

Best Western Hotel in Gudauri

Teaser

Prepared by: Colliers

Accelerating success

BW Best Western Gudauri

სანჯიანო • RESTAURANT PASKI



About the Hotel

Best Western Gudauri

Best Western was the first internationally branded hotel in the Gudauri ski resort. Best Western Gudauri offers its visitors **4-star accommodation**. The hotel was opened in the end of 2019.

Number of Rooms: 63

Best Western Gudauri features:



- **Restaurant**
- **Bar**
- **Conference Room and Working Table**
- **Spa and Wellness**

Free private parking is available for the hotel guests.

The hotel is rather popular amongst **local as well as international tourists** enjoying skiing, marvellous views on the Caucasus mountain range, snow and comfortable accommodation.





In the last decade, the supply of hotels in Gudauri is characterized with a positive tendency. In 2019, Gudauri ski resort featured **52 hotels**, with **985 rooms** and **2,320 beds**. The scale and class of the hotels and guest houses represented in Gudauri is quite diverse, mainly falling in small-scale and lower-class categories. However, multiple mid-scale and middle-class hotels are also located in the resort.

According to the data from 2019, the **occupancy rate** of the hotels in Gudauri amounted to **43%**, 8% decrease compared to the previous year. The decline in the occupancy was caused by the addition of new hotels in the ski resort.

In 2019, the **average daily rate** compared to the previous year has managed to remain the same and was **USD 83** (Excl. VAT)

The revenue per available room in 2019 equaled to **USD 36** (Excl. VAT), compared to the previous year the figure has decreased by 16%.

Occupancy Rate

43%

ADR

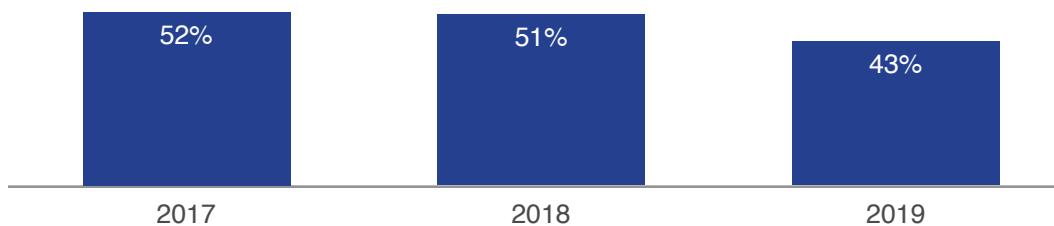
\$83

RevPar

\$36

Research Hotel Performance

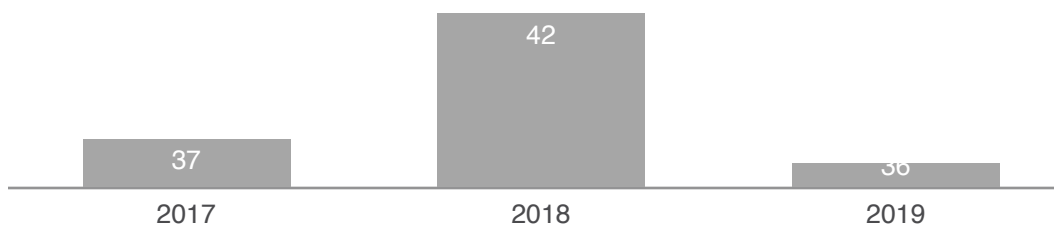
Occupancy Rate (%)



ADR - Average Daily Rate (USD, Excl. VAT)



