



HOSPITALITY NEWSLETTER

A Monthly Publication of AHV Associates

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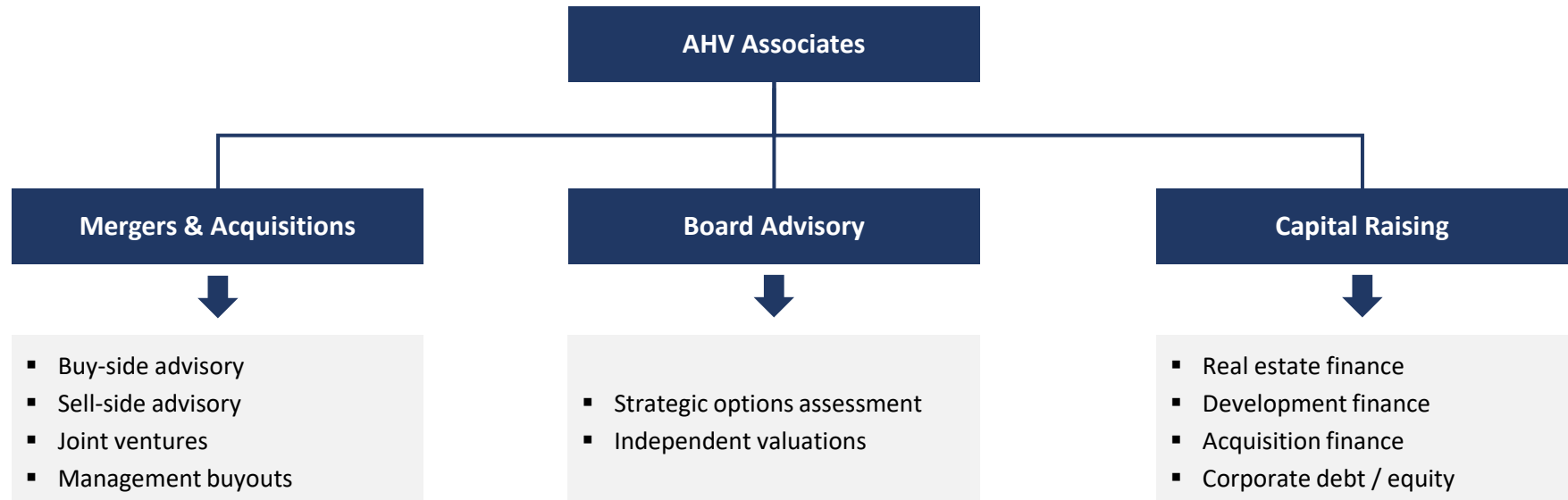
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AHV
ASSOCIATES

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 Bank of England cut interest rates by 25bps to 4.5%, following a reduced GDP growth forecast of 0.75% (from 1.5%). The decision was split, with two out of nine committee members voting for a larger cut, reflecting growing concerns over slowing economic momentum. Inflation eased to 3.4%, the lowest in 2.5 years, but is expected to rise to 3.7% later this year due to higher energy costs and utility costs. The BoE aims to bring inflation down to its 2% target by end-2027.

In the Eurozone, inflation slowed to 2.4%, supported by easing energy costs (0.2% in February, down from 1.9% in January), while core CPI remains elevated at 2.6%. In general, inflation risks persist amid geopolitical tensions and uncertainty over US trade policy, with markets pricing in a further 25bps ECB rate cut this month.

Hotels Trading Performance

FY-24 saw a shift from the leisure-led recovery of 2023 to a more balanced mix, with corporate, group, and international travel contributing more meaningfully to demand. While leisure demand remained healthy, it showed signs of plateauing, particularly in economy and midscale brands, where performance was comparatively weaker as opposed to the outperforming luxury and extended stay segments.

Major hotel companies announced their FY-24 earnings results in showing steady growth across all trading KPIs. On average, RevPAR increased by 4.6%, driven primarily by higher ADR, highlighting industry's strong pricing-power, with more modest contributions from travel recovery leading to slight occupancy gains

The AHV Hospitality Index rose 3.92% in February, with Minor Hotels Europe & Americas and Covivio Hotels being the leading performers as their share price increased by 21.9% and 10.9% respectively. Minor's share price hit a 52-week high of \$6.36 following record revenues of €2,427 million (+12%) in 2024, supported by strategic growth and a 5.6% ADR increase to €145. Covivio Hotels' share price climbed 6% post-earnings, with net income up 10% year-on-year.

Transaction Activity

According to JLL, hotel investment volumes are expected to increase by 15%-25% in 2025, while global hotel supply is forecast to grow by just 2%, which is 220 bps below the long-term average. This limited new supply, as reflected in recent transactions, is likely to drive hotel groups to deploy their balance sheets to pursue net unit growth—a strategy that has been a key driver of shareholder's value in 2024, as highlighted in full-year earnings.

A large number of transactions of varying profiles were announced during February, making this month one of the most important since the initiation of our newsletter: The flourishing investment activity also included a number of real estate portfolio and corporate deals completed both by financial and trade buyers, highlighting the continuous strong interest in the hospitality space and the consolidation trend driven by the leading players in the industry

In terms of European hotel real estate portfolio transactions, we recorded the following five deals:

- Capman acquires a 28-hotel portfolio in Scandinavia from Midstar Hotels
- HR Group acquires a 10-hotel portfolio from H World International
- Hyatt acquires a portfolio of three Spanish resorts for €120m and it is important to note their tender offer to acquire Playa Hotels & Resorts for \$2.6b
- Henderson Park acquires a portfolio of five French hotels with Aream
- Wihlborgs acquires two hotels in Sweden from Granitor

In terms of Corporate M&A, we've seen acquisitions that were driven both from trade buyers seeking inorganic ways to expand their portfolio, as well as non-trade buyers lured in by the industry's strong fundamentals among other deal-specific reasons. The most noteworthy deals fitting into this category have been:

- HR Group acquires H-Hotels Group with more than 60 properties
- PAI Partners acquires an 80% stake in Motel One
- Firmdale Hotels sells a 20% stake to a Swedish tycoon for reportedly £300m
- IHG has acquired Europe's Ruby hotel brand for €110m

FY 2024 vs FY 2023 EARNINGS RESULTS

Hotel Group	ADR	Occupancy (absolute)	RevPAR
Accor	+3.8%	+1.2%	+5.7%
Choice Hotels	-0.3%	-0.5%	-1.2%
Hilton	+1.6%	+0.8%	+2.7%
Hyatt Hotels	+1.6%	+2.0%	+4.6%
IHG	+2.1%	+0.6%	+3.0%
Marriot International	+2.8%	+1.0%	+4.3%
Melia Hotels	+7.8%	+1.6%	+10.7%
PPHE Hotel Group	-3.2%	+2.2%	-0.3%
Scandic Hotels Group	+1.5%	+0.7%	+2.2%
Sonder Holdings	+11.8%	+2.0%	+14.0%
Average	+3.0%	+1.3%	+4.6%

