



PIGEON FORGE, TENNESSEE
BUSINESS STATISTICS
2006 REVIEW

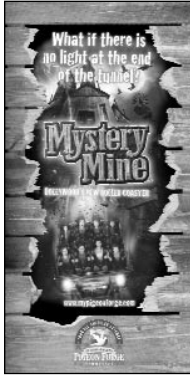


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TOURISM OVERVIEW



Pigeon Forge Business Receipts Near \$845 Million

Pigeon Forge has once again set a new record for gross receipts collected from tourism industry related businesses. In 2006, more than \$844 million was generated in Pigeon Forge. This is a nine percent increase compared to 2005. Overnight visitation to the city also increased in 2006. For the year, more than 3,000,000 people stayed overnight in Pigeon Forge. This is nearly a 5 percent increase compared to 2005.

Dollywood, drawing more than 2.4 million guests in 2006, continues to be both the city's and the state's largest single tourism attraction. Dollywood's Splash Country, another of the top 25 most visited attractions in Tennessee, had 410,000 visitors in 2006.

The increase in both revenues and visitation may in part be attributed to several new additions to the city. The Miracle Theater opened its doors in early 2006, replacing the Louise Mandrell Theater. Also in the year's second quarter, WonderWorks added a popular new attraction to Pigeon Forge. Another new Parkway attraction in 2006 was Helicopter Headquarters, recently renamed Helicopter Whirl'd Adventures. In late 2006, the Boyd's Bear Company Pigeon Forge store closed as the

company headquarters restructured its business model. This likely will impact the craft/gift/specialty sector in 2007.

2007: City Growth

As the city continues to grow, 2007 will bring several new additions to the city. The Inn at Christmas Place will add another lodging option by mid-2007. Off of the Parkway, Zorb will provide visitors with a new attraction based on a popular New Zealand activity. Mystery Beyond Belief will add a new show to Pigeon Forge, replacing the recently closed Old Smoky Hoedown. Coming to Walden's Landing Phase 2 this year will be Smoky Mountain Harley-Davidson, a full service Harley store. Several new restaurant additions will include Little Tokyo, Sonic Drive-in, Starbucks, Texas Roadhouse, McAlister's Gourmet Deli, Chili's and Country Legends Grill.

Dollywood, now celebrating its 22-year anniversary, will add the new Mystery Mine rollercoaster in 2007. And Dollywood's Splash Country guests will see The Cascades, including a leisure pool, four slides and other interactive elements. These additions, along with our existing product mix, will ensure that Pigeon Forge remains one of the top destinations in the Southeast.



Tourism in the United States

- Domestic and international travelers spent \$653.8 billion in the United States during 2005, an increase of 7.7 percent from 2004.
- The U.S. foodservice industry performed much better than most other travel-related sectors in 2005, with sales rising 6.8 percent to nearly \$400 billion.
- Domestic and international travel spending directly generated over 7.5 million jobs for the industry in 2005, an 0.8 percent increase from 2004.
- According to U.S. Census Bureau revised data, amusement and recreation services earned a record \$165.2 billion in total 2005 receipts, up 4.2 percent over 2004. Total employment increased 2.2 percent to nearly 1.9 million. In 2006, total sales were predicted to increase another 4.6 percent to \$172.9 billion and total employment is expected to increase 2.0 percent.

Source:
The Economic Review of Travel in America

Tourism in Tennessee

- In 2005, more than 48.9 million visitors traveled to Tennessee. This number was up almost 12 percent when compared to 2004 figures. This will move Tennessee to 11th in the nation in terms of domestic visitors.
- Of the total person trips (overnight and day trips) occurring in the United States in 2005, 2.5 percent of these trips were to the State of Tennessee.
- In 2005, \$12.4 billion dollars were generated by tourism in Tennessee, up more than 8.3 percent, or a billion dollar increase, from 2004 figures.
- Tourism in the state of Tennessee helped to generate 178,100 jobs in 2005, including both full- and seasonal/part-time jobs.
- The total household party size traveling to Tennessee was 2.0 persons in 2005. Average length of stay was 1.6 nights and average in-state expenditure per trip was \$405.

Source:
Tennessee Department of Tourist Development and TravelScope

POPULATION GROWTH

Area	1980 Population	1990 Population	2000 Population	Current Estimate
Pigeon Forge	1,822	3,027	5,083	5,784
Gatlinburg	3,500	3,417	3,382	4,426
Sevierville	5,444	7,178	11,757	14,788
Sevier County	41,418	51,043	71,170	79,282
Tennessee	4,591,120	4,877,185	5,689,283	6,038,803

Source: U.S. Bureau of the Census

GROSS RECEIPTS 2006

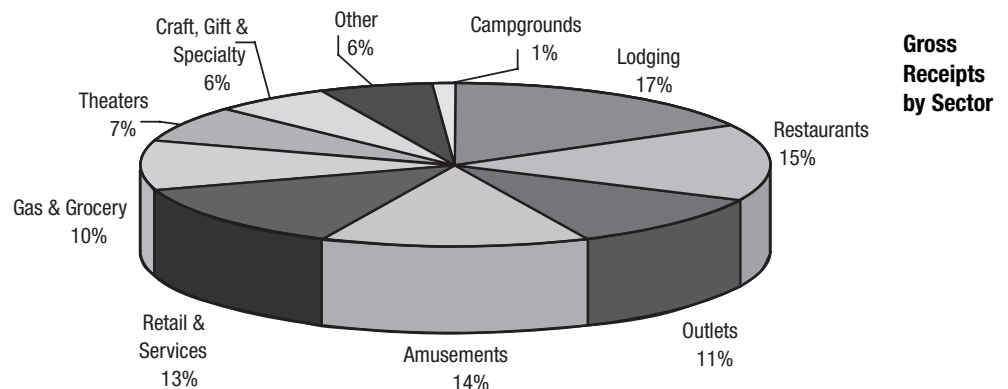
In 2006, the city experienced a 9 percent growth in gross business receipts generated. This follows a 9 percent increase in 2005. In 1984, the first year the city implemented an advertising campaign, gross receipts were approximately \$99.5 million. Since then, there has been a 750 percent increase in gross receipts during that 22-year period. As in previous years, summer 2006 was the most popular time for visitors to come to Pigeon Forge. July was the best month, generating nearly \$115 million in gross receipts. Most of the city's current marketing efforts focus on increasing visitation during the peak seasons of summer and winter.

In February 2007, the 17th Annual Winterfest came to a close. This "season" was designed to increase visitation during the previously slow months of November, December, January and February. Beginning in November of 2006 and ending in February of 2007, the 17th Annual

Winterfest gross receipts increased 5 percent from the previous Winterfest. In all, gross receipts increased to more than \$212 million during the Winterfest season.

Gross Receipts by Sector

With so much of the city's budget being directly supported by the tourism industry, the performance of all business sectors is closely monitored. If one sector trends downward for a period of time, the city assesses potential ways to reverse the trend. Pigeon Forge is not overly dependent on any single sector of business. While lodging, restaurants, outlets and amusements bring in the most revenue, other categories account for a significant portion of the city's gross receipts. While most sectors experienced gains when compared to 2005, the retail and service sector experienced the most growth. As in recent years, the outlet sector was the only one to show a decline.

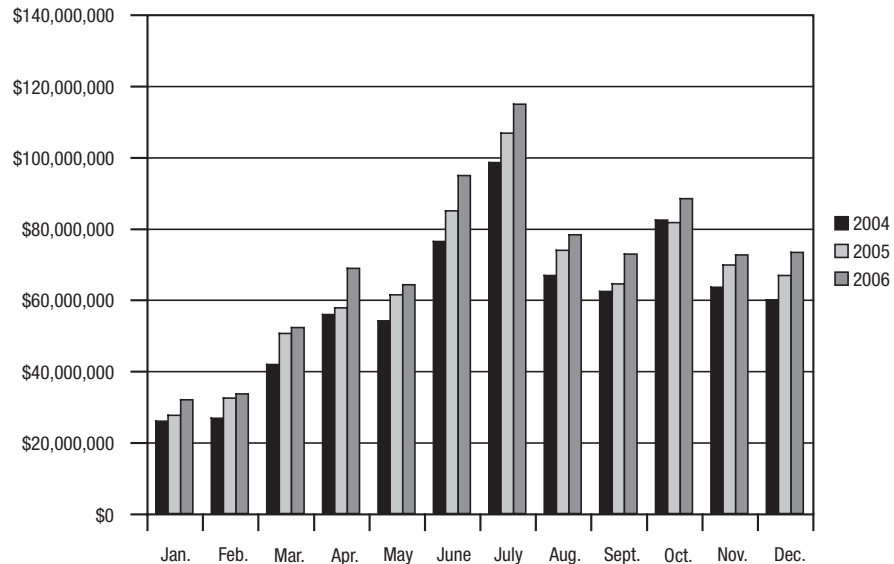


BUSINESS STATISTICS - 2006 REVIEW

Gross Receipts by Sector

Overall	Business Sector	Revenue for 2006	Revenue for 2005	% of Total Business in 2006	% of Change
	Lodging	\$143,881,289	\$135,041,319	17%	7%
	Restaurants	\$122,840,527	\$113,543,670	15%	8%
	Outlets	\$95,998,865	\$101,729,652	11%	-6%
	Amusements	\$120,900,285	\$100,799,589	14%	20%
	Retail & Services	\$108,196,313	\$87,258,299	13%	24%
	Gas & Grocery	\$82,536,322	\$76,082,100	10%	8%
	Theaters	\$56,801,191	\$52,380,758	7%	8%
	Craft, Gift & Specialty	\$54,881,007	\$53,528,936	6%	3%
	Other	\$52,114,654	\$50,862,790	6%	6%
	Campgrounds	\$6,825,018	\$6,353,107	1%	7%
	Total	\$844,975,471	\$777,583,220	100%	9%

Gross Receipts by Month



Gross Receipts 2006

2006	Month	Tax Collected @ 1%	Gross Business	% of Change
	Jan.	\$322,038	\$31,895,264	16
	Feb.	\$335,375	\$33,510,372	4
	Mar.	\$521,853	\$52,104,790	3
	Apr.	\$692,027	\$68,708,297	19
	May	\$643,656	\$64,129,152	4
	June	\$951,834	\$94,843,871	12
	July	\$1,144,879	\$114,751,591	8
	Aug.	\$793,112	\$78,139,771	6
	Sept.	\$730,884	\$72,818,583	12
	Oct.	\$882,242	\$88,310,398	8
	Nov.	\$726,954	\$72,530,568	4
	Dec.	\$733,314	\$73,232,814	10
	Total	\$8,478,168	\$844,975,471	9



2005

Month	Tax Collected @ 1%	Gross Business	% of Change
Jan.	\$276,744	\$27,574,709	6
Feb.	\$324,145	\$32,362,635	21
Mar.	\$506,333	\$50,564,353	21
Apr.	\$578,623	\$57,752,469	3
May	\$614,378	\$61,388,677	14
June	\$850,128	\$84,866,978	11
July	\$1,073,575	\$106,672,849	8
Aug.	\$739,498	\$73,799,839	11
Sept.	\$650,841	\$64,440,163	3
Oct.	\$818,122	\$81,624,236	-1
Nov.	\$697,995	\$69,719,787	10
Dec.	\$672,223	\$66,816,525	11
Total	\$7,802,605	\$777,583,220	9

Gross Receipts
2005

2004

Month	Tax Collected @ 1%	Gross Business	% of Change
Jan.	\$261,308	\$25,955,318	25
Feb.	\$268,439	\$26,749,858	15
Mar.	\$419,668	\$41,856,159	7
Apr.	\$561,732	\$55,803,594	9
May	\$542,320	\$54,058,656	1
June	\$763,895	\$76,313,066	2
July	\$985,308	\$98,421,969	8
Aug.	\$668,474	\$66,713,010	-7
Sept.	\$624,394	\$62,345,768	5
Oct.	\$825,360	\$82,283,271	10
Nov.	\$638,083	\$63,501,006	9
Dec.	\$599,651	\$59,946,100	17
Total	\$7,158,632	\$713,947,775	7

Gross Receipts
2004

Prior Years

Year	Tax Collected @ 1%	Gross Business	% of Change
1980	\$254,149	\$50,829,810	
1981	\$312,121	\$62,424,220	23
1982*	\$363,462	\$72,692,468	16
1983	\$387,350	\$77,469,922	7
1984**	\$497,136	\$99,427,156	28
1985	\$571,995	\$114,399,048	15
1986***	\$840,994	\$168,198,800	47
1987	\$2,022,531	\$202,253,111	20
1988	\$2,411,506	\$241,150,600	19
1989	\$2,856,524	\$290,269,620	18
1990	\$3,332,716	\$338,968,868	17
1991	\$3,760,096	\$379,591,349	12
1992	\$4,092,094	\$416,775,030	10
1993	\$4,364,778	\$444,476,600	7
1994	\$4,764,157	\$485,207,146	9
1995	\$5,192,999	\$529,302,594	9
1996	\$5,348,104	\$545,003,939	3
1997	\$5,676,925	\$577,160,607	6
1998	\$6,046,490	\$615,553,460	7
1999	\$6,223,120	\$632,445,587	3
2000	\$6,229,004	\$634,257,297	0
2001	\$6,454,476	\$655,548,446	3
2002	\$6,572,615	\$670,157,344	2
2003	\$6,670,503	\$669,854,551	0

Gross Receipts
Prior Years

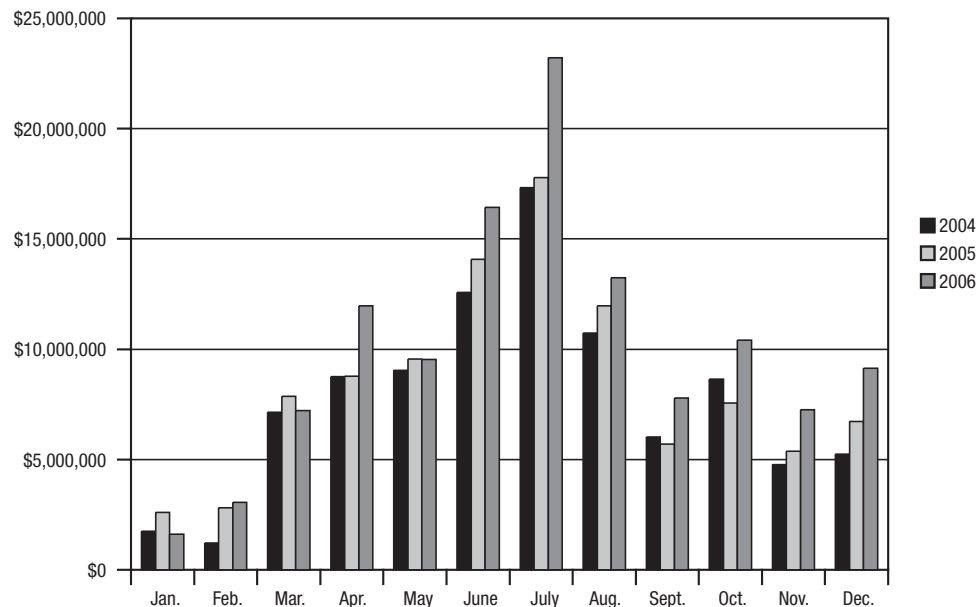
*Worlds' Fair in Knoxville
 **City Ad Campaign's
 Beginning Results
 ***Year of Dollywood
 Opening

AMUSEMENT REVENUE 2006

In addition to sales and gross receipts taxes, ticketed amusement also generated an additional 2% in tax revenues for the city. Along with the current attractions already

available, two new additions, WonderWorks and Helicopter Whirl'd Adventures, contributed to the 20 percent growth in 2006.

