

# AHV Hospitality Newsletter

*A Monthly Publication of AHV Associates*



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**JULY 2023 | ISSUE 29**

**AHV**  
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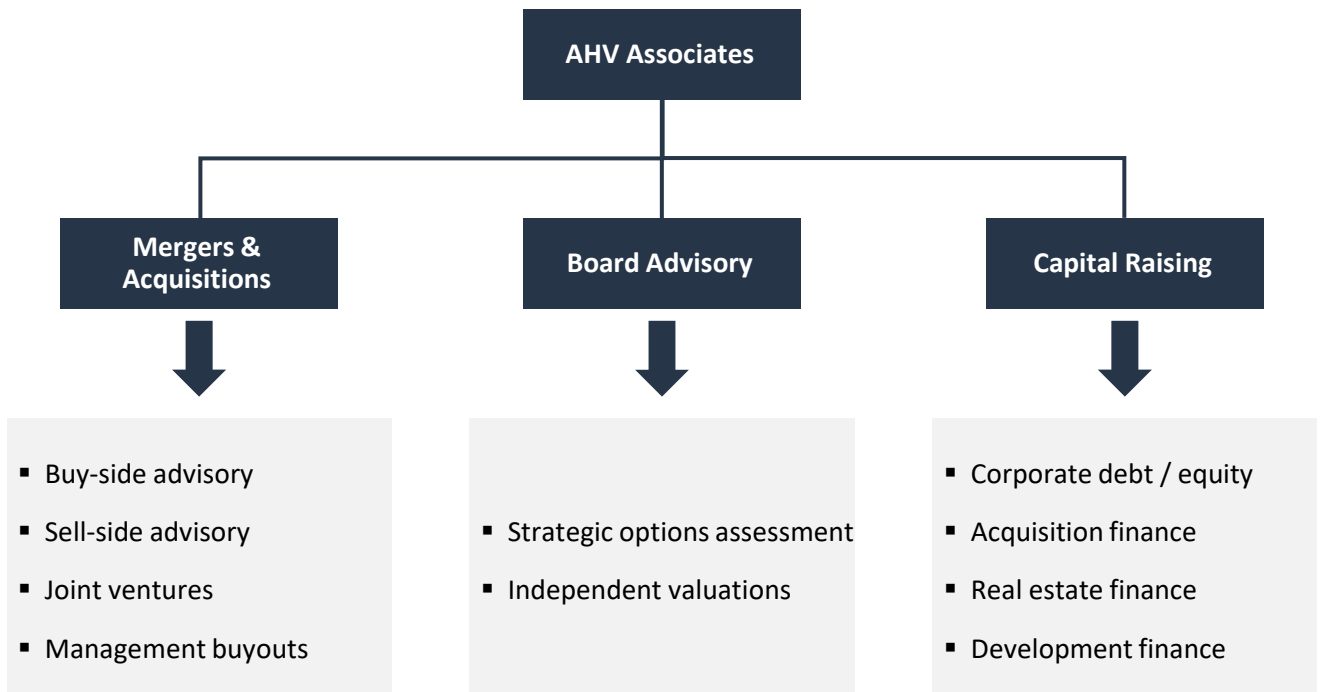
## ABOUT US

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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*

The BOE governor Andrew Bailey has signalled that interest rates are expected to continue rising, as high levels of inflation continue to persist. UK interest rates rose by 50bps to 5% at the last meeting and financial markets now anticipate that the bank rate will go to 6.25% by the end of the year.

Eurozone inflation has fallen more than expected to 5.5% in June, its lowest level since the start of last year. Inflation fell in 18 of the 20 Eurozone countries, with Spain's inflation beating the ECB's 2% target with an inflation rate of 1.6%. In contrast, Germany's inflation increased to 6.8%, driven by a surge in transport costs after cuts were made to ticket subsidies for buses and trains. Despite this divergence, the ECB is committed to taking an aggressive stance on rates in order to control inflation.

In the stock market, the AHV Hospitality Index rose by 10.21% this month, driven by the strong performance of large hotel groups, including Airbnb, Dalata Hotels, Hilton Hotels, IHG, and Marriott. On an annual basis, the index is up by a remarkable 36%.

