

Summary Report for July 2021: Large Hotels

According to preliminary statistics released by the Bahamas Hotel and Tourism Association and The Bahamas Ministry of Tourism, the major large New Providence hotels recorded a 70% hotel occupancy rate for July 2021, compared to 12.3% in July 2020, an increase of 57.7% percentage points. Available room nights were up over 700%, room nights sold were up over 1000%, hotel occupancy up 57.7%, REVPAR up 234.5% and room revenue up over 1000% during the month.

Most of the large Nassau/Paradise Island hotels were closed in July 2020 and for this reason the percentage increases in available room nights, room nights sold, and room revenue were high. The ADR declined during the month because in July 2020, the only properties that were open operated with high rates but in July 2021, the hotels that were open operated with a combined lower rate than these properties during the period. The July 2021 ADR of \$318.89 represented a decrease of 41.4% compared to the ADR of July 2020.

By the end of July 2021 YTD, the large Nassau/Paradise Island hotels experienced a 37.6% hotel occupancy rate, and the ADR was \$325.94.

NASSAU AND PARADISE ISLAND SELECT LARGE HOTELS PERFORMANCE PRELIMINARY STATISTICS 2021-2020

	Occupancy		ADR		RevPar		Room Revenue	Nassau/P.I. Air Arrivals	Room Nights Sold
	2021	2020	2021	2020	2021	2020	% Chg 21/20	% Chg 21/20	% Chg 21/20
Jan	7.8%	69.3%	\$ 319.24	\$ 261.01	\$ 24.77	\$ 180.82	-91%	-88.0%	-92%
Feb	10.3%	76.5%	\$ 309.10	\$ 272.24	\$ 31.76	\$ 208.18	-89%	-87.7%	-90%
Mar	21.4%	41.3%	\$ 402.34	\$ 293.92	\$ 85.95	\$ 121.51	-36%	-38.6%	-54%
Apr	26.2%	0.9%	\$ 371.41	\$ 762.99	\$ 97.44	\$ 7.13	over +1000%	over +1000%	over +1000%
May	38.8%	0.3%	\$ 296.04	\$ 987.31	\$ 114.99	\$ 2.68	over +1000%	over +1000%	over +1000%
Jun	57.1%	0.7%	\$ 306.38	\$ 6,510.17	\$ 174.79	\$ 48.67	over +1000%	over +1000%	over +1000%
Jul	70.0%	12.3%	\$ 318.89	\$ 544.19	\$ 223.26	\$ 66.75	over +1000%	over +1000%	over +1000%
YTD	37.6%	60.4%	\$ 325.94	\$ 274.52	\$ 122.45	\$ 165.72	20%	16%	1%

Source: Large Nassau/Paradise Island Hotels and Research & Statistics Dept. Ministry of Tourism. All numbers are subject to revision.

The COVID-19 Global Pandemic began in December 2019 and by March 2020 had caused the closure of international borders around the world and had heavily impacted global travel.

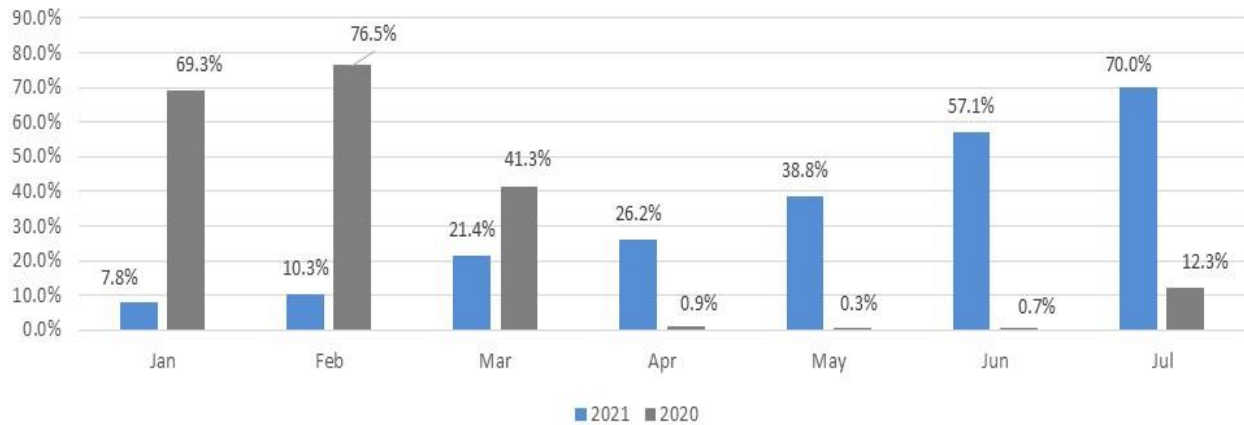
The borders of the Bahamas re-opened in June 15, 2020 to international traffic coming by private planes and boats.

