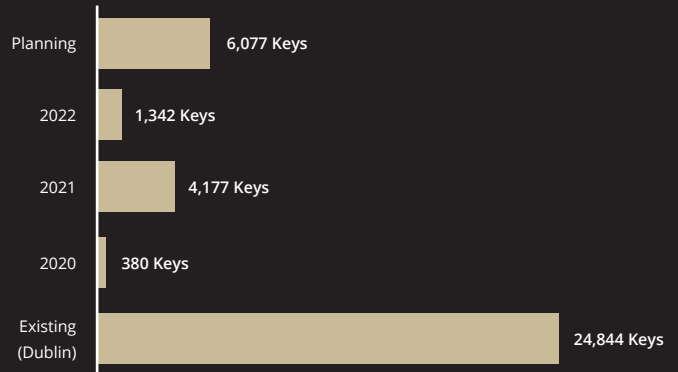
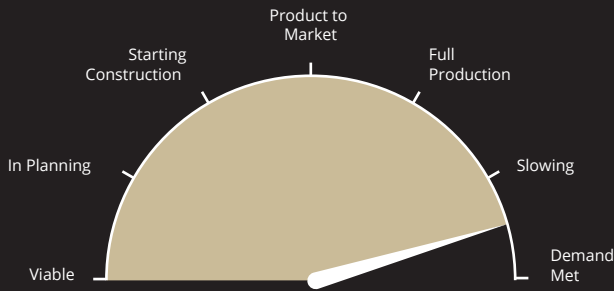


SUPPLY & DEMAND



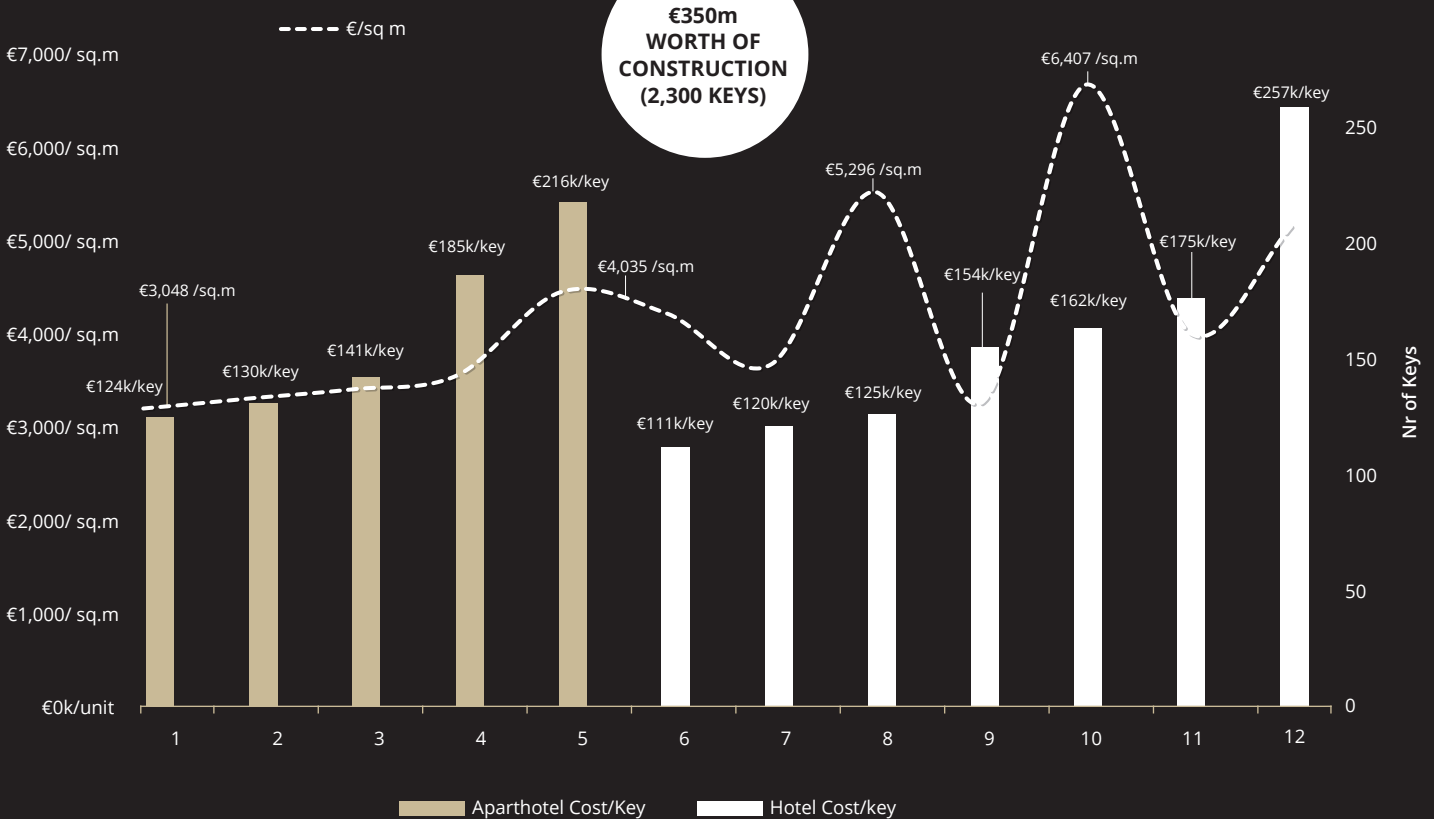
New hotel development was hit severely by the pandemic and continues to be impacted. 380 new beds opened in 2020 with a large majority delayed into 2021. As of January 2021, 4,177 keys were due to open in 2021. However due to the 2021 Government Restrictions on commercial construction, the majority of hotel projects are on hold. Subject to hotel sites reopening and programmes being realigned, a lot of these keys are likely to open in 2022. A lot of the new schemes that would have been due to start in 2021 are also currently on hold (Apr 21). There are a significant amount of hotels that have planning, the majority of which are in the budget hotel categories.

