Q2 2019

HOTEL REPORT

gabetti
PROPERTY SOLUTIONS


gabetti
PROPERTY SOLUTIONS
22%

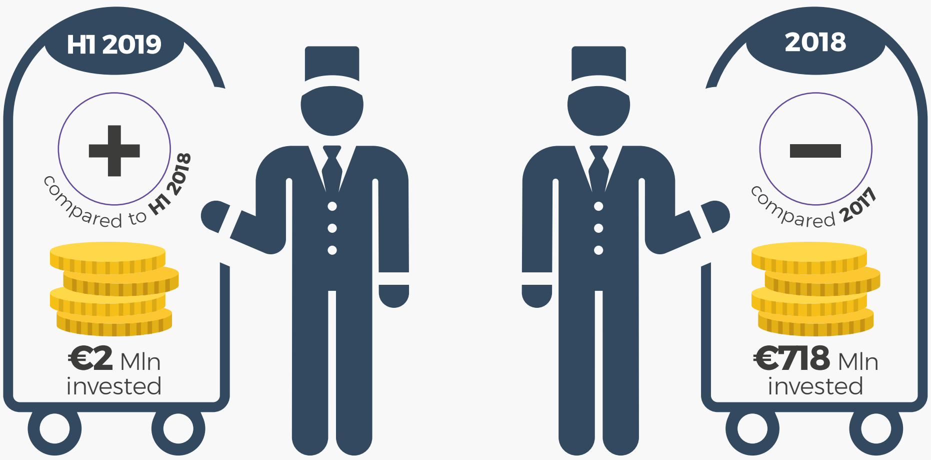
INDEX

HIGHLIGHTS

The report analyses the key indicators and provides a comprehensive snapshot of the hotel and tourism sector.

In particular, it monitors the performance of real estate investments in the hotel and accommodation sector, as well as the number of transactions of the entire segment. With regard to stock, it provides an analysis of the growth in hotel supply in Italy, monitoring the attractiveness of facilities in terms of arrivals and overnight stays. Lastly, performance with regard to occupancy and average revenue of the main cities is examined, as well as Italy's positioning within the European context.

REAL ESTATE INVESTMENT IN THE HOTEL SEGMENT



APPEAL OF THE FACILITIES

HOTEL SUPPLY IN ITALY

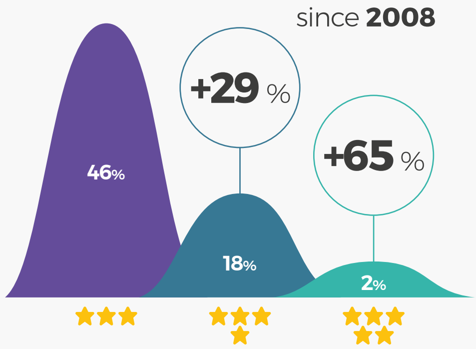
HOTEL

33 K

HOTELS

1.1 Mln rooms

2.3 Mln beds



PERFORMANCE

2018

77.3%
Florence

76.9%
Milan

68.9% ROOM OCCUPANCY RATE

AVERAGE REVENUE
PER OCCUPIED ROOM

222.2€
Venice
2018

159.3 € PER AVAILABLE ROOM

IN EUROPE

1

1st country
for number of rooms
in 2018

2

2nd country
for number
of facilities in 2018

5

5th country
in terms of arrivals
in hotels and similar
facilities in 2018

REPORT SUMMARY

After the year 2018, in which investments for approximately €718 million were recorded, **the first half of 2019 recorded over €2 billion in investments** (**43.4%** of the volume invested), a sharp increase over the same period in 2018.
Mention goes to an important transaction in the hotel segment during this half-year, comprising a portfolio of 8 assets, with a predominance of international capital (91%) compared to domestic capital (8%).
Venice, Florence and Rome were the most attractive cities in the first six months of 2019, with high-end hotels recording the greatest interest.

Hotel facilities recorded a +1.6% change in terms of overnight stays in 2018 and +3.2% in arrivals compared to 2017, confirming the growth trend that began in 2014. Italy's appeal also emerges from the breakdown in overnight stays, with 50% of the total 279 million originating from foreign countries.

THE HOTEL REAL ESTATE INVESTMENT MARKET

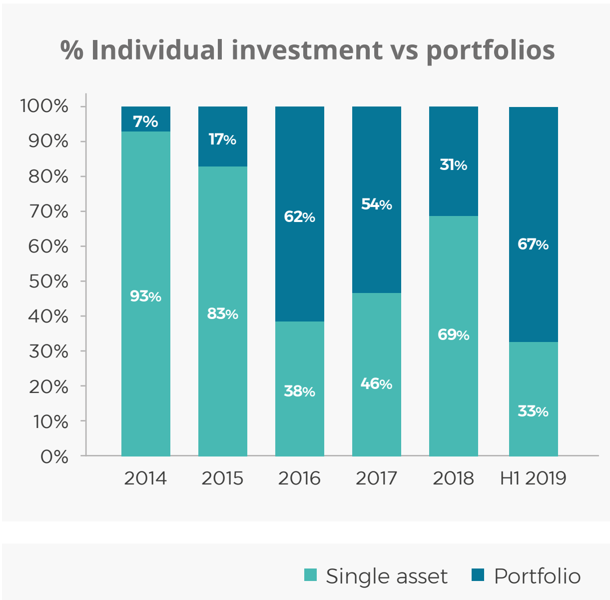
In the first half of 2019 over €2 billion was invested **in the hotel real estate segment, 43.4% of the total amount invested**, a sharp increase over the same period in 2018.

The total volume of €594 million recorded in 2014 increased to nearly one billion in 2016, with further growth in 2017 at €1.19 billion, +11.4% compared to the prior year, doubling the volume of 2014.

The year **2018** showed a physiological slow-down in investments compared to 2017, re-cord year for capital market investments.

Gabetti Research Department analysis

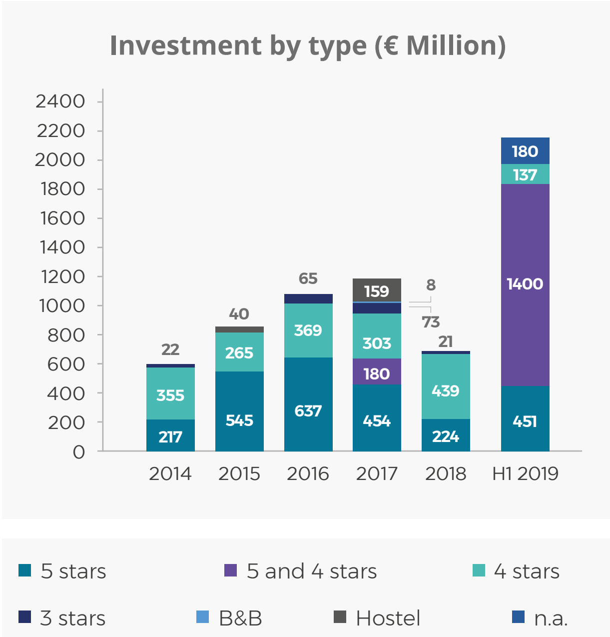
After an initial period of **increased invest-ments in portfolios of hotel properties**, going from a total weight of approximately 7.4% re-corded in 2014 (€44 million) to €666 million in 2016 (62.2%), an initial decline was recor-ded in **2017**, at **€643 million** or **53.9%** of the total, continuing in **2018**, period in which the weight of portfolio investments was approxi-mately **31.3%** (€225 million). During the first six months of 2019, a predominance of invest-ments in portfolios of hotel properties was re-corded, at 67.4%.



Gabetti Research Department analysis

The first six months of **2019** confirmed the preference for high-end hotel facilities (taking into account only those transactions that indicated the hotel rating).

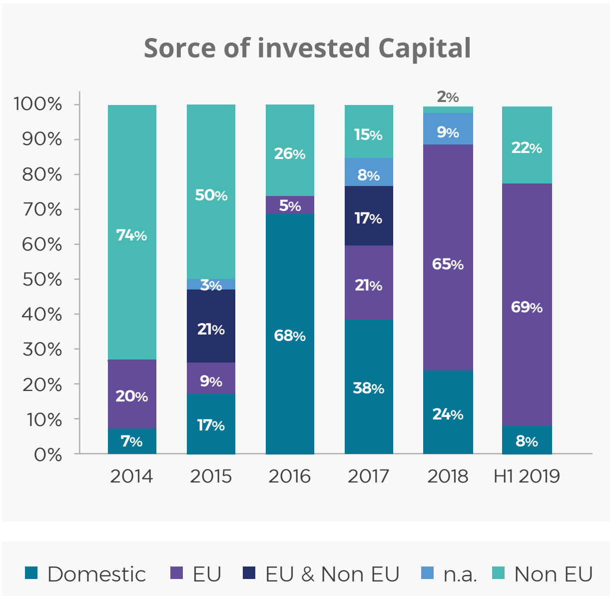
This trend continues that of 2018, in which **4 and 5-star hotels** accounted for nearly all transactions and capital invested (**92% of the total**). Conversely, institutional investors continued to show less interest in lower-end hotels. In this context, assets that are located in strategic positions and possibly subject to redevelopment and reopening, or facilities that aim at a younger and more sophisticated target, such as newly-conceived design **hostels** situated in strategic positions, are excluded.



Gabetti Research Department analysis

The first half of 2019 recorded a predominance of foreign investors, at 91%, following the purchase of two major portfolios: one of 15 assets by the USA and one of 8 assets by France.

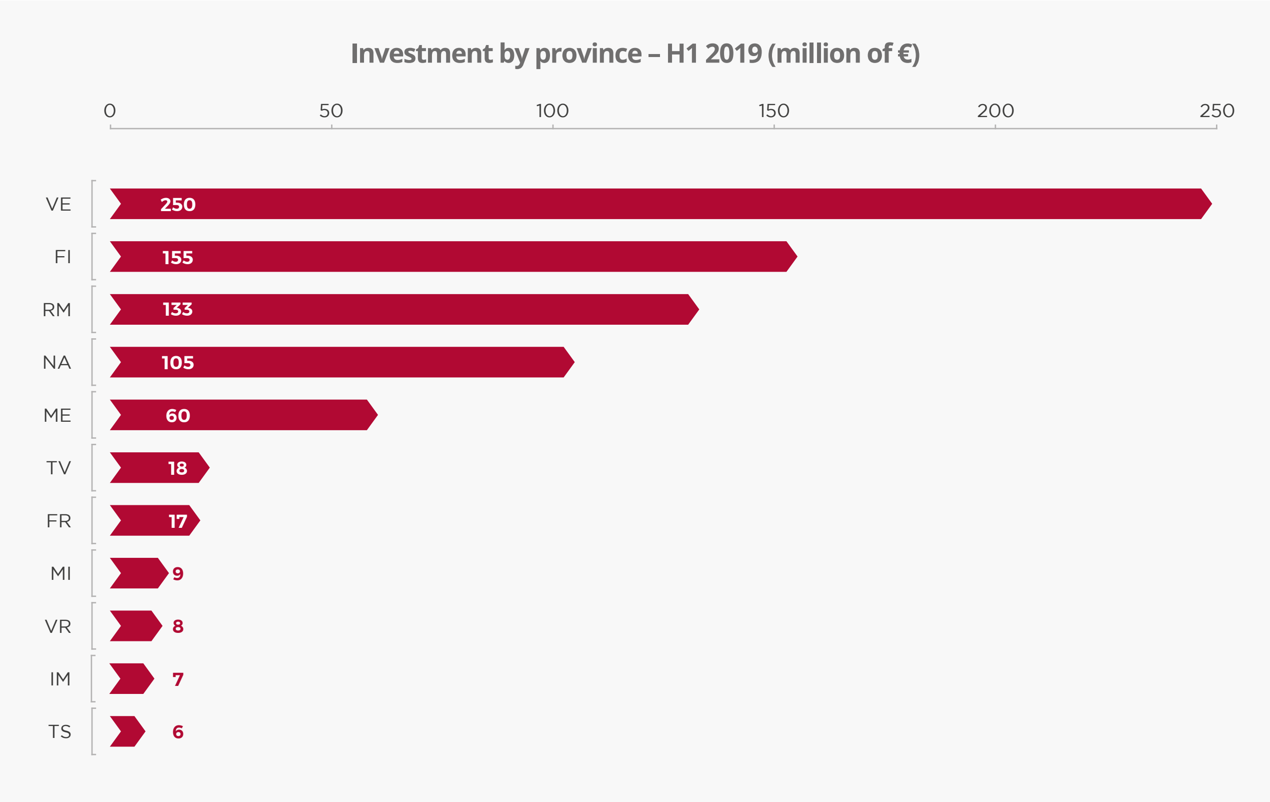
In 2018, foreign investors represented approximately 67% of the total invested, with France and the USA among the top investors.



