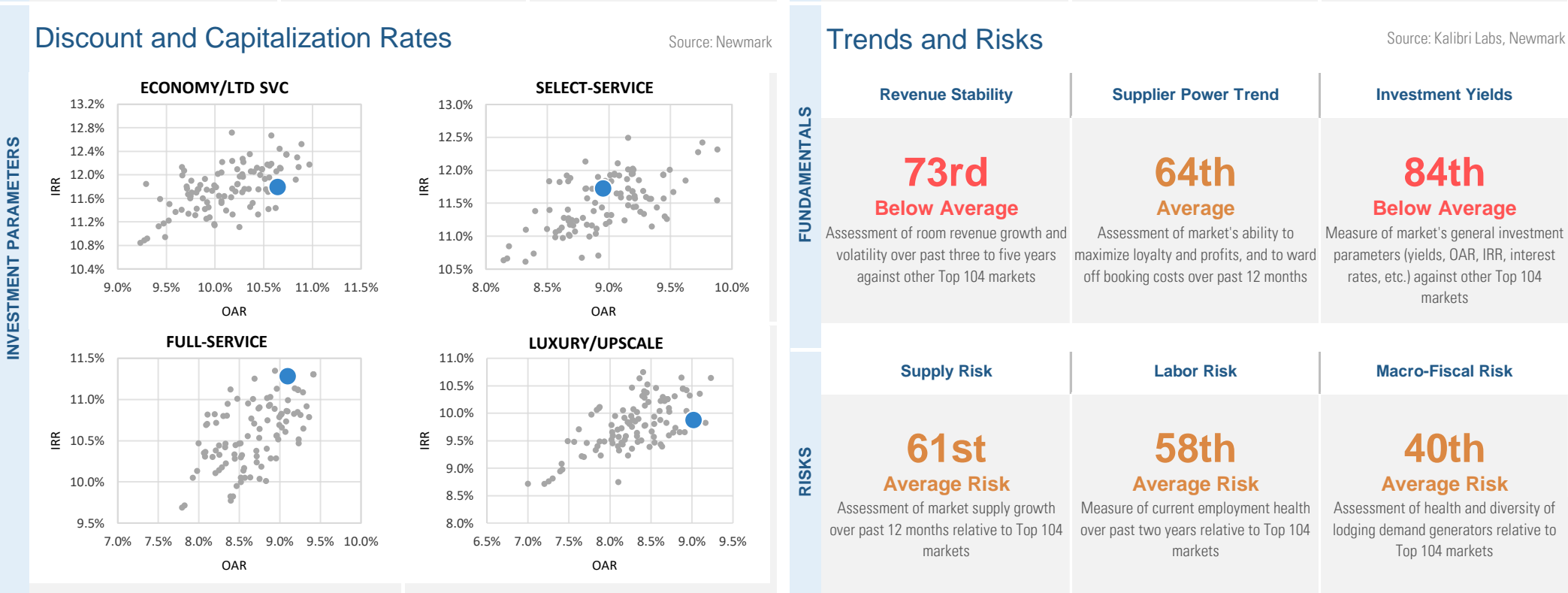
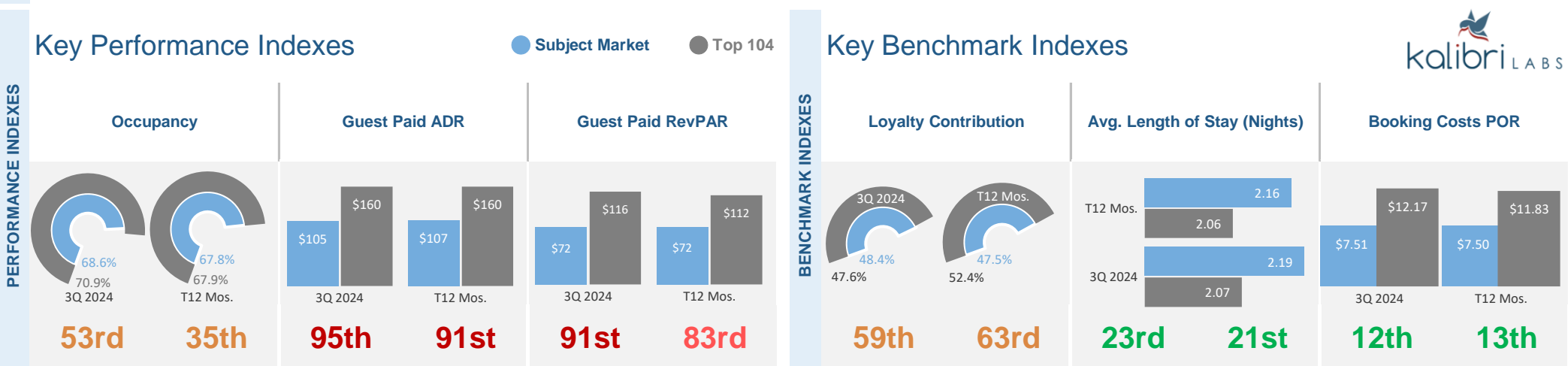
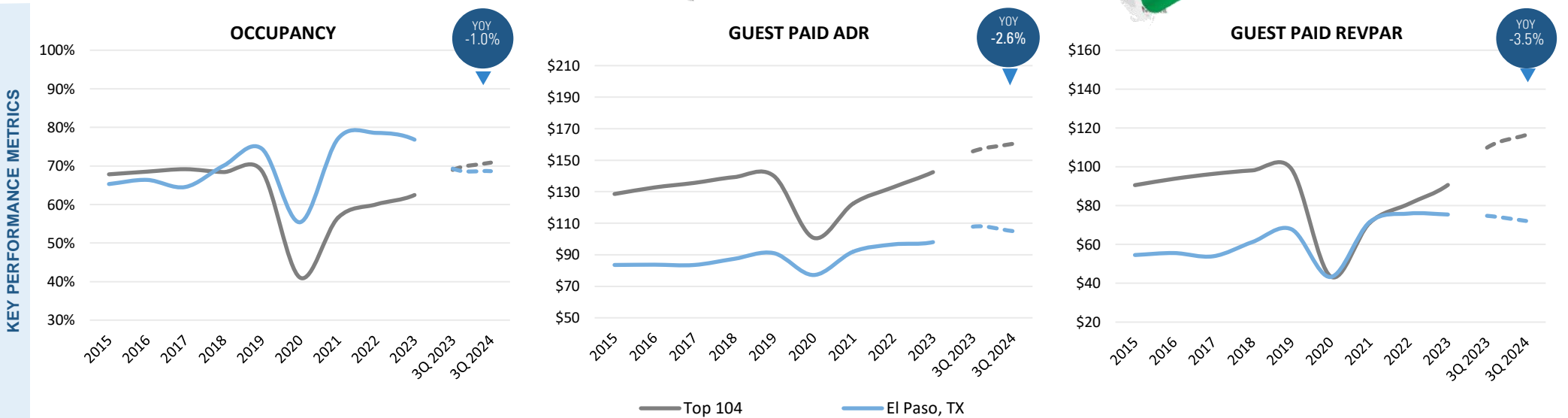
