

Short Stay Accommodation Prospectus





Welcome to the City of Armadale

We are a strategic center with a unique community feel. Armadale is a modern city nestled at the foothills of the Darling Ranges, amongst scenic parks, undulating hills and picturesque valleys.

Armadale is one of the fastest growing local government areas in the nation. The region's population is set to grow from 78,000 to 138,000 by 2031. The City is developing a new street of homes every week and a new neighbourhood every month.

The Armadale City Centre is one of eight designated Strategic Metropolitan Centers in the State Government's Metropolitan Plan and is the primary activity centre of the southeast metropolitan region.

There is a diverse range of opportunities for business, commercial and industrial investment as Armadale establishes itself as the heart of retail, commerce and industry in the southern southeast corridor.



10 Reasons to Invest in Accommodation in Armadale

1

High average occupancy rates (above 85%) and affordable room rates in the region.

2

Current and projected demand is exceeding existing supply.

3

New levels of investment in Armadale City Centre and surrounding regions.

4

Metropolitan Redevelopment Authority office located in Armadale.

5

Regional growth provides opportunities for branded accommodation chains.

6

Growth of Forrestdale Business Park, which will create over 15,000 jobs.

7

A range of potential sites with correct zoning already identified.

8

Proactive and supportive council for accommodation projects.

9

Strong tourism focus in the region, including major tourism attractions.

10

Tourist centre owned and operated by the City of Armadale.

Projected population and business growth in the Armadale region would increase the benchmark demand to 220 rooms by 2031.¹

The development of new short stay accommodation options would enable the area to generate revenue and employment whilst supporting the tourism initiatives for the area.

¹ Short Stay Accommodation in the City of Armadale - Feasibility and Business Case 2014, Urbis Pty Ltd



Key Drivers of Our Accommodation Market

Business

There are 3958 businesses which currently operate within the City, ranging from large multi-nationals to sole proprietors.

There was an average of 9500 nights per year spent in Armadale between 2011 and 2013 by business travellers. Business travellers accounted for approximately 15% of nights spent in short stay accommodation.²

Investment from multi-national companies like Hitachi Construction Machinery Australia and the expansion of government services in the Armadale City Centre provide the potential to further increase demand for accommodation.

Medical

Armadale Kelmscott Memorial Hospital is a 290 bed hospital located on Albany Highway. The hospital is projected to expand to 450 beds by 2020. It is the primary medical facility for maternity, paediatrics, aged care and rehabilitation for the wider Armadale region and Greater Southern region of Western Australia.

Consultation with the Armadale Kelmscott Health Service indicated that the majority of demand for short stay accommodation comes from visiting staff, resulting in demand for 200 to 300 short stay beds a year.

² Tourism Research Data





Leisure

There was an average of 11,000 leisure visitor nights per year spent in Armadale between 2011 and 2013, and an estimated 206,000 day trippers during this time.

If these visitors were able to stay in Armadale it would result in demand for an additional 30,000 visitor nights.

The Visiting Friends and Relatives (VFR) market results in 106,000 visitor nights spent in Armadale per year (2012 – 2013).

The VFR market is driven by population growth. Forecasts anticipate average annual growth of 3.8% over the next 20 years for the City of Armadale. This market could drive additional growth for short stay accommodation, particularly if additional function/event space became available.

Recreation

Armadale has a number of tourist attractions including recreational facilities, museums, and natural attractions.

Major attractions include the world class Champion Lakes Regatta Centre, Araluen Botanic Park and the nationally ranked Araluen Golf Resort.

Champion Lakes Regatta Centre attracts 80,000 visitors to 1400 events annually. The Australian Dragon Boat Championships, which is hosted every five years, brings 2500 competitors to the Armadale area.



Current Accommodation Supply

There are currently 83 short stay rooms in the City, which includes two establishments with over 20 rooms. The City's current population growth would increase the benchmark demand to 220 rooms by 2031.

Visitors are frequently forced to travel outside the region as local accommodation is often at capacity.

Given the variety of existing demand, a new establishment would need to be attractive to business travellers, leisure travellers, families and passing

motorists. There is considered to be existing capacity for up to 60 short stay accommodation rooms in Armadale. A 30 room facility would be the minimum size likely to be developed, however a development of over 45 rooms would achieve the economies of scale required.

Name	Capacity (Rooms)	Accommodation Type
Armadale Cottage	5	Bed and Breakfast
Avocados	20	Self-contained
Bickley Brook Cottage	2	Self-contained
Clarence House	3	Self-contained
Coranda Lodge	4	Bed and Breakfast
Heritage Country Motel	28	Motel
Lakeside Country Resort	6	Self-contained
Mimsbrook Farm Guesthouse	4	Bed and Breakfast
The Hideaway Luxury Resort	2	Bed and Breakfast
The Sahara	4	Self-contained
Waterside	4	Self-contained
Wedmore Homestead	1	Bed and Breakfast
Total	74 (excluding Caravan Parks capacity)	





Our Major Industries

Health Care and Social Assistance

The Armadale Health Service (AHS) incorporates the government owned and operated 290 bed Armadale Kelmscott Memorial Hospital and Mental Health Service, an outpatient rehabilitation centre and the Gallier's Specialist Wing. Boasting modern facilities and a workforce of 1500 people, AHS delivers quality health care to the community including an Emergency Department, an Intensive Care Unit, maternity and paediatric services, general surgery, aged care and rehabilitation, inpatient and community health services.

Construction

The construction industry has the largest number of total registered businesses in the area, comprising 27% of all businesses. Predicted high residential and commercial growth will see construction remain as a key industry into the future.

Education and Training

With the City's population growing at twice the WA average and four times the national average, the education and training sector has a significant role to play. With a total of 31 primary and high schools in our region (and this number expected to grow by five new schools by 2020) education and training is the highest employment sector in the City.

Manufacturing and Business

Kelmscott, Forrestdale and south Armadale are the key industrial centres in the City of Armadale.

Historically the south Armadale and Kelmscott industrial precincts have met the region's demand.

The Forrestdale Business Park comprises over 330 hectares of commercial and industrial land that will accommodate up to 700 industrial lots and provide more than 15,000 jobs. The next major region for industrial growth will be the South Forrestdale Industrial Precinct which has been identified as one of six priority industrial sites to be developed in the metropolitan area.

Retail

Retail trade makes up 17% of employment and is one of the three largest industries in Armadale.

Retail development is critical to the City's population, providing a range of employment opportunities.

There is 101,000 square metres of retail floor space spread across seven centres throughout the City, increasing to 168,000 by 2030. Armadale is home to an array of retailer opportunities from multi-national companies to single owner/operators.



Council commitment

The City of Armadale is a progressive Council with a clear strategic vision. Proactive in its approach to economic development, the City seeks out investors and facilitates proposals that will help it realise its long-term goals. The City works together with State and Federal Government to ensure that the needs and interests of local communities are protected and advanced.

The City has an important role to play in the attraction of short stay accommodation in the Armadale district.

Four strategies have been identified to guide the City in the attraction of short stay accommodation investment:

- Encourage growth in accommodation demand
- Promote investment opportunities
- Facilitate investment
- Create incentives.



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