

Parkhill Place 2: FINANCIAL ANALYSIS

23/07/2020

OPTION 1: 100% FINANCING

Floor	Unit size	Balcony / Patio	Total Size	Bed-rooms	Bath-rooms	TOTAL SELLING PRICE	Buyer's Deposit	Bond amount 100%	100% finance 7%-30 years monthly bond instalment	Monthly BC levy estimate	Property taxes estimate	Rental income monthly projected	Rental mngmnt monthly 10% plus VAT	NETT INCOME PER YEAR Incl RA	NETT RETURN Incl RA %	Year 1 surplus/(shortfall) monthly Rental assist R555 p/m	Year 2 surplus/(shortfall) monthly Rental assist R555 p/m	Year 3 surplus/(shortfall) monthly Rental assist R555 p/m	Year 4 surplus/(shortfall) monthly No Assist R
Ground	46,5	3	49,5	2	1	770500	-	770 500	5 126	950	218	6 000	690	56 375	7,32	(429)	(62)	335	211
First	46,5	3	49,5	2	1	770500	-	770 500	5 126	950	R 218	6 000	690	56 375	7,32	(429)	(62)	335	211
Second	46,5	3	49,5	2	1	770500	-	770 500	5 126	950	R 218	6 000	690	56 375	7,32	(429)	(62)	335	211
Third	46,5	3	49,5	2	1	770500	-	770 500	5 126	950	R 218	6 000	690	56 375	7,32	(429)	(62)	335	211

OPTION 2: 90% FINANCING

Floor	Unit size	Balcony / Patio	Total Size	Bed-rooms	Bath-rooms	TOTAL SELLING PRICE	Buyer's Deposit 10%	Bond amount 90%	90% finance 7%-30 years monthly bond instalment	Monthly BC levy estimate	Property taxes estimate	Rental income monthly projected	Rental mngmnt monthly 10% plus VAT	NETT INCOME PER YEAR Incl RA	NETT RETURN Incl RA %	Year 1 surplus/(shortfall) monthly Rental assist R555 p/m	Year 2 surplus/(shortfall) monthly Rental assist R555 p/m	Year 3 surplus/(shortfall) monthly Rental assist R555 p/m	Year 4 surplus/(shortfall) monthly No Assist R
Ground	46,5	3	49,5	2	1	770500	77 050	693 450	4 614	950	218	6 000	690	56 375	7,32	84	311	848	724
First	46,5	3	49,5	2	1	770500	77 050	693 450	4 614	950	R 218	6 000	690	56 375	7,32	84	311	848	724
Second	46,5	3	49,5	2	1	770500	77 050	693 450	4 614	950	R 218	6 000	690	56 375	7,32	84	311	848	724
Third	46,5	3	49,5	2	1	770500	77 050	693 450	4 614	950	R 218	6 000	690	56 375	7,32	84	311	848	724

OPTION 3: 80% FINANCING

Floor	Unit size	Balcony / Patio	Total Size	Bed-rooms	Bath-rooms	TOTAL SELLING PRICE	Buyer's Deposit 20%	Bond amount 80%	80% finance 7%-30 years monthly bond instalment	Monthly BC levy estimate	Property taxes estimate	Rental income monthly projected	Rental mngmnt monthly 10% plus VAT	NETT INCOME PER YEAR Incl RA	NETT RETURN Incl RA %	Year 1 surplus/(shortfall) monthly Rental assist R555 p/m	Year 2 surplus/(shortfall) monthly Rental assist R555 p/m	Year 3 surplus/(shortfall) monthly Rental assist R555 p/m	Year 4 surplus/(shortfall) monthly No Assist R
Ground	46,5	3	49,5	2	1	770500	154 100	616 400	4 101	950	218	6 000	690	56 375	7,32	457	824	1 360	1 236
First	46,5	3	49,5	2	1	770500	154 100	616 400	4 101	950	R 218	6 000	690	56 375	7,32	457	824	1 360	1 236
Second	46,5	3	49,5	2	1	770500	154 100	616 400	4 101	950	R 218	6 000	690	56 375	7,32	457	824	1 360	1 236
Third	46,5	3	49,5	2	1	770500	154 100	616 400	4 101	950	R 218	6 000	690	56 375	7,32	457	824	1 360	1 236

ASSUMPTIONS	
Expected annual capital growth	8%
Interest rate used on bond	7,00%
Bond term used	30 Years
Expected annual rental increase	8%
Rental management fee on gross rental (Excl VAT)	10%
Inflation rate (CPI)	5%
VAT rate used	15%
Bond Fees included	YES
Transfer fees included	YES
Wealth Plan & Software	NO
Rental Assist year 1 (RA)	R555 p/m
Rental Assist year 1 (RA)	R555 p/m
Rental Assist year 1 (RA)	R555 p/m
Total Assist	R20 000
Rental Insurance first 12 months	Included

S13sex building allowance- 90% financing		R
Total purchase price of 5 properties @ R770 500 per property		3 852 500
55% total allowance		2 118 875
Annual s13sex allowance for 20 years		105 944
Annual benefit 28% tax rate trusts & marginal rate companies		29 664
s13sex monthly cash benefit from reduced tax cost		2 472
monthly surplus/shortfall year 1 with s13 sex allowance		2 891 Year 1
monthly surplus/shortfall year 2 with s13 sex allowance		4 028 Year 2
monthly surplus/shortfall year 3 with s13 sex allowance		6 711 Year 3



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