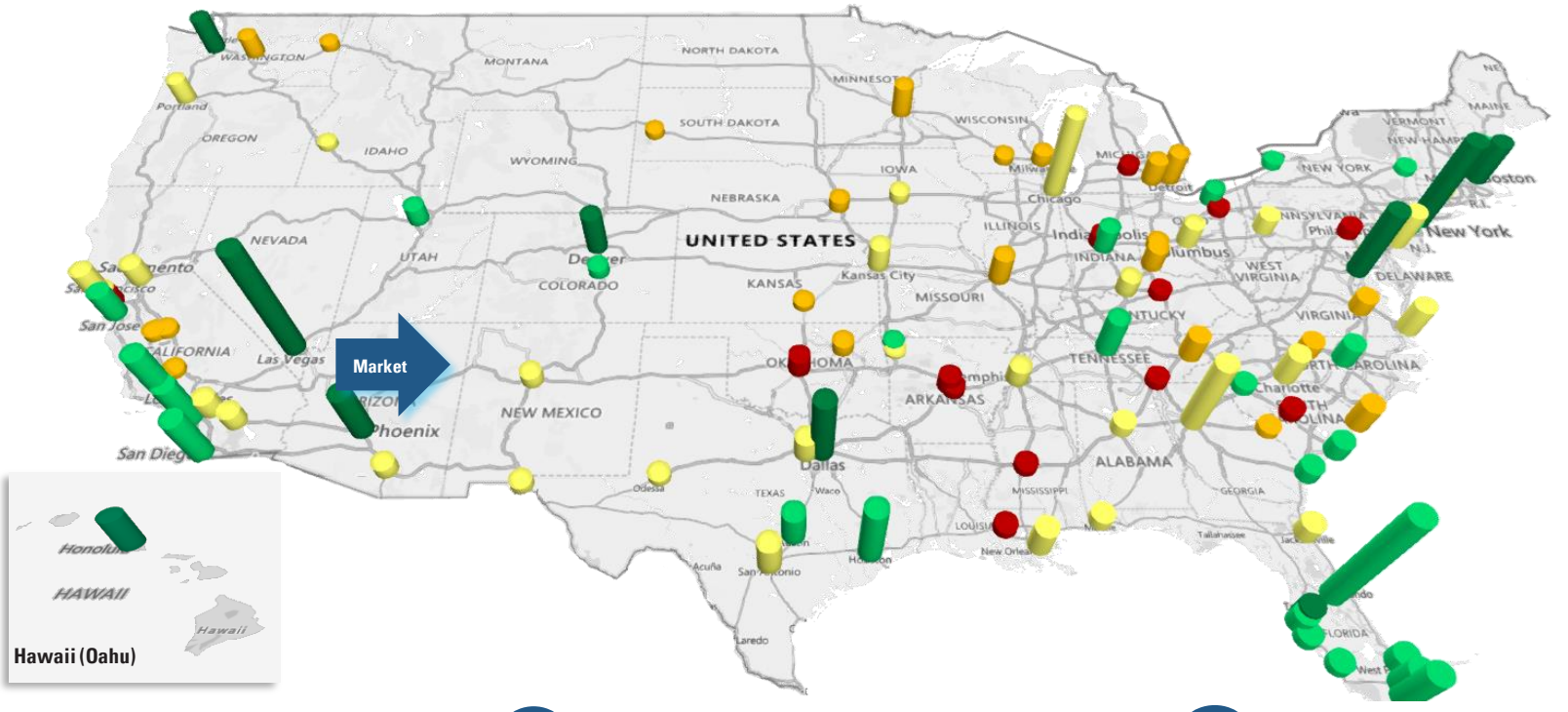
VALUATION & ADVISORY | HOSPITALITY, GAMING & LEISURE

HOTEL MARKET NSIGHTS REPORT

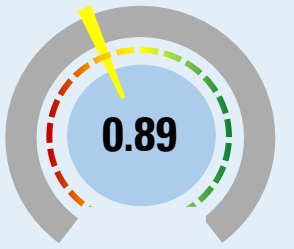
1Q 2025
ALBUQUERQUE, NM

Lodging Performance Index Snapshot



LODGING PERFORMANCE INDEX

Albuquerque, NM

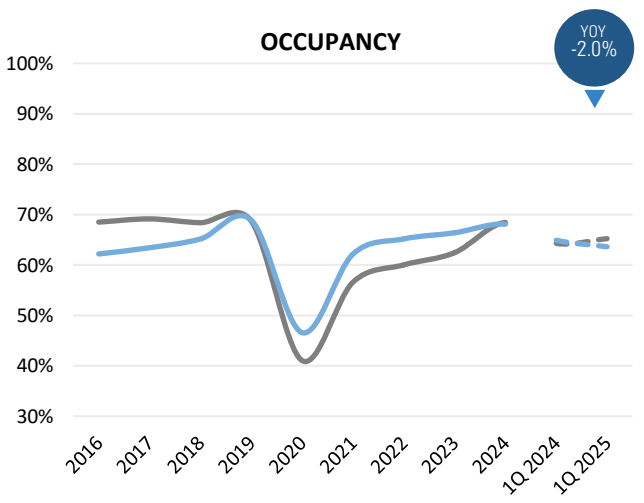


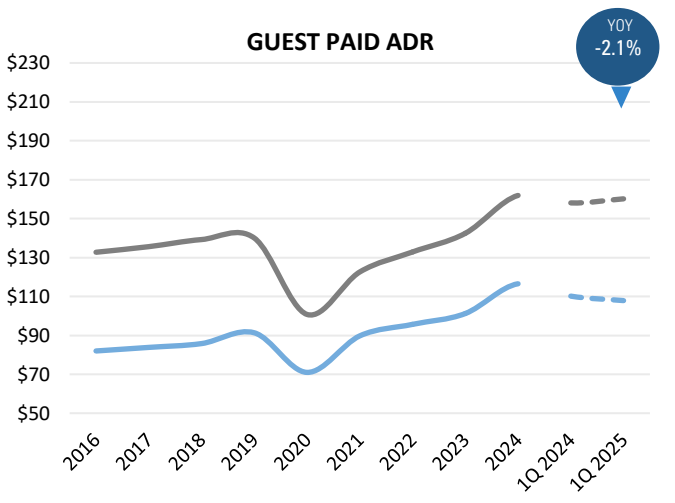
66th of 104

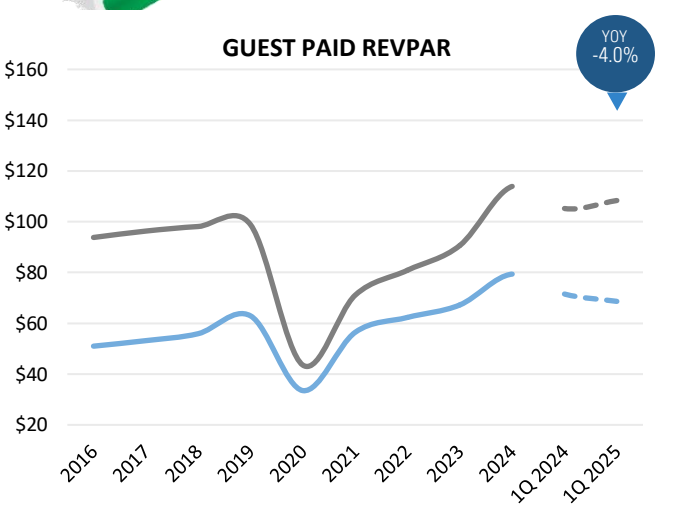
Average

Ranking of overall '1Q 2025 LPI' performance (0.89) against all 104 surveyed markets.

