

MARKETBEAT
GREATER PARIS
HOSPITALITY H1 2025

Better never settles

MARKET FUNDAMENTALS

H1 2025	YoY Chg	Outlook
€615M	▼	▲
Investment Volume		
4.5-5.0%	▼	—
Greater Paris Prime Yields (HMA)		
+7.7%	▲	▲
YoY RevPAR Growth		
2.4%	—	▲
YoY Supply Growth		

INVESTMENT HIGHLIGHTS

28 / 2,120
Hotels / Rooms Transacted
€290K
Average Price per Room
53%
Of volume was invested in Upscale Hotels

ECONOMIC INDICATORS

0.7%	▼	▲
YoY Real GDP Growth		
1.0%	▼	—
YoY Inflation Growth		

INVESTMENT ACTIVITY

In the first half of 2025, hotel transaction volume in Greater Paris exceeded €600 million, with a total of 28 hotels and 2,120 rooms sold. Although transaction volume has declined by 46%, there was a significant increase in the total number of properties and rooms sold. This decline in transaction volume is mainly due to fewer large-scale deals compared to H1 2024, when four hotels accounted for nearly 80% of the total volume. Despite this, the hotel market remains in good momentum supported by a strong demand.

PRIME YIELDS

Throughout the first half of 2025, yields slightly compressed, particularly for prime assets, settling in the 4.5% to 5.0% range. This reflects a strong investor appetite for high-quality assets in core locations and a limited supply of trophy properties. Greater Paris remains highly attractive and dynamic, reinforced by its position as one of Europe’s leading hospitality real estate hubs.

SUPPLY & DEMAND

Hotel supply increased slightly during the period, notably, marked by the openings of Upper Upscale and Luxury properties in prime locations, such as Maison Barrière Vendôme and Hôtel SAX Paris, catering to travellers seeking premium experiences. On the demand side, Greater Paris confirmed its appeal in H1 2025 (+3% vs H1 2024), supported by the return of international travellers and positive economic momentum. International demand rose sharply (+9% vs H1 2024), led by traditional markets including the USA, UK, Germany, and Spain, as well as notable growth from more distant markets such as Brazil, China, and Canada. In contrast, domestic demand edged down slightly (-1% vs H1 2024).

PERFORMANCE

RevPAR grew significantly in H1 2025, up 7.7% relative to H1 2024. This was driven by a 2.2 percentage points rise in occupancy and a 4.4% increase in ADR. Greater Paris RevPAR growth outperformed the European average (2.6%), highlighting the market’s strong momentum. A particularly robust performance was recorded within the high-end segment (Upscale to Luxury), with RevPAR increasing by 12.3%.

RECENT TRANSACTION TRENDS

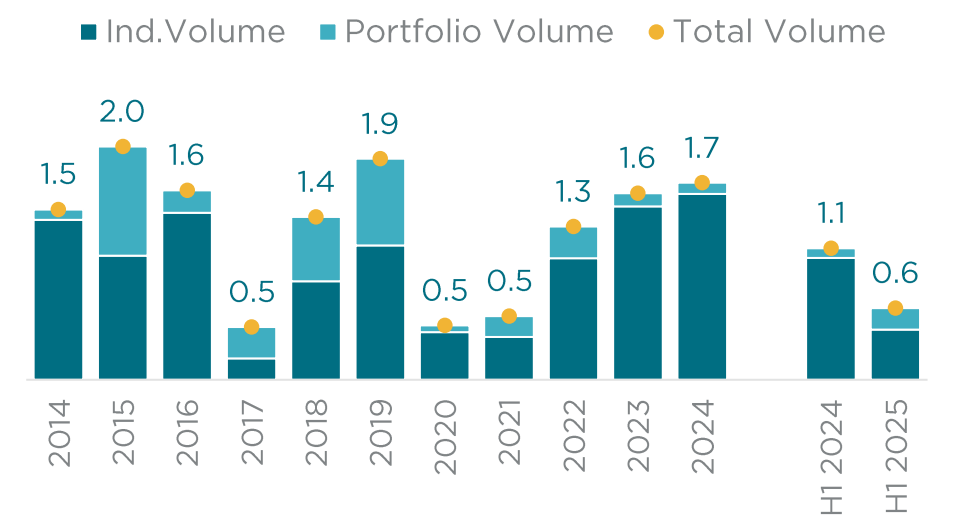
(EUR, MILLIONS)

