

# AHV Hospitality Newsletter

*A Monthly Publication of AHV Associates*



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**AHV**  
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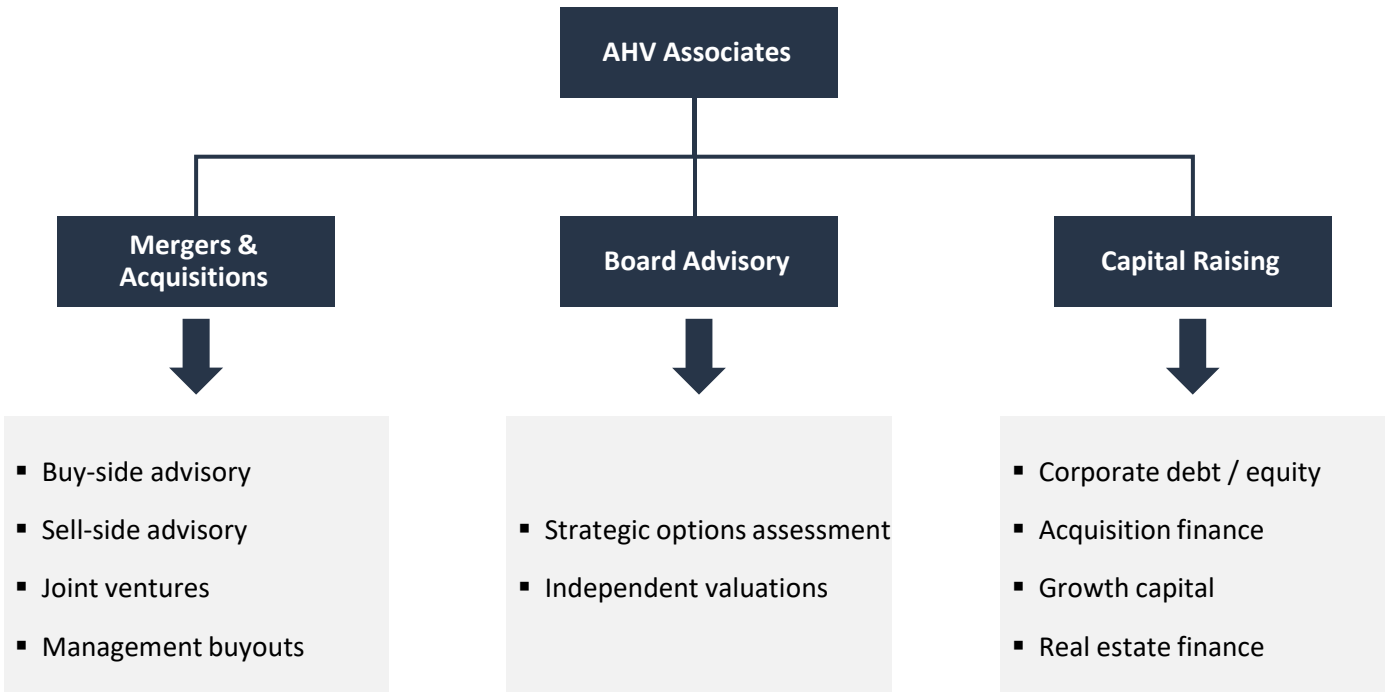
## ABOUT US

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- ❑ 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

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



## *Economic Trends*

Inflation continues to be a problem globally resulting to central banks pushing ahead further with a tightening monetary policy. In July, the ECB which was the last central bank to take meaningful action, raised interest rates by 50 basis points to 0% for the first time in more than a decade. As with all central banks, the ECB now faces a trade-off between controlling inflation currently at 8.1% and risking an economic recession. The Federal Reserve has taken a more aggressive approach with a second rate hike of 75 basis points and further rate hikes expected later this year. However, the US has seen its economy shrink for two successive quarters in 2022, although the National Bureau of Economic Research has yet to declare an official recession. The BOE is also expected to announce further rate hikes.

Despite this, July saw global stocks having their best month since 2020 showing that markets have already factored in the short term gloomy economic outlook and are more comfortable with central banks' forward guidance. The AHV Hospitality Index rose by a remarkable 13% in July, boosted by a series of positive Q2 earnings announcements. Whilst key lending base rates continued to exhibit an upward trend in July, there was an indication in the public markets that corporate borrowing spreads declined.

