



**Hospitality  
Investor**



# **Portugal: Premier Destination for Hospitality Investment**

[portugal.investintourism.pt/](http://portugal.investintourism.pt/)

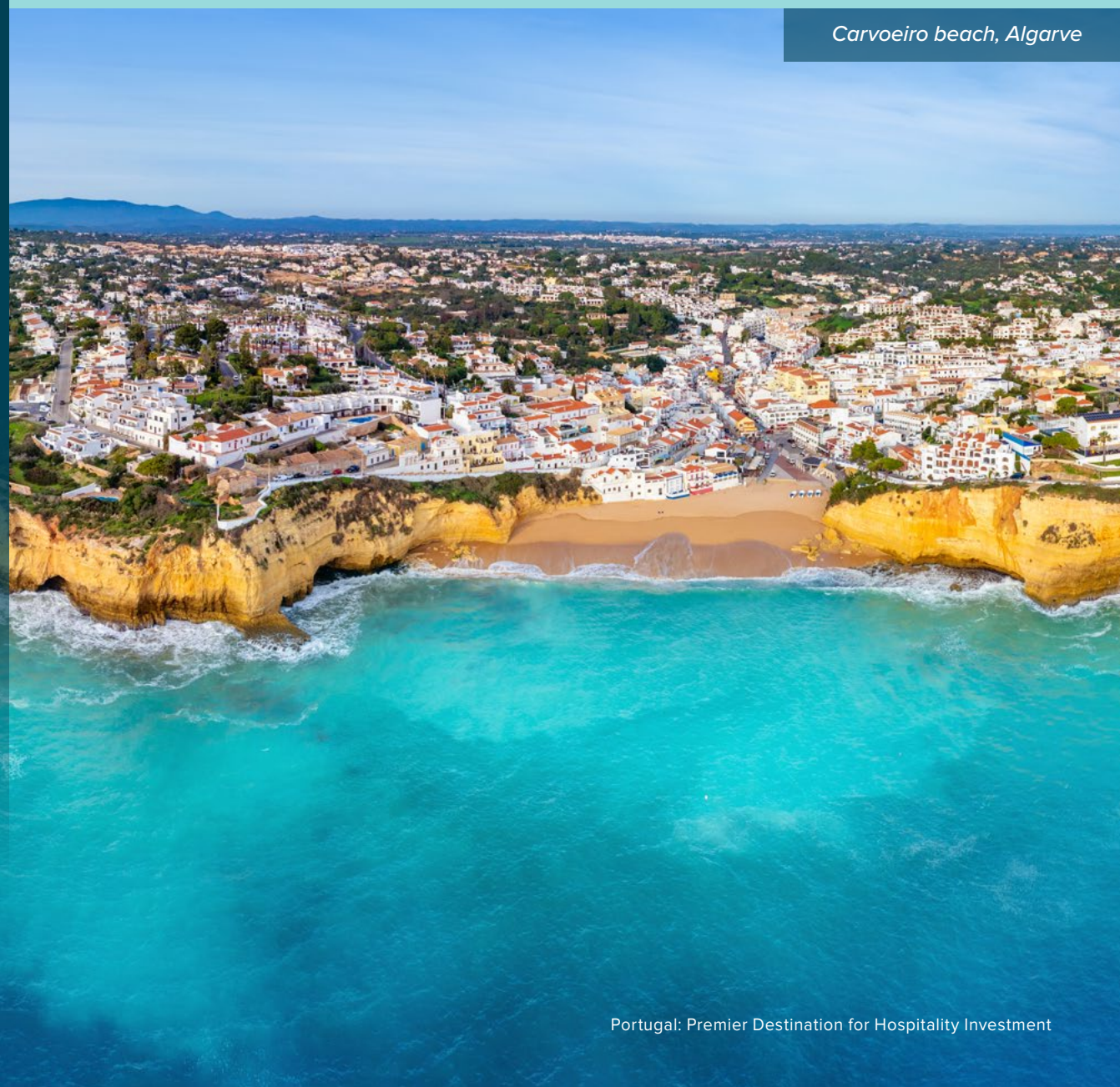


# Contents

1	Macroeconomic overview.....	4
2	Key tourism indicators .....	8
3	Accommodation market overview.....	14
4	Portugal's attractiveness to foreign investors.....	30
5	Opportunities in Portuguese hospitality real estate .....	34



# Macroeconomic overview



Carvoeiro beach, Algarve

Portugal's GDP grew by 2.3% in 2023, surpassing the Eurozone, EU, and OECD averages.

## ECONOMIC INDICATORS FOR PORTUGAL, 2020-2025

Macroeconomic aggregate	2020	2021	2022	2023	2024F	2025F
Year-on-year percent change (€bn)						
GDP at market prices	200.5	5.7	6.8	2.3	1.6	2.0
Private consumption	128.4	4.7	5.6	1.7	1.5	1.8
Government consumption	38.0	4.5	1.4	1.0	1.7	1.4
Gross fixed capital formation	38.5	8.1	3.0	2.5	3.9	4.0
Net exports	- 4.3	-0.2	2.3	1.5	-0.4	-0.1
Consumer price index	-	0.9	8.1	5.3	2.4	2.0

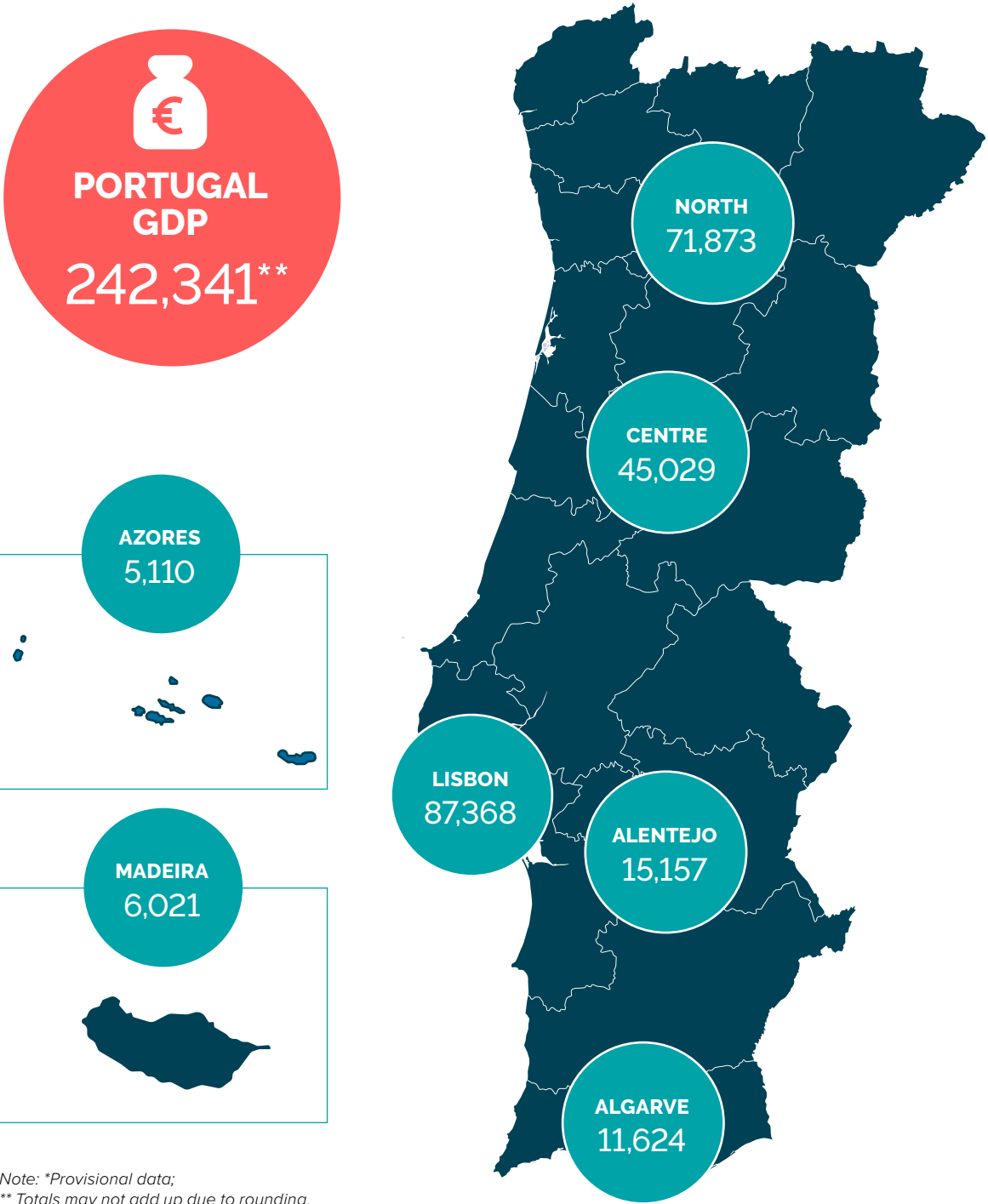
Source: OECD Economic Outlook 115 database



