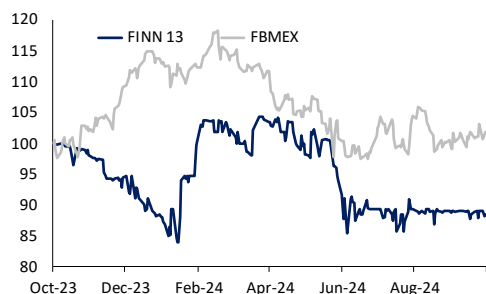


# FIBRA INN: 3Q24 Preview

We expect higher revenues, EBITDA and FFO, but lower NOI

FINN 13	BUY
Target Price (MXN\$)	\$ 8.50
Current Price (MXN\$)	\$ 4.70
Min / Max (L12M)	4.69 - 5.88
Expected Dividend (MXN\$)	\$ 0.20
Expected Return	85.2%
Market Cap. (MXN\$ Mn)	3,649
Outstanding CBFi's	776.4
Float	100.0%
ADTV (MXN\$ Mn)	\$ 0.74



## 3Q24 Preview

We expect FIBRA INN's total revenues to increase 3.8% YoY to MXN\$590 million, driven mainly by a 5.3% rise in hotel revenues to MXN\$572 million (previously reported by the Fibra). The ADR will be up 8.5% to MXN\$1,806, while occupancy will decrease 2.3% PP to 61.4% due to the rate adjustment, post-election caution during July and August and an adverse calendar effect in September. Higher hotel revenues will be partially offset by lower rental sales.

NOI will likely be down 5.3% YoY because of higher operating expenses, taking into account the salary adjustments. However, we estimate that EBITDA will grow 2.6% YoY to MXN\$146 million due to lower indirect expenses, while FFO will rise 10.5% YoY to MXN\$103 million supported by a reduction in interest paid. We believe that the Fibra will maintain a solid financial structure with a 29% LTV.

## Opinion and recommendation

We recommend taking advantage of the current CBFi price level due to the Fibra's solid prospects as well as its attractive valuation with a 13.3% cap rate and a 59% discount to NAV.

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**Martin Lara**  
+5255-6413-8563  
martin.lara@miranda-gr.com

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