## *Hotels and Hospitality Performance*

Despite inflationary concerns and travel chaos, operational recovery looks to be gathering pace for Europe. Air travel for key European markets has continued to trend upward and this has corresponded to rising hotel occupancy rates. Consumers are prioritising holidays despite a squeeze on disposable incomes due to two years of travel restrictions across much of the world. However, a strong summer is unlikely to result in 2022 outperforming 2019 due to the Omicron outbreak at the start of the year. With rising costs, operators have focused on increasing ADR to absorb high costs. Nevertheless booking numbers for hotels have continued to rise. Furthermore, the profitability of major hotel groups has exceeded expectations in Q2 2022 (see next page for a breakdown of Q2 2022 trading update per company)

Southern European leisure destinations are showing a strong recovery, with the latest research by Savills reporting that:

- Spain and Italy occupancy rates for May 2022 were only 15.3% and 13.1% below May 2019 levels
- Bookings numbers for Southern European markets are now only 11.5% below 2019 levels

## *Transactions Activity*

Transactional volumes remained strong at the start of 2022 with European Q1 2022 volumes reaching €3.54 billion, according to Savills. The UK was once again the leader, accounting for 47% of total activity. At the same time, Savills said that regional UK transactions made up 75% of all UK transactions in the first half of 2022, indicating a continuity to the staycation trend that began since Brexit. Spain demonstrated the second biggest transaction volume in Q1 2022 experiencing a 95% deal volume increase compared to Q1 2021. However, Savills expects short-term activity to somewhat slow due to economic growth challenges and rising cost of debt.








Deal activity in July included a few interesting transactions with the most notable being:

- Fattal Group acquiring 6 Alua Hotels in Spain with total deal size of €165m
- Universities Superannuation Scheme (USS) has acquired £300m worth of Butlins assets from Blackstone via ground rent agreement
- Service apartment provider The Ascott bought Oakwood Worldwide for an undisclosed amount
- Room Mate has been acquired by Angelo Gordon and owner-operator Westmont Hospitality Group
- Spanish bad bank has sold 23 tourist-use commercial assets for €235.4m to an undisclosed buyer. The properties are located in the provinces of Murcia, Malaga, Valencia, Almeria and Madrid

# Q2 TRADING PERFORMANCE (% CHANGE)

## Industry



	RevPaR	ADR	Occupancy
Q2 Results	'22 vs '19	'22 vs '19	'22 vs '19
	(7.31%)	+4%	(10.8%)
	+1%	+12.9%	(9.3%)
	+1.5%	+4.8%	(3.1%)
	+3%	n/a	n/a
	(2.9%)	+7%	(7.1%)
	+5%	+21.8%	(13.8%)
	(3%)	+7%	(7%)
Average	(0.39)	+11.33%	(8.52%)

- The Q2 results from major hotel firms show that the industry has continued its journey to full recovery, as many public companies reported RevPARs that were above Q2 2019. The most noticeable trading update was made by Melia that reported a 5% increase in RevPAR in Q2 2022 compared to Q2 2019. Generally, lower occupancy than 2019 has been counterbalanced by significantly higher ADRs.
- The increase in performance is due to the lifting of travel restrictions across the globe that enabled a surge in leisure and business travelling. The EMEA and American markets are leading the recovery, whilst the Chinese market, which is rattled by Xi Jinping's zero-Covid policy, as well as all other global markets dependent on Chinese travelling are lagging behind.
- Hotel groups have also reported a positive development pipeline. Wyndham's pipeline grew by 9% with the company's current development being 78% new construction. Hilton also opened 91 new hotels in Q2 2022 and has 2,780 hotels in the pipeline, compared to Q1 2022 20% more new openings than Q1 2022 and 2% more in development pipeline.

Sources: Hilton, Accor, Scandic, Wyndham, Melia, NH Hotels



# 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 (Excl. leases)
Accor	(2.1%)	(15.3%)	6,502	8,871	2.6x	15.8x	21%
Dalata Hotel Group	3.5%	(6.9%)	801	1,557	3.1x	9.2x	26%
Hilton Worldwide Holdings	14.9%	(2.6%)	34,439	42,597	5.1x	17.8x	17%
Fattal Holdings	7.86%	38.02%	1,740	4,944	N/A	N/A	46%
IHG	11.4%	2.0%	10,592	12,836	6.9x	14.2x	14%
Les Hôtels Baverez	15.1%	9.9%	145	147	N/A	N/A	1%
Mandarin Oriental International	5.3%	0.0%	2,466	3104	N/A	N/A	17%
Marriott International	16.8%	8.8%	50,963	60,270	3.2x	17.2x	14%
Meliá Hotels International	1.4%	5.6%	1,352	4,280	2.8x	11.8x	53%
NH Hotel Group	(1.3%)	(2.3%)	1,494	3,897	2.6x	9.9x	30%
Pandox AB	29.4%	3.0%	2,624	5,982	11.9x	19.6x	54%
Pierre et Vacances	(12.1%)	(52.7%)	46	3,453	2.2x	29.8x	95%
PPHE Hotel Group	(2.4%)	(7.4%)	728	1,983	6.0x	20.3x	45%
Safestay	3.6%	(25.6%)	11	77	3.7x	12.3x	66%
Scandic Hotels Group	4.9%	18.1%	762	4,883	2.8x	9.7x	57%
Whitbread	4.8%	(14.7%)	6,255	10,503	3.7x	11.6x	0%
Wyndham Hotel & Resorts	5.6%	(3.7%)	6,147	6,147	5.5x	12.7x	-1%
Average					4.4x	15.1x	
Median					3.4x	13.5x	

