

Transaction Summary

August 2026

Following record transaction activity, volume falls in H1 2026

The H1 2026 Irish Hotel investment market began on a slightly more constrained footing, following two record years of activity. In 2025, a total of €1.6 billion traded hands, of which €1.17 billion stemmed from the sale of the Dalata Hotel Group. Excluding this transaction, total volumes reached €457 million (which also excludes the sale of Citywest Hotel for €148.2m to the Irish Government).

In H1 2026 transaction activity reached a reported 7 transactions worth **€82.75 million**. This compares to approximately €340m during the same time period last year. The decline has been impacted by a lack of “big ticket” sales, particularly in Dublin.

The two largest transactions during the first half of the year were the reported sale of the Knightsbrook Hotel, Trim, Co. Meath and the International Hotel, Killarney, Co. Kerry. The Knightsbrook Hotel reportedly sold to FBD Hotels & Resorts for **€25 million** in June. This expands FBD’s hotel portfolio in Ireland to six properties, following their purchase of the Grand Hotel Malahide in 2025. Meanwhile, the International Hotel was sold in January for a reported €22 million. The 98-bed hotel was purchased by the O’Donoghue Ring Collection. This also represented the highest price per key, at **€224,490**. These transactions represent the only deals in H1 2026 above a €20 million lot size.

In contrast, H1 2025 recorded five transactions with a lot size +€20 million, with three of these above €50 million. Regional transactions accounted for all investment activity in H1 2026, reflecting ongoing investor appetite for established provincial destinations despite subdued market volumes. Hotels previously under government contract such as Yeats Country Hotel, Spa and Leisure Club, Co. Sligo and the Hydro Hotel, Co. Clare, were both purchased by local domestic buyers, with government contracts having recently ended. Transaction volumes are expected to continue at a steady pace in H2 2026, as positive, albeit more selective investor sentiment remains. One clear sign of this positivity is MHL Groups acquisition of both the Crown Plaza Hotel Dublin and the Holiday Inn Express Dublin Airport from Tifco Hotel Group. With over 420 rooms, the transaction is reportedly sale agreed for €95 million, awaiting approval by the Competition and Consumer Protection Commission (CCPC).

The pipeline of new development emphasises the positive outlook on market fundamentals in Ireland. As of Q1 2026, there were **13,870** bed places under construction. This marks a rise of 9% from the 12,740 bed places which were under construction as of Q3 2025. Activity is focused on Dublin, which accounts for 65% of all bed places under construction.

Operational cost pressures have been a core challenge for the hospitality sector over the past number of years. While 2026 began with inflation easing, the global energy shock has created renewed cost concerns. Energy prices have increased, however they remain significantly below the peak of 2022. While cost pressures remain a feature of the industry, insolvency data points to an improvement in H1 2026. A total of 57 hospitality insolvencies were recorded in the opening six months, reflecting an annual decline of 14%. The majority were bars and restaurants, while the average company age was circa 10.5 years. The reduced VAT rate of 9% came into effect in July, however increased minimum wage and the introduction of the pension auto enrolment scheme at the start of this year have kept staffing costs elevated.

The outlook for the hotel investment market is cautiously positive. While macroeconomic headwinds have led to some downward revisions to economic growth, the domestic consumer and overseas visitor continues to spend in Ireland, as evident by travel statistics and occupancy statistics to date. The changing inflation outlook has altered the direction of travel for interest rates, with the future path also less certain.



Key metrics display a subdued start to hotel investment activity in 2026



€82.75 million

Value of **hotel transaction** activity
(H1 2026)



€25 million

Price of **The Knightsbrook Hotel**, Trim, Meath
(Reported highest single asset transaction value)



€224,490

Price per key of **International Hotel**, Killarney, Kerry
(Reported highest price per key)



13,870

Tourist accommodation bed places **under construction**
(In the Irish market, Q1 2026)



8th

Hotels present the 8th **greatest opportunity** for real estate owners and investors globally (2026)
-3 places on 2025



15th

Dublin's ranking in the **top European cities** for hotel investment (2026)
-4 places on 2025

The Irish economy continues to perform despite global challenges



Economic indicators display variation in performance...



