

NEW ZEALAND HOTEL MARKET SNAPSHOT | JUNE 2025

Tourism Trends

- For the year ended May 2025, international visitor arrivals rose by 5.2% compared to the same period last year, reaching 86% of 2019 levels.
- The latest TECNZ forecasts, completed in May 2025, continue to project a full return to pre-pandemic visitor numbers by March 2027.
- Strong growth in visitor numbers from the USA and India have resulted in both markets being ahead of 2019, while our largest source market, Australia, sits at 93.6% of 2019 levels.
- Arrivals from China are gradually increasing, up 11% on the previous 12 months. However, volumes remain subdued, currently representing only 62% of 2019 levels.
- The International Visitor Survey (IVS) for Q1 2025 shows international visitors spent \$4.55 billion, consistent with Q1 spending in 2024.

NZ Hotel Markets

- The trends for the first quarter of 2025 have broadly continued for Q2, with Rotorua and Queenstown performing strongly. Despite a difficult May, Christchurch finished in line with last year, while both Wellington and Auckland continue to face headwinds.
- The targeted reduction in central Government spending continues to negatively impact Wellington's occupancy and average daily rates.
- Auckland is contending with heightened competitive pressure due to new hotel supply and the ongoing absence of major events. Notable additions in 2025 include the full opening of Hotel Indigo (225 rooms) in April, and the expected launch of Tribe Auckland (60 rooms) in September. As a result, Auckland's Revenue per available room (RevPAR) for the quarter declined nearly 7% versus last year.

NZ Hotel Markets, cont'd.

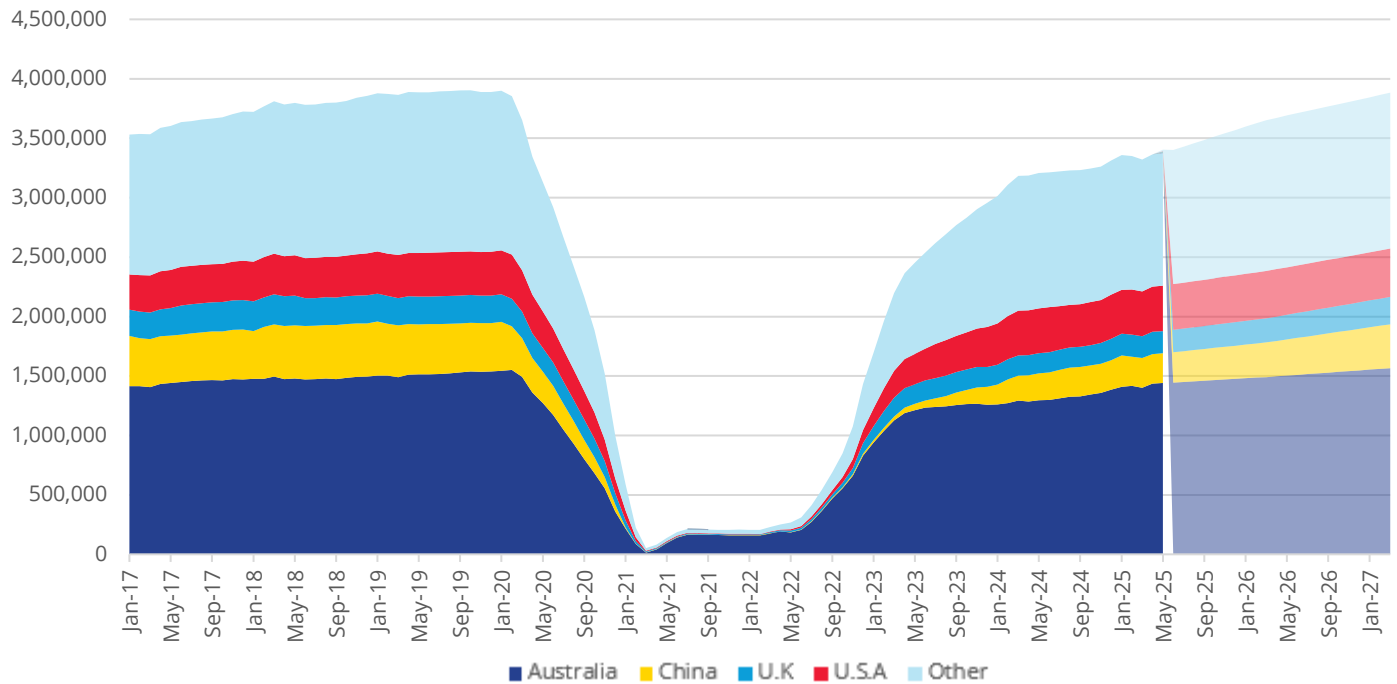
- Rotorua recorded an exceptional performance in May, largely attributable to the success of the TRENZ conference. RevPAR rose 31% for the month versus last year, contributing to a 15% uplift for the quarter overall.
- Softer domestic demand in June marked a rare drop in performance for Queenstown, with RevPAR for the month 3.6% behind the previous year. Despite this Queenstown closed the quarter 8% ahead of the previous year.

