



Current trends and outlook

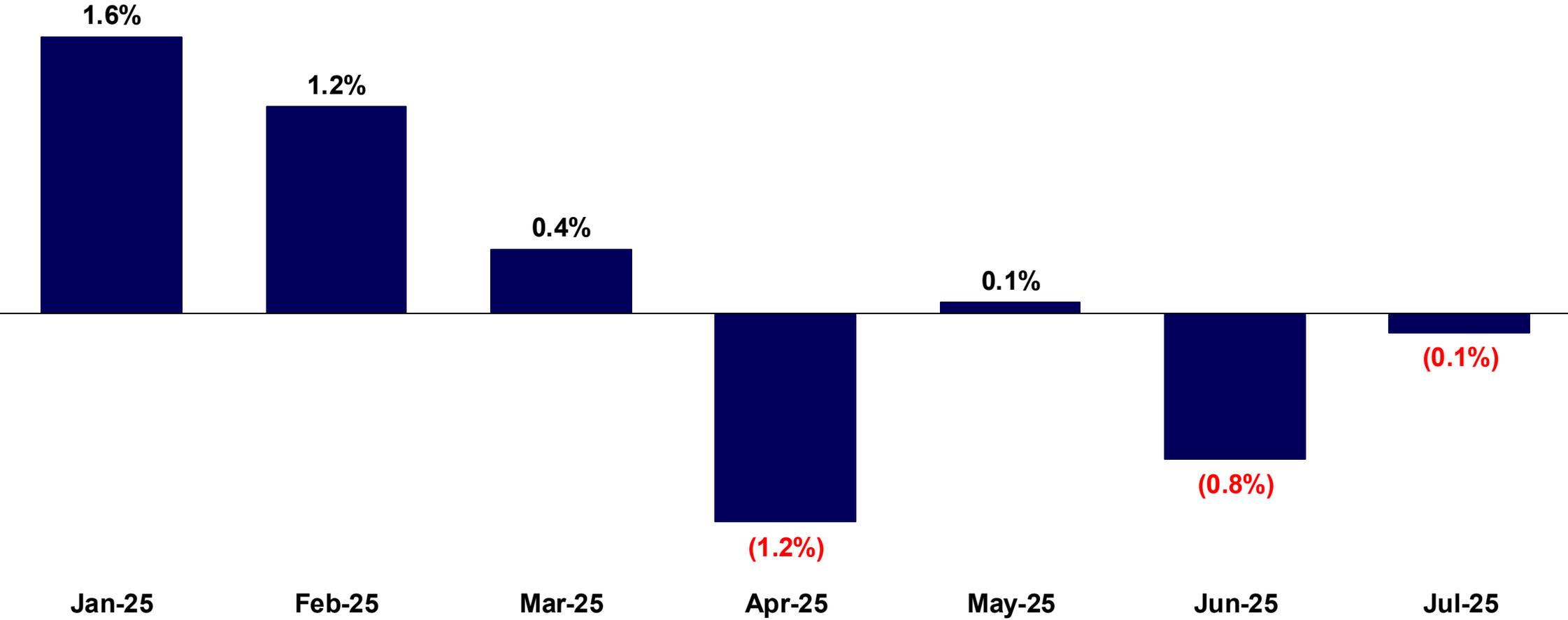
Isaac Collazo

August 2025



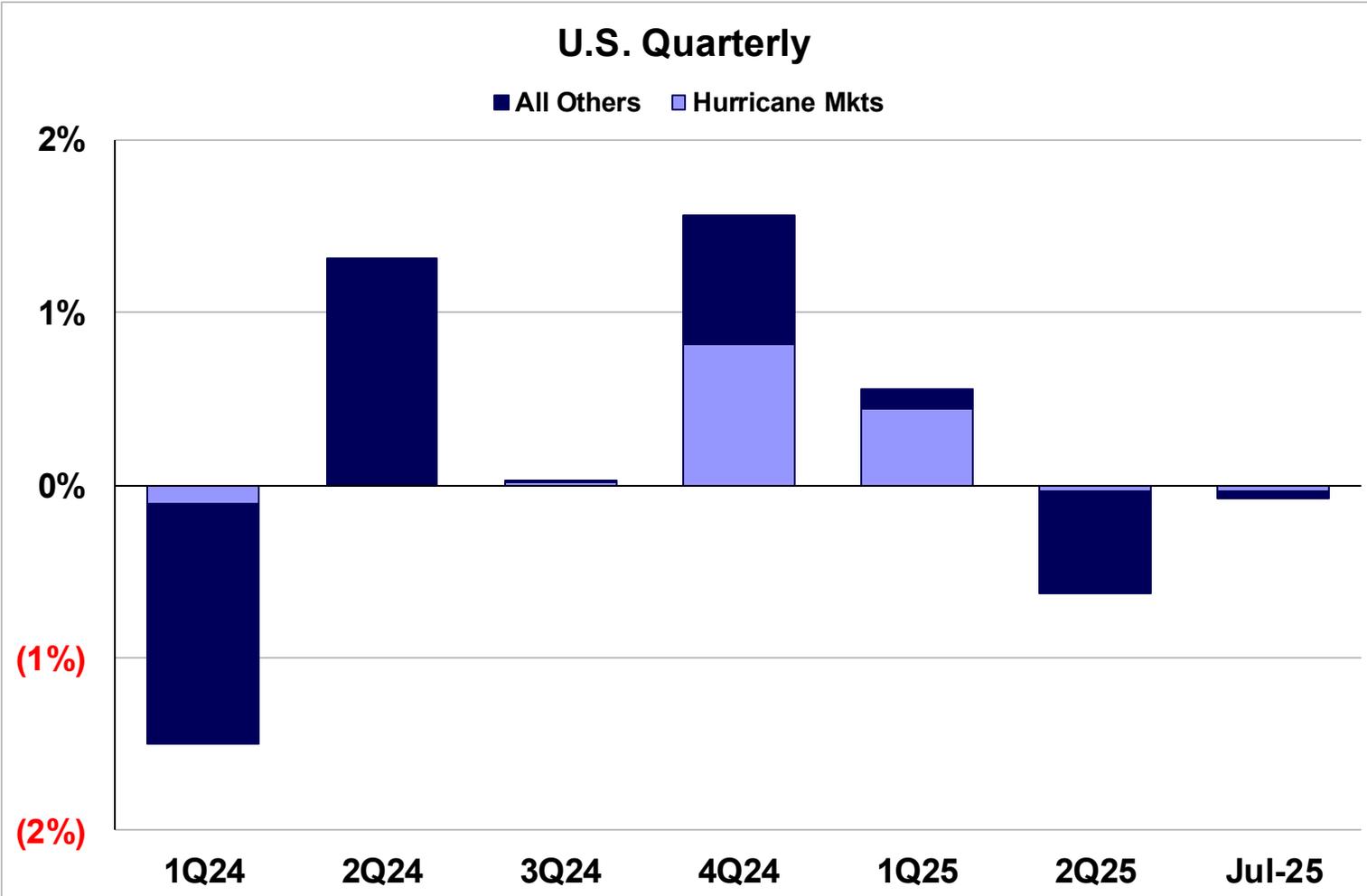
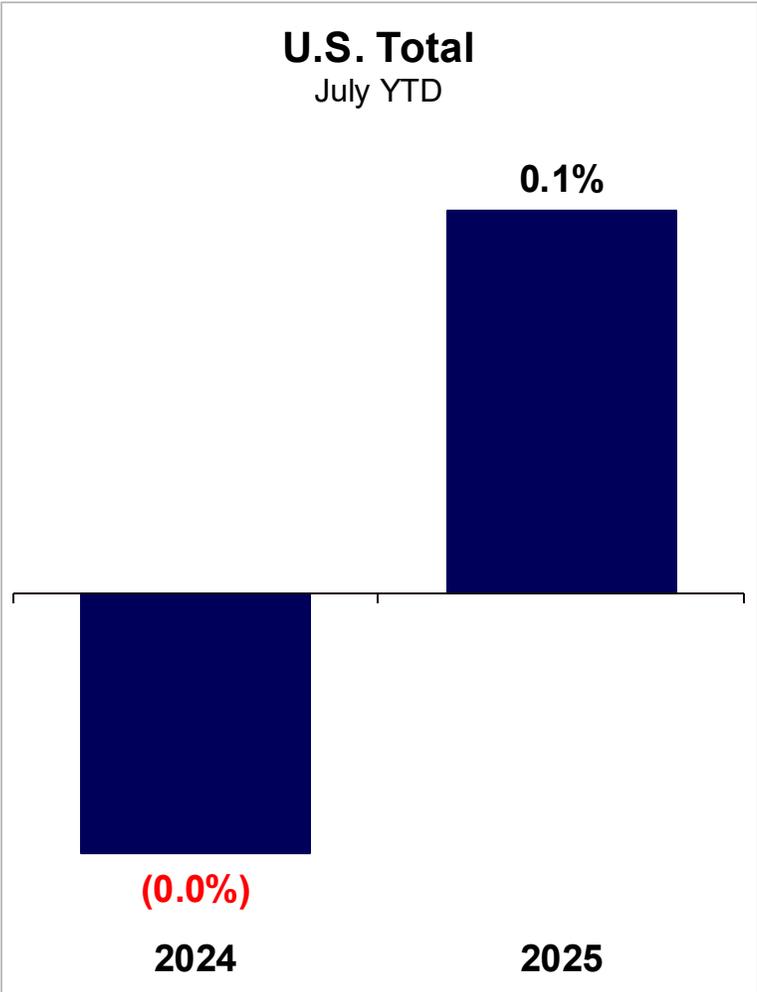
U.S. demand weak

Room demand change



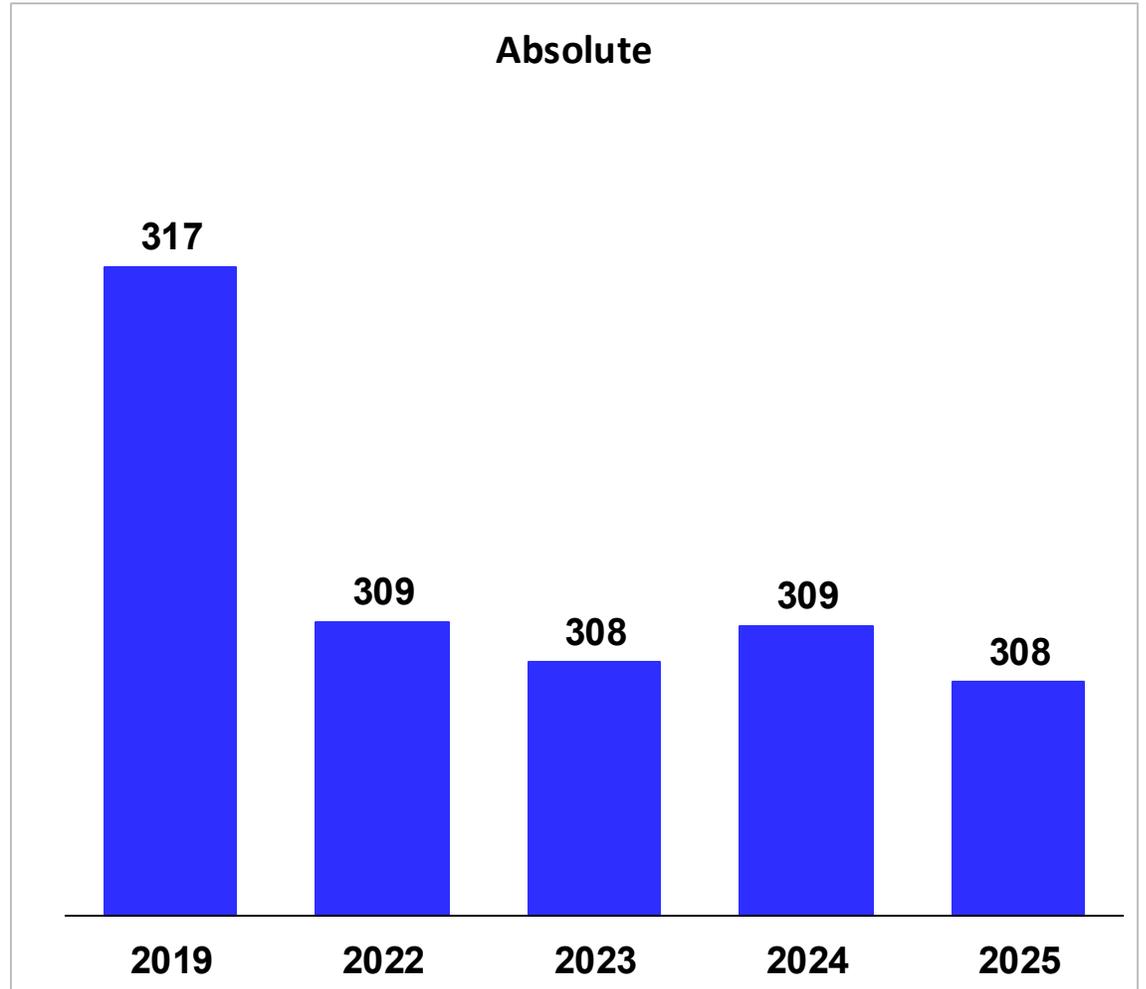
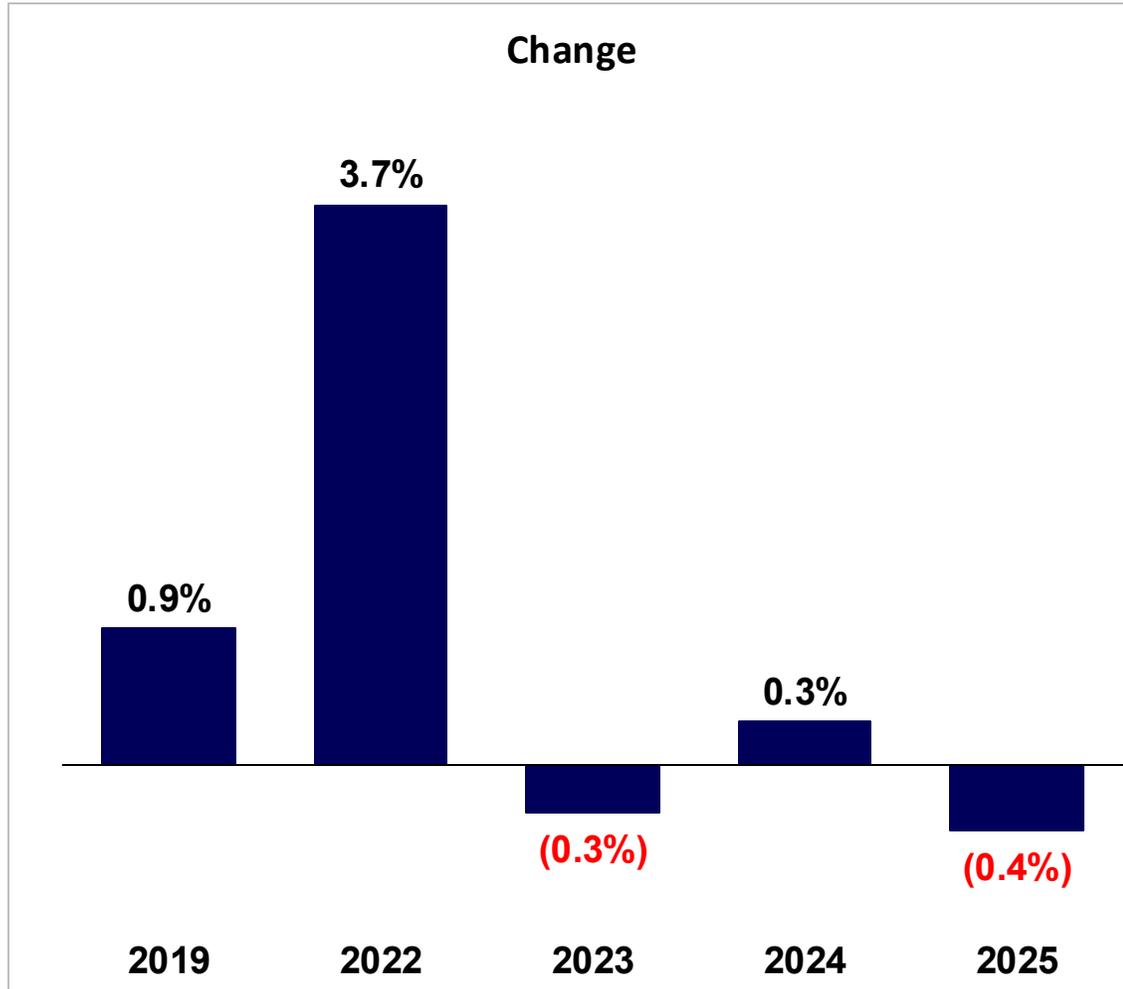
Hurricanes Helene & Milton drove gains early in the year, but that's faded

U.S. room demand change



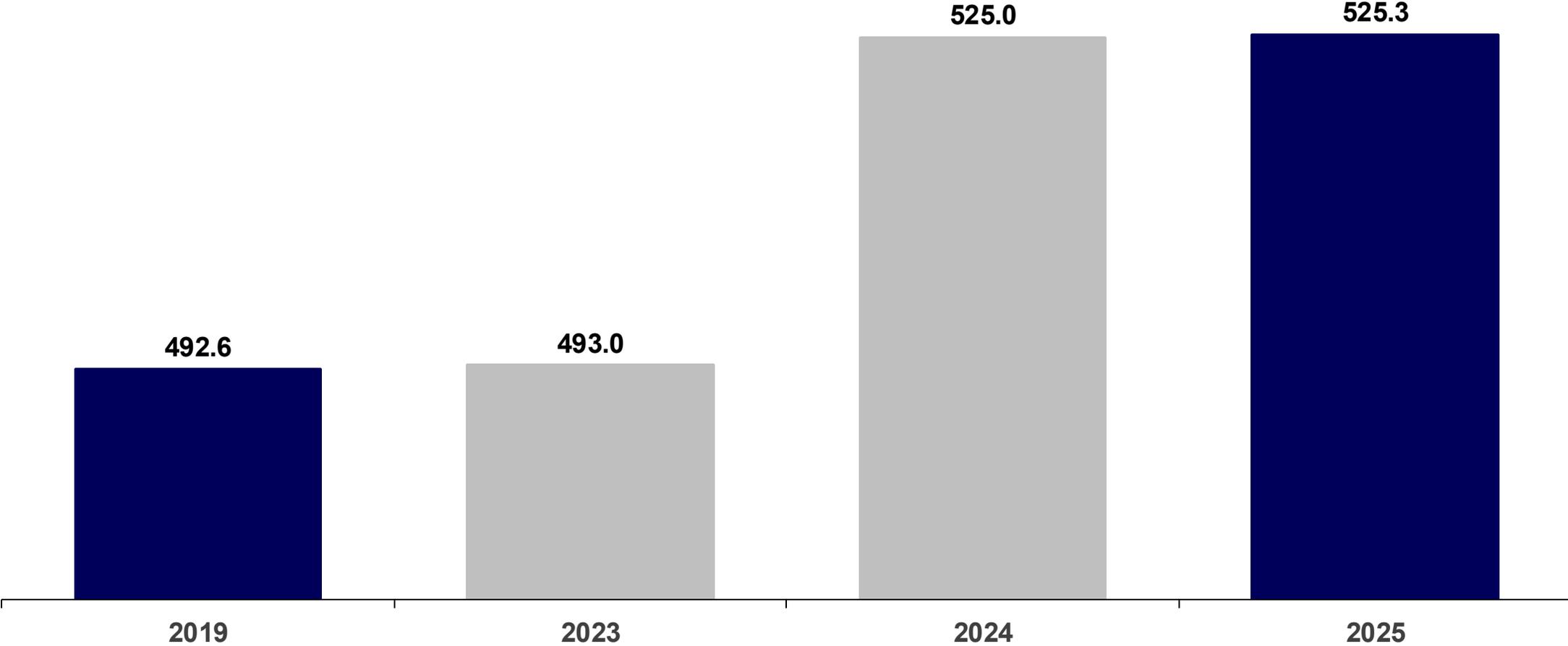
Summer 2025; weak so far

U.S. room demand, 79 days of summer beginning Memorial Day Friday



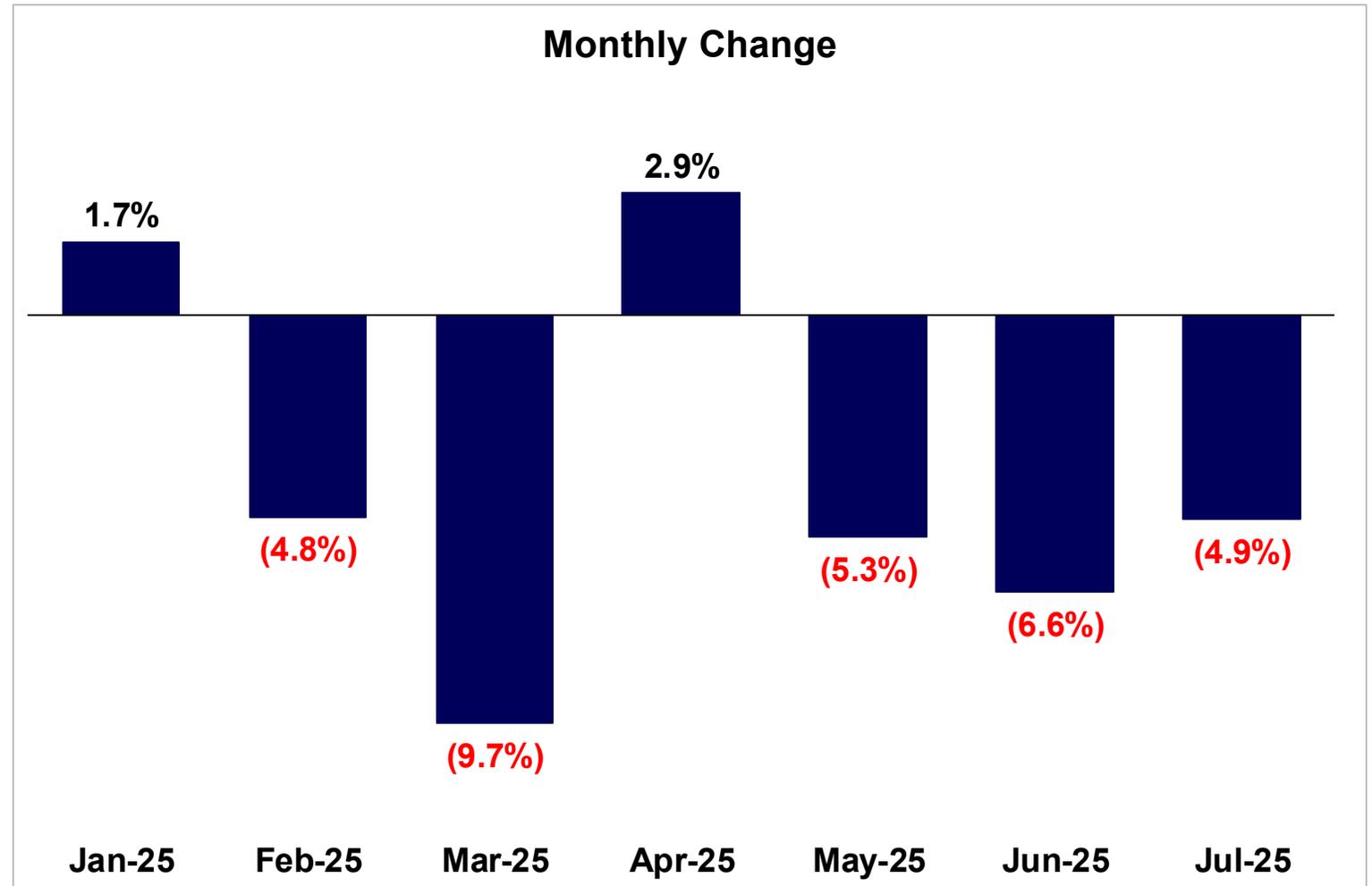
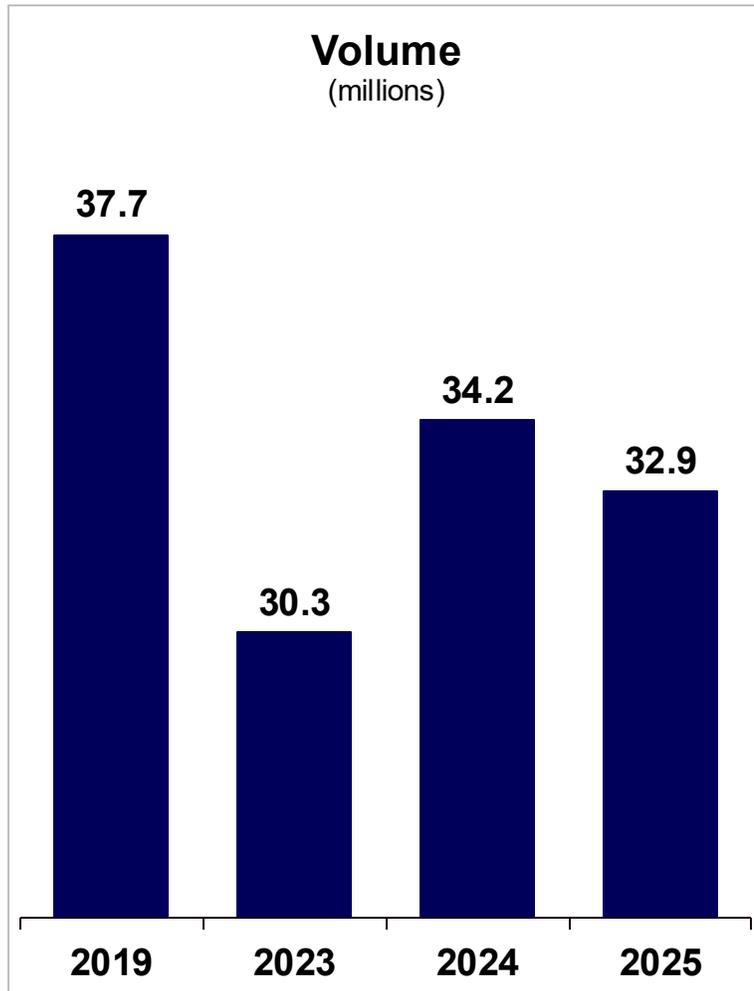
Air travel well above pre-pandemic peak; flat to last year

