Darwin Monthly Accommodation Report
July 2022

Accommodation indicators for Darwin for the month of July 2022 were positive for both the hotel sector and short term letting in Darwin with an increase in performance compared to July 2021. The occupancy rate was up +30 percentage points (pp) to 83% for the hotel sector, while occupancy for short term letting was up +20pp to 85%. Room supply was higher in both markets, with room nights available increasing +5.7% to 159,000 room nights for the hotels and short term letting increased +26% to 29,000 room nights. An addition of 448 rooms came online when comparing July 2022 to the same period last year due to the addition of Capitanos, MOM Darwin YHA, Darwin FreeSpirit Resort, Darwin Resort and Hudson Parap to the Darwin hotel accommodation market. Despite the increase in room supply, demand also increased and surpassed the increase in supply due to July being part of the peak tourism season in Darwin. There was a +64% increase in demand to 132,000 room nights for the hotel sector and a +67% increase for room nights to 24,000 in the short term letting market.

Darwin Monthly Accommodation Report
July 2022

In July 2022 compared to July 2021 room rates were higher for short term letting, up +43% (or +$94.30) to $314 compared to the hotel sector up +33% or +$72.90 to $293. Revenue per available room night (RevPAR) was higher for the short term letting sector at $266 (up +88% or +$124.90) compared to the hotel sector at $245 (up +105% or +$125.30).

The room rates for short term letting during July 2022, at $314, was the highest rate on record for the short term letting market. Room rates for hotel accommodation were also at the highest rate on record at $293.

The yearly occupancy rate for the hotel sector was up +0.8pp at 58%. This was due to an increase in supply mostly mirroring the increase in demand, which were up +4.0% (to 1,812,000 room nights) and +6.2% (to 1,063,000 room nights) respectively for the YE July 2022 compared to the YE July 2021 as COVID-19 restrictions eased. Short term letting occupancy rate was also up +0.9pp to 61%, demand was up +43% for the same period, with supply also up +42%.

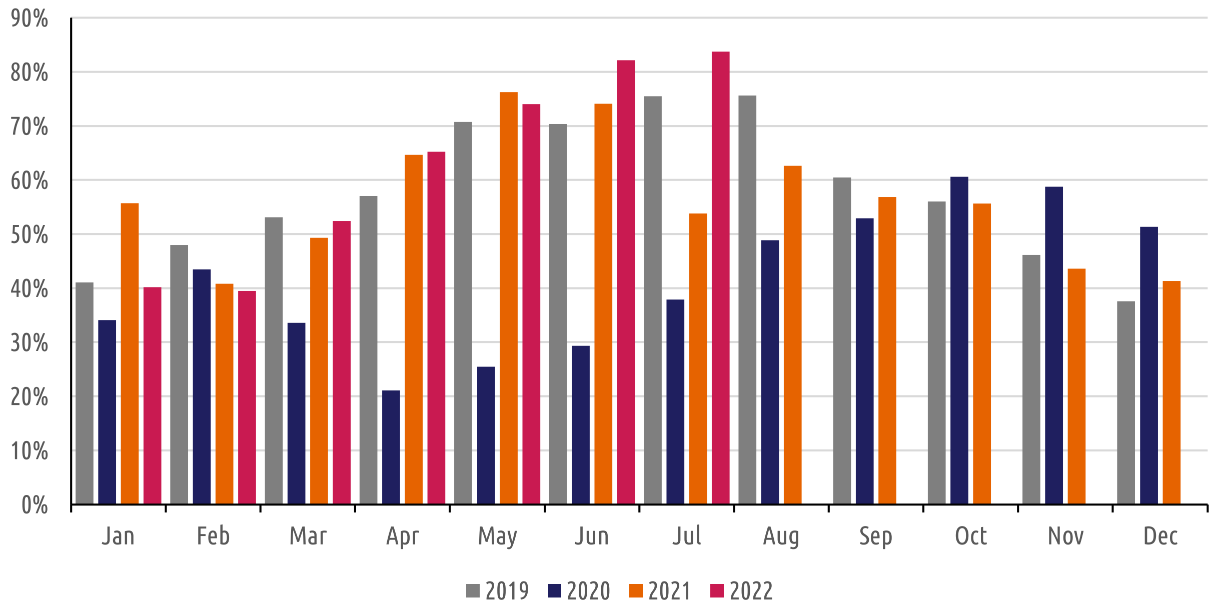
The average daily rate and RevPAR for the YE July 2022 for the hotel sector were $189 (up +55% or +$42.70) and $118 (up +117% or +$31.50) respectively compared to YE July 2021. Similarly, the average daily rate and RevPAR for the YE July 2022 for short term letting was at $209 (up +22% or +$37.90) and $133 (up +28% or +$28.90) respectively compared to YE July 2021.

