

2023 New Mexico Short Term Rental Economic Impact Study

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Association

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Introduction

- **Tourism and Economic Growth:** The study highlights the increasing importance of the tourism and hospitality sectors as vital components of New Mexico's economy.
- **Detailed Analysis of STR Contributions:** Aimed at elucidating the economic contributions of STRs across New Mexico, particularly focusing on the four largest markets: Santa Fe County, Bernalillo County, Taos County, and Lincoln County.
- **Utilization of Comprehensive Data Sources:** Utilizes data from leading-edge sources including AirDNA, Wheelhouse, and the New Mexico Department of Tourism to provide a detailed assessment of the STR market.
- **Objective of the Study:** To provide stakeholders, policymakers, and the public with a comprehensive understanding of the economic dynamics of the STR market, reflecting its potential and challenges within New Mexico's vibrant economy.



NM.GOV
The State of New Mexico

AIRDNA

 **awning**


Wheelhouse


Irvin Homes



1.01B Total Economic Impact

Findings Overview



Direct Visitor Spending

- **\$746 Million**



Total Economic Impact

- **\$1.01Billion**



Total Jobs Generated

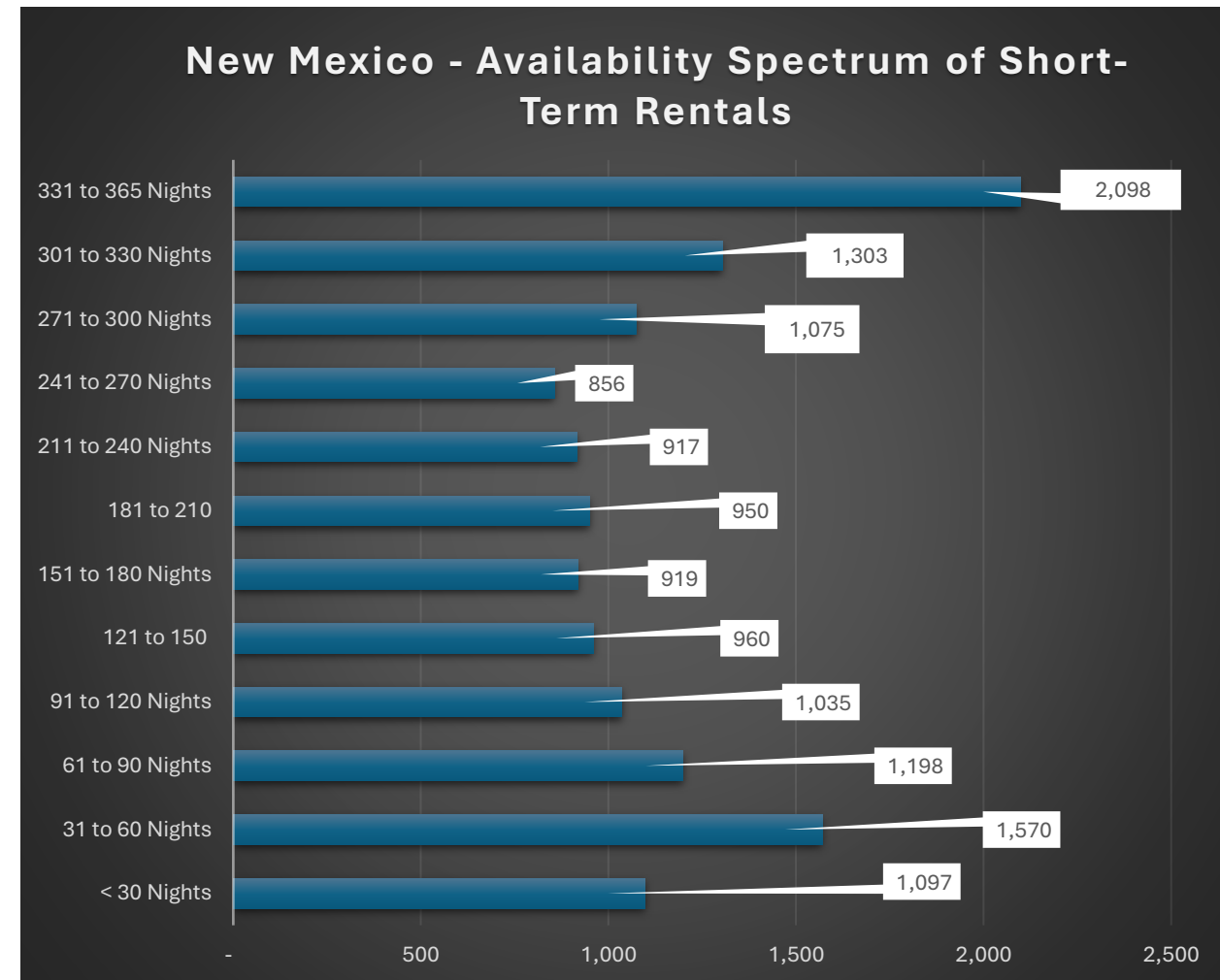
- **14,555**



State & Local Taxes Generated

- **\$82.1 Million**

Inventory Availability



Jobs & Wages

14,555 Jobs

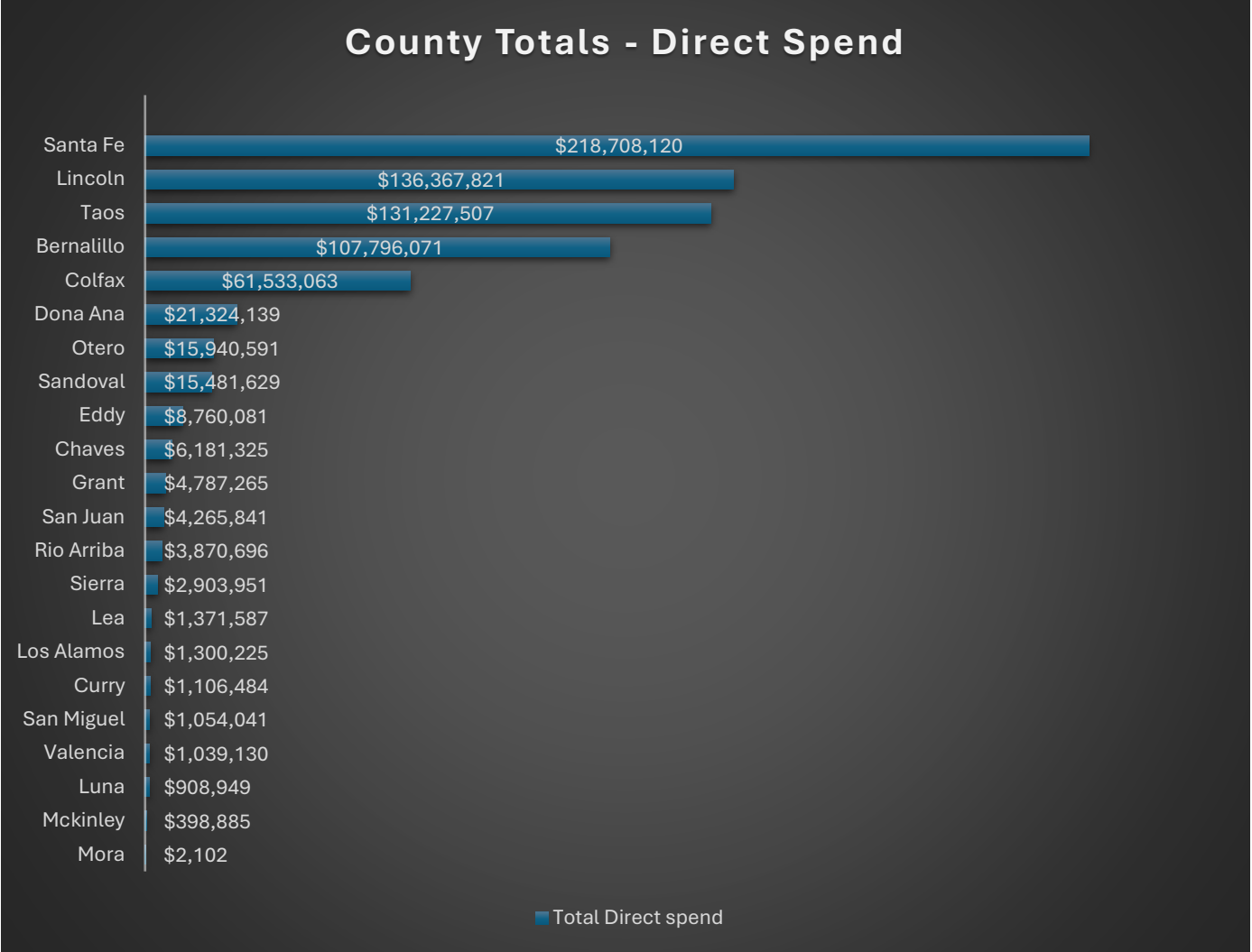
- Cleaning services
- Property management
- Maintenance and repair services
- Tourism and hospitality services
- Food and beverage services
- Retail and shopping services
- Transportation services
- Home hosts





