



WWA SHOW
VIRTUAL
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U.S. Waterpark and Waterpark Resort Industry Trends

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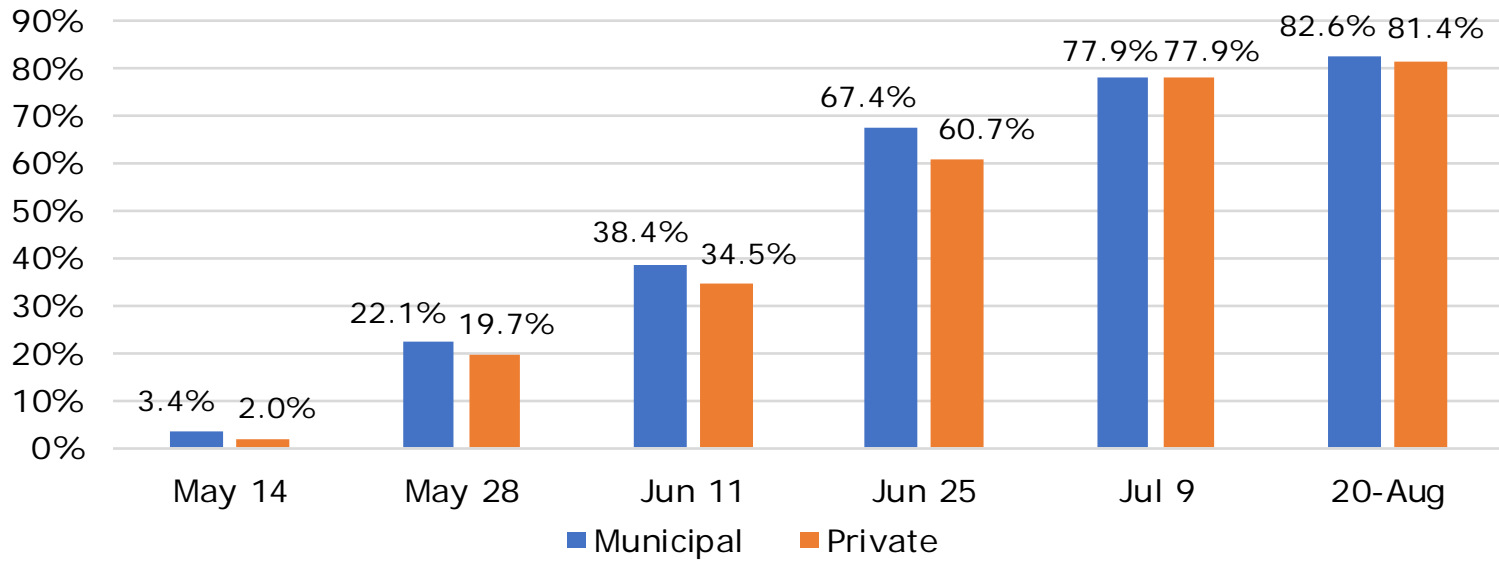
Introduction

- 2019 was a strong performance year for the waterpark industry with growth in attendance, supply, and consumer interest
- 2020 was projected to feature over 30 U.S. openings of indoor waterparks, outdoor waterparks, and resorts with waterparks prior to COVID-19
- The occurrence of COVID-19 has had a devastating impact on the hospitality industry forcing hotels and waterparks to close for long periods of time and greatly reducing demand
- COVID-19 has also caused some proposed openings and expansions to delay until 2021

