

Hamburg Market Report

Lukas Schwertner Research Assistant | Hotel

The Hanseatic City of Hamburg has again experienced a further increase in the number of guests and overnight stays in 2016. After a slight decline in 2015, the hotel performance also experienced a slight upturn.

Hotel Market: Supply

For the year 2016, the divisional statistical office of Hamburg lists 362 open hotel establishments with 59,468 offered guest beds. Compared to 2009, the number of existing guest beds rose by 38.8% and the number of open accommodation establishments rose by 19.5%.

Hotel Market Key Indicators (Change to the previous year %):

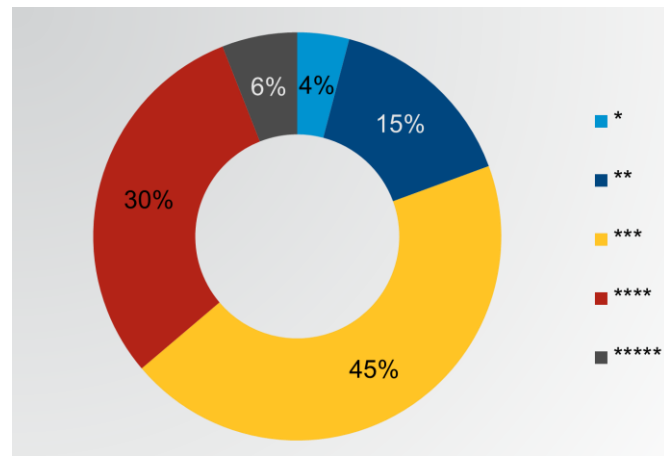
Open accommodation providers	362	(+5.2 %)
Available guest beds	59,468	(+2.7 %)
Arrivals	6,566,000	(+3.7 %)
Overnight stays	13,331,000	(+5.5 %)
Average stay length	2,0 days	
Average bed capacity utilization	56.9 %	

Hamburg, the second-largest city in Germany, is predominantly characterized the 3-star segment (44%), followed by the 4-star segment (30%). Despite a significant increase in the number of open accommodation establishments, the percentage spread between the star categories remains unchanged.

For the year 2017, there are 12 hotel openings planned with approx. 2,100 rooms, mainly in the 4-star segment. In this category, the openings of the "Quartier am Lohsepark" (267 rooms), the "Courtyard by Marriot Hotel St. Georg" (277 rooms) are planned. The 3-star family hotel JUFA Hamburg HafenCity (220 rooms) will also open this year. Special attention is paid to the "The Fontenay Hotel" (131 rooms) with the ambitions to become the most luxury hotel in Germany.

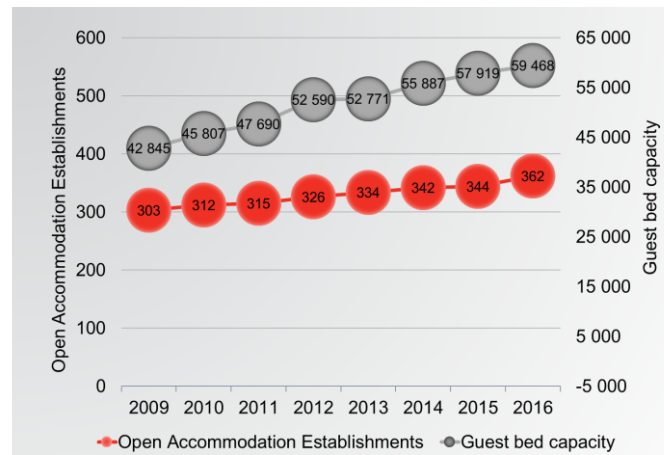
From 2018, the five-star Fleming's Deluxe (102 rooms) and Frasers Suites (in the former financial headquarters, 147 units) are expected to open too as well as other hotel projects such as A Super 8 (274 rooms) and two Holiday Inn (with a total number of 317 rooms).

Hotel market structure by classification



Source: Colliers International, hotel.de

Development of accommodation supply



Source: Colliers International, Federal Statistical Office

Hotel Market: Demand

On the demand side, Hamburg reached new peak values both with regard to the number of guests as well as the overnight stays. A total of 6,566,000 guests were counted for the year 2016, an increase of 4.6% compared to 2015. The guests booked 13,331,000 overnight stays (+ 5.5% compared to the previous year) with a constant remaining stay of 2.0 days compared to the previous year.

The positive trend over the short year to year period becomes more strength examining the figures over a long term perspective. Overnight stays rose by 62.8% since 2009, while guest arrivals rose by 43.7%.

The demand from foreign overnight stays rose similar to domestic figures by 5.5%. In particular, guests from China (+ 30.7%), India (+ 27.5%) and South Korea (+ 33.4%) showed strong growth in demand compared to the previous year.

