

**Summary Of Numbers From The Detailed Cash Flow (Estimated)
That Was Prepared For The Cairns Beach Resort
By First North Pty Ltd. (format consistent with brochure)**

Purchase Costs

Purchase Costs	\$	168,900		
Plus Once Only Costs (Estimate)	\$	7,366		
Stamp Duty	\$	4,590		
Searches	\$	300		
Legals	\$	800		
Bank Fees	\$	750		
Finance Stamp Duty	\$	726		
Valuations	\$	200		
Furniture				
Investment Cost		<u>\$ 176,266</u>		
Less Deposit		<u>\$ -</u>		
Borrowings (I/O Loan, 3 Years)		\$ 176,266	@ 6.6% Annual Payments	\$ 11,634

Property Income

Holiday Let	\$	95 per night	365 nights @ 65% full	\$ 22,539
			Total Income	<u>\$ 22,539</u>
			Surplus	<u>\$ 10,905</u>

Expected Expenditure

Rates	\$	605		
Postage, Phone calls etc.	\$	30		
Insurance	\$	250		
Body Corporate Fees	\$	1,366		
Marketing	\$	1,043		
Electricity (Est.)	\$	1,000		
Cleaning	\$	2,874		
Linen Hire	\$	802		
Sundry Replacements	\$	200		
Management Fees	12%	\$ 2,705		
Travel Agent Fee	\$	1,827		
Maintenance				
Sinking Fund				
Maintenance (Interior)				
GST Estimation	\$	1,270	1st Yr Total Expenditure	<u>\$ 13,972</u>
			1st Yr Pre-Tax Costs	<u>-\$ 3,067</u>

Tax Deductions

Building Depreciation	\$	2,471	Over 25 years @4%	
Inclusions Depr.(incl. furn if applic.)	\$	3,994	Diminishing Value Method @11.25%	
Items of \$1000 or less	\$	563	1st Year @ 18.75%	
Borrowing Costs Depreciation	\$	225	Diminishing Value Method @11.25%	
			Tax Deductions	<u>-\$ 7,253</u>
			Total Deductions	<u>-\$ 10,320</u>

Tax Rebate Calculation

Main Present Taxable Income (Est.)	\$	60,000	Tax Payable	\$ 15,580
New Taxable Income	\$	49,680 [60000-10320]	Tax Payable	<u>\$ 11,284</u>
			Tax Rebate	\$ 4,296
			Nett 1st Year Surplus [-3067+4296]	<u><u>\$ 1,229</u></u>