

Global Asset Solutions

CHINA HOTEL TRANSACTIONS AND MARKET OUTLOOK

FY 2025 - H1 2026

AT A GLANCE

China in 2025 and the first half of 2026

We recently published our APAC Transactions Report, where China accounted for almost 20% of all the transactions in the period it covered. This report looks at China on its own.

China's hotel market spent the past eighteen months doing two things that do not usually happen together. Visitors came back in record numbers, on the most open visa regime in the region, and hotel prices fell. More hotels changed hands than the year before, and they sold for less per room than anywhere else in Asia Pacific.

The reason is who was selling. Property developers in restructuring, provincial governments releasing assets and, from late 2025, a single vehicle working through a portfolio of former Wanda hotels one city at a time. The buyers were insurers, banks, state consortia and private companies from other industries, paying what the hotel would clear for rather than what it might be worth. Shanghai priced like a different country. Everywhere else, supply growth set the price, and a few of the hotels sold are not coming back as hotels at all. In figures, it looked like this:

- China recorded USD 3.0 billion of hotel transactions in 2025, 42.5% more than the USD 2.1 billion of 2024, across 41 transactions, more than a third more than the 30 of 2024.
- 13,697 keys changed hands, more than double 2024, at USD 219,000 per key, down 31.1%, the largest fall among the large markets. China sold bigger hotels at lower prices per room.
- Upscale hotels took 70% of volume. Luxury was three transactions, led by the Andaz Shanghai, and Midscale & Economy ten.
- Shanghai recorded six transactions and USD 710 million, a quarter of the year, at USD 467,000 per key. Outside Shanghai, Beijing and Sanya, hotels sold for under USD 170,000 per room.
- The sellers were under pressure. Over the eighteen months to June 2026, government bodies, state platforms, property developers and the vehicle holding former Wanda hotels supplied 60% of volume sold; international investors sold six hotels and bought one.
- China recorded 154.5 million inbound visits in 2025, up 17.1%, and inbound spending above USD 131 billion, up 39.2% (Ministry of Culture and Tourism; Ministry of Commerce).
- The first half of 2026 recorded 28 transactions and USD 1.2 billion at USD 160,000 per key, the lowest in the region, with eleven former Wanda hotels making up 37% of the volume.

2025 in numbers

USD 3.0BN
TRANSACTION VOLUME

41
TRANSACTIONS

USD 219K
AVERAGE PRICE PER KEY

13,697
KEYS TRANSACTED

USD 73.0M
AVERAGE TRANSACTION

China, hotel transactions above USD 20 million, FY 2025. Source: Global Asset Solutions.

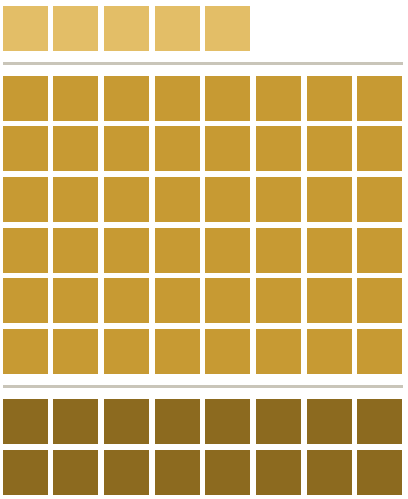
Volume rose 42.5% against 2024 and the count rose by more than a third. The number of rooms more than doubled and the average price per key fell 31.1%, from about USD 317,000 to USD 219,000. The average hotel sold had 334 rooms, against 221 in 2024, and 242 rooms once the 4,000 room Shenzhen Bay complex is set aside. Twenty-seven of the 41 hotels sold for less than USD 50 million. The fall in the averages is a change in what came to market, not a repricing of comparable hotels: the two lower segments priced within 10% of each other per room over the eighteen months, and Shanghai priced at more than three times the rest of the country.

