

Hotel demand keeps growing, with international guests leading the way



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This report focuses on the summer season of 2025, and specifically the period stretching from May through October. These pages are meant to complement the report we published in June that focused on the winter months.

We have analysed data from the key cities of Rovaniemi in Finland, Kiruna in Sweden, Tromsø and Bodø in Norway as well as the Lofoten islands on Norway's western coast. We also share our findings from analysing data from a comprehensive set of 94 hotels north of the Arctic circle.

The summer of 2025 was expected to be spectacular, and it truly was. The ugly word 'coolcation' has been used to describe the phenomenon of travellers seeking out cooler climates for their summer adventures, and this year we saw plenty of such 'coolcationers' in the Nordics. At the same time, in Norway and Sweden, local kroner remain weak compared to larger currencies like the Euro and US dollar, persuading many locals not to leave home. This has proved a very successful recipe for the region's hotels.

There are many nuances to capture. On the following pages we try to clarify some of the statistics. Bodø in Norway, for instance, saw a significant fall in hotel performance this year, largely explained by a very good year in 2024 when it served as a European Capital of Culture, on top of a sizeable capacity increase. Rovaniemi saw a huge influx of travellers, both for leisure and other purposes, but at lower room rates than in previous years. Regardless, more traffic is welcome in places where the summer is considered 'off-season'.

Hotel investment also picked up this year, with some large and some smaller deals. International investors remain curious about the region and have finally started putting capital behind their curiosity.

Arctic Hotels: Increased revenues and a growth in investments

▲ 59%

Occupancy
+1.8% YoY / + 0.1% to 2019

▲ EUR 110

ADR
+2.6% YoY / + 15.1% to 2019

▲ EUR 65

RevPAR
+4.5% YoY / + 15.2% to 2019

May 2025–Oct 2025. Source: Benchmarking Alliance, November 2025.

ARCTIC HOTEL TRADING PERFORMANCE, MAY – OCTOBER 2025

The Arctic hotel market demonstrated strong performance during the winter season of November 2024 to April 2025, with RevPAR reaching nearly EUR 100 across the 94 Arctic Nordic hotels monitored by CBRE. This robust winter performance, coupled with a consistent occupancy rate throughout the year, underscores the region's growing appeal as a year-round destination. This report highlights the May–October 2025 period, where RevPAR reached EUR 65.

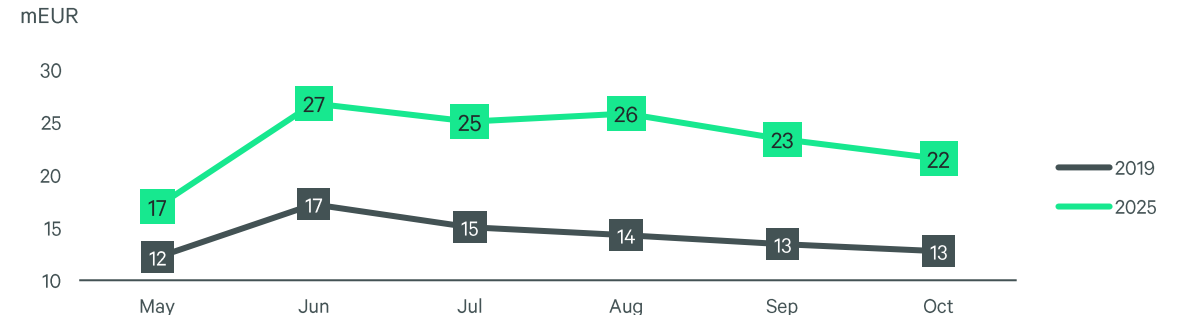
The Arctic market overall achieved a YoY occupancy increase of 1.8%, closely mirroring 2019 levels. Substantial growth in key performance indicators, including a 42.8% rise in room nights sold and a 15.1% increase in ADR, resulted in a 64.4% surge in total room revenue, reaching nearly EUR 140 million during the six warmer months of 2025.

The strengthening summer performance in the Arctic is reflected in the investment landscape. CBRE has registered six hotel transactions YTD as of November 2025. The growing investment activity from both international and regional investors underscores the market's expanding appeal and long-term growth potential.

