



Colliers Hotels

Q3 2024

# INNvestment Canada

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# Q3 2024 Hotel Investment Report









Canadian hotel investment volume reached approximately \$1.65 billion through the third quarter, up more than 20% year-over-year, indicative of continued strength and optimism in the Canadian hotel market.

- Following strong transaction activity in the first half of 2024, hotel volume moderated in Q3 to approximately \$280 million, driven largely by the sale of the Residence Inn Calgary Beltline. Strong operating performance and ample capital availability, both in equity and debt, are driving market activity. Based on the current transaction pipeline, Colliers expects year-end volume to range between \$1.9 and \$2.0 billion.
- Hotel valuations remain robust across the country, with normalized price per key metrics averaging \$160,000, down 6% year-over-year; however, pacing 23% ahead of levels in 2019 (\$130,000 per key). Interestingly, national revenue per available room (RevPAR) metrics have also risen by roughly 26% over the same period, reinforcing the impact of improved operating fundamentals on asset valuation.

## Spotlight Transactions



## Year-to-Date Q3 Transaction Highlights

		YoY Trend
	<b>\$1.65B</b> YTD Q3 Trade Volume	 19%
	<b>110</b> Hotels Sold	 2%
	<b>\$160,000</b> Average Price/Key*	 -6%
	<b>\$15.1M</b> Average Deal Size	 17%

\* Reflects normalized average price per key excluding acquisitions for alternate use/redevelopment and transactions with considerable non-hotel value.

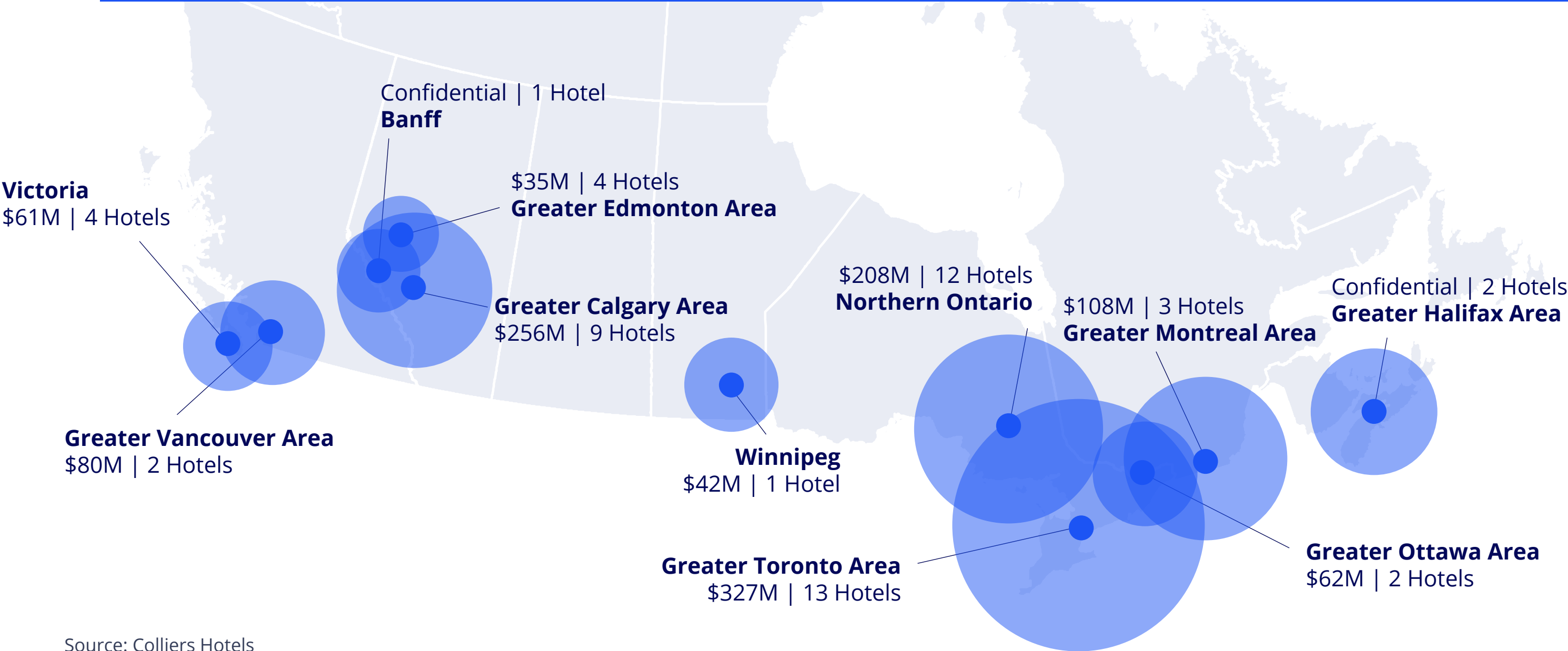
Metrics based on preliminary data.  
Source: Colliers Hotels



