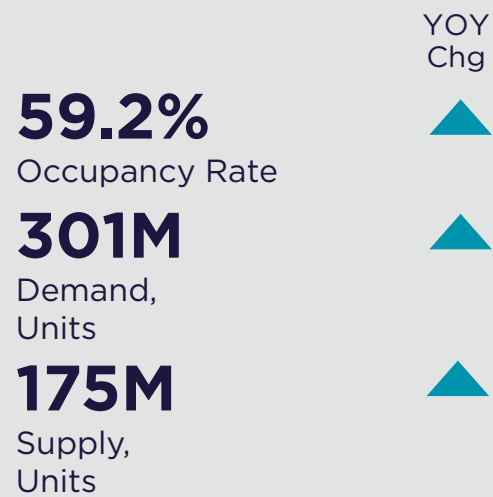


## MARKET FUNDAMENTALS (3 MONTH)



## MARKET INDICATORS (3 MONTH)

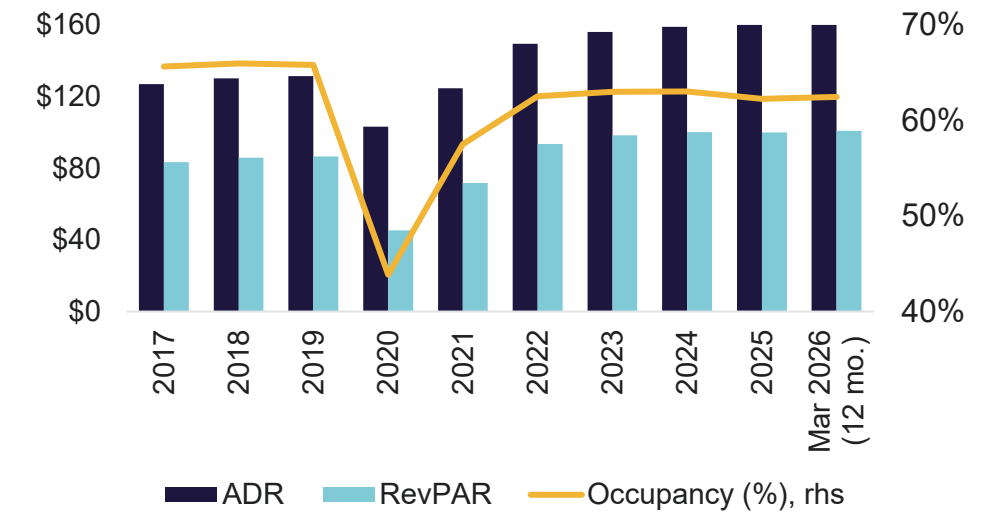


Source: STR/CoStar, Cushman & Wakefield Valuation & Advisory

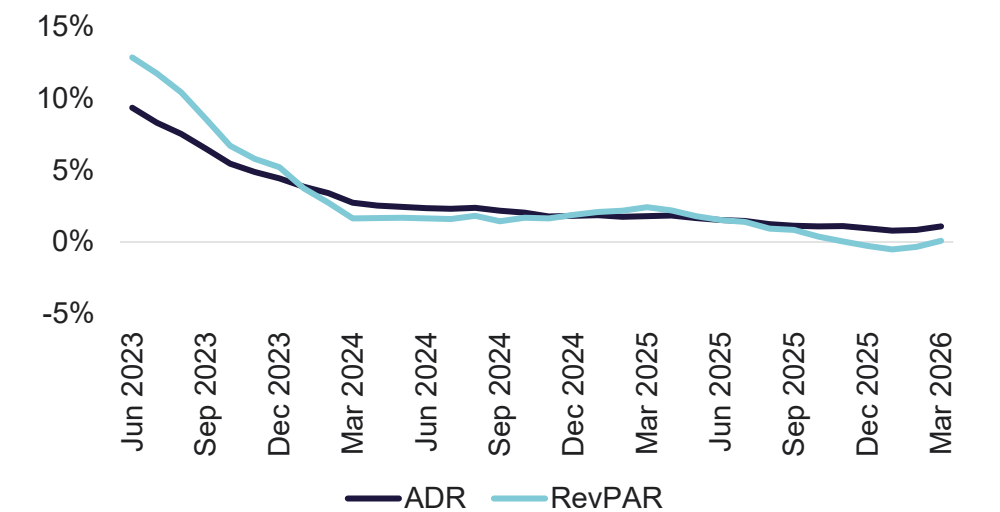
## KEY TRENDS

- RevPAR Acceleration:** The U.S. hospitality market returned to growth in Q1 2026, with the 3-month RevPAR rising by 3.8% year-over-year (YOY) to \$96. This was driven primarily by ADR gains, which outpaced inflation for the first time in several quarters. March's performance was particularly strong, with RevPAR YOY growth totaling 5.9%.
- Mixed Performance Across Markets:** First quarter performance varied significantly across the major hospitality markets. San Francisco/San Mateo led all markets, posting 3-month RevPAR growth of 31.2% YOY, followed by Minneapolis and Miami, with gains of 12.7% and 12.1%, respectively. In contrast, New Orleans recorded a -20.4% YOY RevPAR decline (the city hosted the Super Bowl in Q1 of last year), while Tampa Bay and Washington, D.C., also posted yearly declines.
