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BRISBANE, SYDNEY AND PERTH LEAD HOTEL MARKET GROWTH, TAKING REVPAR TO NEW LEVELS

Australian hotel markets are continuing to go from strength to strength, with Brisbane, Sydney and Perth leading the charge in nationwide RevPAR growth, according to new data released today from Savills Australia and New Zealand. All remaining major markets are now at new levels, despite occupancy in most yet to return to pre-COVID figures.

The data shows in the rolling 12 months to September 2023, Brisbane saw a 49% growth in RevPAR, the Gold Coast growing 41% and Darwin up 39% when compared with the 2019 calendar year, with a continuation of occupancy recovery expected to further grow RevPAR levels.

All markets countrywide are showing ADR well above pre-COVID levels, with ADR on average up almost a third (32%) compared with the 2019 calendar year. Brisbane and Perth are the only markets exhibiting above pre-COVD occupancy levels due to notable increased corporate activity.

Echoing the RevPAR growth, compared to the 2019 calendar year, Brisbane (47%), Cairns (45%) and Gold Coast (41%) experienced the highest ADR growth in the year to September, followed thereafter by Darwin (39%).

Speaking on the immense potential in the current Australian hotel sector, **Nick Lower, Savills' State Director, Hotels** said, **"**There's been undeniable RevPAR growth for Brisbane, Sydney and Perth, along with the stabilising of major markets above pre-COVD levels.

"The data comparing RevPAR between calendar year 2019 and September 2023 speaks volumes about the resurgence of the Australian hotel market, showing it's really a very exciting time for the asset class."

Max Cooper, Director, Hotels at Savills Australia and New Zealand agreed saying, "The Australian hotel market is ripe for investment and we're starting to see a growing trend of new interest from local and foreign investors alike who recognise these trends and see the true value of the sector."

Mark Durran, Managing Director, Hotel Capital Markets at Savills noted, "RevPAR figures aside, we've seen a steady increase in annual occupancy in gateways cities such as Sydney and Melbourne, as well as Cairns.

"A promising sign, we expect the continuation of occupancy recovery which will no doubt further feed into growing RevPAR levels."

Savills' National Director, Valuations and Advisory, Adrian Archer said "The robust results for this quarter, including the RevPAR growth of those key cities – Brisbane, Gold Coast, Darwin – which are each consistently exceeding pre-COVID levels, signals a thriving Australian hotel industry."

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Press Release

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About Savills
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