

# U.S. Lodging Industry H2 2025



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# U.S. Lodging Industry H2 2025

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# U.S. Lodging Industry H2 2025



## Economy

**HM on Location: U.S. recession may be avoided despite economic challenges**

By Isobel Lee · Jun 3, 2025 8:00am



**U.S. added 139,000 jobs in May as the labor market steadily cools**

The payroll gains beat expectations but marked a slowdown from April, and the federal workforce has shed 59,000 roles since January.

June 6, 2025



**World Bank cuts global growth forecast as trade tensions heighten uncertainty**

June 10, 2025



**Fed Holds Rates Steady and Keeps Door Open to Cuts** June 18, 2025 **THE WALL STREET JOURNAL.**

Officials are waiting to see whether businesses manage higher costs from tariffs by trimming profits or pushing up prices

**Americans sour on US economy and anxiety over tariffs remains the chief culprit** June 24, 2025 **AP**

***The Dollar Has Its Worst Start to a Year Since 1973*** June 30, 2025 **The New York Times**

It has continued to slide even as President Trump has backed down from his tariff threats and the U.S. stock market has recovered from its losses.

**Economists See Lower Recession Risk and Stronger Job Growth: WSJ Survey**

Forecasters nudge up growth, trim inflation estimates as tariffs prove lower, less costly than expected in April. July 12, 2025 **THE WALL STREET JOURNAL.**

**US Core CPI Rises Less Than Expected Again Despite Tariff Impact** Bloomberg

July 15, 2025

**The U.S. Economy Is Regaining Its Swagger** July 20, 2025 **THE WALL STREET JOURNAL.**

Consumers spending again after spring's tariff chill but some expect growth to be slow

**US stocks hit more records following US-Japan trade deal** July 23, 2025 **AP**



# U.S. Lodging Industry H2 2025



**Economy – Good News**

**Trump's AI Push: Understanding The \$500 Billion Stargate Initiative**

Jan 23, 2025,

**Forbes**

**Apple Vows to Build A.I. Servers in Houston and Spend \$500 Billion in U.S.**

Feb. 24, 2025

**The New York Times**

The company pledged the multibillion-dollar investment over the next four years and said it would create 20,000 jobs. The Texas facility is set to open in 2026.

**Lilly Plans to More than Double U.S. Manufacturing Investment Since 2020 Exceeding \$50 Billion**

February 27, 2025

**GEN** Genetic Engineering & Biotechnology News

**Bessent Says He Sees Inflation Reaching Fed's 2% Target Quickly**

March 2, 2025

**Bloomberg**

**Chip giant TSMC to invest \$100B in US manufacturing**

March 3, 2025

**FOX BUSINESS**

TSMC previously announced investments of up to \$65 billion for its US operations

**Goldman CEO Solomon Sees Very Small Chance of US Recession**

March 3, 2025

- David Solomon speaks at conference in Sydney on Tuesday **Bloomberg**
- Uncertainty over how Trump addresses trade imbalances: Solomon

**Who's investing in America? 23 big companies that just promised billions under Trump**

April 30, 2025

**FOX BUSINESS**

Top CEOs pledge billions to rebuild US industry under Trump's second-term agenda

**AstraZeneca Plans to Invest \$50 Billion in U.S. by 2030**

July 21, 2025

**THE WALL STREET JOURNAL**



# U.S. Lodging Industry H2 2025

## Uncertainty



### Beijing Weighs Fentanyl Offer to U.S. to Start Trade Talks

THE WALL STREET JOURNAL

Addressing Trump team's concerns over China's role in fentanyl crisis could let both sides soften trade stance

May 2, 2025

### China Quietly Exempts About a Quarter of US Imports from Tariffs

May 2, 2025

Bloomberg

### China open to talks with Trump admin on lowering tariffs, ministry says

May 2, 2025



Beijing warned that using the talks as a 'pretext to engage in coercion' will not work

There are two kinds of forecasters: those who don't know, and those who don't know they don't know.

John Kenneth Galbraith



Nobody Knows  
(Yet Again)



OAKTREE

MEMOS FROM HOWARD MARKS

APR 9, 2025

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LW HOSPITALITY ADVISORS

# U.S. Lodging Industry H2 2025

## Uncertainty

### transitory adjective

tran·si·to·ry

'tran(t)-sə-,tôr-ē

'tran-zə-

Synonyms of *transitory* >

1 : of brief duration : **TEMPORARY**

| the *transitory* nature of earthly joy

2 : tending to pass away : not persistent



### uncertainty noun

un·cer·tain·ty

,ən-'sər-tən-tē

Synonyms of *uncertainty* >

1 : the quality or state of being uncertain : **DOUBT**

2 : something that is uncertain



## The Uncertainty Is Not Going to End

Tariffs are just the latest symptom but the causes are deeper, and go well beyond Trump.

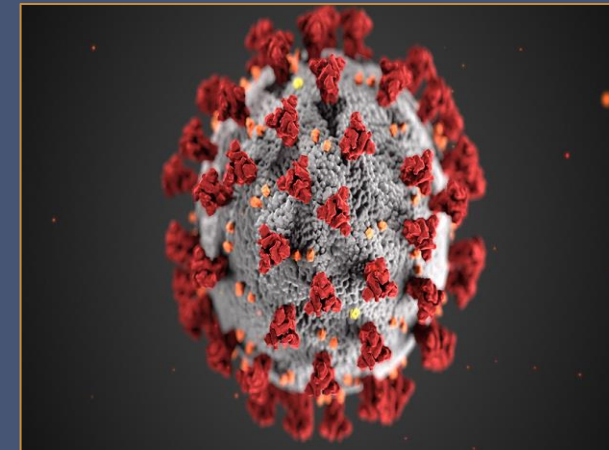
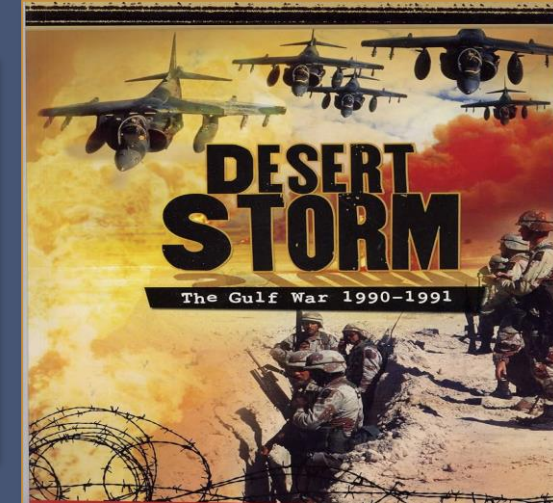
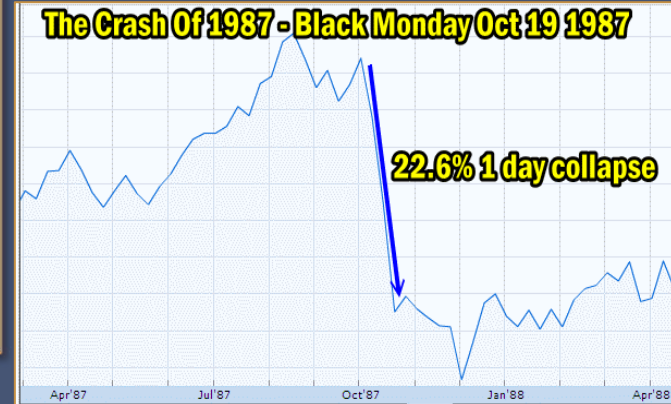
April 4, 2025

Bloomberg



# U.S. Lodging Industry H2 2025

## Been There, Done That, Doing It Again





# U.S. Lodging Industry H2 2025

## U.S. Commercial Real Estate

### Special Servicing Rates Increase Due to More Office, Retail Transfers: Trepp

MARCH 13, 2025  
COMMERCIAL OBSERVER

*The national office special servicing rate stands at 16%, a 25-year high, and is up more than 600 basis points from 12 months ago*

### Private Credit Is Challenging Banks and Changing the Terrain of CRE Finance

APRIL 9, 2025

*The shifts have led to a lucrative symbiosis between alternative lenders and the larger commercial banks*

COMMERCIAL OBSERVER

### Blackstone sees buying opportunity in economic gyrations from shifting US tariff policy

April 17, 2025



World's largest commercial property owner says it will 'lean in' to potential investments

### Is the real estate demand cycle broken? Uncertainty is the new norm for property professionals.

May 11, 2025



'This correction is very, very different': Executives say shifting public policy muddies the investment waters.

### Amid Economic Uncertainty, CRE Investors Are Urged to Think Long Term

April 03, 2025



What we can learn about the next five years by looking back at the past five years.

### US banks prepare for unpaid loans, other financial fallout from economic turmoil

April 11, 2025



Major property lenders boost reserves, point to higher risks of recession and inflation in coming months

### Family Offices Are Doubling Down on CRE in 2025

May 2, 2025



### Dealmakers, with billions to spend on real estate, grow optimistic for rest of 2025

July 9, 2025



Momentum could return to market soon with emerging opportunities, industry pros say

### CMBS Issuance Soars to Highest Levels Since 2007

July 10, 2025



Issuance was up 35% year-over-year, according to Trepp.

Daniel H. Lesser  
Co-Founder, President & CEO

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# U.S. Lodging Industry H2 2025

## Travel Industry

### AHLA: Guest spending poised to hit another record high



Feb 6, 2025 9:00am

### Business travel was making a post-Covid comeback – until the trade war diverted it

Corporate bookings haven't collapsed, but U.S. policy swings have upended what was a sunny outlook for the \$1 trillion global industry just months ago. May 10, 2025



### Europe Is Out. Road Trips Are In. Welcome to the Scaled-Back Vacation.

Consumers uneasy about the economy still want to go on trips. Just not the expensive kind. May 16, 2025

THE WALL STREET JOURNAL

### U.S. Tourism Will Lose Up To \$29 Billion As Visitors Plummet Amid Trump Policies

Jul 04, 2025

Forbes

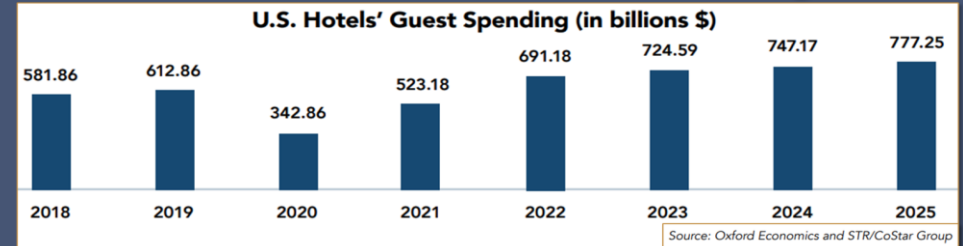
### TSA data shows strong US flight demand over July Fourth holiday

July 11, 2025

US hotel performance down year over year from July 3-5



Daniel H. Lesser  
Co-Founder, President & CEO



### Retailers and Hotels Brace for Economic Hit as Foreign Tourists Stay Away

It could take until at least 2030 for international tourism to recover.

May 15, 2025

GlobeSt.

### Americans' wallet share for travel 'just holds on' despite financial pressures, Deloitte says

June 18, 2025



Travelers cut back in trip lengths, frequency to make trips fit budgets

### Delta shares jump 11% after airline reinstates 2025 profit outlook as CEO says bookings stabilized

JUL 10 2025



### United Airlines issues new 2025 forecast as CEO says 'world is less uncertain'

JUL 16 2025





# U.S. Lodging Industry H2 2025

## Travel Industry

### U.S. Prepares for 'Mega Decade' of Events with Expanded Visa Access

Dec 12, 2024



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# U.S. Lodging Industry H2 2025

## Sector Overview

### Accor says no 'cracks in demand' for Q1 earnings

Hotel  
Investment Today  
BY NORTHSTAR

APRIL 24, 2025

Paris-based Accor posted strong revenue, RevPAR, net unit growth and pipeline numbers as part of its first-quarter earnings.

