

Property Snapshot

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

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Choose a Property	All Properties
Choose a Year	Year 10
Financial Year	2018

Investment

State	Various
Property Type	Various

Property Purchasing Cost	
Purchase Price	\$2,019,600
Solicitor/Conveyancing Costs	\$5,000
Stamp Duty	\$74,248
Mortgage Registration Fee	\$1,127
Land Transfer/Registration Fee	\$1,374
Torrens Assurance Levy	\$299
Mortgage Insurance	\$0
Pre-purchase Inspections	\$1,000
Renovations	\$70,000
NRAS Application Fee	\$6,000
Other Fees	\$0
Total Purchase	\$2,178,647

Rental Expenses (Tax Deductible)	
Advertising for Tenants	\$356
Body Corporate Fees/Charges	\$11,114
Cleaning	\$889
Council Rates	\$3,557
Gardening/Lawn Mowing	\$889
Insurance	\$1,778
Interest on Loan(s)	\$82,374
Land Tax	\$0
Legal Expenses	\$0
Pest Control	\$1,778

Rental Income	
Weekly Rental Income	\$2,137
Annual Rental Weeks	52
Annual Rental Income	\$111,125

NRAS Incentive	
Annual NRAS Incentive	\$32,594
Weekly NRAS Incentive	\$627

Tax Deductions	
Annual Net Rental Income Loss	\$15,679
Borrowing Expenses	\$600
Capital Works Deductions	\$10,800
Deductions for Decline in Value	\$15,110
Annual Total Tax Deductions	\$42,189

Equity Dividend Rate	
Equity Dividend Rate	-6.77%

Income	
Gross Income Investor 1	\$127,458
Less Deductions Investor 1	\$7,396
Net Income Investor 1	\$120,061
Gross Income Investor 2	\$61,280
Less Deductions Investor 2	\$2,199
Net Income Investor 2	\$59,081
Combined Gross Income	\$188,738
Combined Net Income	\$179,143

Investment Summary	
Weekly Outgoings	\$3,496.45
Less Weekly Tax Savings	\$66.37
Less Weekly Rental Income	\$2,137.02
Less Weekly NRAS Incentive	\$626.80
Total Weekly Investment	\$666.26
Total Annual Investment	\$34,645.51

Who Pays (%)	
Weekly Outgoings	100%
Taxman	2%
Tenant	61%
NRAS	18%
Investors	19%

Investor 1 Investment Breakdown	
Weekly Outgoings	\$2,393.13
Less Weekly Tax Savings	\$52.63
Less Weekly Rental Income	\$1,426.66
Less Weekly NRAS Incentive	\$439.60
Total Weekly Investment	\$474.24
Total Annual Investment	\$24,660.52

Investor 2 Investment Breakdown	
Weekly Outgoings	\$1,103.32
Less Weekly Tax Savings	\$13.74
Less Weekly Rental Income	\$710.36
Less Weekly NRAS Incentive	\$187.20
Total Weekly Investment	\$192.02
Total Annual Investment	\$9,984.99

Property Value	
Property Value	\$3,148,163
Capital Works Expenses	\$432,000
Value of Depreciating Assets	\$151,098

Home Loan/Mortgage	
Deposit Paid	\$403,920
Home Loan Amount	\$1,615,680
Loan to Value Ratio (LVR)	51.32%
Total Funds Required	\$2,178,647
Debt Service Ratio	50.69%
Mortgage Constant	7.96%

Rental Expenses (Tax Deductible)	
Property Agent Fees/Commission	\$5,556
NRAS Property Agent Fees/Commission	\$8,847
NRAS Ongoing Expenses	\$655
Repairs and Maintenance	\$2,809
Stationery, Telephone & Postage	\$1,778
Travel Expenses	\$667
Water Charges	\$2,199
Sundry Rental Expenses	\$1,556
Annual Rental Expenses	\$126,804

Non-Deductible Cash Expenses	
Principal Repayment	\$25,162
Other Cash Expenses	\$0

Net Rental Income / Loss	
Annual Rental Income	\$111,125
Annual Rental Expenses	\$126,804
Annual Net Rental Income Loss	-\$15,679

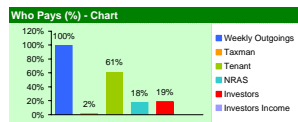
Annual Outgoings	
Annual Outgoings	\$151,965
Weekly Outgoings	\$3,496

Tax Deductions Spills	
Deductions for Investor 1 (\$)	\$7,396
Deductions for Investor 2 (\$)	\$2,199

Capitalization Rate	
Capitalization Rate	-0.13%

Tax	
Tax on Gross Income Investor 1	\$37,109
Tax on Net Income Investor 1	\$34,372
Annual Tax Savings Investor 1	\$2,737
Tax on Gross Income Investor 2	\$12,428
Tax on Net Income Investor 2	\$11,714
Annual Tax Savings Investor 2	\$715
Annual Total Tax Savings	\$3,451
Weekly Tax Savings	\$66

The portfolio seems to be a negative gearing one!



