

MANCHESTER HOTEL MARKET SPOTLIGHT

YE AUG 2025 vs YE AUG 2024
City-Centre Full-Service Hotels



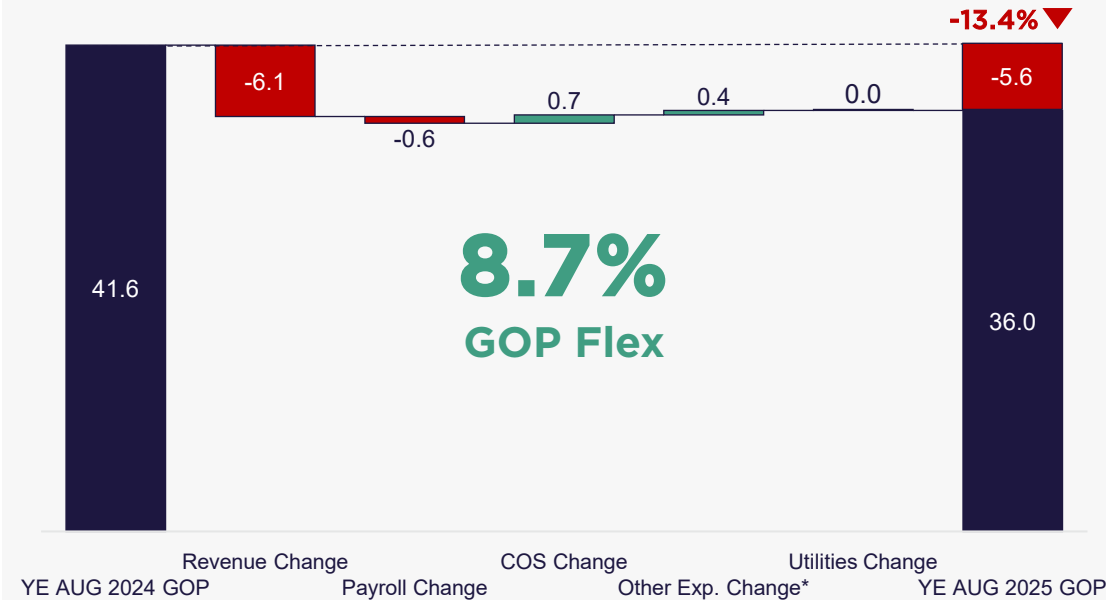
Better never settles

OVERVIEW

- The sample of branded full-service hotels in Manchester recorded a GOP per available room (PAR) of £36.0 in the 12 months ending in August 2025. This represents a 13.4% drop compared to the same period last year, due to a 4.0% decline in revenue, which was only marginally offset by the lower expenses (-0.5%).
- The RevPAR reached £90.5 year-to-date, £5.8 below last year (-6%). This was due to a 5.3pp. decrease in occupancy while ADR improved by £1.2 (+0.9%). The F&B revenue declined slightly to £54.8 PAR (-1.4%) during the period.
- Meanwhile, total expenses decreased by £0.5 YoY reaching £11.14, driven by Cost of Sales (-£0.7, -3.4%) and Other Expenses (-£0.4, -1.3%). These savings were partially eroded by the rising Payroll costs (+£0.6, +1.1%).
- The YoY occupancy decline was primarily driven by March (-17.0%), followed by August (-14.5%), and May (-13.7%). During the period, the only months with increasing occupancy were September and January, recording increases of 2.5% and 0.2%, respectively, compared to last year.
- There were three hotel openings in Manchester during the period, adding 888 new rooms. When weighted by opening date, the total supply only increased by 1.6% (+3.4% in the Upper Upscale segment).
- The year-on-year decrease in total revenues was slightly compensated by the decline in total costs, leading to a GOP flex of 8.7% and a GOP margin of 24.4% (-2.7pp.).

PROFIT DECLINE DRIVEN BY A REVENUE DROP

(PAR per day - GBP)



KPI SUMMARY

	YE AUG 2025	% Change
ADR (£)	127.5	0.9%
Occupancy %	71.0%	-6.9%
RevPAR (£)	90.5	-6.0%
F&B Revenue (£ PAR)	54.8	-1.4%
Total Op. Revenue (£ PAR)	147.4	-4.0%
Total Op. Expenses (£ PAR)	111.4	-0.5%
GOP (£ PAR)	36.0	-13.4%
GOP %	24.4%	-9.8%

Source: HotStats 2025, Cushman & Wakefield Research

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YE August 2025

INSTANT INSIGHT
MANCHESTER

SUPPLY

- Over the last 12 months (YE August 2025), the Manchester hotel market recorded 2 hotel openings (+636 rooms) and the re-opening of Radisson City Centre (+252 rooms), former Park Inn.
- The new openings were partially offset by the closure of the Best Western Cresta Court (-148 rooms), located outside the city center.
- Overall, the hotel supply in Manchester increased by +1.6%, compared to the same period last year (weighted by opening and closing dates).
- The majority of the new room supply was in the Midscale class representing 64% of the new supply, followed by the Upper Upscale segment with 21% of the total volume.
- During the remainder of the year, part of a shared development within a historical landmark, The Soho House (23 rooms) and Mollies Motel (128 rooms) are expected to open in Q4 2025, adding 151 rooms to the market supply.