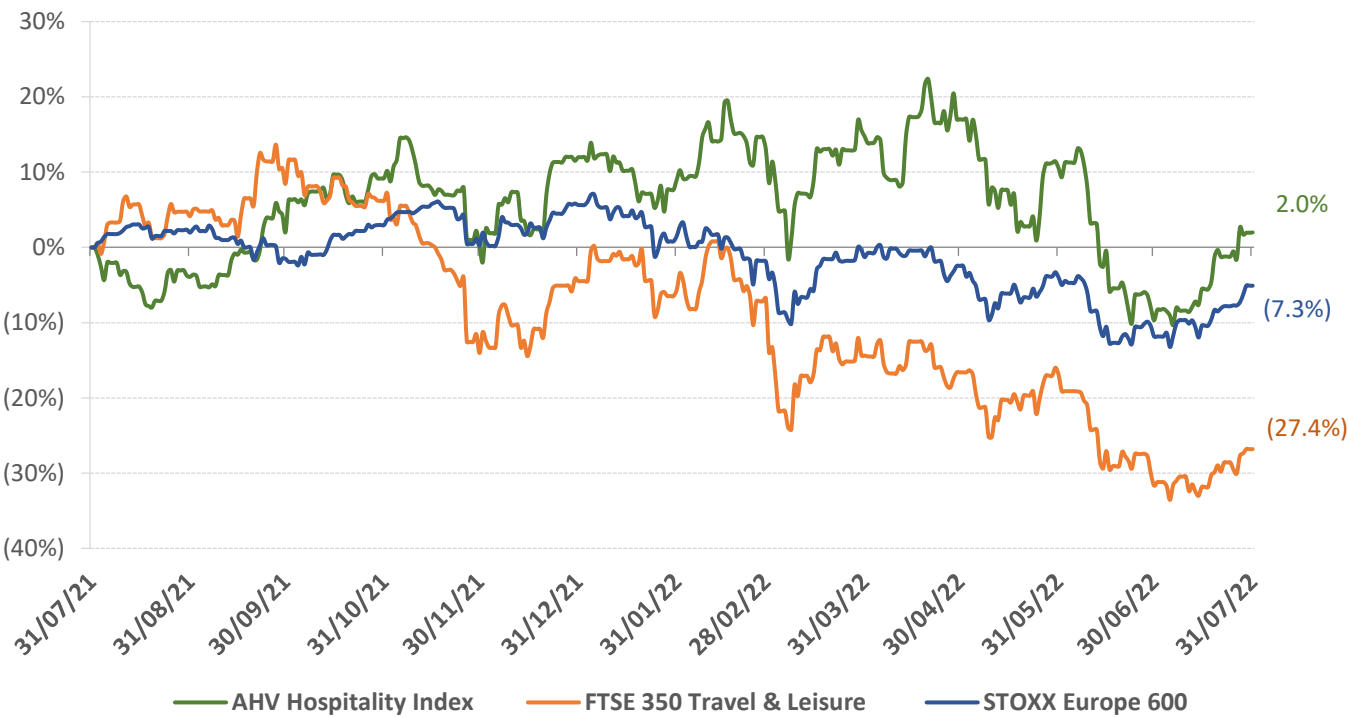
Metrics reported in the table include impacts of IFRS 16

Trading performance of hotel companies included in the AHV Index as of 29/07/2022

Source: Capital IQ

# AHV INDEX OUTPERFORMS ON AN ANNUAL BASIS

The AHV Hospitality Index is a market-cap weighted index of the 18 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: Capital IQ



### ***UK: Cascade Group acquires Birmingham Hotel Indigo***

The 52-bed Hotel Indigo located at the mixed-use development in Birmingham has been acquired by Cascade Group for £12.5m with Bespoke Hotels taking on the management

