

Attachment B - Calculation - Net Sale proceeds – 6 Merioneth St, Arrowtown

6 Merioneth Street – Gain on disposal

Settlement of 6 Merioneth Street (November 2025):

Sale proceeds:	\$2,763,863
less, agent fees on sale	(\$80,069)
Net sale proceeds	\$2,683,794
Asset net book value disposal	(\$629,786)
Net gain on disposal	\$2,054,008

Queenstown Lakes District Council – Extraordinary PX Meeting 08 February 2007 Purchase of Buckingham Street Miners Cottages

Funding of purchase:

Council Reserves:		
Arrowtown Asset Sale Reserve	\$100,145	(5%)
Arrowtown Endowment Reserve	\$429,552	(21%)
Total valuation:	\$529,697	(26%)
Arrowtown Heritage Fund	\$55,359	(3%)
Short-term council loan*	\$1,414,944	(71%)
Total funding	\$2,000,000	

Reimbursement of the Arrowtown reserve at 21% of sale proceeds of 6 Merioneth, represents full reimbursement of the Arrowtown Endowment Land Reserve on the original purchase of all Buckingham Street miners' cottages.

*The annual servicing costs of a loan of \$1.4m loan at 7.5% was estimated to be \$105,000 and would increase rates by around 0.3%. To be added to the Annual Plan budget for 2007/08.

Government valuation at time of purchase (*Basis for calculation of 29% share of proceeds)

59 Buckingham Street	\$300,000	(20%)
61 Buckingham Street	\$400,000	(27%)
65 Buckingham Street	\$345,000	(24%)
6 Merioneth Street	\$435,000	(29%)
Total valuation:	\$1,480,000	

Sale Proceeds

OPTION 3 – allocate on CV split on purchase

Proposed allocation of funds:

- **29% to the Arrowtown Endowment Land Reserve*** **\$595,662**
- Balance of net proceeds to repay debt \$1,458,346
- Subtotal **\$2,054,008**

OPTION 4 – allocate on funding contribution at time of purchase

Proposed allocation of funds:

- **21% to the Arrowtown Endowment Land Reserve*** **\$441,152**
- Balance of net proceeds to repay debt \$1,612,857
- Subtotal **\$2,054,008**

Arrowtown Endowment Land Reserve

OPTION 3 – allocate on CV split on purchase

Opening balance: Arrowtown Endowment Land Reserve:	\$1,161,040
<u>Share of sale of 6 Merioneth Street</u>	<u>\$595,662</u>
Closing balance: Arrowtown Endowment Land Reserve:	\$1,756,702

OPTION 4 – allocate on funding contribution at time of purchase

Opening balance: Arrowtown Endowment Land Reserve:	\$1,161,040
<u>Share of sale of 6 Merioneth Street</u>	<u>\$441,152</u>
Closing balance: Arrowtown Endowment Land Reserve:	\$1,602,192