HOTEL SUPPLY IN THE LAST 12 MONTHS (YE AUG 25)

HOTEL OPENINGS	Rooms	Date	Class	Location
Tribe Manchester Airport	412	10/24	Midscale	Airport
Radisson City Centre	252	05/25	Upscale	City Centre
Treehouse Manchester	224	03/25	Upper Upscale	City Centre

HOTEL CLOSINGS	Rooms	Date	Class	Location
Best Western Cresta Court	148	10/24	Midscale	Altrincham

Source: Cushman & Wakefield Research

PAYROLL COSTS

The labour expenses increased by £0.6 (+1.1%), reaching £52.0 PAR during YE August 2025. The cost growth was driven by the payroll in the rooms (+£0.7, +4.6%) and the F&B departments (+£0.3, +1.2%).

OTHER EXPENSES (excl. Utilities)

The other expenses decreased compared to the same period last year (-1.3%). The most significant decline was in the POM department (-£0.7 PAR, -15.1%). Conversely, other expenses notably increased in the F&B department (+£0.4 PAR, +12.3%).

COST OF SALES

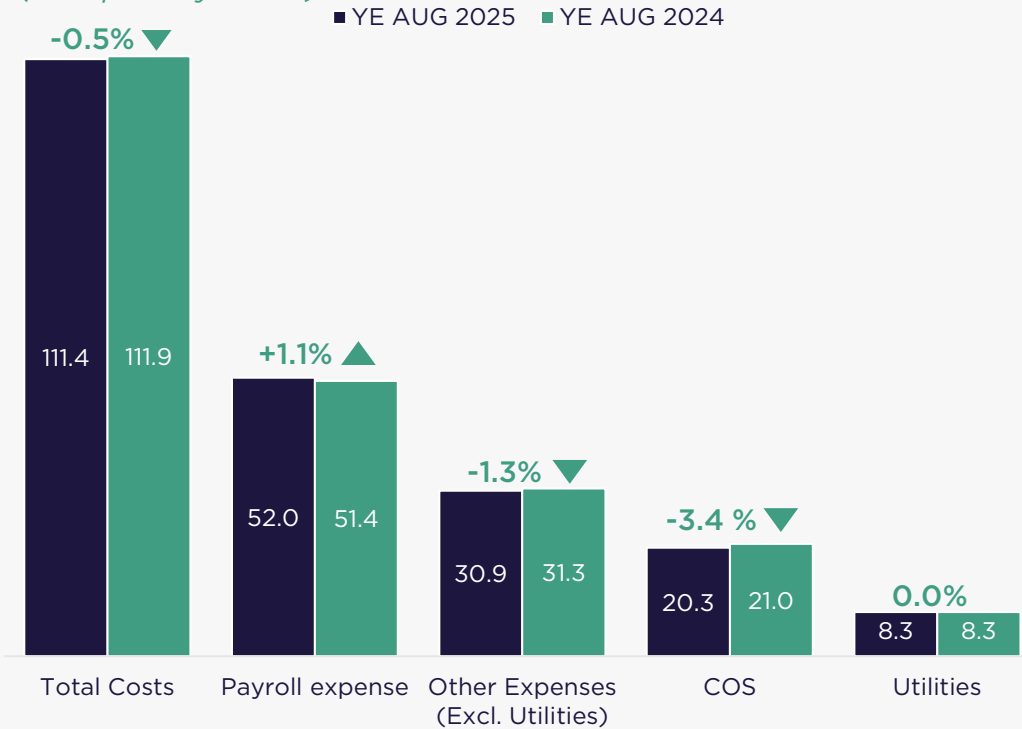
The total cost of sales decreased by £0.7 PAR (-3.4%) driven by the rooms department (-£0.3, -3.8%) and supported by the F&B (-£0.2, -1.7%).

UTILITY COSTS

Total overall utility expenses remained relatively steady during the 12 months, although electricity costs decreased by 15.4%, reaching £5.8 PAR, while water/sewer expenses increased by 8.8% to £ 1.0 PAR.

