REVIEW

HOTEL MARKET

FRANCE Q1 2026

AdobeStock © 514623955

RESEARCH & INSIGHTS

BNP PARIBAS REAL ESTATE

Real Estate for a changing world

Q1 2026 HOTEL MARKET IN FRANCE

- Over € 0.5bn invested in hotels in Q1 2026
- Hotels accounted for 20% of investment in commercial real estate in Q1
- A deliberate focus on specific assets

KEY FIGURES

€0.5bn INVESTED IN Q1 2026 — **-1%** VS Q1 2025

€66.1 RevPAR IN Q1 2026 — **+3.5%** VS Q1 2025

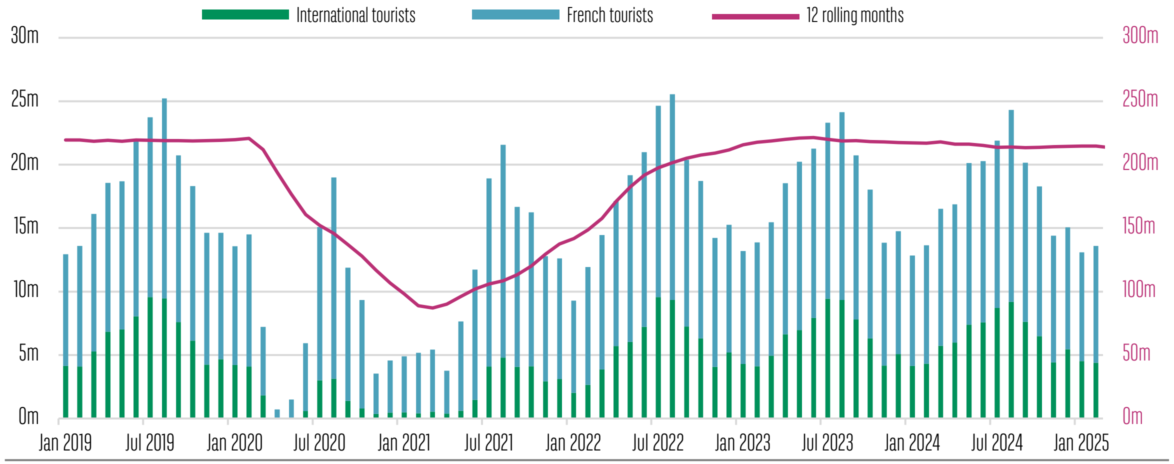
Shutterstock © Brian A Jackson

ECONOMIC CONTEXT

French GDP records +0.9% in 2025, but the zero growth in the first quarter of 2026 falls short of expectations. The consequences of the war in the Middle East and the shock in hydrocarbon prices should also limit global savings, and French growth in 2026 is expected to be only +0.8 %.

The labor market is also showing signs of fragility: the unemployment rate has been steadily rising since the last quarter of 2024 and stands at 7.9% in metropolitan France at the end of 2025. Household confidence, in negative territory since 2022, has fallen again in April.

Monthly overnight hotel stays (million)



© BNP Paribas Real Estate, Eurostat

The number of overnight stays shows a +3% increase in 2025, exceeding 220 million and its pre-COVID average. This performance is mainly due to the increase in international tourists, whose share of overnight stays has been steadily rising over the past 18 months. This represents 38% of total overnight stays in February, or nearly 84 million over the latest 12 months, its highest level recorded.

This trend is also reflected in the evolution of air traffic: domestic traffic is down -22.7% compared to its pre-COVID average, while international traffic is up +7.8%. Exchanges have increased with all regions of the world, except Asia. The acceleration is stronger with Africa, and in particular the Maghreb countries (+35 %). The current geopolitical situation is impacting air transport. The traffic reports and the impact of rising fuel prices are still difficult to quantify. The Middle East, however, accounts for only a small share of hotel arrivals in Paris.

PERFORMANCES

Shutterstock © Brian A Jackson

Key indicators for the hotel sector were up strongly at the end of 2025. Although early 2026 has been hit by geopolitical uncertainty and soaring oil prices, the hotel industry is flourishing.

RevPAR stands at € 66.1, up +3.5% vs Q1 2025. In March, RevPAR grew by +4.3% vs. the year-earlier period.

Occupancy rates were up +1.0pt in Q1 (57.8%) and +1.7pt in March (61.9%). However, these strong figures are partly due to bookings made before the oil crisis. Reservations since the outbreak of the Iran-Israel conflict have slowed in Q2.

The **average price rose** by 1.7% in Q1 compared with the same period in 2025, to € 114.3.

