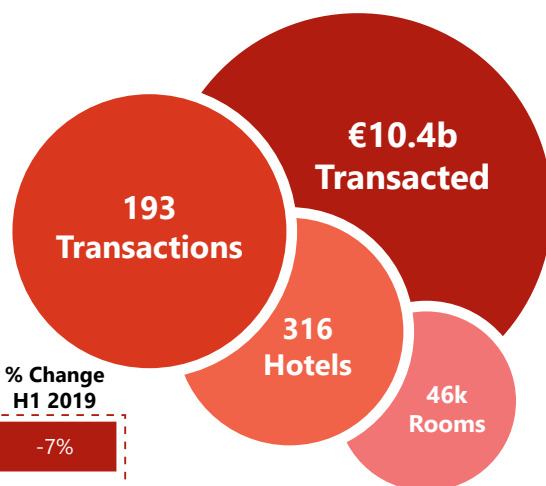








H1 2025 EUROPEAN HOTEL TRANSACTIONS

Introduction

Transaction activity remained high in the first half of 2025, marginally shy of the 2024 levels over the same period but, at €10.4 billion, above the average for the last decade. Single-asset deals were at the forefront of the investment landscape in H1 2025, with the total number of transactions increasing by 21% year-on-year. An increase of 9% in the average number of rooms per hotel transacted has led to a decrease in the average price per room of 8% compared to H1 2024.



	H1 2025	Change H1 2024	% Change H1 2024	Change H1 2019	% Change H1 2019
 Number of Transactions	193	+33	21%	-14	-7%
 Total Volume (€)	10.4b	-0.2b	-2%	-2.4b	-19%
 Hotels	316	-6	-2%	2	1%
 Rooms	46k	+3k	7%	-12k	-2%
 Avg Price Per Hotel (€)	32.9m	+0.1m	0%	-8.0m	-2%
 Avg Price Per Room (€)	228k	-19k	-8%	+4k	2%

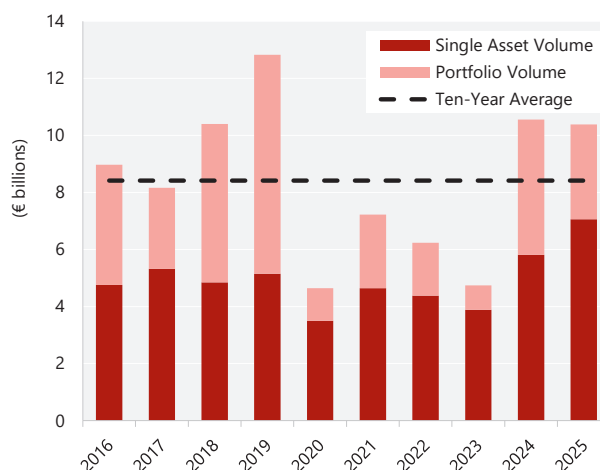
Source: HVS – London Office

Only hotels that sold for more than €7.5 million have been included in this analysis.

General Commentary

- Transaction volumes were most concentrated in February and June, with January, as usual, recording the lowest level of activity.
- After having seemingly stabilised in 2024, the single-asset-to-portfolio transactions volume ratio returned to levels achieved during the pandemic (70%/30%) on account of decreased portfolio activity in the first semester. This ratio was 55%/45% for the same period of 2024.
- Single-asset transaction volumes increased by 22% year-on-year last semester; totalling €7.1 billion. Notable transactions included the sale of the 1,037-room Mare Nostrum Resort in Tenerife, acquired for €430 million by Spring Hotel Group from Brookfield AM. It also included the acquisition of the remaining shares of the Four Seasons Astir Palace Hotel Athens by George Procopiou from AGC Equity Partners.
- After having soared in H1 2024, portfolio transaction activity contracted in H1 2025, decreasing by 30% to €3.3 billion. With the same number of transactions (24) as in H1 2024, portfolios included on average fewer hotels (6.1 hotels per portfolio in H1 2025 vs 7.8 in H1 2024) and fewer rooms (807 vs 973). Notable portfolio

