

Hospitality Matters

Current topics in the hospitality industry

2026

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Introduction

Welcome to this edition of Hospitality Matters. I am writing this introduction at the time when the Us and Iran have just signed an Memorandum of Understanding to settle the Iran war. This comes at a very significant cost to the US taxpayer, but for everyone else will help mitigate the threat of high energy costs and inflation, which has been holding back some investment in the first half of 2026.

It is a fragile peace though, so we are yet to see what impact this MoU will have on investment activity in the real estate sector more widely and the hospitality sector in specific. In this edition, our CMS Dubai team consider some of the key pressure points emerging from the current situation and what they mean in practice for hospitality stakeholders.

Politics has been impacting hospitality markets in a number of different ways. The FIFA World Cup is underway, and the US hospitality market has been reporting weak advance sales due to tourist concerns about US immigration and other policies discouraging some people from attending.

In the UK, for the first time, the treatment of the sector has become a frontline election issue, placing hospitality firmly within the wider debate around taxation, employment and the future of high streets. In this edition, we examine what this heightened visibility means for the industry and why it represents both an opportunity and a challenge for businesses seeking a fairer operating landscape. We also explore how regulation is reshaping decision making. From the practical implications of the Building Safety Act on transactions and asset management, to the far-reaching employment law reforms introduced under the Employment Rights Act and their particular impact on hospitality businesses, these changes go to the heart of how the sector in the UK operates, manages risk and plans for growth.

Looking across the European market as a whole, there is a renewed interest in Central Europe. The end of the Orban regime has triggered an investment boom in Hungary. Prague has been a particularly busy market for Hotel transactions; and Poland is the fastest growing economy in Europe. Our regular regional focus article highlights Poland as a hospitality market attracting growing investor interest, driven by strong fundamentals, evolving accommodation models and increased cross-border capital flows.

We always welcome having conversations with you about all these issues and hope we will see you at our CMS Hospitality Conference in September or any of the other industry events we support.



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Regional Focus – Poland’s Hospitality Sector: A Rising Star in the European Hotel Market

Poland’s hotel market is entering 2026 riding a wave of momentum. In just the first half of 2025, 18.2 million tourists generated 44.9 million overnight stays, up 8.5% year-on-year, and the full-year 2026 forecast tops 61 million. The international segment is bouncing back even faster: foreign overnight stays already surpass pre-pandemic levels, and industry projections see international volumes growing at 5.3% compound annual growth rate (CAGR) through 2029, which is more than double the domestic pace.

Strong numbers, stronger confidence

The financials back up the trends. ADR and RevPAR rose 5–7% year-on-year through the first three quarters of 2025, both comfortably above 2019 levels, while occupancy nudged towards 70%. Warsaw’s branded full-service hotels posted a 5.3% jump in gross operating profit per available room, even as costs climbed. Business travel is a growth driver, with business overnight stays projected to exceed 3.75 million by 2029.

Capital is following suit. Hotel transaction volume in the first half of 2025 hit approximately EUR 80 million, double the previous year’s figure, and lenders are competing more aggressively on hotel financing. As one market observer put it, the greatest growth dynamics in Polish real estate can be found precisely in the hotel sector.

Where hotel meets home

The old distinction between a hotel room and a rental apartment is fading fast. Serviced apartments and extended-stay concepts now blend hotel-grade convenience with the space, kitchens, and privacy

of a home—a formula that appeals to business travellers, digital nomads, and long-stay guests alike. Investors have taken note, developing mixed-use buildings that combine residential, serviced, and hotel accommodation under one roof.

The major brands are piling in. Marriott’s Element by Westin has opened a 115-unit nature-inspired aparthotel in Wrocław; Staycity Group is converting a former Warsaw office block into a 268-unit property with coworking, café, and bar; and IHG is preparing to bring its Candlewood Suites extended-stay brand to the Polish market.

New guests, new buildings

Demographics will quietly reshape the market over the coming decades. Poland’s population is projected to decline to around 30 million by 2060, with up to 36% aged 60 and over. Yet an ageing but economically active population may actually spend more on travel and leisure, making hospitality one of the sectors best positioned to benefit from the shift.

Meanwhile, a fresh source of hotel supply is emerging as obsolete office buildings find a second life. Across Warsaw and other Polish cities, older

office stock is being converted into hotels, student housing, and mixed-use properties. This trend is gaining momentum as developers look to repurpose underperforming assets in prime locations.

Owners who operate

The traditional divide between hotel owner and hotel operator is narrowing. Investors increasingly want hands-on control: CPI Holding runs properties under its MaMaison brand in Warsaw, while homegrown operators such as Puro, Q Hotels, and Focus Hotels develop, own, and manage their own assets. Vastint, one of Poland's most committed long-term investors, has already delivered four hotels and sees further expansion in the near future.

Regulation on the horizon

Poland's lawmakers are preparing to tighten some rules. A draft amendment to the Act on Hotel Services, still at an early stage and subject to change, proposes tougher licensing requirements, mandatory disclosure obligations for short-term rental platforms such as Airbnb, penalty fees exceeding EUR 10,000 for unlicensed operators, and the power for municipal councils to create zones where unregistered accommodation is banned outright.

If adopted, the changes would tilt the sector in favour of licensed hotel operators and draw a sharper line between hospitality and residential letting. Market participants should watch the legislative process closely.

Not there yet

For all the optimism, the recovery remains a work in progress. As Piotr Kledzik, CEO of construction group PORR Polska, cautions: "Demand for hotels is growing and the segment is recovering, but demand has not yet matched pre-pandemic levels." Developers, meanwhile, report a shift toward projects that demand advanced technology and high environmental standards, a sign that the next wave of supply will look very different from what came before.

The bigger picture

Poland's hospitality story sits within one of Europe's most compelling investment narratives. Warsaw now ranks 12th in ULI's Emerging Trends in Real Estate Europe 2026 city rankings, up from 16th in 2023, shrugging off proximity to the conflict in neighbouring Ukraine. GDP growth is projected at 3.5%, more than double the EU average, and unemployment, at 3.2%, is among the continent's lowest. As one pan-European fund manager put it:

"Poland is a combination of fundamentals: supply and demand, high yields, positive leverage, low unemployment, low competition. It's very attractive."

For investors seeking exposure to European hospitality, Poland offers a rare combination: strong macroeconomic tailwinds, evolving guest expectations, and a hotel market that is growing in both scale and sophistication. The rising star, it seems, still has room to climb.

