

FRENCH HOTEL MARKET

MOST COMPETITIVE CITIES

February 2019



Snapshot 2018 – The French Hospitality Market

Why this report ?

For the first year, Christie & Co has published its annual report “French Hotel Market: Most Competitive Cities”, providing an insight into the six major urban destinations in France outside Paris (Lyon, Marseille, Bordeaux, Lille, Nice, Nantes) with an analysis of key performance indicators at year-end 2018.

These markets were selected on a number of criteria including their population, tourism supply and demand, lodging supply, performance levels and impact on the French economy and tourism sector.

With c. 90 million international visitors in 2018, France is the most visited country worldwide. The last quarter of 2018 witnessed a 2.0% increase in visitors, mainly driven by increased international visitors’ volume (+4.7%) while domestic tourism registered a 0.9% growth.

2018 KPIs reflect the recovery of the French market following security issues in 2015/2016. It is important to note that the majority of the cities mentioned in this report are undergoing regeneration works and improvement of their connectivity networks, leading to a strong hotel pipeline and a diversification of the hotel stock. As a matter of fact, ADR is the key factor for RevPAR growth in a majority of the cities observed.

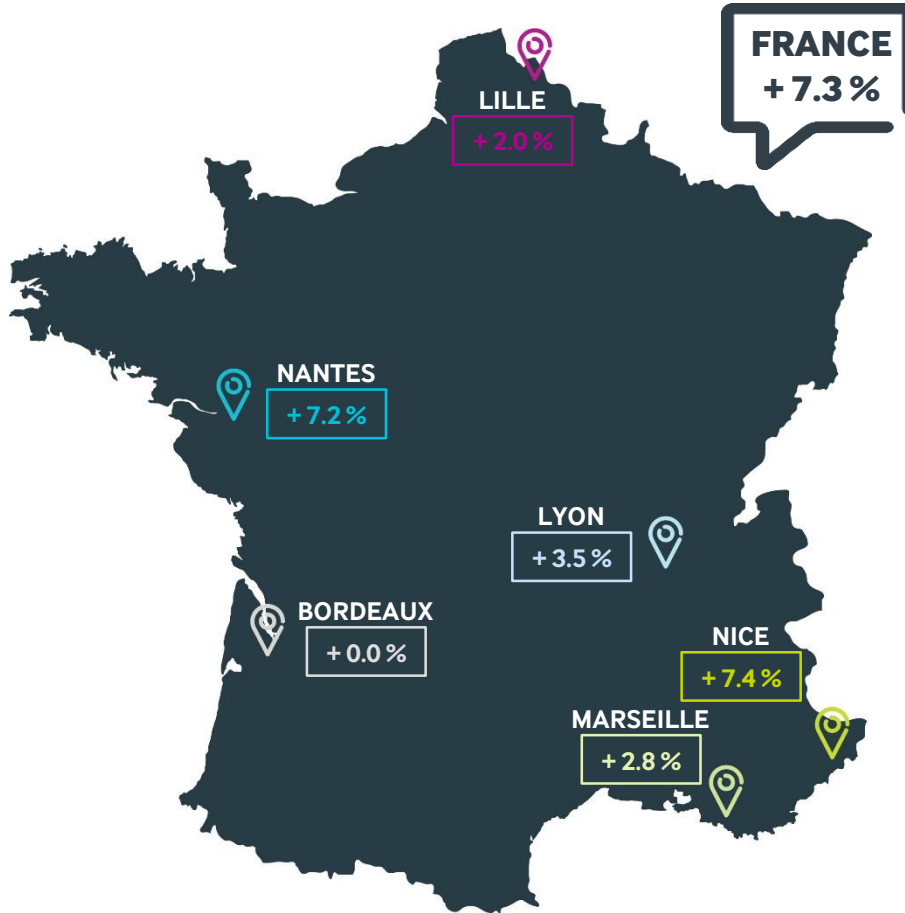
Throughout this report, we analyse the economic, tourism and hotel profile of each city using public information sources including Atout France, INSEE, CDT, CCI as well as hotel performance data (Observatoire MKG Consulting / OK_destination), and Christie & Co’s knowledge of each market.

Key Observations for the 6 Analysed Cities

1. **A positive year for tourism:** all cities have registered higher levels of arrivals and overnights in 2018 than in 2015. The uplift was strongest in Nice and Marseille
2. **Strong domestic tourism in five cities:** leading to a high resilience of hotel occupancy
3. **A rise in international visitation:** c. 90 million foreign visitors recorded in 2018, contributing to ADR growth, mainly observed in the upscale segment. In addition to the main feeder markets, China, the USA and the Middle East show double-digit growth
4. **ADR as the main driver of hotel performance:** generating the RevPAR uplift across all cities
5. **Brand diversification across all cities:** from hostels to 5* hotels with a majority of standardised or lifestyle 4-star properties
6. **Excellent accessibility:** all cities have airports and provide access to high-speed train network (TGV). Three cities (Nantes, Nice, Marseille) also have maritime connections. Planned improvements to the cities’ accessibility, such as the opening of Saint Augustin multimodal station in Nice or the expansion of Marseille and Bordeaux railway stations, are expected in the coming years
7. **December 2018, impacted by « Yellow Vests »:** causing a RevPAR drop of 3.9% in France compared to December 2017

French Cities: 2018 KPIs

Solid market foundations, with some record performances in several cities



RevPAR increases vs. 2017

FRANCE	69% Occ	€93 ADR	€64 RevPAR
BORDEAUX	76% Occ	€98 ADR	€74 RevPAR
LILLE	73% Occ	€89 ADR	€65 RevPAR
LYON	74% Occ	€99 ADR	€73 RevPAR
MARSEILLE	64% Occ	€69 ADR	€44 RevPAR
NANTES	72% Occ	€82 ADR	€60 RevPAR
NICE	71% Occ	€127 ADR	€90 RevPAR



Bordeaux

An heating market

Key Indicators

Macro-Economic Indicators

- Population within the city walls: 215,374, 9th biggest city in France
- Urban population: 1,178,335
- Income per resident: approx. €39,000 (above national average)
- Unemployment: approx. 11% (above national average)

Key Data

- 7 competitive clusters: aeronautics, optical & lasers, wood, sustainable construction, ICT, Health, Neurosciences
- 60 wine-grower's cooperatives and 400 wine traders
- 2016: Bordeaux 2nd 'best place to go' in the world, according to the New York Times
- 2017: Bordeaux Best City - Lonely Planet

Major Companies (Bordeaux Métropole)

- Groupe Fayat (BTP)
- Construction Navale Bordeaux (CNB)
- Cdiscount
- AGFA HealthCare
- Groupe Pichet (real estate development)

Major Recurring Events

- French ICCA ranking: 6th
- Vinexpo
- Vinitech
- ADS Show
- Aquitanima
- Bordeaux So Good

