

Tax Depreciation Estimate

Maximising the cash return from investment properties

Harbourside by Mirvac
10 Darling Drive
SYDNEY NSW 2000

2 April, 2024

Mirvac Group- Sydney
Level 28 200 George Street
SYDNEY NSW 2000

10 Darling Drive, SYDNEY NSW 2000 - 875900r1

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 Mirvac Group- Sydney.

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 (2020/3).

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 (division 40 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.

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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

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Appendix One

BMT Tax Depreciation Estimate

Harbourside by Mirvac

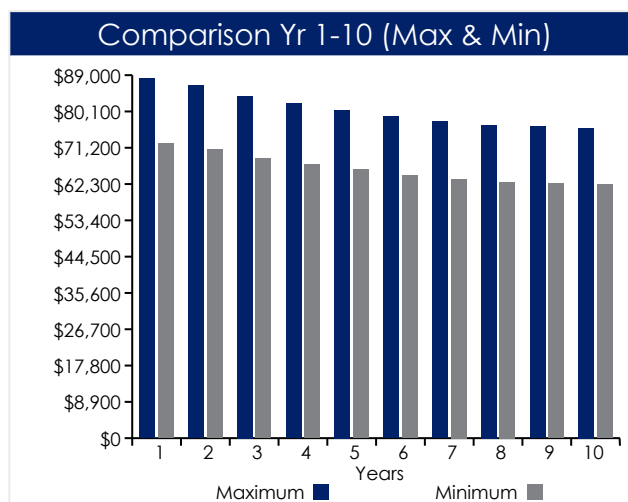
10 Darling Drive

SYDNEY NSW 2000

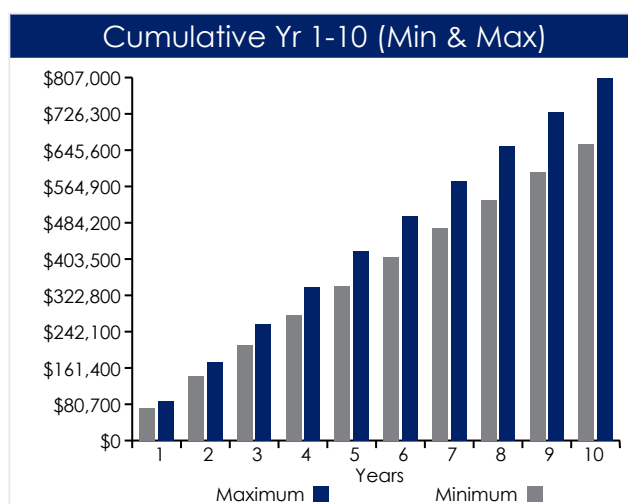
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Estimate of Depreciation Claimable Penthouse, Harbourside by Mirvac 10 Darling Drive, SYDNEY NSW 2000

Maximum			
Year	Plant & Equipment	Division 43	Total
1	14,774	73,447	88,221
2	12,995	73,447	86,442
3	10,428	73,447	83,875
4	8,630	73,447	82,077
5	6,999	73,447	80,446
6	5,348	73,447	78,795
7	4,173	73,447	77,620
8	3,321	73,447	76,768
9	2,899	73,447	76,346
10	2,636	73,447	76,083
11 +	11,872	2,203,420	2,215,292
Total	\$84,075	\$2,937,890	\$3,021,965



Minimum			
Year	Plant & Equipment	Division 43	Total
1	12,088	60,093	72,181
2	10,633	60,093	70,726
3	8,532	60,093	68,625
4	7,061	60,093	67,154
5	5,727	60,093	65,820
6	4,376	60,093	64,469
7	3,415	60,093	63,508
8	2,717	60,093	62,810
9	2,372	60,093	62,465
10	2,156	60,093	62,249
11 +	9,714	1,802,798	1,812,512
Total	\$68,791	\$2,403,728	\$2,472,519



* 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.

