

Hotels Snapshot



Q4 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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The strength of tourism in Spain reinforces the appeal of the hotel sector for investment capital.

- The main national tourist destinations continue to attract significant investor interest in upper-category hotels, in a context marked by new openings and repositioning strategies aimed at enhancing product quality.

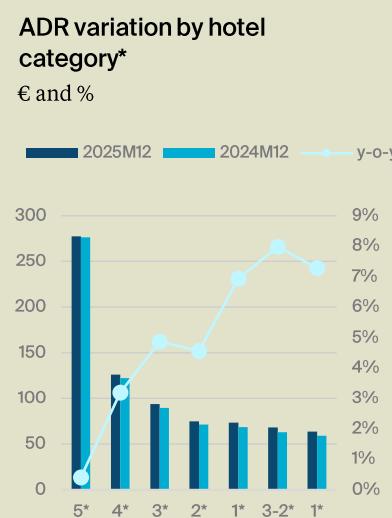
SPAIN SITUATION

In 2025, the number of foreign tourists in our country has reached 97 million (according to INE sources and pending the final closing of December data), showing sustained growth compared with previous years, +3.5% compared with 2024.

By the end of 2025, hotel indicators such as Average Daily Rate (ADR) and Revenue per Available Room (RevPAR) strengthened their positive trend, with average year-on-year increases of 5% and 7%, respectively.

Tourist expenditure accumulated over 2025 continues to rise, with a year-on-year increase of more than 7%, reflecting the dynamics of the tourism market and a greater willingness to spend on the part of visitors.

The hotel segment remains the leading accommodation option, chosen by more than 82% of tourists in 2025. This visitor behaviour confirms the sector's maturity and its key role within the structure of the tourism market, supported by a diversified offer and a strong presence in the main tourist destinations.



Spain

ADR (% dec 25 vs dec 24)

2.5% (7.9% dec 24 vs dec 23)

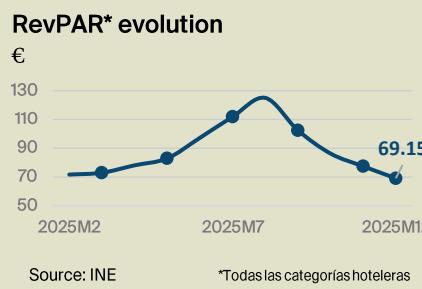
RevPAR (% dec 25 vs dec 24)

4.5% (7.8% dec 24 vs dec 23)

Nº hotel overnight (% dec 25 vs dec 24)

3% (0.6% dec 24 vs dec 23)

Nº hotel overnight



Average annual RevPar variation in Spanish hotels

Dec 25 vs Dec 24. %



HOTEL INVESTMENT IN SPAIN

This last quarter of the year continues to show significant hotel investment at the national level, reaching a volume of over €1,550 million. By the end of 2025, total investment amounts to €4,200 million, representing a 25% increase compared with 2024 and ranking only behind the record levels achieved in 2023.

Upper-category hotels, specifically 5-star and 4-star properties, continue to be investors' preferred choice, accounting for nearly 65% of total investment this year.

Coastal areas have established themselves as one of the country's principal investment hubs, standing out throughout the year in provinces such as Santa Cruz de Tenerife (20%), Barcelona (18%), and Málaga (14%), among others.

Likewise, Madrid continues to strengthen its position as an increasingly attractive market for investment in hotel assets, accounting for 10% of total investment with around €300 million.

In line with previous quarters, the buyer profile has been dominated by hotel chains and operators, which accounted for around 45% of all transactions. Private investment managers, meanwhile, represented more than 35% of the total amount invested during the quarter. Family offices and sovereign wealth funds made up approximately 20% of the transactions.

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 2025

€4,200 M (€1,550 M Q4 2025)

Top 3 investment deals Q4 2025

Barcelona, The Hoxton Poblenou

Vendor: Trinity Invest | Purchaser: Partners Group
Nº rooms: 240
Fuente: Hosteltur

Mallorca, Jumeirah Hotel

Vendor: DEKA | Purchaser: Dubai Holding
Nº rooms: 121
Source: Brainsre

Torremolinos, Ocean House Costa del Sol Hotel

Vendor: Apollo Global Management | Purchaser: Grupotel Hotels & Resorts
Nº rooms: 350
Source: Eje Prime

► During the last quarter of the year, the hotel sector has been highlighted by the sale of the Hoxton Poblenou hotel in Barcelona by Trinity Investments to Partners Group.

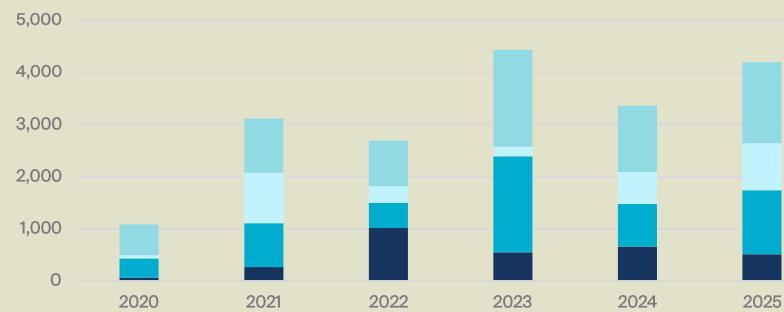
This quarter also stands out for Dubai Holding's purchase of the 5-star Jumeirah hotel in Mallorca.

In Torremolinos (Málaga), the Ocean House Costa del Sol hotel has been acquired by the business group Grupotel Hotels & Resorts.

Investment volume in Spain*

€M

■ 1 ■ 2 ■ 3 ■ 4



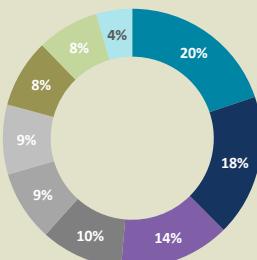
Source: Knight Frank Research

* Include corporate transactions

Investment by province*

TOP 2025 (%)

■ Sta Cruz de Tenerife ■ Barcelona
■ Madrid ■ Cádiz ■ Málaga
■ Las Palmas ■ Sevilla ■ Valencia



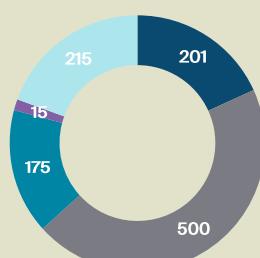
Source: Knight Frank Research

*Not include confidential or non-representative transactions

Investment by hotel category*

€M

■ 5* ■ 4* ■ 3* ■ 2* ■ Others



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.