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# THE SKI REPORT

WORLD RESIDENTIAL - WINTER 2020/2021





# “Much has changed globally, but it’s clear one thing remains the same – the appeal of the world’s slopes”



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**Fourteen years ago**, I sat down to write the introduction to our first-ever ski property report. Today, as I reflect on the state of the industry from a chalet overlooking the Swiss Alps, much has changed globally. But looking back, it’s clear one thing remains the same – the appeal of the world’s slopes.

While we see an exponential increase in government borrowing, a halving of interest rates and GDP creeping into negative territory, we have been surprised by the resilience of the world’s property markets, both at home in the UK and overseas. Three years ago, we published our first Ski Resilience Index, designed to distinguish which resorts were the most resilient to climate change and season length. Little did we imagine the significance that our index would have today.

Given Covid-19, some may have expected that the current uncertainty would bring the growth we’ve witnessed over the past decade to a grinding halt, and that property transactions would dry up. But with global ski visitor numbers increasing for the third successive year, and our own transactional volumes also up compared with 2019, our analysis shows that ski markets have remained resilient. Interest in ski property both from consumers and investor clients worldwide remains as keen as ever.

So, what might the future hold? For the first time this year, we predict the five-year growth potential of 10 popular resorts in the Alps. We foresee resilience in the markets of established resorts and, once the cloud has lifted, plentiful bluebird days on the horizon.

We hope that you enjoy reading our 15th annual ski report, and we would be delighted to advise or assist with your property requirements in the Alps or beyond.

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# The way ahead: four key trends

The ski market has been shaken by Covid-19, but the outlook is optimistic with skier numbers on the rise and resorts investing in infrastructure

**“The appeal of mountain living or holidaying is likely to continue”**

## 1. MAKING THE MOST OF MOUNTAIN LIFE

Although the pandemic is restricting travel, slowing visitor numbers and transactions, it is also causing lifestyle changes that could benefit ski resorts once it has passed.

One trend is an appreciation for nature. Ski resorts offer this in abundance, with open spaces and clean air. The appeal of mountain living or holidaying, in summer and winter, is likely to continue after the pandemic and attract a new customer base.

The pandemic has also accelerated working from home and this is expected to continue even when there is a vaccine. Working from home, provided there is good broadband, can be done anywhere, including a ski resort. People may choose to take fewer but longer visits to make the most of this, which would be a reversal of the trend for weekend trips.

Despite the largest global economic downturn forecast since World War II, property prices in the most expensive prime resorts have increased, demonstrating the continued demand.

## 2. POSITIVE SIGNS IN NATIONAL ALPINE MARKETS

While the property markets in ski resorts have their own drivers, it's important to consider the economy and property prices at a national level.

Analysis of the economic situation in Austria, France, Italy and Switzerland shows Austria is forecast to see the least severe economic downturn following Covid-19. According to Oxford Economics, Austrian GDP is expected to fall -4.1% in 2020 compared to -8.6% in France. However, over the next five years, France is forecast to see the strongest growth (27.1%), followed by Austria (24.6%). Figures for Switzerland are -6.4% and 18.3% respectively, while for Italy they are -8.4% and 19.3% respectively.

Housing markets during the pandemic have been remarkably robust and many countries have seen prices rise as government incentives and low interest rates continue to make residential property look attractive. There are some short-term threats, given concerns that the full economic impact of the pandemic has yet to be felt. However, the long-term fundamentals look stable.



**“The number of ski visitors around the world increased during the 2018/19 season for the third successive year”**



## 3. SKIER NUMBERS ON THE RISE

The number of ski visitors around the world increased during the 2018/19 season for the third successive year (according to Laurent Vanat). Globally, numbers exceeded 350 million for the first time in more than a decade. The most significant increase was China (14.1%) but there were also rises in Russia (10.0%), the Czech Republic (6.6%) and Sweden (5.0%). The Alps, the largest ski area by far, saw an average increase of 0.6%.

The 2019/20 season halted in mid-March, while 2020/21 visitor numbers will depend on resort closures and travel restrictions. However, historic figures show that demand for skiing is increasing.

## 4. MORE INVESTMENT IN INFRASTRUCTURE

Despite the pandemic, 117 lifts are due to open in the 2020/2021 season. Almost one-third are in the Alps, increasing the region's total by 0.9%. Elsewhere, there are new openings in the Rockies (14 lifts), Pacific Coast Ranges (8), Appalachians (10), Scandinavian Mountains (5) and Pyrenees (4).

**73 new ski lifts will open in the Alps in 2020/21 for a total of 8,017 in the region**



# FUTURE OF SKI RESORTS

Using extensive resort data and insight, our outlook compares 10 resorts in the

Alps using factors that are most likely to influence prime property prices in the future



and Swiss resorts in our list tend to have greater levels of restrictions on international buyers. Andermatt stands out as a Swiss resort where there are no such restrictions, owing to an exemption until 2030.

**Resort resilience**

Beyond Covid-19, ski resorts will need to grapple with the challenge of climate change. The resorts most resilient to this issue could prove the most attractive going forward. The Savills Ski Resilience Index ranks more than 60 ski resorts globally using five metrics to measure the quality and reliability of a resort's conditions, and its resilience against climate change (see page 16). Saas Fee and Zell am See both feature among the top 10 in the Savills Ski Resilience Index, ranking second and seventh respectively.

