

## Rent to Own Income Property Cash Flow & Profit Estimates

Tenant-Buyer: Johnson Family  
 Tenant-Buyer Initial Down Payment: \$30,000

Location: Simcoe County  
 RTO Term: 4 years



		Projections
<b>Property Purchase Price</b>		<b>\$650,000</b>
<b>Tenant-Buyer Initial Down Payment</b>		<b>\$30,000</b>
<b>Financing: 1st Mortgage (80%, 2.5%, 30-yr amortization)</b>		\$520,000
<b>Investment Summary:</b>		
Down Payment to Lender (20%)		\$130,000
Land Transfer Tax		\$9,500
Legal Costs		\$2,000
Lender Appraisal		\$400
Premium Broker Fee		\$12,000
Less: Tenant-Buyer Initial Down Payment		-\$30,000
<b>Estimated Total Investment</b>		<b>\$123,900</b>

Profit from Sale at End of RTO Term			
Appreciative Sale Price 4yrs		\$780,933	
Subtract: Remaining Mtg Balance		-\$470,927	
Subtract: Legal Closing Costs		-\$1,000	
Subtract: Initial Investment		-\$123,900	
Subtract: Disposition Fee	48	-\$10,000	
Subtract: Initial Tenant-Buyer Initial Down Payment		-\$30,000	
Subtract: Accrued Tenant-Buyer Down Payment	(768 x 48 months)	-\$36,864	
<b>Estimated Profit/Return from Sale to Tenant-Buyer</b>		<b>\$108,242</b>	

Profit From Monthly Cashflow	Monthly	Annually	Full-Term	
Total Monthly Lease Payment Amount	\$3,698	\$44,376	<b>\$177,504</b>	
Subtract: Monthly Mortgage Payment	-\$2,051	-\$24,612	<b>-\$98,448</b>	
Subtract: Property Tax Expense	-\$267	-\$3,204	<b>-\$12,816</b>	
Subtract: Property Insurance Expense	-\$200	-\$2,400	<b>-\$9,600</b>	
<b>Estimated Profit From Monthly Cash Flow</b>	<b>\$1,180</b>	<b>\$14,160</b>	<b>\$56,640</b>	

<b>Estimated Profit from Cash Flow &amp; Sale</b>		<b>\$164,882</b>
<b>Return on Investment (% per annum)</b>		<b>33</b>
<b>Return on Investment (% over 4years)</b>		<b>133</b>

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

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