

# Hotel Waterpark Resort Industry Report 2006

## 33 New Hotel Waterparks Open, 70 Under Construction

By Jeff Coy and Bill Haralson

October 12, 2006 --- During 2006, thirty-three (33) new hotel indoor waterparks are expected to open, including new additions and expansion projects that are scheduled to open in the final months of 2006. Seventy (70) hotel waterpark projects are under construction or will break ground during 2006.

Hotel waterparks are a small but fast-growing sector of the resort industry which now totals one hundred and forty-one (141) properties that are a big hit with families nationwide.

These properties have a total of 24,009 rooms, nearly 3.5 million square feet of indoor waterpark space and 399 meeting rooms covering 982,935 square feet of meeting space. The following chart illustrates the growth over the last five years.

	<b>2006 Amount</b>	<b>2005 Amount</b>	<b>2004 Amount</b>	<b>2003 Amount</b>	<b>2002 Amount</b>
Hotel Indoor Waterparks	141	108	81	65	50
Rooms	24,009	18,385	12,470	10,132	8193
Indoor Waterpark Sq Ft	3,485,109	2,418,669	1,645,069	1,313,769	989,904
Meeting Rooms	430	399	373	352	322
Meeting Space Sq Ft	1,244,435	982,935	780,585	679,435	626,955
Affiliated with a Brand	75	58	34	26	20
Independent	66	50	42	35	28

Today, about 99 projects are in the development pipeline compared to 121 in 2005, 69 in 2004, 46 in 2003 and 19 in 2002. Clearly, hotel waterpark resorts are outpacing the overall hotel and resort industry.

### USA Hotel Industry Performance

The USA hotel industry reached 65.2% for the first eight months of 2006, up nearly one point over a year ago and almost two points higher than benchmark Year 2000. Hotel room rates averaged \$96.81, which is more than \$10 higher than the last several years.

USA HOTEL INDUSTRY TRENDS							
	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>
Occupancy	65.2	64.3%	62.7%	60.8%	61.2%	60.1%	63.7%
Average Room Rate	\$96.81	\$90.59	\$86.55	\$83.60	\$84.01	\$84.85	\$86.04
Source: Smith Travel Research, August YTD.							

Revenues, supply and demand all showed positive growth for YTD August 2006 compared to a year ago. Revenues per available hotel room were up 8.3% over 2005. New hotel

construction rose only 0.3% while demand for lodging increased 1.7% --- allowing both occupancies and room prices to rise.

Summer of 2006 was even with last summer for the hotel industry despite \$3.00 per gallon gasoline prices. In August 2006, occupancy reached 68.7% --- up 0.3% from 668.5% in 2005. Hotel room revenues were up 7.0% over 2005.

<b>USA HOTEL INDUSTRY TRENDS</b>			
	<b>YTD Aug 2006</b>	<b>Jun-Aug 2006</b>	<b>August 2006</b>
	<b>Vs</b>	<b>Vs</b>	<b>Vs</b>
	<b>YTD Aug 2005</b>	<b>Jun-Aug 2005</b>	<b>August 2005</b>
Supply	Up 0.3%	Up 0.4%	Up 0.5%
Demand	Up 1.7%	Up 0.5 %	Up 0.7%
Occupancy	Up 1.4%	Up 0.0%	Up 0.3%
Average Room Rate	Up 6.8%	Up 7.1%	Up 6.7%
Rev Per Available Room	Up 8.3%	Up 7.1%	Up 7.0%
Source: Smith Travel Research			

In the first eight months of 2006, luxury and midscale hotels showed the most improvement in occupancy. Luxury, upscale and midscale hotels among the chains showed the biggest gains in average room rates compared to a year ago. Upper upscale hotels ran the highest occupancy at 72.8% among the price tiers followed by luxury hotels at 72.5% compared to a year ago.

<b>TOP PRODUCING HOTELS BY LOCATION</b>				
	<b>Occupancy</b>		<b>Average Room Rate</b>	
	<b>Percent</b>	<b>% Chg</b>	<b>Amount</b>	<b>% Chg</b>
Urban	69.6	1.6	\$130.83	8.6
Suburban	65.8	1.5	\$84.90	7.5
Airport	71.0	1.7	\$93.39	9.9
Interstate	59.3	2.2	\$63.27	4.9
Resort	69.8	0.4	\$138.03	7.2
Small Town	58.7	1.7	\$74.88	4.3
Source: Smith Travel Research, YTD August 2006.				

Resorts and airport hotels ran the highest occupancies in 2006 compared to other types of lodging --- suburban, interstate, airport and small town. USA Resorts achieved 69.8% occupancy for 2006 through August, up from 69.5% during the same period a year ago while airport hotels reached 71.0%, urban hotels reached 69.6%, suburban hotels ran 65.8%, interstate reached 59.3% and small town hotels achieved 58.7%. Resorts produced average room rates of \$138.03 for 2006 through August, which is higher than all other types of lodging.

