



HOSPITALITY NEWSLETTER

A Monthly Publication of AHV Associates

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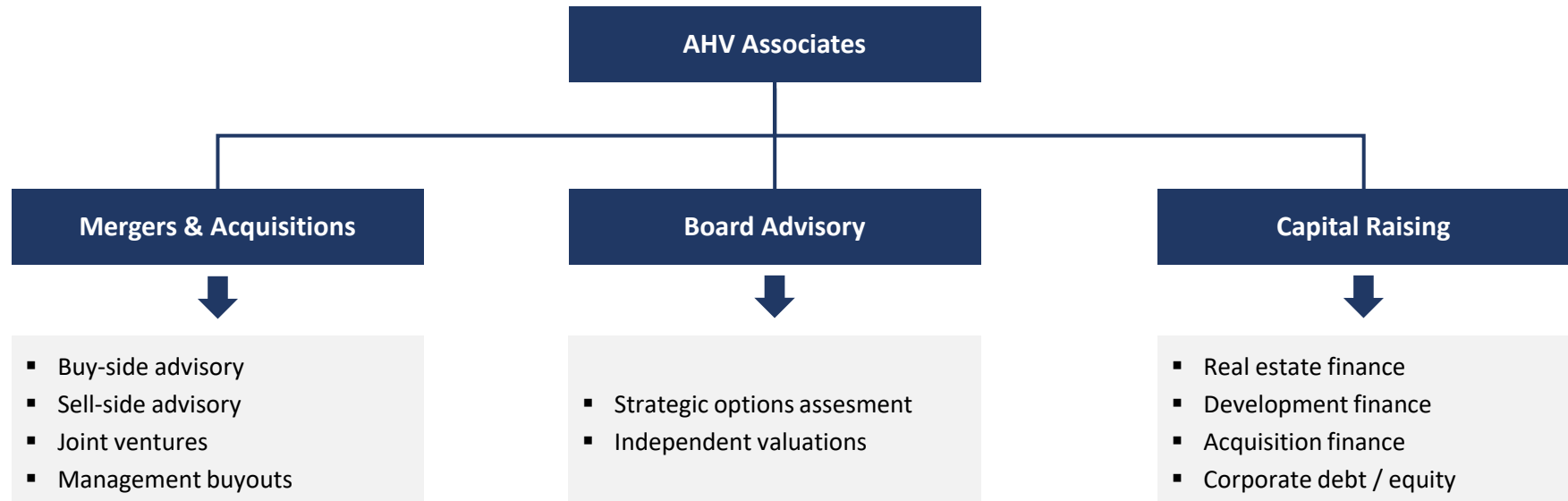
OCTOBER 2024 | ISSUE 44

AHV
ASSOCIATES

ABOUT US

- ❑ Co-founded in 2001 by Andrew Harrington, AHV Associates LLP (AHV) is a London-based boutique investment bank focused on advising private companies across a range of M&A and capital raising assignments
- ❑ AHV specializes in hospitality and has worked with companies that own and/or operate hotels, apart-hotels, serviced apartments, hostels and mixed-use resorts

WHAT WE DO



AHV Associates LLP is authorized and regulated by the **Financial Conduct Authority**



Economic Trends

The UK economy expanded by 0.5% in Q2 2024, falling short of the expected 0.6% increase, as households savings reached its highest rate since 2021. At the same time, the BoE has forecasted economic growth to slow to 0.3% in Q3 2024, despite the positive effects of the widely expected 25bps interest rate cut in November (after borrowing costs were held at 5% in September), along with lower inflation.

In Europe, the ECB lowered interest rates to 3.5% in September, as inflation fell from 2.6% in July to a three-year low of 2.2% in August. However, weakening economic growth in the Eurozone has led the ECB to lower its forecast for GDP growth this year from 0.9% to 0.8%. Consequently, economists predict that the ECB will cut interest rates by 25bps again in October, as it shifts its focus from inflation to growth risks.

Hotels & Hospitality Performance

The AHV Hospitality Index rose by 5.78% in September (see page 8), mainly boosted by the Federal Reserve's 50bps interest rate cut. In particular, the share prices of our largest index constituents Airbnb, IHG, and Marriott, increased by 8.1%, 9.9%, and 5.9% respectively in September.

Meanwhile, Pandox completed a well-received directed share issue of c.10.75m class B shares, raising SEK2bn to strengthen their balance sheet and fund additional property acquisitions following several recent transactions in London and Edinburgh, along with capital investments in existing properties. The share price jumped by 12.2% in the last 2 weeks of September following their announcement.

Despite this positive news, there were some notable losers in September. Sonder's share price decreased by 31.2% last month, signalling that the share price recovery following a 138% jump in August will be turbulent, and Dalata Hotel Group's share price fell by 6.8% after reporting a 17% YoY dip in H1 2024 profits. The profit drop was attributed to lower-than-expected trade in Ireland, excluding Dublin and the UK, due to more measured consumer spending.

Transaction Activity

Savills reported that UK hotel investment volumes reached c. £626m in Q3 2024, representing a 54% YoY increase from Q3 2023. The total transaction volume YTD stands at £3.82bn, already surpassing the total 2023 volume by £1.6bn. Savills projects volumes to reach £5bn in 2024, bringing activity back in line with pre-pandemic levels. Nevertheless, we observed just two notable transactions in the UK during September:

- Pandox's £49m acquisition of the DoubleTree by Hilton Edinburgh
 - Bespoke Hotels' acquisition of 4 Coast & Country Hotels in Scotland and Wales
- Hotel investment activity in Europe excl. UK has remained very strong. AccorInvest's ongoing divestment strategy has been a catalyst to yet another significant portfolio transaction as BC Partners and Hova Hospitality bought 30 Ibis Styles Hotels totalling 2,308 rooms in Germany from AccorInvest and subsequently leased them to B&B.

In addition, we saw trade buyers continuing to dominate the single asset investment activity in terms of transaction numbers, with some key transactions:

- Isrotel's €68m acquisition of the 4* 130-room Savoy Hotel Rome
- Barletta Group's €85m purchase of the 4* 102-room Hotel Villa Diodoro in Sicily
- Fletcher Hotels' acquisition of the luxury NEO KVL Hotel in Oisterwijk
- Alfred Hotels' and Braxton AM's acquisition of Hotel Castellane in Toulouse

Finally, we observed that office-to-hotel conversions remain on the rise, and we expect this trend to persist, as investors aim to capitalise on underutilised and obsolete office spaces to address the growing demand for short, medium and long-stays. Recent relevant investment activity demonstrating this trend have been:

- Blend Developments' purchase of two buildings in central Athens for conversion into a 50-room 4* hotel and a 32-room accommodation with retail space
- MEPC's plans to transform the Co-operative Group's former headquarters in Manchester's NOMA neighbourhood into an upscale 196-room hotel with a rooftop terrace bar and restaurant
- BLME providing Criterion Capital with a 3-year £25m investment facility for their office-to-hotel conversion of Trafalgar Buildings to a Zedwell Hotel

