

# Hotels Snapshot

Q1 2024

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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## Four and five-star hotels accounted for more than 90% of the investment during the quarter

- The main hotel indicators continue to rise, reflecting the strong performance of demand. ADR and RevPAR are growing at an annual rate of 10-12%, while overnight stays have increased by nearly 20% in a year.

### SPAIN SITUATION

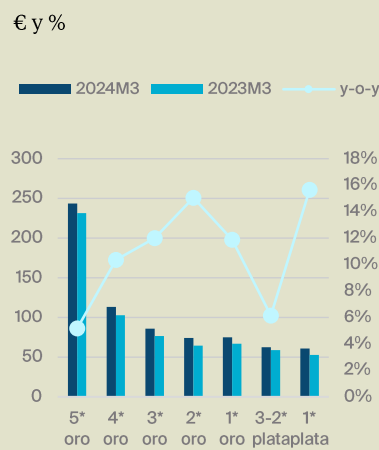
In recent months, Spain has consolidated its position as one of the most visited destinations worldwide. This fact is reflected in the steady growth of its hotel offerings, especially in the luxury and ultra-luxury segments, as well as in key sector indicators, which show very positive data.

The first quarter of the year closed with an average daily rate (ADR) in Spain close to €110, representing around a 10% year-on-year growth.

Revenue per available room (RevPAR) stood at €69.5 in March, almost 12% higher compared to the same period last year. The largest increase in this indicator was observed in northern Spain, with Asturias and the Basque Country leading the way, both regions recording an annual increase of over 42%.

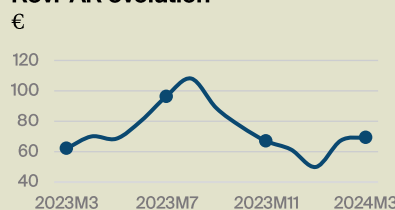
In March, the number of overnight stays in the country experienced a 19% year-on-year increase. The quarterly cumulative also showed an increase, 12% more compared to the same period last year.

### ADR variation by hotel category\*



Source: INE  
\*The gold category refers to hotels and the silver category refers to hostels.

### RevPAR evolution\*



Source: INE. \*All hotel categories.

## Spain

ADR (% march 24 vs march 23)

**10%** (+11% march 23 vs march 22)

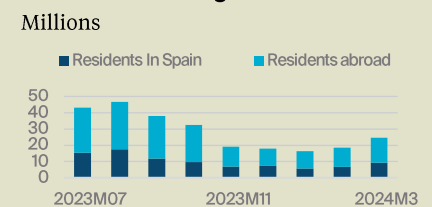
RevPAR (% march 24 vs march 23)

**12%** (+24% march 23 vs marzo 22)

Nº hotel overnight stays (% march 24 vs march 23)

**19%** (17% mar. 23 vs mar. 22)

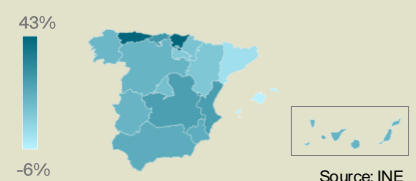
### Nº of hotel overnight



Source: INE

### Average annual RevPar variation in spanish hotels

March 2024 vs march 2023. %



## HOTEL INVESTMENT IN SPAIN

During the first quarter of the year, hotel investment in Spain reached nearly €660 million, with a particular emphasis on the acquisition of high-end hotels.

55% of the investment during this period has been allocated to 5-star establishments, and 42% to 4-star hotels.

Around 90% of the total volume has been concentrated in coastal destinations, particularly highlighting the Canary Islands, Barcelona, and the Balearic Islands.

At the provincial level, Tenerife stands out, having accounted for nearly 30% of the total volume due to the most notable acquisition of the quarter: the purchase of a stake in a subsidiary of the Meliá Group, which includes the Gran Meliá Palacio de Isora, with an estimated price approaching €165 million.

Spanish investors have continued to lead investment, consolidating their position as one of the main players in this segment by representing over 70% of the total volume recorded during the first three months of the year. At a distance, they are followed by British, Portuguese, and German investors.

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 2024

**€660 M** (€550 M Q1 2023)

Top 3 investment deals Q1 2024

**€164.9\* M** | Tenerife, Gran Meliá Palacio de Isora

Vendor: Banco Santander | Purchaser: Meliá  
N° rooms: 604

Source: Expansión

**€92.3\* M** | Menorca, Meliá Cala Galdana

Vendor: Banco Santander | Purchaser: Meliá  
N° rooms: 338

Source: Expansión

**€60 M** | Ibiza, Beach Club Hotel Portinatx

Vendor: Asset Management Spain Gestmadrid  
| Purchaser: Confidential

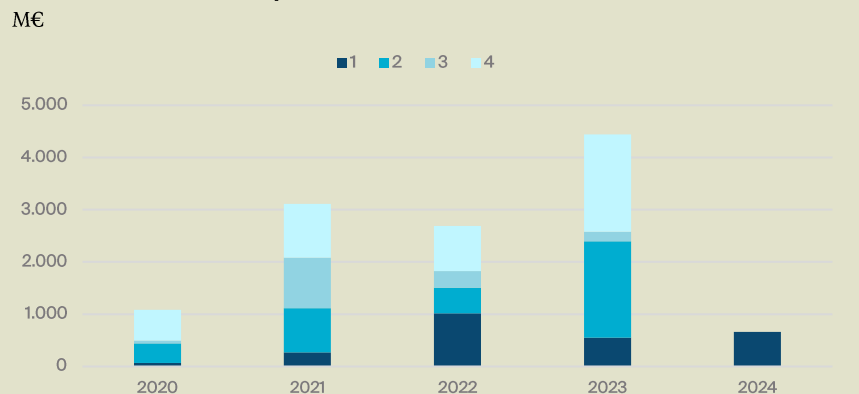
N° rooms: 243

Source: Brainsre

\*Estimated price by PropertyWeb

- ▶ The most notable acquisition of the quarter was the purchase of more than 38% of a subsidiary of the Meliá group, which owns three hotels: ME London in London, Gran Meliá Palacio de Isora in Tenerife and Meliá Cala Galdana in Menorca. This transaction, valued at a total of €300 million, was carried out by Moon GC&P Investments, the investment vehicle of Banco Santander.

## Investment volume in Spain\*

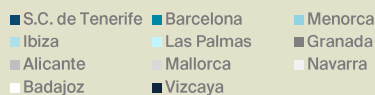


Source: Knight Frank Research

\*Includes corporate transactions

## Investment by province

TOP T1 2024 (%)



Source: Knight Frank Research

Not include confidential or non-representative transactions

## Investment by nationality

TOP T1 2024 (%)



Source: Knight Frank Research

Not include confidential or non-representative transactions