### Hilton Posts Profit Growth, Boosts 2025 Earnings View on Solid Demand

The McLean, Va., hotel operator logged earnings of \$300 million, or \$1.23 a share, up from \$265 million, or \$1.04 a share, a year earlier

THE WALL STREET JOURNAL

April 29, 2025

### Summit Hotel Properties (INN) Beats Q1 FFO Estimates

April 30, 2025



### WYNDHAM HOTELS & RESORTS REPORTS STRONG FIRST QUARTER RESULTS

Apr 30, 2025



### Hyatt Hotels tops Q1 earnings expectations, warns on recent booking weakness

May 01, 2025



### Diamondrock Hospitality earnings matched, revenue fell short of estimates

05/01/2025



### Pebblebrook Hotel Trust Q1 2025 Earnings: EPS of -\$0.40 Meets Estimates, Revenue of \$316.4M Beats Expectations

5/1/2025



### Hotel Giants—Hilton, Hyatt And More—Downgrade 2025 Guidance, Citing Economic Uncertainty

May 1, 2025



### Apple Hospitality (APLE) Reports Slight Revenue Miss for Q1 | APLE Stock News



GuruFocus News



5/1/2025

### Host Hotels & Resorts Q1 Adjusted FFO, Revenue Rise; Lifts Full-Year Adjusted FFO Outlook

05/01/2025



### Xenia Hotels & Resorts Inc earnings beat by \$0.05, revenue topped estimates

05/02/2025



### Park Hotels & Resorts (PK) Surpasses Q1 FFO and Revenue Estimates

May 5, 2025



### Marriott Q1 Earnings Surpass Estimates, Revenues Lag, RevPAR Rises Y/Y

May 06, 2025



### Choice Hotels Q1 Earnings Lag Estimates, FY25 View Trimmed, Stock Down

May 09, 2025



### Hilton lifts 2025 profit forecast on US demand recovery expectations

July 23, 2025



# U.S. Lodging Industry H2 2025

## Sector Overview

**Shrinking demand, fewer international tourists and rising expenses dampen outlook for US hotels**



Hospitality analysts raise concerns of 'bumpy' 2025 that could cause consumers to reduce travel spend

March 24, 2025

**U.S. Hotels Face Slowing Growth, with Weak Demand and Policy Uncertainty: Goldman Sachs**

April 14th, 2025



**Hotel demand holds, but potential for 'deteriorating lodging fundamentals' has grown, Host CEO says**

May 2, 2025



REIT lowers outlook of total revenue per available room due to group lead volume

**The Largest Hotel Companies Are Preparing For A U.S. Downturn**



May 13, 2025

**US economy reaches 'pivotal moment' as hoteliers await rocky second half of the year**

June 2, 2025



Hotel demand segments hold strong, lower chain scales feel effects of uncertainty

**Hotel Owners Sweat Trump Travel Risk As Debt Tsunami Looms**

April 01, 2025 | 8:58 p.m. ET | Patrick Sisson, National



**Study shows steep decline in federal hotel demand**

APRIL 22, 2025



Federal changes are affecting US hotel performance and demand, with 76% of markets showing declines and Washington, D.C., taking the biggest hit.

**IHG Hotels & Resorts CEO hints macroeconomic volatility has already eased**

May 8, 2025



**Despite challenges, deals still possible in current environment, hoteliers say**

May 22, 2025



Stressed owners will have to decide whether to reinvest or sell hotels

**HM on Location: U.S. hotel industry counts reasons to be cheerful amid noise**

Jun 4, 2025



**Private Credit Is Challenging Banks and Changing the Terrain of CRE Finance**

APRIL 9, 2025

The shifts have led to a lucrative symbiosis between alternative lenders and the larger commercial banks



**Private Equity Firms Pull Back on Investing in U.S. Hotels**

APRIL 30, 2025



They're usually the busiest investors, but tariffs and a tourism plunge have them spooked

**U.S. Visits From Europe Rebounded in April After Sharp Drop**

May 12th, 2025



**Consumer sentiment may be down, but US hotel performance isn't**

May 27, 2025



**Debt markets are wide open, so fewer owners feel the need to sell**

July 10, 2025

Second quarter transaction volume declined by over \$2 billion last year

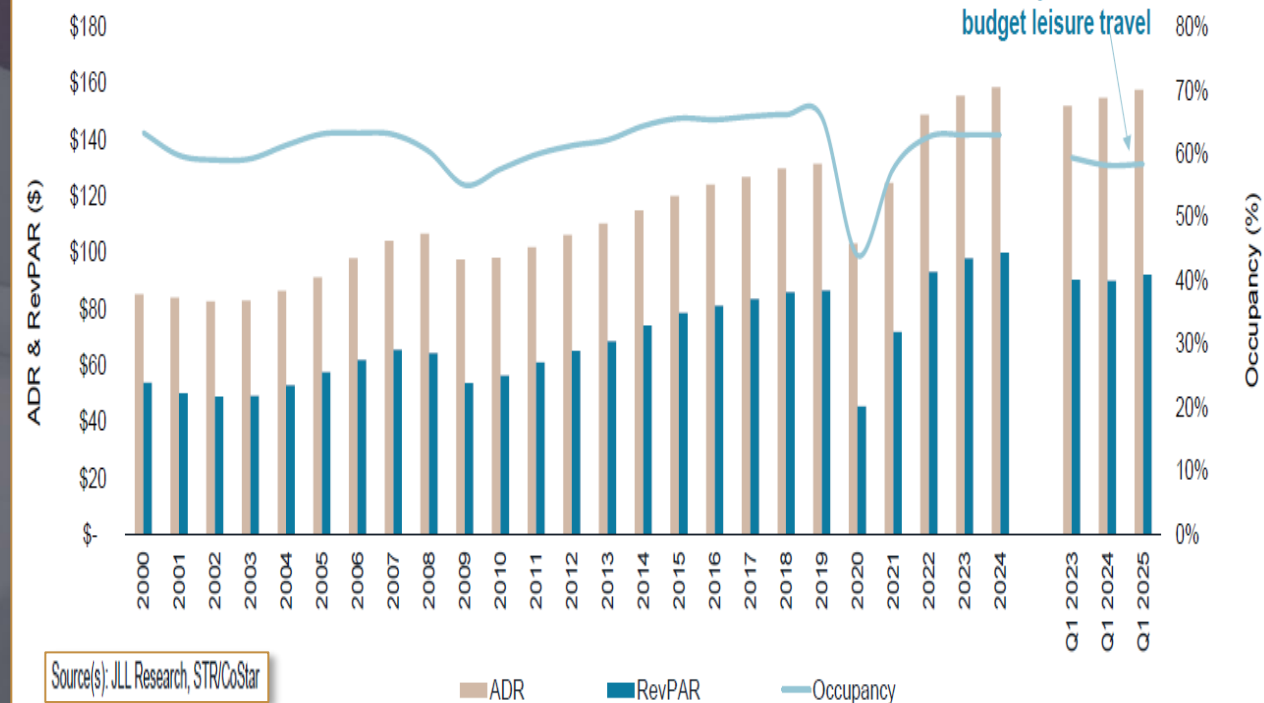


# U.S. Lodging Industry H2 2025

## Strengths

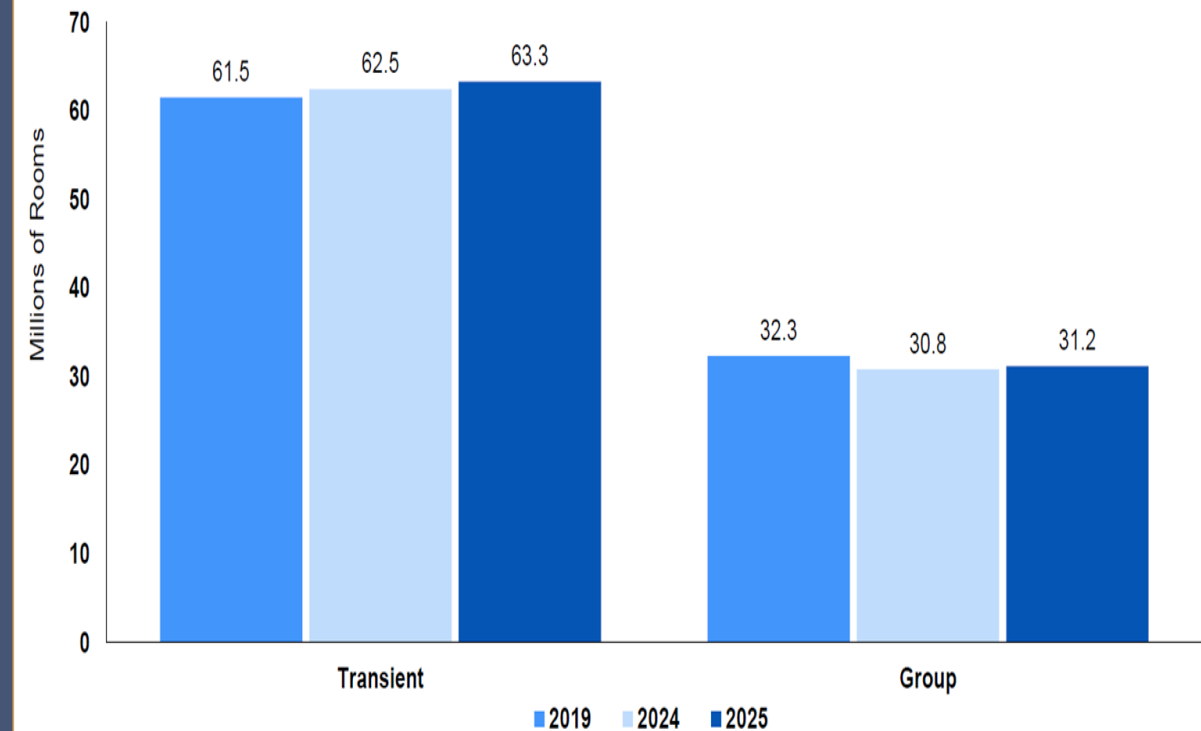
Continued stabilized hotel performance: RevPAR achieved record Q1 highs in 2025 driven by robust ADR

U.S. hotel historical performance – Q1 2025



### Transient Demand Robust. Group Demand On The Right Track

Segmentation Demand, YTD April 2019, 2024, 2025





# U.S. Lodging Industry H2 2025

## Strengths

### US hotel rooms in construction show no sign of acceleration

February 5, 2025



Total pipeline shows additional activity, but financing remains the sticking point

#### High financing costs keep final planning & planning counts elevated

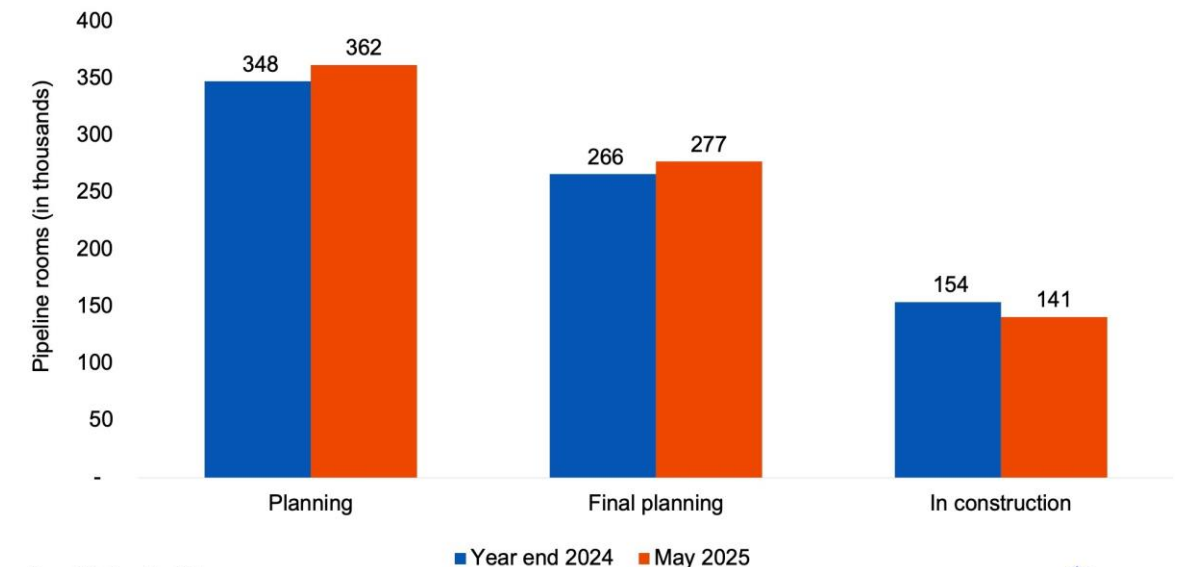
Rooms in '000s, April 2025

Phase	2025	2024	% Change
In Construction	141	156	-10%
Final Planning	277	261	6%
Planning	362	334	8%
Under Contract	780	752	4%



#### Higher interest rates impact pipeline: rooms in construction decline

US pipeline rooms, year end 2024 and May 2025



Source: CoStar Group, May 2025



# U.S. Lodging Industry H2 2025

## Strengths

### Availability of Refinancing Proceeds (H1 2025)

W&L Group signs \$14.9M refi with CTBC Bank for hotel in Grand Central

April 1, 2025



Summit Hotel Properties completes \$275 million term loan refinancing

April 1, 2025



Proceeds will go toward paying down senior notes debt

Prime Finance Provides \$67M Refi for Historic San Francisco Financial District Hotel

APRIL 2, 2025

COMMERCIAL OBSERVER

#### RECENTLY CLOSED

4/3/2025

ARRIBA  
CAPITAL

\$16,100,000 REFINANCE  
HAMPTON INN | OREGON

Chartres Lodging Lines Up \$300M CMBS Loan To Refinance Sheraton Dallas

April 08, 2025

BISNOW

Smith Hill Capital, Bain Capital Provide \$235M Refi for Gurney's Montauk Resort

*BLDG Management and Metrovest Equities secured the financing after exiting special servicing and receiving a \$281 million appraisal*