## *Hotels and Hospitality Performance*

Recent stats and announcements indicate that the European hotel market continued its strong performance in H1 2023, with the most notable relevant news being:

- The number of overnight stays in Spain exceeding 20m, an increase of 17%, with 12.6m stays being by foreign visitors for March 2023
- The London hotel market achieved its highest RevPAR in May since October 2022, driven by bank holidays and extended vacations, with average occupancy for the month remaining above 60%
- Ireland's strong ADR growth, outperforming Q1 2022 by 25%, and Dublin passenger numbers surpassing previous records for the quarter

## *Transactions Activity*

Transactional volumes in the first months of 2023 were in general lower than the same period last year. According to CBRE, European hotel transactions in Q1 2023 were 37% below the five-year average. In the UK, there was £730m worth of transacted hotels between January and May, down 55% compared to the same period in 2022. In Spain, Q1 hotel investment was €550m which was again lower than the same period in 2022. Major cities have been the primary target, with Barcelona making up nearly 50% of transactions and Madrid accounting for 10%.

However, according to Colliers, UK hotel investment activity rose from £60m in April to £120m in May. France also had an impressive Q1 2023 with €956m worth of transactions, an increase of 53% compared to the same period last year. This has been driven by preparation for upcoming events they are hosting, including the Rugby World Cup and the Olympics. There was also some large transactions in June including:

- ADIA acquiring 17 hotels in Spain for €600m from the Equity Inmuebles fund
- Dalata purchasing 89-key Apex Hotel in London for £53.4m
- Jon Riberas' family office buying the 50-key Palacio del Retiro in Madrid for €60m

# 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	9.8%	31.7%	8,960	10,630	2.1x	10.8x	16%
Airbnb	16.8%	43.9%	72,257	64,696	7.8x	22.8x	NA
Choice Hotels International	3.6%	5.3%	5,508	6,810	4.7x	13.7x	19%
Covivio Hotels	0.3%	9.7%	2,620	5,280	15.2x	15.6x	50%
Dalata Hotel Group	8.7%	33.4%	1,040	1,790	3.1x	8.9x	NA
Fattal Holdings	6.4%	(0.8%)	1,457	6,232	4.2x	21.2x	NA
Hilton Worldwide Holdings	6.9%	30.6%	34,909	42,856	4.7x	15.9x	19%
Hyatt Hotels Corporation	6.6%	55.0%	11,099	13,060	2.1x	13.1x	15%
IHG	6.2%	62.0%	10,696	12,437	6.7x	13.5x	14%
Mandarin Oriental International	(1.8%)	(11.1%)	1,925	2,383	6.5x	47.7x	19%
Marriott International	9.5%	35.1%	50,398	60,599	2.9x	14.9x	17%
Melia Hotels International	7.3%	4.2%	1,390	4,100	2.2x	9.0x	66%
NH Hotel Group	(2.1%)	26.8%	1,970	4,180	2.0x	7.1x	NA
Pandox AB	12.6%	9.5%	1,921	4,920	8.8x	NA	61%
Pierre et Vacances	(0.5%)	(69.7%)	744	3,380	1.6x	21.8x	78%
PPHE Hotel Group	4.2%	(15.0%)	520	1,650	2.9x	9.6x	69%
Scandic Hotels Group	11.5%	10.7%	696	4,673	2.4x	8.8x	85%
Sonder Holdings	(25.3%)	(49.0%)	103	1,283	NA	NA	92%
Whitbread Plc	3.0%	36.6%	7,831	12,229	3.8x	11.3x	36%
Wyndham Hotels & Resorts	0.5%	4.3%	5,371	7,140	5.5x	11.7x	25%
Average					4.7x	15.4x	
Median					3.8x	13.3x	