- The latest earning announcements reflect a solid financial performance in FY-24, with healthy REVPAR increases attributable to both ADR growth as well as improving occupancy levels which are now almost on par with 2019.
- In 2024, major hotel groups significantly increased shareholder returns through enhanced dividends and expanded share repurchase programs including:
 - **IHG:** Completed an \$800 million share buyback and paid \$259 million in dividends, with a proposed 10% increase in the final dividend
 - **Hyatt Hotels:** Returned \$1.25 billion through dividends and share repurchases
 - **Hilton:** Repurchased 3.1 million shares of common stock in Q4 and delivering a total \$3.0 billion in capital returns for the year
- Additionally, we observe a very strong portfolio growth for most major hotel groups. For example, Hyatt reported a 7.8% increase in net rooms and a pipeline of approximately 138,000 rooms, driven by brand acquisitions (The Standard and Bunkhouse hotels) and the strategic joint venture with Grupo Piñero. Also, Hilton added 98,400 rooms to its system during the year, achieving a net unit growth of 7.3% and expanded its development pipeline to nearly 500,000 rooms, reflecting an 8% growth YoY



“The purposeful evolution of our business model and strong brand focus has accelerated our network effect benefiting each of our stakeholders. Our fourth quarter results demonstrate the strength of our commercial offerings, as evidenced by the growth of the World of Hyatt loyalty program, which reached approximately 54 million members. Our operating results and industry leading net rooms growth allowed us to achieve record levels of gross fees while returning over \$1.2 billion to shareholders in 2024.”

– Mark S. Hoplamazian, President & CEO of Hyatt

“Marriott achieved excellent results in 2024, as we delivered best-in-class experiences that helped drive strong demand for our industry leading portfolio of brands. Full year global RevPAR rose 4.3 % and, with record gross room additions of over 123,000, net rooms grew 6.8 percent to over 1.7 million rooms worldwide at year end”

– Anthony Capuano, President & CEO of Marriott International



TRANSACTIONAL ACTIVITY FEBRUARY '25

Real Estate Transactions					
Buyer(s)	Country	Target	Country	Deal Size (mm)	No. of keys
Limestone Capital	CH	Nobu Hotel, Shoreditch London	UK	Undisclosed	164
Whitbread	UK	Office Building, City of London	UK	Undisclosed	150
Britannia Hotels	UK	Crowne Plaza Felbridge	UK	Undisclosed	116
Undisclosed	n/a	Hotel Victoria, Newquay	UK	Undisclosed	102
Andras House	UK	Travelodge Belfast	UK	UK	90
Melville Hotels Group	UK	The Popinjay Hotel in Edinburgh	UK	Undisclosed	34
Kronen Collection	UK	Borrowdale Gates Hotel Lake District	UK	Undisclosed	30
Truffle Hotels	UK	Mere Court Hotel	UK	£ 4	35
Oberland	UK	the Arthouse Hotel in Glasgow	UK	Undisclosed	59
HR Group	DE	10 Intercity/Steigenberger Hotels in Germany	DE	Undisclosed	1600
Plaza Hotelgroup	DE	Undisclosed	DE	Undisclosed	180
Privathotels Dr. Lohbeck	DE	Hotel Schwarzmatt	DE	Undisclosed	41

TRANSACTIONAL ACTIVITY FEBRUARY '25

Real Estate Transactions					
Buyer(s)	Country	Target	Country	Deal Size (mm)	No. of keys
Hyatt	US	3 Alua Hotels in Tenerife	ES	120	1200+
Catalonia Hotels & Resorts	ES	Hesperia del Mar in Barcelona	ES	25	84
Undisclosed Singaporean investors	SG	La Reserva Rotana in Mallorca	ES	Undisclosed	24
Henderson Park	UK	5 Novotel Suites Hotels in France	FR	Undisclosed	645
Undisclosed	n/a	Hôtel Mister bed Berck / Rang-du-Fliers	FR	Undisclosed	65
Undisclosed	n/a	Victoria Lyon Centre Perrache Confluence Hotel	FR	Undisclosed	50
Dreamplace Hotels	ES	Holiday Inn Express City Hall	NL	20.3	89
Spanish Investor	ES	Holiday Inn Express City Hall Amsterdam	NL	Undisclosed	80
RJD Hotels	NL	Back-Stage Hotel Amsterdam	NL	Undisclosed	22
Schroders Capital	UK	NH Collection Milan CityLife Hotel	IT	Undisclosed	185
Investor Gruppo Statuto	Italy	Caesar Augustus Hotel Anacapri	IT	180	49
CapMan Real Estate	FI	Portfolio of 28 hotels	SE, NO, DE	Undisclosed	4709

TRANSACTIONAL ACTIVITY FEBRUARY '25

Real Estate Transactions					
Buyer(s)	Country	Target	Country	Deal Size (mm)	No. of keys
Wihlborgs	SE	Clarion Hotel & Congress Sea U and the Scandic Oceanhamnen	SE	Undisclosed	434
Family Office	n/a	Milling Hotel Vejle	DK	Undisclosed	135
Atomis Hotels	DE	Hotel Kaffeemühle Vienna	AT	Undisclosed	76
Hotels Properties Ltd	SG	Marine Hotel IN	IR	10	48
Arrow Global	UK	Troia Resort	PT	Undisclosed	205
Olala Homes	ES	The São Felix Hotel Laundos	PT	Undisclosed	46

TRANSACTIONAL ACTIVITY JANUARY '25

Corporate Transactions					
Buyer(s)	Country	Target	Country	Deal Size (mm)	Deal type
Hyatt	US	Playa Hotels & Resorts	US	\$2600	Acquisition
Lennart Perlhagen	SE	Firmdale Hotels	UK	£300	Minority Stake
HR Group	DE	H Hotels	CE	Undisclosed	Acquisition
PAI Partners	FR	Motel One	DE	€3,500 valuation	Majority Stake
IHG	UK	Ruby	DE	€110.5	Brand 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	(3.4%)	22.9%	11,855	14,452	2.2x	10.5x	18%
Airbnb	6.3%	(8.3%)	85,292	74,335	5.4x	15.2x	(15%)
Choice Hotels	(2.8%)	29.4%	6,391	8,096	4.8x	12.9x	21%
Covivio Hotels	10.9%	50.7%	3,154	6,493	11.1x	21.1x	51%
Dalata Hotel Group	1.4%	3.1%	1,030	2,029	2.8x	7.9x	49%
Fattal Holdings	(2.3%)	(1.5%)	2,080	8,236	3.9x	18.1x	75%
Hilton Worldwide	1.2%	28.0%	61,307	71,017	5.8x	18.8x	14%
Hyatt Hotels	(12.0%)	(7.4%)	13,097	15,741	2.1x	13.0x	17%
IHG	(5.9%)	17.5%	19,132	21,866	8.7x	16.0x	13%
Mandarin Oriental	(0.6%)	22.5%	2,169	2,364	4.2x	16.5x	8%
Marriott International	(4.4%)	12.6%	74,584	87,968	1.1x	7.5x	15%
Melia Hotels	0.5%	8.2%	1,634	4,216	1.8x	6.8x	61%
Minor International	21.9%	(6.8%)	4,607	9,640	1.8x	6.6x	52%
Pandox AB	(1.6%)	30.2%	3,450	6,873	9.4x	17.9x	50%
Pierre et Vacances	(7.5%)	20.7%	704	3,859	2.0x	0.0x	82%
PPHE Hotel Group	0.4%	(0.7%)	664	2,192	2.7x	8.4x	70%
Scandic Hotels Group	10.1%	71.1%	1,660	5,665	2.6x	8.4x	71%
Sonder Holdings	(5.5%)	(58.3%)	29	1,444	0.0x	-0.8x	98%
Whitbread	(4.7%)	(23.0%)	5,675	11,370	3.2x	8.6x	50%
Wyndham	2.9%	42.6%	8,085	10,288	6.7x	13.2x	21%
Average					4.1x	11.3x	
Median					3.0x	11.7x	

