

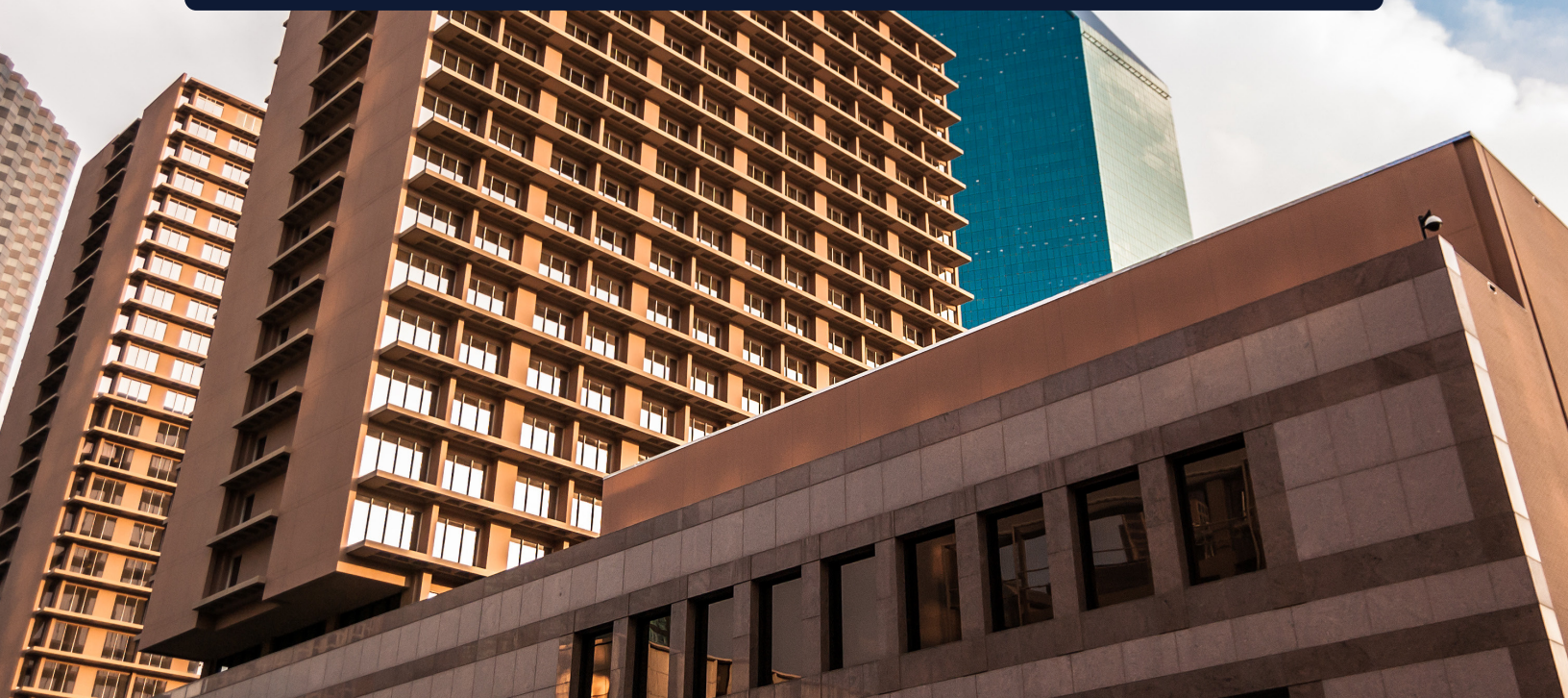


MATTHEWS™

Market Report

Dallas-Fort Worth, TX

Hospitality | Q3 2025



Key Findings

- Dallas Fort-Worth's hospitality market remains among the top three markets for rooms under construction nationally throughout 2025.
- Investor confidence held firm in Q3, with \$52.5 million in hotel sales led by private buyers targeting select-service and suburban assets.
- Over 60% of Dallas's active hotel development is heavily concentrated in Luxury and Upscale projects across Frisco, Las Colinas, and Uptown.

By the Numbers

Source: CoStar Group, Inc.

