

Waterpark Hotels Expanding Into Sun Destinations CoCo Key Orlando Rides Wave of Waterpark Hotel Growth

ORLANDO (May 4, 2010) – The recent opening of the new CoCo Key Hotel and Water Resort-Orlando continues an impressive wave of waterpark hotel development in North America and signifies a first for that industry segment – a hybrid canopy-covered/outdoor concept. The family resort opened in April as the 222nd location for a segment that has seen the number of water park hotel locations more than double in the past five years from 108 in 2006*. And even though the pace of development has slowed with the recent recession, industry analysts expect growth to escalate as commercial lending resumes.

“Hotels with indoor water parks have out-performed family suite hotels and other hotel segments so the growth is not surprising,” says **Jeff Coy of JLC Hospitality Consulting** who tracks waterpark hotel development and recently released an analysis of the segment’s expansion. “By the end of 2010, the number of waterpark hotels is estimated to be 229, and likely to be followed by another 24 properties in 2011. The latest trend is expansion into sunbelt markets like Florida, Texas and Arizona as well as in ski resort areas.”

Until recently, development has revolved around hotels with indoor water park facilities in and around the snowbelt areas of the northeast and Midwest, that leveraged a business strategy of offering a “warm weather escape” in the midst of harsh and elongated winters. These indoor resorts have benefited from the economic downturn that has forced many Americans to opt for more affordable vacations options closer to home.

CoCo Key’s new Orlando location, the tenth in the U.S. for operator Sage Hospitality, marks the company’s first foray into the Sunshine State. The resort is actually the site of the first hotel on International Drive – Orlando’s popular tourist corridor —which housed many Disney executives as they prepared to open Walt Disney World in October 1971. The 391-room hotel, which has been completely re-furbished, now carries a boutique Key West motif and offers a very affordable room rate starting between \$99 and \$149 per night. Water park access is an additional \$19 per room, meaning a family of four can enjoy the aquatic playground for less than \$5 per person, per day.

For CoCo Key, the Florida locale and warmer climate affords a shift in typical water park design. The Orlando resort offers guests an indoor/outdoor pairing - a 54,000-square-foot water park that’s partially covered by canopy, while the more daring slides (including the 64-foot **Boomerango**, a thrill slide which gets guests vertical) are found in a connected, uncovered section of the park.

While Sage Hospitality executives anticipate a strong following at the new resort from local residents – a formula that drives visitation patterns at its nine other locations – the company also plans to heavily leverage Orlando’s considerable national and international appeal.

“We’re bullish on Orlando’s pull as the world’s premiere leisure destination, and believe the affordable fun and close proximity of CoCo Key makes our waterpark resort a highly desirable family vacation option,” says Ed Baklor, senior vice president for Sage Hospitality, parent company for CoCo Key. “Clearly the addition of the Wizarding World of Harry Potter

at Universal has helped propel Orlando as one of this summer's hottest family destinations. This development combined with the pent-up demand for a longer haul vacation creates enormous opportunity for CoCo Key."

Area tourism officials are enthusiastic about the new resort, and its ability to attract families to the northern section of the popular I-Drive area – a location that typically draws scores of business travelers because of its proximity to Orlando's massive convention center.

"The opening of CoCo Key helps reinforce the value equation Orlando offers to families and creates yet another reason to vacation here," says Gary Sain, CEO of the Orlando/Orange County Convention and Visitors Bureau.

CoCo Key combines a casual tropical hotel setting with a whimsical water park that features slides, rides and fun amplified with three pools, 14 water slides, poolside entertainment, and splashing good times all specially designed for kids in a safe and friendly environment. Florida's only canopy-covered water resort is welcoming guests through June 15 for as little as \$89 per night* including water park access.

Reservations are available by visiting cocokeywaterresort.com (click on the Orlando tab), by calling 877/875-4681 or contacting a travel agent.

*The \$89 introductory rate is available for mid-week nights, Mon.-Thurs., through June 15. Rate does not include taxes.

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