



Report for Property Managers

U.S. Key Data Index

Q2 2026: Industry Performance Analysis

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

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SUMMARY

The Q1 2026 short-term rental landscape reflects a market that has moved beyond recovery and into a phase of stabilization, marked by steady revenue performance but evolving demand dynamics. While year-over-year gains in ADR and RevPAR continue to signal underlying resilience, demand growth has moderated and booking behavior has shifted meaningfully. Shorter booking windows, increased reliance on marketplace platforms, and more selective traveler decision-making are redefining how and when bookings materialize. As a result, performance is becoming less about broad market momentum and more about strategic execution across pricing, distribution, and timing.

Early 2026 data suggests demand has stabilized but is no longer accelerating, with both demand and revenue indices flattening after gains in late 2025.

- ADR growth remains a key driver of performance, continuing to support RevPAR even as occupancy trends remain mixed.

- Booking window compression persists, with travelers increasingly booking closer to arrival, reinforcing the need for real-time pricing and distribution strategies.

- Channel dynamics continue to shift, with marketplace platforms, particularly Airbnb, capturing a growing share of both reservations and revenue.

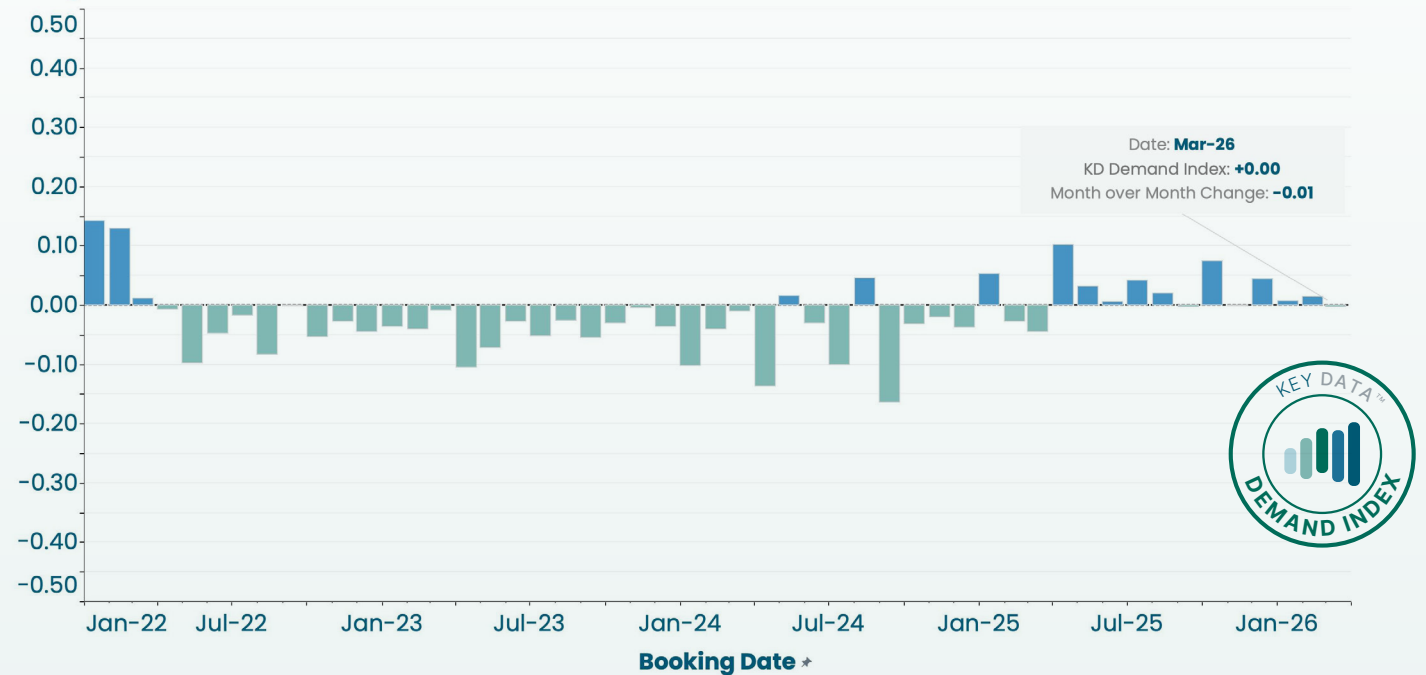
This environment indicates that travelers remain active but selective, prioritizing flexibility and convenience over early commitment.



Market Overview

Demand Performance Analysis

Demand Recovery Stabilizes Near Neutral



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

+0.00

March
2026

In March 2026, the Key Data Demand Index held flat at +0.00, reflecting a slight month-over-month decline of -0.01. This indicates a pause in the modest gains observed in late 2025, suggesting that recent momentum in demand has leveled off as the market enters early 2026.

