

USA & CANADA HOTEL PIPELINE 2024-2025

Hotel construction and planned projects in the United States reached historic levels in the fourth quarter of 2024, according to Lodging Econometrics. The total pipeline hit almost 6,500 projects—a record high—with about 747,000 rooms, marking year-over-year growth of 7 percent in projects and 8 percent in rooms.



The U.S. hotel pipeline demonstrates “robust activity” across all project stages, according to the report. Projects currently under construction total approximately 1,200, with about 140,000 rooms, reflecting a “healthy” year-over-year increase. Looking ahead, nearly 3,000 projects, comprising about 200,000 rooms, are scheduled to break ground over the next 12 months.

The most significant growth is seen in the early planning stage, which reached “unprecedented” levels with almost 3,000 projects and 350,000 rooms. This reflects remarkable year-over-year growth, with projects up 15 percent and room counts increasing by 19 percent.

Chain Scales and Openings

By chain scale, upper-midscale hotels lead the pipeline with a record-breaking 2,300 projects and 230,000 rooms. Upscale hotels follow with 1,500 projects and 182,000 rooms. The midscale segment also set a record with 950 projects and 81,000 rooms, while the upper-upscale chain scale Luxury reached 340 projects by the end of 2024.

The U.S. hotel industry experienced growth in new project announcements during 2024, with 460 new projects totaling 58,000 rooms entering the pipeline. Brand conversions maintained strong momentum through year-end 2024, reaching a record high of 1,400 projects with 129,000 rooms at the close of Q4.

Although renovation activity showed a slight decline in Q4, it remained strong, with 660 projects comprising 127,000 rooms. Combined, renovation and conversion projects represent a substantial portion of hotel development activity, totaling 2,000 projects with 256,000 rooms.

In 2024, 600 new hotels opened in the U.S.A., adding 68,000 rooms and expanding the nation's hotel supply by 1.2 percent. Lodging Econometrics projects even stronger growth in 2025, with 730 new hotels and 82,000 rooms expected to open, correlating to a 1.5 percent increase in supply. Growth is forecast to accelerate further in 2026, with 900 new hotels and 100,000 rooms scheduled to open, boosting national supply by an additional 1.7 percent. The luxury segment cost per room dwarfs all other segments and in fact according to public offerings a cost per room in the luxury segment in NY, Miami and in LA will average far in excess of one million dollars per key....

Record Pipe for Canada

Canada's construction pipeline has reached record-breaking counts of about 335 projects/ almost 44,000 rooms, showing robust growth of 13% for both projects and rooms year-over-year (YOY), according to Lodging Econometrics data. At year-end 2024, projects under construction stand at 76 projects/10,500 rooms, up 15% by projects and 16% by rooms YOY. Projects scheduled to start construction in the next 12 months total 87 projects/12,000 rooms, reflecting a modest 2% increase in projects but a substantial 19% increase in rooms YOY. Projects early planning also experienced significant growth at Q4 with a 19% increase by projects and 9% by rooms YOY, to close the quarter with 170 projects and a record-high 21,300 rooms.