U.S. TSA airport screenings (millions), July YTD



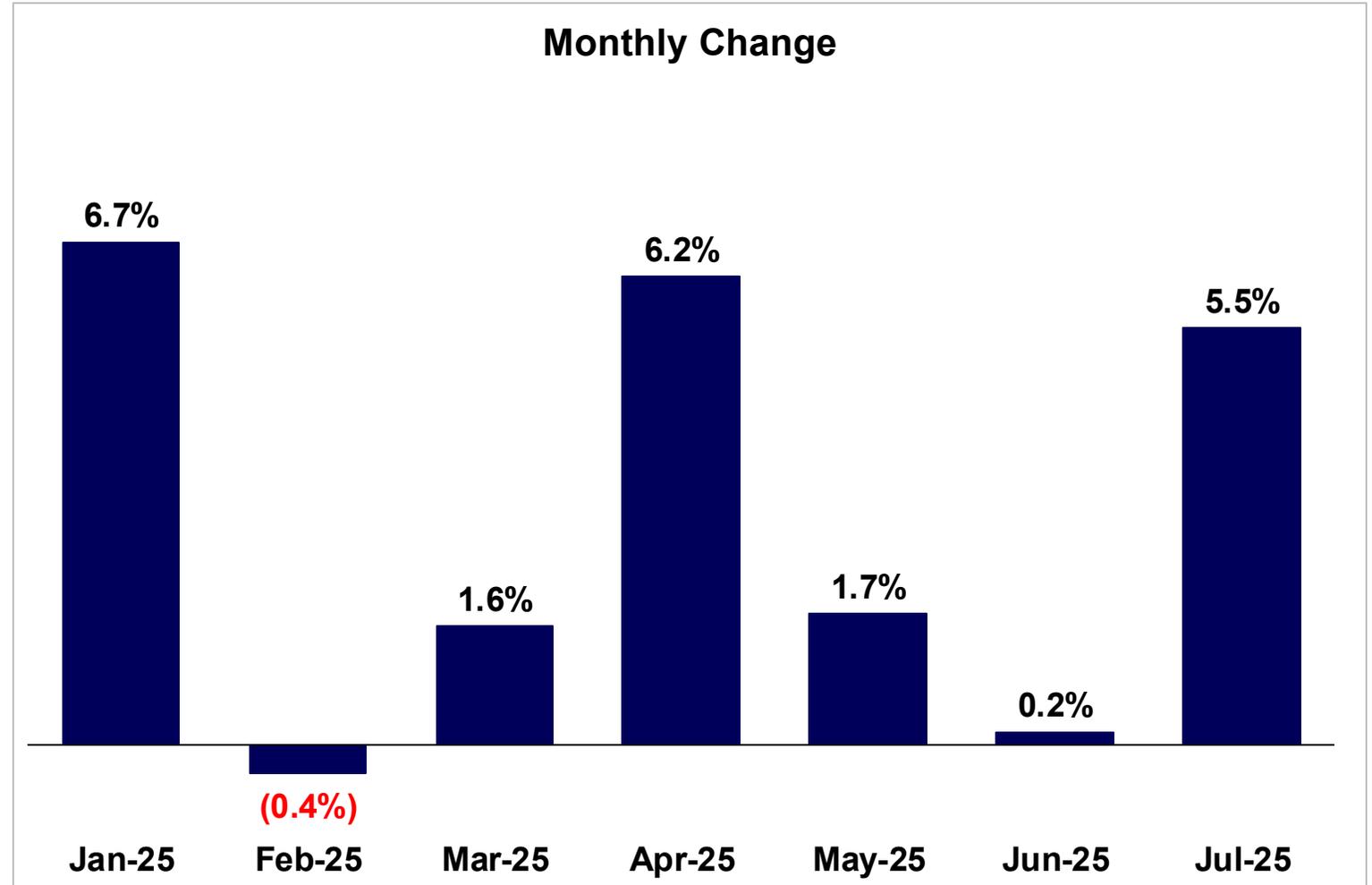
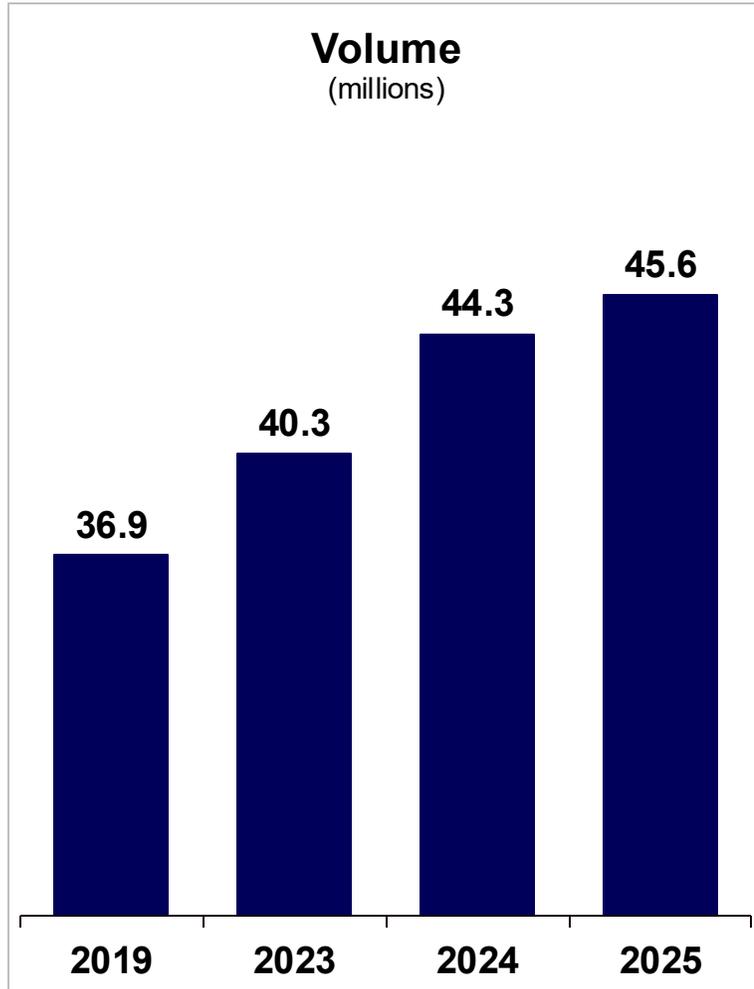
Inbound down by more than one million arrivals

U.S. international air inbound change



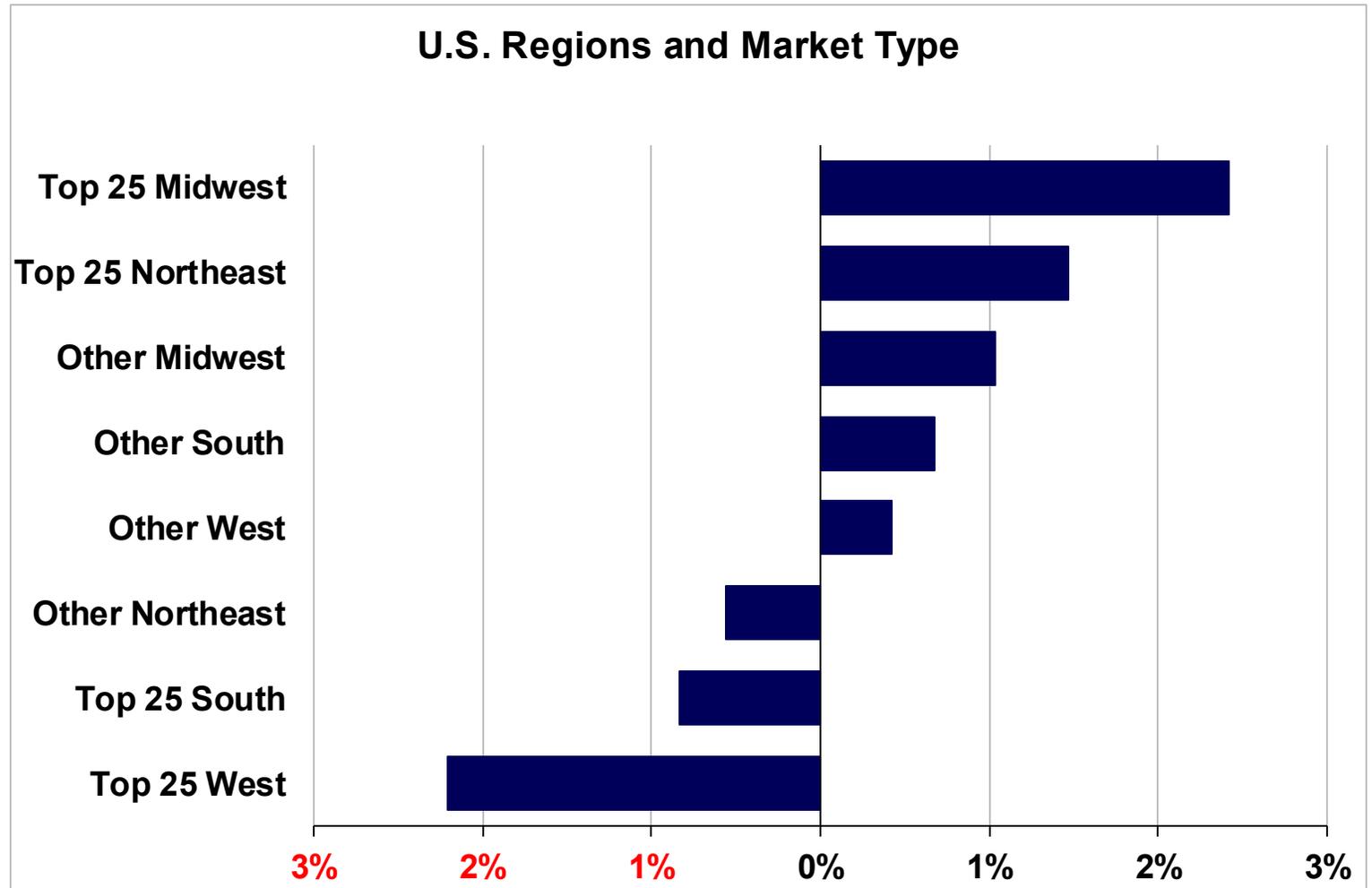
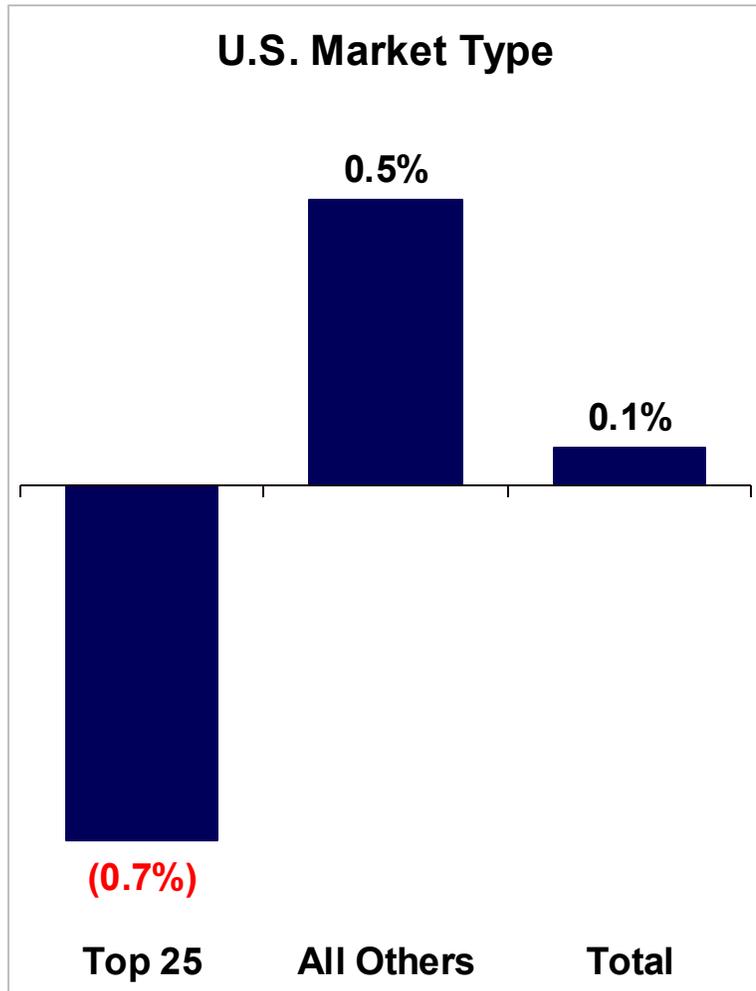
Outbound up by more than one million departures

U.S. international air outbound change



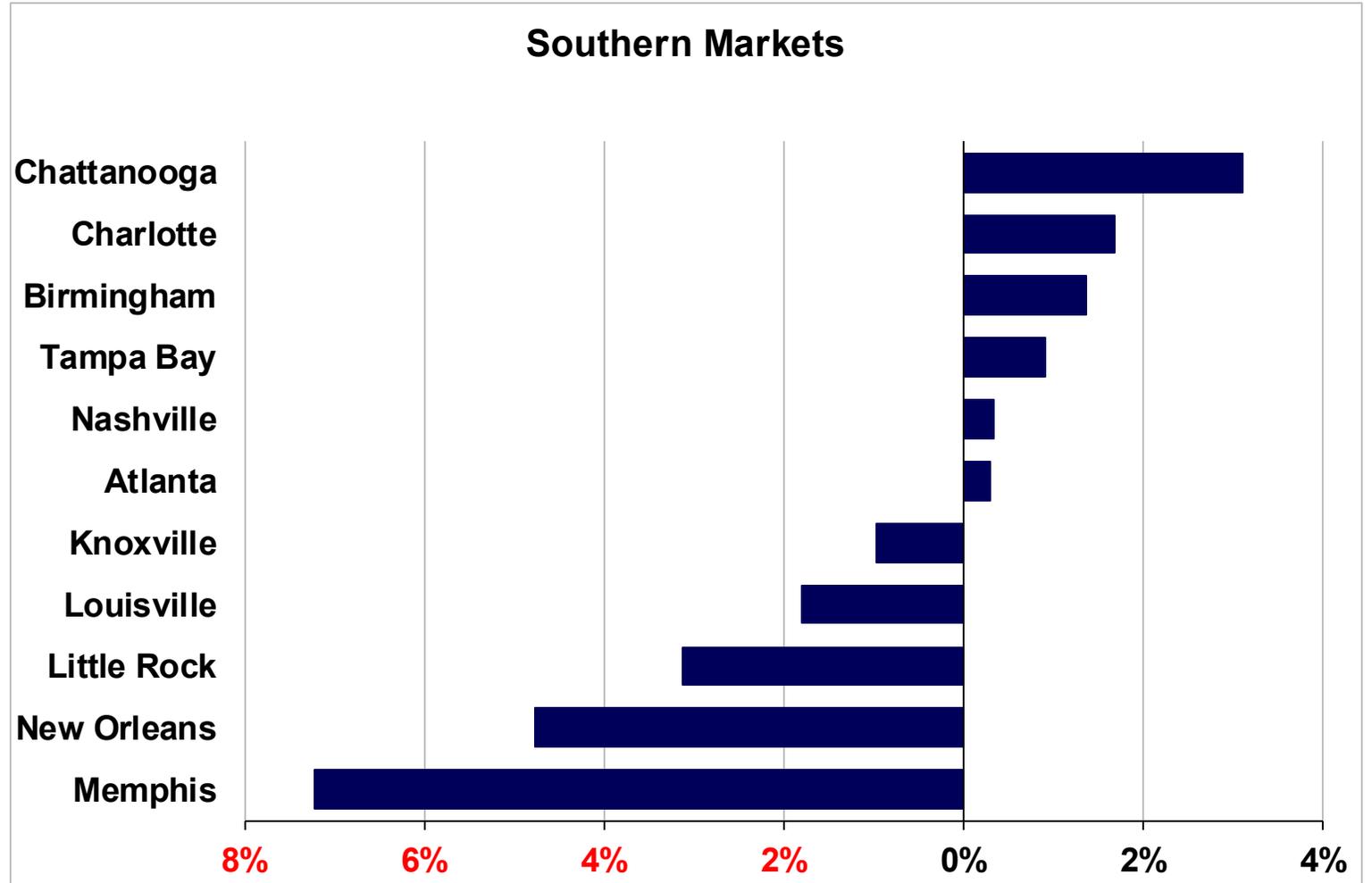
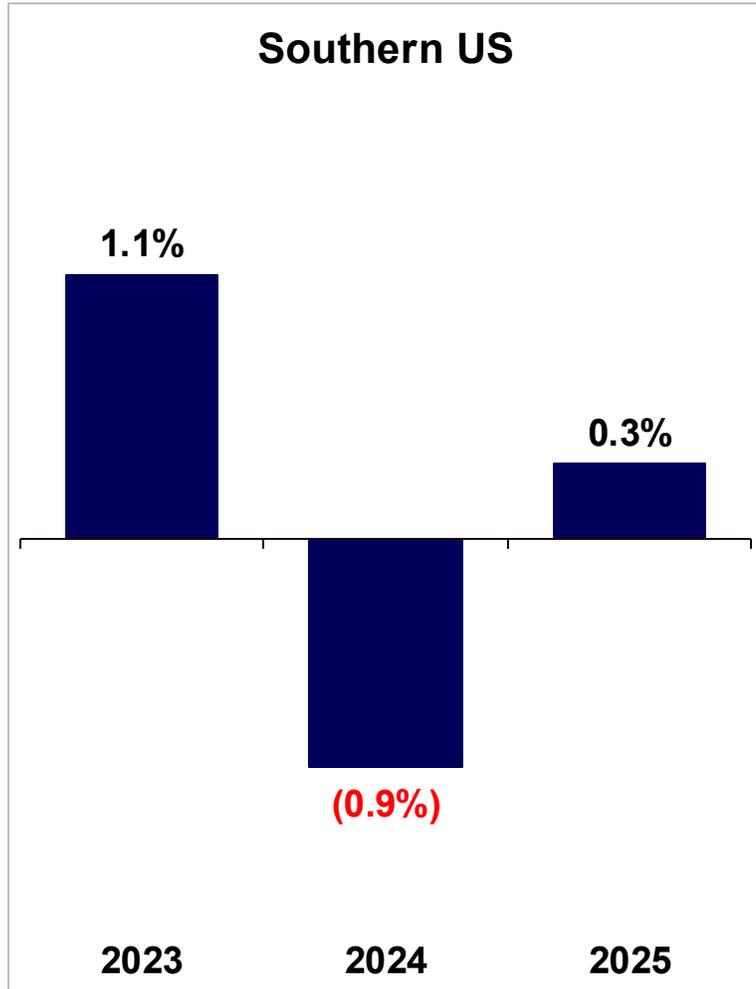
Top 25 held back by Las Vegas

U.S. room demand change by market location, July 2025 YTD



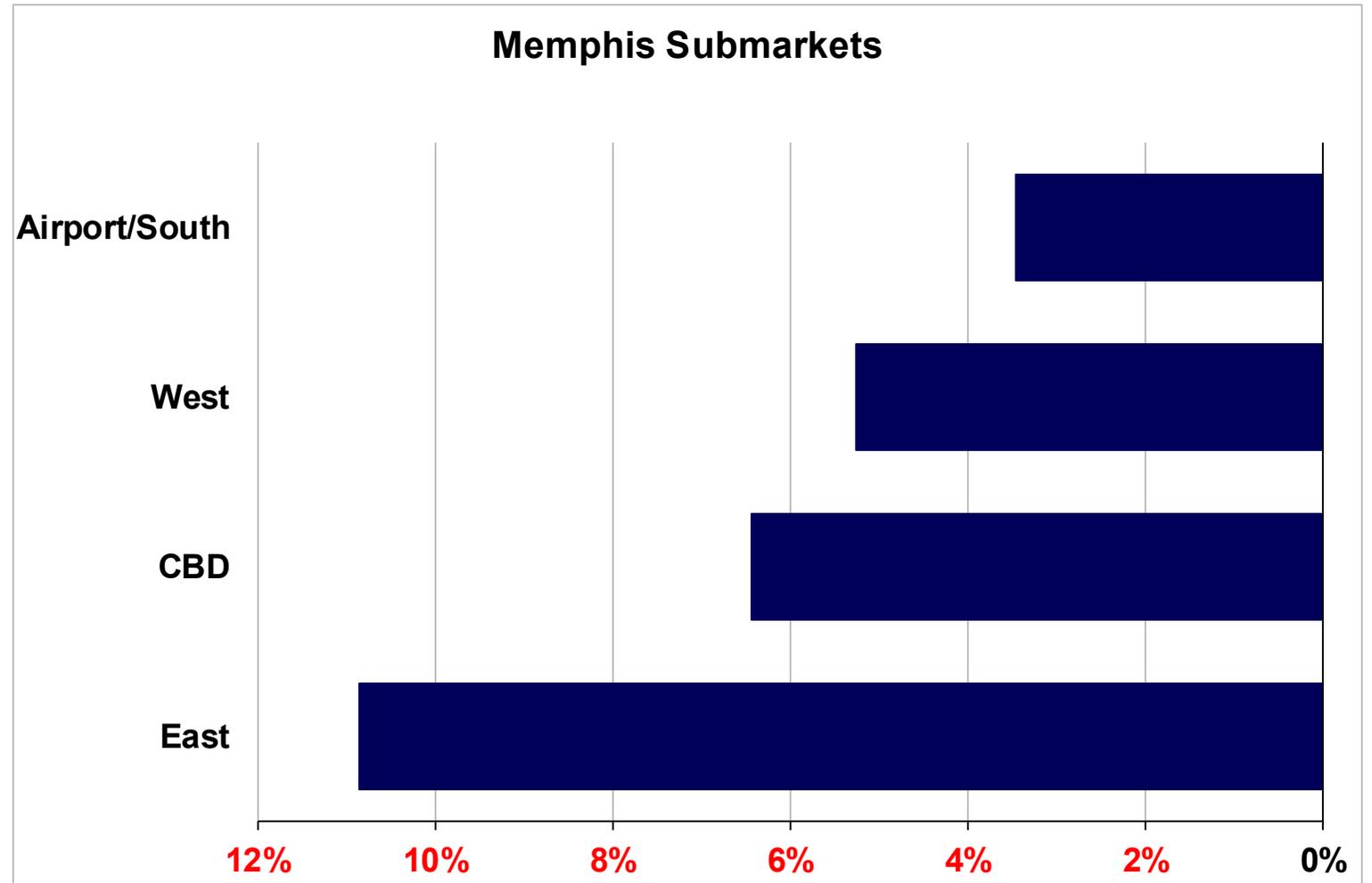
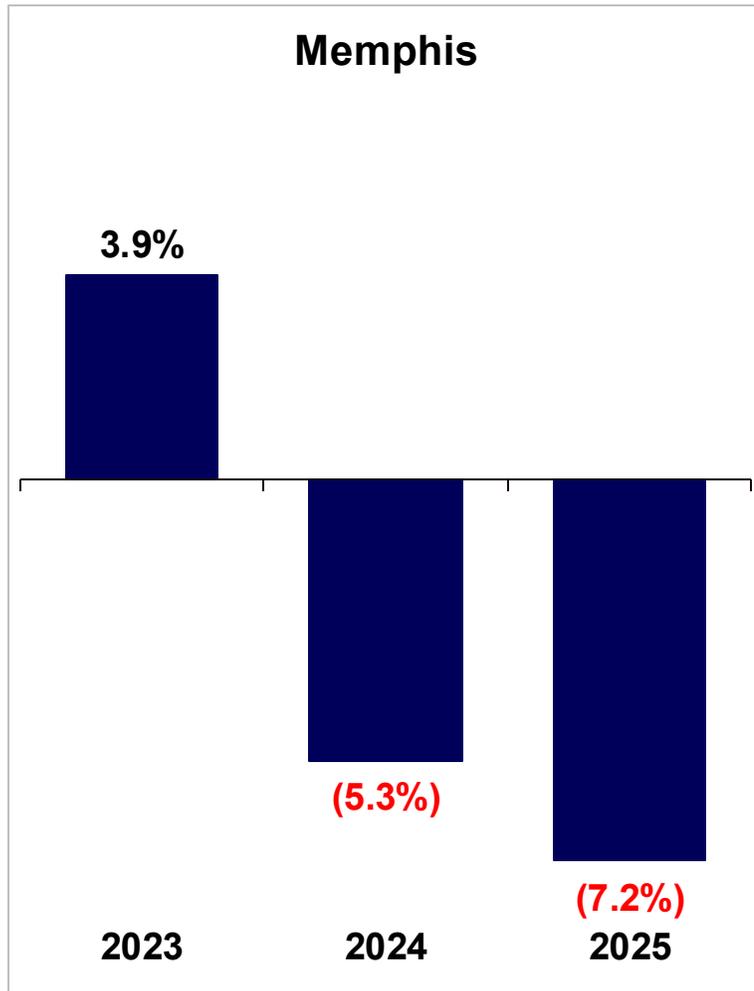
Southern U.S. slightly outperforming the rest of the country