Highlights from CMS Hotel & Leisure Practice in Poland

The past few years have been a remarkably dynamic period for CMS Poland's dedicated Hotel & Leisure practice, which reflects significant growth on the Polish hospitality sector. Our recent highlights include advising Staycity Group on its strategic debut in Poland: a new aparthotel project at 5 Grójecka Street in Warsaw, delivered in cooperation with Solida Capital, marking the brand's debut in the country as part of its broader Central and Eastern European expansion. We also advised Adventum Group on their first Polish hotel transaction, an agreement with Radisson Hotel Group for the launch of Prize by Radisson in the iconic Sky Tower in Wrocław, a deal that brought both Adventum and the Prize by the Radisson brand to Poland for the very first time. In addition, we supported Invesco Real Estate on its acquisition of the new 327-room Cloud One Gdańsk hotel on the historic Granary Island, operated by the Motel One Group under a 25-year lease, a transaction that signalled renewed investor confidence in the CEE hotel market. We further assisted Motel One on the signing of a lease agreement with Strabag for new space in the Upper One Complex in Warsaw, paving the way for the development of the first Cloud One Hotel in the Polish capital city. Our team also advised MNK Partners on the acquisition and financing, through the MNK Global Core fund, of two B&B hotels in Katowice and Wrocław in a sale-and-leaseback transaction, with B&B Hotels continuing to operate both assets under a long-term lease agreement.

For investors and operators, the message is clear: Poland's hospitality sector offers considerable growth potential. The next few years are likely to see further consolidation and expansion in this dynamic market. We are experiencing many new investors seeking to start their developments as well as ongoing expansion of existing ones. These include investors like Fattal Group and their flagship brands (Leonardo Hotels, NYX Hotels and Master) and their reported ambition to pursue a more systematic expansion across Poland, potentially encompassing both acquisitions of existing hotels and the development of new properties in



high-demand locations. Equally noteworthy is Accor Group, whose designer lifestyle brand TRIBE has just announced the execution of a letter of intent for its next asset in Poland at Kraków Balice Airport. It is a genuinely thrilling time for the sector, and we look forward to seeing these plans take shape. With a proven track record of landmark first-market-entry transactions, acquisitions and hotel lease agreements, the CMS Hotel & Leisure team in Poland is well positioned to guide both established and new market entrants through the opportunities ahead. As Poland continues to attract international capital and global hotel brands, our team remains committed to delivering strategic, commercially focused advice across the full spectrum of hospitality transactions.

Sources:

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Hospitality Has Just Become a Front-Line Election Issue – and That is a Very Good Thing

Plenty of commentators have been pressing the Government to treat the hospitality sector seriously, to stop taking its £62bn annual contribution for granted and to start listening to what it needs in order to continue to grow, contribute to social cohesion and create wealth for employers and employees alike.

Whilst folks like Tim Martin have endorsed Reform's new policy announcement, others have dismantled it, whilst others have remained silent.

Leaving the politics aside for the moment, Farage has done the sector a huge favour because he has literally guaranteed that for the first time, the treatment of the hospitality sector is an election issue.

Reform's position now brings it into line with every other major political party in the UK (other than Labor) in recognising that a 20% VAT rate on hospitality is economically damaging. That leaves Labour increasingly isolated as the only party still defending the status quo.

Whether intentionally or not, this places hospitality squarely on the election battlefield.

This sector employs millions, contributes enormously to the nation's coffers, employs 10% of all London's workforce, anchors our high streets, and acts as one of the most accessible routes into work for young people. Yet for too long it has been governed as if it were a discretionary extra rather than a foundational part of the UK economy.

The fact that political parties are now competing to support the hospitality should be seen as an opportunity for the sector – but it must rise to meet it.

The industry now needs to come together, articulate its demands clearly, and start behaving like the powerful and influential voting bloc it actually is. No

political party seeking to form a government should be able to afford to ignore the hospitality bloc.

But getting attention is not enough. The demands must be the right ones.

A Fair Playing Field, Not Bailouts

From my perspective, the central demand should be simple: a fair playing field.

The hospitality sector does not need handouts. Handouts actually stem the glorious Darwinian qualities of the sector as older concepts bow out, and new and innovative ones take their place. The sector does not need special treatment in my view; it just needs to stop being penalised.

The current framework does so – brutally. It actively favours supermarkets over pubs, online retailers and distribution warehouses over high-street operators, and passive consumption over social, place-based businesses. The result is predictable: suppressed growth, collapsing margins, lost jobs, failed businesses and diminished investment appetite.

These policies are not about growth. They actually cripple growth.

From my point of view, what the sector needs now is to move away from the language of bailouts and emergency support and instead argue for a set of policies that unlock growth, employment and that encourage investment and reward success.



This is how an economy thrives.

The unions have to get on board as well because the government that they support is killing growth, killing jobs and killing off employers and it is killing off their members as well. I do not understand why they are so silent.

Done properly, I suspect a fair playing ground would actually increase the Treasury's take.

So, what does the sector need?

Growth is not achieved by borrowing billions to fund infrastructure projects where the profits flow back to non-UK companies and their non-UK pension fund shareholders.

Growth is achieved by creating a fair playing field where UK business owners are rewarded for taking risks, employing people and, in the case of the hospitality sector, bringing joy to the population.

What about the following:

Solve the horrendous inequality delivered by the business rates system. Open this problem up for consultation. Consider a turnover based tax or once

based on the value of the land, not the building or soften the tax on bricks and mortar businesses by having an online sales / digital services tax.

Cut VAT to 10% across the entire hospitality, tourism and sector. What the government loses in VAT, will be recouped in PAYE, NICs etc. This remains the single most effective lever available. It would immediately improve viability, stimulate demand, encourage investment and allow operators to reinvest in people, premises and innovation. The international evidence is clear: lower VAT drives higher overall tax receipts through growth.

Whilst I like the changes to EIS in the 2025 Autumn Statement, why not allow employees to invest in their own companies and qualify for EIS as well. Why should investors only qualify for this amazing relief? This would encourage share ownership, redistribute wealth, encourage retention rates and allow more employees to participate in the equity upside that their investment would deliver.

Further, why now allow EIS to apply to debt for equity swaps, so businesses can attract equity investment to refinance out Covid 19 debt as well as the enormous mountain of private equity loan notes

and PIK notes now dragging great businesses down to liberate businesses from crippling debt piles.

Why not rethink the minimum wage framework for 16–21-year-olds. The new laws are having the opposite effect as anecdotal evidence suggests the sector has been forced to turn its back on younger workers. I am sorry but a 16 to 20 year-old worker cannot be worth the same as an experienced 25 year old. I know, I worked in restaurants my entire student life.

In addition, why not allow hospitality to get young people off benefits by creating an opening under which any young person on benefits who starts working in hospitality gets to keep 20% of their benefits plus earn the national minimum wage for, say, 6 months as they transition into full time work and a career. This is designed to allow young people to come to understand the value of a good day's work, the camaraderie that working in hospitality delivers and the career prospects that the sector delivers.

