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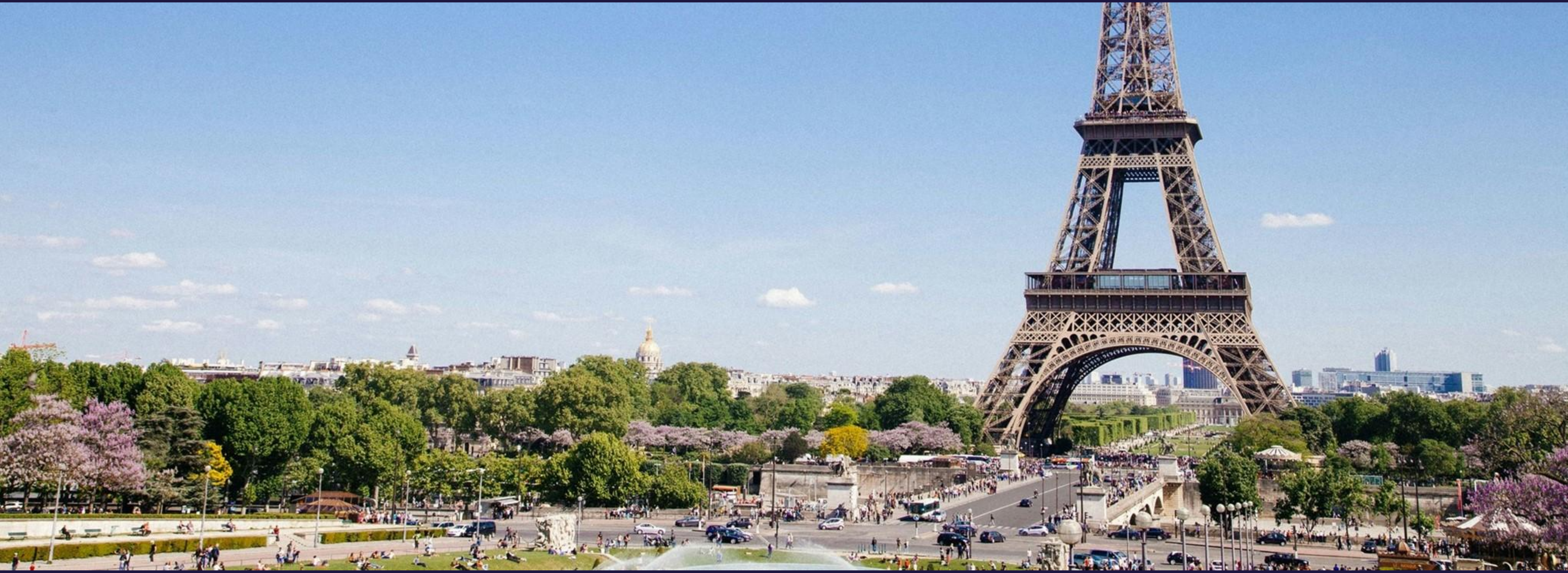


MARKETBEAT

GREATER PARIS

HOSPITALITY H1 2026

Better never settles

MARKETBEAT

GREATER PARIS

HOSPITALITY H1 2026

MARKET FUNDAMENTALS*

H1 2026	YoY	Outlook
€845M Investment Volume	▲	—
4.75-5.25% Paris Prime Yields (HMA)	▼	▼
+2.5% YoY RevPAR Growth	▲	▲
+0.5% YoY Supply Growth	▲	▲

INVESTMENT HIGHLIGHTS

21 / 1,661
Hotels / Rooms Transacted

€598,835
Average Price per Room
(Murs et Fonds deals only)

53%
Of volume was invested in Upper Upscale Hotels

ECONOMIC INDICATORS

	YoY	Outlook
0.8% YoY Real GDP Growth	▲	▲
1.75% YoY Inflation Growth	▲	▼

*Growth indicators are based on nominal amounts

INVESTMENT ACTIVITY

In H1 2026, the hotel investment market recorded approximately €845 millions in transaction volume, with 21 hotels representing 1,661 rooms transacted.
Transaction activity declined sharply, both in terms of hotels sold and number of rooms. The overall investment volume is somewhat misleading, as it is heavily driven by the Pullman Tour Eiffel transaction, which also significantly impacts the average price per key. Excluding the Pullman Tour Eiffel, the average price per key stands at €291K, broadly in line with H1 2025. Half of the transactions involved upper-upscale hotels

