BILA

Presentation

Boutique Hotel
Transaction Patterns

TRANSACTIONS

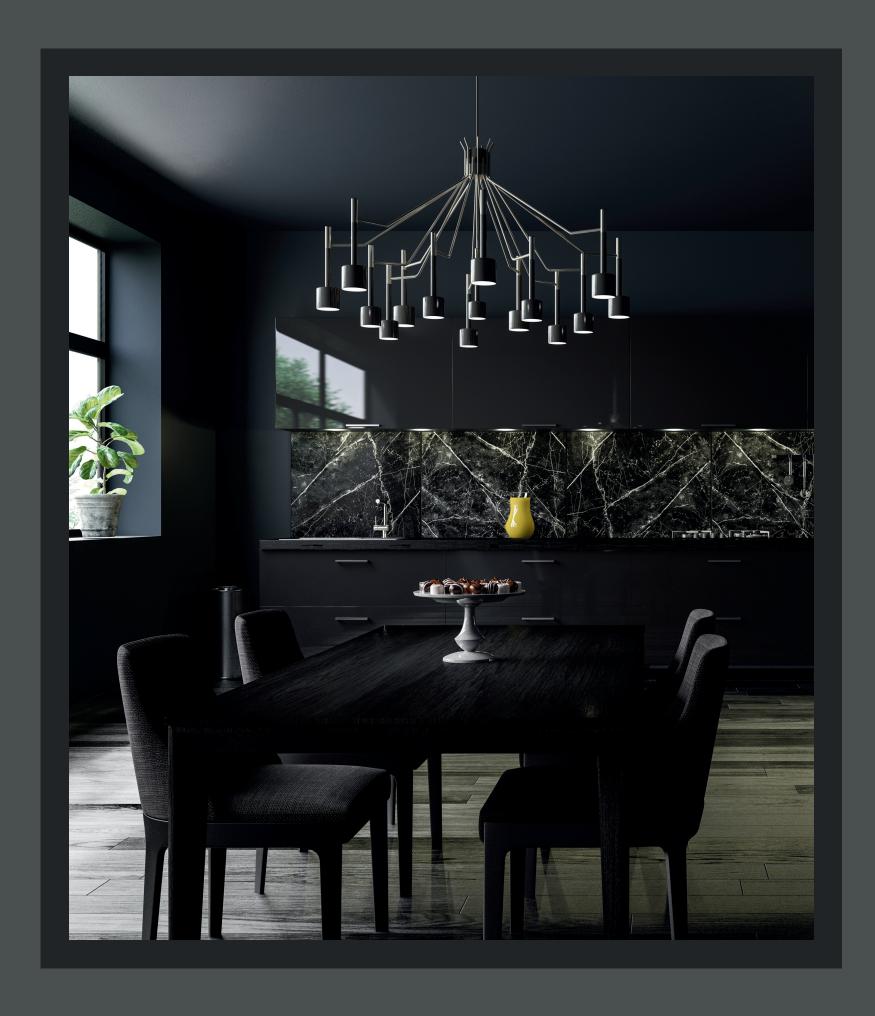
Today, we'll explore the dynamic investment landscape of independent boutique hotels in 2023, focusing on key transaction patterns that define this unique market.



WHAT IS A BOUTIQUE HOTEL?

- No more than 200 rooms
- Not affiliated with one of the major chains





WHAT'S NEXT FOR THE NICHE

We are going back to our roots.

There's a place for everyone at the table.

However, it's time to respect each other's lane.

SOME NUMBERS

70% of millennial travelers are looking for local and authentic travel experiences

80% of global travelers will more likely book an accommodation knowing it is eco-friendly



45% of hoteliers believe mobile technology is a critical investment for enhancing the guest experience

Expertiential travel is expected to grow at an annual rate of 17.8% leading up to 2027



OVERVIEW OF TRANSACTIONS IN 2023

- Rise in Mergers and Acquisitions (M&A)
- Increasing investments from non-traditional sources
- Expansion into secondary and tertiary markets



MERGERS & ACQUISITIONS

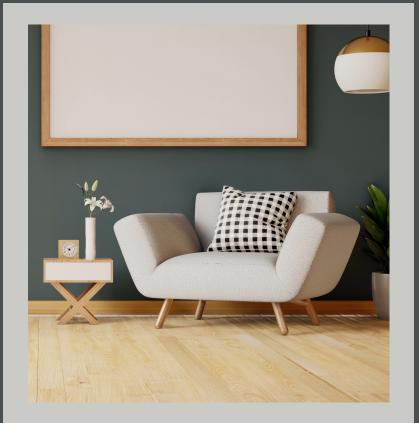
Key Trend: There is a slight uptick in M&A as investors seek unique properties.

Statistic: Transaction volumes in M&A increased by approximately 15% from last year.

Implication: Indicates a healthy interest in boutique properties with strong individual branding.







NON TRADITIONAL INVESTMENT SOURCES

Key Trend: 20% of investments came from high-net-worth individuals and family offices.

