

**Embargoed until 00:00 on Thursday 3 December 2015**

## **UK SERVICED APARTMENT SECTOR TO DOUBLE IN SIZE IN NEXT 2 YEARS AS THE SECTOR STRENGTHENS ITS MARKET SHARE GLOBALLY**

The Association of Serviced Apartment Providers (ASAP) has just released the findings of a unique survey, jointly with Savills, which confirms that the sector is on track to **double in size in the UK in the next 2 years**.

The sector as of today has a relatively small market share of ca. 3.1% of all hospitality sectors ie ca. **19,000 units**. However the survey confirms that both national and regional operators in the UK are on track to increase the number of serviced apartment units they operate by some **122.3%** and **82.2%** respectively, effectively **doubling** the total number of units across the UK.

The sector is expanding rapidly right across the UK, not just in London, with Scotland and the Midlands in particular set for very significant growth.

James Foice, Managing Director of the ASAP commented:

*'This is the breakthrough moment for the UK Serviced Apartment sector, a complete game-changer. Our joint report with Savills confirms the sector will be the UK's fastest growing hospitality segment to end 2017 with average annual growth of 8.4% for both 2016 and 2017. This growth will position the serviced apartment sector as a mainstream accommodation choice, a key player within the hospitality industry as a whole. We will have the critical mass of stock to ensure the consumer will have the option of booking a serviced apartment wherever they choose to travel in the UK. The expansion to every corner of the UK is particularly exciting: so while the most significant new developments are in our largest cities – London, Birmingham, Liverpool, Manchester, Edinburgh, Glasgow, it's great to see new openings in 2016 in secondary cities including Reading, York, Chester, and Aberdeen.'*

There is concrete evidence to suggest that this increase in supply, is also helping to achieve much greater consumer awareness, due also in part to Airbnb raising the profile of alternative accommodation including serviced apartments. And the product really is hitting the right note with the increasingly independent business or leisure traveller who wants a more flexible way to stay including the ability to cook and enjoy more living space, offering more of a 'home-from-home' experience.

Just some of the key operators with the most significant new developments in the next 2 years:

- **Staycity:** on track to treble their estate from 1,000 to 3,500 units; opening in 2016 in London, York, Birmingham in the UK as well as Marseille, France
- **Go Native:** expanding right across the UK, their portfolio will 'more than double' to over 3,000 units including new locations in Manchester, Bristol, Newcastle, Glasgow and Reading.
- **SACO:** doubling in size with 6 new openings planned in the UK & Ireland including London, Edinburgh and Aberdeen. The first new property opens on London's Cannon Street mid 2016.
- **Lamington UK:** a 10 fold growth to 1,000 rental units by 2020; starting with 100 set to open across London and Southampton in 2016.
- **Lateral City operating Old Town Chambers Edinburgh** will more than double their stock with a new opening in Edinburgh and a new property in Glasgow
- **Apple Apartments:** adding 170 units to their portfolio, an 89% increase

- **PREM Group:** set to open in 12 new locations in the next 3 years starting with a new opening in Glasgow (Jan 2016) and further new developments planned for Antwerp, Gent, Rotterdam, Amsterdam and the Hague as they strengthen their presence in mainland Europe.

Globally the outlook is equally exciting with the Savills/ASAP survey confirming the larger global brands will increase by an average of 47.2% by the end of 2018 delivering a total 112,500 new units. ASAP's major global players have confirmed their future pipeline:

- **The Ascott Limited** - the world's largest owner-operator - is forecasting it will double its portfolio to **80,000 units by 2020**
- **Oakwood Worldwide** is expecting 2016 to be the '*year of the serviced apartment*': they are planning to triple the number of Oakwood-branded properties worldwide
- **Frasers Hospitality** will expand its global portfolio **by 9,000 units** to 30,000 by 2020: including 13 new openings in the Far East and India; in EMEA they will open new properties in Geneva, Berlin, Hamburg, Istanbul, Doha, Riyadh and Dubai as well as their first property in Africa in 2016 (Abuja, Nigeria).

Marie Hickey, Associate Director, Savills commented:

*'There is clearly the capacity to absorb this projected expansion. Operational performance continues to improve and with overseas business visitor numbers to the UK also reporting an upwards trend, the outlook for underlying demand remains positive. The real challenge will be the ability to capitalise on this growing demand through greater concept and brand awareness, however, in light of the stock expansion planned this will naturally improve.'*

The findings of the new Savills report will be shared with the 400 delegates attending the ASAP's Annual Convention in London on Thursday 3 December, the key annual business event for the sector.

**Ends**

**Important: Quotes from the Chief Executives of the 10 serviced apartment operators mentioned above are available from Joyce Cawthorpe, Marketing/Media Manager, ASAP T: 07590 123299**

If you would be interested to interview: James Foice, MD of the ASAP; Marie Hickey, Savills; Hans Meyer, ZOKU or any of the operators mentioned, they will all be attending the **ASAP 2015 Annual Convention on Thursday 3 December, etc Venues St Pauls**, 200 Aldersgate Street, London EC1A 4HD. Please call Joyce Cawthorpe on 07590 123299 to arrange a press pass.

A copy of the Savills report '**Extended stay: UK stock set to double**', is attached.

**Further media information:**

- James Foice, Managing Director, ASAP  
T: 07860 610645 E: [jfoice@theasap.org.uk](mailto:jfoice@theasap.org.uk)
- Joyce Cawthorpe, Marketing/Media Manager, ASAP  
T: 07590 123299; E: [jcawthorpe@theasap.org.uk](mailto:jcawthorpe@theasap.org.uk)
- Marie Hickey, Associate Director, Savills  
T: 020 3320 8288 E: [mlhickey@savills.com](mailto:mlhickey@savills.com)
- Ashley McKeown, Savills Press Office  
T: 020 7409 8884 E: [AMcKeown@savills.com](mailto:AMcKeown@savills.com)

**Background Information**

**ASAP: Association of Serviced Apartment Providers** is the not-for-profit trade body dedicated exclusively to the serviced apartment industry. Our 130 members own and operate over 100,000 properties globally. Founded in 2002, our members range from global organisations to small independent operators so represent the full cross-section of the industry. [www.theasap.org.uk](http://www.theasap.org.uk)