

Rent to Own Income Property Cash Flow & Profit Estimates

Tenant-Buyer: Lisa and Nigel
 Tenant-Buyer Initial Down Payment: \$20,000

Location: Quinte
 RTO Term: 4years



| | | Projections |
|--------------------------------------------------------------|--|------------------|
| Property Purchase Price | | \$505,000 |
| Tenant-Buyer Initial Down Payment | | \$20,000 |
| Financing: 1st Mortgage (80%, 3%, 30-yr amortization) | | \$404,000 |
| Investment Summary: | | |
| Down Payment to Lender (20%) | | \$101,000 |
| Land Transfer Tax | | \$6,600 |
| Legal Costs | | \$2,000 |
| Lender Appraisal | | \$400 |
| Broker Fee | | \$12,000 |
| Less: Tenant-Buyer Initial Down Payment | | -\$20,000 |
| Estimated Total Investment | | \$102,000 |

| Profit from Sale at End of RTO Term | | | |
|----------------------------------------------------------|-------------------|-----------------|--|
| Appreciative Sale Price 4yrs | | \$615,845 | |
| Subtract: Remaining Mtg Balance | | -\$368,591 | |
| Subtract: Legal Closing Costs | | -\$1,000 | |
| Subtract: Initial Investment | | -\$102,000 | |
| Subtract: Disposition Fee | 48 | -\$10,000 | |
| Subtract: Initial Tenant-Buyer Initial Down Payment | | -\$20,000 | |
| Subtract: Accrued Tenant-Buyer Down Payment | (676 x 48 months) | -\$32,448 | |
| Estimated Profit/Return from Sale to Tenant-Buyer | | \$81,806 | |

| Profit From Monthly Cashflow | Monthly | Annually | Full-Term | |
|------------------------------------------------|----------------|-----------------|------------------|--|
| Total Monthly Lease Payment Amount | \$3,076 | \$36,912 | \$147,648 | |
| Subtract: Monthly Mortgage Payment | -\$1,699 | -\$20,388 | -\$81,552 | |
| Subtract: Property Tax Expense | -\$309 | -\$3,708 | -\$14,832 | |
| Subtract: Property Insurance Expense | -\$183 | -\$2,196 | -\$8,784 | |
| Estimated Profit From Monthly Cash Flow | \$885 | \$10,620 | \$42,480 | |

| | | |
|---------------------------------------------------|--|------------------|
| Estimated Profit from Cash Flow & Sale | | \$124,286 |
| Return on Investment (% per annum) | | 30 |
| Return on Investment (% over 4 years) | | 122 |

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

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