



Report for Property Managers

U.S. Key Data Index

Q4 2026: Industry Performance Analysis

Comprehensive Analysis of Short-Term Rental Performance,
Regional & Local Markets, and Strategic Outlook

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SUMMARY

The U.S. short-term rental market strengthened in Q3 2026, with improving demand and continued pricing growth supporting strong revenue performance. After relatively modest booking growth through much of the year, both the KeyData Demand and Revenue Indices accelerated sharply in September. Finalized results followed a similar pattern, with September delivering particularly strong gains in occupancy, ADR, and RevPAR. Regional performance remained varied, but most markets benefited from a combination of higher rates and improving demand, pointing to a healthier and more balanced growth environment entering Q4.

Demand accelerated late in the quarter, with the KeyData Demand Index reaching +0.17 in September, while the Revenue Index climbed even higher to +0.24, indicating strong momentum in both booking activity and revenue.

Q3 finished on a particularly strong note, with September paid occupancy increasing 13%, ADR rising 10%, and RevPAR growing 24% year over year. July also posted double-digit RevPAR growth (+11%), while August was more moderate at +2%.

Pricing remained an important driver, but growth was increasingly supported by occupancy. ADR increased across every finalized Q3 month, while several regions, including the Mid-Atlantic, Midwest, Southeast, Southwest, and Western U.S., also recorded positive occupancy growth.

Booking behavior remained relatively stable, with finalized booking windows ranging from flat to modestly longer year over year. Forward booking windows are also pacing slightly longer through Q4, suggesting no significant shift toward later booking behavior.

Regional RevPAR growth was widespread, ranging from +6% in the Hawaiian Islands to +16% in the Mid-Atlantic. Some markets achieved growth primarily through higher rates, while others benefited from a more balanced combination of occupancy and ADR gains.

Overall, Q3 reflects a strengthening market heading into year-end, with positive forward occupancy and RevPAR pacing through December. Operators that remain responsive to local demand, protect rate where appropriate, and optimize their distribution mix are well positioned to capitalize on continued momentum.



Market Overview

Demand Performance Analysis

Booking Demand Rebounds Sharply in September



KeyData Demand Index = year-over-year change in reservations per property made in a given period

+0.17↑

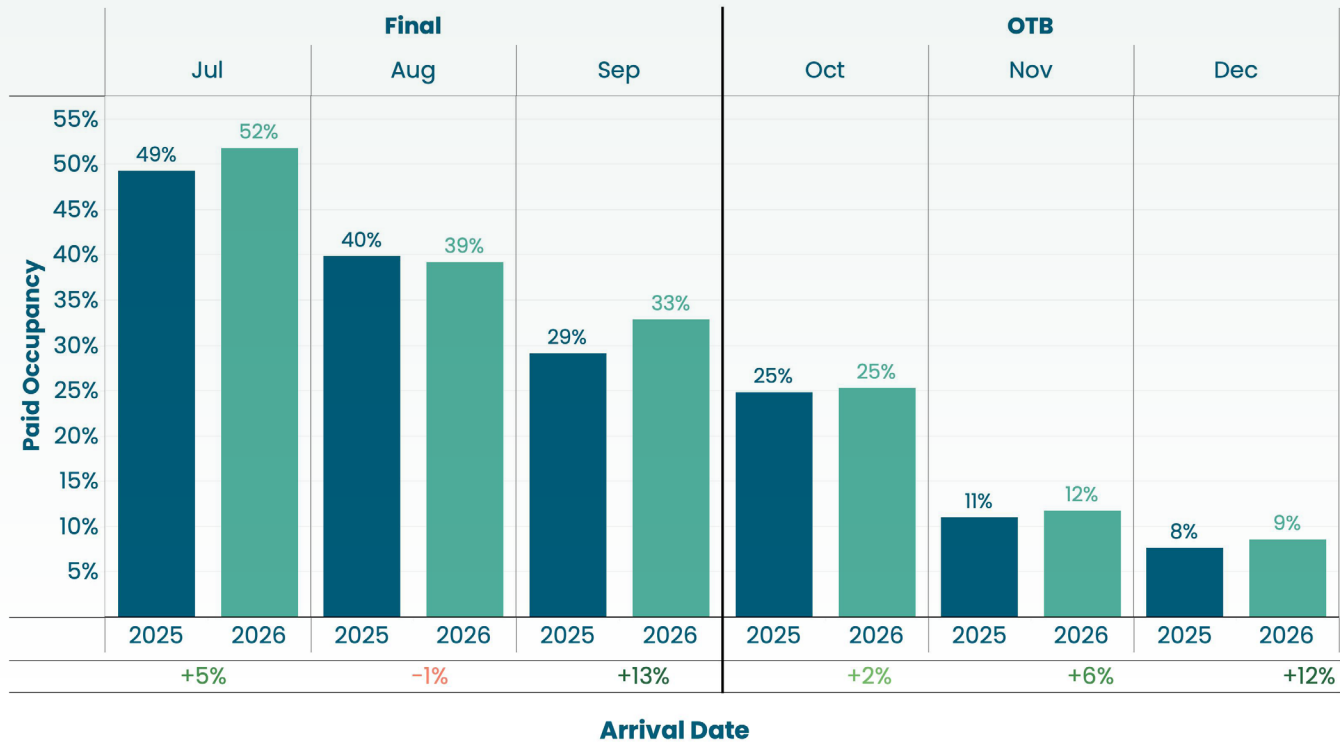
September
2026

In September 2026, the KeyData Demand Index registered +0.17, increasing +0.21 month over month. This marks a sharp rebound from August's negative reading and the strongest demand growth recorded during the period shown. The latest reading indicates a significant acceleration in booking activity following several months of relatively modest growth.

After a prolonged period of negative readings throughout much of 2024, demand improved considerably during 2025 and remained mostly positive through 2026. While August briefly interrupted that trend, September's rebound suggests that underlying booking demand remains healthy. Month-to-month volatility is still present, but the broader trend points to a stronger demand environment than in prior years.