Room demand, July 2025 YTD



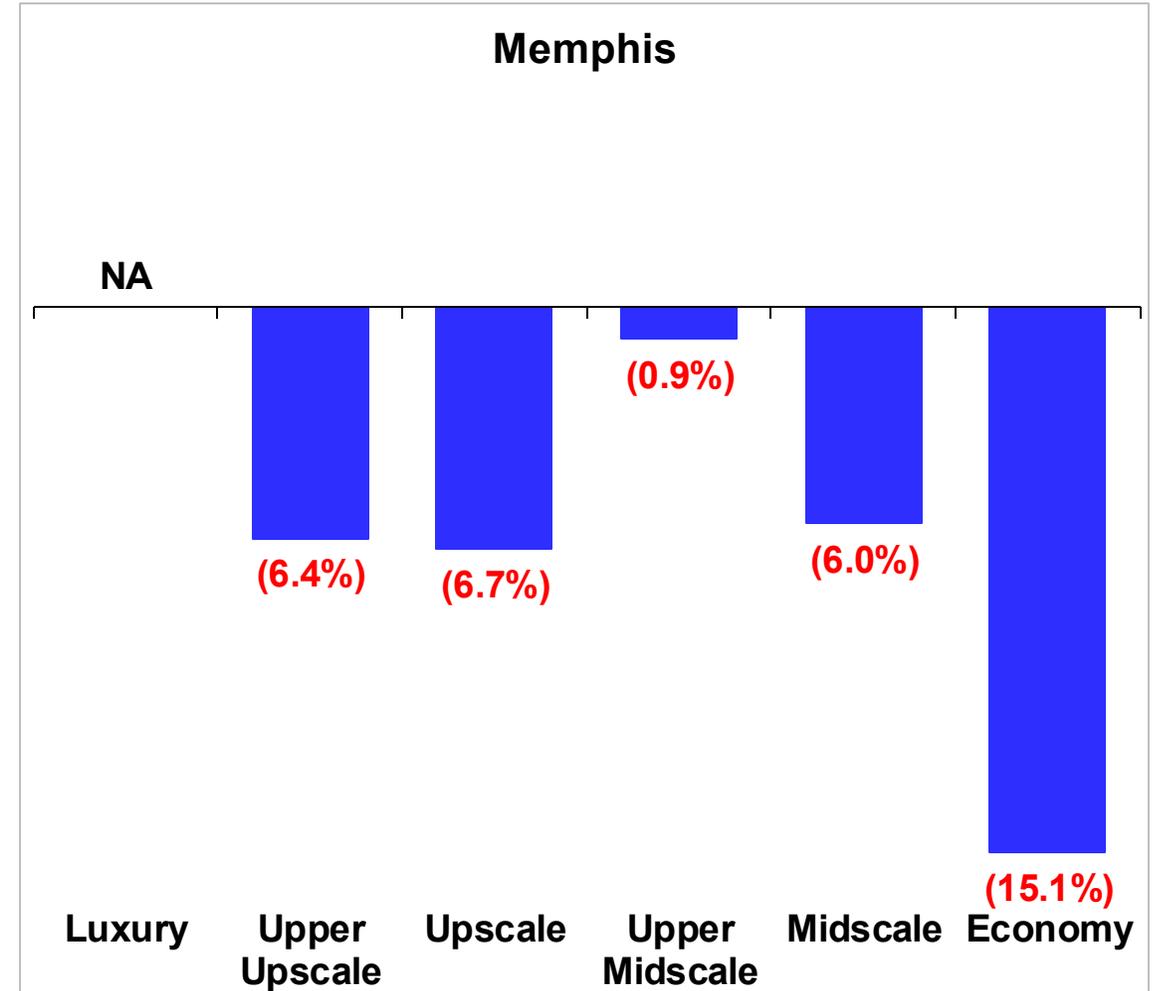
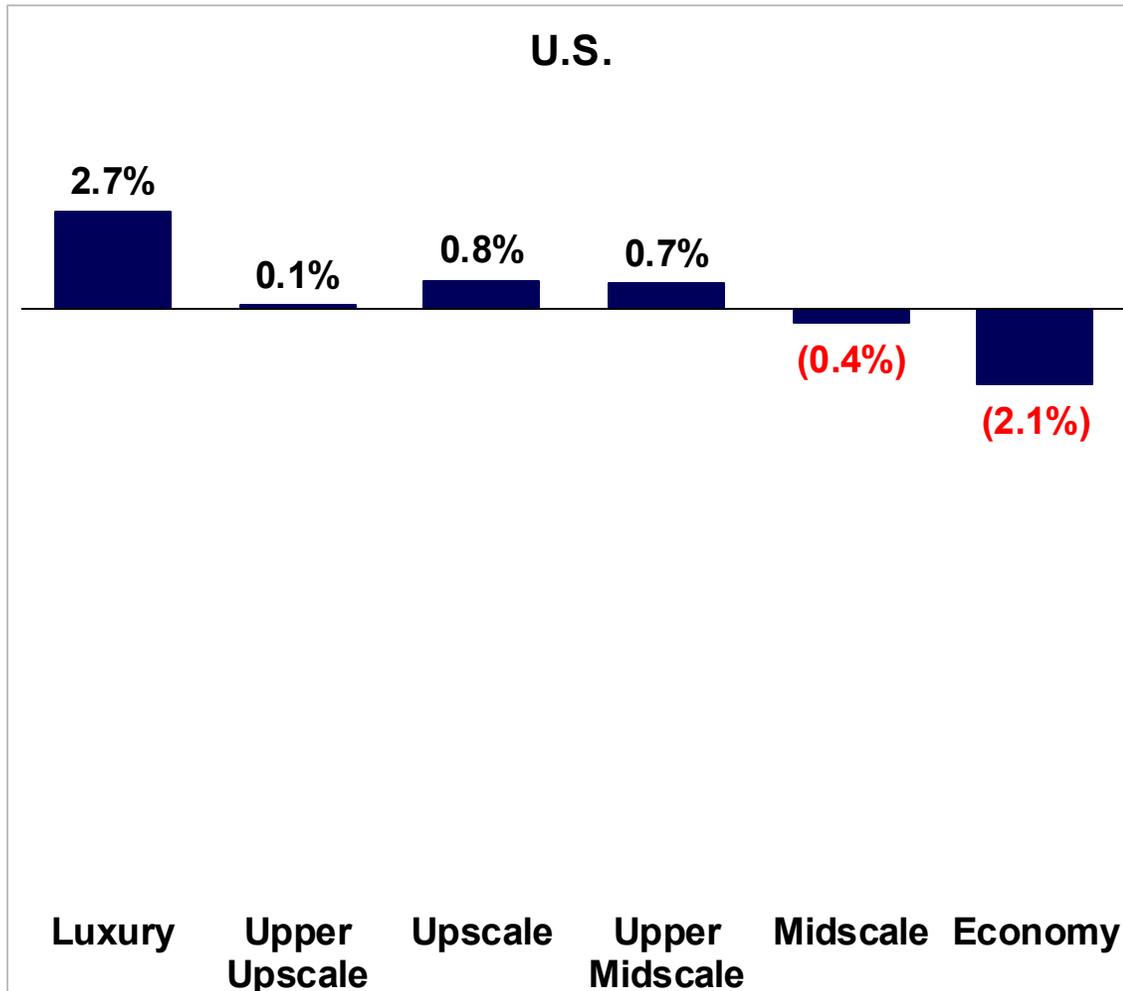
After strong post pandemic growth, Memphis demand now below 2019

Room demand change, July 2025 YTD



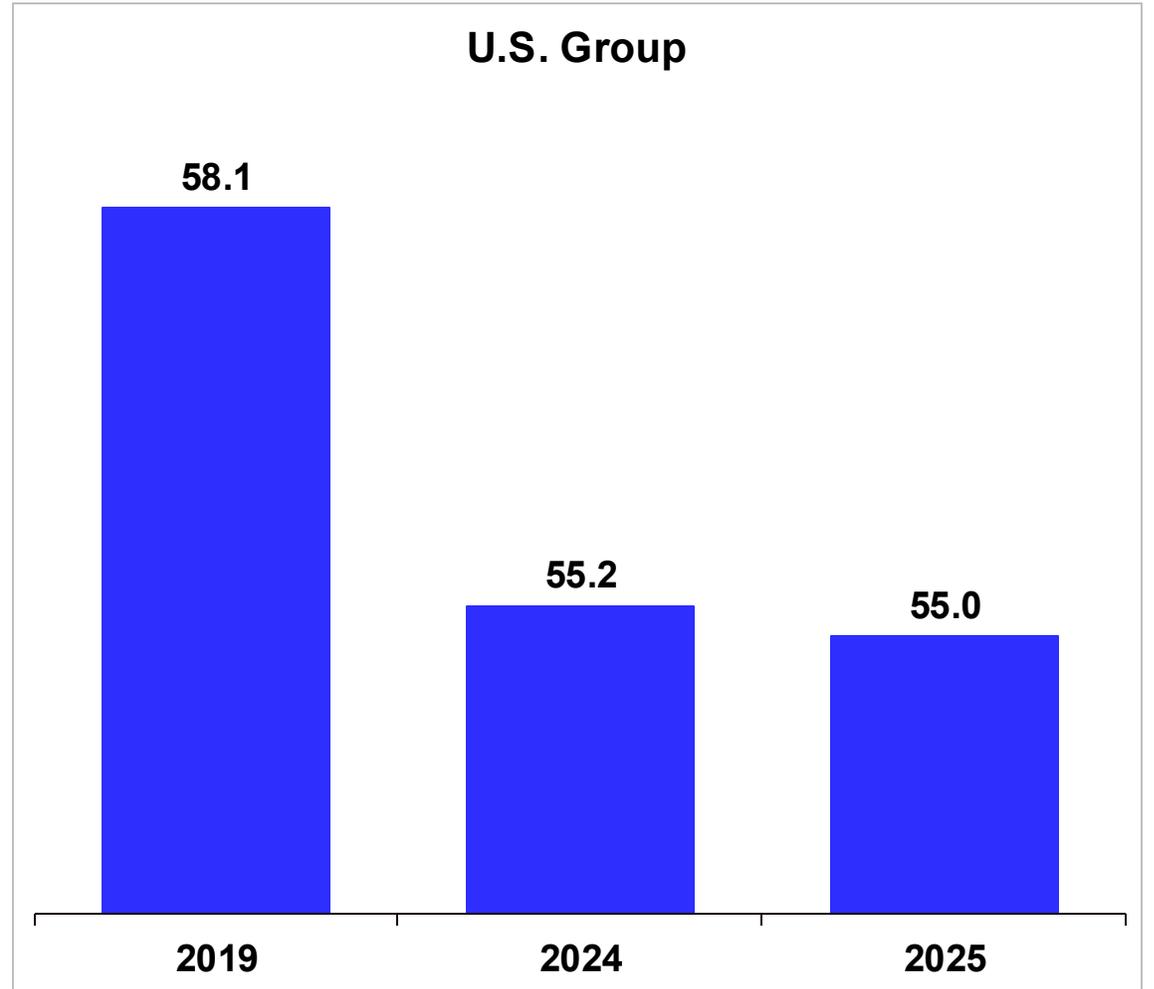
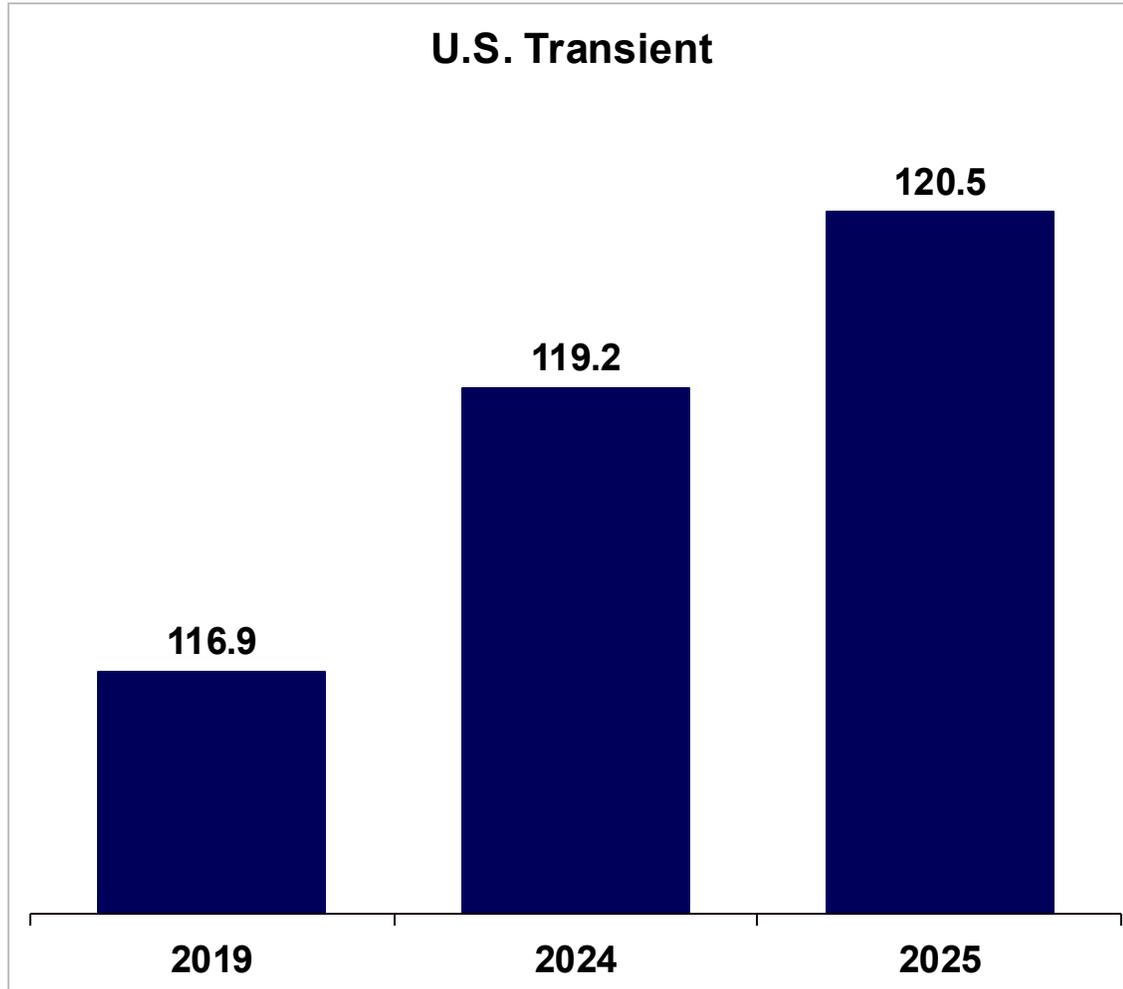
Demand moving up slightly in higher classes

Class room demand change, July 2025 YTD



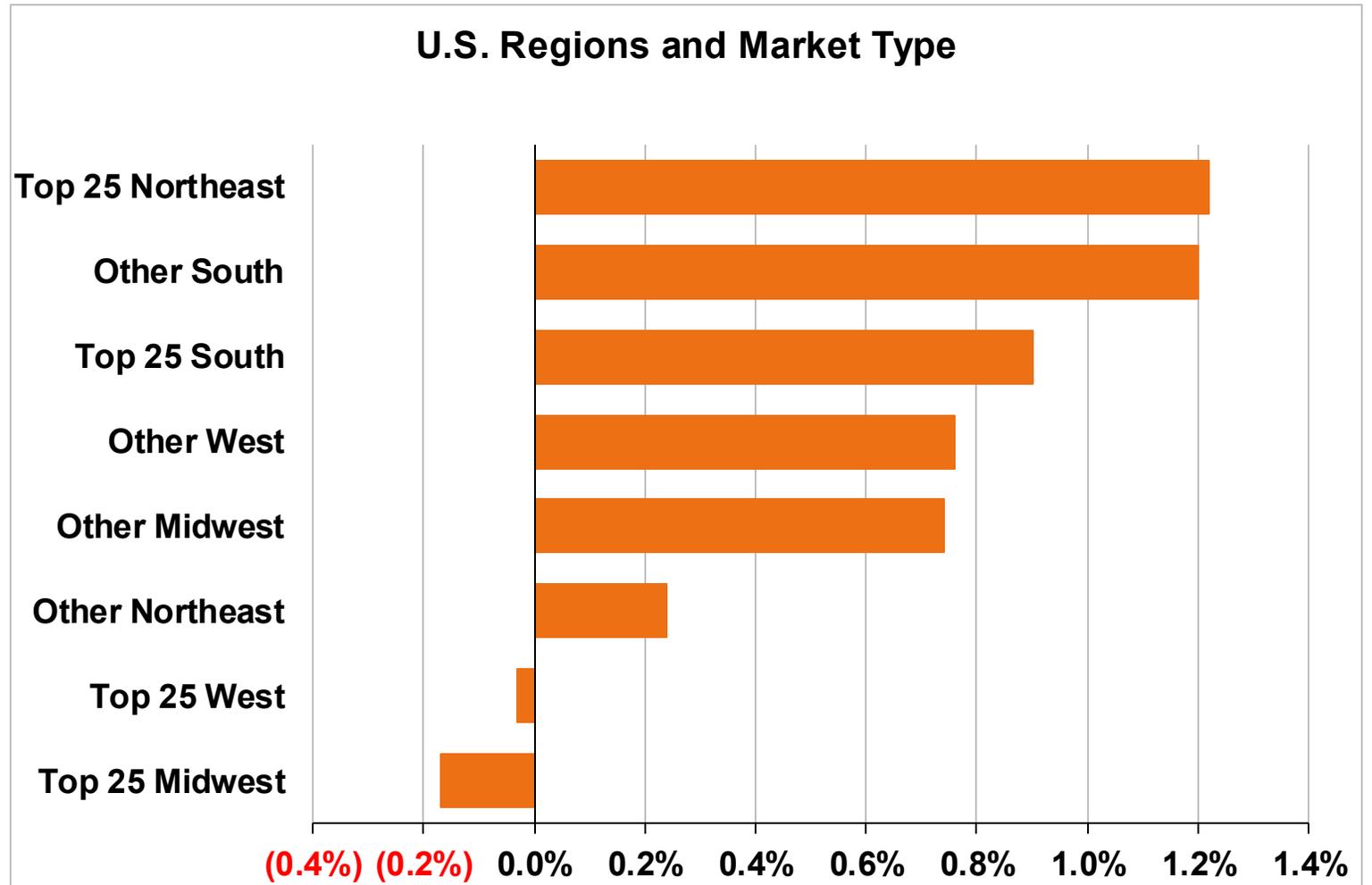
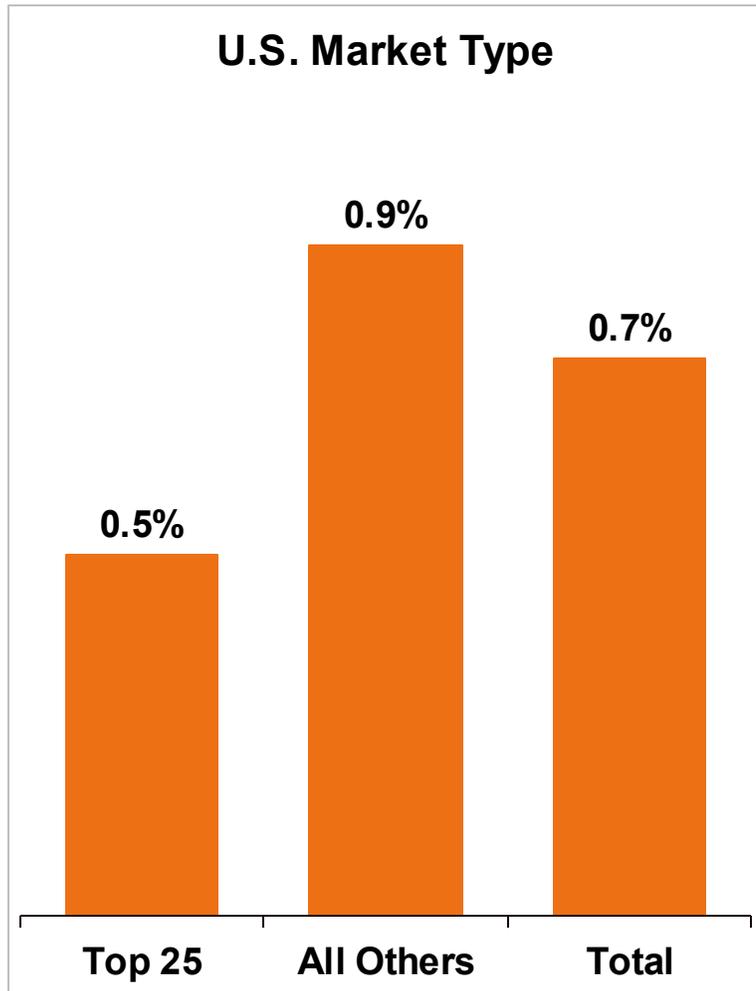
Transient and group demand still advancing

U.S. luxury and upper upscale room demand by type, in millions, July YTD



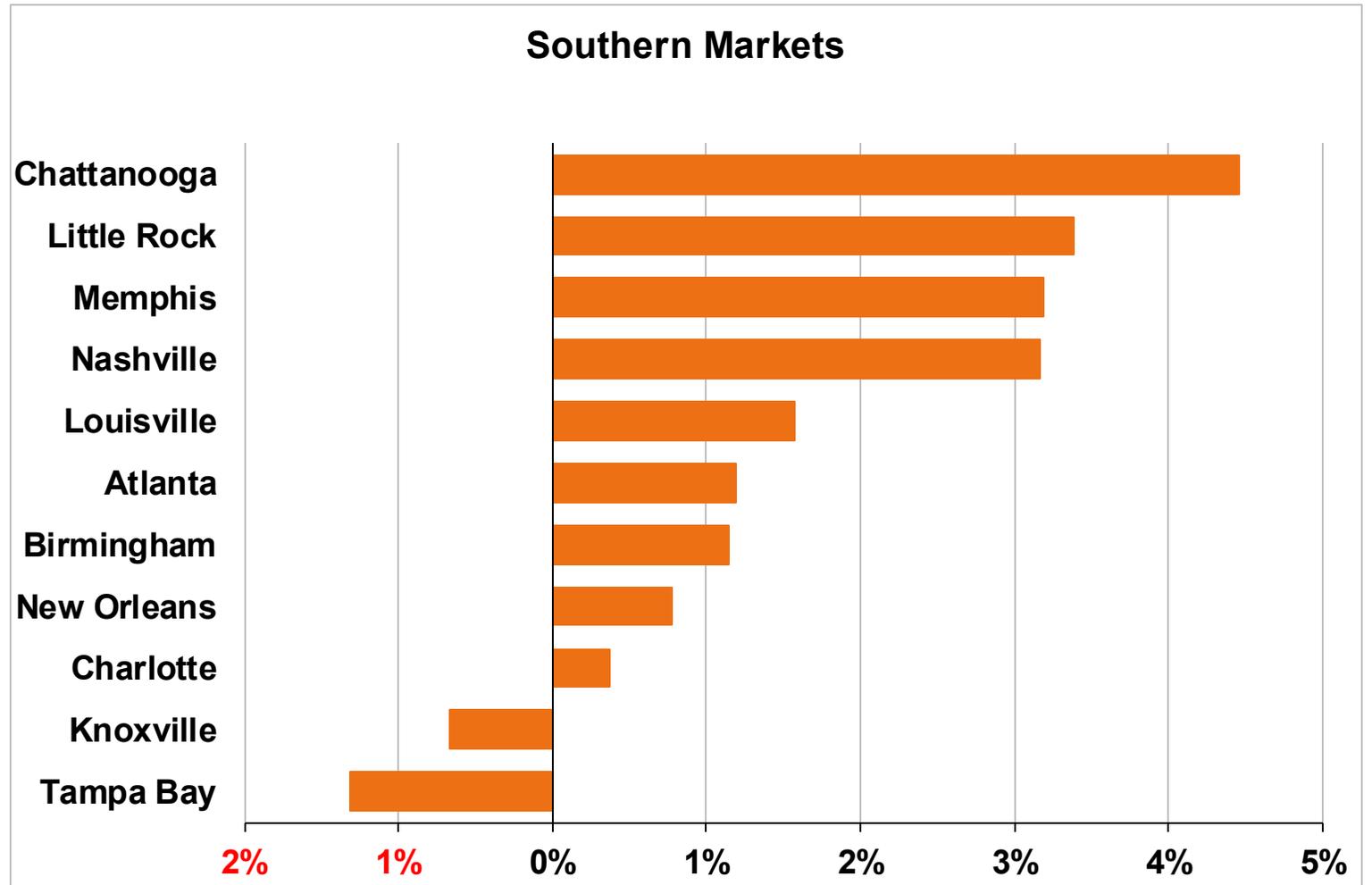
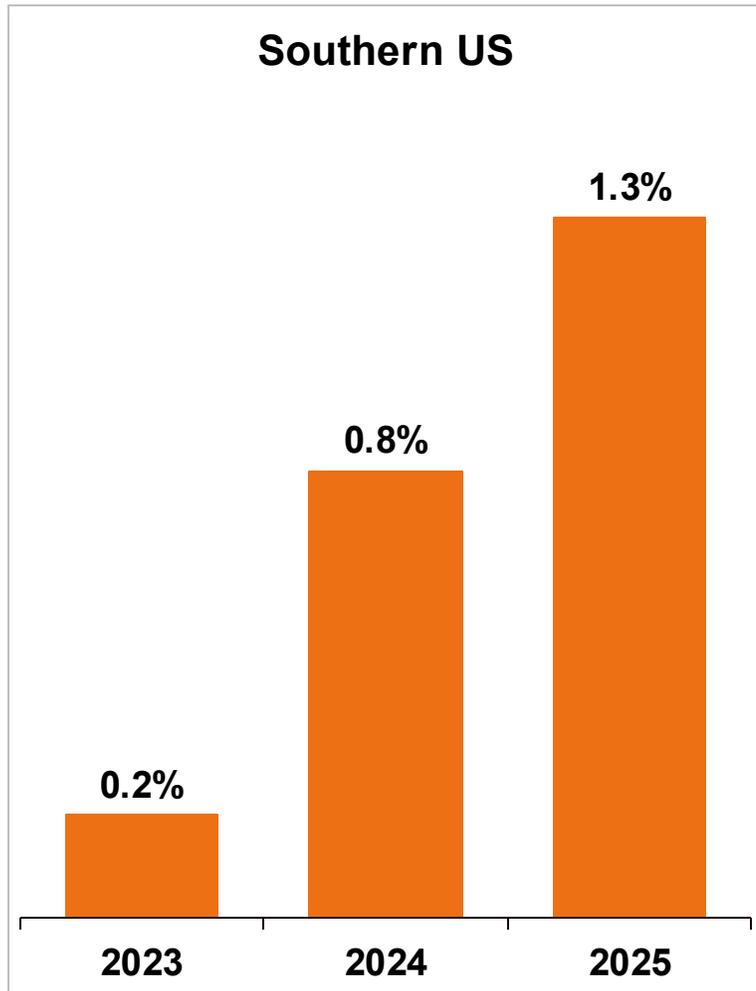
Supply inching upwards

