

NORTH COAST ACCOMMODATION INVESTMENT
PROSPECTUS

INVEST IN THE NSW NORTH COAST



Destination
North Coast NSW





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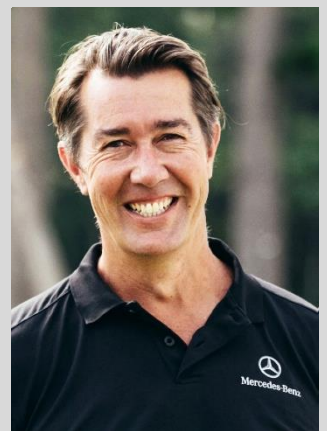
WELCOME TO THE NORTH COAST

The North Coast of NSW has been welcoming holidaymakers and visitors since the late 19th Century as an escape from the city or a coastal break from the rigours on the land. It has become a mature visitor destination that has recently been recognised as having the 3rd highest overnight visitation across the nation behind only Sydney and Melbourne.

The North Coast region takes in the iconic locations of Port Macquarie, Coffs Harbour and of course Byron Bay, however, the emergence of the Tweed, Yamba, Forster/Tuncurry, Lennox Heads and Southwest Rocks offering incredible experiences in food, nature and adventure products ensure the North Coast remains a highly sort after destination.

This Prospectus has been developed to showcase the opportunities available to investors that align themselves with the core values and requirements that have already been identified and agreed upon by the key stakeholders and will fill much-needed gaps within the various markets across our beautiful NSW North Coast.

Cameron Arnold
Chair, Destination North Coast NSW



NORTH COAST ACCOMMODATION INVESTMENT PROSPECTUS

This Prospectus for tourism accommodation opportunities provides an overview of the investment-ready opportunities available in the North Coast region of NSW and supports the proactive management of sustainable growth which Councils, industry and Destination North Coast are keen to promote for our visitor economy.

With our stable economic environment and solid growth forecasts, combined with competitive property markets and a flexible planning regime, investors are drawn to our safe long-term investment climate.

The North Coast is a proactive and pro-business region, that is investing in public infrastructure to underpin future commercial development. We welcome private investment in tourism and work closely with investors to explore potential projects and strategic partnerships to capitalise on our highly accessible location and significant opportunities.

We are working with our partners, the various councils which make up our region, our industry operators, and the Australian and NSW governments to unlock the potential of the North Coast region.

I invite you to contact us to discuss the many investment opportunities on offer in our region, and I look forward to welcoming you to our region soon.

Michael Thurston
General Manager, Destination North Coast NSW



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Figure 1: Destination North Coast region



WHY THE NORTH COAST?

WE ARE OPEN FOR BUSINESS

The area covered by this Prospectus is the Destination North Coast region – one of NSW’s six Destination Networks which were established in 2017 by Destination NSW (DNSW).

The North Coast Destination Network covers 42,083 square kilometres and stretches from the Queensland border in the north to Tea Gardens/Hawks Nest in the south (see Figure 1) and comprises 14 local government areas being: Mid-Coast, Port Macquarie Hastings, Kempsey, Nambucca, Bellingen, Coffs Harbour, Clarence Valley, Richmond Valley, Kyogle, Lismore, Ballina, Byron, Tweed and Lord Howe Island (although not technically an LGA for ease of reading it has been referred to as one of the North Coast region’s LGAs).

Each of these LGAs offer unique elements and add to the North Coast’s destination proposition. It is a large and diverse region offering a mixture of popular coastal destinations and rural and hinterland towns and villages. There are 89 National Parks within the region and two World Heritage Listed locations including The Gondwana Rainforests of Australia and Lord Howe Island.

Popular activities in the region include visiting the plethora of beaches, fishing, whale watching, trekking, mountain bike riding, snorkelling as well as visiting the wide range of cultural and heritage sites/attractions.

The North Coast NSW region stretches from MidCoast to Tweed including Lord Howe Island and comprises popular coastal destinations and rural and hinterland towns and villages that appeal to domestic and international visitor markets.

Many of the region’s urban centres and destination hubs, act as major business, commercial and cultural centres for the broader region. With its high-quality lifestyle, natural landscapes and strong tourism sector, there has never been a better time to invest in accommodation and the tourism sector more generally in our diverse region.

The North Coast is one of the top-performing tourism regions in NSW¹, with strong visitor growth and demand for greater facilities to support ongoing and current visitor demand along with population growth.

Some of the reasons for selecting the North Coast include our:

- tourism is an extremely important sector for the North Coast – it delivers just under \$9,800 of visitor spend every minute of every day and accounts for almost 10% of jobs in the region as well as almost 7% of Gross Value Add (GVA);
- solid economic growth and a move to the diversification of the economy to pick up on global trends in tourism, tech and innovation;
- growing visitor economy – the North Coast’s visitor economy has been growing, with visitation increasing by 41% (an additional 4.5 million visitors) between 2012 and 2020²;
- first-rate utility services, including electricity, water, gas, wastewater management solutions and NBN connection to support new developments;
- major visitor attractions spread throughout the region;
- diverse business community including vibrant and varied businesses;
- strong transport connections – the region has a variety of airports and is also accessible by major road and rail links; and
- great lifestyle, there is something for everyone with excellent recreational, cultural, and sporting facilities and events, natural attractions, a range of dining options, shopping, a cinema, and choice in education and healthcare.

¹ Between 2012 and 2020 (March YE), the region experienced the second largest increase in visitation (+4.5m visitors) after Greater Sydney (+14.6m visitors)

² March YE, data sourced from TRA (IVS and NVS)

KEY SECTORS

Traditionally, the North Coast's economy has largely been driven by the health, education/training, construction, and tourism sectors. However, increasingly our economy is diversifying including growth and investment across the following sectors:

-  **Creative Industries (e.g., the Screen Industry)**
-  **Tourism and Events**
-  **Agriculture**
-  **Retail and Business Services**
-  **Residential accommodation**
-  **Health and aged care**

The recent announcement of the creation of a film sector hub in Coffs Harbour to offer studios and related facilities is a good reflection of the diversity occurring in many parts of the North Coast's economy. This is expected to help stimulate demand for quality accommodation facilities to support a longer length of stay in the region including eventually from a mix of intrastate, interstate and international workers and visitors.

Growth in the tourism and events sector for various locations within the North Coast will also require new and expanded accommodation facilities, especially as many business and related event attendees prefer to be accommodated in the same facility, therefore requiring a larger number of rooms or apartments within the same complex.

The continuing growth in the agricultural sector is seen to create demand for far more workers accommodation especially, as well as those in managerial and advisory positions coming to undertake regional reviews, meetings and site activity associated with the agricultural sector more generally and with the potential for agri-tourism development opportunities which are already strong in several hinterland locations. Growth in many urban centres in the region, supported by the move by many to relocate from cities to regional urban centres and towns, continues to drive demand for extended accommodation facilities to support growth in the business and retail sectors.

This is also being seen throughout the region in growth for more residential subdivisions and expanded housing typology. In turn, this will drive stronger VFR demand for those wanting to stay in the region and not necessarily with friends and relatives. The demand already strongly exists for health and aged care facilities throughout the region, and the strong growth in population trends throughout the region will increase demand for new and expanded aged care and health facilities.

In turn, this is expected to stimulate stronger demand for new accommodation facilities to support fly in specialist medical services, visiting relatives and those travelling from within the region to different locations to receive specialist medical consultations and operations etc.