Hotel Investment

- The year started on a strong note with the \$180 million acquisition of the InterContinental Auckland by Singapore-based Hotel Properties Limited. The transaction, at over \$1 million per key, set a new benchmark for hotel pricing in New Zealand and reflects strong investor confidence in the long-term outlook of NZ's tourism and hospitality market.
- A major campaign currently underway is the NZ Hotel Holdings Portfolio, comprising seven prominent hotels across Auckland, Rotorua, Wellington, Christchurch, and Queenstown. This portfolio, the largest ever offered in the New Zealand market, is expected to play a pivotal role in shaping future yield benchmarks within the sector.
- Following the Reserve Bank's decision to maintain the Official Cash Rate at 3.25%, broader market sentiment continues to anticipate at least one rate cut before year-end. Any downward movement in the OCR would likely support further hotel valuation growth.

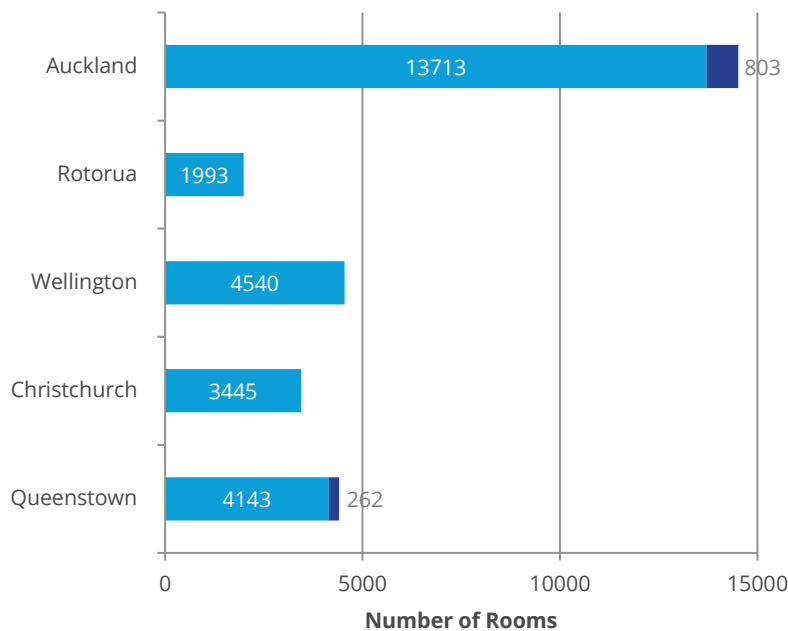
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International Visitor Arrivals to New Zealand
Actuals (2017-May-25) & TECNZ Forecasts (May-25+)



