



Nordic Hotel Consulting

QUARTERLY MARKET PERFORMANCE REPORT

Q4 MARKET REPORT

COPENHAGEN



STOCKHOLM



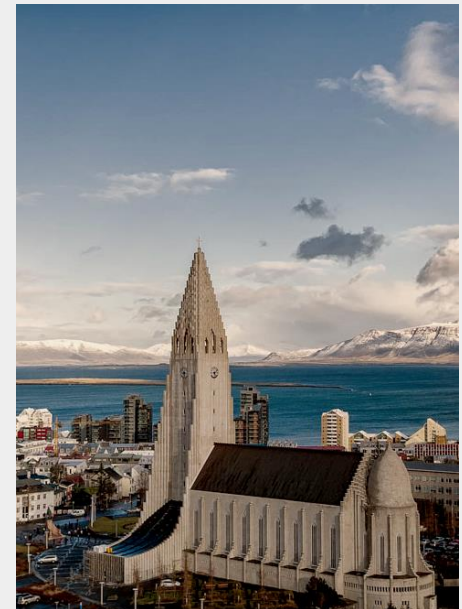
OSLO



HELSINKI



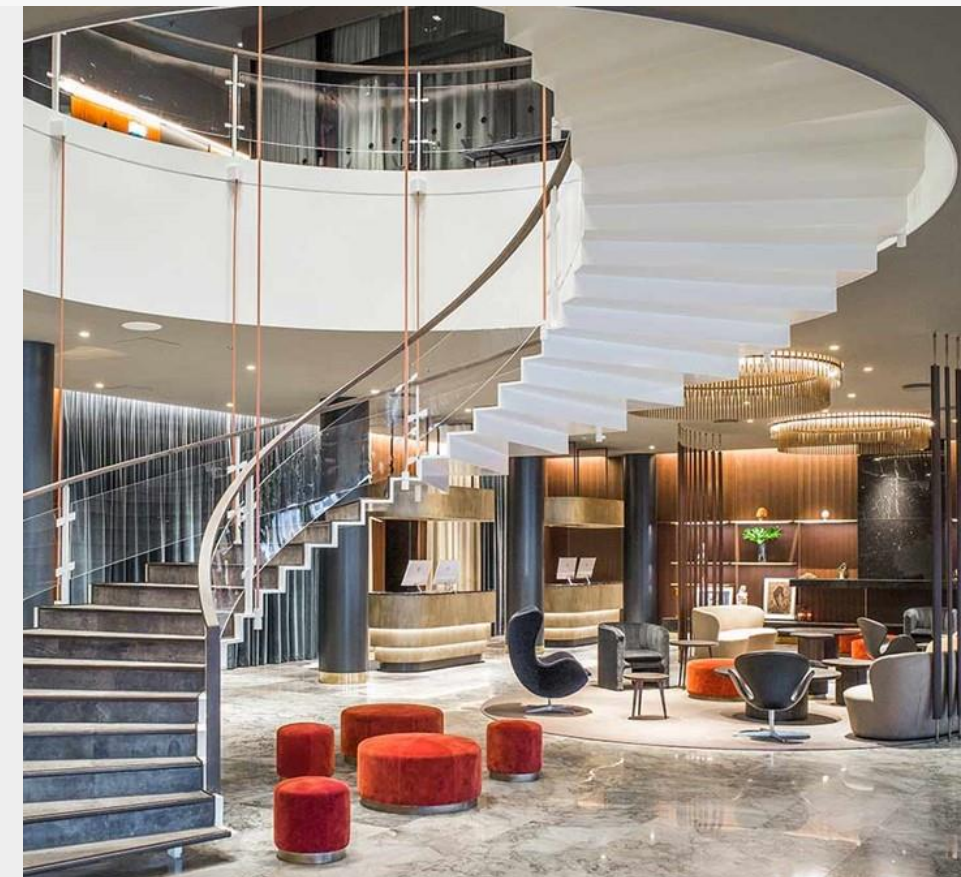
REYKAVIK



Q4 HIGHLIGHTS

Q4 showed mixed performance results across the Nordics. Stockholm was the only city to maintain the occupancy level. Compared to 2018 Q4, the other Nordic capitals suffered decreases down to -5%. ADR levels grew in Copenhagen, Stockholm and Helsinki by values between 1% and 7%. In contrast, the hotel market in Oslo experienced a decrease in ADR by 1.4% and Reykjavik recorded a massive drop of 13%. Helsinki saw the biggest increase in performance with RevPAR growth of 6% to values around EUR 90. Stockholm also recorded growth in RevPAR, whereas Copenhagen remained stable. Both Oslo and Reykjavik experienced RevPAR declines, by 2% and 17% respectively. RevPAR resulted as following:

- Copenhagen 0.1%
- Stockholm 2.1%
- Oslo -2.2%
- Helsinki 6.1%
- Reykjavik -17.2%