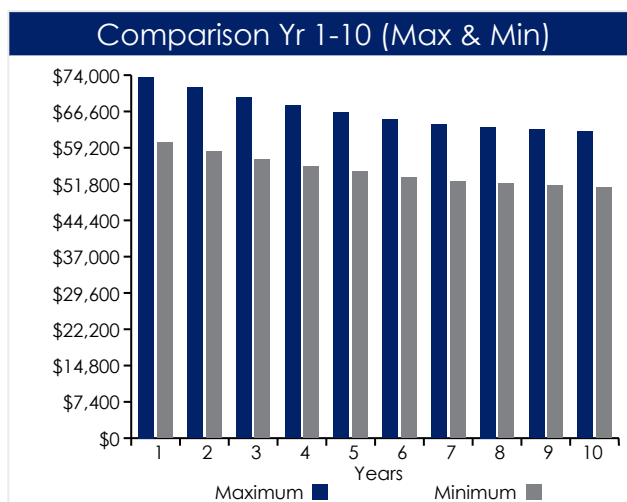
This Estimate Cannot Be Used For Taxation Purposes

To discuss the contents of this report please contact Bradley Beer at BMT Tax Depreciation on 02 8265 5500

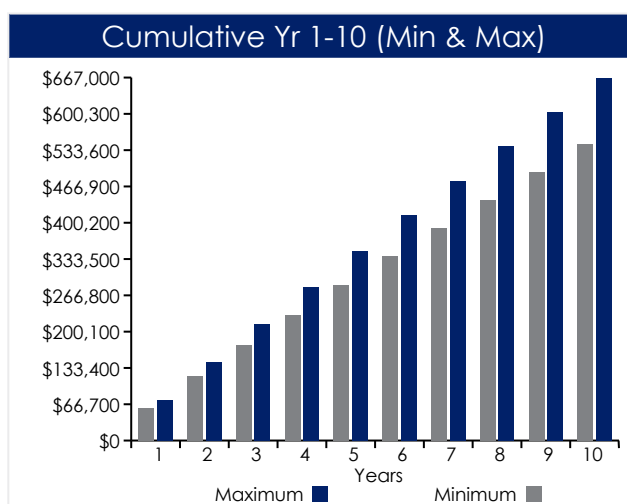
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Estimate of Depreciation Claimable Sub Penthouse, Harbourside by Mirvac 10 Darling Drive, SYDNEY NSW 2000

Maximum			
Year	Plant & Equipment	Division 43	Total
1	13,373	60,275	73,648
2	11,161	60,275	71,436
3	9,208	60,275	69,483
4	7,481	60,275	67,756
5	6,115	60,275	66,390
6	4,655	60,275	64,930
7	3,619	60,275	63,894
8	3,186	60,275	63,461
9	2,706	60,275	62,981
10	2,245	60,275	62,520
11 +	9,576	1,808,216	1,817,792
Total	\$73,325	\$2,410,966	\$2,484,291



Minimum			
Year	Plant & Equipment	Division 43	Total
1	10,941	49,316	60,257
2	9,131	49,316	58,447
3	7,534	49,316	56,850
4	6,121	49,316	55,437
5	5,003	49,316	54,319
6	3,809	49,316	53,125
7	2,961	49,316	52,277
8	2,606	49,316	51,922
9	2,214	49,316	51,530
10	1,837	49,316	51,153
11 +	7,835	1,479,450	1,487,285
Total	\$59,992	\$1,972,610	\$2,032,602



