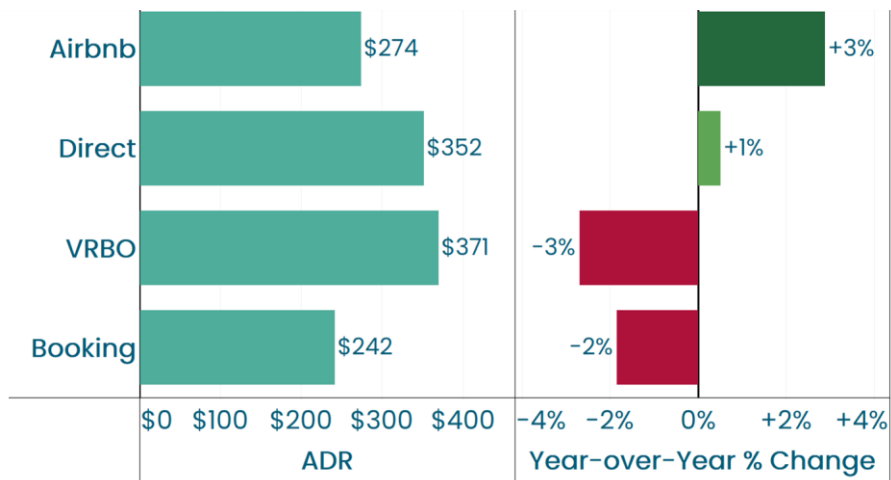Direct bookings see the highest ADR, longest stays, and longest booking windows

ADR

Airbnb	Booking	Direct	VRBO
$245	$205	$353	$336

Avg. Stay Length

Airbnb	Booking	Direct	VRBO
3.9	3.5	5.2	4.4

Avg. Booking Window

Airbnb	Booking	Direct	VRBO
38	43	78	66

Data aggregated from Key Data customer direct integrations

United States Booking Sources Q1 KPIs
Direct data as of January 20

Q1 ADR

	ADR	YoY % Change
Airbnb	$274	+3%
Direct	$352	+1%
VRBO	$371	-3%
Booking	$242	-2%

Q1 Avg Booking Window

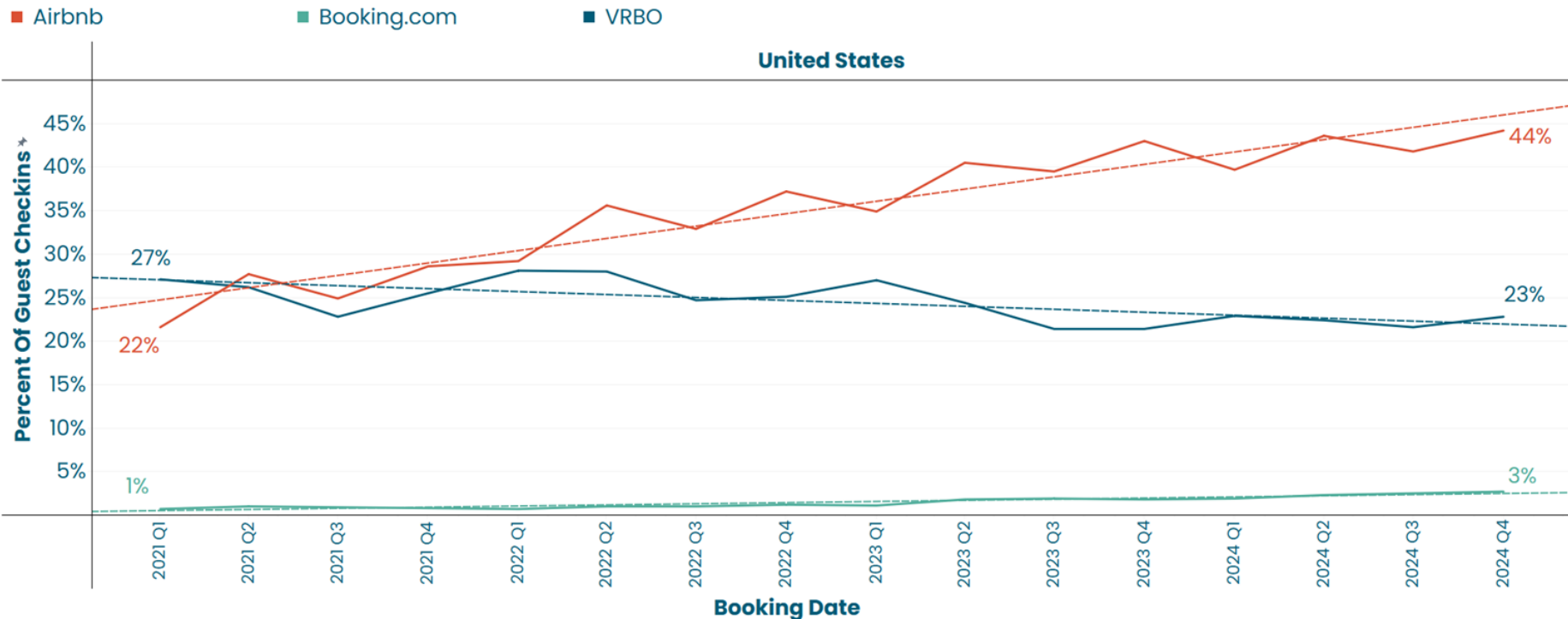|	Avg. Booking Window	YoY % Change
Airbnb	57	0%
Direct	113	0%
VRBO	88	-5%
Booking	69	+12%
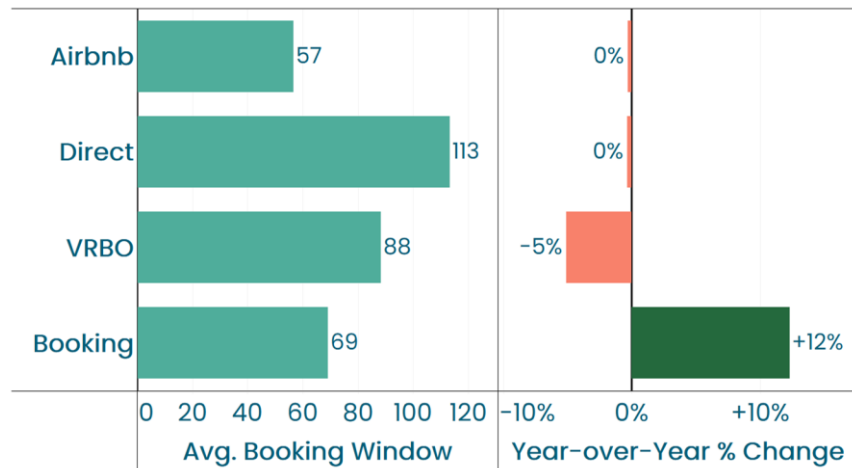
United States Percent of Guest Checkins By Booking Source 5+ BRs
## Airbnb has focused on expansion into leisure markets and larger properties

■ Airbnb ■ Booking.com ■ VRBO

United States

Percent Of Guest Checkins

45%
40%
35%
30%
27%
25%
22%
20%
15%
10%
5%
1%

44%
23%
3%

2021 Q1 · 2021 Q2 · 2021 Q3 · 2021 Q4 · 2022 Q1 · 2022 Q2 · 2022 Q3 · 2022 Q4 · 2023 Q1 · 2023 Q2 · 2023 Q3 · 2023 Q4 · 2024 Q1 · 2024 Q2 · 2024 Q3 · 2024 Q4