We also need to create a Ministry of Hospitality. At present, the government manages the hospitality sector primarily through the Department for Business and Trade (DBT) and the Department for Culture, Media and Sport (DCMS). There is a dedicated Hospitality Sector Council, co-chaired by a junior minister and industry leaders.

However, in fact, coverage of the sector is scattered across multiple government departments—Treasury, DBT, Home Office, DWP, DEFRA, DCMS—often overseen by junior ministers with little interest, expertise, or incentive to engage meaningfully with the sector.

This fragmented approach guarantees misunderstanding, contradictory policy, and regulatory overload and a fundamental lack of understanding of the business and an ability for different departments to shift the blame and avoid responsibility.

A single Department of Hospitality would bring coherence, accountability, and expertise. It would recognise hospitality as the strategic national asset it is, rather than treating it as an administrative inconvenience. Why not select a cabinet minister from the industry, place a sector leader in the house of lords, appoint them as the Minister and then let them explain our business model to government and ensure that the sector is protected, not taxed into liquidation.

I could think of another twenty ideas that would help to make the sector more attractive for investment, for employers, for entrepreneurs and the like but for the love of all things sensible, the Government needs to restore Entrepreneurs' Relief (now BADR) to £10m. If we want founders to take risks, build businesses

and reinvest their capital back into the sector, there has to be a meaningful reward for success.

Hospitality entrepreneurs are not asset-strippers; they are long-term value creators, and they deserve a huge carrot, as their lives, houses and family futures are all linked to the success of their businesses and the upside has been diminished to the point where its actually not worth starting out in the first place.

The goal should not be to preserve every struggling business, but to ensure that good ideas, well-run companies and ambitious founders are not being crushed by a system stacked against them. If you take the risk, you should get the cake and eat it.

Reclaiming the High Street

Finally, there is a wider social prize at stake.

Across Britain, high streets are increasingly dominated by uses that do little to build community or create long-term value. Hospitality, by contrast, brings people together. Coffee shops, bakeries, pubs, restaurants, bars, market halls and casual eateries animate places, create social glue and spread joy.

If we are serious about revitalising town centres, hospitality must be central to that vision.

The political door is now open. Hospitality has been elevated from a lobbying concern to an election issue.

The next step is for the sector to speak with confidence, clarity and unity about what it actually needs.

Not rescue. Not sympathy. But a fair chance to grow, employ, invest and thrive.

Why shouldn't we ask for that?

Its time to circle the wagons UK Hospitality and continue the fabulous work that you do, but now you have to get political, as Farage's statement has opened that door. Get organised and get political.

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Volatility, Resilience and Realignment: Hospitality in a Shifting Middle East

Geopolitical risk has once again moved to the forefront of strategic planning for hospitality, travel and leisure businesses. Rising tensions involving Iran, alongside broader instability across the Middle East, are already having tangible effects on aviation, travel confidence, operating costs and investment decision making across the sector.

For hospitality businesses, the impact is rarely confined to the region itself. The Middle East plays a pivotal role in global travel infrastructure, energy markets and supply chains, meaning disruption can have far reaching consequences for operators and investors worldwide.

This article considers some of the key pressure points emerging from the current situation and what they mean in practice for hospitality stakeholders.

Disruption to global air connectivity

The Middle East is one of the world's most important aviation corridors, with hub airports such as Dubai, Doha and Abu Dhabi acting as critical transit points between Europe, Asia and Africa. Any instability affecting regional airspace has immediate knock on effects well beyond the region.

Recent airspace closures, flight suspensions and route diversions have led to longer journey times, higher operating costs for airlines and increased ticket prices. Against a backdrop of elevated fuel prices, airlines are facing the dual challenge of rising input costs and softer passenger confidence. In response, some carriers have reduced capacity or suspended marginal routes altogether.

For hospitality markets reliant on international feeder routes, this is directly suppressing inbound long haul

travel. However, the inverse effect is also becoming apparent: reduced international connectivity is accelerating a pivot towards **domestic and regional tourism**, as travellers choose destinations closer to home and within shorter travel windows. Hotels and resorts across the region are responding by refocusing offers, pricing and experiences towards regional guests, rather than international visitors. This shift is helping to partially offset weaker inbound demand and is reshaping how operators think about segmentation, loyalty and product design.

Pressure on hotel occupancy – and a reshaping of demand

In the immediate term, hotel markets across parts of the Middle East have experienced short notice cancellations, shorter stays and weaker forward booking patterns, affecting both corporate and leisure segments. Travel advisories, insurance constraints and corporate travel policies are reinforcing caution, even where destinations remain operational and secure. However, the impact is uneven across the hospitality landscape. Higher end, more overtly indulgent hospitality venues are seeing pressure on demand, as consumers become more cautious about discretionary spend and public displays of luxury during periods of conflict.



By contrast, **community focused, locally integrated hospitality venues are trading strongly**. Restaurants, cafés and neighbourhood leisure concepts with a strong domestic following are proving more resilient, benefiting from increased local patronage and a sense of social cohesion.

This divergence is contributing to the emergence of a **stronger domestic hospitality platform**, with operators placing greater emphasis on local relevance, community engagement and repeat domestic custom rather than reliance on international footfall alone.

Rising costs and supply chain volatility

Beyond travel disruption, hospitality businesses are once again contending with cost inflation across energy, logistics and supply chains.

Higher oil prices are feeding into transportation and utilities costs, while ongoing disruption to shipping routes continues to push up freight and insurance premiums. These pressures are flowing directly into food, beverage and consumables pricing, putting strain on margins already under pressure from labour and financing costs.

At the same time, geopolitical disruption is exposing vulnerabilities in traditional supply routes. In response, governments across the region are acting quickly to develop alternative logistics

corridors and to strengthen domestic production capabilities. Measures such as the development of customs corridors bypassing key maritime chokepoints and increased investment in agritech, aquaculture and local food production are designed to reduce long term exposure to external shocks.

For hospitality operators, these developments may drive higher short term complexity, but they also point towards greater **structural resilience** over the medium to long term.

Shifting travel patterns and resilience differentials

The current environment is not eliminating demand so much as **redistributing it**.

Destinations with strong domestic and short haul regional travel fundamentals are proving more resilient than those dependent on discretionary long haul leisure or international business travel. Hospitality assets with a diversified guest mix are weathering volatility more effectively than those reliant on a narrow set of inbound markets.

This pattern is reinforcing a strategic shift already underway: hospitality businesses anchored in local and regional demand, supported by strong community engagement, are structurally better positioned to absorb geopolitical shocks.



Investment sentiment and long term perspectives

Geopolitical uncertainty inevitably weighs on short term sentiment, particularly where international arrivals are softer. Forecasts suggest that prolonged disruption would have material implications for revenues and valuations in parts of the region.