Notable hotel transactions in the Arctic Nordics YTD November 2025

Property	City, Country	Price (€ million)	Vendor	Purchaser
Elite Hotel Frost	Kiruna, SE	€31	Kiruna Municipality	Pandox
50% of The Dock 69°39 by Scandic	Tromsø, NO	Conf.	Totaleiendom	Saturn Invest
66% of Hamn i Senja	Senja, NO	Conf.	iKO Holding	Sport Impact
Sommarøy Arctic Hotel	Sommarøy, NO	Conf.	Private investor	Norwegian Travel
Apukka Resort	Rovaniemi, FI	Conf.	Private investor	First Camp
50% of Skårungen AS	Kabelvåg, NO	Conf.	Private investor	Nordic B.V.

Room revenue seasonality, Arctic Hotel Market 2019 vs 2025



Source: Benchmarking. The revenue data sourced from Benchmarking Alliance may not provide a comprehensive overview, as all hotels in each market may be included, which could affect the accuracy of the results.

FIGURES | NORDIC HOTELS | NOVEMBER 2025

Arctic differences: Low dips and high peaks

▼ EUR 68

Tromsø RevPAR
- 2.1% YoY / + 5.8 to 2019

▼ EUR 64

Bodø RevPAR
- 13.5% YoY / - 23.1% to 2019

▲ EUR 120

Lofoten RevPAR
+ 11.8% YoY / + 26.7% to 2019

▶ EUR 79

Kiruna RevPAR
+ 0.3% YoY / + 58.1% to 2019

▲ EUR 43

Rovaniemi RevPAR
+ 8.7% YoY / + 15.6% to 2019

May-Oct 2025. Source: Benchmarking Alliance, Tillväxtverket, November 2025.

ARCTIC HOTEL TRADING PERFORMANCE, MAY – OCTOBER 2025

Tromsø's May-October 2025 RevPAR reached EUR 68, a 2.1% YoY decrease but a 5.8% increase compared to the corresponding period in 2019. Scandic opened Northern Norway's largest hotel (305 keys) in June 2025. This significant capacity increase (+11.8%) influenced RevPAR negatively in the short term.

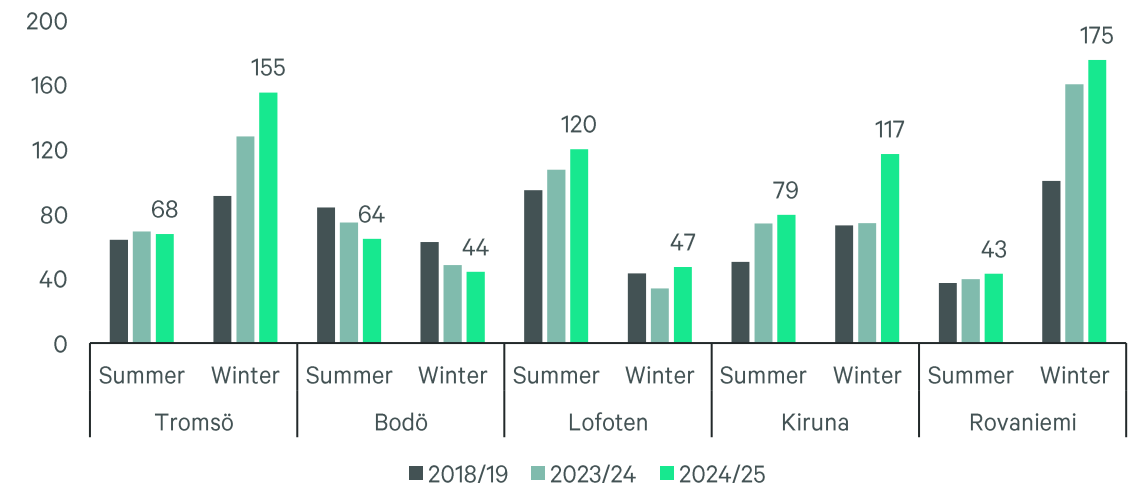
Bodø reported RevPAR of EUR 64, a steady decline since 2019. This trend is largely attributable to supply growth of more than 80% since 2019, and the effect of Bodø being a European Capital of Culture in 2024.