September Occupancy Posts Strong Summer Finish

Paid Occupancy % = Nights Sold / Total Nights



Final Data

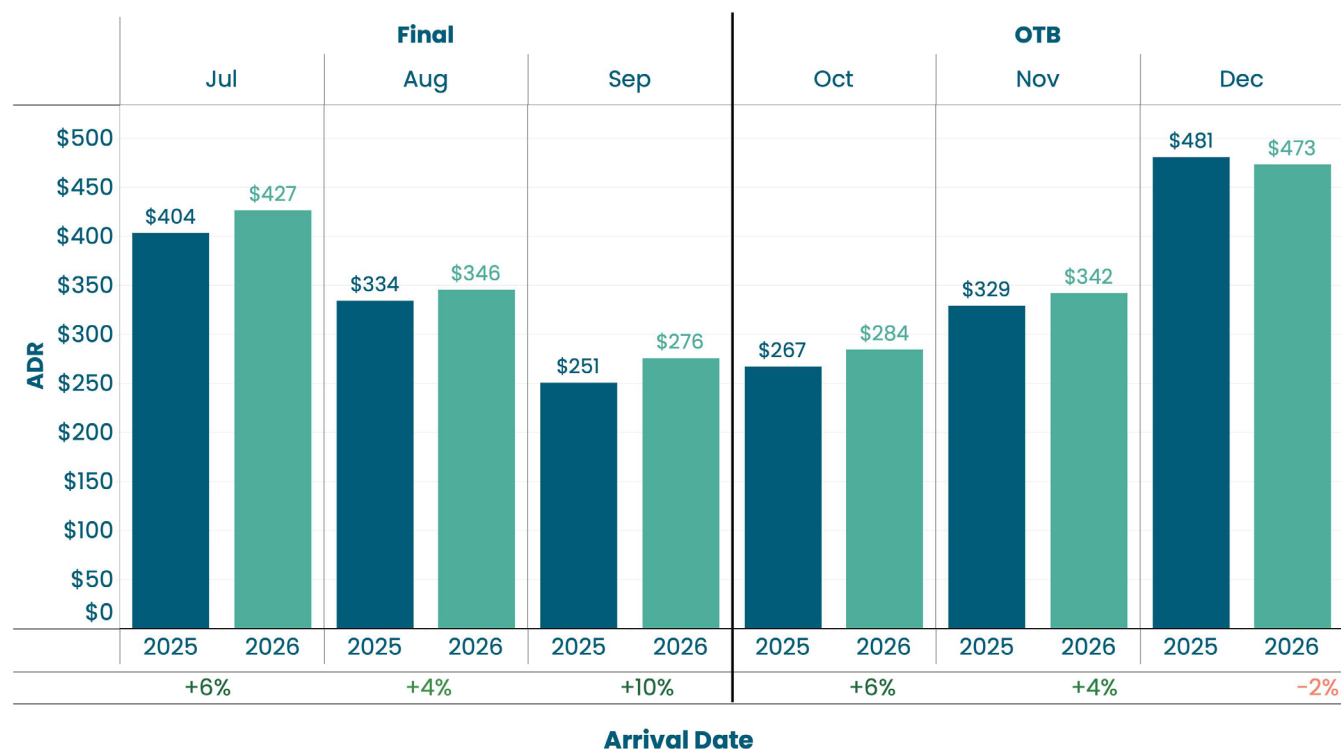
Paid occupancy showed mixed performance over the finalized summer months but strengthened considerably in September. July increased from 49% to 52% (+5%), August slipped from 40% to 39% (-1%), and September rose from 29% to 33% (+13%). September's double-digit growth represents the strongest year-over-year occupancy improvement of the period.

On The Books Data

Occupancy is pacing at or above last year's levels throughout the remainder of 2026. October is effectively in line with last year at 25% (+2%), while November is pacing 6% ahead at 12% and December 12% ahead at 9%. With booking windows still open, occupancy should continue to build as arrival dates approach.

ADR Growth Remains Strong Through November

Average Daily Rate (ADR) = Total Unit Revenue / Nights Sold



Final Data

ADR finished above last year across all finalized summer months, with growth accelerating into September. July increased from \$404 to \$427 (+6%), August rose from \$334 to \$346 (+4%), and September climbed from \$251 to \$276 (+10%). September's double-digit increase marks the strongest finalized ADR growth of the three months.

On The Books Data

ADR continues to pace ahead through November, with October increasing from \$267 to \$284 (+6%) and November from \$329 to \$342 (+4%). December is the exception, currently pacing 2% behind last year at \$473 compared with \$481, suggesting rate growth may soften heading into year-end.

Revenue and Pricing Dynamics

Revenue Growth Accelerates

RevPAR = Occupancy x ADR or Total Unit Revenue / Total Nights in a given period

KeyData Revenue Index = year-over-year change in revenue per property collected in a given period