TRANSACTIONAL ACTIVITY SEPTEMBER '24

Real Estate Transactions					
Buyer(s)	Country	Target	Country	Deal Size (mm)	No. of keys
BC Partners Real Estate	UK	30 Ibis Hotels in Germany	DE	Undisclosed	2,308
Maksym Krippa	UA	Hotel Ukraine Kyiv	UA	€ 54.3	363
Bespoke Hotels	UK	4 Hotels from Coast & Country Hotel Collection in Wales & Scotland	UK	Undisclosed	342
Cardiff City Council	UK	Hotel and Student Accomodation in Cardiff	UK	Undisclosed	273
Fontas Gruppe	DE	Adagio Access Freiburg	DE	Undisclosed	153
Paval Holding	RO	Waldhaus Flims Wellness Resort	CH	Undisclosed	150
Padox	SE	DoubleTree by Hilton Edinburgh	UK	£ 49	138
Isrotel	IL	Savoy Hotel Rome	IT	€ 68	130
Neville Park Hotel Group	IR	Maldron Hotel Wexford	IR	Undisclosed	108
Barletta Group	IT	Hotel Villa Diodoro Sicily	IT	€ 85	102
MNK Partners	FR	Premier Inn Aberdeen Airport	UK	£ 6	100
Blend Developments	GR	Two Office Assets in Central Athens for Hotel Conversion	GR	Undisclosed	82

TRANSACTIONAL ACTIVITY SEPTEMBER '24

Real Estate Transactions					
Buyer(s)	Country	Target	Country	Deal Size (mm)	No. of keys
Fletcher Hotels	NL	KVL Hotel	NL	Undisclosed	68
IDF Tourisme & Territoires	FR	Sonder Yvette Paris	FR	Undisclosed	61
Meridia	ES	Reserva Alecrim Alentejo	PT	Undisclosed	58
Alfred Hotels & Braxton AM	FR	The Castellane Hotel Toulouse	FR	Undisclosed	56
McCarthy Developments	UK	Bancourt Hotel Torquay	UK	Undisclosed	52
Eternam	FR	Hotel Moulin Plaza Paris	FR	€ 17.5	50
Distinct Group	UK	Brownsover Hotel Rugby	UK	Undisclosed	47
Undisclosed	FR	Villa Louise Aloxe-Corton	FR	Undisclosed	16
Undisclosed	UK	De Vere Wokefield Estate	UK	Undisclosed	n/a

TRANSACTIONAL ACTIVITY SEPTEMBER '24

Corporate Transactions

Buyer(s)	Country	Target	Country	Deal Size (mm)	Deal type
Room00 & Dorsa Holding Group	ES	TOC Hostels	ES	€ 20	Acquisition
Mayfair Equity Partners	UK	BizAway	IT	€ 35	Fund raising
Israel Canada	IL	Brown Hotels	IL & GR	\$ 26.5	Acquisition
Public	SE	Pandox	SE	SEK 2,000	Share issuance
Growth Partner	UK	Host & Stay	UK	£ 10.5	Minority Stake

AHV INDEX PERFORMANCE

The AHV Hospitality Index is a market-cap weighted index of 20 hotel companies with a significant European presence; the AHV Hospitality Index performance is compared to the broader hospitality industry index performance (FTSE 350 Travel & Leisure Index) and overall market (Stoxx Europe 600 Index) in Europe

Company Name	Price Change (MoM)	Price Change (YoY)	Market Cap (€ mm)	EV (€ mm)	EV/Revenue (FY+1)	EV/EBITDA (FY+1)	Net Debt/EV
Accor	2.4%	22.1%	9,501	12,720	2.1x	9.9x	25%
Airbnb	8.1%	(5.4%)	72,040	64,793	5.8x	16.2x	(11%)
Choice Hotels	2.1%	6.4%	5,526	7,276	5.0x	13.5x	24%
Covivio Hotels	4.1%	9.3%	2,792	5,590	11.5x	21.4x	50%
Dalata Hotel Group	(6.8%)	2.1%	904	1,850	2.6x	7.4x	51%
Fattal Holdings	(1.1%)	11.4%	1,692	6,833	3.9x	18.1x	75%
Hilton Worldwide	4.9%	53.5%	51,023	61,065	5.7x	18.7x	16%
Hyatt Hotels	0.2%	42.5%	13,491	16,025	2.6x	14.8x	16%
IHG	9.9%	47.8%	15,735	18,379	8.2x	15.6x	14%
Mandarin Oriental	8.8%	12.1%	2,100	2,246	4.2x	16.5x	6%
Marriott International	5.9%	26.5%	62,868	76,228	1.2x	7.7x	18%
Melia Hotels	1.7%	15.8%	1,482	2,300	1.7x	6.7x	36%
Minor Hotels Europe & Americas	6.4%	9.3%	1,891	4,030	1.7x	6.1x	53%
Pandox AB	3.0%	74.5%	3,492	6,527	9.5x	18.6x	46%
Pierre et Vacances	3.5%	18.5%	655	3,950	2.0x	6.5x	83%
PPHE Hotel Group	(7.7%)	22.2%	621	1,570	2.6x	7.8x	60%
Scandic Hotels Group	2.6%	89.7%	1,366	5,438	2.5x	8.2x	75%
Sonder Holdings	(31.2%)	(43.0%)	46	1,491	0.1x	(1.2x)	97%
Whitbread Plc	8.6%	(9.5%)	6,721	12,157	3.4x	9.5x	45%
Wyndham	(0.7%)	12.4%	5,543	7,851	5.9x	12.0x	29%
Average					4.1x	11.7x	
Median					3.0x	10.9x	

Metrics reported in the table include impacts of IFRS 16

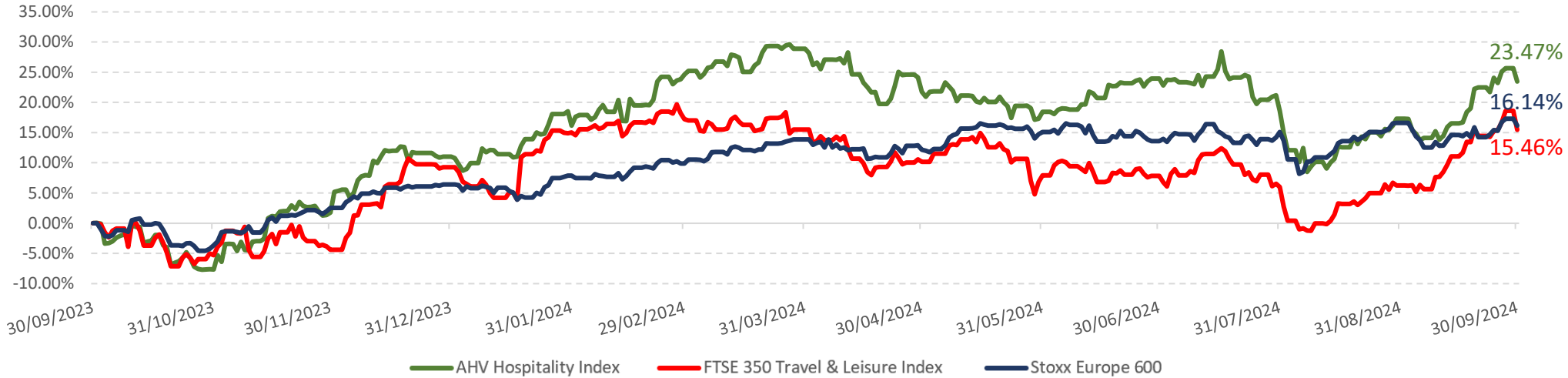
Trading performance of hotel companies included in the AHV Index as of 30/09/2024

