MARKETBEAT
U.S. NATIONAL
HOSPITALITY Q3 2025

CUSHMAN & WAKEFIELD

MARKET FUNDAMENTALS (12 MONTH)

	YOY Chg
62.6% Occupancy Rate	▼
1,295M Demand, Units	▲
171M Supply, Units	▲

MARKET INDICATORS (12 MONTH)

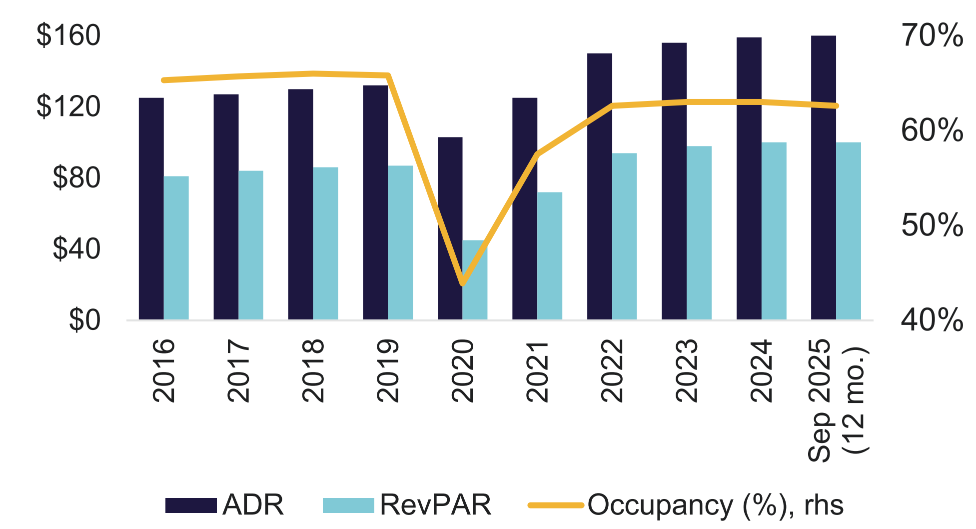
	YOY Chg
$100.20 RevPAR	▲
0.8% RevPAR Growth, YOY	▼
$160.06 ADR	▲
1.1% ADR Growth, YOY	▼

