



UK HOTEL MARKET REVIEW 2026

An Insight into the Hotel Sector

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INTRODUCTION

The UK hotel market is signalling a phase of stabilisation in 2026, underpinned by robust demand, following a period of increased complexity and heightened competition as new supply has been absorbed. **Demand is resilient, but travellers are increasingly selective**, with the post-Covid shift towards leisure-led travel continuing to shape performance.

However, the ADR growth this supported is now easing, as overseas visitation is impacted by geopolitical conditions, and domestic travel patterns evolve in line with changing demographics and consumer behaviour. As a result, hoteliers face uneven demand growth alongside rising cost pressures, while navigating a rapidly evolving distribution landscape, driving the need for strategic investment in assets and technology to maintain visibility and market share.

Against this backdrop, Christie & Co was ranked **the most active hotel agent in the UK and Eurozone in 2025 by transaction volumes**, according to MSCI Real Assets Global Brokerage Rankings. This reflects our continued leadership in transactional and advisory activity, and provides a unique perspective to reflect on the UK market, informed by operational, tourism and investment data.

Demand conditions remain supportive, but increasingly fragmented. Domestic tourism continues to underpin the market, with growing trends towards shorter, more flexible and value-led trips, intensifying competition for share rather than driving overall growth. In this context, **short-stay, event-led demand is driving performance**, particularly in urban markets where strong event calendars and diversified demand drivers support occupancy and rate.

Meanwhile, inbound tourism is gradually recovering, with long-haul markets outperforming Europe, although flows remain uneven and sensitive to geopolitics, policy changes and cost pressures. This evolving demand backdrop is reflected unevenly across regions, reinforcing divergence in performance across locations and asset types.

Operationally, the sector faces a challenging environment, including elevated interest rates, persistent labour and National Insurance costs, business rates reform, and volatile utilities. These pressures are constraining profit conversion and accelerating a shift in focus from revenue recovery towards cost control, margin management and operational efficiency - where **profitability growth is shifting from rooms to total revenue and experience-led spend**.

Within this, targeted operational levers are becoming more important. For example, **breakfast presents a major opportunity to enhance both profit and guest experience**, alongside wider efforts to drive ancillary spend and differentiate the guest proposition.

Looking at deals, **transaction activity remains high, from private buyers to institutional capital**, although the market is becoming increasingly selective. Private buyers and owner-operators continue to drive deal volumes - particularly in regional markets and smaller assets - while institutional investors focus on higher-value assets, portfolios and structured transactions. London remains the dominant investment market due to its concentration of institutional-grade stock, while regional activity is largely supported by domestic capital. There is also growing focus on segments such as aparthotels, extended-stay and leisure-led assets, alongside the continued expansion of operator-led platforms.

Financing conditions are also evolving. **Lending markets have steadied, but remain cautious and refinancing-led**, shaping deal structures. At the same time, **while insolvencies are declining, pressure on operators persists**, reflecting the ongoing strain of cost inflation and margin compression across the sector.

In this context, this review examines demand dynamics, tourism trends, and transaction activity, to provide an updated outlook for the UK hotel sector. In the face of macroeconomic headwinds and geopolitical uncertainty, the sector's adaptability, combined with the strength and depth of domestic demand, continues to support investor interest as more assets come to market, and the ability of operators to navigate an increasingly fragmented, experience-led and competitive landscape will be critical to performance and value creation.



CARINE BONNEJEAN

Managing Director – Hotels & International

UK TOURISM DEMAND

Demand is resilient, but travellers are increasingly selective

DOMESTIC DEMAND AND THE STAYCATION SHIFT

Domestic tourism continues to underpin UK demand, with overnight trip intentions remaining stable despite ongoing cost-of-living pressures and elevated inflation in early 2026. However, this stability reflects behavioural shifts rather than volume growth, as travellers are becoming increasingly selective about when and how they travel.

The staycation market remains structurally resilient, but increasingly competitive and dynamic, characterised by shorter stays, later bookings, and more targeted destination choices. As a result, demand is being redistributed, rather than growing, which is intensifying competition and requiring more active management of pricing, availability and conversion at property level.

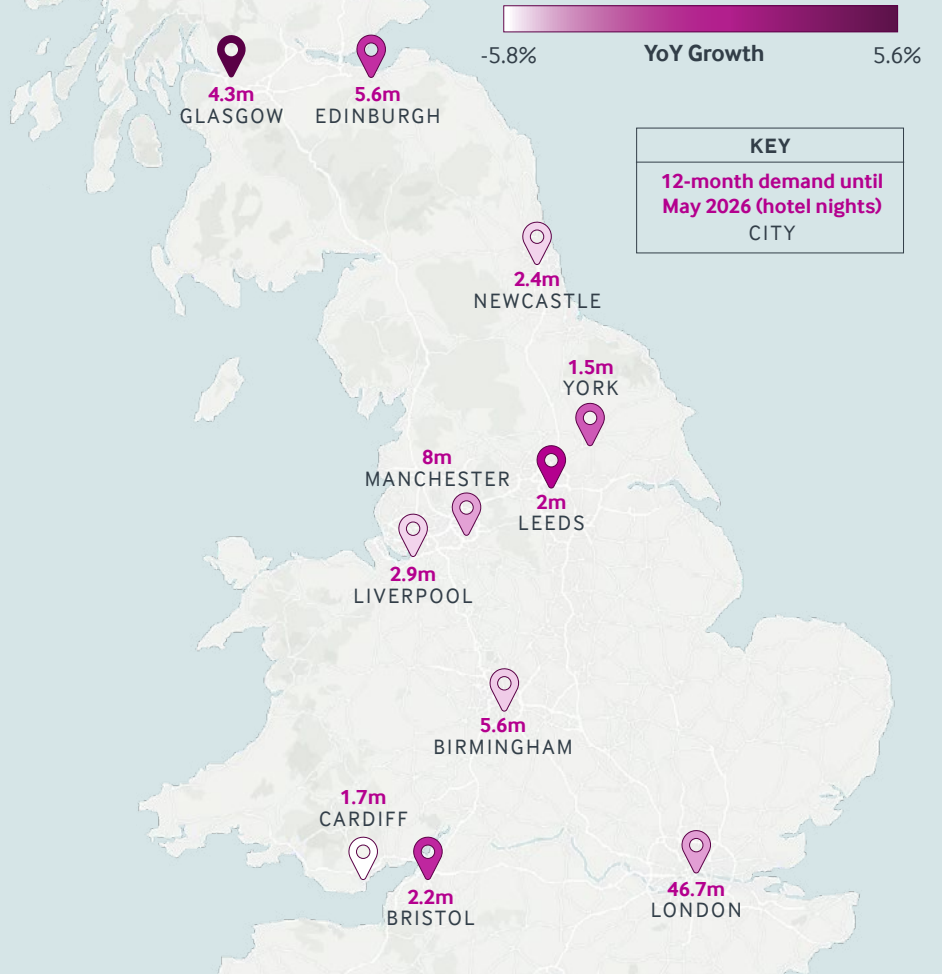
INBOUND RECOVERY AND INTERNATIONAL FLOWS