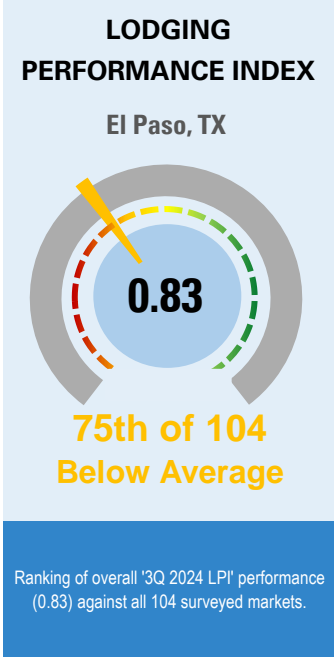
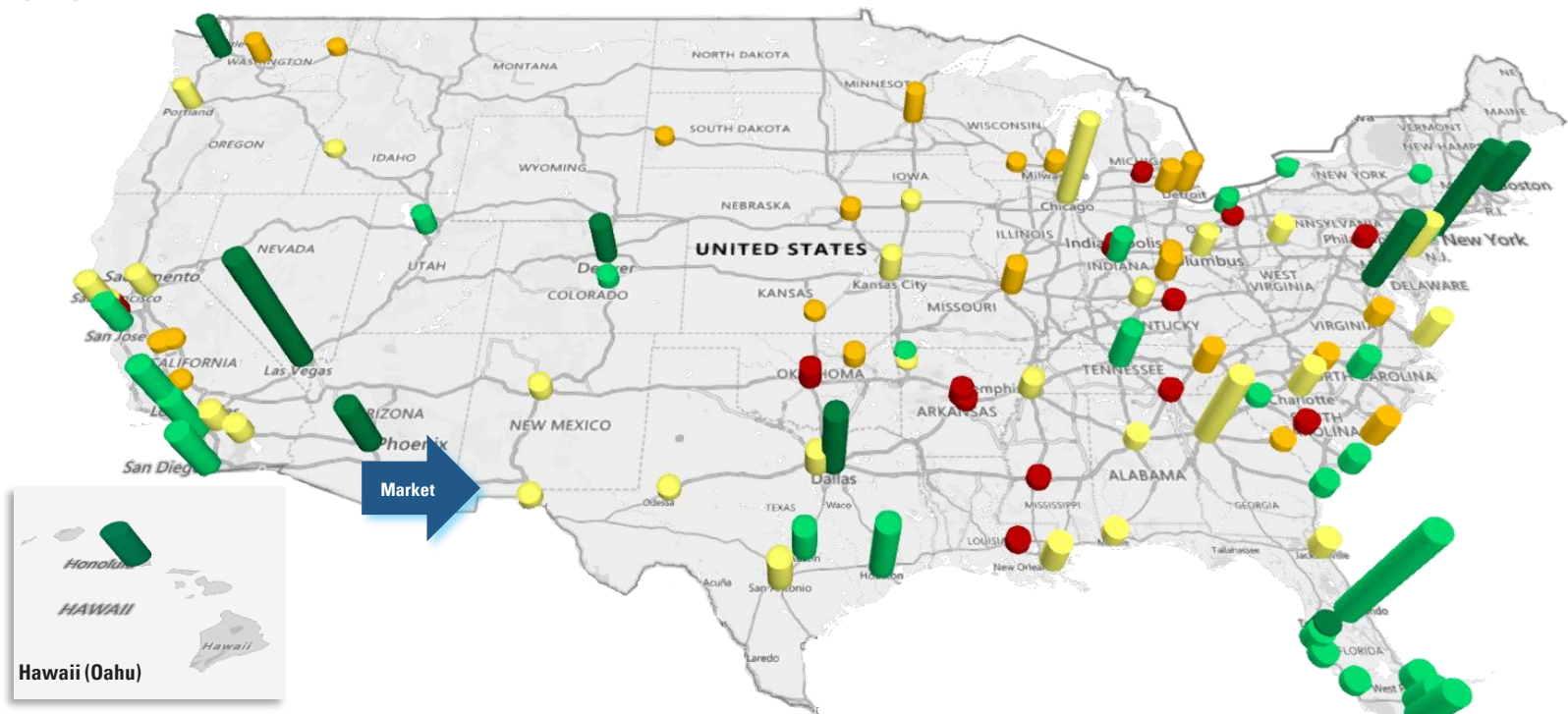
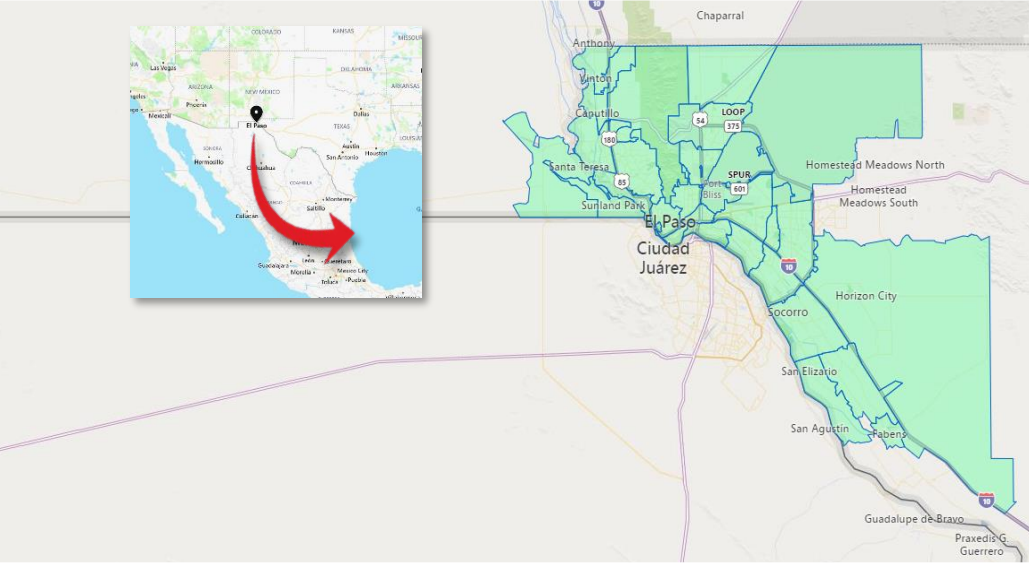




