Intelligent Investment

Behind the Deals

CBRE and the ANZ Luxury Hotel Market

Market intelligence informed by transaction experience

REPORT

CBRE RESEARCH
SEPTEMBER 2026

CBRE Has Advised on 55% of ANZ Luxury Hotel Transactions by Value Since 2021

Approximately **A$3.2 billion in luxury hotel assets** has transacted across Australia and New Zealand since 2021. **CBRE advised on approximately A$1.75 billion, representing 55% of total transaction value.**

CBRE's activity spans operating hotels, development-stage dispositions and assets with repositioning, mixed-use or redevelopment potential. Transactions have been completed through competitive campaigns, direct off-market sales and fund-through structures.

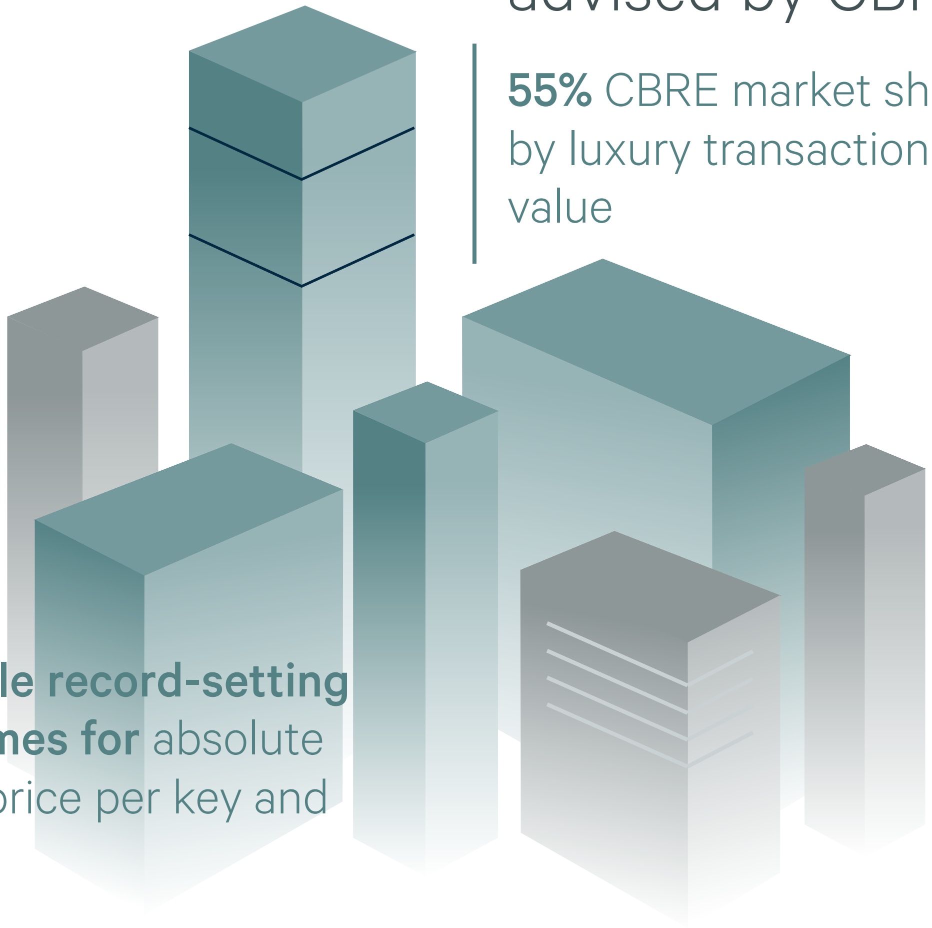
These transactions have established new benchmarks for absolute price, price per key and yield, attracting both domestic and international capital. Outcomes have been achieved across different market conditions, from transactions executed during pandemic lockdowns to major sales completed as investment activity recovered.

CBRE's involvement in more than half of ANZ luxury hotel transaction value provides direct visibility into how buyers are underwriting assets, the sources and structures of capital entering the market, and the factors ultimately determining price. This insight is supported by longstanding relationships with owners, operators and capital sources across the sector.

A$1.75B

advised by CBRE

55% CBRE market share by luxury transaction value



Multiple record-setting outcomes for absolute price, price per key and yield

Source: RCA, CBRE
Note: Luxury hotel transactions, Australia and New Zealand, January 2021 to July 2026. Hotels with more than 50 rooms.