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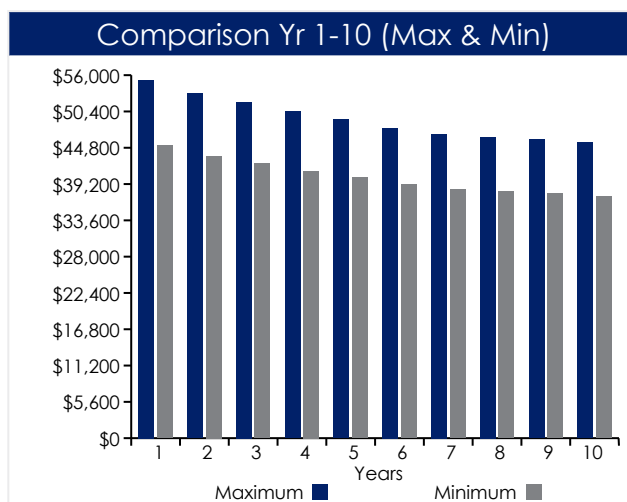
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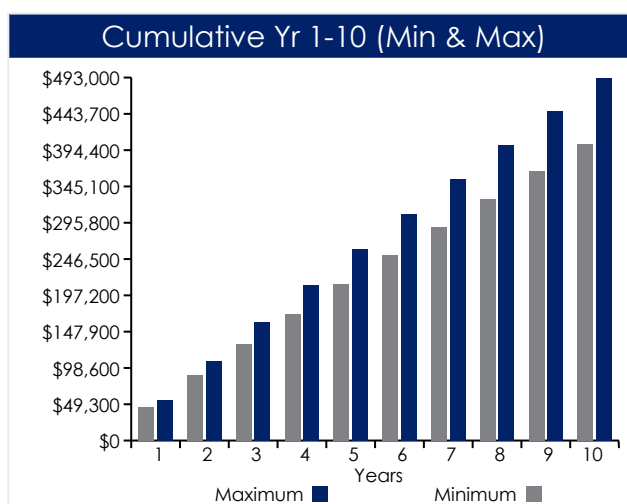
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Estimate of Depreciation Claimable 4 Bedroom Unit, Harbourside by Mirvac 10 Darling Drive, SYDNEY NSW 2000

Maximum			
Year	Plant & Equipment	Division 43	Total
1	11,289	43,948	55,237
2	9,276	43,948	53,224
3	7,896	43,948	51,844
4	6,406	43,948	50,354
5	5,226	43,948	49,174
6	3,911	43,948	47,859
7	2,992	43,948	46,940
8	2,522	43,948	46,470
9	2,155	43,948	46,103
10	1,619	43,948	45,567
11 +	7,190	1,318,462	1,325,652
Total	\$60,482	\$1,757,942	\$1,818,424



Minimum			
Year	Plant & Equipment	Division 43	Total
1	9,237	35,958	45,195
2	7,590	35,958	43,548
3	6,460	35,958	42,418
4	5,242	35,958	41,200
5	4,276	35,958	40,234
6	3,200	35,958	39,158
7	2,448	35,958	38,406
8	2,064	35,958	38,022
9	1,763	35,958	37,721
10	1,325	35,958	37,283
11 +	5,882	1,078,742	1,084,624
Total	\$49,487	\$1,438,322	\$1,487,809



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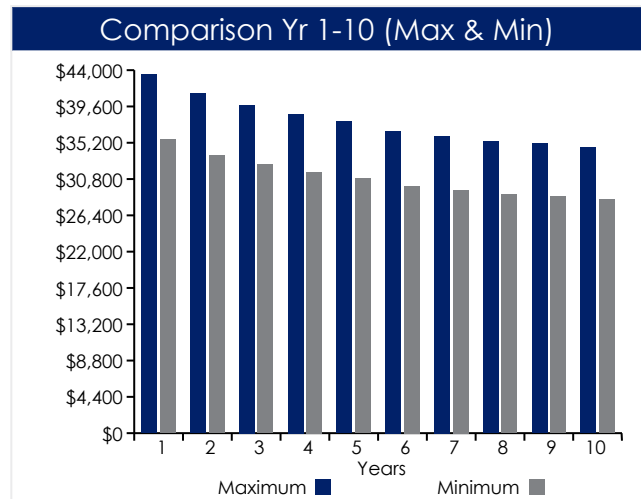
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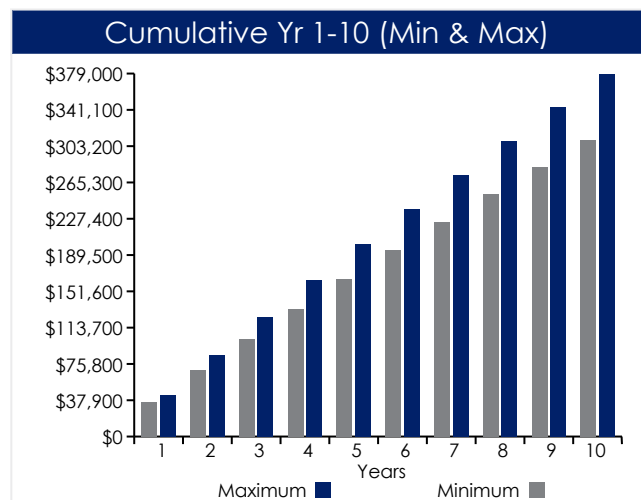
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Estimate of Depreciation Claimable 3 Bedroom Unit, Harbourside by Mirvac 10 Darling Drive, SYDNEY NSW 2000

