

A 3x12 grid of 36 images showcasing various attractions in Miami. The images include: historic landmarks like the Biltmore Hotel and Castillo de San Pedro de la Verna; modern architecture such as the Phipps Plaza and the Biltmore Hotel; beaches like South Beach and the beach at the Phipps Plaza; parks and green spaces including the Biltmore Hotel grounds and the Biltmore Hotel grounds; cultural sites like the Phipps Plaza and the Biltmore Hotel; and other notable locations such as the Phipps Plaza, the Biltmore Hotel, and the Biltmore Hotel.

In Summary

- Recent anticipated rate cuts could be a benefit for consumers but they may not be enough to alleviate present economic conditions. Economists are not projecting much GDP growth next year.
- Travel demand is expected to be constant, driven by upper income segments. That said, travelers are still budget-minded and value is more important than other personal preferences. Our upper tier hotels have seen demand growth but not room rate growth.
- While hotel demand has grown, short term rental demand has also grown and some of this could be budget-driven.
- For Greater Miami, travel demand in 2024 continued to improve year-over-year, fueled by both domestic and international visitation. Traditional international markets have been returning but we do not anticipate we will be back to 2019 levels this year. Overall, we expect to finish 2024 on the positive side.
- The 2025 hotel forecast is projecting an increase in demand and they are bullish on rate growth. We agree with demand growth but not ADR growth. Next forecast will be released November 2024, we expect projected ADR to be revised lower.

What's Next After The Fed's Big Interest Rate Cut?

Forbes

Irvine, who follows market trends closely, predicted that the robust rate cut **“could stimulate investment, spur consumer spending, and reinvigorate economic activity, fostering a more favorable environment for financial markets”** at a pivotal time for the U.S. economy. Other Fed watchers, like *Forbes* contributor Erik Sherman, have expressed concerns that **even though this change in policy was expected, recalibrating now may be difficult as prices and employment are still shaking out.**

What A Rate Cut Means For Job Seekers

A cut in interest rates is designed to stimulate spending and lead to a stronger economy and, ultimately, higher employment and a more competitive job market. That can be good for job seekers and those looking to move up or on to better gigs, Kelly writes. But nothing is certain.

What A Fed Rate Cut Means For Small Businesses

“While a rate cut is generally seen as positive for job growth, its effectiveness can depend on broader economic conditions, business confidence, and how companies choose to use the lower-cost capital available to them,” Kelly says. Lots of types of businesses are affected. **“High interest rates hurt the economy by making it more expensive to borrow for mortgages, auto loans, and credit cards—or in many cases, for growing a business.”**

What A Fed Rate Cut Means For Student Loan Borrowers

“Federal student loan rates will remain unchanged until at least July 1 of next year,” *Forbes* personal finance contributor Robert Farrington writes. **“Whereas the impact on private student loans will be more immediate.”**

What A Fed Rate Cut Means For Home Buyers

Daryl Fairweather, a *Forbes* real estate contributor and the chief economist at Redfin, was cautiously optimistic in her predictions earlier this summer, advising home buyers to watch carefully. **“The way down for mortgage rates will likely be bumpy as economic data continues to roll in, and the Fed’s actions will play a significant role in determining the path for mortgage rates.”** Fairweather said last month.

These indicators suggest that macroeconomic instability, sluggish consumer spending and signs of strain on the U.S. labor market continue to stoke fears of a recession even as Powell and the Fed try to stick to the landing.

Despite Slower Economic Growth, Outlook For US Hotels Remains Positive

While the U.S. economy may be slowing, it's still growing, and the long-term prospects are generally positive for the hotel industry, said economist Aran Ryan. During his presentation on the U.S. economic outlook at the 2024 Hotel Data Conference, he said **consumer spending has been steadily slowing and disposable income has declined.**

"We're at this interesting spot where we're actually growing our incomes at a slower pace than growing our spending," he said. *"The sort of thing that drives some of the headlines recently about concerns about [whether] the economy [will] dip into recession."*

Oxford Economics' baseline view of the economy is that the U.S. is in a transition to more sustainable growth, Ryan said. Gross domestic product growth for 2025 will be 1.8%, slower than what's projected for this year given the nominal consumer spending.

"Consumers are going to be pulling back on the amount that they're spending, but we see that happening as more of a sustainable transition to slower growth without tipping into recession," he said. *"We expect the economy is achieving a soft landing here."* One thing that mitigates the risk of consumers pulling back on travel spend is that so much travel activity comes from higher-income households, Ryan said. More than 60% of consumer spending on hotels comes from the top income segments.

"There is some concern that households will be pinched in the year ahead, that the economy is slowing, but it's balanced by what makes up the purchasing power of that travel economy," he said.

Overseas arrivals to the U.S. are still down 17% from 2019 levels, but they're rebuilding, particularly from the Asia-Pacific region, Ryan said. Outbound and domestic travel has recovered ahead of international inbound, creating a travel deficit in which U.S. travelers are spending more abroad than the U.S. in bringing in. International inbound is expected to continue to grow, though.

Appetite For Leisure Travel Remains Strong

Demand for leisure travel is seeing an upward trend*, with almost 72% of travelers planning to take at least three trips in the next 12 months, a recent survey has found. According to the latest Annual Travel Survey by the Cheval Collection, **travel intent for leisure saw a 46% surge from 2023**. The number of respondents planning to take five or more trips was almost a quarter of the total.

