

FIGURES | U.S. HOTEL | Q1 2026

Hotel Occupancy & RevPAR Post Modest Gains



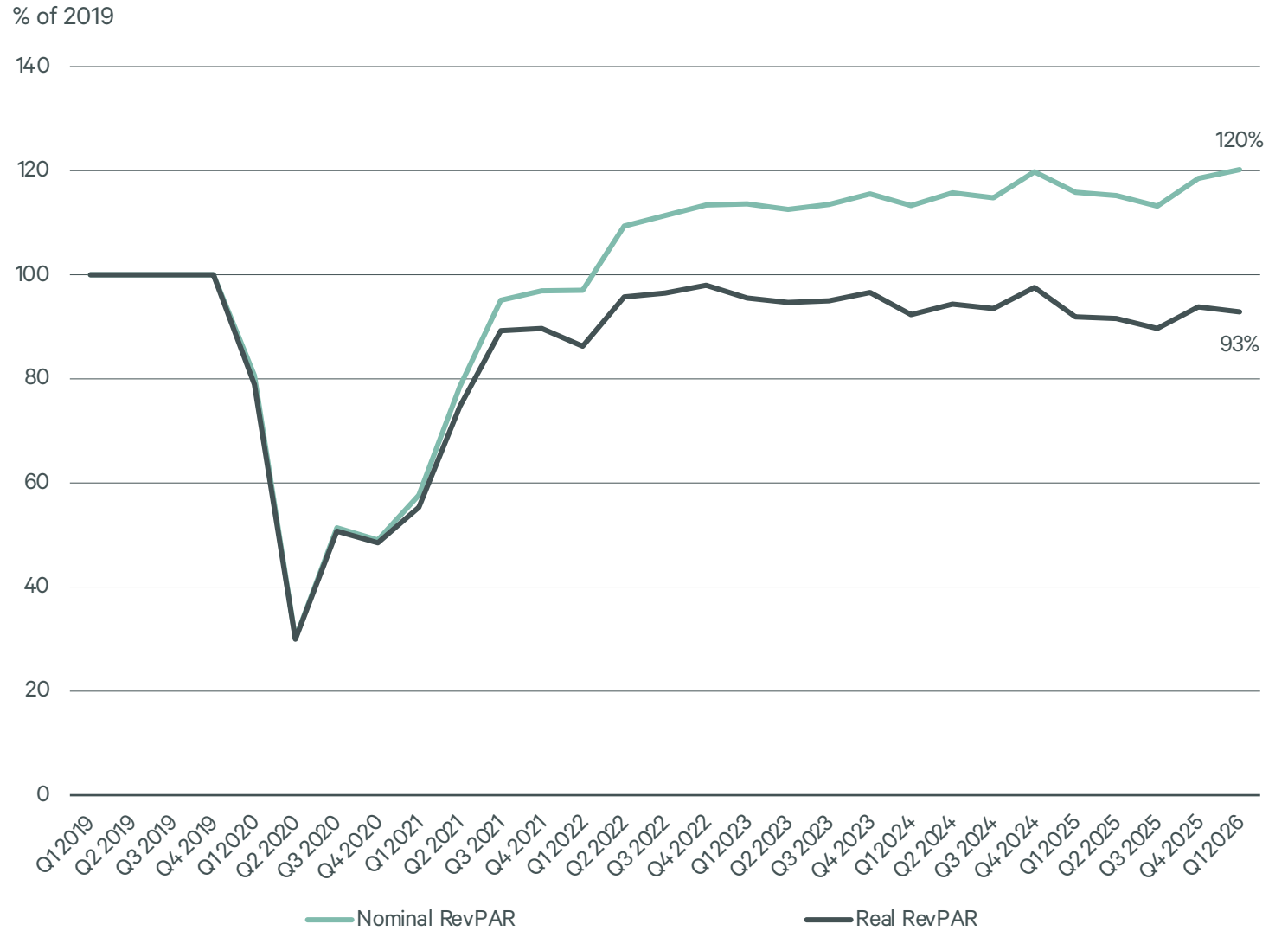
Percentages are year-over-year growth rates.
 Arrows indicate change in year-over-year growth rates from those of the same quarter in the previous year.
 Source: CoStar.

