

# IRISH HOTEL MARKET

---

ISOBEL HORAN

DIVISIONAL DIRECTOR



# CONTENTS

**1** EMEA HOTEL MARKET

---

**2** IRISH HOTEL MARKET

---

**3** DEMAND

---

**4** SUPPLY

---

**5** VALUATIONS

---





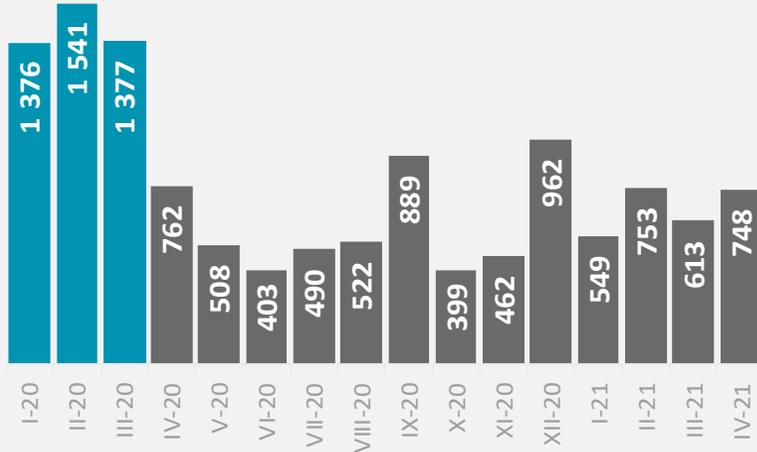
**01**

**EMEA HOTEL  
MARKET**

# RECOVERY IN EUROPE

## LIGHT AT THE END OF THE TUNNEL.....

HOTEL TRANSACTION VOLUME – EUROPE (MONTHLY, EUR MILLIONS)



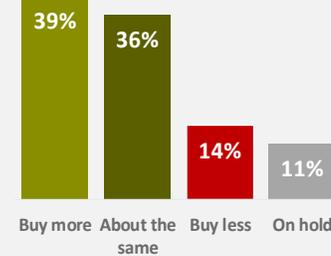
**Transaction activity remains muted...**

**...but the sentiment is positive.**

### INVESTOR SURVEY

➤ **75%** want to buy more or about the same

How has your acquisition strategy for hotels changed due to COVID-19?



