
Hervey Bay Property Limited
GPO Box 3121
Brisbane Q 4001

Dear Sirs,

You have asked us to provide a review of the Queensland property market as well as a review of Hervey Bay and Ramada Hervey Bay. This is a summary letter of that review which we consent to being on your web site. However you must read our full report for all information.

We advise this letter is for the sole use of Hervey Bay Property Limited and its Directors, and no other purposes. We understand our final full review letter as opposed to this summary letter is to be included in a Prospectus to be issued by Hervey Bay Investors Limited to which we consent.

We advise that Bill Morris, author of the Midwood Queensland Investment and Prodap Reports has been undertaking property research for over 20 years. The reports are well known and widely subscribed to. They review in detail residential property prices and property trends in Queensland. Full details on the Midwood and Prodap Reports are at www.midwoodaustralia.com and www.prodap.com.

A summary of our letter to be included in the prospectus is as follows :

1. While average house prices in South-East Queensland fell approximately 8-10% during the GFC they have recovered by the same amount at December 2009.
2. Hervey Bay is an emerging tourist destination, which provides an inherently sound investment opportunity in the region.
3. Our property cycle forecasts show an upward trend in house prices expected to peak in 2011/2012.
4. Developments such as the marina expansion at Hervey Bay will be ideal for Ramada Hervey Bay, particularly as it is adjacent to the project.
5. The Queensland economy and its future growth is fundamentally strong.
6. In our view, the Ramada brand adds strength to the project.
7. In comparison to other developments in comparable locations the \$3,750 per square metre price for Ramada Hervey Bay's quality apartments offers value.

Yours faithfully,



Bill Morris
Author, Midwood Queensland Investment and Prodap Reports.