



NIHF “Hospitality Exchange” 2023

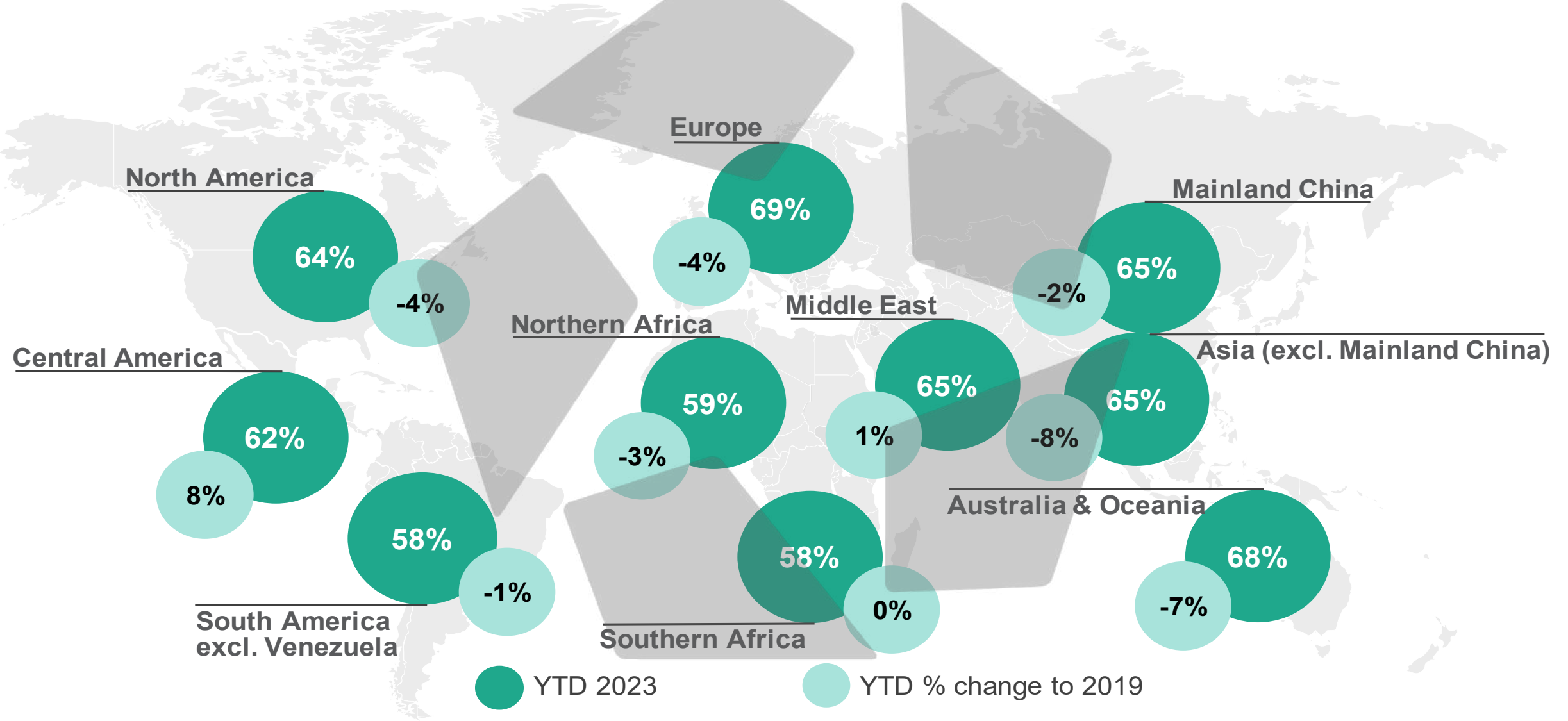
Crowne Plaza Hotel Belfast
18th October 2023

Sarah Duignan, Director – Client Relationships
sduignan@str.com



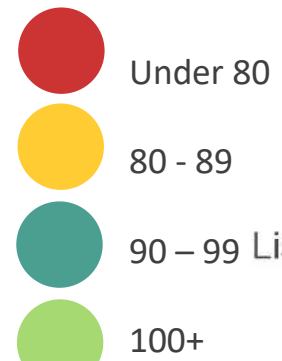
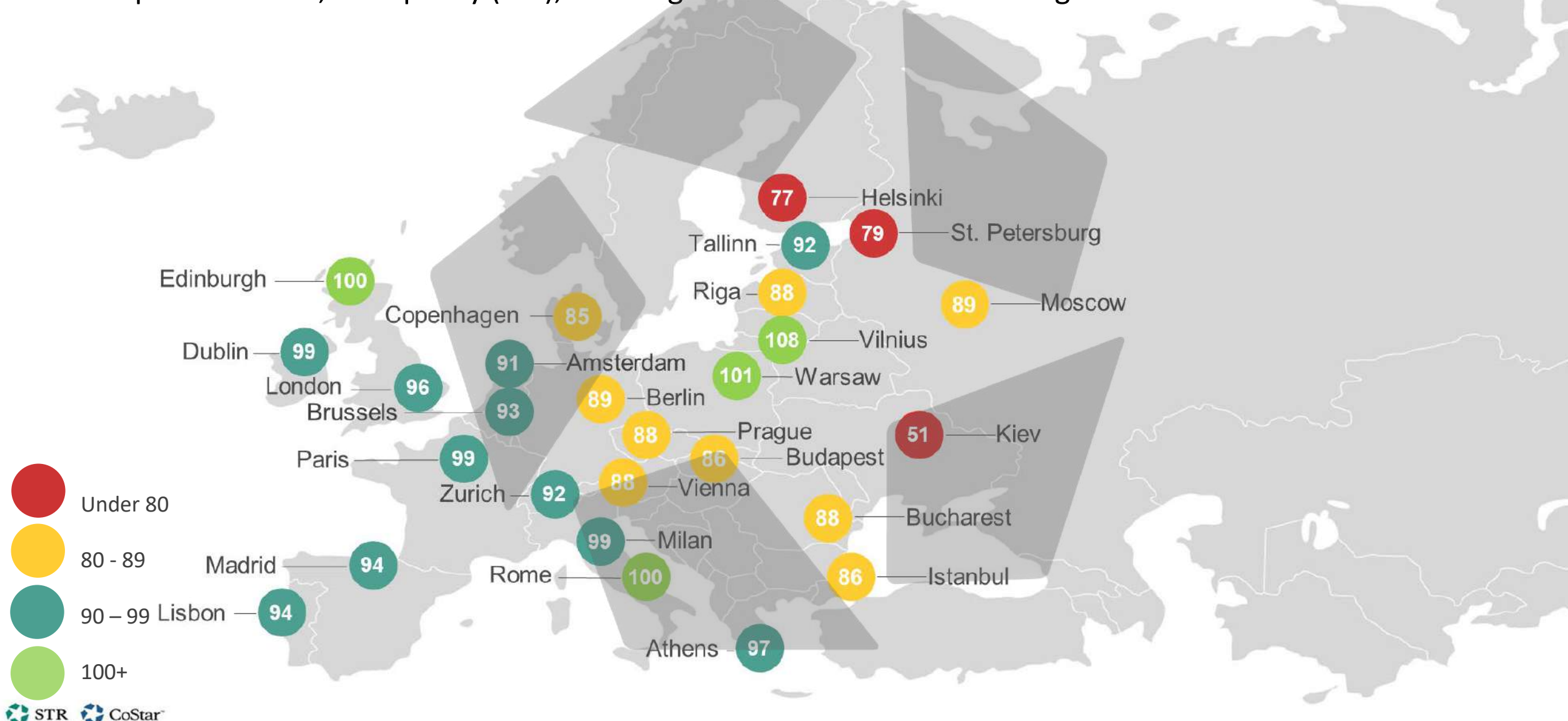
Almost 70% of all rooms in Europe were sold YTD August 2023

Occupancy (Std), YTD August 2023 and YTD % change to 2019



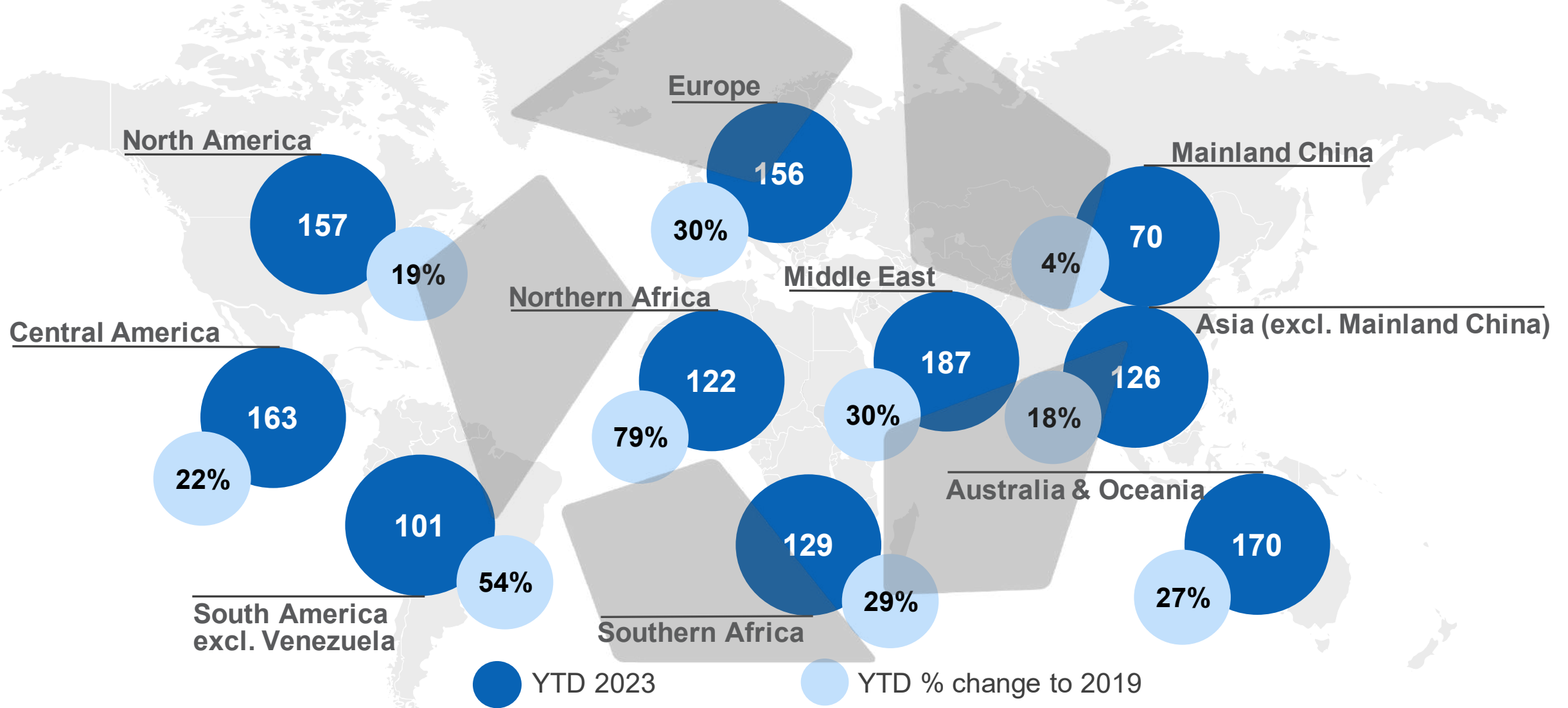
Germany & C&E Europe are further from recovery & had restrictions longer

European markets, Occupancy (Std), YTD August 2013 indexed to YTD August 2019



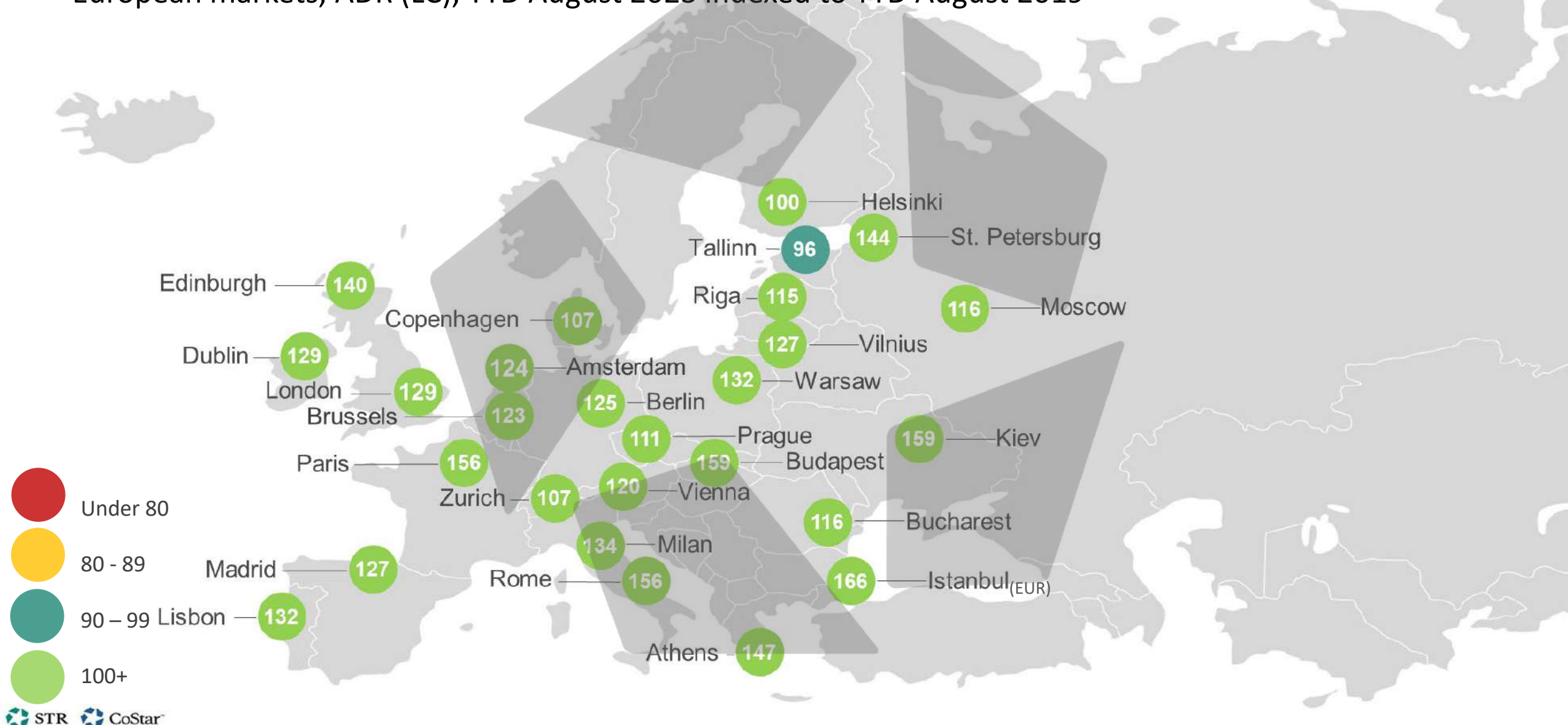
On the other hand ADR is fully recovered & growing but remember inflation!

ADR (USD & CC), YTD August 2023 and YTD % change to 2019



It's a similar picture across Europe with a full house of ADR recovery & growth

European markets, ADR (LC), YTD August 2023 indexed to YTD August 2019



Legend for ADR (LC) Index:

- Under 80 (Red circle)
- 80 - 89 (Orange circle)
- 90 - 99 (Teal circle)
- 100+ (Green circle)

Logos: STR, CoStar

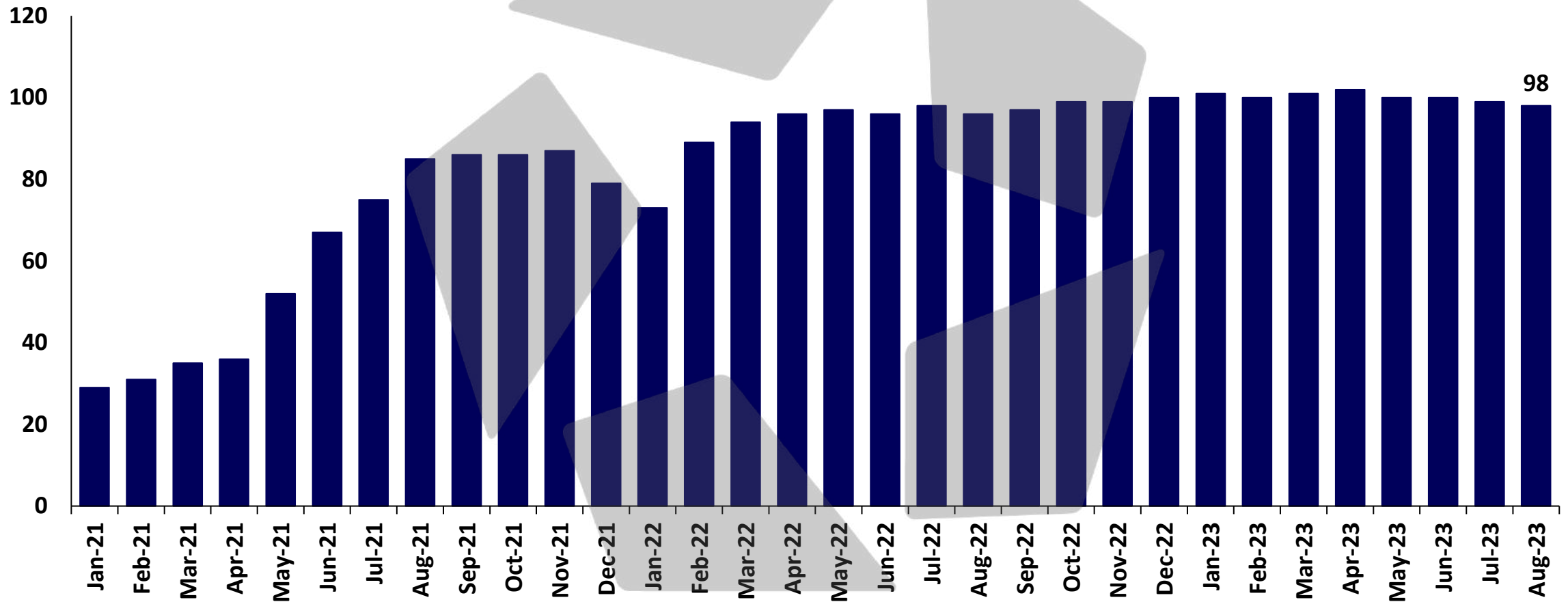


Hotel performance around the UK



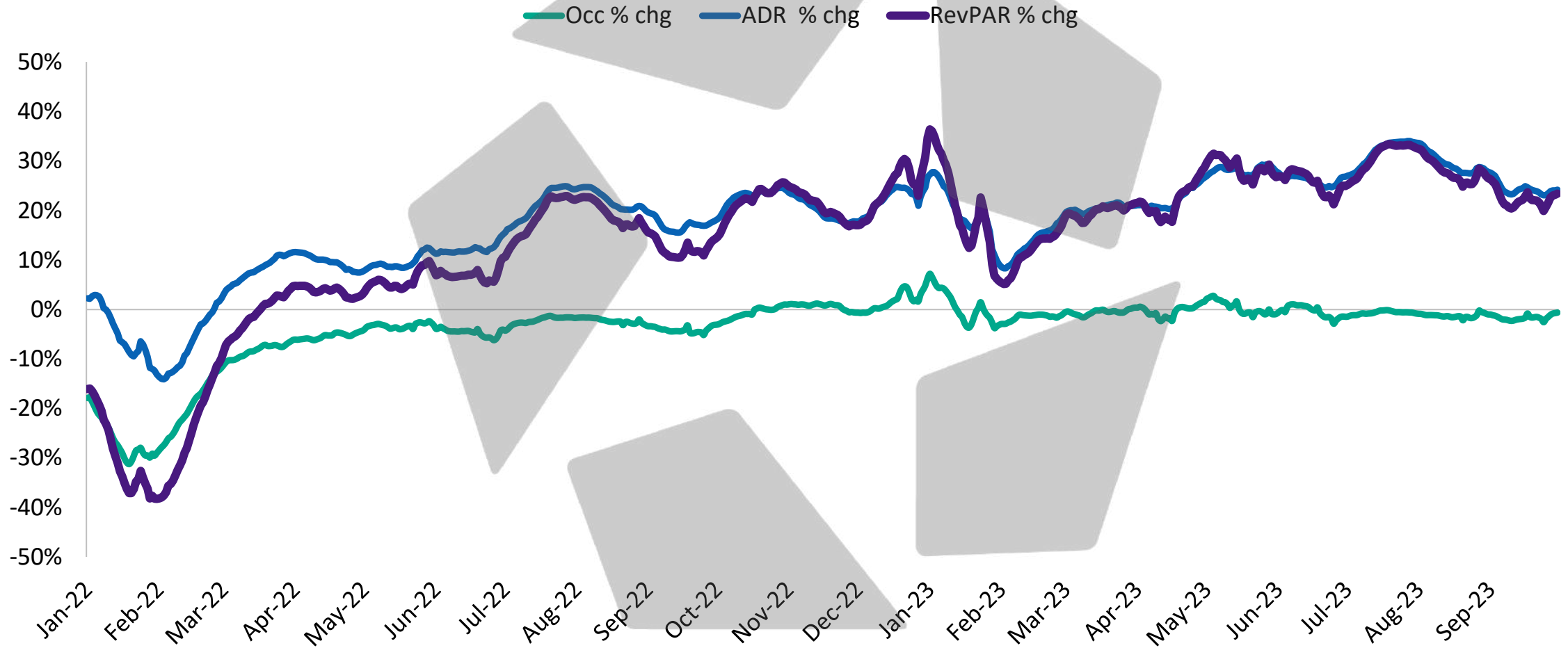
UK demand slowed slightly in July/August 2023, 2pp behind 2019