Room supply change by market location, July 2025 YTD



Southern markets seeing higher supply gains

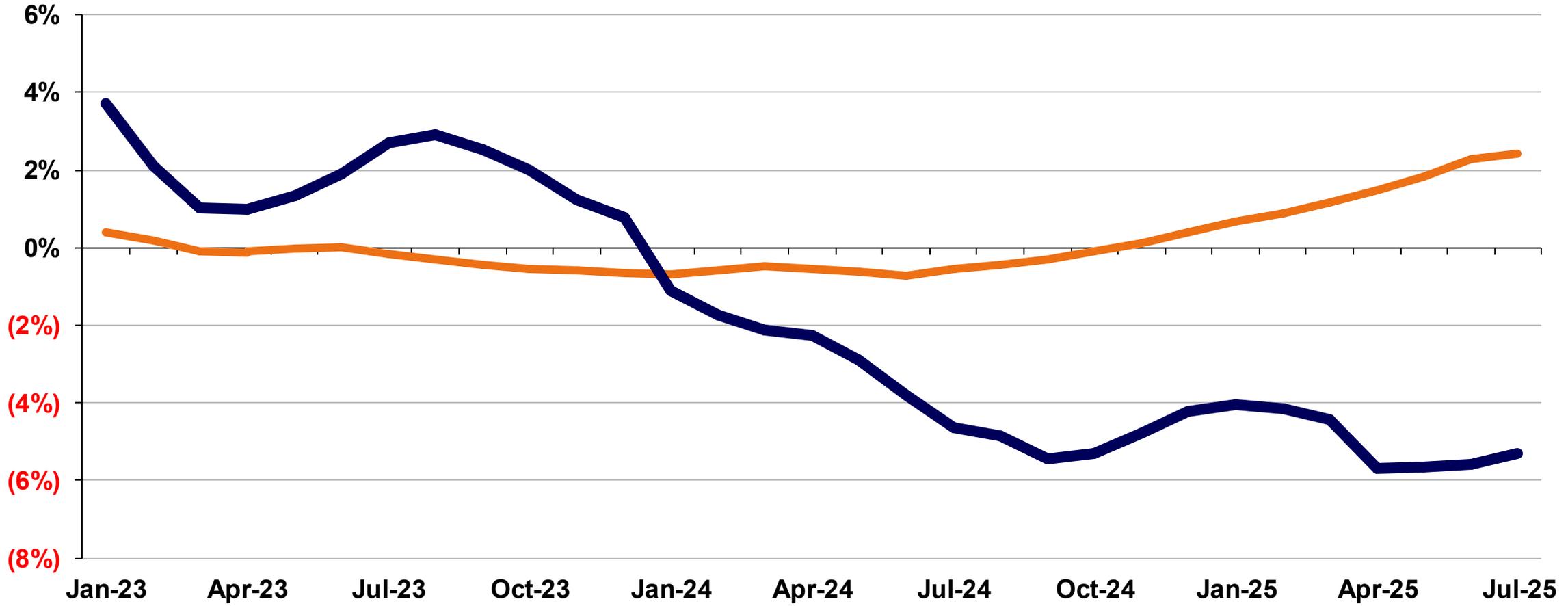
Room supply change, July 2025 YTD



Memphis demand and supply growth diverging

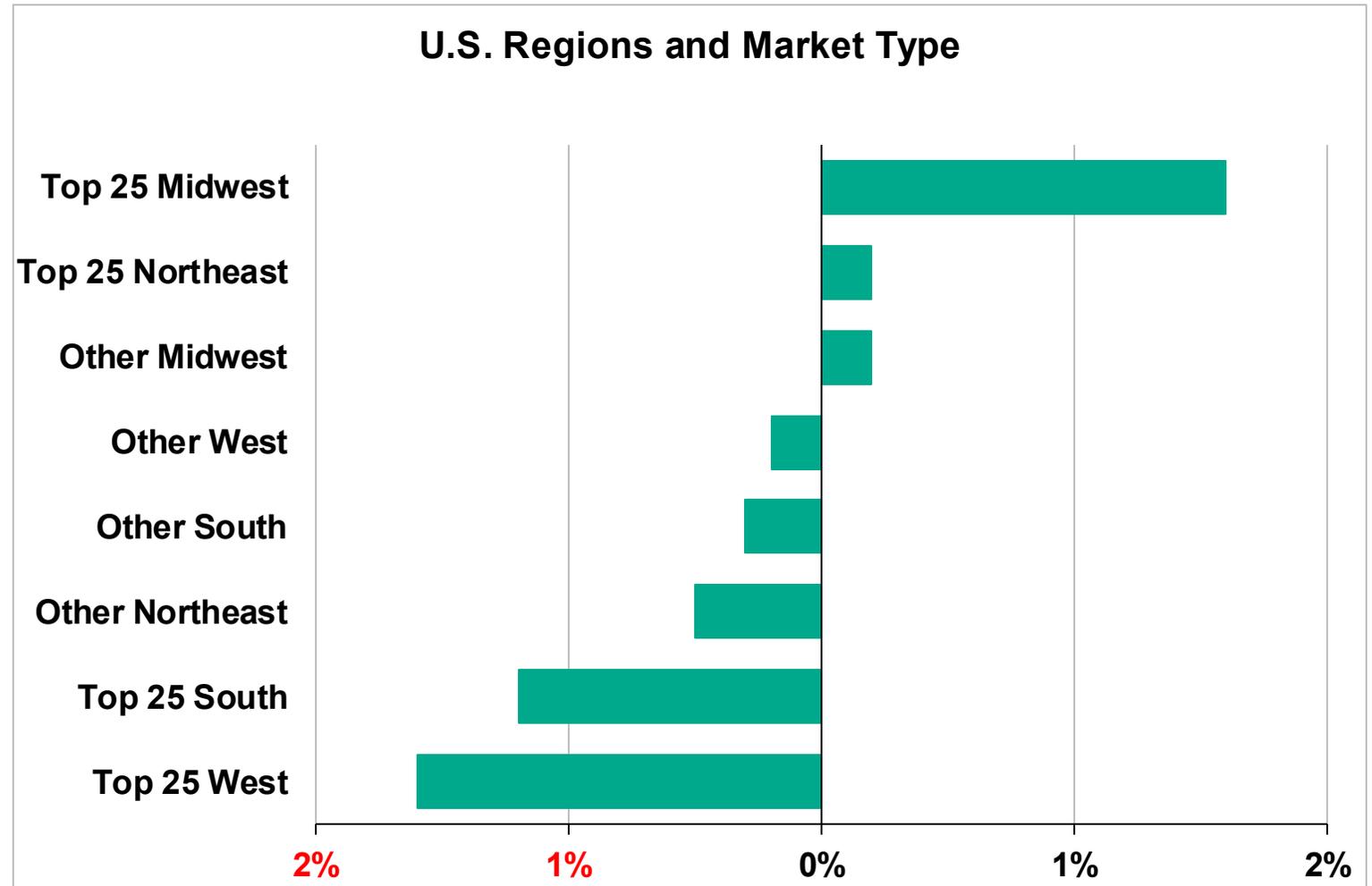
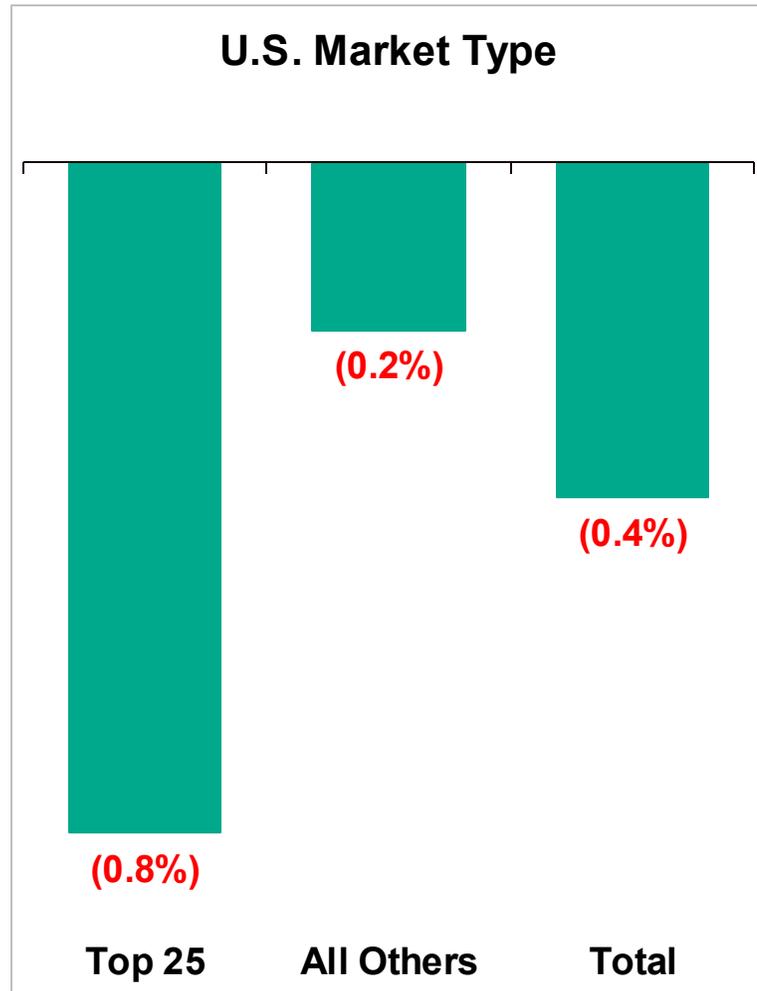
Supply & demand, 12M moving average

Supply Demand



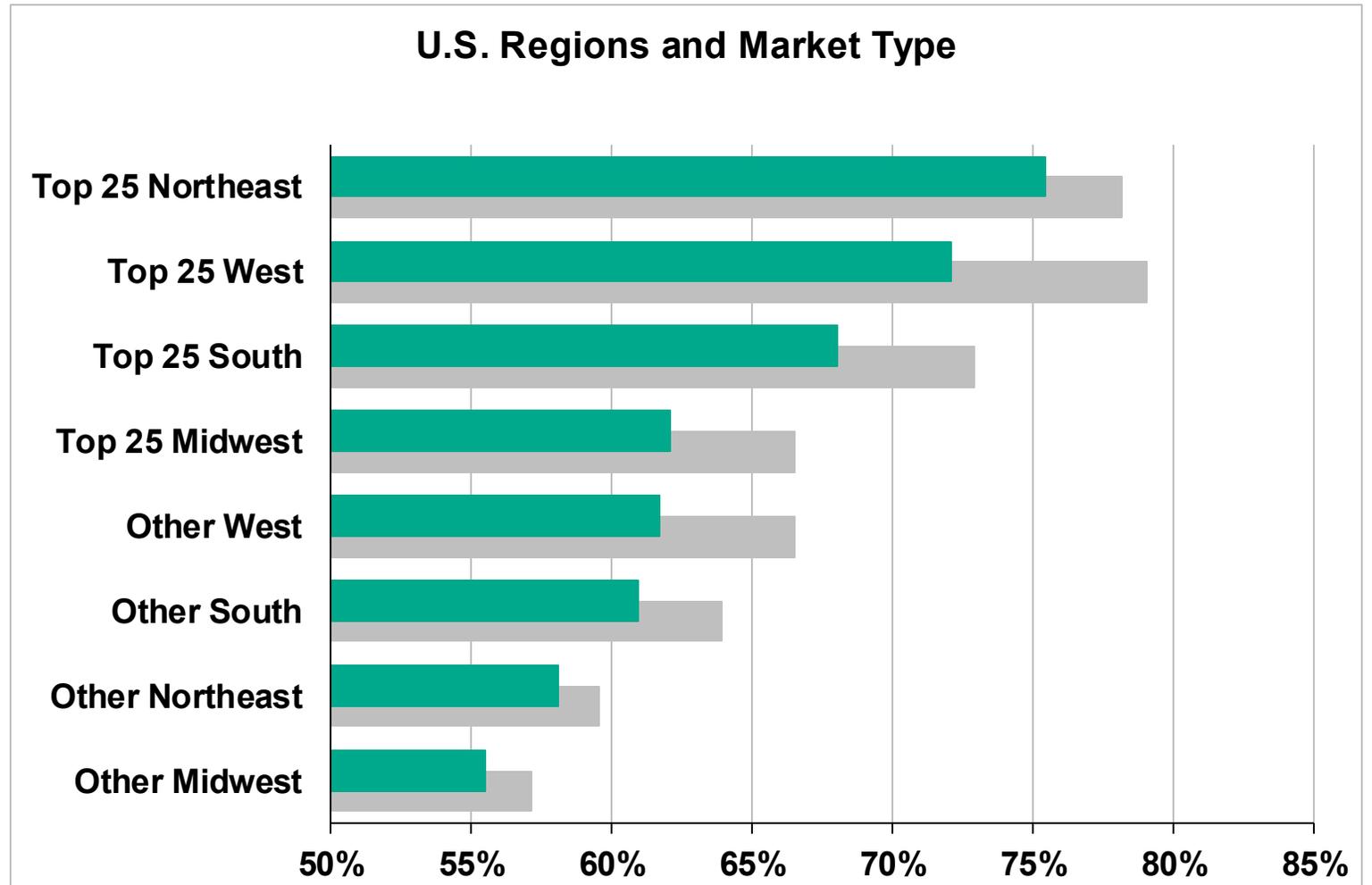
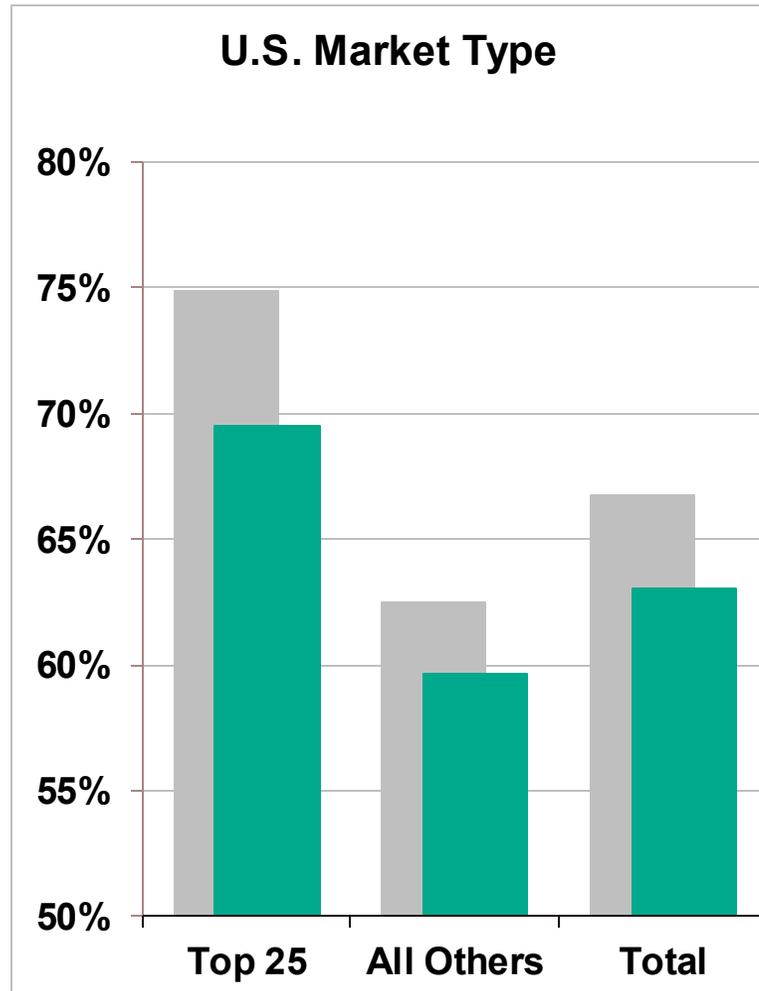
U.S. occupancy flat to down in most locations

U.S. occupancy change by market location, percentage points, July 2025 YTD



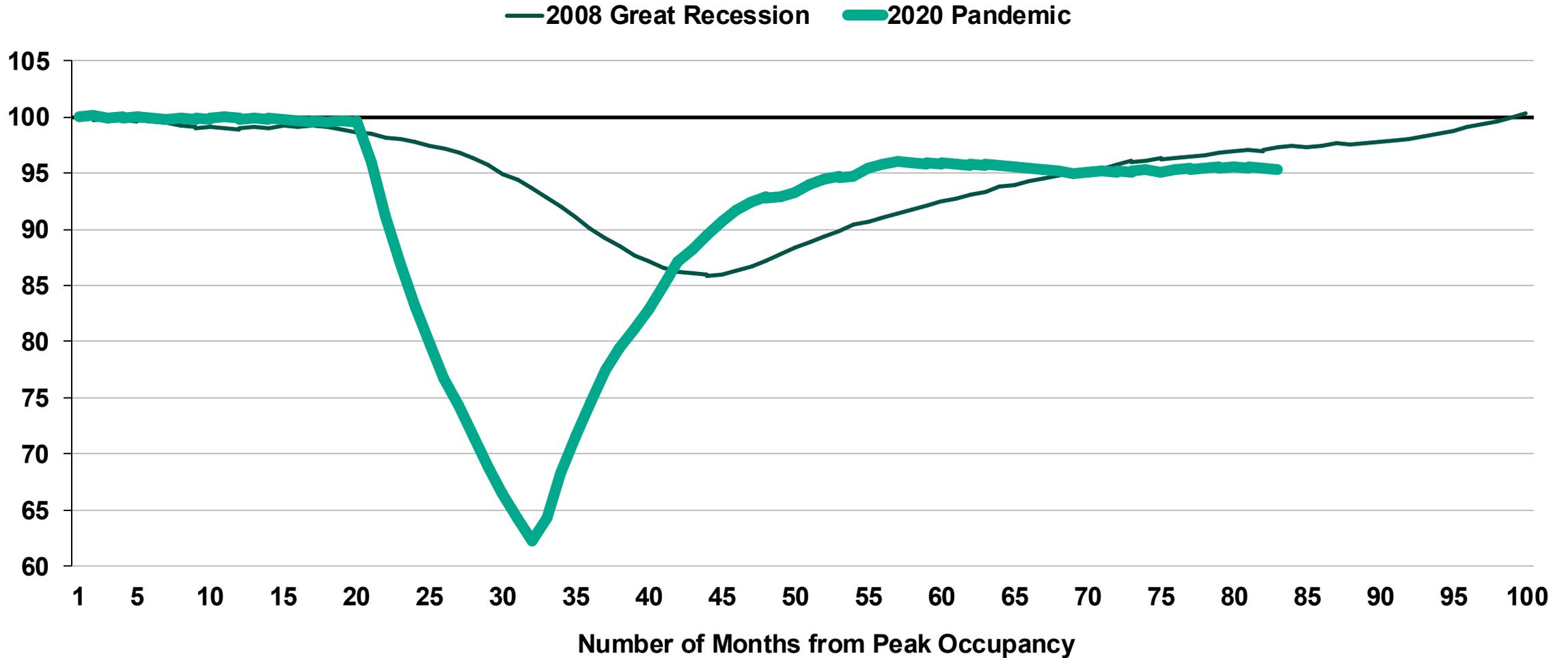
U.S. occupancy also below 2019

U.S. occupancy by market location, July 2025 YTD



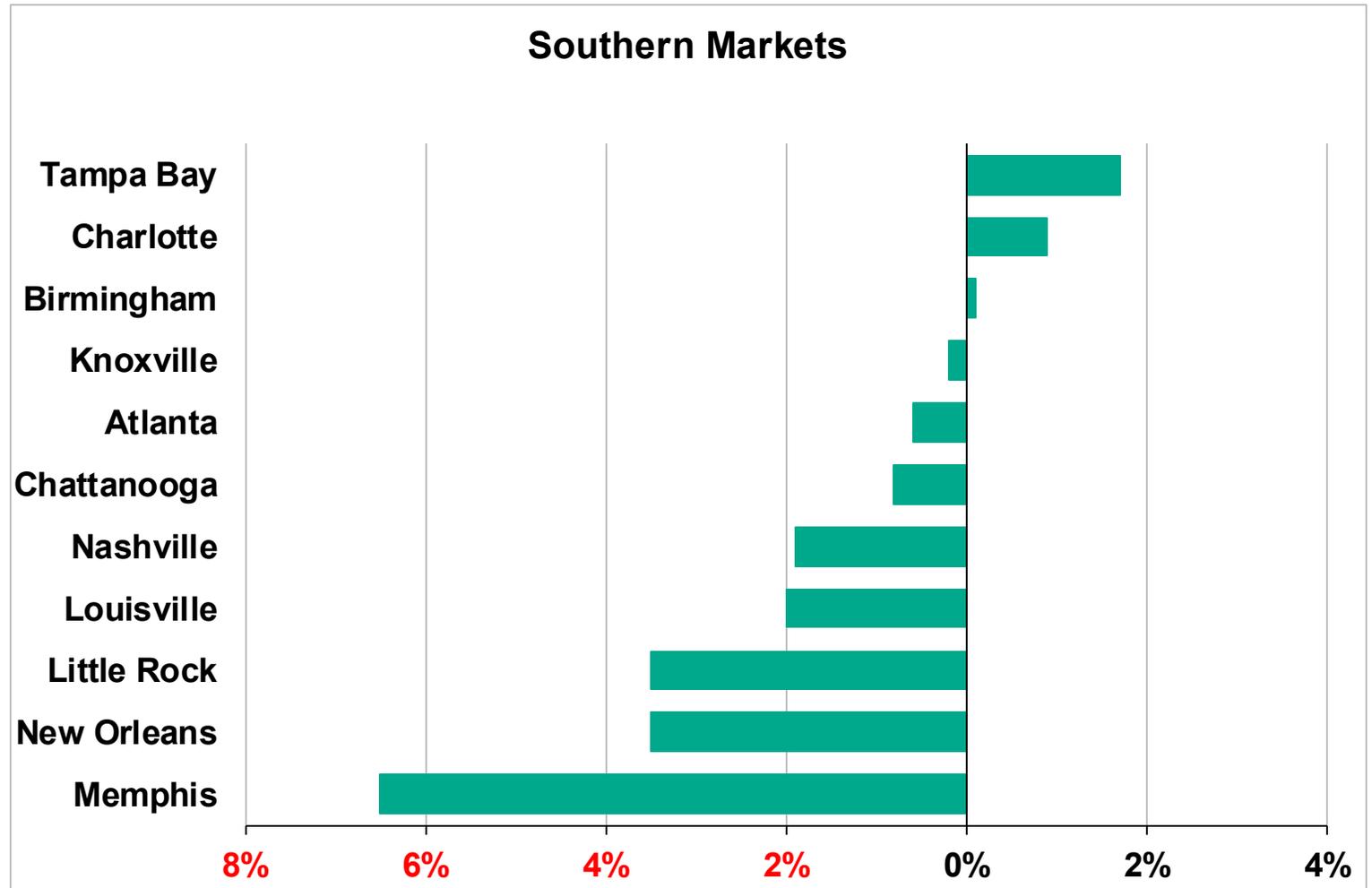
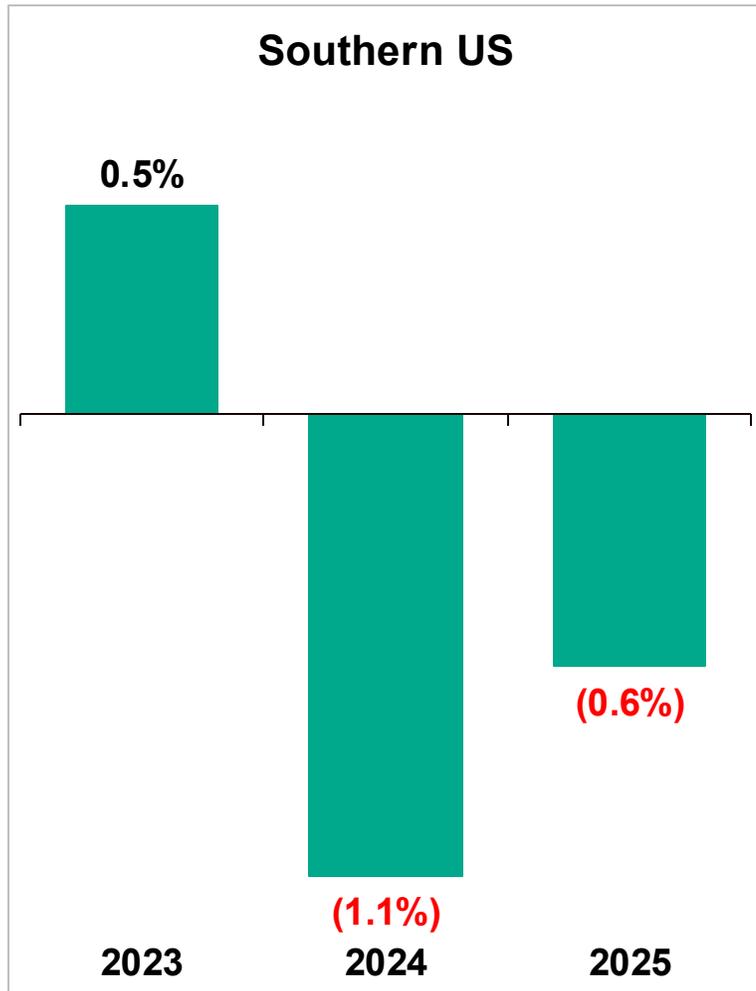
The recovery is over

US occupancy peak to trough to peak, indexed to peak prior to downturn



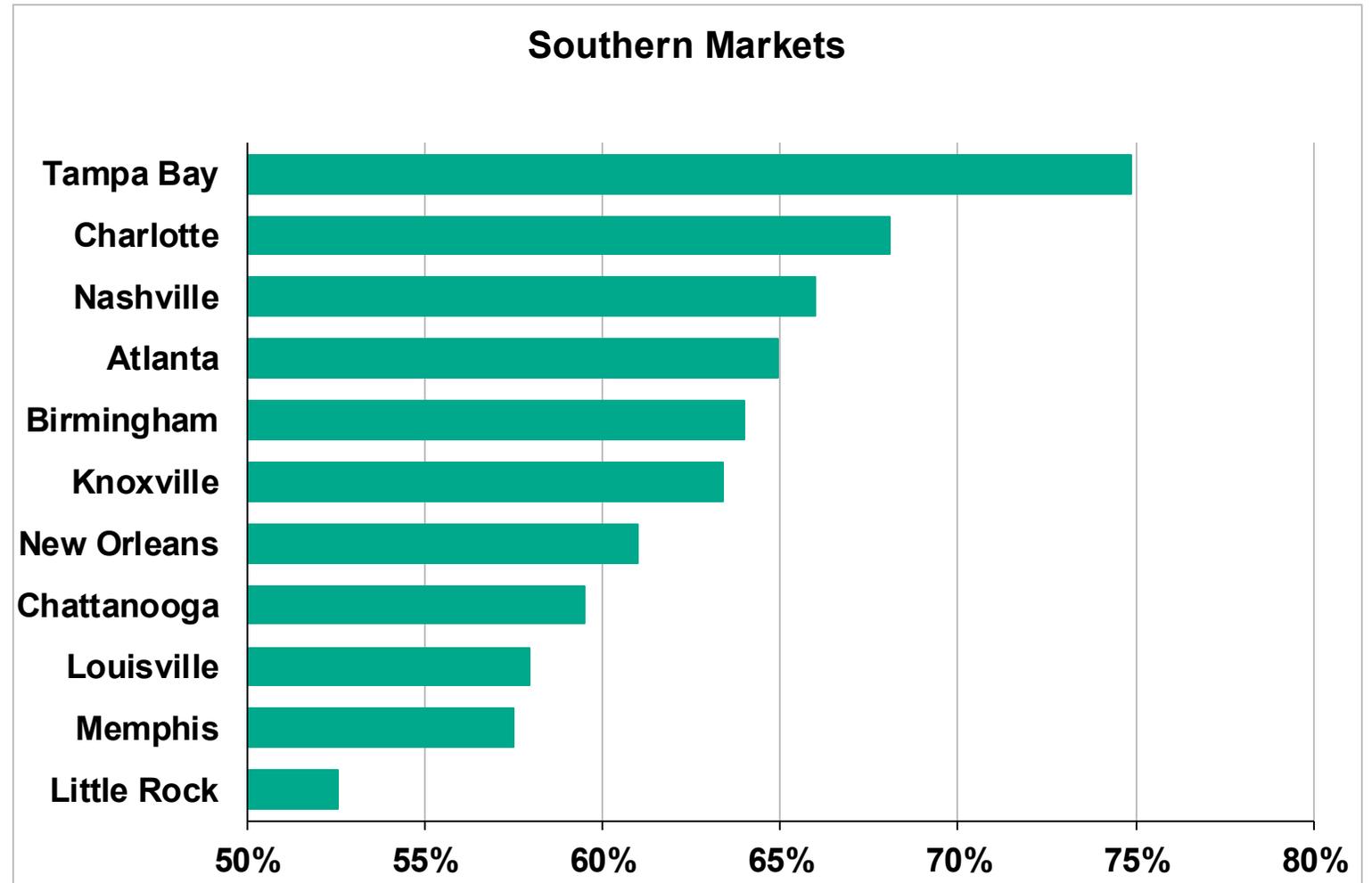
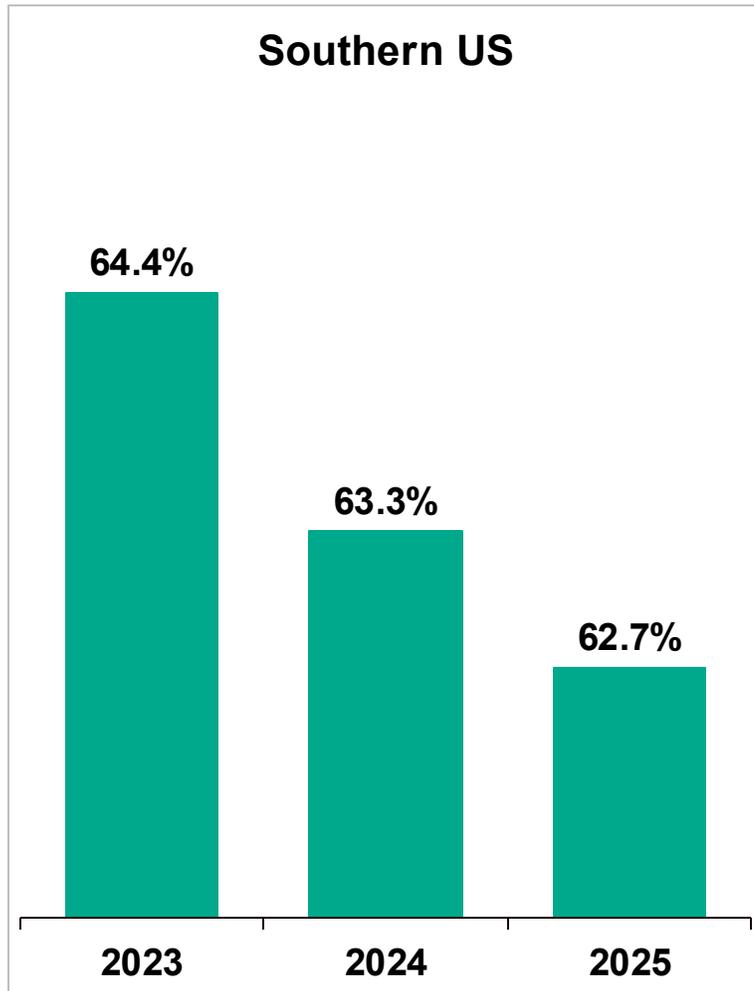
Occupancy down in most key Southern markets