Booking Date

Graph: Year-to-date data as of November 19

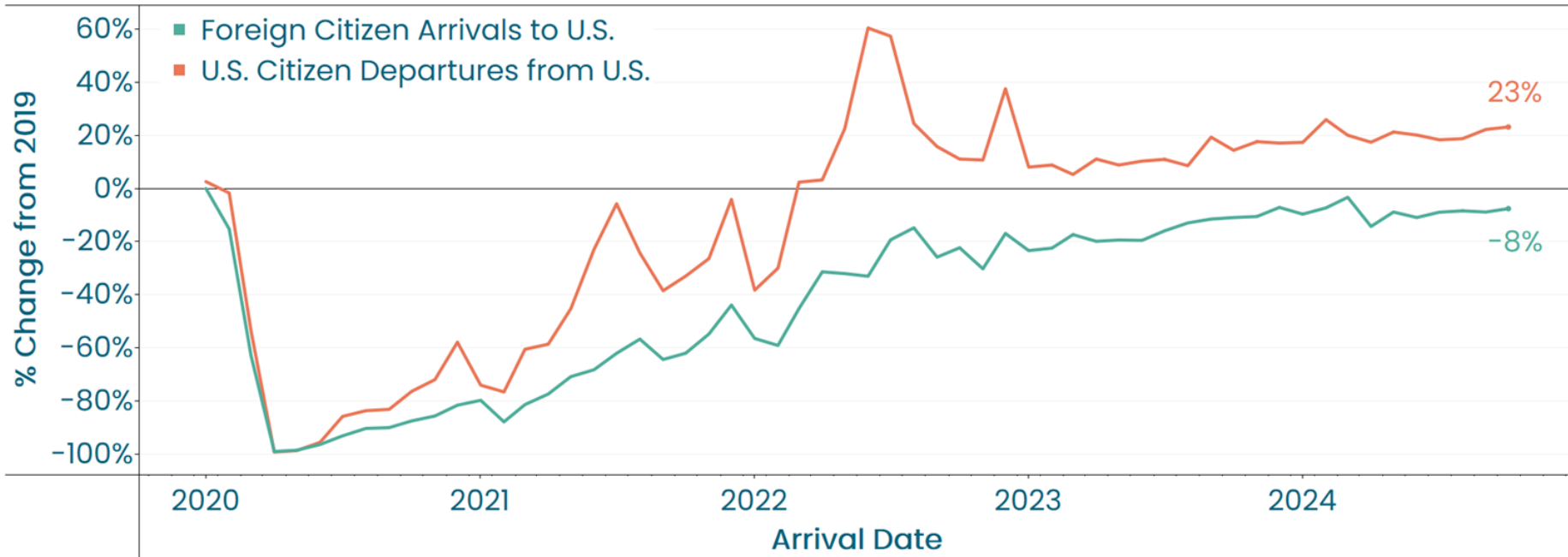*Data aggregated from Key Data customer direct integrations*
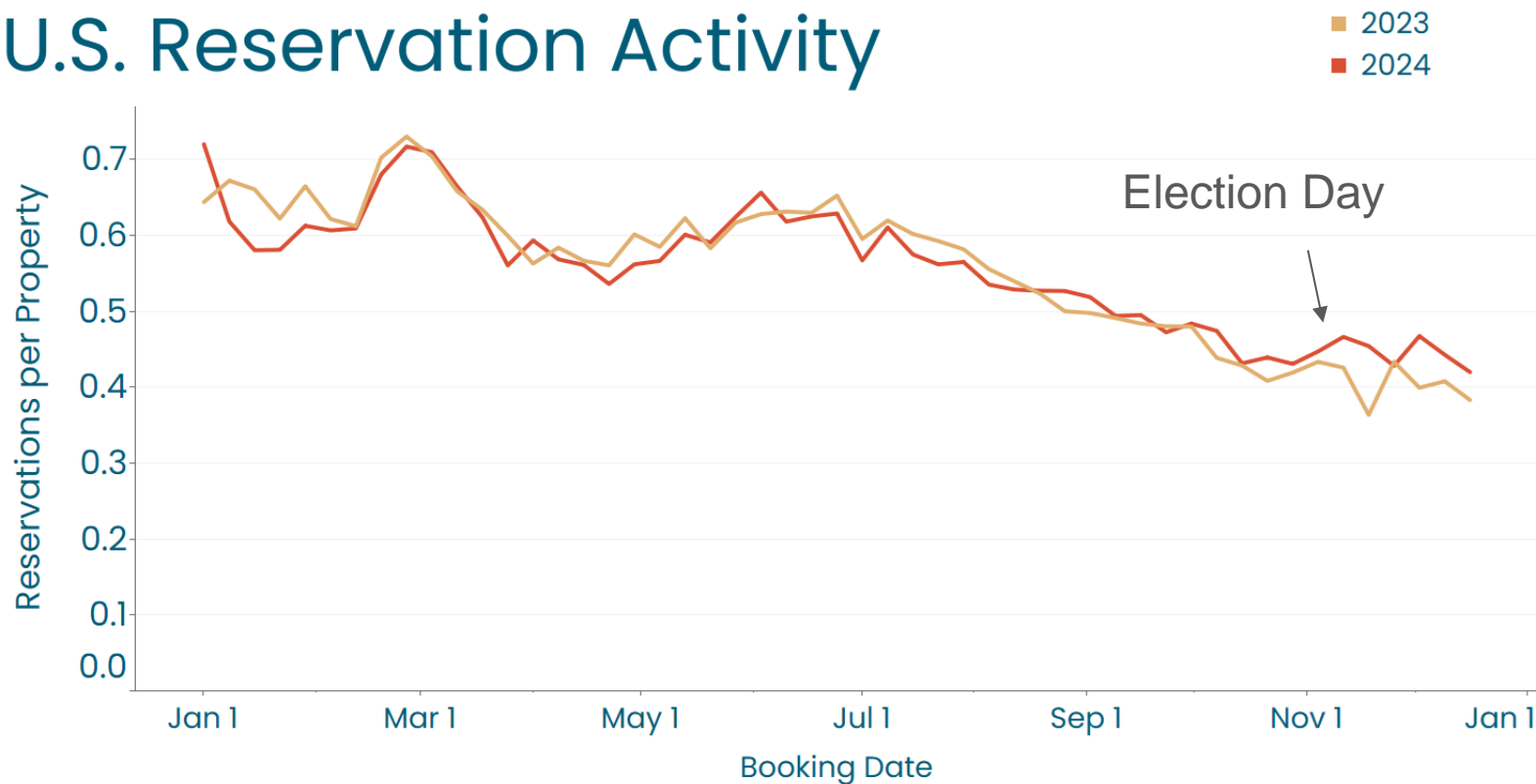
International vs. Domestic Travel
I92 Data from the U.S. International Trade Administration

Inbound vs. Outbound Travel

■ Foreign Citizen Arrivals to U.S.
■ U.S. Citizen Departures from U.S.

% Change from 2019

60%
40%
20%
0%
-20%
-40%
-60%
-80%
-100%

2020   2021   2022   2023   2024

Arrival Date

23%

-8%

https://www.trade.gov/us-international-air-travel-statistics-i-92-data

Occupancy

CALCULATION:

Adjusted Paid Occupancy Rate = Nights Sold / (Total Nights - Hold and Owner Nights)

Why does your occupancy rate matter?

- Lets you know how full your properties will be on a certain date.

- Helps you understand how your performance is changing over time.

- Are you getting enough reservations? Are your prices right?