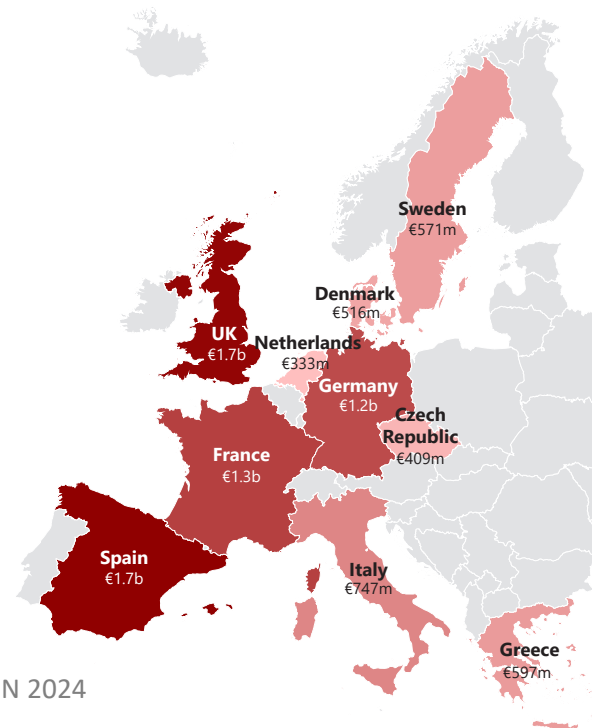
H1 2025 TRANSACTION VOLUMES WELL ABOVE TEN-YEAR H1 AVERAGE



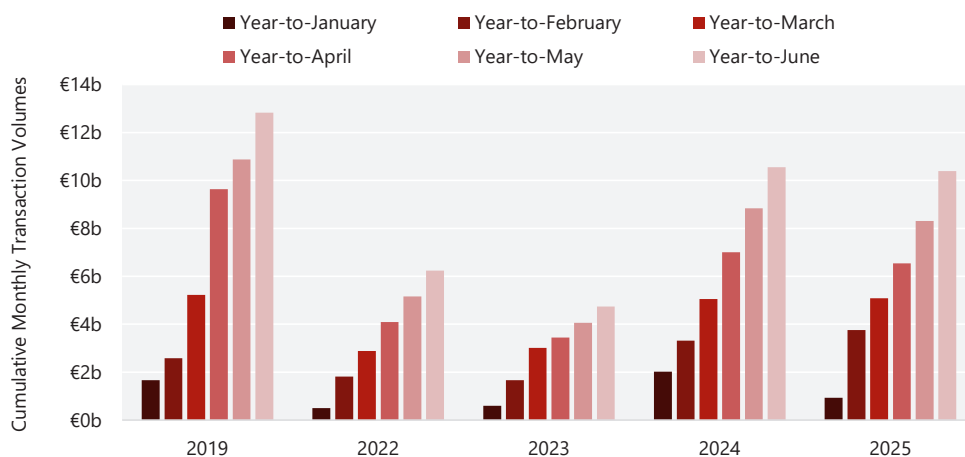
Source: HVS – London Office

transactions included the acquisition of 28 hotels in the Nordics by CapMan Real Estate from Midstar Fastigheter AB and a 20% stake acquisition in Firmdale Hotels by Swedish businessman Lennart Perlhagen, both occurring in February, and Brookfield AM's acquisition of Generator Hostels from Queensgate for €776 million in May.

- The largest net buyers over the first semester were High-Net-Worth Individuals (€967 million) and Real Estate Investment Companies (€298 million). The largest net sellers were Institutional Investors (€424 million) and Real Estate Investment Trusts (€242 million).
- More than half of the total transaction volume occurred in four countries: Spain (17%), the United Kingdom (16%), France (12%) and Germany (11%). London retains the title of most active city in the first semester (€827 million), well ahead of Paris (€537 million) and Berlin (€459 million).



H1 2025 TRANSACTION VOLUMES MAINTAIN THE PACE SET IN 2024



Source: HVS – London Office

SPAIN AND THE UK VIE FOR THE LARGEST TRANSACTION VOLUME IN H1 2025

Rank	Country	Volume (€ million)	Avg. Price per Room (€)	Hotels	Rooms	Change in Volume (€ million)	% Total Volume	% Total Rooms
1	Spain	1,720	210,000	39	8,201	294	17%	18%
2	United Kingdom	1,683	220,000	66	7,647	-2,295	16%	17%
3	France	1,252	231,000	66	5,427	-28	12%	12%
4	Germany	1,175	197,000	33	5,974	747	11%	13%
5	Italy	747	339,000	17	2,205	14	7%	5%
6	Greece	597	433,000	4	1,379	491	6%	3%
7	Sweden	571	153,000	23	3,729	443	6%	8%
8	Denmark	516	232,000	11	2,230	453	5%	5%
9	Czech Republic	409	391,000	3	1,046	138	4%	2%
10	Netherlands	333	172,000	14	1,937	168	3%	4%