UK demand indexed to 2019, Jan 2021 – Aug 2023



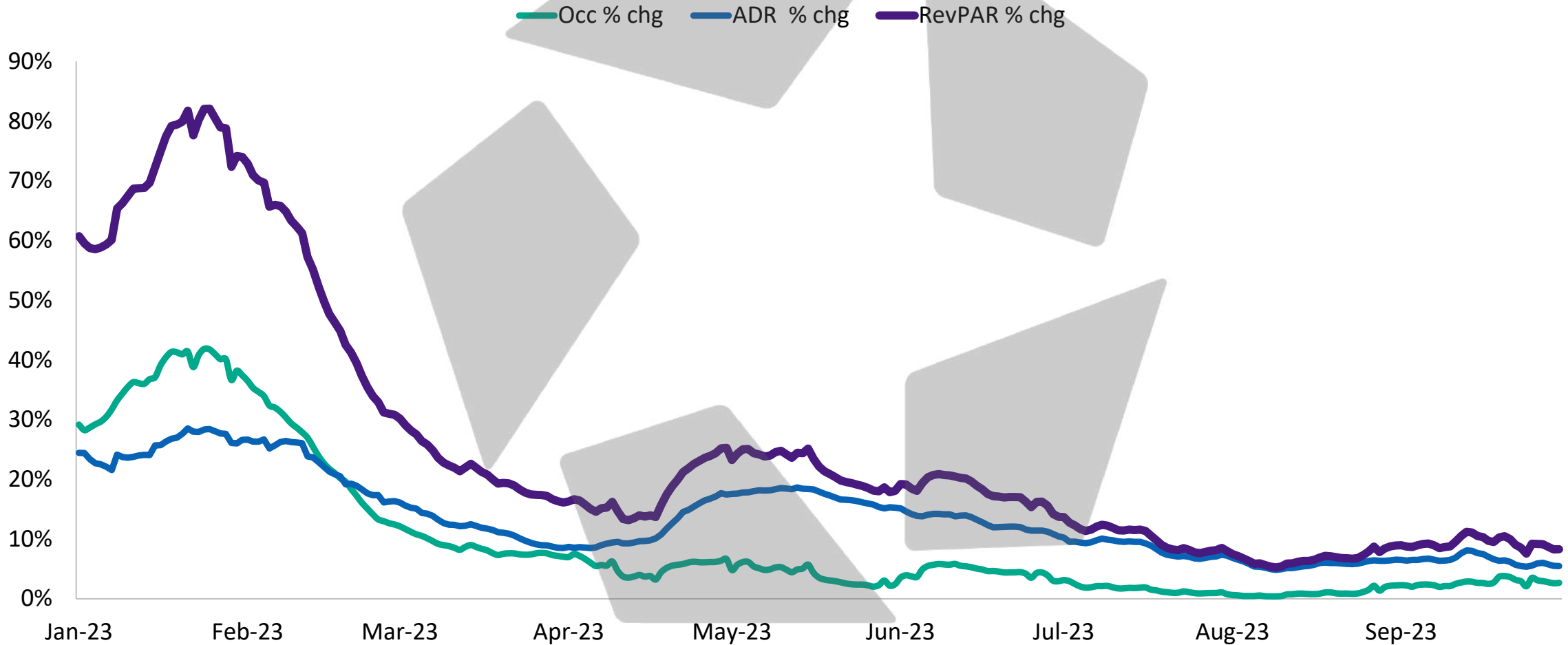
UK had a strong ADR recovery & growth; occupancy is on the cusp v 2019

UK, R28 occupancy, ADR & RevPAR, % change to 2019, January 2022 – September 2023



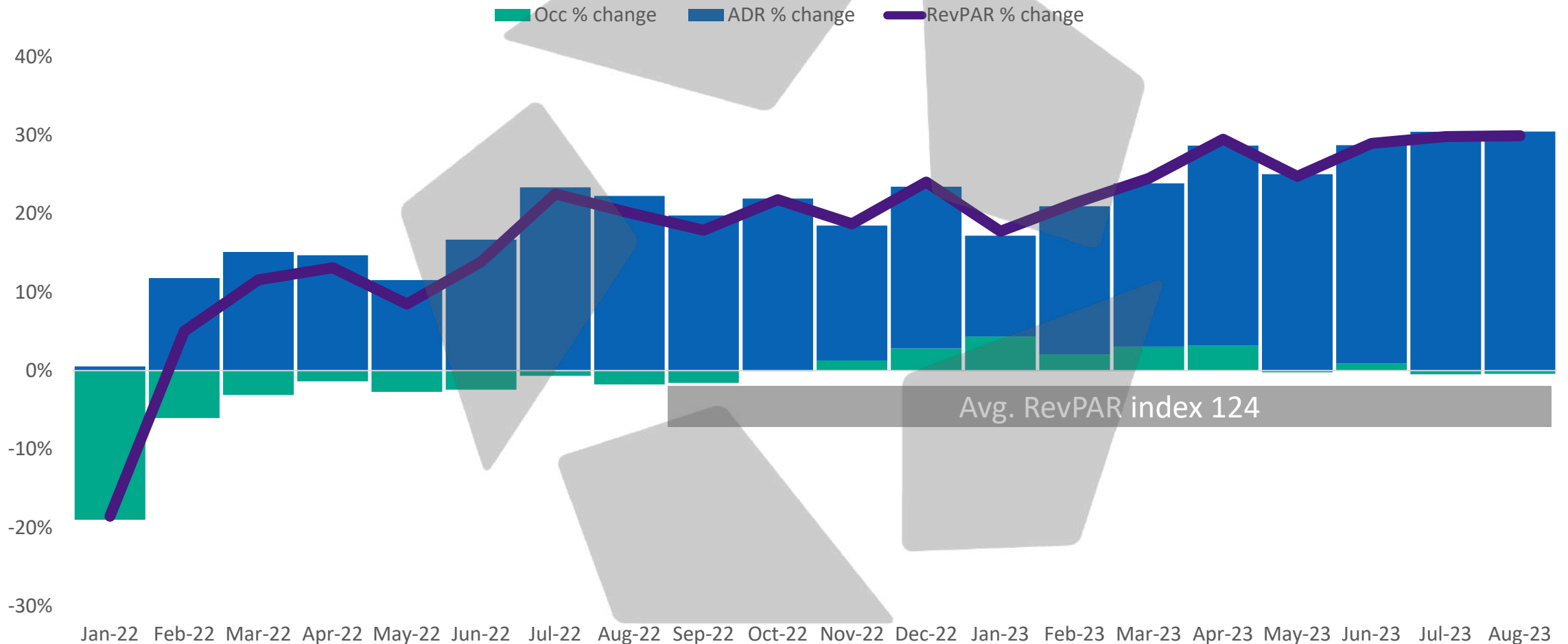
Q1 2023 off the back of “Omicron” in Q1 2022, steady YOY growth since then

UK, R28 occupancy, ADR & RevPAR, % change to 2022, Jan – September 2023



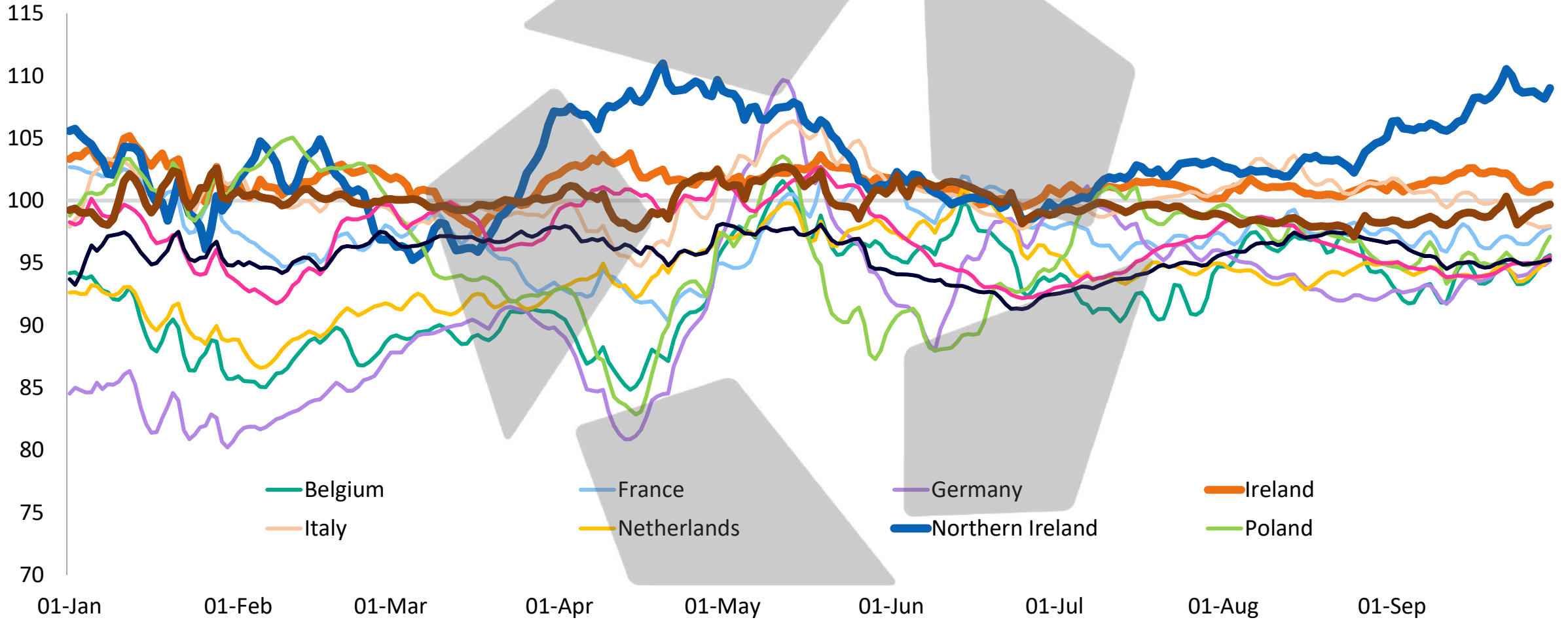
Regional UK is on a very similar path & is still led principally by ADR

Regional UK, % change to 2019, January 2022 – May 2023



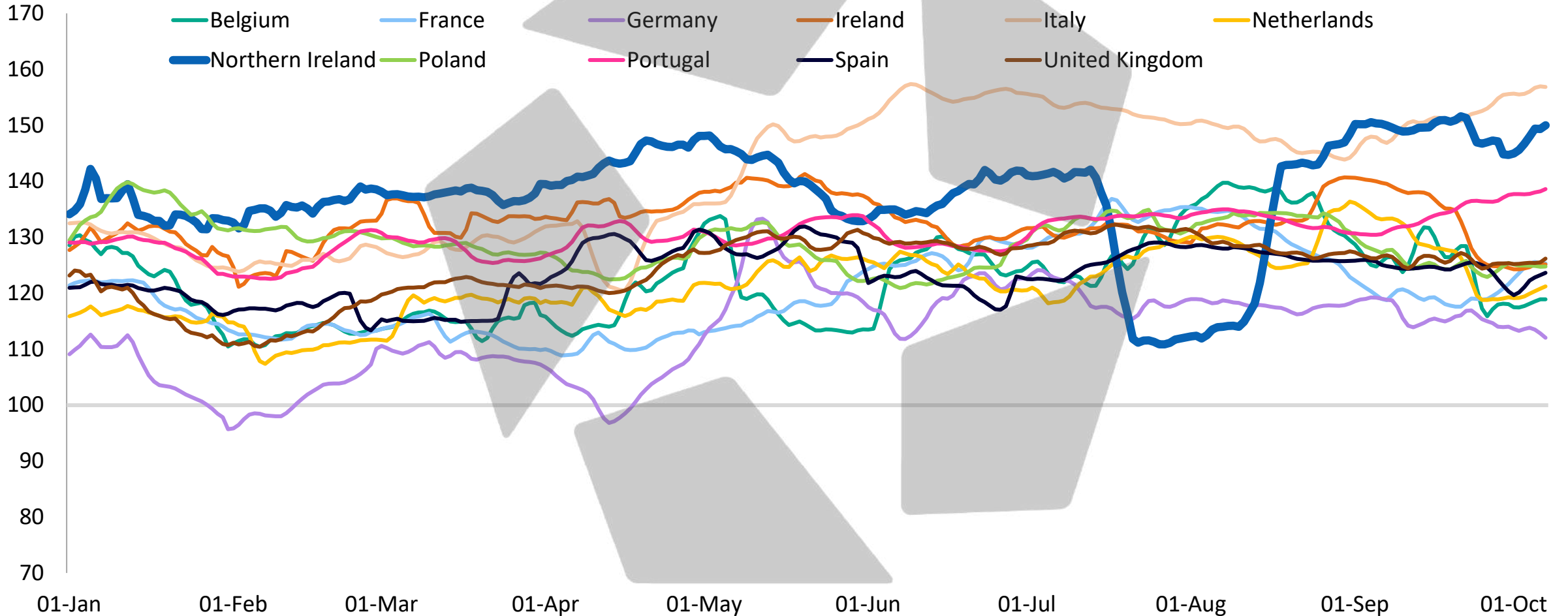
Northern Ireland is bucking the occupancy trend

Occupancy R28 indexed to 2019, January 2023 – Sep 2023



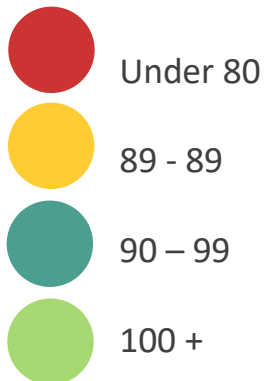
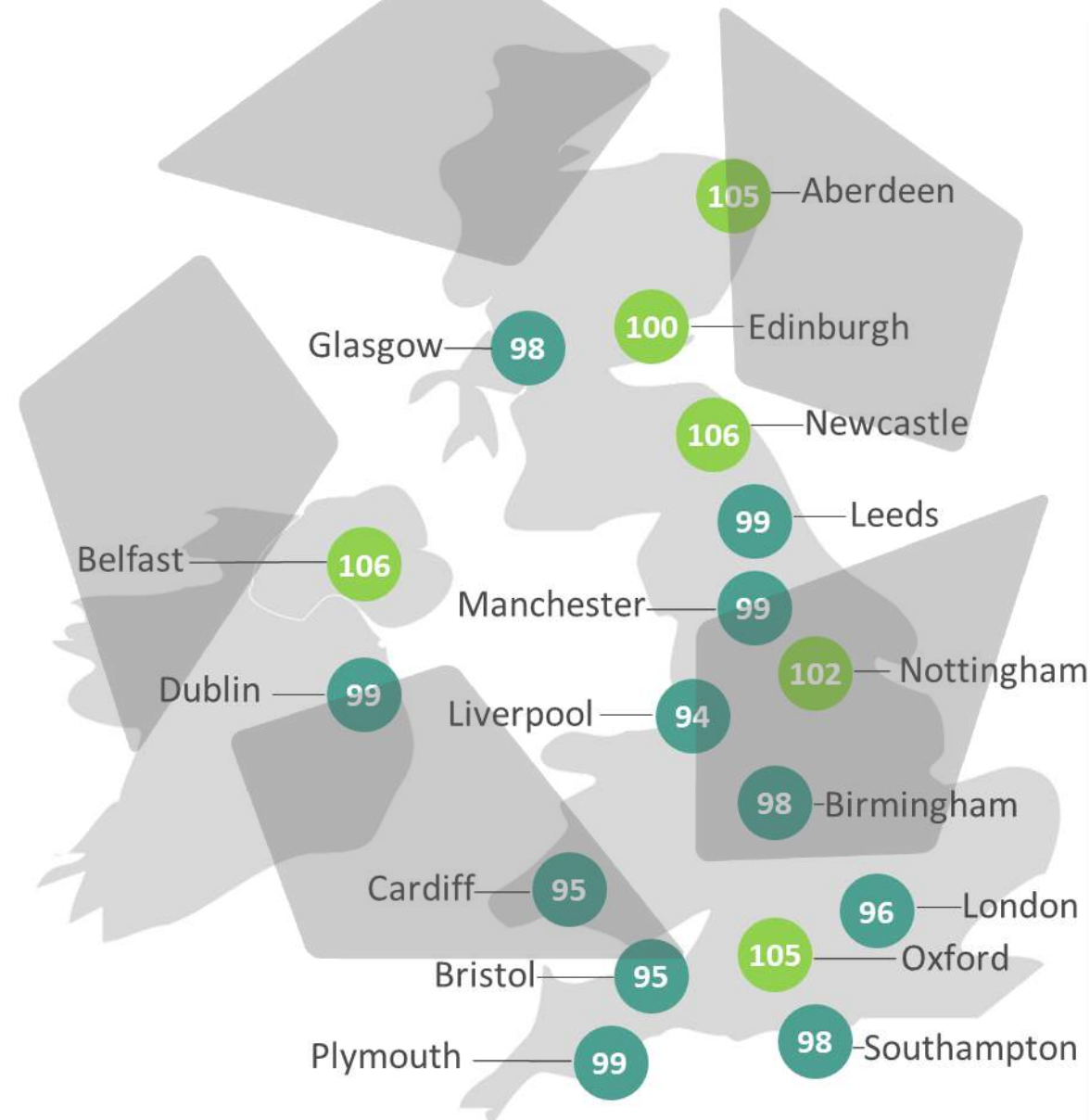
And is 2nd in line only to Italy when it comes to ADR growth v 2019