Category	Direct Spending	Total Economic Impact	Taxes
Total	\$ 746,328,592	\$ 1,007,094,004	\$ 82,165,297
Lodging	\$ 374,903,560	\$ 505,893,960	\$ 51,984,691
Food and Beverage	\$ 136,897,090	\$ 184,728,603	\$ 11,123,717
Retail	\$ 94,267,684	\$ 127,204,586	\$ 7,659,820
Transportation	\$ 82,390,349	\$ 111,177,338	\$ 6,694,714
Recreation	\$ 57,870,821	\$ 78,090,747	\$ 4,702,354

Visitors Direct Spending



Total Visitors	
January	142,983
February	121,509
March	168,623
April	140,589
May	163,572
June	178,813
July	200,624
August	184,665
September	170,128
October	192,842
November	141,190
December	161,228
Total	1,966,766

Short Term Rental Guests

Workers

- Healthcare workers including traveling nurses and locum doctors
- Small Business owners, customers & consultants
- Corporations - Intel, Facebook, Netflix, NBC Studios, Movies
- Government -Sandia Labs, LANL, Kirtland AFB, Holloman, NASA
- Conventions

Tourism

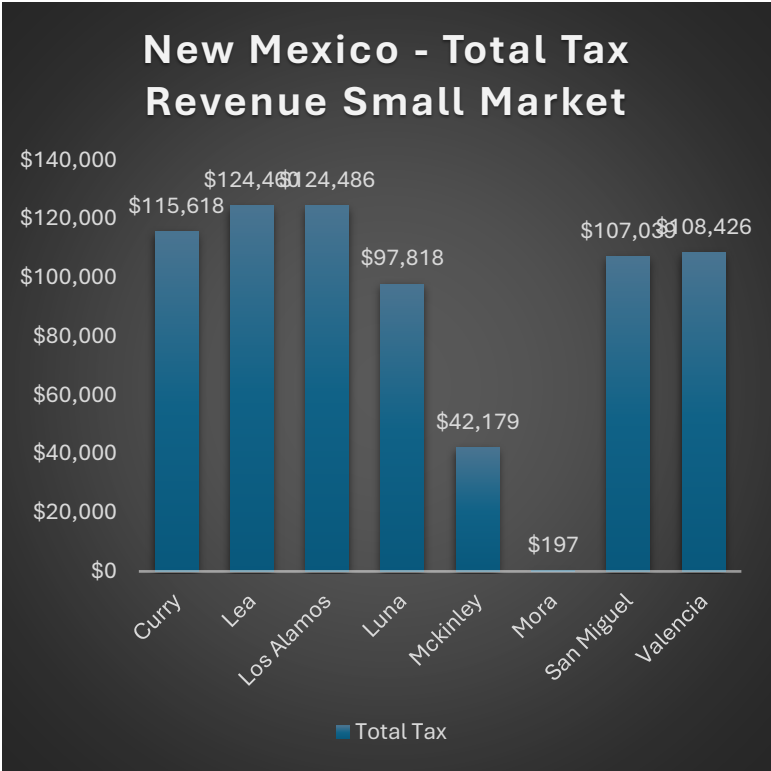
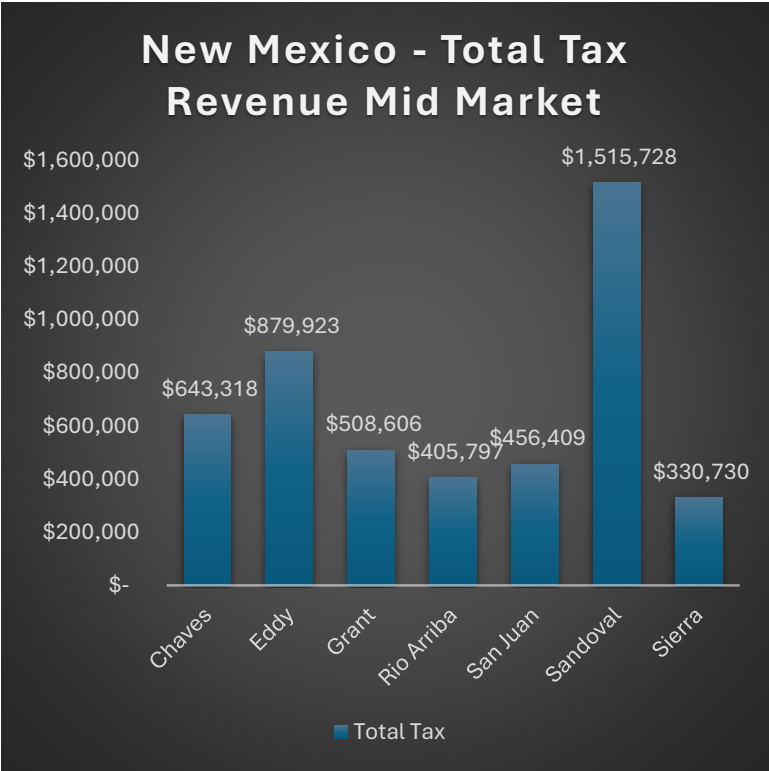
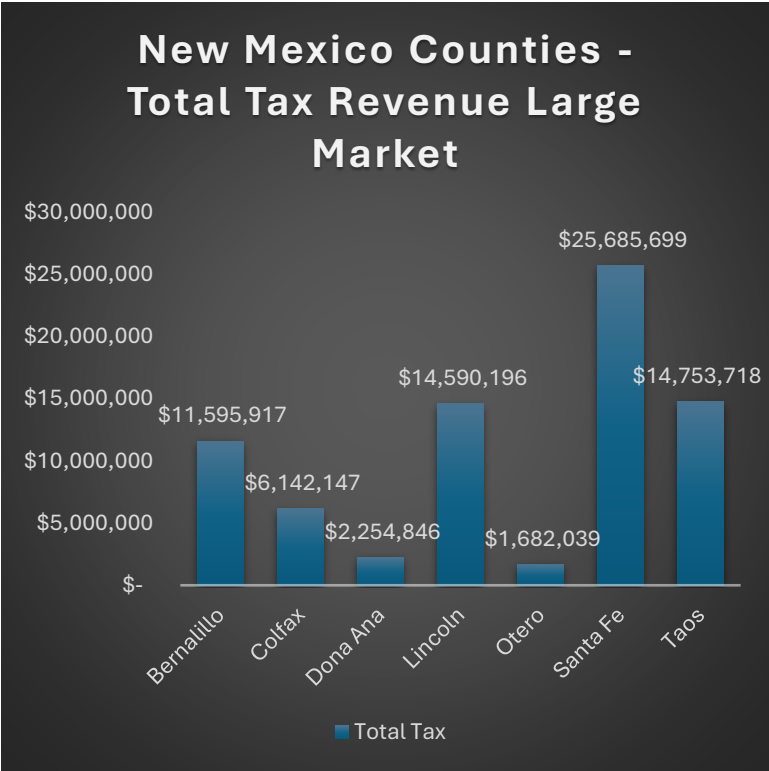
- Visiting family
- Events (concerts, shows, sports, festivals, Balloon Fiesta)
- Medical Trips (Presbyterian UNM, & Lovelace)
- Cultural tourists (cultural centers)
- Education Tourist (museums, schools)
- Families and groups traveling together