\$52.5M	\$162,044	9.5%	\$124.87	\$78.55
Sales Volume	Sale Price Per Room	Cap Rate	ADR	RevPar
4.6K rooms	2,637 rooms	63%		
Under Construction	Delivered	Occupancy		

The Dallas–Fort Worth (DFW) metro remains one of the nation’s leading metropolitan economies, driven by sustained corporate investment and a diversified employment base. Centrally located with two major airports, DFW International and Dallas Love Field, the region is a premier hub for both business and leisure travel, supported by rising visitor demand. Ongoing redevelopment, including the \$2 billion expansion of the Kay Bailey Hutchison Convention Center, along with large-scale suburban projects such as the PGA of America headquarters and Universal Theme Park in Frisco, reinforce the market’s resilience and contribute to continued hospitality performance and regional growth.

DFW Travel Accolades

2025 | Source: DFW Airport

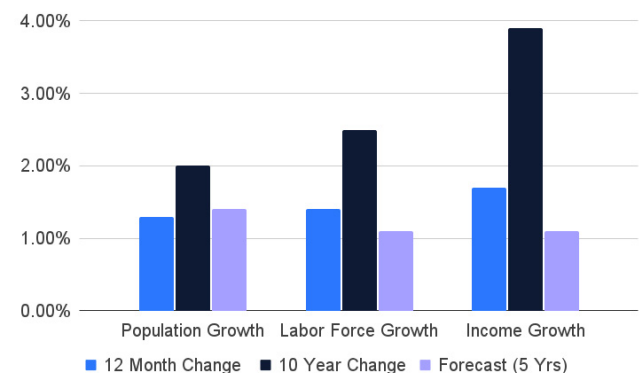
3rd	43.5M
Busiest Airport	Domestic Passengers
1.1%	7.4M
Passenger Increase YoY	International Passengers

DFW Upcoming Tourism Anchors

- FIFA World Cup
- State Fair of Texas
- Universal Kids Resort
- Annual NASCAR Cup

Population, Labor Force, & Income Growth

Source: CoStar Group, Inc.





Market Performance

Dallas–Fort Worth’s hospitality market steadied throughout Q3 2025 as new supply began to outpace modest demand shifts. Occupancy saw slight improvements at 63%, up 2.3% from the previous quarter, while ADR reached \$124.87 and RevPAR settled at \$78.55. Performance and travel trends indicate continued stability, with strong event activity and weekend travel offsetting softer midweek business demand as operators uphold rate integrity in a competitive supply environment.

Operators remain optimistic heading into Q4 as they prepare for an uptick in demand tied to the 2026 FIFA World Cup and the IndyCar Grand Prix of Arlington, supported by steady visitor volumes and economic stability.

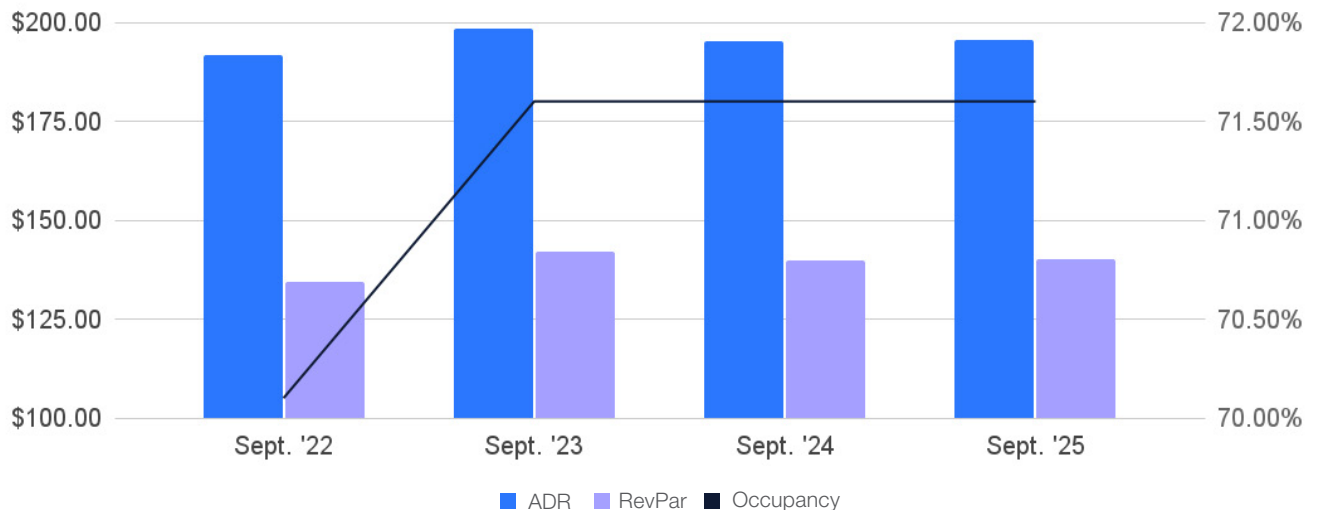
Performance by Class Sector

Source: CoStar Group, Inc.

