

Assumed \$100K + buffer available in offset/savings
\$50K+ savings p/a

Salary	\$100,000.00	MTR	4.75%
Initial Investment	\$50,000.00		
Annual Investment	\$5,000.00	Repayments	
Mortgage	\$1,000,000.00	\$5,500.00	p/m
Interest rate	5.25%		
Dividend Return	4.75%		
Capital Growth	3.75%		

Option 1. Split loan (eg \$100K and \$900K). Ask bank to make \$100K interest only, pay this out to \$10, then redraw into brokerage. Repeat every year (ie year 2 \$50K). Let I/O loan capitalise and continue current mortgage pmts on non-deduction portion (eg \$900k in this case).
Option 2. Equity release. This is much simpler and assumes you have a bit of equity on hand (ie house worth \$1.5M and loan at \$1M). Apply for I/O equity release for eg \$200K. Use \$100k in savings to pay down mortgage (bring mortgage from \$1m to \$900K. Then draw \$100K from your new I/O investment to
Option 3. Equity release + gearing. Refer to option 4 below, this is GEARING and is additional risk, but you can still 'debt recycle' ie dividends/savings all into non-deductible debt and bring forward your payment date sooner with some risk. This is likely the one I will be doing.

1) DEBT RECYCLING

PPR		2.3.3 for Gearing											
% DR	Year	Mortgage	Share Income	ND Interest	D Interest	Tax savings	Amount Invested	Investment Loan	Interest	Share Growth	Additional contributions	Portfolio	Net
10.00%	1	\$ 900,000.00	\$ 4,750.00	\$ 58,500.00	\$ 6,500.00	\$ 1,069.25	\$ 100,000.00	\$ 100,000.00	\$ 6,500.00	\$ 3,750.00	\$ 50,000.00	\$ 100,000.00	\$ 900,000.00
15.10%	2	\$ 843,280.75	\$ 7,303.13	\$ 54,806.75	\$ 9,750.00	\$ 1,495.04	\$ 153,750.00	\$ 150,000.00	\$ 9,750.00	\$ 5,765.63	\$ 50,000.00	\$ 153,750.00	\$ 839,430.75
20.35%	3	\$ 782,839.33	\$ 9,951.99	\$ 50,891.06	\$ 13,000.00	\$ 1,862.33	\$ 209,515.63	\$ 200,000.00	\$ 13,000.00	\$ 7,856.84	\$ 50,000.00	\$ 209,515.63	\$ 773,423.71
25.80%	4	\$ 719,016.06	\$ 12,700.19	\$ 46,736.04	\$ 16,250.00	\$ 2,168.93	\$ 267,372.46	\$ 250,000.00	\$ 16,250.00	\$ 10,026.47	\$ 50,000.00	\$ 267,372.46	\$ 701,643.60
31.54%	5	\$ 651,132.98	\$ 15,551.45	\$ 42,323.64	\$ 19,500.00	\$ 2,412.56	\$ 327,398.93	\$ 300,000.00	\$ 19,500.00	\$ 12,277.46	\$ 50,000.00	\$ 327,398.93	\$ 623,734.06
37.68%	6	\$ 578,293.61	\$ 18,509.63	\$ 37,694.52	\$ 22,750.00	\$ 2,590.87	\$ 389,676.39	\$ 350,000.00	\$ 22,750.00	\$ 14,612.86	\$ 50,000.00	\$ 389,676.39	\$ 539,316.23
44.13%	7	\$ 502,276.64	\$ 21,578.74	\$ 32,647.98	\$ 26,000.00	\$ 2,701.39	\$ 454,289.25	\$ 400,000.00	\$ 26,000.00	\$ 17,035.85	\$ 50,000.00	\$ 454,289.25	\$ 447,987.39
51.69%	8	\$ 420,644.49	\$ 24,762.94	\$ 27,341.89	\$ 29,250.00	\$ 2,741.59	\$ 521,325.10	\$ 450,000.00	\$ 29,250.00	\$ 19,549.69	\$ 50,000.00	\$ 521,325.10	\$ 349,319.39
59.97%	9	\$ 333,731.85	\$ 28,066.55	\$ 21,692.57	\$ 32,500.00	\$ 2,708.84	\$ 590,874.79	\$ 500,000.00	\$ 32,500.00	\$ 22,157.80	\$ 50,000.00	\$ 590,874.79	\$ 242,857.06
69.52%	10	\$ 241,149.03	\$ 31,494.05	\$ 15,674.69	\$ 35,750.00	\$ 2,600.39	\$ 663,032.60	\$ 550,000.00	\$ 35,750.00	\$ 24,863.72	\$ 50,000.00	\$ 663,032.60	\$ 128,116.43

