



Hotel Investment Prospectus

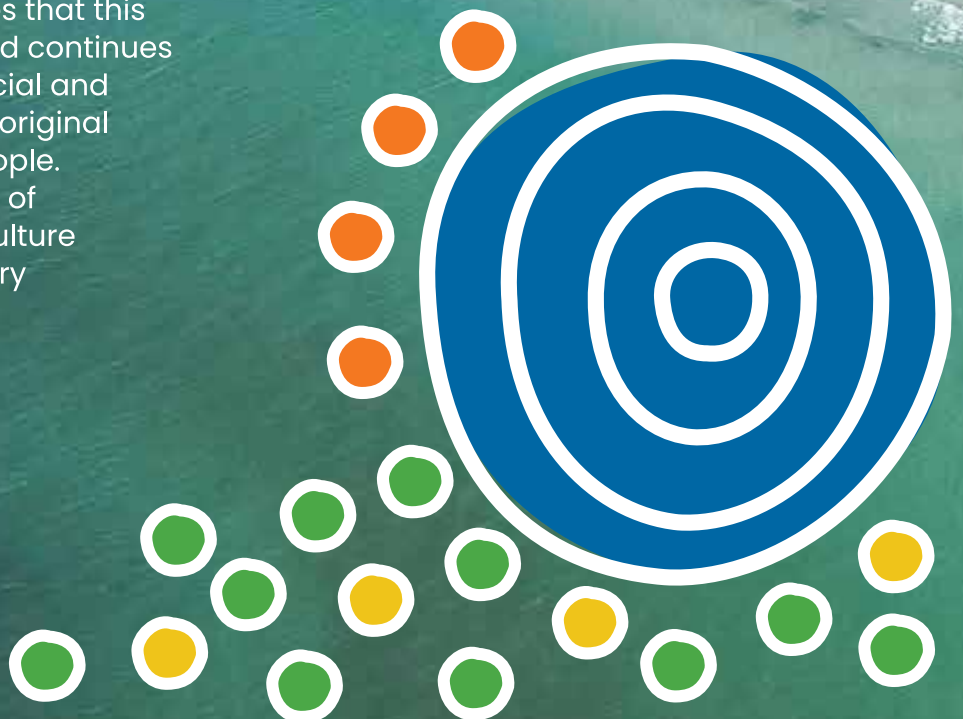
Bundaberg, Queensland

**Building Australia's
best regional
community**





Bundaberg Regional Council acknowledges the Traditional Country of the Taribelang Bunda, Gooreng Gooreng, Gurang, and Bailai Peoples and recognises that this Country has always been and continues to be of cultural, spiritual, social and economic significance to Aboriginal and Torres Strait Islander People. We recognise the thousands of generations of continuous culture that have shaped this Country and the people on it. We pay respect to Elders, past and present. Bundaberg Regional Council further acknowledges other neighbouring traditional owner groups within the Wide Bay-Burnett Region.



Foreword

The Bundaberg region is the perfect place for your next hotel investment.

Unprecedented demand for hotel accommodation combined with an undersupply of rooms means now is the perfect time to invest in Bundaberg.

With a fast growing economy, independent analysis commissioned by Bundaberg Regional Council indicates the region could support a new 4-star hotel.

This development would be backed by more than \$5 billion dollars in planned projects being delivered in the region over the next 5 years, a rapidly growing visitor economy, and a number of sites ready for investment.

As one of Australia's first Eco Certified Destinations, Bundaberg is the southern gateway to the Great Barrier Reef. This is seeing business and holiday visitation to the region continue to outpace other places in Queensland.

With direct flights to Brisbane, Melbourne and the Gold Coast, the region is also becoming increasingly accessible to larger visitor markets. Major events in the region are also growing and represent another driver of visitor demand.

As a result, there is a quantified opportunity to deliver more than 500 hotel rooms in Bundaberg by 2032.

This document highlights many of the reasons we believe Bundaberg is the perfect place for your next hotel investment and I have no doubt you will find we are Australia's best kept secret.

Jack Dempsey
Mayor – Bundaberg Regional Council



Bundaberg Regional Council is seeking new investment in hotels in the region

At **7.2%**, the Bundaberg Region had the second highest economic growth rate of major Queensland regional centres for the second year in a row.

Over the past five years the Bundaberg region has experienced a 16% increase in the number of jobs, with more than **41,000** jobs now provided in Bundaberg.