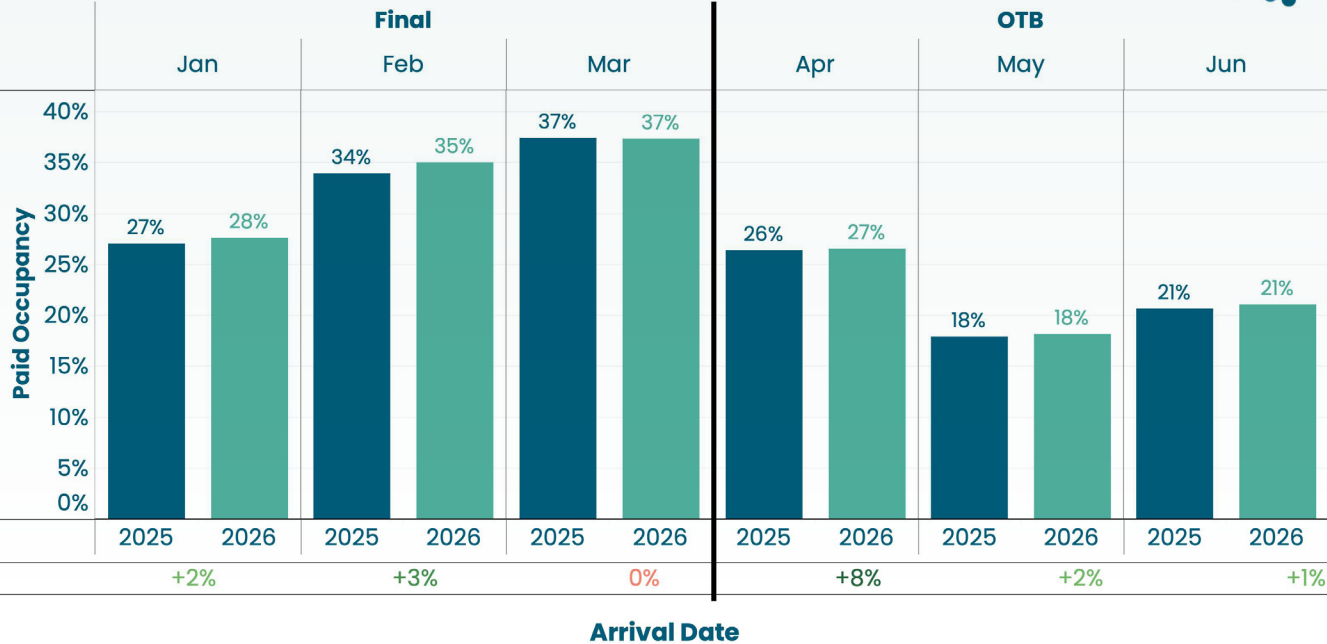
Following an extended period of negative readings throughout 2023 and much of 2024, the index showed meaningful improvement in the second half of 2025 with several consecutive positive months. However, the most recent data points point to stabilization rather than continued acceleration. While booking activity remains healthier than prior years, the plateau around neutral suggests that traveler demand is normalizing, with growth moderating as the 2026 booking cycle begins.

Occupancy Holds Steady as Demand Stabilizes

Paid Occupancy % = Nights Sold / Total Nights

United States

Direct data as of April 5, all years



Final Data

Paid occupancy showed modest year-over-year improvement across Q1, with January up +2% and February up +3%, while March remained flat (0%). These results indicate steady conversion into stays, with occupancy holding firm even as broader demand signals remain mixed.

On The Books Data

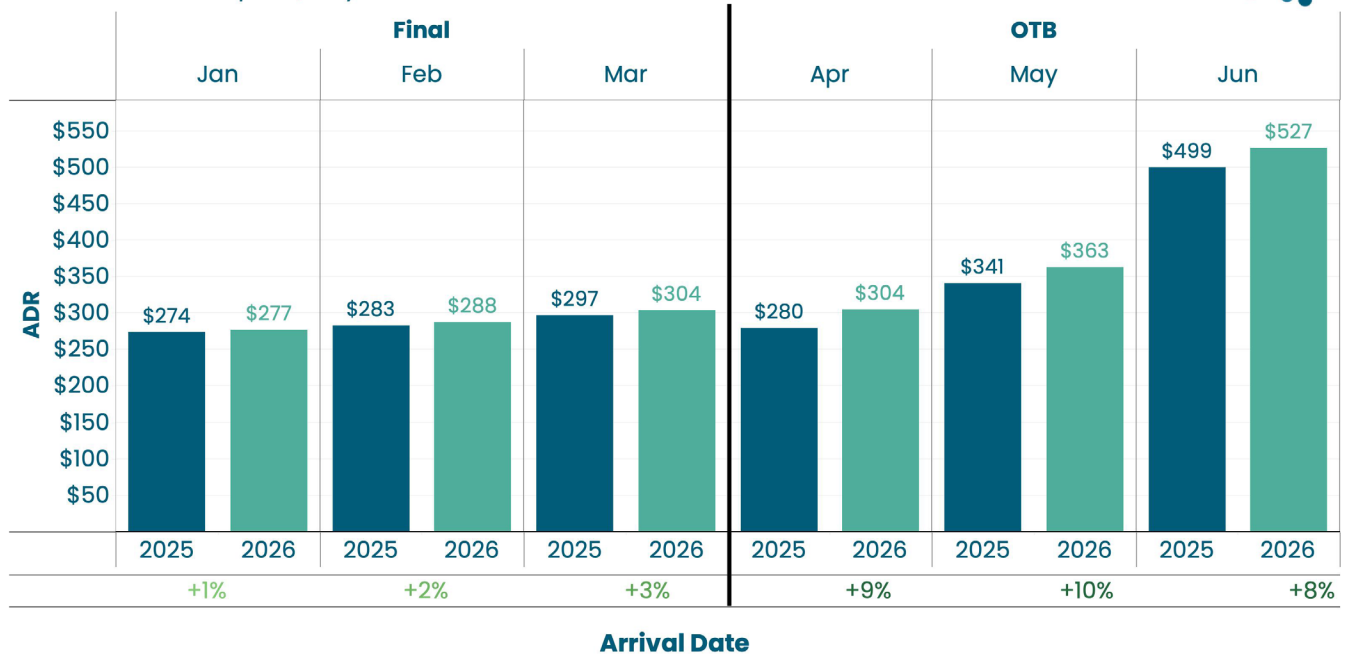
Forward occupancy trends are positive, with April up +8%, May up +2%, and June up +1% YoY. While gains are strongest in April, the moderation into May and June suggests a more gradual pace of bookings heading into peak season, consistent with shorter lead times and a more cautious booking environment.

