

AHV Hospitality Newsletter

A Monthly Publication of AHV Associates



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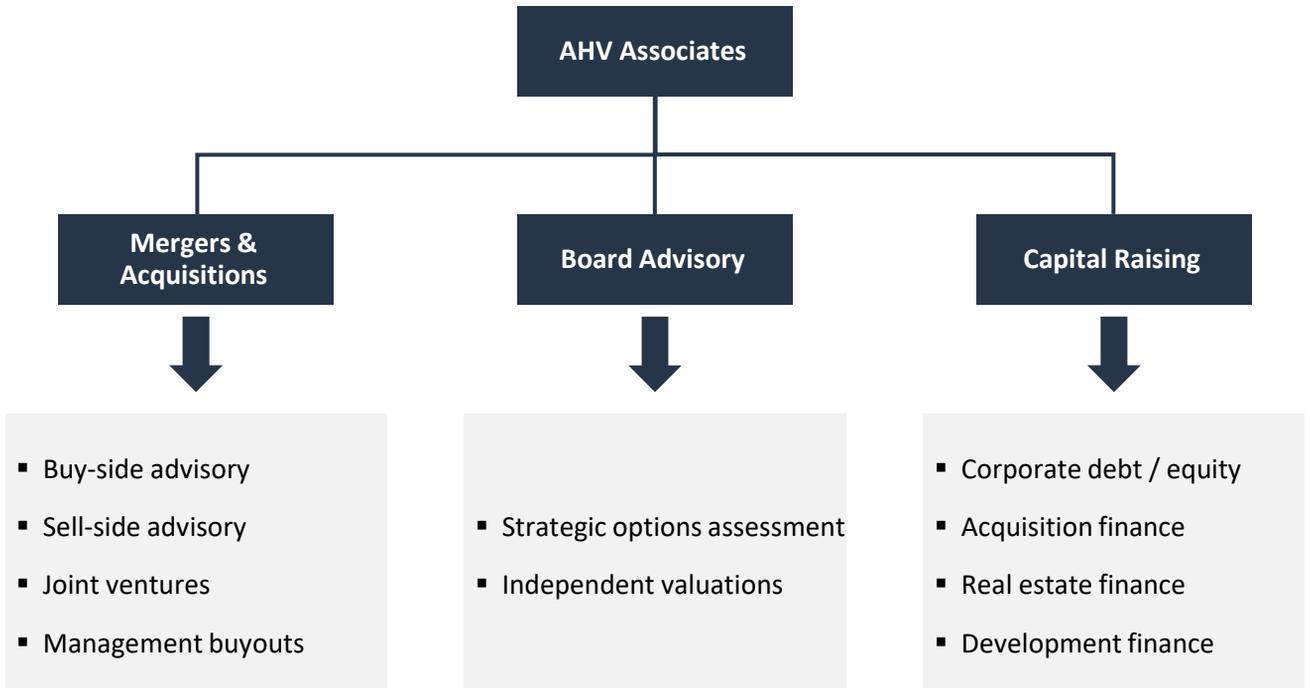
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AHV
ASSOCIATES

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 tight monetary policy of the BOE is beginning to have a positive impact on UK inflation, as the inflation rate dropped in June by more than expected to 7.9%. Due to inflation slowing down, the BOE increased rates by 25bps to 5.25%, a smaller increase than had been initially expected. However, UK economic activity has slowed as rising interest rates have hit spending, and manufacturers are cutting production in both domestic and export markets.

The ECB has carried out its 9th successive rate hike, raising rates to 3.75%, with latest data revealing that Eurozone inflation has fallen to 5.3% in July. The ECB has remained committed to raising rates until inflation falls in line with the banks target of 2%. Despite these rate hikes, Eurozone growth increased by 0.5% in Q2. The Federal Reserve also raised rates to their highest rate in 22 years by 25bps to 5.5%.

In the stock market, the AHV Hospitality Index rose by 11.6% this month, remarkably outperforming the pan European stock index, and driven by the strong performance of major hotel companies including Airbnb, Choice Hotels, Hyatt Hotels and Sonder.

Hotels and Hospitality Performance

European travel recovery has maintained its momentum in Q2 2023, driven by high consumer demand, despite the high levels of inflation and especially rising travel costs. Value-for-money destinations are performing particularly well, with Serbia (+27%), Bulgaria (+21%), Montenegro (+12%) and Turkey (+9%) among those leading the recovery, relative to 2019 figures.

US tourists have been a significant factor in the travel recovery, as they seek to take advantage of favourable exchange rates. US tourists in 52% of European destinations have surpassed 2019 levels, with Southern Mediterranean destinations such as Portugal (+79%), Turkey (+78%), and Montenegro (+43%) reporting particularly strong growth in US arrivals relative to 2019.