### ***UK: Ascott buys OakWood***

The service apartment group The Ascott acquires the Oakwood Worldwide a premier global serviced apartment provider from Mapletree Investments Pte Ltd. The acquisition is expected to increase Ascott's global portfolio by 81 properties and about 15,000 units

### ***UK: Blackstone sells Butlin's real estate sites for £300m***

Blackstone-owned Bourne Leisure Group has completed the sale of real estate assets of Butlin's for £300m to the UK's largest private pension scheme, Universities Superannuation Scheme (USS)

### ***UK: 81-Key Mere Knutsford Sold to Select Group***

The Mere Golf Resort & Spa has been sold for an undisclosed amount to UAE-based Select Group. Select Group has outlined its plan to refurbish the interior and exterior and heighten its luxury levels

### ***UK: Splendid Hospitality Acquire Holiday Inn London Brentford Lock***

Splendid Hospitality Group has announced the acquisition of Holiday Inn London Brentford Lock from Brightbay Real Estate Partners. The Holiday Inn London Brentford Lock is a four-star, full-service hotel offering 134 bedrooms

### ***UK: Fairtree and Blantyre buys Lake District Hotel***

The four-star Daffodil Hotel & Spa in Grasmere has been acquired by Fairtree Alternative Real Estate backed by funds advised by Blantyre Capital Limited. The hotel is an independent property with 78 bedrooms and sites on nine acres of land. Fairtree and Blantyre previously bought Fonab Castle Hotel and Dunked House in Pertshire, Scotland earlier in the year. It is a strategic addition to the fund's growing value-add portfolio operated by the Fairtree Hotel Management team

### ***UK: RedCat adds to Coaching Inn portfolio***

RedCat Pub Company's Coaching Inn Group has acquired the Forest Park Hotel in Brockenhurst for an undisclosed amount from private sellers. The property comprises of 40 en suite bedrooms, inn and a restaurant

### ***UK: Northland Properties acquires former Hilton Hotel***

Canadian investor has acquired the former Hilton Hotel in Sheffield for £10m from Christie & Co. The 128 room property will be upgraded and relaunched under the Sandman Signature brand. It had been operating as a Hilton until December 2019



### ***ES: Fattal buys six hotels in Spain***

Fattal Hotels has acquired six hotels in Spain, in a EUR165m deal. The four hotels and two aparthotels in Ibiza and Mallorca have, to date, been operating under the Alua Hotels & Resorts brand. Fattal, in joint venture with investors Menorah, Harel, and Leumi Partners, plan to spend EUR20m on refurbishments ahead of rebranding. The properties were sold by KKR and Dunas Capital, who bought them in 2017

### ***ES: HIP adds in Marbella***

Hotel Investment Partners (HIP) has announced the purchase of the Mett Marbella Estepona from Mazabi and plans to convert it into a five-star hotel with 253 rooms. The hotel will continue will operate under the Mett brand

### ***ES: Spanish bad bank sells tourism portfolio for €235m***

Spanish bad bank Sareb has secured the sale of 23 commercial assets for tourist-use for €235m to an undisclosed buyer. The properties are located in Provinces of Murcia, Malaga, Valencia, Almeria and Madrid. They consist of tourist apartments, aparthotels and hotels comprising of 1,729 rooms

### ***GR: Hova acquires hotel in Greece***

Asset manager Hova Hospitality has acquired the Club Med Gregolimano in Edipsos, Greece on behalf of Primonial REIM. A EUR20m upgrade of the 460 room property is planned.

The acquisition takes Hova's portfolio to €1.3bn, across 125 European assets. Former Covivio deputy CEO Dominique Ozanne established Hova in 2021

### ***IT: JP Hospitality Investors Club acquires Casa Minelli aparthotel in Trieste***

JP Hospitality Investors Club has acquired an aparthotel in the centre of the old town of Trieste. PKF Hospitality Group acts as exclusive advisor to JP Hospitality Investors Club.

