

Birmingham top performer for serviced apartments for Q1 as average daily rate for the sector continues to increase

A strong corporate market in Birmingham together with a lack of supply has resulted in an incredible quarter one performance of 83.1% for the city - an increase of **+26.8%** - and by far the best performance for the sector in the UK. Liverpool has also delivered a very strong performance achieving 77.9% , a **+11.7%** increase in occupancy.

Thomas Emanuel, STR Global, who compile the monthly occupancy survey, confirms:

‘The UK as a whole (excluding London) performed well achieving occupancy of **78.2%**, representing a strong **+7.6%** increase on 2014 thanks to the general improvement in the economy, coupled with flat supply. The average daily rate of **£83.13** represented a small **1.4%** increase on 2014.’

‘By contrast the occupancy level for serviced apartments in London dropped marginally by -2.0% **to 77.8%** for the first quarter, purely down to an increase in supply. Demand is still showing positive growth, as are rates, but the supply is impacting occupancy. However the sector commanded a very strong average daily rate, achieving **£160.55** which represents a **+7.7%** increase on 2014 (compared to the hotel sector which achieved an ADR of £127.96).’

James Foice, Managing Director of the ASAP commented:

‘It is very encouraging that, despite the increase in supply particularly in London, demand is strong with the consumer clearly continuing to see the many advantages of using serviced apartments in particular appreciating the greater flexibility, more space and the home from home experience. The ADR performance is very positive and we remain optimistic that the rest of the year will be another record breaking year for the sector across the UK.’

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ASAP is the trade association for the UK serviced apartment sector. Our 95 members own and operate over 17,000 properties throughout the UK, Ireland and Europe. Our membership also includes 11 serviced apartment agencies committed to supporting and growing the sector. Our industry generates annual revenues of £600 million, and we sell three million accommodation nights each year. We provide employment to many thousands of people and our staffing costs are in the region of £70 million, many of which are low paid jobs. Founded in 2002, our members range from large international companies to small independent operators so represent the full cross-section of the industry.

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