

# NEWMARK

1Q 2024

## Hotel Market Nsights Report

TULSA, OK



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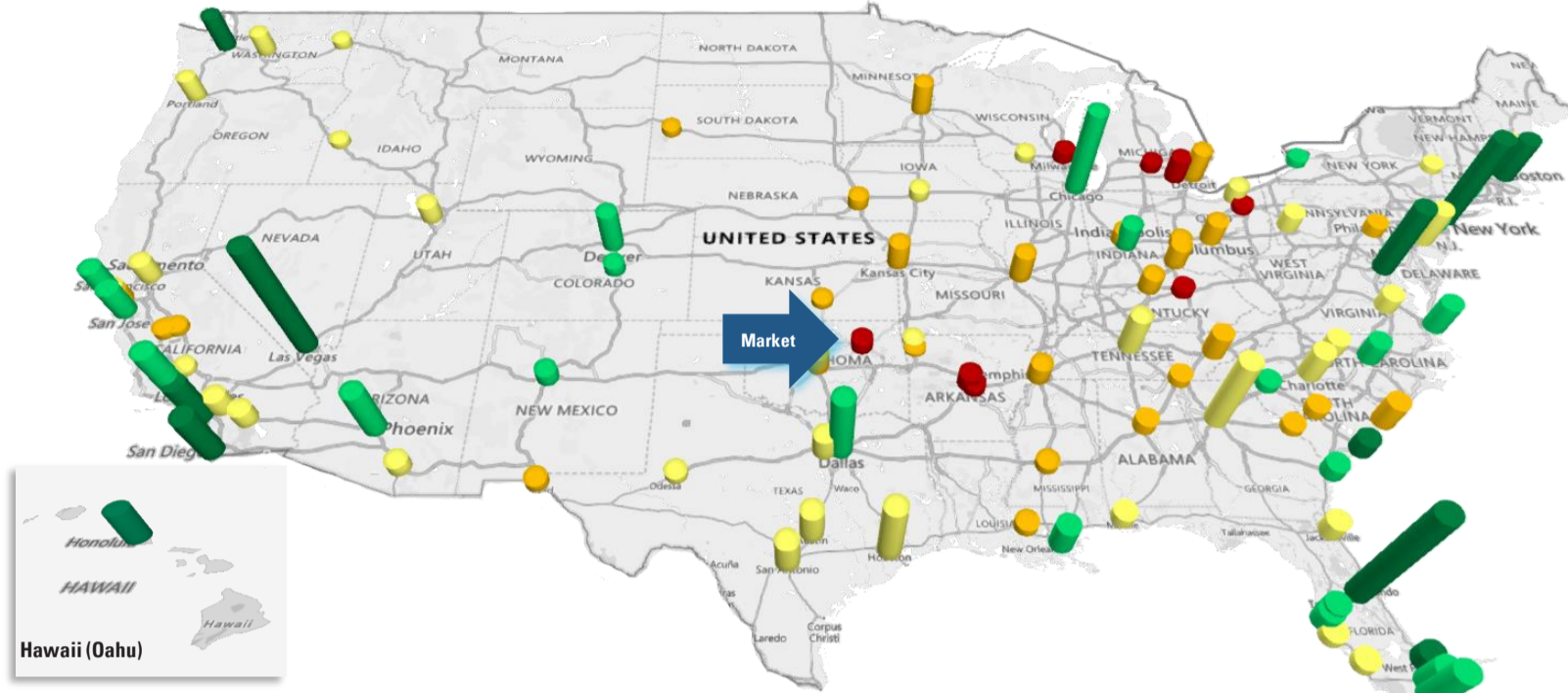
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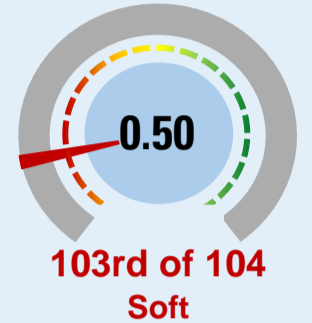


