

For immediate release

ASAP & STR: U.K. serviced apartments see slight occupancy decline, but rate growth in H1 2018

LONDON—H1 2018 performance results for the U.K. serviced apartment sector showed a marginal 0.6% decline in occupancy to an actual level of 79.0% and a 1.2% increase in ADR (average daily rate) to GBP140.28, resulting in a 0.6% increase in RevPAR (revenue per available room) to GBP110.84.

In terms of individual city performance, **London's** occupancy was down 1.1% to an actual level of 81.1%, impacted by significant supply growth. The capital also recorded a 2.3% drop in ADR, bringing RevPAR down 3.3% to an actual level of GBP146.73. **Edinburgh** experienced more significant declines, with occupancy down 8.5% and ADR down 3.5%, resulting in an 11.8% decline in RevPAR to GBP77.86. The sector's performance was more positive in **Birmingham**, with occupancy up 4.7% to an actual level of 83.1% and ADR up 1.5% to GBP86.80, bringing RevPAR up 6.3% to GBP72.13. **Manchester** also posted increases, with occupancy up 1.9% to 79.4%, ADR up 0.8% to GBP97.52, and RevPAR up 2.7% to GBP77.44.

Thomas Emanuel, director of business development for STR, comments: "Despite the slight decline, the U.K. serviced apartment sector is still seeing strong actual occupancy levels. However, new supply at the levels we are seeing in this sector are bound to make an impact, and those markets with the highest supply increases are seeing the highest impact on occupancy performance. Operator confidence remains strong, and rates are growing accordingly. These occupancy challenges are likely to continue in the future due to a very robust pipeline across the sector, although demand should also continue to grow."

James Foice, chief executive of the ASAP, comments: "While the new supply is creating some challenges this year for our sector, especially in London, it's really encouraging to see that operators remain confident about the future. This was also borne out by our June 2018 ASAP/Savills Sentiment Survey where operators confirmed that their future expansion plans remain robust."

Ends

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 190 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 15 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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