VISIT FLORIDA Situation Analysis

THE ECONOMY

2008/09 has proven to be a very challenging and volatile year for the global economy and 2009/2010 looks to be an equally challenging year for the Florida travel industry.

CONSUMER SNAPSHOT

The Consumer Confidence Index has declined steadily since mid-year 2007, hitting new lows after 2009. Reacting to a constant stream of negative economic news, including steadily rising unemployment and declining equity, American consumer spending slowed drastically. Retailers attempted to coax cautious spenders with sales, creating an unexpected challenge when consumers learned to wait for the next wave of even deeper discounts.

For part of the year, the U.S. economic situation made visitor traffic from overseas a bright spot. But the U.S. dollar exchange rate as of March 2009 was 20% higher than the year before. With the strengthening of the dollar and weak overseas economies, the European Index of Consumer Confidence is now reaching record lows. Recent economic indicators seem more positive and financial pundits are now offering year-end turn-around scenarios. On the positive side, even as consumers look to cut costs in order to save money, there are signs that a vacation is one of the things consumers are unwilling to cut.

VISIT FLORIDA Analysis of Data

The number of total visitors to Florida is down.

Preliminary estimates show a total of 83.6 million visitors (in person-trips) to Florida during 2008. The first six months of the year showed a 3.8% increase, while the second six months showed a 6.4% decline in visitors to Florida. For the twelve-month period, Florida saw a 1% drop in visitors compared to the same period of 2007.

Overseas travel to Florida increased but at a rate less than the U.S. increase.

For 2008, the overseas market to Florida was estimated to have increased slightly by 1.1% from 2007. For 2008, the U.S. is estimated to have received 6.1% more overseas visitors than the same time period in 2007.

Travel from Canada was up.

During the January - December 2008 period, preliminary estimates of Canadian travel to Florida reflected a 14.1% growth. This is reflected by a 16% increase in Canadian visitors who arrived by air, and an 11.1% increase in those arriving by non-air during 2008.

In-state travel by residents is up.

In-state pleasure travel among Floridians rose 22.8% in 2008. An estimated 46.7 million Floridians took a pleasure trip in 2008, of which 36.6% report taking a pleasure trip within the state. Note: Resident travel is not included in VISIT FLORIDA's visitor estimate figures.

Insights

All Latin American countries, with the exception of Venezuela, are currently enjoying relative economic and political stability, single-digit inflation, and continued GDP growth rates which bode well for out-bound travel. The largest Latin American market, Brazil, is especially promising. Brazil has been sheltered from the global downtown by an expanding domestic market and strong exports, and is currently experiencing its biggest economic expansion in three decades. Given these factors, continued visitor growth from Latin America offers Florida an opportunity to build on the momentum.

