

# FIBRA INN: 4Q23 Preview

We expect a favorable operating performance once again driven by higher occupancies and ADRs

FINN 13	BUY
Target Price (MXN\$)	\$ 8.50
Current Price (MXN\$)	\$ 5.81
Min / Max (L12M)	4.69 - 6.57
Expected Dividend (MXN\$)	\$ 0.15
Expected Return	48.9%
Market Cap. (MXN\$ Mn)	4,471
Outstanding CBFI's	769.5
Float	100.0%
ADTV (MXN\$ Mn)	\$ 1.66

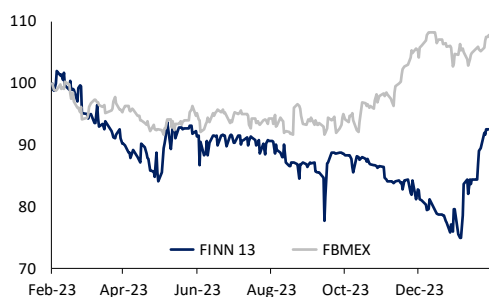
## Opinion and recommendation

We expect FIBRA INN to deliver favorable operating performance in 4Q23, supported mainly by higher occupancies and rising ADR's. However, FFO will fall due to non-recurring expenses.

## 4Q23 Preview

We project that FIBRA INN's total revenue will be up 5.6% YoY to MXN\$580 million. Hotel revenues will be the main driver with a 5.9% rise supported by a 0.9 percentage point improvement in occupancy levels to 63.5%, and a 6.0% increase in the ADR per available room to MXN\$1,709 (the Fibra had already reported these figures). In addition, we estimate MXN\$22 million in leasing revenues and MXN\$2 million from the Hotel Factory.

We anticipate that total NOI will remain virtually unchanged at MXN\$190 million due to higher operating expenses. For its part, the FFO will decrease 9.6% to MXN\$47 million as a consequence of non-recurring severance payments related to the change of CEO and Development Director, in line with the Fibra's new structure.



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