It is reassuring to see that there is still strong demand from the leisure market, at a time when we are seeing headwinds in other segments, said Cheval Collection's Director of Marketing Robert Speirs.

"Serviced apartments have proven resilience and are now part of the mainstream for guests and investors, as we are hearing through the conversations we are having in dynamic locations around the world. The combination of flexible, luxurious accommodation and limber, efficient operations is only growing in popularity."

The preference to combine leisure and business was muted, with at least half of the respondents not traveling for business purposes at all. Of the people who plan on traveling for business in the next 12 months, **70% said they would only combine work with leisure if the hotel had a strong Wi-Fi for remote work. This was considered more important than a dedicated workspace (22%) and access to kitchen facilities (8%).**

Appetite For Leisure Travel Remains Strong, cont'd. – Booking Habits

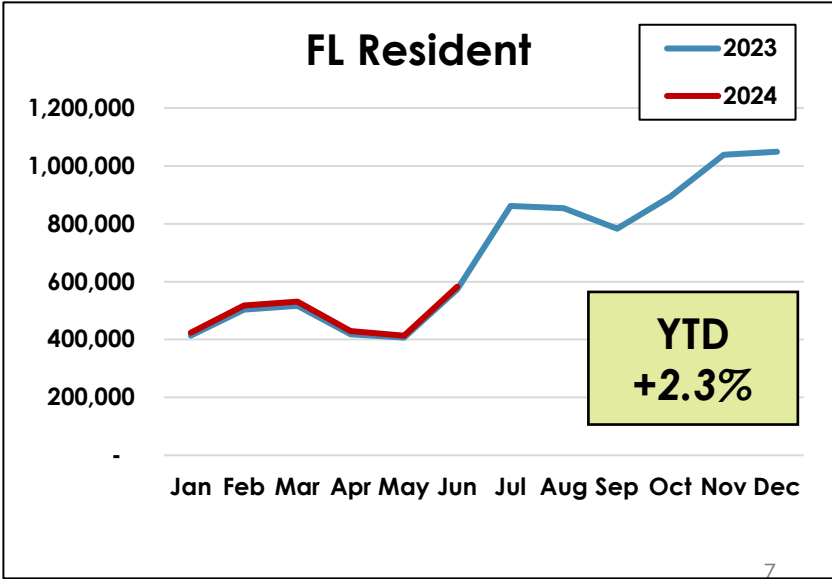
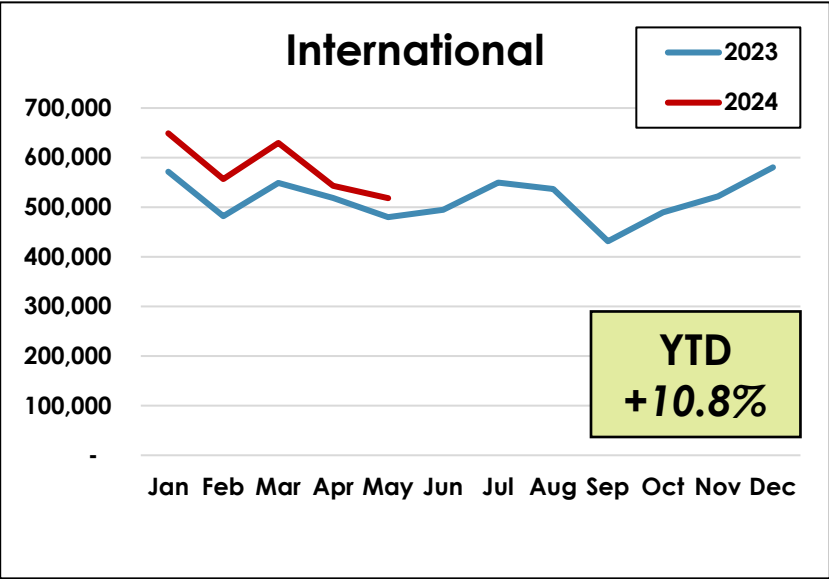
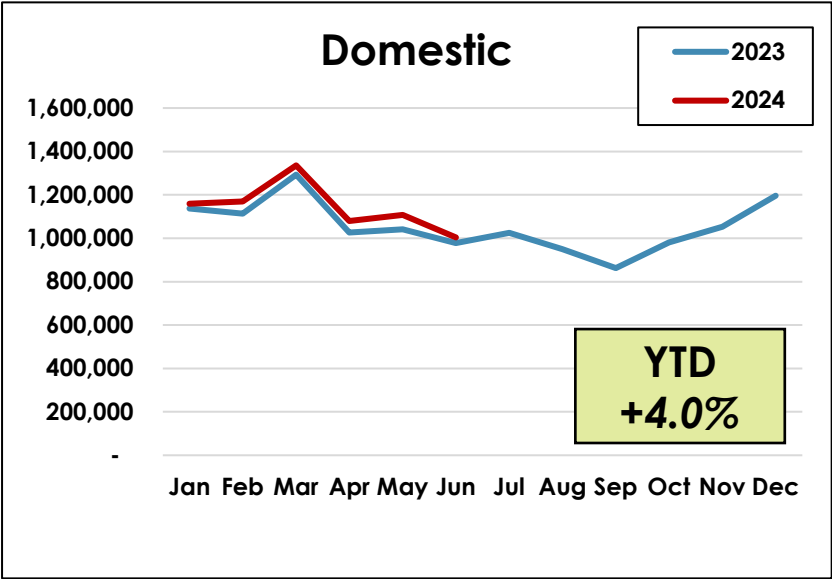
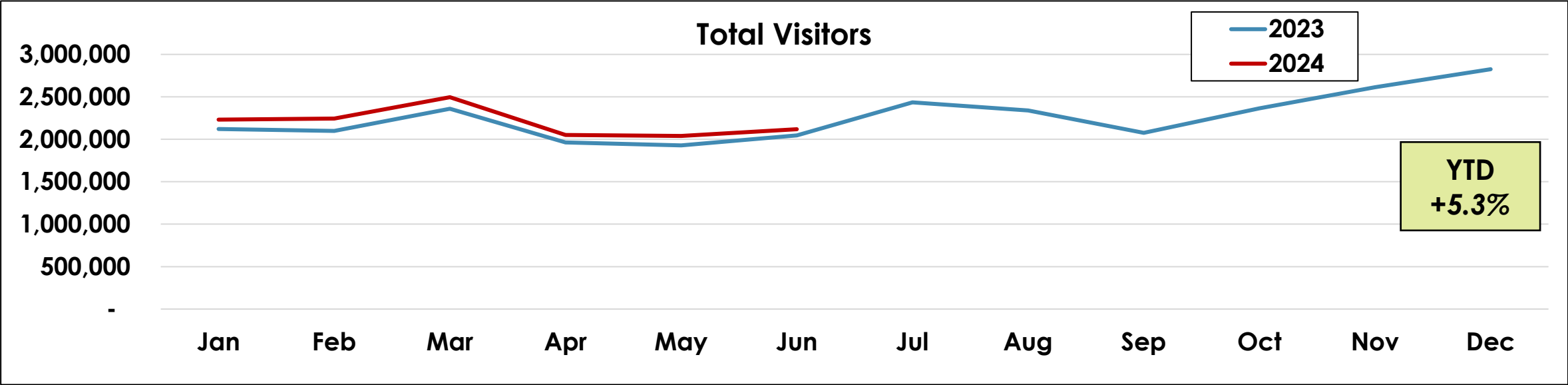
The recent spike in the cost of living, particularly the increased in the cost of air travel, has influenced booking behavior. About **53% of the respondents said they would travel at less convenient times just to avoid peak fares and lower costs.** Some **22% of the respondents said they were planning to reduce the number of trips over a 12-month period to save money.**