Major Touristic Sites

- Cité des Civilisations du Vin wine museum, wine tourism
- Bordeaux Port of the Moon (Unesco)
- Natural History Museum
- Museum of Decorative Arts and Design

Accessibility



By car

- Bordeaux-Toulouse: 2h30, Bordeaux-Nantes: 3h30, Bordeaux-Paris: 5h45
- Motorways: North: A10; East: A62, A89; South: A63, A65



By air

- Bordeaux-Mérignac Airport: 6.2 million in 2017 (+7.7% / 2016), 8th busiest airport in France
- Busiest routes: Bordeaux-Paris, Bordeaux-Lyon, Bordeaux-Amsterdam



By rail

- Bordeaux-Paris: 2h04, Bordeaux-Lille: 4h36, Bordeaux-Poitiers: 1h03
- Bordeaux Saint-Jean station: 12 million, 5th busiest station in France, 18 million travellers expected by 2020 with the arrival of the TGV train



By sea

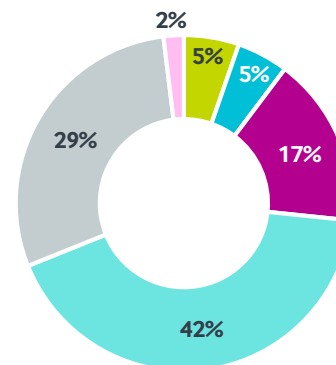
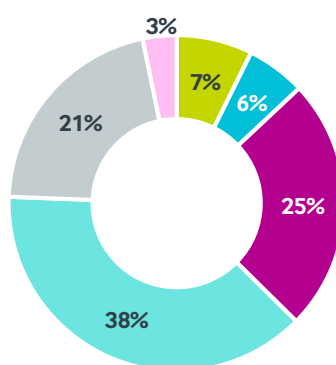
- Bordeaux Port Atlantique: 1,448,086, cruise passengers, 444 cruises



Hotel Supply (Bordeaux and Surroundings)

123

9 903

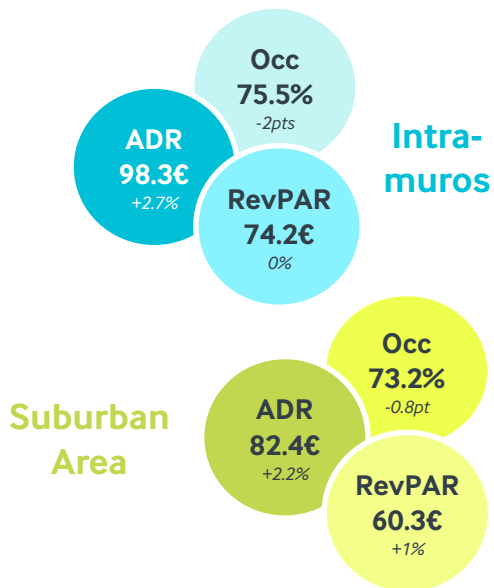


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- 1*
- 2*
- 3*
- 4*
- 5*

Bordeaux

An heating market

2018 Hotel Performances



Hotel Arrivals and Room Nights (in Millions)



Demand Mix



Christie & Co's Market Sentiment

- Bordeaux benefits from greater attractiveness over the last decade. This trend has been recently reinforced by the launch of the Bordeaux-Paris TGV line and the opening of the Métropole Arena. In addition, several urban redevelopment operations are currently in progress (Euratlantique, Bacalan, Brazza).
- The hotel supply is restructuring itself:
 - Increase of the luxury and upscale segments (openings of Hôtel des Quinconces, Yndo Hôtel, La Grande Maison de Bernard Magrez)
 - Supply diversification with new hybrid concepts entering the market (Jo & Joe, MOB Hotel, Meininger)
 - Bordeaux has one of the highest number of hotels in the pipeline and expects an additional 1,649 rooms by 2021.
- In terms of hotel investments, local investors remain quite active (Pichet, Altica), along with institutional and foreign investors.



Hotel Transactions

- Hôtel Gambetta**
 - 2*, 31 rooms
- Hôtel Burdigala Inwood Hotels**
 - 4*, 82 rooms
- Hôtels Golden Tulip & B&B**
 - 177 rooms, turnkey project
- Hôtel California**
 - 3*, 20 rooms
- Staycity Aparthotel**
 - 125 apartments



Hotels in Pipeline

- B&B Cours de la Marne – 2019**
 - 3*, 66 rooms
- Eklo Bastide – beginning 2019**
 - 2*, 128 rooms
- Jo&Joe, Brazza district – 2019**
 - Hostel, 686 beds
- Hotel project on Gambetta Square – 2020**
 - 5*, 72 rooms



Urban Projects

- Hôtel Bordeaux Silos îlot Bacalan, facing the Cité du Vin – 2020**
 - 5*, 150 rooms
- Hôtel Bassins à Flot – 2020**
 - 3*, 133 rooms
- Meininger, Train station district – 2020**
 - Hostel, 162 rooms
- Mob Hotel, Brazza district – 2021**
 - 3*, 120 rooms
- Touristic complex Bassin à Flot – 2018
- Pont Amédée Saint-Germain-Armagnac – 2018
- Renovation & extension of Halle Debat-Ponsan – 2018
- Further development of the airport – 2019
- Launch of 4th tram line – 2019



Lille

A diversifying hotel supply

Key Indicators

Macro-Economic Indicators

- Population within the city walls: 231,491, 10th biggest city in France
- Urban population: 1,175,828
- Income per resident: €34,759 (below national average)
- Unemployment: 12% (above national average)

Key Data

- Number 1 location in France for general and technical textiles
- Number 2 city in France for international business HQs
- Number 3 for business (Euralille) after La Défense in Paris and Part-Dieu in Lyon
- European e-commerce and mail order capital
- European capital of mass retail

Major Companies (Lille Métropole)

- Décathlon
- Auchan
- Leroy-Merlin
- Cofidis
- La Redoute

Major Recurring Events

- French ICCA ranking: 8th
- Braderie de Lille street market
- Immotissimo property show
- Amenago interior decor show

Major Tourist Sites

- Palais des Beaux-Arts – Lille Fine Arts Museum
- Le Tripostal events hall – Lille
- Lille Zoo
- La Piscine art deco swimming pool museum – Roubaix
- Modern and Contemporary Art Museum – Villeneuve d'Ascq

Accessibility



By car

- Lille-Paris: 2h20, Lille-Brussels: 1h30, Lille-London: 4h40
- Motorways: North: A10 ; East: A62, A89 ; South: A63, A65



By air

- Lille-Lesquin Airport: 1.9 million (+7.3% / 2016), 14th busiest airport in France
- Busiest routes: Lille-Nice, Lille-Toulouse, Lille-Marseille