ADR R28 indexed to 2019, January 2023 – Sep 2023



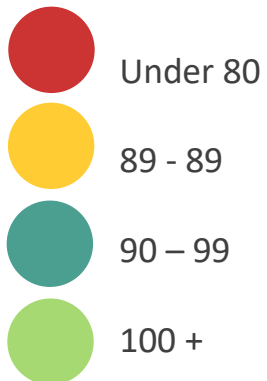
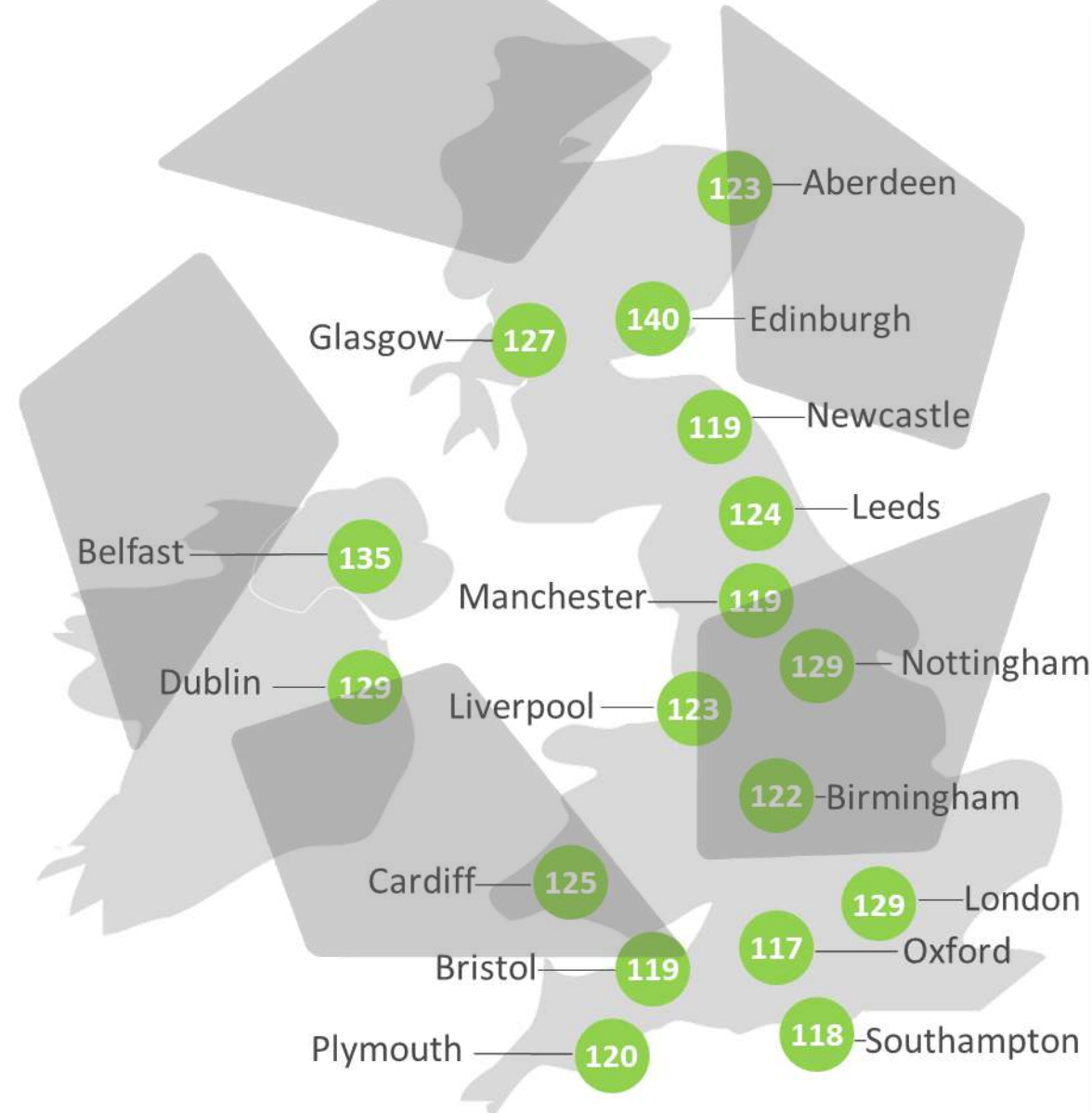
Shoots of positive occupancy are starting to appear across the UK v 2019

Occupancy (Std), YTD August 2023 indexed to YTD August 2019



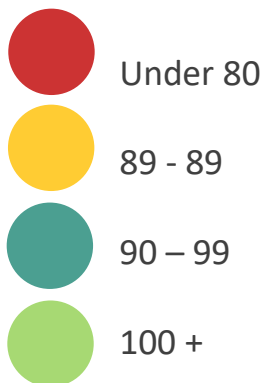
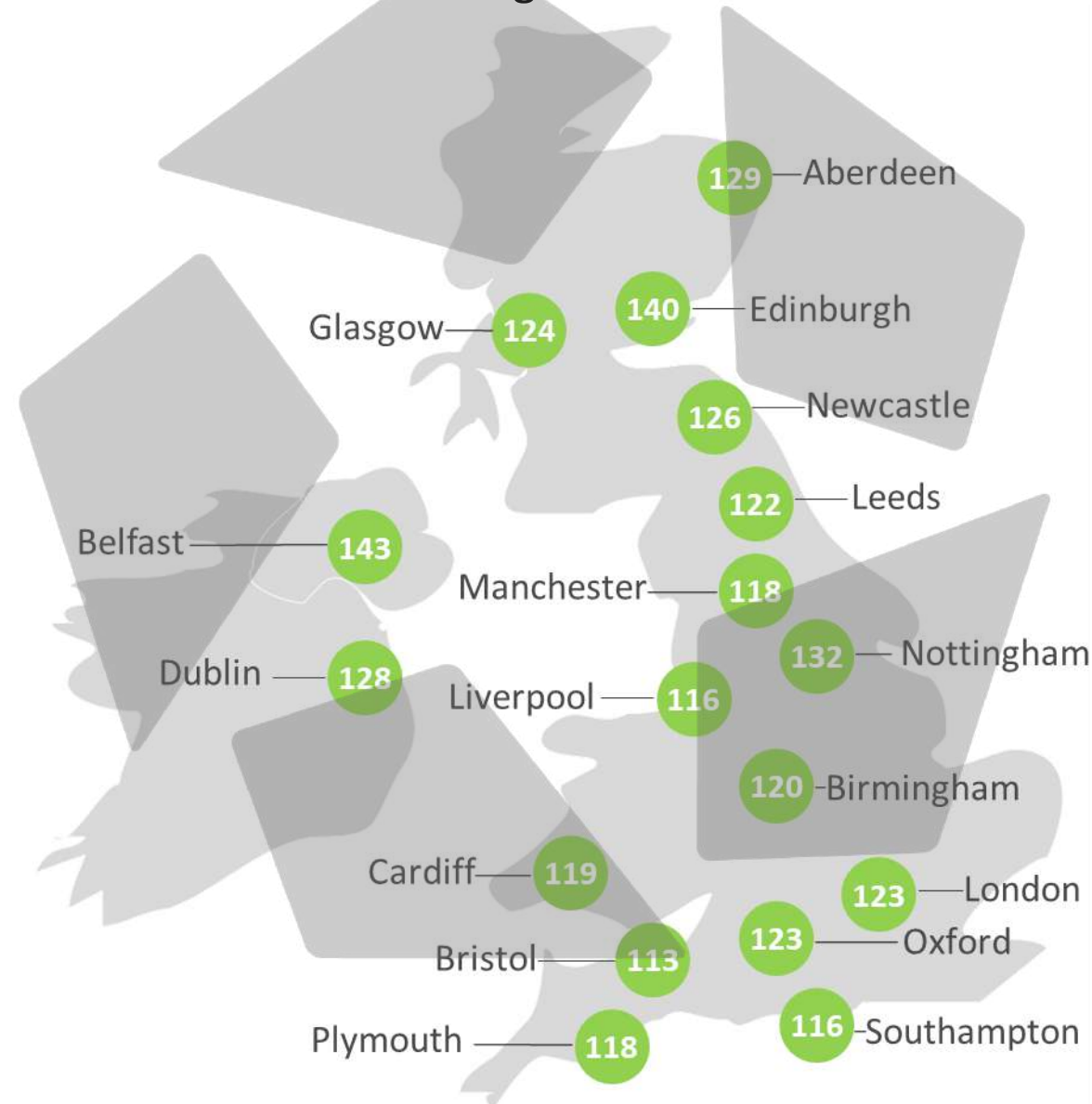
Whilst double-digit ADR increases are sustained, remember inflation though!

ADR (GBP), YTD August 2023 indexed to YTD August 2019



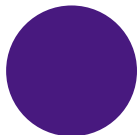
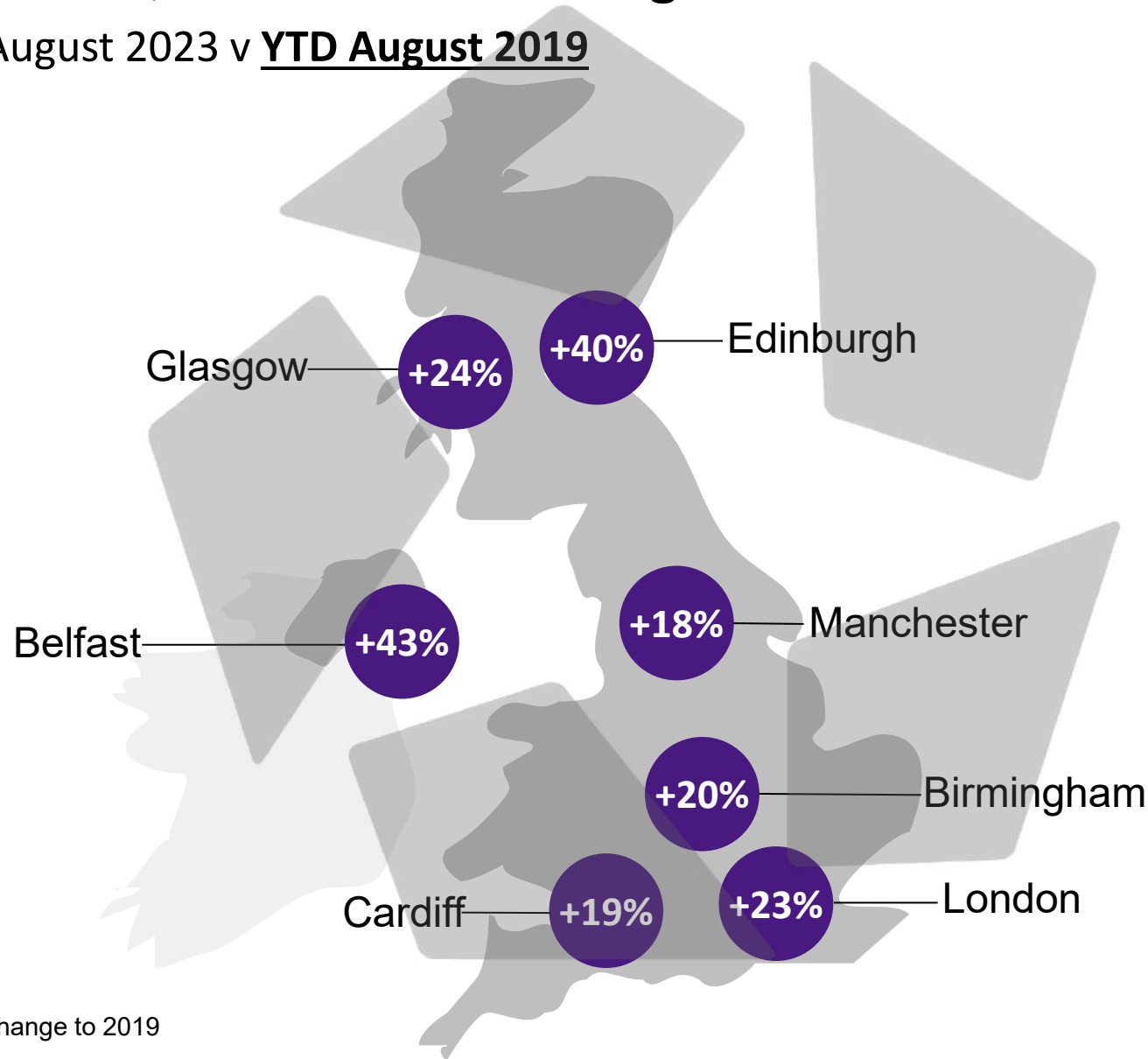
Leading to significant RevPAR increases across the board, ADR led

RevPAR (GBP), YTD August 2023 indexed to YTD August 2019



Top line is positive, still some challenges on the bottom line

UK Snapshot YTD August 2023 v YTD August 2019



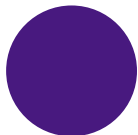
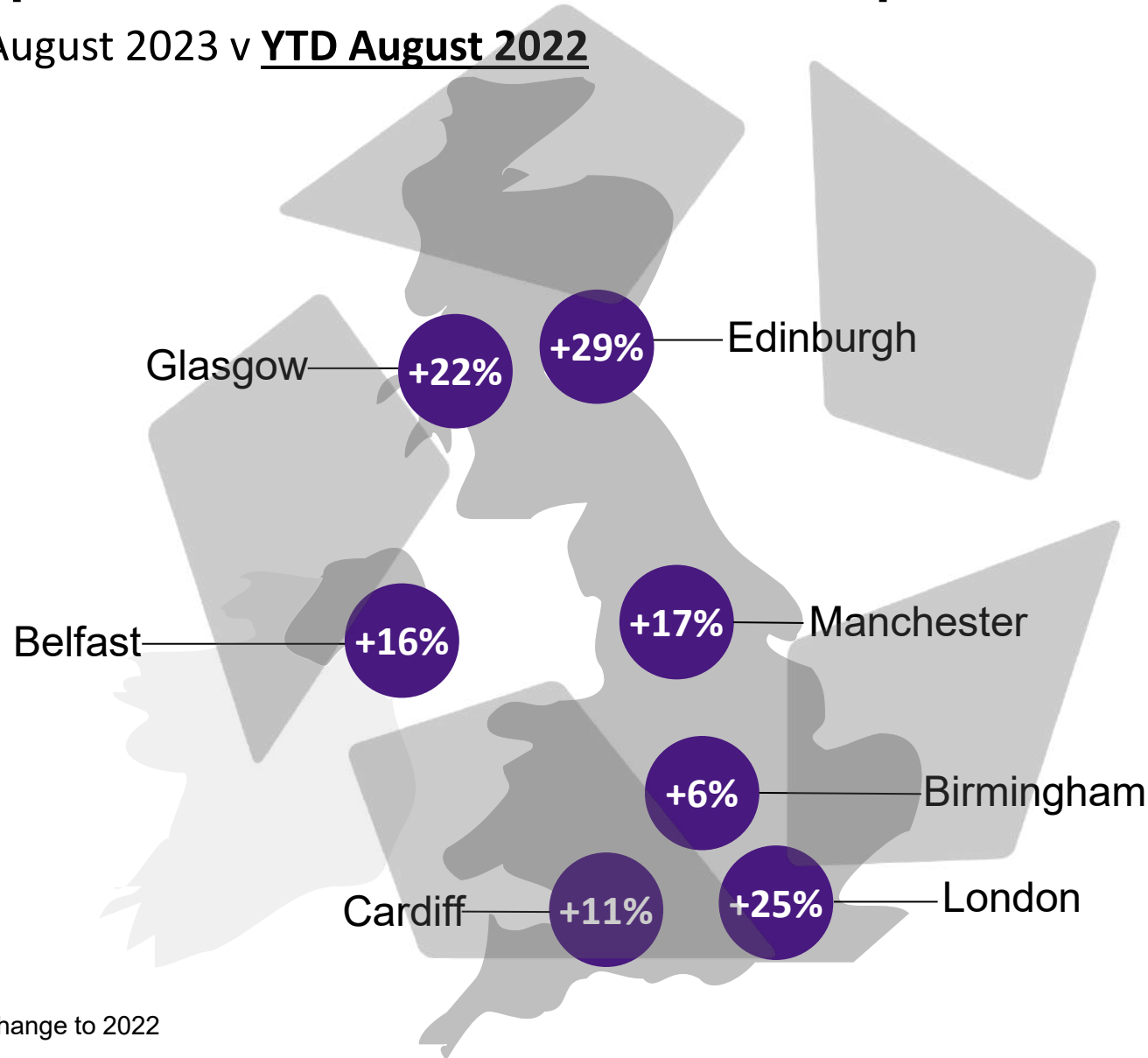
RevPAR YTD 2023 % change to 2019

United Kingdom

	YTD	% chg 2019
Occ	77%	+0%
ADR	£104	+25%
RevPAR	£90	+25%
TRevPAR	£136	+3%
GOPPAR	£46	-8%
	90 days	vs STLY
BoB	39%	+2%

YOY BOTH top line AND bottom line KPI's are positive

UK Snapshot YTD August 2023 v YTD August 2022



RevPAR YTD 2023 % change to 2022

United Kingdom

	YTD	% chg 2022
Occ	77%	+7%
ADR	£104	+11%
RevPAR	£90	+19%
TRevPAR	£136	+16%
GOPPAR	£46	+16%
	90 days	vs STLY
BoB	39%	+2%

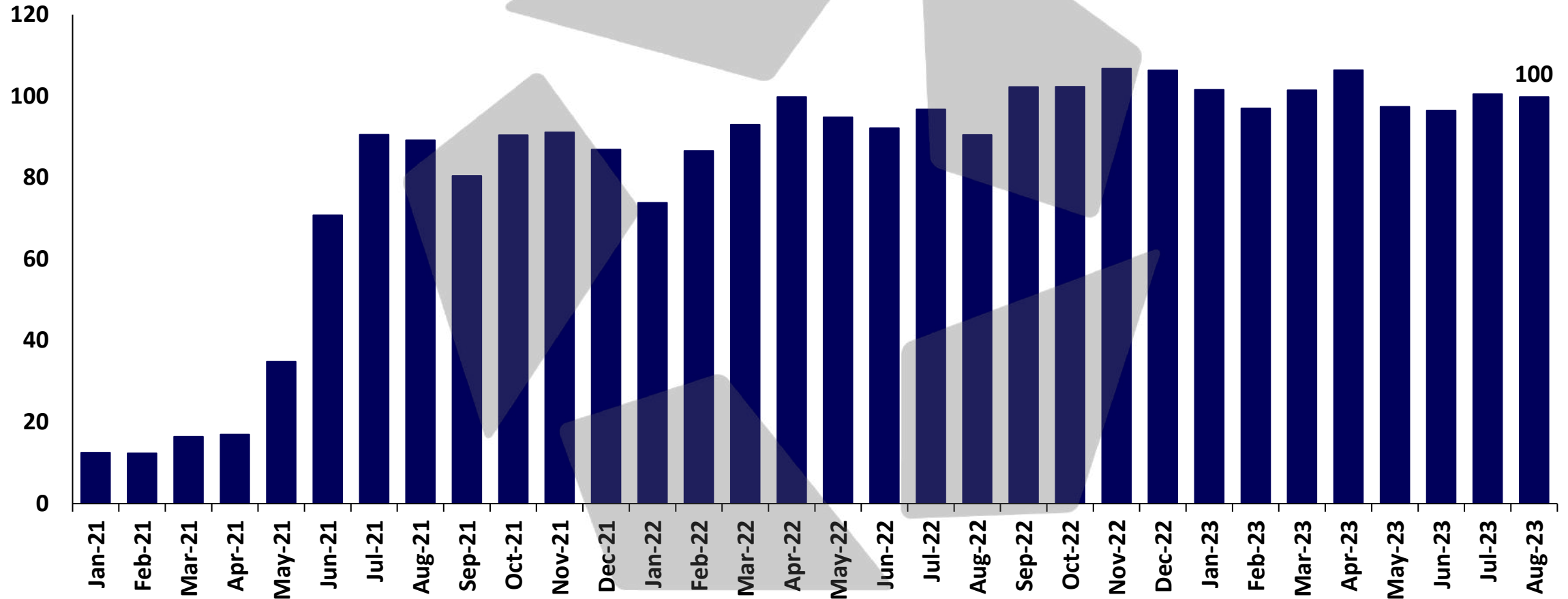


**Does Northern Ireland
hotel performance follow
the wider UK trend?**



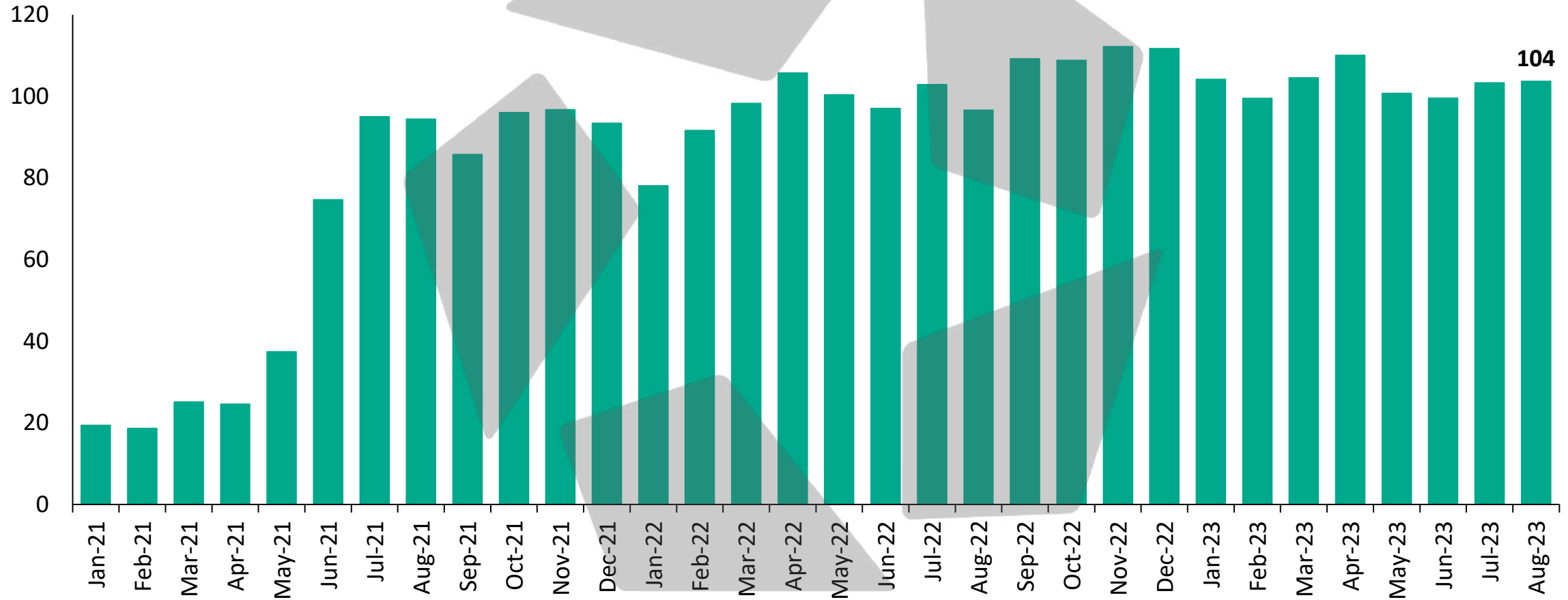
Demand was fully recovered in Northern Ireland since September 2022