Current Period (H1 2025)			
	H1 2025	H1 2024	% Change
Hotels	28	18	58%
Rooms	2,120	1,670	27%
Volume	615	1,129	-46%

Last Year (2024)			
	2024	2023	% Change
Hotels	41	51	-19%
Rooms	3,114	4,054	-23%
Volume	1,691	1,599	6%

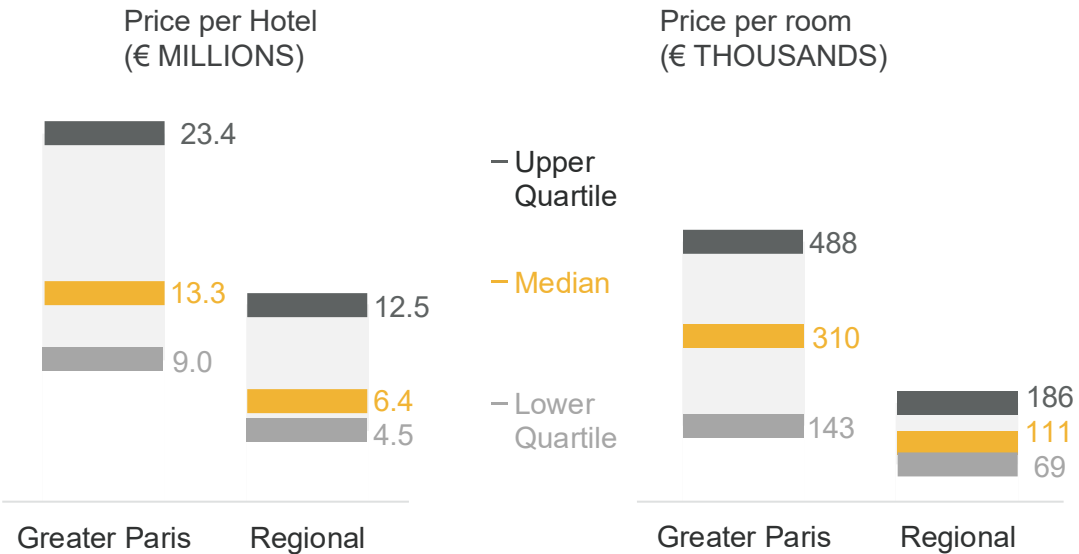
ANNUAL TRANSACTION VOLUME

(EUR, BILLIONS)



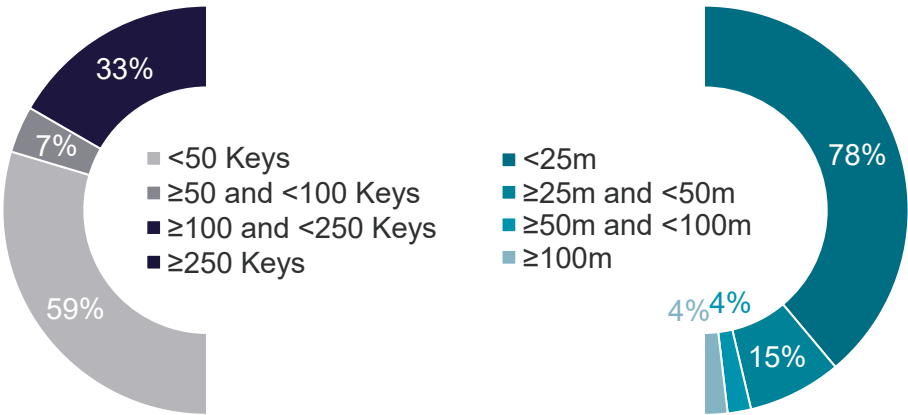
Sources: Cushman & Wakefield / Olakala MKG / INSEE / visitparisregion.com / RCA

