




## Tax Depreciation Estimate

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Maximising the cash return from investment properties

Urban Camperdown  
13-17 Pyrmont Bridge Road  
CAMPERDOWN, NSW 2050



7 December, 2015

**Ausin Group**

**Suite 4802, Level 48 264 George Street  
SYDNEY, NSW 2000**

**13-17 Pyrmont Bridge Road, CAMPERDOWN, NSW 2050 - 416007**

Dear Sir/Madam,

Please find attached the BMT Tax Depreciation Estimates for the above property detailing the depreciation and associated tax allowances that may be available to the owner under the Income Tax Assessment Act 1997 (ITAA97).

This document is intended to provide a guide to the potential depreciation and building allowances available from the purchase of the above residential property, facilitating the estimation of the after tax return on the investment over the first 10 full years of ownership.

**1.0 Information**

The following information was used in the preparation of the schedules:

- Written and verbal information provided by Ausin Group.

**2.0 Depreciation Potential – Plant and Capital Allowance**

The purchaser of the property, intending to use it for income producing purposes, is entitled to depreciation including:

- Division 40, Depreciation of Plant and Equipment; and
- Division 43, Capital Works Allowance (2.5 % pa).

The depreciation of plant and equipment items is based on the diminishing value effective life rates as published by the commissioner of taxation (2015/2).

In the scenario where plant and equipment items are not sold at an agreed value these items will be depreciated on the basis of a just attribution of the total expenditure (42-65 ITAA97).

**3.0 Capital Work Allowance**

The special building write off allowance is based on the industry specific eligible dates. If the property qualifies for the special building write off, the applicable depreciation rate will be used. Where properties do not qualify for the special building write off allowance, no capital works allowance will be used.

The allowance for capital works will be based on the historical cost of construction less non-depreciable items.

#### **4.0 Estimate Calculation**

This report is based on a just attribution of the total expenditure to estimate the allowances for plant. The estimates provided are based on the sale price as indicated, as the final purchase price at this time is not known.

This estimate has been provided for the purpose of informing the investor of the depreciation potential. Different depreciation returns are available and are influenced by the purchase price of the property.

Please note that the first year calculations are based on ownership over a full financial year.

#### **5.0 Disclaimer**

This report has been based on very preliminary documentation, and the figures provided should be treated as a guide only.

As documentation improves, BMT Tax Depreciation will be able to provide more accurate estimates of depreciation.

#### **6.0 Conclusion**

As can be extracted from the attached tables, the units will obtain maximum depreciation potential within the first 5 years of ownership.

BMT Tax Depreciation would be pleased to provide a complete detailed tax depreciation report on any of the units in the above property upon request.

Our results suggest employing a specialist to maximise the various tax allowances has a significant effect on improving the after tax return.

Should you or the purchaser wish to discuss the contents of this report in more detail, please do not hesitate to contact Bradley Beer at the office.

