Horwath HTL

PERTH HOTEL DEMAND STUDY

PREPARED FOR

TOURISM WESTERN AUSTRALIA

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TABLE OF CONTENTS

Page

I. EXECUTIVE SUMMARY

This report provides a comprehensive assessment of the accommodation market across the Perth Centre, comprising the Perth City, Burswood, and Airport Corridor precincts. It integrates macroeconomic, visitation, aviation, demand, supply, and performance analysis to identify future accommodation requirements and strategic investment opportunities. The findings support Tourism Western Australia's objectives under the WAVES 2033 Visitor Economy Strategy to grow private investment, expand accommodation capacity, and enhance Perth's competitiveness as a visitor destination and gateway.

Perth's accommodation story over the past decade is one of transformation, resilience, and now, stabilisation. Once shaped almost entirely by the rise and fall of the resources cycle, the city has matured into a diverse, year-round market supported by corporate stability, a growing events ecosystem, and steady international recovery. As Perth enters a new period of major infrastructure investment, its airport expansion, a revitalised city centre, and landmark cultural developments, the accommodation sector stands both as a beneficiary of this growth and a potential constraint on it.

For more than ten years, the Perth Centre precincts, Perth City, Burswood, and the Airport Corridor, have absorbed new supply, weathered pandemic disruption, and returned to become Australia's highest-performing major hotel market. Occupancy has rebounded to nearly 80%, ADR has risen sharply, and the city now enjoys one of the most balanced corporate and leisure profiles in the country. However, behind this strong topline performance lies a structural mismatch between what Perth offers and what its visitors increasingly want.

The market's greatest strength, its reliable weekday corporate base, is also its most defining limitation. Perth fills its rooms Monday to Thursday with business, project and government travellers, but encounter challenges to convert this success into consistent weekend and leisure trade. Visitors praise the safety, natural beauty and ease of the city, but consistently cite the same gaps: limited night-time activation, disconnected precincts, and a lack of distinctive lifestyle accommodation that reflects the identity of a modern, outward-facing Perth.

At the same time, transformational city-shaping projects are taking effect:

- The ECU City Campus bringing thousands of students and staff into the CBD.
- The Perth Airport upgrade and consolidated terminal improving international connectivity.
- A renewed focus on major events and cultural programming.
- The delivery of the Aboriginal Cultural Centre, which will redefine Perth's cultural narrative.

These initiatives will generate new types of demand, such as short breaks, youth travel, international stopovers, academic mobility, global events, and these demand segments need to be aligned with Perth's current accommodation mix. The city is rich in international brands and upscale product, but underweight in lifestyle, boutique, midscale and long-stay accommodation, and spanning an ageing stock that will face refurbishment pressures this decade.

The Burswood Precinct remains Perth's strongest leisure anchor, effectively operating as the city's integrated resort, drawing staycations, families, and high-spend domestic visitors. The Airport Corridor is emerging as a specialised hub for FIFO, corporate aviation, logistics and long-stay demand, with future growth tied directly to aviation expansion. Meanwhile, Perth City, despite its centrality, continues to underperform on weekends due to limited activation and fragmented visitor flows across CBD, Northbridge and Elizabeth Quay.

The story that emerges is clear:

- Perth does not need more rooms everywhere – it needs the right rooms in the right places.
- The next phase of development should fill strategic gaps:
  - Lifestyle and design-led hotels that reflect the culture, creativity and personality of Perth
  - Midscale and affordable options to support students, VFR travellers and price-sensitive segments
  - Long-stay accommodation aligned with airport, engineering, academic and project-based demand
  - Integrated hotel offerings in activated precincts, matching the expectations of visitors seeking experiences beyond the room.

Perth's hotel sector has proven that it can absorb supply, recover from shocks, and compete nationally. Its challenge now is not performance – it is readiness. With rising demand from aviation growth, major events, and city renewal, the risk is no longer oversupply; it is falling behind traveller expectations and missing opportunities for economic uplift.

Perth is now one of Australia's top-performing hotel markets, underpinned by a resilient corporate sector and a growing visitor economy. To fully capture the benefits of upcoming tourism, aviation, cultural, and education investments, Perth should diversify its accommodation offerings, activate precincts, and enable timely development of new supply.

This report provides the evidence base to support government planning, guide private investment, and shape a sustainable and competitive accommodation future for the Perth metropolitan region.

2. INTRODUCTION

2.1 BACKGROUND

Perth serves a dual role in Western Australia's visitor economy: it is both a destination in its own right and the principal gateway for international visitors to the state. In the year ending December 2024, the Destination Perth region welcomed over 5.2 million overnight visitors, reflecting strong recovery in international travel following the COVID-19 pandemic, alongside a resurgence in corporate travel and business events. This recovery underlines the importance of ensuring that Perth can offer a sufficient and diverse supply of quality accommodation to support high-yield travellers and sustain long-term visitation growth.

The Western Australia Visitor Economy Strategy (WAVES 2033) has set an aspirational goal of growing the state's visitor economy to $25 billion by 2033, with a strong emphasis on accommodation development and private sector investment. Complementing this, the Destination Perth Tourism Destination Management Plan (TDMP) has prioritised the growth and diversification of the city's accommodation supply as a critical enabler for tourism development. Within this framework, the Perth Hotel Demand Study has been identified as a specific initiative to assess market gaps and attract new private investment in short-stay accommodation.

Market performance indicators reinforce Perth's potential as a hotel investment destination. In 2024, Perth recorded the highest hotel occupancy rate in Australia at 79% (compared to the national average of 71%), alongside an average daily rate of $228 and RevPAR of $180, both above national benchmarks. However, limited availability of quality accommodation poses risks to attracting overnight visitors, major conferences and events, and expanding aviation capacity.

This challenge is particularly significant given the scale of recent and planned public investment in Perth's tourism infrastructure, including the proposed Aboriginal Cultural Centre, Perth Airport upgrades, expansion of direct international flight routes, and the delivery of a global events calendar positioning Western Australia as the fastest-growing events destination in South-East Asia. Such investments are expected to stimulate further demand for accommodation across both corporate and leisure segments.

Tourism WA commissioned similar studies between 2007 and 2010, which led to targeted policy interventions and incentives such as long-term Crown leases, peppercorn rents for Crown land hotel developments, and planning concessions. These initiatives were instrumental in catalysing hotel development in Perth. The current study builds on that precedent, aligning with broader investment attraction initiatives led by Tourism WA and Invest and Trade WA, and complements recent accommodation assessments undertaken in regional destinations such as Broome, Exmouth, and Geraldton/Kalbarri.

The Perth Hotel Demand Study has assessed the current and projected supply of short-stay accommodation, identified demand, and determined the types and standards of tourism accommodation required. Its findings provide the evidence base to inform government policy, guide private investment decisions, and ensure Perth's accommodation market can meet the needs of a growing visitor economy.

2.2 APPROACH

The Perth Hotel Demand Study had been designed to provide a clear understanding of the city's current and future accommodation requirements, and to identify opportunities for private sector investment. The study adopted a staged methodology combining quantitative and qualitative research techniques. The analysis sought to answer:

- What is the current supply, performance and market mix of short-stay accommodation in Perth.
- What will future demand for accommodation look like over the next 10 years.
- Where are the gaps in product type, standard and capacity, and how do these align with target markets.
- What investment opportunities exist to address these gaps and support Perth's tourism growth trajectory.
- Supply analysis included:
  - Mapping the current inventory of rooms across all accommodation types.
  - Assessing occupancy, average daily rates (ADR), and revenue per available room (RevPAR).
  - Profiling visitor segments and their expectations of product type and quality.
  - Identifying gaps in the existing supply by category and estimate future requirements for room supply.
- Demand analysis included:
  - Drawing on desktop research and national/state forecasts to project demand trends across identified demand segments.
  - Assessing broader market drivers including economic and demographic outlooks, aviation capacity, seasonality patterns, and major infrastructure and event investments (such as Aboriginal Cultural Centre and Perth Airport upgrades).
  - Validating findings through structured stakeholder engagement with key industry, government and investor representatives.

2.3 REPORT STRUCTURE

This report is structured to present a comprehensive assessment of the Perth Centre accommodation market, encompassing demand, supply, performance, and investment potential. It follows a logical progression that aligns data analysis with planning and investment outcomes relevant to government, industry, and private stakeholders.

The report is organised into six key sections supported by appendices.

- Section 3 presents the Tourism Context, outlining Perth's economic and strategic environment, including macroeconomic trends, tourism strategies, visitation profiles, demographic characteristics, air connectivity, and planned infrastructure developments.
- Section 4 provides the Hotel Market Demand Analysis, examining the major demand drivers across corporate, MICE, leisure, and government segments, supported by interview insights and secondary data.

- Section 5 details the Tourism Accommodation Supply Analysis, assessing existing supply by type, class, and location, reviewing the development pipeline, short-term rental activity, and identifying key supply gaps.
- Section 6 outlines the Hotel Market Performance and Outlook for Perth Centre, presenting historical and forecast performance indicators, long-term supply dynamics, and investment implications.
- The Reference List and Appendices provide methodological details, data sources, and summaries of hotelier and stakeholder interviews that informed the analysis.

Together, these sections provide an integrated assessment of Perth's current and future accommodation demand, supporting policy development and investment facilitation across the metropolitan tourism market.

3. TOURISM CONTEXT

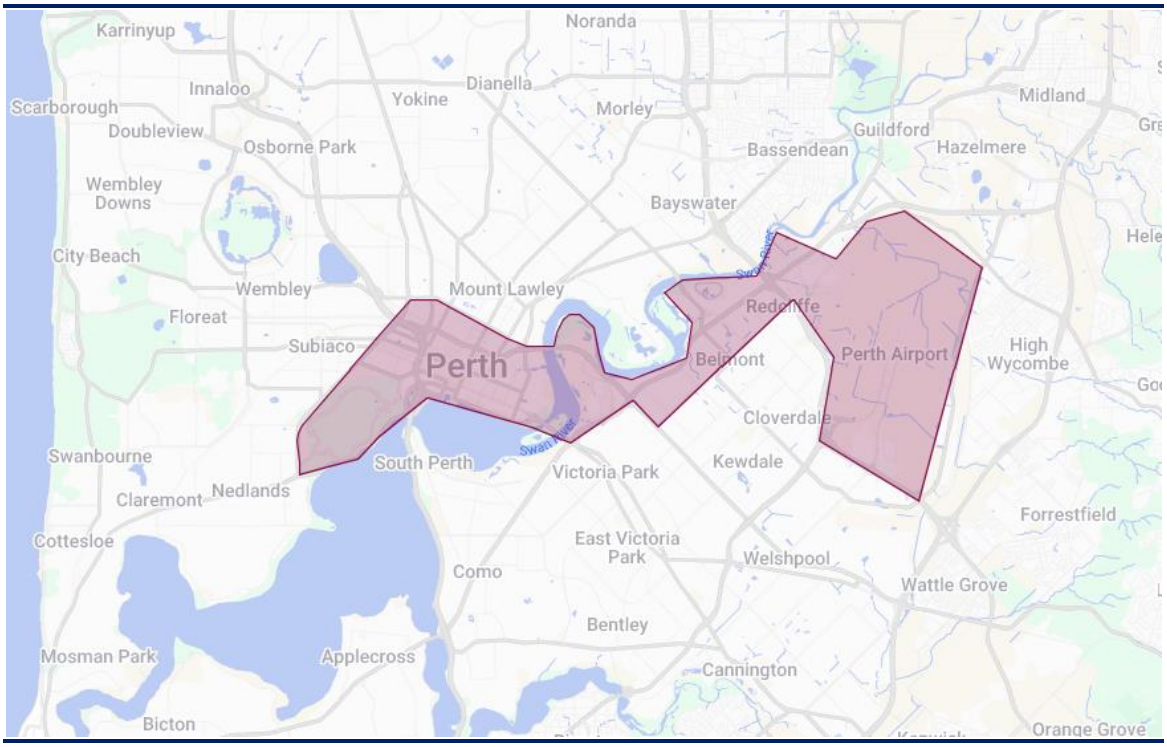
3.1 PERTH CENTRE HOTEL DEMAND STUDY CONTEXT

The Perth City, together with the adjacent Burswood Precinct and the Perth Airport Corridor Precinct, have been selected for detailed analysis as they represent the primary accommodation, business, and visitor gateways for the metropolitan area. Perth City remains the core location for corporate, government, and leisure demand, hosting Perth's main commercial, retail, cultural, and entertainment activities. The Burswood Precinct, anchored by the Crown Perth complex, functions as a major integrated leisure destination attracting high-value domestic and international visitors. Meanwhile, the Airport Corridor serves as a critical entry point for interstate and international travellers and is emerging as a significant accommodation and business hub linked to aviation, logistics, and conference activity. These three precincts form the project study area.

For the purpose of this study, the Perth Centre definition includes the following localities:

- Perth City comprising Perth CBD; East Perth; West Perth; Northbridge
- Burswood Precinct
- Perth Airport Corridor Precinct comprising Great Eastern Hwy corridor and Perth Airport precinct.

Perth Centre Hotel Demand Study Definition



Source: Profile ID, Google Maps

3.2 WA MACRO-ECONOMIC OVERVIEW

Western Australia (WA) remains one of the most resource-dependent state economies in Australia, with its performance closely tied to global commodity cycles. After a period of softness in 2023-24, growth is stabilising. Deloitte Access Economics (June 2025 Quarter Business Outlook) forecasts a gradual lift in state output through 2025-26, supported by household income gains (from tax cuts, modest real wage growth, and falling interest rates) and a gradual recovery in dwelling investment. Per capita economic growth remains soft, reflecting both slower productivity and the pressure of high population growth. Elevated construction costs, skills shortages, and housing undersupply continue to constrain the pace of recovery.

Main industries driving WA economic growth include:

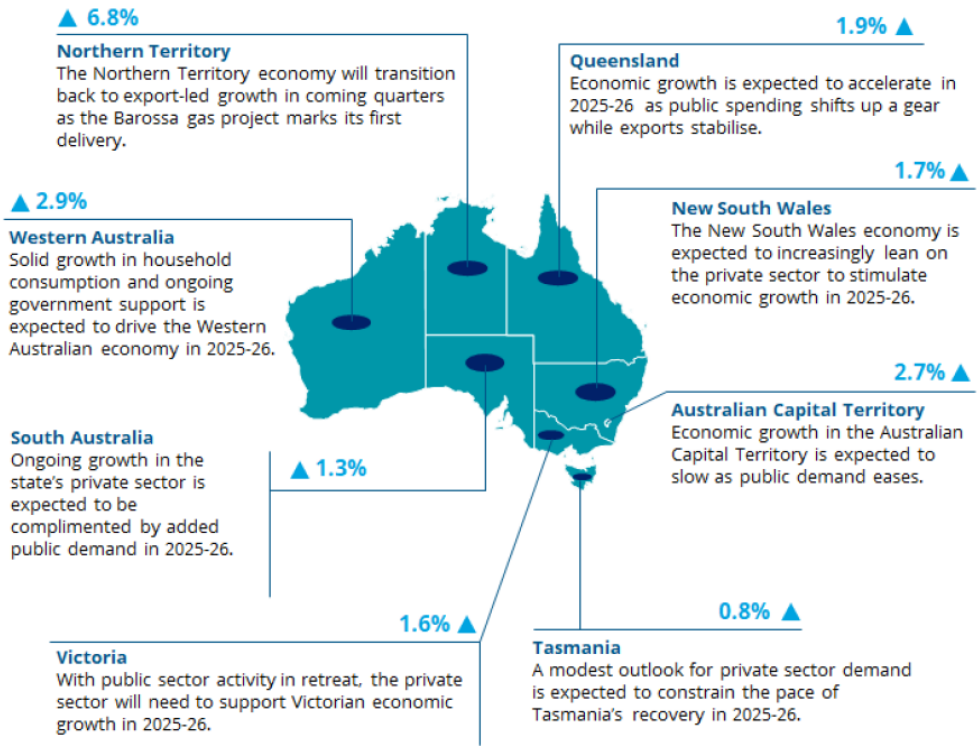
- Mining and Resources: WA is Australia's mining powerhouse, contributing heavily through iron ore, LNG, lithium, and critical minerals exports. Iron ore volumes have been disrupted at times by weather and maintenance, but the medium-term pipeline remains robust. Lower commodity prices are expected to soften export earnings, though the global energy transition underpins long-run demand for lithium and rare earths.
- Construction: residential construction has slowed due to capacity bottlenecks, high input costs, and insolvencies. Fewer than 1 million dwellings are forecast to be built nationally over five years, well below federal housing targets. Public infrastructure remains a growth driver.
- Health, Education, and Public Services: non-market sectors such as health, aged care, disability services and education are growing faster than traditional industries, reflecting demographic demand and migration inflows. International education remains important, though impacted by visa restrictions.
- Tourism and Hospitality: the accommodation and food services sector has struggled with labour shortages, cost pressures, and weak household discretionary spending. Deloitte forecasts show either flat or negative short-term growth in this sector across 2024-25, though prospects improve as incomes recover and international tourism rebuilds.

Western Australia's economy continues to be dominated by the resources sector, with mining exports underpinning national trade balances. While the short-term outlook is modest, softer household spending and constrained construction activity are expected to give way to stronger growth from mid-decade, supported by resource investment, renewable energy transition opportunities, and population growth. For the hotel sector, these dynamics imply that medium- to long-term demand drivers, especially corporate travel linked to resources and infrastructure projects, alongside rising population and international tourism recovery, remain intact despite current economic headwinds.

- WA's economy is projected to strengthen from 2025, with real GDP growth moving back towards 2.5–3% in the medium term, after hovering close to 1% nationally in 2024.
- Key downside risks include weaker demand from China, commodity price volatility, and potential global trade disruptions. Structural challenges such as lagging productivity, housing affordability, and infrastructure capacity are ongoing.

- The state is well-positioned in the global decarbonisation push, with critical minerals, renewable energy projects, and hydrogen developments shaping longer-term growth. Continued population inflows will support demand for housing, services, and tourism, although they also intensify housing market pressures.

2025-2026 Forecast Growth in Gross State Product in 2025-26



Source: Deloitte Access Economics (September 2025)

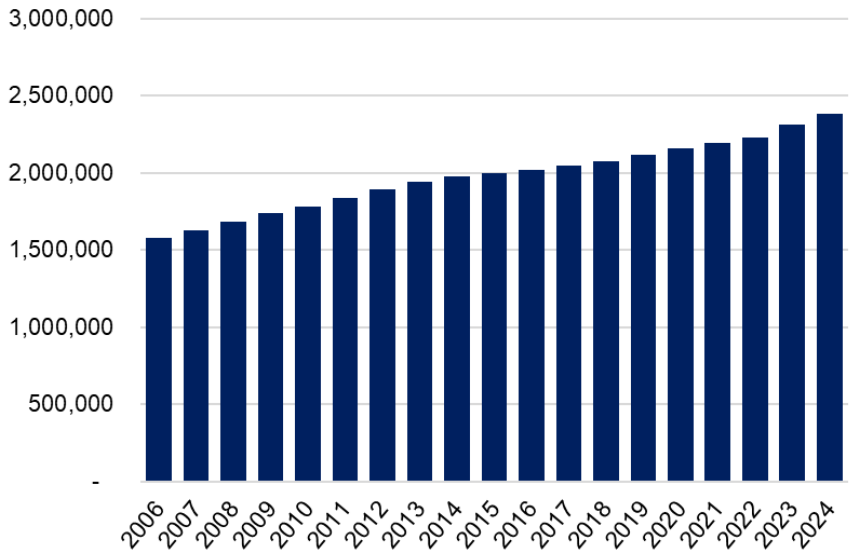
3.3 PERTH SOCIO-DEMOGRAPHIC PROFILE

Greater Perth is home to approximately 2.3 million residents, representing growth of around 3.15 % over the previous year and accounting for nearly 80% of Western Australia's population. The metropolitan region is the state's economic, cultural, and service hub, encompassing a diverse workforce across sectors such as mining services, logistics, education, healthcare, and tourism. Perth's population is forecast to reach 3.5 million residents by 2050, underpinned by continued migration, interstate relocation, and natural growth.

The city's demographic profile is marked by multicultural representation, with 36% of population born overseas particularly from the United Kingdom, New Zealand, India, South Africa, Malaysia, the Philippines, and China, contributing to a cosmopolitan character that supports both visitation appeal and a diverse hospitality workforce.

- Between 2006 and 2024, Greater Perth's population grew from approximately 1.58 million to 2.38 million residents, representing a substantial increase of over 50% in less than two decades. This translates to an average annual growth rate of around 2.3%, consistently higher than the national average of about 1.6% over the same period.

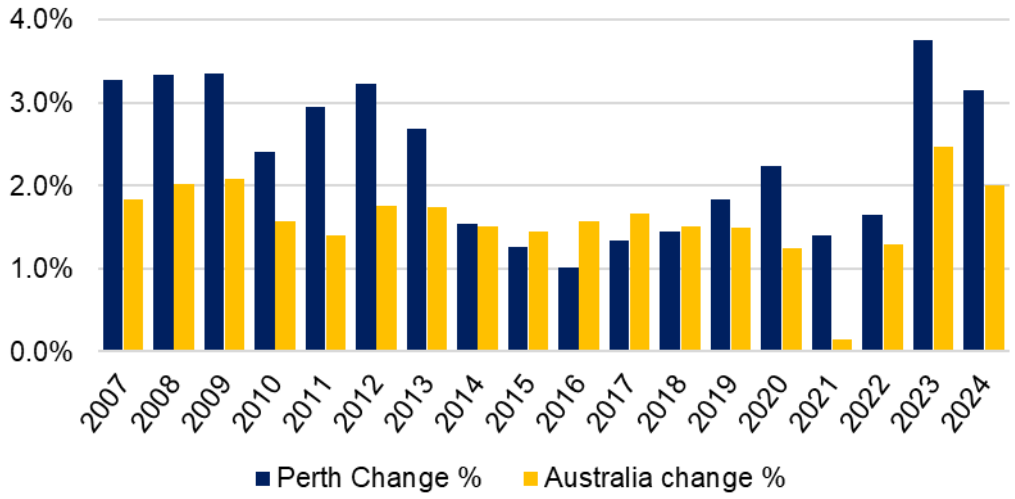
Population Growth in Perth from 2006 to 2024



Source: ProfileID

- Perth's growth outpaced the Australian average every year since 2007, reflecting the city's strong economic performance, lifestyle appeal, and sustained inflows of interstate and overseas migrants. The most significant expansion occurred during the mining-driven boom years of 2006-2014, when annual growth exceeded 3% for several years. After a brief slowdown between 2015 and 2019, linked to the mining construction downturn, population growth accelerated again post-2021, reaching 3.8% in 2023 – one of the fastest growth rates among Australian capitals.

Population % Change in Perth from 2007 to 2024



Source: ProfileID

Population growth in Greater Perth directly supports the hotel sector in three key ways:

- Visitation and demand generation as a larger resident base generates consistent domestic visitation through the "visiting friends and relatives" (VFR) segmentation and staycations.
- Workforce supply and service capacity as the growing and diversifying workforce provides a vital labour pool for the hospitality, tourism, and service industries. This is particularly critical given recent workforce shortages following the pandemic period. A strong and skilled population base supports hotel operations, food and beverage outlets, and event facilities, underpinning the long-term competitiveness and service quality of Perth's accommodation sector.
- Population growth often triggers investment in infrastructure (transport, retail, leisure), which in turn drives business travel, conferences and visitor stays. The hotel sector benefits both directly (guest nights from projects/events) and indirectly (improved amenity supporting longer stays and higher spend).

3.4 WA TOURISM STRATEGIES

The Western Australian Visitor Economy Strategy 2033 (WAVES 2033) provides the overarching framework guiding tourism growth, marketing, and investment across the state. Launched in 2024, it outlines a ten-year vision for Western Australia to be recognised as a world-class destination that immerses visitors in its unique landscapes, cultures, and communities. WAVES 2033 sets ambitious goals, including growing visitor spend to $25 billion annually by 2033, increasing regional dispersal, and positioning Western Australia as Australia's leading Aboriginal and nature-based tourism destination. It also places strong emphasis on sustainable development, infrastructure investment, and the alignment of brand and event strategies to drive year-round visitation and higher-value experiences.

3.4.1 Tourism Campaigns

Under WAVES 2033 umbrella, Tourism Western Australia has implemented a series of integrated brand and tactical campaigns to target key domestic and international markets:

- WA Dream Sale (2024–25)

A large-scale domestic campaign encouraging Australians to "book their WA dream holiday," delivered through partnerships with online travel agents and airlines. The WA Dream Sale aimed to convert brand awareness into bookings by offering limited-time travel deals and packages, reinforcing the state's reputation for natural beauty, coastal escapes, and outback adventure.

- Walking On a Dream (2023)

Tourism WA's flagship global brand platform, launched in 2022–23, positioned Western Australia as a place of "otherworldly" experiences where ancient landscapes and modern culture intertwine. The campaign's emotive storytelling and cinematic visuals showcased WA's vastness, Indigenous heritage, and dreamlike qualities, attracting strong international attention across key markets including Singapore, the UK, and New Zealand.

This was a $12 million tourism campaign to initially encourage intrastate and then interstate tourism to WA. The campaign includes partnerships with airlines and retail travel brands, offering WA travel itineraries to all regions and destinations. The campaign included print and digital media launched nationally and in 11 overseas markets.

- Event Experience Strategy 2033

Tourism Western Australia's Event Experience Strategy 2033 sets a long-term framework to elevate Perth and Western Australia as a leading global destination for major events. The strategy recognises events as a critical driver of the visitor economy, boosting visitation, overnight stays, and spend, while strengthening community vibrancy and cultural identity. It aims to position WA as the fastest-growing events destination in the South East Asian region by enhancing the quality, appeal, and impact of events statewide.

The strategy outlines coordinated stakeholder engagement across government, industry, transport, education, and event holders, ensuring a unified approach to event delivery and precinct activation. The strategy seeks to create an always-on, year-round calendar of "dream events" that drive economic benefit, support local communities, and reinforce Western Australia's global brand identity.

3.4.2 Perth Tourism Development Strategies

The Perth City Centre is positioned as the heart of Western Australia's visitor economy and the gateway to the state's broader tourism regions. Across the following strategic frameworks, a consistent vision emerges – to transform Perth into a vibrant, high-quality, year-round destination that combines urban sophistication, cultural depth, and natural experiences within a compact, accessible setting.

- Perth Metropolitan Regional Tourism Development Strategy 2023–2033

The strategy provides the most current policy framework for tourism development across the metropolitan area, identifying the Perth City Centre as the core driver and gateway for Western Australia's visitor economy. It positions Perth as "effortlessly Australian, the most relaxed and naturally adventurous capital city region in the world" and outlines a ten-year plan to strengthen the city's appeal through a mix of product diversification, connectivity, events, and accommodation investment. Perth City is recognised as both a destination and a hub linking other subregions such as the Swan Valley, Perth Hills, Fremantle, and Rottnest Island. Tourism growth within the city centre is to be achieved through experience and precinct activation – revitalising Elizabeth Quay, Kings Park, the Perth Cultural Centre, and the Swan River foreshore; event-led visitation – supporting the redevelopment of the Perth Convention and Exhibition Centre, the delivery of signature homegrown events; Aboriginal tourism and cultural storytelling – establishing the Aboriginal Cultural Centre on the Swan River foreshore; connectivity and visitor flow by improving ferry and public transport links between the airport, Elizabeth Quay, and major attractions; attracting new branded hotels, and adaptive reuse of heritage assets.

- Destination Perth Tourism Destination Management Plan

The Destination Perth Tourism Destination Management Plan establishes the overarching framework for coordinated tourism growth across the Perth and surrounding regions. It outlines priorities for destination management, product development, and marketing partnerships over a ten-year horizon. The plan identifies the Perth City Centre as the strategic anchor, where key investments in accommodation, events, riverfront redevelopment, and cultural infrastructure will deliver statewide economic and social benefits. Key priorities include:

  - Strengthening Perth's role as a gateway city and primary arrival hub for international and interstate visitors
  - Enhancing visitor dispersal from the city into surrounding subregions (Swan Valley, Fremantle, Perth Hills)
  - Fostering collaboration between government, local industry, and event partners to ensure cohesive destination marketing under Tourism WA's Walking on a Dream brand
  - Delivering a sustainable visitor economy, balancing tourism growth with local community benefits and liveability.

- Perth Capital City Plan – Towards 2036 and Beyond

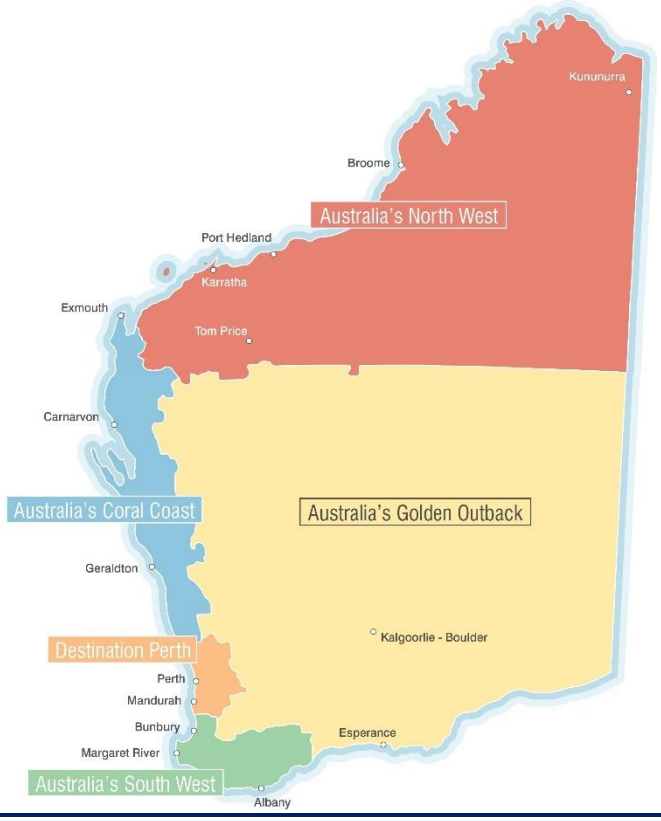
The plan is the City of Perth's long-term strategic approach for guiding the city's growth and development. Key aspects of the plan include a focus on enhancing liveability, increasing the population in the city centre, and fostering economic growth.

  - It outlines priorities, investments, and decision-making over the next decade, and the plan will be released for consultation in early 2026.

3.5 DESTINATION PERTH VISITATION PROFILE

The study area lies within the Destination Perth tourism region, which encompasses the broader metropolitan area and serves as Western Australia's primary gateway for visitors. As the most accessible and diversified urban destination in the state, Perth plays a pivotal role in dispersing visitors to surrounding areas and supporting Perth's positioning as a vibrant capital city offering a mix of urban sophistication, riverfront leisure, and proximity to iconic Western Australian experiences.

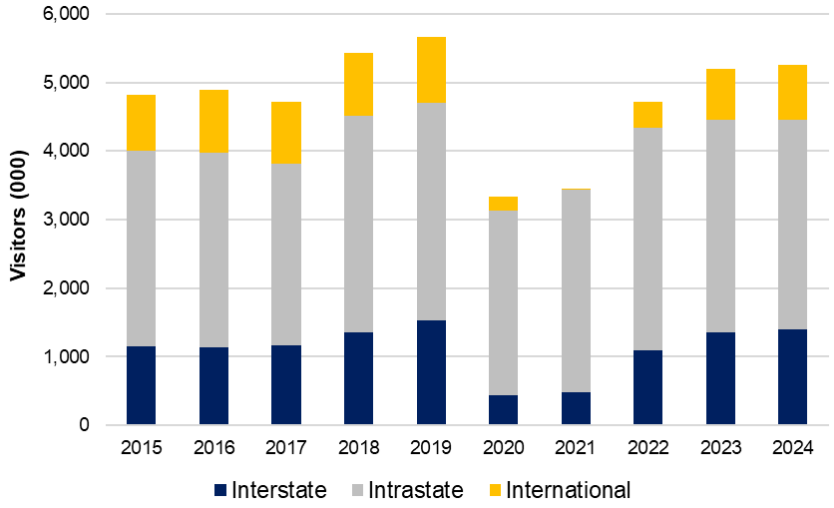
Destination Perth Area Definition



Source: Tourism WA

Destination Perth is the state's most visited region, capturing a significant share of Western Australia's total visitor volume across both domestic and international markets.

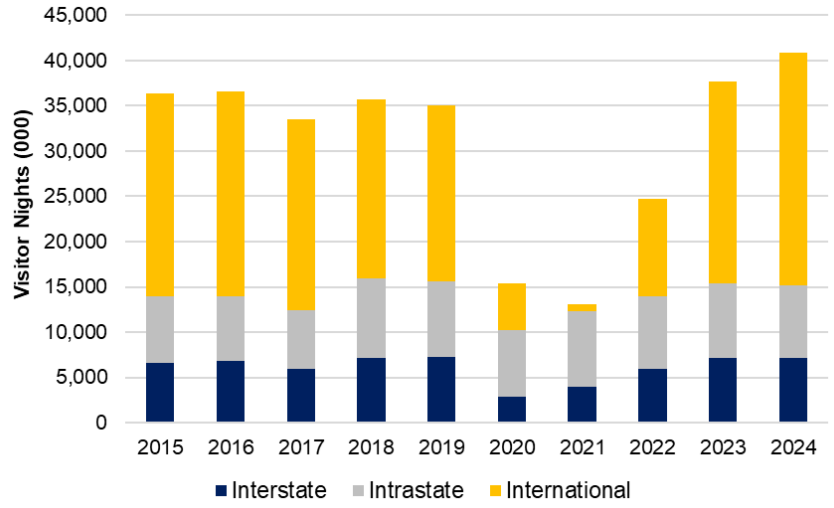
Visitors by Origin, Destination Perth, 2015 – 2024



Source: Tourism WA, Tourism Research Australia

- Total visitor numbers increased gradually from 2015 to 2019, reaching a peak of around 5.6 million visitors in 2019, only with a small dip in interstate and international visitation in 2017.
- The intrastate market remained the largest visitor segment during 2020–2021, reflecting the importance of local tourism when borders were closed.
- Visitor numbers began to recover in 2022, led by growth in both interstate and international visitors. International visitation showed steady improvement, although it remained well below 2019 levels.
- By 2024, total visitors approached pre-pandemic levels (around 5.2 million), indicating near-full recovery of Destination Perth's visitor market.

Visitor Nights by Origin, Destination Perth, 2015 – 2024

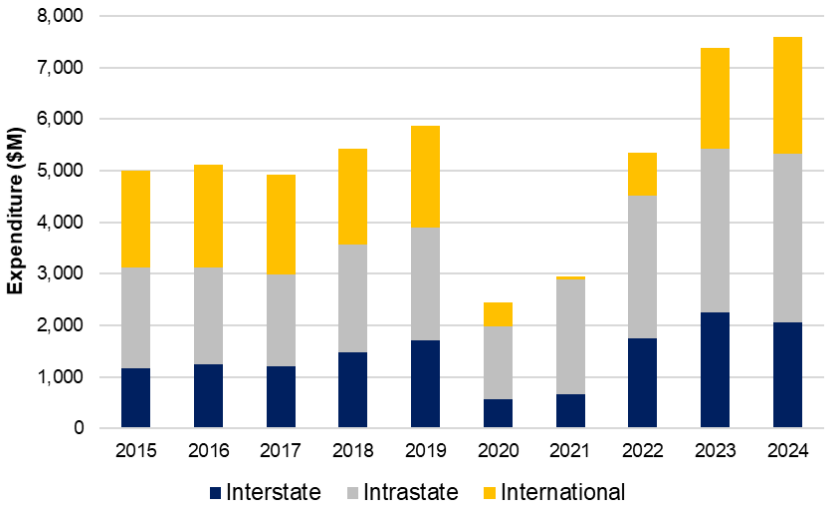


Source: Tourism WA, Tourism Research Australia

- Total visitor nights remained steady at around 35 million between 2015 and 2019, with a consistent mix of interstate, intrastate, and international visitors.

- Visitor nights fell in 2020 and 2021, dropping to less than half of pre-pandemic levels due to border closures and travel restrictions.
- From 2022 onward, total visitor nights increased rapidly, driven by the return of both interstate and international visitors.
- In 2023, all visitor nights had surpassed pre-pandemic levels.
- Overall visitor nights in 2024 reached their highest point in the ten-year period, exceeding 40 million, highlighting destination's strong position in the global market.

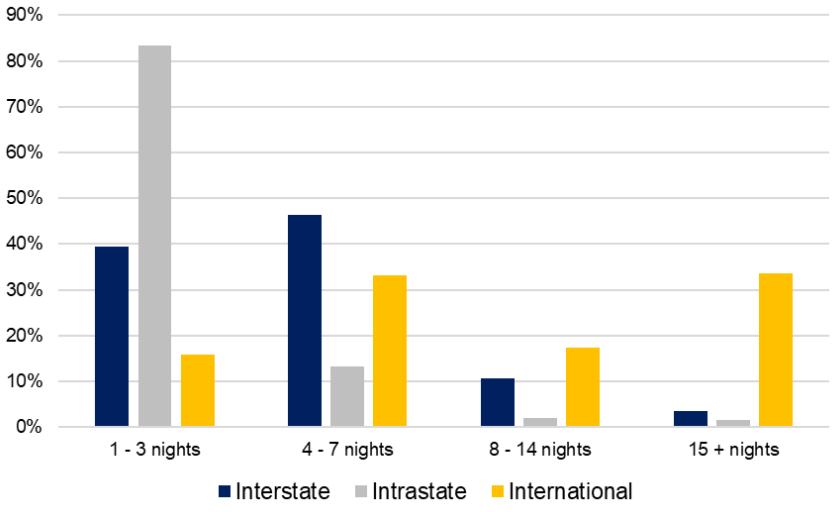
Visitor Expenditure by Origin, Destination Perth, 2015 – 2024



Source: Tourism WA, Tourism Research Australia

- In the period from 2015 to 2019 expenditure remained at the steady level ($5b – $5.9b), with fairly balanced contributions from interstate, intrastate, and international travel.
- Strong recovery began in 2022, driven mainly by intrastate and interstate travel.
- In 2023 and 2024 expenditure demonstrated strong growth on international travel and with all segments increasing.

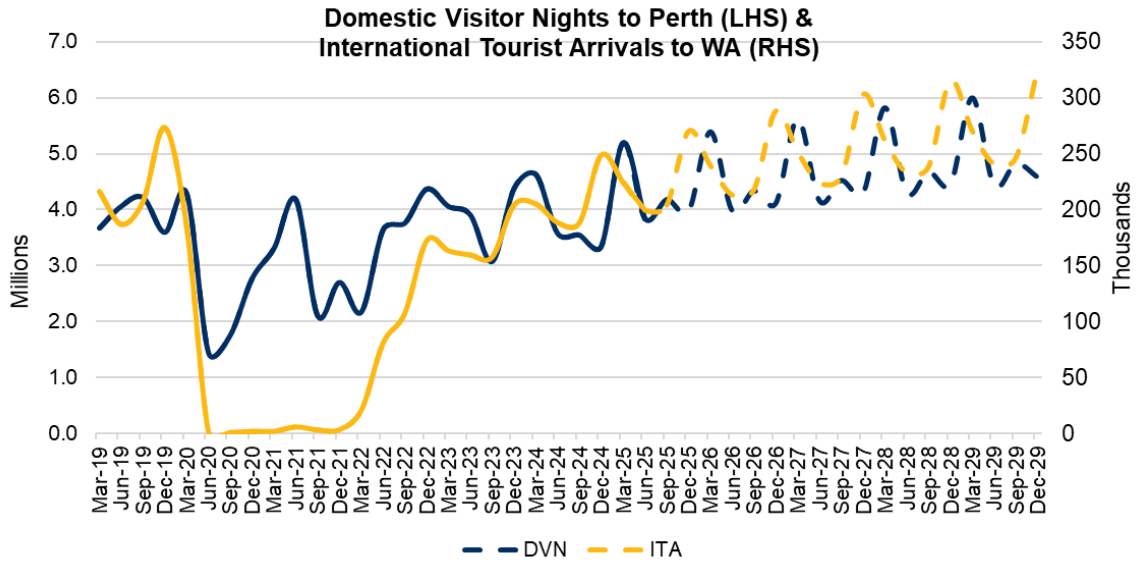
Length of Stay (LOS) by Origin, Destination Perth, 2024



Source: Tourism WA, Tourism Research Australia

- Intrastate travel is dominated by short stays (1 to 3 nights), accounting for most trips in that category (3%).
- Interstate travel is more balanced between 1-3 night-stay at 40% and 4 to 7 nights at 46%, indicating a preference for week-long visits when traveling between states.
- International visitors are more likely to stay longer, with 34% staying 15 or more nights highlighting a tendency for extended trips from overseas travellers and the visiting friends and family (VFR) segment.

