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# Townsville Waterpark, Queensland

Market Potential Assessment

Prepared for MCK TSV Pty Ltd

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# Introduction

This report presents an independent analysis of the future market potential for large format retail, and fast food takeaway as part of the Townsville Waterpark development, located in the southern suburbs of the Townsville urban area, 7.3 km south of the Townsville Central Business District.

This report is structured and presented in **five (5) sections** as follows:

- **Section 1** reviews the regional and local context of the planned Townsville Waterpark and provides a summary of the proposed development.
- **Section 2** details the trade area likely to be served by large format retail, and fast food takeaway, as part of the Townsville Waterpark development, including current and projected population and retail spending levels over the period to 2046. The socio-economic profile of the trade area population is also outlined.
- **Section 3** considers the market potential for large format retail floorspace at the subject site.
- **Section 4** assesses the market potential for fast food at the subject site.
- **Section 5** presents a summary of the potential for the planned uses.

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# 1 Centre Location & Performance

This section of the report reviews the regional and local context of the Townsville Waterpark and provides a summary of the proposed development.

## 1.1. Regional Context

- i. Townsville is the major hub for North Queensland and is 350 km south of Cairns, 390 km north of Mackay, and 1,100 km north of Brisbane (refer Map 1.1).
- ii. Townsville is the largest urban centre north of Brisbane and is one of the fastest growing non-metropolitan areas in Queensland. Townsville serves as the unofficial capital of North Queensland, home to many government, administrative, sporting, and business offices/headquarters.
- iii. Townsville is one of the strongest non-metropolitan cities in Australia, which is attributable to the area's diverse economy, which includes a broad range of strong industry sectors, including:
  - **Military:** Townsville is home to the highest number of residents with military service at around 14,200 army personnel (~6% of the Townsville LGA population) including 8,700 veterans and 5,500 current-serving ADF members. The industry contributes to around 9% of the Townsville Gross Regional Product (GRP).
  - **Education and training:** James Cook University and CQUniversity, accounting for around 6% of GRP.
  - **Tourism,** given the nearby Magnetic Island.
  - **Resources,** with various activities relating to mining and other resource sectors.
- iv. The largest industries of employment within the Townsville LGA are Health Care and Social Assistance (18.4%); Public Administration and Safety (13.3%); Education and Training (10.1%); and Retail Trade (9.7%). These four industries make up around half of total employment across the region and each has grown by at least 10% since 2013/14.
- v. Gross Regional Product (GRP) for the Townsville LGA is estimated at \$15.1 billion. GRP has been broadly flat since around 2012, and most recently increased by 4.78% to 2022/23 (the largest increase since 2006/07). Economic growth has broadly followed that of the broader Queensland economy over the long term.
- vi. The unemployment rate in Townsville peaked at almost 11% at the end of 2016 but has since returned to levels (3.7% June 2024) that are below the Queensland state benchmark (4.1% June 2024). Preliminary data shows the unemployment rate in Townsville has continued to decrease over the COVID-19 period, likely due to the limited number of days in lockdown.

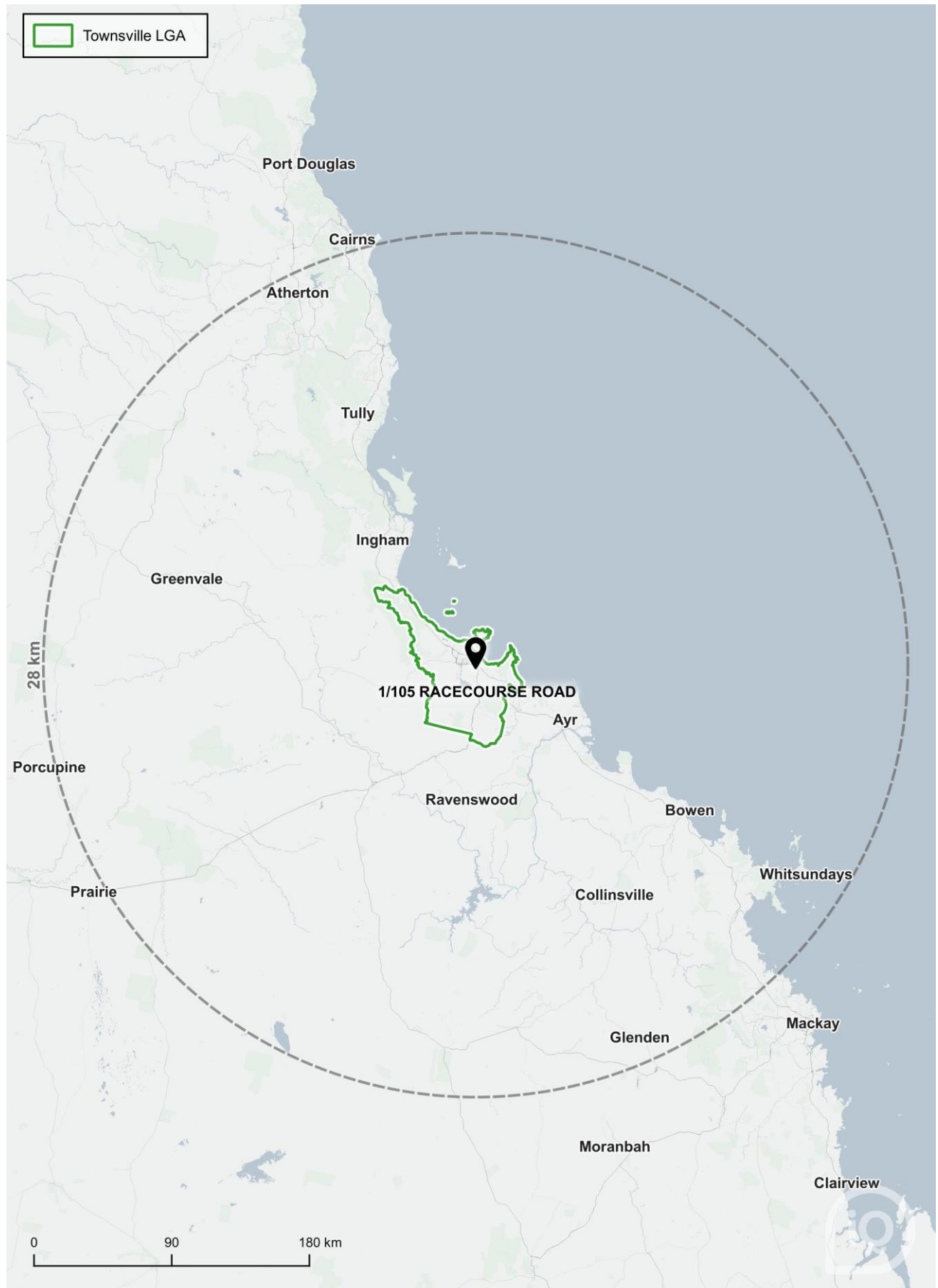
vii. Major industries, projects, and investment in the region include:

- Townsville's \$193 million port upgrade (11.1 km to the north-east of Stockland Townsville) is currently under way with construction on the 2.2 km protective rock wall, which will ultimately pave the way for up to six new berths. The upgrade will be the Port's largest ever expansion in its 156-year history. Cruise and commercial vessels up to 300 metres in length will be able to safely access the Port of Townsville which is expected to generate a number of new jobs and investment opportunities the project is a staged upgrade, with ultimate completion expected 2040.

The channel upgrade due to be complete in 2024, enables the port to accommodate larger vessels up to 300 metres long. This includes cruise ships capable of carrying more than 2,000 passengers. P&O Cruises will add Townsville to its line-up of port calls from 2025. The Pacific Encounter and Pacific Explorer will be the biggest cruise ships Townsville has ever seen, carrying more than 4,500 passengers and almost 2,000 crew between them. These two vessels are proof that the upgrade is going to deliver prosperity directly into North Queensland businesses, with \$2.25 million expected to flow into the city during their visits.

- The Queensland Government will invest \$530 million to deliver a major expansion of the Townsville University Hospital, as part of the largest investment in new hospitals and new beds in Queensland's history. The expansion would deliver around 143 additional beds as well as other upgrades to critical infrastructure. This major expansion of the Townsville University Hospital is expected to deliver the extra beds to the region by 2026, creating around 1,276 constructions jobs.
- A \$40 million expansion and redevelopment of the Kirwan Health Campus will include the development of a new two-storey facility and a refurbishment of the existing buildings. Construction commenced in October 2023 and is forecast to reach practical completion by early 2026.
- The Queensland Government has allocated \$75 million for common user infrastructure to support the development, extraction, and production of critical minerals. The Queensland Government is currently welcoming interest from the private sector in the future use of the facility. Located at the Cleveland Bay Industrial Park in Townsville the facility will be a hub to trial production processes for commercialisation, enabling prospective miners to begin producing mineral samples at scale. The aim is to accelerate the development of commercial mining projects, promote investment in advanced mineral manufacturing opportunities and enable development of supply chain.
- Weststate Private Hospital (\$60.5 million) is nearing completion 7.7 km north of the Townsville Waterpark site. The new private hospital is planned to open shortly, with the project expected to create around 180 jobs during construction and 170 full-time positions when open. The five-storey hospital will include four operating theatres, a separate procedure room, 22 overnight beds, 19-day surgery beds and a four-bed intensive care facility, plus facilities for pathology, pharmacy, physiotherapy, and radiology.

MAP 1.1. REGIONAL CONTEXT



## 1.2. Local Context

- i. The site of Townsville Waterpark is within the suburb of Cluden, which is on the southern fringe of the Townsville urban area, some 8 km south of the Townsville City Centre. The subject site is situated at the south of the major intersection of the Racecourse Road (old Bruce Highway) and Lakeside Drive.
- ii. Racecourse Road is the major arterial route into the Townsville urban area, providing access to growth areas such as Elliot Springs and more rural townships such as Giru, Ayr, and Home Hill.
- iii. Traffic counts recorded in 2023 reinforce the high-profile location of the site including:
  - Traffic count along Racecourse Road (north of the subject site) indicates an Annual Average Daily Traffic (AADT) of 23,066 vehicles. This reflects exposure to some 8.4 million vehicles along Racecourse Road per annum.
  - Sturt Drive (south of the subject site) traffic count indicates an Annual Average Daily Traffic (AADT) of 13,633 vehicles. This reflects exposure to approximately 5.0 million vehicles along Sturt Drive per annum.
- iv. Map 1.2 illustrates the local context of Townsville Waterpark, with key points to note including:
  - Cluden Park is to the immediate east of the subject site and is a heritage-listed, multipurpose venue home to more than 36 race meets each year.
  - A BP Truckstop and EG Ampol service Stations are north of Racecourse Road.
  - Fairfield Central to the north and includes a Kmart, Woolworths, Coles and an outdoor dining precinct fronting the car park the centre also includes a number of fast-food pad sites including Zarraffa's and Guzman y Gomez.
  - Fairfield & Co is a large format retail centre north of Bunnings and includes a range of tenants including Beacon Lighting, Pillow Talk, Haymans, World Gym and more.
  - A church and holiday parks are at the south-west intersection of Sturt Drive and Racecourse Road.
- v. Townsville Waterpark enjoys a high-profile location with a range of accommodation, and complementary convenience retail facilities situated in the immediate area that reinforce the attraction of the subject site.



MAP 1.2. LOCAL CONTEXT





## 1.3. Proposed Development

- i. MCK TSV Pty Ltd is proposing a development at 1/105 Racecourse Road in Cluden. The development is known as Townsville Waterpark, Beach Club & Hotel and is planned to include a range of uses across five main sites as illustrated on Figure 1.1 and are as follows:
  - Waterpark and Hotel site: Will include a 3,000-person capacity waterpark including a designated VIP area as well as a Hotel (200 rooms - 15 storey) featuring dedicated conference and event facilities capable of accommodating up to 600-seat banquet style.
  - Development site one: is proposed to include a range of retail and Food catering floorspace.
  - Development sites two, three, and four: may comprise units or large format retail floorspace.
- ii. Overall, the site totals 16.5 ha. (hectares), including the Waterpark and Hotel site (4.6 ha.), development site one (1.3 ha.), site two (2.1 ha.) site three (1.1 ha.) and site four (0.4 ha.). However, due to flooding around 95,632 sq.m will be developable land.
- iii. The project is estimated to cost around \$550 million in total and is expected to be designed similar to Wet 'n' Wild on the Gold Coast. The estimated investment for the waterpark, beach club, and hotel component is \$250 million, with an additional \$300 million required to develop the apartment complexes and address the housing supply needs of the Townsville region.
- iv. The operational phase of the development would generate approximately 715 jobs, of which 500 would be direct and 215 through flow-on effects
- v. The proposed development would offer a high level of customer amenity for the growing local population and would be easily accessible, with excellent car parking.