Northern Ireland demand indexed to 2019, Jan 2021 – Aug 2023



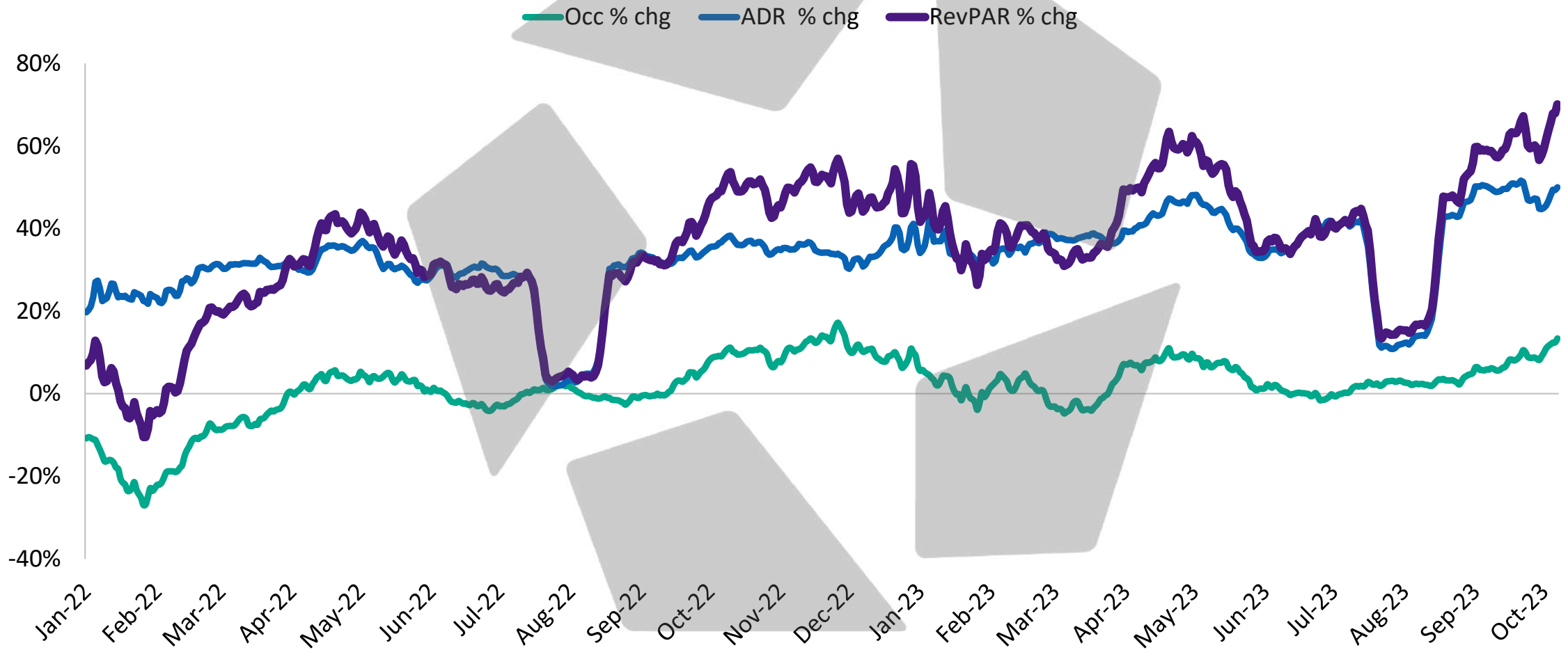
Growing demand in Northern Ireland allowed occupancy to grow 4% v 2019

Northern Ireland Occupancy indexed to 2019, Jan 2021 – Aug 2023



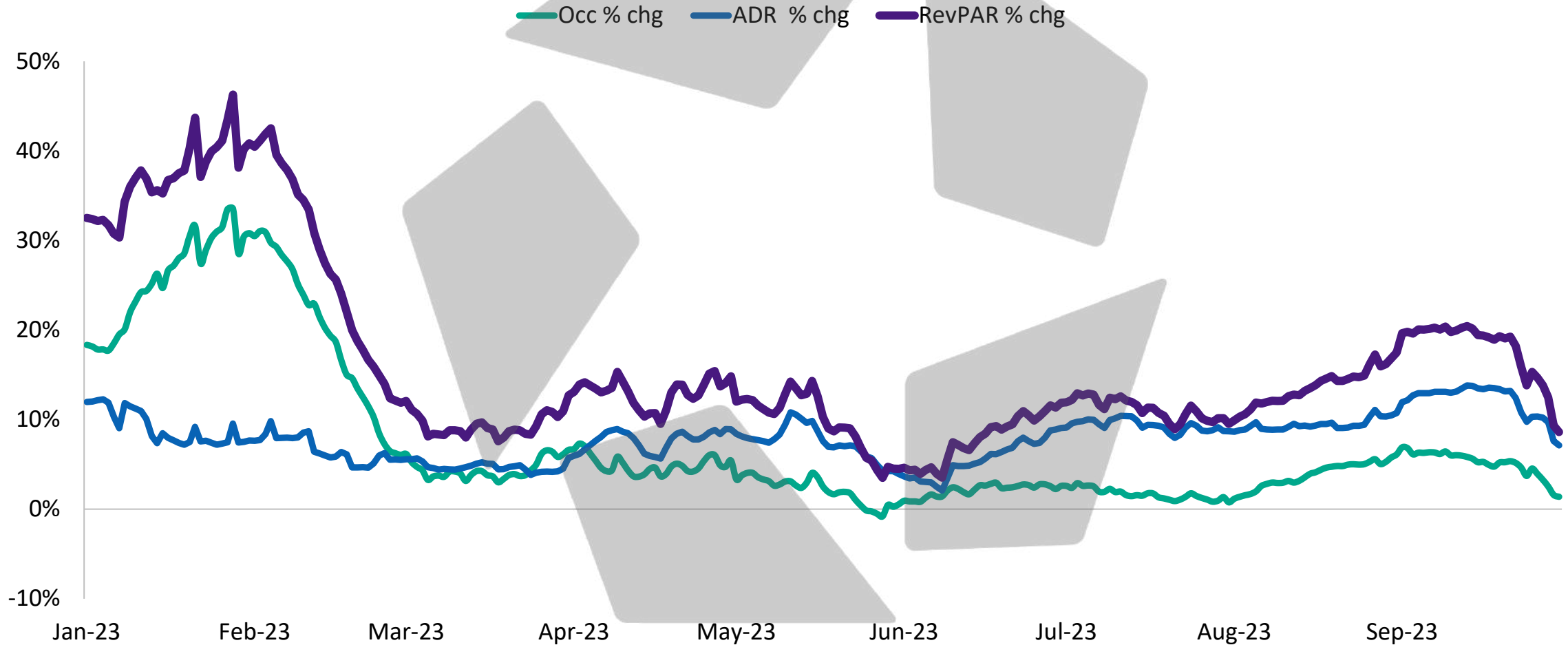
For the most part ADR, RevPAR & occupancy are ahead of 2019 levels

Northern Ireland, R28 occupancy, ADR & RevPAR, % change to 2019, Jan 2022 - Oct 2023



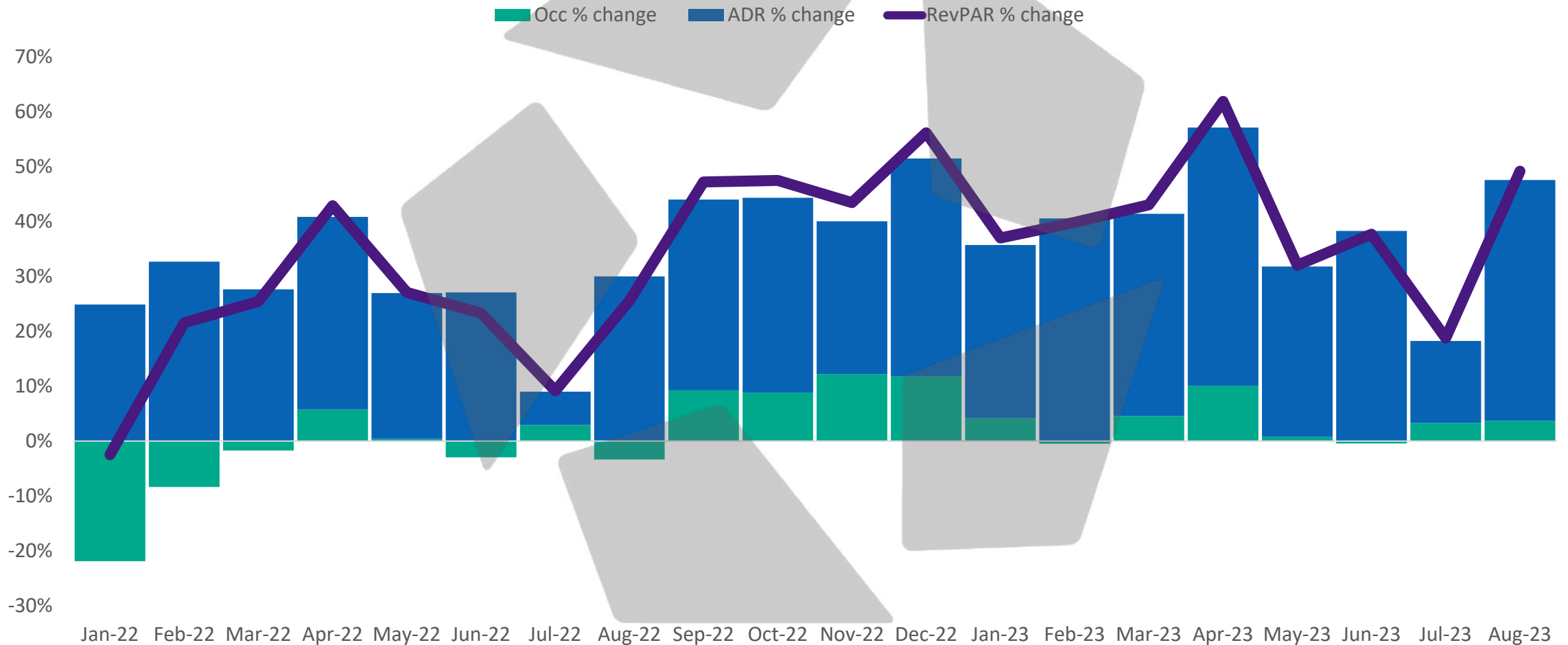
Year over year growth also continues for all three KPI's

Northern Ireland, R28 occupancy, ADR & RevPAR, % change to 2022, Jan – October 2023



Much like the rest of the UK/Europe, it's still mostly a case of ADR growth

Northern Ireland, % change to 2019, January 2022 – Aug 2023



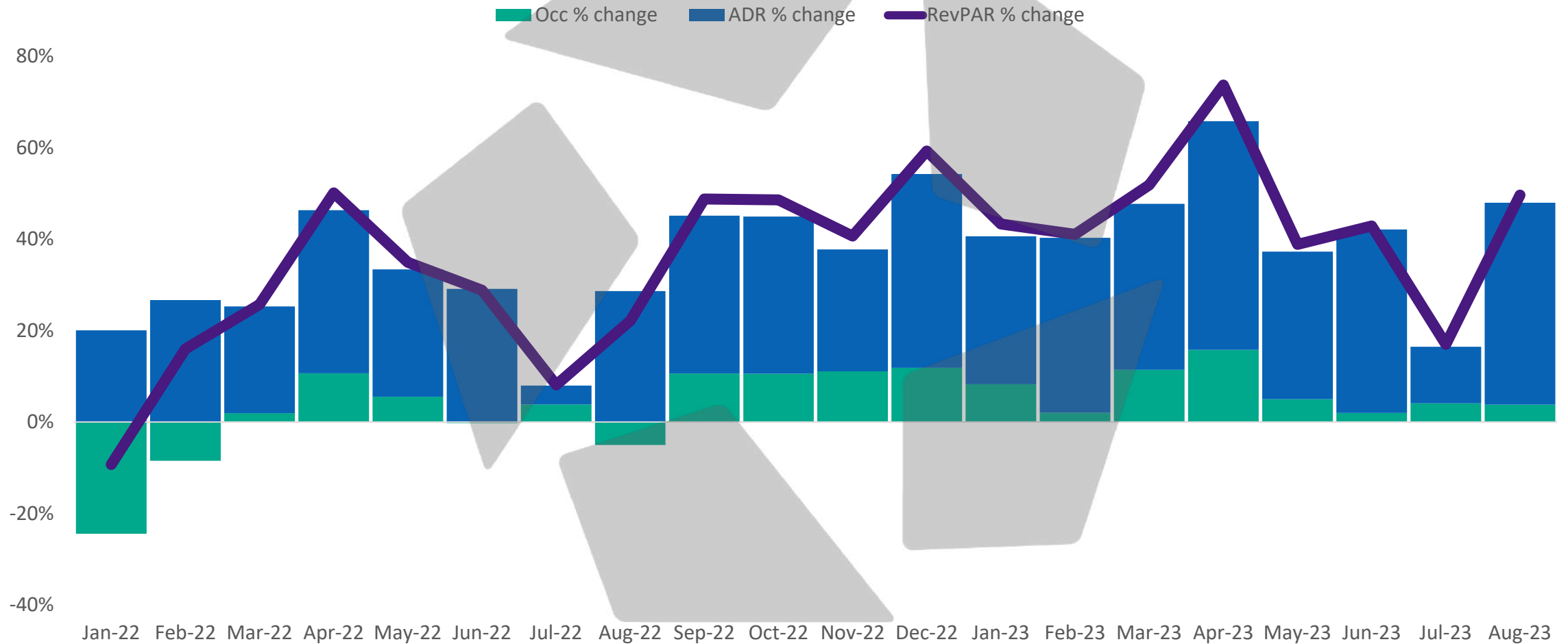
Belfast occupancy is now back on track v 2019 and rate £27 ahead

Belfast, GBP £, YTD August 2019, 2022 & 2023

	YTD August 2019		
Occupancy		ADR	RevPAR
73.4%		78.55	57.65
YTD August 2022			
72.6%		97.89	71.07
YTD August 2023			
78.0%		105.96	82.65

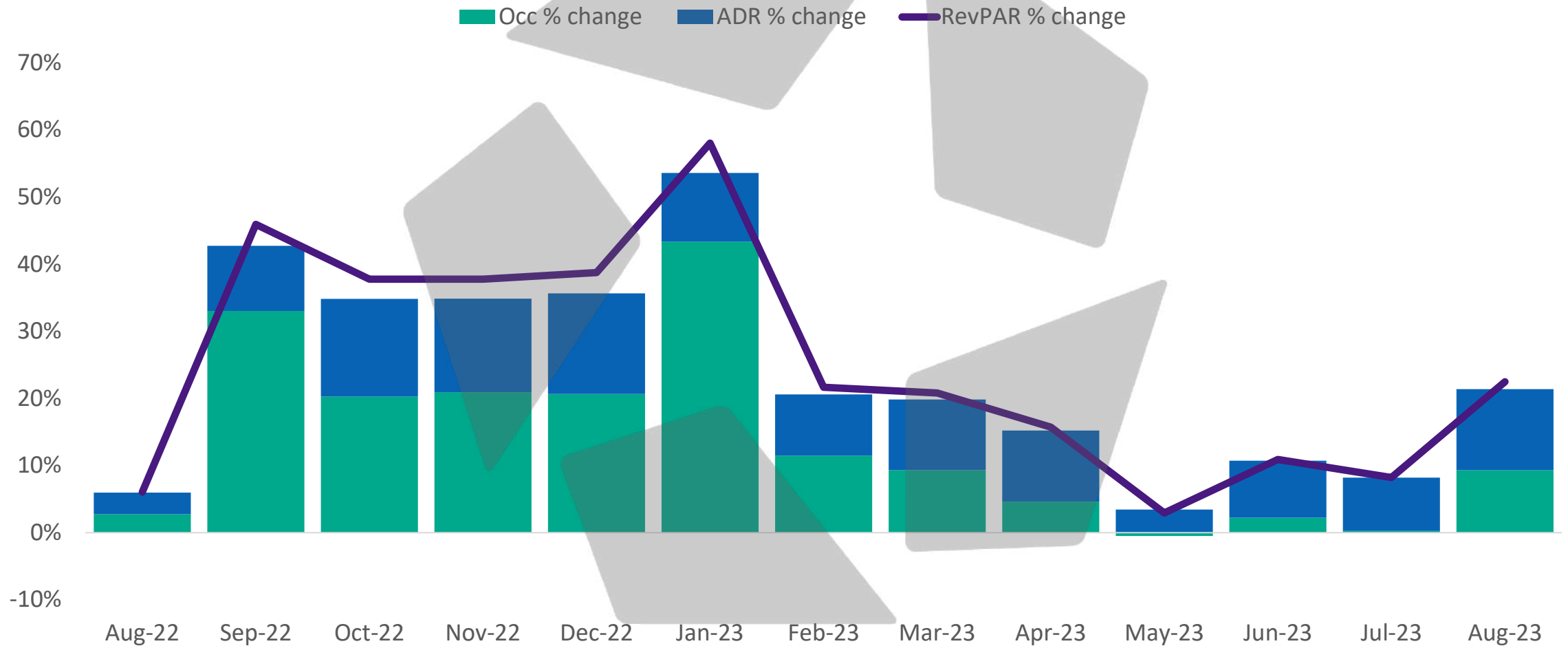
Belfast grew both occupancy & ADR for the last 18 months v 2019