- Potential Margin Relief:** Hotel operating margins have been under pressure in recent years due to elevated labor, insurance, utilities and other operating costs. However, recent ADR acceleration above inflation may provide some relief, particularly for hotels with stronger rate integrity and limited occupancy-driven expense growth. While margin recovery will likely be uneven, sustained pricing power should help offset expense pressures and support improved profitability.
- Demand Improves as Q1 Progresses:** First quarter hotel demand was generally healthy, though January's performance was muted by two major winter storms that affected several regions of the country. However, demand trends improved as the quarter progressed, with February and March showing stronger momentum than the start of the year. Group demand increased 1.6% YOY during Q1, accelerating to 3.0% during the latter part of the quarter.
- Transaction Activity Rebounding:** Hotel sales volume reached almost \$9.4 billion in Q1, the second consecutive quarter of strong gains and a 64.0% YOY increase. Limited-service volume nearly doubled YOY while full-service volume rose 36.8%.

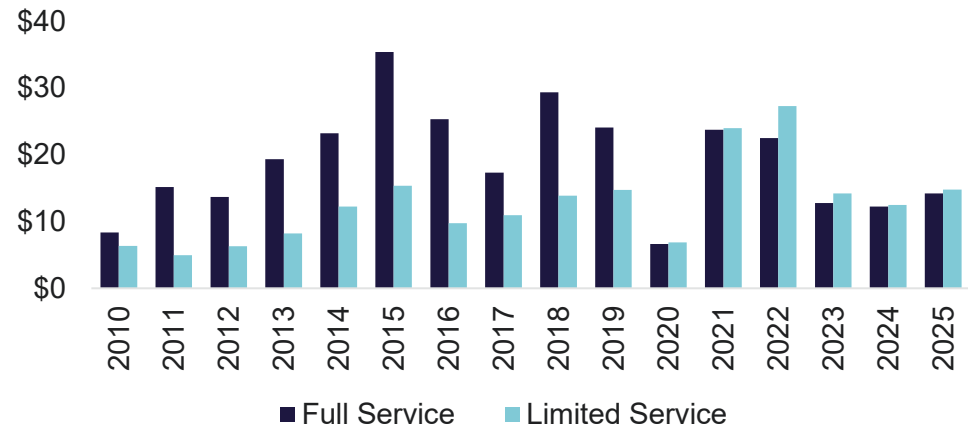
## ADR, REVPAR, OCCUPANCY (12 MONTH)



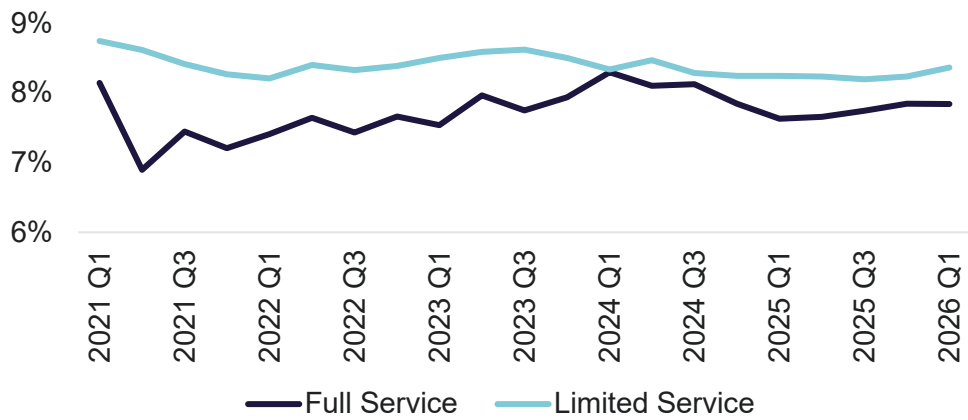
## ADR, REVPAR YOY CHANGE (12 MONTH)