Historical and Forecast Visitation to Perth



Source: Tourism Research Australia Dec 2024 Forecasts (Horwath HTL Adjusted) & TRA Visitation Data Mar 2025

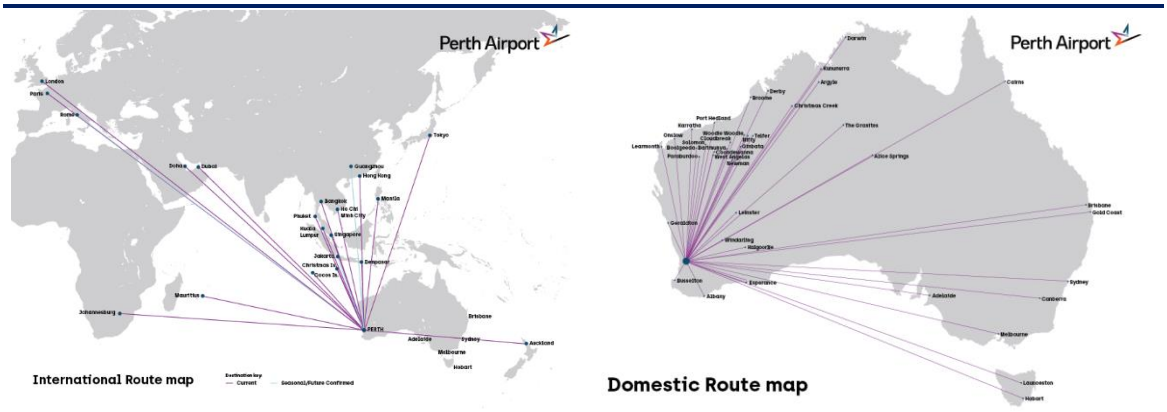
- Projections from 2025 to 2029 suggest continued growth in both domestic and international tourism, with international arrivals reaching around 300,000 by late 2027 and domestic visitor nights steadily growing to 5.5 million. This indicates a robust recovery and optimistic outlook for the tourism sector in Western Australia.

3.6 PERTH AIR ACCESSIBILITY

Aviation access is a fundamental pillar of Western Australia's visitor economy, with most interstate and international travellers arriving through Perth Airport. As a geographically isolated capital, Perth relies heavily on strong and reliable air connectivity to sustain tourism growth, support business travel, and enable access to regional destinations across the State. Perth Airport therefore plays a critical role not only as the primary gateway for leisure and corporate visitors, but also as the essential hub linking WA's regions to global markets. Forthcoming infrastructure investments, including the planned second runway, will significantly influence future capacity, route development opportunities and long-term visitor volume growth. Integrating these aviation forecasts into the demand analysis is essential to understanding Perth's accommodation outlook over the next decade.

Perth Airport is Australia's fourth-largest domestic and international airport, connecting to around 35 Australian airports and about 21 international destinations. The terminal layout currently is divided into two precincts (domestic vs international), which means multiple precincts for airlines; however, the airport expansion includes consolidating domestic and international services into a more unified precinct (Airport Central) for efficiency and clearer passenger flows.

International and Domestic Direct Route Map from Perth



Source: Perth Airport

Perth Airport handled over 16.9 million passengers in 2024 – an uplift of 1.6 million travellers on the previous record of 15.3 million in 2023. The airport reported a 23% surge in international passengers to 4.8 million, accounting for more than half (56%) of the total year-on-year passenger traffic increase. Regional routes continued to perform strongly, increasing by nearly 7% in 2024 (6.2 million), with interstate travel also growing by 6% to 5.9 million passengers.

Perth Airport Passengers Statistics (CY 2023-2024)

	2023	2024	Change %
International	3,920,127	4,807,163	23%
Interstate	5,609,757	5,930,383	6%
Intrastate	5,789,903	6,177,122	7%
	15,319,787	16,914,668	10%

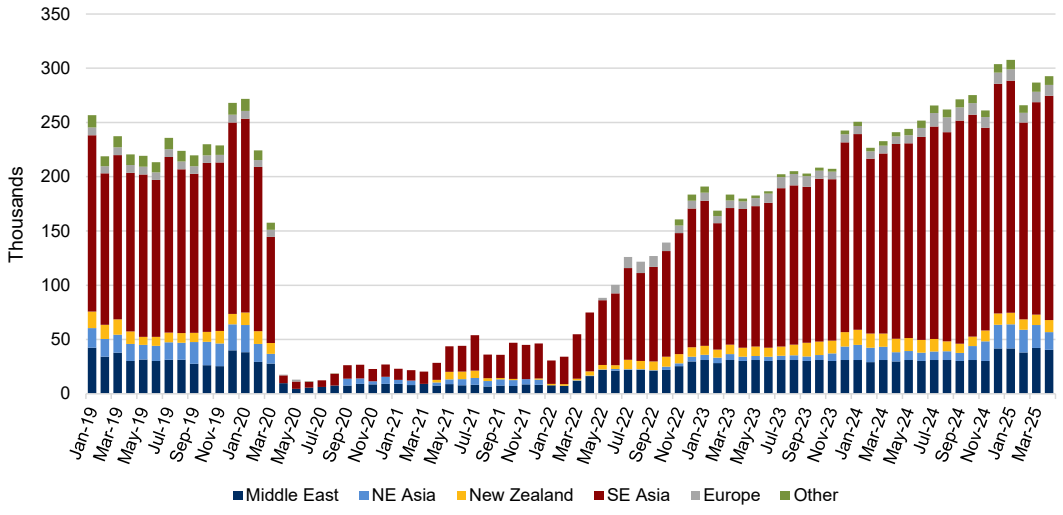
Source: TR Business, Perth Airport

This growth is a reflection of the work that the State Government and Perth Airport have undertaken to increase aviation connections to Perth, including non-stop flights from global destinations such as Bangkok, Ho Chi Minh City, Jakarta, Johannesburg, London, Paris, Rome, Guangzhou and Tokyo. Western Australia also remains the only Australian state or territory with non-stop flights from the United Kingdom (London) and continental Europe (Rome and Paris), reinforcing Perth's reputation as the Western Gateway to Australia.

Perth international inbound seat capacity:

- In 2019, Perth international seat capacity reached 2.77 million. In 2020, this was reduced to about 30% of 2019 volumes and declined further in 2021 to about 16% of 2019 volumes.
- In 2022, international seat capacity into Perth reached 1.21 million, 44% of 2019 volumes. Year ending 2023 seat capacity sat at 85% of the 2019 volumes and this increased considerably to 112% in 2024. YTD April 2025, the latest data available, international seat capacity in Perth reached 125% of 2019 volumes recording a strong year on year growth of 22% over the same period in 2024.
- In 2019, the top 3 source regions for international inbound seats were Southeast Asia (64%), Middle East (14%) and Northeast Asia (8%). Year ending 2024 these three source regions had recovered to 124%, 97% and 65% respectively of 2019 volumes. YTD April 2025 has seen strong growth in seat capacity across all regions, other than from New Zealand, while all top 3 source regions are sitting at above 100% of the 2019 volumes.
- Based on data from OAG, the rolling 12-month inbound international seat capacity into Perth has shown a consistent growth trend over time, indicating a continued positive outlook for growth.

Perth International Inbound Seat Capacity by Region (Monthly Volumes)



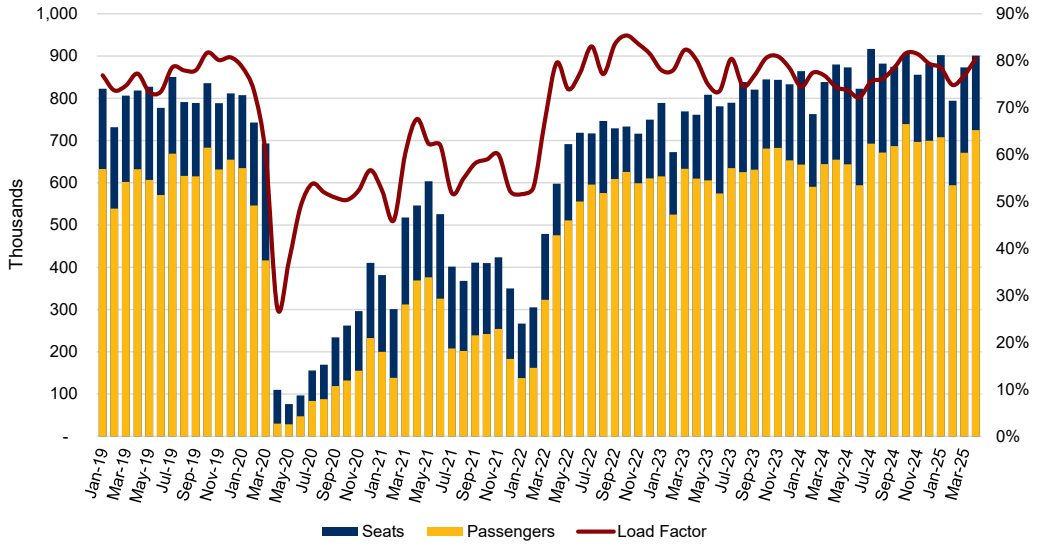
Source: BITRE

Domestic seat capacity and domestic passenger volumes:

- In 2019, domestic seat capacity into Perth reached 9.65 million seats. Domestic passenger arrivals to Perth amounted to 7.45 million resulting in a load factor of 77.2%.

- Domestic seat capacity declined to 42% of 2019 volumes in 2020 before increasing to 54% in 2021 and to 77% in 2022. Year ending 2023, domestic seat capacity into Perth reached 99% of 2019 volumes, and in 2024 seat capacity has improved further representing 107% over the same period in 2019. As of April 2025, the seat capacity has reached 109% of 2019, recording growth YTD April of 3.8%.
- For 2024, domestic passenger arrivals have increased to 107% of the 2019 volumes. YTD April 2025, domestic passenger volumes have recorded growth of 6.5% over the same period in 2024. The load factor for YTD April 2025 has improved to 77.7% compared to 75.7% recorded for the same period in 2024.

Perth Domestic Seat Capacity & Passenger Volumes (Monthly Volumes)



Source: BITRE

Perth Airport is undergoing an expansion (detailed in 3.7.5) and will be able to support substantially more capacity, improved connectivity, better passenger experience and a stronger competitive position nationally and internationally. This expansion will also contribute to visitor growth, regional accessibility and investment attractiveness.

Perth Airport Terminal Expansion Design

Source: Perth Airport Master Plan 2026

Perth Airport's long-term aviation forecasts highlight a sustained period of growth across international and domestic markets, reinforcing the airport's role as the critical gateway for Western Australia. Under the central scenario, total annual passengers are projected to increase from 16.1 million in FY 2024 to 24 million by FY 2036, representing almost 50% increase over the decade. International travel is expected to be the strongest contributor, with annual international passengers forecast to grow from 4.3 million to 8.2 million over the same period, increasing Perth's global connectivity and the proportion of international visitors entering the State. Domestic volumes, including interstate and regional travel, are forecast to grow steadily from 11.7 million to 14.1 million, supported by continued population growth, tourism demand and resource-sector activity.

Passenger Forecast (central scenario for FY 2024 – 2036)

	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2036
International	4,347,000	4,868,000	5,487,000	5,791,000	6,090,000	6,393,000	6,684,000	6,948,000	8,203,000
Interstate	5,744,000	6,469,000	6,889,000	7,195,000	7,510,000	7,798,000	8,072,000	8,349,000	9,765,000
Intrastate	6,019,000	5,430,000	5,524,000	5,601,000	5,657,000	5,714,000	5,772,000	5,829,000	6,123,000
	16,110,000	16,767,000	17,900,000	18,587,000	19,257,000	19,905,000	20,528,000	21,126,000	24,091,000
Annual change		*4.1%*	*6.8%*	*3.8%*	*3.6%*	*3.4%*	*3.1%*	*2.9%*	

Source: Perth Airport

These long-term forecasts, including the planned second runway and terminal redevelopment, indicate that Perth will require significantly expanded aviation capacity to meet future demand. The uplift in international and interstate access expected over the next decade is anticipated to translate into increased accommodation demand, particularly in the Perth Centre area, as higher visitation volumes flow into hotel occupancy and market growth.

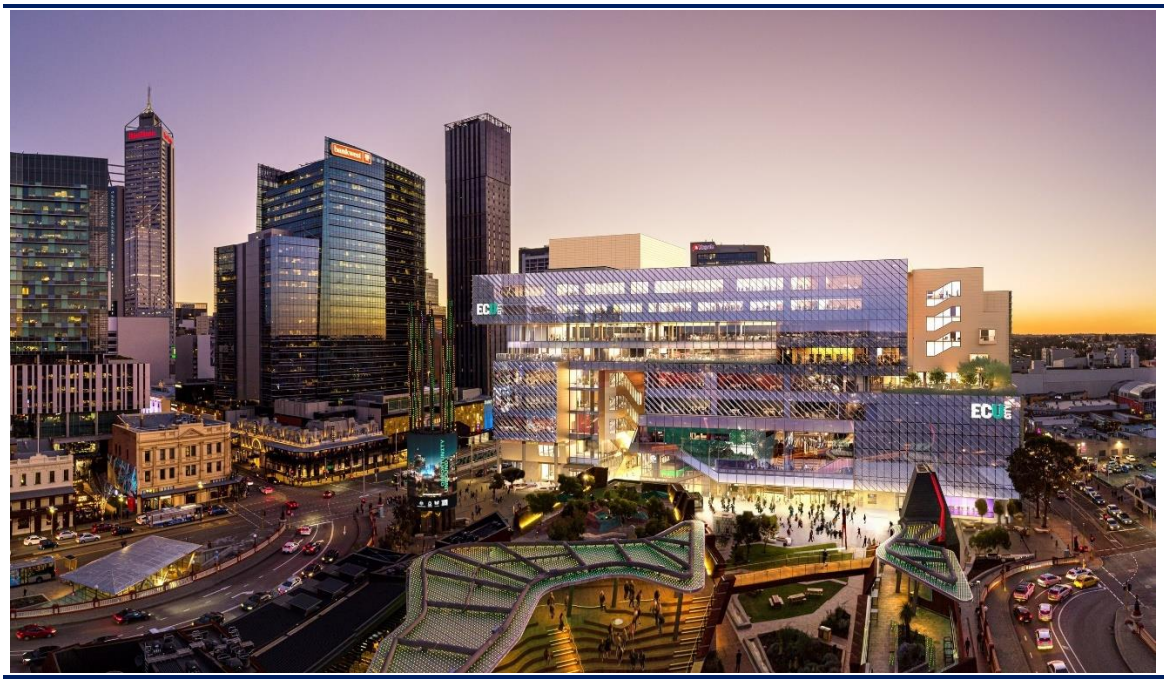
3.7 FUTURE DEVELOPMENTS

There is several development projects planned or under construction that are expected to drive hotel accommodation demand to Perth. The list of key tourism infrastructure projects is detailed in the section below.

3.7.1 Edith Cowan University – City Campus

- The Edith Cowan University City Campus is a transformative development project situated in the centre of Perth's CBD, adjacent to Yagan Square. This initiative is part of the $1.8 billion Perth City Deal.
- The campus will house six performance venues, projected to host over 300 performances annually; 65,000 sqm of university campus across 11 levels and over 8,100 students and 1,100 staff from 2026 (up to 10,000 students and 1,500 staff by 2030).
- The campus is planned to be open for the first semester of 2026.
- The development is expected to invigorate the Perth CBD, attracting students, faculty, and visitors, thereby stimulating local businesses and the economy. This influx of people is designed to increase foot traffic and economic activity, transforming the area with a new, 24/7 community focused on creativity and technology. The campus's integrated public transport access and immersive media architecture are also key features contributing to its impact on the city.
- ECU City Campus will have direct and indirect impact on Perth city hotels. The direct effect will be created through increased visitation and short-term accommodation demand originating from visiting academics and university suppliers and workforce, visiting students' friends and relatives, leisure visitors attending art performances, and pre-study students' visits. Indirectly, the ECU will activate the city centre, improving vibrancy, demand for food and beverage venues, entertainment, connectivity, walkability and accessibility.

The Edith Cowan University City Campus Design

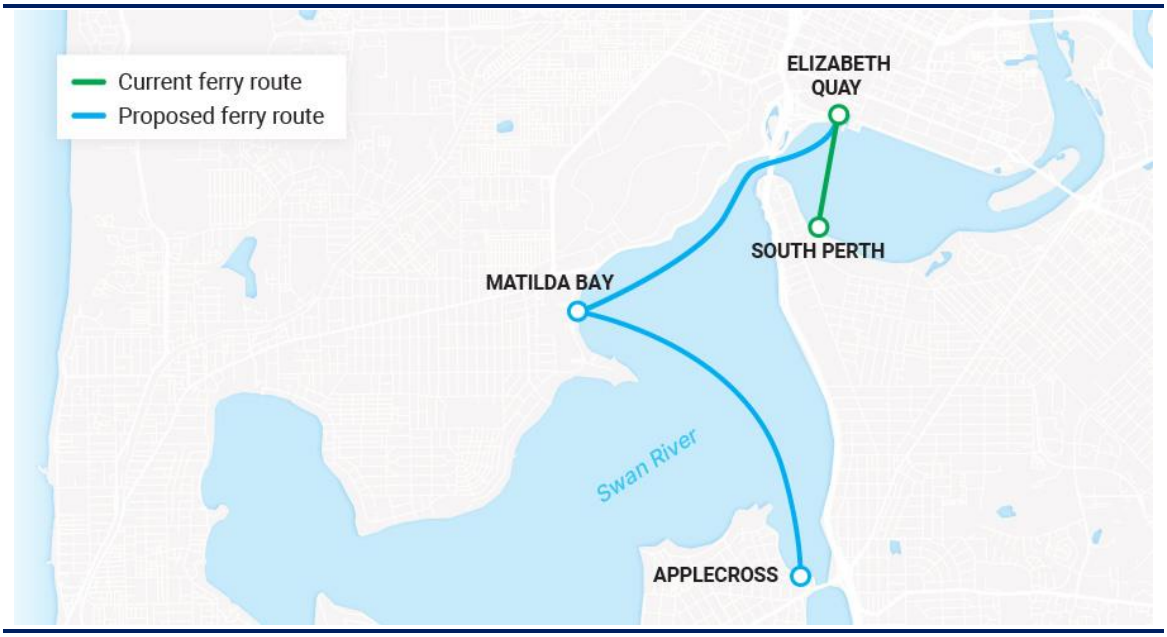


Source: ECU City

3.7.2 Metronet Swan Ferry Service Expansion

- The WA Government is investing $107 million to expand public transport options along the Swan River, helping to shape a more connected and vibrant Perth.
- As part of this expansion, a new ferry route will connect the existing Elizabeth Quay terminal with two new terminals at Matilda Bay and Applecross. Additional routes and terminal locations are being explored, including at Canning Bridge, Point Fraser, Burswood Park, Optus Stadium and Claisebrook Cove.
- This initiative will help to activate the river and riverside precincts, making them more accessible and livelier, while enhancing tourism by offering scenic and enjoyable travel options.

Matilda Bay and Applecross Terminals



Source: Public Transport Authority

3.7.3 Perth Airport Redevelopment

- Perth Airport is undergoing a major $5 billion redevelopment to consolidate all commercial air services into the Airport Central precinct and significantly increase its passenger and operational capacity.
- The redevelopment will increase Perth Airport's capacity by 4.4 million additional seats.
- Key elements of the new terminal infrastructure and associated precinct upgrades are anticipated to reach early activation from 2028, when pre-opening marketing, new precinct amenities and partial infrastructure operation begin to influence passenger flows and traveller experience. The most material shift will occur as Qantas relocates from Terminals 3 and 4 to Airport Central around 2031, completing the full consolidation of commercial air services and bringing the new terminal configuration into full effect.

- This creates a clearly defined ramp-up period (2028–2031) during which aviation capacity, route development and airport-related visitation are expected to accelerate. For hotel developers, operators and government stakeholders, the trajectory provides a reliable planning horizon for aligning refurbishment programs, timing new supply entries and streamlining development approvals. Hotels that open or reposition between 2029 and 2032 will be optimally placed to capture demand stemming from expanded international services, improved transit experience, and the broader uplift in visitation linked to airport capacity growth.
- The redevelopment includes:
  - New terminal will be built in the central precinct, connected to the existing facilities in Terminal 1, and will house both domestic and international flights (scheduled for 2031)
  - Terminal 2 expansion, scheduled for completion in 2026
  - Extended operational hub for Qantas Group operations (to be the second largest in Australia)
  - 240-room Pullman hotel operated by Accor
  - New 3,000-metre runway parallel to the existing main runway, planned for 2028
  - Two multi-storey car parks
  - Road network improvements for better traffic flow

3.7.4 Burswood Perth Entertainment and Sporting Precinct

- The proposed precinct is a major new development planned for Burswood Park, adjacent to Optus Stadium. It aims to create a multi-purpose hub combining community, sport, entertainment, and cultural activities in a single precinct that enhances public amenity, green space, and the events economy in Perth.
- The concept design includes creating a large outdoor amphitheatre with a capacity for 15,000-20,000 people for concerts and large-scale live events; a multi-use track and multi-purpose building to support a wide range of sporting and music events, including cycling, triathlons, running festivals, paralympic racing, community sports and a once-a-year marquee motorsport festival.
- The project's announcement was launched in mid-2024 and the timeline to be developed as a next stage. To support the delivery of the Perth Entertainment and Sporting Precinct the state government will allocate $217.5 million for the construction of the project.
- The new precinct is expected to support Perth's events economy by enabling more live entertainment, motorsport, cultural events, and community sport.

3.7.5 Aboriginal Cultural Centre

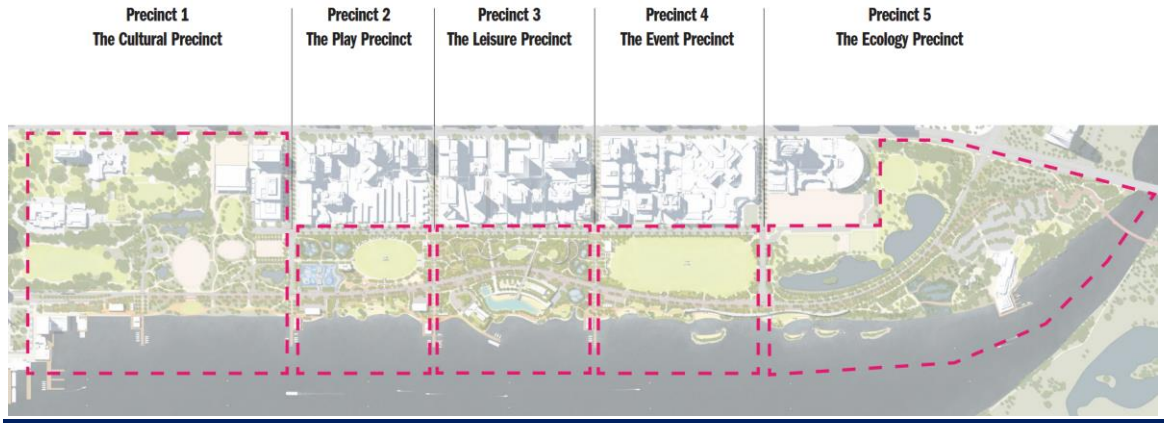
- The centre is a new development planned for Perth on the traditional lands of the Whadjuk Noongar people that aims to create a major cultural hub recognising, celebrating and sharing the diverse Aboriginal cultures and history of Western Australia.
- The functions envisioned include art, performance, education, research, community and commercial activities. The centre is to provide spaces for exhibitions, storytelling, dance, song, language and culture.
- The site for the centre is located in Perth, overlooking the Derbarl Yerrigan (Swan River).

- As for funding and timeline, a joint funding commitment of about A$104 million (from the State and Commonwealth governments) is in place to progress planning and design. The project is currently in the “birth phase” (Kambarang) of a cultural framework aligned with the Noongar six seasons.

3.7.6 Riverfront Masterplan

- The Riverfront Masterplan is a proposed large-scale project by the City of Perth to transform its 2.2-kilometer stretch of the Swan River foreshore into a world-class city park. Key elements include re-aligning Riverside Drive to create a larger parkland with a lagoon, beaches, and walking trails; incorporating cultural, play, and event precincts; and increasing biodiversity by planting thousands of native trees.
- The masterplan is The City of Perth long-term vision that can only be realised in partnership with the State government and other stakeholders. Further detailed investigations, technical studies, design and approvals are required before timeline will be approved.
- The aim of the redevelopment is to improve the connectivity to the CBD and attract tourists and locals alike, boosting the local economy through increased visitation and associated activities.

Swan River – Riverfront Masterplan Precincts Design



Source: Riverfront Masterplan by Hassel

4. HOTEL MARKET DEMAND ANALYSIS

In assessing the opportunity for accommodation, Horwath HTL had analysed information from STR reports, research prepared by Tourism Research Australia, Tourism WA and Destination Perth. Additionally, consultations with tourism stakeholders and hotel operators were undertaken to understand the demand trends for the Perth Centre as defined in this study and considered to define market demand segmentation.

4.1 CORPORATE DEMAND

Corporate demand refers to hotel stays generated by business travellers associated with commercial, industrial, and professional activity. This includes employees, executives, consultants, and contractors travelling for meetings, client servicing, project delivery, training, and short-term assignments.

4.1.1 Corporate Demand Generators

Perth City Precinct

Corporate accommodation demand in the Perth City is predominantly underpinned by Perth's status as the administrative and commercial capital of Western Australia and the operational hub for the resources, energy, and professional services sectors. The CBD houses regional and national offices of major resource and engineering companies including BHP, Woodside Energy, Chevron Australia, Rio Tinto, Fortescue Ltd, Shell Energy, Roy Hill, and South32, all of which drive sustained transient demand linked to project management, exploration, procurement, and engineering activity.

Complementing the resources sector, the Perth CBD accommodates a strong professional and financial services, alongside major construction and engineering consultancies. These companies generate high volumes of short-stay business travel, typically midweek, for meetings, client servicing, and project coordination. Technology and telecommunications firms, as well as legal, accounting, and consulting offices, provide additional layers of weekday demand, while conglomerates such as Wesfarmers and Bankwest contribute executive and intra-office travel.

This corporate base remains highly resilient, driven by the resources investment cycle and ongoing infrastructure development, providing Perth's hotels with stable midweek occupancy and underpinning the city's rate performance. The concentration of corporate offices in central Perth, particularly in the St Georges Terrace corridor, drives consistent weekday demand for short-stay business travel, meetings, and training programs. This demand is heavily resource-sector dependent, with much of it tied to project work, procurement, and regulatory activity.

Examples of Companies in Perth CBD

Corporate Demand Generators - Examples in Perth CBD	
Accenture	Consulting
Allied Green Ammonia Pty Ltd	Chemical
AngloGold Ashanti	Mining
Australian Mines - Perth Office	Mining
Bain & Company	Consulting
Bankwest Place	Finance
BHP	Mining
Boston Consulting Group	Consulting
BP	Energy
Calibre Global	Consulting
Capgemini	IT
Chevron Australia	Energy
CITIC Pacific Mining	Mining
Clough	Engineering
CorePlan	IT
Darlot Mining Company Pty Ltd	Mining
DPS Accounting Perth	Consulting
EACON Mining Technology	IT
ENI	Energy
EY	Consulting
Fluor Australia	Construction
Fortescue Ltd headquarter	Mining
Glencore	Resources
Gold Fields Australia	Mining
Grant Thornton Australia	Consulting
Hatch	Engineering
Hatchet	IT
HBF Head Office	Finance
IGO (Independence Group)	Mining
Iluka Resources	Resources
INPEX	Energy
Kearney	Consulting
KMG Mining Pty Ltd	Mining
KPMG	Consulting
Kuwait Petroleum Corporation	Energy
Lendlease	Construction
Magotteaux	Resources
McKinsey & Company	Consulting
Microsoft - Corporate Sales Office	IT
Mineral Resources	Mining
Mount Gibson Iron	Resources
Nexia Australia - Perth Office	Consulting
Northern Star Resources	Resources
OBP	Consulting
Optus Head Office	Telecommunication
Paladin Energy Ltd	Resources
Perdaman	Chemical
Pilbara Minerals	Mining
PricewaterhouseCoopers (PwC)	Consulting
PTTEP Australasia	Chemical
Ramelius Resources	Mining
Rio Tinto	Mining
SAP Australia	IT
Seygens	IT
Shell Energy	Energy
South32	Mining
Telstra Business Technology Centre	Telecommunication
The Business Centre of WA	Finance
UGL Resources	Consulting
Unearthed	IT
Vale	Mining
Veritas Group	Engineering
Warrikal	Mining
Wesfarmers Ltd	Retail
Westgold Resources	Mining
Westgold Resources Limited	Mining
Woodside Energy	Energy
WorleyParsons	Consulting

Source: Horwath HTL

Perth Airport Corridor Precinct

The Perth Airport and surrounding Airport Corridor Precinct including Belmont, Cloverdale, Kewdale, Rivervale, and Redcliffe, represent one of the most active and economically diverse employment zones in the metropolitan area. Together, these precincts form logistics, aviation, warehousing, and light industrial network, providing operational support to both the resources and transportation sectors that underpin Western Australia's economy. Perth Airport functions as the state's primary aviation and resources transit hub, facilitating the majority of Western Australia's fly-in/fly-out (FIFO) workforce.

The surrounding Airport Corridor is home to a significant cluster of logistics, freight, and warehousing companies, including DHL Express, Linfox Logistics, Toll Express, DB Schenker, Rohlig Logistics, SCT Logistics, and GEODIS Australia. These operators manage the import and export flows that connect Western Australia's mining, energy, and agricultural industries to global supply chains. The precinct also includes major warehousing tenants such as National Storage Perth Airport, The Reject Shop Distribution Centre, Officeworks Supply Chain, and Coles Distribution Centre, supporting a large workforce of transport and warehouse professionals, delivery contractors, and supplier representatives.

Expanding industrial activity within Belmont, Kewdale, and Redcliffe underpins additional accommodation demand from the manufacturing, engineering, IT and equipment servicing sectors. Companies such as Epiroc, Weir Minerals, WesTrac Perth, Hare & Forbes Machineryhouse, Precision Mining Camps, and Rockwell Automation Australia reflect the strong mechanical and fabrication base supporting mining and construction projects statewide. There is also range of training and certification facilities that attract steady visitation.

Examples of Companies in Perth Airport and Perth Airport Corridor Precinct

Corporate Demand Generators Examples in Perth Airport	
Perth Airport Corporate Office	Aviation
Adaptalift GSE	Supplier
ıirservices	Aviation
Avwest	Aviation
Barminco	Mining
BlueScope WA Service Centre	Supplier
Boart Longyear	Supplier
Border Express	Logistics
Bruce Avery Transport	Transportation
Byrnecut Mining	Mining
Capital Transport Services	Transportation
Carlton and United Breweries	Distribution
CBH Group Metro Grain Centre	Agriculture
Centurion Head Office	Logistics
Coles Distribution Centre	Distribution
Comet Transport	Transportation
Cooper Fluid Systems	Supplier
Cummins Sales and Service	Logistics
DB Schenker	Logistics
DHL Express Service Point	Distribution
Direct Couriers Perth	Distribution
dnata Freight	Transportation
Driver Risk Management	Training
Epiroc	Supplier
FlexiParts & Mining Services	Supplier
Foodbank Western Australia	Distribution
Fuchs lubricants	Warehouse
GEODIS Australia Pty Ltd	Transportation
Globaltech Corporation	Supplier
Hare & Forbes Machineryhouse	Supplier
Hellmann Worldwide Logistics	Logistics
Independent Aviation	Aviation
Intermodal Link Services	Transportation
JAS Forwarding Worldwide	Transportation
Liebherr-Australia - Perth Branch	Supplier
Linfox	Logistics
Macmahon	Mining
⁄lader Group (Head Office)	Supplier
Maroomba Airlines	Aviation
Maxem Aviation	Aviation
Menzies Aviation	Logistics
MRL Distribution Centre	Warehouse
National Storage Perth Airport	Warehouse
Officeworks Supply Chain	Warehouse
Olex	Supplier
Pacific Energy Renewables	Supplier
›earl Flight Centre (Perth)	Aviation
PEP Transport	Distribution
Perth Mail Centre	Distribution
Perth Mint Refinery	Mining
Primary Connect Distribution Centre	Warehouse
Progress Rail	Supplier
Qantas Freight International Terminal	Logistics
Railtrain Holdings Group	Supplier
Revesco Aviation	Aviation
RIMEX Wheel	Supplier
Rio Tinto Operations Centre	Mining
Rohlig	Logistics
Roy Hill	Mining
SCF Shipping Containers Perth	Supplier
Schlumberger Newburn	Resources
SCT Logistics	Logistics
SGS Australia - Perth Airport	Resources
SL Sullivan Logistics	Logistics
SMB Australia Car Transport	Supplier
Speno Rail maintenance	Supplier
Star Track	Logistics
Sulzer	Engineering
Super Retail Group	Warehouse
Swick Mining Services	Supplier
The Reject Shop Distribution Centre	Warehouse
Toll Express	Distribution
Toshiba International Corporation	Warehouse
TSS Sensitive Freight	Transportation
Weir Minerals	Engineering
WesTrac Perth	Supplier
Wirtgen Australia	Supplier

Corporate Demand Generators Examples in Perth Airport Corridor	
3M	Distribution
ABC Distributors WA	Supplier
Abit Systems	IT
Adra Group	Consulting
Aglime of Australia	Mining
AirLink Ground Transport	Transportation
All Controls	Supplier
Allmotive Solutions	Mining
Aluminium Partition Supplies	Supplier
ATP Solutions	Consulting
Aurora Minerals Limited	Energy
AusTop	Supplier
Axis Mineral Services	Mining
Balticore Transport & Removals	Transportation
BDM	Construction
Breight Group	Mining
Bunnings Support Office WA	Distribution
CCS Transport WA	Transportation
Centrals	Mining
Core Civil Mining services	Mining
Decipha	Distribution
Desert Mines and Metals	Mining
Dimeo Head Office	Cleaning
Elektro headquarters	Scooter dealer
Farmanco Head Office	Consulting
Flowerpack Apack WA	Wholesaler
Fortescue Engineering Centre	Mining
Gascoyne Mining	Mining
GenusPlus Group	Construction
Hitachi	IT
Honeywell	IT
Impact ES	Mining
Indigenous	Mining
Innovation Furniture Warehouse	Warehouse
Insig Mining Technologies	Mining
ISS Warehouse	Warehouse
Karridale Group	Mining
Kennards Hire Belmont	Supplier
KONE - Perth	Manufacturer
Mako Mining Warehouse	Mining
Marken Time Critical Express	Logisitcs
Millennium Minerals Limited	Mining
Mineral Commodities Limited (MRC)	Mining
Mining Compliance Inspection Services	Mining
Mondelez International	Distribution
NRW Civil & Mining	Mining
OCS Group	Cleaning
Olympus Australia	IT
Oresome Products	Drilling supplier
Paradigm Engineers	Consulting
Perth Powder Coaters	Supplier
PerthExpo	Supplier
Plummers Industries	Manufacturer
Precision Mining Camps	Mining
Rinnai Australia WA	Supplier
Rio Tinto Exploration	Mining
RIPE Inflatable Packers	Supplier
Rockwell Automation Australia	Manufacturer
Saferight	Training Centre
Sasak Pottery	Manufacturer
SDN Medical	Supplier
Shawtec	Wholesaler
Shelter Station	Manufacturer
Siemens Mobility	Consulting
Simplex Fire Products	Supplier
St John WA - Head Office	Health
Stone Resources Australia	Mining
Tandem Corp	Consulting
Tangibility Warehouse	Warehouse
The Goods	Supplier
WA Mine World	Mining
Waides Welding and Fabrication	Manufacturer
Westindo Group	Consulting
Wine Ark - Belmont	Warehouse
Yokogawa Australia	Supplier
Zarif Distributors	Distribution
ZONE Communications	Telecommunication

Source: Horwath HTL

4.1.2 Corporate Demand Characteristics

The corporate and business travel segment represents a core pillar of hotel demand within the Perth Centre, underpinning midweek occupancy and rate performance across much of the city's accommodation market. This segment is largely driven by short-stay travellers associated with the professional services, resources, and government sectors. Following the pandemic-related downturn, business travel has shown a steady recovery, supported by the return of office activity, increased inter-state connectivity, and a resurgence of in-person client/stakeholder engagement.

- Perth Centre benefits significantly as the key location in Perth for executive and senior management visiting the head office base in city locations.
- The Crown Perth complex in Burswood can balance corporate and MICE demand with leisure visitation across three brands providing a balanced performance throughout the year, achieving sustainable high occupancy and premium rates.
- Perth Airport Corridor precinct with convenient highway access is an important consideration for the guests working in the resources sector, such as FIFO (Fly-in Fly-out) workers and suppliers. This is a key demand segment in this area for corporate stays and leisure demand options between working shifts.

Understanding the characteristics, needs, and behavioural patterns of this market is essential to assessing future demand potential and identifying opportunities for product positioning and service enhancement within the city's hotel supply.

- Corporate guests seek proximity to city centre offices, Perth Convention and Exhibition Centre, and resource companies in Perth, with efficient check-in/check-out processes, high-speed Wi-Fi and reliable meeting facilities. Business guests want rooms and hotel spaces that work for productivity (desks, power outlets/USB ports, good lighting). Overall, business travellers expect easy access, connectivity and minimal friction.
- Preference for consistent product and service standards is an expectation across branded hotels and rate stability (even if higher), with bundled inclusions like breakfast and parking are valued by this market. The challenge with servicing the corporate market is their expectation of resilience in service quality despite staffing shortages.
- Hotel stays are from intra- and interstate workers attending to support the resource sector in executive/senior management, maintenance and continued production of the construction industry. Executives favour Upper-Upscale hotels, whereas workers at mid- to senior-level management favour upscale hotels, whilst trade workers share apartment accommodation or midscale quality properties.
- Travel mid-week (Tuesday to Thursday) attracts the highest occupancy rates (90–100%), with a mix of contracted and dynamic corporate accounts with some flexibility but rate-sensitive at procurement level. Demand is generally declining significantly on Friday, Saturday and on Sunday nights.
- Corporate average length of stay ranges minimally from 3-4 nights and up to 8 nights. There is similar long-stay demand.
- The FIFO market values flexible check-in/check-out, long-term parking, and access to dining and entertainment during short stays in Perth.
- Corporate travellers are less influenced by seasonality; business continues year-round based on the resilience of the resource sector.

- Other corporate demand relates to professional services and insurance companies outside of the resource sector.
- Preference is for single accommodation in queen-sized and king-sized beds, with ensuite facilities.
- “Bleisure” (business + leisure) trend is growing with many business travellers extend stays to include leisure, especially in destinations with attractive lifestyle amenities. The “bleisure” aspect suggests there is value in offering amenities or packages that allow business travellers to extend stays or enjoy off-hours time (for example good hotel restaurants, leisure facilities).
- Many travellers still research outside corporate online booking tools and booking channels vary, which creates challenges around capturing the right information about the corporate segment. Hotel and travel loyalty programmes remain important influencing booking decisions.

4.2 MICE DEMAND

MICE demand refers to Meetings, Incentives, Conferences, and Exhibitions and encompasses travel associated with organised business events and professional gatherings. This segment includes both day-delegate and residential conferences, trade shows, exhibitions, corporate incentives, and large-scale social, association or public events.

4.2.1 MICE Demand Generators

The Perth Convention and Exhibition Centre (PCEC) is the primary MICE venue, hosting major conventions, trade shows, exhibitions, and corporate meetings. The venue remains near full utilisation, although limited exhibition space constrains Perth's capacity to attract large international congresses.

According to Business Events Perth, in FY2024/25 approximately 350 confirmed national and international business events were secured through to 2030, equating to 93,500 delegates and generating an estimated 293,000 hotel room nights and $361 million in direct delegate expenditure. This highlights the importance of the events sector in driving compression across the city's accommodation inventory.

Complementary MICE infrastructure across the Perth City includes major hotel venues such as the Pan Pacific Perth, Hyatt Regency Perth, Duxton Hotel, The Ritz-Carlton Perth, QT Perth, InterContinental Perth City Centre, and Parmelia Hilton, all offering ballroom and meeting facilities for residential conferences and corporate events. Perth's entertainment and event venues, including RAC Arena and high-end restaurants such as Wildflower, Hearth, and Fleur at The Royal, further support corporate entertaining, gala dinners, and incentive functions.