Families in the USA bit the bullet on higher gasoline prices and refused to abandon their vacation plans. Many vacationed closer to home and escaped for weekends at nearby regional resorts --- a growing number of which now offer indoor waterparks and family entertainment centers.

The leisure traveler segment continues to breathe life into the hotel and travel industries. In addition, business travelers have now returned to hotels in greater numbers.

Currently, the most lucrative states for hotel investment are Hawaii, New York and Florida where the revenues and their growth rates are the highest in the nation. Nevada, Rhode Island and Alaska, while posting high revenues per available room, slipped a bit from last year. Hotel revenue per available room (RevPAR) is the key indicator that takes into account supply, demand, occupancy, scarcity and pricing.

<b>HIGHEST REVENUE PRODUCING HOTELS BY STATE</b>		
	<b>RevPAR Amount \$</b>	<b>% Chg</b>
Hawaii	153.75	12.7
New York	111.35	8.1
Massachusetts	80.98	12.0
California	79.12	9.4
Florida	79.07	5.4
Alaska	78.88	13.6
Nevada	76.52	1.7
Rhode Island	75.60	0.2
Maryland	72.87	4.7
New Jersey	68.68	6.2
Arizona	68.31	10.2
Illinois	65.72	15.2
USA Average	63.10	8.3
Source: Smith Travel Research. YTD August 2006. RevPAR is Revenue Per Available Room.		

RevPAR is a measure of asset productivity that often points developers to the most attractive locations for new construction, although many of these desirable locations also have high barriers to entry.

In 2006, the most desirable hotel markets, in terms of their ability to generate the highest revenues per available room are New York City, Oahu, Miami and San Diego. The markets recording the double-digit revenue growth are Chicago, Boston, Oahu, San Francisco and Los Angeles.

Some of the leisure destinations like Houston, Dallas, Atlanta and Nashville recorded 14% to 21% improvement in revpar compared to last year.

<b>HIGHEST REVENUE PRODUCING HOTELS BY MARKET</b>		
	<b>RevPAR Amount \$</b>	<b>% Chg</b>
New York City	174.72	11.4
Oahu	132.86	12.8
Miami	107.64	9.8
San Diego	101.93	7.9
Washington DC	98.49	3.7
San Francisco	97.99	11.8
Boston	93.45	14.8

Los Angeles	87.59	10.5
Anaheim-Santa Ana	85.00	8.5
Top 25 Market Average	82.32	10.5
New Orleans	80.82	8.4
Chicago	79.37	17.9
USA Average	54.24	6.8
Source: Smith Travel Research. YTD August 2006. RevPAR is Revenue Per Available Room.		

In sum, the USA Lodging Outlook reveals:

- Hotel room revenues supply & demand all showing positive growth over last year.
- Room revenue up 8.6% over last year.
- Summer 2006 was even with Summer 2005.
- Hotel industry has surpassed benchmark Year 2000.
- Resort performance was even with last year
- Resorts and urban hotels achieved higher revenues than other types of lodging.

## **USA Resort Performance**

Hawaii is the leading resort destination with 82.1% occupancy (down 0.7% from last year) and \$187 average room rate (up 12.9% over last year). This compares to the national hotel occupancy of 65.2% and average room rate of \$97 in the USA.

<b>HOT &amp; COLD RESORT DESTINATIONS</b>				
	2006 Occupancy	Percent Change	2006 ADR	Percent Change
USA	65.2	1.4	96.81	6.8
Florida	70.2	-3.4	112.59	9.2
Arizona	68.7	1.6	99.47	8.5
California	71.3	1.1	111.02	8.2
Nevada	73.5	1.0	104.13	0.7
Hawaii	82.1	-0.7	187.20	12.9
Wisconsin	56.5	1.6	76.17	4.7
Minnesota	61.7	-0.2	84.11	6.0
Source: Smith Travel Research. YTD August 2006.				

Nevada, California and Florida are trailing close behind with 73.5%, 71.3% and 70.2% occupancies, respectively. Hawaii and Florida recorded the biggest gains in occupancy improvement over last year.

The highest resort room prices were found in Hawaii at \$187, in Florida at \$112 and in California at \$111. Hawaii recorded a price jump of more than 12% in 2006 compared to last year.

Wisconsin and Minnesota achieved statewide occupancy under the national average in both occupancy and average room rates. However, these two states have the highest number of hotel indoor waterpark resorts, and the top hotel waterpark resort properties recorded

occupancies and room rates far above the national averages and equal to many of the Sunbelt resort destination states.

In fact, due to the double-digit growth of indoor waterparks over the last several years, Coy and Haralson formulated 17 predictions on the future of resort development.