Source: STR/CoStar, Cushman & Wakefield Valuation & Advisory

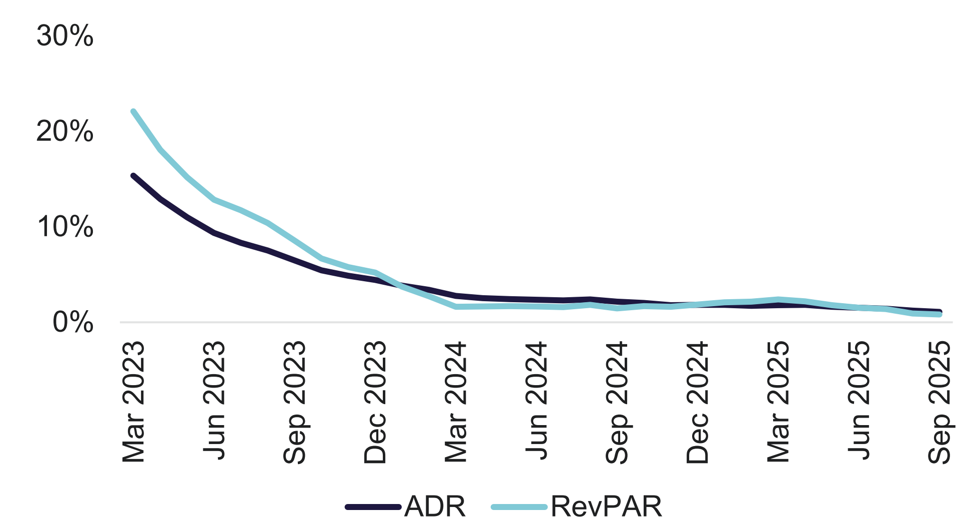
KEY TRENDS

- **RevPAR Varies by Chain Scale Segment:** U.S. RevPAR fell 0.1% year-to-date (YTD) through September 2025, driven by modest ADR growth that was offset by occupancy reductions. RevPAR performance varied across chain scale segments, with luxury and upper upscale segments recording the strongest YTD gains at 2.9% and 0.4%, respectively. However, lower-tier segments experienced more pronounced RevPAR decreases.
- **RevPAR Dips in Top Markets:** In Q3, RevPAR figures declined on a year-over-year (YOY) basis in most top markets, with notable contractions in Houston (-25.1%), New Orleans (-13.5%), Las Vegas (-10.3%), and Washington DC (-8.5%).
- **Operating Cost Growth:** Growth in operating costs such as labor, insurance, utilities, and property taxes is outpacing RevPAR growth. This is creating margin compression for hospitality operators.
- **Travel Impacts:** Softer inbound international travel and stronger-than-expected outbound international travel have dampened leisure demand. Additionally, the ongoing government shutdown is beginning to affect key travel infrastructure. Disruptions for air traffic controllers and TSA agents may cause delays or deter travelers from flying altogether, adding uncertainty to leisure demand.
- **Investor Activity Muted:** Hotel transaction activity has remained subdued through 2025. However, investor sentiment suggests a potential rebound in deal volume by 2026.
- **Hotel REITs Draw Interest:** Hotel REITs have become attractive acquisition targets due to the gap between public market valuations and net asset values. For example, Sotherly Hotels is set to be acquired in 2026, and Braemar Hotels & Resorts is actively pursuing a sale.

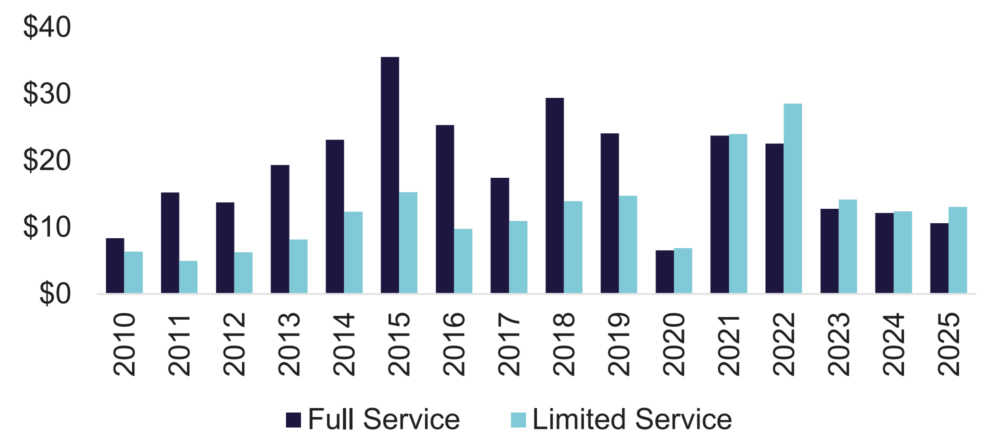
ADR, REVPAR, OCCUPANCY (12 MONTH)



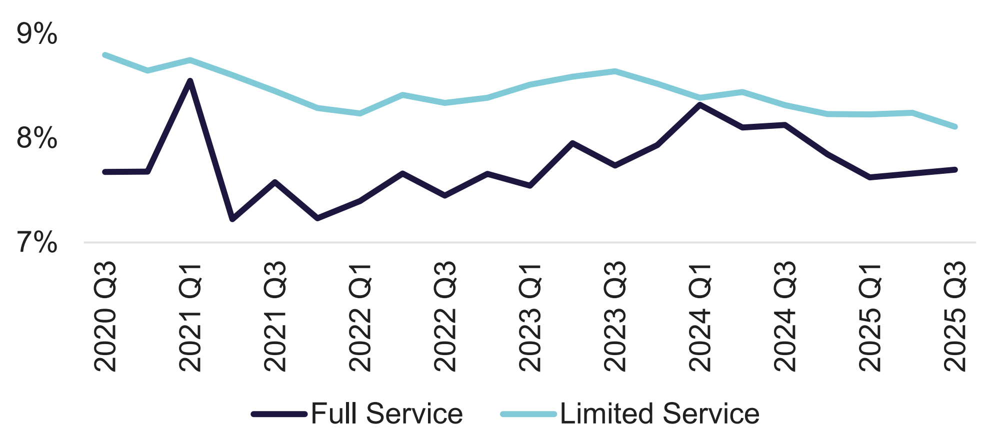
ADR, REVPAR YOY CHANGE (12 MONTH)



