BMT Tax Depreciation
QUANTITY SURVEYORS

Tax Depreciation Estimate

Maximising the cash return from investment properties

Walter North Adelaide

12 Walter Street
NORTH ADELAIDE SA 5006

29 May 2026

Prime Space Projects
Level 2 19 Gouger Street
ADELAIDE BC SA 5000

12 Walter Street, NORTH ADELAIDE SA 5006 - 977404

Dear Sir/Madam,

Please find the attached 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 Prime Space Projects.

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 (2022/1).

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. 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

BMT Tax Depreciation Pty Ltd
Quantity Surveyors

08 8193 5900 info@bmtqs.com.au bmtqs.com.au ABN: 44 115 282 392
Ground Floor, 121 King William Street, Adelaide, SA 5000 | GPO Box 1588, Adelaide, SA, 5001

Appendix One

BMT Tax Depreciation Estimate

Walter North Adelaide

12 Walter Street

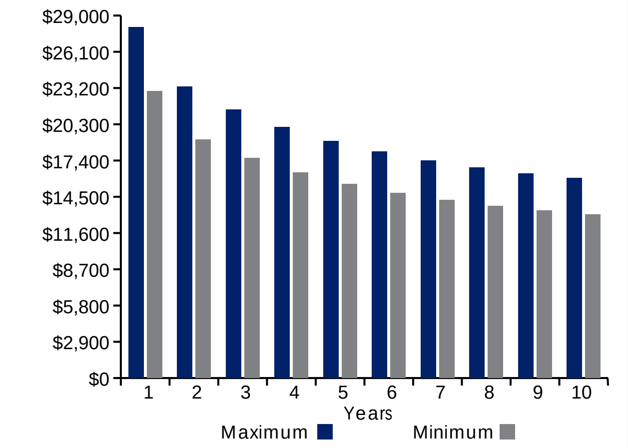
NORTH ADELAIDE SA 5006

Estimate of Depreciation Claimable
2 Bed Apartment - Type 1, Walter North Adelaide
12 Walter Street, NORTH ADELAIDE SA 5006

Maximum

Year	Plant & Equipment	Division 43	Total
1	14,280	13,772	28,052
2	9,554	13,772	23,326
3	7,715	13,772	21,487
4	6,305	13,772	20,077
5	5,205	13,772	18,977
6	4,332	13,772	18,104
7	3,631	13,772	17,403
8	3,062	13,772	16,834
9	2,596	13,772	16,368
10	2,218	13,772	15,990
11 +	14,830	413,182	428,012
Total	$73,729	$550,902	$624,631

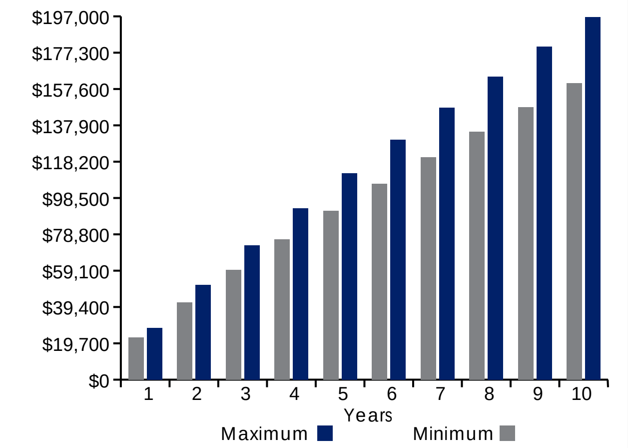
Comparison Yr 1-10 (Max & Min)



Minimum

Year	Plant & Equipment	Division 43	Total
1	11,684	11,268	22,952
2	7,817	11,268	19,085
3	6,313	11,268	17,581
4	5,159	11,268	16,427
5	4,259	11,268	15,527
6	3,544	11,268	14,812
7	2,971	11,268	14,239
8	2,506	11,268	13,774
9	2,124	11,268	13,392
10	1,814	11,268	13,082
11 +	12,134	338,058	350,192
Total	$60,323	$450,738	$511,061

Cumulative Yr 1-10 (Min & Max)



* 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 08 8193 5900

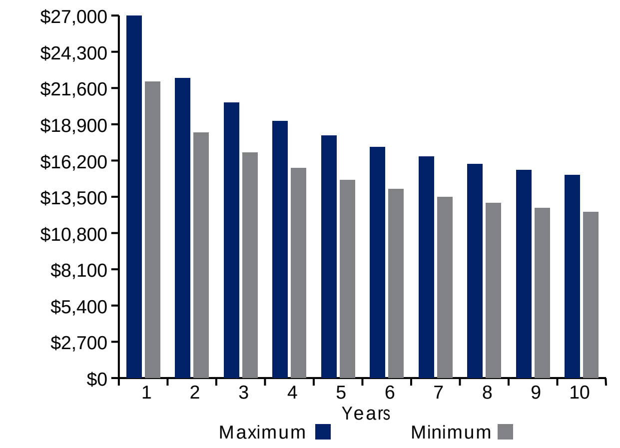
Maximising property tax depreciation deductions