Kiruna's EUR 79 RevPAR, consistent with the previous year and 58.1% above 2019, even surpassing Malmö's EUR 76 during the 2025 period.

Rovaniemi's summer RevPAR grew to EUR 43. The market's huge summer/winter RevPAR gap (winter RevPAR 307.6% higher) highlights its winter tourism focus.

Lofoten led the pack with RevPAR of EUR 120, demonstrating the Arctic's diverse appeal with strong YoY and 2019 growth (+11.8% and +26.7%, respectively).

RevPAR, Arctic Hotel Select Markets
May-Oct 2019, 2024, and 2025
EUR



Source: Benchmarking Alliance, Tillväxtverket, 2025.

FIGURES | NORDIC HOTELS | NOVEMBER 2025

Summer in the Arctic: Seasonal contrasts and strategic shifts

▼ 62%

Tromsø Occupancy
- 7.0% YoY / - 10.8% to 2019

▼ 71%

Bodø Occupancy
- 3.4% YoY / - 12.5% to 2019

▼ 68%

Lofoten Occupancy
- 3.2% YoY / - 5.5% to 2019

▼ 54%

Kiruna Occupancy
- 12.0% YoY / - 4.1% to 2019

▲ 49%

Rovaniemi Occupancy
+ 15.3% YoY / + 8.2% to 2019

May-Oct 2025. Source: Benchmarking Alliance, November 2025.

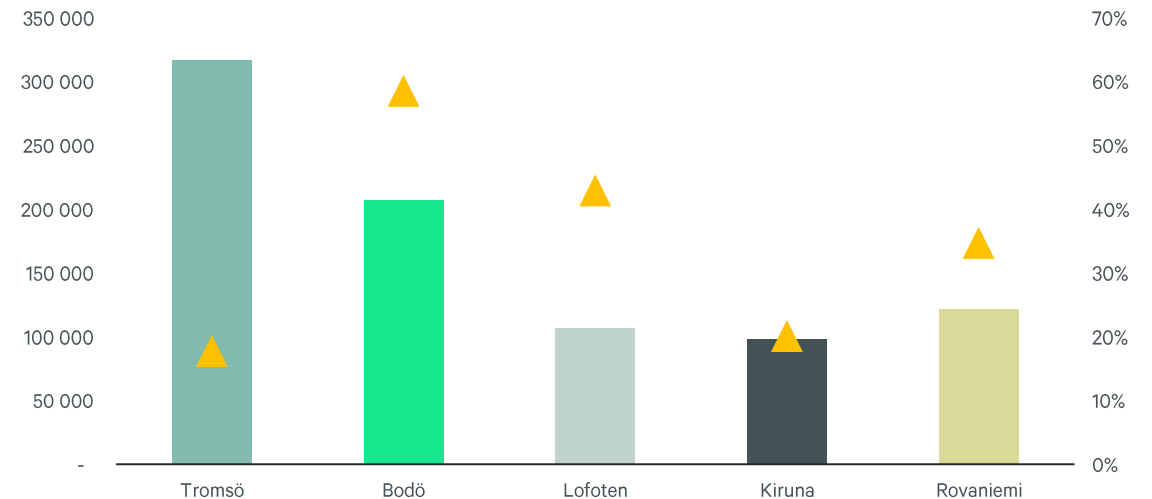
ARCTIC HOTEL TRADING PERFORMANCE, MAY – OCTOBER 2025

Looking at occupancy there is a stark contrast throughout the main markets in terms seasonality patterns.

The summer of 2025 revealed significant occupancy trends across key Arctic markets, marked by both declines and strategic growth. While four of five markets experienced YoY and 2019 occupancy decreases during May-Oct 2025, primarily due to supply growth exceeding demand, the period also highlighted successful market strategies focused on premium pricing.

