FIBRA INN (BUY, T.P. MXN$5.00)

Total Occupancy Continued To Rise in November

Opinion and Recommendation

FIBRA INN presented positive results in November with total occupancy reaching 54.8%, exceeding our 50.1% projection, due to a higher macroeconomic activity compared to the previous year and despite the new Omicron variant. In addition, the average daily rate improved substantially, resulting in a significant 148.5% YoY growth in hotel revenues. The Fibra continues to operate above the break-even point at the financial level, which is with a 49% occupancy level. We reiterate our BUY recommendation after this announcement.

November Hotel Indicators

FIBRA INN's total occupancy (with 33 hotels in operation), reached 54.8% in November this year, exceeding our 50.1% expectation and much stronger than the previous year's 26.7% level. It was supported by an improved macroeconomic activity. In addition, the average daily rate was up 18.9% YoY to MXN$1,482.8 supported by a higher demand and the incorporation of the JW Marriott Monterrey Valle as of May of this year. This resulted in a 143.6% YoY rise in RevPar, which stood at MXN$811.8. Hotel revenues increased 148.5% YoY to MXN$137.7 million.

As for same store sales (32 hotels in operation), occupancy improved to 55.7% in November this year, from 26.8% the previous year. The average daily rate increased 10.4% YoY to MXN$1,378.5, which translated into a MXN$767.8 RevPar, up 129.6% YoY. Hotel revenues grew 132.1% YoY to MXN$124.4 million.

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November 2021 Hotel Indicators

Total Sales		Nov-21		Nov-20	YoY Change		Nov-21		Nov-19	Change vs. 2019
Hotels		33		33			33		39	
Hotel Revenue (MXN$ Mn)	$	137.7	$	55.4	148.5%	$	137.7	$	159.4	-13.6%
Occupancy Rate		54.8%		26.7%	28.1 PP		54.8%		64.2%	-9.4 PP
ADR (MXN$)	$	1,482.8	$	1,246.6	18.9%	$	1,482.8	$	1,282.5	15.6%
RevPar (MXN$)	$	811.8	$	333.3	143.6%	$	811.8	$	823.1	-1.4%
Same-Store Sales		Nov-21		Nov-20	YoY Change		Nov-21		Nov-19	Change vs. 2019
Hotels		32		32			31		31	
Hotel Revenue (MXN$ Mn)	$	124.4	$	53.6	132.1%	$	114.9	$	134.4	-14.5%
Occupancy Rate		55.7%		26.8%	28.9 PP		55.9%		66.5%	-10.6 PP
ADR (MXN$)	$	1,378.5	$	1,248.8	10.4%	$	1,309.8	$	1,295.0	1.1%
RevPar (MXN$)	$	767.8	$	334.5	129.6%	$	732.4	$	861.8	-15.0%

Source: FIBRA INN

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