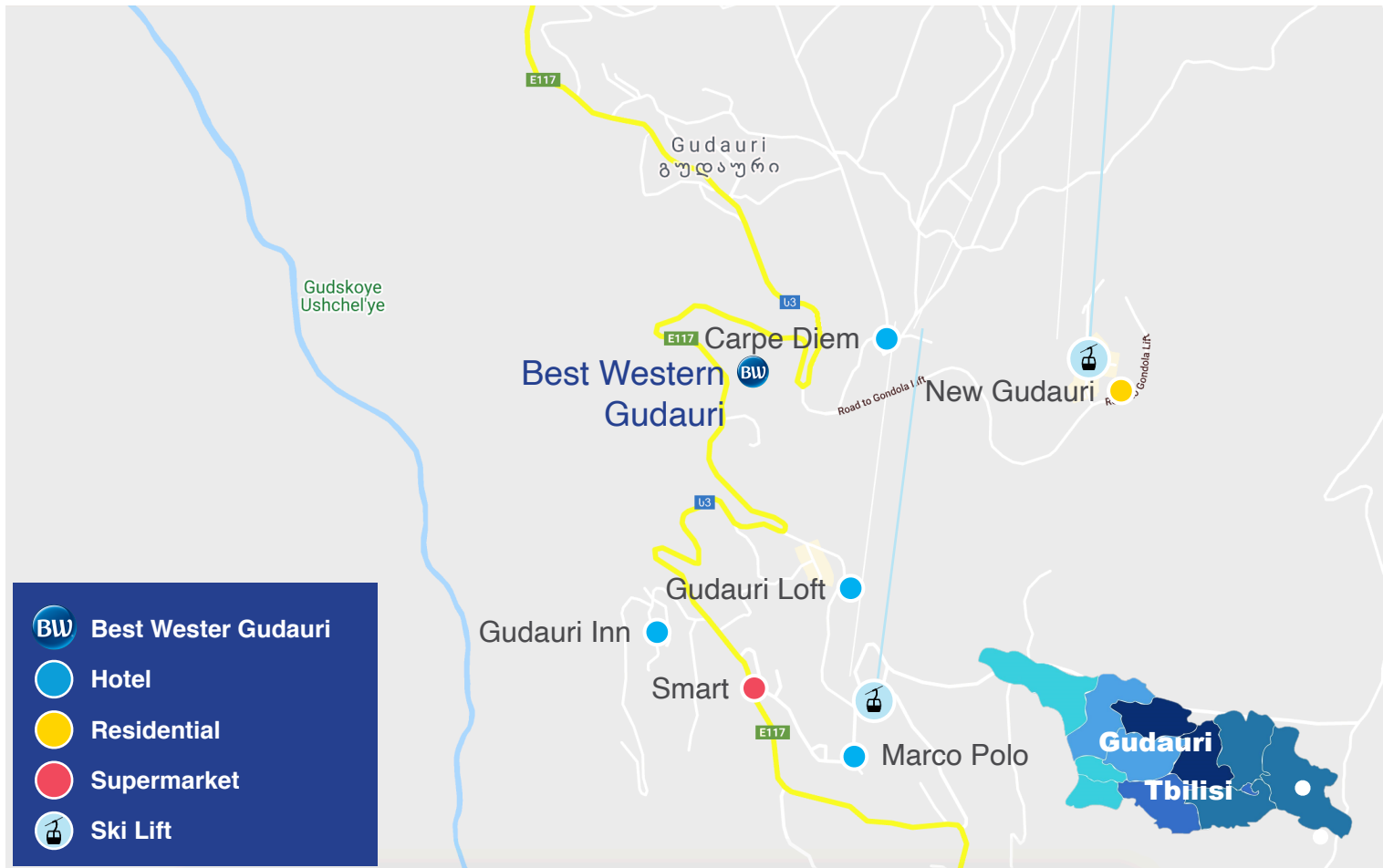
RevPar – Revenue Per Available Room (USD, Excl. VAT)



Source: Geostat, Mountain Development Company and Colliers

Site Analysis

Micro Location



Best Western Gudauri is located in the **central part** of the ski resort, adjacent to the main road.

The site is comprised of one land plot totally amounting to **2,000 sqm**.

Cadastral Codes: 74.06.11.967

The subject site is in **vicinity** to the **ski lift**. Moreover, the hotel offers free transportation of its guest to the mountain slopes.

Hotel **Carpe Diem** is located close to the subject site along side with multiple middle and lower scale accommodations.

The distance from **Tbilisi** to the subject site by a private transport is around 2 hours and 20 minutes.



Over the last years, the number of international tourists in Gudauri has been steadily increasing. According to the data from 2019, the number of **international visits** in Gudauri amounted to **161 thousand**, 21% increase compared to the previous year.

In 2019, the **average night stays** of international tourists in Gudauri has also increased and equaled to **4.3 nights**.

