



HOSPITALITY NEWSLETTER

A Monthly Publication of AHV Associates

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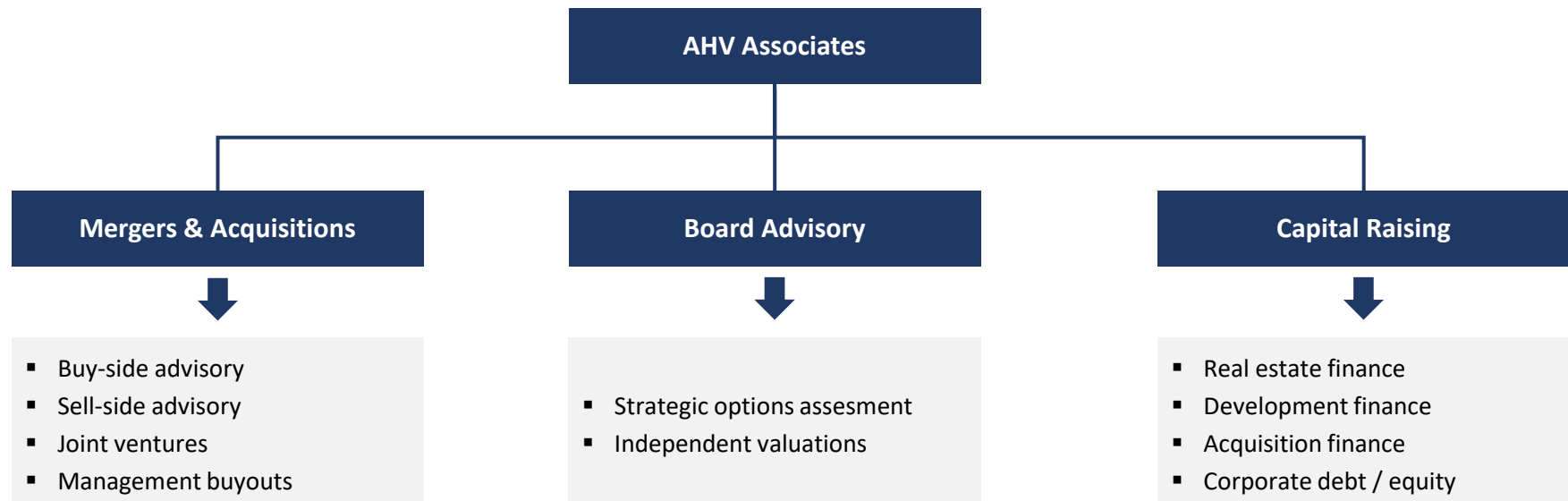
SEPTEMBER 2024 | ISSUE 43

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

According to the ONS, UK GDP grew by 0.6% in Q2 2024, adding to the 0.7% increase recorded in Q1, continuing the economy's strong recovery from last year's technical recession. However, a potential tightening of the UK jobs market have bolstered expectations of the BoE holding interest rates steady this month to prevent inflation from flaring again.

In Eurozone, whilst services inflation ticked up to 4.2%, largely attributed to the Paris Olympics, the overall inflation rate fell from 2.6% in July to a three-year low of 2.2% in August, in line with economists' forecasts. Hence, the ECB is expected to reduce interest rates by 25bps to 3.5% this month.

Hotels & Hospitality Performance

Six major publicly listed hotel companies reported a mixed, yet mostly positive, picture in their H1 2024 earnings. Particularly negative was the trading performance of Choice Hotels that recorded a RevPAR decline vs H1 2023 of 2.9%, whilst on the other hand Hyatt posted an impressive REVPAR growth of 5.2% over the same period.

Recent JLL hotel research described Europe as the leading region on a global scale, something which was also reflected in the latest round of earning announcements. For instance, IHG which posted a YoY H1 2024 RevPAR growth of 3.0%, said that EMEA was its best performing region, and Hyatt said that Q2 2024 RevPAR in Europe was up 11% driven by outbound leisure travel from international markets.

The AHV Hospitality Index fell by 2.33% in August (see page 8), largely due to Airbnb's 14% share price decrease as the company failed to meet their Q2 earnings target due to shorter booking lead times globally and slowing demand in the US market. Whilst a very small constituent of our index, it was remarkable to see Sonder's share price jumping by 138% in August after announcing a 20-year licensing agreement with Marriott which will result in Sonder's existing and pipeline portfolio being rebranded as Sonder by Marriott Bonvoy.

Transaction Activity

C&W reported that European hotel investment in H1 2024 exceeded €11.6bn, the highest six-month volume recorded since 2019 with luxury hotels forming almost half of the investment activity. In terms of European cities, London enjoyed the larger value of investment activity with Dublin being ranked third. During August, three sizable transactions were also completed in the UK and Irish capital:

- Pandox's £230m acquisition of three Residence Inn aparthotels in London; Starwood's sale at a competitive price per room rate of £403,000 should have also been facilitated by Pandox's ability to secure a cheap green bank loan supported by the properties' A and B EPC ratings
- LaSalle IM's £56m purchase of the Motel One London Tower Hill
- Leonardo Hotels' purchase of the Hard Rock Hotel Dublin for an undisclosed sum

Looking ahead, C&W projects volumes to exceed €20bn, driven by increasing debt liquidity and strong hotel operating performance.

In addition to the rising real estate investment volumes, we have also observed a lot of corporate M&A activity. Two such transactions were reported in August:

- Zleep Hotel Group was split with Deutsche Hospitality retaining the Zleep brand, and Zleep Hotel A/S retaining all Zleep hotel operations in Scandinavia. Following this transaction, Zleep Hotel A/S will be merging with its sister company, Core Hospitality, to create the 6th largest operator in Denmark. **AHV acted as an exclusive advisor to the founder of Zleep Hotels, Peter Haaber, in this transaction.**

- Softbank-backed Indian hospitality chain OYO has acquired Paris-based short-/mid-term rental property management company Checkmyguest for a value of c. €27.4m

Two significant corporate transactions are also in the works. Hyatt confirmed its planned acquisition of Standard International, in an effort to boost the company's presence in the lifestyle hotel space, and easyHotel has announced that it is in a sale process. Private equity firm TPG has been rumoured to be the most likely candidate to buy the easyHotel business, which has a portfolio of c.50 hotels totalling 5,000 rooms across 11 countries. Bids are coming in at around the £400m mark.