Gulf Shores / Orange Beach Q1 2025 vs. 2024 Supply and Demand

Direct data booked by February 3, same-store property managers

Gulf Shores / Orange Beach

Supply: +16%
Demand: +15%

(YoY % Change)
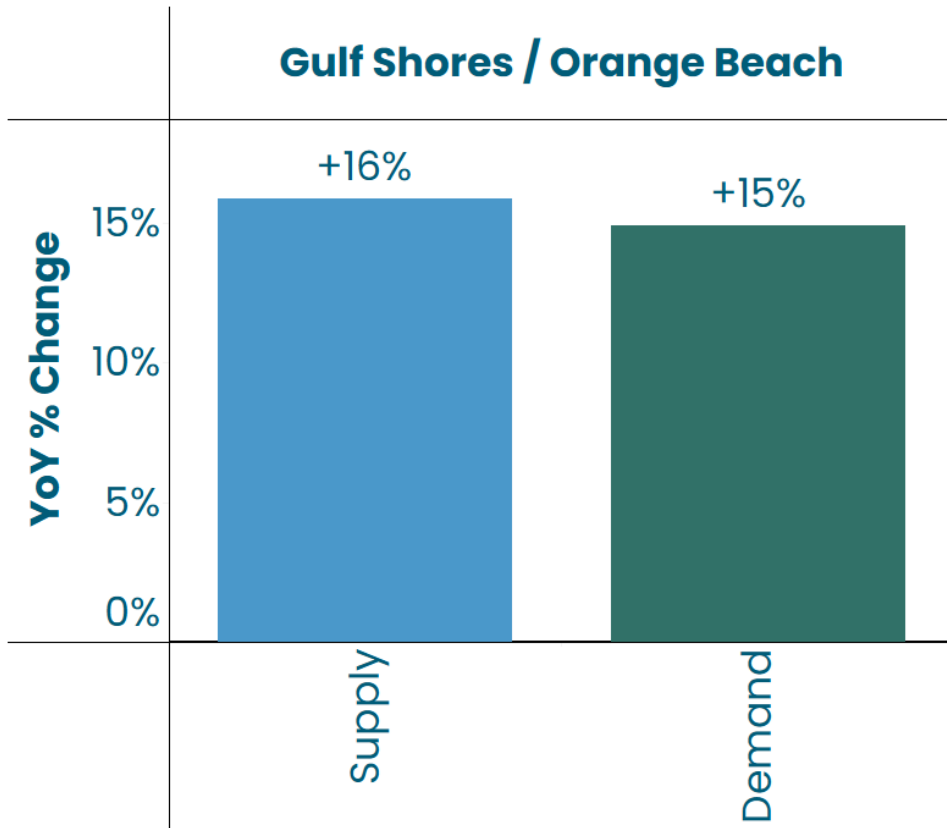
Supply impacting occupancy rates

- Supply is referring to the number of units available for property managers that were in our data in 2024 vs. 2025

- Demand is referring to guest nights booked for property managers that were in our data in 2024 vs. 2025

- Supply growth is outpacing demand growth, leading to declining YoY occupancy

Gulf Shores / Orange Beach Adjusted Paid Occupancy

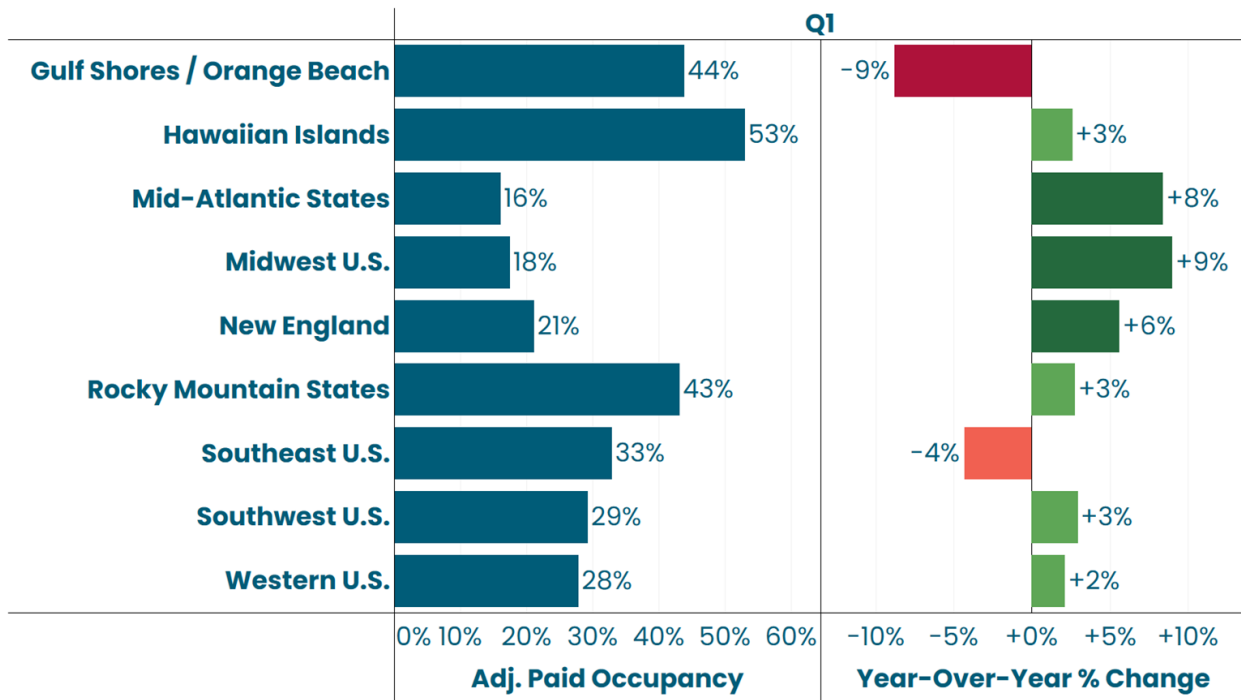Direct data booked by February 4
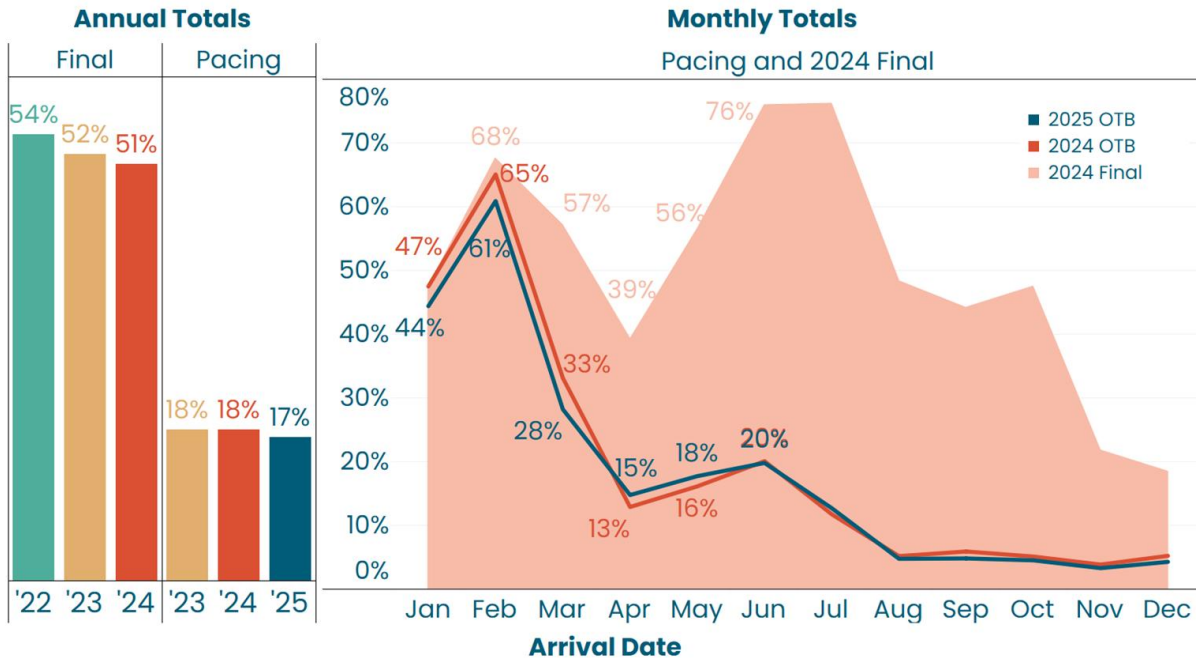
Occupancy pacing below 2024

- Total 2023 finished down from 2022

- Pacing behind until April (Easter) and May

- An early look at peak **summer** numbers are showing **flat** or slightly up to 2024

Annual Totals — Final: '22 54%, '23 52%, '24 51%. Pacing: '23 18%, '24 18%, '25 17%.