Conducted: April 2021. 32 major investors

### HOTEL FUND RISING

➤ **7 funds** dedicated for Europe  
➤ Over **€2.4 billion** and rising



# HOTEL TRANSACTION ACTIVITY - EUROPE

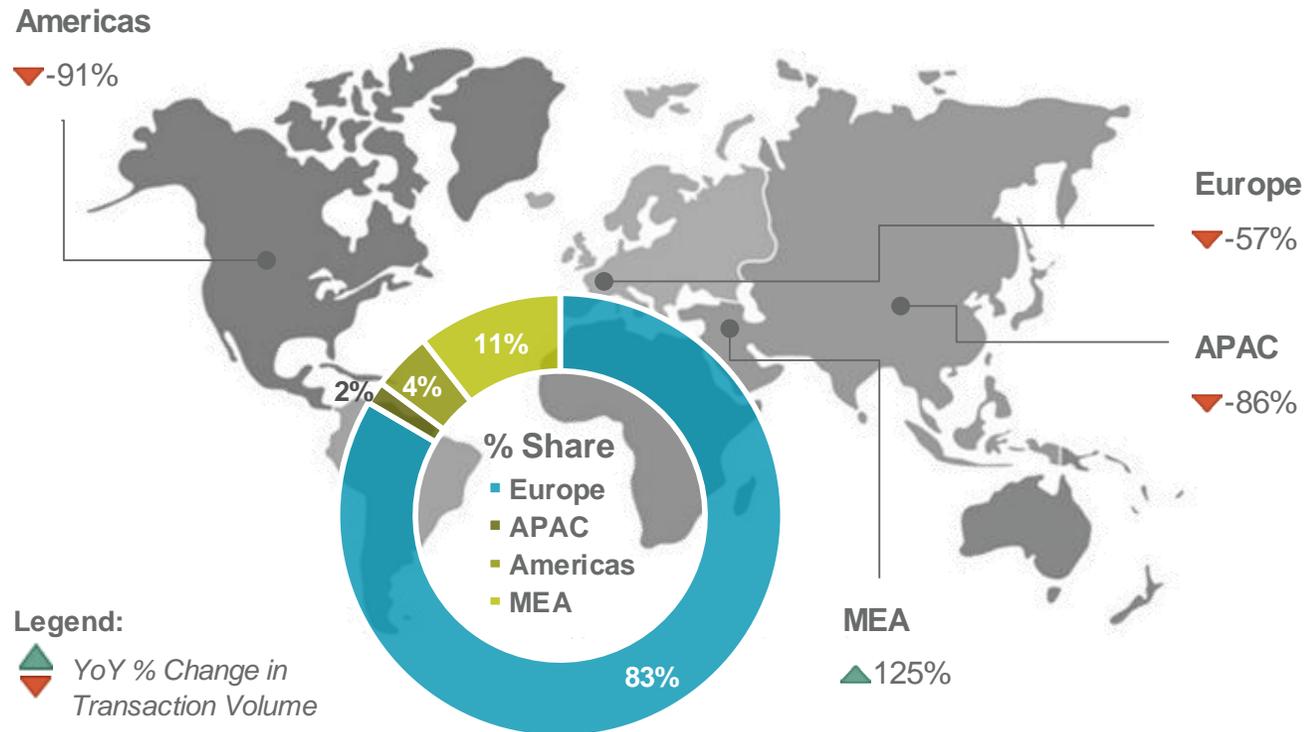
## (VOLUME IN EUR BILLIONS)



No.	Country	2019	€	2020	€	Change
1	United Kingdom	5.2		2.3		-56%
2	Germany	4.9		1.8		-64%
3	Spain	1.5		1.2		-20%
4	Italy	3.2		0.9		-71%
5	France	3.0		0.8		-73%
6	Portugal	0.6		0.5		-14%
7	Sweden	0.4		0.4		5%
8	Netherlands	2.5		0.4		-85%
9	Switzerland	0.4		0.3		-9%
10	Greece	0.3		0.3		-10%

# HOTEL TRANSACTION ACTIVITY - EUROPE

## SOURCE OF CAPITAL (VOLUME - % SHARE / CHANGE)



	BUYERS (% Share)	
	Last 12 Months	% Change
Institutional	48%	-67% ▼
Private	40%	-16% ▼
Public	11%	-83% ▼
User/Other	1%	-63% ▼

	SELLERS (% Share)	
	Last 12 Months	% Change
Institutional	34%	-71% ▼
Private	59%	-24% ▼
Public	4%	-93% ▼
User/Other	4%	30% ▲