Lodging Performance Index Snapshot

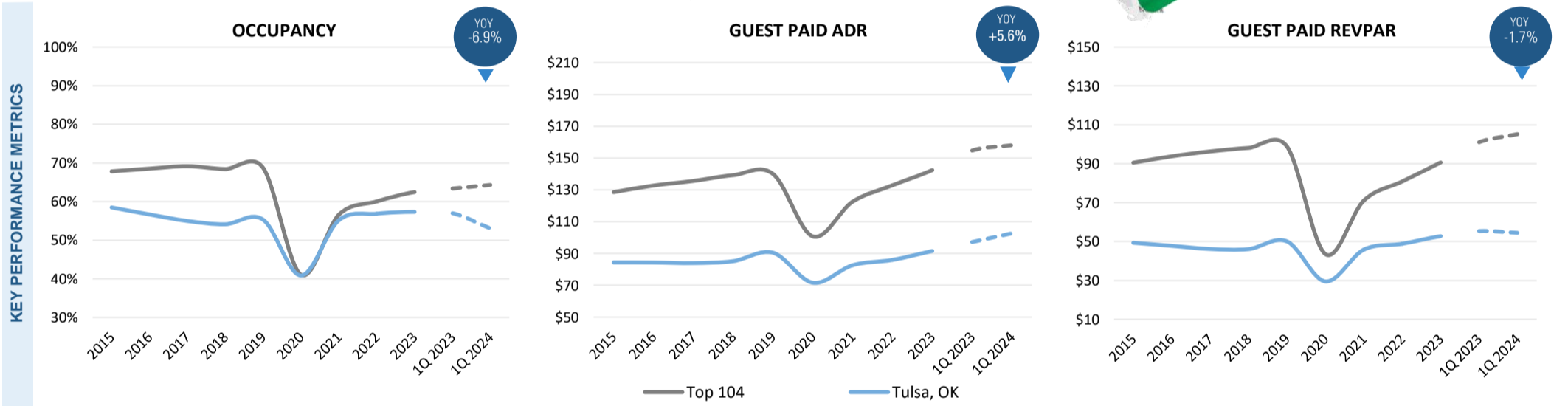


LODGING PERFORMANCE INDEX

Tulsa, OK



Ranking of overall 1Q 2024 LPI performance (0.50) against all 104 surveyed markets.

