



SNOWY MOUNTAINS: TOURISM INVESTMENT PROSPECTUS



The Snowy Mountains region is an area of outstanding scenery, with landscapes varying from ski fields and mountain lakes to farmland. A significant proportion of the region lies within the Kosciuszko National Park making it an iconic Australian tourist destination and part of the Australian Alps National Landscape. The region is considered a year-round adventure playground boasting world-class skiing and a range of outdoor adventure sports throughout the year including alpine mountain biking, hiking and fishing.

VISITATION TRENDS

Tourism to the Snowy Mountains region is at the highest level ever recorded with 1.72 million visitors in 2019, the majority of which were domestic overnight visitors (59%). Reflecting this, the average length of stay in 2018 in the Snowy Mountains was 3.8 nights. Overnight stays have recorded strong growth over the past five years increasing on average by 7.6% per annum.

Growth in visitation to the Snowy Mountains 2015 to 2019:

All visitation	7.8%
International visitation	10.1%
Domestic visitation	8.3%
Overnight stays	7.6%

The Snowy Mountains is a regional hotspot in Australian tourism, presenting an exciting opportunity for savvy investors.

AIRPORT INFRASTRUCTURE

Canberra Airport is between 1.5 - 2.5 hours' drive from the Snowy Mountains. The airport is the eighth busiest in Australia with daily flights to Canberra from Sydney, Melbourne, Adelaide, Brisbane, Newcastle and Perth. In 2017/18 passenger movements through the Airport recorded growth of 5.3% year-on-year.

ACCOMMODATION TRENDS

A range of accommodation options can be found in the Snowy Mountains region with the most significant being hotels and holiday homes (not owned). Together these two property types account for 60% of nights spent in the region. According to the Australian Accommodation Monitor, there were 68 accommodation establishments in the Snowy Mountains tourism region at the end of June 2018 with 2,452 rooms and an average property size of 36 rooms. Over the year to June 2018, occupancy levels for a basket of five properties with 322 rooms averaged 44% with a high average rate of \$197. Occupancy levels increased 7.7% year-on-year off the back of strong demand growth in line with improving visitation.

Jindabyne – Berridale: HMSA Historical Trading Performance FY13 to FY18			
Year	Occ % Change	ADR % Change	RevPAR % Change
FY13	38.69%	\$213.79	\$82.7
FY14	33.4% (-12.2%)	\$202.73 (5.2%)	\$68.9 (-16.8%)
FY15	41.7% (22.8%)	\$214.06 (5.6%)	\$89.3 (29.6%)
FY16	37.3% (-10.5%)	\$230.09 (7.5%)	\$85.3 (-3.8%)
FY17	40.9% (2.7%)	\$194.05 (4.2%)	\$79.3 (7.0%)
FY18	44.0% (7.7%)	\$197.5 (1.8%)	\$86.9 (9.6%)
CAGR	2.6%	-1.6%	1.0%

Source: Australian Bureau of Statistics, Australian Accommodation Monitor, Colliers International
Note: There was a series break in FY17

INVESTMENT TRENDS

The Snowy Mountains tourism industry is expected to attract continued investment against the backdrop of strong visitation numbers and new and improved visitor infrastructure. Increasingly, day visitors are being encouraged to stay overnight with the right tourism infrastructure and accommodation options in place. The planned upgrade of the Perisher ski resort should also provide a much-needed boost for the region.

PERISHER BLUE SKI RESORT

Perisher was acquired by US-based Vail Resorts in 2015, representing the company's first acquisition of a ski resort outside of the US. Perisher is Australia's biggest resort, with 1245 hectares of skiable terrain. Plans for upgrading the resort include the development of an 846-bed resort and retail complex.