Record-Setting Deals Behind Our Market Expertise

SELECTED ANZ LUXURY HOTEL TRANSACTIONS ADVISED BY CBRE SINCE 2021

Waldorf Astoria Sydney

A$575M | 220 keys | $2,600,000 per room | Buyer: Fiveight

A new Australian hotel pricing benchmark.

CBRE pre-sold the freehold volumetric interest through a targeted off-market fund-through transaction. The sale achieved a record absolute price and record price per key for an Australian hotel.

Sofitel Sydney Wentworth

A$315M | 436 keys | $722,477 per room | Buyer: KKR, Futuro and Marprop joint venture

Premium to book value achieved during pandemic lockdowns.

CBRE completed the off-market transaction at the most disrupted point of the pandemic, achieving a considerable premium to book value and securing an institutional joint-venture buyer.

Sofitel Brisbane Central

A$190M | 416 keys | $456,731 per room | Buyer: CDL

Brisbane's largest single-asset hotel transaction.

CBRE conducted an on-market campaign for the sale of the long-term leasehold interest in Sofitel Brisbane Central. The campaign attracted domestic and international interest, with the hotel acquired by Singapore-listed City Developments Limited and representing the largest single-asset hotel transaction in Brisbane history.

Sofitel Queenstown Hotel and Spa

NZ$92.5M | 84 keys | $1,101,190 per room | Buyer: Brookfield

A record New Zealand price per key at the time of sale.

CBRE acted on behalf of the vendor as part of the broader NZ Hotel Holdings portfolio process, leveraging competitive tension across individual bidders to deliver the result which was a record price per key in New Zealand history.

InterContinental Sydney Double Bay

A$205M | 140 keys | $1,462,857 per room | Buyer: Capit.el Group joint venture

$1.46 million per key at a 3.45% initial yield.

CBRE's competitive campaign conducted on behalf of Piety Group and Fridcorp attracted significant domestic and international interest from hotel investors and mixed-use residential developers. The purchasers intend to deliver a luxury mixed-use residential and hotel development on the site.

Sofitel Adelaide

A$154M | 251 keys | $613,546 per room | Buyer: Salter Brothers

A new South Australia hotel benchmark.

CBRE conducted an on-market campaign on behalf of Palumbo Group for the sale of the recently completed Sofitel Adelaide. The campaign attracted significant domestic and international investor interest, delivering the state's largest single-asset hotel transaction and highest price per key.

The Tasman

A$338M | 152 keys | $736,842 per room | Buyer: Spirit Super

Institutional capital secured for a landmark luxury asset.

CBRE conducted an on-market campaign on behalf of Trawalla Group for the sale of The Tasman and Parliament Square office. The Luxury Collection hotel, operated by Marriott, occupies three restored and integrated heritage buildings within Hobart's Parliament Square precinct. The sale represented the largest real estate transaction in Tasmania's history.

QT Auckland

NZ$87.5 M | 150 keys | $583,000 per room | Buyer: EVT

A portfolio process converted into a superior individual asset outcome.

Originally offered within the seven-asset NZ Hotel Holdings portfolio, QT Auckland was sold individually to operator EVT following interest from capital based in New Zealand, the United States, Thailand and the UAE.

Source: CBRE
Note: The Tasman price per room reflects the allocated hotel component of the transaction

Luxury Hotel Pricing Has Reset to New Benchmarks

CBRE's transaction evidence demonstrates the material re-rating of ANZ luxury hotel assets since 2011. The median transaction price per key increased by 81% from approximately $396,000 for sales recorded between 2011 to 2014 to $718,000 for sales recorded between 2023 to 2026 year to date.

