

# Hotels Snapshot

Q2 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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## Spain's great tourist appeal continues to drive investor appetite and increase the hotel stock.

- By the end of the year, 260 new hotels are expected to open in Spain, compared to 170 openings the previous year, when investment figures hit a record high. This suggests a very favorable year-end outlook.

### SPAIN SITUATION

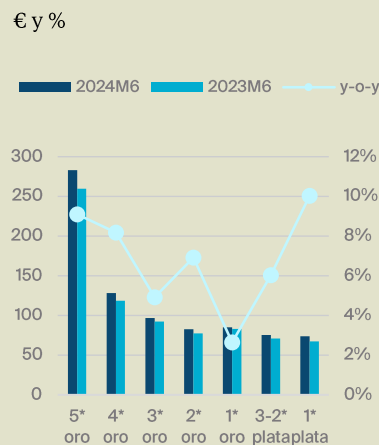
Hotel indicators in Spain are showing very positive results at the close of the second quarter. Both the Average Daily Rate (ADR) and Revenue Per Available Room (RevPAR), as well as the number of overnight stays, have grown at an annual rate even higher than in the same period last year.

The national ADR increased by 8% year-on-year, reaching over €122. In the 5-star category, the average daily rate is close to €283.

The national RevPAR is growing annually by 12%, reaching around €90. Notably, Madrid stands out, where this indicator exceeds €121 and shows a growth of nearly 25%.

Overnight stays in June experienced a 5% year-on-year increase, reaching historic highs for that period. Stays by foreign residents grew at a significant rate of around 7.5%, while stays by Spanish residents increased by 1.5%. For the first half of the year, overnight stays have risen by 7% compared to the same period in 2023.

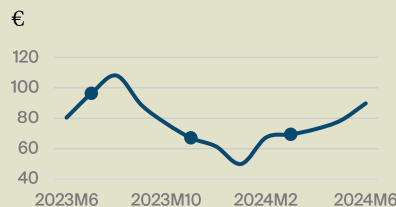
### ADR variation by hotel category\*



Source: INE

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

### RevPAR evolution\*



Source: INE. \*All hotel categories.

## Spain

ADR (% June 24 vs June 23)

**8%** (+7% June 23 vs June 22)

RevPAR (% June 24 vs June 23)

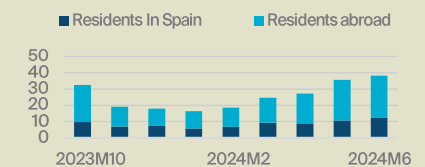
**12%** (+8.5% June 23 vs June 22)

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

**5%** (3% June 23 vs June 22)

### Nº of hotel overnight

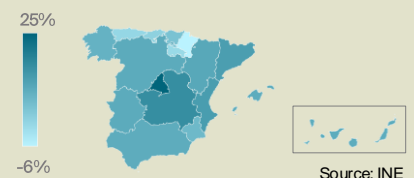
Millions



Source: INE

### Average annual RevPar variation in Spanish hotels

June 2024 vs June 2023. %



Source: INE

## HOTEL INVESTMENT IN SPAIN

During the second quarter, hotel investment in Spain reached approximately €835 million, continuing the trend of high demand for high-category hotels from investors.

The semester total stands at around €1.5 billion, suggesting that the sector is likely to continue its strong performance throughout the year.

Investor appetite in the sector is expected to keep growing, driven by the country's tourism appeal, which in turn is fostering an increase in hotel stock, with particular focus on high-end properties. According to the latest forecasts from major hotel chains, 260 new openings are expected by the end of the year, which will continue to drive dynamism in the investment segment.

35% of the investment during the second quarter was allocated to 5-star establishments, 23% to 4-star hotels, and 26% to 3-star hotels.

Madrid and Ibiza have concentrated the majority of the investment, with nearly 30% each, but locations such as Málaga (18%) and Barcelona (15%) continue to play a significant role.

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 Q2 2024

**€835 M** (€1,840 M Q2 2023)

Top 3 investment deals Q1 2024

**€Conf M** | Various

Vendor: Louvre Hotels | Purchaser: Travelodge  
N° rooms: 773  
Source: Brainsre

**€200 M** | Ibiza, Six Senses

Vendor: Beach Box | Purchaser: Grupo Statuto  
N° rooms: 116  
Source: Brainsre

**€100 M** | Madrid, futuro hotel Alcalá 44

Vendor: Zurich | Purchaser: Besant Capital  
N° rooms: n.d.  
Source: Brainsre

- During the quarter, notable is Travelodge's acquisition of 6 hotels from the Louvre Hotels Group. The establishments, all 3-star, are located in Alicante, Barcelona, Madrid, Málaga, and Murcia. The hotels, operated under the Campanile brand, together total over 770 rooms. Also noteworthy during this period is the purchase of the Six Senses Ibiza hotel for around €200 million, acquired by the Statuto Group from Beach Box