**Economic growth and other drivers**

Supply, openness to international buyers and resilience to climate change are three important factors expected to influence future demand. These are not, however, the only driving factors.

Economic growth should help drive demand going forward. France is expected to see the strongest economic growth over the next five years with 27%, followed closely by Austria with 25%. Switzerland lags behind with a lower GDP forecast of 18%, although this is unlikely to limit its investment potential per se.

The distance from the nearest airport or train station can also influence buyer decisions. For proximity to transport hubs, Kitzbühel and Zell am See score well.

Meanwhile, the presence of branded residential schemes can add to the attractiveness of a resort. Of the 10 places featured here, Courchevel and Andermatt currently have completed branded residential schemes, while Kitzbühel has one in the pipeline (see page 10).

**M**any factors can influence price growth. The main sources considered are the level of supply in each resort, the openness to international buyers and the resort's resilience to climate change. Also included, with a lesser weighting, are the national economic forecasts, proximity to transport hubs and the presence of branded residences.

Using these components, we have compared 10 key resorts in the Alps to understand how prime prices could perform over the next five years. Each one has the potential to perform well, but the three resorts where we expect to see the strongest relative prime growth are Andermatt, Chamonix and Zell am See.

**Level of supply**

Demand and supply dynamics are an important driver of values. Availability of land for development and planning restrictions can limit delivery in many resorts. Those with the tightest supply are likely to see greater price rises in the long term. Two out of three of the expected top performers, Chamonix and Zell am See, are currently very undersupplied. During the last recession, property values fell significantly in the French Alps, exacerbated by high inventory levels. In resorts such as Chamonix, the rapid rise in values prior to the crisis led to considerable softening. Now, supply levels in Chamonix are lower.

**International buyers**

International buyers are an important source of demand in ski resorts, particularly in the prime market. Looking beyond travel restrictions, openness to international buyers should help drive demand. The level of openness does, however, vary by resort. Out of the 10 resorts considered, all French resorts are completely open to international purchasers, with no restrictions. The Austrian

**“Supply, openness to international buyers and resilience to climate change will influence future demand”**

**Ski resort prime residential outlook**

Resort	Country	Prime prices 2020 (€psm)*	Resilience rank**	Level of supply	Openness to international buyers	5-year growth forecast
Andermatt	🇨🇭	€17,300	3	Moderately undersupplied	Completely open	❄️❄️❄️
Chamonix	🇫🇷	€10,700	6	Very undersupplied	Completely open	❄️❄️❄️
Zell am See	🇦🇹	€8,900	2	Very undersupplied	Open, but with a high level of restrictions	❄️❄️❄️
Val d'Isère	🇫🇷	€20,700	4	Moderately undersupplied	Completely open	❄️❄️
Méribel	🇫🇷	€15,300	10	Very undersupplied	Completely open	❄️❄️
Kitzbühel	🇦🇹	€13,200	9	Very undersupplied	Open, but with a high level of restrictions	❄️❄️
Verbier	🇨🇭	€19,500	5	Moderately undersupplied	Open, but with a low level of restrictions	❄️
Saas Fee	🇨🇭	€8,600	1	Moderately undersupplied	Open, but with a high level of restrictions	❄️
Courchevel	🇫🇷	€15,300	8	Balanced supply	Completely open	❄️
Morzine	🇫🇷	€7,600	7	Balanced supply	Completely open	❄️

**Note** Components given a weighting of 1: Level of supply relative to other resorts, openness to international buyers, resort ranking in Savills Ski Resilience Index. Components given a weighting of 1/3: Five years national GDP forecasts, distance to nearest airport and train station, presence of branded residences. \*Based on properties with asking prices greater than €750,000 with exchange rate as of October 2020. \*\*Resilience rank (of the 10 resorts considered). **Source** Savills Research





# Luxury brand, prime location

The branded residences sector continues to expand globally, including in ski resorts, where luxury is the focus

Branded residences



Top: Terrace at Lefay Wellness Residences. Above: Indoor pool lounge at The Chedi Andermatt

**T**here is no single definition for a branded residence but, at its core, it's a residential property available to buy on the open market that is affiliated, usually by design and servicing, with a well-known brand – typically a hotel.

For buyers, a branded residence offers an assurance of quality and a high level of service and amenities akin to a hotel. These benefits, among others, mean branded residences usually command a price premium over equivalent non-branded properties. The average global premium stands at 31%, but this varies significantly by location.

In the past decade, the branded residential sector has experienced significant growth. Rapid expansion has gone hand in hand with a growing, globally mobile, high net worth population seeking a high service offer and hassle-free ownership. Brands, meanwhile, benefit from additional income streams while deepening their relationship with their customers.

The number of branded residences around the world has increased by 170% during the past decade and 2020 is set to be another record year with more than 100 new schemes opening. In alpine markets, branded residences are also growing quickly, having increased 86% over the same period.

Branded residences

## Geographical coverage

In line with the sector as a whole, branded residential schemes located in or near ski resorts are focused in North America. The region accounts for 68% of complete schemes located in alpine settings. The pipeline of schemes is, however, more geographically diverse. North America accounts for half of pipeline schemes, while Europe accounts for 40% and Asia-Pacific 10%.