There are only two new potential 5 star hotels planned with most of the activity in this sector being small extensions / refurbishments. This relates to the Dublin market only.

KEY POINTS

- 3,113 keys assessed for cost benchmarking
- €157,716 average cost per key
- 6,077 keys + due to come out of planning in 2021
- Key differences between hotel and aparthotel design and delivery that need to be understood by development team

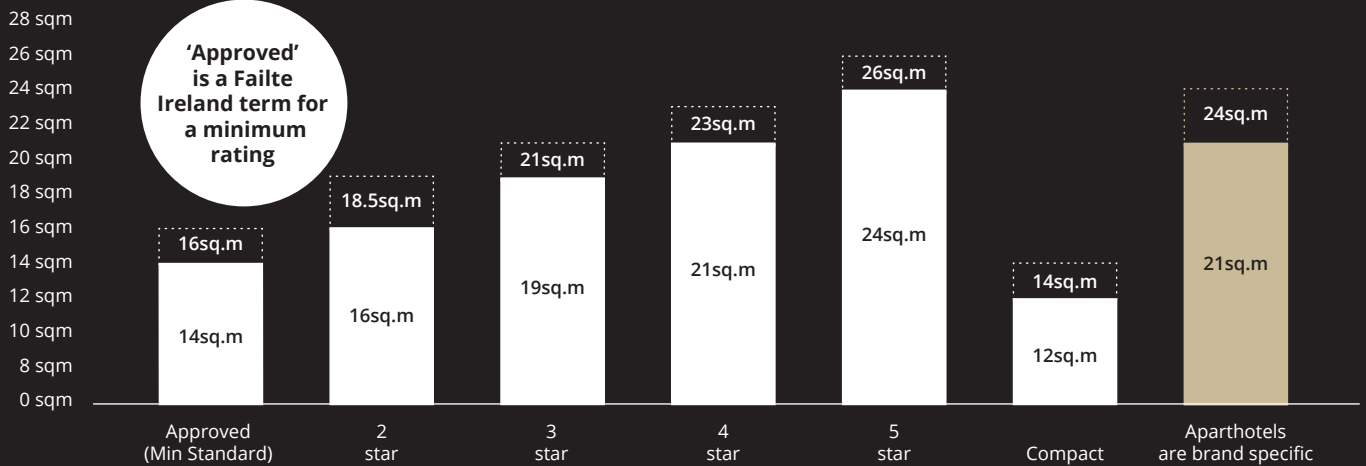
HOTEL COST BENCHMARKING



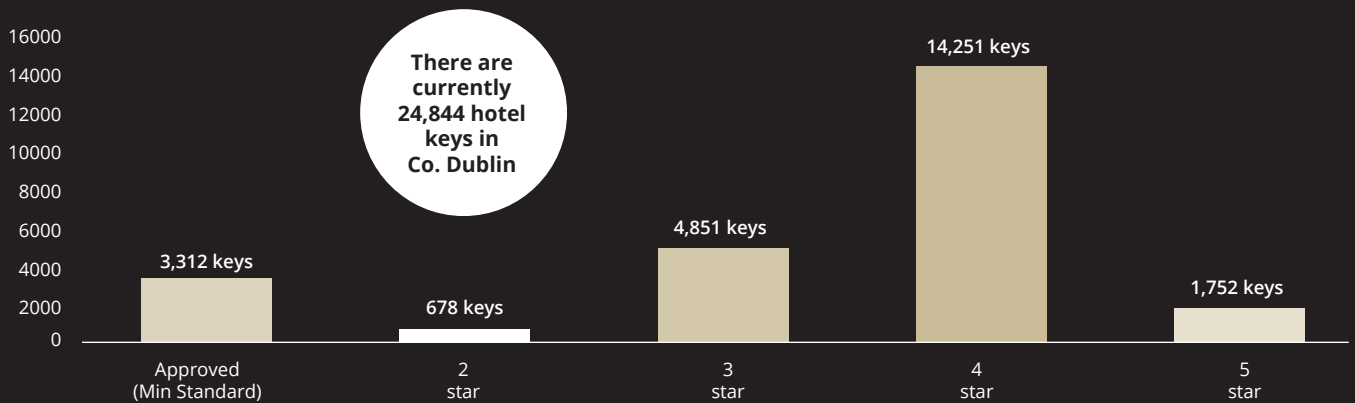
Professional advice should be sought for specific projects. These indicative building costs should NOT be used for fire insurance valuations or for residual valuations for funding purposes. Mitchell McDermott provide specific detailed valuations for fire insurance or more specific reinstatement valuations as required. Costs are for construction only and exclude VAT | Tender Inflation from January 2021 | Site Acquisition | Planning and Statutory Fees | Development Contributions | Capital Contributions for