

Spectrum Marine Sales and Marketing Proposal

December 2022

2017 Aquila 36

Dear Owners,

Thank you for the opportunity to present this proposal. We would like to demonstrate the key differences in working with Spectrum Marine and the advantages to be gained by putting your boat on the market with our organisation.

Spectrum Marine is an independently owned marine brokerage who provide a transparent and highly professional sales platform for the boating community.

Spectrum Marine is the home of Integrity Motor Yachts, Whitehaven Motor Yachts and the fantastic Aquila catamarans. Spectrum remain the largest reseller of all our brands in Australia and more importantly since the introduction of Aquila. We can advise that we are the largest seller of Aquila Catamarans outside the USA. We have an extensive knowledge of the boats and maintain a database of people who have expressed interest in the Aquila brand which we can utilise for your campaign

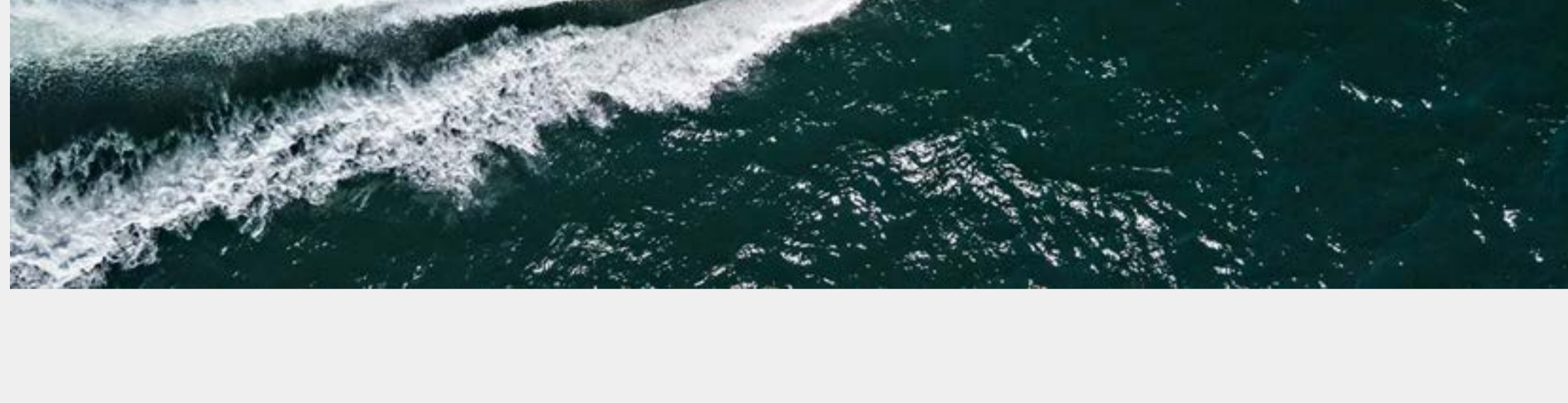
Spectrum have a highly focused sales process which starts by leveraging the latest technology to ensure you get the best response for your boat. A coordinated approach which embraces the latest in digital marketing and utilises social platforms to extend reach for the traditional online listings.

Aside from first class photography we can provide enhanced listing tools such as video walkthroughs, 3D interactive walkthroughs and drone footage to ensure that we present your boat in the best possible way for customers to engage with your listing.

Your Aquila 36

As one of the first two Aquila 36's to arrive in Australia, your boat is quite unique, and as you are aware, the Aquila 36 is the perfect boat to enjoy the environs of Sydney Harbour and beyond. We have Aquila 36's up and down the east coast from Melbourne through to the Whitsunday's, and a strong database of buyers who we can reach with an offer about your boat.

With the open layout and high-speed efficient Mercury Verado 300hp motors this will find a ready market.



The Spectrum Offer

Let us look at what you can expect from the team at Spectrum Marine.

Our Network

Spectrum works with a network of offices around Australia. The Spectrum base in Queensland is supported by offices in central Sydney, at Pier 35 in Melbourne, Hobart, Perth and in Auckland New Zealand.

Each of these offices have a strong connection with the local area and a dedicated database of customers they can use to help sell your boat. The combined extensive experience means you have the best team representing you in each market.

Better Communication

At the core of what we do is effective communication. We know that getting to know you – and becoming experts on your boat in the process will lead to proper representation and, ultimately, a better outcome.

As your representative, you can expect us to give you informed and regular updates throughout the sales process. Whether that be no news or an abundance of updates, we'll make it a point to call, call regularly and keep you updated.

The Best Team

At the heart of our organisation sits our people. All of us are aligned on one common goal; to achieve the best result for you. When we employ, we employ with the Spectrum culture in mind. Our team is fully trained, driven by results and rewarded for their professional conduct.

Exclusive Agreements

Why does this work?