Occupancy change, percentage points, July 2025 YTD



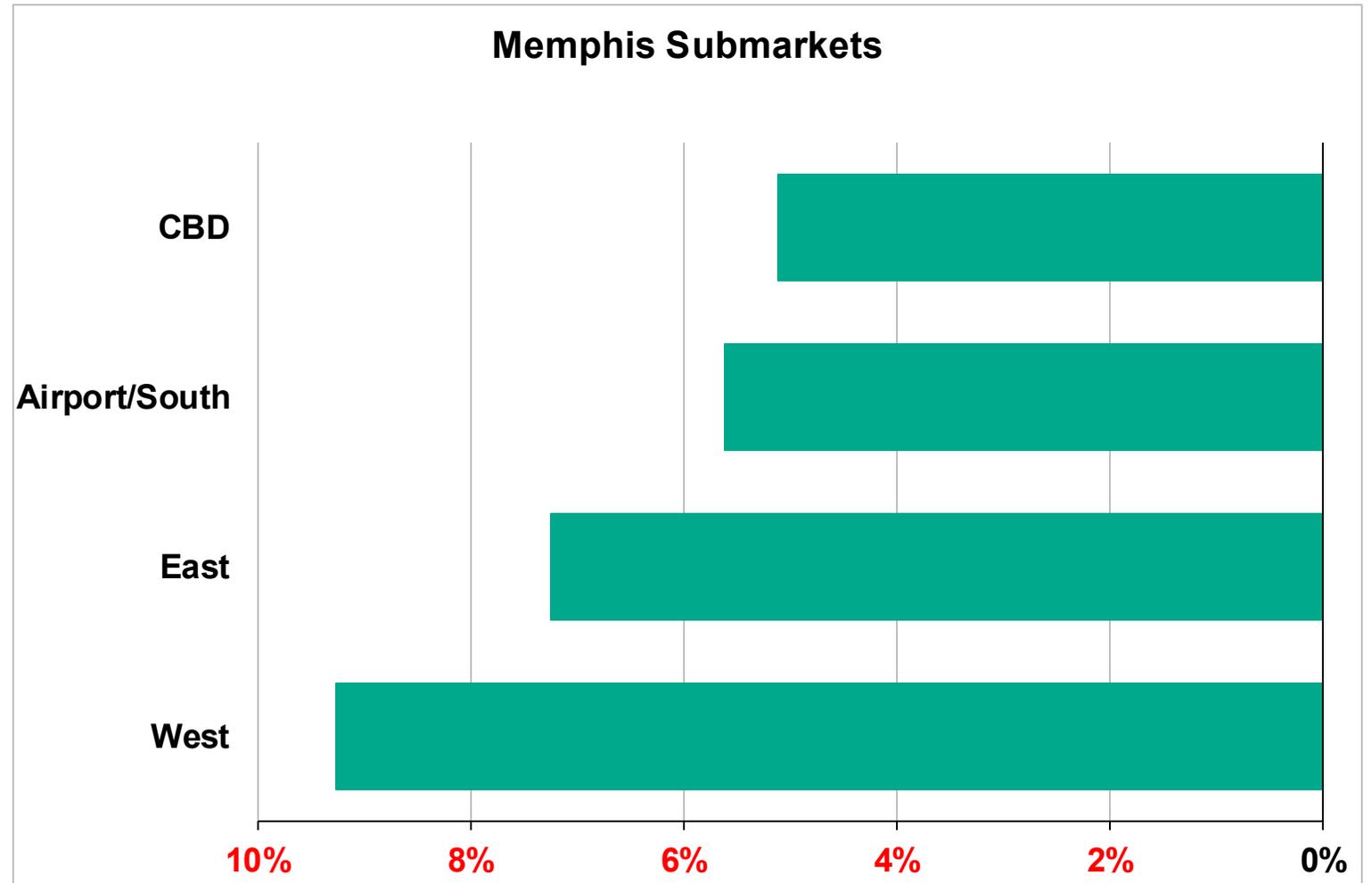
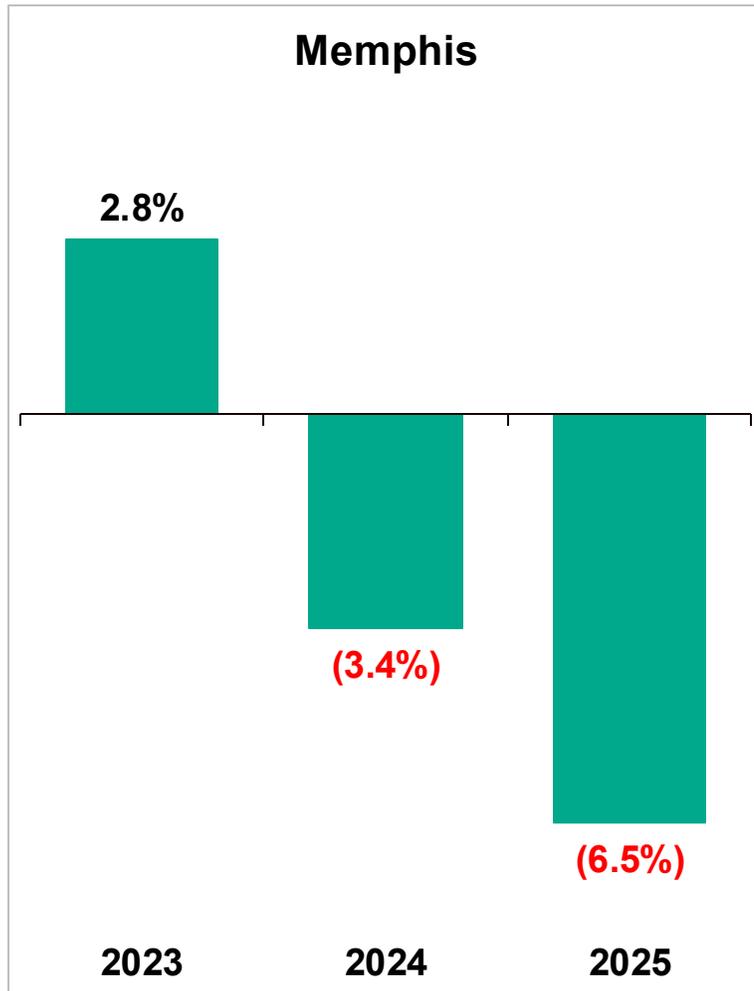
Absolute occupancy lower in the South as compared to the total U.S.

Occupancy change, percentage points, July 2025 YTD



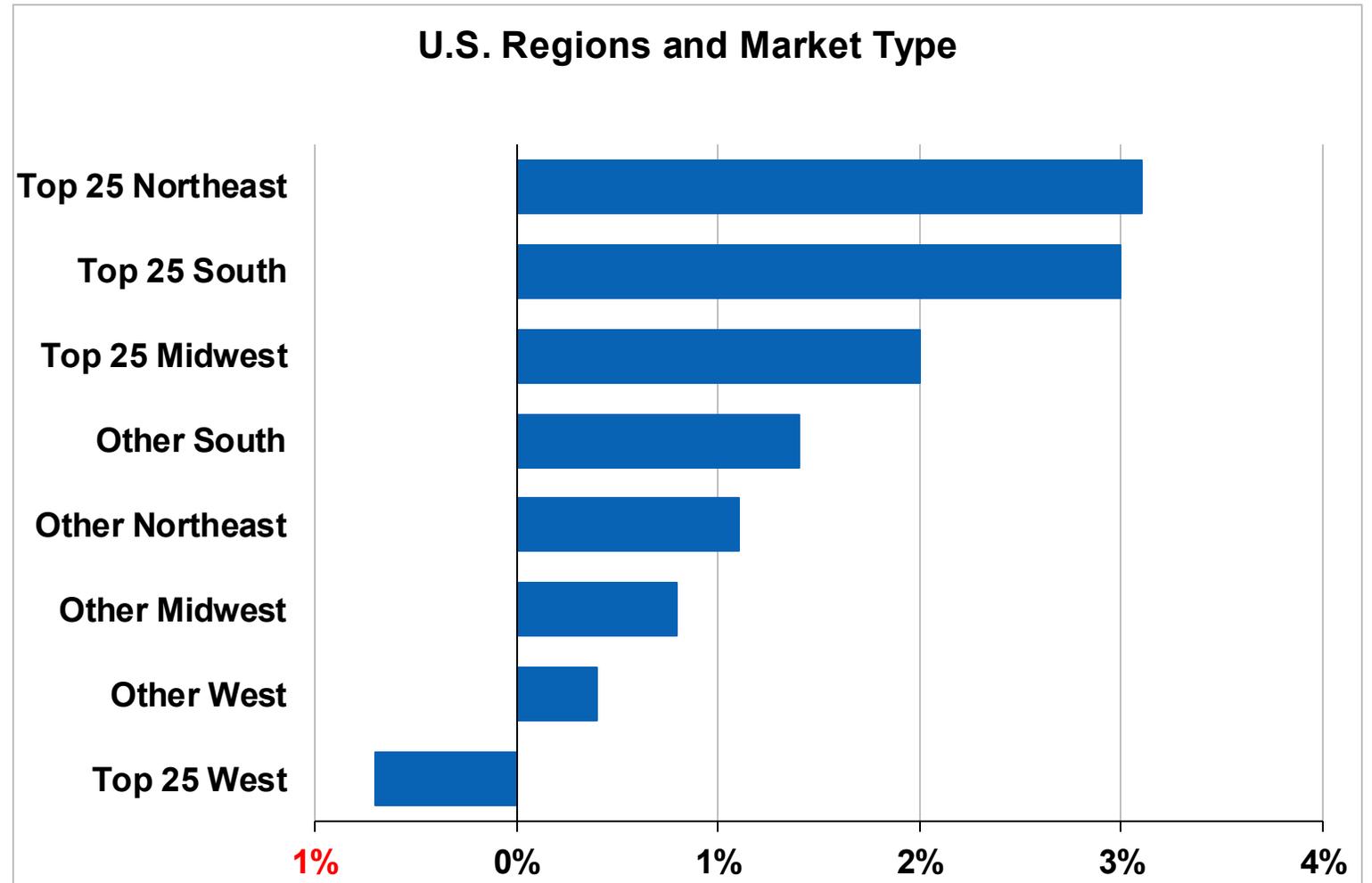
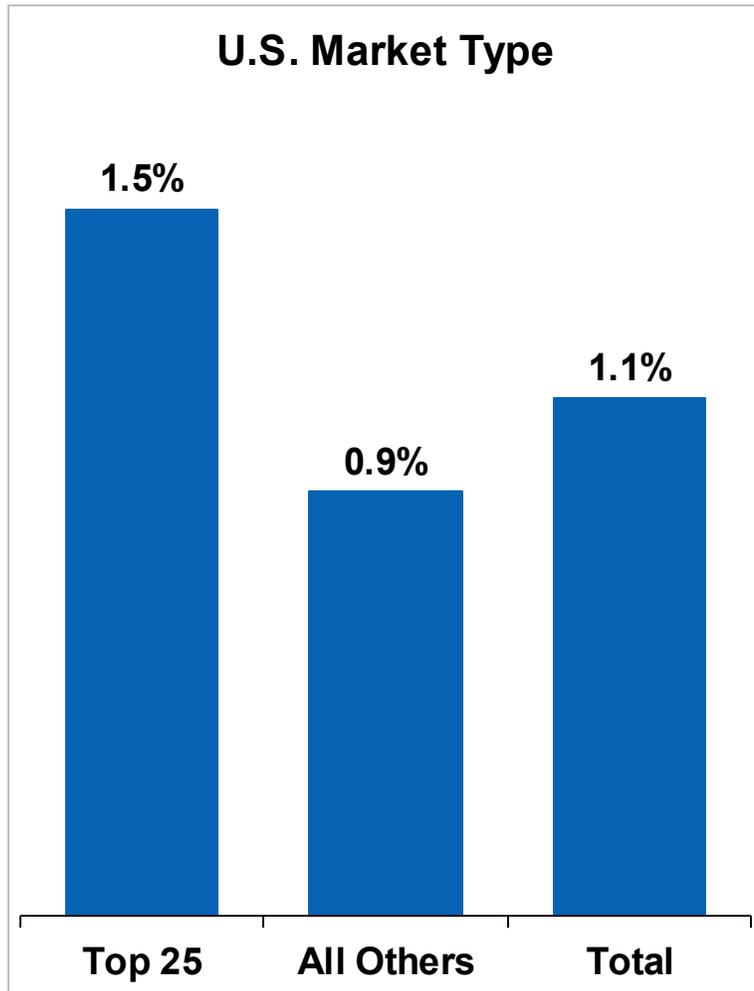
All Memphis submarkets declining

Occupancy, July 2025 YTD



U.S. ADR weak overall but with pockets of stronger growth

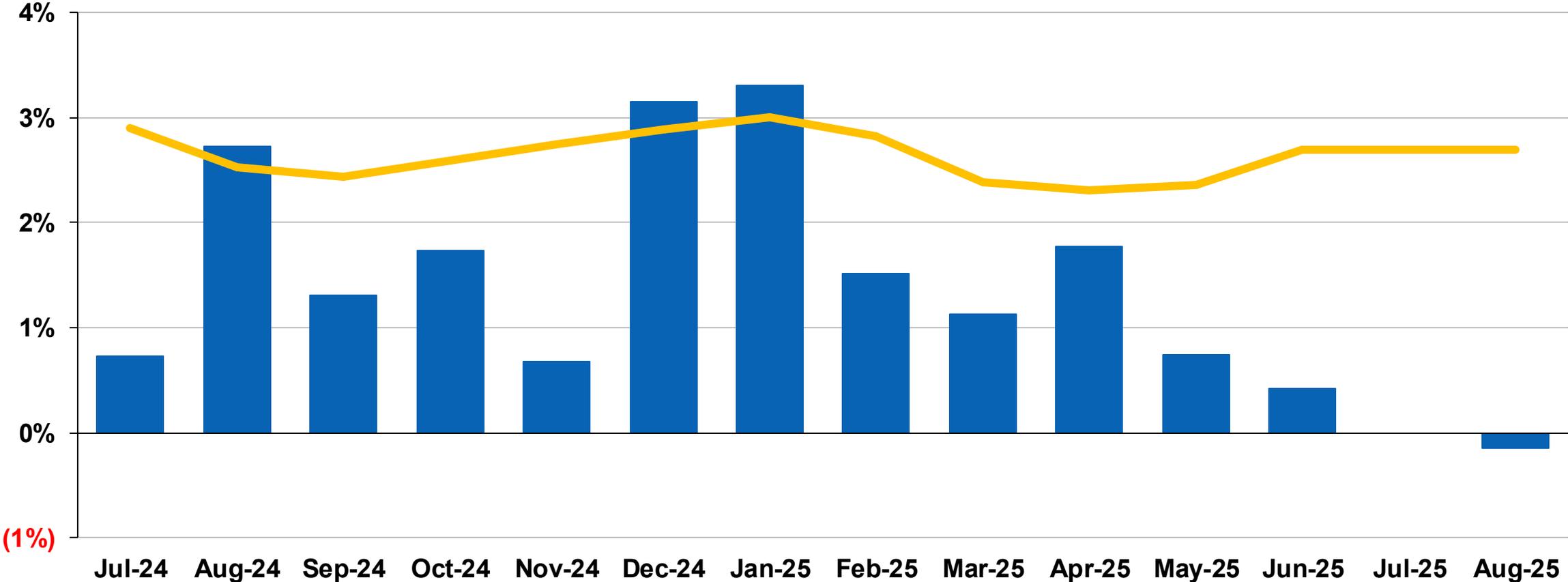
ADR change by market location, July 2025 YTD



ADR growth lagging inflation

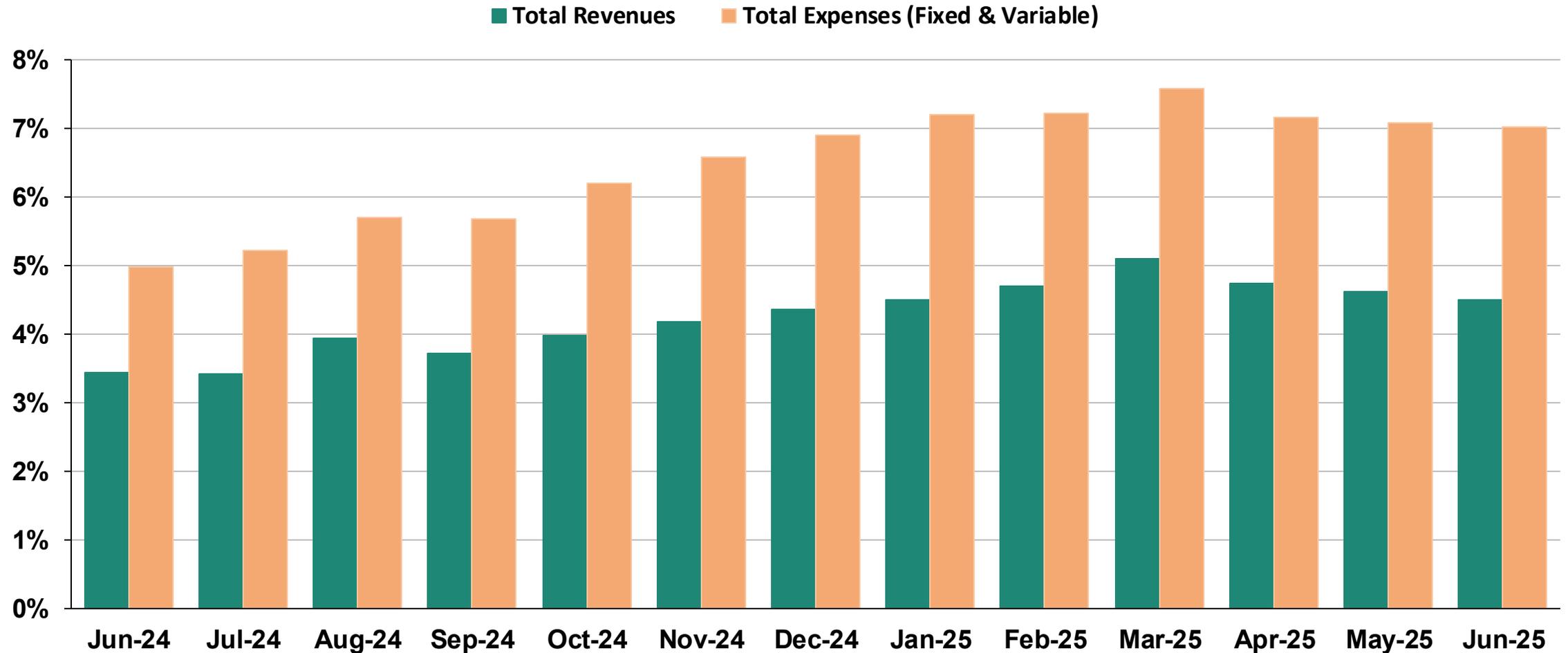
U.S. ADR change

ADR Inflation



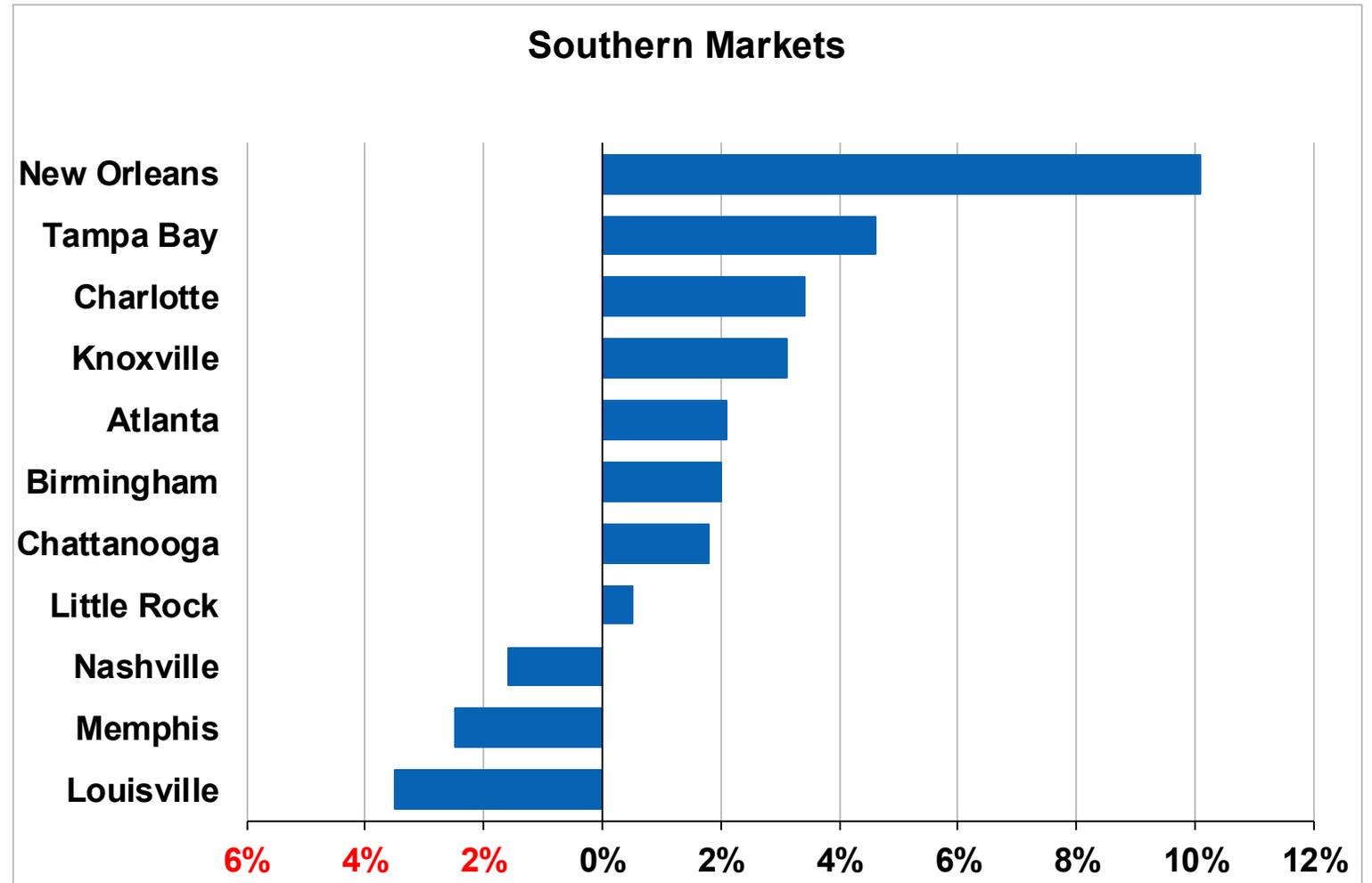
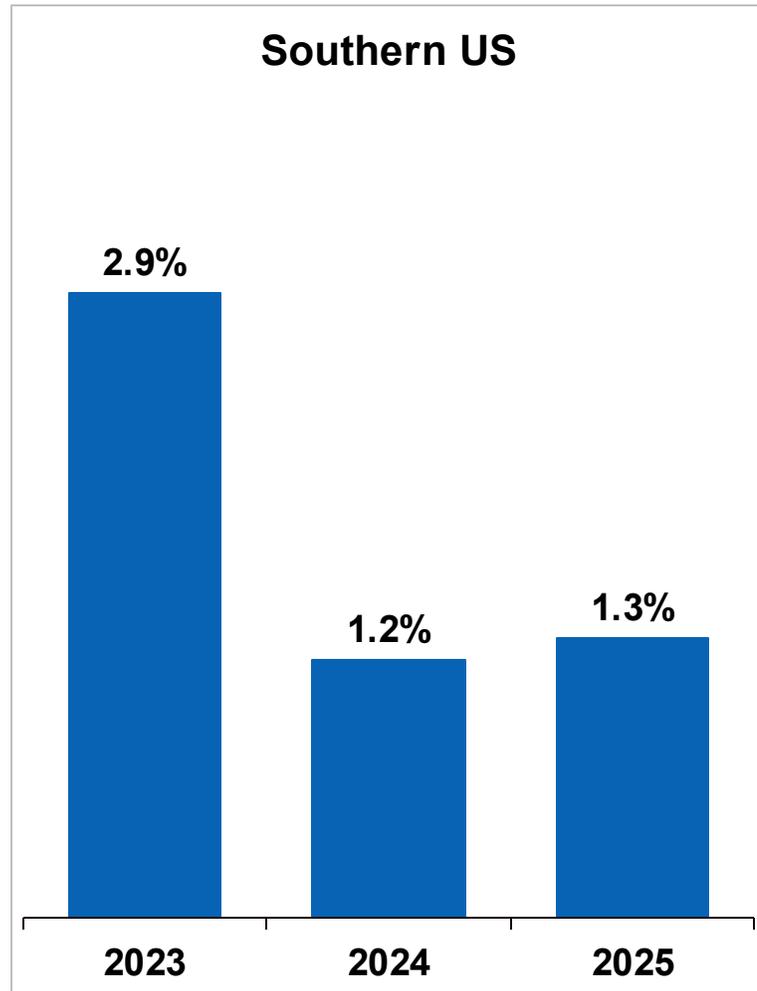
Expenses rising faster than revenues