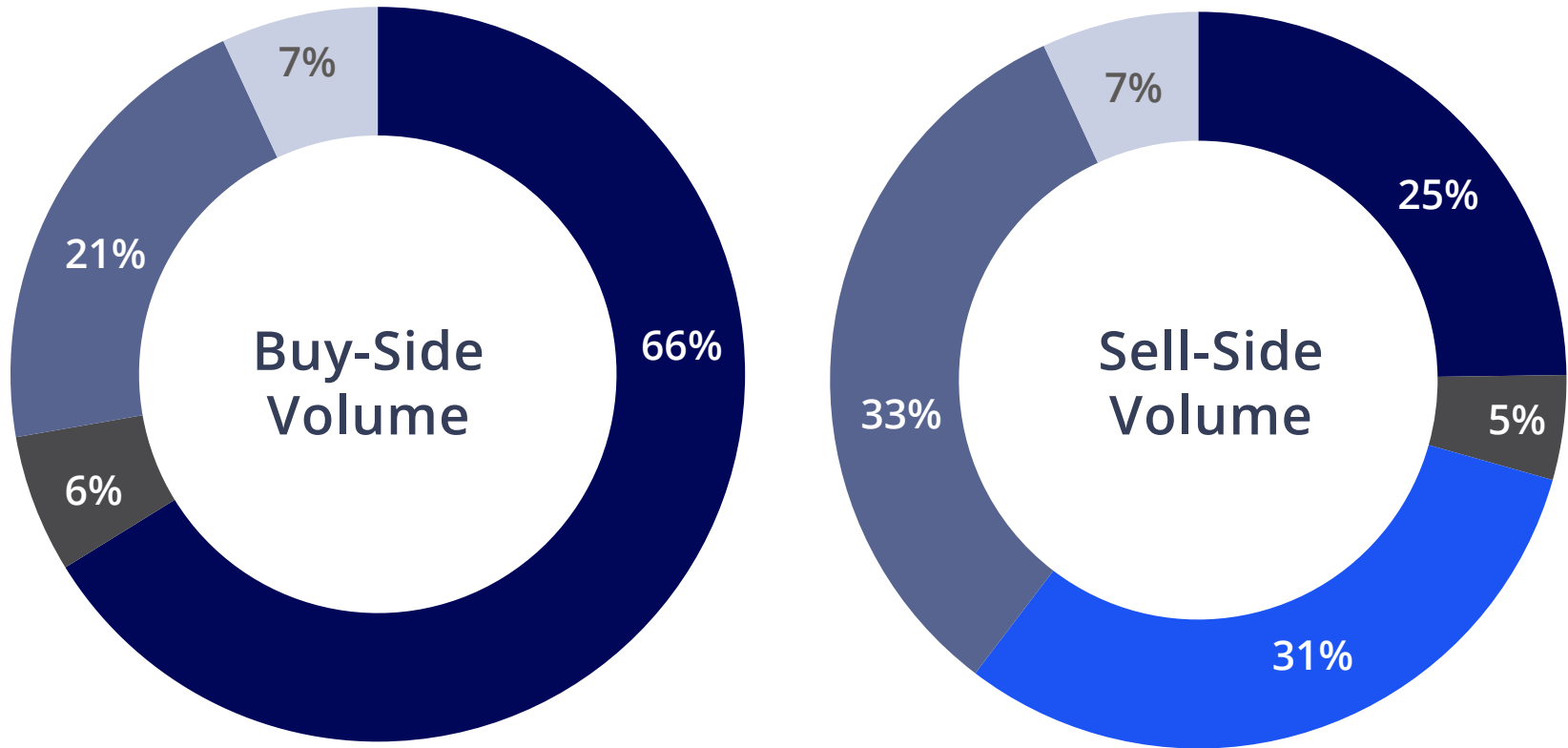
# Regional Trends

Investment activity has remained anchored in Ontario, with \$800 million of transactions to date, accounting for 48% of national volume. Highlight Q3 sales included the Four Points by Sheraton Cambridge Kitchener and the Hilton Garden Inn located in Niagara-on-the-Lake.

Alberta and British Columbia rank as the second and third most active provinces for hotel investment, respectively. While representing a small share of national activity, there is considerable momentum in Atlantic Canada, with \$100 million of sales through Q3, on par with last year's total.



Source: Colliers Hotels



## Legend

- Hotel Investment Company
- Private Investor
- Institutional & Other
- Real Estate Company
- Public Company

Source: Colliers Hotels

## Buyer & Seller Mix


- Hotel investment companies have been the largest buyers of hotel real estate with buy-side volume of \$1.1 billion through Q3 (70% of total activity) with notable acquisitions by Artifact Group, InnVest Hotels, Manga Hotels, and Sunray Group, among others.
- Private investors remain a steady component of the market with a 20% volume share. There continues to be plentiful opportunities for investors to enter the market at an attractive cheque size, with 60% of the year's transaction being \$10 million or less.

# Q3 2024 Transaction List

Select transactions presented below

Name	City	Province	Keys	Date	Price	Price / Key	Sale Notes
Residence Inn Calgary Beltline	Calgary	AB	390	Aug-24	\$112,500,000	\$288,500	
Four Points by Sheraton Cambridge Kitchener	Cambridge	ON	124	Aug-24	\$25,500,000	\$205,600	Included 2.0 acres of excess land.