Inbound demand to the UK continues to recover gradually and unevenly, with early 2026 volumes slightly ahead of last year, and is expected to continue contributing to growth in 2026. Performance varies by source market, reflecting differences in economic conditions, travel costs and geopolitical exposure. North American demand, while not without uncertainty, remains a stable and valuable inbound segment, particularly Canada, supported by relatively strong economic conditions. While long-haul demand remains important for growth, its variability highlights the need for targeted, market-specific strategies rather than reliance on broad inbound recovery.

CHANGING TRAVELLER BEHAVIOUR

Travel behaviour is increasingly experience-led and flexible, with more price-sensitive, agile consumers, contributing to demand being spread more evenly across the year, though still driven by events and purpose-led travel. At the same time, shorter booking windows and reduced lengths of stay are reshaping demand. Experience and destination appeal are playing a larger role alongside accommodation, creating opportunities for operators to capture more total guest spend.

DEMAND GROWTH TRENDS ACROSS KEY UK MARKETS (YOY, MAY 2026, 12-MONTH)



2026 VisitBritain forecast*

45.5m

Number of inbound visitors to the UK

£35.7bn

Inbound spend

+4%

Growth in visitor numbers YoY

+5%

Real visitor spending growth YoY

96%

Real visitor spend vs pre-Covid levels

*This forecast reflects the January view and does not take into account the impact of the Iran conflict.

Sources: GBTS, State of the Nation Report by VisitBritain (April 2026), Domestic Sentiment Tracker Report by VisitBritain (May 2026), Christie & Co Research and Analytics

TRADING PERFORMANCE HIGHLIGHTS

Short-stay, event-led demand is driving performance

REVPAR YOY GROWTH IN KEY MARKETS (MAY 2026 YTD VS MAY 2025 YTD)



TRAVEL DURATION AND TIMING

Demand remains primarily driven by short-stay domestic travel, with **around 80.5% of stays being one night**, linked to business, events and short leisure trips. Patterns are becoming more evenly spread across the year, with **renewed strength in months such as October and December**.

Revenue performance is broadly stable, though growth is constrained by limited pricing headroom and a short-stay, event-driven demand base. As such, we are seeing a growing divergence between room and total revenue, with incremental spend increasingly driven by ancillary services and experience-led demand, rather than rooms alone.

REGIONAL MARKET DYNAMICS

Regional performance across the UK highlights a clear divergence in year-on-year RevPAR growth trajectories, driven primarily by local supply and event dynamics, rather than underlying demand differences.

At the lower end of the year-on-year RevPAR growth spectrum, markets such as **Liverpool** are showing a softening in performance, with both rate and occupancy

declining despite stable demand and limited new supply. This reflects ongoing economic pressures driving more price-sensitive consumer behaviour, with further downside risk linked to a softer forward event calendar. Meanwhile, **London** sits closer to stabilisation, supported by the depth of its demand base.

In contrast, **Edinburgh** and **Glasgow** lead the pack, with strong growth driven by increases in both rate and occupancy. Glasgow is particularly supported by robust demand fundamentals, with demand growth outpacing new supply. **Cardiff** is also among the stronger performers; despite a decline in demand, a reduction in available supply, most notably following the closure of the Park Inn due to cladding-related issues, has rebalanced the market and supported overall performance.

MARKET STRUCTURE

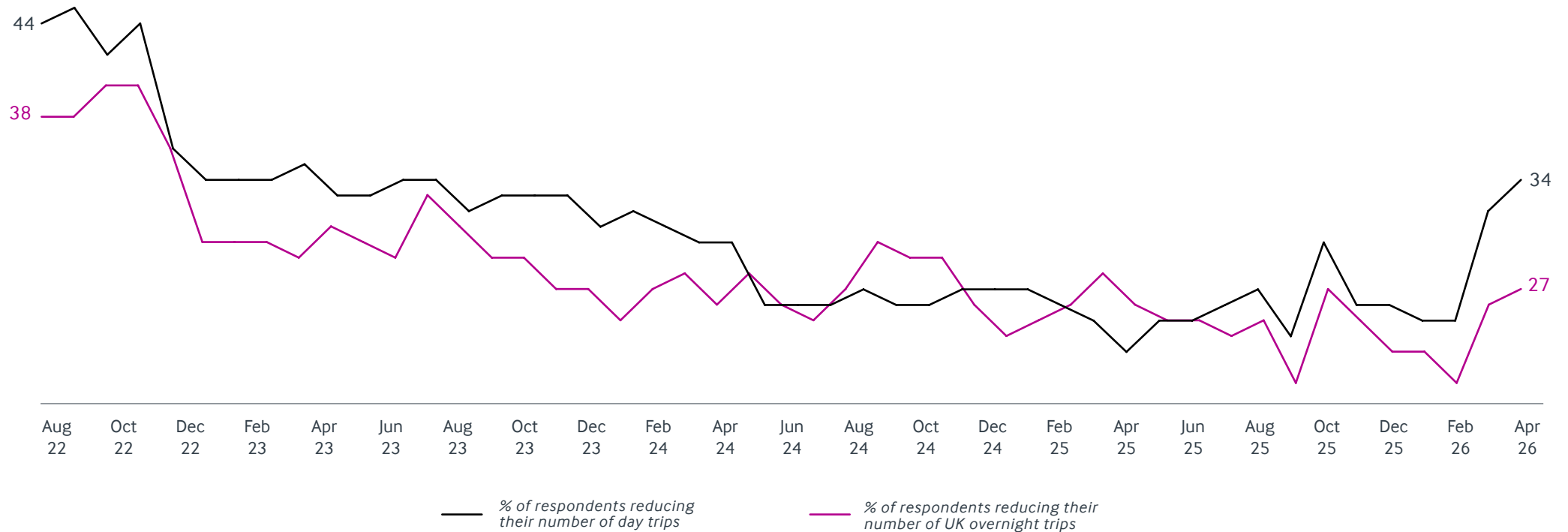
The UK market is now showing a clear two-tier structure, with divergence driven by local supply dynamics, event exposure and pricing power, rather than differences in underlying demand strength. Markets with strong event infrastructure or favourable short-term supply conditions are more resilient, while supply-heavy and non-core markets face greater pricing pressure and weaker demand.