Metrics reported in the table include impacts of IFRS 16

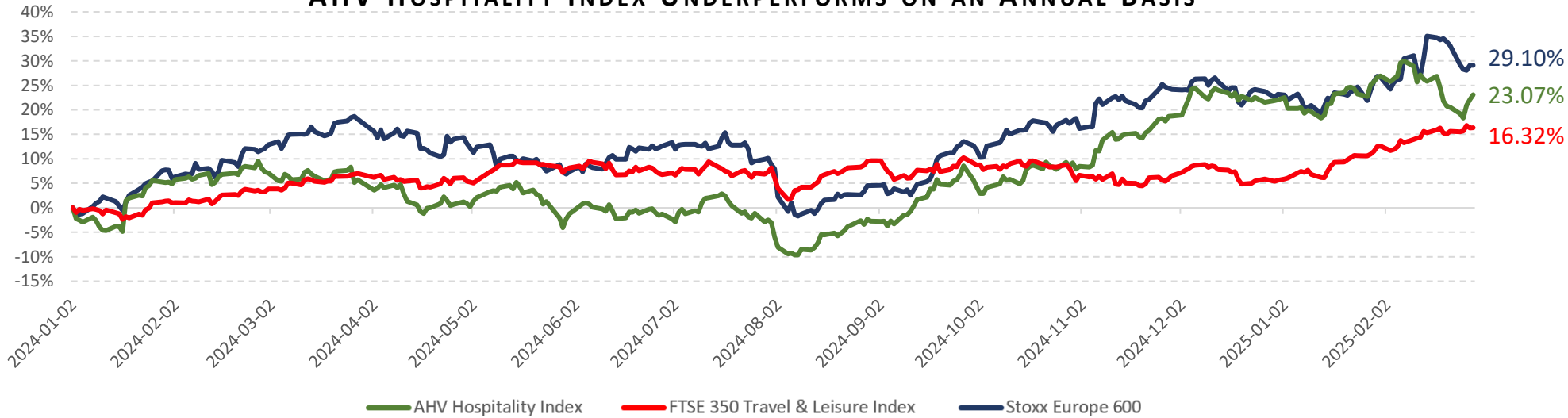
Source: Yahoo Finance, Market Screener

Trading performance of hotel companies included in the AHV Index as of 28/02/2025

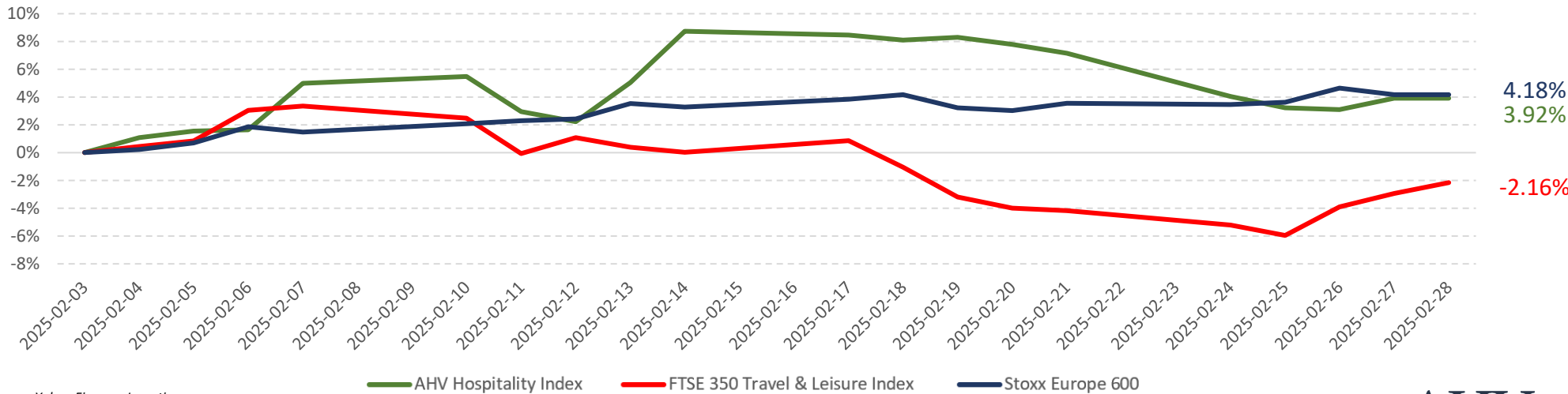
AHV INDEX PERFORMANCE

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

AHV HOSPITALITY INDEX UNDERPERFORMS ON AN ANNUAL BASIS



AHV HOSPITALITY INDEX UNDERPERFORMS ON A MONTHLY BASIS



Source: Yahoo Finance, Investing.com

EU: HRG completes the H-Hotels and 10 Intercity/Steigenberger hotels acquisitions

HR Group announced the completion of two transaction, HR Group (HRG) takes over 23 Intercity/Steigenberger Hotels and H-Hotels Group, which includes a portfolio of 64 hotels across Germany, Austria, Switzerland, France, and Hungary. The first 10 of 23 planned Intercity and Steigenberger Hotels are now being transferred to HR Group. According to hospitalityInside, negotiations for the Intercity and Steigenberger deal have been ongoing for two years. However, the signings have been delayed, with completion now expected by the end of February 2025. The H-Hotels Group has been fully acquired by HRG

DE: PAI buys into Motel One

PAI Partners, a private equity firm, has agreed to enter into a proprietary partnership with a consortium led by Dieter Müller for Motel One Group. PAI will become the majority owner of Motel One, with a share of c. 80% in the operating business. Following the transaction, Founder of Motel One, will remain Chairman of the company. Independently of the partnership with PAI

INT: Hyatt Hotels has agreed a deal to acquire Playa Hotels & Resorts

Hyatt Hotels Corporation today announced that Hyatt has entered into an agreement to acquire all outstanding shares of Playa Hotels & Resorts for \$13.50 per share, or approximately \$2.6 billion, including approximately \$900 million of debt, net of cash. Hyatt remains committed to its asset-light business model and intends to identify third-party buyers for Playa's owned properties. Following the close of the transaction, Hyatt anticipates realizing at least \$2.0 billion of proceeds from asset sales by the end of 2027 and expects asset-light earnings to exceed 90% on a pro forma basis in 2027

UK: Limestone Capital has acquired the Nobu Hotel London Shoreditch

The 164-bedroom east London hotel launched in 2017 as Nobu Hospitality's first European hotel. Limestone Capital, which also owns hotels in Portugal, Italy, France and Spain, said the deal was a strategic investment as it looks to strengthen its presence across major European markets, limestone will convert it to Aethos Hotel, Limestone's 5-star urban hotel brand