Lodging Performance Index Snapshot



Location



Quick Facts

Jurisdictional Information		Source: US Census Bureau, Dept. of Labor Statistics
Municipal Name:	El Paso	
County:	El Paso County	
State:	Texas	
Geo Coordinates (market center):	31.75872, -106.48693	
Major Hotel Demand Generators		
Fort Bliss T&T Staff Management TH Medical El Paso Community College UMC Health System Alorica El Paso HealthCare System LTD University of Texas at El Paso ADP LLC Dish Network LLC Texas Tech University Health Sciences Center GC Services Ltd. El Paso Electric Schneider Electric Verizon Wireless Federal-Mogul LLC Jordan Foster Construction LLC Tecma Group LP Foret Companies The Urban Companies		
Metrics and Ranking		Measurements
Population (hotel market area)	713,264	
Income per Capita	\$44,431	
Feeder Group Size	98.1 Persons PSR	
Feeder Group Earnings	\$4,358,748 PSR	
Total Market Hotel Revenues	\$287.3 million	
		Rankings
		68th of 104 (Below Average)
		69th of 104 (Below Average)
		81st of 104 (Below Average)
		75th of 104 (Below Average)
		87th of 104 (Below Average)

Key Performance Metrics

YEAR ENDING	Guest Paid			COPE		Booking Cost	ADR COPE	Loyalty	Avg Length of	Supply	Performance
	Occ %	ADR	RevPAR	ADR	RevPAR	POR	%	%	Stay Nights	Rooms	Index (LPI)
2015	65.3%	\$83.54	\$54.54	\$77.33	\$50.49	\$6.20	92.6%	46.1%	2.09	9,500	0.88
2016	66.4%	\$83.71	\$55.56	\$77.25	\$51.27	\$6.46	92.3%	47.5%	2.22	9,530	0.91
2017	64.5%	\$83.53	\$53.89	\$76.59	\$49.42	\$6.94	91.7%	50.3%	2.08	9,700	0.78
2018	70.0%	\$87.40	\$61.22	\$80.14	\$56.13	\$7.26	91.7%	51.1%	2.11	9,790	0.94
2019	74.5%	\$91.05	\$67.81	\$83.49	\$62.18	\$7.56	91.7%	55.0%	2.20	9,910	1.15
2020	55.4%	\$77.16	\$43.23	\$72.09	\$39.93	\$5.07	93.4%	39.6%	2.40	10,140	1.38
2021	77.1%	\$92.02	\$71.51	\$86.22	\$66.47	\$5.80	93.7%	39.3%	2.67	10,660	1.46
2022	78.6%	\$96.57	\$75.90	\$90.24	\$70.89	\$6.32	93.5%	40.1%	2.60	10,680	1.07
2023	76.8%	\$98.05	\$75.40	\$91.50	\$70.27	\$6.55	93.3%	40.7%	2.49	10,700	0.99
CAGR: 2015 thru 2023	2.0%	2.0%	4.1%	2.1%	4.2%	0.7%	0.1%	-1.5%	2.3%	1.5%	1.6%
3Q 2023	69.3%	\$107.83	\$74.73	\$100.41	\$69.59	\$7.42	93.1%	45.7%	2.32	10,030	0.95
3Q 2024	68.6%	\$105.04	\$72.09	\$97.53	\$66.94	\$7.51	92.9%	48.4%	2.19	10,030	0.83

