

LOWER RATES AND MID-MONTH SNOW CAN'T OVERCOME SLOW OPENING ACROSS MUCH OF THE WEST

THE KEYS

- Stubborn inflation and an increasingly weak job market offset the positive buzz on Wall Street--keeping consumers in the doldrums.
- Snow was largely absent until late month, limiting openings and stalling booking momentum.
- Booking pace was down -5.8% in December, with Dec.-Feb. losing ground as consumers 'punt' down-season in turn driving booking lead times to their longest in years.
- Overall seasonal occupancy is down -3.7%, ADR is up 3.7%, and RevPAR is down -0.1%. Declines in demand and revenue are a bit bigger. Christmas suffered badly at the hands of Mother Nature.
- Though still positive, ADR softened for the first time since September in an attempt to attract bookings.
- International inbound for winter is down 33.4 percent, a decline from 30 days ago as Europe pulls back.
- Luxury properties, the only price tier with positive revenue, experience a pullback, now just above flat.

INTRODUCTION

We move into the peak months of the winter season at something of a disadvantage this year. A very late start to the season in many--but not all--western resorts has created a revenue deficit that's going to require some careful management and the cooperation of Mother Nature to overcome. While it's important that we make it clear that 73 percent of terrain was open in Wyoming as of Dec. 31, and 80 percent in Montana, less than 30 percent was open in Utah and Colorado, and only 45 percent open across the region, and those are numbers that have an impact when we look at the ability to generate a positive bottom line. Add in pressures from higher prices in December and a flagging sense of confidence in employment and we have consumers that are hard to get off the mark this year. But revenue managers are doing a good job of finding a balance that works, even if it's slightly unconventional, and any strategy that can keep the bottom line even close to flat when a season starts like this is a good strategy. We also remind ourselves and our reader that, though it may not feel like it, it's still early in the season, and while early months struggle a bit, there's momentum for the second half, assisted at the end by a late Easter. But, while overall snow conditions improved late in December helping to set up a better January report -- we hope -- for now we have to assess the data as of Dec. 31, warts and all, and look to Mother Nature to play her part, while suppliers stretch to play find a target rate that keeps the bottom line on the positive side of flat.

1A: DECEMBER HISTORIC ACTUAL

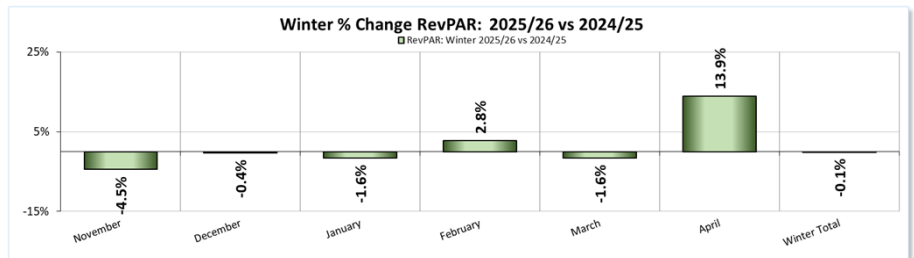
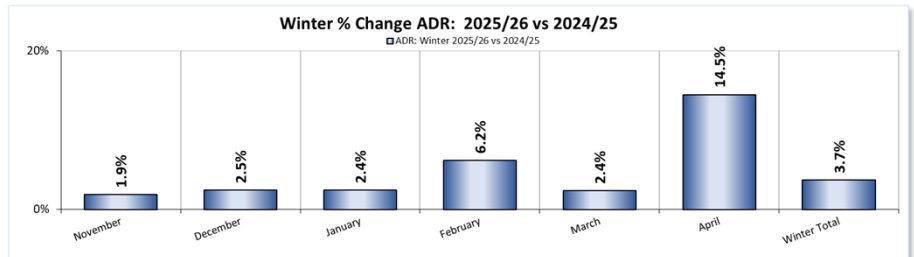
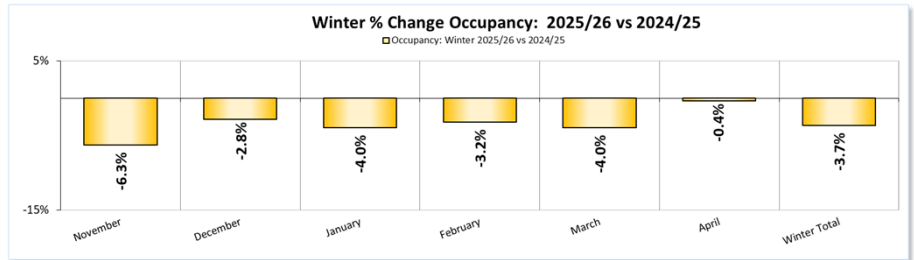
Compared to last year: Occupancy during December was down a moderate -2.8 percent in a year-over-year (YOY) comparison to December 2024, at 48.1 percent occupancy. The Average Daily Rate (ADR) for the same period was up 2.5 percent, at \$711. The decline in occupancy was greater than the gain in rate, delivering a slight -0.4 percent loss in RevPAR at \$342.

1B: FULL WINTER SEASON 2025-26 (NOVEMBER – APRIL)

Compared to last year: Winter season occupancy in the bank and on-the-books for November through April as of Dec. 31 is down -3.7 percent compared to Winter 2024-25, with an occupancy rate of 38.7 percent. Occupancy is down for all months.

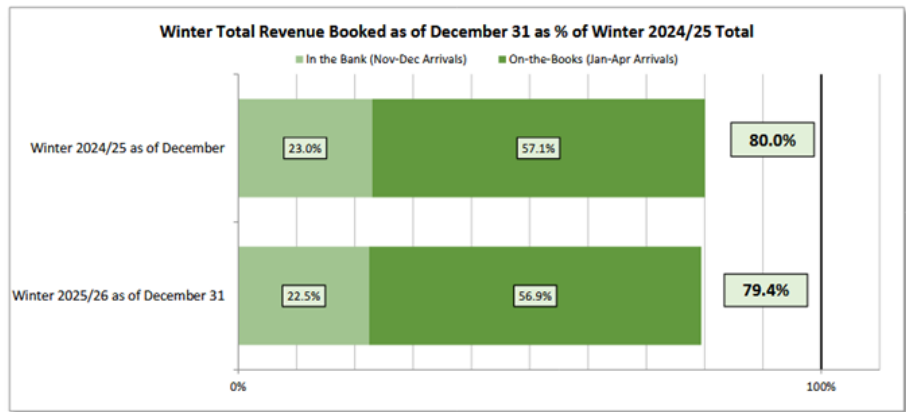
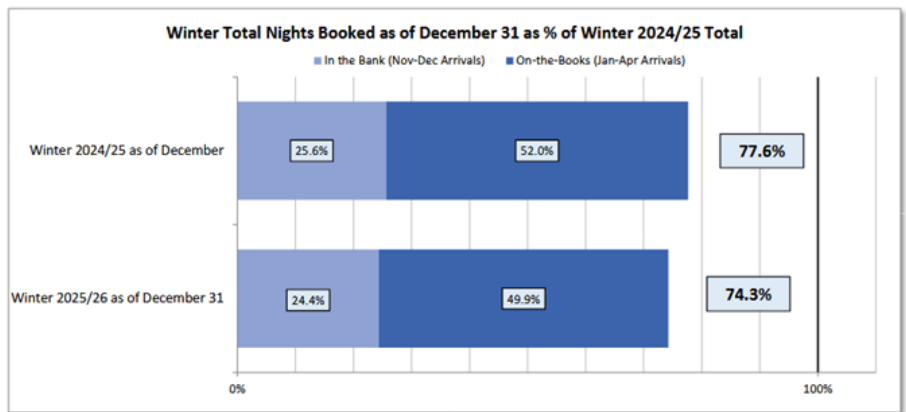
Winter ADR in the bank and on-the-books is up a moderate 3.7 percent at \$667, with all months showing YOY improvements. This is led by April, which is up 14.5 percent, followed by February which is up 6.2 percent.

The gain in rate is slightly smaller than the offsetting decline in occupancy, resulting in a scant -0.1 percent decline in winter RevPAR, currently at \$258, with two months gaining and four months declining.