KEY PERFORMANCE METRICS





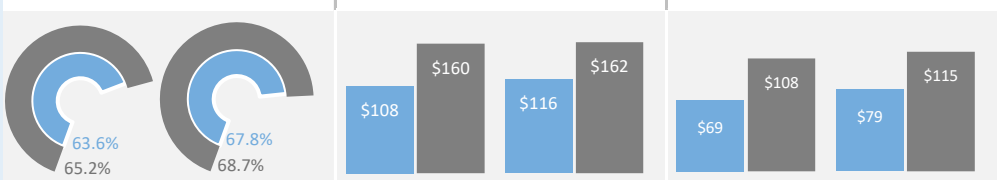


PERFORMANCE INDEXES

Key Performance Indexes

Subject Market | Top 104

Occupancy		Guest Paid ADR		Guest Paid RevPAR	
42nd	38th	82nd	83rd	65th	74th

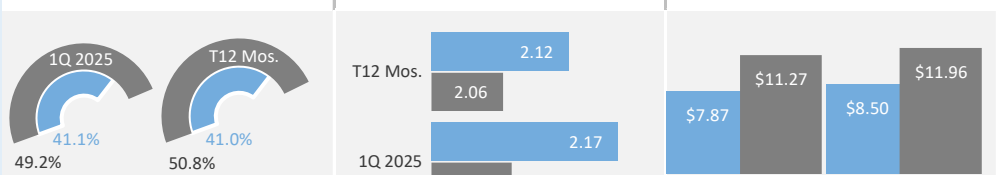


BENCHMARK INDEXES

Key Benchmark Indexes

kalibri LABS

Loyalty Contribution		Avg. Length of Stay (Nights)		Booking Costs POR	
93rd	91st	30th	32nd	32nd	30th