Data provided by: kalibri LABS

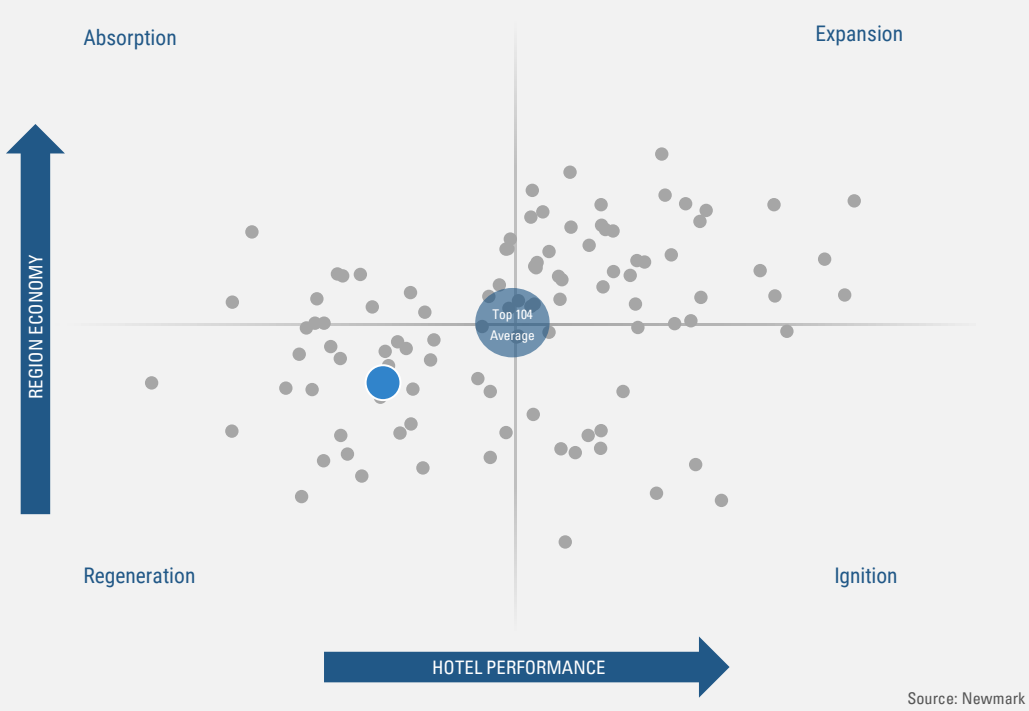
Notable Metrics

HIGHEST	Latest-Quarter Booking Costs POR	T12-Month Booking Costs POR	Population Density per Room
	12th Above Average El Paso, TX enjoyed low latest-quarter booking costs POR (\$7.51)	13th Above Average The market enjoyed low T12-month booking costs POR (\$7.50)	17th Above Average The market also boasted strong population density per room (71.1)
LOWEST	OAR: Luxury/Upscale	IRR: Full-Service	Latest-Quarter COPE ADR
	101st Highly Unfavorable This market exhibited unfavorable OAR metrics in the luxury/upscale segment (9.0%)	99th Highly Unfavorable The market posted unfavorable IRR metrics in the full-service segment (11.3%)	96th Soft El Paso, TX also exhibited weak latest-quarter COPE ADR (\$97.53)

Notable Trends

STRONGEST	Long-Term Historical Supply Growth	Long-Term Historical Average Length of Stay Growth	Long-Term Historical Booking Costs POR Growth
	28th Above Average El Paso, TX has benefited from low long-term historical supply growth (0.6%)	31st Above Average The market enjoyed strong long-term historical average length of stay growth (0.5%)	34th Above Average The market also has benefited from low long-term historical booking costs POR growth (2.4%)
WEAKEST	Short-Term Historical Occupancy Growth	Short-Term Historical Supply Growth	Overall Health of Hotel Market
	86th Below Average The market has been hindered by weak short-term historical occupancy growth (-1.1%)	85th Below Average We note this area has been burdened by high short-term historical supply growth (0.2%)	81st Below Average El Paso, TX also has been hampered by weak general hotel market performance (levels and trends of fundamentals)

Market Performance Stage



El Paso, TX: Regeneration Stage

The El Paso, TX 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; Miami, FL; and New Orleans, LA.
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 Minneapolis, MN; ; and .
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.