## Andermatt Swiss Alps

One of the recent success stories in the Swiss Alps is The Chedi Andermatt. Opened in 2013 and designed by Jean-Michel Gathy, this 5-star hotel has 123 rooms and suites, complemented by 119 luxury apartments that can be purchased by non-Swiss residents. Prices for the penthouses are equivalent to those in leading resorts such as Verbier and Courchevel 1850, but with just 20% of the overall inventory unsold, this shows there is a premium to be obtained for brand luxury. Indeed, The Chedi has helped pave the way in positioning Andermatt's perceived quality as a destination resort. The recent addition of the Radisson Blu and its Gotthard Residences is attracting strong demand and commanding a premium of circa 34% above other new build product in Andermatt.

## Alpine branded residences

Existing schemes in the French Alps include Six Senses Residences and Spa in Courchevel 1850 and Club Med in Valmorel and Samoëns. Six Senses has also lent its name to a luxury scheme of 17 residences in Crans-Montana, following the success of The Chedi Residences, Andermatt. Hard Rock Hotel Davos is offering buyers the opportunity to invest in an apart-hotel scheme with up to six weeks' usage per annum. Further schemes in Switzerland are planned in Zermatt, Verbier and St Moritz. Lefay Wellness Residences Dolomiti offers a luxury experience in the Madonna di Campiglio, complementing its sister hotel and spa on Lake Garda.

## Growing luxury

It's not surprising that nearly all branded residences located in or near ski resorts are hotel brands, given that the resorts are in tourist destinations. Just one non-hotelier has a scheme in a ski resort, namely global developer YOO, which has a development in Niseko, Japan.

As the branded residential sector is maturing, an expansion of schemes

## “Luxury brands account for 59% of complete branded residences in alpine markets and 80% of those in the pipeline”

beyond the luxury segment – upper upscale, upscale and midscale brands – is occurring (as classified by STR Chain Scales\*).

This is not yet the case for branded residential schemes in or near ski resorts. Here, luxury brands account for the majority of complete branded residential schemes in alpine markets (59%), but an even greater share of pipeline schemes (80%). Creating the first true branded chalets is one example of how branded residential operators plan to continue to serve the luxury segment.

Covid-19 has brought challenges to branded residences. Travel restrictions have limited people's ability to visit international locations and the economic effects of the pandemic are still being realised. However, prime residential markets around the world are some of the least impacted markets, and the wealth of high net worth individuals, branded residences' primary source of demand, is forecast to fall only marginally.

In the longer term, the shift to more home working could mean owners of second homes stay in them for longer and work from these locations when they visit, particularly in resorts that benefit from high dual-seasonality. Branded residential properties, which offer space with high levels of service and amenities, will be well placed to meet this demand.

### Construction status

● Completed

○ Pipeline

### Scale

● 2 schemes ● 1 scheme

Source: Savills Research & Savills International Development Consultancy



\*STR Chain Scale segments are grouped primarily according to actual average hotel room rates. The Chain Scale segments are: luxury, upper upscale, upscale, upper midscale, midscale, economy and independent.



# Prime alpine property prices

Where is the most expensive ski resort? We reveal the asking prices for prime ski property across 46 leading resorts, plus the top 10 ultra-prime property resorts



## The Savills Ski prime price

league compares current asking price per square metre for prime ski property in more than 40 resorts globally. Broadly, the top resorts have avoided seeing a fall in average asking prices compared to 2019. In fact, the asking price per square metre for the top 10 most expensive resorts saw an average annual increase of 7.2%. This suggests values have held steady and even increased, despite the impact of the pandemic.

The average prime residential values in ski resorts can match, or even exceed, those of major cities. Prime values in Courchevel 1850 and Val d'Isère are both higher than in Paris, for example, by around 60% and 30% respectively. Values in Saas Fee are comparable with Lisbon while values in the Italian resort of Cervinia are comparable with Madrid.

## Prime prices top 10 (price per sq m)

1 <b>Courchevel 1850</b> €25,300	6 <b>St Moritz</b> €18,100
2 <b>Aspen</b> €22,100	7 <b>Lech</b> €17,700
3 <b>Val d'Isère</b> €20,700	8 <b>Andermatt</b> €17,300
4 <b>Verbier</b> €19,500	9 <b>Vail</b> €16,700
5 <b>Gstaad</b> €18,800	10 <b>Zermatt</b> €15,800

## 1. COURCHEVEL 1850, FRANCE

The French resort village tops our prime price league for the second year in a row, with prime asking prices standing at €25,300 per square metre. Famous for its luxury hotels and glamorous restaurants, as well as an enviable variety of skiing as part of the Three Valleys, Courchevel 1850 is a haven for wealthy international buyers, including British, Russian and Swiss. Average asking prices have increased by 10% compared with last year.

## 2. ASPEN, USA

The leading Colorado resort ranks second at €22,100 per square metre. One of the best-known skiing destinations in North America, Aspen is popular among wealthy domestic buyers. The resort has a well-established luxury market and one of the highest valued residential property markets in the US, with prices per square metre comparable with major US cities, such as New York.

## 3. VAL D'ISÈRE, FRANCE

Prime asking prices in Val d'Isère stand at €20,700 per square metre, a 2% increase from last year. Limited supply, recent seasons of good snowfall, and low borrowing rates have helped drive price increases over the past year, with quality, new build schemes selling well.

These factors, along with strong domestic demand, should help sustain values over the coming year, although a tapering in price increase is anticipated. As well as having strong domestic demand, the resort is also popular among British, Dutch and Benelux buyers.

