Real Estate X

VALUATION SPECIALISTS

HOSPITALITY 2024

PALM & BEACHES

Luxury & Upper Upscale
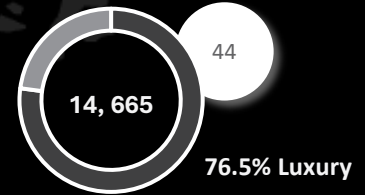
MARKET REPORT

PALM & BEACHES
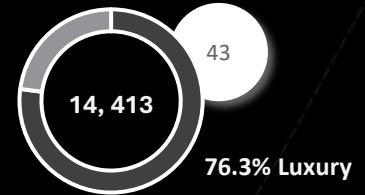## SUPPLY

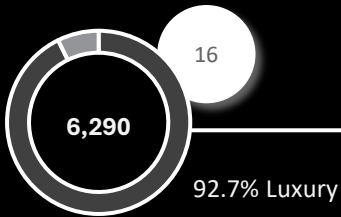### Luxury & Upper Upscale Supply Evolution

Legend:
- Hotel/Hotel Apt. Buildings
- Available Keys

Total Keys – 2024

44

14, 665

76.5% Luxury

Total Keys – 2023

43

14, 413

76.3% Luxury

Keys located on the Crescent

16

6,290

92.7% Luxury

Keys located on the Trunk

10

3,744

41.6% Luxury

Keys located off Palm

18
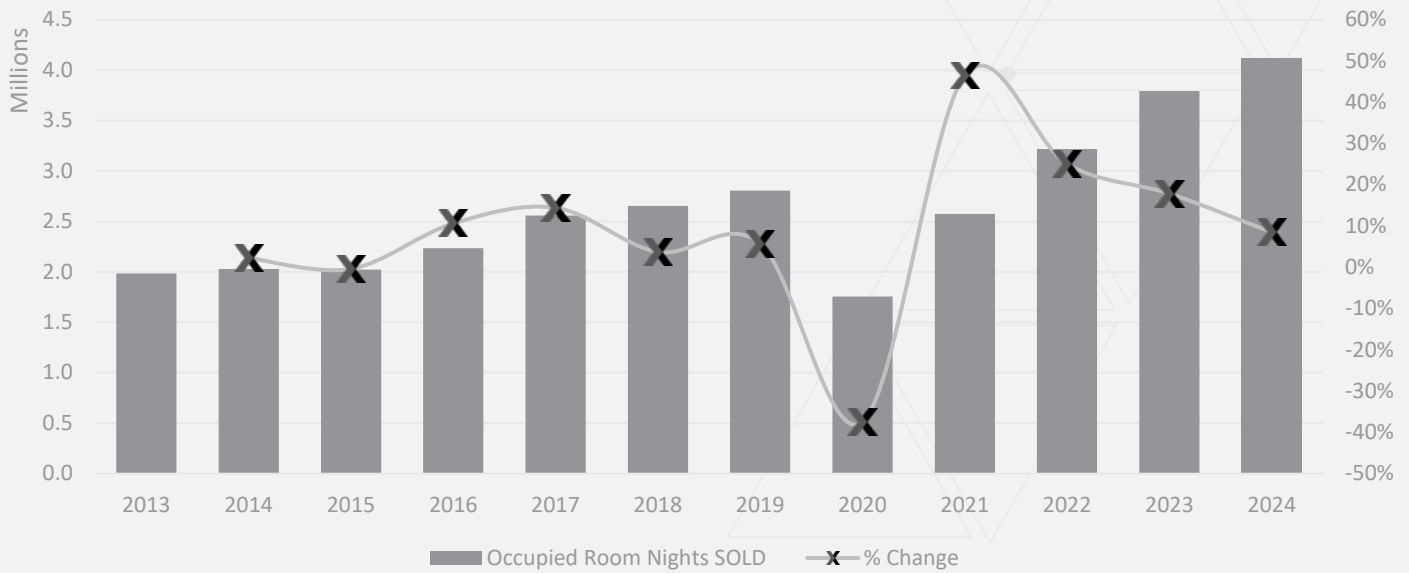
4,631

79.7% Luxury

1,544
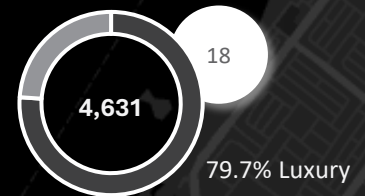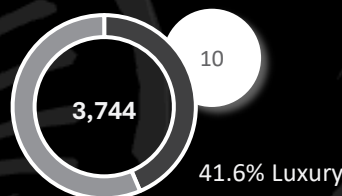
Atlantis The Palm