TREND SPOTLIGHT: UK TRAVELLER SENTIMENT



JAMES BLAND
Commercial Director – Ipsos
Travel, Hospitality & Leisure

IMPACT OF COST OF LIVING ON UK HOLIDAYS, SHORT BREAKS AND DAY TRIPS



A sharp uptick in plans to reduce overnight and day trips, says IPSOS

Following a visible worsening from earlier in the year of the cost-of-living situation, with nearly six in 10 respondents stating, “the worst is still to come”, the May VisitEngland Domestic Sentiment Tracker, conducted by Ipsos, highlights a noticeable rise in consumers’ plans to reduce both day and overnight trips. This is echoed by Barclays

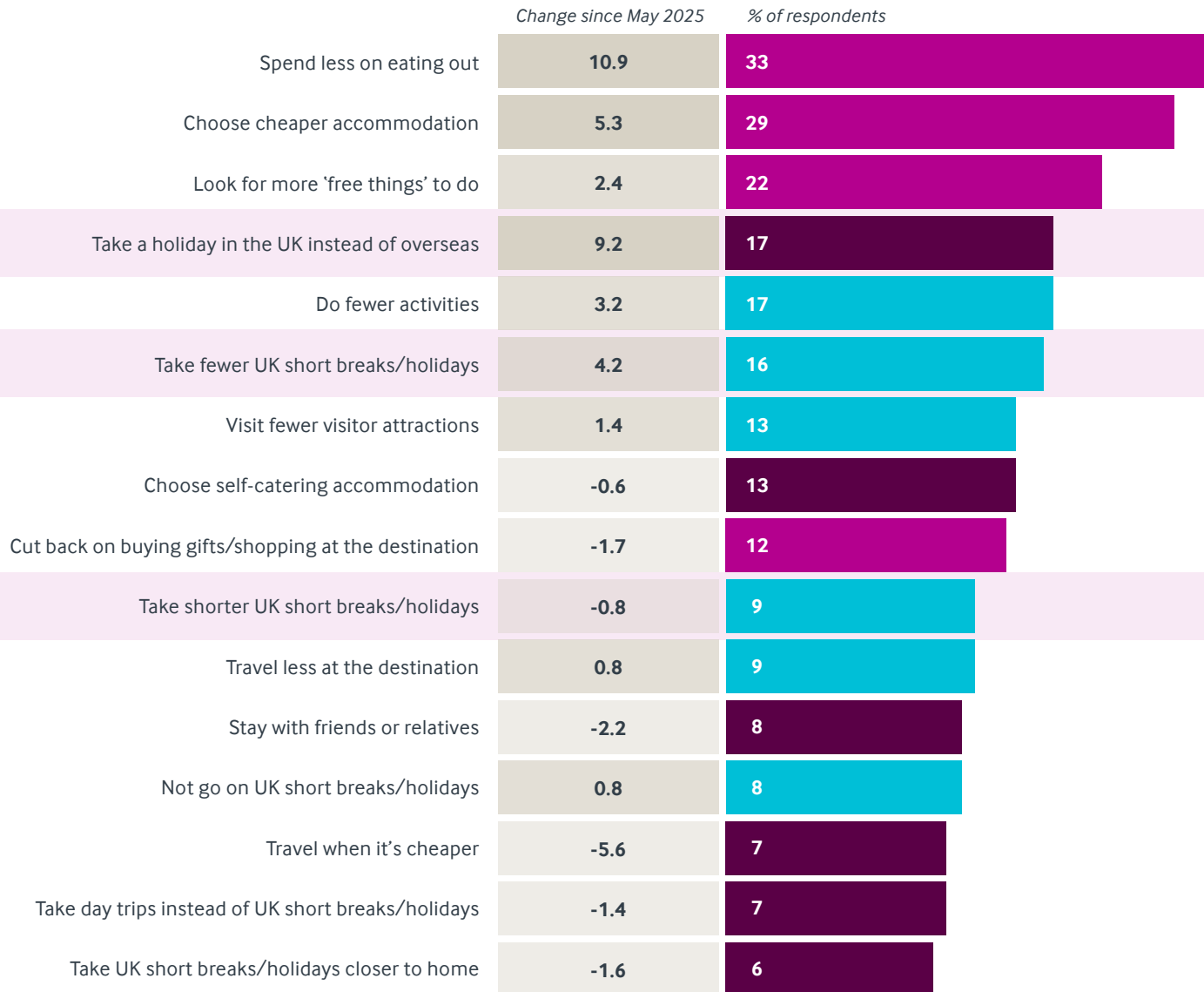
Spend Insights released this May, which points to a drop in travel spending of 5.7% year-on-year, owing to bookings being impacted by cost and disruption concerns. The Hotel, Resorts & Accommodation category recorded a 4.8% decline in transactions, contrasting with a reduction of only half of that in spend within the segment.

TREND SPOTLIGHT: UK TRAVELLER SENTIMENT



JAMES BLAND
Commercial Director – Ipsos
Travel, Hospitality & Leisure

HOW WOULD YOU SAY THE 'COST OF LIVING CRISIS' IS LIKELY TO INFLUENCE YOUR UK SHORT BREAKS OR HOLIDAYS IN THE NEXT SIX MONTHS?



The staycation trend may play extra time amid a price sensitive market.

A silver lining for the sector, which may support trading in the second half of the year, despite the aggravation of spending caution by UK travellers, is the influence of cost of living on their behaviour and intentions to pursue a holiday in the UK instead of overseas in the next six months - and a possible prolonged staycation trend. According to VisitEngland and Ipsos findings, almost twice as many people as in 2025 - nearly one in five - will cope with the rising cost-of-living by holidaying in the UK instead of overseas. The top of the chart, however, suggests a persistent sensitivity on spend on both accommodation and eating out over the short-term. The behaviour change towards taking shorter breaks closer to home or opting for day trips instead of UK short breaks presents an opportunity for UK destinations to compete on experience-rich stays that may previously have been chosen by those travelling overseas.