H1 2024 vs H1 2023 EARNINGS RESULTS

	ADR	Occupancy (absolute)	RevPAR
Choice Hotels International	-1.2%	-1.0%	-2.9%
Covivio Hotels	+3.0%	+0.7%	+4.0%
Hilton Hotels & Resorts	+1.7%	+0.7%	+2.8%
Hyatt Hotels Corporation	+1.6%	+2.3%	+5.2%
IHG Hotels & Resorts	+2.0%	+0.6%	+3.0%
PPHE Hotel Group	-4.4%	+2.9%	-0.4%
Average	+0.5%	+1.0%	+2.0%

- Hotel trading performance continued to strengthen from Q1 2024, albeit mildly, with consumer appetite for leisure stays and robust business demand growing due to the strong events pipeline in core European markets and lower interest rates
- The continued growth was demonstrated by the H1 2024 financial results of six publicly-traded hotel groups with a European presence (see table on the left) – on average, like-for-like ADR, Occupancy, and RevPAR increased by +0.5%, +1.0%, and +2.0% respectively compared to H1 2023
- Additionally, the hotel groups’ also made strong progress with their growth strategies by introducing new rooms into their systems – for example, Hilton and IHG opened 22,400 and 18,000 rooms in Q2 2024 respectively, marking respective increases of 6.2% and 4.9% YoY
- Despite only achieving milder increases in KPIs, CEOs expressed their positive views regarding the outlook for hotel operational performance throughout H2 2024, where they expect stronger booking momentum boosted by robust demand from international markets

“Our cash generation and strong balance sheet continue to support further investment in growth, and we are confident in capitalising on our scale, leading positions and the attractive, long-term demand drivers for our markets.”

– *Elie Maalouf, CEO of IHG Hotels & Resorts*



“We are seeing demand for travel from affluent customers increase, however, they are prioritising international travel. In Europe, RevPAR was up 11% driven by outbound travel from the US with notable strength in Germany and Spain.”

– *Joan Bottarini, CFO of Hyatt Hotels Corporation*

“We expect full-year system-wide RevPAR to increase 2% to 3%, driven by positive growth across all major segments and regions. We tempered the high end of our expectations versus prior guidance due to softer trends in certain international markets and normalising leisure growth more broadly. With continued strength in group and steady recovery in business transient, we expect higher-end chain scales to continue to outperform.”

– *Christopher Nassetta, President & CEO of Hilton Hotels & Resorts*



TRANSACTIONAL ACTIVITY AUGUST '24

Real Estate Transactions					
Buyer(s)	Country	Target	Country	Deal Size (mm)	No. of keys
Premia Properties	GR	Sunwing Kallithea Beach Hotel Rhodes & Sunwing Makrigialos & Ocean Beach Club Crete	GR	€ 112.5	796
Pandox	SE	3 Residence Inn Aparthotels in London	UK	£ 230	503
LaSalle Investment Management	US	Motel One London Tower Hill	UK	£ 56	291
Private Investor	SP	Exe Coruna Hotel	SP	€ 17.2	181
Art-Invest Real Estate	DE	Holiday Inn Express Furth	DE	Undisclosed	149
Corum	FR	Premier Inn Birmingham City Centre	UK	£ 23	140
Leonardo Hotels	IL	Hard Rock Hotel Dublin	IR	Undisclosed	120
Square Asset Management	PT	Hotel Caracol Terceira	PT	Undisclosed	100
Private Investor	n/a	Rome Mate Alba Hotel Madrid	ES	€ 32.5	80
Chestnut Group	UK	Le Strange Arms Norfolk	UK	Undisclosed	60
GGE Limited	IR	Beech Hill Hotel Windermere	UK	Undisclosed	54
Private Investor	n/a	Richmond Park Hotel Bo'ness	UK	Undisclosed	47

TRANSACTIONAL ACTIVITY AUGUST '24

Real Estate Transactions

Buyer(s)	Country	Target	Country	Deal Size (mm)	No. of keys
Nako Modular	UK	Broomhill Estate	UK	£ 1.3	7
Anima Holdings	IT	Halldis SpA	IT	€ 2.6	n/a

Corporate Transactions

Buyer(s)	Country	Target	Country	Deal Size (mm)	Deal type
OYO	IND	Checkmyguest	FR	€ 27.4	Acquisition
Core Hospitality	DK	Zleep Hotels (OpCo)	DK	Undisclosed	Merger
Stayright	UK	Just Stay Wales	WL	Undisclosed	Acquisition

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	7.0%	13.5%	9,275	12,090	2.0x	9.4x	23%
Airbnb	(15.9%)	(10.8%)	67,200	59,066	5.2x	14.4x	(14%)
Choice Hotels	0.1%	0.5%	5,456	7,110	4.8x	13.1x	23%
Covivio Hotels	12.1%	4.9%	2,681	5,440	12.9x	20.7x	51%
Dalata Hotel Group	7.2%	1.9%	987	1,900	2.6x	7.1x	42%
Fattal Holdings	7.7%	15.5%	1,748	6,981	3.9x	18.1x	75%
Hilton Worldwide	2.3%	47.8%	49,026	58,287	5.4x	17.7x	16%
Hyatt Hotels	3.1%	35.1%	13,805	15,806	2.5x	14.0x	13%
IHG	(0.8%)	32.3%	14,497	16,793	7.7x	14.6x	14%
Mandarin Oriental	12.6%	(4.0%)	1,946	2,011	4.2x	16.5x	3%
Marriott International	3.3%	15.3%	59,846	72,191	1.1x	6.9x	17%
Melia Hotels	(7.7%)	9.5%	1,444	2,260	1.7x	6.6x	36%
Minor Hotels Europe & Americas	(1.7%)	(1.9%)	1,777	4,020	1.6x	6.1x	56%
Pandox AB	(1.0%)	60.0%	3,184	6,280	9.7x	18.0x	49%
Pierre et Vacances	(0.3%)	2.8%	633	3,930	2.0x	6.5x	71%
PPHE Hotel Group	(6.6%)	27.0%	666	1,600	2.6x	8.0x	52%
Scandic Hotels Group	5.4%	92.3%	1,320	5,351	2.5x	8.1x	75%
Sonder Holdings	137.8%	(33.2%)	68	1,531	0.1x	(0.9x)	40%
Whitbread Plc	(0.9%)	(16.8%)	6,120	11,405	3.2x	8.4x	46%
Wyndham	3.9%	4.4%	5,630	7,763	5.7x	11.8x	27%
Average					4.1x	11.3x	
Median					2.9x	10.6x	