AT A GLANCE

The North Coast is a vibrant and progressive location to invest in, with world-famous natural assets and destinations, a rich cultural history, and a foundation of strong business sectors.

Figure 2: The NSW North Coast at a Glance

GRP

\$35.4b



Port Macquarie-Hastings: \$5.06b (14%)
Coffs Harbour: \$4.88b (14%)
Mid-Coast: \$4.77b (13%)

Source: Remplan, 2019

Population

628k

8% growth over 10 years



Source: ABS ERP, 2020

Local Businesses

74,665



Source: Remplan, 2019

Visitors



13.9m

Domestic Visitors: 13.4m
International Visitors: 511k

Source: NVS & IVS, 2019

Visitor Spend

\$4.24b



Domestic Visitors: \$4.01b
International Visitors: \$229m

Source: NVS & IVS, 2019

**Length of
Visitor Stay**

6.1 nights



Domestic Visitors: 3.9 nights
International Visitors: 8.3 nights

Source: NVS & IVS, 2019

OUR COMPETITIVE ADVANTAGES

With proactive councils and a supportive community, there has never been a better time to invest in the region. Figure 3 summarises some of our competitive advantages that help support investment into commercial accommodation.

Figure 3: Our Competitive Advantages

Home to four gateway airports (Ballina-Byron, Coffs Harbour, Port Macquarie and Gold Coast*). These have seen strong growth in passenger numbers.



Gold Coast Airport is in QLD on the border with Tweed

Strong inter-modal connectivity – an extensive highway network, rail and air connectivity.



Access to an educated workforce - 63% of residents have a certificate qualification or higher.



Remplan, 2019

Attractive year-round subtropical climate – more than 250 days of sunshine each year.



Two world-class universities.



High-quality & enviable **lifestyle.**



A growing population.

2011 - 584k
2020 - 628k



ABS ERP, 2011 & 2020

Multicultural population with **20% of residents born overseas & 5% Indigenous Australians.**



Remplan, 2019

Strong accommodation return on investment – 5th highest RevPAR out of all regions in NSW (\$118).



Australian accommodation monitor 2019

Home to **major national events and festivals.**



Major tourist attractions that stimulate strong demand.



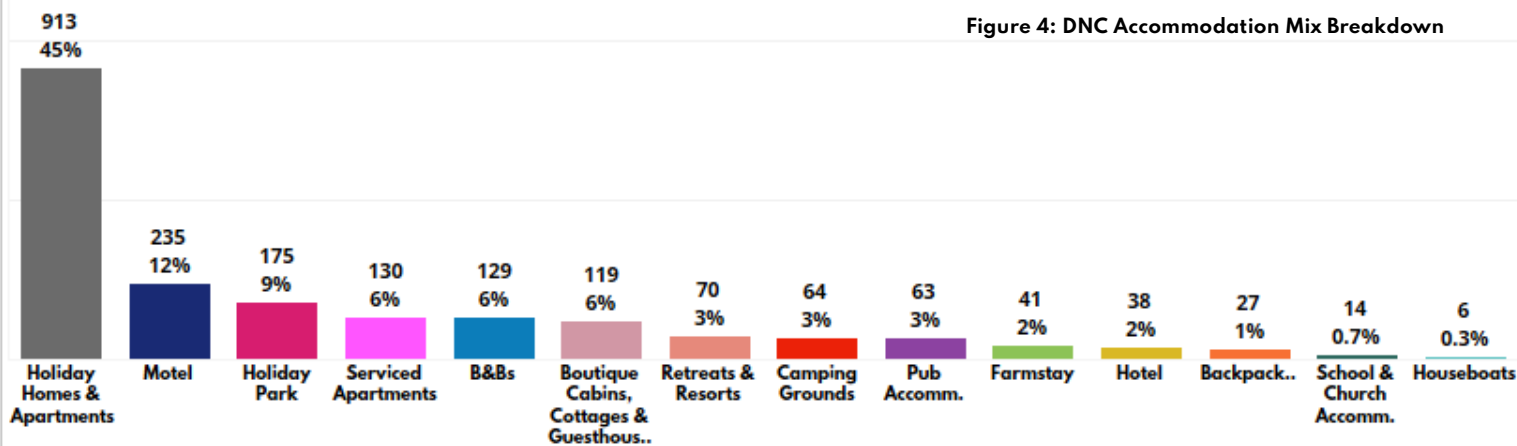
Several destinations with major **national & international brand cachet.**