- Regional drive-to resorts will attract more guests than national fly-to resorts.
- Business travel will become more an elective and less a requirement.
- More Americans will telecommute.
- Mixing business & leisure 24/7 will lead to greater stress.
- Never disconnecting will cause greater stress.
- Lodging, recreation and entertainment concepts will continue to merge.
- Resorts will become more like theme parks.
- Resorts will grow faster than other types of lodging.
- More resorts will become part of mixed-use developments.
- Future resorts will focus more on guest participation and interaction.
- Theme parks and resorts will use more simulators to create virtual reality.
- Resorts will increasingly become a teacher.
- Seasonal resorts will become year round operations.
- Resorts will build more and more indoor recreation facilities.
- Resorts will increasingly incorporate water into their designs.

## ***USA Hotel Waterpark Resort Performance***

In 1994, Stan Anderson, owner of the Polynesian Resort in Wisconsin Dells WI and pioneer of the hotel indoor waterpark resort installed some water gizmo in his indoor pool and weekend occupancy skyrocketed. That started the 12-year trend of building more than 100 hotel waterpark resorts that extend from the Midwest to the Northeast and Pacific Northwest.

During 2006, thirty-three (33) new additions and expansion projects are expected to open by year end, bringing the total to 141 hotel waterpark resorts open and operating in the USA. Seventy (70) projects are under construction or will break ground during 2006.

Clearly, hotel waterpark resorts are not a fad but here to stay. About 99 projects are in the development pipeline compared to 121 in 2005, 69 in 2004, 46 in 2003 and 19 in 2002. The waterpark sector of the resort industry has experienced rapid growth in the last several years.

Jeff Coy and Bill Haralson formed Hotel Waterpark Resort Research & Consulting, a collaborative effort of JLC Hospitality Consulting of Rochester MN and William L. Haralson & Associates of Richardson TX. Coy, a hotel consultant, and Haralson, an attractions consultant, joined forces for the purpose of building an industry database for this product sector. Together the two consultants produce Hotel Waterpark Development & Expansion Workshops, where they present their latest research and a variety of expert speakers.

## **Wisconsin Dells Hotel Performance**

In 1990, before indoor waterparks, Wisconsin Dells ran a 40% annually hotel occupancy and had a 100-day peak season. Today, it has 18 hotels with indoor waterparks and has a 365-day peak season. The largest hotel waterpark resorts are running occupancies in the high 70s and low 80s --- 15 to 20 points above the national hotel average.

In 2002, hotels WITH indoor waterparks achieved 26 points higher occupancy and \$69 higher average room rates than hotels WITHOUT indoor waterparks in Wisconsin Dells.

In 2004, we updated that research survey to determine the impact of 9/11, the economic recovery and what happened to the *haves and have-nots* in Wisconsin Dells over the last three years.

Eighteen (18) hotels WITH indoor waterparks captured 85% of the total market hotel revenue in Wisconsin Dells while forty-four (44) hotels WITHOUT indoor waterparks were left with only 15% of the total market hotel revenue. As a result, we referred to Wisconsin Dells as "*the land of haves and have-nots.*"

In 2006, the top two hotel waterpark resorts achieved average room rates above \$200. Hotels WITH indoor waterparks recorded average room rates that are 2X that of hotels WITHOUT indoor waterparks. And the average room rate trend over the last three years is getting higher for the *haves* and lower for the *have-nots*! The biggest properties are gaining market share while the smaller properties continue to lose market share.

## **USA Competitive Supply of Hotel Waterparks**

One hundred and forty-one (141) hotel indoor waterparks are open and operating in the USA, including properties scheduled to open in the final months of 2006.

Hotel waterpark resorts opened in the following states since 2001:

<b>HOTEL WATERPARK RESORTS OPEN</b>					
<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>State</b>
47	35	32	28	25	Wisconsin
21	20	15	14	10	Minnesota
9	7	5	3	2	Michigan
8	4	2	1	1	Ohio
6	4	4	3	3	South Dakota
5	4	3	2	2	North Dakota
4	3	2	1	1	Iowa
4	3	2	2	0	Pennsylvania
4	2	1	0	0	Washington
4	1	0	0	0	Illinois
3	2	2	2	1	Massachusetts
3	1	1	1	1	Nebraska
3	2	0	0	0	Virginia
3	0	0	0	0	Texas

2	2	2	1	0	Kansas
2	2	1	0	0	Indiana
2	2	2	2	1	Montana
2	2	2	2	1	Missouri
2	1	0	0	0	Florida
7	11	6	3	2	Others
141	108	81	65	50	Total

Source: Jeff Coy & Bill Haralson, Hotel Waterpark Research & Consulting

## ***Independent Versus National Branding***

Of these 141 hotels, 75 are affiliated with a national hotel brand while 66 are independent. We counted the Great Wolf Lodges as branded properties starting in 2005. We counted the two Kalahari Resorts as independents, although this familiar name is another emerging national brand. Properties in resort locations tend to be independent while properties in urban, suburban and highway locations tend to be franchised.

Brand names include AmericInn, Baymont, Best Western, Comfort Suites, Country Inn & Suites, Days Inn Hawthorn Suites, Hilton, Howard Johnson, Holiday Inn, Marriott, Microtel, Nickelodeon, Quality Inn, Ramada, Sleep Inn, Super 8 and Wingate.