2.8 million

People in
employment
Q1 2026

+0% YoY



€175 billion

Household
savings
Jun 2026

+6% YoY



2.25%

ECB interest
rate
Jun 2026

+25 bps YoY



57

Hospitality
insolvencies
H1 2026

-14% YoY



3.2 million

Trips by overseas
visitors to Ireland
H1 2026

+15% YoY



2.96 million

Domestic trips
by Irish residents
Q1 2026

+6% YoY



... as moderate growth expected

Macroeconomic forecasts for Ireland

	2026		2027	
MDD*	+3.3%	↑	+2.8%	↑
Consumer Spending	+1.8%	↓	+1.9%	↑
Employment	+1.2%	↓	+2.0%	↑
Inflation	+3.5%	↑	+2.9%	↑



Domestic resilience even as inflation rises, but effects of the Middle East conflict hangs over the outlook.

Central Bank of Ireland
June 2026

Arrow indicates whether forecast has been revised upwards / downwards versus March 2026 forecast.

Modest slowdown in global growth forecast, as hospitality insolvencies ease



Subdued growth in UK and EU...

Global macroeconomic forecasts

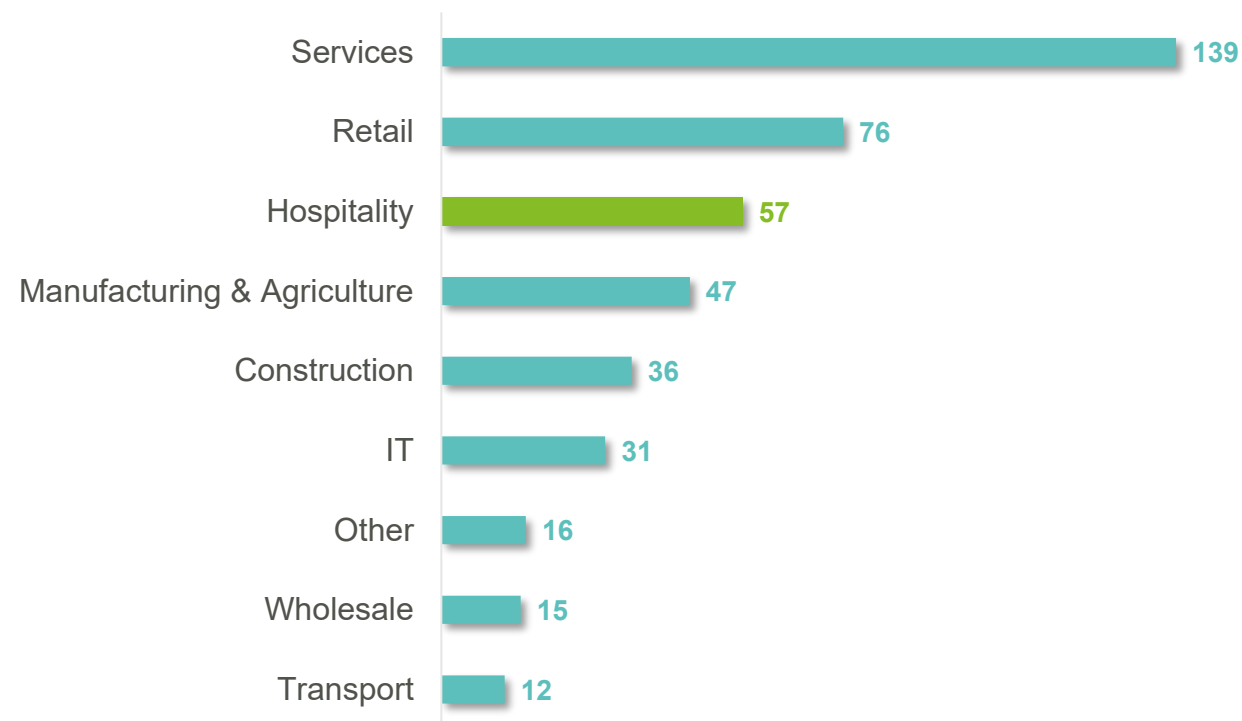
GDP		
	2026	+1.0%
UK	2027	+1.3%
	2026	+0.9%
Euro Area	2027	+1.2%
	2026	+2.3%
US	2027	+2.2%