Services connections | Bonds | Professional Fees | Sales and Letting Costs | Marketing | Legals | Valuers | Accountancy Costs | Finance Costs | District Heating | Show Units | Site Works | Sprinklers | Owner Insurances | Adjoining Neighbour Costs | Abnormal Ground Conditions | Brexit/Covid



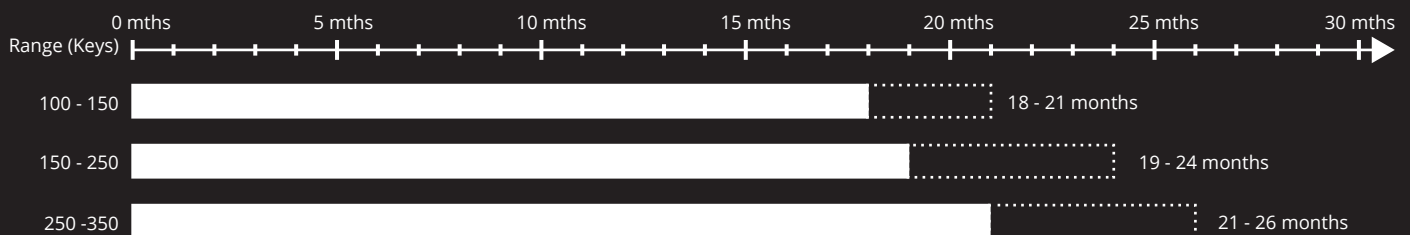
TYPICAL DOUBLE/STUDIO ROOM SIZES (subject to brand standards)



BREAKDOWN OF EXISTING HOTEL KEY TYPES IN CO. DUBLIN



PROGRAMME



THINGS TO WATCH

- Design Efficiency
- Gross floor area per key
- OS&E (Operating supplies and equipment)
- Differences between Hotel Brand Standards
- Hotel Catering requirements
- Furniture, Fittings and Equipment (FF&E) - especially 5 star
- COVID-19 new hotel operating and maintenance regimes
- Brexit impact on UK driven Hotel Brands
- COVID-19 impact on hotel industry
- Incorporating hotel brand standards into a hotel with an existing planning permission
- Sprinkler requirements- especially Aparthotels
- Inflation



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