EU: IHG has acquired Europe's Ruby hotel brand in a €110m deal

IHG has acquired Europe's Ruby hotel brand in a EUR110m deal. The purchase of its 20th brand was revealed with full year results that saw RevPar improve 3% in 2024. The Ruby brand currently operates 20 hotels – comprising 3,483 rooms – across Europe, with nine in Germany, three in London, three in Vienna, two in Switzerland and one in each of Italy, Ireland and the Netherlands. The brand also has ten more hotels in the pipeline set to open by the end of 2027 in cities including Edinburgh, Marseille, Rome and Stockholm. Ruby SARL will retain its operating company, with the deal incentivising it to support future global growth

SE: CapMan buys 28 hotel portfolio in Scandinavia

Investment fund CapMan Hotels II, a division of CapMan Real Estate, has acquired a portfolio of 28 hotels with 4,709 rooms from Norwegian firm Midstar Fastigheter AB, part of Stockholm-based Midstar Hotels AB. The hotels are all in Scandinavia: 16 in Sweden; eight in Norway; and four in Denmark, spanning across primary, secondary and tertiary markets, including Gothenburg, Sweden, and the three capital cities of Stockholm, Oslo and Copenhagen. The hotels' brands are a mixture of Best Western, Elite, Scandic and Strawberry

FR: Firmdale sells 20% stake to Swedish pharma tycoon

London-based boutique hotel group Firmdale has sold a 20% stake in the company to Swedish pharmaceutical entrepreneur Lennart Perlhagen in a deal reportedly worth £300 million. The transaction marks the first time the group has brought in an external investor since its founding in 1985 by husband-and-wife duo Tim and Kit Kemp. Firmdale operates eight hotels in London, including Ham Yard Hotel, The Soho Hotel, and Charlotte Street Hotel, as well as three in New York, with a fourth, Warren Street Hotel, opening in early 2024. Perlhagen is the founder of Novocure and a former executive at AstraZeneca and Farmitalia SpA. He built Cross Pharma into a business valued at more than £3 billion. His connection to Firmdale reportedly comes through his relative Mona Perlhagen, head of Chelsea Textiles, which supplies fabrics for the group's hotels. For the year ending 31 January 2024, Firmdale Holdings reported a record £198.2 million in revenue, generating £17.8 million in operating profit

IT: Investor Gruppo Statuto has bought the Caesar Augustus hotel in Anacapri, Italy for €180m

Investor Gruppo Statuto has bought the 49-room Caesar Augustus hotel in Anacapri, Italy for €180m (€3.2m per key). The hotel has been owned since 1940 by the Signorini family, who created the hotel by converting a residential villa originally constructed in 1850. Caesar Augustus hotel joins Statuto's growing portfolio of Italian luxury hotels, including the Six Senses Rome and Four Seasons in Milan

ES: Hyatt has acquired three more Spanish resorts for €120m

The American hospitality giant Hyatt Hotels has increased its investment in Canary Islands with the acquisition of three hotels in Tenerife for €120m. The three properties were previously owned by the British investment fund Blantyre Capital, which had acquired them in 2020 from Gema Hoteles for €50m, later investing an additional €20m in renovations. The new hotels now under Hyatt's ownership are: Alua Atlántico Golf Resort (San Miguel de Abona), Alua Tenerife (Puerto de la Cruz), Alua Soul Orotava Valley (Puerto de la Cruz). These three resorts, with over 1,200 rooms, were already under Hyatt's management, but this acquisition marks a significant step towards full ownership

UK: Shiva Hotels secures a £300 million refinancing of its The BoTree hotel

Owner operator, Shiva Hotels has completed a £300m refinancing of its Marylebone hotel The BoTree with BlueWater Capital and NorthWall Capital. BlueWater provided a £170m senior loan and NorthWall contributed a £140m secured facility. The 199-room property was previously brought to market due to an outstanding debt of £275m, with a senior loan from Cale Street and a junior facility from Crosstree. With the new refinancing secured, a potential sale is no longer being pursued

EU: OakNorth has agreed to £77m loan for aparthotel Staycity's expansion plans

OakNorth has provided a £77m loan to Staycity Group as the aparthotel operator looks to triple in size by 2029, expanding to 18,000 keys across Europe. Staycity currently operates 6,000 keys across 36 aparthotels under its Staycity Aparthotels and Wilde brands. The funding builds on an existing partnership with OakNorth and will support future growth, including the acquisition of a 74.9% stake in Munich-based Felix Group

IT: Schroders Capital has bought the NH Collection Milan CityLife hotel from Invesco Real Estate

The 185 room property opened in 2022, having been developed around a former church. The asset will be held in one of Schroders' pan-European hotel funds. The sale has allowed Invesco to capitalise on the strong recent performance in the Milan market, releasing funds for reinvestment in higher-return opportunities.

FR: Henderson Park Acquires Portfolio Of Five French Hotels

Henderson Park, the international private equity real estate firm, has acquired a portfolio of five hotels in France alongside asset management company Astream, a leading French tourism firm headquartered in Paris. The purchase was undertaken in two separate transactions comprising the acquisition, from French institutional investors, of the hotel properties historically operated via variable lease contracts and, simultaneously, the transfer of the operations by the hotel operator. The portfolio comprises 645 rooms in mid-scale hotels built between 2000 and 2011 that are operated under the Novotel Suites brand. The portfolio comprises Paris – Issy-les-Moulineaux (128-room), Paris – Montreuil (166-room), Paris – Saint-Denis (101-room), Lille (126-room) and Cannes (124-room)

DE: Plaza Hotel Group acquires Ibis Budget Hamburg Altona from Union Investment

German owner-operator Plaza Hotel Group has acquired the 180-room Ibis Budget Hamburg Altona, part of a 10,315 sqm mixed-use development in Hamburg, from German real estate investment manager Union Investment. The property, formerly part of Union's open-ended mutual property fund Immofonds 1, is located in Hamburg's Altona district, approximately 3 km from Hamburg Messe. The hotel features a breakfast restaurant and car parking. Plaza Hotel Group now operates over 50 hotels across Europe

DE: ANH Hausbesitz acquires former Ibis Styles Berlin City

German real estate manager ANH Hausbesitz has acquired the former three-star, 75-room Ibis Styles Berlin City Ost, located in Berlin's Friedrichshain district, three minutes from the train-station. The property comprises three buildings, which will undergo extensive renovation, with the front building set to be transformed into a modern hotel and the other two converted into commercial spaces

UK: Whitbread has acquired a City of London office block for conversion to a Hub by Premier Inn

Whitbread has acquired a City of London office block for conversion to a Hub by Premier Inn. 35 Red Lion Square was bought from the Royal College of Anaesthetists. Whitbread currently has 18 Hub hotels, of which 15 are in London. The group says it is actively searching for 40 more sites within the M25, for Premier Inn and Hub developments

SE: Wihlborgs acquires two hotels in Helsingborg, Sweden, from Granitor

Swedish real estate manager Wihlborgs Fastigheter has acquired the 250-room Clarion Hotel & Congress Sea U and the 184-room Scandic Oceanhamnen, both in Helsingborg, Sweden, from Swedish real estate developer Granitor Properties. Helsingborg is located in the south of Sweden, only some 60 kms from both Malmo in Sweden and Copenhagen in Denmark. The acquisition is part of a portfolio deal that includes six additional mixed-use developments, with a total portfolio price of SEK 2.4 billion (approximately €214 million). Both hotels are situated in Helsingborg's port. The Clarion is leased to the Strawberry Group until 2040, and the Scandic is leased to Scandic Hotels until 2042

