



Hospitality, Tourism & Leisure Market Update

April 2026



Audit / Tax / Advisory

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Welcome

Welcome to the latest edition of our HTL market update. In this issue, we review Ireland's hotel sector performance for 2025 and consider emerging trends from Q1 2026. The report brings together hotel performance metrics, supply and transaction activity, and the latest tourism data,

complemented by a concise summary of key industry developments.

If you would like to discuss any of the themes, data or opportunities highlighted in this update, please contact the Crowe HTL team.

Hotel performance

National overview

The Irish hotel market showed continued resilience in 2025. Dublin recorded full-year occupancy of 84%, up 1.9% on 2024, supported by an ADR of €174 and RevPAR of €146. Regional Ireland also performed well with 72% occupancy, an ADR of €168 and RevPAR of €121. These results underline the strength of the domestic hotel sector, with Dublin remaining one of Europe's most consistently highly occupied cities and regional markets maintaining steady demand.

Despite this positive performance, the Central Statistics Office reports a decline of 3% in inbound tourism in 2025. Day-to-day spending by overnight visitors from abroad fell by 8.5%. Domestic travel demand has remained important

for the wider tourism sector, helping to offset weaker international activity.

According to ITIC and Tourism Economics, inbound travel to Northern Europe (including Ireland) will grow 4.7% in 2026. The US market may see unusual travel patterns and airfare changes due to America 250 celebrations and the FIFA World Cup, both of which could affect transatlantic demand.

Events in the Middle East mean that uncertainty remains high. Major political, economic and social developments, particularly in the US, continue to shape travel demand next year. Recent comments from Fáilte Ireland indicate for the next six to nine months, Ireland's tourism demand is expected to remain stable, despite uncertainties such as oil



Hotel performance continued



price fluctuations and unrest in the Middle East. However, forward bookings for 2027 and beyond aren't running at the pace that they would have this time last year but this could change quickly, depending on the macro economic outlook.

Dublin

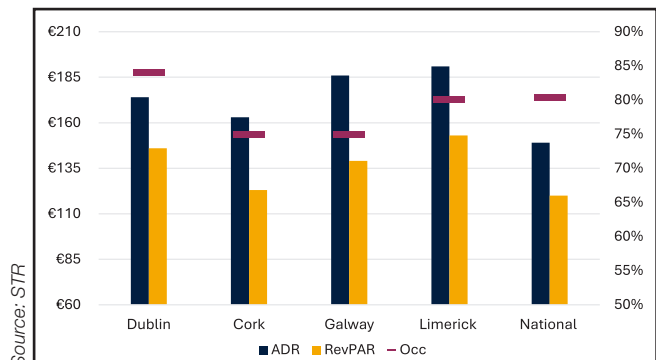
Full-year occupancy to December 2025 increased by 1.9% compared to the same period in 2024, reaching 84%. ADR remained flat at €174 for 2025. Consequently, RevPAR grew by 1.9% year-on-year, reaching €146. This demonstrates the robust performance of the Dublin market and maintains the trend of being one of the highest-occupied cities among its peers.

Dublin city centre

Occupancy in the key Dublin city centre core market improved by two points to 83%, showing steady demand growth. With ADR edging up 0.5% to €197, the market saw a small but positive lift in pricing. Together, these factors drove RevPAR up to €163, signalling a generally stronger performance across the board.

Dublin experienced another solid summer, supported by major concerts and key sporting events. Big-name artists, including the Oasis reunion, boosted weekend demand, while the Aer Lingus College Football Classic and All-Ireland finals delivered substantial visitor volumes. The Steelers vs Vikings game generated strong inbound demand, carrying healthy momentum into Q4.

Looking ahead to 2026, Crowe expects a similar scale of major events and concerts to help drive demand. Several acts have already been confirmed, including Metallica (Aviva Stadium), The Weeknd (Croke Park), Take That (Aviva



Hotel performance continued

Stadium) and Bon Jovi (Croke Park), alongside other headline artists who will anchor festivals throughout the summer and into year end.

Regional cities

Cork

Performance in 2025 showed similar levels of occupancy compared to the same period in 2024 (75%). In spite of this, rates increased by 3.8% to €163, helping RevPAR to rise by 5% year-on-year to €123.

Galway

Occupancy posted a 1.4% increase in 2025, reaching 75%, indicating steady improvement in demand. ADR also strengthened, rising 3.9% to €186, indicating a firmer pricing environment. Together, these gains lifted RevPAR to €139, up 4.5% year-on-year, reflecting growth across both volume and rates. The Galway market continues to show robust fundamentals, underpinned by

sustained domestic demand, a resilient events calendar and ongoing investment in tourism infrastructure, positioning the region for continued growth into 2026.

Limerick

Occupancy decreased by 1.25% compared to 2024, to 80%. However, this was offset by an increase in rates, with ADR rising 3.8% year-on-year to €191. As a result, RevPAR grew by 3.4% to €153. Limerick continues to benefit from the lack of available accommodation capacity in County Clare (where a high proportion of hotel rooms are currently used for emergency accommodation) and is expected to remain a strong spillover market, particularly during peak leisure periods and major regional events.