 **NHC**
Conference

27 - 28 May 2020
At the Radisson Collection
Royal Hotel Copenhagen

The Leading Nordic
hotel investment
conference

nhc-conference.com



BRUUN & HJEJLE

Main Sponsor

COPENHAGEN MARKET

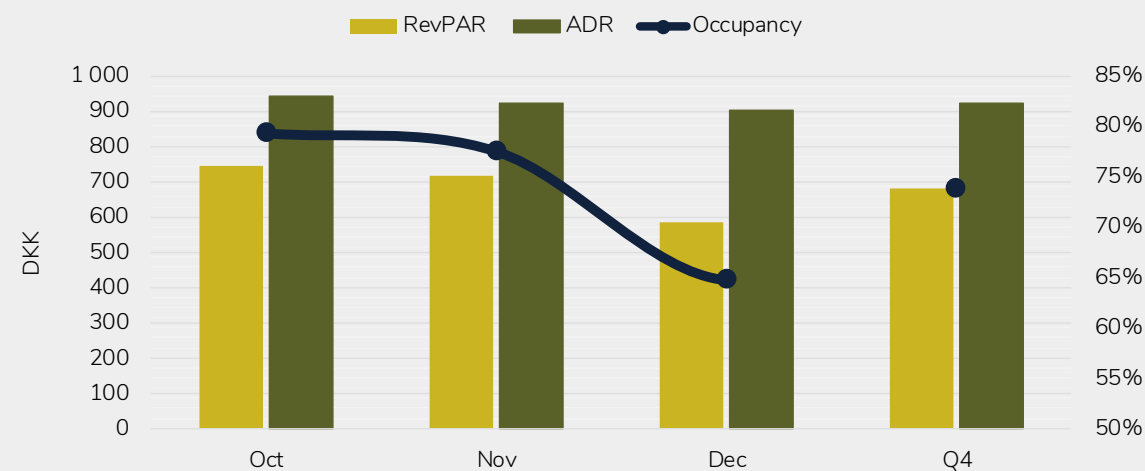
- On average, the hotel market in Copenhagen experienced stable development in performance. Driven by a small increase in ADR by 1% and a similar decrease in occupancy, RevPAR performance remained at the same level as in Q4 2018.
- In October, RevPAR changed by 3.6% to DKK 747 primarily driven by the change in ADR of 3.5% to DKK 942. Occupancy remained stable at 79%.
- In November, occupancy decreased slightly by 0.8% to 77.5% and ADR stayed almost unchanged at DKK 923. The decrease in occupancy led RevPAR to decline to DKK 715, a change of 0.5% compared to Q4 in 2018.
- In December, both occupancy and ADR levels decreased by 3.1% and 0.5% respectively, resulting in RevPAR to decrease by 3.6% to DKK 585, the lowest RevPAR level recorded in the second half of the year.