ADR Growth Accelerates, Signaling Continued Pricing Power

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

United States

Direct data as of April 5, all years



Final Data

ADRs posted consistent year-over-year growth through Q1, with January up +1%, February up +2%, and March up +3%. This steady upward trend reflects continued pricing power in finalized stays, suggesting that operators have been able to maintain rate integrity despite mixed demand conditions.

On The Books Data

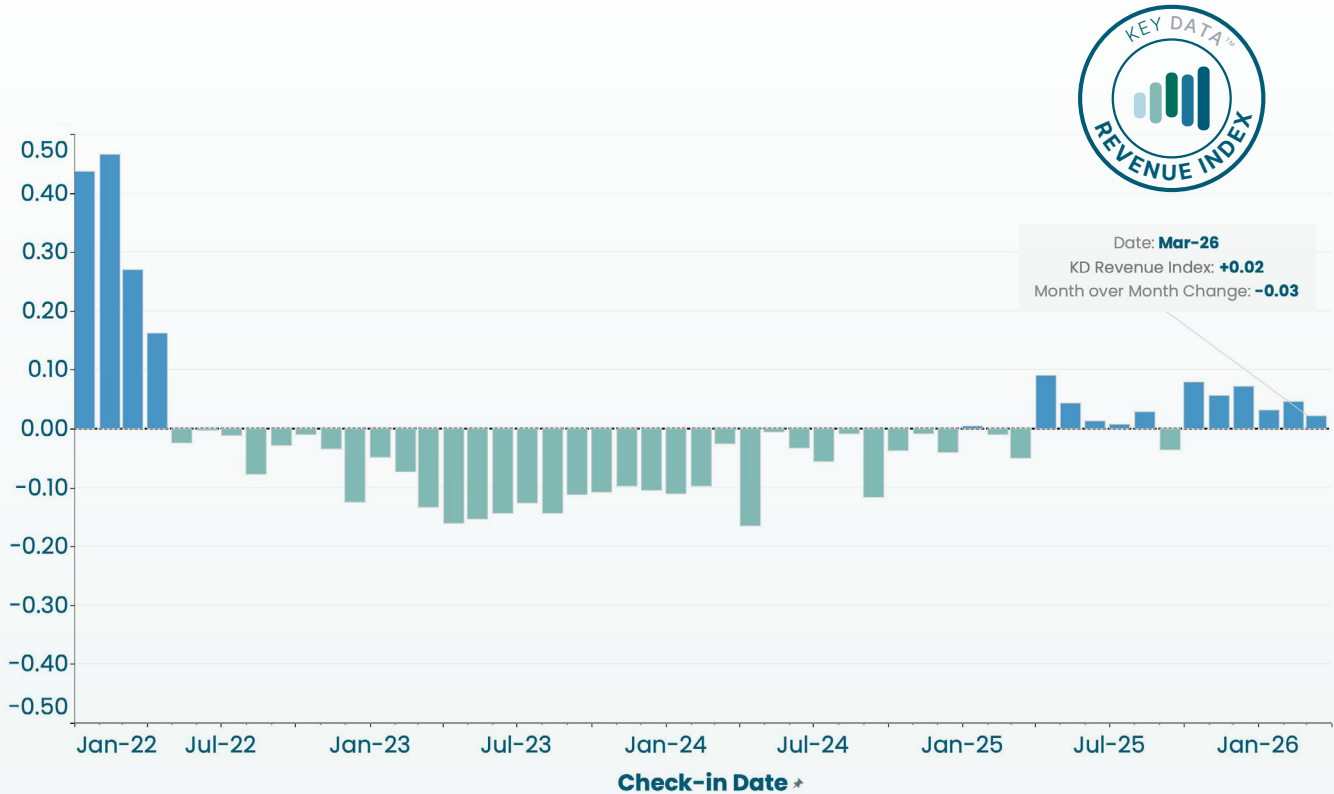
Forward-looking ADR shows stronger acceleration, with April up +9%, May up +10%, and June up +8% YoY. This indicates that pricing strategies remain confident heading into peak season, with demand expectations supporting higher rates even as booking pace remains measured.