Source: Yahoo Finance, Market Screener

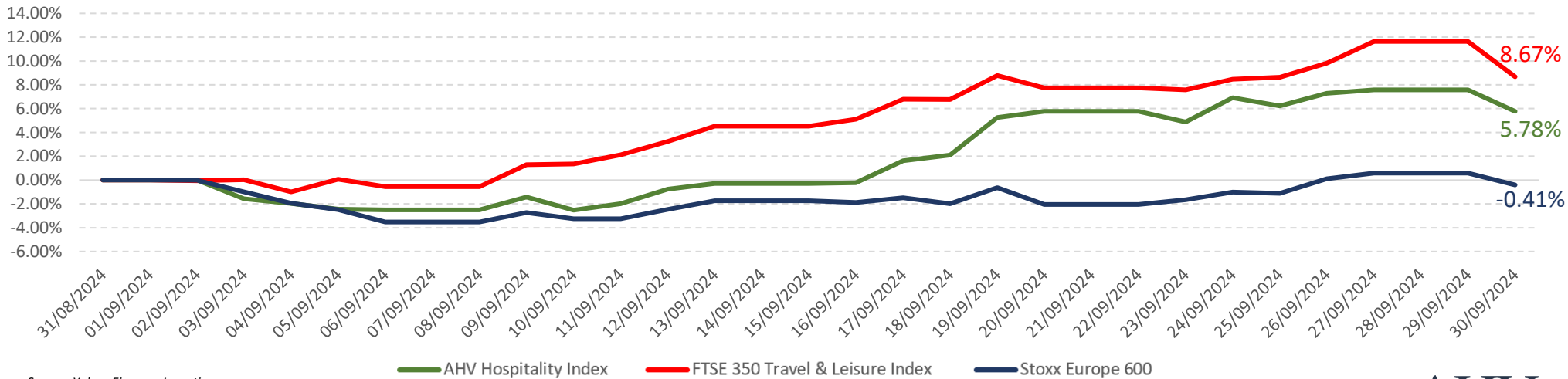
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AHV HOSPITALITY INDEX OUTPERFORMS ON AN ANNUAL BASIS



AHV HOSPITALITY INDEX UNDERPERFORMS ON A MONTHLY BASIS



Source: Yahoo Finance, Investing.com

DE: BC Partners acquires portfolio of 30 hotels in Germany from AccorInvest

British private equity firm BC Partners Real Estate, together with French asset manager Hova Hospitality, has entered an agreement to acquire 30 Ibis hotels in Germany from French owner-operator AccorInvest. The portfolio was brought to market last year for €130 million (€56,300 per room). The hotels, acquired with the benefit of vacant possession, are predominantly situated in A and B cities across western Germany, with a combined total of 2,308 rooms. All hotels will be leased on a long-term, CPI-linked basis to the French hotel group B&B Hotels, which is actively pursuing expansion. Prior to relaunch, the buyers plan refurbishments and an energy efficiency upgrade. The acquisition means Hova Hospitality will now have 120 B&B properties under management

SE: Pandox raises funds

Pandox has raised SEK2bn with an issue of new shares. Funds raised will be used to maintain flexibility, as Pandox sees the potential for further market acquisitions. The company recently paid £279m for hotels in London and Edinburgh, and CEO Liia Nou sees scope for more deals. A directed share issue was chosen over a rights issue, for reasons of speed and simplicity

UK: Pandox acquires a hotel in Edinburgh for £49m

Pandox AB has entered into an agreement to acquire DoubleTree by Hilton Edinburgh City Centre in central Edinburgh, UK. The hotel will be operated under a management agreement with Axiom Hospitality. The total transaction value amounts to approximately £49m and is expected to be financed by available cash funds and a new bank loan. The existing franchise agreement expires in 2027 and Pandox will during this time evaluate both the hotel's brand strategy and operational model

UK: ProsperCap refinances

Singaporean group ProsperCap has agreed a £310m refinancing of its UK hotel portfolio. The deal comprises a £296m term loan and £14m capex loan. Funds were arranged by Deutsche Bank and Standard Chartered, for an initial 24 months with extension options. Prospercap owns 17 hotels in the UK, operating under Hilton, IHG and Marriott flags

UK: Bespoke acquires four regional UK hotels from the Coast & Country Hotel Collection

British hotel company Bespoke Hotels has entered an agreement to acquire ownership of four regional UK hotels from the Coast & Country Hotel Collection, which Bespoke Hotels already manages. Three of the four hotels are located in Scotland, and the fourth in Wales. The Scottish hotels are the three-star, 83-room Caledonian Hotel in Fort Williams, the three-star, 72-room Great Western Hotel in Oban, and the three-star, 73-room Pitlochry Hydro Hotel. The three-star, 114-room Marine Hotel is situated in the seaside town of Llandudno in Wales. With a collection of over 100 hotels, Bespoke is one of the UK's largest independent hotel groups

IT: Isrotel Rome deal

Israeli group Isrotel has bought Rome's Savoy Hotel for €68m. It will relaunch under the group's Aluma brand following a €30m refurbishment. The historic property has 130 rooms and is expected to reopen in late 2026. Isrotel launched Aluma in March 2024, and currently runs two hotels in Athens under the flag

DE: Fontas Gruppe acquires Adagio Access Freiburg in Germany

Berlin-based Propetti Investment Holding, acting on behalf of the family office Fontas Gruppe, has acquired the 153-room Aparthotel Adagio Access in Freiburg, Germany, from an undisclosed seller. The hotel was delivered in 2021 and is currently operated under a long-term lease by HR Group, with a franchise agreement from Accor under the Adagio Access brand. Spanning seven storeys over an area of some 5,500 square metres. The property was transacted as part of a share deal

UK: PPHE refinances

PPHE has refinanced debt with Aareal Bank, originally maturing in 2026. The loan comprises two tranches, of €160m and £16m, secured against hotels in the Netherlands and London. Following previous maturity, the Euro tranche will move to a new fixed rate of 4.49%. The Sterling tranche will shift from a fixed rate to a new floating rate

UK: BLME provides Criterion Capital with £25m financing for Hotel Conversion

BLME has provided Criterion Capital Limited with a 3-year, £25m investment facility as they embark on a transformative office-to-hotel conversion in London's iconic Trafalgar Square. The upper floors of Trafalgar Buildings will be converted to Criterion's Zedwell hotel format. Criterion is rolling out Zedwell, which extensively features windowless rooms, across the UK. BLME's investment facility underscores Criterion Capital's broader strategy of revitalising obsolete buildings by repositioning them as affordable residential apartments and lifestyle hotels, while minimising environmental impact

UK: Metro refinances Zedwell

Metro Bank has agreed a £16m refinancing of Criterion Capital's Zedwell hotel in Greenwich, London. The five year package will release capital for Criterion as it rolls out the Zedwell brand across the UK. The 123 room Greenwich hotel opened in October 2023, with the brand making a virtue of windowless rooms

IT: Barletta Group acquires Hotel Villa Diodoro

Italian real estate development company Barletta Group has entered an agreement to acquire the four-star, 102-room Hotel Villa Diodoro in Taormina, Sicily, Italy, from the Italian Bambara-De Luca family. The total price is approximately €85 million (€833,000 per room), which reportedly includes both the purchase price and future renovation costs. The famous hilltop town of Taormina is located on Sicily's eastern coast, overlooking the Ionian Sea and Mount Etna. As part of the Gais Hotel Group, the Bambara-De Luca family, hoteliers for four generations, will continue to manage the hotel operations until the end of January 2025, after which the Barletta Group will commence the renovation process. The Barletta Group plans to reposition the property as a luxurious five-star hotel, reducing the total room count by 30% to 72 keys

UK: Leumi lends to Fattal

Lender Leumi UK has agreed a €38.6m loan for Fattal Hotels. The funds will refinance debt against Leonardo hotels in Verona, Milan and Rome. The loan follows Leumi's backing of Fattal's acquisition and refurbishment of the Grand in Brighton, with a £44m loan. In Italy, Fattal now has seven properties, most recently acquiring the Cicerone in Rome