Industry Observations

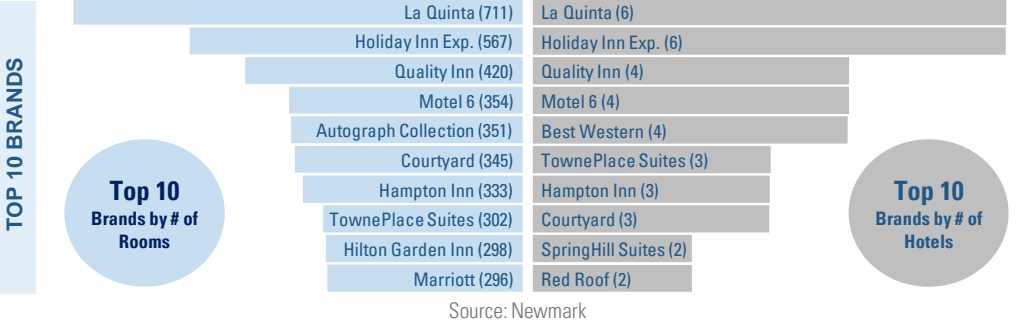
Business Cycle:	At Risk
Employment Growth (2 yr):	1.4%
Risk Exposure (402 US markets):	55th Percentile: Average Risk
Key Industry Notes:	Commerce with Mexico Large military presence Ft Bliss Weak migration trends Low educational attainment Low per capita income

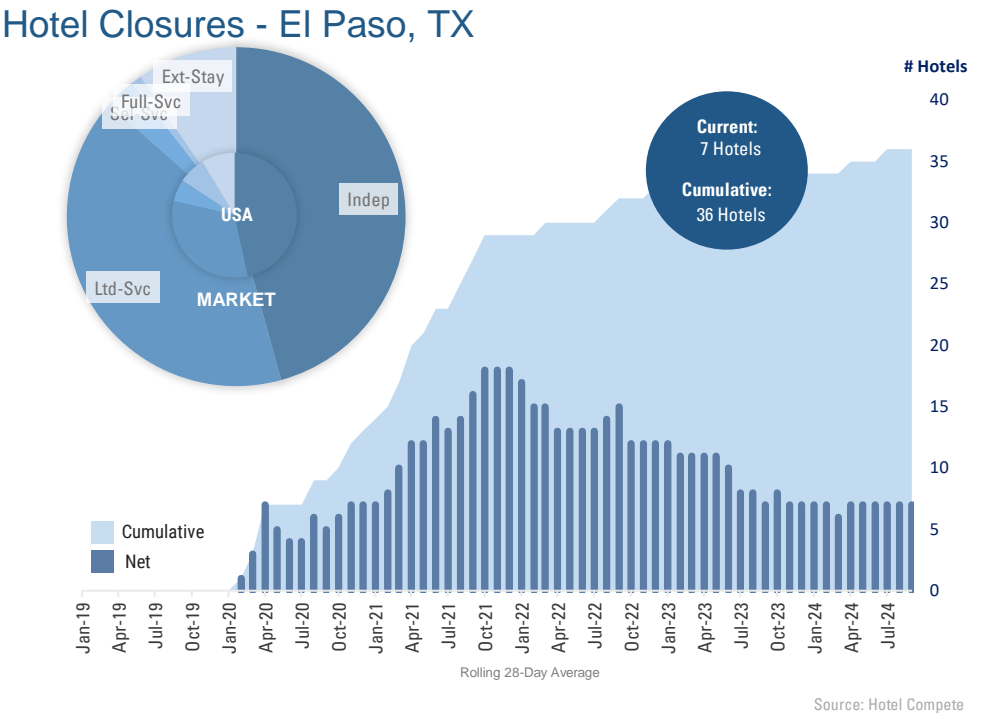
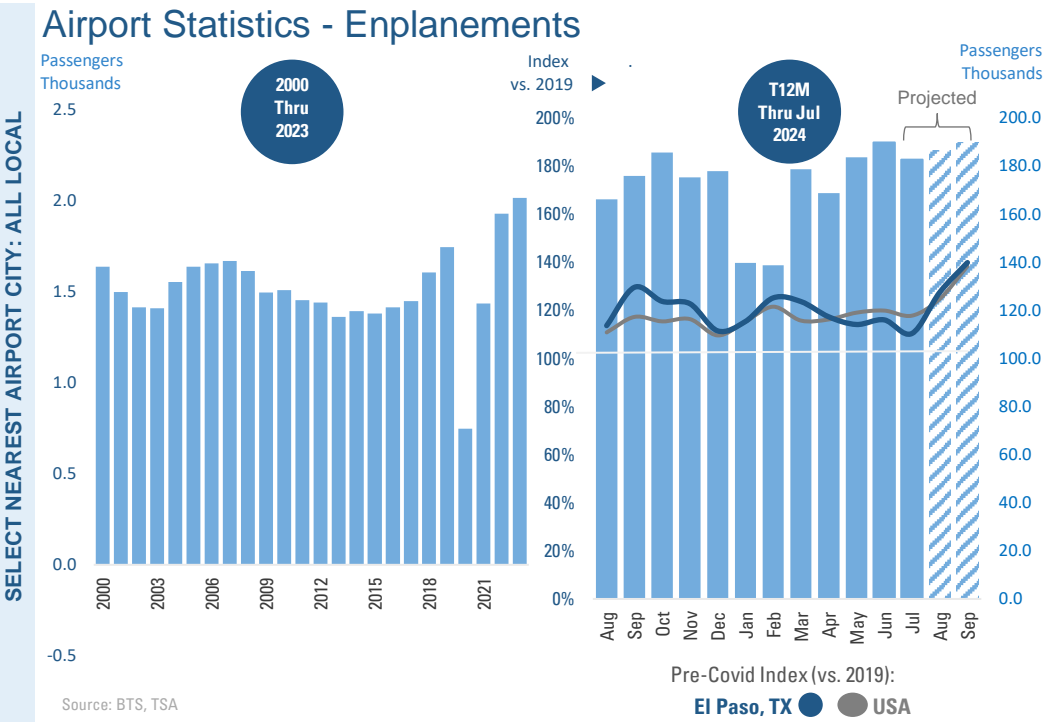
Moody's Rating