Revenue and Pricing Dynamics

Revenue Growth Moderates but Remains in Positive Territory

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

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



+0.02 ↑

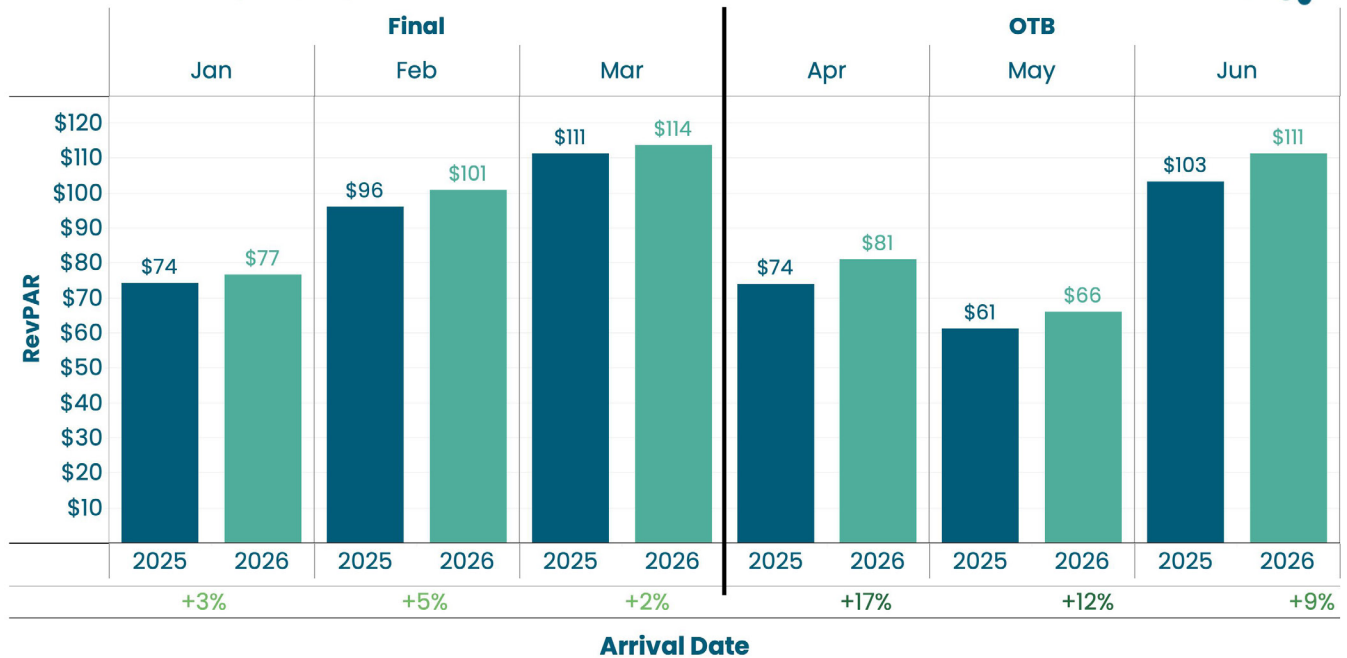
March
2026

In March 2026, the Key Data Revenue Index registered at +0.02, reflecting a month-over-month decline of -0.03. While still in positive territory, this marks a slight pullback from the stronger gains observed in late 2025, indicating that revenue growth has begun to moderate.

After a prolonged stretch of negative performance throughout 2023 and into 2024, the index rebounded meaningfully in the second half of 2025, supported by improvements in both occupancy and ADR. Recent months have maintained positive readings, signaling continued year-over-year revenue growth. However, the softer momentum entering 2026 suggests a transition from recovery to stabilization, with revenue performance remaining healthy but no longer accelerating at the same pace.

United States

Direct data as of April 5, all years



Final Data

RevPAR increased steadily in Q1, with January up +3%, February up +5%, and March up +2% YoY. These gains were driven by a combination of stable occupancy and rising ADR, indicating healthy revenue performance in finalized results.

On The Books Data

On-the-books RevPAR shows strong forward momentum, with April up +17%, May up +12%, and June up +9% YoY. This reflects the combined impact of higher rates and improving occupancy, signaling positive revenue expectations for the upcoming travel season despite some variability in booking pace.

U.S. Regional Short-Term Rental Performance

Q1 KPIs			Year-over-Year % Change	
Hawaiian Islands	Paid Occ %	49%	-3%	+5%
	ADR	\$436		+2%
	RevPAR			
Mid-Atlantic States	Paid Occ %	20%		+11%
	ADR	\$207		+1%
	RevPAR			+12%
Midwest U.S.	Paid Occ %	23%		+5%
	ADR	\$165		
	RevPAR			+8%
New England	Paid Occ %	17%		+8%
	ADR	\$322		+8%
	RevPAR			+13%
Rocky Mountain States	Paid Occ %	37%	-8%	0%
	ADR	\$533		
	RevPAR			
Southeast U.S.	Paid Occ %	33%		+5%
	ADR	\$237		+8%
	RevPAR			
Southwest U.S.	Paid Occ %	37%		+6%
	ADR	\$244		
	RevPAR			
Western U.S.	Paid Occ %	32%		+8%
	ADR	\$317		
	RevPAR			

Hawaiian Islands



Occupancy growth (+5%) drove overall performance, offsetting a decline in ADR (-3%) and resulting in modest RevPAR gains. This suggests demand strength in the region, though pricing pressure indicates a more competitive or value-driven booking environment.

Mid-Atlantic States



The strongest occupancy growth across regions (+11%) combined with slight ADR gains (+1%) drove a +12% increase in RevPAR. Performance reflects robust demand expansion, with volume leading revenue gains more than pricing.

Midwest U.S.



Balanced growth across both occupancy and rate supported an +8% increase in RevPAR. The region benefited from steady demand gains alongside moderate pricing improvement.

