30,000 Rooms, a New Five-Star, the Ryder Cup Boost and an Evolving City Centre

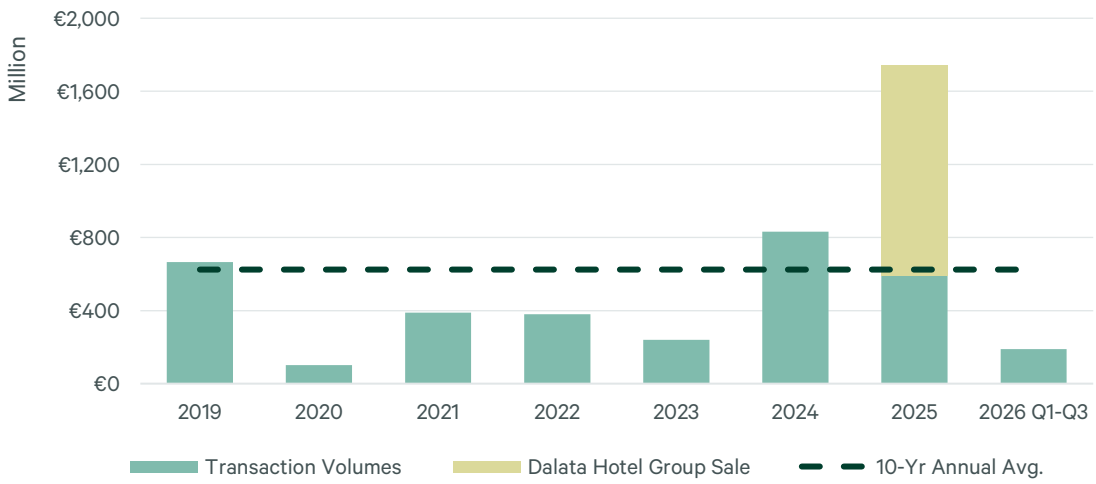
▼ €189m	▲ 84.7%	▲ €178	▲ 3,505	▶ 5.00%	▶ 6.00%
Transaction Volumes Q1-Q3 2026	Dublin Hotel Occupancy YTD (Sept-26)*	Dublin Average Daily Rate YTD (Sept-26)*	Keys Under Construction Dublin	Prime Leased Yield	5-star VP Yield

Note: Arrows indicate change from previous period; *Source: CoStar

Highlights

- Irish hotel transaction volumes reached €1.4bn on a rolling 12-month basis to the end of Q3 2026, more than double the 10-year annual average (€624m), but just €189m has traded in the year-to-date (YTD).
- Dublin occupancy is broadly flat at 84.7% YTD to September, and while ADR is nominally up 1.3% to €177.79, Irish CPI is running at +3.3% over the same nine month period, so rate increases are actually lower than general inflation.
- Dublin hotel stock is on course to breach 30,000 bedrooms for the first time, with 3,505 keys under construction and due to open by 2028. Budget and midscale product will account for 44% of delivery, and the opening of the Sofitel in Q1 2027 will mark the first new five-star hotel to open in Dublin since The Marker in 2013.
- Dublin city centre continues to shift toward living-led real estate. A growing number of hotel schemes in the planning pipeline involve converting former office and retail buildings, as owners look to repurpose secondary space and take advantage of strong hotel demand.
- Prime Dublin leased yields are now 5.00%, still one of the sharpest in Europe reflecting strong fundamentals, and in line with Paris and Madrid.

FIGURE 1: Hotel Transaction Volumes*



Source: CBRE Research; *Includes trading and investment transactions

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Transactional Activity

The accommodation sectors are where developer focus is strongest in Dublin at present, with most city centre development activity now directed at hotels, hostels and student accommodation. However, national hotel transaction volumes in the year to date do not immediately reflect that focus, with just €189m of standing hotel assets traded in the first three quarters of the year, across 12 transactions, a run rate well below the 10-year annual average of €624m for the Irish market.

The picture changes materially on a rolling 12-month basis, which captures the landmark acquisition of the Dalata Hotel Group portfolio, completed in Q4 2025. Transaction volume for the 12 months to the end of Q3 2026 reached approximately €1.4bn across 20 deals. The Dalata portfolio, spanning Ireland, the UK and continental Europe, transacted for €1.4bn excluding debt (€1.7bn including debt), with the Irish assets accounting for the majority.

Deal Analysis & Buyer Pool

The largest deal of 2026 to date is the sale of the Crowne Plaza and Holiday Inn Express Dublin Airport, at Northwood in Santry. The two primarily airport-serving hotels were sold by Tifco/Apollo to MHL Hotel Collection for approximately €100m. Tifco/Apollo acquired both hotels in 2018 as part of the 19-hotel Project Trident portfolio, which traded for over €300m.