It's no surprise that big publicly listed hotel groups had a very strong performance in Q2 (see next page)

Transactions Activity

According to Christie & Co, UK transactional activity has more than halved YoY in Q2 2023, as there were just £185m worth of announced transactions during this period. The bid-ask spread between sellers seeking value for their performance, and buyers having to factor in debt costs in their pricing has widened.

Other European countries have seen better levels of transactional activity recently. France has led investment in the European hotel market with over €1.5bn transacted in H1 2023, whilst Germany has seen activity pick up in Q2 2023, mostly driven by single asset transactions in leisure destinations. Hotel transactions in Spain & Portugal totalled around €1.6bn in H1 2023, and this is expected to increase in H2 2023. The Spanish market has been a key target for global hotel groups, with an increased number of brands entering the country since 2019.

There were a few interesting transactions in July, such as KSL's majority stake investment in Sereno Hotels and Olayan Group's acquisition of Mandarin Oriental, Barcelona. Extendam was particularly active completing three separate transactions in July across Spain, Portugal and France.

Q2 TRADING PERFORMANCE (% CHANGE)



Industry

	RevPAR	ADR	Occupancy (absolute)
Yr on Yr Results	'23 vs '22	'23 vs '22	'23 vs '22
Accor S.A.	+25.3%	+15.9%	+5.2%
Hilton Worldwide	+12.1%	+5.9%	+4.2%
Hyatt Hotels Corporation	+15.0%	n/a	n/a
Marriott International	+13.5%	+6.0%	+4.7%
Scandic Hotels	+10.6%	+11.0	(0.2%)
Wyndham Hotels & Resorts	+7.0%	n/a	n/a
Average	+13.9%	+9.7%	+3.5%

- Q2 2023 results reveal that major hotel companies have had a strong quarter compared to the same period last year
- RevPAR is up 13.9% compared to Q2 2022 and occupancy rates are now 3.5% higher than last year. This strong performance can be attributed to the fact there are no longer any COVID restrictions globally and demand for travel has returned
- CEO of Hilton, Christopher J. Nassetta said ""System-wide comparable RevPAR continued to expand throughout the quarter, experiencing growth across all of our customer segments and regions, driven by strong preference for our brands"
- Anthony Capuano, CEO of Marriott mentioned that "With continued momentum in demand for global travel, we posted another quarter of outstanding results. Q2 worldwide RevPAR increased 13.5%, aided by significant growth in all of our international regions. Greater China Q2 2023 RevPAR surpassed pre-pandemic levels"
- Mark S. Hoplamazian, CEO of Hyatt stated that "Outlook remains optimistic, fuelled by strong group booking activity during the quarter, resulting in 2024 group pace up 10%"

TRADING PERFORMANCE OF HOTEL COMPANIES

Company Name	Price Change (MoM)	Price Change (YoY)	Market Cap (€ mm)	EV (€ mm)	EV/Rev (FY+1)	EV/EBITDA (FY+1)	Net Debt/EV
Accor	0.8%	33.7%	9,083	10,650	2.25x	10.1x	15%
Airbnb	18.8%	36.9%	85,833	78,229	9.83x	38.69x	NA
Choice Hotels International	11.3%	7.1%	6,068	7,357	4.2x	14.6x	18%
Covivio Hotels	2.0%	5.3%	2,652	5,290	11.0x	20.1x	50%
Dalata Hotel Group	(8.2%)	19.7%	1,006	1,700	2.9x	8.1x	NA
Fattal Holdings	8.0%	(2.6%)	1,588	6,394	4.2x	21.2x	NA
Hilton Worldwide Holdings	6.8%	18.7%	37,549	44,959	4.7x	15.8x	16%
Hyatt Hotels Corporation	10.3%	51.2%	12,116	14,258	2.1x	12.9x	15%
IHG	7.0%	24.7%	11,481	13,088	6.8x	13.7x	12%
Mandarin Oriental International	(1.8%)	(13.2%)	2,039	2,221	6.5x	47.7x	8%
Marriott International	9.9%	26.5%	56,221	66,941	3.0x	15.5x	16%
Melia Hotels International	2.9%	5.4%	1,430	4,210	2.1x	8.4x	66%
NH Hotel Group	(0.5%)	26.2%	1,901	4,100	2.0x	7.1x	NA
Pandox AB	(1.3%)	(15.6%)	1,983	4,999	8.6x	15.4x	60%
Pierre et Vacances	(6.2%)	24.6%	723	3,320	0.3x	4.3x	78%
PPHE Hotel Group	(8.0%)	(31.1%)	514	1,630	4.93x	18.91x	68%
Scandic Hotels Group	(5.1%)	2.5%	666	4,612	2.56x	8.65x	86%
Sonder Holdings	11.3%	(61.2%)	124	1,297	0.2x	6.1x	90%
Whitbread Plc	3.3%	33.8%	8,051	12,384	3.5x	10.3x	35%
Wyndham Hotels & Resorts	13.6%	13.2%	6,104	7,814	5.7x	12.2x	22%
Average					4.2x	14.3x	
Median					3.8x	12.9x	