## 4. VERBIER, SWITZERLAND

At €19,500 per square metre, Verbier is the highest value Swiss resort, just ahead of Gstaad. International demand comes from a diverse range of nationalities, with French, Dutch and Scandinavian buyers among the largest international buyer groups. Average asking prices fell slightly (-3%) over the past year, although domestic demand does remain cautiously strong and active, if not price sensitive. An ever-strong Swiss Franc is also acting as a ceiling to asking prices, given the international appeal of the resort.

## 5. GSTAAD, SWITZERLAND

Gstaad has overtaken Andermatt and St Moritz in the prime price league from last year, now ranking as the second highest valued Swiss resort. Average prime asking prices stand at €18,800 per square metre, slightly below Verbier (-3%). Ultra-prime prices can achieve several multiples of this figure. Supply levels are tight in the well-known Swiss resort, which has high international appeal, with several luxury hotels, an array of boutique shops and private schools.



Resort profiles: a selection of those in demand



Previous page: Courchevel 1850. Top: Kitzbühel. Below: tobogganing in Saas Fee. Right: Lake St Moritz

13. KITZBÜHEL, AUSTRIA

Kitzbühel is one of Austria's highest valued resorts for prime residential property (second only to Lech). Average prime asking prices stand at €13,200 per square metre. Values have risen here over the past year, driven mainly by interest from Germany, where up to 80% of the buyers originate. Supply remains tight and, with limited land availability, we anticipate further rises during the next 12 months.

20. CORTINA D'AMPEZZO, ITALY

Cortina D'Ampezzo is Italy's highest valued destination for prime ski property, with average asking prices at €12,000 per square metre, holding steady from last year. The town is popular among wealthy Italians, but prime property prices are still well valued compared with some of its Swiss and French peers. It is part of the Dolomiti Superski circuit, with access to 1,200km of piste.

32. SAAS FEE, SWITZERLAND

Saas Fee, a traditional resort village high in the Swiss Alps, is one of Switzerland's lower valued resorts for prime residential property, standing at €8,600 per square metre. The resort's high altitude (1,800m) makes for reliable snowfall and it's one of the highest ranked resorts in Savills Resilience Index. The resort is particularly popular among Scandinavian and Dutch buyers.

34. NISEKO, JAPAN

One of Japan's most famous resorts, Niseko is known for its après-ski, lively bars, restaurants and karaoke spots. The Japanese town is home to international hotel brands as well as branded residential schemes, such as the Park Hyatt Niseko Hanazono Residences. Niseko attracts buyers from other Asian markets such as Singapore and Hong Kong. Prime residential prices remain well valued in a global context at an average of €7,900 per square metre.

Ranking from 11-46

Resort	Price per sq m	Resort	Price per sq m	Resort	Price per sq m
11. Méribel	€15,300	23. Villars	€10,800	35. Saalbach	€7,800
12. Courchevel*	€15,300	24. Chamonix	€10,700	36. Morzine	€7,600
13. Kitzbühel	€13,200	25. Mayrhofen	€10,400	37. Val Gardena-Gröden	€7,500
14. Megève	€13,200	26. Champéry	€10,200	38. Cervinia-Breuil	€7,000
15. Grindelwald	€13,000	27. La Clusaz	€9,800	39. La Rosière	€6,600
16. Ellmau	€12,800	28. Grimentz	€9,500	40. Sölden	€6,200
17. Davos	€12,700	29. Whistler Blackcomb	€9,300	41. Garmisch-Classic	€6,000
18. Crans-Montana	€12,700	30. Wengen	€9,300	42. Morgins	€6,000
19. Tignes	€12,300	31. Zell am See	€8,900	43. La Plagne	€5,700
20. Cortina d'Ampezzo	€12,000	32. Saas Fee	€8,600	44. Heavenly	€4,700
21. Klosters	€11,900	33. Nendaz	€8,100	45. Mont Tremblant	€3,600
22. Flims (Laax)	€11,200	34. Niseko	€7,900	46. Bad Gastein	€2,400

Note Based on properties with asking prices greater than €750,000 with exchange rate as at October 2020. \*Includes Courchevel Le Praz, 1550 & 1650 Source Savills Research