Sources: The VisitBritain Domestic Sentiment Tracker, conducted by Ipsos

■ Spend Less ■ Do Less ■ Change Behaviour



PROFITABILITY TRENDS

Profitability growth is shifting from rooms to total revenue and experience-led spend

REVENUE STABILISATION AND PRICING POWER

Revenue stabilisation is no longer translating into profit growth, marking a shift from recovery to margin-led performance. While trading remains resilient, price-sensitive demand is limiting rate growth beyond inflation, particularly outside peak and event-driven periods, which is leaving pricing power constrained.

RevPAR growth is slowing, while TRevPAR remains relatively resilient, supported by increased non-room spend, reflecting the shift towards experience-led consumption over accommodation-only.

COST CHALLENGES AND THE OPERATING ENVIRONMENT

Cost pressures are now the defining feature of the operating environment, constraining profit conversion. Labour remains the largest cost base, with wage inflation and National Insurance increases continuing to pressure margins, despite active cost control and some payroll stabilisation. This is compounded by business rates, staffing costs and financing conditions, with cost increases largely structural, and the UK facing a more acute cost environment than European peers.

While utility costs have eased from peak levels, they remain volatile, with ongoing geopolitical risks driving uncertainty. At the same time, elevated interest rates continue to constrain operations and investment, impacting debt servicing, refinancing and pricing assumptions.

OUTLOOK

As a result, margin compression is becoming structural, even where RevPAR remains stable or positive. The sector is shifting from revenue-led recovery to margin-focused performance, with profit increasingly driven by total revenue optimisation, cost discipline and operational efficiency.

From an investment perspective, this signals a shift towards income resilience and cost structure optimisation, with greater scrutiny on assets' ability to remain agile and sustain margins.

This reinforces the need to maximise total guest value, with greater focus on non-room revenues, partnerships, and experience-led positioning to offset shorter stays and rising acquisition costs.



TREND SPOTLIGHT: THE UK MEETINGS & EVENTS MARKET



PETER HEATH
Founder - Venue Performance

£158 vs £51 Revenue Per Delegate (RPD):

Premium markets generate
3x more than declining ones

+47% events
growth despite
enquiries **down 7%**

MARKET PERFORMANCE & DIVERGENCE

The UK meetings and events market in 2026 is not one market, but three, moving in opposite directions - and the gap between them is widening with each month of data.

At the premium end, venues in Greater London and the East Midlands are averaging £158 Revenue Per Delegate (RPD) YTD, with strong event volumes and all five core pipeline metrics moving in the right direction. At the other end, venues across Yorkshire & Humber, the North East, Wales and East England average £51 RPD - **less than a third of the premium tier** - with structural volume withdrawal evident in every month of the year, not just seasonality. In between sits a volume tier of broadly busy venues, generating activity without meaningful yield growth.

The metric that best captures this divergence is Revenue Per Delegate. It reflects what a venue is truly worth to the market - not how busy it is, but how much value it extracts from each piece of business. Enquiry volumes and event counts indicate activity; RPD indicates commercial health. A venue running 20% more events at lower RPD is working harder for less - a pattern now evident across most UK regions.

The other metric to watch is delegation size, as 2026 introduces a dynamic that flatters headline numbers. Nationally, sizes are up 23% YTD - suggesting bigger groups and more spend - but RPD has grown only 9.6%. **Venues are filling larger rooms without proportionately monetising additional headcount.** For residential venues, larger groups mean more day delegates and fewer overnight stays per head, directly eroding bedroom revenue. What appears to be a demand opportunity is, for many, quietly compressing their most valuable revenue line.

The data points to a market that is broadly healthy on volume but increasingly stressed on yield. Lead times have collapsed – down 38% nationally and 55% for residential venues, from 63 days in 2025 to 28 days in 2026. At this level, residential venues have structurally lost the ability to manage room blocks, apply dynamic pricing or respond meaningfully to demand signals. This is not a temporary shift. Five months of consistent, cross-regional data suggest a new operating reality, with most venues yet to adapt their commercial model.

DEMAND MIX & VALUE CREATION

The **shift towards larger, higher-spend but lower-frequency events** is one of the most significant structural changes in 2026, creating a genuine fork in the road for venue operators.

The opportunity is real, and non-residential venues are demonstrating it clearly. Despite enquiries being down 7% YoY, events are up 47%, sales 21% and RPD 24.5%. They are **doing more with less demand**, converting at higher rates and generating more revenue per delegate.

The F&B story is particularly striking: RPD has risen from £38 to £66 (+75%), now accounting for nearly half of total RPD. This is **not a pricing story, but one of packaging and upsell**, with inclusive catering capturing spend previously left on the table or lost to external suppliers.

TREND SPOTLIGHT: THE UK MEETINGS & EVENTS MARKET



PETER HEATH
Founder - Venue Performance

The contrast with residential venues highlights what differentiates those capturing the opportunity from those that are not. Enquiries are up 7%, but events and sales remain flat. Delegation sizes have increased by 27%, yet RPD has fallen 9%. The **underlying issue is bedroom yield: larger groups increase the share of day delegates**, reducing the bedroom-to-delegate ratio even as headcount rises. “Other RPD” - largely bedroom revenue - is down 16% nationally. Venues failing to capture value from larger groups remain reliant on bedroom yield that the market is structurally delivering less of.

What differentiates value capture is not product, but commercial model. Outperformers package inclusively, price for group size rather than per room, and convert enquiries at higher rates. The North West illustrates this clearly: events and sales are up 21% from flat enquiries, delegation sizes up 34%, and RPD up 38%.

These outcomes are not accidental - they reflect venues structured to understand and extract value from their demand pool. The structural opportunity is significant because the gap is both large and consistent. A £107 RPD difference between the premium and declining tiers, sustained across five months and every region, is not noise - it is signal. The middle tier - busy, broadly stable, but not growing yield - has the most to gain from understanding what the top tier is doing differently.

DATA & AI

This data picture is only visible through a unified dataset. The most important insights - resi/non-resi yield crossover, lead time collapse and the delegation size paradox - are invisible to any single venue, and emerge only in aggregate. **The priority for data in this sector is not AI or automation, but collection, consistency and comparison at scale.**

That said, once the data foundation exists, the opportunities for automation and AI are substantial and largely unrealised in practice today.

