

HOTEL INVESTMENTS IN SPAIN DECREASED BY 59%



The CBRE consultancy has released new data indicating that the Spanish hotel industry saw a 59% decrease in investment, with a total of 400 million euros invested compared to the same period in the previous year.

In the first quarter of 2023, hotels attracted 14% of total real estate investments through 12 properties, totaling 1,826 rooms. It contrasts with the 39 hotels and 5,475 rooms recorded during the same period of 2022.

Hotel investment in Spain continues to be led by high-end establishments, with 5-star hotels representing more than 70% of the total investment (three hotels), followed by 3-star hotels with 15% and 4-star hotels with 14%.

The origin of the most significant investments

Institutional funds were the major players in hotel purchases, accounting for 80% of the total transactions.

Based on the data provided, it is evident that the most prominent investors are French, accounting for 61% of the total investment volume.

Investment interest

Interest was higher in hotels in the urban segment, representing 54% of the total through four assets. This was compared to 46% of the investment in the vacation segment through eight assets.

On the other hand, among regions, during the first quarter that ended in March, investors were particularly interested in Catalonia. 63% of the total volume, 252 million euros, was concentrated in this region through three operations.

The Canary Islands and the Balearic Islands are the other two preferred destinations by investors, with 14% each, through three and two hotel transactions, respectively.

As for the following openings in Spain, it is expected that there will be 300 hotels until 2024, 25% being high-end and 50% will be located in Madrid, Malaga, Valencia, and the Islands.

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