**Amusement
Revenue
by Month**



**Amusement
Revenue
2006**

Month	Tax Collected @ 2%	Gross Business	% of Change
Jan.	\$32,328	\$1,611,962	-38
Feb.	\$61,165	\$3,058,503	9
Mar.	\$143,756	\$7,214,921	-8
Apr.	\$229,255	\$11,975,303	36
May	\$179,164	\$9,544,507	0
June	\$314,448	\$16,434,665	17
July	\$431,161	\$23,221,455	31
Aug.	\$243,937	\$13,243,822	11
Sept.	\$141,841	\$7,794,918	37
Oct.	\$188,442	\$10,407,873	38
Nov.	\$129,115	\$7,254,765	35
Dec.	\$162,610	\$9,137,591	36
Total	\$2,257,222	\$120,900,285	20



2005

Month	Tax Collected @ 2%	Gross Business	% of Change
Jan.	\$42,064	\$2,593,667	48
Feb.	\$55,872	\$2,816,475	131
Mar.	\$155,313	\$7,871,744	10
Apr.	\$164,987	\$8,777,665	0
May	\$178,054	\$9,557,983	6
June	\$273,833	\$14,073,166	12
July	\$351,208	\$17,784,876	3
Aug.	\$238,804	\$11,970,952	12
Sept.	\$111,584	\$5,694,772	-5
Oct.	\$145,302	\$7,564,771	-12
Nov.	\$99,888	\$5,371,106	13
Dec.	\$123,428	\$6,722,412	28
Total	\$1,940,337	\$100,799,589	8

**Amusement
Revenue
2005**

2004

Month	Tax Collected @ 2%	Gross Business	% of Change
Jan.	\$34,186	\$1,748,114	29
Feb.	\$23,265	\$1,218,127	7
Mar.	\$141,598	\$7,144,239	11
Apr.	\$166,866	\$8,756,421	13
May	\$167,394	\$9,050,993	16
June	\$245,305	\$12,582,529	1
July	\$338,995	\$17,319,604	17
Aug.	\$210,474	\$10,729,807	-10
Sept.	\$117,541	\$6,024,131	6
Oct.	\$168,781	\$8,639,368	30
Nov.	\$91,899	\$4,765,914	0
Dec.	\$100,921	\$5,240,636	24
Total	\$1,807,225	\$93,219,883	10

**Amusement
Revenue
2004**

Prior Years

Year	Tax Collected @ 1%	Gross Business	% of Change
1980	\$133,340	\$6,667,018	
1981	\$152,866	\$7,643,302	15
1982	\$161,080	\$8,054,023	5
1983	\$187,566	\$9,378,321	16
1984	\$212,578	\$10,628,916	13
1985	\$251,540	\$12,577,510	18
1986*	\$410,828	\$20,541,400	63
1987	\$435,479	\$21,773,950	6
1988	\$527,822	\$26,391,100	21
1989	\$583,526	\$29,273,589	11
1990	\$635,060	\$32,171,557	9
1991	\$744,243	\$37,220,969	16
1992	\$835,286	\$41,951,633	13
1993	\$943,672	\$47,474,025	13
1994	\$1,057,823	\$53,135,733	12
1995	\$1,203,457	\$60,515,002	14
1996	\$1,255,662	\$63,197,580	4
1997	\$1,362,704	\$68,488,717	8
1998	\$1,447,315	\$72,935,163	6
1999	\$1,488,251	\$74,699,135	2
2000	\$1,483,269	\$75,393,417	2
2001	\$1,591,239	\$80,843,173	7
2002	\$1,668,746	\$85,366,733	6
2003	\$1,649,130	\$85,001,731	0

**Amusement
Revenue
Prior Years**

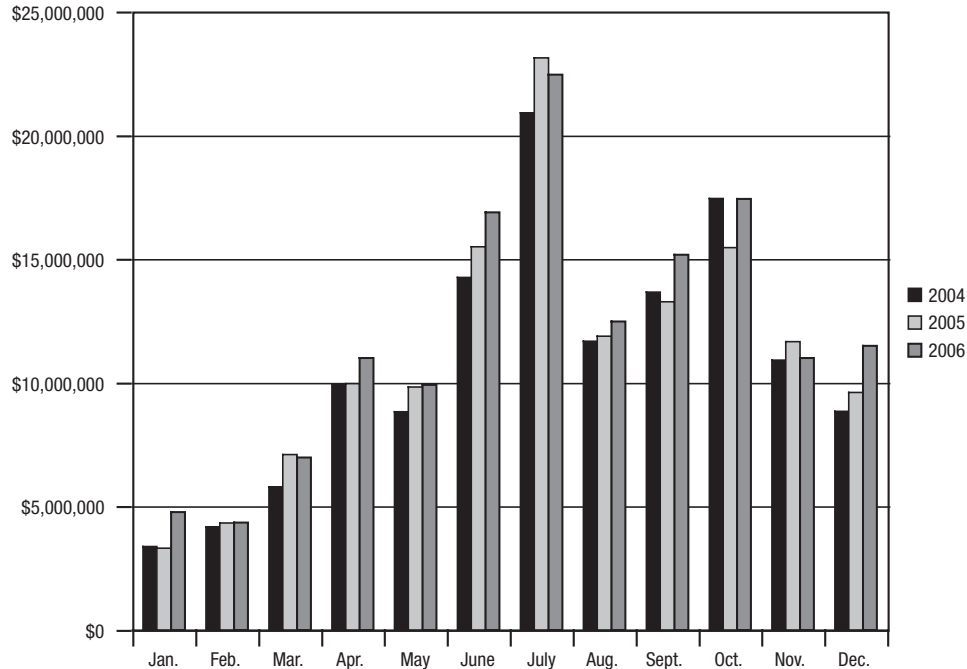
*Year of Dollywood
Opening

LODGING REVENUE 2006

Once again in 2006, lodging is the largest contributor to gross business receipts in Pigeon Forge. 2 1/4 percent of all lodging receipts goes directly to the city. In 2006, lodging revenues increased 7 percent over 2005. The increase

correlates to increased visitation and a slight increase in average daily rate (71 cents). Average occupancy in Pigeon Forge was comparable to 2005 (65.1 percent). National occupancy rates in 2006 were 63.1 percent.

Lodging Revenue by Month



Lodging Revenue 2006

Month	Tax Collected @ 2.25%	Gross Business	% of Change
Jan.	\$98,385	\$4,765,194	44
Feb.	\$88,026	\$4,343,183	0
Mar.	\$144,849	\$6,970,678	-2
Apr.	\$236,935	\$10,995,734	10
May	\$215,304	\$9,910,908	1
June	\$370,956	\$16,879,265	9
July	\$492,231	\$22,453,060	-3
Aug.	\$275,009	\$12,478,592	5
Sept.	\$331,744	\$15,168,346	14
Oct.	\$380,153	\$17,431,534	13
Nov.	\$236,385	\$10,996,947	-6
Dec.	\$237,105	\$11,487,848	20
Total	\$3,107,082	\$143,881,289	7



2005

Month	Tax Collected @ 2.25%	Gross Business	% of Change
Jan.	\$67,434	\$3,315,687	-2
Feb.	\$88,271	\$4,330,024	4
Mar.	\$146,642	\$7,094,951	23
Apr.	\$211,951	\$9,959,878	0
May	\$213,327	\$9,830,132	11
June	\$339,382	\$15,496,727	9
July	\$510,851	\$23,135,961	11
Aug.	\$260,402	\$11,876,536	2
Sept.	\$290,274	\$13,268,343	-3
Oct.	\$335,817	\$15,458,038	-11
Nov.	\$250,698	\$11,664,840	7
Dec.	\$199,827	\$9,610,202	9
Total	\$2,914,876	\$135,041,319	4

Lodging Revenue
2005

2004

Month	Tax Collected @ 2.25%	Gross Business	% of Change
Jan.	\$68,675	\$3,373,032	39
Feb.	\$87,068	\$4,180,228	29
Mar.	\$119,336	\$5,783,670	9
Apr.	\$216,900	\$9,946,001	13
May	\$194,322	\$8,824,059	-6
June	\$317,255	\$14,259,694	-5
July	\$462,663	\$20,912,301	7
Aug.	\$257,184	\$11,681,220	-17
Sept.	\$300,433	\$13,654,652	5
Oct.	\$381,951	\$17,442,648	3
Nov.	\$238,146	\$10,910,507	10
Dec.	\$183,114	\$8,843,090	13
Total	\$2,827,047	\$129,811,102	3

Lodging Revenue
2004

Prior Years

Year	Tax Collected @ 2.25%	Gross Business	% of Change
1980	\$148,995	\$7,448,735	
1981	\$189,106	\$9,455,295	27
1982	\$299,017	\$14,950,862	58
1983	\$271,857	\$13,592,861	-9
1984	\$355,586	\$17,779,316	31
1985	\$396,466	\$19,823,500	12
1986*	\$543,613	\$27,180,650	37
1987	\$712,100	\$32,315,558	19
1988	\$844,742	\$37,544,087	16
1989	\$930,326	\$42,853,590	14
1990	\$1,042,824	\$47,931,788	12
1991	\$1,186,197	\$54,360,646	13
1992	\$1,277,250	\$59,397,384	9
1993	\$1,431,788	\$65,692,290	11
1994	\$1,572,397	\$72,727,204	11
1995	\$1,795,225	\$83,486,467	15
1996	\$1,876,979	\$86,948,163	4
1997	\$1,970,902	\$91,552,044	5
1998	\$2,277,150	\$105,672,788	15
1999	\$2,385,688	\$110,505,592	5
2000	\$2,449,525	\$113,513,653	3
2001	\$2,587,831	\$120,123,317	6
2002	\$2,687,563	\$124,773,760	4
2003	\$2,744,415	\$125,443,146	1

Lodging Revenue
Prior Years

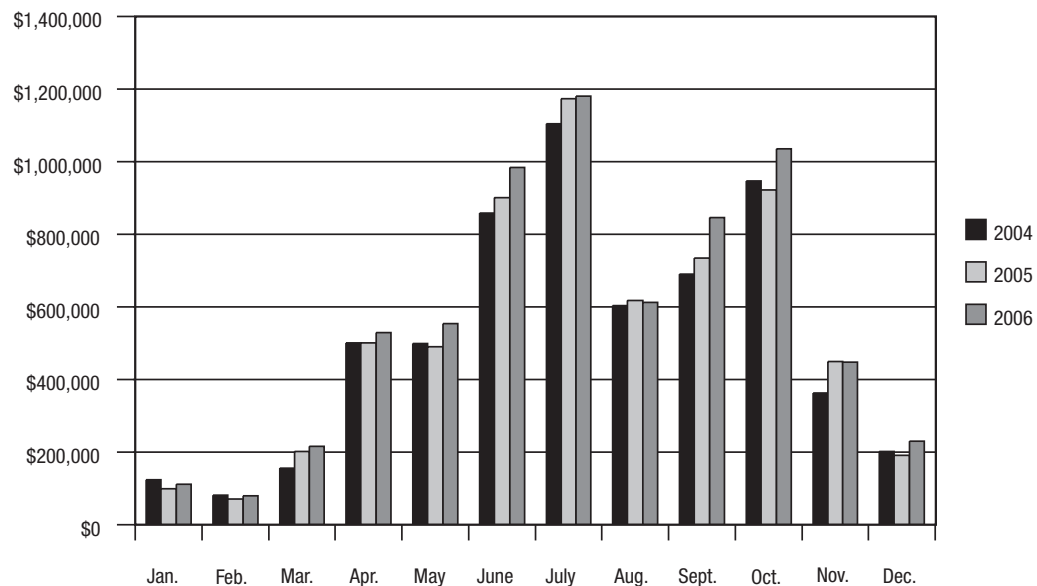
*Year of Dollywood Opening

CAMPGROUND REVENUE 2006

A mild weather pattern in 2006 helped campgrounds to increase receipts by 7 percent. December was a particularly warm month in 2006

and many visitors took advantage of this, leading to a 20 percent increase in revenues for that month alone.

Campground Revenue by Month



Campground Revenue 2006

Month	Gross Business	% of Change
Jan.	\$110,884	12
Feb.	\$79,083	10
Mar.	\$216,667	7
Apr.	\$528,511	6
May	\$553,705	13
June	\$984,897	9
July	\$1,179,658	0
Aug.	\$612,177	-1
Sept.	\$845,926	15
Oct.	\$1,035,061	12
Nov.	\$448,503	0
Dec.	\$229,946	20
Total	\$6,825,018	7



2005

Month	Gross Business	% of Change
Jan.	\$98,949	-20
Feb.	\$71,654	-11
Mar.	\$201,861	30
Apr.	\$500,492	0
May	\$491,123	-2
June	\$901,601	5
July	\$1,174,057	6
Aug.	\$618,561	2
Sept.	\$734,094	6
Oct.	\$922,473	-3
Nov.	\$449,754	24
Dec.	\$191,488	-5
Total	\$6,356,107	4

**Campground
Revenue
2005**

2004

Month	Gross Business	% of Change
Jan.	\$123,819	35
Feb.	\$80,714	112
Mar.	\$155,569	24
Apr.	\$500,448	9
May	\$499,028	-5
June	\$858,208	-3
July	\$1,103,604	12
Aug.	\$604,022	-17
Sept.	\$690,234	4
Oct.	\$946,544	0
Nov.	\$363,543	-1
Dec.	\$201,548	14
Total	\$6,127,281	2

**Campground
Revenue
2004**

Prior Years

Year	Gross Business	% of Change
1990	\$2,846,832	26
1991	\$2,892,057	2
1992	\$3,098,560	7
1993	\$3,471,623	12
1994	\$3,835,429	10
1995	\$4,157,979	9
1996	\$4,105,086	-1
1997	\$4,496,780	10
1998	\$4,816,103	7
1999	\$5,276,466	10
2000	\$4,963,671	-6
2001	\$5,332,181	7
2002	\$5,817,978	9
2003	\$5,981,350	3

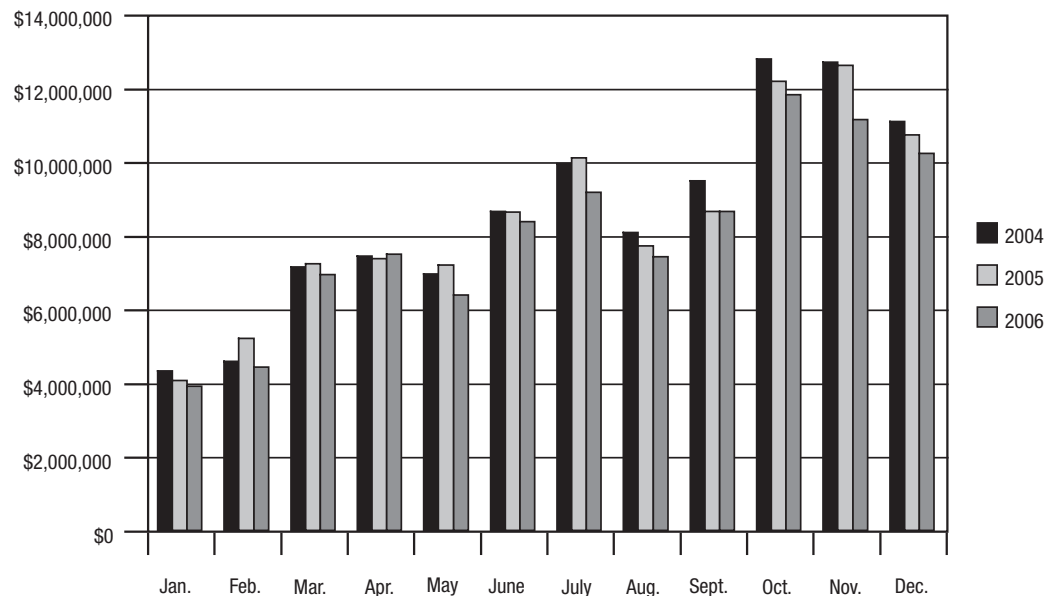
**Campground
Revenue
Prior Years**

OUTLET REVENUE 2006

As in 2005, outlet shopping was the only sector that experienced a decline in revenues in 2006, dropping 6 percent from the previous year. Competition within Sevier County and in our visitors' home markets has

contributed to this decrease. While the outlet sector has declined in recent years, both the craft/gift/specialty sector and the retail/services sectors of the Pigeon Forge economy continue to experience strong growth.

