COPENHAGEN MARKET PULSE

FULL STEAM AHEAD IN THE NORTH

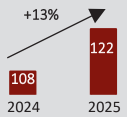
BEDNIGHTS – 2025

+5.4% YOY

12.5 MILLION

Region Hovedstaden

REVPAR – 2024 VS 2025 (€)



OCCUPANCY – 2025

+6.4% YOY

77.2%

AIRPORT PASSENGERS – 2025

+8.5% YOY

32.4 MILLION

at Copenhagen Airport

Market Profile

Urban design woven into the historic charm of one of Europe's oldest capital cities makes Copenhagen an attractive destination for both leisure and business travellers, as does its well-developed infrastructure, including an extensive road network, public transportation, an international airport and a major seaport.

Developments are underway to improve the city's connectivity even further: the Fehmarnbelt Tunnel will connect the islands of Lolland in Denmark and Fehmarn in Germany. Anticipated to open in 2029, the tunnel will become the fastest route between Scandinavia and Central Europe. This, and other ongoing public investment projects, including the development of areas such as Ørestad and Nordhavn, are expected to strengthen regional economic growth and tourism.

Tourism Demand

According to national statistics, bednights in Copenhagen have increased by more than 50% over the last decade, reaching a new record of over 12.5 million in 2025, reflecting a CAGR of 4.7% from 2016-25. Traditionally, domestic demand accounts for over 40% of overnight stays, with the USA (8%), Germany (6%) and the UK (6%) representing the main international source countries in 2025. Q1 2026 figures surpassed both the same period last year and in 2019, indicating a strong start to the year.

Alongside the rise in bednights, Copenhagen Airport has played a key role in the city's tourism momentum. In 2025, the airport recorded a historic 32.4 million passengers, surpassing pre-pandemic levels for the first time and marking a record-breaking year. Growth has continued so far in 2026, with the year-to-April seeing 9.9 million passengers passing through the airport, an 11% increase over the same period in 2025. Supporting continued growth in both visitor arrivals and overnight stays, Copenhagen Airport expanded its network with 31 new routes in 2025, followed by a further 20 new routes this year, including new connections to destinations such as Marseille and Bordeaux in France, and Halifax in Nova Scotia.

Hotel Performance

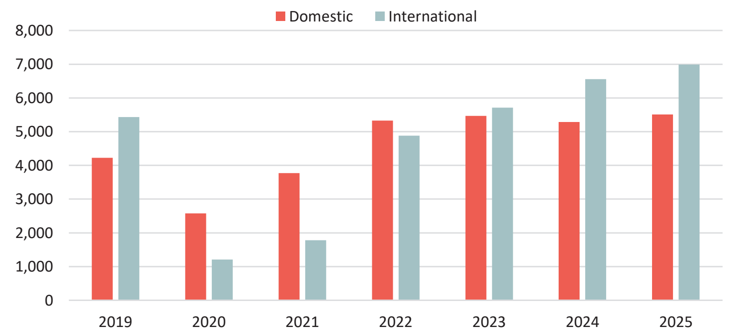
Post-pandemic recovery has been steady but slow for Copenhagen, with occupancy increasing significantly in 2022 but struggling to return to historical levels of around 78-79% since. However, performance figures for 2025 marked a significant milestone, with occupancy broadly returning to its pre-pandemic heights at around 77%. Meanwhile, average rate surpassed its 2019 levels nominally, but large decreases during the pandemic combined with somewhat high inflation has kept both average rate and RevPAR some 4-5% below 2019 in real terms. Despite these challenges, strong RevPAR growth in 2025 and a stable DKK:EUR exchange rate saw Copenhagen record the largest increase in hotel values in our *2026 European Hotel Valuation Index* at 5.9%. Continuing strong demand and limited new supply on the horizon suggest good times ahead for the city's hotels.

ECONOMIC INDICATORS – DENMARK

	2024A	2025A	2026F
GDP GROWTH (%)	+3.5%	+2.9%	+2.0%
CPI (%)	+1.3%	+1.8%	+2.0%
UNEMPLOYMENT (%)	2.9%	2.9%	2.9%

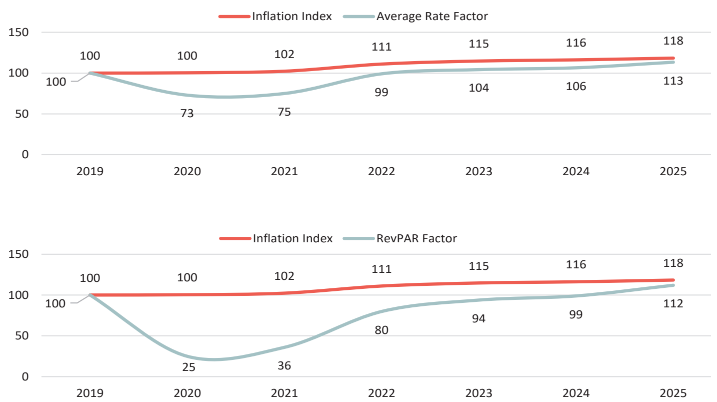
Source: IMF, April 2026

ACCOMMODATED BEDNIGHTS – SUSTAINED GROWTH (000s)



Source: Statistics Denmark – Region Hovedstaden

PERFORMANCE INDEX – AVERAGE RATE AND REVPAR BRIDGING THE GAP TO PRE-PANDEMIC LEVELS



Source: HVS Research

Hotel Supply

The pipeline in Copenhagen remains notably constrained, partly explained by restrictions on new supply in the market. In March 2026, Copenhagen introduced a temporary planning ban that halted several proposed hotel developments in the city centre while new regulations were prepared. The City Council then voted on 30 April 2026 to restrict new hotel development across much of the historic core, with the wider measures due to take effect once the necessary planning amendments are adopted. Focused on managing tourism growth and protecting residential uses in the city's most visited areas, the temporary ban is expected to remain in place until around March 2027, when longer-term restrictions are anticipated to be implemented.