Executive Summary

- Overall hotel occupancy increased by 0.8% year-over-year in Q1, as demand growth of 2% outpaced a 0.6% supply increase.
- The average daily rate (ADR) rose by 2.2%, driving a 3.8% increase in revenue per available room (RevPAR).
- Occupancy rates remained below 2019 levels for all location types except interstate. Urban locations were the most below pre-pandemic levels at 93.5%.
- San Francisco led the nation in RevPAR growth in Q1, surging by 31% year-over-year due to AI-sector corporate travel.
- Job openings per hotel fell to 14 in February, down by 9% both year-over-year and from 2019 levels.
- New Orleans was the weakest growth market year-over-year due to a surge in demand last year from the Super Bowl.

Figure 1
Nominal & real RevPAR levels vs. 2019

- Nominal RevPAR rose by 3.8% year-over-year in Q1, while real (inflation-adjusted) RevPAR increased by 1% due to a 2.7% inflation rate.
- Real RevPAR was 7% below 2019 levels in Q1.



Source: CBRE Research, CoStar, U.S. Bureau of Labor Statistics, Q1 2026.

Figure 2
Occupancy indexed to 2019 by location type

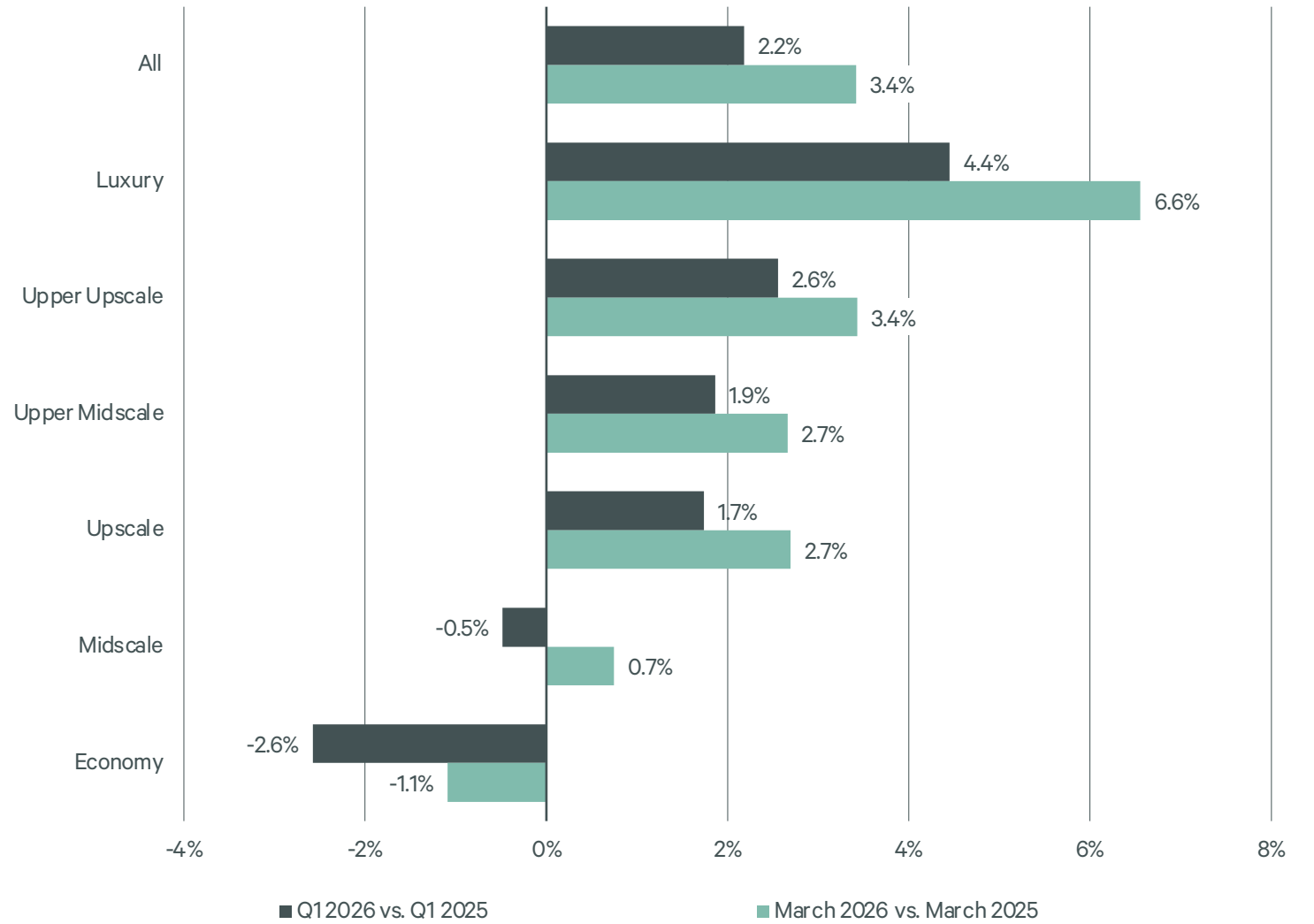
- Occupancy rates for all location types increased year-over-year in Q1, except for towns with no change. Airport locations had the largest increase of 1.9%.
- Occupancy rates for all location types remained below Q1 2019 levels. The weakest were urban locations at 93.5% of the Q1 2019 level, while interstate locations nearly recovered fully with occupancy at 99.6% of Q1 2019.