**Outlet
Revenue
by Month**



**Outlet
Revenue
2006**

Month	Gross Business	% of Change
Jan.	\$3,918,567	-3
Feb.	\$4,435,803	-15
Mar.	\$6,931,234	-4
Apr.	\$7,486,387	1
May	\$6,386,253	-11
June	\$8,369,828	-3
July	\$9,175,514	-9
Aug.	\$7,431,756	-4
Sept.	\$8,660,296	0
Oct.	\$11,822,802	-3
Nov.	\$11,146,080	-12
Dec.	\$10,234,345	-5
Total	\$95,998,865	-6

WELCOME *to my Pigeon Forge!*



2005

Month	Gross Business	% of Change
Jan.	\$4,058,493	-6
Feb.	\$5,209,641	14
Mar.	\$7,237,186	1
Apr.	\$7,377,383	-1
May	\$7,205,304	4
June	\$8,633,814	0
July	\$10,099,327	2
Aug.	\$7,718,939	-4
Sept.	\$8,654,754	-9
Oct.	\$12,182,801	-5
Nov.	\$12,617,016	-1
Dec.	\$10,734,994	-3
Total	\$101,729,652	-1

**Outlet
Revenue
2005**

2004

Month	Gross Business	% of Change
Jan.	\$4,325,697	9
Feb.	\$4,578,457	-5
Mar.	\$7,143,618	-8
Apr.	\$7,447,449	-12
May	\$6,957,057	-13
June	\$8,651,476	-12
July	\$9,942,182	-10
Aug.	\$8,077,747	-11
Sept.	\$9,475,041	-6
Oct.	\$12,791,005	-3
Nov.	\$12,694,009	-2
Dec.	\$11,097,469	8
Total	\$103,181,207	-6

**Outlet
Revenue
2004**

Prior Years

Year	Gross Business	% of Change
1990	\$122,140,695	25
1991	\$139,234,376	14
1992	\$147,275,270	6
1993	\$147,224,207	0
1994	\$153,690,009	4
1995	\$156,712,084	2
1996	\$157,358,503	0
1997	\$165,020,325	5
1998	\$161,975,449	-2
1999	\$153,586,288	-5
2000	\$141,679,069	-8
2001	\$129,343,147	-9
2002	\$121,262,335	-6
2003	\$109,342,382	-10

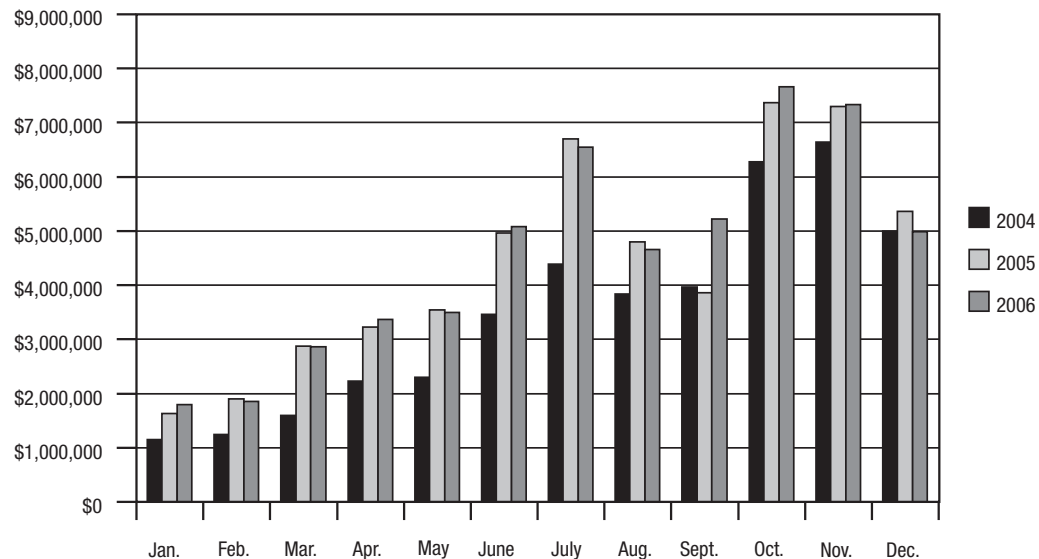
**Outlet
Revenue
Prior Years**

CRAFT/GIFT/SPECIALTY REVENUE 2006

With the opening of Boyds Bear Country in 2004, this sector experienced significant growth. However, in August 2006, Boyds Bear Country announced it would be closing its doors. In an effort to liquidate, the store heavily reduced

prices in the final months of operation. While this may have spiked sales in September, the remaining months went from little growth in October to negative growth in December. The closing will likely have a negative impact on this sector next year.

**Craft/Gift/
Specialty
Revenue
by Month**



**Craft/Gift/
Specialty
Revenue
2006**

Month	Gross Business	% of Change
Jan.	\$1,799,602	10
Feb.	\$1,856,813	-2
Mar.	\$2,864,746	-1
Apr.	\$3,364,839	4
May	\$3,494,827	-1
June	\$5,085,362	2
July	\$6,544,363	-2
Aug.	\$4,661,603	-3
Sept.	\$5,220,447	35
Oct.	\$7,666,087	4
Nov.	\$7,336,521	0
Dec.	\$4,985,797	-7
Total	\$54,881,007	3



2005

Month	Gross Business	% of Change
Jan.	\$1,636,866	42
Feb.	\$1,897,036	52
Mar.	\$2,875,627	80
Apr.	\$3,223,837	45
May	\$3,542,523	54
June	\$4,964,472	43
July	\$6,703,121	53
Aug.	\$4,795,815	25
Sept.	\$3,857,185	-3
Oct.	\$7,367,156	17
Nov.	\$7,301,453	10
Dec.	\$5,363,845	7
Total	\$53,528,936	27

**Craft/Gift/
Specialty
Revenue
2005**

2004

Month	Gross Business	% of Change
Jan.	\$1,155,770	23
Feb.	\$1,246,434	20
Mar.	\$1,599,913	1
Apr.	\$2,227,446	4
May	\$2,303,081	-4
June	\$3,462,455	1
July	\$4,386,524	2
Aug.	\$3,831,173	1
Sept.	\$3,969,913	11
Oct.	\$6,280,231	10
Nov.	\$6,637,069	35
Dec.	\$4,998,378	29
Total	\$42,098,387	11

**Craft/Gift/
Specialty
Revenue
2004**

Prior Years

Year	Gross Business	% of Change
1990	\$21,939,894	34
1991	\$25,832,707	18
1992	\$30,871,605	20
1993	\$32,988,929	7
1994	\$36,627,014	11
1995	\$39,385,054	8
1996	\$37,567,035	-5
1997	\$40,735,443	8
1998	\$41,780,560	3
1999	\$37,794,566	-10
2000	\$39,031,968	3
2001	\$39,034,991	0
2002	\$39,531,111	1
2003	\$37,789,743	-4

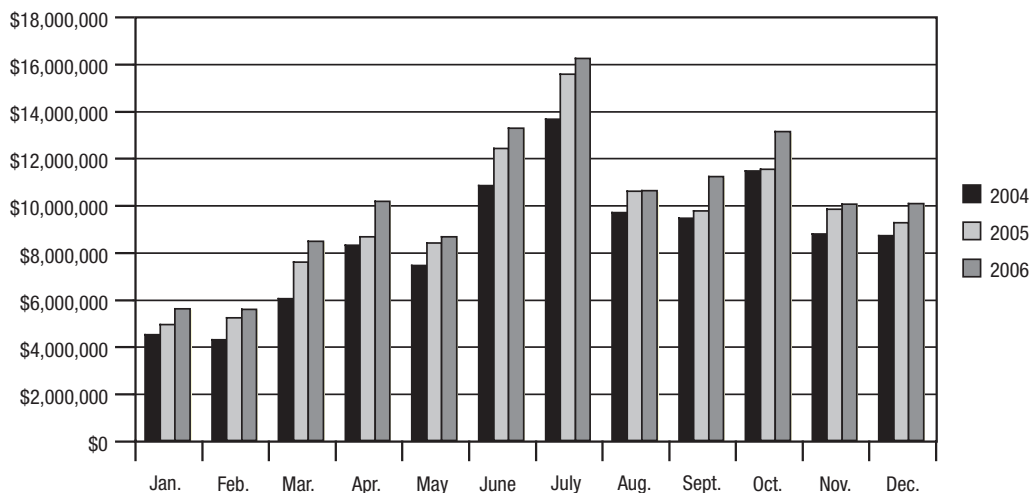
**Craft/Gift/
Specialty
Revenue
Prior Years**

RESTAURANT REVENUE 2006

As the restaurant offerings have continued to increase in Pigeon Forge, revenues produced by this sector have continued to grow. Once again, 2006 was no exception with 8 percent growth. While several new restaurants were added in 2005, the only major addition in 2006 was No Way Jose's Mexican Restaurant.

As the number of visitors continues to increase, the dining options increase accordingly. New additions in 2007 will include Little Tokyo, Sonic Drive-in, Starbucks, Texas Roadhouse, McAlister's Gourmet Deli, Chili's and Country Legends Grill (replacing Alabama Grill).

**Restaurant
Revenue
by Month**



**Restaurant
Revenue
2006**

Month	Gross Business	% of Change
Jan.	\$5,592,262	14
Feb.	\$5,569,217	7
Mar.	\$8,443,675	12
Apr.	\$10,146,206	17
May	\$8,633,707	3
June	\$13,257,513	7
July	\$16,216,124	4
Aug.	\$10,602,783	0
Sept.	\$11,197,179	15
Oct.	\$13,105,816	14
Nov.	\$10,023,041	2
Dec.	\$10,053,004	9
Total	\$122,840,527	8

WELCOME *to my Pigeon Forge!*



2005

Month	Gross Business	% of Change
Jan.	\$4,915,565	10
Feb.	\$5,209,764	22
Mar.	\$7,567,176	26
Apr.	\$8,652,694	4
May	\$8,388,493	13
June	\$12,398,367	15
July	\$15,539,613	14
Aug.	\$10,570,432	9
Sept.	\$9,747,172	3
Oct.	\$11,512,680	1
Nov.	\$9,800,620	12
Dec.	\$9,241,094	6
Total	\$113,543,670	10

**Restaurant
Revenue
2005**

2004

Month	Gross Business	% of Change
Jan.	\$4,480,004	25
Feb.	\$4,281,721	27
Mar.	\$6,018,075	6
Apr.	\$8,285,167	15
May	\$7,419,674	1
June	\$10,825,938	6
July	\$13,630,340	9
Aug.	\$9,669,770	0
Sept.	\$9,435,499	6
Oct.	\$11,446,717	9
Nov.	\$8,764,952	11
Dec.	\$8,692,315	25
Total	\$102,950,172	10

**Restaurant
Revenue
2004**

Prior Years

Year	Gross Business	% of Change
1990	\$44,068,253	10
1991	\$48,004,868	9
1992	\$53,891,441	12
1993	\$58,927,028	9
1994	\$67,668,291	15
1995	\$73,880,879	9
1996	\$75,419,545	2
1997	\$83,209,974	10
1998	\$90,392,778	9
1999	\$89,052,931	-1
2000	\$88,338,175	-1
2001	\$93,298,144	6
2002	\$95,231,679	2
2003	\$93,773,453	-2

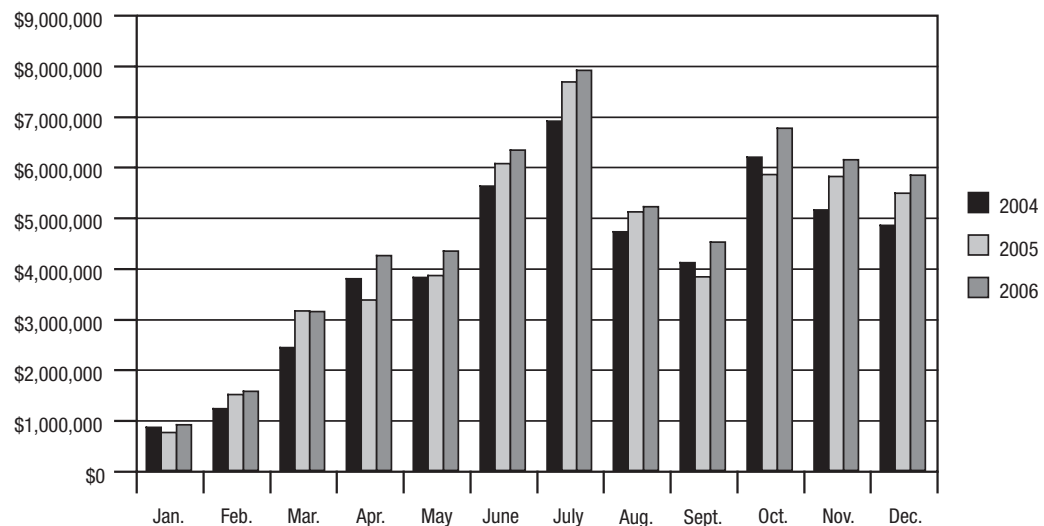
**Restaurant
Revenue
Prior Years**

THEATER REVENUE 2006

Theater sector revenues have grown by 155 percent since we began tracking them a decade ago. Due to increased visitation during the Winterfest months, some additional theaters now stay open in January

and February. Along with the increased number of visitors during January, more open theaters contributed to the 20 percent growth during that month.

Theater Revenue by Month



Theater Revenue 2006

Month	Gross Business	% of Change
Jan.	\$896,258	20
Feb.	\$1,563,293	4
Mar.	\$3,136,773	-1
Apr.	\$4,238,605	26
May	\$4,326,729	13
June	\$6,316,553	4
July	\$7,893,919	3
Aug.	\$5,208,122	2
Sept.	\$4,505,801	18
Oct.	\$6,757,494	10
Nov.	\$6,135,731	6
Dec.	\$5,821,913	6
Total	\$56,801,191	8



2005

Month	Gross Business	% of Change
Jan.	\$745,879	-13
Feb.	\$1,501,328	23
Mar.	\$3,153,459	30
Apr.	\$3,365,081	-11
May	\$3,843,797	1
June	\$6,057,040	8
July	\$7,664,590	11
Aug.	\$5,107,028	8
Sept.	\$3,821,458	-7
Oct.	\$5,838,916	-6
Nov.	\$5,805,650	13
Dec.	\$5,476,532	13
Total	\$52,380,758	6

Theater
Revenue
2005

2004

Month	Gross Business	% of Change
Jan.	\$854,041	26
Feb.	\$1,222,136	8
Mar.	\$2,425,534	4
Apr.	\$3,780,328	7
May	\$3,806,387	1
June	\$5,611,398	4
July	\$6,892,296	-1
Aug.	\$4,707,839	-7
Sept.	\$4,104,307	10
Oct.	\$6,181,246	5
Nov.	\$5,146,647	2
Dec.	\$4,836,092	9
Total	\$49,568,251	3

Theater
Revenue
2004

Prior Years

Year	Gross Business	% of Change
1996	\$22,249,841	N/A
1997	\$28,448,487	28
1998	\$32,922,581	16
1999	\$33,975,605	3
2000	\$33,837,352	0
2001	\$35,504,439	5
2002	\$44,265,731	25
2003	\$47,903,116	8

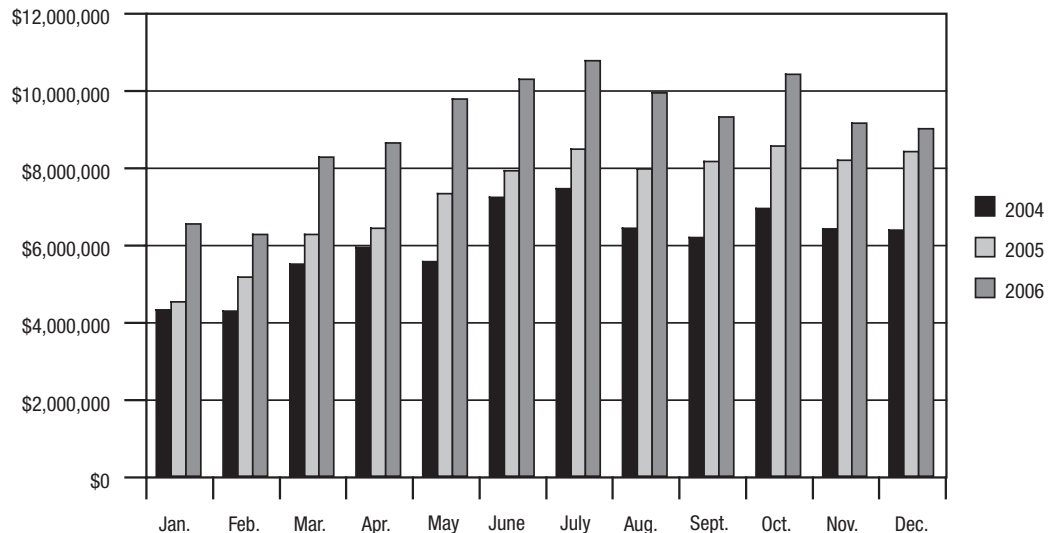
Theater
Revenue
Prior Years

RETAIL/SERVICES REVENUE 2006

This sector has experienced double-digit growth for the past five years, including a 24 percent jump in 2006. New additions, including Walgreen's and CVS pharmacies, over the past few years have been a contributing factor in this growth.

As Walden's Landing expands into Phase 2, additional shops will open, helping to grow this category. Large developments on the horizon, including Belle Island Village, Pigeon Falls Village and Main Street Marketplace, will offer visitors more retail options than ever.