1C: WINTER SEASON 2025-26 YEAR-OVER-YEAR ABSOLUTE ROOM NIGHTS BOOKED AND REVENUE AS OF DEC. 31

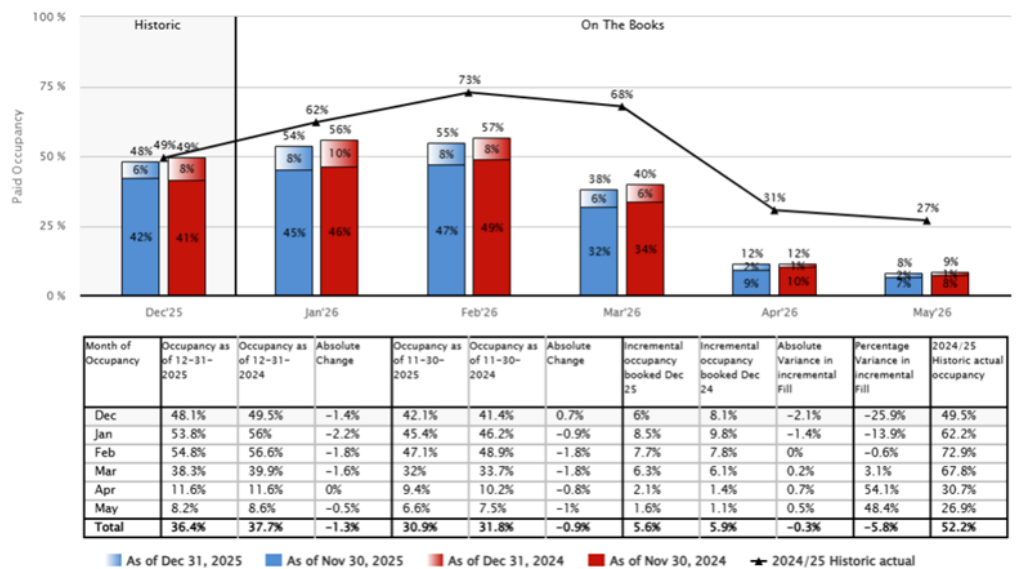
Compared to last year: Room nights in-the-bank (actual room nights for November-December) for Winter 2025/26 currently represent 24.4 percent of the total actual room nights that were booked for the entire winter season last year. An additional 49.9 percent of last year's total nights are already on-the-books for arrival in January through April. Overall, 74.3 percent of all nights for Winter 2024/2025 are now either banked or booked for Winter 2025/26. This is somewhat lower than the 77.6 percent of all room nights that were booked for last winter at this time.



Room revenue in-the-bank as of Dec. 31 represents 22.5 percent of the total revenue that was booked for Winter 2025/2026. An additional 56.9 percent of last year's total revenue is already on-the-books for arrival in January through April. Overall, 79.4 percent of all revenue booked in Winter 2024/25 has already been banked or booked this year, slightly less than this time last year (80.0 percent).

1D: BOOKINGS MADE IN DECEMBER FOR ARRIVALS IN DECEMBER THROUGH MAY

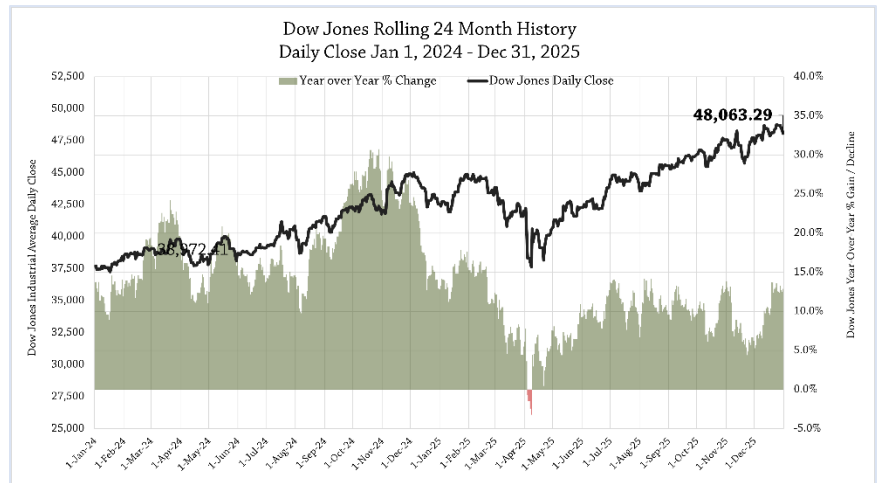
Bookings made in December 2025 for arrival in December through May 2026 resulted in a 5.6 percent gain in absolute occupancy for the period (Incremental Occupancy Fill). Bookings made in December 2024 for arrival in the corresponding months last year generated a 5.9 percent gain in Incremental Occupancy Fill. This decline in YOY incremental occupancy fill between this December and last translates to a -5.8 percent decline in occupancy



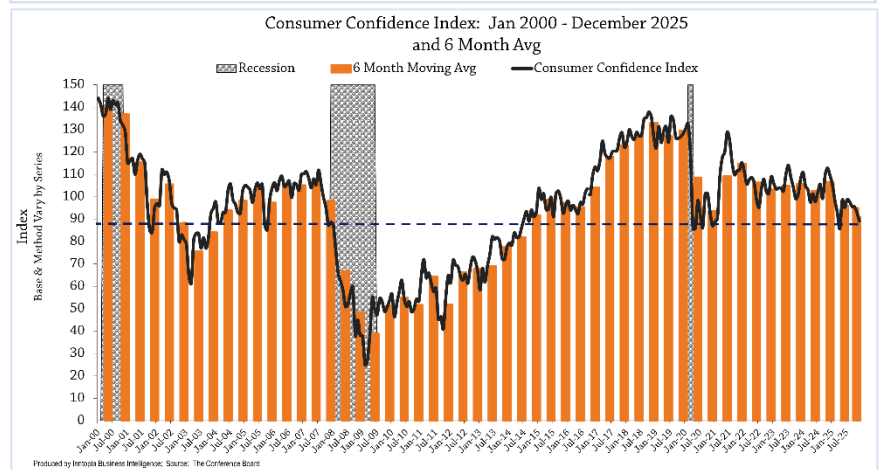
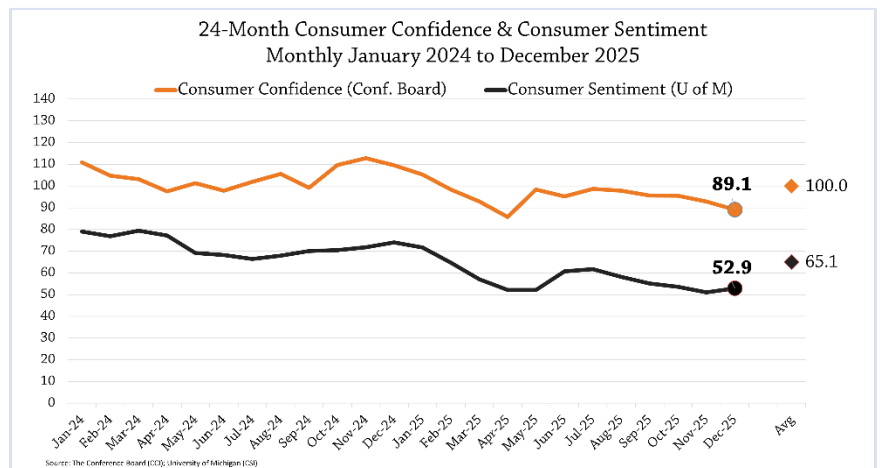
booking pace. Three of the six months experienced gains in booking pace compared to last year, ranging from -0.6 percent for February to a significant -25.9 percent for December arrivals.

2. THE ECONOMY

The Dow Jones Industrial Average (DJIA) increased moderately in December, adding 0.7 percent, or 346.9 points, to finish the month at an all-time monthly high of 48,063.3 points. This is the eighth consecutive monthly increase in the Dow and the ninth of the year. In December, investors were largely focused on the Federal Reserve Bank's 0.25 point interest rate cut and strong corporate earnings. And while this monthly close was a record, it was actually just below the all-time high for the DJIA of 48,714 on Dec. 12. Gains on Wall Street have been impressive this year, with the index up a dramatic 13.0 percent, or 5,519 points since Jan. 1. But Wall Street is contrary to Main Street. While financial market health is a key component of consumers' willingness to spend, other market forces such as inflation, trade concerns, and weakening employment have kept consumers wary (see Confidence and Sentiment, below) and forced suppliers to practice careful rate management to keep revenue flat or slightly positive.