TRANSACTION PRICE PER HOTEL & ROOM (H1 2025)



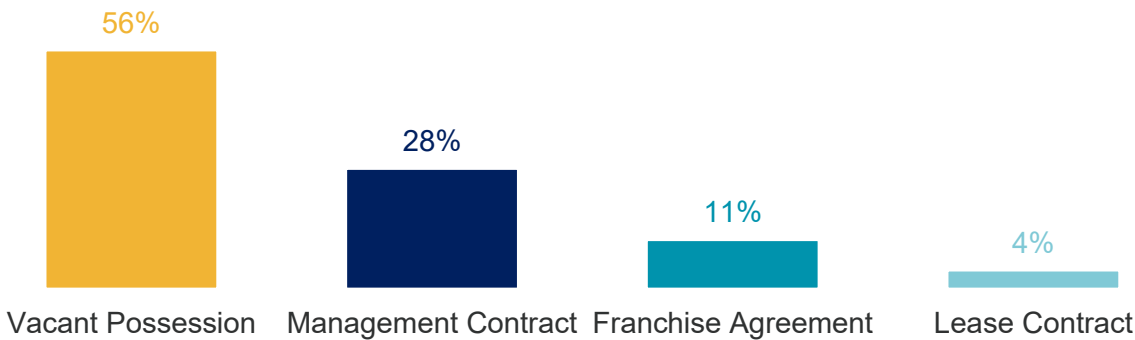
BREAKDOWN BY NO. OF ROOMS & DEAL SIZE (H1 2025)