Hotel transactions



National

The Irish hotel market in 2025 was shaped by the landmark €1.4 billion sale of the Dalata Hotel Group, underscoring the sector's maturity and the depth of capital targeting hospitality assets. While this leaves no indigenous listed Irish hotel group, it does mark a shift in ownership towards an operating company (Op-Co) and property company (Prop-Co) model, as demonstrated by the Pandox and Scandic partnership.

The total value of deals exchanged during 2025 amounted to €1.7 billion. Beyond the Dalata headline deal, a further 66 hotels reportedly changed hands, pointing to sustained liquidity and a broadening buyer base.

Dublin

Dublin remained the most active market, recording several notable transactions throughout the year. The Radisson Blu Dublin Airport was acquired by Dalata for €83 million, equating to €362,000

per bedroom. Ruby Molly changed hands for €86 million, reflecting €316,000 per bedroom, with Deka Immobilien as the purchaser. FBD Hotels acquired the Grand Hotel in Malahide for €55 million, or €272,000 per bedroom. Meanwhile, the Fleet Hotel transacted for approximately €45 million, equating to €450,000 per bedroom, in a deal secured by the Austrian-led TMR Hotel Collection. These transactions highlight the continued strength of capital flows into prime Dublin assets.

Regional

The regional market also recorded steady momentum, with several strategically significant trades. The Absolut Hotel Limerick was purchased by the Talbot Collection for a reported €18 million, equating to €182,000 per bedroom. The O'Callaghan Group acquired the Kilmore Hotel in Cavan for €11 million, representing €149,000 per bedroom.



Hotel transactions continued

In one of the most prominent provincial transactions, the Kilkenny Ormonde Hotel sold for €32 million (€271,000 per bedroom) to the TMR Hotel Collection. These deals illustrate sustained confidence in Ireland's regional hotel markets and their stable trading performance.

Among these, the sale of the Nuremore Hotel & Country Club for a reported €6 million illustrates a continued pattern of capital channelled into the hotel industry, supported by stable long-term demand and potential for value uplift. Second-generation hoteliers are reinvesting in heritage assets with scope for repositioning, investing in guestrooms, golf, spas and weddings with the objective of delivering lucrative returns.

In Q1 2026, the Radisson Blu Letterkenny sold for a reported €16 million to the TMR Hotel Collection, marking their 18th hotel acquisition. In Killarney, the 98-bedroom International Hotel sold for a reported €22 million. Prices achieved highlight the competitive performance of regional markets,

bolstered by resilient domestic travel, experience-led demand, and more balanced year-round trading.

Hoteliers are increasingly prioritising the expansion and upgrade of meeting and events facilities within their wider commercial strategy. With persistent cost pressures in food and beverage operations, many operators are redirecting capital toward spaces that can deliver stronger margins, more predictable demand, and greater contribution to the bottom line. This shift reflects an increasingly agile sector, with hotels enhancing ballroom, conference and multifunction event spaces to capture higher-yield group business, support premium ADR on peak dates, and secure earlier, more stable booking patterns. As competition intensifies, well-positioned assets with modern, flexible event infrastructure are expected to gain further advantage throughout 2026.





2025 inbound tourism

Volumes, nights and stay patterns

Ireland's inbound tourism performance in 2025 showed a slight easing compared with the previous year, with just over 6.4 million overseas visitors, a 3% decline on 2024 (source: CSO).

Even with this moderation, visitor behaviour remained steady. Overseas guests spent 47.9 million nights in the country, also down 3% year-on-year, while the average stay held firm at 7.5 nights, pointing to consistent travel habits despite the softer overall volume.

Behind these headline figures, the market mix remained stable. Great Britain remained Ireland's largest individual source of visitors at around 2.4 million trips, followed by Continental Europe at just under 3 million and North America at about 1.3 million. North American visitors stayed the longest at roughly 8.3 nights, compared with 7.5 nights from Continental Europe and about five nights from Great Britain. Overall, this shows a consistent balance between high-volume short-stay markets and lower-volume but longer-stay long-haul visitors.

Visitor expenditure

Spending trends followed a similar trajectory, with overall expenditure easing slightly yet remaining substantial. Total spend by overseas visitors (excluding fares) reached €5.5 billion, around 9% lower than in 2024, though still above 2023 levels. On a per-visitor basis, spending remained healthy, with the average visitor spending €1,166 over the course of their trip.

Accommodation remained a key source of tourism revenue. Visitors spent about €2.29 billion on places to stay. On average, each visitor spent €311 on accommodation and a further €457 on food, drink, attractions, retail and other services. While total spend fell in line with lower visitor numbers, strong per-visitor spending, especially from long-haul markets, continues to support healthy returns for hotels and investor interest in the wider hospitality sector. Tourism remains a vital contributor to the national economy, both in terms of employment and revenue.



2026 market outlook

The Irish hotel sector started 2026 with a mix of optimism and caution. A recent Irish Hotels Federation survey shows widespread concern, with 92% of hoteliers worried about global conditions and 76% concerned about the domestic outlook. Uncertainty around inbound markets, consumer pressures and the broader economy continue to weigh on sentiment.

