



THE LOST HOTELS OF MIDTOWN NEW YORK

Hospitality Industry
Insights

JANUARY 2023

January 2023

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Several legendary properties remain closed in Midtown New York, and most will never reopen.

Luxury hotel demand staged a respectable resurgence last year as the dreadful impact of the pandemic continued to fade. Trailing twelve-month RevPAR for luxury hotels in NYC, as of November 2022, has already surpassed its pre-pandemic benchmark from December 2018. This was a welcome improvement for prominent Midtown hotels that had reopened after many months of closure, including the Mandarin Oriental, Ritz-Carlton, The Plaza, St. Regis, The Peninsula, and the Lotte New York Palace.

However, some well-known properties that enjoyed a presence in NYC for many decades could not survive the crushing blow of COVID and, in some cases, their own age and obsolescence. The map below highlights a few of these hotels that are reported to be permanently closed.



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THE HOTEL PENNSYLVANIA

The Hotel Pennsylvania opened in 1919 with 1,705 rooms and closed in April 2020. The building is being demolished as part of a planned multi-block redevelopment project near Penn Station. Others are reported as closed with no plans to reopen, including The Roosevelt (1926), The Maxwell (1926), the Marriott East Side (1923), and the Gramercy Park Hotel (1924). Although these buildings may ultimately reopen as hotels, they are most likely to be redeveloped and converted to alternative uses such as residential.

THE FOUR SEASONS AND THE WALDORF ASTORIA

Two other notable hotels curiously remain closed for different reasons. The once iconic Four Seasons Hotel on 57th Street built in 1993, which has remained closed since the pandemic's beginning, shows no signs of reopening. The 78-year-old owner of the Four Seasons, the billionaire founder of Beanie Babies, Ty Warner, is reportedly in a significant dispute with the Four Seasons hotel chain. Any near-term resolution seems uncertain at best.

The closure of the famed Waldorf Astoria in 2017 was not caused by the pandemic; rather, the property is struggling to complete its multi-year renovation plan. China's Anbang Insurance Group Co. bought the Park Avenue hotel in 2015 and planned to close the 1,400-room property to begin a four-year redevelopment of the landmark building into a smaller 375-room hotel and 375 condominiums. Now, five years later, the project remains unfinished and could likely continue into 2024 as the pandemic, global supply-chain issues, and rising construction costs have slowed major construction projects of all types.

Despite the loss of hotel room inventory from these closings, it should be noted that approximately 6,000 new hotel rooms were opened in 2022 and more than 10,000 are under construction in NYC. Let's hope that the resurgence of lodging demand in the Big Apple continues to strengthen.

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