APRIL 10, 2025

COMMERCIAL OBSERVER

Ashford Hospitality Trust Announces Extension of Mortgage Loan Secured by 17 Hotels

April 14, 2025



4/15/2025

Peachtree Group

Just Closed: \$43.6MM Bridge Loan for a Boutique Hotel in Pasadena, CA

Peachtree Group Supplies \$36M Refi for Houston Hotel Conversion Project

APRIL 16, 2025

COMMERCIAL OBSERVER

Citi Closes \$100M CMBS Loan for Marriott New York JFK Airport Hotel

BY ANDREW COEN APRIL 18, 2025 12:11 PM

COMMERCIAL OBSERVER

Peachtree Group Refis Seattle Hotel With \$68M Loan

APRIL 21, 2025

COMMERCIAL OBSERVER



# U.S. Lodging Industry H2 2025

## Strengths

### Availability of Refinancing Proceeds (H1 2025)

**Driftwood Capital Closes \$1.2B Consolidation of 18-Hotel Portfolio**

April 28, 2025



**BHI Provides \$113M Refi for Yellowstone's Purchase of Former Midtown East Hotel**

APRIL 30, 2025

COMMERCIAL OBSERVER

**Peachtree Group Provides \$35M Refi for SoCal Hotels**

MAY 1, 2025

COMMERCIAL OBSERVER

**Driftwood Capital Closes \$40.15M in Mezzanine Loans for Major Hotel Refinancings**

MAY 2, 2025

MAY 2, 2025

citybiz



Driftwood Capital, through its lending fund **Driftwood Lending Partners, LP**, provided **\$40.15 million** in mezzanine loans for the refinancing of **The Westin New Orleans**, a full-service hospitality asset located in the heart of Downtown New Orleans, as well as the **Northeast Select Service Portfolio**, a five-property portfolio encompassing Hilton and Marriott branded select-service hotels across New Hampshire and Massachusetts.

**Palm Beach's Iconic Colony Hotel Secures \$25M Refi**

APRIL 30, 2025

COMMERCIAL OBSERVER

*City National Bank of Florida provided the financing for the famed 90-room asset*

**Witkoff, Access Real Estate Refi Florida Resort With \$100M From Apollo**

MAY 6, 2025

COMMERCIAL OBSERVER

**Midtown West Hotel LLC Secures \$27.5M Refinance Loan From Cathay Bank For Fairfield Inn & Suites**

05/13/2025

traded

**Innisfree Hotels & RREAF Holdings Secures \$23.6M Loan For Holiday Inn Resort In Surfside Beach SC**

05/13/2025

traded

**Arriba Capital Secures Refinance for DoubleTree by Hilton Tucson Downtown Convention Center**

May 14, 2025

LODGING

**Gencom closes \$300M refinance of Ritz-Carlton Key Biscayne**

MAY 19, 2025

Hotel  
Investment Today  
BY NORTHSTAR

**Altitude Capital Management Refinances 273-Room Courtyard Marriott New York With \$60 Million Loan**

05/22/2025

traded



# U.S. Lodging Industry H2 2025

## Strengths

### Availability of Refinancing Proceeds (H1 2025)

**Hotels on vacation favorite Mackinac Island get \$270 million refinancing**

May 23, 2025



Morgan Stanley loan will cover the historic Grand Hotel and its record-long porch

**Caesars Republic Scottsdale, a Hilton Hotel, Receives \$86 Million Financing**

May, 29 2025



**New York Life Provides \$136M Refi for Hawaii's Fairmont Orchid Hotel**

MAY 30, 2025



*The 540-room luxury hotel is undergoing a \$110 million renovation*

**Starwood Capital \$92M refi.** Miami Beach, Florida-based Starwood Capital Group refinanced two adjacent hotels in San Francisco with a \$92.2 million loan, according to a note from Michael Bellisario, an analyst from R.W. Baird. The loan refinanced the 418-key Westin San Francisco Airport and 298-key Aloft San Francisco Airport, which has a two-year initial term and three one-year extension options. The financing closed in late April. Starwood contributed an additional \$12.7 million of equity to repay an existing \$97.1 million loan and fund capex reserves; the loan is structured with a \$10.2 million future funding commitment, and Starwood is planning \$16 million in renovations by the end of 2028.

JUNE 2, 2025



**Newbond refinances Aloft Tampa Downtown**

Jun 5, 2025



**Driftwood provides \$35M in financing for Texas' largest hotel**

Jun 11, 2025



**Morris Moinian Of Fortuna Realty Group Secures \$52M Refinancing Loan For Hotel Hugo In Hudson Square**

06/09/2025



**Mack portfolio refi in NYC.** New York City-based Mack Real Estate Group has refinanced a seven-hotel, 1,087-key select-service portfolio in Manhattan with a \$235 million CMBS loan, according to a note from analyst Michael Bellisario of R.W. Baird.

JUNE 16, 2025



**Magna signs \$112M refi loan with Wells Fargo for hotel in Garment District**

June 10, 2025



**Atrium refi in Waikiki.** Phoenix-based Atrium Holding has refinanced the 1,307-key Waikiki Beach Marriott with a \$340 million CMBS loan, according to another note from Bellisario. As part of the transaction, Atrium contributed nearly \$15 million of new equity to repay \$336.5 million of existing debt (a 2019 CMBS loan) and to fund \$13.4 million for capex reserves and closing costs. The loan has a two-year term with three one-year extension options.

JUNE 16, 2025



**Peachtree Group Lends \$68M on Nashville Hotel Recap**

JUNE 17, 2025



**Blackstone refinances Grand Wailea for \$1B**

Jun 18, 2025





# U.S. Lodging Industry H2 2025

## Strengths

### Availability of Acquisition Financing Proceeds (H1 2025)

#### Acquisition Financing for La Quinta Inn & Suites

LED BY NATIONAL BANK OF COXSACKIE IN PARTNERSHIP WITH RHINEBECK BANK

National Bank of Coxsackie

Feb 5, 2025

CIM Group Closes \$15.6 Million Loan to Ad Astra Capital for Hilton Garden Inn in

February 19, 2025

Casper, WY



JUST CLOSED

**\$60.2MM ACQUISITION FINANCING**

HUNTER HOTEL ADVISORS

6 March 2025

SEVEN HOTEL PROPERTIES

**ARRIBA**  
CAPITAL

2/13/2025

\$5,900,000 ACQUISITION  
RAMADA BY WYNDHAM | MONTANA

Pines Hospitality has nabbed a \$13.1 million loan from Celtic Bank to finance its \$16 million acquisition of the *Holiday Inn Express & Suites*, a 5-story, 110-room hotel on two acres at 14651 NW 20th Street in Pembroke Pines, FL, from JDR Hotels.

Mar 13, 2025



CRONHEIM HOTEL CAPITAL SECURES \$47,000,000 FOR THE ACQUISITION OF SPRINGHILL SUITES AND MARRIOTT ATLANTA NORTHWEST GALLERIA

3/14/2025



PCA Sources \$11.3MM Acquisition Loan for Courtyard by Marriott Indianapolis Airport

April 07, 2025



Mesa West Capital Provides \$45.36 Million Loan for the Acquisition of the 208-Room Embassy Suites By Hilton Nashville at Vanderbilt

April, 28 2025



PMZ secures \$5.3M loan for Hampton Inn Marysville



PMZ Realty Capital LLC has secured a \$5.3 million loan for the Hampton Inn Marysville, located in Marysville, OH. The loan was placed through a debt fund and features interest-only payments for the full five-year term.

May 28, 2025

The loan proceeds provided capital for the new ownership to acquire the property and to implement a change-of-ownership property improvement plan (PIP), further enhancing the guest experience and maintaining the property's compliance with current brand standards.

Highline Pays \$111.3M for Atlanta Hotel

April 14, 2025



Highline Hospitality Partners purchased the 510-room Hilton Atlanta Airport for \$111.3 million. Wheelock Street Capital was the seller. The Atlanta Business Chronicle reports that Wheelock Street Capital paid \$101 million for the hotel in 2019. As part of the latest transaction, Highline secured a nearly \$67 million loan from Equitable Financial Life Insurance Co.

**Cronheim Capital Secures \$13.25 Million for Acquisition of Hampton Inn & Suites Prattville**

June 26, 2025

**LODGING**



# U.S. Lodging Industry H2 2025

## Strengths

### Availability of Construction Financing Proceeds (H1 2025)

#### Historic River Walk hotel scores \$79M construction financing

Trestle Studio plans a renovation of El Tropicano Riverwalk Hotel

JAN 6, 2025



#### Synovus Bank Provides \$39M Construction Loan to Expand Tallahassee Hotel

JANUARY 14, 2025

COMMERCIAL OBSERVER

Hotel Indigo Tallahassee – CollegeTown will grow to 237 rooms and add 5,500 SF of retail

#### Driftwood lines up \$207m construction financing for luxury hotel

24th January, 2025



The financing for the Westin Cocoa Beach Resort & Spa includes a \$137m C-PACE loan.

#### Chestnut Run Innovation & Science Park hotel secures \$23.5M construction financing

January 27, 2025



D2 Capital Advisors arranged \$23.5 million in construction financing for the development of a new Residence Inn by Marriott hotel in Wilmington, DE's Chestnut Run Innovation & Science Park (CRISP).

#### Driftwood Capital Secures \$37.9M in Construction Financing for Element by Westin Mission Valley in San Diego

February 25, 2025



#### Walker & Dunlop arranges \$253M construction loan for Pendry Nashville

March 19, 2025



#### Terra, Turnberry score \$392M construction loan for Miami Beach convention center hotel

APR 10, 2025



Tyko Capital provided financing for long-planned 800-room hotel

#### 'Shining' Hotel Borrows \$300 Million to Cater to Horror Fans

April 22, 2025



#### CAESAR'S PALACE OWNER COMMITS \$725M FOR MADERA CASINO CONSTRUCTION

May 2, 2025



#### HALL Structured Finance Originates a \$41.13 Million Loan for the Construction of Dellshire Resort in Wisconsin Dells, Wisconsin

MAY 15, 2025



#### Denver Commits \$800M for Hotel/Equestrian Center

June 3, 2025



#### McSam Hotel Group signs \$48M construction loan for 351-key hotel near JFK

June 11, 2025



JUNE 18, 2025



**\$230M loan in Nashville.** A pair of New York City-based companies, Mavik Capital and Lionheart Strategic Management, are providing \$230 million in funding to New York City-based Tidal Real Estate Partners for the development of a 312-key Marriott development in Nashville.

#### Voyage Capital Group Closes Acquisition and Construction Loan for AC Hotel by Marriott at Denver Gateway Park

Jun 19, 2025



#### HALL Structured Finance originates \$53.5M loan MTN Scout Hotel

June 24, 2025



# U.S. Lodging Industry H2 2025

## Strengths

### Mergers, Acquisitions, License Agreements – Hotel Mgt. & Brand Companies-2025

**Hyatt to buy all-inclusive owner, operator Playa Hotels & Resorts for \$2.6 billion**

February 10, 2025



Chicago-based brand company plans to sell \$2 billion in owned real estate by 2027

**HYATT®**

**PLAYA**  
HOTELS & RESORTS®

**IHG Hotels & Resorts acquires Ruby, its 20th brand, and targets global expansion**

18 FEBRUARY 2025

**IHG** HOTELS & RESORTS

**IHG®**  
HOTELS & RESORTS



**Marriott**  
INTERNATIONAL

**Marriott to acquire citizenM for \$355M**

APRIL 28, 2025

**Hotel Investment Today**  
BY NORTHSTAR

**citizen**  
hotels

**Hotel Equities, Springboard Hospitality join together in strategic merger**

May 7, 2025



Companies combine portfolios of branded select-, full-service hotels and lifestyle properties and resorts

**Brookfield acquires Generator Hostels' European assets for €776 million**

May 15, 2025



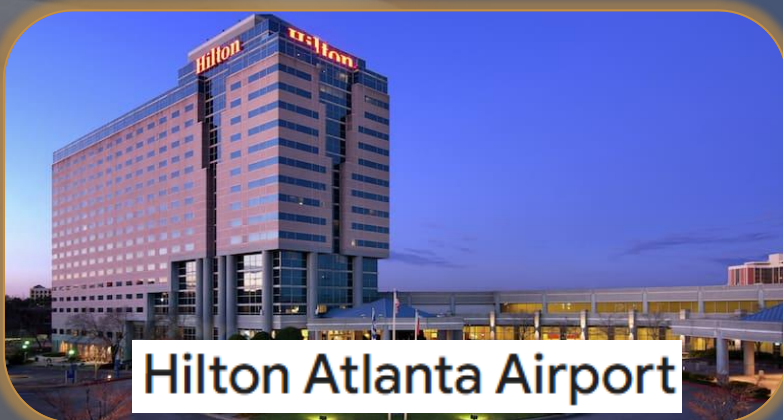
The brand has not been notably scaled in Europe despite management strategies