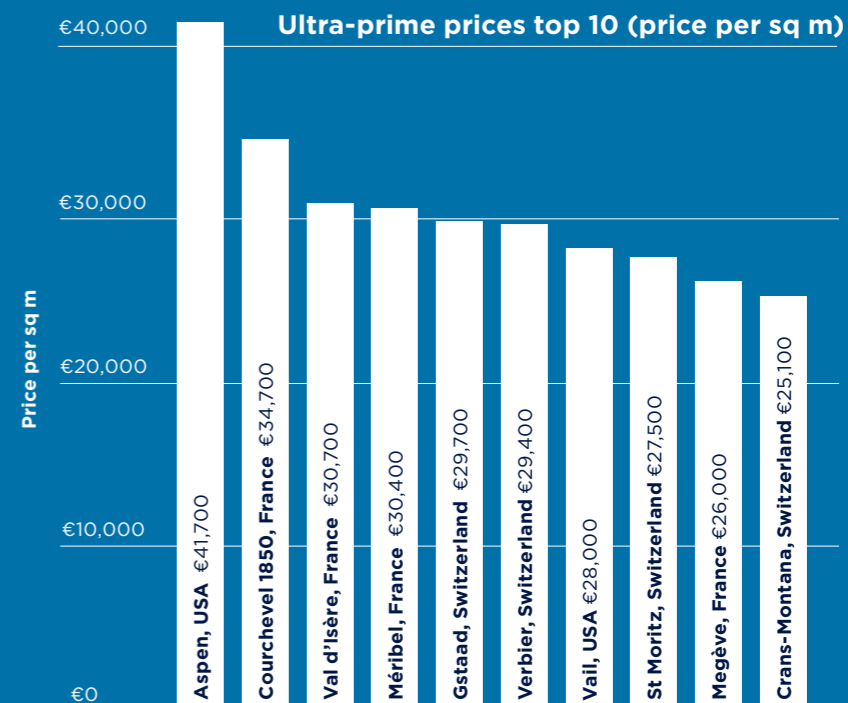


Top 10 ultra-prime property prices

The top 10 most expensive resorts for ultra-prime property remains largely unchanged compared with last year. Aspen once again ranks top. Courchevel (Le Praz, 1550 & 1650) and Andermatt have fallen out of the top 10 but remain in the top 20. They were replaced by Swiss resorts, Gstaad and Crans-Montana. Domestic demand in these Swiss resorts has remained strong.

French resorts rank second, third and fourth. Courchevel 1850 remains in second place, while Val-d'Isère has moved up one place to third. Méribel now ranks fourth, up from tenth last year. Values in Méribel have been driven by a lack of supply and strong domestic demand. Ultra-prime values here have increased from €23,000 per square metre last year.

During the previous downturn, top-end destinations were more resilient. In the ultra-prime residential markets, there is often very limited availability of stock, which is a major driver of prices. Going forward, this should help to support prices in this niche market segment.

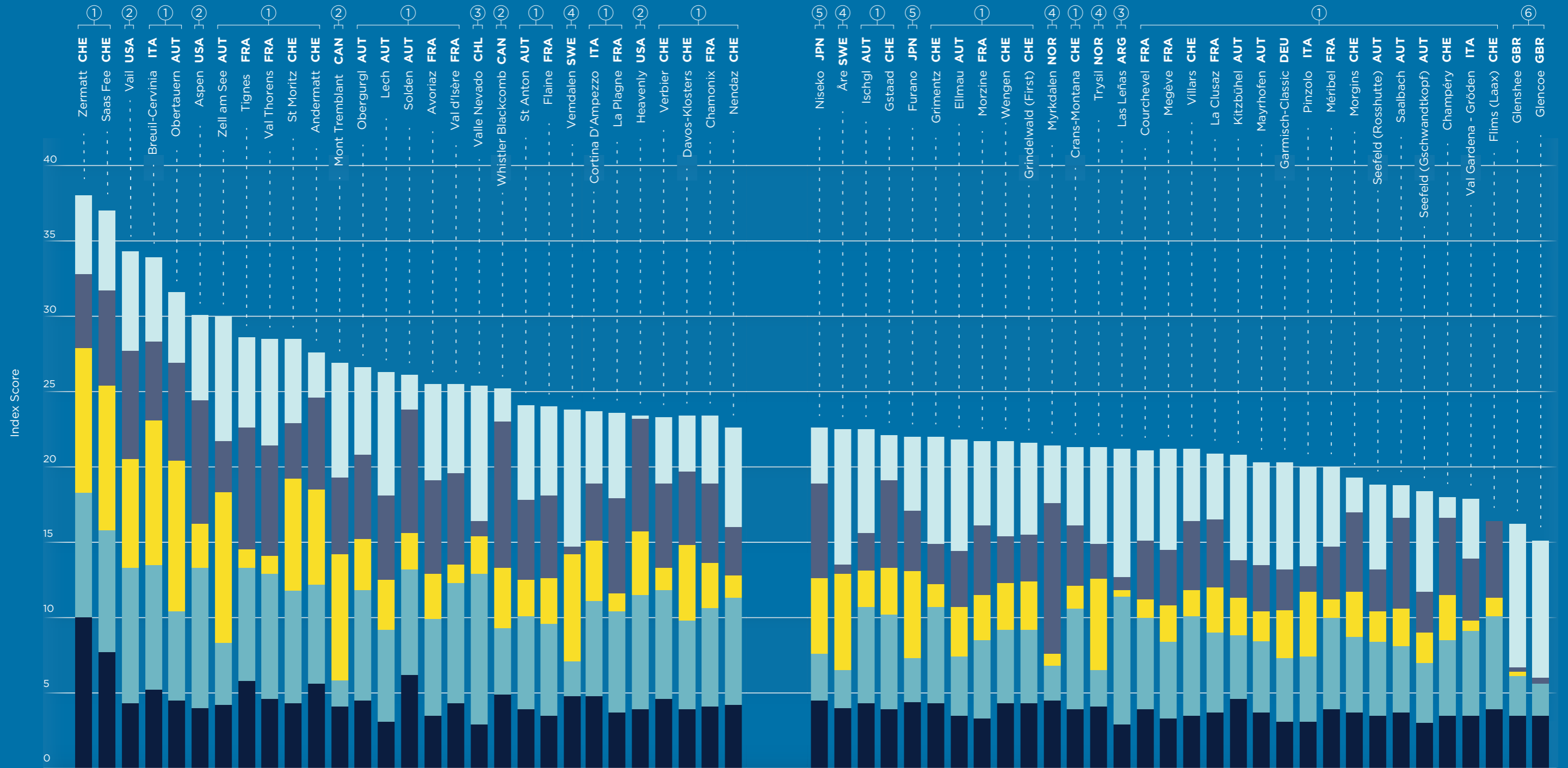


Note Based on the top 20-30% of prime properties in each resort by price per square metre based on average asking price Source Savills Research