Transactions by segment

China, transactions by segment, January 2025 to June 2026

Luxury · Upscale · Midscale & Economy

TRANSACTIONS
69



Luxury	5
Upscale	48
Midscale & Economy	16

One square = one transaction

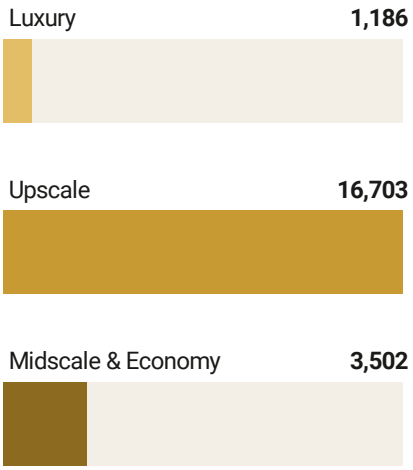
VOLUME
USD 4.2BN



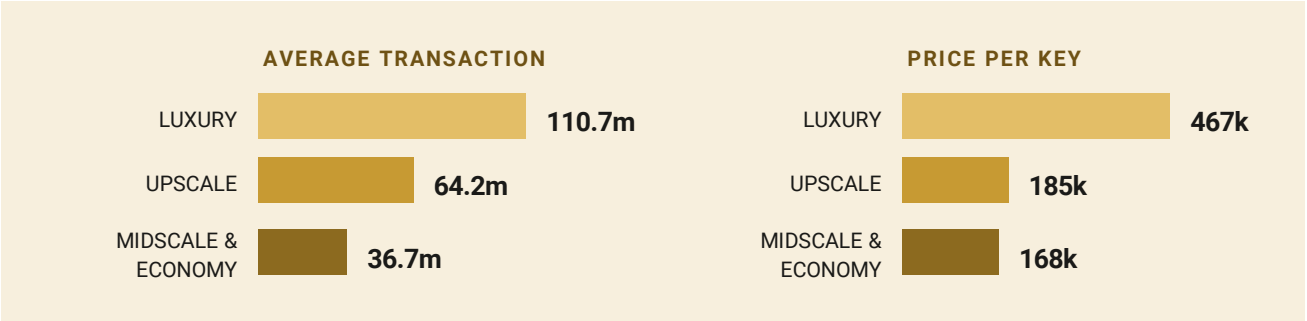
Luxury
Upscale
Midscale & Economy

USD volume by segment

KEYS
21,391



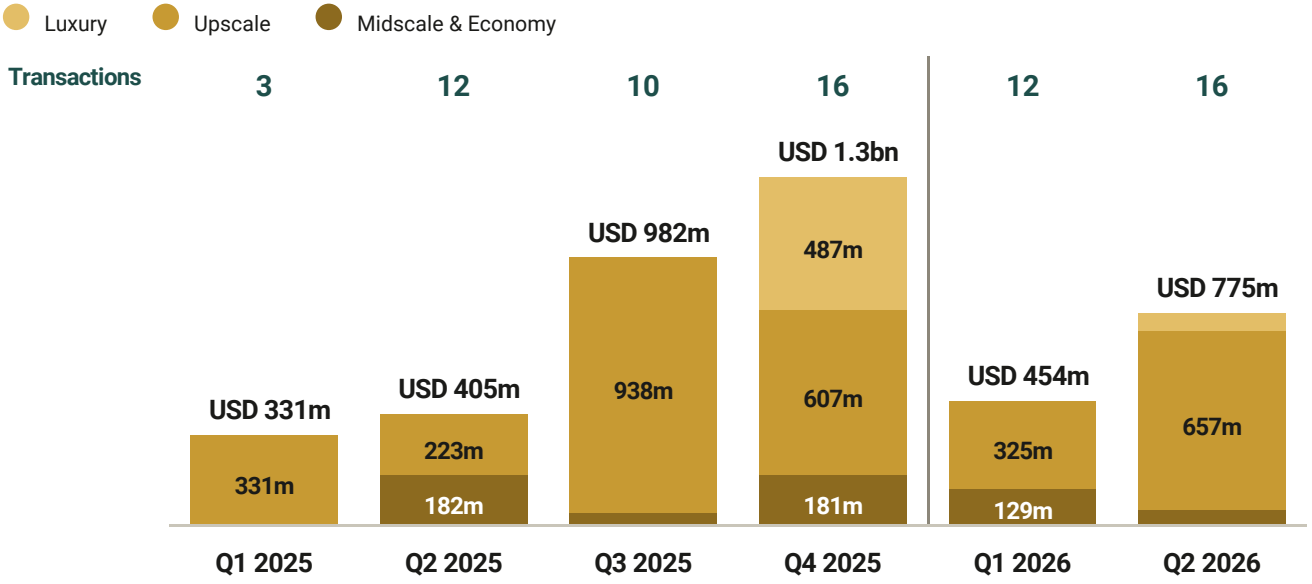
Rooms in hotels sold



China, transactions, volume and keys by segment, with average transaction and price per key, January 2025 to June 2026. Source: Global Asset Solutions.