IR: Neville Park Hotel Group acquires Maldron Hotel in Wexford

Irish Neville Park Hotel Group has entered an agreement to acquire the three-star, 108-room Maldron Hotel Wexford in Wexford, Ireland, from Dalata Group, Ireland's largest hotel operator. The property is located in Wexford, a town two hours to the north of Dublin. Dalata is also in discussions about the sale of the Clayton Whites Hotel, located in the heart of the town. Neville Park is owned by Wexford native Colm Neville, who already owns The Crown Quarter in Wexford. Dalata's portfolio of owned and managed hotels includes over 50 hotels across Ireland and the UK under the Maldron and Clayton brands

UA: Maksym Krippa acquires iconic Kyiv Hotel

Ukrainian businessman Maksym Krippa has acquired the four-star, 363-room Hotel Ukraine in Kyiv, from the Ukrainian State, via its State Property Fund of Ukraine, for approximately UAH 2.5bn (UAH 6.8m per room), equivalent to approximately €54.3 m (€149,600 per room). The hotel has been state-owned since its construction in 1961 and overlooks Kyiv's Independence Square, the city's main square

IL: Israel Canada Acquires Brown Hotels in Greece and Israel

Real estate company Israel Canada has announced the signing of two non-binding memorandum of understanding (MOUs) for the acquisition of Brown Hotels in Israel and Greece. According to a report by Israel's financial newspaper Globes, Israel Canada Hotels, which is 68% owned by Israel Canada, has signed the memorandums to acquire the Brown brand from its owners: Nir Waizman, Leon Avigad, Nitzan Perry, and insurance company Hachshara. The first MOU pertains to the acquisition of the lease contracts for eight Brown Hotels in Greece with a total capacity of 1,067 rooms. The total value of the two transactions is estimated at \$26.5 million, which includes a cash component of \$7.1 million and the assumption of debt

CEE: Tatry Mountain Resorts issue 120m rights offering

Tatry Mountain Resorts proceeded with a 120 mil. EUR rights offering, which was simultaneously conducted in Slovakia, Czech Republic and Poland. As a frontrunner in managing mountain resorts and providing tourism services within CEE, TMR boasts a distinguished collection of top-tier mountain retreats, amusement parks, golf courses, and hotels. The transaction enhances TMR's capital structure and allows the team to pursue expansion and growth plans

FR: IDF Tourisme & Territoires acquires the Sonder Yvette in Paris

French real estate investment firm IDF Tourisme & Territoires, along with a group of investors, has acquired the three-star, 61-room Sonder Yvette in Paris, France. The property is located in a southern suburb of Paris, approximately five kilometres away from the Eiffel Tower. American hotel group Sonder will continue to be the operator of the property

FR: Eternam acquires the Moulin Plaza in Paris

French investment firm Eternam has acquired the three-star, 50-room Hotel Moulin Plaza in Paris, France, for approximately €17.5m (€350,000 per room). The hotel is located in the 9th district of the French capital, just a two-minute walk from the Moulin Rouge. Eternam plans to renovate the rooms and common areas to upgrade the hotel to four-stars. To fund the acquisition, Eternam has organised a club deal that brings together approximately 30 private and institutional investors. The French hotel management company Honotel is set to operate the property. Honotel specialises in midscale hotels across France, with a portfolio of over 40 properties

PT & ES: Meridia acquires Reserva Alecrim in Portugal

Spanish alternative investment fund manager Meridia has acquired the 58-bungalow Reserva Alecrim in Alentejo, Portugal. The 14-hectare resort is located in southern Portugal, approximately 140 kilometres south of Lisbon. This acquisition marks Meridia's second investment in Portugal. Meridia plans to add additional bungalows, with the resort also set to undergo a soft rebranding to Wecamp by 2025, which would make it the 14th property under the sustainable glamping Wecamp platform

UK: Deal volumes lift

UK hotel deal volume reached £626m in the third quarter, reports Savills. The number was 54% ahead of the comparable quarter in 2023, boosted by Starwood Capital disposals in London and Edinburgh. Savills expects full year volumes to hit £5bn, directly comparable with activity levels in 2019. More lenders, and falling debt costs, have helped lift investor sentiment

RO: Paval Holding acquires the Waldhaus Flims Resort in Switzerland from Z Capital

Romanian investment vehicle Paval Holding, in partnership with the Lithuanian group Apex Alliance, have completed the acquisition of the five-star, 150-room Waldhaus Flims Wellness Resort, Autograph Collection, Switzerland, from the American private equity firm Z Capital for an undisclosed price. Flims-Laax is one of Switzerland's leading ski resorts, located in the canton of Grison in the east of the country, about a 1.5-hour drive south-west of Zurich. The Waldhaus is currently closed but scheduled to reopen in the winter season 2025/26 after restoration, and will be operated via Apex Alliance's operating arm, Apex Alliance Hotel Management

GR: Athens based Blend Development purchases two buildings in Athens

Blend Development expands its portfolio with the successful completion of the purchase of two buildings. The property on 74 Syngrou Avenue will be converted into a four-star hotel, with 50 rooms Ideally located next to the Fix metro station, and close to the Acropolis Museum, it is a unique location for serving international and Greek visitors to the capital. The property at 30 Pireos and Geraniou Streets, will be converted into a 32-room accommodation with retail space on the ground floor

ES: Spain's Room00 acquires TOC Hostels for €20 million

Madrid-based conglomerate Dorsa Holding Group and boutique-hotel and hostels operator Room00 Group have acquired 100% of the shares of TOC Hostels from owners Ignacio Catalán and Salvador Torrens for approximately €20 million (\$22.1 million). In Aug 30, Room00 claimed it had now become the largest hostel chain in Europe, now comprising 30 assets in operations and a further 20 in the pipeline

KEY INDUSTRY NEWS – (RE)DEVELOPMENT & PLANNING

Companies	Location	Rooms	Commentary
Whitbread	Norwich, England	566*	Whitbread has revealed details of a comprehensive redevelopment planned in central Norwich. A new Premier Inn, 75 homes and 491 student flats are proposed. The project site, assembled by Whitbread, has been identified by planners for comprehensive redevelopment. A formal planning application will be submitted shortly.
Abrdn	Bristol, England	400	Plans for a hotel and aparthotel in Bristol city centre have received planning approval. Around 100 flats will also be developed in the Bristol Quay scheme, reports Construction Enquirer. Investor Abrdn will fund and operate the rental homes, while operators have been identified for the 230 room hotel and 170 room aparthotel. They will fill a site that has stood empty for 30 years.
Titanic Hotels & THS Hotelbetriebsgesellschaft GmbH	Munich, Germany	376	At the Olympic Park in Munich-Moosach, THS Hotelbetriebsgesellschaft mbH is planning a new hotel with 254 rooms and 122 serviced apartments. The opening is scheduled for 2028.
MEPC	Manchester, England	196	MEPC, the development and asset manager for the NOMA estate, is planning to convert the Grade II listed New Century House into a 196-bedroom hotel.
Dakota	Manchester, England	154	Dakota Hotels has announced plans to expand with a new site at Manchester Airport, which will be the group's second property in Manchester. Following the success of the four-star hotel on Ducie Street, which opened in 2019, the new Dakota hotel will have 154 rooms and form part of the 60-acre MIX Manchester development near the airport.
BOA Hotels hotel group	Armamar, Portugal	70 rooms & 50 villas	The BOA Hotels hotel group, announces an investment of €50m in a wellness resort in Quinta da Barroca, in Armamar. With more than 26 hectares, the property will have 70 rooms, several dining options with a farm-to-table concept and a spa. The project will also include 50 private luxury villas, which will be completed at a later stage than the hotel.
New College	London, England	59	Developer New College Ltd has submitted plans to Camden Council to transform office and retail units along Finchley Road into a boutique hotel. The redevelopment of 9-12 New College Parade of Finchley Road Town Centre calls for the construction of a seven-storey, mixed-use building with 59 hotel rooms, three residential units on the first floor, and a restaurant on the ground and basement levels.
Staycity	London, England	n/a	Staycity has secured three sites in London for development of new Staycity and Wilde aparthotels. It has launched a new development platform, Carnsor, to build out these and other new properties. The London sites have been funded by Staycity itself, with debt from OakNorth Bank.