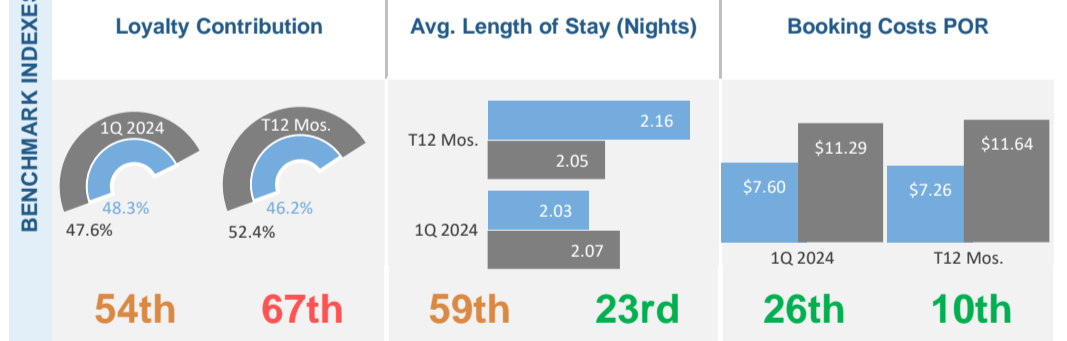


Key Performance Indexes

● Subject Market ● Top 104

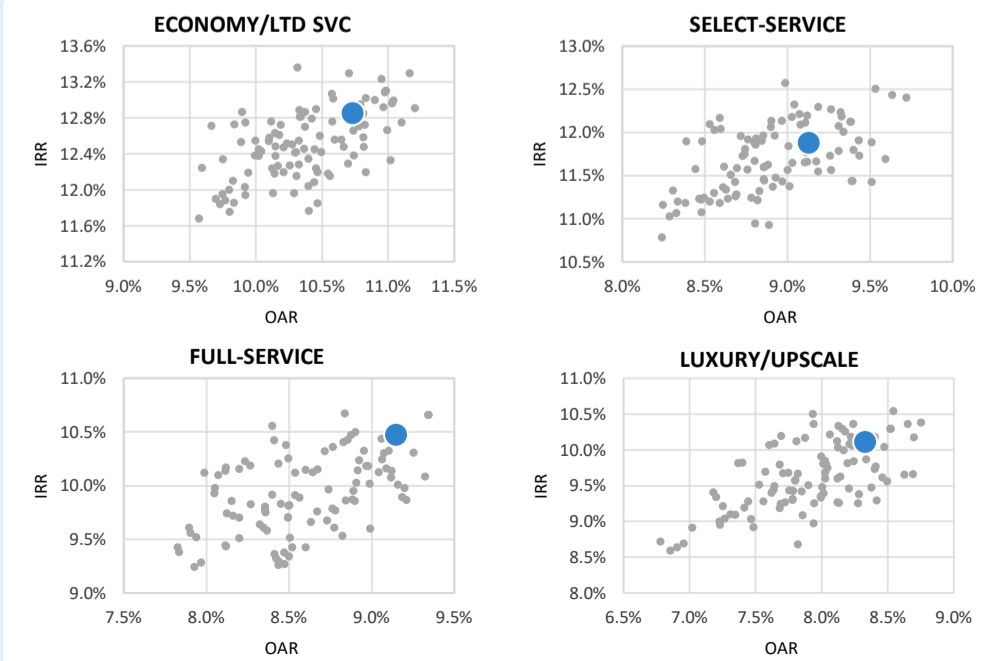


Key Benchmark Indexes



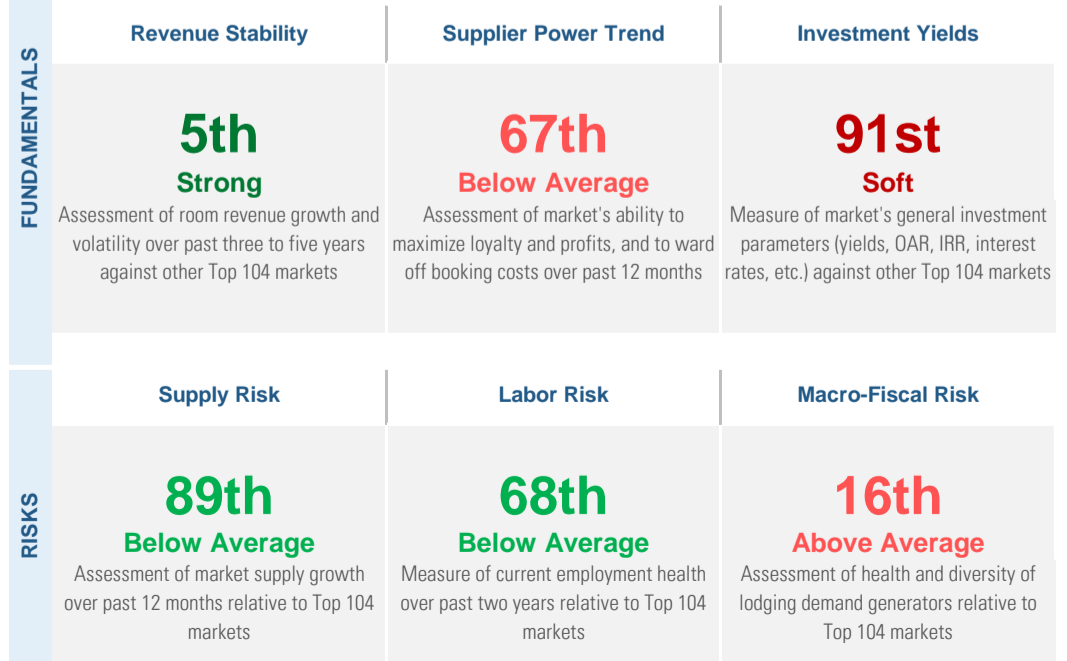
Discount and Capitalization Rates

Source: Newmark

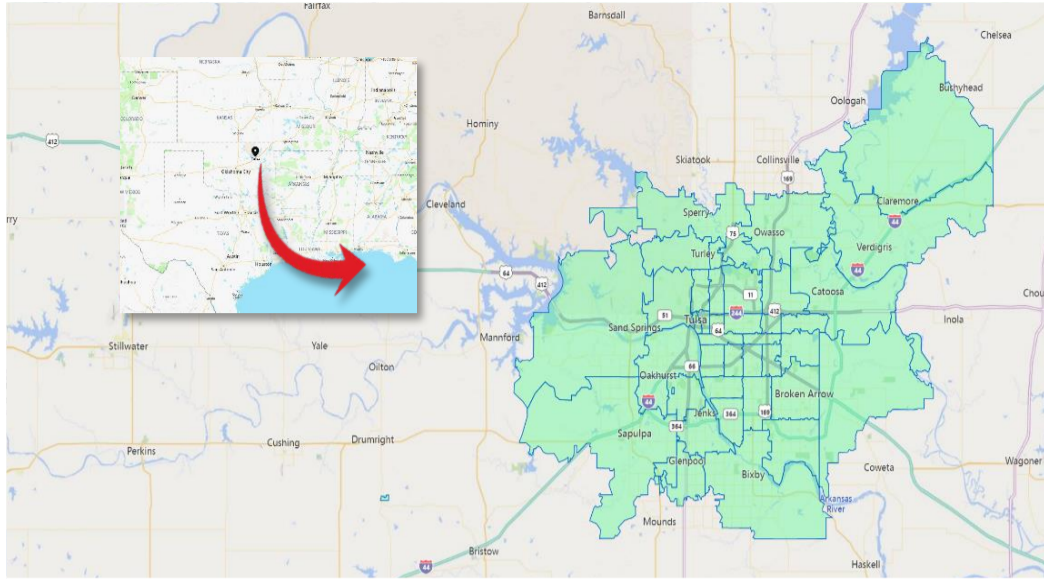


Trends and Risks

Source: Kalibri Labs, Newmark



Location



Quick Facts

Jurisdictional Information		Source: US Census Bureau, Dept. of Labor Statistics
Municipal Name:	Tulsa	
County:	Osage County, Rogers County, Tulsa County, and others	
State:	Oklahoma	
Geo Coordinates (market center):	36.12795, -95.90232	
Major Hotel Demand Generators		
American Airlines   AAO   AEPPublic Service Co.   Alorica Inc.   AT&T   Baker Hughes   Bank of Oklahoma   Blue Cross & Blue Shield   Enterprise Holdings Inc.   Hard Rock Hotel & Casino   Hillcrest Healthcare System   IC of Oklahoma   Nordam Group   OneOK Inc.   OSU Medical Center   OU-Tulsa Schusterman Center   Quiktrip Corp.   Reasor's Foods   River Spirit Casino   Saint Francis Health System		
Metrics and Ranking		Measurements
Population (hotel market area)	692,443	<b>71st of 104 (Below Average)</b>
Income per Capita	\$44,577	<b>68th of 104 (Below Average)</b>
Feeder Group Size	75.1 Persons PSR	<b>58th of 104 (Average)</b>
Feeder Group Earnings	\$3,347,386 PSR	<b>47th of 104 (Average)</b>
Total Market Hotel Revenues	\$331.7 million	<b>78th of 104 (Below Average)</b>