The short term letting sector in Darwin has grown significantly over the past five years, with a +152% increase in the number of listed properties between July 2017 and July 2022, and +43% growth from July 2019 to July 2022.

Darwin Monthly Accommodation Report
July 2022

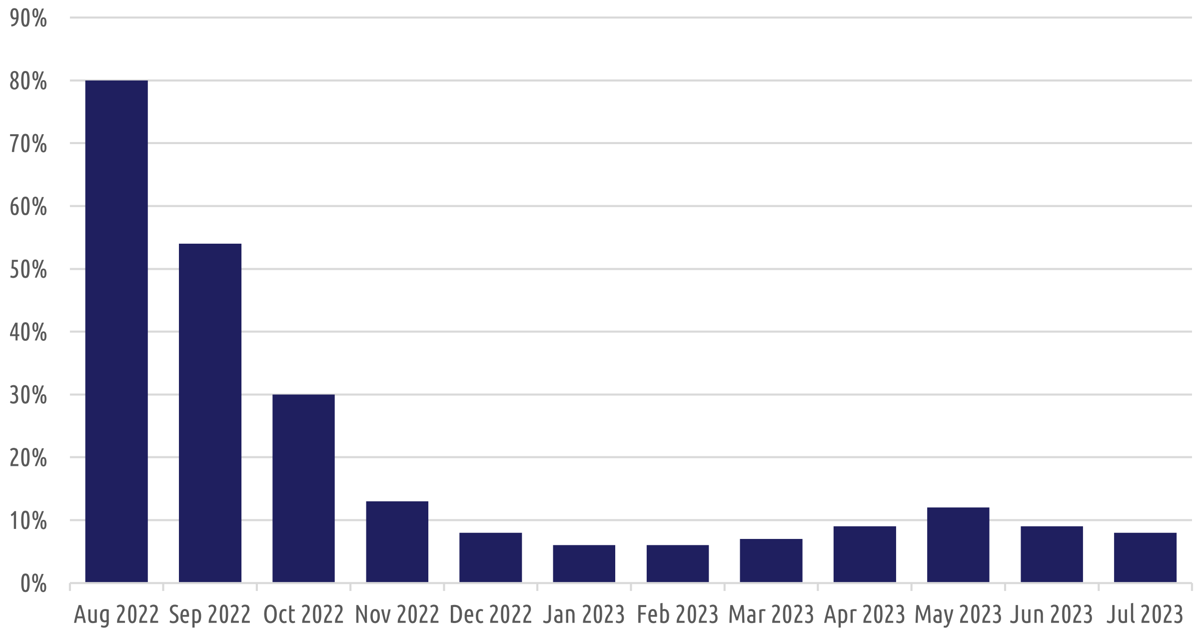
Trends shows the hotel occupancy rate has seen improvements with restrictions easing and the opening of international borders. The hotel sector occupancy rate in July 2022 was higher than in July 2021, 2020 and 2019.