Residence del Mare, Casa Minelli features 40 apartments, each with a kitchen-living room, and is suitable for short and long stays

### ***IRE: City ID acquires Dublin site in European expansion***

Aparthotel group City ID has acquired the Capel Street site in Dublin with plans for €1 billion investment. The aparthotel will offer 104 apartments and will feature fully equipped kitchens and living spaces. The top floor will offer views over the river Liffey and Southern Dublin and the ground floor will include an open and vibrant lobby, a deli, bar, and a wellness area which can be accessed by guests and local people

### ***DE: Real IS invests in Stuttgart hotel portfolio***

Real I.S. AG has acquired two hotels of the Hampton by Hilton and Premier Inn brands in the German city of Stuttgart. Seller is a project company of the Matthaus Schmid construction group, based in Baltringen, Germany. The parties have agreed not to disclose the price of the transaction. The 300-room properties are located on Wolframstrasse in Stuttgart and have facilities including a lobby, lounge, bar and breakfast restaurant





### *Global: Angelo Gordon and Westmont acquire Room Mate*

Urban hotel chain Room Mate has been acquired by investment firm Angelo Gordon and owner-operator Westmont Hospitality Group

As part of the deal, Angelo Gordon and Westmont have agreed to maintain Room Mate's current workforce of over 400 employees and assume nearly €40 million in commitments to lessors, suppliers and clients. The joint investors initially supported Room Mate in April 2022 and provided the business with additional working capital. To restructure the debt, Room Mate filed for insolvency at the end of June 2022 and a Madrid court approved the sale. Room Mate has a portfolio of 30 hotels and extended stay apartments

### *UK: London Holiday Inn set for boutique transformation*

Juniper Hotels Holdings Limited has secured £34 million from Leumi UK to reposition a Holiday Inn in Oxford Circus into an upscale boutique hotel. The finance will be used to finance the acquisition of the leasehold interest and refurbish the hotel which will increase number of rooms to 171. Westmont Hospitality, owner and operator of 56,000 hotel rooms across three continents, part-owns JHHL. Central London hotel assets have rebounded and this hotel is bound to be as successful

### *IRE: Dublin funding agreed*

Barings and Fairfield Real Estate have provided €70.125m refinancing for the 421 room Holiday Inn at Dublin airport to the JMK Group. The four year debt replaces a development loan on the property. The hotel has 421 bedrooms and was developed by the JMK Group and opened in 2021. Barings and Fairfield Real Estate provided the senior and junior loan and the syndication was arranged by Brotherton



### *UK: UK hotel sector recovered more rapidly than expected in the first half of 2022*

Hoteliers have been faced with a challenging trading environment so far in 2022, with headwinds such as inflation, staff shortages and wage increases, supply chain disruptions, spiralling energy costs and the cost-of-living crisis all having intensified significantly over the last six months. Yet the success of the Covid-19 vaccine in overcoming the Omicron variant saw consumer sentiment pick up and occupancy levels recovering at a much quicker rate than anticipated since January, nearing 2019 levels in most markets since May 2022.

Operators' yield management strategy is focused on maintaining high ADRs to absorb some of the increasing cost pressures which seems to pay off as RevPAR in both city-centre and regional UK hotel markets in the summer season is looking positive. Travel chaos at airports has caused UK consumers to book more staycations. Summer UK bookings are up 30% YoY with spikes in demand for coastal destinations with forecast showing that hotel bookings are even 9% above summer 2019.

The London's hotel industry also reported its highest monthly room rate on record. ADR for June was £209 and RevPAR £173.60. However, occupancy was 7.3% lower than June 2019.

### *UK: What does the future hold for the UK Serviced Apartment sector?*

There have been 3,500 new serviced apartment units opening since the beginning of 2020

For the full year in both 2020 and 2021, the regional UK serviced apartment sector continued to operate at a significant profit, securing a GOP of £25.40 PAR for the year 2021, outperforming the wider regional UK hotel market by 40%. The Serviced Apartment sector achieved the highest scoring RevPAR penetration versus the same month in 2019 - recording 9% growth in nominal terms, with RevPAR of £74.40, driven by a 5.0 percentage point gain in occupancy. The serviced apartment sector remains one of continued optimism and growth. The difficulties endured throughout the pandemic, provide the confidence and the belief that the sector is well placed to overcome further challenges with its flexible business model.

### *UK: Whitbread starts work on first all-electric Premier Inn*

Whitbread has started construction of the first 'all-electric' Premier Inn hotel in Swindon Town Centre. The five-storey 195-bedroom hotel is the first Premier Inn to be designed without a connection to a natural gas supply. Instead, the hotel will be fully heated and powered by grid energy generated from renewable sources and by on-site photovoltaic (PV) cells



### ***ES: Demand for Spanish Travel Destinations sees an upturn forecast for the next 3 months***

The number of travellers expected to arrive at major travel destinations in Spain such as Tenerife, Mallorca and Malaga show a three-digit growth as compared to the same period last year