Copenhagen Hotel Market

	Oct	Δ*	Nov	Δ*	Dec	Δ*	Q4	Δ*
Occupancy	79.3%	0.1%	77.5%	-0.8%	64.7%	-3.1%	73.8%	-1.1%
ADR (DKK)	942	3.5%	923	0.3%	903	-0.5%	924	1.2%
RevPAR (DKK)	747	3.6%	715	-0.5%	585	-3.6%	682	0.1%
ADR (EUR)	126		124		121		124	
RevPAR (EUR)	100		96		78		91	

Δ* Percentage change from same period in 2018

Data source: Benchmarking Alliance



STOCKHOLM MARKET

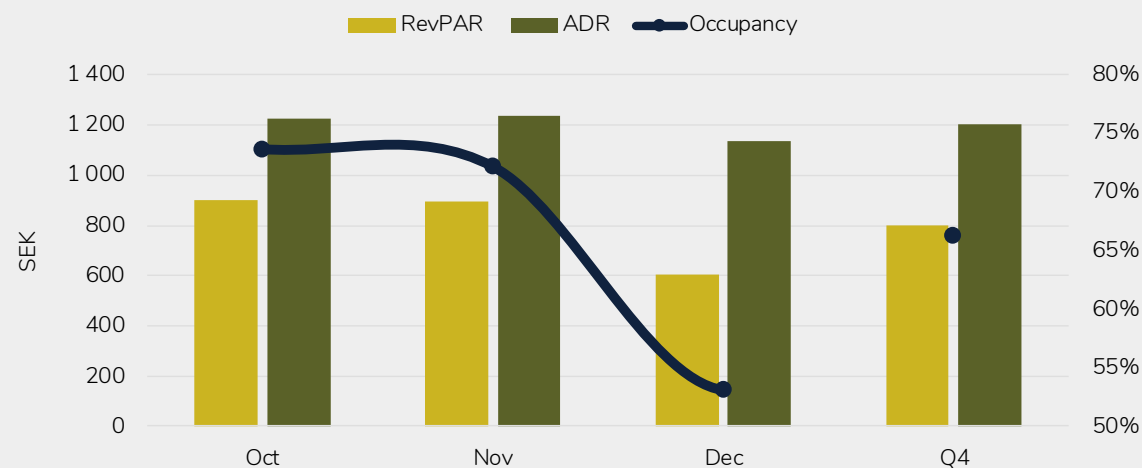
- The hotels in Stockholm improved RevPAR performance by 2.1% in the fourth quarter to SEK 799. The growth was primarily driven by a higher ADR level, which improved by 1.8% to SEK 1,206. The occupancy level remained rather stable at 66.2%. The positive development in performance was driven by strong growth in November but also supported by moderate growth in both October and December.
- In October, an increase of 1% in the ADR level to SEK 1,224 and a stable occupancy rate resulted in RevPAR to grow by 1% to SEK 902.
- The same picture was apparent in November, where a strong rise in ADR of 2.8% and a minor increase in occupancy to 72% caused RevPAR to improve by 3.7% to SEK 894.
- Stable occupancy was not the case in December, where a minor decrease of almost 1% resulted in occupancy to drop to 53%. However, with an increase in ADR of 1.5% to SEK 1,206, RevPAR remained almost unchanged at SEK 605.

Stockholm Hotel Market

	Oct	Δ*	Nov	Δ*	Dec	Δ*	Q4	Δ*
Occupancy	73.6%	0.3%	72.2%	0.8%	53.1%	-0.9%	66.2%	0.3%
ADR (SEK)	1 224	1.0%	1 239	2.8%	1 138	1.5%	1 206	1.8%
RevPAR (SEK)	902	1.0%	894	3.7%	605	0.6%	799	2.1%
ADR (EUR)	113		116		109		113	
RevPAR (EUR)	83		84		58		75	