% SHARE OF DEALS

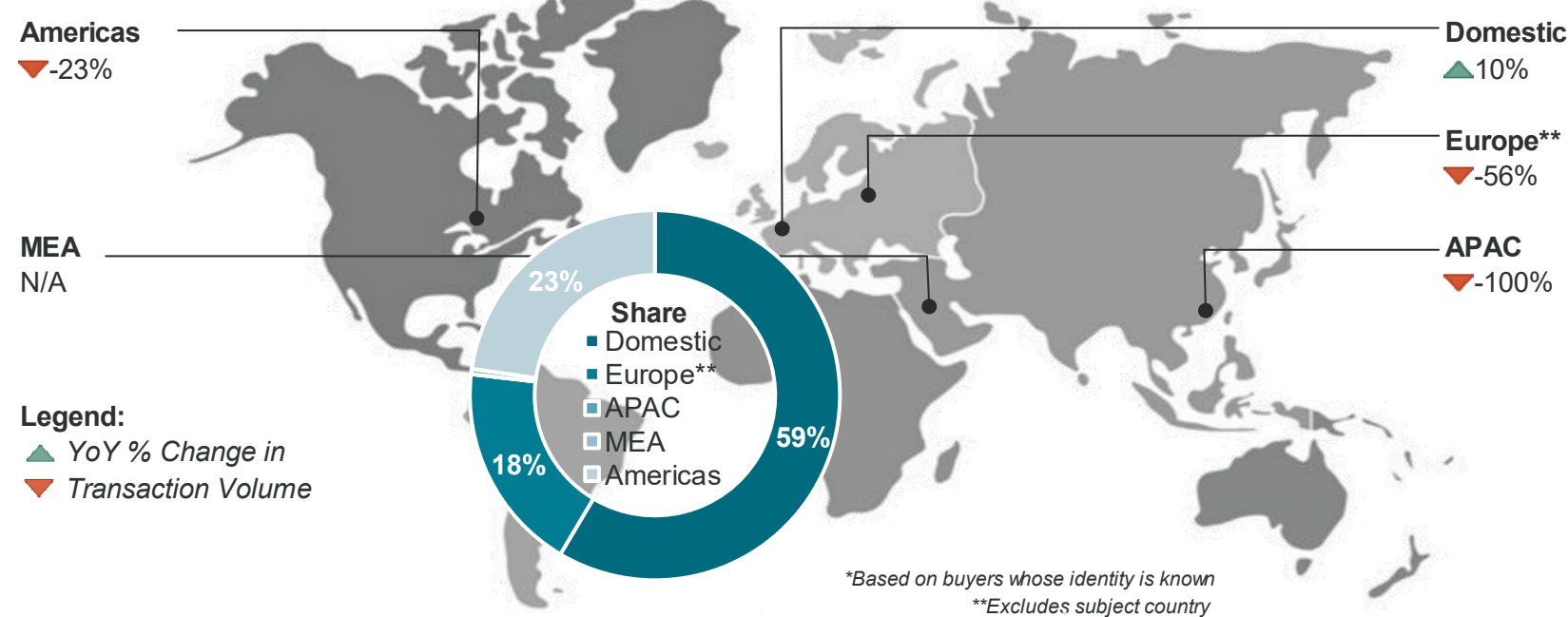


TRANSACTION VOLUME BY OPERATING STRUCTURE (H1 2025)

% SHARE OF DEALS (BY INVESTMENT VOLUME)



TRANSACTION VOLUME BY SOURCE OF CAPITAL (H1 2025 VS H1 2024)



TRANSACTIONED VOLUME BY TYPE OF INVESTOR (H1 2025 VS H1 2024)

	BUYERS (% Share of Total Volume)		SELLERS (% Share of Total Volume)	
	2025 H1	% Change	2025 H1	% Change
Institutional	15%	-76%	35%	-86%
Private	85%	-54%	59%	-22%
Public	0%	-100%	1%	-99%
User/Other	0%	0%	4%	>500%

TRANSACTION VOLUME PER HOTEL CLASS (H1 2025 VS H1 2024)

HOTEL CLASS	% OF TOTAL VOLUME	% CHANGE	% OF TOTAL ROOMS	% CHANGE	AVG. PRICE/ROOM (EUR, '000)
Luxury	18%	-45%	7%	5%	783
Upper Upscale	12%	-90%	5%	-87%	680
Upscale	53%	>500%	55%	>500%	278
Upper Midscale	4%	-60%	4%	-46%	346
Midscale	8%	-57%	14%	-16%	167
Economy	5%	96%	15%	111%	87

SELECTED MAJOR HOTEL TRANSACTIONS (H1 2025)