Source: Tourism Export Council, StatsNZ

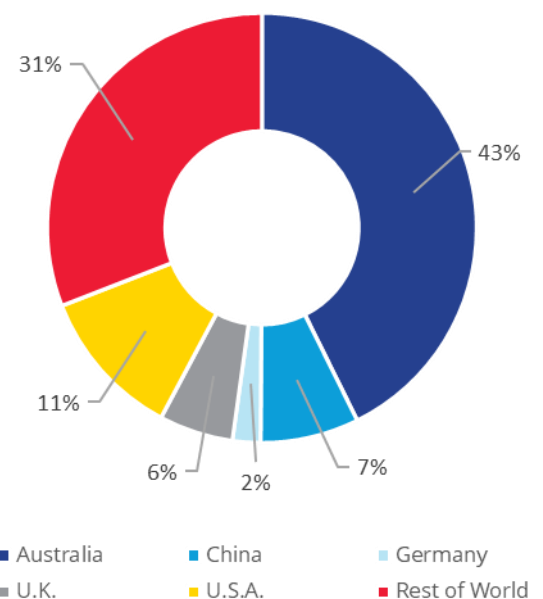
Supply & Pipeline



■ Rooms completed YTD June 2025
■ Rooms currently under construction

Source: Colliers

International Visitor Arrivals Country of Origin
(YE May 2025)

