

FIGURES | U.S. HOTEL | Q3 2026

Hotel RevPAR Growth Accelerates on Strong Q3 Demand



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.

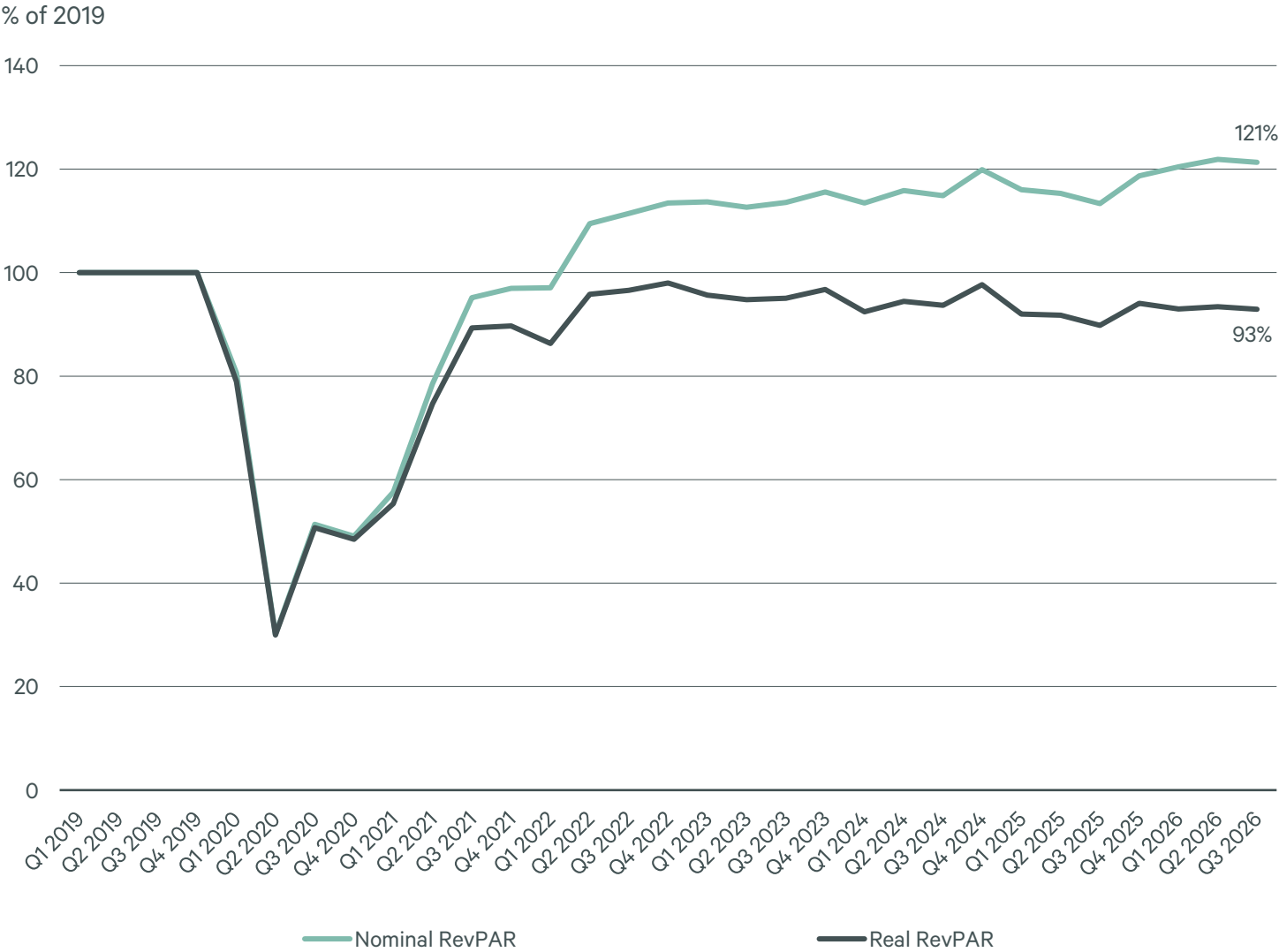
Source: CoStar.

Executive Summary

- Overall hotel occupancy increased by 1.8 percentage points year-over-year to 67.7% in Q3, as demand growth of 3.0% outpaced a 0.4% supply increase.
- The average daily rate (ADR) rose by 4.3%, driving a 7.0% increase in revenue per available room (RevPAR).
- Occupancy rates remained below 2019 levels for all location types. Resort locations remained the weakest, with occupancy 6.5 percentage points below the Q3 2019 level.
- Memphis was the top market for RevPAR growth in Q3, with a 21% year-over-year increase.
- Year-over-year hotel wage growth of 4.7% well outpaced both the overall national average and the rate of inflation.