Metrics reported in the table include impacts of IFRS 16

Source: Yahoo Finance, Market Screener

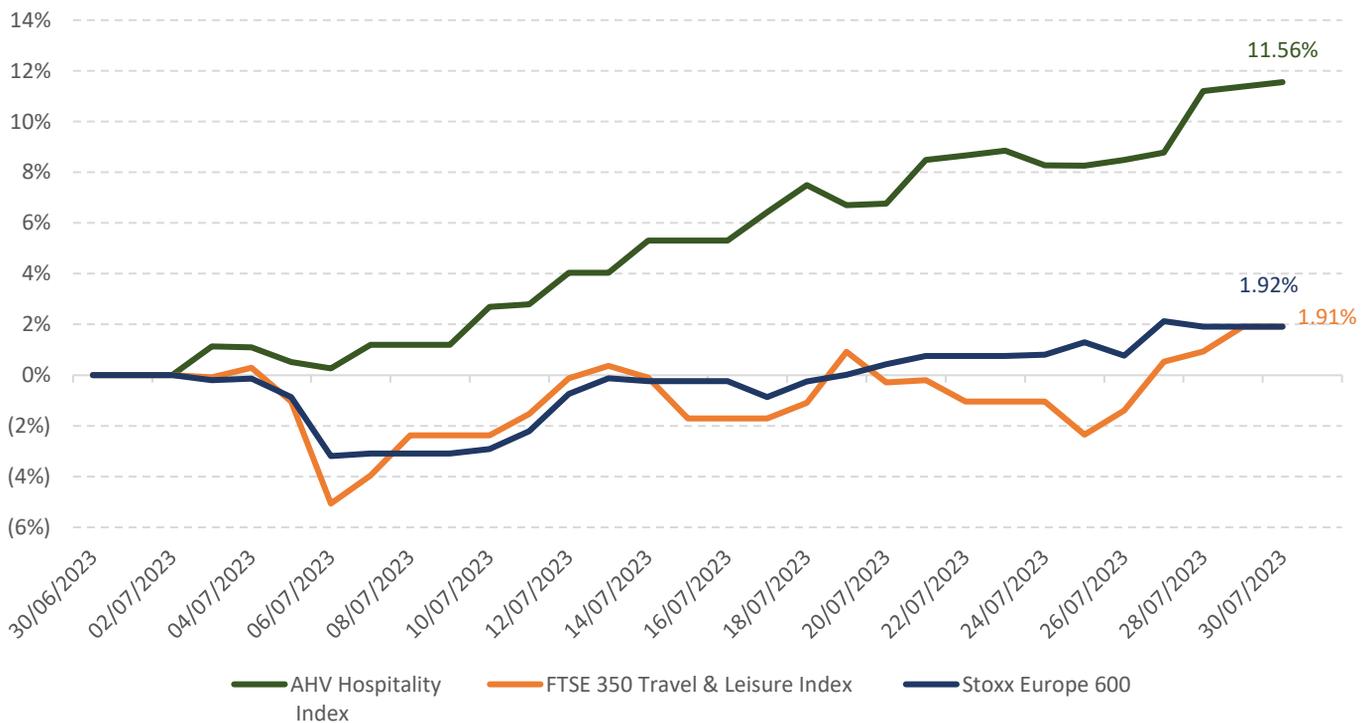
Trading performance of hotel companies included in the AHV Index as of 31/07/2023

AHV INDEX OUTPERFORMS ON AN ANNUAL BASIS

The AHV Hospitality Index is a market-cap weighted index of the 20 hotel companies with a significant European presence listed above. 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.



AHV HOSPITALITY INDEX OUTPERFORMS MOM



Source: Yahoo Finance, Investing.com



UK: Henderson Park Buys Landmark Edinburgh Hotel

Henderson Park, the private real estate investment fund manager, with its in-house hospitality operator and asset manager, Klarent Hospitality, has bought the landmark Waldorf Astoria Edinburgh – The Caledonian.

The price paid has not been disclosed but is understood to be around £80 million. It is the third Edinburgh hotel in Henderson Park's Klarent Hilton portfolio

UK: Oxford to invest £37 million in community hub and aparthotel

Oxford City Council is set to invest £37million to transform a city center cinema into a new community hub and aparthotel. The £37 million new building would meet modern building standards and include social value commitments through the construction and lease term, including apprenticeships for Oxford youngsters and paying all staff at least the Oxford Living Wage, including to those working at the aparthotel

UK: Apex Scottish buy

Apex Hotels has acquired the Pine Trees hotel in Pitlochry. The 29-room property, created from a Victorian mansion, was sold by Christie & Co for family owners.