Key Performance Metrics

Data provided by: **kalibri LABS**

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	58.5%	\$84.40	\$49.35	\$78.18	\$45.71	\$6.21	92.6%	47.9%	2.03	14,340	0.42
2016	56.7%	\$84.33	\$47.77	\$77.79	\$44.07	\$6.54	92.2%	50.5%	1.98	14,530	0.43
2017	55.0%	\$83.98	\$46.16	\$77.32	\$42.50	\$6.65	92.1%	50.3%	1.95	14,710	0.39
2018	54.1%	\$85.18	\$46.10	\$78.37	\$42.42	\$6.81	92.0%	52.4%	2.00	15,290	0.61
2019	55.3%	\$90.52	\$50.06	\$83.35	\$46.09	\$7.17	92.1%	57.5%	1.99	17,120	0.75
2020	40.8%	\$71.64	\$29.50	\$66.68	\$27.24	\$4.96	93.1%	39.1%	2.38	16,330	0.82
2021	55.2%	\$82.64	\$45.84	\$76.74	\$42.33	\$5.90	92.9%	40.4%	2.24	15,830	0.80
2022	56.8%	\$85.98	\$48.86	\$79.82	\$45.37	\$6.16	92.8%	40.6%	2.24	15,860	0.70
2023	57.3%	\$91.58	\$52.77	\$85.09	\$48.78	\$6.50	92.9%	40.9%	2.25	15,880	0.78
<b>CAGR: 2015 thru 2023</b>	<b>-0.2%</b>	<b>1.0%</b>	<b>0.8%</b>	<b>1.1%</b>	<b>0.8%</b>	<b>0.6%</b>	<b>0.0%</b>	<b>-2.0%</b>	<b>1.3%</b>	<b>1.3%</b>	<b>7.9%</b>
<b>1Q 2023</b>	57.0%	\$97.21	\$55.38	\$90.25	\$51.41	\$6.96	92.8%	43.9%	2.21	15,710	0.79
<b>1Q 2024</b>	53.0%	\$102.69	\$54.45	\$95.09	\$50.42	\$7.60	92.6%	48.3%	2.03	15,340	0.50