The **most immediate and high-value opportunity lies in pricing and packaging.** The data shows that venues responding best to larger delegation sizes package inclusively - building F&B, AV and space into delegate rates rather than itemising them. In principle, AI-assisted pricing tools could dynamically recommend package structures based on group size, lead time and event type. In practice, very few operators have the data infrastructure to support this.

The second opportunity is **conversion.** The gap between enquiries and confirmed events is widening across most regions. Demand is not the issue - **conversion is where value is lost.** AI-assisted CRM tools could prioritise follow-up using signals such as group size, lead time and event type, improving confirmation without additional demand. While technically achievable, this is limited by the quality and consistency of underlying data.

The third opportunity, and the longest-term, is in **demand forecasting and pipeline visibility.** The lead time collapse is not just a yield issue, but a forecasting one. Venues that once had 60+ days of visibility now have 28. AI models trained on booking patterns, seasonality, regional demand and external signals could partially offset this loss, but require longitudinal data at a granularity the sector is only beginning to build.

The honest assessment is that the sector remains early. While venues benchmarking against market data are ahead, **most still use it reactively – to understand what happened – rather than predictively,** to shape what happens next. The tools to move from descriptive to predictive analytics exist, and the data infrastructure is being built. The gap between what is possible and what is happening in practice remains wide – and represents a clear commercial opportunity for operators willing to close it first.

TRANSACTION ACTIVITY

Transaction activity remains high, from private buyers to institutional capital

The hotel transaction market in 2026 has been characterised by a number of high-profile deals, with notable transactions including the sale of Cameron House on Loch Lomond, the Radisson Blu Edwardian Hampshire, and the London Marriott Grosvenor Square. Transaction activity remains concentrated at opposite ends of the market, with **private buyers and owner-operators accounting for over 50% of transactions** by volume, primarily targeting **sub-50 key assets**.

In contrast, institutional capital and private equity investors remain focused on high-value assets and portfolios. This is evidenced by transactions involving groups such as Select Group's acquisition of the Marriott Country Club portfolio and Millemont Capital Partners' acquisition of Crowne Plaza Reading and Marlow, and the Courtyard by Marriott Oxford City Centre for £74 million. Joint venture structures are also becoming increasingly prevalent at the upper end of the market, for example StepStone Real Estate and a&o Hostels' acquisition of the ibis and Novotel Manchester Centre.

London accounts for a smaller share of transaction volume by number, but continues to dominate overall investment volumes, reflecting the concentration of large, institutional-grade assets. The market also demonstrates a clear distinction between domestic and international capital. Domestic investors are driving the majority of deal activity by number, particularly in regional markets, while international capital remains concentrated in larger, high-value transactions in London and other key cities.

Investor appetite is also expanding into alternative accommodation segments, including aparthotels (e.g. Wilde Vauxhall, acquired by Staycity and Citygrove Securities, and Dao by Dorsett, acquired by AMTD) and holiday parks. At the same time, there is a growing presence of specialist hotel platforms and operator-led buyers, with groups such as Fattal, PPHE and AMTD Idea Group actively deploying capital and scaling their UK platforms.

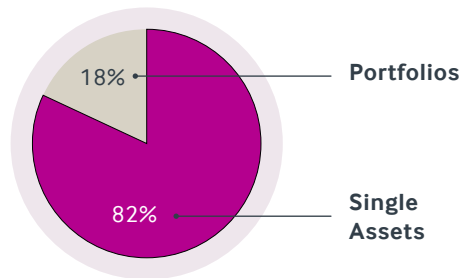
£1.95bn

Transaction Volume in H1 2026

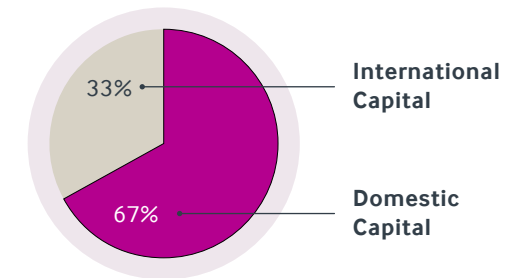
160+

Deals Completed in H1 2026

PORTFOLIO VS SINGLE ASSET TRANSACTIONS



DOMESTIC VS INTERNATIONAL CAPITAL



"Operating hotels continues to attract both established players and new entrants to the sector. Of particular interest are lower-cost operating models such as branded limited-service hotels or extended-stay/ serviced apartments in major urban centres, with the reduced cost base and limited reliance on food and beverage revenue enabling operators to maximise profitability. Conversely, we are also seeing strong investor demand for wellness, golf and leisure-based businesses, driven by growing consumer interest in these sectors."

Jeremy Jones, Head of Brokerage - Hotels



We completed over two hotel transactions per week in the first half of 2026.

INSOLVENCY & DISTRESS



STEPHEN JACOBS
Director – Bank Support &
Business Recovery

Insolvencies are declining, but pressure on operators persists

- 15%

**YOY decline in
accommodation insolvencies**
Jan - Apr 2026 vs Jan - Apr 2025

5%

**Hotel insolvencies as a percentage of
all leisure and hospitality insolvencies**
Jan - Apr 2026

Hotel insolvencies in England and Wales in 2025 were materially ahead of the prior year, at +12%. Figures from the insolvency service, however, show a decline of 15% in 2026, from January to April inclusive, compared with the same period in 2025. This mirrored our own activity, in terms of the number of distressed sale mandates we received.

Despite this decline, the operating environment for hotels remains highly challenging. Margins are under sustained pressure due to a combination of factors, including rising employment and tax costs, and persistent inflation in operational costs. These pressures are leaving businesses with thinner margins and less capacity to absorb shocks, and even relatively small disruptions in trading performance are pushing operators into financial distress.

While demand in parts of the market has shown resilience, underlying vulnerabilities are characterised by several key trends shaping the outlook for operators, lenders,

and investors. HMRC enforcement has been prevalent in cases we have dealt with, triggering administrations and compulsory liquidations. Loan defaults and covenant breaches have prompted some lenders to reassess their relationship with borrowers and seek to exit exposures in some instances. This has presented opportunities for recovery via asset sales or refinancing.

Access to an array of alternative funders has, to some extent, delayed the volume of distressed assets coming to market. By providing refinancing options in situations where traditional lenders have exited, alternative funders are stepping in to fill a funding gap.

The hotel sector is navigating a complex and evolving landscape of financial pressure and as this continues to unfold, the sector is likely to see an ongoing flow of distressed situations, presenting both risks and opportunities for stakeholders across the market.