... as hospitality insolvencies decreased by 14% YoY

Insolvencies by sector in Ireland

No. of insolvencies

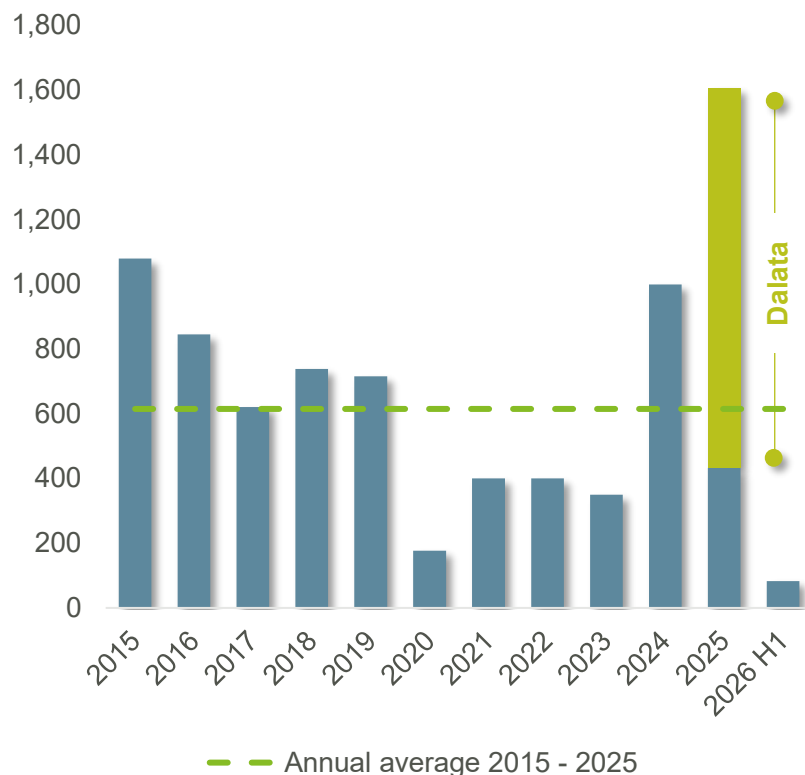


Subdued hotel investment activity in H1 2026



Last year marked a record year...