FIGURE 1.1. PROPOSED TOWNSIVLLE WATERPARK MASTERPLAN



# 2 Trade Area Analysis

This section of the report provides a review of the trade area served by Townsville Waterpark, including current and projected population and retail spending levels over the period to 2046. A review of the socio-economic profile of the trade area population is also provided.

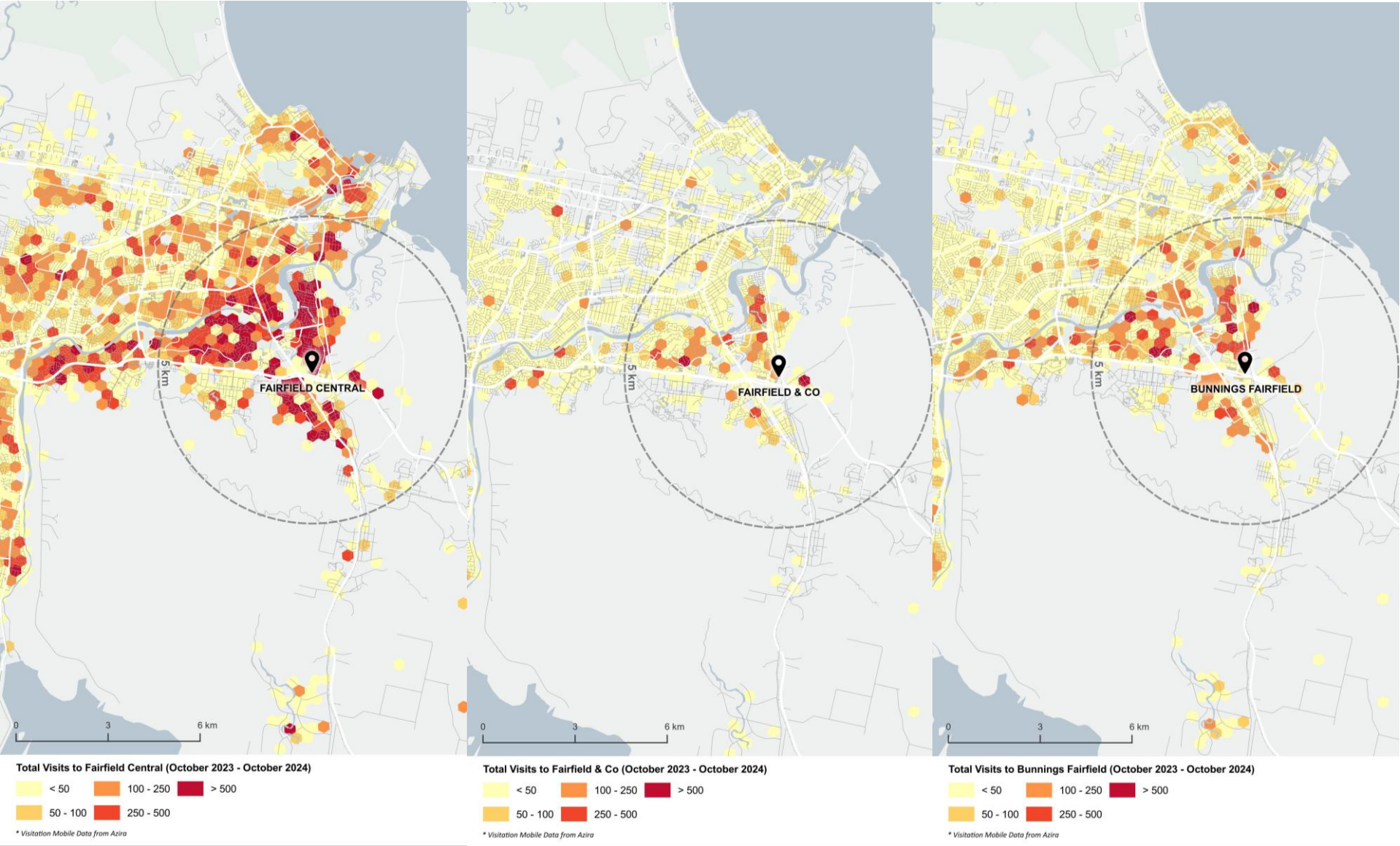
## 2.1. Trade Area Definition

- i. The Townsville Waterpark trade area has been defined taking into consideration the following:
  - Azira mobile phone visitation data for the existing Fairfield Shopping Centre, Fairfield & Co (large format retail centre) as well as Bunnings Fairfield (October 2024 – October 2024).
  - Regional and local accessibility.
  - The scale and composition of the centre
  - The pattern of urban development throughout the region, including major residential estates which are underway or planned.
  - Significant physical barriers such as roads, waterways, and parkland.
  - The provision of existing and planned competitive facilities throughout the surrounding area.
- ii. Map 2.1 illustrates the Azira mobile phone data, which has been utilised to examine the existing patterns of visitation to the centre over the period from October 2023 to October 2024. The data is described as:

*‘Azira data uses aggregated mobile phone location data from a variety of high-quality sources, including software development kits (SDKs) and mobile advertising SDKs. Near ingests, interprets, and analyses petabytes of geospatial data, including cell phone geolocation ‘pings’ all over the world – to enable an accurate, current view of the people visiting a location. Using the ping data, the place of residence of customers visiting the Areas of Interest (AOI) can be determined at an anonymised and aggregated at an H3 level (a standard geographic boundary).’*

- iii. Map 2.2 illustrates the defined trade area for Townsville Waterpark. The Townsville Waterpark trade area is defined to include one primary sector and two secondary sectors.
- iv. The combination of the primary and secondary sectors is referred to as the Townsville Waterpark main trade area throughout the remainder of this report. The main trade area encompasses the Townsville urban area and extends 34 km to the south and 22 km to the north of the Townsville Waterpark site.
- v. Based on the Azira mobile phone data, the existing Fairfield Central, Fairfield & Co and Bunnings attract around 40%-50% of customer visitation from within the defined primary sector, 30% - 35% from the secondary north sector, 4% - 6.5% from the secondary south sector and 10 – 15% from beyond the defined main trade area.

MAP 2.1. AZIRA MOBLE PHONE DATA





This map illustrates the Townsville Urban Area, categorized into three zones: Primary (pink), Secondary North (light purple), and Secondary South (darker purple). A location pin identifies the site at 1/105 Racecourse Road, situated within the Primary zone. A dashed circle indicates a 10 km radius from this location. The map also shows surrounding geographical features like the Ross River, Hervey Range, and various localities such as Mount Stuart, Mount Low, and Mount Elliot. A scale bar at the bottom left shows distances up to 14 km, and a legend at the top right defines the Townsville Urban Area boundary.



## 2.2. Main Trade Area Population

- i. Table 2.2 details the current and projected Townsville Waterpark main trade area population levels by sector. This information is sourced from the following:
  - The 2011, 2016, and 2021 Census of Population and Housing undertaken by the Australian Bureau of Statistics (ABS).
  - New dwelling approvals statistics from the ABS from 2011/12 to 2023/24 (refer Chart 2.1), which indicate an average of 713 new dwellings were approved for the main trade area annually over this timeframe. This includes an average of 91 across the primary sector.
  - The latest population projections prepared at a Statistical Area 2 (SA2) level by Queensland Government Statistician's Office.
  - Investigations by this office into new residential developments in the region.
- ii. The Townsville Waterpark main trade area population is currently estimated at 190,730, including 37,459 persons in the primary sector.
- iii. Future population growth throughout the main trade area will primarily be driven by greenfield development in the secondary sectors, with key residential estates including (Map 2.3):

### Primary Sector

- The subject site is planned to include ~400 residential apartments.
- Geon Property have also lodged a development application for a 294-unit build-to-rent development in Idalia as part of the Fairfield & Co development.

### Secondary North Sector

- **Harris Crossing Estate** is a master planned residential estate that has been under construction since 2017, and upon completion, is expected to yield 900 lots (i.e., ~2,700 persons) including a 260-lot land lease community. Approximately 600 homes (1,800 persons) have been built. Based on information from Maidment Group all remaining lots are expected to be sold in the next 2 - 3 years, with construction to follow within 12 months of lot sale.
- **The Reserve** will comprise of approximately 221 dwellings upon completion, construction commenced in 2022 with the estate expected to be completed by 2031.
- **Willowbend** is approved for 600 lots. Construction has yet to commence, with development expected from 2025.
- First homes at **Greater Ascot** commenced prior to 2014 and on completion, the estate will include around 3,000 dwellings (9,000 persons). Currently, around 500 homes have been completed to date.

- **Riverstone estate** is assumed to yield some 1,300 dwellings, or approximately 3,300 people upon completion. Discussions with Elements NQ indicate that first residents are expected at the development by 2025. Construction to occur at a rate of up to ~70 dwellings per annum.
- **Bluewattle Estate** (now known as **Somers & Hervey Estate**) is located immediately east of the Riverstone estate site encompassing around 98 hectares. The development land was sold to Urbex in 2022 with construction commenced from July 2023. The estate was expected to yield some 850 dwellings upon completion.
- **Mount Margaret:** will include 850 lots, to date, over 300 homes have been completed.

#### **Secondary South Sector**

- **Elliot Springs** comprises 1,654 hectares of land located 15 km south of the Townsville City Centre. Construction commenced in 2018, with the development expected to ultimately include education facilities, commercial and retail precincts and open space. Elliot Springs is assumed to reach completion around 2050, including approximately 10,600 dwellings (26,000 residents). **The Village** residential estate is currently under construction and expected to yield 1,000 dwellings upon completion. Since construction commenced in 2012, approximately 500 dwellings have been completed, with an additional 600 dwellings assumed for completion over the period to 2031.
- iv. Taking into the above into consideration, the Townsville Waterpark main trade area population is projected to increase to 238,030 by 2046, representing an average annual growth of 1.0%, or around 2,150 persons.

TABLE 2.1. MAIN TRADE AREA POPULATION, 2011 – 2046

Population	Actual			Forecast						Change 2024-46
	2011	2016	2021	2024	2026	2031	2036	2041	2046	
Primary Sector	34,395	36,655	36,709	37,459	37,959	39,209	40,459	41,459	42,459	5,000
Secondary Sectors										
• North	133,121	141,493	144,616	149,116	152,116	160,116	168,616	177,116	185,616	36,500
• South	<u>3,040</u>	<u>3,285</u>	<u>3,703</u>	<u>4,153</u>	<u>4,453</u>	<u>5,453</u>	<u>6,953</u>	<u>8,453</u>	<u>9,953</u>	<u>5,800</u>
Total Secondary	136,161	144,778	148,319	153,269	156,569	165,569	175,569	185,569	195,569	42,300
Main Trade Area	170,556	181,433	185,028	190,728	194,528	204,778	216,028	227,028	238,028	47,300

Average Annual Change (No.)	Actual		Forecast						Change 2024-46	
	2011-16	2016-21	2021-24	2024-26	2026-31	2031-36	2036-41	2041-46		
Primary Sector		452	11	250	250	250	250	200	200	227
Secondary Sectors										
• North		1,674	625	1,500	1,500	1,600	1,700	1,700	1,700	1,659
• South		<u>49</u>	<u>84</u>	<u>150</u>	<u>150</u>	<u>200</u>	<u>300</u>	<u>300</u>	<u>300</u>	<u>264</u>
Total Secondary		1,723	708	1,650	1,650	1,800	2,000	2,000	2,000	1,923
Main Trade Area		2,175	719	1,900	1,900	2,050	2,250	2,200	2,200	2,150