Aa2

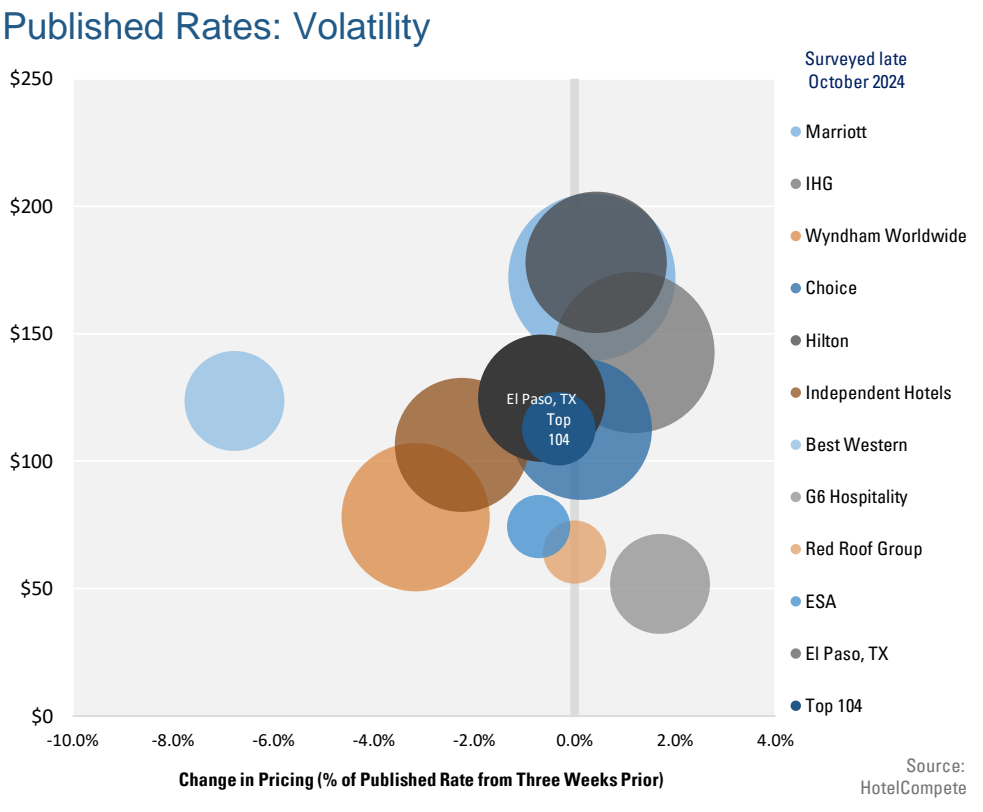
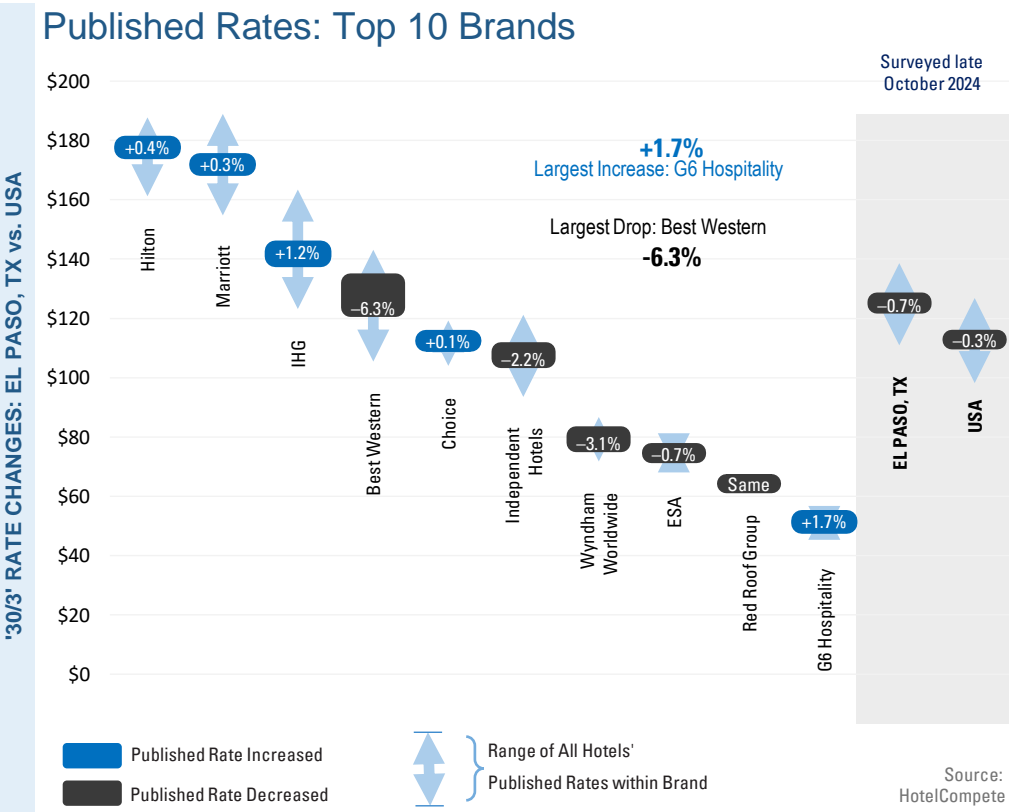
