

NEWMARK

1Q 2024

Hotel Market Nsights Report

ALBANY, NY



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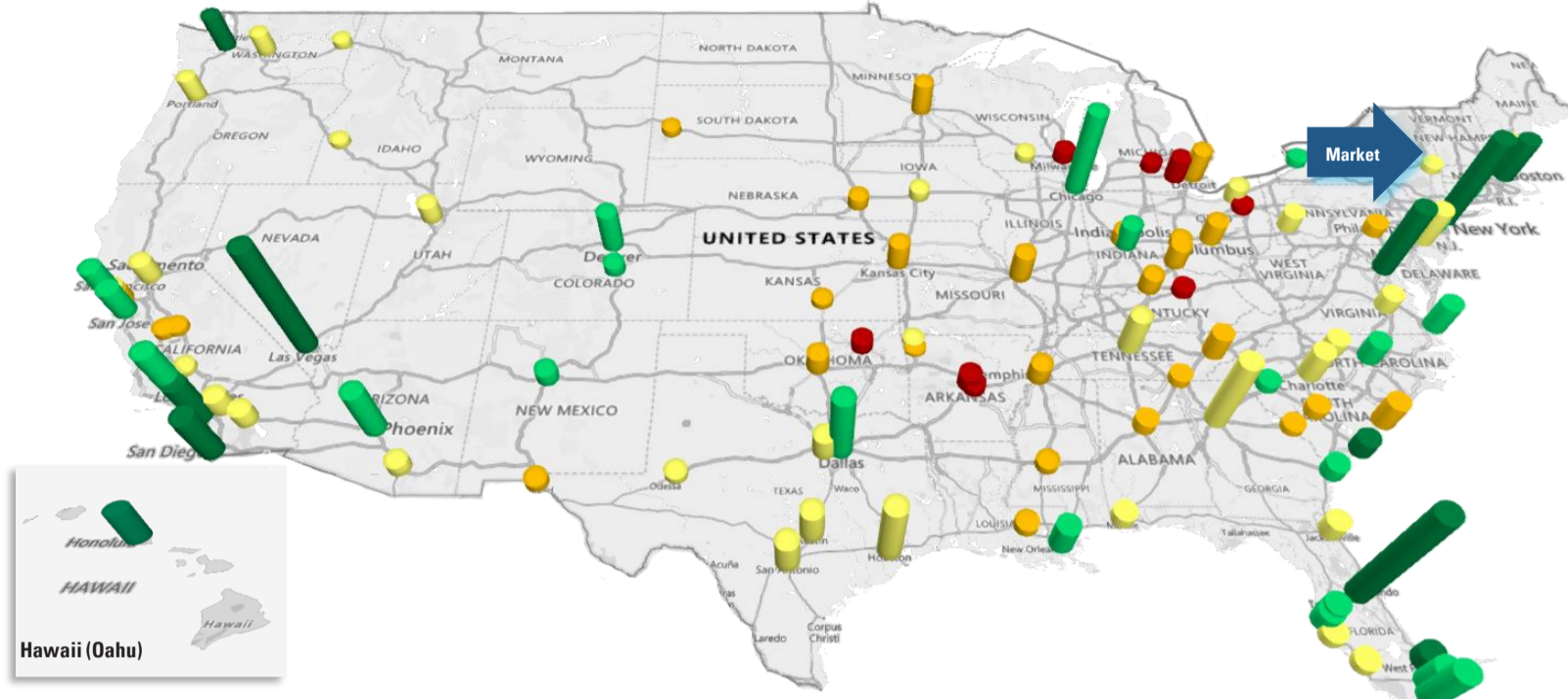
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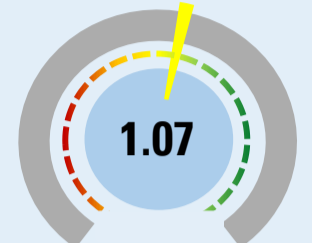


