



ANNUAL

# 2022 Irish Hotel Market Briefing



# Hotel Transactions Overview 2022

**Dan O'Connor**

Executive Vice President

JLL Ireland



# Deal Flow

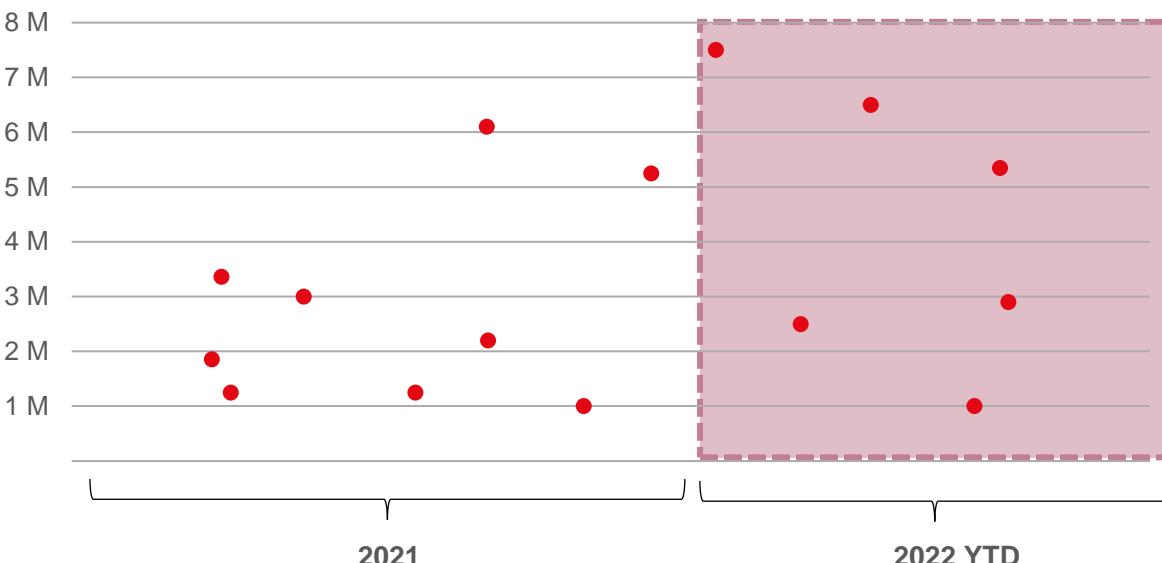


# Deals: Sub €10M



- Total volume in this segment of approx. €50M in last 2 years
- All Irish buyers and sellers in the sub €10M space
- Per key values between €30K and €180K p/key
- Clear trend of aggregators building scale
- Family businesses/independent owners exiting the market