KEY INDUSTRY NEWS- HOTEL OPENINGS

Hotel(s)	Location	Rooms	Commentary
Voco Stockholm	Stokholm, Sweden	201	Voco Stockholm – Kista features 201 rooms of various sizes, including family and accessible rooms, as well as connecting options.
Yotel Belfast	Belfast, N. Ireland	165	Slated to open in late 2026, the new-build hotel, featuring 165 rooms, will be situated in the historic Shaftesbury Square in central Belfast, just minutes' walk from some of the city's most popular attractions.
W Prague	Prague, Czech Republic	161	W Hotels is set to debut W Prague in October 2024, the hotel will feature 161 rooms.
the Grand Hôtel Cayré	Paris, France	123	The Hotel is located between Boulevard Raspail and Rue du Bac, the Grand Hôtel Cayré. The hotel is the latest addition to the discreet Miiró hotel group.
SV Hotel	Geneva, Switzerland	99	SV Hotel, part of management company SV Group, has opened the debut Residence Inn extended stay hotel in Switzerland, located in Geneva.
12e Hotel	Nantes, France	86	Eklo group announces the opening of its 12e hotel in the metropolis of Nantes. The future establishment will have 86 rooms for a total of 273 beds (51 doubles, 22 families and 13 dormitories), a hybrid accommodation offer and a French Kiss restaurant by Eklo.
London Bermondsey Travelodge	London, England	73	Travelodge opened its 82 nd hotel in London located at Bermondsey. Travelodge currently operates hotels in 31 out of 33 London Boroughs.
Hotel L'Ormaie	Paris, France	44	A 4-star boutique hotel with 44 rooms, located on the historic heights of the Chaillot hill, L'Ormaie.
Sunday Lansbury Heritage	London, England	35	Oravel Stays, the parent company of OYO Hotels & Homes, has expanded its luxury hotel brand 'Sunday' into the UK with the opening of its first property, Sunday Lansbury Heritage, located in Canary Wharf, London. This launch marks the brand's debut in the UK.
Rocco Forte House	Milan, Italy	11	Rocco Forte Hotels has opened Rocco Forte House Milan, comprising 11 apartments. Designed by Olga Polizzi, Paolo Moschino and Philip Vergeylen, Rocco Forte House Milan is housed within a refurbished 19th century palazzo on the corner of Via della Spiga in the Quadrilatero della Moda.

KEY INDUSTRY NEWS- HOTEL OPENINGS

Hotel(s)	Location	Rooms	Commentary
Hilton Garden Inn Athens	Athens, Greece	n/a	Hilton will debut its Hilton Garden Inn brand in Greece with the opening of a new hotel in Athens. Scheduled to open in December 2024, the Hilton Garden Inn Athens Syggrou Avenue will occupy the renovated LUX&EASY Signature Syggrou 244 building, part of the Nova Constructions group.

KEY INDUSTRY NEWS – NEW HOTEL AGREEMENTS

Operator	Type of Contract	Location	Rooms	Commentary
IHG	Franchise	Spain	500	IHG has signed four hotel deals in Spain, adding 500 rooms to its portfolio. They include two Vignette Collection properties, in Mallorca and Jerez, a hotel Indigo has been signed in Gandia, with Senator Hotels & Resorts and a Holiday Inn Express in San Sebastian.
Whitbread	Lease	Manchester, England	276	Whitbread has signed to lease a new 276 room Premier Inn at Manchester airport. The property, to be developed by Manchester Airports Group, will be less than 400m from the airport terminals. Construction of the hotel, part of the Mix Manchester development, is expected to commence in early 2025.
Hilton	Franchise	Frankfurt, Germany	225	The Kempinski Hotel Frankfurt Gravenbruch is set to leave the group's portfolio after nearly 50 years at the end of this month, with the property being reflagged as Hilton hotel from October.
Cycas Hospitality	Management Agreement	London, England	161	Cycas Hospitality will take over management of YOTEL London Shoreditch.
Okko Hotels	Management Agreement	Troyes, France	106	Okko Hotels will construct a 4-stars 106 room hotel spread over seven floors in the Troyes train station district.
Classic British Hotels	Franchise	York, England	71	Classic British Hotels, a collection of independent luxury properties, has added Gisborough Hall in North York to its portfolio. The luxury country house hotel, located close to Whitby and Saltburn-by-the-Sea, offers 71 rooms, the Chaloner's Restaurant and De Brus Bar & Frill, and the Revival Zone spa.
IHG	Franchise	Mallorca, Spain	45	IHG has signed its first Vignette Collection hotel in Spain. The 45 room Vignette Collection Mallorca will open in the first half of 2025. The hotel is owned by Prevario Banyols and will be managed by Hotel Collection International. IHG currently has 24 Vignette Collection properties open, targeting growth to 100 properties within ten years.
Viridian	Franchise	London, England	38	Viridian Apartments is now taking bookings on the latest addition to its portfolio, Viridian Apartments Commercial Road. This newly-built block, located in a prime central location between The City and Canary Wharf, offers 38 units across five floors.

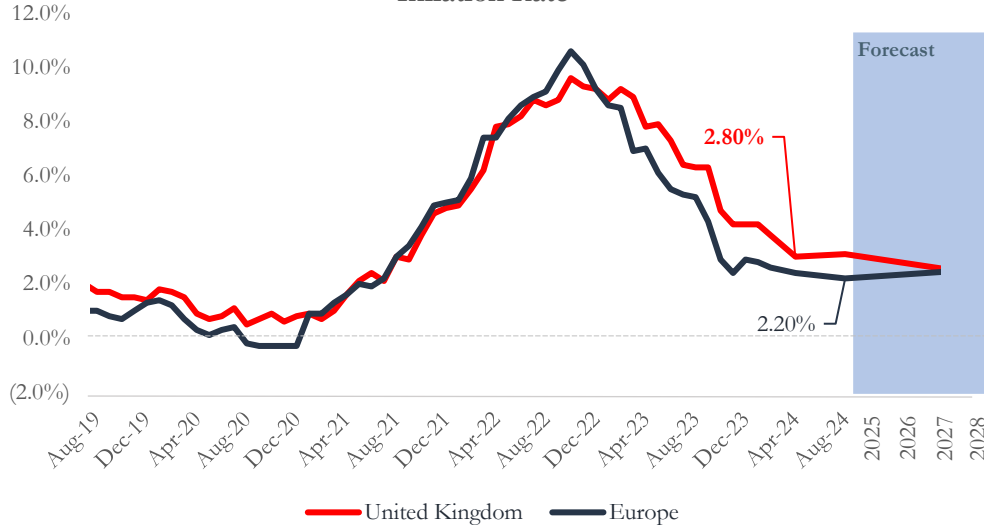
KEY INDUSTRY NEWS – NEW HOTEL AGREEMENTS