**02**

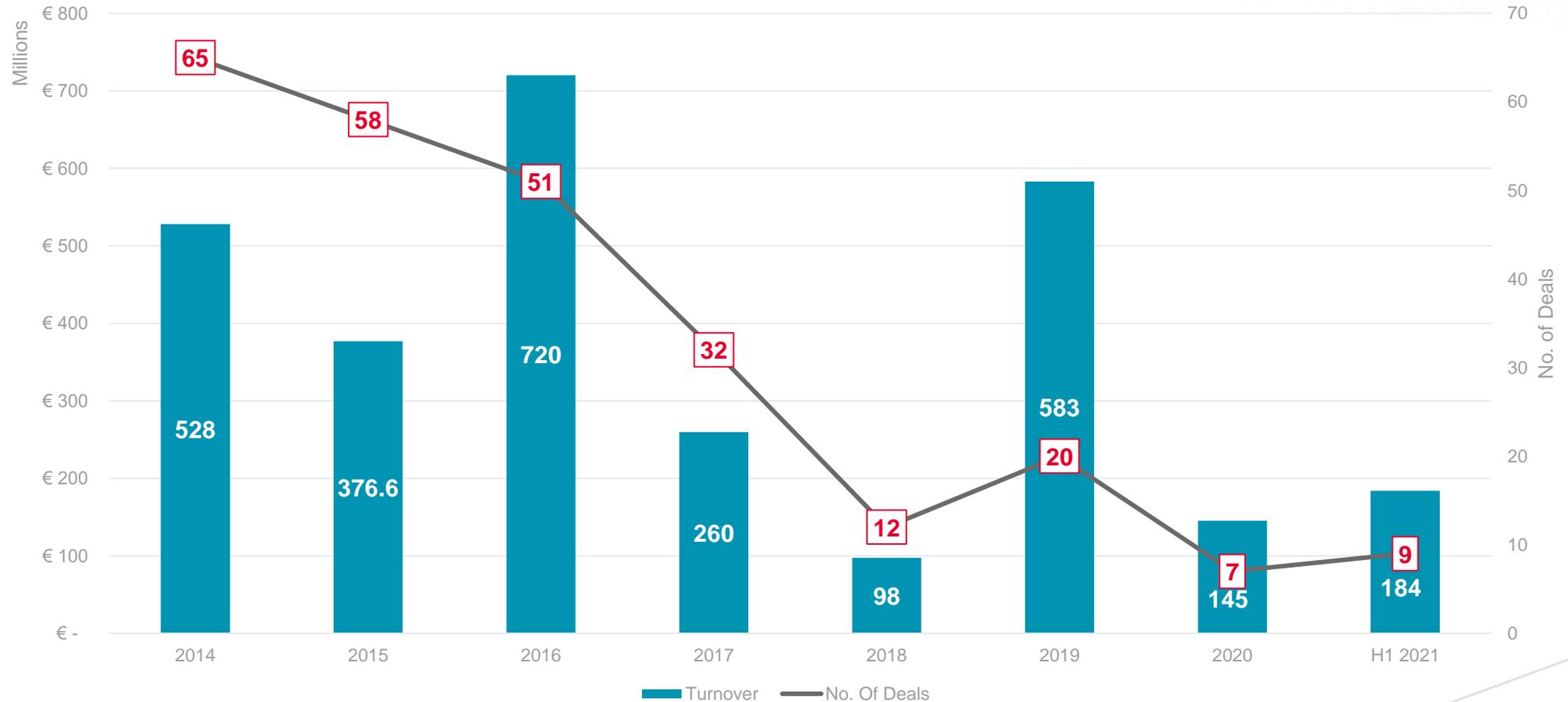
**IRISH HOTEL  
MARKET**

**DEMAND**



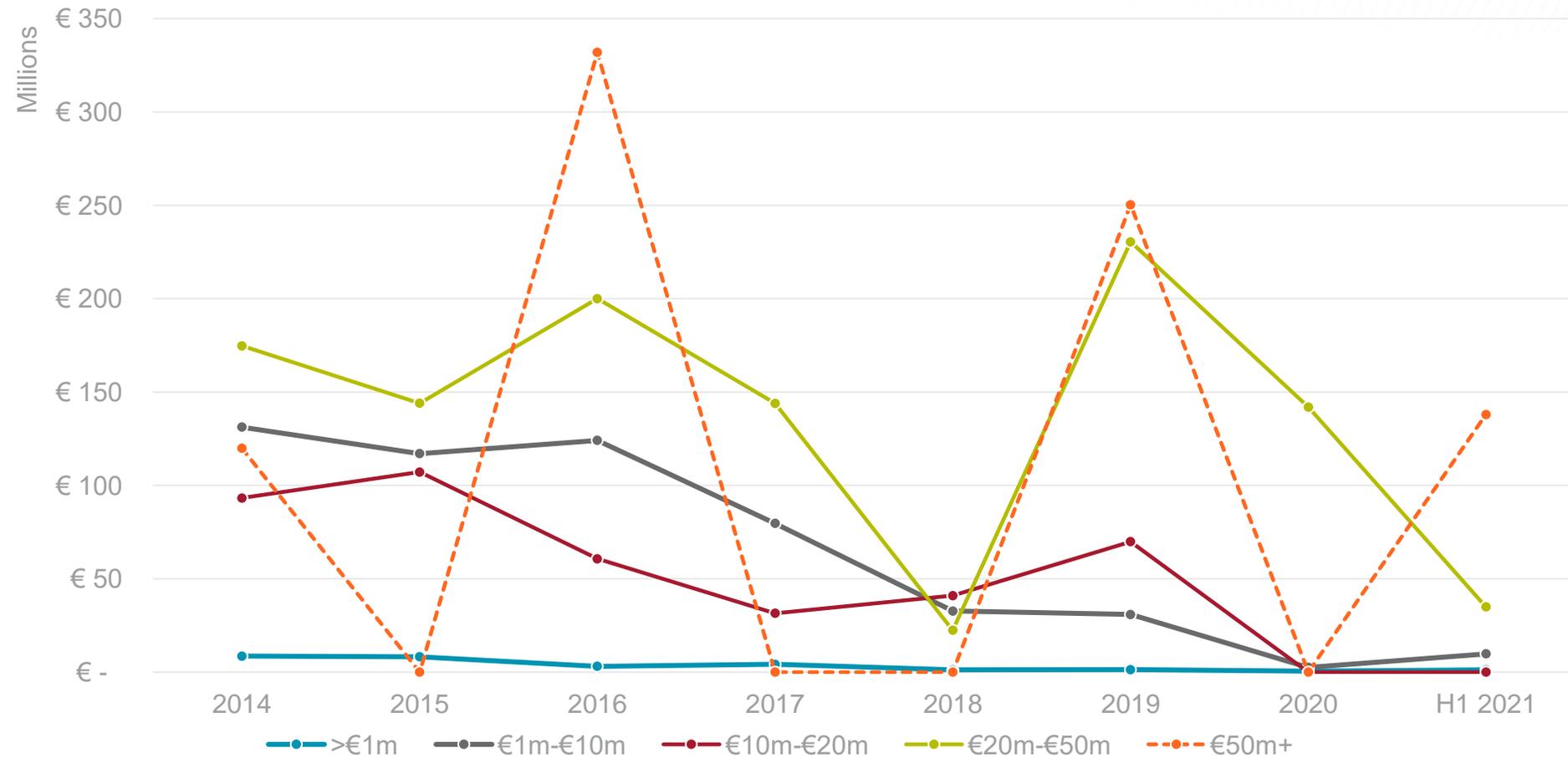
# HOTEL TRANSACTION ACTIVITY

2014 – H1 2021