New England



Strong ADR growth (+8%) paired with solid occupancy gains (+5%) resulted in a +13% lift in RevPAR. Performance reflects a healthy mix of demand strength and pricing power, positioning the region among the top performers.

Rocky Mountain States



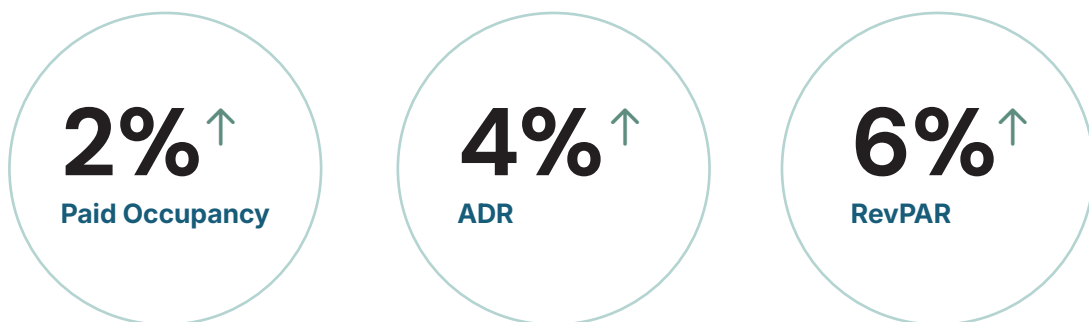
Declines in occupancy (-8%) with flat ADR led directly to an equivalent drop in RevPAR. The region is experiencing demand softness without sufficient pricing offset, indicating weaker overall performance.

Southeast U.S.



Both occupancy and ADR contributed to growth, with gains of +3% and +5% respectively, driving an +8% increase in RevPAR. This reflects well-balanced performance supported by both demand and pricing.

Southwest U.S.



Moderate occupancy growth (+2%) combined with stronger ADR gains (+4%) resulted in a +6% increase in RevPAR. Revenue growth in the region is more rate-led, though supported by steady demand.

Western U.S.



Flat occupancy paired with strong ADR growth (+8%) drove an equivalent increase in RevPAR. Performance in the region is clearly rate-led, indicating sustained pricing power despite stable demand levels.

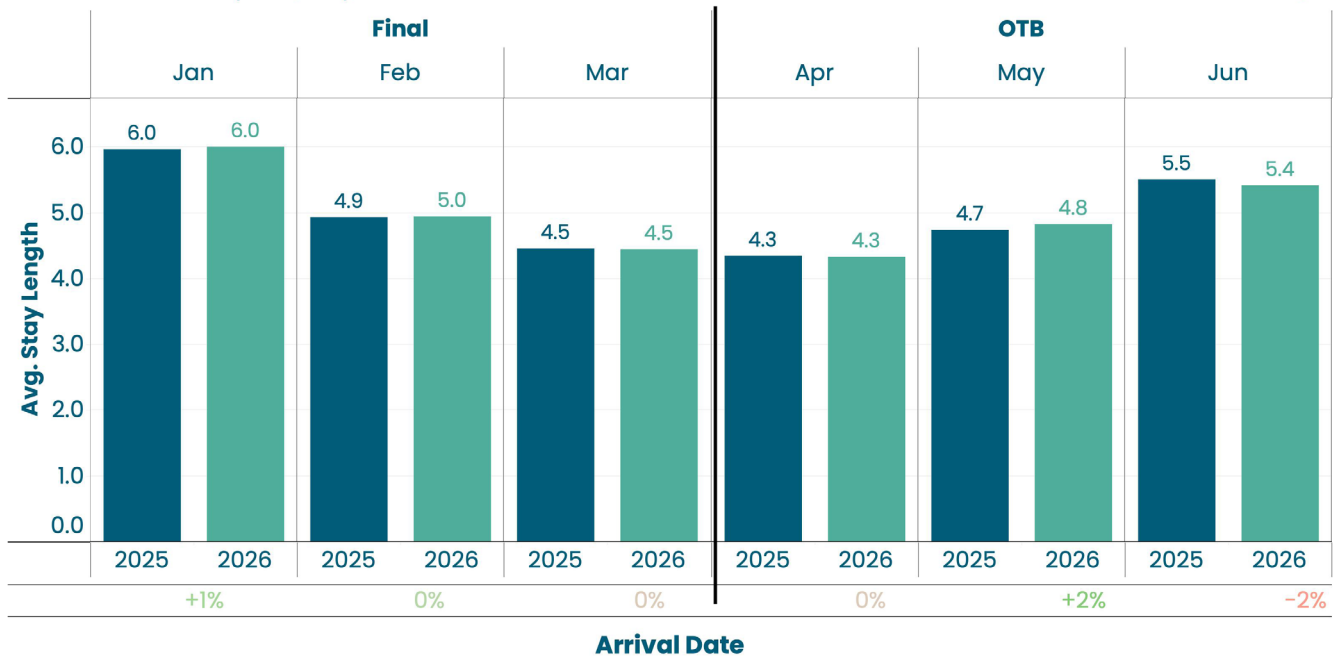


Guest Behavior Trends

Length of Stay Remains Stable with Minor Seasonal Variability

United States

Direct data as of April 5, all years



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

Final Data

Average length of stay remained largely unchanged in finalized data, with January up +1% YoY and both February and March flat (0%). This stability suggests that trip duration has normalized, with no significant shifts in traveler behavior in early 2026 compared to last year.