Operator	Type of Contract	Location	Rooms	Commentary
Stein Group	Franchise	Catalonia, Spain	24	Gran Hotel Mas d'en Bruno, a boutique property in Spain's Catalonia wine region, is the newest addition to The Stein Group's hotel portfolio and has become the first luxury hotel opening in Priorat. The property in Priorat, which offers 24 suites, has also been accepted into the prestigious Relais & Chateaux affiliation.
Hilton	Franchise	Northern Ireland	n/a	The City Hotel in Derry, Northern Ireland is set to be reflagged under Hilton's DoubleTree brand. A £7m upgrade will begin imminently, reports the Belfast Telegraph. While remaining locally owned, the property will in future be managed by Focus Hotels. Hilton currently has hotels in Dublin, Belfast and Templepatrick.
Titanic Hotels	Management Agreement	Berlin, Germany	n/a	Titanic Hotels, which has 4 hotels in Berlin, Germany, took over the management of Sylter Hof Berlin Hotel with the agreement.
Feel Porto	Management Agreement	Porto, Portugal	n/a	Feel Porto came into an agreement with Grupo Viqueira to take over as the operator of the tourist apartments in a new building in Porto.
Marriot	Franchise	Esbjerg, Denmark	n/a	Core Hospitality is to rebrand the A Place To hotel in Esbjerg, Denmark to Marriott's Element brand. Core recently leased the hotel, which it will relaunch as Element by Westin, following a soft refurbishment. The hotel will also be expanding its room inventory, with adjacent apartments being refitted as hotel rooms. At launch, it will be the first Marriott hotel in Demark outside the capital, Copenhagen.
GHA	Marketing	International	n/a	The Global Hotel Alliance has signed four new brands, adding 32 hotels to its portfolio. Unike Hotels, Sunway Hotels & Resorts, Andronis and Paramount Hotels have joined the marketing group.

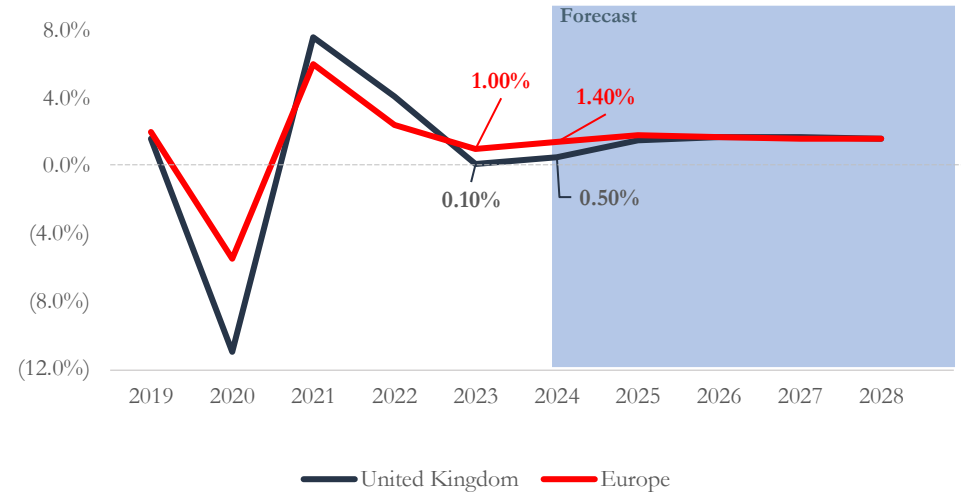
MARKET SNAPSHOT (EUROPE) (1/2)

Macroeconomic Metrics

Inflation Rate ¹

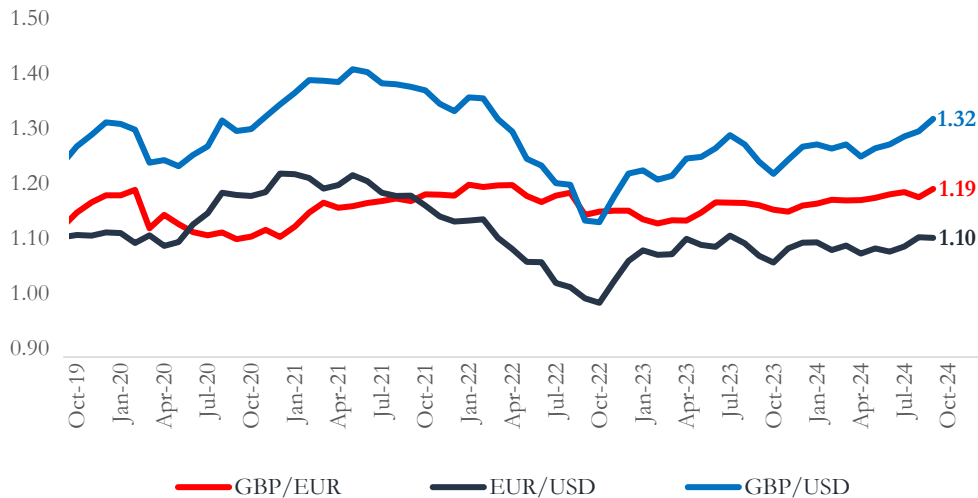


Real GDP Growth Rate



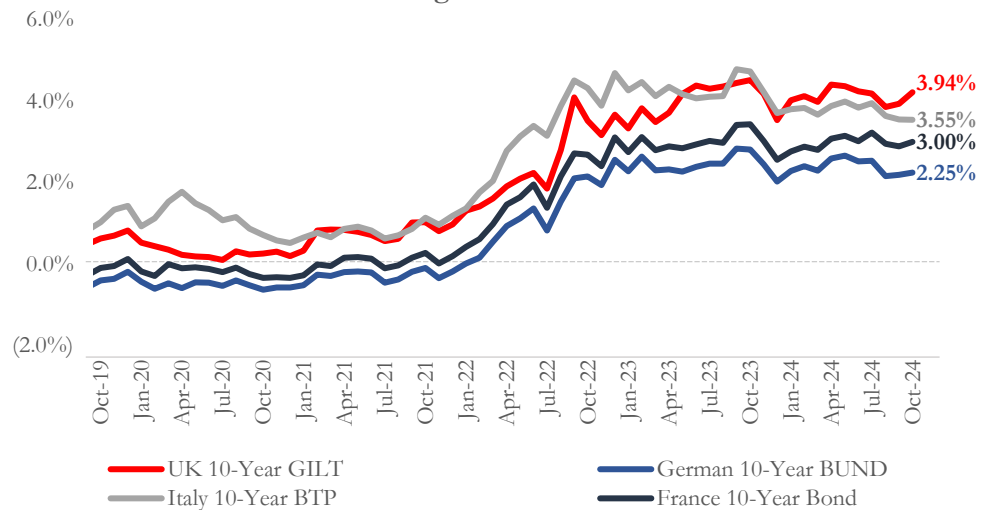
FX Markets

FX Pairs



Fixed Income Markets

Sovereign Bond Yields



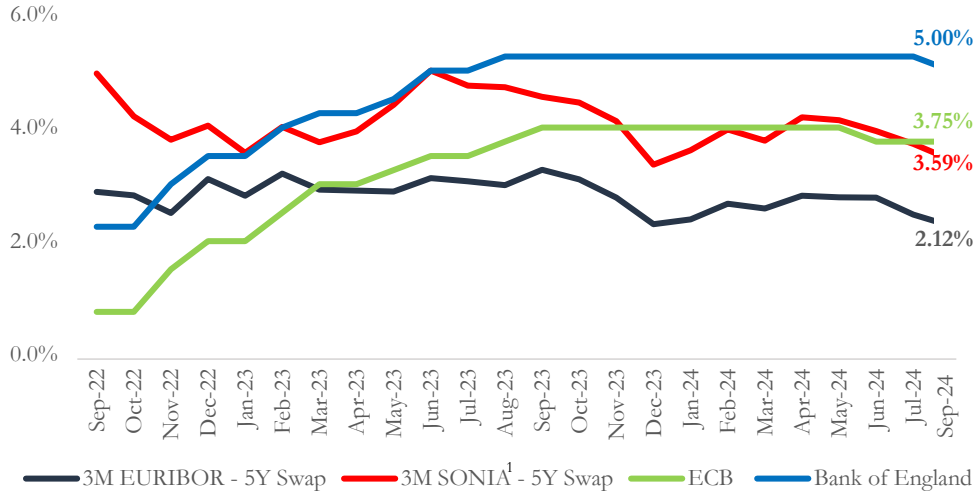
Note(s)