Gabetti Research Department analysis

During the first half of 2019, while considering the minimal amount of transactions attributable to a specific province, the main portion of invested capital was attributable to the province of **Venice** (**32.6%**), followed by **Florence** (**20.2%**).

In **2018**, the majority of capital invested and attributed to a specific province was recorded by the province of **Rome** (approximately **33.7%**), followed by **Palermo** (**8.1%**), **Florence** (**7.5%**) and **Milan** (**7.5%**); this breakdown does not take into account the transaction involving a portfolio of two Hotels.

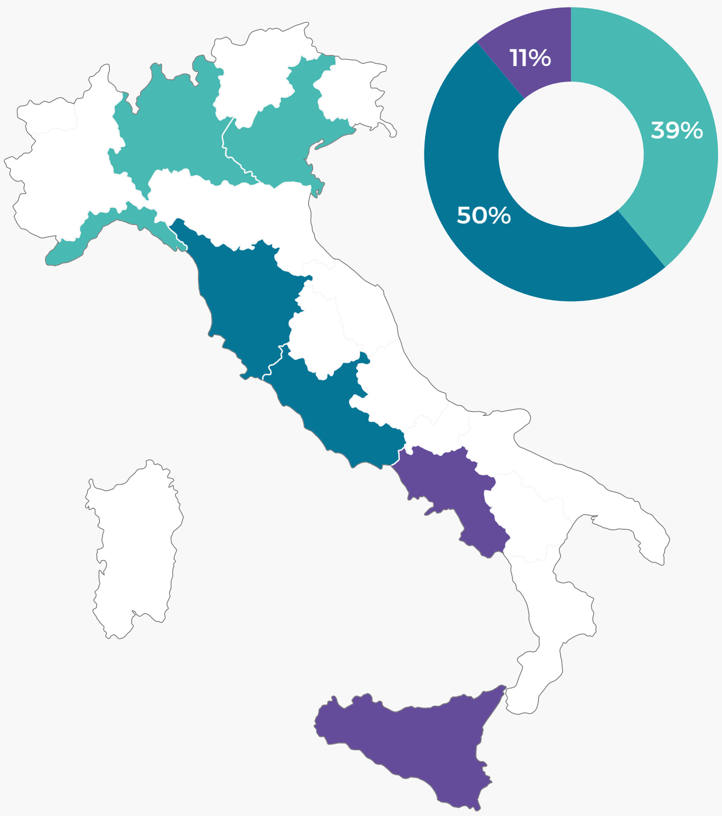


Gabetti Research Department analysis

In the first six months of 2019, a total of approximately **3,380 rooms** were transacted, of which 39% in northern Italy, 50% in the Centre and the remaining 11% in the South.
In **2018**, a total of approximately **3,991 rooms** were transacted, of which 42% in northern Italy, 24% in the Centre and the remaining 34% in the South.

At the regional level, Lombardy accounts for around 23% of the total, followed by Lazio (with Rome) with 18% (Milan, Vergiate, Malpensa and Como) and Sicily (Palermo) with approximately 14%.

Distribution of hotels by region



LOMBARDY	65
LIGURIA	225
VENETO	396
TOT.	**686**

LAZIO	604
TUSCANY	290
TOT.	**894**

SICILY	135
CAMPANIA	68
TOT.	**203**

Gabetti Research Department analysis

South · Centre · North

Some of the major transactions recorded in the first half of 2019 are listed below:

Name	City	Rooms	Stars	Price in Mln €	Buyer	Seller	Capital
Portfolio Castello sgr	nd	1600	n/a	300.0	Oaktree	Castello SGR	NON EU
Plus Hostel	Florence	120	n/a	25.6	PGM Real Estate	Human Company	NON EU
Palazzo Magnani Feroni	Florence	nd	5	19.5	IGG/ Tianmeng Hong Kong Holdings Co	Cedro Srl	NON EU
Grand Hotel Palazzo della Fonte*	Fiuggi	153	5	16	Gruppo Forte Village	n/a	Domestic

** non-operational ** partially hostel and hotel*
Gabetti Research Department analysis

ITALY, NORMALISED NUMBER OF TRANSACTIONS (NTN) INVOLVING HOTEL PROPERTIES

With respect to the real estate investment market previously analysed, the data on normalised number of transactions (NTN) measure purchases of ownership rights "counted" with respect to each unit, taking into account the percent ownership of the property involved in the transactions (source: Agenzia delle Entrate).

NTN Hotels

	2011	2012	2013	2014	2015	2016	2017	2018
Italy	495	360	388	388	464	529	595	628
Capitals	137	119	117	89	103	152	165	161
Non-Capitals	358	241	271	298	361	378	430	467
Italy Var.		-27.3%	7.7%	0.0%	19.6%	14.1%	12.4%	5.6%
Capital Var		-13.5%	-1.6%	-23.5%	14.8%	47.8%	8.9%	-2.4%
Non-Capital Var.		-32.5%	12.2%	10.2%	21.1%	4.5%	13.8%	8.6%

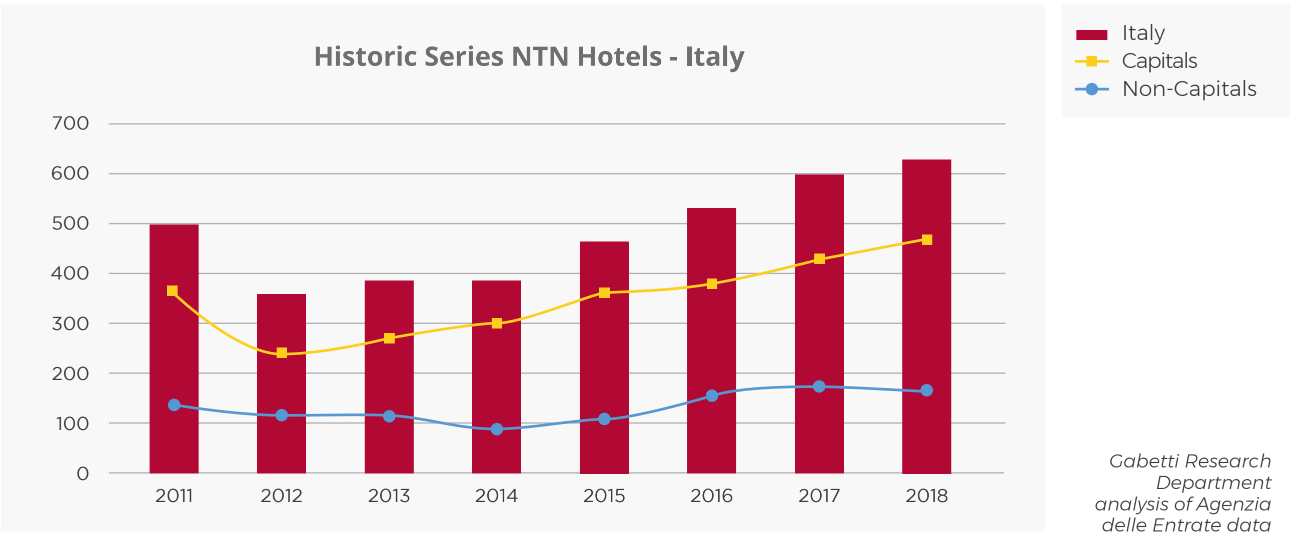
Gabetti Research Department analysis of Agenzia delle Entrate data

The historic series of hotel real estate transactions from 2011 to 2018 shows a gradual increase in transactions after 2012, negative low for the period analysed, reaching 628 in 2018, +27% compared to 2011.
During the first three months of 2019, some 181 transactions were recorded, up 59.2% over the same period of 2018.

ITALY, NTN HOTELS - COMPARISON OF CAPITALS AND NON-CAPITALS

Comparison of the data on capitals and non-capitals highlights **smaller changes for the capitals**, in a scenario of **lower** total **number** of transactions.

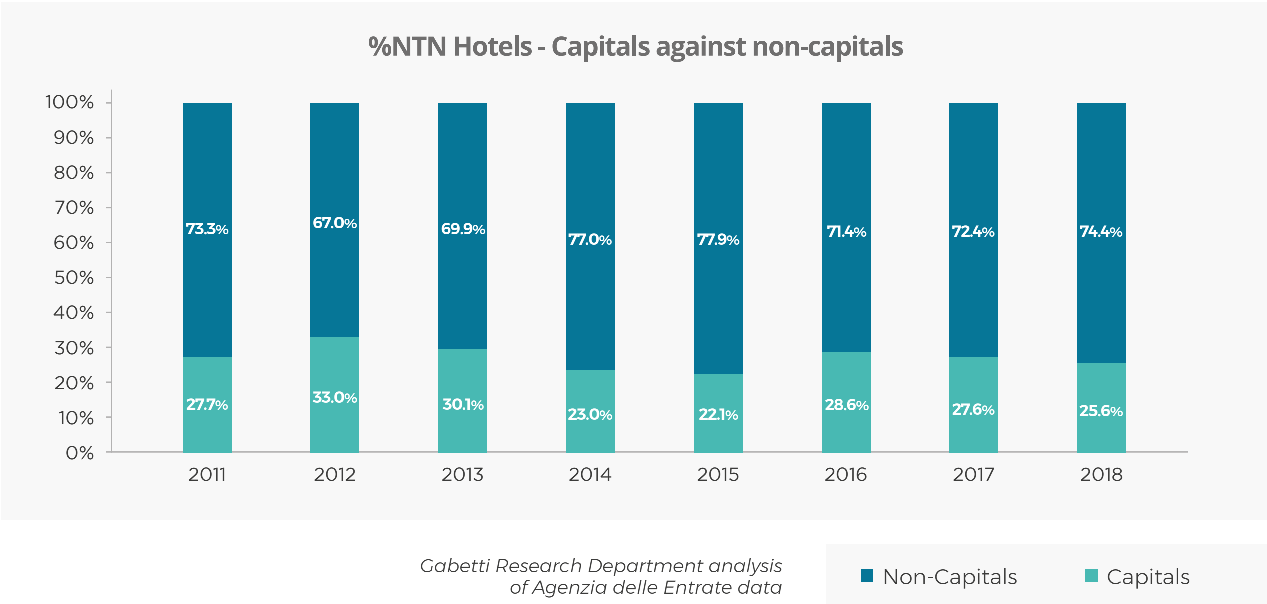
Of particular mention is the **growth** in number of transactions for **non-capital** cities in **2018** (+8.6% for a total of 467 NTN), while the **capitals** recorded a slight decline of **-2.4% compared to 2017**, for a total of 161 NTN.



Gabetti Research Department analysis of Agenzia delle Entrate data

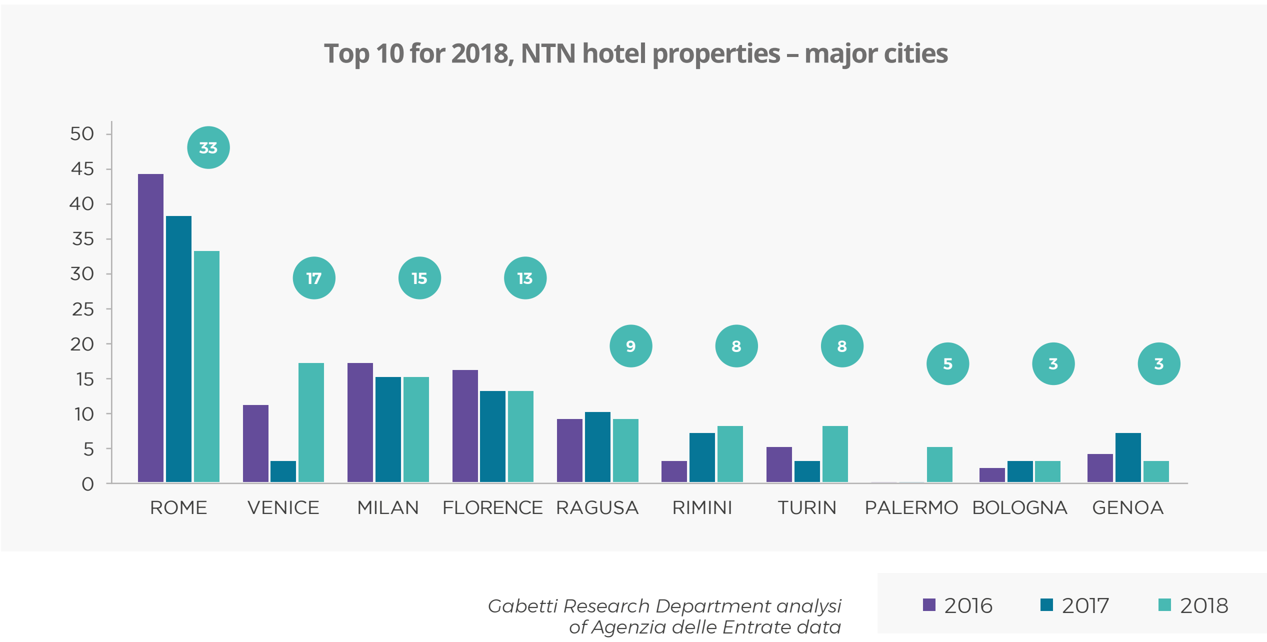
During the period under analysis, **capital cities have on average** accounted for **25.6% of the total hotel transactions** recorded, with a higher-than-average weight in 2011-2013 and in 2016-2018.