TOTAL EXPENSES DECLINE DRIVEN BY COST OF SALES

(PAR per day - GBP)



Source: HotStats 2025, Cushman & Wakefield Research

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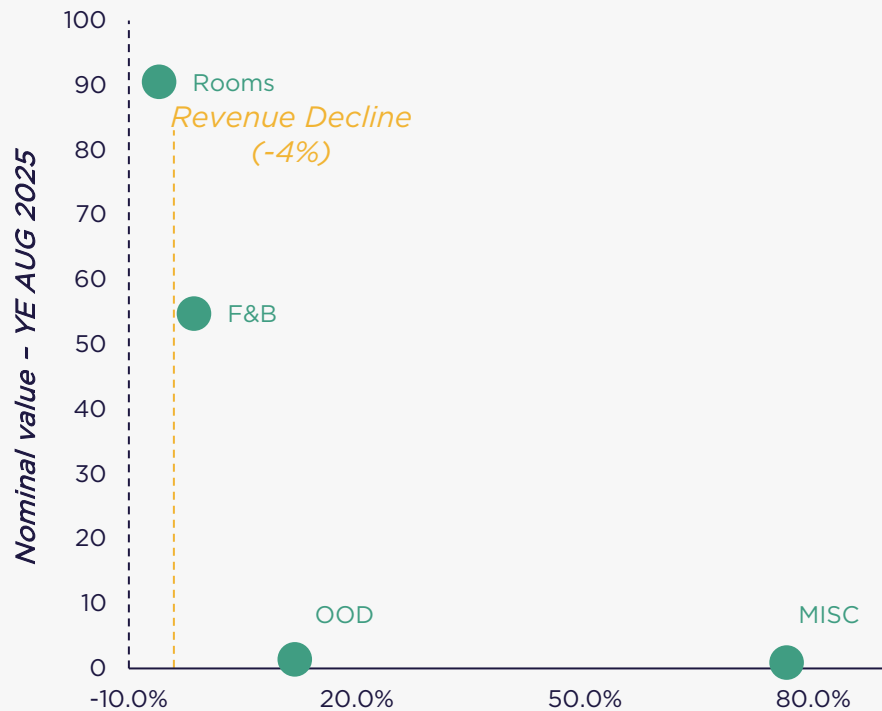
YE August 2025

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DEPARTMENTAL REVENUES

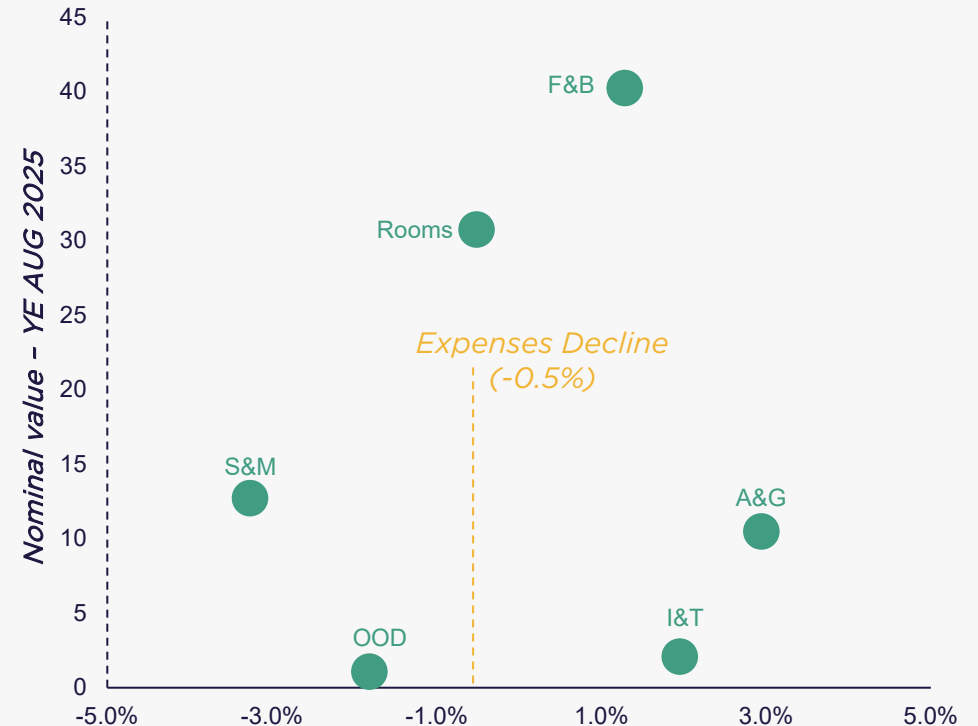
(PAR per day - GBP, YE AUG)



Total revenue decline, driven by Rooms (-£5.8 PAR, -6%), and F&B departments (-£0.8, -1.4%).

DEPARTMENTAL & UNDISTRIBUTED EXPENSES

(PAR per day - GBP, YE AUG)



Total expenses decline was driven by POM (-£0.7 PAR, -11%) and S&M (-£0.4, -3.3%) despite an increase in F&B (+£0.5, +1.3%) and A&G (+£0.3, +3%).

Source: HotStats 2025, Cushman & Wakefield Research

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