1. Inflation rate measured by CPIH (UK) and HICP (EU) indices

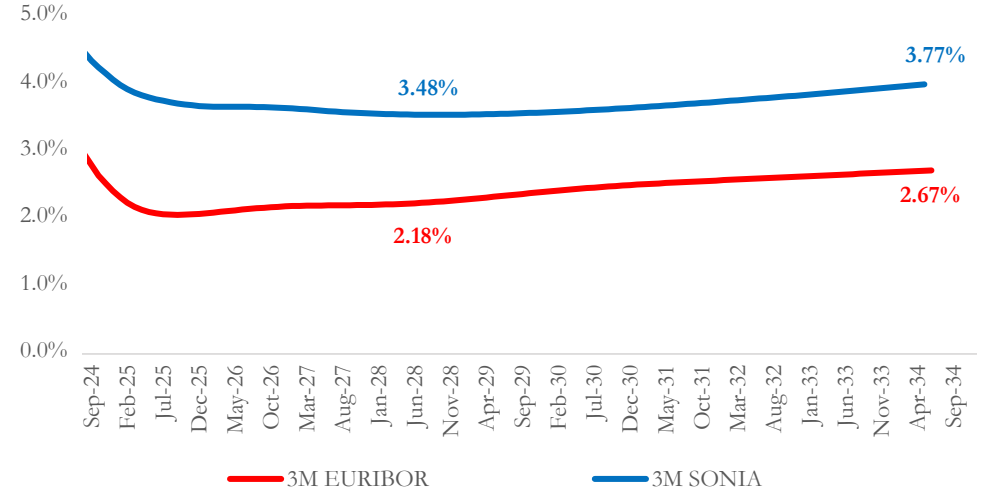
MARKET SNAPSHOT (EUROPE) (2/2)

Fixed Income Markets

Benchmark Rates

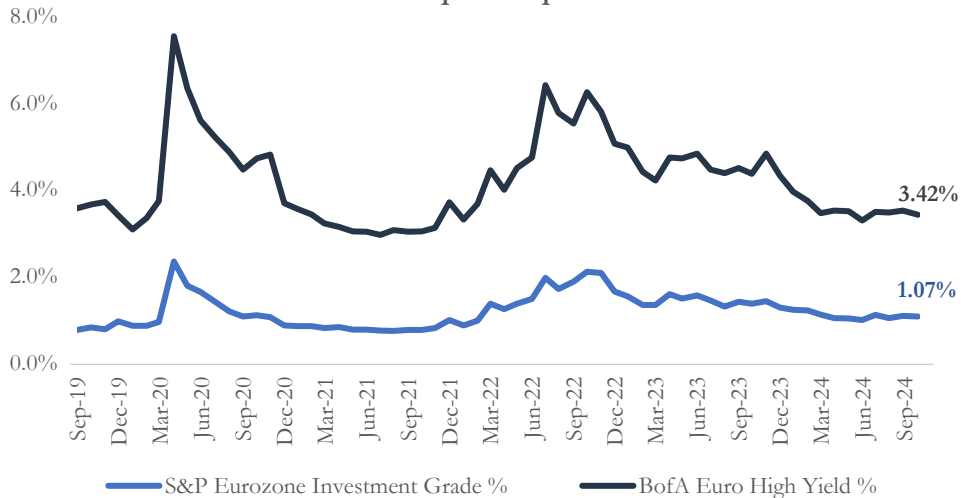


Forward Curves



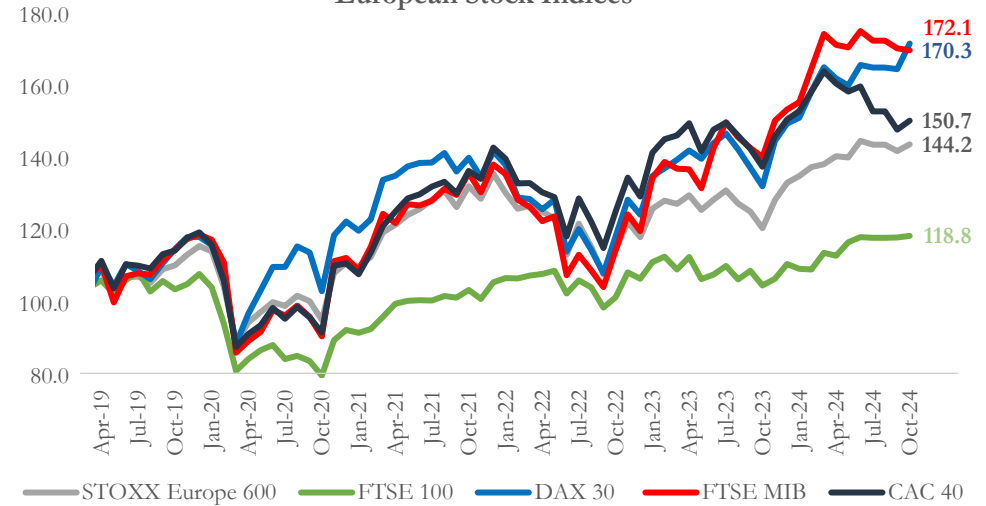
Fixed Income Markets

OAS Corporate Spread ²



Equity Markets

European Stock Indices ³



Note(s)

1. SONIA is the average of the interest rates that banks pay to borrow sterling overnight from other financial institutions
2. Option Adjusted Spread Corporate Spread aims to capture the different risk premia within the cost of capital incurred by Investment Grade and non-investment grade vs risk-free government bonds
3. All Indices were indexed to a 100 with a base year in 1/1/2019

APPENDIX I – NOTABLE RECENT CORPORATE TRANSACTIONS (TOP 15)

Date	Buyer(s)	Country	Target	Country	Deal Size (mm)	Deal Type
Sep '24	Room00 & Dorsa Holding Group	ES	TOC Hostels	ES	€ 20	Acquisition
Sep '24	Israel Canada	IL	Brown Hotels	IL & GR	\$ 26.5	Acquisition
Aug '24	Core Hospitality	DK	Zleep Hotels (OpCo)	DK	Undisclosed	Merger
Jul '24	NUMA Group	DE	Native Places	UK	Undisclosed	Brand Acquisition
Jul '24	Room Mate Hotels	ES	Staying Valencia	ES	Undisclosed	Brand Acquisition
Jun '24	Ennismore	FR	Our Habitas	UK	Undisclosed	Brand Acquisition
Jun '24	Hyatt Hotels Corporation	US	me and all	DE	Undisclosed	Brand Acquisition
Jun '24	Covivio Hotels (10 Properties)	FR	AccorInvest (24 Hotel Opcos)	FR	€ 266 & € 208	Asset Swap
Jun '24	HR Group	DE	Centro Hotels (34-Hotel Portfolio)	DE	Undisclosed	Acquisition
Apr '24	One Hotels & Resorts	DE	Motel One	DE	€ 1,250	Minority Stake (35%)
Mar '24	Hilton Hotels & Resorts	US	Graduate Hotels	US	\$ 210	Brand Acquisition
Mar '24	Best Hotel Properties	SK	8-Hotel Portfolio in the Czech Republic	CZ	€ 173	Minority Stake (50%)
Feb '24	Real Hotels	PT	Amazonia Hotel Group	PT	Undisclosed	Acquisition
Feb '24	Consortium led by Evli Growth Partnership	FI	Bob W	FI	€ 40	Series B Funding Round
Nov '23	NUMA	DE	YAYS Group	NL	Undisclosed	Acquisition

