

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

Q4 2022

SPAIN			
<b>ADR (y-o-y)</b> 2019 - 2022	2020 vs 2019 (nov. vs nov.)	2021 vs 2020 (nov. vs nov.)	2022 vs 2021 (nov. vs nov.)
	<b>-23%</b>	<b>+38%</b>	<b>+8%</b>
<b>RevPAR (y-o-y)</b> 2019 - 2022	2020 vs 2019 (nov. vs nov.)	2021 vs 2020 (nov. vs nov.)	2022 vs 2021 (nov. vs nov.)
	<b>-73%</b>	<b>+251%</b>	<b>+21%</b>

Source: INE.

## Situation in Spain

With the pandemic almost over, the hotel industry is on the road to recovery, as demonstrated by its key indicators.

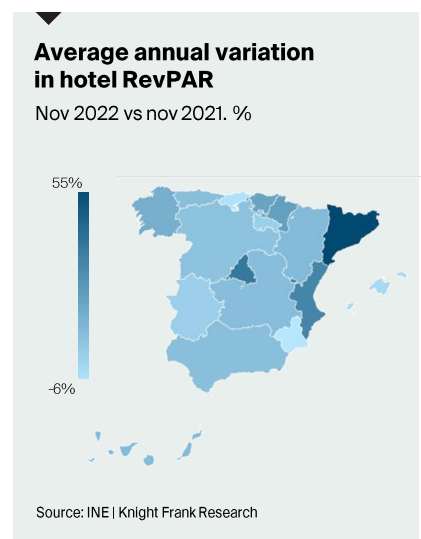
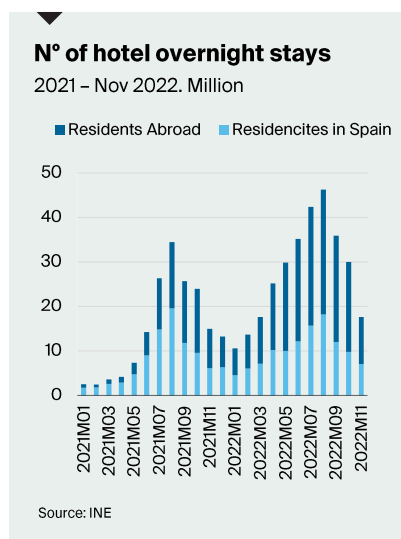
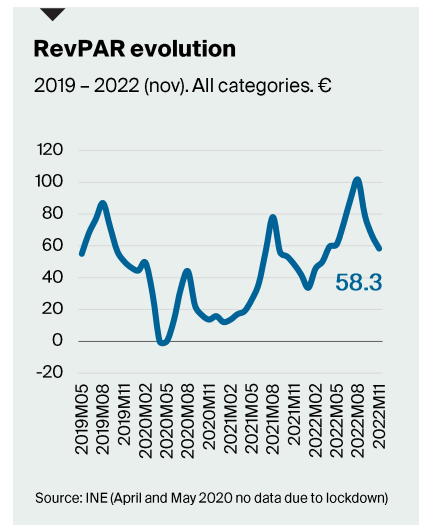
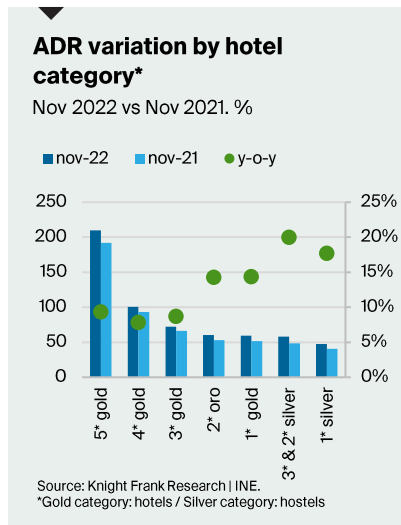
According to the latest data from November, the average daily rate has registered an annual growth of close to 10%, with the average for all hotel categories standing around 90€.

In terms of revenue per available room (RevPar), this has been nationally placed at over 58€ in November, over 20% higher than the same period in 2021.