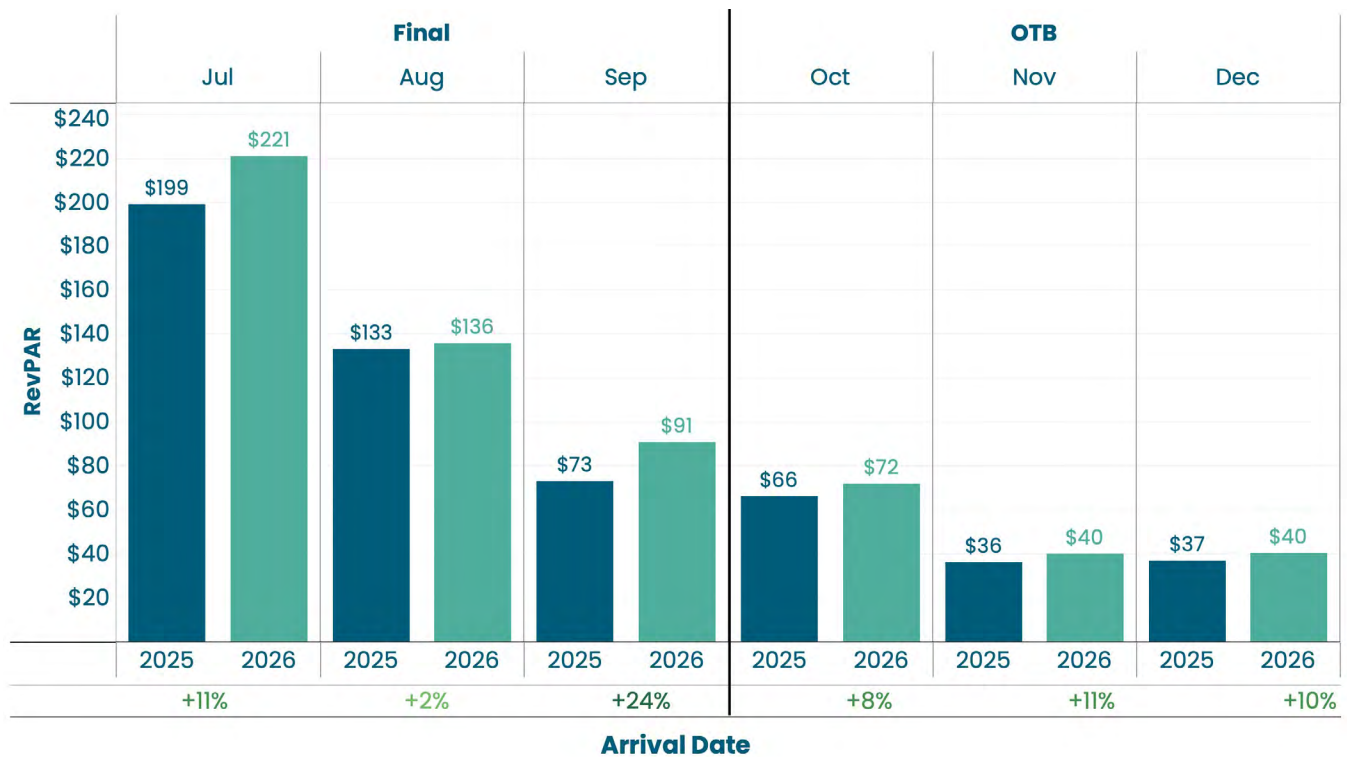


+0.24↑

September
2026

In September 2026, the KeyData Revenue Index registered +0.24, increasing +0.22 month over month. This represents a substantial acceleration from August and the strongest revenue growth recorded during the period shown. Revenue growth also outpaced demand growth in September, suggesting that higher booking activity was accompanied by continued strength in the value of reservations being generated.

Following predominantly negative readings throughout 2024, revenue performance improved during 2025 and has become increasingly positive in 2026. Growth was particularly consistent from April through July before moderating in August, followed by September's sharp increase. The latest reading reinforces the broader trend of strengthening revenue generation, with revenue continuing to perform more strongly than booking demand alone.



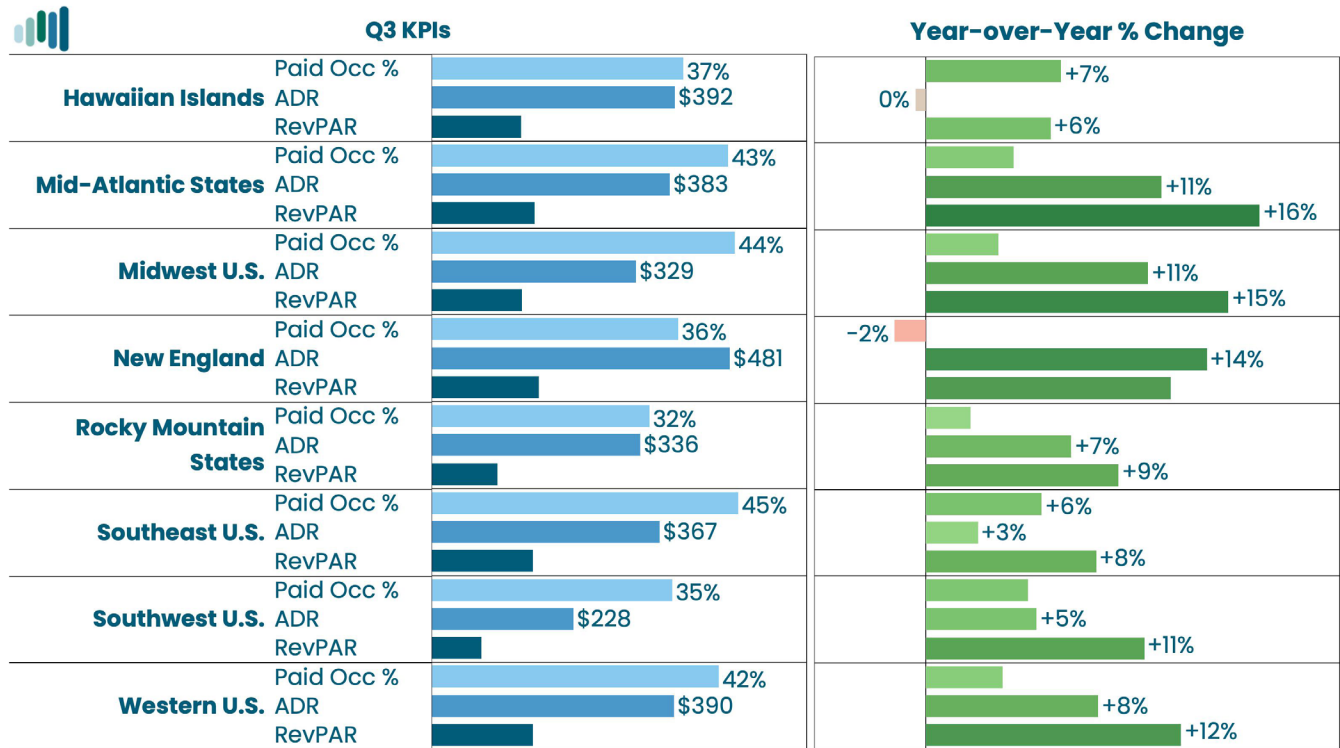
Final Data

RevPAR finished ahead of last year in the U.S. across all finalized summer months. July increased from \$199 to \$221 (+11%), August rose from \$133 to \$136 (+2%), and September jumped from \$73 to \$91 (+24%). September's particularly strong growth reflects the combination of higher ADR and stronger occupancy.