Figure 1
Nominal vs. real RevPAR

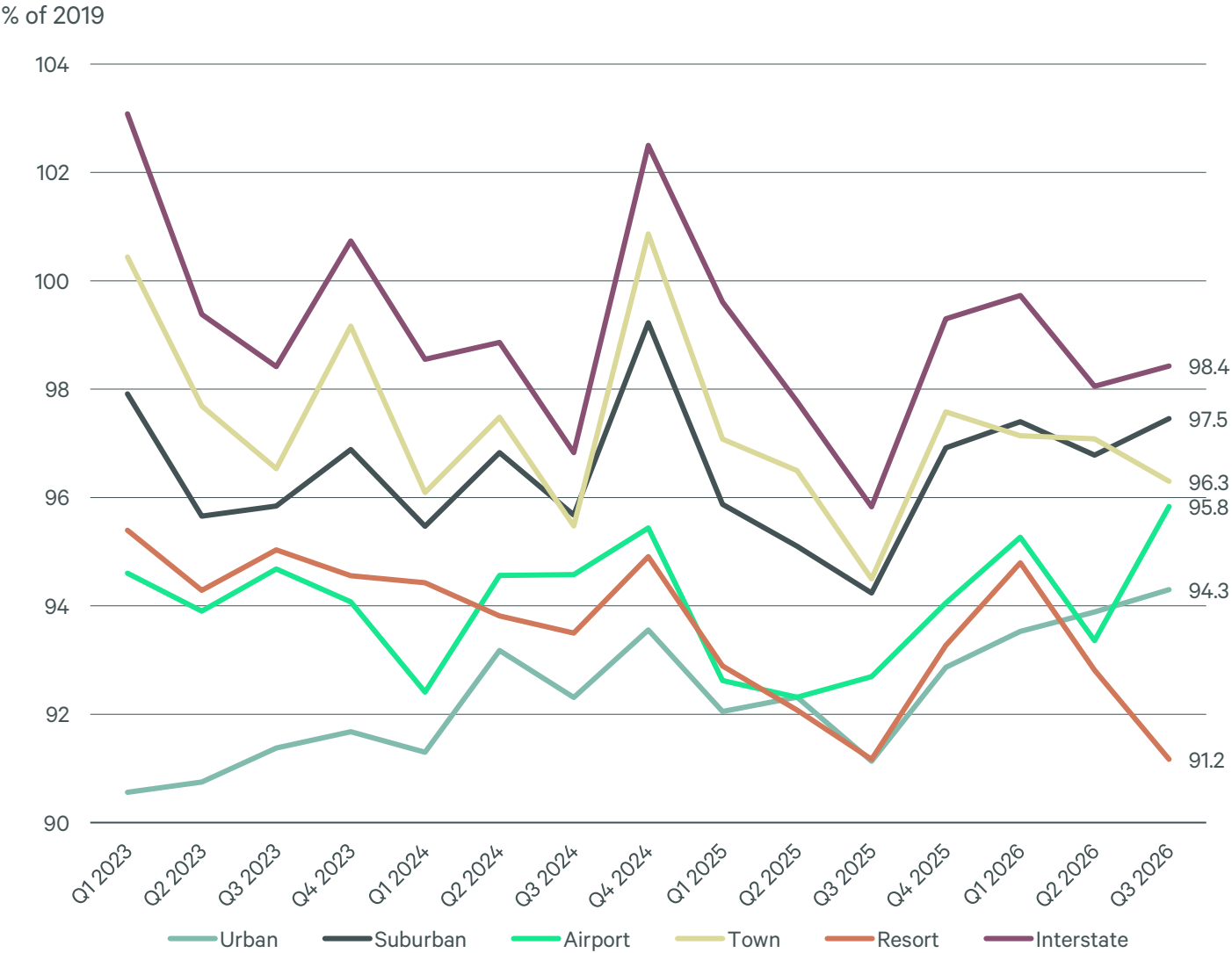
- Nominal RevPAR rose by 7.0% year-over-year in Q3, while real (inflation-adjusted) RevPAR increased by 3.5%.
- Nominal RevPAR was 21% above the Q3 2019 level, while real RevPAR was 7.1% below.



Source: CBRE Hotel Research, CoStar, U.S. Bureau of Labor Statistics, Q3 2026.