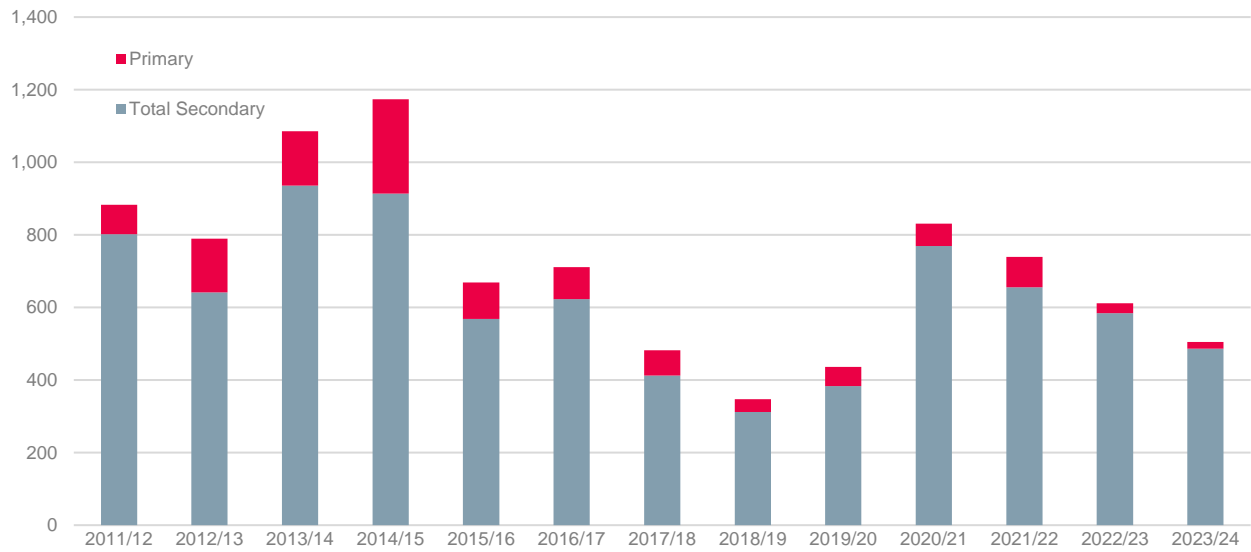
Average Annual Change (%)	Actual		Forecast						Change 2024-46	
	2011-16	2016-21	2021-24	2024-26	2026-31	2031-36	2036-41	2041-46		
Primary Sector		1.3%	0.0%	0.7%	0.7%	0.7%	0.6%	0.5%	0.5%	0.6%
Secondary Sectors										
• North		1.2%	0.4%	1.0%	1.0%	1.0%	1.0%	1.0%	0.9%	1.0%
• South		<u>1.6%</u>	<u>2.4%</u>	<u>3.9%</u>	<u>3.5%</u>	<u>4.1%</u>	<u>5.0%</u>	<u>4.0%</u>	<u>3.3%</u>	<u>4.1%</u>
Total Secondary		1.2%	0.5%	1.1%	1.1%	1.1%	1.2%	1.1%	1.1%	1.1%
Main Trade Area		1.2%	0.4%	1.0%	1.0%	1.0%	1.1%	1.0%	1.0%	1.0%

Rest of Qld	1.3%	1.2%	1.7%	1.6%	1.5%	1.5%	1.5%	1.4%	1.5%
Australian Average	1.6%	1.2%	2.1%	1.8%	1.6%	1.3%	1.2%	1.1%	1.4%

All figures as at June and based on 2021 SA1 boundary definition.

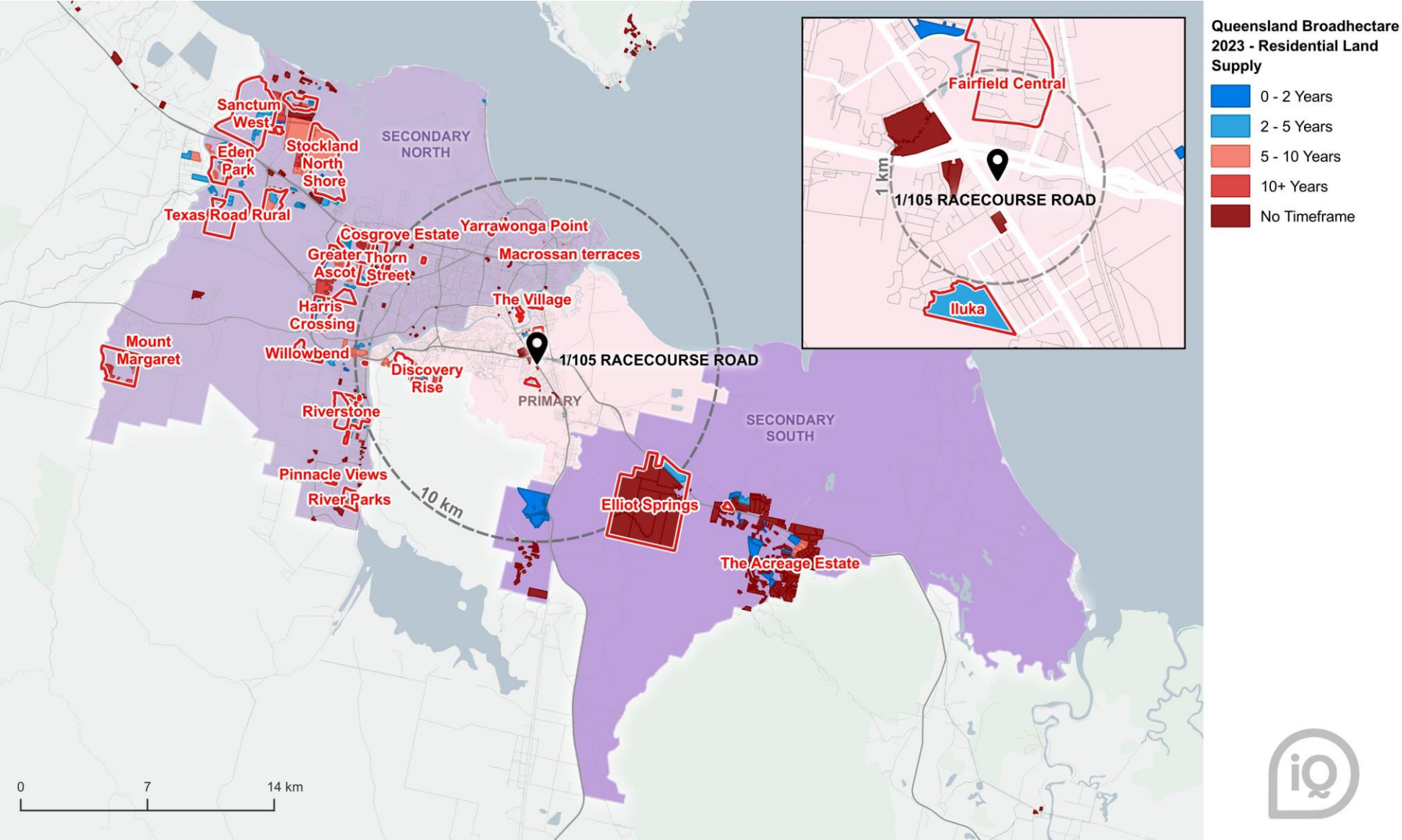
Sources : ABS; QGSO

CHART 2.1. NEW DWELLING APPROVALS BY SECTOR, 2011/12 – 2023/24



Source: ABS

MAP 2.3. TRADE AREA AND RESIDENTIAL GROWTH AREAS





## 2.3. Socio-economic Profile

- i. Table 2.4 summarises the socio-economic characteristics of the Townsville Waterpark main trade area population by sector, compared with the Rest of Queensland benchmark. This information is based on the 2021 Census of Population and Housing. Key points to note include:
  - The average age of residents is younger than the benchmark, with the youngest in the primary sector (36.6) and the oldest population in the secondary south sector (40.9). The Rest of Queensland average age is 40.7 years.
  - There is a higher proportion of Australian born residents across all sectors compared to benchmark.
  - The family structure of main trade area residents includes a higher proportion of couples with dependent children, reflecting the popularity of the region with families.
  - Residents earn average per capita and household income levels that are ~7.5% higher than the Rest of Queensland benchmark.
  - A high proportion (92.6%) of home ownership across the secondary south sectors and a lower proportion across the primary and secondary north sectors (~60%) compared to the benchmark of 66.6%.
- ii. Overall, the socio-economic profile of the main trade area population is characterised as a young, Australian born, family-based market, who earn higher than average income levels.
- iii. Table 3.4 compares the key socio-economic changes within the main trade area over the 2011 – 2021 Census periods with the Rest of Queensland benchmark. This indicates that the age distribution has remained younger when compared with the benchmark, and per capita and average household income levels have consistently remained higher than the benchmarks.
- iv. With continued residential development and population growth, the socio-economic profile of the main trade area is expected to continue to reflect a younger, Australian born, traditional family-based population.

TABLE 2.2. MAIN TRADE AREA SOCIO-ECONOMIC PROFILE, 2021 CENSUS

Characteristic	Primary Sector	Secondary Sectors		Main TA	Rest of Qld Average
		North	South		
People					
Age Distribution (% of Pop'n)					
Aged 0-14	15.7%	20.0%	17.3%	19.1%	18.1%
Aged 15-19	8.2%	6.4%	5.4%	6.7%	5.9%
Aged 20-29	21.3%	14.6%	10.4%	15.8%	11.9%
Aged 30-39	13.2%	14.3%	12.6%	14.0%	12.7%
Aged 40-49	12.2%	12.9%	13.8%	12.8%	12.7%
Aged 50-59	11.8%	12.4%	15.6%	12.4%	13.2%
Aged 60+	17.7%	19.4%	24.9%	19.2%	25.5%
Average Age	36.6	37.3	40.9	37.2	40.7
Birthplace (% of Pop'n)					
Australian	83.2%	87.0%	89.3%	86.3%	81.5%
Overseas	16.8%	13.0%	10.7%	13.7%	18.5%
• Asia	6.4%	3.2%	1.2%	3.8%	4.1%
• Europe	3.5%	3.8%	5.1%	3.7%	5.8%
• Other	7.0%	6.0%	4.4%	6.2%	8.6%
Family					
Average Household Size	2.2	2.5	2.6	2.4	2.4
Family Type (% of Pop'n)					
Couple with dep't children	42.7%	41.3%	44.6%	41.6%	40.1%
Couple with non-dep't child.	6.2%	6.0%	8.4%	6.1%	6.7%
Couple without children	25.3%	23.6%	31.7%	24.0%	27.0%
Single with dep't child.	9.6%	12.5%	5.6%	11.9%	10.1%
Single with non-dep't child.	3.3%	3.9%	2.7%	3.8%	3.9%
Other family	1.4%	1.2%	0.5%	1.2%	1.0%
Lone person	11.5%	11.5%	6.4%	11.4%	11.2%
Employment					
Income Levels					
Average Per Capita Income	\$56,483	\$53,728	\$57,472	\$54,343	\$50,592
Per Capita Income Variation	11.6%	6.2%	13.6%	7.4%	n.a.
Average Household Income	\$112,707	\$103,026	\$118,911	\$105,105	\$97,780
Household Income Variation	15.3%	5.4%	21.6%	7.5%	n.a.
Housing					
Tenure Type (% of Dwellings)					
Owned	60.3%	60.4%	92.6%	61.0%	66.6%
Rented	39.1%	38.2%	6.5%	37.8%	31.3%
Other Tenure Type	0.6%	1.4%	0.9%	1.2%	2.1%

Sources: ABS Census of Population and Housing 2021

TABLE 2.3. MAIN TRADE AREA SOCIO-ECONOMIC PROFILE CHANGES, 2011 - 2021 CENSUS

Characteristic	Townsville Waterpark MTA			Change (%)			Rest of Qld			Change (%)		
	2011	2016	2021	2011-16	2016-21	2011-21	2011	2016	2021	2011-16	2016-21	2011-21
<b>People</b>												
Average Age	34.3	35.7	37.2	0.8%	0.9%	0.8%	37.9	39.4	40.7	0.8%	0.6%	0.7%
<b>Birthplace (% of Pop'n)</b>												
Australian	85.9%	86.5%	86.3%	0.6%	-0.2%	0.5%	82.2%	82.4%	81.5%	0.3%	-0.9%	-0.6%
Overseas	14.1%	13.5%	13.7%	-0.6%	0.2%	-0.5%	17.8%	17.6%	18.5%	-0.3%	0.9%	0.6%
• Asia	2.6%	3.2%	3.8%	0.6%	0.6%	1.2%	2.6%	3.5%	4.1%	0.9%	0.6%	1.5%
• Europe	4.8%	4.0%	3.7%	-0.8%	-0.3%	-1.1%	6.8%	6.0%	5.8%	-0.8%	-0.2%	-1.0%
• Other	6.8%	6.3%	6.2%	-0.4%	-0.1%	-0.6%	8.4%	8.1%	8.6%	-0.3%	0.5%	0.2%
<b>Family</b>												
Average Household Size	2.6	2.6	2.4	-0.4%	-1.2%	-0.8%	2.5	2.5	2.4	-0.5%	0.0%	-0.3%
<b>Family Type (% of Pop'n)</b>												
Couple with dep't children	46.6%	44.3%	41.6%	-2.2%	-2.7%	-4.9%	43.3%	41.7%	40.1%	-1.6%	-1.6%	-3.2%
Couple with non-dep't child.	6.0%	6.0%	6.1%	0.0%	0.1%	0.1%	6.3%	6.7%	6.7%	0.3%	0.0%	0.3%
Couple without children	22.5%	22.9%	24.0%	0.4%	1.1%	1.5%	25.9%	26.1%	27.0%	0.2%	1.0%	1.2%
Single with dep't child.	11.3%	12.0%	11.9%	0.7%	-0.1%	0.5%	10.3%	10.3%	10.1%	0.1%	-0.2%	-0.1%
Single with non-dep't child.	3.0%	3.4%	3.8%	0.3%	0.4%	0.7%	3.1%	3.5%	3.9%	0.4%	0.3%	0.8%
Other family	1.3%	1.2%	1.2%	-0.1%	0.1%	-0.1%	0.9%	0.9%	1.0%	0.0%	0.1%	0.0%
Lone person	9.2%	10.2%	11.4%	1.0%	1.2%	2.2%	10.2%	10.8%	11.2%	0.6%	0.4%	1.0%
<b>Employment</b>												
<b>Income Levels</b>												
Average Per Capita Income	\$42,096	\$45,433	\$54,343	1.5%	3.6%	2.6%	\$37,707	\$42,985	\$50,592	2.7%	3.3%	3.0%
Per Capita Income Variation	11.6%	5.7%	7.4%	-5.9%	1.7%	-4.2%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Average Household Income	\$84,556	\$89,081	\$105,105	1.0%	3.4%	2.2%	\$72,738	\$82,797	\$97,780	2.6%	3.4%	3.0%
Household Income Variation	16.2%	7.6%	7.5%	-8.7%	-0.1%	-8.8%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