Apex is seeking to diversify its brand, offering more regional and rural hotels. The company recently sold one of its central London hotels, to Dalata

UK: BANKS Antwerp now part of the Carlton Hotel Collection

Carlton Hotel Collection is expanding. The four-star BANKS Antwerp, located in the historic heart of the city, is the latest addition to its international hotel business. With its idiosyncratic character and unique location, the hotel fits perfectly within the collection. Carlton takes over both ownership and day-to-day operations. BANKS Antwerp is the second hotel in Belgium for Carlton Hotel Collection, bringing the total number of hotels to thirteen

FR: SD2P acquires the future You Urban Home in Amiens, France, from developer Vinci Immobilier

French owner-operator SD2P has acquired the 94-room future You Urban Home hotel in Amiens, northern France, from French developer Vinci Immobilier. The future hotel, located near the city's main train station is expected to have an F&B offering, co-working space, meeting facilities, private cinema room and a fitness area

FR: EXTENDAM and DG Invest acquires the Blue Sea Calas Marina hotel in Alicante, Spain

French investment firm EXTENDAM and its operating partner DG Invest have acquired the 118-room Blue Sea Calas Marina hotel in Benidorm, Alicante, Spain. Situated just 250 metres from Poniente Beach, the hotel includes a restaurant, swimming pool, meeting facilities and games room. Closed since 2020, the property is set to reopen as a 134-room Ibis Styles hotel in early 2025 after extensive renovation and repositioning works



FR: Biarritz buy

Investors Extendam and Annie Famose have jointly acquired the Radisson Blu hotel in Biarritz, France. The pair plan a major refurbishment of the 150-room asset. Annie Famose has around 40 hotels focused on the French Alps, and also runs a ski rental business. Lenders Genefim and Arkea Bank provided debt for the acquisition

SE: Pandox AB acquires Belfast hotel for £40m

Hotel ownership and management company Pandox AB has acquired Hilton Belfast for approximately £40 million

The property, which is situated in central Belfast just 200 meters from the central station, comprises 202 guest rooms and will be operated under a management agreement with Axiom Hospitality, subject to a franchise under the Hilton brand. Pandox acquired Hilton Belfast from a controlled affiliate of Starwood Capital Group and expects the hotel to generate a stabilised yield of approximately 10%

PT: Extendam backs Outside

Investor Extendam has acquired the 62 room Mouco hotel in Porto, Portugal. The property is operated by Outside, a specialist in short-term co-living, and co-working.

Extendam, which has other investments in Porto, notes city hotels exceed 70% occupancy from April to October. It is backing Outside as a new hospitality format that it wants to support

RS: Delta Real Estate acquires the Radisson Collection Hotel, Old Mill Belgrade in Serbia

Serbian firm Delta Real Estate has acquired the four-star, 236-room Radisson Collection Hotel, Old Mill Belgrade in Belgrade, Serbia, for an undisclosed amount. Located near the city centre, the hotel sits within the repurposed first steam-powered mill and includes 14 apartments. Delta's operations span retail, hotels, mixed-use developments and offices in Serbia and the Southeast Europe region

RO: Zamfir family acquires the Becali Hotel Inter in Venus, Romania

The Bucharest-based Zamfir family, owner of energy firm Energoutil Contact, has acquired the four-star, 98-room Becali Hotel Inter for €8 million (€82,000 per room) from Theodora and Mihai Mincu. The property is situated in Venus, Romania, on the coast of the Black Sea, and features two restaurants, an outdoor pool and direct access to the beach

ES: Reig Capital Group sells Mandarin Oriental hotel in Barcelona

Reig Capital Group has sold the emblematic Mandarin Oriental hotel in Barcelona to the Saudi fund The Olayan Group. Although the amount of the transaction has not yet been disclosed, the newspaper La Vanguardia puts the figure at more than €220 million. In 2009, Reig Capital bought the asset for around €150 million



CH: MDJM acquires two boutique hotels in Fife and Torquay

Chinese property investor MDJM has completed the acquisition of, and renovation works on, a portfolio of two boutique hotels in the UK: the three-star, 20-room Fernie Castle Hotel in Fife, Scotland, and the four-star, 13-room Robin Hill Hotel in Torquay, southwest England. Set across 17 acres, the original Fernie Castle dates back to 1353 and is situated within forest and lake surroundings some 40 miles north of Edinburgh. Post-renovation, the hotel can now host up to 180 guests for weddings and other events

US: Paris Marriott trades

AEW has acquired the 300 room Marriott Charles de Gaulle airport hotel in Paris. The property, which opened in 2002, was sold by Commerz Real. Marriott has 13 years remaining on a lease on the property, which is undergoing refurbishment. AEW expects to see upside from returning international travel, and as Paris hosts the summer Olympics in 2024