Yours Sincerely,



BMT Tax Depreciation Pty Ltd  
Quantity Surveyors

## Appendix One

### **BMT Tax Depreciation Estimate**

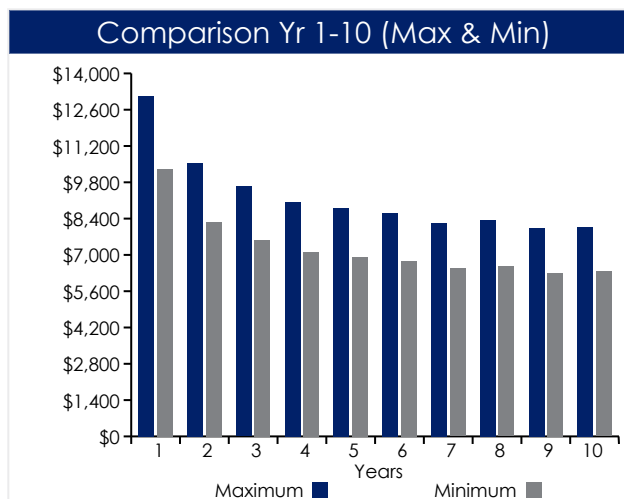
Urban Camperdown

13-17 Pymont Bridge Road

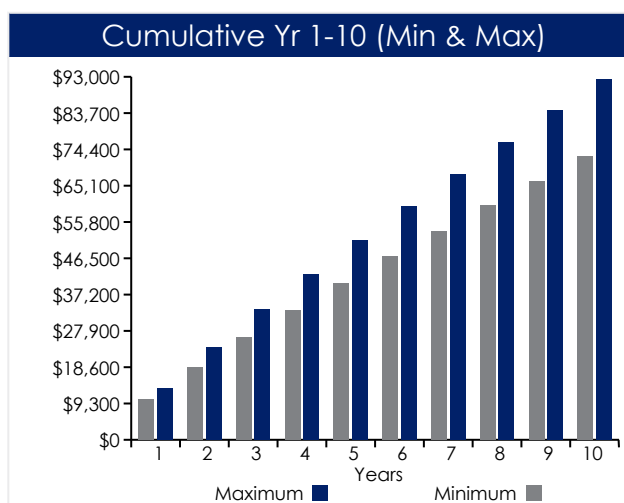
CAMPERDOWN, NSW 2050

## Estimate of Depreciation Claimable Typical Studio Apartment Approximately 43m<sup>2</sup>, Urban Camperdown 13-17 Pymont Bridge Road, CAMPERDOWN, NSW 2050

Maximum			
Year	Plant & Equipment	Division 43	Total
1	5,731	7,404	13,135
2	3,133	7,404	10,537
3	2,233	7,404	9,637
4	1,633	7,404	9,037
5	1,391	7,404	8,795
6	1,212	7,404	8,616
7	841	7,404	8,245
8	934	7,404	8,338
9	631	7,404	8,035
10	685	7,404	8,089
11 +	1,138	222,125	223,263
Total	\$19,562	\$296,165	\$315,727



Minimum			
Year	Plant & Equipment	Division 43	Total
1	4,503	5,818	10,321
2	2,461	5,818	8,279
3	1,755	5,818	7,573
4	1,283	5,818	7,101
5	1,093	5,818	6,911
6	952	5,818	6,770
7	661	5,818	6,479
8	734	5,818	6,552
9	495	5,818	6,313
10	539	5,818	6,357
11 +	894	174,527	175,421
Total	\$15,370	\$232,707	\$248,077



\* assumes settlement on 1 July in any given year.

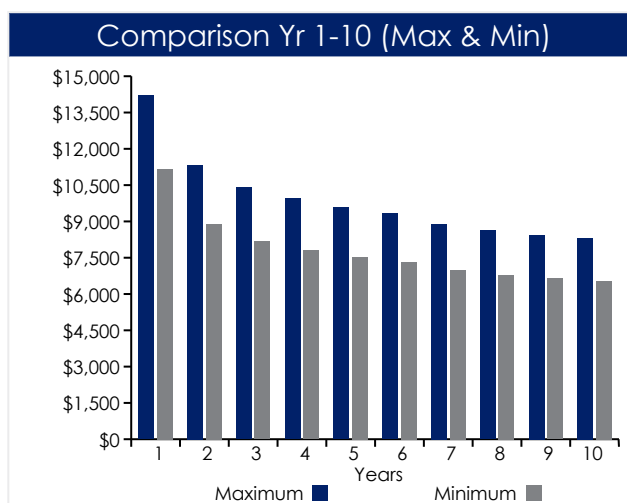
This is an estimate only and should not be applied or acted upon. Depreciation of plant is based on the Diminishing Value method of depreciation applying Low-Value Pooling. The Division 43 Write Off Allowance is calculated using 2.5% depending on the property type and date of construction. This estimate is based upon legislation in force at the date of report production.

### This Estimate Cannot Be Used For Taxation Purposes

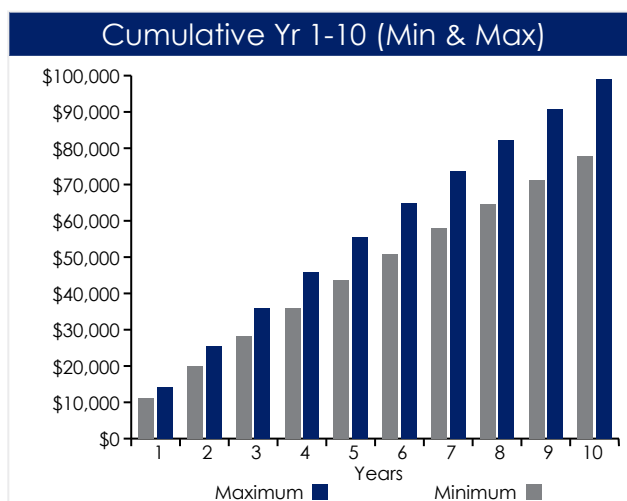
To discuss the contents of this report please contact Bradley Beer at BMT Tax Depreciation on 02 9241 6477