When making a booking for an accommodation, nearly **77% said they prefer to book directly or actively consider doing so if the price was competitive.** Online travel agents, such as Booking.com or Expedia, found favor with only 18.5% of the respondents.

Value is a major factor for travelers and around **43% and 45% of respondents said they would either book the cheapest, non-refundable rate or they would wait for a sales event before committing to a purchase when booking an accommodation.** Just over 30% of travellers indicated a preference for a provider with an attractive loyalty program.

While respondents prioritize sustainability, it is not as significant as ensuring a good deal on an **accommodation booking.** In terms of leisure travel, only 9.4% of respondents said they would stay in a property with a coherent sustainability action plan, while 14% of respondents for business travel said sustainability policy was a company requirement. **Price emerged as more important than ensuring sustainability initiatives in choosing an accommodation.**

Miami-Dade Domestic/International Visitation: First 6 Months 2024

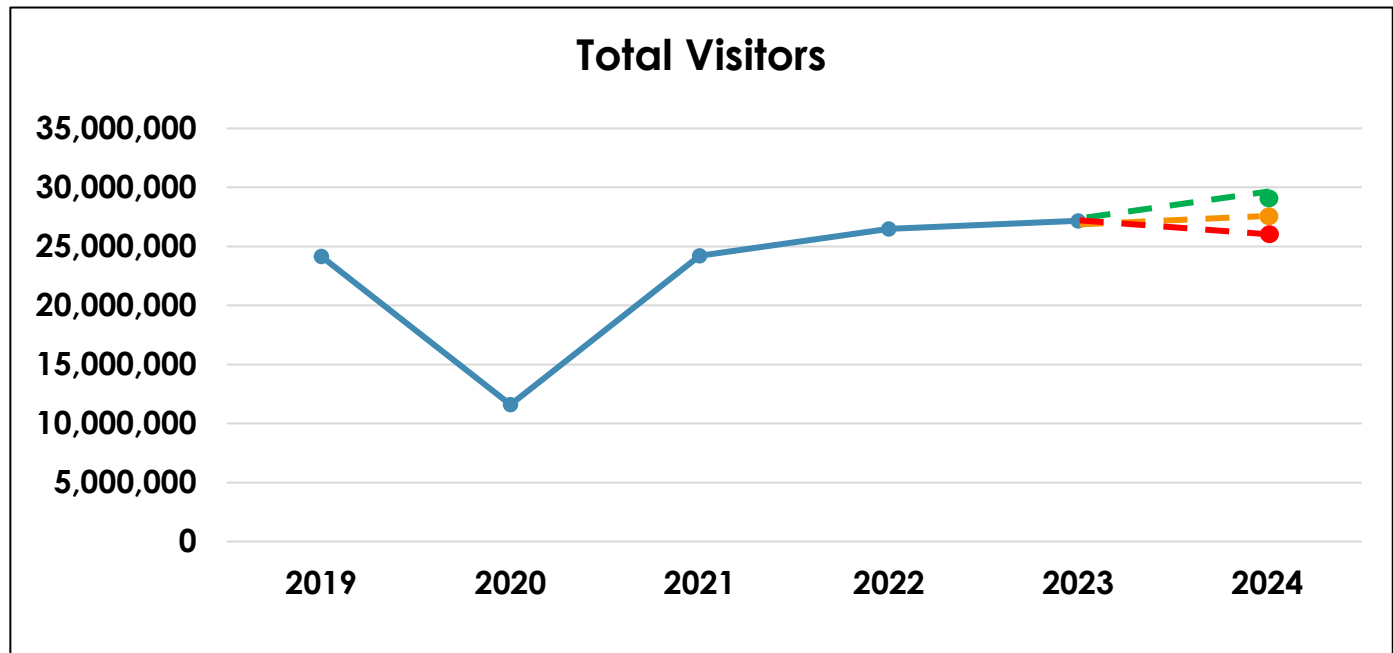


Miami-Dade County Visitation: First 6 Months 2024, Top Markets

International		
Country	1,000s	% YOY
Colombia	293	10.7%
Brazil	254	14.3%
Canada	226	16.3%
United Kingdom	171	17.4%
Germany	134	19.5%
Mexico	132	2.0%
France	130	33.7%
Venezuela	119	10.5%
Argentina	110	5.1%
Spain	110	0.8%
Ecuador	95	1.2%
Bahamas	90	3.6%
Dominican Republic	84	6.5%
Peru	78	5.1%
Honduras	55	9.6%
<u>Total International</u>	<u>3,430</u>	<u>10.8%</u>

Domestic		
Origin Market	1,000s	% YOY
New York City	1,305	-3.1%
Atlanta	398	2.9%
Chicago	359	5.8%
Los Angeles	259	14.2%
Dallas	242	14.1%
Philadelphia	244	9.2%
Washington, DC	200	2.7%
Boston	201	1.8%
Houston	192	-13.2%
Detroit	152	3.1%
Charlotte	117	2.4%
Denver	102	15.3%
Raleigh	79	0.8%