# The most resilient ski resorts

The Savills Ski Resilience Index ranks 61 global ski resorts using five metrics to measure the quality and reliability of a resort's conditions and its resilience against climate change. The metrics compare snowfall, reliability, season length, altitude and temperature



## MOST RESILIENT RESORTS

The metrics used to measure resilience, by their nature, do not vary a great deal year on year. A resort's altitude, for example, does not change. Season length and temperatures do vary, but not significantly. The average temperature across all the resorts has only differed by 0.2 degrees over the past four years.

As a result, the same six resorts have topped the Resilience Index since 2017 and are in a league of their own. The Swiss resorts of Zermatt and Saas Fee have stayed in first and second place respectively, remaining the most resilient due to their high mountain glacier environment.

## NEW ENTRANTS

Travel limitations this season may lead some skiers to try to get their fix closer to home. For British skiers, this could mean the Scottish Highlands. But how do ski resorts in Scotland compare? Glenshee and Glencoe are new additions to this year's index. Perhaps unsurprisingly, they rank as the bottom two resorts overall.

## SNOWFALL VARIATION

Of our five metrics, the largest variation is seen in snowfall. Since 2017, the average annual snowfall has risen year on year, increasing by an average of 78cm from 2016/17 to 2019/20. The Alps have seen average snowfall improve by 95cm since the 2016/17 season, while the 2018/19 season was the highest snowfall for North America during the period

we have been recording the data. The US resorts, on average, have consistently high snowfall, with 677cm in 2019/20, followed by Canada. In the Alps, France records the highest snowfall on average, driven by resorts such as Tignes, which had 719cm for 2019/20, the highest since we've been recording the data.

## KEY

- Reliability
- Snowfall
- Temperature
- Altitude
- Season length

## RESORT BY REGION

- 1 Alps
- 2 North America
- 3 South America
- 4 Nordics
- 5 Asia
- 6 UK



“I first went skiing in my early teens and just loved being in the mountains”



Rupert Longsdon, Founder and CEO of Oxford Ski Company, on the evolving trends in the prime rental ski market. Plus, we reveal the average rental costs for a prime chalet in resorts around the world

Interview by Jeremy Rollason, Head of Savills Ski

**What led you to start Oxford Ski Company?**

I first went skiing in my early teens and just loved being in the mountains. Several years later, I was looking for a career path and the combination of the mountains and the service industry seemed a perfect fit. That was 1998 and Oxford Ski Company grew from there.

**Do you remember the first chalet you operated?**

It was chalet Domaine de la Baronne in Crans-Montana. It's an amazing family chalet owned by a lovely Dutch family.

**What was playing on your Sony Walkman back then?**

Funnily enough I found my old Walkman in a box only last year. It still worked, and the tape was a Tom Petty album.

**Where is your favourite ski nightlife?**

Bananas in Val d'Isère is always going to be dear to my heart as it was my first job in the mountains (I was a glorified washer-upper in the restaurant). I've spent a lot of time in Dick's Tea Bar too, but it has to be Bananas – straight off the slopes in the early evening.

**Skiing or snowboarding?**

I love skiing – either with the children or pushing myself with ski touring. I've also really got into telemark skiing.

**Why would you recommend a catered chalet over a hotel?**

The main consideration is determining what your group wants. A catered chalet is like staying in your own home for a week. It's a private space for you and your family and gives you the flexibility to create the holiday around yourselves. It works particularly well for families with young children as you don't have to worry about noise and other guests.

**How have catered chalets changed over the past 20 years?**

In the late 1990s, chalets were perfectly acceptable but a little dated. Following a rise in global wealth, all levels of quality have gone up significantly. Once, en suite bathrooms and outdoor Jacuzzis were the thing. Now, it's about having outdoor pools, spas, playrooms and cinema rooms.

**And what about service levels?**

Service has gone up in line with the quality of the product, so there is likely

to be a qualified chef on hand. But it's as much about the flexibility of service as the quality. For example, one night you might want the full chef experience, the next you might just want a pizza with the children.

**How do you work with operators to make chalets as Covid-safe as possible for rental?**

It's important for the Alpine countries to have visitors come to their resorts and they have been brilliant in advising hotels and chalets about procedures on how to operate safely. Standards across the board are very high.

**What provisions are there for clients who may not be able to travel this winter?**

Of course, resorts might close, and more quarantine measures might be introduced. But clients will get their money deferred, returned or some combination of the two.

**What are bookings like for the upcoming season?**

They were good in January and February but obviously slowed after that. Through July and August, we were probably 50% of where we would normally be at that time of year. Clients are still booking though. Others are holding off until the resorts open. If the snow is good, we're anticipating a last-ditch rush.

**For the money-no-object client, what is the must-have amenity?**

Ski-in ski-out, without question. The piste has to be on the doorstep of the chalet – not even across the road. Then it comes down to spas and extra space for children, such as breakout areas and cinema rooms.