2) SURPLUS PAYING MORTGAGE

PPR		2.3.3 for Gearing											
% DR	Year	Mortgage	Share Income	ND Interest	D Interest	Tax savings	Amount Invested	Investment Loan	Interest	Share Growth	Additional contributions	Portfolio	Net
1	\$ 900,000.00	\$ -	\$ 58,500.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000.00	\$ -	\$ 900,000.00
2	\$ 842,500.00	\$ -	\$ 54,762.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000.00	\$ -	\$ 842,500.00
3	\$ 781,282.50	\$ -	\$ 50,782.06	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000.00	\$ -	\$ 781,282.50
4	\$ 716,044.56	\$ -	\$ 46,542.90	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000.00	\$ -	\$ 716,044.56
5	\$ 646,587.46	\$ -	\$ 42,028.18	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000.00	\$ -	\$ 646,587.46
6	\$ 572,615.64	\$ -	\$ 37,220.02	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000.00	\$ -	\$ 572,615.64
7	\$ 493,835.66	\$ -	\$ 32,099.32	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000.00	\$ -	\$ 493,835.66
8	\$ 409,934.98	\$ -	\$ 26,645.77	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000.00	\$ -	\$ 409,934.98
9	\$ 320,580.75	\$ -	\$ 20,837.75	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000.00	\$ -	\$ 320,580.75
10	\$ 225,418.50	\$ -	\$ 14,652.20	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,000.00	\$ -	\$ 225,418.50

3) SURPLUS INTO SHARES

PPR		2.3.3 for Gearing											
% DR	Year	Mortgage	Share Income	ND Interest	D Interest	Tax savings	Amount Invested	Investment Loan	Interest	Share Growth	Additional contributions	Portfolio	Net
1	\$ 1,000,000.00	\$ 4,750.00	\$ 65,000.00	\$ -	\$ -	\$ 1,069.25	\$ 100,000.00	\$ -	\$ -	\$ 3,750.00	\$ 50,000.00	\$ 100,000.00	\$ 900,000.00
2	\$ 985,812.75	\$ 7,303.13	\$ 64,727.83	\$ -	\$ -	\$ 1,495.04	\$ 150,000.00	\$ -	\$ -	\$ 5,765.63	\$ 50,000.00	\$ 153,750.00	\$ 842,062.75
3	\$ 989,640.18	\$ 9,951.99	\$ 64,326.61	\$ -	\$ -	\$ 1,974.21	\$ 200,000.00	\$ -	\$ -	\$ 7,856.84	\$ 50,000.00	\$ 209,515.63	\$ 780,124.56
4	\$ 981,289.01	\$ 12,700.19	\$ 63,783.79	\$ -	\$ -	\$ 2,478.36	\$ 250,000.00	\$ -	\$ -	\$ 10,026.47	\$ 50,000.00	\$ 267,372.46	\$ 713,916.55
5	\$ 970,550.96	\$ 15,551.45	\$ 63,085.81	\$ -	\$ -	\$ 2,912.63	\$ 300,000.00	\$ -	\$ -	\$ 12,277.46	\$ 50,000.00	\$ 327,398.93	\$ 643,152.04
6	\$ 957,201.75	\$ 18,509.63	\$ 62,218.11	\$ -	\$ -	\$ 3,309.67	\$ 350,000.00	\$ -	\$ -	\$ 14,612.86	\$ 50,000.00	\$ 389,676.39	\$ 567,525.37
7	\$ 940,999.91	\$ 21,578.74	\$ 61,164.99	\$ -	\$ -	\$ 3,669.41	\$ 400,000.00	\$ -	\$ -	\$ 17,035.85	\$ 50,000.00	\$ 454,289.25	\$ 486,710.65
8	\$ 921,685.57	\$ 24,762.94	\$ 59,909.56	\$ -	\$ -	\$ 4,000.00	\$ 450,000.00	\$ -	\$ -	\$ 19,549.69	\$ 50,000.00	\$ 521,325.10	\$ 400,360.47
9	\$ 898,979.19	\$ 28,066.55	\$ 58,433.65	\$ -	\$ -	\$ 4,303.90	\$ 500,000.00	\$ -	\$ -	\$ 22,157.80	\$ 50,000.00	\$ 590,874.79	\$ 308,104.40
10	\$ 872,580.19	\$ 31,494.05	\$ 56,717.71	\$ -	\$ -	\$ 4,567.54	\$ 550,000.00	\$ -	\$ -	\$ 24,863.72	\$ 50,000.00	\$ 663,032.60	\$ 209,547.59