DARWIN MONTHLY HOTEL OCCUPANCY RATE



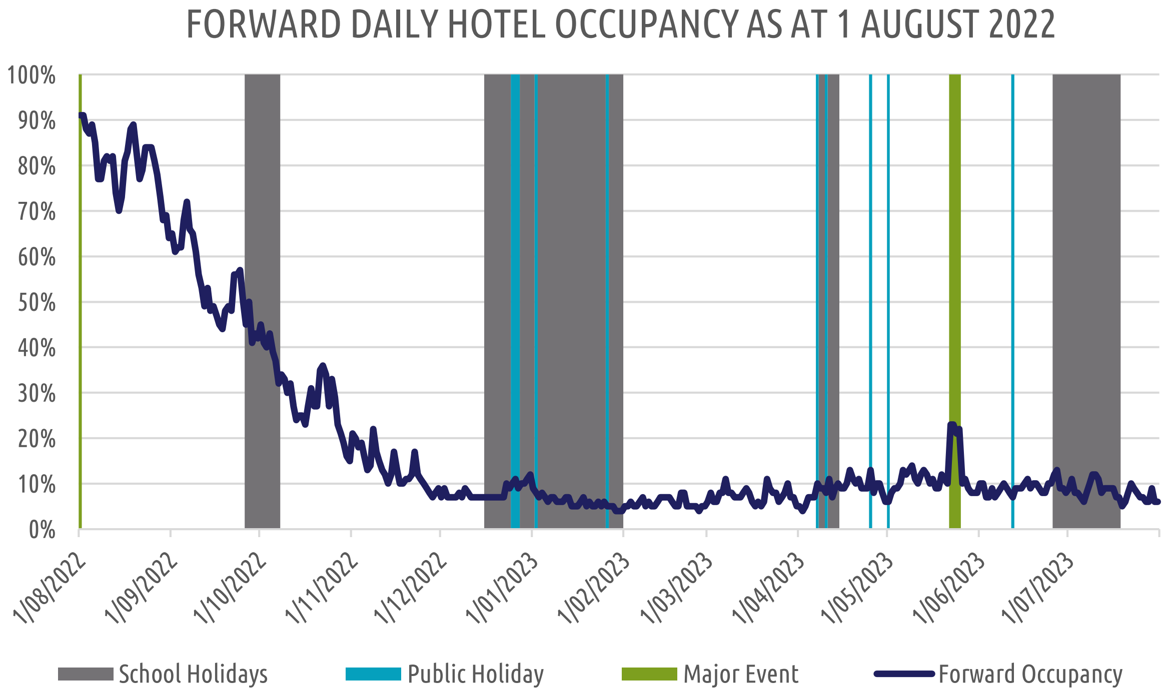
Forward occupancy (STR data) to July 2023 largely follows the seasonal trend in demand for rooms in the Darwin area, peaking in August with a gradual decline in forward bookings. Bookings slow considerably from September 2022 onwards as the wet season (summer) approaches.

FORWARD MONTHLY HOTEL OCCUPANCY AS AT 1 AUGUST 2022



Darwin Monthly Accommodation Report
July 2022

Looking ahead, capacity is constrained around the Darwin Cup Carnival and Darwin Festival events, although there are still rooms available in some properties. Outside of major events such as BASSINTHEGRASS in late May 2023 there is significant capacity available right through to July 2023.



METHODOLOGY

The data in the hotel accommodation report is sourced from STR and is collected from a sample of 28 hotels with 10 or more rooms in Darwin. Data is collected daily and collated to represent the industry and includes data for leisure, business and other purposes of travel. This sample represents 58% of the establishments in Darwin and 78% 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 613 listed properties on both Airbnb and Vrbo in Darwin. 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

Disclaimer: The Department of Industry, Tourism and Trade has taken due care and skill in preparing this information, however does not warrant that it is correct or suitable for the purpose for which it is intended to be used. The Department disclaims all liability associated with the use of this information.