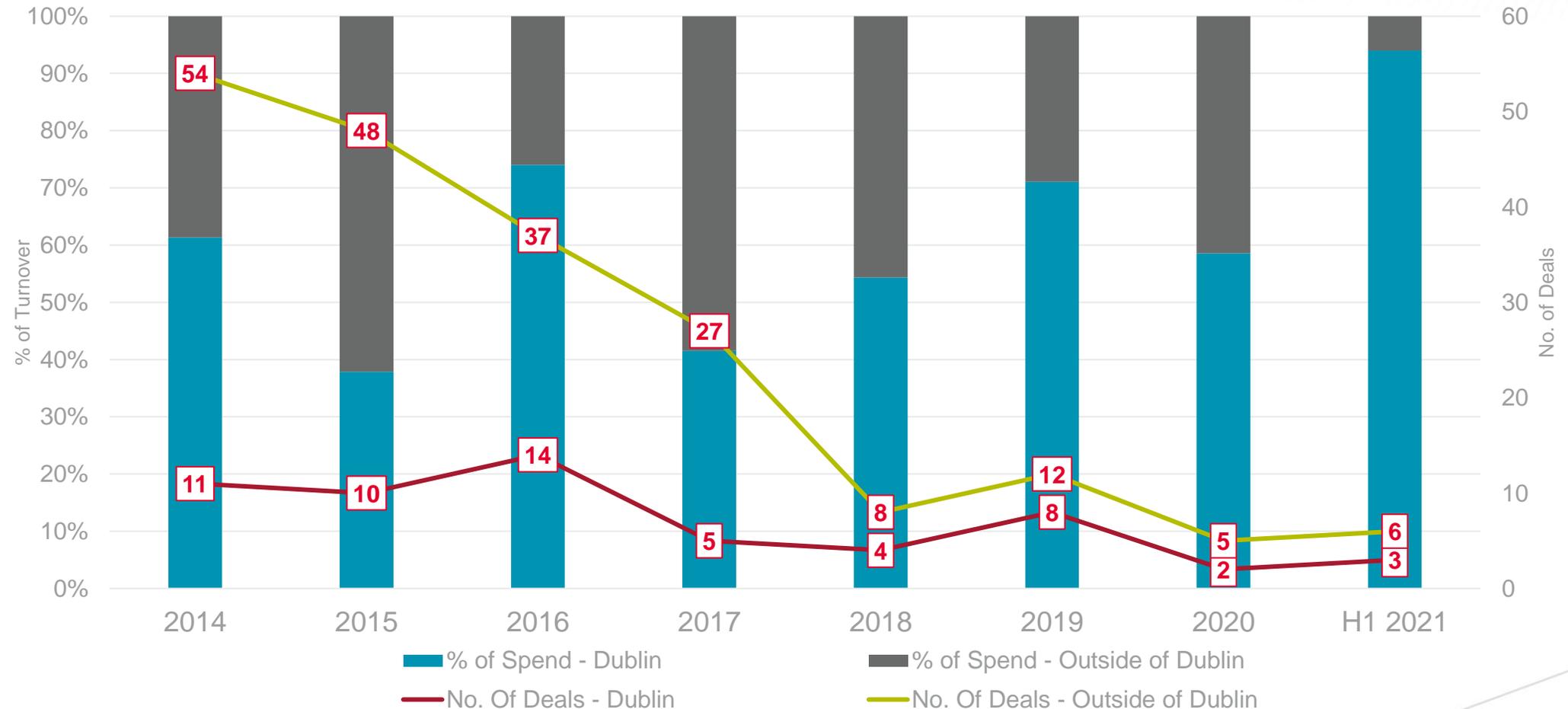
# HOTEL TRANSACTION ACTIVITY

## LOT SIZE BY TURNOVER, 2014 – H1 2021



# HOTEL TRANSACTION ACTIVITY BY LOCATION

