

# HOSPITALITY **MARKET** ASSESSMENT

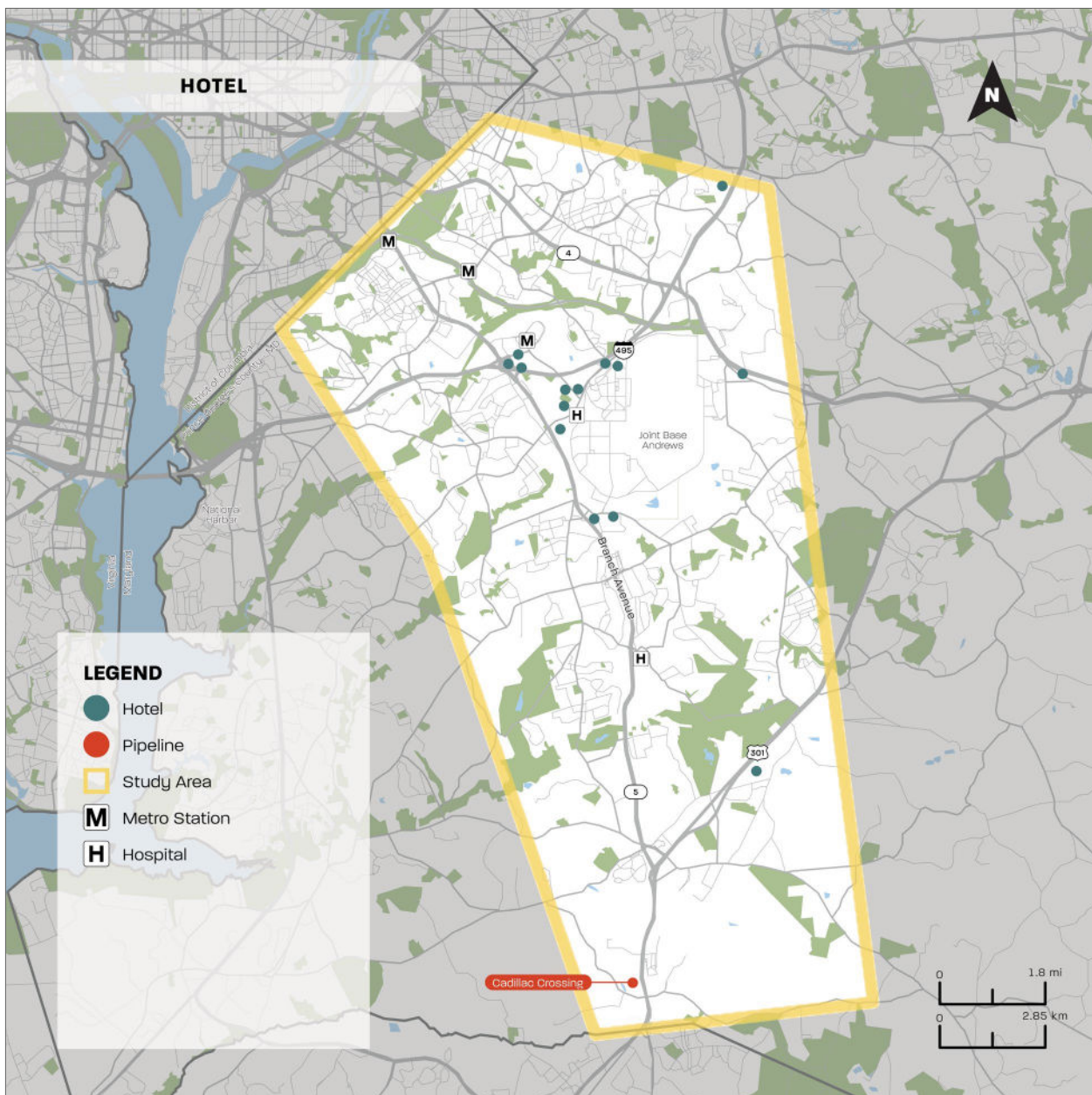


## **RETAIL REVITALIZATION REPORT 2023**

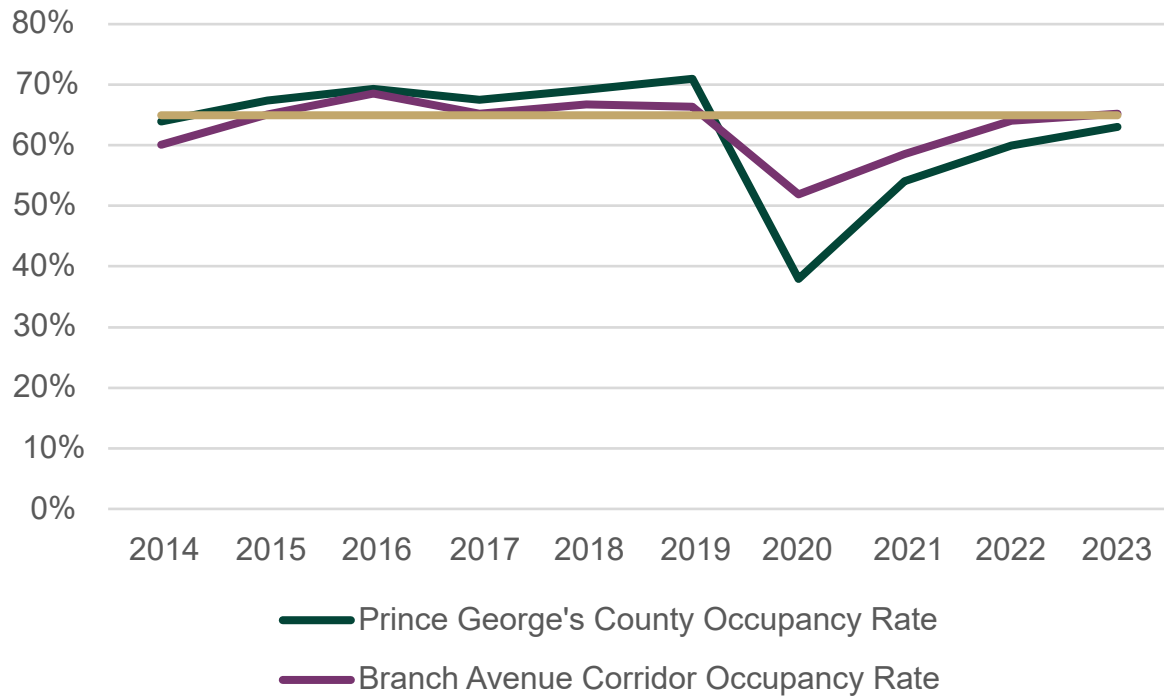
A Research and Analysis Report Supporting Prince George's County's  
RETAIL REVITALIZATION ONLINE GUIDE

**T**HERE ARE 76 hotels in Prince George’s County, 14 of which are in the Branch Avenue Corridor. The hospitality market in Prince George’s County has experienced strong growth over the past few years. With the construction of more than a dozen new hotels in the last decade and the sale of several old ones, market indicators continue to suggest that the county is well positioned for hospitality growth following a full recovery from the impacts of the COVID-19 pandemic. National hospitality trends forecast a full recovery of demand within the hospitality industry by 2024.

Map 13. Hotel Competition



## PRINCE GEORGE'S COUNTY HOSPITALITY HISTORICAL PERFORMANCE



**Figure 11.** Prince George's County Hospitality Historical Performance

Prior to the COVID-19 pandemic, occupancy rates in Prince George's County were on an upward trajectory, surpassing 65 percent—the industry benchmark for a healthy hospitality market.<sup>39</sup> The construction of new hotels while maintaining high occupancy rates indicates that the market can absorb additional hotel rooms without significantly impacting performance.

Hotels within the Branch Avenue Corridor historically have had occupancy rates that were slightly lower than those of the County overall. However, Branch Avenue hotels were more resilient during COVID-19, which is a result of the specific military audiences those hotels serve.

One of the goals of Experience Prince George's, the County's official destination marketing organization, is to expand its tourism economy with the objective of increasing the area's overall hotel occupancy rates. The efforts of this group have been effective. Both overnight and daytime visitors have increased since 2014, and visitation is projected to return.

Business-based travel is expected to return at a slower rate than leisure-based travel due to continued risks related to COVID-19 and decreased travel budgets.

<sup>39</sup> STR, 2022.