Beyond the CBD, the Crown Perth complex and Optus Stadium in Burswood serve as major alternative MICE and public event venues, attracting large-scale conventions, banquets, and entertainment-led visitation. Collectively, these venues strengthen Perth's position as a regional hub for business events and leisure-entertainment crossover travel.

- Perth's MICE demand is strongly anchored by the Perth Convention and Exhibition Centre, which remains the state's principal business events venue and the centre of delegate-based accommodation demand in the Perth Centre. Surrounding city centre hotels, particularly Adina Apartment Hotel Perth, Parmelia Hilton, Quay Perth, Pan Pacific, and DoubleTree, are direct beneficiaries, often experiencing full occupancy during major conference periods. Complementing this is RAC Arena, a large-scale sporting and entertainment venue that drives substantial public-event-related visitation, often filling hotels on weekends and stimulating rate premiums.
- The Crown Perth complex in Burswood serves as a parallel MICE precinct, offering extensive ballroom and banqueting facilities and attracting major conferences, conventions, and social events. The precinct provides an integrated high-end product appealing to corporate, incentive, and entertainment markets and represents the city's biggest hotel venue capable of hosting events of significant international scale.
- At a smaller scale, the Perth Airport precinct supports meetings, training programs, and industry workshops connected to the aviation and resources sectors. This demand is typically budget-conscious and short-stay in nature, catering for smaller corporate groups requiring convenience and proximity to air connections.

MICE Demand Generators in the Perth Centre

MICE Demand Generators	Location
Perth Convention & Exhibition Centre	Perth CBD
RAC Arena	Perth CBD
Optus Stadium	Burswood
HBF Park	East Perth
Crown Resorts complex	Burswood
Pan Pacific Perth	East Perth
Duxton Hotel Perth	Perth CBD
The Ritz-Carlton Perth	Perth CBD
InterContinental Perth City Centre	Perth CBD
QT Perth	Perth CBD
Parmelia Hilton Perth	Perth CBD
Hatted or high end restaurants (i.e. Wildflower, Hearth restaurant, Fleur at the Royal)	Perth CBD

Source: Horwath HTL

4.2.2 Events

Public events, including concerts, festivals, cultural celebrations and major sporting fixtures, are an increasingly powerful generator of accommodation demand within the Perth Centre and surrounding precincts. These events attract large volumes of interstate and intrastate visitors and create significant compression across the hotel market, particularly on weekends and during traditionally soft leisure periods.

- According to Tourism Western Australia's 2023 "A Vision for Dream Events Strategy", the State's ambition is for Perth and Western Australia to become the fastest-growing events destination in the South-East Asia region, supported by an expanded year-round calendar of "bookable blockbuster" events across sport, entertainment, culture and culinary experiences.
- Tourism WA's investment in major event acquisition has already demonstrated strong economic outcomes, with FY2022/23 events delivering over 770,000 bed nights and $181 million in total economic impact, achieving an average ROI of $5 for every $1 invested.
- Perth's premier event venues, including Optus Stadium, RAC Arena, HBF Park, Elizabeth Quay, and Langley Park, serve as major anchors for this segment. Exclusive international concerts such as Coldplay (2023) and the English Premier League Series (Tottenham Hotspur vs West Ham United), alongside recurring fixtures like AFL matches, The Ashes, Rugby Sevens, and the Perth Festival and Fringe World, draw tens of thousands of visitors to the city, filling hotels across both the CBD and Burswood precincts.
- The City of Perth 2025 Events Strategy reinforces this direction by positioning Perth as "the events heart of Western Australia." The strategy prioritises a year-round calendar that reflects the city's unique cultural identity and leverages key public spaces to host accessible community activations alongside large-scale headline events. The City's emphasis on collaboration, reduced red tape and proactive facilitation aims to make Perth one of Australia's most event-friendly destinations, ensuring continued growth in both community and visitor attendance.

These strategies demonstrate coordinated effort to grow Perth's reputation as a dynamic events destination. The ongoing expansion of the city's cultural and sporting calendar is expected to deliver substantial tourism benefits, such as extending visitor length of stay, activating public precincts, and strengthening weekend and shoulder-season hotel performance.

4.2.3 MICE Demand Characteristics

Corporate MICE events primarily stimulate demand during weekdays when leisure visitation is typically lower, while large-scale public events, such as music and sporting events, generate strong weekend and shoulder-period demand. As a result, MICE activity helps smooth seasonality and strengthen both occupancy and yield performance for hotels across the Perth metropolitan area.

Event Venues

Characteristics of the MICE sector, needs of organisers and attendees, and behavioural patterns of this market is helping to assess future potential demand for accommodation supply additions.

- Perth's MICE market has matured, supported by targeted destination marketing that positions Perth as both a business and leisure destination. The "business + leisure" appeal with delegates extending stays for leisure or returning with family, is increasingly evident. However, it is crucial to keep maintaining investment in the city's event infrastructure and activation to remain competitive against competitors in Australia, New Zealand and Asia.
- Typical source markets for corporate business events include domestic companies travelling within WA and from other intrastate city metropolitan areas and business hubs. Events from international markets are still a minority.
- Typical MICE groups in Perth range from 10–35 delegates for small corporate and training events, to 60–75 delegates for larger educational or professional workshops, with major conferences attracting several hundred delegates and occasional citywide events exceeding 2,000–3,000 attendees. Average delegate length of stay ranges between one and three nights, though incentive groups often extend their visit for leisure or regional touring.
- Tourism stakeholder consultation indicated praise for the pipeline of public events but emphasised they are mostly onetime and irregular. The consistent, identity-building events to smooth seasonality were highlighted as fundamental to achieve the sustainable occupancy during the year.
- There is also evidence of lead-time and collaboration issues as hotel operators often learn of marquee events late indicating a more structured collaboration is required to efficiently provide for this market.

Organisers and delegates emphasise several consistent requirements:

- Proximity to key venues (Perth Convention and Exhibition Centre, Crown Perth complex, RAC Arena) and ease of transport between accommodation, dining, and entertainment areas.
- High-quality, large-format meeting and banquet facilities with reliable audiovisual technology, strong Wi-Fi, and professional event management.
- Competitive and flexible accommodation packages across hotel classes to cater to varying delegate budgets.
- Activation of the surrounding precinct, including nearby restaurants, bars, and experiential attractions to enhance the delegate experience.
- Improvement in streetscape, street safety, connectivity between activated areas, and walkability.

- Longer lead times and clearer communication between event organisers and accommodation providers to coordinate room blocks, pricing, and logistics efficiently. Several hoteliers observed that event notifications are often received late, limiting their ability to allocate room inventory and maximise yields. More structured collaboration between Business Events Perth, Perth Convention and Exhibition Centre, Tourism WA and the hotel community was identified as essential to strengthen event planning and accommodation coordination.

MICE Hotels

Hotels that are well-positioned to capture MICE demand have specific facilities that are dedicated to meeting and event requirements. Properties including:

- Crown Perth complex, providing the largest MICE facilities, regularly capture significant social events due to their ballroom scale with few competitors able to accommodate for this demand within the Perth Centre.
- Pan Pacific (largest CBD convention hotel after Crown Perth complex) has 2,500 sqm of meeting space; average residential conferences are 250 – 300 delegates and have returned strongly to 2019 levels.
- There is limited large-format event capacity within the hotel sector beyond the Crown Perth complex and the Pan Pacific Hotel, generally the Perth market lacks the ability to attract significant larger scale conferences and social events beyond these venues – suggesting limited competition at scale.

Impact of MICE segment activities on transient accommodation properties in the Perth Centre:

- Hotels in Perth, particularly closest to the venue, fill rapidly for events in Perth Convention and Exhibition Centre, RAC Arena, and Optus Stadium such as concerts and sport activations; Perth exhibits pronounced price elasticity on those nights (occupancy already high; rate surges).
- Citywide spillover occurs into other surrounding precincts with events at mentioned venues on weekends that might otherwise show corporate softness are buoyed by event activity, while high midweek occupancy ensures sustained rate performance.
- MICE segment diversifies accommodation demand ranging from luxury stays for executive teams, attendees staying in Upscale and Upper-Upscale hotels, to event organisers and suppliers requiring budget-oriented and serviced apartment-type of accommodation.
- Sports team allocations and supporter demand flows to a broad set of hotels both surrounding Optus Stadium, CBD hotels and further as required to suit the travellers budget. Evidence of shoulder demand around the event that can add to room nights demand.

MICE Segment Challenges

Stakeholders consistently identified the need for the redevelopment of the Perth Convention and Exhibition Centre. While the current facility continues to function effectively and supports strong utilisation during peak periods, industry participants observed that its ageing infrastructure and limited contiguous exhibition space may eventually constrain Perth's ability to attract larger or more complex national and international events. The need for redevelopment is therefore recognised as a future priority, rather than an immediate barrier to market performance. Equally, there is concern over the absence of signature, repeatable city events, especially in winter, that could sustain visitation and hotel occupancy during shoulder seasons. Industry participants called for a curated annual calendar of high-profile, identity-building events unique to Perth to enhance the city's year-round appeal.

4.3 LEISURE DEMAND

Leisure demand in the Perth Centre is shaped by a combination of local population-driven visitation, destination appeal, and event-led activity. The city's leisure market draws from three primary sources: local staycations, visiting friends and relatives (VFR), and domestic and international holiday travellers using Perth as either a short-break destination or a gateway to Western Australia's regional attractions.

4.3.1 Leisure Demand Generators

Perth's growing metropolitan population underpins a VFR (Visiting Friends and Relatives) market, generating year-round leisure visitation. Families and friends visiting residents in the city or surrounding suburbs use CBD and fringe hotels for short overnight stays, especially during holiday periods, university semesters, and major events.

Perth's positioning as a leisure destination is closely linked to its natural environment, Mediterranean climate, and proximity to world-class outdoor attractions. The city benefits from strong imagery built around beaches, oceanfront recreation, the Swan Valley, and expansive parklands, appealing to both domestic and inbound travellers seeking relaxation and nature-based experiences. While the Perth Centre is not a traditional resort destination, it functions as a gateway to Western Australia's regional icons, including Margaret River, Exmouth and Ningaloo Reef, Broome, and Karijini National Park, and serves as a convenient stopover for travellers combining city experiences with regional exploration.

For short-break and stopover visitors, the Perth Centre offers a growing range of lifestyle-oriented accommodation, dining, and cultural experiences, supported by new urban precincts such as Elizabeth Quay, Yagan Square, and the Perth Cultural Centre. Riverfront and rooftop venues, boutique hotels, and new culinary offerings have enhanced Perth's appeal to leisure travellers, especially couples and small groups seeking premium yet relaxed city escapes.

Local and intrastate travellers are a major source of weekend and holiday demand through city staycations, driven by Perth residents seeking short leisure breaks without air travel. This market has strengthened post-pandemic as consumers prioritise convenience, wellness, and experiential escapes. The Crown Perth complex remains the leading driver of this segment, functioning as a self-contained urban resort combining luxury accommodation, fine dining, casino entertainment, spa and wellness facilities, and access to major events at Optus Stadium.

4.3.2 Leisure Demand Characteristics

While the corporate segment remains dominant midweek, leisure travellers fill critical weekend and shoulder-period demand, smoothing occupancy fluctuations and supporting rate resilience across market cycles. The pattern is evidenced in the occupancy performance across all hotel classes – in 2024, Saturday was second or third busiest day during the week.

- Leisure visitation to Perth is primarily domestically driven, with intrastate travellers from within Western Australia comprising most demand. According to stakeholder interviews, domestic visitors represent majority of leisure room nights, with the remainder attributed to interstate and international visitors.

- The limited share of interstate demand is largely constrained by airfare costs, which remain a key barrier to discretionary travel from the East Coast, as leisure demand is highly price sensitive. International leisure demand, estimated at around 10% of total visitation, is primarily short-stay and concentrated in Asian markets (notably Singapore, Malaysia, and Indonesia). Recent opening of direct air links to Southeast Asia has supported weekend leisure trips and school-holiday travel, but the overall international leisure segment remains small compared to domestic volumes.
- Typical leisure stays in Perth average 1 to 2 nights, with the city often serving as a gateway stopover to regional destinations such as Margaret River, the Coral Coast, or Broome. Short breaks, visiting friends and relatives (VFR), and event-based stays dominate the leisure profile. Local and intrastate staycations, especially among families and couples, play an increasingly important role in offsetting seasonal softness during the low corporate period and in stimulating weekend occupancy.
- Leisure-driven demand peaks in December and January, reflecting the summer holiday period and school breaks, with additional uplift during major event months. The Crown Perth complex maintains a relatively balanced performance throughout the year due to their diversified entertainment and F&B offerings, while CBD hotels continue to rely on event-driven spikes and staycation campaigns to maintain weekend occupancy.

Leisure demand is unevenly distributed across Perth's accommodation precincts:

- The Crown Perth complex and the Burswood Precinct represent the strongest leisure anchor in the metropolitan area, functioning as a destination within the city. The integrated resort combines casino, a wide range of F&B outlets, theatre productions, and proximity to Optus Stadium, drawing both "Luxe Culture" and "City Social" travellers as defined in Tourism WA's segmentation framework (2023). The variety of hotel products within the Crown portfolio, from premium to Upper-Upscale, enables appeal across diverse budgets and occasions, from high-end weekend escapes to family entertainment getaways.
- Perth Centre hotels benefit from proximity to RAC Arena, Elizabeth Quay, and cultural attractions. However, weekend activation in the city centre remains limited, constraining the area's ability to fully convert domestic leisure potential. Operators such as the Ritz-Carlton, COMO The Treasury, QT Perth (and future Hyde Perth) have introduced lifestyle and luxury offerings that attract higher-spending leisure travellers, yet overall visitation is still event-led rather than experience-led.
- The Perth Airport precinct remains primarily functional in nature, catering to overnight transit passengers and early/late flight connections, with minimal discretionary leisure demand (except for spillover from major events in Optus Stadium).

Events and Staycation Drivers

- Perth's event calendar is a key catalyst for leisure demand with pre- and post-event stays. Concerts, sporting fixtures at Optus Stadium, and large-scale performances at RAC Arena regularly produce occupancy spikes and rate surges across the city, particularly in nearby precincts. On such occasions, hotels report rapid sell-outs and significant price elasticity, with spillover demand absorbed by CBD and airport corridor hotels.
- These entertainment-led demand periods often constrain availability for short-term leisure guests and highlight the limited elasticity of Perth's room stock during major event weekends.

- Local staycation behaviour has increased in relevance post-pandemic, supported by the perception of value and convenience. Weekend packages, dining experiences, and entertainment bundles offered by major hotels continue to attract couples and small groups seeking short urban escapes. This pattern has been reinforced by marketing from Tourism WA and local operators targeting "Luxe Culture" and "City Social" segments.

Leisure Demand Characteristics

Leisure demand in Perth Centre reflects a diverse demographic and psychographic profile, with key behavioural cohorts summarised as follows:

- Younger couples (25–35 years)
  - Motivated by lifestyle, music, and social experiences, this group seeks design-led, experiential hotels with vibrant social spaces and proximity to events.
  - They prioritise authenticity and "Instagrammable" experiences.
  - Boutique and lifestyle brands such as QT Perth, Alex Hotel, and The Adnate effectively capture this segment.
- Families and mid-30s to 40s couples
  - Typically, intrastate travellers seeking short weekend breaks or attending concerts and sporting events.
  - They value convenience, inclusivity, and family-friendly amenities such as connecting rooms, pools, casual dining, and access to entertainment precincts.
  - The integrated Crown Perth complex offering aligns strongly with this group's preferences.
- Older couples (50–70 years)
  - Often travelling midweek or as part of longer WA touring itineraries, this segment values comfort, safety, and recognisable quality standards.
  - They are price-aware but willing to pay for trusted brands and high service quality, favouring operators such as IHG, Accor or Hilton for brand loyalty and Upscale prices. Travel is frequently linked to milestone celebrations or combined city-and-region itineraries.
- Small social groups and "girlfriend getaways"
  - Leisure escapes centred on dining, shopping, and wellness experiences.
  - This market typically books short stays over weekends and is attracted by hotels offering stylish design, spas, and convenient access to city nightlife or event venues.
- Visiting Friends and Relatives (VFR)
  - A steady and resilient contributor to leisure demand, particularly linked to students, migrant families, and temporary workers.
  - The expansion of the ECU City Campus and associated student accommodation pipeline is expected to increase parental and VFR stays, adding year-round baseline demand to Perth hotels.

Leisure Segment Challenges

Despite recent improvements in product quality and connectivity, Perth's tourism and hotel sector continues to face challenges to attract the leisure segment. Stakeholders noted that the city lacks consistent weekend activation, a factor that discourages longer leisure stays and limits repeat visitation. While Elizabeth Quay and Yagan Square have improved the city's waterfront and cultural appeal, operators report a need for more curated precinct activation, recurring festivals, and unique signature events that can give Perth a clear identity distinct from other Australian capitals. Particularly, East Perth is facing challenges around activities, safety, and streetscape.

High airfare costs remain a major constraint to interstate leisure growth, restricting Perth's competitiveness for short-break travel compared to east-coast destinations.

International demand recovery, while positive, is limited by route capacity and awareness, requiring sustained aviation partnerships and marketing investment to position Perth as a viable city-break destination from key Asian hubs.

4.4 GOVERNMENT DEMAND

Government, medical, and educational demand comprises travel generated by public-sector employees, health and research professionals, and visitors associated with universities, training institutes, and hospitals. This includes government officials attending meetings, training programs, and infrastructure consultations; medical specialists and patients travelling for treatment or conferences; and academics, students, and family members connected to educational institutions.

4.4.1 Government Demand Generators

The Perth Centre also benefits from a significant volume of government, medical, and educational accommodation demand, providing a consistent midweek base for hotels in the Midscale and Upper-Midscale categories.

WA government departments are centralised in Perth Centre and these offices generate steady travel from regional and interstate representatives attending policy meetings, training programs, and advisory sessions. Additionally, local government activity centred around City of Perth council and regulatory bodies contributes further weekday demand.

The medical sector provides additional accommodation needs through major institutions such as Royal Perth Hospital, QEII Medical Centre, Perth Children's Hospital, Sir Charles Gairdner Hospital, and the Harry Perkins Institute for Medical Research. This demand encompasses medical professionals, conference delegates, patients, and carers from regional Western Australia requiring proximity to healthcare services.

Educational institutions including Curtin Graduate School of Business, University of Western Australia, Southern Cross University Perth Campus, Kaplan Business School, Stanley College, North Metropolitan TAFE, and Edith Cowan University's forthcoming City Campus generate ongoing demand from academics, researchers, students, and visiting family members.

The education and medical segments overlap with the visiting friends and relatives (VFR) market, providing consistent shoulder-season occupancy and long-stay bookings.

Examples of Government, Education, and Medical Demand Generators in Perth CBD

Government, Education and Medical Demand Generators - Examples in Perth CBD	
Aboriginal Workforce Development Centre	Government
Australian Federal Police	Government
Australian School of Management	Education
Australian Tertiary Institute	Education
City of Perth Council	Government
Consulate General of Japan in Perth	Government
Consulate of Italy	Government
Council House	Government
Curtin Graduate School Of Business	Education
Department of Commerce	Government
Department of Creative Industries, Tourism and Sport	Government
Department of Finance	Government
Department of Home Affairs	Government
Department of Housing	Government
Department of Justice	Government
Department of Planning, Lands and Heritage	Government
Department of Transport and Major Infrastructure	Government
Department of Treasury	Government
DevelopmentWA	Government
Dumas House	Government
Global College Australasia	Education
Government House	Government
Harry Perkins Institute for Medical research	Medical
Hollywood Private Hospital	Medical
Infrastructure WA	Government
International Institute of Business and Technology Australia	Education
Kaplan Business School	Education
Landgate	Government
Legal Aid Commission of WA	Government
Main Roads Western Australia	Government
Mental Health Commission	Government
National Institute of Technology	Education
North Metropolitan TAFE	Education
Parliament House	Government
Perth Children's Hospital	Medical
Perth College of Business and Technology	Education
Perth Institute of Australia	Education
Public Trustee Perth	Government
QEII Medical Centre	Medical
RAC Head Office and Travel Agency	Insurance
Royal Perth Hospital	Medical
Sheridan Institute of Higher Education	Education
Sir Charles Gairdner Hospital	Medical
South African Consulate Perth	Government
Southern Cross University, Perth Campus	Education
Stanley College Perth City Campus	Education
WA Department of Health	Government
Water Corporation	Government
West Australian Institute of Further Studies	Education
Western Power	Government

Source: Horwath HTL

4.4.2 Government Demand Characteristics

The government, medical, and education segments represent a stable and consistent source of hotel demand in the Perth Centre, underpinning midweek occupancy across Midscale and Upper-Midscale accommodation. These segments are characterised by their predictability, strong year-round activity, and relative resilience to economic cycles – providing hotels with a steady base of business that offsets fluctuations in corporate and leisure performance.

Government Demand

- Government travellers typically select accommodation based on proximity to their meeting venues, accessibility to Parliament House and agency offices, and compliance with government per diem rate structures. These travellers prioritise value, location, and efficiency over leisure amenities, favouring mid-range, full-service hotels offering reliable service standards and convenient access to affordable dining options.
- In addition to routine departmental travel, the Perth Centre also experiences periodic demand surges linked to major State and intergovernmental meetings, inquiries, and infrastructure projects. These larger gatherings may occasionally utilise the Crown Perth complex and meeting facilities for high-profile events and ministerial summits.
- Contracts with government agencies are commonly negotiated under annual or multi-year fixed-rate agreements, which provide hotels with consistent occupancy but limited pricing flexibility. While room rates are typically lower than corporate averages, government business is valued for its high repeatability, long-term stability, and low cancellation risk.
- Government-related stays are concentrated during the midweek period (Monday–Thursday), with reduced weekend activity. This pattern aligns well with corporate demand cycles, ensuring more balanced occupancy through non-leisure periods.

Medical and Health Sector Demand

- The Perth Centre and its surrounding precincts also benefit from medical-related travel, associated with the city's major health institutions such as Royal Perth Hospital, Perth Children's Hospital, Hollywood Private Hospital, and Sir Charles Gairdner Hospital. This demand originates from both government-funded health professionals attending training, research, and conferences, and patients and families travelling from regional areas to access specialised medical services in Perth.
- Health-related travellers are typically price-sensitive and prefer midscale, serviced-apartment, or economy hotel products within proximity to medical facilities or with good public transport links. Extended-stay demand is common among regional patients undergoing treatment and their carers, representing a small but steady long-stay subsegment for Perth accommodation providers.

Education and Academic Demand

- Educational demand has expanded in recent years with Perth's growing student and academic population. This has increased transient visitation from interstate and international academics, visiting lecturers, researchers, and student families, particularly at the start and end of academic semesters.

- Short-stay demand is also generated by education conferences, graduation ceremonies, and training programs hosted by universities and vocational institutions such as UWA, Curtin University, Murdoch University, Kaplan Business School and TAFE. Visiting academics, parents, families, and students often select centrally located hotels or apartment-style accommodation, balancing affordability and accessibility to campuses.
- This sector's influence extends beyond the academic calendar through visiting friends and relatives (VFR) activity associated with the international student population, contributing to consistent shoulder-period occupancy across the city's midscale hotel market.

Strategic Importance

While less visible than corporate or leisure markets, the government, medical, and educational segments collectively provide essential base business for Perth Centre hotels. Their predictable booking cycles, long-term stability, and immunity to broader economic shifts ensure steady revenue flow and occupancy support, particularly during off-peak periods. The expansion of the city's education precincts and continued investment in health infrastructure are expected to sustain and modestly grow this segment over the medium term, further reinforcing its role as a dependable, recession-resistant component of Perth's accommodation demand base.

4.5 DEMAND CONCLUSION AND RECOMMENDATIONS

The demand analysis for Perth Centre highlights the city's evolving accommodation dynamics shaped by its role as Western Australia's commercial, administrative, and events hub. Demand is underpinned by a strong corporate base linked to the resources and professional services sectors, complemented by growing MICE activity and a diverse leisure market. The analysis identifies how these segments interact across different precincts – Perth City, Burswood, and the Airport Corridor, creating a multifaceted demand profile that sustains hotel performance throughout the year.

The key findings reveal a stable but segmented demand structure, where weekday corporate travel anchors occupancy, MICE and events drive compression during peak periods, and leisure visitation, especially staycations and event-led trips, supports weekend stays. These demand generators underpin a balanced market recovery post-pandemic, though challenges remain around weekend softness, limited international leisure growth, and reliance on the resource sector.

The city's opportunity lies in broadening and diversifying demand drivers through MICE infrastructure upgrades, leisure precinct activation, and enhanced air and transport connectivity. Strengthening collaboration across tourism, event, and planning agencies will be pivotal to sustain growth and support hotel investment.

To capitalise on these opportunities and address the current imbalances, the following strategic directions are recommended for government decision-makers and planners:

- Strengthen MICE and events infrastructure
  - Plan for the future redevelopment of the Perth Convention and Exhibition Centre to increase large-scale delegate capacity, attract high-value national and international events
  - Facilitate improved collaboration between tourism stakeholders and hotel operators to align event scheduling, communication, and accommodation block management
  - Support investment in new flexible meeting and cultural spaces in the CBD and Burswood to accommodate smaller conferences, creative industries, and hybrid events
- Enhance weekend and leisure activation
  - Implement precinct-based activation strategies (e.g., Elizabeth Quay, Perth East, Cultural Centre) to stimulate consistent weekend visitation through curated cultural, culinary, and lifestyle programming
  - Encourage mixed-use developments integrating accommodation, dining, retail, and public events to create vibrant urban precincts that attract local and visiting leisure markets
  - Continue leveraging Tourism WA's "Dream" campaign platform to position Perth as a short-break and staycation destination, targeting intrastate and East Coast travellers
- Integrate tourism and urban planning
  - Embed tourism demand considerations within metropolitan planning frameworks to ensure adequate land use, transport, and zoning provisions for accommodation and event infrastructure

  - Encourage a coordinated approach between state and local planning agencies to streamline hotel development approvals in the study area
  - Align tourism infrastructure investment with broader transport and public realm improvements, enhancing visitor mobility, safety, and precinct connectivity
- Diversify and balance demand drivers to flatten seasonality
  - Strengthen air access and route development partnerships with Asian carriers to expand short-stay international visitation and increase inbound leisure and VFR segments
  - Support education and medical precinct development (e.g., ECU City Campus) as year-round demand anchors that stabilise occupancy and promote long-stay visitation
  - Facilitate partnerships with universities, research institutions, and medical facilities to attract academic and health-related conferences, expanding the city's non-seasonal visitation base
- Support industry resilience and data collaboration
  - Continue supporting data-sharing partnerships between STR, Tourism WA, and industry stakeholders to monitor demand trends and inform investment decisions
  - Facilitate forum for hotel stakeholders for networking and collaboration
  - Promote workforce development initiatives in hospitality and event management to sustain service quality amid staffing constraints
  - Encourage diversification of demand sources through joint marketing of business and leisure products ("bleisure"), extending visitor length of stay and yield

In summary, Perth's accommodation demand is stable, diversified, and positioned for sustainable growth and the strategic interventions should focus on infrastructure renewal, event-led activation, air connectivity and affordability, and balanced precinct planning. With targeted government leadership and coordinated stakeholder collaboration, Perth can consolidate its position as a competitive, year-round visitor destination and a key driver of Western Australia's urban and tourism economy.

5. TOURISM ACCOMMODATION SUPPLY ANALYSIS

The tourism accommodation supply analysis is based on the identified short-term accommodation properties within the defined study area. These properties were sourced from the Smith Travel Research (STR) platform, which also forms the foundation for the hotel performance analysis and forecast. A detailed list of properties is provided in Appendix 3. The short-term rental accommodation analysis was based on data provided by AirDNA platform.

In addition, Horwath HTL obtained information on future additions to supply from its internal pipeline database. This database tracks transient accommodation projects across Australia at various stages of development – from the announcement stage (0% likelihood), through the development application phase (25%), post-approval and pre-construction stage (50%), to projects under construction and nearing completion (100%). The analysis of potential future supply reflects the total number of rooms adjusted by the likelihood of each project's development stage.

5.1 TOURISM ACCOMMODATION SUPPLY ANALYSIS BY TYPE

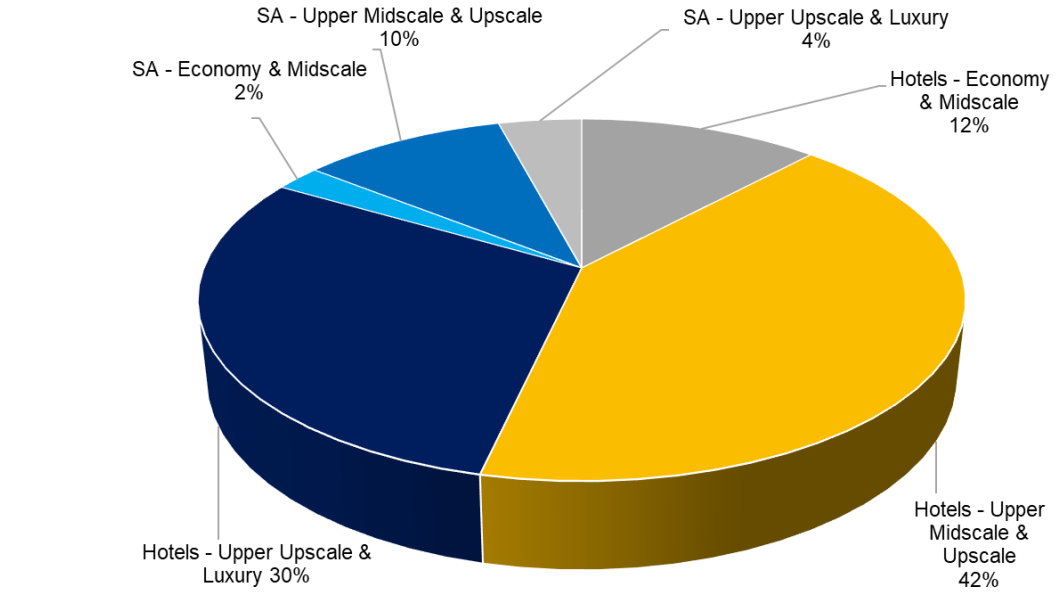
The defined study area presents a diverse and mature accommodation landscape comprising 84 operating hotel and serviced apartment properties with approximately 12,216 rooms, ranging from Economy to Luxury segments. The market is heavily concentrated in Upper-Midscale to Upper-Upscale hotels, supported by a substantial serviced apartment base catering to extended-stay and project-related demand.

Hotels vs Serviced Apartments

Source: Horwath HTL, STR

- Hotels represent approximately 73% of total current properties in the study area, with serviced apartments accounting for the remaining 27%. The room representation is more pronounced with hotel rooms representing 90% and serviced apartments the remaining 10% of total rooms in the Perth Centre. This distribution demonstrates Perth as a hotel-dominant market but with a sizeable and stable long-stay segment supporting business and project-based demand.

Hotel and Serviced Apartments Class Distribution



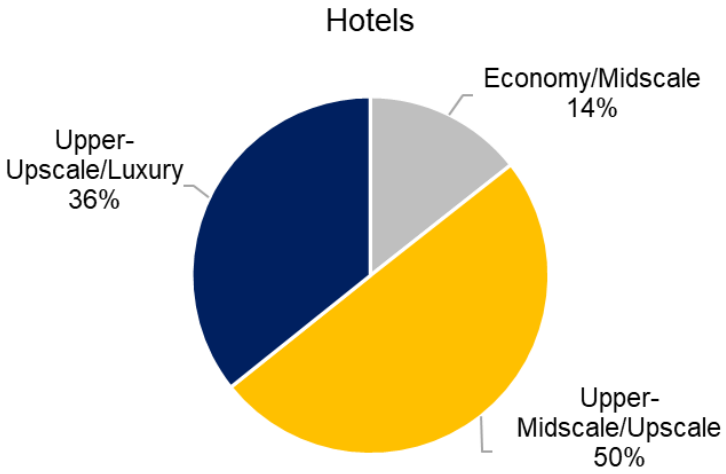
Source: STR

- Hotels represent most of the accommodation supply, with Upper-Midscale and Upscale hotels accounting for the largest share at 42%, followed by Upper-Upscale and Luxury hotels at 30%, and Economy and Midscale hotels at 12%.
- Serviced apartments comprise a smaller portion of the total market, led by Upper-Midscale and Upscale at 10%, Upper-Upscale and Luxury at 4%, and Economy and Midscale at 2%.
- Overall, this concentration suggests intense competition at the top end and limited representation in lower-cost, high-volume accommodation.

5.1.1 Hotels

- In the hotel category, Upper-Midscale and Upscale properties account for 50%, with Economy and Midscale for only 14% of rooms, again pointing to the demand for premium accommodation.
- Hotels opened after 2017 include several high-profile additions that have refreshed Perth Centre's accommodation offering and elevated its positioning in the Upscale, Upper-Upscale and Luxury segments – such as The Westin Perth (2018), QT Perth (2018), DoubleTree by Hilton Northbridge (2018), The Adnate Art Series (2019), Novotel Perth Murray Street (2019), Ritz-Carlton Perth (2019), and DoubleTree by Hilton Waterfront (2020), contributing to the city's modernisation and capacity expansion.
- Brands in the market represent a strong mix of international chains and domestic operators, including Hilton, Marriott, Accor, IHG, Pan Pacific, Como, and EVT, complemented by locally managed independent hotels. This diversity enhances Perth's ability to cater to a wide range of traveller segments, from luxury business and leisure visitors to long-stay and midscale markets.

Hotels Class Distribution

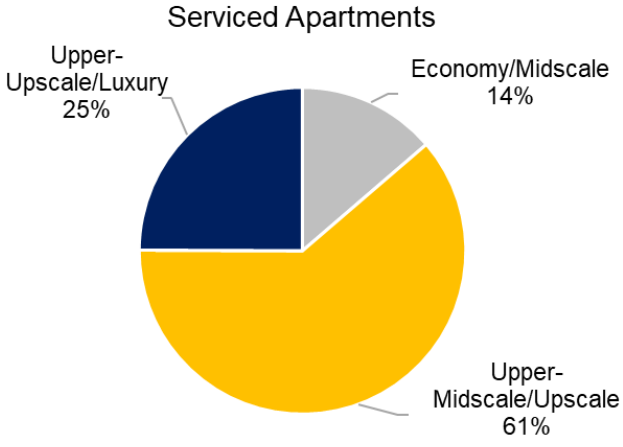


Source: STR

5.1.2 Serviced Apartments

- Serviced apartments are largely positioned in the Upper-Midscale and Upscale range (61%), with very few midscale options. This signals opportunity for more affordable apartment-style products, particularly targeting medium-stay domestic, regional, and workforce markets.
- Brands such as Quest, Adina, Nesuto, Oaks, Citadines, and Mantra provide flexible, apartment-style lodging that meets long-stay corporate, FIFO, and relocation demand. Most properties were delivered between 2000 and 2020, with more recent additions such as Quest Perth Ascot (2020) and The Sebel West Perth (2018) modernising the inventory.
- While this sector remains robust, several permanent closures, such as Fraser Suites Perth, Assured Ascot Quays, Regal Apartments, and St George Boutique Apartments, have reduced the number of large-format apartment hotels within the inner-city corridor. This loss of high-end serviced apartment capacity creates a potential gap in extended-stay luxury and corporate-focused stock, particularly for clients seeking self-contained accommodation close to the CBD.

Serviced Apartments Class Distribution



Source: STR

5.1.3 Supply Gaps – Hotels and Serviced Apartments

Across the study area, the analysis of hotels and serviced apartments reveals several clear gaps in the current and future accommodation mix.

- While Perth Centre maintains a strong and diverse hotel base, especially in the Upper Midscale to Upper Upscale segments, the market remains limited in Economy and Midscale hotels, limiting options for budget-conscious domestic travellers, youth markets, and extended-stay project workers.
- Serviced apartments, although representing a significant long-stay component, are heavily concentrated in the upper tiers and lack affordable midscale options that better support workforce mobility and medium-stay domestic travel.
- Closures of several large-format serviced apartments in the inner city have reduced capacity in the upper-end long-stay market, limiting options for high-quality, self-contained accommodation suitable for corporate relocations and premium extended-stay visitors.
- These gaps signal opportunities for affordable serviced apartments, midmarket hotels, and a more balanced distribution of accommodation types to support evolving visitation patterns, workforce requirements, and the city's broader competitiveness as demand grows toward 2030.

5.2 TOURISM ACCOMMODATION SUPPLY ANALYSIS BY LOCATION

The geographical distribution of tourism accommodation across Perth reflects the city's evolving visitor economy and its diverse demand drivers. The analysis identifies three primary accommodation clusters within the study area: the Perth City, Burswood Precinct, and the Airport Corridor. Each area serves a distinct market function, ranging from business and leisure tourism in the CBD, to luxury resort and entertainment experiences in Burswood, and transit and corporate demand around the airport. This geographical division provides a framework for understanding how accommodation supply aligns with Perth's tourism infrastructure, accessibility, and development priorities.

Geographical Distribution of Tourism Accommodation in Perth Centre

Source: STR

Most of the accommodation within the study area is concentrated in the Perth City precinct, which accounts for 82% of all properties and 78% of total room supply (approximately 9,600 rooms). This concentration reflects the city's role as the primary business, leisure, and events hub, supported by strong corporate and MICE demand and proximity to retail, entertainment, and cultural attractions.

The Perth Airport Corridor represents the second largest cluster, comprising 14% of properties and 12% of rooms (around 1,440), predominantly catering to short-stay, transit, and resource-sector travel, as well as logistics and aviation-related accommodation needs.

The Burswood Precinct, though only 4% of total properties, contributes a notable 10% of all rooms (approximately 1,200) due to the large-scale Crown Perth integrated resort, which dominates the local accommodation landscape with its three high-capacity hotels. This distribution highlights a core-city dominance complemented by strategically positioned secondary clusters serving distinct demand profiles.

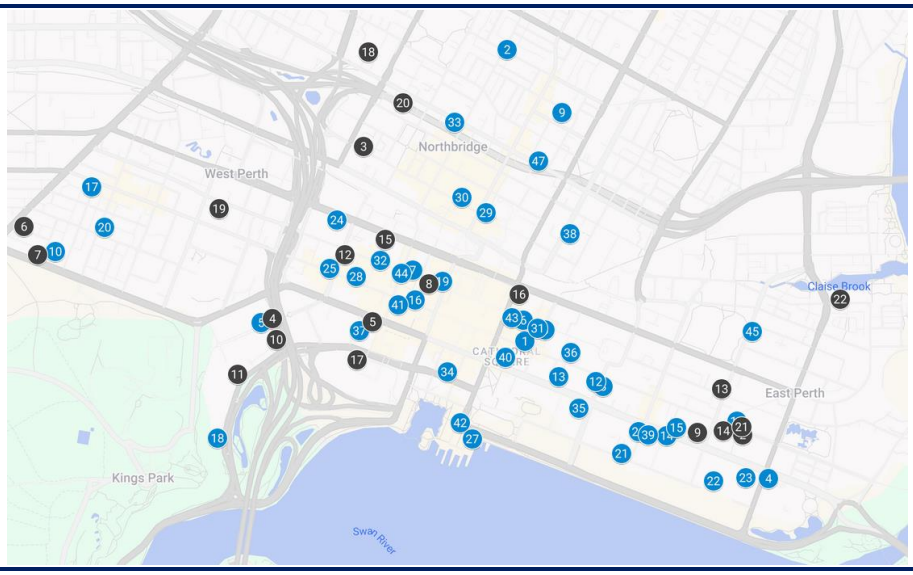
5.2.1 Perth City

The Perth City accommodates the largest concentration of hotel supply within the study area, spanning all accommodation classes from Economy to Luxury. The core precincts around St Georges Terrace, Hay Street, and the Perth Arena-Kings Park corridor host most of the Upper-Midscale, Upscale, and Luxury properties, including The Westin Perth, COMO The Treasury, Pan Pacific, QT Perth, and InterContinental Perth City Centre.

This area is driven by proximity to the CBD's corporate demand drivers, Perth Convention and Exhibition Centre, and retail and dining amenities. The continued clustering of high-end brands reflects Perth's strategic positioning as a premium business and leisure destination.