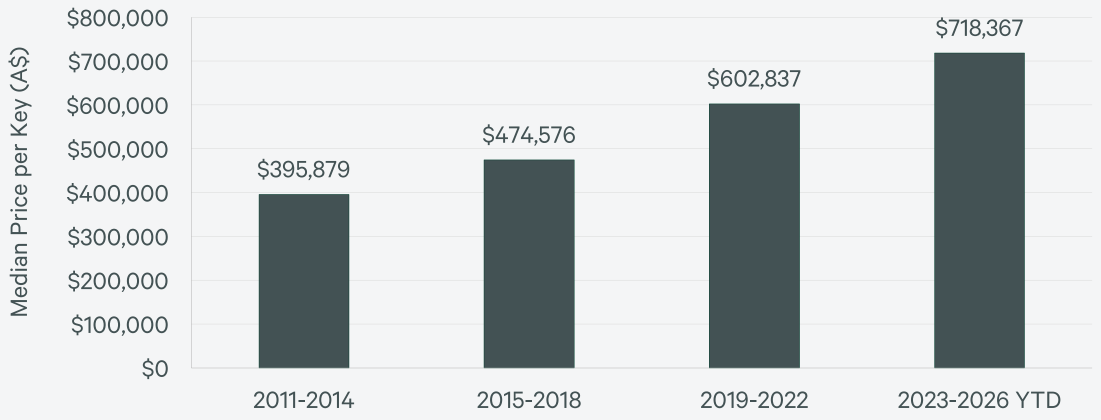
The strongest uplift occurred from 2019 with pricing remaining elevated despite a more challenging interest-rate and investment environment. Rising replacement costs, strengthening hotel earnings and a diverse buyer pool have supported this resilience.

International capital has been an important driver of investment. Singaporean and Malaysian capital has maintained a sustained presence, while buyers from China and Hong Kong were particularly active between 2012-2018. In recent years, the offshore buyer pool has become more diversified, supporting liquidity and establishing new pricing benchmarks alongside active domestic capital.

Repeat sales provide further evidence of value growth. Price per key increased from $461,000 in 2014 to $722,000 in 2021 for Sofitel Sydney Wentworth and from $750,000 in 2017 to $1.46 million in 2024 for InterContinental Sydney Double Bay, equivalent to CAGRs of 6.6% and 10.1% respectively. Park Hyatt Melbourne's price per key increased from $417,000 in 2014 to $718,000 in 2025 representing a CAGR of 5.1%. While individual outcomes also reflect earnings, capital investment and asset strategy, the consistency of growth supports the broader re-rating trend.

Pricing increasingly reflects a distinction between established operating hotels, valued primarily against earnings, and scarce trophy or repositioning assets, where brand potential, development optionality and locational scarcity can command substantial premiums. CBRE's transaction outcomes show investors placing increasing value on earnings strength, replacement cost, barriers to entry and the limited availability of institutional-grade luxury assets.

Median Price per Key – ANZ Five-Star Hotel Transactions



Price per Key Growth Across Selected Repeat Sales

InterContinental Sydney Double Bay

SALE 1: **2017**
$750,000 per key

10.1% CAGR
+$713k per key

SALE 2: **2024**
$1,463,000 per key

Sofitel Sydney Wentworth

SALE 1: **2014**
$461,000 per key

6.6% CAGR
+$261k per key

SALE 2: **2021**
$722,000 per key

Park Hyatt Melbourne

SALE 1: **2014**
$417,000 per key

5.1% CAGR
+$302k per key

SALE 2: **2025**
$718,000 per key

Source: CBRE
Note: Australia: 5-star hotels, 50+ rooms. New Zealand: 5-star hotels, 30+ rooms. All prices in AUD.

Luxury Hotels Command a Growing Rate Premium

CBRE’s analysis shows that luxury hotel performance is supporting the pricing outcomes observed across its transactions. Since 2019, ADR increased materially in every market with premiums over the all-scales sector widening considerably.

Growth was strongest in Queenstown, where ADR increased by an average of 11% annually as the market continues to evolve into an internationally recognised luxury destination. Brisbane and Perth followed at around 7%, and the Gold Coast at 6%, supported by new luxury hotels that have reset market composition and established higher rate benchmarks. Sydney and Melbourne recorded more moderate growth from higher bases but retain some of the largest absolute premiums, reflecting their gateway status and market depth.

Across Australia, the average luxury ADR premium increased by 53%, from $62 in 2019 to $94 in 2026. Queenstown’s premium rose from approximately NZ$78 to NZ$140, the highest of any market analysed, reflecting its position as a tightly supplied luxury leisure destination.

Higher rates are being achieved alongside healthy occupancy. Sydney leads the major gateway markets with a luxury ADR of $450, 85% occupancy and RevPAR of $384, sustaining strong performance across a large luxury room base. Queenstown records the highest market-wide luxury ADR and RevPAR at A$522 and A$435 respectively, while Perth combines 83% occupancy with a strong $354 ADR. The Gold Coast and Hobart achieve rates above several capital-city markets despite lower occupancy, reflecting their leisure-led demand and greater seasonality.