PRIME YIELDS

Prime yields have broadly stabilized over H1 2026, with levels generally ranging between 4.75% and 5.25% in Paris, reflecting a more balanced investment environment and sustained appetite for core assets. However, a degree of yield compression has been observed for smaller trophy assets in prime Parisian locations, such as Hotel Fauchon (54 rooms) in the 8th Arrondissement, where competition remains particularly intense. In these cases, pricing is increasingly driven by private equity, family offices and real estate funds who have shown a greater willingness to accept tighter yields to secure rare, best-in-class opportunities.

SUPPLY & DEMAND

Supply growth remains constrained by land scarcity, strict building regulations, and high construction and financing costs. As a result, conversions of existing buildings are more common than new developments. Recent openings also confirm an upmarket shift, illustrated by Le Bus Palladium, a former iconic Parisian nightclub converted into a 35-room five-star hotel, and Hotel Salvia, a 39-room four-star hotel resulting from the merger of three hotels.

PERFORMANCE

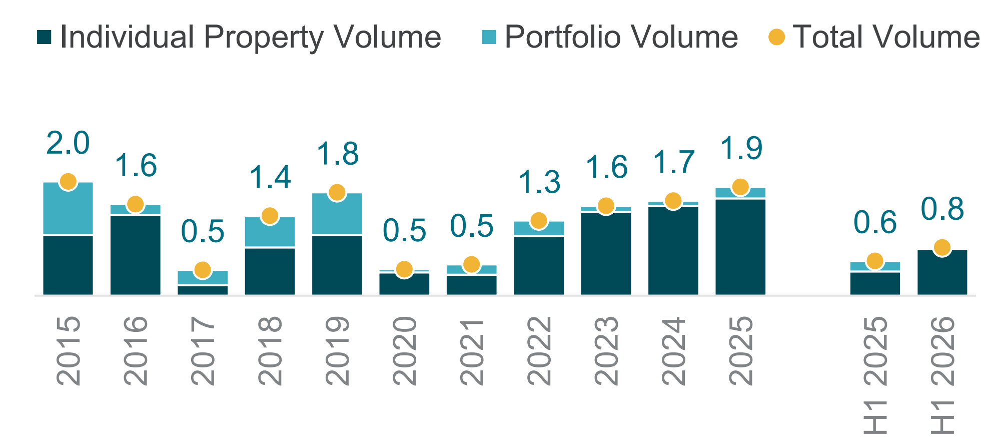
Greater Paris closed H1 2026 with solid operating momentum, reaching an average ADR of €160 occupancy of 73%, and RevPAR of €116 (+3.7% vs H1 2025). ADR remained flat, just below inflation rate, while occupancy rate improved by 1.8 percentage points. Inner Paris market sees its RevPAR increase by 3.1% compared to H1 2025, reaching €180. This is linked to a modest increase of the ADR rate to €223 (+1.8% vs H1 2025), broadly in line with the inflation rate, alongside a stable occupancy rate (+1.1 points vs H1 2025).

RECENT TRANSACTION TRENDS
(EUR, MILLIONS)

	Current Period		
	H1 2026	H1 2025	% Change
Hotels	21	31	-32%
Rooms	1,661	2,356	-29%
Volumes	845	610	38%

	Previous Years		
	FY 2025	FY 2024	% Change
Hotels	73	40	83%
Rooms	5,958	3,045	96%
Volumes	1,906	1,664	15%

ANNUAL TRANSACTION VOLUMES
(EUR, BILLIONS)