Despite occupancy dips, the summer market demonstrated strong performance in rooms sold: Tromsø increased rooms sold by 17.8% versus 2019, Bodø saw a 56.8% increase, Lofoten rose by 42.9%, and Kiruna increased by 20.1%. Emphasis on attracting higher-paying guests drove robust total room revenue growth. Furthermore, the seasonal contrasts were pronounced. Strong winter destinations Tromsø and Rovaniemi achieved Nov-Apr 2024/25 occupancies of 80% and 79%, respectively, while Bodø and Lofoten saw lower winter occupancies (51% and 36%). Kiruna exhibited more stable occupancy fluctuations, with colder months reaching 51%. Rovaniemi's YoY occupancy growth was primarily driven by a strategic pricing adjustment, lowering ADR by nearly 6%.

Sold Rooms 2025 and Growth since 2019, May-Oct



Source: Benchmarking Alliance, Tilastokeskus, 2025.

FIGURES | NORDIC HOTELS | NOVEMBER 2025

Exurban Arctic hotels leads the growth

▲ 56%

Occupancy
+ 7.9% YoY / + 10.9% to 2019

▲ EUR 109

ADR
+ 5.6% YoY / + 21.1% to 2019

▲ EUR 61

RevPAR
+ 13.9% YoY / + 34.3% to 2019

May–Oct 2025. Source: Benchmarking Alliance, November 2025.

ARCTIC HOTEL TRADING PERFORMANCE, MAY – OCTOBER 2025

Beyond established urban centers, the Arctic region experiences escalating demand for authentic nature-based tourism, mitigating the potential for overcrowding in popular destinations.

This analysis focuses on the exurban market, excluding Tromsø, Bodø, Rovaniemi, and Lofoten to provide a refined assessment of hotel performance.

From May to October 2025, the exurban market achieved a 56% occupancy rate, representing a 7.9% YoY increase and a 10.9% rise compared to 2019. Simultaneously, ADR increased to EUR 109, reflecting a 5.6% YoY growth and a 21.1% increase over pre-pandemic levels. These combined factors resulted in a record-breaking summer RevPAR of EUR 61. Over half a million room nights were sold during this six-month period, nearly 60% more than in 2019.

Compared to the broader Arctic region, the exurban market exhibits more robust revenue growth across all months. The lowest growth occurred in July, with a total room revenue of EUR 10.7 million, a 77% increase from 2019. August witnessed the most substantial growth, reaching EUR 11.2 million, signifying a 114% expansion.

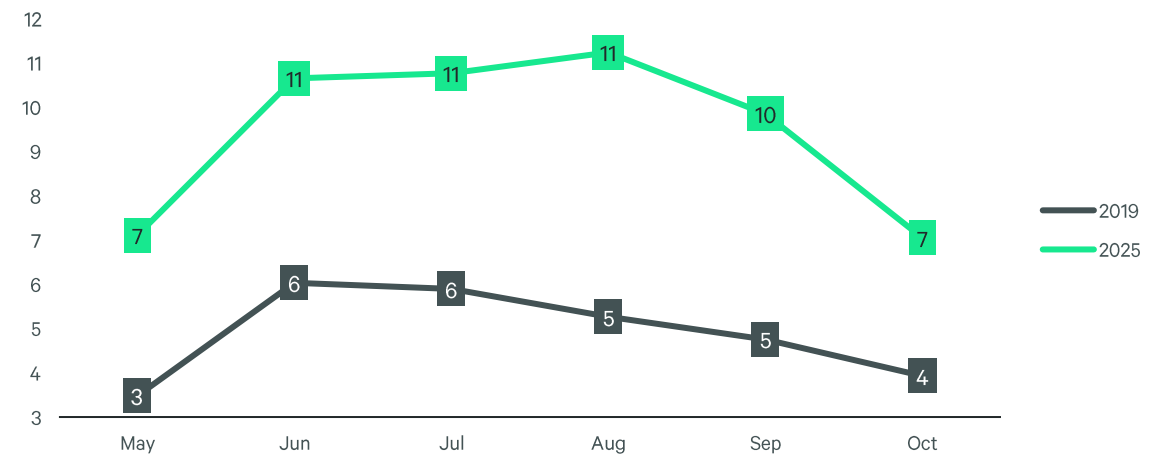
▲ 520,000

Rooms sold
+ 6.2% YoY / + 59.4% to 2019

▲ MEUR 56.7

Room revenue
+ 12.1% YoY / + 93.0% to 2019

Room revenue seasonality, Arctic Hotel Market excl. Tromsø, Bodø, Rovaniemi and Lofoten, 2019 vs 2024 EUR



Source: Benchmarking. The revenue data sourced from Benchmarking Alliance may not provide a comprehensive overview, as all hotels in each market may be included, which could affect the accuracy of the results.

