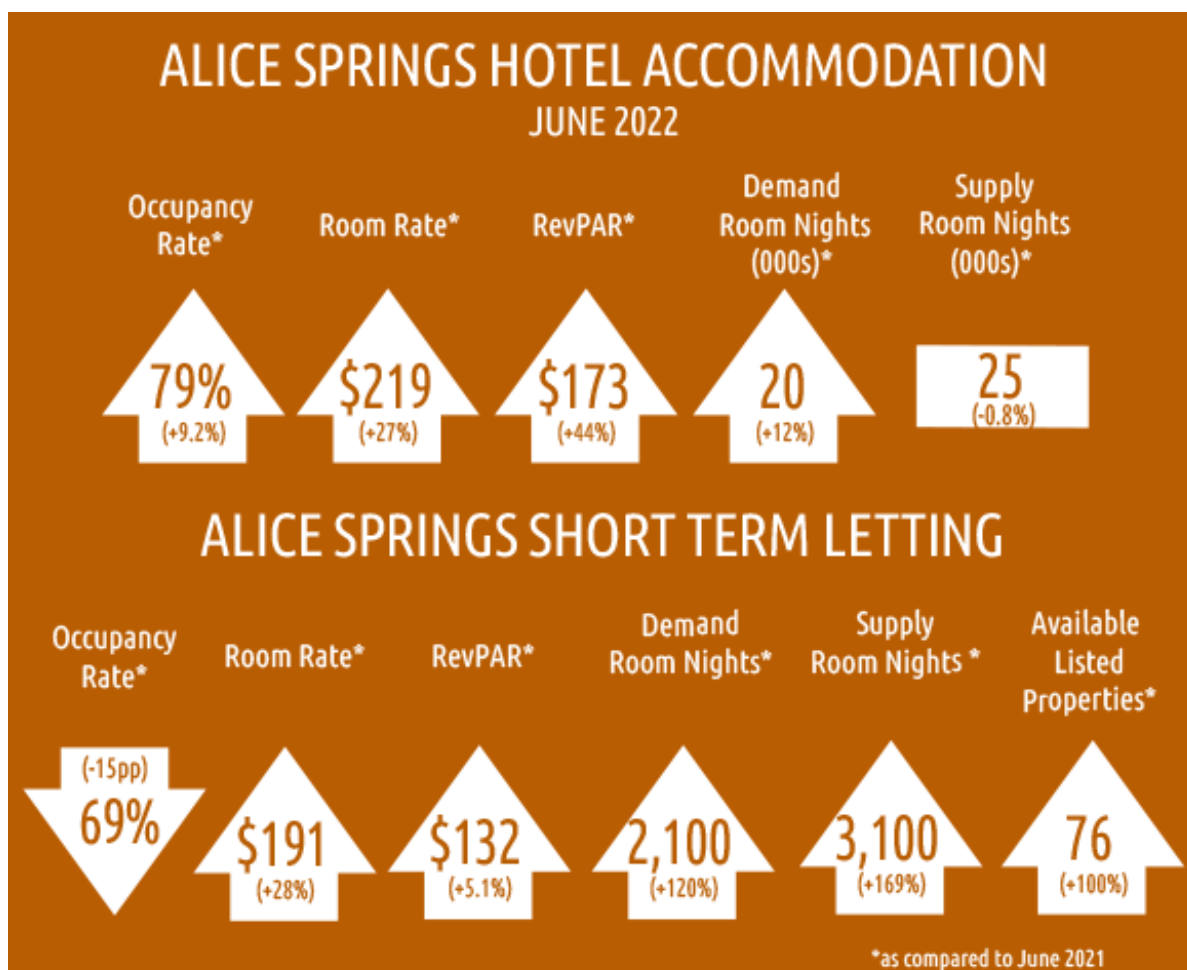


Alice Springs Monthly Accommodation Report

June 2022



Accommodation indicators for Alice Springs for June 2022 were mixed for the hotel sector as well as short term letting market compared to June 2021. The occupancy rate for short term letting in June 2022 declined -15 percentage points (pp) to 69% compared to the previous year due to an increase in supply (up +169%), which exceeded the growth in demand (up +120%). Properties listed for short-term letting rose +100% in June 2022 compared to June 2021. Occupancy rate was higher in the hotel sector up +9.2pp to 79%. Demand was also higher, up +12% to 20,000 room nights and room supply was slightly lower (-0.8%) in June 2022 compared to June 2021.

Room supply in Alice is predicted to increase from August 2022 once the Mercure Alice Springs Resort returns to the short term accommodation market. In addition, over the past year more properties came online in the short term letting sector, possibly driven by the unmet demand for hotel rooms.

