



# THE PLASENCIA GROUP | Market Insights

DECEMBER 2024

## **NEW SUPPLY IN THE DFW METROPLEX: NOT SUCH A BAD THING THIS TIME AROUND**

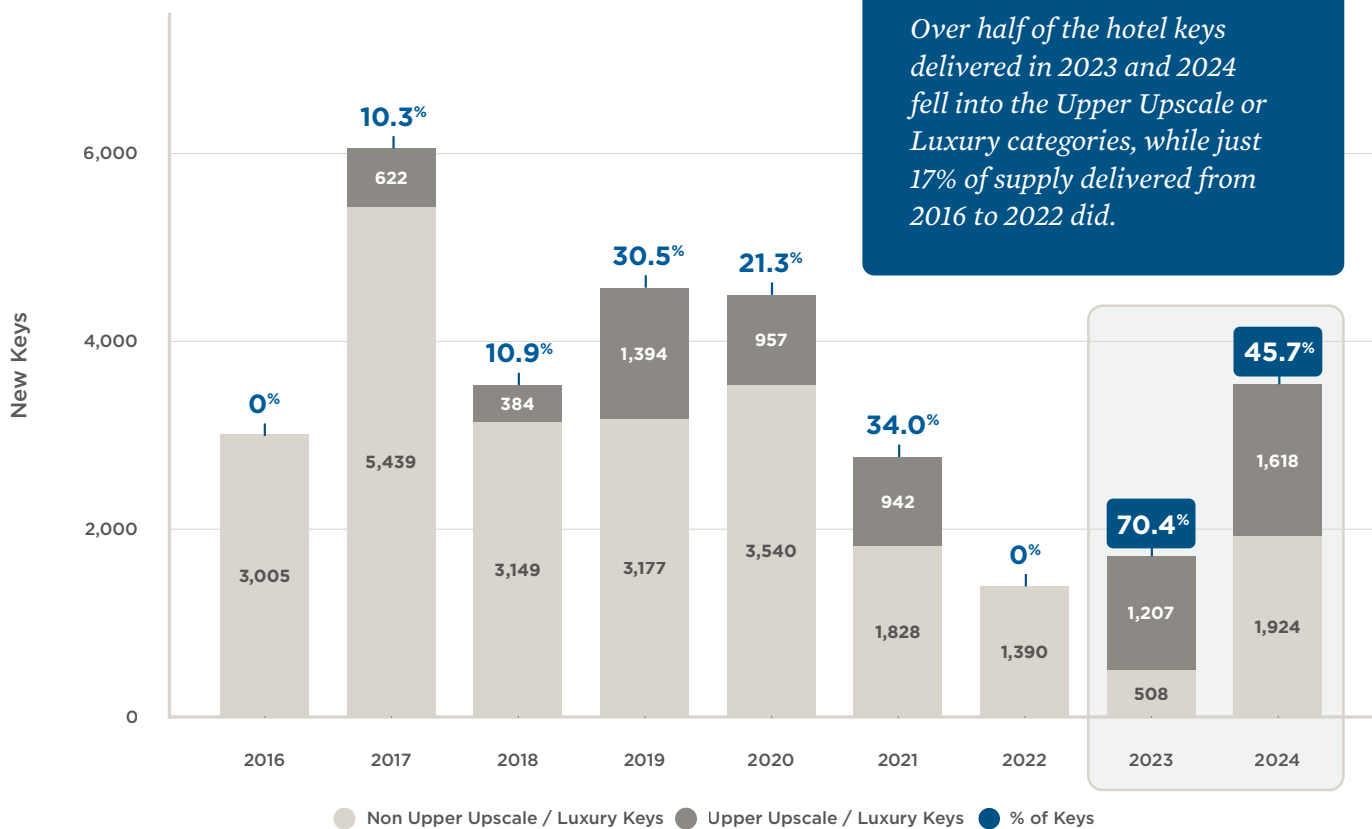


# The current wave of new supply across the DFW Metroplex could elevate performance rather than hinder it.

Historically, much has been made of the constant threat of new supply within Dallas/Fort Worth’s hospitality environment and its effect on hotel performance. The area’s abundance of available real estate and other low barriers to entry have contributed to some lodging investors’ cautiousness when evaluating local investment opportunities. Past batches of new supply, characterized by commoditized, lower-end product, have at times negatively impacted existing hotels.