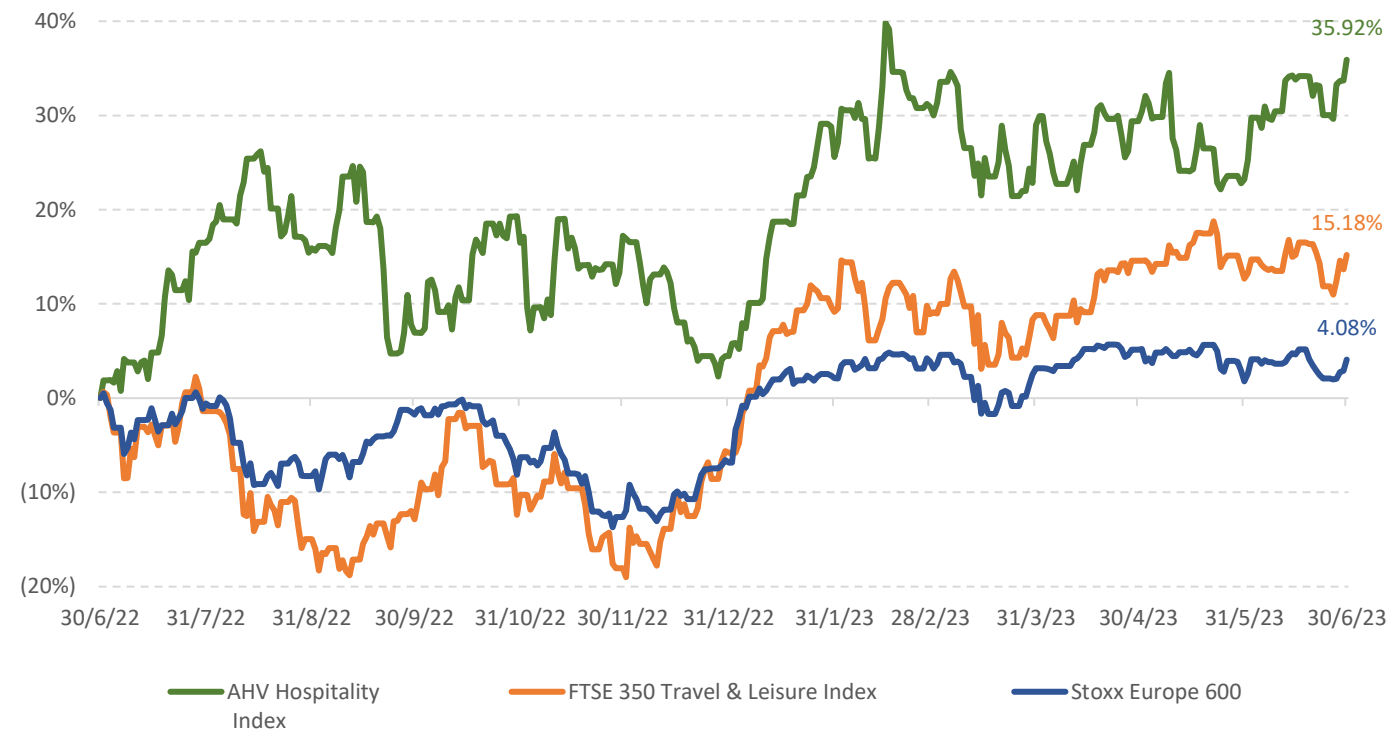
Metrics reported in the table include impacts of IFRS 16  
 Trading performance of hotel companies included in the AHV Index as of 30/06/2023

Source: Yahoo Finance, Market Screener



# 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: Dalata Hotel Group acquires Apex Hotel London Wall***

Dalata Hotel Group announced the acquisition of Apex Hotel London Wall, located in the heart of the City of London. The property, purchased for £53.4m (€62.2m), comprises 89 upscale rooms, a gym, a lobby, and a restaurant. Following the completion of the transaction, the hotel will be rebranded as Clayton Hotel London Wall. The addition of Apex Hotel London Wall brings Dalata's total room count in London to 877

### ***UK: KOP Group acquires Burns Hotel in London***

Singaporean investor KOP Group has acquired the Burns Hotel in Earls Court, London for £35m. The hotel, consisting of five interconnected townhouses, offers 105 guest rooms, a reception bar, restaurant, and private garden. Following a renovation, it will be transformed into a boutique luxury hotel operated by Montigo Resorts, scheduled to reopen in Q1 2024. This purchase marks KOP Group's second hotel acquisition this year, complementing their previous purchase of Charlton House Hotel & Spa in Somerset

### ***UK: Zeal Hotels acquires site in Exeter for net zero carbon hotel***

Zeal Hotels has acquired the site for a new 142-room net-zero carbon hotel at Exeter Science Park. Construction is set to begin in July, with an opening targeted for Q4 of next year. The hotel will be managed by Valor Hospitality under an Exclusivity Agreement with IHG Hotels & Resorts. It aims for a minimum BREEAM rating of Excellent, with a target of Outstanding, and will generate all its required energy through solar panels

