

MARKET SUMMARY & OUTLOOK

	YoY Chg.	12-Mo. Forecast.	
Investment Trends	▲	▲	European hotel transactions exceeded €11.6 Bn in H1 2024, involving 470 properties and more than 53K rooms. This marks the highest 6-month volume since 2019, up 49% from H1 2023 and just 9% behind H1 2019. The UK, Spain and France led the ranking, accounting for 67% of the total volumes. While Southern markets remained attractive, the UK, Ireland and Italy saw the most notable nominal increases (vs H1 2023).
Prime Yields	▬	▬	Following a decompression in 2023, yields remained generally stable in H1 2024, with values further supported by growing income and minor compressions for the "best of the best" deals in markets with high barriers of entry. With the ECB's interest rate cut in June and growing debt liquidity, further stabilization is expected in 2024, with gradual yield sharpening for prime assets and value discovery for secondary assets/opportunistic plays as we move into 2025.
Market Performance	▲	▬	Hotels benefitted from a strong performance, with RevPAR surpassing H1 2023 by 5.3%. This was driven by a 3.8% increase in ADR and a 1 p.p. gain in occupancy (-2.2 p.p. vs H1 2019). Southern markets experienced steady RevPAR growth along with the CEE (recovering 2019 levels). Madrid and Athens recorded the highest increases (>20%). Looking ahead, ADR growth is expected to moderate, while occupancy is projected to continue its recovery.
Supply Outlook	▬	▲	The supply growth in Europe has been mild in the last 12 months (+2.9%), constrained by elevated construction and financing costs. Looking ahead, European pipeline is expected to slow down in the next two years (2.0% CAGR by June 2026). Among the top 20 largest markets, Dublin, Warsaw, Frankfurt and Lisbon are expecting the strongest pipelines, while Prague, Barcelona, Milan and Paris have minimal hotel construction underway (<2.0%).
Demand Outlook	▲	▲	During H1 2024, European hotels saw a 4% increase in room nights sold compared to H1 2023 (+13% vs H1 2019). Most European markets are already ahead of pre-pandemic times, with Vilnius, Belgrade, Warsaw, Barcelona and Dublin leading the way. While domestic growth is expected to stabilize, Oxford Economics forecasts a 9% increase in international demand in 2024, followed by a 10% increase in 2025.

INVESTMENT TRENDS

Sources: Cushman & Wakefield, STR, UNTWO, Oxford Economics

Note: A contingency of 5% is assumed for transactions in the last 12 months, as some deals are revealed with notable delay.

HIGHLIGHTS - 2024 H1

- € 11.6 billion transacted
- 470 properties comprising 53,259 rooms sold
- 66% of capital was deployed by European buyers
- 47% of volume was invested in Upper Upscale & Luxury hotels

RECENT TRANSACTION TRENDS

	Last quarter			Last 6 months 2024		
	Q2 2024	Q2 2023	% Change*	H1 2024	H1 2023	% Change*
Properties Sold	252	145	74%	470	341	38%
Rooms Sold	29,213	15,225	92%	53,259	41,425	29%
Volume Transacted	5,844	2,952	98%	11,630	7,783	49%

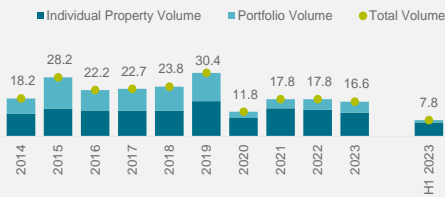
Volume transacted in EUR, millions

*Refers to the % change in transaction volume from the previous period

Source: Cushman & Wakefield

ANNUAL TRANSACTION VOLUMES

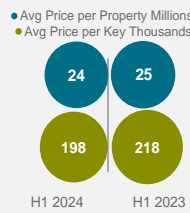
(2014 - 2024, EUR BILLIONS)



Source: Cushman & Wakefield / RCA

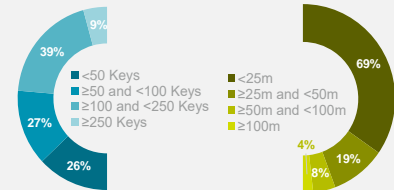
AVERAGE TRANSACTION PRICE

(2024, EUR)