On The Books Data

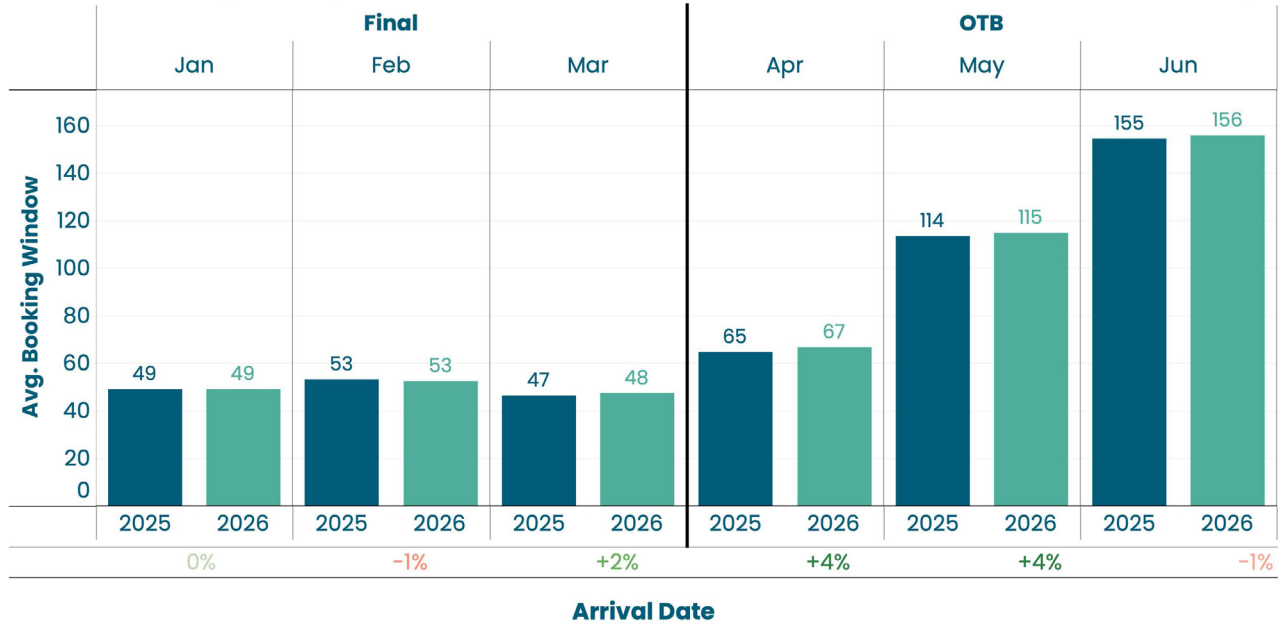
On-the-books data shows consistent stay lengths for April (+0%) and a slight increase in May (+2%), indicating a modest extension in planned trips during the shoulder season. However, June declines (-2%), pointing to shorter stays during early peak summer. This mixed trend suggests some variability in traveler intent depending on timing.

Guest Behavior Trends

Booking Windows Hold Steady with Slight Forward Expansion

United States

Direct data as of April 5, all years



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

Final Data

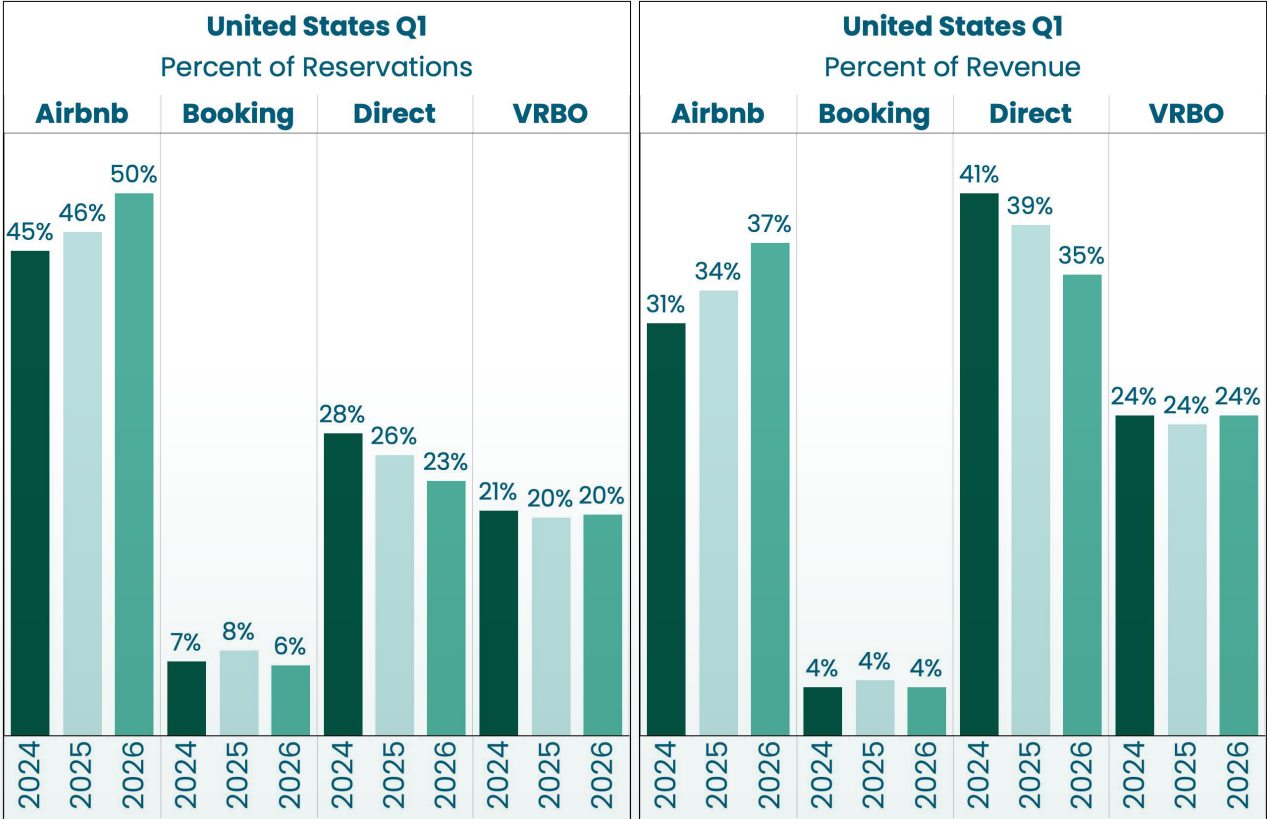
Average booking window remained largely stable in Q1, with January flat year-over-year (0%), February slightly down (-1%), and March showing modest growth (+2%). This indicates relatively consistent booking behavior compared to last year, with only minor shifts in how far in advance travelers are securing stays. Overall, there is no meaningful change in lead time trends in finalized data, suggesting steady planning patterns among booked guests.