Figure 2
Occupancy indexed to 2019 by location type

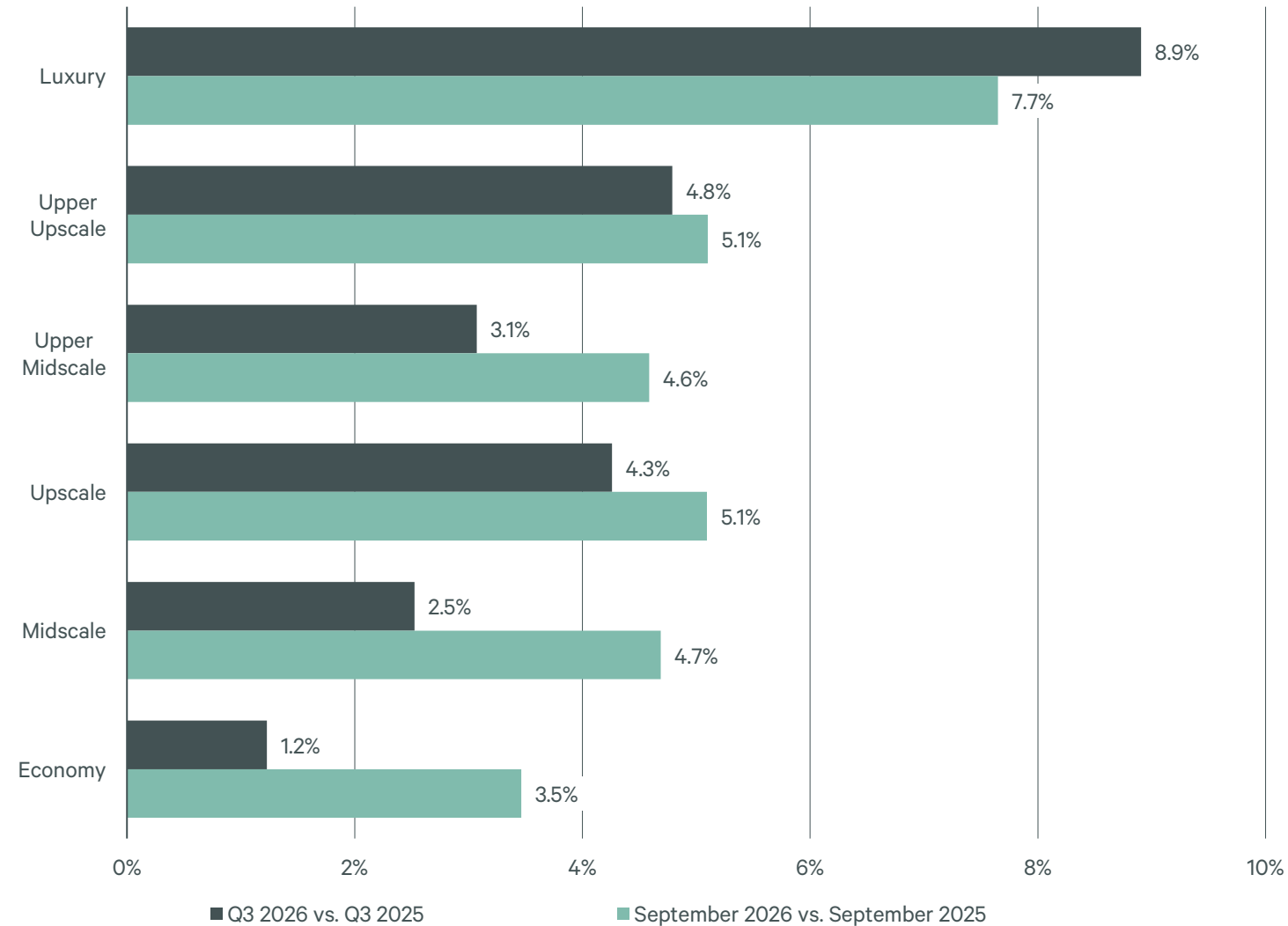
- Occupancy rates increased year-over-year in Q3 for all location types except resort, which was unchanged. Urban and airport locations had the largest increases of 2.4 percentage points.
- Occupancy rates for all location types remained below Q3 2019 levels. Resort locations were the most below at 6.5 percentage points, while interstate locations were the closest to recovery at 1.0 percentage point below.



Source: CBRE Hotels Research, CoStar, Q3 2026.