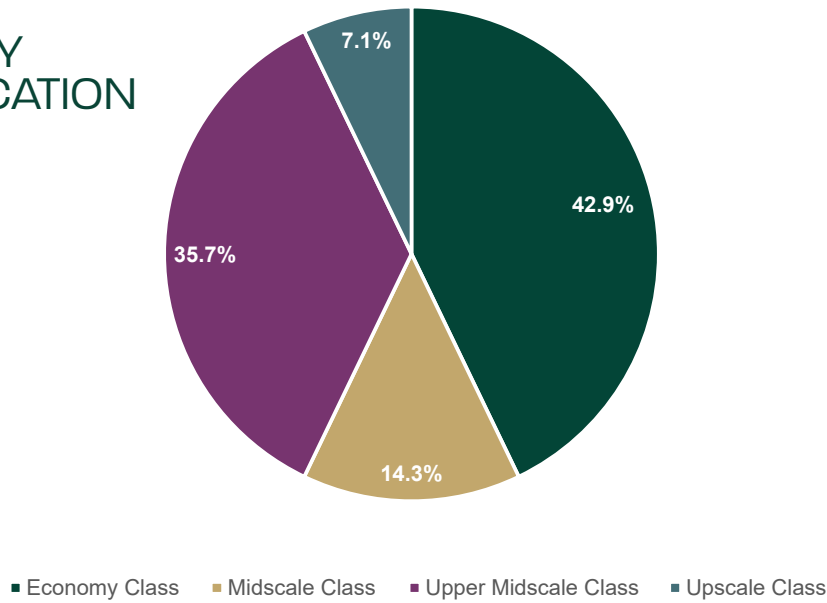
**BRANCH AVENUE HOSPITALITY OPPORTUNITY**

Hotels within the Branch Avenue Corridor are mostly composed of economy and upper mid-scale class hotels. Most of the hotels within the Branch Avenue Corridor are clustered around Joint Base Andrews and are designed to serve visiting military personnel and their families.<sup>40</sup>

The expansion of the MedStar Southern Maryland Hospital Center creates an additional opportunity to build a hotel that serves the medical campus, particularly

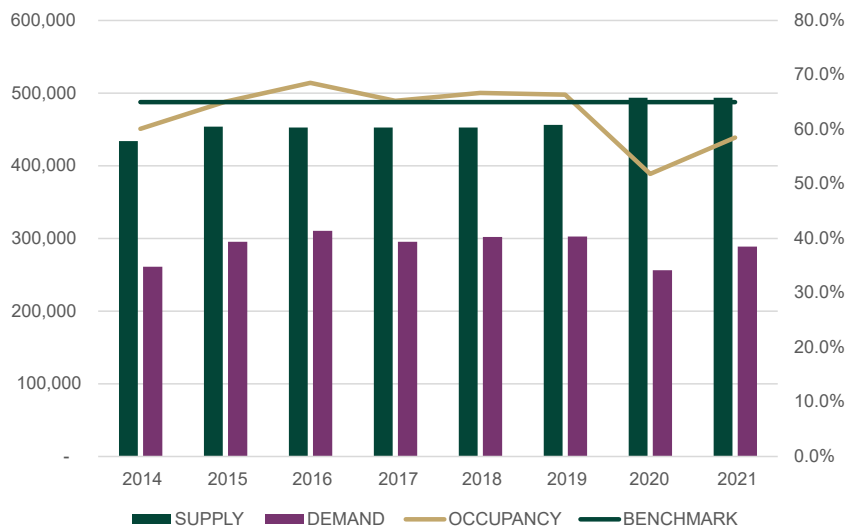
patients that are in long-term care and treatment programs, those traveling from out-of-town for appointments with specialists, as well as visiting doctors and hospital staff. The hospital recently purchased and demolished a nearby on-site hotel. Currently, the closest accommodation is approximately three miles from the hospital. While the metrics indicate that existing hotel supply is higher than demand in the market, there is a need to replace or upgrade older hotel space that is currently in the market.<sup>41</sup>

**HOTELS BY CLASSIFICATION**



**Figure 12. Hotels by Classification**

**HOTEL SUBMARKET HISTORICAL PERFORMANCE**



**Figure 13. Hotel Submarket Historical Performance**

40 STR, 2022.

41 STR, 2022.