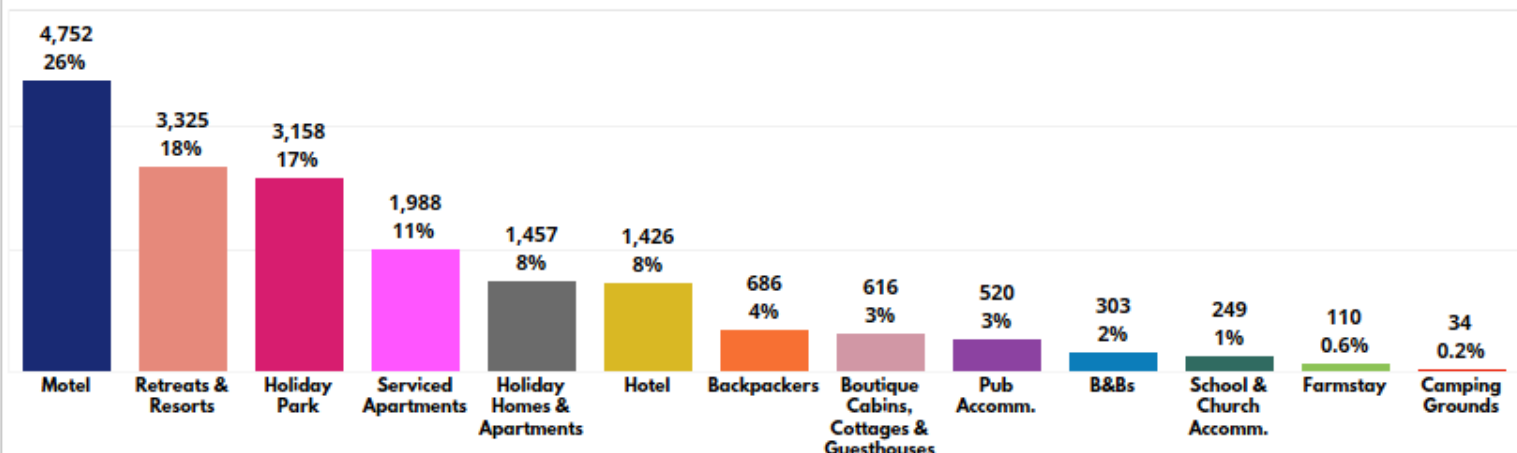
NUMBER OF PROPERTIES BY PROPERTY TYPE

6

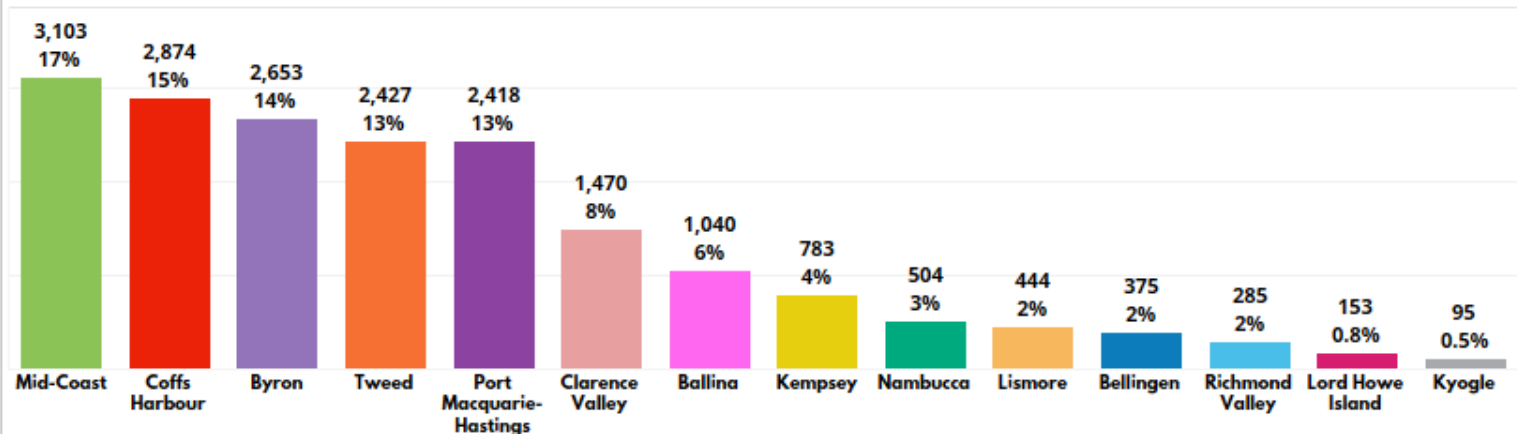
Figure 4: DNC Accommodation Mix Breakdown



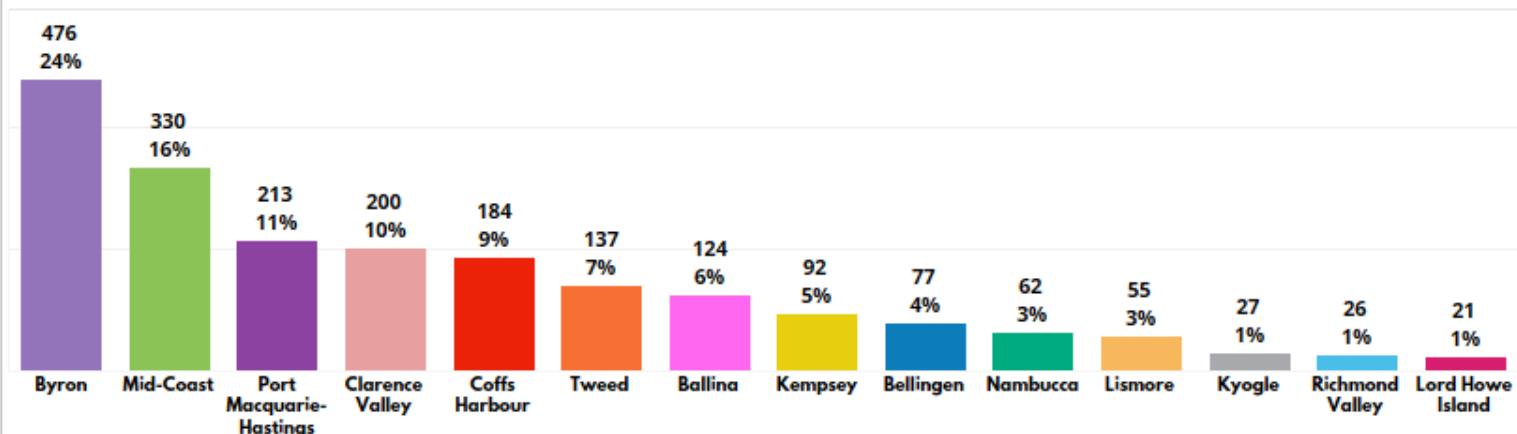
NUMBER OF ROOMS BY PROPERTY TYPE



NUMBER OF ROOMS BY LGA



NUMBER OF PROPERTIES BY LGA



TOURISM PRODUCT

OVERVIEW

Despite being one of the leading tourism markets in Australia, the DNC region, which has experienced increasing year-on-year visitation, has gaps in its product base – particularly its commercial accommodation mix. As a result, it is experiencing economic leakage (as visitors have to stay elsewhere) and, as a result, a potential reduction in visitor dwell time in the region and average visitor spend.

The following provides the findings of a major piece of research that recently investigated the number of accommodation properties and their room capacity in the region and the gaps that currently exists.

ACCOMMODATION

Figure 4 provides a summary of the number of accommodation properties throughout the region and the number of estimated bookable room units³. It demonstrates the following.

- In total, the North Coast region has 2,024 accommodation properties and 18,624 bookable room units⁴.
- While holiday homes & apartments comprise 45% of properties within the North Coast region, the largest category of property by bookable room unit availability is motels, providing an estimated 4,752 rooms (26% of total accommodation stock) in the region.
- Although powered and unpowered sites have not been included in the assessment, holiday parks still rank third in terms of the number of rooms available. This is because many holiday parks now offer a diverse range of accommodation typology including cabins, chalets and villas and this is reflected in the data. The North Coast region is well-recognised as a major holiday park destination in NSW, popular with families and with a diverse range of major holiday park brands.

- While Byron has the largest number of properties (476 properties making up just under 24% of all North Coast properties), Mid-Coast has more bookable room unit stock (3,103 rooms making up almost 17% of room stock in the North Coast) indicating that Mid-Coast properties have a larger number of rooms on average than Byron properties
- Although Coffs Harbour ranks fifth in terms of the number of properties it offers (making up 9% of all properties in the region), it ranks second in terms of its room stock (2,874 rooms) illustrating that the LGA offers a number of properties with large room capacities.
- There is a clear correlation between the number of available commercial properties in an LGA, the higher ratio of paid visitor attractions and experiences on offer, and the corresponding strength of the visitor economy.
- Nearly three-quarters of the available commercial room stock is held within the five largest LGAs being Mid-Coast, Byron, Coffs Harbour, Tweed and Port Macquarie.

QUALITY

As part of the accommodation audit, a desktop review of the quality of accommodation on offer was also undertaken. Figure 5 provides a summary of the results for each LGA in the region⁵ and shows:

- several LGAs have little or no rooms stock which fall within the high-quality category;
- more than half (53%) of all Tweed's accommodation room stock falls within the high-quality category, followed by Byron (38%) and Lord Howe Island (36%); and
- there is a correlation between those LGAs with a higher percentage of higher quality accommodation and more commissionable visitor attractions and experiences and understandably stronger visitor economies.

This is an important observation as there is a strong desire to strengthen the value of their visitor economies and with many indicating they are keen to generate a higher level of yield per visitor, rather than focusing solely on visitor numbers.

³ It is important to note that this does not include an assessment of powered and unpowered caravan and camping sites and there were some properties where room numbers were unable to be obtained.

⁴ Note, bookable units are considered individual rooms which can be rented out to different parties. If a property has multiple rooms but these cannot be rented to individual parties then this is counted as one room. For example, an

Airbnb house which has three rooms within the house is counted as one room unit.

⁵ It is important to note that the quality assessment has primarily focused on room numbers, rather than the number of properties because this reflects the capacity of the area to meet the demand for a higher quality product and higher visitor spend.