ES: Catalonia Hotels acquires Hesperia Barcelona Del Mar for €25.3m

Catalonia Hotels & Resorts has acquired the four-star, 84-room Hesperia Barcelona Del Mar from Spanish private equity firm Meridia Capital, marking the completion of Meridia's Fund IV divestment. The transaction was valued at €25.3m (€301,200 per room). Meridia, which acquired the hotel in March 2020 and initiated eviction proceedings against the tenant for non-payment in July 2020, has reported a €10.8m profit from the sale

UK: Leumi has agreed a £70m debt refinancing with Zetland for two Marriott Hotels

Leumi has agreed a £70m refinancing of two four-star Marriott hotels in Manchester and Edinburgh, securing the loan for funds managed by Zetland Capital. The Manchester Marriott features 338 rooms across seven floors. The Edinburgh Marriott Hotel Holyrood, a six-floor, 160-room property, has undergone extensive refurbishment following its acquisition by Zetland Capital. Both hotels were formerly Macdonald properties

PT: Arrow Global acquires Troia Resort

SC Investments has reached an agreement with ACO Cedar, managed by Arrow Global Group, for the sale of the Troia Resort assets, which include the management of hotels and activities on the Setúbal peninsula. The 5* hotel includes 61 rooms and 144 apartments and residential suites

NL: Caransa Groep sold the Holiday Inn Express hotel in Amsterdam

Caransa Group sold the Holiday Inn Express City Hall in Amsterdam's Valkenburgstraat to the Spanish investor Dreamplace Hotels for €20.3M. This marks the group's first hotel sale in 30 years. The site's journey began during the financial crisis as a planned 40-apartment development. When financing stalled, real estate developer Kompaan Vastgoed pivoted to an 89-room hotel concept, selling the project to Caransa Groep for €4.8M in 2016. Partnering with local developer Foruminvest, the hotel was later leased to Borealis under a long-term agreement

IT: Invel loans to Baccarat

Invel Real Estate has loaned €111.2m to fund the creation of the Baccarat Hotel in Rome. SH Hotels is refurbishing the former Hotel Majestic in the city, aiming to relaunch in late 2026. The reimaged hotel will have 87 rooms, and a rooftop bar and lounge.

UK: Britannia Hotels acquires Crowne Plaza Felbridge from MCAP Global Finance

British owner-operator Britannia Hotels has acquired the 116-room Crowne Plaza Felbridge in West Sussex, located 12 km from London's Gatwick Airport, from MCAP Global Finance, the UK arm of New York-based Marathon Asset Management. The property features a restaurant, bar, event spaces, and a spa. Britannia plans to invest in the hotel's facilities and rebrand it as Elite Venue Selection Felbridge

KEY INDUSTRY NEWS – (RE)DEVELOPMENT, PLANNING & REFURBISHMENTS

Companies	Location	Keys	Commentary
CoDE Concepts	London, UK	568	CoDE Concepts has received planning approval for a new capsule hotel in Elephant & Castle, London. The development will include 568 rooms, a rooftop co-working lounge and gym, and space for a local arts charity
Arbireo Capital and Value One	Porto, Portugal	250	Investors Arbireo Capital and Value One have started construction of a new Radisson Red hotel in Porto, Portugal. The 250-room property will open in early 2027. Banco Portugues de Investimento is supporting the development in the city's Vilanova de Gaia
Chris Stewart Group	Glasgow, Scotland	240	Plans have been revealed to transform the historic A-listed Victorian Collectors Hall in Glasgow City Centre into a multi-million pound events space. The restoration is part of the ongoing £100m Love Loan development and will be incorporated into the 240+ room AC Hotel by Marriott Glasgow on George Street
Body Holiday	Monta Rota, Portugal	220	BodyHoliday has announced the construction of a five-star hotel in Manta Rota, in the Vila Real de Santo António region. The €158 million project will include 220 rooms, five restaurants, a wellness centre and luxury facilities, with a direct impact on local employment
Radisson	Birmingham, UK	146	Plans for the Radisson Red hotel at Birmingham's Edgbaston Stadium have been approved. The development of the 146-bedroom hotel forms part of a £42m scheme to enhance the cricket ground. Work is expected to start in September and will complete in time for the men's Ashes Test against Australia at Edgbaston in 2027
Virage 5	Le Man, France	104	A luxury hotel development in the heart of the 24 Hours of Le Mans circuit has been announced. Led by Virage 5, bringing together mainly local private investors, this hotel will offer an exclusive view of the Bugatti circuit and the 24 Hours of Le Mans circuit. Work will begin in the second half of February and the hotel is scheduled to open in spring 2027

KEY INDUSTRY NEWS – (RE)DEVELOPMENT, PLANNING & REFURBISHMENTS

Companies	Location	Keys	Commentary
Falkensteiner Hotels	Saalbach-Hinterglemm, Austria	81	Falkensteiner has announced plans to transform the Alpine Palace hotel in Saalbach-Hinterglemm, Salzburg, reopening as the 5-star Falkensteiner Hotel Saalbach-Hinterglemm for the winter season 2026/2027. The hotel will close after this winter season for a major redesign
Undisclosed	Edinburgh, Scotland	n/a	The office of letting agency Dunpark, located in Edinburgh New Town, could be transformed into a boutique aparthotel. Plans have been submitted to the council, which would turn the ground and lower floors or the unit in Abercromby Place, into a boutique aparthotel

KEY INDUSTRY NEWS- HOTEL OPENINGS

Hotel(s)	Location	Rooms
The Social Hub	Florence, Italy	550
The Radisson Collection Hotel Berlin	Berlin, Germany	427
The Social Hub	Porto, Portugal	271
Kimpton Los Monteros Marbella	Marbella, Spain	195
The Jardin de Verre by Locke	Paris, France	145
a&o Firenze Campo di Marte	Florence, Italy	119
Radisson Individuals Le Relais de La Malmaison	Paris, France	88
Le Relais de La Malmaison	Paris, France	88
The Residences at Mandarin Oriental Mayfair	London, England	77
Casual Eclettico Milano	Milan, Italy	43
Zedwell Knightsbridge	London, England	38