## Estimate of Depreciation Claimable Typical 1 Bedroom Apartment Approximately 54m2, Urban Camperdown 13-17 Pyrmont Bridge Road, CAMPERDOWN, NSW 2050

Maximum			
Year	Plant & Equipment	Division 43	Total
1	6,302	7,912	14,214
2	3,412	7,912	11,324
3	2,494	7,912	10,406
4	2,026	7,912	9,938
5	1,667	7,912	9,579
6	1,410	7,912	9,322
7	989	7,912	8,901
8	718	7,912	8,630
9	533	7,912	8,445
10	408	7,912	8,320
11 +	2,512	237,353	239,865
Total	\$22,471	\$316,473	\$338,944



Minimum			
Year	Plant & Equipment	Division 43	Total
1	4,952	6,216	11,168
2	2,680	6,216	8,896
3	1,960	6,216	8,176
4	1,592	6,216	7,808
5	1,309	6,216	7,525
6	1,108	6,216	7,324
7	777	6,216	6,993
8	564	6,216	6,780
9	419	6,216	6,635
10	320	6,216	6,536
11 +	1,974	186,491	188,465
Total	\$17,655	\$248,651	\$266,306



\* assumes settlement on 1 July in any given year.

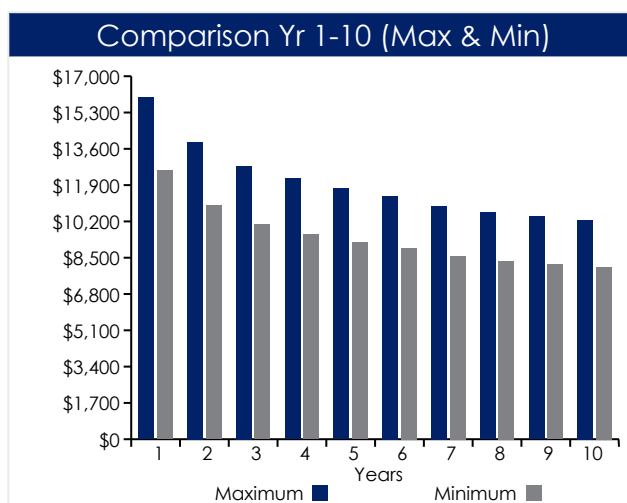
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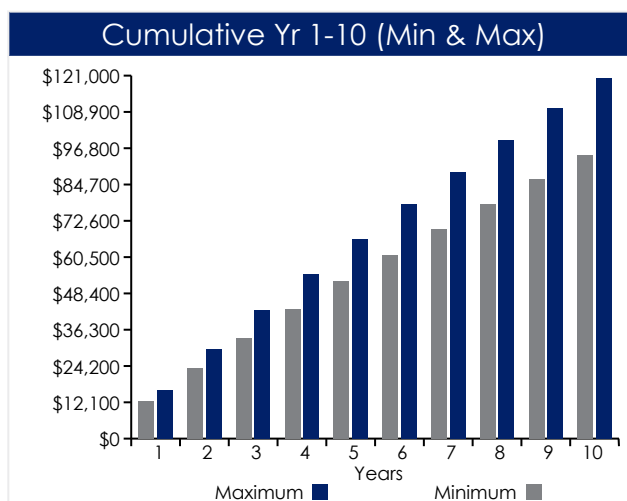
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## Estimate of Depreciation Claimable Typical 1 Bedroom + Study Apartment Approximately 65m2, Urban Camperdown 13-17 Pyrmont Bridge Road, CAMPERDOWN, NSW 2050

Maximum			
Year	Plant & Equipment	Division 43	Total
1	6,199	9,802	16,001
2	4,119	9,802	13,921
3	2,984	9,802	12,786
4	2,405	9,802	12,207
5	1,929	9,802	11,731
6	1,598	9,802	11,400
7	1,128	9,802	10,930
8	822	9,802	10,624
9	617	9,802	10,419
10	474	9,802	10,276
11 +	2,992	294,078	297,070
Total	\$25,267	\$392,098	\$417,365



Minimum			
Year	Plant & Equipment	Division 43	Total
1	4,871	7,702	12,573
2	3,237	7,702	10,939
3	2,344	7,702	10,046
4	1,889	7,702	9,591
5	1,515	7,702	9,217
6	1,256	7,702	8,958
7	886	7,702	8,588
8	646	7,702	8,348
9	485	7,702	8,187
10	372	7,702	8,074
11 +	2,350	231,062	233,412
Total	\$19,851	\$308,082	\$327,933



\* assumes settlement on 1 July in any given year.