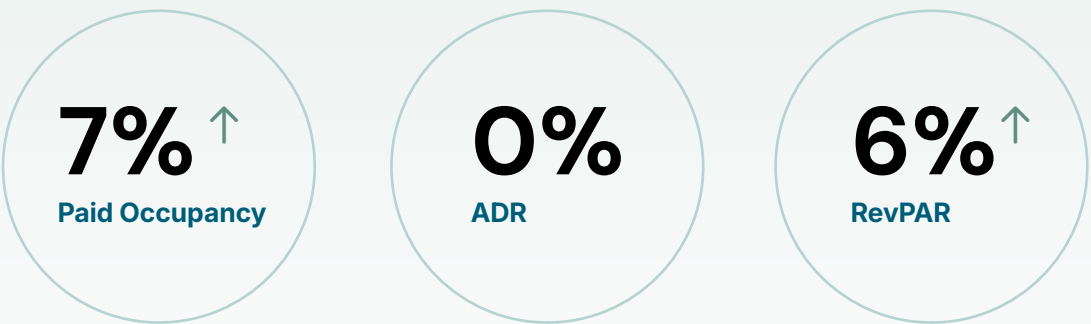
On The Books Data

RevPAR is pacing comfortably ahead throughout the remainder of 2026, increasing from \$66 to \$72 in October (+8%), \$36 to \$40 in November (+11%), and \$37 to \$40 in December (+10%). Continued gains despite December's lower ADR suggest stronger occupancy pacing is supporting revenue performance heading into year-end.

U.S. Regional Short-Term Rental Performance



Hawaiian Islands



Strong occupancy growth (+7%) drove overall performance, while ADR remained flat year over year. The increase in demand supported a +6% gain in RevPAR, indicating that revenue growth was primarily volume-led rather than driven by higher rates.

Mid-Atlantic States



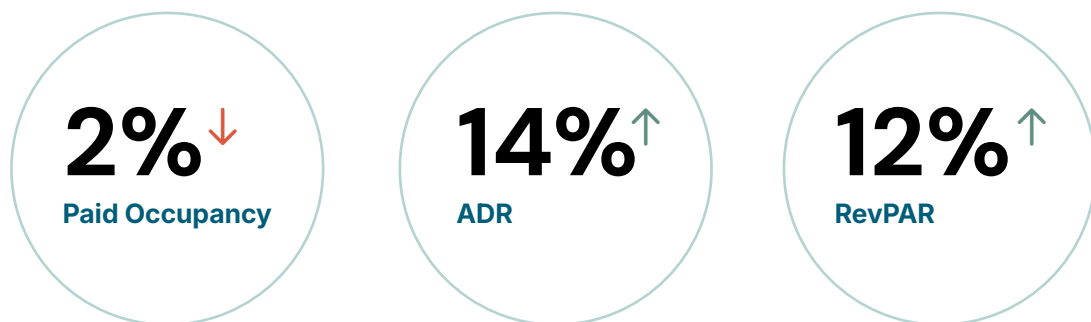
Both occupancy and ADR contributed to growth, with occupancy increasing approximately +5% and ADR rising +11%. Together, these gains drove a strong +16% increase in RevPAR, making the Mid-Atlantic one of the strongest-performing regions in Q3.

Midwest U.S.



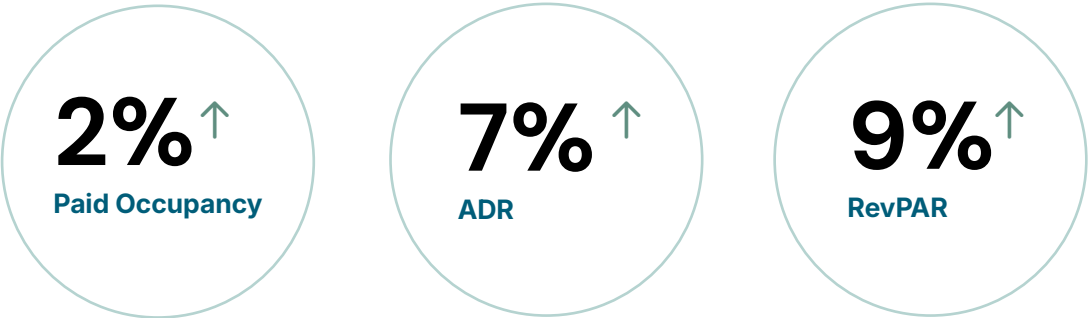
Occupancy increased approximately +4% alongside strong +11% ADR growth, resulting in a +15% increase in RevPAR. Performance was supported by both stronger demand and pricing, with rate growth providing the larger contribution.

New England



Occupancy declined -2%, but strong +14% ADR growth more than offset softer demand, driving a +12% increase in RevPAR. Revenue growth was clearly rate-led, with pricing strength allowing the region to post double-digit gains despite lower occupancy.

Rocky Mountain States



Modest occupancy growth of approximately +2% combined with +7% ADR growth to produce a +9% increase in RevPAR. Performance was primarily rate-driven but also benefited from improving demand.

Southeast U.S.



Occupancy increased +6% while ADR rose +3%, driving an +8% increase in RevPAR. Unlike many regions where pricing was the primary driver, Southeast performance leaned more heavily on stronger occupancy, supported by modest rate growth.

Southwest U.S.



Occupancy and ADR each increased approximately +5%, resulting in an +11% gain in RevPAR. The region delivered balanced growth, with stronger demand and higher rates contributing relatively evenly to revenue performance.

Western U.S.