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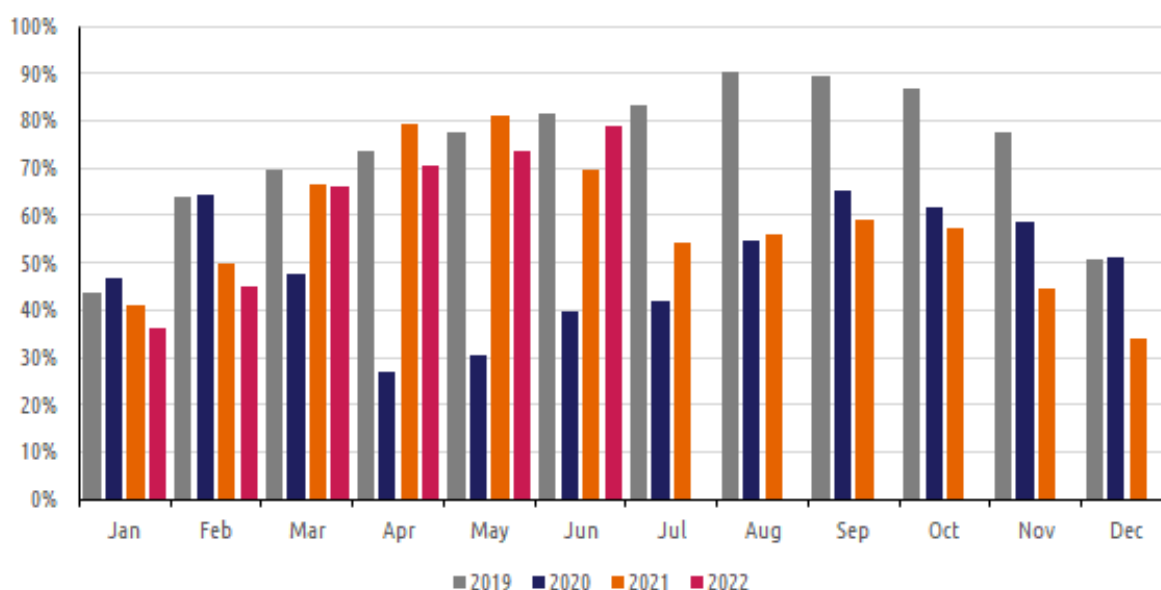
In June 2022 compared to June 2021, room rates and revenue per available room night (RevPAR) were higher for the hotel sector, up +27% (or +\$46.30) to \$219 and up +44% (or +\$52.60) to \$173 respectively. For short term letting room rates increased +28% to \$191 and RevPAR increased +5.1% to \$132 in June 2022 compared to June 2021.

For the year ending (YE) June 2022, average annual occupancy rate for the hotel sector was down

-3.8pp at 56%, below the short term letting occupancy which was stable -0.1pp to 63% compared to same period last year. However, the average daily rate and RevPAR for YE June 2022 were lower for short term letting at \$143 and \$91 respectively compared to the hotel sector at \$167 and \$98. The average year to date room rate for 2022 for the hotel sector is currently at \$172 per night, with rates exceeding \$200 per night during the peak winter season of travel for the region.

The short term letting sector in Alice Springs has grown significantly over the past five years, with a 73% increase (from 44 to 76 listed properties) in the number of listed properties between June 2017 and June 2022, and 58% growth (from 48 to 76) from June 2019 to June 2022. The supply of room nights available for short term letting in Alice Springs during June 2022 was the highest on record. Most of this increase in supply commenced in March 2022 when room nights exceeded 1,500 room nights and continued to grow in April 2022 exceeding 2,000 room nights and has reached over 3,000 room nights in June 2022.

ALICE SPRINGS MONTHLY HOTEL OCCUPANCY RATE



Alice Springs Monthly Accommodation Report

June 2022

Trends show the hotel sector occupancy rate has seen improvements with the opening of international borders and easing of travel restrictions domestically, however occupancy rate in June 2022 was lower compared to June 2019 but higher than same period in 2021 and 2020.

Historically, capacity is constrained around major event periods including Parrtjima, Finke Desert Race, AFL Fixtures and the Red Centre Nats.

METHODOLOGY

The data in the hotel accommodation report is sourced from STR and is collected from a sample of five hotels with 10 or more rooms in Alice Springs. Data is collected daily and collated to represent the industry and includes data for leisure, business and other purposes of travel. This sample represents 71% of the establishments in Alice Springs and 82% of the traditional accommodation room supply. STR defines a property (hotel) on the basis of three exclusionary criteria:

- 10 or more rooms;
- open to the public (excludes properties requiring membership, affiliation or club status);
- generates nightly revenue.

The data in short term letting section is sourced from the AirDNA platform. AirDNA collects data for 59 listed properties on both Airbnb and Vrbo in Alice Springs. Data from Airbnb and Vrbo is scraped daily and combined with data provided by partnered short term letting properties to provide a diversified data source and ensure an accurate representation of the short term letting market.

The research section collects detailed data on the accommodation metrics including demand, daily rates and RevPAR historical series for Darwin, Alice Springs and the Northern Territory. This information is available on request. Email: Research.Tourismnt@nt.gov.au

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