Paris Inner City was still thriving in Q1 2026, with RevPAR growing +5.9% to € 144.7, thanks to upscale and premium guests. This growth was driven in particular by excellent January and February figures.

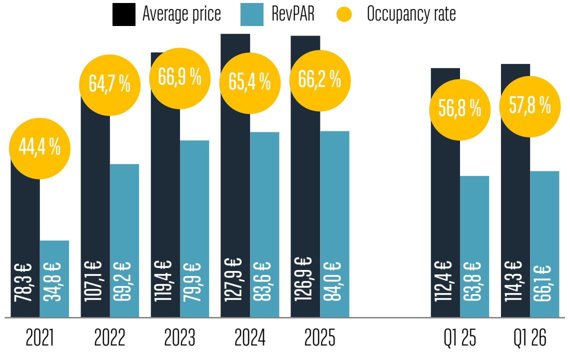
Regional cities generally fared well, particularly **Lille** and **Nice**. RevPAR in **Lille** grew by +10.3%. In **Nice** it rose +9.4% vs. 2025, boosted by the carnival and international customers.

RevPAR also increased in **Toulouse**, **Marseille**, **Nantes** and **Bordeaux** by +6.5%, +3.2%, +2.4% and +1.9% respectively.

It was a more difficult quarter for **Strasbourg** and above all **Lyon**, where RevPAR fell by -3.7% and -13.2% respectively. As happens every other year, **Lyon** suffered from a challenging base of comparison in Q1 with the absence of the SIRHA exhibition.

Trading performance in France as of March 2026

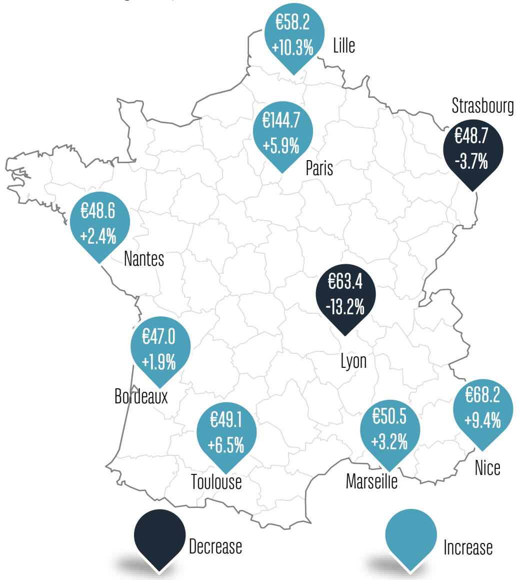
RevPAR in € excluding taxes, versus 2025



© BNP Paribas Real Estate, MKG Hit Report

Trading performance in France as of March 2026

RevPAR in € excluding taxes, versus 2025



© BNP Paribas Real Estate, MKG Hit Report

Trading performance in France as of March 2026

In € excluding taxes, versus 2025

SEGMENT	OCCUPANCY RATE		AVERAGE PRICE		REVPAR	
Global	57.8%	+1.0 pt	€114.3	+1.7%	€66.0	+3.5%
Budget	53.3%	+0.3 pt	€56.1	+0.4%	€29.9	+1.0%
Economy	56.9%	+0.6 pt	€82.1	+0.3%	€46.7	+1.3%
Midscale	60.6%	+1.7 pt	€124.7	+1.0%	€75.5	+3.9%
Upscale	62.3%	+1.8 pt	€254.0	+2.4%	€158.3	+5.3%

© BNP Paribas Real Estate, MKG Hit Report

Occupancy rates rose across the board, with demand becoming more evenly distributed. The **upscale segment** grew by +1.8 pt and was once again the best-performing category, closely followed by the **mid-range segment** (+1.7 pt).

However, the rise in the national average price reflects more of a shift towards higher-end rooms than an actual increase in overall average prices.

The segments in decline, though still in positive territory for the quarter, are again the **super-budget** and **budget hotels**. The occupancy rate for **budget hotels** climbed slightly by 0.6 pt, whereas the **super-budget segment** only rose by 0.3 pt.

