

Rent to Own Income Property Cash Flow & Profit Estimates

Tenant-Buyer: Tony and Yolly
 Tenant-Buyer Initial Down Payment: \$15,000

Location: Markham
 RTO Term: 3 years



		Projections
Property Purchase Price		\$470,000
Tenant-Buyer Initial Down Payment		\$15,000
Financing: 1st Mortgage (80%, 2.5%, 30-yr amortization)		\$376,000
Investment Summary:		
Down Payment to Lender (20%)		\$94,000
Land Transfer Tax		\$5,900
Legal Costs		\$2,000
Lender Appraisal		\$500
Broker Fee		\$12,000
Less: Tenant-Buyer Initial Down Payment		-\$15,000
Estimated Total Investment		\$99,400

Profit from Sale at End of RTO Term			
Appreciative Sale Price 3yrs		\$544,433	
Subtract: Remaining Mtg Balance		-\$349,721	
Subtract: Legal Closing Costs		-\$1,000	
Subtract: Initial Investment		-\$99,400	
Subtract: Disposition Fee	36	-\$8,000	
Subtract: Initial Tenant-Buyer Initial Down Payment		-\$15,000	
Subtract: Accrued Tenant-Buyer Down Payment	(846 x 36 months)	-\$30,456	
Estimated Profit/Return from Sale to Tenant-Buyer		\$40,856	

Profit From Monthly Cashflow	Monthly	Annually	Full-Term	
Total Monthly Lease Payment Amount	\$3,100	\$37,200	\$111,600	
Subtract: Monthly Mortgage Payment	-\$1,458	-\$17,496	-\$52,488	
Subtract: Property Tax Expense	-\$175	-\$2,100	-\$6,300	
Subtract: Property Insurance Expense	-\$117	-\$1,404	-\$4,212	
Estimated Profit From Monthly Cash Flow	\$1,350	\$16,200	\$48,600	

Estimated Profit from Cash Flow & Sale		\$89,456
Return on Investment (% per annum)		30
Return on Investment (% over 3years)		90

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

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