**At the higher end of the market, how do people book? Is it led by resort or do you find a chalet based on their budget?**

Most high-end clients know exactly which resort they want to go to because it's more about mingling with the right people.

“It's a private space for you and your family”





## “Going for longer means you can really switch off”

So that means the likes of Gstaad, St Moritz and Megève. For other clients, there is more scope as it comes down to the makeup of the group and what they want to achieve. For parents who are keen skiers but taking their children for the first time, for example, we might recommend one of the smaller satellite resorts around the Three Valleys, such as Saint-Martin-de-Belleville.

### Do you get a lot of repeat business to the same resort or chalet?

That does happen, particularly for a family at the start of their skiing journey. There’s something comforting about knowing where everything is – you settle in quicker and make the most of your time there. Once they’ve got their ski legs, they might try a different country or different resort.

### Is there an average spend per family?

It’s around £10,000/week for a five-bedroom self-catered chalet with two or three families staying during peak season. That would be for resorts such as Morzine, Verbier, Zermatt. In Kitzbühel, Lech and St Moritz, for example, the price is much higher, mainly because there aren’t that many chalets to rent.

### Are you seeing a shift in travel patterns?

During the summer, more clients were certainly considering driving to resorts. I think more will still drive, but as people have either flown or heard good experiences of other people flying, the mood is swinging back to flights. They’ll book flights much nearer the time though.

### What about the snow train service?

With fewer flights, more people are considering travelling this way. It’s a brilliant service and also fits well with skiers who are looking for a more environmentally sensitive way of travelling. Unfortunately, the direct



service from London to the French Alps has been cancelled this year but indirect services are still available.

### Do you see an emerging trend for longer holidays?

We’re already there. Rather than go twice a year, people are going once but for longer. Some of this is about their carbon footprint, but going for 10 or 14 days means you can really switch off and relax. In the past few weeks, several clients have extended their holidays. They can easily work from the resort if they have to. Indeed, we’re booking a lot of season rentals for people moving to a resort for the winter.

### Why is Kitzbühel so expensive to rent but only 13th on Savills prime prices league?

It’s all about supply. There are very few private chalets to rent there, and those chalets are all high end. Lech, on the other hand, is expensive to buy but less expensive to rent (compared with Kitzbühel) due to strict rental obligations leading to more supply. Overseas owners who don’t live permanently there are obliged to rent out the chalets when they are not using them.

### Most obscure request from a client?

Many years ago, we had to find a chalet that would accept a pet dog. We managed but there were other conditions. The dog had a bigger menu list than its owners. Three courses for breakfast, lunch and dinner and every meal had to be different. On top of that, we had to provide a litter tray of fresh turf so the dog didn’t get too cold in the snow. Fresh grass in St Moritz midwinter is not easy to find so we had to source it from a turf supplier near Paris.

### Do you do many summer bookings?

This is definitely increasing as more and more clients are trying the Alps in the summer and enjoying it. The trend has probably been heightened this year by the space and openness that the mountain provides compared to, say, a seaside resort.

### What other trends are you seeing?

Although skiing is a sport, it’s a lifestyle too. For some, the mountain restaurant is as important as the skiing. Clients are booking the best restaurants and bars in advance, and they’re also looking for those fun extras, such as spas and yoga sessions. The lifestyle offering is a growing trend.

## THE AVERAGE RENTAL COSTS FOR A PRIME CHALET IN RESORTS AROUND THE WORLD

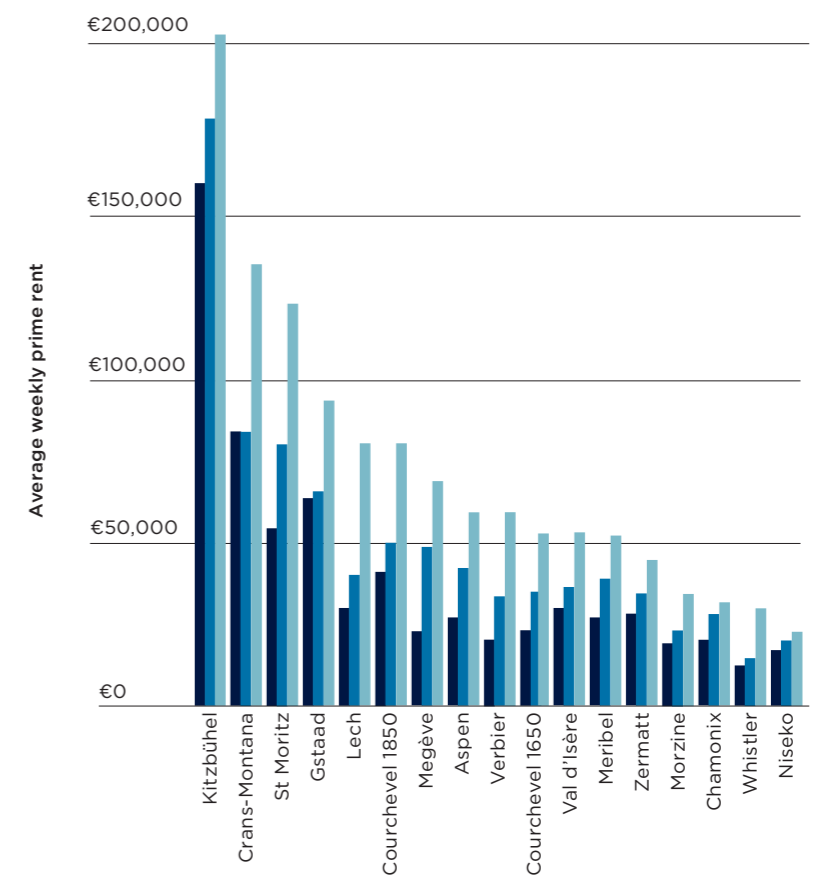
In the prime ski rental market, average rents can vary greatly depending on the resort and level of service provided. Looking at data from Oxford Ski Company, average weekly rents at peak times for comparable 5-6 bed catered chalets can range from €22,900 per week in Niseko to nine times higher in Kitzbühel.