Lodging Performance Index Snapshot



LODGING PERFORMANCE INDEX

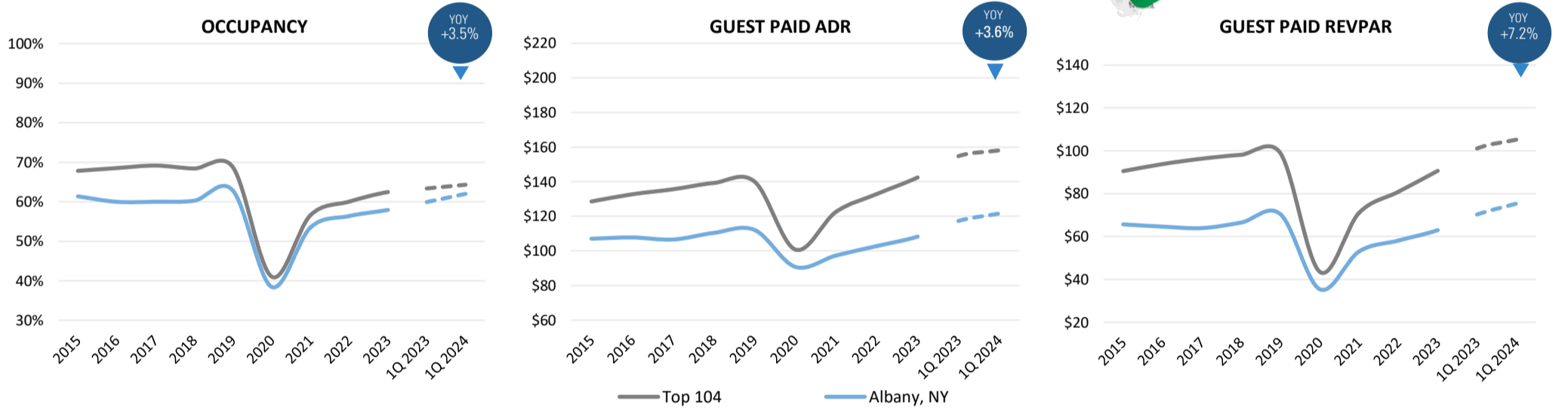
Albany, NY



45th of 104
Average

Ranking of overall '1Q 2024 LPI' performance (1.07) against all 104 surveyed markets.