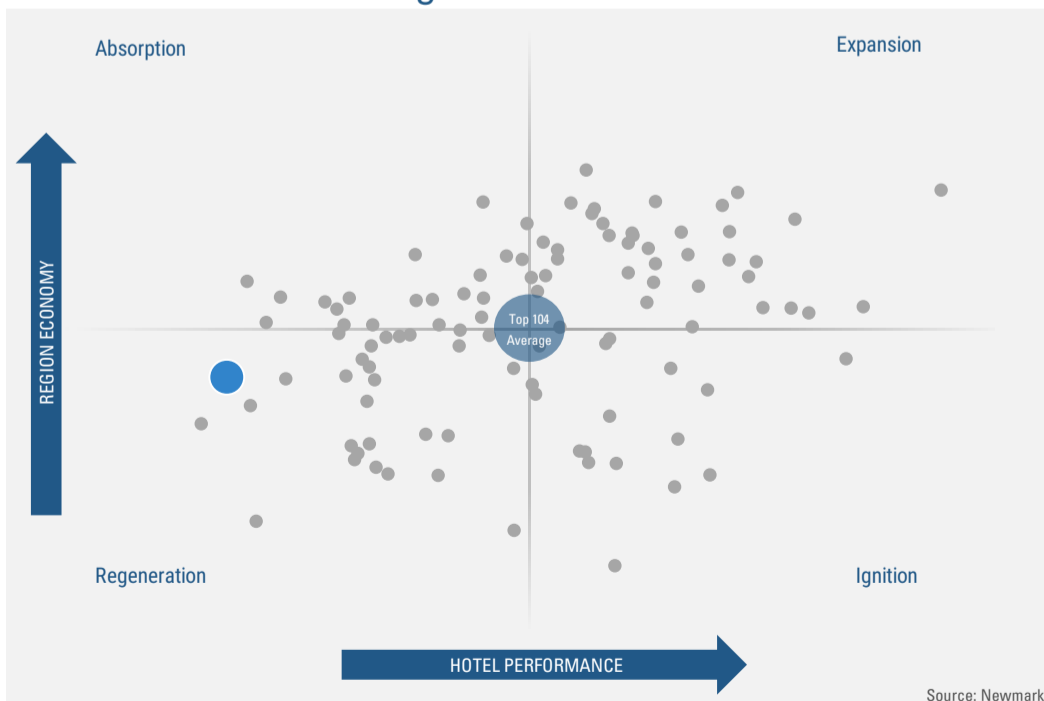
Notable Metrics

	T12-Month Booking Costs POR	T12-Month Average Length of Stay	Latest-Quarter Booking Costs POR
<b>HIGHEST</b>	<b>10th Above Average</b> Tulsa, OK enjoyed low T12-month booking costs POR (\$7.26)	<b>23rd Above Average</b> The market benefited from strong T12-month average length of stay (2.16 Nights)	<b>26th Above Average</b> The market also enjoyed low latest-quarter booking costs POR (\$7.60)
<b>LOWEST</b>	<b>103rd Soft</b> This market has been hindered by weak T12-month Guest Paid RevPAR (\$57.89)	<b>103rd Soft</b> The market posted weak latest-quarter LPI (0.5)	<b>102nd Soft</b> Tulsa, OK also posted weak T12-month COPE RevPAR (\$53.67)

Notable Trends

	Short-Term Historical Guest Paid ADR Growth	Short-Term Historical Guest Paid RevPAR Growth	Short-Term Historical COPE ADR Growth
<b>STRONGEST</b>	<b>4th Strong</b> Tulsa, OK exhibited strong short-term historical Guest Paid ADR growth (5.8%)	<b>5th Strong</b> The market has benefited from strong short-term historical Guest Paid RevPAR growth (6.1%)	<b>5th Strong</b> The market also has benefited from strong short-term historical COPE ADR growth (5.8%)
<b>WEAKEST</b>	<b>103rd Soft</b> The market has been hampered by weak general hotel market performance (levels and trends of fundamentals)	<b>98th Soft</b> We note this area has been impeded by high short-term historical growth in booking costs (6.0%)	<b>93rd Soft</b> Tulsa, OK also has been burdened by high short-term historical supply growth (0.2%)

Market Performance Stage



Tulsa, OK: Regeneration Stage

The Tulsa, OK 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.

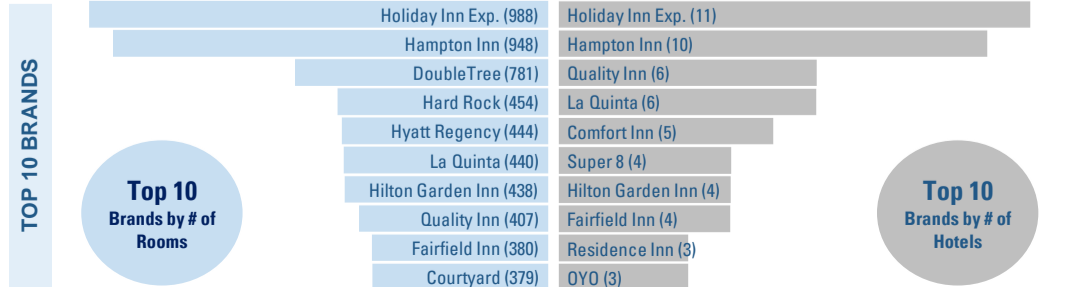
Other Stages:

- 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 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.

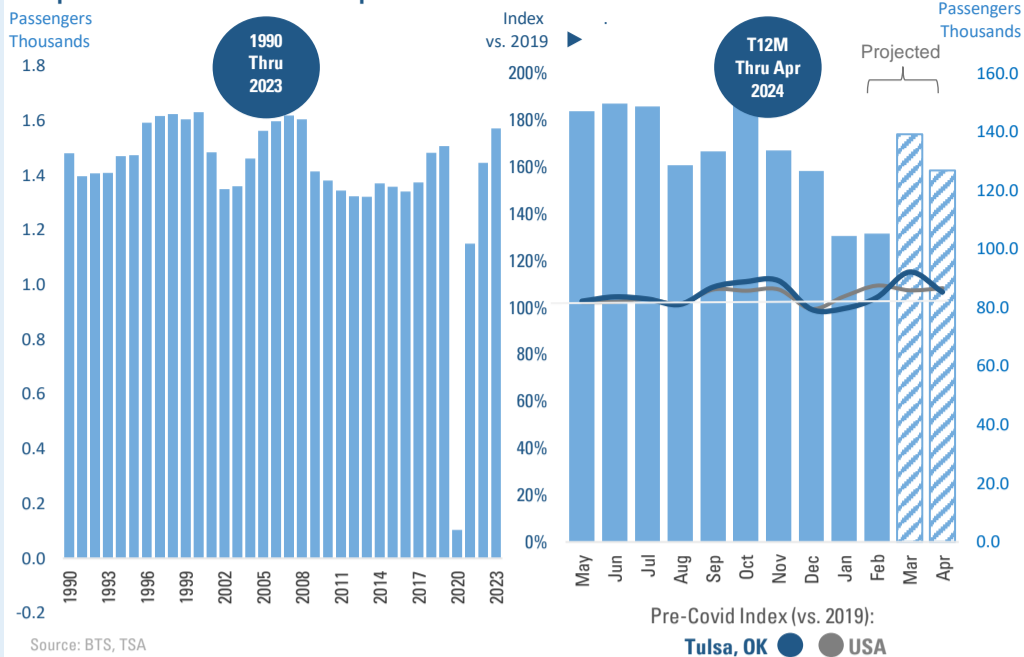
Industry Observations

**MOODY'S ANALYTICS**  
 Business Cycle: **Expansion**  
 Employment Growth (2 yr): **1.3%**  
 Risk Exposure (402 US markets): **37th Percentile: Average Risk**  
 Key Industry Notes:  
 Strong household balance sheets  
 Low energy costs, taxes  
 Low living costs  
 Few high-wage jobs in services  
 Sluggish income trends