Therefore, although both categories suffered the crisis period, the non-capitals were the first to record positive variations as early as in 2013, while the capitals recorded significant performance during the period between 2015 and 2017.



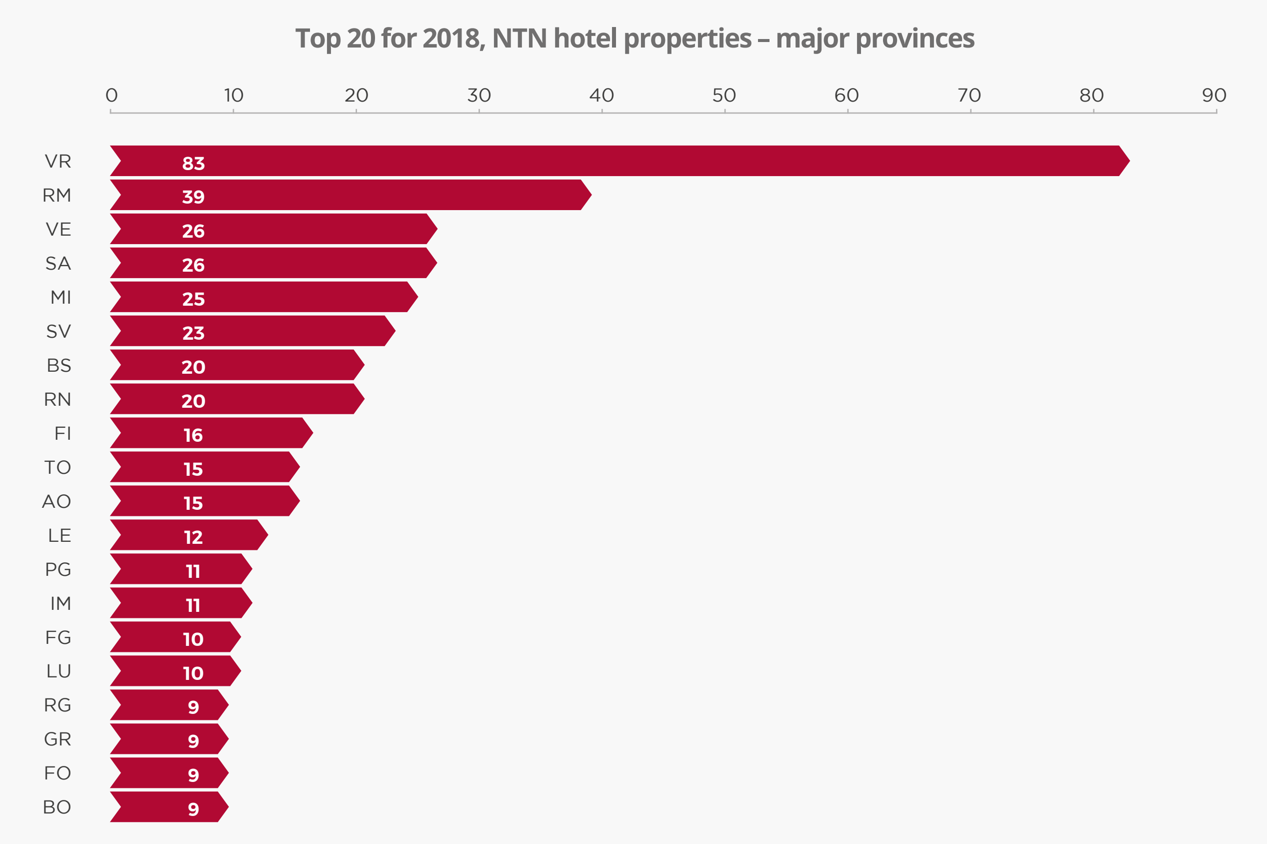
Gabetti Research Department analysis of Agenzia delle Entrate data

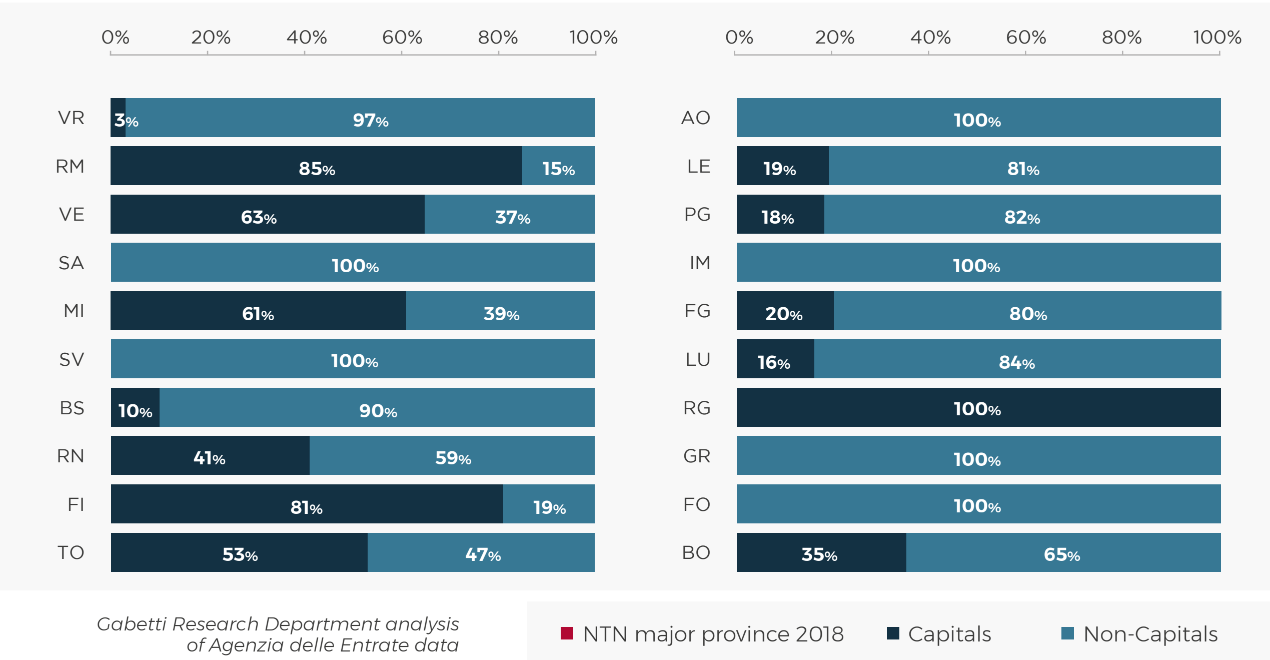
Analysing the **main Italian cities** by number of hotel transactions in 2018, Rome ranks first with a total of **33** transactions, followed by **Venice** (**17**), **Milan** (**15**) and **Florence** (**13**).
Palermo recorded a particularly positive year in this segment. Bologna and Genoa recorded 3 transactions in 2018, with the cities of Verona and Naples recording the same values.



Gabetti Research Department analysi of Agenzia delle Entrate data

Looking at the **main provinces**, **Verona** is first with **83 transactions**, followed by **Rome** (**39**) and **Venice** (**26**). **The city of Ragusa accounts for the entire amount of transactions** (**100%**) **in the province of the same name. The city of Rome accounts for about 85%** of the total of its province, while **Florence** accounts for about **81%**. The distribution of transactions, on the other hand, is more balanced in the province of Turin, with the city accounting for approximately 53% of the total; the city of Milan accounts for 61% of the total, Rimini 41% of the total and Venice about 63% of the total transactions. The market in the **rest of the province was particularly active in Verona** (**97%**) and **Brescia** (**90%**).





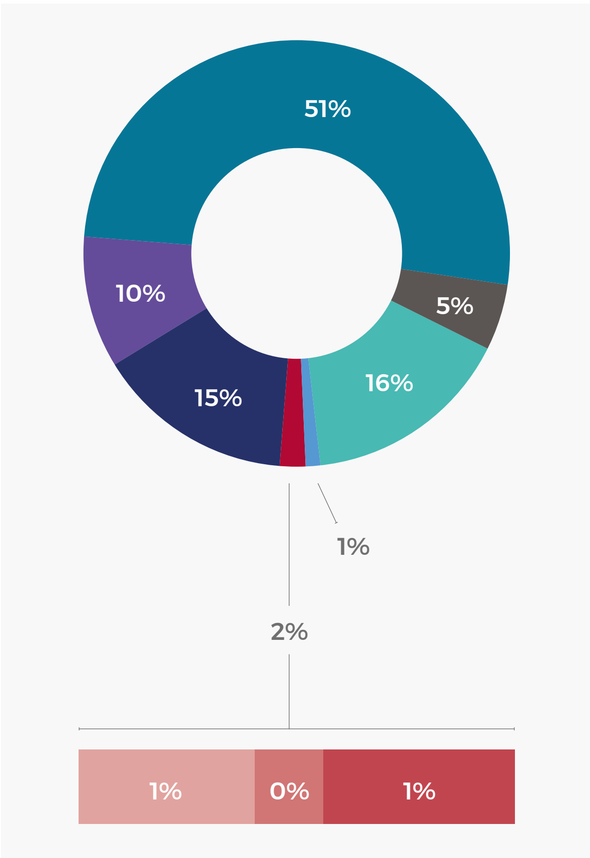
Gabetti Research Department analysis of Agenzia delle Entrate data

HOTEL FACILITIES WITHIN THE CONTEXT OF ACCOMMODATION SUPPLY

Within the Italian accommodation supply, **hotels account for approximately 15% of the total** (215,993), which also includes non-hotel facilities, such as **vacation rental properties** (**51%** of the total), **bed and breakfasts** (**16**%), **agricultural tourism facilities** (**10%**), campgrounds and holiday villages, holiday homes, youth hostels and mountain refuges (approximately 3% of the total). Between 2008 and 2018, all types of non-hotel facilities recorded an increase in number, with an overall total of 76,989 additional facilities.

Particular mention goes to the **significant growth of bed and breakfasts**, which recorded a total of over 17 thousand additional units in 2018 compared to 2008. This phenomenon is also a result of the growth of specific online portals, such as booking.com, which encourage the selection of such solutions.

The scenario within the hotel segment shows a number of differences: on one hand, the overall balance is negative (1,259 fewer facilities compared to 2008), but on the other, **the number of hotels declined only in the 2-star and lower categories.** Conversely, the higher categories, namely **4 and 5-star hotels, increased significantly**, respectively showing growth of 29% and 65%.



