

FIBRA INN (BUY, T.P. MXN\$6.50)

Substantial Sequential Improvement in Occupancy Levels in September

FIBRA INN's total occupancy reached 45.1% (same stores 46.9%) in September, well above 40.9% in August this year, which means that it is recovering very quickly from the impact of the third wave. In addition, it is very close to the break-even point at the financial level, which is with an occupancy of around 47%.

In the annual comparison, both occupancy and average daily rates increased significantly, which boosted the September's RevPar 84.6% and hotel revenues 107.4%. In the quarter, revenues reached MXN\$315 million, slightly higher than our expectations. We reiterate a BUY recommendation with an intrinsic value of MXN\$6.50/CBFI.

September 2021 hotel indicators

With respect to total sales (33 hotels in operation), the occupancy rate reached 45.1% in September this year, much higher than the 26.0% of the same period last year and the 40.9% in August this year, which had been impacted by the third wave. Additionally, the average daily rate stood at MXN\$1,388.6, up 6.3%YoY. As a result, RevPar advanced 84.6% YoY to MXN\$625.7, which led to a 107.4% growth in hotel revenues to MXN\$105.6 million.

Regarding same store sales (28 hotels in operation), the occupancy rate was 46.9% in September, higher than last year's 26.0% level. The average daily rate rose 2.8% YoY to MXN\$1,344.3. This translated into a RevPar of MXN\$629.9, improving 84.9% annually. Hotel revenues increased 84.9% YoY to MXN\$91.5 million.

3Q21 hotel indicators

Regarding total sales, occupancy was 44.4% in 3Q21, much higher than 21.3% in 3Q20 and our 43.3% expectation. The average daily rate rose 6.2% YoY to MXN\$1,357.9, which was 3.4% below our estimate. The RevPar reached MXN\$602.8 (vs MXN\$608.9 E), up 121.3% YoY. Hotel revenues for the quarter advanced 145.6% YoY to MXN\$315.3 million, 1.5% higher than our projections.

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Hotel Indicators September 2021

Same-store sales				YoY
	sep-21	sep-20		Chg.
Hotels	28	28		
Room Revenue (MXN\$ Mn)	\$ 91.5	\$ 49.1		86.3%
Occupancy	46.9%	26.0%		20.9 PP
ADR (MXN\$)	\$ 1,344.3	\$ 1,308.3		2.8%
RevPar (MXN\$)	\$ 629.9	\$ 340.6		84.9%
Total Monthly Sales				YoY
	sep-21	sep-20		Chg.
Hotels	33	29		
Room Revenue (MXN\$ Mn)	\$ 105.6	\$ 50.9		107.6%
Occupancy	45.1%	26.0%		19.1 PP
ADR (MXN\$)	\$ 1,388.6	\$ 1,306.1		6.3%
RevPar (MXN\$)	\$ 625.7	\$ 338.9		84.6%

Source: FIBRA INN

3Q21 Hotel Indicators

Total Sales	3Q21	3Q20	Annual Change	3Q21E	Estimates Diff.
Hotels	33	29		33	
Room Revenue (MXN\$ Mn)	\$ 315.3	\$ 128.4	145.6%	\$ 310.7	1.5%
Occupancy	44.4%	21.3%	23.1 PP	43.3%	1.1 PP
ADR (MXN\$)	\$ 1,357.9	\$ 1,278.5	6.2%	\$ 1,406.4	-3.4%
RevPar (MXN\$)	\$ 602.8	\$ 272.4	121.3%	\$ 608.9	-1.0%

Fuente: FIBRA INN

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