APPENDIX II – NOTABLE RECENT REAL ESTATE TRANSACTION ACTIVITY (TOP 30)

Date	Buyer(s)	Country	Target	Country	Deal Size (mm)	No. of keys
Sep '24	BC Partners Real Estate	UK	30 Ibis Hotels in Germany	DE	Undisclosed	2,308
Sep '24	Isrotel	IL	Savoy Hotel Rome	IT	€ 68	130
Sep '24	Barletta Group	IT	Hotel Villa Diodoro Sicily	IT	€ 85	102
Aug '24	Premia Properties	GR	Sunwing Kallithea Beach Hotel Rhodes & Sunwing Makrigialos & Ocean Beach Club Crete	GR	€ 112.5	796
Aug '24	Pandox	SE	3 Residence Inn Aparthotels in London	UK	£ 230	503
Jul '24	B&B Hotels	FR	5 Pentahotels in UK	UK	Undisclosed	562
Jul '24	Alpitour	IT	Arenella Resort Sicily	IT	Undisclosed	460
Jul '24	somnOO	FR	3 Mercure Hotels in Germany	DE	Undisclosed	458
Jul '24	Kaya Tourism Group	TR	Great Northern Hotel London	UK	Undisclosed	88
Jun '24	Blackstone	UK	Village Hotels (33-Hotel Portfolio)	UK	£ 800	4,400
Jun '24	Leonardo Hotels	IL	Zien Group (12-Hotel Portfolio)	NL	€ 400	1,522
Jun '24	Bet Capital Group	ES	Izan Hoteles (5-Hotel Portfolio)	ES	Undisclosed	663
Jun '24	Ona Hotels & Apartments	ES	Hotel Princesa Playa Marbella Hotel Las Rampas Fuengirola	ES	Undisclosed	259
May '24	Ares Management & EQ Group	US & UK	21 Novotel and Ibis Hotels in the UK	UK	£ 400	3,028
May '24	Grupotel Hotels & Resorts	ES	Hotel Mayorazgo Madrid	ES	€ 60	200

APPENDIX II – NOTABLE RECENT REAL ESTATE TRANSACTION ACTIVITY (TOP 30)

Date	Buyer(s)	Country	Target	Country	Deal Size (mm)	No. of keys
May '24	KKR & Amante Capital	US & UK	Park Grand London Kensington	UK	Undisclosed	132
May '24	Gruppo Statuto	IT	Six Senses London	UK	£ 180	109
Apr '24	Morgan Stanley & Quinspark	US & FR	Pullman Paris Tour Eiffel	FR	€ 330	430
Apr '24	Archer Hotel Capital	UK	Shelbourne Hotel Dublin	IR	€ 260	265
Apr '24	Gruppo Statuto	IT	Hotel de Rome in Berlin	DE	€ 145	145
Apr '24	Trinity Investments, Oaktree Capital Management & UBS	US & CH	Park Hyatt Zurich	CH	Undisclosed	138
Mar '24	City Developments Ltd	SG	Hotel Paris Opera	FR	€ 244	268
Mar '24	Sono Hotels & Resorts	KR	Hotel Dame des Arts Paris	FR	€ 120	109
Mar '24	LondonMetric Property Plc	UK	LXi REIT	UK	£ 1,900	n/a
Mar '24	Best Hotel Properties	SK	8-Hotel Portfolio in the Czech Republic	CZ	€ 173 (50% stake)	n/a
Feb '24	Banco Santander	ES	3 Melia Hotels in London, Tenerife & Menorca	UK & ES	€ 300 (38.2% minority stake)	1,099
Feb '24	Sun Venture	SG	Hyatt Place London City East	UK	£ 100	280
Feb '24	Deka Immobilien	DE	Ruby Zoe Hotel & Bar Notting Hill	UK	£ 53	173
Feb '24	MCR Hotels	US	BT Tower London	UK	£ 275	n/a
Jan '24	Starwood Capital	US	10 Radisson Blu Hotels	UK	£ 800	2,053

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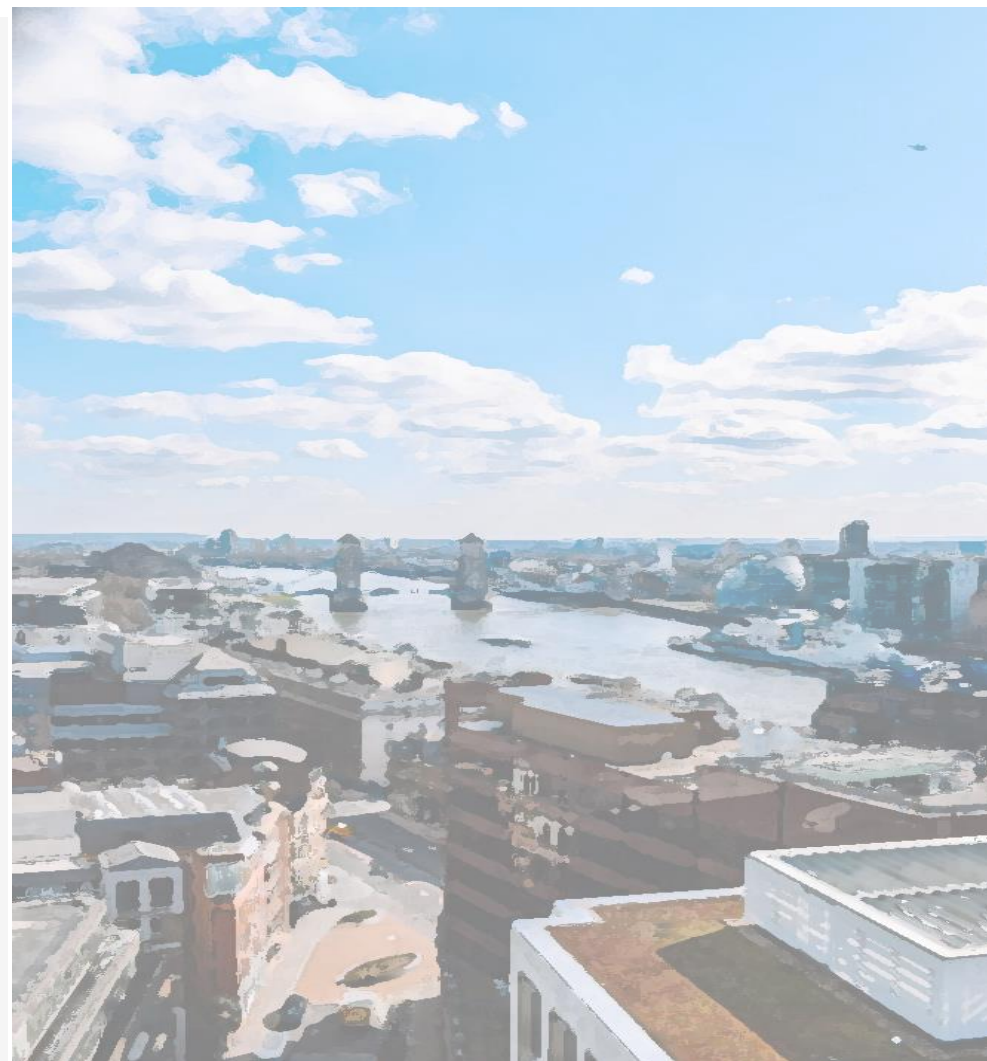
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