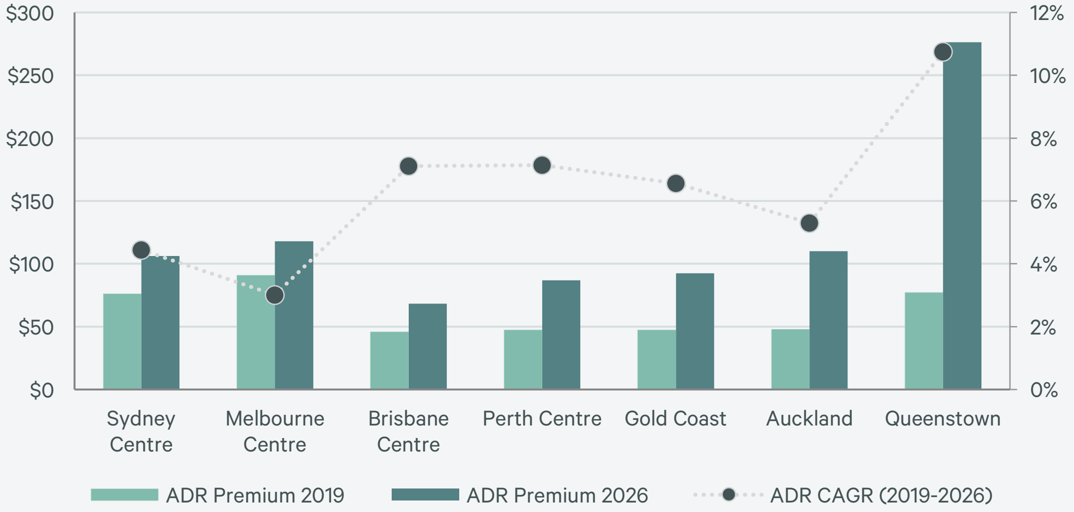
Australia's genuine luxury regional hotels occupy a distinct rate position. The sample recorded an ADR of $816 and RevPAR of $512, demonstrating the premium achieved by a small cohort of ultra-luxury properties with seasonal, leisure-led demand profiles.

Overall, ANZ’s luxury sector is broadening and upgrading. New product is establishing stronger rate positions beyond the traditional gateways, while Sydney and Melbourne continue to command substantial premiums at scale. With the supply pipeline moderating, these gains should be further supported.

Luxury Hotel Performance by Market – YE June 2026

Market	Occupancy	ADR	RevPAR
Sydney Centre	85%	$450	$384
Melbourne Centre	80%	$366	$292
Perth Centre	83%	$354	$292
Brisbane Centre	78%	$330	$258
Adelaide Centre	79%	$280	$221
Gold Coast	72%	$382	$276
Hobart	75%	$402	$300
Regional AU	63%	$816	$512
Auckland	76%	A$255	A$194
Queenstown	83%	A$522	A$435

Luxury ADR Premium and CAGR by Market YE Jun 2019-2026



Source: CoStar, CBRE
Note: YE June 2026. Luxury scale classification. Regional Australia represents a sample of 12 luxury properties with 30 or more rooms covering most states and territories. ADR Premium reflects local currency. Adelaide, Hobart and Regional AU are excluded from ADR Premium and CAGR by market chart as luxury scale data is not available prior to 2021.
Auckland and Queenstown figures converted to AUD for comparability.

Luxury Pipeline Thins

CBRE's analysis shows the recent expansion of ANZ luxury hotel supply has been well absorbed, but the confirmed pipeline thins materially beyond 2028 as feasibility constraints limit new development.

Since 2020, 20 luxury hotels comprising 3,517 rooms have opened across Australia and New Zealand. In Australia, luxury represented approximately 33% of all rooms delivered during the period.