Metrics reported in the table include impacts of IFRS 16

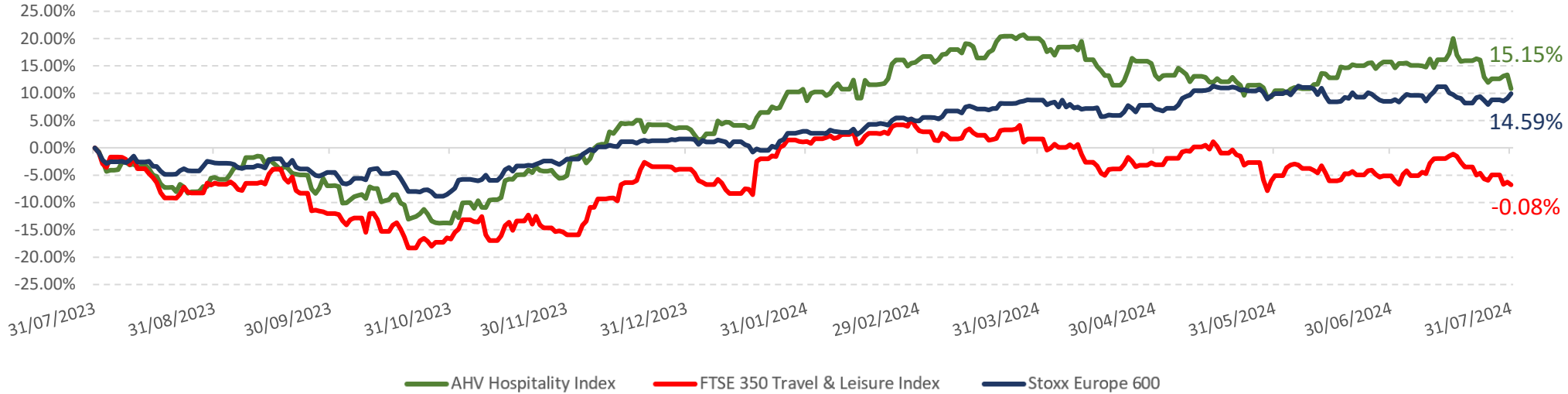
Trading performance of hotel companies included in the AHV Index as of 31/08/2024

Source: Yahoo Finance, Market Screener

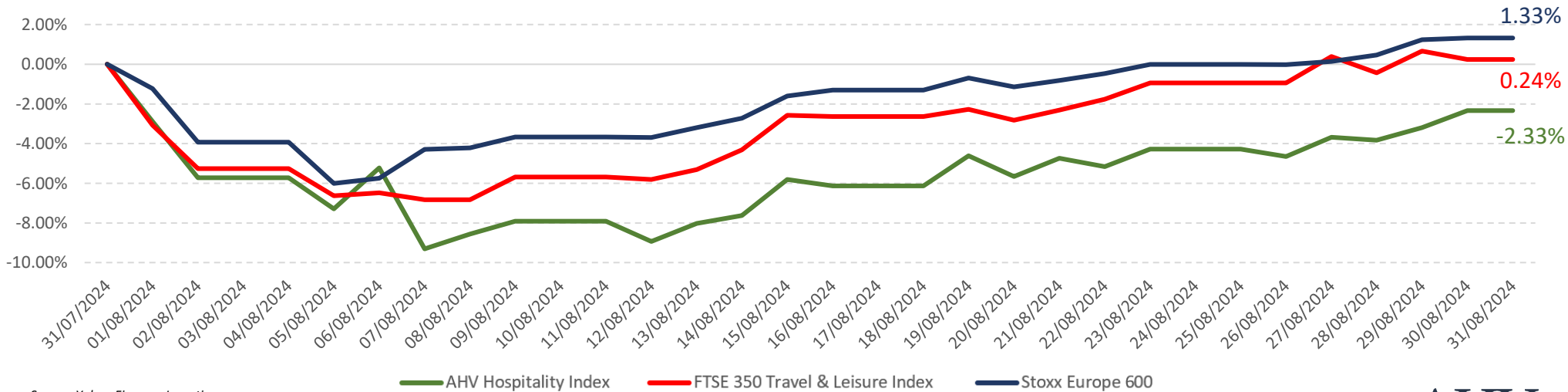
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AHV HOSPITALITY INDEX OUTPERFORMS ON AN ANNUAL BASIS



AHV HOSPITALITY INDEX UNDERPERFORMS ON A MONTHLY BASIS



Source: Yahoo Finance, Investing.com

UK: LaSalle acquired London hotel from Abrdn for £56m (€65.5m)

LaSalle Investment Management, the global real estate investment manager, has acquired a central London hotel from Abrdn for £56m (€65.5m) on behalf of a UK Custom Account client. The modern, 291-bedroom hotel is situated on the Minories, at Tower Hill in the City of London. The hotel is let to Motel One – the European hotel operator – on a long-term inflation-linked lease. The building achieved a BREEAM ‘Excellent’ rating on its construction in 2014 and has an EPC rating of ‘A’

