

New 120 bed hotel in planning for Brothers Sports Club Bundaberg.

A new 120 bed motel could be in the works for Bundaberg thanks to an agreement signed this week between the new owner of the Brothers Sports Club Bundaberg and an emerging hotel operator.

Stronghold Investment Services announced an Agreement for Lease (AFL) had been reached with the Estilo Group for the construction of a hotel adjacent to the Club on the corner of Takalvan Street and Airport Drive.

The lease and subsequent construction of a hotel is subject to development approval from council and is impact assessable.

Last year the council commissioned Lucid Economics to undertake a Bundaberg Short-Stay Accommodation Market Update. The study found that given current market trends and conditions, the Bundaberg regional market could accommodate an additional 80-100 rooms in 2020 and given the lead time required for new hotel or accommodation development construction, planning should commence as soon as possible.

Stronghold Investment Services negotiated to purchase the Brothers Sports Club late last year with settlement scheduled for early May 2018. The 8.1 hectare site currently includes a two-level sports club building, bowls club and bowling greens, netball courts, rugby and AFL playing fields and associated clubhouses.

A Queensland based funds manager, Stronghold opened its Stronghold Hospitality Property Trust No. 14 to wholesale investors on the 7th March 2018 with applications closing on the 29th March.

Executive Director and Head of Property Mr Steve de Nys said the purchase was a strategic investment in the Bundaberg region and if approved, the hotel would add further value to the site and the local economy.

“Brothers Sports Club Bundaberg was the first licensed League club in Queensland, has approximately 25,000 members, employs up to 100 people and provides financial support to a number of local community and sporting clubs,” Mr de Nys said.

“We believe the agreement with Estilo Group to build a 120 bed hotel adjacent to this major community facility will benefit not only the club but also fill a gap in the Bundaberg short-stay market and create more jobs for the region.”

The Estilo Group operated by Clifford Olson are a new competitor in the hotel development and operations space and use unitised modular construction methods to develop cost effective accommodation facilities.

Under the AFL, the Estilo Group Pty will be offered a 99-year ground lease over 3,200m² of land on the Brothers site for the construction and operation of a 120-key hotel adjacent to the club.

The lease is subject to the provision of 6 months' notice and Development Approval by the Bundaberg Regional Council

Mr Olson said the group were excited by the opportunity to build a hotel as part of an integrated entertainment precinct, located adjacent to a busy shopping centre and in a thriving regional area.

He said once the development approvals were in place the hotel could be built in as little as 12 months.

“We use unitised modular construction as an innovative, sustainable delivery method utilising offsite, lean manufacturing techniques to prefabricate stand-alone multi-story building solutions for any accommodation facility,” he said.

“Modules are delivered with mechanical, electrical and plumbing installed. Fixtures and fittings and interior finishes completed in less time - with less waste and higher quality control compared to projects constructed traditionally.”

For more information about Estilo Group visit <http://estilogroup.com.au/about/estilo-hotels/>

To find out more about the opportunity to invest in the Stronghold Hospitality Property Trust No.14 visit <https://www.strongholdinvest.com.au/> or contact Steve de Nys 0413 515 808. Please note: The Trust is open to Wholesale Investors only.