

CBRE Reports Strong Transaction Activity in Hotel Sector and Highlights Romania's Growing Investment Potential

CBRE has reported a robust year of activity for its Hotels Central and Eastern Europe (CEE) team, advising on almost 1 billion EUR in hotel transactions across CEE and SEE and approximately 20 Operator Search and Selection processes. Among the most notable transactions was the sale of Hilton Prague, one of the largest single-asset hotel deals ever recorded in the CEE region.

The firm's work over the past year has included strategic advisory assignments, valuations, and operator search mandates in major CEE capitals and key leisure destinations, linking regional opportunities with international investors and leading hotel brands.

Romania: Recovery and Expansion

According to CBRE data, Romania's hotel market recorded 20 million overnight stays in 2024, up 2% year-on-year. Bucharest was the main driver of growth, with an 8% increase in overnight stays, supported by a 12% rise in international arrivals.

Other market indicators also suggest ongoing recovery and solid medium-term growth prospects. In 2024, air traffic rose to 26 million passengers, a 6% increase from the previous year. Leisure tourism remained strong, with seaside destinations such as Constanța and mountain resorts in Brașov and Prahova performing particularly well. Hotel investments have represented 4–8% of total real estate activity in recent years, and the share is showing a steady upward trend.

Local investors remain most active, particularly in small-to-mid cap deals and conversion projects. International investors, while more selective, focus on prime Bucharest assets and established leisure destinations, often favouring branded hotels and institutional-grade properties.

With over 13 million passengers in 2024, Bucharest's airport traffic trails Warsaw, Prague, and Budapest. However, the city shows stronger relative demand growth, fuelled by limited branded hotel supply and a rising number of international visitors. New branded projects in the upscale and lifestyle segments are expected to narrow the gap with other CEE capitals over the next three to five years.

„Romania's hotel market is entering a new growth cycle, supported by healthy demand and a clear shift towards branded projects that raise the bar for quality. Interest from both domestic and international investors is rising, with Bucharest leading the way and regional leisure destinations increasingly on the radar. The next few years will bring significant opportunities for those ready to invest in upgrading assets and introducing fresh concepts to the market”, declared **Iulia Szabo**, *Consultant Investment Properties & Hotels, CBRE Romania*.

Currently, the Romanian market is still dominated by unbranded hotels, many requiring significant capital expenditure to meet international brand standards. Developers face complex permitting and urban planning processes, while liquidity remains lower than in more mature CEE markets.

Growth over the next three to five years is expected to be driven by increasing international arrivals, infrastructure upgrades, and the opening of new branded hotels in Bucharest and regional cities. Resort destinations on the Black Sea coast and in the Carpathian Mountains are also identified as areas with untapped potential. CBRE is actively advising on several ongoing projects in Romania in locations such as Bucharest, Brașov, and key leisure markets, including both new developments and repositioning of existing properties.