The profile of buyers in the last 12 months is as similar as ever, pockets of institutional capital, but also established hotel groups along with family owner operators and high net worth individuals.

Outlook for the Year

The outlook for the remainder of 2026 is positive, with a number of notable assets currently on the market. Should the large Dublin transactions complete before year end, 2026 volumes will increase materially from their current YTD position.

The fundamentals underpinning the market remain sound. Dublin hotels continue to trade at high occupancy levels, with ADR levels and investor confidence remaining strong. A growing development pipeline, with approximately 3,505 bedrooms due to deliver between 2026 and 2028, is expected to generate increased transactional activity as newly completed assets come to market.

FIGURE 2: Notable Irish Hotel Transactions 2026

Hotel	Location	Rooms	Approx. Price	Purchaser
Crowne Plaza & Holiday Inn Express Dublin, Santry	Dublin 9	423	~€100m	MHL Hotel Collection
Hilton Dublin Airport	Dublin 17	179	€26m	Travail Hospitality
Pillo Hotel	Meath	156	€24.5m	Private
Radisson Blu Letterkenny	Donegal	114	P&C	TMR Collection
International Hotel Killarney	Kerry	98	€22m	Private

Source: CBRE

FIGURE 3: Irish Hotels Currently on the Market

Hotel	Location	Bedrooms	Guide Price
CitizenM St Patricks	Dublin 8	245	Portfolio sale including Paris and Glasgow hotels
The Conrad	Dublin 2	192	POA
The Morrison	Dublin 1	157	€90m+
Knightsbrook Hotel	Meath	159	€25m
Mount Falcon Estate	Mayo	32	€10m+

Source: CBRE

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Trading Performance

Visitor numbers to Ireland have proved difficult to analyse in 2026, with a degree of divergence between official CSO inbound travel data and the on-the-ground experience reported by hoteliers and ITIC members. Similar discrepancies were observed in 2025, when CSO data indicated visitor numbers were down while operators reported no such decline. This year in June, when CSO data pointed to an increase in visitors that was not reflected in ITIC member feedback.

Trading Performance: Resilient Occupancy, Nuance in Real Returns

According to data from CoStar, Dublin hotels recorded occupancy of 84.7% in the YTD to September 2026, broadly in line with the prior year (+0.2 pp). ADR grew 1.3% to €177.79, driving RevPAR of €150.50, up 1.5%. Notably, however, ADR growth to September of 1.3% for Dublin actually lags Irish CPI inflation of +3.3% over the same timeframe.

Geopolitical Backdrop, North American Travellers, and Ireland's new USP: the Weather

The broader economic context for 2026 has been challenging. Geopolitical instability, including the outbreak of conflict in Iran, combined with rising oil prices and ongoing cost-of-living pressures weighed on the travelling market, particularly in the earlier months of the year. A recovery was evident through the summer, consistent with seasonal norms and improving consumer sentiment, and this is reflected in CoStar and ITIC data. On balance, visitor numbers and occupancy have been broadly flat year-on-year to September in both Dublin and Cork.

North American visitors remain the most strategically important inbound market for Irish tourism, accounting for 30% of arrivals in July 2026 per the CSO, and generating 44% of all tourist expenditure. YTD to July, overseas visitors reached 3.9 million, up 13% on the same period in 2025 and broadly in line with 2024 levels, suggesting the market has normalised rather than softened. The modest decline in North American visitor numbers in August has been attributed to less US demand for this year's College Football Classic fixture, which drew an estimated 5,000 additional visitors in the prior year.

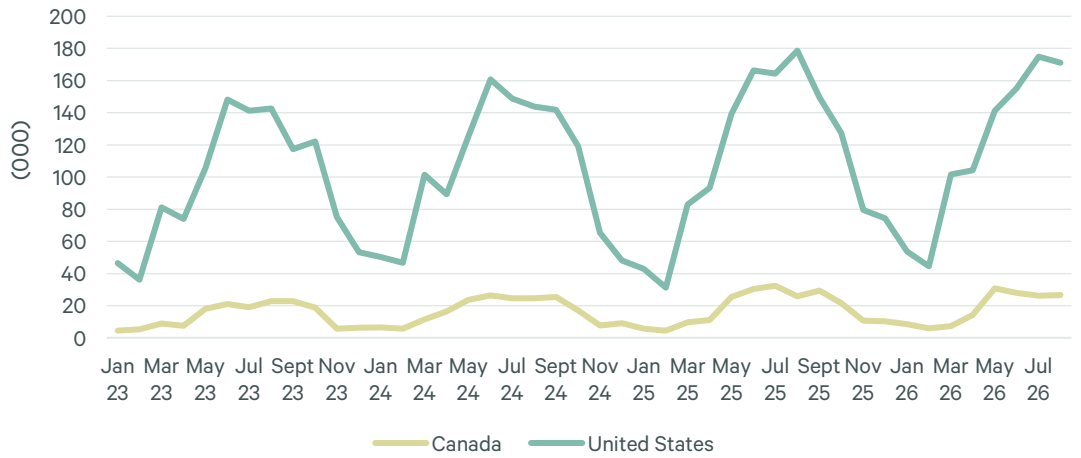
Ireland also continues to benefit from growing appeal as a cooler-climate alternative to Southern Europe, a trend that gained traction following a much warmer summer across the continent. This factor is being increasingly cited as a key selling point for both American and European travellers.