KEY INDUSTRY NEWS – NEW HOTEL AGREEMENTS

Operator/Franchisor	Type of Contract	Location	Rooms	Commentary
Hilton	Franchise Agreement	Athens, Greece	500+	Hilton will add three hotels in Athens under its Curio and Tapestry brands. Adia Aluma Athens, Curio Collection, will open this year with 215 rooms. Anise Aluma Athens, Tapestry Collection, will follow in 2025, featuring 99 rooms. Skylark Aluma Athens, Tapestry Collection, will open in 2026 with 191 rooms
Radisson Hotel Group	Franchise Agreement	Tenerife & Malaga, Spain	242 & 102	Radisson Hotel Group will debut in Malaga and Tenerife with the opening of Radisson RED Malaga in Q2 2027 and Radisson Resort & Residences Tenerife in Q4 2025. Radisson RED Malaga, will have 102 rooms. Radisson Resort & Residences Tenerife, set to undergo full renovation, will offer 242 units
Cycas Hospitality	Management Agreement	Sintra, Portugal	260	Cycas Hospitality has signed its first hotel in Portugal, a Marriott Autograph Collection resort in Sintra, developed in a joint venture between Patron Capital and Quest Capital. The hotel is set to open in summer 2026 and marks Patron Capital's first hospitality project in Portugal
Axiom Hospitality	Management Agreement	Salford, UK	218	Landsec has selected Axiom Hospitality to operate the 218-bedroom Holiday Inn at Salford Quays. Landsec, which took full control of MediaCity in November, acquired the hotel free from management but under an ongoing franchise agreement with IHG. Axiom will manage the hotel on a 'hybrid' management lease
Scandic	Lease Contract	Berlin, Germany	214	Scandic Hotels is expanding in Berlin, taking over a vacant 214-room hotel in West Berlin through a lease agreement with AXA Investment Managers. The hotel will undergo a full renovation to meet Scandic's brand and sustainability standards. The hotel is set to open in Q3 2026
HotelBrain	Lease Contract	Pieria, Greece	191	HotelBrain has secured a 10-year lease for the Dion Palace Resort & Spa in Pieria. The agreement strengthens its partnership with REA, which owns the resort, and coincides with the renewal of its lease for REA's Olympian Bay Grand Resort in Leptokarya for another decade

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Millennium Hotels and Resorts	Franchise Agreement	Manchester, UK	165	The Lowry Hotel in Manchester has joined Millennium Hotels and Resorts' Leng's Collection. The five-star hotel, owned by CDL Hospitality Trust, includes The River Restaurant and spa
Hilton	Franchise Agreement	Belfast, Ireland	131	Hilton has signed DoubleTree by Hilton Belfast City Ten Square in partnership with Loughview Leisure Group. The 131-room hotel will undergo a multi-million refurbishment before reopening in late 2024
Marriott	Franchise Agreement	Milan, Italy	116	Marriott International's The Luxury Collection has added Casa Brera, a Luxury Collection Hotel in Milan. Opened in Autumn 2024, this hotel features 101 rooms and 15
Staycity	Lease Contract	Belfast, UK	98	Staycity Group has signed a lease to operate a 98-unit aparthotel in Beaufort House, Belfast. The former HMRC offices on Wellington Place will be repurposed into The Well. Developer Lotus Property secured Staycity after a prior deal with Sonder fell through. The aparthotel will open in 2026
Handwritten Collection	Franchise Agreement	Alba, Italy	92	Accor has signed a franchising agreement for the Hotel Giacomo Morra Alba – Handwritten Collection, set to open in March in Piedmont. The hotel has been fully renovated
Meliá Hotels International	Franchise Agreement	Santa Ponsa, Spain	88	Melia and Summum announced a new 4-star superior hotel in Mallorca, which will be managed by Summum Hotel Group under the luxury brand The Meliá Collection. The property is owned by Hotel Golf Santa Ponsa, part of the Nigorra group, and will be completely refurbished by the owners with a targeted opening date in 2026.

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Ruby Hotels	Management Agreement	Valletta, Malta	88	Ruby Hotels will open its first Maltese property in early 2026, transforming three historic buildings on Valletta's Strait Street into an 88-room hotel. The project is developed in partnership with VBL Group.
Billesley Manor/Marriott	Franchise Agreement	Alcester, UK	71	Billesley Manor will transition to Marriott's Tribute Portfolio in April 2026. Managed by TROO Hospitality, the 4-star Grade II listed hotel will continue its refurbishment programme
Wyndham Hotels & Resorts	Franchise Agreement	Piraeus, Greece	65	Wyndham Hotels & Resorts has signed a franchising agreement with Zafido Holding to develop the TRYP by Wyndham Piraeus Port hotel, set to open in September 2026
Marriot	Franchise Agreement	Lourdes, France	65	Marriott International has announced a partnership with Courbet Heritage to transform the Christ Roi Hotel in Lourdes into a Four Points Flex by Sheraton, scheduled to open in 2026
IHG	Franchise Agreement	Rome, Italy	58	IHG Hotels & Resorts is expanding its Garner Hotels brand, with the rebranding of Pacini Group's The Smooth Hotel Rome to Garner Hotel Rome Aurelia
Bob W	Lease Contract	Dortmund, Germany	52	Bob W has exchanged contracts with Aroundtown for a long-term lease contract in a former post office building in Dortmund. The building, located near Dortmund's main railway station, also features office space and retail facilities. The aparthotel will be operational in 2026.

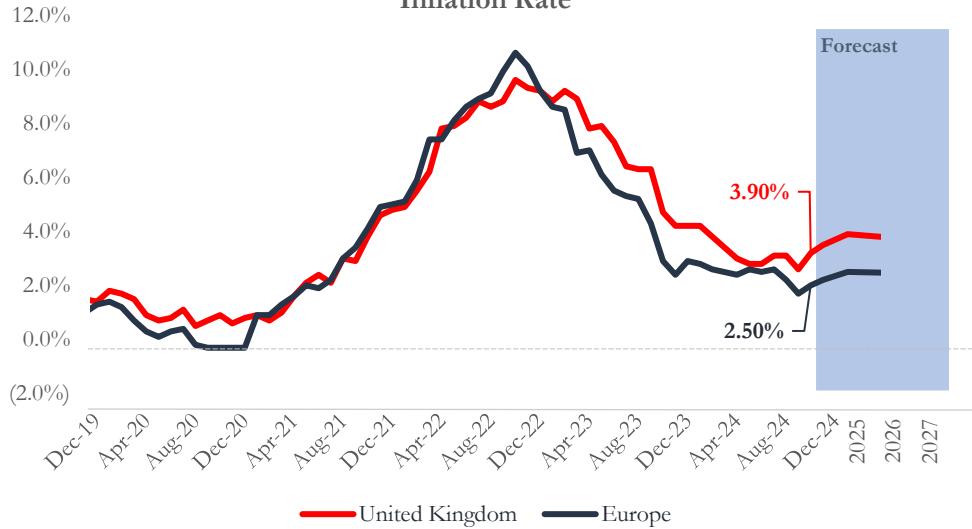
KEY INDUSTRY NEWS – NEW HOTEL AGREEMENTS

Operator/Franchisor	Type of Contract	Location	Rooms	Commentary
Auberge Resorts Collection	Franchise Agreement	Geneva, Switzerland	26	The Woodward, a luxury hotel on Geneva’s waterfront, will join the Auberge Resorts Collection on February 1, 2025. Managed by The Bastion Collection, the hotel features 26 opulent suites, most offering panoramic views of Lake Geneva and the mountains
Lamway	Management Agreement	Santorini, Greece	22	Lamway Hotel Management adds Santorini’s ‘Kapari Natural Resort’ to its Portfolio. Operating in eight Greek destinations, the Greek hotel management company manages 22 accommodation units, providing tailored guidance and business development services to property owners and investors
IHG	Franchise Agreement	Côte d’Azur, France	n/a	IHG Hotels & Resorts will debut its Vignette Collection in France in 2026 through a partnership with Global Hotels & Resorts. The deal will transform Tiara Miramar and Tiara Yaktsa on the Côte d’Azur into a luxury resort