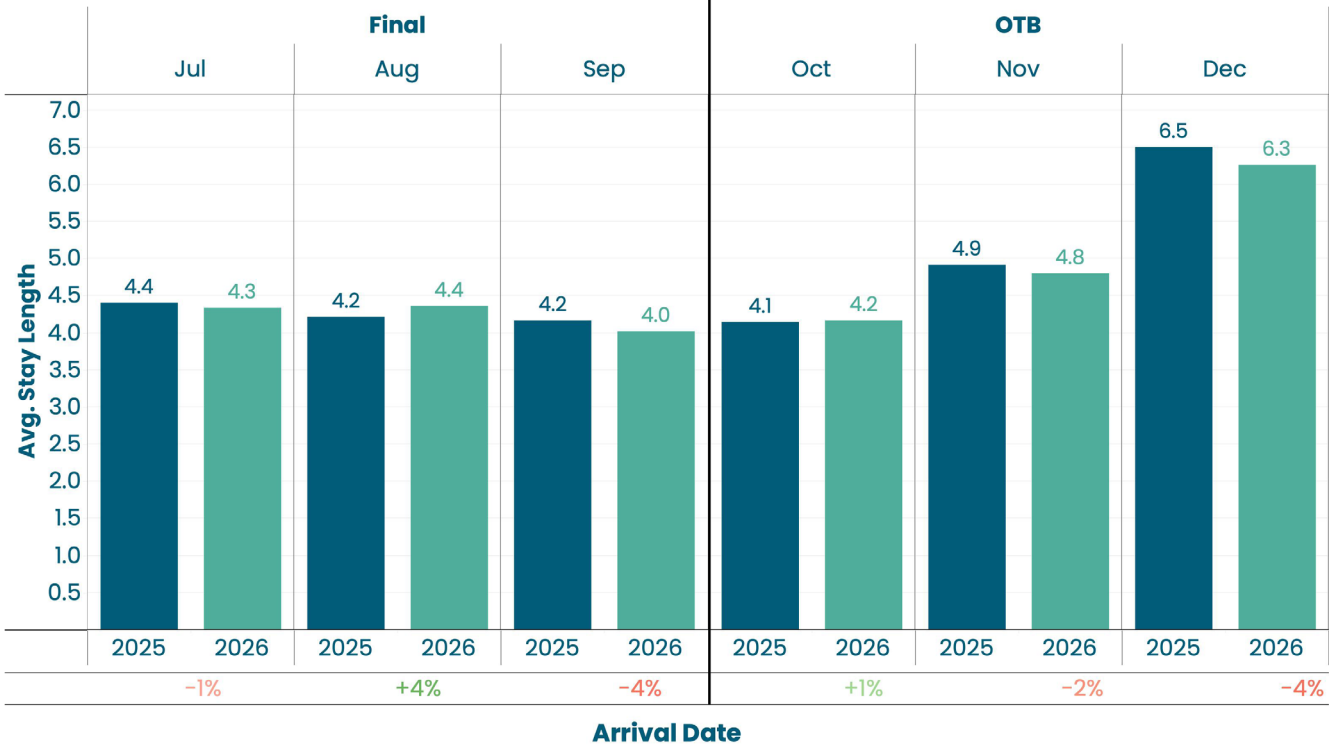


Occupancy increased approximately +4% while ADR grew +8%, driving a +12% increase in RevPAR. Stronger rates remained the larger contributor, but improving occupancy also supported the region’s double-digit revenue growth.



Guest Behavior Trends

Stay Length Remains Largely Stable



Average Length of Stay = Total Nights Sold / # of Guest Check-ins

Final Data

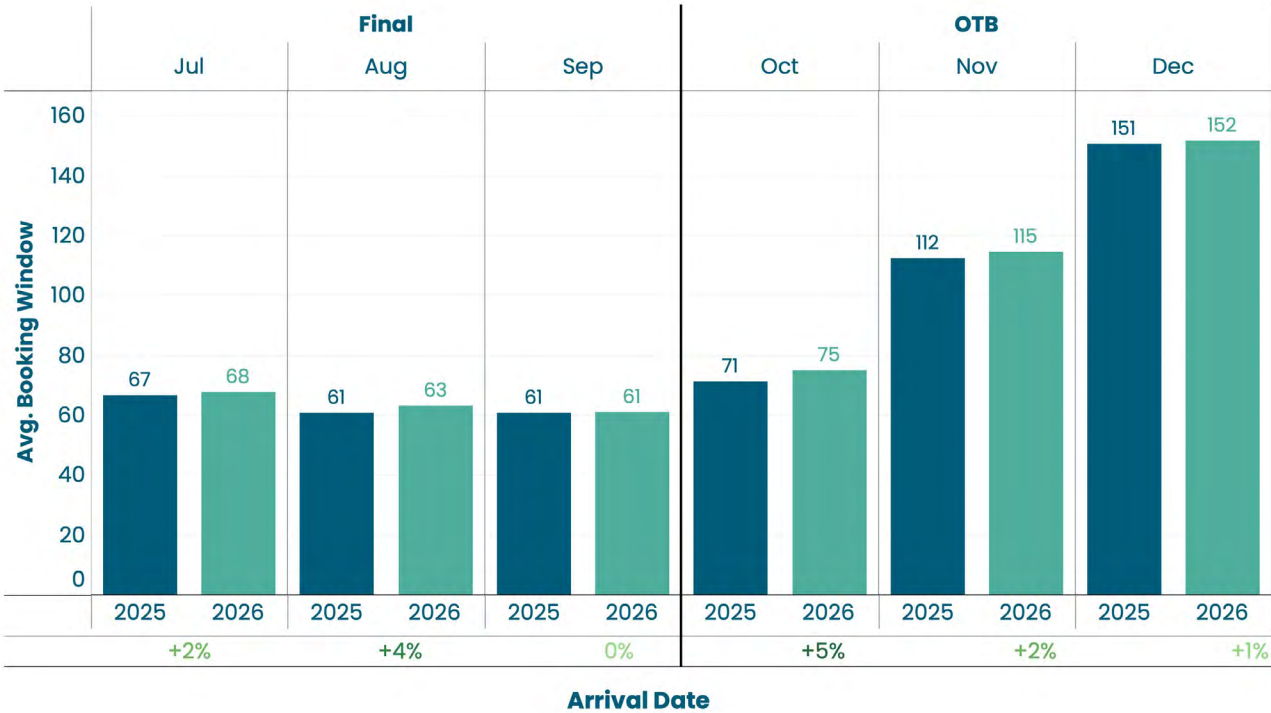
Average length of stay remained close to last year’s levels throughout the finalized summer months. July decreased from 4.4 to 4.3 nights (-1%), August increased from 4.2 to 4.4 nights (+4%), and September declined from 4.2 to 4.0 nights (-4%). Overall, changes remain relatively modest, with no sustained movement toward longer or shorter stays.

On The Books Data

Stay lengths are similarly stable for upcoming arrivals. October is pacing slightly ahead at 4.2 nights (+1%), while November is down to 4.8 nights (-2%) and December to 6.3 nights (-4%). The year-over-year differences remain small, although later-year bookings are currently skewing slightly shorter.