Source: ABS Census of Population and Housing 2011, 2016 &amp; 2021

higher | lower than benchmark

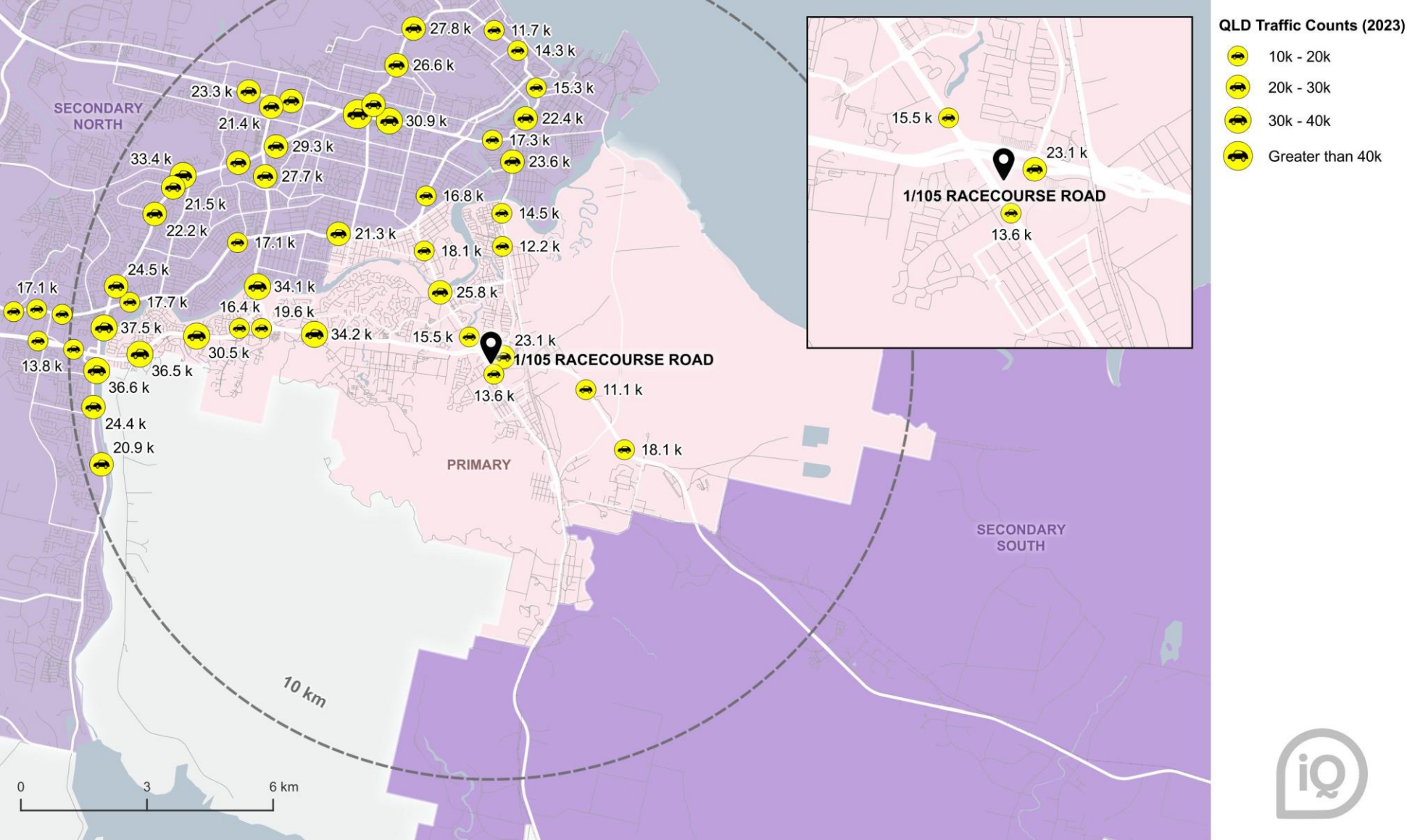
## 2.4. Passing Traffic

- i. The proposed Townsville Waterpark would service a significant passing traffic market along Racecourse Road (Old Bruce Highway).
- ii. Map 2.4 illustrates the daily traffic counts at various points across the Townsville region as measured by the Queensland Department of Transport and Main Roads. Showing that Racecourse Road (Old Bruce Highway) is one of the busiest roads within the region.
- iii. The nearest traffic count along Racecourse Road (north of the subject site) indicates an Annual Average Daily Traffic (AADT) of 23,066 vehicles (2023). This reflects exposure to some 8.4 million vehicles along Racecourse Road per annum.
- iv. The subject site will also have access to Sturt Drive (south of the subject site) where the latest (2023) traffic count indicates an Annual Average Daily Traffic (AADT) of 13,633 vehicles. This reflects exposure to approximately 5.0 million vehicles along Sturt Drive per annum.

## 2.5. Waterpark Visitors

- i. Other waterparks in Australia such as Wet N Wild and Jamberoo Action Park have annual visitation levels at around 1 million and 360,000 visitors per year, respectively. The Townsville Waterpark has capacity for around 3,000 persons per day.
- ii. Given Wet N Wild services the Brisbane and Gold Coast regions (i.e. a more significant population than Townsville) the Townsville Waterpark visitation levels are assumed similar to that of Jamberoo Action Park which is located south of Wollongong in New South Wales.
- iii. The Townsville Waterpark would attract visitors and tourist to the Townsville Region from beyond the defined main trade area and would also likely increase draw to the primary sector from the secondary north sector specifically (most populous sector of the main trade area).

MAP 2.4. ANNUAL AVERAGE DAILY TRAFFIC - QUEENSLAND DEPARTMENT OF TRANSPORT AND MAIN ROADS





# 3 Large Format Retail

## 3.1. Overview

- i. Large format retailing has evolved in recent years in Australia and incorporates bulky goods and retail showroom uses. Large format retailing includes a range of categories, but generally covers items of a bulky nature that require a large area for handling, display or storage, or direct vehicle access for loading.
- ii. Large format retail centres typically serve broad geographic trade areas due to infrequent purchase habits. In recent times, the tenants looking to locate in bulky goods/large format areas has expanded, given that retail tenants such as sporting goods, toy stores, camping equipment, etc. trade in a similar manner, attracting low market shares across broad regions.
- iii. Consequently, 'retail showroom' and mini-major tenants (retail tenants with floorspace of 400 sq.m or greater) are suited to locations like bulky goods centres, which are typically in extremely high profile, main road locations and, therefore, receive excellent exposure to passing traffic and are easily accessible from both a local and regional perspective.
- iv. The co-location of facilities in a single centre or precinct generally results in a benefit to the consumer as well, with customers preferring to cross-shop, to compare prices and products more easily. This has been an increasing trend within the Australian retail environment.
- v. Large format retail/homemaker centres, as an asset class, have experienced significant growth over the past decade with the population and housing boom in Australia.
- vi. Large format retail/homemaker expenditure is defined to include categories such as:
  - Outdoor Furniture and BBQ Stores
  - Household Appliance Stores
  - Computer and Electronic Stores
  - Windows, Doors and Lighting Stores
  - Hardware and Home Maintenance Supplies
  - Furniture Stores
  - Home Decoration
  - Baby Goods Stores
  - Manchester Stores
  - Outdoor Adventure
  - Sporting Goods Stores
  - Motor Vehicle Accessories
  - Pet Stores
  - Toy Stores

- vii. The provision (number) of large format retail operators varies between different chains, with Table 3.1 outlining key national large format retail brands represented throughout each sector (noting there are no large format retail operators within the secondary south sector and the primary sector facilities offer residents in this sector the closest large format retail options), the Townsville LGA (main trade area), and Rest of Queensland. As indicated, the provision of large format retail brands ranges between 50,000 to more than 200,000 persons dependent on the brand. This analysis is indicative only, given that there are likely gaps within each brands network across such a large geographical area.
- viii. As shown, there are limited operators that do not currently operate within the Townsville market and also limited national operators who typically operate two stores in a region with around 200,000 persons.

## 3.2. Large Format Retail Expenditure

- i. Chart 3.1 highlights the large format retail spend per capita by category with Toy Stores, Baby Goods Stores, Manchester Stores, Sporting Goods, Outdoor Adventure, and Pet Stores per capita spend higher across the primary sector than the Rest of Queensland benchmark. Overall, the per capital large format retail expenditure across the primary sector (\$3,223) and main trade area (\$3,145) is slightly lower than the Rest of Queensland benchmark (\$3,394).
- ii. Table 3.2 outlines the total level of large format retail/homemaker retail spending by trade area sector. As shown, total large format retail expenditure is currently estimated at \$596.8 million and is projected to increase at an average annual growth rate of 3.0% to \$1.15 billion by 2046.
- iii. Table 3.3 provides a breakdown of the large format retail/homemaker retail spending by category. As shown, Hardware Home Maintenance Supplies comprise the largest component of the large format retail/homemaker retail spending market at \$170.5 million (29% of total).

## 3.3. Existing Facilities

- i. Table 3.4 details the provision of major large format retail/showroom locations within the main trade area, with Map 3.1 illustrating the location of facilities. As shown, there is a wide range of large format retail centres and other large format retailers dispersed throughout the Townsville urban area.
- ii. Across the Townsville Urban Area, the most significant provision of large format retail facilities are located within two key precincts, namely Garbutt and Idalia. Main centres within these precincts include:

#### Idalia

- Fairfield & Co. (6,000 sq.m) includes large format tenants, Beacon Lighting, Lincraft, Petbarn, Pillow Talk, Lifeline, Rivers, Totally Toy, TradeLink, Nutrition Warehouse, Haymans Electrical, and City Cave. The centre also comprises a range of entertainment and non-retail showroom uses such as World Gym, GreenCross Vets, Queensland X-Ray, Chipmunks (expected to open soon), Fish N Flips swim school, Urban Climb, X-Golf, FitStop, and Lighten Up Yoga.
- Bunnings Warehouse is adjacent Fairfield & Co.
- Bridgestone Select and Reece Plumbing on a small side street off Lakeside Drive.

#### Garbutt

- Domain Central (52,700 sq.m) is anchored by Harvey Norman, The Good Guys, JB Hi-Fi and Nick Scali. A total of 21 tenants are provided.
  - A range of other large format retail tenants are also provided opposite Domain Central including Bunnings Warehouse, Amart Furniture, Snooze, Pets Domain and RSEA Safety.
  - Townsville Mega Centre (9,500 sq.m) is anchored by Beacon Lighting, Rebel Sport and Pet Barn.
  - Spotlight Centre (7,200 sq.m) is anchored by Spotlight, Anaconda, and Road Tech Marine.
  - A large format strip along Dalrymple Road, containing tenants Clark Rubber, Repco, Party Time and Carpet One.
- iii. Additionally, several smaller large format retail precincts or strips are also provided within the main trade area, including:
- Office works, and Super Cheap Auto are provided on **Charters Towers Road**.
  - **Woolcock Street** includes Fantastic Furniture, Toyworld, Betta Home Living, Chipmunks and more.
  - **Ingham Road**, which includes large format retailers, Mitre 10, Carpet Court, Jaycar Electronics and Solomon Flooring.
  - Harvey Norman Commercial, Hayman's Electrical Kirwan, Petbarn, Super Cheap Auto and Repco are provided in **Thuringowa/Kirwan**, around 13.0 km west of the subject site.
- iv. Other large format retail facilities are located more than 15 km from the subject site and are of limited competitive relevance.