UK: Corum has acquired the 3-star 140-room Premier Inn Birmingham City Centre

French investment manager Corum, via its open-end real estate fund CORUM XL, has acquired the three-star, 140-room Premier Inn Birmingham City Centre (New St. Station) hotel in the UK from UK-based commercial property investment manager Orchard Street IM. The hotel was acquired as part of the Exchange Buildings mixed-use asset acquisition, at approximately £23m, which included four retail units, rooftop telecoms, two restaurants and HSBC offices. The asset has been acquired on a 200-year long leasehold basis, with the ground lease originally commencing in March 2015. CORUM XL was launched in 2017 and invests in both Europe and international markets, whilst aiming for a 10% 10-year return rate

UK: Cube Hotel brought to market following administration

The luxury Cube Hotel has hit the market at £12m after its owners fell into administration last month in July. Joint administrators Richard Easterby, Andrew Andronikou and Nick Simmonds of Quantuma Advisory Ltd were appointed on 12 July over MSHA Global Investments Ltd, which traded as The Cube Hotel. Watling Real Estate and Graham + Sibbald have been appointed to market the long leasehold interest of the property in the region of £12m. The Cube Hotel remains open and operational. It features 52 bedrooms, an 180-cover Marco Pierre White branded restaurant, a rooftop bar, as well as private dining and function rooms

UK: easyHotel bidders line up

Private equity bidders including TPG have lined up to take on the easyHotel business. It could fetch up to £400m in a planned sale, reports Sky News. The previously listed business was taken private in 2019 in a £139m deal. Since then, it has expanded to a business with 50 hotels across 11 European markets

UK: Pandox buys three London extended stay hotels for £230 million

Hotel property owner Pandox has completed the acquisition of three extended stay hotels comprising 503 rooms in central London for £230m. The portfolio includes three Residence Inn by Marriott hotels located in Kensington, London Bridge and Tower Bridge. All three are operated by Axiom Hospitality under a management agreement. Initially, the hotels are expected to contribute approximately £34m in revenues and approximately £17m in net operating income. The acquisition has been financed by available cash funds and a new green bank loan. The loan is the first of its kind for Pandox

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

IRE: Leonardo Hotels acquires Hard Rock Hotel Dublin from Apollo

Leonardo Hotels, the European division of Israeli owner-operator Fattal Hotel Group, has acquired the four-star, 120-room Hard Rock Hotel Dublin in Ireland from US-based private equity firm Apollo Global Management. The hotel, which opened in 2020, was operated by Ireland’s TIFCO Hotel Group, one of the country’s largest operators with some 3,000 rooms, under a franchise agreement with Hard Rock. The property was brought to market for roughly €80m (€667,000 per room). Following its acquisition, the property is set to be rebranded under Leonardo’s lifestyle boutique hotel brand NYX and thereby trade as the NYX Hotel Dublin Christchurch. With this sale there are now no Hard Rock hotels remaining in the UK or Ireland after the Hard Rock Hotel London rebranded last year. The group has six remaining hotels in Europe and around 20 in the US, and last month announced it would launch a new guitar-shaped hotel on the former site of Las Vegas’s iconic Mirage hotel and resort

FR: OYO buys French PM Checkmyguest

Softbank-backed Indian hospitality chain OYO has acquired Paris-based short-/mid-term rental property management company Checkmyguest, according to French publication Les Echos. The amount of the transaction, which is due to be finalised in the second half of the year, has not been disclosed. However, the report suggests that OYO could value Checkmyguest at around €100m. It is believed that the deal will also include the purchase of housing renovation business HMG, formerly Helpmyguest and luxury rental apartment management company Studio Prestige. Meanwhile in March, Checkmyguest raised funding via an SPV, backed by Swiss Life Banque Privée, to buy vacant offices in Paris and convert them into short-term / mid-term rentals

SP: Atom closes the sale of the Hotel EXE Coruña for €17.2M

Atom Hoteles Socimi, the hotel real estate investment company founded by Bankinter Investment and GMA, has sold the EXE Coruña hotel to a private Spanish investor. The transaction, valued at €17.2m, is the second divestment by the Socimi this year, which sold the Hotel Labranda Costa Mogán in May. The 4 starts hotel is located in the “Cuatro Caminos” commercial complex in the city of La Coruña

GER: Art-Invest acquires Holiday Inn Express Furth in Germany from RMA

German investor Art-Invest Real Estate, on behalf of one of its core budget hotel funds, has acquired the three-star, 149-room Holiday Inn Express Furth, in Furth, Germany, from domestic development firm RMA Management. The town of Furth adjoins the city of Nuremberg in northern Bavaria, and the hotel is situated in Furth’s centre near its town hall. The property is only some ten kilometres from Nuremberg Castle. The construction of the asset began in 2020, and the hotel was delivered by RMA in the second quarter of 2022. Since then, the property has been managed by German operator Tristar GmbH under a long term lease agreement. Art-Invest’s portfolio counts approximately 35 primarily business hotels across Germany, Austria and the UK

GER: Family office acquires Room Mate Alba Hotel in Madrid for €32.5M

The four-star asset, located in the Barrio de las Letras district and offering 80 rooms, will continue to be operated by Room Mate after the sale. Hamburg-based investment management firm Aquila Capital has sold the four-star, 80-room Room Mate Alba Hotel in Madrid, Spain, to an undisclosed private investor, for €32.5m (€406,000 per room). The property is located in the city-centre just a short walk from Plaza Mayor and the Royal Palace of Madrid. Opened in 2019, the hotel will remain under the management of TPG Angelo and Westmont Hospitality’s Room Mate group. Room Mate’s portfolio currently comprises 23 hotels across key Spanish and notable European cities such as Barcelona, Madrid, London, Rome and Rotterdam

GR: Premia Properties to buy Sunwing Hotels from Nordic Leisure

Premia Properties, an Athens-based real estate investment company, has announced an acquisition deal with Nordic Leisure Travel Group (NLTG) to purchase Sunwing Hotels in Greece for €112.5m. The transaction includes two 4-star resorts: Sunwing Kallithea Beach in Rhodes and Sunwing Makrighalos & Ocean Beach Club in Crete. Sunwing Kallithea Beach boasts 534 rooms spread over a plot area of 118,000 sqm, with a total gross built area of 42,700 sqm. Sunwing Makrighalos & Ocean Beach Club, located in Ierapetra, Crete, features 262 rooms on a 54,000 sqm plot, with a gross built area of 25,200 sqm. Both resorts have been key players in the region’s hospitality sector for decades