# U.S. Lodging Industry H2 2025

## Strengths

2025 Total Asset Sale Price >\$100m





# U.S. Lodging Industry H2 2025

## Strengths

2025 Total Sale Price **\$425m**  
Per Room Price **\$1.181m**

2025 Total Sale Price **\$865m**  
Per Room Price **\$910k**

**Alexico Fields \$1 Billion Offer for New York's Mark Hotel**  
April 14, 2025 **Bloomberg**





# U.S. Lodging Industry H2 2025

## Strengths



**Certares**



**JRK**

PROPERTY  
HOLDINGS



**ARES**



**Gencom**



**HENDERSON  
PARK**



**TCOR**  
HOTEL PARTNERS, LLC



**DCC**



**ROCKBRIDGE**

**THREE  
WALL  
CAPITAL**



**Blackstone**



**Brookfield  
Properties**



# U.S. Lodging Industry H2 2025

## Strengths

**AHLA Applauds House Passage of Important Tax Relief for Hotels**

February, 1 2024



**AHLA statement on resolution to overturn independent contractor rule**

March 7, 2024



**Franchising model restored as AHLA and business groups prevail in joint-employer lawsuit**

March 9, 2024



**AHLA launches hospitality law database for hoteliers**

Jul 25, 2024



**AHLA Foundation sets third annual No Room for Trafficking Summit**

Jul 1, 2024



**Hoteliers win as GSA raises FY 2025 per diem rates**

Aug. 16, 2024



**More than 200 hoteliers to lobby Congress for hotel and consumer friendly policies**



Sept. 24, 2024

AHLA's Hotels on the Hill fly-in will draw attendees from 36 states

**AHLA condemns New York City Council passage of the Safe Hotels Act**

Oct. 23, 2024



**AHLA leader outlines US hotel industry's legislative priorities**

June 11, 2025

Taxes, labor lead industry advocacy group's 2025 concerns



Daniel H. Lesser  
Co-Founder, President & CEO





# U.S. Lodging Industry H2 2025

## Weaknesses

Last year's results show limited pricing power across hotel classes

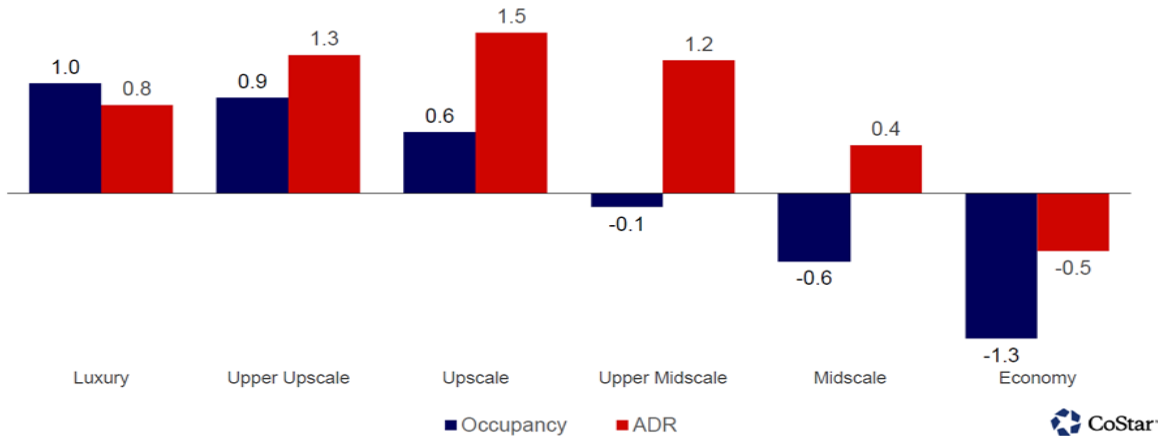
February 11, 2025



Bifurcation story remains front and center in 2025 outlook

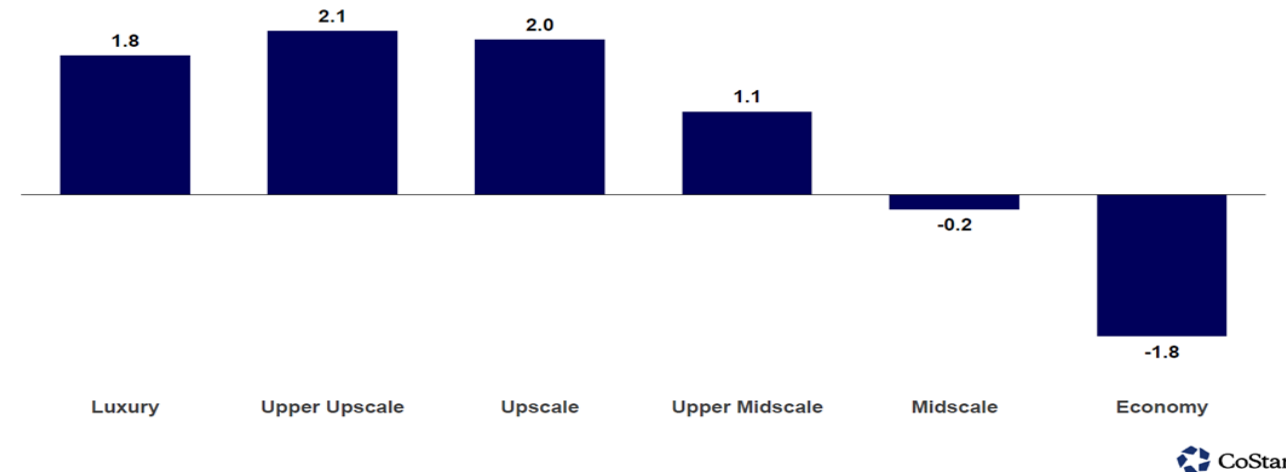
### Limited pricing power across the board

Occ & ADR % change, change by class, YE 2024



### RevPAR change by class: Bifurcated results

U.S. RevPAR % change, change by class, Full year 2024



Travel advisories, tariffs create headwinds for U.S. hotels

Jun 17, 2025



U.S. Visa Sticker Shock: New \$250 'Integrity Fee'

7/18/2025



# U.S. Lodging Industry H2 2025

## Weaknesses

### Americans Are Carrying Bigger Credit-Card Balances

Jan. 25, 2025

THE WALL STREET JOURNAL

With interest rates near record highs, revolving balances are growing

### Rising Costs Take Their Toll on Less-Affluent Americans' Travel Plans

International travel remains strong, but some are scrimping on U.S. vacations

Feb. 28, 2025

THE WALL STREET JOURNAL

### US consumer sentiment plunges on tariff fears, inflation expectations jump

March 14, 2025



### US Consumer Sentiment Nears Record Low on Inflation Concerns

May 16, 2025

Bloomberg

### Americans reined in their spending last month

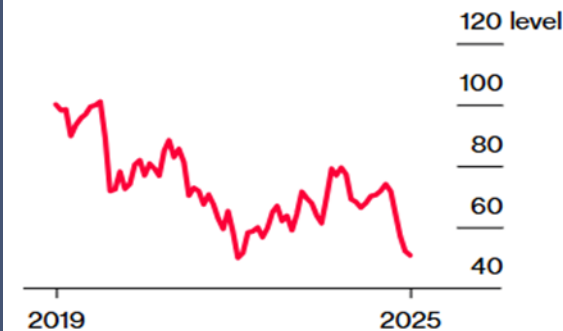
June 27, 2025

CNN Business

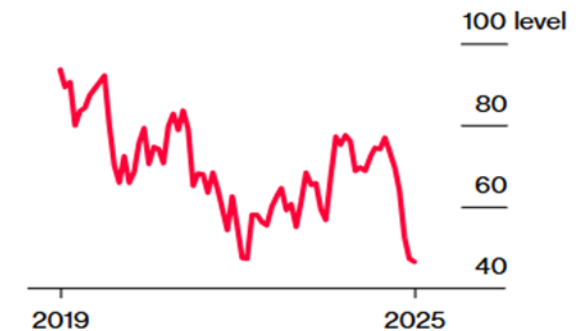
### U.S. Consumer Sentiment Falls to Near Record Low

Short- and long-term inflation expectations hit multi-decade high

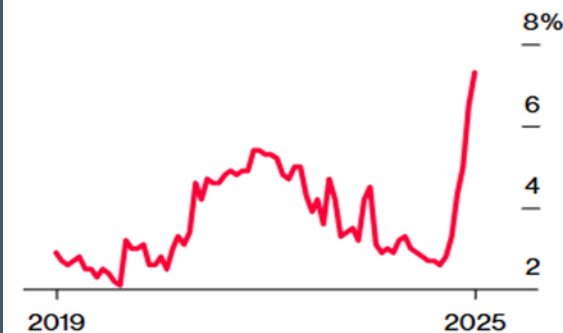
Consumer sentiment



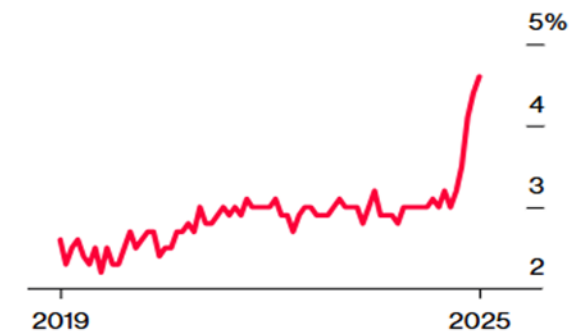
Consumer expectations



Year-ahead inflation expectations



5-10 year inflation expectations



Source: University of Michigan



# U.S. Lodging Industry H2 2025

## Weaknesses

**Philadelphia workers have to show up in the office today, flying birds or not**



The City of Philadelphia has ordered all city workers to return to the office five days a week starting July 15.

July 15, 2024

**GM revokes remote work status from more white-collar workers, orders them into office**

Aug. 30, 2024

Detroit Free Press

**Amazon Tells Workers to Return to Office Five Days a Week**

Sept. 16, 2024

THE WALL STREET JOURNAL

Requirement will take effect in early 2025, CEO Andy Jassy says

THE HILL 10/01/24

**New research shows return-to-office mandates cause more 'quiet quitting'**

**Sorry, Jamie Dimon — remote work is here to stay**

January 9, 2025

BUSINESS INSIDER



### KASTLE BACK TO WORK BAROMETER

7.21.25

Weekly Occupancy Report from Kastle Access Control System Data

#### BAROMETER THIS WEEK

54.9%  
10 CITY AVERAGE  
OCCUPANCY



	Wed 7/9	Wed 7/16	% Change
Austin metro	57.8%	66.6%	8.8% ▲
Chicago metro	53.0%	60.6%	7.6% ▲
San Jose metro	44.2%	51.5%	7.3% ▲
New York metro	49.7%	55.9%	6.2% ▲
Average of 10	49.4%	54.9%	5.5% ▲
Washington D.C. metro	48.3%	53.4%	5.2% ▲
San Francisco metro	39.3%	44.2%	4.9% ▲
Los Angeles metro	46.7%	51.4%	4.7% ▲
Dallas metro	56.9%	61.0%	4.1% ▲
Philadelphia metro	40.6%	43.9%	3.2% ▲
Houston metro	57.7%	60.6%	2.9% ▲

Kastle customers are in more than 2,600 buildings in 138 cities. The Barometer reflects swipes of Kastle access controls from the top 10 cities, averaged weekly. It summarizes recent weekday building access activity among our business partners, not a national statistical sample.

\*On March 22, 2021, Kastle moved from daily to weekly data reporting to provide a more robust and comprehensive picture of office occupancy. We have also recalculated data back to the start of the time series for consistency. This has only a marginal impact on most cities and the national average.

\*\*Due to the Independence Day holiday, this chart does not include data for Friday, July 4, 2025.

**The return-to-office push feels real this time. The numbers tell a different story**

October 25, 2024

CRAI'S NEW YORK BUSINESS

**Companies are demanding workers back, but return-to-office rates barely change**

April 02, 2025

CRAI'S NEW YORK BUSINESS

**The return-to-office debate is settled: Offices are busier than ever**

07-22-2024

FASTCOMPANY

**On Fifth Labor Day Since Pandemic Began, Return-To-Office Rallying Cry Falls Silent**

September 2, 2024

BISNOW

**Dell Orders Salespeople Back to Offices Five Days a Week**

September 26, 2024

Bloomberg

The tech company's decision to end work from home comes on the heels of a similar order from Amazon.

**JPMorgan Planning to Bring Staff to Office Five Days a Week**

January 7, 2025

Bloomberg

- Expanded policy expected to return bank to pre-pandemic rules
- CEO Jamie Dimon has been critical of remote-working policies

April 24, 2025

NYC CROSSROADS

CRAI'S NEW YORK BUSINESS

**The office as we know it is never coming back**

Today, New York landlords are racing to build the amenity-filled office spaces their corporate tenants crave, with plenty of outdoor space, lounges and cafes to spark creativity and wellness features that will entice their employees to get back to the office full-time. But most observers admit, the hybrid model is here to stay.