The Consumer Confidence Index (CCI) and Consumer Sentiment Index (CSI) were mixed in December, with the CCI declining moderately and the CSI increasing from near-historic lows. The CCI was down 3.8 points, or 4.1 percent, to finish the month at 89.1 points from an adjusted November close of 92.9. This is the lowest confidence reading since April 2025, and only the second time confidence has been below 90 points since the peak of the pandemic in February 2021. The decline was largely focused on current conditions, with the Present Situation Index plummeting 9.5 points, while expectations for the upcoming month were essentially unchanged. As in the last several months, consumers cited concerns over job security and wages as primary reasons to feel less optimistic, while prices and inflation were also key

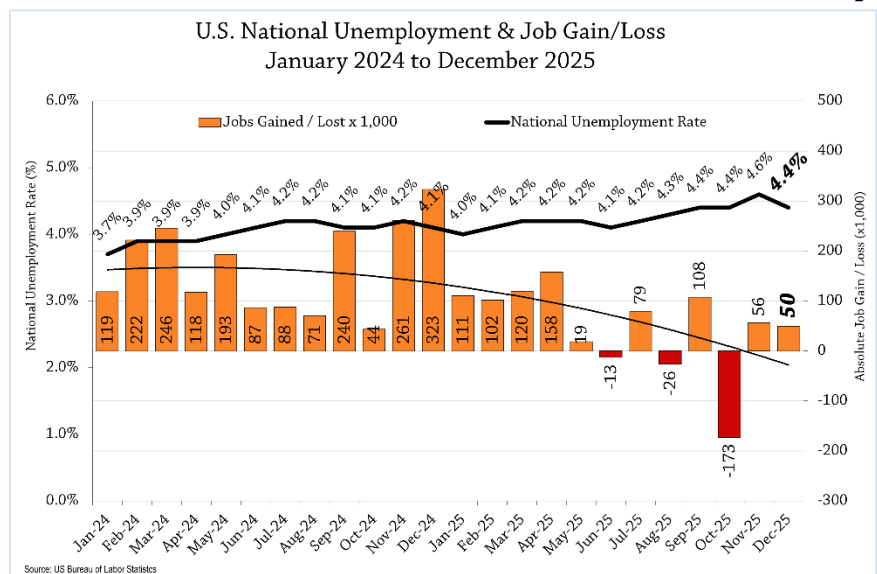


downward forces. On a positive note, the Federal Reserve Bank's 0.25 percent rate cut in December helped buoy consumers' mood, but not enough to offset the negative factors. In 2025, the CCI gained in two months and declined in ten and is currently down a dramatic 18.6 percent YOY from the 109.5-point reading in December 2024. The University of Michigan's CSI picked up very slightly in December, adding 1.9 points and finishing at 52.9 points. This is the first increase in the CSI since July and only the second time this year, and the gain is attributable to lower-income households, while higher earners held steady. As with the CCI, consumers were concerned about the labor market in December, but their outlook on inflation was better this month than last, though is still well below where it was at the beginning of the year. The CSI is currently 28.5 percent, or 21.1 points, below its December 2024 reading of 74.0 points.

Declines in consumer confidence and sentiment undermine supplier's ability to demand higher prices without negatively impacting volume, something that we've been monitoring since April 2025, and while there are higher paying guests traveling to mountain resorts this month than last year at this time, there are considerably fewer of them, making the bottom line of revenue growth harder to achieve, and potentially negatively impacting non-lodging businesses such as retail or food & beverage.

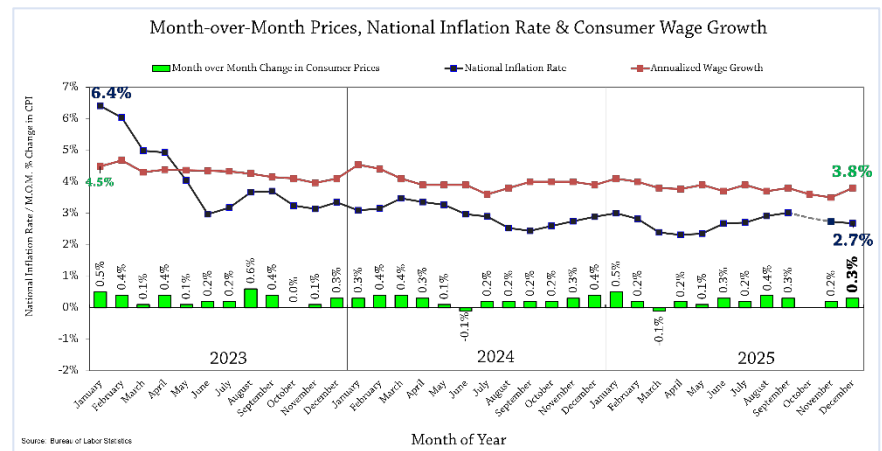
Job Creation and the National Unemployment Rate continued to show softness in December, while both October and November data were restated downwards as the Bureau of Labor Statistics worked to catch up

following the extended government shutdown in the fall. Employers added 50,000 jobs to payrolls during the month, and the national unemployment rate declined slightly from 4.6 to 4.4 percent. A total of 584,000 jobs were added in 2025, an average of roughly 49,000/month, the fewest since the pandemic and a sharp decline from 2024 when 2.2 million--or 183,000 jobs per month--were added to payrolls. Softening in the employment market continues to be a data point of concern, with November jobs adjusted down by 8,000 positions, while October



was revised down sharply by 68,000 to record a deep loss of 173,000 positions. October's losses are attributed to corporate cost-cutting and tariffs, but mostly to the reduction of the government workforce as paid leave expired for thousands of workers. The Hospitality sector performed well in December, especially the Food and Beverage subsector, which added 27,200 positions, while Accommodations added a marginal 3,000 jobs. Wages, meanwhile, increased in December, gaining 0.3 percent from November, and are up 3.8 percent year-over-year, helping keep consumers ahead of inflation. Consumers cite employment, market, and earnings uncertainty as a leading factor in ongoing weak consumer confidence and sentiment (see above).

National Inflation Rate and the Consumer Price Index (CPI) were mixed in December, with the CPI rising 0.3 percent from November while the national inflation rate remained steady at 2.7 percent. Prices varied broadly across products, with some big-ticket items like used cars considerably less expensive in December. But of concern to consumers will be the increase in food and rent, with both up sharply in December. Consumer prices increased in 10 of the 11 months of 2025 that we have data for (October is unavailable due to the government shutdown), and that 2.7 percent national

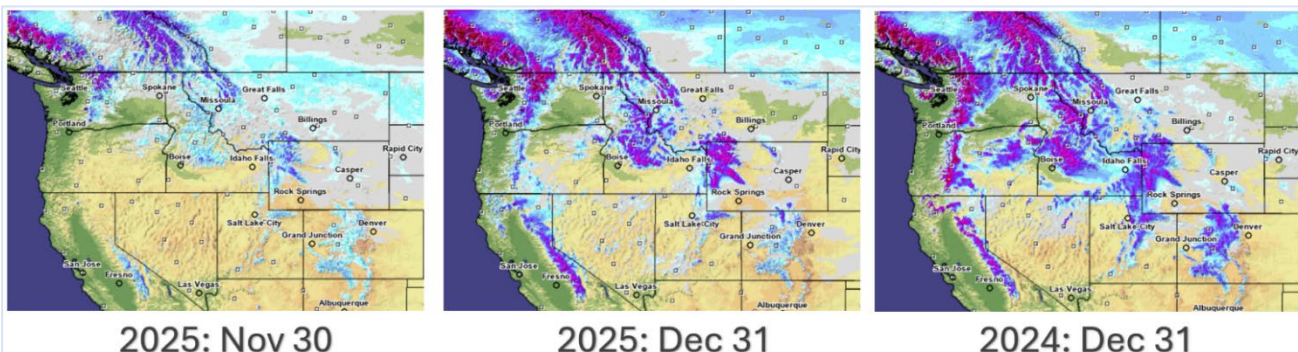


inflation rate is down just 0.3 percentage points from the 3.0 percent reading from January 2025, and up 0.4 points from its low of 2.3 percent in April--just before global tariffs were rolled out. On a more positive note, the gap between earnings and inflation, which has been narrowing in recent months, opened up considerably in December, with annualized wage growth at 3.8 percent, 1.1 percentage points ahead of inflation, which may help ease consumers' price concerns (see Consumer Confidence, above), though one month is unlikely to have any real impact. Ongoing price pressures are creating several challenges for destination travel, with consumers finding daily price pressure making expensive travel less palatable, while suppliers struggle to find the combination of low rate and occupancy that drives enough revenue to stay ahead of the CPI.