In August 2019, Hurricane Dorian began its track through the Southern Islands of the Bahamas. It skirted all of the Central and Southern Islands of the Bahamas as it focused in on the Northern islands of the Bahamas: Abaco and Grand Bahama. On September 1, 2019, Hurricane Dorian slammed into the island of Abaco as a category 5 Hurricane.

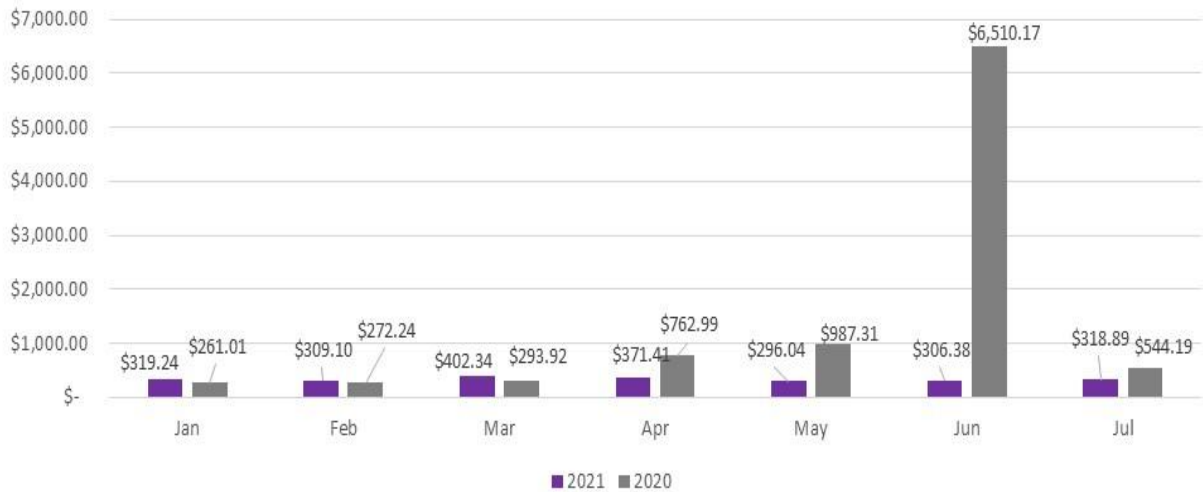
In 2020, the COVID-19 pandemic heavily impacted tourist travel around the globe, and The Bahamas was no exception. Hotel occupancy rates plunged as a result of border closures around the world that made travel difficult. The borders of The Bahamas closed in March 2020 as a result of the COVID 19 pandemic and did not reopen until June 15, 2020, to private planes, private boats and later to commercial flights.

Many of the large hotels in Nassau/Paradise Island were closed in July 2020 and remained closed for most of the year. By July 2021, 13 of the 15 large hotels in the Nassau/Paradise Island sample were open for business.

Hotel Occupancy January to July 2021



ADR January to July 2021



The ADR for the large Nassau/Paradise Island hotels was down in July 2021 compared to the same period of 2020. The ADR for the large Nassau/Paradise Island hotels for July 2021 was down by 41.4%.