Belfast, % change to 2019, January 2022 – Aug 2023



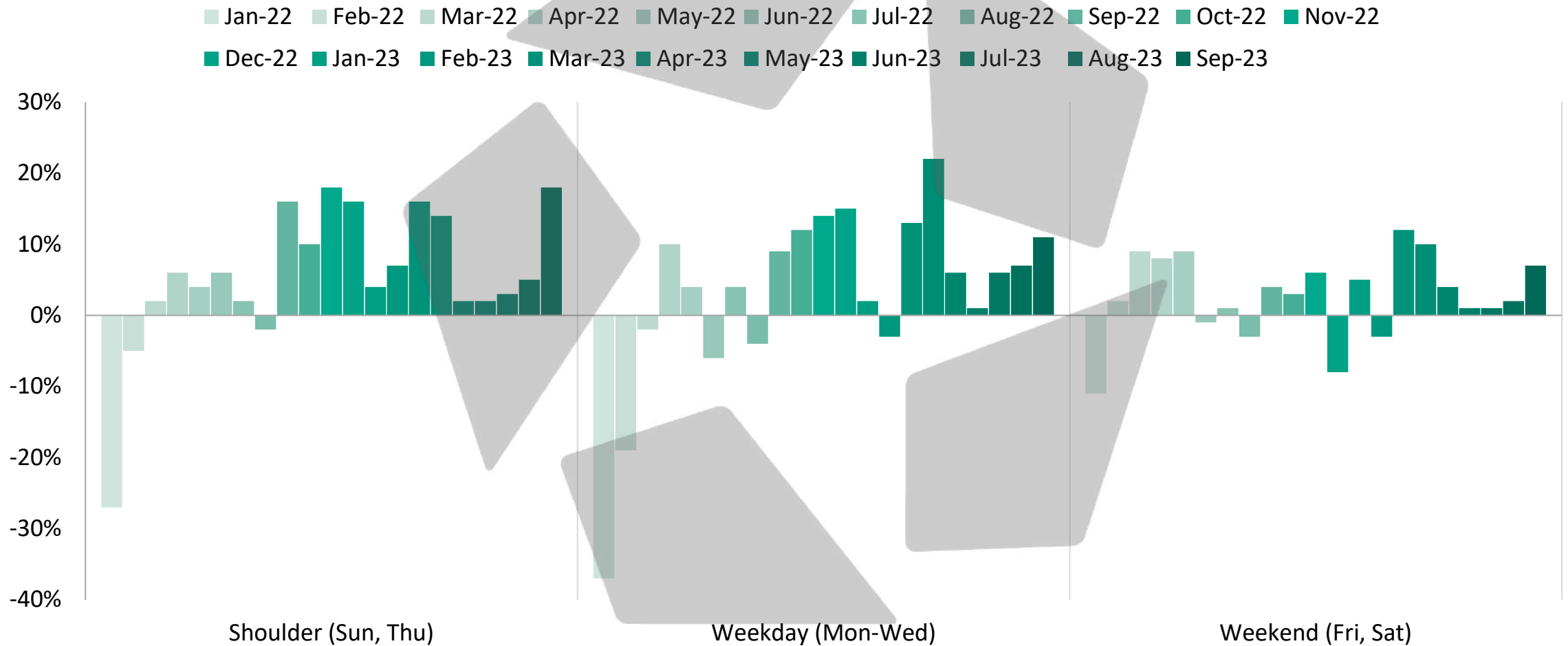
Year over year it's been more about occupancy than ADR in Belfast

Belfast, % change to previous year, August 2022 – August 2023



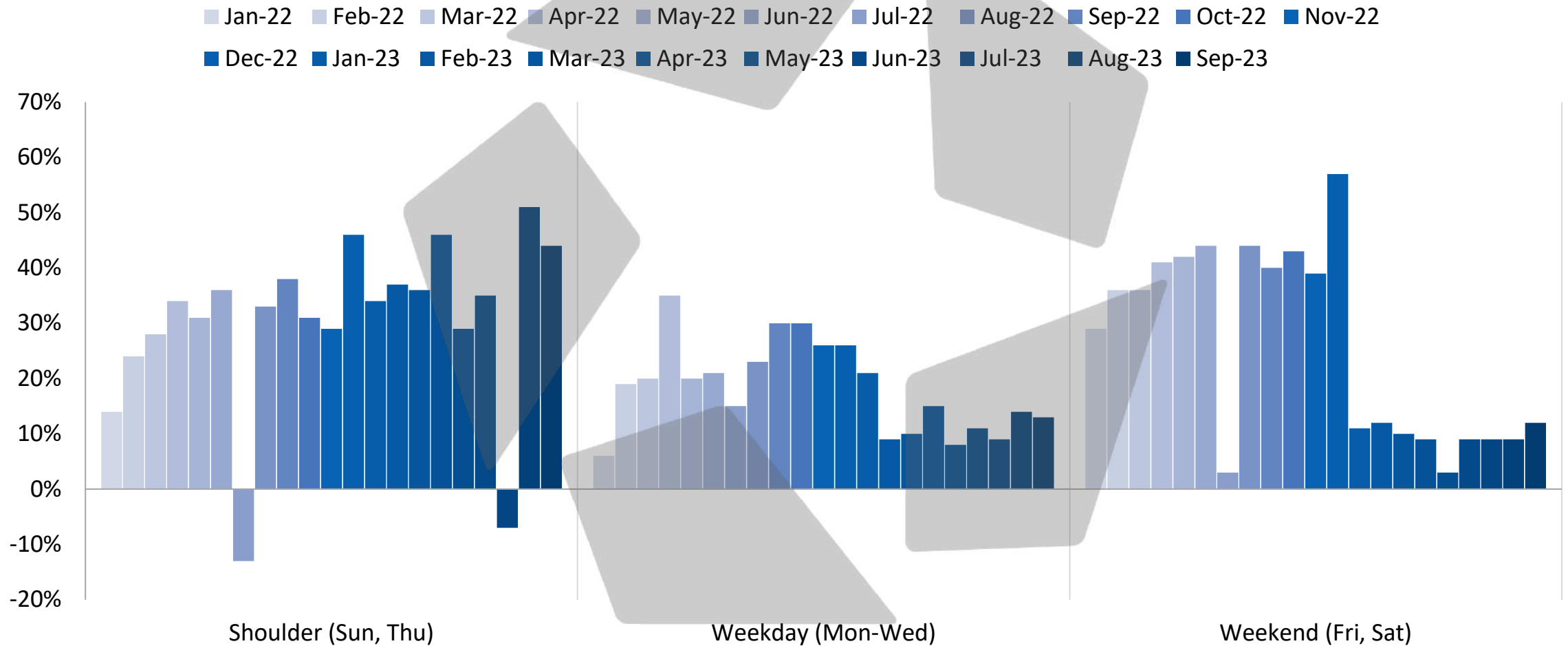
Belfast shoulder nights are growing, a strong sentiment for corporates

Belfast, Occ % change 2019, Jan 2022 – Sep 2023



No matter the night of the week ADR is higher than in 2019

Belfast, ADR % change 2019, Jan 2022 – Sep 2023



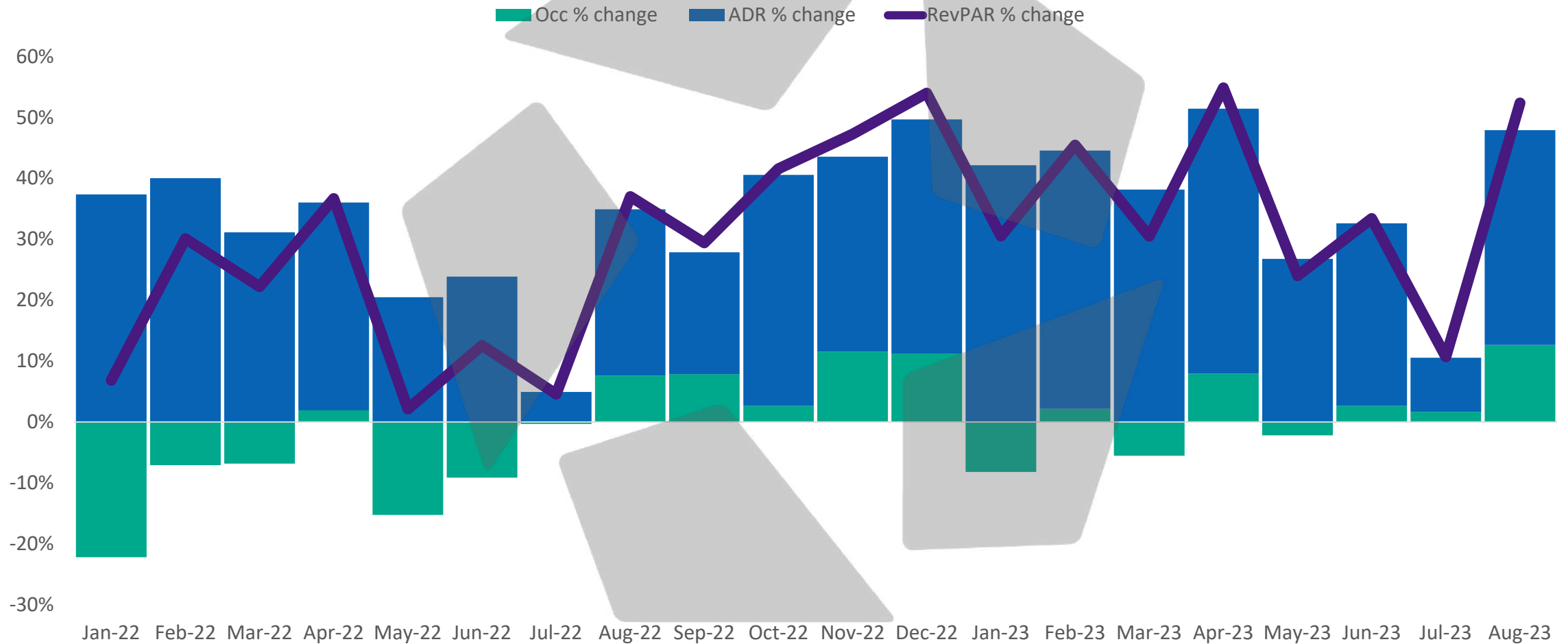
Derry/Londonderry, RevPAR now nearly £17 up on same time 2019

Derry/Londonderry, GBP £, YTD August 2019, 2022 & 2023

YTD August 2019		
Occupancy	ADR	RevPAR
70.0%	70.26	49.21
YTD August 2022		
65.9%	87.72	57.83
YTD August 2023		
71.7%	92.19	66.10

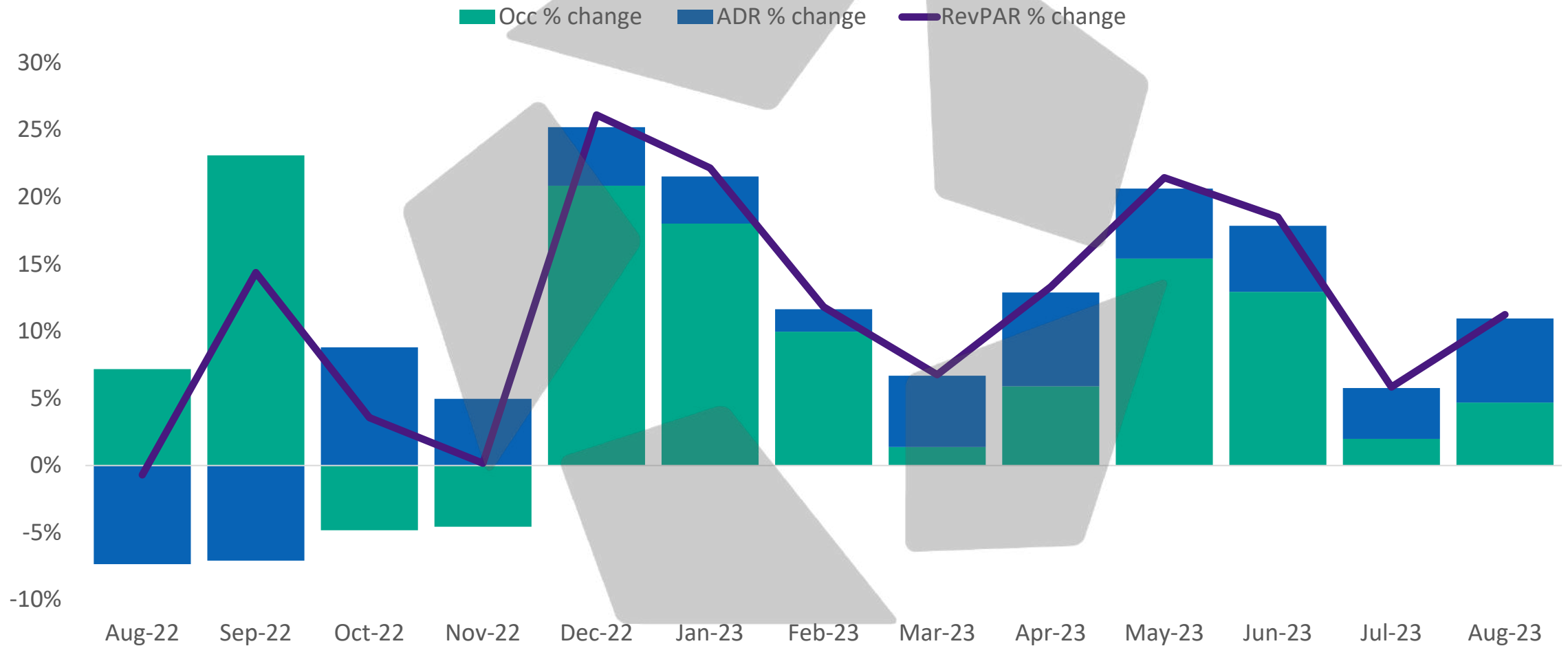
A few occupancy wobbles in Derry/Londonderry but mostly very positive

Derry/Londonderry, % change to 2019, January 2022 – Aug 2023



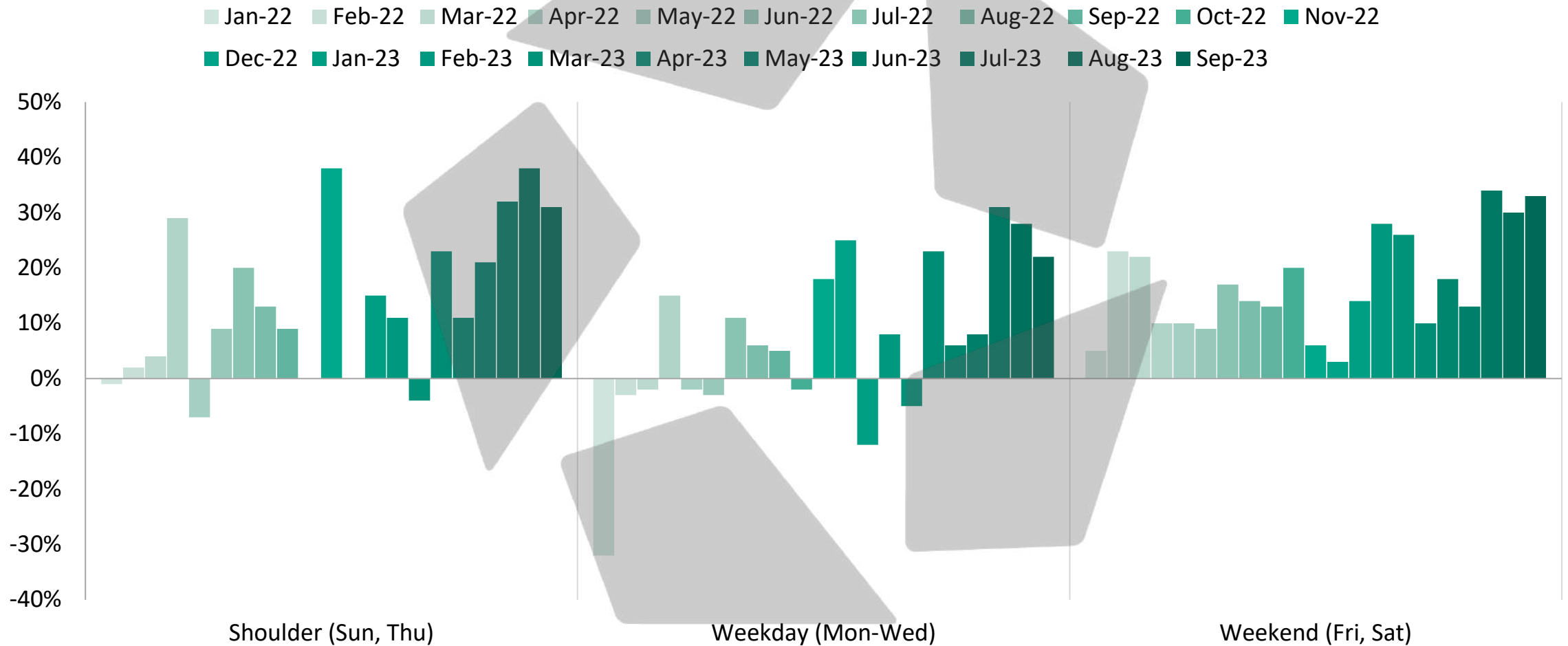
9 consecutive months of occupancy & ADR growth in Derry/Londonderry

Derry/Londonderry, % change to previous year, Jan 2022 – August 2023



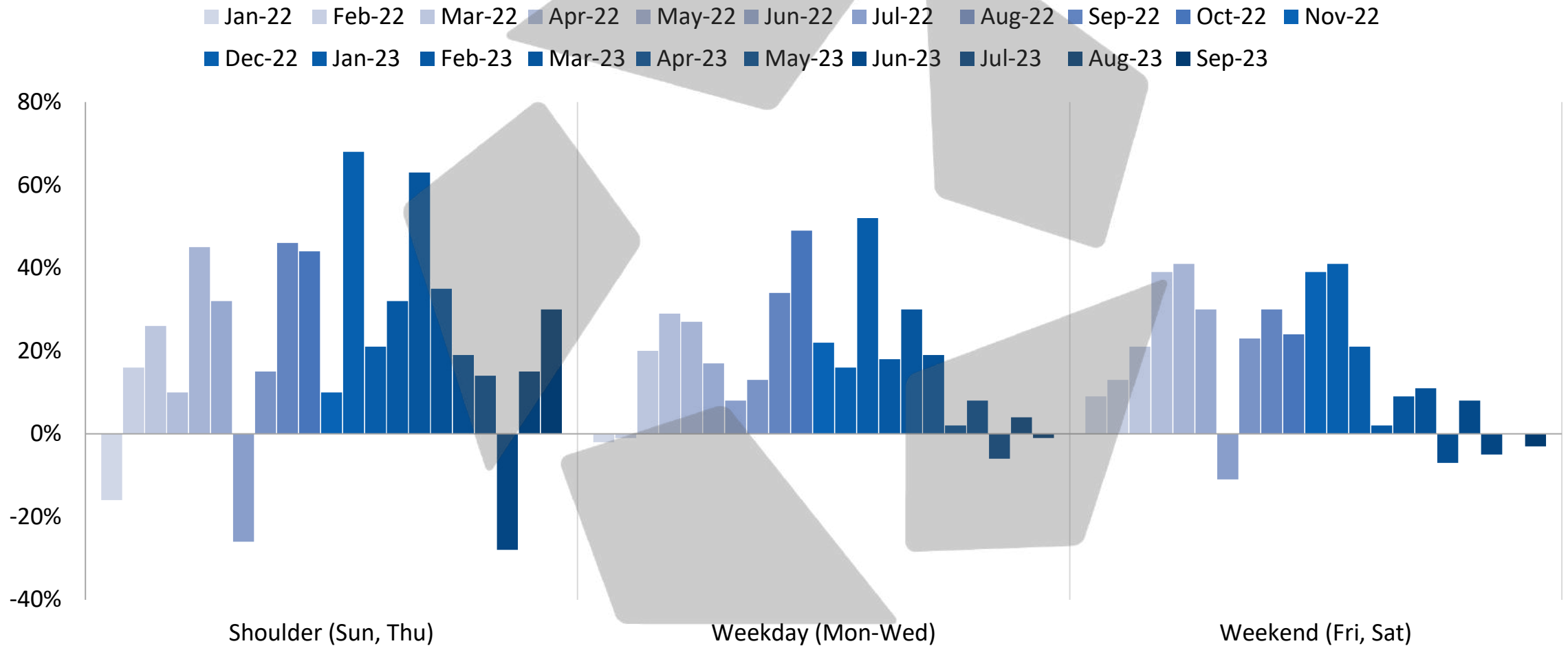
Occupancy in Derry/Londonderry is positive across the week