3. COMMENTARY AND ANALYSIS

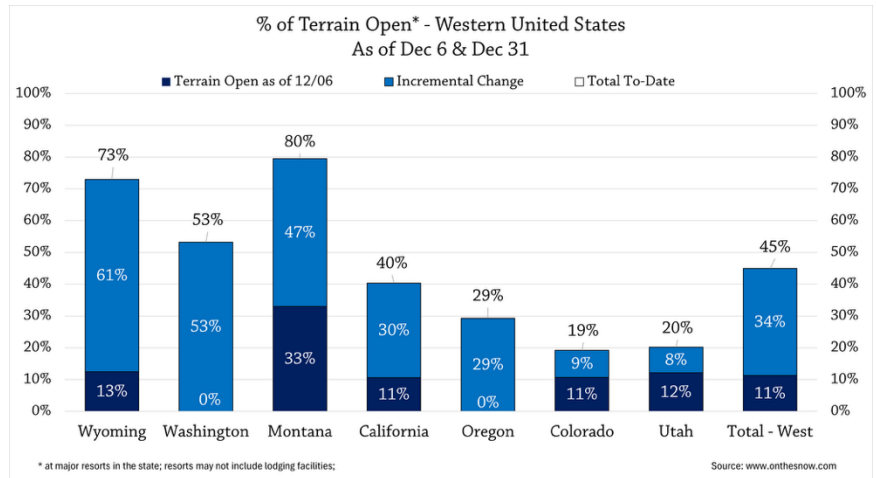
After what seemed like an eternity of waiting, snow finally began to fall west of the Mississippi in December, though it wasn't as widespread as several states would have liked it, particularly Utah and Colorado, and came later than pretty much everyone hoped. But the snow helped open up terrain, mostly in the far west and northern parts of the region, but honestly, it's didn't really help improve the story from last month. While season as of November 30 was restated to be a little better than first reported last month, the challenges with weather caught up to the industry in December and booking pace struggled, down -5.8 percent, while winter occupancy softened to a YOY decline of -3.7 percent. The lack of snow had an impact on rates, too, with gains still up 3.7 percent, but slightly less than they were last month. And so, with a 3.7 percent gain in rate and 3.7 percent decline in occupancy, whether or not RevPAR is up is going to come down to tenths of points, and the math gods are against us, with RevPAR down a slight -0.1 percent YOY. Still, that's better than feared, though well below what we'd have hoped for 60 days ago. Our look at winter 2025/26 as of Dec. 31 is below

Snow Tops our Priority List: Mother Nature delivered, though selectively, in December, particularly in the second half of the month, bringing good snow across the Cascades, the Sierra, and through the Northern

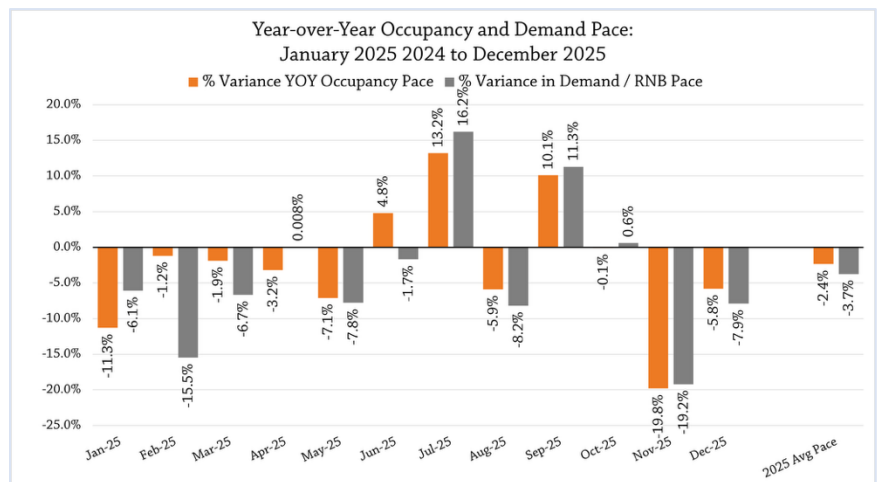


Rockies, but essentially giving much of the more southern states, and particularly Colorado, a miss. The result is a marked improvement in western options for skiers as of Dec. 31 (middle) from Nov. 30 (left), but with many sub-regions well behind the end of the year 2024 (right). The result was a significant opening of terrain over the course of the month, with – not surprisingly – the majority of the openings happening in the Far West and Northern Rockies.

Of the states that had any skiing at the beginning of the month, Wyoming saw the greatest benefit in terms of terrain opening in December, going from 13 percent operational to 73 percent, a 61 percent increase, while Montana added 47 percent and as of Dec. 31 had the most terrain open, at 80 percent. The Sierra Nevada in California also did well after starting December on mostly man-made snow, adding 30 percent of their terrain during the month with 40 percent open by New Year’s Eve. Oregon and Washington were able to start skiing in December, with Washington getting enough snow to open 53 percent of its terrain. On the flipside, both Utah and Colorado saw just single digit terrain increases, up eight and nine percent respectively, and as of New Year’s Eve, were essentially only 20 percent open.

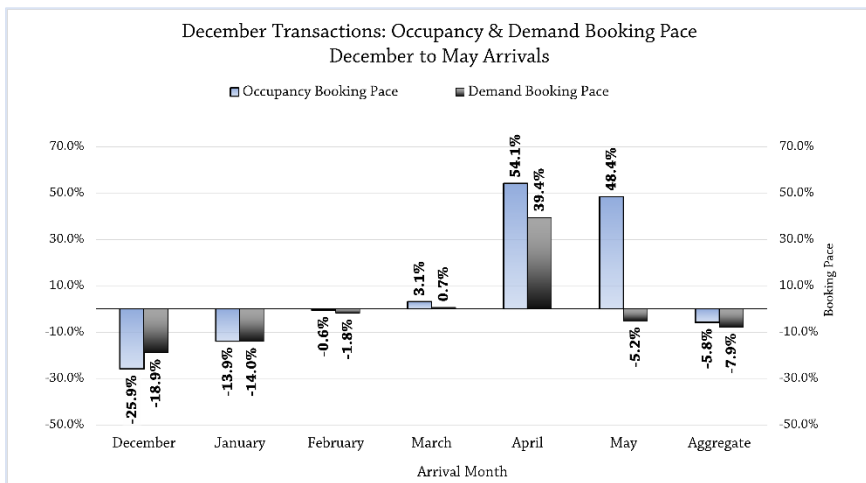


Occupancy and demand booking pace recover – mostly – from December lows: After the worst booking pace in three years during November, both occupancy and demand pace improved in December, with snow—especially after mid-month--helping nudge consumers to the market. Occupancy booking pace was down 5.8 percent YOY, while demand pace was down -7.9 percent. As a reminder, occupancy pace is the pace of actual occupancy gains or decline booked in the month for arrival in all months compared to last year while demand pace is the pace of actual room nights booked versus last year and takes changes in inventory out of the equation. The cumulative effect of booking pace declines has been an eventual softening of occupancy performance, now down -3.7 percent for the season, putting suppliers in the position of having to rely on higher offsetting rates to meet revenue goals, which can be threatened if conditions require rates to come down to drive demand.



2025 Calendar Year Booking Pace was down -2.4 percent compared to the 2024 calendar year, and there were 9 declines and just three gains. Demand pace for the year was down -3.7 percent, and there were eight declines in 2025, with four months seeing positive demand pace.

For a monthly perspective, when we break down bookings made in December for arrivals from December through May, the picture tells a story of consumer hesitancy. Occupancy booked in December for arrival in

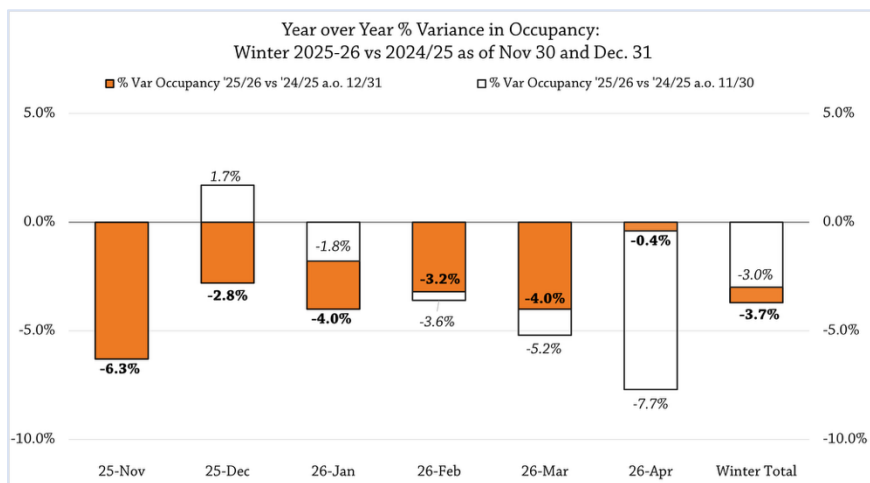


December was down a very sharp 25.9 percent YOY, while January was down -13.9 percent and February was almost flat, down -0.6 percent YOY. And demand pace--the actual room nights booked in December for each of those months compared to last year--was largely aligned with those numbers. Meanwhile, both occupancy and demand pace for arrival in March were up slightly, while April jumped dramatically for both numbers, aided by relatively low volume and the impact small numbers have on percent

variances. Also boosting the numbers is an early Easter holiday this year, which unlike 2025 comes before mid-month. This pattern of deeper declines in the short-lead months and gains emerging further out represents consumer hesitancy. The last time this pattern materialized this clearly was during the pandemic, when consumers punted their bookings hoping for better/safer travel conditions. In this case, they're punting hoping for better snow conditions, turning their attention to later in the season so Mother Nature and snowmaking have time to do their thing. We'd expect the recent snow will improve the shorter-lead fill when the January data come in later this month. Of note this month is the split decision between occupancy and demand fill for May. While occupancy fill is up 48.4 percent, demand fill is down -5.2 percent. This is because there was a significant drop in available nights for May stays, which changes the occupancy denominator for that month from last month, pushing occupancy to positive even though actual nights booked were down -5.2 percent compared to December bookings for May arrival last year.