As to the autonomous communities, Catalonia had the highest increase, over 55%, followed by Madrid, with around 37%. The Valencian Community also had a significant change, over 31%.

Regarding the number of overnight stays in Spain during November, there were over 17.5 million, with a yearly growth of close to 18%.

The majority of those staying in Spanish hotels were residents from abroad, representing around 60% of the total, similar to what was recorded in 2021.



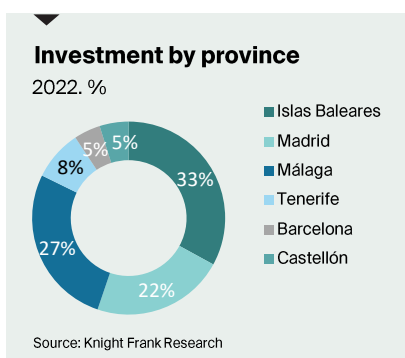
## Hotel investment in Spain

The hotel industry reached an investment volume of close to 2.700 million euros during 2022. The investment pace was slower than the previous year, although there are ongoing sales operations that, if closed, would significantly increase the volume. The locations with the highest investment during the year were the Balearic Islands, with almost 35%, and Málaga, with around 30%.

Regarding the last quarter, around 870 million euros were transacted, close to 170% more than the previous quarter.

The average sales price per room during this period was around 265,000€, 15% higher than the average for the entire year.

The Spanish investor was clearly the most active during the year, representing around 40% of the investment.



## TOP 3 DEALS T4 2022

**MÁLAGA (MARBELLA)**  
**INCOSOL MEDICAL SPA, 5\***  
 VENDOR: CONFIDENTIAL  
 PURCHASER: ILANGA INVEST.  
**€150 M** 200 rooms

Source: Belbex. \* Includes the purchase of the asset and its repositioning.

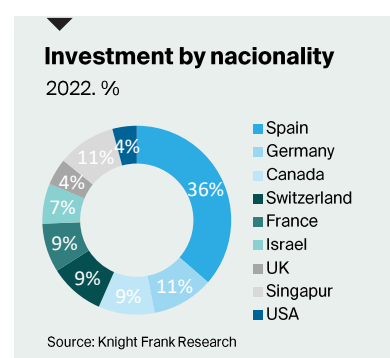
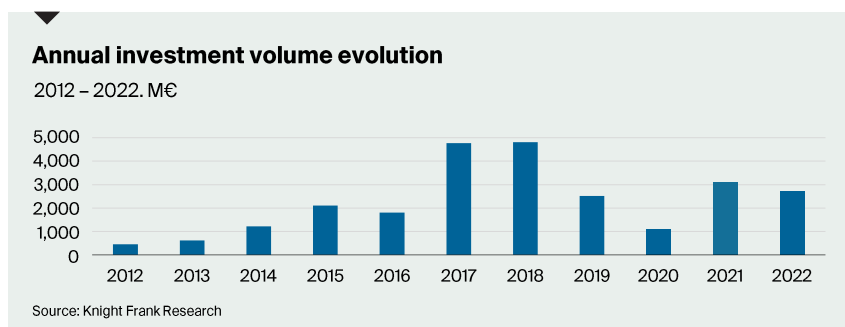
**MADRID**  
**IBEROSTAR LAS LETRAS 4\***  
 VENDOR: ANIMA HOTELES  
 PURCHASER: MILLENIUM  
**70 M€** 109 rooms

Source: EjePrime

**GRANADA**  
**BARCELÓ CARMEN 4\***  
 VENDOR: FAMILIA PÉREZ ARENAS  
 PURCHASER: BARCELÓ HOTELES  
**€40 M** 222 rooms

Source: EjePrime. \*Includes the purchase of the asset and its rehabilitation.

Pelayo Cortina Koplowitz's fund, Ilanga Investments, has closed the purchase of the Incosol resort for €150 million, including the repositioning of the complex. A few meters from the sea, in the Golf Río Real urbanization, the hotel was considered a historical reference in European wellness tourism. The establishment, which has a built-up area of more than 36,000 sq m, will offer different types of accommodation, such as suites, rooms and apartments.



**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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