US: KSL Capital Partners Acquires A Majority Interest In Sereno Hotels

Sereno Hotels (“Sereno”), today announced that an affiliate of KSL Capital Partners, LLC (“KSL”) has acquired a majority interest in Sereno. Founded over 20 years ago by the Contreras family, Sereno is the owner-operator of the multi-award-winning ultra-luxury hotel Il Sereno located on the shores of Lake Como, Italy, and its sister resort, Le Sereno on the beach at Grand Cul de Sac on the island of St. Barthelemy

IRE: East Coast Catering acquires the Crowne Plaza Dundalk in Ireland from Tifco

East Coast Catering Ireland has acquired the four-star, 129-room Crowne Plaza Dundalk in Ireland, for €11 million (€85,000 per room) from Irish Tifco Hotel Group. The hotel, located 80 kms north of Dublin near the border with Northern Ireland, includes F&B outlets, meeting facilities and a gym. The new owner has plans to upgrade the Crowne Plaza Dundalk and operate it as a sister hotel alongside the nearby Fairways Hotel

IRE: Irish Hotel Market Q2 2023

A total of €91 million worth of Irish hotel transactions were completed in Q2 2023

Private investors, family offices and hotel groups dominated transactional activity. Occupancy levels in Dublin are 78% this year to the end of May. Yields for prime Dublin (leased) hotels are now 4.50% and trending ‘weaker’

PT: City SP: Azora secures €270m for south European multi-strategy vehicle

Azora has raised €270 million in equity commitments from a sovereign wealth fund for its new south European-focused multi-strategy vehicle targeting investment across real estate sectors including leisure

With an investment horizon of between five to ten years, the new vehicle has been launched to target a range of opportunities across the entire real estate sector



UK: Ruby opens new Notting Hill hotel

Ruby Zoe has opened in London's Notting Hill, which marks the Munich-based hotel group's second London property. Rooms consist of open washstands and glass rain showers, as well as cherry wood panelling. Guests can choose from a 15 sq m Nest room, a 17 sq m Cosy room, an 18-24 sq m Lovely room and a 30 sq m Wow room, with average room rates at £225 a night. The new hotel in Notting Hill is being developed in conjunction with UK investor and developer, Frogmore

UK: Mandarin Oriental Announces a Third Hotel in London for 2028

Mandarin Oriental Hotel Group will open its third London hotel in the British capital in 2028. Situated on London's South Bank with dramatic views over St Paul's Cathedral, Mandarin Oriental Bankside, London is positioned ideally to access both the City of London and the West End theatre and shopping districts, offering a perfect base for leisure and business travelers. The hotel will be part of the larger Bankside Yards development

UK: Wyndham Teams up with Roadchef to launch First Super 8 Hotel in the UK

Wyndham has partnered with Roadchef, one of the UK's leading motorway service area operators to open a Super 8 by Wyndham in Chester East, the brand's first entry in the UK. Expected to open this month following an extensive refurbishment project, the 41-room hotel is conveniently located just off the M56 motorway, serving road travellers around the Cheshire, Greater Manchester and North Wales areas of the UK

Sources: CBRE, Hospitality Net, The Caterer

FR: Hotels lift Covivio

Covivio's hotels business grew revenues 20.3% like for like, in the first half of 2023. European markets performed ahead of 2019 levels, led by recovery in Italy and France. Strong hotel performance led to a 42% increase in variable rent paid. While the group's office and residential assets were marked down by more than 5% in the half, hotels slipped just 0.8% in value

FR: Accor raises the bar

Accor saw RevPAR up 38% year on year, in the first half as revenues grew to €2,402m. A strong first half has led to increased full year expectations, with Ebitda guided at €930-970m. Luxury and lifestyle saw RevPAR up 24%, with the MEASPAC region leading the improvement. Accor has achieved net unit growth of 3.5% over the last 12 months

SE: Germany delivers for Pandox

Second quarter revenues at Pandox were up 16%, as more hotels paid rents above baseline levels. Germany was the market showing most improvement, as it catches up with stronger European country markets.

Pandox expects the next quarter to enjoy further growth, from strong summer leisure demand. During the first half, the company has refinanced SEK14,146m of debt with existing banks



SE: Scandic RevPAR record

Scandic Hotels reported second quarter net sales up 7.9% at SEK5,693m. RevPAR hit a record SEK828 during the quarter, while occupancy was 63%.

Openings have grown Scandic's portfolio by 3% year on year. The group recently signed a second site for its Scandic Go economy brand, and is looking for more

ES: Emesa & Sacresa Reactivate Finestrelles, in Esplugues de Llobregat, with an Investment Amounting to €270 Million

The property developer Sacresa and the company Emesa are going to build new offices, hotels and other facilities spanning more than 90,000 m2 in the Barcelona municipality.