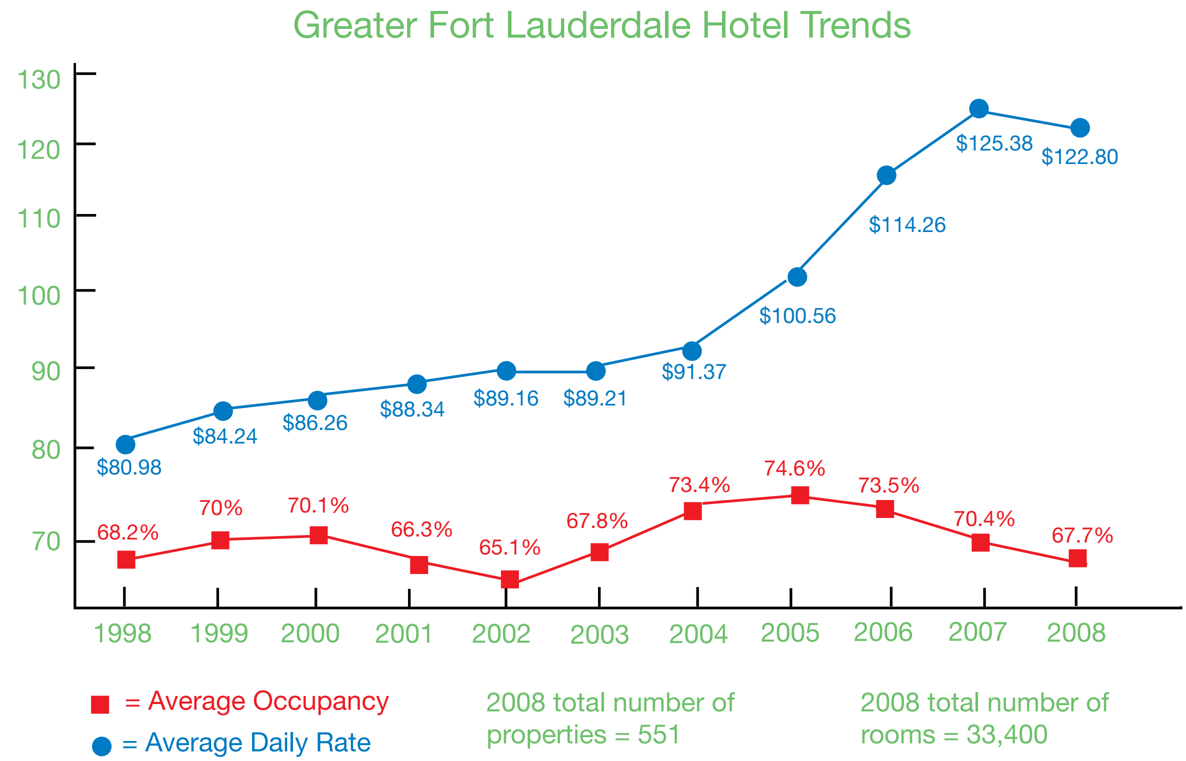
The loyalty of Canadian visitors coupled with the relative strength of the Canadian economy maintains Canada's importance as an international feeder market for Florida.

Similarly, growth of in-state travel by Florida residents offers an important lifeline to Florida's tourism industry. In addition to providing 17 million getaways in 2008, Florida residents serve as advocates to the 18.3 million friends and family who visit the state annually. Increasing engagement of Floridians offers important short- and long-term benefits.

Top Florida Feeder Markets

Top 7 Florida Markets

Atlanta, New York, Boston, Chicago, Philadelphia, Washington DC, Toronto



2008 total number of properties = 551

2008 total number of rooms = 33,400

Top Domestic Airline Markets into Fort Lauderdale/Hollywood International Airport in 2008

1. New York
2. Atlanta
3. Chicago
4. Boston
5. Washington
6. Philadelphia
7. Baltimore
8. Detroit
9. Tampa
10. Las Vegas
11. San Juan
12. Los Angeles
13. Islip
14. Pittsburgh
15. Denver
16. Jacksonville
17. Orlando
18. Dallas/Ft. Worth
19. Atlantic City
20. White Plains

2008 GFL Top Origin Markets

Domestic

Florida	34.8%
New Jersey	10.4%
New York	8.3%
Maryland	4.9%
California	3.3%
Michigan	3.3%
Illinois	2.8%
Virginia	2.5%
Ohio	2.4%
Arizona	2.3%
North Carolina	2.2%
New Mexico	2.1%
Other USA	20.7%

International

Canada	33%
Latin America	22%
(Top 3: Colombia, Venezuela, Brazil)	
Europe	16%
United Kingdom	8%
Scandinavia	10%
Other Foreign	10%

Market Mix

Domestic	78.8%
International	21.2%

GFL Top Non-Florida Origin DMA's

New York	13.2%
Philadephia	5.1%
Boston	3.4%
Baltimore	3.1%
Detroit	2.3%
Phoenix	2.3%
Washington, D.C.	2.3%

GFL Top Florida Origin DMA's

Tampa-St.Petersburg-Sarasota	16.8%
Orlando-Daytona-Melbourne	5.1%
Ft. Myers-Naples	4.8%
Miami-Fort Lauderdale	3.6%
West Palm Beach-Ft. Pierce	2.8%

Source: Fort Lauderdale/Hollywood International Airport; D.K. Shifflet; Greater Fort Lauderdale CVB; Travel Industry Association; Office of Travel & Tourism Industries