COVID-19 Industry Impact

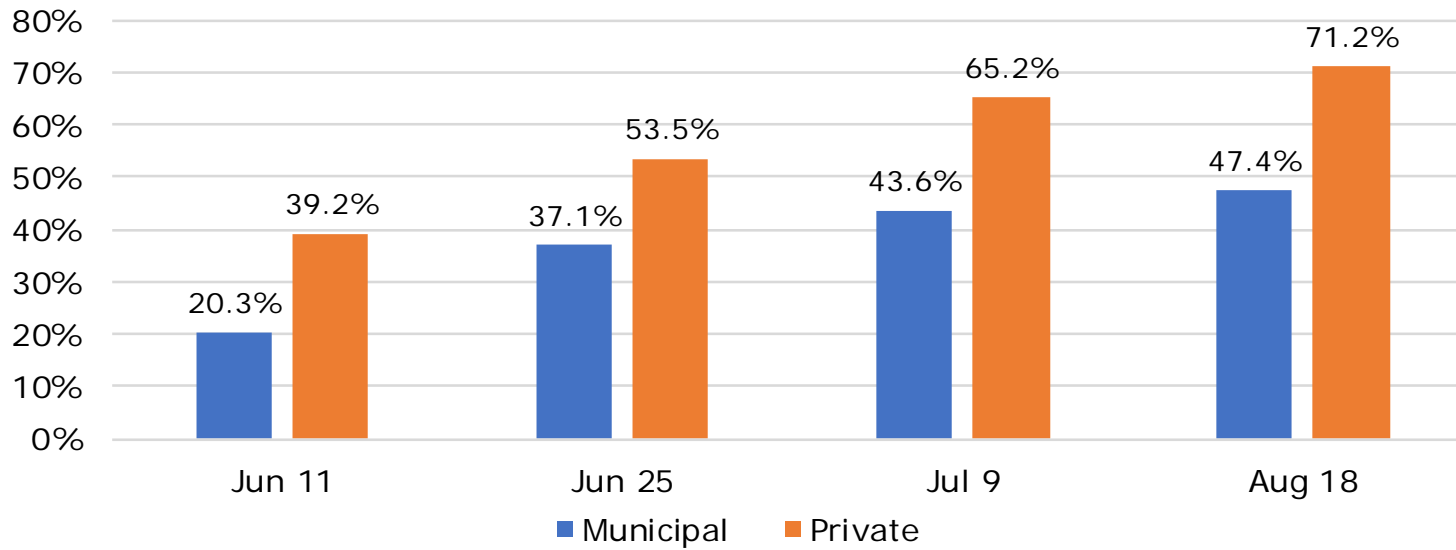
- Governmental restrictions
- Travel quarantines
- Mandated closures
- Limited capacities
- Closed attractions
- Screening, personal protective equipment, sanitization

Open Indoor Waterparks as a Percentage of Total Supply



Source: Hotel & Leisure Advisors (as of August 18, 2020)

Open Outdoor Waterparks as a Percentage of Total Supply



Source: Hotel & Leisure Advisors (as of August 18, 2020)

2020 vs 2019 March – August

- Standalone Indoor and Outdoor Waterparks
 - Attendance down 40.2 million (-70%)
 - \$1.2 billion in lost revenue
- Resorts with Indoor or Outdoor Waterparks
 - Attendance down 17.3 million (-67%)
 - \$1.7 billion in lost revenue

2020 Outdoor Waterpark Openings

- Many anticipated openings and expansions delayed to 2021
- Featured 2020 park additions:
 - Soaky Mountain Waterpark in Sevierville, Tennessee
 - The Water Main at Diggerland USA in West Berlin New Jersey
- Slide, pool, and play structure additions debuted at 12 parks.

2020 Resort Openings

- Featured 2020 Indoor Waterpark Resort additions:
 - Great Wolf Lodge – Manteca, California (Fall)
 - DreamWorks Waterpark at American Dream Mall – East Rutherford, New Jersey
 - Kalahari Resort – Round Rock, Texas (November)
- 2020 Resort with Outdoor Waterpark additions:
 - HyTides Plunge Waterpark and Desert Twist Lazy River at Hyatt Regency Indian Wells Resort & Spa – Indian Well, California

2021 Projections

- Modest recovery in travel economy
- Below average attendance and revenue
- Opening of delayed parks and expansions from 2020
- Permanent closures or new owners for facilities that could not sustain 2020 losses
- Market should recover to 2019 levels in 2022 or 2023 after a vaccine becomes available and widely used

Conclusion

- Market suffered once in a lifetime decrease in demand due to COVID-19 pandemic
- Until a vaccine is available, it will be hard for properties to attract strong levels of demand. Once it is available, there will be high interest to return to waterparks.

Questions

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Articles about waterparks and waterpark resorts:

www.hladvisors.com/publications/

<https://hladvisors.com/covid-19-impact-on-u-s-waterpark-industry/>