By rail

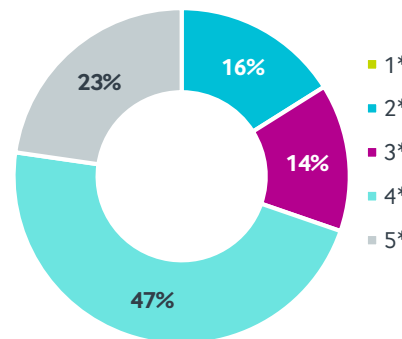
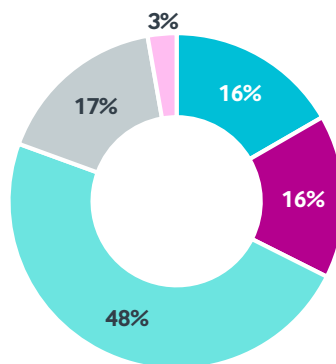
- Lille-Brussels: 34mins, Lille-Paris: 1h, Lille-London: 1h20
- Lille-Flanders: 18.5 million, 2nd busiest station in France outside the Paris region
- Lille-Europe: 7.4 million



Hotel Supply (Lille and Surroundings)

108 🏠

7 745 🗝️



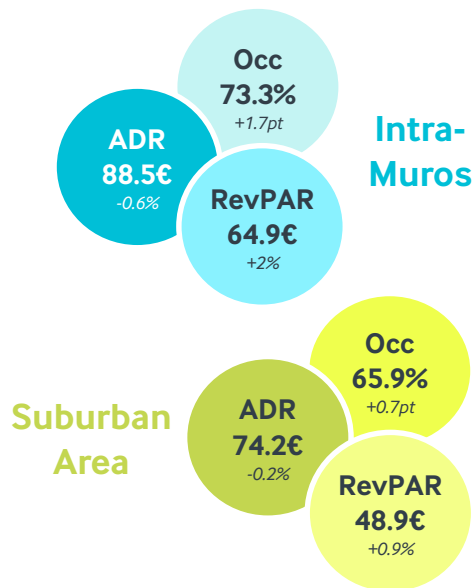
Lille

A diversifying hotel supply

2018 Hotel Performances

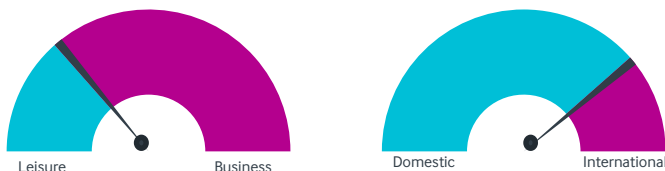
Hotel Arrivals and Room Nights (in Millions)

Christie & Co's Market Sentiment



- Lille and its surroundings are expanding, with the emergence of new areas in the South following the opening of the Grand Stade (Villeneuve d'Ascq, Marcq-en-Baroeul), and the renovation of large former industrial and logistics sites (Roubaix, Croix, Lesquin). The train station area is also under regeneration, driven by the renovation of ageing hotels that were recently sold.
- The hotel market is highly standardized (with Accor and Louvre Hotels Group as the major players) and based on upscale properties aimed at a business clientele. Nevertheless, the supply has been diversifying during the past four years, with the opening of the first luxury hotel (Clarence Hotel), and future projects that respond to an increase in leisure tourism demand.
- The low level of hotel transactions is explained by a limited supply diversification and the fact that the number of players in the market is restricted to a few major owners (3D hotels, Covivio, Marc Lelieur).

Demand Mix



Hotel Transactions

- SLIH Portfolio**
- 9 hotels 3*-5*, 650 rooms
- Hôtel Continental Lille**
- 2*, 35 chambres
- Hôtel & Spa Grand Palais Lille**
- 3*, 40 rooms
- Hôtel Carlton Lille**
- 4*, 59 rooms
- Hôtel Holiday Inn Englos**
- 3*, 121 rooms



Hotels in Pipeline

- Hôtel Mama Shelter Euralille – 1st trimestre 2019**
- 3*, 112 rooms
- Hôtel Hampton by Hilton Lillenum – 2019**
- 3*, 135 rooms
- Hôtel Moxy by Marriott Cosmopole – 2019**
- 4*, 127 rooms
- Hôtel Okko Lille – 2020**
- 4*, 120 rooms



Urban Projects

- Euralille and its extension Euralille 3000 – TBC
- Souham mixed operation (12,000 sqm of offices, retail, restaurants, Mama Shelter) – 2019
- Lillenum (56,000 sqm) – 2019
- République-Cosmopole (Moxy hotel, housing, art gallery, British cultural centre, outside spaces, car park etc.) – 2020
- Continuation of Euratechnologies development
- Continuation of Eurasanté development
- Modernisation of Metro line 1



Lyon

A French hospitality stronghold

Key Indicators

Macro-Economic Indicators

- Population within the city walls: 500,715, 3rd biggest city in France
- Urban population: 2,237,676
- Income per resident: approx. €38,000 (above national average)
- Unemployment: 8.8% = national average

Key Data

- 4 competitive clusters
- Lyonbiopôle, number 1 centre of excellence for health in France
- Number 1 industrial cluster in France (outside Île-de-France)
- Number 2 centre of excellence for digital technology in France
- Voted «Leading European Weekend Destination » at the World Travel Awards in 2016

Main Companies (Grand Lyon)

- Carrier Corporation (air conditioning)
- Adecco
- Bayer
- Mylan

Major Recurring Events

- French ICCA ranking: 4th
- Festival of lights
- Pollutec environmental exhibition
- Sirha hospitality and food service exhibition
- Solutrans road and urban transport exhibition

Major Tourist Sites

- Collines de Fourvière and Croix-Rousse
- Presqu'île
- Confluences Museum
- Parc de la Tête d'Or

Accessibility



By car

- Lyon-Paris: 4h20, Lyon-Marseille: 3h, Lyon-Geneva: 1h45
- Motorways: North: A6 ; South: A7 ; West: A89 ; East: A43



By air

- Lyon-Paris: 1h, Lyon-Bordeaux: 1h10, Lyon-Nantes: 1h10
- Lyon-Saint-Exupéry Airport: 10.3 million (+7.7% / 2016), 4th busiest airport in France
- Busiest routes: Lyon-Paris, Lyon-Bordeaux, Lyon-Nantes, Lyon-Toulouse