**Retail/Services
Revenue
by Month**



**Retail/Services
Revenue
2006**

Month	Gross Business	% of Change
Jan.	\$6,523,245	44
Feb.	\$6,261,563	21
Mar.	\$8,260,711	32
Apr.	\$8,629,376	34
May	\$9,764,816	33
June	\$10,268,764	30
July	\$10,752,346	27
Aug.	\$9,924,341	25
Sept.	\$9,288,753	14
Oct.	\$10,395,953	22
Nov.	\$9,139,380	12
Dec.	\$8,987,065	7
Total	\$108,196,313	24

WELCOME *to my Pigeon Forge!*



2005

Month	Gross Business	% of Change
Jan.	\$4,514,422	5
Feb.	\$5,159,353	21
Mar.	\$6,251,643	14
Apr.	\$6,420,964	9
May	\$7,318,347	32
June	\$7,910,476	10
July	\$8,465,489	14
Aug.	\$7,952,175	24
Sept.	\$8,136,489	32
Oct.	\$8,544,832	23
Nov.	\$8,176,358	28
Dec.	\$8,407,751	32
Total	\$87,258,299	20

**Retail/Services
Revenue
2005**

2004

Month	Gross Business	% of Change
Jan.	\$4,310,111	39
Feb.	\$4,269,793	17
Mar.	\$5,493,233	19
Apr.	\$5,913,823	4
May	\$5,550,922	4
June	\$7,209,519	18
July	\$7,446,932	10
Aug.	\$6,409,067	13
Sept.	\$6,170,980	-3
Oct.	\$6,924,679	7
Nov.	\$6,407,075	17
Dec.	\$6,373,924	28
Total	\$72,480,058	13

**Retail/Services
Revenue
2004**

Prior Years

Year	Gross Business	% of Change
1994	\$21,835,337	N/A
1995	\$27,928,592	28
1996	\$27,550,608	-1
1997	\$25,380,636	-8
1998	\$33,010,890	30
1999	\$43,426,952	32
2000	\$44,969,871	4
2001	\$48,028,666	7
2002	\$55,569,729	16
2003	\$64,203,851	16

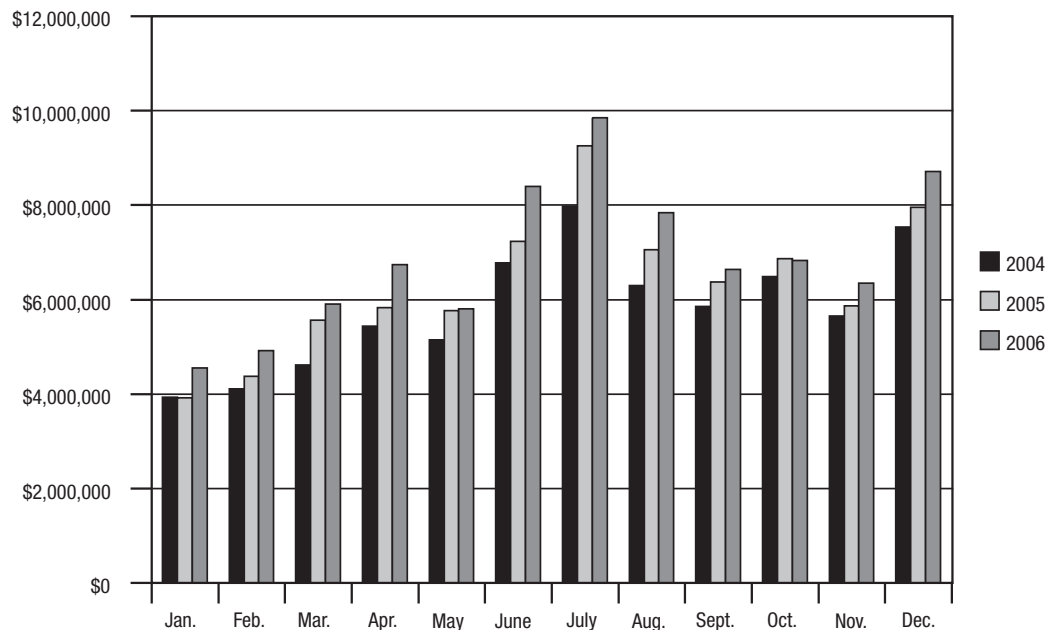
**Retail/Services
Revenue
Prior Years**

GAS/GROCERY REVENUE 2006

In the past few years, gasoline prices have fluctuated significantly. This has led to more visitors spending money on gasoline and contributing to the increase in this sector. However, if gas prices continue to rise, overall

visitation may be affected as will the amount of money visitors have available to spend in other sectors. Many of our visitors come to Pigeon Forge with a tight budget.

**Gas/Grocery
Revenue
by Month**



**Gas/Grocery
Revenue
2006**

2006

Month	Gross Business	% of Change
Jan.	\$4,550,933	16
Feb.	\$4,921,285	12
Mar.	\$5,904,018	6
Apr.	\$6,742,440	16
May	\$5,805,721	1
June	\$8,393,821	16
July	\$9,855,097	6
Aug.	\$7,839,030	11
Sept.	\$6,638,148	4
Oct.	\$6,822,185	-1
Nov.	\$6,349,944	8
Dec.	\$8,713,700	10
Total	\$82,536,322	8



2005

Month	Gross Business	% of Change
Jan.	\$3,924,607	-1
Feb.	\$4,377,698	6
Mar.	\$5,558,340	21
Apr.	\$5,830,111	7
May	\$5,766,832	12
June	\$7,235,455	7
July	\$9,262,299	16
Aug.	\$7,061,931	12
Sept.	\$6,376,063	9
Oct.	\$6,865,874	6
Nov.	\$5,871,549	4
Dec.	\$7,951,341	5
Total	\$76,082,100	9

**Gas/Grocery
Revenue
2005**

2004

Month	Gross Business	% of Change
Jan.	\$3,928,692	23
Feb.	\$4,111,075	22
Mar.	\$4,611,573	20
Apr.	\$5,440,732	17
May	\$5,151,515	13
June	\$6,781,848	15
July	\$7,976,778	14
Aug.	\$6,299,768	6
Sept.	\$5,857,821	6
Oct.	\$6,484,229	10
Nov.	\$5,649,721	11
Dec.	\$7,541,638	11
Total	\$69,835,390	13

**Gas/Grocery
Revenue
2004**

Prior Years

Year	Gross Business	% of Change
1995	\$34,213,741	N/A
1996	\$40,055,951	17
1997	\$41,533,340	4
1998	\$47,858,700	15
1999	\$54,594,236	14
2000	\$62,040,964	14
2001	\$65,007,834	5
2002	\$60,670,662	-7
2003	\$61,764,206	2

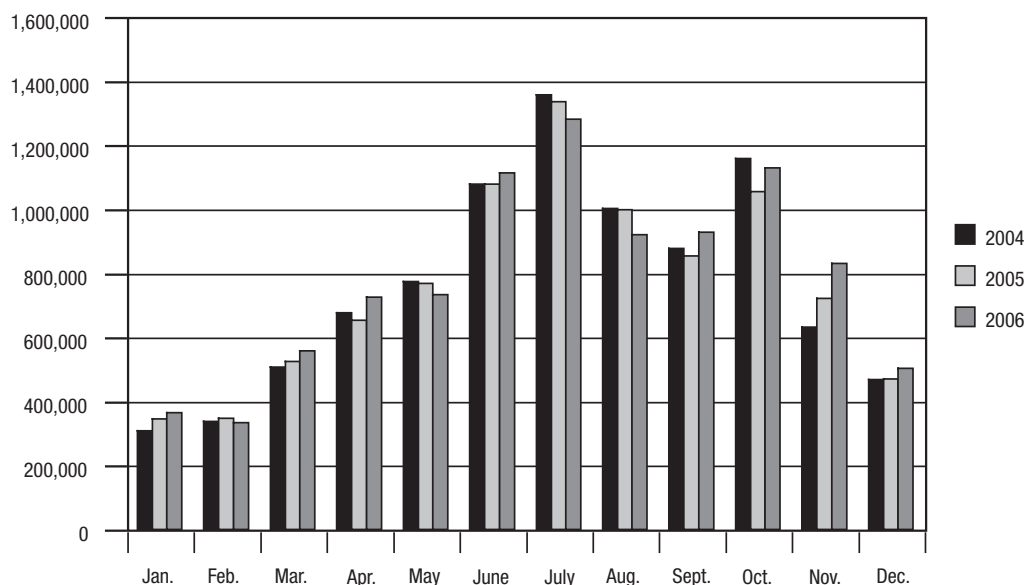
**Gas/Grocery
Revenue
Prior Years**

GREAT SMOKY MOUNTAINS NATIONAL PARK 2006

Great Smoky Mountains National Park is the nation's most visited national park with more than twice the visitation of Grand Canyon National Park, which ranks second. Annual visitation to Great Smoky Mountains National Park has been in the nine

to ten million range for more than a decade. A mild weather pattern in 2006 may have led to the 2 percent increase in visitation. The Park experienced a significant jump in visitors during the last quarter of 2006, especially in the month of November.

Great Smoky Mountains National Park Visitation by Month



Great Smoky Mountains National Park Visitation by Month

Month	Visitor Count	% of Change
Jan.	363,998	6%
Feb.	332,912	-4%
Mar.	557,555	6%
Apr.	725,298	11%
May	732,978	-4%
June	1,113,186	3%
July	1,280,865	-4%
Aug.	920,331	-8%
Sept.	928,487	9%
Oct.	1,128,927	7%
Nov.	830,109	15%
Dec.	502,089	7%
Total	9,416,734	2%



2005

Month	Visitor Count	% of Change
Jan.	345,009	12%
Feb.	347,144	3%
Mar.	524,650	4%
Apr.	652,265	-3%
May	767,056	-1%
June	1,076,888	0%
July	1,333,994	-2%
Aug.	997,352	0%
Sept.	854,342	-3%
Oct.	1,054,311	-9%
Nov.	721,684	14%
Dec.	470,540	1%
Total	9,192,477	0%

**Great Smoky
Mountains
National Park
Visitation
2005**

2004

Month	Visitor Count	% of Change
Jan.	307,017	1
Feb.	336,212	1
Mar.	506,804	-5
Apr.	675,350	-4
May	774,049	-1
June	1,076,888	-7
July	1,355,683	2
Aug.	1,002,046	-11
Sept.	876,758	8
Oct.	1,158,267	-7
Nov.	630,539	-5
Dec.	467,433	11
Total	9,167,046	-2

**Great Smoky
Mountains
National Park
Visitation
2004**

Prior Years

Year	Visitor Count	% of Change
1990	8,151,769	N/A
1991	8,654,459	6
1992	8,931,690	3
1993	9,282,848	4
1994	8,628,174	-7
1995	9,080,422	5
1996	9,265,670	2
1997	10,010,074	8
1998	9,989,396	0
1999	10,283,600	3
2000	10,175,816	-1
2001	9,197,679	-10
2002	9,316,416	1
2003	9,366,845	1

**Great Smoky
Mountains
National Park
Visitation
Prior Years**

LODGING UNIT COUNTS/BUILDING PERMITS 2006

Lodging Unit Counts 2006

Lodging	2006 Total # Units	2005 Total # Units
Motels/Hotels	8,501	8,520
Bed & Breakfast Inns	13	13
Cottages/Condos/Chalets (Inside City Limits)	1,669	1,343
Timeshares	561	561
Campground Sites	1,940	1,864
Total Lodging	12,684	12,301

Building Permits

A total of 223 building permits were issued in 2006, with a self-reported construction value of \$83.9 million.

While total permits issued were down slightly, self-reported value was up 38 percent over 2005 figures.

Commercial Building Permits

Residential Building Permits

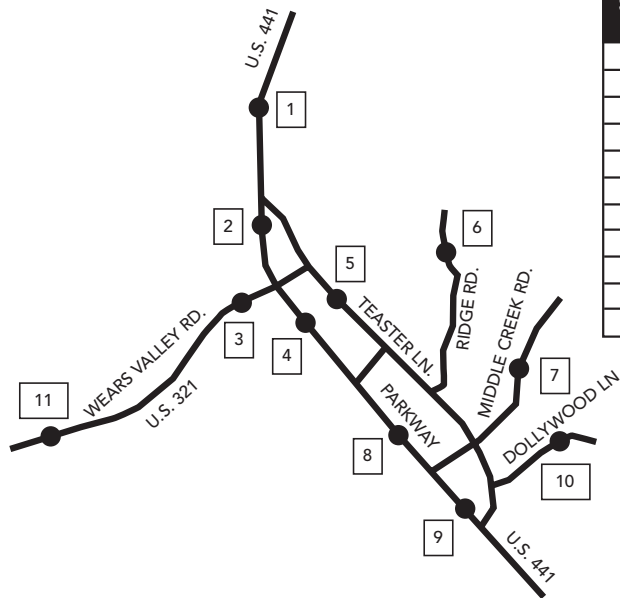
Commercial

Year	Permits Issued	Building Cost
2006	173	\$72,178,644
2005	176	\$64,443,478
2004	215	\$46,413,956
2003	139	\$29,943,389
2002	144	\$20,820,974
2001	143	\$20,687,656
2000	120	\$40,195,561
1999	119	\$39,015,937
1998	99	\$22,273,170
1997	127	\$28,889,166
1996	118	\$22,090,088
1995	80	\$27,416,639
1994	92	\$27,893,148
1993	86	\$18,398,484
1992	67	\$11,203,755
1991	81	\$13,752,970
1990	71	\$20,940,053
1989	94	\$16,108,338
1988	75	\$13,582,587
1987	101	\$25,671,973

Residential

Year	Permits Issued	Building Cost
2006	50	\$11,705,992
2005	61	\$6,255,588
2004	77	\$5,462,427
2003	43	\$3,911,000
2002	70	\$5,108,100
2001	43	\$3,422,551
2000	38	\$3,813,650
1999	53	\$5,473,068
1998	44	\$1,636,650
1997	34	\$1,867,144
1996	47	\$2,580,500
1995	63	\$6,752,490
1994	38	\$852,400
1993	30	\$4,316,529
1992	37	\$869,650
1991	22	\$453,950
1990	30	\$1,166,771
1989	33	\$721,934
1988	43	\$1,118,363
1987	52	\$2,317,433

TRAFFIC COUNT DATA



Station No.	ADT (vpd)	Seasonal High	Seasonal Low
1	58,420	90,700	29,250
2	59,800	92,920	29,880
3	24,250	33,100	9,100
4	49,710	74,630	22,050
5	13,590	21,200	5,870
6	8,860	10,500	2,280
7	17,020	27,450	6,030
8	54,900	87,100	25,660
9	48,750	77,570	22,900
10	16,050	27,600	7,970
11	17,200	29,040	7,500

Source:
 Tennessee Department
 of Transportation &
 Wilbur Smith Associates
 (2005)

SEVIER COUNTY UNEMPLOYMENT RATES 2006

While unemployment rates have always been low during summer and fall in Sevier County, winter months used to mean closed businesses and high unemployment rates.

However, since the inception of Winterfest, the months of January

and February have continued to see lower unemployment rates each year. As visitation continues to increase throughout the year, we anticipate more businesses staying open year round, leading to more people being employed year round.

Month	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996
JAN.	9.3%	10.8%	11.0%	10.4%	11.1%	9.6%	9.6%	15.5%	15.5%	18.1%	16.7%
FEB.	9.0%	10.7%	9.7%	9.6%	10.1%	9.1%	9.7%	13.9%	14.2%	17.2%	17.4%
MAR.	7.4%	9.0%	8.9%	8.1%	8.6%	8.0%	7.7%	12.6%	13.4%	15.0%	14.7%
APR.	5.3%	5.6%	5.5%	5.4%	5.3%	5.2%	4.4%	6.8%	7.8%	8.6%	8.3%
MAY	4.6%	4.9%	4.7%	4.5%	4.4%	3.8%	3.6%	4.0%	4.6%	5.7%	5.8%
JUNE	4.9%	4.9%	4.9%	4.9%	4.5%	4.2%	3.7%	3.5%	3.8%	5.1%	4.3%
JULY	4.6%	4.3%	4.7%	4.1%	4.1%	3.9%	3.4%	2.8%	2.9%	3.6%	3.8%
AUG.	4.6%	4.3%	4.8%	4.3%	4.1%	4.2%	3.4%	3.0%	3.0%	3.5%	3.0%
SEPT.	3.5%	4.1%	4.6%	4.3%	3.9%	3.8%	3.1%	2.8%	3.0%	3.5%	3.6%
OCT.	3.4%	4.3%	4.6%	4.3%	4.0%	4.1%	3.4%	3.5%	3.6%	3.7%	4.2%
NOV.	4.1%	4.9%	5.2%	5.0%	4.8%	4.9%	4.4%	5.0%	4.9%	6.1%	7.0%
DEC.	4.2%	5.1%	5.8%	5.3%	5.2%	5.3%	4.9%	5.6%	5.5%	7.0%	8.0%
AVG.	5.4%	6.0%	6.2%	5.8%	5.7%	5.5%	5.0%	6.4%	6.7%	8.3%	8.0%



Pigeon Forge Department of Tourism

2450 Parkway, P.O. Box 1390
Pigeon Forge, TN 37868-1390
865-453-8574
1-800-251-9100

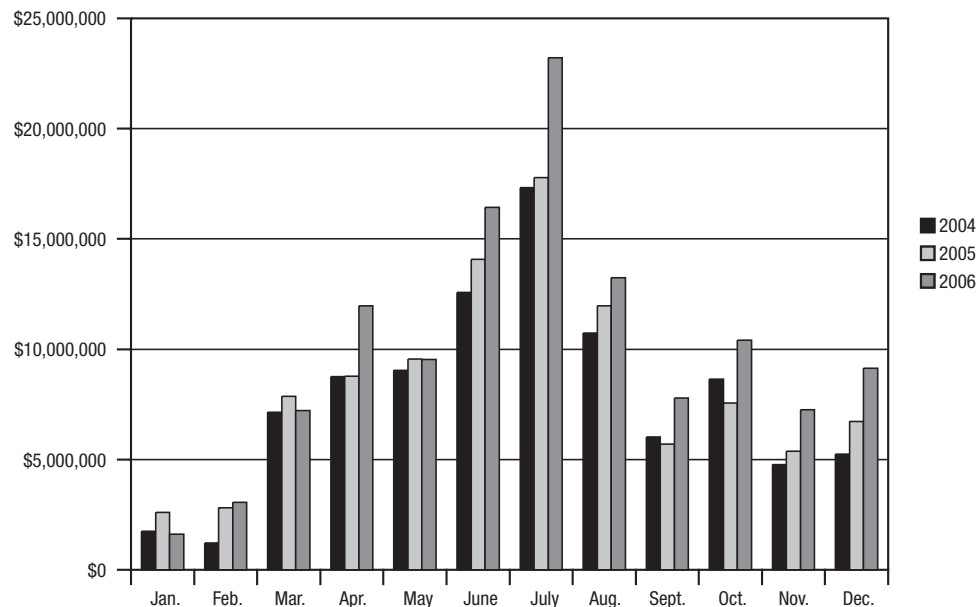
www.mypigeonforge.com

AMUSEMENT REVENUE 2006

In addition to sales and gross receipts taxes, ticketed amusement also generated an additional 2% in tax revenues for the city. Along with the current attractions already

available, two new additions, WonderWorks and Helicopter Whirl'd Adventures, contributed to the 20 percent growth in 2006.