Source: CBRE Research, CoStar, Q1 2026.

Figure 3
ADR change vs. 2025 by chain scale

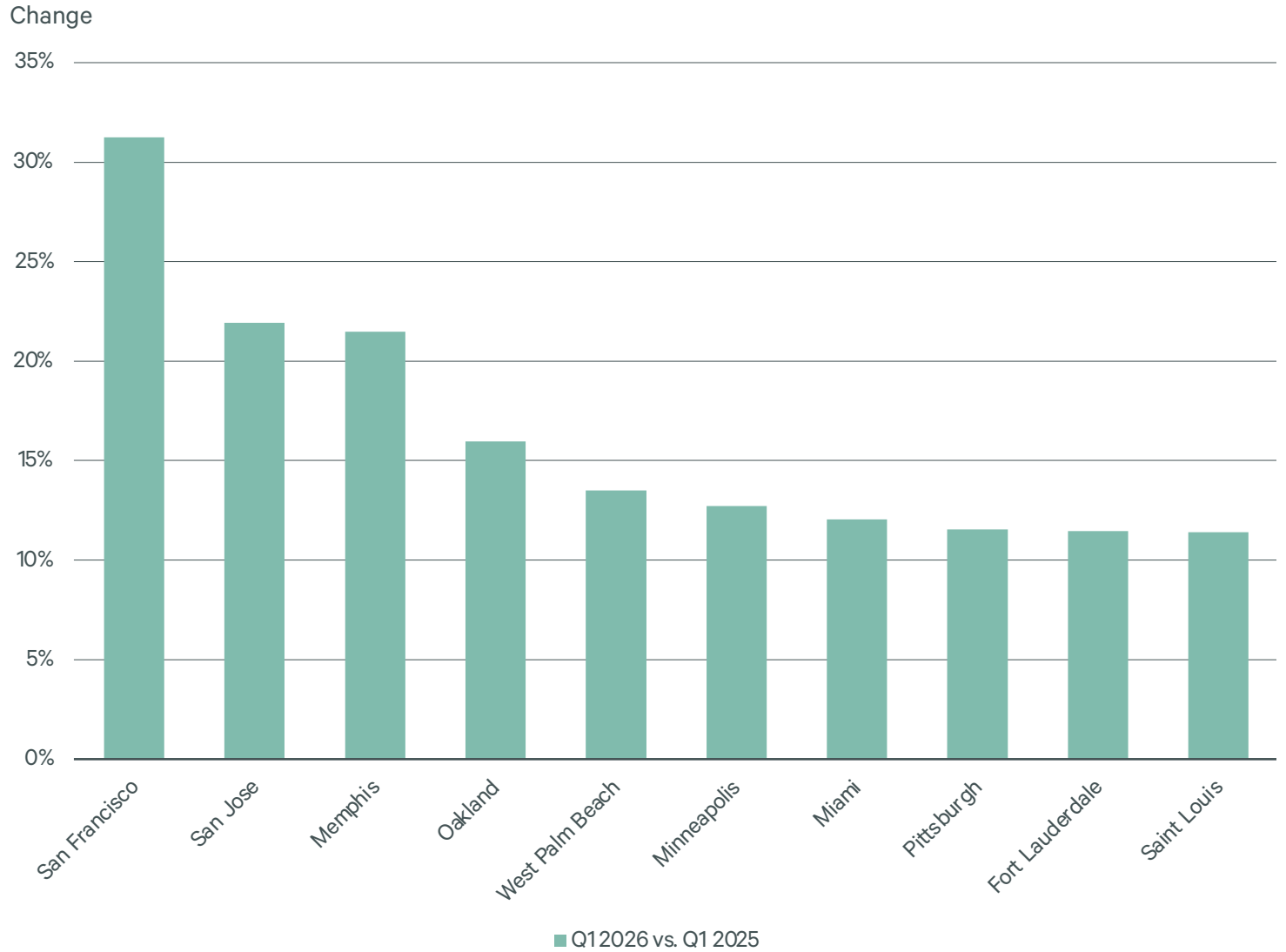
- ADR increased by 2.2% year-over-year in Q1.
- Luxury chains led ADR growth, up by 4.4% year-over-year. ADR increased for most chain scales, except midscale (-0.5%) and economy (-2.6%).