Derry/Londonderry, Occ % change 2019, Jan 2022 – Sep 2023



ADR across Derry/Londonderry is starting to “normalize”

Derry/Londonderry, ADR % change 2019, Jan 2022 – Sep 2023



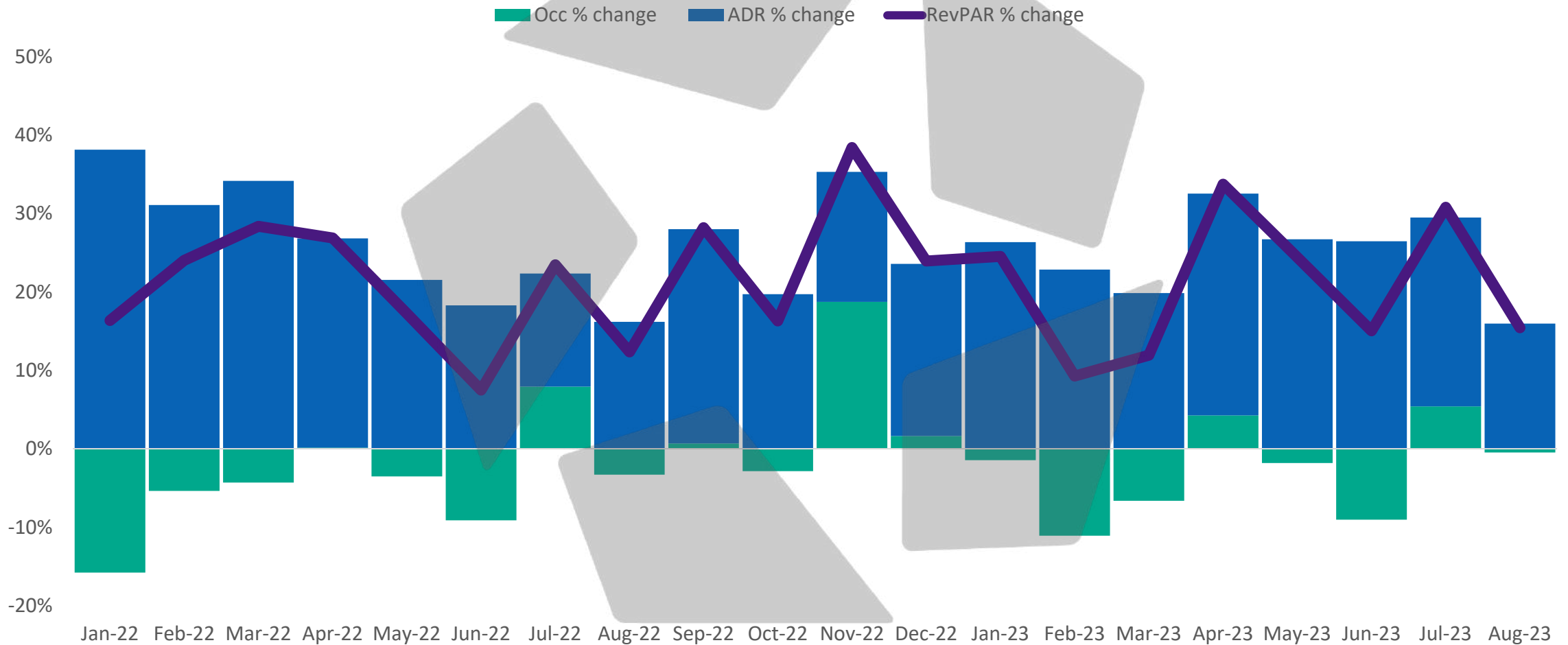
ADR is underpinning growth in SW Ulster, occupancy is almost recovered

SW Ulster, GBP £, YTD August 2019, 2022 & 2023

YTD August 2019		
Occupancy	ADR	RevPAR
65.3%	85.44	55.77
YTD August 2022		
62.8%	105.61	66.32
YTD August 2023		
63.7%	105.84	67.39

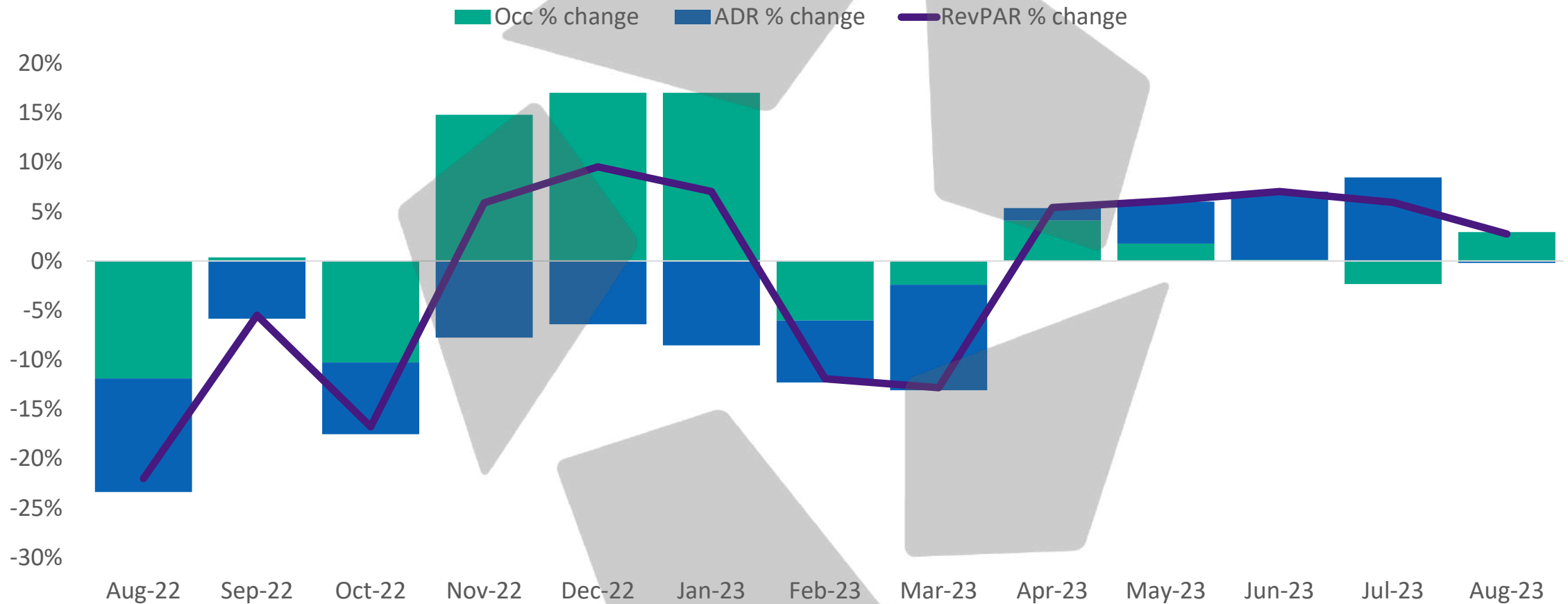
SW Ulster v 2019 was mostly about ADR recovery & growth

SW Ulster, % change to 2019, January 2022 – Aug 2023



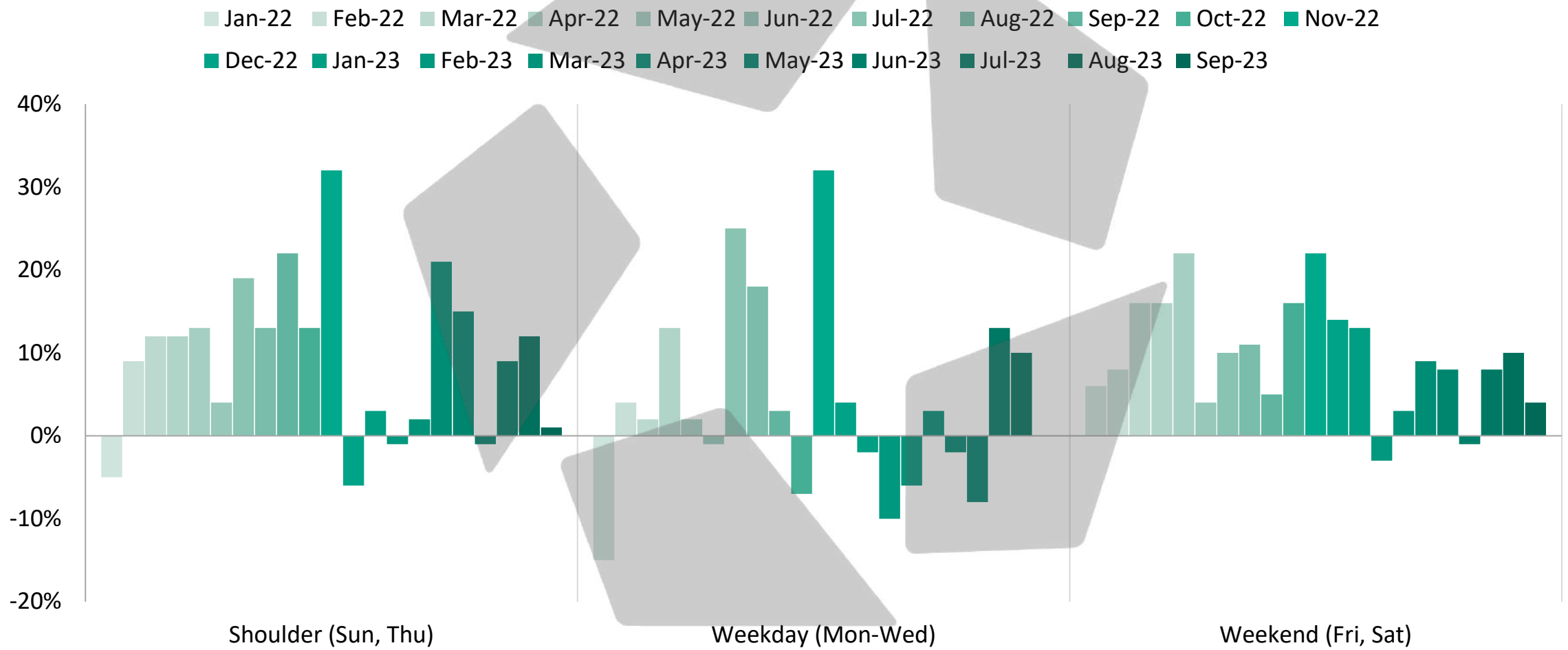
A slightly different trend year over year for SW Ulster

SW Regional, % change to previous year, Jan 2022 – August 2023



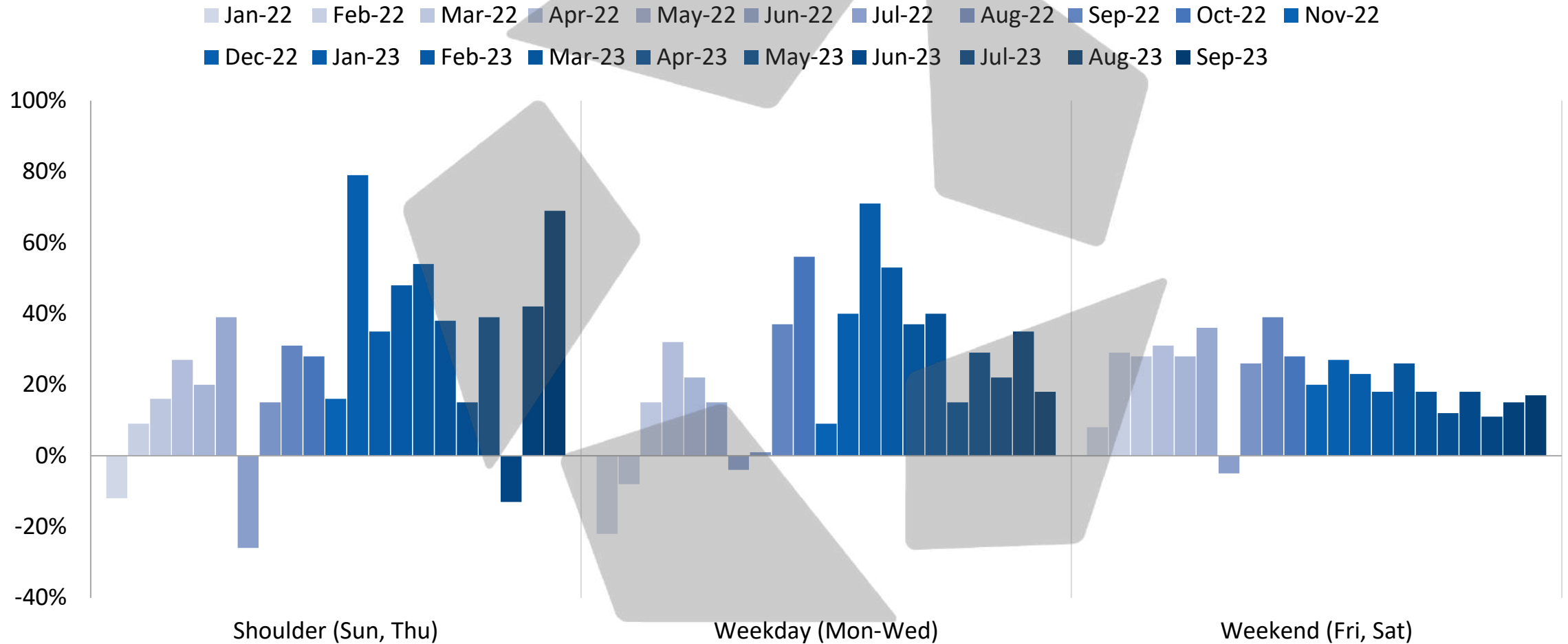
Some occupancy challenges on weekday nights in SW Ulster

SW Ulster, Occ % change 2019, Jan 2022 – Sep 2023



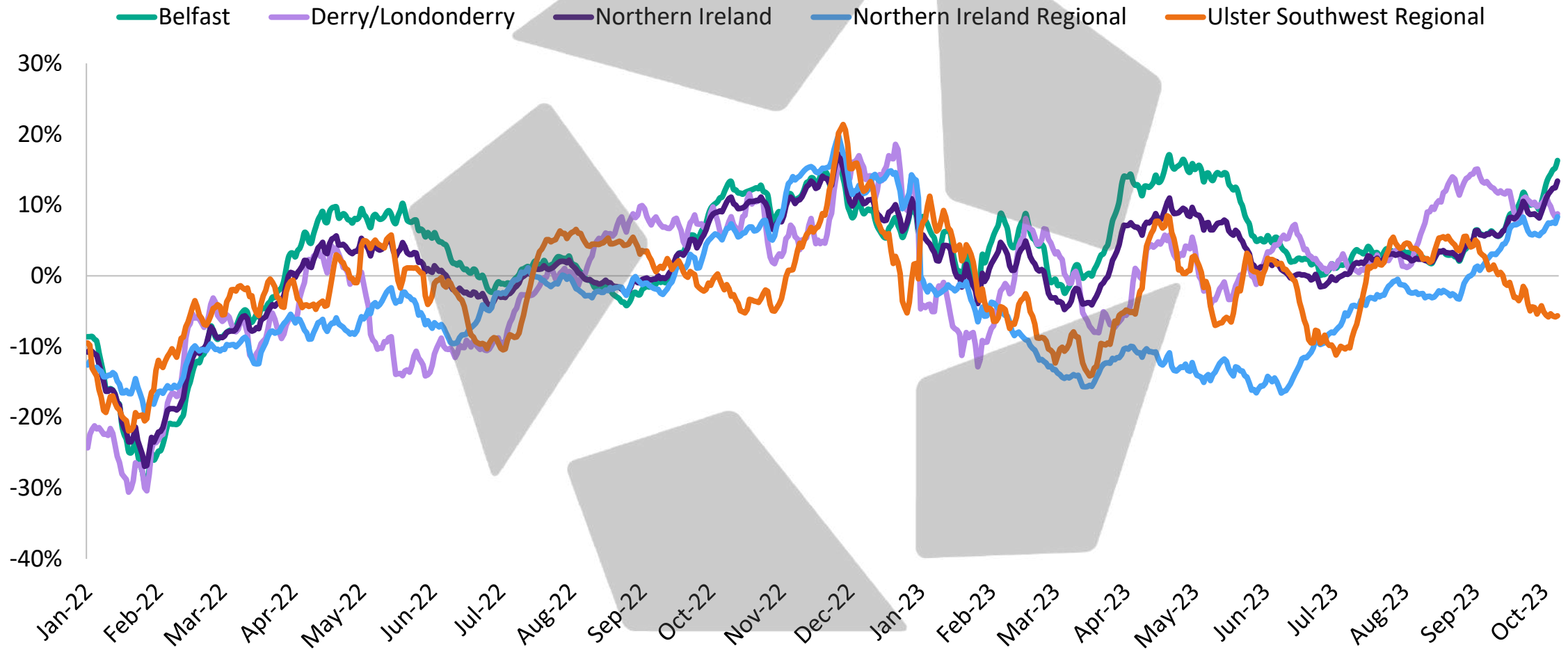
ADR is in positive territory for SW Ulster regardless of day of week

SW Ulster, ADR % change 2019, Jan 2022 – Sep 2023



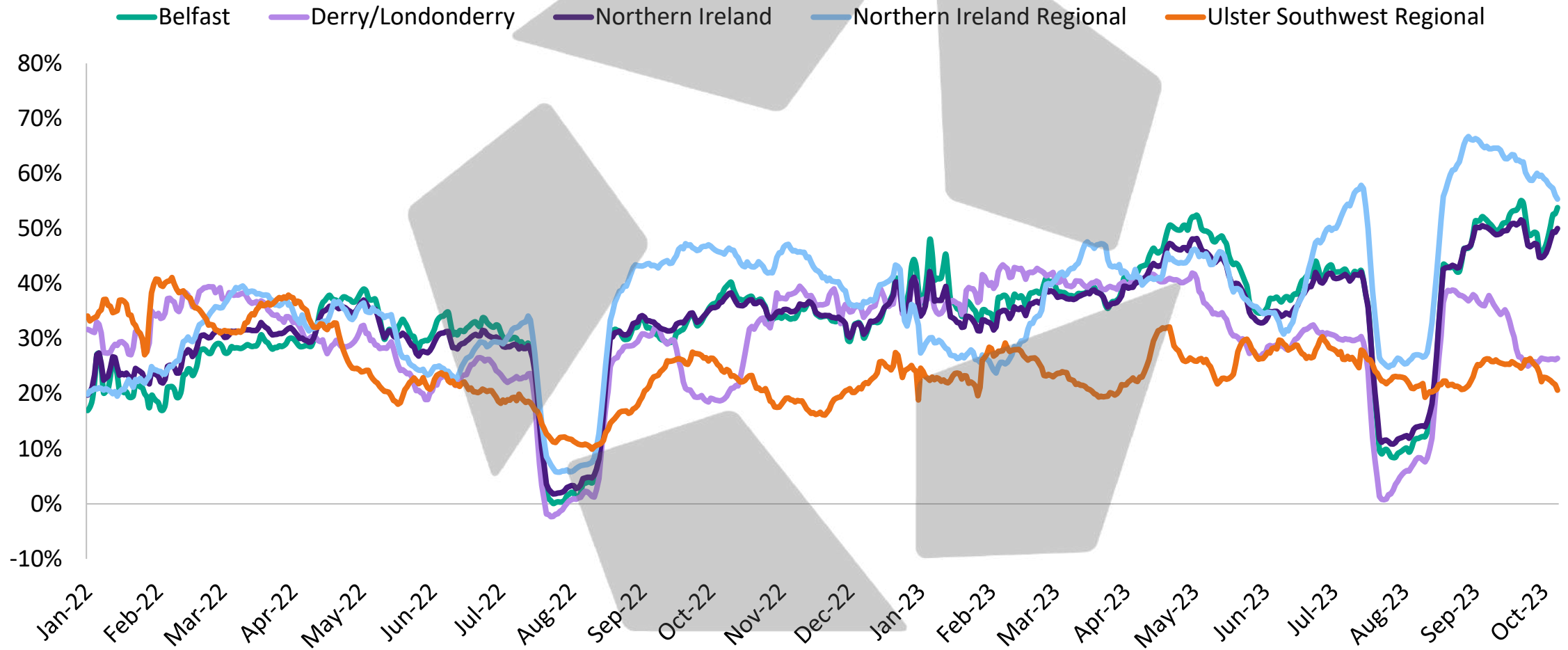
Occupancy across Northern Ireland is recovered & growing for some, not all

