

Rent to Own Income Property Cash Flow & Profit Estimates

Tenant-Buyer: Joanie and Adam
 Tenant-Buyer Initial Down Payment: \$40000

Location: Little Britain
 RTO Term: 4 years



| | | Projections |
|--|--|------------------|
| Property Purchase Price | | \$799,000 |
| Tenant-Buyer Initial Down Payment | | \$40,000 |
| Financing: 1st Mortgage (80%, 3%, 30-yr amortization) | | \$639,200 |
| Investment Summary: | | |
| Down Payment to Lender (20%) | | \$159,800 |
| Land Transfer Tax | | \$12,100 |
| Legal Costs | | \$2,000 |
| Lender Appraisal | | \$400 |
| Broker Fee | | \$12,000 |
| Less: Tenant-Buyer Initial Down Payment | | -\$40,000 |
| Estimated Total Investment | | \$146,300 |

| Profit from Sale at End of RTO Term | | | |
|--|---------------------|------------------|--|
| Appreciative Sale Price 4yrs | | \$950,138 | |
| Subtract: Remaining Mtg Balance | | -\$583,177 | |
| Subtract: Legal Closing Costs | | -\$1,000 | |
| Subtract: Initial Investment | | -\$146,300 | |
| Subtract: Disposition Fee | 48 | -\$10,000 | |
| Subtract: Initial Tenant-Buyer Initial Down Payment | | -\$40,000 | |
| Subtract: Accrued Tenant-Buyer Down Payment | (\$950 x 48 months) | -\$45,600 | |
| Estimated Profit/Return from Sale to Tenant-Buyer | | \$124,061 | |

| Profit From Monthly Cashflow | Monthly | Annually | Full-Term | |
|--|----------------|-----------------|-------------------|--|
| Total Monthly Lease Payment Amount | \$4,600 | \$55,200 | \$220,800 | |
| Subtract: Monthly Mortgage Payment | -\$2,688 | -\$32,256 | -\$129,024 | |
| Subtract: Property Tax Expense | -\$334 | -\$4,008 | -\$16,032 | |
| Subtract: Property Insurance Expense | -\$183 | -\$2,196 | -\$8,784 | |
| Estimated Profit From Monthly Cash Flow | \$1,395 | \$16,740 | \$66,960 | |

| | |
|---|------------------|
| Estimated Profit from Cash Flow & Sale | \$191,021 |
| Return on Investment (% per annum) | 33 |
| Return on Investment (% over 4 years) | 131 |

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

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