### ***UK: Zorca Holdings acquires two Bloomsbury hotels to convert into a single luxury hotel***

Specialist property lender Leumi UK has provided a £26.3m loan to Zorca Holdings for the acquisition and merging of two hotels in Bloomsbury. The funds will be used for the purchase and refurbishment of the hotels, resulting in a luxury 74-bed hotel with events space, bar, and restaurant. The merged hotel, is expected to open in late 2024. This marks Leumi UK's second deal with Orca Holdings, following their previous financing for the acquisition of the Zetter Group hotels

### ***UK: A Curious Group of Hotels acquires Drakes in Brighton***

A Curious Group of Hotels has acquired Drakes Hotel in Brighton, making it their first seaside property. The group, known for owning hotels such as Cowley Manor, L'Hotel in Saint-Germain Paris, Canal House in Amsterdam, and Portobello Hotel in London's Notting Hill, has expanded its portfolio with the addition of the 20-bedroom luxury seafront hotel. Drakes Brighton was previously owned by Andrew Shearer, who opened the hotel in 2004

### ***UK: Ullapool's historic Royal Hotel sold***

A 54-bedroom luxury hotel on Scotland's North Coast 500 has been sold in a confidential deal to a local operator. The Royal Hotel in Ullapool overlooks Ullapool Harbour and Loch Broom, offering stunning mountain views. The hotel, originally a coaching inn, features balconies, a restaurant, a public bar, 'The Ballroom', and a four-bedroom manager's flat



### ***UK: Capilon Hotels and Awan Group acquires Prince William Hotel in Paddington***

UK family group Capilon Hotels and international real estate investor Awan Group have jointly acquired the Prince William Hotel in Paddington, London. The three-star boutique hotel, consisting of 49 rooms, was purchased for £15m (£306,000 per room) from an undisclosed seller. Located a short walk from Hyde Park, the 18th-century listed building recently underwent a £1m refurbishment. Capilon Group operates, invests, and develops hotels in London, while the hotel was previously bought by Elite Group in 2014 for c. £8m

### ***DE: Commerz Real buys hotel in Dresden***

Commerz Real has acquired the 4-star Steigenberger Hotel de Saxe in Dresden for its Hausinvest real estate fund. The hotel has 185 rooms and a total leasable area of 13,500m<sup>2</sup>. Steigenberger Hotels & Resorts holds a long-term lease for the property, which was built in 2006 and renovated in 2019. In addition to the hotel, the building includes retail spaces and amenities such as a restaurant, lobby bar, spa, and conference rooms

### ***DE: Union Investment buys seafront resort hotel in Usedom***

Union Investment has acquired the Grand Palais building within the Steigenberger Grandhotel & Spa resort complex in Seebad Heringsdorf, Usedom. The seafront property features 120 rooms, two restaurants, a wellness area, and conference space. The acquisition was made for the immofonds 1 real estate fund and Resort Hotel Kaiserbad serves as the vendor and lessee

### ***ES: Jon Riberas buys the Palacio del Retiro hotel***

Jon Riberas, owner of Gestamp, has purchased the Palacio del Retiro hotel in Madrid for around €60m. The luxurious hotel, with 50 rooms, is a national monument and enjoys a strategic location near Retiro Park and the Art Triangle. The property was originally the Oriol family residence and underwent refurbishment in 2004 to become a high-end hotel. It is currently operated by the Marriott Autograph Collection brand, and managed by Belagua

### ***ES: ADIA acquires 17 hotels in Spain for €600M***

Abu Dhabi Investment Authority (ADIA), one of Abu Dhabi's sovereign wealth funds, has completed the acquisition of 17 hotels owned by the Equity Inmuebles fund. The transaction, valued at around €600m, includes prominent assets such as the ME Madrid Reina Victoria hotel with 5 other Meliá brand, 8 Tryp Brand and 3 Sol brand properties. The transaction was closed below the initially agreed €700m and is subject to approval by European competition authorities. The hotels will continue to be managed by Meliá

### ***ES: Alting sells Hotel Pedralbes, Barcelona to a Catalan family office***

Alting has sold the Hotel Pedralbes, a three-star establishment with 30 rooms in Barcelona's Sarrià-Sant Gervasi district, to a Catalan family office. The deal closed for around €9m, with an estimated price per room of €300,000. The hotel is located near Avenida Diagonal and underwent modernisation after its acquisition by Alting in 2017. The property is currently leased to the German group Limehome for operation