Maximum			
Year	Plant & Equipment	Division 43	Total
1	10,134	33,330	43,464
2	7,840	33,330	41,170
3	6,458	33,330	39,788
4	5,350	33,330	38,680
5	4,433	33,330	37,763
6	3,302	33,330	36,632
7	2,691	33,330	36,021
8	2,028	33,330	35,358
9	1,779	33,330	35,109
10	1,331	33,330	34,661
11 +	5,779	999,875	1,005,654
Total	\$51,125	\$1,333,175	\$1,384,300



Minimum			
Year	Plant & Equipment	Division 43	Total
1	8,292	27,270	35,562
2	6,414	27,270	33,684
3	5,284	27,270	32,554
4	4,378	27,270	31,648
5	3,627	27,270	30,897
6	2,702	27,270	29,972
7	2,201	27,270	29,471
8	1,660	27,270	28,930
9	1,455	27,270	28,725
10	1,089	27,270	28,359
11 +	4,729	818,079	822,808
Total	\$41,831	\$1,090,779	\$1,132,610



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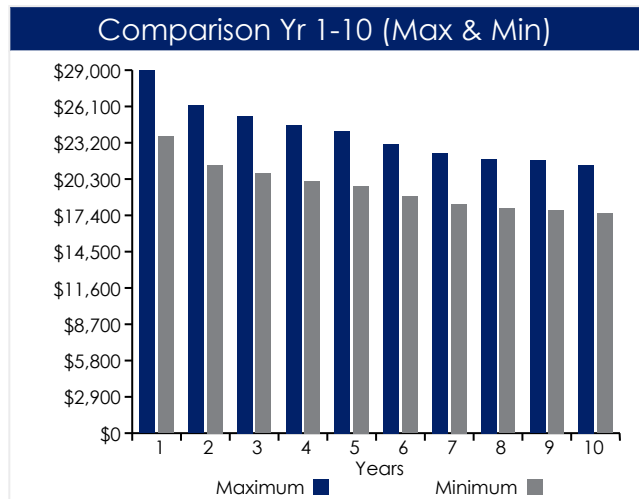
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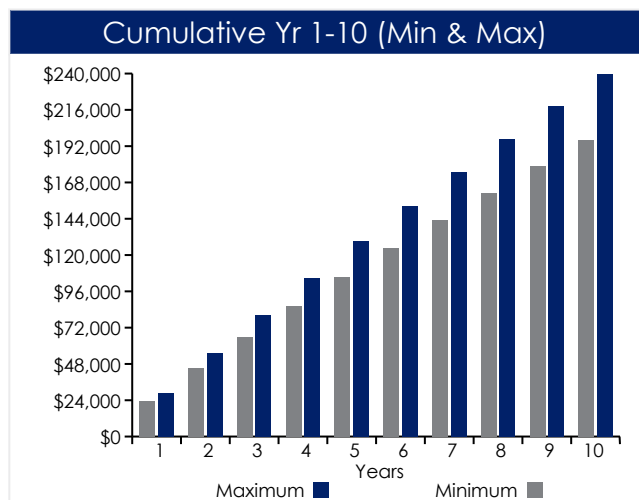
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Estimate of Depreciation Claimable 2 Bedroom Unit, Harbourside by Mirvac 10 Darling Drive, SYDNEY NSW 2000