Quite simply, the buck stops with us! We and we alone are solely responsible for the sale of your yacht. Which means that only a proactive, can-do approach will yield the results we all expect. The information fed to the market is generated by one, qualified source rather than competing companies. It means the message to the market can be controlled, correct and consistent.

It also means that we can work with a buyer, at a speed we decide will achieve the best result for you!

That said, we will always collaborate on a sale should another broker introduce a potential buyer, ensuring that you, as our client, are put first every time.

The Spectrum Listing Process

- Inspection of your yacht.
- Proposal with market appraisal.
- Listing agreement documents agreed and signature.
- Discussion of potential pre-sale recommendations
- Confirming inventory
- On water imaging and video
- Begin online campaign

Advertising and Visibility in The Marketplace

We employ a range of digital and web based strategies to promote your boat.

Web

Our strongest method of advertising continues to be web based listings. With a strong level of enquiry coming via our own website www.spectrummarine.com.au which we are continually developing and upgrading, this also reflects a strong capability to drive results from our database.

Your boat will also be showcased on the following sites, selected for their market reach and proven results:

Australian Audience

- boatsonline.com.au
- boatsales.com.au
- yachtthub.com.au
- yachtandboat.com.au (option)

International Listings

- boats.com
- yachtworld.com

Social Media

We use various social media platforms to promote your boat. This effectively pushes the product out to an already engaged and active online community. And as the owner, you can choose to share these posts with your friends to extend your reach.

E-Newsletter

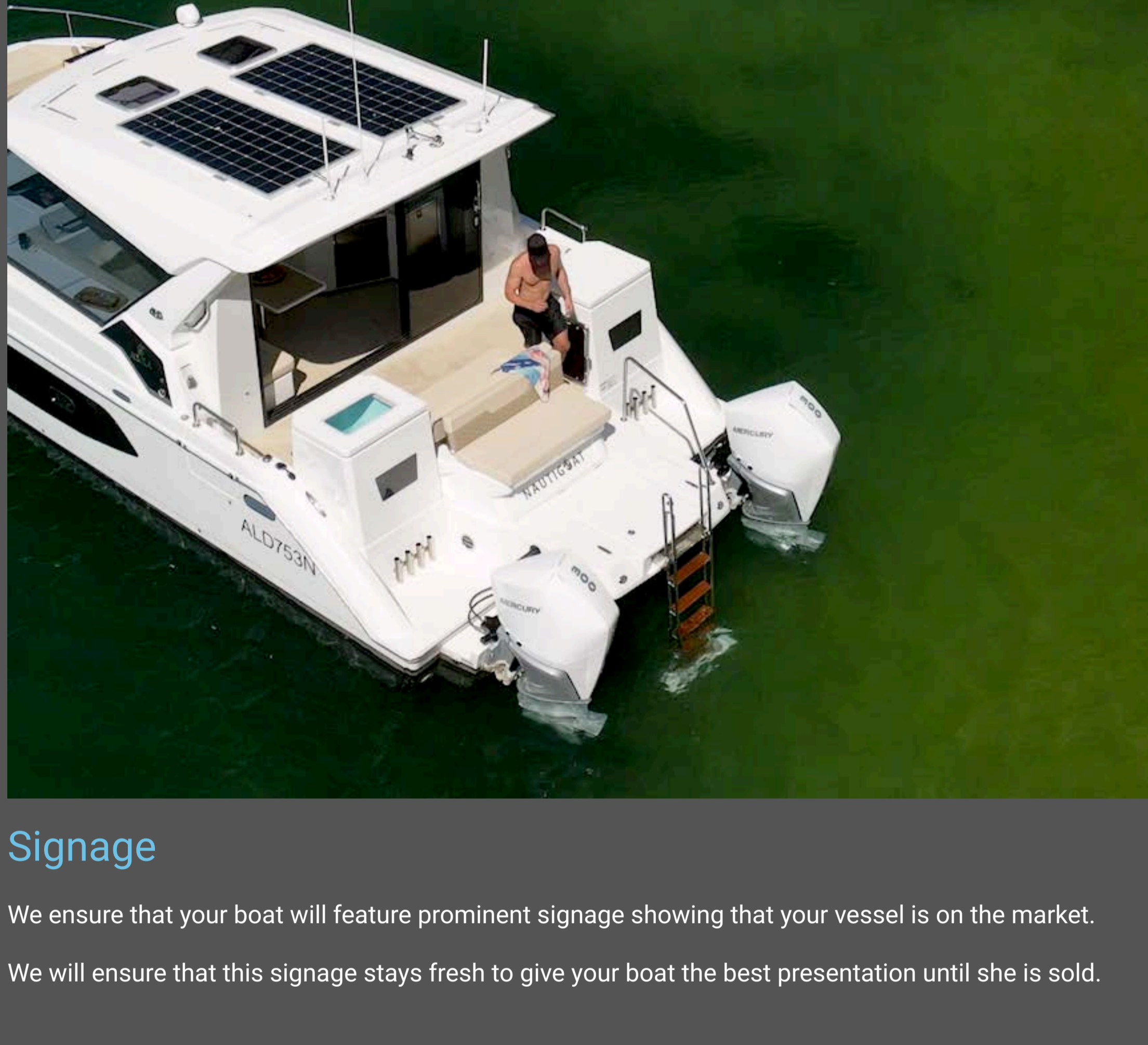
Our regular e-newsletter is an integral part of our marketing schedule. We send just the right numbers of newsletters per year to keep our followers subscribed and informed. Our latest listings newsletters cover exactly that, with relevant editorial and marine event schedules.