Whether or not to affiliate with a brand is a major issue in this product sector of the hotel industry.

Two companies, Great Wolf Resorts Inc and Kalahari Resorts, are reproducing their prototypes in multiple locations --- in effect, starting their own brand. Great Lakes Companies signed a license agreement with Ripley's Entertainment for its Great Wolf Lodge in Niagara Falls, Ontario --- which is a first step in becoming a franchisor in the hotel waterpark resort industry.

Two hotel chains, Marriott and Holiday Inn, are creating indoor waterpark prototypes.

## ***Top 25 Largest Hotel Waterpark Resorts in the USA***

Hotels with the largest indoor waterparks are concentrated in Wisconsin Dells WI where 18 waterpark resorts now exist. The Polynesian Resort in Wisconsin Dells is generally acknowledged as the first hotel indoor waterpark in 1994.

<b>TOP 25 LARGEST HOTEL WATERPARK RESORTS IN USA</b>					
<b><i>Name</i></b>	<b><i>Location</i></b>		<b><i>Rooms</i></b>	<b><i>Indoor WP Sq Ft</i></b>	<b><i>Opened</i></b>
Wilderness Hotel & Golf Resort	Wisconsin Dells	WI	593	161,000	1995
Kalahari Resort & Convention Center	Wisconsin Dells	WI	738	125,000	2000
Scotts Hotels & Splash Lagoon	Erie	PA	270	102,000	2003
Great Wolf Lodge	Pocono Mountains	PA	401	90,000	2005
Sheraton Resort & Waterpark	Danvers	MA	367	85,000	2006
Kalahari Resort	Sandusky	OH	596	80,000	2005

Chula Vista Resort Expansion Phase 1	Wisconsin Dells	WI	377	80,000	2006
Great Wolf Lodge at Kings Island	Cincinnati-Mason	OH	401	78,000	2006
Grand Lodge & Waterpark of America	Bloomington	MN	403	70,000	2006
Schlitterbahn Resort & Waterpark	Galveston	TX	0*	70,000	2006
Treasure Island	Wisconsin Dells	WI	302	65,000	1999
Wilderness Glacier Lodge Wild WaterDome	Wisconsin Dells	WI	224	65,000	2006
Fort Rapids at Holiday Inn East	Columbus	OH	301	60,000	2006
Great Wolf Lodge	Williamsburg	VA	301	64,000	2005
Mountain Grand & Avalanche Bay	Boyer Falls	MI	220	58,000	2005
H2Oasis Indoor Waterpark	Anchorage	AK	0**	56,000	2003
Holiday Inn Express & Splash Universe	Dundee	MI	176	53,000	2006
Lodge at Cedar Creek Resort	Wausau	WI	140	50,000	2004
Double JJ Ranch & New Frontier Waterpark	Rothbury	MI	50	50,000	2006
Sheraton Chicago Northwest	Arlington Heights	IL	429	46,240	2006
Grand Rios Waterpark Resort	Brooklyn Park	MN	224	46,000	2004
Great Wolf Lodge	Wisconsin Dells	WI	309	44,000	1997
Massanutten Resort IWP Addition	McGaheysville	VA	0***	42,000	2005
Blue Harbor Resort	Sheboygan	WI	183	40,000	2004
7 Clans Casino Hotel	Thief River Falls	MN	151	40,000	2001

Source: Jeff Coy & Bill Haralson, Hotel Waterpark Resort Research & Consulting. \* Schlitterbahn has a 428-room hotel adjacent.  
\*\* H2Oasis has no hotel. \*\*\* Massanutten Resort has 900 rentable condos on site.

## Profile of USA Hotel Waterpark Resorts by Number of Rooms

Among the Top 5 largest resorts by room count, the average number of hotel rooms is 657 with an indoor waterpark of 86,400 sf or 132 sf per guest room. The Top 5 resorts have an average of 5.6 waterslides, 2.3 pools and 1.8 hot tubs. All of them have one or more lazy rivers, 80% have a wave pool and 40% have a water coaster. The Top 5 resorts average 70,700 sf of meeting space and 51 meeting rooms. The Top 5 hotel waterpark resorts in 2006 have more rooms, bigger waterparks, more water features and more meeting space than the Top 5 resorts in 2005 --- and the race to be the biggest continues!

PROFILE OF LARGEST HOTEL WATERPARKS BY ROOMS										
	<i>Avg # Rooms</i>	<i>Avg Sq Ft Indoor WP</i>	<i>Avg # Slides</i>	<i>Avg # Pools</i>	<i>Avg # HTubs</i>	<i>Lazy River</i>	<i>Wave Pool</i>	<i>Water Coaster</i>	<i>Meeting Sq Ft</i>	<i>Number Mtg Rms</i>
Top 5	657	86,448	5.6	2.3	1.8	1.2	0.8	0.4	70,766	51.0
Top 6-15	362	58,700	7.5	4.3	2.2	0.9	0.4	0.2	18,055	3.5
Top 16-25	282	41,220	5.0	3.0	2.0	1.0	0.0	0.0	9,009	5.0
Top 26-50	211	28,930	3.6	2.6	1.4	0.6	0.2	0.1	30,900	11.9
Top 51-100	128	16,058	2.4	2.1	1.2	0.3	0.1	0.0	7,008	5.0

Source: Jeff Coy & Bill Haralson, Hotel Waterpark Resort Research & Consulting. October 2006.