# U.S. Lodging Industry H2 2025

## Weaknesses

**Hotel industry moves further from labor crisis, but major challenges remain**

January 6, 2025



Immigration policy, a dwindling talent pipeline present long-term hurdles

**AHLA: 65% of surveyed hotels report staffing shortages**

Feb 21, 2025



**Hospitality grapples with specter of mass deportations**

Feb 25, 2025



**Hotel staffing to remain 'well below' pre-pandemic levels**



April 7, 2025

The American Hotel & Lodging Association expects the industry to add 14,000 employees this year, though challenges persist amid economic uncertainty.

**Trump whiplash on ICE raids at hotels**

JUNE 16, 2025



Days after offering a reprieve, the administration has changed its tone and said raids – including on hotels, restaurants and farms – would continue.

**HELP  
WANTED**

**Study: Staffing crisis top challenge facing accommodation industry**

March 10, 2025



**Hotel industry inches toward stability in labor market after years of strain**

June 2, 2025



Quantity, quality of job pool improving compared to past years

**Trump floats 'temporary pass' for immigrants in farm and hotel industries**

June 30, 2025



**Hotel's talent crisis is getting worse: How empathy can help**



Jul 21, 2025 8:00am

Daniel H. Lesser  
Co-Founder, President & CEO





# U.S. Lodging Industry H2 2025

## Weaknesses

### Self-insurance may be right for rising property rate pressures

Kimberly Gore, HUB International • Jul 1, 2024 8:00am



### Hotel property insurance costs per available room vary widely by state but are rapidly increasing across the board

Nationwide insurance costs have, on average, risen 40% from 2019

October 23, 2024



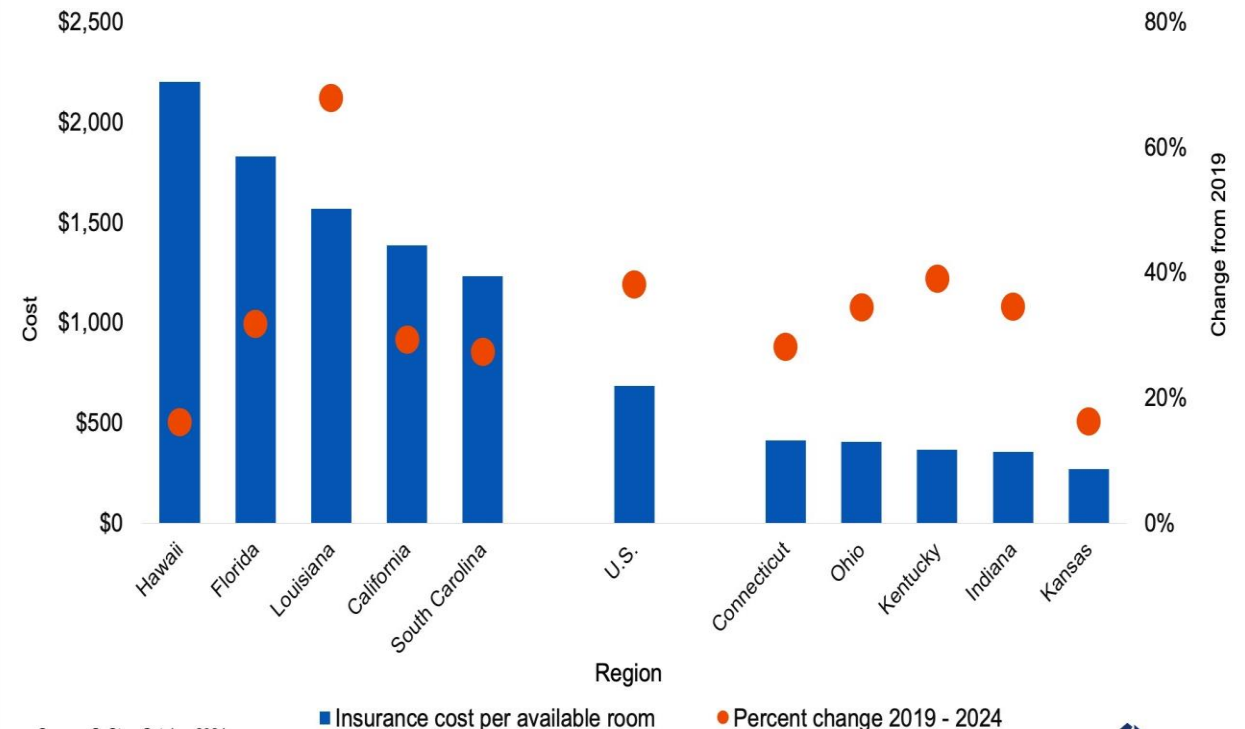
### Insurers Are Deserting Homeowners as Climate Shocks Worsen

Dec. 18, 2024

The New York Times

Without insurance, it's impossible to get a mortgage; without a mortgage, most Americans can't buy a home.

### Hawaii and Florida top nation for insurance cost per available room



Source: CoStar, October 2024



# U.S. Lodging Industry H2 2025

## Weaknesses

**Bill Comes Due for Hotel Owners Who Delayed Required Renovations**

Brands, Guests Push for Property Improvements

March 25, 2024



**How to address the challenge of delayed hotel property improvement plans**

September 15, 2024



**Hotel brands firm up renovation requirements, but owners have some wiggle room**

January 6, 2025



**US tariff policies force hoteliers to put procurement contingencies in place**



March 21, 2025

Costs expected to rise in hotel furniture and fixtures, food and beverage

**Debt Maturities, Improvement Requirements Threaten U.S. Hotel Recovery**

June 01, 2025

**BISNOW**





# U.S. Lodging Industry H2 2025

## Weaknesses

Sam Nazarian to launch wellness-focused hotel brand,  
The Estate

September 16, 2024

BOUTIQUE  
HOTELIER

HOTEL  
*Bambinee*

*Field & Stream*  
ESTB LODGE CO 1871

PROJECT MID-T  
BY MARRIOTT

sbe founder plans to grow The Estate Hotels & Residences brand to  
15 hotels by 2030 in locations including Miami

**Chef José Andrés is launching a  
luxury hotel brand**

FASTCOMPANY

The Bazaar House from the José Andrés Group is coming to Washington, D.C.'s  
Georgetown neighborhood in 2027.

09-25-2024

  
**HomeAwhile**  
MADE TO FEEL AT HOME

 **Reside**  
A WYNDHAM RESIDENCE

**Starwood**  
HOTELS

*unscripted*  
BY HYATT

  
HYATT  
SELECT

**series**  
BY MARRIOTT

**MEG & BREAKFAST** Meghan Markle plans to add hotels &  
restaurants to business empire as she trademarks 'As Ever' brand  
for 'hospitality'

8 Jun 2025

THE  
**Sun**

Brand experts said hotels and restaurants fit in with her lifestyle business image

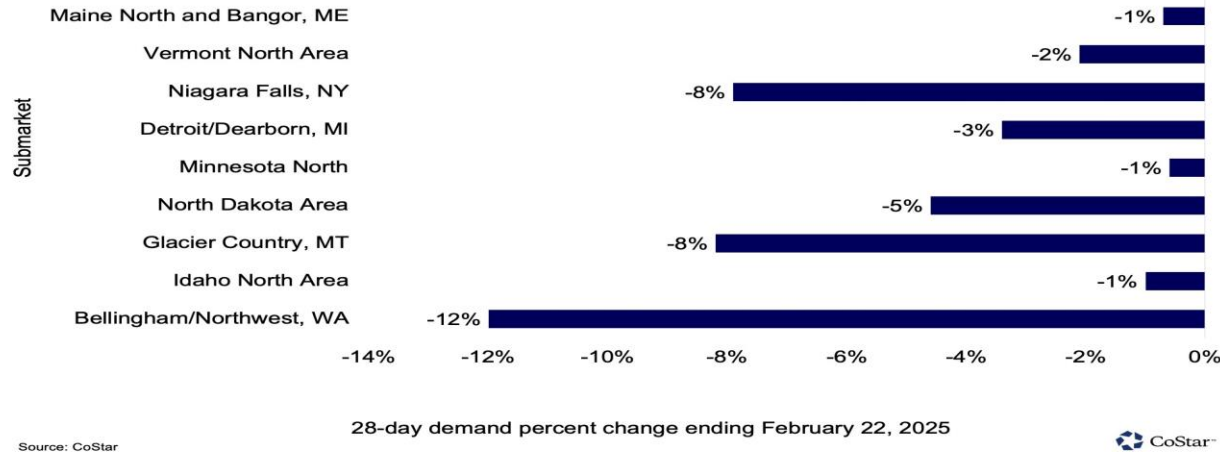


**LWHA**  
LW HOSPITALITY ADVISORS

# U.S. Lodging Industry H2 2025

## Threats

### Submarkets near the Canadian border show room demand decline



### Nervous about Trump, international tourists scrap their U.S. travel plans

March 16, 2025

The Washington Post  
Democracy Dies in Darkness

The Trump administration's hard stance on tariffs and other international policies has some travelers rethinking where they vacation.

### Weekslong lockups of European tourists at US borders spark fears of traveling to America

March 21, 2025

AP

### 'Trump Slump' Looms as Foreign Visitors Rethink Travel to U.S.

A growing number of travelers say they are worried about feeling unwelcome or unsafe in America and are reluctant to support the economy of a country that may be destabilizing other nations.

March 26, 2025

The New York Times

### Countries Are Now Issuing Advisories for Travelers Visiting the U.S.—What to Know

TRAVEL+LEISURE

April 1, 2025

Denmark, Finland, Germany, and the United Kingdom are among the many countries that have changed advice for citizens traveling to the U.S.

### Hotel Owners Sweat Trump Travel Risk As Debt Tsunami Looms

April 01, 2025

BISNOW

### Europe Is Out. Road Trips Are In. Welcome to the Scaled-Back Vacation.

Consumers uneasy about the economy still want to go on trips. Just not the expensive kind.

May 16, 2025

THE WALL STREET JOURNAL

### Brand USA Funding Would Be Slashed by 80% in Senate Republican Proposal

June 6th, 2025

Skift

### US tourism expected to take a hit as Canadians increase trips to other countries

June 11, 2025

CoStar

US Travel Association estimates a 10% drop would threaten 140,000 tourism-related jobs



# U.S. Lodging Industry H2 2025

## Threats

**America's drinking water is facing attack, with links back to China, Russia and Iran**

JUN 26 2024



**Japanese fighter jets fire flares at Russian aircraft for first time in airspace violation**

23 Sep 2024



**US Space Force warns of 'mind-boggling' build-up of Chinese capabilities**

Nov. 1, 2024

FINANCIAL TIMES

Agency chief Chance Saltzman says Washington must co-operate with allies to counter threats from China and Russia

**Sweden, Finland warn residents to be ready for war: 'Situation is serious'**

By Ronny Reyes

Published Nov. 18, 2024, 2:16 p.m. ET

**NEW YORK POST**

**Businesses Preparing for Another Year of Geopolitical Tumult**

THE WALL STREET JOURNAL

Geopolitical concerns still rank high among the anxieties plaguing executives as a new year begins

Jan. 2, 2025

**Israel's War with Iran on Seven Fronts**

Published Jul 03, 2024

**Newsweek**

**Electronic Warfare Spooks Airlines, Pilots and Air-Safety Officials**

Sept. 23, 2024

Hundreds of daily flights around the world are running into GPS spoofing, a hazard that poses new risks for pilots and passengers

THE WALL STREET JOURNAL

**How Political Polarization Ends**

History shows that, if left untreated, extreme political and social divisions are a mortal threat to democracy.

November 8, 2024

**Bloomberg**

**Russian acts of sabotage may lead to NATO invoking Article 5, says German intel chief**

November 27, 2024



**UK's Starmer says Europe is at 'crossroads in history' as leaders agree to steps to Ukraine peace**

March 2, 2025



# U.S. Lodging Industry H2 2025

## Threats

**UPDATE: Las Vegas Hospitality Workers Avoid a Strike After Agreeing With Casinos on New Contracts**

Feb 6, 2024,

**EATER**  
LAS VEGAS

With Super Bowl LVIII just one week away, downtown Las Vegas casino workers set a strike deadline for new five-year contracts

**Unionization Is a Growing Factor for US Hoteliers**

April 26, 2024

**CoStar**

NLRB Decisions on Elections Have Benefited Union Efforts, Attorney Says

**Hotel workers plan May Day rally in 18 cities to demand pay hikes after pandemic cuts**

April 29, 2024

**NEW YORK POST**



**Ten Thousand Hotel Workers On Strike During Busy Labor Day Weekend**

**UNITE HERE!**

Hilton, Hyatt, and Marriott Workers Strike Over Wages, COVID-Era Staffing and Service Cuts; "We Don't Want Hotels to Become the Next Airline Industry," UNITE HERE Union Says

September 1, 2024

**U.S. Hotel Strikes Escalate as 40,000 Workers Face Contract Expirations**

September 23rd, 2024

**Skift**

**Hotels Representing Over 30% of Park Hotels' Operating Profit Affected by Strikes, According to UNITE HERE**

Oct. 16, 2024

**MarketWatch**

**Monty Bennett's cost-cutting measures violate tax law: union**

OCT 16, 2024,

Accusations come on heels of bitter proxy fight aimed at unseating him from Braemar Hotels & Resorts

**THE REAL DEAL**  
REAL ESTATE NEWS

**Today's hospitality union battle is over wages. The next one might be about tech.**

**HOTEL DIVE**

December 4, 2024

Hotel managers say tech is streamlining operations amid a tight labor market. Hospitality unions, meanwhile, have expressed concerns — and are making them known in contract negotiations.