KEY PERFORMANCE METRICS

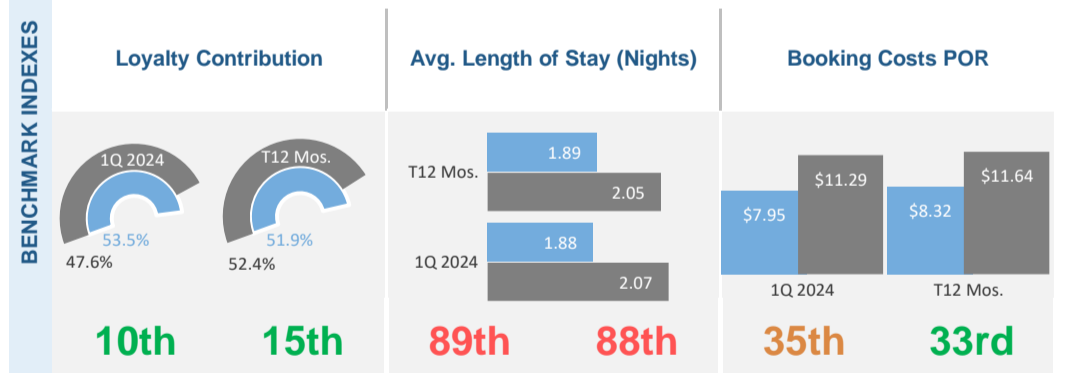


PERFORMANCE INDEXES

Key Performance Indexes

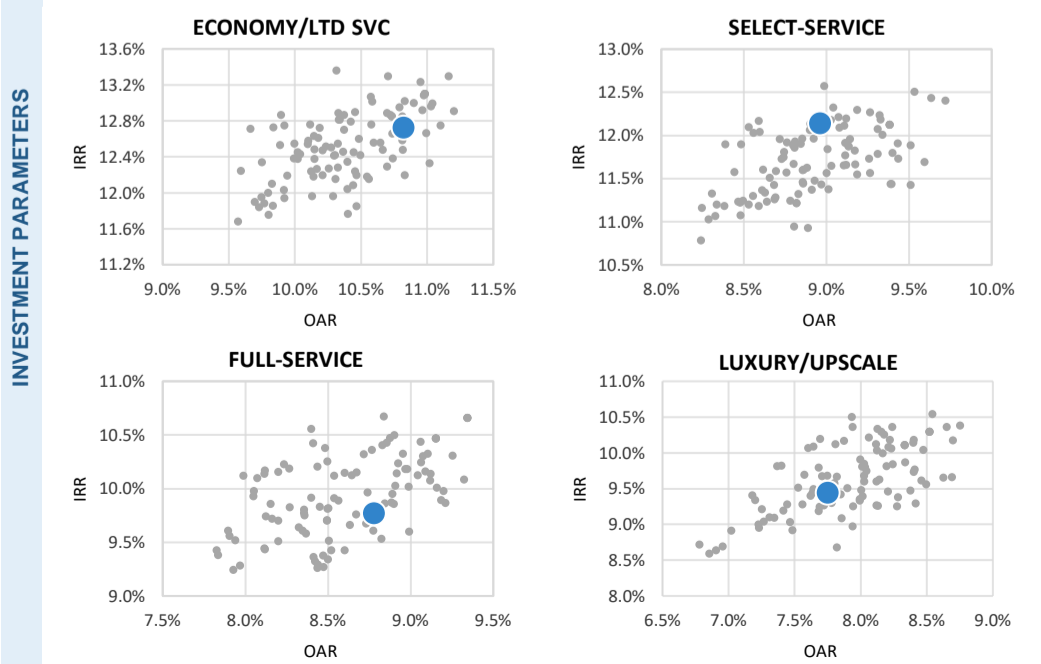


Key Benchmark Indexes



Discount and Capitalization Rates

Source: Newmark

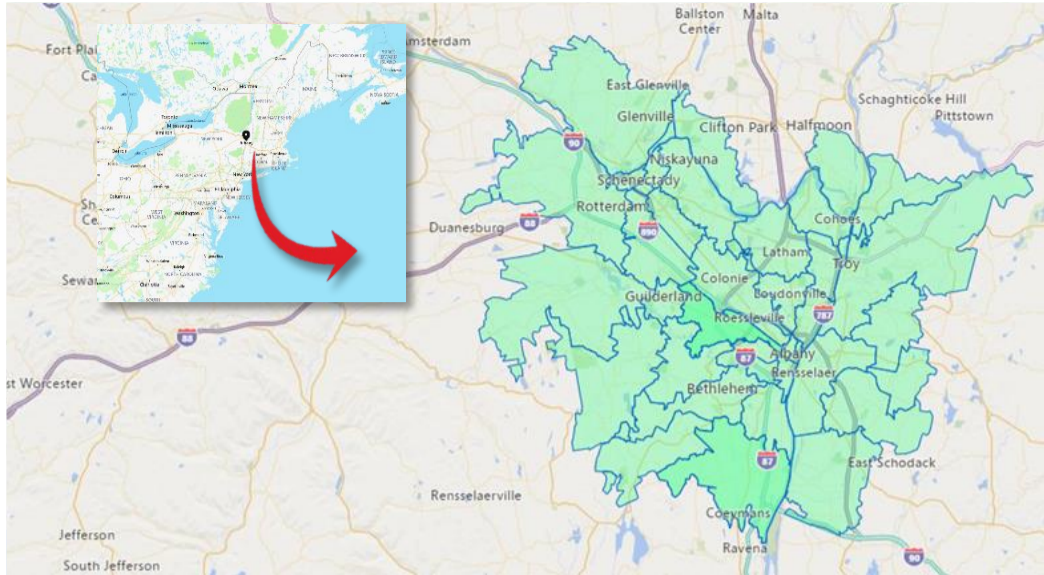


Trends and Risks

Source: Kalibri Labs, Newmark



Location



Quick Facts

Jurisdictional Information		Source: US Census Bureau, Dept. of Labor Statistics
Municipal Name:	Albany	
County:	Albany County	
State:	New York	
Geo Coordinates (market center):	42.65258, -73.75623	
Major Hotel Demand Generators		
St. Peter's Health Partners Albany Medical Center Golub Corp. Hannaford Supermarkets GE Ellis Medicine Stewart's Shops Corp. GlobalFoundries Bechtel Marine Propulsion Corp. Glens Falls Hospital Center for Disability Services Holding Corp. Saratoga Hospital and Care Nursing Home Rensselaer Polytechnic Institute St. Mary's Hospital at Amsterdam Empire Blue Cross Northern Rivers Family Services National Grid Lia Auto Group Momentive Performance Materials Inc. Rivers Casino & Resort Schenectady		
Metrics and Ranking		Measurement
Population (hotel market area)		489,936
Income per Capita		\$43,790
Feeder Group Size		83.0 Persons PSR
Feeder Group Earnings		\$3,635,915 PSR
Total Market Hotel Revenues		\$263.4 million
Rankings		
		85th of 104 (Below Average)
		71st of 104 (Below Average)
		64th of 104 (Average)
		53rd of 104 (Average)
		90th of 104 (Soft)

Key Performance Metrics

Data provided by:

YEAR ENDING	Guest Paid			COPE		Booking Cost POR	ADR COPE %	Loyalty %	Avg Length of Stay Nights	Supply Rooms	Performance Index (LPI)
	Occ %	ADR	RevPAR	ADR	RevPAR						
2015	61.4%	\$107.02	\$65.67	\$99.46	\$61.03	\$7.56	92.9%	48.6%	1.82	8,800	1.03
2016	60.0%	\$107.75	\$64.63	\$99.82	\$59.87	\$7.92	92.6%	51.1%	1.80	8,660	0.76
2017	60.0%	\$106.56	\$63.93	\$98.57	\$59.14	\$7.99	92.5%	52.1%	1.76	8,960	0.78
2018	60.3%	\$110.39	\$66.52	\$101.84	\$61.36	\$8.55	92.3%	55.0%	1.72	8,800	0.76
2019	62.8%	\$112.09	\$70.40	\$103.30	\$64.88	\$8.79	92.2%	59.6%	1.74	9,470	0.94
2020	38.5%	\$90.73	\$35.41	\$85.59	\$32.91	\$5.14	94.3%	42.3%	2.29	9,280	0.93
2021	53.5%	\$97.33	\$53.05	\$91.34	\$48.85	\$5.98	93.9%	45.1%	2.16	9,110	0.78
2022	56.4%	\$102.78	\$58.13	\$96.35	\$54.32	\$6.43	93.7%	46.4%	2.11	9,140	0.81
2023	57.9%	\$108.25	\$62.99	\$101.29	\$58.68	\$6.96	93.6%	47.4%	2.03	9,170	1.08
CAGR: 2015 thru 2023	-0.7%	0.1%	-0.5%	0.2%	-0.5%	-1.0%	0.1%	-0.3%	1.3%	0.5%	0.7%
1Q 2023	59.9%	\$117.29	\$70.27	\$109.72	\$65.74	\$7.57	93.5%	50.1%	1.97	8,930	0.95
1Q 2024	62.0%	\$121.57	\$75.37	\$113.62	\$70.44	\$7.95	93.5%	53.5%	1.88	8,770	1.07