Monthly Totals — Pacing and 2024 Final. 2025 OTB, 2024 OTB, 2024 Final.

Q1 2025 Adjusted Paid Occupancy
Direct data as of February 4

Q1

Region	Adj. Paid Occupancy	Year-Over-Year % Change
Gulf Shores / Orange Beach	44%	−9%
Hawaiian Islands	53%	+3%
Mid-Atlantic States	16%	+8%
Midwest U.S.	18%	+9%
New England	21%	+6%
Rocky Mountain States	43%	+3%
Southeast U.S.	33%	−4%
Southwest U.S.	29%	+3%
Western U.S.	28%	+2%

Adj. Paid Occupancy   **Year-Over-Year % Change**

Occupancy pacing ahead in all regions except Southeast

- Occupancy varies by market based on supply and demand.

- **Track occupancy** for your local market to understand your performance against the competition

Q1 January - March

Average Daily Rates

CALCULATION:

Average Daily Rate = Total Rent Collected / Total Number of Guest Nights
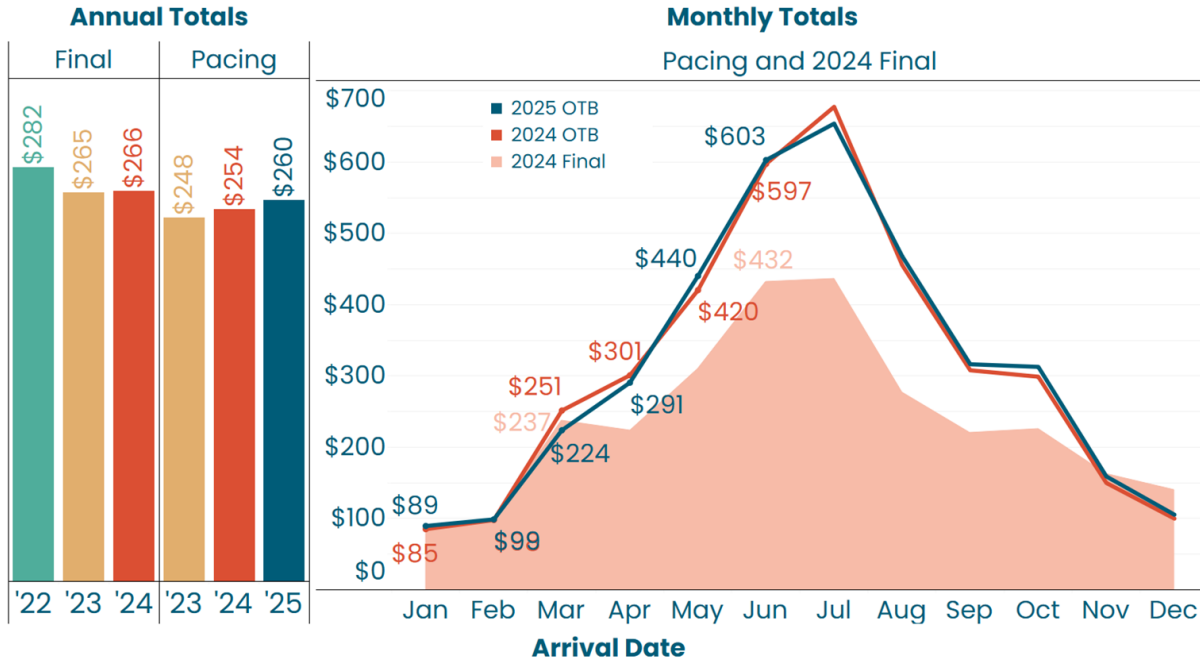
Why does your ADR matter?

- How much is your average guest paying and how has that changed?

- Benchmark your prices compared to your competitors.

Gulf Shores / Orange Beach Average Daily Rates
Direct data booked by February 4

Annual Totals

Final			Pacing		
$282	$265	$266	$248	$254	$260
'22	'23	'24	'23	'24	'25

Monthly Totals
Pacing and 2024 Final

- 2025 OTB
- 2024 OTB
- 2024 Final

$700
$600
$500
$400
$300
$200
$100
$0

$89 / $85 (Jan)
$99 (Feb)
$251 / $237 / $224 (Mar)
$301 / $291 (Apr)
$440 / $420 (May)
$603 / $597 / $432 (Jun)
(Jul)

Arrival Date
Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec
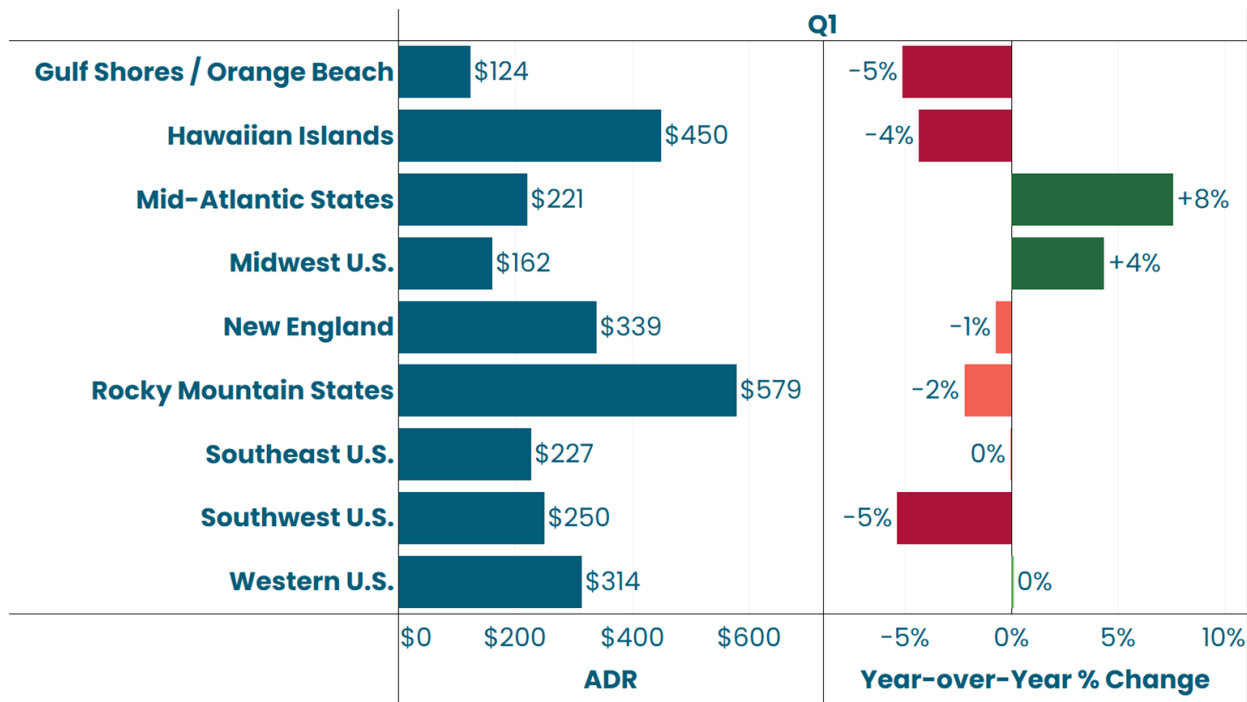
Rates are pacing higher than in 2024

- Total 2023 finished below 2022

- 2024 rates finished $1 higher than 2023

- March and April rates are pacing behind, but the rest of the year is pacing similarly or ahead of 2023

- Reservations booked early tend to book at higher ADRs. **Expect ADRs to come down as we move through the**

2025 Q1 Average Daily Rates
Direct data as of January 24

Q1

Region	ADR	Year-over-Year % Change
Gulf Shores / Orange Beach	$124	−5%
Hawaiian Islands	$450	−4%
Mid-Atlantic States	$221	+8%
Midwest U.S.	$162	+4%
New England	$339	−1%
Rocky Mountain States	$579	−2%
Southeast U.S.	$227	0%
Southwest U.S.	$250	−5%
Western U.S.	$314	0%

ADR

Year-over-Year % Change

Rates are mostly pacing behind across the U.S.

