

# Financial Feasibility (Pre-Tax) - Cosmetic Renovation

|   |  |
|---|--|
| <b>PROPERTY:</b>                                  | <b>36 Letters St, Evatt</b>                      |
| <b>LOAN STRUCTURE:</b>                            | <b>90% LVR / Principal &amp; Interest / 4.5%</b> |
| <b>Purchase Costs</b>                             | \$ 69,329.00                                     |
| <b>Proposed Renovation Cost</b>                   | \$ 45,000.00                                     |
| <b>Milk Chocolate Project Concierge Fee (10%)</b> | \$ 4,500.00                                      |
| <b>TOTAL</b>                                      | <b>\$ 118,829.00</b>                             |

## CURRENT

### Monthly Cash Flow

|   |                      |
|---|----------------------|
| <b>Rent (\$470/wk)</b>                        | \$ 1,863.33          |
| <b>Rental Expenses</b>                        | \$ 580.39            |
| Agent commission (8%)                         | \$ 149.07            |
| Rates   | \$ 311.32            |
| Insurance                                     | \$ 120.00            |
| <b>Loan Interest (4.5% @ 30yrs @ P&amp;I)</b> | <b>\$ 2,349.00</b>   |
| <b>BALANCE (GROSS)</b>                        | <b>\$ (1,066.06)</b> |

### Equity Realization

|                                  |                      |
|----------------------------------|----------------------|
| <b>Property Value</b>            | \$ 515,000.00        |
| <b>Purchasing Costs</b>          | \$ 69,329.00         |
| Stamp Duty                       | \$ 13,929.00         |
| Bank Fees                        | \$ 700.00            |
| Legal                            | \$ 2,200.00          |
| Deposit                          | \$ 51,500.00         |
| Misc.                            | \$ 1,000.00          |
| Milk Chocolate (Remainder)       | \$ 0.00              |
| <b>Loan Amount</b>               | <b>\$ 463,500.00</b> |
| <b>Loan to Value Ratio (LVR)</b> | <b>90.00%</b>        |
| <b>AVAILABLE EQUITY (@90%)</b>   | <b>\$ 0.00</b>       |

## POST RENOVATION

### Monthly Cash Flow

|   |                    |
|---|--------------------|
| <b>Rent (\$520/wk)</b>                        | \$ 2,253.33        |
| <b>Rental Expenses</b>                        | \$ 611.59          |
| Agent commission (8%)                         | \$ 180.27          |
| Rates   | \$ 311.32          |
| Insurance                                     | \$ 120.00          |
| <b>Loan Interest (4.5% @ 30yrs @ P&amp;I)</b> | <b>\$ 2,349.00</b> |
| <b>BALANCE (GROSS)</b>                        | <b>\$ (707.26)</b> |

### Equity Realization

|   |                      |
|---|----------------------|
| <b>Post Renovation Property Value</b>   | \$ 850,000.00        |
| <b>Current LVR</b>  | 90.00%               |
| <b>Loan Amount</b>  | \$ 463,500.00        |
| <b>New LVR</b>  | 55%                  |
| <b>AVAILABLE EQUITY (@80%)</b>  | <b>\$ 216,500.00</b> |
| <b>NET AVAILABLE EQUITY (@90% -INC. LMI)</b>  | <b>\$ 279,500.00</b> |
| * NOTE: IF YOU TAKE THE 80% OR 90% EQUITY RELEASE, THE MONTHLY MORTGAGE PAYMENTS WILL ALSO INCREASE, MEANING THE MONTHLY CASH FLOW BALANCE WILL BE DIFFERENT TO WHAT'S ABOVE. WE CAN TALK THROUGH THIS WHEN THAT TIME COMES AND SEE WHAT WORKS BEST FOR YOU |                      |