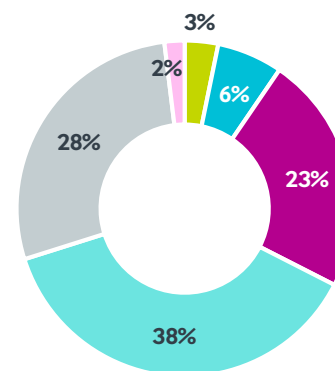
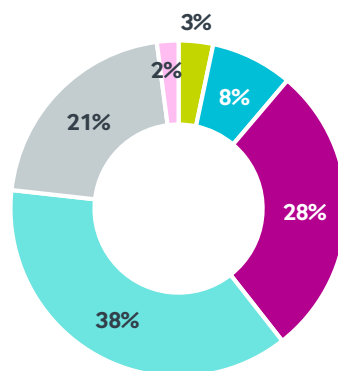
By rail

- Lyon-Paris: 2h, Lyon-Marseille: 1h43, Lyon-Geneva: 1h52
- Lyon Part-Dieu Station: 31.7 million, busiest station in France outside the Paris region
- Lyon-Perrache Station: 5.9 million, 18th busiest station in France
- New TGV route Lyon-London (in under 5h)

Hotel Supply (Lyon and Surroundings)

241

18 632



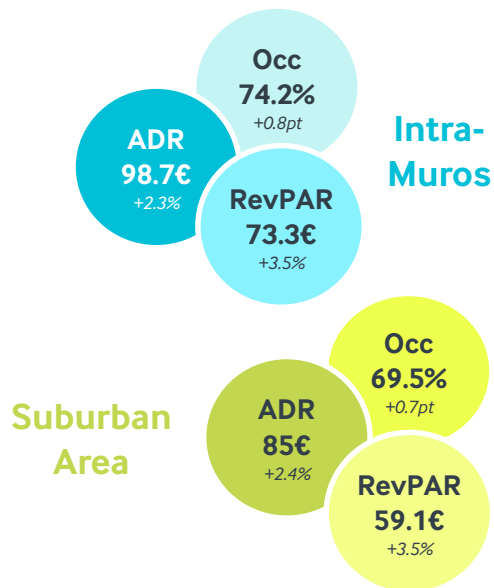
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Lyon

A French hospitality stronghold

2018 Hotel Performances



Hotel Arrivals and Room Nights (in Millions)



Demand Mix



Christie & Co's Market Sentiment

- First industrial city outside of Paris, Lyon is mainly a business destination. This trend is expected to carry on towards 2021, fuelled by several urban projects (Part-Dieu district, the airport, Lyon Grand-Est area).
- Lyon's hotel supply is characterised by:
 - A prevalence of large capacity hotels (15 properties with at least 150 keys)
 - An increase of the luxury and upscale segments with recent openings (Okko, Villa Maïa) and future openings (InterContinental, Marriott)
 - The development of B&B group that opened 5 units since 2014
 - A strong presence of Accor's brands within all hotel categories (26.9% of the supply).
- Most of the hotel transactions are shared between major local owners and national investors (Turenne Capital, 123IM). Part-Dieu/Botteaux, La Presqu'île and Gerland are the most attractive areas in terms of investment.



Hotel Transactions

- Hôtel Timhotel Lyon La Part-Dieu**
 - 3*, 33 rooms
- Hôtel Simplon**
 - 2*, 37 rooms
- Hôtel Parc OL**
 - 140 rooms, turnkey project
- Hôtel l'Ambassadeur**
 - 4*, 78 rooms
- Hôtel Holiday Inn Lyon Vaise**
 - 4*, 104 rooms



Hotels in Pipeline

- Hôtel InterContinental (former Hôtel-Dieu) – 2019**
 - 5*, 144 rooms
- Projet Two Lyon – 2020**
 - 4*, 2 brands (Pullman et Novotel), 460 rooms.
 - Replacing current hotels Athéna and Novotel Part-Dieu



Urban Projects

- Regeneration of the Grand Hôtel-Dieu – 2019
- Redevelopment of Part-Dieu district – 2020
- Airport expansion – 2017-2020
- Creation of an economic hub around the Parc Olympique Lyonnais – 2020
- Development of the Lyon Grand Est zone (Saint-Priest, Bron, Dardilly) – 2021



Marseille

A developing upscale hotel offering

Key Indicators

Macro-Economic Indicators

- Population within the city walls: 855,393, 2nd biggest city in France
- Urban population: 1,734,277
- Income per resident: approx. €27,000 (below national average)
- Unemployment: 13% (above national average)

Key Data

- Largest port in France, 5th largest port in the Mediterranean
- Centres of excellence: aeronautics industry (HQ of EADS-Eurocopter - global leader, helicopter construction), nuclear research, cosmetics industry, bio-pharmaceutical industry
- Marseille European Capital of Sport 2017

Major Companies (Marseille Provence Métropole)

- CMA-CGM, Compagnie maritime d'affrètement - Compagnie générale maritime
- Airbus Helicopter
- Haribo Ricqlès Zan
- Ricard
- SNEF (energy)

Major Recurring Events

- French ICCA ranking: 5th
- Autonomic Méditerranée trade show
- SIAC exhibition of contemporary art
- Top Transport trade show
- Architect@Work

Major Tourist Sites

- Notre-Dame de la Garde Basilica
- Frioul Islands
- Le MUCEM
- Orange Vélodrome Stadium
- The Calanques

Accessibility



By car

- Marseille-Nice: 2h20, Marseille-Lyon: 3h, Marseille-Paris: 7h20
- Motorways: North: A7, A51 ; Coast: A55 ; East: A50



By air

- Marseille-Bordeaux: 1h05, Marseille-Paris: 1h20, Marseille-Lille: 1h35
- Marseille-Provence Airport: 9 million (+6.2% / 2016), 5th busiest airport in France
- Busiest routes: Marseille-Paris CDG/Orly, Marseille-Bastia/Ajaccio/Calvi/Figari, Marseille-Lille



By rail

- Marseille Saint-Charles Station: 12.4 million, 4th busiest station in France



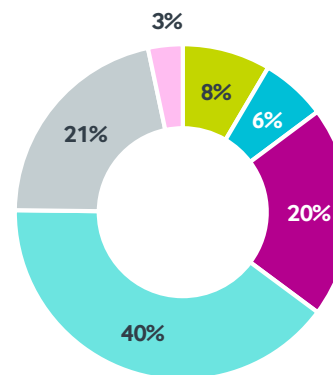
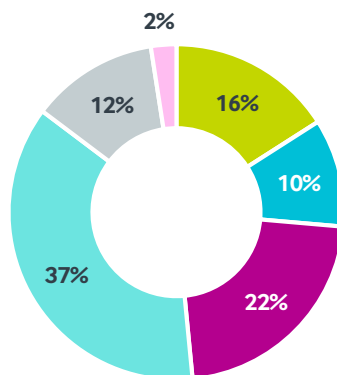
By sea

- Marseille port: passengers: 2,547,341, Cruise passengers: 1,448,086
- Stopovers: 444 = 3,620 cruise passengers per stopover

Hotel Supply (Marseille and Surroundings)