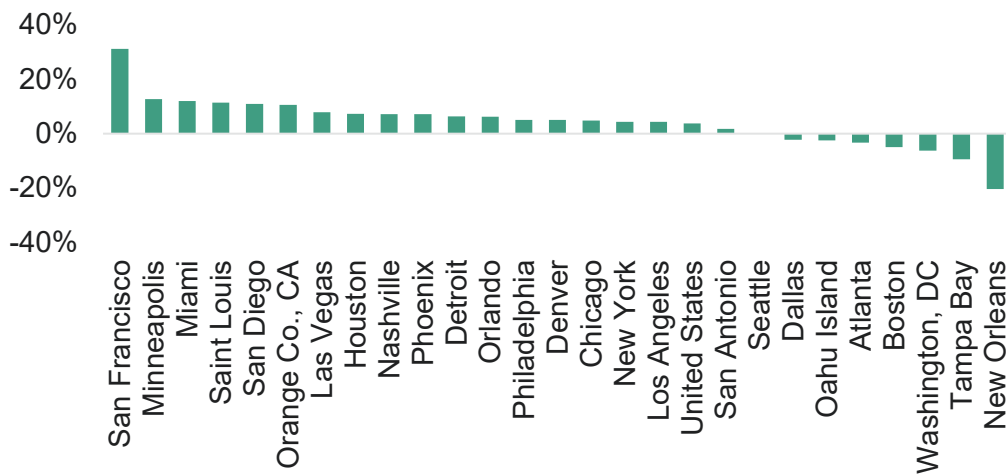
**HOTEL TRANSACTION VOLUME, 12 MONTH ROLLING (\$B USD)**



**HOTEL CAP RATES**



**REVPAR YOY CHANGE - TOP MARKETS (3 MONTH)**



**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
2016	1,899	1.3	1,239	1.4	65.2	0.2	\$125	3.0	\$81	3.2
2017	1,928	1.5	1,266	2.2	65.7	0.7	\$127	2.1	\$83	2.7
2018	1,961	1.7	1,294	2.2	66.0	0.5	\$130	2.5	\$86	3.0
2019	1,995	1.8	1,313	1.5	65.8	-0.3	\$132	1.0	\$87	0.8
2020	1,915	-4.0	840	-36.0	43.9	-33.4	\$103	-21.5	\$45	-47.7
2021	2,008	4.8	1,155	37.5	57.5	31.1	\$125	20.8	\$72	58.4
2022	2,041	1.7	1,277	10.6	62.6	8.8	\$150	19.9	\$94	30.4
2023	2,045	0.2	1,289	0.9	63.0	0.7	\$156	4.4	\$98	5.2
2024	2,055	0.5	1,296	0.5	63.1	0.1	\$159	1.8	\$100	1.9
2025	2,069	0.7	1,289	-0.5	62.3	-1.2	\$161	1.0	\$100	-0.3
Mar 2026 (12 Month)	2,072	0.7	1,294	-0.3	62.5	-1.0	\$161	1.1	\$101	0.1

**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
Q4 2024	517.6	0.5	311.3	2.3	60.1	1.8	\$159	1.8	\$96	3.7
Q1 2025	505.2	0.5	295.0	0.9	58.4	0.3	\$158	1.9	\$92	2.2
Q2 2025	516.8	0.7	340.6	-0.8	65.9	-1.5	\$162	1.0	\$107	-0.5
Q3 2025	525.1	0.8	346.0	-0.7	65.9	-1.5	\$161	0.1	\$106	-1.4
Q4 2025	521.4	0.8	307.0	-1.4	58.9	-2.1	\$161	1.1	\$95	-1.1
Q1 2026	508.3	0.6	300.8	2.0	59.2	1.4	\$162	2.4	\$96	3.8