### ***FR: Tikehau Capital sells the Hotel Touraine Opéra in Paris***

Tikehau Capital has sold the 4-star Hotel Touraine Opéra in Paris to a private family group. The 39-room hotel, located in the 9th arrondissement, underwent recent renovations and is situated close to the Paris Opera. The sale price remains undisclosed. Tikehau Capital had acquired the hotel in partnership with Le Groupe de l'Hôtellerie in 2019, along with another 4-star hotel, Hotel Prélude Opéra

### ***NL: Raspberry Group acquires two Best Western hotels in The Netherlands***

Dutch hotel group Raspberry Group has purchased the three-star Best Western Hotel The Hague and the three-star Best Western City Hotel Woerden in The Netherlands. The exact price of the acquisition remains undisclosed. Best Western Hotel The Hague is situated in the embassy neighbourhood between The Hague city centre and Scheveningen seaside pier. Best Western City Hotel Woerden is located near the city of Utrecht. Raspberry Group already owns multiple Best Western properties throughout the Netherlands

### ***SE: Midstar acquires the Scandic Borlänge hotel in Sweden from Diös***

Swedish hotel investment firm Midstar Hotels has acquired a mixed-use property in Borlänge, Sweden, including the 154-room Scandic Borlänge hotel. The purchase from Diös Fastigheter was made for SEK 200m (€17.7m). Scandic is the property's main commercial tenant, and there are also residential units on the premises

### ***IT: Apex Alliance and Pavl acquire the Grand Hotel Gardone from the Mizzaro-Papini family***

Lithuanian hotel group Apex Alliance has partnered with Romanian investment firm Pavl Holding to acquire the 4-star Grand Hotel Gardone in Italy. The historic hotel, with 167 rooms, will undergo a €45m renovation and reopen as a 5-star property in 2026. Apex Alliance Hotel Management will operate the hotel, adding to its portfolio of 15 hotels across Europe. ***PT: City ID acquires palace Baronesa in Lisbon***

Amsterdam-based hotel group City ID will transform Lisbon's palace Baronesa into an 88-room aparthotel. The historic 16th-century palace will undergo renovation to become City ID's first aparthotel in Portugal. The property will feature fully equipped apartments, including kitchens and living spaces for short and long-term stays. Amenities will include a swimming pool, restaurant, wellness area, and co-working spaces

### ***EU: Robust Investment In European Hotels in Q1 2023 Sets the Scene For An Active Second Half Of The Year***

Europe saw strong hotel investment activity in Q1 2023, with €4.1bn transacted over 154 properties and 16,817 rooms. Resort hotels accounted for 22% of transactions. Major deals, including the sale of Westin in Paris and Mandarin Oriental in Bodrum, drove the growth. The UK, France, and Spain were the top markets, while London, Paris, and Madrid were the favoured urban markets for investors. European buyers dominated, and capital from the Middle East showed significant growth. Upscale and Upper Upscale hotels were in high demand





### **UK: Hyatt Regency London Blackfriars Opens**

Hyatt Hotels Corporation has opened Hyatt Regency London Blackfriars, its ninth hotel in the city and 14th property in the United Kingdom. Located in London's business and leisure district, the 204-room hotel showcases Hyatt's commitment to expanding brand presence in the country and its diverse brand portfolio

### **UK: Locke opens sixth London aparthotel in Kensington**

Locke, the lifestyle aparthotel brand, will open its sixth London location in Kensington in July. The eight-floor aparthotel will feature 121 apartments, ranging from studios to duplex one-bedroom units. Amenities include a coffee shop, bar, restaurant, co-working space, gym, and more. Located on Cromwell Road, the hotel is conveniently situated near popular museums and cultural attractions. The design of the hotel is a collaboration between Atelier Ochre and House of Dré. Room rates start at £229 per night for the city studio room

### **UK: London hotel RevPAR highest since Oct 2022**

According to data from STR, London hotel in May 2023 achieved its highest RevPAR since Oct 2022. Occupancy rose by 3.5% to 80.5%, with an ADR increase of 18.9% to £204.52. RevPAR surged by 23.1% to £164.54. Factors like bank holidays and extended vacations contributed to high occupancy levels of 92.5% on selected dates and three consecutive days above 90% occupancy. Overall, daily occupancy remained above 60% throughout the month, except for one day at 57.7%

