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MARKET REPORT

Cleveland's Quiet Climb: Resilient Hotel Market with a Balanced Demand Base

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Cleveland's hotel market is steadily recovering, driven by growing leisure travel, rebounding group and convention business, and stable healthcare demand. This diverse mix creates a balanced, resilient market, offering consistent performance and long-term stability rather than rapid, volatile growth.



While many major cities across the nation have experienced significant swings in hotel performance since 2021, Cleveland, Ohio, has undergone a quiet but steady recovery. This Midwest hub may lack the headline-grabbing booms of gateway cities or resort destinations, but Cleveland's hotel performance is supported by a diverse set of demand drivers that include leisure visitation growth, resurgent group demand, and a uniquely strong healthcare sector. Together, these forces are producing a market that is less explosive but arguably more resilient than many of its peers.

Leisure Demand: A Repositioning Story

Cleveland's leisure sector has slowly evolved from a secondary demand segment into a core driver of hotel performance.

Over the past decade, consistent placemaking efforts by Destination Cleveland have reshaped the city's image, contributing to sustained gains in visitation and spending. Annual visitation and overnight stays have trended upward, with the greater Cleveland area welcoming 18.6 million visitors in 2024 (latest available data).

In addition to the city's tourism staples such as the Rock & Roll Hall of Fame and Cuyahoga Valley National Park, professional sports provide steady hotel demand in Cleveland. The Browns (NFL), Cavaliers (NBA), and Guardians (MLB) drive strong weekend visitation and periodic occupancy spikes. Despite the Cavaliers' disappointing loss in the 2026 Eastern Conference Final, the playoff run included nine home games, boosting lodging demand into late May for the first time since 2018. Looking ahead, the planned domed Browns stadium and mixed-use district in Brook Park is expected to attract year-round events, concerts, and conventions after its opening in 2029.

Stable leisure demand has helped offset volatility in other segments, particularly during periods when business travel has lagged.

Group and Convention Demand: Rebuilding the Midweek Core

If leisure demand stabilized the market, the return of group and convention business has rebalanced it.

The Huntington Convention Center has reinforced its role through continued investment, having undergone a $51-million expansion completed in 2024. This project increased capacity and modernized the facility, enabling Cleveland to compete more effectively for large-scale events. This segment is particularly important because it restores midweek occupancy compression and pricing strength, which tend to lag in leisure-driven recoveries. As group demand continues to normalize, Cleveland's hotel market is regaining a more traditional weekly demand pattern—an important component of long-term stability.

Healthcare Demand: The Market's Sturdy Backbone

Perhaps the most distinctive and least cyclical demand segment in Cleveland is its healthcare sector, led by the globally renowned Cleveland Clinic.

Unlike tourism or corporate travel, healthcare-driven visitation is inherently needs-based and year-round. Patients, families, visiting specialists, and trainees create a consistent stream of lodging demand that is largely insulated from economic downturns. This segment particularly benefits extended-stay hotels, select-service properties near medical campuses, and other long-term accommodation products.

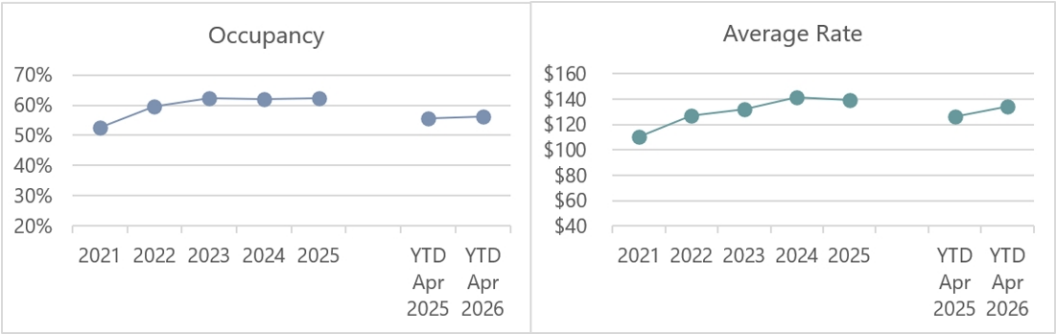
Cleveland Clinic's continued growth and expansion should bode well for the market. The $1-billion, 1-million-square-foot Neurological Institute is currently under construction and is expected to open in 2027 in University Circle. In addition, other major healthcare investments such as the MetroHealth campus transformation continue to expand this demand base. Its new $168-million Outpatient Health Center is expected to begin welcoming patients in July 2026 in the city's Clark-Fulton neighborhood.

Hotel Market Snapshot

The greater Cleveland lodging market's performance waned slightly in 2025, largely attributed to the abnormally strong metrics in April 2024, which were supported by the NCAA Women's Final Four and the total solar eclipse. Year-to-date 2026

data illustrate a promising start, reflecting increases in both occupancy and ADR through April, according to data from CoStar.

Cleveland Recorded Stable Occupancy and Growing ADR Year-to-Date



Source: CoStar – Data from reporting hotels in Cleveland city limits with 50+ rooms

The Power of Balance

Cleveland's hotel market does not rely on a single narrative. It is not a pure leisure destination, a convention powerhouse, or an emerging Sun Belt boomtown. Instead, its strength lies in balance.

By combining leisure growth, group demand recovery, and healthcare stability, Cleveland has created a lodging ecosystem that is adaptable and stable. While it may not be in the headlines, the city increasingly represents a compelling case for investors and operators seeking resilience in an uncertain environment.

HVS combines rigorous data analysis with local market expertise to deliver insights that move decisions forward. Our unique approach leverages primary, in-market interviews to capture real-time insights straight from local communities. This ensures our conclusions reflect current conditions and evolving trends. To explore the Cleveland market further or discuss investment opportunities tailored to your goals, please contact Sam Wespiser and Brian Arevalo, your HVS Midwest hospitality experts.