Source: CBRE Research, CoStar, Q1 2026.

Figure 4 Top 10 markets for year-over-year RevPAR growth

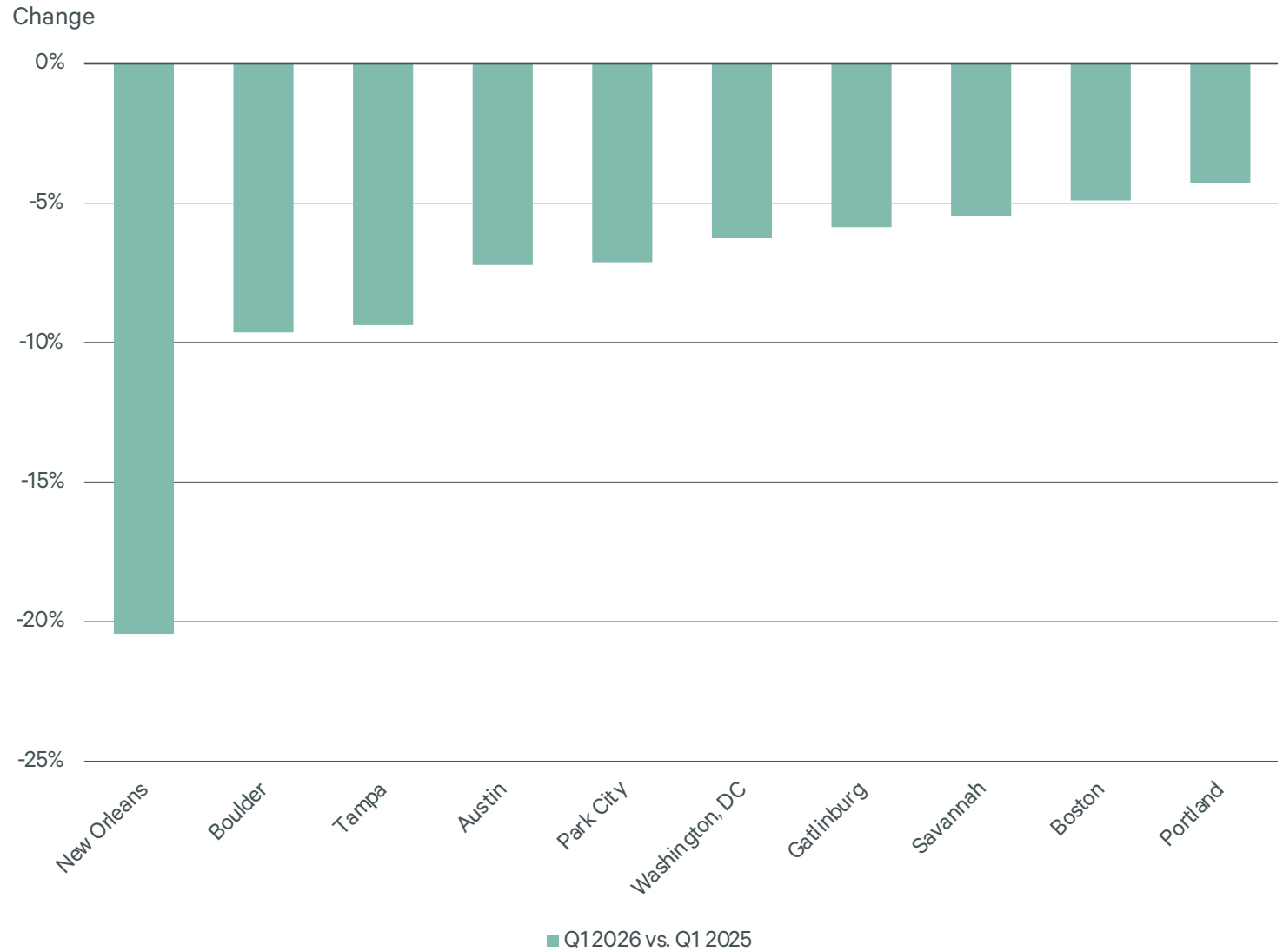
- AI-sector corporate travel drove a 31% gain in RevPAR for San Francisco, the highest in the nation. The market's ADR and occupancy rate also rose by 17% and 7.3%, respectively.
- Other top markets for RevPAR growth ranged from San Jose (22%) to Saint Louis (11%).