Q1 2026 HOTEL MARKET IN FRANCE

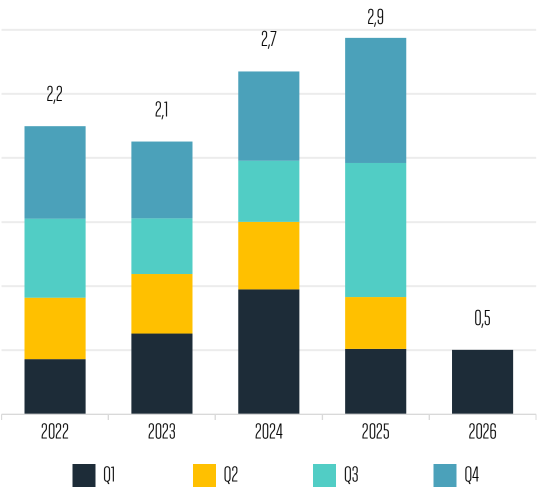
- 35 transactions recorded in Q1
- 90% of investors are French
- Mostly deals for individual assets
- The Paris, Provence-Alpes-Côte d'Azur and Auvergne-Rhône-Alpes regions dominate the market thanks to their tourist appeal

Shutterstock © Brian A Jackson

INVESTMENT

Hotel investment in France by quarter

€ billion



© BNP Paribas Real Estate * are not taken into account the campings, business assets only & hotel platform transactions

Just over **€ 0.5bn was invested** in hotels in Q1 2026 (down 1% vs Q1 2025), in a market that is becoming increasingly selective. This is 21% higher than the average for Q1 over the 2017-2026 period.

The hotel sector accounted for **20% of total commercial real estate investment** in Q1.

More than **90% of investors in the sector were French**.

There were no deals for over € 100m during the quarter.

There were **35 deals** during the period, of which **31 were for individual assets** (including 3 for the premises and 2 off-plan sales).

All told, **around € 400m** was invested in individual transactions.

Highlights among these deals included:

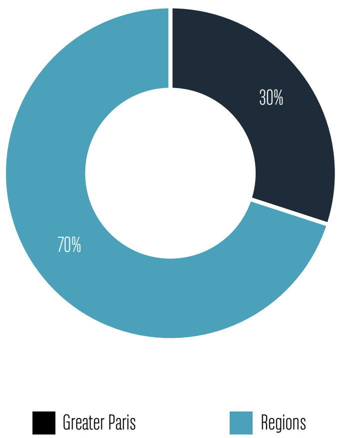
- the acquisition by HONOTEL of the premises and business of the 4* Pavillon Monceau in Paris (42 rooms);

- the acquisition of the premises of the 3* Park Wilson Aéroport hotel in Toulouse (123 rooms) by the tenant (FINANCIÈRE HADHOUM) as part of a transaction accompanied by BNPPRE.

Four portfolios changed hands in Q1 for **around € 100m**, including the Privilodges residences portfolio (513 apartments spread across 4 hotels in the regions), recovered by SOHOMA

Hotel investment in France by geographical break

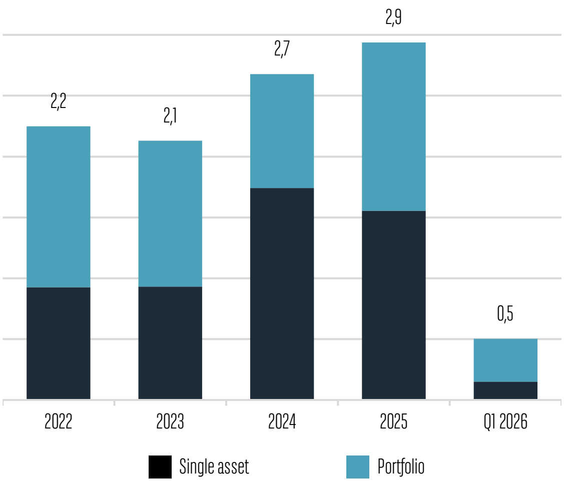
% of investment as of March 2026



© BNP Paribas Real Estate

Hotel investment in France by type

€ billion



© BNP Paribas Real Estate

In Q1, the **regions represented 70% of investment**, i.e. about € 350m, vs. **30% for Île-de-France** (around € 150m). In Q1 2025, the Paris region accounted for 38% of investment.

Over the full year 2025, the **Paris region represented 53%** of investment (some € 1.6bn), compared with **47%** (€ 1.4bn) for the rest of France.

Highlights in the regions include:

- the purchase by COMPAGNIE HÔTELIÈRE DE BAGATELLE of the 4* La Pérouse Nice (56 rooms) in Nice;

- the acquisition of the 4* Grand Aigle Serre Chevalier hotel in La-Salle-Les-Alpes (60 rooms), by FRIENDLY HOTELS (MINORITY), 123IM, BPI FRANCE and SMALT CAPITAL (MAJORITY);

- the acquisition of the 4* Garden Beach (177 rooms) in Antibes by L CATTERTON & CEDAR CAPITAL.