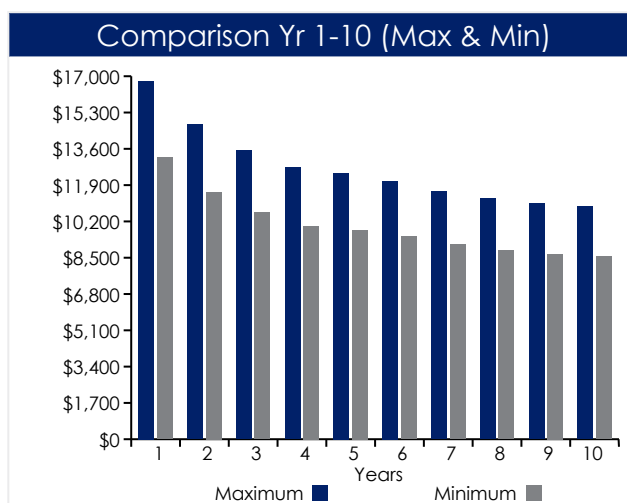
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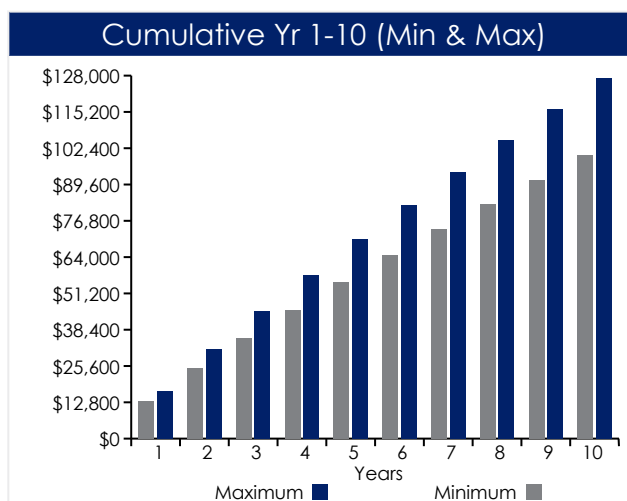
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## Estimate of Depreciation Claimable Typical 2 Bedroom Apartment Approximately 68m2, Urban Camperdown 13-17 Pyrmont Bridge Road, CAMPERDOWN, NSW 2050

Maximum			
Year	Plant & Equipment	Division 43	Total
1	6,385	10,397	16,782
2	4,332	10,397	14,729
3	3,128	10,397	13,525
4	2,317	10,397	12,714
5	2,080	10,397	12,477
6	1,698	10,397	12,095
7	1,197	10,397	11,594
8	866	10,397	11,263
9	652	10,397	11,049
10	501	10,397	10,898
11 +	3,127	311,900	315,027
Total	\$26,283	\$415,870	\$442,153



Minimum			
Year	Plant & Equipment	Division 43	Total
1	5,017	8,169	13,186
2	3,404	8,169	11,573
3	2,458	8,169	10,627
4	1,821	8,169	9,990
5	1,634	8,169	9,803
6	1,334	8,169	9,503
7	941	8,169	9,110
8	680	8,169	8,849
9	512	8,169	8,681
10	393	8,169	8,562
11 +	2,457	245,064	247,521
Total	\$20,651	\$326,754	\$347,405



\* assumes settlement on 1 July in any given year.

