MARKET REPORT

Beyond the Weekend: Marble Falls' Lodging Market Evolves

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Marble Falls, a small city within the Texas Hill Country and Highland Lakes region, is evolving beyond its traditional role as a weekend lake destination. New hotels, meeting space, and visitor amenities are expanding the market's capacity for leisure, group, and event travel. This growth positions Marble Falls as an emerging lodging market to watch.

Marble Falls combines the natural setting of the Highland Lakes with the character of a traditional Hill Country town, providing visitors with ample outdoor recreation and small-town culture. Lake Marble Falls supports boating, fishing, and other recreation, while the walkable Main Street district offers shops, galleries, local restaurants, breweries, and longstanding institutions such as the Blue Bonnet Café. Nearby attractions, including Inks Lake State Park, Longhorn Cavern State Park, Horseshoe Bay, and Lake LBJ, further support leisure hotel demand, particularly on weekends, holidays, and during peak lake and Hill Country travel periods.

With roughly 10,000 residents, Marble Falls serves a visitor economy that extends well beyond its local population. Area festivals, lakefront celebrations, rodeos, and athletic events draw visitors throughout the year and create compression during peak periods. Meanwhile, the city's role as a regional retail and service center, supported by healthcare, education, government, and tourism, broadens its economic base and contributes to a meaningful base of weekday lodging demand.

Developments Reshaping the Market

Marble Falls offers multiple types of lodging options, from conventional hotels to cabins and other accommodations that reflect the area's outdoor-oriented character. Its lodging inventory includes more than 500 guestrooms and cabin units, with much of the traditional hotel supply comprising older limited-service, economy, and independent properties. CoStar

data show that participating Marble Falls hotels have consistently maintained occupancy in the 70% range and ADR above $100 since 2021. Although market RevPAR for the trailing-twelve months ending May 2026 was approximately 4% below the prior-year period, the sustained occupancy and rate levels highlight the destination's established appeal.

The Home2 Suites by Hilton and The Ophelia Hotel Marble Falls, Tapestry Collection by Hilton affiliate, (pictured below) are under construction and expected to add 208 total rooms in 2026, while the new Aranya Resorts is slated to introduce more than 20 cabins. Additional select-service and extended-stay hotels are also in the longer-term pipeline.

Home2 Suites by Hilton (Left) and The Ophelia Hotel Marble Falls, Tapestry Collection by Hilton (Right)

Investment in the market is extending beyond lodging. Marble Falls' 2025 designation as a "Tourism Friendly Texas Certified Community" reflects the city's growing focus on tourism as part of its economic-development strategy. The Arthouse gallery has added a cultural attraction to Main Street, while the Thunder Rock Sports Complex is expected to expand the city's recreational offering and support tournament and youth-sports demand. The planned 330,000-square-foot Shops at Flatrock Crossing would further increase the city's retail and dining options.

Meeting and Event Capacity Expands

According to our conversations with market participants, The Ophelia Hotel Marble Falls will add 127 guestrooms and more than 7,000 square feet of ballroom and meeting space near the downtown lakefront. Scheduled to open in late 2026, the property will also include a signature restaurant, bar, and café.

With roughly 7,100 square feet of event space planned, The Ophelia Hotel Marble Falls will provide nearly twice the existing hotel meeting space in Marble Falls, which currently totals 4,000 square feet. Marble Falls has long offered an appealing setting for small group events, and The Ophelia's combination of guestrooms, function space, and food-and-beverage service will allow the city to accommodate weddings, retreats, meetings, reunions, and other gatherings at a scale not previously supported in the market. For the largest events, that demand could extend beyond The Ophelia, boosting occupancy for other hotels across Marble Falls.

Looking Ahead

The hotel projects underway will expand both lodging and event capacity in Marble Falls, allowing the city to retain more visitors overnight and accommodate groups that previously had few local options. As the new hotels and visitor amenities open, Marble Falls will be better positioned to host weddings, retreats, meetings, tournaments, and other group events alongside its established leisure business. For a small city, this growth marks a meaningful expansion of its role within the Highland Lakes and broader Hill Country lodging market.

At HVS, we combine market data with on-the-ground insight gained through primary interviews with hotel owners, operators, developers, tourism officials, and other local participants. This approach provides a current understanding of

the factors shaping each lodging market. For more information about lodging markets across Texas, including smaller and emerging destinations in Central and South Texas, please contact Bunmi Oyinloye of HVS Houston.