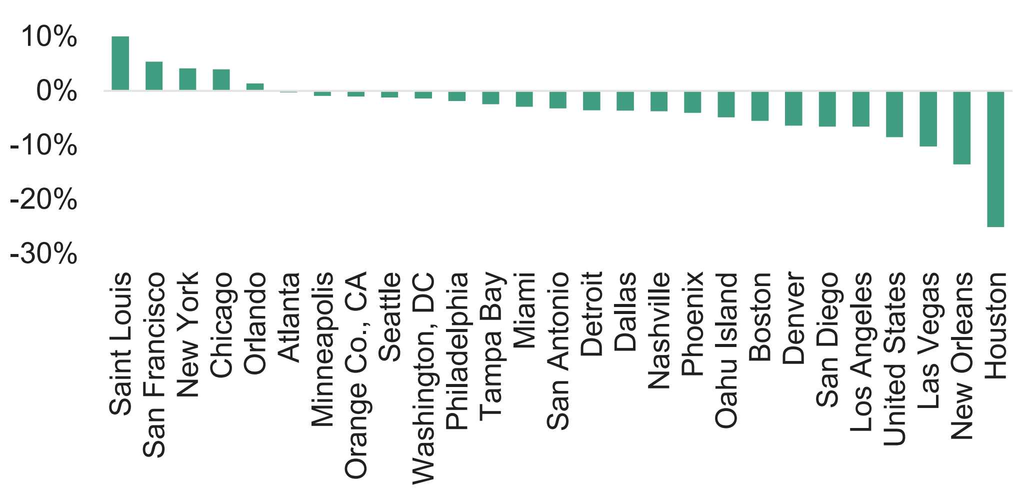
HOTEL TRANSACTION VOLUME, 12 MONTH ROLLING ($B USD)



HOTEL CAP RATES



REVPAR YOY CHANGE – TOP MARKETS (3 MONTH)



Source: STR/CoStar, RCA, Cushman & Wakefield Valuation & Advisory

U.S. HISTORICAL OPERATING STATISTICS (12 MONTH)

Year	Supply, Units (mil)	YOY % Change	Demand, Nights Rented (mil)	YOY % Change	Occ (%)	YOY % Change	ADR	YOY % Change	RevPAR	YOY % Change
2015	1,853	1.2	1,209	2.7	65.2	1.5	$121	4.3	$79	5.8
2016	1,883	1.6	1,230	1.7	65.3	0.1	$125	2.9	$81	3.0
2017	1,917	1.8	1,260	2.4	65.7	0.6	$127	2.0	$84	2.7
2018	1,955	2.0	1,290	2.5	66.0	0.5	$130	2.4	$86	2.9
2019	1,992	1.9	1,311	1.6	65.8	-0.3	$132	1.0	$87	0.7
2020	1,915	-3.9	840	-36.0	43.9	-33.4	$103	-21.5	$45	-47.7
2021	2,008	4.9	1,155	37.5	57.5	31.1	$125	20.7	$72	58.3
2022	2,042	1.7	1,277	10.6	62.6	8.7	$150	19.9	$94	30.4
2023	2,047	0.2	1,290	1.0	63.0	0.7	$156	4.4	$98	5.2
2024	2,057	0.5	1,297	0.6	63.0	0.1	$159	1.8	$100	1.9
Sep 2025 (12 Month)	2,068	0.7	1,295	0.4	62.6	-0.3	$160	1.1	$100	0.8

U.S. HISTORICAL OPERATING STATISTICS (3 MONTH)

Quarter	Supply, Units (mil)	YOY % Change	Demand, Nights Rented (mil)	YOY % Change	Occ (%)	YOY % Change	ADR	YOY % Change	RevPAR	YOY % Change
Q2 2024	513.9	0.5	343.6	1.3	66.9	0.8	$161	2.0	$107	2.8
Q3 2024	521.7	0.5	348.8	0.0	66.9	-0.4	$161	1.6	$108	1.1
Q4 2024	518.3	0.5	311.7	2.4	60.1	1.8	$159	1.8	$95	3.7
Q1 2025	506.0	0.6	295.3	0.9	58.4	0.3	$158	1.8	$92	2.2
Q2 2025	517.7	0.7	341.1	-0.7	65.9	-1.5	$162	1.0	$107	-0.5
Q3 2025	526.2	0.9	346.7	-0.6	65.9	-1.5	$161	0.1	$106	-1.4

U.S. MARKETS: KEY INDICATORS Q3 2025 (3 MONTH)