### **IE: Ruby Dublin Middle Abbey Street**

The Ruby Group is expanding its presence in Ireland with second Ruby Hotel in Ireland after Ruby Molly on the Emerald Isle. The new building will have 257 rooms and feature a rooftop bar. Located on Middle Abbey Street in Dublin's city centre, the hotel will be conveniently situated near popular attractions. The project is being realised in partnership with Fitzwilliam Real Estate, and the interior design will follow Ruby's Lean Luxury philosophy

### **IE: Staycity breaks €200m turnover mark**

Aparthotel operator Staycity has achieved record turnover of over €200m in the 12 months to 1<sup>st</sup> May 2023, with 2023 target set at €230m. The company's improved trading, fuelled by the return of business travel and the popularity of city breaks, along with 12 new property openings over the past 18 months, contributed to the milestone. Turnover in 2022 reached €175m, with EBITDA at €30m and a 10% increase in RevPAR compared to 2019. Staycity currently operates 32 properties across its Staycity and Wilde brands, including the signed pipeline, at 7,400 keys, with plans to open six more in Amsterdam, Cambridge, Munich, Lisbon, Porto, and Stratford

### **ES: IHG signs third Kimpton in Spain**

IHG Hotels & Resorts has signed a hotel management agreement for the Kimpton Los Monteros Marbella in Spain. The former Hotel Los Monteros Spa & Golf Resort will be refurbished and reopen under the Kimpton brand. With 178 rooms, the hotel will offer dining, pools, a gym, a spa, and meeting rooms



### ***ES: Mandarin Oriental announces plans for new luxury residences in Madrid***

Mandarin Oriental will open luxury residences in Madrid in Jan 2025. Located in the upscale Salamanca neighbourhood, the residences will feature 30 apartments with two- and three-bedroom options, with private balconies, and some units will have private pools. Shared amenities will include a lounge, landscaped garden, fitness centre, and spa facilities

### ***ES: Hotel Barometer produced by STR and Cushman & Wakefield Q1 2023***

Spanish hotels experienced a strong recovery in the Q1 2023, with occupancy reaching 65%, a 26.4% increase compared to the previous year. Average daily rates rose to €120, resulting in a 43% growth in RevPAR at €78. The Canary Islands had the highest occupancy at 82% and €119 RevPAR. Barcelona showed significant improvement, with a 43% increase in occupancy and 27% rise in ADR, leading to an 81% growth in RevPAR. The Hotel Sector Barometer indicates a full recovery in Spain's hotel performance, approaching pre-pandemic levels

### ***CH: Radisson debuts serviced apartments in Switzerland***

Radisson has launched its first serviced apartments in Switzerland with the opening of Radisson Hotel & Suites Zurich. Located in Opfikon's Glattpark district, the property offers 447 rooms, including 343 serviced apartments with kitchenettes. Amenities include dining options, a gym, and laundry rooms on each floor

### ***DE: NUMA signs over 300 units in Germany***

NUMA Group, a tech-enabled apartment operator, has expanded its portfolio in Berlin with four new buildings, totalling 304 units. The properties include an 86-apartment hotel at Boxhagener Straße, a sustainable building near Kant-Garagen with 61 units, a renovated location in Berlin-Wedding with 89 apartments set to relaunch by 2026, and a 68-unit property in a popular East Berlin neighbourhood

### ***ME: Accor to open new resort in Montenegro***

Accor has signed a franchise agreement with CG Resort for the 5-star Pullman Kolasin Breza in Montenegro. Opening by year-end, this mountain-inspired hotel is a milestone in Accor's Balkan expansion. With 144 rooms, 17 apartments, and unique design reflecting Montenegro's landscape, it offers exceptional amenities such as restaurants, spa, indoor pool, and meeting rooms. Alpha Hotel Management will operate the property, known for their involvement in notable hospitality projects

### ***ME: Hyatt Regency enters Montenegro with opening of Kotor Bay Resort***

Hyatt announces the opening of Hyatt Regency Kotor Bay Resort, the first Hyatt hotel in Montenegro. Located in the UNESCO World Heritage Site of Bay of Kotor, the resort features 205 eco-consciously designed guest rooms, stunning views, and upscale amenities including three pools, private waterfront access, a fitness centre, yoga and Pilates spaces, expansive spa facilities and six dining venues



