

Europe

Global hotel pulse: Europe news

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In this roundup of news from Europe: AccorHotels buys Mövenpick Hotels & Resorts; Schroders buys Algonquin; and more.



By HNN Newswire

Hotel News Now each week features a news roundup from a different region of the world. This week's compilation covers Europe.

Europe sees performance increases in Q1

Hotel in Europe reported year-over-year increases across the three key performance metrics for the [first quarter](#) of 2018, according to data from [STR](#), Hotel News Now's parent company.

Occupancy increased 2.2% to 64.5%, average daily rate rose 2.6% to €100.61 (\$123.64) and revenue per available room increased 4.8% to €64.89 (\$79.74).

Accor buys Mövenpick for \$565 million

AccorHotels has agreed to [acquire Swiss hotel firm Mövenpick Hotels & Resorts](#) and its 84 hotels and 42 pipeline assets for 560 million Swiss francs (\$565.3 million). The Swiss company is owned by Mövenpick Holding (66.6%) and Saudi Arabia's Kingdom Holdings (33.3%).

The deal is in keeping with statements on growth made by [AccorHotels](#) following the part sale of its AccorInvest portfolio, which raised the French company \$4.4 billion, said Sébastien Valentin, SVP of investor relations and financial communication.

"We said we would dedicate 60% of the cash proceeds of the part sale of AccorInvest to (mergers and acquisitions) activity and that the strategy would be hotels-driven," Valentin said.

"And we also said that what we had in mind was local and regional targets that would consolidate (AccorHotels), strengthen existing leadership and prevent any new entrants to take market share," Valentin said.

French REIT purchases 14 hotels from Starwood Capital

In more French news, real estate investment trust Foncière des Régions [agreed to acquire 14 United Kingdom hotels](#) from United States private equity firm Starwood Capital Group for £858 million (\$1.17 billion), HNN's Terence Baker writes. The company announced that InterContinental Hotels Group would manage the portfolio.

In turn, [IHG](#) said the management deal would allow the British hotel firm to debut its Kimpton Hotels & Restaurants brand in the U.K. Twelve of the hotels sold formerly belonged to Principal Hotels & Resorts' Principal Hotel Group.

Schroders buys Belgium owner Algonquin

U.K. real estate investment firm Schroders has [entered the hotel industry](#) with its buy of Belgium-based hotel investment company Algonquin, which has 43 assets within Europe with more than 7,500 hotel rooms.

No price was announced, but a Schroders announcement said the buy represents €1.8 billion (\$2.2 billion) worth of assets.

"These hotels are primarily managed through Algonquin's own brands or internationally renowned franchises including Sheraton, Marriott, Hyatt, Radisson and Sofitel," the release states.

Spain's Sercotel teams up with Choice

Choice Hotels International [signed a partnership](#) with Spanish operator and franchisor Sercotel Hotels that gives it a foothold in Spain and Latin America, HNN's Terence Baker writes.

Executives at [Choice](#) said the agreement would allow them to transmit its brand value proposition to these new markets.

"This is not a joint venture; there is no investment in each other, no capital changing hands on either side. It is about technology, marketing, distribution and leverage," Max Cergneux, senior director of international investment and portfolio management at Choice, said.

Deals and developments

Maxx by Steigenberger, the [recently announced fourth brand](#) from Deutsche Hospitality, has announced that Robert Boller will lead the brand.

Marriott International's Renaissance Hotels announced the brand's debut in Poland with the opening of the 225-room Renaissance Warsaw Airport. The brand also signed an airport hotel in The Netherlands, the Renaissance Amsterdam Schiphol Airport, which will open in November.

Scotland-based white-label management company Redefine|BDL Hotels, which manages more than 70 properties, has changed its name to RBH.

The 10th hotel to be opened by Kämp Collection Hotels, the Hotel St. George, opened on 2 May in Helsinki, Finland, with 153 rooms and membership of platform Design Hotels. It occupies an 1840 building once the home of the Finnish Literary Society.

Vacation-package firm TUI Group via its standalone TUI Blue hotel brand has opened its latest offerings, the 211-room TUI Blue Rocardor on the Spanish island of Majorca and the 279-room TUI Blue Marmaris in Turkey, for a new brand total of 10.

Yotel has signed an agreement with IGA, the operator of the soon-to-be-opened new international airport in Istanbul, for a 451-room hotel that so far has been the only announced accommodations option for the project. One hundred and two of the rooms will be inside the airport for passengers in transit.

Swedish hotel firm Scandic Hotels signed an agreement with Midroc for a new hotel in Helsingborg Harbor, Sweden.

Compiled by Terence Baker.