7.2% Economic Growth 2022-23
(4.43% in QLD)



2.1% population growth 2022-23
(2.09% in QLD)



13.3% increase in visitation 2022-23
(-4.42% in QLD)



81.4% increase in building approvals
(43.2% in QLD)

Recent research shows that undersupply will increase to **508** rooms by 2032



Lady Musgrave Island

Lady Elliot Island

Agnes Water

Bundaberg

Burnett Heads

Mon Repos

Bargara

Elliot Heads

Gin Gin

Childers

Maryborough

Brisbane

Major projects driving growth

Over \$5 billion worth of infrastructure projects have been planned out to 2027 which will help maintain economic growth in the region.

Gateway Marina, Burnett Heads

The Gateway Marina development at Burnett Heads will be a sheltered and safe harbour located at the gateway to the world heritage listed Great Barrier Reef, with state of the art marina berthing facilities, unsurpassed water's edge accommodation with shops, restaurants, bars and cafés.



Challenger learning centre

Australian first NASA aligned STEM education facility for local youth.

Specifically designed education facility that includes several scenario based activities.



Bundaberg Hospital

New \$1.2 billion Bundaberg Hospital will be located about five kilometres south of Bundaberg CBD. Growth of 121 beds and more treatment spaces with an expanded emergency department.



Civic and Cultural Arts Precinct

A proposed revitalisation of Bundaberg's CBD will create a vibrant community hub with 16 new buildings overall and linking paths. The proposed project to include a new art gallery and entertainment and convention centre.



Bundaberg Regional Aquatic Centre

The Bundaberg Regional Aquatic Centre will be co-located with the Bundaberg Multiplex, which includes a large modern conference centre and the Bundaberg PCYC.



This will leverage previous investments and create a defined, branded high performance-based precinct. The project is anticipated to be completed by early 2025.

Paradise Dam Upgrade

The \$1.2 billion paradise dam upgrade is jointly funded by the Australian Government (\$600 million) and the Queensland Government (\$600 million). The upgrade will restore Paradise Dam to its full 300 gigalitre capacity. The upgrade is anticipated to be completed by early 2024.



Stage 2 of the Pacific Marine Base, Port of Bundaberg

Stage 2 of the Pacific Marine Base Bundaberg will lengthen the wharf creating a break bulk shipping terminal, with a large laydown area and access to major roads. Queensland Government approval has been provided for an Over Size Over Mass freight path from the port to the Bruce Highway. Pacific Tug is already in discussions with government and private enterprises to deliver Stage 2.



Identified gap in our hotel offering

Current situation

Bundaberg has 52 accommodation establishments providing 1,075 rooms. Most of these are motel inns, with an average rating of 3.5 star or less. The last new 4 star hotel to be built in Bundaberg opened in 1994.

Identified market gap

The general growth in Bundaberg's tourism market will drive demand for additional hotel rooms.

Specific identified opportunities include:



4+ star offering



CBD accommodation for business travel



Serviced apartments for longer stays

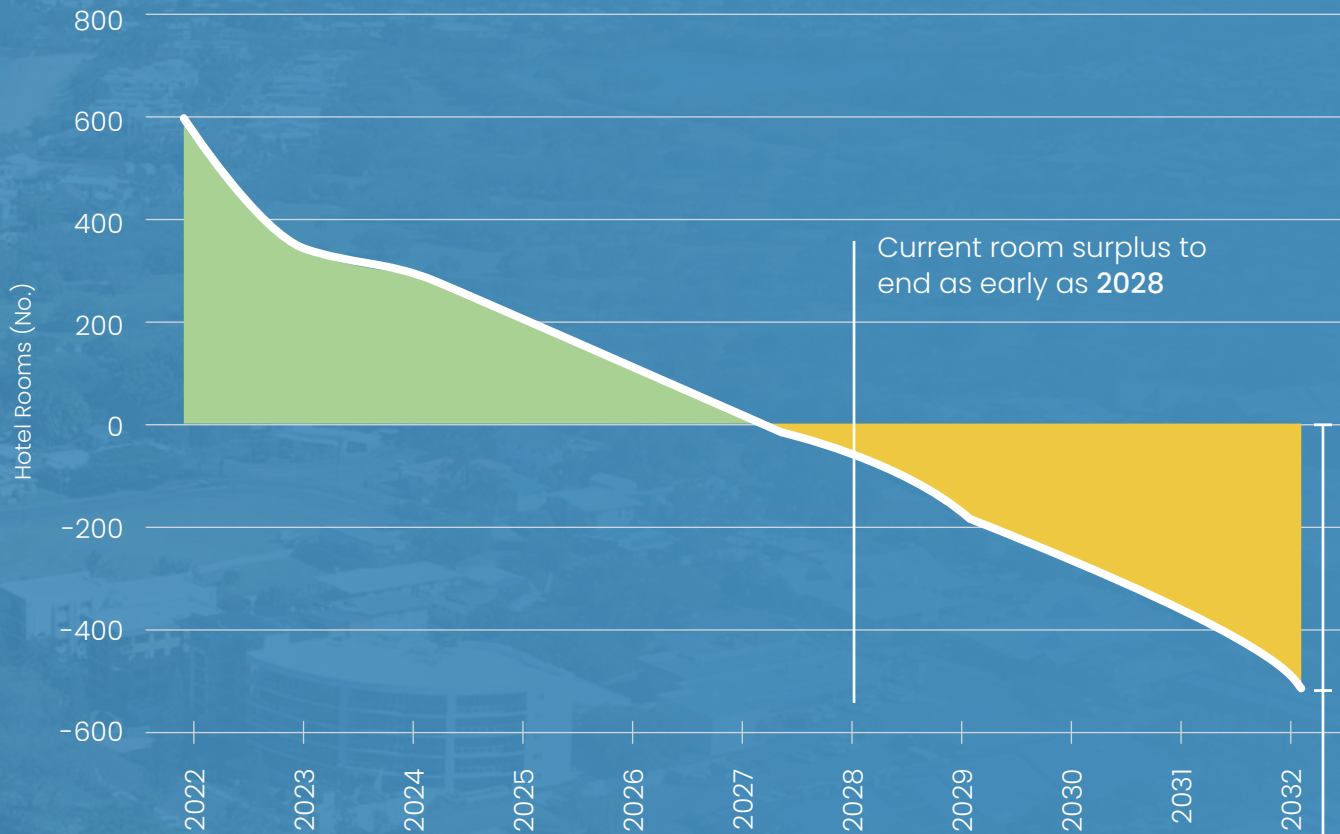
292,100

**Current hotel visitor
nights (2022)**



802,000

**Forecast hotel
visitor nights (2032)**



Note: Assuming continued high growth in visitors

Projected supply gap in
Hotel Accommodation

Source: Bundaberg Regional Council Business Traveller Survey, 2023

**A survey of recent travellers
highlighted demand for 4 star and
above accommodation in the CBD.**

The Bundaberg visitor economy

Bundaberg is the southern gateway to the Great Barrier Reef.

Bundaberg is one of only two ECO Certified Destinations in Queensland and offers unique nature-based experiences like the Mon Repos Turtle Encounters and experiences out on the Reef including: whale watching, guided snorkelling tours, scuba diving across multiple sites and guided educational tours.

Bundaberg is a town brimming with boutique breweries and distilleries to visit, including the world-famous Bundaberg Rum Visitor Experience

In addition to regular train and air routes to Brisbane, Bundaberg now has direct flights to and from the Gold Coast and Melbourne.

Key visitation stats (2022-23)

Holiday



48.8% in Bundaberg
46.5% in Queensland

69.2%

growth of domestic overnight visitors for arts and heritage from 2021 to 2022.