U.S. total revenues and total expenses, less taxes, 12M moving average, percent change



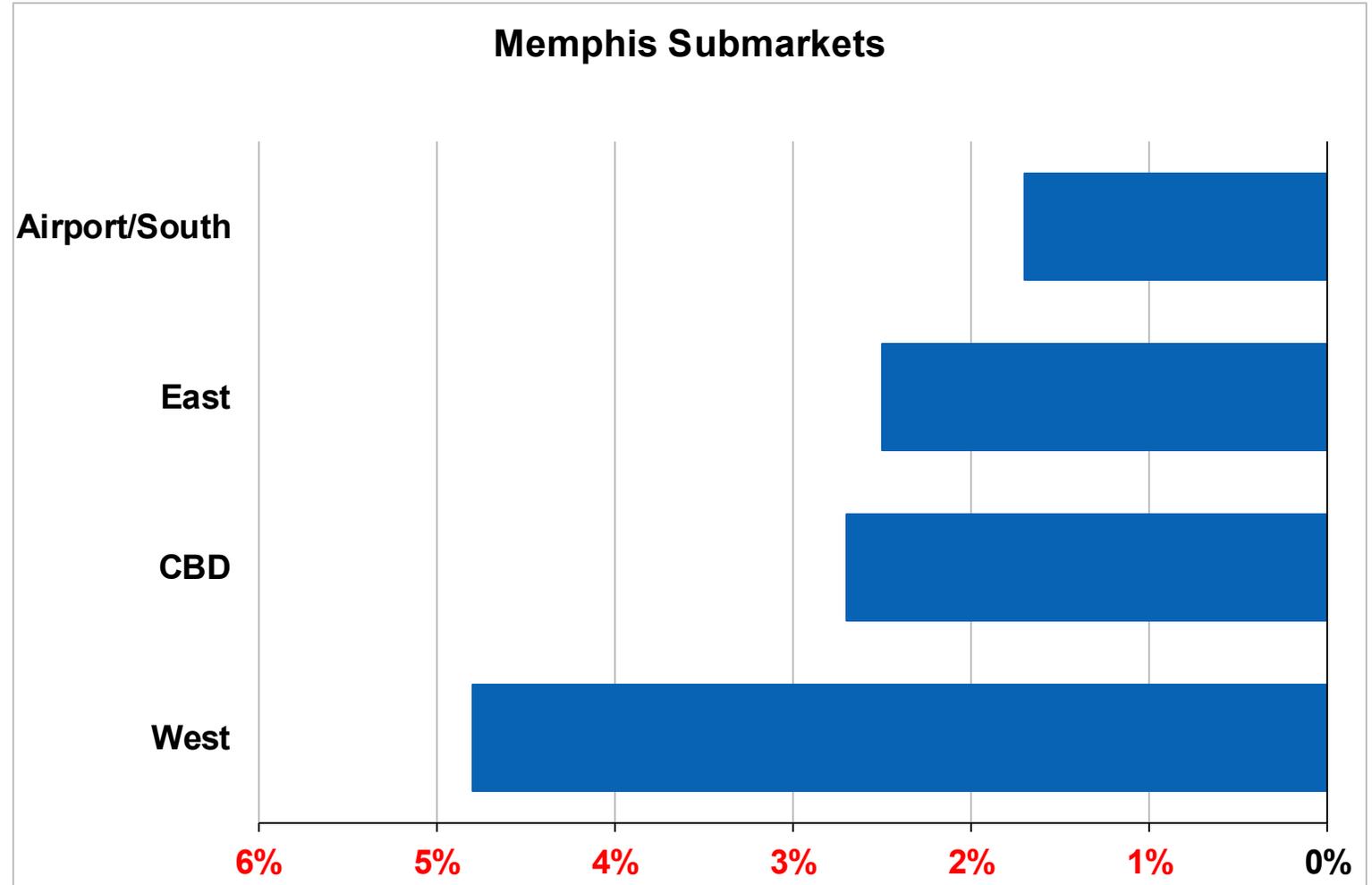
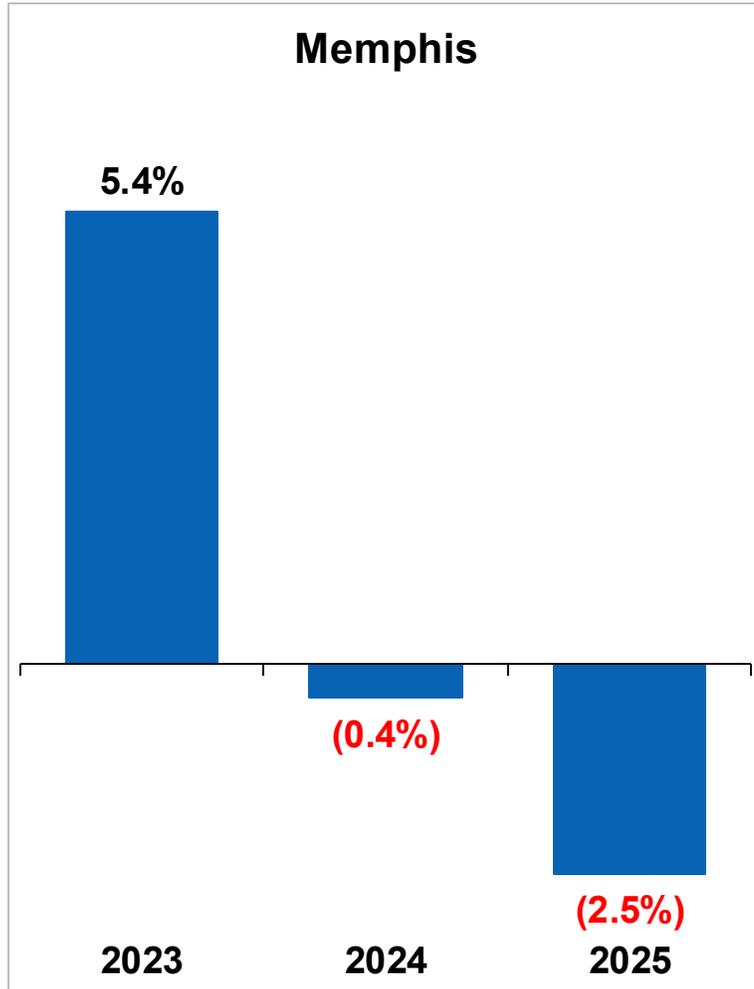
ADR slightly better in the South overall

ADR change, July 2025 YTD



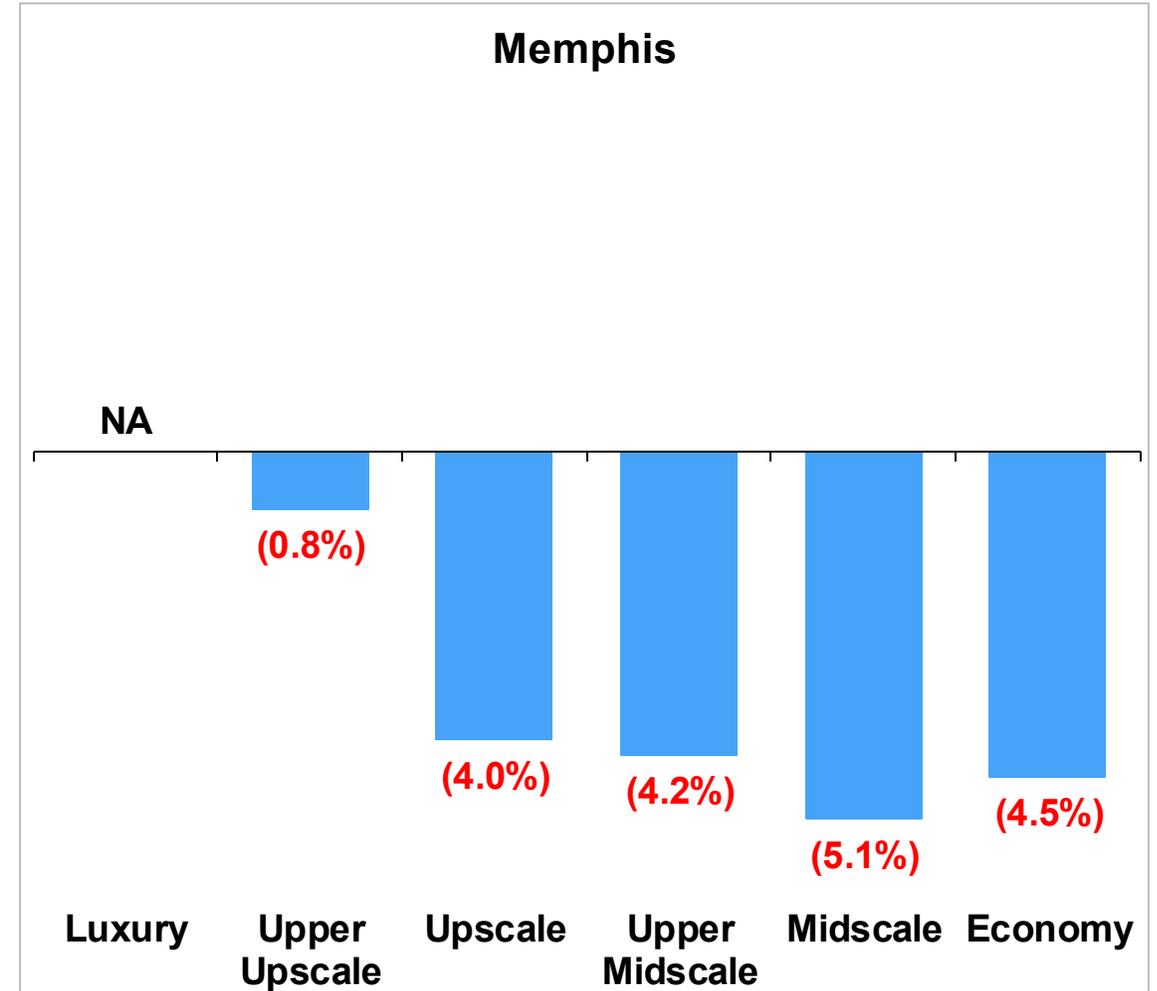
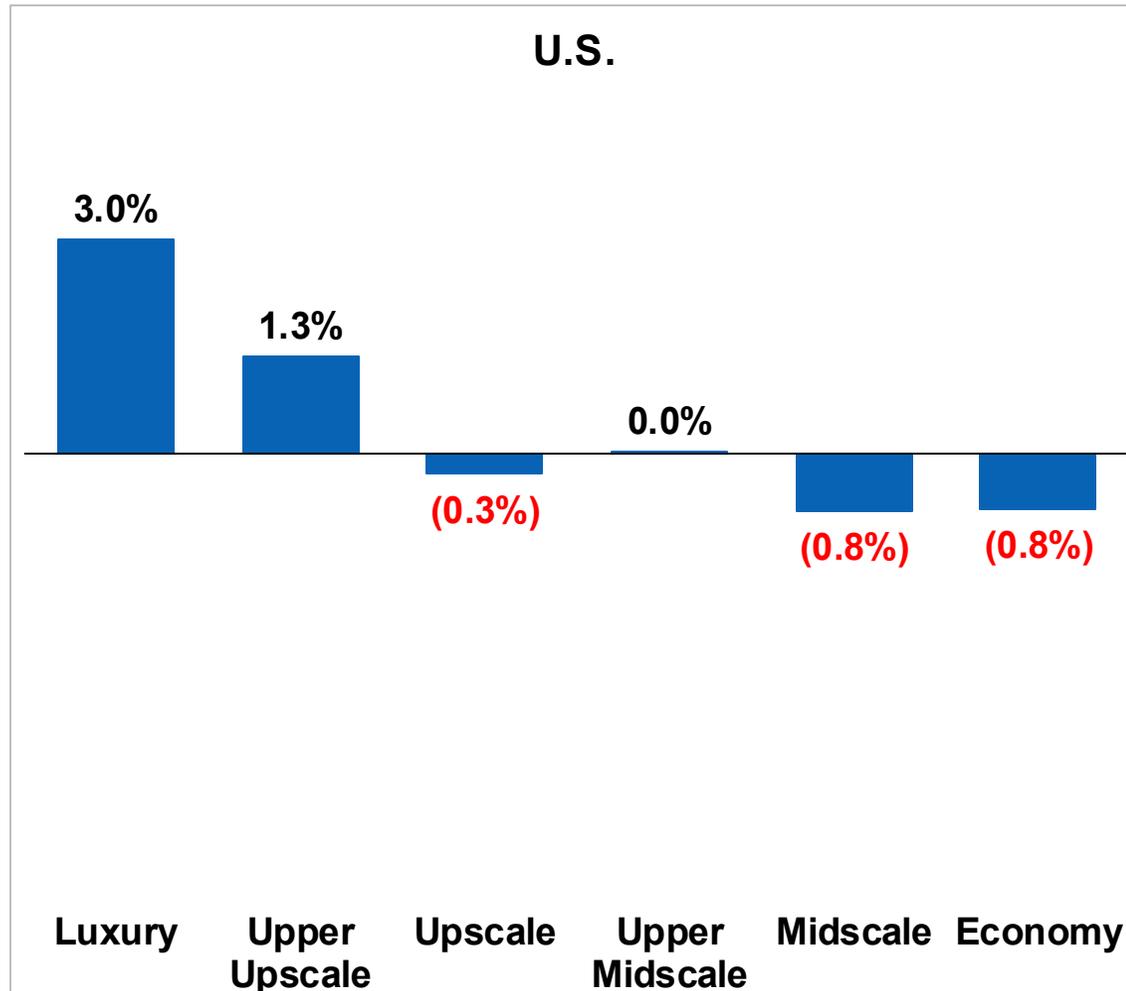
Like with demand, Memphis ADR also in retreat

ADR change, July 2025 YTD



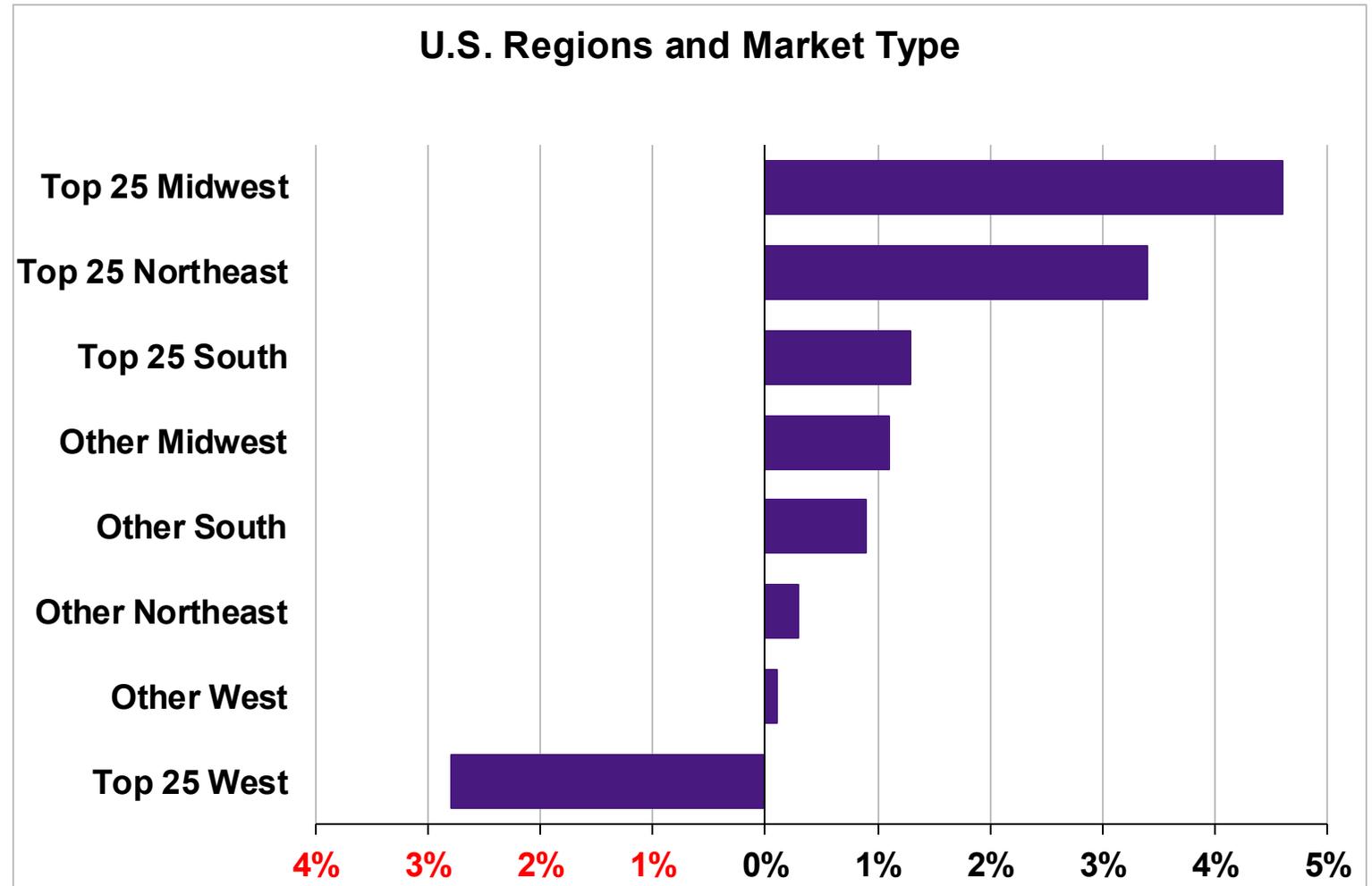
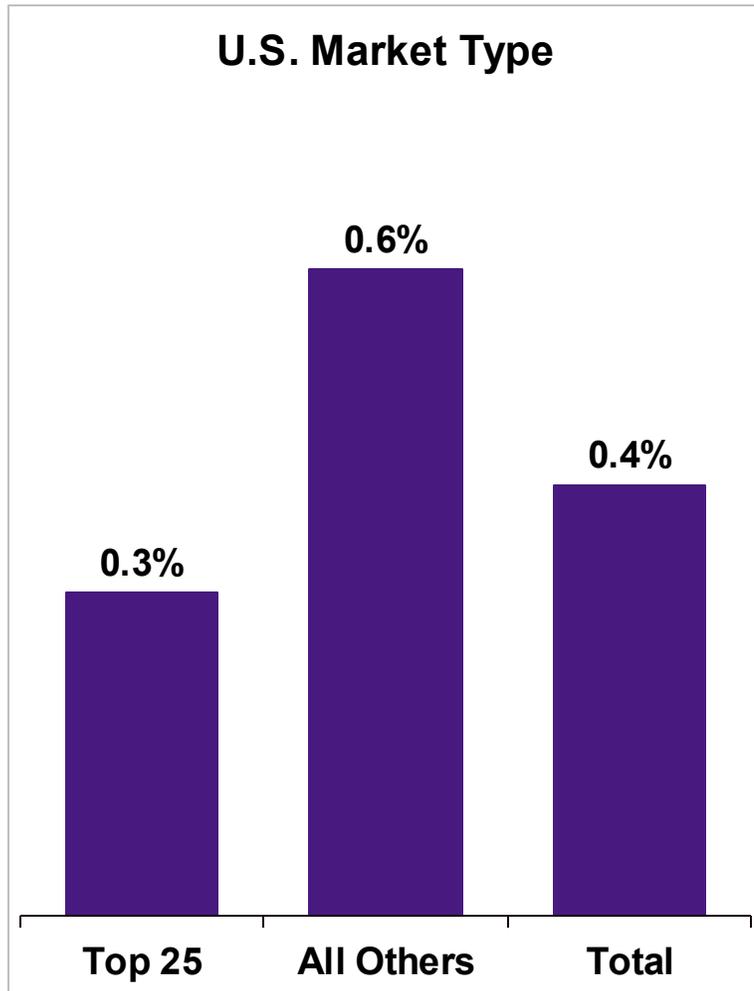
ADR slowing more in lower classes

Class ADR change, July 2025 YTD



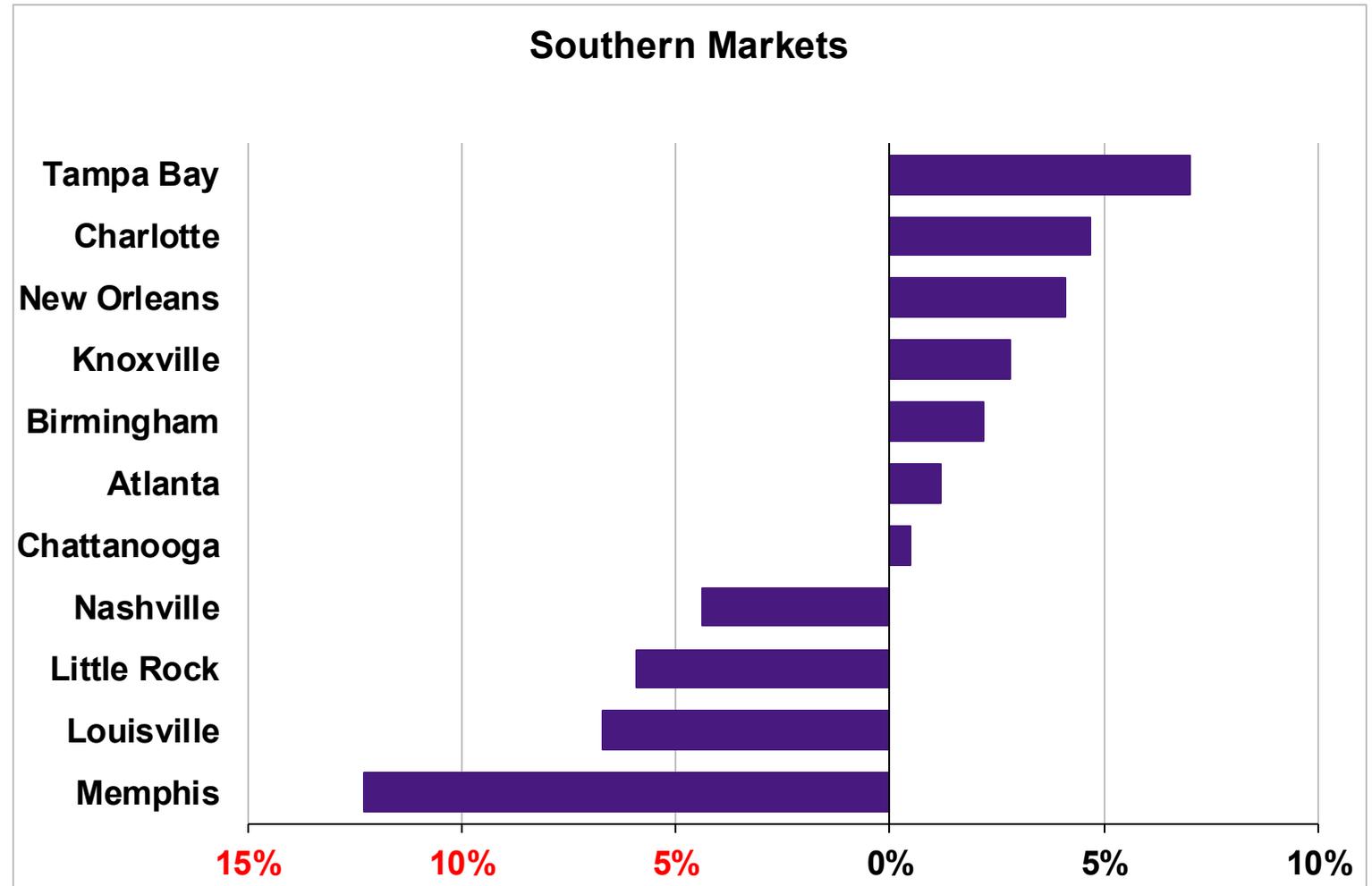
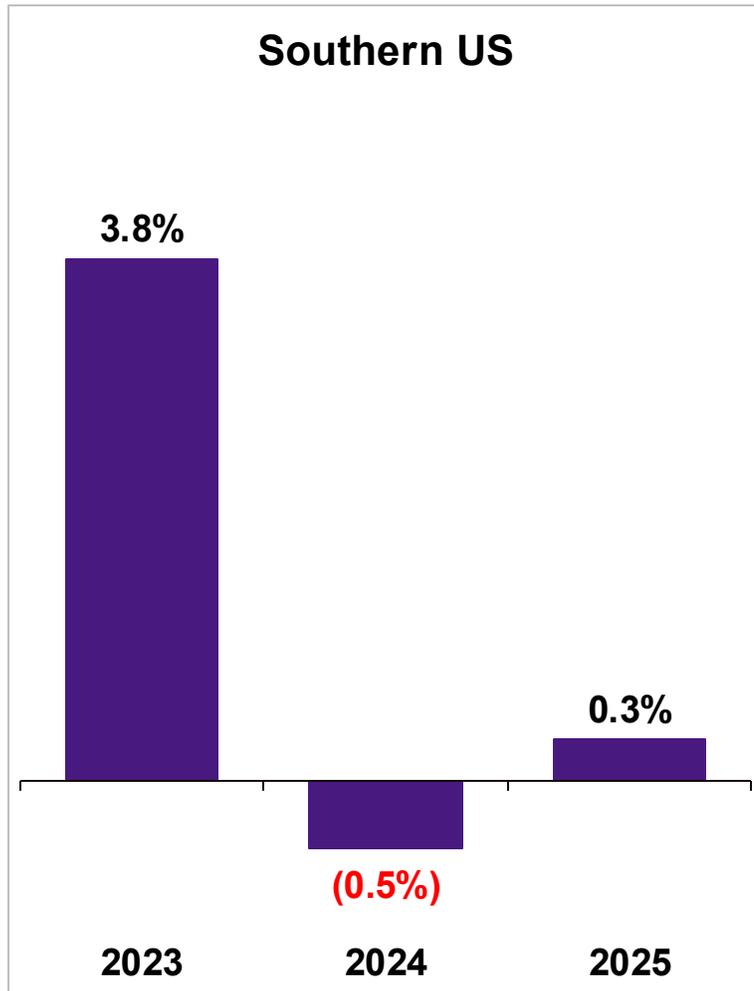
U.S. RevPAR growth flat to down over the past four months

