

Rent to Own Income Property Cash Flow & Profit Estimates

Tenant-Buyer: Nahanni and Dwayne
 Tenant-Buyer Initial Down Payment: \$15,000

Location: Simcoe County
 RTO Term: 4 years



		Projections
Property Purchase Price		\$430,000
Tenant-Buyer Initial Down Payment		\$15,000
Financing: 1st Mortgage (80%, 2.5%, 30-yr amortization)		\$344,000
Investment Summary:		
Down Payment to Lender (20%)		\$86,000
Land Transfer Tax		\$5,100
Legal Costs		\$2,000
Lender Appraisal		\$600
Broker Fee		\$12,000
Less: Tenant-Buyer Initial Down Payment		-\$15,000
Estimated Total Investment		\$90,700

Profit from Sale at End of RTO Term			
Appreciative Sale Price 4yrs		\$518,720	
Subtract: Remaining Mtg Balance		-\$311,536	
Subtract: Legal Closing Costs		-\$1,000	
Subtract: Initial Investment		-\$90,700	
Subtract: Disposition Fee	48	-\$10,000	
Subtract: Initial Tenant-Buyer Initial Down Payment		-\$15,000	
Subtract: Accrued Tenant-Buyer Down Payment	(602 x 48 months)	-\$28,896	
Estimated Profit/Return from Sale to Tenant-Buyer		\$61,588	

Profit From Monthly Cashflow	Monthly	Annually	Full-Term	
Total Monthly Lease Payment Amount	\$2,752	\$33,024	\$132,096	
Subtract: Monthly Mortgage Payment	-\$1,357	-\$16,284	-\$65,136	
Subtract: Property Tax Expense	-\$180	-\$2,160	-\$8,640	
Subtract: Property Insurance Expense	-\$200	-\$2,400	-\$9,600	
Estimated Profit From Monthly Cash Flow	\$1,015	\$12,180	\$48,720	

Estimated Profit from Cash Flow & Sale	\$110,308
Return on Investment (% per annum)	30
Return on Investment (% over 4years)	122

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

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