EU: European deals recover

European hotel transactions reached a five-year high in H1-2024, according to new data from Cushman & Wakefield. Transactions in the first half of the year grew to over €11.6bn, the highest six-month volume since 2019. In the second quarter, European hotel transaction volumes hit €5.8bn, nearly double the level reached at the same time last year (€3.0bn in Q2 2023). Volumes were boosted by several landmark hotel transactions, including the sales of the Pullman Paris Tour Eiffel, the Hilton Paris Opera, Six Senses London, the Shelbourne Hotel Dublin, and the Park Hyatt Zürich. Overall, luxury hotels represented nearly half of H1-2024 volumes. The UK, Spain and France were the most active markets, accounting for €7.8bn of transactions – over two thirds of the European total, and 62% more than H1-2023. London registered the highest volume of transactions by city, with Paris, Dublin, Barcelona and Rome completing the top five. Looking ahead, volumes are projected to exceed €20bn in 2024, driven by increasing debt liquidity and strong hotel performance

INT: Hyatt confirms plans to acquire Standard International

Hyatt has confirmed its plans to acquire the lifestyle company Standard International, parent company of The Standard and Bunkhouse Hotels brand, for up to \$335m. The acquired portfolio will be 100% asset-light and includes management, franchise and license contracts for 21 open hotels with approximately 2,000 rooms. Hyatt will pay a base purchase price of \$150m, with up to an additional \$185 million over time as additional properties enter the portfolio. In addition to The Standard and Bunkhouse Hotels brands, the portfolio also includes Peri Hotels and The StandardX, which debuted in Melbourne, Australia this August, and the upcoming luxury hotel brand The Manner which launches next month in Soho, New York. Restaurant and nightlife venues form part of the portfolio too. Thai developer Sansiri PLC, which acquired a majority stake in Standard International in 2017, will continue to own several properties that will be managed or franchised under the acquired brands. Overall, the acquisition includes more than 30 projects with a signed agreement or letter of intent, including new properties expected to open over the next 12 months.

KEY INDUSTRY NEWS – (RE)DEVELOPMENT & PLANNING

Companies	Location	Rooms	Commentary
Room2, Dalata Maldron, Abrdn	Bristol, England	510	Bristol City Council has granted planning permission for a mixed-use aparthotel, hotel and BTR scheme in Temple Quarter. Plans include a 168-room aparthotel operated by room2, a 234-room hotel operated by Dalata Maldron, and 108 build-to-rent apartments operated by fund Abrdn.
Commerz Real and Hines	Munich, Germany	484	Commerz Real and Hines will redevelop the Hilton Munich Park, as part of their Tucherpark mixed use project. Hilton has signed to brand the reimagined hotel, which will relaunch in 2029.
Town Square Group	Newcastle, England	254	Town Square Group, has applied to Newcastle City Council for permission to convert the upper floors of a TJ Hughes store into serviced apartments.
Lamington Group & Room2	Manchester, England	251	Plans for a 251-bed room2 homotel in Manchester Piccadilly has been recommended by officers to receive a green light from Manchester City Council next week. The development is expected to cost around £78 million with an estimated gross development value of £90 million. Lamington Group will operate the property as a room2 hotel.
PPHE Hotel Group	London, England	186	PPHE has been granted planning permission for a mixed-use, hotel-led development in London's South Bank area. PPHE purchased the site for £12 million in 2019 and it is currently working on designs for the project.
Undisclosed	Swansea, Wales	150	Swansea Council announced the development of a new 150-bedroom hotel. The council selected a preferred developer and operator, working with leading global hotel brands, and approved the land sale for the hotel.
Lamington Group & Room2	York, England	116	Lamington Group will begin development on its room2 York site this summer with a scheduled launch in 2026. The £30 million project marks the first in the North of England for the group, and will be funded off its balance sheet.
Leo Sawrij Limited	Cumbria, England	57	Plans have been approved by Westmorland and Furness Council for Leo Sawrij Limited to convert four former student housing buildings at Newton Rigg College into a hotel and serviced apartments.
Watergate Bay Hotel	Cornwall, England	n/a	Watergate Bay Hotel has submitted a planning application to develop twelve new beach lofts and convert the old Tregurrian Hotel site into a five- or six-storey building

KEY INDUSTRY NEWS- HOTEL OPENINGS

Companies	Location	Rooms	Commentary
Whitbread	London, England	369	Whitbread PLC has inaugurated a new Premier Inn at Paddington Station. The development involved converting an outdated office building into a modern hotel.
The Residence	London, England	24	Serviced apartment operator The Residence Apartments is launching an aparthotel brand Jitaku close to Liverpool street station next summer.
Boscalt Hospitality	London, England	11	Real estate private equity firm Boscalt Hospitality has opened 11-room upscale hotel Hyde London City. Boscalt Hospitality is a member of the Edmond de Rothschild Private Equity partnership. Hyde Hotels, Resorts & Residences is a brand part of the operator Ennismore.
Virgin Hotels	London, England	n/a	Virgin Hotels has opened its 17th property in London-Shoreditch. The hotel will undergo a phased transformation featuring Sir Richard's flat, hybrid beds, and the Lucy app