- Hotels dominate the market, accounting for 71% of properties and 85% of rooms, confirming Perth City's position as the primary hub for corporate, leisure, and MICE visitors.
- Serviced apartments represent 29% of properties but only 15% of rooms, indicating that these properties are generally smaller and more boutique in scale.
- Pipeline supply is almost exclusively hotel-focused, with 100% of new rooms coming from hotel developments. No new serviced apartment projects are planned, suggesting limited future growth in extended-stay or apartment-style accommodation.

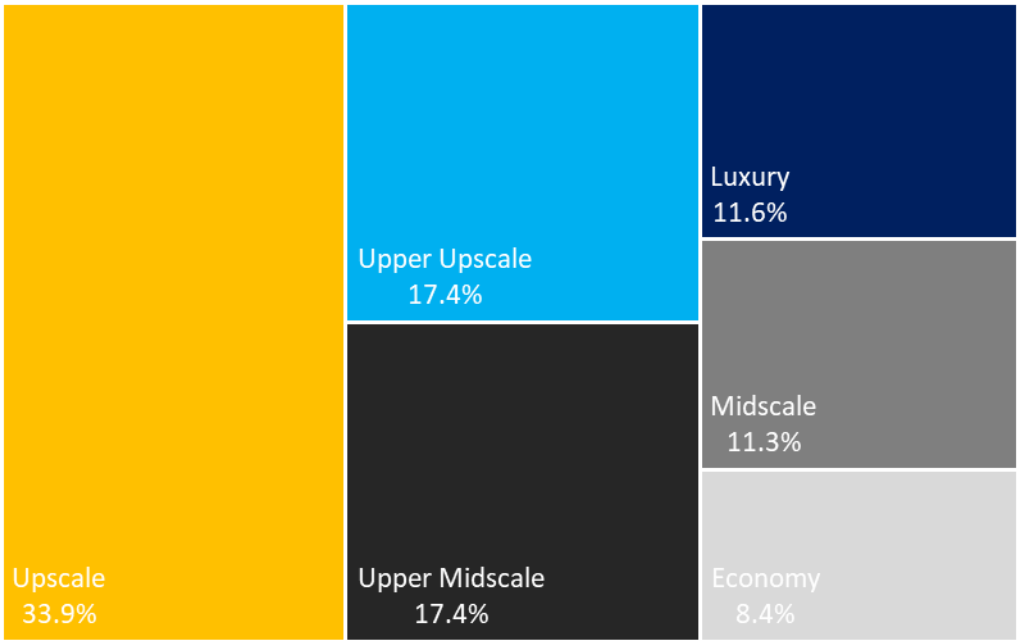
Transient Accommodation Properties by Type within Perth Centre



Source: Google Maps, STR
Note: Blue numbers indicate hotels, while Dark Grey numbers indicate serviced apartments properties. Full list of properties with numbers on the map are included in the Appendix 4.

- Perth City exhibits a balanced but upscale-leaning accommodation mix. Upscale hotels (current and announced future supply) dominate the market with 33.9% of rooms, supported by a meaningful presence of Upper Midscale (17.4%) and Upper Upscale (17.4%).
- Luxury rooms form 11.6%, reflecting Perth City's established role as the primary destination for corporate, MICE, and leisure demand.
- Future additions continue this mid-to-upper tier orientation with Upper Midscale, Upscale and Upper Upscale together represent 100% of all additions. No new Economy, Midscale or Luxury hotels are planned. This pipeline strengthens the city's competitive positioning for high-yield segments but further concentrates supply into already well-served classes.

Class Distribution by Room Number of Tourism Accommodation in Perth City (current and announced future supply)

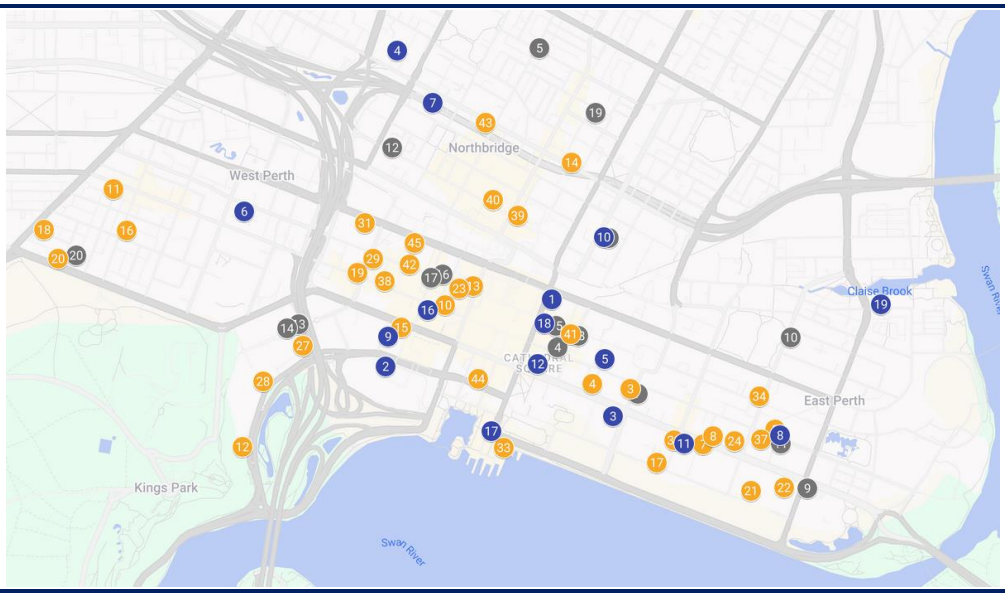


Source: STR

Supply Gaps – Perth City

- Economy and traditional Midscale gap – with 8.4% Economy and 11.3% Midscale of current and annouced stock and no upcoming additions, the market presents limited affordable, select-service options for young travellers, visiting friends and relatives (VFR), price-sensitive leisure segments, and student-related visitation.
- Luxury constraints – the proportion of Luxury supply remains stagnant at current levels with no committed pipeline, potentially limiting Perth's competitiveness for high-yielding premium international visitors and convention-linked luxury demand post-runway expansion.
- Over-concentration in Upscale/Upper Midscale – these segments may face future saturation without corresponding growth in corporate/MICE demand.
- The overall mix remains hotel-heavy (86.5% of current and planned rooms), reinforcing the city's dependence on traditional hotel formats.
- The gap is visible in underrepresentation of serviced apartments, particularly for long-stay corporate assignments, medical-related travel, relocations, and price-sensitive extended stays.

Transient Accommodation Properties by Class within Perth Centre



Source: Google Maps, STR
Note: Navy numbers indicate Upper-Upscale and Luxury class, Yellow numbers indicate Upper-Midscale and Upscale properties, and Grey numbers indicate Economy and Midscale properties. Full list of properties with numbers on the map are included in the Appendix 4.

5.2.2 Burswood Precinct

The Burswood area, anchored by the Crown Perth's integrated resort complex, functions as a distinct luxury enclave within the broader market. The precinct's three properties – Crown Towers, Crown Metropol, and Crown Promenade – collectively form the largest single concentration of rooms and luxury facilities in Perth, incorporating large-scale conferencing, gaming, and entertainment infrastructure. It is located in the vicinity of the Perth's premier sporting stadium – Optus Stadium.

Its comprehensive offering makes it a leading choice for staycations among Perth residents, providing a resort-style experience without leaving the city. The precinct's integration of gaming, hospitality, and leisure under one brand has positioned it as a cornerstone of Perth's visitor economy, reinforcing the city's appeal for short breaks, conventions, and high-yield tourism.

The precinct is 100% hotel-based, driven by the Crown resort complex, with no serviced apartments available. This creates a highly specialised accommodation profile focused on premium and luxury hotel experiences, featuring only Luxury-class hotels, dominated entirely by the Crown resort complex. This creates a single-class market with no diversity of accommodation types.

Transient Accommodation Properties within Burswood Precinct

Source: Google Maps, STR
Burswood Precinct Properties: 1 – Crown Promenade Perth, 2 – Crown Metropol Perth, 3 – Crown Towers Perth

- Future planned projects, including Burswood Luxury Hotel within a $3.2 billion development by Golden Group located on the former Belmont Racecourse site, indicate sustained investor confidence in this high-end segment.

Class Distribution of Tourism Accommodation in Burswood Precinct (current and announced future supply)

	CURRENT AND ADDITIONS TO SUPPLY (UP TO 2030)					
	Economy	Midscale	Upper Midscale	Upscale	Upper Upscale	Luxury
Properties	0	0	0	0	0	3
	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
Rooms	0	0	0	0	0	1,188
	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%

Source: STR

Supply Gaps – Burswood

- Absence of serviced apartments and Midscale and Upscale offerings – there are no Economy, Midscale, Upper Midscale, Upscale, or Upper Upscale hotels, either existing or planned.
- Opportunity to diversify – non-luxury hotel types and serviced apartments could support casino-associated demand, event overflow from Optus Stadium, and entertainment precinct visitation. As Burswood is a geographically limited area, opportunities are in the neighbouring locations, such as Victoria Park, where budget and medium-level accommodation would benefit for more diversified demand segmentation.
- This is particularly relevant for price-sensitive visitors, families, sports groups, and domestic leisure travellers who cannot justify premium rate ranges.

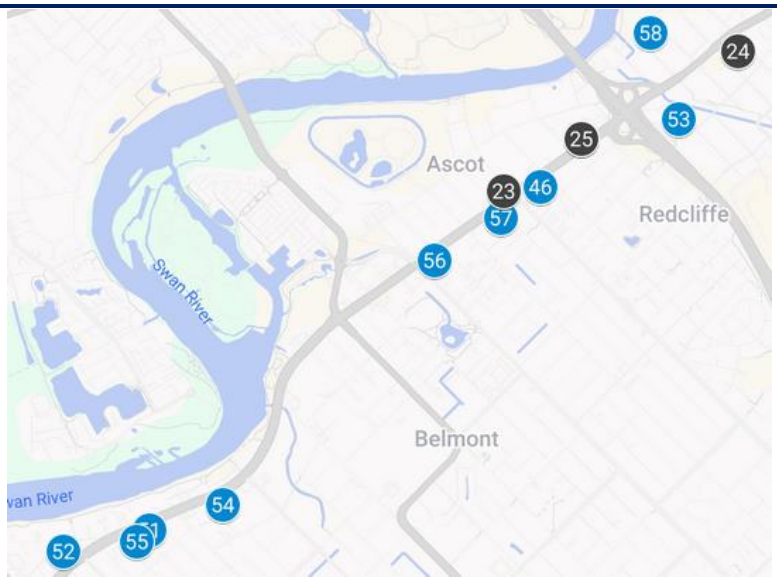
5.2.3 Airport Corridor Precinct

The Perth Airport corridor, including Rivervale, Belmont, Ascot, and Redcliffe, has emerged as a growing accommodation precinct catering primarily to transit passengers, FIFO workers, and corporate demand linked to logistics and resources industries. The area includes 12 properties accounting for 1,444 rooms in this submarket.

Properties such as Sanno Marracoonda Hotel, Ibis Budget Perth Airport, and Perth Ascot Central Apartments provide Economy and Midscale options, while the Aloft Perth offering premium stay and small conference options. Upcoming Pullman Perth Airport Hotel will introduce the first on-airport offering, enhancing the precinct's profile and supporting growth in aviation-related and short-stay business travel, offering the firs hotel in the Upper Upscale and Luxury class group.

- Hotels make up 75% of properties and 83% of rooms, aligning with typical airport accommodation patterns.
- Serviced apartments represent 25% of properties, offering a meaningful, though limited, extended-stay option for airline crews, FIFO workers, and relocating families.
- Additions are split evenly between hotels and serviced apartments (50% each), but hotels still contribute most rooms (52%). A modest increase in serviced apartments (+113) expands the precinct's flexibility for long-stay and corporate contract demand.

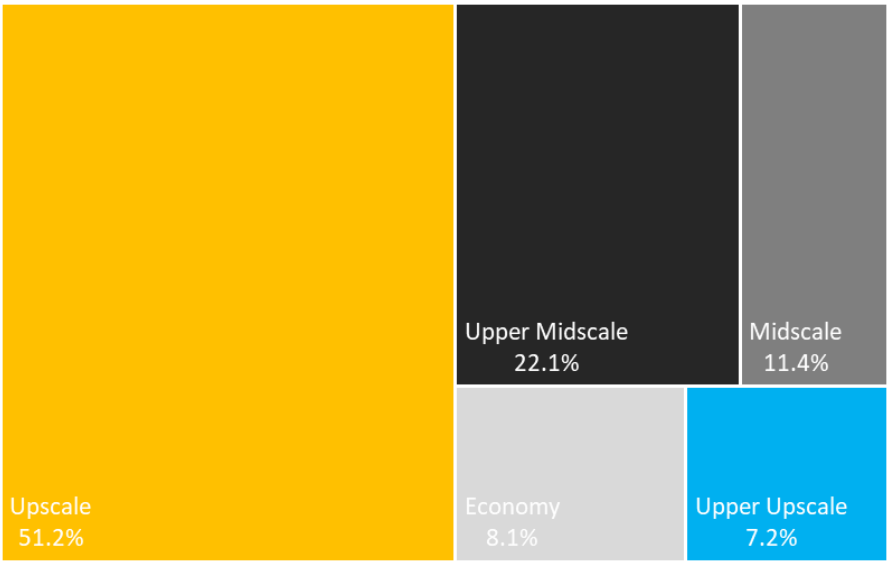
Transient Accommodation Properties by Type within Airport Corridor Precinct



Source: Google Maps, STR
Note: Blue numbers indicate hotels, while Dark Grey numbers indicate serviced apartments properties. Full list of properties with numbers on the map are included in the Appendix 4.

- The Airport precinct features a broad mix of lower to mid-tier classes, dominated by Upscale supply. Upscale hotels represent 41.7% of properties and 7.8% of rooms, forming the core of the precinct. Midscale and Upper Midscale supply is modest, and no Luxury product exists.
- Current additions reflect a strategic shift as major growth occurs in Upscale (51.2% of rooms) and Upper Midscale (22.1%) class. Two new Upper Upscale hotels (7.2%) begin elevating the precinct's quality bracket. There are no new Luxury and no new Economy products in the pipeline.

Class Distribution by Room Number of Tourism Accommodation in Perth Airport Corridor Precinct

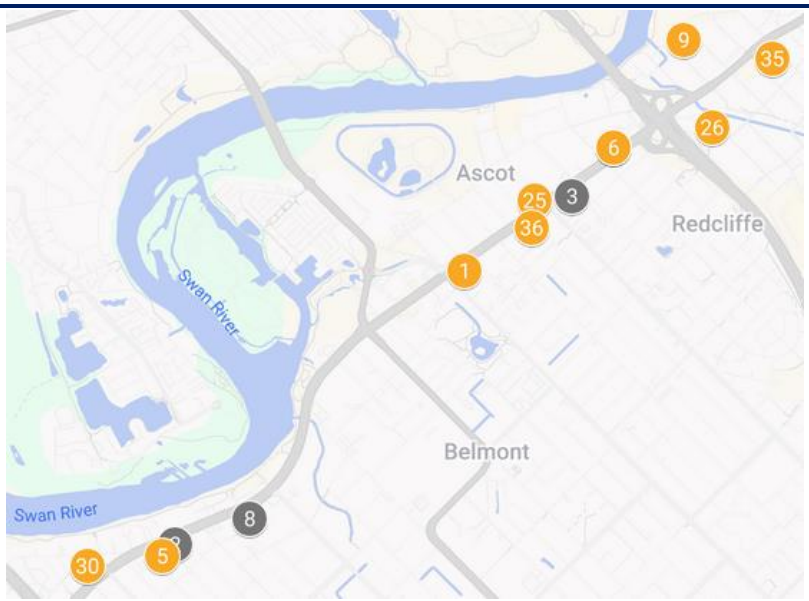


Source: STR

Supply Gaps – Airport

- Economy and true budget gap – with 9.4% of current rooms in Economy and none in the pipeline, the precinct lacks affordable options for FIFO, VFR travellers, and short overnight transit stays.
- Despite some growth, the Airport precinct still leans heavily toward hotels, with limited large-scale serviced apartments capacity that could serve FIFO operations, aviation workforce rotations, and multi-night transit stays.
- There is also opportunity for the precinct to develop a more lifestyle profile with food and beverage, quality entertainment and outdoor areas to elevate the precinct's liveability.

Transient Accommodation Properties within Airport Corridor Precinct

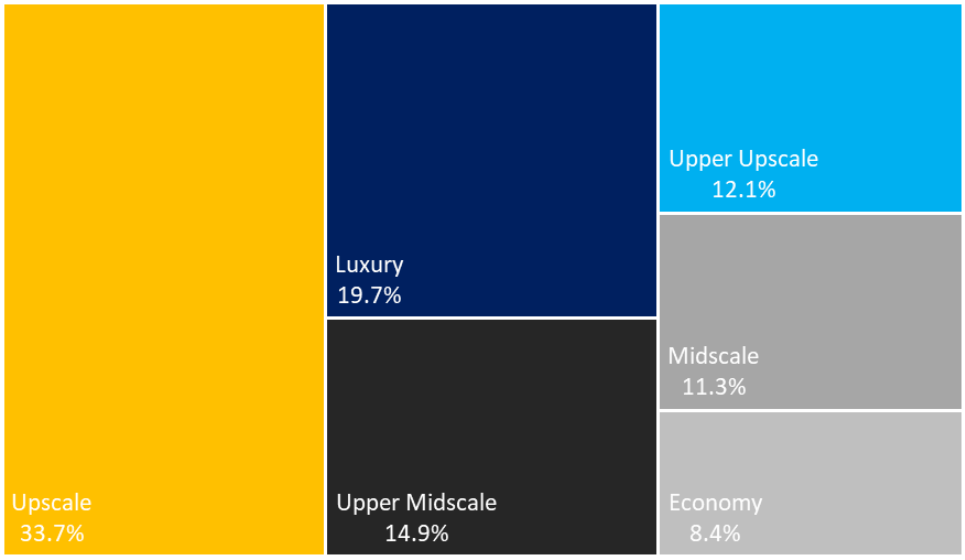


Source: Google Maps, STR
Navy numbers indicate Upper-Upscale and Luxury class, Yellow numbers indicate Upper-Midscale and Upscale properties, and Grey numbers indicate Economy and Midscale properties. Full list of properties with numbers on the map are included in the Appendix 4.

5.3 TOURISM ACCOMMODATION SUPPLY ANALYSIS BY CLASS

The study area encompasses a diverse portfolio of hotel and serviced apartment accommodation, totalling approximately 12,200 rooms across Economy to Luxury classes. The current distribution is notably moved toward higher-end supply, with Upscale, Upper-Upscale and Luxury categories accounting for over half of total inventory.

Tourism Accommodation Supply Rooms Analysis by Class – current supply



Source: Horwath HTL, STR

5.3.1 Upper-Upscale – Luxury Class

Upper-Upscale Class category includes The Westin Perth, Parmelia Hilton, Duxton Hotel, Adina Barrack Plaza, and The Sebel West Perth.

- Full-service hotels with conference facilities, premium F&B, and strong corporate and leisure appeal.
- These hotels target high-yield corporate travellers, event delegates, and affluent domestic visitors.
- Characterised by excellent location, strong brand loyalty, and consistent service levels.
- Some properties are ageing (Adina Apartment Hotel Perth Barrack Plaza, Adina Apartment Hotel Perth) and require ongoing investment to maintain parity with newer competitors.
- A stable and competitive segment, but refurbishment and differentiation are key to protecting market share.

The Luxury segment includes Crown Towers, Ritz-Carlton Perth, COMO The Treasury, QT Perth, InterContinental Perth City Centre, and Pan Pacific Perth.

- Luxury properties with extensive amenities, iconic architecture, and high-end positioning.
- These hotels target premium leisure travellers, high-end corporate clientele, and international visitors.
- Key strengths of this segment include global recognition, strong design identities, and integration into Perth's broader destination branding.

Location of Current Upper-Upscale and Luxury Class Hotels
Tourist Accommodation in the Study Area

Source: Google Maps, STR
Upper-Upscale and Luxury Properties: 1 - Adina Apartment Hotel Perth Barrack Plaza, 2 - Adina Apartment Hotel Perth, 3 - Duxton Hotel Perth, 4 - Zappeion Apartments, 5 - The Westin Perth, 6 - The Sebel West Perth Aire Apartments, 7 - Verandah Apartments, 8 - Mont Clare Boutique Apartments, 9 - Parmelia Hilton Perth, 10 - Hostel G Perth, 11 - Pan Pacific Perth, 12 - COMO The Treasury, 13 - Crown Promenade Perth, 14 - Crown Metropol Perth, 15 - Crown Towers Perth, 16 - InterContinental Perth City Centre, 17 - The Ritz-Carlton, Perth, 18 - QT Perth, 19 - East Perth Suites Hotel

5.3.2 Upper-Midscale – Upscale Class

Upper-Midscale segment is anchored by well-recognised brands such as Mercure, Holiday Inn, Quality Hotel, Comfort Inn, and Metro Hotel Perth City.

- Upper-Midscale hotels with select-service offerings at mid-market pricing.
- Target market for this segment includes, i.e. business travellers, conference attendees, and visiting professionals.
- The segment is characterised by stable performance, recognised international branding, and strong location distribution.
- Most properties were developed before 2000s; there was and still is a limited pipeline of new additions in this segment.

Upscale Class segment is the largest segment, encompassing a range of global and local brands: Novotel, Crowne Plaza, Aloft, Four Points by Sheraton, DoubleTree by Hilton, Ingot, Art Series, Alex Hotel, and several Quest properties.

- Full- or select-service and lifestyle hotels; mix of traditional hotel rooms and serviced apartments.
- The core target market for this segment is business travellers, leisure, and MICE demand, particularly from intrastate and interstate visitors.
- Upscale hotels and serviced apartments have strong brand presence, modern facilities, and high-quality design introduced during the 2017-2020 hotel expansion cycle.
- Intensified competition within this class can limit growth as new entrants (Hyde Perth, Carillion City Hotel) will add pressure.
- Upscale properties represent Perth's benchmark class, but future differentiation will depend on service quality, design innovation, and brand experience rather than new volume.

Location of Current Upper-Midscale and Upscale Class Hotels

Source: Google Maps, STR
Upper-Midscale and Upscale Properties: 1 - Country Comfort Perth, 2 - Metro Hotel Perth City, 3 - Mercure Perth On Hay, 4 - Mercure Perth, 5 - Great Eastern Motor Lodge, 6 - Perth Central Apartments, 7 - Comfort Inn & Suites Goodearth Perth, 8 - Quality Hotel Ambassador Perth, 9 - Central Caravan Park, 10 - Holiday Inn Perth City Centre, 11 - Holiday Inn West Perth, 12 - Aurea Hotel Perth Kings Park, 13 - Wentworth Plaza Hotel, 14 - The Nest on Newcastle, 15 - Citadines St Georges Terrace Perth, 16 - Trademark Collection by Wyndham Perth The Outram, 17 - City Waters Hotel, 18 - Quest On Rheola, 19 - The Melbourne Hotel, 20 - Quest Kings Park, 21 - Crowne Plaza Perth, 22 - Residence on Langley Park, 23 - Oaks Perth Hotel, 24 - Quest East Perth, 25 - Quest Perth Ascot, 26 - Sanno Marracoonda Perth Airport Hotel, 27 - Nesuto Mounts Bay Perth, 28 - Quest Mounts Bay Road, 29 - Quest West End, 30 - Aloft Perth, 31 - Four Points by Sheraton Perth, 32 - Novotel Langley Perth, 33 - DoubleTree by Hilton Perth Waterfront, 34 - Baileys Apartments by Vetroblu, 35 - Airport Apartment by Vetroblu, 36 - Ingot Hotel Perth Ascend Collection, 37 - Mantra On Hay Perth, 38 - The Adnate Perth - Art Series, 39 - Alex Hotel, 40 - DoubleTree by Hilton Perth Northbridge, 41 - Miss Maud Swedish Hotel, 42 - Novotel Perth Murray Street, 43 - Attika Hotel, 44 - Quay Perth, 45 - Rydges Perth Kings Square

5.4.1 Economy – Midscale Class

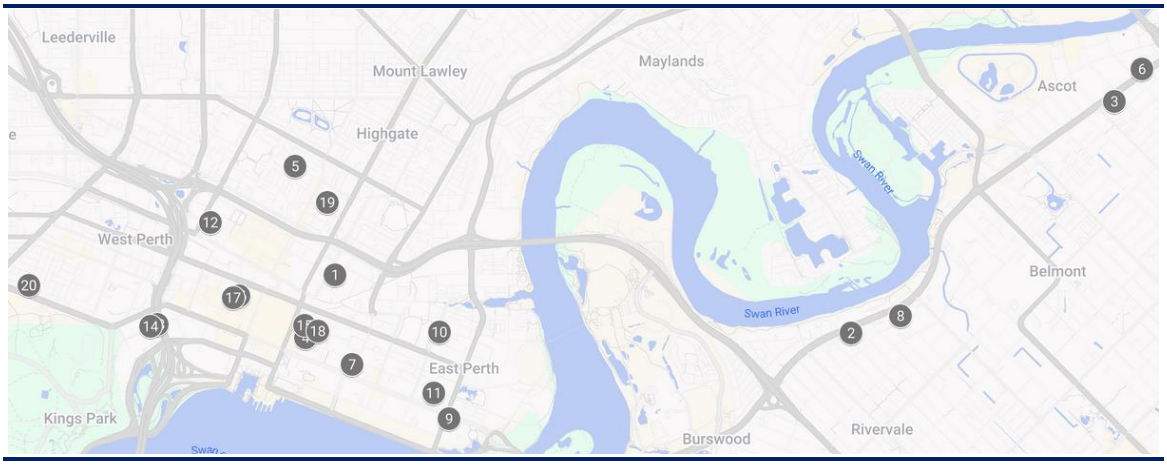
The Economy class includes brands such as Econo Lodge Rivervale, ibis budget Perth Airport, Criterion Hotel Perth, and Hotel Northbridge, representing functional, limited-service accommodation. Many of these properties are legacy assets, built prior to 2000, and are positioned on secondary sites outside the prime CBD area.

- Typically, small to mid-size (40-80 rooms), often independently operated.
- Target market for this accommodation style is price-sensitive travellers, budget-conscious domestic tourists, short-term workers, and transient corporate visitors.
- Properties in this category are facing ageing stock, minimal refurbishment, and limited brand consistency. Moreover, only few new developments have occurred in this segment over the past decade.
- The Economy category represents the smallest and oldest portion of the market, with growing obsolescence and limited reinvestment. There is no new future supply announced in this segment of hotels.

Midscale class features a mix of traditional motels and newer limited-service hotels, such as Ibis Styles East Perth, Flag Motor Lodge, Baileys Parkside Motel by Vetroblu, and Pensione Hotel Perth.

- These assets, often converted or modestly branded, offering essential services without extensive amenities.
- The target market for this category includes domestic leisure travellers, regional visitors, small corporate groups.
- Declining representation due to limited new development and several closures (Royal Hotel, Murray Hotel, Citylights Hotel).
- Despite strong occupancy resilience, this class faces under-supply and brand fragmentation, suggesting scope for modern midscale, select-service projects.

Location of Current Economy and Midscale Class Hotels



Source: Google Maps, STR
Economy and Midscale Properties: 1 - Campus Perth, 2 - Econo Lodge Rivervale, 3 - ibis budget Perth Airport, 4 - Criterion Hotel Perth, 5 - Hotel Northbridge, 6 - Perth Ascot Central Apartment Hotel, 7 - All Suites Perth, 8 - Flag Motor Lodge, 9 - ibis Styles East Perth, 10 - Baileys Parkside Motel by Vetroblu, 11 - Starwest Apartments Alderney On Hay, 12 - Northbridge Pearl, 13 - Mountway Apartments Perth, 14 - Riverview On Mount Street, 15 - Kangaroo Inn, 16 - ibis Perth, 17 - Nightcap At Belgian Beer Café, 18 - Pensione Hotel Perth, 19 - Great Southern Hotel Perth, 20 - TRIBE Perth Kings Park Hotel

5.5 PERTH CENTRE FUTURE HOTEL SUPPLY

Horwath HTL has identified 12 potential supply addition within the identified Perth study area. Some projects are currently under construction (100% likelihood), others have seen their Development Application approved (50% likelihood) and finally some project have just applied for a Development Application (25% likelihood). In-market research has been undertaken to get a possible opening date as well as tourism articles recently released.

Future Potential Addition to Supply

Hotel	Hotel Chain	Project Type	Suburb	Reported No of Rooms	Project Phase	Project Status	Month	Year	Likeli-hood	Weighted	Class
Hyde Perth (former Seasons of Perth)	Accor (Ennismore)	Hotel	CBD	**120**	Refurbishing	In Progress	Jan	2026	100%	120	Upscale
Elizabeth Hotel and Residences (EQ West Lot 2 Hotel Tower)	N/A	Hotel	Elizabeth Quay	**358**	Under construction	In Progress	Mar	2026	100%	358	Upper Upscale
Dorsett Hotel	Dorsett	Hotel	CBD	**263**	Under construction	In Progress	Aug	2026	100%	263	Upper Midscale
Aiden SCQ West Perth	BWH Hotels	Hotel + Serviced Apartments	West Perth	**120**	Under construction	In Progress	Jan	2027	100%	120	Upper Midscale
Wydnham Lux Hotel Ascot	Wyndham	Hotel + Serviced Apartments	Ascot	**226**	DA Approved	In Progress	Oct	2027	50%	113	Upscale
The Harvest West Perth	N/A	Serviced Apartments	West Perth	**84**	DA approved	In Progress	Dec	2027	25%	21	Unknown
Pullman Perth Airport	Accor	Hotel	Airport (T1)	**240**	DA approved	In progress	Jan	2028	50%	120	Upper Upscale
EQ West Lot 5 by Brookfield	N/A	Hotel	Elizabeth Quay	**84**	DA approved	On Hold	Jan	2029	0%	0	Luxury
Carillon City Hotel	N/A	Hotel	CBD	**238**	DA Approved	In Progress	Jan	2029	25%	60	Upscale
EQ West Lot 4 Hotel Tower	N/A	Hotel	Elizabeth Quay	**176**	Mooted project	On Hold	Apr	2029	0%	0	Unknown
Burswood Luxury Hotel	N/A	Hotel	Burswood	**200**	Mooted project	In Progress	Sep	2030	0%	0	Luxury
TRYP by Wyndham	Wyndham	Hotel	Belmont	**226**	DA Approved	On Hold	Sep	2030	0%	0	Upper Midscale
				2,335					**50%**	**1,175**	

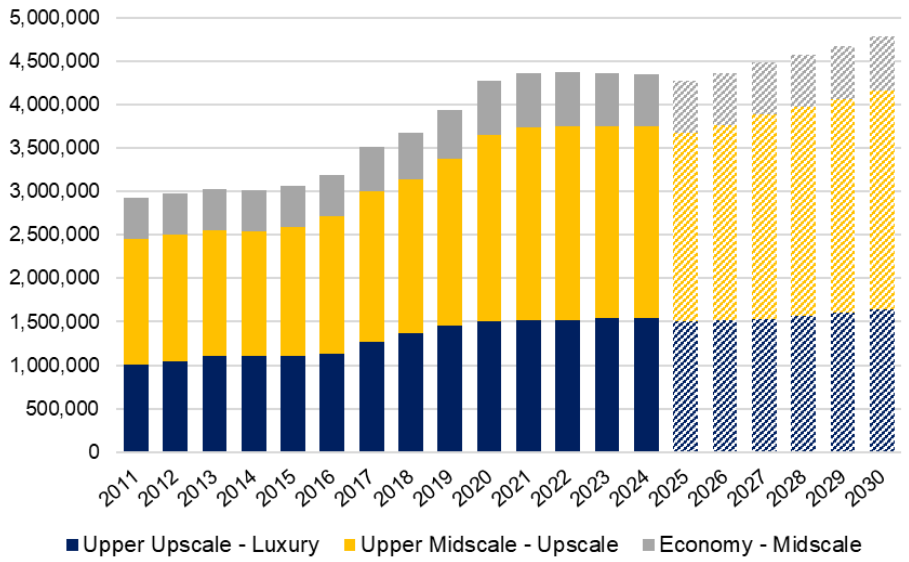
Source: Horwath HTL

- A total of 2,335 rooms are currently identified in the future accommodation pipeline, representing projects at varying stages of development from concept to construction. When adjusted for development likelihood, the weighted future supply equates to 1,175 rooms, or approximately 50% of the total reported pipeline.
- Active projects such as the Elizabeth Hotel and Residences – EQ West Lot 2 (358 rooms), Hyde Perth (121 rooms), Aiden SCQ West Perth (120 rooms), and Dorsett Hotel (263 rooms) are under construction and expected to enter the market by 2025-2026, contributing to the Upper-Upscale, Upscale and Upper-Midscale segments.
- The CBD and Elizabeth Quay precincts account for most of the proposed new supply, reinforcing the ongoing concentration of development within Perth's core business and visitor precincts.
- The Upscale class dominates the pipeline, accounting for 44% of weighted room count, indicating continued investor confidence in premium product targeting corporate and conference markets.
- The Pullman Perth Airport (240 rooms) represents a strategically significant addition as Perth's first Upper-Upscale on-airport hotel, enhancing the city's connectivity and strengthening its capacity to capture transit, conference, and airline-crew demand. Its development marks a key milestone in diversifying Perth's accommodation offer beyond the CBD and supporting the broader airport precinct's growth as a business and travel hub.
- Overall, the projected pipeline suggests moderate growth in room inventory through 2026–2030, aligned with the gradual recovery of international visitation and event-driven demand in the Perth market.

5.5.1 Room Nights Available (RNA) Growth

The forecast of Room Nights Available in the Perth Centre shows a gradual and steady increase across all hotel classes through to 2030, following a period of expansion driven by significant hotel openings between 2018 and 2021.

Room Nights Available (RNA) – current and additions to supply to 2030



Source: Horwath HTL, STR; Note: The forecast includes generic additions – assumptions for unannounced projects in the long term. The assumed number of generic addition room nights reflect the long-term average growth in the market.

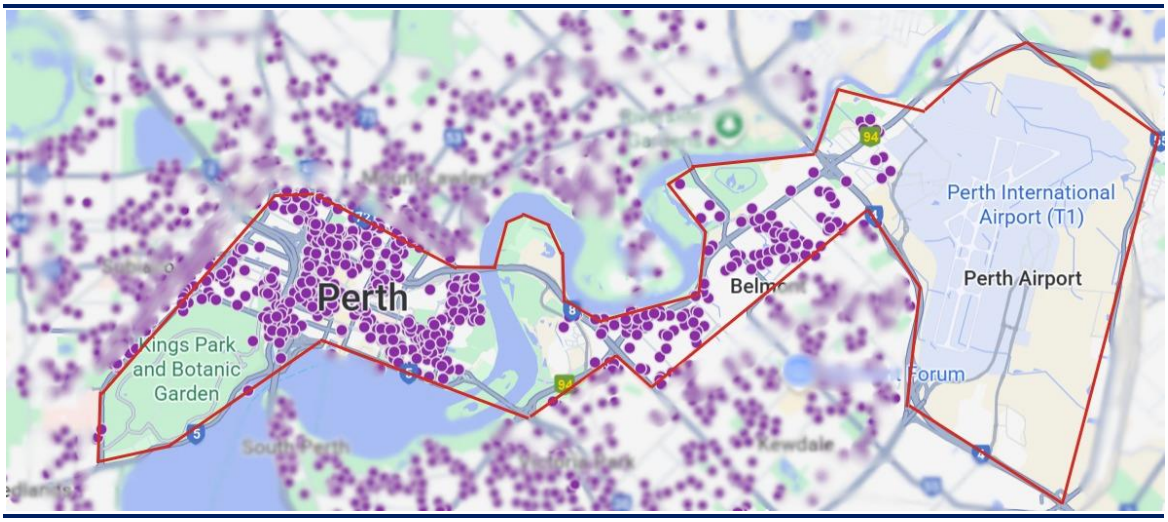
- Upper-Upscale and Luxury hotels expand, from 1 million RNA in 2011 to around 1.65 million by 2030, representing 3.3% growth to 2024 and 2.8% to 2030. This reflects the impact of recent high-end additions such as The Westin and Ritz-Carlton, followed by moderate growth stabilising post-2025.
- Upper-Midscale and Upscale properties account for the largest share of available room nights and continue to show the strongest long-term increase, rising from 1.45 million RNA in 2011 to 2.51 million by 2030. This category experiences a growth of 3.25% from 2011 to 2024 and 3% from 2011 to 2030, supported by new branded openings and expansions in this class.
- Economy and Midscale supply remains relatively stable, growing modestly from around 465,000 RNA in 2011 to approximately 624,000 by 2030, reflecting a limited-growth segment (2% growth from 2011 to 2024, and only 0.01% from 2020 to 2030).
- In the forecast five-year period, from 2025 to 2030, the increase in rooms nights available are most pronounced in Upper-Midscale and Upscale class growing at 2.2% CAARG, while Upper-Upscale and Luxury class is projected to grow 1.1% annually and Economy and Midscale at 0.7%.

Overall, the Perth Centre market demonstrates an upward supply trajectory led by growth in the Upper-Midscale to Luxury segments, with limited future expansion expected in the lower tiers.

5.6 SHORT-TERM RENTAL ACCOMMODATION

Short-term rental accommodation has become an integral part of Perth's visitor economy, providing flexible accommodation options that complement traditional hotels and serviced apartments. These properties cater to a diverse mix of leisure travellers, corporate guests, and long-stay visitors, offering home-style amenities and extended-stay convenience across various city precincts. At the same time, concerns have grown around housing supply, neighbourhood amenity and the fairness between traditional longer-term rentals and holiday-letting. To address these issues and support tourism, in 2024 the Western Australia Government introduced regulations for short-term rental accommodation. Reforms include the requirement that all listings must be registered by 1 January 2025, and in the Perth metropolitan area, if un-hosted must apply for development approval to let for more than 90 nights per year.

STR Active Listings in Perth Centre (Oct 2025)



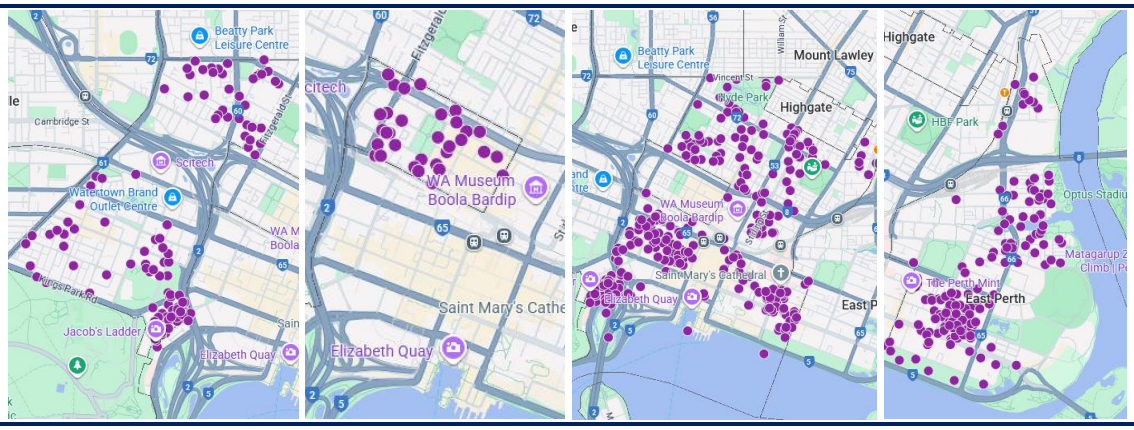
Source: AirDNA

5.6.1 Perth City

The Perth City accommodates the largest concentration of short-term rentals in the study area, offering a broad range of apartments catering to both leisure and corporate demand. The market benefits from proximity to the CBD, Elizabeth Quay, Northbridge entertainment precinct, and major cultural and sporting venues. The number of listings available in Perth City ranged from 472 to 542 active units over the 12-month period, averaging 505 listings.

- The lowest supply was recorded in February 2025 (472 listings), reflecting seasonal or owner-occupied withdrawals during summer holidays.
- Supply peaked in September 2025 (542 listings), suggesting renewed participation and seasonal growth ahead of spring and event season.
- The average length of stay remains around four nights, consistent with short-term corporate assignments and extended leisure weekends.
- Occupancy rates ranged from 73% to 84%, suggesting strong market absorption relative to supply. Listings occupied ranged between 361 and 451 units, with highest occupancy occurred in November 2024 (451 occupied listings), aligned with strong event and leisure demand in spring. Lowest occupancy was in May 2025 (361 occupied listings), consistent with softer winter conditions.