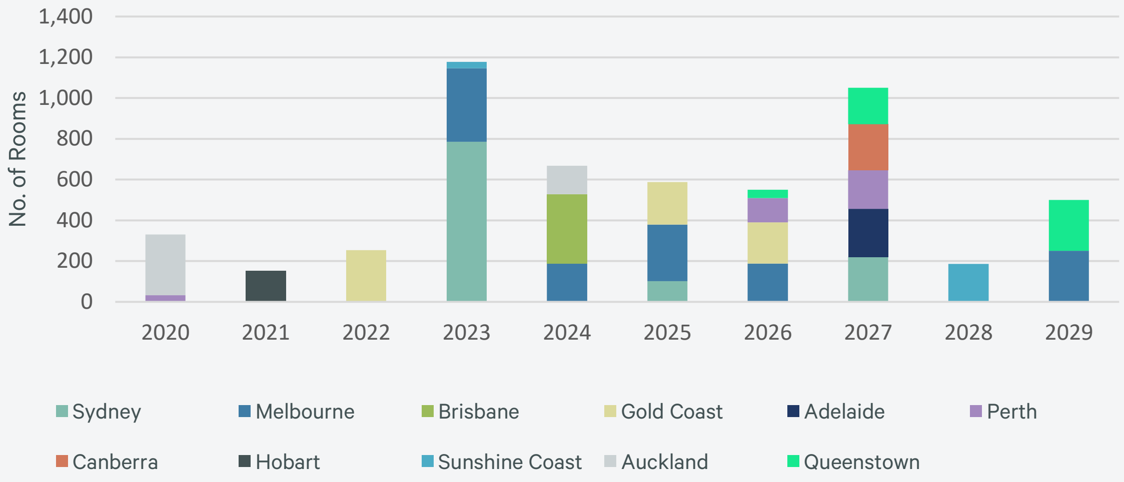
Melbourne led Australian delivery with six hotels and 1,014 rooms: Ritz-Carlton, 1 Hotel Melbourne, Lanson Place, The Lyall, Hannah Street Hotel and The Royce. Sydney added three properties and 887 rooms, anchored by the 593-room W Sydney - the largest luxury hotel delivered during the period. Brisbane added the 340-room Star Grand at Queens Wharf in 2024. Hyde Perth recently delivered 120 rooms. The Gold Coast welcomed The Langham and Mondrian, making it the only market where all rooms delivered since 2020 were luxury. The Tasman in Hobart, EOS in Adelaide and Essence Peregian Beach on the Sunshine Coast show luxury development extending beyond the major gateways. New Zealand added Park Hyatt Auckland and Hotel Britomart in 2020, followed by InterContinental Auckland in 2024 and the 40-room Coronet Ridge Resort in Queenstown in 2026.

Luxury demand materially outperformed the broader hotel market and absorbed most of the sector's supply expansion. While demand CAGR of 2.9% was slightly below supply growth of 3.1%, occupancy remained broadly stable at 78% in 2019 and 79% in 2026.

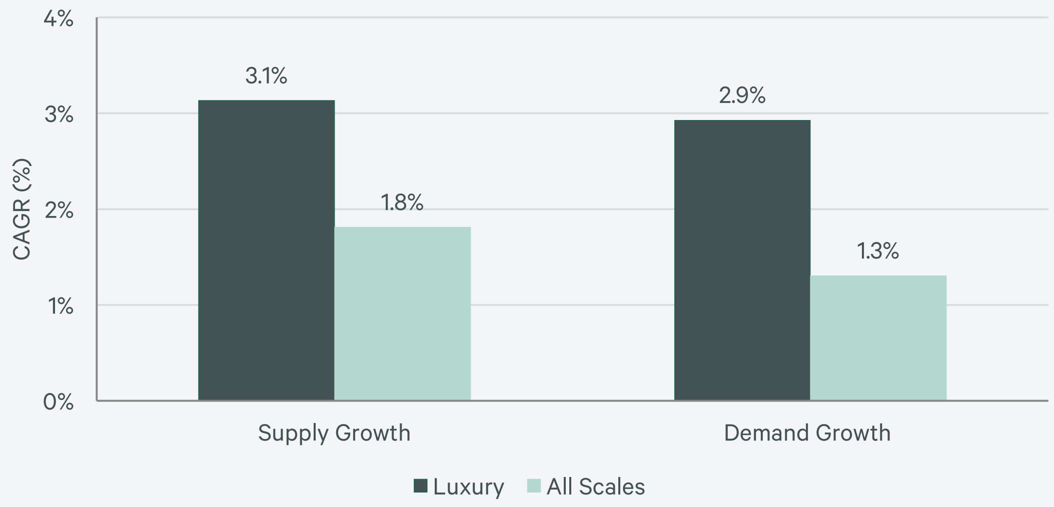
The near-term pipeline remains active but is concentrated in 2026 and 2027 before moderating. Eleven luxury hotels comprising approximately 1,979 rooms are under construction across ANZ. Key additions include Waldorf Astoria Sydney, Andaz Gold Coast, Crystalbrook Canberra and Westin Adelaide. The Calile Noosa is reportedly targeting a late 2028 delivery, while the Shangri-La Melbourne is planned for 2029, although its delivery remains uncertain. In Queenstown, Noctis by Kamana and the QT extension are expected in 2027, followed by St. Regis in 2029. In Brisbane, the proposed Rosewood at Queens Wharf remains without a confirmed completion date, although its delivery remains possible given the brand's connection to a Brisbane consortium partner.