160

10 900



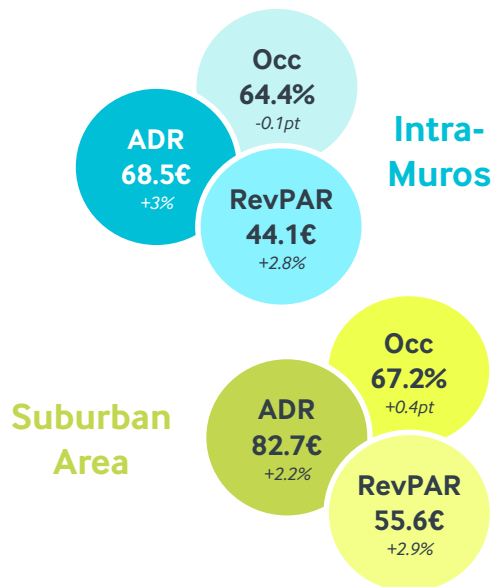
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- 5*



Marseille

A developing upscale hotel offering

2018 Hotel Performances



Hotel Arrivals and Room Nights (in Millions)



Christie & Co's Market Sentiment

- Marseille continues to focus on its dynamic urban development. Along with the opening and renovation of high-value sites (Centre Commercial du Prado, World Trade Center), the city is subject to numerous tendering processes.
- The hotel supply is restructuring itself with:
 - An economic segment that is spreading over peripheral areas (B&B and Ibis Budget)
 - An upscale segment that continues to develop (openings of the AC by Marriott, C2, Mgallery...)
 - Many renovations in progress
 - Many hotels in the pipeline, in both central and suburban areas, mainly focused on the upscale segment.
- In terms of investments, there is a strong presence of major local owners, in addition to domestic operators and investors (123IM, Honotel, Turenne Capital).

Demand Mix



Hotel Transactions

- Hôtel Montgrand**
 - 2*, 20 rooms
- Futur hôtel Mercure Canebière**
 - 4*, 81 rooms
- Ibis styles Marseille Castellane**
 - 3*, 53 rooms
- Hôtels Holiday Inn Express & Kyriad Aéroport**
 - 3*, 150 rooms
- AC Hotel Marseille Prado Stade Vélodrome**
 - 4*, 126 chambres



Hotels in Pipeline

- Hôtel Villa Valmer – 2019**
 - 5*, 31 rooms
- Hôtel Mercure Canebière Noailles – 2019**
 - 4*, 81 rooms
- Hôtel MGallery rue Lafon – 2019**
 - 5*, 50 rooms



Urban Projects

- Îlot Allar eco-district – 2018
- Extension of the metro to Capitaine Gèze multi-mode station (line 2) – 2019
- Olympique Marseille football team museum – 2020
- Creation of the boulevard urbain sud – 2021



Nantes

A resilient hotel market

Key Indicators

Macro-Economic Indicators

- Population within the city walls: 298,718, 6th biggest city in France
- Urban population: 1,291,517
- Income per resident: approx. € 31,000 (below national average)
- Unemployment: 7.9% (below national average)

Key Data

- Jules Verne Industrial Innovation Hub
- Number 1 economic hub in western France
- 6 competitive clusters, including 2 with global status
- Nantes/Saint-Nazaire, one of the leaders in the French aeronautics sector
- 2016: ranked 4th - European Best Destination by Brussels-based "Best European Places to Visit" organization

Major Companies (Nantes Métropole)

- Système U
- AS 24 groupe Total
- Terrena
- E. Leclerc
- CPO Compagnie Pétrolière de l'Ouest

Major Recurring Events

- French ICCA ranking: 6th
- Le Voyage à Nantes art & poetry event
- La Folle Journée de Nantes classical musical festival
- Salon de l'Industrie et de la Sous-traitance du Grand-Ouest trade show
- Drone Experience professional and amateur drone fair

Major Tourist Sites

- Les Machines de l'Île mechanical animals
- Le Château des Ducs de Bretagne
- Nantes History Museum
- Jules Verne Museum
- Memorial to the Abolition of Slavery

Accessibility



By car

- Nantes-Paris: 3h45, Nantes-Bordeaux: 3h20, Nantes-Rennes: 2h05
- Roads and motorways: North: A11, N137 ; East: A85 ; South: A87 ; West: N165



By air

- Nantes-Bordeaux: 55mins. Nantes-Paris: 1h, Nantes-Toulouse: 1h05, Nantes-Lyon: 1h15
- Nantes-Atlantique Airport: 5.1 million (+14.9% / 2016), 9th busiest airport in France
- Busiest routes: Nantes-CDG/Orly, Nantes-Bordeaux, Nantes-Lyon



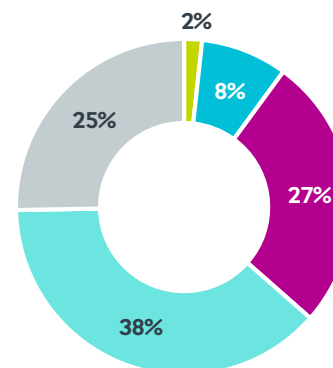
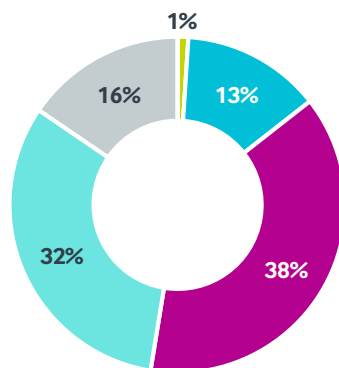
By rail

- Nantes-Paris: 2h22, Nantes-Bordeaux: 4h34, Nantes-Rennes: 1h18
- Nantes Atlantique Station: 10.3 million, 6th busiest station in France

Hotel Supply (Nantes and Surroundings)

97 🏠

6 218 🗝️



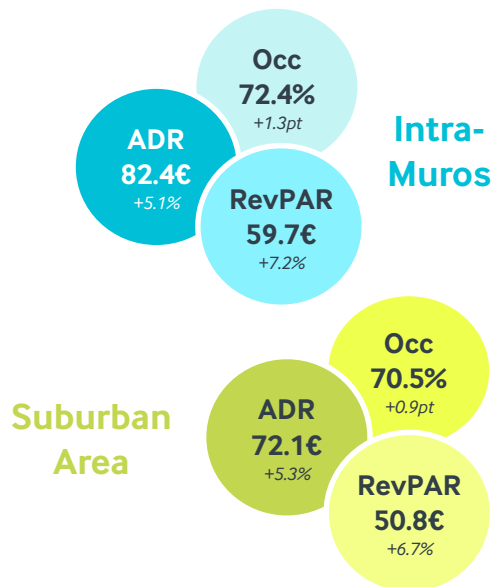
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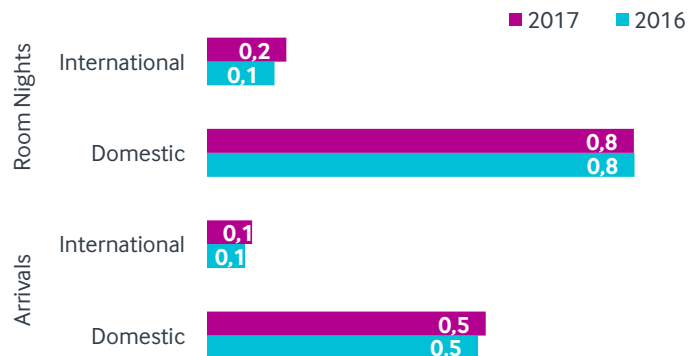
Nantes