Estimate of Depreciation Claimable
2 Bed Apartment - Type 2, Walter North Adelaide
12 Walter Street, NORTH ADELAIDE SA 5006

Maximum

Year	Plant & Equipment	Division 43	Total
1	14,062	12,922	26,984
2	9,406	12,922	22,328
3	7,602	12,922	20,524
4	6,212	12,922	19,133
5	5,128	12,922	18,050
6	4,268	12,922	17,190
7	3,578	12,922	16,500
8	3,020	12,922	15,941
9	2,554	12,922	15,476
10	2,181	12,922	15,103
11 +	14,588	387,628	402,216
Total	$72,600	$516,845	$589,445

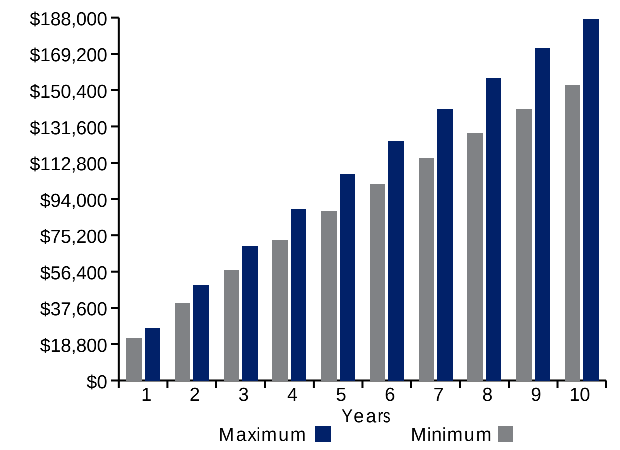
Comparison Yr 1-10 (Max & Min)



Minimum

Year	Plant & Equipment	Division 43	Total
1	11,506	10,572	22,078
2	7,696	10,572	18,268
3	6,220	10,572	16,792
4	5,082	10,572	15,655
5	4,196	10,572	14,768
6	3,492	10,572	14,064
7	2,928	10,572	13,500
8	2,471	10,572	13,043
9	2,090	10,572	12,662
10	1,785	10,572	12,357
11 +	11,936	317,150	329,086
Total	$59,400	$422,873	$482,273

Cumulative Yr 1-10 (Min & Max)



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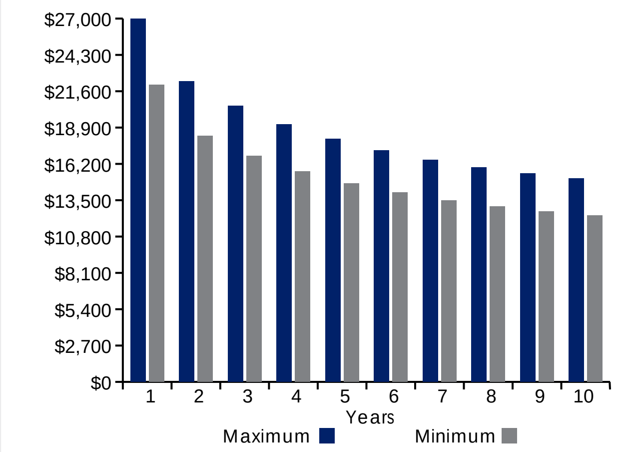
Estimate of Depreciation Claimable
2 Bed Apartment - Type 3, Walter North Adelaide
12 Walter Street, NORTH ADELAIDE SA 5006

Maximum

Year	Plant & Equipment	Division 43	Total
1	14,062	12,922	26,984
2	9,406	12,922	22,328
3	7,602	12,922	20,524
4	6,212	12,922	19,133
5	5,128	12,922	18,050
6	4,268	12,922	17,190
7	3,578	12,922	16,500
8	3,020	12,922	15,941
9	2,554	12,922	15,476
10	2,181	12,922	15,103
11 +	14,588	387,651	402,239
Total	$72,600	$516,868	$589,468