Δ* Percentage change from same period in 2018

Data source: Benchmarking Alliance



OSLO MARKET

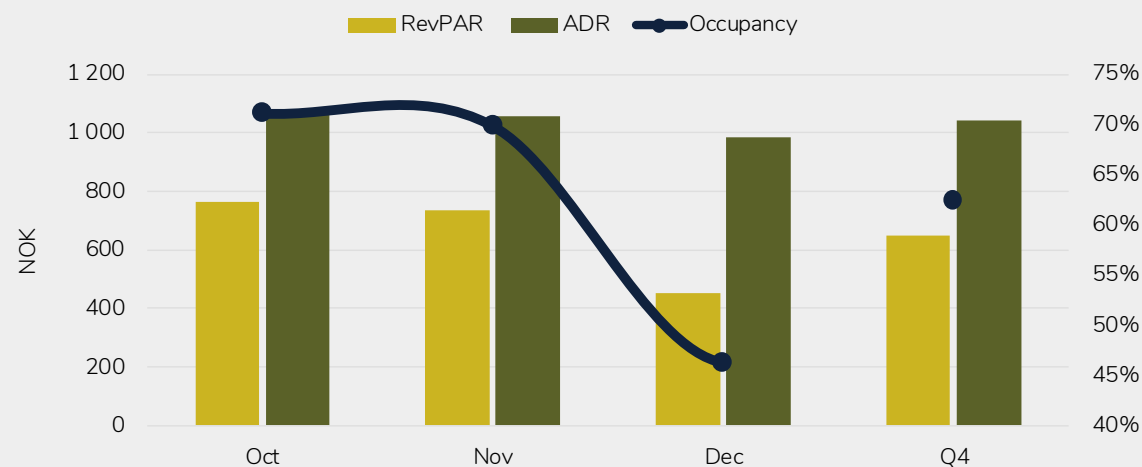
- Oslo hotel market saw performance worsening in Q4 2019. The decrease in overall performance was solely carried by a large performance drop in November. Averaging the quarter, the occupancy and ADR performance dropped by 0.8% and 1.4% respectively, resulting in RevPAR decreasing by 2.2% to NOK 651.
- In October, the market saw a performance improvement as occupancy increased by 1.6% to reach 71.1%, ADR levels remained quite stable varying only by 0.7% to NOK 1,073 and hence RevPAR increased by 2.4% to NOK 764.
- In November, however, RevPAR suffered a notable setback decreasing by 7.8% to NOK 737. This drop in performance was caused by a large decrease in occupancy of 4.4% to 69.9% and a decline in ADR of 3.6% to NOK 1,055.
- In December, the hotels' performance levels remained unchanged. RevPAR remained at NOK 455 as a result of a small occupancy increase of 1% to 46.2% and a slight ADR decrease of 0.9% to NOK 984.

Oslo Hotel Market

	Oct	Δ*	Nov	Δ*	Dec	Δ*	Q4	Δ*
Occupancy	71.1%	1.6%	69.9%	-4.4%	46.2%	1.0%	62.3%	-0.8%
ADR (NOK)	1 073	0.7%	1 055	-3.6%	984	-0.9%	1 044	-1.4%
RevPAR (NOK)	764	2.4%	737	-7.8%	455	0.0%	651	-2.2%
ADR (EUR)	106		104		98		103	
RevPAR (EUR)	75		73		45		64	