Town of Sines, Alentejo

# 85% of Portuguese GDP is generated in the North, Centre, and Lisbon.

GDP BY PORTUGUESE REGION, 2022\* (IN €MN)



Note: \*Provisional data;  
 \*\* Totals may not add up due to rounding.  
 Source: Statistics Portugal



# Key tourism indicators

Vineyards in the Douro River region



## Record performance in 2023

Tourist revenue accounted for **9.5%** of Portugal's GDP, and **48.6%** and **19.9%** of Exports of Services and Global Exports, respectively.

Source: Travel BI, Turismo Portugal



30mn  
visitors

Up 10% on 2019,  
the previous  
record year



77mn  
overnights

Up 10.7%  
on 2022



Revenue  
up 18.5%

Y-O-Y  
to €25bn

Source: Statistics Portugal

## So far in 2024:



Total guests in paid accommodation  
**up by 4.6% Y-O-Y**  
to 3,245,200 in  
January and February

Source: Statistics Portugal



Overnights  
grew by  
**3.3%**  
to 7,735,200



Receipts  
advanced by  
**12.9%**  
to €2,833,400

Fourth most  
searched  
travel destination  
globally in 2023

Source: Condé Nast Traveler

Portugal was ranked  
**16th** worldwide  
(9th in Europe) by the Travel &  
Tourism Competitiveness  
Index 2021 (WEF)

Source: Economic Impact Research Report (EIR) by the WTTC

The sector will increase its  
contribution to the GDP to  
**€56.4bn by 2033** -  
more than a fifth (21.1%) of  
the Portuguese economy

Source: Economic Impact Research Report (EIR) by the WTTC

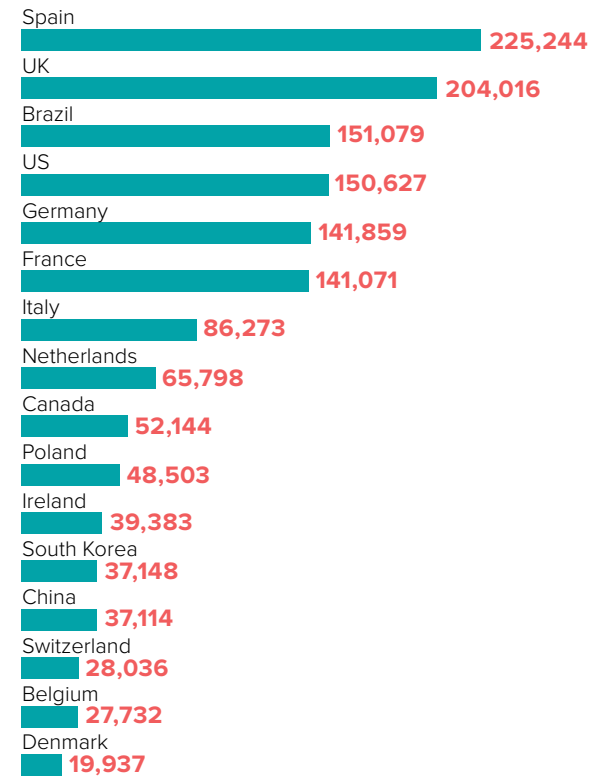
**90%**  
of pre-pandemic jobs  
recovered

Source: Economic Impact Research Report (EIR) by the WTTC

# Tourism by source market

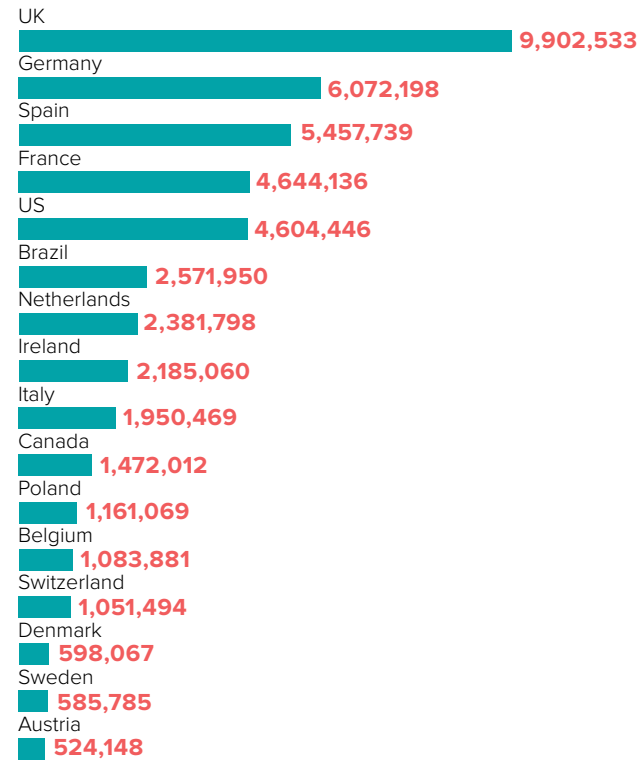
## ARRIVALS AND OVERNIGHTS BY INCOMING MARKET, 2023

### ARRIVALS



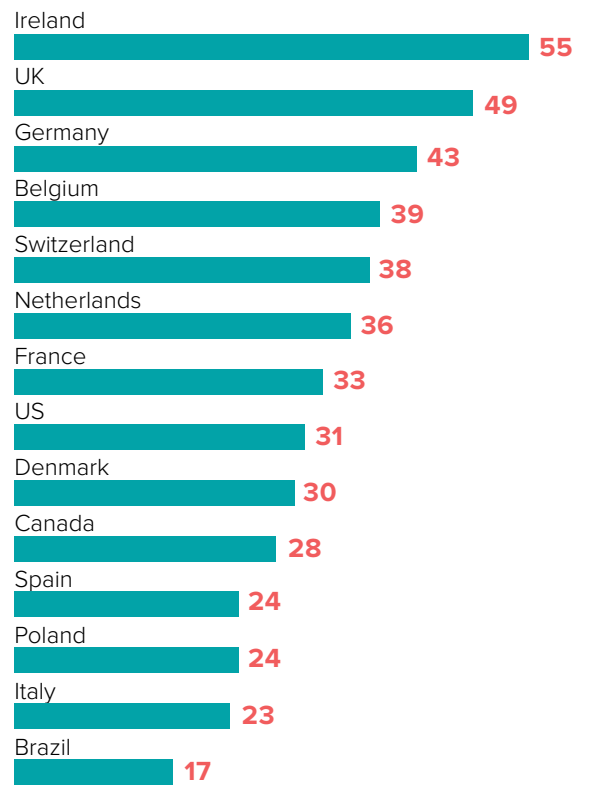
Source: Travel BI, Turismo Portugal

### OVERNIGHTS



Source: Travel BI, Turismo Portugal

### AVERAGE LENGTH OF STAY (DAYS)



Source: Travel BI, Turismo Portugal



Pena National Palace in Sintra






























**Spain** is number one by arrivals, but the **UK** generates the most overnights and the Irish have the longest average length of stay.



