

The sector indicators are compiled quarterly from a detailed and exhaustive study prepared by experts in the Knight Frank Spain office and are based on real data and market trends.

# Hotels Snapshot

Q12021

SPAIN

Indicator	2018	2019	2020*
<b>ADR (y-o-y)</b> 2018 - 2020	+2.3%	+2.5%	-23.3%
<b>RevPAR (y-o-y)</b> 2018 - 2020	+2.2	+3.0%	-55.0%

Source: INE. \*Average income per available room including lockdown months in 2020.

## Situation in Spain

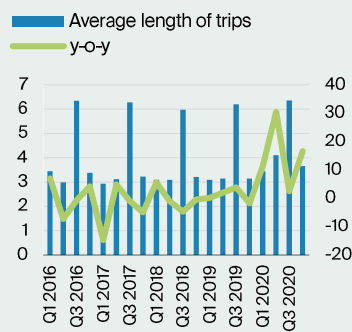
One of the sectors where the impact of the pandemic has been most noticed has been in the Spanish hotel sector. Although, thanks to the evolution of the vaccination programme and the latent investment appetite, among other factors, there are high expectations for a strong recovery.

According to the latest data for January, the average daily rate (ADR) has stood at more than €60 at national level, which represents almost -25% less than in the same period of the previous year. A lower ADR drop is observed in 5\*

gold hotels with about -10%, while those of 1\* have seen a decrease of more than 25%. During 2020 an increase in the average duration of trips has been observed, closing the last quarter with an increase of almost 17% compared to the same period of the previous year, reaching an average duration of 3.66 days.

Total overnight stays in 2020 stood at more than 90 M, which represents a drop of around -70% compared to 2019, most market players are expecting COVID restrictions to further relax and in turn an improvement in 2021.

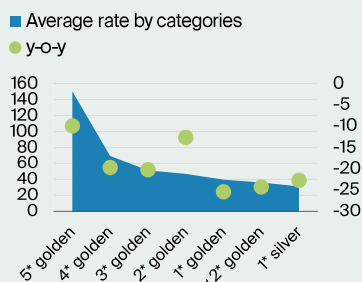
### Average length of trips and variation 2016-2020



Source: INE

### Average daily rate (ADR) by hotel category\*

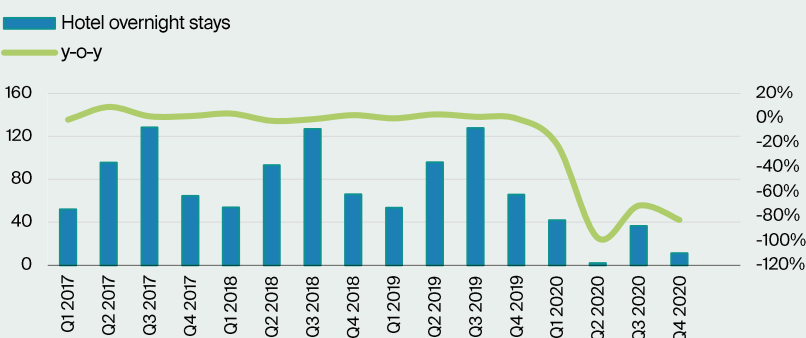
Spain. January 2021. (€)



Source: INE | Knight Frank Research  
\*Gold category: hotels / Silver category: hostels

### N° of hotel overnight stays

2017 -2020. Million



Source: INE

## Hotel investment in Spain

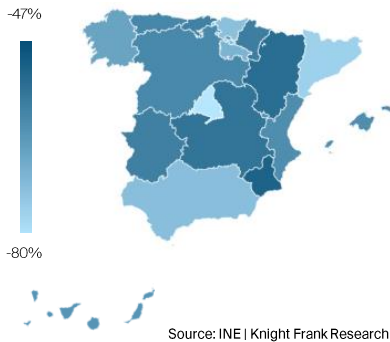
Interest in the Spanish hotel sector has started the year at a good pace since the investment volume for the first quarter of 2021 has been around 230 million euros thanks to the closure of a good number of transactions.

According to the latest available data, the income per available room (RevPAR) stood at almost €14 on average during the month of February, which represents a decline of approximately -70% compared to the same period of the previous year. It is in Madrid, Barcelona and the Basque Country where the variation has been most noticeable.