Figure 3
ADR percentage change vs. 2025 by chain scale

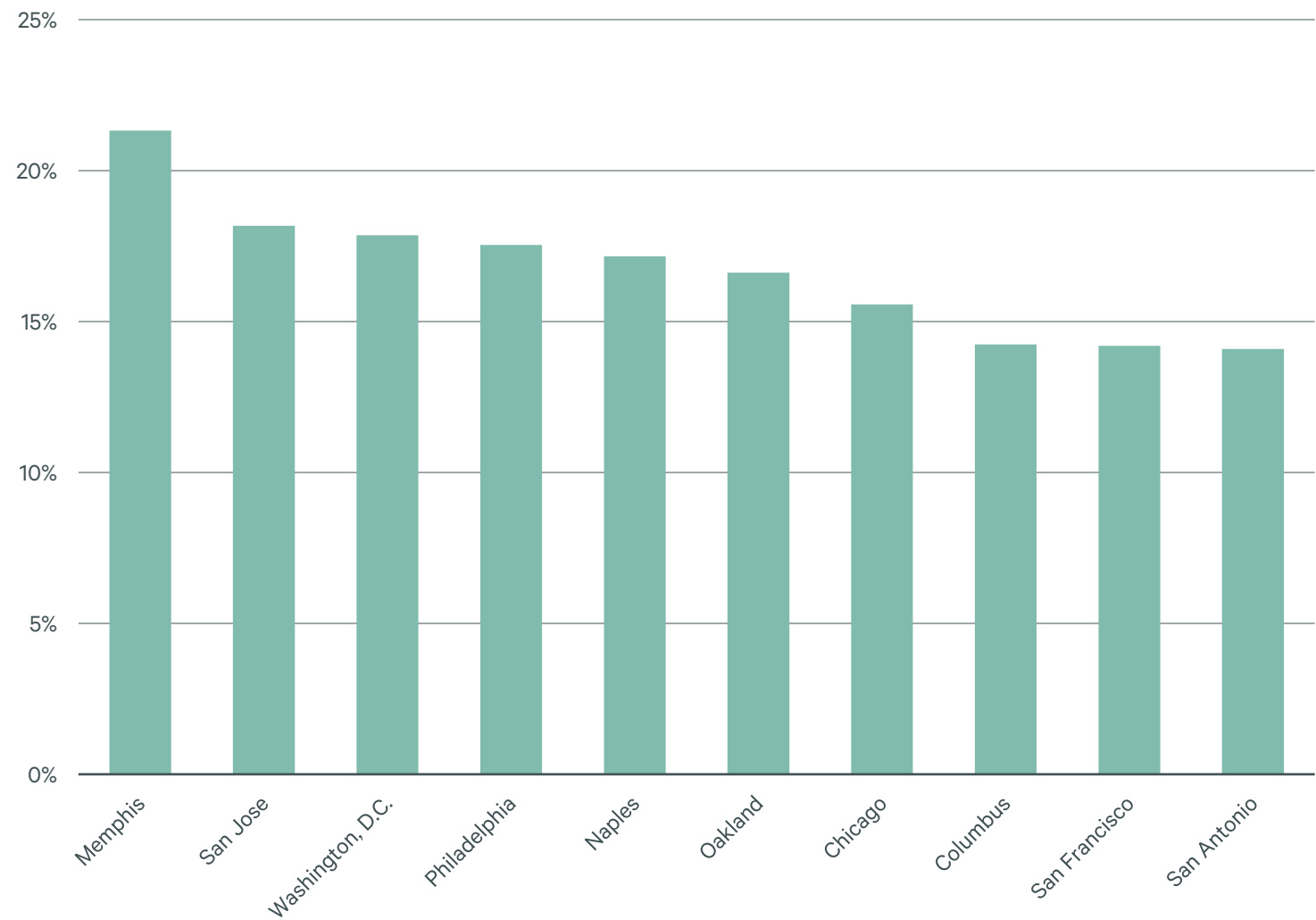
- ADR increased by 4.3% year-over-year in Q3.
- ADR increased for all chain scales, with luxury chains showing the highest growth at 8.9% and economy chains posting the lowest at 1.2%.
- In September, ADR growth ranged from 3.5% for economy to 7.7% for luxury.



Source: CBRE Hotels Research, CoStar, Q3 2026.