Among the next ten largest (Top 6-15) hotel waterpark resorts, the average number of rooms is 362 with an indoor waterpark of 58,700 sf or 162 sf per guest room.

Among the top resorts ranked 16-25 by room count, the average number of rooms is 282 with an indoor waterpark of 41,200 sf or 146 sf per guest room. Using the chart above, the



waterpark developer can estimate the size of his hotel, indoor waterpark and its components. Depending upon size, all hotel waterpark resorts average from 2-8 waterslides, 2-4 pools and 1-2 hot tubs.

Almost all of the Top 25 Largest Hotel Waterpark Resorts have a lazy river while less than 30% of the smaller resorts have them.

About 80% of the Top 5 Largest Hotel Waterpark Resorts have a wave pool and less than 10% of the smaller resorts have them. Wave pools, while very attractive to surfers, take up a lot of space for the smaller number of guests who can use them. However, they generate a lot of entertainment value for spectators, and ski resorts seem to love them.

The Top 25 Largest Hotel Waterpark Resorts are clearly in the meetings & convention business to balance their seasonal and weekend-weekday mix of business.

### ***Profile of USA Hotel Waterpark Resorts by Size of Waterpark***

Feasibility consultants face the difficult task of sizing their client's hotel waterpark projects. Hotels with the highest number of rooms don't always have the largest waterparks. And vice versa. While there are many factors that determine sizing, a rule of thumb is the rooms to waterpark ratio. A direct relationship exists between the number of hotel rooms and the size of the indoor waterparks.

<b>PROFILE OF LARGEST HOTEL WATERPARKS BY SIZE OF WATERPARK</b>				
<b><i>Hotels With An Indoor Waterpark</i></b>	<b><i>Avg # Rooms</i></b>	<b><i>Avg Indoor Waterpark Sq Ft</i></b>	<b><i>Indoor Waterpark Sq Ft Per Room</i></b>	<b><i>Rooms Per 1000 Sq Ft Of Indoor Waterpark</i></b>
Over 50,000 sf	298	76,947	293	3.7
40,000 to 49,999	217	42,280	195	4.5
30,000 to 39,999	218	33,038	143	7.5
20,000 to 29,999	192	22,882	154	7.9
10,000 to 19,999	109	12,558	108	9.4
5,000 to 9,999	118	6,548	70	18.0
Under 5,000	122	2,557	21	33.3

Source: Jeff Coy & Bill Haralson, Hotel Waterpark Resort Research & Consulting. October 2006.

Hotels with indoor waterparks more than 50,000 square feet average 298 rooms and 76,900 square feet of indoor waterpark --- a ratio of 293 sf of waterpark per guest room. That ratio decelerates as waterparks get smaller.

To illustrate, hotels with waterparks 40,000 to 49,999 sf average 217 rooms and 42,200 sf of indoor waterpark --- a ratio of 195 sf per guest room. Notice that hotels with about 100 rooms to vary widely in the sizes of their indoor waterparks. Hotel owners and developers can use the chart above to help size their projects.

### ***Top Hotel Meeting Facilities with Indoor Waterparks in the USA***

Among the Top 15 Hotel Meeting Facilities with an indoor waterpark, the number of rooms varies from 50 to 738 and the meeting facilities vary from 25,000 to 125,000 square feet.

Several of the largest hotel waterpark resorts are in the meetings & convention business. The 738-room Kalahari Resort & Convention Center in Wisconsin Dells WI is clearly the largest meeting facility (125,000 sf) with the largest indoor waterpark (125,000 sf).

The 194-room Grand Harbor Resort in Dubuque IA, with 25,000 sf indoor waterpark, is connected to a 120,000 sf convention center that it operates for the city.