U.S. RevPAR change by market location, July 2025 YTD



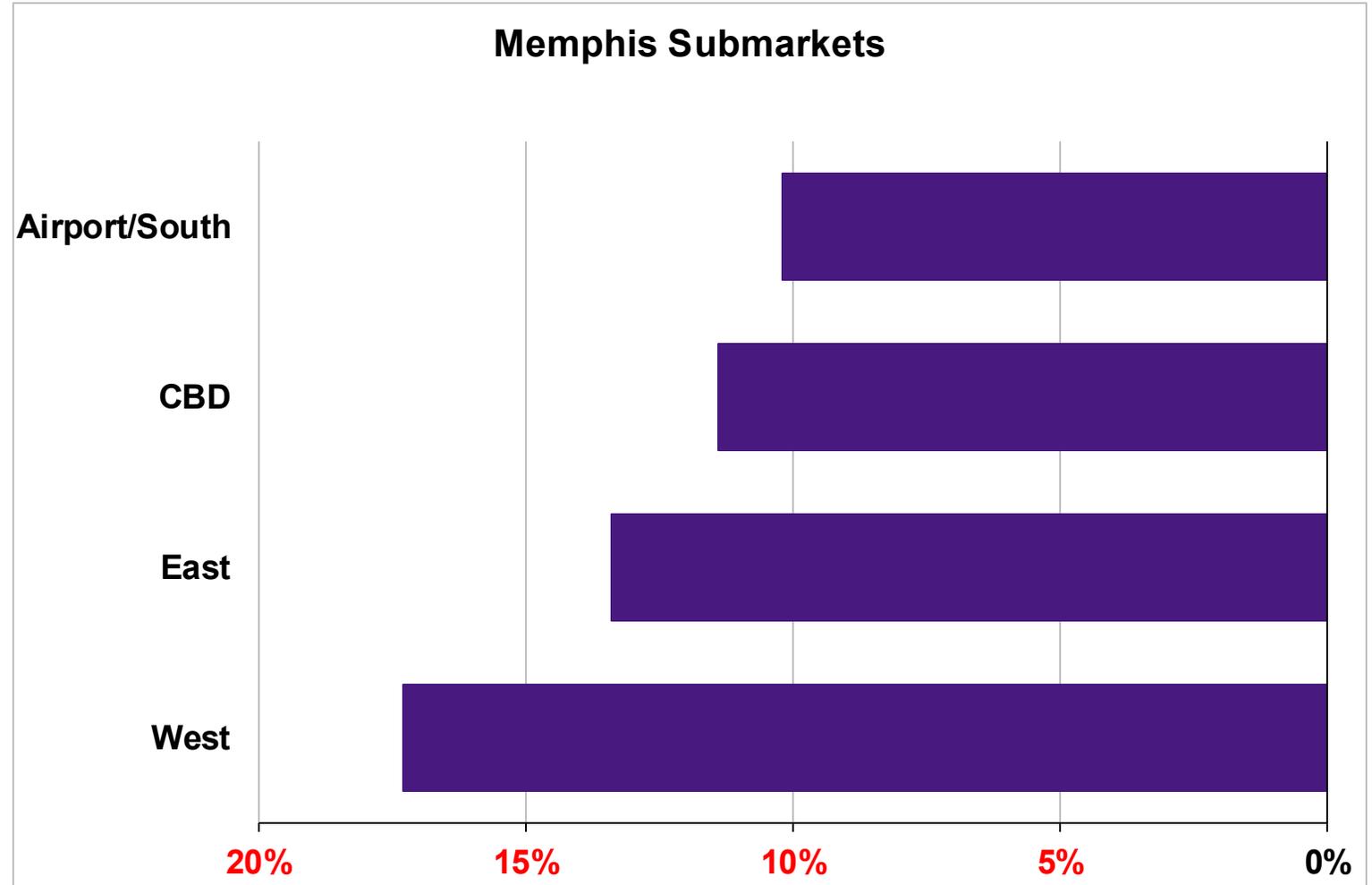
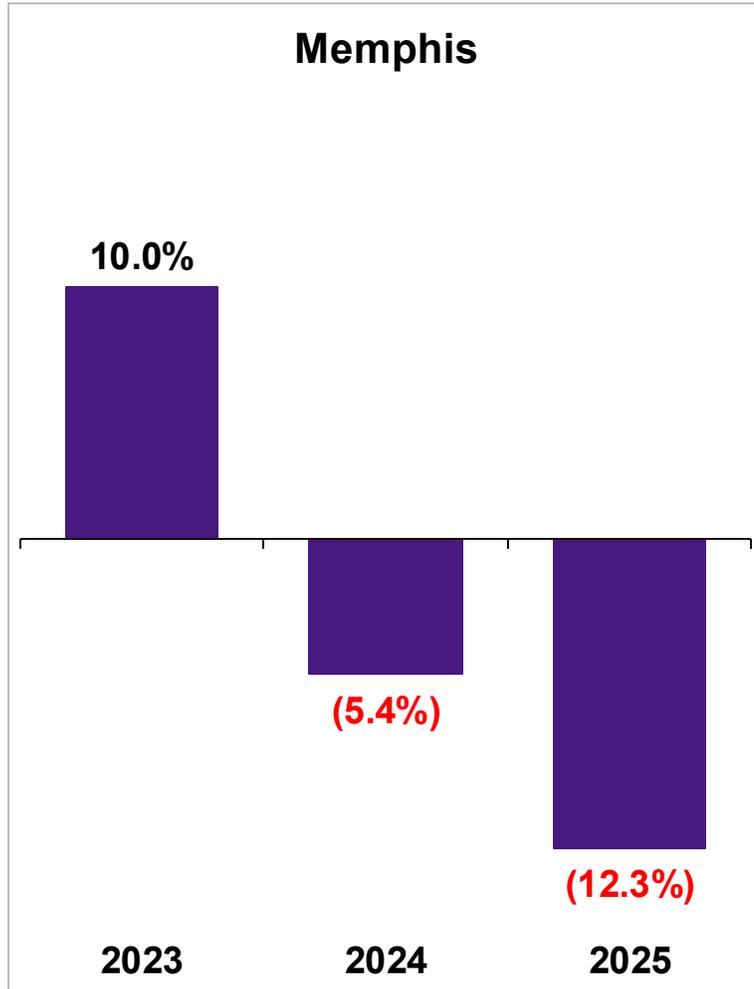
Several key Southern markets posting RevPAR declines

RevPAR change, July 2025 YTD



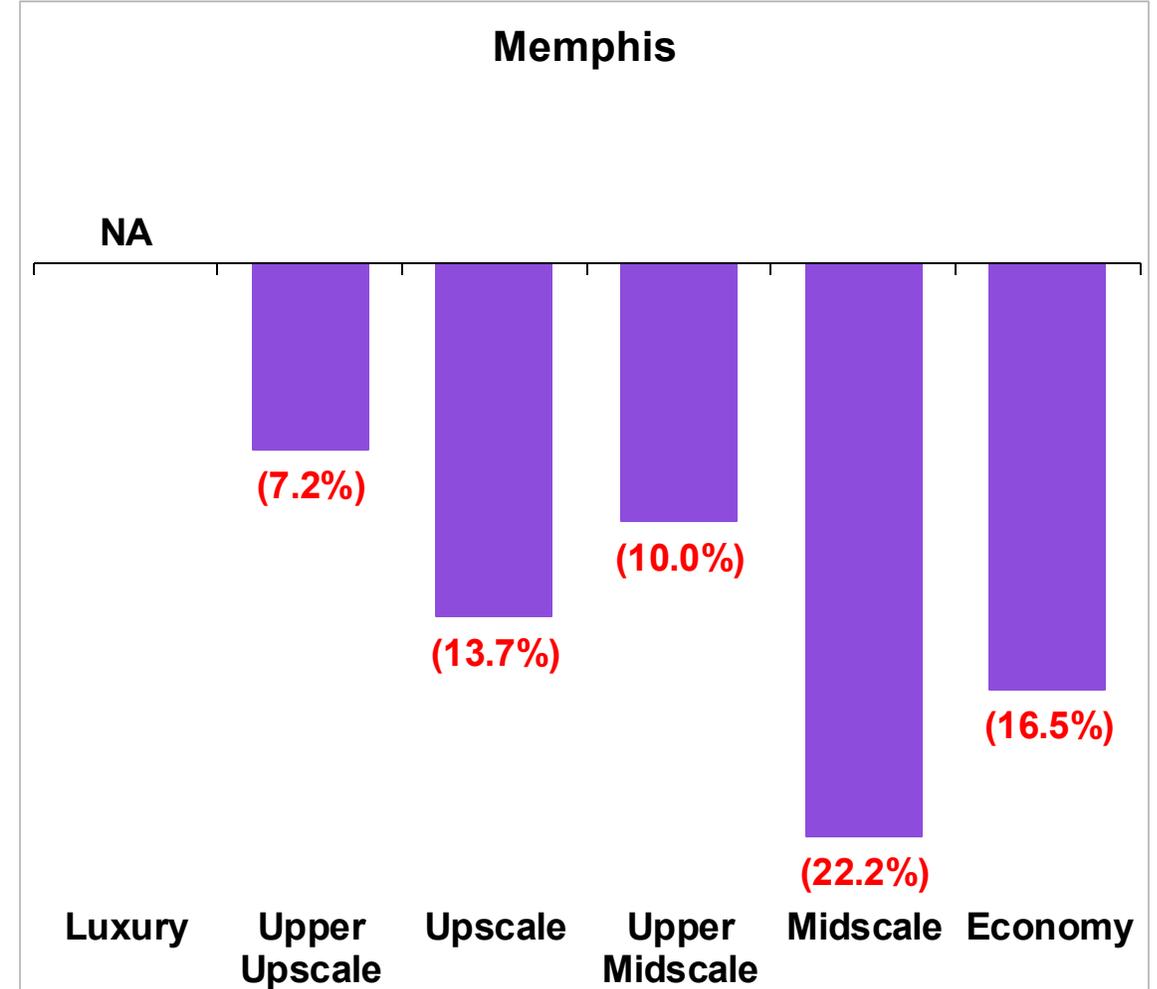
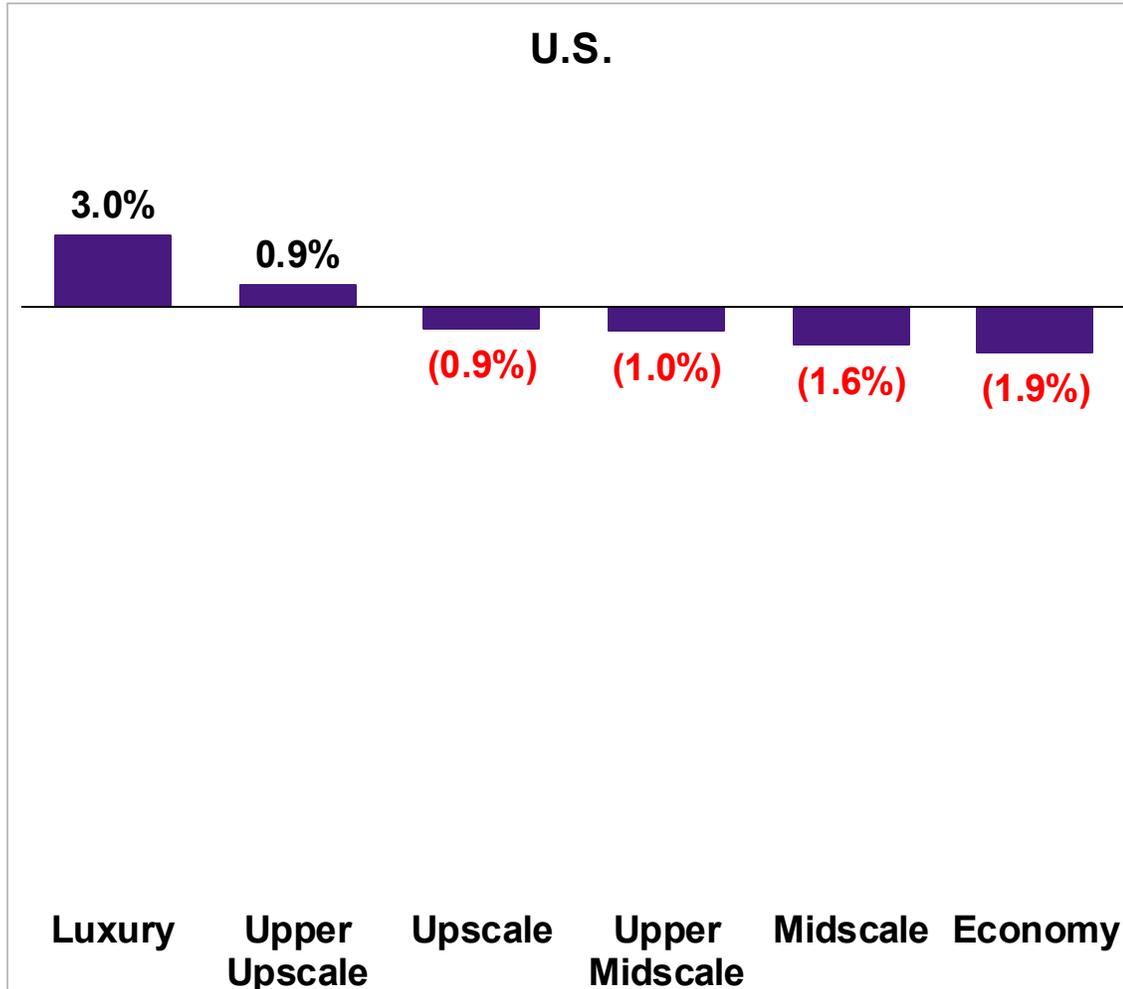
Memphis YTD RevPAR down the most of any U.S. market

RevPAR change, July 2025 YTD



U.S. RevPAR bifurcated; Memphis down across all classes

Class RevPAR change, July 2025 YTD



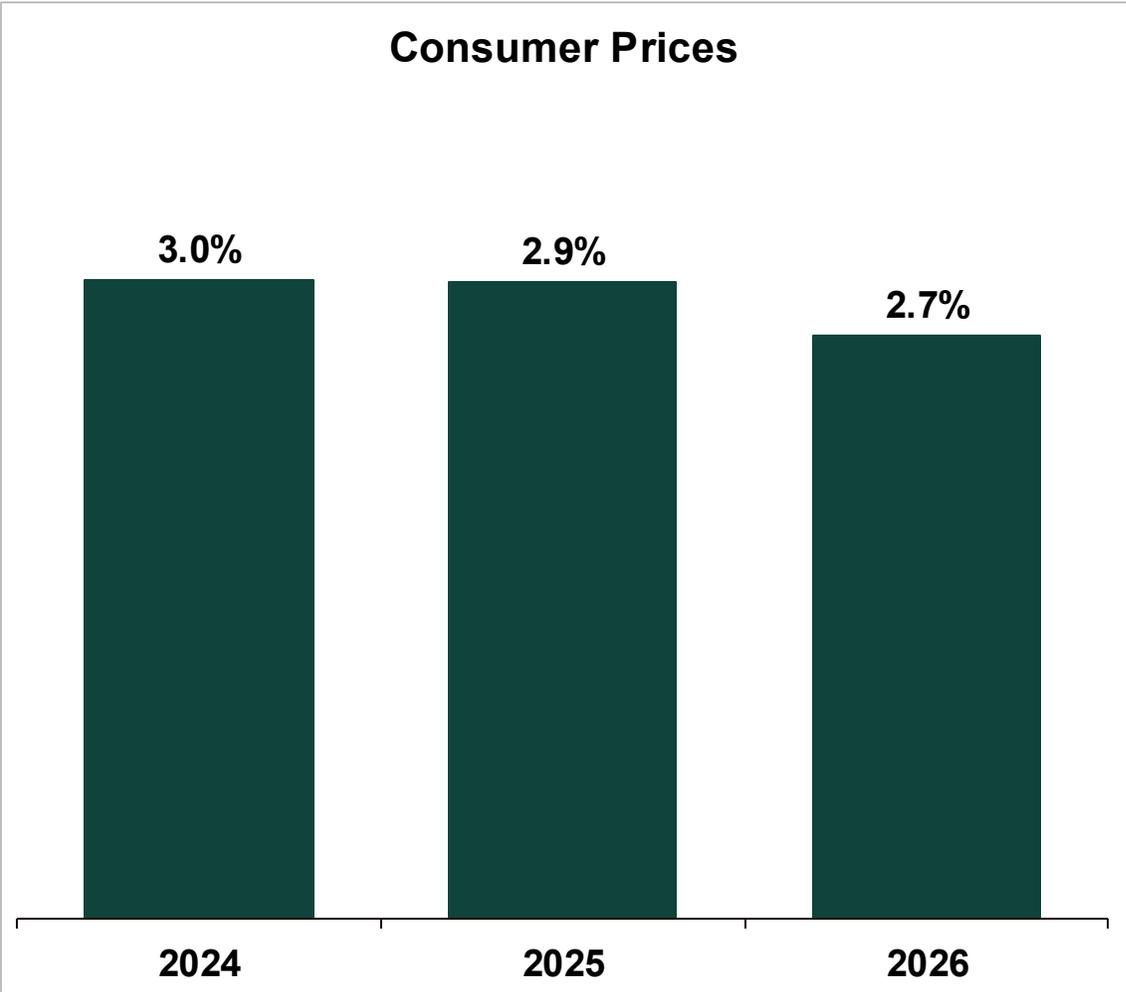
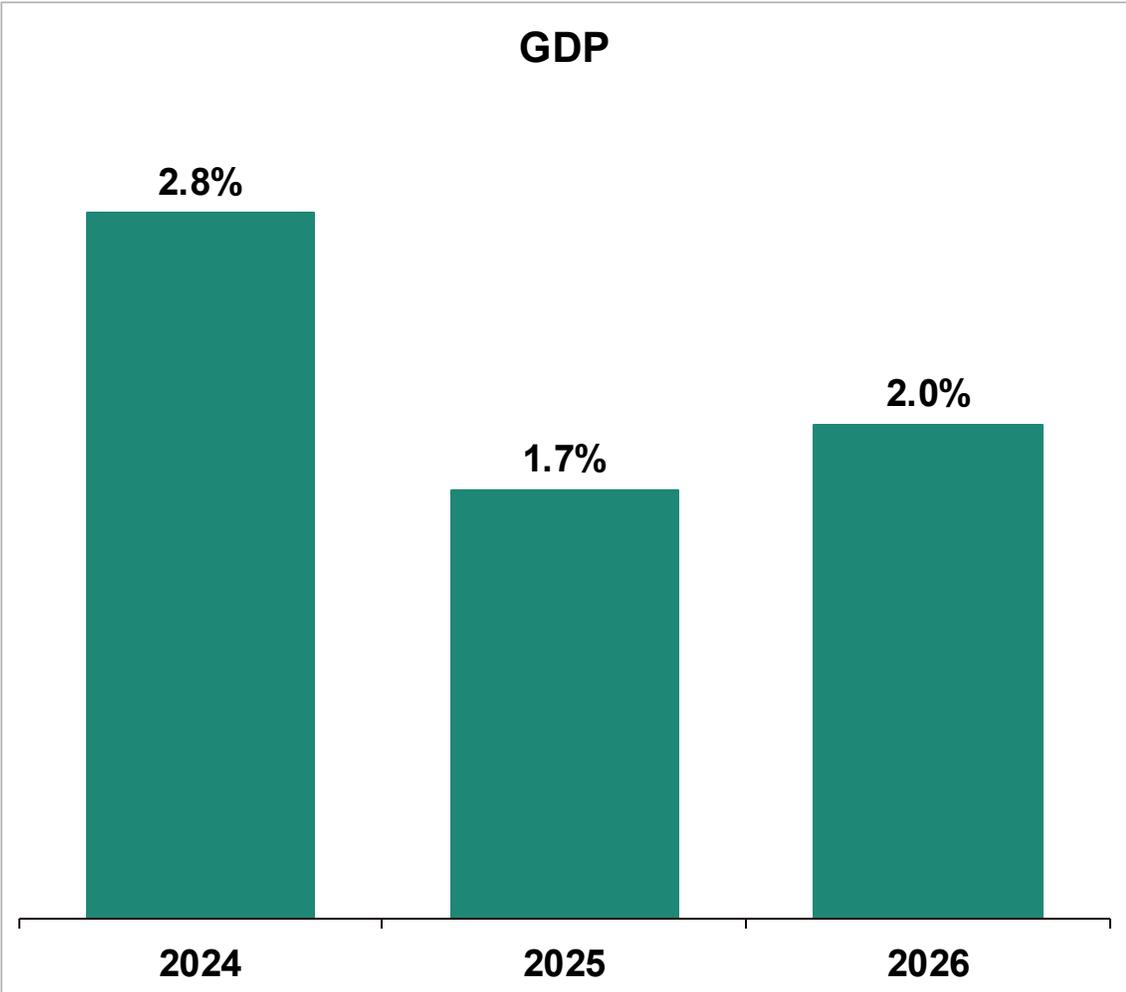


Outlook



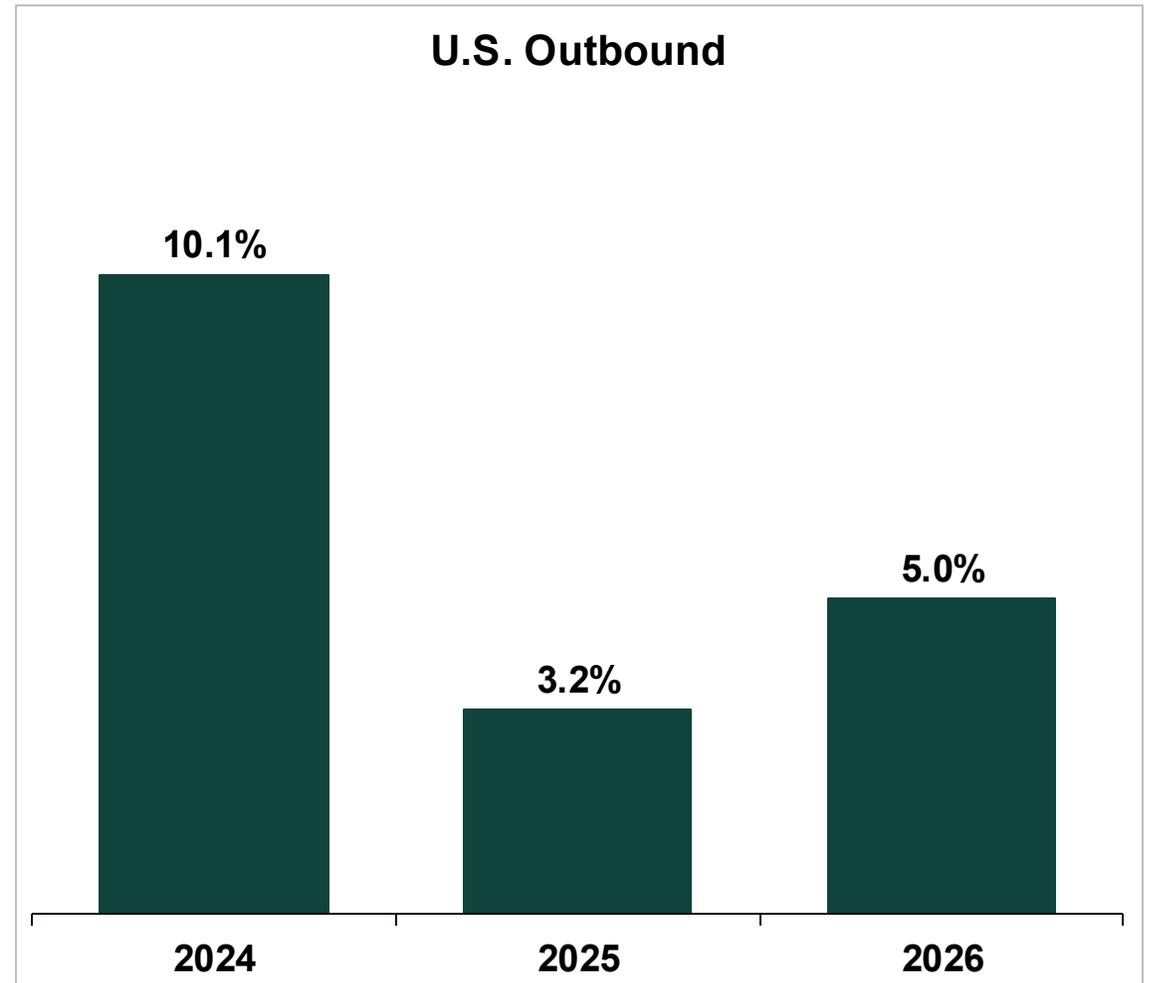
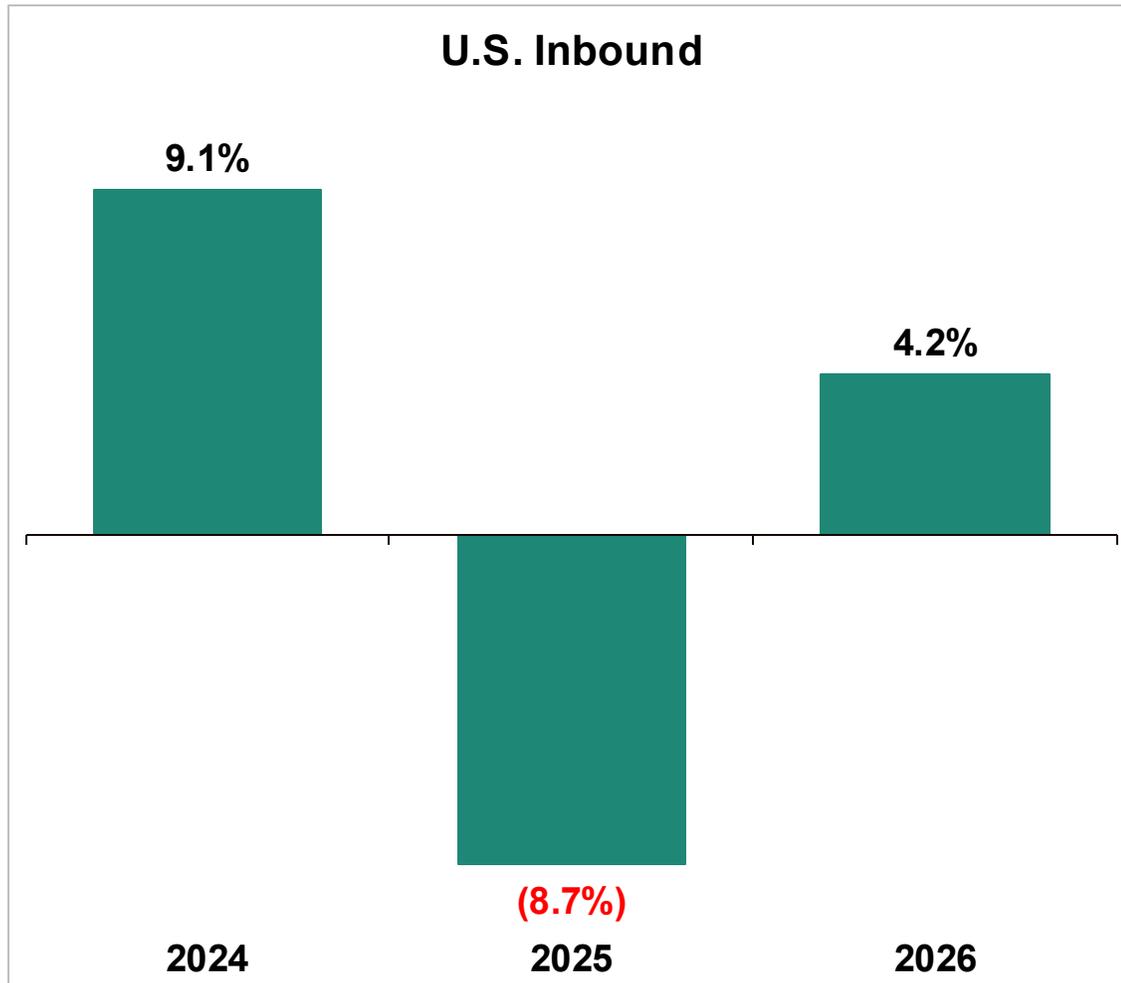
The U.S. economy to slow; inflation to persist