Sources: Cushman & Wakefield / Moody's / Oxford Economics / RCA / STR

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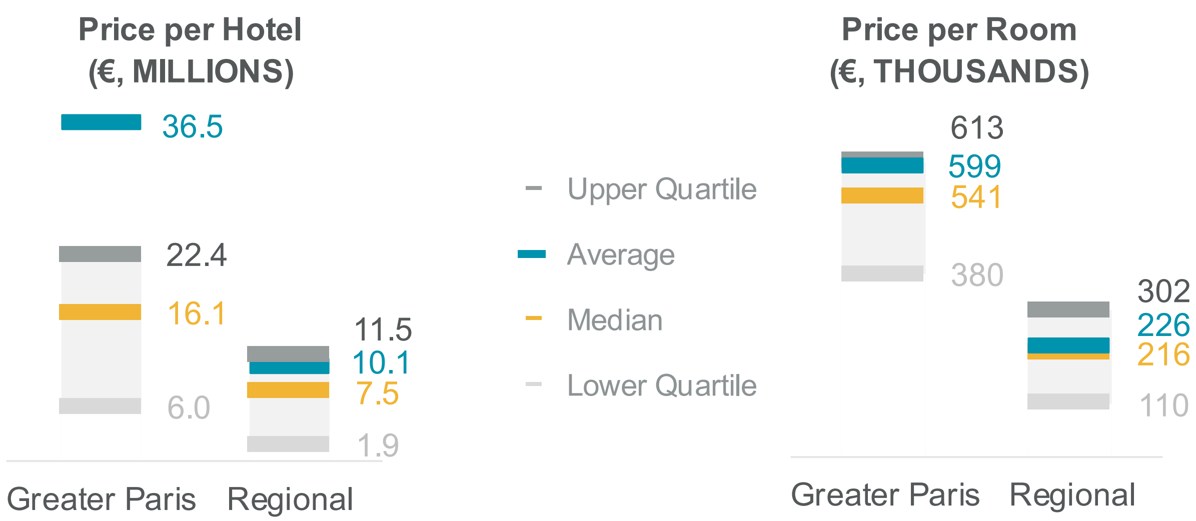
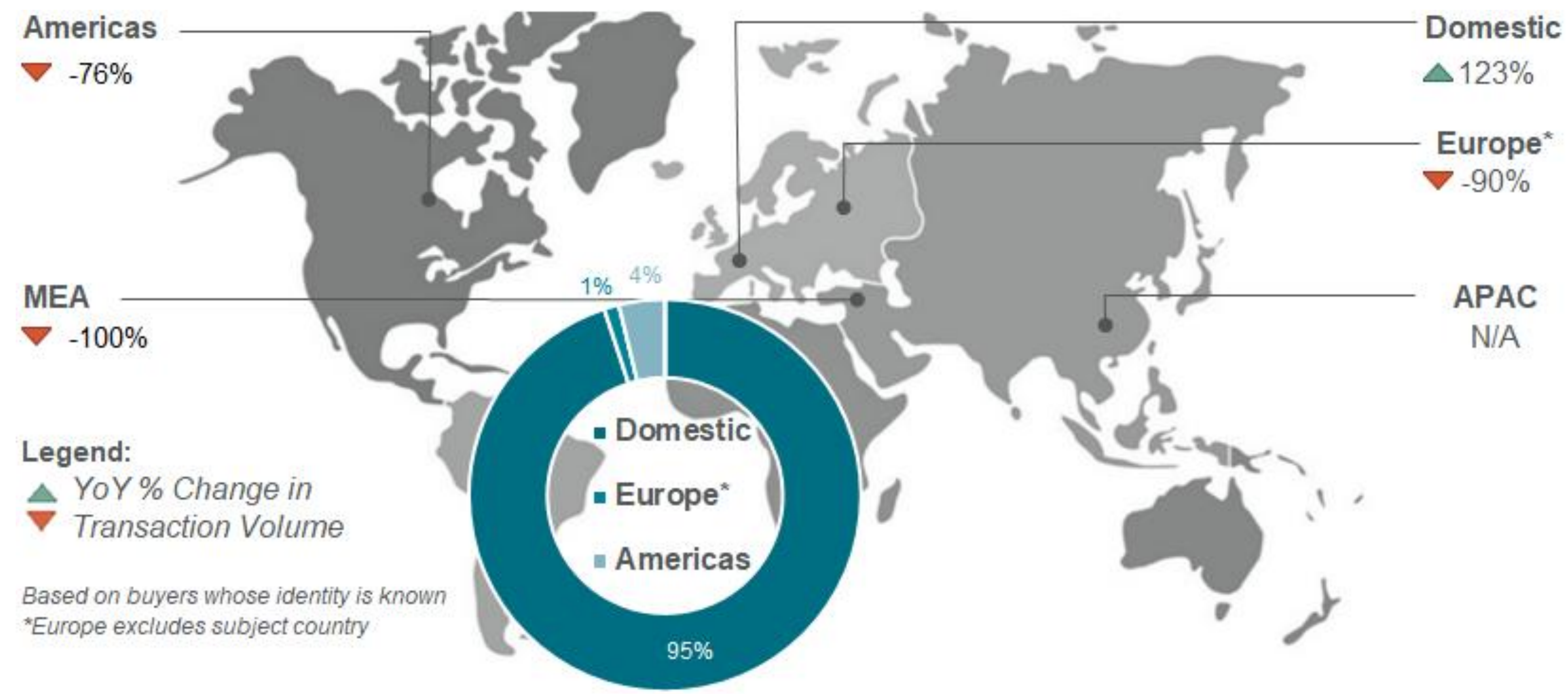
TRANSACTION PRICE PER HOTEL & ROOM* (H1 2026)



