

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

Tenant-Buyer: Ann and Chris  
 Tenant-Buyer Initial Down Payment: \$20,000

Location: Orillia  
 RTO Term: 3 years



		Projections
<b>Property Purchase Price</b>		<b>\$550,000</b>
<b>Tenant-Buyer Initial Down Payment</b>		<b>\$20,000</b>
<b>Financing: 1st Mortgage (80%, 2.5%, 30-yr amortization)</b>		\$440,000
<b>Investment Summary:</b>		
Down Payment to Lender (20%)		\$110,000
Land Transfer Tax		\$7,500
Legal Costs		\$2,000
Lender Appraisal		\$500
Broker Fee		\$12,000
Less: Tenant-Buyer Initial Down Payment		-\$20,000
<b>Estimated Total Investment</b>		<b>\$112,000</b>

Profit from Sale at End of RTO Term			
Appreciative Sale Price 3yrs		\$640,252	
Subtract: Remaining Mtg Balance		-\$409,247	
Subtract: Legal Closing Costs		-\$1,000	
Subtract: Initial Investment		-\$112,000	
Subtract: Disposition Fee	36	-\$8,000	
Subtract: Initial Tenant-Buyer Initial Down Payment		-\$20,000	
Subtract: Accrued Tenant-Buyer Down Payment	(798 x 36 months)	-\$28,728	
<b>Estimated Profit/Return from Sale to Tenant-Buyer</b>		<b>\$61,277</b>	

Profit From Monthly Cashflow	Monthly	Annually	Full-Term	
Total Monthly Lease Payment Amount	\$3,350	\$40,200	<b>\$120,600</b>	
Subtract: Monthly Mortgage Payment	-\$1,736	-\$20,832	<b>-\$62,496</b>	
Subtract: Property Tax Expense	-\$284	-\$3,408	<b>-\$10,224</b>	
Subtract: Property Insurance Expense	-\$200	-\$2,400	<b>-\$7,200</b>	
<b>Estimated Profit From Monthly Cash Flow</b>	<b>\$1,130</b>	<b>\$13,560</b>	<b>\$40,680</b>	

<b>Estimated Profit from Cash Flow &amp; Sale</b>	<b>\$101,957</b>
<b>Return on Investment (% per annum)</b>	<b>30</b>
<b>Return on Investment (% over 3years)</b>	<b>91</b>

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

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