Hotel transactions, €m



... lower value transactions so far this year

Top hotel transactions
H1 2026

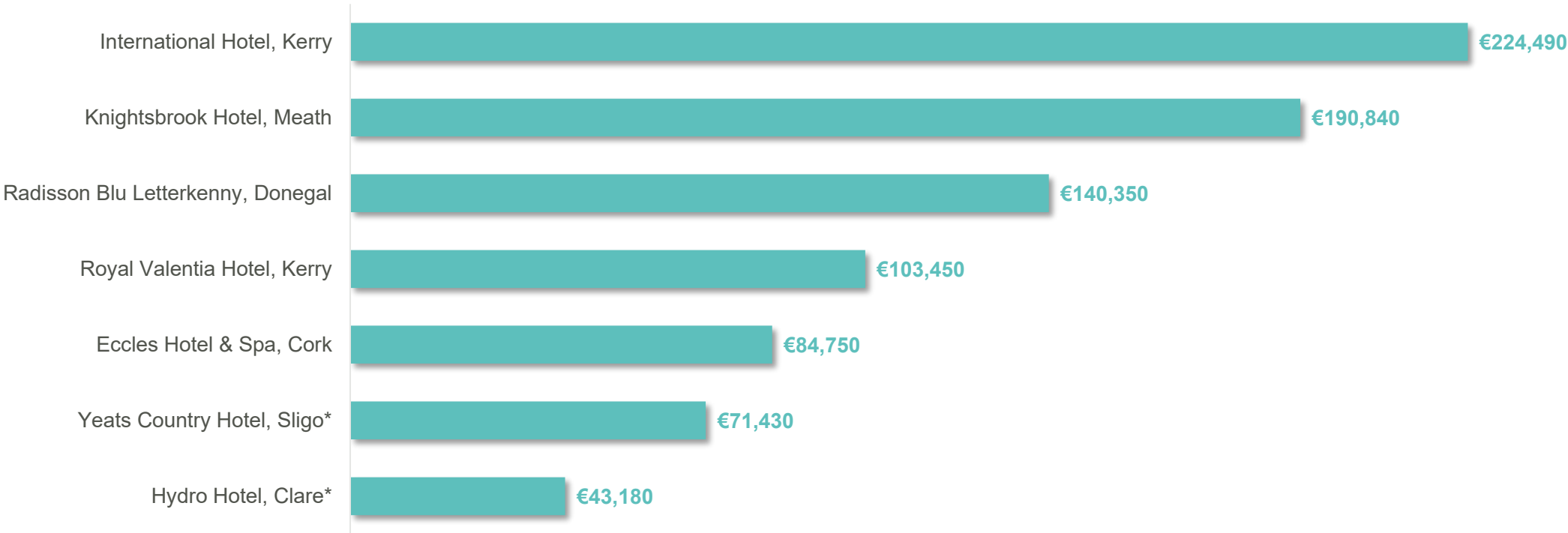
Asset	County	Price	Vendor	Purchaser	Rooms	€ / Key
Knightsbrook Hotel	Meath	€25 million	Private	FBD Hotels & Resorts	131	€190,840
The International Hotel	Kerry	€22 million	Coyne Family	O'Donoghue Ring Collection	98	€224,490
Radisson Blu Hotel	Donegal	€16 million	Byrne Family	TMR Collection	114	€140,350
Yeats Country Hotel	Sligo	€7 million	Fiona McEniff	Michael O'Hehir and Ronnie Greaney	98	€71,430

Hotel transactions H1 2026 on a price per key basis

€

All transaction activity in H1 2026 was based outside Dublin

Hotel transactions in 2026: Price per bedroom key



* Property had been under International Protection (IP) use
Note: Transaction totals, individual transactions and other pricing metrics reflect reported values at time of writing.
Source: JLL, Savills, RCA, Media

A variety of assets have recently launched to the market



Hotels recently launched to the market include...

Asset Name	County	Price*	No. Rooms	Price per Key**
Dublin One Hotel	Dublin	€46 million	163	€282,210
Mount Falcon Hotel and Estate	Mayo	€10 million	32***	N/A***
The Leeson Inn	Dublin	€8.5 million	26	€326,920
Seven Oaks Hotel	Carlow	€7.5 million	89	€84,270



Dublin One Hotel



Mount Falcon Hotel and Estate



The Leeson Inn



Seven Oaks Hotel

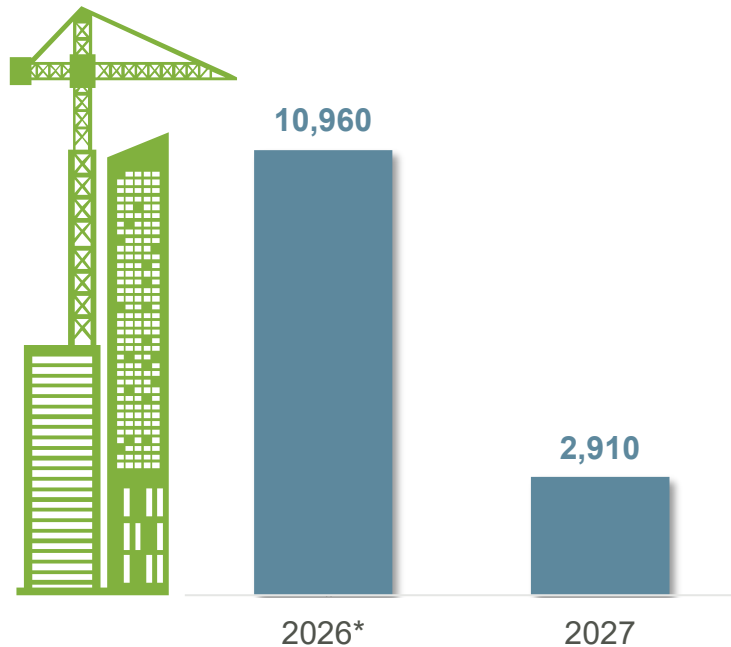
*Asking Price **Price per key if asking price were achieved *** 32 hotel bedrooms along with 17 guest lodges. Price per key is unavailable.
Source: CBRE, JLL, RCA, Media.