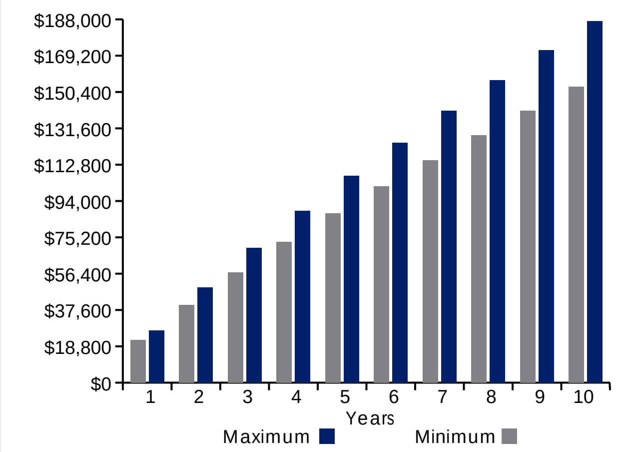
Comparison Yr 1-10 (Max & Min)



Minimum

Year	Plant & Equipment	Division 43	Total
1	11,506	10,572	22,078
2	7,696	10,572	18,268
3	6,220	10,572	16,792
4	5,082	10,572	15,655
5	4,196	10,572	14,768
6	3,492	10,572	14,064
7	2,928	10,572	13,500
8	2,471	10,572	13,043
9	2,090	10,572	12,662
10	1,785	10,572	12,357
11 +	11,936	317,169	329,105
Total	$59,400	$422,892	$482,292

Cumulative Yr 1-10 (Min & Max)



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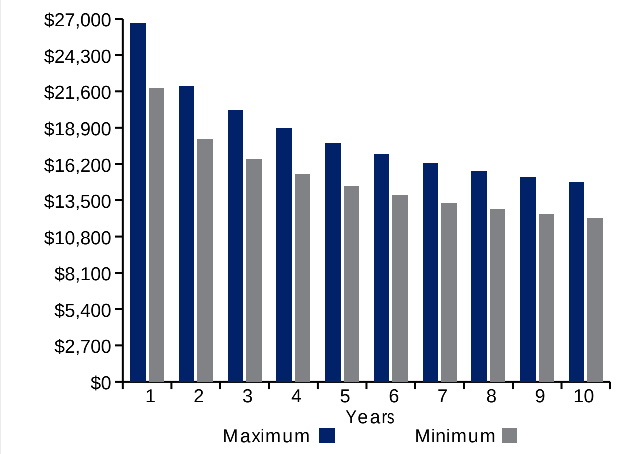
Maximising property tax depreciation deductions

Estimate of Depreciation Claimable
2 Bed Apartment - Type 4, Walter North Adelaide
12 Walter Street, NORTH ADELAIDE SA 5006

Maximum

Year	Plant & Equipment	Division 43	Total
1	13,958	12,685	26,643
2	9,336	12,685	22,021
3	7,542	12,685	20,227
4	6,164	12,685	18,850
5	5,090	12,685	17,775
6	4,236	12,685	16,921
7	3,552	12,685	16,237
8	2,995	12,685	15,681
9	2,540	12,685	15,225
10	2,163	12,685	14,848
11 +	14,468	380,547	395,016
Total	$72,043	$507,399	$579,443

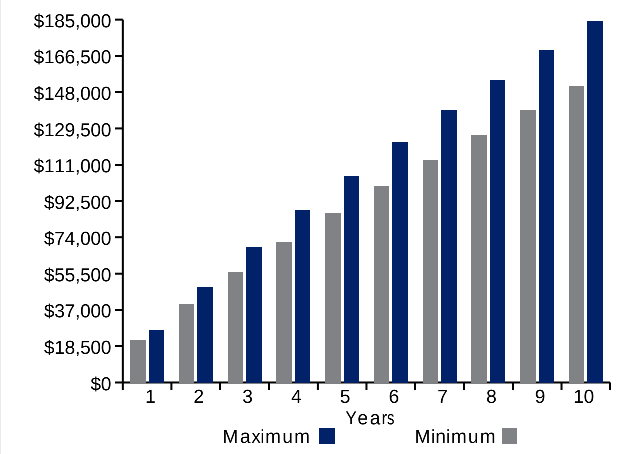
Comparison Yr 1-10 (Max & Min)



Minimum

Year	Plant & Equipment	Division 43	Total
1	11,420	10,379	21,799
2	7,638	10,379	18,017
3	6,170	10,379	16,549
4	5,044	10,379	15,422
5	4,164	10,379	14,543
6	3,466	10,379	13,845
7	2,906	10,379	13,285
8	2,451	10,379	12,830
9	2,078	10,379	12,457
10	1,769	10,379	12,148
11 +	11,838	311,357	323,195
Total	$58,945	$415,145	$474,089

Cumulative Yr 1-10 (Min & Max)



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