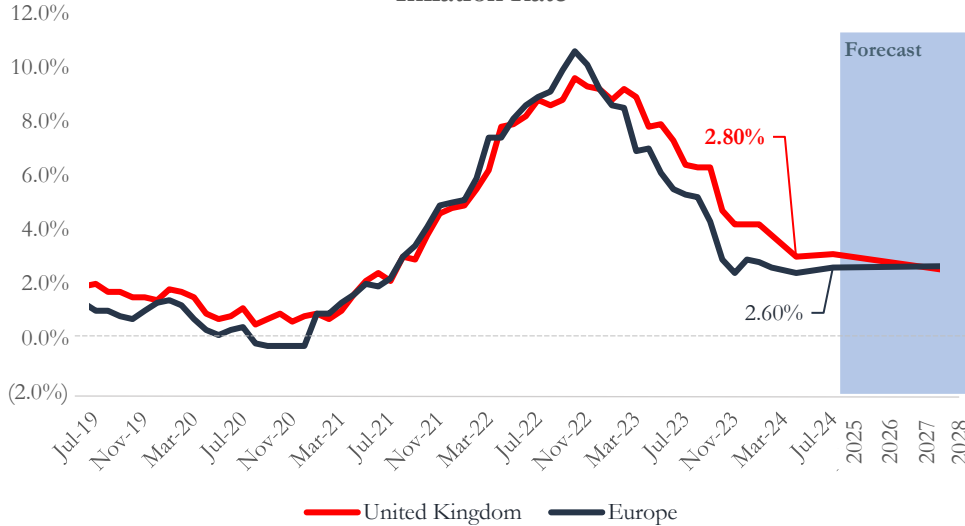
KEY INDUSTRY NEWS – NEW HOTEL AGREEMENTS

Companies	Status	Location	Rooms	Commentary
Marriott & Sonder	Franchise Agreement	Global	9,000+	Sonder has entered into a long-term licensing agreement with Marriott, in addition to securing \$146 million in additional liquidity. 9,000+ Sonder units are expected to join Marriott's portfolio by the end of 2024, with approximately 1,500 units anticipated to join its system in the future. The portfolio consists of apartment-style accommodations and boutique hotels.
Core Hospitality	Leasing-Operating Agreement	Esbjerg, Denmark	224	Core Hospitality has signed to lease and operate "A Place To" hotel in Esbjerg, Denmark. The hotel will undergo expansion and rebranding in coming months.
Cycas Hospitality	Management Agreement	Wickrange, Luxembourg	133	Xnoto Hotel will be operated by Cycas under a management agreement with Felix Giorgetti and is scheduled to open in mid-2025. The hotel will be Cycas's seventh hotel in the Benelux region .
IHG Hotels & Resorts	Branding	Budapest, Hungary	48	IHG Hotels & Resorts has expanded its luxury lifestyle portfolio Vignette Collection in Hungary, adding its first property in the country Verno House Budapest.

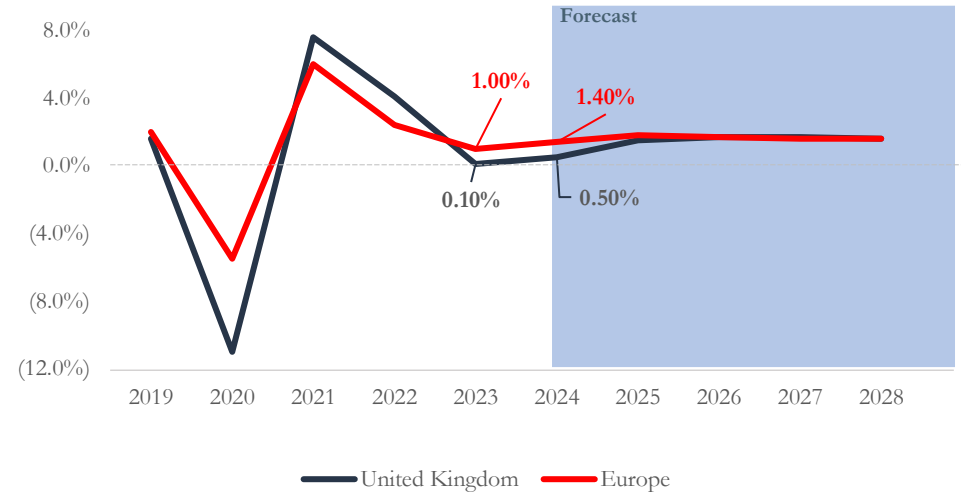
MARKET SNAPSHOT (EUROPE) (1/2)