TYPE	Tot 2018	Diff 2018/2008
HOTELS	**32,896**	**-1,259**
★	2,690	-1,609
★★	5,611	-1,585
★★★	15,225	65
★★★★	5,942	1,319
★★★★★ and luxury	519	204
aparthotels	2,909	347
NON-HOTELS	**183,097**	**76,989**
agricultural tourism facilities	20,267	4,802
vacation rental properties	109,906	43,906
accomodation facilities not otherwise classified	10,773	10,463
bed and breakfast	35,198	17,009
campgrounds and holiday resorts	2,611	16
holiday homes	2,504	375
youth hostels	660	233
mountain refuges	1,178	185
Total	**215,993**	**75,730**

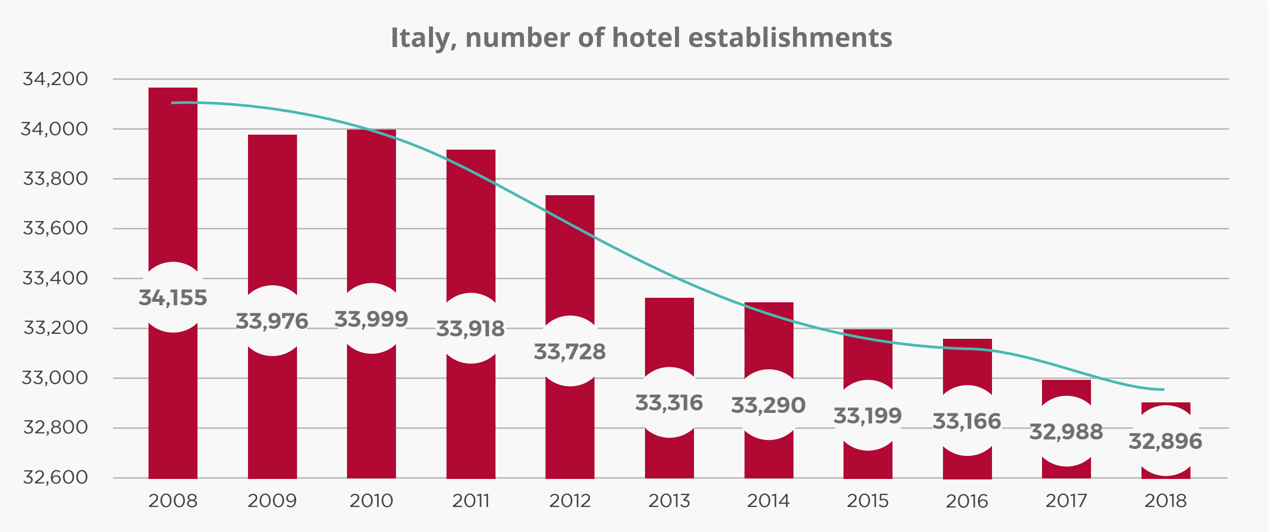
Gabetti Research Department analysis of Istat data

■ Vacation rental properties ■ campgrounds and holiday resorts ■ Agricultural turism facilities ■ Bed & Breakfast ■ Hotels
■ accomodation facilities not otherwise classified ■ Other ■ Holiday homes ■ Youth Hostels ■ Mountain refuges

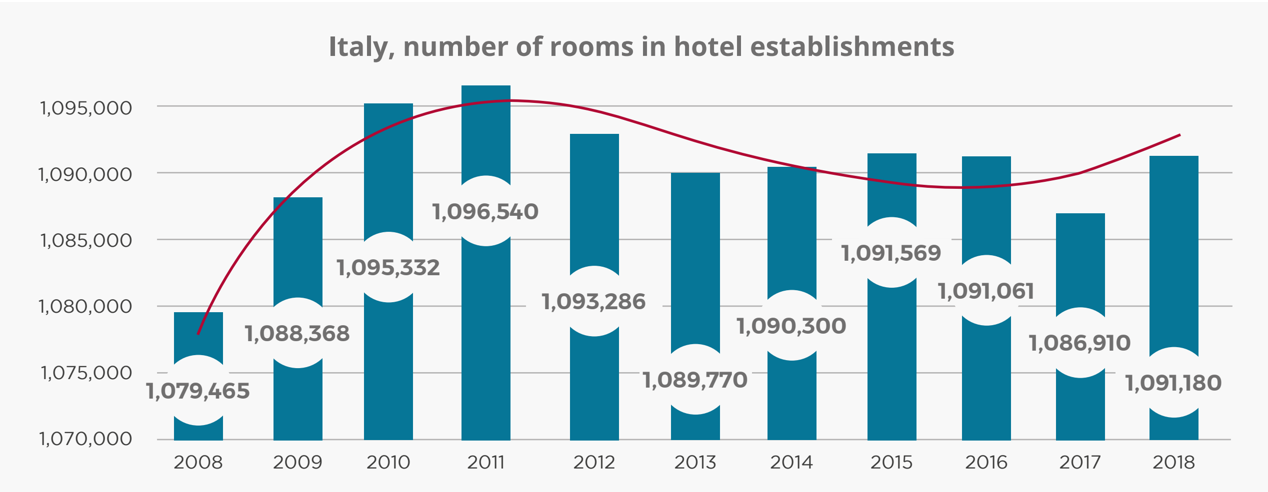
CAPACITY OF HOTEL ESTABLISHMENTS IN ITALY

NATIONAL DATA AND EUROPEAN CONTEXT - NUMBER OF FACILITIES AND ROOMS

According to Istat figures, approximately **32,896** hotel facilities were recorded in Italy in 2018, in line with the figures for 2017 (-0.3%), for a total of **2,260.190 beds**. Looking at the historic series since 2008, following the initial peak of 34,155 hotel establishments, the number gradually declined over the years, reaching a minimum in 2018.

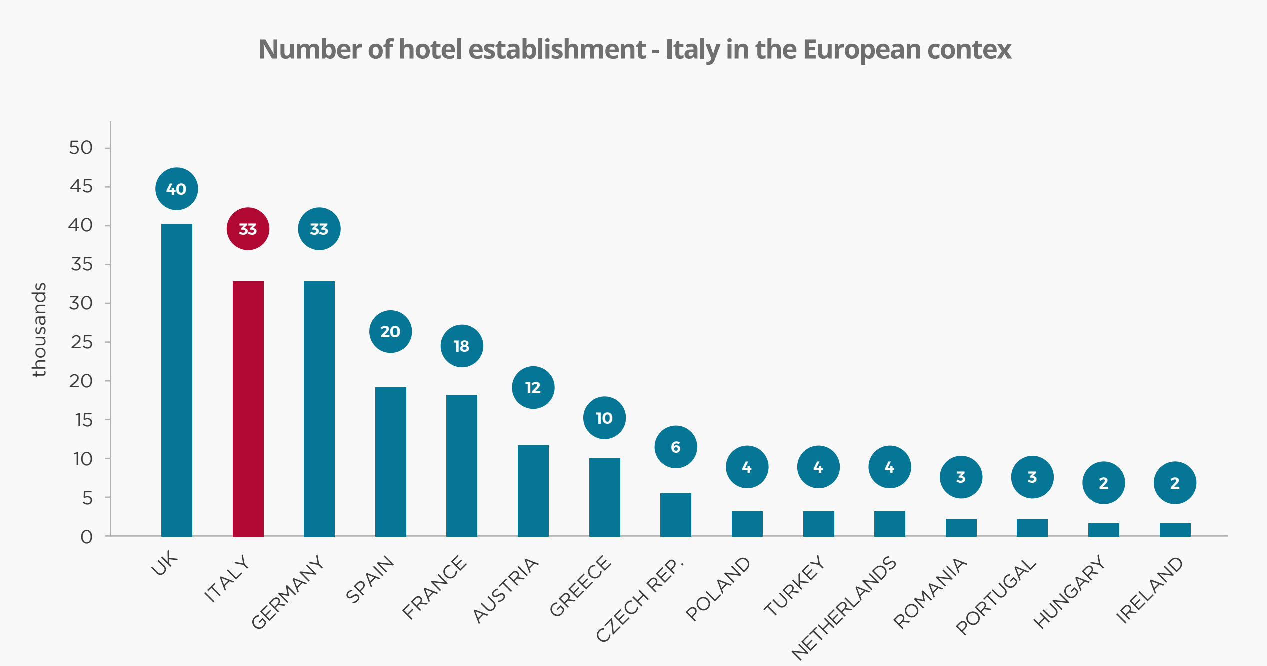


The **number of rooms** in hotel establishments in 2018 was **1,091.180**, **up by 0.4% compared to 2017**, for a total of **2,260.190** beds. An analysis of the historic series shows how the number of rooms increased significantly between 2007 and 2011, declined between 2012 and 2013 and then rose again, although to a more limited extent, in 2014 and 2015. The situation was essentially stable in 2016, followed by a new decline in 2017 and an increase in 2018.



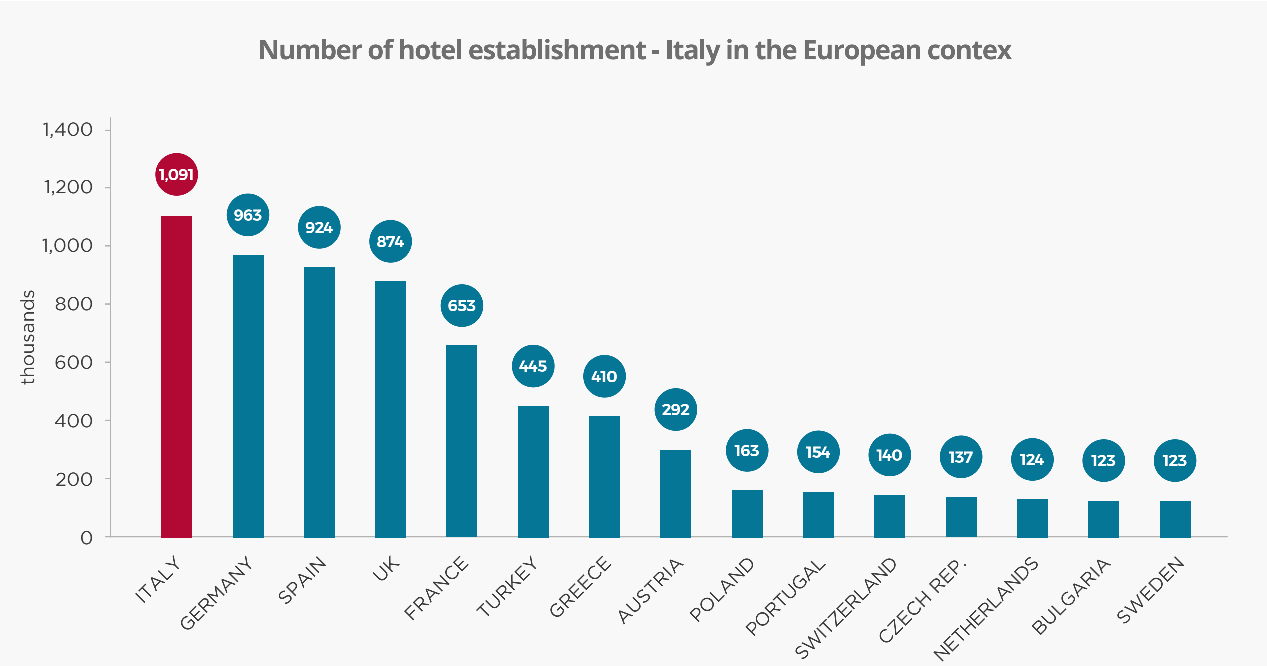
Gabetti Research Department analysis of Istat data

Comparison of the **trend** in number of hotel establishments with the trend in number of available rooms shows a gradual **increase in the number of rooms** and a **reduction** in number of **establishments**, thereby highlighting **greater concentration within the sector**.



*Gabetti Research Department analysis of Eurostat data - *Data on the UK and Ireland refer to 2016; data on Germany, Spain, Greece, Czech Republic, Poland, Turkey, the Netherlands, Romania, Portugal and Hungary refer to 2017*

In 2018, Italy was in 2nd place after Great Britain (2017 data) **with regard to number of hotel** facilities, accounting for approximately 15% of total European supply, or over 200 thousand establishments. Overall, the top 5 countries cover approximately 67% of the European stock.
Looking at the only data available for 2018, Italy is in 1st place, followed by France and Austria.
However, **in terms of number of rooms**, **Italy** ranks **1st**, followed by Germany and Spain.



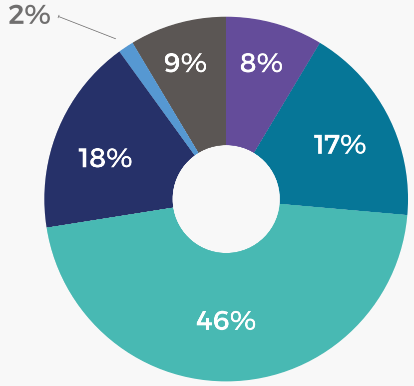
*Gabetti Research Department analysis of Eurostat data - *Data on the UK and Ireland refer to 2016; data on Germany, Spain, Greece, Czech Republic, Poland, Turkey, the Netherlands, Romania, Portugal and Hungary refer to 2017*

DISTRIBUTION OF HOTEL ESTABLISHMENTS IN ITALY BY CATEGORY

The distribution of hotel establishments in Italy in 2018 saw a **predominance of 3-star hotels**, accounting for approximately **46%** of the total and 41% of the beds, with an average of 31 rooms per hotel. Conversely, **4-star** hotels (**18%** of the total) represent 35% of the beds, for an average of 64 rooms per hotel.

