

HOTEL INVESTMENT IN SPAIN EXCEEDED PRE-PANDEMIC LEVELS BY 35%



The hotel investment in Spain reached €3.19 billion in 2021, 35% above the 2019 level and triple the 2020 figures, according to the latest report from Christie & Co. However, it is still far from the investment numbers of 2017 and 2018, which recorded investments of €3.9 billion and €4.86 billion, respectively.

On the other hand, the total number of rooms transacted was 22,523, distributed among 130 assets, including both existing and future rooms in conversion and development projects when in 2020 there were 8,300 rooms and 67 assets transacted.

Furthermore, the analysis of the destination of the investment indicates that, unlike the previous year, **the volume is concentrated to a greater extent in the urban segment with 53% of the total.** Barcelona, and to a lesser extent Madrid, account for most of the investment in the urban sector, while the Balearic Islands and, above all, the Canary Islands stand out in the holiday segment.

In terms of investor profile, management and investment firms account for the majority of transactions, both in terms of portfolios (around 70% of the total) and individual assets (around 65% of the total).

In addition, the gradual recovery during the year led to an increase in investment activity by hotel groups (+33%) and REITs (+150%) compared to 2020, especially focused on the holiday segment in the first case and on urban assets in the second.

The geographic origin of the investment underwent significant changes, with domestic capital recovering part of the importance lost during 2020, with 42% of the total volume invested, 55% more than in the previous year, when it had reached 27%. American capital (18%) and Canadian capital (14%) are particularly significant.

According to experts, 2021 will be remembered as the year of the beginning of the recovery of tourism, the growth of hotel investment, the return of portfolio transactions and prime transactions at record prices per room.

As for the outlook for the upcoming year, the associate director and author of the report, Íñigo Cumella, expressed his confidence that 2022 will be another year of intense hotel investment activity for all players and in all segments, with possible corporate operations and a growing institutionalization of the activity.

Date: 2022-02-14

Article link:

<https://www.tourism-review.com/hotel-investment-in-spain-reached-surprising-levels-news12398>