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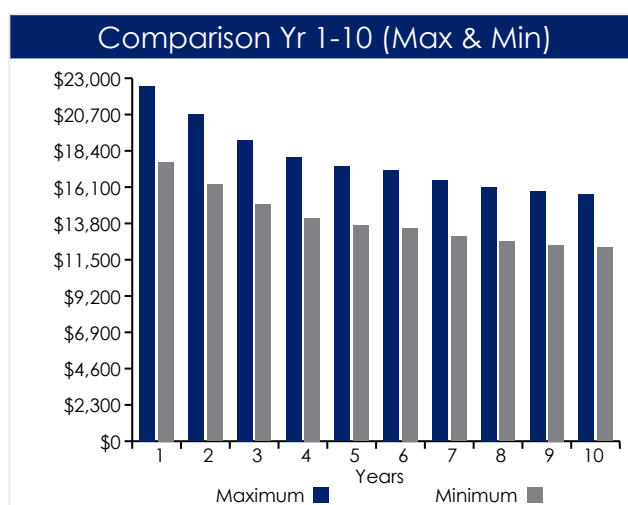
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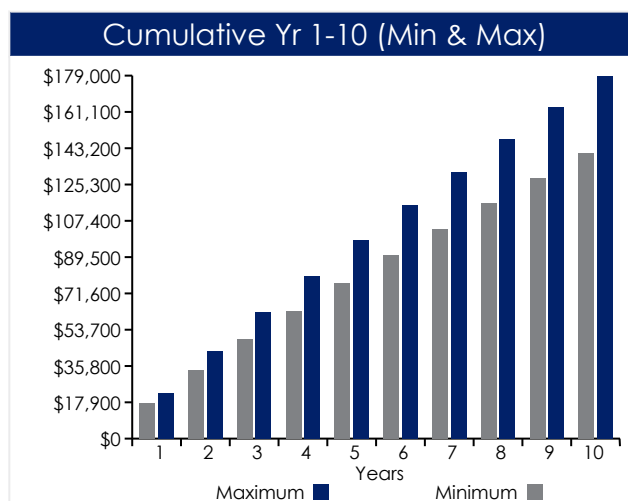


## Estimate of Depreciation Claimable Typical 2 Bedroom Apartment Approximately 99m2, Urban Camperdown 13-17 Pyrmont Bridge Road, CAMPERDOWN, NSW 2050

Maximum			
Year	Plant & Equipment	Division 43	Total
1	7,591	14,923	22,514
2	5,788	14,923	20,711
3	4,166	14,923	19,089
4	3,073	14,923	17,996
5	2,493	14,923	17,416
6	2,256	14,923	17,179
7	1,608	14,923	16,531
8	1,180	14,923	16,103
9	894	14,923	15,817
10	693	14,923	15,616
11 +	4,492	447,670	452,162
Total	\$34,234	\$596,900	\$631,134



Minimum			
Year	Plant & Equipment	Division 43	Total
1	5,965	11,725	17,690
2	4,548	11,725	16,273
3	3,274	11,725	14,999
4	2,415	11,725	14,140
5	1,959	11,725	13,684
6	1,772	11,725	13,497
7	1,264	11,725	12,989
8	928	11,725	12,653
9	702	11,725	12,427
10	545	11,725	12,270
11 +	3,530	351,740	355,270
Total	\$26,902	\$468,990	\$495,892



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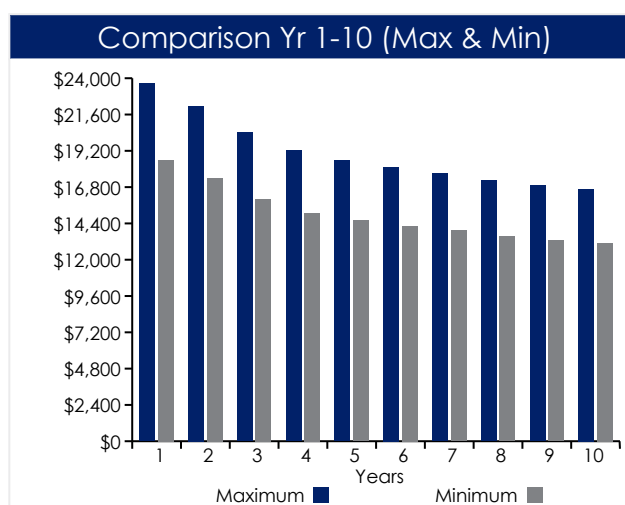
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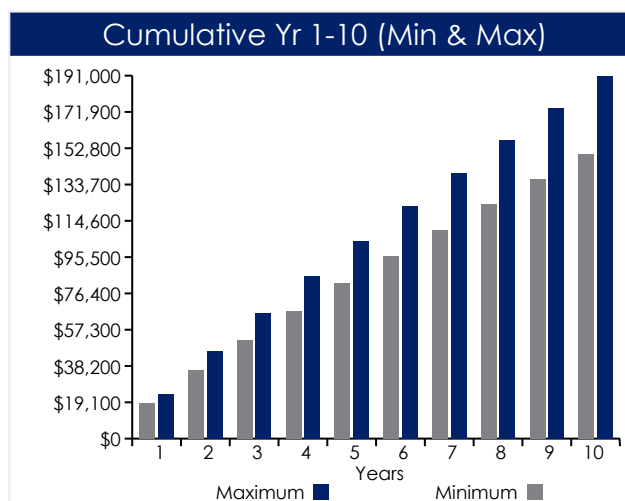
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## Estimate of Depreciation Claimable Typical 2 Bedroom + Study Apartment Approximately 108m2, Urban Camperdown 13-17 Pyrmont Bridge Road, CAMPERDOWN, NSW 2050