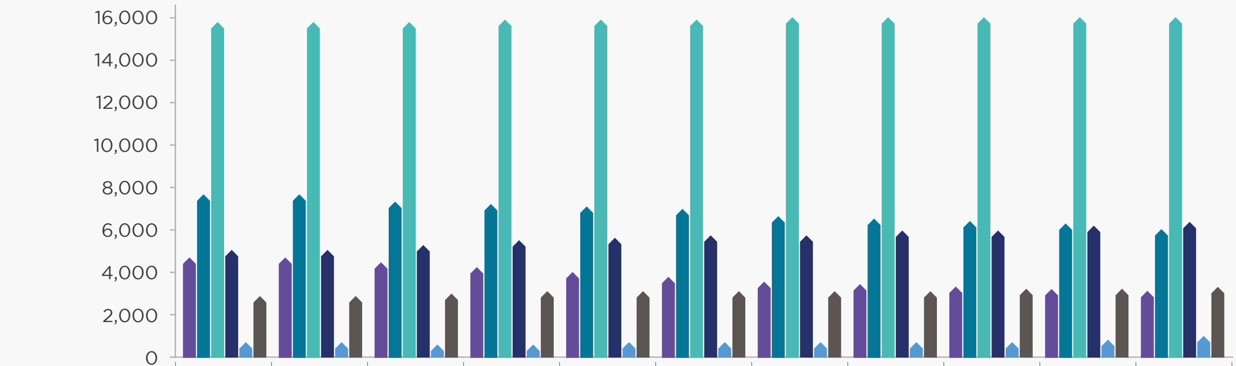
Following close behind are **2-star** hotels (**17%** of the total) with 8% of the beds, for an average of 17 rooms per hotel. Similar volumes are recorded by **1-star** hotels and **aparthotels** (**8 and 9%** of the total). Lastly, **5-star and 5-star luxury hotels** account for a minor portion **(2%)**, with approximately 4% of the total beds and an average of 71 rooms per hotel.

Italy, distribution of hotel establishments



Looking at the trend in number of establishments by type, there has been **significant growth in 5-star and 5-star luxury hotels** since 2008 (**+65% from 2008 to 2018**), as well as in 4-star hotels (+29%), followed by aparthotels (+14%). The trend in 3-star hotels was stable overall, while 1-star and 2-star hotels were down (-37% and -22%, respectively).

Trend in establishments by type (base 2008=100)



ALBERGHI	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
★	4299	4018	3837	3612	3438	3224	3082	2959	2861	2778	2690
★★	7196	6916	6764	6654	6509	6227	6146	6014	5911	5759	5611
★★★	15160	15176	15217	15292	15243	15315	15361	15355	15355	15237	15225
★★★★	4623	4882	5083	5226	5354	5393	5506	5609	5726	5836	5942
★★★★★ and luxury	315	342	362	383	393	410	428	442	460	499	519
Aparthotels	2562	2642	2736	2751	2791	2747	2767	2820	2853	2879	2909

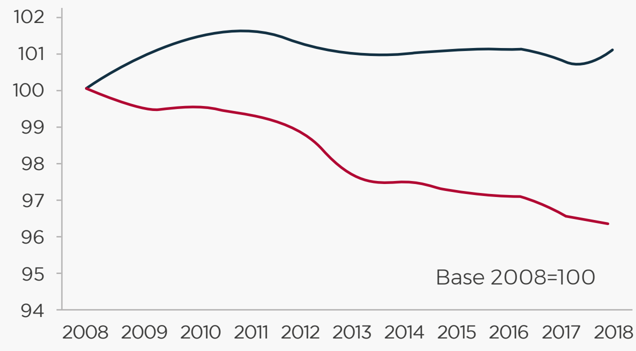
■ 1 star hotels ■ 2 star hotels ■ 3 star hotels ■ 4 star hotels ■ 5 star and 5 star luxury hotels ■ Aparthotels

Gabetti Research Department analysis of Istat data

The trend in annual total number of rooms recorded growth from 2008 to 2011, subsequently stabilising following the gradual decline in total number of establishments.

The average number of **rooms per establishment** also recorded only slight growth during the period considered, from 32 to **33 rooms**.

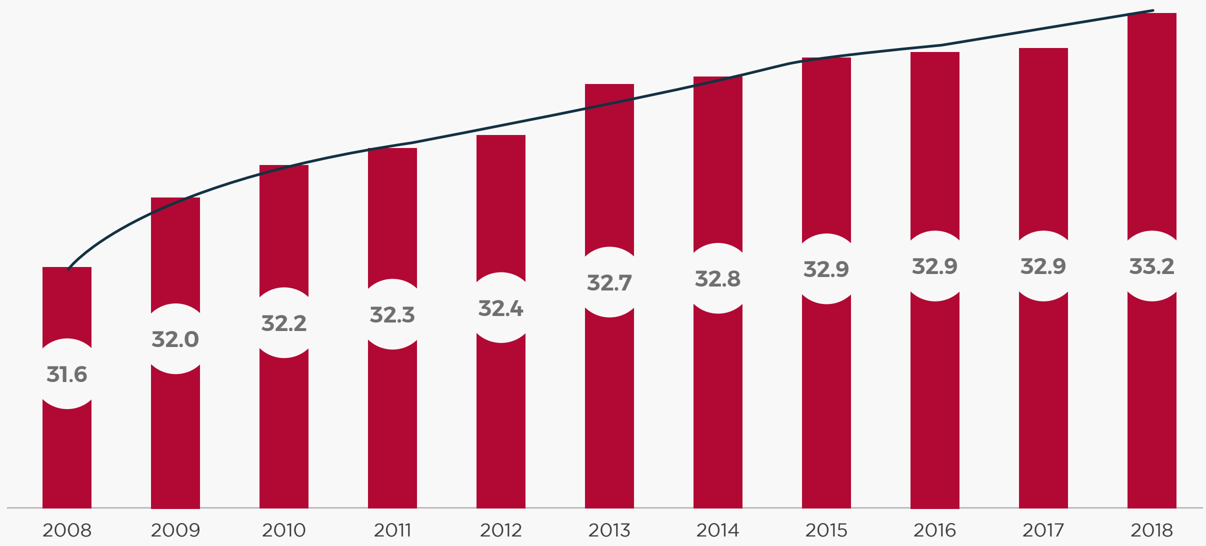
Italy, number of rooms vs number of hotels



■ Rooms ■ Hotels

Gabetti Research Department analysis of Istat data

Ratio of number of rooms/hotels



■ Rooms ■ Hotels

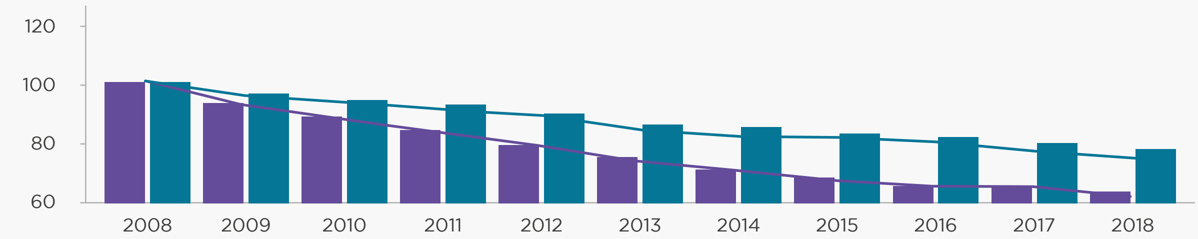
Gabetti Research Department analysis of Istat data

These indicators, on the other hand, vary significantly based on the various types. In **particular**, **the higher-end establishments show an increase in the total number of available rooms** compared to 2008: more specifically, +39% for 5-star hotels and +24% for 4-star hotels; conversely, the **number of rooms in 3-star facilities is essentially stable** (-5%), while **for lower-end hotels**, **the decline in number of facilities is proportional to the decrease in number of rooms**, due to the smaller size of the facilities.

Lastly, the aparthotel facilities show a smaller increase in the number of available rooms with respect to the increase in number of facilities, with the average number of rooms declining.

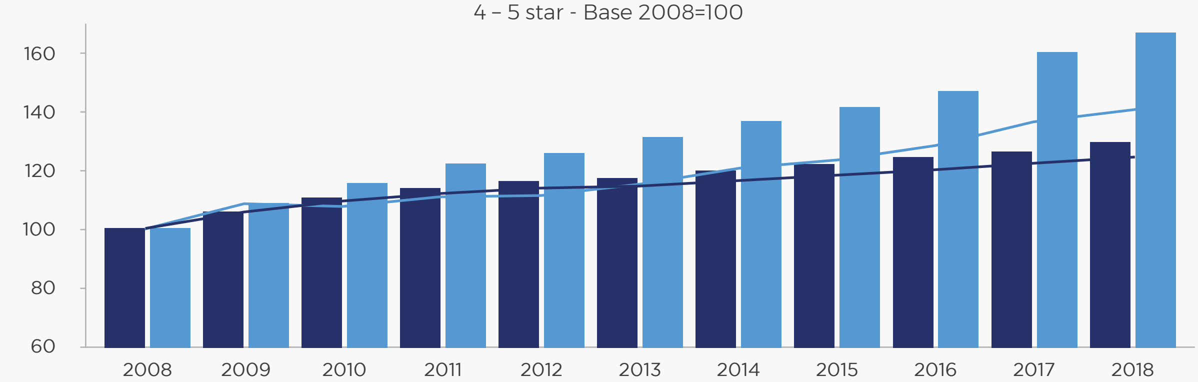
Italy, number of rooms vs number of hotels

1-2 star - Base 2008=100



Ratio of number of rooms/hotels

4 – 5 star - Base 2008=100

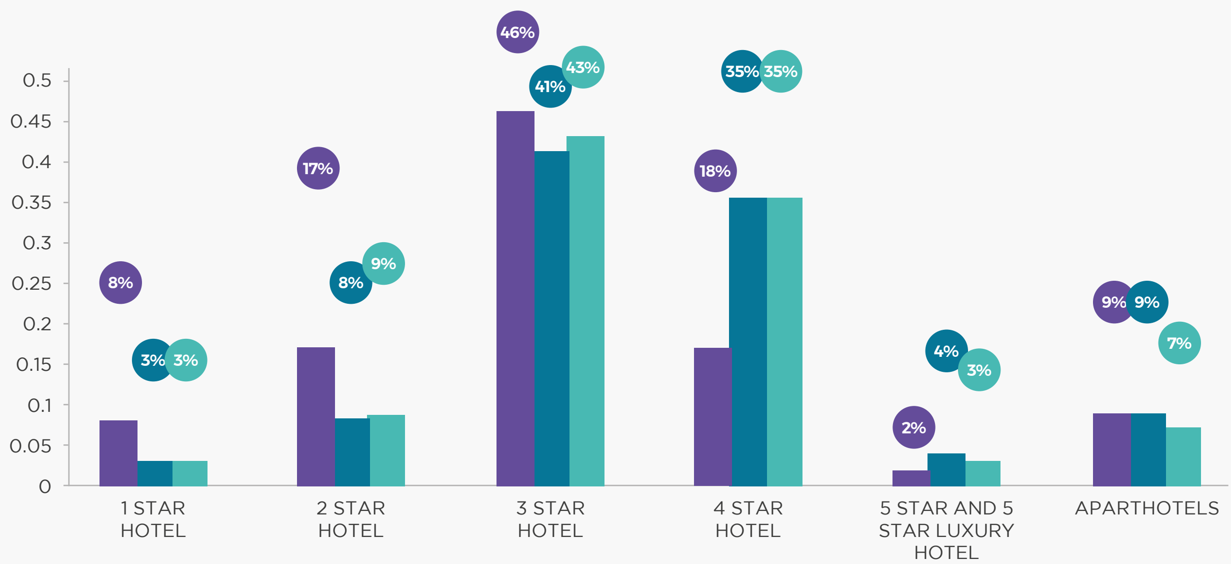


N. 1 star hotels · N. 2 star hotels · Rooms 1 star hotels · Room 2 star hotels
N. 4 star hotels · N. 5 star and 5 star luxury hotels · Rooms 4 star hotels · Rooms 5 star and 5 star luxury hotels