<b>TOP 15 HOTEL MEETING FACILITIES WITH INDOOR WATERPARKS</b>					
<b>Name</b>	<b>Location</b>		<b>Rooms</b>	<b>Indoor Waterpark Sq Ft</b>	<b>Meeting Sq Ft</b>
Kalahari Resort & Convention Center	Wisconsin Dells	WI	738	125,000	125,000
Grand Harbor Resort & Waterpark	Dubuque	IA	194	25,000	120,000
Kalahari Resort	Sandusky	OH	596	80,000	80,000
BW Ramkota Hotel & Conference	Sioux Falls	SD	226	3,000	60,000
Sheraton Resort & Waterpark	Danvers	MA	367	85,000	50,000
Timber Ridge Lodge	Lake Geneva	WI	225	30,000	50,000
Grand Prairie Hotel & KS Splashdown	Hutchinson	KS	218	20,000	50,000
Double JJ Ranch & New Frontier WP	Rothbury	MI	50	50,000	50,000
Great Wolf Lodge at Kings Island	Cincinnati-Mason	OH	401	78,000	40,000
Chula Vista Resort	Wisconsin Dells	WI	300	30,000	40,000
Chula Vista Expansion Phase 1	Wisconsin Dells	WI	377	80,000	30,000
Hilton Center City (730)	Milwaukee	WI	250	20,000	30,000
Arrowwood Resort & Conference Ctr	Alexandria	MN	200	38,000	28,000
Arrowwood Condo Resort & IWP	Lake Okoboji	IA	100	18,000	28,000
Ramada Plaza	Fargo	ND	185	10,000	25,000

Source: Jeff Coy & Bill Haralson, Hotel Waterpark Resort Research & Consulting. October 2006.  
Hilton Center City is a 250 room waterpark hotel inside a 730 room convention hotel.

Hotel waterpark resorts obviously target the individual leisure traveler segment. But these properties have the advantage of targeting another customer segment --- the group market -- to fill in hotel low periods and weekdays when kids are in school. Hotel waterpark resorts with substantial amounts of meeting space run higher annual occupancies than those with little or no meeting space.

## ***Canadian Supply of Hotel Waterparks***

In Canada, we have identified 113 hotel indoor waterparks that are open and operating in 2006. Most are located in the western provinces.

World Waterpark at the West Edmonton Mall in Alberta is the largest indoor waterpark in the world. The Mall is the largest shopping center in the world, according the Guinness Book of World Records.

The Fantasyland Hotel at West Edmonton Mall was built in 1986 with 355 rooms.

Technically, the Fantasyland Hotel is not a hotel waterpark, but it is closely connected. You

can walk from the hotel through the mall to the 217,800 sf World Waterpark without going outside. So, the largest hotel in Canada associated with an indoor waterpark is the Fantasyland Hotel in West Edmonton.

HOTEL WATERPARKS OPEN IN CANADA					
2006	2005	2004	2003	2002	Province
42	41	41	38	35	Alberta
22	22	22	20	19	Saskatchewan
15	15	15	13	11	British Columbia
12	10	11	9	6	Ontario
11	11	9	9	7	Manitoba
6	6	6	6	2	Quebec
2	2	2	2	1	Prince Edward Island
3	3	2	2	1	Nova Scotia

In Canada, hotel waterparks are different than in the USA. Many are really indoor pools that have been enlarged and enhanced with waterslides and water playthings. Many of the indoor waterparks in Canada are under 10,000 sf while many in the USA are over 10,000 sf.

### **Top 15 Canadian Hotel Waterparks by Size of Waterpark**

While the 217,800 sf World Waterpark is not really a hotel waterpark, it is situated very closely to hotel rooms located at the West Edmonton Mall. And the 355-room Fantasyland Hotel is part of that same mall --- making a connection between the hotel and the waterpark.

TOP 15 CANADIAN HOTEL WATERPARK RESORTS BY SIZE OF WATERPARK					
Name	Location	Rooms	Indoor Waterpark Sq Ft		
World Waterpark West Edmonton Mall	Edmonton	AB	0*	217,800	
Fallsview Indoor Waterpark	Niagara Falls	ON		125,000	
Great Wolf Lodge	Niagara Falls	ON	404	103,000	
Ameri-Cana Resort	Niagara Falls	ON	160	19,100	
Travelodge World Hotel	Ottawa	ON	177	13,000	
Ramada Hotel & Suites	Lethbridge	AB	119	13,000	
Best Western Jurassic Inn	Drumheller	AB	49	6,200	
Medicine Hat Lodge Hotel	Medicine Hat	AB	193	6,000	
Travelodge Hotel	Medicine Hat	AB	92	5,600	
Riviera Hotel near West Edmonton Mall	Edmonton	AB		5,500	
Best Western Hospitality Inn	Calgary	AB	261	5,400	
Douglas Fir Condo Resort	Banff	AB	133	5,000	
Ramada Renaissance Hotel	Saskatoon	SK	144	4,800	
Remai Regina Hotel & Convention Center	Regina	SK	235	4,600	
Sheraton Cavalier Hotel	Saskatoon	SK	249	4,400	

Source: Jeff Coy & Bill Haralson, Hotel Waterpark Resort Research & Consulting. October 2006.  
 \* Fantasyland Hotel at West Edmonton Mall has 355 rooms.

The second largest hotel waterpark in Canada is the Americana Resort & Conference Center, which opened its 19,100 sf indoor waterpark in 2004 --- attached to its 160 guest rooms and 16,000 sf conference center in Niagara Falls ON.

Third largest is Travelodge World Hotel in Ottawa, which also opened its 13,000 sf indoor waterpark in 2004 --- connecting with its 177 guest rooms.