Beyond 2028, the confirmed pipeline thins materially as rising construction and replacement costs, site constraints and feasibility pressures limit new development. This should support rate growth, operating performance and asset values, particularly in markets with high barriers to entry.

Luxury Room Supply by Major Market



Luxury Hotel Supply and Demand Growth vs All-Scales (CAGR 2019–2026)



Source: CoStar, CBRE
Note: Luxury scale classification. YE June 2026, Pipeline as at August 2026. Reflects Canberra, Brisbane Centre, Melbourne Centre, Perth Centre, Gold Coast, Sydney Centre, Auckland and Queenstown. Adelaide, Hobart and Regional AU are excluded as Luxury scale CoStar data is not available prior to 2021.

A Growing Global Luxury Consumer Base

The global luxury consumer base is expanding, underpinned by established high-spending markets including China, the US and UK, alongside growing demand from other Asian and emerging markets. For ANZ luxury hotels, this is broadening the demand base, supporting rate growth and strengthening the long-term investment case.

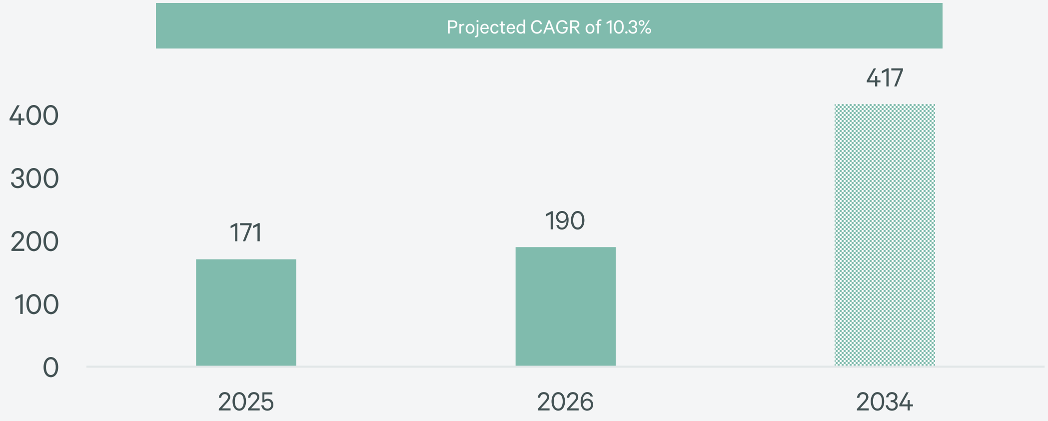
Sustained growth
The global luxury market is projected to grow from US$190 billion in 2026 to US$417 billion by 2034, representing a CAGR of 10.3%. This reflects the continued expansion of luxury travel and the increasing allocation of discretionary spending towards premium accommodation and experiences.

An expanding high-value consumer base
The global ultra-wealthy population is forecast to reach approximately 746,600 by 2030, an increase of 190,000 from 2025. This expansion will broaden the pool of high-value consumers supporting global luxury travel and hospitality demand.

Direct relevance for ANZ
China, the UK and US are Australia's three highest-spending inbound markets, generating $13.7 billion, $5.5 billion and $4.6 billion respectively in total international expenditure in the year ending March 2026. Together, they account for around 41% of total expenditure. In New Zealand, Australia generates the greatest total visitor expenditure, while Chinese visitors record the highest daily spend at NZ$502. This mix of established Western markets and growing Asian demand provides a broad and resilient demand base for ANZ luxury hotels.

Experience-led demand
Younger consumers are helping reshape luxury travel. Gen Z per capita spending is forecast to increase by 28% between 2024 and 2030, with this digitally engaged cohort placing greater emphasis on distinctive design, wellness, local immersion and shareable experiences. More broadly, luxury travellers are seeking personalised service and a stronger sense of place, encouraging hotels to differentiate through design, wellness, food and beverage, cultural programming and tailored guest experiences.