Gabetti Research Department analysis of Istat data

Italy, % weight and change in number of rooms and hotels by category

Year 2018 - % over the total



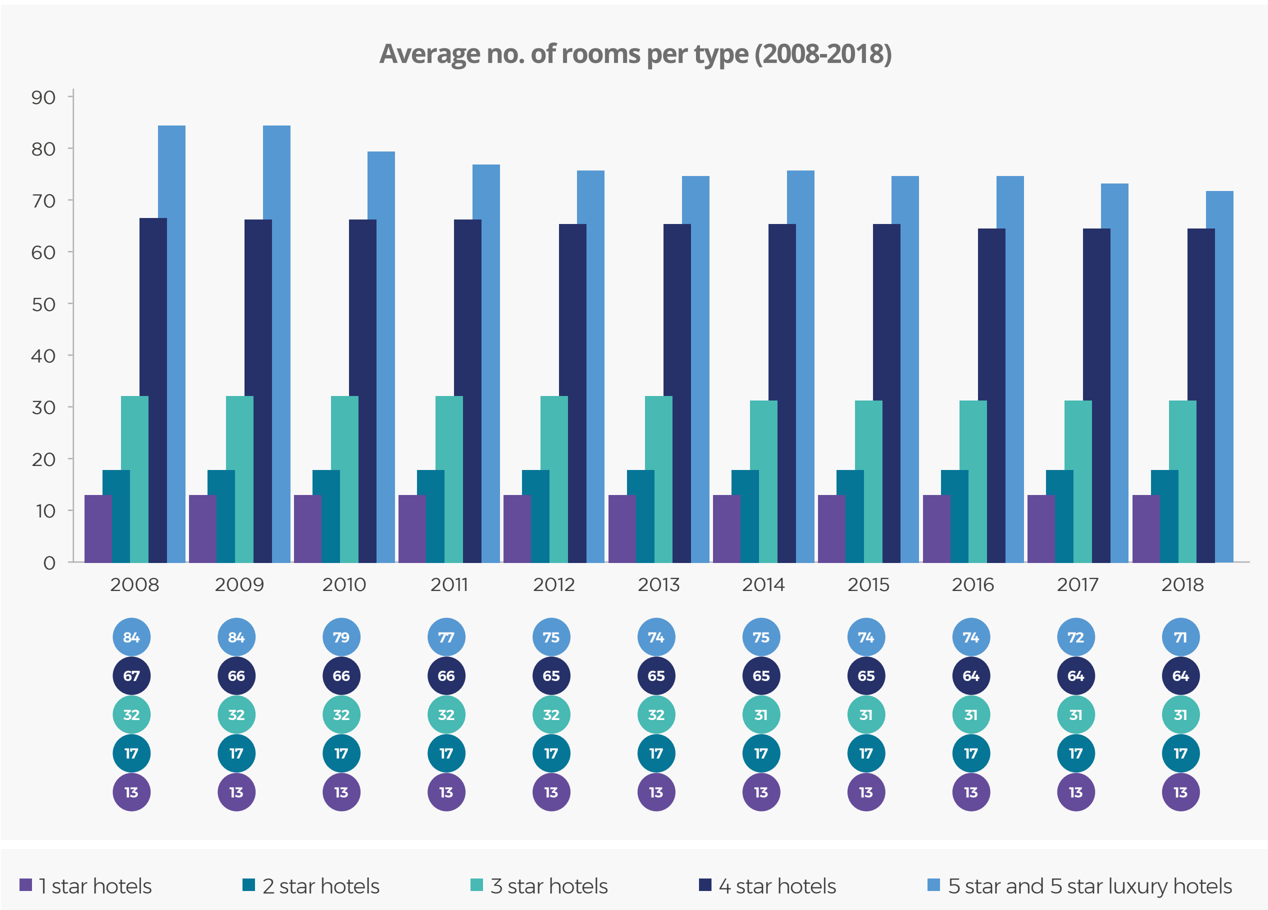
Gabetti Research Department analysis of Istat data

Number of hotels · Beds · Rooms

	VARIATION 2018/2008	
TYPE	NUMBER OF FACILITIES	NUMBER OF ROOMS
★	-37%	-38%
★★	-22%	-25%
★★★	0%	-5%
★★★★	29%	24%
★★★★★ and luxury	65%	39%
aparthotels	14%	3%

An analysis of the **average number of rooms per type** shows that since 2008, essential stability has been recorded for all types of hotel establishments, with the exception of the 5-star and 5-star luxury segment.

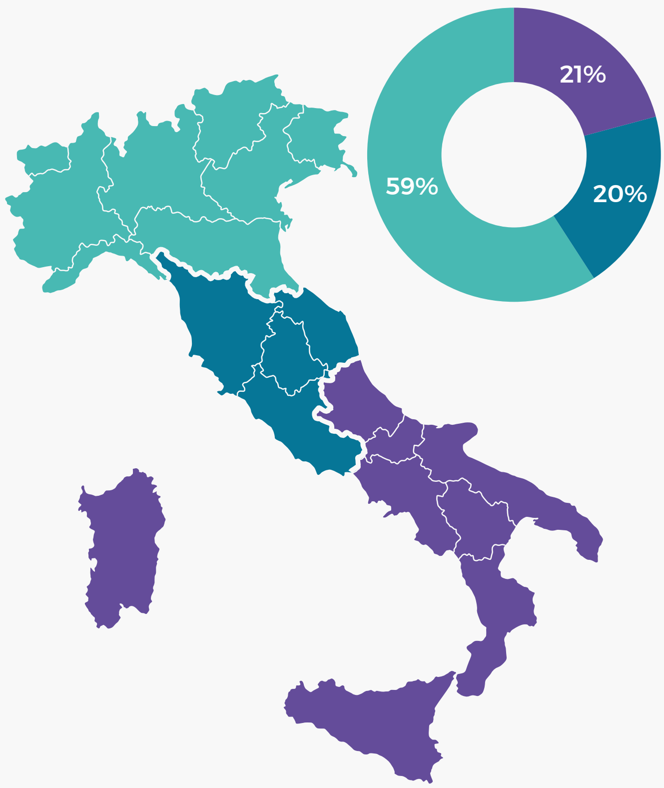
In particular, for 1-star facilities, the average number of rooms remained at 13 units from 2008 to 2018; for 2-star facilities, the average was 17 rooms; for 3-star hotels, it dropped from 32 to 31 rooms, maintaining an average of 31 units during the period. The average for 4-star hotels remained at around 65 units. Conversely, **5-star and 5-star luxury hotels observed a gradual decline in the average number of rooms**, from 84 to 71, with an average of 77 units for the period.



Gabetti Research Department analysis of Istat data

DISTRIBUTION OF HOTEL ESTABLISHMENTS IN ITALY BY GEOGRAPHICAL AREA

Distribution of hotels by region



Piedmond	1,429	4.3%
Valle d'Aosta	449	1.4%
Liguria	1,324	4.0%
Lombardy	2,805	8.5%
Aut. Province of Bolzano	4,050	12.3%
Aut. Province of Trento	1,480	4.5%
Veneto	2,975	9.0%
Friuli-Venezia Giulia	746	2.3%
Emilia-Romagna	4,288	13.0%
TOT.	**19,546**	**59%**
Tuscany	2,851	8.7%
Umbria	527	1.6%
Marche	823	2.5%
Lazio	2,254	6.9%
TOT.	**6,455**	**20%**
Abruzzo	774	2.4%
Molise	103	0.3%
Campania	1,674	5.1%
Apulia	1,042	3.2%
Basilicata	223	0.7%
Calabria	841	2.6%
Sicily	1319	4.0%
Sardinia	919	2.8%
TOT.	**6,895**	**21%**

Gabetti Research Department analysis of Istat data

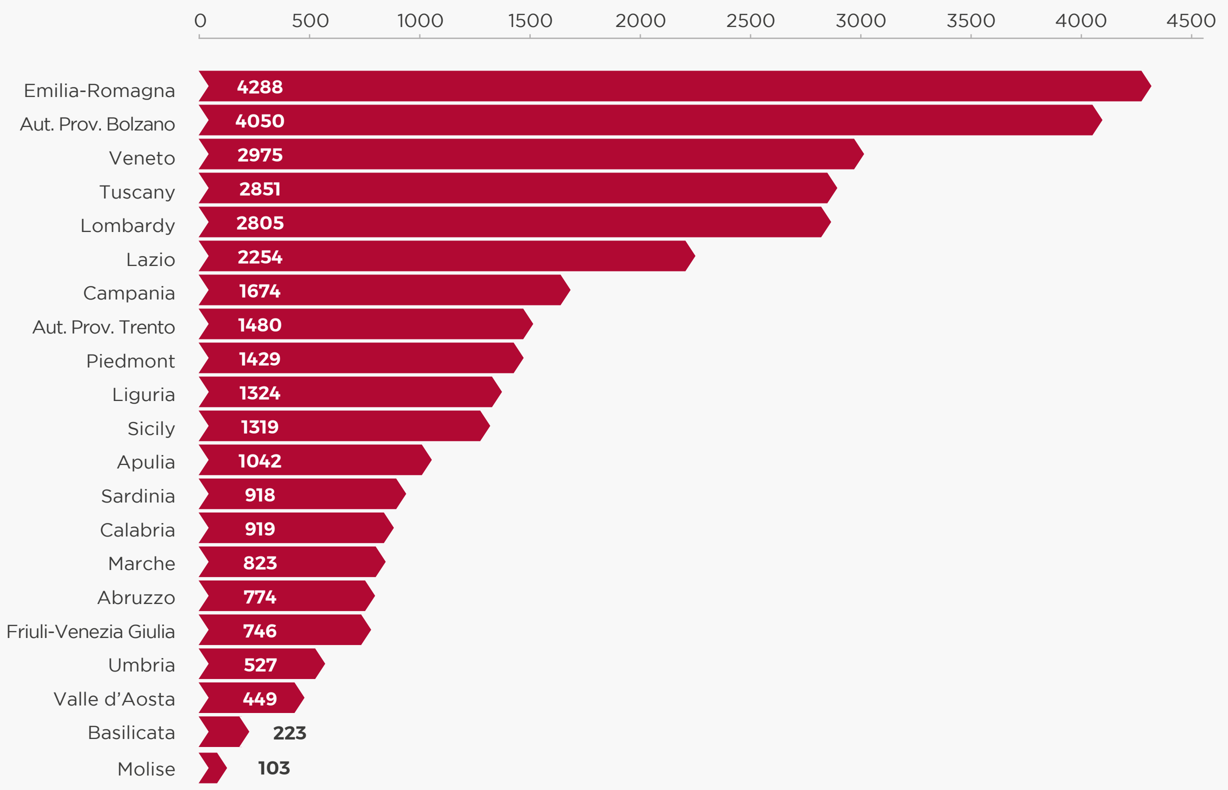
North South Centre

An analysis of the distribution of hotel establishments by geographical area in 2018 indicates that **59% of them are concentrated in Northern Italy**, followed by the South and Islands (21%) and by the Centre (20%).

