

# NEW ZEALAND HOTEL DEVELOPMENT PIPELINE

(UPDATE AS AT END OF JULY 2018)

## Update from the National Director

New Zealand is in its 6<sup>th</sup> consecutive year of a tourism boom which began in 2013 and with limited new hotel supply delivered over this period; it is not surprising that the hotel sector has finally entered a strong development phase.

It is hard to believe we have seen virtually no net addition to the NZ hotel inventory in the past five years, despite almost 1.5 million additional tourists visiting New Zealand. In our gateway city of Auckland for example, we have seen a net addition of 526 rooms added to the hotel stock since 2013.

According to the most recent update of the Colliers New Zealand hotel database<sup>(1)</sup>, there are 2,600 new hotel rooms (22 projects) across our five key markets currently under construction with a further 6,600 rooms across circa 35 projects now proposed or mooted.

Auckland remains the main beneficiary of the current development phase accounting for almost half of all new hotel rooms under construction throughout the country. The completion of the NZICC in late 2019 and the America's Cup and APEC Summit in 2021 continues to fuel further interest.

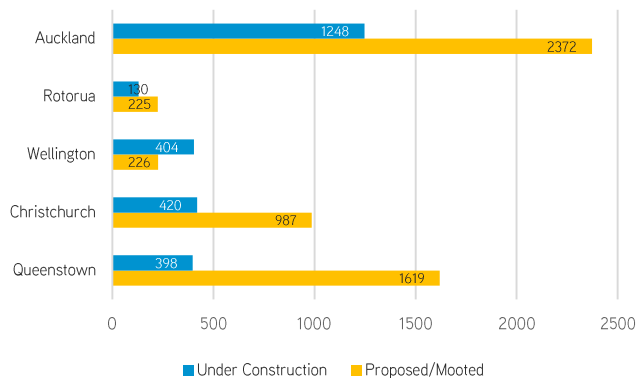
Outside of Auckland, development activity is most pronounced in Wellington and Christchurch accounting for 824 rooms under construction. Queenstown, continues to lag with just has three hotels under construction totalling circa 400 rooms.

Fortunately the growing development pipeline across most key centres will now see notable increases in respective hotel inventory over the medium to long term.

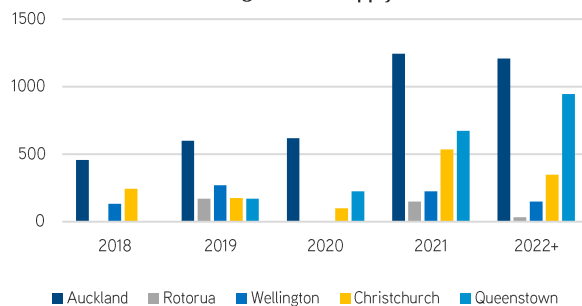
### Dean Humphries

National Director, Hotels New Zealand & South Pacific

Current Development Pipeline<sup>(2)</sup> (No. Rooms)



Timing of New Supply<sup>(2)</sup>



Source: Colliers International

(1) Database tracking hotels and serviced apartments of predominantly 50 rooms or more

(2) Assuming all proposed projects are completed

(3) Existing hotel currently closed and undergoing refurbishment/repairs

(4) Publicly announced developments/projects with 100 rooms or greater

## Major Projects<sup>(4)</sup>

### Under Construction

Project	Market	No. Rooms
SO Sofitel	Auckland	130
The Sebel Auckland Manukau	Auckland	152
Four Points by Sheraton	Auckland	255
Park Hyatt	Auckland	195
SkyCity Horizon Hotel	Auckland	300
Britomart Hotel	Auckland	104
Pullman Rotorua	Rotorua	130
Rydges Wellington Airport	Wellington	134
Amora Wellington <sup>(3)</sup>	Wellington	192
Novotel Christchurch Airport	Christchurch	200
Ramada Frankton Road	Queenstown	131
Holiday Inn Express	Queenstown	227

### Proposed / Mooted<sup>(5)</sup>

Project	Market	No. Rooms
Pullman Auckland Airport	Auckland	c. 250
Cordis Auckland Extension	Auckland	c. 250
Holiday Inn Express / EVEN	Auckland	c. 500
Novotel Auckland City	Auckland	c. 310
Indigo Auckland	Auckland	225
Sudima Auckland City	Auckland	194
4 Viaduct Harbour	Auckland	c. 160
Oaks Hotel Wellington	Wellington	226
Casino Hotel	Christchurch	c. 200
Convention Centre Hotel	Christchurch	c. 200
Peppers Resort	Queenstown	c. 260
Kawarau Falls Station Hotel	Queenstown	c. 260

(5) While we are also aware of a number of other proposed/mooted developments, we have only included those developments with significant room counts that have been publicly announced, with the consent process well advanced and are close to commencement of construction.