# Tourism indicators/figures by region

REGIONAL DATA, 2022

KEY			
	Population #Ranking within regions		Overnight stays Distribution Dom./Int.
	RevPAR RevPAR Index YTD 2023 vs YTD 2019		
<b>PORTUGAL</b>			
	10,468,000		3,632,000 (#1 of Portugal)
	69,694,791 32.8% Dom. / 67.2% Int.		11.6 m 41.3% Dom. / 58.7% Int.
	€ 56.2 1.31		€ 46.1 1.24
<b>1. NORTH REGION</b>			
	2,256,000 (#3 of Portugal)		7.1 m 41.3% Dom. / 58.7% Int.
	€ 27.2 1.26		
<b>2. CENTRE REGION</b>			
	2,900,000 (#2 of Portugal)		18.0 m 22.4% Dom. / 77.6% Int.
	€ 80.3 1.28		
<b>3. LISBON REGION</b>			
<b>4. ALENTEJO REGION</b>			
	715,000 (#4 of Portugal)		472,000 (#5 of Portugal)
	3.0 m 69.0% Dom. / 31.0% Int.		19.2 m 26.2% Dom. / 73.8% Int.
	€ 40.6 1.35		€ 64.1 1.32
<b>5. ALGARVE REGION</b>			
	253,000 (#6 of Portugal)		8.4 m 17.9% Dom. / 82.1% Int.
	€ 59.8 1.59		
<b>6. MADEIRA REGION</b>			
	240,000 (#7 of Portugal)		2.5 m 43.4% Dom. / 56.6% Int.
	€ 46.6 1.41		

Source: Portugal Hotel Market Snapshot, 2023, Christie & Co

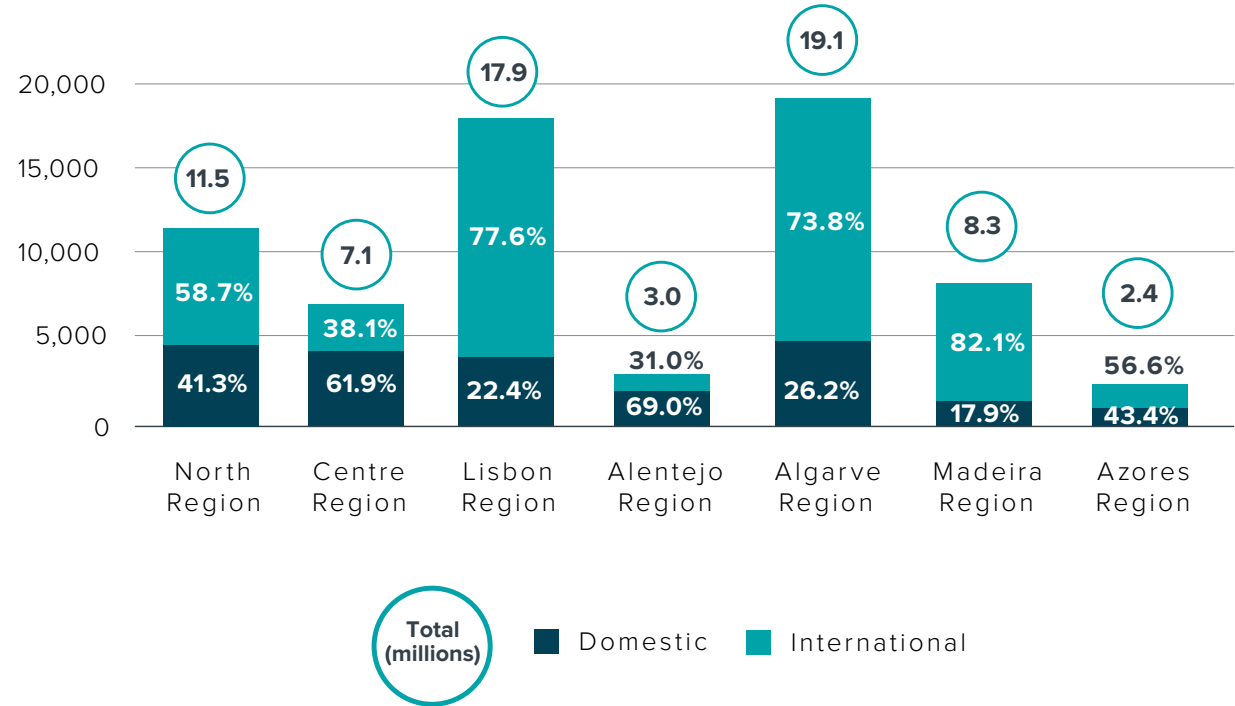


Incoming travellers account for about **two-thirds** of overnights in Portugal



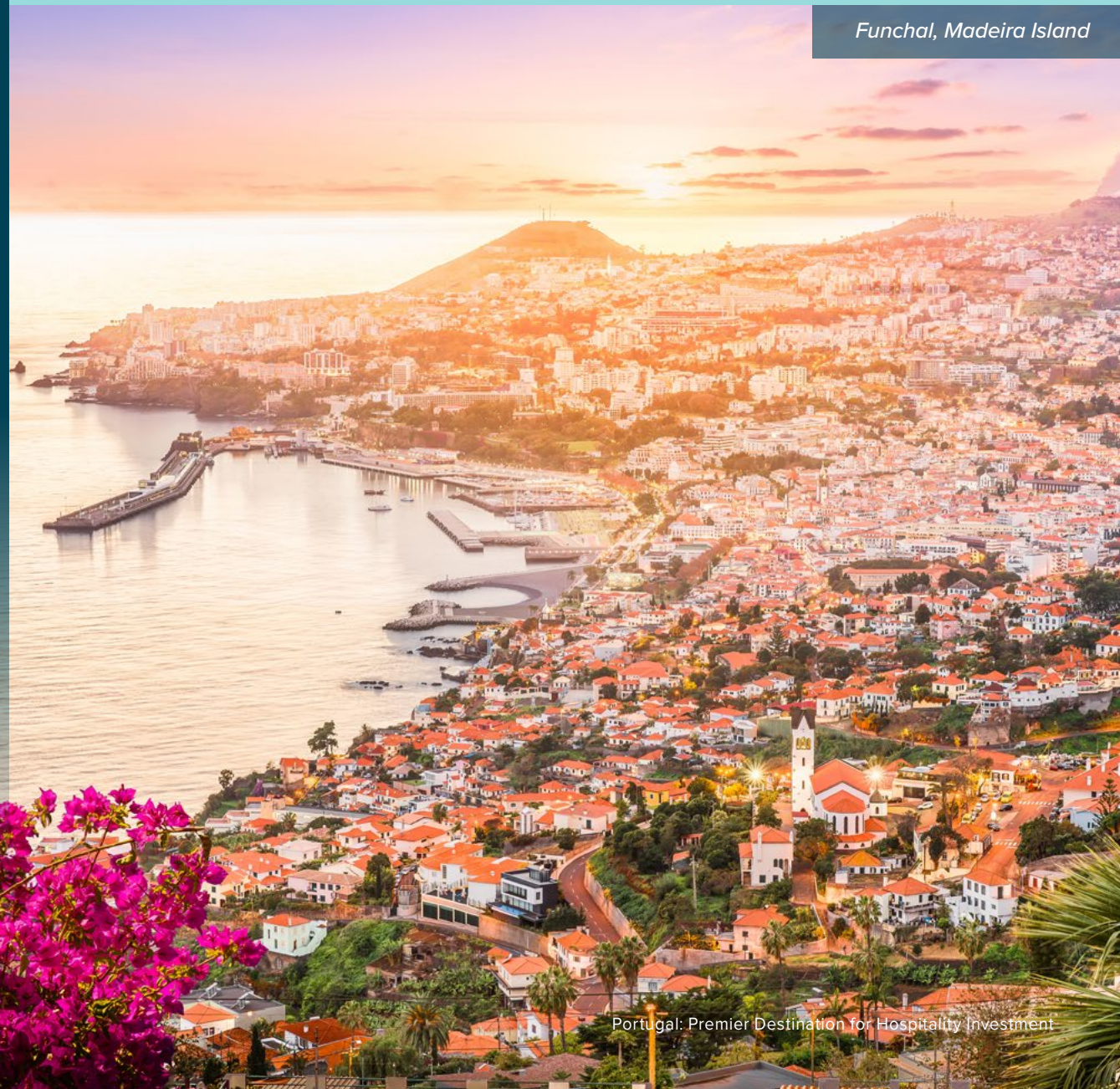
Algarve and the Lisbon region capture over half of all overnights