On The Books Data

On-the-books booking windows for spring and early summer show modest expansion, with April and May both up +4% YoY, indicating slightly earlier booking activity for upcoming stays. However, June dips slightly (-1%), suggesting some late-season hesitation. Overall, forward-looking data points to a mild increase in planning horizon, though not uniformly sustained across all months.

Distribution Channel Analysis

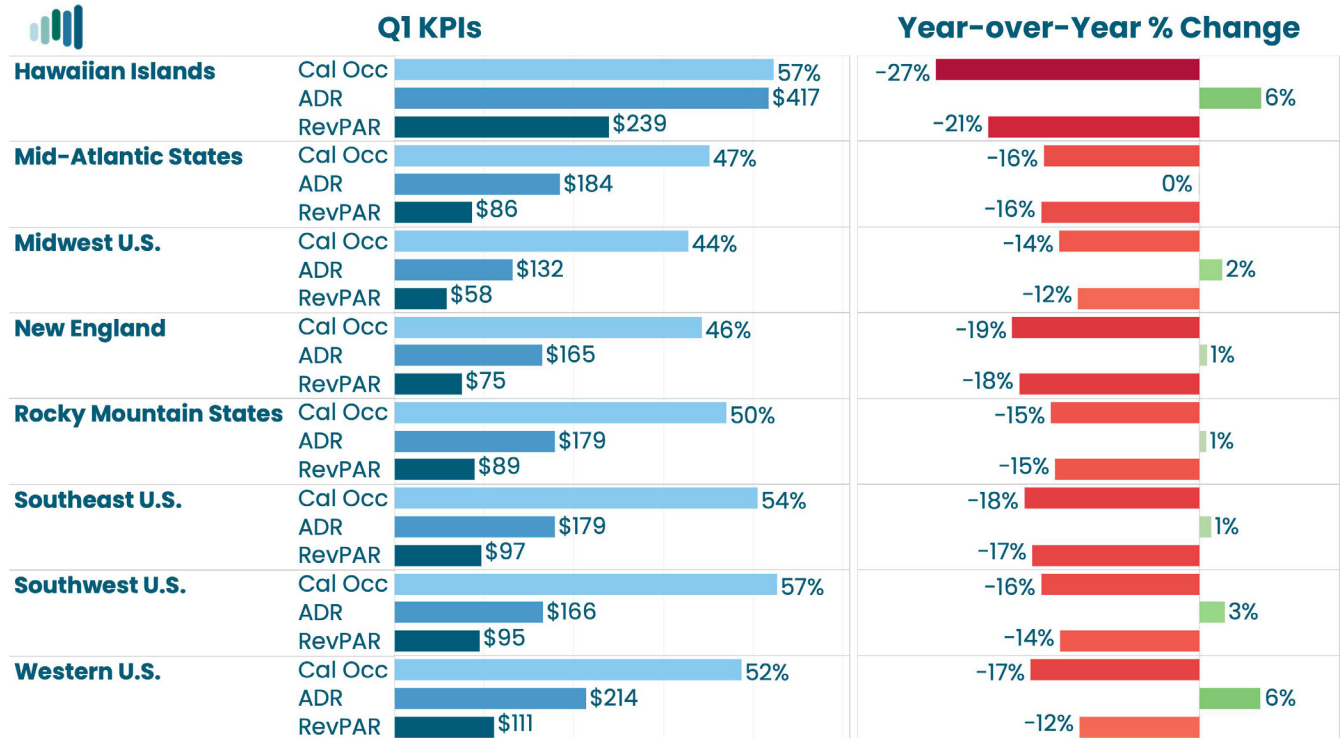
United States Q1 Booking Sources



- Airbnb continued to gain share in Q1 2026, accounting for 50% of reservations and 37% of total revenue, up from 46% and 34%, respectively, in 2025. The platform’s continued expansion reflects its strong positioning in a shorter booking window environment, where ease of use, broad inventory, and last-minute availability increasingly drive traveler choice.
- Direct bookings declined further to 23% of reservations and 35% of revenue, down from 26% and 39% in 2025. While direct remains a significant revenue contributor, the channel is losing share as compressed booking behavior favors platforms with greater visibility and immediacy.
- VRBO held relatively stable at 20% of reservations and 24% of revenue, showing little year-over-year movement. While it has not experienced the same share erosion seen in prior periods, it also has not kept pace with Airbnb’s growth, suggesting a more neutral position in the current demand environment.