# U.S. Lodging Industry H2 2025

## Threats

**Cybersecurity in 2025: Alarming Vulnerabilities in the Hospitality Sector**

**HNR** HOTEL NEWS February, 3 2025

**Heathrow Is a Wake-Up Call for Utilities**

March 30, 2025

**Bloomberg**

**82% of North American hotels affected by 2024 cyberattack**

**H** HOTEL MANAGEMENT

Jul 9, 2025 8:00am

**Bird Flu Is a Big Threat. The US Needs to Start Acting Like It.**

February 13, 2025

**Bloomberg**

Scientists suspect a new strain is spreading via dust from bird droppings, carried by the wind.

MAR 10, 2025 10:56 AM ET

**TIME**

**Measles Is Back. And a Lot More People Are at Risk**

**“Not Just Measles”: Whooping Cough Cases Are Soaring as Vaccine Rates Decline**

April 11, 2025

**PROPUBLICA**  
Investigative Journalism in the Public Interest

**What to know about the COVID variant that may cause ‘razor blade’ sore throats**

June 18, 2025

**AP**

# U.S. Lodging Industry H1 2025

## Threats

### US Lodging Trends: Short-Term Rentals and Cruise Drive Recovery

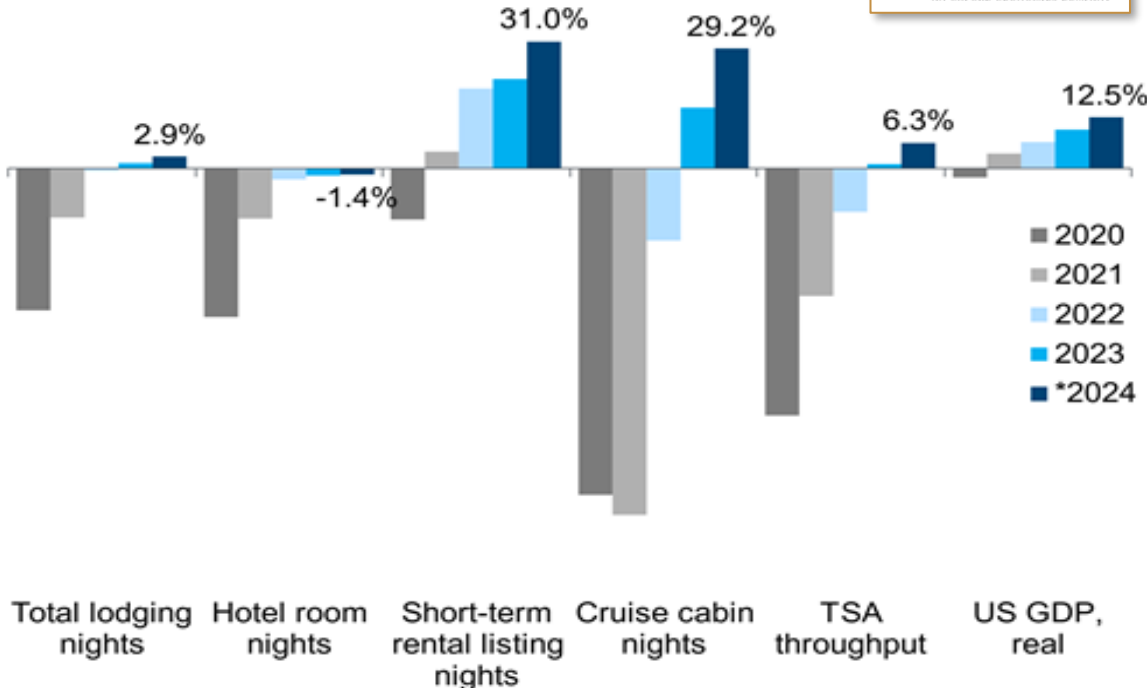


In 2024, US short-term rentals added more incremental demand than hotels and cruises combined—plus, cruises continue to punch above their weight.

February 2025

Growth in short-term rental and cruise demand bolstered total [recovery for lodging](#). Strong demand gains in both sectors powered a full **US total lodging demand recovery to 2019 levels in 2023**, alongside air travel. However, the uneven recovery across sectors remains striking.

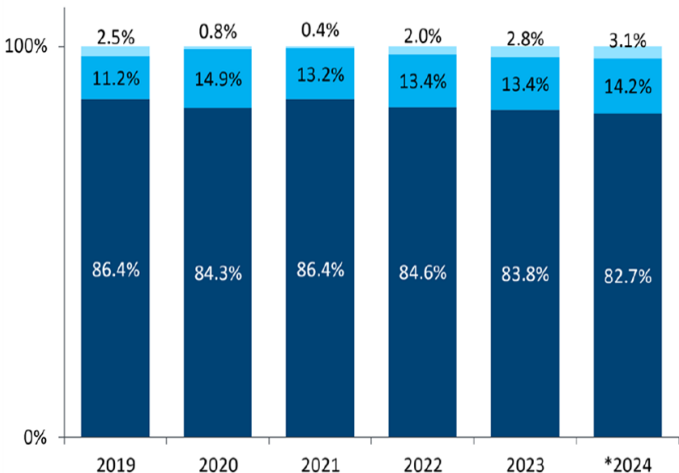
US lodging recovery, relative to 2019



### Short-term rentals and cruising are gaining share

US lodging demand share

■ Hotel room nights ■ Short-term rental listing nights ■ Cruise cabin nights



Source: STR, AirDNA, CLIA/Tourism Economics, \*Full-year forecast as of Nov 2024



# U.S. Lodging Industry H2 2025

## Threats

At AAHOA, a clear message: keep government out of our business

April 5, 2024



6 hotel chains colluded to fix prices, SF antitrust lawsuit alleges

Apr 29, 2024



Las Vegas hotels defeat price-fixing class action over room rates

May 9, 2024



How Hoteliers Can Adapt to the Evolving Needs of Website Accessibility

May 20, 2024



Lack of Online Features, Written Descriptions Creates Liability Exposure

CoStar, hotels slam consumers' 'fanciful' room pricing lawsuit

May 20, 2024



Hotel Owners/Operators Beware: You May Be Responsible for More Than 25 Tax Types Paid Regularly to Multiple Jurisdictions

August 06, 2024



FTC bans hidden junk fees in hotel, event ticket prices

December 17, 2024



FTC Finalizes Order with Marriott and Starwood Requiring Them to Implement a Robust Data Security Program to Address Security Failures

December 20, 2024



Is New York City's new hotel safety act a good or bad thing? Depends on who you ask

Apr 24, 2025



U.S. House of Representatives passes Hotel Fees Transparency Act

Apr 29, 2025



Navigating Antitrust Risks: The Hidden Dangers of AI and Software Pricing and Inventory Tools for Hotels and Property Managers

January 22, 2025



New York's hotel industry fears 'onerous' impact of new law

June 3, 2025



Executives express concern other cities may follow labor requirement

\$30 Minimum Wage Has L.A. Hotel Owners in Revolt

June 23, 2025

THE WALL STREET JOURNAL

Industry seeks to suspend city ordinance requiring what union leaders call nation's highest minimum wage

# U.S. Lodging Industry H2 2025

## Threats

### Climate change made Hurricane Helene and other 2024 disasters more damaging, scientists find

OCTOBER 9, 2024



Rising global temperatures are amplifying deadly extreme weather events.

### How climate-related events are influencing hotel investment

Nov 25, 2024



### Dozens of luxury condos, hotels in Miami sinking at 'unexpected' rates, new study reveals

December 15, 2024



### Climate Change Could Erase \$1.5 Trillion in U.S. Real-Estate Value: Report

FEBRUARY 3, 2025

Robb Report

A new report highlights how climate-related insurance pressures and consumer demand are changing the real-estate market.

### Global sea levels are rising faster and faster. It spells catastrophe for coastal towns and cities

5/9/2025



### U.S. 2024 Billion-Dollar Weather and Climate Disasters



### Growing environmental risk reaffirms need for green, resilient hotel development

June 17, 2025



Proactive planning, community resilience necessary for future of climate disasters



# U.S. Lodging Industry H2 2025

## Threats

**A \$20 trillion tunnel could link New York and London in 54 minutes**

It's far from a reality at the moment.

December 11 2024

TimeOut



**Rocket Engine That'll Take You from LA to Tokyo in Two Hours Flies for the First Time**

25 May 2025,

autoevolution

**Supersonic jet set to release in 2030 will take passengers from New York to London in less than 60 minutes**

28 May 2025

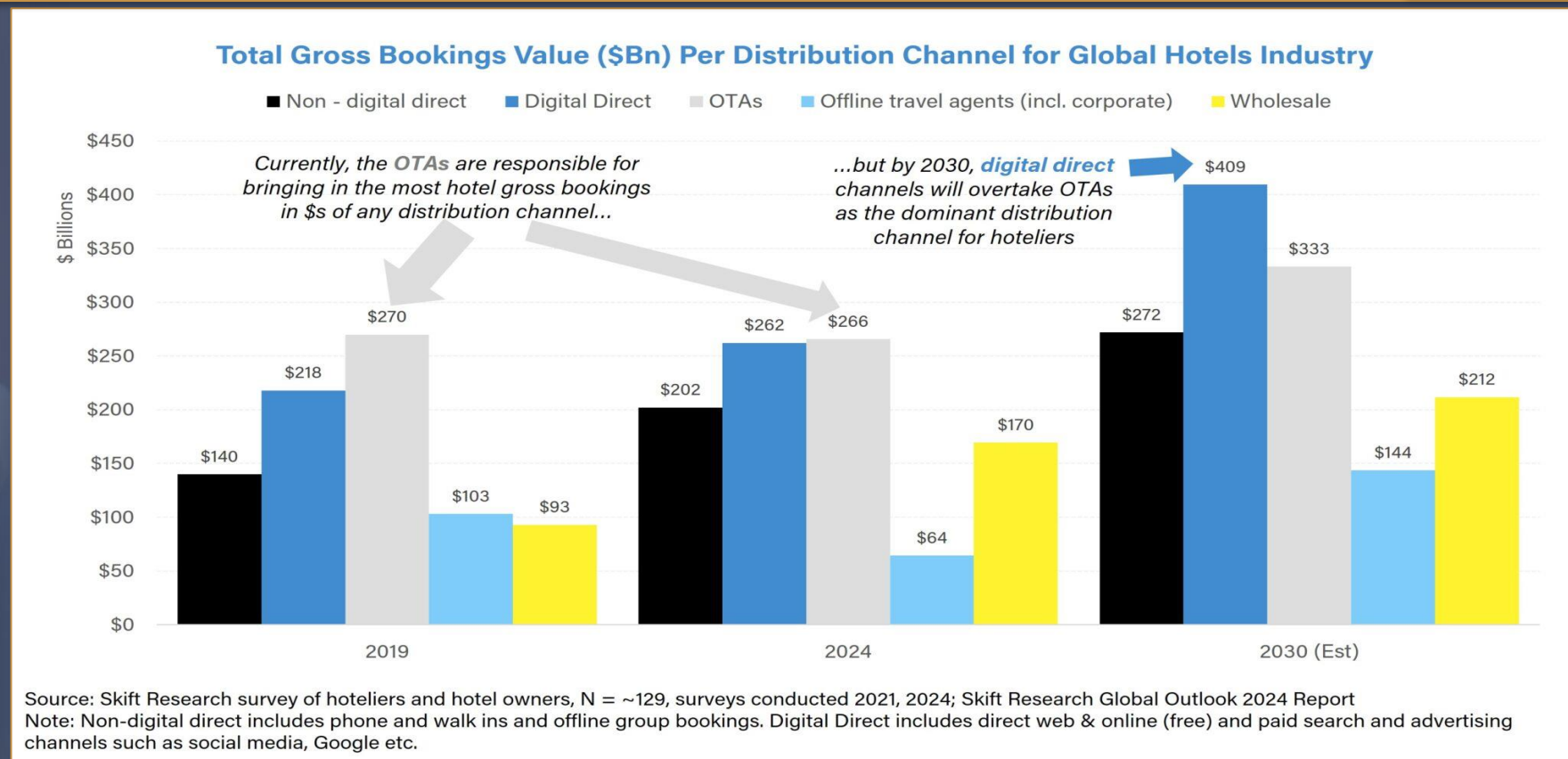
Daily Mail  
.com

# U.S. Lodging Industry H2 2025 Opportunities

## The Ideal Mix For Hotel Distribution: Direct Bookings to Lead by 2030

November 11th, 2024

Skift.





