

Hotels Snapshot

Q3 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.

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Hotel investment reaches record levels through September, with portfolios leading the way

- The United Kingdom, France and Germany continue to rank among the countries that visit Spain the most during the first nine months of the year, accounting for more than 45% of total foreign tourism in the period

SPAIN SITUATION

The number of foreign tourists in the first nine months of the year increased by 3.5% compared to 2024, and by more than 14% compared to the pre-COVID period of 2019.

These figures are in line with hotel indicators. The average daily rate (ADR) continued to rise at the end of the quarter, with a year-on-year increase of 5%.

Revenue per available room (RevPAR) also recorded positive growth, with a year-on-year increase of 6.2%.

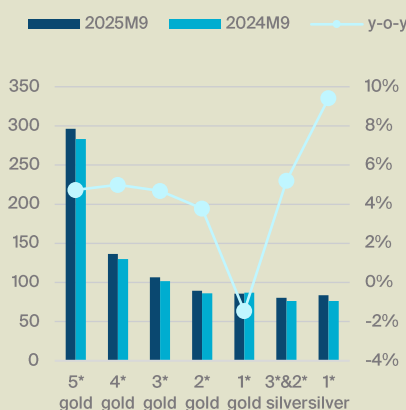
Tourism expenditure for the quarter has shown positive growth. The sector surpassed the figures recorded in the same period of 2024 by 6.2%, thereby consolidating a growth trend.

This progress is not an isolated development: annual cumulative spending also reflects the same trend, with a 7% increase compared to the first three quarters of 2024, highlighting the strength of tourist demand and greater spending power of visitors.

Likewise, the hotel market continues to lead in tourist arrivals in our country, with around 70% of visitors choosing hotels as their accommodation option.

ADR variation by hotel category*

€ and %

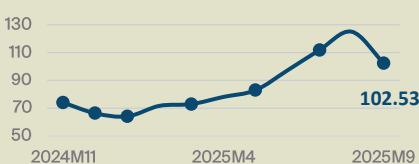


Source: INE

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

RevPAR* evolution

€



Source: INE

* All hotel categories

Spain

ADR (% sept 25 vs sept 24)

5% (7.4% sept 24 vs sept 23)

RevPAR (% sept 25 vs sept 24)

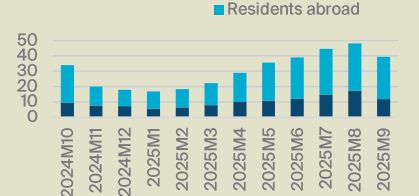
6.2% (9.1 % sept 24 vs sept 23)

Nº hotel overnight (% sept 25 vs sept 24)

1% (2.5% sept 24 vs sept 23)

Nº hotel overnight

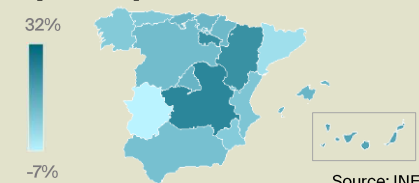
Millions



Source: INE

Average annual RevPar variation in Spanish hotels

Sept 25 vs Sept 24. %



Source: INE

HOTEL INVESTMENT IN SPAIN

This third quarter continues to show significant hotel investment at the national level, reaching a volume of around €900 million. The acquisition of hotel portfolios remains a relevant component of total investment, accounting for almost 60% of the quarterly investment.

Likewise, the year-to-date total exceeds €2,630 million, a record figure for the sector, and it is expected that by year-end the €3,000 million mark will be surpassed.

The main hotel categories continue to be the upper segments (5 and 4 stars), accounting for more than 70% of total investment.

By location, coastal areas continue to position themselves as an attractive option this quarter in provinces such as Las Palmas (21%), Tarragona (10%), Girona (9%), and Alicante (8%), among others. Madrid is emerging as a hotel investment hub (16%) this quarter, with transactions mainly taking place in the city centre.

The investor profile this quarter has been dominated by hotel chains and operators, which accounted for around 50% of the transactions, including several hotel portfolios.

Private investment managers accounted for more than 35% of the total invested during this period. Finally, Family Offices remain an active option, representing approximately 15% of the quarter's investment.

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 Q3 2025

€900 M (€614 M Q3 2024)

Top 3 investment deals Q3 2025

Several locations, Silken portfolio

Vendor: CBRE Gl y Pygmalion Capital | Purchaser: Hotusa Group
N° rooms: 1,350
Source: Brainsre

Several locations, MedPlaya portfolio

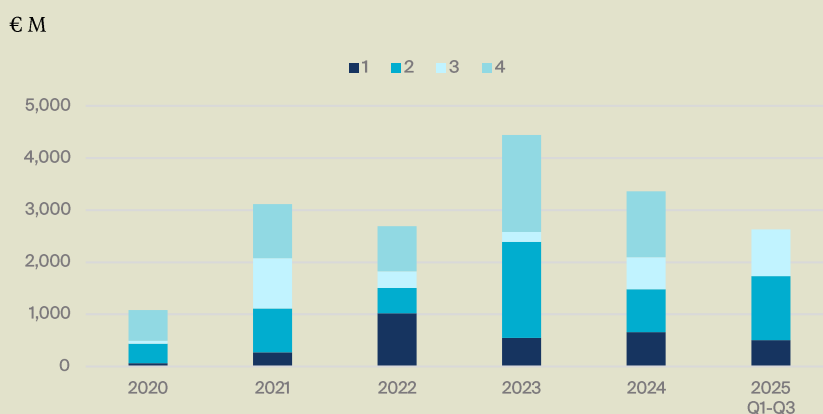
Vendor: MedPlaya Group | Purchaser: Azora
N° rooms: 1,784
Source: Eje Prime

Gran Canaria, Santa Cazorla portfolio

Vendor: N.d | Purchaser: Lopesan Group
N° rooms: 546
Source: Hosteltur

During this quarter, the acquisition of the Hoteles Silken portfolio stands out, consisting of 9 hotel assets in various locations across Spain. Likewise stands out this quarter is Azora's purchase of the MedPlaya Hotels portfolio, made up of a total of 7 hotels on the Mediterranean coast. On the other hand, Lopesan acquired a portfolio of three Santa Cazorla hotels in the Canary Islands.

Investment volumen in Spain*

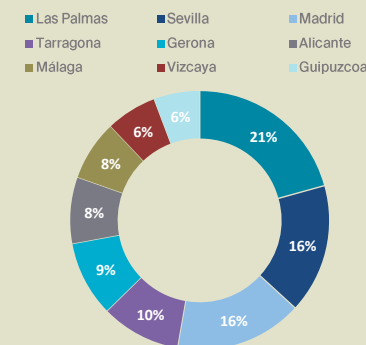


Source: Knight Frank Research

* Include corporate transactions

Investment by province*

TOP Q3 2025 (%)

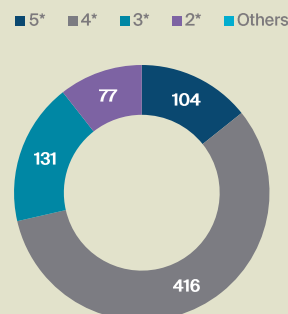


Source: Knight Frank Research

*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.