Global Luxury Hotel Market Size (USD Billions)



Source: CBRE, Fortune Business Insights, TRA, Altrata, Bain & Company

Luxury Brands Reshape ANZ

Australia's luxury hotel landscape is broadening through international brands, branded residences, white-label and independent hotels. Since 2021, a wave of global brands have entered the market.

Expansion is extending beyond traditional new development. Capella Sydney involved the adaptive reuse of the heritage-listed former Department of Education building; the former Sofitel Noosa has reopened as Elysium Noosa with Manly Pacific also transitioning to the Elysium brand; and Emirates Wolgan Valley will relaunch as the first Ritz-Carlton Lodge in Australia. Conversions and repositioning are becoming increasingly important as new-build feasibility remains constrained.

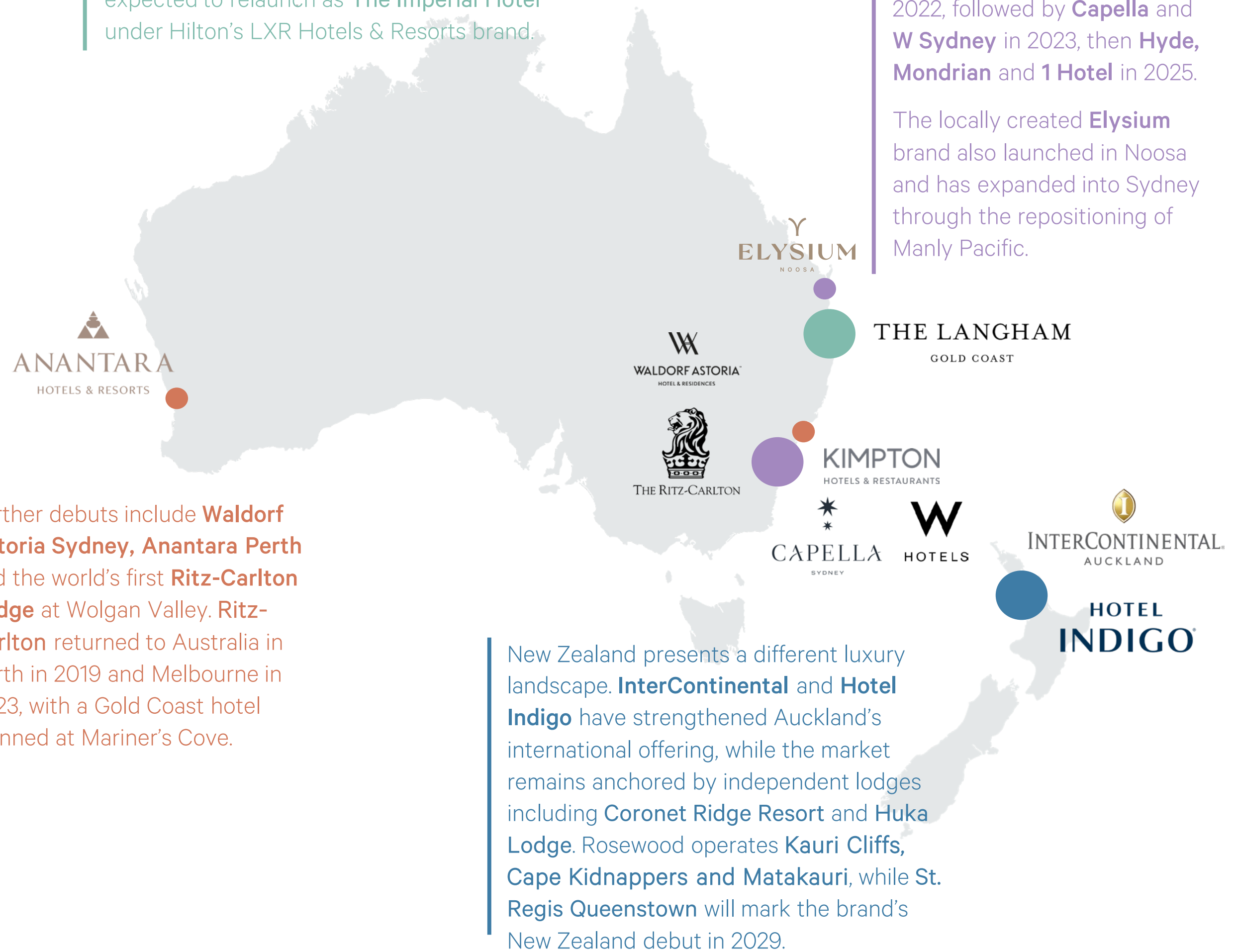
Branded residences are also gaining momentum. Mondrian Gold Coast includes 83 residences, and 1 Hotel Melbourne incorporates 114 1 Homes residences, while Waldorf Astoria Sydney forms part of the One Circular Quay luxury precinct with 158 ultra-premium residential apartments. Globally, branded residences featured in 39% of luxury hotel signings between 2022 and 2024, compared with 23% across APAC.