Guest Behavior Trends

Booking Windows Lengthen Heading Into Q4



Average Booking Window = (Arrival Date - Booked Date) / # of Guest Check-ins

Final Data

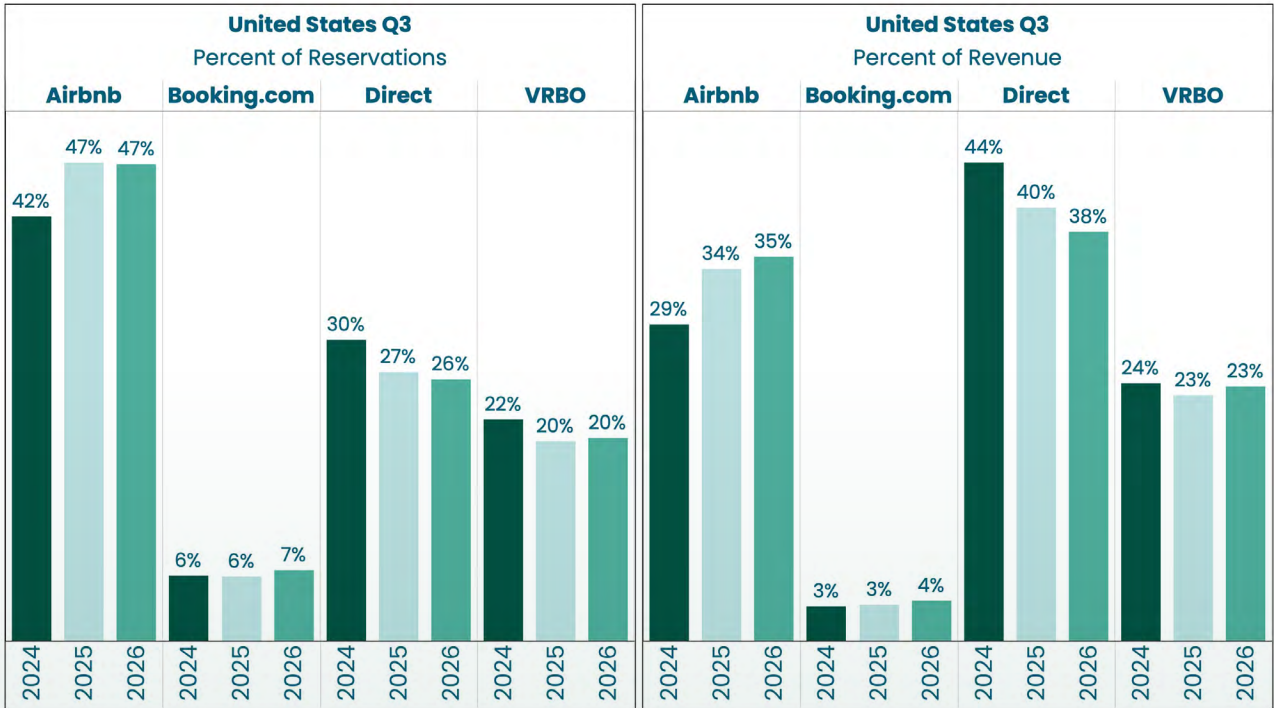
Average booking windows were slightly longer year over year in July and August before leveling off in September. July increased from 67 to 68 days (+2%), August rose from 61 to 63 days (+4%), and September remained unchanged at 61 days (0%). Overall, finalized data points to relatively stable booking behavior with modest lengthening during the summer.

On The Books Data

Booking windows are pacing ahead of last year across the remainder of 2026. October increased from 71 to 75 days (+5%), November from 112 to 115 days (+2%), and December from 151 to 152 days (+1%). The largest difference is concentrated in October, while November and December remain much closer to last year’s booking patterns.

Distribution Channel Analysis

United States Q3 Booking Sources



Airbnb maintained its position as the leading source of reservations in Q3 2026, accounting for 47% of reservations, unchanged from Q3 2025 and up from 42% in 2024. Its share of revenue continued to increase, rising from 34% to 35%, suggesting Airbnb maintained its booking share while capturing a slightly larger portion of total revenue.

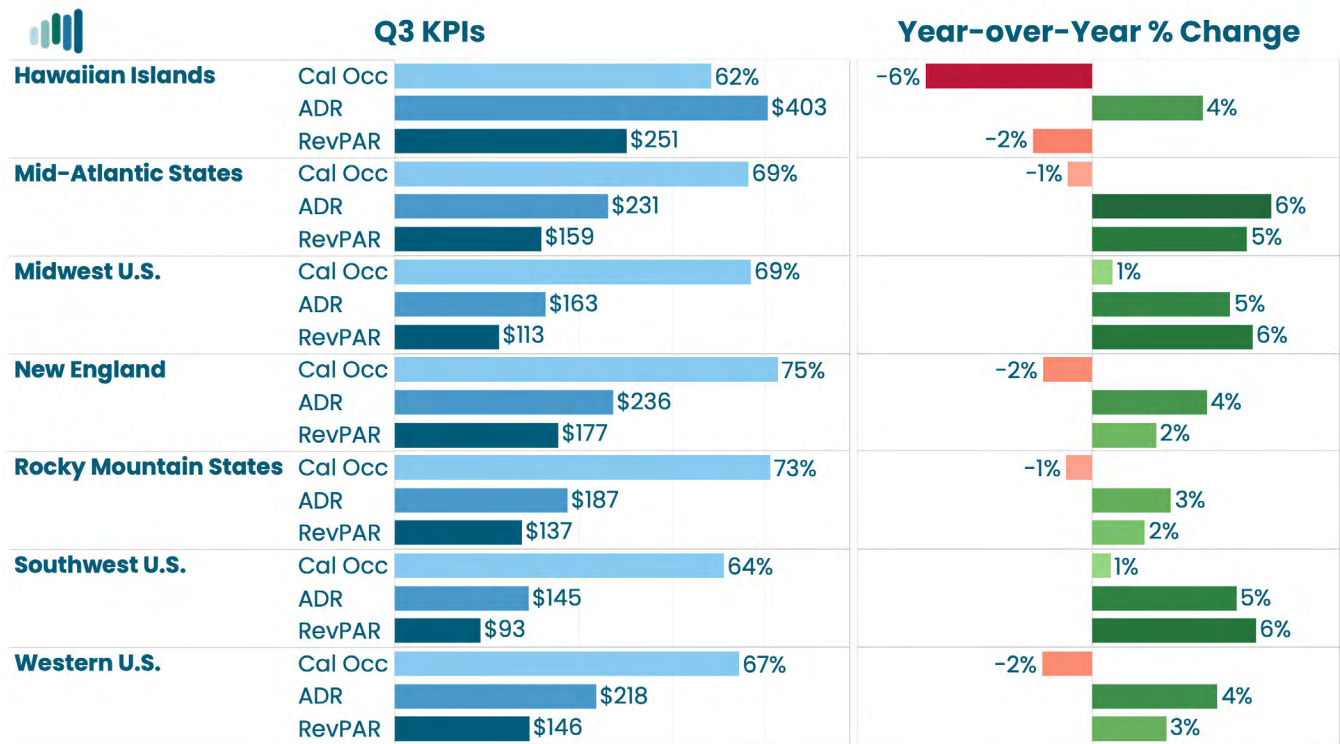
Direct bookings continued to lose share, accounting for 26% of reservations and 38% of revenue, down from 27% and 40%, respectively, in Q3 2025. Despite the continued decline, direct bookings still generate a disproportionately large share of revenue relative to reservation volume, reinforcing their importance as a higher-value distribution channel.