Figure 4
Top 10 markets for year-over-year RevPAR growth in Q3

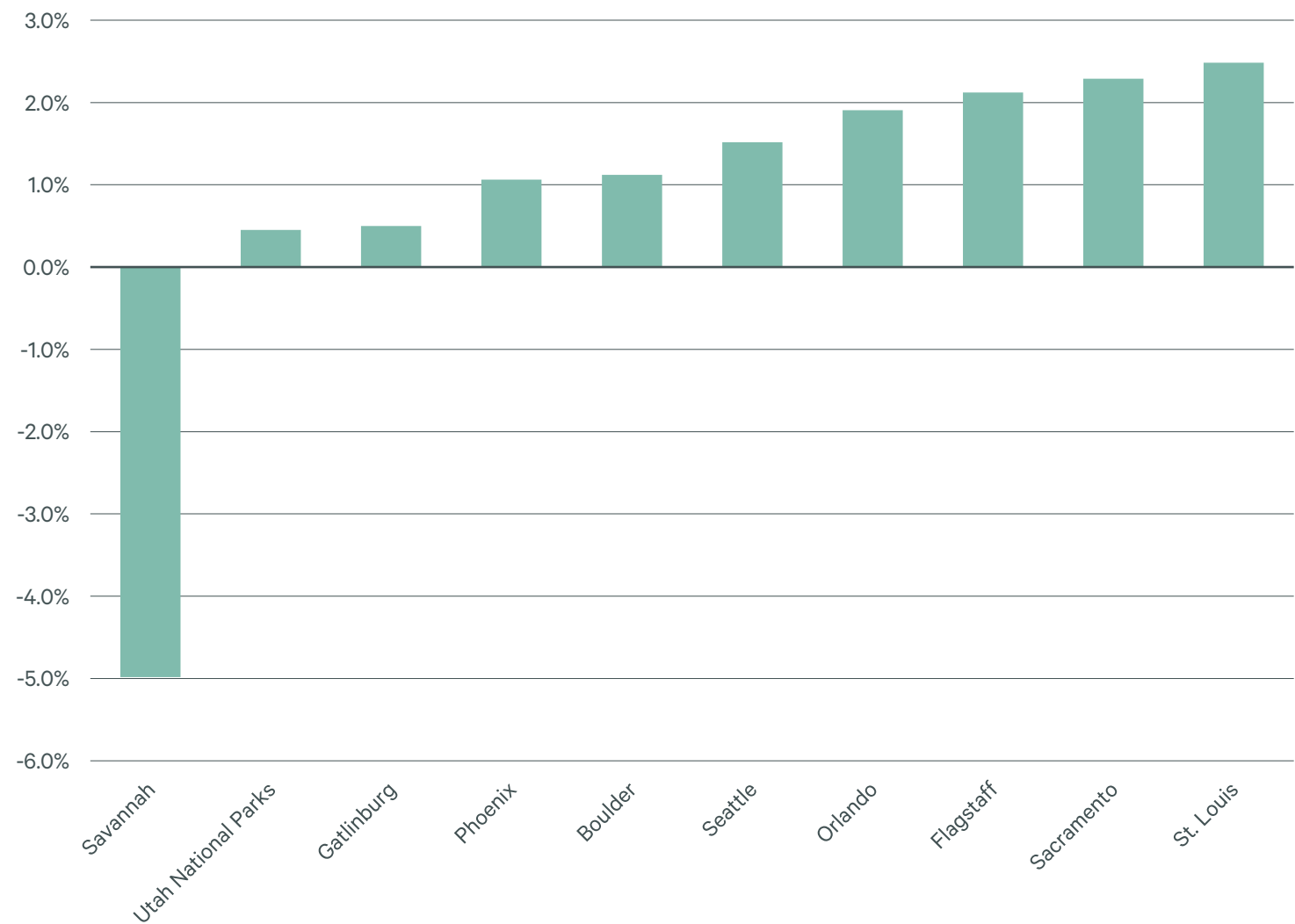
- Memphis led the nation for RevPAR growth at 21% year-over-year.
- Other top markets for RevPAR growth ranged from San Jose (18%) to San Antonio (14%).
- San Jose, Oakland and San Francisco posted strong year-over-year gains as demand growth met flat to declining supply, but they remained below Q3 2019 RevPAR levels as recovery from a weak base continued.



Source: CBRE Hotels Research, CoStar, Q3 2026.

Figure 5
Bottom 10 markets for year-over-year RevPAR growth in Q3

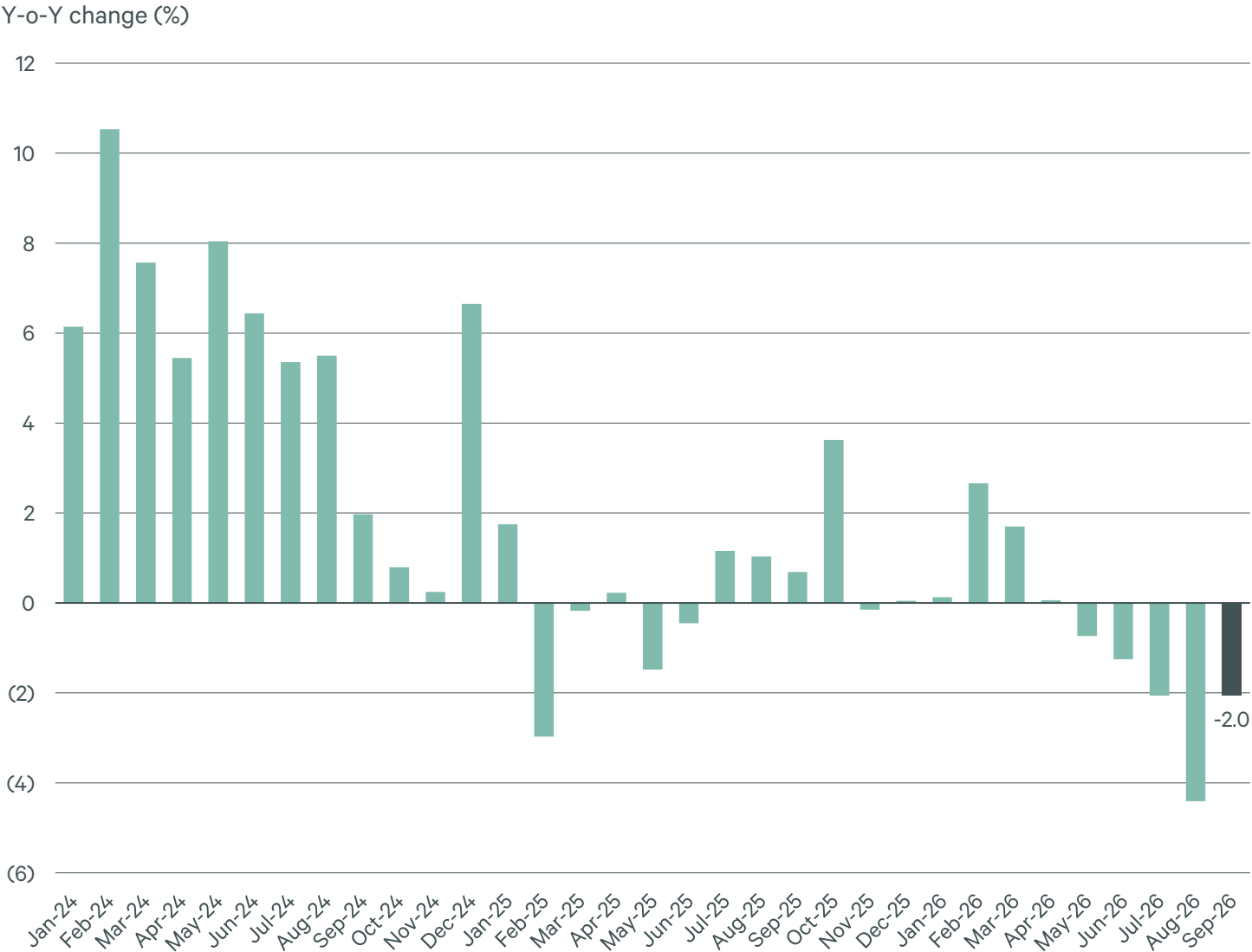
- Savannah was the only market with a year-over-year RevPAR decline in Q3, down by 5%. Supply grew by 3.4%, the fastest among the 65 markets, while demand was flat, pushing occupancy down by 3.4% and ADR down by 1.7%.
- The remaining bottom markets posted modest gains, ranging from Utah National Parks (+0.5%) to Saint Louis (+2.5%).
- All 10 bottom markets remained above Q3 2019 RevPAR levels.



