

Rent to Own Income Property Cash Flow & Profit Estimates

Tenant-Buyer: Winsome and Dexter
 Tenant-Buyer Initial Down Payment: \$40,000

Location: Oshawa
 RTO Term: 3 years



		Projections
Property Purchase Price		\$820,000
Tenant-Buyer Initial Down Payment		\$40,000
Financing: 1st Mortgage (80%, 2.5%, 30-yr amortization)		\$656,000
Investment Summary:		
Down Payment to Lender (20%)		\$164,000
Land Transfer Tax		\$12,900
Legal Costs		\$2,000
Lender Appraisal		\$600
Broker Fee		\$12,000
Less: Tenant-Buyer Initial Down Payment		-\$40,000
Estimated Total Investment		\$151,500

Profit from Sale at End of RTO Term			
Appreciative Sale Price 3yrs		\$943,139	
Subtract: Remaining Mtg Balance		-\$610,151	
Subtract: Legal Closing Costs		-\$1,000	
Subtract: Initial Investment		-\$151,500	
Subtract: Disposition Fee	36	-\$8,000	
Subtract: Initial Tenant-Buyer Initial Down Payment		-\$40,000	
Subtract: Accrued Tenant-Buyer Down Payment	(1094 x 36 months)	-\$39,384	
Estimated Profit/Return from Sale to Tenant-Buyer		\$93,104	

Profit From Monthly Cashflow	Monthly	Annually	Full-Term	
Total Monthly Lease Payment Amount	\$4,850	\$58,200	\$174,600	
Subtract: Monthly Mortgage Payment	-\$2,588	-\$31,056	-\$93,168	
Subtract: Property Tax Expense	-\$460	-\$5,520	-\$16,560	
Subtract: Property Insurance Expense	-\$200	-\$2,400	-\$7,200	
Estimated Profit From Monthly Cash Flow	\$1,602	\$19,224	\$57,672	

Estimated Profit from Cash Flow & Sale	\$150,776
Return on Investment (% per annum)	33
Return on Investment (% over 3years)	100

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

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