VRBO remained stable, representing 20% of reservations and 23% of revenue, unchanged from Q3 2025. Its consistent share indicates a relatively steady position within the distribution mix, while Airbnb has captured more of the gains seen over the past two years.

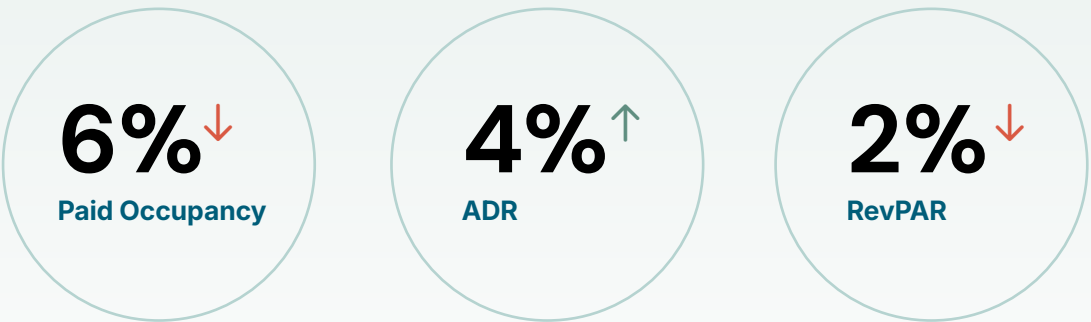
Booking.com remained the smallest of the major channels but continued to gain modest share, increasing from 6% to 7% of reservations and from 3% to 4% of revenue. While still a relatively small contributor in the U.S., the platform has gradually expanded its presence since 2024.

Hotel Market Comparison

U.S. Hotel Performance

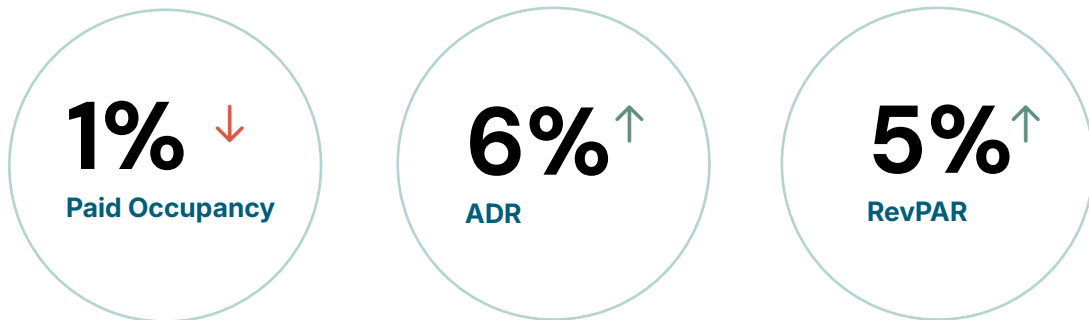


Hawaiian Islands



Occupancy declined -6%, while ADR increased +4%. Rate growth was not enough to offset weaker occupancy, resulting in a -2% decline in RevPAR. The region maintained some pricing strength, but softer demand ultimately weighed on revenue performance.

Mid-Atlantic States



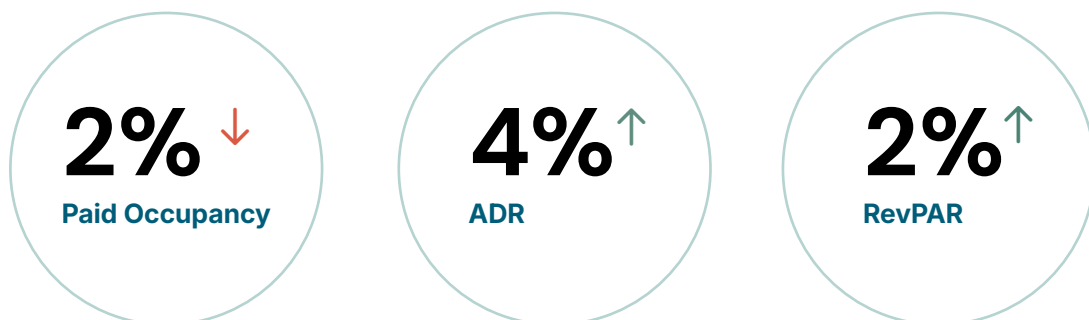
Occupancy remained relatively stable at -1%, while ADR increased +6%, driving a +5% gain in RevPAR. Revenue growth was primarily rate-led, with stronger pricing more than compensating for the slight occupancy decline.

Midwest U.S.



Occupancy increased +1% alongside +5% ADR growth, resulting in a +6% increase in RevPAR. Both demand and pricing contributed to performance, although higher rates remained the primary driver of revenue growth.

New England



Occupancy declined -2%, but ADR increased +4%, resulting in a +2% improvement in RevPAR. Pricing gains more than offset softer occupancy, allowing the region to maintain positive revenue growth.