BY TURNOVER, 2014 – H1 2021



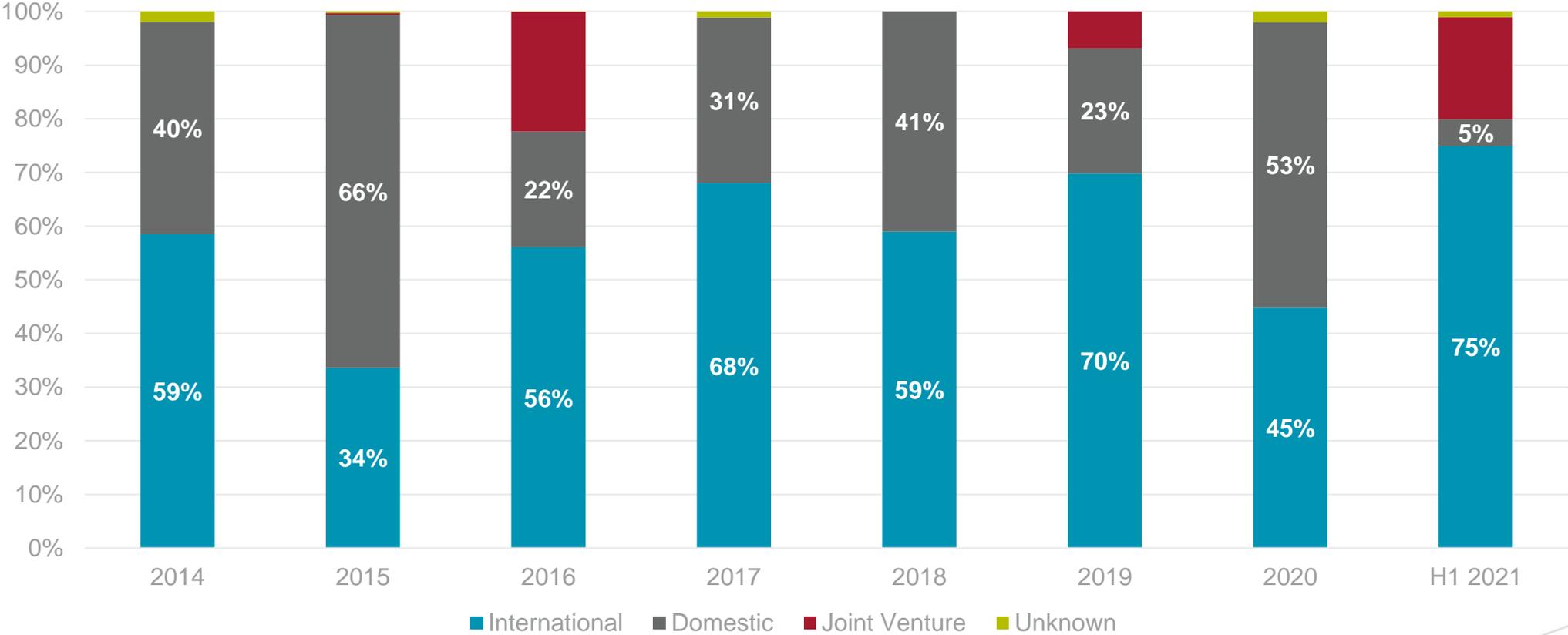
# TOP HOTEL ASSET TRANSACTIONS

H1 2021

Name	County	Star Rating	Price	Buyer Origin
Premier Inn Hotel	Dublin	3	€70m	German
Morrison Hotel	Dublin	4	€68m	UK
The Moxy Hotel	Dublin	3	€35m	Irish/USA
Iona Hotel	Wexford	N/A	€3.4m	Irish
The Blarney Hotel	Cork	4	€3m	Irish