Visitor Destination Draws

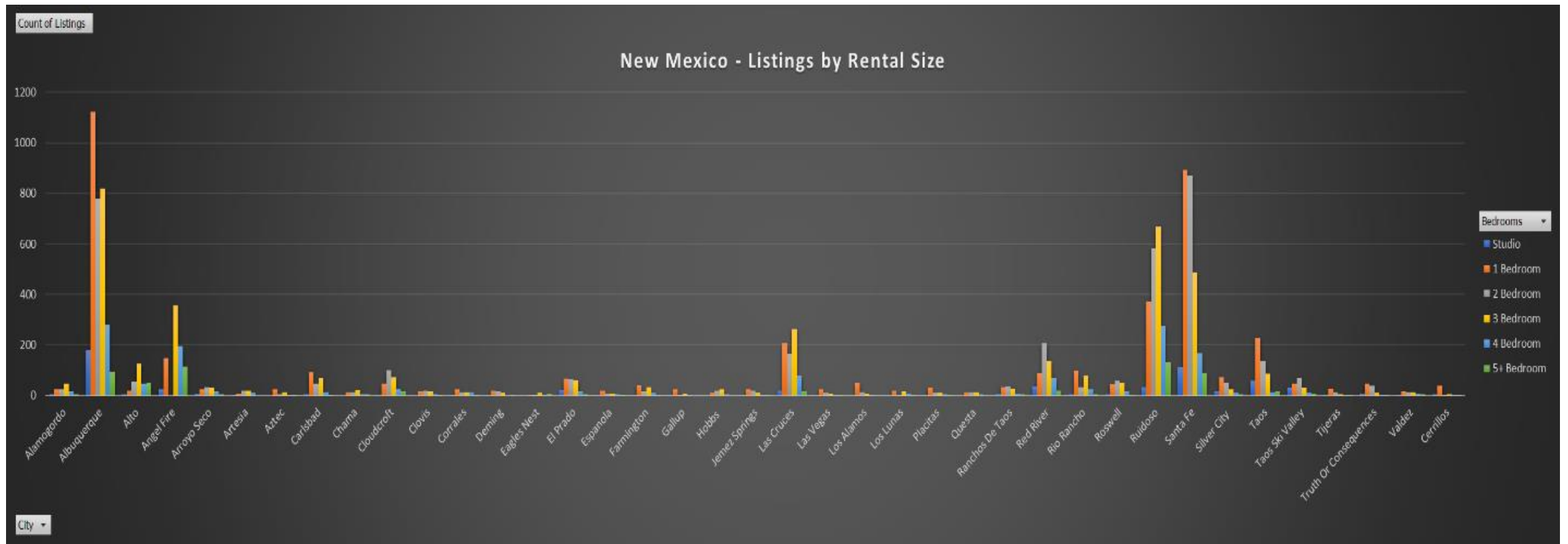
- **Diverse Traveler Accommodation:** New Mexico's STRs provide diverse lodging options, from Albuquerque's tech hub to Santa Fe's art scene, Taos's ski resorts, and Las Cruces's desert expanses.
- **Albuquerque's Tech and Healthcare Influence:** Vacation rentals are popular among tech professionals and healthcare workers seeking the comfort of a home-like setting.
- **Film Industry Magnet:** With Netflix's expansion, the state's vacation rentals have become retreats for the creative talent of the film industry.
- **Santa Fe's Cultural and Recreational Appeal:** STRs in Santa Fe offer experiences near galleries and ski resorts, attracting art lovers and winter sports enthusiasts.
- **Outdoor Adventure Hotspots:** Destinations like Red River, Angel Fire, and Ruidoso attract visitors year-round for their outdoor activities and scenic beauty.
- **Las Cruces - Texas Proximity:** The city is a prime spot for visitors from Texas, offering access to unique New Mexico experiences.
- **Support for Critical Sectors:** STRs support key industries by providing accommodations for traveling professionals such as nurses, doctors, engineers, and business travelers.
- **Economic and Community Pillar:** STRs forge a symbiotic relationship between traveler needs and community well-being, fulfilling demand for versatile lodging and contributing significantly to the local economy and employment.
- **Broad Economic Impact:** The influence of STRs extends beyond immediate transactions, bolstering essential services and industries across the state.