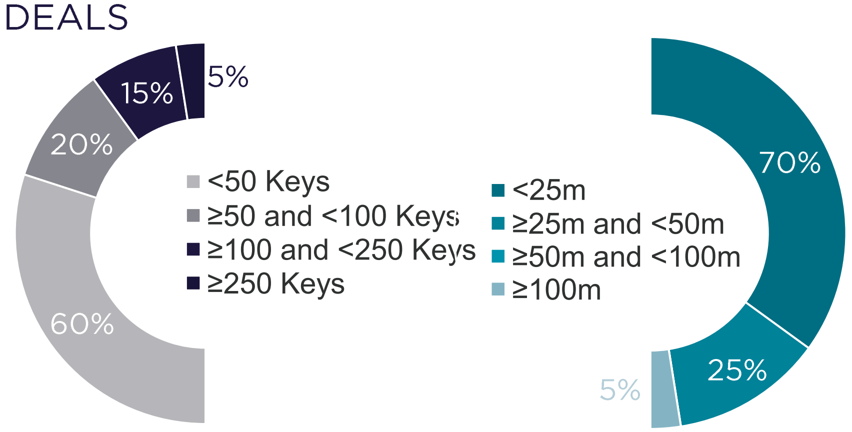
*Murs et Fonds deals only

TRANSACTION VOLUME BY SOURCE OF CAPITAL (H1 2026 VS H1 2025)



BREAKDOWN BY NO. OF ROOMS & DEAL SIZE (H1 2026)

% SHARE OF DEALS

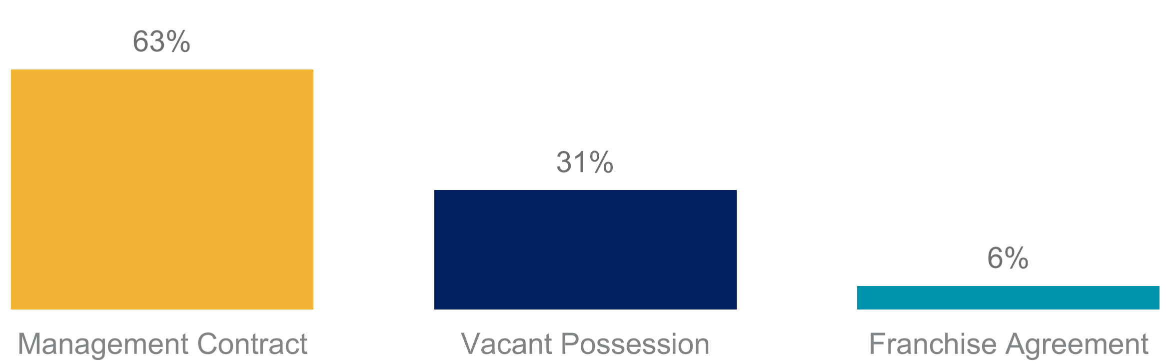


TRANSACTED VOLUME BY TYPE OF INVESTOR (H1 2026 VS H1 2025)