Following this announcement, some hotels were exempt from the temporary ban. At the time of writing, five properties are still scheduled to enter the market between 2026 and 2028. Among them, the Ruby Copenhagen will mark the brand's Danish debut with a 219-room property, while the remaining openings come from established operators expanding their presence in the city, underscoring investor confidence in the market. The 44-room Henrik's Hotel – Hildebrandt Hammer opened at the beginning of May and marks the family-run group's fourth property in the market. In 2027, the Four Points Flex by Sheraton brand will open its fourth Copenhagen hotel, while Bob W is set to open its second property in the city, followed by a third in 2028.

Investment Market

In terms of transaction activity, Copenhagen had a very subdued post-pandemic period which saw just two hotels change hands in 2021, two in 2022, four in 2023 and two in 2024. However, a total of six transactions in 2025 (one single asset transaction and five as part of portfolios) and a further two so far this year have put the city firmly back on the investment map. Notably, three of the hotels that transacted last year were part of a 28-property, Scandinavia-wide portfolio purchased by CapMan from Midstar AB, as indicated in the Hotel Transactions table in the next column.

Outlook

Copenhagen started 2026 in a strong position, buoyed by robust RevPAR growth and the largest increase in hotel values in 2025 (see our *2026 European Hotel Valuation Index* for more). And while an element of uncertainty is to be expected given the current geopolitical situation impacting much of the globe, there is much to be positive about. Major infrastructure projects such as the construction of the Fehmarnbelt Tunnel combined with numerous new routes from Copenhagen Airport will make Denmark more accessible than it's ever been, while increasing airport arrivals (last month recorded the highest ever passenger numbers for an April) and a restricted pipeline are encouraging signs that the city has the fundamentals to endure these latest challenges and continue thriving.

VALUE TREND 2025 VS 2024

REVPAR	CAPITALISATION RATES	HOTEL VALUES
▲	▶	▲

HOTEL PIPELINE

Property	Rooms	Opening
Henrik's Hotel – Hildebrandt Hammer	44	May 2026
Four Points Flex by Sheraton Copenhagen Glostrup	152	Q2 2027
Ruby Copenhagen	219	Q3 2027
Bob W Copenhagen Vesterbro	169	Q4 2027
Four Seasons Hotel Copenhagen	100	Q4 2027
Bob W Ørestad District	143	Q3 2028

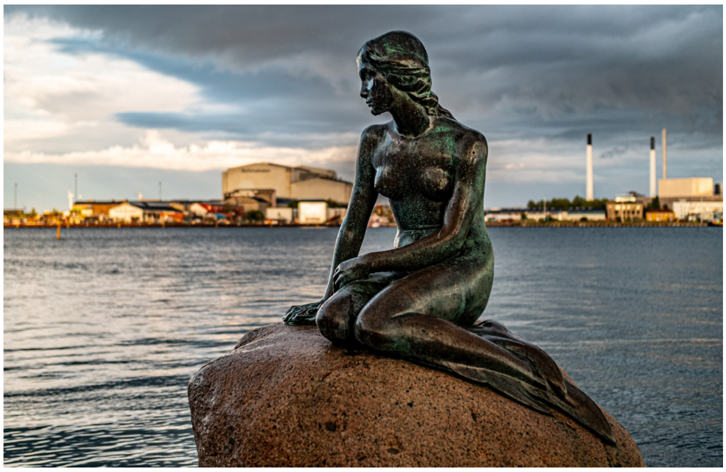
Source: HVS Research

HOTEL TRANSACTIONS

Property	Rooms	Sale Date	Estimated Price (€)	Per Room (€)
25h Copenhagen Indre By	243	Apr-26	Undisclosed	
Four Points Flex by Sheraton	76	Jan-26	Undisclosed	
Orestads Boulevard 31 Hotel	143	Dec-25	Undisclosed	
Nest45 Hotel [1]	186	Dec-25	Undisclosed	
Comwell Nordhavn	484	Apr-25	Undisclosed	
Copenhagen Admiral Hotel [1]	366	Apr-25	Undisclosed	
Grand Hotel [1]	161	Apr-25	Undisclosed	
Best Western Plus Airport Hotel [1]	240	Apr-25	Undisclosed	
Amager Strand [2]	94	Dec-24	Undisclosed	
Hotel Herman K	31	May-24	Undisclosed	

Source: HVS Research

[1]Part of a portfolio transaction; [2]Forward-sale, scheduled to open in 2027



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