

Building a property portfolio

	1st Investment Value @7.2%	2nd Investment Value @7.2%	3rd Investment Value @7.2%
Year 1	\$ 350,000		
Year 2	\$ 375,200		
Year 3	\$ 402,214		
Year 4	\$ 431,174	\$ 400,000	
Year 5	\$ 462,218	\$ 428,800	
Year 6	\$ 495,498	\$ 459,674	
Year 7	\$ 531,174	\$ 492,770	\$ 500,000
Year 8	\$ 569,418	\$ 528,250	\$ 536,000
Year 9	\$ 610,417	\$ 566,284	\$ 574,592
Year 10	\$ 654,367	\$ 607,056	\$ 615,963
	\$ 701,481	\$ 650,764	\$ 660,312

Example if we sold all investments after 10 years

1st Property total contri- 10 years	- \$ 50,000.00
2nd Prop total contri- 7yrs	- \$ 35,000.00
3rd Prop total Contri - 4 yrs	- \$ 20,000.00
Total Investment Contributions after 10 years	- \$ 105,000.00
1st Invest Mortg	- \$ 350,000.00
2nd Invest Mortg	- \$ 400,000.00
3rd Invest Mortg	- \$ 500,000.00
Invest Property Total debt	- \$ 1,250,000.00
Total Contributions	- \$ 105,000.00
Total Invest Mortg Debt	- \$ 1,250,000.00
Total	- \$ 1,355,000.00
Total Value of Prop Invest after 10 years	\$ 2,012,556.86
Minus Contributions and Debt	- \$ 1,355,000.00
Your total profit	\$ 657,556.86
Capital Gains Tax	approx 25%
Balance	\$ 493,167.65

Example if we kept 1 investment and sold 2 after 10 years

Total Property Portfolio Values of Inv 2 & 3	\$ 1,311,075.89
Total debt on these properties	- \$ 900,000.00
Total profit	\$ 411,075.89
Capital Gains Tax	- \$ 102,768.97
Your total profit	\$ 308,306.92
Amount owing on first Investment	- \$ 350,000.00
Profit put into Investment	- \$ 41,693.08
Amount left owing on 1st Investment	

If sold all investments you would have a profit of \$493,167

If sold 2 Invest you would have a \$700,000 property with a \$41k debt on it
 With a rental return of Approx \$500-\$600 per week

Buying your own home then selling it after 10 years would give you \$241,000 profit in the same amount of time.