INVESTORS SEEKING OPPORTUNITIES

Through the compilation of this Investment Prospectus, we have engaged with a variety of investors seeking commercial accommodation opportunities across the North Coast. For example, a well-known national tour operator is seeking opportunities in the accommodation sector to purchase an existing profitable business, enter a long-term lease or enter a partnership agreement.

Although the exact business model could be quite flexible, their ideal is a property with 20+ rooms in an appealing location with easy access to areas of outstanding natural beauty, national parks, walking or biking trails etc.

As a result, if you are similarly seeking investment opportunities or prospective investors for your facility, we encourage you to get in contact with us and we will endeavour to connect you with the appropriate contacts.

Figure 5: Top Line Quality Assessment by LGA⁶



⁶ This utilised online information, photos and traveller reviews of properties to provide a top-line assessment on the quality of each property. The quality rating given is based on comparable properties utilising an international quality benchmark. Many properties self-rate and these ratings do not always compare with what is available elsewhere, particularly internationally.

Importantly, the quality assessment is based purely on desktop research, it did not involve in-person visits to each property as this was beyond the scope of the project. Additionally, limited information was available for some properties and, as a result, a quality rating was unable to be included.

Figure 6: Cubby Bakehouse, Tweed



ACCOMMODATION GAPS

While the North Coast region does appear to have a large number of properties, it is important to note the following.

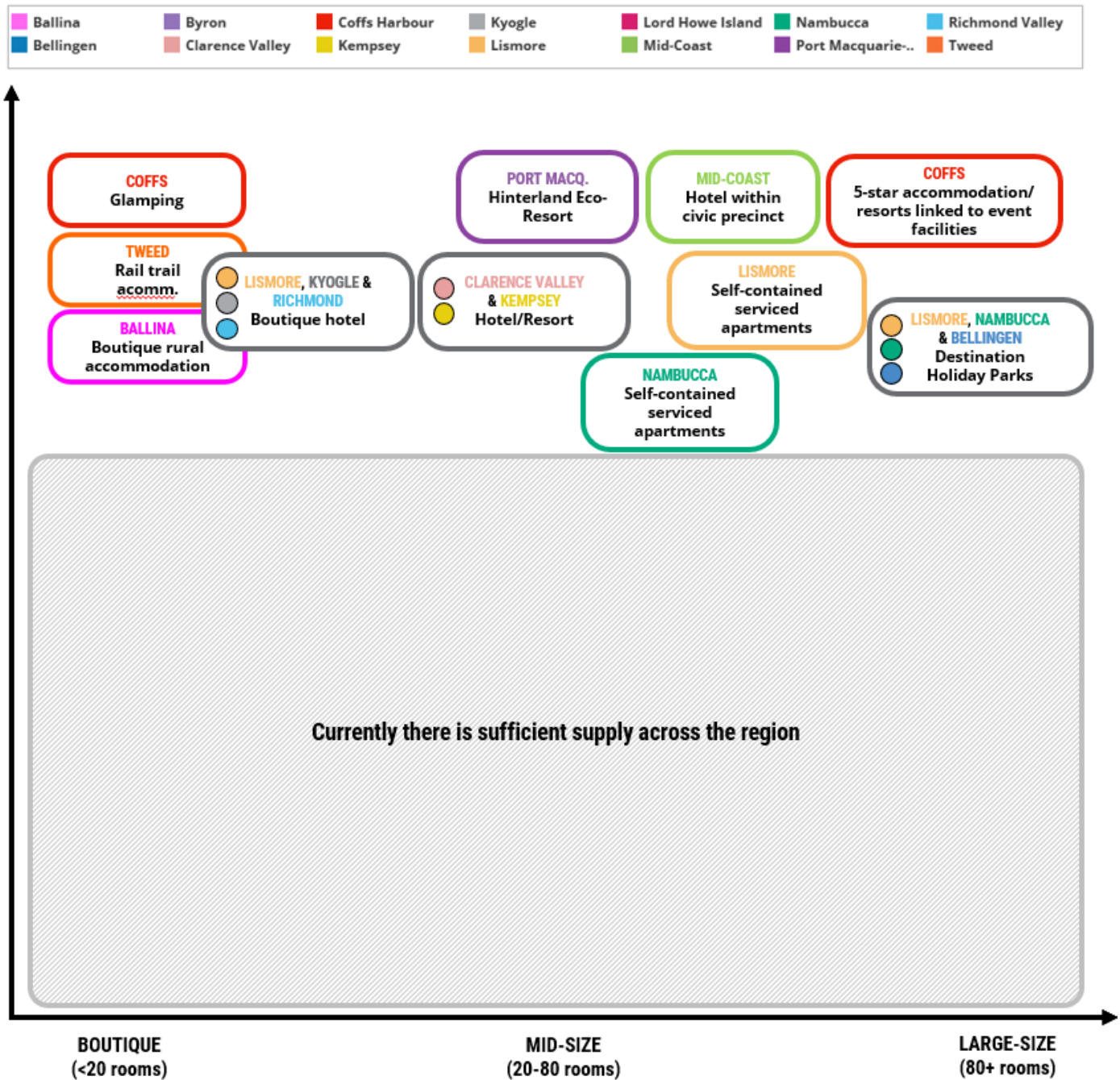
- While for most LGAs, accommodation options are abundant within the basic 1-star – mid-range 3-star categories, there is a limited number of higher-quality properties, particularly those of a larger scale and/or branded accommodation (there are only 12 branded properties in the entire region). There are exceptions to this, primarily in Byron, Tweed and Mid-Coast, where there appears to be a sufficient supply of small, medium and larger scale higher-quality properties, including hotels, resorts and more boutique-style accommodation. But these locations are the exceptions in the region, rather than the norm.
- For many LGAs, properties are dated and not aligning with visitor expectations with the price-value ratio being questioned. Anecdotal feedback indicates that in many locations throughout the region, commercial accommodation is often located along the main highways as a more traditional form of transit accommodation; a place for travellers to stop overnight and stay before travelling on the next day. This is distinctly different from destination accommodation, which actively encourages the visitor to stop and stay for a period, to visit various attractions and experiences within the region as well. But ultimately, to use their accommodation as a base to locate themselves at for undertaking a variety of day excursions from. The quality of much of the existing stock is highly variable and would struggle to be easily marketable once new and/or refreshed accommodation facilities were introduced.

- Certain LGAs in the region do have a lack of accommodation, and, as a result, suffer from economic leakage as visitors travel outside the LGA to neighbouring LGAs/regions for accommodation. This is particularly the case during major events.

Figure 7 demonstrates the gaps identified within the accommodation mix throughout the region. Opportunities exist to consider:

- higher-quality, hotels, serviced apartments and hinterland-based glamping facilities to supplement existing accommodation sites particularly in areas such as Lismore, Kyogle, Richmond, Clarence Valley, Kempsey and Coffs Harbour;
- higher-quality branded destination holiday parks to encourage further growth in the family market and higher visitor spending in areas such as Lismore and Nambucca;
- a possible mid-sized hinterland eco-resort in Port Macquarie-Hastings;
- self-contained serviced apartments in Lismore and Nambucca;
- larger-scale 5-star accommodation linked to possible event facilities in Coffs Harbour;
- 4-5-star accommodation facility in Forster (Mid-Coast) possibly as part of the civic precinct;
- completion of significant rail trail and development of hinterland trail experiences with links to accommodation options in Tweed, Richmond Valley and Lismore; and
- agri-tourism product development in Ballina hinterland with on-farm style accommodation.