Business



23.7% in Bundaberg
16.1% in Queensland

57.9% growth in QLD

Visiting friends & relatives

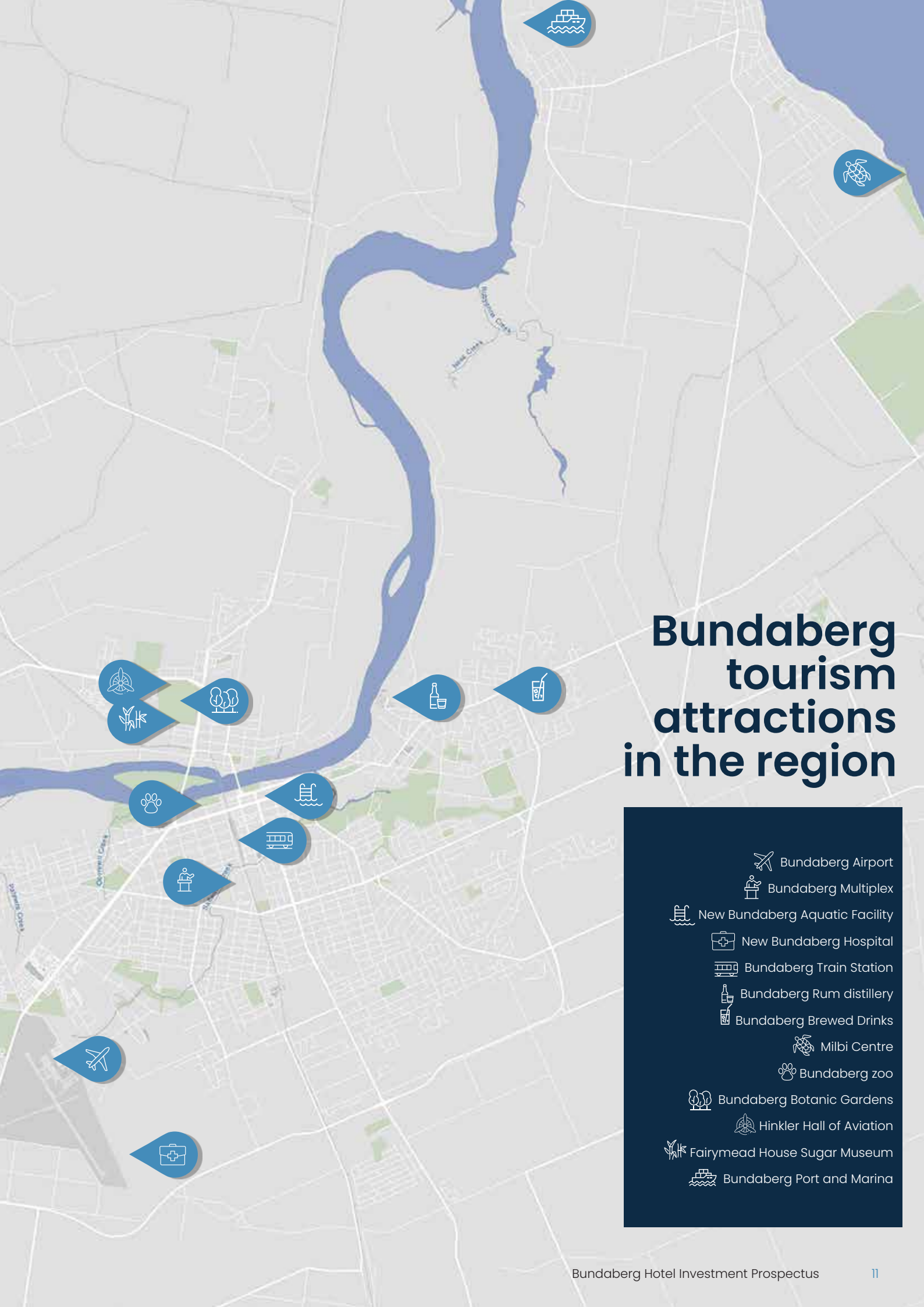


14.0% in Bundaberg
26.5% in Queensland

40.9%

growth of domestic overnight visitors for local attractions/tourist activities from 2021 to 2022.

30.4% decline in QLD



Bundaberg tourism attractions in the region

-  Bundaberg Airport
-  Bundaberg Multiplex
-  New Bundaberg Aquatic Facility
-  New Bundaberg Hospital
-  Bundaberg Train Station
-  Bundaberg Rum distillery
-  Bundaberg Brewed Drinks
-  Milbi Centre
-  Bundaberg zoo
-  Bundaberg Botanic Gardens
-  Hinkler Hall of Aviation
-  Fairymead House Sugar Museum
-  Bundaberg Port and Marina

The Bundaberg region has a full major event calendar

Successful major tourism events are hosted throughout the year which attract both local and interstate visitors. During these events it is common for accommodation in Bundaberg to be booked out in advance with many attendees having no option but to stay outside of the region.

// Latent, unmet demand for good quality, internationally branded and operated full-service hotels, is apparent in Bundaberg. //

Rodger Powell, Principal – Tourism, Hospitality & Leisure, AEC Group

Childers Festival

Childers festival was first held in 1996, with the event attracting 5,000 people. In 2023, **35,000 people attended the annual event.**

It is a four-day festival held at the end of July in Childers, where the Bruce Highway is closed to make way for a gigantic street fair with markets, tours and other attractions.



NRL matches

Canterbury Bankstown Bulldogs have partnered to host a match each year from 2022 – 2024.

