

Rent to Own Income Property Cash Flow & Profit Estimates

Tenant-Buyer: Jamie B
 Tenant-Buyer Initial Down Payment: \$25,000

Location: Parry Sound
 RTO Term: 3 years



		Projections
Property Purchase Price		\$400,000
Tenant-Buyer Initial Down Payment		\$25,000
Financing: 1st Mortgage (80%, 3%, 30-yr amortization)		\$320,000
Investment Summary:		
Down Payment to Lender (20%)		\$80,000
Est. Land Transfer Tax		\$4,500
Est. Legal Costs		\$2,000
Est. Lender Appraisal		\$400
Broker Fee		\$12,000
Less: Tenant-Buyer Initial Down Payment		-\$25,000
Estimated Total Investment		\$73,900

Profit from Sale at End of RTO Term			
Appreciative Sale Price 3yrs		\$462,570	
Subtract: Remaining Mtg Balance		-\$299,281	
Subtract: Legal Closing Costs		-\$1,000	
Subtract: Initial Investment		-\$73,900	
Subtract Disposition Fee	36	-\$8,000	
Subtract: Initial Tenant-Buyer Initial Down Payment		-\$25,000	
Subtract: Accrued Tenant-Buyer Down Payment	(\$440 x 36 months)	-\$15,840	
Estimated Profit/Return from Sale to Tenant-Buyer		\$39,549	

Profit From Monthly Cashflow	Monthly	Annually	Full-Term	
Total Monthly Lease Payment Amount	\$2,575	\$30,900	\$92,700	
Subtract: Monthly Mortgage Payment	-\$1,346	-\$16,152	-\$48,456	
Subtract: Property Tax Expense	-\$200	-\$2,400	-\$7,200	
Subtract: Property Insurance Expense	-\$167	-\$2,004	-\$6,012	
Estimated Profit From Monthly Cash Flow	\$862	\$10,344	\$31,032	

Estimated Profit from Cash Flow & Sale		\$70,581
Return on Investment (% per annum)		32
Return on Investment (% over 3 years)		96

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

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