BREAKDOWN BY NO. OF ROOMS SOLD & DEAL SIZE

(H1 2024, % SHARE OF DEALS)

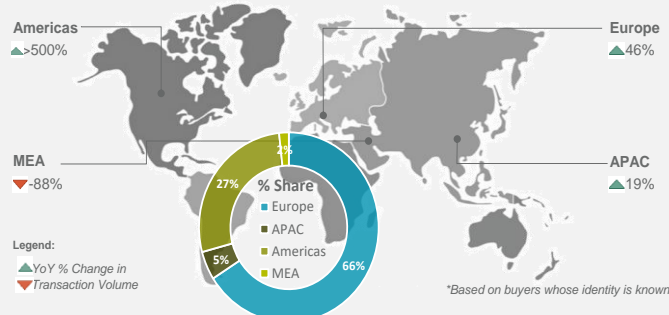


Source: Cushman & Wakefield

NATURE OF INVESTMENTS

TRANSACTION VOLUME* BY SOURCE OF CAPITAL

(% CHANGE, H1 2024 vs H1 2023)



Source: Cushman & Wakefield

TRANSACTION VOLUME PER HOTEL CLASS

(% CHANGE, H1 2024 vs H1 2023)

HOTEL CLASS	% OF TOTAL VOLUME	% CHANGE	HOTEL CLASS	% OF ROOMS SOLD	% CHANGE
Luxury	19%	75%	Luxury	6%	47%
Upper Upscale	28%	72%	Upper Upscale	18%	107%
Upscale	18%	-18%	Upscale	21%	-15%
Upper Midscale	20%	231%	Upper Midscale	25%	112%
Midscale	8%	23%	Midscale	13%	15%
Economy	8%	11%	Economy	16%	43%

Source: Cushman & Wakefield

TOP 10 COUNTRIES BY TRANSACTION VOLUME

(H1 2024 vs H1 2023, EUR billions)

No.	Country	H1 2024	€	H1 2023	€	% change
1	United Kingdom	4.7		1.5		219%
2	Spain	1.6		1.6		3%
3	France	1.5		1.7		-16%
4	Italy	0.8		0.4		90%
5	Ireland	0.7		0.2		298%
6	Germany	0.5		0.4		21%
7	Portugal	0.3		0.2		34%
8	Greece	0.3		0.2		96%
9	Switzerland	0.2		0.1		97%
10	Norway	0.2		0.1		137%

TRANSACTIONED VOLUME BY TYPE OF INVESTOR

(H1 2024, % SHARE OF TOTAL VOLUME)

Investor Type	BUYERS (% Share)		SELLERS (% Share)	
	Last 6 months	% Change	Last 6 months	% Change
Institutional	40%	48%	33%	33%
Private	46%	71%	44%	83%
Public	11%	173%	22%	378%
User/Other	3%	38%	0.4%	-64%