Cleveland	75	5.4%
Savannah	69	11.3%
<u>Total Domestic</u>	<u>6,854</u>	<u>4.0%</u>

Miami-Dade County Visitor Forecast



	2019	2020	2021	2022	2023
Domestic	9,110,000	5,749,000	12,074,000	12,768,000	12,656,000
International	6,905,000	2,456,000	5,189,000	5,843,000	6,206,000
FL Resident	8,153,000	3,390,000	6,958,000	7,889,000	8,311,000
Total	24,168,000	11,595,000	24,221,000	26,500,000	27,173,000

	2024 forecast		
	Low	Mid	High
Domestic	12,584,000	12,940,000	13,296,000
International	6,182,000	6,354,000	6,526,000
FL Resident	7,840,000	8,062,000	8,284,000
Total	26,605,000	27,357,000	28,109,000

	2024 vs 2023		
	Low	Mid	High
Domestic	-0.6%	2.2%	5.1%
International	-0.4%	2.4%	5.2%
FL Resident	-5.7%	-3.0%	-0.3%
Total	-2.1%	0.7%	3.4%

	2024 vs 2019		
	Low	Mid	High
Domestic	38.1%	42.0%	45.9%
International	-10.5%	-8.0%	-5.5%
FL Resident	-3.8%	-1.1%	1.6%
Total	10.1%	13.2%	16.3%

Miami-Dade County Industry Performance

MIA Arrivals	July	% YOY
Domestic	1,290,655	4.7%
International	1,177,076	8.4%
Total Arrivals	2,467,731	6.5%

July YTD	% YOY
9,279,383	8.4%
7,558,134	11.0%
16,837,517	9.6%

Hotel	August	% YOY
Occupancy	67.8%	3.3%
ADR	\$158.98	-0.5%
RevPAR	\$107.84	2.8%
Supply	65,234	-1.3%
Demand	1,371,821	2.0%
Revenue	\$218,072,087	1.5%

August YTD	% YOY
75.7%	3.7%
\$226.79	-1.0%
\$171.69	2.6%
65,287	-1.2%
12,010,879	2.4%
\$2,723,416,361	1.4%

Short Term Rentals	August	% YOY
Occupancy	43.5%	0.3%
ADR	\$265.97	8.8%
Supply	26,696	4.3%
Revenue	\$105,660,498	6.9%

August YTD	% YOY
49.5%	-0.4%
\$301.05	6.8%
26,057	6.3%
\$1,080,787,913	9.9%

Miami-Dade County Short Term Rentals & Hotel Average Daily Rates

Month	Private/shared room	Entire home
January 2024	\$130.67	\$350.04
February 2024	\$132.39	\$344.54
March 2024	\$141.60	\$370.20
April 2024	\$128.32	\$320.54
May 2024	\$128.95	\$306.86
June 2024	\$120.72	\$282.49
July 2024	\$132.79	\$298.42
August 2024	\$133.91	\$271.99