In Canada, the biggest concentration of hotel indoor waterparks is in the Economy Hotel sector, where room counts are typically under 100 rooms and indoor waterparks are less than 5,000 sf.

### ***Canadian Hotel Waterpark Resorts In Development***

Nine (9) major hotel waterpark resorts are in the planning stages for Canada, 3 in Alberta, 2 in Ontario, 2 in British Columbia and one each in New Brunswick and Saskatchewan.

### ***Mexican Supply of Hotel Waterpark Resorts***

While most waterparks in Mexico tend to be outdoor waterparks, we have identified a few that are indoor-outdoor combinations and onsite, adjacent or nearby lodging that would tend classify them as hotel waterpark resorts.

We are in the process of surveying owners, consultants and suppliers in Mexico to gather more data and develop a better profile of hotel waterpark resorts in Mexico.

<b>MEXICAN HOTEL WATERPARK RESORTS</b>		
<b><i>Name</i></b>	<b><i>Location</i></b>	
Hotel Balneario de Lourdes	Sta Maria SLP	Mexico
Hotel Balneario Spa La Caldera	Abasolo GTO	Mexico
CICI Acapulco Magico Waterpark	Acapulco	Mexico
Wet n Wild	Cancun	Mexico
Splash Hotel Parque Acuatico Nayrit	Mexico City	Mexico
Balneario Ixtapan Waterpark	Mexico City	Mexico
Persaventura Waterpark	Piedras Negras COA	Mexico
Balneario San Jose Waterpark	Quiroga MICH	Mexico
Balneario El Rollo	Morelos	Mexico
Tangamanga Splash	San Luis Potosi	Mexico
Parque Acuatico El Rollo	Tlaquiltenango	Mexico
Source: Hotel Waterpark Resort Research & Consulting.		

### ***Rest of the World Supply of Waterpark Resorts***

About 1,000 waterparks are open & operating worldwide --- a combination of public and private outdoor waterparks and indoor waterparks that may or may not be connected to

lodging. Only about 400 are park members of the waterpark association. Therefore, data is incomplete regarding many of the waterparks around the world. Since waterpark developments are growing rapidly in many parts of the world, hospitality & leisure consultants Jeff Coy and Bill Haralson have commissioned a team of people around the world to assist in data collection for the Annual Waterpark Industry Report.

We have identified fifteen (15) properties in the rest of the world that have a combination of hotel rooms, indoor waterparks and outdoor waterparks. Our team continues to survey owners and managers to build a profile of outdoor waterparks, indoor waterparks and hotel waterpark resorts around the world.

<b>REST OF THE WORLD HOTEL WATERPARK RESORTS</b>				
<b>Name</b>	<b>Location</b>		<b>Rooms</b>	<b>Indoor Waterpark Sq Ft</b>
Butch Kerzner's Atlantis the Palm	Dubai	UAE	1000	
Jumeirah Beach Resort & Aquapark	Dubai	UAE	619	
Hotel El Paso & Costa Caribe WP	Port Aventura	Spain	500	
Hotel Aventura & Costa Caribe WP	Port Aventura	Spain	500	
Esperos Palace Hotel & Waterpark	Faliraki Rhodes	Greece	416	
Dedeman Hotel & Aquapark	Istanbul	Turkey	346	
Alton Towers/Splash Landing	Staffordshire	UK	216	40,000
Yong in Farmland I-OWP	Seoul	South Korea	200	38,000
Amipura Resort & Shanku's OWP	Gujaret	India	81	
Seagaia Phoenix Resort Ocean Dome	Miyazaki City	Japan	0	322,752
Bergische Sonne Indoor Outdoor WP	Wuppertal Ruhr Dist	Germany		430,560
Monte Mare Adventure Spa I&OWP	Rheinback	Germany		269,100
Alpamare	Pfaeffikon	Switzerland		25,000
De Koploper Sportscenter	Lelystad	Netherlands		8,850
Basingstoke Indoor Waterpark	Basingstoke	UK		1,100

Source: Hotel Waterpark Resort Research & Consulting. Coy & Haralson. October 2005.

Bergische Sonne has a 430,560 sf indoor-outdoor waterpark in Wuppertal Ruh, Germany.

Monte Mare Adventure Spa has 269,100 sf of indoor-outdoor waterpark in Rheinback, Germany.

World Waterpark in West Edmonton, Alberta, Canada, claims to be the largest indoor waterpark in the world with 217,800 sf.

Alton Towers/Splash Landing in Staffordshire England is generally recognized as the first hotel waterpark resort in Europe with its 216 rooms and 40,000 sf indoor waterpark.

Center Parcs has 20 natural resorts throughout Europe --- located in the Netherlands, Belgium, Germany, France and Great Britain. Only a few driving hours away from home, these parks offer unique short breaks, completely apart from daily routine. Each Center Parc Village has a choice of villas, dining, children facilities, sports centers and water activities. All Center Parcs have a children's activity pool, hot whirlpools, outdoor pool,

solaria, waterslides and an aqua café & terrace. Many of the parks also have a baby pool, rapids, wave pool and a wild water chute. Some of the parks have a themed pool and water sprays. We are still developing a profile of the Center Parc resorts --- with the help of Mike Walls.