Macroeconomic Metrics

Inflation Rate ¹

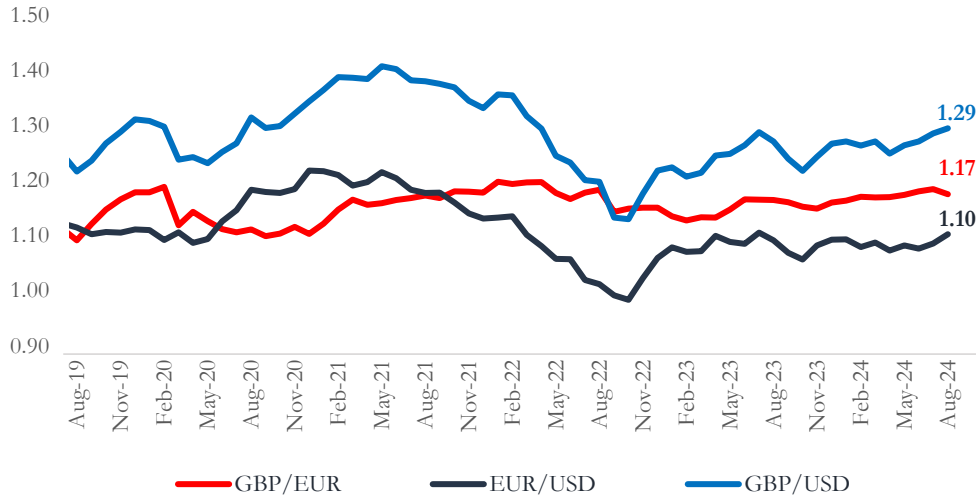


Real GDP Growth Rate



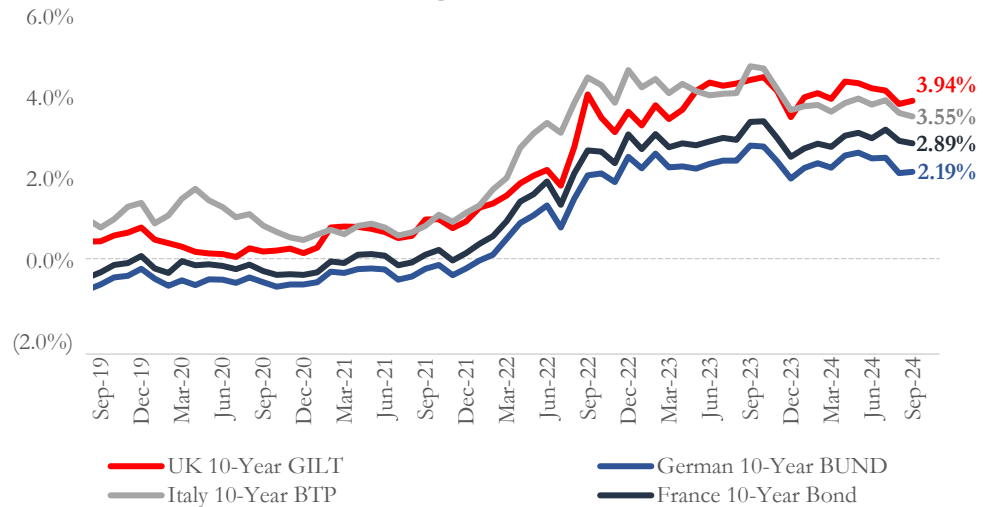
FX Markets

FX Pairs



Fixed Income Markets

Sovereign Bond Yields



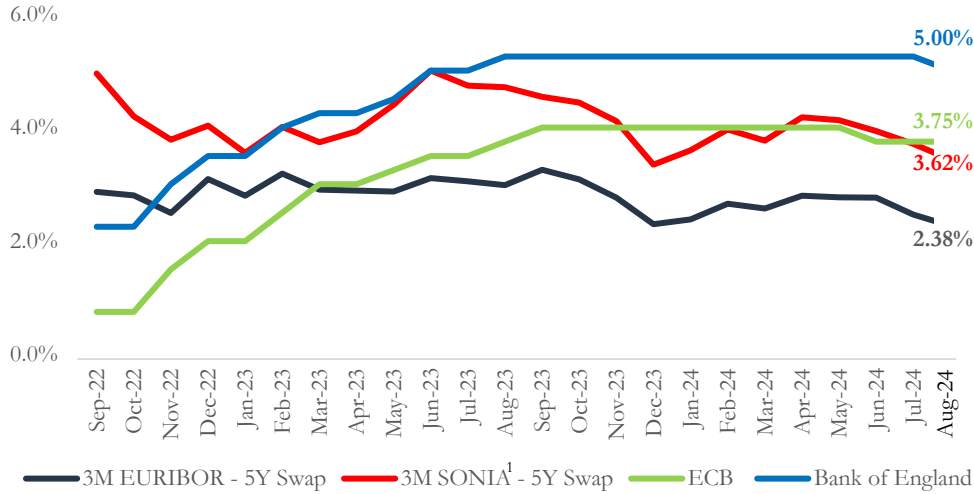
Note(s)

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

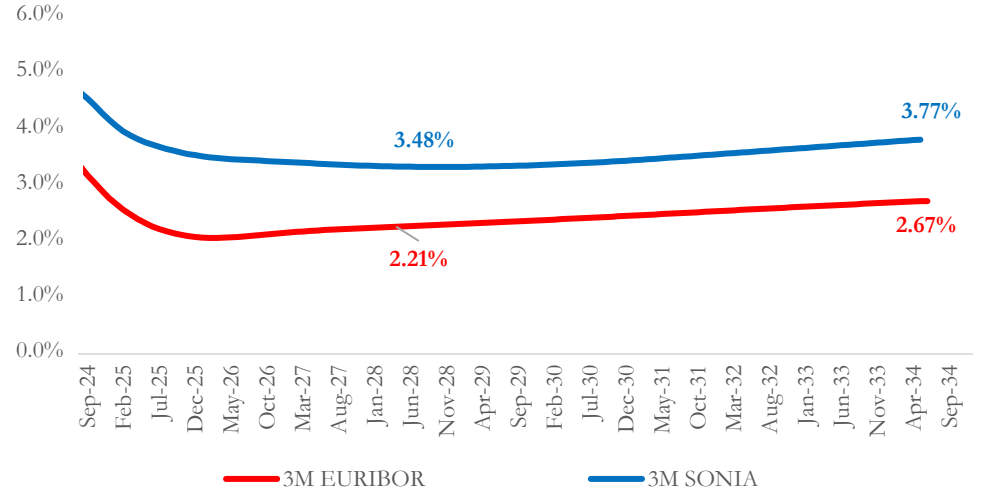
MARKET SNAPSHOT (EUROPE) (2/2)