TURNING BREAKFAST INTO PROFIT



STEPHEN CLARK
Consultant - Venners

Breakfast presents a major opportunity to enhance both profit and guest experience

Rising labour, energy and supplier costs, coupled with shifting guest behaviour and softer demand in some segments, is putting sustained pressure on hotel profitability. In this environment, operational efficiency is no longer a 'nice to have', it is fundamental to protecting margins, maintaining consistency across sites, and building long-term resilience.

With footfall under pressure in certain periods, the priority must shift towards maximising revenue and profitability per guest stay. Yet one of the most frequent and operationally intensive touchpoints - breakfast - is also one of the most overlooked sources of margin erosion.

Venners Consultancy analysed 15,000 hotel guests and observed real-time operations, processes and data across food and beverage served in hotels. The findings were clear: breakfast services are routinely under-optimised and having a disproportionate impact on gross profit.

On average, hotels are losing up to £1,500 per breakfast service, through a combination of overproduction, inefficiencies and avoidable waste. At the same time, breakfast is a critical part of the guest experience, often the most widely consumed element of a stay. Inconsistency at this stage directly affects brand perception, guest satisfaction, and repeat business. This creates a fundamental tension: the area that most influences guest perception is also where profit is being quietly eroded.

Our analysis shows a potential loss of 13% on average at each breakfast service reviewed, leading to a potential annual loss of around £50,000 per year per hotel in wastage. For multi-site operators, this compounds quickly into a significant, and often invisible, cost leakage across the estate.

The opportunity is not to reduce the experience, but to control it more intelligently. Small operational improvements, executed consistently, can materially improve both margin and guest satisfaction.

PROJECTED ANNUAL LOSS THROUGH BREAKFAST OPERATIONS (AVERAGE PER HOTEL)



HOTELIERS SHOULD FOCUS ON:

- Demand-led production: Align food preparation with real trading patterns, not assumptions
- Peak-time optimisation: Deploy multi-skilled labour against actual demand to improve productivity
- Product-level margin visibility: Understand which items dilute or drive profitability
- Guest mix analysis: Adjust the offer based on customer profile and consumption behaviour, for example families versus business guests
- Real-time stock control: Maintain visibility of usage throughout service
- Waste tracking and reduction: Identify and eliminate repeat loss drivers
- Availability tracking: Reduce lost revenue from items running out at peak times
- Cost per cover control: Monitor actual versus expected cost per guest in real time

When executed effectively, breakfast becomes more than a cost centre: it becomes a profitable, **brand-building touchpoint** that enhances the guest experience while protecting margin.

INDUSTRY INSIGHTS: AN INTERVIEW WITH SUKHI GIDAR



We spoke with Sukhi Gidar, Co-Founder and CEO at Gold Care Homes, to discuss the company's expansion into hospitality, including the acquisition of the Delta Hotels by Marriott Heathrow Windsor, and his views on the sector.

Q

Since founding Gold Care Homes in 1999, you have grown the business from a single home in Hertfordshire into one of the country's leading care providers, now operating more than 40 homes. How has Gold Care Homes evolved into the company it is today, and what were the key drivers behind your decision to expand into hospitality?

A

"My journey into the care sector was not something I had carefully mapped out from the outset; rather, it evolved naturally through experience, opportunity and a desire to make a meaningful difference. Having originally trained as a pharmacist, my late brother and I successfully operated a number of pharmacies before becoming involved in a care home development project in the Midlands. When the developer encountered financial challenges, we decided to invest in the venture ourselves, a decision that ultimately led to us taking on the day-to-day management of the home for the next three years.

"Those years proved to be transformative. While they provided invaluable insight into the regulatory, operational and staffing aspects of running a care home, they also opened my eyes to something far more important: the profound impact that compassionate, high-quality care can have on the lives of residents and their loved ones. Witnessing first-hand the difference that a safe, nurturing and well-managed environment can make inspired me to dedicate my career to the sector. More than three decades later, that commitment remains as strong as ever.

"When we founded Gold Care Homes in 1999, the ambition was simple: to create care environments where people would be treated with dignity, respect and genuine compassion. Over the years, that vision has grown into a business operating more than 40 homes across the country, but our core values have remained unchanged.

"Alongside this, I have always had a strong interest in hospitality. The decision to expand into the hotel sector felt like a natural progression because both industries revolve around delivering exceptional experiences, creating welcoming environments and putting people at the centre of everything you do. While the customer journey may differ, the underlying principles of service, quality and operational excellence are remarkably similar."

Q

You recently acquired the 382-room Delta Hotels by Marriott Heathrow Windsor. What were the key factors behind this acquisition, and what are your plans for the hotel?

A

"Hospitality has been a personal passion of mine for many years. From a young age, I was fascinated by hotels and the way they combine service, operations and guest experience under one roof. The opportunity to acquire the Delta Hotels by Marriott Heathrow Windsor represented an exciting chance to invest in a well-established asset with significant potential.

"The hotel benefits from an excellent location, a strong brand affiliation and a diverse customer base, serving both business and leisure travellers. For me, the attraction was not simply acquiring a hotel, but acquiring a platform that could be enhanced and developed over time.

"Our plans are focused on further improving the guest experience through investment in facilities and amenities. We are exploring enhancements to the gym and spa offering, the addition of padel courts and further development of the food and beverage experience. The objective is to create a destination that appeals not only to hotel guests but also to the wider local community."

INDUSTRY INSIGHTS: AN INTERVIEW WITH SUKHI GIDAR

Q What synergies do you see between care homes and hotels?

A “While they serve different markets, both sectors are fundamentally people-focused businesses. Success depends on strong leadership, well-maintained properties, effective systems and exceptional customer service.

“There are similarities across areas such as catering, housekeeping, facilities management and staff development. Above all, both industries are about creating environments where people feel welcomed, comfortable and valued.”

Q Are there any practices you have taken from hospitality into the operation of your care homes?

A “One of the biggest influences has been our approach to dining. For many residents, mealtimes are a highlight of the day, so we have taken inspiration from hospitality by focusing on presentation, choice, flexibility and quality. More broadly, hospitality has reinforced the importance of creating welcoming environments and memorable experiences, which are just as important in care as they are in hotels.”

Q What are the key challenges you have encountered when entering the hotel sector, and how have you approached these?

A “The hotel sector is highly competitive and influenced by a range of external factors, from economic conditions to changing travel patterns. The key has been building a strong team with hospitality expertise and maintaining a long-term approach to investment and operations.

“The fundamentals remain the same as in care: invest in people, focus on quality and deliver a consistently excellent experience.”