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

**U.S. MARKETS: KEY INDICATORS Q1 2026  
(3 MONTH)**

U.S. Markets	Supply (Units)		Demand (Nights Rented)		Occupancy		ADR		RevPAR	
	Q1 2026	YOY Change	Q1 2026	YOY Change	Q1 2026	YOY Change (bps)	Q1 2026	YOY Change	Q1 2026	YOY Change
United States	508,303,567	0.6%	300,849,025	2.0%	59.2%	1.4%	\$162	2.4%	\$96	3.8%
Atlanta, GA	10,384,206	0.8%	6,456,455	-1.4%	62.2%	-2.2%	\$129	-1.1%	\$80	-3.3%
Boston, MA	5,535,794	1.6%	3,248,103	-3.2%	58.7%	-4.8%	\$178	-0.1%	\$104	-4.9%
Chicago, IL	10,971,807	-0.2%	5,980,501	4.5%	54.5%	4.7%	\$134	0.1%	\$73	4.8%
Dallas, TX	8,735,447	0.6%	5,636,914	0.0%	64.5%	-0.5%	\$132	-1.7%	\$85	-2.3%
Denver, CO	5,281,988	0.3%	3,151,280	2.6%	59.7%	2.3%	\$134	2.7%	\$80	5.1%
Detroit, MI	4,341,312	0.6%	2,312,808	6.3%	53.3%	5.7%	\$117	0.6%	\$63	6.4%
Houston, TX	9,576,227	0.5%	5,979,652	2.9%	62.4%	2.4%	\$132	4.8%	\$82	7.3%
Las Vegas, NV	14,456,632	0.0%	11,218,877	2.1%	77.6%	2.2%	\$215	5.6%	\$167	7.9%
Los Angeles, CA	10,148,173	-1.4%	7,196,334	-1.4%	70.9%	0.0%	\$202	4.3%	\$143	4.3%
Miami, FL	5,832,644	-0.7%	4,876,831	0.4%	83.6%	1.1%	\$312	10.8%	\$260	12.1%
Minneapolis, MN	4,132,248	-1.3%	2,144,868	4.5%	51.9%	5.9%	\$129	6.4%	\$67	12.7%
Nashville, TN	5,553,445	2.6%	3,579,879	10.6%	64.5%	7.8%	\$166	-0.6%	\$107	7.2%
New Orleans, LA	3,869,433	-0.9%	2,422,801	-3.6%	62.6%	-2.7%	\$185	-18.2%	\$116	-20.4%
New York, NY	11,154,022	0.8%	8,399,136	0.7%	75.3%	-0.1%	\$251	4.5%	\$189	4.4%
Oahu Island, HI	2,829,690	0.0%	2,212,291	-1.1%	78.2%	-1.1%	\$279	-1.4%	\$218	-2.5%
Orange County, CA	5,421,454	-0.8%	3,945,849	4.3%	72.8%	5.0%	\$214	5.3%	\$156	10.6%
Orlando, FL	12,973,231	0.6%	10,167,348	2.2%	78.4%	1.7%	\$231	4.6%	\$181	6.3%
Philadelphia, PA	4,668,427	-1.9%	2,705,141	-0.1%	58.0%	1.9%	\$143	3.2%	\$83	5.1%
Phoenix, AZ	6,562,706	1.9%	5,156,471	5.3%	78.6%	3.3%	\$232	3.7%	\$182	7.1%
Saint Louis, MO	3,666,313	-0.9%	2,092,026	5.5%	57.1%	6.4%	\$125	4.7%	\$71	11.4%
San Antonio, TX	4,440,175	0.6%	2,605,787	1.7%	58.7%	1.1%	\$136	0.6%	\$80	1.8%
San Diego, CA	5,997,722	3.2%	4,419,657	9.5%	73.7%	6.1%	\$209	4.6%	\$154	11.0%
San Francisco/San Mateo County, CA	4,941,023	0.3%	3,444,961	12.0%	69.7%	11.7%	\$292	17.5%	\$204	31.2%
Seattle, WA	4,622,503	1.9%	2,784,670	1.5%	60.2%	-0.4%	\$151	0.6%	\$91	0.1%
Tampa, FL	4,771,916	1.5%	3,664,676	-5.9%	76.8%	-7.3%	\$205	-2.2%	\$158	-9.4%
Washington, D.C.	10,274,277	0.4%	6,354,895	0.7%	61.9%	0.3%	\$181	-6.5%	\$112	-6.3%

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 occupiers and investors with approximately 53,000 employees in over 350 offices and nearly 60 countries. In 2025, the firm reported revenue of \$10.3 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](http://www.cushmanwakefield.com).

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