Fixed Income Markets

Benchmark Rates

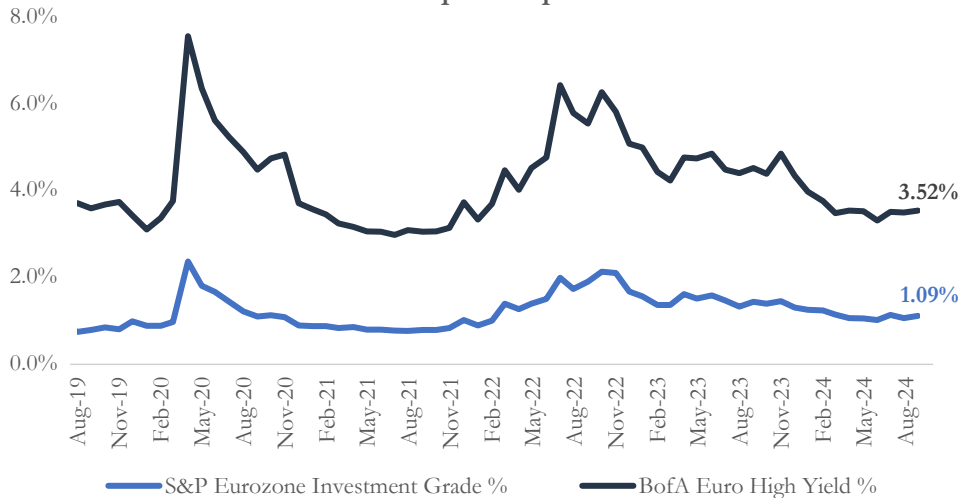


Forward Curves



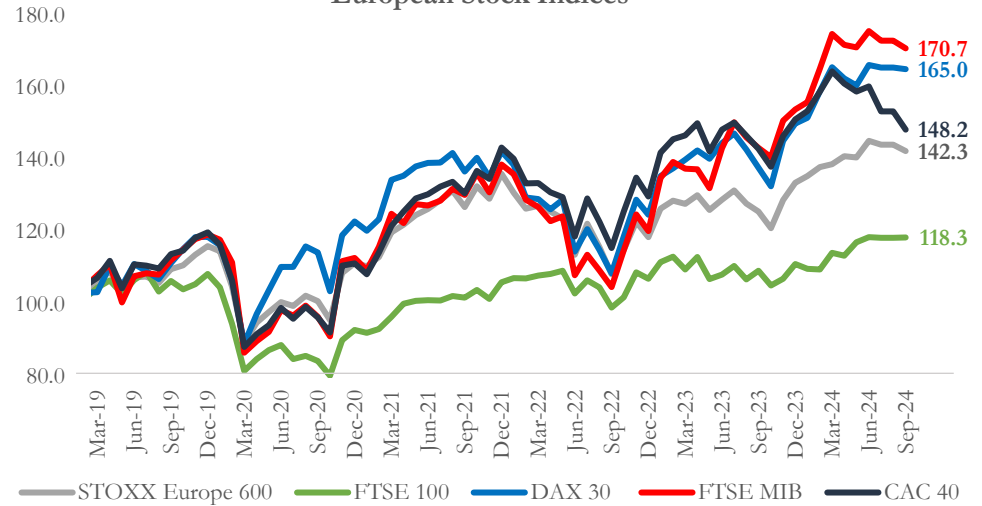
Fixed Income Markets

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
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
Dec '23	Prodea	GR	MHV PLC	CY	Undisclosed	Majority Stake (55%)
Nov '23	NUMA	DE	YAYS Group	NL	Undisclosed	Acquisition
Oct '23	Public Investment Fund	SA	Rocco Forte Hotels	UK	€ 1,500	Minority Stake

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

Date	Buyer(s)	Country	Target	Country	Deal Size (mm)	No. of keys
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
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

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

Date	Buyer(s)	Country	Target	Country	Deal Size (mm)	No. of keys
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	Travelodge	UK	66 Travelodge-branded hotels	UK	£ 210	3,300
Jan '24	Starwood Capital	US	10 Radisson Blu Hotels	UK	£ 800	2,053
Jan '24	NH Hotel Group	ES	5-hotel portfolio in Portugal	PT	€ 133.2	974
Jan '24	Archer Hotel Capital	UK	Hoxton Shoreditch & Hoxton Holborn	UK	£ 215	430

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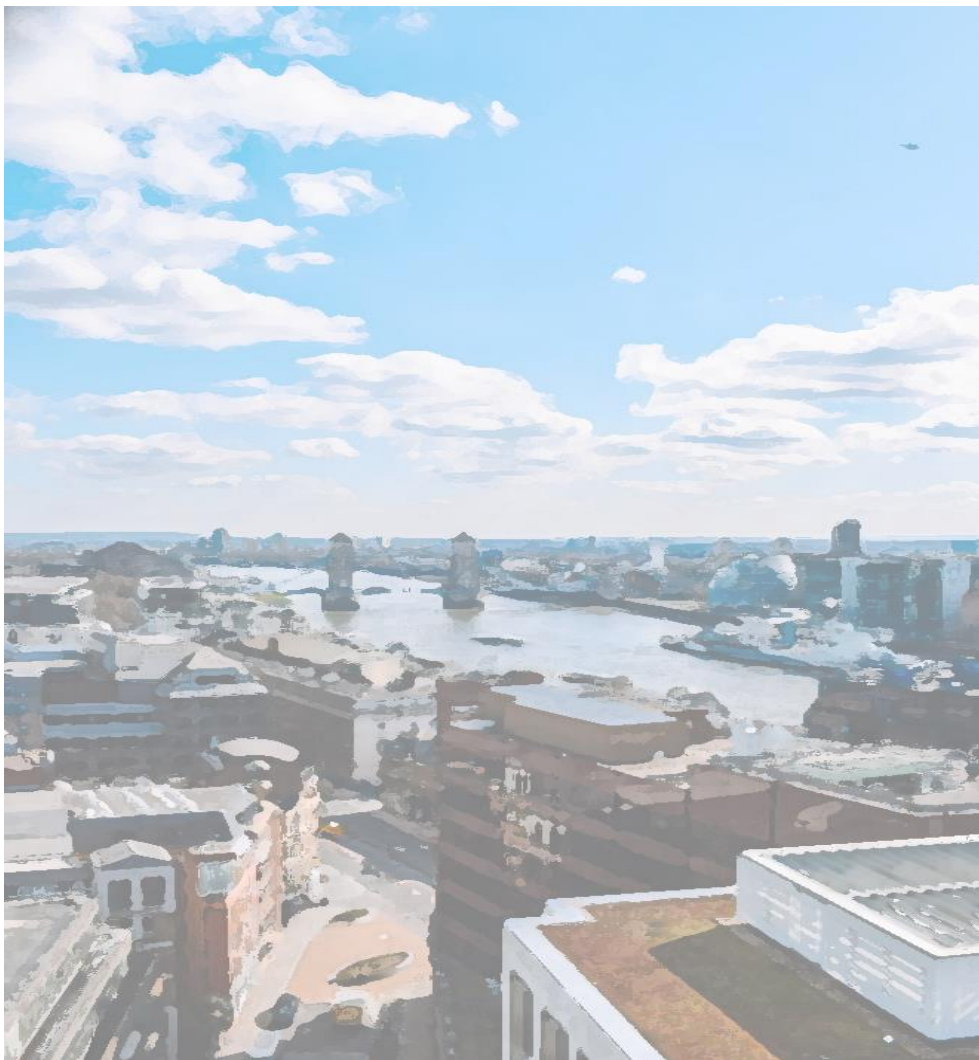
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