4) DEBT RECYCLING + GEARING

PPR		2.3.3 for Gearing											
% DR	Year	Mortgage	Share Income	ND Interest	D Interest	Tax savings	Amount Invested	Investment Loan	Interest	Share Growth	Additional contributions	Portfolio	Net
10.00%	1	\$ 900,000.00	\$ 16,625.00	\$ 58,500.00	\$ 22,750.00	\$ 3,742.38	\$ 350,000.00	\$ 350,000.00	\$ 22,750.00	\$ 13,125.00	\$ -	\$ 350,000.00	\$ 900,000.00
32.13%	2	\$ 844,882.63	\$ 19,623.44	\$ 54,917.37	\$ 26,000.00	\$ 3,896.08	\$ 413,125.00	\$ 400,000.00	\$ 26,000.00	\$ 15,492.19	\$ -	\$ 413,125.00	\$ 831,757.63
36.40%	3	\$ 786,280.48	\$ 22,734.32	\$ 51,108.23	\$ 29,250.00	\$ 3,981.08	\$ 478,617.19	\$ 450,000.00	\$ 29,250.00	\$ 17,948.14	\$ -	\$ 478,617.19	\$ 757,663.29
40.85%	4	\$ 723,923.31	\$ 25,961.85	\$ 47,055.02	\$ 32,500.00	\$ 3,994.81	\$ 546,565.33	\$ 500,000.00	\$ 32,500.00	\$ 20,496.20	\$ -	\$ 546,565.33	\$ 677,357.98
45.55%	5	\$ 657,521.66	\$ 29,310.42	\$ 42,738.91	\$ 35,750.00	\$ 3,934.58	\$ 617,061.53	\$ 550,000.00	\$ 35,750.00	\$ 23,139.81	\$ -	\$ 617,061.53	\$ 590,460.13
50.56%	6	\$ 586,765.57	\$ 32,784.56	\$ 38,139.76	\$ 39,000.00	\$ 3,797.63	\$ 690,201.34	\$ 600,000.00	\$ 39,000.00	\$ 25,882.55	\$ -	\$ 690,201.34	\$ 496,564.23
55.97%	7	\$ 511,323.14	\$ 36,388.98	\$ 33,236.00	\$ 42,250.00	\$ 3,581.08	\$ 766,083.89	\$ 650,000.00	\$ 42,250.00	\$ 28,728.15	\$ -	\$ 766,083.89	\$ 395,239.25
61.90%	8	\$ 430,839.07	\$ 40,128.57	\$ 28,004.54	\$ 45,500.00	\$ 3,281.94	\$ 844,812.04	\$ 700,000.00	\$ 45,500.00	\$ 31,680.45	\$ -	\$ 844,812.04	\$ 286,027.04
68.50%	9	\$ 344,933.10	\$ 44,008.39	\$ 22,420.65	\$ 48,750.00	\$ 2,897.12	\$ 926,492.49	\$ 750,000.00	\$ 48,750.00	\$ 34,743.47	\$ -	\$ 926,492.49	\$ 168,440.61
75.96%	10	\$ 253,198.24	\$ 48,033.71	\$ 16,457.89	\$ 52,000.00	\$ 2,423.40	\$ 1,011,235.96	\$ 800,000.00	\$ 52,000.00	\$ 37,821.39	\$ -	\$ 1,011,235.96	\$ 41,962.28

\$100k debt recycling + \$250k additional I/O loan (equity release)