Overall, for all the 3 destinations, we see that the demand forecasts suggest a steady return to pre-Covid level travel demand, with the three cities Tenerife-Mallorca-Malaga experiencing 90-day volumes that are just 15-24% lower than that of 2019. This is solid proof that the ill effects of the pandemic are behind us, and the travel industry is steadily building up towards normalcy

### ***EU: Hamlet Hotels plans to acquire 50 new hotels***

Hamlet Hotels revealed it is targeting UK and European-based independent hotels that have between 70 and 250 rooms. Hamlet Hotels revealed it is offering a guaranteed net operating income on a unique flexible term, without the need for hotel owners to get involved in the day-to-day management of the hotel

### ***EU: InterGlobe Names Cycas as EU manager***

Cycas Hospitality has partnered with InterGlobe to manage 11 boutique hotels across eight countries in Europe. The partnership will see Cycas' portfolio expand to 12 countries. Cycas will now manage 10 properties in the K+K hotel portfolio located across Paris, Barcelona, London, Vienna, Prague, Munich, Budapest and Bucharest

### ***EU: The Roadblocks, Silver Linings of High Inflation for European Hotels***

The inflationary environment in Europe has created a complicated situation for hoteliers, allowing them to grow room rates thanks to high demand while also trying to get a handle on the rising costs of materials, labour and debt. Air travel has continued to increase across Europe with Spain and Italy leading the way. Bookings are strong for the summer across Europe but rates continue to grow at record levels. Hotel construction has also decreased over the last few months with rising construction costs and financing. However, The positive demand momentum seen in Europe is expected to continue. There is a strong possibility that overnight stay in Europe will reach 95% of 2019 levels by the end of the year

### ***Globe: Hostelworld sees recovery***

Accommodation platform Hostelworld reported net revenues for June at 104% of 2019 levels. While booking volume was at 80% of comparable, average booking value is higher. Demand into southern Europe is strongest, with trips from US and Canada into Europe ahead of 2019. Demand is slowly returning to Oceania and Asian destinations



### *Global: Hotel Guests Continue to Blend Business and Leisure Trips, Regardless of Destination Type*

While Summer leisure has been booming, traditional business travel shows little sign of approaching 2019 levels for hotels. However, hoteliers say there are signs that business travel is alive in a different form. What we are seeing is an increase in blended leisure and business travel, also known as leisure travel. Rooms are filling up on slow nights such as Sundays and Thursday and bringing public spaces such as lobbies back to life. There's evidence that leisure travel doesn't just start with business travellers deciding to spice up work trips, but also maybe trying to fit work around vacations. With an explosion in remote work through the course of the pandemic, this is now more possible than ever

### *Global: Hospitality Sector Recovery Stymied by Labour Shortages, Rising Costs*

One in seven hospitality jobs are now unfilled, which is impeding business to the tune of 16% of revenues, according to the report. Nearly half (45%) of businesses have reduced trading hours and a third have had to close for a least a day. This is despite 77% of operators increasing pay to retain and attract staff, resulting in an 11% increase in average pay levels for hospitality staff over the last year. This rise in labour costs is just one of the cost price pressures affecting businesses in the sector, with 93% of hospitality operators reporting higher energy costs. All four global regions have show a year-over-year decline. Construction has fallen 12.6%

### *Global: Accor Restructures*

Accor has revealed a restructuring, splitting its business into two divisions. One will handle economy, midscale and premium brands, the other will be responsible for luxury and lifestyle. The economy, midscale and premium brands will include ibis, Novotel, Mercure, Swissôtel, Mövenpick and Pullman and will incorporate 4 major regions. The Luxury & Lifestyle brand will include Raffles & Orient Express, Fairmont, Sofitel & MGallery, and Ennismore



### Corporate Transactions

Buyer(s)	Country	Target	Country	Deal Size (mm)	Deal Type
Angelo Gordon & Westmont Hospitality Group	US & CA	Room Mate	ES	Undisclosed	Acquisition
The Ascott	SG	Oakwood Worldwide	UK	Undisclosed	Acquisition

### Real Estate Transactions

Buyer(s)	Country	Target	Country	Deal Size (mm)	No. Of Rooms
Universities Superannuation Scheme (USS)	UK	Butlin's Assets	UK	£300	n/a
Undisclosed Buyer	n/a	23- tourist-use assets, Spain	ES	€235.40	1729
Fattal Hotels	ISR	6 Alua Hotels, Spain	ES	€165	1119
IMMAC	DE	Holiday Inn Express Kaiserslautern	DE	€18.60	146
Dios	DE	Clarion Collection Hotel Grand Sundsvall	SE	€17	122
Caskade Group	UK	Hotel Indigo (The Cube), Birmingham	UK	£12.5	52
BNP Paribas REIM	FR	Staycity Dublin Castle	IRE	€11.5	51
Northland Properties	CA	Quays Hotel Sheffield	UK	£10	128