**Amusement
Revenue
by Month**



**Amusement
Revenue
2006**

Month	Tax Collected @ 2%	Gross Business	% of Change
Jan.	\$32,328	\$1,611,962	-38
Feb.	\$61,165	\$3,058,503	9
Mar.	\$143,756	\$7,214,921	-8
Apr.	\$229,255	\$11,975,303	36
May	\$179,164	\$9,544,507	0
June	\$314,448	\$16,434,665	17
July	\$431,161	\$23,221,455	31
Aug.	\$243,937	\$13,243,822	11
Sept.	\$141,841	\$7,794,918	37
Oct.	\$188,442	\$10,407,873	38
Nov.	\$129,115	\$7,254,765	35
Dec.	\$162,610	\$9,137,591	36
Total	\$2,257,222	\$120,900,285	20



2005

Month	Tax Collected @ 2%	Gross Business	% of Change
Jan.	\$42,064	\$2,593,667	48
Feb.	\$55,872	\$2,816,475	131
Mar.	\$155,313	\$7,871,744	10
Apr.	\$164,987	\$8,777,665	0
May	\$178,054	\$9,557,983	6
June	\$273,833	\$14,073,166	12
July	\$351,208	\$17,784,876	3
Aug.	\$238,804	\$11,970,952	12
Sept.	\$111,584	\$5,694,772	-5
Oct.	\$145,302	\$7,564,771	-12
Nov.	\$99,888	\$5,371,106	13
Dec.	\$123,428	\$6,722,412	28
Total	\$1,940,337	\$100,799,589	8

**Amusement
Revenue
2005**

2004

Month	Tax Collected @ 2%	Gross Business	% of Change
Jan.	\$34,186	\$1,748,114	29
Feb.	\$23,265	\$1,218,127	7
Mar.	\$141,598	\$7,144,239	11
Apr.	\$166,866	\$8,756,421	13
May	\$167,394	\$9,050,993	16
June	\$245,305	\$12,582,529	1
July	\$338,995	\$17,319,604	17
Aug.	\$210,474	\$10,729,807	-10
Sept.	\$117,541	\$6,024,131	6
Oct.	\$168,781	\$8,639,368	30
Nov.	\$91,899	\$4,765,914	0
Dec.	\$100,921	\$5,240,636	24
Total	\$1,807,225	\$93,219,883	10

**Amusement
Revenue
2004**

Prior Years

Year	Tax Collected @ 1%	Gross Business	% of Change
1980	\$133,340	\$6,667,018	
1981	\$152,866	\$7,643,302	15
1982	\$161,080	\$8,054,023	5
1983	\$187,566	\$9,378,321	16
1984	\$212,578	\$10,628,916	13
1985	\$251,540	\$12,577,510	18
1986*	\$410,828	\$20,541,400	63
1987	\$435,479	\$21,773,950	6
1988	\$527,822	\$26,391,100	21
1989	\$583,526	\$29,273,589	11
1990	\$635,060	\$32,171,557	9
1991	\$744,243	\$37,220,969	16
1992	\$835,286	\$41,951,633	13
1993	\$943,672	\$47,474,025	13
1994	\$1,057,823	\$53,135,733	12
1995	\$1,203,457	\$60,515,002	14
1996	\$1,255,662	\$63,197,580	4
1997	\$1,362,704	\$68,488,717	8
1998	\$1,447,315	\$72,935,163	6
1999	\$1,488,251	\$74,699,135	2
2000	\$1,483,269	\$75,393,417	2
2001	\$1,591,239	\$80,843,173	7
2002	\$1,668,746	\$85,366,733	6
2003	\$1,649,130	\$85,001,731	0

**Amusement
Revenue
Prior Years**

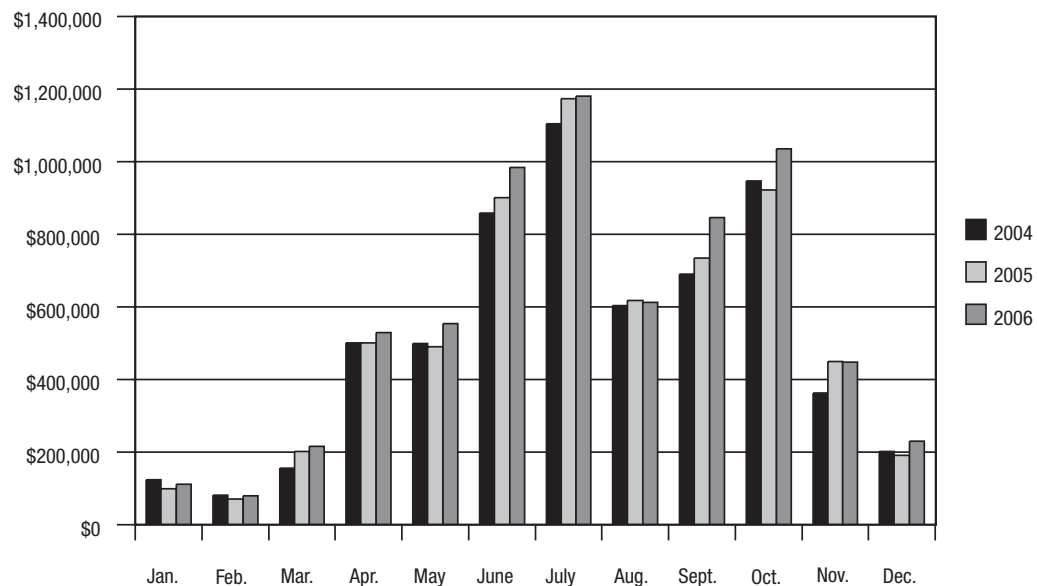
*Year of Dollywood
Opening

CAMPGROUND REVENUE 2006

A mild weather pattern in 2006 helped campgrounds to increase receipts by 7 percent. December was a particularly warm month in 2006

and many visitors took advantage of this, leading to a 20 percent increase in revenues for that month alone.

Campground Revenue by Month



Campground Revenue 2006

Month	Gross Business	% of Change
Jan.	\$110,884	12
Feb.	\$79,083	10
Mar.	\$216,667	7
Apr.	\$528,511	6
May	\$553,705	13
June	\$984,897	9
July	\$1,179,658	0
Aug.	\$612,177	-1
Sept.	\$845,926	15
Oct.	\$1,035,061	12
Nov.	\$448,503	0
Dec.	\$229,946	20
Total	\$6,825,018	7



2005

Month	Gross Business	% of Change
Jan.	\$98,949	-20
Feb.	\$71,654	-11
Mar.	\$201,861	30
Apr.	\$500,492	0
May	\$491,123	-2
June	\$901,601	5
July	\$1,174,057	6
Aug.	\$618,561	2
Sept.	\$734,094	6
Oct.	\$922,473	-3
Nov.	\$449,754	24
Dec.	\$191,488	-5
Total	\$6,356,107	4

**Campground
Revenue
2005**

2004

Month	Gross Business	% of Change
Jan.	\$123,819	35
Feb.	\$80,714	112
Mar.	\$155,569	24
Apr.	\$500,448	9
May	\$499,028	-5
June	\$858,208	-3
July	\$1,103,604	12
Aug.	\$604,022	-17
Sept.	\$690,234	4
Oct.	\$946,544	0
Nov.	\$363,543	-1
Dec.	\$201,548	14
Total	\$6,127,281	2

**Campground
Revenue
2004**

Prior Years

Year	Gross Business	% of Change
1990	\$2,846,832	26
1991	\$2,892,057	2
1992	\$3,098,560	7
1993	\$3,471,623	12
1994	\$3,835,429	10
1995	\$4,157,979	9
1996	\$4,105,086	-1
1997	\$4,496,780	10
1998	\$4,816,103	7
1999	\$5,276,466	10
2000	\$4,963,671	-6
2001	\$5,332,181	7
2002	\$5,817,978	9
2003	\$5,981,350	3

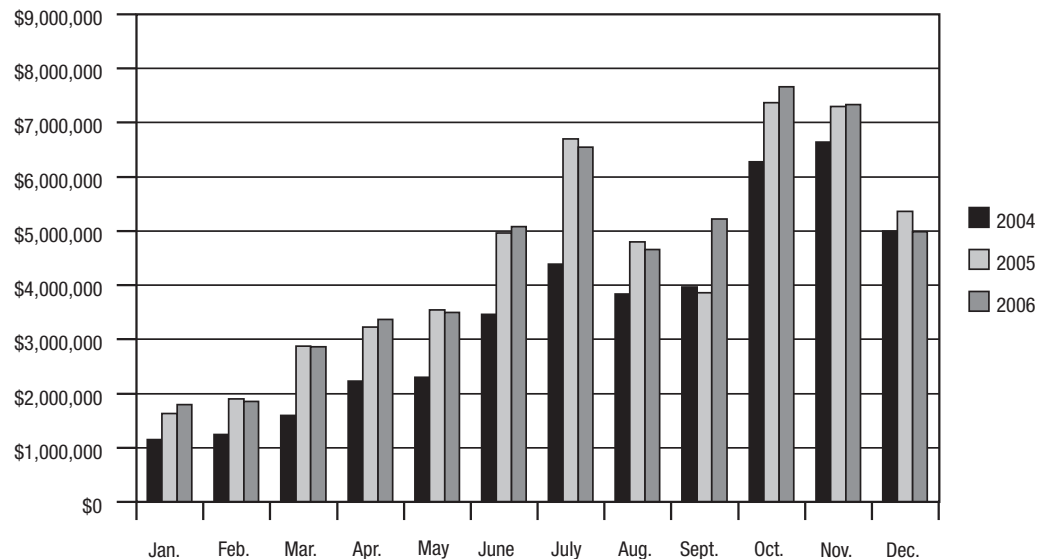
**Campground
Revenue
Prior Years**

CRAFT/GIFT/SPECIALTY REVENUE 2006

With the opening of Boyds Bear Country in 2004, this sector experienced significant growth. However, in August 2006, Boyds Bear Country announced it would be closing its doors. In an effort to liquidate, the store heavily reduced

prices in the final months of operation. While this may have spiked sales in September, the remaining months went from little growth in October to negative growth in December. The closing will likely have a negative impact on this sector next year.

**Craft/Gift/
Specialty
Revenue
by Month**



**Craft/Gift/
Specialty
Revenue
2006**

Month	Gross Business	% of Change
Jan.	\$1,799,602	10
Feb.	\$1,856,813	-2
Mar.	\$2,864,746	-1
Apr.	\$3,364,839	4
May	\$3,494,827	-1
June	\$5,085,362	2
July	\$6,544,363	-2
Aug.	\$4,661,603	-3
Sept.	\$5,220,447	35
Oct.	\$7,666,087	4
Nov.	\$7,336,521	0
Dec.	\$4,985,797	-7
Total	\$54,881,007	3



2005

Month	Gross Business	% of Change
Jan.	\$1,636,866	42
Feb.	\$1,897,036	52
Mar.	\$2,875,627	80
Apr.	\$3,223,837	45
May	\$3,542,523	54
June	\$4,964,472	43
July	\$6,703,121	53
Aug.	\$4,795,815	25
Sept.	\$3,857,185	-3
Oct.	\$7,367,156	17
Nov.	\$7,301,453	10
Dec.	\$5,363,845	7
Total	\$53,528,936	27

**Craft/Gift/
Specialty
Revenue
2005**

2004

Month	Gross Business	% of Change
Jan.	\$1,155,770	23
Feb.	\$1,246,434	20
Mar.	\$1,599,913	1
Apr.	\$2,227,446	4
May	\$2,303,081	-4
June	\$3,462,455	1
July	\$4,386,524	2
Aug.	\$3,831,173	1
Sept.	\$3,969,913	11
Oct.	\$6,280,231	10
Nov.	\$6,637,069	35
Dec.	\$4,998,378	29
Total	\$42,098,387	11

**Craft/Gift/
Specialty
Revenue
2004**

Prior Years

Year	Gross Business	% of Change
1990	\$21,939,894	34
1991	\$25,832,707	18
1992	\$30,871,605	20
1993	\$32,988,929	7
1994	\$36,627,014	11
1995	\$39,385,054	8
1996	\$37,567,035	-5
1997	\$40,735,443	8
1998	\$41,780,560	3
1999	\$37,794,566	-10
2000	\$39,031,968	3
2001	\$39,034,991	0
2002	\$39,531,111	1
2003	\$37,789,743	-4

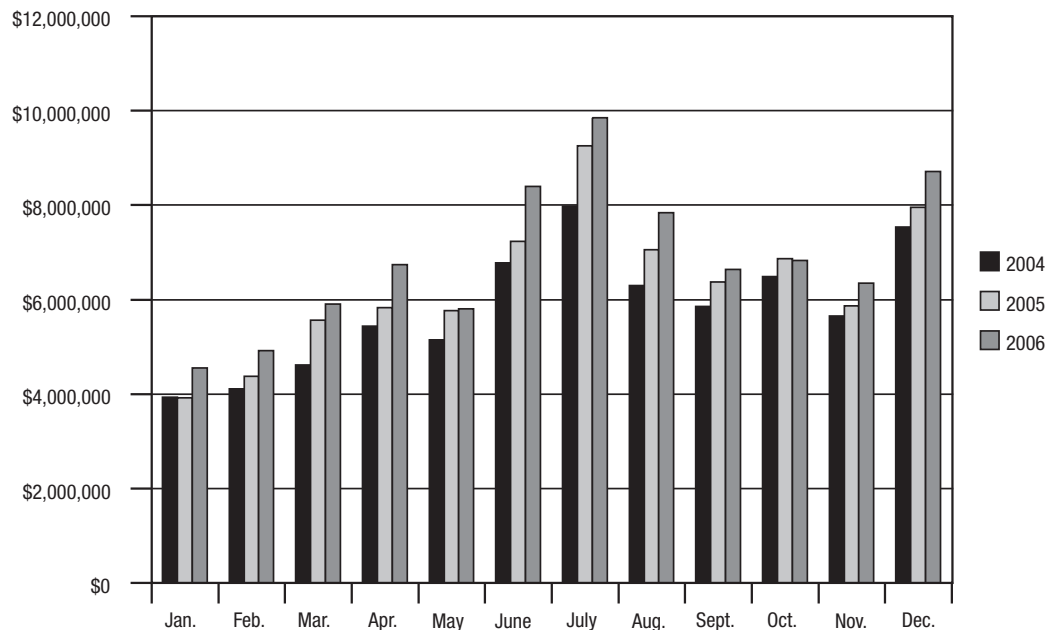
**Craft/Gift/
Specialty
Revenue
Prior Years**

GAS/GROCERY REVENUE 2006

In the past few years, gasoline prices have fluctuated significantly. This has led to more visitors spending money on gasoline and contributing to the increase in this sector. However, if gas prices continue to rise, overall

visitation may be affected as will the amount of money visitors have available to spend in other sectors. Many of our visitors come to Pigeon Forge with a tight budget.