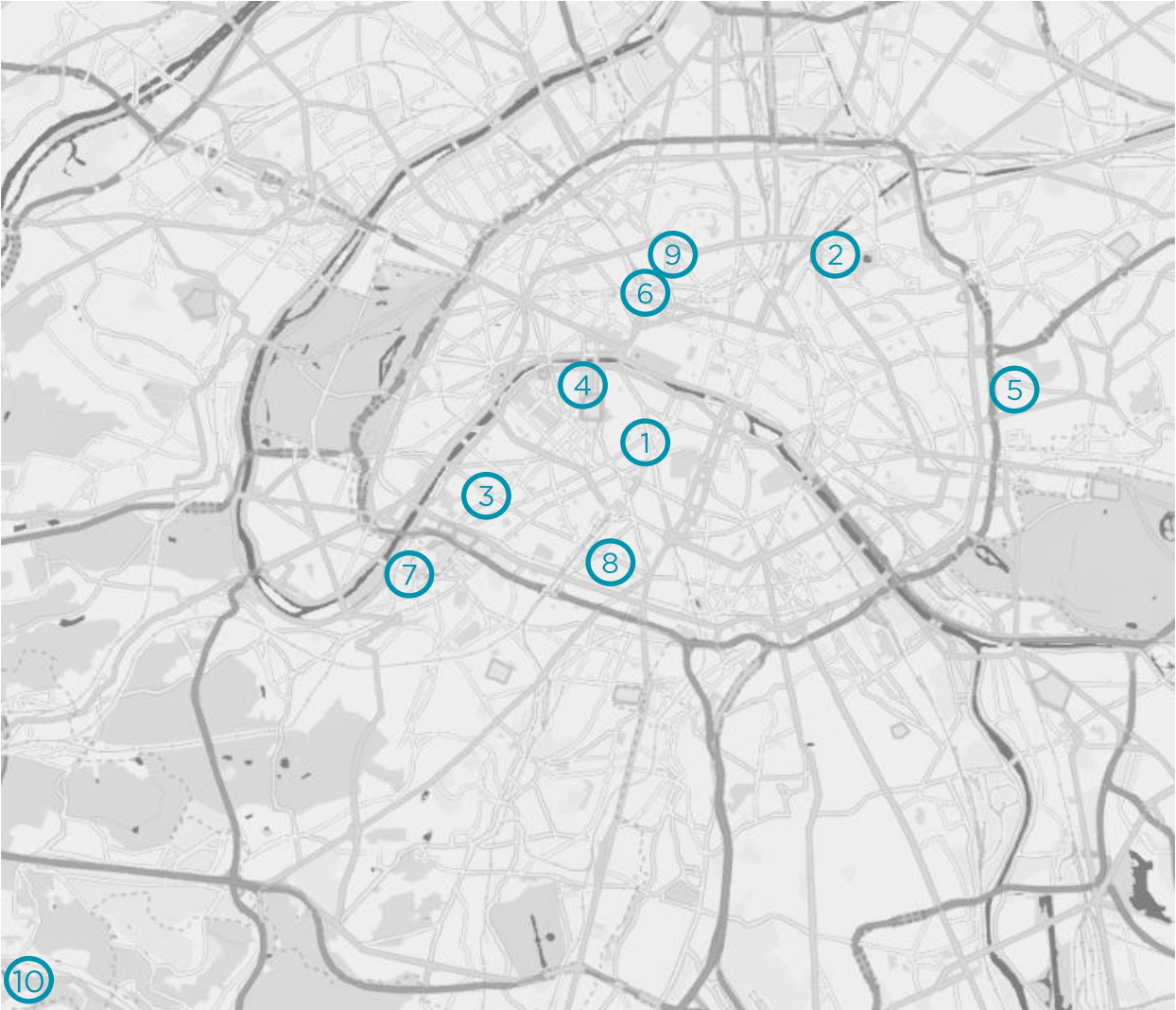
Rank	Property	Market	Rooms	Buyer	Origin	Seller	Origin
1	Hôtel des Grands Voyageurs	FR, Paris	138	Origin Group	FRA	TPG Angelo Gordon / EQ Group	USA / FIN
2	Generator Hostel Paris (P)	FR, Paris	199	Brookfield Asset Management	CAN	Queensgate	UK
3	Edgar Suites - Église	FR, Paris	39	Edgar Suites Groupe	FRA	Bouygues immobilier	FRA
4	Juliana Paris	FR, Paris	40	H10 Hotels	ESP	Private owner	FRA
5	Novotel Suites Paris Montreuil Vincennes (P)	FR, Paris	166	Henderson Park / Astream	UK / FRA	CNP Assurances / ACM / Mutavie / MAIF	FRA
6	Amarante Beau Manoir	FR, Paris	60	Private owner	FRA	Groupe Bertrand / Oceania / Lavorel	FRA
7	Novotel Suites Paris Issy les Moulineaux (P)	FR, Issy-les-Moulineaux	128	Henderson Park; Astream	UK, FRA	CNP Assurances; ACM / Mutavie / MAIF	FRA
8	Citadines Didot Montparnasse	FR, Paris	82	SOHOMA	FRA	Extendam	FRA
9	Hôtel Villathena	FR, Paris	43	Confidential	N/A	Private family office / 123 IM	FRA
10	Novotel Saint-Quentin en Yvelines	FR, Magny-les-Hameaux	131	Extendam / Bpifrance / Atypio Hotel Group	FRA	Covivio	FRA