# U.S. Lodging Industry H2 2025

## Opportunities

A hotel is offering 'self-love pods' for solo play. Here's why that's a thing

September 11, 2024



**How Hyatt's new Peloton collaboration helps you stay fit while traveling**

Stay motivated to get a killer workout on every trip

January 12, 2025



**LOGE Camps partners with Schulte Hospitality Group**

By Esther Hertzfeld · Jan 23, 2025 9:00am



**How the Four Seasons Hit a Marketing Jackpot With HBO's 'The White Lotus'**

Hotel operator's risky partnership with a show that features murder and mayhem pays off with rising inquiries and occupancy rates

THE WALL STREET JOURNAL March 15, 2025

**ESA and Grubhub partner for guest food delivery service**

Extended Stay America and food delivery platform Grubhub have announced a new program that offers exclusive benefits when guests order from local restaurants throughout their stay.

May 9, 2025



**Hilton's New Partner Accommodation Brand: Evermore Resort – Orlando**

by John Ollila — January 8, 2025



**Choice Hotels partners with Westgate Resorts**

Jan 23, 2025



**Saks Fifth Avenue Partners With Sagamore Pendry Baltimore**

Jan 23, 2025



**Why Glamping's Corporate Makeover Might Be a Good Thing for Travelers**

April 25, 2025



Big hotel brands are going all-in on outdoorsy yurts, Airstreams, and cabins, but points-hungry travelers (and fans of a high thread count) are more than fine with it

**The Latest Trend in High-End Hotels? 'Shoebox' Rooms**

May 29, 2025

THE WALL STREET JOURNAL

To entice solo and budget-minded travelers, luxury lodgings are betting big on rooms that skimp on size but not on style.

# U.S. Lodging Industry H2 2025

## Opportunities

**Host Hotels Aims To Raise At Least \$1B Through Sale Of More Than 10 Properties**

January 23, 2025

**BISNOW**

**Blackstone is still bullish on real estate – even offices – despite lackluster returns**

January 30, 2025



**Hyatt commits to \$2B in asset sales by 2028**

Feb 14, 2025



**Park Hotels plans to sell up to \$400 million in hotels, spend up to \$330 million for renovations**

February 20, 2025



REIT executives say 2025 is a year to refocus portfolio

**Trinity Investments prides itself on being a clear-minded hotel investor. Its focus is paying off.**

February 24, 2025



**KHP Secures \$300M to Target Distressed and Value-Add Hotels**

April 25, 2025



The buying power is forecasted to be almost \$1 billion.

**First Hospitality opens investment arm to outside capital.**



First Hospitality has opened First Investors, its dedicated hotel real estate investment platform, to qualified outside investors.

Concurrently, the firm also unveils First Investors GP Fund, which expects to supply sponsor capital for a targeted \$400 million in U.S.

hotel investment over the next 12 to 36 months.

May 16, 2025

**Peachtree Group launches \$250M Special Situations Fund**

Peachtree Group has launched its Peachtree Special Situations Fund, a \$250 million fund designed to unlock value in mispriced, high-quality hotel and other commercial real estate assets due to today's capital market illiquidity rather than underlying

fundamentals, according to the company.

July 21, 2025





# U.S. Lodging Industry H2 2025 Opportunities

## Blackstone faces foreclosure on \$275M hotel portfolio

Bondholders closing in on assets in Chicago, San Francisco, Boston, Philadelphia

DEC 2, 2024

THE REAL DEAL  
REAL ESTATE NEWS

## Another Downtown Hotel Goes Back to Lender in San Francisco

December 19, 2024

ALM GLOBEST.COM

Highgate hands back keys for 686-room Hyatt Regency with \$290M in debt.

## Kor Group's 131-Room San Francisco Proper Hotel Receives Default Notice on \$36.5MM Debt

December 30, 2024

THE REGISTRY  
BAY AREA REAL ESTATE

## Loan on San Francisco's two largest hotels downgraded

December 30, 2024

Ongoing citywide hotel worker strike curtailed a comeback for two Hilton hotels

CoStar

## Boutique San Francisco hotel in high-profile Nob Hill tourist area faces foreclosure lawsuit

January 21, 2025

City's hospitality sector keeps struggling from the effects of the pandemic

CoStar

## Trendy D.C. Hotel Sells to Lender at Foreclosure Auction

JANUARY 24, 2025

COMMERCIAL OBSERVER

Acore Capital dropped a \$1 million credit bid to take over the property and the \$86 million in debt to it

## Gaw Capital defaults on \$100M loan tied to Oakland Marriott

FEB 13, 2025

Oakland hospitality market hit hard by crime, empty offices, loss of sports teams

THE REAL DEAL  
REAL ESTATE NEWS

## Starwood Seeks \$577M Loan Restructure for Struggling Hotel Portfolio

March 21, 2025

ALM GLOBEST.COM

A spokesperson expects a deal to close in April after the loan hit special servicing last month.

## Buccini Pollin Group to surrender Crowne Plaza and Fairfield Inn hotels in King of Prussia

Apr 25, 2025

PHILADELPHIA  
BUSINESS JOURNAL

## Regent, Loudermilk Surrender Thompson Buckhead Hotel To Lender

May 14, 2025 | 9:10 p.m. ET | Jarred Schenke, Atlanta

BISNOW

Atlanta developers Loudermilk Cos. and Regent Partners broke ground on the 201-room Thompson Buckhead hotel in March 2020, raising millions from internet investors through crowdfunding platform CrowdStreet.

## Signia by Hilton San Jose is seized by lender as lodging woes widen

Downtown hotel tower goes back to lender for fraction of its value

May 15, 2025

The Mercury News

## Yellowstone Files Pre-Foreclosure at Times Square Hotel Over \$45M Loan

BY ISABELLE DURSO MAY 19, 2025 11:49 AM

COMMERCIAL OBSERVER

## Hilton Garden Inn in Midtown sold at foreclosure auction

June 11, 2025

CRAIN'S NEW YORK BUSINESS

## Three more Bay Area hotels default on loans

June 11, 2025

Two East Bay hotels, San Jose property are latest to risk foreclosure

CoStar

## Largest hotel in California's East Bay goes back to lender

July 9, 2025

CoStar

Discounted foreclosure of Oakland Marriott City Center adds to region's hotel woes

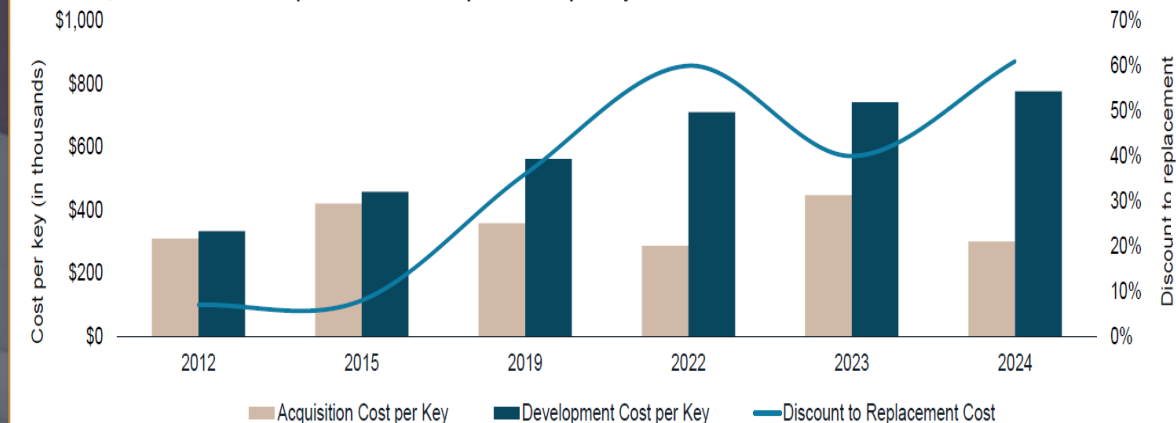
# U.S. Lodging Industry H2 2025

## Opportunities

### Urban full-service discount to replacement cost soars to 61%

Driven by high construction costs and ongoing supply chain disruptions, development cost per key rose to \$776K in 2024. With interest rates falling and construction costs expected to abate, **now** is the opportune time for investors to acquire quality urban assets at a pronounced discount to replacement.

U.S. urban, full-service hotel acquisition and development cost per key



Year	2012	2015	2019	2022	2023	2024
Acquisition Cost per Key	\$310K	\$421K	\$358K	\$287K	\$447K	\$391K
Development Cost per Key	\$333K	\$458K	\$562K	\$710K	\$742K	\$776K
Discount to Replacement Cost	7%	8%	36%	60%	40%	61%

Source: JLL Research, RLB Construction Cost Report

Note: All transactions data pertains to single-asset, full-service hotel transactions \$5M+, excluding casinos that closed exclusively in the largest U.S. urban markets. Full-service is defined using STR criteria. Construction data is based on weighted averages across largest urban U.S. markets for full-service hotels. Construction costs include land, site improvement, soft costs, FF&E, working capital, and development fees.

### Encouraging Fundamentals for Urban Markets

#### Limited New Supply and Robust Demand Poised to Drive Substantial Lodging Performance Growth

- Limited and expensive construction financing is expected to restrict new supply growth in major urban markets for many years to come.
- This creates a favorable operating environment for urban hotel owners in the intermediate term, as business and group/convention travel recovers and domestic leisure, and international inbound travel return to cities.
- Urban markets like San Diego, Washington, D.C., Boston and Chicago are expected to benefit from a strong lineup of conventions, while the steady increase in international travel is expected to continue to increase in the

May 12, 2025

Convention Calendar Room Nights On-the-Books <sup>(4)</sup>					
Market	Pre-COVID Avg <sup>(1)</sup>	2022	2023	2024	2025
Boston	440	340	490	470	450
San Diego	770	650	750	880	765
San Francisco	840	320	610	380	580
Washington, DC	520	475	380	475	420
Chicago	1,140	1,150	1,050	1,220	1,080
Total	3,710	2,935	3,280	3,425	3,295

(1) Average from 2015-2019.

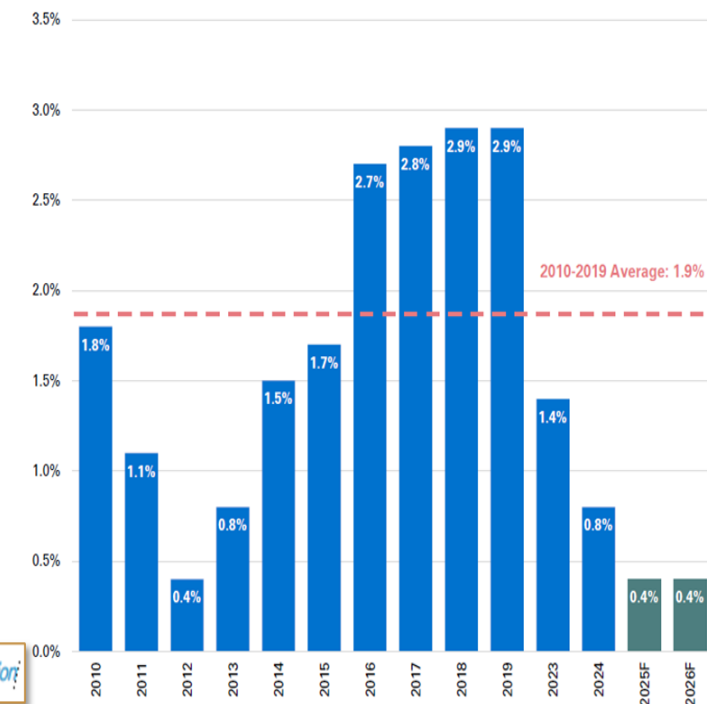
(2) 3 Year ("3Y") supply forecast is the average of management's supply forecast for 2024-2026.

(3) 2010-2023 data is based on U.S. Urban STR performance; 2024-2026 data is based on management's estimates.

(4) Room Nights On-the-Books are shown in thousands.