A total of 13,870 tourist accommodation bed places under construction



Bed places in the pipeline...

Bed places under construction, Q1 2026
Year of expected completion

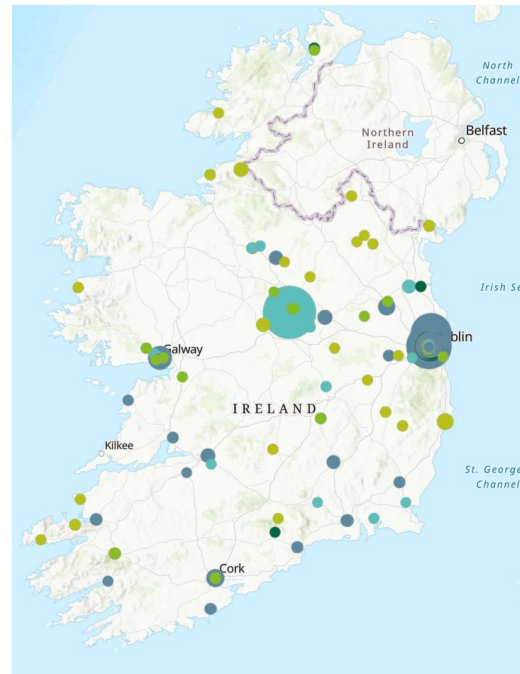


* Expected to complete in Q2 – Q4 2026

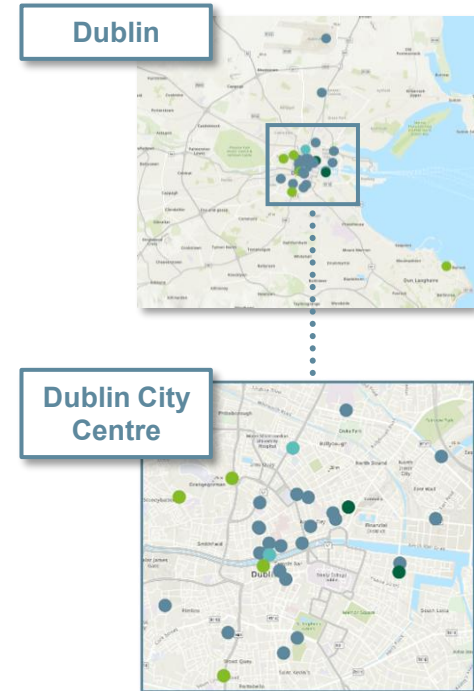


... dominated by Dublin hotels and Center Parcs Longford