Database

With a growing database of over 5,000 engaged and qualified clients, we use this valuable resource to seek out potential buyers. Regular mailings coupled with internal searches can also help us target better leads.

Video and Imaging

We use high quality videos and imaging to ensure the best presentation of every boat we represent. Our videos have a strong following and importantly keep our buyers engaged and committed to your boat. Our images are consistently fresh, captivating, and professional. It is the first impression a buyer has of your boat that leads to a successful campaign and a great result for you!



Signage

We ensure that your boat will feature prominent signage showing that your vessel is on the market.

We will ensure that this signage stays fresh to give your boat the best presentation until she is sold.

What You Really Want To Know

Our Commission structure is expressed in the table below;

Sale Price	Broker fee as % of Sale Price
< \$50,000	15%
\$50,001 - \$100,000	11%
\$100,001 - \$250,000	9.9%
\$250,001 - \$500,000	8.8%
> \$500,000	7.7%
Minimum Fee	\$7,500 plus GST

As Smart Boating Sailors we are happy to offer a discounted fee of 6% +GST

As evidenced in the above literature, we invest strongly in the marketing of your boat. The good news is that all the above costs are covered by Spectrum Marine within the brokerage fee.

Market Appraisal

It would be fair to say that the boating market the past two years has been as strong as we have ever seen. Pre-owned production yachts have generally increased in value around 10% – 20% (unheard off). Of course, a major contributor to strong results has also been the drastic increases in new boat prices; something that won't change any time soon.

That said, in the last few months we have started to see a general softening of enquiry, however it's still too early to know exactly how sales results and values will be affected.

Stock levels are slowly increasing, but still remain fairly low which is a positive element to your listing. Certainly now is a good time to maximise the advantage of relatively high prices still in the market.

To correctly place your A36 in today's market we looked at some current listings and results from recent sales. The A36 is still a very new boat and so there are not many direct resales at this time.

Please see our relevant results below:

Some of our relevant results:

2019 Aquila 36 – Sold by Spectrum Marine \$720,000 inc GST

This boat is obviously the best and most recent example of value of an A36 and we do have contacts that are still active we can approach.

The key differences between this A36 and your own are as follows:

- 2019 vs 2017 – 2 years additional depreciation – Estimate \$50K
- This boat has Full Height Windscreen – \$22k option
- BBQ and Fridge module in Cockpit \$13.5k
- Solar Panels & Smart Inverter system – \$10k
- Dinghy Davits \$8k
- Tender with Motor \$12k
- GPS – Plotter – Navigation pack inc AIS – \$19k
- In Survey standard – \$50k
- Sold as an ongoing business with Income – Estimate \$50K
- In total this boat has \$235k worth of extras not on your boat. Plus the value of the ongoing business.

Current market comparables:

At the moment there are no directly comparable boats, but the following brokerage catamarans will be viewed and pricepoints considered

- 2010 Montebello 41 Power Catamaran Flybridge - \$515,000
- 2006 Voyager 1100 - \$379,000
- 2010 Montebello 41 Power Catamaran Sedan - \$550,000

None of these is a real direct comparison but it does provide an overview of prices people will be reviewing with similar and larger footprints.

So...

Even though the market is somewhat quieter, the relatively low stock still provides an opportunity, to generate interest in your Aquila 36. We also take into consideration that the syndicate ownership will impact the final result compared to a single owner boat – we know this from past results. In the current market and presenting ready for sale, we believe a correct ask price should be **\$525,000** and that a result around **\$495,000 – \$515,000** should be achievable.

THE NEXT STEP

On a final note, the sale of any yacht is a result of a great network of clients, solid, effective marketing, and the ability to keep a transaction moving through transparent and intelligent negotiation.

In summary, we wish to emphasise our great desire to achieve the best possible result in the sale of your vessel.

We look forward to working with you.

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If you have any questions or would like to discuss our proposal in more detail, give us a call.

Otherwise, if you are ready to get started please accept our proposal below and we'll get the ball rolling.