Source: CBRE Research, CoStar, Q1 2026.

Figure 5
Bottom 10 markets for year-over-year RevPAR growth

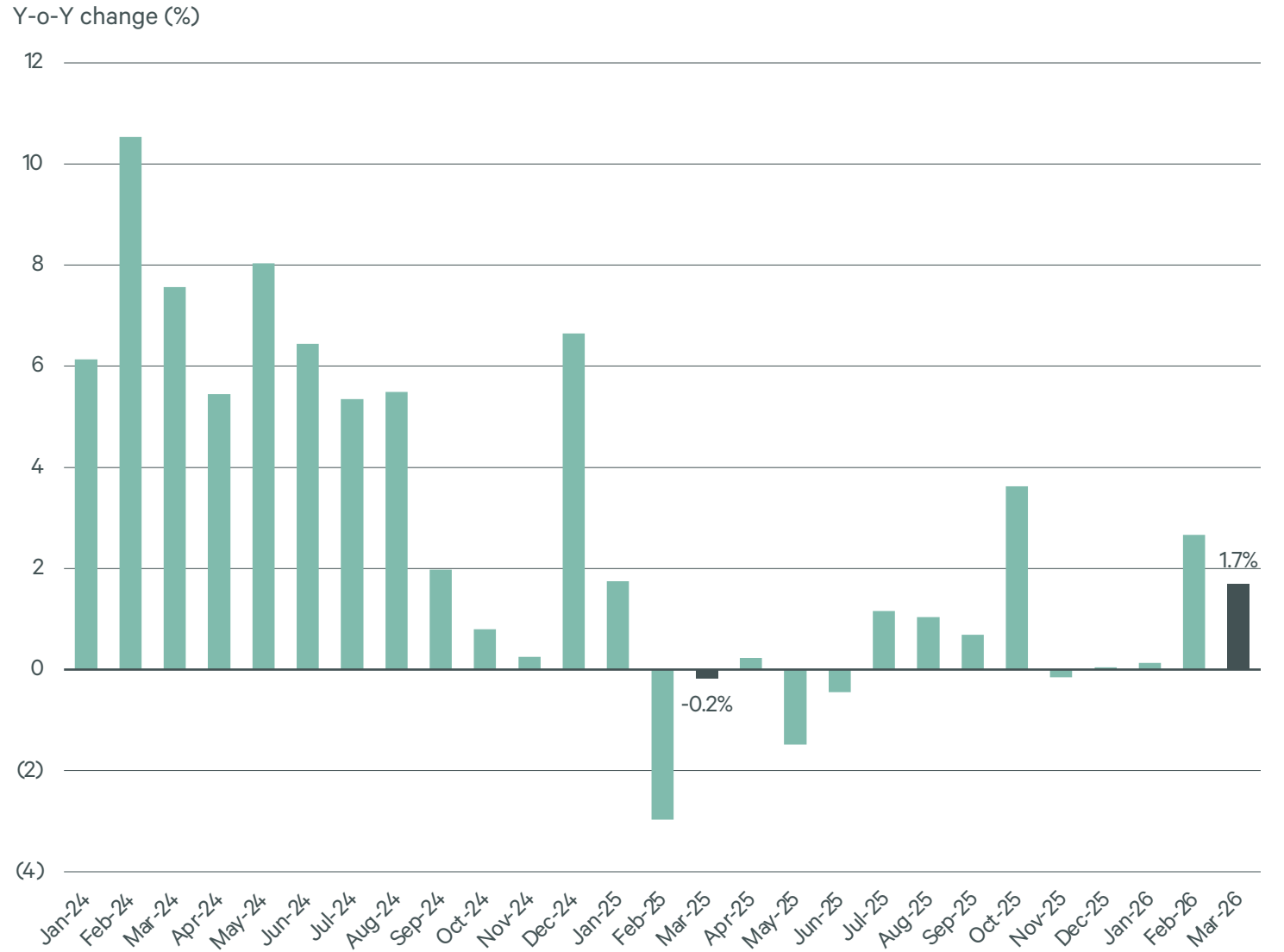
- New Orleans had the largest RevPAR decline of 20% in Q1 due to a surge in demand last year from the Super Bowl. The market’s ADR and occupancy rate also fell by 18% and 1.7% year-over-year, respectively.
- Other top markets for RevPAR declines ranged from Boulder (-10%) to Portland (-4%).