Maximum			
Year	Plant & Equipment	Division 43	Total
1	7,757	15,913	23,670
2	6,241	15,913	22,154
3	4,487	15,913	20,400
4	3,308	15,913	19,221
5	2,663	15,913	18,576
6	2,205	15,913	18,118
7	1,796	15,913	17,709
8	1,312	15,913	17,225
9	989	15,913	16,902
10	771	15,913	16,684
11 +	4,928	477,422	482,350
Total	\$36,457	\$636,552	\$673,009



Minimum			
Year	Plant & Equipment	Division 43	Total
1	6,095	12,503	18,598
2	4,903	12,503	17,406
3	3,525	12,503	16,028
4	2,600	12,503	15,103
5	2,093	12,503	14,596
6	1,733	12,503	14,236
7	1,412	12,503	13,915
8	1,030	12,503	13,533
9	777	12,503	13,280
10	605	12,503	13,108
11 +	3,872	375,118	378,990
Total	\$28,645	\$500,148	\$528,793



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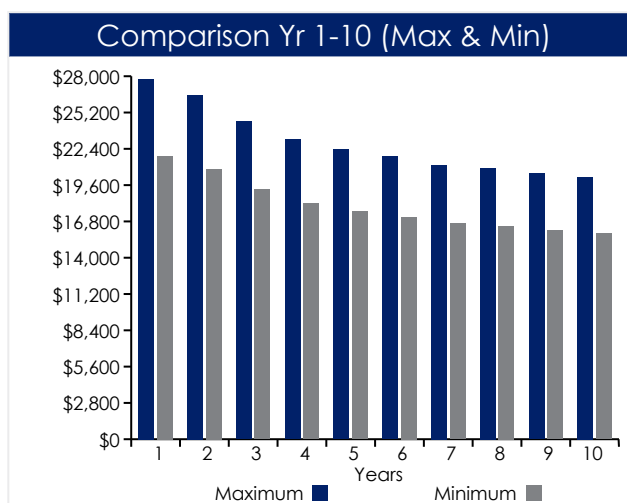
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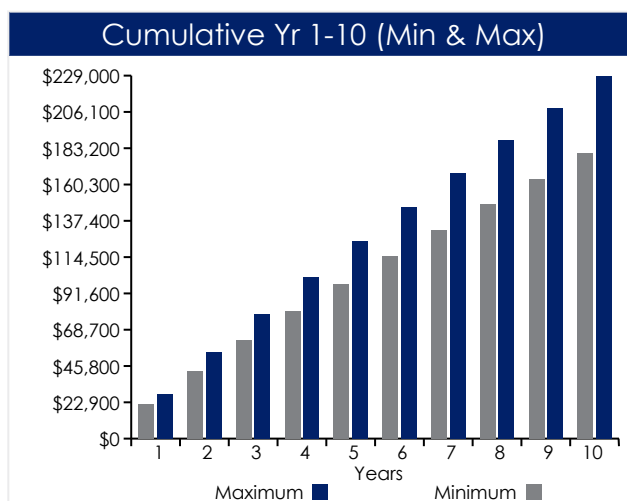
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## Estimate of Depreciation Claimable Typical 3 Bedroom Apartment Approximately 122m2, Urban Camperdown 13-17 Pyrmont Bridge Road, CAMPERDOWN, NSW 2050

