

# EAST COAST TASMANIA: TOURISM INVESTMENT PROSPECTUS



The East Coast of Tasmania is a destination boasting a diversity of landscapes and experiences for visitors. It is home to the renowned Freycinet National Park, Wineglass Bay and Saffire Freycinet luxury lodge. It is a destination where visitors can experience natural beauty, world class food and wine experiences in a beautiful, relaxing environment and truly feel like they can get away from the pressures of the every day.

## VISITATION TRENDS

Visitation to the East Coast of Tasmania has been on an upward trajectory over the past five years with growth in visitation increasing at an average rate of 7.2% per annum with 1.7 million visitor nights being spent in the destination in 2019.

East Coast Tasmania Tourism Growth 2015 to 2019	
All visitation	7.2%
International visitation	22.5%
Domestic visitation	6.7%
Overnight stays	9.1%

**East Coast Tasmania is a regional hotspot in Australian tourism, presenting an exciting opportunity for savvy investors.**

## AIRPORT INFRASTRUCTURE

Visitor arrivals into Tasmania's main airport, Hobart International Airport, have been increasing on average by 5.1% per annum over the past five years, boosting visitation to the region. There will soon be the potential for direct flights from Asia to Tasmania with the runway currently being extended and discussions with international carriers understood to be underway. More flights from more destinations will mean increased demand for tourism infrastructure and accommodation options in the East Coast of Tasmania.

## ACCOMMODATION TRENDS

According to the Australian Accommodation Monitor, there were 19 accommodation establishments in East Coast Tasmania at the end of June 2018 with 603 rooms and an average property size of 31 rooms. Traditional accommodation operations including hotels, motels and serviced apartments (HMSA), have experienced strong revenue per available room (RevPAR) growth, averaging 6.8% per annum over the four years to FY16. The higher room rates that operators have been able to achieve have been the primary driver with Average Daily Rate (ADR) increasing 3.9% per annum, up from \$160 in FY12 to \$186 in FY16. This represented a 22% ADR premium when compared to the accommodation providers in the Hobart Tourism Region. Accommodation performance data is not available for East Coast Tasmania for FY17 and FY18 due to an insufficient sample size.

East Coast Tasmania: HMSA Historical Trading Performance FY12 to FY16			
Year	Occ %	ADR	RevPAR
FY12	40.4%	\$160	\$65
FY13	37.5% (-7.2%)	\$167 (4.1%)	\$63 (-3.3%)
FY14	41.2% (9.9%)	\$168 (1.0%)	\$69 (11.0%)
FY15	40.5% (-1.7%)	\$183 (8.9%)	\$74 (7.1%)
FY16	45.2% (11.6%)	\$186 (1.6%)	\$84 (13.4%)
<b>CAGR</b>	<b>2.3%</b>	<b>3.1%</b>	<b>5.4%</b>

Source: Australian Bureau of Statistics, Colliers International

## INVESTMENT TRENDS

Continued interest in Tasmanian hotel and tourism property is expected, with state-wide economic growth continuing to outpace the national annual average, driven by positive population growth, an active consumer sector and strong tourism numbers. This backdrop of strong tourism arrivals, airport expansion and positive accommodation performance bodes well for future accommodation and tourism infrastructure investment in the region.

### SAFFIRE FREYCINET LODGE EAST COAST

Development cost: \$32 million

Saffire Freycinet's concept and design are like no other in Australia, capturing the essence of the unique Freycinet Peninsula region of Tasmania. The all-inclusive resort features 20 suites on 11 hectares of land in Coles Bay.

