

Rent to Own Income Property Cash Flow & Profit Estimates

Tenant-Buyer: Jamie and Esther
 Tenant-Buyer Initial Down Payment: \$96,000

Location: Peterborough
 RTO Term: 2 years



		Projections
Property Purchase Price		\$965,000
Tenant-Buyer Initial Down Payment		\$96,000
Financing: 1st Mortgage (80%, 2.5%, 30-yr amortization)		\$772,000
Investment Summary:		
Down Payment to Lender (20%)		\$193,000
Land Transfer Tax		\$15,800
Legal Costs		\$2,000
Lender Appraisal		\$600
Premium Broker Fee		\$15,000
Less: Tenant-Buyer Initial Down Payment		-\$96,000
Estimated Total Investment		\$130,400

Profit from Sale at End of RTO Term			
Appreciative Sale Price 2yrs		\$1,057,842	
Subtract: Remaining Mtg Balance		-\$739,340	
Subtract: Legal Closing Costs		-\$1,000	
Subtract: Initial Investment		-\$130,400	
Subtract: Disposition Fee	24	-\$6,000	
Subtract: Initial Tenant-Buyer Initial Down Payment		-\$96,000	
Subtract: Accrued Tenant-Buyer Down Payment	(1349 x24 months)	-\$32,376	
Estimated Profit/Return from Sale to Tenant-Buyer		\$52,726	

Profit From Monthly Cashflow	Monthly	Annually	Full-Term	
Total Monthly Lease Payment Amount	\$5,450	\$65,400	\$130,800	
Subtract: Monthly Mortgage Payment	-\$3,057	-\$36,684	-\$73,368	
Subtract: Property Tax Expense	-\$460	-\$5,520	-\$11,040	
Subtract: Property Insurance Expense	-\$200	-\$2,400	-\$4,800	
Estimated Profit From Monthly Cash Flow	\$1,733	\$20,796	\$41,592	

Estimated Profit from Cash Flow & Sale		\$94,318
Return on Investment (% per annum)		36
Return on Investment (% over 2 years)		72

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

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