Figure 7: Accommodation Gaps



THE INVESTMENT OPPORTUNITIES

PROJECT 1 – PORT MACQUARIE SERVICED APARTMENT COMPLEX & SHOPPING CENTRE

The project proponent is looking to develop a site within the Port Macquarie CBD to allow for a serviced apartment complex above a major shopping centre. The project requires investment partners to participate in what could be an \$80m+ capital development.

The proponent is in the final stages of securing a major anchor tenant which will help drive significant foot traffic and which will support strong interest for other tenancies within the complex.

Port Macquarie has a vibrant CBD and a number of mostly natural beachside attractions as well as a mix

of smaller-scale lower to mid-range accommodation options. The serviced apartment complex proposed will potentially fill a product gap in the market and will also support a number of growing niche markets to the region including traditional leisure visitation, a business and meetings market, and a special interest market coming to visit friends and relatives, for education and research etc.

The specific location for this mixed-use development has deliberately not been identified as site boundaries are still being determined and remain confidential.

Figure 8: Port Macquarie CBD Aerial



Figure 9: Casino CBD



PROJECT 2 – BOUTIQUE HOTEL/SERVICED APARTMENT COMPLEX IN RICHMOND VALLEY

There is a gap for accommodation in Richmond Valley which Council have commissioned market research on. As such there is potential for the following:

- 3.5-4-star, boutique (possibly 40-60 room) quality hotel with a small-scale meeting/conference facility; or
- a quality mixed serviced apartment and owner-occupied apartment complex with 40-60 units.

We foresee the greatest need being a quality 3.5-star hotel development, ideally with an associated meeting/conference and function centre.

Offering a new, better quality 3.5-star hotel would be desirable to meet a number of market needs and to draw a higher spending visitor market who currently is not being served with sufficient overnight

accommodation facilities in Casino and the wider region. Richmond Valley's Destination Management Plan highlights the need for this noting that *"improving visitor accommodation quality and capacity is necessary to attract new and high yield visitors to stay longer and explore the local area"*.⁷

Casino is the starting/endpoint for the Northern Rivers Rail Trail which is nearing completion. This is anticipated to generate strong visitation and support the need for additional accommodation in the region.

Casino, a major hub in Richmond Valley LGA may offer a strategic location that would generate both demand from leisure visitors and business-meeting travellers and those wanting a function venue.

⁷ Richmond Valley Destination Management Plan 2021-2025, page 11.



PROJECT 3 – MIDCOAST (BUNGWAHL)

The project proponent is developing a surf camp and quality eco bungalows and a bunkhouse facility at the location near Seal Rocks within the MidCoast LGA. They have already secured a DA for this.

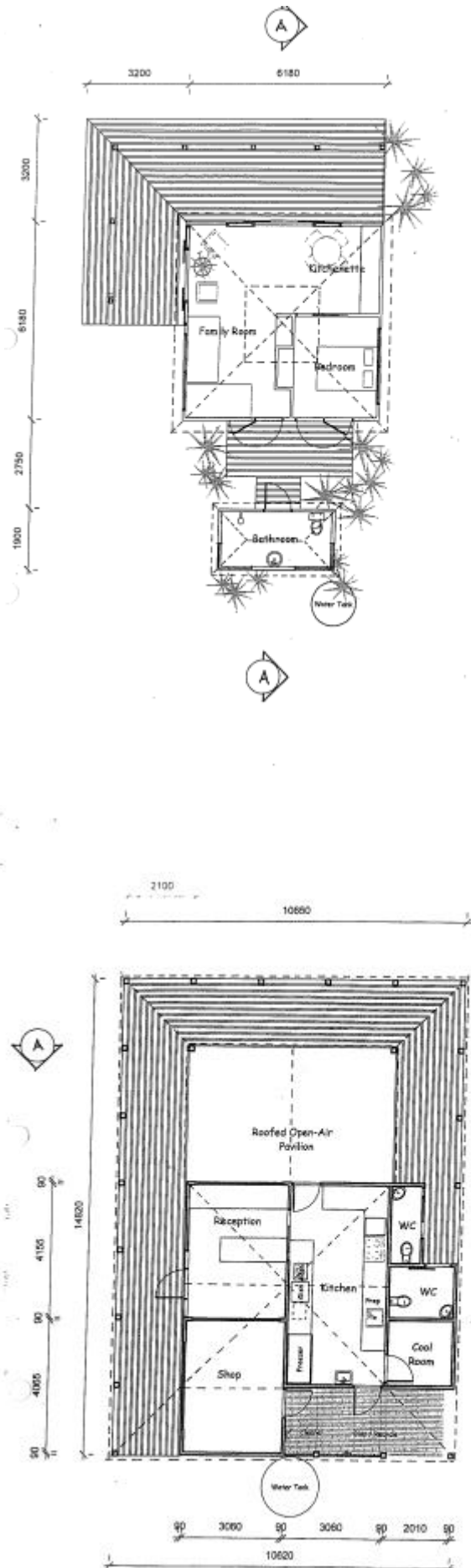
The proponent is looking for partner funding to help with funding access road upgrades which are required as a condition of the DA along with supporting infrastructure. The project is shovel ready.

The project will deliver an important new amenity for the MidCoast LGA as well as adding a unique quality new facility for the wider region. In turn, this new facility will support greater access to the surrounding national parks and allow a far wider range of visitor markets to enjoy this special area.

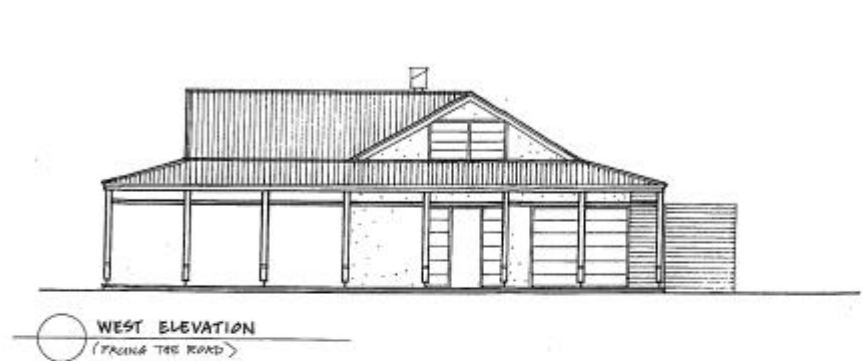
As there are very restrictive development rules for the greater area and including small coastal hubs such as Seal Rocks, this new development will provide a pivotal facility to grow the visitor economy especially with so few commercial accommodation outlets available, requiring most visitors to come as day visitors only.

Importantly, there are no other quality accommodation facilities within the wider region which will make this project a standout in a region which is surrounded mostly by large national parks.