Hotel Performance:

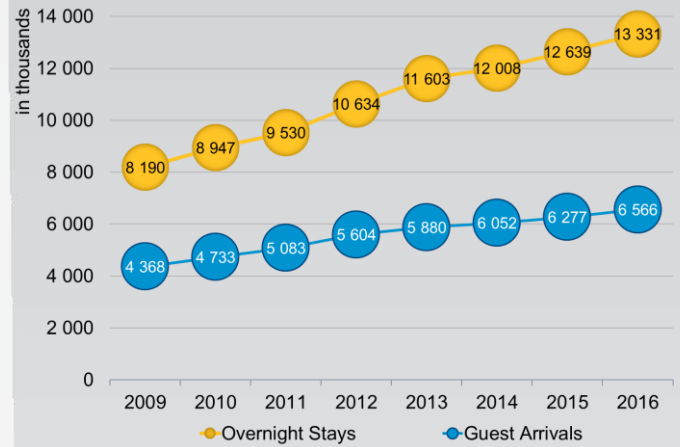
The overall guest bed capacity utilization fell in Hamburg's accommodations by almost 3.0 percentage points to an average of 56.9% compared to 2015. Nevertheless, Hamburg achieved maximum occupancy within the top 7 hotel locations in Germany. The occupancy rate in 2016 was 80.9%. This represents an increase of 1.9% compared to the previous year. The average room rate (ARR) rose by 4.3% to 97.00 euros. As a result, the revenue per available room for 2016 is EUR 78.00 (+ 5.4% compared to 2015).

Rating and Forecast:

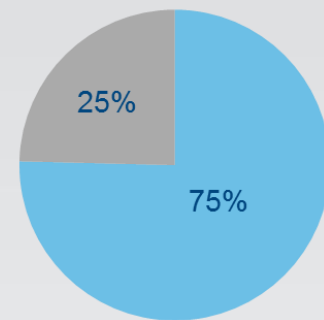
Hamburg is again able to achieve strong performance figures in 2016. Due to the stable growth from guest arrivals as well as from overnight stays, the hotel supply is increasing too and running positive business. Therefore a further positive development of the Hamburg hospitality market is to be assumed.

In addition, Hamburg also aims for international brands. A growing number of visitors to the Hamburg fair as well as tourist attractions such as The Reeperbahn, the HafenCity and the newly opened Elbphilharmonie will increase the number of visitors.

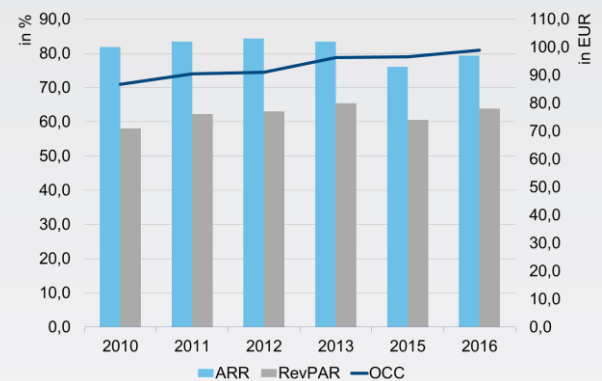
Development of accommodation demand



Demand proportional to the total amount of overnight stays

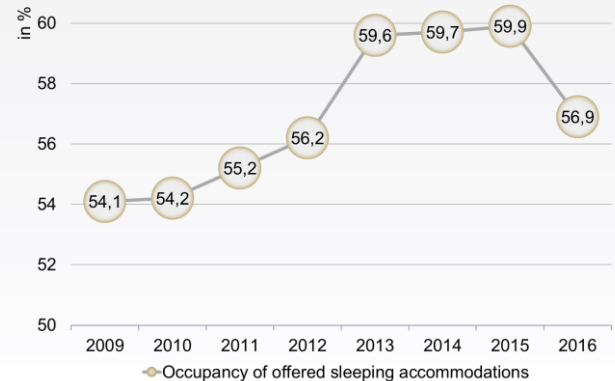


Hotel performance * (OCC, ARR, RevPAR)



* = Database 2010 -2013: STR Global/Database 2014 – 2016 MKG Group

Average guest bed capacity utilization



Sources: Colliers International, Divisional statistical office, IHA Germany / MKG Hospitality