OVERNIGHTS BY REGION IN 2022



Source: Portugal Hotel Market Snapshot, 2023, Christie & Co

# Accommodation market overview



Funchal, Madeira Island

## CAPACITY BY TYPE OF SHORT-TERM ACCOMMODATION, 2023

Type of accommodation	# of properties	% of total	# of rooms	% of total
Apartment Hotels	137	2.2%	14,540	8.10%
Hotels	1,407	22.4%	101,003	56.27%
Holiday rentals	2,811	44.8%	29,536	16.45%
Pousadas	36	0.6%	1,637	0.91%
Agritourism	1,631	26.0%	12,462	6.94%
Tourist Apartments	189	3.0%	12,306	6.86%
Tourist Villages	60	1.0%	8,017	4.47%
<b>Total</b>	<b>6,271</b>	<b>100.0%</b>	<b>179,501</b>	<b>100%</b>

Source: Travel BI, Turismo Portugal

**6,271**  
establishments  
(179,501 rooms)

Hotels over  
**56%**  
of total room  
capacity

## HOTEL ROOM CAPACITY BY GRADE, 2023

Type of accommodation	# of rooms	% of total
Apartment Hotel	14,540	8.10%
Hotel 1* and 2*	10,858	6.05%
Hotel 3*	23,489	13.09%
Hotel 4*	46,405	25.85%
Hotel 5*	20,251	11.28%

Source: Travel BI, Turismo Portugal

Hotel capacity  
mainly 4-star  
and 3-star



Saint Tiago Square, Guimaraes



# Hotels

## OVERVIEW OF THE PORTUGUESE HOTEL SECTOR, 2022-2023

	2022	2023	Change 2022-23 in %
Total chain hotels	581	623	7%
Total chain rooms	68,990	73,405	6%
Total hotels	1,957	2,049	5%
Total rooms	140,634	144,898	3%
Chain penetration % by hotels	30%	30%	2%
Chain penetration % by keys	49%	51%	3%
International brands	67	68	1%
International chain hotels	161	177	10%

Source: Portugal Hotel & Chains Report | October 2023, Horwath Htl

Beautiful Facades with Azulejo Tiles in Lisbon



Only **28%** of chain hotels and a third of rooms are branded by international hotel groups.



# Biggest hotel chains

## LEADING HOTEL CHAINS IN PORTUGAL

1	<b>Pestana Hotel Group</b> HOTELS <b>80</b>   ROOMS <b>7,688</b>
2	<b>Vila Gale Hotels</b> HOTELS <b>31</b>   ROOMS <b>5,006</b>
3	<b>Accor</b> HOTELS <b>38</b>   ROOMS <b>3,940</b>
4	<b>Marriott Hotels &amp; Resorts</b> HOTELS <b>20</b>   ROOMS <b>3,844</b>
5	<b>Minor</b> HOTELS <b>18</b>   ROOMS <b>3,499</b>
6	<b>Eurostars Hotel Company– Hotusa</b> HOTELS <b>24</b>   ROOMS <b>2,781</b>
7	<b>Hoti Hotels</b> HOTELS <b>17</b>   ROOMS <b>2,545</b>
8	<b>SANA</b> HOTELS <b>14</b>   ROOMS <b>2,267</b>
9	<b>Real Hotels Group</b> HOTELS <b>14</b>   ROOMS <b>1,826</b>
10	<b>VIP Hotels</b> HOTELS <b>9</b>   ROOMS <b>1,796</b>
TOTAL	HOTELS <b>265</b>   ROOMS <b>35,192</b>

Source: Portugal Hotel & Chains Report | October 2023, Horwath Htl

Nazare



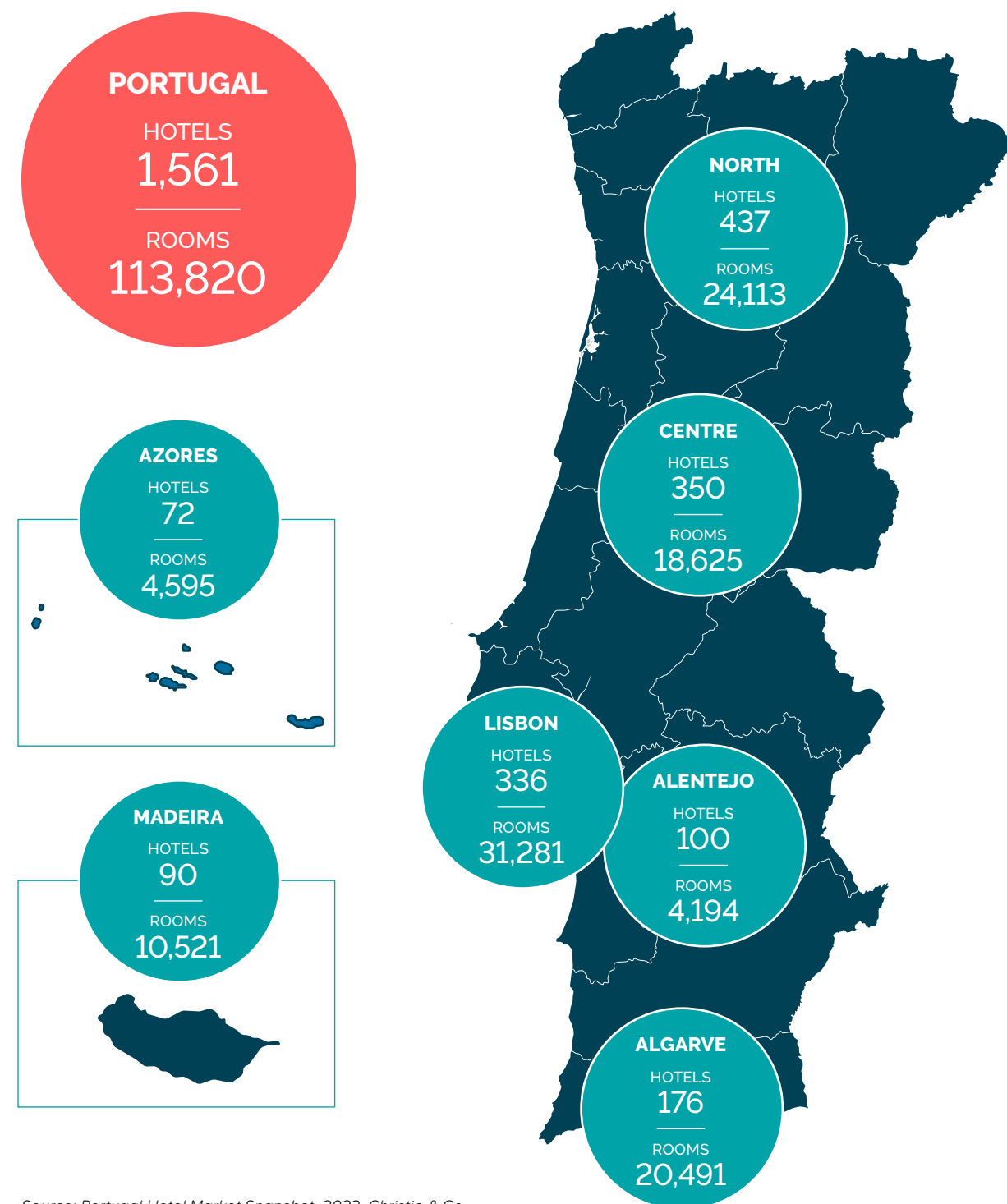
**Only four** foreign chains have significant capacity in Portugal: Accor, Marriott, Minor, and Eurostars.