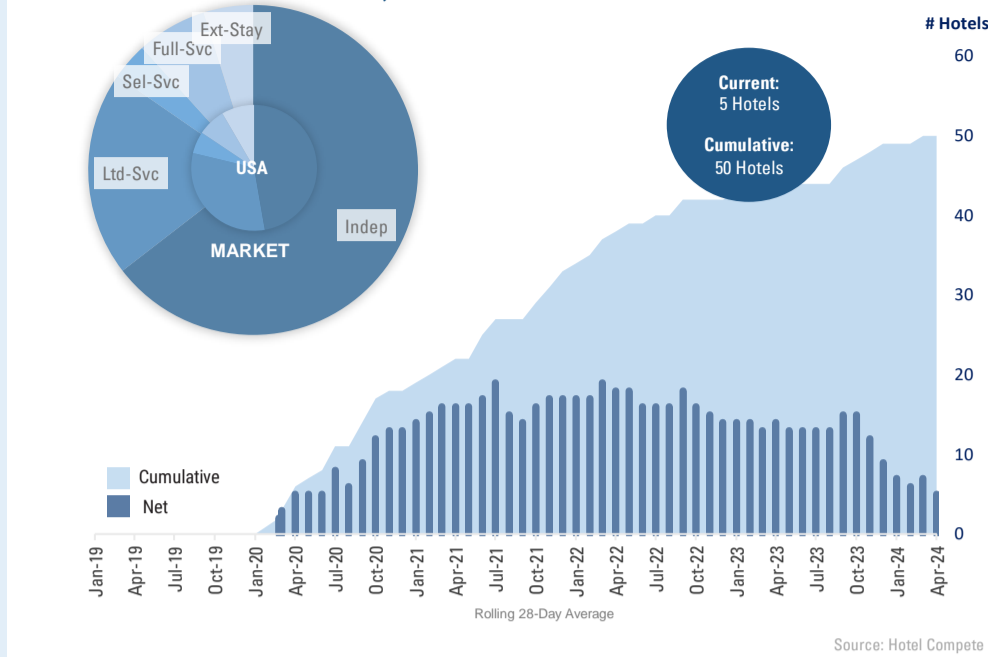
**Moody's Rating**  
**Aa1**  
**Investment Grade**  
 Long-term investment grade, Prime-1 short-term outlook