However, investment dynamics in the Middle East differ materially from many other markets. Much of the capital deployed into hospitality is **development-led**, focused on creating new hotels and leisure assets rather than trading existing stock. These projects typically operate on long investment horizons of 15–20 years, and are often backed by investors with deep regional presence and alignment.

As a result, the current situation is widely viewed as cyclical rather than structural. Investors will also be mindful of how rapidly the region has rebounded from previous shocks, including COVID 19, the impact of the Russia Ukraine war on food imports, and past oil price collapses. There is a clear reluctance to take reactive decisions that risk crystallising losses at the bottom of a market with a strong track record of recovery.

Transactional focus is therefore less about exit timing and more about resilience: underwriting assumptions, covenant flexibility, force majeure protections, insurance coverage and exposure to international travel flows are under increasingly close scrutiny.

A CMS perspective: resilience as a strategic imperative

Periods of geopolitical instability tend to stress test hospitality structures, but they also accelerate necessary evolution.

Key legal and commercial focus areas include:

- recalibrating contractual risk allocation in management, franchise and supply agreements;
- ensuring force majeure and termination provisions reflect real world disruption scenarios;
- aligning insurance coverage with evolving business interruption risks; and
- stress testing financing structures for downside resilience.

Hospitality businesses that embed flexibility, local relevance and long term resilience into their operating and investment models will be better positioned not only to navigate current volatility, but to capitalise on recovery when confidence returns.



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Hospitality, Travel & Leisure: Key M&A Trends from the CMS European M&A Study 2026

In March 2026, CMS published the eighteenth edition of its CMS European M&A Study, analysing 601 private M&A transactions across Europe in 2025 – the fifth consecutive record year for deal volume advised by CMS. While overall European deal activity softened compared with 2024, the Study highlights continued resilience across key sectors, including Hospitality, Travel & Leisure.

In this article, we focus on insights most relevant to deals in the hospitality, travel and leisure sector, drawing on sector-specific data from 28 Hospitality, Travel & Leisure transactions analysed in the Study, alongside broader market trends shaping deal execution in 2025 and into 2026.

Buyer and seller profile – financial investors continue to gain ground

The overall buyer profile in European M&A continues to evolve. In 2025, 96% of buyers were either strategic or financial investors, with a notable shift towards financial sponsors. Strategic buyers made up 69% of transactions, while financial investors increased their share to 27%.

This trend is particularly relevant for the hospitality sector, where private equity and other financial sponsors continue to target operational platforms, branded portfolios and asset-light models offering scalable growth.

On the sell-side, strategic sellers dominated (48%), while sales by individuals and management teams declined modestly. This suggests continued portfolio rationalisation and consolidation among established hospitality groups.

Deal drivers – consolidation and international expansion remain key

Across all sectors, entry into new markets remained the leading deal driver (47%), followed by the acquisition of competitors (30%), which saw the strongest year-on-year growth.

This dynamic resonates strongly within the Hospitality, Travel & Leisure sector and is reflected consistently in the sector data. Across the 28 HTL transactions analysed, entry into new markets was also the leading deal driver (50%), followed by the acquisition of competitors (33%). Operators and investors continue to pursue bolt-on acquisitions to increase geographic reach, achieve economies of scale and strengthen brand portfolios, while cross-border expansion remains attractive as travel demand normalises.



Purchase price mechanics – fewer locked boxes in hospitality deals

Across Europe, purchase price adjustments (PPAs) remained stable at 48% of deals, confirming their position as a settled feature of M&A. In contrast, Hospitality, Travel & Leisure saw a marked increase in the use of PPAs, rising by 12% to 68% in 2025, matching the highest level recorded for the sector over the past decade.

Where PPAs were not used, locked box mechanisms applied in 54% of transactions overall. However, the Hospitality, Travel & Leisure sector stood out: locked box structures were used in only 22% of non-PPA deals, making it the lowest-ranking sector by a significant margin. However locked box usage increases to 50% on larger HTL transactions (over EUR 100m).

This suggests a continued preference in hospitality transactions for completion accounts and post completion adjustments, reflecting:

- sensitivity to working capital and cash movements;
- trading volatility; and
- seasonality effects that make fixed-price structures less attractive.

Earn-outs – comparatively low but increasingly selective

Earn-outs continued their gradual rise across Europe, featuring in 27% of deals in 2025, the highest level recorded in the Study.

In contrast, earn-outs were used in only 11% of Hospitality, Travel & Leisure transactions, well below the CMS sector average. This reflects the asset-heavy nature of many hospitality businesses and a preference for pricing certainty.

Where earn-outs are used, EBIT / EBITDA remains the dominant metric (55%), reinforcing its position as the preferred measurement of operational performance.

Risk allocation – buyer-friendly trends re-emerge

Several risk allocation trends in 2025 point towards a moderately more buyer-friendly market, even as sellers continue to benefit from competitive tension:

- **Liability caps:** 64% of Hospitality, Travel & Leisure deals had caps of up to 50% of the purchase price, broadly in line with European norms.
- **Limitation periods:** periods exceeding 24 months increased across sectors, continuing a trend that favours buyers seeking longer claim windows.
- **Security for claims:** only 20% of European deals included security, reinforcing a seller-friendly position, particularly where insurance is in place.

W&I insurance – selective uptake in hospitality

Warranty & Indemnity insurance featured in 23% of European deals overall in 2025. Of those transactions featuring W&I insurance, Hospitality, Travel & Leisure deals represented just over 10% of them which might indicate a lack of popularity within the sector. That statistic is perhaps a little misleading as when analysing the Hospitality, Travel & Leisure deals in isolation, approximately 50% of those deals involved W&I insurance.

This 50% figure is consistent with our view that W&I insurance is an attractive and common component on hospitality, travel and leisure transactions; particularly high value hotel transactions.

ESG and technology – still not deal fundamentals

Despite sustained attention in the market, ESG considerations featured in only 3% of deals as a driver for target selection, with ESG-specific due diligence undertaken in 7% of transactions.

AI and legal tech adoption, by contrast, continues to accelerate in deal execution. 60% of deals used some form of legal technology, with practitioners reporting efficiency gains in over 70% of cases where such tools were deployed. While not yet deal drivers, these developments are reshaping how hospitality transactions are run.

Outlook for 2026

The CMS European M&A Study 2026 points to cautious optimism. Deal pipelines entering 2026 remain active, supported by available capital, stabilising debt markets and continued interest in operational hospitality assets.

For hospitality investors and operators, the data signals:

- ongoing consolidation opportunities;
- a preference for flexible pricing mechanisms over fixed-price structures;
- sustained seller resistance to extensive security packages; and
- selective adoption of W&I insurance and earn-outs.

As transaction volumes and complexity remain high, understanding evolving European market practice will continue to be critical when navigating hospitality M&A in the year ahead.

This article is based on the CMS European M&A Study 2026, which analyses 601 European private M&A transactions completed in 2025.