Occupancy, % change to 2019, Jan 2022 – September 2023



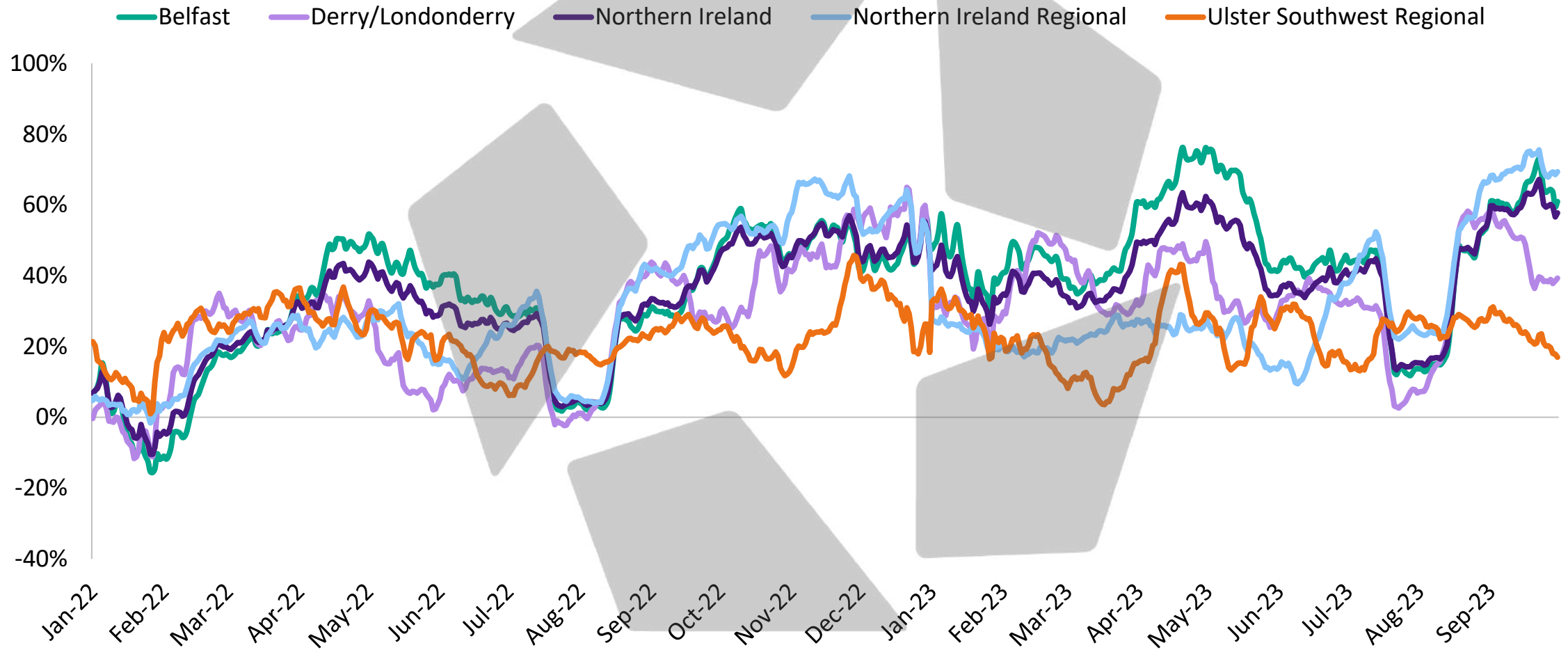
NI Regional occ has softened but ADR has more than made up for it

ADR, % change to 2019, Jan 2022 – September 2023



All Northern Ireland markets are experiencing positive RevPAR mostly ADR led

RevPAR, % change to 2019, Jan 2022 – September 2023





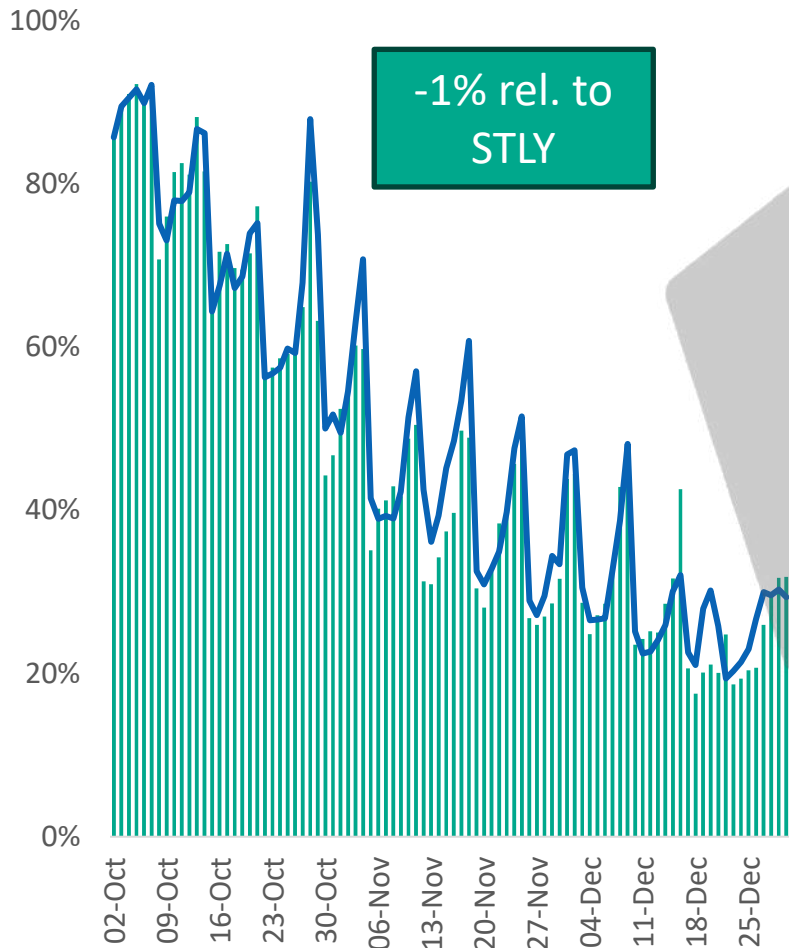
A glimpse into the future



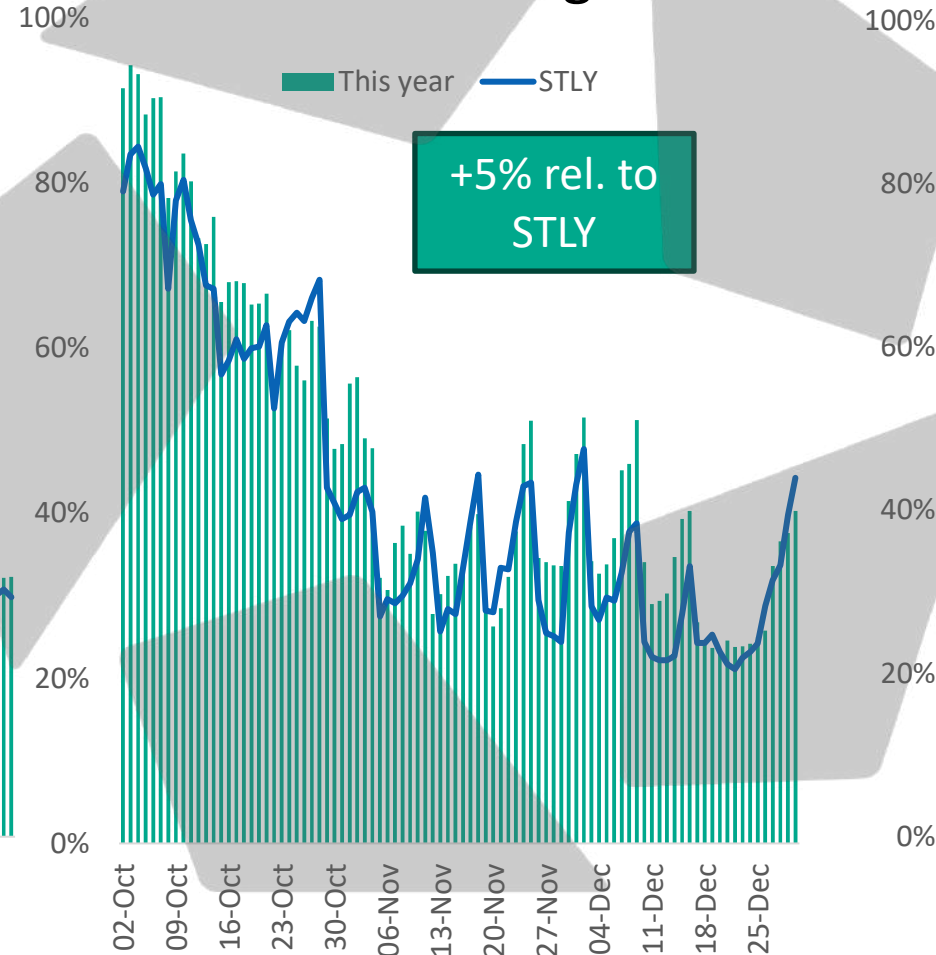
Comparable cities business on the books is on par with same time last year

Occupancy on the books TY & STLY for the next 90 days as the 2nd October 2023

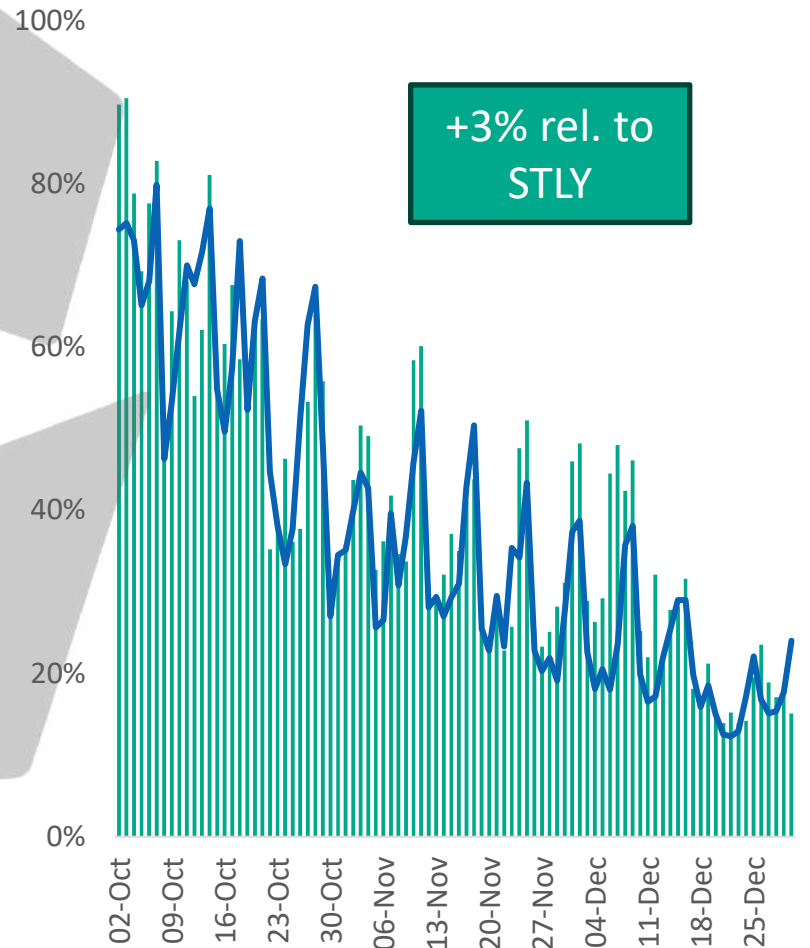
Dublin



Edinburgh

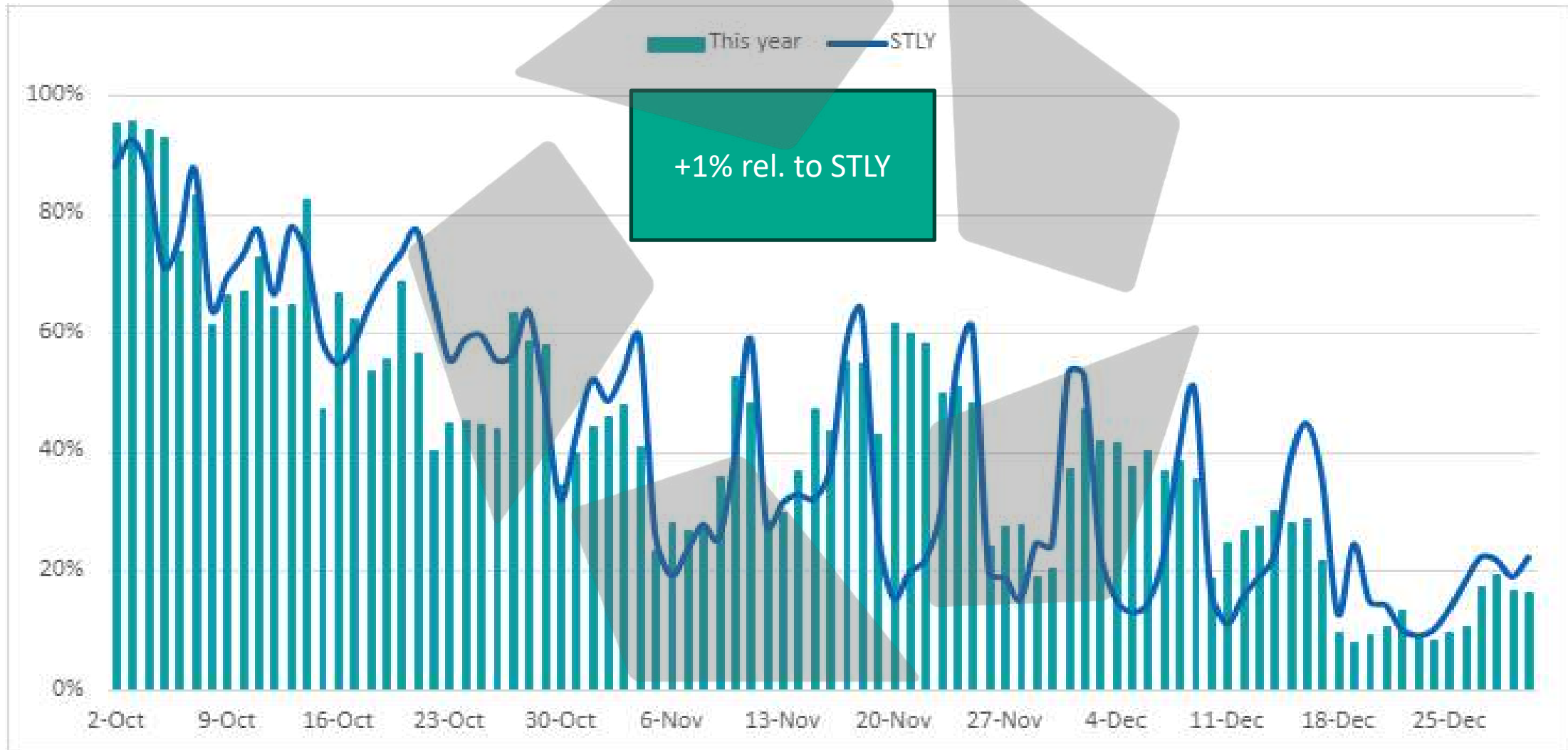


Manchester



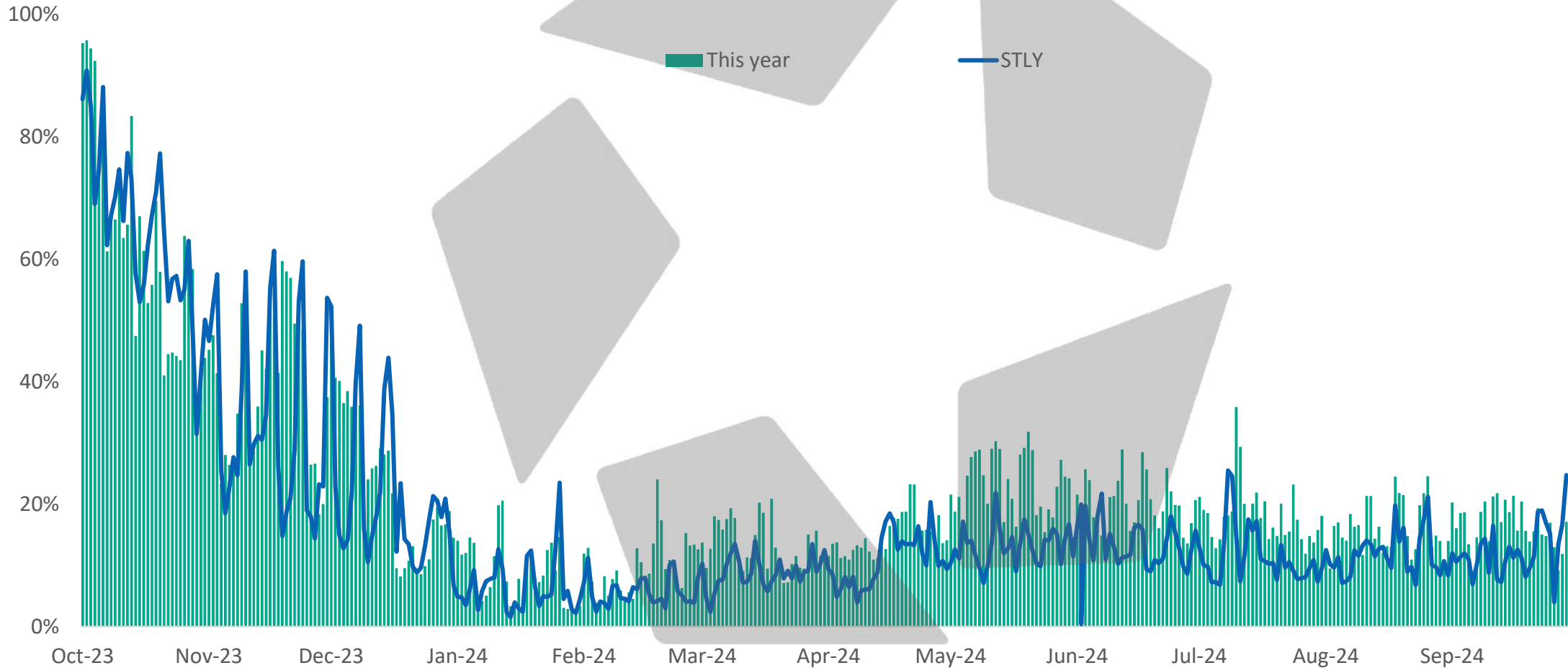
Through year end Belfast is +1% ahead compared to same time last year

Belfast, Occupancy on the books TY & STLY, next 90 days as at the 2nd October 2023