Rocky Mountain States



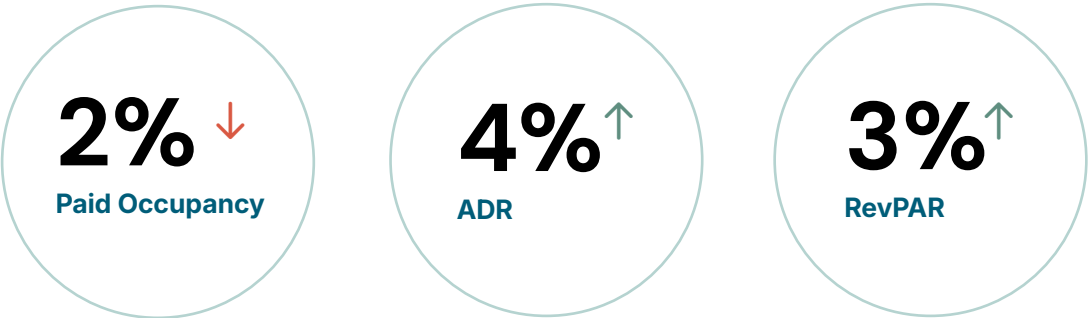
A slight -1% decline in occupancy was offset by +3% ADR growth, resulting in a +2% increase in RevPAR. Modest pricing strength kept revenue performance positive despite slightly softer demand.

Southwest U.S.



Occupancy increased +1% while ADR grew +5%, driving a +6% gain in RevPAR. Both demand and pricing contributed positively, with stronger rates accounting for most of the revenue improvement.

Western U.S.



Occupancy declined -2%, but ADR increased +4%, resulting in a +3% increase in RevPAR. Continued pricing strength more than offset softer occupancy, keeping overall revenue performance positive.

Insights for Property Managers:

Q3 2026 data reflects a market that strengthened as the quarter progressed, with both demand and revenue accelerating sharply in September. The KeyData Demand Index reached +0.17 and the Revenue Index climbed to +0.24, their strongest readings in the period shown. Finalized performance also improved late in the quarter, with September paid occupancy up 13%, ADR up 10%, and RevPAR up 24% year over year. For property managers, the combination suggests that travelers remain active and willing to spend, but the timing and strength of demand can shift considerably from month to month.

Pricing remains an important revenue driver, but Q3 shows that the strongest results came when higher rates were paired with occupancy growth. ADR increased 6% in July, 4% in August, and 10% in September, while September's particularly strong occupancy growth helped push RevPAR up 24%. Regional results tell a similar story: the Mid-Atlantic and Midwest combined higher occupancy with 11% ADR growth to produce RevPAR gains of 16% and 15%, respectively. Property managers should



continue protecting rate where demand supports it, while using pacing and pickup data to identify periods where additional occupancy can compound revenue gains.

Booking behavior also points to the importance of staying patient with availability and pricing. Finalized booking windows were broadly stable during Q3, while October through December are currently booking slightly further in advance than last year. At the same time, on-the-books occupancy is ahead across the remainder of the year, including stronger pacing in November and December. Operators should avoid interpreting slower early pickup as lost demand and instead use market-level booking windows and pacing benchmarks to determine when pricing or promotional adjustments are actually necessary.

Distribution trends reinforce the need for a balanced channel strategy. Airbnb remained the largest source of reservations at 47% in Q3, while direct bookings declined to 26% of reservations and 38% of revenue. Direct bookings still account for substantially more revenue than their share of reservations, highlighting their continued value even as OTA share expands. Property managers should maintain strong marketplace visibility while continuing to invest in repeat-guest marketing, CRM strategies, and direct-booking conversion rather than treating either channel as an all-or-nothing strategy.

Regional variation remains significant and reinforces the need to benchmark locally. New England generated 12% RevPAR growth despite a 2% occupancy decline because ADR increased 14%, while the Southeast's 8% RevPAR gain was more occupancy-led, with occupancy up 6% and ADR up 3%. The Southwest, meanwhile, achieved balanced growth with both occupancy and ADR up 5%. These differences mean pricing, minimum stays, promotions, and availability controls should reflect each market's specific demand and rate environment rather than a national trend alone.



Definitions

Paid Occupancy %

Formula: Nights Sold / Total Nights

Definition: Percentage of available nights that were booked. A core measure of demand and property utilization.

ADR (Average Daily Rate)

Formula: Total Unit Revenue / Nights Sold

Definition: Average income earned per sold night. Indicates pricing strength and rate management effectiveness.

RevPAR (Revenue per Available Room)

Formula: Occupancy x ADR or Total Unit Revenue / Total Nights

Definition: Blends occupancy and pricing to assess revenue efficiency across all available nights.

Average Length of Stay (ALOS)

Formula: Total Nights Sold / # of Guest Check-ins

Definition: Shows the average duration of guest stays. Helps assess trip type and market behaviour.

Average Booking Window (ABW)

Formula: (Arrival Date - Booked Date) / # of Guest Check-ins

Definition: Average number of days between booking and arrival. A leading indicator of guest planning behaviour.

Key Data Demand Index

Formula: Reservations per property (year-over-year indexed)

Definition: Tracks demand strength across properties. Positive index growth signals higher reservation activity.

Key Data Revenue Index

Formula: Year-over-year revenue per property (indexed)

Definition: Measures changes in revenue performance per unit over time.

Direct Bookings

Definition: Bookings made directly through a manager's own channels (e.g., website). Typically yield longer stays, higher ADR, and more lead time.

OTA (Online Travel Agency)

Examples: Airbnb, Vrbo, Booking.com

Definition: Third-party platforms facilitating short-term rental bookings. Useful for guest acquisition but include commission costs.

Orphan Nights

Definition: Single nights stranded between two bookings that are hard to fill due to stay restrictions or unattractive timing.

Pacing / On the Books (OTB)

Definition: A performance comparison between future bookings and prior-year benchmarks. Helps forecast trends and identify early signals.

Defined Regions

West: Oregon, Alaska, California, Washington, and Nevada

Rocky Mountains: Montana, Wyoming, Colorado, Idaho, and Utah

Southwest: New Mexico, Oklahoma, Texas, and Arizona

Midwest: Montana, Iowa, Indiana, Illinois, South Dakota, Minnesota, Ohio, Kansas, North Dakota, Wisconsin, Nebraska, and Michigan

Southeast: North Carolina, West Virginia, Mississippi, Tennessee, Kentucky, Louisiana, Georgia, Florida, Alabama, Virginia, Arkansas, and South Carolina

Mid-Atlantic: New York, New Jersey, Delaware, Maryland, and Pennsylvania

New England: Vermont, Rhode Island, Maine, Massachusetts, Connecticut, and New Hampshire

Hawaiian Islands: Hawaii



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Don't let market volatility catch you unprepared.