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Building Safety Act 2022: Navigating Your Deals

The Building Safety Act 2022 (BSA) has fundamentally reshaped the allocation of risk in UK residential and mixed use real estate transactions. While its policy objective is clear – to ensure that responsibility for remediating building safety defects rests with those best placed to fund them – its practical impact is being felt most acutely in corporate acquisitions, platform investments and group restructurings. Even in the Hotels and Hospitality sectors, for investors acquiring corporate structures rather than assets, the Act creates a risk that a buyer may **unknowingly inherit liability** for historic building safety issues, even where the affected buildings sit entirely outside the deal perimeter.

For hospitality businesses, where acquisitions often involve complex group structures, mixed use schemes or legacy developments, this creates an exposure that would not previously have been expected.

A revised liability framework

Primary responsibility for building safety sits with the current building owner, acting as the Principal Accountable Person. That starting point, however, is only part of the story. The BSA enables remediation costs to be recovered from a much wider group of participants, including developers, contractors, construction product manufacturers and associated corporate entities. In practice, this creates a cascading allocation of liability that can extend beyond the immediate asset owner. This approach is reinforced by significantly extended limitation periods and remedies that go beyond traditional concepts of contractual and corporate separation.

Expanded routes to liability

Two key mechanisms introduced by the Act drive this risk:

Building Liability Orders (BLOs)

These allow the High Court to make associated companies **jointly and severally liable** for a **“relevant liability”** - even if they did not carry out the work themselves and even if they have since been sold out of the group. BLOs capture a broad network of **“associated”** entities: parents, subsidiaries, sister companies, former group members and sometimes acquirers of the original developer.

Remediation Contribution Orders (RCOs)

These require developers, landlords or associated companies to contribute to remediation costs for relevant defects. Importantly, the Tribunal has taken a liberal approach, and **no fault needs to be shown**. For RCOs, the **relevant association window** is much narrower: **only the five years before 14 February 2022**. This can make the difference between a target being caught by the regime or completely outside it.

These mechanisms sit alongside the extended limitation periods under the Defective Premises Act (now 30 years retrospectively, and 15 years going forward), creating long-tail risk for any groups that have historically developed, owned or been associated with residential buildings.

Association is defined broadly and can capture companies that have been part of the same group at any point since the relevant works commenced. Importantly, changes in ownership do not automatically sever this connection, meaning that historic exposure may be inherited through corporate acquisitions.

Implications for transactions

From a transactional perspective, the BSA introduces material (and often non-obvious) secondary liability risk. Crucially, this risk is not confined to owners of residential assets, and so hotel investors need to be mindful of potential application of the legislation. A buyer acquiring a company with no residential assets may nonetheless face exposure through association with former group companies that undertook residential development.

That said, this remains an evolving area of law, with the boundaries of secondary liability continuing to be shaped by a developing body of case law and a deliberately broad judicial discretion.

Managing BSA risk

In that context, managing BSA exposure starts with an acceptance that, for buyers, it may be impossible to completely eliminate BSA risk and, for sellers, enhanced due diligence should be expected. Buyers should look beyond the target entity itself to understand historic and current group structures, focusing on residential development activity, construction product manufacture and any known or potential BSA claims.

Contractual protections remain an important tool. However, extended limitation periods and the difficulty of quantifying potential exposure mean that indemnities from the seller may not provide a workable solution for either party. Warranty and indemnity insurance can assist, but it is not a panacea, and BSA risk will still require careful judgement on policy limits, both in terms of duration and quantum.

Post completion restructuring may also assist in managing future exposure.

Conclusion

The BSA is designed to ensure that responsibility for remediation ultimately rests with financially capable parties, even where that requires courts

and tribunals to look beyond traditional notions of ownership and contractual privity. For market participants, this means that building safety risk is no longer asset specific, nor easily ring fenced.

While BSA exposure cannot be eliminated entirely, it can be managed. Informed due diligence, careful analysis of historic group structures, targeted contractual protections, the considered use of insurance and thoughtful post completion structuring all play an important role in mitigating risk.

As case law and policy continue to develop, the BSA will remain a defining feature of UK transactions. Parties that engage with the issue early, and treat building safety as a core transactional risk rather than a residual compliance point, will be best placed to navigate deals with confidence.

Summary

The recent decision in *Essendi UK Hotels 2 Ltd v London Property Company Ltd [2026] EWHC 1354 (TCC)* is the first High Court authority to consider obligations under the Fire Safety Order 2005 in relation to combustible cladding. While its policy implications are broad, its practical impact is likely to be felt acutely in the hotels and hospitality sector - as we explain in our article above, the Building Safety Act 2022 remediation regime does not apply to the sector. However, for hospitality businesses, where lease arrangements often allocate responsibility for building structure and exterior to the landlord, this creates an exposure that would not previously have been expected.

The judgment confirms that a landlord's covenant to keep a building in "good and substantial condition" can require the removal and replacement of highly combustible cladding, even where no physical damage has occurred. Critically, the court held that a hotel operator's decision to close its premises in response to an intolerable fire safety risk was reasonable, and that the landlord was liable for the resulting losses. For hotel owners and operators, this means that cladding risk is no longer a matter of building compliance alone — it is a core operational and commercial risk that demands proactive engagement with lease covenants, fire safety assessments, and remediation strategies.



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UK CMA Probes Hotel Chains Over Data-Sharing Practices

In March, the UK Competition and Markets Authority (CMA) launched an investigation into the use of pricing data and algorithms in the sector. The investigation focuses on whether Hilton, IHG and Marriott may have shared competitively sensitive information via the hotel data analytics platform STR, owned by CoStar. The CMA is examining whether the use of such third-party tools may have reduced competitive uncertainty between rival hotel brands and, in turn, influenced pricing or other commercial strategies.

The CMA has the power to fine companies up to 10% of their global turnover where an infringement is found, as well as ordering the companies to cease the agreements or conduct concerned. Any findings will be watched closely by other hotel groups that have engaged in similar activities.

While the CMA recognises that data analytics tools can deliver efficiencies—such as enabling faster price adjustments and improved alignment with supply and demand—it has highlighted the potential risks where such tools facilitate the exchange of commercially sensitive information between competitors. In particular, the authority is concerned that indirect information-sharing through intermediaries could make it easier for competitors to anticipate each other's behaviour and coordinate market conduct. At this stage, the CMA has emphasised that no conclusions have been reached as to whether competition law has been infringed. The investigation is at an early fact-finding stage, and any formal allegations would follow only if the CMA reaches a provisional view that the Competition Act 1998 has been breached.