**Gas/Grocery
Revenue
by Month**



**Gas/Grocery
Revenue
2006**

2006

Month	Gross Business	% of Change
Jan.	\$4,550,933	16
Feb.	\$4,921,285	12
Mar.	\$5,904,018	6
Apr.	\$6,742,440	16
May	\$5,805,721	1
June	\$8,393,821	16
July	\$9,855,097	6
Aug.	\$7,839,030	11
Sept.	\$6,638,148	4
Oct.	\$6,822,185	-1
Nov.	\$6,349,944	8
Dec.	\$8,713,700	10
Total	\$82,536,322	8



2005

Month	Gross Business	% of Change
Jan.	\$3,924,607	-1
Feb.	\$4,377,698	6
Mar.	\$5,558,340	21
Apr.	\$5,830,111	7
May	\$5,766,832	12
June	\$7,235,455	7
July	\$9,262,299	16
Aug.	\$7,061,931	12
Sept.	\$6,376,063	9
Oct.	\$6,865,874	6
Nov.	\$5,871,549	4
Dec.	\$7,951,341	5
Total	\$76,082,100	9

**Gas/Grocery
Revenue
2005**

2004

Month	Gross Business	% of Change
Jan.	\$3,928,692	23
Feb.	\$4,111,075	22
Mar.	\$4,611,573	20
Apr.	\$5,440,732	17
May	\$5,151,515	13
June	\$6,781,848	15
July	\$7,976,778	14
Aug.	\$6,299,768	6
Sept.	\$5,857,821	6
Oct.	\$6,484,229	10
Nov.	\$5,649,721	11
Dec.	\$7,541,638	11
Total	\$69,835,390	13

**Gas/Grocery
Revenue
2004**

Prior Years

Year	Gross Business	% of Change
1995	\$34,213,741	N/A
1996	\$40,055,951	17
1997	\$41,533,340	4
1998	\$47,858,700	15
1999	\$54,594,236	14
2000	\$62,040,964	14
2001	\$65,007,834	5
2002	\$60,670,662	-7
2003	\$61,764,206	2

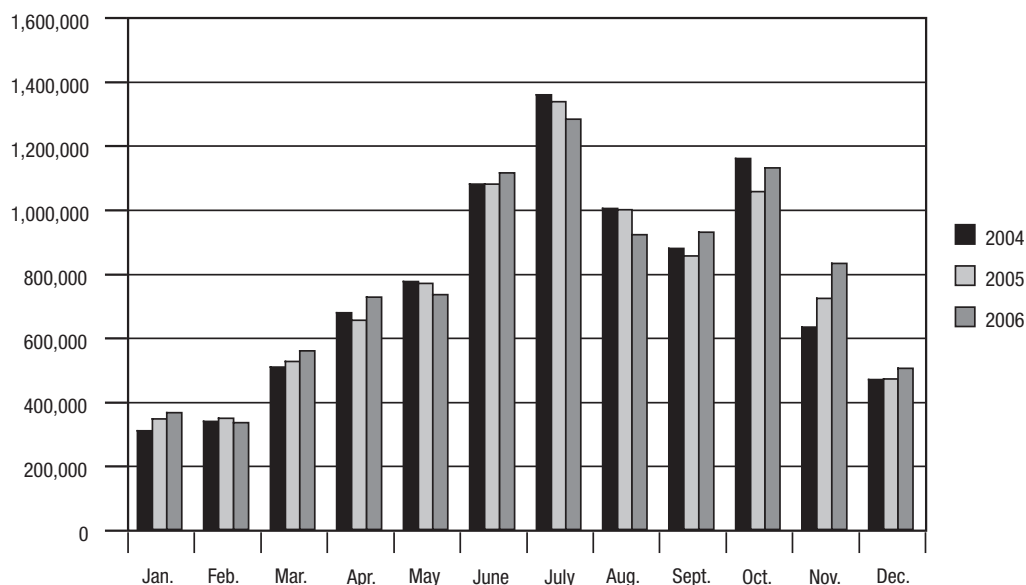
**Gas/Grocery
Revenue
Prior Years**

GREAT SMOKY MOUNTAINS NATIONAL PARK 2006

Great Smoky Mountains National Park is the nation's most visited national park with more than twice the visitation of Grand Canyon National Park, which ranks second. Annual visitation to Great Smoky Mountains National Park has been in the nine

to ten million range for more than a decade. A mild weather pattern in 2006 may have led to the 2 percent increase in visitation. The Park experienced a significant jump in visitors during the last quarter of 2006, especially in the month of November.

Great Smoky Mountains National Park Visitation by Month



Great Smoky Mountains National Park Visitation by Month

Month	Visitor Count	% of Change
Jan.	363,998	6%
Feb.	332,912	-4%
Mar.	557,555	6%
Apr.	725,298	11%
May	732,978	-4%
June	1,113,186	3%
July	1,280,865	-4%
Aug.	920,331	-8%
Sept.	928,487	9%
Oct.	1,128,927	7%
Nov.	830,109	15%
Dec.	502,089	7%
Total	9,416,734	2%



2005

Month	Visitor Count	% of Change
Jan.	345,009	12%
Feb.	347,144	3%
Mar.	524,650	4%
Apr.	652,265	-3%
May	767,056	-1%
June	1,076,888	0%
July	1,333,994	-2%
Aug.	997,352	0%
Sept.	854,342	-3%
Oct.	1,054,311	-9%
Nov.	721,684	14%
Dec.	470,540	1%
Total	9,192,477	0%

**Great Smoky
Mountains
National Park
Visitation
2005**

2004

Month	Visitor Count	% of Change
Jan.	307,017	1
Feb.	336,212	1
Mar.	506,804	-5
Apr.	675,350	-4
May	774,049	-1
June	1,076,888	-7
July	1,355,683	2
Aug.	1,002,046	-11
Sept.	876,758	8
Oct.	1,158,267	-7
Nov.	630,539	-5
Dec.	467,433	11
Total	9,167,046	-2

**Great Smoky
Mountains
National Park
Visitation
2004**

Prior Years

Year	Visitor Count	% of Change
1990	8,151,769	N/A
1991	8,654,459	6
1992	8,931,690	3
1993	9,282,848	4
1994	8,628,174	-7
1995	9,080,422	5
1996	9,265,670	2
1997	10,010,074	8
1998	9,989,396	0
1999	10,283,600	3
2000	10,175,816	-1
2001	9,197,679	-10
2002	9,316,416	1
2003	9,366,845	1

**Great Smoky
Mountains
National Park
Visitation
Prior Years**

GROSS RECEIPTS 2006

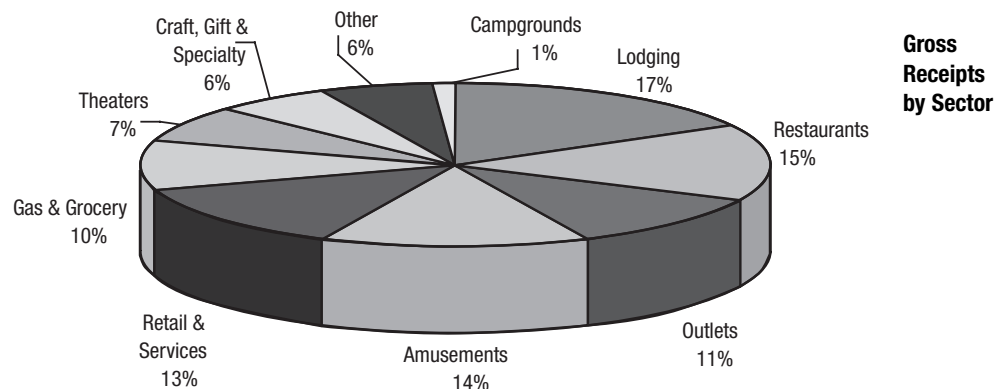
In 2006, the city experienced a 9 percent growth in gross business receipts generated. This follows a 9 percent increase in 2005. In 1984, the first year the city implemented an advertising campaign, gross receipts were approximately \$99.5 million. Since then, there has been a 750 percent increase in gross receipts during that 22-year period. As in previous years, summer 2006 was the most popular time for visitors to come to Pigeon Forge. July was the best month, generating nearly \$115 million in gross receipts. Most of the city's current marketing efforts focus on increasing visitation during the peak seasons of summer and winter.

In February 2007, the 17th Annual Winterfest came to a close. This "season" was designed to increase visitation during the previously slow months of November, December, January and February. Beginning in November of 2006 and ending in February of 2007, the 17th Annual

Winterfest gross receipts increased 5 percent from the previous Winterfest. In all, gross receipts increased to more than \$212 million during the Winterfest season.

Gross Receipts by Sector

With so much of the city's budget being directly supported by the tourism industry, the performance of all business sectors is closely monitored. If one sector trends downward for a period of time, the city assesses potential ways to reverse the trend. Pigeon Forge is not overly dependent on any single sector of business. While lodging, restaurants, outlets and amusements bring in the most revenue, other categories account for a significant portion of the city's gross receipts. While most sectors experienced gains when compared to 2005, the retail and service sector experienced the most growth. As in recent years, the outlet sector was the only one to show a decline.

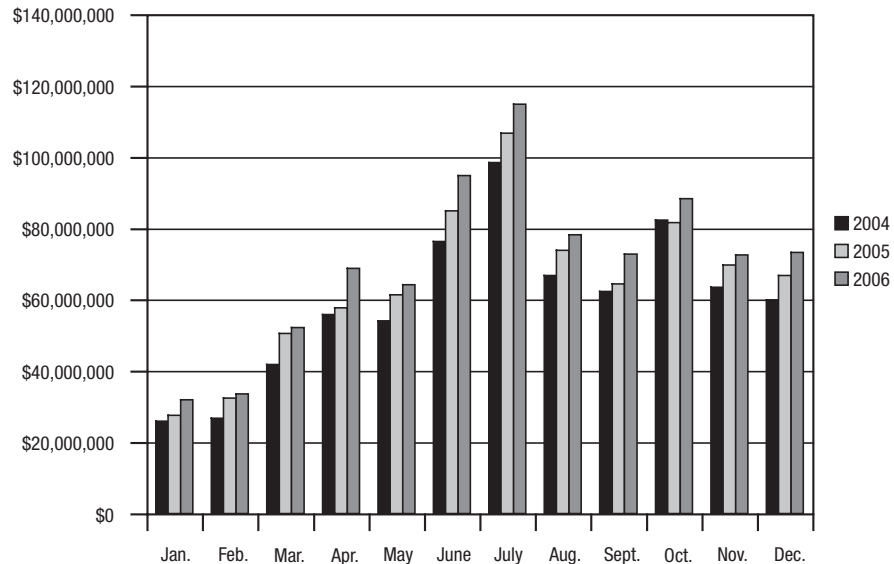


BUSINESS STATISTICS - 2006 REVIEW

Gross Receipts by Sector

Overall	Business Sector	Revenue for 2006	Revenue for 2005	% of Total Business in 2006	% of Change
	Lodging	\$143,881,289	\$135,041,319	17%	7%
	Restaurants	\$122,840,527	\$113,543,670	15%	8%
	Outlets	\$95,998,865	\$101,729,652	11%	-6%
	Amusements	\$120,900,285	\$100,799,589	14%	20%
	Retail & Services	\$108,196,313	\$87,258,299	13%	24%
	Gas & Grocery	\$82,536,322	\$76,082,100	10%	8%
	Theaters	\$56,801,191	\$52,380,758	7%	8%
	Craft, Gift & Specialty	\$54,881,007	\$53,528,936	6%	3%
	Other	\$52,114,654	\$50,862,790	6%	6%
	Campgrounds	\$6,825,018	\$6,353,107	1%	7%
	Total	\$844,975,471	\$777,583,220	100%	9%

Gross Receipts by Month



Gross Receipts 2006

2006	Month	Tax Collected @ 1%	Gross Business	% of Change
	Jan.	\$322,038	\$31,895,264	16
	Feb.	\$335,375	\$33,510,372	4
	Mar.	\$521,853	\$52,104,790	3
	Apr.	\$692,027	\$68,708,297	19
	May	\$643,656	\$64,129,152	4
	June	\$951,834	\$94,843,871	12
	July	\$1,144,879	\$114,751,591	8
	Aug.	\$793,112	\$78,139,771	6
	Sept.	\$730,884	\$72,818,583	12
	Oct.	\$882,242	\$88,310,398	8
	Nov.	\$726,954	\$72,530,568	4
	Dec.	\$733,314	\$73,232,814	10
	Total	\$8,478,168	\$844,975,471	9



2005

Month	Tax Collected @ 1%	Gross Business	% of Change
Jan.	\$276,744	\$27,574,709	6
Feb.	\$324,145	\$32,362,635	21
Mar.	\$506,333	\$50,564,353	21
Apr.	\$578,623	\$57,752,469	3
May	\$614,378	\$61,388,677	14
June	\$850,128	\$84,866,978	11
July	\$1,073,575	\$106,672,849	8
Aug.	\$739,498	\$73,799,839	11
Sept.	\$650,841	\$64,440,163	3
Oct.	\$818,122	\$81,624,236	-1
Nov.	\$697,995	\$69,719,787	10
Dec.	\$672,223	\$66,816,525	11
Total	\$7,802,605	\$777,583,220	9

Gross Receipts
2005

2004

Month	Tax Collected @ 1%	Gross Business	% of Change
Jan.	\$261,308	\$25,955,318	25
Feb.	\$268,439	\$26,749,858	15
Mar.	\$419,668	\$41,856,159	7
Apr.	\$561,732	\$55,803,594	9
May	\$542,320	\$54,058,656	1
June	\$763,895	\$76,313,066	2
July	\$985,308	\$98,421,969	8
Aug.	\$668,474	\$66,713,010	-7
Sept.	\$624,394	\$62,345,768	5
Oct.	\$825,360	\$82,283,271	10
Nov.	\$638,083	\$63,501,006	9
Dec.	\$599,651	\$59,946,100	17
Total	\$7,158,632	\$713,947,775	7

Gross Receipts
2004

Prior Years

Year	Tax Collected @ 1%	Gross Business	% of Change
1980	\$254,149	\$50,829,810	
1981	\$312,121	\$62,424,220	23
1982*	\$363,462	\$72,692,468	16
1983	\$387,350	\$77,469,922	7
1984**	\$497,136	\$99,427,156	28
1985	\$571,995	\$114,399,048	15
1986***	\$840,994	\$168,198,800	47
1987	\$2,022,531	\$202,253,111	20
1988	\$2,411,506	\$241,150,600	19
1989	\$2,856,524	\$290,269,620	18
1990	\$3,332,716	\$338,968,868	17
1991	\$3,760,096	\$379,591,349	12
1992	\$4,092,094	\$416,775,030	10
1993	\$4,364,778	\$444,476,600	7
1994	\$4,764,157	\$485,207,146	9
1995	\$5,192,999	\$529,302,594	9
1996	\$5,348,104	\$545,003,939	3
1997	\$5,676,925	\$577,160,607	6
1998	\$6,046,490	\$615,553,460	7
1999	\$6,223,120	\$632,445,587	3
2000	\$6,229,004	\$634,257,297	0
2001	\$6,454,476	\$655,548,446	3
2002	\$6,572,615	\$670,157,344	2
2003	\$6,670,503	\$669,854,551	0

Gross Receipts
Prior Years

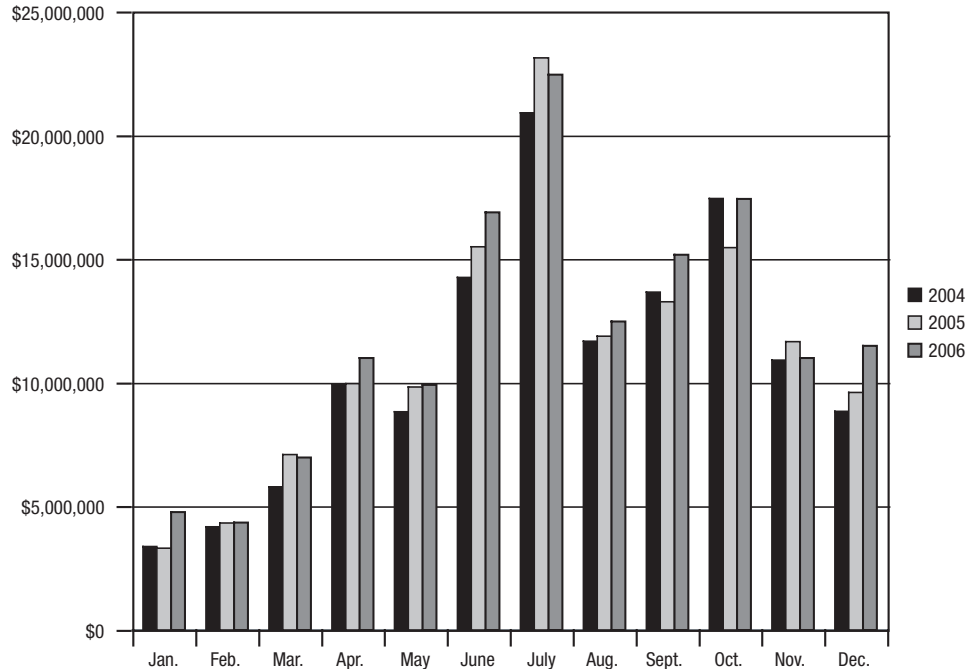
*Worlds' Fair in Knoxville
 **City Ad Campaign's
 Beginning Results
 ***Year of Dollywood
 Opening

LODGING REVENUE 2006

Once again in 2006, lodging is the largest contributor to gross business receipts in Pigeon Forge. 2 1/4 percent of all lodging receipts goes directly to the city. In 2006, lodging revenues increased 7 percent over 2005. The increase

correlates to increased visitation and a slight increase in average daily rate (71 cents). Average occupancy in Pigeon Forge was comparable to 2005 (65.1 percent). National occupancy rates in 2006 were 63.1 percent.