- Travellers are **price-sensitive**

- **Track rates** for your local market, property type, and property size. Segmentation is key to a successful pricing strategy.

Q1 January - March

RevPAR

Revenue Per Available Rental (RevPAR)

CALCULATION:

RevPAR = Total Rent Collected / Total Nights
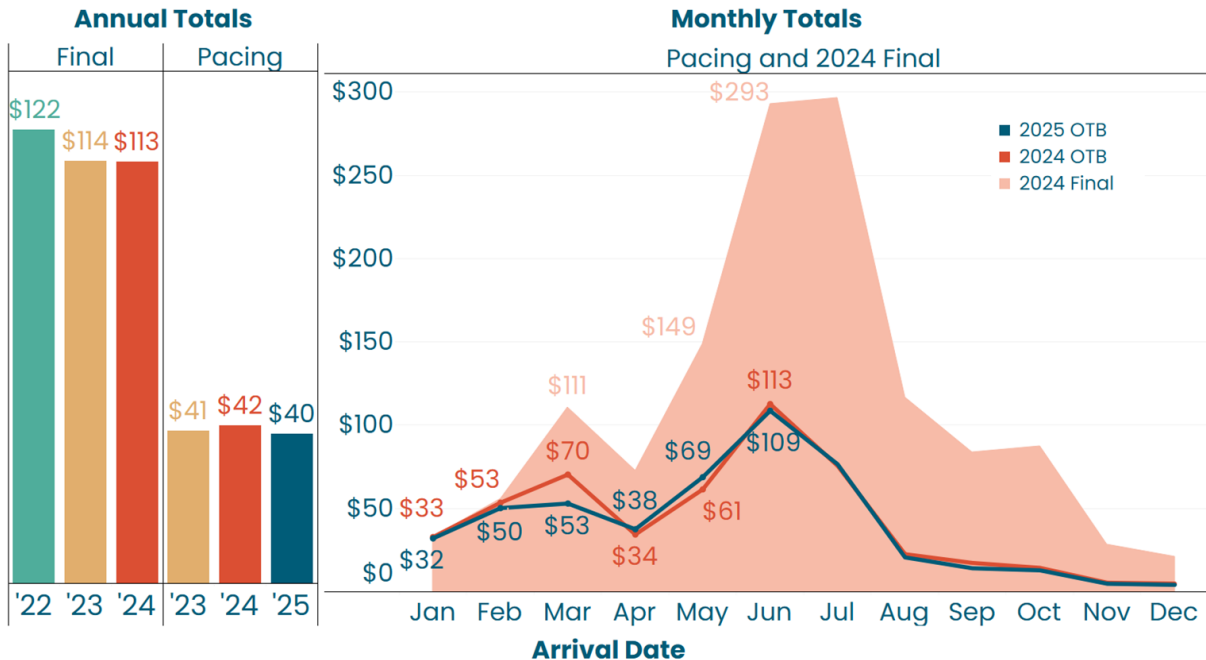
OR = ADR * Paid Occupancy

Why does your RevPAR matter?

- How is your rental revenue changing over time?

- Revenue is more important than occupancy or price.

- Are your occupancy and prices balanced?

Homeowner Communication | Revenue

With many homes generating less money this year than during 2021 and 2022, having a homeowner communication strategy in place is more important than ever.

- How is their property performing this year?
- How is their property performing compared to the overall market?
- What strategies are you using to react to market changes?

KPI	Current Year as of 11/28/2023	Minus One Year as of 11/29/2022	Minus One Year
Rent	$190,427	$198,642	$198,642
Adjusted Paid Occupancy %	64.1%	93.4%	93.4%
Guest Checkins	30	41	41
Guest Nights	196	297	297
Owner Nights + Holds	59	47	47
Avg. Length of Stay	6.6	7.2	7.2

Rent
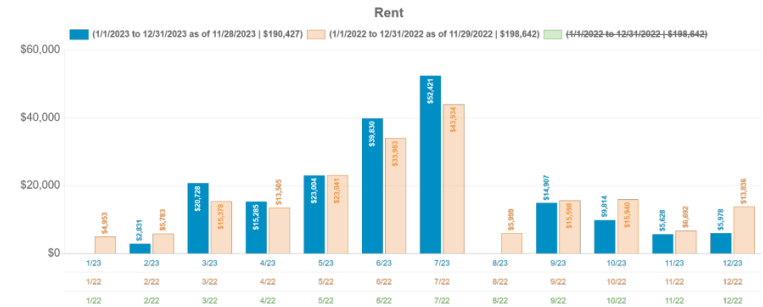
Stay Length

CALCULATION:

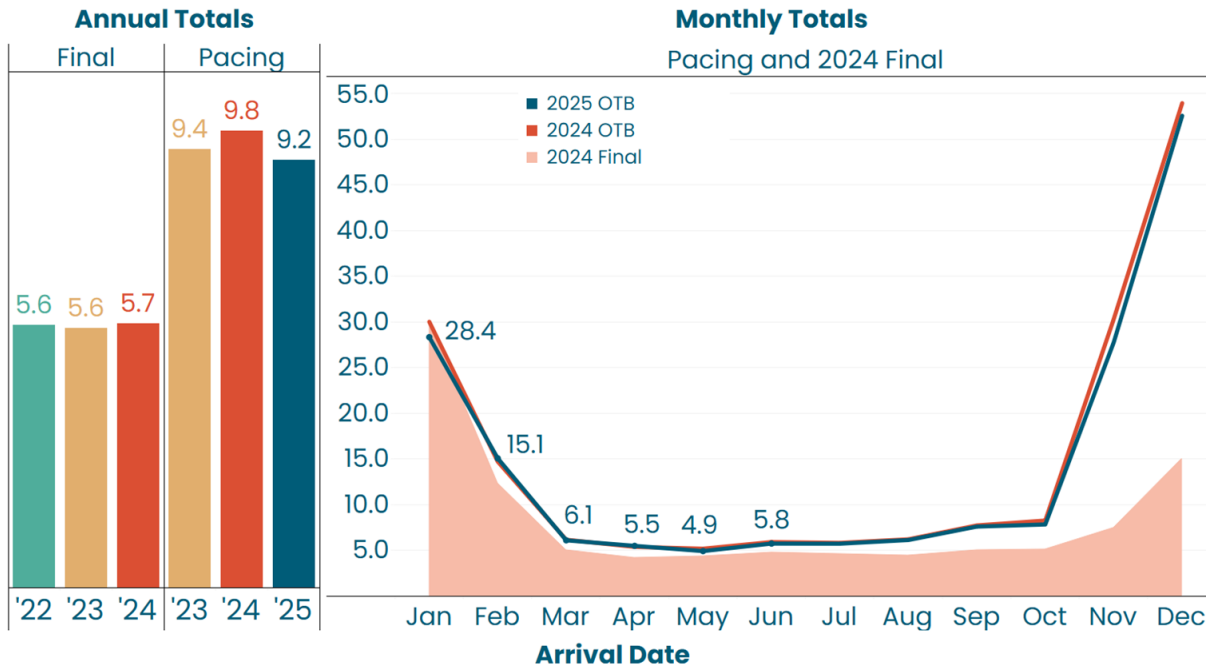ALOS = Total Guest Nights / Guest Arrivals

Why does your stay length matter?

- How long is your average guest staying?

- Do you need to encourage longer stays to push occupancy?