Emesa and Sacresa are reactivating Finestrelles. With a joint investment of €270 million, the holding company owned by Emilio Cuatrecasas and the Catalan property developer are going to carry out one of the largest real estate projects in Barcelona

ES: Cash flows in at NH

NH Hotels grew revenues to €620m in Q2, up 22% year on year. Occupancy in southern European markets returned to 2019 levels.

Rates were strongest at Italian hotels, with ADR up to €175. Strong cash flow enabled NH to reduce debt by €62m in the first half, while also spending €55m on capex

IT: Statuto Group opens Rome EDITION Hotel (IT)

Statuto Group opened a 91-room Rome EDITION conceived and programmed by Ian Schrager. The hotel is located near Via Veneto, Piazza Barberini, the Spanish Steps, the Trevi Fountain, and Borghese Gardens. The hotel has three bars, a rooftop lounge, a show-kitchen restaurant, a wellness space with gym and treatment rooms, and a courtyard garden. The 91 rooms, including 17 suites, have all the design elements the brand is renowned for - the muted tones, the accents of walnut wood and custom-designed furniture

DE: DoubleTree by Hilton Berlin Ku'damm

Doubletree By Hilton Opens Its First Location In Berlin. DoubleTree by Hilton Berlin Ku'damm also offers 11 state-of-the-art meeting facilities and over 8,600 square feet of meeting space. This DoubleTree by Hilton in Berlin is the result of a franchise agreement with asset manager Blackstone and Event Hotels. The property benefits from a multi-million-euro remodeling

CR: €100 million hotel and aparthotel complex opens in Croatia

Serbian conglomerate MK Group has opened, in cooperation with developer Aleksandar Group, a five-star aparthotel complex in Croatia. The €100 million Pretram Resort & Residence complex covers 85,000 square metres in Savudrija, on the Adriatic coast, and consists of 55 villas and 197 apartments, built to "the highest standards for green building", MK Group said in a press release



HR: Marriott and Valdarke d.o.o. to bring a new hotel to Cres

Marriott International has signed an agreement with Valdarke d.o.o. to bring an Autograph Collection resort to the island of Cres in Croatia.

Expected to open in the second quarter of 2024. Plans for the seaside resort include 49 rooms and suites, two outdoor pools, a beach area, various dining options, and a spa. The hotel is planned to implement a sleek, contemporary exterior design with an interior concept inspired by the relaxed old village ambience

AL: Marriott partners Vlora Marina for hotel and resi project in Vlore

Marriott International has signed an agreement with Vlora Marina to open a new dual-branded property in Vlore, Albany, that will include a new hotel under the Marriott Hotels brand and Marriott Residences available for private ownership. In addition, the hotel and residences will encompass a marina complex with upward of 400 marina berths, and a promenade with entertainment, gastronomy and retail facilities

RO: Hotel Indigo enters Romania with Satu Mare opening

IHG Hotels & Resorts has announced the signing of Hotel Indigo Satu Mare, which marks the debut of the group's lifestyle Hotel Indigo brand in Romania. This property will occupy an Art Nouveau building in the city of Satu Mare in Romania's northern borderlands that's known as a gateway to some of the country's most picturesque landscapes

US: Wyndham looks abroad

International markets boosted Wyndham in the second quarter. International RevPAR was up 34% year on year, against 1% softer in the US.

The group reported revenues of \$358m for the second quarter, up 5% on a comparable basis. Global RevPAR was up 7% year on year for the period

US: Hilton ups expectations

Hilton declared net income of \$413m for the second quarter, beating guidance. Systemwide RevPAR was up 12.1% year on year.

The group added a net 11,200 rooms in the quarter and signed 36,000 to the pipeline. For the full year, Hilton expects to return \$2.4-2.6bn of capital to shareholders

Global: Mandarin Oriental profits double

Mandarin Oriental grew first half profits to \$28m, more than double the figure in 2019. Hotels in Europe and the Middle East performed particularly strongly.

MO is progressing its management business, with four hotels, a rebranding and a residences project all due to launch in the second half. New signings include a resort in Mallorca, hotels and residences in Athens and Bankside, London and a redevelopment in Miami

TRANSACTIONS

July '23 Activity



Corporate Transactions

Buyer(s)	Country	Target	Country	Deal Size (mm)	Deal Type
KSL Capital	US	Sereno Hotels	IT	Undisclosed	Majority Stake