A resilient hotel market

2018 Hotel Performances



Hotel Arrivals and Room Nights (in Millions)



Demand Mix



Christie & Co's Market Sentiment

- In addition to being the first economic pillar of the Grand-Ouest region, Nantes benefits from strong domestic demand in terms of tourism. This trend is supported by numerous major urban development projects (train station, airport).
- Nantes hotel supply has been booming since 2012:
 - An **increase in supply in the middle and upscale categories** (Radisson Blu, Golden Tulip)
 - The emergence of **new generation concepts** (Okko, Sōzō)
 - The **renovation of emblematic properties** (Oceania Hôtel de France, Hôtel La Pérouse)
 - Close to half of the inventory benefits from an **ecolabel**, a potential strength for the city to attract large conventions.
- In terms of hotel investments, **major players from the Grand-Ouest region** are active in Nantes, and 25% of the inventory belongs to **independent owners**. In terms of location, the areas of the city centre, Rezé/Bouguenais, Saint-Herblain, La Beaujoire and La Chapelle-sur-Erdre/Carquefou seem to attract investors the most.



Hotel Transactions

- Hôtel Novotel Nantes Centre**
 - 4*, 105 rooms
- Hôtel Campanile Sainte-Luce-sur-Loire**
 - 3*, 101 rooms
- Hôtel Best Western Graslin**
 - 3*, 47 rooms
- Grand Hôtel de Nantes**
 - 2*, 41 rooms
- Okko Hotel Nantes Château**
 - 4*, 80 rooms



Hotels in Pipeline

- Projet hostel quartier Prairie au-Duc – 2021**
 - 250 beds
- Odalys Aparthotel – Delivery date to be confirmed**
 - 4*, number of rooms to be confirmed
- Le Grand Hôtel, re-opening by Vicartem group – Delivery date to be confirmed**
 - Mid to upscale, number of rooms to be confirmed



Urban Projects

- Nantes Station – Rénovation and extension – 2019
- Île de Nantes – 2020
- Malakoff/Pré Gauchet – 2020
- YelloPark, new FC Nantes stadium plus housing and activities at La Beaujoire – 2022
- Grand Bellevue district – 2024
- Expansion of Grand Ouest Airport – timing unknown



Nice

Increasingly appealing to business tourism

Key Indicators

Macro-Economic Indicators

- Population within the city walls: 343,123, 5th biggest city in France
- Urban population: 1,004,826
- Income per resident: approx. €40,000 (above national average)
- Unemployment: 10.3% (above national average)

Key Data

- Nice Méridia urban technopole for R&D and training
- Number 1 tourist destination in France after Paris with over 5 million visitors per year
- European ambassador for Sustainable Development in terms of renewable energy and energy consumption

Major Companies (Métropole Nice Côte d'Azur)

- Kone
- Serex (water treatment)
- Veran Costamagna
- Aviapartner
- Vishay

Major Recurring Events

- French ICCA ranking ICCA: 2nd
- Nice Carnival
- Salon Preuves & Pratiques, medical events
- Salon Bisou, gift trade show
- Salon Agecotel, hospitality event

Major Tourist Sites

- Promenade des Anglais
- Chagall Museum
- Matisse Museum
- Parc Floral Phoenix
- Museum of Modern and Contemporary Art

Accessibility



By car

- Nice-Marseille: 2h15. Nice-Genoa: 2h20. Nice-Lyon: 4h30, Nice-Paris: 8h50
- Roads and motorways: North: RD202 ; West: A8 ; East: A8



By air

- Nice Côte d'Azur Airport: 13.3 million (+7.1% / 2016), 3rd busiest airport in France
- Nice-Toulouse: 1h05. Nice-Paris: 1h20. Nice-Lille: 1h35
- Busiest routes: Nice-Orly, Nice-Lille, Nice-Toulouse



By rail

- Nice-Thiers Station: 7.3 million, 14th busiest station in France



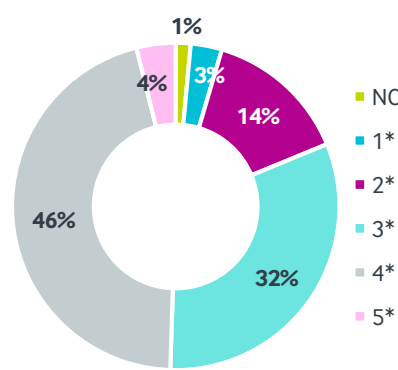
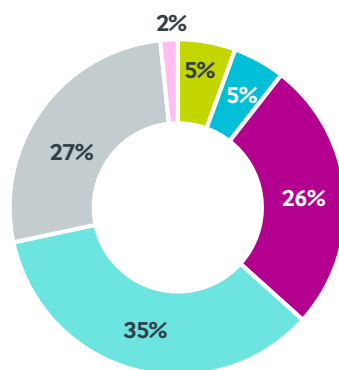
By sea

- Nice/Villefranche-sur-Mer: 198,642 cruise passengers

Hotel Supply (Nice and Surroundings)

180

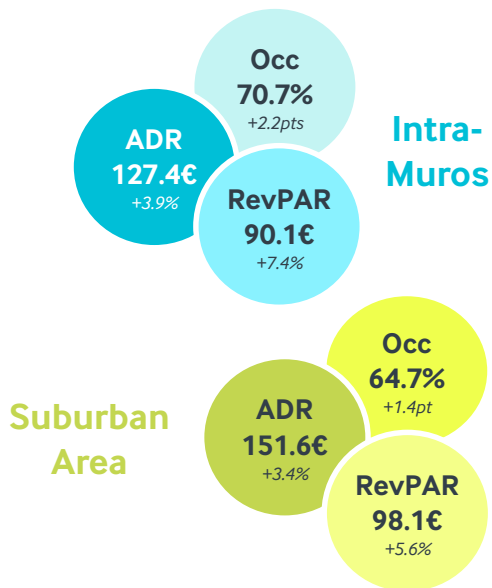
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Nice