Parameters of the hotel market in German major cities

Market Overview								
	GERMANY	BERLIN	DUSSELDORF	FRANKFURT	HAMBURG	COLOGNE	MUNICH	STUTTGART
OPERATIONAL FIGURES OF 2016								
OCC (Occupancy)	70,4%	77,1%	69,5%	68,8%	80,9%	73,4%	76,5%	73,3%
Change to previous year	1,7%	3,1%	2,9%	0,7%	1,9%	0,4%	-1,9%	-0,2%
ARR (Average Room Rate)	90,00 €	90,00 €	115,00 €	96,00 €	97,00 €	96,00 €	115,00 €	99,00 €
Change to previous year	2,7%	-2,2%	19,0%	1,0%	4,3%	0%	4,5%	2,1%
RevPAR (Revenue P. Av. Room)	63,00 €	70,00 €	80,00 €	66,00 €	78,00 €	70,00 €	88,00 €	73,00 €
Change to previous year	4,4%	1,4%	25%	1,5%	5,4%	-1,4%	2,3%	2,8%
KEY FIGURES HOTEL MARKET 2016 / 2017								
Open accommodation establishments ¹	51.972	777	222	271	362	285	412	168
Change to previous year	1,1%	-0,4%	0,9%	2,3%	5,2%	-1,4%	1,2%	-2,3%
Guest Bed Capacity	2.974.596	142.350	27.534	49.392	59.468	32.099	69.040	20.418
Change to previous year	1,7%	1,7%	6,4%	9,0%	2,7%	-0,2%	5,0%	7,0%
Guest Arrivals	166.782.100	12.731.640	2.746.579	5.203.588	6.566.000	3.346.329	7.042.487	1.998.500
Change to previous year	3,7%	2,9%	3,1%	1,9%	4,6%	-2,9%	1,2%	5,4%
Overnight Stays	436.224.000	31.067.775	4.604.675	8.806.738	13.331.000	5.774.890	14.027	3.706.000
Change to previous year	2,9%	2,7%	4,6%	1,5%	5,5%	-3,5%	-0,3%	4,1%
KEY FIGURES OF GERMAN MAJOR CITIES								
Inhabitants in 1.000	82.200	3.653	628	727	1.787	1.069	1.543	609
Unemployment rate	5,8%	9,2%	7,4%	6,2%	6,7%	8,1%	4,2%	4,9%
Employees subject to social insurance requirements in 1.000	31.374	1.366	399	551	932	537	822	397
Disposable Income per Capita	22.318 €	20.496 €	26.899 €	25.400 €	23.999 €	24.138 €	28.610 €	25.510 €
Airport / number of passengers handled	-	32,9 Mio. ²	23,5 Mio.	60,8 Mio.	16,2 Mio.	11,9 Mio. ³	42,3 Mio.	10,6 Mio.

Source: Colliers International, Federal Statistical Office, Divisional Statistical Office, IHA Germany 2017/MKG Hospitality

1 open establishments with 10 and more beds, 2 Airport Tegel (21,3 Mio., +1,5%) and Airport Schönefeld (11,6 Mio., +34,8%) combined, 3 Airport Cologne/Bonn

FOR MORE INFORMATION

Andreas Erben
 Managing Partner
 Head of Hotel | Germany
 +49 30 5858178-10
 andreas.erben@colliers.com

Lukas Schwertner
 Research Assistant | Hotel
 +49 30 5858178-19

Picture Source: Binnenalster mit Innenstadt, Hamburg - By Alchemist-hp (talk) - Own work, CC BY-SA 3.0, <https://commons.wikimedia.org/w/index.php?curid=26887710>

Copyright © 2017 Colliers International Hotel GmbH. The information contained herein has been obtained from sources deemed reliable. While every reasonable effort has been made to ensure its accuracy, we cannot guarantee it. No responsibility is assumed for any inaccuracies. Readers are encouraged to consult their professional advisors prior to acting on any of the material contained in this report.

Colliers International
Hotel GmbH
 Budapester Straße 50
 10787 Berlin | Deutschland
 +49 30 5858178-10
 colliers.com/germany



Accelerating success.

403 offices in 68 countries on 6 continents

USA: **153**

Canada: 34

LATAM: **24**

Asia-Pazifik: **86**

EMEA: **111**

€ 2,3

billion in
annual revenues

170

million m²
under management

15.000

professionals
worldwide

Author:

Lukas Schwertner
Research Assistant | Hotel
+49 30 5858178-19
info.hotel@colliers.com

Managing Director:

Andreas Erben
Managing Partner
Head of Hotel
+49 30 5858178-10

Colliers International Hotel GmbH

Budapester Straße 50
10787 Berlin | Deutschland
TEL +49 30 5858178-10
FAX +49 30 5858178-99



About Colliers International Hotel GmbH

As part of Colliers International, Colliers International Hotel GmbH provides a full range of hotel real estate services; it sees itself as the lifeblood of brand-name hotels and is at the disposal of clients throughout Germany. Colliers International Hotel GmbH advises hotel corporations, investors, hotel operators as well as project developers on their choice of location, business concept and brand strategy. Together with associates, they provide financing and equity-partners. Moreover, Colliers International Hotel GmbH seeks out the right hotel properties to suit the investor's needs. Colliers International Group Inc. (Nasdaq: CIGI) (TSX: CIG) is a global leader in commercial real estate services, with over 15,000 professionals operating out of more than 403 offices in 68 countries.

www.colliers.de

Copyright © 2017 Colliers International.

Copyright © 2017 Colliers International. The information contained herein has been obtained from sources deemed reliable. While every reasonable effort has been made to ensure its accuracy, we cannot guarantee it. No responsibility is assumed for any inaccuracies. Readers are encouraged to consult their professional advisors prior to acting on any of the material contained in this report.



Accelerating success.