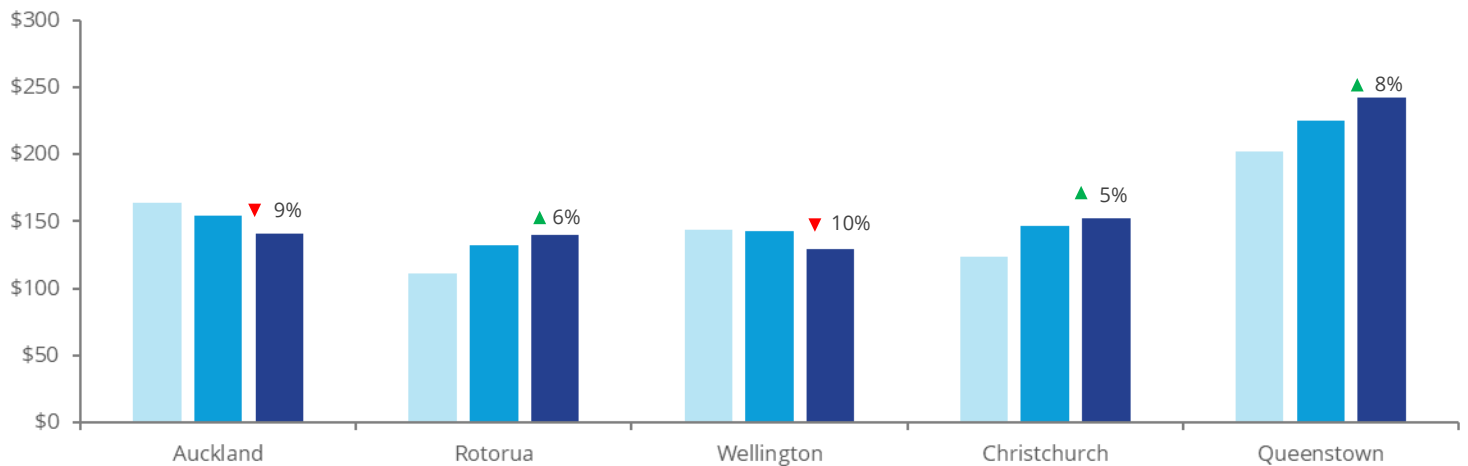


Source: Stats NZ

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REVPAR YE JUN 25

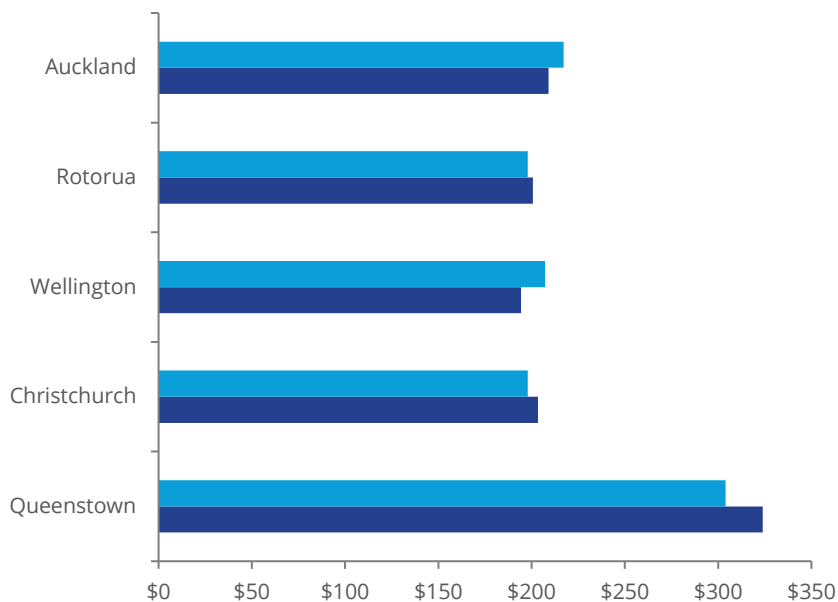
2019 2024 2025



Source: Hotel Data New Zealand (HDNZ) * Percentage change is compared against YE June 2024

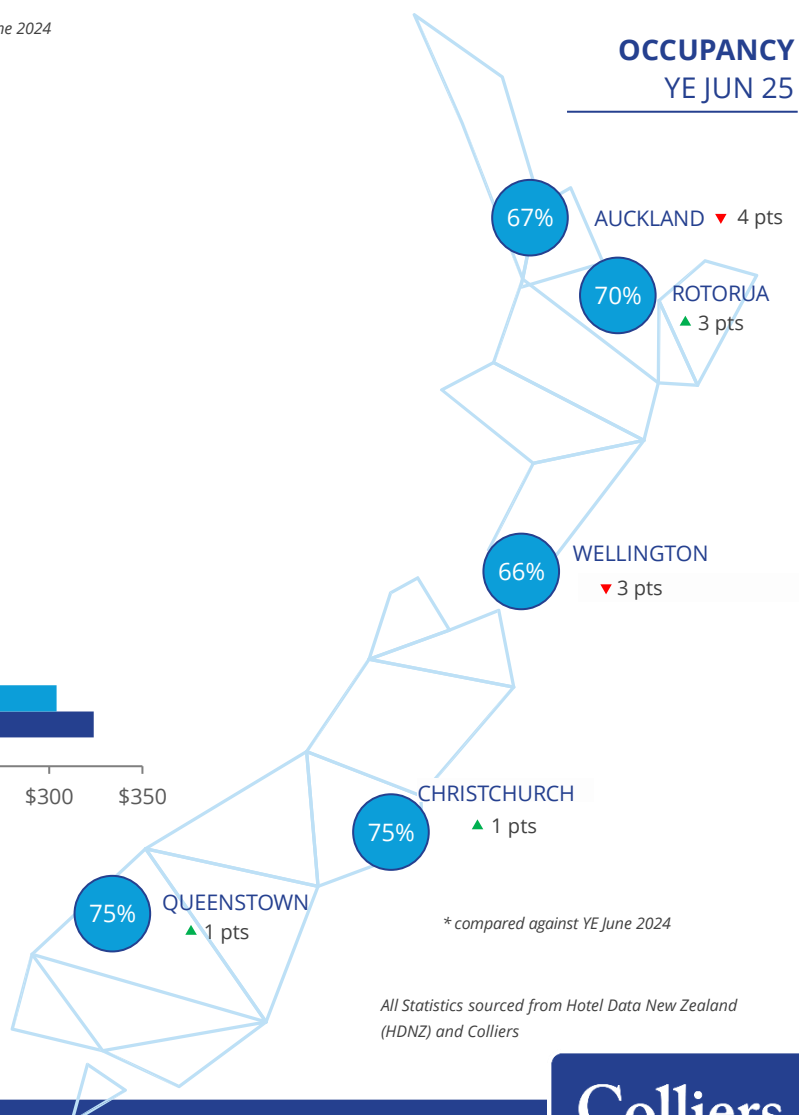
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2024 2025



Source: Hotel Data New Zealand (HDNZ)