Real Estate Transactions

Buyer(s)	Country	Target	Country	Deal Size (mm)	No. Of Rooms
Olayan Group	LI	Mandarin Oriental, Barcelona	ES	€ 220	120
Henderson Park	UK	Landmark Edinburgh Hotel	UK	£ 80	241
Padox AB	SE	Hilton, Belfast	UK	£ 40	202
Oxford City Council	UK	Oxford City Centre Cinema conversion to aparthotel	UK	£ 37	145
East Coast Catering	IRE	Crowne Plaza, Dundalk	IRE	€ 11	129
Zamfir family	RO	Becali Hotel Inter, Venus	RO	€ 8	98
AEW	US	Marriott Charles de Gaulle	FR	Undisclosed	300
Delta Real Estate	RS	Radisson - Old Mill, Belgrade	RS	Undisclosed	236
Extendam & Annie Famose	FR	Radisson Blu, Biarritz	FR	Undisclosed	150
Extendam	FR	Blue Sea Calas Marina Hotel, Benidorm	ES	Undisclosed	118
Extendam	FR	M.Ou.co hotel Porto	PT	Undisclosed	62
MDJM	CH	Two Boutique Hotels in Fife and Torquay	UK	Undisclosed	33

TRANSACTIONS

July '23 Activity



Real Estate Transactions

Buyer(s)	Country	Target	Country	Deal Size (mm)	No. Of Rooms
SD2P	FR	Urban Home Hotel, Amiens	FR	Undisclosed	94
K2RE	UK	Tre-Ysgawen Hall, Capel Coch	UK	Undisclosed	30
Apex Hotels	UK	Pine Trees Hotel, Pitlochry	UK	Undisclosed	29
Carlton Hotel Collection	UK	BANKS, Antwerp	BE	Undisclosed	n/a

MARKET SNAPSHOT (EUROPE)

Macroeconomic Metrics

	Real GDP Growth (vs same quarter last year)	Inflation	Unemployment Rate
United Kingdom	0.1% (Q1 2023)	7.3%	4.0%
European Union	0.5% (Q2 2023)	5.3%	6.4%

FX Rate	Current	MoM ($\Delta\%$)	YoY ($\Delta\%$)
GBP/EURO	1.160	(0.80%)	(2.22%)
EURO/USD	1.094	0.45%	6.78%
GBP/USD	1.270	(0.35%)	4.42%

Fixed Income and Equity Markets

Central Banks Interest Rates	Bank of England	European Central Bank	
	5.25%	3.75%	

Sovereign Bond Yield	Current	MoM (Δ bps)	YoY (Δ bps)
UK 10-Year GILT	4.41%	(0.70)	249.20
German 10-Year BUND	2.52%	6.00	169.70
Italy 10-Year BTP	4.16%	8.70	113.20
France 10-Year Bond	3.06%	5.80	168.80

Swap Rates	Current	MoM (Δ bps)	YoY (Δ bps)
3M SONIA – GBP – 5 Year	4.74%	(32.10)	290.70
3M EURIBOR – € – 5 Year	3.05%	(11.50)	190.40

Interbank Interest Rates	Current	MoM (Δ bps)	YoY (Δ bps)
SONIA*	4.93%	(0.02)	373.97
3M EURIBOR	3.72%	12.60	346.30

OAS** Corporate Spread Index	Current	MoM (Δ bps)	YoY (Δ bps)
S&P Eurozone Investment Grade	1.30%	(14.00)	(40.00)
BofA € High Yield	4.38%	(8.00)	(138.00)

European Stock Indexes	Current	MoM ($\Delta\%$)	YoY ($\Delta\%$)
STOXX Europe 600	461	(0.18%)	5.74%
FTSE 100	7,555	0.47%	1.97%
DAX 30	16,023	(0.10%)	25.34%
FTSE MIB	29,040	2.30%	29.93%
CAC 40	7,326	(0.59%)	14.30%

Market Snapshot (Europe) as of 31/07/2023

*SONIA is the average of the interest rates that banks pay to borrow sterling overnight from other financial institutions

**OAS is Option-Adjusted Spread and the index is constructed using each constituent bond's OAS, weighted by market cap

Source: ECB, FED, S&P Market Intelligence, IMF, ONS, Chatham Financial



Key Industry Publications – July 2023

- **Christie & Co:** ‘Hotels 2023 Mid-Year Review’ | July 2023
- **Hospitality Investor :** ‘Hospitality Investor Sentiment Index’ | July 2023

Hospitality Conferences & Events

- **Hotel Data Conference | 9-11 August 2023 | Nashville, USA Kingdom**

The Hotel Data Conference is a hospitality conference for data and technology professionals looking to access the latest insights, technologies, and strategies for leveraging data and driving success in the hospitality industry. The Hotel Data Conference is focused on a wide range of topics, including data analytics, guest experience, and technology innovation. In addition, attendees can learn from the conference’s exhibitions and top professionals in the sector about the latest data trends, best practices, and emerging technologies in the field

