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## **ODU's Dragas Center for Economic Analysis and Policy Projects Continued Decline in Virginia Hotel Sector**

*Hotel occupancy and revenue continue to fall in Hampton Roads and across the Commonwealth*

**Norfolk, VA** – April 8, 2020 – Newly released data from STR, a global firm that provides insights into the hospitality industry, shows hotel occupancy rates fell 65% in Virginia for the week of March 29-April 4 when compared to the same period in 2019. Revenue Per Available Room (RevPAR), an industry standard of the health of the lodging sector, fell to \$17.55, a 78% decline compared to same week last year.

No market in Virginia was spared from the impact of COVID-19 and associated social distancing measures. Occupancy declined by 74.9% in the Virginia portion of the Washington, D.C., area and 57.2% in the Norfolk/Virginia Beach area. Richmond fared the best with a 54.5% decline in occupancy. RevPAR declined by 84.6% in the Washington market, 72% in the Norfolk/Virginia Beach market and 67.6% in the Richmond region.

Within the Norfolk/Virginia Beach market, occupancy continued to decline. The occupancy rate for the week of March 29- April 4 was 10.9% in Williamsburg, 23.5% in Virginia Beach, 28.3% in Suffolk, 29.6% in Norfolk/Portsmouth, 34.0% in Hampton and 46.7% in Chesapeake.

“We expect that hotel occupancy and revenue will continue to decline over the coming weeks as the number of COVID-19 infections rises and social distancing measures take hold across the country,” said Professor Vinod Agarwal of the Dragas Center. “We should brace ourselves for a slower rebound as the state and nation reopen from COVID-19. It will take time for business and leisure travel to fill rooms again.”

Within the Norfolk/Virginia Beach market, when compared to the same period in 2019, occupancy fell 80% in Williamsburg, 64% in Virginia Beach, 55% in Norfolk/Portsmouth, 48% in Hampton and 44% in Newport News. Chesapeake fared the best with a decline of 36%. RevPAR fell by 90% in Williamsburg, followed by Virginia Beach (78%) and Norfolk (57%). RevPAR declined in all other submarkets by almost 50%.

**About the Dragas Center for Economic Analysis and Policy:**

The Dragas Center for Economic Analysis and Policy in the Strome College of Business at Old Dominion University undertakes a wide range of economic, demographic, transportation and defense-oriented studies. For two decades, the Center and its predecessors have produced the highly regarded State of the Region Report for Hampton Roads and economic forecasts for the region. If you would like more information about this topic, please contact Robert M. McNab or Vinod Agarwal. McNab can be reached at 831-917-2455 or email at [rmcnab@odu.edu](mailto:rmcnab@odu.edu). Agarwal can be reached at 757-287-5619 or email [vagarwal@odu.edu](mailto:vagarwal@odu.edu)

**About Old Dominion University:**

Old Dominion University is Virginia's entrepreneurial-minded doctoral research university with more than 24,000 students, rigorous academics, an energetic residential community and initiatives that contribute \$2.6 billion annually to the Commonwealth's economy.