Δ* Percentage change from same period in 2018

Data source: Benchmarking Alliance



HELSINKI MARKET

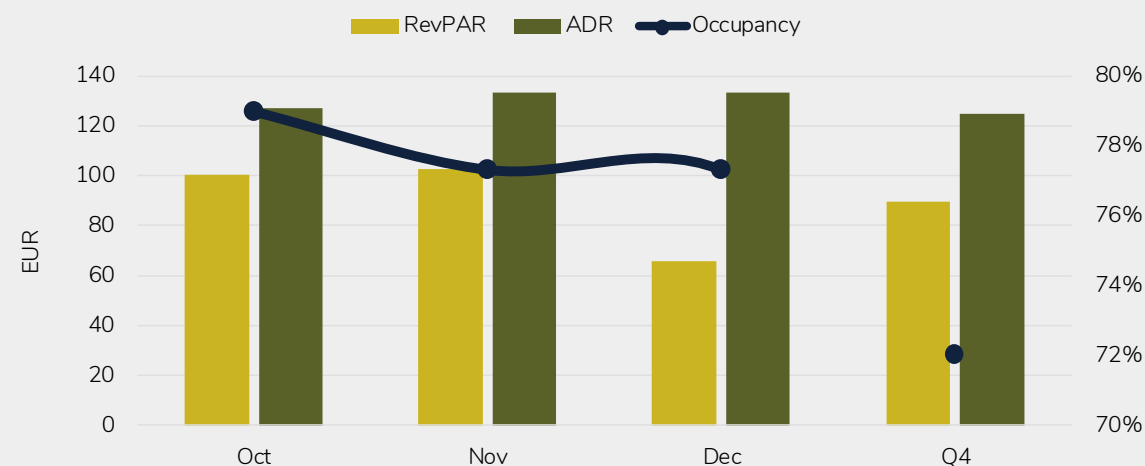
- Of the Nordic capitals, Helsinki has experienced the largest performance increase driven by an incredible strong October and supported by strong growth in November. The growth results were achieved despite of a decline in performance in December. Overall the occupancy level remained rather stable for the quarter, with a small drop of 0.7% to 72%. The ADR level improved by 6.9% to EUR 125, resulting in RevPAR improving by 6.1% to EUR 90.
- In October, both an increase of 4.8% in occupancy to 79% and a significant rise in ADR by 15.1% to EUR 127, led RevPAR to improve significantly by 20.6% to EUR 100.
- Although in November occupancy decreased by 1.5% to 77.3%, the increase in ADR by 10.8% to EUR 133 resulted in a RevPAR improvement of 9.1% to reach EUR 103.
- In December, however, performance ceased to improve. Instead, occupancy decreased by 6.5% to 59.7% and ADR dropped by 7.7% to EUR 110, resulting in a significant RevPAR decrease of 13.7% to attain merely EUR 66.

Helsinki Hotel Market

	Oct	Δ*	Nov	Δ*	Dec	Δ*	Q4	Δ*
Occupancy	79.0%	4.8%	77.3%	-1.5%	59.7%	-6.5%	72.0%	-0.7%
ADR (EUR)	127	15.1%	133	10.8%	110	-7.7%	125	6.9%
RevPAR (EUR)	100	20.6%	103	9.1%	66	-13.7%	90	6.1%

Δ* Percentage change from same period in 2018

Data source: Benchmarking Alliance



REYKJAVIK MARKET

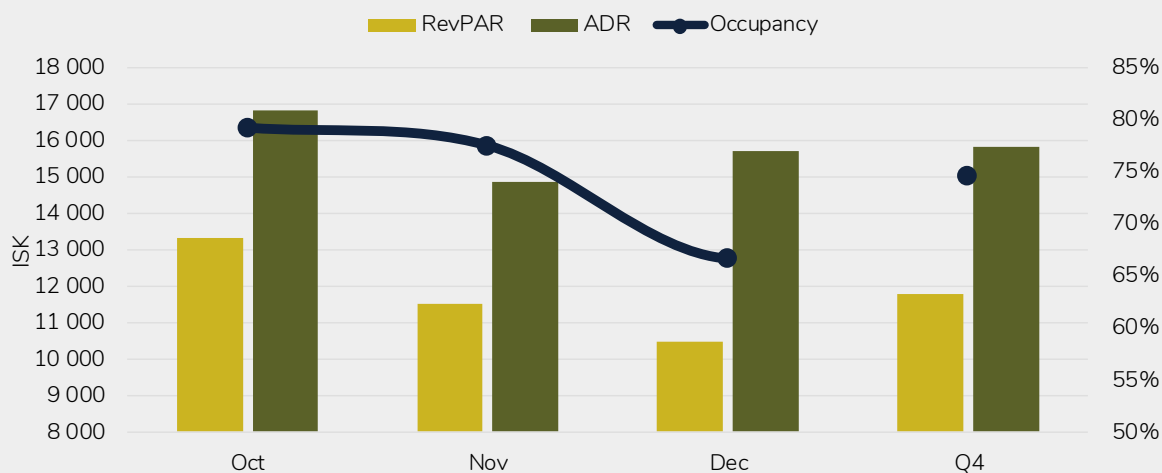
- The hotels in Reykjavik suffered a severe performance setback in Q4. Occupancy decreased by 4.8% to just below 75%, ADR dropped by 13.1% to ISK 15,820 and in consequence RevPAR lost 17.2% to reach ISK 11,781. The market decrease was driven by all three months.
- In October, occupancy decreased by 6.3% to levels below 80% and ADR changed by 10.2% to ISK 16,820, resulting in a decrease in RevPAR of 15.8% to ISK 13,331.
- In November, occupancy decreased less in comparison to the other months, by only 1.3%, to remain at 77.5%. A significant decrease in ADR of 14.2% to ISK 14,872 resulted in RevPAR dropping by 15.3% to ISK 11,532.
- December recorded the lowest performance since both occupancy and ADR decreased too significantly, leading RevPAR to set back by 20.8% to ISK 10,471.

