COMMON EQUITY
CO-OPERATIVE
HOUSING

20 June 2024

Ingrid Dewhurst
North Coast Women's Housing Co-operative Ltd
xanthe.dewhurst@gmail.com

Dear Chair

RE: 2024/25 Company Rent & contribution to the Building & Growth fund

As you are aware Common Equity and the CCA Working Group comprising representatives of the sector have been working through a collaborative process to review the CCA.

This has culminated in the CCA Working Group developing a Recommendations Report which will assist in the development of a new CCA template including a new Company Rent methodology.

You will have received notice that this Working Group Recommendations Report will be launched to the sector on 2 July 2024 including CENSW response and next steps on the development of a new draft CCA template.

Until a new CCA and Company Rent methodology is adopted by the sector we will continue to utilise the existing Company Rent methodology including a contribution to the Building & Growth Fund for those Co-ops where this is applicable.

As you know one of the reasons for the Building & Growth Fund is to assist Co-ops who may require assistance with 'essential' maintenance where for reasons outside their control their existing rental income and reserve funds do not cover this.

We acknowledge that to date guidelines for expending B&G funds have yet to be developed and these funds remain unexpended. However, these funds are being quarantined and will continue to be pooled to be utilised as part of a new CCA Company Rent methodology. CENSW and the sector together will then determine how these funds will be used for maintenance as part of the new CCA process.

Please find attached to this letter your Company Rent calculation and Building and Growth contribution for 2024/25 based on the existing methodology.

Kind regards

Nick Sabel.

Nick Sabel
CEO

Please find below the calculation for your Co-op for the 2024/25 financial year according to the current methodology.

1. Company Rent
   = 60% of your Co-op's estimated rental income for 2024/25
   = 60% x $83,128.33
   = $49,877
   = $4,156.41 ***monthly payment***

   On receipt of the actual figures at the end of the financial year, a one-off annual adjustment will be made.

2. Contribution to Building and Growth fund
   Co-operatives holding cash reserves of $90,000, or more, are asked to contribute to the Sector Building and Growth fund. No contribution required.

If you expect a significantly different estimated rental income for 2024/25 or have any questions regarding how the above figures are derived, please do not hesitate to contact Cindy via email at cindy@commonequity.com.au.