The inaugural match was played against the North Queensland Cowboys and the 2023 match was against the Redcliffe Dolphins. **These matches have seen an average attendance of 7,000 per match.**



Lighthouse Country Festival

Lighthouse Country is a two day country music festival held in Burnett Heads in late April. The event features a Rodeo and performances from various Australian Country music artists.

8,000 Visitors attend the annual event.



Sounds of Rock Festival

Sounds of Rock is an Australian music festival held in May each year.

The event attracts 5,000 people annually since it began in 2021.



Taste Bundaberg Festival

Taste Bundaberg Festival is a ten day festival that showcases the authentic food and drink experiences of the Bundaberg region. The festival features local chefs, restaurateurs, food vendors, farmers, distillers, brewers, graziers and fishermen that showcase the region's finest ingredients through a variety of events and activities

10,000 visitors attend various festival events each year.



Oceanfest Bundaberg

Oceanfest is a seafood festival in late August at the Port Marina precinct. This all-age event includes local seafood, fine wines and beers and family friendly entertainment.

10,000 visitors attend the event each year.



Milbi Festival

Milbi Festival is a ten day festival held in early November which celebrates local arts, environment, culture and importantly the turtles that return to our beaches each year to lay their eggs. This event provides unique and meaningful opportunities to connect to the community and local culture.

10,000 visitors attend this festival annually.



Rapidly improving investment conditions

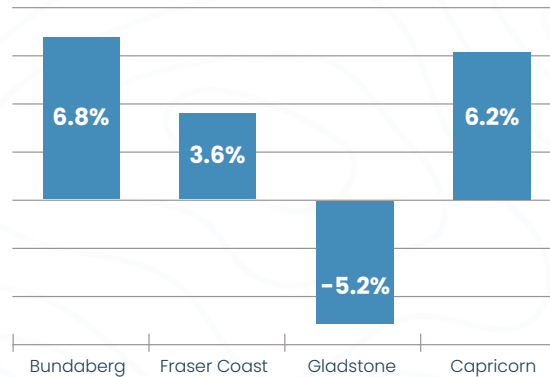
Increase in visitor nights

6.8%

Average annual visitor nights growth
(2014 – 2019).

1.8 million annual visitor nights outpaces Gladstone (1.7 million) and Rockhampton (1.6 million).

Average visitor nights growth (2014 – 2019)



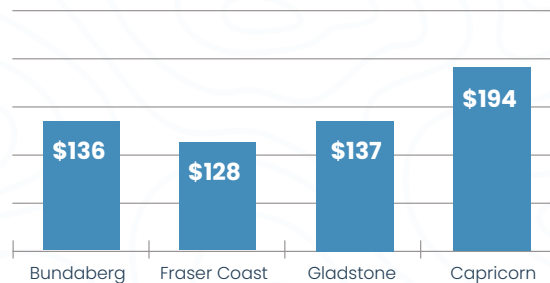
Increase in visitor spend

+\$27

Domestic overnight visitor expenditure growth
(2019 – 2021).

The \$136 spend per night is equal to Gladstone and higher than Fraser Coast.

Visitor spend per night (2014 – 2019)



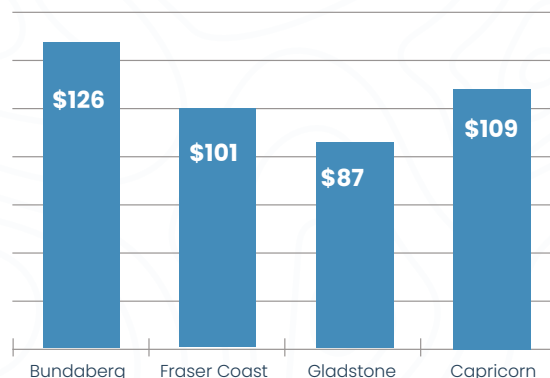
Increase in RevPAR

+\$43

Revenue Per Available Room (RevPAR) growth (2021 – 2022).

The total RevPAR of \$126 is much higher than Capricorn, Gladstone and Fraser Coast, all under \$110.