Hotel Market Comparison

U.S. Hotel Performance



Hawaiian Islands



A sharp decline in occupancy (-27%) significantly impacted performance. While ADR increased (+6%), it was not enough to offset the demand contraction, resulting in a steep -21% drop in RevPAR. This reflects substantial demand softness despite continued pricing strength.

Mid-Atlantic States



Occupancy declined -16% with ADR remaining flat, directly leading to a -16% decrease in RevPAR. Revenue performance was entirely driven by weaker demand, with no pricing lift to mitigate losses.

Midwest U.S.



A -14% drop in occupancy weighed on performance, though modest ADR growth (+2%) helped soften the impact, resulting in a -12% decline in RevPAR. Pricing provided a limited offset to demand weakness.

New England



Occupancy fell sharply (-19%) while ADR saw only slight growth (+1%), leading to an -18% decline in RevPAR. Demand contraction was the dominant driver, overwhelming minimal pricing gains.

Rocky Mountain States



Both occupancy (-15%) and RevPAR (-15%) declined in tandem, with only marginal ADR growth (+1%) providing little support. Performance reflects broad-based demand softness with minimal rate leverage.

Southeast U.S.



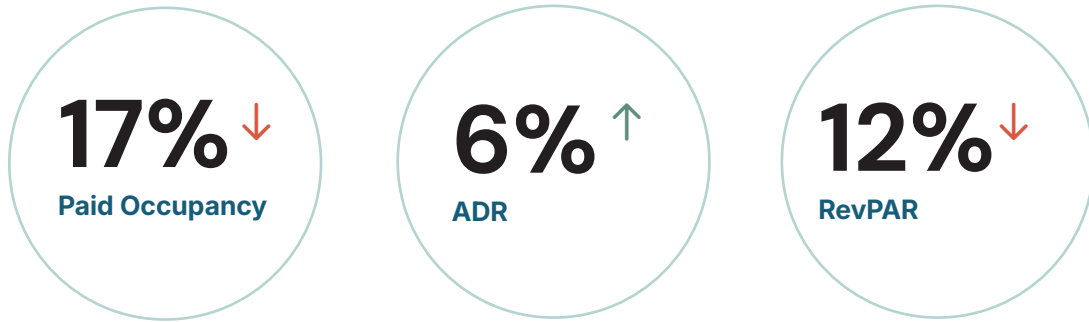
Occupancy dropped -18% and ADR increased slightly (+1%), resulting in a -17% decline in RevPAR. Revenue contraction was largely demand-driven, with pricing offering only minor support.

Southwest U.S.



A -16% decline in occupancy drove revenue pressure, though ADR growth (+3%) helped partially offset losses, resulting in a -14% decrease in RevPAR. The region shows some pricing resilience despite weaker demand.

Western U.S.



Occupancy fell -17%, but strong ADR growth (+6%) helped cushion the impact, limiting the RevPAR decline to -12%. This suggests continued pricing power even as demand remains under pressure.



Insights for Property Managers

Q1 2026 data points to a market that is stabilizing but becoming increasingly competitive, with performance outcomes more dependent on strategy than broad demand tailwinds. While RevPAR and ADR continue to show positive year-over-year growth in many regions, occupancy trends remain uneven, and booking behavior continues to shift toward shorter lead times.

One of the most important takeaways for property managers is the continued compression of the booking window. Even as forward-looking metrics show improvement in ADR and RevPAR, demand is materializing closer to arrival. This reinforces the need for dynamic pricing strategies and real-time demand monitoring. Static pricing or delayed adjustments will increasingly result in missed revenue opportunities or unnecessary discounting.

Channel mix is also becoming more critical. Airbnb now accounts for half of all reservations and continues to gain share, particularly for shorter booking windows. While direct bookings remain a valuable and high-margin channel, their declining share suggests that visibility and distribution breadth are becoming more important than ever. Property managers should focus on optimizing listings across major OTAs while simultaneously strengthening direct booking funnels through retargeting, loyalty incentives, and seamless user experience.



Operationally, the divergence between regions highlights the need for localized strategy. Some markets are experiencing strong rate growth despite flat or declining occupancy, while others rely more heavily on volume. This means property-level performance can vary significantly even within the same portfolio. Managers should lean into market-specific pricing, minimum stay controls, and promotional strategies rather than applying broad, portfolio-wide rules.

Finally, with length of stay remaining relatively stable overall but showing some variability in forward data, there is an opportunity to optimize stay restrictions and packaging. Encouraging slightly longer stays in shoulder periods or smoothing demand across weekdays can help maximize occupancy without sacrificing rate.

In short, success in 2026 will come from agility; leveraging data to make faster pricing decisions, optimizing channel mix, and tailoring strategies to local market conditions rather than relying on broad recovery trends.



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



Ready to Get Started?

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Don't let market volatility catch you unprepared.