Source: CBRE Research, CoStar, Q1 2026.

Figure 6 Airline passenger volume ticked up

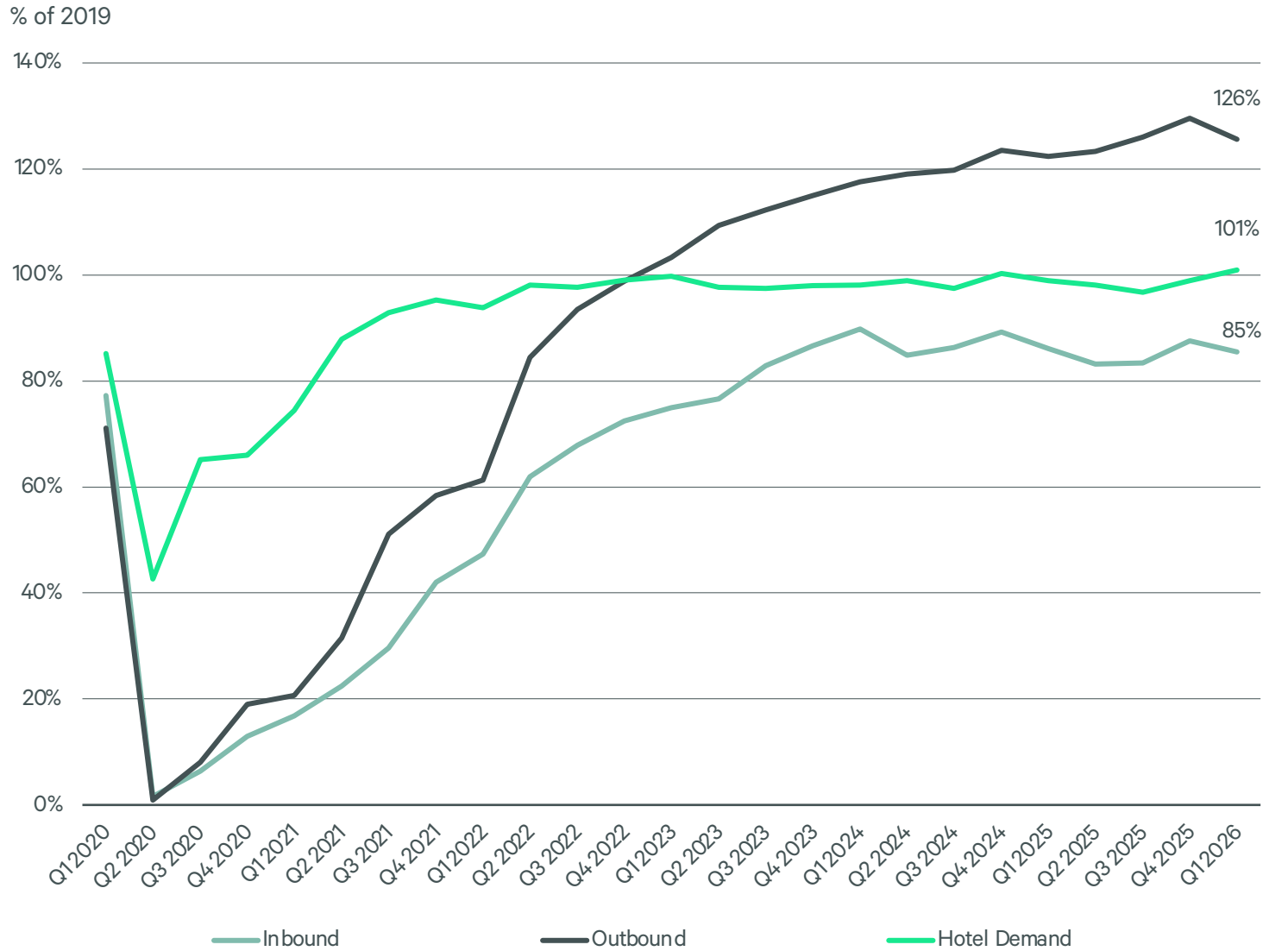
- Passenger volume in Q1 rose by 1% year-over-year and was 8% above the Q1 2019 level. However, spiking jet fuel prices caused by the Middle East conflict pose a risk for air travel growth.