Over the eighteen months to June 2026, Upscale accounted for 48 of China's 69 transactions and 73% of volume: USD 3.1 billion at USD 64.2 million a hotel and USD 185,000 per key. Midscale & Economy was 16 transactions and USD 587 million at USD 168,000 per key. The two lower segments price within 10% of each other per room, so the Upscale label in China describes the building and the brand more than the price. Luxury was five transactions and USD 553 million; the Andaz Shanghai is 60% of that total, and the segment's USD 467,000 per key rests on five hotels. In 2025 alone, Upscale took 70.2% of volume, Luxury 16.3% and Midscale & Economy 13.6%. The Upscale average of USD 191,000 per key spans USD 119,000 for the Shenzhen Bay complex, USD 140,000 to 170,000 for the first four former Wanda hotels, and USD 493,000 for the Pullman Shanghai Skyway. Where the hotel stands matters more than the tier it carries.

China, volume by segment and number of transactions per quarter, Q1 2025 to Q2 2026



China, volume by segment and number of transactions per quarter, Q1 2025 to Q2 2026. Source: Global Asset Solutions.

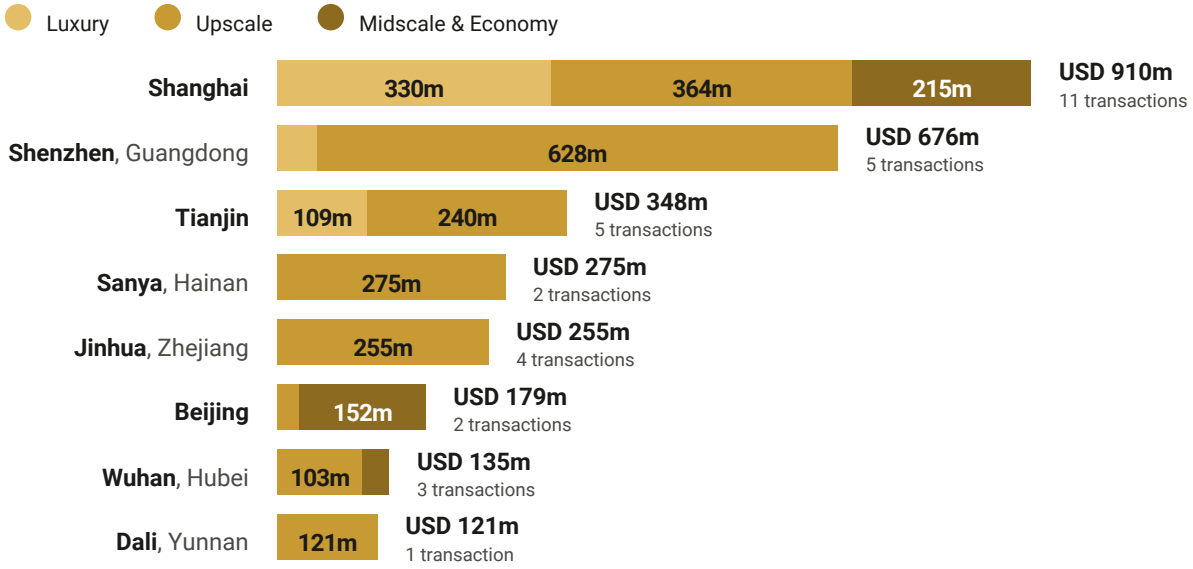
The year was back loaded: three transactions and USD 331 million in the first quarter, twelve and USD 405 million in the second, ten and USD 982 million in the third, sixteen and USD 1.3 billion in the fourth. The third quarter is the Shenzhen Bay transfer. The fourth brought the Andaz Shanghai, the Pullman Shanghai Skyway, the CR Youtha Suites in Beijing, the Base Suhe serviced apartments and the first three former Wanda hotels. The first half of 2026 recorded twelve transactions and USD 454 million, then sixteen and USD 775 million, both above every quarter of the first half of 2025 by count. Price per key tracked the mix of each quarter: USD 300,000 in the first quarter of 2025 on three upscale hotels, USD 154,000 and USD 146,000 in the second and third as regional hotels and the Shenzhen Bay complex sold, USD 396,000 in the fourth on the Shanghai and Beijing deals, then USD 132,000 and USD 183,000 in the first half of 2026 as the former Wanda hotels dominated the count. No quarter has enough Luxury transactions for a reading.

