

Hotels Snapshot

Q1 2025

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.

www.knightfrank.com/research

Spain: the second most tourist-visited country in the world, strengthening its global leadership in 2025

- The beginning of the year stands out for an investment focused on the Barcelona area, as well as the capital and other coastal regions of Spain, driven by the boom in tourism in the country.

SPAIN SITUATION

Tourism in Spain continues to be very dynamic. Consumers' leisure preferences shifted after the Covid-19 pandemic towards a model of entertainment with a strong experiential component, which boosted tourism at an international level.

This boost coincided with Spain having a highly attractive tourism offering that had developed and matured over the years.

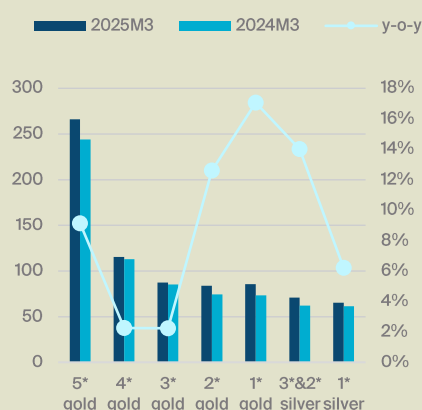
The result: in 2024, nearly 94 million foreign tourists visited Spain, 12.3% more than in 2019. And for 2025, according to the World Travel & Tourism Council (WTTC), this figure is expected to reach around 100 million foreign tourists.

Spain is currently the second most visited country in the world.

In the first months of 2025, over 10.4 million foreign tourists have been recorded in Spain, a 7% increase compared to the same period in 2024, which aligns with the forecasts of reaching 100 million tourists for this year.

ADR variation by hotel category*

€ and %

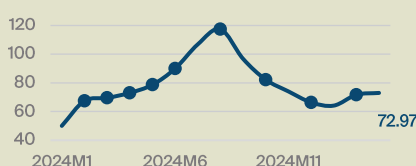


Source: INE

*The gold category refers to hotels and the silver category refers to hostels.

RevPAR* evolution

€



Source: INE

*All hotel categories

Spain

ADR (% mar 25 vs mar 24)

4.9% (9.4% mar 24 vs mar 23)

RevPAR (% mar 25 vs mar 24)

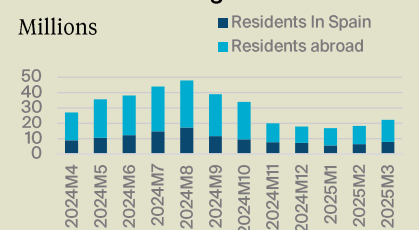
5.4% (11.8% mar 24 vs mar 23)

Nº hotel overnight (% mar 25 vs mar 24)

-8.9% (18.8% mar 24 vs mar 23)

Nº of hotel overnight

Millions



Source: INE

Average annual RevPar variation in Spanish hotels

Mar 25 vs mar 24. %



Source: INE

HOTEL INVESTMENT
IN SPAIN

2025 begins with a hotel investment in our country close to €506 million (Q1 2025).

This quarter, the majority of transactions have been concentrated in upscale hotel establishments, with four-star hotels accounting for 45% of the investment and five-star hotels for 24%, making them the most sought-after by hotel investors. This is also in line with consumer demand, as the majority of them prefer upscale hotels.

Barcelona accounts for nearly a third of the total investment for the quarter, standing out as a key destination for attracting the hotel and tourism sector.

Similarly, notable hotel investments in Madrid are located in central areas close to the capital's main tourist attractions.

Regarding the investor profile this quarter, around 45% of the total transactions were carried out by hotel operators (including two portfolios), while more than 30% of the transactions were made by management companies.

On the other hand, around 15% were carried out by vacation accommodation companies.

Investment also shows a significant share in coastal cities and islands such as Las Palmas (16%), Mallorca (12%), and Ibiza (6%), which are popular tourist destinations among both domestic and international travelers.

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



Isabel Rodríguez-Legorburu
Associate Director, Hotels & Hospitality



Daniel Caprarin
Head of Research, Marketing & PR
+34 600 919 087
daniel.caprarin@es.knightfrank.com

Spain

Investment volume Q1 2025

€ 506 M (€660 M Q1 2024)

Top 3 investment deals Q1 2025

Granada, La Bobadilla Hotel

Vendor: Barceló Hotel Group | Purchaser: Único
N° rooms: 70
Source: Desarrollo Hotelero

Madrid, Gran Vía Hotel

Vendor: Baech Bienes | Purchaser: Alting
N° rooms: Upcoming opening
Source: Belbex

Ibiza, Sir Joan Ibiza Hotel

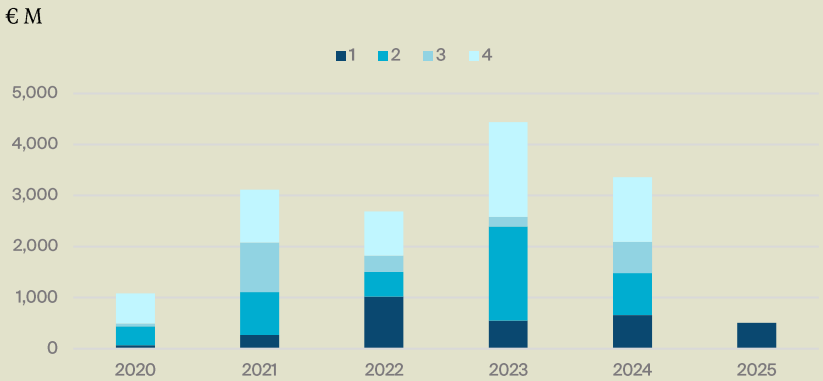
Vendor: SMB Capital | Purchaser: AX Partners
N° rooms: 38
Source: Eje Prime

During this quarter, the acquisition of Hotel La Bobadilla by the Único group in Granada stands out.

On the other hand, the creation of a new hotel on Madrid's Gran Vía by Alting, in a building that was previously used as office space is also noteworthy.

Similarly, on the island of Ibiza, one of the country's top tourist destinations, the purchase of the Sir Joan Hotel by AX Partners stands out.

Investment volume in Spain*

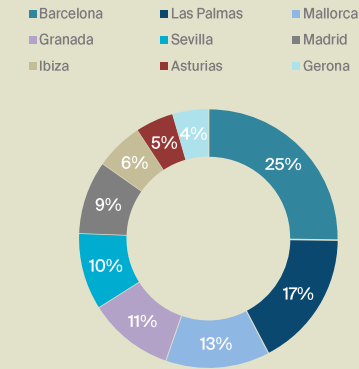


Source: Knight Frank Research

* Includes corporate transactions

Investment by province*

TOP Q1 2025 (%)

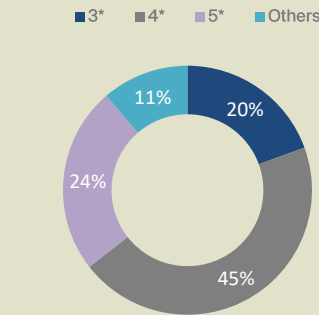


Source: Knight Frank Research

Not include confidential or non-representative transactions

Investment by hotel category

€ M



Source: Knight Frank Research

Note: "Others" includes establishments without a defined category or hostels. Portfolios without a breakdown that include assets with multiple categories are not included.