INVESTMENT PARAMETERS

Discount and Capitalization Rates

Source: Newmark

FUNDAMENTALS

Trends and Risks

Source: Kalibri Labs, Newmark

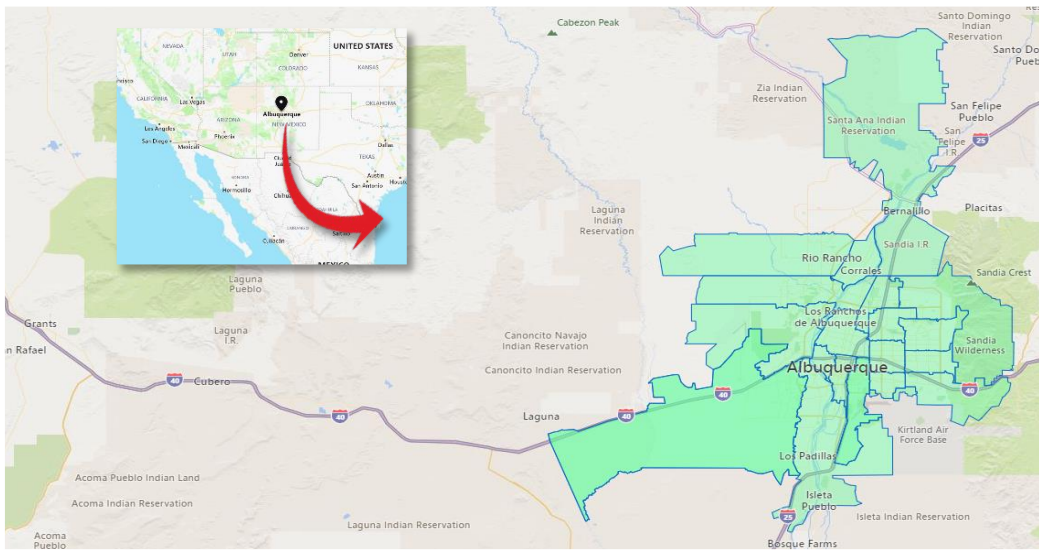
Revenue Stability	Supplier Power Trend	Investment Yields
5th	**90th**	**45th**
Strong	**Soft**	**Average**
Assessment of room revenue growth and volatility over past three to five years against other Top 104 markets	Assessment of market's ability to maximize loyalty and profits, and to ward off booking costs over past 12 months	Measure of market's general investment parameters (yields, OAR, IRR, interest rates, etc.) against other Top 104 markets

RISKS

Supply Risk	Labor Risk	Macro-Fiscal Risk
75th	**30th**	**13th**
Below Average	**Above Average**	**Above Average**
Assessment of market supply growth over past 12 months relative to Top 104 markets	Measure of current employment health over past two years relative to Top 104 markets	Assessment of health and diversity of lodging demand generators relative to Top 104 markets

NEWMARK

Location



Quick Facts

Jurisdictional Information

Source: US Census Bureau, Dept. of Labor Statistics

Municipal Name:	Albuquerque
County:	Bernalillo County
State:	New Mexico
Geo Coordinates (market center):	35.08449, -106.65114

Major Hotel Demand Generators

University of New Mexico | Kirtland Air Force Base | Sandia National Laboratories | Presbyterian Healthcare Services | UNM Hospital | Lovelace Medical Center | Raymond G. Murphy VA Medical Center | Ambercare Corp. | CHRISTUS St. | Intel Corp. | Central New Mexico Community College | PNM Electric & Gas Services | Sandia Resort & Casino | T-Mobile | Verizon | Blue Cross & Blue Shield Association | Isleta Resort & Casino | Tricore Reference Laboratories | Molina Healthcare Inc. | Allsup's

Metrics and Ranking	Measurement	Rankings
Population (hotel market area)	609,610	73rd of 104 (Below Average)
Income per Capita	$49,878	46th of 104 (Average)
Feeder Group Size	51.6 Persons PSR	22nd of 104 (Above Average)
Feeder Group Earnings	$2,575,984 PSR	23rd of 104 (Above Average)
Total Market Hotel Revenues	$466.2 million	63rd of 104 (Average)

Key Performance Metrics

Data provided by: kalibri LABS

YEAR ENDING	Occ %	Guest Paid ADR	Guest Paid RevPAR	COPE ADR	COPE RevPAR	Booking Cost POR	ADR COPE %	Loyalty %	Avg Length of Stay Nights	Supply Rooms	Performance Index (LPI)
2016	62.2%	$81.98	$50.99	$75.49	$46.95	$6.49	92.1%	47.1%	1.76	17,540	0.53
2017	63.4%	$83.82	$53.17	$77.00	$48.84	$6.82	91.9%	49.0%	1.76	17,360	0.74
2018	65.2%	$85.78	$55.90	$78.83	$51.37	$6.95	91.9%	51.1%	1.75	17,000	0.62
2019	68.9%	$91.32	$62.93	$83.79	$57.75	$7.53	91.8%	55.7%	1.79	17,280	0.99
2020	46.6%	$70.97	$33.49	$65.90	$30.70	$5.08	92.8%	34.9%	2.00	17,250	0.79
2021	62.2%	$89.73	$56.44	$83.00	$51.59	$6.74	92.5%	37.0%	1.98	17,230	0.89
2022	65.2%	$95.66	$62.31	$88.51	$57.69	$7.14	92.5%	37.7%	2.01	17,230	1.06
2023	66.4%	$101.23	$67.22	$93.77	$62.25	$7.46	92.6%	38.1%	2.04	17,210	1.03
2024	68.1%	$116.52	$79.38	$108.00	$73.54	$8.52	92.7%	40.9%	2.13	17,380	1.04
CAGR: 2016 thru 2024	**1.1%**	**4.5%**	**5.7%**	**4.6%**	**5.8%**	**3.5%**	**0.1%**	**-1.8%**	**2.4%**	**-0.1%**	**8.9%**
1Q 2024	64.9%	$110.16	$71.52	$102.21	$66.36	$7.95	92.8%	40.5%	2.17	17,300	1.14
1Q 2025	63.6%	$107.88	$68.64	$100.01	$63.63	$7.87	92.7%	41.1%	2.17	17,120	0.89