Reykjavik Hotel Market

	Oct	Δ*	Nov	Δ*	Dec	Δ*	Q4	Δ*
Occupancy	79.3%	-6.3%	77.5%	-1.3%	66.7%	-6.7%	74.5%	-4.8%
ADR (ISK)	16 820	-10.2%	14 872	-14.2%	15 699	-15.1%	15 820	-13.1%
RevPAR (ISK)	13 331	-15.8%	11 532	-15.3%	10 471	-20.8%	11 781	-17.2%
ADR (EUR)	122		109		116		116	
RevPAR (EUR)	97		84		77		86	

Δ* Percentage change from same period in 2018

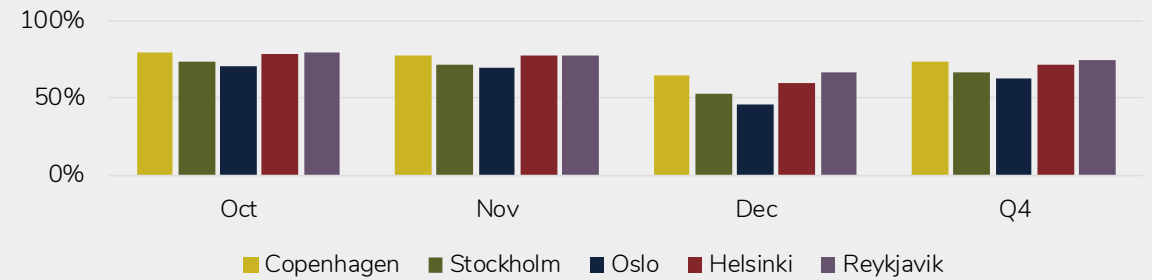
Data source: Benchmarking Alliance



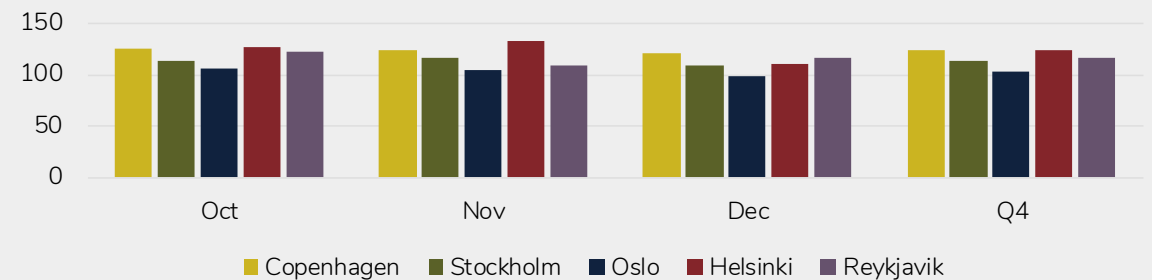
CITY COMPARISON

- Comparing the five Nordic capitals, Reykjavik saw the highest occupancy rates over the quarter with 74.5% on average, followed by Copenhagen with 73.8% and Helsinki with 72%. Oslo had the lowest average of 62.3%.
- Copenhagen and Helsinki reached similar ADR levels of EUR 124 and EUR 125, respectively. Reykjavik and Stockholm were both approx. EUR 10 lower at around EUR 115. Oslo was the only capital to offer ADR levels around EUR 100.
- In consequence, Copenhagen achieved the highest RevPAR at EUR 92. The market was closely followed by Helsinki with a RevPAR of EUR 90 on average. Reykjavik achieved EUR 86, Stockholm EUR 75 and Oslo EUR 64.
- Overall within the quarter, the best performing month for Copenhagen, Oslo and Reykjavik was October, and for Stockholm and Helsinki it was November. December was for all cities by far the weakest month.

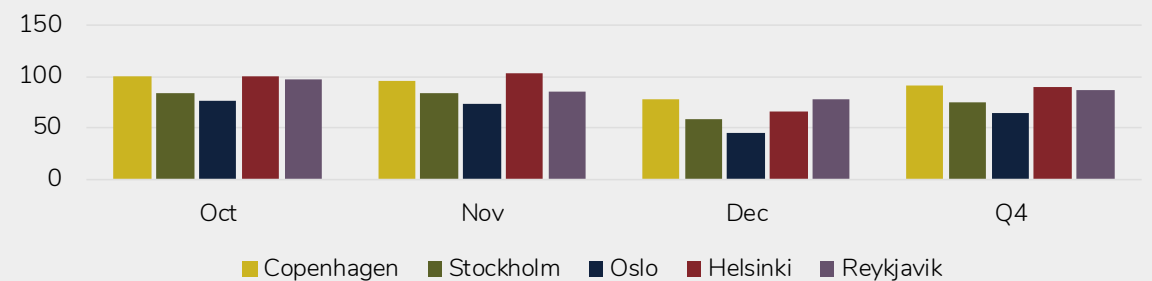
Occupancy



ADR in EUR



RevPAR in EUR



LOCAL PLESENCE

In NHC, we constantly track the change in **demand** and closely monitor the development in **supply** across the Nordics. If you wish to discuss the outlook of a specific region, please do not hesitate to reach out to our local offices.

You can always find our details at www.nordichotelconsulting.com



Denmark
Kongens Nytorv 3-5
DK-1050 Copenhagen K
(+45) 45 82 11 72

Sweden
Birger Jarlsgatan 16