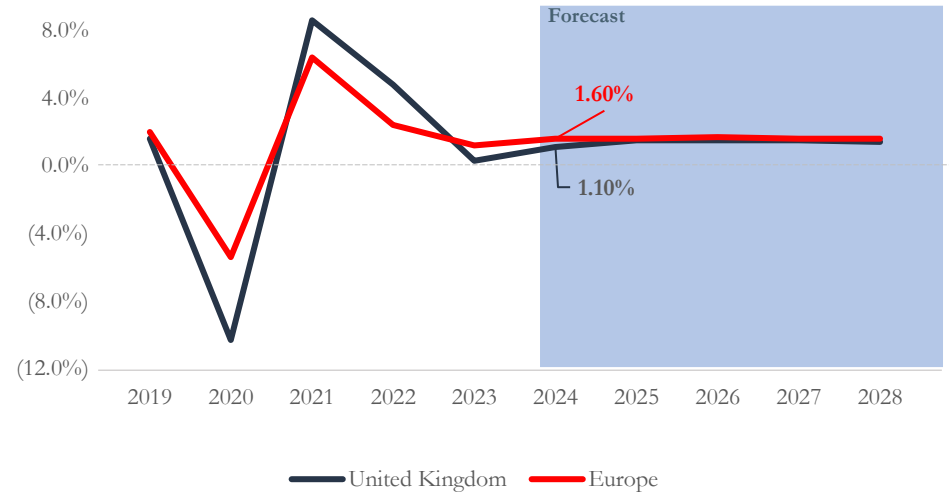
MARKET SNAPSHOT (EUROPE) (1/2)

Macroeconomic Metrics

Inflation Rate ¹

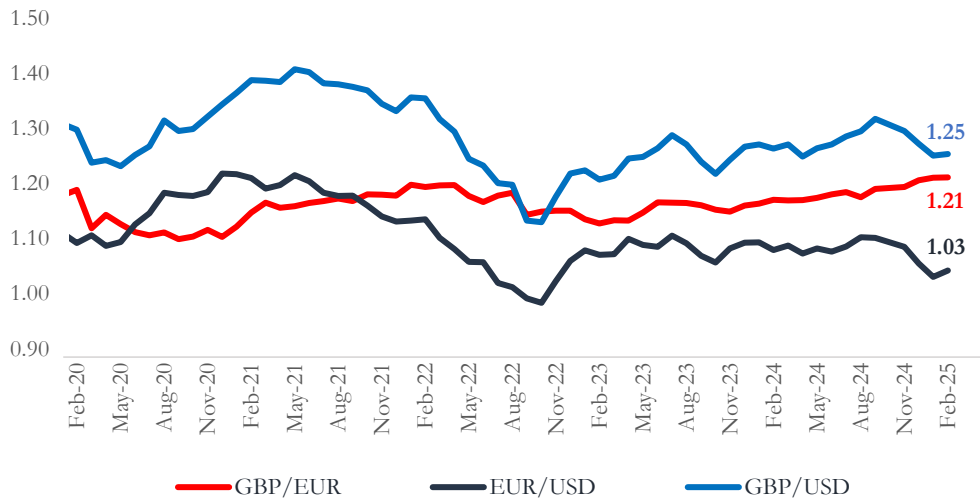


Real GDP Growth Rate



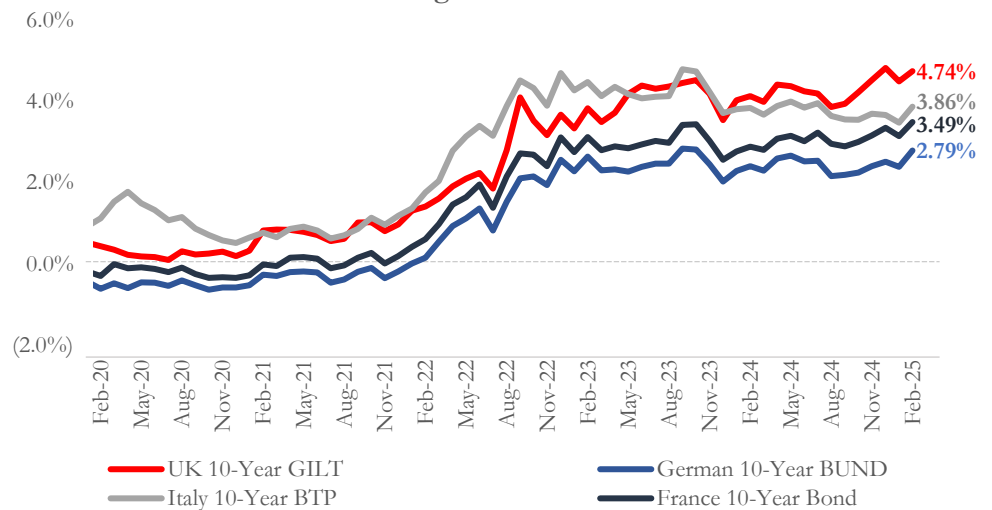
FX Markets

FX Pairs



Fixed Income Markets

Sovereign Bond Yields



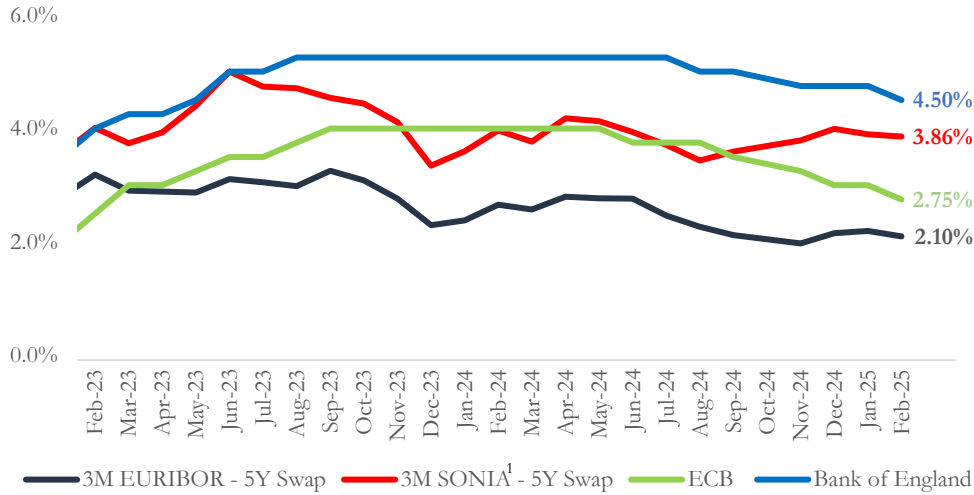
Note(s)

