

# TAAVI PLACE : FINANCIAL ANALYSIS

14/04/2020

## OPTION 1: 100% FINANCING

Floor	Unit size	Balcony / Stoep	Total Size	Bed-rooms	Bath-rooms	TOTAL SELLING PRICE	Buyer's Deposit	Bond amount	100% finance 7,75%-30 years monthly bond instalment	Monthly BC levy estimate	Property rates estimate	Rental income monthly projected	Rental mngmnt monthly 10% plus VAT	GROSS INCOME PER YEAR	GROSS YIELD	Year 1 surplus/(shortfall) monthly	Year 2 surplus/(shortfall) monthly	Year 3 surplus/(shortfall) monthly
	m2	m2	m2			R	R	R	R	R	R	R	R	R	%	R	R	R
Ground	68	8	76	2	2	R 1 049 000	-	1 049 000	7 515	1 210	R 346	9 000	1 035	108 000	10,30	(1 107)	(563)	26
First	68	8	76	2	2	R 999 000	-	999 000	7 157	1 210	R 323	8 500	978	102 000	10,21	(1 168)	(658)	(106)

## OPTION 2: 90% FINANCING

Floor	Unit size	Balcony / Stoep	Total Size	Bed-rooms	Bath-rooms	TOTAL SELLING PRICE	Buyer's Deposit	Bond amount	100% finance 7,75%-30 years monthly bond instalment	Monthly BC levy estimate	Property rates estimate	Rental income monthly projected	Rental mngmnt monthly 10% plus VAT	GROSS INCOME PER YEAR	GROSS YIELD	Year 1 surplus/(shortfall) monthly	Year 2 surplus/(shortfall) monthly	Year 3 surplus/(shortfall) monthly
	m2	m2	m2			R	R	R	R	R	R	R	R	R	%	R	R	R
Ground	68	8	76	2	2	R 1 049 000	104 900	944 100	6 764	1 210	R 346	9 000	1 035	108 000	10,30	(355)	189	778
First	68	8	76	2	2	R 999 000	99 900	899 100	6 441	1 210	R 323	8 500	978	102 000	10,21	(452)	58	610

## OPTION 2: 80% FINANCING

Floor	Unit size	Balcony / Stoep	Total Size	Bed-rooms	Bath-rooms	TOTAL SELLING PRICE	Buyer's Deposit	Bond amount	100% finance 7,75%-30 years monthly bond instalment	Monthly BC levy estimate	Property rates estimate	Rental income monthly projected	Rental mngmnt monthly 10% plus VAT	GROSS INCOME PER YEAR	GROSS YIELD	Year 1 surplus/(shortfall) monthly	Year 2 surplus/(shortfall) monthly	Year 3 surplus/(shortfall) monthly
	m2	m2	m2			R	R	R	R	R	R	R	R	R	%	R	R	R
Ground	68	8	76	2	2	R 1 049 000	209 800	839 200	6 012	1 210	R 346	9 000	1 035	108 000	10,30	396	940	1 529
First	68	8	76	2	2	R 999 000	199 800	799 200	5 726	1 210	R 323	8 500	978	102 000	10,21	264	773	1 326

ASSUMPTIONS	
Expected annual capital growth	8%
Interest rate used on bond	7,75%
Bond term used	30 Years
Expected annual rental increase	8%
Rental management fee on gross rental (Excl VAT)	10%
Inflation rate (CPI)	6%
VAT rate	15%

S13sex building allowance- 90% financing		R
Total purchase price of 5 properties @ R1 049 000 per property		5 245 000
55% total allowance		2 884 750
Annual s13sex allowance for 20 years		144 238
Annual benefit 28% tax rate for companies		40 387
s13sex monthly cash benefit from reduced tax cost		3 366
monthly surplus/shortfall year 1 with s13 sex allowance		1 590
monthly surplus/shortfall year 2 with s13 sex allowance		4 309
monthly surplus/shortfall year 3 with s13 sex allowance		7 255



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