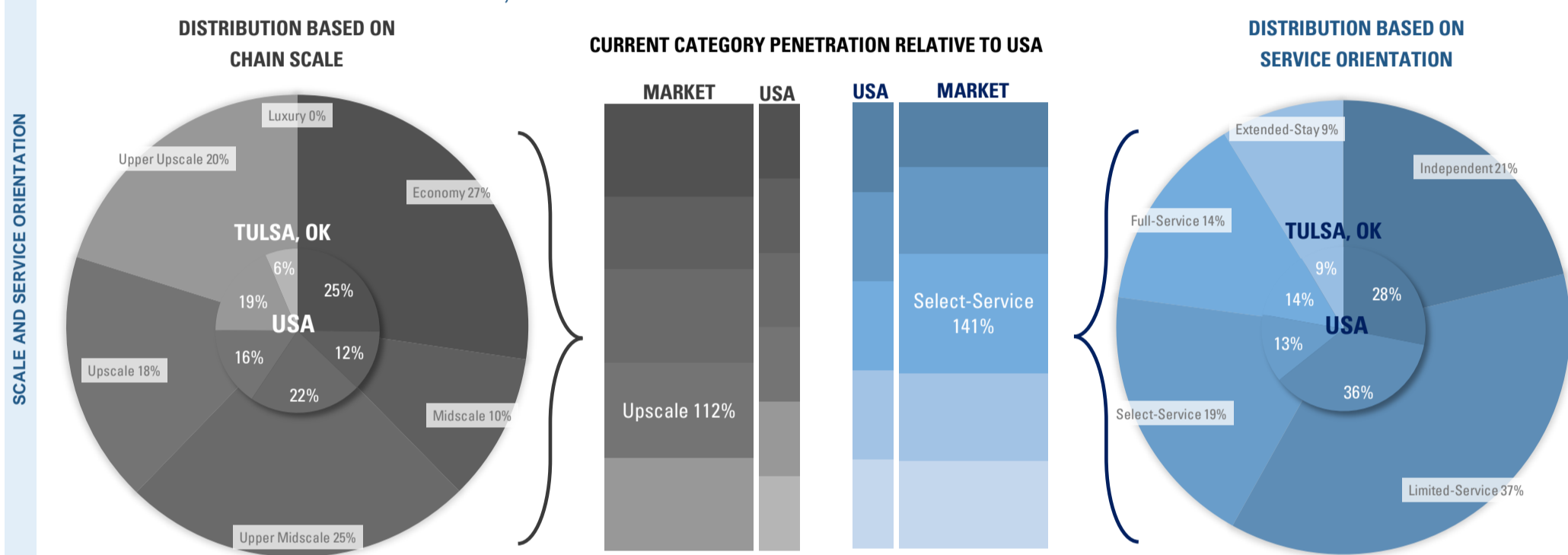
Airport Statistics - Enplanements



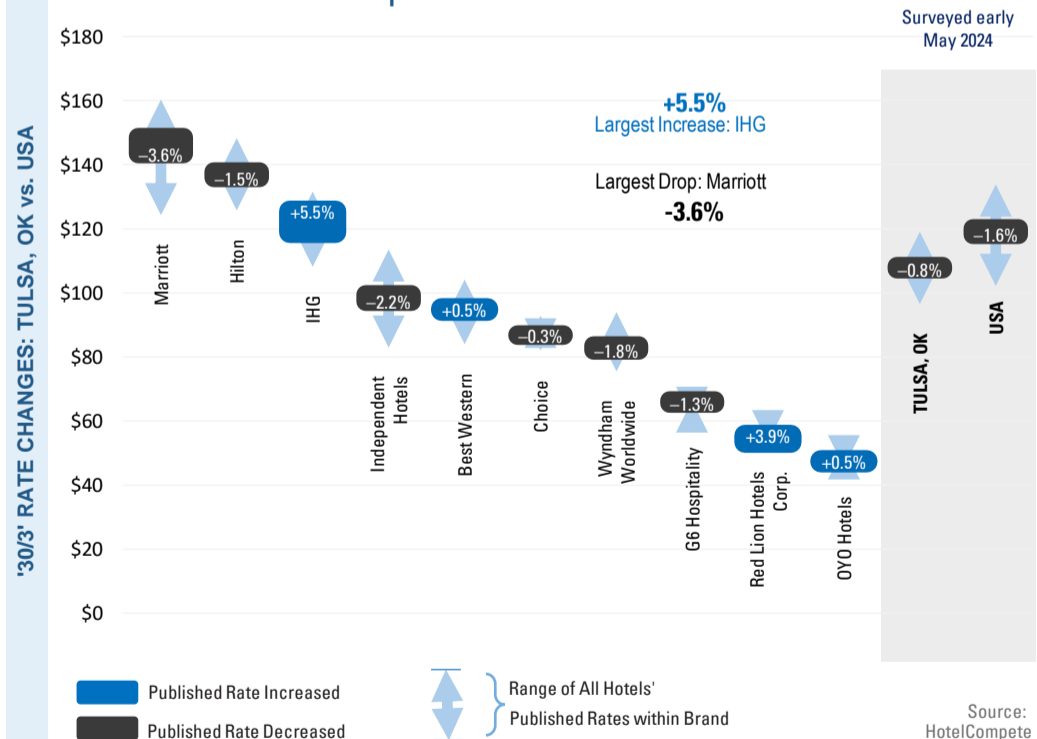
Hotel Closures - Tulsa, OK



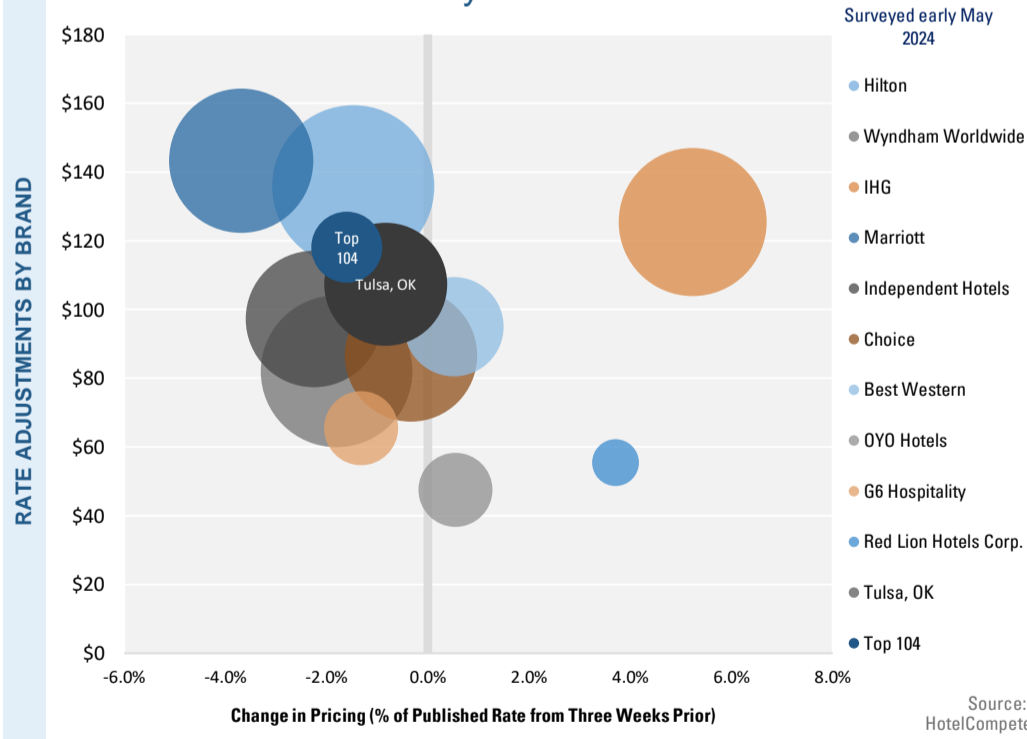
Scale and Service Distribution: Tulsa, OK