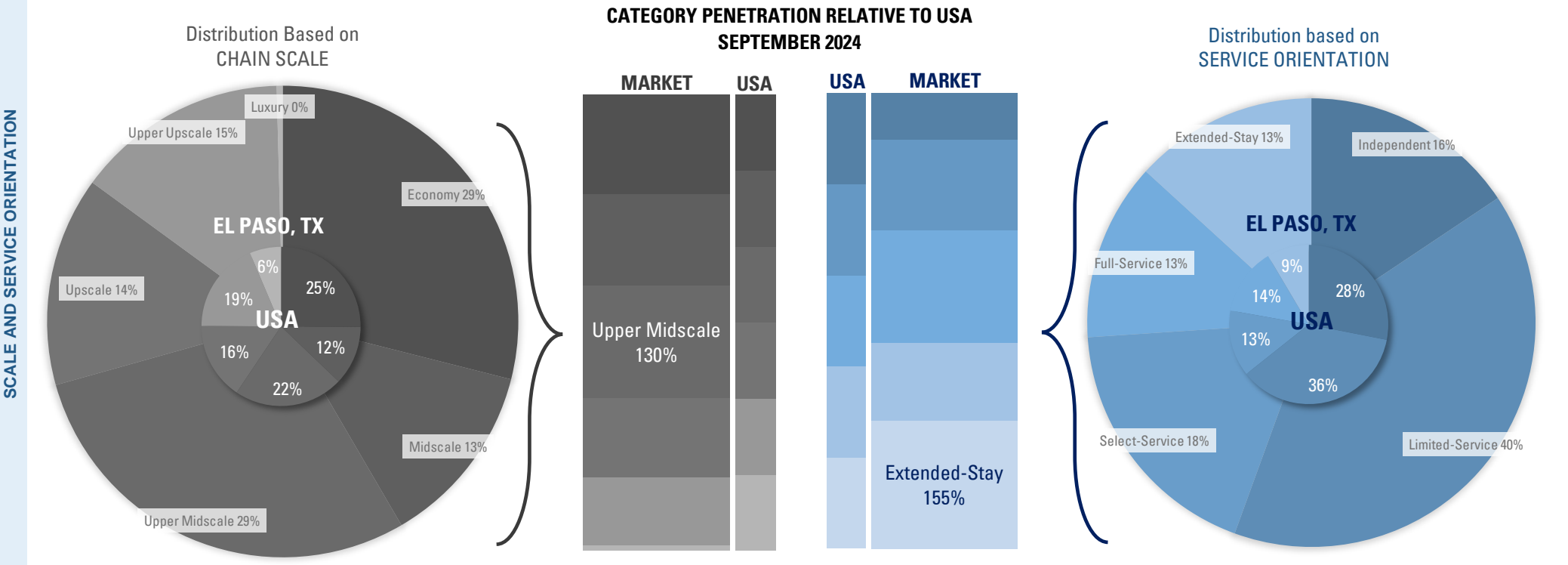
Investment Grade

