

## Savills: UK hotel investment reaches £5.75 billion in 2024, doubling 2023 levels

1 year ago



UK hotel investment transactions are estimated to have reached £5.75 billion in 2024, according to [Savills](#), more than double the volume recorded in 2023. This marks the highest level of activity in the sector since 2018.

Savills research shows that the resurgence in activity was largely driven by portfolio transactions (such as Blackstone's acquisition of Village Hotel and KKR and Baupost's purchase of 33 Marriott hotels), which accounted for 55% of total investment volumes, equating to £3.14 billion. Portfolio volumes grew by 582% year-on-year, reflecting the subdued levels of activity seen in 2023. Even compared to the 10-year annual average, portfolio volumes in 2024 were 61% higher, highlighting the hotel market's continued recovery.

Regional hotel volumes totalled £3.34 billion in 2024, representing 58% of total volumes. This marks a 217% year-on-year increase and is 24% above the 10-year annual average. London also saw significant growth, with transaction volumes rising by 105% year-on-year to £2.40 billion in 2024, following a steady 17% year-on-year increase in 2023.

Tim Stoye, Head of UK Hotels, Savills, says: "In 2024, the UK hotel market demonstrated resilience, with investment activity resurging. Private Equity confidence has been central to this recovery, with significant investments made by Starwood Capital, Blackstone and KKR as well as a number of others.

"The sector's strength is supported by solid fundamentals, including its role as a robust inflationary hedge, its resilience as an asset class, and its continued international appeal."