LOCATIONS FRANCE

ÎLE-DE-FRANCE

HEADQUARTER
50 cours de l'île Seguin
CS 50280
92650 Boulogne-Billancourt Cedex
Tel.: +33 1 55 65 20 04

AUBERVILLIERS
Parc des Portes de Paris
40 rue Victor Hugo
Bât 264 / 4ème étage
93300 Aubervilliers
Tél. : +33 (0)1 49 93 70 73

ERAGNY
Immeuble Tennessee
8 allée Rosa Luxembourg
BP 30272 Eragny
95615 Cergy Pontoise Cedex
Tél. : +33 (0)1 34 30 86 46

NOISY-LE-GRAND
Immeuble Le Copernic
15 boulevard du Mont d'Est
93160 Noisy-le-Grand
Tél. : +33 (0)1 47 59 17 21

RÉGIONS

AIX-EN-PROVENCE
Parc du Golf -Bât 33
350, rue Jean René Guillibert
Gauthier de la Lauzière
Les Milles
13290 Aix-en-Provence
Tél. : +33 (0)4 42 90 72 72

ANNECY
PAE Des Glaisins
19, avenue du Pré-de-Challes
74940 Annecy-le-Vieux
Tél. : +33 (0)4 50 64 12 12

BIARRITZ
26 Allée Marie Politzer
64200 Biarritz
Tél. : +33 (0)5 59 22 62 00

BORDEAUX
Immeuble Opus 33
61-64, quai de Paludate
33800 Bordeaux
Tél. : +33 (0)5 56 44 09 12

DIJON
Immeuble Le Richelieu
10, boulevard Carnot
21000 Dijon
Tél. : +33 (0)3 80 67 35 72

GRENOBLE
285 rue Lavoisier
38330 Montbonnot
Tél. : +33 (0)4 76 85 43 43

LILLE
100, Tour de Lille
Boulevard de Turin
59777 Euralille
Tél. : +33 (0)2 20 06 99 00

LYON
Silex 1
15 rue des Cuirassiers
69003 Lyon
Tél. : +33 (0)4 78 63 62 61

MARSEILLE
42, boulevard de Dunkerque
CS11527—13235 Marseille
Cedex 2
Tél. : +33 (0)4 91 56 03 03

METZ
Immeuble Les Muses
1 rue des Messageries
57000 Metz
Tél. : +33 (0)3 87 37 20 10

MONTPELLIER
Immeuble Le Triangle
26, allée Jules Milhau
CS 89501
34265 Montpellier Cedex 02
Tél. : +33 (0)4 67 92 43 60

NANCY
Immeuble Quai Ouest
35 avenue du XXèmeCorps
54000 Nancy
Tél. : +33 (0)3 83 95 88 88

NANTES
14, mail Pablo Picasso
BP 61611
44016 Nantes Cedex 1
Tél. : +33 (0)2 40 20 20 20

NICE
Immeuble Phoenix –Arénas
455, promenade des Anglais
06285 Nice Cedex 3
Tél. : +33 (0)4 93 18 08 88

ORLÉANS
16, rue de la république
45000 Orléans
Tél. : +33 (0)2 38 62 09 91

RENNES
Centre d'affaires Athéas
11, rue Louis Kerautret-Botmel
35000 Rennes
Tél. : +33 (0)2 99 22 85 55

ROUEN
Immeuble Europa
101 Boulevard de l'Europe
76100 Rouen
Tél. : +33 (0)2 35 72 15 50

STRASBOURG
Beverly Plaza
15 rue de Copenhague
67300 Schiltigheim
Tél. : +33 (0)3 88 22 19 44

TOULOUSE
Immeuble Elipsys
8/10 rue des 36 Ponts
CS 84216
31432 Toulouse Cedex
Tél. : +33 (0)5 61 23 56 56

TOURS
29, rue de la Milletière
37100 Tours
Tél. : +33 (0)2 47 44 70 58

CONTACTS

RESEARCH & INSIGHTS

Johann LEGRAND
Analyst
johann.legrand@realestate.bnpparibas

BUSINESS LINES

Pauline LALOT
Director – Valuation & consulting Hotel
Pauline.lalot@bnpparibas.com

Francis ASSÉNAT
Deputy Director – Transactions Hotel
Francis.assenat@bnpparibas.com

Looking for a tailor-made analysis? Click here to find out our service offer Research on Demand

BNP PARIBAS REAL ESTATE

50, cours de l'Île Seguin
92100 Boulogne-Billancourt
France
Tel.: +33 (0)1 55 65 20 04
Fax: +33 (0)1 55 65 20 00
www.realestate.bnpparibas.com

BNP PARIBAS
REAL ESTATE

KEEP IN TOUCH WITH US, WHEREVER YOU ARE

#BEYONDBUILDINGS

www.realestate.bnpparibas.com

N° ADEME : FR200182_01XHWE