This investigation underscores a growing regulatory focus on the intersection of competition law and digital tools, particularly in sectors—such as hospitality—where pricing transparency and benchmarking data are widely used. For hotel owners, operators and asset managers, key takeaways include:

- **Heightened scrutiny of data-sharing mechanisms:** The use of benchmarking platforms and shared analytics tools should be carefully assessed to ensure they do not

facilitate the exchange of sensitive, forward-looking or non-public information.

- **Algorithmic compliance risk:** Pricing algorithms and revenue management systems remain a key enforcement priority, particularly where they rely on pooled or competitor-based data inputs.
- **Third-party provider risk:** Reliance on external data providers does not insulate operators from liability where competition law concerns arise.
- **Governance and training:** Businesses should review internal competition compliance frameworks, including controls around data use, participation in industry platforms, and commercial decision-making processes.

The case forms part of the CMA's broader focus on ensuring that emerging technologies support, rather than undermine, competitive markets. Further developments will be closely watched across the hospitality sector, particularly given the central role of data-driven pricing in hotel operations.



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The Employment Rights Act 2025 is Changing the Employment Landscape for the Hospitality sector

Sweeping changes to UK employment law are coming in throughout 2026 and 2027. The passing of the [Employment Rights Act](#) (the “**ERA**”) in December 2025 was described as the “*biggest upgrade to rights at work for a generation*”.

The Government’s [Economic Analysis](#) calls out that the changes are specifically targeted at sectors such as hospitality. With the changes likely to at least require some changes to policy but also increasing cost for many employers, significantly increasing litigation risk and potentially changing the whole workplace landscape through increased trade union presence and pressure to change shift structures it is imperative that employers understand the changes and take steps necessary to ensure they are ERA ready.

The following changes are already in force:

- **Statutory Sick Pay (SSP):** As of 6 April 2026, SSP is available from day one of any sickness absence and the lower earnings limit eligibility requirement has been removed, so all employees are entitled to receive SSP. These changes directly increase costs to business and may result in higher sickness absence. Robust sickness absence management will be more important than ever.
- **Family Friendly Rights:** Also, with effect from 6 April 2026, statutory paternity and unpaid parental leave are available from the first day of employment. Additionally, employees are allowed to take paternity leave after a period of shared parental leave. For the hospitality sector, this extension of rights including to those on short contracts, means that there will be impact on budgeting and workforce planning.
- **Industrial Relations:** While employers in the hospitality sector have not historically been heavily unionised it is anticipated that this could be a sector where trade unions focus their future activity. As a minimum employers should develop a baseline industrial relations strategy. Changes to industrial

action notices and ballots, and increased protections from dismissal for employees taking part in industrial action, came into force on 18 February 2026. The process for Trade Union recognition was also simplified in April 2026. From October 2026, Trade Unions will gain workplace access rights and employers will have a new duty to inform staff of their right to join a Trade Union.

- **Enforcement:** The new Fair Work Agency will enforce many employment rights, including minimum wage, holiday pay (in line with the expanded holiday record keeping obligation) and statutory sick pay. This is likely to result in more enforcement action and fines outside of tribunal proceedings, even where failings are administrative. Robust HR systems are more important than ever.

Key upcoming changes to be aware of include:

Terminating contracts: The qualifying period for unfair dismissal will be reduced from two years to six months with effect from 1 January 2027. This means that employees starting on or after 1 July 2026 will benefit from protection from unfair dismissal if they are dismissed on or after 1 January 2027 (i.e. after just six months’ service). Employers should make updates to probation and performance processes to ensure probationers are properly managed within these timeframes.

The current cap on compensatory awards for unfair dismissal claims (currently, the lower of 52 weeks’ pay or £123,543) will also be removed from 1 January 2027. This will materially increase the potential cost and risk of dismissing higher earners



and could reshape the dynamics of senior exits. Early settlement of disputes on (relatively) certain terms is expected to become less likely. While the overall volume of claims may rise, high earners may have less incentive to bundle in discrimination or whistleblowing claims purely to access uncapped remedies. In this environment, getting the basics right (a fair process, clear rationale for dismissal, and consistent documentation) will matter more than ever.

Finally, the ERA extends the employment tribunal time limit for most claims from three to six months, expected in October 2026. Although this may increase the volume of claims brought, pressure should ease with the period for compulsory ACAS Early Conciliation extended from six to twelve weeks.

Taken together, these changes will make it harder to terminate short-term or seasonal contracts fairly, leading to greater financial exposure for employers in the

hospitality sector. For permanent employees, active performance management during probationary periods (which should now be less than six months) will be critical.

Low Hours & Shift Working: The ERA provides zero hours workers, low hours workers and agency workers with: (i) a right to guaranteed hours, based on the hours regularly worked during a reference period; (ii) a right to reasonable notice of shifts; and (iii) a right to payment where shifts are cancelled, curtailed or moved at short notice. However, the ERA leaves much of the detail to further legislation. On 2 June 2026 the Government published its consultation on these reforms. The consultation looks at issues such as the threshold in respect of which a worker will be considered a low hours worker and when



they will become eligible for guaranteed hours, what constitutes reasonable notice of shifts and the payment that will be due for late cancellation of shifts.

Helpfully the consultation acknowledges that employers can use limited-term contracts to manage periods of increased demand, including seasonal fluctuations although, the detail on this has yet to be determined. Given the importance of this topic to the sector, employers should consider feeding into the consultation which is open until 25 August 2026. It is still expected that final implementation will be in 2027.

Harassment and discrimination liabilities:

Protection against sexual harassment is being enhanced from October 2026, with employers being required to take “all reasonable steps” to prevent sexual harassment of their employees. Also, from October 2026, employees will newly be able to bring harassment claims against their employer if they are harassed by a third party and the employer has failed to take all reasonable steps to prevent it. Given the frequency of interactions with third parties in the hospitality sector, employers may need to take further steps to prevent harassment from customers via the use of signage and strengthening internal reporting procedures. In line with this, NDAs/confidentiality agreements will not be permitted to cover allegations of harassment and discrimination. Regulations providing limited exceptions may be introduced. Timings of when this will be introduced are uncertain but run alongside separate legislation set to expand disclosures individuals can make about criminal matters.

Stricter controls on changing terms & conditions:

Expected from January 2027, when an employer dismisses an employee because they did not agree to a restricted variation to their contract of employment, this will be automatically unfair. A restricted variation includes changes to terms such as total hours, pay or pensions. The Government is also consulting on whether changes to expenses, benefits and shift patterns will also be included in the definition of restricted variation. If the variation falls outside the list of restricted variations (e.g. place of work, role) then any subsequent dismissal will not be automatically unfair. However, these non-restricted variations will be subject to separate enhanced protections that seek to ensure employers engage in meaningful consultation with employees and their representatives.

This will affect all businesses, but may have a disproportionate adverse effect on cost-pressured parts of the industry. It will be increasingly important to ensure collective restructuring and contract amendment processes are well planned, properly documented and compliant with the new requirements.