U.S. economic measures, year over year change



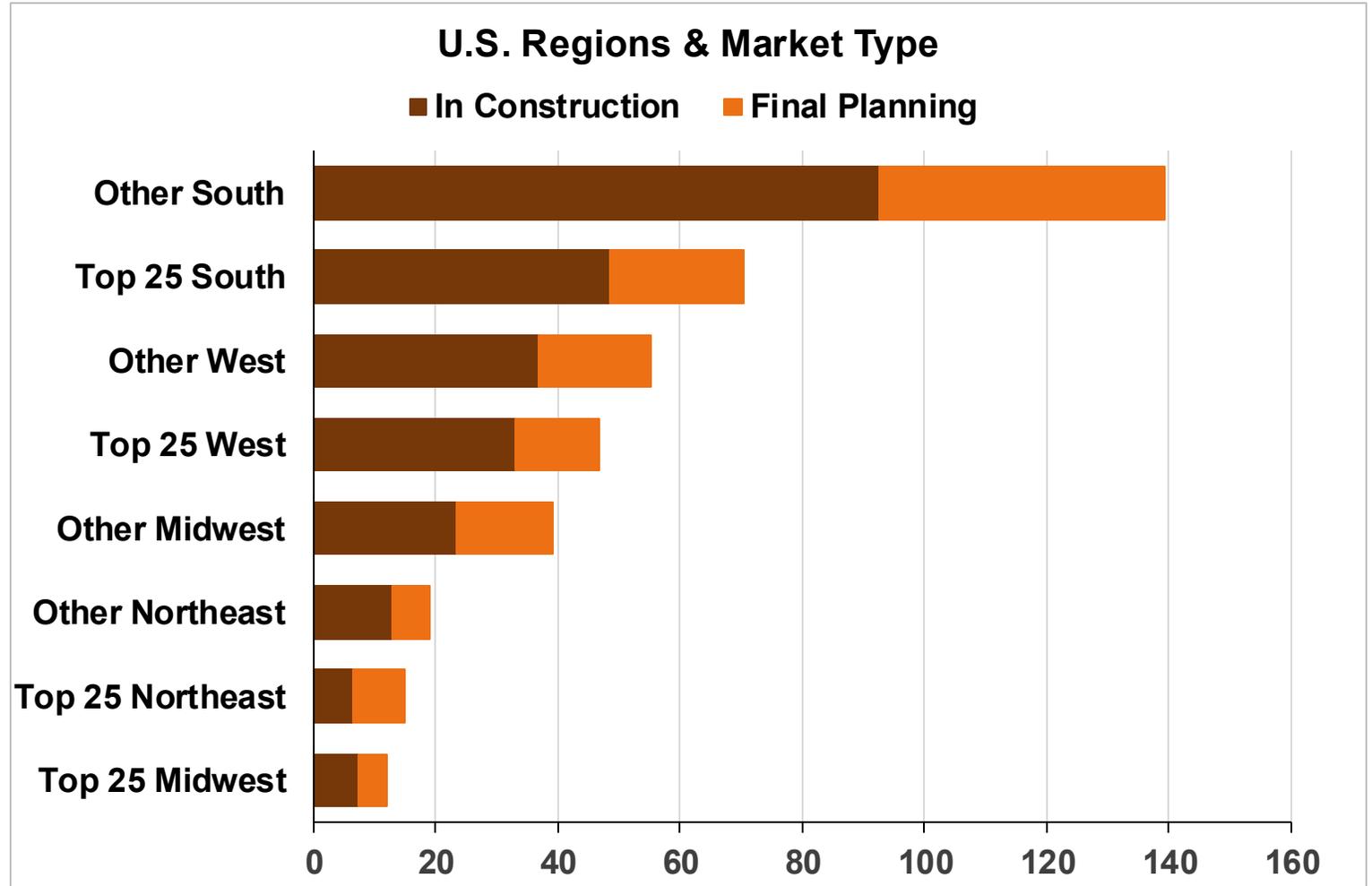
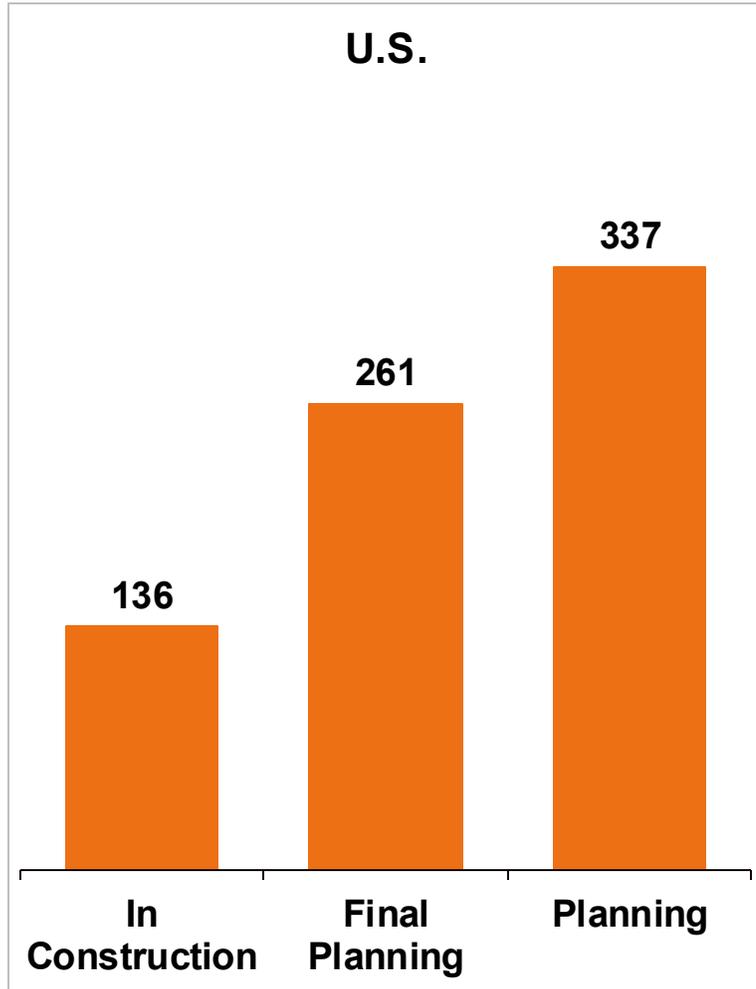
Inbound begins to recover; outbound grows further

Overnight arrivals



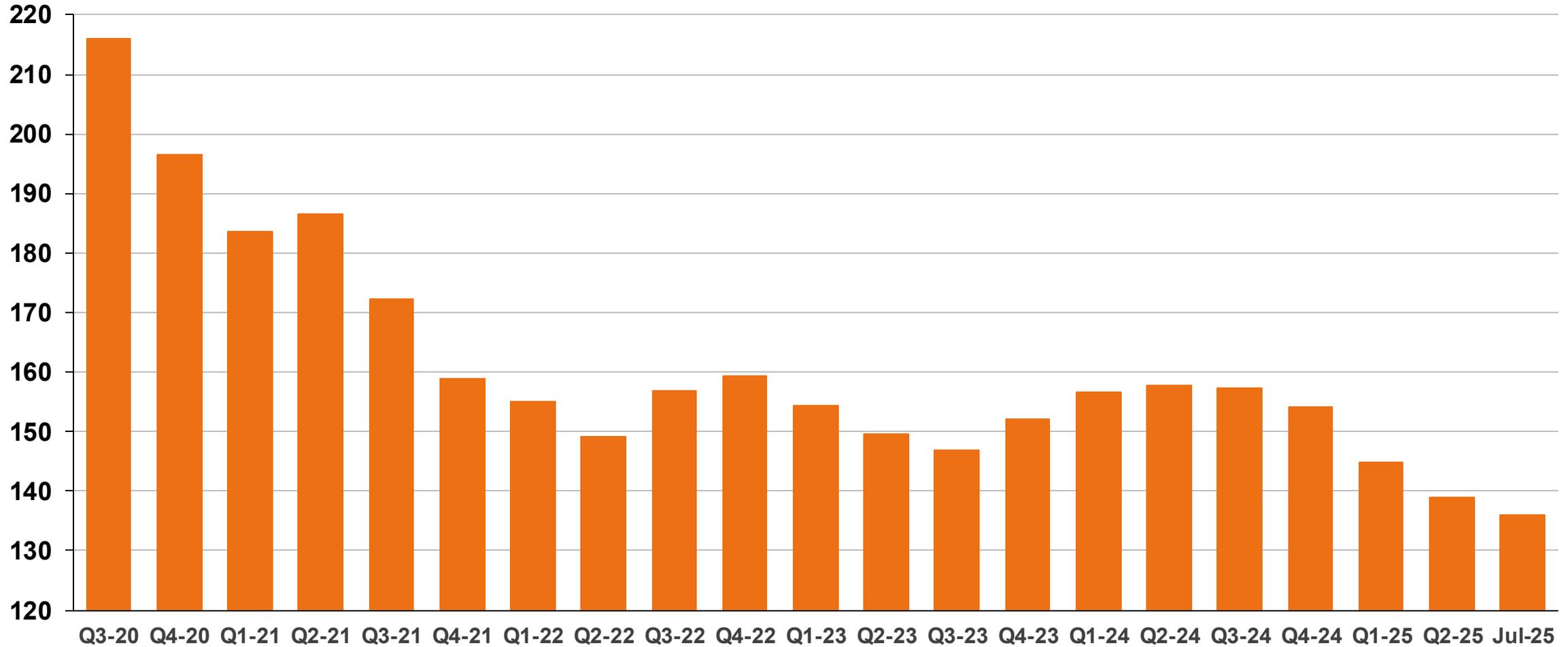
But the U.S. pipeline is mostly on hold

Pipeline (thousands), July 2025



U.S. under construction trending down

U.S. under construction rooms over time, in thousands



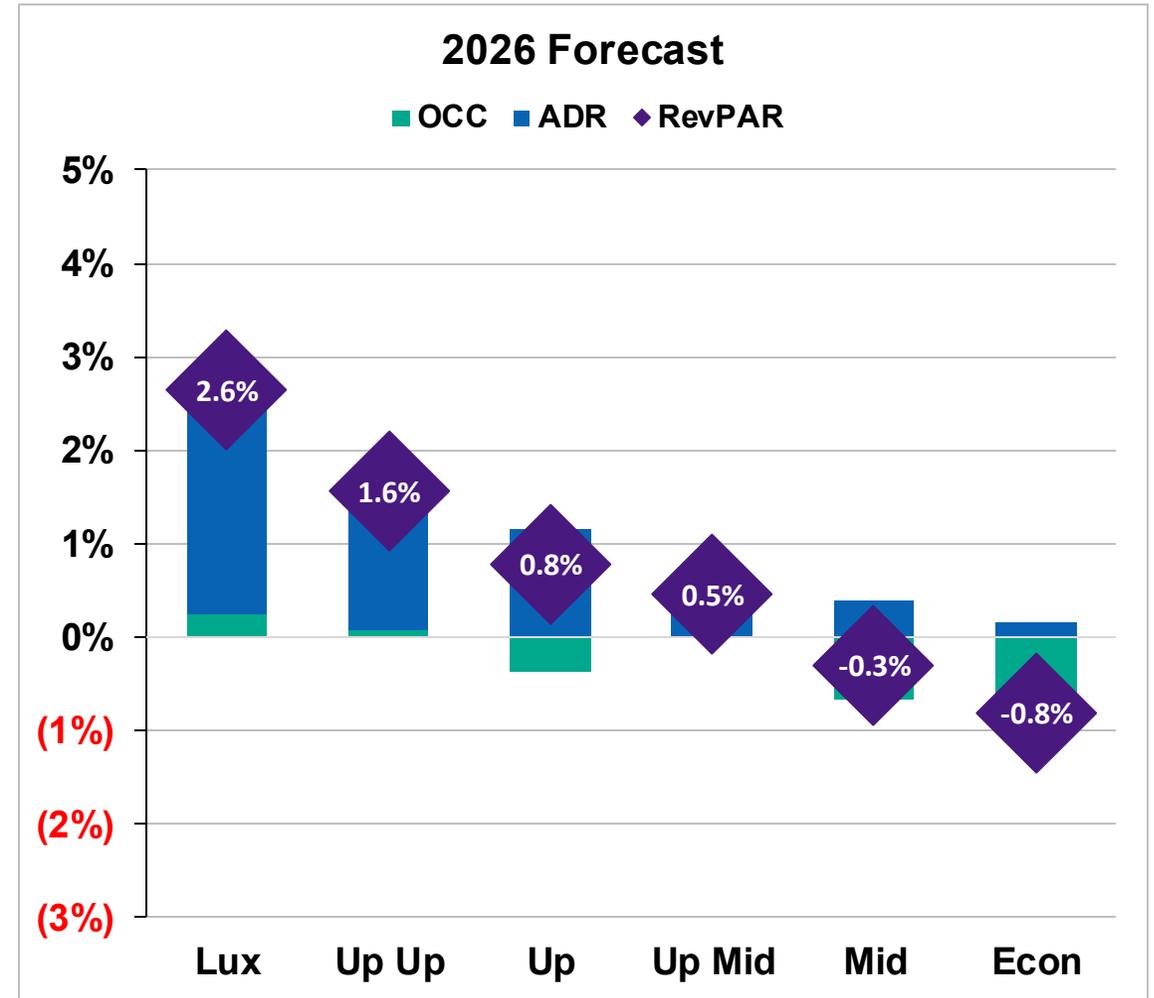
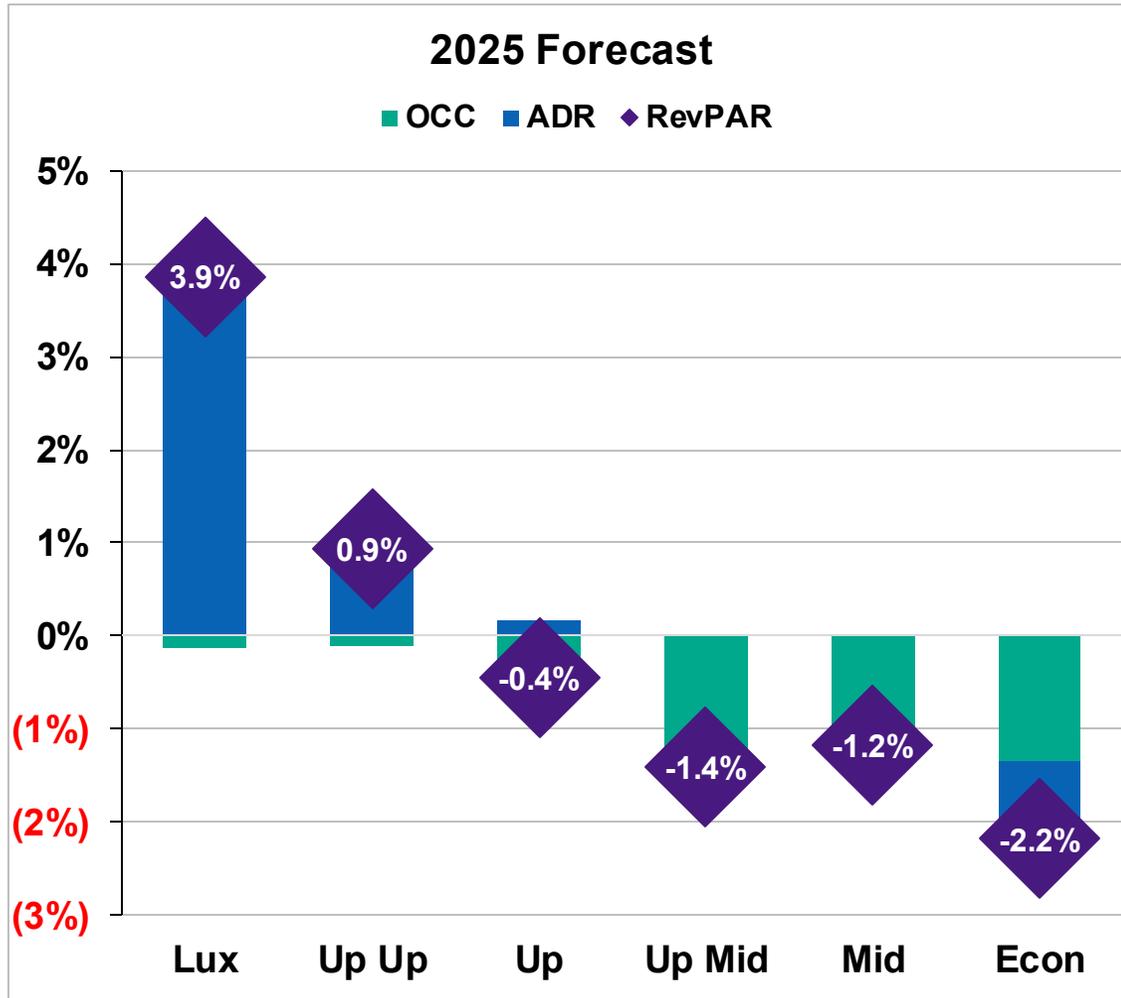
US 2025 RevPAR forecast lowered again

U.S. forecast, August 2025

	2024 (actual)	2025 (forecast)	2026 (forecast)
Supply (YoY)	+0.5%	+0.8%	+0.8%
Demand (YoY)	+0.5%	-0.1%	+0.6%
Occupancy	63.0%	62.5%	62.3%
ADR (YoY)	+1.8%	+0.8%	+1.0%
RevPAR (YoY)	+1.9%	-0.1%	+0.8%

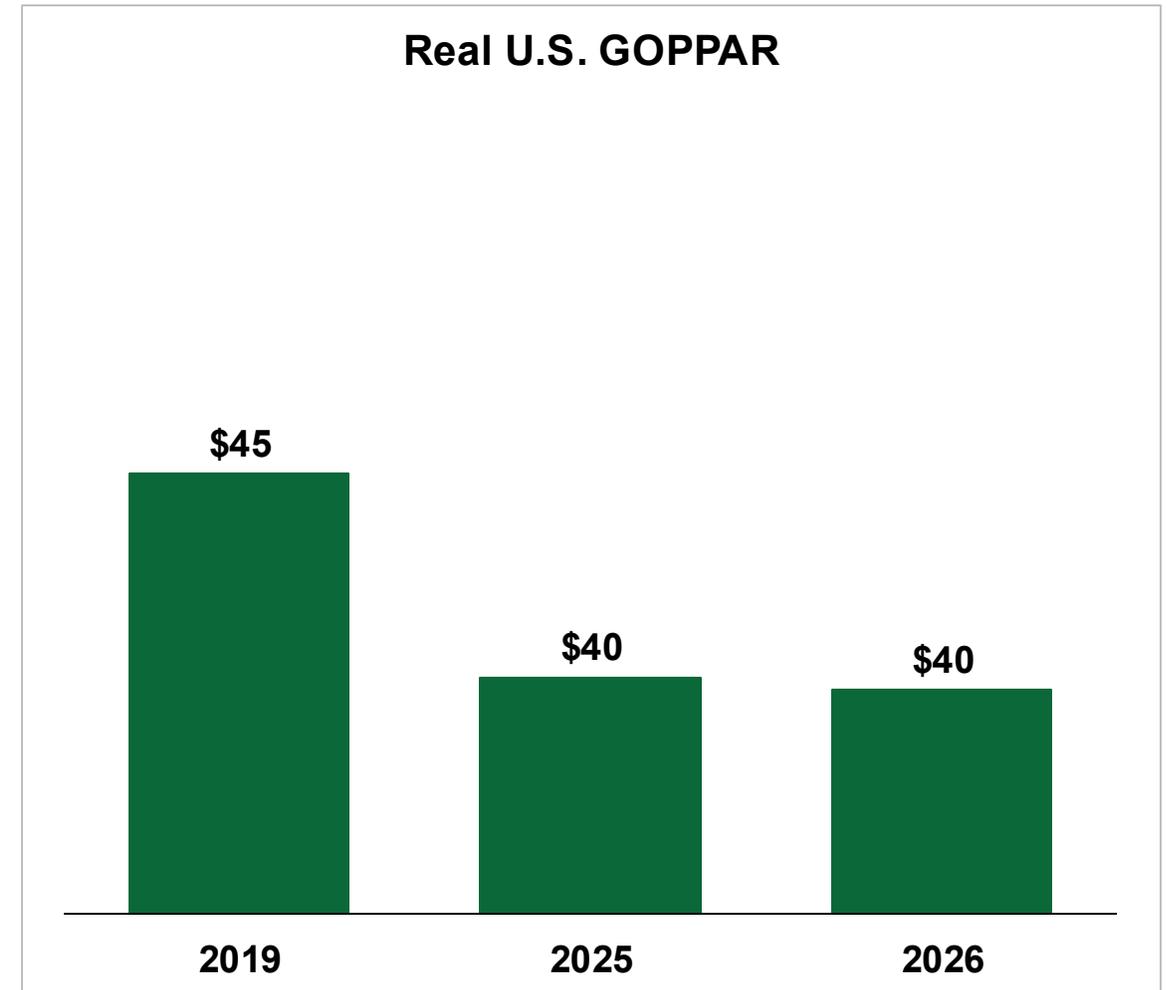
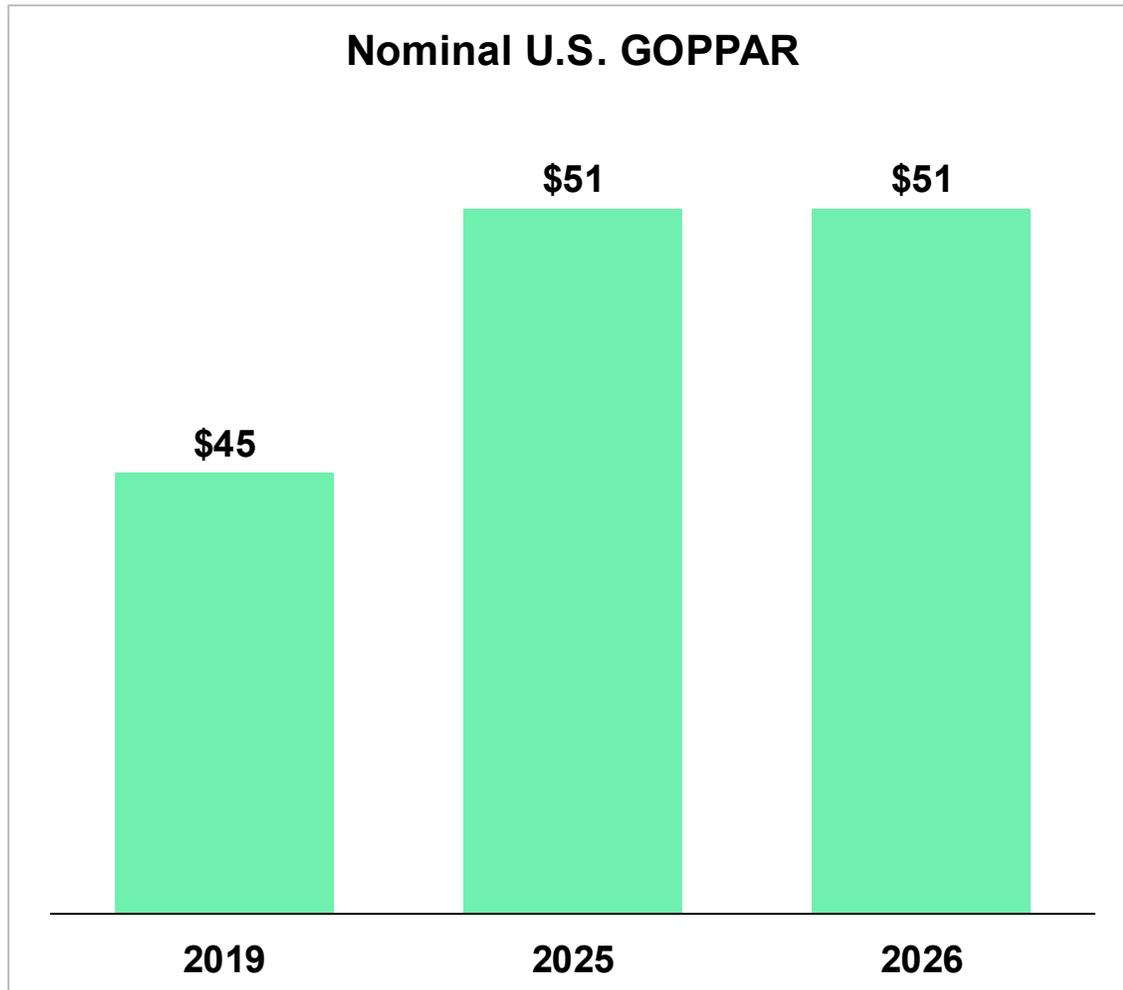
ADR to drive RevPAR, but remain below inflation for most hotels

U.S. chain scale forecasts, August 2025



Real GOPPAR to decline further

U.S. profitability forecasts, August 2025



Key Takeaways

Slow growth at best

Unabating uncertainty

Pandemic recovery over



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A HOSPITALITY DATA PODCAST





Thank you.

Isaac Collazo

icollazo@str.com

www.linkedin.com/in/isaaccollazo

