

South West hotel market goes from strength to strength

3 years ago



The regional hotel market saw considerable investment in 2021, with £2.04 billion transacting and the South West hotel market continued to be in demand with investment volumes climbing 8.2% compared with 2020, to £86.1 million, according to Savills.

The international real estate advisor represented in excess of 40% of hotel assets transacted in 2021 in the South West.

Key deals include: Treloyhan Manor in St Ives sold to Manchester based developers for over £3 million off a guide price of £1.75 million, The Dial House in Bourton on the Water sold to overseas investors off a guide price of £2.5 million and the sale of the Ibis Swansea and Ibis Budget Newport to an unnamed private buyer off an undisclosed guide price.

James Greenslade, Director in the Hotel Capital Markets team at Savills Exeter, says: “The regional hotel market has performed exceptionally well, driven by consumer demand for staycations. While accelerated by the pandemic lockdowns, this is a theme that will continue as holidaymakers seek out more environmentally friendly and sustainable holidaying, a trend that was emerging pre-Covid.

“The South West has some of the best holiday locations in the UK and investors are drawn to locations such as Cornwall and Devon where long-term demand for leisure-led hotels is expected to be high.”

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