Tipping: One change specifically aimed at the hospitality industry is the tightening of tipping law from October 2026. The ERA introduces a new requirement for employers to consult with workers at their place of business when developing or revising their tipping policies and a requirement for the written policy to be reviewed at least once every three years.

Summary and key action points

Practical steps employers should be taking are as follows:

- Audit processes around vulnerable worker categories (zero and low hours, shift workers, agency workers, employee status questions).
- Train managers on new protections (performance management, dismissal, flexible working, harassment, Trade Union rights).
- Review redundancy and restructure procedures.
- Update payroll processes for new statutory entitlements.
- Consider industrial relations strategies.
- Update contract terms for new starters - shorter probationary periods, amend SSP entitlements, reflect guaranteed hours and shift notice rights, where necessary.
- Review performance management processes.

More information on the changing ERA landscape can be found here: [ERA webpage](#)



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Hotels and Mixed Use Schemes: Managing Complexity in Multi Use Developments

The CMS Corporate Real Estate sector group hosted a round table event for GCs and senior legal team members in March. Clients joined us to discuss several key topics across the real estate sector. The Hotels team led a session discussing the place of hotels in mixed use developments. A summary of the discussion is below.

As investor appetite for operational real estate continues to grow, hotels have become a core component of mixed use developments across the UK and Europe. When well integrated, hotels can enhance placemaking, increase footfall and support the wider commercial performance of a scheme.

However, combining hotels with residential, retail, leisure and office uses introduces additional layers of complexity. Hospitality operations have distinct structural and operational requirements that must be carefully aligned with the wider estate. Successful mixed use hotel developments therefore depend on early and thoughtful structuring.

Structuring Ownership in Mixed Use Schemes

Mixed use developments are typically delivered through layered ownership models. The developer often retains the freehold of the wider estate while granting long leasehold interests to individual asset vehicles as the scheme is built out. This allows different uses—such as hotels, residential blocks, retail units, parking and utilities—to be separated into distinct legal entities. Assets can then be financed, sold or brought into joint ventures independently, enabling investors with different risk profiles or sector-specific mandates to participate.

The ownership of hotels introduce a further structural dimension through the separation of ownership and operation. Under the common split PropCo/OpCo model, a company owns the hotel real estate interest(s) while a separate operating company runs the business of the hotel. This allows real estate investors to focus on asset performance, with specialist operators managing the operational complexity of hospitality.

Physical Integration and Shared Infrastructure

Mixed use schemes are often constructed as a single construction project, with different uses therefore being required to share basements, podiums or structural slabs. This creates particular challenges around allocating responsibility for structure, insurance and capital expenditure.

Responsibility for substructures supporting multiple uses is a frequent focus for lenders and investors. A single insurance policy is commonly placed for the



whole building through the complex owner, with costs recovered through estate service charges. Clear drafting of the arrangements between the various interested parties (complex owner, owners of different uses) is essential to ensure that repair obligations, access rights and cost allocation are properly defined.

Approaches vary by jurisdiction. In Scotland, flying freeholds may be used and can enable multiple freehold titles to be held over the same area of land, whereas in England this structure is not possible. The W Hotel in Edinburgh provides a useful example of a hotel constructed above shared retail and parking facilities on a common structural slab, governed by a deed of conditions.

Why Hotels Add Strategic Value

Hotels can deliver meaningful benefits within mixed use developments. Proximity to transport hubs, integrated parking and access to amenities can enhance the guest experience and support higher occupancy and room rates. In turn, hotel guests are customers for surrounding food and beverage venues, retail outlets, and sports or entertainments venues that may also be present as part of the wider development.

Hotels located near major venues—such as Wembley Stadium or ExCeL London—benefit not only from event attendees but also from performers, production and support teams and exhibition staff. More broadly, modern travellers increasingly value destinations offering dining, retail and leisure alongside accommodation. Developments such as Battersea Power Station and St James Quarter illustrate how hotels can thrive as part of wider lifestyle destinations.

For developers, hotels can also support placemaking objectives. Hotel restaurants, bars and rooftop venues often become attractions in their own right, increasing footfall across the scheme. From an investment perspective, long leasehold or ground lease structures can generate stable, long term income streams that appeal to institutional capital.

The post pandemic shift in office demand has further accelerated interest in mixed use models. Schemes combining hotels, serviced apartments or other long stay options, retail and leisure uses can offer more diversified and resilient income profiles than traditional single use developments.

Key Challenges to Address

Brand alignment is critical. Hotel operators are highly protective of brand standards, and a mismatch with the surrounding development can affect market positioning. Developers therefore often select brands that complement the identity of the wider scheme—whether luxury, lifestyle or boutique.

Shared infrastructure can also be a source of tension. Parking allocation, electric vehicle charging and service charge structures frequently require careful negotiation. Hotels often occupy large floor areas but may make limited use of certain shared services, which can distort cost allocation if not addressed.

Utilities and building systems present further challenges. Hotels are particularly sensitive to service interruptions, and operators may seek enhanced oversight or backup capacity for shared systems such as combined heat and power. Fire safety integration requires careful coordination, as different uses may operate under different regulatory regimes. Hotel operators are especially sensitive to false alarms, which can disrupt operations and guest experience.

Due Diligence and Execution

Transactions involving hotels often require a broader due diligence exercise than conventional property deals. In addition to the real estate, buyers must assess the operating business, including management or franchise agreements, service contracts and change of control provisions.

Valuation approaches also differ. Hotel operating companies are typically valued on earnings rather than asset value, requiring close analysis of EBITDA performance and forecasts. Employment structures, management capability and access to brand systems and customer data are equally important considerations, along with an assessment of the key relationships with operators (through a hotel management agreement) or brands (through a brand licence or franchise agreement) that may also have been put in place.

Looking Ahead

As capital continues to flow into operational real estate, hotels are likely to feature more prominently in mixed use developments. The key to success lies in aligning the operational needs of hospitality with the structural and legal realities of complex urban schemes.

When properly structured, hotels can act as anchors for placemaking, value creation and long term resilience—making them a powerful component of the modern mixed use development model.



