

Rent to Own Income Property Cash Flow & Profit Estimates

Tenant-Buyer: Rachel and Christian
 Tenant-Buyer Initial Down Payment: \$17,000

Location: Ottawa
 RTO Term: 3 years



		Projections
Property Purchase Price		\$450,000
Tenant-Buyer Initial Down Payment		\$17,000
Financing: 1st Mortgage (80%, 3%, 25-yr amortization)		\$360,000
Investment Summary:		
Down Payment to Lender (20%)		\$90,000
Est. Land Transfer Tax		\$5,500
Est. Legal Costs		\$2,000
Est. Lender Appraisal		\$600
Broker Fee		\$12,000
Less: Tenant-Buyer Initial Down Payment		-\$17,000
Estimated Total Investment		\$93,100

Profit from Sale at End of RTO Term			
Appreciative Sale Price 3 yrs		\$520,479	
Subtract: Remaining Mtg Balance		-\$325,485	
Subtract: Legal Closing Costs		-\$1,000	
Subtract: Initial Investment		-\$93,100	
Subtract Disposition Fee	36	-\$8,000	
Subtract: Initial Tenant-Buyer Initial Down Payment		-\$17,000	
Subtract: Accrued Tenant-Buyer Down Payment	(\$765 x 36 months)	-\$27,540	
Estimated Profit/Return from Sale to Tenant-Buyer		\$48,354	

Profit From Monthly Cashflow	Monthly	Annually	Full-Term	
Total Monthly Lease Payment Amount	\$2,900	\$34,800	\$104,400	
Subtract: Monthly Mortgage Payment	-\$1,514	-\$18,168	-\$54,504	
Subtract: Property Tax Expense	-\$234	-\$2,808	-\$8,424	
Subtract: Property Insurance Expense	-\$83	-\$996	-\$2,988	
Estimated Profit From Monthly Cash Flow	\$1,069	\$12,828	\$38,484	

Estimated Profit from Cash Flow & Sale	\$86,838
Return on Investment (% per annum)	31
Return on Investment (% over 3 years)	93

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

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