Although it is expected that during the second half of the year, after a greater percentage of the population is forecast to be vaccinated, tourism will recovery.

### SPAIN AVERAGE ANNUAL VARIATION IN HOTEL REVPAR

#### Q4 2019 VS Q4 2020



## TOP 3 DEALS Q1 2021

### CÁDIZ

**SENATOR PLAYABALLENA 4\***  
 VENDOR: HOTELES PLAYA  
 PURCHASER: PONTEGADEA  
**€25 M** 324 rooms  
 Source: Ejeprime

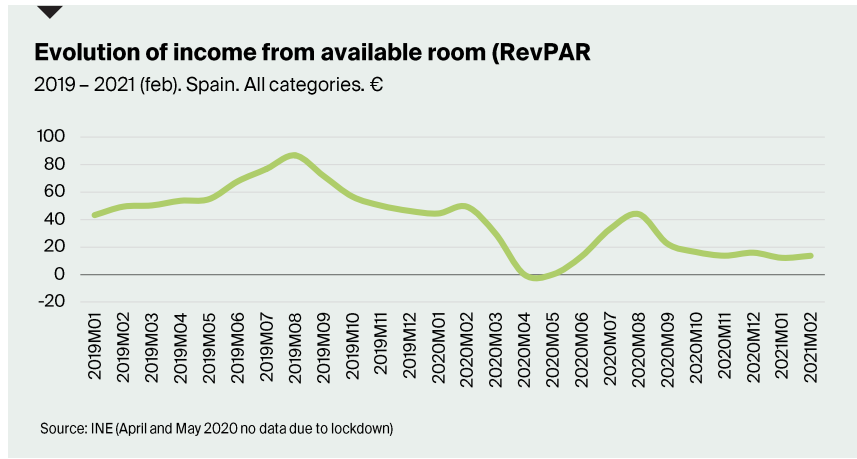
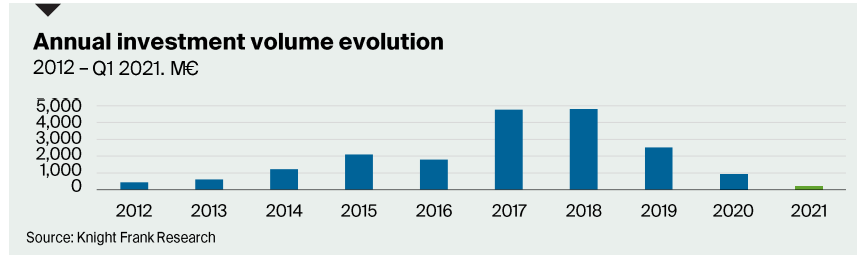
### BARCELONA

**H10 ÍTACA 4\***  
 VENDOR: H10  
 PURCHASER: FAMILY OFFICE LOCAL  
**€20 M** n.d rooms  
 Source: BrainsreNews

### MALLORCA

**LIVELY MAGALUF 3\* HOTEL**  
 VENDOR: MAR HOTELES  
 PURCHASER: HOTELES GLOBALES  
**€10 M** 87 rooms  
 Source: Brainsrenews

One of the most relevant transactions during the quarter has been the purchase of Senator Playaballena hotel in Cádiz, aimed at family tourism, by Amancio Ortega's investment vehicle, Pontegadea, for which it has paid €25 million to the Hoteles Playa family group. Also noteworthy is the sale of the H10 Ítaca hotel in Barcelona for €20 million in a long-term sale & lease back format, by the H10 hotel chain, which is seeking liquidity in the current situation, to a local family office.



**COVID-19:** Across Europe and beyond, market activity is being impacted in all sectors due to the Novel Coronavirus (COVID-19) outbreak. As at the date of this report, we consider that we can attach less weight to previous market evidence for comparison purposes, in providing our opinions on the market. Given the unknown future impact that COVID-19 might have on the real estate market and limited recent comparable data, this report is meant to provide market insights as we see them at this time but we wish to highlight the material uncertainty which may cause swift changes in the market. Please get in touch with our team if you would like to discuss in further detail or receive an update regarding market conditions.

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Hotels. 2019



Active Capital. 2020

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