- Seasonal and regional variation

Gulf Shores / Orange Beach Average Stay Length
Direct data booked by February 4

Annual Totals

Final			Pacing		
5.6	5.6	5.7	9.4	9.8	9.2
'22	'23	'24	'23	'24	'25

Monthly Totals
Pacing and 2024 Final

- 2025 OTB
- 2024 OTB
- 2024 Final

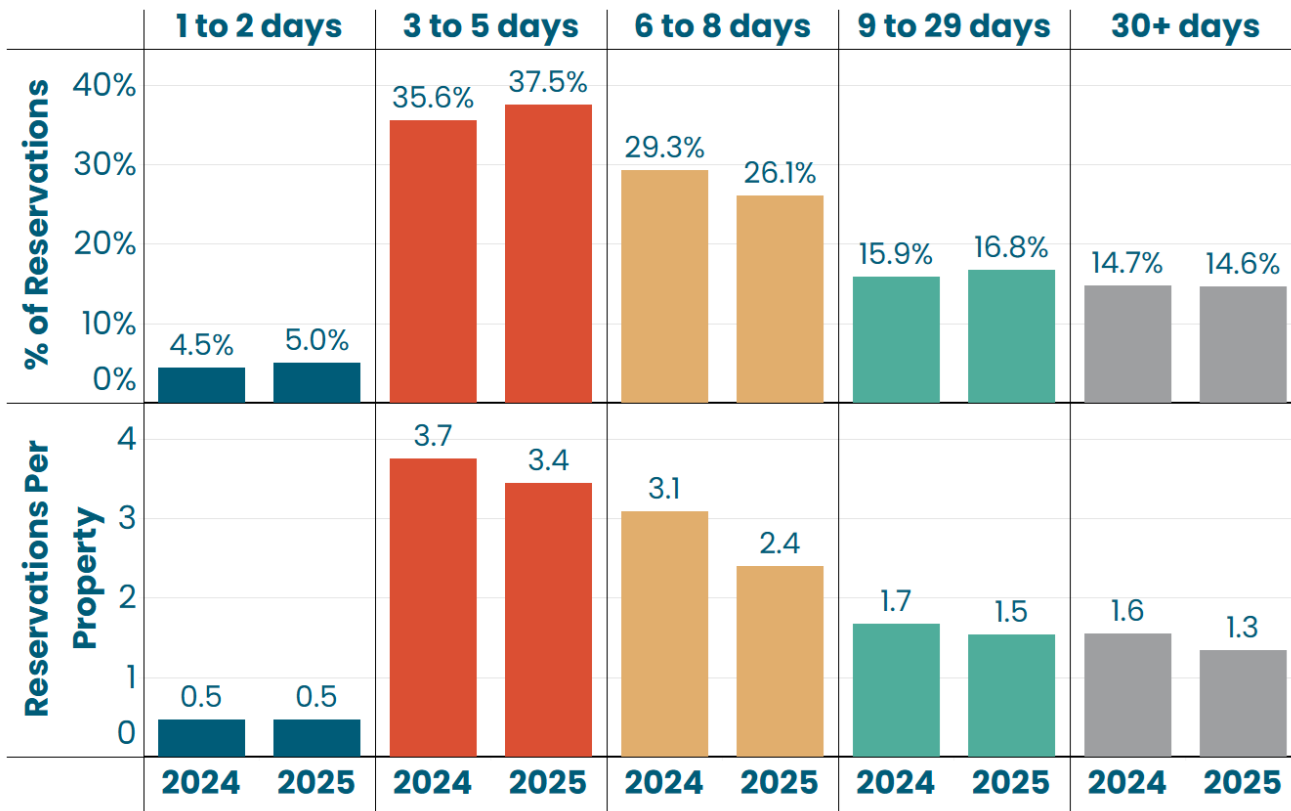Jan 28.4, Feb 15.1, Mar 6.1, Apr 5.5, May 4.9, Jun 5.8

Arrival Date

Stay Lengths are pacing 0.6 days behind 2024

- 2023 finished similarly to 2022

- **2024 stays finished 0.1 days longer than 2023**

- Similar to rates, **expect stay lengths to shorten as you moving through the booking window.** Guests staying longer tend to book further out while guests looking for a short stay wait until closer in to book.

Gulf Shores / Orange Beach Q1 by Stay Length
Direct data for reservations made by February 4

	1 to 2 days	3 to 5 days	6 to 8 days	9 to 29 days	30+ days

% of Reservations

	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
	4.5%	5.0%	35.6%	37.5%	29.3%	26.1%	15.9%	16.8%	14.7%	14.6%

Reservations Per Property

	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
	0.5	0.5	3.7	3.4	3.1	2.4	1.7	1.5	1.6	1.3

3 to 5 day stays and 9 to 29 are increasing in popularity while stays between 6 and 8 days are decreasing

- The majority of reservations stay 3 to 5 nights and this group is growing over last year

- 1 or 2 day stays and 30+ day stays have stayed relatively consistent from last year

Responding to Stay Length Shifts

- When appropriate, encourage longer stays with length of stay discounts
- Have a gap night strategy to fill nights that remain open between stays
- Stay length minimums can be helpful, but don't be too restrictive

Booking Window

CALCULATION:

ABW = The average number of days between guests making reservations and arriving
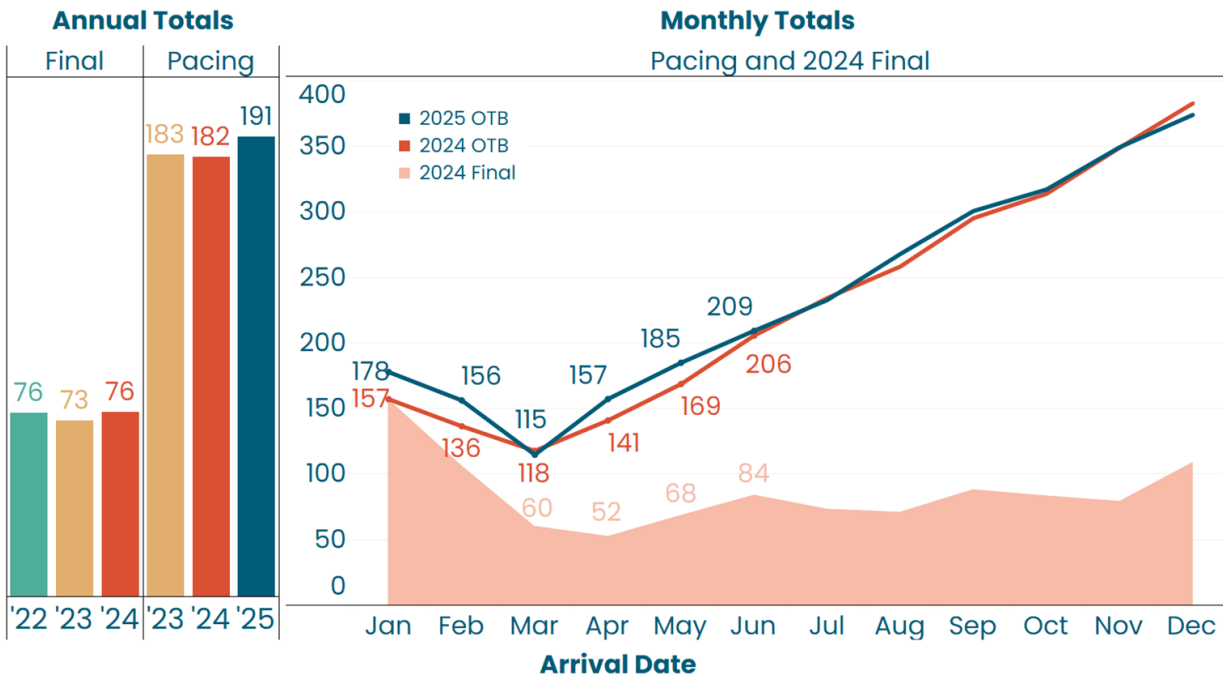
Why does your booking window matter?

- How far in advance are people booking?

- Provides crucial insight into occupancy pacing.

- When should you advertise for certain seasons?

