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Contact: Great Ink – 908-392-0333, Tom Nolan (Tom@greatink.com)

NYC Hospitality Sector Continues Recovery as Travel Surges and Hotels Reopen, According to Hodges Ward Elliott Q2 Report

New York, NY – September 20, 2022 – As the U.S. continues to recover from the events of the last two years, New York City tourism is returning to pre-pandemic levels as both international and business travel to the area has surged over the past few months. In addition, the reopening of numerous hotels throughout the City, as well as the return of Broadway shows, has also stoked the market which bodes well for the future health of the New York City hospitality sector.

These are some of the major takeaways from the New York City Q2 2022 hospitality market report, released by [Hodges Ward Elliott](#) ("HWE"), the premier boutique real estate capital markets advisor.

Major highlights from the report include the following:

- **Return of International Travel:** In the biggest overhaul to the U.S. travel policy since the onset of the COVID-19 pandemic, the U.S. opened its borders to all air passengers from foreign countries beginning on June 12, 2022. According to Expedia's Q1 2022 Travel Recovery Trend Report, New York is one of the top 10 cities in terms of total bookings across all regions (NORAM, LATAM, EMEA, APAC), indicating strong domestic and international travel demand.
- **Business Travel Resurgence:** Business and leisure travel have historically displayed a 20/80 split in New York City. Although the business travel share of the split dropped to 12% in 2021, NYC & Company projects this segment to reach 16% in 2022 with over 9.0 million business travelers, more than 2.3 times in 2021.
- **Broadway Goes Curtains Up:** Since the reopening of Broadway, theatergoers have returned in droves with an average theatre capacity of 81.8%, over 7.8 million attendees, and over \$989 million in grosses season-to-date.
- **Luxury Rates Continue to Soar:** The Transient Luxury segment in Manhattan has proven to be incredibly resilient through Q2, experiencing a full recovery and then some, exceeding 2019 rates by 31.9%. The pandemic has shown us luxury room product in Manhattan is price inelastic and it is evident more than ever the luxury rate ceiling has yet to be seen.
- **Hotel Reopenings:** Since the mass closure in April 2020, Manhattan and Brooklyn have seen 185 hotels (36,328 keys) open through June 2022. Pre-COVID, the lodging market in Manhattan and Brooklyn totaled 535 hotels (111,543 keys) and as of June 2022, the two boroughs boast 541 open hotels (105,230 keys, 94% of Pre-COVID Inventory).

About Hodges Ward Elliott:

Hodges Ward Elliott ("HWE") is the premier boutique real estate capital markets advisor, empowered to deliver exceptional results across a broad spectrum of business lines and product types. HWE's multi-disciplined platform includes commercial, hotel and debt capital markets teams, with offices in Atlanta, Chicago, Dallas, Los Angeles, New York, Miami, Washington D.C., and London. As a privately held company, HWE is dedicated to cultivating long-term client relationships and takes pride in the reputation and track record established over its 46-year history. HWE has closed \$100 billion of transactions, including \$50 billion since 2015. For more information, please visit

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