Source: CBRE Hotels Research, CoStar, Q3 2026.

Figure 6
Airline passenger volume remains
above 2019 levels

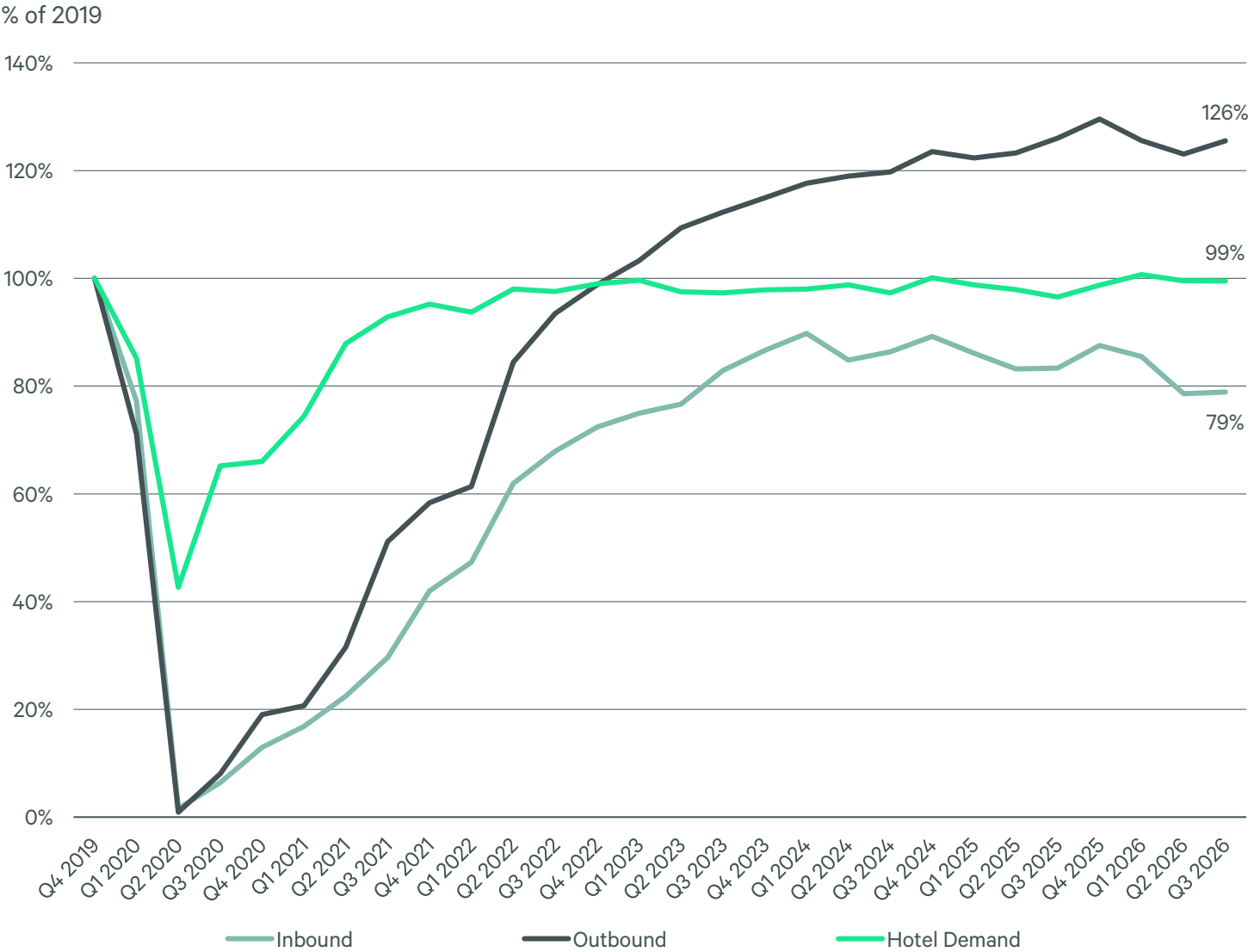
- Passenger volume decreased by 2.8% year-over-year in Q3 but remained 4.2% above the Q3 2019 level.
- Monthly passenger volume declined year-over-year for the fifth consecutive month in September, down by 2.0%.