### Real Estate Transactions

Buyer(s)	Country	Target	Country	Deal Size (mm)	No. Of Rooms
Beaumier	FR	Petunia Hotel Ibiza	ES	Undisclosed	42
Coaching Inn Group	UK	Forest Park Hotel Brockenhurst	UK	Undisclosed	40
Hotel Investment Partners	UK	Mett Marbella Estepona	ES	Undisclosed	253
Hova Hospitality	FR	Club Med Gregolimano	GR	Undisclosed	460
Select Group	UAE	The Mere Golf Resort Knutsford	UK	Undisclosed	81
Real IS	DE	Hampton by Hilton Stuttgart & Premier Inn Stuttgart	DE	Undisclosed	300
Splendid Hospitality	UK	Holiday Inn Brentford	UK	Undisclosed	134
Fairtree & Blantyre	SA & UK	Daffodil Hotel & Spa Lake District	UK	Undisclosed	78
JP Hospitality Investors Club	DE	Madonna di Campiglio	IT	Undisclosed	50
RIMC Hotels & Resort Group	DE	Radisson Blu Cottbus	DE	Undisclosed	236
Extendam	FR	Double Tree Hilton A Coruna & Ibis Styles A Coruna	ES	Undisclosed	143
Ampega Investment	DE	Me & All Hotel Dusseldorf	DE	Undisclosed	249

# MARKET SNAPSHOT (EUROPE)

## Macroeconomic Metrics

Real GDP Growth	QoQ	Inflation	Current	Unemployment Rate	Current
United Kingdom (Q1 '22)	0.8%	United Kingdom	7.8%	United Kingdom	3.7%
European Union (Q2 '22)	0.7%	European Union	8.1%	European Union	6.7%

FX Rate	Current	MoM ( $\Delta\%$ )	YoY ( $\Delta\%$ )
GBP/EUR	1.193	2.62%	1.76%
EUR/USD	1.020	(2.43%)	(14.01%)
GBP/USD	1.217	0.13%	(12.50%)

## Fixed Income and Equity Markets

Central Banks Interest Rates	Bank of England	European Central Bank
	1.25%	0.00%

Sovereign Bond Yield	Current	MoM ( $\Delta$ bps)	YoY ( $\Delta$ bps)
UK 10-Year GILT	1.86%	(37.90)	129.30
German 10-Year BUND	0.82%	(53.80)	128.40
Italy 10-Year BTP	3.06%	(22.80)	243.30
France 10-Year Bond	1.39%	(55.50)	149.10

Swap Rates	Current	MoM ( $\Delta$ bps)	YoY ( $\Delta$ bps)
3M LIBOR – GBP – 5 Year	2.35%	(30.57)	182.40
3M EURIBOR – EUR – 4 Year	1.21%	(43.48)	165.20

Interbank Interest Rates	Current	MoM ( $\Delta$ bps)	YoY ( $\Delta$ bps)
3M LIBOR (GBP)	1.94%	26.65	186.17
SONIA*	1.19%	0.35	114.03
3M EURIBOR	0.23%	42.70	77.60

OAS** Corporate Spread Index	Current	MoM ( $\Delta$ bps)	YoY ( $\Delta$ bps)
S&P Eurozone Investment Grade	1.71%	(26.00)	97.00
BofA € High Yield	5.91%	(49.00)	323.00

European Stock Indexes	Current	MoM ( $\Delta\%$ )	YoY ( $\Delta\%$ )
STOXX Europe 600	438	7.64%	(5.08%)
FTSE 100	7423	3.55%	5.56%
DAX 30	13484	5.48%	(13.25%)
FTSE MIB	22405	5.22%	(11.66%)
CAC 40	6449	8.87%	(2.48%)

Market Snapshot (Europe) as of 29/07/2022

\*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



## Key Industry Publications – July 2022

- **Savills:** ‘European Hotel Trends Outlook’ | July 2022
- **Christie & Co:** ‘Hotels:2022 Mid-Year Review’ | July 2022
- **Knight Frank:** ‘What does the future hold for the UK Serviced Apartment’ | July 2022

## Hospitality Conferences & Events

- **13<sup>th</sup> Annual Hotel Data Conference | 11-13 August 2022**

The Conference will provide expert analyses, new strategies and tangible best practices. The event is hosted by STR and Hotel News Now in Omni Nashville Hotel