### 3.4. Proposed Facilities

- i. Within the primary sector there is only one planned large format retail development of relevance to the subject site, namely future stages of Fairfield & Co.
- ii. Fairfield & Co. have recently finished stage 4 and Stage 5 including the recently opened KFC, soon to be open Banjo's Bakery, and AEIOU Childcare, however, have yet to commence stage 3 (which includes 6,500 sq.m of large format retail floorspace). A new development application has been lodged for a BTR residential development on the site previously approved for stage 3, therefore stage 3 may not include the same level of large format retail floorspace and could more likely include ground level retail tenancies. Stage 6 has committed tenants including, Toyota and Lexus showrooms as well as tenancies ranging from 200 sq.m and upwards. Fairfield & Co is provided ~0.5 km by road to the north of the subject site.
- iii. PetStock is currently under construction at Fairfield Central and is expected to open early 2025.
- iv. Other Large format retail and showroom developments planned within the remainder of the Townsville Urban Area (main trade area) include:
  - Hervey Range Road Thuringowa Central have submitted a development application for an industrial and commercial building comprising of two warehouses (1,730 sq.m).
  - Market Garden Plaza is currently under construction opposite North Shore Marketplace (~18.5 metres to the north-west) the centre is planned to include an Aldi supermarket (1,797 sq.m), large format retail tenants (2,166 sq.m - proposed tenants currently include Petstock and My Car Service Centre.), a childcare centre, as well as a Krispy Kreme and KFC with drive thru. The first full year is assumed to be 2026/27.

### 3.5. Large Format Supply and Demand

- i. As highlighted in Table 3.5, large format retail floorspace within the Townsville Waterpark primary sector is estimated at ~21,000 sq.m. This represents a primary sector provision of ~0.56 sq.m per person, which is below with the Australian provision of 0.7 sq.m of large format retail floorspace per person, reflecting the location of the subject site within the Townsville Urban Area. The main trade area is estimated to comprise ~175,000 sq.m of large format retail floorspace which represents a provision of ~0.9 sq.m per person, (above the Australian provision) reflecting the established nature of the Townsville region within northern Queensland.

## 3.6. Recommendation

- i. Within the Townsville Waterpark primary sector LFR floorspace is estimated at ~21,000 sq.m. This represents a primary sector provision of ~0.56 sq.m per person, which is below with the Australian provision of 0.7 sq.m of large format retail floorspace per person, reflecting the location of the subject site within the Townsville Urban Area.
- ii. The main trade area is estimated to comprise ~175,000 sq.m of large format retail floorspace which represents a provision of ~0.9 sq.m per person, (above the Australian provision) reflecting the established nature of the Townsville region within northern Queensland.
- iii. The provision of large format retail brands ranges between 50,000 to more than 200,000 persons dependent on the brand. Currently, there are limited national brands that do not currently operate within the Townsville market and also limited national brands who would typically operate two stores in a region with around 200,000 persons.
- iv. Over the period to 2046, the primary sector undersupply would increase to over 8,000 sq.m, which could indicate potential for large format retail floorspace at the subject site however this would be highly dependent on securing operators, given the number of operators currently located within the Townsville market.
- v. Alternatively, complementary leisure or apparel stores could be targeted such as City Beach, RipCurl, Rebel, a surf shop or even large format non-retail/entertainment uses such as a gym, bowling, or golf to complement the waterpark facility.

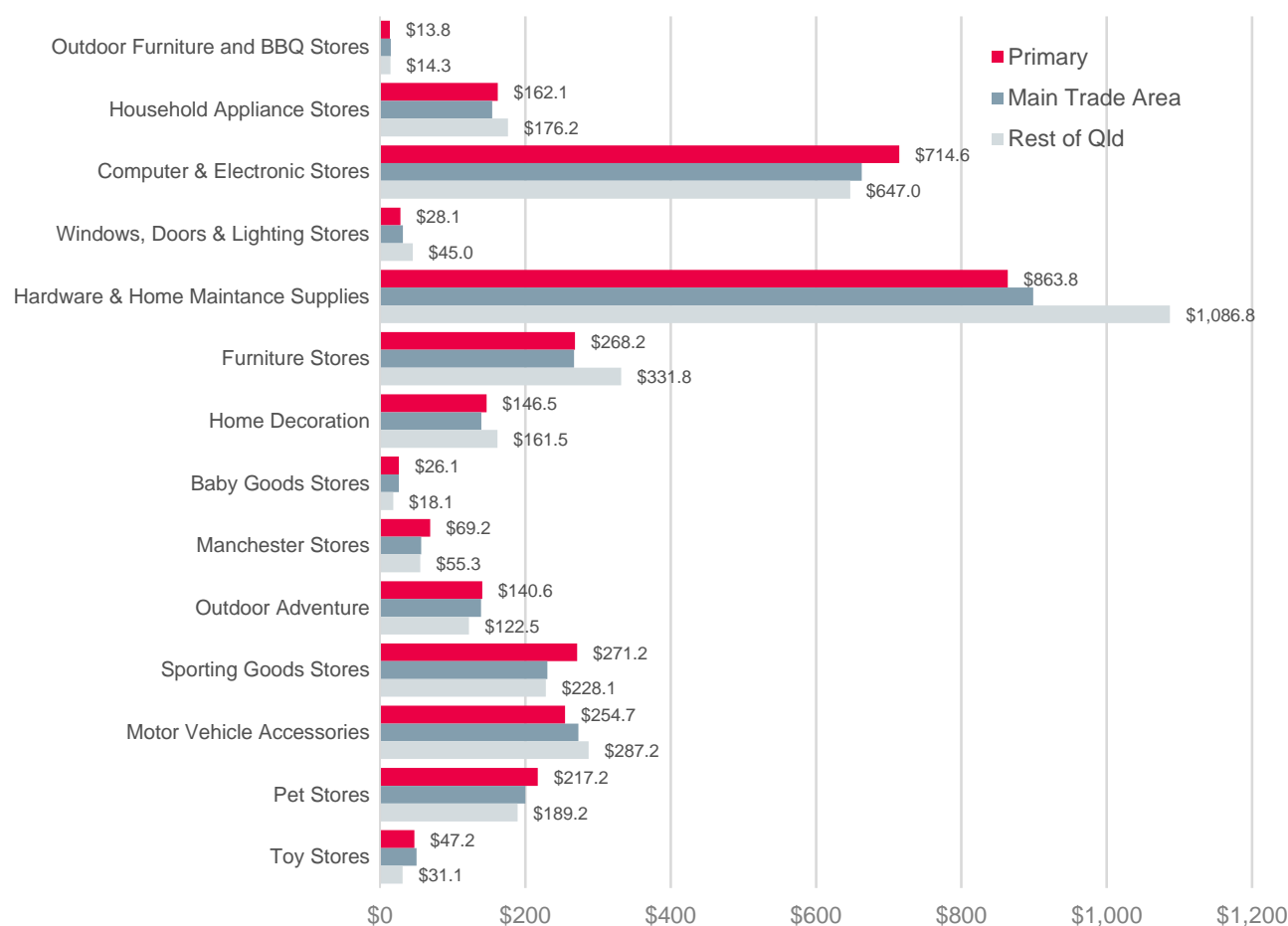


TABLE 3.1. MIAN TRADE AREA AND REST OF QUEENSLAND LAARGE FORMAT RETAIL PROVISION

Brand	Primary & Sec. South Sectors		Secondary North Sector		Townsville LGA (MTA)		Rest of Qld	
	No of Stores	Persons Per Store	No of Stores	Persons Per Store	No of Stores	Persons Per Store	No of Stores	Persons Per Store
<b>Auto</b>								
Repco	0	n.a.	2	74,600	2	100,700	48	57,400
Super Cheap Auto	0	n.a.	4	37,300	4	50,400	46	59,900
Autobarn	0	n.a.	1	149,100	1	201,400	19	144,900
Auto Pro	0	n.a.	0	n.a.	0	n.a.	9	305,900
Auto One	0	n.a.	1	149,100	1	201,400	n.a.	n.a.
<b>Electrical</b>								
Harvey Norman	0	n.a.	1	149,100	1	201,400	28	98,300
Betta Home Living	0	n.a.	0	n.a.	0	n.a.	35	78,700
Beacon Lighting	1	41,600	1	149,100	2	100,700	15	183,600
The Good Guys	0	n.a.	1	149,100	1	201,400	13	211,800
Jaycar Electronics	0	n.a.	1	149,100	1	201,400	18	153,000
<b>Bedding</b>								
Forty Winks	0	n.a.	1	149,100	1	201,400	10	275,300
Snooze	0	n.a.	1	149,100	1	201,400	8	344,200
<b>Furniture</b>								
Fantastic Furniture	0	n.a.	1	149,100	1	201,400	11	250,300
Amart Furniture	0	n.a.	1	149,100	1	201,400	10	275,300
Nick Scali Furniture	0	n.a.	1	149,100	1	201,400	7	393,400
Freedom Furniture	0	n.a.	0	n.a.	0	n.a.	4	688,400
<b>Hardware</b>								
Bunnings Warehouse	1	41,600	2	74,600	3	67,100	36	76,500
Mitre 10	0	n.a.	0	n.a.	0	n.a.	68	40,500
Home Timber & Hardware	0	n.a.	0	n.a.	0	n.a.	23	119,700
Thrifty Link	0	n.a.	0	n.a.	0	n.a.	6	458,900
<b>Homewares</b>								
Carpet Court	0	n.a.	1	149,100	1	201,400	17	162,000
Adairs	0	n.a.	3	49,700	3	67,100	20	137,700
Choices Flooring	0	n.a.	0	n.a.	0	n.a.	13	211,800
Carpet Call	0	n.a.	1	149,100	1	201,400	7	393,400
<b>Miscellaneous</b>								
Petbarn	1	41,600	3	49,700	4	50,400	26	105,900
Officeworks	0	n.a.	1	149,100	1	201,400	14	196,700
Pet Stock	0	n.a.	1	149,100	1	201,400	18	153,000
Spotlight	0	n.a.	1	149,100	1	201,400	15	183,600
Barbeques Galore	0	n.a.	1	149,100	1	201,400	13	211,800
Clark Rubber	0	n.a.	1	149,100	1	201,400	8	344,200
<b>Outdoor</b>								
BCF	0	n.a.	2	74,600	2	100,700	25	110,100
Anaconda	0	n.a.	1	149,100	1	201,400	13	211,800
Macpac	0	n.a.	0	n.a.	0	n.a.	1	2,753,500
<b>Total LFR Provision</b>	<b>3</b>	<b>13,870</b>	<b>35</b>	<b>1,190</b>	<b>38</b>	<b>5,300</b>	<b>604</b>	<b>4,600</b>

Source: Location IQ Database

CHART 3.1. LARGE FORMAT RETAIL EXPENDITURE PER CAPITA, 2023/24



Source: CommBank iQ; Location IQ

TABLE 3.2. MAIN TRADE AREA LARGE FORMAT RETAIL EXPENDITURE, 2024 – 2046

Y/E June	Primary Sector	Secondary Sectors		Main TA
		North	South	
2024	120.3	458.7	17.7	596.8
2026	125.6	482.2	19.6	627.4
2028	132.5	512.1	22.1	666.6
2031	143.4	560.6	26.4	730.3
2036	163.4	652.0	37.1	852.5
2041	185.1	756.8	50.0	991.9
2046	209.4	876.3	65.3	1,151.0
<b>Expenditure Growth</b>				
2024-46	89.1	417.5	47.6	554.2
<b>Average Annual Growth Rate</b>				
2024-46	2.6%	3.0%	6.1%	3.0%