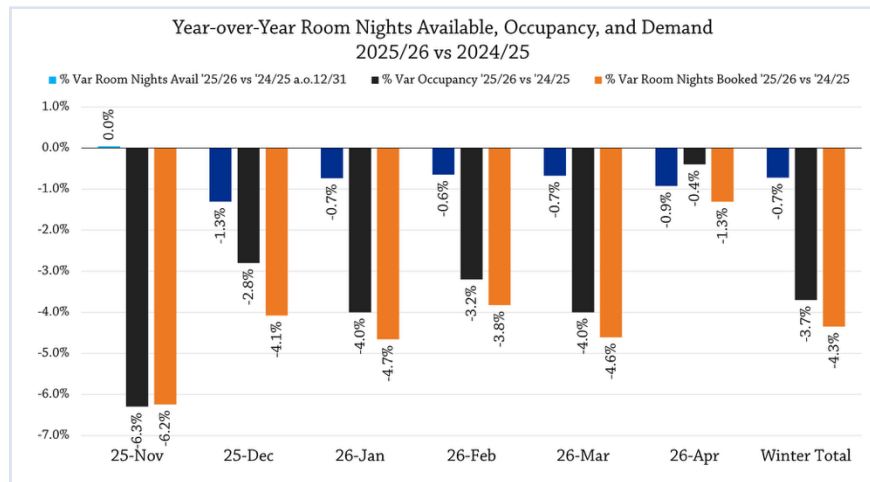
The Dollars and Cents of Winter Demand Pace: Specific to winter arrival months (through April), there were 189,359 nights booked in December for arrival Nov. 1 to April 30. This is a moderate 10,226 fewer nights than the 199,585 nights booked in December last year, a -5.1 percent YOY shortfall. However, the ADR for bookings in December this year was \$639, 3.9 percent higher than the \$616 ADR booked last year. But the 3.9 percent gain in ADR didn't offset the -5.1 percent loss in demand and the result is -1.5 percent - or \$1.78 million - decrease in revenue booked in December this year, with reservations made during the month for arrival Dec. 1 to April 30 worth \$121 million.

Winter Occupancy Loses a bit of Strength in December: The decline in occupancy booking pace in December had a negative impact on overall seasonal occupancy from where it was as of Nov. 30, though some months fared positively. As of Dec. 31, winter occupancy is down -3.7 percent YOY, a 0.7 percentage point decline from the restated -3.0 percent decline as of Nov. 30. Occupancy softened



for two crucial months, with December flipping from a 1.7 percent gain to a -2.8 percent YOY decline, and January's -1.8 percent loss as of Nov. 30 deepening considerably, now down -4.0 percent. February gained a little strength (more on that below) but is still down, declining -3.2 percent YOY, while March also improved slightly from a -5.2 percent YOY deficit as of Nov. 30 to a -4.0 decline as of Dec. 31. Perhaps most notably is the strong pickup in occupancy for April, now down just slightly (-0.4 percent) after digging an early and deep deficit over the past few months. February's pickup in occupancy may be counter-intuitive as it experienced negative booking pace, but it's worth remembering that month-over-month changes in inventory can impact these numbers, and there were -2.2 percent fewer nights available in February as of the end of December than at the end of November, a bigger decline than the drop in booking pace.

Inventory Changes Mean Room Nights Booked (RNB)/Demand Deficit is Deeper than Occupancy Declines:



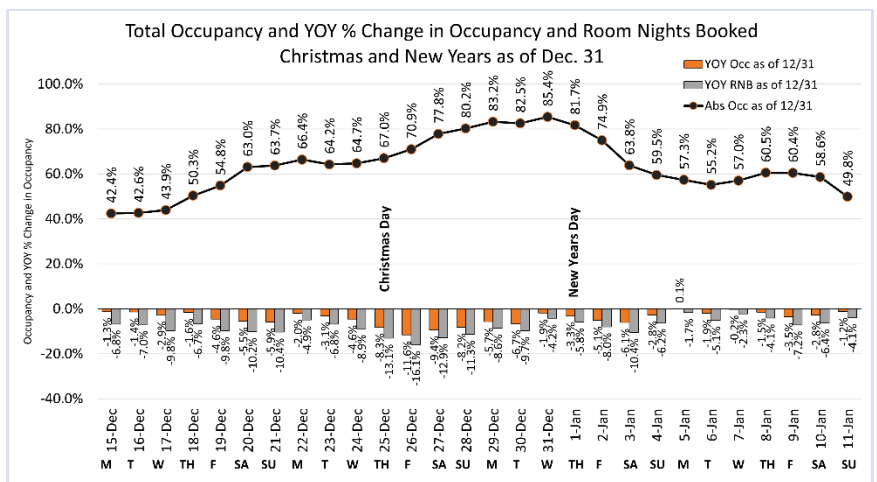
Changes in inventory will always be a factor in measuring occupancy, especially with dynamic inventory like condos and private homes so dominant in mountain communities. As of Dec. 31, we're seeing a 0.7 percent YOY decline in the number of available nights for rent from Nov. 1 to Apr. 30. That translates to a steep 22,587 fewer nights, which means we're looking at a smaller denominator in 25/26 than 24/25. The upshot? Occupancy, down -3.7 percent, is overstating the actual drop in demand, which is down -4.3 percent, or 54,722 nights. This scenario is playing out in all months of the winter season except November, where inventory was all but flat. The largest variance between occupancy and demand is for December, with an occupancy decline of -2.8 percent YOY and a -4.1 percent YOY demand loss, a difference of 1.3 percentage points. As always, we urge partners to make sure that they're watching inventory changes to ensure that changes in occupancy are well understood. Inventory data are available in the tables section of the RAO report.

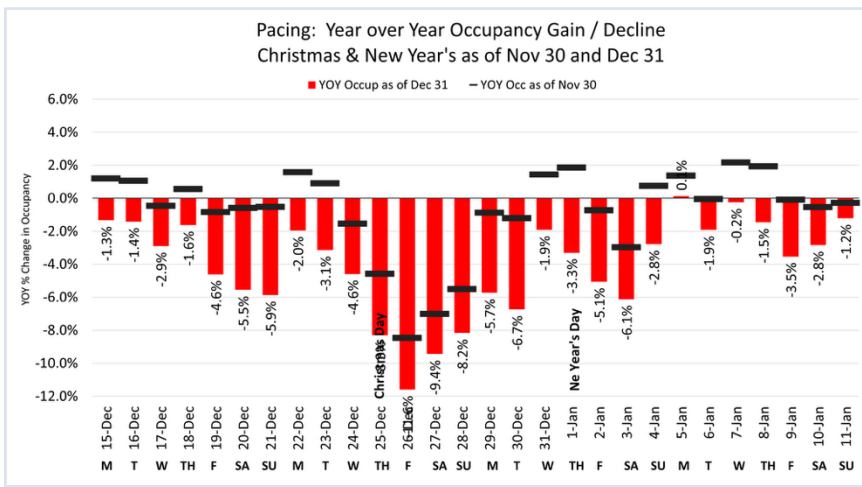
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Holiday Wrap-Up – Christmas Paced Negative, Finished Weak:

Christmas is often hit-and-miss, with some of the highest daily rates of the year making it subject to consumer pressure. This year that traditional pressure was accompanied by a lack of incentive, namely snow, and the negative impact on overall performance during the holiday period was clear.

