

FIBRA INN

Lower Occupancy Rate in December

BUY

Target Price 2020E (MXN\$)	\$ 9.50
Current Price (MXN\$)	\$ 8.14
Min / Max (L12M - MXN\$)	6.43 - 9.97
Expected Dividend (MXN\$)	\$ 0.13
Total Return	18.2%
Mkt Cap (Mn of MXN)	4,219
Enterprise Value (Mn of MXN\$)	7,316
CBFI's Outstanding (Mn)	518.3
Float	84.6%
ADTV (MXN\$ Mn)	\$ 3.48

FIBRA INN presented its December 2019 hotel indicators, which still show a lower occupancy rate compared to the same month of one year before. Our fundamental recommendation remains BUY since we expect this indicator to begin recovering during the following months.

The average daily occupancy rate was 48.3% in December 2019, in terms of same store sales with 39 hotels in operation. This indicator was 2.1 percentage points lower than the same period of the previous year. The average daily rate remained virtually unchanged at MXN\$1,253.9, which resulted in a RevPar of MXN\$606.0, with a 4.9% YoY decrease. As a result, hotel revenues fell 4.7% YoY to MXN\$121.3 million.



In terms of total stores (39 hotels in December 2019 vs. 42 in December 2018), the average daily occupancy rate was down 2.0 percentage points YoY, while the average daily rate remained stable. RevPar contracted 4.0% YoY but revenues fell 8.1% YoY. The latter was generated by the lower occupancy rate, in addition to the divestitures that the company has carried out. In 4Q19, FIBRA INN's hotel revenues registered a 5.1% YoY reduction in terms of same store sales and 8.6% YoY in terms of total sales, which was mainly due to the fact that the occupation rate stood at 58.4%, lower by 2.8 percentage points (same stores) and 3.0 percentage points (total stores) than in 4Q18. The average daily rate decreased 1.0% in the first case and remained unchanged in the second. The RevPar fell 5.4% YoY and 4.8% YoY, respectively.

	Dec-19	Dec-18	Chg. YoY	Nov-19	Chg. MoM
Same-store sales					
Hotels	39	39		39	
Room Revenue (MXN\$ Mn)	\$ 121.3	\$ 127.3	-4.7%	\$ 159.4	-23.9%
Occupancy	48.3%	50.4%	-2.1 PP	64.2%	-15.9 PP
ADR (MXN\$)	\$ 1,253.9	\$ 1,265.0	-0.9%	\$ 1,282.5	-2.2%
RevPar (P\$)	\$ 606.0	\$ 637.3	-4.9%	\$ 823.1	-26.4%
Total Monthly Sales					
Hotels	39	42		39	
Room Revenue (MXN\$ Mn)	\$ 121.3	\$ 131.9	-8.0%	\$ 159.4	-23.9%
Occupancy	48.3%	50.3%	-2.0 PP	64.2%	-15.9 PP
ADR (MXN\$)	\$ 1,253.9	\$ 1,255.6	-0.1%	\$ 1,282.5	-2.2%
RevPar (P\$)	\$ 606.0	\$ 631.5	-4.0%	\$ 823.1	-26.4%

Source: FIBRA INN

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