2021 & 2022 Hotel Deals: Sub €10M



## Recent Deal

### Butlers Arms Hotel, Waterville, Kerry

Buyer: Press Up

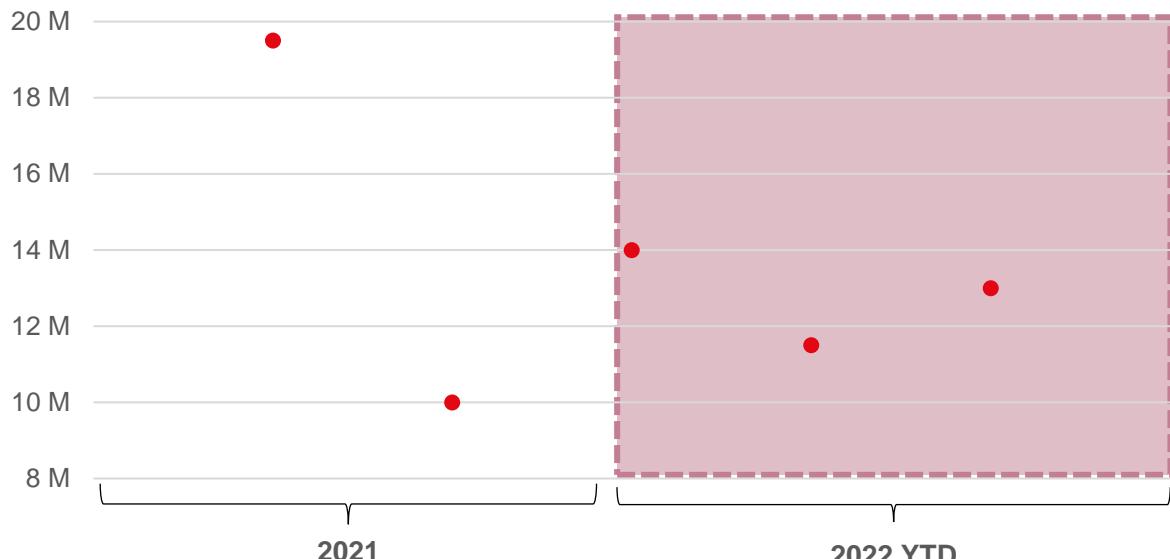
Seller: Huggard Family

JLL Role: Selling Agent

# Deals: €10M - €20M

- Total volume in this segment of approx. €80M in last 2 years
- Dominated by international buyers: 73% of volume
- Per key values between €90K and €315K p/key
- Numerous HNWI buyers (e.g., TMR & Unlisted Collection)
- Majority of deals completing with bank/fund financing

## 2021 & 2022 Hotel Deals: €10M - €20M



## Recent Deal

### Temple Bar Lane, Dublin 2

Buyer: Cleary Family

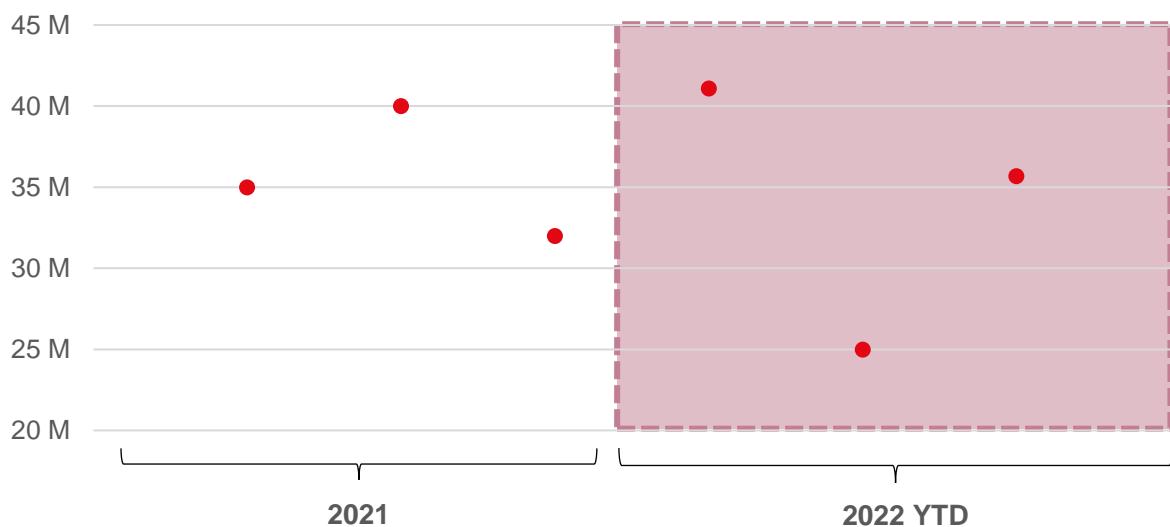
Seller: Mm Capital

JLL Role: Selling Agent

# Deals: €20M - €50M

- Total volume in this segment of approx. €150M in last 2 years
- Dominated by international buyers: 82% of volume
- Per key values between €100K and €320K p/key
- Key focus for institutional and private equity buyers
- Also approx. €100M of “corporate/M&A” deals in this space