### ***GR: Wyndham announced opening of Ajul Luxury Hotel & Spa Resort***

Wyndham Hotels & Resorts has opened the Ajul Luxury Hotel & Spa Resort, its first Registry Collection Hotel in Europe. Located in Halkidiki, Greece, the 5-star resort features 171 rooms, including private villas and bungalows with sea views. The resort is owned and operated by Zeus International Hotels & Resorts and is part of Wyndham's portfolio of 16 Registry Collection properties. The opening strengthens the collaboration between Wyndham and Zeus, which currently covers 10 hotels across three countries

### ***HR: Hilton Continues Resort Destination Growth with Curio Collection by Hilton Hotel in Croatia***

Hilton has signed a franchise agreement with Katarina Line to open Keight Hotel Opatija, first Curio Collection by Hilton in Croatia. The 54-room hotel, expected to open in 2024, will be operated by Zagreb City Hotels, which already manages three Hilton branded hotels in Croatia. The hotel will feature a rooftop sundeck, pool, bar and spa

### ***PT: Tivoli's first all-inclusive resort – Tivoli Alvor Algarve Resort***

Tivoli Hotels & Resorts opens Tivoli Alvor Algarve Resort, its fifth resort in the Algarve and the first all-inclusive option in the region. Situated near Alvor and Portimão, the resort offers dedicated facilities for all ages, including 491 contemporary guest rooms, five outdoor pools, four restaurants, and a Wellness Centre. Adults can enjoy the gym, adult-only pool, and partner restaurants, while children can have fun at the Pluma Junior Club

### ***TR: Radisson Hotel Group opens its first hotel in Antalya, Turkey***

Radisson Hotel Group announces the opening of Radisson Blu Hotel, Kaş, its first property in Antalya. The hotel features 50 rooms and suites in a Mediterranean-inspired designs, that offer garden or sea views, as well as either a balcony or a private pool. Guests can enjoy nearby beaches with convenient shuttle service

### ***Global: Luxury hotels expect revenue growth in 2023 but rising costs pose challenges***

A global research shows luxury hotel executives are optimistic about revenue growth in 2023, with 92% anticipating an increase compared to 2019. They also expect higher occupancy rates, driven by factors such as a growing affluent population and increased consumer spending post-Covid. However, rising costs pose challenges, with 24% of executives foreseeing a significant increase

# TRANSACTIONS

June '23 Activity



## Corporate Transactions

Buyer(s)	Country	Target	Country	Deal Size (mm)	Deal Type
Goldman Sachs Asset Management	US	FTC Hotels	GR	Undisclosed	Acquisition

## Real Estate Transactions

Buyer(s)	Country	Target	Country	Deal Size (mm)	No. Of Rooms
ADIA	UAE	17-hotel portfolio in Spain	ES	€ 600.0	2,500
Jon Riberas's Family office	ES	Palacio del Retiro Hotel, Madrid	ES	€ 60.0	50
Dalata Hotel Group	IE	Apex Hotel London Wall	UK	£ 53.4	89
KOP Group	SG	Burns Hotel, Earl's Court	UK	£ 35.0	105
Zorca Holdings	UK	Two hotels in Bloomsbury	UK	£ 26.3	74
Midstar Hotels	SE	Scandic Borlänge Hotel	SE	€ 17.7	154
Capilon Hotels and Awan Group	UK	Prince William Hotel, Paddington	UK	£ 15.0	49
Undisclosed Catalan family office	ES	Hotel Pedralbes, Barcelona	ES	€ 9.0	30
Interesting Hotels Group	UK	Riverside Hotel, Kendal	UK	£ 4.5	58
Commerz Real	DE	Steigenberger Hotel de Saxe, Dresden	DE	Undisclosed	185
Apex Alliance and Pavăl	LT & RO	Grand Hotel Gardone	IT	Undisclosed	167