<b>COLLECTION OF CENTER PARC RESORTS &amp; WATERPARKS</b>					
<b>Name</b>	<b>Location</b>	<b>Country</b>	<b>Lodging</b>	<b>Waterslides</b>	<b>Wavepool</b>
Center Parc	Longleaf Forest	England	Yes	Yes	Yes
Center Parc	Elveden Forest	England	Yes	Yes	Yes
Center Parc	Sherwood Forest	England	Yes	Yes	Yes
Center Parc	Les Bois-Francis	France	Yes	Yes	Yes
Center Parc	Les Hauts de Bruyeres	France	Yes	Yes	Yes
Center Parc	Erperheide	Belgium	Yes	Yes	Yes
Center Parc	De Vossermeren	Belgium	Yes	Yes	Yes
Center Parc	Bispinger Heide	Germany	Yes	Yes	Yes
Center Parc	Park Heilbachsee	Germany	Yes	Yes	Yes
Center Parc	Park Hochsauerland	Germany	Yes	Yes	Yes
Center Parc	Butjadinger Kuste	Germany	Yes	Yes	Yes
Center Parc	De Eemhof	Netherlands	Yes	Yes	Yes
Center Parc	Het Heijderbos	Netherlands	Yes	Yes	Yes
Center Parc	De Huttenheugte	Netherlands	Yes	Yes	Yes
Center Parc	De Kempervennen	Netherlands	Yes	Yes	Yes
Center Parc	Het Meerdal	Netherlands	Yes	Yes	Yes
Center Parc	Park Loohorst	Netherlands	Yes	Yes	Yes
Center Parc	Park Zandvoort	Netherlands	Yes	Yes	Yes
Center Parc	Port Zelande	Netherlands	Yes	Yes	Yes

Source: Hotel Waterpark Resort Research & Consulting, Coy & Haralson, October 2005.

Paco Caudet of Action Park in Spain surveys waterparks in Europe, Middle East and Asia and reports the following supply of outdoor parks, indoor parks and hotel waterpark resorts. His report shows 250 waterparks in Europe, 30 in the Middle East and 90 in Asia.

<b>REST OF THE WORLD WATERPARKS OPEN &amp; OPERATING</b>					
<b># Waterparks</b>	<b>Country</b>	<b># Waterparks</b>	<b>Country</b>	<b># Waterparks</b>	<b>Country</b>
60	Germany	10	Turkey	25	India
40	Spain	1	Armenia	25	Japan
30	UK	1	Azerbaijan	10	China
30	Italy	4	Lebanon	10	Malaysia
20	Benelux	4	Cyprus	5	Vietnam
20	France	3	Israel	5	Thailand
10	Scandinavia	3	Egypt	3	Korea
10	Eastern Europe	2	Kuwait	2	Indonesia
10	Russia & Ukraine	2	UAE	5	Other Countries
20	Other Countries				
250	Total Europe	30	Total MidEast	90	Total Asia

## ***ROW Waterparks Under Construction or In Development***

In the rest of the world, here is a list of hotel waterpark resort that either under construction or in the development planning stages:

<b>REST OF WORLD HOTEL WATERPARK RESORTS IN DEVELOPMENT</b>		
<b>Name</b>	<b>Location</b>	
Centre Parks	Paris Notheast	France
Waterpark Wodny Indoor	Lodz	Poland
Waterpark Wodny Indoor	Warschau	Poland
Suzanne Mela's Indoor Waterpark	Berlin-Postdam	Germany
Ogmio Astra Pramogu Centras IWP	Vilnius	Lithuania
Other Projects		Spain
		Italy
		Greece
		Dubai
		Qatar
		Bahrain
		Abu Dhabi
Source: Jeff Coy & Bill Haralson, Hotel Waterpark Resort Research & Consulting.		

Worldwide, waterparks are growing in popularity with both leisure travelers and resort developers. In the USA, the hotel indoor waterpark resort concept quadrupled over the last six years.

For details about what's under construction and in the development pipeline, see two related articles:

[Hotel Waterpark Resorts: Construction Report 2006](#)  
[Indoor Waterparks Add Value to Hotel & Resort Mixed-Use Projects](#)

---

*For more information regarding feasibility, supply and demand, contact Jeff Coy at 480-488-3382. Coy heads JLC Hospitality Consulting of Cave Creek AZ. Email [jeffcoy@jeffcoy.com](mailto:jeffcoy@jeffcoy.com) or go to [www.jeffcoy.com](http://www.jeffcoy.com). Or contact Bill Haralson at 505-802-1522. Haralson heads William L. Haralson & Associates of Alto NM. Email [wharalson@aol.com](mailto:wharalson@aol.com) or go to [www.wlha-inc.com](http://www.wlha-inc.com).*