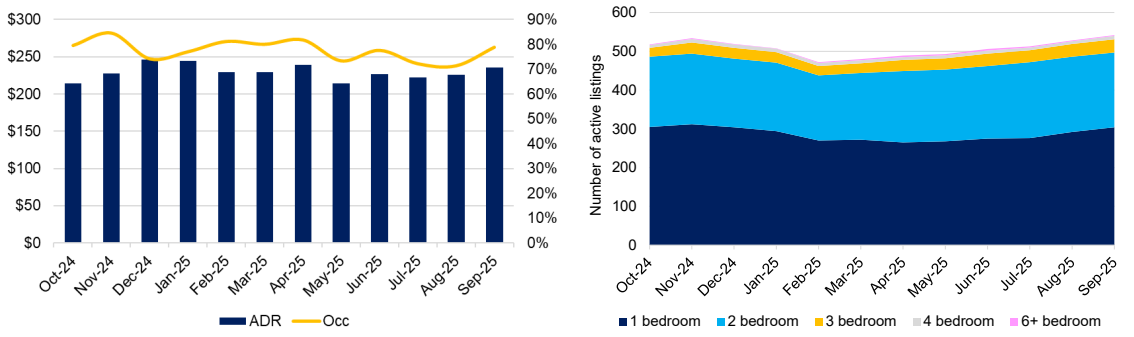
Map of Active Listings across Perth City (Oct 2025).



Source: AirDNA

- This data confirms that nearly four out of five listings were consistently booked each month, indicating flexibility of this type of accommodation as supply follow demand and more listings are available in the high season.
- The relationship between available and occupied listings suggests that new entrants are quickly absorbed, showing Perth's sustained visitor interest and strong booking rates.
- Compared to hotel markets, the STR sector provides higher flexibility and longer stay options, particularly attractive to corporate and relocation segments.

Short-Term Rental Occupancy, ADR Rental Types in Perth City (Oct 2024 – Sep 2025)



Source: AirDNA

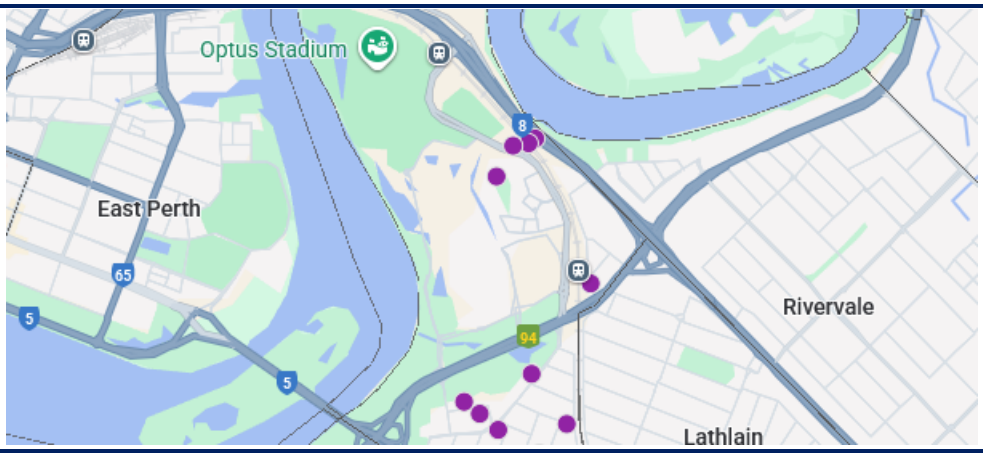
5.6.2 Burswood Precinct

The short-term accommodation market in Burswood is the smallest but high performing, primarily serving visitors attracted to the Crown Perth complex, Optus Stadium, and surrounding entertainment and event venues. Over the 12-month period from October 2024 to September 2025:

- There were 7-8 active listings, peaking at 12 listings in September 2025.
- Occupancy levels were between 66% and 93%, averaging approximately 80%, indicating consistently strong utilisation despite limited inventory. Peak occupancy occurred in May 2025 (93.8%) and January 2025 (91.3%), corresponding with the summer event season and high-profile concerts and sporting fixtures at Optus Stadium.

- Average daily rates (ADR) ranged from $261 to $324, with a yearly average of around $285, positioning the precinct in the Upper-Upscale segment of the Perth short-term rental market.

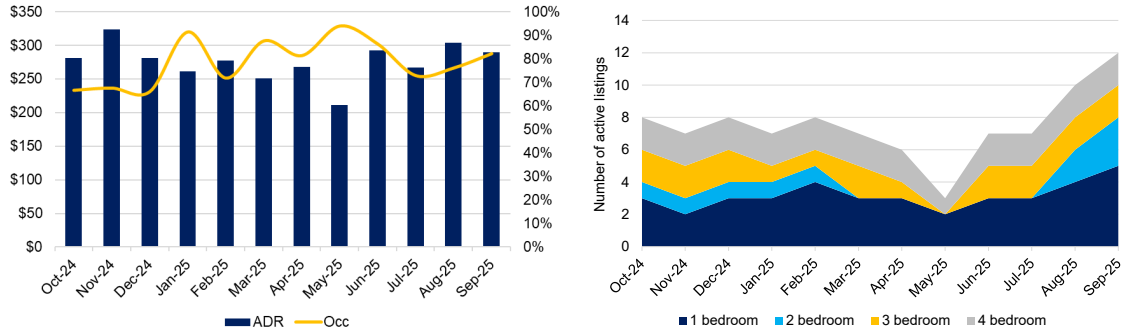
Map of Active Listings across Burswood (Oct 2025)



Source: AirDNA

- The average length of stay (LOS) across the period was 3 to 4 nights, reflecting a balanced mix of short leisure trips, event stays, and high-yield weekend bookings.
- Available listings ranged from 3 to 12, showing periodic fluctuations likely linked to short-term availability of privately managed units and event-driven hosting activity.
- Occupied listings ranged from 3 to 10, suggesting that nearly all active listings are regularly booked, particularly during event months.

Short-Term Rental Occupancy, ADR, and Rental Types in Burswood Precinct (Oct 2024 – Sep 2025)



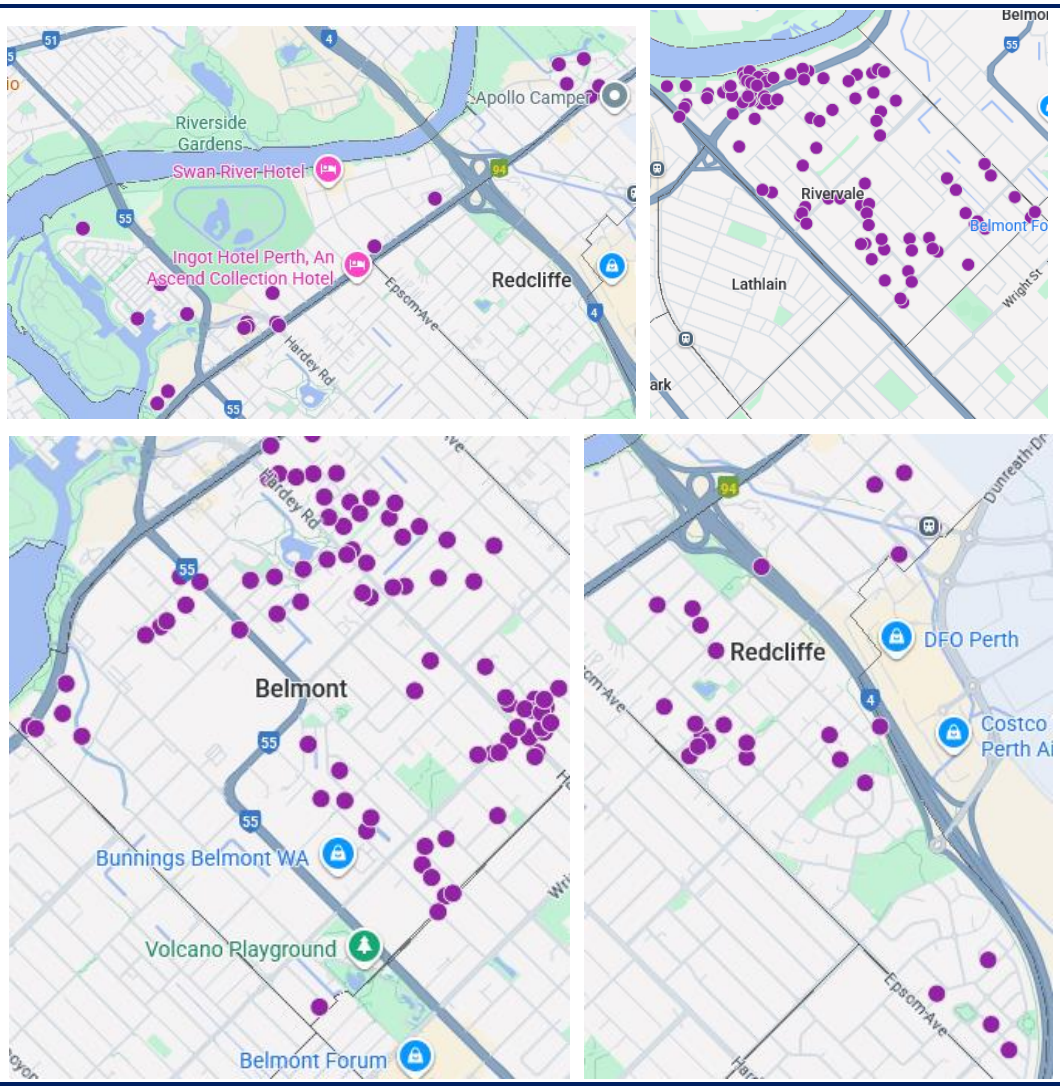
Source: AirDNA

5.6.3 Airport Corridor Precinct

The Perth Airport Corridor precinct represents a moderately priced segment of the short-term rental market, with performance closely linked to aviation, logistics, and industrial activities in the surrounding suburbs of Belmont, Cloverdale, Kewdale, Redcliffe, and Rivervale. Listings ranged between 130 and 162 active listings, representing approximately 22% of Perth Centre's total STR inventory.

- Over the 12-month period, the precinct recorded average occupancy around 75%, ranging from 68% to 79%.
- Average daily rate $160 to $201, representing the lower price range in the Perth Centre precinct.

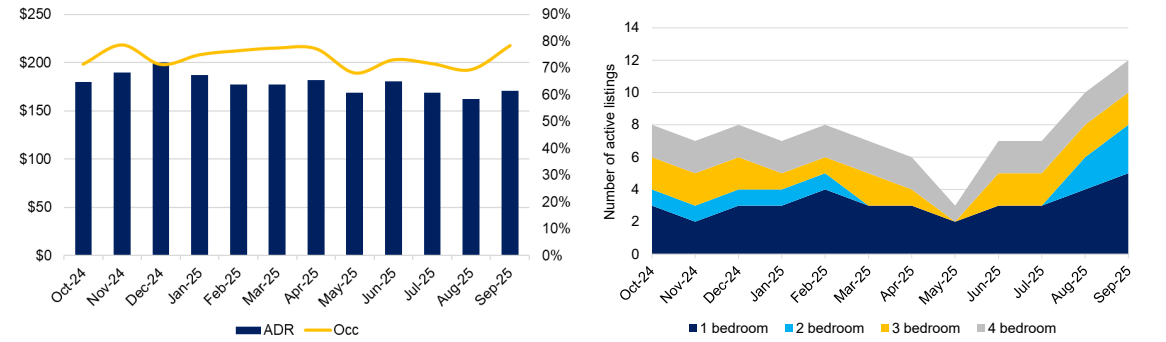
Map of Active Listings across Perth Airport Corridor Precinct (Oct 2025)



Source: AirDNA

- Length of stay average around 4 nights, indicating balanced corporate and short-term leisure visitation (most likely VFR segment).
- This steady performance reflects the precinct's functional appeal for workforce and transit travellers, supported by proximity to Perth Airport terminals, industrial estates, and major road connections.
- In the 12-month period, highest occupancy months were November 2024 (78.6%) and September 2025 (78.3%), coinciding with increased business travel and pre-summer visitation. Lowest occupancy occurred in May 2025 (68.1%), reflecting shoulder-season demand softening after Easter.
- The alignment between available and occupied listings confirms that the Airport Corridor market operates with demand closely matching active supply.

Short-Term Rental Occupancy, ADR, and Rental Types in Airport Corridor Precinct (Oct 2024 – Sep 2025)



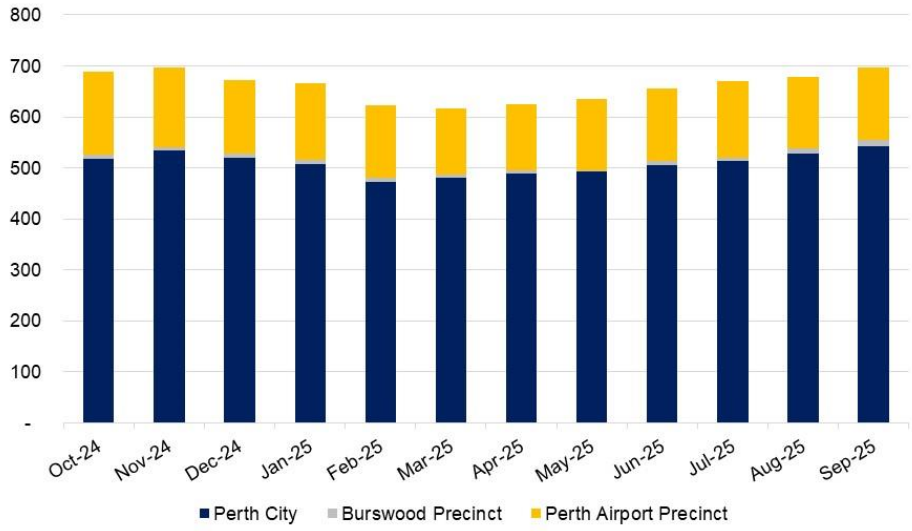
Source: AirDNA

5.6.4 Short-Term Rentals Perth Centre – Summary

Across the three analysed precincts, Perth City, Burswood, and the Perth Airport Corridor, short-term accommodation demonstrates popularity and performance that follows supply – demand balance, highlighting the depth and diversity of Perth's alternative accommodation sector.

A key characteristic of Perth's short-term rental market is its flexibility of supply. Listings can easily enter or exit the market depending on seasonal conditions, major events, and shifts in travel activity. This dynamic adjustment enables STR supply to closely follow demand patterns, absorbing peaks during high visitation periods and contracting during low seasons.

Short-Term Rental Location Distribution (Oct 2024 – Sep 2025)

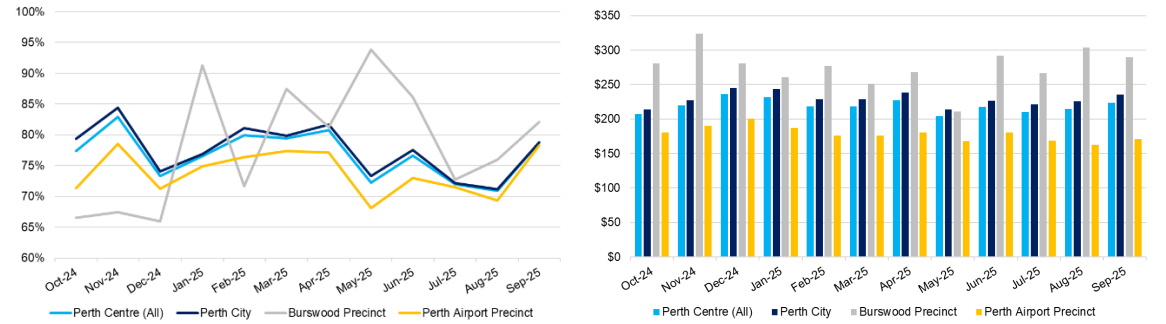


Source: AirDNA

- Perth City forms the largest STR market, with around 500 active listings and year-round occupancy averaging 78%. The segment benefits from a balanced mix of corporate, leisure, and extended-stay demand, supported by proximity to key attractions, retail, and employment nodes.
- Burswood operates as a boutique, high-yield market, anchored by the Crown Perth complex and Optus Stadium. Despite a very limited inventory (typically under 10 active listings), occupancy regularly exceeds 80%, and rates approach $300 per night. The area's performance is driven by event and entertainment demand, positioning it as Perth's premium short-stay location.

- The Perth Airport Corridor contributes approximately one-fifth of the total Perth Centre STR supply, functioning as a midscale, business-oriented submarket. With steady occupancy around 75% and ADR near $180, the precinct serves FIFO workforce, aviation, logistics, and contractor-related demand, maintaining year-round stability with limited seasonality.

Short-Term Rental Occupancy and ADR in Perth Centre (Oct 2024 – Sep 2025)



Source: AirDNA

5.7 SUPPLY CONCLUSION AND STRATEGIC OPPORTUNITIES

The supply analysis for Perth Centre outlines a maturing but one-class heavy accommodation, shaped by a decade of significant investment and brand expansion. The city's hotel inventory has diversified across classes and precincts, reflecting Perth's transformation into a modern, globally branded destination. However, this growth has also created an imbalance in the range of class types, with a heavy concentration of upscale and luxury properties and a limited pipeline of new midscale or affordable developments. This distribution has elevated Perth's visitor appeal and product quality but has also narrowed affordability and limited diversity in accommodation choice for domestic leisure and workforce travellers.

The analysis highlights how supply is geographically concentrated in the Perth City, supported by secondary clusters in Burswood and the Airport Corridor, each serving distinct market functions. The findings point to a market now entering a consolidation phase, where future growth will depend less on new construction and more on refurbishment, repositioning, and product differentiation.

5.7.1 Tourism Accommodation Supply Gap Analysis

The supply gap analysis examines the balance between existing and planned tourism accommodation supply within the Perth City study area, identifying where current market composition may present a gap and if aligned with the demand analysis outcomes, future hotel development opportunity.

While Perth's accommodation sector is mature and diverse, it remains heavily weighted toward upscale and luxury hotels developed during the 2017-2020 expansion cycle. This has resulted in an increasingly competitive high-end market, alongside a visible shortage of modern midscale and affordable options catering to domestic leisure, regional, and workforce travellers. The analysis therefore highlights both structural gaps and strategic opportunities for future development, refurbishment, and product diversification across hotel and serviced apartment segments.

Tourism Accommodation Supply Analysis by Class in the Perth Centre

CURRENT SUPPLY

	Economy	Midscale	Upper Midscale	Upscale	Upper Upscale	Luxury
Properties	5	15	17	28	10	9
	6.0%	17.9%	20.2%	33.3%	11.9%	10.7%
Rooms	1,023	1,381	1,816	4,112	1,474	2,410
	8.4%	11.3%	14.9%	33.7%	12.1%	19.7%

ADDITIONS TO SUPPLY

	Economy	Midscale	Upper Midscale	Upscale	Upper Upscale	Luxury
Properties	0	0	2	3	1	0
	0.0%	0.0%	33.3%	50.0%	16.7%	0.0%
Rooms	0	0	323	353	190	42
	0.0%	0.0%	35.6%	38.9%	20.9%	4.6%

CURRENT AND ADDITIONS TO SUPPLY (UP TO 2030)

	Economy	Midscale	Upper Midscale	Upscale	Upper Upscale	Luxury
Properties	5	15	19	31	11	9
	5.6%	16.7%	21.1%	34.4%	12.2%	10.0%
Rooms	1,023	1,381	2,139	4,465	1,664	2,452
	7.8%	10.5%	16.3%	34.0%	12.7%	18.7%

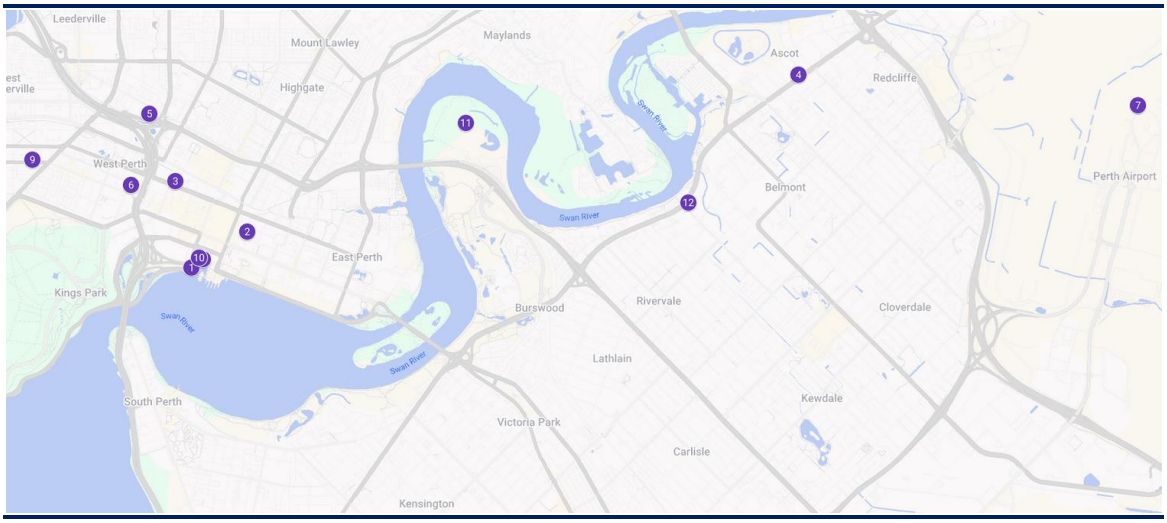
Source: Horwath HTL, STR

- The market is dominated by premium hotels with 65% of all rooms positioned at the Upscale and above levels.
- Economy and Midscale accommodation collectively make up less than 20% of total rooms, highlighting a shortage of affordable, contemporary lodging options.
- Serviced apartments are strongly represented within Upper-Midscale and Upscale categories, providing flexibility but contributing little to lower-cost supply.

5.7.2 Tourism Accommodation Supply Future Opportunities

The Perth Centre is now entering a consolidation phase in which targeted, opportunity-led development, rather than large-scale expansion, will define the next decade of accommodation growth. The analysis confirms that although Perth has successfully diversified its branded offer, the market remains heavily concentrated in Upscale and Luxury classes, with limited pipeline activity in Midscale, Economy, Lifestyle, and long-stay products. This imbalance, combined with evolving demand drivers, creates clear and investable opportunities across specific precincts and product types.

Future Accommodation Supply Projects in Perth Centre



Source: Google Maps, Horwath HTL
Note: The presented properties are at the various stages of development (see section 5.5) - 1. Elizabeth Hotel and Residences, 2. Hyde Perth, 3. Dorsett Hotel, 4. Wyndham Lux Hotel Ascot, 5. Aiden SCQ West Perth, 6. The Harvest West Perth, 7. Pullman Perth Airport, 8. EQ West Lot 5 by Brookfield, 9. Carillon City Hotel, 10. EQ West Lot 4 Hotel Tower, 11. Burswood Luxury Hotel, 12. TRYP by Wyndham

Perth's development trajectory is shifting from broad expansion to precision investment, focusing on filling market gaps, elevating product quality, and aligning new accommodation supply with strategic precincts, education infrastructure, cultural activation, and aviation growth. The following investment opportunities emerge from the city's current market composition, evolving demand, and the approaching refurbishment cycle.

- Lifestyle and boutique hotels in emerging precincts
  - Despite Perth's strong representation of international brands, there remains a distinct gap in lifestyle, boutique, and design-led accommodation appealing to younger and experiential travellers
  - New investment opportunities exist, where mixed-use, leisure-oriented and design-focused hotels could capture the growing "Luxe Culture" and "City Social" visitor segments identified by Tourism WA
  - These properties should integrate local art, culture, and culinary experiences to strengthen Perth's leisure appeal and establish the city as a vibrant stopover destination for travellers exploring Western Australia's regional icons
  - Recommendation: planning authorities could identify, provide initial assessments and pre-approve suitable sites in Elizabeth Quay, Waterfront CBD, East and West Perth, Northbridge, and other emerging precincts, which can be supported by height/plot-ratio concessions

- Midscale and Economy properties for youth, education, and workforce markets
  - The underrepresentation of modern and trendy Economy and Midscale accommodation presents an opportunity to serve younger, budget-conscious travellers, students, and families visiting the future ECU City Campus
  - Investment in well-designed, efficient, and affordable hotels within the Perth East and Northbridge precincts would support urban activation while addressing accessibility gaps for visitors attending conferences, graduations, or educational programs
  - Such developments would also cater to the regional workforce and domestic weekend travellers, aligning with demand for affordable short-break options
  - Recommendation: planning authorities could identify and pre-approve suitable sites in East Perth and Northbridge for Midscale/Economy development, supported by incentive relief to ensure feasibility for lower-rate accommodation products
- Refurbishment and repositioning of existing assets
  - Many hotels developed during earlier investment cycles may be in need for the refurbishment and repositioning to remain competitive with newer entrants
  - This creates an opportunity for investors to pursue value-add acquisitions and repositioning strategies rather than greenfield development (such as Hyde Perth)
  - Examples include assets such as the Adina Apartment Hotel Perth, which can be modernised through design upgrades, sustainability improvements, and enhanced guest experience features
  - Recommendation: government could establish a refurbishment support mechanism, such as accelerated planning pathways, preferential loans tied to sustainability standards, or rate-relief frameworks, to encourage reinvestment into aging Perth Centre assets
- Perth Convention and Exhibition Centre hotel development
  - The proposed hotel integrated within or adjacent to the Perth Convention and Exhibition Centre represents a major strategic investment opportunity to strengthen Perth's competitiveness in the MICE sector
  - A high-quality convention hotel on-site would attract larger domestic and international conferences, while an affordable Midscale option nearby would cater to organisers, contractors, and support staff
  - Together, these developments would address an accommodation gap that is the lack of on-site accommodation options, enhance event capacity, and generate year-round delegate-driven visitation
- Recommendation: government authorities could prepare a clear pathway for a future redevelopment of the convention centre by systematically tracing event data, gathering detailed information on demand characteristics, and maintaining longitudinal records of trends to inform and strengthen any future redevelopment business case when the opportunity arises.
- East Perth Revitalisation
  - Despite being strategically located on the doorstep of the CBD, the waterfront, and Optus Stadium, East Perth remains one of the most underutilised parts of the city centre, characterised by low levels of activation, aging commercial stock, an unfavourable investment reputation, and limited public transport permeability compared to other inner-city precincts

- The precinct's unappealing streetscape, weak night-time economy, and perceived safety issues currently constrain visitation and investor confidence; however, its combination of waterfront access, proximity to major venues, and residential base provides a strong foundation for precinct revitalisation and repositioning as a desirable, connected urban village within the broader CBD fabric
- Recommendation: state and local government could develop a coordinated East Perth Revitalisation Framework that integrates public realm improvements, transport upgrades, safety initiatives, and hotel-focused planning initiatives to reposition the precinct as a viable mixed-use neighbourhood

- Perth as a stopover gateway for Western Australia exploration
  - Perth's long-term leisure growth is increasingly linked to the development of regional Western Australian destinations such as Margaret River, Exmouth, Broome, and the Coral Coast
  - As regional experiences become more competitive and distinctive, Perth will gain as the natural entry and departure point for interstate and international travellers
  - Opportunities exist for integrated packages and itineraries connecting Perth stays with regional touring, promoting the city as the gateway to Western Australia's nature, culture, and adventure.
  - Recommendation: government could coordinate long-term regional development programs to grow tourist offering in the regions, ensuring planning frameworks enable diverse accommodation types to attract different type of demand segments and that Perth's stopover value proposition is embedded into regional dispersal and aviation strategies.

-

Gap	Analysis	Priority precincts
Lifestyle and Boutique Gap: Absence of small-to-mid scale lifestyle properties limits Perth's cultural identity and weekend leisure appeal	Despite a strong base of international brands, Perth lacks the design-led, experiential hotels increasingly demanded by younger, leisure-focused, and stopover travellers.	Elizabeth Quay, Waterfront, East Perth, Northbridge, emerging mixed-use clusters
Midscale and Economy Gap: Less than 20% of Perth's rooms fall within the Midscale/Economy classes, creating affordability constraints for domestic leisure, students, young travellers, families, regional workforce, and VFR markets.	Insufficient quality mid-range offer to support emerging education, sports, cultural events, and growing city activation initiatives.	East Perth, Northbridge, Airport Corridor, Perth City fringe
Premium Serviced Apartments Gap: Limited offering of modern, premium aparthotels with full-service and lifestyle integration	Long-stay demand – corporate mobility, visiting academics, FIFO-related corporate travel, medical precinct visitation, and project teams, remains underserved	CBD core, West Perth
Serviced Apartments Gap: Limited offering of modern, premium aparthotels with full-service and lifestyle integration	Long-stay demand – corporate mobility, FIFO-related corporate travel, and project teams, have constrained options	Airport Corridor
Luxury Limited Offer Gap: Limited supply of luxury rooms restricts Perth's ability to attract high-yield leisure, premium events, international delegations, and affluent stopover markets.	Although Perth's brand profile has improved, its Luxury and Upper-Upscale stock remain limited, particularly in globally recognisable waterfront and entertainment settings.	Elizabeth Quay, Waterfront CBD

Perth's accommodation market has transitioned from a development-driven phase to one of strategic refinement. The city's next growth stage should focus on broadening product diversity, improving asset quality, and fostering precinct integration to ensure balanced and inclusive tourism growth. A coordinated approach between state agencies, the City of Perth, and private investors will be critical to achieving a resilient accommodation ecosystem capable of meeting both short-term visitation peaks and long-term urban development goals.

6. PERTH CENTRE HOTEL MARKET PERFORMANCE AND OUTLOOK

6.1 METHODOLOGY

Horwath HTL undertook modelling of published information related to hotel market performance and supply additions, domestic and international tourism data, and a range of economic data to establish the correlation between the historical performance of hotel markets and identifiable drivers of demand and thereafter to predict growth based on economic forecasts.

- Horwath HTL used historical STR hotel performance data from January 2010 through the latest available performance in assessing the future potential performance of the Perth TR Hotel Market. This historical data was converted to quarterly data points to run the econometric modelling process. Key data points used are Room Nights Available, Room Nights Occupied, Revenues, Occupancy and ADR.
- Horwath HTL subscribes to Deloitte Access Economics quarterly Business Outlooks for Australia, which provides historical quarterly data points for each State and Territory in Australia going back to March 1980 and the latest September quarter 2025 forecast going out to the June 2025 quarter. Horwath HTL uses a range of state-based and national economic data points in the econometric model to forecast future Room Nights Occupied and ADR levels.
- Horwath HTL subscribes to Tourism Research Australia (TRA) quarterly data releases on domestic and international tourism visitor, visitor night and visitor expenditure data points. This provides detailed State, Capital City and State Regional data points from the March quarter 2006 through to the latest data available (currently December quarter 2024).
- Tourism Research Australia also present a 5-year tourism forecast, typically released each December. The current forecast covers year-end 2024 through 2029 providing state-based forecasts for domestic tourism and domestic tourism expenditure and national forecasts for international visitor arrivals and international visitor expenditure. Horwath HTL use these annual forecasts and converts them to quarterly increments and adjusts the outlook as actual data is received each year.
- Moreover, Horwath HTL utilised the Perth Airport passenger movement forecast as published in the Master Plan 2026 Preliminary Draft (accessed December 2025).
- Horwath HTL maintain an extensive database of potential hotel development projects across all capital city and regional markets and States and Territories in Australia. The supply database in constantly updated to provide an accurate as possible assessment of potential new supply additions across the country.
- Regarding new supply additions, Horwath HTL has applied the following assumptions unless we can confirm otherwise:
  - For hotel projects that are under construction, we have assigned a likelihood of 100%
  - For projects that have received a Development Application (DA) approval but are not under construction, we have assigned a likelihood of 50%
  - For projects that have submitted a DA and not received an approval, we have assigned a likelihood of 25%

- For mooted projects that have been announced but have not submitted a DA, we have assigned a likelihood of 0%
- For projects that we have not received updates for more than a year, we have reduced their likelihood, and for projects that we have not received updates for more than two years, we have put their projects on hold at a likelihood of 0%.

- Using all the datapoints above, the Econometric model runs a forecasting function correlating historical datapoints and providing quarterly future forecasts for Room Nights Occupied (which are matched against the forecast for Room Nights Available to calculate occupancy) and for ADR.
- The following section presents performance analysis and outlook for following markets and groupings:
  - Perth Centre (all properties in the Perth Centre as an area defined by the study)
  - Hotels and serviced apartments in Perth Centre
  - Upper-Upscale and Luxury class, Upper-Midscale and Upscale class, and Economy and Midscale class groupings in Perth Centre

Econometric Forecasting Model Process Flow

Source: Horwath HTL

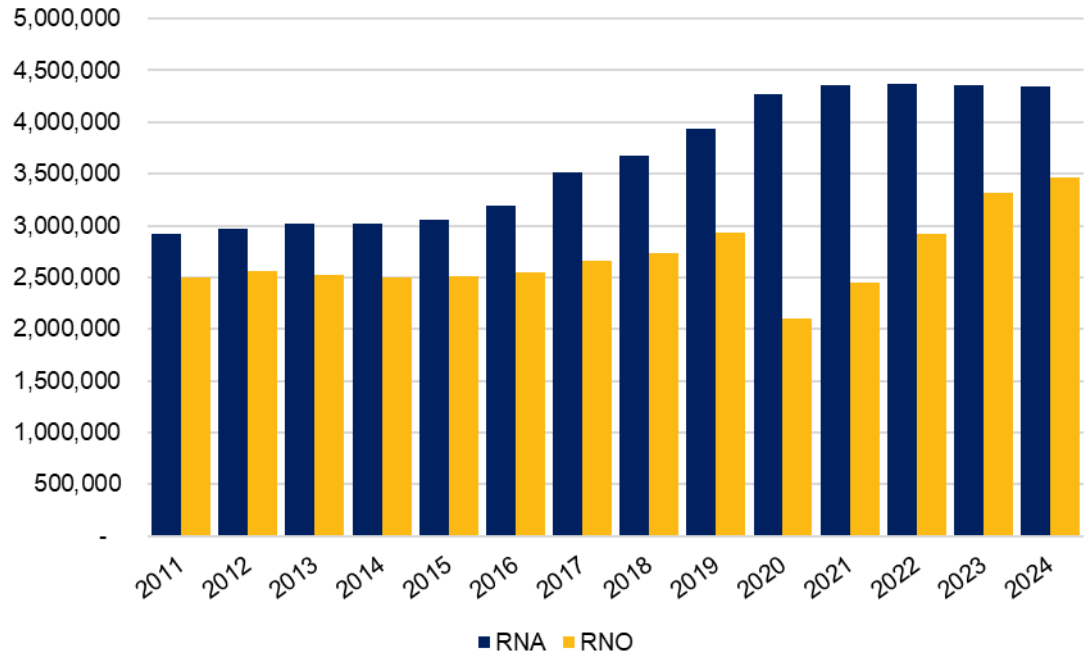
6.2 PERTH CENTRE HOTEL MARKET

6.2.1 Supply and Demand

There are 84 hotels participating with STR in the defined study area – Perth Centre representing a total of about 12,216 rooms in the market. Based on the census room count from STR statistics, tourist accommodation supply has increased from 8,012 rooms at the end of 2011 to 11,904 rooms at the end of 2024 at a CAAGR rate of 3.1%.

The largest jump in room supply (RNA) occurred in 2017 when supply increased by 10.1%, followed by 2020 with 8.3% and 2019 with at 7.1% and 2020 – 8.3% growth in rooms available in the market. This period aligns with a strong development cycle marked by the opening of several new properties in the city centre and surrounding precincts, including new internationally branded hotels responding to high corporate and resource-related demand during the mining investment boom.

Perth Centre Annual Supply and Demand (2011-2024)



Source: Horwath HTL, STR

During the latest two years – 2023 and 2024, supply slightly decreased (-0.1% and -0.4% respectively) due to some hotels being closed for conversion or renovation. Despite the Covid-19 pandemic the room supply increased by 10% from 2019 to 2024.

Demand (RNO) growth between 2011 and 2024 was recorded at a CAAG rate of 2.6%, lower than supply growth (3.1%) over the same period, resulting in occupancy decreasing from 85.3% in 2011 to 79.7% in 2024. The highest annual occupancy was recorded in 2012 at 86.3% and based on STR data, occupancy has only been recorded above 80% between 2011 to 2015.

Demand dropped dramatically in 2020 by -28.5% as international and state borders were closed. Demand that remained in the market was primarily domestic and rebounded quickly in 2021 by 16.6%, when the Perth Centre hotels achieved 56% occupancy.

In 2022, the level of demand almost recovered to 2019 demand levels; however, due to the increase in supply during the same period, occupancy was 7.5 points lower than occupancy in 2019. In the following year, demand increased by an impressive 13.3%, exceeding 2019-levels with 76% occupancy. In 2024, demand grew further by 4.5% resulting in the highest occupancy since 2016 at 79.7%.

6.2.2 ADR and RevPAR Levels

ADR levels in Perth Centre have shown a gradual nominal increase since 2011, rising from $192.7 to $225.3 by 2024, representing a compound annual growth rate (CAAGR) of approximately 1.3%. However, this rate of growth remains below Australia's average annual inflation of around 2.63% over the same period. This indicates that, in real terms, hotel room rates in Perth Centre have declined, with price growth not keeping pace with broader economic inflation. The subdued ADR performance reflects periods of intense market competition following significant new supply additions post-2012 (largest supply growth was 2017-2020 as previously stated) and price suppression during the resources industry slowdown, when demand was somewhat constrained.

After eight years of falling ADR (2012 to 2020), the Covid-19 pandemic period brought rapid growth in ADR, starting from 14% in 2020, followed by two strong years when ADR grew by 16% in 2023 and 10.4% in 2024. In 2024, the growth rate slowed down to 3.5%, achieving ADR for Perth Centre hotels at $227. Overall, between 2019 and 2024, the ADR grew at 7% CAARG, while combined with 2% occupancy growth, the period saw 8.4% average growth in RevPAR.