APPENDIX I

Corporate Transactions – Recent Notable Activity



Date	Buyer(s)	Country	Target	Country	Deal Size (mm)	Deal Type
Jul '23	KSL Capital	US	Sereno Hotels	IT	Undisclosed	Majority Stake
Jun '23	Goldman Sachs Asset Management	US	FTC Hotels	GR	Undisclosed	Acquisition
May '23	Marriott International	US	City Express	UK	\$ 100	Acquisition
May '23	Hyatt Hotels Corporation	US	Mr & Mrs Smith	UK	£ 53	Acquisition
Apr '23	Bob W	FI	Charly Hospitality	DE	Undisclosed	Acquisition
Mar '23	Blantyre & Fairtree	UK	Crerar Hotel Group	UK	Undisclosed	Acquisition
Feb '23	Fondo Italiano & Eulero Capital	IT	HNH Hospitality	IT	Undisclosed	Acquisition
Jan '23	Sortis Holdings	US	Ace Group International	US	\$ 85	Acquisition
Dec '22	Highgate Hotels	US	Viceory Hotels & Resorts	US	Undisclosed	Acquisition
Nov '22	Palace Resorts	MX	Baglioni Hotels & Resorts	IT	Undisclosed	Majority Stake
Oct '22	L+R	UK	Whitbread	UK	£ 165	Minority Stake
Sept '22	Wyndham Hotels	US	Vienna House	DE	€ 44	Acquisition
Sept '22	GIC	SG	Sani/Ikos Group	GR	Undisclosed	Majority Stake
Aug '22	The Central House (TCH)	ES	Rodamon Hostels	ES	Undisclosed	Acquisition



Date	Buyer(s)	Country	Target	Country	Deal Size (mm)	No. Of Rooms
Jul '23	Olayan Group	ES	Mandarin Oriental Barcelona	ES	€ 220	120
Jun '23	Dalata Hotel Group	IE	Apex Hotel London Wall	UK	£ 53.4	89
Jun '23	ADIA	SA	17-hotel portfolio in Spain	ES	€ 600	2,500
May '23	Fattal Hotel Group	IL	Grand Brighton Hotel	UK	£ 50-60	201
Apr '23	Ares Management	US	Landsec - 21 properties	UK	£ 400	3,766
Apr '23	Stoneweg Hospitality	CH	La Niña & Palace de Muro	ES	€ 83	410
Mar '23	Pandox	SE	Best Western Stockholm	SE	SEK 400	221
Mar '23	Perial	FR	Dolce Sitge Hotel Barcelona	ES	€ 63	263
Mar '23	Firmdale Hotels	UK	Covent Garden Hotel	UK	£ 55	58
Feb '23	Sistema	RU	Ten Hotels in Russia from Wenaas Hotel	RU	€ 203	n/a
Feb '23	Fattal Group	ISR	Grand Hotel Brighton	UK	£ 60	201
Jan '23	Arp-Hasen	DK	The Square Copenhagen	DK	€ 73.8	268
Jan '23	Davidson Kempner	US	Portfolio of Portuguese Hotels	PT	€ 850	n/a
Jan '23	Blasson	ES	Sofia Hotel Barcelona	ES	€ 230	465
Dec '22	Schroders	UK	Ennismore Amsterdam & Paris	NL & FR	€ 260	283



Date	Buyer(s)	Country	Target	Country	Deal Size (mm)	No. Of Rooms
Nov '22	CPPIB and Hamilton-Pyramid	UK	W Hotel Rome	IT	€ 172	162
Nov '22	Hova Hospitality	FR	Staycity Dublin	IRE	€ 38	340
Oct '22	Fattal Group	IL	Dilly Hotel London	UK	£ 90	280
Sept '22	Patrizia	DE	Two Student Hotels Barcelona	ES	£ 110	635
Sept '22	Pandox	SE	DoubleTree by Hilton Bath	UK	£ 40	176
Aug '22	Crimson Hotels	UK	Trafalgar Square Hotel	UK	£ 130	131
Aug '22	L+R Hotels	UK	Hotel Excelsior Venice	IT	€ 100	197
Aug '22	Davidson Kempner Capital Management LP	US	Project Crow	PT	€ 850	2,662
Jul '22	Fattal Hotels	ISR	6 Alua Hotels	ES	€ 165	1,119
Jul '22	Select Group	UAE	The Mere Golf Resort Knutsford	UK	Undisclosed	81
Jul '22	Universities Superannuation Scheme (USS)	UK	Butlin's Assets	UK	£ 300m	n/a
June '22	Vertiq Capital	IT	Bankside Hotel London	UK	Undisclosed	161
June '22	Brookfield Asset Management	CA	Hotel Princesa Plaza	ES	€ 175	423
June '22	Experimental Group	FR	The Regina Le Garage	FR	Undisclosed	99
May '22	Tristan Capital Partners	UK	QO Hotel (Amsterdam)	NE	€ 92.1	288

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