\*Inflated dollars & including GST

Source : CommBank iQ, Location iQ

TABLE 3.3. MAIN TRADE AREA LARGE FORMAT RETAIL EXPENDITURE BY CATEGOREY

Y/E June	Outdoor Furniture & BBQ Stores	H'hold Appliance Stores	Computer & Electronic Stores	Windows, Doors & Lighting	Hardware Home Maintenance Supplies	Furniture Stores	Home Decoration	Baby Goods Stores	Manchester Stores	Outdoor Adventure	Sporting Goods Store	Motor Vehicle Accessories	Pet Store	Toy Store	Total LFR
2024	2.8	29.3	125.8	6.0	170.5	50.7	26.5	4.9	10.8	26.4	43.7	51.8	37.9	9.6	596.8
2026	3.0	30.8	132.2	6.3	179.3	53.3	27.8	5.2	11.3	27.8	46.0	54.4	39.9	10.1	627.4
2028	3.2	32.7	140.4	6.7	190.6	56.6	29.6	5.5	12.0	29.5	48.8	57.9	42.5	10.7	666.6
2031	3.5	35.8	153.7	7.3	209.1	61.9	32.4	6.0	13.1	32.3	53.5	63.4	46.7	11.7	730.3
2036	4.0	41.7	178.9	8.5	244.5	72.2	37.8	7.0	15.3	37.7	62.3	74.2	54.9	13.6	852.5
2041	4.7	48.4	207.7	9.9	285.1	83.8	43.9	8.2	17.7	43.8	72.4	86.4	64.2	15.8	991.9
2046	5.4	56.1	240.4	11.4	331.4	97.1	50.9	9.5	20.5	50.8	83.9	100.4	75.0	18.3	1,151.0
Expenditure Growth															
2024-46	2.6	26.8	114.6	5.5	160.9	46.4	24.4	4.5	9.8	24.4	40.1	48.6	37.0	8.7	554.2
Average Annual Growth Rate															
2024-46	3.0%	3.0%	3.0%	3.0%	3.1%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.1%	3.1%	3.0%	3.0%

*\*Inflated dollars & including GST  
Source : CommBank iQ, Location iQ*

TABLE 3.4. LARGE FORMAT RETAIL FACILITIES

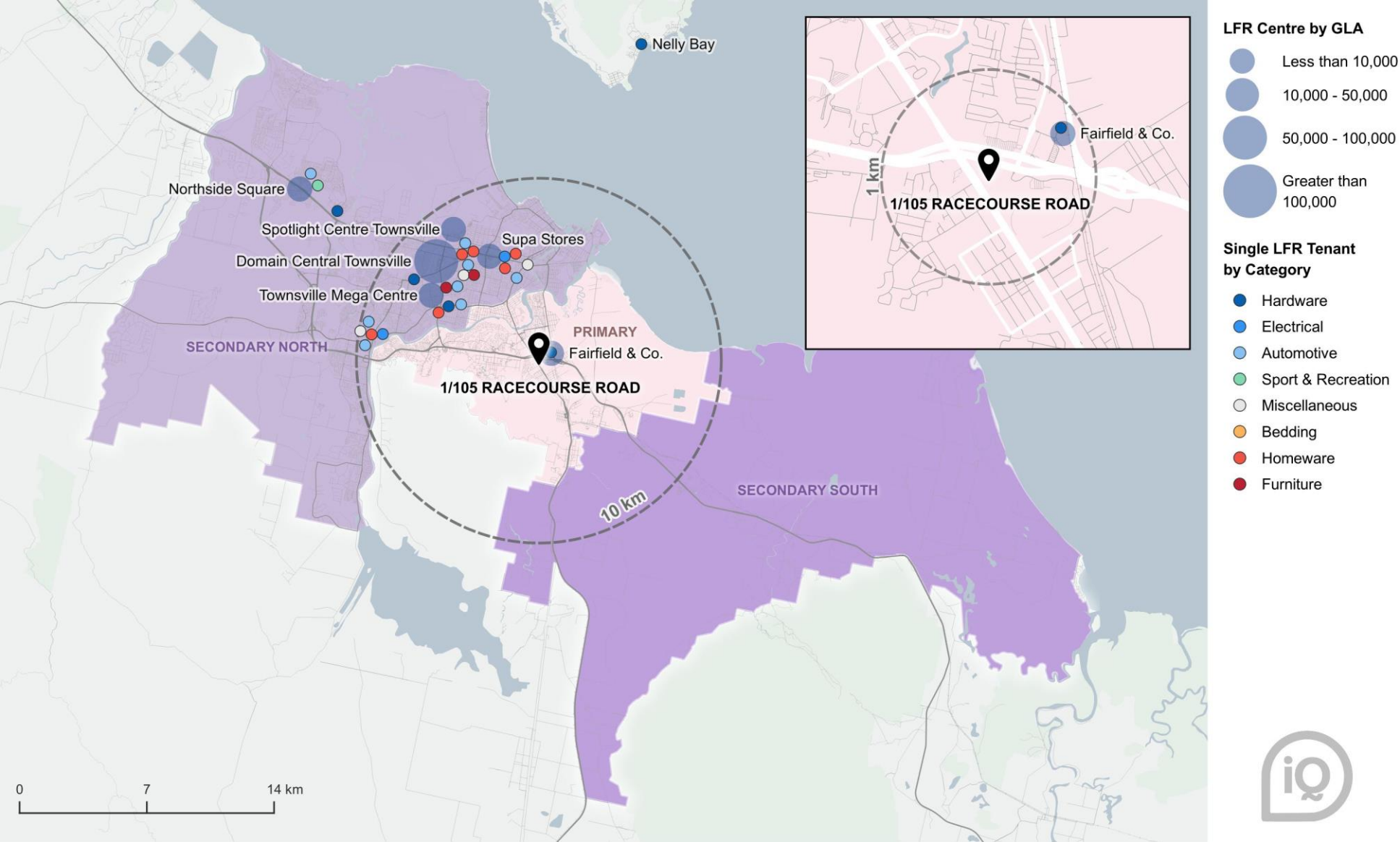
Centre	Shopfront GLA (sq.m)	Anchor Tenants	Dist. From Site (km)
<b>Large Format Retail within the Main Trade Area</b>			
<u>Idalia</u>	<u>20,800</u>		<u>0.5</u>
• Fairfield & Co	6,000	Beacon Lighting, Lincraft, Petbarn, Pillow Talk	
• Idalia	13,600	Bunnings Warehouse	
• Other	1,200	Bridgestone Select, Reece Plumbing	
Charters Towers Road	3,300	Officeworks, Supercheap Auto, Auto One	7.0
<u>Woolcock Street</u>	<u>26,600</u>		<u>9.4</u>
• Hyde Park SC	10,000	Betta Home Living, Tropic Living	
• Lakes Central	9,000	Playtime Adventure Land	
• Woolcock St Supa Stores	7,600	Fantastic Furniture, Intersport, 4WD Supacentre	
<u>Garbutt</u>	<u>96,800</u>		<u>9.5</u>
• Domain Central Townsville	52,700	Adairs, Baby Bunting, Barbeques Galore, BCF, Bedshed, Curtain Wonderland, Early Settler Furniture, Eureka Street Furniture, Forty Winks, TK Maxx, Sleepys, Harvey Norman, JB Hi-Fi, Toyworld, Total Tools, Snooze, Pet Stock, Pillow Talk, Plush, Autobarn, Robins Kitchen, The Good Guys	
• Townsville Mega Centre	9,500	Beacon Lighting, Rebel Sport, Petbarn, Supercheap Auto	
• Spotlight Centre	9,600	Anaconda, Spotlight, RTM - Road Tech Marine Townsville	
• Other	25,000	Amart Furniture, Auto One, Bunnings Warehouse, Carpet Call, Repco, Tradelink, Sydney Tools, Reece Bathroom	
<u>Thuringowa/Kirwan</u>	<u>6,000</u>		<u>13.0</u>
• Ryland Place	3,400	Harvey Norman Commercial, Haymans Electrical Kirwan	
• Other	2,600	Petbarn, Supercheap Auto, Repco, Reece Plumbing, Bridgestone Select	
Burdell	14,000	Bunnings	18.3
Northside Square	8,000	Petbarn, BCF, Supercheap Auto	20.4

Source: Location IQ Database

TABLE 3.5. LARGE FORMAT RETAIL FLOORSPACE SUPPLY AND DEMAND

	2024	2026	Financial Year		2041	2046	Diff. 2024-46
			2031	2036			
Population							
Primary Sector	37,459	37,959	38,959	39,959	40,709	41,459	4,000
Main Trade Area	190,728	194,528	204,528	215,528	226,278	237,028	46,300
Large Format Retail Floorspace Demand (@0.7 sq.m per person)							
Primary Sector	26,221	26,571	27,271	27,971	28,496	29,021	2,800
Main Trade Area	133,510	136,170	143,170	150,870	158,395	165,920	32,410
Large Format Retail Estimated Supply (sq.m)							
Primary Sector	20,800		6,500				
Main Trade Area	175,500		10,396				
Large Format Retail Under/Over Supply (sq.m)							
Primary Sector	-5,421	-5,771	29	-671	-7,696	-8,221	-2,800
Main Trade Area	41,990	39,330	42,726	35,026	27,501	19,976	-22,014

MAP 3.1. LARGE FORMAT RETAIL FACILITIES





# 4 Fast Food

## 4.1. Overview

- i. In Australia, the food catering market (comprising fast food and take-away food stores) is a \$25.3 billion industry, comprising in excess of 26,600 businesses. There are a range of competitors within the market, of which the major ones include:
  - **McDonald's Australia:** operate around 1,000 stores and holds an estimated 22.5% market share (\$5.7 billion revenue).
  - **Competitive Foods Australia:** ~460 Hungry Jacks stores and holds an 9.5% market share (\$2.4 billion revenue).
  - **Yum! Restaurants:** include approximately 430 KFC stores, with an estimated 8.7% market share (\$2.2 billion revenue).
  - **Domino's Pizza:** franchisor of Domino's Pizza stores with a 4.9% market share (\$1.2 billion revenue).
  - **Collins Foods:** operate around 280 KFC stores and 30 Taco Bell stores with a market share of more than 4.9% (\$1.2 billion revenue).
  - **Craveable Brands:** include stores across the Red Rooster, Chicken Treat, and Oporto brands that combine for a market share of around 3.9% (\$978.4 million revenue).
  - **Subway:** franchisor for over 1,000 Subway stores across Australia with a market share of 3.3% (\$838.3 million revenue).
- ii. IBISWorld (August 2024) estimate that by 2027/28, the fast food and takeaway market will exceed \$26.0 billion in revenue across 27,017 businesses (37,413 establishments) and some 239,438 employees (\$7.3 billion in wages).
- iii. The operational aspects of each brand/group vary with some of the key points including:
  - **Hours of trade:** the largest chains, such as McDonald's, often trade 24-hours, 7-days a week, offering specific breakfast, lunch, and dinner menus. With a substantial number of other traders having limited trading hours, providing only breakfast/lunch or lunch/dinner offerings.
  - **Home delivery:** technological advancements, the pandemic, and other delivery services (Uber Eats, Deliveroo, Menulog etc) have driven a rapid increase in online delivery within the industry. This was previously more associated with pizza chains, but now extends to all major operators and even smaller stores, offering them the opportunity to deliver to their customer's homes. These services and platforms have boosted industry revenue, however, have also restricted profit margins – given major partners charge high commission in the order of 35% of the total order value.

- **In-store seating:** several operators provide in-store seating while other facilities have a relatively limited offering. Some brands have begun experimenting with drive-thru/pick up only (no seating) stores in Australia, as well as dark kitchens – which offer delivery services only (no access for the general public).
  - **Drive-thru facilities:** an increasingly important element of food catering restaurants, with up to 70% of a restaurant's sales coming through these facilities. This reinforces their proposition as convenience-based facilities, particularly in the midst of competition from popular food delivery services (Uber Eats, Deliveroo, Menulog etc).
  - **Price Point:** the prices that operators charge varies, with fast food facilities typically charging between \$5 - \$15 per meal. By way of comparison, more traditional cafes and restaurants charging between \$15 - \$25 per meal, while more expensive restaurants and hotels/taverns typically charging in excess of \$25.
  - **Licensed premises** – in Australia, most of the major food catering chains do not include the provision of alcohol, while a range of restaurants and other competing facilities contain licensed premises or offer bring your own (BYO) services.
- iv. The vast difference in offerings between the various brands and groups means that the customer segments each store services can vary significantly depending on location, meal-time, the group who people are dining with (family vs. friends vs. alone), and day of the week.
  - v. The provision (number) of food catering operators varies between different chains, with Table 4.1 outlining key national fast-food brands represented throughout each sector (noting there are no fast-food operators within the secondary south sector and the primary sector facilities offer them the closest fast-food options), the Townsville LGA (main trade area), and Rest of Queensland. As indicated, the provision of fast-food restaurants ranges between 20,000 to more than 100,000 persons dependent on the brand. This analysis is indicative only, given that there are likely gaps within each brands network across such a large geographical area.
  - vi. As shown the primary and secondary south sectors major national tenants that could be targeted now include McDonalds, Domino's, and Boost Juice, other tenants that may consider the subject site in the medium to longer term include, Red Rooster and Oporto - who does not currently have a drive through store in Townsville.