Notable Metrics

HIGHEST

IRR: Economy/Ltd Svc	Feeder Group Earnings per sold room	Feeder Group Earnings per sold room
19th	**23rd**	**23rd**
Favorable	**Above Average**	**Above Average**
Albuquerque, NM enjoyed favorable IRR metrics in the economy/ltd svc segment (10.6%)	The market posted strong feeder group earnings per sold room ($2,575,984)	The market also posted strong feeder group earnings per sold room ($2,575,984)

LOWEST

Latest-Quarter Loyalty Contribution	T12-Month Loyalty Contribution	T12-Month COPE ADR
93rd	**91st**	**83rd**
Soft	**Soft**	**Below Average**
This market has been hindered by weak latest—quarter loyalty contribution (41.1%)	The market has been hindered by weak T12—month loyalty contribution (41.0%)	Albuquerque, NM also has been hindered by weak T12—month COPE ADR ($107.45)

Notable Trends

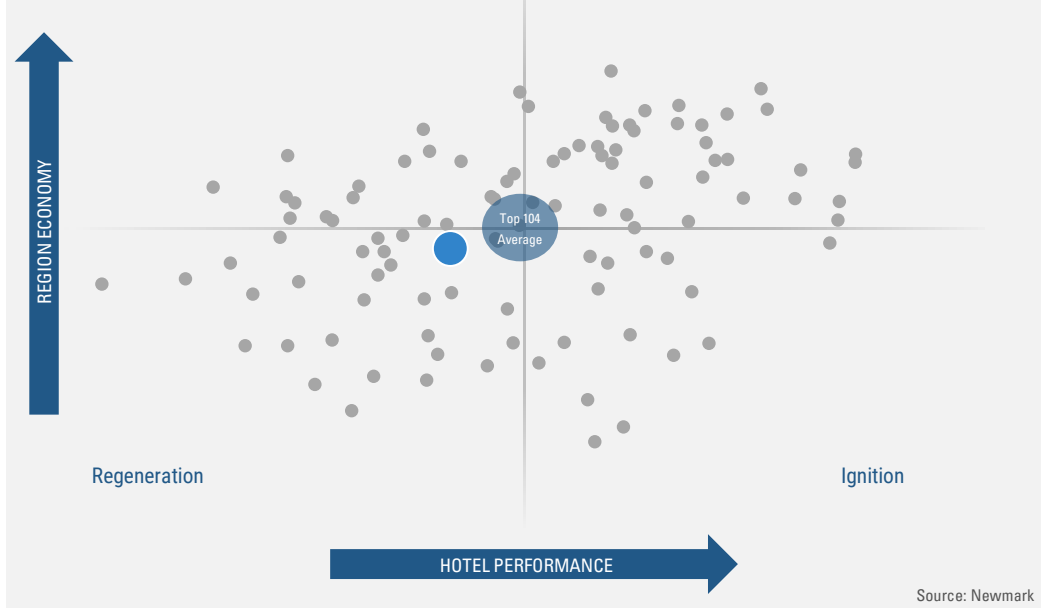
STRONGEST

Long-Term Historical LPI Growth	Short-Term Historical LPI Growth	Short-Term Historical Guest Paid ADR Growth
2nd	**2nd**	**3rd**
Very Strong	**Very Strong**	**Very Strong**
Albuquerque, NM enjoyed strong long—term historical LPI growth (8.6%)	The market has benefited from strong short—term historical LPI growth (11.1%)	The market also exhibited strong short—term historical Guest Paid ADR growth (5.2%)

WEAKEST

Short-Term Historical Loyalty Contribution Growth	Short-Term Historical Booking Costs POR Growth	Long-Term Historical Loyalty Contribution Growth
96th	**90th**	**88th**
Soft	**Soft**	**Below Average**
The market has been hindered by weak short—term historical loyalty contribution growth (2.2%)	We note this area has been impeded by high short—term historical growth in booking costs (4.3%)	Albuquerque, NM also has been hindered by weak long—term historical loyalty contribution growth (3.2%)

Market Performance Stage



Source: Newmark

Albuquerque, NM: Regeneration Stage

Regeneration

The Albuquerque, NM market is currently in the 'Regeneration' stage of the performance cycle. In this stage, hotels and the underlying economy are underperforming. The highest and best uses of hotel assets are still being challenged by lingering pandemic impacts, oversupply, weak economic indicators, and/or poor corporate contribution. Hotel investors look for opportunities to either exit or regenerate demand. Example markets in this stage include Cincinnati, OH; Detroit, MI; and Knoxville, TN.

Other Stages:

Ignition

In the 'Ignition' stage, hotels typically perform adequately for operators to enjoy positive returns, with confidence the economy will remain fully recovered from the pandemic. While the regional economy continues to recover, strong hotel performance locally is igniting expansion in certain key sectors. Example markets in this stage include Baltimore, MD; Chicago, IL; and Miami, FL.

Absorption

In the 'Absorption' stage, hotels are underperforming but in an economy with resilience and confidence the economy will shed any lingering pandemic impacts, presenting upside for CRE. Barriers to entry are high and the market hosts little or no new supply, allowing for the existing stock of rooms to be absorbed. Example markets in this stage include Fort Worth, TX; Minneapolis, MN; and Portland, OR.