Q What do you see as the biggest opportunities in the hotel sector?

A “Today’s guests are looking for more than just a place to stay. There is growing demand for high-quality leisure facilities, wellness experiences and exceptional food and beverage offerings. Hotels that can create a strong sense of destination and deliver a memorable guest experience have a real opportunity to stand out and create long-term value.”

Q Looking ahead, what’s next for Gold Care Homes over the coming year?

A “We remain focused on sustainable growth across both sectors. Within Gold Care Homes, we are continuing to explore development and acquisition opportunities, while in hospitality our priority is maximising the potential of our existing investment through further improvements and enhancements.

“We are always open to new opportunities, but only where they align with our long-term vision and values.”

Q What would be the key factors for you when looking for new investment opportunities?

A “Location is always important, but I also look closely at value-add potential and the opportunity to improve an asset over time. I am particularly interested in properties where investment, operational expertise and a clear vision can unlock further growth.

“Ultimately, the most attractive opportunities are those where we can create something special and deliver long-term value for customers, residents and stakeholders alike.”

THE FINANCE LANDSCAPE

Lending markets have steadied, but remain cautious and refinancing-led

The hotel lending market has stabilised in 2026, with improved liquidity across banks and alternative lenders. Debt is available, but underwriting remains selective, and refinancing is the main source of activity.

TERMS AND LENDERS

Senior debt for prime hotels is typically available at 55%-65% LTV, with current margins at approximately 1.3%-3.75% over base rate and terms of five to 20 years. Banks remain active on core assets, while private credit and debt funds provide more flexible, higher-leverage solutions for value-add opportunities.

REFINANCING

Refinancing is the main driver of hotel lending in 2026 as loans from the low-rate period mature into a higher-cost market. Elevated borrowing costs and tighter terms are prompting more extensions, restructurings and selective new lending.

REGIONAL VARIATIONS

Lenders remain focused on cash flow, asset quality, location and operator strength, especially as rising costs continue to pressure profitability. London attracts the strongest lender interest, while regional and secondary markets face more selective terms and lower leverage.

The outlook is cautiously positive: debt markets are functioning, but lenders remain selective amid refinancing pressure and rising operating costs. Quality assets and experienced operators are expected to attract the best terms.

CASE STUDY

A recent Christie Finance deal funded the £5.5 million purchase of a large regional hotel with a £3.575 million five-year commercial term loan, amortised over 25 years at 3.25% over base. The structure reflects today's cautious market, with shorter terms, longer amortisation and strong covenant protection tied closely to trading performance and cash flow.



Senior debt for prime hotels is typically available at 55%-65% LTV, with current margins at approximately 1.3%-3.75% over base rate and terms of five to 20 years.



NEIL COLLINS
Associate Director,
Christie Finance

30.8%

Increase in completion numbers*

1.5% - 4.5%

Spread of interest rate margins on drawn facilities**

83.3%

Increase in debt drawdown*

*from May 2024 – May 2025 to May 2025 – May 2026

**from May 2025 – May 2026 (2.05% - 2.9% from May 2024 – May 2025)

THE INSURANCE LANDSCAPE

Over the past 12 months, **hotel insurance premiums have stabilised**, with a softer UK insurance market now providing welcome relief for hoteliers amid high wage and utility costs.

We are seeing insurers show strong appetite for new business, driving increasingly competitive premiums and often accompanied by the option of long-term agreements - in some cases, insurers are offering **fixed premiums for up to three years**, giving clients valuable cost certainty and protection against future market fluctuations.

Hoteliers should look at the quality and adequacy of their cover, as insufficient cover can lead to significant financial risk in the event of a claim.

Underinsurance most commonly arises in two areas. It is crucial to ensure the hotel's rebuild value is accurately calculated and regularly reviewed. This should reflect **current construction costs, not market value**.

Business interruption should also be reviewed to reflect the time required to recover from a major loss, including rebuild time and the return to pre-loss trading levels.

Hoteliers should also be aware of the risks posed by cyber-attacks. These threats are not limited to large organisations; **smaller hospitality businesses are frequently targeted**. Cyber insurance provides vital support beyond system recovery, including reputational damage management, crisis response and communications, and business interruption caused by cyber incidents. This protection is becoming essential for modern hotel operations.

Hotels with robust risk management practices are more attractive to insurers and often secure better terms and lower premiums. For example, effective fire risk management, including fire suppression systems in commercial kitchens, wired smoke detection systems, and remotely monitored fire alarms not only enhance safety and operational resilience, but also broaden insurer interest and provide hoteliers with greater peace of mind.



DAVID FOSTER

Account Executive,
Christie Insurance



CONSULTANCY ACTIVITY

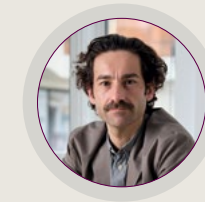


We provided strategic advice for a proposed 186-key hotel, combining market analysis, positioning and financial modelling. This included reviewing tender materials, assessing supply and demand, and defining an aspirational competitive set to inform brand, room mix and facilities. These inputs supported USALI-aligned financial forecasts and a full viability assessment (GDP, residual price, comparables, yields and sensitivities).

We advised an international operator on a Manchester lease opportunity, delivering a focused red-flag review for an office-to-hotel conversion. This included assessing market fundamentals, demand drivers and competition, alongside reviewing the operator's business plan (positioning, ramp-up and KPIs). Our analysis highlighted key risks and opportunities, benchmarking projections against market evidence and comparables, enabling the client to refine its strategy and proceed with greater confidence in negotiations and underwriting.



We carried out commercial due diligence on a sub-100 room hotel development in the City of London, assessing market conditions, demand drivers and site positioning to test the suitability of hotel use. This included analysis of local economic, demographic and tourism trends, and a review of nearby hotel supply and pipeline. We also assessed the proposed layout, room mix and amenities, providing recommendations on product configuration and operational approach.



PIERRE RICORD
Head of Consultancy - Hotels

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“What marked our activity in the first half of 2026 was the diversity of our engagements, reflective of the ever-evolving trading and investment landscape of hotels, combining a diverse range of parties, product offerings and positioning.”

“Continuous cost pressures and the fast-changing technological environment call for creative and strategic measures by hoteliers, to stand out from the crowd and unlock profit conversion.”