## 4.2. Food Catering Expenditure

- i. Chart 4.1 details the primary sector and main trade area per capita spending on food catering, as compared with the Rest of Queensland average for 2023/24. As shown, the primary sector food catering spending is around 15.7% higher than the benchmark and the main trade area food catering spending is 7.9% higher than the benchmark.
- ii. Table 4.2 details the size of the food catering market for both the primary sector and main trade area. The food catering spend market is \$83.6 million across the primary sector and \$411.8 million across the main trade area. All figures presented in this report are in inflated dollars and include GST. Over the period to 2046 food catering expenditure is projected to increase to \$165.1 million and \$899.1 million across the primary sector and main trade area respectively.
- iii. Table 4.3 highlights expenditure for key food catering categories for the main trade area. Over the period to 2046 expenditure is projected to increase at an average annual growth rate of 4.0% per annum.

## 4.3. Food Catering Competition

- i. Map 4.1 illustrates the location of key major fast-food operators, indicating there are a number of facilities throughout the primary sector, with a range of tenants focused in and around Fairfield Central, The Precinct, as well as along major arterial routes. In the broader Townsville Urban Area, the largest concentration of fast-food operators are provided at the major shopping centres and within the Townsville CBA (Map 4.2).
- i. The subject site is in proximity to entertainment and convenient retail facilities, provided to the north. These types of facilities help activate the site and serve the broader region.
- ii. Food catering floorspace should aim to provide a convenience-based offer with easy access to passing traffic and morning through lunchtime meal services. Food catering tenants generally prefer to locate within dining precincts in larger shopping centres or along busy retail strips - with easy access to passing pedestrian traffic and after-hours meal services (i.e. outside regular trading hours), also benefiting from excellent accessibility and visibility.
- iii. On average across the Townsville LGA, one nationally branded fast-food restaurant (represented brands) is provided for approximately every 2,100 persons, indicating that the primary sector and main trade area can support around 18 and 90, based on a population level of 37,459 and 190,728, respectively. By 2046, the primary sector and main trade area could support up to 20 and 112 nationally branded fast-food operators. Workers and visitors to the region would add to this demand.
- iv. Zarraffa's Coffee and Guzman y Gomez are PAD sites (an outparcel or freestanding parcel of commercial real estate often located outside of a shopping centre) at Fairfield Central and KFC on the corner of Lakeside Drive and Darcy Drive which has recently opened are the nearest drive through fast food tenants, to the subject site. Banjo's Bakery Café is also under construction north of the KFC and is expected to open mid-December.
- v. Given the location of the development, additional food catering tenants as well as fast food tenants who operate PAD sites could be targeted. Food catering tenants such as McDonald's, Oporto, and a drive through coffee shop could be targeted. Boost Juice also operates a drive-thru site in Garbutt and could also be considered for the Townsville Waterpark site.

## 4.4. Recommendation

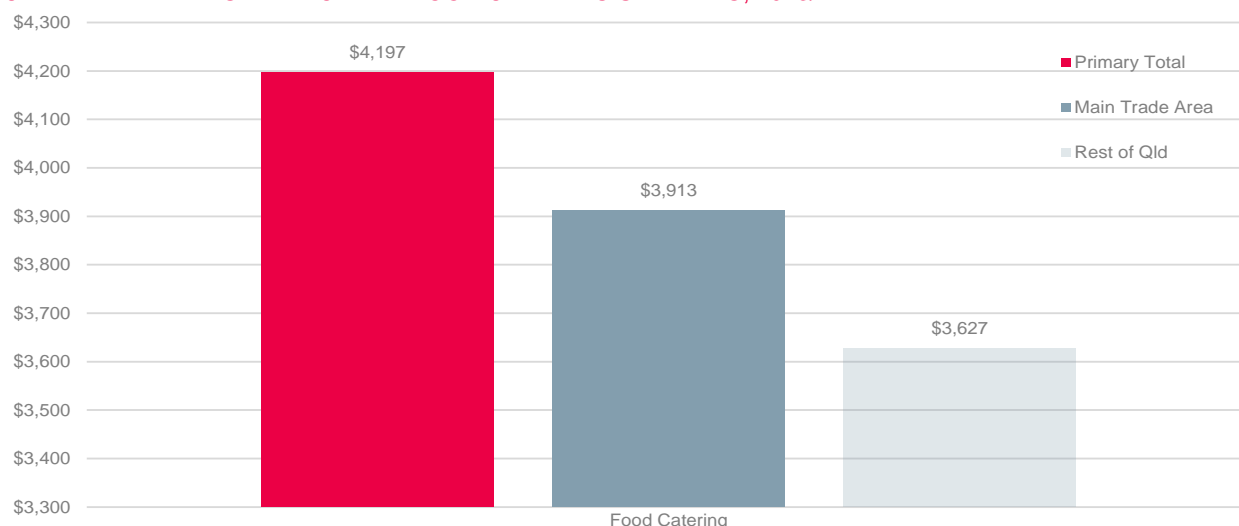
- i. On average across the Townsville LGA, one nationally branded fast-food restaurant (represented brands) is provided for approximately every 2,100 persons.
- ii. The primary sector and main trade area can support around 18 and 90, based on a population level of 37,459 and 190,728, respectively. By 2046, the primary sector and main trade area could support up to 20 and 113 nationally branded fast-food operators. Workers and visitors to the region would add to this demand.
- iii. There is strong potential for fast food (drive-thru) uses at the subject site given the current undersupply across the primary sector, planned population growth in the region, and the solid passing traffic volumes along Racecourse Road and Sturt Drive.
- iv. Three - Four drive-thru facilities, with a combined GLA of 600 – 900 sq.m are considered supportable at the subject site. The key tenant to attract would be McDonalds, given they only operate one store in the primary and secondary south sectors combined. Other major national tenants that could be targeted include Domino's, and Boost Juice.
- v. Other tenants that may consider the subject site in the medium to longer term include, Red Rooster and Oporto (Oporto does not currently operate a drive thru store in Townsville).
- vi. Independent operators could also be considered such as a drive thru coffee shop as well as cafes and restaurants to create a dining precinct, similar to The Precinct .in Fairfield Waters

TABLE 4.1. MIAN TRADE AREA AND REST OF QUEENSLAND FAST FOOD PROVISION

Brand	Primary & Sec. South Sectors		Secondary North Sector		Townsville LGA (MTA)		Rest of Qld	
	No of Stores	Persons Per Store	No of Stores	Persons Per Store	No of Stores	Persons Per Store	No of Stores	Persons Per Store
Subway	4	10,400	10	14,900	14	14,400	150	18,400
McDonald's	1	41,600	9	16,600	10	20,100	122	22,600
Domino's Pizza	1	41,600	8	18,600	9	22,400	100	27,500
Boost Juice	0	n.a.	4	37,300	4	50,400	35	78,700
KFC	2	20,800	7	21,300	10	20,100	87	31,600
Red Rooster	1	41,600	6	24,900	7	28,800	61	45,100
Hungry Jacks	2	20,800	4	37,300	6	33,600	54	51,000
Pizza Hut	1	41,600	3	49,700	4	50,400	42	65,600
The Coffee Club	0	n.a.	5	29,800	5	40,300	50	55,100
Zambrero	2	20,800	5	29,800	7	28,800	32	86,000
Oporto	0	n.a.	1	149,100	1	201,400	12	229,500
Guzman Y Gomez	1	41,600	3	49,700	4	50,400	30	91,800
Gloria Jean's Coffee	0	n.a.	0	n.a.	0	n.a.	17	162,000
Grill'd	1	41,600	2	74,600	3	67,100	16	172,100
Sushi Sushi	0	n.a.	3	49,700	3	67,100	10	275,300
Nando's	1	41,600	0	n.a.	1	201,400	7	393,400
Soul Origin	0	n.a.	1	149,100	0	n.a.	4	688,400
Crust	0	n.a.	1	149,100	1	201,400	3	917,800
Roll'd	0	n.a.	0	n.a.	0	n.a.	7	393,400
Jamaica Blue	0	n.a.	1	149,100	1	201,400	18	153,000
Baskin Robbins	0	n.a.	2	74,600	2	100,700	21	131,100
Zarrafra's Coffee	2	20,800	2	74,600	4	50,400	32	86,000
Mad Mex	0	n.a.	0	n.a.	0	n.a.	1	2,753,500
Schnitz	0	n.a.	0	n.a.	0	n.a.	5	550,700
Sushi Train	0	n.a.	0	n.a.	0	n.a.	17	162,000
Carl's Jr	0	n.a.	0	n.a.	0	n.a.	4	688,400
Rashay's	0	n.a.	0	n.a.	0	n.a.	1	2,753,500
Taco Bell	0	n.a.	0	n.a.	0	n.a.	1	2,753,500
La Porchetta's	0	n.a.	0	n.a.	0	n.a.	2	1,376,700
Hog's Breath Café	0	n.a.	0	n.a.	1	201,400	11	250,300
Shingle Inn	0	n.a.	0	n.a.	0	n.a.	3	917,800
Max Brenner's Chocolate Bar	0	n.a.	0	n.a.	0	n.a.	4	688,400
Pizza Capers	0	n.a.	0	n.a.	0	n.a.	3	917,800
Salsa's Fresh Mexican	0	n.a.	0	n.a.	0	n.a.	0	n.a.
Stellarossa	0	n.a.	0	n.a.	0	n.a.	5	550,700
SumoSalad	0	n.a.	0	n.a.	0	n.a.	1	2,753,500
<b>Total Fast Food Provision</b>	<b>19</b>	<b>1,840</b>	<b>77</b>	<b>540</b>	<b>97</b>	<b>2,100</b>	<b>974</b>	<b>2,800</b>

Source: Location IQ Database

CHART 4.1. AVERAGE PER CAPITA FOOD CATERING SPENDING, 2023/24



Source: CommBank IQ

TABLE 4.2. FOOD CATERING EXPENDITURE, 2024 – 2046

Y/E June	Primary Sector	Main Trade Area
2024	83.6	411.8
2026	89.8	445.7
2028	95.6	478.1
2031	105.1	531.4
2036	122.7	635.1
2041	142.4	756.7
2046	165.1	899.1
<b>Expenditure Growth</b>		
2024-46	81.6	487.3
<b>Average Annual Growth Rate</b>		
2024-46	3.1%	3.6%

\*Inflated dollars & including GST

Source : CommBank IQ, Location IQ

TABLE 4.3. MAIN TRADE AREA KEY FOOD CATERING CATEGORIES EXPENDITURE, 2024 – 2046

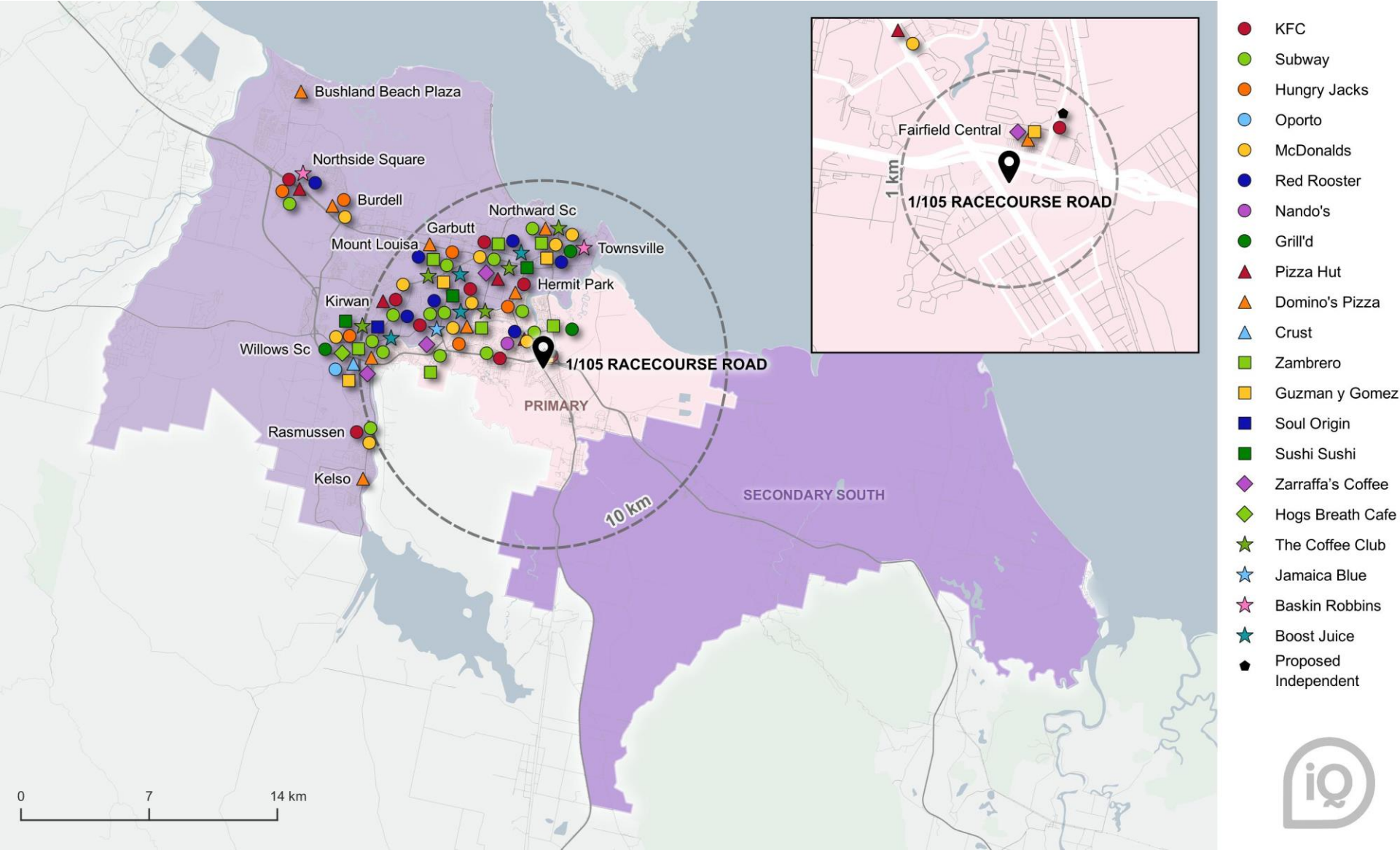
Y/E June	Cafes & Restaurants	Takeaway Food	Pubs, Taverns and Bars	Food Delivery Services
2024	242.5	270.4	163.2	62.4
2026	262.3	292.5	176.6	67.5
2028	284.0	316.7	191.3	73.0
2031	320.1	356.9	215.7	82.2
2036	391.3	436.2	264.0	100.2
2041	476.8	531.5	322.0	121.8
2046	579.7	646.0	391.7	147.7
<b>Expenditure Growth</b>				
2024-46	337.2	375.6	228.5	85.2
<b>Average Annual Growth Rate</b>				
2024-46	4.0%	4.0%	4.1%	4.0%