Monsaraz, Alentejo region



## Two-thirds of Portugal's hotel capacity is in the North, the Centre, and Lisbon regions

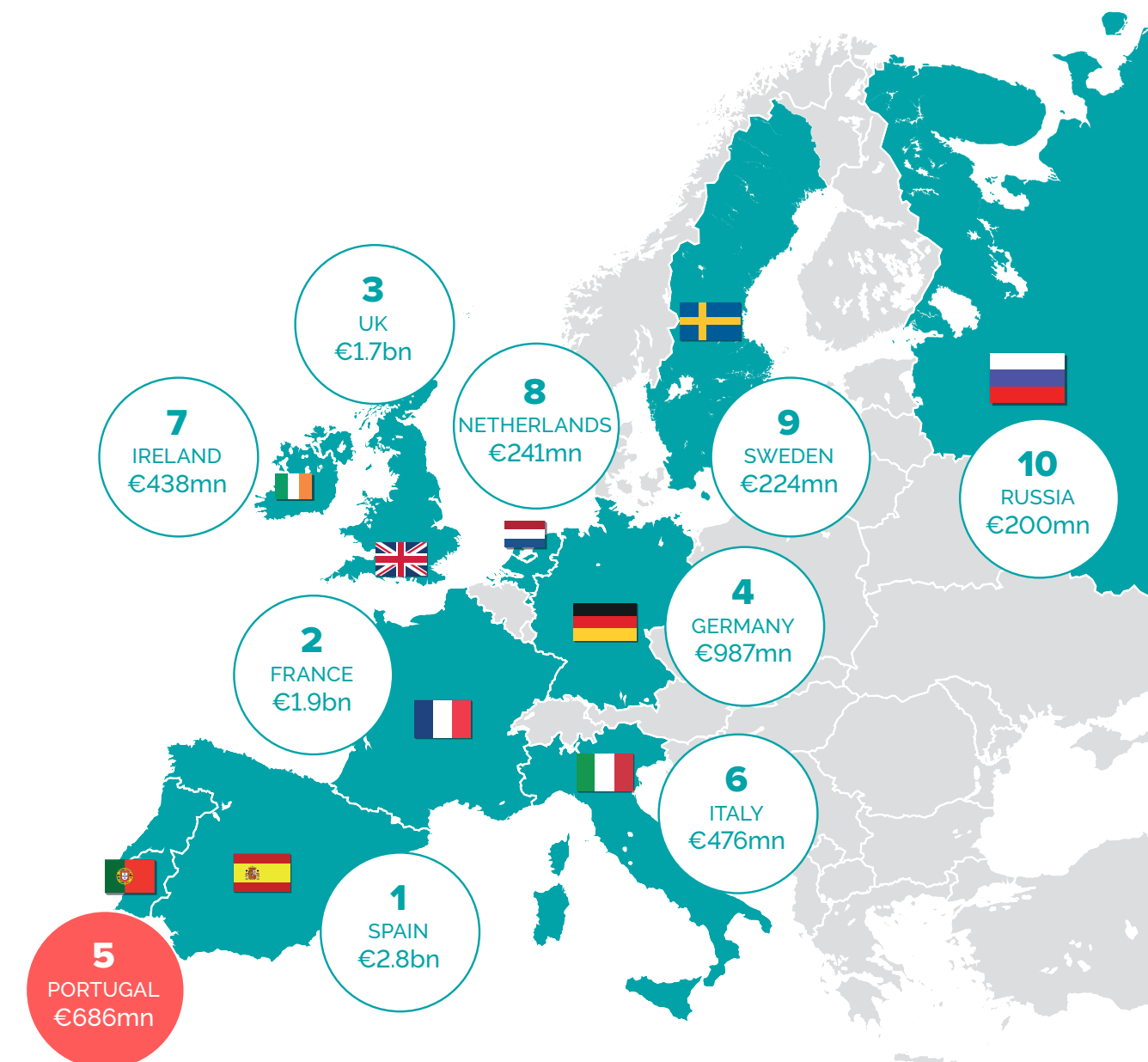
HOTEL STOCK BY REGION, 2022



Source: Portugal Hotel Market Snapshot, 2023, Christie &amp; Co.

## Portugal was ranked 5th in Europe for total hotel investment in 2023

HOTEL INVESTMENT BY EUROPEAN COUNTRY IN 2023



Source: HVS/Hodges Ward Elliott



During 2023, there were **19** hotel construction starts in Portugal, worth a total of almost **€622mn**, of which **22%** concerned projects in Madeira, **12%** in Lisbon, with the rest located elsewhere in the country.

NUMBER OF HOTEL CONSTRUCTION STARTS BY REGION, YEAREND 2023

REGION	Q1 2023	Q2 2023	Q3 2023	Q4 2023	UNDERWAY
# OF PROJECTS					
Madeira Island	0	0	0	2	2
Portugal Other	6	3	1	3	13
Lisbon	1	2	0	0	4
Total	7	5	1	5	19

Source: Real Capital Analytics, MSCI, Inc., 2024

INVESTMENT VALUE OF HOTEL CONSTRUCTION STARTS BY REGION, YEAREND 2023

REGION	Q1 2023	Q2 2023	Q3 2023	Q4 2023	UNDERWAY
€					
Madeira Island	0.0	0.0	0.0	136,078,584.7	136,078,584.7
Portugal Other	138,756,217.4	110,904,412.6	50,565,772.1	111,514,615.0	412,407,668.6
Lisbon	21,709,300.9	44,041,911.1	0.0	0.0	73,351,212.0
Total	160,465,518.3	154,946,323.7	50,565,772.1	247,593,199.70	621,837,465.30

Source: Real Capital Analytics, MSCI, Inc., 2024

## FDI in Portuguese hotels set a record of €188.5mn in 2022

### Trend in FDI in Portuguese hotels

CROSS-BORDER TRANSACTIONS IN PORTUGUESE HOTEL ASSETS, 2014-2024YTD

Year	Acquisitions (€)	Disposals (€)	Net acquisitions (€)
2014	4,000,000.0	0.0	4,000,000.0
2015	176,199,848.1	0.0	176,199,848.1
2016	86,199,935.2	0.0	86,199,935.2
2017	36,000,000.0	0.0	36,000,000.0
2018	250,679,952.8	-100,000,000.0	150,679,952.8
2019	518,121,613.0	-435,659,917.2	82,461,695.8
2020	212,212,398.1	-91,668,471.6	120,543,926.5
2021	247,340,393.8	-161,999,993.8	85,340,400.0
2022	1,038,909,288.6	-850,409,068.6	188,500,220.0
2023	432,951,603.0	-276,171,404.1	156,780,198.9
2024 YTD	15,000,000.0	-82,000,000.0	-67,000,000.0

Source: Real Capital Analytics, MSCI, Inc., 2024



Net cross-border investment in the country's hotels set a record in 2022, reaching **€188.5mn**, as foreign investors poured over **€1bn** into Portuguese hotel real estate. However, net incoming investment declined by **17%** to **€156.8bn** in 2023.

According to MSCI (Morgan Stanley Capital International), over the 24 month-period to end 2023, **85%** of buyers of hotel assets and **35%** of developers were foreign investors. The most important foreign developers of hotel assets in Portugal over the past two years have been Goldman Sachs, Melia, AccorInvest, and Compagnie De Phalsbourg.

#### TOP DEVELOPERS IN HOTELS Q4 2021-Q4 2023

Investor group	Headquarter	Value of starts Q4 2021-Q4 2023 (€)	# of properties	Underway at end Q4 2023 (€)	# of properties
Pestana Group	Lisbon, PRT	154,739,107	2	154,739,107	2
Vila Gale Grupo	Lisbon, PRT	131,694,685	6	61,124,794	3
Grupo Casais	Braga, PRT	71,269,387	2	54,374,448	1
Goldman Sachs	New York, USA	62,500,000	4	n/a	0
AM48	Lisbon, PRT	50,565,772	1	50,565,772	1
Mercan Properties	Porto, PRT	45,697,663	2	n/a	0
Melia Hotels International	Merida, Spain	41,273,145	1	41,273,145	1
SANA Hotels	Lisbon, PRT	30,000,000	1	n/a	0
AccorInvest	Courcouronnes, France	23,798,075	1	23,798,075	1
Compagnie De Phalsbourg	Paris, France	20,772,789	1	20,772,789	1

Source: Real Capital Analytics, MSCI, Inc., 2024

#### Lagoon Of The Seven Cities, Azores





# Major foreign hotel purchases over the past two years

There have been several significant transactions in the Portuguese hotel market, which have been driven by foreign investors.

The Paris-based investment group, Extendam, purchased the 62-key four-star l'hôtel M.Ou.coin Porto on July 20, 2023; the hotel features a conference room with seating capacity of 300.