Even so, the outlook remains cautiously positive. Just over half of hoteliers (51%) expect trading to improve in 2026, and forward bookings point to steady demand despite rising costs.

Investment plans also signal confidence. Three-quarters of hotels plan to increase capex this year, mainly in guestrooms, F&B and

public-area upgrades. Sustainability is a growing priority, with increased spending and targets for more renewable energy use, reduced food waste and better water conservation.

High operating costs remain a challenge. Ireland continues to face elevated energy, insurance and service costs, which put pressure on margins. The return of the 9% VAT rate for hospitality food services in July will offer only limited relief, as minimum wage increases and auto-enrolment (AE) came into effect in January 2026.

Overall, 2026 will require careful cost management. Strong demand and active investment set against ongoing economic and cost pressures will shape strategies across the sector.

2026 hotel pipeline overview

Activity in Dublin's hotel pipeline continues with six projects progressing through approval, application or early planning stages. Together, they show a market where developers are still active but navigating different planning and partnership processes.

A 71-room expansion of The Grafton Hotel has been approved, adding capacity in a high-demand city-centre location. A revised proposal on Baggot

Street Upper seeks permission for an 87-room Raglan Townhouse Hotel, signalling continued interest in smaller urban boutique formats. In the Liberties, Meininger Hotels has secured approval for an 811-bed property, introducing a hybrid hotel-hostel model at significant scale.

Outside the core centre, Horse Racing Ireland is exploring delivery partners for a potential hotel in Leopardstown, reflecting early-stage opportunity rather than committed development. In Dún Laoghaire, a planned 71-room REZz Hotel conversion is now under appeal, highlighting sensitivities around change-of-use proposals. Rounding out the list, the 288-room Wilde Aparthotel in the North Docklands has been approved, bringing a new extended-stay brand to the Irish market.

Collectively, these schemes indicate steady momentum: a mix of approved projects adding near-term supply and several proposals still working through planning or feasibility, consistent with a city adjusting to long-term demand while balancing regulatory and community considerations.



Hospitality news

Introduction of a tourist tax?

Dublin City Council is actively examining the introduction of a tourist accommodation levy. The proposal was formally outlined to councillors at a Finance Committee meeting in mid-March 2026. No tax has been approved, and national legislation would be required before any levy could be implemented.

European hotel investment

European hotel investment rebounded strongly in 2025, with transaction volumes reaching €22.6 billion, their highest level since 2019, underlining the depth of capital still targeting hospitality assets despite more challenging financing conditions.

Crowe Annual Hotel Market Briefing

Crowe hosted its Annual Hotel Market Briefing breakfast at the InterContinental Dublin in January, featuring guest speaker Paul Higgins of MHL Hotel Collection, who shared insights on market conditions and the outlook for the Irish hotel sector.



Crowe Annual Hotel Market Briefing

Royal Valentia Hotel sold

The Royal Valentia Hotel on Valentia Island has been sold, with CBRE confirming its purchase by US-based Unique Boutique Hospitality. The 30-room property had been guiding at €3 million and comes with recent planning approval for additional rooms, underscoring continued investor interest in high-amenity coastal destinations in Kerry.

Dalata rebrands the Radisson Blu Dublin Airport Hotel

Dalata is rebranding the Radisson Blu Dublin Airport to Clayton Central Dublin Airport and is further strengthening its London presence. Dalata has also agreed a lease for a new four-star Maldron Hotel in Kensington, beside the £1.3 billion Olympia London redevelopment. The hotel will include around 370 rooms and is expected to open in 2029, subject to planning approval.



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Get in touch

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About Crowe

With over 85 years' experience, Crowe is Ireland's leading independent advisor to the hospitality, tourism and leisure sector. We have an unrivalled understanding of the Irish business environment and an unparalleled global service thanks to the strength and reach of our international network. Our team is made up of experts in their fields with practical industry experience, offering financial, operational and strategic support. Based in Dublin, the practice has grown to over 200 staff, ranking in the top ten accountancy and business advisory firms in Ireland.

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Horwath HTL is the world's largest and most experienced hospitality consulting brand, with 59 offices in 40 countries, who have successfully carried out over 40,000 assignments for private and public clients. We are the leading specialist in Hospitality, Tourism and Leisure, providing solutions through a combination of international experience and expert local knowledge. We have a strong independent team of industry professionals with a wealth of industry experience focusing exclusively on hotel and tourism-related projects. Through involvement in thousands of projects over many years, Horwath HTL has amassed extensive, in-depth knowledge and understanding of the needs of hotel and real estate companies and financial institutions. Our professional opinions are well recognised and respected among international hotel companies, investors, developers and financial institutions. Horwath HTL is a member of Crowe Global.

About Crowe Global

Crowe Global is ranked 8th among the top 10 global accounting networks with more than 200 independent accounting and advisory services firms in over 150 countries around the world. Crowe Global member firms are known for their personal service to privately and publicly held businesses in all sectors and have built an international reputation in the areas of audit, tax and advisory services.