OCCUPANCY YE JUN 25



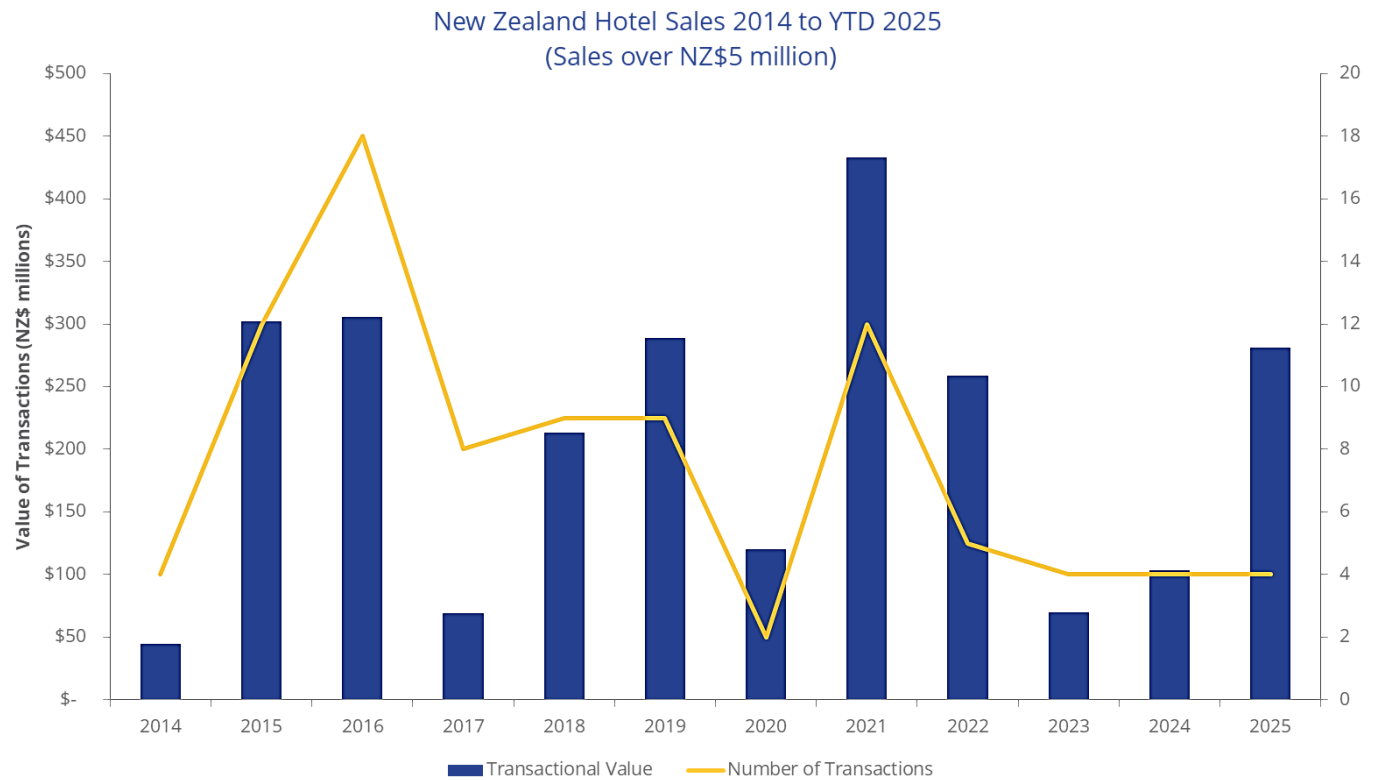
* compared against YE June 2024

All Statistics sourced from Hotel Data New Zealand (HDNZ) and Colliers

Colliers

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New Zealand Hotel Sales 2014 – June 2025 (Sales over NZ\$5 million)

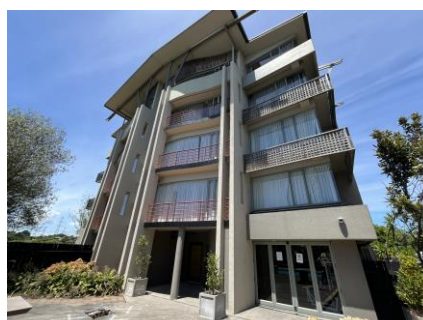


2025 New Zealand Hotel Transactions



**InterContinental
Auckland**

Purchaser Offshore



**Waipuna Hotel &
Conference Centre
Auckland**

Purchaser Local



**The Mayfair
Christchurch**

Purchaser Local

Photo Source: Map data ©2025 Google



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