Figure 11: Proposed Surf Camp Eco-Bungalow Design



Department of Infrastructure, Planning and Natural Resources
Development Application Number: 173-7-2005 was approved on 9th July 2005 in accordance with the Environmental Planning & Assessment Act 1979, subject to any conditions contained in the notice of determination.
Signed: [Signature]
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ALL FINISHES & MATERIALS OBLIGATORY TO COMPLY TO AS 3055



Department of Infrastructure, Planning and Natural Resources
Development Application Number: 173-7-2005 was approved on 9th July 2005 in accordance with the Environmental Planning & Assessment Act 1979, subject to any conditions contained in the notice of determination.
Signed: [Signature]
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Figure 12: Coffs Harbour Hotel Proposal



PROJECT 4 – COFFS HARBOUR HOTEL AND RETAIL

The project proponent has already secured planning approval from Council for the development in Coffs Harbour CBD for a mixed-use hotel and retail complex. In addition, a major hotel operator has already been secured for managing the hotel facility.

The proponent is looking for a partner for the hotel component only, which will offer 80-100 rooms. The location is highly strategic being within the inner CBD within Coffs Harbour.

Coffs Harbour is showing significant population and visitor growth, being served by a major airport and the Pacific Highway which links Sydney to South East Queensland. Coffs is also well recognised as the

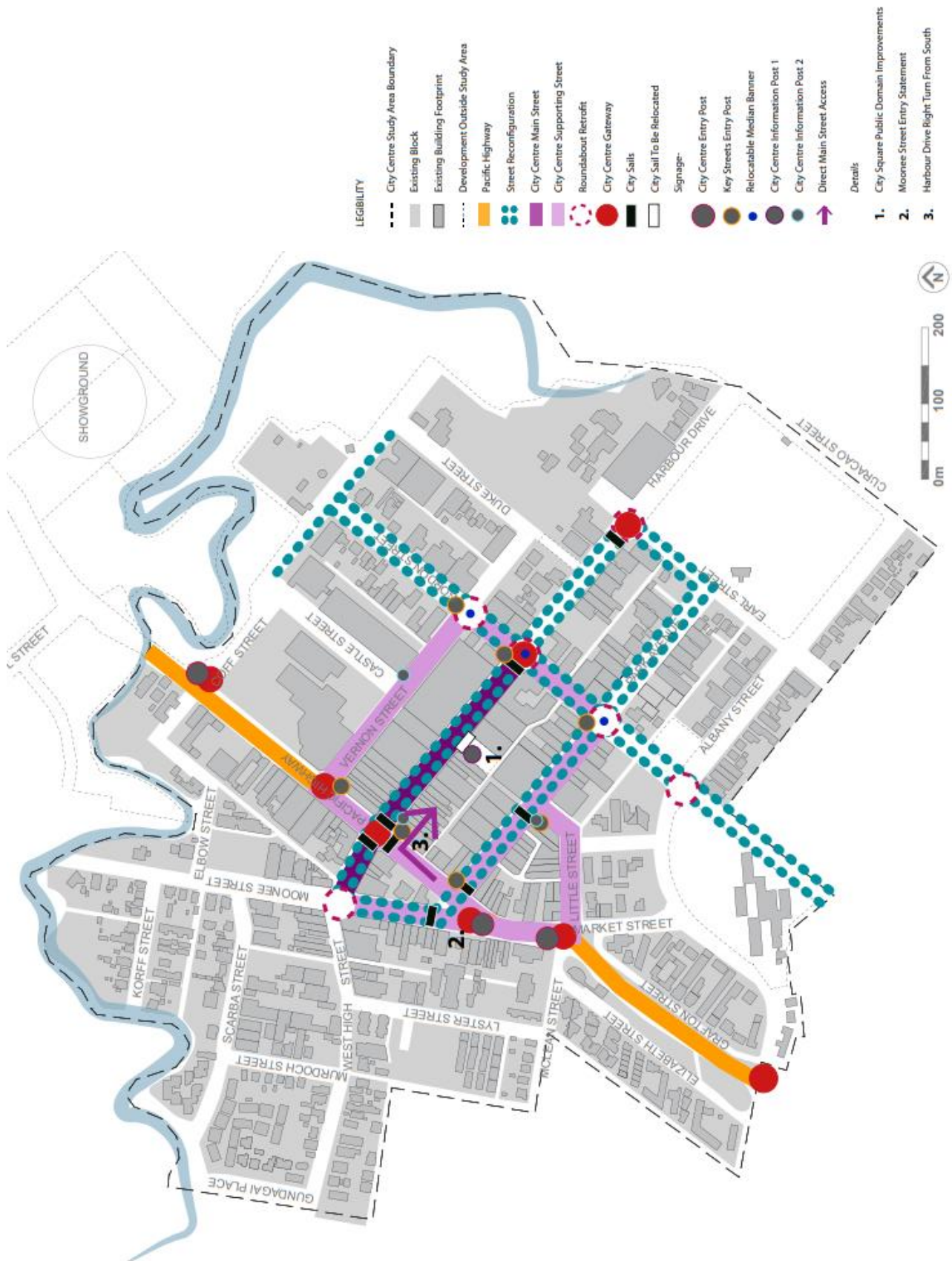
halfway point between Brisbane and Sydney so hold a highly strategic location.

Coffs Harbour City Council has extensive plans through its City Centre Masterplan 2031 to revitalise the CBD and improve connectivity to the beach and marina precincts (see Figure 13).

The vision of the Masterplan is: *“The City Centre will be a destination featuring world-class design of the physical fabric that creates a unique and creative streetscape that inspires all who visit.”*

The implementation of the Master Plan will result in the growth in the value of properties in the City Centre.

Figure 13: Coffs Harbour City Centre Masterplan – Improving Legibility (Experience of the City’s natural and urban assets)