Source: CBRE Research, TSA, March 2026.

Figure 7 Inbound & outbound international travelers vs. 2019

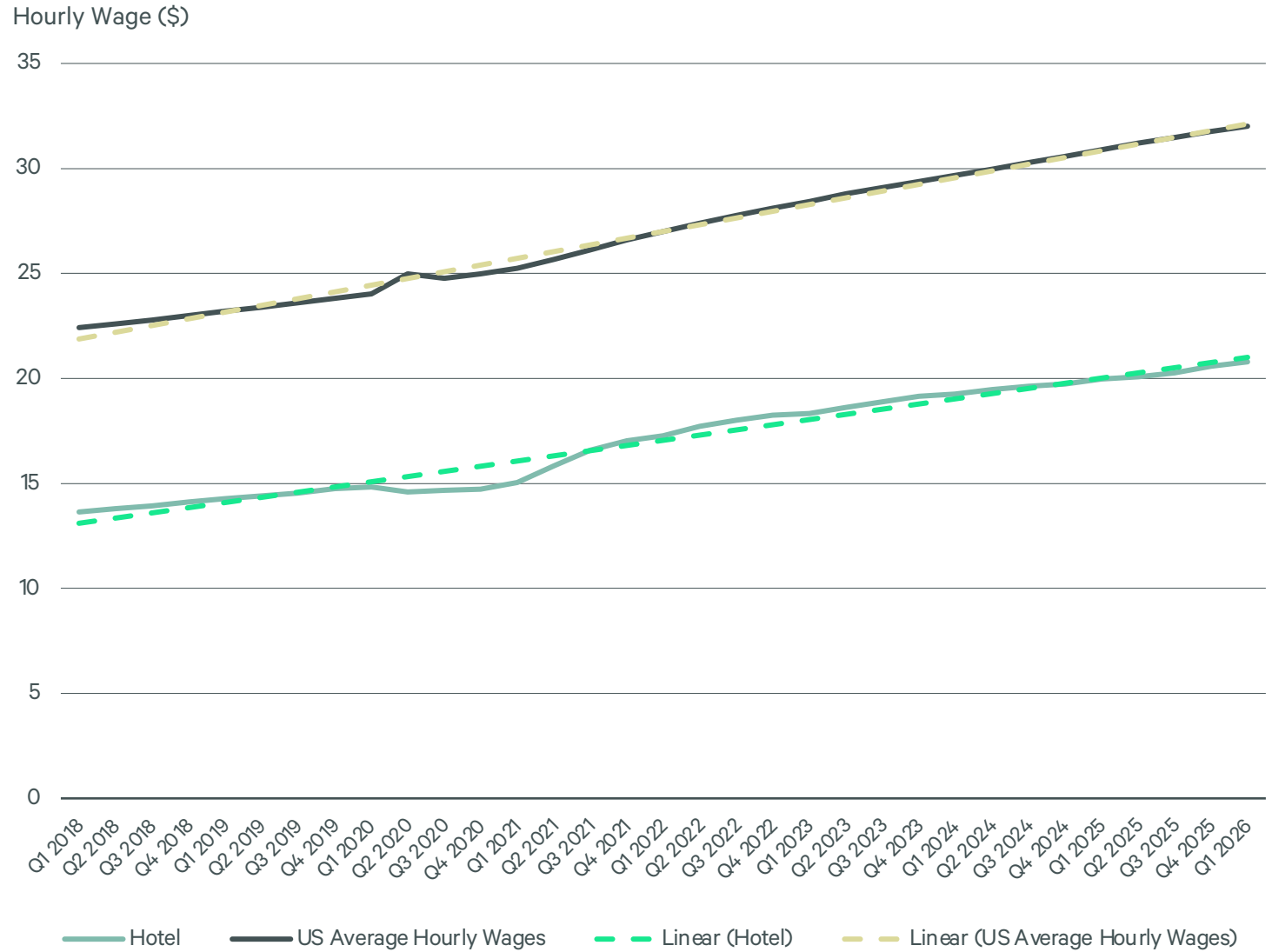
- Inbound international visitation in Q1 remained at 85% of Q4 2019 levels, while outbound international travel volume reached 126%.



Source: National Travel & Tourism Office.