Real Estate Transactions					
Buyer(s)	Country	Target	Country	Deal Size (mm)	No. Of Rooms
Zeal Hotels	UK	Site acquisition in Exeter for net zero carbon hotel	UK	Undisclosed	142
Union Investment	DE	Grand Palais building, Heringsdorf	DE	Undisclosed	120
Raspberry Group	NL	Best Western Hotel The Hague & Best Western City Hotel Woerden	NL	Undisclosed	45 & 64
City ID	NL	Palace Baronesa, Lisbon	PT	Undisclosed	88
Undisclosed	UK	The Royal Hotel, Ullapool	UK	Undisclosed	54
Undisclosed	N/A	Lawson Hotels Limited, Wirral	UK	Undisclosed	47
Undisclosed Family group	N/A	Touraine Opéra Hotel, Paris	FR	Undisclosed	39
A Curious Group of Hotels	UK	Drakes Hotel, Brighton	UK	Undisclosed	20
Delta Real Estate	SRB	Radisson Collection Hotel Belgrade	SRB	Undisclosed	236
EXTENDAM & DG Invest	FR	Blue Sea Cas Marina, Alicante	ES	Undisclosed	118



# MARKET SNAPSHOT (EUROPE)

## Macroeconomic Metrics

	Real GDP Growth (vs same quarter last year)	Inflation	Unemployment Rate
United Kingdom	0.1% (Q1 2023)	7.9%	3.8%
European Union	1.0% (Q1 2023)	5.5%	6.5%

FX Rate	Current	MoM (Δ%)	YoY (Δ%)
GBP/EUR	1.164	(0.03%)	0.16%
EUR/USD	1.091	2.10%	4.09%
GBP/USD	1.270	2.07%	4.29%

## Fixed Income and Equity Markets

Central Banks Interest Rates	Bank of England	European Central Bank	
	5.00%	3.50%	

Sovereign Bond Yield	Current	MoM (Δbps)	YoY (Δbps)
UK 10-Year GILT	4.39%	20.60	215.20
German 10-Year BUND	2.39%	11.00	105.50
Italy 10-Year BTP	4.07%	(1.00)	77.50
France 10-Year Bond	2.93%	8.20	97.20

Swap Rates	Current	MoM (Δbps)	YoY (Δbps)
3M SONIA – GBP – 5 Year	5.02%	51.00	202.20
3M EURIBOR – EUR – 5 Year	3.12%	18.20	120.50

Interbank Interest Rates	Current	MoM (Δbps)	YoY (Δbps)
SONIA*	4.93%	50.03	373.97
3M EURIBOR	3.58%	11.40	375.30

OAS** Corporate Spread Index	Current	MoM (Δbps)	YoY (Δbps)
S&P Eurozone Investment Grade	1.44%	(12.00)	(53.00)
BofA € High Yield	4.42%	(41.00)	(199.00)

European Stock Indexes	Current	MoM (Δ%)	YoY (Δ%)
STOXX Europe 600	462	2.25%	13.44%
FTSE 100	7,532	1.15%	5.05%
DAX 30	16,148	3.09%	26.32%
FTSE MIB	28,231	8.37%	32.58%
CAC 40	7,400	4.25%	24.94%

Market Snapshot (Europe) as of 30/06/2023

\*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 – June 2023

- **CBRE:** ‘Europe Hotel Market’ | June 2023
- **Colliers:** ‘UK Property Snapshot’ | June 2023

## Hospitality Conferences & Events

- **IDeaS Hospitality Revenue Summit | 24-25 July 2023 | London, United Kingdom**

IDeaS Hospitality Revenue Summit brings together world-leading hospitality executives to discuss the future of revenue management. They will discuss key trends shaping our industry, network with hospitality’s brightest minds, and how to leverage technology to get ahead in 2023 and beyond. From profit optimisation to meetings & events and advanced data insights, attendees will walk away with actionable insights to successfully drive growth for their properties. The event will be hosted at The Londoner Hotel.

# APPENDIX I

## Corporate Transactions – Recent Notable Activity



Date	Buyer(s)	Country	Target	Country	Deal Size (mm)	Deal Type
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
Jul '22	Angelo Gordon & Westmont Hospitality Group	US & CA	Room Mate	ES	Undisclosed	Acquisition



Date	Buyer(s)	Country	Target	Country	Deal Size (mm)	No. Of Rooms
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
Nov '22	CPPIB and Hamilton-Pyramid	UK	W Hotel Rome	IT	€ 172	162



Date	Buyer(s)	Country	Target	Country	Deal Size (mm)	No. Of Rooms
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
May '22	Azora European Hotel and Leisure Fund	ES	Pestana Blue Alvor Hotel	PT	Undisclosed	500



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