PROJECT 5 – TWEED RIVER PRECINCT DEVELOPMENT TUMBULGUM

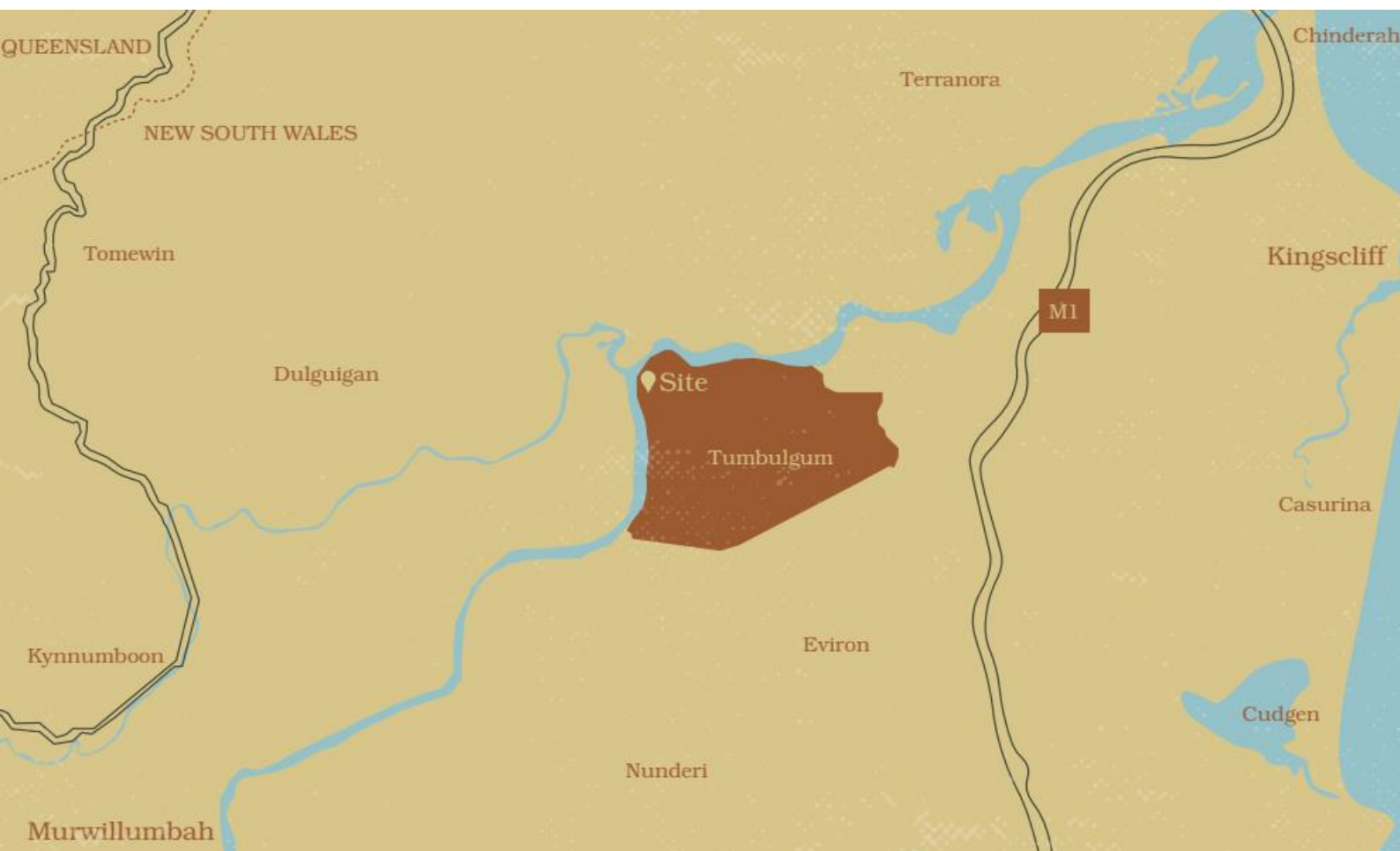
The project proponent is creating a mixed-use development that will comprise a number of existing heritage buildings to be purchased and leased for commercial purposes along with new tourism development being planned.

The proponent is looking to establish an investment unit trust structure to enable investors to buy into the complex noting that there is an existing cash flow

from leased facilities already and that when fully developed the site will offer a number of different revenue streams.

The focus of the new proposed development is new eco-accommodation development and a boutique quality hotel within the Tweed River Precinct with development to include a range of heritage styles but aimed overall at a higher-yielding visitor market.

Figure 14: Tweed River Precinct Development Tumbulgum



PROJECT 6 – COFFS AIRPORT PRECINCT HOTEL/ENTERPRISE PARK

The project proponent is looking to develop a major enterprise mixed-use business park within the overall airport precinct. There are several potential uses being considered with long term lease options available. Site options the proponent is keen to activate include the following:

Commercial Accommodation

- Hotel
- Serviced apartments

Business Premises

- Banks, post office, hairdresser etc
- Take away F&B
- Neighbourhood Shops
- Centre Based Childcare
- Specialised retail premises (bulky goods)
- Vehicle Sales or Hire Premises
- Hardware & Building / Landscaping supplies etc

Industrial

- Produce distribution (Freight hub)
- Light Industries
- Artisan Food & Drink Industry
- High Technology Industries
- General Industry
- Warehouse or Distribution Centres

Tourism

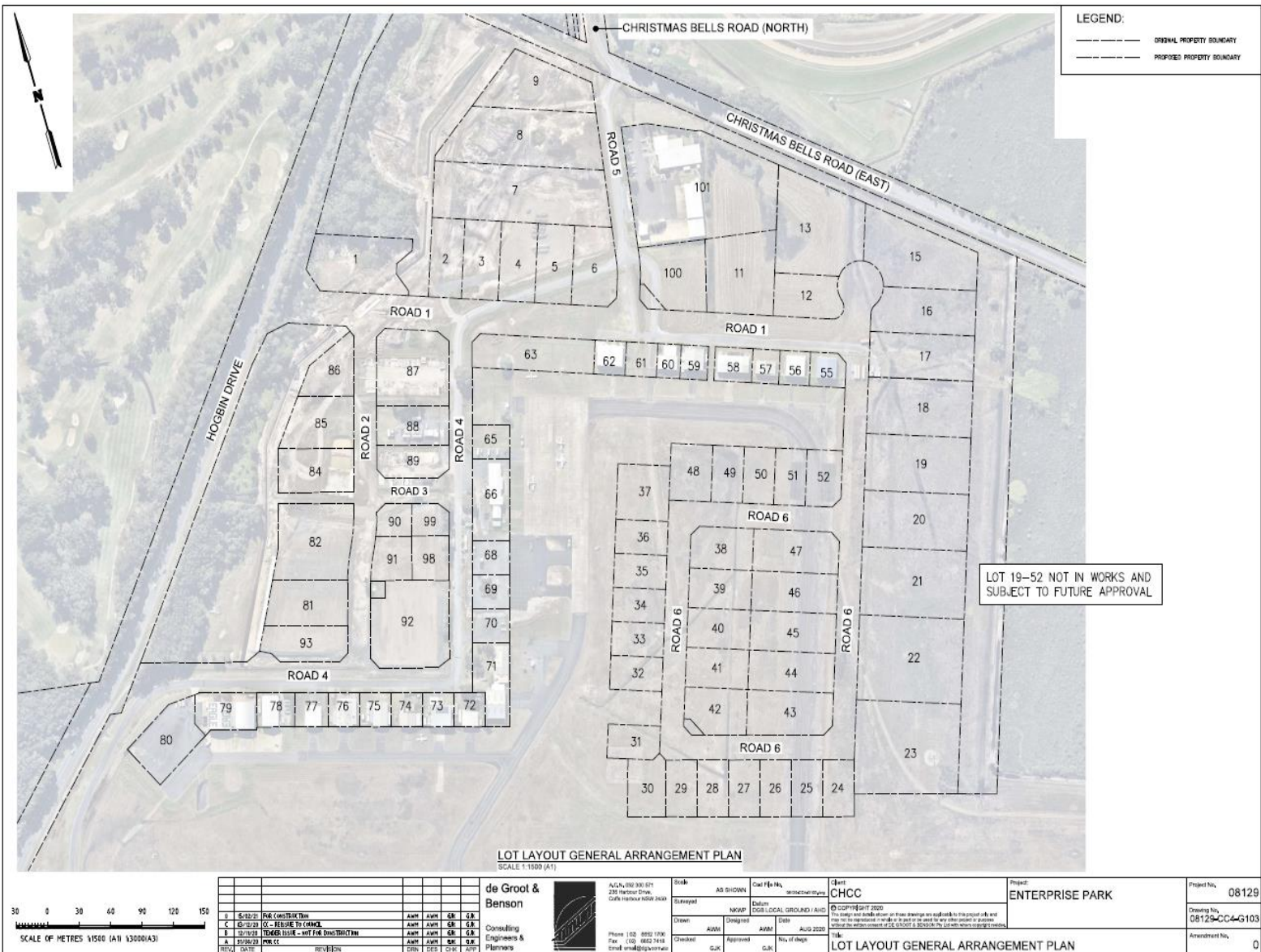
- Recreation facilities (indoor / outdoor)
- Permittable tourism attractions
- Entertainment Facilities
- Artisan food and beverage retailing

Potential will exist for interested developers and investors to consider a variety of stand-alone or mixed-use projects within this 23.9 ha. site which is very strategically located close to the Coffs Harbour CBD, adjacent to the Coffs Harbour Airport and with close and easy access to the Pacific Highway.