Investor 1 Who Pays (%)	
Weekly Outgoings	100%
Taxman	2%
Tenant	60%
NRAS	18%
Investor	20%

Investor 2 Who Pays (%)	
Weekly Outgoings	100%
Taxman	1%
Tenant	64%
NRAS	17%
Investor	17%

Property	All Properties
Sold Year	Year 10
Financial Year	2018

Return & Capital Gain

State	Various
Property Type	Various

Assumptions	
Holding Years	Various
Property Value Increase	55.88%

Disposal/Selling Costs	
Property Agent Commissioner	\$30,618
Advertising Cost	\$409
Auction Cost	\$3,214
Mortgage Discharge Fee	\$1,342
Solicitors' Fee	\$486
Settlement Fee	\$0
Mortgage Exit Fee	\$4,735
Removalist Cost	\$2,124
Other Cost	\$0
Total Cost	\$42,930

Taxable Capital Gain	
Sold Price	\$3,148,163
- Adjusted Cost Base	\$2,157,855
= Capital Gain for Tax Purposes	\$990,307
- 50% CGT Discount of Capital Gain	\$495,154
= Taxable Capital Gain	\$495,154

Income	
Annual Gross Income P1	\$120,061
Annual Gross Income P2	\$59,081
Add Taxable Capital Gain P1	\$259,665
Add Taxable Capital Gain P2	\$235,488
New Assessable Income P1	\$379,727
New Assessable Income P2	\$294,570

Tax	
Tax Payable 1	\$34,372
Tax Payable 2	\$11,714
New Tax Payable 1	\$150,321
New Tax Payable 2	\$110,601
Annual Tax Increase P1	\$115,949
Annual Tax Increase P2	\$98,887
Annual Total Tax Increase	\$214,837

Summary	
True Capital Gain	\$612,050
- Capital Gain Tax	\$214,837
+ Accumulated After Tax Rental Income	\$61,940
= After Tax Profit	\$459,153
+ Original Cost Base	\$2,221,577
= Return on Investment (ROI) %	20.67%

Investor 1 Breakdown	
True Capital Gain	\$492,169
- Capital Gain Tax	\$115,949
+ Accumulated After Tax Rental Income	\$37,024
= After Tax Profit	\$413,244
+ Original Cost Base	\$1,758,211
= Return on Investment (ROI) %	23.50%

Summary (NPV)	
True Capital Gain	N/A
- Capital Gain Tax	N/A
+ Accumulated After Tax Rental Income	N/A
= After Tax Profit	N/A
+ Original Cost Base	N/A
= Return on Investment (ROI) %	N/A

Investor 1 Breakdown (NPV)	
True Capital Gain	N/A
- Capital Gain Tax	N/A
+ Accumulated After Tax Rental Income	N/A
= After Tax Profit	N/A
+ Original Cost Base	N/A
= Return on Investment (ROI) %	N/A

Assumptions	
Property Sold Price	\$3,148,163
Gross Gain	\$1,128,663

Holding Cost	
Holding Cost	\$314,536

Property Cost Base	
Purchase Price	\$2,019,600
+ Purchase Costs	\$89,047
+ Renovations/Capital Improvement	\$70,000
+ Selling Costs	\$42,930
= Original Cost Base	\$2,221,577
- Accumulated Capital Works Deductions	\$63,722
= Adjusted Cost Base	\$2,157,855

True Capital Gain	
Sold Price	\$3,148,163
- Original Cost Base	\$2,221,577
- Holding Cost	\$314,536
= True Capital Gain	\$612,050

Capital Gain Spills	
Capital Gain P1 (%)	54%
Capital Gain P2 (%)	46%
Taxable Capital Gain P1 (\$)	\$259,665
Taxable Capital Gain P2 (\$)	\$235,488
True Capital Gain P1 (\$)	\$492,169
True Capital Gain P2 (\$)	\$214,241

Net Sales Proceeds	
Sold Price	\$3,148,163
- Selling Costs	\$42,930
= End of Year Home Loan Balance	\$1,457,613
= Before Tax Proceeds	\$1,647,620
- Capital Gain Tax	\$214,837
= Net Sales Proceeds	\$1,432,783

Positive Investment Return!

The Net Present Value is not available for the property portfolio because properties are purchased in different years as such their net present values cannot be combined together. It is the limitation of the NPV concept it is not a limitation of this calculator.

Investor 2 Breakdown (NPV)	
True Capital Gain	N/A
- Capital Gain Tax	N/A
+ Accumulated After Tax Rental Income	N/A
= After Tax Profit	N/A
+ Original Cost Base	N/A
= Return on Investment (ROI) %	N/A