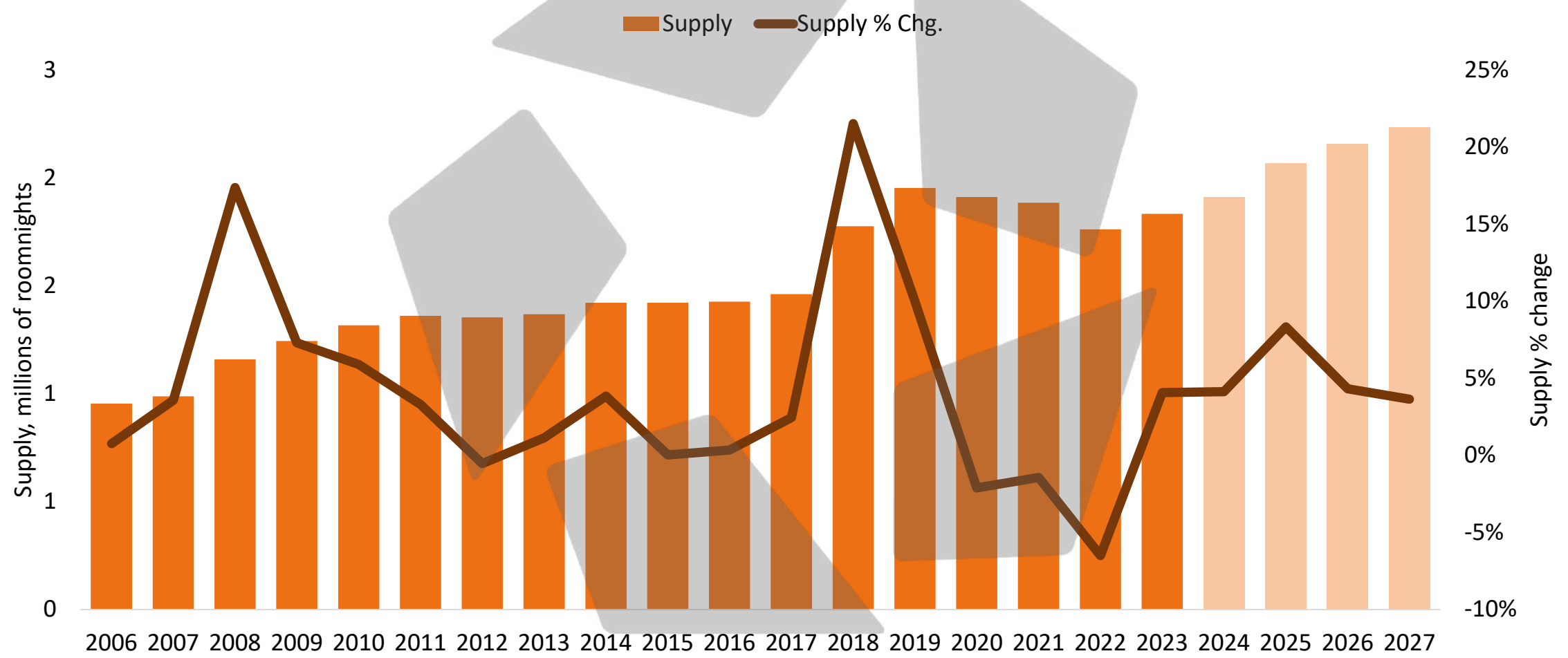
Further into the future Belfast BOB is already ahead for summer 2024

Belfast, Occupancy on the books TY & STLY, next 365 days as the 2nd October 2023



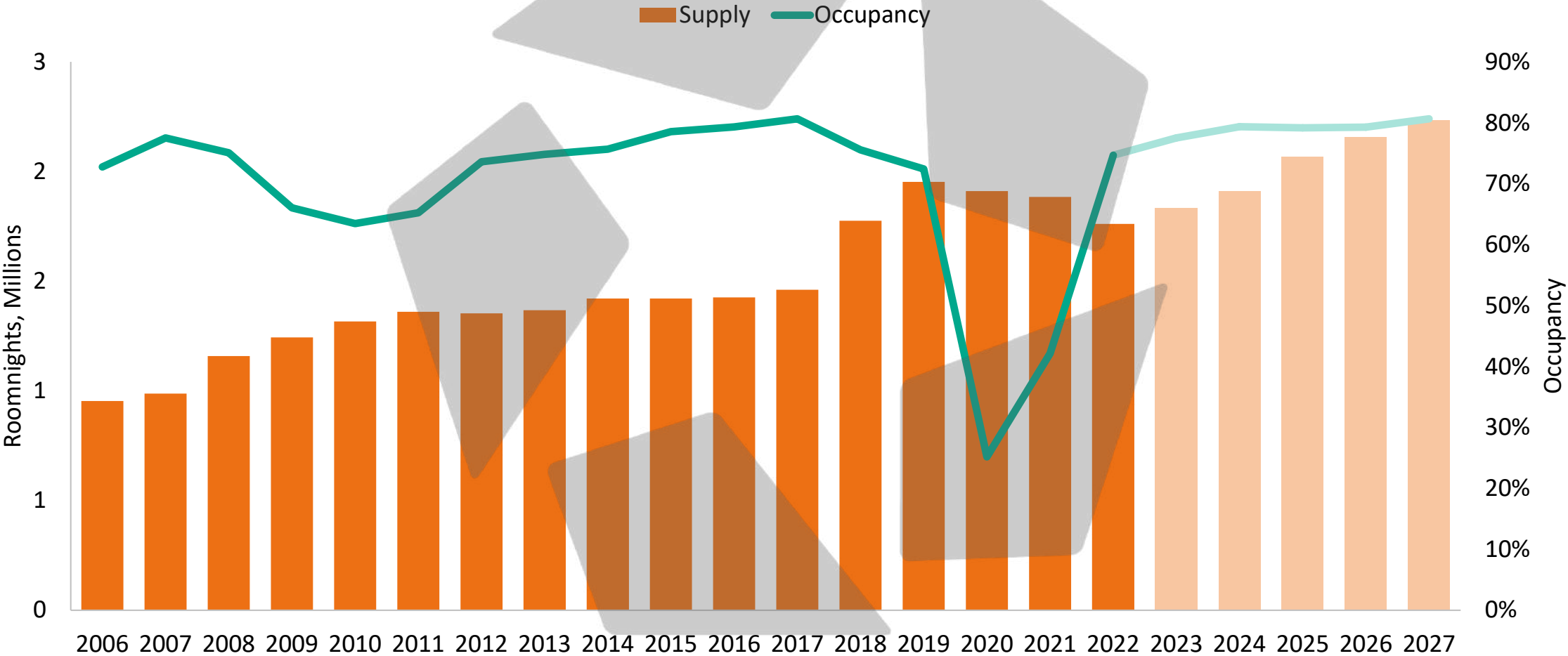
The Belfast market is gearing up for a wave of new supply

Belfast, supply & supply % chg, 2006-2022 historical; 2023-2027 Forecast



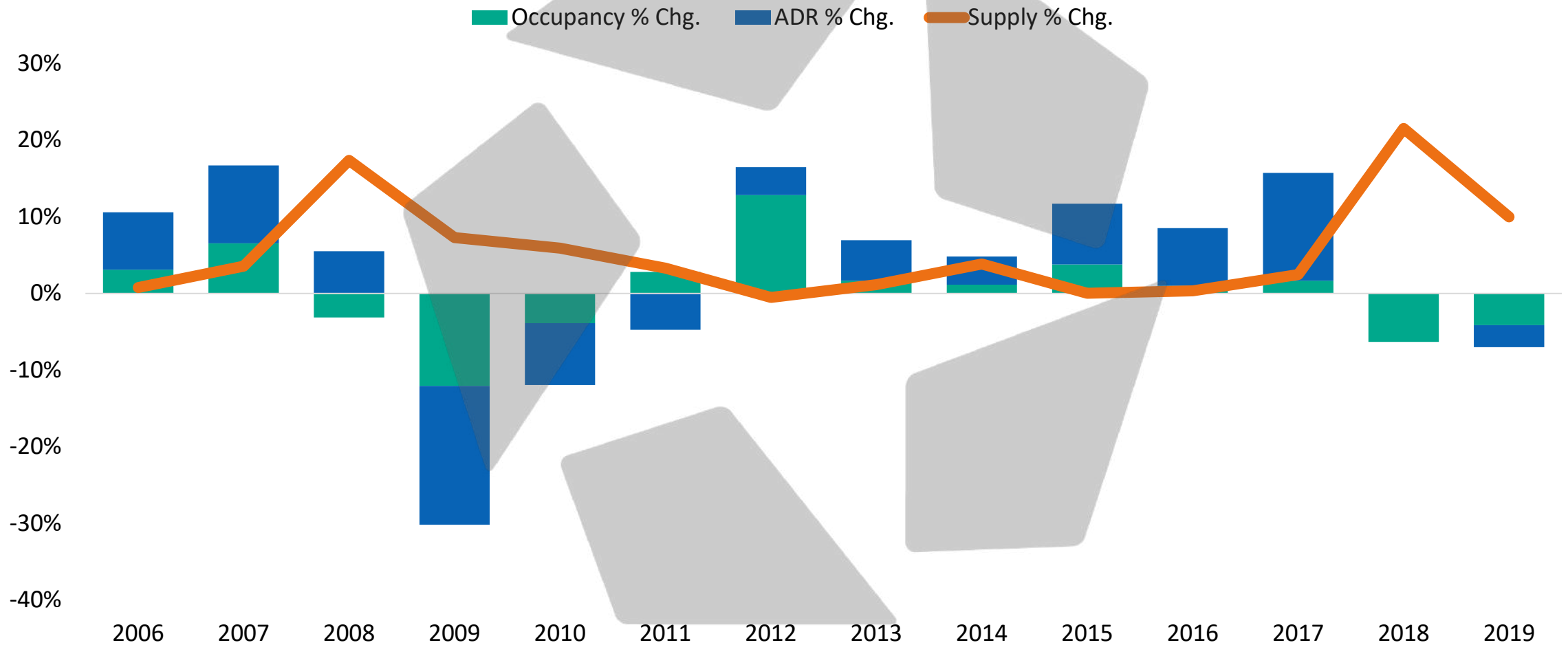
And as supply grows in Belfast, we expect occupancy to follow suit

Belfast, supply & demand, 2006-2022 historical; 2023-2027 Forecast



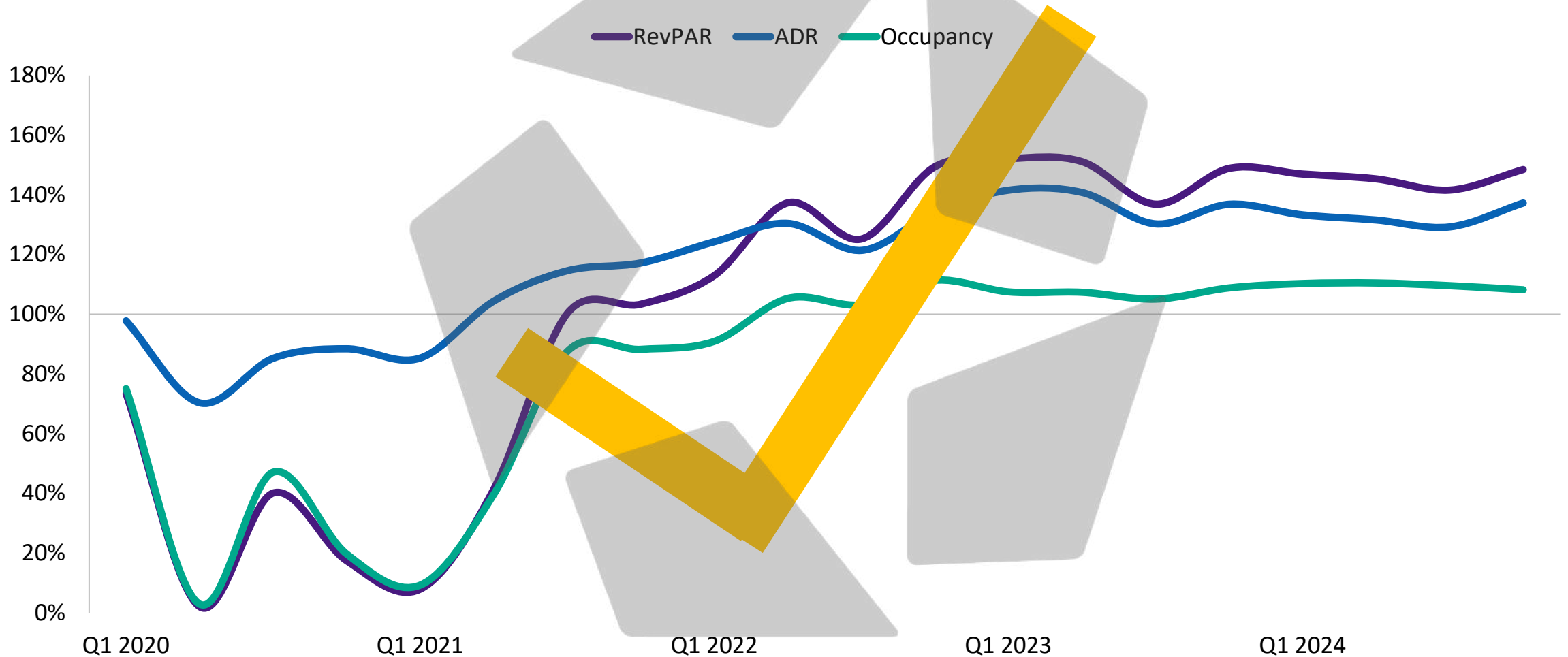
Historical trends tell us new supply affects occ first, ADR down the line

Belfast, KPI YoY % chg. 2006-2019 historical



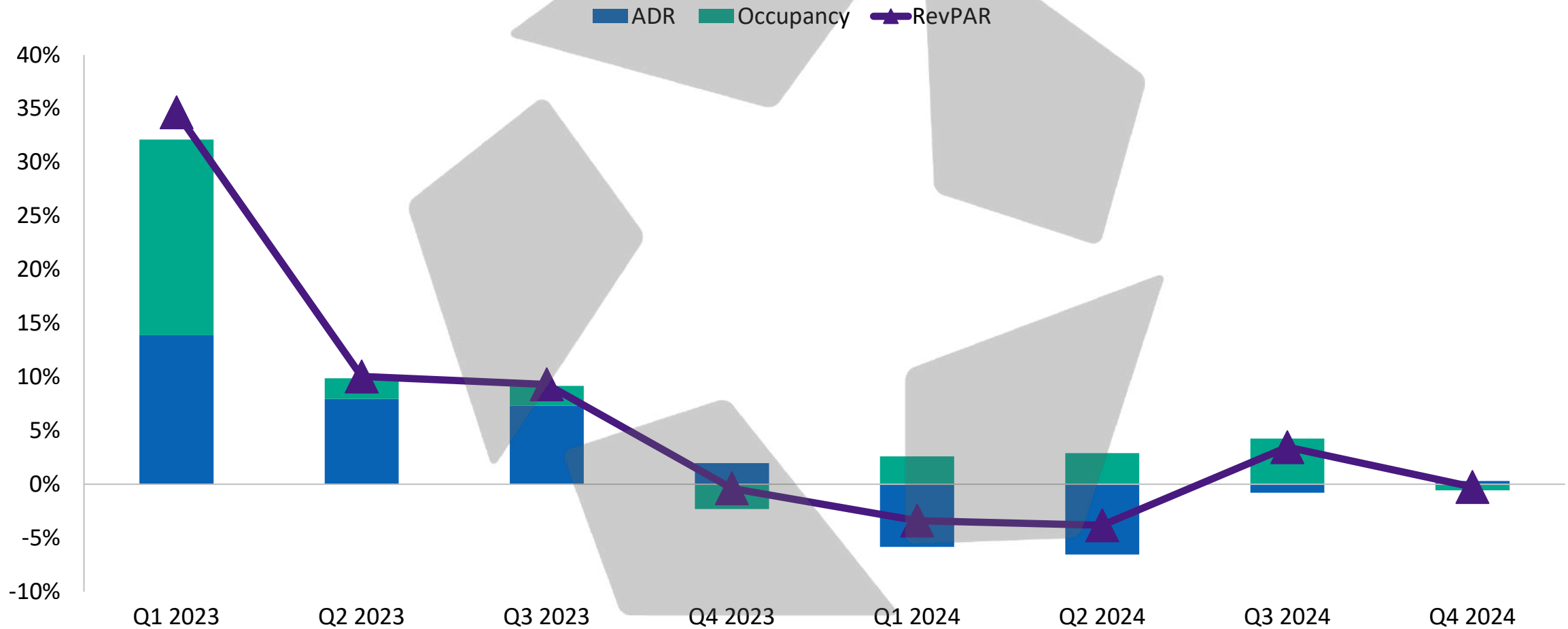
Belfast reached full recovery by mid 2022

Belfast, KPIs indexed to 2019, Aug 2023 Forecast



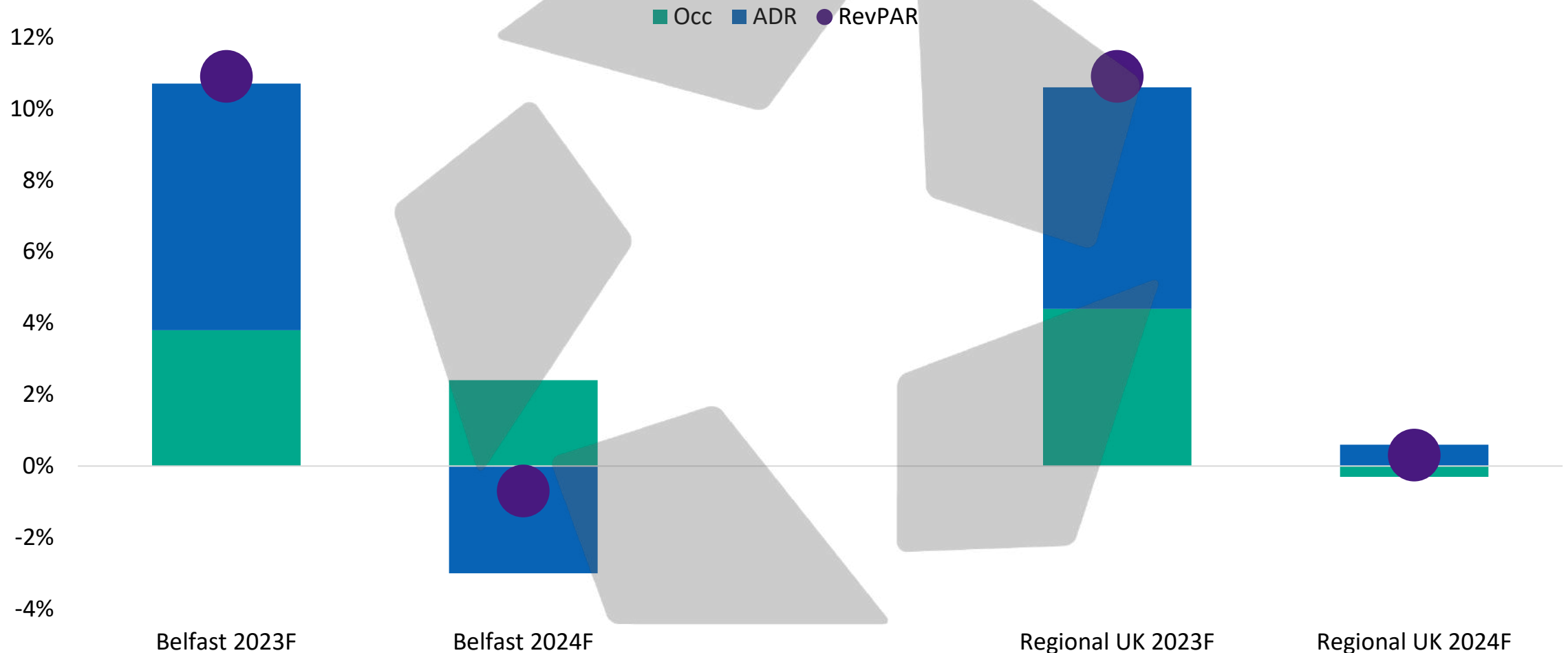
2024 will be the year of normalization in Belfast

Belfast, KPI (GBP) % change to previous year, Aug 2023 Forecast



Overall, a slight softening in RevPAR (less than 1%) in 2024 v 2023

Belfast & Regional UK, KPI (local currency) % chg to previous year, 2023 – 2025 Forecast. August 2023 forecast





Thank you!

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