

Investment Property Calculator

How To Use: Enter a value in all the YELLOW cells. Press "F9" key if figures do not change after you change anything. You can change values in LIME cells although they are calculated.

Investment

<http://www.investmentpropertycalculator.com.au>

Capital Gain

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Property Costs

Property Price	\$990,000.00
Solicitors' Fee	\$1,500.00
Stamp Duty	\$40,040.00
Land Transfer/Registration Fee	\$1,116.30
Pre-purchase Inspections	\$500.00
Other Cost 1 (You can rename)	\$0.00
Other Cost 2 (You can rename)	\$0.00
Other Cost 3 (You can rename)	\$0.00
Total Property Costs	\$1,033,156.30

Initial Repairs & Renovations

Initial Repairs & Renovations	\$0.00
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Initial Cash Outlay

Total Funds Required	\$1,033,792.60
Less Home Loan Amount	\$792,000.00
= Initial Cash Outlay	\$241,792.60

Outgoings/Expenses

Advertising for Tenants	\$100.00
Body Corporate Fees/Charges	\$4,000.00
Cleaning	\$0.00
Council Rates	\$1,187.00
Gardening/Lawn Mowing	\$0.00
Insurance	\$400.00
Interest on Loan(s)	\$33,264.00
Land Tax	\$0.00
Legal Expenses	\$0.00
Pest Control	\$0.00
Property Agent Fees/Commission	\$5,200.00
Repairs and Maintenance	\$500.00

Income

Weekly Rental	\$800.00
Rented Weeks	50
Annual Rental	\$40,000.00
Gross Rental Yield	4.04%
Net Rental Yield	2.72%
Net Rental Yield (after Interest)	-0.64%
Other Rental Related Income	\$0.00
Gross Rent	\$40,000.00

Deductions Splits (%)

Deductions Investor 1 (%)	50.00%
Deductions Investor 2 (%)	50.00%

Taxable Income (Purchase Year)

Annual Gross Income Investor 1	\$78,832.00
Annual Gross Income Investor 2	\$78,832.00
Less Deductions Investor 1	\$9,760.13
Less Deductions Investor 2	\$9,760.13
= New Assessable Income Investor 1	\$69,071.87
= New Assessable Income Investor 2	\$69,071.87

New Tax Payable

New Tax Payable Investor 1	\$15,376.80
New Tax Payable Investor 2	\$15,376.80
Annual Tax Savings	\$6,734.49

Summary

Weekly Outgoings	\$891.31
Less Weekly Tax Savings	\$129.51
Less Weekly Rental Income	\$769.23
= Total Weekly Investment	-\$7.43
Total Annual Investment	-\$386.49

Who Pays (%)

Weekly Outgoings	100.00%
Taxman	14.53%
Tenant	86.30%
Investors	0.00%

Funds

Total Funds Required	\$1,033,792.60
Less Deposit	\$198,000.00
= Home Loan Amount	\$792,000.00
Loan to Value Ratio (LVR)	80.00%
Interest Rate	4.20%

Borrowing Expenses

Mortgage Registration Fee	\$136.30
Lenders Mortgage Insurance (LMI)	\$0.00
Valuation Fee	\$200.00
Loan Establishment Fees	\$0.00
Title Search Fees	\$300.00
Other Cost 1 (You can rename)	\$0.00
Other Cost 2 (You can rename)	\$0.00
Other Cost 3 (You can rename)	\$0.00
Total Borrowing Expenses	\$636.30

Outgoings/Expenses

Stationery, Telephone & Postage	\$50.00
Travel Expenses	\$200.00
Water Charges	\$697.00
Sundry Rental Expenses	\$500.00
Other Expenses (You can rename)	\$250.00
Total Outgoings	\$46,348.00
Weekly Outgoings	\$891.31

Property Deductions

Borrowing Expenses	\$127.26
Deductions for Decline in Value	\$4,760.00
Capital Works Deductions	\$8,285.00

Tax Deductions

Gross Rent	\$40,000.00
Less Total Outgoings	\$46,348.00
= Before Tax Cashflow	-\$6,348.00
Less Borrowing Expenses	\$127.26
Less Deductions for Decline in Value	\$4,760.00
Less Capital Works Deductions	\$8,285.00
= Total Deductions	-\$19,520.26

Deductions Splits (\$)