Increasingly appealing to business tourism

2018 Hotel Performances



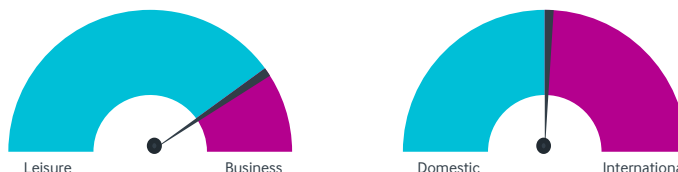
Hotel Arrivals and Room Nights (in Millions)



Christie & Co's Market Sentiment

- In addition to being France's second most important tourist destination after Paris, **Nice is strengthening its activity towards the business clientele** through substantial urban development. Indeed, the opening of the Nice Méridia area and the extension of the Grand Arenas district will result in the emergence of more than 150,000 sqm of office real estate.
- With **50% of its supply positioned in the 4* and 5* segments**, Nice's hotel supply is more upscale than France's average. There is a **strong presence of renowned international brands** (Autograph, Le Méridien, Radisson Blu, Boscolo). Current hotel projects reflect Nice's willingness to strengthen its attractiveness in terms of business tourism, with standardised properties and international brands.
- Many independent city centre hotels have recently been acquired by **important investors and operators** (Oletis, Honotel, Algonquin, Extendam). The city centre and the coast, the West side of Avenue Jean Médecin and the Var plain are the most attractive areas for investors.

Demand Mix



Hotel Transactions

- Hôtel Brice Garden Best Western Plus**
 - 4*, 57 rooms
- Hôtel AC by Marriott**
 - 4*, 143 rooms
- Hôtel Crowne Plaza**
 - 4*, 129 rooms
- Hôtel Florence**
 - 3*, 52 rooms
- Hôtel Maison Albar (former Boscolo B4 Park)**
 - 5*, 140 rooms



Hotels in Pipeline

- Hôtel Hilton Garden Inn – 2019**
 - 4*, 150 rooms
- Reconversion of the Couvent de la Visitation Sainte-Claire – 2019**
 - 5*, approx 100 rooms
- 2 hotels respectively branded Crowne Plaza and Holiday Inn Express facing the airport, Grand Arenas project – 2020**
 - 4*, 129 rooms
 - 3*, 131 rooms



Urban Projects

- Conversion of Hôtel Boscolo into Maison Albar – 2020**
 - 5*, 140 rooms
 - Hôtel Okko, programme Sogeprom – 2021**
 - 4*, 150 rooms
 - Hôtel Sheraton Grand Arenas – 2020**
 - 4*, 250 rooms
 - B&B Hôtel – 2021**
 - 3*, 167 rooms
- New tram routes – 2020
 - Nice-Thiers district – 2020
 - Nice « Cité Européenne de la Santé » – 2020
 - Grand Arénas Business Centre – 2020
 - Technopôle Nice Méridia, Eco Vallée project – 2021

Glossary and Legend

Terms and Abbreviations

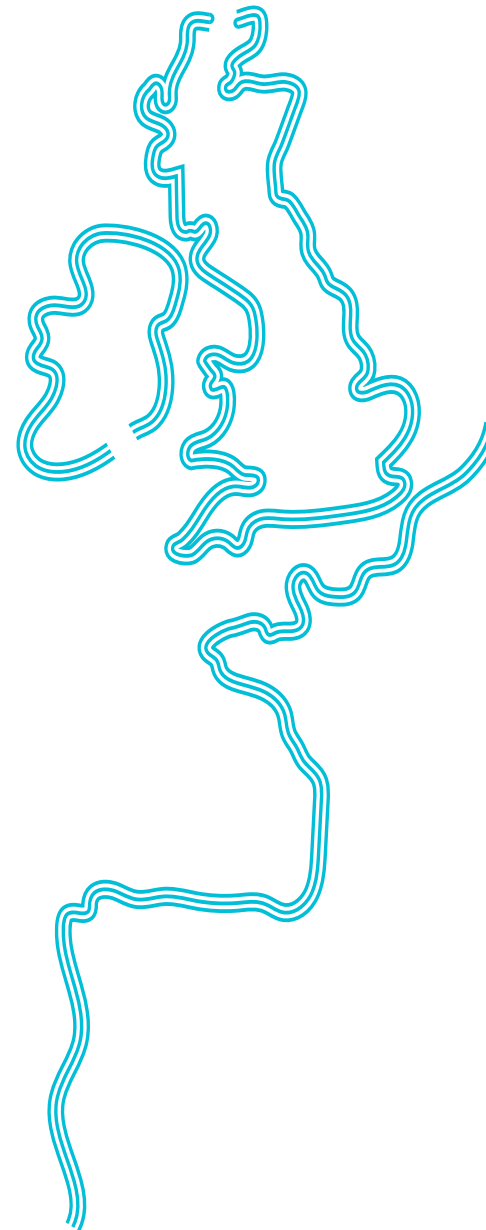
ADR	Average Daily Rate. It is defined as the income generated by the rooms for the period divided by the total number of rooms occupied during the mentioned period	Occ	Occupancy Rate. Proportion of occupied rooms over the total number of rooms available in a given period
approx.	Approximately	ORT	Observatoire Régional du Tourisme
c.	circa	p.a.	per annum
CCI	Chambre de Commerce et d'Industrie	Pt(s)	Point(s)
CDT	Comité Départemental du Tourisme	RevPAR	Revenue Per Available Room. Defined as room occupancy multiplied by the average achieved room rate or rooms revenue divided by the number of rooms available
C & Co	Christie & Co	R&D	Research & Development
ICCA	International Congress and Convention Association	TGV/LGV	Train à Grande Vitesse/Ligne à Grande Vitesse. High speed trains
ICT	Information and Communications Technology	vs.	versus
INSEE	Institut National de la Statistique et des Etudes Economiques	YTD	Year To Date
KPI	Key Performance Indicator		

Introduction to Christie & Co

The leading hotel and leisure advisers in Europe

Christie & Co

- Established in France in the year 1998
- 5 offices in France: Aix-en-Provence, Bordeaux, Lyon, Paris and Rennes
- Providing brokerage, consultancy and valuation services to the hotel sector
- A multidisciplinary, multilingual and pan-European team
- At most 300 professionals across 29 offices in seven European countries
- More than 400 hotels currently for sale across Europe



UK OFFICES
BIRMINGHAM
BRISTOL
CARDIFF
EDINBURGH
EXETER
GLASGOW
IPSWICH
LONDON
LEEDS
MAIDSTONE
MANCHESTER
NEWCASTLE
NOTTINGHAM
READING
WINCHESTER

EUROPEAN OFFICES
AIX EN PROVENCE
BARCELONA
BERLIN
BORDEAUX
FRANKFURT
HELSINKI
LYON
MADRID
MUNICH
PARIS
RENNES
SINGAPORE
STOCKHOLM
VIENNA