## 2021 & 2022 Hotel Deals: €20M - €50M



## Recent Deal

### Premier Inn Gloucester Street South, Dublin 2

Buyer: Aviva

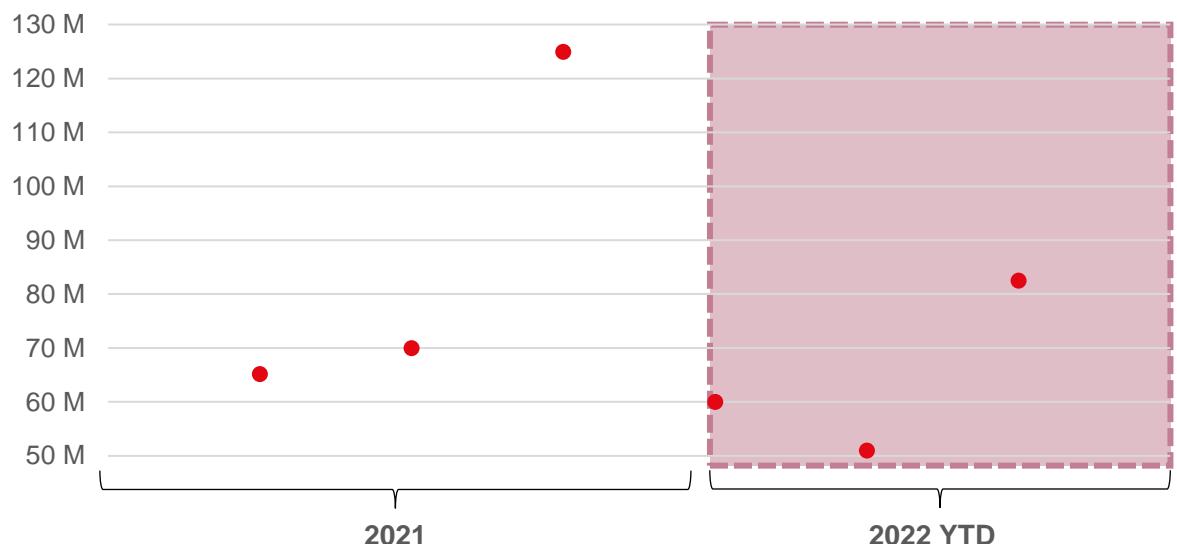
Seller: Red Rock Developments

JLL Role: Acquisition Agent (pre-let and subsequent purchase)

# Deals: €50M+

- Total volume in this segment of approx. €450M in last 2 years
- All of the deals were acquired by international buyers
- Per key values between €240K and €450K p/key
- Buyers include Blackstone, Zetland, Union & Henderson Park
- >85% of the deal volume closed with bank/fund financing

## 2021 & 2022 Hotel Deals: Sub €10M



## Recent Deal

### Staycity Little Mary Street, Dublin 7

Buyer: Song Capital

Seller: Bain Capital

JLL Role: Selling Agent

# Hotel Development



# Development: Pipeline

- Approx. 26,000 hotel keys in Dublin, with a further 6% of the stock under construction to open over the next 18-24 months
- Only 1 major hostel scheme under construction in Dublin (Clink), which is an interesting gap in the market
- The Dublin hotel development pipeline is certainly slowing as COVID-19 and funding challenges impact

Approx.  
1,500  
Dublin  
Hotel  
Rooms  
On Site

Approx.  
4,500  
Rooms  
Pipeline for  
Next 3-5  
Years

Significant  
IPS /  
Ukraine  
Rooms Out  
Of The  
System

Financing  
Challenges

Build Cost  
Inflation

Planning  
Risk



## Recent Deal

### Premier Inn Clery's O'Connell Street

Buyer: Whitbread PLC

Seller: Core / Europa

JLL Role: Acquisition Agent

# What's Coming Next?



# Outlook: More Deals But Uncertain Times



 The **GOOD** News...

COVID-19....What COVID-19?

Air Travel is Back, with 3M Dub PAX in August 2022!

Still pent up demand for 'face-to-face' in general

Hotel owners have finally woken up to ESG!

 ...and the **NOT** so good..

Macro uncertainty is impacting investor decision making

Rising hotel operating & capital expenditure costs

Consumer & business budget squeeze

PE buyers impacted most by debt costs

**“Knowing what exit price is realistic and what is the right capital / buyer to target over the next 12 months, will be key to keeping the deals going into 2023! ”**



# Still Plenty Of Deals To Do!



# Contact Details

## **Daniel O'Connor**

Executive Vice President  
Hotels & Hospitality  
JLL | Ireland

T: +353 86 028 8753

E: [daniel.oconnor@eu.jll.com](mailto:daniel.oconnor@eu.jll.com)

## **Isobel Horan**

Senior Vice President  
Hotels & Hospitality  
JLL | Ireland

T: +353 86 031 6190

E: [isobel.horan@jll.com](mailto:isobel.horan@jll.com)

# Thank You

Disclaimer: © 2022 Jones Lang LaSalle IP, Inc. All rights reserved. PSP 002273

Data within this report is based on material/sources that are deemed to be reliable and has not been independently verified by JLL. JLL makes no representations or warranties as to the accuracy, completeness, or suitability of the whole or any part of the report which has been produced solely as a general guide and does not constitute advice. No part of this publication may be reproduced or transmitted in any form or by any means without prior written consent of JLL. JLL, its officers, employees shall not be liable for any loss, liability, damage, or expense arising directly or indirectly from any use or disclosure of or reliance on such report. JLL reserves the right to pursue criminal and civil action for any unauthorized use, distribution, or breach of such intellectual property.