Hilton Garden Inn Niagara-on-the-Lake	Niagara-on-the-Lake	ON	118	Sep-24	\$25,240,000	\$213,900	
Delta Hotels Calgary South	Calgary	AB	253	Jul-24	-	-	Sale details confidential.
Pacific Inn Resort & Conference Centre	Surrey	BC	150	Sep-24	\$18,000,000	\$120,000	Distressed sale.
Comfort Inn & Suites Airdrie	Airdrie	AB	103	Jul-24	\$10,300,000	\$100,000	
Super 8 Port Elgin	Port Elgin	ON	55	Sep-24	\$8,100,000	\$147,300	
Travelodge by Wyndham Brockville	Brockville	ON	73	Aug-24	\$5,800,000	\$79,500	
Ramada by Wyndham Weyburn	Weyburn	SK	78	Jul-24	\$2,700,000	\$34,600	Part of two property portfolio.
Canalta Hotel Weyburn	Weyburn	SK	67	Jul-24	\$2,200,000	\$32,800	
Comfort Inn Campbellton	Campbellton	NB	59	Sep-24	\$3,000,000	\$50,800	Part of two property portfolio.
Days Inn by Wyndham Dalhousie	Dalhousie	NB	52	Sep-24	\$2,100,000	\$40,400	

Source: Colliers Hotels



**REPORT A LODGING TRANSACTION**

Provide as much detail as possible, including property name, sale date, and price, etc. Kindly note we track sales >\$1M.

**Note:**  
Trends are based on hotel transactions of at least \$1 million.





# Colliers Hotels Canada and The Caribbean

In the past 30 years, Colliers’ Hotels team has acted on the sale or financing of more than 875 hotels and resorts with deep transaction experience across Canada and the Caribbean. We are results-driven: whether a large portfolio or single property, our proven process delivers results via our global connections, world-class marketing and innovative strategies. Our clients choose us for our superior client service, level of specialization and unique market insights.

## Brokerage & Advisory Services

- Hotel Brokerage
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