Source: Cushman & Wakefield / RCA

Source: Cushman & Wakefield

MAJOR DEALS OF H1 2024

SELECTED MAJOR HOTEL TRANSACTIONS IN H1 2024

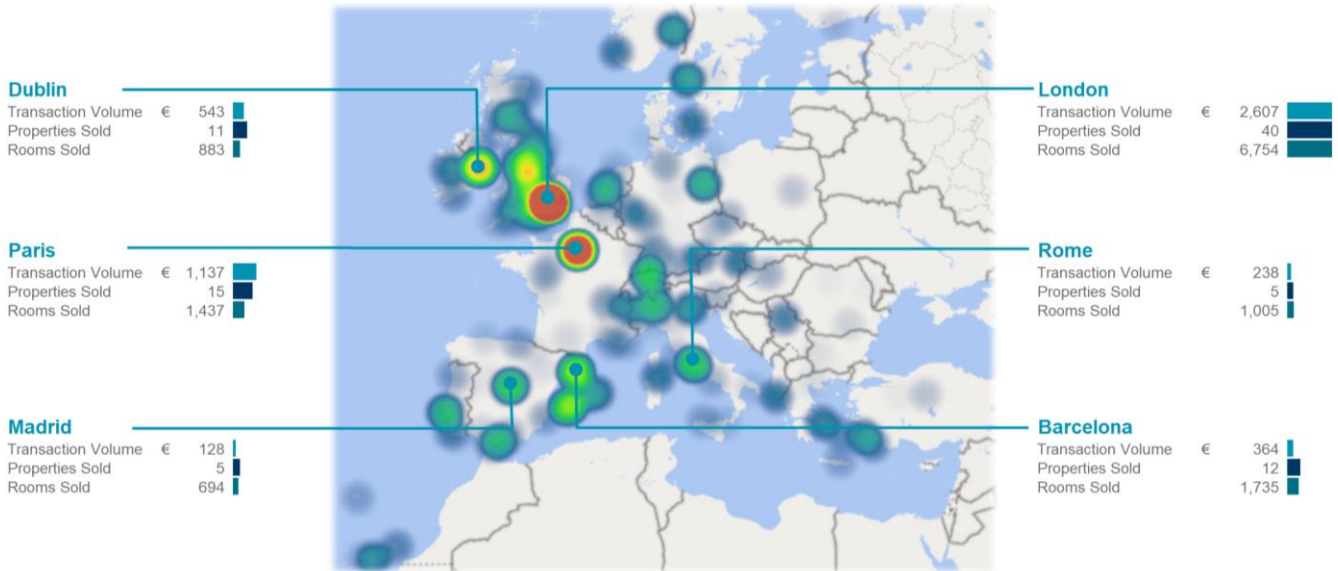
Property	Market	Keys	Buyer	Buyer Origin	Seller	Seller Origin
Village Hotels Portfolio (33 hotels)	Various in the UK	c. 4,400	Blackstone	USA	KSL Capital Partners	USA
Radisson Edwardian Portfolio (10 hotels)	London & Hayes	c. 2,050	Starwood Capital Group	USA	Edwardian Group	GBR
Project Leopard - Landsec Accor Portfolio (21 hotels)	Various in the UK	c. 4,000	Ares Management Limited / EQ Group	USA / GBR	Landsec	GBR
Pullman Paris Tour Eiffel	Paris	430	Morgan Stanley / QuinSpark Investment Partners	USA / FRA	Amundi Immobilier	FRA
BT Tower	London	400	MCR Hotels	USA	British Telecoms Group	GBR
Meliá Portfolio (3 hotels - Minority stake)	London, Tenerife, Menorca	1,086	Banco Santander	ESP	Meliá Group	ESP
The Shelbourne	Dublin	265	Archer Hotel Capital	NLD/SGP	Kennedy Wilson	GBR
Dean Hotel Group Portfolio (8 hotels - Majority stake)	Various in Ireland	621	Elliott Management / LHC Investment Advisory	USA / GBR	Dean Hotel Group	IRL
Project Cobalt (Travelodge Portfolio - 66 hotels)	Various in the UK	c. 3,300	Travelodge	GBR	LXI REIT	GBR
Hilton Paris Opera	Paris	268	City Developments Limited	SGP	Blackstone	USA
Six Senses London	London	109	Gruppo Statuto	ITA	MARK / CC Land	GBR
Park Hyatt Zurich	Zurich	138	Oaktree / Trinity Investments / UBS Asset Management	USA / USA / CHE	Hyatt Hotels	USA
Mandarin Oriental Paris	Paris	138	Gruppo Statuto	ITA	Mandarin Oriental	HKG
Six Senses Ibiza	Ibiza	137	Gruppo Statuto	ITA	Metric Capital Partners	GBR
Hotel de Rome, a Rocco Forte Hotel	Berlin	145	Gruppo Statuto	ITA	GIC / Caleus Capital Partners	SGP / DEU
Sofitel Portfolio (Rome, Lisbon)	Rome & Lisbon	272	Extendam	FRA	AccorInvest	FRA
Hôtel Dame des Arts	Paris	109	Sono Hospitality Group	KOR	Angelo Gordon / EQ Group	USA / GBR
The Dixon Autograph Collection	London	193	USS	GBR	Abrdn	GBR
Hyatt Place London City East	London	280	Sun Venture	SGP	Resolution Property	GBR
G Hotel Collection Portfolio	Crete & Corfu	775	G Hotel Collection	GRC	Confidential	GRC

Note: Selection based on and ordered by deal size

TRANSACTIONS EUROPE - MAP VIEW H1 2024

Volumes in millions

<€1 millions | <€2610 millions



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