New York-based Davidson Kempner and Highgate, along with Madrid-based Kronos, purchased 18 hotels in Portugal on January 4, 2023. Simultaneously, HG Portugal launched its portfolio of the 18 hotels which span the Algarve, Lisbon, Porto, and several other markets in the country. This comes as Highgate, alongside Davidson Kempner Capital Manager and Kronos, acquired the Portuguese investment manager ECS Capital. The portfolio includes Hilton and IHG-branded hotels, as well as several independent hotels, such as Cascade Resort, Salgados Palace, and São Rafael Atlântico. Additional assets include lifestyle boutique hotels, urban full-service hotels, waterfront luxury resorts, and large convention facilities.

Arrow Global Funds, owned by TDR Capital LLP, a British private equity firm headquartered in London, completed the acquisition of Landmark Dom Pedro Hotels on July 3, 2023; the deal included golf courses and hotels in Vilamoura, Lagos and Madeira, including three Vilamoura hotels – Dom Pedro Portobelo, Dom Pedro Marina, and Dom Pedro Vilamoura, along with five Vilamoura golf courses – Old Course, Pinhal, Laguna, Millenium, and Victoria, as well as Dom Pedro Lagos and two hotels in Madeira: Dom Pedro Machico and Dom Pedro Garajau; current projects include the development of Vilamoura World, where residential units are being developed and sold, the expansion and modernisation of the Vilamoura Marina, the creation of a Sports Center, and the modernisation of the equestrian centre.

In May 2022, Spanish investment fund manager, Azora, expanded its footprint in Portugal, acquiring the 500-room Pestana Blue Alvor resort in the Algarve, from Pestana. The purchase was the fourth deal for Azora’s European Hotel & Leisure Fund, and its fourth acquisition of a resort in the Algarve.



## RECENT HOTEL TRANSACTIONS AND CONSTRUCTION PROJECTS

Transaction Date Property Type	Property Name Address City, State, Postal CN	Units Year Built/Renov #Bldgs/Floors	Price	Owner/Buyer ↔ Broker Seller ↔ Broker	Comments
Sale Dec. 2023 Hotel	<b>Hotel Lago Montargil &amp; Villas</b> Estrada Nacional 2 Ponte de Sor, Alentejo 7425 PRT	116 units	€17.5 approx €150,862/unit	↔ Colliers International	Full-service property; the transaction also included an adjacent plot of land with capacity for the development of 10 additional villas.
Sale Dec. 2023 Hotel	<b>Hotel California</b> R Joaquim Pedro Samora 2 Albufeira, Algarve 8200 PRT	80 units 1980/2019 1 bldg/9 floors	€13.0 approx €162,500/unit	Mercan Properties from Arrow Global by ↔ CBRE	Full-service property; prior sale Sep-22 (€12.0m)
Sale Dec. 2023 Hotel	<b>Minor POR Hotel Portfolio 2023</b> 5 of 5	1,240 units	€133.2 approx	NH Hotels from Minor Int'l	5 property portfolio
	<b>Tivoli Sintra</b> Praca Republica Sintra, Lisboa 2710 PRT	77 units 1980/2007 1 bldg/4 floors	€15,892,350 alloc'd €206,394/unit	NH Hotels from Minor Int'l	Full-service property; 3,229 sf of meeting space; prior sale: Feb-16; part of 5 property portfolio
	<b>Tivoli Marina Portimao</b> Marina Portimao Portimao, Algarve 8500 PRT	196 units 2002/2011 10 bldgs/2 floors	€19,769,802 alloc'd €100,866/unit	NH Hotels from Minor Int'l	Full-service/resort property; leasehold; prior sale: Jan-15; part of 5 property portfolio
	<b>Tivoli Lagos</b> Rua Antonio Crisogono Dos Santos Lagos, Algarve 8800 PRT	324 units 1967/2005 9 bldgs	€32,680,693 alloc'd €100,866/unit	NH Hotels from Minor Int'l	Full-service/resort property; prior sale: Feb-16; part of 5 property portfolio
	<b>Tivoli Victoria Vilamoura</b> Victoria Vilamoura Loule, Algarve 8125 PRT	383 units 1987/2003 1 bldg/11 floors	€38,631,807 alloc'd €100,866/unit	NH Hotels from Minor Int'l	Full-service/resort property; prior sale: Feb-16; part of 5 property portfolio
	<b>Anantara Vilamoura Algarve Resort</b> Av Dos Descobrimentos Faro, Algarve 8000 PRT	260 units	€26,255,248 alloc'd €100,866/unit	NH Hotels from Minor Int'l	Full-service/resort property; part of 5 property portfolio
Construction Dec. 2023 Hotel	<b>B&amp;B Hotel Madalena</b> Frente Maritima de Madalena Vila Nova de Gaia, Norte 4400 PRT	176 units Underway 1 bldg/10 floors	n/a	Grupo Casais	Est Completion: Q4 2024; limited service property
Sale Nov. 2023 Hotel	<b>B&amp;B Hotel Montijo</b> Av Dom Afonso Henriques 38 Montijo, Lisboa 2870 PRT	112 units 2021 1 bldg/4 floors	n/a	ECS Capital from PAI Partners by ↔ CBRE	Limited service property
Sale Nov. 2023 Hotel	<b>Villa Magna</b> R Vasco Santana 106 Albufeira, Algarve 8200 PRT	62 units 2 floors	€25.0 approx €403,226/unit	Livingroup	Limited service/extended stay/resort property
Sale Oct. 2023 Hotel	<b>Cascade Wellness Resort</b> R das Ilhas Lagos, Algarve 8600 PRT	164 units 2019	n/a private	Blackstone from Davidson Kempner by ↔ Eastdil Secured; CBRE	Full-service/resort property; property will be managed by Hotel Investment Partners (HIP); operation involves the purchase from Fliptrel Portugal of the entire shareholding of two companies, Cascadeinvest and Sunseasand
Construction Oct. 2023 Hotel	<b>Hotel Melia Viana Do Castelo</b>	130 units Underway 1 bldg/7 floors	n/a	Melia Hotels International	Est. completion: Q1 2025; Full-service property
Construction Oct. 2023 Hotel	<b>Axel Hotel Funchal</b> R Bela Santiago Funchal, Regiao Autonoma de Madeira 9060 PRT	88 units Underway	n/a		Est. completion: Q4 2024; Full-service property
Construction Oct. 2023 Hotel	<b>Hotel Pestana Dunas</b> BR-242 Porto Santo, Regiao Autonoma de Madeira 9400 PRT	390 units Underway 1 bldg/ 2 floors	n/a	Pestana Group	Est. completion: Q4 2025; Full-service property
Construction Oct. 2023 Hotel	<b>Hotel Convento do Carmo Moura</b> Av do Carmo Moura, Alentejo, 7860 PRT	50 units underway	n/a	SPPTH - Sociedade de Promoção de Projetos Turísticos e Hoteleiros, S.A.	Est. completion: Q4 2024; Full-service property

Source: MSCI, Inc., 2024

## Newly Opened Hotels



**In 2024, 70 new hotels and 6,500 new rooms are projected to open across Portugal.**

*Source: Portugal Real Estate Investment Guide 2024, Savills*

### MAIN OPENINGS IN 2023 AND PIPELINE IN 2024 IN PORTUGAL

PORTUGAL MARKET OVERVIEW	MAIN OPENINGS   2023			
	Promoter	Hotel	Category	Rooms
	Tivoli Hotels & Resorts	Tivoli Alvor	5*	491
	DHM	Crowne Plaza Caparica	4*	227
	Mercan	Renaissance Porto Lapa	4*	163
	MAIN PROJECTS IN PIPELINE   2024			
	Promoter	Hotel	Category	Rooms
	Oksmi Hotels	Dreams Madeira Resort Spa & Marina	5*	366
	TSH	The Social Hub	4*	305
	Ferreira Group (GFH)	Editory by The Sea Lagos	5*	276

*Source: Portugal Real Estate Investment Guide 2024, Savills*

### MAIN OPENINGS 2022-2023 AND PIPELINE IN 2024 IN THE LISBON REGION

LISBON REGION MARKET OVERVIEW	MAIN OPENINGS   2022-2023			
	Promoter	Hotel	Category	Rooms
	United Investments Portugal	Hyatt Regency Lisboa	5*	204
	Sonae Capital Hotelaria	The Editory Riverside Hotel	5*	126
	PHC Hotels	Convent Square Hotel Vignette Collection	5*	121
	MAIN PROJECTS IN PIPELINE   2024			
	Promoter	Hotel	Category	Rooms
	Mercan Properties   Marriott	Moxy Alfragide	3*	218
	Hoti Hotels	ME Lisbon	5*	213