Focusing on total occupancy, which includes owner stays, for the period from Dec. 15 to Jan. 11, overall occupancy was 63.0 percent, down from 66.9 percent for the same period last year and declined for every day within that range. Occupancy for the period peaked on New Years Eve,





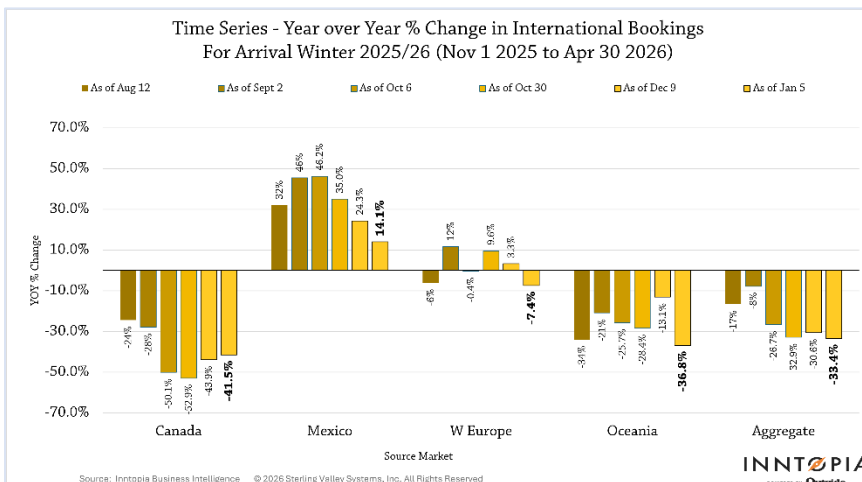
at 85.4 percent, down a slight -1.9 percent YOY, and quickly declined following the holiday and into the early part of January. Christmas Day, not traditionally a strong day, was down -8.3 percent YOY at 67.0 percent occupancy, and the week between Christmas and New Year's was down an average of -4.8 percent. Across the date range only one day gained in occupancy, Jan. 5, up a very slight 0.1 percent YOY, while all others declined. And unfortunately, inventory is a factor in this

data as well, with all days seeing deeper drops in absolute demand/RNB than the occupancy declines.

With respect to booking pace for the holiday, there were no days that picked up pace between Nov. 30 and Dec. 31, and the 11 days that were up YOY as of Nov. 30 all turned negative during December, with the forementioned Jan. 5 the lone exception.

2025 calendar year occupancy was a mixed bag, finishing up just north of flat, gaining 0.3 percent compared to 2024, with an overall 49.8 percent occupancy rate. There were six gains and six declines, with things mostly hanging around the 'flat' range (four swings were less than +/- 1 percent and seven were less than +/- 2 percent), with the largest gain a pickup of 4.4 percent YOY in August and the biggest decline happening with the 6.3 percent YOY drop in November. As usual, February led the way in absolute occupancy, at 72.7 percent overall, and November was the least busy month, with an occupancy rate of just 23.4 percent.

International Demand Continues Mixed, Remains Down: Bookings through the Inntopia Commerce booking engine for arrival from foreign markets continues to be down dramatically in aggregate, but there's also some churn, some of it positive, some of it not.

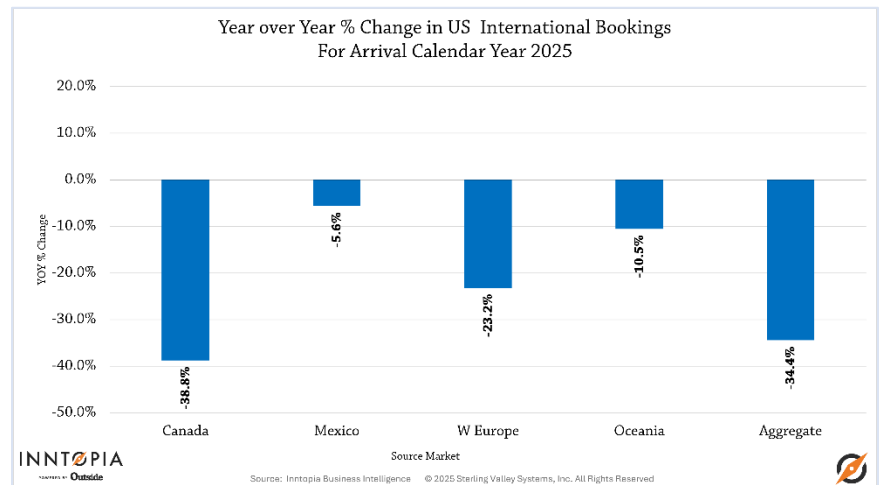


Overall, bookings from international markets for arrival at US mountain resorts for Winter 2025/26 are down -33.4 percent YOY, a moderate decline from the -30.6 decline recorded at the end of November. The softening in inbound international is being driven by a flip in bookings from Western Europe from a positive 3.3 percent gain at the end of November to a new -7.4 percent YOY decline at the end of December. And though it is the lone positive source

market we're tracking, bookings from Mexico also softened, though remain up 14.1 percent, and Oceania steps backwards. Of particular note is what looks on the surface to be a bounce back in bookings from Canada for winter arrivals--now down -41.5 percent YOY but marking the second consecutive month of improvement. However, it's worth noting that pullback on bookings from Canada first showed up in November 2024, and

these improved numbers are more of an annualization of that pullback than an actual improvement from last month. Beginning with the end of January we'll be watching bookings from all of these markets on both a one- and two-year comparison to understand both the long- and short- term behavior of international inbound.

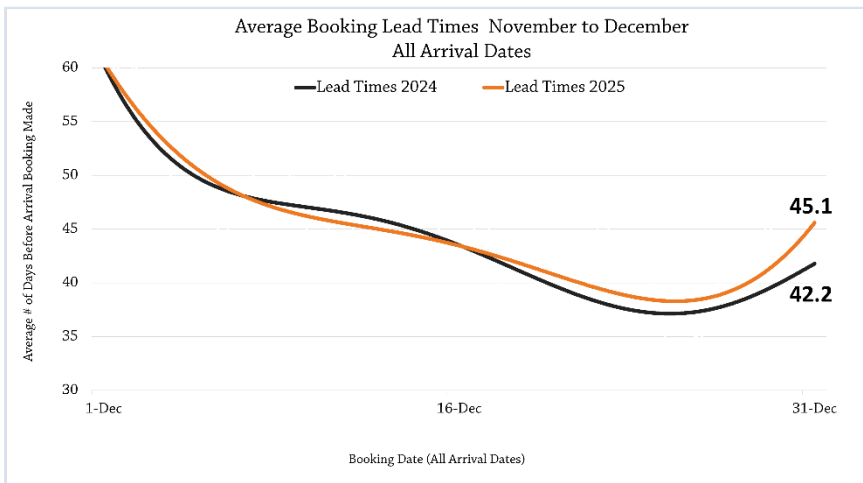
Bookings from these same markets for arrival through the 2025 calendar year are down a sharp -34.4 percent YOY, with all four source markets underperforming 2024, mostly by double digits. Canada-- by far the largest international market of the four, is down -38.8 percent, followed by Western Europe, down -23.2 percent. Oceania is down -10.5 percent, and Mexico, which is up for winter season, is down -5.6 percent for the calendar year, having had a weak spring and summer.



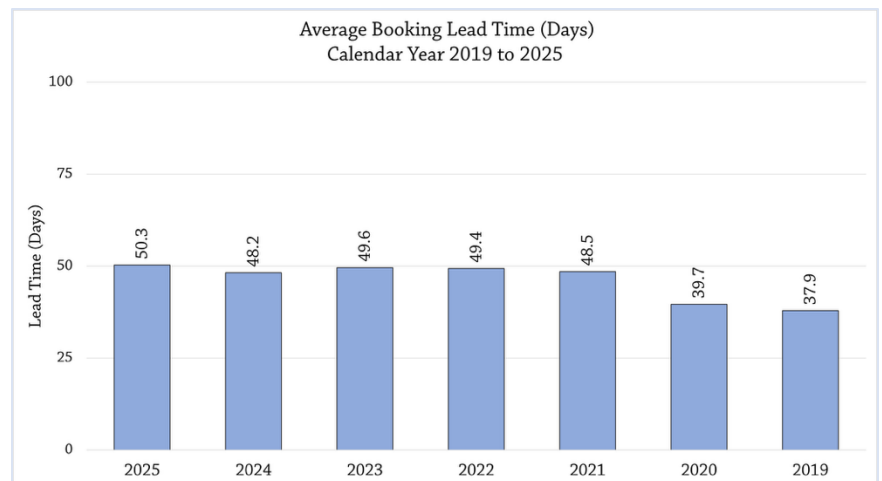
There is no indication in the data that inbound international travel will improve in the foreseeable future, and we'll watch how 2026 plays out as the data annualize over the coming months to see if declines are now at a steady bottom, slowly gaining, or slowly declining.