# SOURCE OF CAPITAL BY TURNOVER

2014 - H1 2021

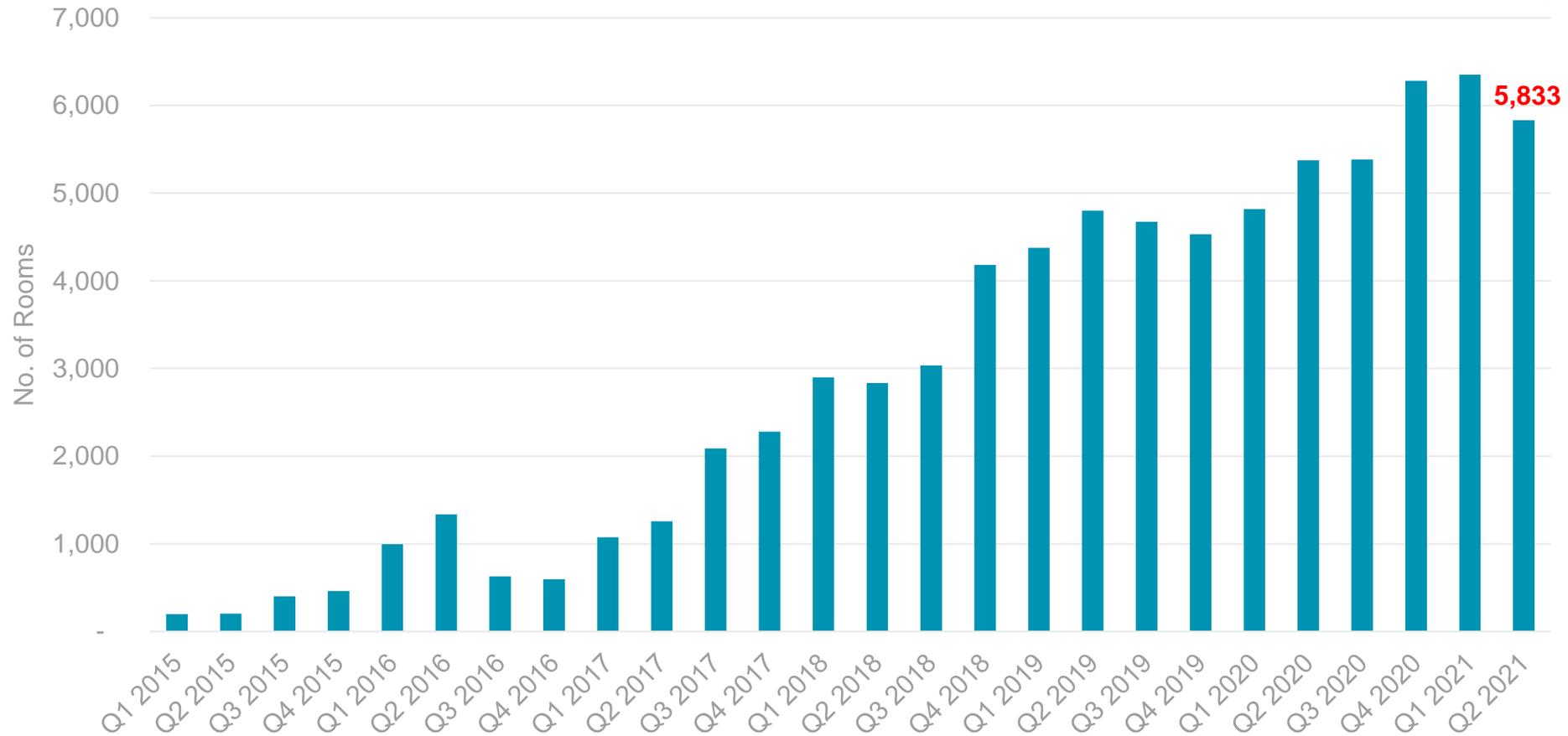


**SUPPLY**



# HOTEL DEVELOPMENT ACTIVITY

Q1 2015 – Q2 2021



# TOP HOTEL COMPLETIONS

H1 2021

Name	County	Construction Type	New Rooms	Star Ratings
Holiday Inn Dublin Airport	Dublin	New Build	421	4
REZz Cork City	Cork	New Build	73	3

# TOP HOTELS UNDER CONSTRUCTION

H1 2021

Name	County	No. of Rooms	Development Type	Expected Completion
Travelodge Plus, Dublin City Centre	Dublin	393	New Build	Q4 2021
StayCity Aparthotel, Little Mary Street	Dublin	340	New Build	Q4 2021
Motel One	Dublin	310	Redevelopment	Q1 2022
StayCity Serviced Apartments, Tivoli Theatre	Dublin	298	New Build	Q4 2021
Great Strand Street	Dublin	269	New Build	Q4 2021
Hampton by Hilton, Four Courts	Dublin	249	New Build	Q4 2021
Beckett Locke	Dublin	241	New Build	Opened Q3 2021
Cherrywood Town Hotel One	Dublin	223	New Build	Q1 2022
The Clery, O'Connell Street Upper	Dublin	213	New Build	Q4 2021
Abbey Street Upper	Dublin	207	New Build	Q4 2022

# VALUATIONS



# VALUATION DURING AN UNCERTAIN TIME

## C&W Hotel Valuation Snapshot

(March 2020 – Sept 2021)

Total Hotels – 65



10% - 20%

Economy Hotels

Estimated Recovery Period:  
3 - 4 years



20% - 30%

Upper Up Scale Hotels

Estimated Recovery Period:  
4 – 5 years

# IN SUMMARY

## EMEA

TRANSACTIONS ARE MUTED  
BUT SENTIMENTS REMAINS  
STRONG

STOCK IS LOW BUT DUE TO  
RETURN TO MORE  
NORMALISED LEVELS ONCE  
TRADE BOUNCES BACK

SEVEN DESIGNATED HOTEL  
FUNDS WITHIN EUROPEAN  
LOOKING TO RAISE €2.4BN  
TO INVEST IN HOTEL ASSETS

## IRELAND

LIMITATIONS ON TRANSACTIONS  
BUT IMPROVING

APPROX. 2400 BEDROOMS  
ARE DUE TO BE DELIVERED  
BY YEAR END

VALUATION RECOVERY TO  
PRE PANDEMIC LEVELS  
ESTIMATED TO BE 2023 -  
2025

# THANK YOU

---

ISOBEL HORAN

DIVISIONAL DIRECTOR

[Isobel.horan@cushwake.com](mailto:Isobel.horan@cushwake.com)