Transactions by city, buyer and seller



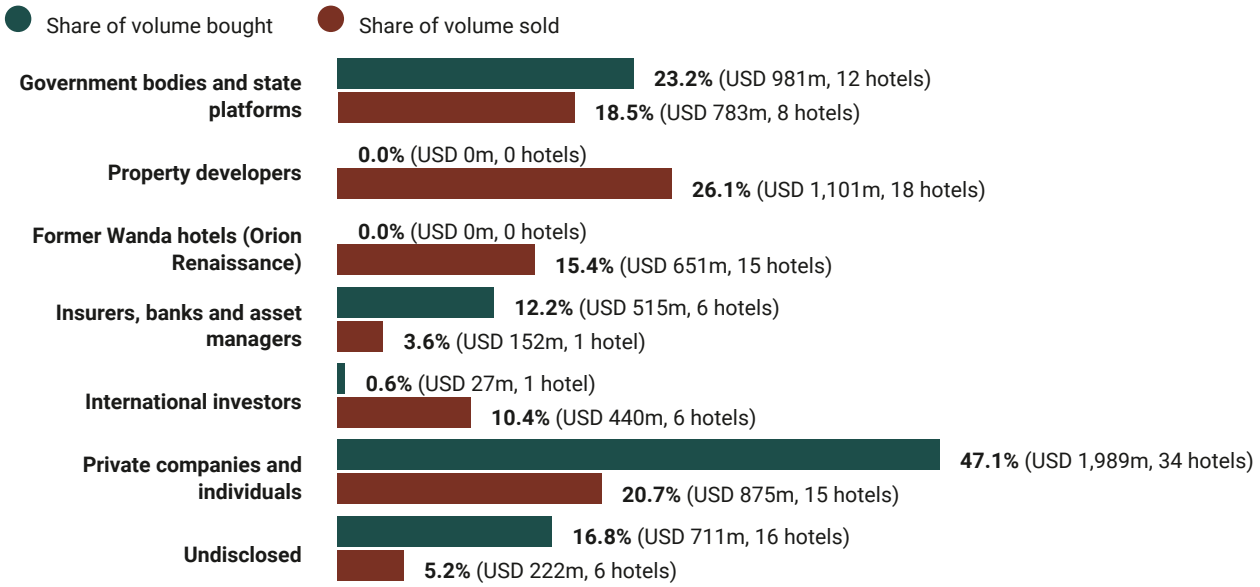
Shanghai led with eleven transactions and USD 910 million over the eighteen months, at USD 412,000 per key, and it is the only Chinese city where all three segments traded. Shenzhen recorded five and USD 676 million, but USD 475 million of that is one transfer. Tianjin recorded five and USD 348 million, Sanya two and USD 275 million on the Hilton Sanya Resort and Spa, and Beijing two and USD 179 million. Below them the market is wide and thin: 36 transactions in 28 cities from Hohhot to Kunming, at an average of USD 37 million and USD 137,000 per key. Shanghai's six transactions in 2025 were a quarter of the year's volume at USD 467,000 per key. Its five in the first half of 2026 were smaller, USD 200 million at USD 292,000 per key, as private owners bought floors of hotels in prime locations for small total outlays.

China, volume by city and segment, January 2025 to June 2026



China, volume by city and segment, January 2025 to June 2026. A further 36 transactions worth USD 1.3 billion were spread across 28 other cities at USD 137,000 per key. Source: Global Asset Solutions.

China, share of transaction volume by buyer and seller group, January 2025 to June 2026



China, share of transaction volume by buyer and seller group, January 2025 to June 2026. Groups are our classification from the names of the parties. Source: Global Asset Solutions.