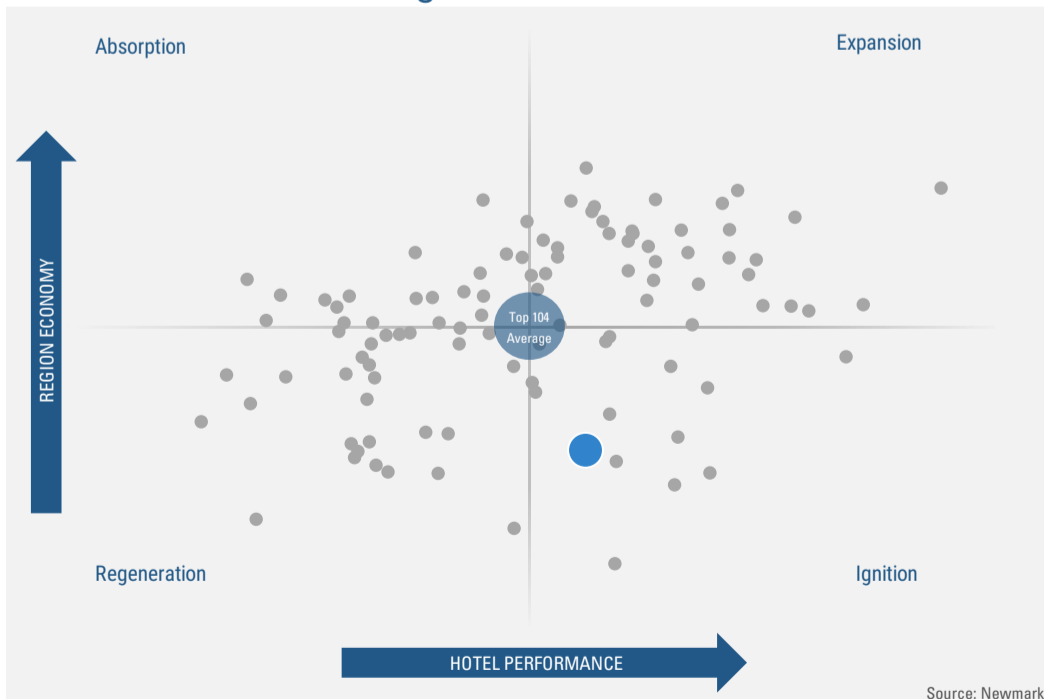
Notable Metrics

	Latest-Quarter Loyalty Contribution	T12-Month Loyalty Contribution	T12-Month COPE ADR Percentage
HIGHEST	10th Above Average Albany, NY exhibited strong latest-quarter loyalty contribution (53.5%)	15th Above Average The market exhibited strong T12-month loyalty contribution (51.9%)	23rd Above Average The market also benefited from strong T12-month COPE ADR percentage (93.3%)
LOWEST	96th Soft This market is small and offers a narrow variety of lodging scales and classes (8,773 total rooms)	95th Soft The market has a limited lodging-related economy and shows minimal diversity in its sources of demand (2,153,741 room nights)	90th Unfavorable Albany, NY also posted unfavorable IRR metrics in the select-service segment (12.1%)

Notable Trends

	Short-Term Historical Occupancy Growth	Long-Term Historical Occupancy Growth	Short-Term Historical Guest Paid RevPAR Growth
STRONGEST	8th Strong Albany, NY has benefited from strong short-term historical occupancy growth (1.6%)	13th Above Average The market enjoyed strong long-term historical occupancy growth (0.6%)	16th Above Average The market also has benefited from strong short-term historical Guest Paid RevPAR growth (4.9%)
WEAKEST	93rd Soft The market posted weak long-term historical COPE ADR growth (1.2%)	92nd Soft We note this area posted weak general economic reverence (per-capita unemployment, GDP and other indicators)	92nd Soft Albany, NY also has been burdened by high short-term historical supply growth (0.2%)

Market Performance Stage



Albany, NY: Ignition Stage

The Albany, NY market is currently in the 'Ignition' stage of the performance cycle. In this 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.