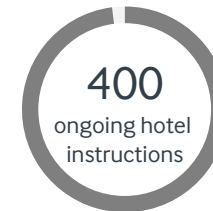
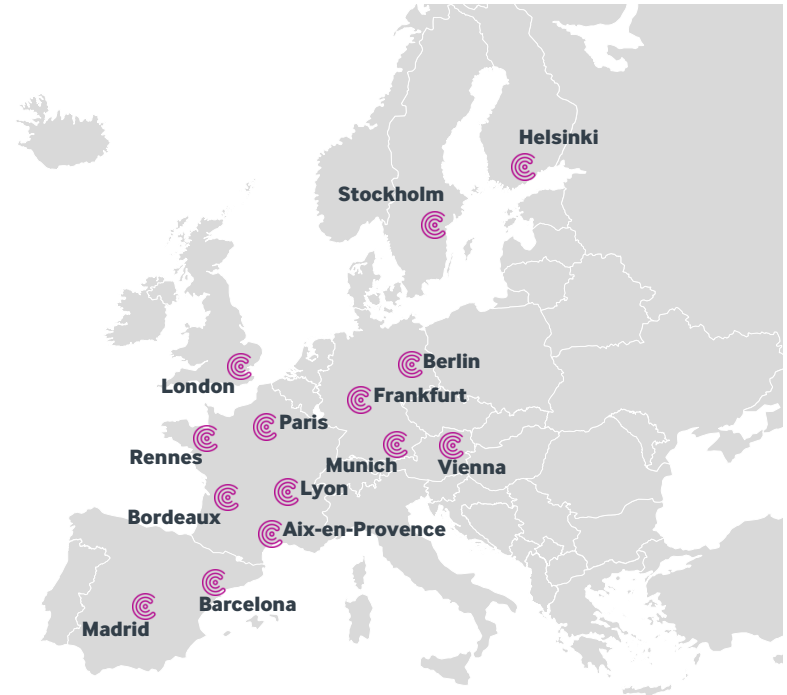
Why Christie & Co ?

The leading hotel and leisure advisers in Europe



Business Built Around You

- Established by three partners in London's West End in 1935
- First **international offices** opened in Paris in 1998 and in Frankfurt in 1999
- Corporate functions added to areas of **expertise**
- From the London Stock Exchange in 1988 to the AIM (Alternative Investment Market) in 2005
- **Specialists** across nine sectors
- **Leading** valuers, consultants and brokers
- Pan-European **multilingual** team
- Launch of the **Asia Desk** in 2015
- 15 offices in the UK and 14 international offices across Europe



Why Christie & Co ?

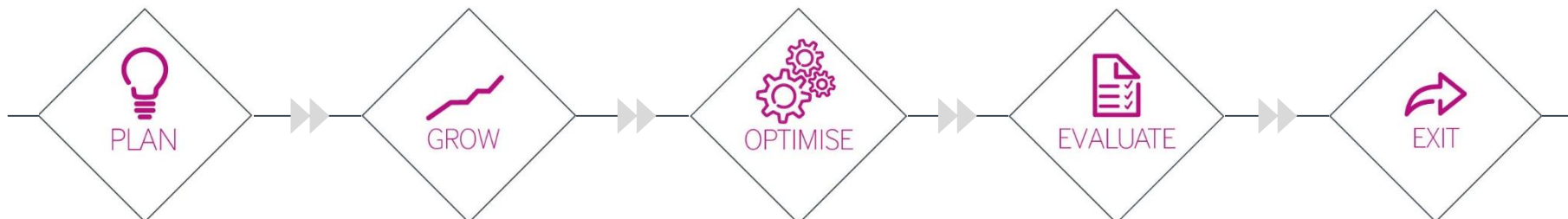
Christie & Co unique selling points

- Fully-owned offices in locations across Europe, providing comprehensive local market knowledge and staffed by hospitality and real estate specialists
- Strong connections to market leaders in the fields of hospitality, including national and international hotel brands and operators as well as the real estate industry, including developers, banks and investors are built on regular presence at industry events
- Active member and/or preferred partner of national and international hospitality and real estate associations
- Christie & Co is connected to global and national databases including amongst others performance benchmark- and other databases
- Weekly news updates from a wide range of national and international industry related sources are put together in our extensive internal database related to the hospitality and tourism sector
- Bespoke solutions to create, retain and recover value – we are the one-stop solution throughout the project lifecycle, our Advisory work is fully integrated with our Valuations, Agency and Investment services to build a strong foundation for your business case



Why Christie & Co ?

Your strategic partner from acquisition to exit



- Understanding Challenges and Strategic Planning

- **Market Entrance Studies** and Business Plan Reviews

- **Industry Analysis and Market Intelligence Studies**

- Development Advice and Feasibility Studies

- **Acquisition Support**

- Acquisition Target Search and Site Identification
- Buyer Due Diligence and Pricing Advice

- Strategic Repositioning
- Identifying Performance Improvements

- Independent Business Reviews

- **KPI Development and Benchmarking**

- Rent and Contract Advice
- Operator Search & Selection

- Owner and **Operator Advice**

- Fully RICS “Red Book” and IVSC Compliant Valuations
- Rent Review Negotiation
- Expert Witness and Litigation Support
- Identifying Market Trends & Value Curves
- Strategic Disposals

- Achieving a Successful Exit at the Best Possible Price

- Vendor Due Diligence
- Marketing, Sales and PR Strategy
- Route-to-value Planning

Our Team



Soazig Drais
Associate Director | Consultancy & Valuation
T +33 (0) 1 53 96 72 87
M +33 (0) 6 63 06 61 31
E soazig.drais@christie.com



Gwendal Le Métour
Regional Manager Center East
T +33 (0) 1 53 96 72 72
M +33 (0) 6 59 54 81 14
E gwendal.lemetour@christie.com



Thomas Krynen
Regional Manager South East
T +33 (0) 4 91 29 12 40
M +33 (0) 7 72 00 53 85
E thomas.krynen@christie.com



Jean-Christophe Charolle
Regional Manager North East
T +33 (0) 1 53 96 72 84
M +33 (0) 6 13 38 77 34
E jean-christophe.charolle@christie.com



Yoann Vittoz
Regional Manager South West
T +33 (0) 5 40 25 36 37
M +33 (0) 6 63 97 89 43
E yoann.vittoz@christie.com



Emmanuel Aubrée
Regional Manager North West
T +33 (0) 2 99 59 83 31
M +33 (0) 6 62 21 22 54
E emmanuel.aubree@christie.com

Analysis of the French Hotel Market – Most Competitive Cities

Christie & Co France

7 Rue de la Paix

75002 Paris

France

+33 (0) 1 53 96 72 72

Paris@christie.com