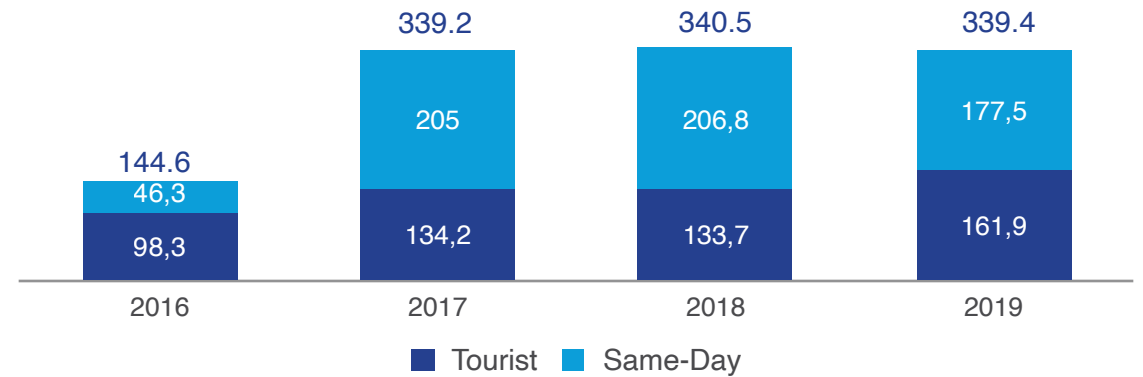
Gudauri is mainly popular for its ski slopes and therefore, the increased tourism has transferred into an amplified demand on the ski lifts. In 2019, totally **247 thousand ski lift tickets were sold**, 24% increase year-over-year.

Figures of **local tourism** in Gudauri are not calculated by Geostat and National Tourism Agency. However, according to our assumptions in 2018, the number of **local same-day trips** to the ski resort amounted to **178 thousand** and **local tourist visits** to **33 thousand**.

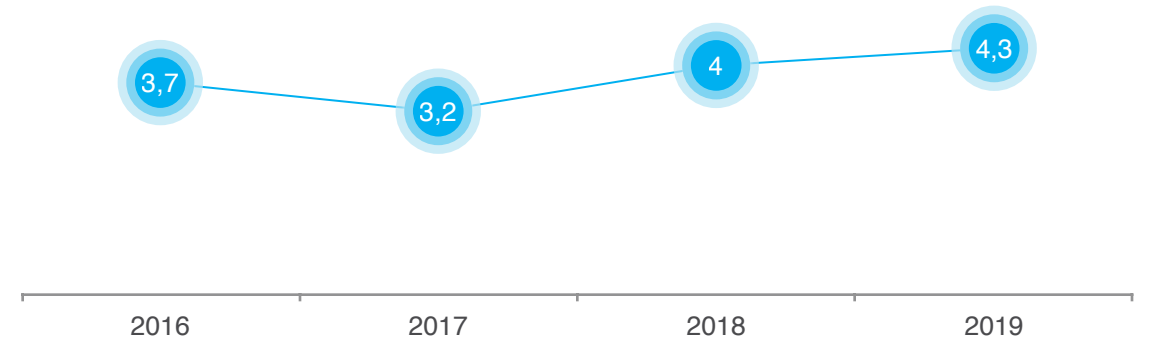
<p>356 Thousand Same-Day Visits</p> 	<p>1 9 5 Thousand Tourist Visits</p> 	<p>4 1 0 Thousand Tickets Sold</p> 
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Research Tourism

Number of International Tourist and Same-Day Visits in Gudauri (Thousand)



Average Night Stays of International Tourists in Gudauri



Source: Geostat, Mountain Development Company and Colliers

For the hotel set analysis we have selected **Marco Polo, Gudauri Inn and Gudauri Loft** since we believe they are comparable to Best Western Gudauri in regards to scale, size and location. The analyzed set of hotels features **230 hotel rooms** with a **maximum capacity of 525 guests**.

The performance figures of the analyzed set are higher than the Gudauri average performance. In 2018, the **yearly occupancy** of the discussed hotels amounted to **65%** and **ADR** was **USD 102** (Excl. VAT). Whereas, for the 2018-19 **winter season** the **occupancy** reached **82%** and **ADR** **USD 154** (Excl. VAT)

Research Hotel Set

Hotel	# Rooms	# of Beds	Season		Year	
			Occupancy	ADR	Occupancy	ADR
Marco Polo	123	300	82%	\$154	65%	\$102
Gudauri Inn	60	120				
Gudauri Loft	47	103				



Source: Colliers

Finances

Projected Performance

Best Western Gudauri Scenario (63 Hotel rooms)

ADR For Stabilized Year

\$ 85

Occupancy For Stabilized Year

55 %

Revenue Break Down

Room Revenue

70 %

Food & Beverage Revenue

25 %

Other Revenue

5 %

EBITDA Margin

42 %

Capitalization Rate

11 %

Terminal Value (for the end of the 6th year)

\$ 6 mln

Source: Colliers

At a Glance

Global View

Colliers is the fastest-growing publicly listed global real estate services and investment management company, with 2018 corporate revenues of \$3.3 billion.

\$3.5B

Revenue

2B

Sf managed

\$129B

Transaction Value

68

Countries

438

Offices

18,000+

Employees