Expansion

In the 'Expansion' stage, hotels perform adequately, contributing to a resilient economy that has fully exited from the pandemic environment. Displacement demand is high, new hotel supply is feasible (despite barriers normally being high), and the overall economy is expanding. Example markets in this stage include Anaheim, CA; Atlanta, GA; and Austin, TX.

MOODYS ANALYTICS

Industry Observations

Business Cycle:	**Expansion**
Employment Growth (2 yr):	0.7%
Risk Exposure (402 US markets):	83rd Percentile: Above Average
Key Industry Notes:	Stable base of education and healthcare
	Accessto important trade corridors
	High poverty rate
	Low worker productivity
	Below-average per capita income

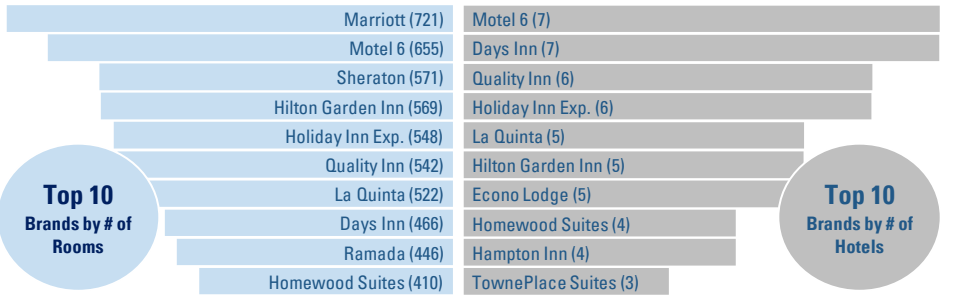
Moody's Rating

Aaa

Investment Grade

Long-term investment grade, Prime-1 short-term outlook

TOP 10 BRANDS

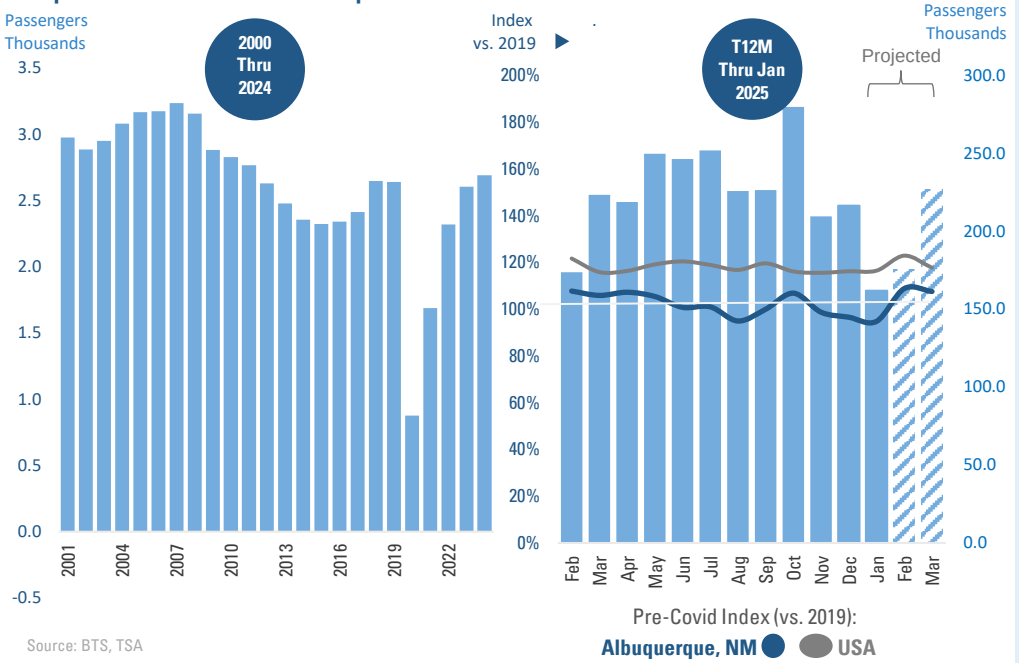


Source: Newmark

NEWMARK

