



## Retirement Village Proposal - Financial Summary

### Revenue breakdown

The financial offer available to AGC is:

- \$7,500,000 (incl. GST) in an upfront lease payment.
- 0.25% commission on any referrals AGC make to Aura during the first sale of apartments.
- 0.15% commission on any referrals AGC make to Aura for apartment resales.
- 10% of the Deferred Management Fees (DMF) which Aura receive as the operator.
- \$550 per unit per year (indexed with CPI) as a contribution to AGC Maintenance Budget

Upfront	\$	7,500,000
Yrs 1 - 5	\$	618,000
Yrs 6-10	\$	1,998,000
Yrs 11-15	\$	3,229,000
Yrs 16-20	\$	3,820,000
Yrs 21-25	\$	4,521,000
Yrs 26-30	\$	5,350,000
Yrs 31-35	\$	6,333,000
Yrs 36-40	\$	7,498,000
Yrs 41-45	\$	8,877,000
Yrs 46-50	\$	10,512,000
<b>Total</b>	<b>\$</b>	<b>60,257,000</b>

The table showing the estimated flow of revenue was provided by Aura and is based on the following assumptions:

- AGC refer approximately 20-25 buyers in the initial sale
- Aura are collecting a DMF equal to 30% of the Sale Price of an apartment
- Apartments are resold every 10 years (the industry average is 9 years)
- 3.5% underlying apartment value growth.

As can be seen, the initial upfront payment allows AGC to immediately undertake the proposed major upgrades to the course and the urgent works in the clubhouse. It is the intention of the Board to develop master plans for both the course and our clubhouse facilities which will inform future works, upgrades and renovations for the next 20 years. The DMF payments provide the club financial security and resources to deliver these master plans.

### Short term revenue considerations during construction period expected to begin July 2026 onwards

The Board recognises that we will see impacts on our major revenues (green fees, membership subscriptions, bar, gaming and restaurant) throughout the construction periods. Financial models have been constructed and considered. In short, for every 10% reduction in total revenue there will be an approximate \$191,000 impact on our cashflow annually, assuming all major cost centres and expenses remain at their current levels.

Conservatively, the Board budget a 10% profit annually. Therefore, any drop greater than 10% in revenue would require AGC to draw on cash reserves.

As of the end of May 2025 AGC has approximately \$750,000 cash at bank, noting that this is 9 months through the AGC's September – August financial/subscription year. Approximately \$230,000 of this is considered surplus funds at present.

Should the members vote in favour of the development, the Board will be committed to ensuring we enter the construction period in the best possible financial positions. The Board also recommends that a minimum of \$1 million of the initial lease payment be held as a cash reserve to further mitigate the short term cashflow risks.

It is projected that the total course works will take between 9 and 15 months to complete with approximately 6 months of heavy renovations in this period.

The Board is committed to managing the expenditure of the \$7.5 million initial payment carefully to ensure the promised projects are delivered and the club remains financially stable throughout. The following approximate breakdown is offered as a guide:

GST Payable:	\$681,818
Cash to be held in reserve:	\$1,000,000
Course upgrade:	\$2,800,000
Cart Path network:	\$900,000
Additional course works:	\$900,000
Clubhouse rectification & renovations	\$1,200,000

All expenditure will be monitored by the Finance Sub-Committee and approved by the Board.

The Board recognises that the \$1.2 million allocated to the clubhouse is not sufficient for a full renovation. It is the intention of the Board to develop a master plan for clubhouse and associated facilities which can be delivered in stages over a number of years once DMF payments provide the resources to do so.