6.2.3 Perth Centre Hotel Market Outlook

Perth Centre historical accommodation performance and outlook to 2030 is as follows:

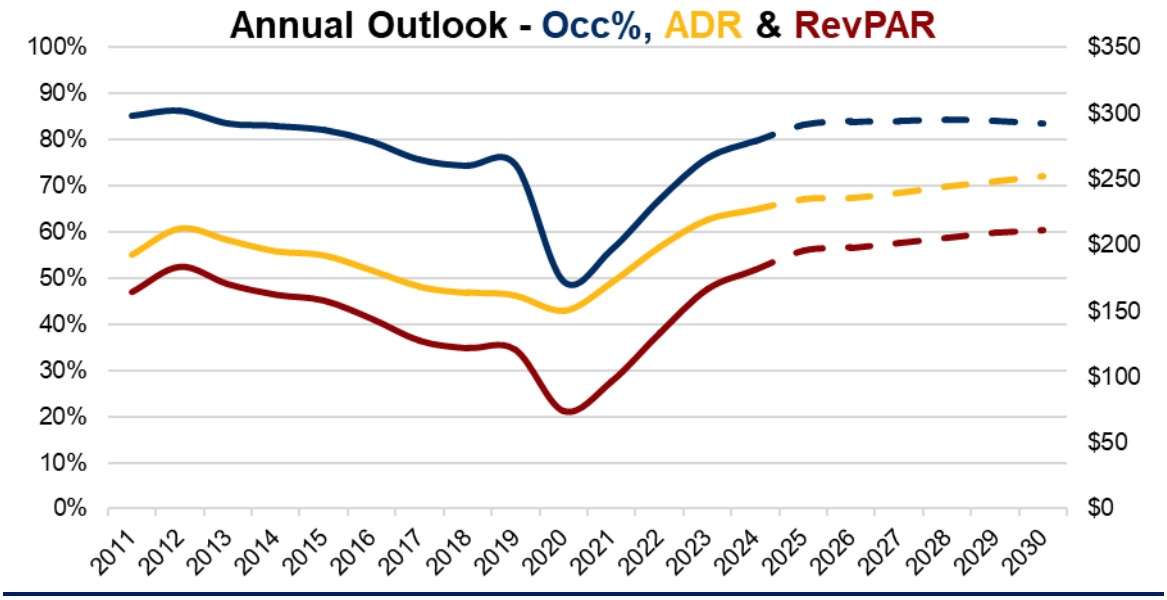
Annual Perth Centre Hotel Performance (2011-2024) and Outlook (2025-2030)

YEAR	RNA	%	RNO	%	REV	%	Occ %	%	ADR	%	RevPAR	%
2011	2,924,339		2,493,422		480,521,336		85.3%		$192.7		$164.3	
2012	2,972,717	*1.7%*	2,564,405	*2.8%*	545,606,642	*13.5%*	86.3%	*1.2%*	$212.8	*10.4%*	$183.5	*11.7%*
2013	3,022,956	*1.7%*	2,525,141	*-1.5%*	514,975,750	*-5.6%*	83.5%	*-3.2%*	$203.9	*-4.1%*	$170.4	*-7.2%*
2014	3,012,982	*-0.3%*	2,503,209	*-0.9%*	489,104,357	*-5.0%*	83.1%	*-0.5%*	$195.4	*-4.2%*	$162.3	*-4.7%*
2015	3,057,814	*1.5%*	2,510,465	*0.3%*	482,800,233	*-1.3%*	82.1%	*-1.2%*	$192.3	*-1.6%*	$157.9	*-2.7%*
2016	3,191,680	*4.4%*	2,542,374	*1.3%*	459,676,905	*-4.8%*	79.7%	*-3.0%*	$180.8	*-6.0%*	$144.0	*-8.8%*
2017	3,514,932	*10.1%*	2,659,686	*4.6%*	448,205,602	*-2.5%*	75.7%	*-5.0%*	$168.5	*-6.8%*	$127.5	*-11.5%*
2018	3,680,131	*4.7%*	2,738,067	*2.9%*	449,391,281	*0.3%*	74.4%	*-1.7%*	$164.1	*-2.6%*	$122.1	*-4.2%*
2019	3,940,966	*7.1%*	2,937,056	*7.3%*	475,942,217	*5.9%*	74.5%	*0.2%*	$162.0	*-1.3%*	$120.8	*-1.1%*
2020	4,266,480	*8.3%*	2,099,756	*-28.5%*	315,633,780	*-33.7%*	49.2%	*-34.0%*	$150.3	*-7.2%*	$74.0	*-38.7%*
2021	4,359,977	*2.2%*	2,447,541	*16.6%*	419,390,553	*32.9%*	56.1%	*14.1%*	$171.4	*14.0%*	$96.2	*30.0%*
2022	4,365,518	*0.1%*	2,924,648	*19.5%*	581,323,881	*38.6%*	67.0%	*19.3%*	$198.8	*16.0%*	$133.2	*38.4%*
2023	4,362,844	*-0.1%*	3,314,859	*13.3%*	727,159,820	*25.1%*	76.0%	*13.4%*	$219.4	*10.4%*	$166.7	*25.2%*
2024	4,345,022	*-0.4%*	3,464,239	*4.5%*	786,891,439	*8.2%*	79.7%	*4.9%*	$227.1	*3.5%*	$181.1	*8.7%*
2025	4,273,202	*-1.7%*	3,552,924	*2.6%*	835,796,483	*6.2%*	83.1%	*4.3%*	$235.2	*3.6%*	$195.6	*8.0%*
2026	4,371,184	*2.3%*	3,672,026	*3.4%*	866,134,083	*3.6%*	84.0%	*1.0%*	$235.9	*0.3%*	$198.1	*1.3%*
2027	4,458,853	*2.0%*	3,750,866	*2.1%*	899,379,341	*3.8%*	84.1%	*0.1%*	$239.8	*1.7%*	$201.7	*1.8%*
2028	4,548,630	*2.0%*	3,833,480	*2.2%*	936,929,899	*4.2%*	84.3%	*0.2%*	$244.4	*1.9%*	$206.0	*2.1%*
2029	4,667,620	*2.6%*	3,923,819	*2.4%*	976,121,912	*4.2%*	84.1%	*-0.3%*	$248.8	*1.8%*	$209.1	*1.5%*
2030	4,773,470	*2.3%*	3,992,319	*1.7%*	1,008,960,034	*3.4%*	83.6%	*-0.5%*	$252.7	*1.6%*	$211.4	*1.1%*
CAAGR												
2011 - 2024		*3.1%*		*2.6%*		*3.9%*		*-0.5%*		*1.3%*		*0.8%*
2019 - 2024		*2.0%*		*3.4%*		*10.6%*		*1.4%*		*7.0%*		*8.4%*
2019 - 2030		*1.8%*		*2.8%*		*7.1%*		*1.1%*		*4.1%*		*5.2%*
2024 - 2030		*1.6%*		*2.4%*		*4.2%*		*0.8%*		*1.8%*		*2.6%*

Source: Horwath HTL, STR

- Supply growth (RNA) is expected to remain moderate, increasing from 4.27 million in 2025 to 4.77 million by 2030, representing a CAAGR of 1.6%.
- This reflects a slower development cycle compared with the expansion period of 2011-2019 (3.1% CAAGR), suggesting that the market has entered a phase of consolidation after absorbing significant new supply.
- Demand is forecast to outpace supply, growing from 3.55 million in 2025 to 3.99 million in 2030, an average annual increase of 2.4% between 2024 and 2030.

Annual Perth Centre Hotel Performance (2011-2024) and Outlook (2025-2030)



Source: Horwath HTL, STR

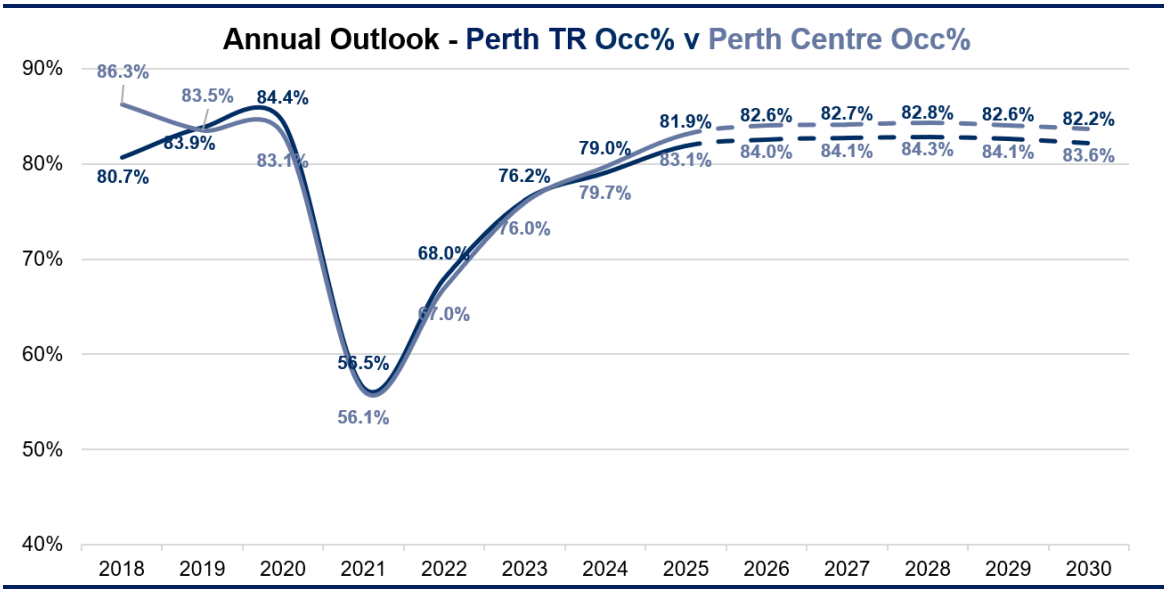
- With demand rising slightly faster than supply, occupancy is expected to improve from 83.1% in 2025 to 83.6% in 2030, at marginal rate of 0.8%.
- The stabilised occupancy indicates that new supply will be largely absorbed, with performance increasingly driven by rate growth rather than occupancy gains. In the five year-period of 2025-2030, Perth Centre occupancy will stabilise in the mid-80s posing a risk of turn-away demand during the high occupancy days.
- ADR is projected to continue increasing steadily from $235 in 2025 to $253 in 2030, equating to a CAAGR of 1.8%. This marks a normalisation of rate growth following the sharp climb during the Covid-19 pandemic seen in 2021-2023 (10-16% increases).
- Total room revenue is forecast to increase from $835.8 million in 2025 to just over $1.0 billion by 2030, representing a 4.2% CAGR over 2024-2030.
- This growth trajectory suggests that Perth Centre will consolidate its position as the primary accommodation hub in Western Australia, benefiting from both volume and yield expansion.

6.2.4 Perth TR vs Perth Centre

Perth Centre represents the core accommodation hub within the broader Perth Tourism Region (TR), accounting for approximately 72–76% of total room nights available (RNA) over the historical and forecast period. This consistent share highlights the dominant concentration of hotel supply in the city centre, reflecting its role as the primary focus of Perth's tourism, business, and events accommodation market.

- In the period between 2011 to 2018, Perth Centre was outperforming Perth TR between 1 to 1.9 percentage point, but in 2018 the difference was 5.6 points, when Perth Centre recorded 86.3% occupancy. From 2019 to 2023, Perth TR performed slightly better that Perth Centre, which reflected the new supply entering the market.
- In 2024, Perth Centre hotels again outperformed the Perth TR market – for the first time since 2018; however, at a marginal rate of 0.9%. Due to the limited announced future supply, the forecast for Perth Centre is slightly better (by 1.4 percentage point) than Perth TR reflecting the concentration of best-performing hotels in Perth TR.
- The two submarkets are thus expected to perform in tandem, reflecting a balanced and mature accommodation market across Perth TR, where future revenue growth will be primarily rate-driven rather than occupancy-led.

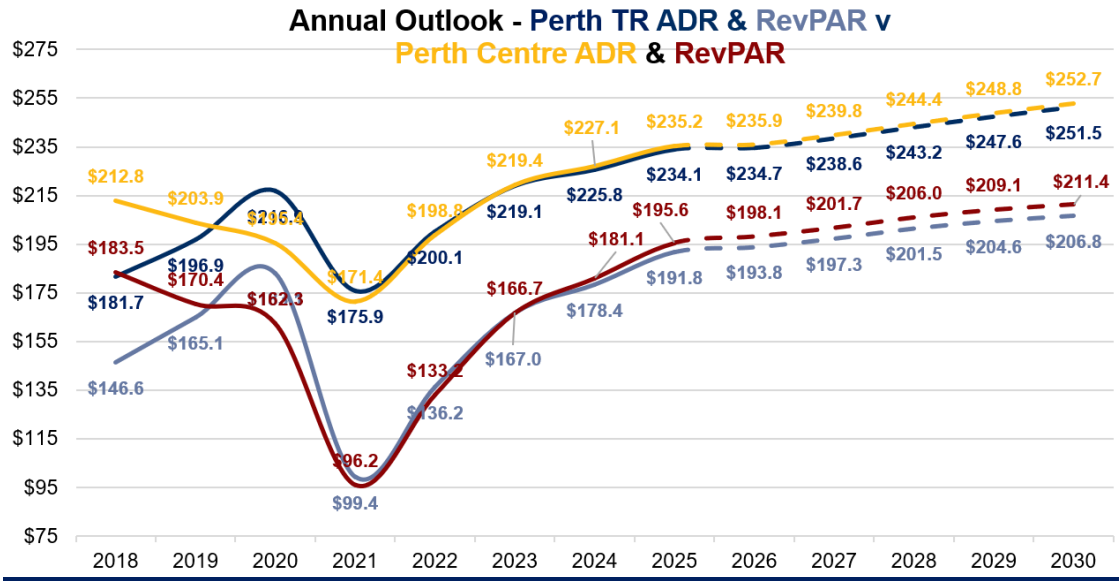
Perth Centre Occupancy in the Context of Perth TR



Source: Horwath HTL, STR

- Pre-pandemic Perth Centre outperformed Perth TR on RevPAR ($164–$170 vs. $146–$165), due to its higher ADRs despite slightly lower occupancy.
- Due to the pandemic restrictions and quarantine requirements, both markets collapsed to record lows in 2021, but Perth TR held a marginal advantage, supported by longer-stay and essential-travel demand.
- In the period of 2022 to 2024 Perth Centre's RevPAR rebounded sharply, reaching $181 in 2024, slightly higher than Perth TR ($178). This again reflects a faster rate-led recovery in the city centre, boosted by the return of events and high-value visitors.
- RevPAR is projected to grow steadily in both markets in the period to 2030, with Perth Centre reaching $211 by 2030, slightly above Perth TR at $207. The long-term forecast indicates parallel performance trends, with city hotels leveraging rate growth and slightly higher occupancy.

Perth Centre ADR and RevPAR in the Context of Perth TR



Source: Horwath HTL, STR

6.2.5 Perth Centre Seasonality

The Perth Centre accommodation market presents a distinct seasonal pattern shaped by both business and leisure travel dynamics. Occupancy levels typically peak in autumn (March) and spring (September to November), aligning with major conventions, events, and favourable weather conditions that attract both corporate and leisure visitors. The winter months (May to July) represent a softer period, reflecting reduced corporate travel and fewer large-scale events, while January remains subdued due to the summer holiday slowdown in business activity.

The consistently strong performance during the shoulder seasons indicates a well-balanced market supported by diverse demand drivers, including domestic tourism, meetings and events, and returning international travel. The steady improvement in off-peak occupancy between 2023 and 2025 suggests a more resilient market with improved year-round visitation and stronger recovery post-pandemic. This trend positions Perth's hotel sector for continued growth, particularly if supported by sustained event attraction, convention activity, and air connectivity initiatives.

Seasonality in the Perth Centre (2023-2025)

Year/Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2023	67%	79%	85%	71%	70%	70%	71%	75%	80%	83%	87%	74%	**76%**
2024	70%	88%	82%	76%	78%	72%	75%	80%	86%	85%	89%	77%	**80%**
2025	76%	86%	84%	80%	79%	78%	80%	81%	87%	N/A	N/A	N/A	**N/A**

Source: Horwath HTL, STR

- High season peaks occur consistently in March, September, October, and November, when occupancy rates reach between 80% to 89%, reflecting strong corporate, events, and leisure demand during Perth's mild autumn and spring periods.

- Shoulder months such as February and August also record solid performance (from high 70% to high 80%), likely supported by returning business travel and pre-summer tourism activity.
- Low season deeps are evident in January, May, June, and July, with occupancy levels dropping to high 60% up to mid-70%, reflecting reduced corporate travel during holidays and the cooler winter period.
- Year-on-year data shows gradual strengthening of low-season months, especially January and July, suggesting improving baseline demand or successful yield strategies.
- Overall, annual occupancy increased from 76% in 2023 to 80% in 2024, indicating a post-pandemic recovery trend with stabilising visitation and event activity in the Perth CBD.
- The seasonal gap between high and low months remains around 15-20 percentage points, which is somewhat typical for an urban market driven by both corporate and leisure segments.

Day-of-week Hotel Performance in the Perth Centre (2024)

2024	Mon	Tue	Wed	Thu	Fri	Sat	Sun
Upper Upscale - Luxury	74.3%	80.0%	81.1%	78.3%	76.1%	82.4%	70.1%
Upper Midscale - Upscale	80.0%	84.9%	85.5%	83.3%	80.5%	84.2%	73.3%
Economy - Midscale	74.9%	81.7%	82.0%	79.0%	73.6%	79.0%	66.9%

Source: Horwath HTL, STR

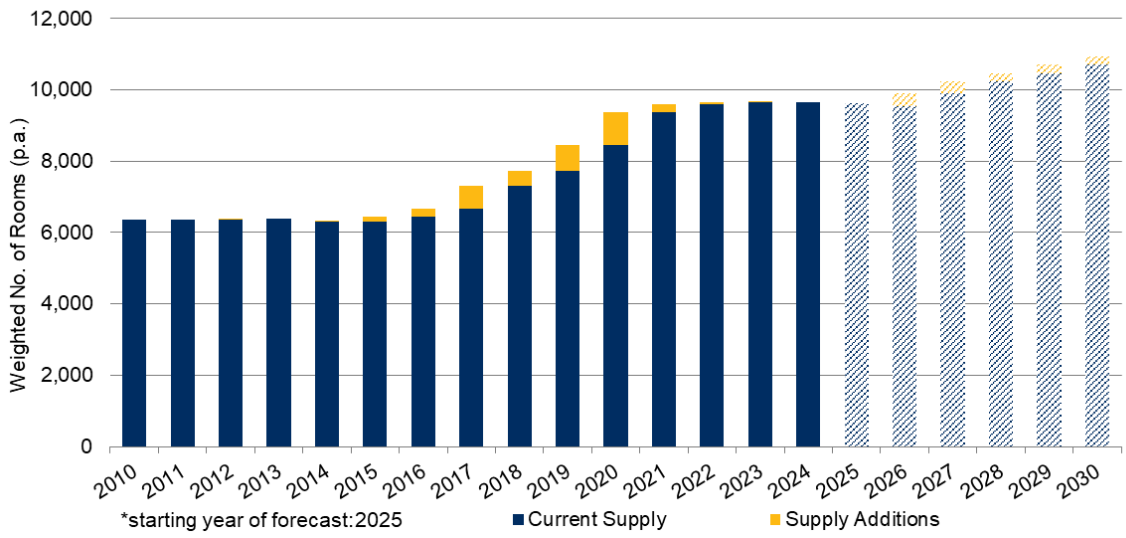
- The Perth Centre market remains weekday-driven, with Tuesday and Wednesday as the strongest trading days across all classes. Corporate demand holds steady during the year with strong mid-week demand particularly from Tuesday till Thursday supported by long-stays adding to the weekend and weekend-shoulder occupancy.
- Weekend softness, especially on Sundays, highlights the city's corporate-centric demand profile, unless activated by major events or concerts. Staycations help fill some weekend gap, however without a major event, weekends remain a challenge for corporate hotels in Perth.
- Saturday remains resilient, especially in Upper-Upscale – Luxury and Upper-Midscale – Upscale classes, suggesting a steady leisure demand segment supporting weekend stays.
- Hotel interviews indicated that mid-week occupancy can achieve above 90% for corporate-led Perth Centre properties dropping for weekends to a range between 60-80% depending on the hotel location to leisure and entertainment demand generators.
- In 2024, Luxury-Upper Upscale properties in the study area, recorded 86 days above 85% occupancy; Upscale-Upper Midscale – 151 days; and Midscale-Economy properties – 102 days. When occupancy exceeds 85%, Perth is effectively full, and can experience a turn away demand, lost events, and damage to the destination image as the at capacity and expensive destination. However, it is only one side of the story as winter months experience occupancy in low and mid 70% and the challenge lies in smoothing seasonality and achieving year-round consistency.

6.3 PERFORMANCE AND OUTLOOK BY TYPE

6.3.1 Hotels in Perth Centre

The Perth Centre hotel market has undergone a decade of transformation, moving from a phase of supply expansion and pre-pandemic growth to a period of disruption and strong recovery. With demand now stabilising and supply growth moderating, hotel performance reflects a mature and balanced market characterised by high occupancy levels, steady rate growth, and long-term revenue potential.

Hotels Supply Outlook



Source: Horwath HTL, STR

- The Perth Centre hotel market has transitioned from a decade of rapid expansion to a period of measured and stabilised supply growth. Between 2010 and 2024, the city's hotel room inventory increased significantly, with room nights available (RNA) rising from 2.33 million to 3.52 million, representing a compound annual growth rate (CAAGR) of 3%. This growth phase was driven by major openings associated with Perth's tourism and infrastructure investment cycle, including premium additions such as The Westin, Ritz-Carlton, and DoubleTree by Hilton, as well as several new Midscale developments.
- Following this expansion, the market has now entered a consolidation phase. Between 2024 and 2030, total supply is forecast to grow at a moderate CAAGR of 2.2%, with room nights available expected to reach 3.99 million by 2030. The near-term pipeline remains limited, with a total of 2,219 rooms identified in the development pipeline and a weighted likelihood of 63%, equating to approximately 1,407 rooms expected to be delivered by 2030.

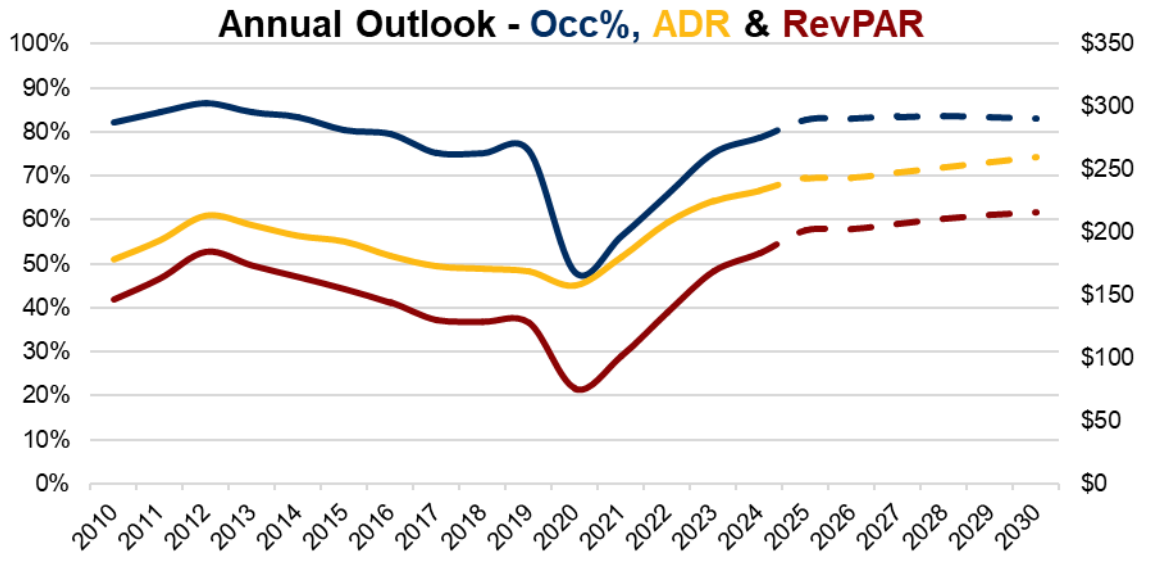
Forecast Hotel Additions to Supply – 2025 - 2030

STATUS	Reported Number of Rooms	Likelihood of Opening (Weighting)	Weighted Number of Rooms
Opened/Closed in 2025	0	0%	0
Under Construction	573	100%	573
Progressing	1,284	37%	472
Generic Supply Additions	362	100%	362
Total	2,219	63%	1,407

Source: Horwath HTL

- Annual supply growth will average around 2.2% per annum from 2024 onwards, consistent with historical long-term trends. This gradual pace will support market balance and enable absorption of recent additions without significant downward pressure on occupancy or rates.

Hotels in Perth Centre Market Outlook



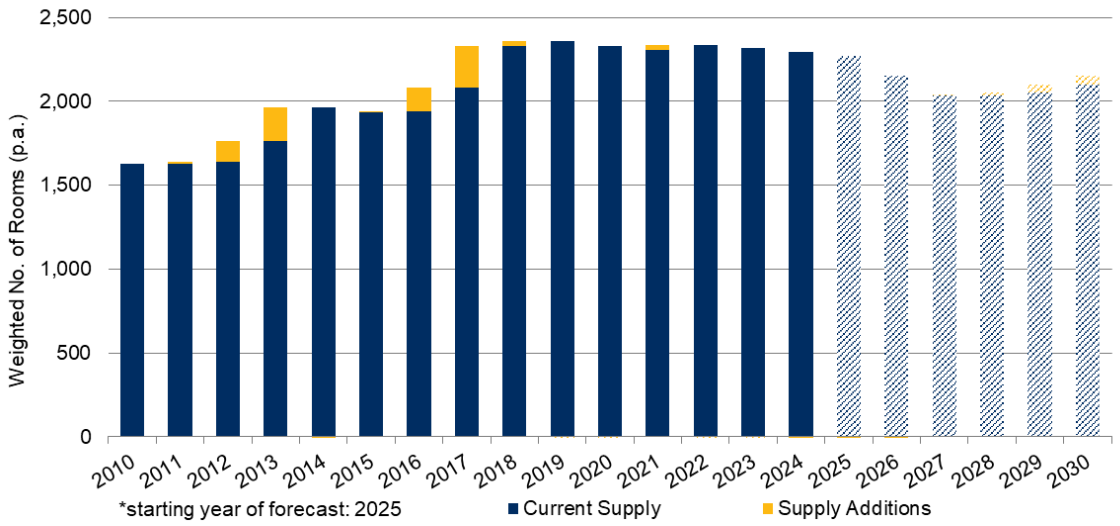
Source: Horwath HTL, STR

- Occupancy remained above 80% through the early 2010s but softened to around 75% by 2017-2019 as supply outpaced demand. The COVID-19 pandemic caused a sharp fall to 48% in 2020, the lowest level on record. Recovery was rapid, supported by domestic travel and quarantine contracts – occupancy climbed to 66% in 2022, 75% in 2023, and 79% in 2024, showing better performance than in 2019.
- ADR increased from $179 in 2010 to $233 in 2024, equivalent to a 1.9% CAAGR. Following declines in 2015-2019 period, rates strengthened post-2021, driven by inflation, constrained new supply, and high domestic demand. Between 2019 and 2024, ADR grew by 6.7 % per annum, recovering well beyond pre-COVID levels.
- Occupancy is projected to stabilise between 83% through 2030, which indicates that the Perth Centre market has matured, maintaining high utilisation of existing supply. ADR is expected to rise steadily from $243 in 2025 to $260 by 2030 (1.8% CAAGR), thought below inflation expectations. RevPAR will increase from $202 to $216 (2.7% CAAGR), reflecting moderate but sustainable nominal revenue growth.

6.3.2 Serviced Apartments in Perth Centre

Serviced apartments play a pivotal role in Perth Centre's accommodation mix, supporting extended-stay corporate, project-based, and leisure demand. The segment has demonstrated strong recovery and sustained high utilisation following the pandemic, reflecting its flexibility, long-stay appeal, and ability to maintain consistent occupancy and revenue in a constrained supply environment.

Serviced Apartments Supply Outlook



Source: Horwath HTL, STR

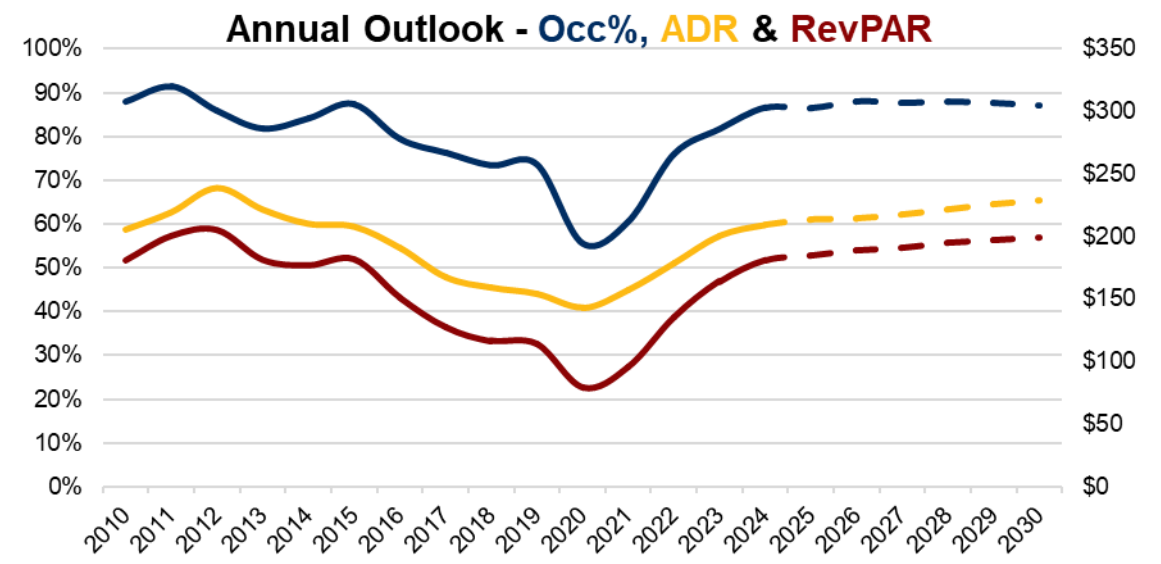
- The serviced apartment sector in the Perth Centre is projected to experience a short-term contraction followed by stabilisation and modest recovery over the medium term. This shift marks a clear contrast to the substantial growth that occurred between 2010 and 2019, when the sector expanded rapidly to meet extended-stay corporate, resource-sector, and leisure demand.
- From 2010 to 2024, total room nights available (RNA) grew from 594,000 to 828,000, representing a compound annual growth rate (CAAGR) of 2.4%. The largest expansion occurred between 2012 and 2018, introducing several branded serviced apartment products such as Quest, Adina, Fraser Suites, and Mantra, catering primarily to long-stay and corporate guests. However, between 2019 and 2024, supply began to decline slightly (-0.9% CAAGR) as several older properties were removed from inventory or repurposed to other uses, reflecting a maturing and more competitive market. The closing of Frasier Suites in East Perth is reflected in the decline of -5.2% in 2025.

Serviced Apartments Forecast Additions to Supply – 2025 - 2030

STATUS	Reported Number of Rooms	Likelihood of Opening (Weighting)	Weighted Number of Rooms
Opened/Closed in 2025	-236	100%	-236
Under Construction	0	0%	0
Progressing	84	25%	21
Generic Supply Additions	95	100%	95
Total	-57	211%	-120

Source: Horwath HTL

Serviced Apartments in Perth Centre Market Outlook



Source: Horwath HTL, STR

- Occupancy was consistently above 85% between 2010 and 2015, peaking at 91% in 2011, before moderating to 73-74% from 2018 to 2019 as new stock entered and corporate demand softened. The COVID-19 pandemic caused a sharp decline to 56% in 2020, but the sector recovered rapidly due to its appeal to long-stay, essential, and isolation travellers. By 2024, occupancy had reached 87%, the highest level in nearly a decade, confirming a complete post-pandemic recovery and indicating tight market conditions amid limited supply.
- ADR increased from $205.5 in 2010 to $209 in 2024, a low long-term CAAGR of 0.1%. Between 2019 and 2024, ADR rose from $154 to $209 (6.3% per annum), reflecting robust rate recovery post-COVID aligned with Perth Centre trends. The segment benefited from resilient demand in the extended-stay market and reduced competition from new openings.
- Occupancy is projected to remain stable and high, averaging 87-88% through 2030. This reflects strong demand with minimal new competition and continued strong utilisation by longer-stay guests. ADR is expected to continue rising modestly from $214 in 2025 to $229 by 2030, at a 1.5% CAAGR.

6.3.3 Performance by Type – Summary

The Perth Centre market demonstrates two distinct yet complementary accommodation profiles with traditional hotels and serviced apartments, each catering to different demand segments and displaying varied performance characteristics.

Performance by Type – Summary

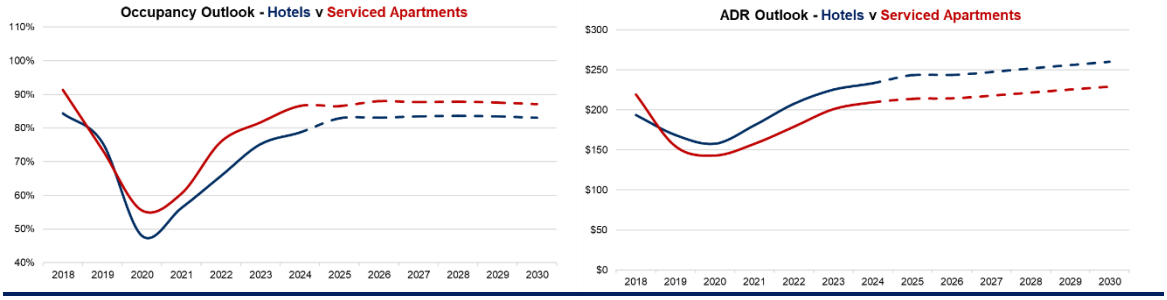
YEAR	Hotels Occ%	S-Apts Occ%	Hotels ADR	S-Apts ADR	Hotels RevPAR	S-Apts RevPAR
2018	84.3%	91.4%	$193.8	$219.4	$163.4	$200.4
2019	75.7%	73.6%	$168.6	$154.4	$127.6	$113.6
2020	48.0%	55.6%	$157.6	$143.0	$75.6	$79.5
2021	56.2%	60.6%	$180.6	$157.6	$101.5	$95.4
2022	65.7%	76.0%	$207.7	$178.7	$136.5	$135.8
2023	75.2%	81.7%	$225.0	$200.6	$169.2	$163.8
2024	78.7%	86.6%	$233.3	$209.2	$183.6	$181.2
2025	82.9%	86.5%	$243.2	$213.9	$201.6	$185.1
2026	83.1%	88.0%	$243.6	$214.3	$202.4	$188.5
2027	83.5%	87.7%	$247.4	$217.7	$206.6	$190.8
2028	83.6%	87.8%	$252.0	$221.6	$210.8	$194.7
2029	83.4%	87.6%	$256.2	$225.4	$213.8	$197.5
2030	83.0%	87.2%	$260.3	$228.9	$216.1	$199.6
CAAGR						
2019 - 2024	*0.8%*	*3.3%*	*6.7%*	*6.3%*	*7.6%*	*9.8%*
2019 - 2030	*0.8%*	*1.5%*	*4.0%*	*3.6%*	*4.9%*	*5.3%*
2024 - 2030	*0.9%*	*0.1%*	*1.8%*	*1.5%*	*2.7%*	*1.6%*

Source: Horwath HTL, STR

Both hotels and serviced apartments experienced a full recovery from the pandemic, however, with different trends.

- Serviced apartments historically achieved higher occupancy due to longer average stays and corporate project demand, peaking at 91% in 2018. The pandemic caused a temporary decline (to 56% in 2020), but the segment rebounded faster than hotels, reaching 87% in 2024 versus 79% for hotels.
- Hotels consistently recorded higher rates, with ADR climbing from $169 in 2019 to $233 in 2024 (CAAGR 6.7%), compared to serviced apartments rising from $154 to $209 (CAAGR 6.3%).
- Both sectors achieved strong revenue recovery, with serviced apartments' RevPAR growing at 9.8% per annum (2019–2024), outpacing hotels at 7.6%, highlighting stronger occupancy-led growth within the apartment sector.
- From 2025 onwards, both segments are expected to stabilise at high occupancy and moderate rate growth, signalling a maturing market. Serviced apartments will maintain an occupancy advantage, averaging 87-88%, compared with hotels stabilising around 83%, reflecting sustained demand from extended-stay, corporate, and relocation markets. Hotel ADR is forecast to rise by 1.8% per annum, while serviced apartments will rise by 1.5%, maintaining a slightly lower pricing position but strong relative value.

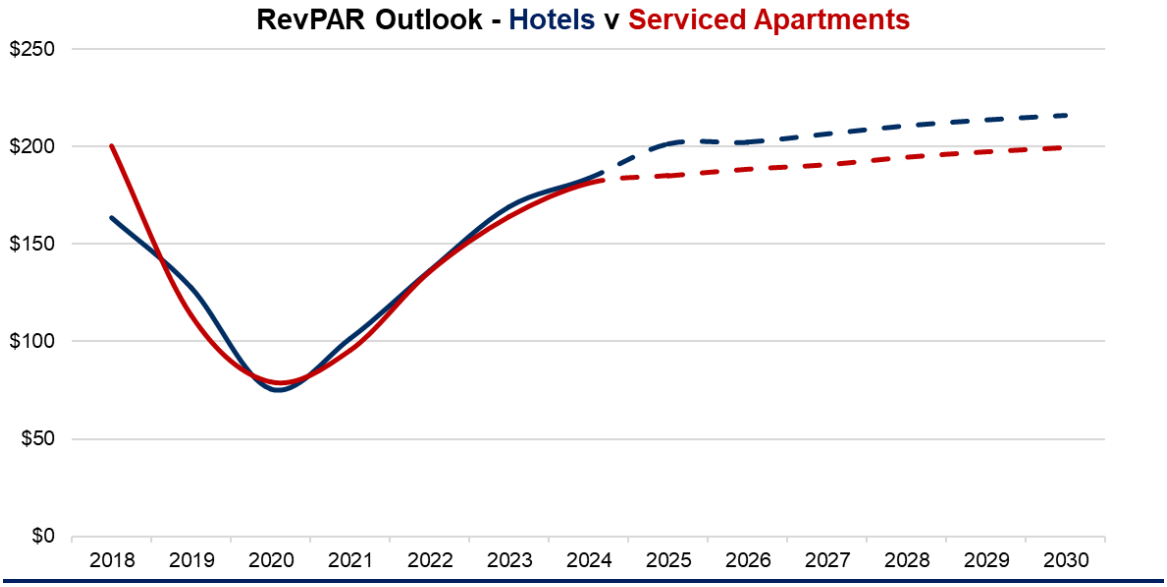
Occupancy and ADR by Type – Summary



Source: Horwath HTL, STR

- The two sectors are expected to remain complementary rather than competitive, sustaining Perth Centre's high overall occupancy (84-85%) and ensuring a balanced accommodation offer across all visitor segments.

RevPAR by Type – Summary



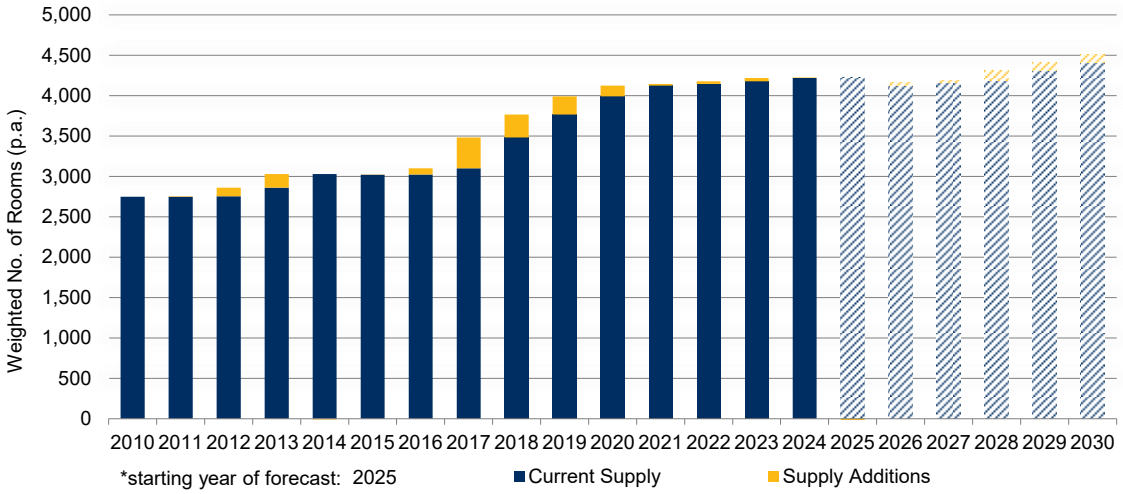
Source: Horwath HTL, STR

6.4 PERFORMANCE AND OUTLOOK BY CLASS

6.4.1 Upper-Upscale – Luxury Class Hotels

The Upper-Upscale and Luxury segment represents Perth Centre's premium accommodation offering, comprising internationally branded five-star hotels and integrated leisure complexes. This segment caters primarily to high-yield corporate, MICE, and leisure travellers and continues to define the city's benchmark for rate and service performance.