**Lodging
Revenue
by Month**



**Lodging
Revenue
2006**

Month	Tax Collected @ 2.25%	Gross Business	% of Change
Jan.	\$98,385	\$4,765,194	44
Feb.	\$88,026	\$4,343,183	0
Mar.	\$144,849	\$6,970,678	-2
Apr.	\$236,935	\$10,995,734	10
May	\$215,304	\$9,910,908	1
June	\$370,956	\$16,879,265	9
July	\$492,231	\$22,453,060	-3
Aug.	\$275,009	\$12,478,592	5
Sept.	\$331,744	\$15,168,346	14
Oct.	\$380,153	\$17,431,534	13
Nov.	\$236,385	\$10,996,947	-6
Dec.	\$237,105	\$11,487,848	20
Total	\$3,107,082	\$143,881,289	7



2005

Month	Tax Collected @ 2.25%	Gross Business	% of Change
Jan.	\$67,434	\$3,315,687	-2
Feb.	\$88,271	\$4,330,024	4
Mar.	\$146,642	\$7,094,951	23
Apr.	\$211,951	\$9,959,878	0
May	\$213,327	\$9,830,132	11
June	\$339,382	\$15,496,727	9
July	\$510,851	\$23,135,961	11
Aug.	\$260,402	\$11,876,536	2
Sept.	\$290,274	\$13,268,343	-3
Oct.	\$335,817	\$15,458,038	-11
Nov.	\$250,698	\$11,664,840	7
Dec.	\$199,827	\$9,610,202	9
Total	\$2,914,876	\$135,041,319	4

Lodging Revenue
2005

2004

Month	Tax Collected @ 2.25%	Gross Business	% of Change
Jan.	\$68,675	\$3,373,032	39
Feb.	\$87,068	\$4,180,228	29
Mar.	\$119,336	\$5,783,670	9
Apr.	\$216,900	\$9,946,001	13
May	\$194,322	\$8,824,059	-6
June	\$317,255	\$14,259,694	-5
July	\$462,663	\$20,912,301	7
Aug.	\$257,184	\$11,681,220	-17
Sept.	\$300,433	\$13,654,652	5
Oct.	\$381,951	\$17,442,648	3
Nov.	\$238,146	\$10,910,507	10
Dec.	\$183,114	\$8,843,090	13
Total	\$2,827,047	\$129,811,102	3

Lodging Revenue
2004

Prior Years

Year	Tax Collected @ 2.25%	Gross Business	% of Change
1980	\$148,995	\$7,448,735	
1981	\$189,106	\$9,455,295	27
1982	\$299,017	\$14,950,862	58
1983	\$271,857	\$13,592,861	-9
1984	\$355,586	\$17,779,316	31
1985	\$396,466	\$19,823,500	12
1986*	\$543,613	\$27,180,650	37
1987	\$712,100	\$32,315,558	19
1988	\$844,742	\$37,544,087	16
1989	\$930,326	\$42,853,590	14
1990	\$1,042,824	\$47,931,788	12
1991	\$1,186,197	\$54,360,646	13
1992	\$1,277,250	\$59,397,384	9
1993	\$1,431,788	\$65,692,290	11
1994	\$1,572,397	\$72,727,204	11
1995	\$1,795,225	\$83,486,467	15
1996	\$1,876,979	\$86,948,163	4
1997	\$1,970,902	\$91,552,044	5
1998	\$2,277,150	\$105,672,788	15
1999	\$2,385,688	\$110,505,592	5
2000	\$2,449,525	\$113,513,653	3
2001	\$2,587,831	\$120,123,317	6
2002	\$2,687,563	\$124,773,760	4
2003	\$2,744,415	\$125,443,146	1

Lodging Revenue
Prior Years

*Year of Dollywood Opening

LODGING UNIT COUNTS/BUILDING PERMITS 2006

Lodging Unit Counts 2006

Lodging	2006 Total # Units	2005 Total # Units
Motels/Hotels	8,501	8,520
Bed & Breakfast Inns	13	13
Cottages/Condos/Chalets (Inside City Limits)	1,669	1,343
Timeshares	561	561
Campground Sites	1,940	1,864
Total Lodging	12,684	12,301

Building Permits

A total of 223 building permits were issued in 2006, with a self-reported construction value of \$83.9 million.

While total permits issued were down slightly, self-reported value was up 38 percent over 2005 figures.

Commercial Building Permits

Residential Building Permits

Commercial

Year	Permits Issued	Building Cost
2006	173	\$72,178,644
2005	176	\$64,443,478
2004	215	\$46,413,956
2003	139	\$29,943,389
2002	144	\$20,820,974
2001	143	\$20,687,656
2000	120	\$40,195,561
1999	119	\$39,015,937
1998	99	\$22,273,170
1997	127	\$28,889,166
1996	118	\$22,090,088
1995	80	\$27,416,639
1994	92	\$27,893,148
1993	86	\$18,398,484
1992	67	\$11,203,755
1991	81	\$13,752,970
1990	71	\$20,940,053
1989	94	\$16,108,338
1988	75	\$13,582,587
1987	101	\$25,671,973

Residential

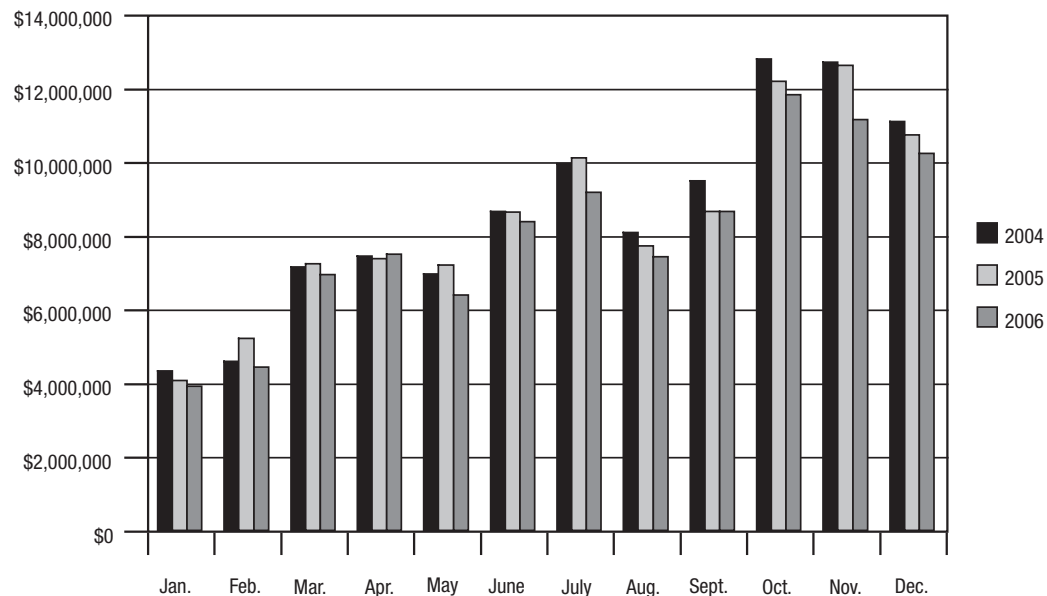
Year	Permits Issued	Building Cost
2006	50	\$11,705,992
2005	61	\$6,255,588
2004	77	\$5,462,427
2003	43	\$3,911,000
2002	70	\$5,108,100
2001	43	\$3,422,551
2000	38	\$3,813,650
1999	53	\$5,473,068
1998	44	\$1,636,650
1997	34	\$1,867,144
1996	47	\$2,580,500
1995	63	\$6,752,490
1994	38	\$852,400
1993	30	\$4,316,529
1992	37	\$869,650
1991	22	\$453,950
1990	30	\$1,166,771
1989	33	\$721,934
1988	43	\$1,118,363
1987	52	\$2,317,433

OUTLET REVENUE 2006

As in 2005, outlet shopping was the only sector that experienced a decline in revenues in 2006, dropping 6 percent from the previous year. Competition within Sevier County and in our visitors' home markets has

contributed to this decrease. While the outlet sector has declined in recent years, both the craft/gift/specialty sector and the retail/services sectors of the Pigeon Forge economy continue to experience strong growth.

**Outlet
Revenue
by Month**



**Outlet
Revenue
2006**

Month	Gross Business	% of Change
Jan.	\$3,918,567	-3
Feb.	\$4,435,803	-15
Mar.	\$6,931,234	-4
Apr.	\$7,486,387	1
May	\$6,386,253	-11
June	\$8,369,828	-3
July	\$9,175,514	-9
Aug.	\$7,431,756	-4
Sept.	\$8,660,296	0
Oct.	\$11,822,802	-3
Nov.	\$11,146,080	-12
Dec.	\$10,234,345	-5
Total	\$95,998,865	-6

WELCOME *to my Pigeon Forge!*



2005

Month	Gross Business	% of Change
Jan.	\$4,058,493	-6
Feb.	\$5,209,641	14
Mar.	\$7,237,186	1
Apr.	\$7,377,383	-1
May	\$7,205,304	4
June	\$8,633,814	0
July	\$10,099,327	2
Aug.	\$7,718,939	-4
Sept.	\$8,654,754	-9
Oct.	\$12,182,801	-5
Nov.	\$12,617,016	-1
Dec.	\$10,734,994	-3
Total	\$101,729,652	-1

**Outlet
Revenue
2005**

2004

Month	Gross Business	% of Change
Jan.	\$4,325,697	9
Feb.	\$4,578,457	-5
Mar.	\$7,143,618	-8
Apr.	\$7,447,449	-12
May	\$6,957,057	-13
June	\$8,651,476	-12
July	\$9,942,182	-10
Aug.	\$8,077,747	-11
Sept.	\$9,475,041	-6
Oct.	\$12,791,005	-3
Nov.	\$12,694,009	-2
Dec.	\$11,097,469	8
Total	\$103,181,207	-6

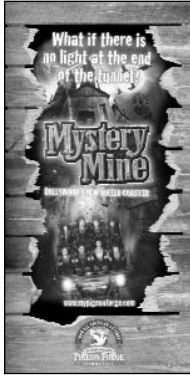
**Outlet
Revenue
2004**

Prior Years

Year	Gross Business	% of Change
1990	\$122,140,695	25
1991	\$139,234,376	14
1992	\$147,275,270	6
1993	\$147,224,207	0
1994	\$153,690,009	4
1995	\$156,712,084	2
1996	\$157,358,503	0
1997	\$165,020,325	5
1998	\$161,975,449	-2
1999	\$153,586,288	-5
2000	\$141,679,069	-8
2001	\$129,343,147	-9
2002	\$121,262,335	-6
2003	\$109,342,382	-10

**Outlet
Revenue
Prior Years**

TOURISM OVERVIEW



Pigeon Forge Business Receipts Near \$845 Million

Pigeon Forge has once again set a new record for gross receipts collected from tourism industry related businesses. In 2006, more than \$844 million was generated in Pigeon Forge. This is a nine percent increase compared to 2005. Overnight visitation to the city also increased in 2006. For the year, more than 3,000,000 people stayed overnight in Pigeon Forge. This is nearly a 5 percent increase compared to 2005.

Dollywood, drawing more than 2.4 million guests in 2006, continues to be both the city's and the state's largest single tourism attraction. Dollywood's Splash Country, another of the top 25 most visited attractions in Tennessee, had 410,000 visitors in 2006.

The increase in both revenues and visitation may in part be attributed to several new additions to the city. The Miracle Theater opened its doors in early 2006, replacing the Louise Mandrell Theater. Also in the year's second quarter, WonderWorks added a popular new attraction to Pigeon Forge. Another new Parkway attraction in 2006 was Helicopter Headquarters, recently renamed Helicopter Whirl'd Adventures. In late 2006, the Boyd's Bear Company Pigeon Forge store closed as the

company headquarters restructured its business model. This likely will impact the craft/gift/specialty sector in 2007.

2007: City Growth

As the city continues to grow, 2007 will bring several new additions to the city. The Inn at Christmas Place will add another lodging option by mid-2007. Off of the Parkway, Zorb will provide visitors with a new attraction based on a popular New Zealand activity. Mystery Beyond Belief will add a new show to Pigeon Forge, replacing the recently closed Old Smoky Hoedown. Coming to Walden's Landing Phase 2 this year will be Smoky Mountain Harley-Davidson, a full service Harley store. Several new restaurant additions will include Little Tokyo, Sonic Drive-in, Starbucks, Texas Roadhouse, McAlister's Gourmet Deli, Chili's and Country Legends Grill.

Dollywood, now celebrating its 22-year anniversary, will add the new Mystery Mine rollercoaster in 2007. And Dollywood's Splash Country guests will see The Cascades, including a leisure pool, four slides and other interactive elements. These additions, along with our existing product mix, will ensure that Pigeon Forge remains one of the top destinations in the Southeast.



Tourism in the United States

- Domestic and international travelers spent \$653.8 billion in the United States during 2005, an increase of 7.7 percent from 2004.
- The U.S. foodservice industry performed much better than most other travel-related sectors in 2005, with sales rising 6.8 percent to nearly \$400 billion.
- Domestic and international travel spending directly generated over 7.5 million jobs for the industry in 2005, an 0.8 percent increase from 2004.
- According to U.S. Census Bureau revised data, amusement and recreation services earned a record \$165.2 billion in total 2005 receipts, up 4.2 percent over 2004. Total employment increased 2.2 percent to nearly 1.9 million. In 2006, total sales were predicted to increase another 4.6 percent to \$172.9 billion and total employment is expected to increase 2.0 percent.

Source:
The Economic Review of Travel in America

Tourism in Tennessee

- In 2005, more than 48.9 million visitors traveled to Tennessee. This number was up almost 12 percent when compared to 2004 figures. This will move Tennessee to 11th in the nation in terms of domestic visitors.
- Of the total person trips (overnight and day trips) occurring in the United States in 2005, 2.5 percent of these trips were to the State of Tennessee.
- In 2005, \$12.4 billion dollars were generated by tourism in Tennessee, up more than 8.3 percent, or a billion dollar increase, from 2004 figures.
- Tourism in the state of Tennessee helped to generate 178,100 jobs in 2005, including both full- and seasonal/part-time jobs.
- The total household party size traveling to Tennessee was 2.0 persons in 2005. Average length of stay was 1.6 nights and average in-state expenditure per trip was \$405.

Source:
Tennessee Department of Tourist Development and TravelScope

POPULATION GROWTH

Area	1980 Population	1990 Population	2000 Population	Current Estimate
Pigeon Forge	1,822	3,027	5,083	5,784
Gatlinburg	3,500	3,417	3,382	4,426
Sevierville	5,444	7,178	11,757	14,788
Sevier County	41,418	51,043	71,170	79,282
Tennessee	4,591,120	4,877,185	5,689,283	6,038,803

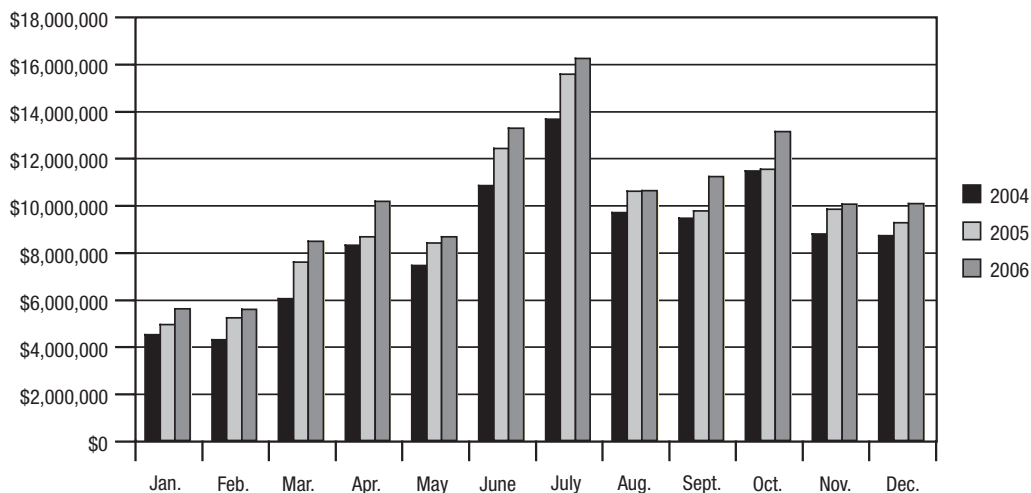
Source: U.S. Bureau of the Census

RESTAURANT REVENUE 2006

As the restaurant offerings have continued to increase in Pigeon Forge, revenues produced by this sector have continued to grow. Once again, 2006 was no exception with 8 percent growth. While several new restaurants were added in 2005, the only major addition in 2006 was No Way Jose's Mexican Restaurant.

As the number of visitors continues to increase, the dining options increase accordingly. New additions in 2007 will include Little Tokyo, Sonic Drive-in, Starbucks, Texas Roadhouse, McAlister's Gourmet Deli, Chili's and Country Legends Grill (replacing Alabama Grill).