Source: CBRE Hotels Research, Transportation Security Administration, June 2026.

Figure 7
Inbound & outbound international travelers
vs. 2019

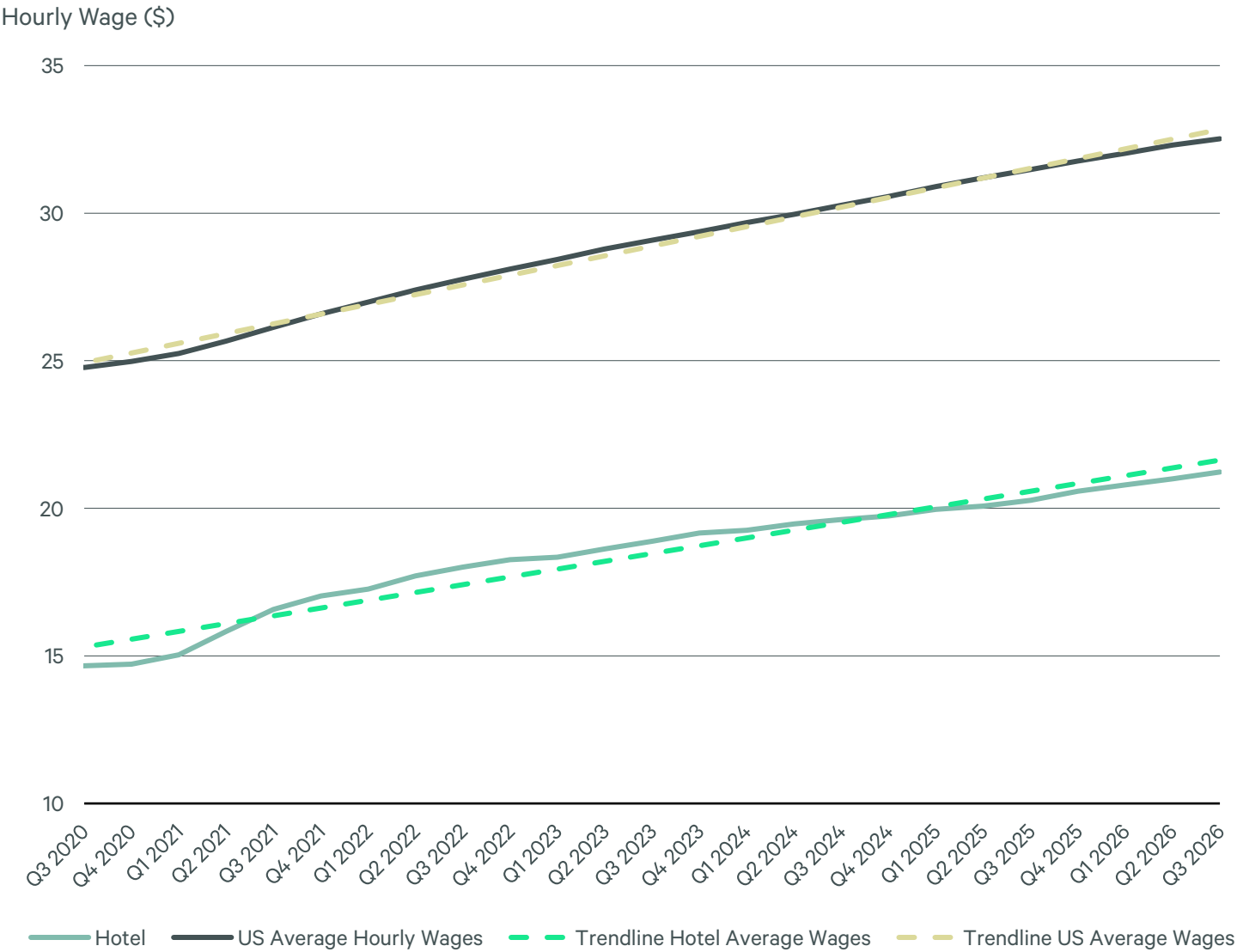
- Inbound international visitation in Q3 remained at 79% of 2019 levels, while outbound international travel volume reached 126%.
- Inbound visitation decreased by 5.4% year-over-year, while outbound travel was nearly flat at -0.4%.