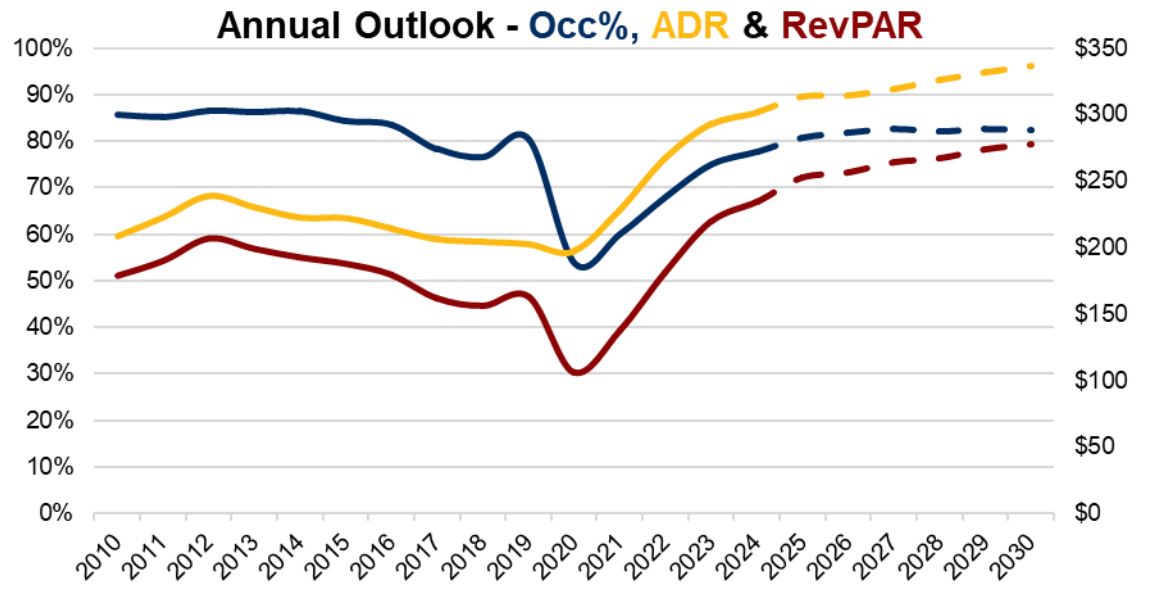
Upper-Upscale and Luxury Class Supply Outlook



Source: Horwath HTL, STR

- The Upper-Upscale and luxury hotel segment in Perth Centre is expected to experience limited new supply additions over the 2025-2030 period. Following a decade of substantial development (2010-2019) that introduced major international brands such as The Ritz-Carlton, Westin, and QT Perth, the market is now entering a period of moderate expansion and consolidation.
- Between 2024 and 2030, the weighted forecast shows a net addition of approximately 287 rooms, equating to a compound annual growth rate (CAGR) of 1.1%, compared to 3.1% recorded between 2010 and 2024. This minimal increase reflects both maturing market conditions and the absence of major new projects under construction or progressing, with only one project of around 190 rooms confirmed and a further 1,050 rooms in early planning stages with 120 of these rooms (17% likelihood weighting) considered likely to proceed.
- Due to typical development timelines, limited additions to supply have been announced and projected to open from CY 2028. To allow for future development projects that will likely be announced in the coming years, Horwath HTL has allowed for the addition of 98 rooms in 2029, and a further 100 rooms in 2030 representing a long-term average in supply growth (2010 through 2027) of 2.3%.

Upper-Upscale and Luxury Class Hotel Market Outlook



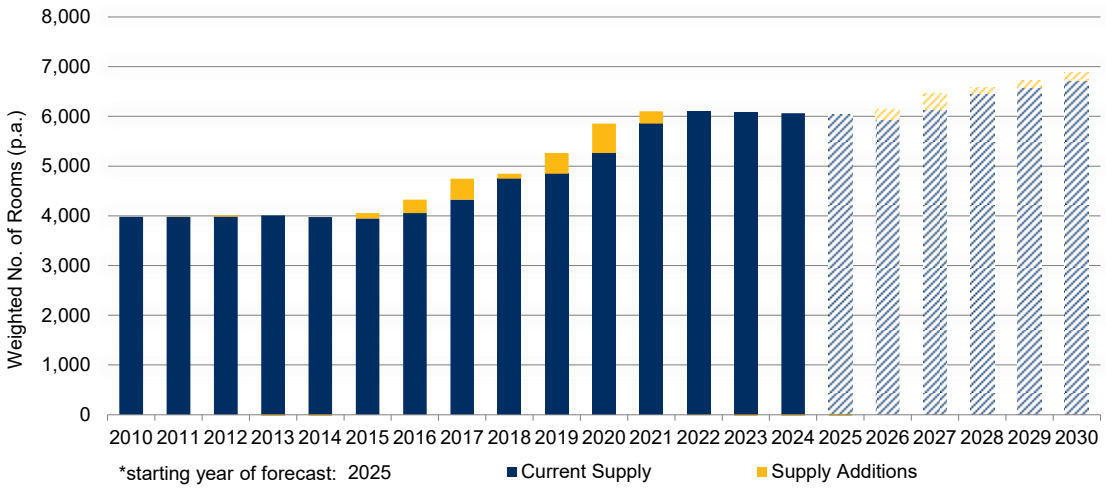
Source: Horwath HTL, STR

- Occupancy remained consistently high pre-2015, averaging around 85-86%, before declining slightly to 76–80% through 2017-2019 as new supply entered the market faster than demand. The COVID-19 pandemic (2020-2021) caused a sharp downturn, with occupancy dropping to 53.8% in 2020, the lowest on record. A gradual and robust recovery followed: occupancy rebounded to 75.0% in 2023 and 77.7% in 2024, showing that the market has nearly regained its pre-pandemic performance.
- ADR experienced moderate fluctuations over the long term, averaging around $210-$230 between 2010 and 2016, peaking in 2012 at $239. During the mining slowdown (2015-2018), ADR softened due to heightened competition, reaching a low of $204 in 2018. Despite pandemic disruptions, pricing resilience was evident, with ADR only dropping 2.8% in 2020 and rebounding sharply thereafter. By 2024, ADR had reached $301.5, representing a CAAGR of 2.7% since 2010, and a strong 8.3% annual growth over 2019-2024, largely driven by rate recovery, inflationary adjustments, and strong domestic premium travel demand.
- Occupancy is forecast to remain high and stable, averaging 80-83% through the forecast period. This occupancy level indicates that the existing and incoming supply will be effectively absorbed by growing domestic and international demand. The segment is thus expected to operate near its structural capacity ceiling, providing a foundation for rate-led revenue growth.
- ADR is projected to rise steadily from $302 in 2024 to $336.5 in 2030, reflecting an annual growth rate of 1.8%. The pace of increase will moderate compared to the sharp rebound seen post-COVID, but sustained pricing strength will be underpinned by premium positioning, limited pipeline additions, and rising operating costs.

6.4.2 Upper-Midscale – Upscale Class Hotels

The Upper-Midscale and Upscale segment forms the core of Perth Centre's accommodation supply, housing a large proportion of branded four-star and select-service properties. It serves a diversified mix of corporate, government, and leisure guests and remains the most competitive segment in terms of occupancy and market depth.

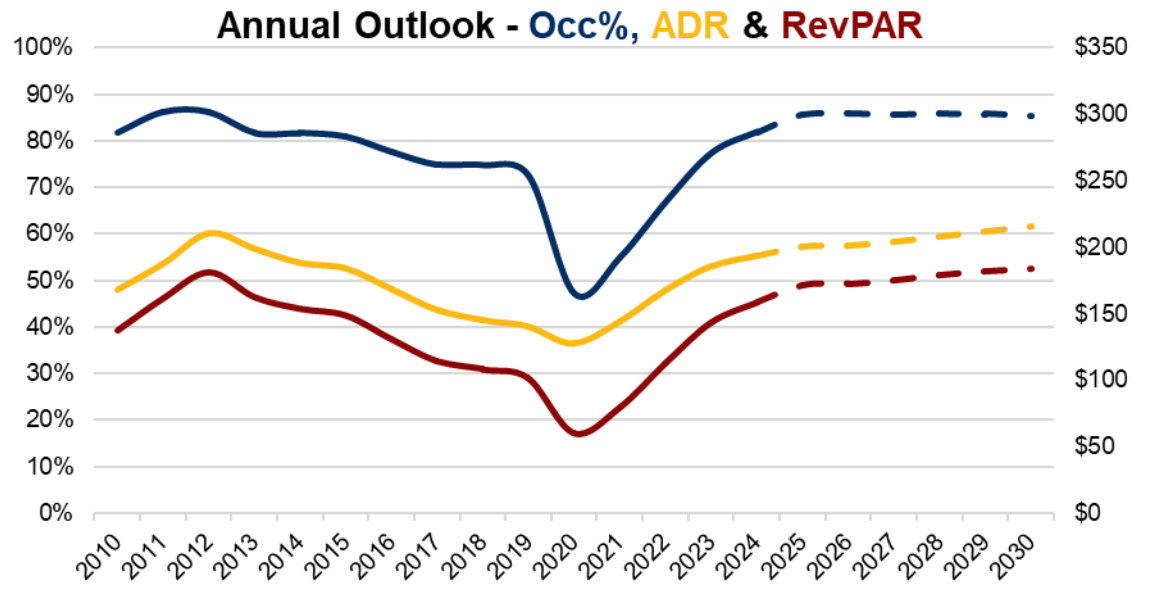
Upper-Midscale – Upscale Class Hotels Supply Outlook



Source: Horwath HTL, STR

- The Upscale and Upper-Midscale segment in Perth Centre is projected to experience measured yet sustained expansion over the 2024-2030 period. Following rapid development between 2015 and 2020, when the number of rooms in this class increased substantially with new branded entries such as Aloft, Art Series, Novotel, and DoubleTree by Hilton, the market is now transitioning into a more controlled growth phase.
- Between 2024 and 2030, a total of 1,051 rooms has been identified in the prospective supply pipeline, with an estimated weighted likelihood of opening of 72%, equating to approximately 756 new rooms.
- Overall, the stock of room nights available (RNA) is projected to grow from 2.20 million in 2024 to 2.51 million by 2030, representing a CAAGR of 2.2%, above the expected citywide average of 1.6%.
- This growth trajectory reflects the ongoing investor and brand confidence in Perth's mid-to-upscale segment, supported by the city's strengthening visitor economy, event pipeline, and recovery in corporate and resource-sector travel. However, after several years of strong additions, the moderated pace of new openings indicates that developers are taking a cautious approach to supply expansion.

Upper-Midscale – Upscale Class Hotel Market Outlook



Source: Horwath HTL, STR

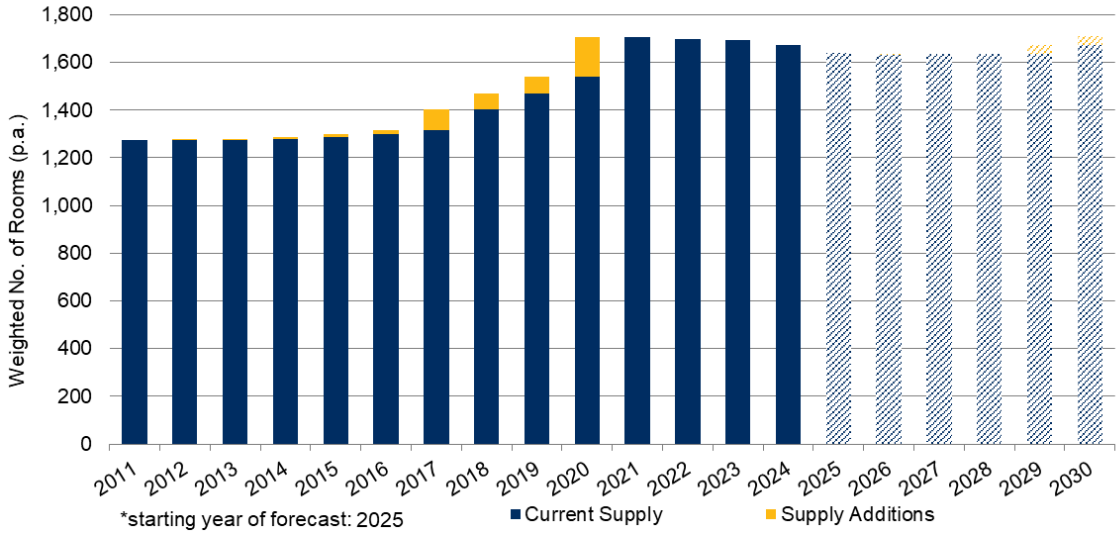
- Occupancy levels in Upper-Midscale and Upscale segment were strong and stable (80-86%) from 2010 to 2015 but began to ease from 2016 onwards as new supply entered faster than demand, averaging at 75% between 2017 and 2019. The COVID-19 pandemic in 2020 caused a dramatic contraction in demand, with occupancy dropping to 47%, the lowest level in over a decade. Recovery commenced in 2021 (55%), accelerating through 2022 (67%) and 2023 (77%), reaching 82% in 2024, almost 10 percentage points higher than occupancy in 2019.
- ADR increased from $168 in 2010 to $194in 2024, a 1.0% CAAGR across the full period, with moderate volatility reflecting changes in demand and competitive pressure. The rate decline started in 2013 and kept dropping every year till 2020, to reach $128, corresponding with intensified competition following a rapid supply build-up. Despite pandemic consequences, ADR recovered quickly from 2021 onward, with double-digit annual growth rates in 2021 (13.2%), 2022 (15.9%) and 2023 (10.6%). This rebound reflects strong domestic corporate and leisure travel, as well as events and MICE-related demand growth.

  Occupancy is expected to stabilise at 85-86% from 2025 to 2030, reflecting a mature, balanced market operating at high utilisation levels. This stabilisation suggests that further growth in revenue will be primarily rate-driven rather than occupancy-led. ADR is projected to increase gradually from $194 in 2024 to $215 in 2030, with a 1.8% annual growth rate, below inflation expectations.

6.4.3 Economy – Midscale Class Hotels

The Midscale and Economy class represents the city's budget and limited-service accommodation, offering affordable options for domestic leisure visitors, essential workers, and short-stay business travellers. Although smaller in scale, this segment plays a crucial role in maintaining Perth's overall market diversity and accessibility.

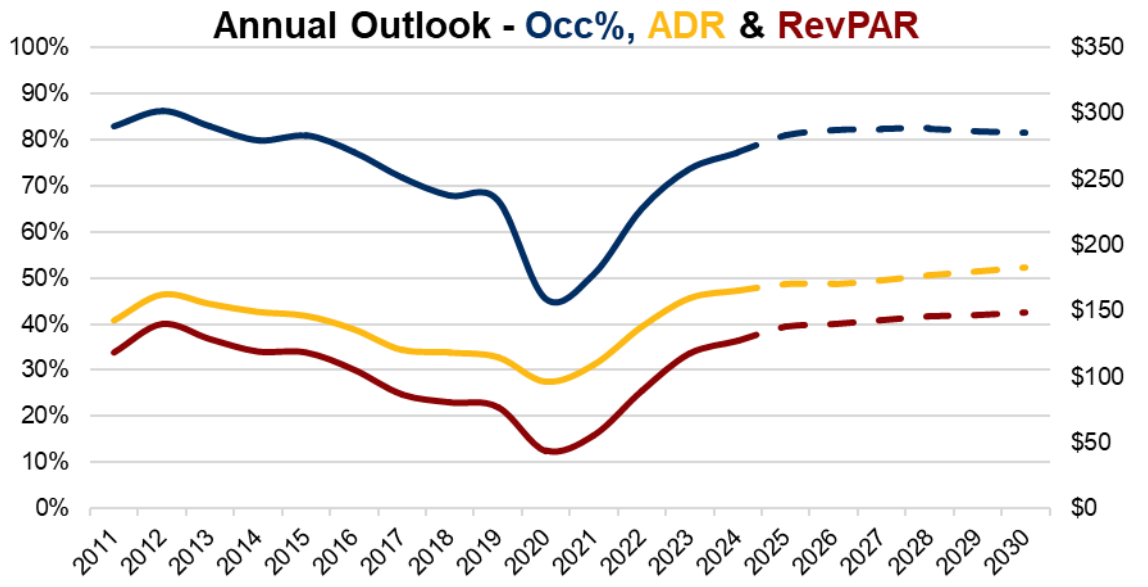
Economy – Midscale Class Hotels Supply Outlook



Source: Horwath HTL, STR

- The Economy and Midscale hotel segment in Perth Centre is projected to remain largely static over the medium term, with minimal new additions to supply anticipated through 2030. This segment has seen limited development activity in recent years, reflecting a shift in investor and developer focus toward the more profitable Upper-Midscale and Upscale categories.
- Between 2024 and 2030, the forecast includes only 75 new rooms. These are modelled as generic future additions expected to emerge in the latter part of the forecast period (2029-2030), with 37 rooms projected in 2029 and 38 rooms in 2030 to maintain a long-term average growth rate of approximately 2.3% per annum, reflecting historic trends from 2010–2027.
- The total room nights available (RNA) for this segment are forecast to increase modestly from 598,555 in 2024 to about 624,000 by 2030, a CAAGR of 0.7%, reflecting a capacity-constrained market and unfavourable investment feasibility for a lower segment tourist accommodation.

Economy – Midscale Class Hotels Hotel Market Outlook



Source: Horwath HTL, STR

- Pre-pandemic, occupancy remained robust between 80-86% during the 2011-2015 period, before easing to 67% by 2018-2019, as new supply entered and competition intensified. The COVID-19 pandemic severely disrupted performance, with occupancy plunging to 46% in 2020, the lowest point on record. The market staged a strong recovery over 2021-2023, rising to 74% in 2023 and 77% in 2024, driven by returning domestic leisure demand, intrastate business travel, and essential sector stays. Overall, occupancy has increased by nearly 10 percentage points since 2019, indicating strong demand growth through 2024.
- ADR in this segment has trended upward in nominal terms, increasing from $143 in 2011 to $166 in 2024, representing a CAAGR of 1.1% – well below inflation rates. After rate pressure during 2015–2019 (average of $115-$120), the segment demonstrated resilient rate recovery post-pandemic, with ADR jumping 72% between 2020 ($96) and 2024 ($166). This growth reflects strong price recovery aided by high inflation, constrained new supply, and increased domestic demand for affordable accommodation options.
- Occupancy is expected to stabilise around 81-82% through 2030, reflecting high demand and the lack of new supply. ADR is forecast to increase gradually from $166 in 2024 to $183 in 2030, representing an annual growth rate of 1.7%, again below the inflation expectations.

6.4.4 Performance by Class – Summary

The Perth Centre hotel market demonstrates a clear tiered performance hierarchy across the three analysed classes, Upper-Upscale and Luxury, Upscale and Upper-Midscale, and Midscale and Economy, with each segment showing distinct growth drivers and resilience patterns over the 2018-2030 period.

Performance by Class – Summary

YEAR	Upp-Up & Lux Occ%	Upp-Mid & Up Occ%	Econ & Mid Occ%	Upp-Up & Lux ADR	Upp-Mid & Up ADR	Econ & Mid ADR	Upp-Up & Lux RevPAR	Upp-Mid & Up RevPAR	Econ & Mid RevPAR
2018	85.2%	86.1%	86.2%	$222.7	$187.6	$162.3	$189.7	$161.5	$139.8
2019	80.3%	72.4%	66.9%	$202.7	$140.5	$115.1	$162.8	$101.7	$77.0
2020	53.8%	47.0%	45.6%	$197.1	$127.9	$96.4	$106.0	$60.2	$44.0
2021	60.1%	54.9%	50.9%	$228.7	$144.7	$109.2	$137.4	$79.5	$55.5
2022	68.0%	66.8%	65.0%	$266.7	$167.8	$138.1	$181.4	$112.1	$89.7
2023	75.0%	77.3%	73.6%	$292.6	$185.6	$160.0	$219.4	$143.5	$117.8
2024	77.7%	81.9%	77.2%	$301.5	$193.6	$165.6	$234.2	$158.4	$127.8
2025	80.6%	85.5%	80.9%	$313.1	$200.5	$170.1	$252.4	$171.4	$137.6
2026	81.7%	85.9%	82.1%	$314.0	$201.0	$170.5	$256.5	$172.7	$140.0
2027	82.6%	85.6%	82.2%	$319.3	$204.3	$173.3	$263.8	$174.9	$142.5
2028	82.0%	86.0%	82.4%	$325.5	$208.2	$176.7	$266.8	$179.0	$145.5
2029	82.6%	85.8%	81.8%	$331.3	$212.0	$179.8	$273.6	$181.8	$147.0
2030	82.4%	85.3%	81.4%	$336.5	$215.3	$182.7	$277.2	$183.7	$148.6
CAAGR									
2019 - 2024	*-0.7%*	*2.5%*	*2.9%*	*8.3%*	*6.6%*	*7.5%*	*7.5%*	*9.3%*	*10.6%*
2019 - 2030	*0.2%*	*1.5%*	*1.8%*	*4.7%*	*4.0%*	*4.3%*	*5.0%*	*5.5%*	*6.2%*
2024 - 2030	*1.0%*	*0.7%*	*0.9%*	*1.8%*	*1.8%*	*1.7%*	*2.8%*	*2.5%*	*2.6%*

Source: Horwath HTL, STR

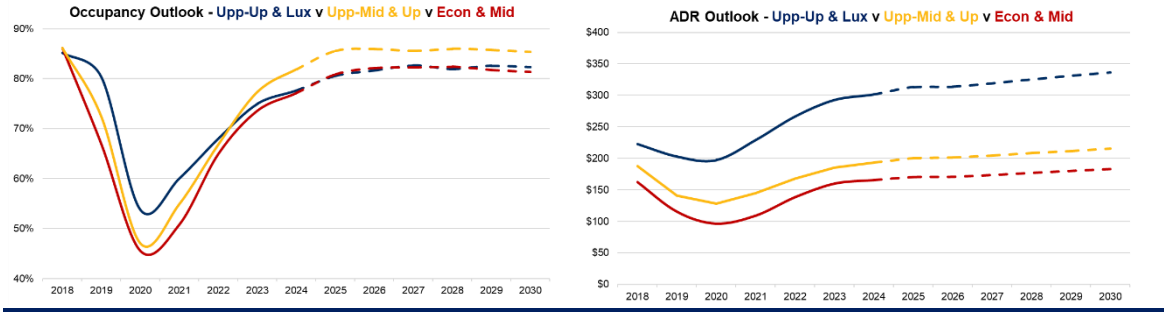
Upper-Upscale and Luxury

- This segment continues to achieve the highest average rates and revenues in the market. Despite a temporary downturn during the pandemic (occupancy down to 54% in 2020), the recovery has been strong, with occupancy rebounding to 78% in 2024 and forecast to stabilise around 82% by 2029.
- ADR increased from $203 in 2019 to $301 in 2024 (CAAGR 8.3%) and is projected to reach $337 by 2030, reflecting sustained pricing power supported by limited new supply and strong corporate, leisure, and event demand. RevPAR is expected to rise from $163 in 2019 to $277 in 2030, a CAAGR of 5%, underscoring the segment's long-term profitability and resilience.

Upper-Midscale and Upscale

- The Upper-Midscale and Upscale group shows the strongest occupancy performance post-pandemic, surpassing the luxury segment since 2022. Occupancy is forecast to remain at 85-86% through 2030, indicating a strong demand environment.
- ADR has grown from $141 in 2019 to $194 in 2024 (CAAGR 6.6%), with a steady increase expected to $215 by 2030, reflecting gradual rate growth but below forecasted inflation and continued strong demand from corporate, government, and intrastate travellers. RevPAR has recovered sharply, up from $102 in 2019 to $158 in 2024, and is projected to reach $184 by 2030 with a CAAGR of 5.5%, showing stable and consistent returns for operators and investors.

Occupancy and ADR by Class – Summary

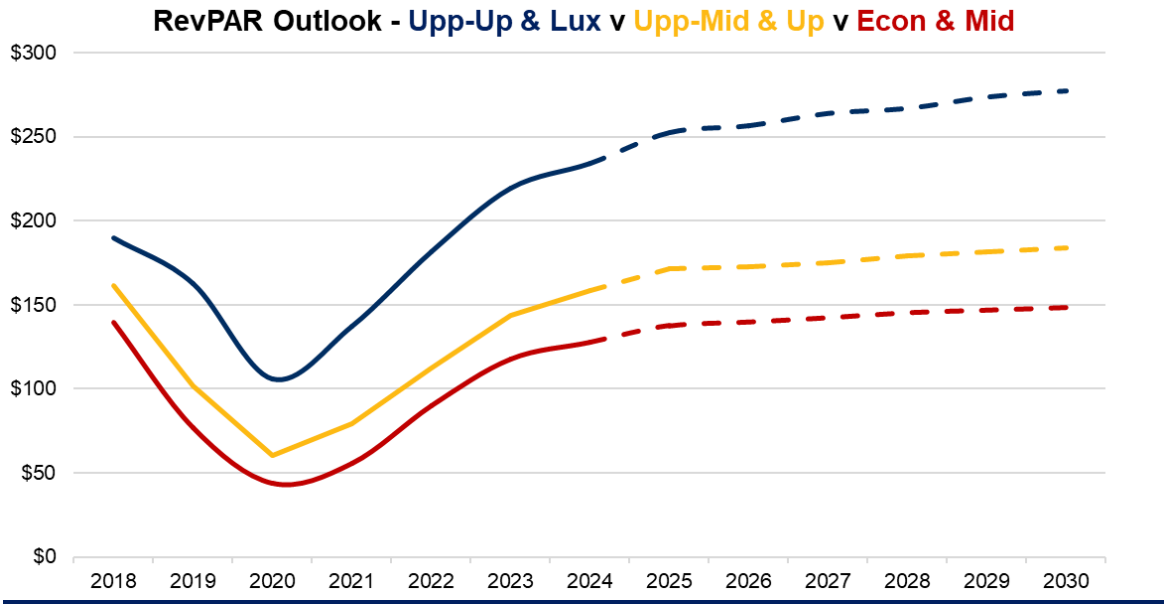


Source: Horwath HTL, STR

Midscale and Economy

- The Midscale and Economy segment has experienced the most significant relative rate and revenue recovery since the pandemic, driven by resilient domestic demand and limited new supply. Occupancy rebounded from 46% in 2020 to 77% in 2024, with further stabilisation around 81-82% expected through 2030.
- ADR increased from $115 in 2019 to $166 in 2024 (CAGR 7.5%) and is forecast to reach $183 by 2030, reflecting growing price competitiveness and improved value perception among budget-conscious travellers.
- RevPAR performance has been particularly strong, increasing from $77 in 2019 to $128 in 2024 and projected to climb to $149 by 2030, a CAAGR of 6.2% between 2019 and 2030.

RevPAR by Class – Summary



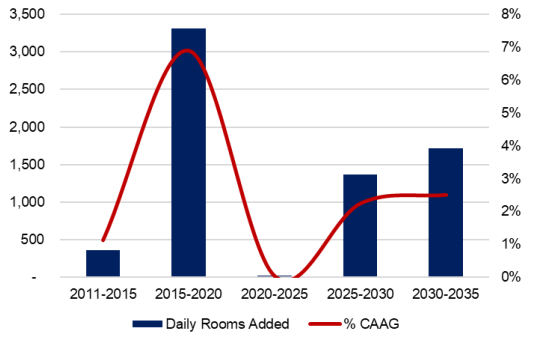
Source: Horwath HTL, STR

Between 2024 and 2030, all hotel classes are forecast to record stable occupancy (81% - 85%) and modest ADR growth (1.7 - 1.8% per annum), resulting in RevPAR growth of 2.4% - 3.1% annually. The Perth Centre market has entered a mature performance cycle, characterised by strong demand, limited new supply, and gradual rate-driven revenue growth across all classes.

6.5 LONGER-TERM SUPPLY GROWTH OUTLOOK TO 2035

Perth Centre: Historical Supply Growth and Outlook

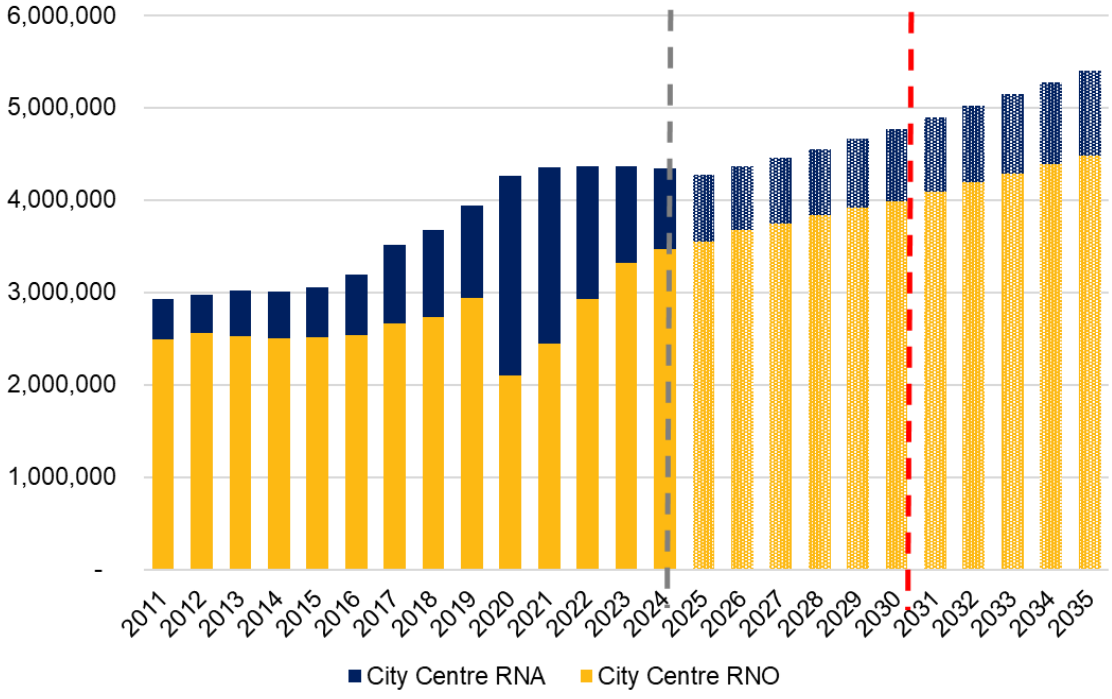
Period	Daily Rooms Added	% CAAGR
2011-2015	366	1.1%
2015-2020	3,311	6.9%
2020-2025	18	0.0%
2025-2030	1,371	2.2%
2030-2035	1,719	2.5%



Source: Horwath HTL, STR

- Approximately 1,371 additional rooms are expected to be delivered between 2025 and 2030, reflecting a moderate return of development activity following a period of minimal additions (2020–2025). The above number include the generic supply additions assumed for not yet announced projects.
- A further 1,719 rooms are projected between 2030 and 2035, consistent with historical long-term annual growth rate of 2.5% and aligned with long-term market demand trends and economic outlook.
- Combined, these additions remain below the exceptional development wave recorded between 2015 and 2020, when more than 3,300 rooms entered the market, driven by strong government incentive campaign, investor confidence and major brand expansion.
- The forecasted growth of around 2.5% CAARG through 2035 indicates a more sustainable pace of expansion, reducing the risk of imbalance between supply and demand that characterised the previous boom period, yet allowing capacity for new projects should demand growth accelerate.

Perth Centre: Long-Term Supply and Demand Outlook



Source: Horwath HTL, STR

- Note that growth between 2030 and 2035 has not been modelled on an annual basis, rather for the 5-year period. However, the above chart presents the results in annual increments to better visually display the growth outlook and assumes consistent year-on-year growth throughout the 5-year period.
- Longer term outlook would see relatively balanced growth between supply and demand, maintaining market occupancy above 80%.

Perth Centre: 2030 Occupancy by Class and Type

Year	Perth TR RNO	Perth Centre RNO	Upper Upscale & Lux ury RNO	Upper Midscale & Upscale RNO	Economy & Midscale RNO	Hotels RNO	Serviced Apartments RNO
CAAGR							
2011-2015	-0.1%	0.2%	2.1%	-1.1%	-0.1%	-0.9%	3.2%
2015-2020	-3.9%	-3.5%	-2.7%	-3.4%	-5.8%	-2.8%	-5.5%
2020-2025	11.7%	11.1%	8.4%	13.0%	11.2%	11.9%	7.7%
2025-2030	2.1%	2.4%	2.3%	2.9%	1.0%	2.8%	0.1%
2030-2035	2.3%	2.4%	2.1%	2.9%	0.9%	2.3%	2.0%
2011 - 2035	2.4%	2.5%	2.4%	2.9%	1.3%	2.7%	1.4%
Daily Rooms Occupied							
2011-2015	-26	47	205	-153	-6	-197	201
2015-2020	-1,690	-1,125	-331	-522	-272	-677	-416
2020-2025	5,629	3,981	1,102	2,323	543	3,405	579
2025-2030	1,443	1,204	395	788	69	1,183	13
2030-2035	1,741	1,354	405	885	65	1,085	195
2035 Occ%	**81.7%**	**83.1%**	**81.9%**	**84.7%**	**81.0%**	**82.6%**	**85.1%**

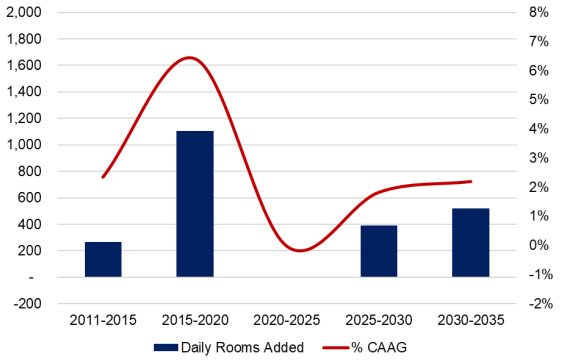
Source: Horwath HTL

6.5.1 Estimated Growth by Class

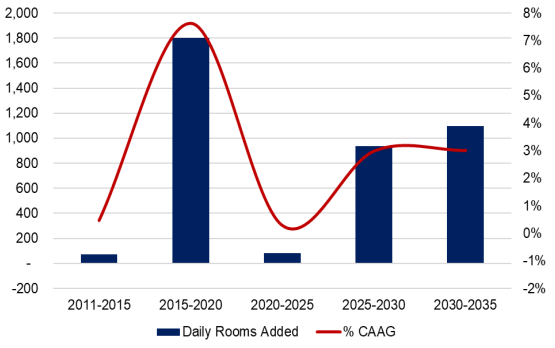
Supply growth between 2025 and 2030 is based on the current supply pipeline, plus the generic supply added in 2029 and 2030 based on the long-term supply growth average. Supply growth between 2030 and 2035 is based on the 1-year trends between 2020 and 2030 and Horwath HTL's expectations of development opportunities in the market

Perth Centre: Historical Supply Growth and Outlook by Class

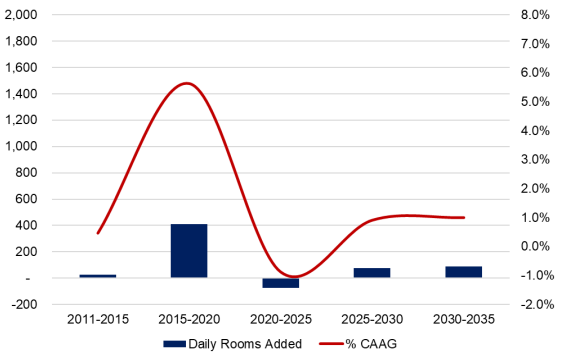
Upper Upscale & Luxury		
Period	Daily Rooms Added	% CAAGR
2011-2015	268	2.3%
2015-2020	1,103	6.4%
2020-2025	-5	0.0%
2025-2030	391	1.8%
2030-2035	519	2.2%



Upper Midscale & Upscale		
Period	Daily Rooms Added	% CAAGR
2011-2015	74	0.5%
2015-2020	1,799	7.6%
2020-2025	81	0.3%
2025-2030	938	3.0%
2030-2035	1,095	3.0%



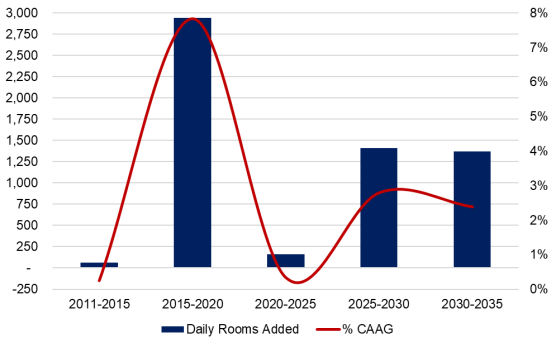
Economy & Midscale		
Period	Daily Rooms Added	% CAAGR
2011-2015	24	0.5%
2015-2020	409	5.6%
2020-2025	-74	-0.9%
2025-2030	76	0.9%
2030-2035	87	1.0%



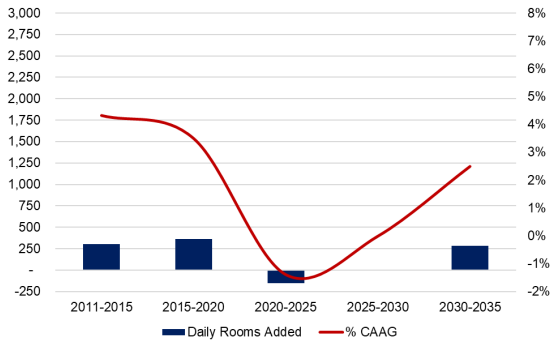
Source: Horwath HTL, STR

Perth Centre: Historical Supply Growth and Outlook by Type

Hotels		
Period	Daily Rooms Added	% CAAGR
2011-2015	63	0.2%
2015-2020	2,946	7.8%
2020-2025	158	0.3%
2025-2030	1,408	2.8%
2030-2035	1,369	2.4%



Serviced Apartments		
Period	Daily Rooms Added	% CAAGR
2011-2015	303	4.3%
2015-2020	365	3.5%
2020-2025	-156	-1.4%
2025-2030	-1	0.0%
2030-2035	283	2.5%



Source: Horwath HTL, STR

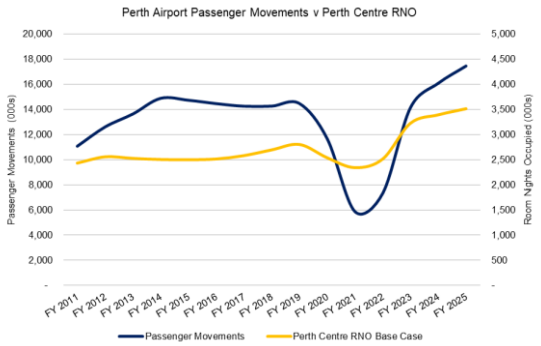
6.6 STRONGER DEMAND GROWTH SCENARIO

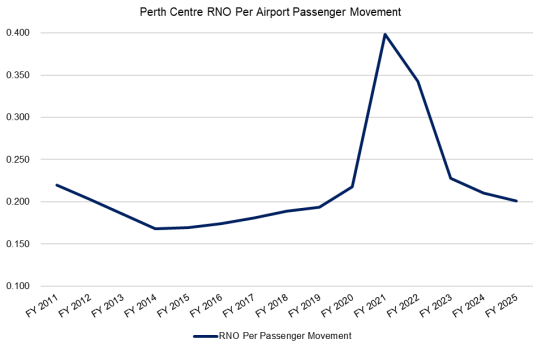
Horwath HTL have assessed a potential stronger demand growth scenario relative to projected Perth Airport passenger movements given the planned development of a second runway that will increase the capacity of air arrivals into the city. Following a revised assessment of the potential long-term demand growth, the assumption included an increased supply capacity for the Perth Centre market.

6.6.1 Airport Passenger Movement Impact

The historical relationship between passenger movements at the airport and historical RNO levels for Perth Centre was used to assess the potential stronger growth in room nights occupied for the Perth Centre market. The charts below identify both changes in volumes and the ratio of RNO to passenger movements:

Perth Airport Passenger Movements Vs Perth Centre RNO, FY 2011 to FY 2025

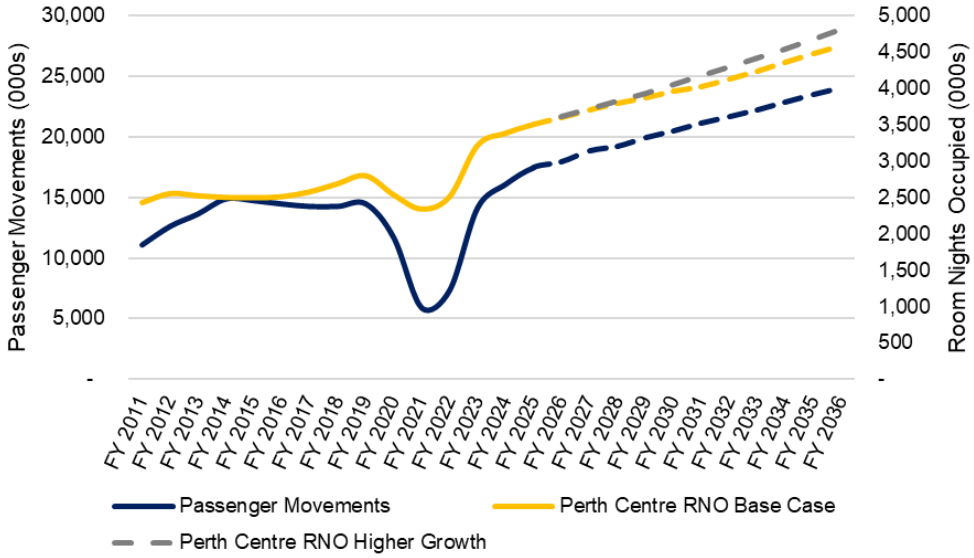




Source: Perth Airport, STR

- Historically, the Perth Centre hotel market has recorded between 16.8% and 22.0% RNO per passenger movement through Perth Airport, which means that 1 passenger generates 0.168 or 0.22 occupied room night in the Perth Centre hotels.
- The strong growth in passenger volumes at Perth Airport between FY 2011 and FY 2014 did not see corresponding growth in Perth Centre RNO levels and as such the ratio of rooms occupied to passenger volumes decreased from 22.0% to 16.8%.
- As passenger volumes first plateaued and then declined between FY 2014 and FY 2019, the ratio of rooms occupied to passenger volumes steadily increased from 16.8% in FY 2014 to 19.3% in FY 2019.
- With the onset of the Covid-19 pandemic and the drastic reduction in passenger volumes through Perth Airport, the ratio of rooms occupied to passenger volumes shifted dramatically. FY 2020 was impacted to a lesser extent, but the ratio recorded in FY 2021 and FY 2022 are significantly outside of historical averages sitting at 39.8% and 34.3% respectively.
- In FY 2023, the ratio reduced closer to historical averages to 22.7% and reduced further over FY 2024 and FY 2025 to 21.0% and 20.1% respectively as passenger volumes through Perth Airport grew at a faster rate than room night occupied in the Perth Centre market.

