



For immediate release

ASAP & STR confirm occupancy for U.K. serviced apartment sector marginally down in first quarter of 2018, but operators remain positive for the rest of the year

STR's Q1 results for the U.K. serviced apartment confirm that it has been a more challenging start to the year, with occupancy for the U.K. as a whole down 1.5% to 74.9% compared with Q1 2017. Meanwhile, average daily rate (ADR) rose 3.5% to GBP133.87, resulting in a 1.9% growth in revenue per available room (RevPAR) to GBP100.31.

After coming off a record-breaking year, **Edinburgh** serviced apartments recorded the sharpest occupancy decline for any U.K. city in Q1, down 10.4% to 65.1% compared with Q1 2017, with a more marginal 0.5% decline in ADR. **Birmingham**, on the other hand, posted the highest RevPAR growth (+9.1%), with occupancy up 6.9% to 82.2% and ADR up 2.0% to GBP85.50.

London's occupancy performance was more in line with the national average, down 1.8% to 77.4%, although RevPAR fell more marginally at 0.4% to GBP134.25 due to a 1.4% ADR growth to GBP173.39.

Thomas Emanuel, Director of Business Development for STR, comments:

"To put these Q1 2018 results into context, 2017 was a landmark year for growth in the U.K.'s accommodation sector. There was a spike in arrivals after the devaluation of pound sterling following the 2016 Brexit Referendum, but this started to level out toward the end of 2017 as the pound recovered in value. Despite the recent decline in demand, it is encouraging to see that serviced apartment operators have managed to maintain steady rate growth, which is important considering there are many new supply developments in the pipeline."

James Foice, Chief Executive of the ASAP, comments:

"We know that Q1 of this year has proved to be more challenging for some operators, following on from the strong growth last year. One of the reasons behind this is that inbound leisure business is slightly down on last year largely due to the pound having strengthened against the Euro, the US dollar and the Chinese yuan in recent months but it's good to report that the majority of operators in our rapidly expanding sector remain upbeat regarding prospects for the rest of this year. The sector's expansion continues as planned with over 2,000 new apartments set to open in 2018 and further new developments expected to be announced later in the year."

Ends

Note: *All figures referenced in this press release are the property of STR.

Further media information:

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Background Information

ASAP: Association of Serviced Apartment Providers is the not-for-profit trade body dedicated exclusively to the serviced apartment industry. Our 189 members own and operate over 100,000 properties globally. Our

membership also includes 12 serviced apartment agencies committed to supporting and growing the sector.
www.theasap.org.uk

ASAP News Hub: 'The Voice of the sector'- <http://hub.theasap.org.uk>

The hub also offers the option to subscribe to receive the dedicated e-newsletter (3 editions/week) which features all the latest news stories for the serviced apartment sector as well as interesting trends/insights in the wider travel industry.

About STR

STR provides clients from multiple market sectors with premium, global data benchmarking, analytics and marketplace insights. Founded in 1985, STR maintains a presence in 16 countries with a corporate North American headquarters in Hendersonville, Tennessee, and an international headquarters in London, England. For more information, please visit str.com.

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