Tax Generation

NM State Total \$82.1 Million



Listings By Rental Size



Occupancy

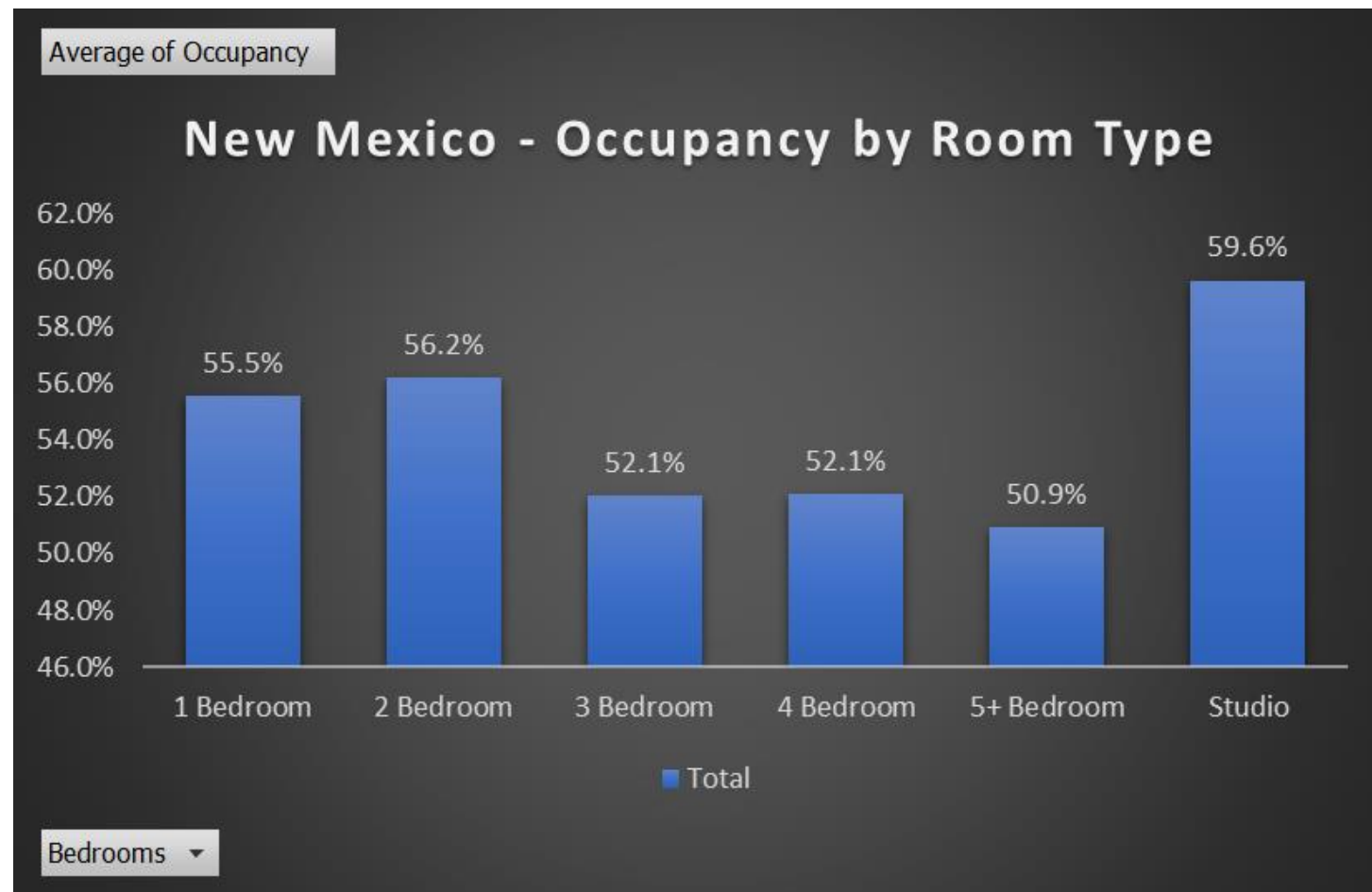
State Average: 54.2%

Highest Occupancy:

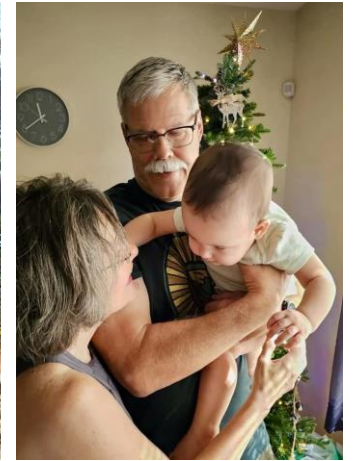
- Hobbs: 68%
- Jemez Springs: 69%

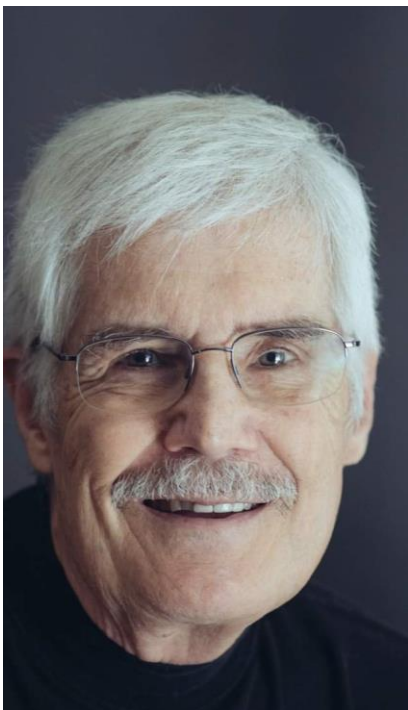
Lowest Occupancy:

- Chama: 41%



Hosts & Home Owners

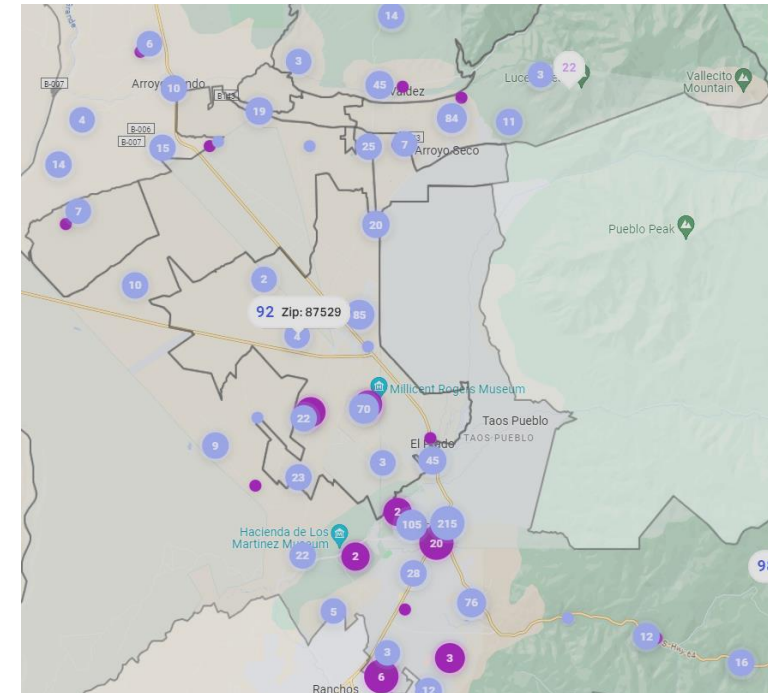
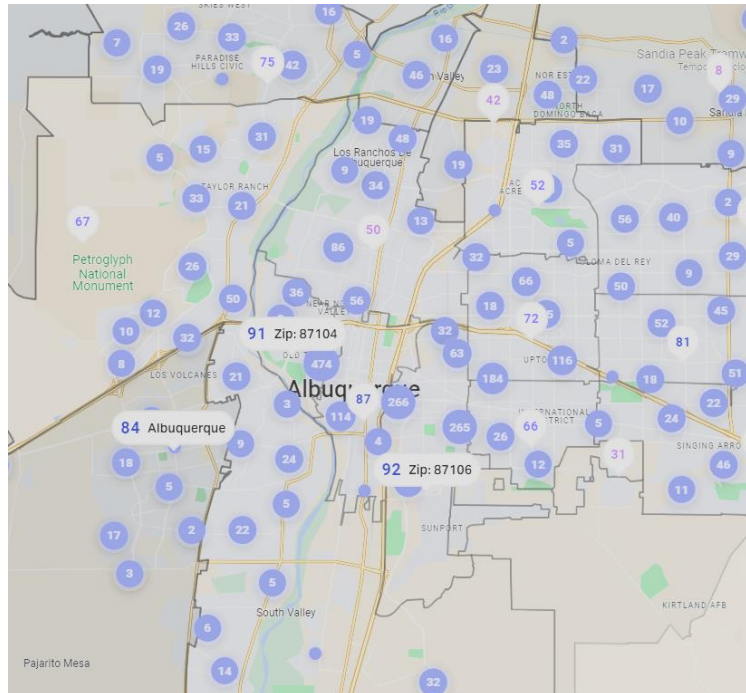
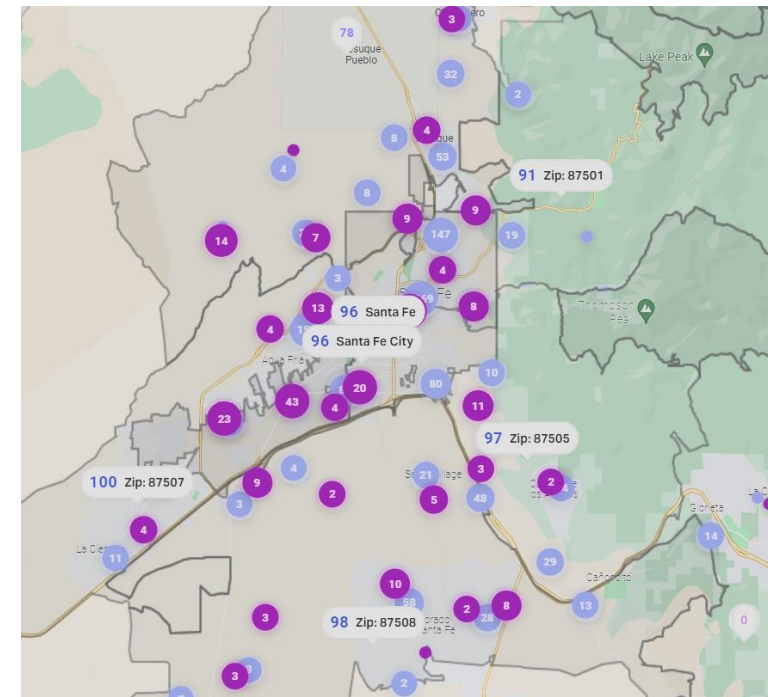
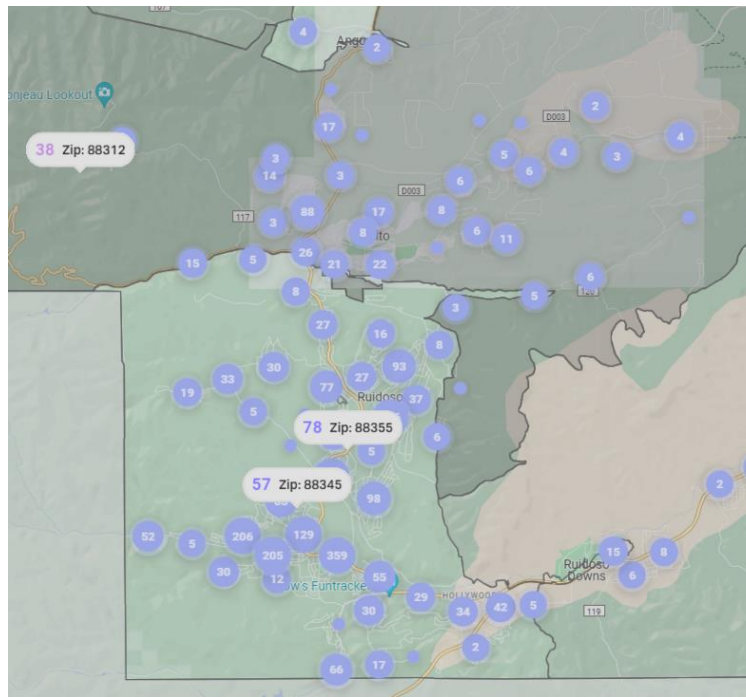