What drove the market

01 Money

China's market is domestic, and its sellers are under pressure. Over the eighteen months, property developers sold 18 hotels and 26% of volume: China Jinmao the Hilton Sanya, China Vanke two resort hotels at Songhua Lake, China Merchants Shekou the Shenzhen Prince Bay MGM, Powerlong, Goldin, Fosun, Evergrande and Kaisa one hotel each. Government bodies and state investment platforms sold eight hotels and 18.5%, led by the Bao'an bureau's transfer of the Shenzhen Bay complex. A single vehicle, Orion Renaissance Holdings, sold fifteen former Wanda hotels and 15% of volume, eleven of them in the first half of 2026, for USD 651 million in total and between USD 79,000 and USD 179,000 per key [TO VERIFY ownership of the vehicle]. International investors sold six hotels and bought one: CapitaLand Ascott Trust in Tianjin, Apollo Global Real Estate the Pullman Shanghai Skyway, InfraRed Capital Partners the Base Suhe, UOL the Pan Pacific Tianjin, E-Land the Sheraton Guilin and GLP a hotel in Shanghai. The buyers are the mirror image. Private companies from other sectors, a coking coal company in Sanya, a steel company in Wuhan, an automotive supplies company in Yiwu, bought 34 hotels and 47% of volume. State consortia and platforms bought twelve and 23%. Insurers, banks and asset managers bought six and 12%: Dajia Insurance the Hyatt Regency Tianjin and a share of the Juntels Binjiang Hangzhou, China Life the Rhinoceros Hotel Chongqing, ICBC with Yiwu state capital the CR Youtha Suites, China Cinda the Shenzhen Marriott Golden Bay. Three of the 69 hotels were bought to leave the hotel stock: the Hyatt Regency Tianjin and the Rhinoceros Hotel Chongqing for seniors housing and care, the Base Suhe for residential. Banks, asset management companies and state-owned enterprises are liquidating holdings, and when a lender forecloses the court sells the property through an online judicial auction where anyone can see the reserve price and bid. Across all sectors, Chinese investment rose 140% year on year in the second quarter of 2026 from a low base (Savills). The extension of the C-REIT programme to commercial real estate, including hotels, opens a new exit route, although no hotel in this record has used it. Property sector strain remains the reason hotels reach the market at prices set to clear rather than to maximise.

02 Governments

China ran the most open entry policy in the region. Unilateral visa-free entry covers around 50 countries, mutual arrangements cover a further 29, and 240-hour transit covers 55 countries, extended to the end of 2026 and widened again in March 2026 with electronic visas and online entry cards. Visa-free entries reached 30.1 million in 2025, 73% of foreign arrivals (Ministry of Culture and Tourism). Outbound, on 14 November 2025, after the Japanese prime minister's statement to the Diet on Taiwan, the Chinese Foreign Ministry advised its citizens to avoid travelling to Japan (Chinese Ministry of Foreign Affairs; Bloomberg), and Chinese demand moved to South Korea, Hong Kong, Southeast Asia and home. Trade tensions with the United States eased in stages: the tariff truce was extended in August 2025 and both sides implemented reductions in November (Congressional Research Service). The government's targets are 190 million inbound visits and USD 150 billion in spending by 2030.

03 Travellers

China recorded 154.5 million inbound visits in 2025, up 17.1%, including 35.2 million foreign nationals. Inbound spending exceeded USD 131 billion, up 39.2% and the highest since 2019. Domestic trips passed 6.5 billion, with spending of RMB 6.3 trillion (USD 876.5 billion), up 9.5% (Ministry of Culture and Tourism; Ministry of Commerce). Shanghai received 5.3 million international visitors in the first half of 2026, up 27.8%, and Beijing 2.7 million in the first five months, up 35.3% (Shanghai Municipal Statistics Bureau; Beijing Municipal Bureau of Culture and Tourism). Hotel performance did not follow. National RevPAR fell 2.9% in July 2026 as supply continued to grow: Shanghai has more than 380,000 rooms and Chengdu more than 150,000 (STR/CoStar) [subject to licence]. The upper tier held. Shanghai's five-star hotels ran at 69.9% occupancy with ADR up 5.6% to RMB 1,001 (USD 146) in the first half of 2026 (Shanghai Municipal Statistics Bureau). The pipeline stood at 3,602 projects and 640,328 rooms, 71% under construction (Lodging Econometrics). Record inbound spending supports the gateway cities. Everywhere else, supply growth sets the price.

The deals

HOTEL	DATE	LOCATION	SEGMENT	ROOMS	PRICE	PER KEY
Shenzhen Bay Exhibition International Hotel	Aug 2025	Shenzhen	Upscale	4,000	**USD 475m**	USD 119k
Andaz Shanghai (45% partner buyout)	Dec 2025	Shanghai	Luxury	307	**USD 330m**	USD 1,076k
Hilton Sanya Resort and Spa	Jan 2025	Sanya	Upscale	492	**USD 234m**	USD 476k
Pullman Shanghai Skyway Hotel	Dec 2025	Shanghai	Upscale	329	**USD 162m**	USD 493k
CR Youtha Suites, Beijing	Nov 2025	Beijing	Midscale & Economy	141	**USD 152m**	USD 1,077k

Five largest hotel transactions in China, January 2025 to June 2026. All five prices were reported, allocated or confirmed; none is an estimate. Source: Global Asset Solutions.