	Rooms	12 Mo Occ	12 Mo ADR	12 Mo RevPAR
Luxury & Upper Upscale	29,161	62.3%	\$212.98	\$132.66
Luxury & Upper Midscale	42,368	66.8%	\$117.01	\$78.16
Midscale & Economy	30,916	62.5%	\$65.24	\$40.80

Dallas Fort-Worth Occupancy, ADR, and RevPAR

Source: CoStar Group, Inc.



Construction

Under Construction Properties

Source: CoStar Group, Inc.



Under Construction

Development activity remains robust throughout Dallas-Fort Worth, with 4,600 rooms under construction across 38 projects. Investor and developer confidence holds strong emulate of an especially concentrated pipeline in Upscale and Upper Upscale projects to meet premium offering demands in key-growth corridors.

Uptown, Las Colinas, and Frisco anchor the pipeline in support of corporate campus expansion, up-and-coming entertainment district, and large-scale mixed-use projects catered towards business and leisure travels.

Notable projects include the MOXY Dallas Uptown and InterContinental Dallas, both slated for completion by 2026, adding luxury inventory to already high-performing corridors.

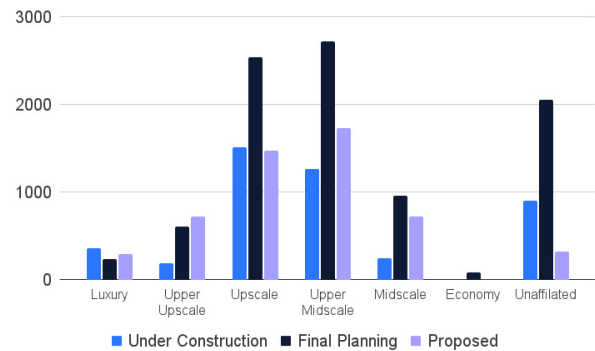
Top 10 Slated 2026 Deliveries

Source: CoStar Group, Inc.

Address	Rooms	Complete
2910 N Hall St	154	03/2026
1540 Point West Blvd	138	03/2026
150 S Hackberry Rd	136	03/2026
4555 Travis St	140	04/2026
7440 State Hwy 121	133	05/2026
2711 N Haskell Ave	220	06/2026
704 Dallas Dr	105	07/2026
2716 Hwy 67	124	09/2026
1805 W Mockingbird Ln	100	11/2026
241 N Overlook Dr	455	12/2026

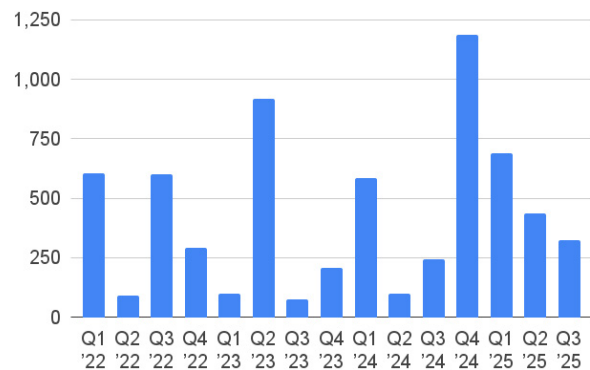
Pipeline By Scale

Source: CoStar Group, Inc.



Rooms Delivered

Source: CoStar Group, Inc.