Total Short Term Rentals	Hotel
\$321.57	\$251.40
\$318.47	\$290.83
\$344.49	\$283.87
\$303.08	\$238.77
\$292.84	\$218.70
\$272.14	\$171.80
\$289.83	\$174.22
\$265.97	\$158.97

Month	Private/shared room	Entire home % YOY
January 2024	3.1%	11.5%
February 2024	1.4%	2.9%
March 2024	4.5%	5.4%
April 2024	0.8%	0.4%
May 2024	8.1%	2.1%
June 2024	5.5%	0.3%
July 2024	10.9%	4.7%
August 2024	21.4%	2.9%

Total Short Term Rentals % YOY	Hotel % YOY
11.4%	0.0%
3.7%	-0.5%
7.0%	-0.8%
3.3%	-2.7%
6.0%	-2.3%
4.9%	-2.2%
9.9%	-0.5%
8.8%	-0.5%

Regional Hotel Performance: January – August 2024

Region	Occupancy	% YOY	ADR	% YOY	RevPAR	% YOY
		24 vs 23		24 vs 23		24 vs 23
Miami-Dade	75.7%	3.7%	\$226.79	-1.0%	\$171.69	2.6%
Airport	83.6%	1.7%	\$142.34	1.1%	\$119.04	2.8%
Aventura/Sunny Isles	73.4%	7.3%	\$267.39	0.1%	\$196.40	7.4%
Central Dade	79.9%	4.0%	\$138.30	0.5%	\$110.45	4.6%
Coconut Grove/Key Biscayne	71.6%	4.8%	\$315.70	2.6%	\$225.98	7.5%
Coral Gables	73.6%	2.0%	\$211.19	5.0%	\$155.46	7.1%
Doral	80.4%	0.6%	\$159.03	0.3%	\$127.84	0.9%
Downtown Miami/Brickell	72.9%	8.9%	\$244.23	-1.8%	\$178.01	7.0%
Miami Beach	74.4%	2.9%	\$292.39	-2.0%	\$217.45	0.8%
North Dade	73.9%	3.0%	\$128.27	-0.1%	\$94.84	2.9%
South Dade	73.1%	1.0%	\$109.47	0.6%	\$80.02	1.5%
Surfside/Bal Harbour	63.1%	2.3%	\$669.32	-0.6%	\$422.08	1.7%
Broward	73.7%	-0.1%	\$189.15	-2.7%	\$139.37	-2.7%
Florida Keys	77.1%	-3.1%	\$372.39	-0.4%	\$287.04	-3.4%
Orlando	72.4%	-2.4%	\$197.31	0.1%	\$142.85	-2.3%