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

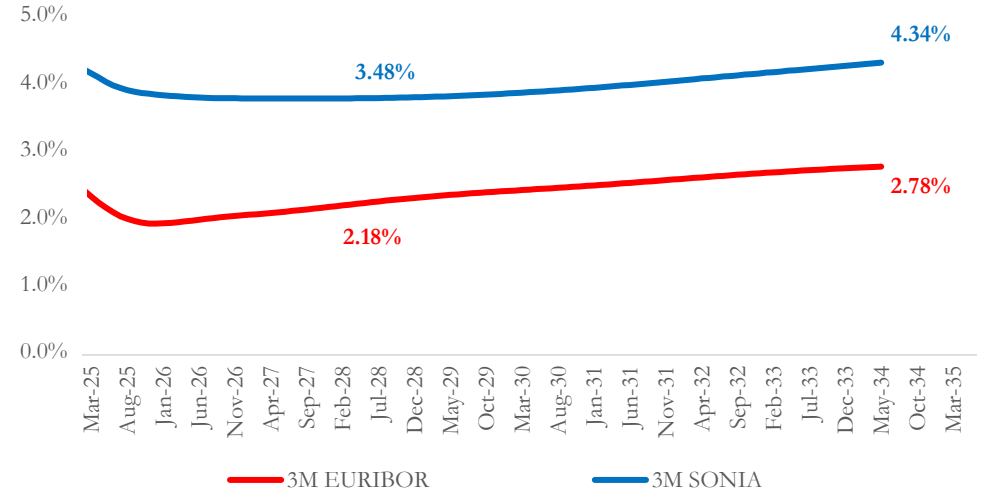
MARKET SNAPSHOT (EUROPE) (2/2)

Fixed Income Markets

Benchmark Rates

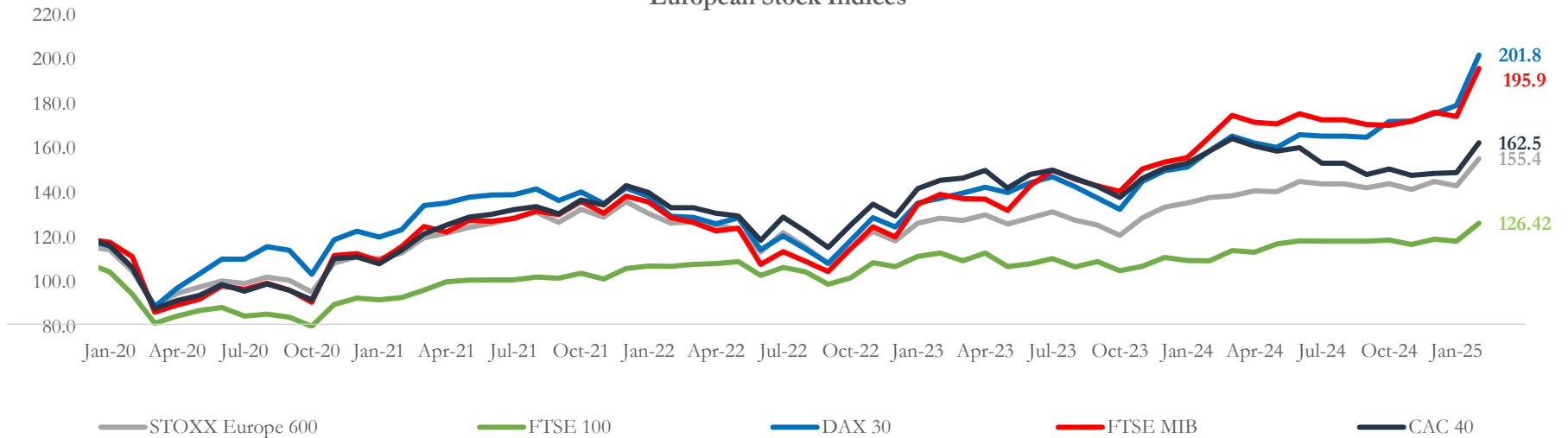


Forward Curves



Equity Markets

European Stock Indices ²



Note(s)

1. SONIA is the average of the interest rates that banks pay to borrow sterling overnight from other financial institutions
2. All Indices were indexed to a 100 with a base year in 1/1/2019

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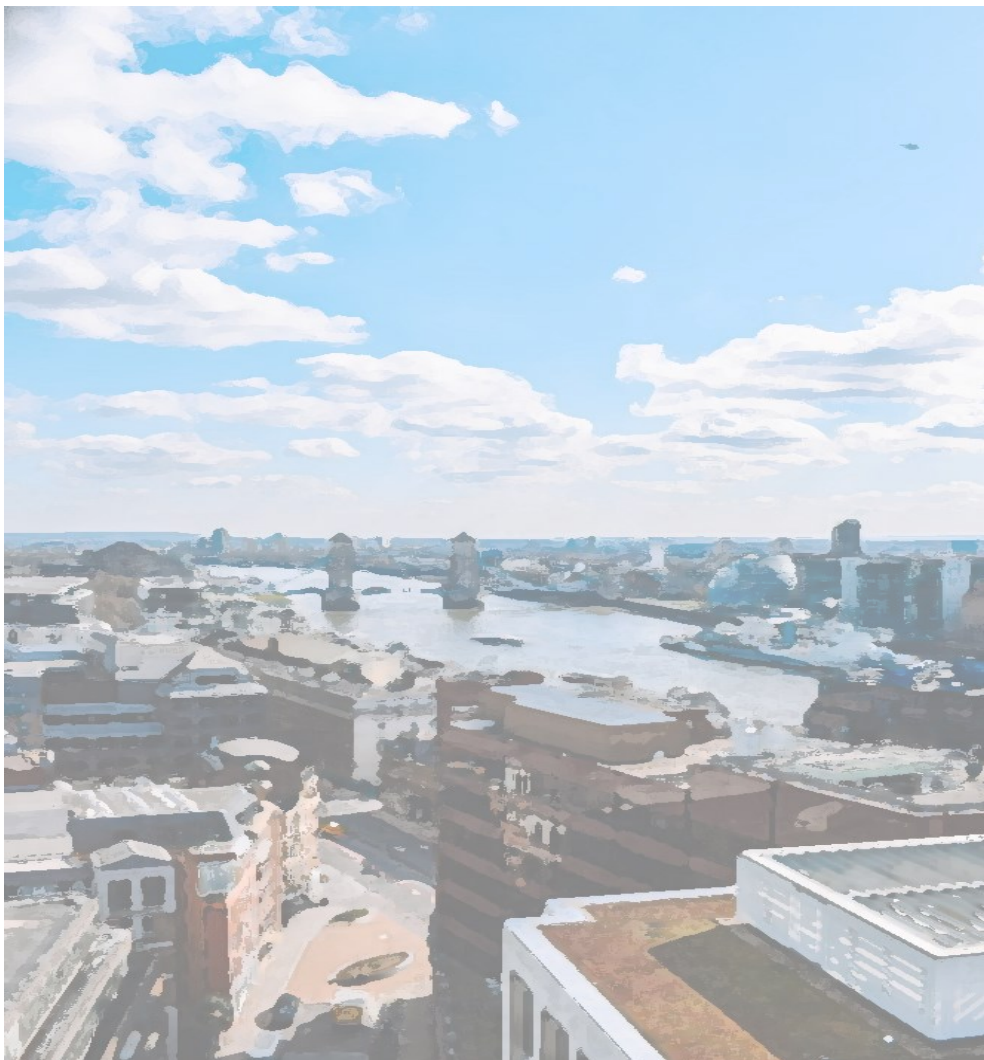
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