Bed places under construction by master category, Q1 2026



● Hotel ● Holiday Let ● Outdoor ● Serviced Accom. ● Hostel



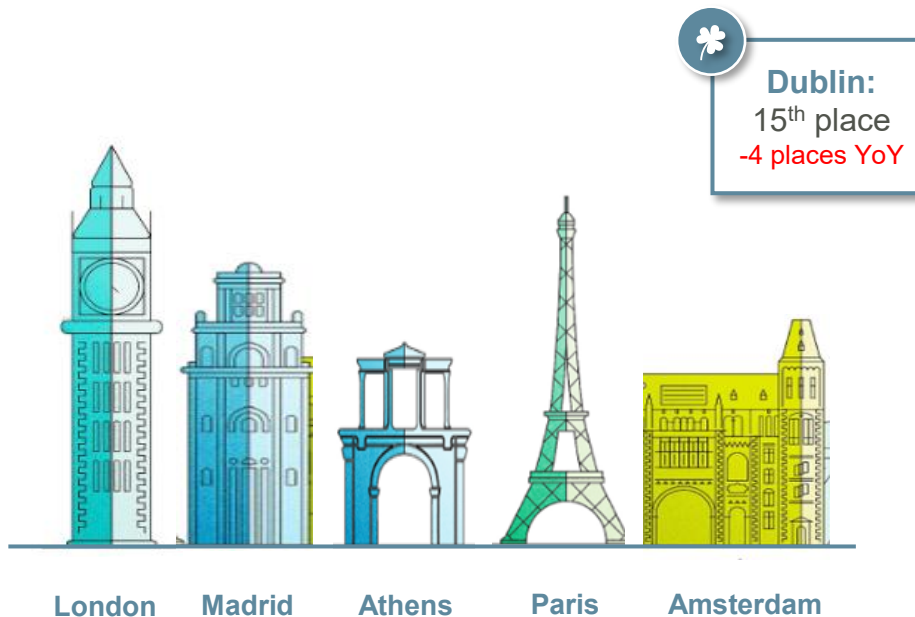
Map points adjusted by number of bed places, with a larger circle reflecting a higher no. of bed places.

Sentiment cools further for Dublin hotel investment



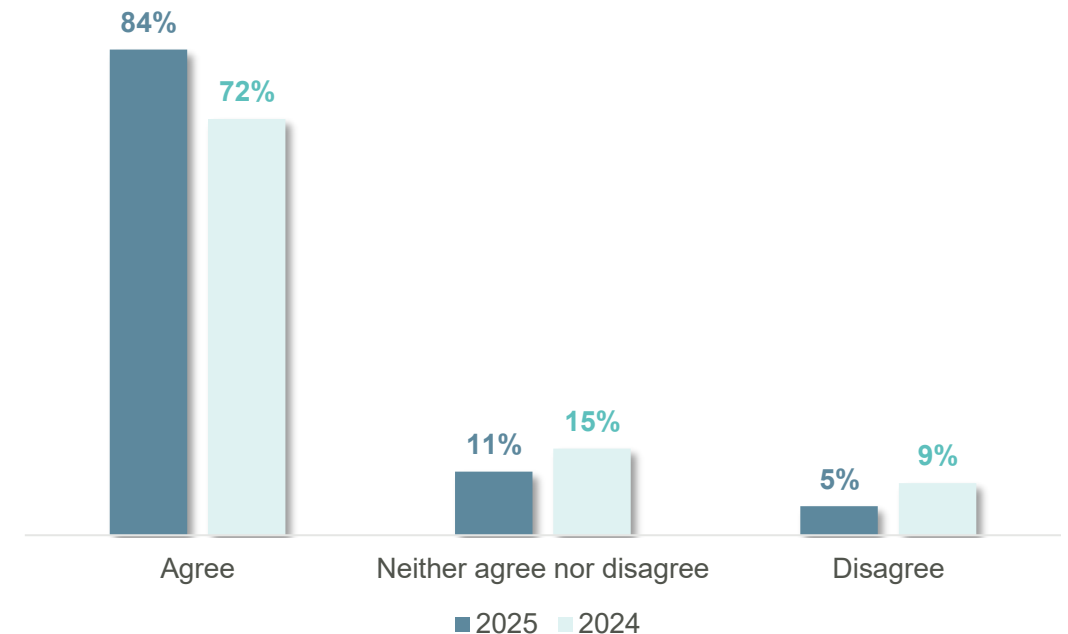
Dublin falls in city preference ranking...

