STR Leap Year Methodology

STR handles February leap year data as follows:

February hotel data (supply, demand, and revenue) is reported to STR based on 29 days. When computing any STR segment (e.g. competitive set, market, tract, etc.), STR applies a formula to the raw data and it is "grossed down" into a 28 day month as follows:

1. *Total number of segment rooms x 28 days = segment rooms available*
2. *Total segment rooms sold x (28/29) = segment rooms sold (the segment total is multiplied by the fraction 28/29 to lower the rooms sold to reflect a 28 day period)*
3. *Total segment rooms revenue x (28/29) = segment room revenue*

This is the standard process for computing all STR segment data.

Leap year is handled this way primarily due to client consensus and in an effort to provide a better "apples to apples" data comparison in February. Using this methodology, the occupancy and ADR remain the same for the segment, but the "raw" data is revised downward to reflect 28 days instead of 29.

Actual 29 day data is only used in three areas:

1. *The property data on the individual hotel STAR Report*
2. *The property data on Daily Corporate Index Reports.*
3. *The property data on the Online Daily Reports.*

In a leap year, a hotel's supply share will show a "false" increase on the February STAR Report because the property data is based on 29 days and the competitive set data (segment) is based on 28 days.

Leap year example: Hotel A- 100 Rooms

In a leap year, the following data was reported to STR:

Supply (100 rooms x 29 days)	2,900
Demand	1,850
Revenue	$185,000
Occupancy	63.8%
ADR	$100.00
RevPAR	$63.79

STR "grosses down" the data to reflect a 28 day month using the following calculations:

Supply (100 rooms x 28 days)	2,800
Demand (1,850 x (28/29))	1,786
Revenue ($185,000 x (28/29))	$178,621
Occupancy	63.8%
ADR	$100.00
RevPAR	$63.79

As you can see, the Occupancy/ADR/RevPAR figures do match.

However, the "grossed down" demand and revenue is lower than what is reported to STR.