

Hotels Snapshot

Q4 2023

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 is positioned in the elite of world tourism thanks to its main capitals

- Madrid and Barcelona are ranked in the TOP 10 of Euromonitor International's '100 Best Urban Destinations.' Madrid holds the 3rd position, only behind Paris and Dubai, while Barcelona is in the 9th position.

SPAIN SITUATION

As shown by the prestigious British ranking Euromonitor International, Spain is one of the main tourist hubs in the world. This is reflected in the evolution of the hotel sector and its key indicators.

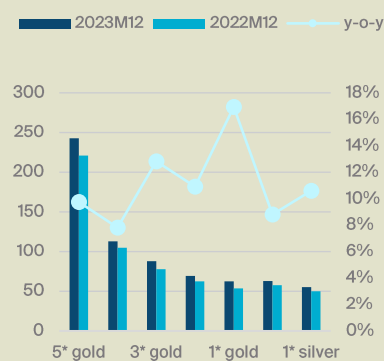
The data as of December 2023 shows that the Average Daily Rate (ADR) has experienced an annual increase close to 10%, with 5-star hotels averaging over €240 euros.

The Revenue Per Available Room (RevPar) at the national level has reached €61.5 in December, almost a 16% increase compared to the same period last year. The Balearic Islands have been the region with the highest annual growth, approaching 26%.

Regarding the number of overnight stays in the country, 2023 has closed with its best historical figure, surpassing 347 million. 65% of the overnight stays, 226 million, are attributed to international tourists. During the month of December, there have been close to 18 million overnight stays, an 8% increase compared to the same period in 2022.

ADR variation por categoría hotelera*

Dec. 2023 vs dec. 2022. € y %

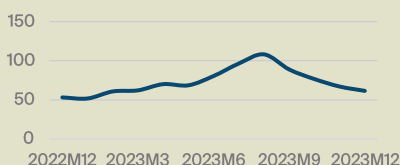


Source: INE

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

RevPAR evolution*

Dec. 2022 - Dec. 2023. €



Source: INE. *All hotel categories.

Spain

ADR (% dec 23 vs dec 22)

9% (+9% dec. 22 vs dec. 21)

RevPAR (% dec 23 vs dec 22)

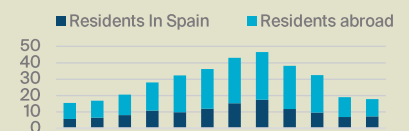
16% (+27% dec. 22 vs dec. 21)

Nº hotel overnightstays(% dec 23 vs dec 22)

8% (26 % dec. 22 vs dec. 21)

RevPAR evolution*

Mar. 2023 - Dec. 2023. Millones



2023M01 2023M04 2023M07 2023M10

Source: INE

Average annual RevPar variation in spanish hotels

Dec. 2023 vs dec. 2022. %



Source: INE

HOTEL INVESTMENT IN SPAIN

Throughout the year, hotel investment has reached approximately 4.44 billion euros, representing an increase of nearly 65% compared to 2022. The acquisition of portfolios by sovereign funds from Singapore (GIC) and Abu Dhabi (ADIA) has played a crucial role in this year, which has recorded one of the highest volumes in historical series. These portfolios have contributed to more than 40% of the total investment in 2023.

Only during the last quarter of the year, transactions amounted to approximately €1,860 million, representing an increase of over 110% compared to the same period of the previous year.

Madrid, Barcelona, coastal areas such as Málaga or Castellon, and the islands, continue to be among the favorite locations for hotel investment.

Buyers from Spain and Singapore lead the accumulated investment for the year, each representing 27% of the total. Likewise, the Middle East region has had a significant presence with over 30%, thanks to acquisitions by buyers from the United Arab Emirates (27%) and Saudi Arabia (5%).

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 Q4 2023

€1,860 M (€870 M Q4 2022)

Top 3 investment deals Q4 2023

Various locations, 35 % HIP portfolio

Vendor: Blackstone | Purchaser: GIC (Singapore Sovereign Wealth Fund)

N° hotels: 59

Source: Economía Digital

Castellon, Marina d'Or Complex

Vendor: Farallon | Purchaser: Grupo Fuertes y Magic

N° hotels: 5 and more than 150 vacation apartments

Source: Belbex

Mallorca, Club Cala Marsal Hotel

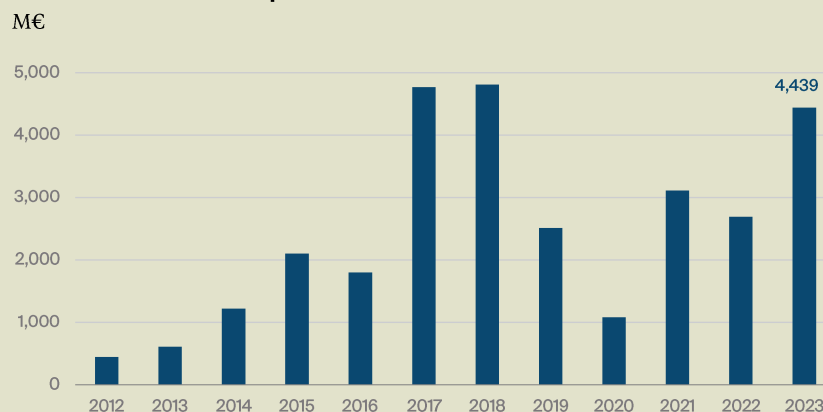
Vendor: Confidential | Purchaser: Grupotel

Rooms: 347

Source: Hosteltur

- During this quarter, one of the notable transactions was the acquisition of a 35% stake in the Hotel Investment Partners (HIP) portfolio by GIC from Blackstone. The transaction amount for the 73 hotels in the portfolio, of which 59 are located in Spain, is €1.4 billion. Blackstone, for its part, will retain control of the remaining 65% of the hotel portfolio.

Investment volume in Spain*



Source: Knight Frank Research

*Includes corporate transactions

Investment by province

TOP 2023 (%)



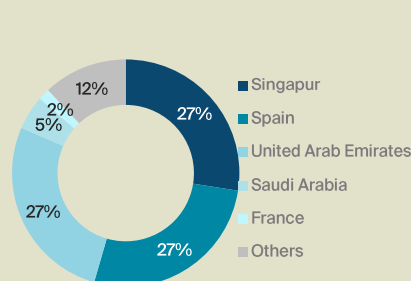
The purchase of the Tryp Hoteles portfolio and the acquisition of a 35% stake in the GIC-HIP portfolio, with locations spread throughout the national territory, are included

Source: Knight Frank Research

Not include confidential or non-representative transactions

Investment by nationality

TOP 2023 (%)



Source: Knight Frank Research

Not include confidential or non-representative transactions