

Buying shared ownership in unit 9 as a pure investment??

Time period ... 10 years based on \$195,000 per share.

- (1) Estimated Capital Growth : 10% PA on original investmentview\$19,500
Pav: conservative Value after 10 years : \$390,000
- (2) Net Rental Return : 5% PA : Value \$97,500

Total value of each share in 10 years : \$487,500

Other possible advantages of purchasing shared ownership in unit 9 over normal Real Estate (home /Unit)

- No Stamp Duty on purchase...Saving \$8000
- No legal set up costs....saving \$1000
- No insurance costs.....saving \$3000
- No furniture replacement....saving \$10,000
- N o maintenance costs.... saving \$6000
- Fully managed investment....no agent fees
- No Real estate commission on sale...\$12,000
- Ability to use personally for vacations

Savings against real estate purchase per share over 10 years as per above : \$40,000

This means a potential profit of \$292,000 or \$29,200 PA which is a return on your initial investment of 15% PA.

NB: This is simply a guide and should not be taken as a guaranteed return.

Naturally your accountant will advise you on these issues.