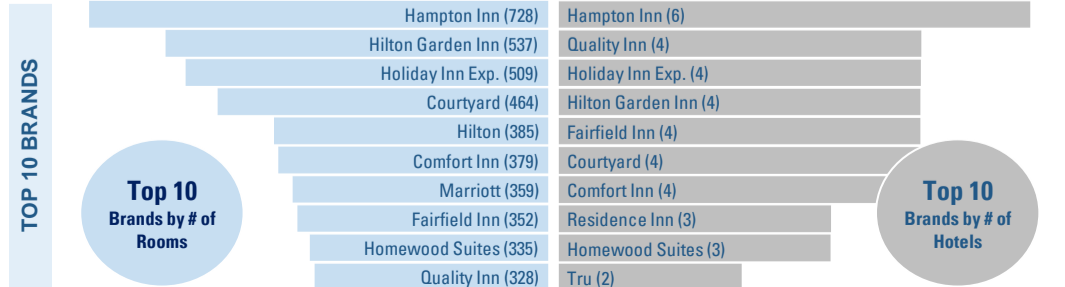
Other Stages:

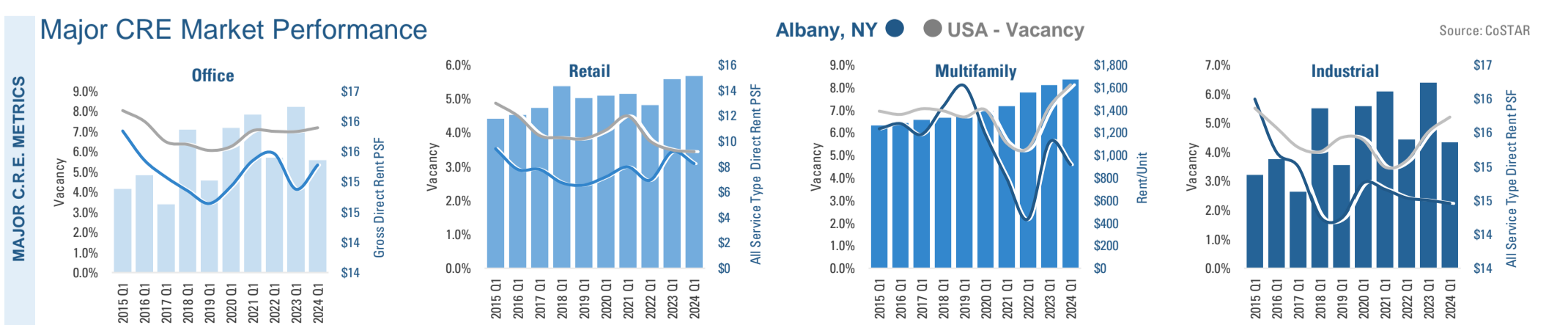
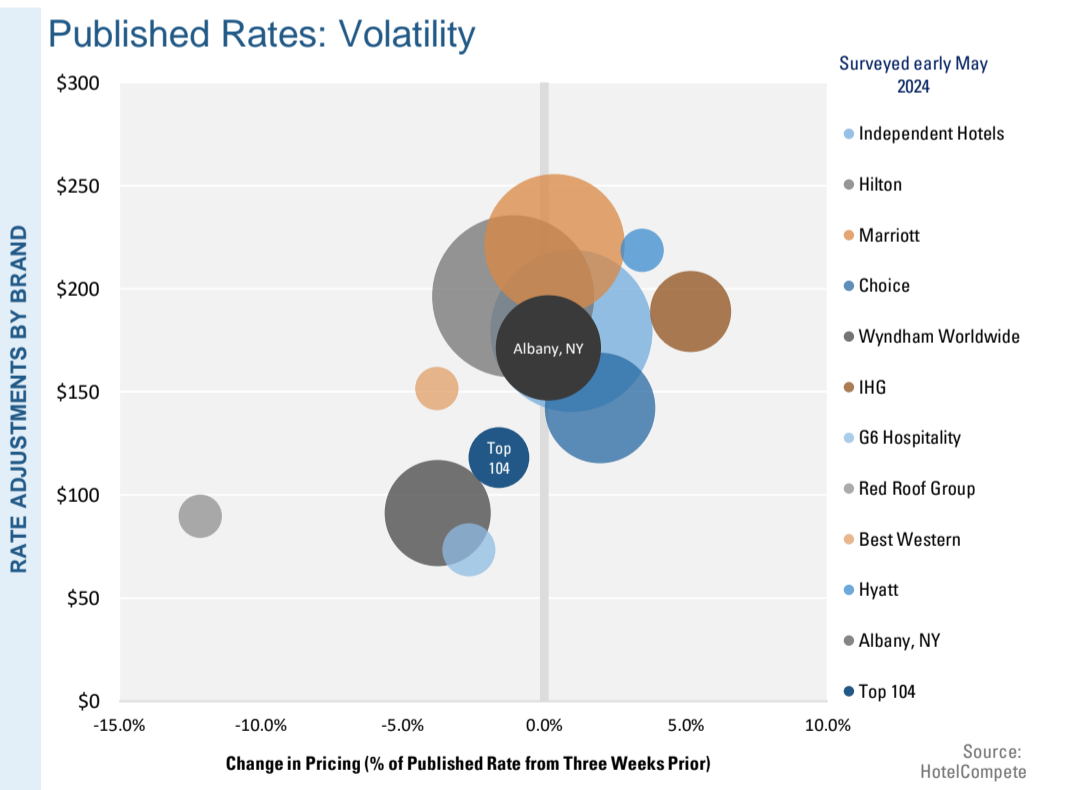
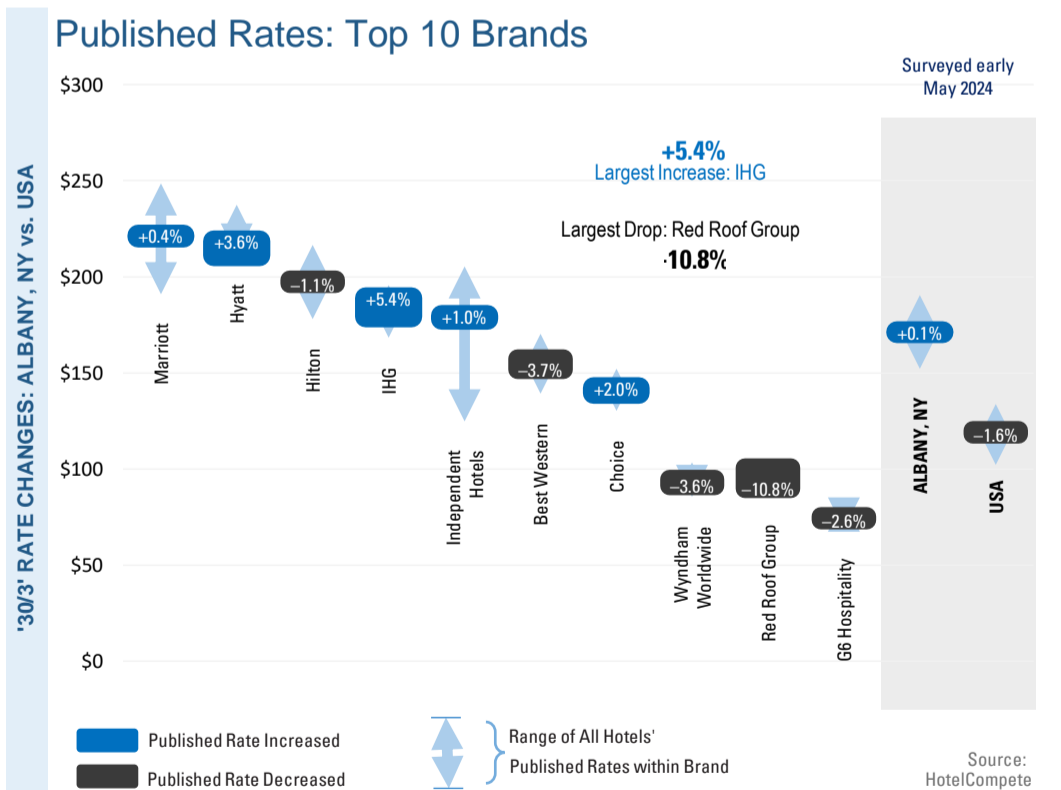
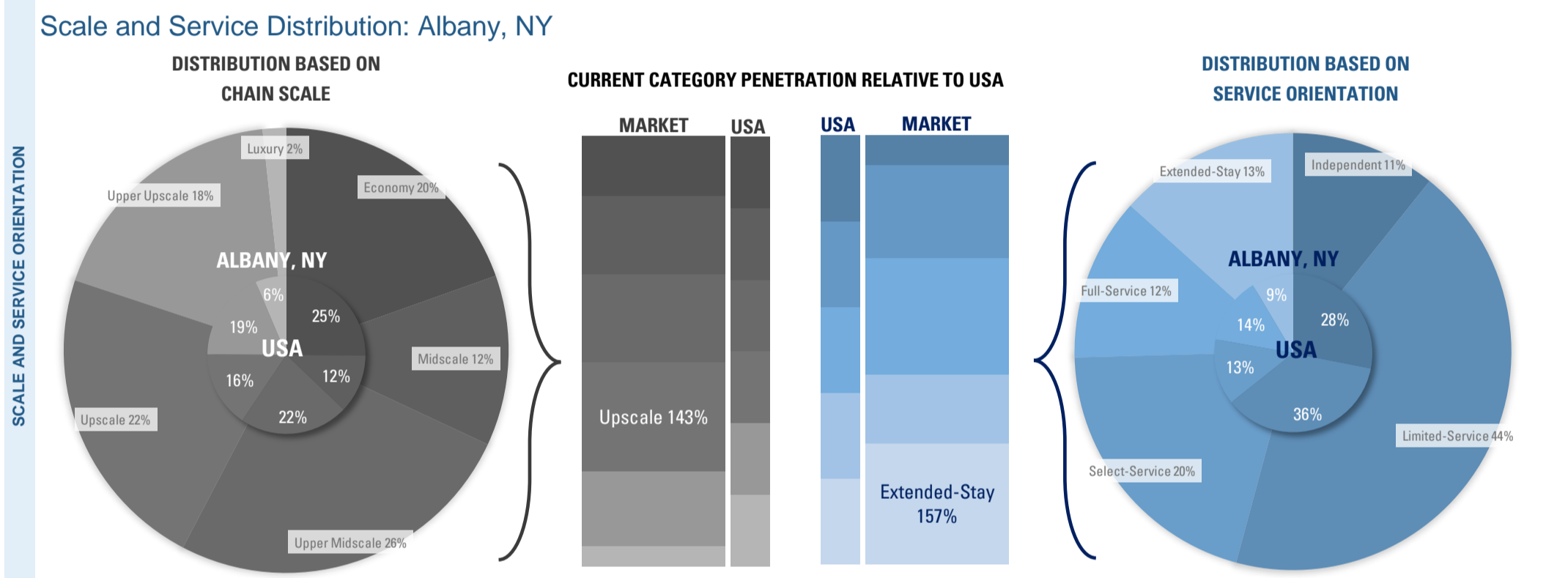
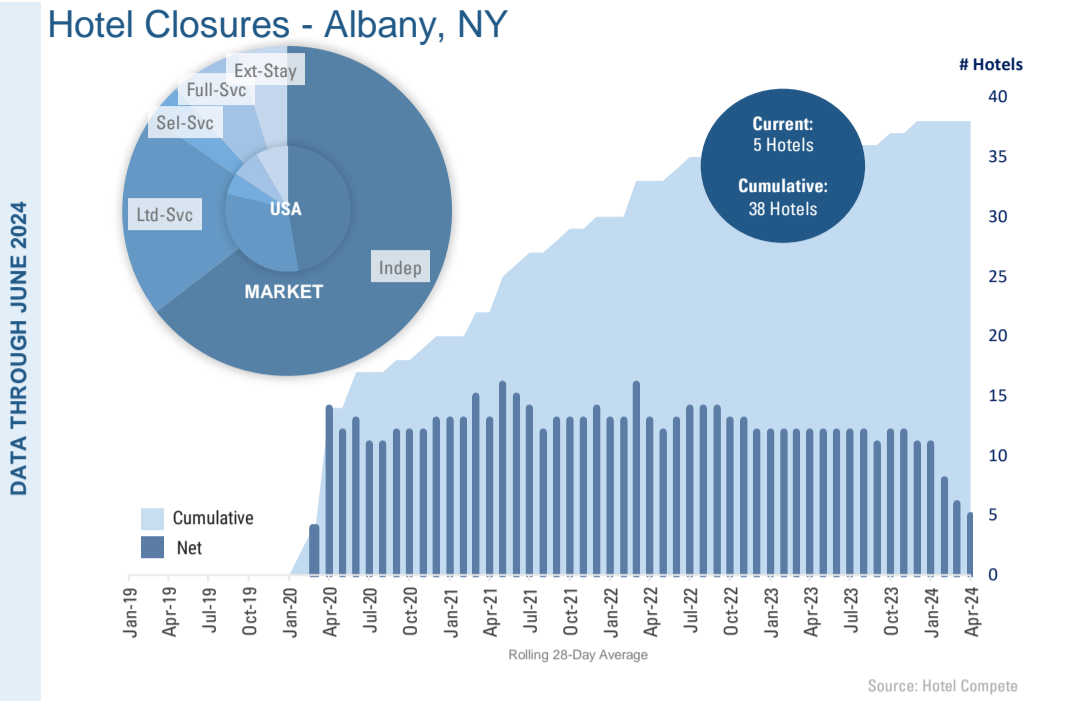
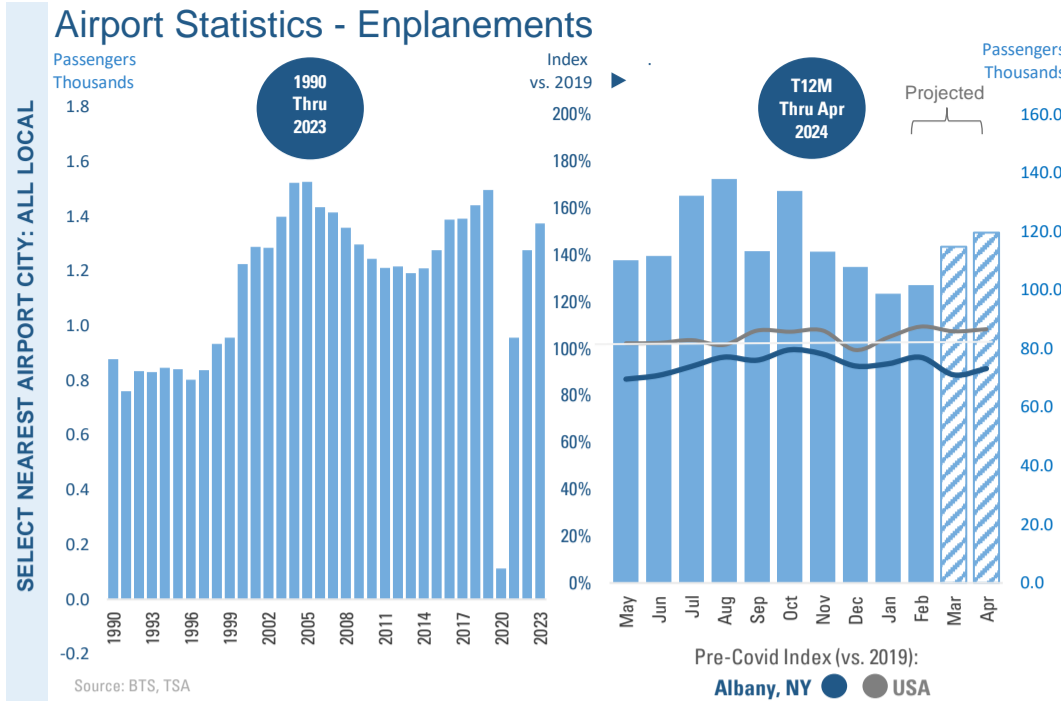
- Regeneration:** In the 'Regeneration' stage, hotels and the underlying economy are underperforming. The highest and best uses of hotel assets are still being challenged by lingering pandemic impacts, oversupply, weak economic indicators, and/or poor corporate contribution. Hotel investors look for opportunities to either exit or regenerate demand. Example markets in this stage include Cincinnati, OH; Detroit, MI; and Knoxville, TN.
- 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 Atlanta, GA; Charlotte, NC; and Columbus, OH.
- 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; Austin, TX; and Boston, MA.