Source: HVS – London Office

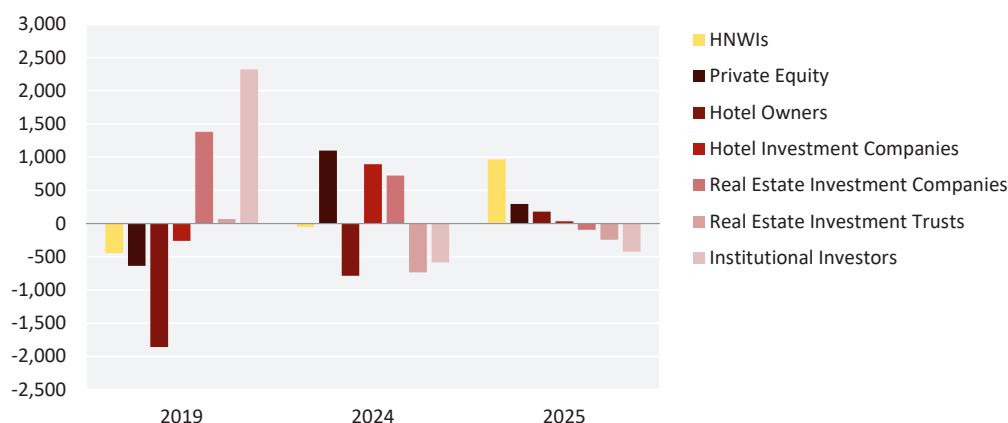
The Rise of HNWI Investors

Global markets have experienced a notable degree of volatility since the start of 2025, principally related to the policies of the current US administration. The lack of clarity as to the intent, implementation and duration of those policies created widespread uncertainty, resulting in significant fluctuations in markets throughout the world. This volatility has been further compounded by ongoing geopolitical uncertainties, which continue to weigh on investor sentiment.

Despite this uncertainty, which includes a potential if not yet evidenced decrease in inbound tourism from the US, single-asset transactions established a new record in H1 2025, reaching €7.1 billion, 12% higher than 2019 levels in real terms.

One of the driving factors behind the push in single-asset transactions is the rise of hotels as an investment asset class for high-net-worth individuals. HNWI capital is increasingly being deployed in alternative assets and private markets, as investors seek greater expected returns, and the resilience of hotels post-pandemic has placed them solidly in their list. In a matter of six years, HNWI went from being the third smallest net buyer among the other investor classes, to being the largest net buyer in H1 2025.

HNWIs BECOME THE HIGHEST NET BUYER AMONGST ALL INVESTORS, ACQUIRING NEARLY €1 BILLION MORE THAN THEY DISPOSED OF (€ MILLIONS)



Source: HVS – London Office

Echoing the increased appetite for investment in luxury hotels noticed in the past year, as outlined in our *H1 2024 European Hotel Transactions* report, high-net-worth individuals primarily invested their capital in upscale and upper-upscale hotels this semester, leading all other investor classes in average price per room on acquisitions (€581,000 versus an average of €228,000).

Notable HNWI acquisitions this semester included the 20% stake acquisition of Firmdale Hotels by Swedish pharmaceutical entrepreneur Lennart Perlhagen for a reported £300 million (€364 million), the acquisition of the remaining 67% shares in the Four Seasons Astir Palace Hotel Athens by George Procopiou (a few months after having acquired the initial 33% shares), and the acquisition of the five-star Alpina Gstaad in Switzerland by an undisclosed US investor for a reported SFr200 million (€210 million).

Outlook

Hotels have long been perceived as a highly specialist investment market, where both time and industry knowledge were necessary in order to reach a certain level of returns, often discouraging HNWIs from entering the market. Nonetheless, the industry's strong potential for inflation-hedging, diversification and real estate appreciation, as well as the increasing sophistication of the industry, where dedicated professional operations and asset management capabilities are present, increasingly convince affluent investors to consider hotels in parallel to other types of direct property investments.

In 2024, Europe recorded close to 750 million tourist arrivals, marking a 1% increase over 2019 and 5% growth compared to 2023, according to UN Tourism, capturing 58% of total visitors worldwide. Every subregion exceeded pre-pandemic levels, with the exception of Central and Eastern Europe, which continues to be affected by the Russo-Ukrainian conflict. Despite an uncertain start to the year marked by the implementation of trade tariffs and potential repercussions on US outbound tourism, stability has improved since 2 April (President Trump's 'Liberation Day' when he introduced sweeping tariffs on foreign imports), further encouraging high-net-worth investors to deploy their capital in the industry.

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