RevPAR (2021 – 2022)



Hotel occupancy

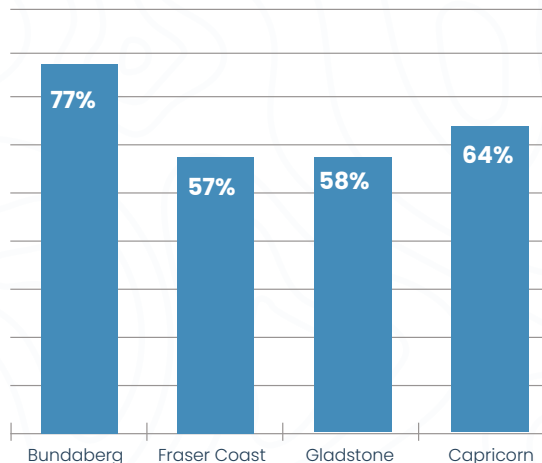
+18.5pp

Occupancy growth rate (%)

(since 2019 – 2020).

The current 76.5% occupancy rate is higher than Fraser Coast, Gladstone and Capricorn, that are all under 65%.

Occupancy (2021 – 2022)



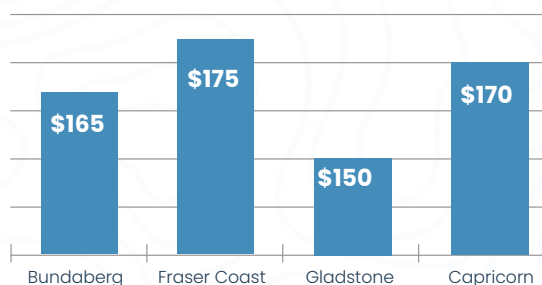
Increase in average rates

+\$22

Average Daily Rate (ADR) growth (2021 – 2022).

Bundaberg's ADR at \$165 is higher than Gladstone at \$150.

Average daily rate (2021 – 2022)



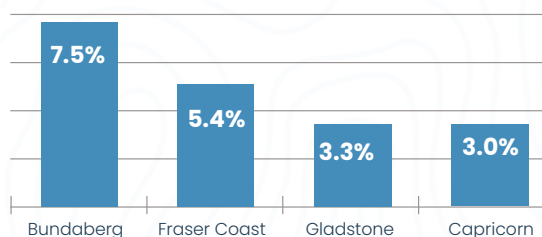
Increase in visitor numbers

7.5%

Average annual visitation growth (2014 – 2019)

Annual average visitation to Bundaberg for the period 2014 to 2019 was 7.5%. This outpaced all other adjoining Local Government Areas including Fraser Coast at 5.4%, Gladstone at 3.3% and Capricorn at 3.0%.

Annual visitation growth (2014 – 2019)



Development incentives are available

For quality proposals, we can provide

Non-financial support

- Tailored data – site selection assessment, target market data and statistics
- Solution brokering – government introductions and navigation
- Immersion – bespoke site visit programs
- Matchmaking – industry support and alignment with commercial opportunities

Council incentives and support

Bundaberg Regional Council is committed to supporting projects of regional significance. Council has developed a new incentive to help facilitate development of regional important projects that involve significant job creation and investment in building construction work.

Discount incentive

Council is offering a discount of up to 100% off infrastructure charges for projects of regional significance. This incentive is for any development that:

- Has a monetary value of building work that is \$15 million or greater or will provide 50 or more additional direct local full time equivalent jobs during the operation; or
- Council considers a special or extraordinary community or environmental benefit.

Bundaberg Regional Council is committed to supporting projects of regional significance

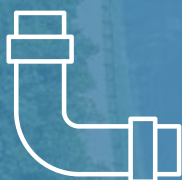
Talk to us about how we can help you invest in our region



Opportunity to purchase or lease Council-owned land



Potential to relax development requirements



Up to 100% discount on infrastructure charges



Opportunity to fast track DA applications



**Building Australia's
best regional community**

Now is the perfect time to invest in a new hotel development in Bundaberg



2nd highest economic growth rate of major Queensland towns at **7.2%**



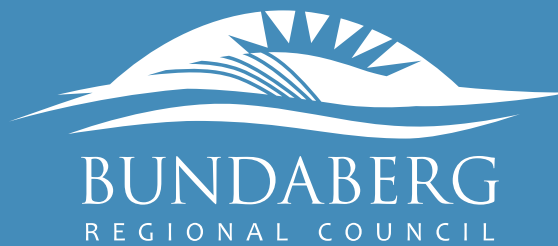
Growth in hotel occupancy up **18.5pp** from 2019-2020



508 new hotel rooms required by 2032



40.9% growth of domestic overnight visitors to local attractions (2021 to 2022).



For more information contact:

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