**Restaurant
Revenue
by Month**



**Restaurant
Revenue
2006**

Month	Gross Business	% of Change
Jan.	\$5,592,262	14
Feb.	\$5,569,217	7
Mar.	\$8,443,675	12
Apr.	\$10,146,206	17
May	\$8,633,707	3
June	\$13,257,513	7
July	\$16,216,124	4
Aug.	\$10,602,783	0
Sept.	\$11,197,179	15
Oct.	\$13,105,816	14
Nov.	\$10,023,041	2
Dec.	\$10,053,004	9
Total	\$122,840,527	8

WELCOME *to my Pigeon Forge!*



2005

Month	Gross Business	% of Change
Jan.	\$4,915,565	10
Feb.	\$5,209,764	22
Mar.	\$7,567,176	26
Apr.	\$8,652,694	4
May	\$8,388,493	13
June	\$12,398,367	15
July	\$15,539,613	14
Aug.	\$10,570,432	9
Sept.	\$9,747,172	3
Oct.	\$11,512,680	1
Nov.	\$9,800,620	12
Dec.	\$9,241,094	6
Total	\$113,543,670	10

**Restaurant
Revenue
2005**

2004

Month	Gross Business	% of Change
Jan.	\$4,480,004	25
Feb.	\$4,281,721	27
Mar.	\$6,018,075	6
Apr.	\$8,285,167	15
May	\$7,419,674	1
June	\$10,825,938	6
July	\$13,630,340	9
Aug.	\$9,669,770	0
Sept.	\$9,435,499	6
Oct.	\$11,446,717	9
Nov.	\$8,764,952	11
Dec.	\$8,692,315	25
Total	\$102,950,172	10

**Restaurant
Revenue
2004**

Prior Years

Year	Gross Business	% of Change
1990	\$44,068,253	10
1991	\$48,004,868	9
1992	\$53,891,441	12
1993	\$58,927,028	9
1994	\$67,668,291	15
1995	\$73,880,879	9
1996	\$75,419,545	2
1997	\$83,209,974	10
1998	\$90,392,778	9
1999	\$89,052,931	-1
2000	\$88,338,175	-1
2001	\$93,298,144	6
2002	\$95,231,679	2
2003	\$93,773,453	-2

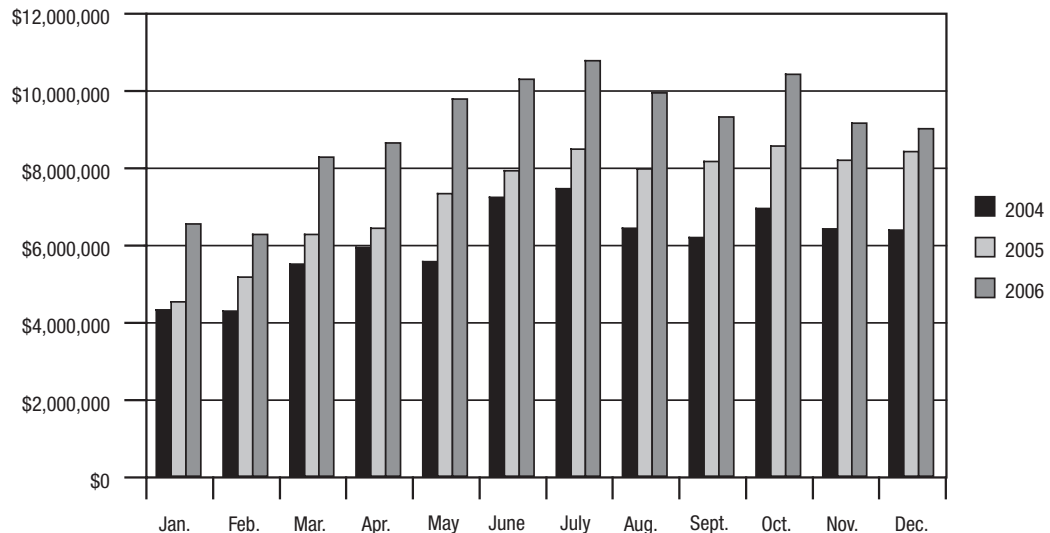
**Restaurant
Revenue
Prior Years**

RETAIL/SERVICES REVENUE 2006

This sector has experienced double-digit growth for the past five years, including a 24 percent jump in 2006. New additions, including Walgreen's and CVS pharmacies, over the past few years have been a contributing factor in this growth.

As Walden's Landing expands into Phase 2, additional shops will open, helping to grow this category. Large developments on the horizon, including Belle Island Village, Pigeon Falls Village and Main Street Marketplace, will offer visitors more retail options than ever.

**Retail/Services
Revenue
by Month**



**Retail/Services
Revenue
2006**

Month	Gross Business	% of Change
Jan.	\$6,523,245	44
Feb.	\$6,261,563	21
Mar.	\$8,260,711	32
Apr.	\$8,629,376	34
May	\$9,764,816	33
June	\$10,268,764	30
July	\$10,752,346	27
Aug.	\$9,924,341	25
Sept.	\$9,288,753	14
Oct.	\$10,395,953	22
Nov.	\$9,139,380	12
Dec.	\$8,987,065	7
Total	\$108,196,313	24

WELCOME *to my Pigeon Forge!*



2005

Month	Gross Business	% of Change
Jan.	\$4,514,422	5
Feb.	\$5,159,353	21
Mar.	\$6,251,643	14
Apr.	\$6,420,964	9
May	\$7,318,347	32
June	\$7,910,476	10
July	\$8,465,489	14
Aug.	\$7,952,175	24
Sept.	\$8,136,489	32
Oct.	\$8,544,832	23
Nov.	\$8,176,358	28
Dec.	\$8,407,751	32
Total	\$87,258,299	20

**Retail/Services
Revenue
2005**

2004

Month	Gross Business	% of Change
Jan.	\$4,310,111	39
Feb.	\$4,269,793	17
Mar.	\$5,493,233	19
Apr.	\$5,913,823	4
May	\$5,550,922	4
June	\$7,209,519	18
July	\$7,446,932	10
Aug.	\$6,409,067	13
Sept.	\$6,170,980	-3
Oct.	\$6,924,679	7
Nov.	\$6,407,075	17
Dec.	\$6,373,924	28
Total	\$72,480,058	13

**Retail/Services
Revenue
2004**

Prior Years

Year	Gross Business	% of Change
1994	\$21,835,337	N/A
1995	\$27,928,592	28
1996	\$27,550,608	-1
1997	\$25,380,636	-8
1998	\$33,010,890	30
1999	\$43,426,952	32
2000	\$44,969,871	4
2001	\$48,028,666	7
2002	\$55,569,729	16
2003	\$64,203,851	16

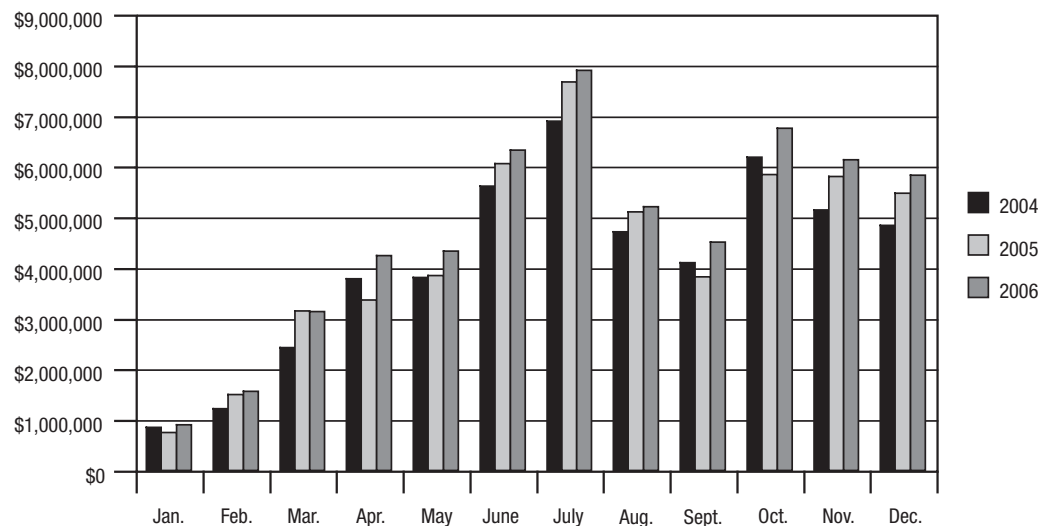
**Retail/Services
Revenue
Prior Years**

THEATER REVENUE 2006

Theater sector revenues have grown by 155 percent since we began tracking them a decade ago. Due to increased visitation during the Winterfest months, some additional theaters now stay open in January

and February. Along with the increased number of visitors during January, more open theaters contributed to the 20 percent growth during that month.

Theater Revenue by Month



Theater Revenue 2006

Month	Gross Business	% of Change
Jan.	\$896,258	20
Feb.	\$1,563,293	4
Mar.	\$3,136,773	-1
Apr.	\$4,238,605	26
May	\$4,326,729	13
June	\$6,316,553	4
July	\$7,893,919	3
Aug.	\$5,208,122	2
Sept.	\$4,505,801	18
Oct.	\$6,757,494	10
Nov.	\$6,135,731	6
Dec.	\$5,821,913	6
Total	\$56,801,191	8

WELCOME *to my Pigeon Forge!*



2005

Month	Gross Business	% of Change
Jan.	\$745,879	-13
Feb.	\$1,501,328	23
Mar.	\$3,153,459	30
Apr.	\$3,365,081	-11
May	\$3,843,797	1
June	\$6,057,040	8
July	\$7,664,590	11
Aug.	\$5,107,028	8
Sept.	\$3,821,458	-7
Oct.	\$5,838,916	-6
Nov.	\$5,805,650	13
Dec.	\$5,476,532	13
Total	\$52,380,758	6

Theater
Revenue
2005

2004

Month	Gross Business	% of Change
Jan.	\$854,041	26
Feb.	\$1,222,136	8
Mar.	\$2,425,534	4
Apr.	\$3,780,328	7
May	\$3,806,387	1
June	\$5,611,398	4
July	\$6,892,296	-1
Aug.	\$4,707,839	-7
Sept.	\$4,104,307	10
Oct.	\$6,181,246	5
Nov.	\$5,146,647	2
Dec.	\$4,836,092	9
Total	\$49,568,251	3

Theater
Revenue
2004

Prior Years

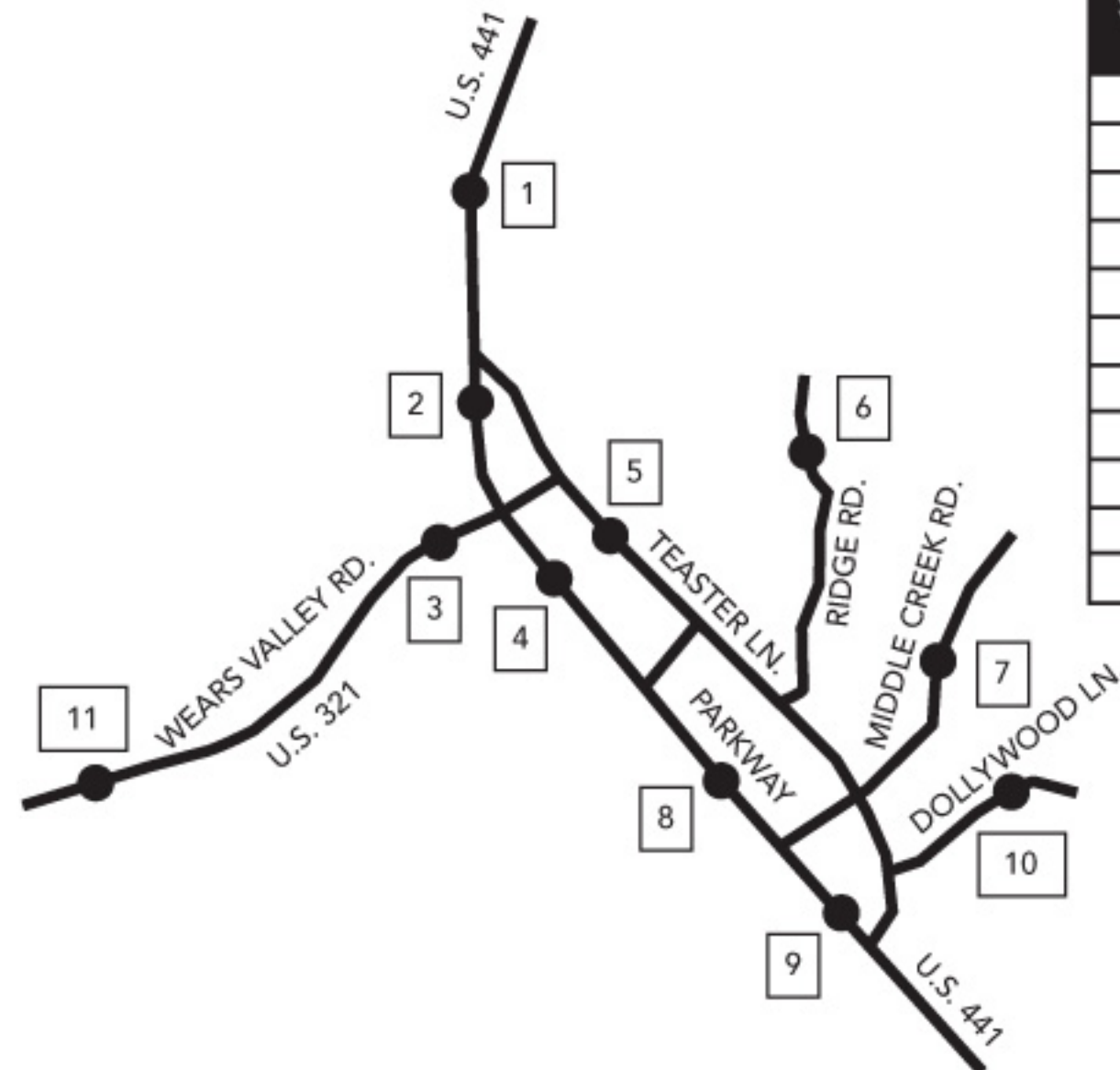
Year	Gross Business	% of Change
1996	\$22,249,841	N/A
1997	\$28,448,487	28
1998	\$32,922,581	16
1999	\$33,975,605	3
2000	\$33,837,352	0
2001	\$35,504,439	5
2002	\$44,265,731	25
2003	\$47,903,116	8

Theater
Revenue
Prior Years

WELCOME *to my Pigeon Forge!*



TRAFFIC COUNT DATA



Station No.	ADT (vpd)	Seasonal High	Seasonal Low
1	58,420	90,700	29,250
2	59,800	92,920	29,880
3	24,250	33,100	9,100
4	49,710	74,630	22,050
5	13,590	21,200	5,870
6	8,860	10,500	2,280
7	17,020	27,450	6,030
8	54,900	87,100	25,660
9	48,750	77,570	22,900
10	16,050	27,600	7,970
11	17,200	29,040	7,500

Source:
*Tennessee Department
of Transportation &
Wilbur Smith Associates
(2005)*

SEVIER COUNTY UNEMPLOYMENT RATES 2006

While unemployment rates have always been low during summer and fall in Sevier County, winter months used to mean closed businesses and high unemployment rates. However, since the inception of Winterfest, the months of January

and February have continued to see lower unemployment rates each year. As visitation continues to increase throughout the year, we anticipate more businesses staying open year round, leading to more people being employed year round.

Month	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996
JAN.	9.3%	10.8%	11.0%	10.4%	11.1%	9.6%	9.6%	15.5%	15.5%	18.1%	16.7%
FEB.	9.0%	10.7%	9.7%	9.6%	10.1%	9.1%	9.7%	13.9%	14.2%	17.2%	17.4%
MAR.	7.4%	9.0%	8.9%	8.1%	8.6%	8.0%	7.7%	12.6%	13.4%	15.0%	14.7%
APR.	5.3%	5.6%	5.5%	5.4%	5.3%	5.2%	4.4%	6.8%	7.8%	8.6%	8.3%
MAY	4.6%	4.9%	4.7%	4.5%	4.4%	3.8%	3.6%	4.0%	4.6%	5.7%	5.8%
JUNE	4.9%	4.9%	4.9%	4.9%	4.5%	4.2%	3.7%	3.5%	3.8%	5.1%	4.3%
JULY	4.6%	4.3%	4.7%	4.1%	4.1%	3.9%	3.4%	2.8%	2.9%	3.6%	3.8%
AUG.	4.6%	4.3%	4.8%	4.3%	4.1%	4.2%	3.4%	3.0%	3.0%	3.5%	3.0%
SEPT.	3.5%	4.1%	4.6%	4.3%	3.9%	3.8%	3.1%	2.8%	3.0%	3.5%	3.6%
OCT.	3.4%	4.3%	4.6%	4.3%	4.0%	4.1%	3.4%	3.5%	3.6%	3.7%	4.2%
NOV.	4.1%	4.9%	5.2%	5.0%	4.8%	4.9%	4.4%	5.0%	4.9%	6.1%	7.0%
DEC.	4.2%	5.1%	5.8%	5.3%	5.2%	5.3%	4.9%	5.6%	5.5%	7.0%	8.0%
AVG.	5.4%	6.0%	6.2%	5.8%	5.7%	5.5%	5.0%	6.4%	6.7%	8.3%	8.0%