



Phoenix Property Consultants

PROPERTY INVESTMENT ANALYSIS

07-Jan-2019

Prepared for: John & Mary Example
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 Property: North Brisbane Townhouse
 Description: 3-bed, 2-bath, 1-car

SUMMARY

Assumptions		Projected results over 15 yrs	
Property value	\$400,000	Property value	\$720,377
Initial investment	\$170,000	Equity	\$720,377
Gross rental yield (yr 1)	4.84%	After-tax return /yr	7.10%
Net rental yield (yr 1)	3.02%	Net present value	\$191,810
Cap. growth rate	4.00%	IF SOLD	
Inflation rate	3.00%	Selling costs & CGT	\$61,837
Interest rate	6.00%	Equity	\$658,540
Taxable income (yr 1)	\$6,750	After-tax return /yr	6.38%

COMPUTER PROJECTIONS

Investment Analysis	Projections over 15 years					
	2019	1yr	2yr	3yr	7yr	15yr
End of year						
Property value	\$400,000	416,000	432,640	449,946	526,373	720,377
Purchase costs	\$17,425					
Investments/principal	\$170,000	10,566	11,218	11,910	15,131	24,424
Loan amount	\$249,100	238,534	227,316	215,407	159,956	
Equity	\$150,900	177,466	205,324	234,539	366,417	720,377
Capital growth rate	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Inflation rate (CPI)	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
Gross rent /week	\$380	19,365	20,139	20,945	24,503	33,534
Cash deductions						
Interest (P&I)	6.00%	14,659	14,007	13,315	10,094	801
Rental expenses	36.83%	7,278	7,496	7,721	8,690	11,008
Pre-tax cash flow	\$-170,000	-13,137	-12,581	-12,000	-9,412	-2,699
Non-cash deductions						
Deprec.of building	2.50%	4,875	4,875	4,875	4,875	4,875
Deprec.of fittings	\$25,000	5,300	4,642	3,214	1,197	842
Loan costs	\$1,675	335	335	335		
Total deductions		32,446	31,355	29,460	24,855	17,526
Tax credit (single)	\$6,750	1,013	1,043	1,074	335	-2,402
After-tax cash flow	\$-170,000	-12,124	-11,538	-10,926	-9,077	-5,101
Rate of return (IRR)	7.10%					
Pre-tax equivalent	8.36%					
		Your cost /(income) per week				
		233	222	210	175	98

Disclaimer: Note that the computer projections listed above simply illustrate the outcome calculated from the input values and the assumptions contained in the model. Hence the figures can be varied as required and are in no way intended to be a guarantee of future performance. Although the information is provided in good faith, it is also given on the basis that no person using the information, in whole or in part, shall have any claim against Phoenix Property Consultants, QLD its servants, employees or consultants. This information is intended as general advice only and does not take account of individual needs or financial circumstances. We can arrange for one of tax professionals with the Australian Tax Network to fully review your circumstance to ensure the information accurately reflects your specific financial circumstances. .