Figure 15: Coffs Airport Precinct Hotel/Enterprise Park Concept



Figure 16: Coffs Airport Precinct Hotel/Enterprise Park Site Layout Plan Concept



PROJECT 7 – THE CUBES ECO ACCOMMODATION – NIMBIN

The Cubes is a perfect fit for Nimbin's friendly, eclectic atmosphere, offering comfortable, laid-back accommodation for families, cross-country travellers, tourists, and relatives of residents. The Cubes is a cutting-edge, eco-friendly concept in hospitality to provide a comprehensive sustainable approach and to be a "green" project in every sense.

The Cubes' development has current Development Application approval for the construction/installation of a contemporary motel unlike any other. The Cubes comprises 24 modern cubit units, a manager's residence and reception building facing Cullen Street and extensive landscaping, including a Zen Pond.

Figure 17: The Cubes Concept Design – Front Facing



The Cubes' containers are fully built and completely fabricated in Australia, with the concept including:

- Queen bedroom relocatable units with pop-out bathrooms.
- Cubits prefabricated off-site – minimal construction time, minimum waste, maximum efficiency. The builder is Luxury Compact Homes.⁸
- Double-glazed operable windows and full insulation to regulate temperature and sound insulation.
- State-of-the-art 5G electronic connections for the mobile traveller.
- Natural lighting and ventilation in the bathroom.
- Low wattage LED lighting and domestic appliances.
- Rooftop solar panels and batteries for efficient water heating and electricity generation.
- Rainwater stored to be re-used for green areas and the Zen Pond which will be incorporated in the landscape design.
- Lush natural landscaping surrounding the hotel.
- Focus on achieving high standards of sustainability, quality, comfort, and design.
- Architectural shade features as part of the passive sustainable approach.
- Materials and finishes were all selected according to their proximity to the construction

⁸ www.luxurycompacthomes.com.au

warehouse, to reduce the carbon footprint of the project.

- And most importantly, the cubes are in the main street of Nimbin, allowing walking access to all the shops, cafes and everything Nimbin has to offer.
- The 2640 square metre site is also home to the world-famous “Oasis café/restaurant” which has been recently redecorated with the most

advanced performance area in the Northern Rivers for musicians, performers, and all manner of performing artists on the street frontage, where locals and visitors can crowd the grounds and back garden, soaking up the unique Nimbin atmosphere.

- Nimbin is a sister city to Woodstock USA, the hippy capital of the world.

Figure 18: The Cubes Concept Design – Rear Facing



The floor plan of each converted 40 ft container is as follows

Figure 19: Proposed floor plan



Two modular designs will be used to cater for varying tastes and needs. The three-building, 2 storey clusters will each comprise 8 queen bed cubits (i.e. four cubits per floor), 24 cubits in total. The location of the cubits provides for families to book an entire floor to provide sleeping capacity for the whole family.

Minimal set-up time for the development will be required, with only the footings, connections for power, water, and drainage in place before the cubits arrive on site. Completion of car parking and landscaping will take a minimal amount of time and then The Cubes will be ready for business.

One of the biggest advantages of this project is most of the current income will continue during and after the construction phase. With most construction projects, substantial costs are involved in financing the project while construction takes place – which can be up to 12 months or more. This project has assured continued income during that phase – a major bonus.

Construction costs are provided in Table 1. Capitalised Return is estimated at 8.50% which equals \$5,210,000.

Table 1: The Cubes estimated construction cost

Item	Estimated \$
24 cubes cubits in 12 x 40 foot containers – (\$50,000ea)	\$1,200,000
1 reception cube and 1 manager’s residence	\$75,000
Shipping 14 x 40-foot containers to Nimbin	\$14,000
The Grounds infrastructure and installation	\$190,000
Furniture, fixtures, landscaping, and decoration	\$250,000
Contingencies	\$150,000
Lismore Council fees and levies	\$170,000
Total for The Cubes building acquisition and installation:	\$2,049,000

Figure 20: Nimbin Café Scene



PROJECT 8 - NIGHTCAP RIDGE – BYRON BAY HINTERLAND

Since 2015 the current owners have developed Nightcap Ridge into a high-quality function venue with a strong focus on the wedding market and exclusive boutique events. They have added the function space (The Argory) and two eco-luxe cottages, along with renovating the existing cabin and three-bedroom manager's residence. Nightcap Ridge has experienced above-average occupancy rates and wedding dates are booked out 12-18 months in advance.

The property borders the Nightcap National Park is a highly significant part of Australia's natural history.

Its rainforests are part of the Gondwana Rainforests of Australia World Heritage Area. This approved development opportunity is therefore extremely unique given the location in a world heritage listed national park near tourism hot spot Byron Bay.

Nightcap Ridge is home to several threatened and endangered plant and animal species providing a further drawcard for guests.

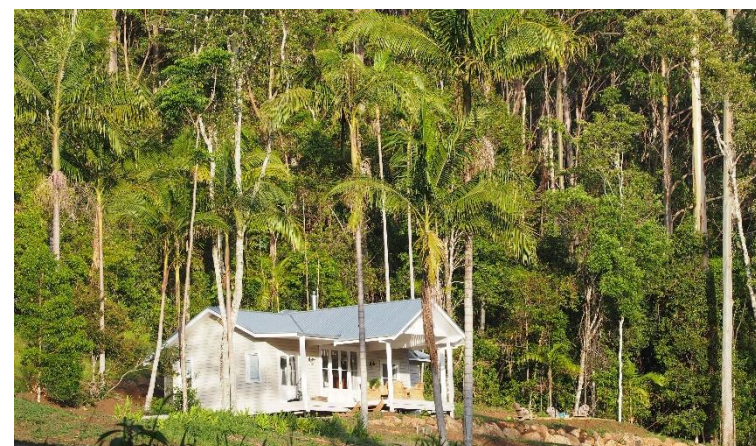
The new development potential will create capacity for 35 additional overnight guests, including approval for:

- 12 more cottages.
- Restaurant at The Argory.
- Café servicing passing day trippers.
- eBike rental to day trippers.

As an existing facility with a well-established brand name and reputation, it offers the benefit of an existing cash flow to support the expansion potential, which already has planning approval.

Nightcap Ridge has:

- 67 acres of private land within the Nightcap National Park in the Byron Hinterland.
- DA approval for 15 cottages, a function space and 45 overnight guests.
- RUI Zoning – Tourism facility, clearings, waterways, and rainforest.
- Currently 3 cottages and a function space completed in 2019.
- Stand-alone off-grid infrastructure for an eco-luxe experience.
- Liquor and water licenses approved.
- Proven demand and success ready for scaling.





DEVELOPMENT SUPPORT

If you are looking to invest in commercial accommodation in the North Coast, you will find a region that takes a very proactive approach to support investment and development.

We can assist you with:

- Finding the right site/location.
- Identifying partners, investors, developers and operators.
- Helping to fast-track major planning applications or key developments.
- A full range of business support programmes – from helping with grant/loan assistance programs to linking with tertiary education facilities to help access apprentices and workers across the hospitality sector.

To find out how Destination North Coast can support you, please contact:

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