

# How to Use: Property Rental Yield

## Purpose:

This calculator helps you evaluate the **true return from a property investment** by combining:

- Property price appreciation
- Net rental income
- Investment of surplus rent (via SIP)

It provides a more realistic view of **overall yield**, instead of looking at rent or appreciation separately.

## How to Use the Calculator

1. Property Current Market Value (In ₹)

2. Expected Annual Appreciation (In %)

3. Current Monthly Rent (In ₹) 

4. Monthly Property Maintenance Cost (In ₹)

5. Expected Annual Increment (Rent & Expenses) (In %)

6. Starting Monthly Investible Surplus (In ₹)

7. Assumed Rate of Return (In %)

8. Report Period (In Years)

### 1. Property Current Market Value (₹)

Enter the **current market value** of your property.

This will be used to calculate future value based on appreciation.

### 2. Expected Annual Appreciation (%)

Enter the **expected yearly growth rate** of the property price.

Example: If you expect property prices to grow moderately, you may assume 4%–6%.

### 3. Current Monthly Rent (₹)

Enter the **monthly rental income received** from the property.  
(Preferably net of taxes for realistic calculation.)

### 4. Monthly Property Maintenance Cost (₹)

Enter the **monthly expenses** related to the property, such as:  
Maintenance charges  
Repairs  
Society charges

### 5. Expected Annual Increment (Rent & Expenses) (%)

Enter the **annual increase rate** for both rent and maintenance expenses.  
Example: Rent and expenses may grow at 2%–5% annually.

### 6. Starting Monthly Investible Surplus (₹)

This is the **net surplus available after expenses**, which can be invested.

☞ Typically calculated as:

**Monthly Rent – Maintenance Cost**

You may adjust this based on your actual savings behavior.

### 7. Assumed Rate of Return (%)

Enter the expected return on the **invested surplus amount (SIP)**.  
This reflects returns from financial investments such as mutual funds.

### 8. Report Period (Years)

Enter the number of years you want to evaluate the investment for.  
Example: 10, 15, or 20 years.

## What the Calculator Shows

Based on your inputs, the calculator provides:

- **Future Property Value** after the selected period
- **Value of SIP investments** made from rental surplus
- **Total combined wealth created**
- **Overall Yield (%)** from the property investment

## Key Insight:

This calculator helps you understand that:

- ↳ Property return is not just about appreciation
- ↳ Rental income becomes powerful when **reinvested wisely**
- ↳ A combined strategy can significantly improve overall returns