\*Inflated dollars & including GST

Source : CommBank IQ, Location IQ



MAP 4.1. FAST FOOD TENANTS



MAP 4.2. FOOD CATERING TOWNSVILLE

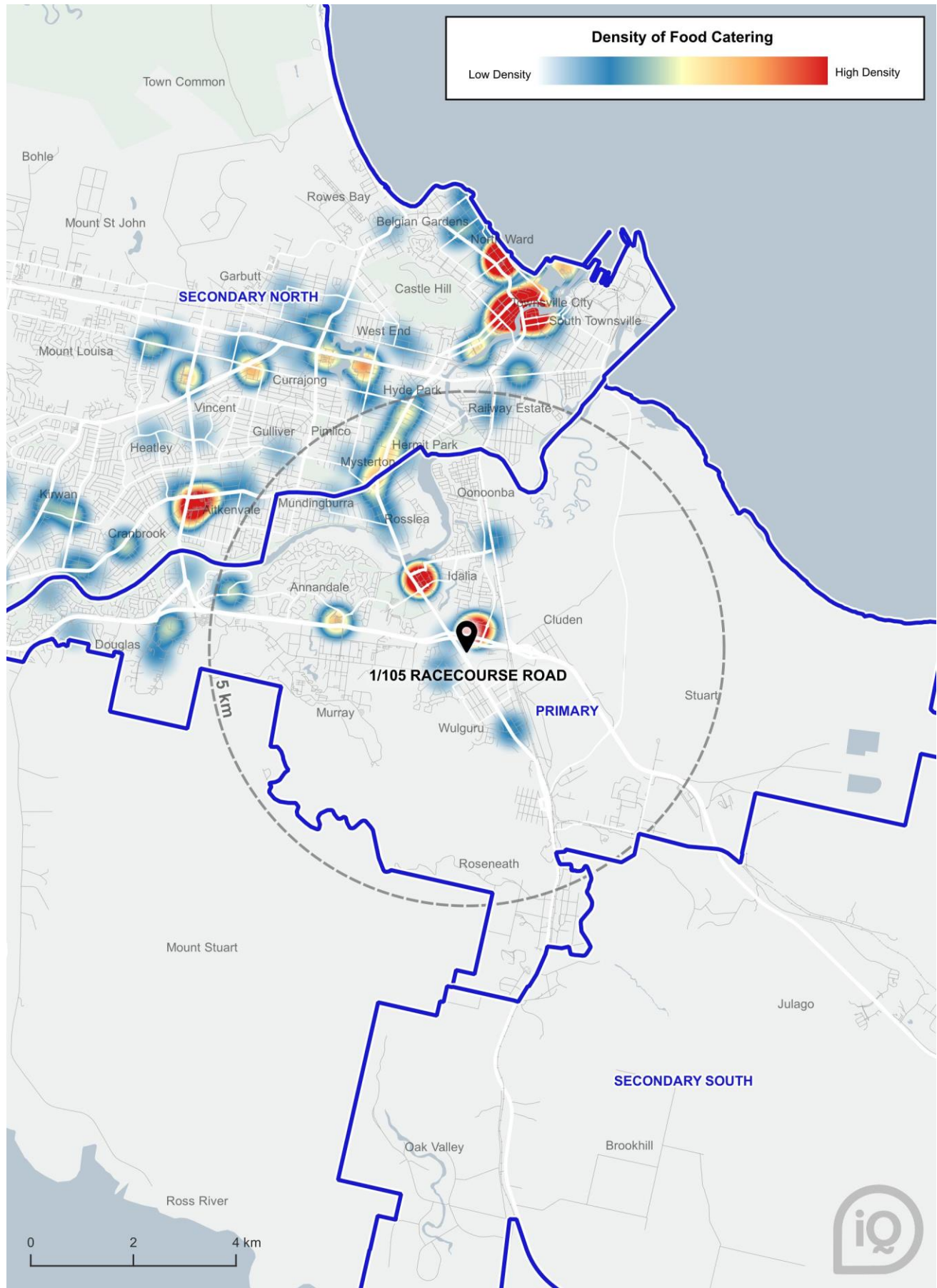


TABLE 4.4. PRIMARY SECTOR FOOD CATERING FACILITIES

Location	Fast Food Outlets	Distance* From Site (km)
<b>Within the Primary Sector</b>		
<u>Idalia</u>		
• Fairfield & Co	KFC, Banjo's Bakery Café (opening mid-Dec)	0.7
• Fairfield central	Donut King, Specialty Coffee Trader, Grill'd, Café Bambini, Guzman y Gomez, Muffin Break, Sandwich Chefs, Three Leaves Bakehouse, Wara Sushi, Zambrero, Zarraffa's Coffee, HappyTea, Domino's, Bap & Roll, Annee's Caphe Sua Da, Motto Motto	0.7
• The Precinct	McDonald's, Red Rooster, Getta Betta, Tori&Co, Italian Job, Summerie's Thai, The Spirited Goat, Nando's, Subway, Cach Song Townsville, Noodle Box, Pizza Hut	2.3
<u>Annandale</u>		3.7
• Annandale Central	KFC, Hungry Jack's, Subway, Angelina's Fine Food	
Mundingburra	Hungry Jack's, Subway	5.4
<u>Douglas</u>		7.3
• Angus Smith Drive	CK Biryani's, Zarraffa's Coffee,	
• Medilink Centra	Zambrero, Subway, The Daily Grindz, Sushi Jenga	
• James Cook University	Campus Coffee, Juliette's Espresso, Aroma Café, K-STREET, Canto Kitchen & Bar, Big Love Espresso, JCU Uni BAR	
• Riverside Boulevard	Riverview Tavern, IDK Coffee Shop	

\* Distance measured by road

Red text indicates drive thru format

Based on desktop survey November 2024

# 5 Summary of Potential

This section of the report provides a summary of the potential for retail uses as part of the Townsville Waterpark site in Cluden. The Location iQ summary of potential is outlined in Table 6.1.

- i. MCK TSV Pty Ltd is proposing a development at 1/105 Racecourse Road in Cluden a suburb within the Townsville LGA, which is the major hub for North Queensland, 350 km south of Cairns, 390 km north of Mackay, and 1,100 km north of Brisbane.
- ii. The development is known as Townsville Waterpark and is planned to include a range of uses across five main precincts as follows:
  - Waterpark and Hotel site: Will include a 3,000-person capacity waterpark including a designated VIP area as well as a Hotel (200 rooms - 15 storey) featuring dedicated conference and event facilities capable of accommodating up to 600-seat banquet style.
  - Development site one: is proposed to include a range of retail and Food catering floorspace.
  - Development sites two, three, and four: may comprise units or large format retail floorspace.
- iii. Overall, the site totals 16.5 ha. (hectares), including the Waterpark and Hotel site (4.6 ha.), development site one (1.3 ha.), site two (2.1 ha.) site three (1.1 ha.) and site four (0.4 ha.). However, due to flooding around 95,632 sq.m will be developable land.
- iv. The project is estimated to cost around \$550 million in total and is expected to be designed similar to Wet 'n' Wild on the Gold Coast. The estimated investment for the waterpark, beach club, and hotel component is \$250 million, with an additional \$300 million required to develop the apartment complexes and address the housing supply needs of the Townsville region.
- v. The operational phase of the development would generate approximately 715 jobs, of which 500 would be direct and 215 through flow-on effects
- vi. The defined main trade area population is currently estimated at 190,730, including 37,459 persons in the primary sector. Over the period to 2046, the Townsville Waterpark main trade area population is projected to increase to 337,030, representing an average annual growth of 1.0%, or around 2,100 persons. The Rest of Queensland average annual growth rate over the same period is 1.3%.

vii. The potential for a range of uses at the subject site are summarised as follows:

#### **Large Format Retail**

- Within the Townsville Waterpark primary sector LFR floorspace is estimated at ~21,000 sq.m. This represents a primary sector provision of ~0.56 sq.m per person, which is below with the Australian provision of 0.7 sq.m of large format retail floorspace per person, reflecting the location of the subject site within the Townsville Urban Area.
- The main trade area is estimated to comprise ~175,000 sq.m of large format retail floorspace which represents a provision of ~0.9 sq.m per person, (above the Australian provision) reflecting the established nature of the Townsville region within northern Queensland.
- The provision of large format retail brands ranges between 50,000 to more than 200,000 persons dependent on the brand. Currently, there are limited national brands that do not currently operate within the Townsville market and also limited national brands who would typically operate two stores in a region with around 200,000 persons.
- Over the period to 2046, the primary sector undersupply would increase to over 8,000 sq.m, which could indicate potential for large format retail floorspace at the subject site however this would be highly dependent on securing operators, given the number of operators currently located within the Townsville market.
- Alternatively, complementary leisure or apparel stores could be targeted such as City Beach, RipCurl, Rebel, a surf shop or even large format non-retail/entertainment uses such as a gym, bowling, or golf to complement the waterpark facility.

#### **Fast Food**

- On average across the Townsville LGA, one nationally branded fast-food restaurant (represented brands) is provided for approximately every 2,100 persons.
- The primary sector and main trade area can support around 18 and 90, based on a population level of 37,459 and 190,728, respectively. By 2046, the primary sector and main trade area could support up to 20 and 113 nationally branded fast-food operators. Workers and visitors to the region would add to this demand.
- There is strong potential for fast food (drive-thru) uses at the subject site given the current undersupply across the primary sector, planned population growth in the region, and the solid passing traffic volumes along Racecourse Road and Sturt Drive.
- Three - Four drive-thru facilities, with a combined GLA of 600 – 900 sq.m are considered supportable at the subject site. The key tenant to attract would be McDonalds, given they only operate one store in the primary and secondary south sectors combined. Other major national tenants that could be targeted include Domino's, and Boost Juice.
- Other tenants that may consider the subject site in the medium to longer term include, Red Rooster and Oporto (Oporto do not currently operate a drive thru store in Townsville).

- Independent operators could also be considered such as a drive thru coffee shop as well as cafes and restaurants to create a dining precinct, similar to The Precinct in Fairfield Waters.
- viii. Overall, the potential for large format retail is limited in the short term, the proposed development plan outlines Precinct Two may include units and this would likely be a better option for the site unless large format retail tenants can be secured.

**TABLE 5.1. LOCATION IQ SUMMARY OF POTENTIAL**

Uses	Potential	Indicative Tenant GLA (sq.m)	Indicative Total Development GLA (sq.m)
Fast Food	High	180 - 250	600 - 900
Large Format Retail	Low - Moderate	500 - 2,000	5,000 - 10,000
<b>Total</b>			<b>5,600 - 10,900</b>





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