The difference between low and peak season rents varies by resort. A number of factors can drive variation in rental values at different times of the season. Snow conditions at the fringe of the season could mean higher located resorts benefit from higher rents at these times. Availability of stock is another driver.

Megève has the largest difference between peak and low season rents – 206%. Kitzbühel has the lowest variation, with average peak season rents 31% above the low season.

### Average prime weekly rents for catered chalets in global ski resorts

Key ■ Low season ■ Mid season ■ Peak season



**Note** Average weekly rents for catered 5-6 bed chalets. Peak season refers to Christmas, New Year, and the last two weeks in February. Mid season refers to early February, early March and Easter. Low season refers to early December, mid to late January, mid to late March, mid to end April. This can vary slightly depending on the seasonality of each resort. Exchange rates as of October 2020 **Source** Oxford Ski Company



# Savills Ski expertise

Unequalled experience, knowledge and contacts



Savills has actively been selling property in the Alps for more than 20 years. One of our first projects was the commercialisation of Arc 1950 in the French Alps, on behalf of Canadian resort developers Intrawest. Following the resounding success of this unique village, Savills built upon this expertise and has since helped numerous developers and private clients to dispose of or acquire ski property assets.

With a comprehensive network of best-in-class associates across the Alps, we are able to draw on their expertise to provide buyers, sellers, developers and investors with the advice they need when making an acquisition or disposal.

Operating from branded Savills offices in Verbier, Courchevel 1850, Méribel and Zell am See and with associate agents and partners in Morzine, Chamonix, Val d'Isère, Kitzbühel, St Moritz and Saas Fee, we provide valuation, development consultancy, sales and marketing and rental services in these and other prime ski resorts.

## French Alps

Our office is at the heart of Courchevel 1850, France's premier Alpine resort. Focusing on prime and super prime re-sales, new developments and rentals, this office also covers 1650 and 1550. Additionally, we have a branded office in Méribel, providing brokerage and rental services in Méribel itself and the surrounding resorts of La Tania and Le Praz.

In 2018, Morzine Immo joined Savills as an International Associate. Established more than 30 years ago, Morzine Immo provides market-leading sales and rental services for private clients and developers in Morzine and Les Gets. It opened a second office in Morzine in 2020 to cater for growing demand in this ever-popular winter and summer resort.

## Swiss Alps

Harnessing 15 years' experience of selling property in the Four Valleys, Savills has a dedicated sales and rentals office in Verbier, directly on Place Centrale. In addition to the other Four Valleys resorts (Nendaz,

La Tzoumaz, Veysonnaz and Les Collons), Savills also provides buying and selling services in Villars, the Gstaad Valley and Morgins, as well as bespoke property services in other prime Swiss resorts such as Klosters, Zermatt, St Moritz and Andermatt.

## Austrian Alps

Savills was one of the first international property consultants to enter this market. Since 2005, we have assisted hundreds of UK and foreign buyers to acquire and sell second homes in the region. From our dedicated office in Zell am See, and through Aurum Immobilien in Kitzbühel, we cover the majority of ski resorts in the Tyrol and Salzburgerland. Savills are also delighted to be associated with Spiegelfeld Immobilien in Vienna.

## Italian Alps

Frequently overlooked, the Italian Alps and Dolomites are stunning landscapes and include some famous resorts such as Cortina, Cervinia and Madonna di Campiglio. Often better value than some of their European cousins, they combine world-class skiing with dual seasonality. Savills is pleased to be representing the Lefay Wellness Residences in the Dolomites – a new development of 23 luxury residences with award-winning spa and resort services. We have Italian speakers both locally and in London to help buyers source their ideal Italian Alpine home.

## Research

Using our extensive knowledge and first-hand experience of sales and market intelligence, we were the first international property company to publish an annual ski report. Tracking sales data and market trends, the report has evolved into an invaluable source of data for buyers, sellers and investors alike that includes Savills unique Ski Resort Resilience Index. This year will be our 15th such report, which is available as a hard copy from your nearest Savills office or as a digital download.

## Other Services

Savills Ski works closely with a variety of disciplines across the Savills Group that also do business in the Alps. These include valuation services (for bank, matrimonial or fiscal purposes), Savills Hotels, European Cross Border Division, Savills International Development Consultancy and SPF Private Clients (specialists in overseas mortgages).



## Savills World Research

We monitor global real estate markets and the forces that shape them. Working with our team across the globe, and drawing on market intelligence and published data, we produce a range of market-leading publications, as well as providing bespoke research to our clients.

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