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Recent deals – Hotels

- **Scandic Hotels Holding AB** on the €1.4bn transaction pursuant to which Pandox made a recommended cash offer for Dalata Hotels Group, with Scandic entering into a framework agreement to acquire Dalata's operating business for €500m and agreeing portfolio operating leases and interim management arrangements.
- **Citrus Holdco Limited (easyHotel)** on the €400m+ cross border sale of the easyHotel group to Tristan Capital Partners across six European jurisdictions.
- **A consortium led by Bain Capital, Columbia Threadneedle Investments and QuinSpark** on the acquisition of the Pullman Paris Montparnasse hotel from Unibail-Rodamco-Westfield, a transaction representing one of Paris's largest single-asset hotel deals, valued at approximately €300 million.
- **CLI Dartriver**, which represents a private family office, on the purchase of Radisson Blu, Leicester Square. CMS acted as sole legal counsel to the buyer, providing comprehensive legal advice throughout all stages of the acquisition.
- **Santander UK plc** on its £121m financing of the Arora Group's acquisition of the Novotel London West, with total deal value of £180m.
- **Gerent Hospitality Group Limited** on its acquisition, in excess of £160m, of Gallen Trading Corporation, which owns the Brickmakers Yard hotel development site in Soho, London.
- **Strawberry / Choice Hotels** on the development of a new hotel at Stockholm Arlanda Airport, as well as the establishment of Quality Hotel Visby in Sweden.
- **Schroders Capital** on the £100m acquisition of the entities owning and operating the W Edinburgh hotel, together with associated acquisition financing.
- **Room Mate Hotels** on the acquisition of the Hotel Marmont in Geneva, which was structured as a share deal for a 104-key asset that is set for renovation and rebranding.
- **Motel One Group** on its strategic expansion in the DACH region through the acquisition of the operations of seven Flemings hotels located in Germany and Austria.
- **Fortress Capital Group LLC** on its c.£65m acquisition of Ragdale Hall Hotel and Spa as the first investment into its new hospitality fund.
- **Invesco Real Estate** on the acquisition of the Cloud One Gdansk hotel in Poland.

- **Quinn Hotels Praha** on the sale of the 800-room Hilton Prague hotel to PPF in 2025.
- **Nuveen Real Estate** on the corporate sale of its 25% stake in St James Quarter, Edinburgh, to URW, one of the largest Scottish retail and leisure transactions of 2025.
- **La Salle** on the disposal of a portfolio of “Coast & Country” hotels through a series of business and asset sales concluded by September 2025.
- **Corendon** on the acquisition of the operation of the W Amsterdam, an iconic five-star lifestyle hotel with 238 rooms and suites located in the historic centre of Amsterdam near Dam Square.
- **QHotels / Delta Management / Cinda** on the £75m refinancing of the QHotels portfolio, comprising 19 hotels, involving multi jurisdictional debt arrangements.
- **Owners of the Quinta da Comporta hotel** on the sale to Experimental Group, a French hospitality group operating boutique hotels, bars and restaurants across multiple locations including London, Paris, Venice, Ibiza, Menorca, Biarritz, Verbier and the Cotswolds.
- **Navarac Ltd, Caravan Coffee Roasters Limited** and shareholder management on the £4.5m management buyout of Caravan following the exit of minority investor Active Partners.
- **All England Lawn Tennis Ground PLC** on its once in a generation expansion of the Wimbledon estate, including an 8,000 seat show court, new grass courts and public parkland, and related planning and judicial review proceedings.
- **Braunstone Limited** and the manager shareholders of Dishoom Limited on the £275m sale of the Dishoom restaurant group to L Catterton.
- **Piper Private Equity LLP** on its acquisition of a controlling interest in Yard Sale Pizza, including management rollover and new holding company structure.
- **JKS Restaurants Holdings Limited** on the £10m disposal of its stake in Bao Holdings Ltd to a Singapore incorporated buyer.
- **WRP Holdco Ltd** on the sale of Island Poké to a trade buyer operating the Honi Poké chain.
- **Ardent Pub Group Limited** on the £10m sale of the entire issued share capital of JKS Pubs Limited to a US based investor.
- **Finsbury Food Group Limited** on its acquisition of a majority stake in Lola’s Cupcakes, marking its entry into the direct to consumer market.
- **Beringea** on its £5.5m institutional investment in Farmer J Limited as part of the company’s Series B funding round.
- **Echowalk Ltd** on the £41m sale of MW Eat Limited, owner of leading Indian restaurant brands including Chutney Mary and Amaya, to affiliates of Fairfax Financial Holdings.



Upcoming events



OpRE Festival supported by CMS

23 June 2026

Pullman London, St Pancras



CMS Hospitality Conference

8 September 2026

CMS London



CMS Networking Drinks at the AHC

15 September 2026

The Mews, Manchester

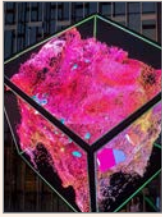


CMS Founders Bootcamp

30 September 2026

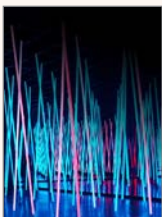
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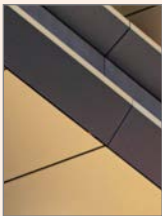
CMS European M&A Study 2026

The CMS European M&A Study 2026 is the 18th edition of CMS's flagship analysis of market practice in European private M&A. Based on 601 transactions advised by CMS across Europe in 2025, the Study provides a clear, data-driven view of how deal terms are evolving. The Study offers practical insight into negotiation dynamics, risk allocation and pricing mechanisms, with comparisons across jurisdictions, deal sizes and – where relevant – against US market practice.



Deals, Doubts & Divergences: CMS European M&A Outlook 2026

The first half of 2025 brought some fresh and unexpected challenges—from tariff volatility to tightening financing conditions—with uncertainty again clouding dealmakers' plans. Over a third of respondents to our survey believes that difficulties in arranging deal financing will be an obstacle to M&A in the coming year. Valuation gaps also persist and trade wars are also weighing heavily on dealmakers' minds. The report offers a comprehensive assessment of dealmaking sentiment in Europe's M&A market and reflects the opinions of 250 corporates and PE firms based in Europe, the Americas and APAC about their expectations for the year ahead.



Corporate Real Estate Insights

Corporate Real Estate Insights is the inaugural edition of a new CMS publication showcasing the firm's integrated Corporate Real Estate (CRE) expertise across the UK and internationally. The publication brings together insight on headline CRE transactions, public-to-private M&A, cross-border capital flows and regulatory developments affecting corporate real estate structures. It also includes practical analysis on operational real estate strategies in sectors such as healthcare, student accommodation and data centres, alongside discussion of risk allocation tools such as synthetic W&I insurance.



CMS Expert Guide to real estate finance law

A clear understanding of the security available is fundamental for lenders and borrowers. To assist, CMS has launched an interactive International Guide to Real Estate Finance. This provides a clear and concise explanation of how a lender (local or foreign) can take security over real estate and options as to enforcement. The Guide provides a detailed chapter for most European jurisdictions.



CMS Expert Guide to ESG in Real Estate 2025

Despite the ongoing challenges, there's an unwavering legislative push towards environmental, social, and corporate governance (ESG) aspects. Surprisingly, the European regulator is taking the lead in creating new regulations, with deadlines for reducing greenhouse gas emissions, achieving energy efficiency thresholds, and other sustainable development goals drawing closer.



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