	BUYERS (% Share of Total Volume) H1 2026	% Change	SELLERS (% Share of Total Volume) H1 2026	% Change
Institutional	48%	-22%	40%	-23%
Private	47%	100%	60%	>500%
Public	5%	100%	0%	-100%
User/Other	0%	0%	0%	0%

TRANSACTION VOLUME BY OPERATING STRUCTURE (H1 2026)

% SHARE OF DEALS (BY INVESTMENT VOLUME)



TRANSACTION VOLUME PER HOTEL CLASS (H1 2026 VS H1 2025)

HOTEL CLASS	% OF TOTAL VOLUME	% CHANGE	% OF TOTAL ROOMS	% CHANGE	AVG. PRICE/ROOM * (EUR, '000)
Luxury	> 3%	-79%	> 3%	-59%	-
Upper Upscale	53%	>500%	27%	357%	989
Upscale	19%	-47%	17%	-74%	583
Upper Midscale	12%	223%	32%	382%	186
Midscale	9%	30%	15%	-33%	379
Economy	> 4%	-16%	> 5%	-85%	543

*Murs et Fonds deals only

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SELECTED MAJOR HOTEL TRANSACTIONS (H1 2026)

Property	Market	Rooms	Buyer	Origin	Seller	Origin
Pullman Tour Eiffel	Paris	435	Batipart Immobilier	FRA	Morgan Stanley / QuinSpark Investment	USA / FRA
Esté Hôtel	Paris	76	Confidential	N/A	Groupe Siguer / Groupe Very	FRA / FRA
Hôtel Lumen Louvre	Paris	39	Bourrelier Group	FRA	Confidential	N/A
Novotel Belleville	Paris	119	Extendam / Highgate Hotels	FRA / USA	Aina Investment	LUX
Tribe Python-Duvernois	Paris	209	Extendam	FRA	Linkcity	FRA
Hôtel des Balcons	Paris	49	Eternam	FRA	Confidential	N/A
Hôtel Fauchon	Paris	54	Groupe Galapagos	FRA	Compagnie Lebon	FRA
L'Hôtel Pavillon Monceau	Paris	42	HONOTEL	FRA	Confidential	N/A
Le Sèvres Saint Germain	Paris	30	OSAE Partners	FRA	Hotel Du Bon Marche	FRA
Hôtel Monsieur Cadet	Paris	29	FTS Finances	FRA	Chapter Six	FRA

HOTEL TRANSACTIONS HEAT MAP (H1 2026)

Greater Paris

Transaction Volume (M)	€ 845
Rooms Sold	1,661
Properties Sold	21
Avg Price / Room (K)	€ 599

Regional

Transaction Volume (M)	€ 410
Rooms Sold	2,190
Properties Sold	37
Avg Price / Room (K)	€ 226

< €1 million — < € 845 millions

Note: Selection of largest transactions in H1 2026, ordered by deal size

Source: Cushman & Wakefield

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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.

A CUSHMAN & WAKEFIELD RESEARCH PUBLICATION

Cushman & Wakefield (NYSE: CWK) is a leading global commercial real estate services firm for property owners and occupiers with approximately 52,000 employees in nearly 400 offices and 60 countries. In H1 2025, the firm reported revenue of $9.4 billion across its core service lines of Services, Leasing, Capital markets, and Valuation and other. Built around the belief that Better never settles, the firm receives numerous industry and business accolades for its award-winning culture. For additional information, visit www.cushmanwakefield.com.

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