



Hotel, Tourism & Leisure Market Update

January 2022

Hotel transactions

There were 18 hotel sales in Ireland during 2021, with a combined value of €383m.

| Key Hotel Sales | | | |
|--------------------------|-------|-------|----------------|
| Hotel | Rooms | Price | Price Per Room |
| Morrison Hotel | 145 | €65m | €448k |
| Dublin One | 163 | €35m | €214k |
| Moxy | 157 | €35m | €222k |
| Premier Inn Castleforbes | 262 | €70m | €267k |
| Hilton Garden Inn IFSC | 324 | €90m | €278k |
| Castlemartyr Hotel | 104 | €19m | €183k |

- 2022 is predicted to be a strong year for hotel sales.
- One of the first hotel sales this year was the Clonmel Park, acquired by the Talbot Hotel Group for €7.5m, representing a price per room of €76k.
- The Hendrick Smithfield with 147 rooms is on the market for €35m.
- The 30-bedroom Kilkenny Inn is for sale with a guide of €4.8m.

Supply

| 2021 New Hotel Openings – Dublin and Cork | |
|---|-------|
| Hotel / Aparthotel | Rooms |
| Point A Hotel | 132 |
| Wren Urban Nest | 137 |
| Keavans Port Hotel | 89 |
| Premier Inn South Great George's Street | 97 |
| Holiday Inn Dublin Airport | 421 |
| Beckett Locke | 241 |
| Zanzibar Locke | 160 |
| The Dean Cork | 114 |
| The Rezz Cork | 72 |

- Approximately 2,600 rooms are due to come to the Dublin market in 2022. This includes c. 1,200 aparthotel rooms.
- The majority of rooms will be in Dublin 1 and Dublin 2.
- Two Staycity aparthotels and a Travelodge Plus will be opening near Trinity College with a combined total of 797 rooms.
- The second of the Premier Inn hotels rollout is also due in 2022, located at Prince's Street South bringing 113 rooms.

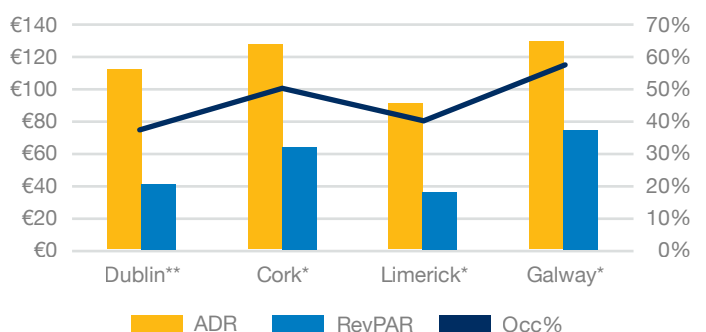
Hotel performance

Regional hotels, particularly those in tourist locations, performed well during 2021 owing to the staycation and short break market. A greater awareness of regional Ireland's offering to the domestic market has been positive and we expect the short break market to remain strong for the year ahead.

The lack of live events and corporate bookings heavily impacted the Dublin hotel market in both occupancy and room rate. However, Ireland performed well against the European average despite Irish airports suffering some of the heaviest falls in passenger numbers within the region.

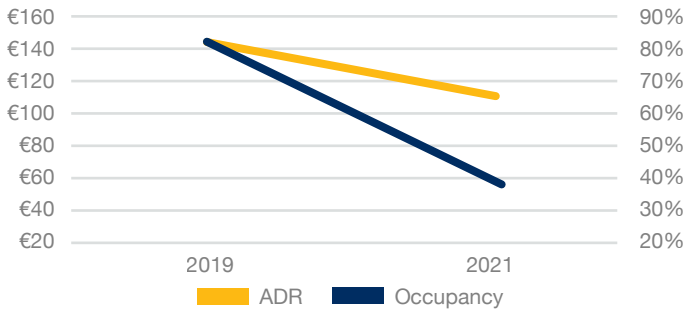
While corporate travel may take time to return to normal levels, we are encouraged by live events returning which will be a much-needed boost for the capital.

2021 Hotel performance

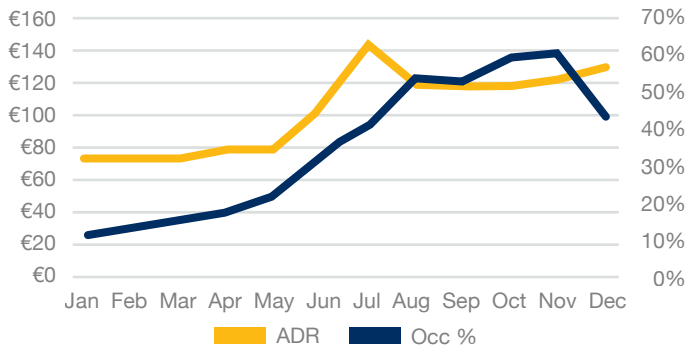


Source: **STR *Trending

2021 vs 2019 Dublin Hotel performance



Dublin Hotel performance 2021



Small Company Administrative Rescue Process (SCARP)

For many small and micro hospitality businesses facing into an uncertain future after the pandemic, SCARP may be the rescue option they need.

SCARP is a formal restructuring option for SMEs that enables a company to restructure its balance sheet and write off a proportion of its debts. SCARP provides a low-cost alternative to examinership as it is designed to be quicker and involves less court oversight. To qualify for SCARP, companies must meet two of the following three criteria:

1. Turnover does not exceed €12m
2. Balance sheet does not exceed €6m
3. Fewer than 50 employees

Among the key attractions of the process is its relative simplicity and straightforward nature. In this article our restructuring and insolvency team provide an overview of the different stages involved with SCARP. [Read more](#)

Government COVID-19 supports

The EWSS is expected to continue until 30 April 2022. [More info here](#)

The tax debt warehousing scheme has been extended until Q1 2022. The interest-free period for those taxpayers will now be 1 April 2022 to 31 March 2023. [More info here](#)

VAT changes – Finance Bill 2021

There were several VAT measures proposed in Finance Act 2021 which have now taken effect.

Of particular interest to the hospitality and tourism industry is a change that has been made in relation to the VAT treatment of non-refundable deposits where there is a customer cancellation. The amendment took effect from 1 January 2022. [More info here](#)

Crowe together with Fáilte Ireland – Managing debt in tourism businesses

Crowe hospitality sector expert [Mairea Doyle Balfe](#) delivers another informative webinar for Fáilte Ireland aimed at helping tourism businesses get on the road towards financial recovery.

The video provides an overview of the different types of debt financing for tourism businesses, focusing on the four of the most common: long-term loans, short-term loans, overdrafts and leasing.

Click below to watch video.



2022 will be an important year to take stock of your debt levels and understand your future payment plan. If you would like to discuss your need to restructure or refinance, please contact any member of our [HTL team](#).

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