SELECT NEAREST AIRPORT CITY: ALL LOCAL

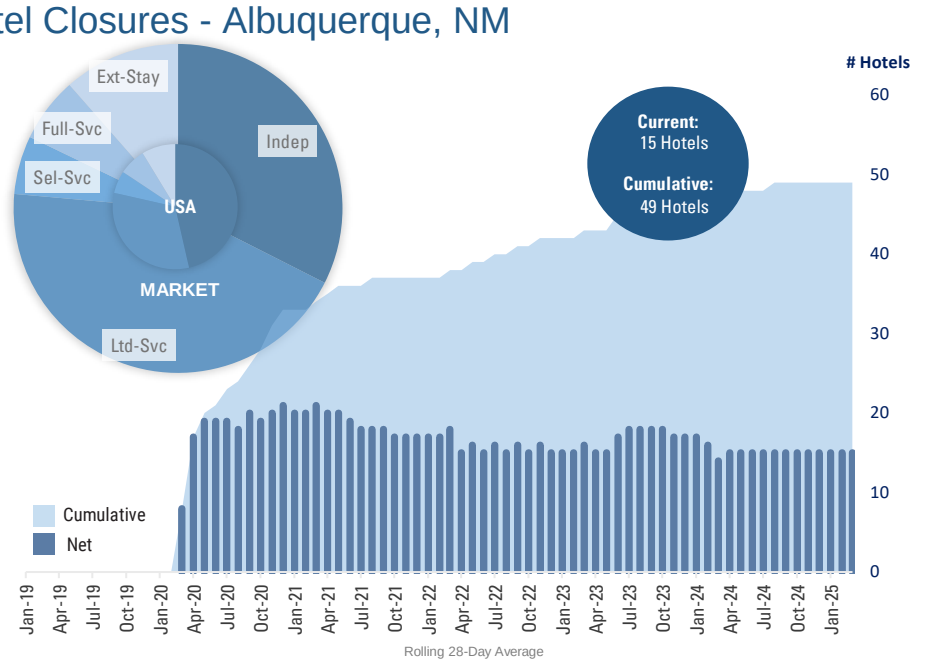
Airport Statistics - Enplanements



Source: BTS, TSA

DATA THROUGH MAY 2025

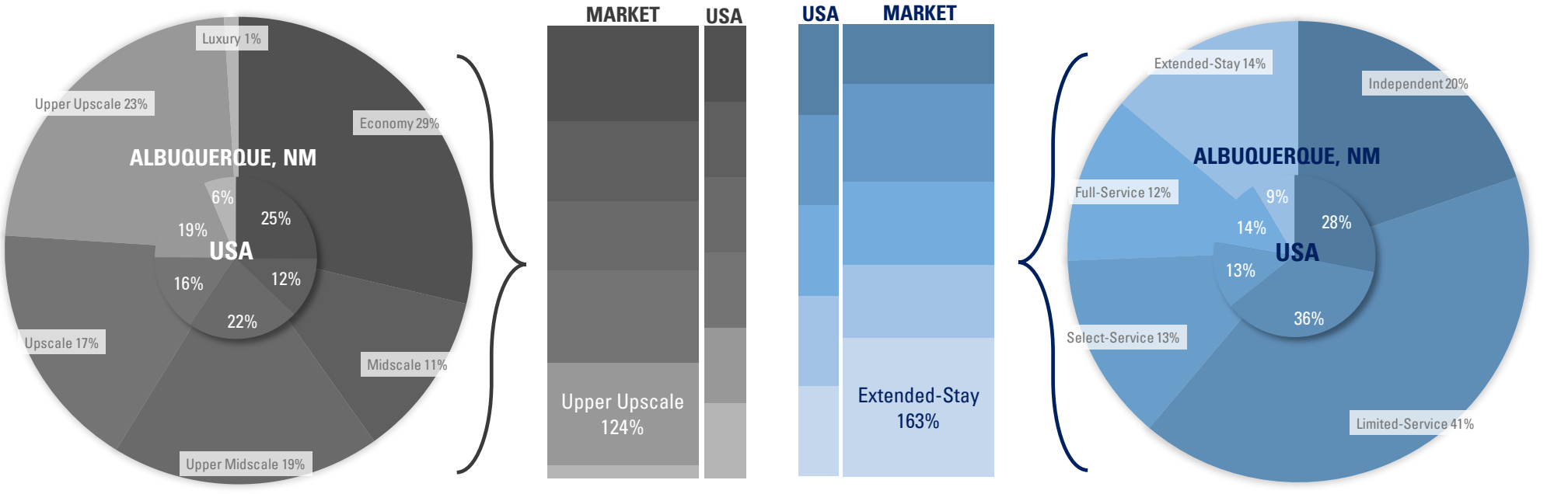
Hotel Closures - Albuquerque, NM



Source: Hotel Compete

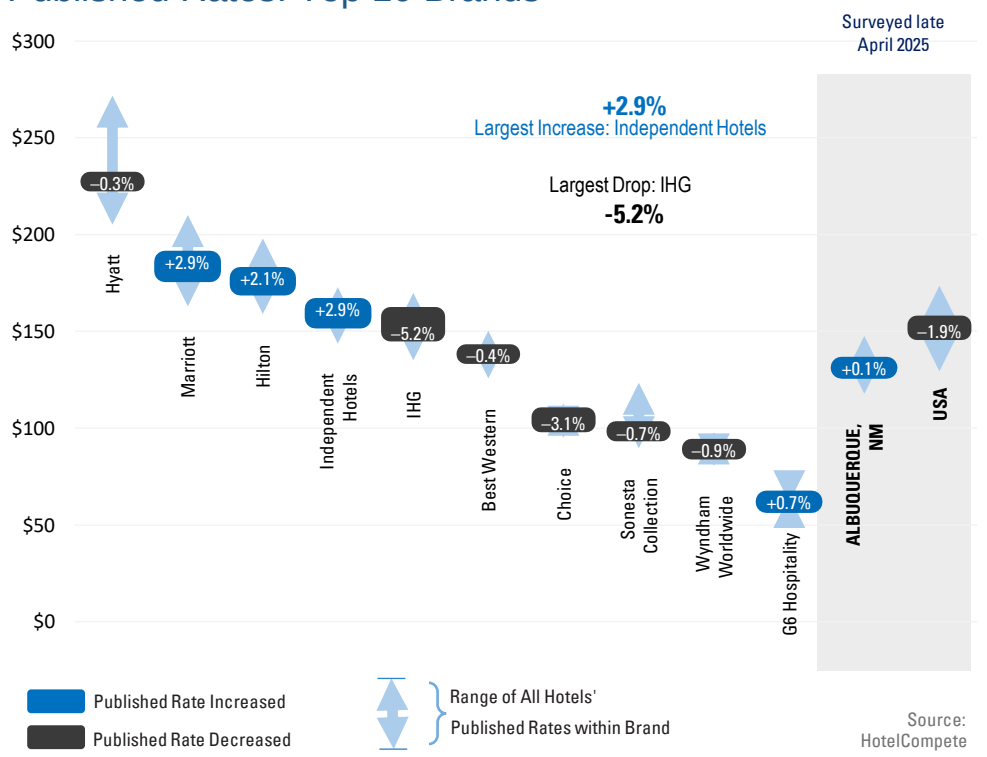
SCALE AND SERVICE ORIENTATION

Scale and Service Distribution: Albuquerque, NM



'30/3' RATE CHANGES: ALBUQUERQUE, NM vs. USA

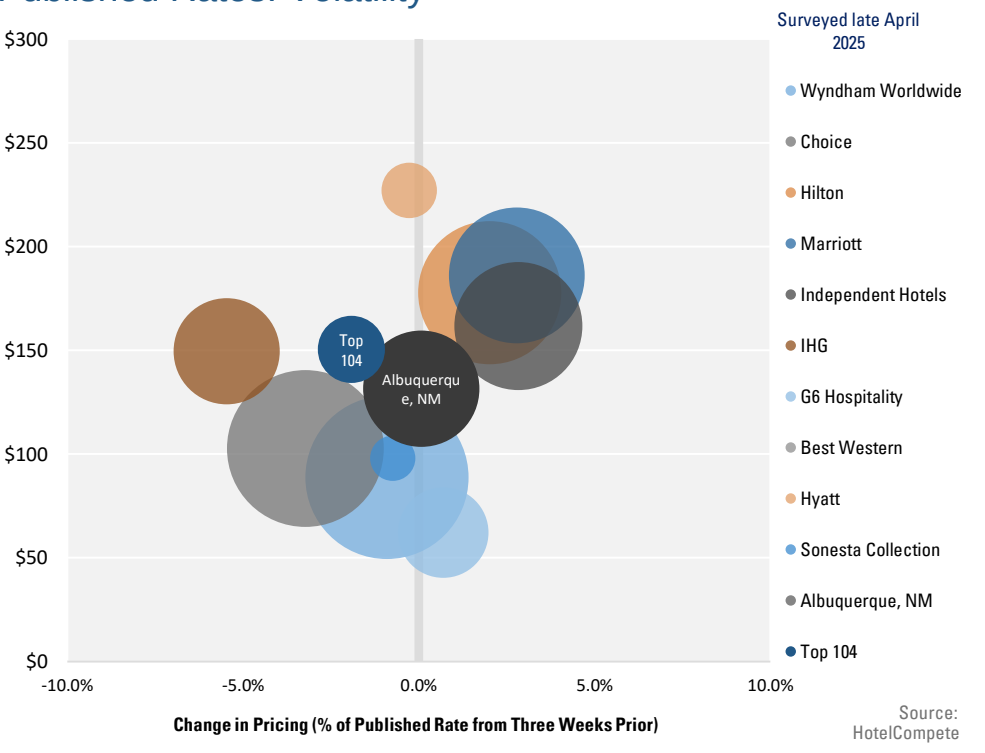
Published Rates: Top 10 Brands



Source: HotelCompete

RATE ADJUSTMENTS BY BRAND

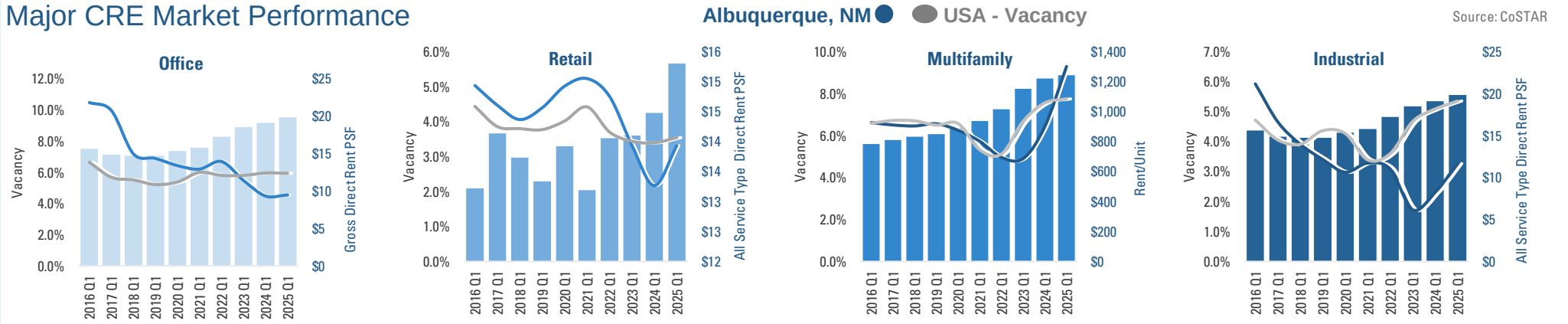
Published Rates: Volatility



Source: HotelCompete

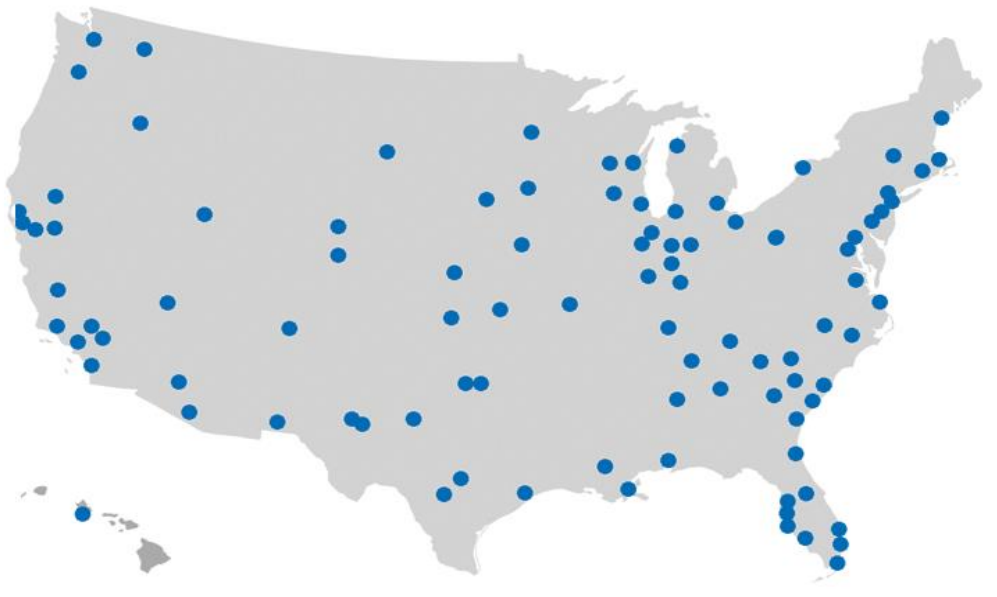
MAJOR C.R.E. METRICS

Major CRE Market Performance



Source: CoSTAR

Nsights Hotel Market Reports Coverage



Akron, OH	Dayton, OH	Louisville, KY	Portland, OR
Albany, NY	Denver, CO	Madison, WI	Raleigh, NC
Albuquerque, NM	Des Moines, IA	Memphis, TN	Rapid City, SD