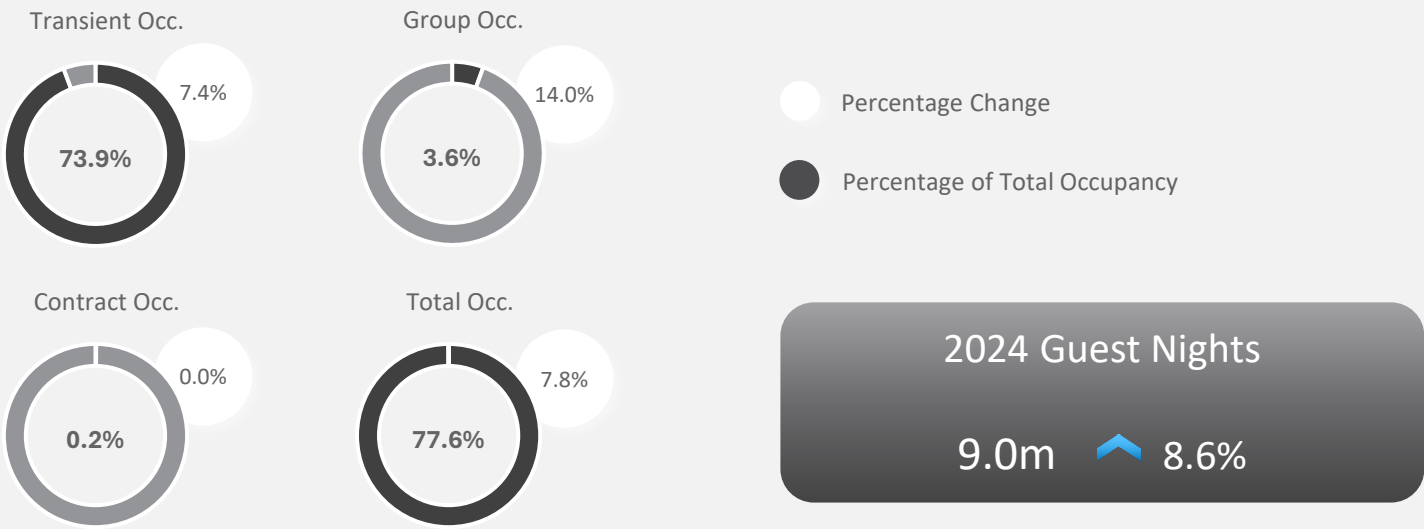Legend:
- No. of Establishments
- No. of keys
- Luxury Class

Real Estate X have detailed operating hospitality supply for all Luxury and Upper Upscale benchmarks within the Palm Jumeirah and Beaches segments.

PALM & BEACHES
DEMAND

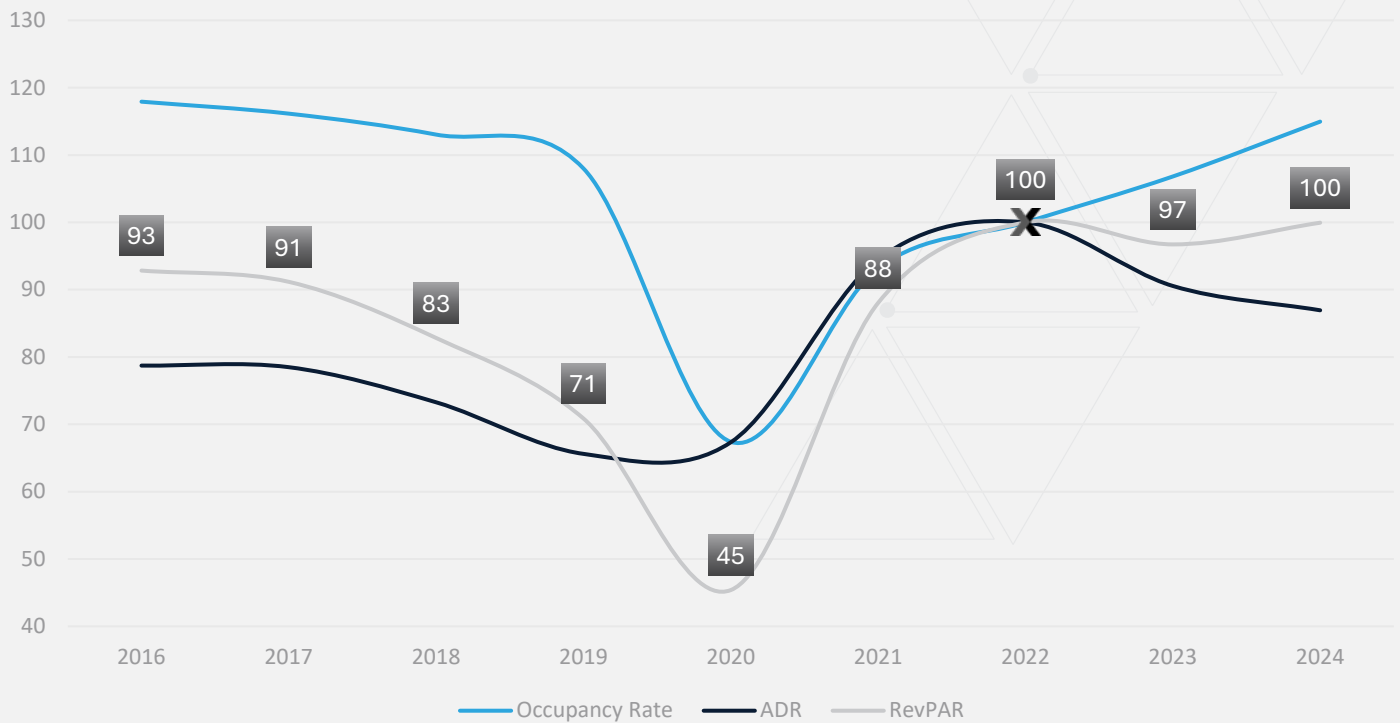**Palm & Beaches (Luxury & Upper Upscale) Occupied Room Nights**

