Cash Flow Picture

This 12-month cash-flow snapshot uses current rent, review inputs and the established finance-model cost defaults. Loan repayments are modelled from the initial purchase price and original LVR.

Annual Rental Income

	WEEKLY	ANNUAL
Potential Annual Rental Income	**$575/wk**	**$29,900**
Less Vacancy Allowance (2 weeks)		-$1,150
Rental Income After Vacancy		**$28,750**

Annual Operating Costs

	ANNUAL
Property Management (6%)	$1,725
Council / Water	$2,400
Strata / Body Corporate	$0
Building & Landlord Insurance	$2,000
Maintenance / Capex Reserve (2% of Purchase Price)	$15,900
Land Tax (VIC)	$1,860
Total Annual Operating Costs	**$23,885**

RENT AFTER VACANCY	NET OPERATING INCOME	ESTIMATED ANNUAL CASH FLOW AFTER TAX BENEFIT	ESTIMATED WEEKLY CASH FLOW AFTER TAX BENEFIT
$28,750	**$4,865**	**-$34,130**	**-$656**

Loan Repayments

	ANNUAL
Interest (5.84%)	$36,929
Principal Repayment	$8,046
Total Annual Loan Repayments	**$44,976**

Estimated Negative Gearing Benefit

	ANNUAL
Estimated Tax-Deductible Rental Expenses	$44,914
Estimated Taxable Rental Position	-$16,164
Estimated Tax Benefit (37% marginal rate)	**$5,981**

Principal is estimated on a standard 30-year principal-and-interest schedule. Maintenance is modelled at 2% of the initial purchase price per annum. Negative gearing is estimated at a 37% marginal tax rate on the modelled taxable rental loss; it excludes principal repayments and the generic maintenance/capex reserve. Obtain personal tax advice before relying on it.