Lack of Snow Pushes Lead Times Out: Not surprisingly, booking lead times, the time between the booking date and the arrival date of a reservation,

extended in December from December 2024 as consumers kicked their plans a little downfield in hopes of better conditions in late January through April. And while actual lead time has come down as the season has kicked off (as it does every December, it came down more last year as the volume of bookings for arrival in December, January, and February was higher in 2024 than in 2025 (see Booking Pace, above). This extension of lead times this season is a continuation of the behavior we

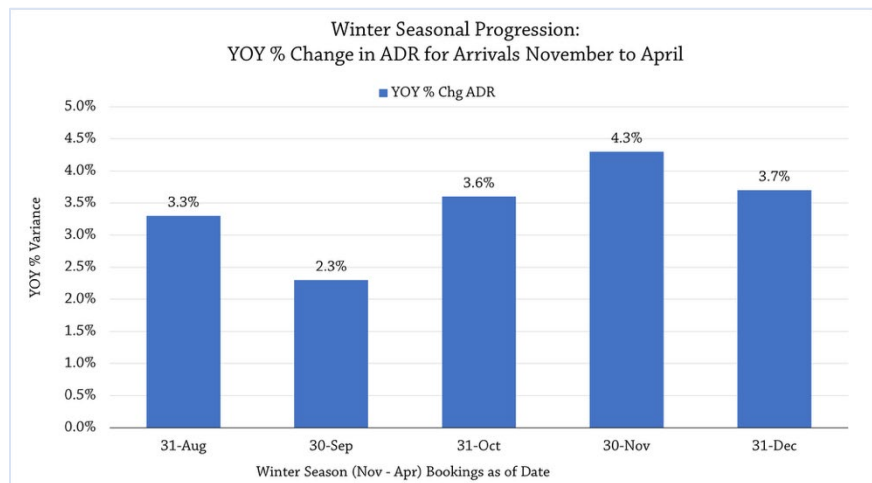


recorded in November as well. Lead times at the end of December were 2.9 days – or about 7 percent – longer the end of December last year, with the average time of 45.1 days, suggesting that bookings in the last couple weeks of December were on average looking at early February for arrival, a suggestion confirmed by the booking pace data.



Calendar year 2025 also saw the longest booking lead times of the last seven years going back to 2019. At 50.3 days, consumers are booking 0.7 days further in advance than the next longest lead, 2023 (49.6 days) and well ahead of pre-pandemic 2019, when lead times were 37.9 days.

Seasonal Average Daily Rate Softens for the First Time Since Autumn: At \$667, winter season ADR remains at record levels, but pulled back somewhat in December for the first time since an on-the-books softening happened for on-the-books transactions back in September. Winter ADR is currently up 3.7 percent YOY, 0.6 percentage points below its peak of 4.3 percent recorded on restated data as of Nov. 30.

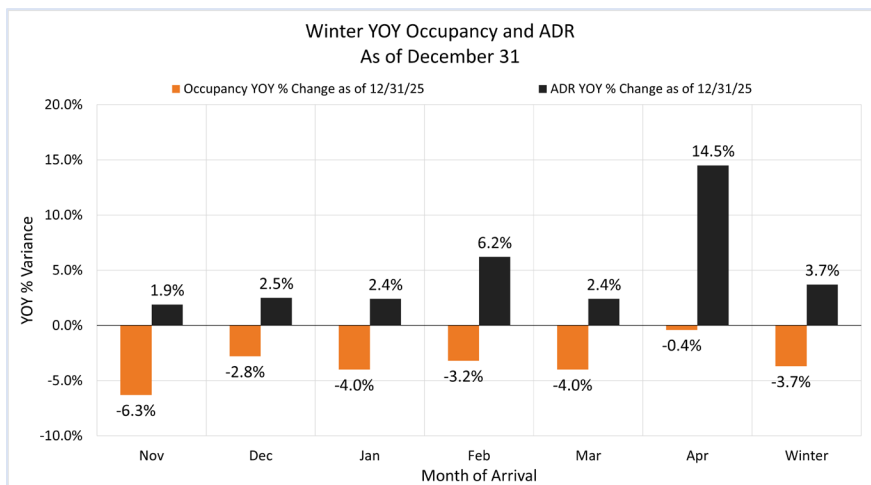


Rate strength that exceeds the national inflation rate over the past two months is a two-sided coin: on the one hand, poor snow conditions and a challenging consumer economy mean that the product is less attractive to many consumers who normally purchase within the mid-bands of the economy, as evidenced by the booking pace and occupancy performance so far this season. On the other hand, those consumers that do show up are of a higher value per night, helping to offset what may be unavoidable softness, creating a “we may as well go for it” mindset among suppliers, especially since previous ADR gains have been responsible for keeping revenue and RevPAR in the positive (at least until this month, see below).

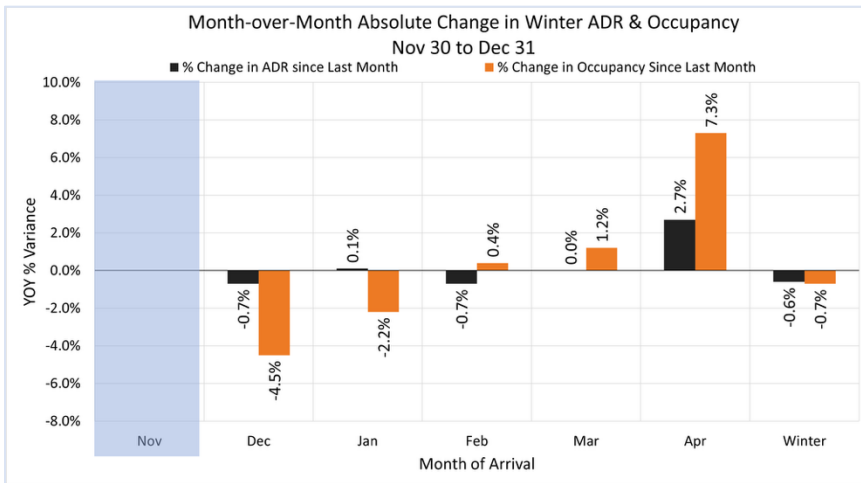
Reviewing ADR and Occupancy at a monthly level of granularity, there are no months that full pricing power (occupancy and ADR) are gaining. However, both February and April are seeing ADR gains that offset the declines in occupancy, creating conditions that can lower operating expenses (fewer guests) but keep the bottom line positive (more dollars per guest per night). Seasonally, the 3.7 percent gain in ADR is offset by the corresponding 3.7 percent decline in occupancy, netting flat dollars for fewer guests, a better-than-feared scenario. While December was seeing both positive occupancy and ADR as of Nov. 30, that flipped in December as continued snow issues pushed booking pace negative.

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While we've often shown that month-over-month softening or strengthening of rate typically has a direct impact on how occupancy picks up or loses ground, that wasn't the case in December. The overall 0.6 percentage

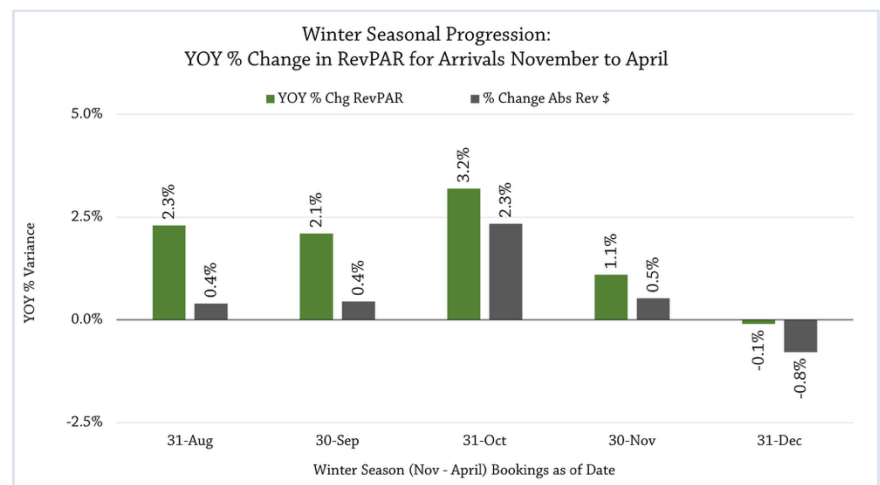


point softening in YOY ADR to a more modest 3.7 percent YOY gain for the season wasn't enough to overcome snow issues and YOY occupancy softened almost the same amount, losing -0.7 percentage points. Monthly, suppliers looked to attract consumers in December and February, with ADR strength softening for both months, but with different results as December lost ground on occupancy while February picked up a bit, though not enough to offset the rate

drop. Only April, buoyed by the early Easter holiday, really benefitted from a bigger rate ask, with YOY ADR picking up 2.7 percentage points and occupancy gaining a strong 7.3 percent.

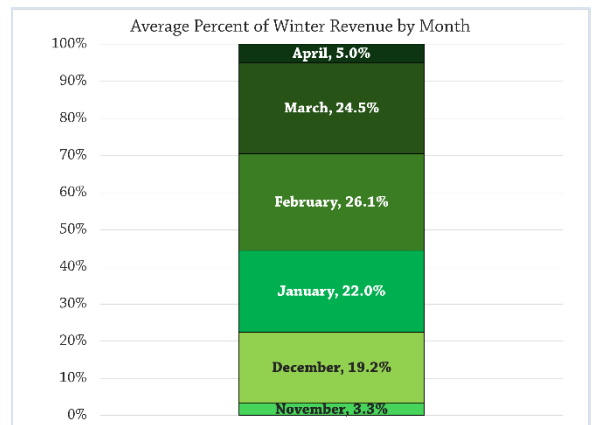
Calendar Year ADR: ADR for 2025 was \$504 at DestiMetrics reporting properties, with a high of \$711.30 in February and a low of \$263.06 in November. ADR gained in 11 of the 12 months of the year, with only March declining. The strongest rate gain of the year was recorded for April, up 7.1 percent, while the March decline was a modest loss of -0.6 percent YOY.