FIGURE 4: Occupancy, RevPAR & ADR Year-to-Date to September

City	Occupancy YTD Sept-26	Annual Change	ADR YTD Sept-26	Annual % Change	RevPAR YTD Sept-26	Annual % Change
Dublin	84.7%	+0.2pp	€177.79	+1.3%	€150.50	+1.5%
Cork	77.2%	-0.4pp	€165.58	+2.2%	€127.85	+1.7%
Belfast	77.0%	+0.7pp	£112.83	-0.2%	£86.92	+0.7%

Source: CoStar

FIGURE 5: North American Visitors to Ireland – Number of Overnight Trips



Source: CSO

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Supply & Planning

Dublin's hotel development pipeline remains one of the most active in Europe, with CBRE tracking approximately 3,505 bedrooms due to deliver between 2026 and 2028, implying an increase in total Dublin room stock of approximately 12% on the current base of approximately 28,000 keys.

At an estimated development cost of €250k to €350k per key, the committed pipeline represents a gross development cost of between €0.9bn and €1.2bn, a significant vote of confidence in the long-term fundamentals of the Dublin market.

Sofitel Leads a Landmark Year for New Supply

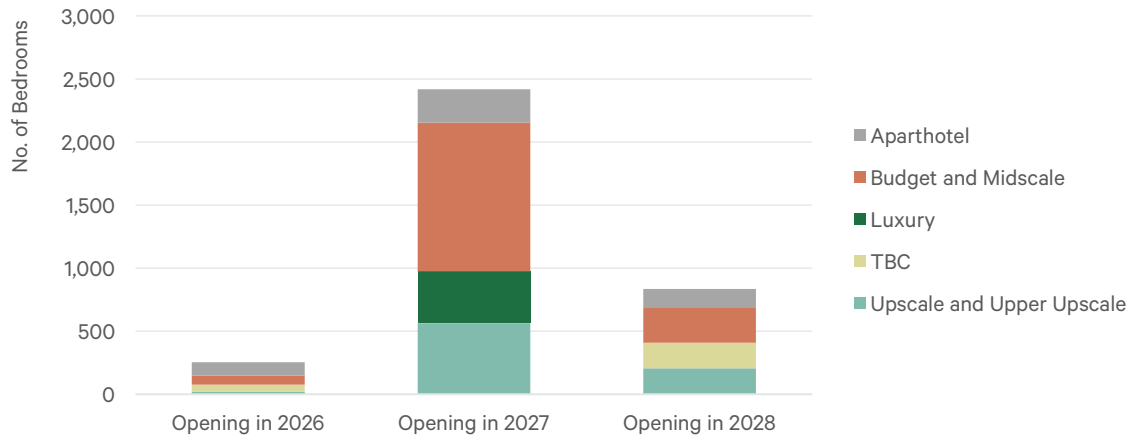
The most significant opening anticipated in Q1 2027 is the Sofitel at Dublin Airport, which will mark the first new five-star hotel to open in Dublin since 2013. The July, an Amsterdam-based aparthotel operator formerly known as City ID, is due to open its first Irish property on Capel Street in Q4 this year. This reflects a broader trend of aparthotel product gaining traction as a distinct asset class in the capital. Aparthotels account for 15% of total pipeline supply to 2028 (513 bedrooms). Budget and midscale product continues to dominate at 44%, and 2027 is the peak delivery year at 2,418 bedrooms, or 69% of the total pipeline.

Development Levy Adding to Construction Costs

Dublin City Council doubled the development contribution on new hotels, tourist hostels and aparthotels to €244 per sq m with effect from 1 July 2026, twice the rate applied to most other commercial development. This has become an increasingly significant cost consideration for hotel developers, with the levies applying to the substantial volume of new hotel construction now underway across the city. This adds to an already challenging development cost environment, with construction inflation, financing costs and planning risk remain a consistent challenge for developers, particularly for mid-market schemes outside established core locations.

The planning environment remains mixed. A number of applications have been refused on foot of the Dublin City Development Plan 2022-2028 policy aimed at preventing the overconcentration of hotels in the city centre. Against this, the IRFU Lansdowne Quarter development, comprising a 257-bedroom hotel and 77 residential units represent one of the most significant hospitality-led mixed-use pre-planning opportunities to come to market in recent years.