Shenzhen Bay Exhibition International Hotel (Shenzhen), USD 475m

The Shenzhen Bay Exhibition International Hotel was transferred on 22 August 2025 for approximately USD 475 million. The seller was the Bao'an Management Bureau of the Shenzhen Municipal Planning and Natural Resources Bureau, and the buyer was Shenzhen Futian Cultural Tourism City Service. The complex of about 310,000 square metres beside the Shenzhen World exhibition centre is recorded with 4,000 rooms; the completed part began operating in 2023 and the remainder was still under construction at the date of transfer. It was the largest hotel transaction in China in 2025 and the second largest in the region. The transaction is a public body transfer through a listing process rather than an open market sale between private parties, and the price of USD 119,000 per key should be read in that light, and against a room count that includes space not yet delivered. Public information on the hotel's operating position, brand and future plans is limited. No repositioning plan has been disclosed.

Hilton Sanya Resort and Spa (Sanya), USD 234m

China Jinmao sold the 492 room Hilton Sanya Resort and Spa in Yalong Bay to Hainan Lichi Consulting in January 2025 through a sale of the holding company, at a price comprising RMB 1,848.9 million of equity and RMB 94.9 million of assumed liabilities, about USD 234 million in total or USD 476,000 per key. The resort opened in 2006 on a leasehold site and has about 32,300 square feet of meeting space. The sale is a disposal by a state-linked developer to a Hainan company, in a resort market where Sanya's beach hotels trade at prices closer to Shanghai than to the mainland provinces. Sanya recorded one further transaction in the year, a hot spring hotel sold by a state investment group to a coking coal company. Hilton continues to manage the resort. No repositioning plan has been disclosed.

Andaz Shanghai (Shanghai), USD 330m

Metro Land acquired the 45% interest it did not already own in the 307 room Andaz Shanghai in Xintiandi from Trillion Full Investment in December 2025, a partner buyout that gives the buyer full ownership. The record carries the transaction at approximately USD 330 million and a yield of 7.3% on that price; the parties have not confirmed whether the figure refers to the interest sold or to the whole hotel [TO VERIFY]. On the whole hotel it is about USD 1.1 million per key, the highest price per key in China in our records. The hotel opened in 2011 and the interest last changed hands in March 2018. The price says more about what a full interest in a scarce Shanghai asset is worth to its existing owner than about the Chinese market as a whole. Hyatt continues to operate the hotel under the Andaz brand. No repositioning plan has been disclosed.

How 2026 is looking

USD 1.2BN TRANSACTION VOLUME	28 TRANSACTIONS
USD 160K AVERAGE PRICE PER KEY	7,694 KEYS TRANSACTED
USD 43.9M AVERAGE TRANSACTION	

China, hotel transactions above USD 20 million, H1 2026, reported on its own. Source: Global Asset Solutions.

The first half of 2026 recorded 28 transactions and USD 1.2 billion, 70% of the 2025 count in half the time, at USD 160,000 per key, the lowest in the region. Upscale was 20 transactions and USD 982 million at USD 172,000 per key, Midscale & Economy six and USD 181 million at USD 129,000, and Luxury two, the Wanda InterContinentals in Shijiazhuang and Tangshan at USD 115,000 per key between them. Twenty-three of the 28 hotels sold for less than USD 50 million. Shanghai recorded five transactions and USD 200 million, Wuhan three and USD 135 million, Dali one at USD 121 million, and Tianjin, Qingdao and Shijiazhuang two each. Over the eighteen months from January 2025 to June 2026, China recorded 69 transactions, USD 4.2 billion and 21,391 keys.

What to watch

Five things will decide how the second half of 2026 reads when the next edition is written.

- **The Wanda channel.** Fifteen former Wanda hotels have sold in ten months at USD 79,000 to 179,000 per key. The record will show how many remain and whether the price per key moves as the better located hotels are taken first.
- **Developer disposals.** Evergrande, Kaisa, Goldin, Fosun, Powerlong and Vanke each sold one or two hotels. The next edition will show whether the pace rises as restructurings close.
- **The C-REIT exit.** The programme now admits hotels. No hotel in this record has used it. A first listing would set a public price for Chinese hotel cash flows.
- **Conversion.** Three of the 69 transactions were bought for seniors housing or residential use. The question is whether this becomes the main exit for 1990s hotels in cities with excess supply.
- **Shanghai.** Eleven transactions at USD 412,000 per key against USD 137,000 in the 28 smaller cities. The next edition will test whether the gap widens as inbound spending concentrates in the gateway.

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