But RevPAR Flipped Below the Line: While ADR continues to outpace inflation and some pricing strength was given back last month, it wasn't enough to offset consumer angst and an extended snow drought across much of the West, and both seasonal RevPAR and revenue flipped below the line in December, but just barely. Winter season RevPAR as of Dec. 31 is currently down a slight -0.1 percent YOY, a drop of one full percentage point from the restated Nov. 30 gain of 1.1 percent. Softening of both ADR and occupancy drove the measure into the red this month. But while negative RevPAR is always a worry, given economic headwinds and Mother Nature's reticence to spread the snow around, it's clear that suppliers' ADR strategy is--if not paying off--is at least helping mitigate the issue, which could have closed out the month much worse.



On a slightly more negative note, absolute revenue, which takes inventory changes out of the calculation and looks only at pure year-over-year dollars, declined more sharply, shifting from a 2.3 percent YOY gain as of Nov. 30 to a -0.7 percent YOY decline as of Dec. 31. And while not really good news, it's a bottom-line decline that is somewhat eased by the aggressive rate strategy and may work in suppliers favor if the snow flies in earnest over the coming 60 days as properties will already be positioned with good rate.

Looking at RevPAR gains and declines at a monthly level of granularity raises concern about seasonal wins and losses. With over 65 percent of all seasonal revenue coming in December, January, and March, declines in those months, including the now-closed month of December put seasonal revenue at real risk if snow, more confident consumers, or both fail to materialize.

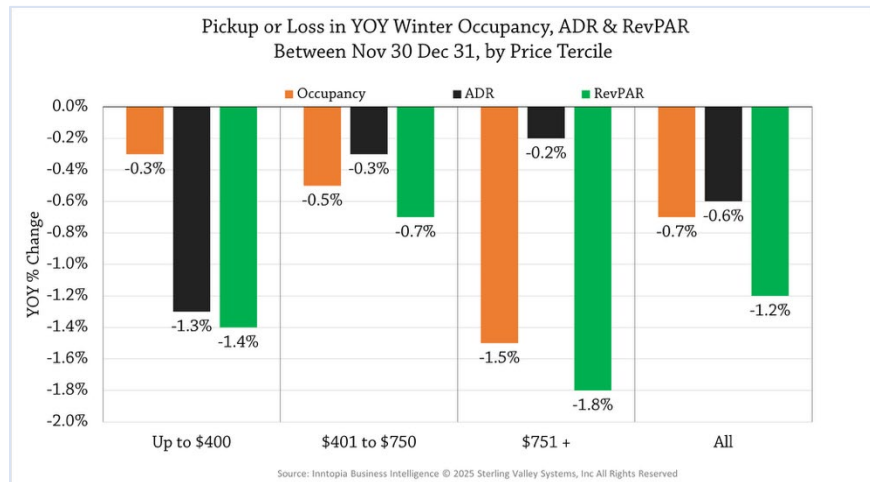


The Dollars and Cents of Absolute Winter Season Revenue:

There was \$120.3 million in revenue booked in December for arrival December through April, a -7.6 percent – or \$9.9 million - decline from revenue booked last December for the same period. The \$120.3 million in bookings brings the current total winter revenue to \$802.4 million, \$6.3 million below last year’s \$808.8 million as of Dec. 31. Bookings made in December came in at an ADR of \$630, 0.9 percent higher than the \$624 ADR booked last December, a considerable contraction from the 5.1 percent gain in ADR for November’s winter bookings.

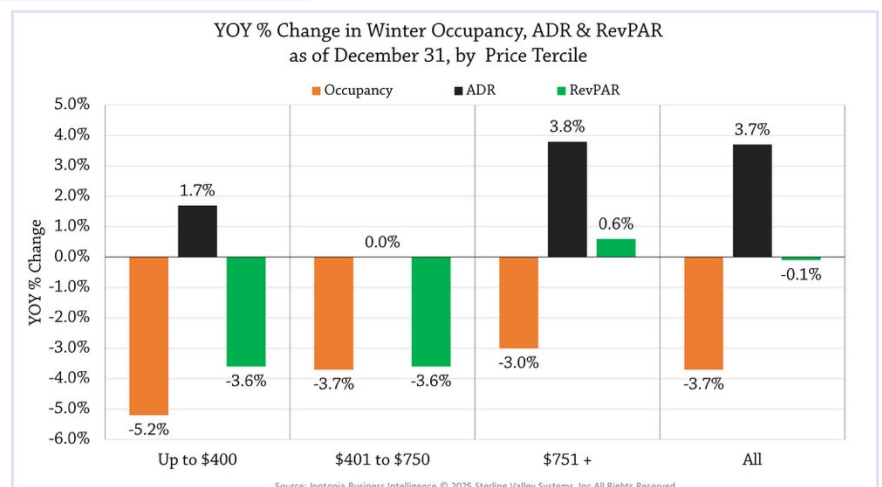
2025 calendar year RevPAR was up 2.8 percent at \$251 and gained in nine months of the year, with only March, November, and December declining, and there was a total of \$1.697 billion booked this year at DestiMetrics reporting properties. This is a 1.2 percent YOY gain in absolute revenue, about two points below the national inflation rate.

Properties across the price spectrum lose ground in December:



Properties across the price spectrum, from economy to luxury, all gave back some rate strength (black bars) in December in response to a slow start to the season in many destinations, with economy properties softening year-over-year ADR by 1.3 percentage points between Nov. 30 and Dec. 31, while moderate properties gave up 0.3 points, and luxury properties dipped 0.2 points. And while at the end of the day no tercile was able to drive positive occupancy

growth over that period (orange bars), economy properties got the best response, only losing 0.3 percentage points in YOY occupancy, while moderates lost 0.5 points, and luxury -1.5 points. The relationship between bigger rate easing and smaller occupancy loss, and vice versa, is further evidence in the data of consumers’ ongoing price concerns, now in their 10th consecutive month. Overall, all three price tiers lost



ground on RevPAR (green bars), with the biggest setback coming for luxury properties, where the drop was 1.8 percentage points.

For the winter season, economy properties are seeing the greatest overall decline in occupancy, down -5.2 percent YOY, while moderate properties are down -3.7 percent and luxury are down -3.0. Luxury properties are the only price tercile currently recording positive RevPAR, up a slight 0.6 percent YOY for the winter, while both economy and moderate properties are down -3.6 percent.

For the calendar year 2025 (not shown), economy properties are the only tercile to record negative RevPAR, down -1.9 percent YOY from calendar year 2024, while moderate properties recorded a slight 0.2 percent YOY gain, and luxury properties are the only group to exceed inflation, with a strong 5.2 percent YOY gain in RevPAR.

4. CONCLUSION

A late start to the winter season, typically thought of as the first week or so of December, has a moderate impact on booking momentum but typically doesn't do much harm on the revenue front. And short memories of poor early conditions are easily forgotten by a good snow year. But the start in many--although not all--western mountain resorts this year was very late, which can eat into critical days at the end of December and into January. That delay can have an impact on the bottom line for the balance of the season if conditions (both snow and economic) don't allow for make-up bookings. As of the end of December, booking pace remained down but had improved, providing some 'better' news. Still, with less than half of the terrain open as of Dec. 31, including some states below 30 percent, the narrative becomes harder and harder to control. Thankfully, snow late in December started to change that narrative and put some tools in marketers' hands to generate some buzz, but there's work to do to fill in some of the booking gaps. Whether Mother Nature, who's even made snowmaking tough in a few spots, is willing to cooperate is anyone's guess. Add in sobering employment news and inflation that seems to have focused in on the most notable of products--groceries--and consumers are a tougher sell this year.

But suppliers are doing a laudable balancing act. While room rates that outpace inflation may create exclusivity or shut out more value-conscious consumers in the economy class, revenue managers are approaching the 'less is more' approach, willing to accept fewer stays in exchange for higher price points, reducing the expense side and capturing enough rate to almost keep revenue positive during a tough season.

So, we head into the peak months with wishes for enough snow to change the narrative, enough economic good news to ease consumer tensions, and enough product to ease slope crowding and let the excellent product that is western mountain resorts shine.

Lastly, we remind you that this report is based on regional aggregated data, and that your own destination and/or property data may differ appreciably. For that reason, we urge you to ensure you're getting actionable and relevant data for your property and destination by [logging into your DestiMetrics web portal](#).