SE-11434 Stockholm
(+46) 723 611 261

Finland
Vuoritie 6B
FI-02880 Veikkola
(+358) 40 539 43 39

Iceland
Bankastræti 5
ICE-101 Reykjavik
(+354) 89 77 401

About NHC

NHC was founded in 2004 and is today the largest specialized hotel consultancy in the Nordics, with offices in Copenhagen, Stockholm, Oslo, Helsinki and Reykjavik. NHC is a truly Pan-Nordic hotel advisory offering full cross-border coverage in the Nordics. NHC works exclusively for owners, developers and lenders and count among our clients both private investors, listed real estate companies, private equity funds, pension funds and banks. The client list includes the vast majority of the leading Nordic and international investors and developers.

For additional information on NHC, please refer to our website: www.nordichotelconsulting.com

About Benchmarking Alliance

Benchmarking Alliance is the leading provider of hotel, conference, F&B and spa benchmarking as well as hospitality market data for the Nordic hospitality industry. The company was created in 2010 by a team with broad background in hotels, real estate and IT.

Copyright

This report is the property of NHC and may not be reproduced in parts or whole, prior to the written consent of NHC.

Disclaimer

NHC does not guarantee the accuracy of the data presented in this report and cannot be held liable here for any analysis, opinions or decisions derived from reading this report as it is solely at the responsibility of the reader to draw up conclusions. NHC cannot be held liable for any outcome of analysis, opinions and decisions formed based on the information presented in this report.

NHC would like to inform the reader that the data from Benchmarking Alliance is collected in different ways and sometimes the figures can include provisions. This means that slight deviations in net ADR and RevPAR can occur.