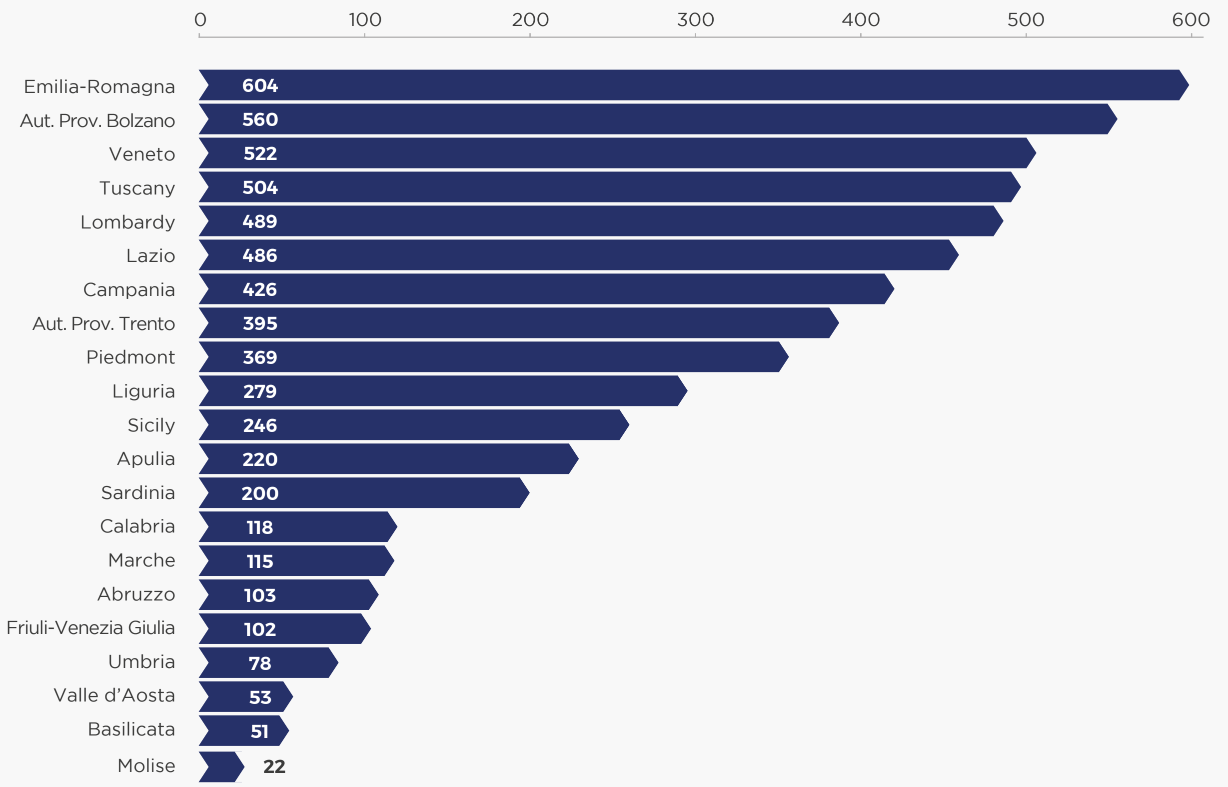
The region with the highest number of establishments is **Trentino Alto Adige**, which, adding the data on the autonomous provinces of Trento and Bolzano, counts a total of 5,530 establishments, representing nearly 17% of the national total with over 247 thousand beds. It is followed by **Emilia Romagna**, which alone covers about 13% of the Italian total, with a volume of 4,288 establishments and the record for beds (about 290 thousand).

Veneto has a total volume of around 2,975 establishments, Lombardy is at around 2,805 units and Tuscany and Campania take the lead in the Centre and South, at 2,851 and 1,674 units respectively.
Looking at the ranking by type, **Lombardy is in the top position in terms of number of 4-star hotels**, with a total of 604, followed by Veneto, Campania and Lazio.
However, the **5-star category shows Tuscany in the lead** (68 establishments), followed by Campania, Lazio and Veneto. Lastly, the autonomous provinces of Trento and Bolzano together are in first place in terms of number of one-star establishments (381 establishments), followed by Emilia Romagna and Veneto.

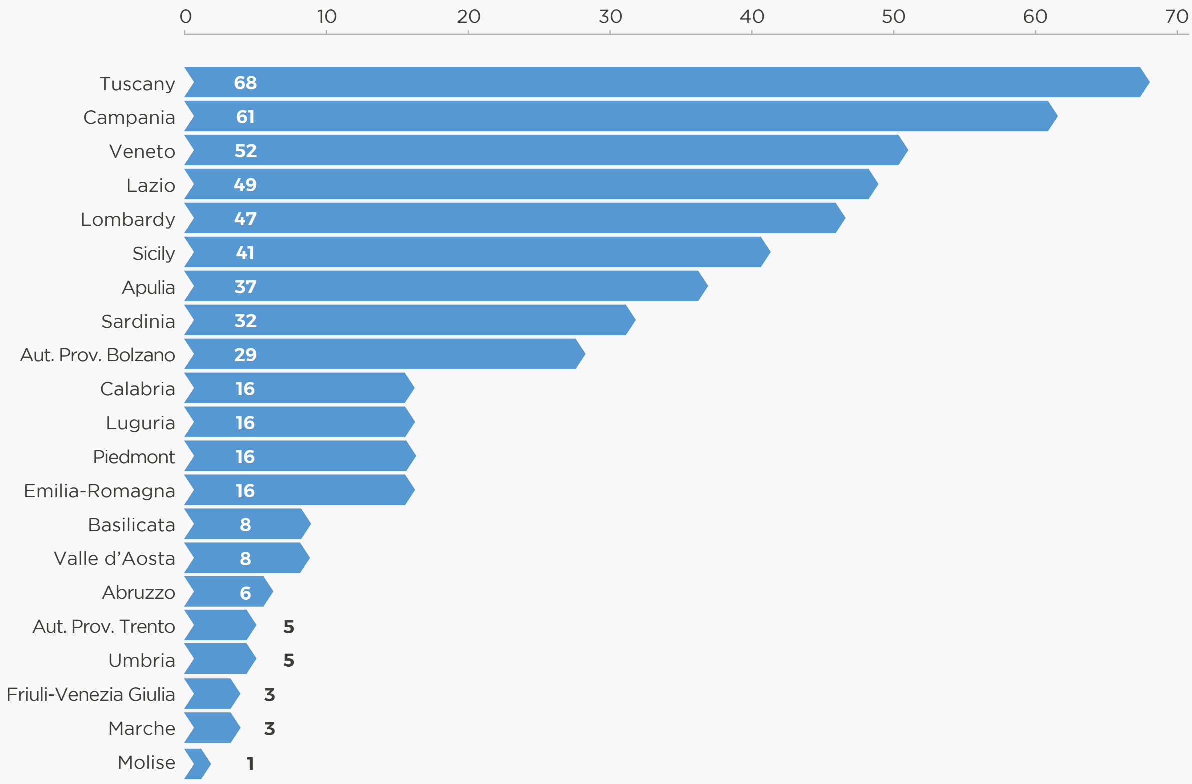
Ranking of regions by number of hotels



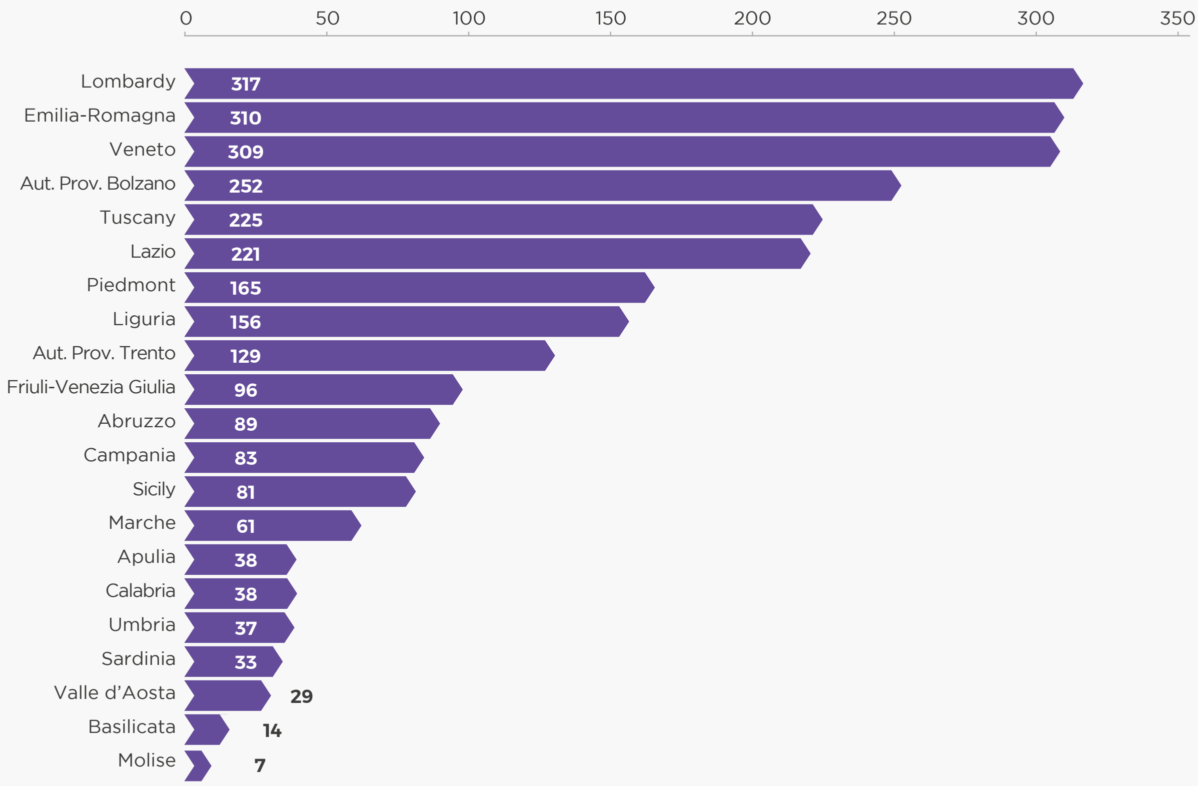
Ranking of regions by number of hotels (4-star)

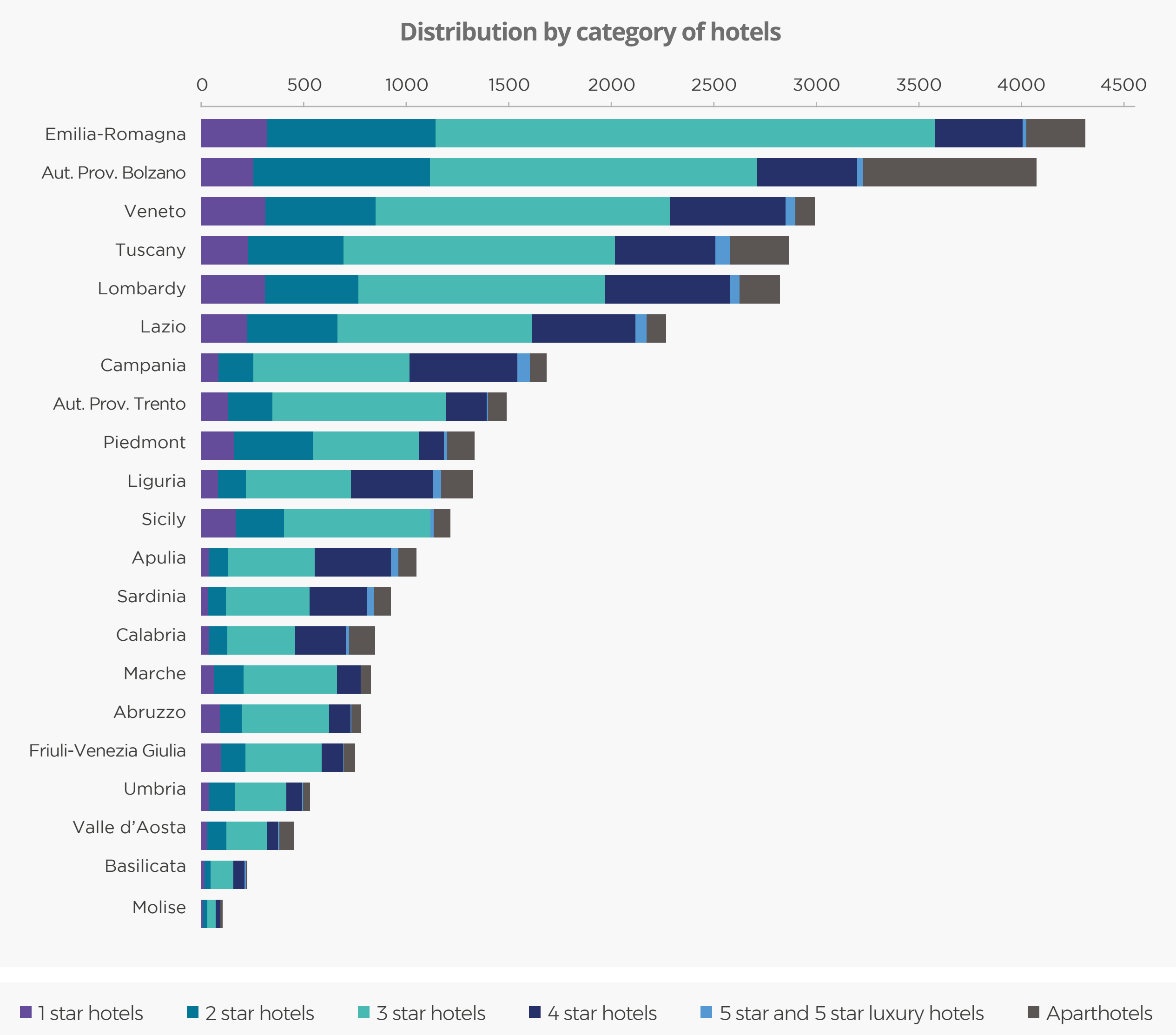


Ranking of regions by number of hotels (5-star)