Miami-Dade Hotel Performance By Price

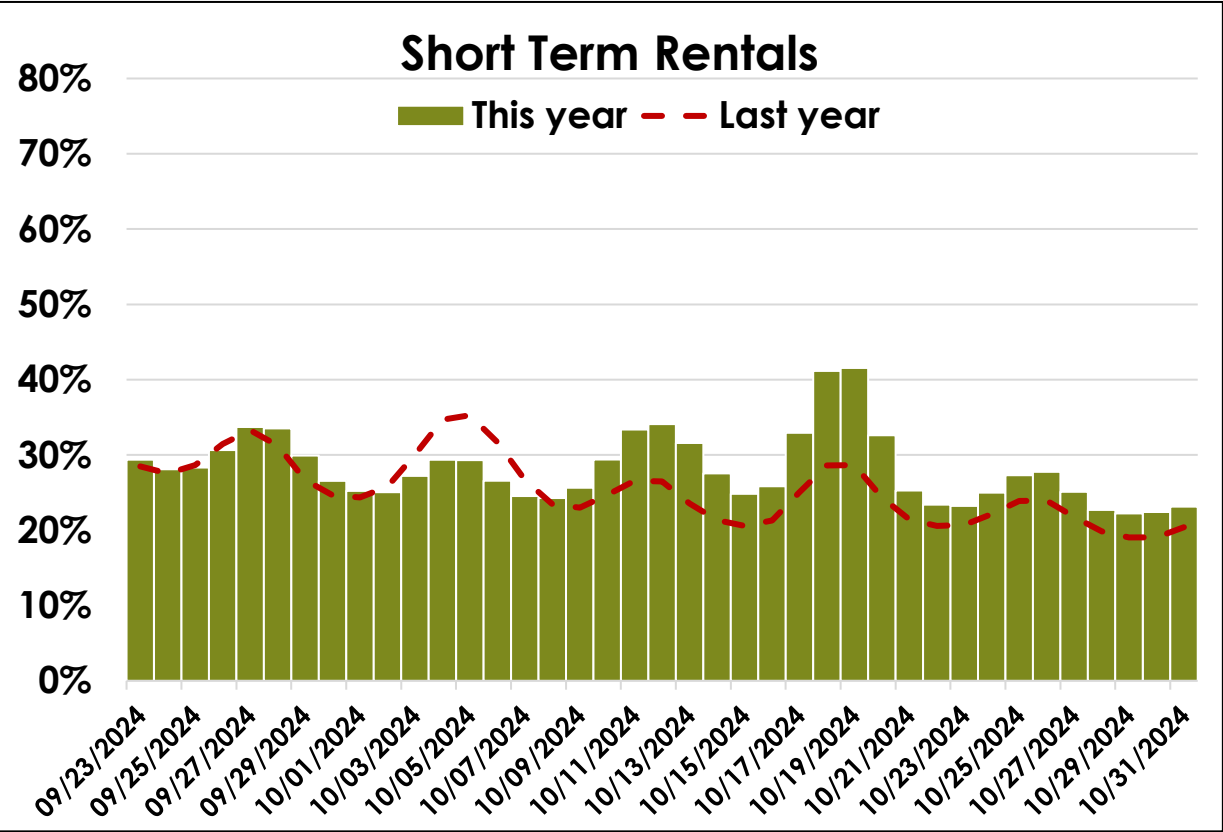
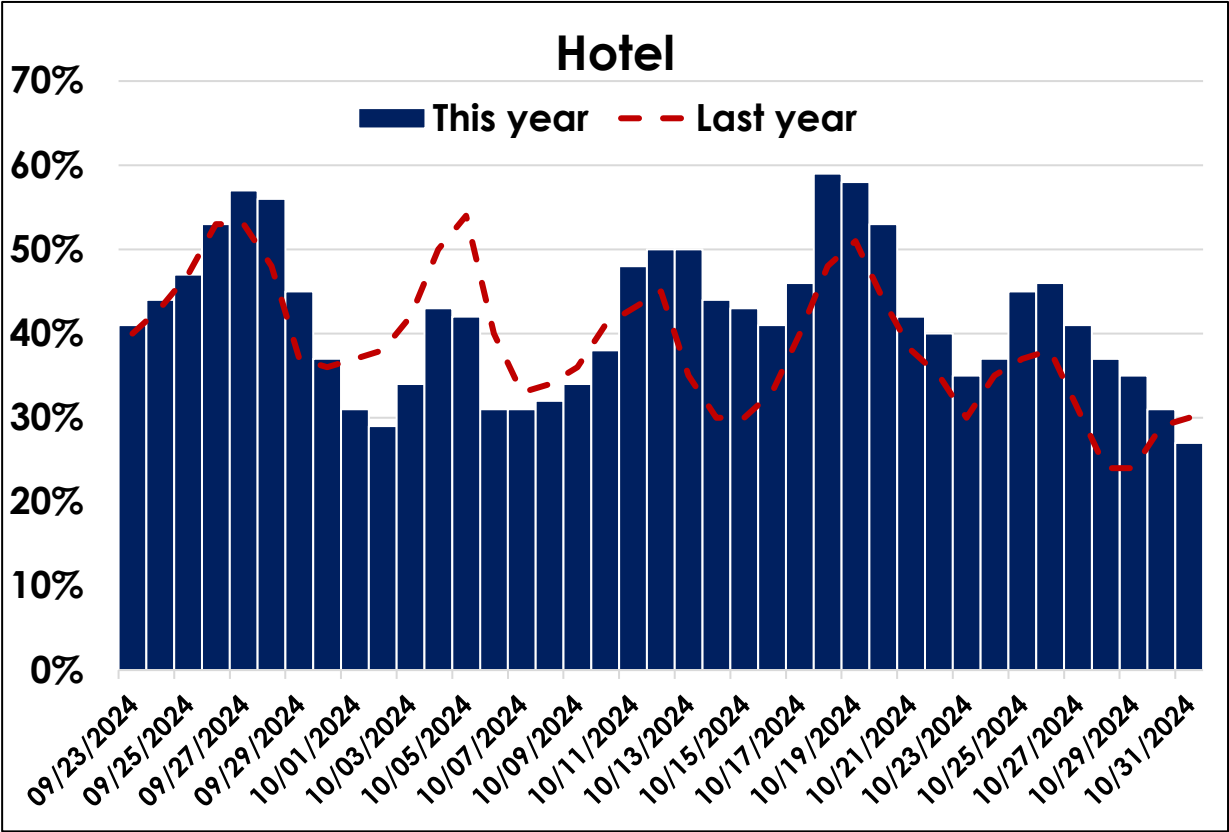
January - August 2024 YTD

			Year to Date							
			Occupancy		ADR		RevPAR		Supply	Demand
Hotel Segment	% total hotels	% total rooms	%	% YOY	\$	% YOY	\$	% YOY	% YOY	%YOY
Miami-Dade	-	-	75.7%	3.7%	\$226.79	-1.0%	\$171.69	2.6%	-1.2%	2.4%
Luxury	10%	20%	70.1%	5.2%	\$494.79	-2.8%	\$346.76	2.3%	-1.5%	3.6%
Upscale	10%	15%	73.5%	5.4%	\$252.44	-1.3%	\$185.56	4.0%	-4.6%	0.5%
Midprice	22%	25%	79.5%	3.7%	\$181.74	0.2%	\$144.42	4.0%	0.5%	4.3%
Economy	15%	15%	78.3%	0.2%	\$144.12	0.7%	\$112.88	0.9%	-0.5%	-0.2%
Budget	43%	25%	76.3%	3.4%	\$109.39	-0.5%	\$83.48	2.8%	-1.0%	2.3%

