Hotels and Hospitality

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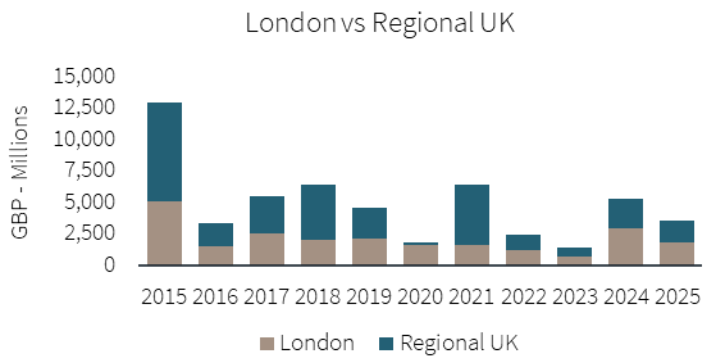


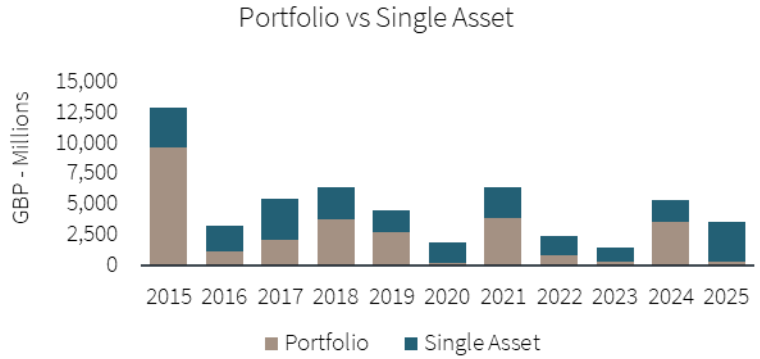
Marc Nelson
Head of EMEA Fixed Income Hotels
JLL

Key Themes

1. Transaction Market Update
2. Shift in Deal Sweet Spot
3. Performance Themes
4. Bond & Debt Market
5. Investment Considerations

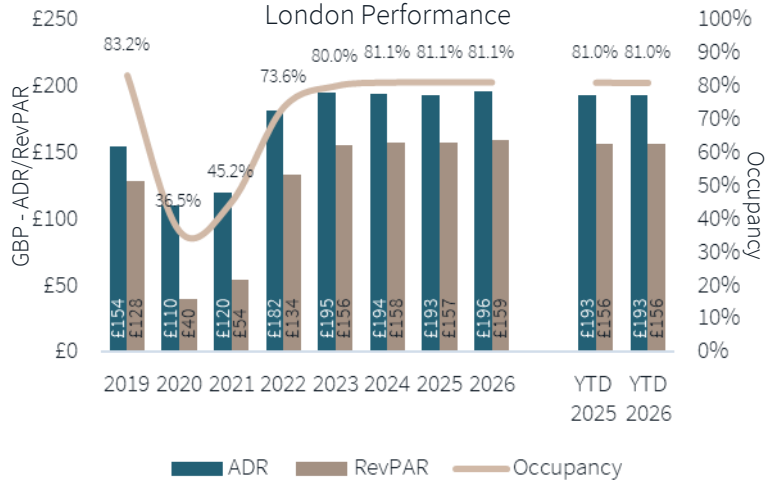
Volumes

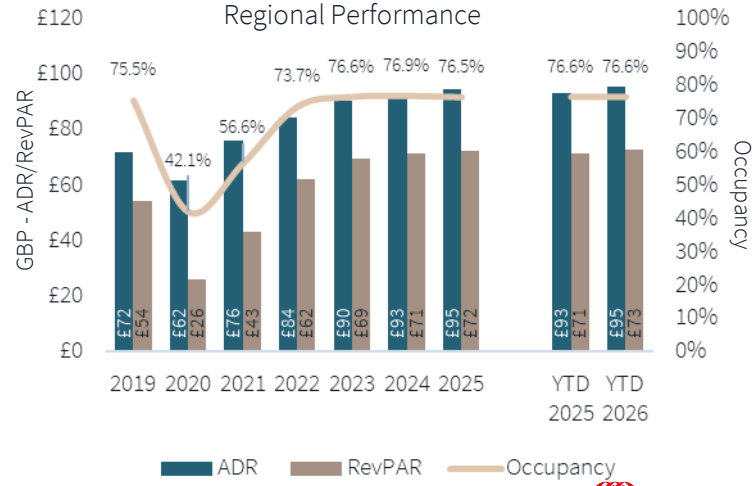




Source(s): JLL Research.
Note(s): Includes all transactions over $5M. Entity-level deals are included only if real estate was traded.