Deductions Investor 1 (\$)	\$9,760.13
Deductions Investor 2 (\$)	\$9,760.13

Tax Payable

Tax Payable Investor 1	\$18,744.04
Tax Payable Investor 2	\$18,744.04

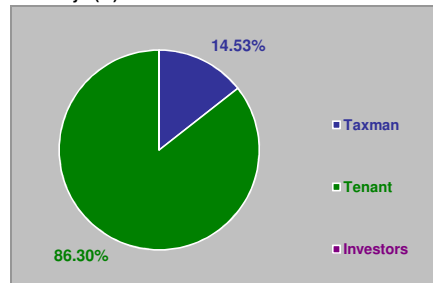
Average Tax Rate

Investor 1	23.78%
Investor 2	23.78%

New Average Tax Rate

Investor 1	19.51%
Investor 2	19.51%

Who Pays (%) Chart



Assumptions

Years	10
Value Increase	121.97%
Property Sale Price	\$2,197,453.84

Selling Costs

Property Agent Commission	\$43,949.08
Advertising Cost	\$100.00
Auction Cost	\$0.00
Discharge of Mortgage	\$136.30
Settlement Fee	\$1,000.00
Mortgage Exit Fee	\$0.00
Solicitors' Fee	\$1,500.00
Removalist Cost	\$0.00
Other Cost 1 (You can rename)	\$0.00
Other Cost 2 (You can rename)	\$0.00
Other Cost 3 (You can rename)	\$0.00
Total Selling Costs	\$46,685.38

Capital Gain

Property Sale Price	\$2,197,453.84
Less Reduced Cost Base	\$996,991.68
= Capital Gain	\$1,200,462.16
Taxable Capital Gain	\$600,231.08

Taxable Income (Sold Year)

Annual Gross Income Investor 1	\$78,832.00
Annual Gross Income Investor 2	\$78,832.00
Add Taxable Capital Gain Investor 1	\$300,115.54
Add Taxable Capital Gain Investor 2	\$300,115.54
= New Assessable Income Investor 1	\$378,947.54
= New Assessable Income Investor 2	\$378,947.54

New Tax Payable

New Tax Payable Investor 1	\$155,631.29
New Tax Payable Investor 2	\$155,631.29
Annual Tax Increase	\$273,774.51

True Profit

Gross Gain	\$1,117,612.16
Less Annual Tax Increase	\$273,774.51
Add After Tax Net Rental Income	\$3,864.90
= After Tax Profit	\$847,702.55

ROI on Property Cost Base

Total Property Costs	\$1,033,156.30
Add Initial Repairs & Renovations	\$0.00
Add Total Selling Costs	\$46,685.38
= Property Cost Base	\$1,079,841.68
After Tax Profit	\$847,702.55
ROI	78.50%

Assumptions

* It is assumed the investor has an interest only home loan and the interest is deductible for tax purposes.

* When calculating the tax payables, the tax rates applicable to Australian residents are used. The 1.5% Medicare levy is included. The calculator does not incorporate any factors that might influence the amount of tax payable, such as Medicare levy surcharge, HECS contributions, any rebates, and deductions.

* The discount method is used to calculate capital gain tax if you hold the property for at least 12 months. The discount percentage is 50%.

* All months are assumed to be of equal length. One year is assumed to contain exactly 52 weeks or 26 fortnights. This implicitly assumes that a year has 364 days rather than the actual 365 or 366.

Property Cost Base

Total Property Costs	\$1,033,156.30
Add Initial Repairs & Renovations	\$0.00
Add Total Selling Costs	\$46,685.38
= Property Cost Base	\$1,079,841.68
Less Capital Works Deductions	\$82,850.00
= Reduced Cost Base	\$996,991.68

Gross Gain

Property Sale Price	\$2,197,453.84
Less Total Property Costs	\$1,033,156.30
Less Total Selling Costs	\$46,685.38
= Gross Gain	\$1,117,612.16

Capital Gain Splits

Taxable Capital Gain 1 (%)	50.00%
Taxable Capital Gain Investor 2 (%)	50.00%
Taxable Capital Gain Investor 1 (\$)	\$300,115.54
Taxable Capital Gain Investor 2 (\$)	\$300,115.54

Tax Payable

Tax Payable Investor 1	\$18,744.04
Tax Payable Investor 2	\$18,744.04

Average Tax Rate

Investor 1	23.78%
Investor 2	23.78%

New Average Tax Rate

Investor 1	24.41%
Investor 2	24.41%

ROI on Cash Investment

= Initial Cash Outlay	\$241,792.60
Add Total Investment	\$0.00
= Cash Investment	\$241,792.60
After Tax Profit	\$847,702.55
ROI	350.59%

Paid Product *

[Standard Investment Property Calculator \(\\$34.99\)](#)

[Professional Investment Property Calculator \(\\$54.99\)](#)

[Ultimate Investment Property Calculator \(\\$129.99\)](#)

[Investment Property Record Keep Spreadsheet \(\\$54.99\)](#)

[Normal vs NRAS Investment Property Calculator \(64.99\)](#)

[NRAS Investment Property Calculator \(\\$54.99\)](#)

[Mortgage Acceleration Calculator \(\\$54.99\)](#)

* The prices indicated herein are as on 7th July, 2012 and are subject to revision without notice.