FIGURES | NORDIC HOTELS | NOVEMBER 2025

Arctic Cruise Market: Growing demand for polar cruises

▲ 195,500

Cruise Passengers Tromsø
+ 4.6% YoY / + 26.9% to 2019

▼ 164,600

Cruise Passengers Honningsvåg
- 7.3 % YoY / + 15.5% to 2019

▼ 64,600

Cruise Passengers Alta
- 2.9% YoY / + 117.5% to 2019

▼ 64,200

Cruise Passengers Leknes
- 11.5 % YoY / - 2.0 % to 2019

2024. Source: Kystverket

CRUISE COMMENTARY

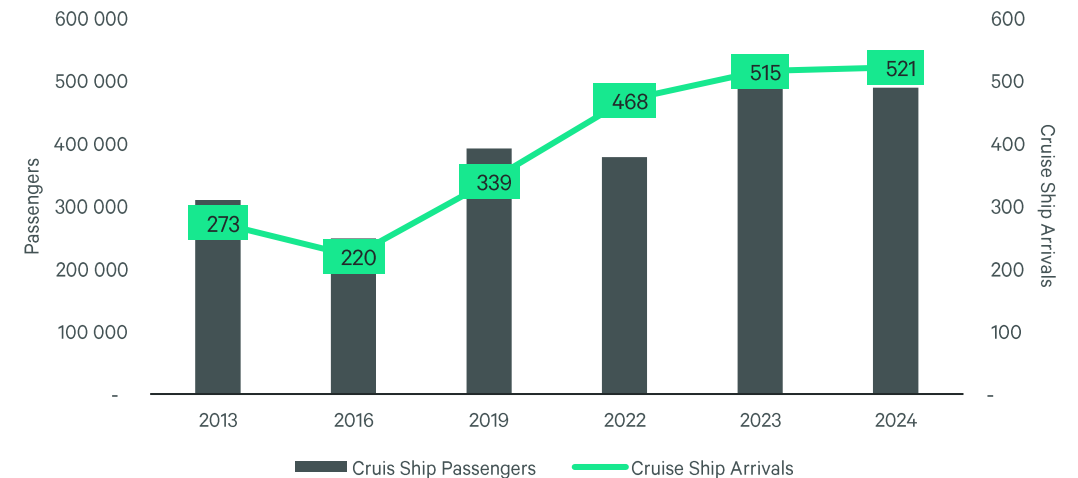
Another important factor in accommodating the growing Arctic demand is the role of cruise lines. Analyzing Kystverket’s official data from 2024, we see that four key hubs in Northern Norway are central to this growth.

Since 2013, Tromsø has experienced a remarkable 69.9% increase in total passengers, reaching approximately 195,500 in 2024, resulting in a CAGR of 4.9% over the period. Honningsvåg has seen a 29.9% increase in passengers during the same timeframe, with a total of 164,500 and a CAGR of 2.4%.

2023 marked a record year for total passenger volume across all ports. While a marginal decrease of 2.9% occurred between 2023 and 2024, the 2024 figures still reflect a 24.8% increase compared to 2019, signifying demand stabilization. Despite the flatlining of cruise passenger numbers in 2024, projections anticipate another record year in 2025.

In terms of cruise ship arrivals, all ports combined recorded 521 arrivals in 2024, marking a 90.8% increase from 273 arrivals in 2013, with a CAGR of 6.1%. Notably, Alta has seen the most significant growth, with only 14 arrivals in 2013 compared to 92 in 2024. This trend highlights the region's increasingly diversified demand for cruise tourism.

Cruise Passengers | Northern Norwegian Ports
2013 & 2016-2024



Source: Kystverket, June 2025.

Market Area Overview



Lake Pieline, Finland. Photo: Asko Kuittinen/Visit Finland

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