

**Your Step-by-step Guide to**

# **Building Wealth**

**Through Property Investment**

## Property Investment Analysis

### Property Details:

Purchase Price	\$1,000,000
Stamp Duty	\$ 45,000
Legal Expenses	\$ 8,000
Safety Net	\$ 5,000
Total Purchase Costs	\$1,058,000

TOTAL BORROWINGS \$1,058,000

### Income:

Rent: \$770 p/w times 50 weeks (2 weeks vacancy factor) \$38,500

### Less Cash Expenses:

Rates: \$ 3,000

Strate Levies: \$ Nil

Insurances: \$ 2,000

Maintenance: \$ 1,500

Safety Net: \$ 1,000

Sub Total (A) \$\_\_\_\_\_

Annual Interest: \$1,055,000 at 5.69% (B) \$\_\_\_\_\_

Sub Total (A+B) = (C) \$\_\_\_\_\_

**Net Cash Position:** (C-Annual Rent) = (D) \$\_\_\_\_\_

## Other Allowable Deductions

Fixtures and Fittings: \$85,000 at 20%      \$17,000

Building: \$400,000 at 2.5%	\$ 9,000
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Acquisition Costs \$8,000 at 20%	\$ 1,600
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Total Non Cash Deductions (E)      \$\_\_\_\_\_

## Taxation Position

Total Expenses: (D) \$

Less Non Cash Deductions: (E) \$

Total Tax Deduction(D + E) = (F)     \$\_\_\_\_\_

Tax Saving: (F times 47%) (G) \$\_\_\_\_\_

## Cash Position

Cash Expenses: (D) \$\_\_\_\_\_

Less Tax Savings: (G) \$\_\_\_\_\_

NET ANNUAL CASH POSITION: (D-G) = (H) \$

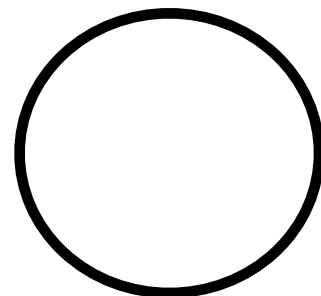
WEEKLY INVESTMENT: (H) divided by 52 weeks \$\_\_\_\_\_

### Assumptions:

Interest only loan at 5.69%

Vacancy factor 3.85%

Personal Tax Rate 45% + Medicare Levy 2%



## **Property Investment Analysis - Brisbane Area**

### **Property Details:**

Purchase Price	\$ 932,350
Stamp Duty	\$ 34,983
Legal Expenses	\$ 8,000
Safety Net	\$ 5,000
Total Purchase Costs	\$ 980,333

TOTAL BORROWINGS     \$ 980,333

### **Income:**

Rent: \$750 p/w times 50 weeks (2 weeks vacancy factor)     \$37,500

### **Less Cash Expenses:**

Rates:     \$ 3,000

Strate Levies:     \$ Nil

Insurances:     \$ 2,000

Maintenance:     \$ 1,500

Safety Net:     \$ 1,000

Sub Total     (A)     \$ \_\_\_\_\_

Annual Interest: \$980,333 at 5.69%     (B)     \$ \_\_\_\_\_

Sub Total (A+B) = (C)     \$ \_\_\_\_\_

**Net Cash Position:**     (C-Annual Rent) = (D)     \$ \_\_\_\_\_

## Other Allowable Deductions

Fixtures and Fittings: \$90,000 at 20%      \$18,000

Building: \$360,000 at 2.5%	\$ 9,000
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Acquisition Costs \$8,000 at 20%	\$ 1,600
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Total Non Cash Deductions (E)      \$\_\_\_\_\_

## Taxation Position

Total Expenses: (D) \$25,780

Less Non Cash Deductions: (E) \$28,600

Total Tax Deduction(D + E) = (F) \$

Tax Saving: (F times 47%) (G) \$ \_\_\_\_\_

## Cash Position

Cash Expenses: (D) \$\_\_\_\_\_

Less Tax Savings: (G) \$ \_\_\_\_\_

NET ANNUAL CASH POSITION: (D-G) = (H) \$

WEEKLY INVESTMENT: (H) divided by 52 weeks \$\_\_\_\_\_

**Assumptions:**

Interest only loan at 5.69%

Vacancy factor 3.85%

Personal Tax Rate 45% + Medicare Levy 2%

Income Guide	Percentage Tax	Tax Saving	You Pay Weekly
\$250,000	45% + 2% Medicare	\$25,558	\$5
\$200,000	37% + 2% Medicare	\$21,208	\$88
\$150,000	30% + 2% Medicare	\$17,401	\$161

## **Property Investment Analysis - NSW Central Coast**

### **Property Details:**

Purchase Price	\$ 971,430
Stamp Duty	\$ 29,548
Legal Expenses	\$ 8,000
Safety Net	\$ 5,000
Total Purchase Costs	\$1,013,978

TOTAL BORROWINGS      \$1,013,978

### **Income:**

Rent: \$825 p/w times 50 weeks (2 weeks vacancy factor)      \$41,250

### **Less Cash Expenses:**

Rates:      \$ 3,000

Strate Levies:      \$ Nil

Insurances:      \$ 2,000

Maintenance:      \$ 1,500

Safety Net:      \$ 1,000

Sub Total      (A)      \$\_\_\_\_\_

Annual Interest: \$1,013,978 at 5.69%      (B)      \$\_\_\_\_\_

Sub Total (A+B) = (C)      \$\_\_\_\_\_

**Net Cash Position:**      (C-Annual Rent) = (D)      \$\_\_\_\_\_

## Other Allowable Deductions

Fixtures and Fittings: \$90,000 at 20%      \$18,000

Building: \$360,000 at 2.5%	\$ 9,000
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Acquisition Costs \$8,000 at 20%	\$ 1,600
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Total Non Cash Deductions (E)      \$\_\_\_\_\_

## Taxation Position

Total Expenses: (D) \$23,945

Less Non Cash Deductions: (E) \$28,600

Total Tax Deduction(D + E) = (F) \$

Tax Saving: (F times 47%) (G) \$ \_\_\_\_\_

## Cash Position

Cash Expenses: (D) \$\_\_\_\_\_

Less Tax Savings: (G) \$ \_\_\_\_\_

NET ANNUAL CASH POSITION: (D-G) = (H) \$

WEEKLY INVESTMENT: (H) divided by 52 weeks \$\_\_\_\_\_

**Assumptions:**

Interest only loan at 5.69%

Vacancy factor 3.85%

Personal Tax Rate 45% + Medicare Levy 2%

Income Guide	Percentage Tax	Tax Saving	You Pay Weekly
\$250,000	45% + 2% Medicare	\$24,696	\$21
\$200,000	37% + 2% Medicare	\$20,492	\$102
\$150,000	30% + 2% Medicare	\$16,814	\$172