*Source: Portugal Real Estate Investment Guide 2024, Savills*



Funchal, Madeira

### MAIN OPENINGS 2022-2023 AND PIPELINE IN 2024 IN THE ALGARVE REGION

ALGARVE MARKET OVERVIEW	MAIN OPENINGS   2022-2023			
	Promoter	Hotel	Category	Rooms
	3HB Hotels & Resorts	3HB Guarana	4*	500
	Pestana Hotel Group	Tivoli Alvor Algarve Resort	5*	491
	Mercan	Extreme WOW	5*	217
	MAIN PROJECTS IN PIPELINE   2024			
	Promoter	Hotel	Category	Rooms
	Viceroy Hotels & Resorts	Viceroy at Ombria Resort Algarve	5*	276
	Mercan Properties   Hilton	Lagos Marina Hotel - Curio Collection	5*	180
	Group Ferreira Holding	Editory by The Sea Lagos	5*	276

*Source: Portugal Real Estate Investment Guide 2024, Savills*

### MAIN OPENINGS 2022-2023 AND PIPELINE IN 2024 IN THE NORTH REGION

NORTH REGION MARKET OVERVIEW	MAIN OPENINGS   2022-2023			
	Promoter	Hotel	Category	Rooms
	Mercan	Renaissance Porto Lapa	4*	163
	Neya Hotels	Neya Porto Hotel	4*	124
	Group Bomporto	The Rebello	5*	106
	MAIN PROJECTS IN PIPELINE   2024			
	Promoter	Hotel	Category	Rooms
	TSH	The Social Hub	4*	305
	Hoti Hotels	Meliá Famalicão	4*	120

*Source: Portugal Real Estate Investment Guide 2024, Savills*



# Hotel projects (pipeline) in Portugal as of April 24, 2024

There are 55 three-to-five-star hotel projects, with over 8,200 rooms, in the pipeline in Portugal, according to Top Hotel Projects. The hotels in the pipeline are in various phases of development, going from planning to under construction to pre-opening.

Practically all projects are located in the districts of Lisbon (24), Porto (11), Algarve (10), and Madeira (5). Otherwise, there are two projects in the Évora District, two in Braga, and one in the Azores. A notable luxury property is the Six Senses Lisbon, now in the planning stage.



Portugal: Premier Destination for Hospitality Investment

## HOTEL PIPELINE IN PORTUGAL, 24 APRIL 2024 (3-5-STAR HOTELS)

	Name of property	City	Area	Phase	Stars	Rooms
1	The Westin Verdelago Resort	Lagoa e Carvoeiro	Algarve	Under Construction	4	197
2	*Viceroy at Ombria Resort	Loulé	Algarve	Pre-Opening	5	76
3	3Turim Lisboa Hotel	Lisbon	Lisbon	Pre-Opening	4	104
4	Terras da Comporta Dunas	Lisbon	Lisbon	Planning	4	76
5	ME by Melia Lisbon	Lisbon	Lisbon	Under Construction	4	213
6	The Student Hotel Carcavelos	Lisbon	Lisbon	Planning	4	435
7	The Student Hotel Porto Bonjardim	Porto	Porto	Under Construction	4	280
8	Radisson RED Lisbon Olaias	Lisbon	Lisbon	Planning	4	290
9	Radisson RED Porto Gaia	Vila Nova de Gaia	Porto	Planning	4	250
10	Melia Famalicao	Vila Nova de Famalicão	Braga	Planning	4	120
11	Melia Centro Cultural de Belem	Lisbon	Lisbon	Pre-Planning	4	173
12	*Locke de Santa Joanna Lisbon	Lisbon	Lisbon	Pre-Opening	4	368
13	Axel Hotel Madeira	Funchal	Madeira	Under Construction	4	88
14	Andaz Lisbon	Lisboa	Lisbon	Under Construction	5	169
15	Leonardo Royal Hotel Lisbon	Lisbon	Lisbon	Planning	4	130
16	*Light Human Hotel Vila Real	Porto	Porto	Pre-Opening	4	126
17	*DoubleTree by Hilton Lagoa Azores	Lagoa	Azores	Pre-Opening	4	101
18	Legacy Hotel Cascais, Curio Collection by Hilton	Cascais	Lisbon	Pre-Opening	5	58
19	Light Human Hotel Porto	Porto	Porto	Under Construction	4	112
20	Six Senses Lisbon	Lisbon	Lisbon	Planning	5	114
21	The Standard Lisbon	Lisbon	Lisbon	Under Construction	4	165
22	Staybridge Suites Carcavelos	Carcavelos	Lisbon	Under Construction	4	135
23	Staybridge Suites Porto	Porto	Porto	Pre-Planning	4	119
24	*Holiday Inn Express Evora	Evora	Evora	Pre-Opening	3	76
25	*Holiday Inn Express Porto	Porto	Porto	Pre-Opening	3	95
26	YOTEL Lisbon WTC	Carnaxide	Lisbon	Planning	3	127
27	Moxy Alfragide Lisbon	Lisbon	Lisbon	Under Construction	3	220
28	Axel Hotel Porto	Porto	Porto	Planning	4	80
29	The Riverview a Tribute Portfolio Hotel	Vila Nova de Gaia	Porto	Under Construction	4	70
30	LAGOS MARRIOTT RESORT HOTEL	Lagos	Algarve	Planning	5	201
31	Anantara Royal Vila Viosa	Vila Viçosa	Evora	Planning	5	76
32	Staycity ApartHotels Porto	Porto	Porto	Planning	4	80
33	*Wilde ApartHotel Lisbon	Lisbon	Lisbon	Pre-Planning	4	95
34	Numa Lisbon	Lisbon	Lisbon	Under Construction	4	77
35	The Curator Hotel	Alcântara	Lisbon	Under Construction	5	64
36	Dreams Madeira Resort Spa & Marina	Porto Santo	Madeira	Under Construction	5	366
37	Hilton Garden Inn Lagos project	Lagos	Algarve	Planning	5	90
38	Lagos Marina Hotel Curio Collection by Hilton	Lagos	Algarve	Planning	4	189
39	limehome Porto	Porto	Porto	Planning	4	14
40	Holiday Inn Express & Suites Portimao	Portimao	Algarve	Under Construction	3	60
41	*Holiday Inn Braga	Braga	Braga	Pre-Opening	4	114
42	Innside by Melia Lisbon	Lisbon	Lisbon	Under Construction	4	150
43	Nobu Hotel and Restaurant Lisbon	Lisbon	Lisbon	Planning	5	72
44	25hours Hotel Porto	Porto	Porto	Pre-Planning	4	150
45	Hard Rock Hotel Algarve	Praia do Vau	Algarve	Planning	5	452
46	Hotel Indigo Faro	Faro	Algarve	Planning	4	127
47	Kimpton Algarve Sao Rafael Atlantico	Albufeira	Algarve	Planning	5	149
48	*Duo Hotel Lisbon, Curio Collection by Hilton	Lisbon	Lisbon	Pre-Opening	5	75
49	Canopy by Hilton Lisbon Praca Sao Paulo	Lisbon	Lisbon	Planning	4	84
50	Hampton by Hilton Lisbon Baixa	Lisbon	Lisbon	Under Construction	4	157
51	Vila Gale Collection Paco do Curutelo	Freixo	Madeira	Planning	4	69
52	Kimpton Lisbon	Lisbon	Lisbon	Planning	5	141
53	Hilton Alvor	Alvor	Algarve	Planning	5	363
54	Quinta Funchal Palace Garden Hotel	Funchal	Madeira	Planning	5	71
55	Occidental Hotel Funchal	Funchal	Madeira	Planning	4	150
Total three to five - star rooms in the pipeline						8,203