White-label and independent hotels also remain central to the region's luxury offering. Properties including The Calile in Brisbane, the forthcoming Calile Noosa, The Eve in Sydney, The Royce Hotel in Melbourne and Salter Brothers' Ardour collection, and Hamilton Island's qualia and The Sundays demonstrate that luxury growth is not being driven by global brands alone.

The Gold Coast has become a focus for international luxury expansion. **The Langham** opened in 2022 and **Mondrian** in 2025, with **Andaz** nearing completion. **St. Regis** is planned to debut in Australia in 2027, while the former Palazzo Versace is expected to relaunch as **The Imperial Hotel** under Hilton's LXR Hotels & Resorts brand.

Kimpton debuted in Sydney in 2022, followed by **Capella** and **W Sydney** in 2023, then **Hyde, Mondrian** and **1 Hotel** in 2025.

The locally created **Elysium** brand also launched in Noosa and has expanded into Sydney through the repositioning of Manly Pacific.



Further debuts include **Waldorf Astoria Sydney, Anantara Perth** and the world's first **Ritz-Carlton Lodge** at Wolgan Valley. **Ritz-Carlton** returned to Australia in Perth in 2019 and Melbourne in 2023, with a Gold Coast hotel planned at Mariner's Cove.

New Zealand presents a different luxury landscape. **InterContinental** and **Hotel Indigo** have strengthened Auckland's international offering, while the market remains anchored by independent lodges including **Coronet Ridge Resort** and **Huka Lodge**. Rosewood operates **Kauri Cliffs, Cape Kidnappers and Matakauri**, while **St. Regis Queenstown** will mark the brand's New Zealand debut in 2029.

 Source: CBRE

The View Behind The Deals

Strengthening demand, widening rate premiums and a thinning development pipeline are reinforcing the investment position of established luxury hotel assets.

Market expertise

CBRE has advised on 55% of ANZ luxury hotel transactions by value since 2021. In a market characterised by high barriers to entry and a concentrated buyer pool, this activity combined with longstanding relationships across hotel owners, operators and domestic and international capital provides direct insight into buyer appetite, pricing, transaction structures and the factors shaping investment decisions.

Investment Pricing

Median price per key increased by 81%, from approximately $396,000 in 2011–2014 to $718,000 in 2023–2026 year to date. Repeat sales provide further evidence of increased hotel pricing, supported by strengthening demand, improved profitability, a deeper buyer pool and rising replacement costs.

Demand and Brand Expansion

Luxury demand across the major ANZ markets has grown at a CAGR of 2.9% since 2019, more than twice the 1.3% CAGR recorded across the broader hotel market. This is attracting new global brands and supporting expansion through conversions, repositioning, branded residences and independent operating models.

Performance

Luxury ADR has increased across every market analysed, while premiums over the all-scales sector have widened. Sydney continues to deliver the strongest major gateway performance at scale, while new product is establishing higher rate benchmarks. Queenstown has achieved exceptional rate growth as it evolves into a luxury hub.

Supply

Since 2020, 20 luxury hotels have added 3,517 rooms across Australia and New Zealand. Luxury demand grew at a CAGR of 2.9% against supply growth of 3.1% since 2019, with luxury occupancy remaining stable at 78% to 79% across the period, confirming that new supply has been absorbed without diluting operating performance.

Outlook

Eleven ANZ luxury hotels comprising 1,979 rooms are under construction, with delivery concentrated in 2026 and 2027. Beyond the current development cycle, the confirmed pipeline thins materially as feasibility constraints limit new projects. Strengthening demand and limited new supply should support the performance and value of established luxury assets, particularly in markets with high barriers to entry.

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