Highlight: These investors are drawn to the personalized nature of boutique hotels.

Implication: Shows a diversification in the investor pool and investment strategy.







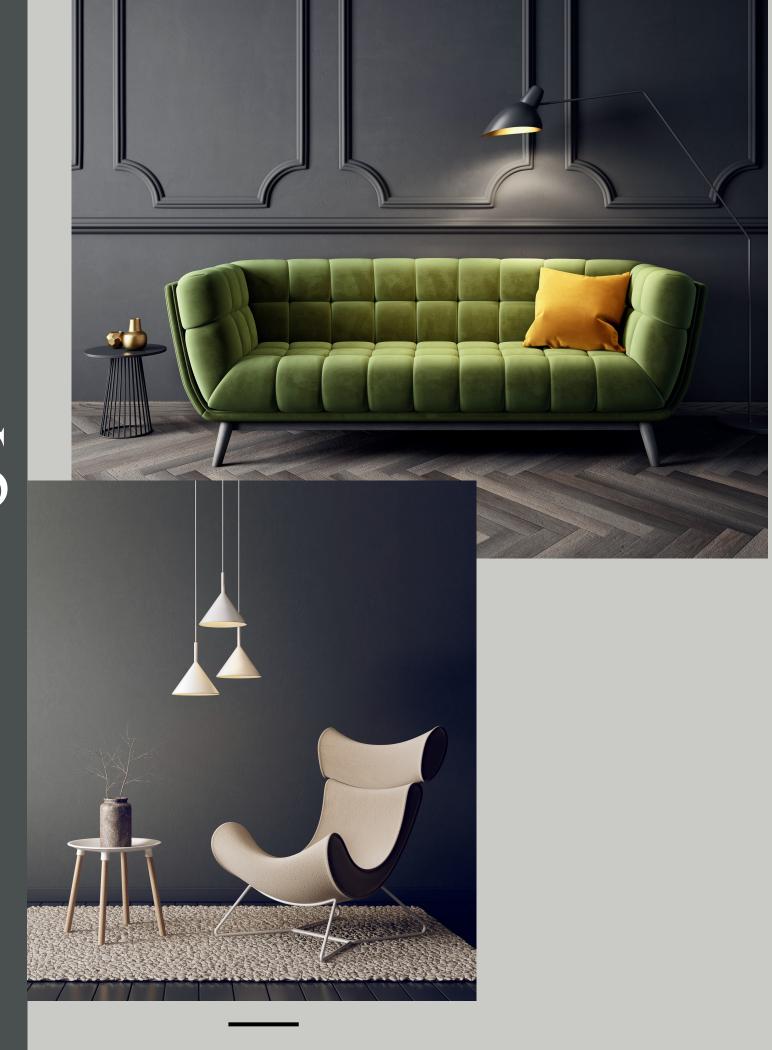
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FOCUS ON SECONDARY & TERTIARY MARKETS

Key Trend: 30% of transactions occurred in less saturated secondary and tertiary cities.

Highlight: Lower entry costs and rising popularity among travelers.

Implication: Significant potential for growth and higher returns.



REFINANCING & SUSTAINABILITY

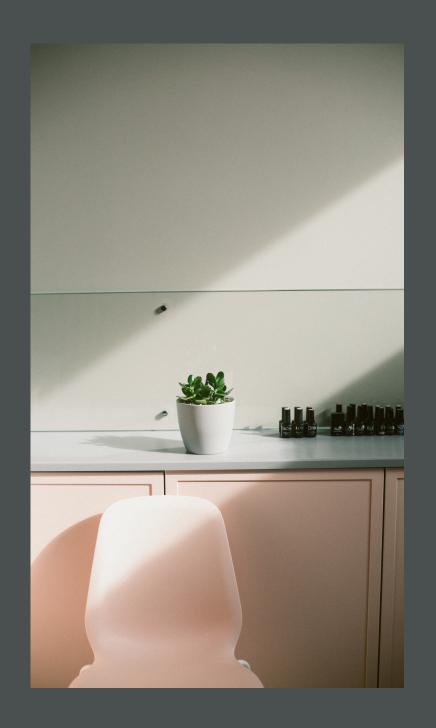
Key Trends:

Refinancing accounted for 25% of transactions, driven by fluctuating interest rates.

Investments in technology and sustainability made up 10% of total investments.

Highlight: Focus on stabilizing operations and enhancing guest experiences.

Implication: Critical for long-term sustainability and meeting evolving consumer expectations.









RENOVATIONS & REPOSITIONIG

Key Trend: 15% of investment focused on renovations to meet changing consumer tastes.

Highlight: Efforts aimed at creating personalized and culturally integrated experiences.

Implication: Enhances property appeal and guest satisfaction.





THE TRANSACTION PATTERNS IN 2023 REFLECT A ROBUST, EVOLVING BOUTIQUE HOTEL MARKET WITH DIVERSE INVESTMENT AVENUES.

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