(P): Portfolio component

Note: Selection of largest transactions in H1 2025, ordered by deal size

Source: Cushman & Wakefield

HOTEL TRANSACTIONS MAP (H1 2025)



Paris

Transaction Volume (M)	€ 486
Rooms Sold	1142
Properties Sold	21
Avg Price / Room (K)	€ 426

Regional Paris

Transaction Volume (M)	€ 110
Rooms Sold	688
Properties Sold	7
Avg Price / Room (K)	€ 160

METHODOLOGY

Cushman & Wakefield's quarterly estimates are derived from a variety of data sources, including its own proprietary database, and historical data from third party data sources. The figures provided for the current quarter are preliminary, and all information contained in the report is subject to correction of errors and revisions based on additional data received.
A contingency of 5% is assumed for total transaction volumes, rooms and properties sold in the last 12 months, as some deals are revealed with notable delay.

EXPLANATION OF TERMS

Prime Yields (HMA): The prevailing initial yields (current income divided by sales price) for quality stabilized assets in prime locations, managed under Hotel Management Agreement by professional operator (the HMA is not terminable on sale or in near-term after the sale). The yields are based on actual transactions where available as well as the sentiment indicated by investors.

Average Price per Room: Transaction KPI calculated by dividing the total transaction volume by the number of rooms transacted. In case of majority deals, the number of rooms is adjusted to reflect the proportion of the volume sold. Minority deals are excluded from the calculation. Median, Upper-quartile (75%) and Lower-quartile (25%) are based on the price-per-room data over the period (not weighted by total deal size). The average price per room by hotel class is influenced by the location of hotels transacted within that class. As a result, there may be instances where a lower hotel class shows a higher average price per room if those hotels were sold in more premium locations during the period.

Operating Performance Indicators

Occupancy: Percentage of available rooms sold during the period (Rooms Sold / Rooms Available).

ADR: Average Daily Rate paid for rooms sold (Rooms Revenue / Rooms Sold).

RevPAR: Revenue Per Available Room during the period (Rooms Revenue / Rooms Available).

GOPPAR: Gross Operating Profit Per Available Room (Hotel gross operating profit / Rooms Available).

Operating/Deal Structures

Franchise Agreement Structure: A hotel operating model where the owner directly operates the property but uses a specific brand, paying fees for the brand name, standards, and marketing support, while keeping full control of day-to-day operations.

Management Contract Structure: A hotel operating model where the property is managed by a third-party hotel operator on behalf of the owner. If a hotel is managed by non-branded operator and uses brand name via franchise agreement, it is recorded as "Management Contract" structure.

Leased Contract Structure: A hotel operating model where the property is leased to a third party with fixed, variable, or hybrid (fixe and variable) rent.

Vacant Possession: A hotel that is free from any contractual encumbrances, allowing the new owner immediate and unrestricted control upon transfer. Even if a hotel has franchise agreement or management contract or lease contact in place, but it expires on sale or it is terminable on sale, the deal is considered as "Vacant Possession" sale.

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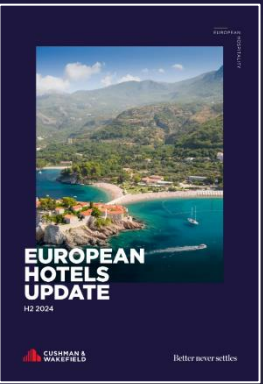
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