Source: National Travel & Tourism Office.

Figure 8
Hotel wage growth outstrips national average

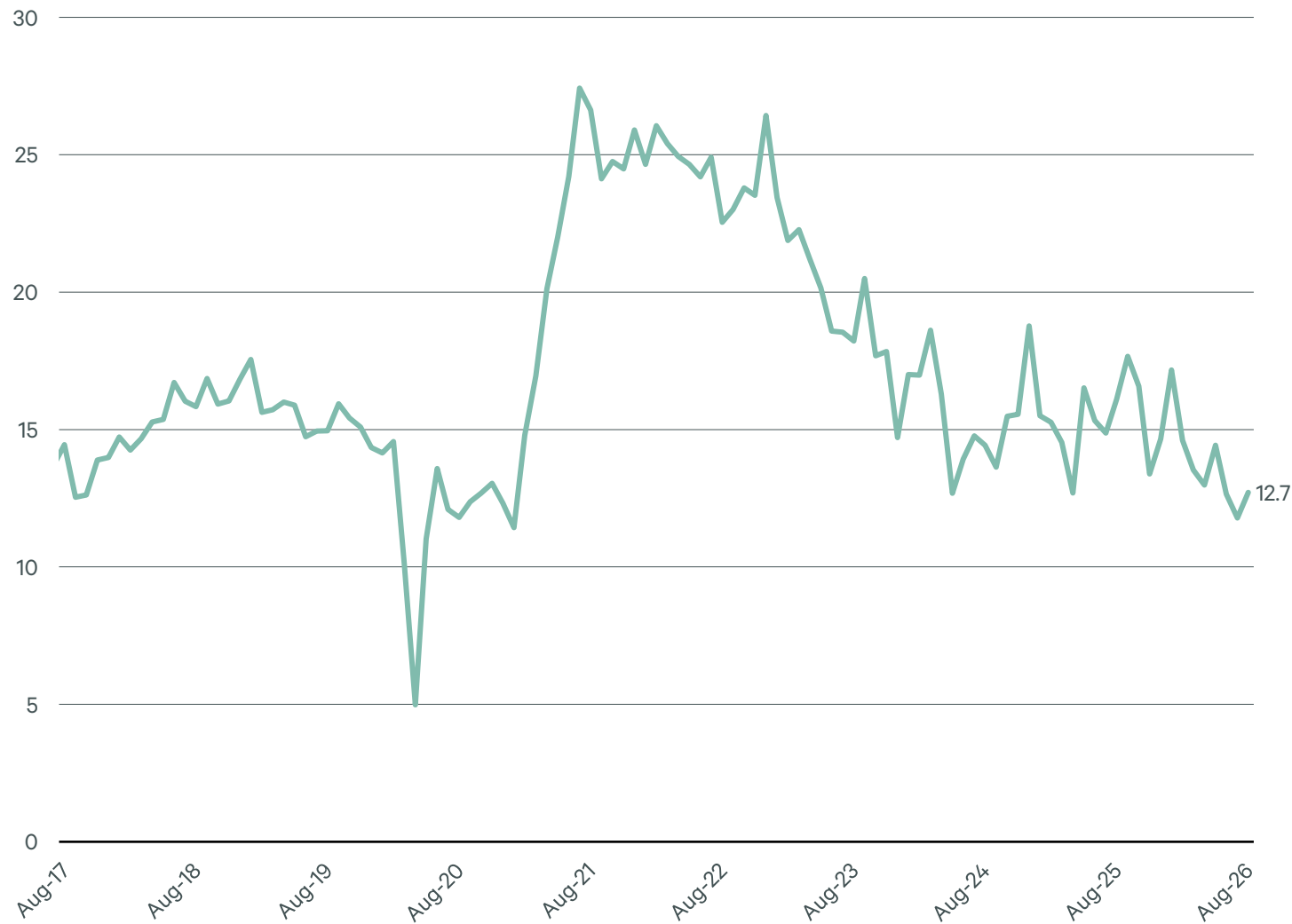
- Hotel wages increased by 4.7% year-over-year in Q3, outpacing national wage growth of 3.3% and inflation of 3.5%.
- Hotel wage growth exceeded the national rate for the fourth consecutive quarter.



Source: CBRE Hotels Research, U.S. Bureau of Labor Statistics, Q3 2026.

Figure 9
Job openings per hotel

- Job openings per hotel fell to 12.7 in August, down by 21% year-over-year and 15% below the August 2019 level.
- Job openings per hotel declined year-over-year for the fourth consecutive month.



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

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