Gulf Shores / Orange Beach Average Booking Window
Direct data booked by February 4

Annual Totals

Final			Pacing		
76	73	76	183	182	191
'22	'23	'24	'23	'24	'25

Monthly Totals
Pacing and 2024 Final

- 2025 OTB
- 2024 OTB
- 2024 Final

2025 OTB values: 178, 156, 115, 157, 185, 209

2024 OTB values: 157, 136, 118, 141, 169, 206

2024 Final values: 60, 52, 68, 84

Arrival Date

2024 booking windows are pacing slightly longer than in 2023

- 2023 finished down to 2022

- 2024 finished longer than in 2023

- March booking windows are shorter, but most of H1 windows are longer than 2024

- Combined with lower occupancy pacing, it is possible that most stays haven't been booked yet
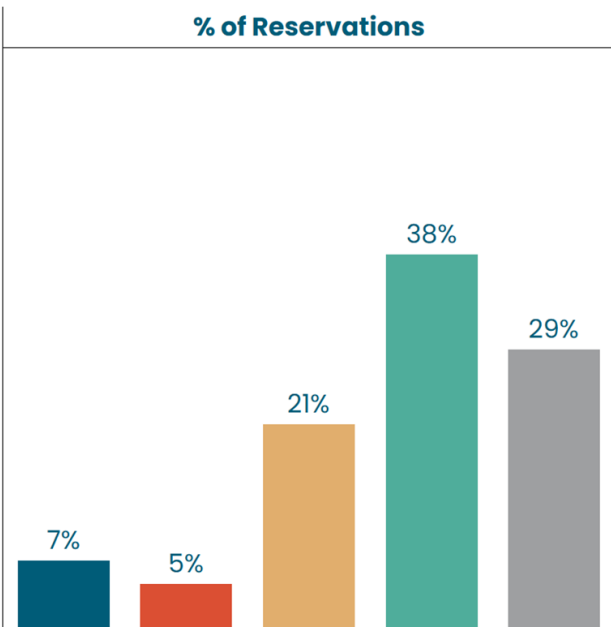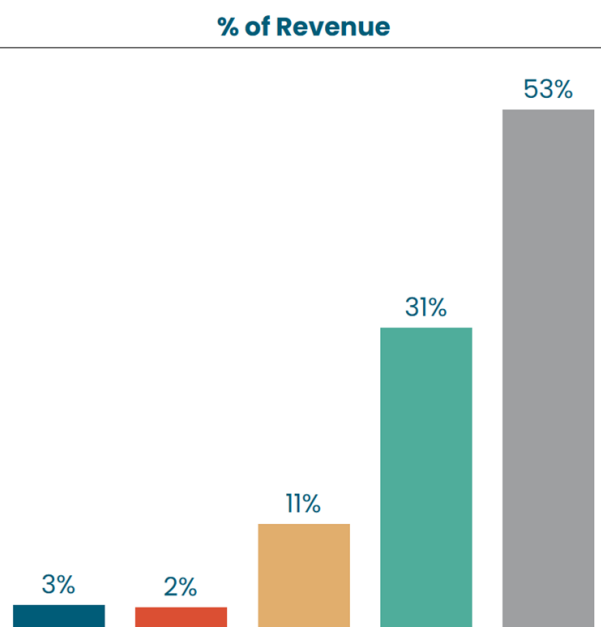
Gulf Shores / Orange Beach Q1 By Booking Window
Direct data booked by February 4

Legend: ■ 14 days or less ■ 15 to 29 days ■ 30 to 59 days ■ 60 to 179 days ■ 180+ days

% of Reservations
- 14 days or less: 7%
- 15 to 29 days: 5%
- 30 to 59 days: 21%
- 60 to 179 days: 38%
- 180+ days: 29%

% of Revenue
- 14 days or less: 3%
- 15 to 29 days: 2%
- 30 to 59 days: 11%
- 60 to 179 days: 31%
- 180+ days: 53%

95% of Q1 Revenue is booked 30+ days in advance from 88% of reservations

- Guest booking 60+ days tend to book higher ADRs and longer lengths of stays driving more revenue
- Snowbird stays are responsible for a majority of the longer booking windows in Gulf Shores
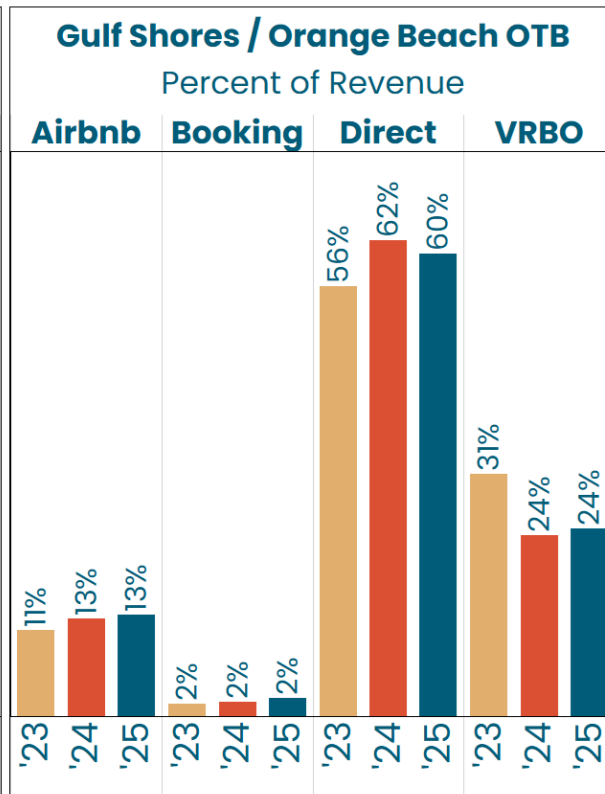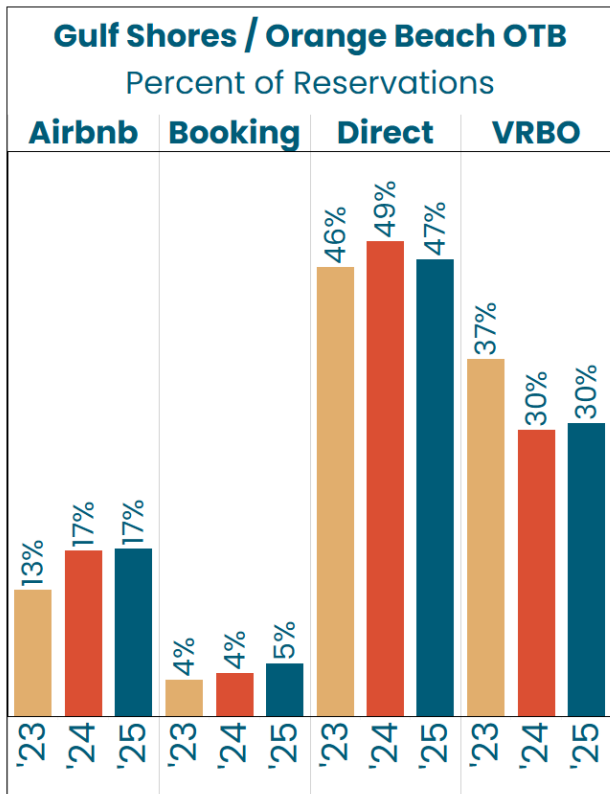- Use multiple booking window strategies to maximize revenue, not just reservations

Responding to Booking Window Shifts

- Understanding forward-looking pacing is tricky. Will demand materialize? Are people just waiting longer to book?

- Track occupancy pick up.

- Encourage longer booking windows with your rate and discount strategies.

