

Hoteles Snapshot

Q1 2023

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.

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The sector continues to progress in its growth process

- ▶ According to the latest data from March, the average daily rate (ADR) has recorded an annual growth of over 10%, with the average across all hotel categories reaching around €95.

SPAIN SITUATION

The hotel sector starts the year on a solid footing, showing a positive trend in terms of recovery and growth, as indicated by its key indicators during the first three months of the year.

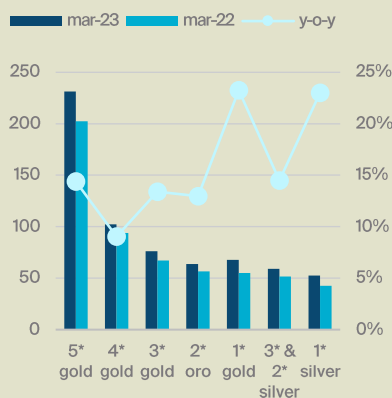
The latest data from March indicates that the average daily rate (ADR) across all hotel categories is close to €95, while in 5-star hotels, it exceeds €230.

The revenue per available room (RevPAR) at the national level has surpassed €62 during the month of March, representing an increase of nearly 25% compared to the same period last year. It is worth noting that most autonomous communities have experienced considerable growth in this indicator, with increases above 30% in Catalonia, Madrid, and Aragon.

During the month of March, the number of overnight stays in Spain has exceeded 20.6 million, representing a year-on-year growth of 17%. Of that total, more than 12.6 million correspond to foreign residents.

ADR variation by hotel category*

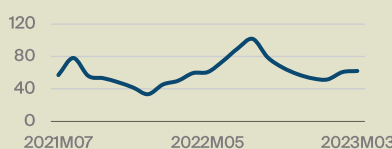
Mar 2023 vs mar 2022. € & %



Source: Knight Frank Research | INE
*Gold category: hotel / Silver category: hostels.

RevPAR evolution*

2021 (jul) – 2023 (mar). €



Source: INE *Todas las categorías

Spain

ADR (% mar 23 vs mar 22)

11% (+35% mar 22 vs mar 21)

RevPAR (% mar 23 vs mar 22)

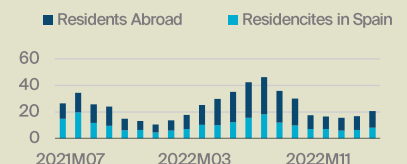
24% (+190% mar 22 vs mar 21)

Nº pernactaciones (% mar 23 vs mar 22)

17% (+390% mar 22 vs mar 21)

Nº of hotel overnight stays

2021 (nov) – 2023 (mar). Million



Source: INE

Average annual variation in hotel RevPAR

Mar 2023 vs mar 2022. %



Source: INE | Knight Frank Research

HOTEL INVESTMENT IN SPAIN

The year begins with an investment of €550 million during the first quarter, which is lower than the record-breaking year of 2022 but still at a good pace compared to previous years.

The selling price per room nationwide has experienced a significant increase, surpassing the value recorded in the same period of the previous year by over 30%.

Regarding investment by location, the capital city represents just over 10% (€60 million) of the total, while Barcelona stands out, accounting for nearly 50% (€265 million) thanks to notable transactions such as the acquisition of the Sofía Hotel or the Dolce Sitges.

During this period, funds have been the largest investors, representing nearly 60% of the total. In terms of the buyers' origin, Spanish investors significantly stand out with over 50% of the investment, followed by the French with over 35%.

We like questions, if you've got one about our research, or would like some property advice, we would love to hear from you.



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Spain

Investment volume Q1 2023

€550 M (€1.020 M Q1 2022)

Top 3 investment deals Q1 2023

€180 M | Barcelona, Hotel Sofia BCN
Vendor: Brookfield | Purchaser: Blasson/AXA
Rooms: 500
Source: Brainsre

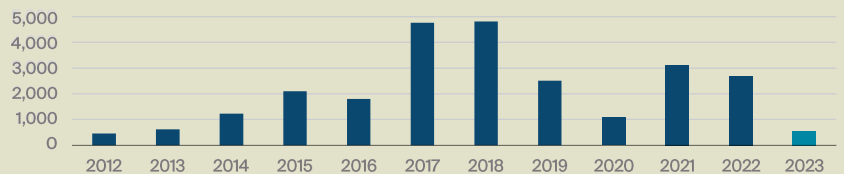
€75 M | Barcelona, Hotel Dolce Sitges
Vendor: Angelo Gordon | Purchaser: Perial
Rooms: 263
Source: Brainsre

€65 M | Ibiza, Hotel The Standard
Vendor: KKR | Purchaser: Schoeders Capital
Rooms: 67
Source: Idealista News

► The most significant purchase in terms of investment during the first quarter of the year has been made by the recently created joint venture between Blasson Property and Axa. This operation involved the acquisition of the Sofía Hotel in Barcelona from the investment fund Brookfield. This 4-star hotel, which features 500 rooms, is managed by The Unbound Collection by Hyatt.

Annual investment volume evolution

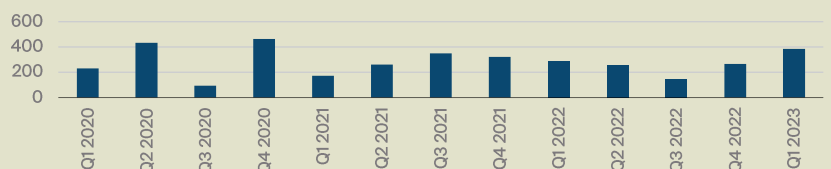
2012 – Q1 2023. M€



Source: Knight Frank Research

Sale price per room*

Q1 2020 – Q1 2023. €/room. Thousands

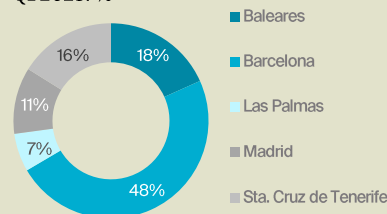


Source: Knight Frank Research.

*All categories are included and excludes non-representative transactions.

Investment by province*

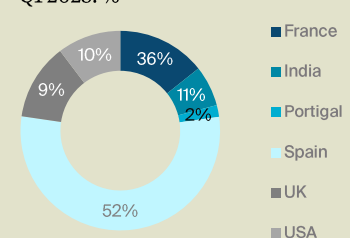
Q1 2023. %



Source: Knight Frank Research
*Excludes non-representative transactions

Investment by nationality

Q1 2023. %



Source: Knight Frank Research