The decline in ADR for July 2021 was not due to discounting. In July 2020 only very high-end hotels in the sample were open, but by July 2021 most of the other properties had re-opened and these hotels operated with a combined much lower ADR; for this reason, the ADR declined during the month of July 2021.

Hotel Occupancy July 2021 vs. July 2020

Although the average hotel occupancy rate for the large hotels in the sample was 70.0% in July 2021, the hotel occupancy for the hotels that were open ranged from 23.8% to a high of 84.7%. In July 2021, hotel occupancy for the group increased by 57.7% percentage pts. over the same period of July 2020.

In July 2021, two of the large hotels had hotel occupancy rates over 60% but under 70%, and another three properties had rates over 70% but less than 80%. Five large hotels boasted rates over 80% during the month.

The room nights sold during the month increased by over 1000% for the group of hotels.

ADR July 2021 vs. July 2020

Although the average daily rate (ADR) for the large hotels in the sample was \$318.89 in July 2021, the ADR ranged from \$54.59 to a high of \$1,693.20.

In July 2021, the ADR decreased by 41.4% over the same period of 2020. The ADR went from \$544.19 in July 2020 to \$318.89 in July 2021. The main reason for this decline was the fact that in July 2020 only very high-end hotels in the sample were open, but by July 2021 most of the other properties had re-opened and these hotels operated with much lower ADRs.

Room Revenue

All the large hotels in the sample that were open in July 2021 operated with an increase in room revenue during the month as most of them had been closed in July 2020, so their revenue went from zero to something. In July 2021, room revenue increased significantly by over 1000% compared to July 2020 for the large group of hotels.

In July 2021, two hotels remained closed of the 15 large properties in the sample. Only 13 of the 15 large hotels in the Nassau/Paradise Island sample were open during the month as some properties were still closed. Some of the hotels that had been closed for most of 2020 began to re-open in December 2020 and in the first half of 2021. Most of the large hotels that had been closed in July 2020 because of COVID-19 had reopened again by July 2021.

All of the 13 hotels that were open, experienced an increase in room revenue in July 2021 compared to July 2020 as most of them went from zero revenue because of their closures to some revenue.

Air Arrivals July 2021

In March 2020, the global Coronavirus pandemic began to close the borders of many countries around the world. These closures had a major impact on arrivals to The Bahamas. During the month of March 2020, travel between countries slowed tremendously as persons cancelled travel plans including vacations across the globe.

The COVID 19 pandemic had very strong negative impacts on arrivals across the globe and in The Bahamas in 2020. It precipitated hotel closures across The Bahamas at the end of March 2020 and most of these hotels remained closed for most of the year due to the sharp decline in visitor arrivals to the destination. The effects of the pandemic stretched into 2021, but there was a glimmer of hope as many of the large hotels in the sample that had closed at the beginning of the pandemic, had begun to reopen in December 2020 and others in the first half of 2021. With the opening of more large hotels, arrivals continued to climb back up again.

Air arrivals to Nassau/Paradise Island were up significantly during the month of July 2021 compared to the same period of 2020. Air arrivals increased over 1000% for the month of July 2021 and were also up by 15.9% by July YTD 2021.

Air arrivals to The Bahamas overall were up significantly over 700% for the month of July 2021. Air arrivals to The Bahamas Overall increased in April, May, June, and July 2021. By the end of June YTD 2021, The Bahamas Overall, experienced its first growth rate since December 2019. The month of June was able to pull the year-to-date air arrivals back up to a level to achieve this increase and this trend continued into July 2021. Air Arrivals to The Bahamas increased by 34.6% by the end of July 2021. This increase in air arrivals by July YTD 2021 occurred all over in The Islands of The Bahamas.

It is important to note that the Airports in The Bahamas closed at the end of March 2020 because of the COVID-19 pandemic, but private planes were able to return to the destination in June 2020.