Regional Hotel Performance – Week Ending Sep 14 2024

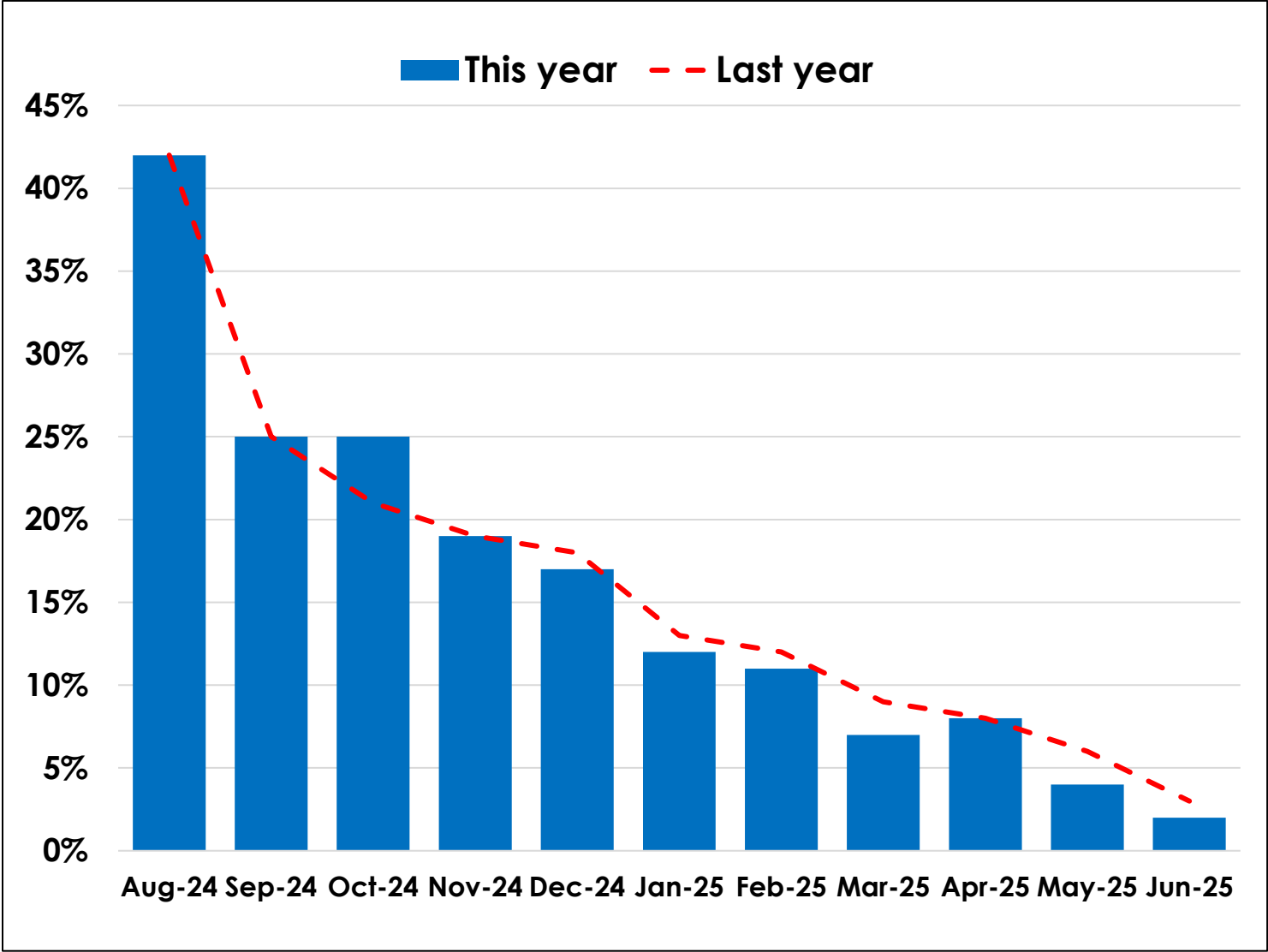
Area	Occupancy	% YOY	ADR	% YOY	REVPAR	% YOY
		24 vs 23		24 vs 23		24 vs 23
Miami-Dade	63.1%	3.1%	\$157.33	3.9%	\$99.31	7.2%
Airport Area	71.4%	-3.6%	\$108.64	1.0%	\$77.56	-2.6%
Miami Beach	57.0%	3.1%	\$186.09	-0.4%	\$106.16	2.7%
Downtown Miami / Brickell	66.3%	13.7%	\$172.65	0.8%	\$114.46	14.6%
Aventura / Sunny Isles	56.3%	7.7%	\$178.79	-3.6%	\$100.70	3.8%
Surfside / Bal Harbour	41.6%	1.2%	\$396.77	0.3%	\$164.95	1.5%
Coconut Grove / Key Biscayne	67.2%	6.0%	\$239.05	40.1%	\$160.56	48.6%
Central Miami-Dade	71.6%	3.3%	\$115.16	4.5%	\$82.46	8.0%
South Miami-Dade	57.2%	-7.1%	\$79.02	-3.9%	\$45.19	-10.7%
North Miami-Dade	62.8%	-0.9%	\$96.51	1.8%	\$60.57	0.8%
Coral Gables	71.7%	8.8%	\$220.70	48.5%	\$158.19	61.6%
Doral	74.1%	-1.4%	\$124.51	2.8%	\$92.31	1.3%
Broward	61.3%	4.8%	\$134.95	2.7%	\$82.68	7.6%
Florida Keys	50.4%	-1.9%	\$223.44	-2.4%	\$112.57	-4.2%
Orlando	61.5%	-2.3%	\$176.99	-0.1%	\$108.93	-2.3%

