

Rent to Own Income Property Cash Flow & Profit Estimates

Tenant-Buyer: Jacob P
 Tenant-Buyer Initial Down Payment: \$20,000

Location: Kawartha Lakes
 RTO Term: 4 years



		Projections
Property Purchase Price		\$575,000
Tenant-Buyer Initial Down Payment		\$20,000
Financing: 1st Mortgage (80%, 3%, 30-yr amortization)		\$460,000
Investment Summary:		
Down Payment to Lender (20%)		\$115,000
Est. Land Transfer Tax		\$7,975
Est. Legal Costs		\$2,000
Est. Lender Appraisal		\$1,000
Broker Fee		\$12,000
Less: Tenant-Buyer Initial Down Payment		-\$20,000
Estimated Total Investment		\$117,975

Profit from Sale at End of RTO Term			
Appreciative Sale Price 4 yrs		\$690,693	
Subtract: Remaining Mtg Balance		-\$419,683	
Subtract: Legal Closing Costs		-\$1,000	
Subtract: Initial Investment		-\$117,975	
Subtract Disposition Fee	48	-\$10,000	
Subtract: Initial Tenant-Buyer Initial Down Payment		-\$20,000	
Subtract: Accrued Tenant-Buyer Down Payment	(\$826 x 48 months)	-\$39,648	
Estimated Profit/Return from Sale to Tenant-Buyer		\$82,387	

Profit From Monthly Cashflow	Monthly	Annually	Full-Term	
Total Monthly Lease Payment Amount	\$3,621	\$43,452	\$173,808	
Subtract: Monthly Mortgage Payment	-\$1,935	-\$23,220	-\$92,880	
Subtract: Property Tax Expense	-\$334	-\$4,008	-\$16,032	
Subtract: Property Insurance Expense	-\$167	-\$2,004	-\$8,016	
Estimated Profit From Monthly Cash Flow	\$1,185	\$14,220	\$56,880	

Estimated Profit from Cash Flow & Sale	\$139,267
Return on Investment (% per annum)	30
Return on Investment (% over 4 years)	118

If you would like to help this tenant-buyer Rent to Own, please contact Rachel Oliver.

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