Anaheim, CA	Detroit, MI	Miami, FL	Richmond, VA
Arkansas State Area, AR	El Paso, TX	Michigan North Area, MI	Sacramento, CA
Atlanta, GA	Fayetteville, AR	Michigan South Area, MI	Saint Louis, MO
Augusta, GA	Fort Lauderdale, FL	Milwaukee, WI	Saint Petersburg, FL
Austin, TX	Fort Myers, FL	Minneapolis, MN	Salt Lake City, UT
Bakersfield, CA	Fort Worth, TX	Mobile, AL	San Antonio, TX
Baltimore, MD	Fresno, CA	Myrtle Beach, SC	San Bernardino, CA
Baton Rouge, LA	Greensboro, NC	Nashville, TN	San Diego, CA
Bentonville, AR	Greenville, SC	New Brunswick, NJ	San Francisco, CA
Birmingham, AL	Harrisburg, PA	New Orleans, LA	San Joaquin Valley, CA
Boise City, ID	Hartford, CT	New York, NY	San Jose, CA
Boston, MA	Houston, TX	Newark, NJ	Sarasota, FL
Buffalo, NY	Indiana North Area, IN	Oahu Island, HI (Branded)	Savannah, GA
Charleston, SC	Indiana South Area, IN	Oakland, CA	Seattle, WA
Charlotte, NC	Indianapolis, IN	Odessa-Midland, TX	Spokane, WA
Chattanooga, TN	Jackson, MS	Oklahoma City, OK	Tampa, FL
Chicago, IL	Jacksonville, FL	Omaha, NE	Tucson, AZ
Cincinnati, OH	Kansas City, MO	Orlando, FL (Non-Disney)	Tulsa, OK
Cleveland, OH	Knoxville, TN	Palm Desert, CA	Virginia Beach, VA
Colorado Springs, CO	Las Vegas, NV (Non-Strip)	Philadelphia, PA	Washington State Area, WA
Columbia, SC	Lexington, KY	Phoenix, AZ	Washington, DC
Columbus, OH	Little Rock, AR	Pittsburgh, PA	West Palm Beach, FL
Dallas, TX	Los Angeles, CA	Portland, ME	Wichita, KS

*Customized market reports available upon request

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Golf Courses

Marinas

Ski and Village Resorts

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We understand every aspect of a property's operations, allowing us to craft advanced tax strategies.

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CONTACT: SOUTHWEST MARKETS

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