Maximum			
Year	Plant & Equipment	Division 43	Total
1	8,504	19,299	27,803
2	7,245	19,299	26,544
3	5,208	19,299	24,507
4	3,833	19,299	23,132
5	3,060	19,299	22,359
6	2,507	19,299	21,806
7	1,869	19,299	21,168
8	1,620	19,299	20,919
9	1,205	19,299	20,504
10	921	19,299	20,220
11 +	5,664	578,950	584,614
Total	\$41,636	\$771,940	\$813,576



Minimum			
Year	Plant & Equipment	Division 43	Total
1	6,682	15,163	21,845
2	5,693	15,163	20,856
3	4,092	15,163	19,255
4	3,011	15,163	18,174
5	2,404	15,163	17,567
6	1,969	15,163	17,132
7	1,469	15,163	16,632
8	1,272	15,163	16,435
9	947	15,163	16,110
10	723	15,163	15,886
11 +	4,450	454,890	459,340
Total	\$32,712	\$606,520	\$639,232



\* assumes settlement on 1 July in any given year.

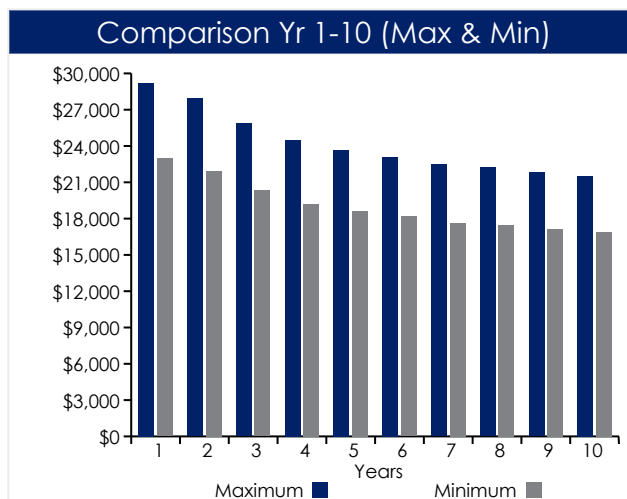
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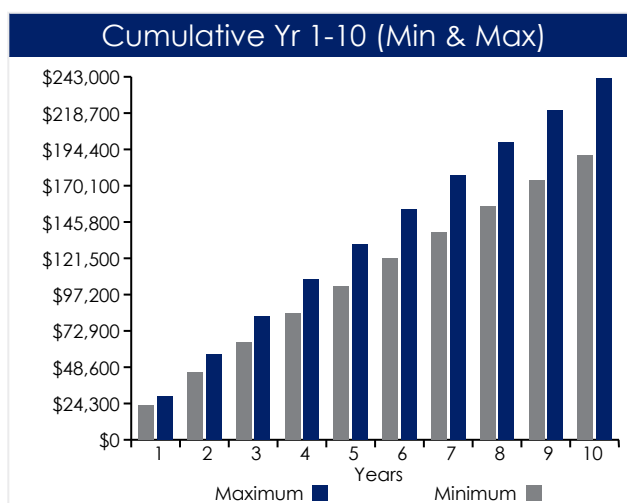
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## Estimate of Depreciation Claimable Typical 3 Bedroom Terrace Approximately 127m2, Urban Camperdown 13-17 Pymont Bridge Road, CAMPERDOWN, NSW 2050

Maximum			
Year	Plant & Equipment	Division 43	Total
1	8,655	20,567	29,222
2	7,354	20,567	27,921
3	5,291	20,567	25,858
4	3,903	20,567	24,470
5	3,119	20,567	23,686
6	2,557	20,567	23,124
7	1,910	20,567	22,477
8	1,660	20,567	22,227
9	1,236	20,567	21,803
10	949	20,567	21,516
11 +	5,860	617,007	622,867
Total	\$42,494	\$822,677	\$865,171



Minimum			
Year	Plant & Equipment	Division 43	Total
1	6,801	16,159	22,960
2	5,778	16,159	21,937
3	4,157	16,159	20,316
4	3,067	16,159	19,226
5	2,451	16,159	18,610
6	2,009	16,159	18,168
7	1,500	16,159	17,659
8	1,304	16,159	17,463
9	972	16,159	17,131
10	745	16,159	16,904
11 +	4,604	484,791	489,395
Total	\$33,388	\$646,381	\$679,769



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