Maximum			
Year	Plant & Equipment	Division 43	Total
1	8,553	20,406	28,959
2	5,764	20,406	26,170
3	4,939	20,406	25,345
4	4,213	20,406	24,619
5	3,729	20,406	24,135
6	2,691	20,406	23,097
7	1,984	20,406	22,390
8	1,497	20,406	21,903
9	1,374	20,406	21,780
10	1,013	20,406	21,419
11 +	4,109	612,162	616,271
Total	\$39,866	\$816,222	\$856,088



Minimum			
Year	Plant & Equipment	Division 43	Total
1	6,998	16,696	23,694
2	4,716	16,696	21,412
3	4,041	16,696	20,737
4	3,447	16,696	20,143
5	3,051	16,696	19,747
6	2,201	16,696	18,897
7	1,624	16,696	18,320
8	1,225	16,696	17,921
9	1,124	16,696	17,820
10	829	16,696	17,525
11 +	3,362	500,860	504,222
Total	\$32,618	\$667,820	\$700,438



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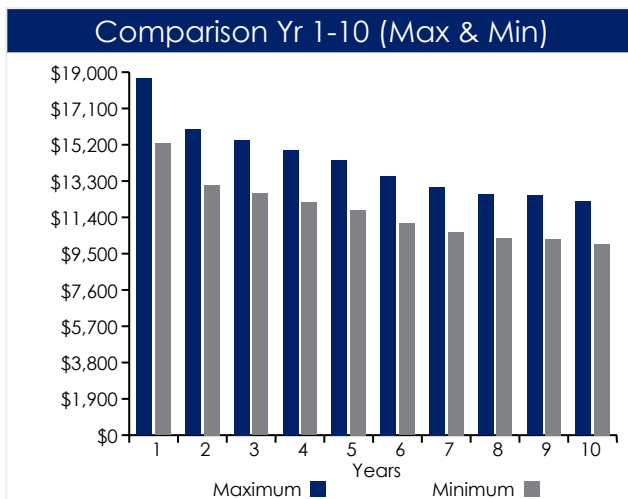
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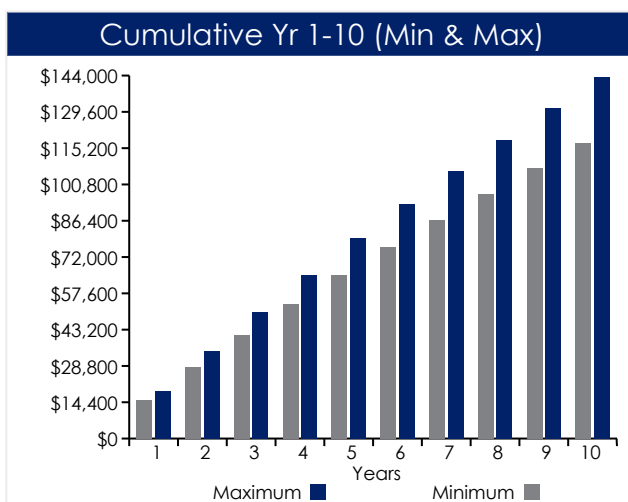
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Estimate of Depreciation Claimable 1 Bedroom Unit, Harbourside by Mirvac 10 Darling Drive, SYDNEY NSW 2000

Maximum			
Year	Plant & Equipment	Division 43	Total
1	7,241	11,429	18,670
2	4,585	11,429	16,014
3	4,013	11,429	15,442
4	3,474	11,429	14,903
5	2,967	11,429	14,396
6	2,133	11,429	13,562
7	1,566	11,429	12,995
8	1,176	11,429	12,605
9	1,121	11,429	12,550
10	806	11,429	12,235
11 +	2,983	342,860	345,843
Total	\$32,065	\$457,150	\$489,215



Minimum			
Year	Plant & Equipment	Division 43	Total
1	5,925	9,351	15,276
2	3,751	9,351	13,102
3	3,283	9,351	12,634
4	2,842	9,351	12,193
5	2,427	9,351	11,778
6	1,745	9,351	11,096
7	1,282	9,351	10,633
8	962	9,351	10,313
9	917	9,351	10,268
10	660	9,351	10,011
11 +	2,441	280,522	282,963
Total	\$26,235	\$374,032	\$400,267



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