Industry Observations

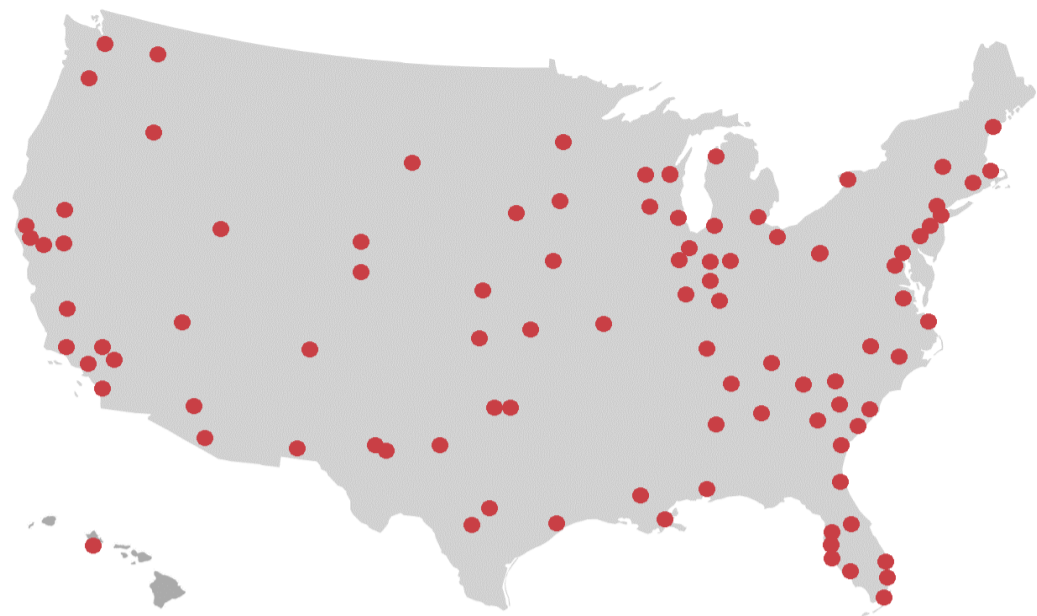
MOODY'S ANALYTICS
 Business Cycle: **At Risk**
 Employment Growth (2 yr): **0.9%**
 Risk Exposure (402 US markets): **99th Percentile: High Risk**
 Key Industry Notes:
 Central location relative to NYC
 Semiconductor production hub
 Low business costs, affordable housing
 Worsening population trends
 Elevated reliance on state government

Moody's Rating
Aa3
Investment Grade
 Long-term investment grade, Prime-1 short-term outlook





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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Gaming Facilities

Arenas, Stadiums and Sports Facilities

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Golf Courses

Marinas

Ski and Village Resorts

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