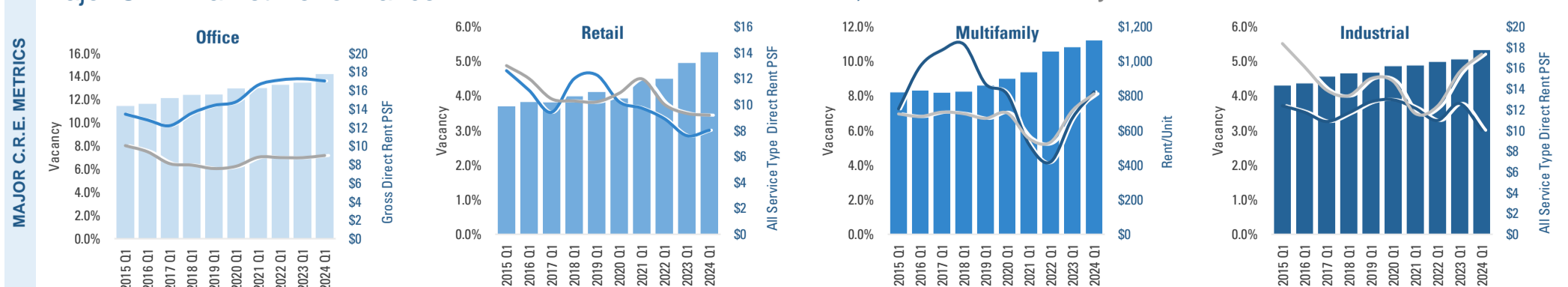
Published Rates: Top 10 Brands



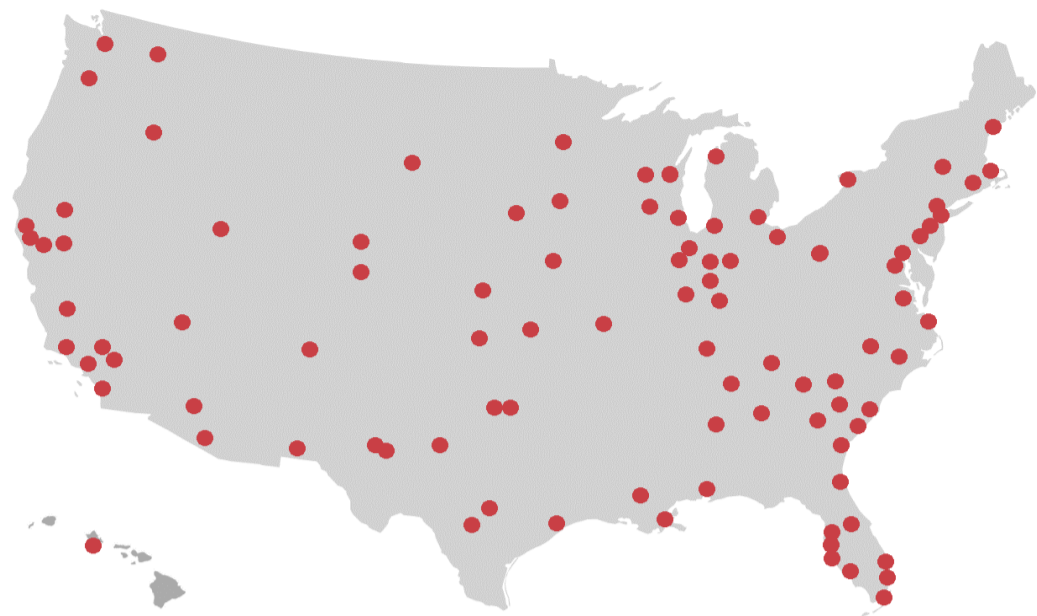
Published Rates: Volatility



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

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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.

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### Hotels and Resorts

### Gaming Facilities

### Arenas, Stadiums and Sports Facilities

### Conference, Expo and Convention Centers

### Golf Courses

### Marinas

### Ski and Village Resorts

### Water Parks, Amusement Parks and Attractions

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### 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.

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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.

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

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