FIGURE 6: Dublin Hotel Room Pipeline – Under Construction



Source: CBRE

FIGURE 7: Notable Hotel Openings 2026 & 2027

Hotel	Location	Rooms	Year
Sofitel Dublin	Dublin Airport	412	2027
Home2 Suites by Hilton	Dublin 1	290	2026
Courtyard by Marriott, Abbey St	Dublin 1	252	2027
Residence Inn, Abbey St	Dublin 1	222	2027
Maldron Hotel at Croke Park	Dublin 3	200	2026
The July (Aparthotel)	Dublin 1	105	2026

Source: CBRE

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Hotel Demand Case

Utilitarian Nature of Dublin Hotels

So what makes Dublin hotels so appealing that sophisticated investors are willing to deploy over a billion euro on a single portfolio? One point, made recently by a well-known industry figure, is sometimes overlooked. Dublin hotels are utilitarian in nature. They sit near stadia, convention centres, airports and transport hubs. The city is compact enough that almost every hotel is within reach of the landmark demand generators.

Recent openings like the Moxy in East Wall are performing strongly despite sitting outside the traditional city core, driven by proximity to the 3Arena and Croke Park. In Dublin, location risk is lower than many cities in Europe. One of the reasons why prime Dublin hotels yields are among the sharpest in Europe.

Ryder Cup 2027 – Ireland's Biggest Ever Sporting Event

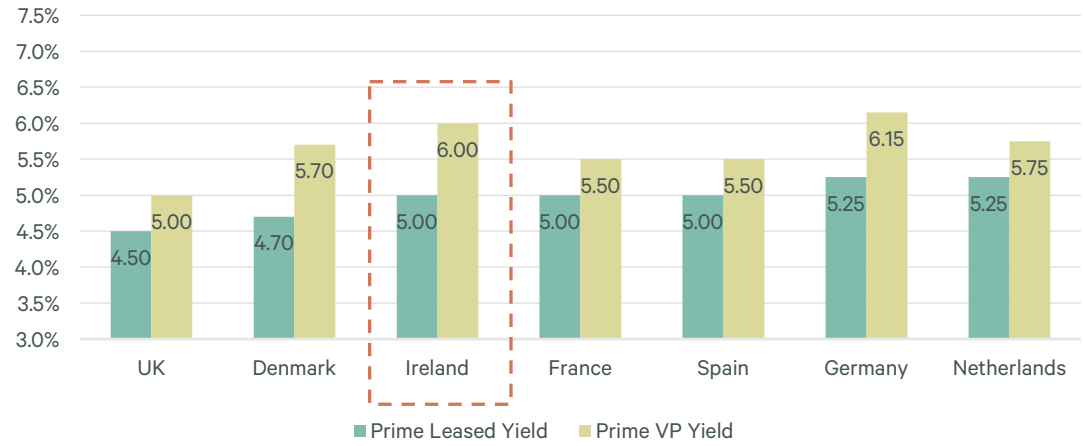
The NFL Dublin game weekend in September 2025 was one of the most profitable nights of the last decade for Dublin hotels, with ADR significantly rising across hotel types. The Ryder Cup, set to be hosted in September 2027 in Adare Manor in Limerick will supersede this in terms of size, with over 250,000 well-heeled spectators expected to attend.

Limerick and southwest hotels will benefit most, but it will also have trickle down effects for the Dublin market too as visitors combine golf with city trips. Ireland's golf tourism has been growing strongly, and the event should support further demand.

Hotel Conversions and the Evolution of Dublin City Centre

CBRE Research previously identified how the composition of Dublin city centre real estate would continue to fundamentally shift, with living sector uses, hotels, residential and student accommodation, displacing some office or retail use in the core city. Over the last ten years, in the traditional Dublin 1 area, at least five properties that were previously in office or commercial use have been demolished, converted or repositioned as hotels. While there are currently five former offices in the planning system with plans to reposition either office or retail assets in Dublin.

FIGURE 8: European Hotel Yields*



Source: CBRE; *Reflects prime capital city market for each country

FIGURE 9: Notable Dublin Hotel Conversions & Rebuilds

Name & Former Use	Current Use	Address	Bedrooms
Telephone House / Marlborough House | Office	Home2 Suites by Hilton Dublin City Centre | Hotel	43-46 Marlborough Street, D1	290
Twilfit House | Office	Premier Inn Dublin Jervis Street | Hotel	Jervis Street / Abbey Street Upper, D1	219
Findlater House | Office	Holiday Inn Express Dublin City Centre | Hotel	28-32 O'Connell Street Upper, D1	198
Sackville House | Office	Moxy Hotel Dublin City Centre | Hotel	Sackville Place, D1	158

Source: CBRE

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Figure 10: Mount Falcon Estate, Co. Mayo



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