Gulf Shores / Orange Beach Q1 Booking Source
Direct data as of February 4

Gulf Shores / Orange Beach OTB
Percent of Reservations

Airbnb	Booking	Direct	VRBO
13% ('23)	4% ('23)	46% ('23)	37% ('23)
17% ('24)	4% ('24)	49% ('24)	30% ('24)
17% ('25)	5% ('25)	47% ('25)	30% ('25)

Gulf Shores / Orange Beach OTB
Percent of Revenue

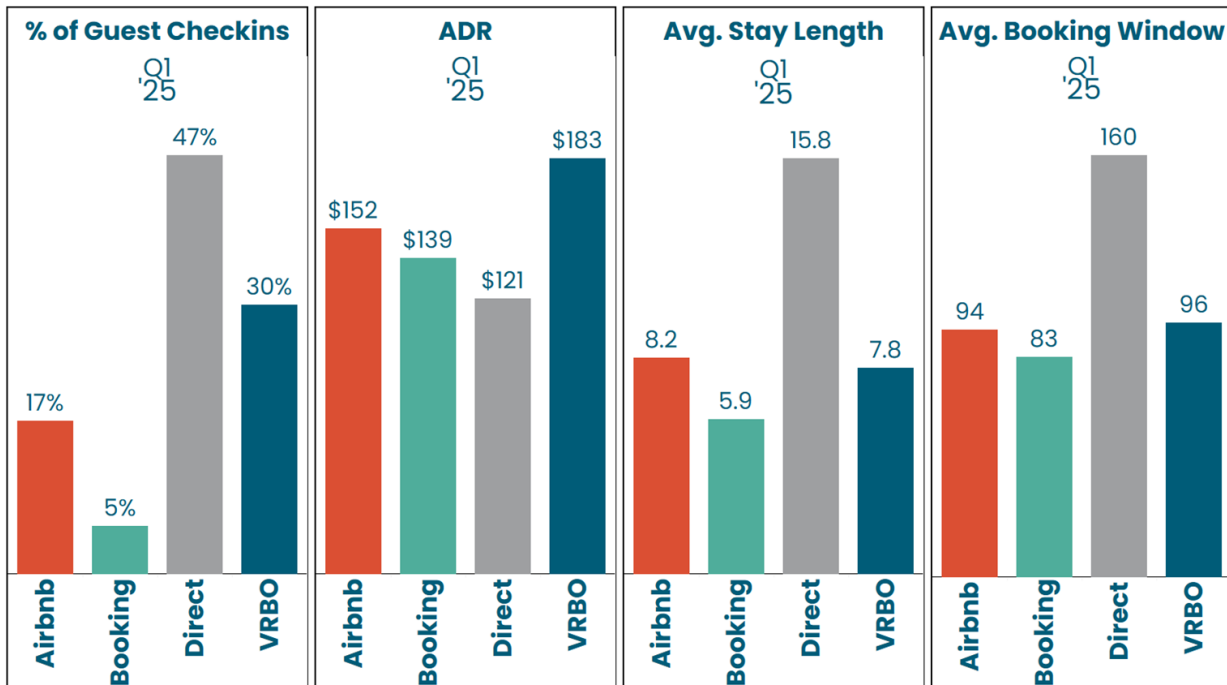| Airbnb	Booking	Direct	VRBO
11% ('23)	2% ('23)	56% ('23)	31% ('23)
13% ('24)	2% ('24)	62% ('24)	24% ('24)
13% ('25)	2% ('25)	60% ('25)	24% ('25)

Airbnb and Booking.com continue to gain small shares of both reservations and revenue

- Direct bookings still bring in a majority of revenue and bookings in the Gulf Shores - a trend very similar to the United States as a whole, but most other markets have lost a higher % of bookings to Airbnb and Booking.com

Gulf Shores / Orange Beach 2025 Q1 by Booking Source
Direct data as of February 4

% of Guest Checkins — Q1 '25

- Airbnb: 17%
- Booking: 5%
- Direct: 47%
- VRBO: 30%

ADR — Q1 '25

- Airbnb: $152
- Booking: $139
- Direct: $121
- VRBO: $183

Avg. Stay Length — Q1 '25

- Airbnb: 8.2
- Booking: 5.9
- Direct: 15.8
- VRBO: 7.8

Avg. Booking Window — Q1 '25

- Airbnb: 94
- Booking: 83
- Direct: 160
- VRBO: 96

Direct stays are longest and booked furthest in advance, but Vrbo stays are booked at higher rates

- Direct has lower booked rates in Q1 due to snowbird stays, while Vrbo has the highest booked rates.

- **Direct has the longest average stay length** which is contributing to guest revenue performance.

- **Booking.com has the shortest average booking window** with Airbnb and Vrbo slightly longer.
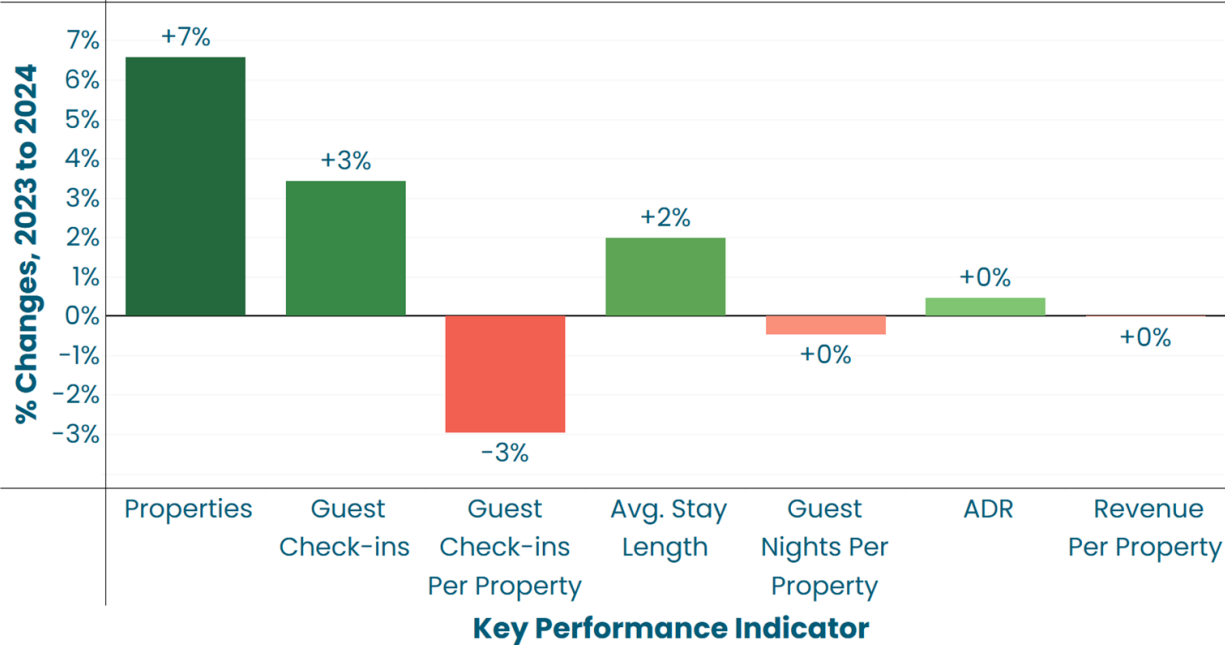
Q1 January - March

Conclusion

2024 Gulf Shores KPIs
Direct data

Gulf Shores / Orange Beach

Chart — % Changes, 2023 to 2024 by Key Performance Indicator:

- Properties: +7%
- Guest Check-ins: +3%
- Guest Check-ins Per Property: −3%
- Avg. Stay Length: +2%
- Guest Nights Per Property: +0%
- ADR: +0%
- Revenue Per Property: +0%

2024 Insights:

- Higher Supply Growth than growth in Guest Checkins = fewer guest checkins per property

- Fewer guest checkins per property + only slightly longer stays = stagnant guest nights per property

- Stagnant guest nights per property + stagnant rates = stagnant revenue per property

Key Takeaways | 2025

- **2025 will need strong navigation:**
  - **Supply** growth vs **demand** growth determines market occupancy.
  - **Use real-time data**
    - **Occupancy**
    - **ADR**
    - **RevPAR**

  - **Stay lengths** are shortening / **booking windows** are increasing
  - **Off-season** travel is increasing in popularity
  - Guests want more **value** / owners want **stronger revenue** returns.

- **Use and understand your data**