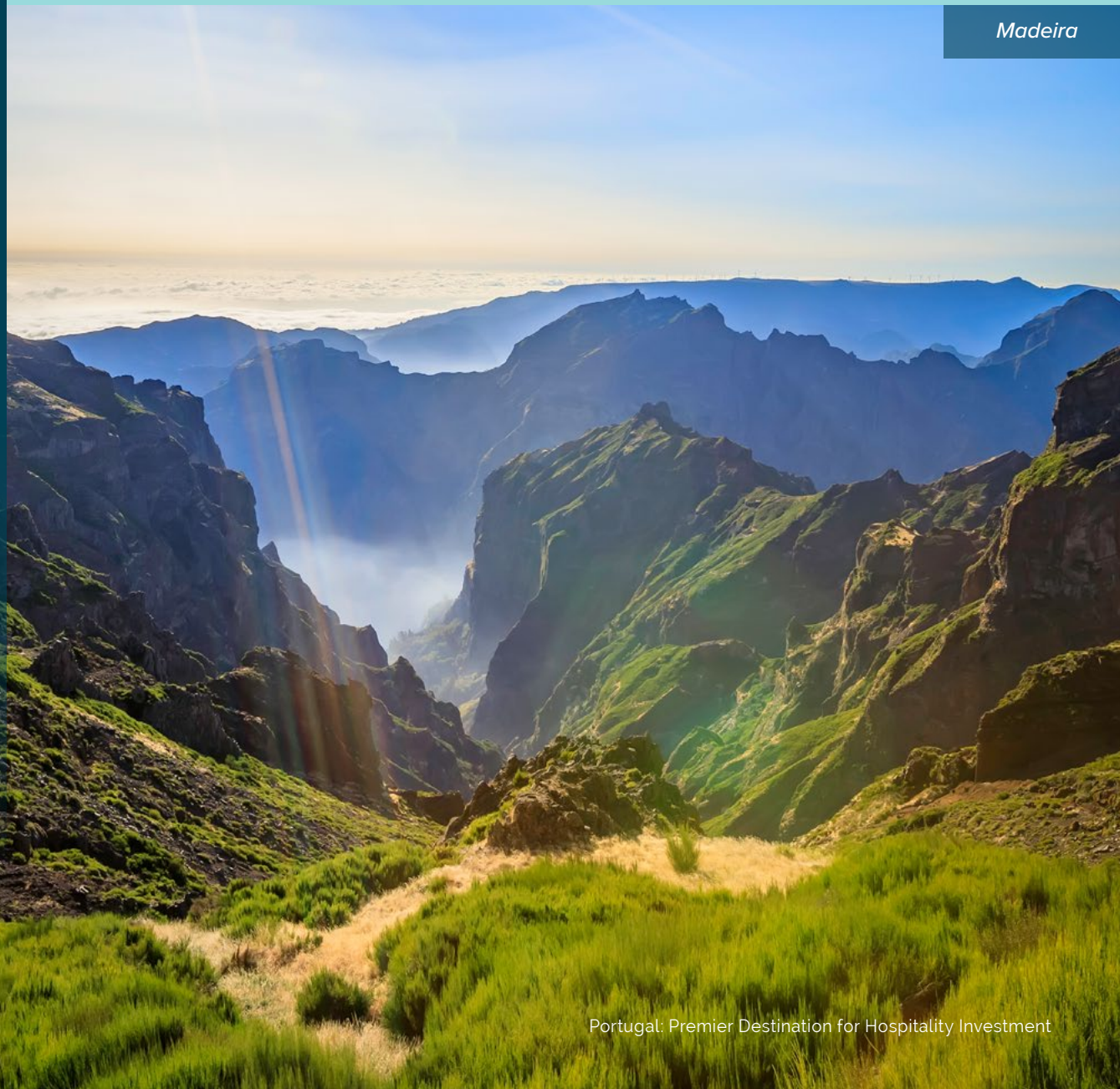
Note: \*Expected to open in 2024 | Source: Top Hotel Projects

Portugal: Premier Destination for Hospitality Investment

## 4

# Portugal's attractiveness to foreign investors

Madeira



## Strategic location

Portugal is readily accessible from Europe as well as North and South America (e.g. 7 hrs flight time from New York and 7 hrs 30 min flight time from Recife).

## Business-friendly environment

- Portugal offers a range of business-friendly policies and regulations to encourage entrepreneurship and foreign investment.
- The “Empresa na Hora” program allows entrepreneurs to set up in less than one hour, simplifying the registration process.
- Portugal offers attractive tax incentives for businesses, including a reduced corporate tax rate for specific industries and tax exemptions for foreign investors.
- Golden visa program
  - Prospective applicants who invest in a qualified investment category can qualify, alongside their family members, for a Portuguese residency permit, which also paves the way for citizenship in five years' time with minimal residency requirements.
  - The program underwent significant changes, with the removal of property investment. The remaining open investment options include transferring capital of €500,000 or more for acquiring shares in specific investment funds incorporated under Portuguese law, and transferring capital of €500,000 or more for incorporating a commercial company in Portugal coupled with job creation, or capital reinforcement in existing companies.

Cable car and Vasco da Gama tower, Lisbon



## Quality of life, social stability, and safety

Besides offering a warm maritime climate and a highly skilled workforce, Portugal is one of the safest countries in the world. This is mainly because the political climate in the country has been stable for years, and crime rate is one of the lowest in the world.

In 2023, Portugal was ranked 7th in the world for safety by the Global Peace Index, which is far higher than neighbouring Spain (32nd ranked) or France (67th ranked).



## Transportation infrastructure

Portugal has an excellent road network (motorways) linking the north and the south, making it easy to get from one place to the other quickly. The country is well served by airports (all with international flights), including:

- Lisbon
- Porto (north)
- Faro (south)
- Madeira
- Azores

## Lisbon as a global tech hub

Lisbon has been named the European Capital of Innovation by the European Commission. As “home to one of the most dynamic ecosystems in Europe, the city is now branded as the ‘Unicorn Capital’ and has been attracting entrepreneurs from around the world. The city is putting in place a new strategy to develop large scale companies and to connect technology with culture, sustainability and citizen engagement,” according to the European Innovation Council.



# Opportunities in Portuguese hospitality real estate

Although Lisbon and Porto are still attractive investment areas, there is significant potential in other regions, like the Algarve, Alentejo (Évora especially), and Azores.

## Residential tourism



Portugal offers the foreign buyer **a variety of residential property** at wide-ranging price points.



In general, the **most expensive developments** are to be found in the Algarve and in the coastal region to the west of Lisbon.



Among the most expensive is the **Vale do Lobo** luxury resort complex on the Algarve south coast, where property sells for over **€8,000/ built sq m**.

## THE MOST EXPENSIVE LOCATIONS BY THE BEACH (PRICE /SQM)

Resort/development	Price/sq m (€)	Location
Vilamoura	4,451	Algarve
Estoril	5,474	West of Lisbon
Cascais	5,744	West of Lisbon
Quinta do Lago	7,172	Algarve
Vale do Lobo	8,084	Algarve

Source: Portugal Residency Advisors, Idealista - June 2023

More affordable properties nearby the beach are to be found along the Silver Coast north of Lisbon, as well as in Santiago do Cacém, which is in the Setúbal district to the south of Lisbon.



Lisbon

Largo da Pena Ventosa, Porto



Olhao, Algarve region

THE LEAST EXPENSIVE REAL ESTATE NEAR THE BEACH IN PORTUGAL, JUNE 2023

Location	Nearest Beach	Price/sq m	House w/ 120 m2
Porto de Mós	Nazaré beach	854€	102,480€
Marinha Grande	São Pedro de Moel beach	995€	119,400€
Ovar	Furadouro beach	1,459€	175,080€
Figueira da Foz	Figueira da Foz beach	1,642€	197,040€
Santiago do Cacém	Areão beach	1,656€	198,720€
Peniche	Peniche beach	1,734€	208,080€

Source: Idealista's Selling Price Advertisement From June 2023

TRENDS

Theme-based experiential hotels (e.g. wine, gastronomy, golfing, horseback riding, biking, surfing, historical attractions)

Branded budget, midscale and lifestyle hotels for cities

Hybrid properties (e.g. hostel accommodation, single/double rooms, and long stay)

Alternative lodging (e.g. student housing, co-living, branded residences)

Franchising hotels with major brands

The underdeveloped 9-island chain of the Azores, with pristine natural attractions, is a 5-hour flight from Boston, MA.





[portugal.investintourism.pt/](http://portugal.investintourism.pt/)