Top 5 European cities for hotel investment



... as the overall European outlook is positive

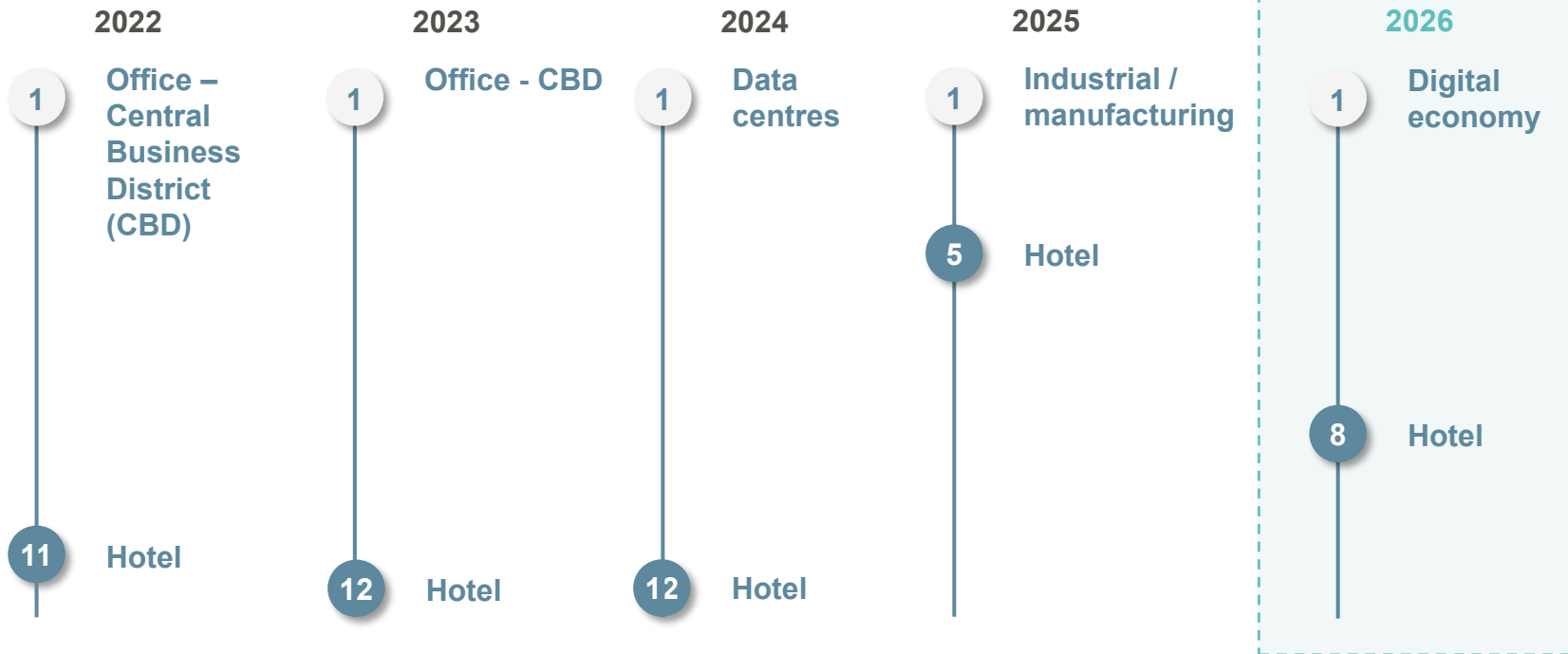
Agree or disagree: You are optimistic about the long-term future (5+ years) of the UK and European hotel market?





Globally, investor interest in hotels has fallen in the past year

Which asset classes do you believe will present the **greatest opportunity** for real estate owners and investors over the next 12 to 18 months?



In Europe,
Hotels rank 7th
2026 survey
-4 places from 2025 survey



Opportunities...

- ✓ Increased travel demand from “Rest of the World”
- ✓ AI improving efficiencies
- ✓ Increased consumer demand for unique experiences
- ✓ Investment focused on enhancement – refurb, repositioning, guest experience upgrades
- ✓ Dollar has strengthened against the Euro from last year (however has not returned to 2024 levels)
- ✓ Market segmentation – luxury and value end



... and risks

- ✗ Renewed inflation risks – energy, food, construction
- ✗ Interest rate outlook has changed – 25bps increase to date, with markets expecting another rate hike.
- ✗ Renewed test for consumer resilience – higher airfares, inflation and geopolitical uncertainty
- ✗ Over tourism and negative sentiment towards tourism
- ✗ Labour / workforce challenges