	Supply (Units)		Demand (Nights Rented)		Occupancy		ADR		RevPAR	
U.S. Markets	Q3 2025	YOY Change	Q3 2025	YOY Change	Q3 2025	YOY Change (bps)	Q3 2025	YOY Change	Q3 2025	YOY Change
United States	526,248,672	0.9%	346,726,630	-0.6%	65.9%	-1.5%	$161	0.1%	$106	-1.4%
Atlanta, GA	10,579,676	1.4%	6,754,846	0.3%	63.9%	-1.0%	$126	0.8%	$80	-0.3%
Boston, MA	5,624,923	0.7%	4,501,165	-2.0%	80.0%	-2.7%	$247	-2.9%	$198	-5.5%
Chicago, IL	11,236,847	-0.5%	8,652,027	3.3%	77.0%	3.8%	$187	0.1%	$144	4.0%
Dallas, TX	9,325,898	1.5%	5,763,269	0.0%	61.8%	-1.5%	$120	-2.2%	$74	-3.6%
Denver, CO	5,387,502	1.4%	4,096,562	-0.9%	76.0%	-2.3%	$162	-4.2%	$123	-6.4%
Detroit, MI	4,426,098	1.1%	2,853,506	-2.0%	64.5%	-3.0%	$128	-0.6%	$83	-3.6%
Houston, TX	9,781,810	-0.4%	5,535,833	-18.8%	56.6%	-18.5%	$115	-8.1%	$65	-25.1%
Las Vegas, NV	14,923,633	-0.8%	10,923,401	-7.5%	73.2%	-6.7%	$184	-3.9%	$135	-10.3%
Los Angeles, CA	10,512,367	-0.4%	7,647,027	-5.3%	72.7%	-5.0%	$197	-1.7%	$144	-6.6%
Miami, FL	5,928,042	-1.1%	3,900,291	-2.7%	65.8%	-1.7%	$161	-1.3%	$106	-3.0%
Minneapolis, MN	4,274,786	-0.8%	3,007,301	-0.1%	70.4%	0.7%	$142	-1.6%	$100	-0.9%
Nashville, TN	5,609,340	3.6%	3,750,769	3.0%	66.9%	-0.5%	$169	-3.3%	$113	-3.8%
New Orleans, LA	3,981,086	0.4%	1,984,414	-9.7%	49.9%	-10.1%	$135	-3.9%	$67	-13.5%
New York, NY	11,497,189	2.6%	9,873,874	1.5%	85.9%	-1.1%	$334	5.3%	$287	4.1%
Oahu Island, HI	2,888,898	0.3%	2,307,947	-3.4%	79.9%	-3.6%	$286	-1.3%	$228	-4.9%
Orange County, CA	5,593,698	-0.2%	4,211,440	-2.3%	75.3%	-2.1%	$221	1.1%	$166	-1.1%
Orlando, FL	13,205,478	0.7%	8,603,613	0.0%	65.2%	-0.7%	$173	2.1%	$113	1.4%
Philadelphia, PA	4,827,740	-1.1%	3,233,694	-1.6%	67.0%	-0.5%	$149	-1.3%	$100	-1.9%
Phoenix, AZ	6,636,266	1.8%	3,792,467	-1.7%	57.2%	-3.4%	$123	-0.6%	$71	-4.0%
Saint Louis, MO	3,734,924	-1.2%	2,505,767	7.3%	67.1%	8.6%	$131	3.7%	$88	12.6%
San Antonio, TX	4,529,451	0.5%	2,593,656	-2.7%	57.3%	-3.2%	$123	-0.1%	$71	-3.2%
San Diego, CA	6,165,435	3.7%	4,736,678	-0.9%	76.8%	-4.4%	$234	-2.2%	$180	-6.6%
San Francisco/San Mateo County, CA	5,106,524	0.4%	3,812,851	3.9%	74.7%	3.5%	$214	1.8%	$160	5.4%
Seattle, WA	4,683,459	1.2%	3,820,817	0.9%	81.6%	-0.3%	$212	-1.0%	$173	-1.2%
Tampa, FL	4,882,541	-1.1%	3,028,894	-4.2%	62.0%	-3.1%	$148	0.7%	$92	-2.5%
Washington, DC	10,526,595	1.6%	7,021,863	-3.4%	66.7%	-5.0%	$168	-3.7%	$112	-8.5%

Source: STR/CoStar, Cushman & Wakefield Valuation & Advisory

METHODOLOGY

Cushman & Wakefield's quarterly estimates are derived from a variety of data sources, including our own proprietary database as well as data from reliable third-party data sources. The figures provided for the current quarter are preliminary and all information contained in this report is subject to correction of errors and revisions based on the receipt of additional pertinent data.

EXPLANATION OF TERMS

Average daily rate (ADR): The average daily rate ($) defined by the average income per occupied hotel room over the period of time.

Revenue per Available Room (RevPAR): Total revenue divided by room count and number of nights for the period of time.

Annual statistics are provided on a rolling 12-month period. Quarterly and current quarter market-level statistics are provided on a three-month rolling period.

ABOUT CUSHMAN & WAKEFIELD

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in nearly 400 offices and 60 countries. In 2024, the firm reported revenue of $9.4 billion across its core service lines of Services, Leasing, Capital markets, and Valuation and other. Built around the belief that Better never settles, the firm receives numerous industry and business accolades for its award-winning culture. For additional information, visit www.cushmanwakefield.com.

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