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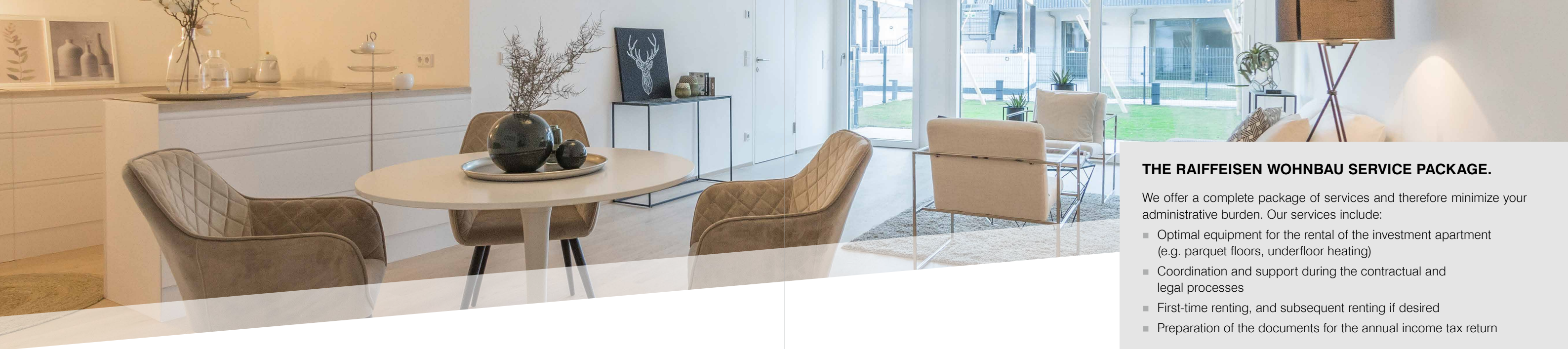
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INVEST OR MAKE PROVISIONS.

**RAIFFEISEN WOHNBAU APARTMENTS
WITH A FUTURE.**

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THE RAIFFEISEN WOHNBAU SERVICE PACKAGE.

We offer a complete package of services and therefore minimize your administrative burden. Our services include:

- Optimal equipment for the rental of the investment apartment (e.g. parquet floors, underfloor heating)
- Coordination and support during the contractual and legal processes
- First-time renting, and subsequent renting if desired
- Preparation of the documents for the annual income tax return

INVESTMENT AND RENTAL.

Buying a condo with the intention to let-out is becoming increasingly important. Such a buy-to-let or investment apartment is an ideal additional source of income in retirement. With the expected increase in value of real estate and the ongoing indexation of rental income, you can benefit from the advantages of asset-creating investment.

THE RIGHT APARTMENT.

For buy-to-let or investment apartments we recommend a brand new, compact, and well-designed object. This could have one, two or three rooms. The optimal size for a quick and sustainable rental is between 45 and 60 m² living space.



Location

A location with good public and private transport connections and with extensive local supply options is crucial.



Equipment

In addition to having a functional floor plan, your investment apartment should come with a fully-equipped kitchen, a well-equipped bathroom and parquet floors, large-format tiles and high-quality fittings.

THE AMOUNT OF YOUR ADDITIONAL INCOME.

The expected return is influenced by the following factors:

- **Purchase price:** location, size, floor plan and equipment of an apartment determine both the purchase price and the rent. Your return results from this relationship between the purchase price and the rent.
- **Financing mix:** the ratio of equity to borrowed capital should be determined individually according to your investment goal.
- **Rental income:** the standard rental price on the market is the yardstick for the expected rent amount.

TAX ASPECTS.

Acquisition at net purchase price.

By letting your object you, as a homeowner, become an entrepreneur within the scope of the VAT act, i.e. you can deduct the VAT included in the purchase price as input tax and thus purchase the apartment at the net purchase price.

Income tax benefits.

After paying the purchase price, and before the rental begins, you can then claim the interest from the acquisition financing in your income tax return as income-related costs and offset it against other income. The resulting tax credit improves the return on your investment apartment.

Once rental begins, you can also claim the depreciation for wear and tear as part of the income-related costs, in addition to the interest from financing the purchase price. In the first few years of rental, depending on the financing model chosen, the income-related costs will exceed the rental income. The balance with other income then leads to corresponding tax credits and thus to further improvements in returns.

Total surplus.

For tax recognition of the model, in particular the losses in the early years and the resulting tax credit, the tax office must be shown that the rental income achieved will eventually exceed the claimed income-related costs within a foreseeable period.

Sale of the buy-to-let / investment apartment.

When a privately-owned investment apartment is sold, there is generally a taxable sale transaction.

The income from the sale of an investment apartment is subject to a tax rate of 30% (capital gains tax), unless an application is made for taxation according to the rates.