However, many hotels that have been recently delivered or are currently under construction could have an opposite effect on both investor sentiment and actual hotel performance. While there are some smaller, select-service properties that have recently opened or are in the pipeline for the coming years, a large chunk of new and pending hotels sit higher in the chain scale. As shown below, 2023 and 2024 have seen an outsized number of new Upper Upscale and Luxury keys open. The gross number of new keys in these chain scales that have been added in the past couple years, and the percentage these keys make up of all new supply, dwarf the stats of prior years.

DFW Metro Chain Scale Distribution 2016-2024







# NEW, HIGH-END PROJECTS OFFER EXCEPTIONAL PRODUCT IN VIBRANT LOCATIONS.

Photo: Erin Hervey on Unsplash

These new higher-end projects, some of which are detailed below, sit in vibrant locations and offer exceptional product, generating a new paradigm in terms of RevPAR, raising the tide for their submarkets and the market as a whole. Many of these properties are destinations unto themselves or part of generational mixed-use developments, creating new business organically, and not merely cannibalizing existing demand.

Within Downtown Dallas, the 267-key **JW Marriott Arts District** was delivered to great acclaim in 2023, as was the luxury boutique **Hotel Swexan** in the Harwood District. These projects introduced appealing product types to the mature Downtown submarket and have differentiated themselves in their early days of operations. Perhaps the most anticipated new hotel in the entire state sits just north of Downtown in the trendy Knox-Henderson neighborhood: the **Knox**, part of the Auberge Resorts Collection. Set to open in 2026, the 140-key Knox is part of a truly singular mixed-use development that will be a hub for retail, dining, office, and residential.

Multiple high-end properties have been or are being developed north of Dallas, anchoring transformational mixed-use developments of their own. Chief among these is the **Omni PGA Resort in Frisco**, which opened in 2023. At 500 keys and featuring seven F&B outlets, a spa, and two 18-hole golf courses, the Omni is a true destination on its own, to say nothing of the surrounding Fields development, a \$10-billion, 2,500-acre mixed-use campus. Just east of the Omni is a 190-key **Dream Hotel** that will open in 2026 and is part of Firefly Park, a live-work-play community that borders Fields. Also in Frisco, the **HALL Park Hotel, Curio Collection**, opened this year as a cornerstone of the ever-expanding HALL Park mixed-use development.

Further west within the Metroplex sits the 888-key **Loews Arlington Hotel & Convention Center**, which opened this year as part of the Texas Live! development adjacent to AT&T Stadium (home of the NFL's Dallas Cowboys) and GlobeLife Field (home of the MLB's Texas Rangers).



Finally, on the west side of the Metroplex, Fort Worth's new supply is headlined by two exceptional Luxury assets that were introduced in 2023: the 200-key **Crescent Hotel** and the 106-key **Bowie House, Auberge Resorts Collection**. Additionally, the **Le Meridien Downtown Fort Worth** opened in 2024 in the formerly vacant Hotel Texas Annex building. The emergence of these high-end properties is indicative of the continued growth and refinement of Fort Worth as a stellar lodging market in its own right, no longer overshadowed by Dallas.

The surge of new and soon-to-be-delivered high-end hotels in the DFW area presents a compelling case for significant rate growth market-wide. While Dallas has been a solidly performing market for decades, the introduction of more Upper Upscale and Luxury hotels could propel the market to be one of the top performers in the nation.

## Read more ...

Check out our past reports on the market to see other reasons to be optimistic about the DFW Metro area!

[\*Examining The DFW Metroplex Through The Lens Of Its Top RevPAR Hotels\*](#)



If you're contemplating a disposition or looking to acquire a property in the DFW Metro area, or anywhere in the Lone Star State, let The Plasencia Group team leverage our over thirty-one years of market expertise and Texas know-how. Our team has completed well over 100 successful transactions and financings in Texas. It would be our pleasure to assist you in the evaluation, acquisition, sale, or financing of your properties in Texas and across the country.

[tpghotels.com/texas](https://tpghotels.com/texas)

For more valuable hospitality industry news and market analysis, visit us online and opt-in to our communications list at [tpghotels.com/company-news](https://tpghotels.com/company-news)

## About The Plasencia Group

In 1993, The Plasencia Group was formed to provide hotel and resort owners investment advisory services at a personal level. Thirty-one years and hundreds of engagements later, we still have the privilege of making our clients successful with the passion, access, and certainty they've come to expect. Our firm offers investment sales, asset management, development and renovation management, debt and equity sourcing, and advisory services to hotel and resort owners throughout North America.

Contact us today if our experienced advisory team can assist you in evaluating your current portfolio and strategizing for the future. We look forward to the opportunity to serve you.

(813) 932-1234  
[info@tpghotels.com](mailto:info@tpghotels.com)  
[tpghotels.com](https://tpghotels.com)