STR Locations



1.01B Total Economic Impact



Bernalillo County 2023 Economic Impact



353,826 guests hosted



\$145.5 million Economic Impact



\$107.8 Million in Direct Spending



\$11,595,917 in Tax Revenue (Excludes property tax)



3,200 Jobs 3,200 Jobs

Bernalillo County Direct Spend



Category	Bernalillo
Total Taxes	\$ 11,595,917
Lodging Taxes	\$ 7,438,283
Food and Beverage Taxes	\$ 1,532,386
Retail Taxes	\$ 1,055,205
Transportation Taxes	\$ 922,254
Recreation Taxes	\$ 647,789

Category	Bernalillo
Total	\$ 107,796,071
Lodging	\$ 54,149,180
Food and Beverage	\$ 19,772,725
Retail	\$ 13,615,549
Transportation	\$ 11,900,047
Recreation	\$ 8,358,570

Methodology

- **Comprehensive Data Sources:**
 - Primary data from AirDNA, enriched with supplemental data from Irvie Homes LLC, and public data from the State of NM Taxation & Revenue Department and New Mexico Tourism Department.
 - Utilized the "Economic Impact of Visitors in New Mexico 2022" report for key economic indicators, including average spending per overnight guest.
- **Robust Data Analysis:**
 - Focused on listings, occupancy rates, and revenue figures to construct a foundational understanding of the STR market.
 - Augmented with data from Wheelhouse for market trends, and additional tax-related data from the New Mexico Hospitality Association.
- **Data Curation and Validation:**
 - Excluded listings available for 6 days or less or with zero revenue in 2023 to ensure inventory accuracy.
 - Removed duplicate listings and cross-referenced zip codes to ascertain rental locations accurately.
 - Adjusted economic calculations for inflation and calculated tax impacts based on current rates.
- **Economic Calculations:**
 - Calculated the average spend per visitor at an adjusted rate of \$379.46, accounting for a 5.7% inflation rate in 2023.
 - Estimated total visitor spending by category using a 6-year average from prior studies.
 - Derived employment figures using the market share ratio of STRs' economic impact versus the overall visitor economic impact.
- **Comprehensive Coverage:**
 - Included analysis for counties with significant STR data, while noting limited data availability for certain areas.
 - Tax impacts calculated from direct spending, using data from the State of New Mexico Taxation and Revenue.

Sources

1. **New Mexico Department of Tourism** - <https://www.newmexico.org/industry/resources/research>
2. **Airdna** - <https://www.airdna.co>
3. **Wheelhouse** - [City of Albuquerque Market Intel](#)
4. **United State Congress Joint Economic Committee** - <https://www.jec.senate.gov/cards/nm/>
5. **Search Logistics** - <https://www.searchlogistics.com/learn/statistics/airbnb-statistics/>
6. **Awning** - <https://awning.com/post/airbnb-statistics>
7. **Longwoods Int'l, Tourism Economics** - <https://longwoods-intl.com/>
8. **Irvie Homes** – www.irviehomes.com
9. **Doorloop** - <https://www.doorloop.com/blog/short-term-rentals-real-estate-statistics>
10. **U.S. Census Bureau** - <https://www.census.gov>