Miami-Dade County Daily Reserved Hotel Occupancy Ending Oct 31



- September 30 - October 1: – American Association of Otolaryngology Conference
- October 12: Savannah Bananas
- October 14: Columbus Day
- October 14 - 16: Adobe MAX Conference
- October 18 - 20: Taylor Swift

Miami-Dade County Hotel Reserved Occupancy – By Month



Month	This year	Last year	As of 8/5	As of 9/2
Sep-24	42%	39%	0	+3
Oct-24	34%	29%	+4	+5
Nov-24	25%	23%	0	+2
Dec-24	21%	20%	-1	+1
Jan-25	17%	16%	-1	+1
Feb-25	15%	14%	-1	+1
Mar-25	11%	9%	-2	+2
Apr-25	11%	12%	0	-1
May-25	6%	6%	-2	0
Jun-25	3%	4%	-1	-1
Jul-25	2%	2%	+1	0

Miami-Dade County Hotel Performance Forecast

Period	Occupancy		ADR		RevPAR		Avg Daily Supply		Demand	
	%	% Change	\$	% Change	\$	% Change	Room nights	% Change	Room nights (millions)	% Change
Full Year 2024	74.1%	2.9%	\$223.35	1.0%	\$165.43	3.9%	65,450	-0.8%	17.694	2.1%
Full Year 2025	73.6%	-0.6%	\$228.06	2.1%	\$167.91	1.5%	66,718	1.9%	17.929	1.3%
Jan-2025	77.8%	-0.9%	\$262.72	4.5%	\$204.52	3.5%	66,320	1.0%	1.600	0.0%
Feb-2025	82.4%	-2.0%	\$294.64	1.3%	\$242.76	-0.8%	66,318	1.0%	1.530	-1.1%
Mar-2025	83.5%	0.0%	\$290.40	2.3%	\$242.51	2.2%	66,384	1.4%	1.719	1.3%
Apr-2025	78.5%	-0.1%	\$246.47	3.2%	\$193.59	3.1%	66,368	2.0%	1.564	1.9%
May-2025	72.2%	-1.8%	\$225.05	2.9%	\$162.40	1.0%	66,455	2.0%	1.487	0.2%
Jun-2025	69.9%	0.9%	\$178.12	3.5%	\$124.52	4.4%	66,682	2.5%	1.398	3.4%
Jul-2025	71.8%	-0.6%	\$184.28	2.9%	\$132.40	2.3%	66,771	2.4%	1.487	1.8%
Aug-2025	68.7%	0.5%	\$169.78	1.9%	\$116.56	2.5%	66,810	2.3%	1.422	2.8%
Sep-2025	63.4%	0.8%	\$162.44	1.8%	\$103.06	2.7%	66,768	2.2%	1.271	3.1%
Oct-2025	68.0%	-2.6%	\$196.20	-2.5%	\$133.50	-5.0%	66,961	2.1%	1.412	-0.6%
Nov-2025	73.9%	0.0%	\$209.80	2.3%	\$155.10	2.3%	67,311	2.2%	1.493	2.2%
Dec-2025	74.0%	-0.6%	\$282.88	2.4%	\$209.19	1.8%	67,440	2.2%	1.546	1.6%

Miami-Dade County Hotels In Construction – Remaining 2024 & Full Year 2025

Year	Property Name	Rooms	Hotel Class	Property Address	City
2024	Collins Park Hotel Miami	294	Upscale	2000 Park Ave	Miami Beach
2024	Flow Miami	10	Upper Midscale	698 NE 1st Ave	Miami
2024	MOXY Miami Wynwood	120	Upper Midscale	255 NW 25th St	Miami
2024	Sonder Colonnade	95	Upper Midscale	1201 Brickell Ave	Miami
2024	The Moore Miami	13	Upscale	4040 NE 2nd Ave	Miami
2024	EVEN Hotels Sweetwater – Doral	125	Upscale	10770 NW 25th St	Sweetwater
2024	Art Deco Marela Hotel Boutique	18	Midscale	318 Meridian Ave	Miami Beach
		+675			
2025	URBIN Retreat Miami Beach	69	Upper Midscale	1260 Washington Ave	Miami Beach
2025	Legacy Hotel & Residences Miami Worldcenter	219	Economy	36 NE 10th St	Miami
2025	Thompson Miami Beach	147	Luxury	1685 Washington Ave	Miami Beach
2025	E11EVEN Hotel & Residences	416	Upscale	20 NE 11th St	Miami
2025	Holiday Inn Express	133	Upper Midscale	5911 NW 36th St	Miami
		+984 (+1.5%)			



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