

Europe

Global hotel pulse: Europe news

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In this roundup of news from Europe: AccorHotels buys another brand; Foncière des Régions changes its name to Covivio; 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.

STR: Europe Hotel performance, April 2018

In April, according to [STR](#), the parent company of Hotel News Now, hotels in Europe [reported a rise in occupancy](#) of 1.5% year over year to 73.2%, an increase in average daily rate of 2.9% to €108.03 (\$126.52) and an increase in revenue per available room of 4.4% to €79.13 (\$92.68).

Two countries had notable performance, Italy and Switzerland, according to the data. In Italy, occupancy grew 1.1% to 72.9%, ADR grew 1.6% to €149.96 (\$177.01) and RevPAR grew 2.8% to €109.32 (\$129.06). STR analysts said the absolute occupancy level was the highest for any April on record in Italy, while absolute ADR was the highest for an April since 2007. Trade fairs held this year in Milan, some of which are biannual, have helped, analysts said.

Switzerland saw occupancy increase 7.9% to 62.5% and RevPAR increase 6.7% to 117.72 Swiss francs (\$118.50), but its ADR fell 1.1% to CHF188.30 (\$189.55), which in absolute terms was the lowest ADR level for any April on record. The absolute occupancy level, though, is the highest for an April in Switzerland since 2008, with STR analysts saying demand was high due to three bank holidays falling in the month.

AccorHotels buys Chile's Atton

French hotel giant AccorHotels has spent more money, this time [on Chilean brand Atton Hoteles](#), the deal comprising a payment of €67 million (\$80 million) for 100% of the management and €22 million (\$26.3 million) for 20% of the real estate. [Atton](#)'s portfolio consists of 11 hotels and 2,259 rooms, mostly in South America but with one asset in Miami.

"This is a way for us to double our luxury, upscale and midscale presence in Latin American and Hispanic countries, in line with our global strategy of being bigger where we are already big," said Patrick Mendes, CEO of [AccorHotels](#) South America.

French REIT changes name to Covivio

French real estate investment trust [Foncière des Régions](#) has [changed its name to Covivio](#), as is its dedicated hospitality and hotels division, formerly known as Foncière des Murs, which will be fully branded under that identity by the end of the year, along with the fully and part-owned REITs Beni Stabili, from

Italy, and Immeo, from Germany.

Covivio's hotel division currently has assets of €6.6 billion (\$7.6 billion) and plans on continuing its ownership across Europe and especially in four key markets—France, Germany, Spain and the United Kingdom.

Apple, NH team up to debut three brands in Europe

Apple Leisure Group and NH Hotel Group have [formed a strategic alliance](#) to develop AMResorts brands in Europe, with three flags—Secrets Resorts & Spas, Dreams Resorts & Spas and Amigo Hotels & Resorts—to first debut in Spain, where four assets are due to open in 2019.

STR says Europe pipeline almost reached 126,000 keys

Europe's pipeline for April totalled [125,966 rooms in 958 properties](#), according to data from STR, with three of the top five markets seeing the highest levels of rooms in construction being in Germany.

In Germany, Berlin tops the scale with 4,554 pipeline rooms, which equates to 6.8% of existing supply, while Frankfurt has 3,848 pipeline rooms (19.1% of existing supply) and Munich has 3,800 (9%). London is the top market, though, with 10,355 rooms in construction equalling 7.5% of existing supply. Across all of Europe, STR adds that there are a further 199,458 rooms in the planning and final planning stages.

Fattal sells Munich asset for \$157m

Fattal Holdings 1998 has [agreed to sell the 424-room Leonardo Royal](#) in Munich for \$157 million but will continue to manage it under a 30-year contract for €7.2 million (\$8.4 million) a year in management fees or 32% of the property's revenue turnover, whichever of the two is higher.

Deals and developments

Hyatt Hotels Corporation will debut in Ireland with the May 2019 opening of the 234-room Hyatt Centric The Liberties Dublin. The property—in Dublin's new, hip The Liberties district—is a franchise agreement with Irish firm Realmside, an affiliate of Hodson Bay Group, which will manage the asset.

Another debut—this time for all of Europe—is Marriott International's Delta brand, which opened the 223-room Delta Hotels by Marriott Frankfurt Offenbach on 23 May. It will be operated by Odyssey Offenbach GmbH.

Marriott International also is debuting its Westin brand in the U.K. The 220-room Westin London City will open in 2020 in a deal with owners 4C Hotel Group and management firm RBH Hospitality Management.

Hilton has opened the 130-room Hampton by Hilton Blackpool, on the Lancashire coastline, the 27th U.K. hotel for the brand.

Swiss Life AM Real Estate has bought two long-lease hotels in Italy from BNP Paribas REIM, the 250-room Radisson Blu Milan and 208-room Novotel Milan Malpensa.

Park Hotels & Resorts closed its sale on the 601-room Hilton Berlin, in a deal the seller states provides gross proceeds equating to \$350 million, or \$583,000 per key.

Compiled by Terence Baker.