KPI Performance





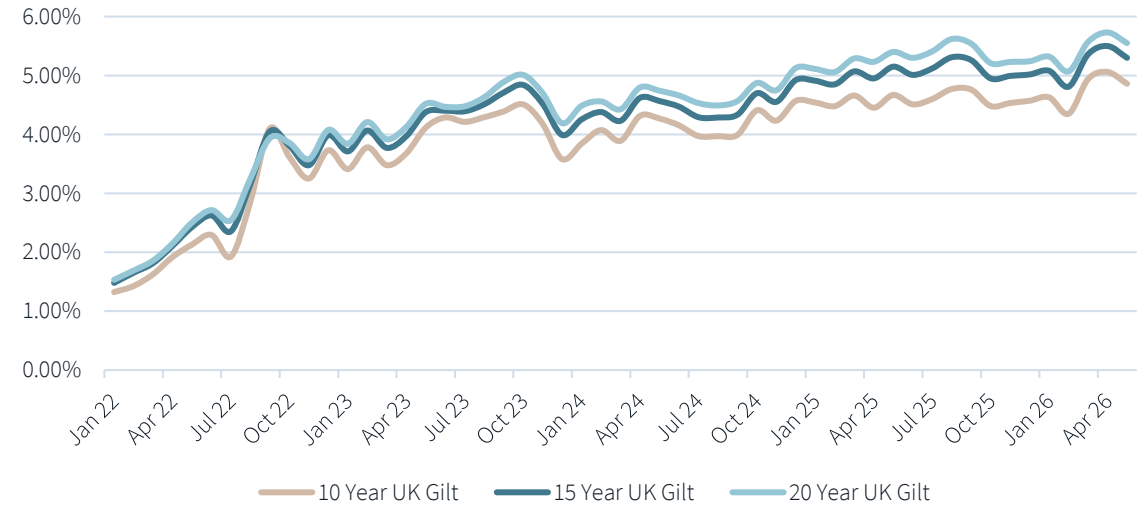
Source(s): Costar.
Note(s): Year-to-date (YTD) as of April 2025/2026.

Investors & Owners Adjusting to New Pricing Levels

Prime yield ranges for Hotels across European cities have shifted outward compared to pre-pandemic levels influenced by UK Gilts & Swap rates movements.

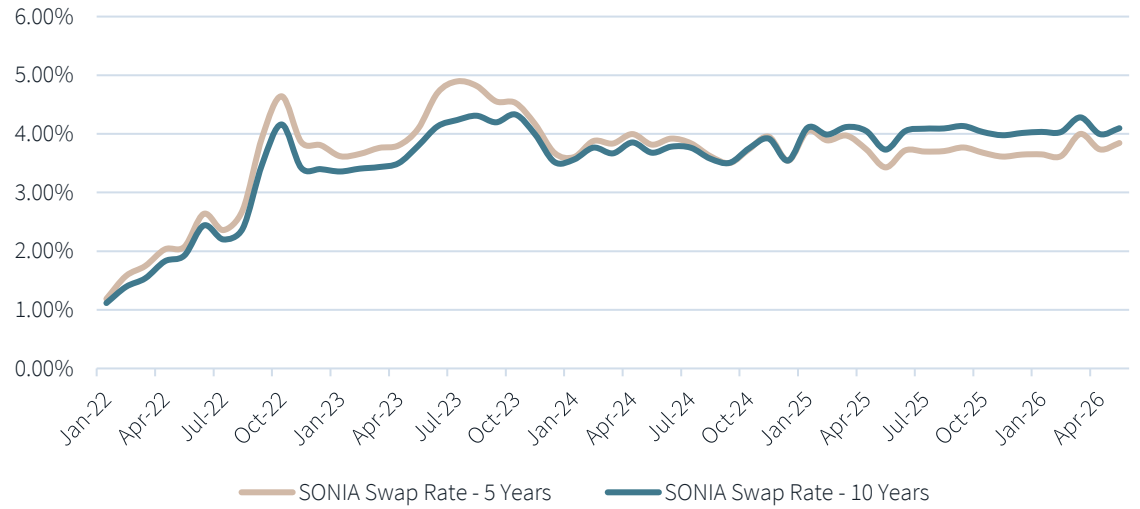
UK Gilts Yields

Yields (%) between Jan 2022 & May 2026



UK SONIA Swap rates

Yields (%) - Monthly average of daily OIS between Jan. 2022 & May 2026



Middle East tensions cloud 2026 sentiment, but inflation-linked rents offer resilience.

DB sell-down and PRT's results in reduced long-income investors, with insurers and LGPS fundings stepping in to fill the gap.

Margin compression is supporting pricing stability despite continued volatility in the Gilts market.

Investors favour liquid assets with strong ESG credentials, EPC B and above, BREEAM Excellent and clear fire life safety due diligence.

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