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

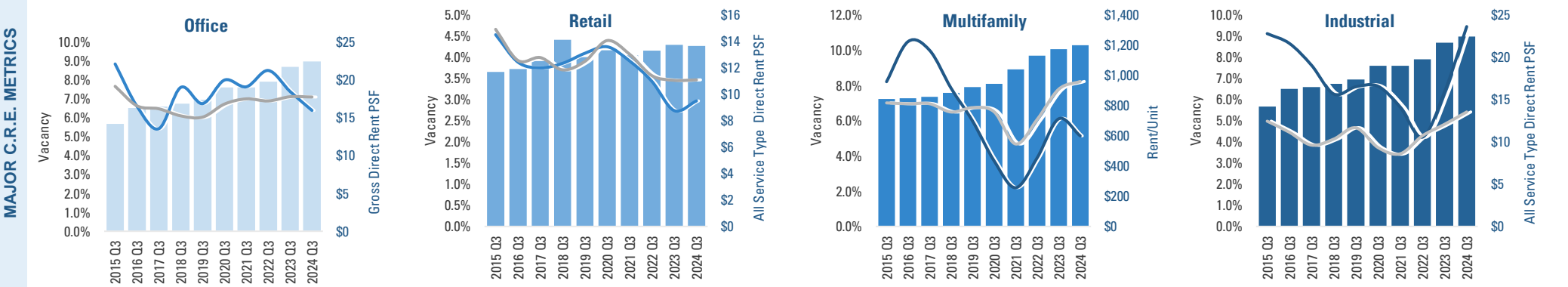




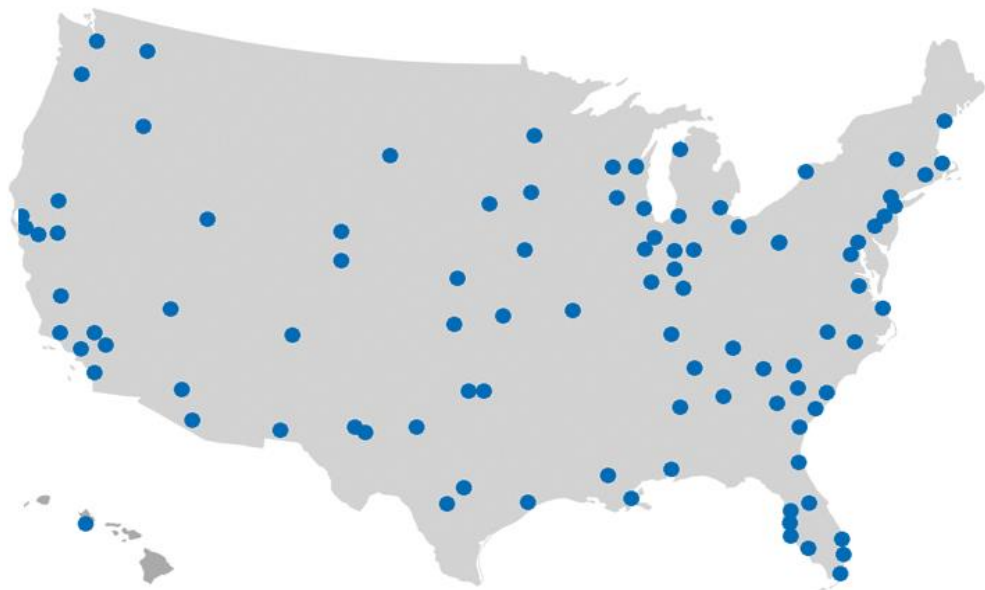
Scale and Service Distribution: El Paso, TX



Major CRE Market Performance



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

Hospitality, Gaming & Leisure

Our Hospitality, Gaming & Leisure practice is focused exclusively on providing superior valuation and consulting services for a broad range of hotels, casinos and leisure properties. Our team takes a holistic, consultative approach that goes far beyond the physical asset, analyzing every aspect of a property’s business and real estate operations to identify all areas of value for owners and investors.

Our Hospitality, Gaming & Leisure platform has experience in valuation assignments and market analysis for properties including:

Hotels and Resorts
Gaming Facilities
Stadiums, Sports & Entertainment Facilities

Conference, Expo and Convention Centers
Golf Courses
Marinas

Ski and Village Resorts
Water Parks, Amusement Parks and Attractions

Our core disciplines and expert subject areas include:

Economic Impact
We empower owners and operators to maximize economic incentives and advise government entities on the impact of incentives on a community or development.

Feasibility
We take feasibility studies to the next level, combining market knowledge with expert economic impact analysis and acumen in cash-on-cash, ROI and other metrics.

Financial Reporting
Our seamless approach to fulfilling clients’ financial reporting requirements means no outside assistance is needed.

Litigation
Our experts bring a strategic perspective and hands-on approach, exceeding the depth and scope of typical litigation services every time.

Portfolio Analytics
We bring industry averages and trends to bear on traditional analytics, ensuring comprehensive due diligence.

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

ABOUT NEWMARK

We transform untapped potential into limitless opportunity.

At Newmark, we don’t just adapt to what our partners need—we adapt to what the future demands. Our integrated platform delivers seamlessly connected services tailored to every type of client, from owners to occupiers, investors to founders, and growing startups to leading companies. We think outside of boxes, buildings and business lines, delivering a global perspective and a nimble approach. From reimagining spaces to engineering solutions, we have the vision to see what’s next and the tenacity to get there first.

FOR INFORMATION CONTACT:
Bryan Younge MAI, ASA, FRICS

Executive Vice President, Valuation & Advisory,
Specialty Practice Leader – Hospitality, Gaming & Leisure
m 773-263-4544
bryan.younge@nmrk.com

CONTACT: SOUTH US MARKETS

CONTACT	FOR MORE INFORMATION	
	Chris Remund, MAI Senior Vice President Hospitality, Gaming & Leisure NEWMARK VALUATION & ADVISORY South US Markets t 737-263-0343 chris.remund@nmrk.com	Bryan Younge, MAI, ASA, FRICS Senior Managing Director Practice Leader - Hospitality, Gaming & Leisure NEWMARK VALUATION & ADVISORY Americas M 773.263.4544 bryan.younge@nmrk.com

MARKET DISCLAIMERS

LEGAL	COPYRIGHT INFORMATION
	© 2024 by Newmark. All information contained in this publication is derived from sources that are deemed to be reliable. However, Newmark has not verified any such information, and the same constitutes the statements and representations only of the source thereof, and not of Newmark. Any recipient of this publication should independently verify such information and all other information that may be material to any decision that recipient may make in response to this publication and should consult with professionals of the recipient's choice regarding all aspects of that decision, including its legal, financial, and tax aspects and implications. Any recipient of this publication may not, without the prior written approval of Newmark, distribute, disseminate, publish, transmit, copy, broadcast, upload, download, or in any other way reproduce this publication or any of the information it contains.