Figure 8 Hotel wage growth remains above national average

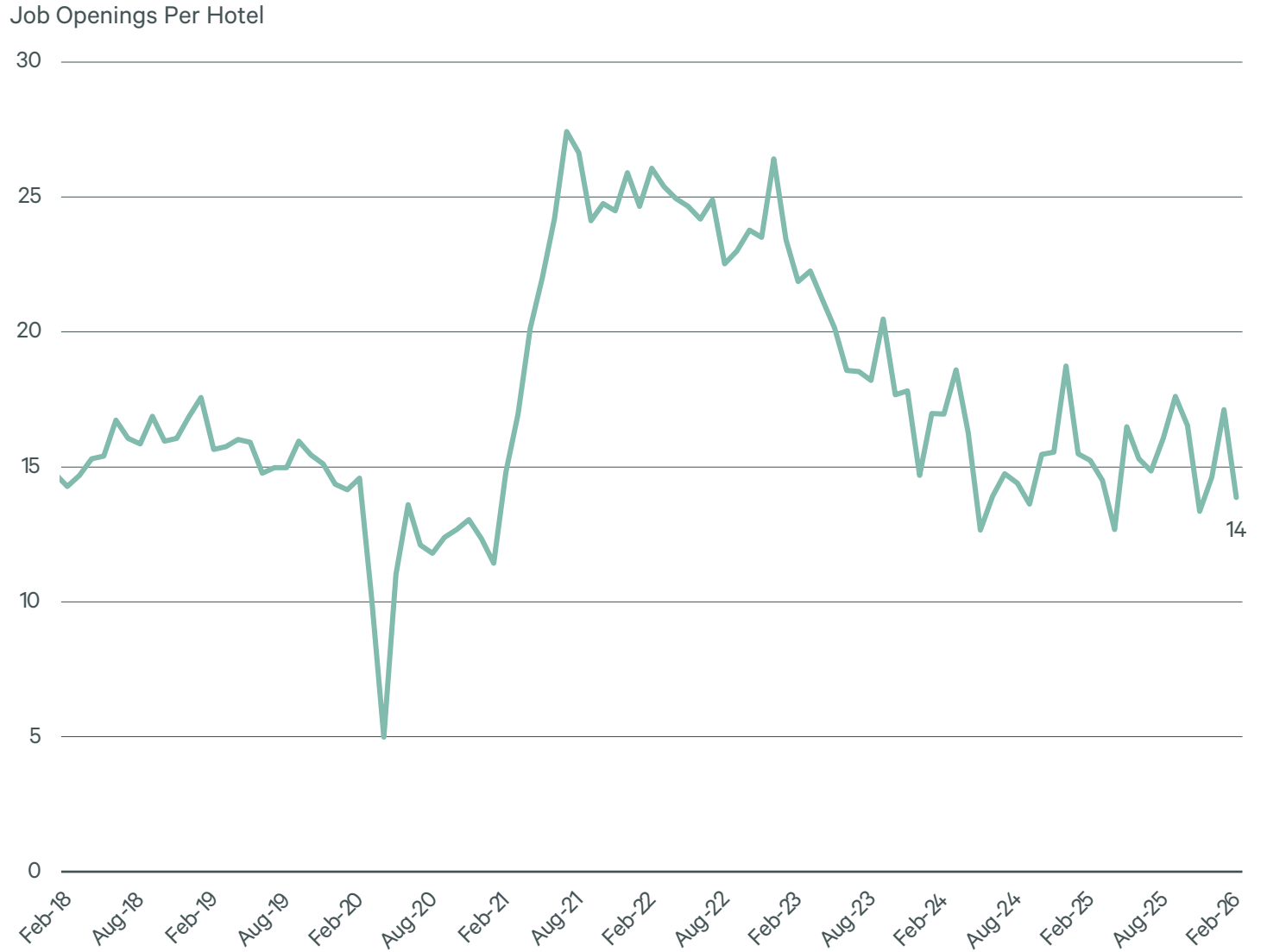
- Hotel wages increased by 4.2% year-over-year in Q1, outpacing national wage growth of 3.6% and inflation of 2.7%.



Source: CBRE Research, U.S. Bureau of Labor Statistics, Q1 2026.

Figure 9 Job openings per hotel

- Job openings per hotel fell to 14 in February, down by 9% both year-over-year and from 2019 levels.



Source: CBRE Research, U.S. Bureau of Labor Statistics, CoStar, February 2026.

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