# APPENDIX I

## Corporate Transactions – Recent Notable Activity



Date	Buyer(s)	Country	Target	Country	Deal Size (mm)	Deal Type
Jul'22	Angelo Gordon & Westmont Hospitality Group	US & CA	Room Mate	ES	Undisclosed	Acquisition
Jul'22	The Ascott	SG	Oakwood Worldwide	UK	Undisclosed	Acquisition
June '22	Choice Hotels	US	Radisson America	US	\$675	Acquisition
June '22	GIC & APG	US/NL	The Student Hotel	NL	Undisclosed	Equity Investment
May '22	Brookfield	CA	Watermark Lodging Trust	US	\$3,800	Acquisition
May '22	Lxi REIT	UK	Secure Income REIT	UK	£3,900	Merger
May '22	Resident Hotels	UK	Sleeperz Hotels	UK	Undisclosed	Acquisition
Apr '22	Sykes Holiday Cottages	UK	Forest Holidays	UK	£ 300	Acquisition (Controlling Stake)
Mar '22	Sun Communities	US	Park Holidays	UK	£ 950	Acquisition
Feb '22	L + R Hotels	UK	Chardon Group	UK	£ 200	Acquisition
Feb '22	Harris Family Trusts & Kings Park Capital	UK	The Inn Collection Group	UK	> £ 300	Acquisition
Feb '22	Cove Communities	US	Argyll Holidays	UK	Undisclosed	Acquisition
Jan '22	Henderson Park	UK	Amaris	UK	Undisclosed	Acquisition
Jan '22	Intermediate Capital Group	UK	Travel Chapter	UK	Undisclosed	Acquisition



Date	Buyer(s)	Country	Target	Country	Deal Size (mm)	No. Of Rooms
Jul '22	Fattal Hotels	ISR	6 Alua Hotels	ES	€165	1119
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
May '22	Azora European Hotel and Leisure Fund	ES	Pestana Blue Alvor Hotel	PT	Undisclosed	500
Apr '22	Frogmore and C1 Capital Partners	UK	Hilton Olympia, Park Inn Northampton, Stifford Hall	UK	£152	648
Apr '22	Tristan Capital Partners & Queensway Group	UK	Raag Hotels	UK	£420	1520
Mar '22	The Arora Group	UK	Luton Hoo Hotel	UK	£60m	228
Mar '22	DFI and Cells Group	DE	Sheraton Berlin Grand Hotel Esplanade	DE	€116	394
Mar '22	Brookfield Asset Management	CA	Palladium Costa Del Sol in Benalmadena	ES	€55	336
Feb '22	Engel & Völkers Asset Management	DE	7Pines Resort Ibiza	ES	€ 130	185
Feb '22	Union Investment	DE	Hotel Barcelona 1882	ES	€ 74	182





Date	Buyer(s)	Country	Target	Country	Deal Size (mm)	No. Of Rooms
Feb '22	Bourne Leisure	UK	Runnymede Hotel, Egham	UK	Undisclosed	180
Feb '22	Host Hotels	UK	Hotel Van Zandt	US	\$246	319
Jan '22	Nuova Asiago Immobiliare	IT	Best Western Plus Tower Hotel, Bologna	IT	Undisclosed	149
Jan '22	Sixth Street	US	Le Palme Hotel & Resort, Porto Cervo	IT	Undisclosed	92
Jan '22	Dohle Family	DE	Hotel zur Tenne, Kitzbühel	AT	Undisclosed	51
Dec '21	Starwood Capital Group	US	Iberostar Las Dalias, Costa Adeje	ES	€ 100	420
Dec '21	Arora Group	UK	Luton Hoo, Golf & Spa	UK	Undisclosed	228
Nov '21	Zetland Capital	UK	Macdonald Hotels & Resorts	UK	Undisclosed	494
Nov '21	Blasson Property	ES	Punta Negra, Mallorca	ES	€ 90	137
Nov '21	Bain and Omnam	UK	Hotel Britannia, Excelsior	IT	Undisclosed	285
Oct '21	Henderson Park Capital	UK	12 Hilton	UK & IE	£ 580	2,242
Oct '21	Goldman Sachs	US	The Belfry	UK	£ 140	324
Sep '21	Conker Dawn Limited	UK	Hampton Waterloo and Doubletree	UK	£ 95	440
Aug '21	Apollo Global Management	US	Portfolio of Italian assets including 10 Hotels	IT	€ 842	NA
Jul '21	Bankinter	ES	8-hotel portfolio from Melia	ES	€ 203.9	1,945

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