Perth Airport Passenger Movements Vs Perth Centre RNO
Outlook of RNO Volumes – FY 2026 through FY 2036



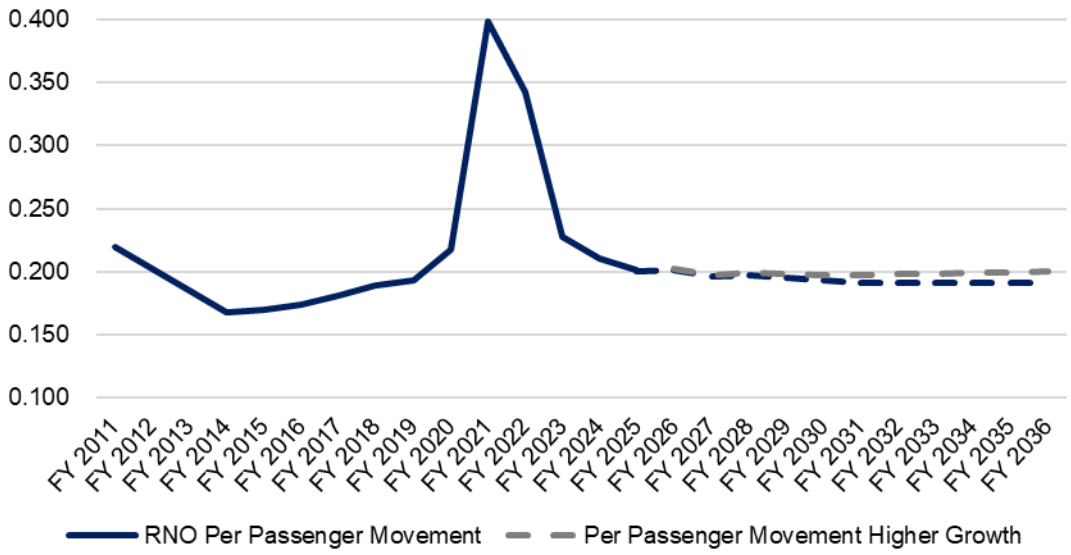
Source: Perth Airport, Horwath HTL
Note: Airport passenger forecasts run through to FY 2031 and then jump in 5-year periods. We have assumed straight-line growth between FY 2031 through FY 2036 for the purposes of this data presentation

- Horwath HTL's projections of demand growth for the Perth Centre market would result in the ratio of rooms occupied to passenger volumes continue to decrease from FY 2026 through FY 2030 following the trends observed between FY 2023 and FY 2025. From FY 2026 through FY 2030, based on Horwath HTL's previously presented demand growth forecasts and the passenger volume forecasts released by Perth Airport, the ratio would decline from 20.1% to 19.3%.
- The estimated demand out to FY 2036 (using previous projections out to CY 2035 as a basis) see the ratio reduce further to 19.1%.

6.6.2 Stronger Demand Growth Scenario

- To assess a potential stronger growth outlook, Horwath HTL calculated the long-term average ratio of rooms occupied to passenger volumes between FY 2011 and FY 2025 (excluding FY 2021 and FY 2022), which is 19.5%.
- We have then applied a stronger growth assumption that results in a ratio of rooms occupied to passenger volumes that averages approximately 20.0% (slightly stronger than the long-term average). This results in approximately 4.81 million room nights occupied by FY 2036, 4.8% higher than Horwath HTL's original growth outlook.

Perth Airport Passenger Movements Vs Perth Centre RNO
Ratio of Rooms Occupied to Passenger Volumes – FY 2026 through FY 2036

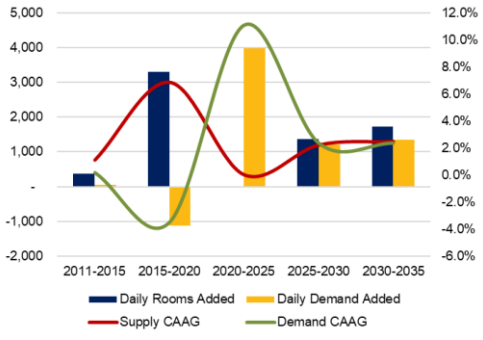


Source: Horwath HTL

- Based on this additional growth scenario, using the projected Perth Airport Passenger volume forecasts as a basis, we estimate that the Perth Centre hotel market could accommodate between 2,000 and 2,400 rooms more than the room supply growth already forecasted between 2025 and 2035.

Perth Centre: Historical Supply Growth and Outlook – Base Scenario

Period	Daily Rooms Added	% CAAG	Daily Demand Added	% CAAG
2011-2015	366	1.1%	47	0.2%
2015-2020	3,311	6.9%	-1,125	-3.5%
2020-2025	18	0.0%	3,981	11.1%
2025-2030	1,371	2.2%	1,204	2.4%
2030-2035	1,719	2.5%	1,354	2.4%

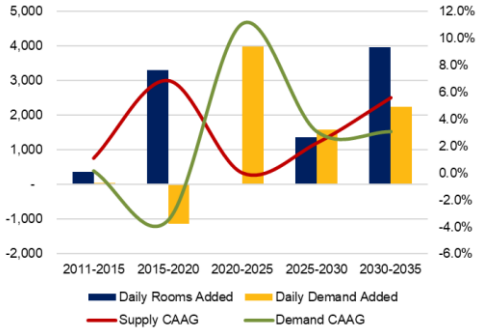


Source: Horwath HTL, STR

- This would result in the Perth Centre market having the ability to absorb between approximately 3,100 rooms (as in the base scenario) and approximately 5,500 rooms based on this higher demand growth scenario (at 3.1% CAAGR demand growth).

Perth Centre: Historical Supply Growth and Outlook – Stronger Scenario

Period	Daily Rooms Added	% CAAG	Daily Demand Added	% CAAG
2011-2015	366	1.1%	47	0.2%
2015-2020	3,311	6.9%	-1,125	-3.5%
2020-2025	18	0.0%	3,981	11.1%
2025-2030	1,371	2.2%	1,597	3.1%
2030-2035	3,973	5.6%	2,251	3.1%



Source: Horwath HTL, STR

- The stronger room addition at 5.6% CAAGR was forecasted for the period between 2030 and 2035 as it is unlikely new projects will open in the next four years considering the design, approval and construction processes timeline required.
- At such a level of supply increase, and under the higher demand growth assumptions, the Perth Centre market would be able to retain a healthy occupancy performance at approximately slightly below or above 80%.

6.7 PERFORMANCE CONCLUSION

The Perth Centre accommodation market has entered a mature and stable phase characterised by balanced supply and demand, sustained rate growth, and high utilisation across hotel classes and accommodation types. Occupancy is forecast to stabilise in the low-to-mid 80% range through 2030, supported by consistent corporate demand, strengthening events and leisure visitation, and limited new supply. Rate growth will continue to be the primary driver of revenue expansion, with RevPAR increasing at around 2-3% per annum.

6.7.1 Strength of The Perth Hotel Market

Perth's hotel market demonstrates a combination of structural strengths, resilient demand fundamentals, and favourable long-term outlook indicators that position it as an attractive environment for medium- to long-term accommodation investment. Despite a period of elevated supply delivery between 2012 and 2020, the market has shown its capacity to absorb new inventory, stabilise, and return to high occupancy levels, supported by Perth's diversified economy, domestic visitation resilience, and strong corporate base.

- A key strength is the market's stable year-round demand, driven by a broad mix of corporate, resource-related, government, education and leisure segments. This diversification reduces seasonality risk and provides investors with predictable cashflow potential. The market's performance in recent years, especially its rapid recovery post-pandemic, demonstrates strong resilience, with occupancy recovering ahead of many eastern states cities.
- The current supply environment also favours future investment, with limited new hotels under construction or proposed for the Perth Centre precinct. The development pipeline remains constrained by rising construction costs, financing challenges, and competing land-use priorities, creating a near-term environment of limited new competitive entries. This supply discipline provides favourable conditions for existing and future operators to grow ADR, strengthen RevPAR, and improve asset performance relative to other Australian capitals with more active pipelines.
- Perth benefits from several macro-economic and strategic advantages supporting long-term hotel demand. These include strong population growth, substantial investment in transport and tourism infrastructure, the expanding knowledge and innovation sectors, and Perth's role as a hub for resources-sector operations. And growing international education. The introduction of the new runway and terminal redevelopment will further enhance air connectivity, enable the expansion of long-haul and Asian routes and support forecast growth in both leisure and corporate arrivals.

6.7.2 Investor-ready Destination

This steady trajectory positions Perth as one of Australia's most stable and investable city hotel markets. Investors are likely to re-enter the market selectively, focusing on product repositioning, refurbishment, and targeted lifestyle developments rather than large-scale new supply. The market's capacity to respond to the strong-performing market, balancing demand and rate performance, indicating that future supply entries will be determined by investment confidence rather than incentive-driven growth cycles.

- A major implication for government is the need to maintain a consistent and investor-ready planning environment. As construction cost pressures and financing challenges continue to influence project viability, streamlined approval pathways, clarity in zoning, and early identification of hotel-suitable sites will reduce development risk and support capital attraction. Government agencies should monitor emerging precincts, such as East Perth, Elizabeth Quay, and the Airport Corridor, to ensure planning frameworks enable mixed-use and accommodation-led development where demand is strongest.
- The forecast increase in aviation capacity associated with the Perth Airport redevelopment and second runway will require forward planning for future accommodation needs, particularly around key access corridors. While new supply is not immediately required, government should prepare mechanisms to facilitate development when performance conditions trigger the next investment cycle. This includes tracking visitation patterns, demand seasonality, labour availability, and changes in passenger mix to inform investment decisions and guide investor engagement.
- Additional implications arise from Perth's evolving visitor profile. As the market shifts towards higher-value lifestyle, boutique, premium-casual, and midscale demand segments, there is an opportunity for government to support product diversity through targeted precinct activation, cultural programming, and investment attraction initiatives. Strengthening place identity, enhancing leisure infrastructure, and supporting year-round events will help sustain demand and improve the viability of new accommodation products.
- Government agencies also play a crucial role in supporting refurbishment and repositioning activity. As many earlier-wave hotels approach the next refurbishment cycle, policy settings that facilitate redevelopment, such as expedited approvals for upgrades and adaptive reuse, can help elevate the overall quality of the accommodation stock and ensure Perth remains competitive with other Australian gateway cities.

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APPENDIX 1: HORWATH HTL METHODOLOGY

Horwath HTL undertook the Perth Hotel Demand Study using a structured, data-driven methodology integrating both quantitative modelling and qualitative stakeholder insights. The methodology was designed to align with Tourism Western Australia's objective of quantifying future accommodation requirements across the Perth Tourism Region.

1. Project Mobilisation and Planning

- The study commenced with mobilisation of the project team and a kick-off meeting with Tourism WA to confirm scope, data sources, timelines, and deliverables. Horwath HTL identified relevant data providers (STR, Deloitte Access Economics, Tourism Research Australia, ABS, AirDNA) and scheduled in-market interviews with key stakeholders.

2. Desk-Based Research and Context Review

- Secondary research was undertaken to establish the macroeconomic, demographic, and tourism context. This included:
  - Analysis of historical and forecast visitation, aviation activity, and economic trends
  - Review of major demand generators (corporate, MICE, leisure, VFR) and upcoming infrastructure projects such as the Aboriginal Cultural Centre, Perth Airport expansion, and Perth Convention and Exhibition Centre redevelopment
  - Review of strategic documents (WAVES 2033, Destination Perth TDMP, Diversify WA) to align with state policy priorities.

3. Accommodation Supply Analysis

- Horwath HTL compiled a detailed inventory of accommodation across Perth, segmented by class (Luxury, Upper-Upscale, Upscale, Upper-Midscale, Midscale, and Economy) and type (hotel, serviced apartment, short-term rental).
- A gap analysis and sensitivity assessment determined the sustainable level of new supply that could be added without compromising long-term market performance. Data were drawn from Horwath HTL's proprietary pipeline database, including probability weightings by project status.

4. Market Demand Analysis

- Historical market performance was analysed using STR Trend Reports to identify trends in room nights available, room nights sold, ADR, and RevPAR. Separate analyses were completed for:
  - Perth Tourism Region overall
  - Perth Centre study area
  - Class groupings (Upper-Upscale/Luxury, Upper-Midscale/Upscale and Economy/Midscale)
  - Type groupings of hotels and serviced apartments
- Stakeholder interviews with hotel operators (8) and tourism stakeholders (7) provided qualitative insights into demand characteristics, segmentation, and emerging market opportunities.

5. Econometric Modelling and Forecasting

- Horwath HTL applied its proprietary econometric model to forecast hotel demand and revenue performance over a 10-year period. The model correlated historical STR performance with macroeconomic and tourism indicators from Deloitte Access Economics and TRA datasets.
- Inputs included GDP, employment, visitor nights, and tourism expenditure forecasts. Supply outlook assumptions were applied with weighted likelihoods (100% for under construction, 50% for approved, 25% for DA lodged, 0% for announced only). Forecast outputs included room nights available, room nights sold, occupancy, ADR, and RevPAR.

APPENDIX 2: LIST OF ABBREVIATIONS, GLOSSARY

ADR	Average Daily Rate	Average rate per room after deduction of GST, discounts, etc.
CAAGR	Compound Average Annual Growth Rate	The average rate of growth expressed as a percentage, compounded annually
MICE	Meetings, Incentives, Congresses, Exhibitions	Overall term to describe the meetings and congress market
Occ	Occupancy Rate	Percentage of rooms occupied in relation to the number of available rooms in respect of the operating period
RevPAR	Revenue per Available Room	Total room revenue divided by the number of total available room nights
RNA	Room Nights Available	The quantity of room nights available in a given period of time (daily, weekly, by month, yearly)
RNO	Room Nights Occupied	The quantity of room nights occupied in a given period of time (daily, weekly, by month, yearly)
VFR	Visiting Friends and Relatives	Type of the demand segment

APPENDIX 3: LIST OF TOURIST ACCOMMODATION USED IN THE PERTH HOTEL DEMAND STUDY

Hotels

Property	Operation Status	Rooms	Hotel Open Date	Class
HOTELS				
Econo Lodge Rivervale	Open	63	Jun 1970	Economy
ibis budget Perth Airport	Open	73	Nov 2007	Economy
Criterion Hotel Perth	Open	69	Jun 1840	Economy
Hotel Northbridge	Open	48	Jun 1898	Economy
All Suites Perth	Open	46		Midscale
Flag Motor Lodge	Open	116	Jun 1967	Midscale
ibis Styles East Perth	Open	252	Sep 2019	Midscale
Baileys Parkside Motel by Vetroblu	Open	43	Jan 2002	Midscale
Riverview On Mount Street	Open	50		Midscale
Kangaroo Inn	Open	58		Midscale
ibis Perth	Open	192	Jun 1984	Midscale
Nightcap At Belgian Beer Cafe	Open	15		Midscale
Pensione Hotel Perth	Open	98	Jun 1962	Midscale
Great Southern Hotel Perth	Open	127	May 2000	Midscale
TRIBE Perth Kings Park Hotel	Open	123	Jun 2017	Midscale
Country Comfort Perth	Open	150	May 2005	Upper Midscale
Metro Hotel Perth City	Open	94	Jan 1975	Upper Midscale
Mercure Perth On Hay	Open	127		Upper Midscale
Mercure Perth	Open	239	Jun 1972	Upper Midscale
Great Eastern Motor Lodge	Open	198	Nov 2007	Upper Midscale
Comfort Inn & Suites Goodearth Perth	Open	180	Jun 1980	Upper Midscale
Quality Hotel Ambassador Perth	Open	170	Jun 1984	Upper Midscale
Central Caravan Park	Open	22	Mar 2012	Upper Midscale
Holiday Inn Perth City Centre	Open	186	Jun 1967	Upper Midscale
Holiday Inn West Perth	Open	101	May 2016	Upper Midscale
Aurea Hotel Perth Kings Park	Open	71	Jun 1976	Upper Midscale
Wentworth Plaza Hotel	Open	41		Upper Midscale
The Nest on Newcastle	Open	20		Upper Midscale
Trademark Collection by Wyndham Perth The Outram	Open	10	Dec 2016	Upper Midscale
City Waters Hotel	Open	62	Jun 1950	Upper Midscale
The Melbourne Hotel	Open	73	Apr 1897	Upscale
Crowne Plaza Perth	Open	189		Upscale
Residence on Langley Park	Open	366	Jul 1988	Upscale
Sanno Marracoonda Perth Airport Hotel	Open	144		Upscale
Aloft Perth	Open	224	May 2017	Upscale
Four Points by Sheraton Perth	Open	278	Nov 1984	Upscale
Novotel Langley Perth	Open	256	Jun 1987	Upscale
DoubleTree by Hilton Perth Waterfront	Open	229	Dec 2020	Upscale
Ingot Hotel Perth Ascend Collection	Open	214		Upscale
The Adnate Perth - Art Series	Open	250	Oct 2019	Upscale
Alex Hotel	Open	74	May 2015	Upscale
DoubleTree by Hilton Perth Northbridge	Open	206	Dec 2018	Upscale
Miss Maud Swedish Hotel	Open	52	Jun 1973	Upscale
Novotel Perth Murray Street	Open	431	Dec 2019	Upscale
Attika Hotel	Open	22	Dec 2015	Upscale
Quay Perth	Open	80	Jun 1972	Upscale
Duxton Hotel Perth	Open	303	Oct 1996	Upper Upscale
The Westin Perth	Open	368	Apr 2018	Upper Upscale
Parmelia Hilton Perth	Open	308	Jun 1968	Upper Upscale
Hostel G Perth	Open	77	Jan 2019	Upper Upscale
Pan Pacific Perth	Open	488	Jun 1971	Luxury
COMO The Treasury	Open	48	Oct 2015	Luxury
Crown Promenade Perth	Open	291	Aug 2005	Luxury
Crown Metropol Perth	Open	397		Luxury
Crown Towers Perth	Open	500	Dec 2016	Luxury
InterContinental Perth City Centre	Open	240		Luxury
The Ritz-Carlton, Perth	Open	205	Nov 2019	Luxury
QT Perth	Open	184	Aug 2018	Luxury

Source: STR

Service Apartments

Property	Operation Status	Rooms	Hotel Open Date	Class
SERVICED APARTMENTS				
Perth Ascot Central Apartment Hotel	Open	76		Midscale
Starwest Apartments Alderney On Hay	Open	80		Midscale
Northbridge Pearl	Open	36		Midscale
Mountway Apartments Perth	Open	69		Midscale
Perth Central Apartments	Open	60	Jun 1985	Upper Midscale
Citadines St Georges Terrace Perth	Open	85		Upper Midscale
Quest On Rheola	Open	20	Jul 2005	Upscale
Quest Kings Park	Open	70	Jan 2016	Upscale
Oaks Perth Hotel	Open	181	Aug 2003	Upscale
Quest East Perth	Open	128	Nov 2016	Upscale
Quest Perth Ascot	Open	112	Sep 2020	Upscale
Nesuto Mounts Bay Perth	Open	75	Jul 1998	Upscale
Quest Mounts Bay Road	Open	66	Aug 2016	Upscale
Quest West End	Open	35	Jan 1995	Upscale
Baileys Apartments by Vetroblu	Open	25	Apr 2014	Upscale
Airport Apartment by Vetroblu	Open	52	Apr 2013	Upscale
Mantra On Hay Perth	Open	141	Mar 1997	Upscale
Rydges Perth Kings Square	Open	119	Nov 2016	Upscale
Adina Apartment Hotel Perth Barrack Plaza	Open	100	Jul 2006	Upper Upscale
Adina Apartment Hotel Perth	Open	138	Jun 2004	Upper Upscale
Zappeion Apartments	Open	16	Jun 2011	Upper Upscale
The Sebel West Perth Aire Apartments	Open	64	Jul 2018	Upper Upscale
Verandah Apartments	Open	42		Upper Upscale
Mont Clare Boutique Apartments	Open	58		Upper Upscale
East Perth Suites Hotel	Open	57	Jan 2012	Luxury

Source: STR

Economy and Midscale Class

Property	Rooms	Hotel Open Date	Class
ECONOMY - MIDSCALE CLASS			
Campus Perth	770	Jan 2019	Economy
Econo Lodge Rivervale	63	Jun 1970	Economy
ibis budget Perth Airport	73	Nov 2007	Economy
Criterion Hotel Perth	69	Jun 1840	Economy
Hotel Northbridge	48	Jun 1898	Economy
Perth Ascot Central Apartment Hotel	76	N/A	Midscale
All Suites Perth	46	N/A	Midscale
Flag Motor Lodge	116	Jun 1967	Midscale
ibis Styles East Perth	252	Sep 2019	Midscale
Baileys Parkside Motel by Vetroblu	43	Jan 2002	Midscale
Starwest Apartments Alderney On Hay	80	N/A	Midscale
Northbridge Pearl	36	N/A	Midscale
Mountway Apartments Perth	69	N/A	Midscale
Riverview On Mount Street	50	N/A	Midscale
Kangaroo Inn	58	N/A	Midscale
ibis Perth	192	Jun 1984	Midscale
Nightcap At Belgian Beer Cafe	15	N/A	Midscale
Pensione Hotel Perth	98	Jun 1962	Midscale
Great Southern Hotel Perth	127	May 2000	Midscale
TRIBE Perth Kings Park Hotel	123	Jun 2017	Midscale

Source: STR

Upper-Midscale and Upscale Class

Property	Rooms	Hotel Open Date	Class
UPPER MIDSCALE - UPSCALE CLASS			
Country Comfort Perth	150	May 2005	Upper Midscale
Metro Hotel Perth City	94	Jan 1975	Upper Midscale
Mercure Perth On Hay	127		Upper Midscale
Mercure Perth	239	Jun 1972	Upper Midscale
Great Eastern Motor Lodge	198	Nov 2007	Upper Midscale
Perth Central Apartments	60	Jun 1985	Upper Midscale
Comfort Inn & Suites Goodearth Perth	180	Jun 1980	Upper Midscale
Quality Hotel Ambassador Perth	170	Jun 1984	Upper Midscale
Central Caravan Park	22	Mar 2012	Upper Midscale
Holiday Inn Perth City Centre	186	Jun 1967	Upper Midscale
Holiday Inn West Perth	101	May 2016	Upper Midscale
Aurea Hotel Perth Kings Park	71	Jun 1976	Upper Midscale
Wentworth Plaza Hotel	41		Upper Midscale
The Nest on Newcastle	20		Upper Midscale
Citadines St Georges Terrace Perth	85		Upper Midscale
Trademark Collection by Wyndham Perth	10	Dec 2016	Upper Midscale
City Waters Hotel	62	Jun 1950	Upper Midscale
Quest On Rheola	20	Jul 2005	Upscale
The Melbourne Hotel	73	Apr 1897	Upscale
Quest Kings Park	70	Jan 2016	Upscale
Crowne Plaza Perth	189		Upscale
Residence on Langley Park	366	Jul 1988	Upscale
Oaks Perth Hotel	181	Aug 2003	Upscale
Quest East Perth	128	Nov 2016	Upscale
Quest Perth Ascot	112	Sep 2020	Upscale
Sanno Marracoonda Perth Airport Hotel	144		Upscale
Nesuto Mounts Bay Perth	75	Jul 1998	Upscale
Quest Mounts Bay Road	66	Aug 2016	Upscale
Quest West End	35	Jan 1995	Upscale
Aloft Perth	224	May 2017	Upscale
Four Points by Sheraton Perth	278	Nov 1984	Upscale
Novotel Langley Perth	256	Jun 1987	Upscale
DoubleTree by Hilton Perth Waterfront	229	Dec 2020	Upscale
Baileys Apartments by Vetroblu	25	Apr 2014	Upscale
Airport Apartment by Vetroblu	52	Apr 2013	Upscale
Ingot Hotel Perth Ascend Collection	214		Upscale
Mantra On Hay Perth	141	Mar 1997	Upscale
The Adnate Perth - Art Series	250	Oct 2019	Upscale
Alex Hotel	74	May 2015	Upscale
DoubleTree by Hilton Perth Northbridge	206	Dec 2018	Upscale
Miss Maud Swedish Hotel	52	Jun 1973	Upscale
Novotel Perth Murray Street	431	Dec 2019	Upscale
Attika Hotel	22	Dec 2015	Upscale
Quay Perth	80	Jun 1972	Upscale
Rydges Perth Kings Square	119	Nov 2016	Upscale

Source: STR

Upper-Upscale and Luxury Class

Property	Rooms	Hotel Open Date	Class
UPPER UPSCALE - LUXURY CLASS			
Adina Apartment Hotel Perth Barrack Plaz	100	Jul 2006	Upper Upscale
Adina Apartment Hotel Perth	138	Jun 2004	Upper Upscale
Duxton Hotel Perth	303	Oct 1996	Upper Upscale
Zappeion Apartments	16	Jun 2011	Upper Upscale
The Westin Perth	368	Apr 2018	Upper Upscale
The Sebel West Perth Aire Apartments	64	Jul 2018	Upper Upscale
Verandah Apartments	42		Upper Upscale
Mont Clare Boutique Apartments	58		Upper Upscale
Parmelia Hilton Perth	308	Jun 1968	Upper Upscale
Hostel G Perth	77	Jan 2019	Upper Upscale
Pan Pacific Perth	488	Jun 1971	Luxury
COMO The Treasury	48	Oct 2015	Luxury
Crown Promenade Perth	291	Aug 2005	Luxury
Crown Metropol Perth	397		Luxury
Crown Towers Perth	500	Dec 2016	Luxury
InterContinental Perth City Centre	240		Luxury
The Ritz-Carlton, Perth	205	Nov 2019	Luxury
QT Perth	184	Aug 2018	Luxury
East Perth Suites Hotel	57	Jan 2012	Luxury

Source: STR

APPENDIX 4: MAPS – FULL LIST OF PROPERTIES

Transient accommodation properties by class within Perth Centre:

Navy numbers indicate Upper-Upscale and Luxury class:

1 – Adina Apartment Hotel Perth Barrack Plaza, 2 – Adina Apartment Hotel Perth, 3 – Duxton Hotel Perth, 4 – Zappeion Apartments, 5 – The Westin Perth, 6 – The Sebel West Perth Aire Apartments, 7 – Verandah Apartments, 8 – Mont Clare Boutique Apartments, 9 – Parmelia Hilton Perth, 10 – Hotel G Perth, 11 – Pan Pacific Perth, 12 – COMO The Treasury, 16 – InterContinental Perth City Centre, 17 – The Ritz-Carlton Perth, 18 – QT Perth, 19 – East Perth Suites Hotel.

Yellow numbers indicate Upper-Midscale and Upscale properties:

2 – Metro Hotel Perth City, 3 – Mercure Perth On Hay, 4 – Mercure Perth, 7 – Comfort Inn & Suites Goodearth Perth, 8 – Quality Hotel Ambassador Perth, 10 – Holiday Inn Perth City Centre, 11 – Holiday Inn West Perth, 12 – Aurea Hotel Perth Kings Park, 13 – Wentworth Plaza Hotel, 14 – The Nest on Newcastle, 15 – Citadines St Georges Terrace Perth, 16 – Trademark Collection by Wyndham Perth The Outram, 17 – City Waters Hotel, 18 – Quest On Rheola, 19 – The Melbourne Hotel, 20 – Quest Kings Park, 21 – Crowne Plaza Perth, 22 – Residence on Langley Park, 23 – Oaks Perth Hotel, 24 – Quest East Perth, 27 – Nesuto Mounts Bay Perth, 28 – Quest Mounts Bay Road, 29 – Quest West End, 31 – Four Points by Sheraton Perth, 32 – Novotel Langley Perth, 33 – DoubleTree by Hilton Perth Waterfront, 34 – Baileys Apartments by Vetroblu, 37 – Mantra On Hay Perth, 38 – The Adnate Perth - Art Series, 39 – Alex Hotel, 40 – DoubleTree by Hilton Perth Northbridge, 41 – Miss Maud Swedish Hotel, 42 – Novotel Perth Murray Street, 43 – Attika Hotel, 44 – Quay Perth, 45 – Rydges Perth Kings Square.

Grey numbers indicate Economy and Midscale properties:

1 – Campus Perth, 4 – Criterion Hotel Perth, 5 – Hotel Northbridge, 6 – Perth Ascot Central Apartment Hotel, 7 – All Suites Perth, 9 – ibis Styles East Perth, 10 – Baileys Parkside Motel by Vetroblu, 11 – Starwest Apartments Alderney On Hay, 12 – Northbridge Pearl, 13 – Mountway Apartments Perth, 14 – Riverview On Mount Street, 15 – Kangaroo Inn, 16 – ibis Perth, 17 – Nightcap At Belgian Beer Café, 18 – Pensione Hotel Perth, 19 – Great Southern Hotel Perth, 20 – TRIBE Perth Kings Park Hotel.

Transient Accommodation Properties by Type within Perth Centre:

Blue numbers indicate hotels:

1 – Criterion Hotel Perth, 2 – Hotel Northbridge, 3 – All Suites Perth, 4 – ibis Styles East Perth, 5 – Riverview On Mount Street, 6 – Kangaroo Inn, 7 – ibis Perth, 8 – Pensione Hotel Perth, 9 – Great Southern Hotel Perth, 10 – TRIBE Perth Kings Park Hotel, 11 – Metro Hotel Perth City, 12 – Mercure Perth On Hay, 13 – Mercure Perth, 14 – Comfort Inn & Suites Goodearth Perth, 15 – Quality Hotel Ambassador Perth, 16 – Holiday Inn Perth City Centre, 17 – Holiday Inn West Perth, 18 – Aurea Hotel Perth Kings Park, 19 – Wentworth Plaza Hotel, 20 – Trademark Collection by Wyndham Perth The Outram, 21 – City Waters Hotel, 22 – Crowne Plaza Perth, 23 – Residence on Langley Park, 24 – Four Points by Sheraton Perth, 25 – The Melbourne Hotel, 26 – Novotel Langley Perth, 27 – DoubleTree by Hilton Perth Waterfront, 28 – The Adnate Perth - Art Series, 29 – Alex Hotel, 30 – DoubleTree by Hilton Perth Northbridge, 31 – Miss Maud Swedish Hotel, 32 – Novotel Perth Murray Street, 33 – Attika Hotel, 34 – Quay Perth, 35 – Duxton Hotel Perth, 36 – The Westin Perth, 37 – Parmelia Hilton Perth, 38 – Hotel G Perth, 39 – Pan Pacific Perth, 40 – COMO The Treasury, 41 – InterContinental Perth City Centre, 42 – The Ritz-Carlton Perth, 43 – QT Perth, 44 – Nightcap At Belgian Beer Café, 45 – Baileys Apartments by Vetroblu, 47 – The Nest on Newcastle.

Dark Grey numbers indicate serviced apartments properties:

1 – Perth Ascot Central Apartment Hotel, 2 – Starwest Apartments Alderney On Hay, 3 – Northbridge Pearl, 4 – Mountway Apartments Perth, 5 – Citadines St Georges Terrace Perth,

6 – Quest On Rheola, 7 – Quest Kings Park, 8 – Oaks Perth Hotel, 9 – Quest East Perth, 10 – Nesuto Mounts Bay Perth, 11 – Quest Mounts Bay Road, 12 – Quest West End, 13 – Baileys Parkside Motel by Vetroblu, 14 – Mantra On Hay Perth, 15 – Rydges Perth Kings Square, 16 – Adina Apartment Hotel Perth Barrack Plaza, 17 – Adina Apartment Hotel Perth, 18 – Zappeion Apartments, 19 – The Sebel West Perth Aire Apartments, 20 – Verandah Apartments, 21 – Mont Clare Boutique Apartments, 22 – East Perth Suites Hotel.

Transient Accommodation Properties within Airport Corridor Precinct:

Navy numbers indicate Upper-Upscale and Luxury class: N/A

Yellow numbers indicate Upper-Midscale and Upscale properties:

1 – Country Comfort Perth, 5 – Great Eastern Motor Lodge, 6 – Perth Central Apartments, 9 – Central Caravan Park, 25 – Quest Perth Ascot, 26 – Sanno Marracoonda Perth Airport Hotel, 30 – Aloft Perth, 35 – Airport Apartment by Vetroblu, 36 – Ingot Hotel Perth Ascend Collection.

Grey numbers indicate Economy and Midscale properties:

2 – Econo Lodge Rivervale, 3 – ibis budget Perth Airport, 8 – Flag Motor Lodge.

Transient Accommodation Properties by Type within Airport Corridor Precinct:

Blue numbers indicate hotels:

46 – ibis budget Perth Airport, 51 – Econo Lodge Rivervale, 52 – Aloft Perth, 53 – Sanno Marracoonda Perth Airport Hotel, 54 – Flag Motor Lodge, 55 – Great Eastern Motor Lodge, 56 – Country Comfort Perth, 57 – Ingot Hotel Perth Ascend Collection, 58 – Central Caravan Park.

Dark Grey numbers indicate serviced apartments:

23 – Quest Perth Ascot, 24 – Airport Apartment by Vetroblu, 25 – Perth Central Apartments.

APPENDIX 5: SUMMARY OF HOTELIER INTERVIEWS

This appendix summarises insights gathered from interviews conducted with key hotel operators in Perth, representing major international brands and precincts including the Perth CBD, Burswood, and the Airport Corridor. The interviews form part of the broader Perth Hotel Demand Study, capturing perspectives on market dynamics, challenges, and opportunities shaping the city's accommodation sector. Discussions with nine hoteliers highlighted a consistent outlook of confidence in Perth's market stability and cautious optimism for future demand growth. The hoteliers described a resilient weekday corporate market, strong event-driven demand, and ongoing challenges in leisure visitation and city activation.

Common Themes

- Strong corporate base and midweek dominance – corporate, government, and resources-related travel underpin weekday occupancy, with most hotels achieving 85–100% midweek levels. Business travel and project-related stays from Chevron, BHP, Rio Tinto and other firms dominate performance.
- Weekend and leisure gaps – leisure demand remains seasonal and event-driven, with softer weekend occupancy. Resort-style properties like Crown and DoubleTree Waterfront benefit from staycation and family travel.
- City activation and destination appeal – hoteliers unanimously cited limited CBD activation after business hours. The lack of nightlife, dining, and retail diversity constrains leisure appeal and limits length of stay.
- Event and MICE opportunities – events and conferences drive significant compression in occupancy and ADR. The forthcoming PCEC redevelopment is seen as both an opportunity and short-term disruption.
- Airport Corridor and long-stay demand – hotels in the Airport Corridor benefit from corporate, FIFO and logistics-related stays. The precinct's growth is expected to accelerate with the new consolidated terminal and planned Pullman Airport Hotel.
- Supply and product mix – the market is balanced but lacks lifestyle and boutique hotels appealing to younger travellers. Several operators noted ageing stock in need of refurbishment.
- International and interstate markets – interstate demand from NSW and Victoria remains strong. International arrivals are rebuilding, led by Singapore and Southeast Asia, with slower recovery from China.
- Human resources and staffing – staff shortages and rising labour costs continue to affect service standards and profitability.
- Local market and staycations – the local intrastate market supports premium hotels, with Crown, Ritz-Carlton, and COMO benefiting most. COVID-19 reshaped travel habits towards short urban breaks.
- Broader development and connectivity issues – low city population density, limited weekend transport, and underdeveloped waterfront connectivity were cited as barriers to Perth's tourism competitiveness.

Overall, Perth's hotel market is stable and maturing, supported by a resilient corporate base and growing diversification. Hoteliers are optimistic about long-term prospects driven by population growth, airport expansion, and ongoing investment in events and marketing. However, they consistently emphasised the need for activation, diversification, and coordinated event programming to sustain growth and attract future investment.

APPENDIX 6: SUMMARY OF TOURISM STAKEHOLDER INTERVIEWS

This appendix summarises insights gathered from six interviews with key tourism and event stakeholders. The discussions provided critical context to understand the demand environment, infrastructure challenges, and future opportunities for Perth Centre accommodation market. Tourism and event stakeholders unanimously expressed confidence in Perth Centre long-term growth potential, citing the city's maturing accommodation market, strong corporate and events base, and transformative infrastructure projects (ECU City Campus, airport expansion, and convention centre redevelopment). However, they emphasised that activation, connectivity, and policy alignment remain central challenges in achieving a vibrant, year-round visitor economy.

Common Themes

- Convention and event infrastructure as a demand driver – PCEC and Business Events Perth confirmed record post-COVID performance, with delegate numbers and revenue surpassing pre-pandemic levels. However, venue capacity is now at its limit. Stakeholders stressed the need for a redeveloped, higher-standard convention centre with integrated premium accommodation and improved connectivity. Current plans are viewed as insufficient to meet international event expectations and risk losing business if redevelopment delays continue.
- Airport expansion and connectivity – stakeholders acknowledged the Qantas Sunrise Project and Perth Airport's expansion as game changers for international access and visitor flows. The Pullman Airport Hotel was identified as essential to support transit, corporate, and resources-related stays.
- Better ground transport connections (light rail, ferry links, trackless tram) were repeatedly cited as key to unlocking city and suburban potential.
- City activation and liveability – across all interviews, a consistent theme emerged: Perth "goes quiet after 5pm." Stakeholders emphasised the lack of evening and weekend activation, limited nightlife, and insufficient connection between precincts such as Elizabeth Quay, Northbridge, Subiaco, and the CBD. Vibrancy and walkability were seen as critical to improving visitor experience and hotel occupancy outside of weekdays.
- Student and education tourism synergies – international students are a major long-term tourism and investment pipeline, contributing directly to hotel stays and indirectly through VFR travel, workforce participation, and future visitation. The new ECU City Campus is expected to house up to 8,000 students and 2,000 staff, catalysing short stay demand and improving city activation. The sector faces challenges from federal student visa caps and perception of WA as a "secondary" destination.
- Tourism investment and incentives – the importance of government-led hotel incentives, recalling the 2012–2017 hotel incentive policy as the key driver of Perth's modern hotel stock was highlighted. Stakeholders agreed that without renewed incentives (e.g., land release, plot ratio bonuses, headworks relief), future hotel projects may stall due to high construction costs and slow return on investment.

- Policy and coordination challenges – stakeholders expressed concern over fragmented decision-making among agencies and lack of coordination between state planning, tourism, and transport bodies. Tourism WA's reduced influence in major infrastructure decisions (e.g., PCEC redevelopment, airport planning) was viewed as limiting strategic alignment. The need for a clear long-term vision linking infrastructure, activation, and accommodation investment was repeatedly emphasised.
- Short-term rental regulation – support for new STR regulations was strong. Stakeholders warned that unregulated STR supply undermines hotel investment and reduces long-stay housing stock in key precincts. Stakeholders advocated for strict controls on Class 2 residential buildings and stronger local government enforcement.
- Suburban and beachfront hotel development opportunities – stakeholders identified suburban nodes (such as Joondalup, Rockingham, Cottesloe) and an "urban resort" concept on the coast as major missed opportunities. Stakeholders called for diversification beyond the CBD to support leisure and regional dispersal.
- Urban density and residential growth – several interviewees highlighted that Perth's CBD lacks critical residential density to sustain hospitality businesses. The city must evolve from a "destination" into a "neighbourhood," with more people living in the CBD to justify extended trading hours and diverse retail.
- Transport and accessibility – the need for pedestrian-friendly, connected urban design was a recurring point. Examples from Sydney and Melbourne (light rail integration, tram corridors, mixed-use precincts, river activation) were cited as models to improve accessibility between key visitor areas and hotels.

Stakeholders presented a strong belief in Perth's long-term potential as a globally competitive destination, supported by education, events, and infrastructure growth. However, they cautioned that the city's evolution requires coordinated governance, improved activation, and renewed investment incentives to sustain the hotel market. The alignment between airport expansion, city revitalisation, and convention infrastructure will be decisive in shaping Perth's next phase of accommodation demand.

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