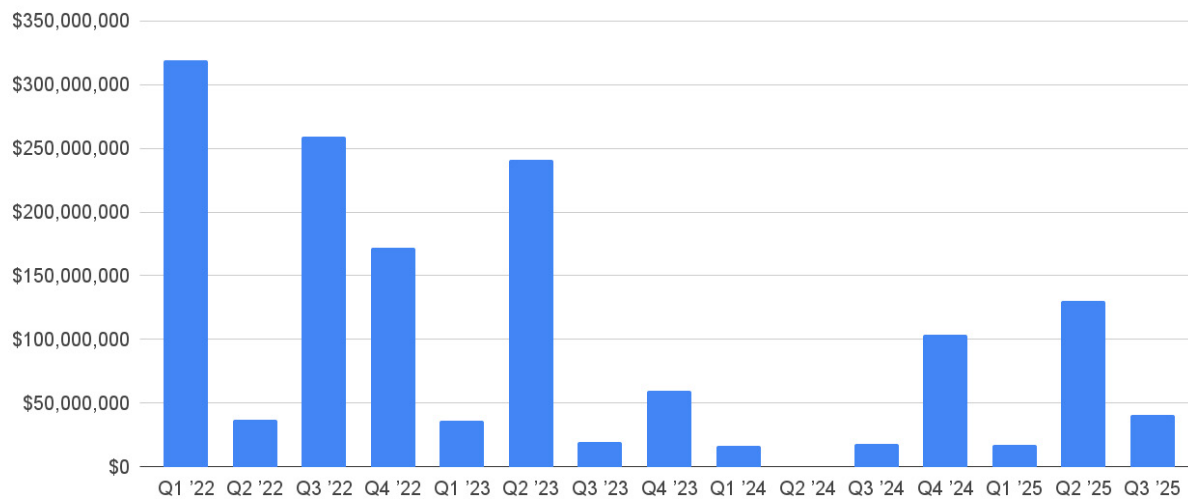


Sales

Investment activity in Dallas–Fort Worth’s hospitality market reflected steady deal flow in Q3 2025 as investors navigated narrowing lending margins and ongoing economic uncertainty. Sales volume reached \$292 million across 52 transactions, with pricing averaging \$200,000 per key over the past 12 months. Due to Texas’s nondisclosure status, actual figures are likely higher, highlighted by notable trades of well-located, full-service assets such as the Fairmont Dallas, Westin Dallas Downtown, and La Quinta Inn & Suites Grand Prairie. CMBS exposure remains elevated, with 68 loans outstanding and several properties on watch lists or in special servicing. While inflation and financing costs continue to constrain deal velocity, private investors dominated acquisitions, complemented by selective institutional participation in high-quality assets.

Dallas Fort-Worth Sales Volume

Source: CoStar Group, Inc.



Significant Sales

Source: CoStar Group, Inc.

Address	Year Built	Rooms	Sale Date	Price	Price/Room
400 N Atlantic Blvd	2024	136	11/22/2024	\$38,000,000	\$279,412
810 S Douglas St	1995	122	8/6/2025	\$29,000,000	\$237,705
4105 E Willow St	1997	134	9/17/2025	\$25,000,000	\$186,567
1211 E Garvey St	1989	258	3/28/2025	\$20,000,000	\$77,519
23627 Calabasas Rd	1987	122	5/9/2025	\$19,150,000	\$156,967
140 S Lasky Dr	1937	44	2/26/2025	\$17,616,500	\$400,375
125 S Spalding Dr	1959	49	2/26/2025	\$17,616,500	\$359,520
3145 E Garvey Ave N	1988	127	2/12/2025	\$16,281,000	\$128,197
930 S 5th Ave	1998	123	2/7/2025	\$14,300,000	\$116,260
1016 The Strand	1955	35	10/2/2024	\$14,240,000	\$406,857

Submarket Highlights

Source: CoStar Group, Inc.

Submarket	Inventory Rooms	Existing Buildings	YTD RevPAR	ADR
Dallas CBD/Market Center	10,144	61	\$75.65	\$164.14
Irving North Area	13,828	209	\$58.36	\$130.10
West Plano/Frisco	14,080	135	\$63.78	\$130.69
Denton/Lewisville/McKinney	8,607	75	\$97.34	\$104.09
Addison/LBJ Freeway	7,590	68	\$125.91	\$96.89
Irving South/Grand Prairie	6,189	51	\$64.21	\$115.95
Dallas South/East	9,272	63	\$69.07	\$90.22
East Plano/Richardson	21,058	106	\$95.34	\$90.63
Farmers Branch/Stemmons Fwy N	11,677	73	\$77.12	\$95.62

\$90.22



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