Ranking of regions by number of hotels (1-star)



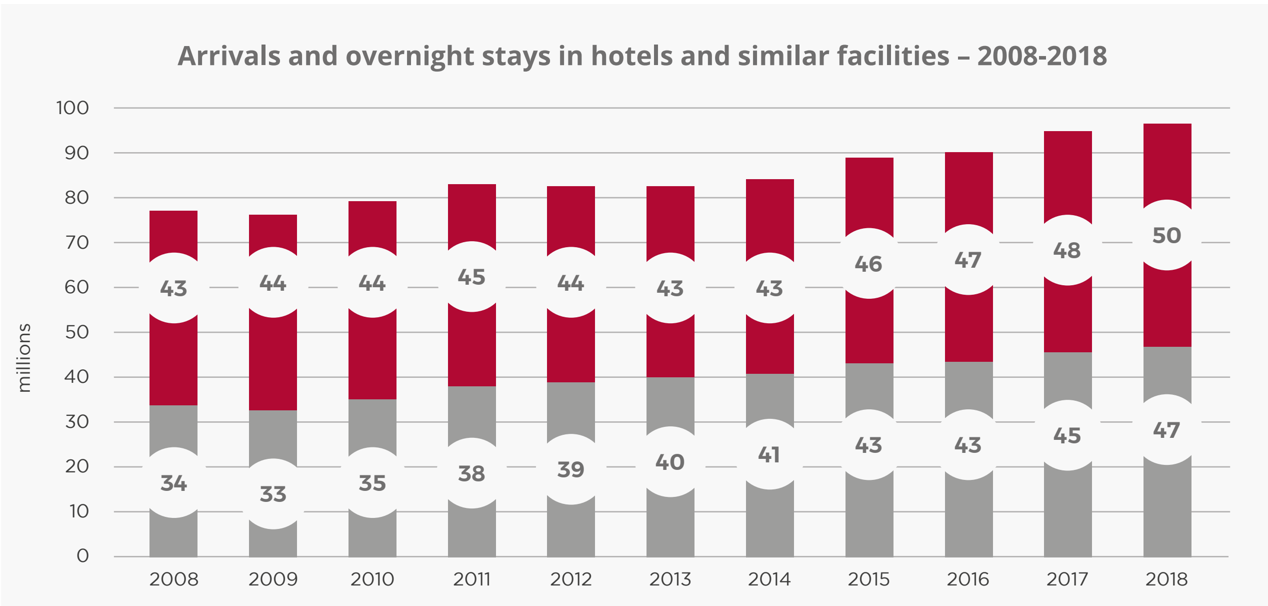


Gabetti Research Department analysis of Istat data

ARRIVALS AND OVERNIGHT STAYS IN HOTELS

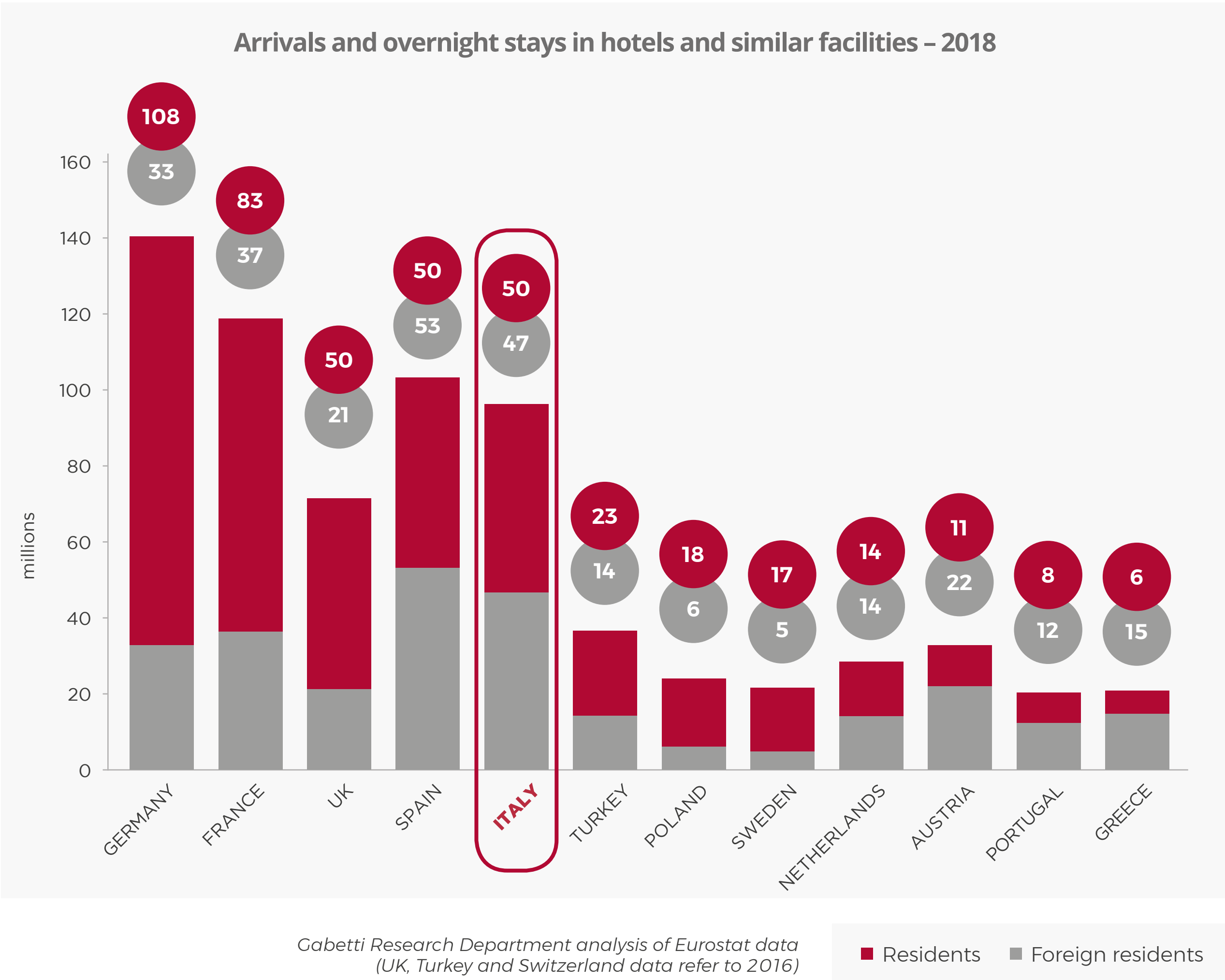
In Italy, **96.7 million arrivals** in hotels and similar facilities were recorded in **2018** (sum of both Italian and foreign residents), **+3.2%** compared to 2017 (93.7 million). In terms of the annual trend, the historic series shows steady growth since 2015, following a period of stability between 2011 and 2013.

Gabetti Research Department analysisof Istat data



Gabetti Research Department analysis of Istat data

Since 2008, international arrivals in Italian hotel facilities have grown (+39.1%) **to a greater extent than domestic ones** (+14.8%).
In 2018, some 47 million arrivals of foreign residents and nearly 50 million arrivals of Italian residents were recorded.
At the European level, Italy was the **5th leading country** in 2018 in terms of **arrivals** in hotels and similar facilities, after Germany, France, the UK and Spain.



Gabetti Research Department analysis of Eurostat data (UK, Turkey and Switzerland data refer to 2016)

OCCUPANCY OF BEDS AND ROOMS

According to AICA data, an **increase** was recorded in the **room occupancy rate** during the years 2016, 2017 and 2018 for all types of accommodation analysed, with the exception of 3-star hotels, which recorded a slight decline.
A growth trend was recorded for all accommodation types in terms of average revenue per occupied and available room.

	Room Occupancy Rate			Average revenue per occupied room			Average revenue per available room		
	2018	2017	2016	2018	2017	2016	2018	2017	2016
★★★★★	67.9%	67.1%	66.0%	404	388	359	274	261	237
★★★★	70.4%	68.8%	66.6%	109	107	103	77	74	69
★★★	68.3%	69.3%	68.5%	58	55	52	40	38	36
Average Italy	68.9%	68.4%	67.0%	190	183	171	130	124	114

Gabetti Research Department analysis of AICA data

The analysis of performance indicators referring to the selected provinces (source: AICA) shows that, in **2018**, the **room occupancy rate** was **highest** in the province of **Naples** (**75.7%**), followed by **Florence** (**72.8%**), although both recorded declines compared to 2017, of -5.6% and -0.3% respectively. The province that recorded a positive change compared to the others taken into consideration was Turin, at +4.1%.

With regard to **average revenue per occupied room**, Venice ranks first with €222.20 (€159.30 per available room), followed by **Rome** with **€177.60** (€127.1 per available room),

Milan, with an average revenue per occupied room of €147.90 (€101.90 per available room), and Florence, with €140.60 (€102.40 per available room).

	OCC			ADR			RevPAR		
PROVINCIA	2018	2017	Variaz. %	2018	2017	Variaz. %	2018	2017	Variaz. %
Bologna	66.4	63.9	3.9	93.38	89.83	3.9	62.00	57.42	8.0
Florence	72.8	73.1	-0.3	140.64	139.60	0.7	102.45	101.98	0.5
Genoa	67.7	67.3	0.5	92.56	90.12	2.7	62.65	60.69	3.2
Milan	68.9	67.8	1.6	147.97	143.99	2.8	101.91	97.65	4.4
Naples	75.7	80.3	-5.6	88.63	83.50	6.1	67.12	67.02	0.2
Rome	71.6	70.8	1.2	177.58	168.77	5.2	127.10	119.41	6.4
Turin	66.5	63.9	4.1	92.99	92.45	0.6	61.83	59.08	4.7
Venice	71.7	72.9	-1.6	222.20	242.06	-8.2	159.32	176.44	-9.7

Gabetti Research Department analysis of AICA data

	OCC
PROVINCE	mar-19
Bologna	73.9
Florence	77.3
Genoa	65.8
Milan	76.9
Naples	63.8
Rome	75.6
Turin	66.4
Venice	66.6

At the municipal level, the analysis of performance indicators (source: Trademark) shows that, in March 2019, the room occupancy rate was highest in Florence (77.3%), followed by Milan (76.9%) and the city of Rome (75.6%).

Gabetti Research Department analysis of Italian Hotel Monitor data - Trademark Italia - March 2019

DEFINITIONS

NTN (Numero transazioni normalizzate)	Number of “normalised” property transactions. Purchases of ownership rights are “counted” with respect to each unit, taking into consideration the percent ownership of the property involved in the transaction. For example: if a percent ownership of a unit is purchased/sold, say 50%, it is not counted as a full transaction, but as 0.5 transactions.
OCC/TOC (Occupancy Rete)	Ratio of number of rooms sold and number of rooms available within a specific time period.
RevPar (Revenue Per Available Room)	Average revenue per available room. Total revenues from the sale of rooms during a specific period divided by the total number of available rooms. Revenues are net of VAT and breakfast.
ADR (Average Daily Rate)	Average daily rate or average revenue per occupied room. Total revenues from the sale of rooms during a specific period divided by the total number of rooms sold.
Arrivals	Number of guests arrived, divided by foreign country or Italian region of residence, who checked in at the hotel establishment during the period considered. (Istat)
Overnight stays	Number of nights spend by guests in the hotel establishments during the period considered. (Istat)
Hotel establishments	According to Istat, this category includes 1 to 5-star hotels, resort hotels, aparthotels, guest houses, motels, period homes/hotels, so-called “meublè or garnì” hotels (larger B&B facilities), historic residences, chain hotels, wellness centres (beauty farms), conference centres and all other types of accommodation which, according to regional regulations, are classified as being like hotels.
Non-hotel establishments	This category includes campgrounds and equipped areas for campers and caravans, holiday resorts, mixed campgrounds and resorts, vacation rental properties, agricultural tourism facilities, holiday homes, youth hostels, mountain refuges, other accommodation facilities not otherwise classified and bed & breakfast facilities.

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