

Rent to Own Income Property Cash Flow & Profit Estimates

Tenant-Buyer: Kendall and Casey
 Tenant-Buyer Initial Down Payment: \$20,000

Location: Dundalk
 RTO Term: 4 years



		Projections
Property Purchase Price		\$490,000
Tenant-Buyer Initial Down Payment		\$20,000
Financing: 1st Mortgage (80%, 3%, 30-yr amortization)		\$392,000
Investment Summary:		
Down Payment to Lender (20%)		\$98,000
Est. Land Transfer Tax		\$6,175
Est. Legal Costs		\$2,000
Est. Lender Appraisal		\$600
Premium Broker Fee		\$12,000
Less: Tenant-Buyer Initial Down Payment		-\$20,000
Estimated Total Investment		\$98,775

Profit from Sale at End of RTO Term			
Appreciative Sale Price 4 yrs		\$587,812	
Subtract: Remaining Mtg Balance		-\$357,643	
Subtract: Legal Closing Costs		-\$1,000	
Subtract: Initial Investment		-\$98,775	
Subtract Disposition Fee	48	-\$10,000	
Subtract: Initial Tenant-Buyer Initial Down Payment		-\$20,000	
Subtract: Accrued Tenant-Buyer Down Payment	(\$600 X 48 months)	-\$28,800	
Estimated Profit/Return from Sale to Tenant-Buyer		\$71,594	

Profit From Monthly Cashflow	Monthly	Annually	Full-Term	
Total Monthly Lease Payment Amount	\$2,930	\$35,160	\$140,640	
Subtract: Monthly Mortgage Payment	-\$1,649	-\$19,788	-\$79,152	
Subtract: Property Tax Expense	-\$160	-\$1,920	-\$7,680	
Subtract: Property Insurance Expense	-\$183	-\$2,196	-\$8,784	
Estimated Profit From Monthly Cash Flow	\$938	\$11,256	\$45,024	

Estimated Profit from Cash Flow & Sale		\$116,618
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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