Legend: Occupied Room Nights SOLD — X— % Change

Palm & Beaches Segment Breakdown (2024) - Luxury and Upper Upscale

Transient Occ.
7.4%
73.9%

Group Occ.
14.0%
3.6%

○ Percentage Change

● Percentage of Total Occupancy

Contract Occ.
0.0%
0.2%

Total Occ.
7.8%
77.6%

2024 Guest Nights

9.0m ⌃ 8.6%

Guest Night forecasts are estimated using a double occupancy factor of 2.2 and an average length of stay of 5.0, this would represent an 8.5% increase in demand over 2023.

PALM & BEACHES
PERFORMANCE

Palm & Beaches (Luxury & Upper Upscale) rooms revenue indexed to 2022

Chart legend: Occupancy Rate — ADR — RevPAR

Data labels shown on chart: 93, 91, 83, 71, 45, 88, 100, 97, 100

Performance indexed to 2022. The segment market achieved an average occupancy of 77.6% and an ADR of AED 1,948.05 during 2024, equivalent to a 3.3% increase in RevPAR over the same period in 2023.

Key Performance Indicators (running 12 months 2024)

| TrevPAR (AED)	Gross Operating Income	Undistributed Costs	Gross Operating Profit
2,389	67%	22%	45%

Real Estate X – Discovery Data, STR and HOTSTATS. Percentage change represents the change in running 12-month profit/cost per available room during the previous year i.e TTM 2024 vs TTM 2023

PALM & BEACHES
VALUE PER KEY

Real Estate X have endeavoured to provide an estimation of the total value of the 43 operating hotels within the Palm & Beaches (Luxury & Upper Upscale).
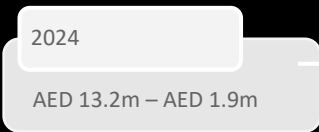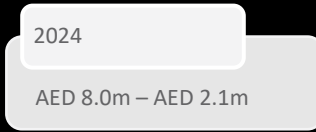
Total Value (2024)

Avg. AED 3.9m a key

43

AED 56bn

86.0% Luxury
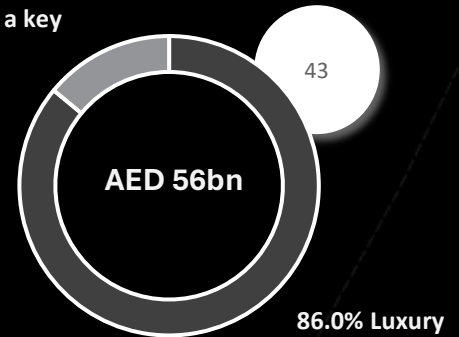
Value Per Key assessment conducted by Real Estate X

Keys located on the Crescent

2024

AED 13.2m – AED 1.9m

Hotel Apartment Keys

2024

AED 8.0m – AED 2.1m

Keys located off the Palm

2024

AED 8.8m – AED 1.85m

Keys located on the Trunk

2024

AED 2.9m – AED 1.8m
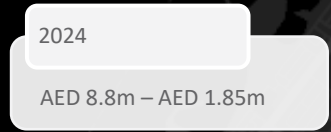
Recent Transactions – Per Key
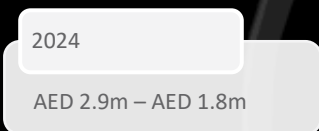
Sept 2024 - AED 2.1m – Hotel Apartment Building

Dec 2023 - AED 3.2m – Hotel Building

Oct 2023 - AED 10.6m – Hotel Building

Mar 2023 - AED 10.4m – Hotel Building

Note: Burj Al Arab has been excluded. The analysis assumes that all available inventory is not subject to strata title

HOSPITALITY
METHODOLOGY

Capital value assessments are conducted across the segments using municipality statistics, STR, HOTSTATS and Real Estate X - Discovery data. This work is based on secondary market research and analysis of financial information available to Real Estate X at the time of the assessment. Real Estate X uses actual operating data to determine a reasonable level of EBITDA, less FF&E with the assessment date being 1 Sep 2024. Coupled with transactional evidence and forward-looking assumptions that reflect expectations of the market at the date of assessment, we assess any changes in perceived value.

Real Estate X gathers its data from sources it considers reliable; however, it does not guarantee the accuracy or completeness of the information provided. Any forward-looking information and statements contained herein are subject to various risks and uncertainties, many of which are difficult to predict and could cause actual performance to differ, other firms may also have differing opinions, projections or analysis. The information and analysis herein do not constitute advice of any kind and should not be used for investment purposes, Real Estate X, nor any of its subsidiaries or their respective officers, directors, shareholders, employees or agents accept any responsibility or liability with respect to the use of or reliance on any information or analysis contained in this document.