Source: Pebblebrook Investor Presentation

U.S. Urban Supply Growth 2010-2019, 2023-2026<sup>(3)</sup>



## Hotel execs tout improved performance of urban markets during first quarter

May 12, 2025



Daniel H. Lesser  
Co-Founder, President & CEO



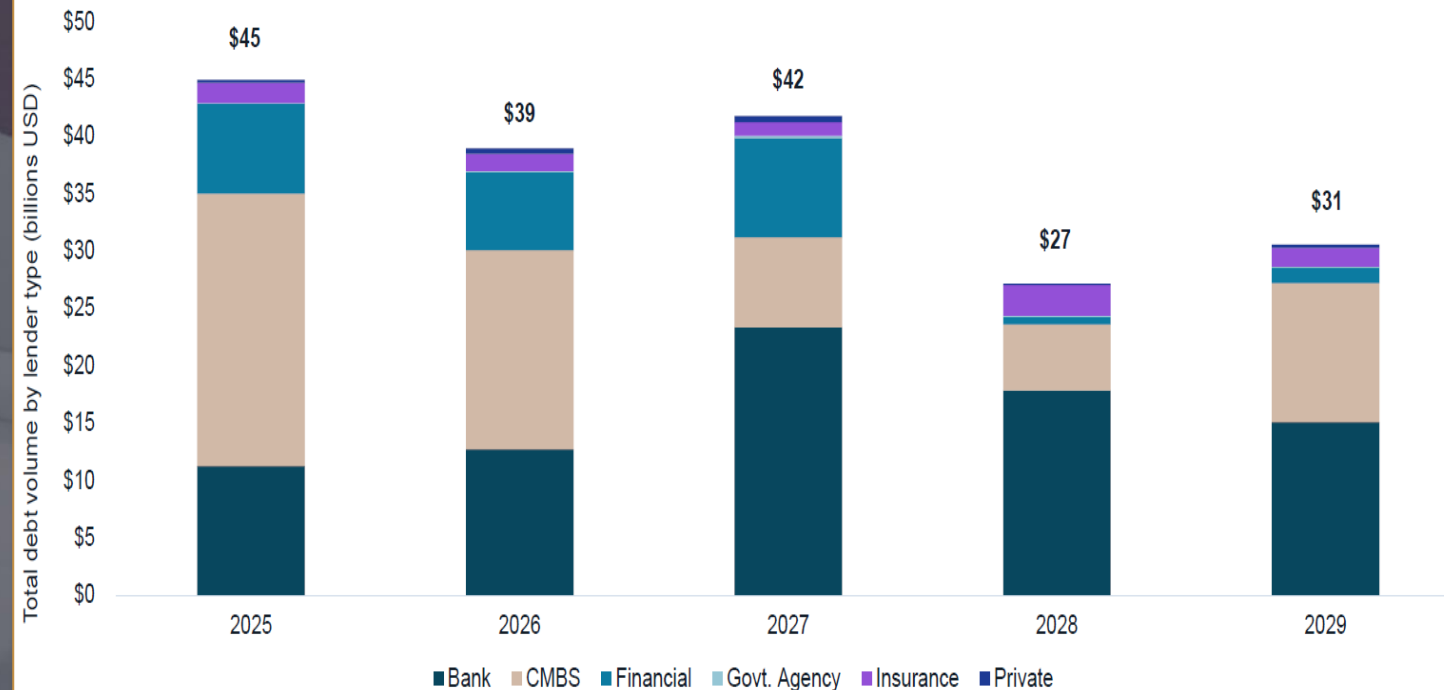
# U.S. Lodging Industry H2 2025

## Opportunities

### Nearly \$84B of hotel loans expected to mature by 2026

Look for this high volume of loan maturities to catalyze transaction activity, particularly for owners that face rising cost pressures and those with upcoming PIP requirements.

U.S. hotel debt maturities 2025 – 2029



Source(s): JLL Research, RCA

Note: Based on independent reports of properties and portfolios of \$2.5 million and greater. Loan maturities include all lender types. Data updated 2024 and believed to be accurate but not guaranteed.

### Investors Say Renovation Needs, Loan Maturities Will Drive More

#### Hotel Deals

March 20, 2024



### Not Distressed But 'Stressed': Investors See Hotel Buying Opportunities Coming

May 20, 2024

BISNOW

### Will the hotel industry finally reckon with being under-renovated?

Hotel brands seem to be dealing with the reality of delinquent property

improvement plans

November 1, 2024



# U.S. Lodging Industry H2 2025

## Opportunities



### Noble Investment Group Acquires Sixteen WoodSpring Suites Hotels

29 May 2025



The company described the move as part of its investment in an asset class shaped by demand for flexible and cost-efficient living solutions.

"As affordability challenges and workforce mobility reshape how people live, work, and stay, we're scaling a high-margin, service-light platform that delivers brand-backed reliability without the burden of traditional leases," Ben Brunt, Noble's managing principal and chief investment officer, said in a statement.



# U.S. Lodging Industry H2 2025 Opportunities

## Institutional Investors Back in Play for San Francisco Office Towers

March 06, 2025

ALM GLOBEST.COM

New York Life eyes third acquisition as momentum builds for market recovery.



## New round of luxury deals boosts outlook for San Francisco's struggling shopping district

March 14, 2025

CoStar

Two high-end retailers sign leases in Union Square, Nintendo expected to open its long-awaited store in May

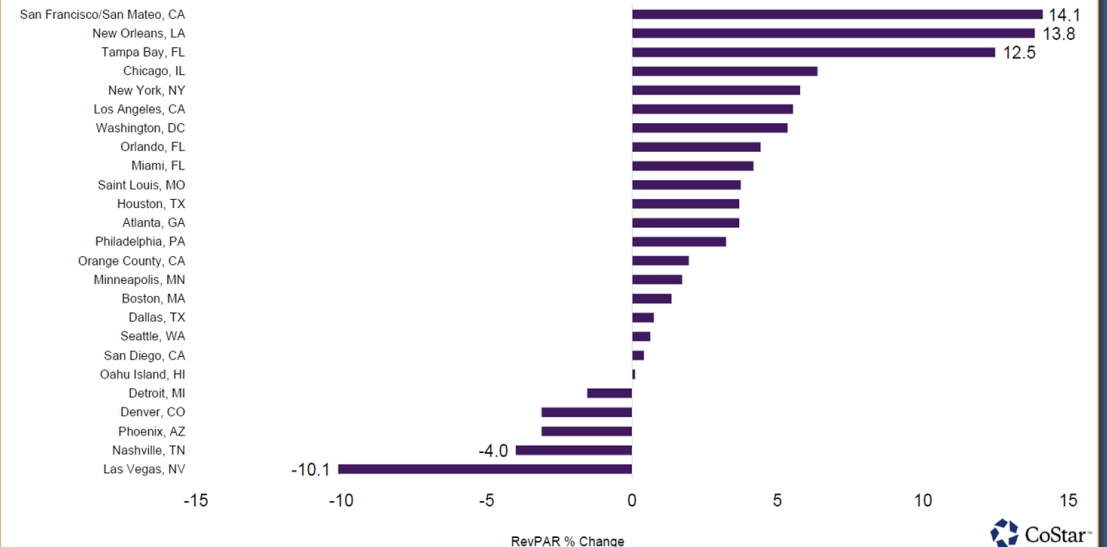
## AI Company Databricks Declares It Will 'Invest Over \$1 Billion' in Downtown SF With Big Conference, New HQ

6 MARCH 2025 / BUSINESS & TECH / JOE KUKURA

SFIST

### Top 25 RevPAR Change: San Francisco back on Top

Top 25 RevPAR % Change, by Market, YTD April 2025



## San Francisco market finally starts to rebound

APRIL 8, 2025

Hotel Investment Today  
BY NORTHSTAR

# U.S. Lodging Industry H2 2025

## Opportunities

### Branded residences 2.0: the next phase for the U.S.

Feb 26, 2025



### US hoteliers try to ride the wave of surging cruise demand

February 28, 2025



Hotels in cruise port markets see revenue growth exceeding national averages in 2024

### Luxury safaris are booming — and big hotel brands like Marriott want in

March 2, 2025

**BUSINESS INSIDER**



### Waldorf Astoria will offer Nile cruises in late 2026

May 12, 2025





# U.S. Lodging Industry H2 2025

## Opportunities

**Hotel Developers Want to Cut Costs: Enter 3D Printers and Prefab Rooms**

December 2nd, 2024

**Skift** 

### Mulling ModCon

APRIL 30, 2025

**Hotel Investment Today**  
BY NORTHSTAR

In what one industry executive terms a “compelling solution,” modular construction may be ready to step back into the limelight.



**Opinion**

Rick Reilly

### Airbnb and Vrbo are going downhill like a hippo on a water slide

Renting someone’s home with apps like these used to be fun. Talk about a vibe shift.

June 19, 2025 at 7:45 a.m. EDT

**HM on Location: Hospitality’s future lies in ‘morphing into other asset classes’**

Jun 3, 2025



**Multifamily Hotelization: Busting Myths, Supporting Realities**

July 10, 2025



# U.S. Lodging Industry H2 2025

## Opportunities

### AI Robots Are Entering the Public World—With Mixed Results THE WALL STREET JOURNAL

They're terrible cocktail party guests but operators say the potential of what robots can do is growing Dec. 31, 2024

### AI transforming hospitality: Hoteliers predict major industry impact HOTELS

January 20, 2025



### Chatbots take more prevalent role in hotel booking process CoStar

January 27, 2025



Brands leverage artificial intelligence to go beyond today's simple, automated conversations

### AI everywhere all at once: How further adoption 'will change everything' in hotels CoStar

January 31, 2025



Experts weigh in on increased cybersecurity and the need for payments innovation

### Book A Robotic Massage At These Luxurious U.S. Hotel Spas Forbes

May 05, 2025



### AI's Promise for Hospitality



Understanding AI's potential in hospitality requires a clear view of its unique strengths. These are the capabilities that set it apart from existing technologies.



#### Intelligent, Automated Guest Responses

AI quickly interprets guest inquiries and delivers accurate, conversational replies —saving staff time and improving service.



#### Frees Up Front Desk Staff

By handling common questions and requests, AI reduces front desk workloads, letting staff focus on high-value tasks.



#### Boosts Revenue and Bookings

AI-powered recommendations and upsells drive revenue and bookings by personalizing offers and simplifying the booking process.



#### Always-On, Multilingual Support

AI responds instantly in any language, ensuring every guest query is addressed, no matter the time of day.

### AI Will Drive Hotels to Follow Amazon's Loyalty Playbook Skift

June 4th, 2025



### Why your buffet breakfast croissant is getting smaller: How hotels are using AI bins to slash food waste Daily Mail

6 June 2025



• Hilton has deployed a waste-tracking system created by British technology company Winnow with 'smart bins' installed in nearly 200 hotels





# U.S. Lodging Industry H2 2025

## Opportunities

### World's first AI-powered hotel opens its doors in Las Vegas, with lease options available

Jul 08, 2025



The Otonomus Hotel is now taking reservations and residential leases in Spring Valley.



# U.S. Lodging Industry H2 2025

## Opportunities

**The Mercedes x Belmond Concept Is a Luxury Hotel Room on Wheels and We Mean That Literally**

30 Jan 2024,

**autoevolution**

**Do you have  
a reservation?**



When it comes to untapped financial markets, one must look at hotel transportation packages and tours now that fully electric autonomous vehicles are on the horizon. There are several luxury hotels out there that offer bespoke cruises to captivating destinations as part of a travel package, and it's only a matter of time until new alliances are forged between said hotels and various luxury car brands.



Daniel H. Lesser  
Co-Founder, President & CEO



# U.S. Lodging Industry H2 2025

## Opportunities

### Outer Space – Hospitality's Final Frontier?

JUNE 27, 2025

COMMERCIAL OBSERVER

*Designers and major hospitality brands such as Hilton are thinking of fresh ways to make extraterrestrial travel and habitation more comfortable*



Daniel H.  
Co-Founder, President & CEO

LWHA  
LW HOSPITALITY ADVISORS

### Hilton's Chris Nassetta Sees 'Overreaction' to Trump Policies and 'Upside' Potential

April 29, 2025

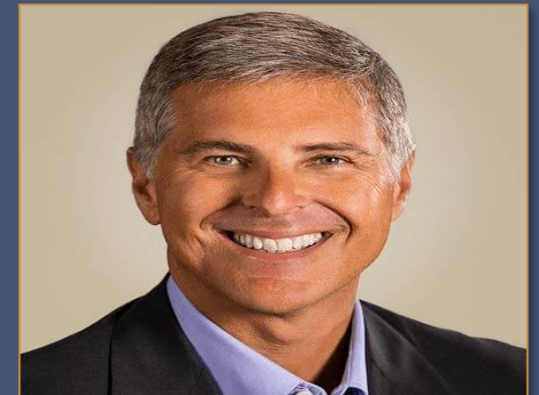
Skift. ✓

#### Hilton Sees a New Golden Age of Travel. Can It Last?

Chris Nassetta, Hilton's longtime CEO, talks about demand for rooms, hiring gig workers and the future of room service

THE WALL STREET JOURNAL

Dec. 17, 2022



*"Over the long term, it's going to be spectacular. All the trends that were here pre-Covid are here even to a greater level—meaning, people's desire to spend on experiences and do things. The other thing that is long term very beneficial for what I call our new golden age of travel is mobility. You have greater flexibility. People are going to have more flexibility on Mondays, Fridays, weekends. People are going to allow more remote work. The more mobile the world, the better our business. It's that simple."*

**Christopher J. Nassetta, President and Chief Executive Officer - Hilton**



# U.S. Lodging Industry H2 2025



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