”

BROKERAGE ACTIVITY



JEREMY JONES

Head of Brokerage - Hotels



STAVERTON PARK HOTEL & GOLF CLUB, NORTHAMPTONSHIRE

We acted on behalf of funds managed by Zetland Capital, advising on the sale of Staverton Park Hotel & Golf Club. Set within the Northamptonshire countryside, the 247-bedroom resort spans approximately 150 acres and features a championship 18-hole golf course, extensive leisure facilities and 61 meeting rooms. The asset was successfully acquired by a UK-based family business in February 2026, with plans to implement a significant investment programme to enhance its performance.



IBIS LONDON DOCKLANDS CANARY WHARF, LONDON

We acted on behalf of the sellers, EQ Group and Ares Management, advising on the sale of ibis London Docklands Canary Wharf. The 87-bedroom, three-star hotel is located in close proximity to Canary Wharf and operates under the ibis brand on a franchise basis. The asset presented a range of value-add opportunities, including rebranding potential, EV charging installation, and longer-term redevelopment prospects. Following a comprehensive open marketing process, the property was successfully sold in April 2026.



DELTA HOTELS COUNTRY CLUB PORTFOLIO, DERBY, CHEPSTOW, WORSLEY

We were instructed to advise on the sale of three Delta Country Club hotels. The portfolio comprises 380 bedrooms across three strategically located assets, each benefiting from close proximity to key transport links and strong, diverse demand drivers. All properties feature extensive leisure and MICE facilities, including championship golf courses, fitness centres, indoor pools, and multiple restaurants and bars. The portfolio successfully transacted in May 2026, marking a significant multi-asset hotel deal in the UK regional market.



GARA ROCK HOTEL, DEVON

We acted on behalf of the seller, advising on the sale of this luxury, award-winning hotel situated in a prime South Devon location comprising 33 bedrooms alongside extensive spa and leisure facilities. The instruction included the sale of 10 apartments under a sale and leaseback arrangement, on behalf of Away Resorts. The asset was successfully sold to Ocean Cove Group Limited in January 2026.

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“Hotels, as a form of operational real estate, stand head and shoulders above many alternative asset classes in terms of the returns they can deliver. In addition, competitive debt solutions are further enhancing overall returns.”

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VALUATION ACTIVITY



RUDDING PARK HOTEL, HARROGATE

We provided valuation advice in relation to Rudding Park, a 90-bedroom hotel located within a 386-acre estate near Harrogate. The property comprised a Grade I listed building with subsequent extensions and a range of leisure and ancillary facilities, including spa and golf amenities. The valuation considered the asset's positioning within the regional market, its operational performance, and the contribution of non-room revenue streams.

PENNYHILL PARK HOTEL, SURREY

We reported on the market value of Pennyhill Park, a 124-bedroom country house hotel located within a 120-acre estate in Surrey. The property features extensive facilities, including multiple restaurants (one of which is Michelin-starred), an extensive first-grade 45,000 sq ft spa, and a range of leisure and event facilities. Our assessment considered the hotel's positioning and trading resilience.



APEX HOTEL, BATH

The 178-room, four-star Apex Hotel is located in Bath's historic city centre. The property was purpose-built in 2017 and incorporates a range of leisure and conferencing facilities. We conducted a valuation of the hotel on a long leasehold basis for loan security purposes.



ALASTAIR HOCKLEY
Director – Hospitality
Valuation Services

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“Hotels remain an attractive and ‘in-demand’ sector, and operators are adept at finding new ways to attract demand and mitigate cost constraints, as well as benefitting from the ability to price dynamically on a nightly basis.”

“Buyers in the market continue to scrutinise movements in costs as well as property condition. Keeping on top of capital expenditure is a key factor in driving value.”

”

OUR SERVICES

With over 90 years of expertise, we are the leading specialist business and property adviser, offering market-leading services in buying, selling, and valuations within the hospitality sector.

BROKERAGE

We offer transactional support for buying and selling hotel businesses and properties. Our market-leading agents are true experts, each immersed in the hotel sector to ensure you receive the most up-to-date and accurate advice possible. With a network of 22 offices across Europe, and the UK's largest hospitality team, our clients benefit from unrivalled local market knowledge.

CONSULTANCY

We deliver consultancy services to support you throughout the lifecycle of an investment, from pre-conception and development through to operation, turnaround or disposal.

VALUATION

We provide services for all situations including RICS Red Book Valuations for secured lending purposes. From property valuations to lease and rent reviews and expert witness, our qualified chartered surveyors support you with a range of professional services.

BANK SUPPORT & BUSINESS RECOVERY

Our team has wide-ranging experience in dealing with business distress cases and providing clients with accurate and timely advice to assist with effective decision making.

CAPITAL MARKETS & INVESTMENTS

We have an extensive pedigree in working with UK, European and international capital across our pan-European network of offices, involving assets in the wider alternatives space and underpinned by our reach and intricate understanding of our sectors.

CHRISTIE FINANCE

Christie Finance is an independent, specialist commercial finance broker within the hospitality sector. With access to a wide variety of lenders, they are able to secure competitive finance solutions for clients in the form of commercial mortgages and unsecured business loans.

CHRISTIE INSURANCE

Christie Insurance specialises in insurance and risk management solutions to ensure that our clients have the most appropriate policies in place. Their services range from business insurance through to life insurance and employee benefits.

vengers

Venners is the leading supplier of stocktaking, inventory, consultancy & compliance services and related stock management systems to the hospitality sector. Consultancy and compliance services include control audits and 'live' event stocktaking. Bespoke software and systems enable real-time management reporting to customers using the best available technologies. Venners is the largest and longest established stock audit company in the sector in the UK.

WHAT OUR CLIENTS SAY ABOUT US

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*The Christie & Co Hotels team
is highly recommended*

The Christie & Co Hotels team has long-standing and in-depth knowledge of the UK hotels market. They are passionate about service delivery, adding value and achieving a great outcome for their client. We have used Christie & Co for many years across multiple engagements and would highly recommend each of Carine, Jeremy, Pierre and their teams.

James Burrell, De Vere Hotels

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Outstanding service

Outstanding service. Christie & Co were knowledgeable, efficient, and a pleasure to deal with. Their advice was clear, timely, and commercially astute. I'm very happy with the experience and would strongly recommend them.

Satpal Pandal, Gunnercooke

”

At the absolute top of their game

I had a fabulous experience working with the Christie & Co team (Pierre & Carine). They were super professional and responsive. They completely nailed our enquiry.

Simon Ruddick

OUR TEAM



To see our full team,
scan the QR code.



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