

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

Occupancy continued to improve in March, reaching 58.2%

Opinion and recommendation

FIBRA INN registered a very solid performance in March with all indicators reached new highs since the beginning of the pandemic. Occupancy was 58.2%, with a significant improvement both sequentially and annually, by far exceeding our 53.3% projection. This means that the Fibra is once again operating at the break-even point from a financial point of view. We reiterate BUY with a MXN\$5.00/CBFI target price.

March hotel indicators

FIBRA INN's total average daily occupancy reached 58.2% (vs. 53.3% E) in March this year, the best level since November 2019. It was higher than the 35.2% of March last year and the 48.6% of February this year, due to the recovery in the tourism sector. Such a high occupancy and the opening of the JW Marriott Monterrey Valle in May last year resulted in a 24.1% YoY increase in the average daily rate to MXN\$1,545.9 (vs. MXN\$1,467.1 E). For this reason, RevPar rose 104.8% YoY to MXN\$899.7 (vs. MXN\$782.0 E) and hotel revenues grew 107.7% YoY to MXN\$157.6 million (vs. MXN\$145.8 million E).

Quarterly results also showed a significant recovery. Total daily average occupancy reached 47.7% (vs. 46.1% E) in the period, with a 18.2 percentage points improvement on an annual basis. In addition, the average daily rate rose 21.6% YoY to MXN\$1,486.2. This resulted in a 96.5% increase in RevPar to MXN\$1,486.2, and a 99.4% increase in hotel revenues to MXN\$360.9 million (vs. MXN\$345.0 million E).

Hotel Indicators

Same-Store Monthly Sales	Mar-22	Mar-21	Annual Change
Hotels	32	32	
Room Revenue (MXN\$ Mn)	\$ 140.5	\$ 73.4	91.5%
Occupancy	58.9%	35.3%	23.6 PP
ADR (MXN\$)	\$ 1,424.5	\$ 1,248.6	14.1%
RevPar (MXN\$)	\$ 838.9	\$ 440.5	90.4%
Total Monthly Sales	Mar-22	Mar-21	Annual Change
Hotels	33	33	
Room Revenue (MXN\$ Mn)	\$ 157.6	\$ 75.9	107.6%
Occupancy	58.2%	35.2%	23.0 PP
ADR (MXN\$)	\$ 1,545.9	\$ 1,246.0	24.1%
RevPar (MXN\$)	\$ 899.7	\$ 439.2	104.8%

Source: FIBRA INN

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Hotel Indicators

Same-Store Quarterly Sales			1Q22	1Q21	YoY Chg.
Hotels			32	32	
Room Revenue (MXN\$ Mn)	\$	328.1	\$	175.3	87.2%
Occupancy		48.6%		29.6%	19.0 PP
ADR (MXN\$)	\$	1,388.4	\$	1,224.6	13.4%
RevPar (MXN\$)	\$	674.9	\$	362.5	86.2%
Total Monthly Sales			1Q22	1Q21	YoY Chg.
Hotels			33	33	
Room Revenue (MXN\$ Mn)	\$	360.9	\$	181.0	99.4%
Occupancy		47.7%		29.5%	18.2 PP
ADR (MXN\$)	\$	1,486.2	\$	1,222.6	21.6%
RevPar (MXN\$)	\$	709.5	\$	361.0	96.5%

Source: FIBRA INN

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