

Rent to Own Income Property Cash Flow & Profit Estimates

Tenant-Buyer: Douglas
 Tenant-Buyer Initial Down Payment: \$20,000

Location: Cornwall
 RTO Term: 3 years



		Projections
Property Purchase Price		\$365,000
Tenant-Buyer Initial Down Payment		\$20,000
Financing: 1st Mortgage (80%, 2.5%, 30-yr amortization)		\$292,000
Investment Summary:		
Down Payment to Lender (20%)		\$73,000
Land Transfer Tax		\$4,000
Legal Costs		\$2,000
Lender Appraisal		\$600
Broker Fee		\$12,000
Less: Tenant-Buyer Initial Down Payment		-\$20,000
Estimated Total Investment		\$71,600

Profit from Sale at End of RTO Term			
Appreciative Sale Price 3yrs		\$427,800	
Subtract: Remaining Mtg Balance		-\$271,592	
Subtract: Legal Closing Costs		-\$1,000	
Subtract: Initial Investment		-\$71,600	
Subtract: Disposition Fee	36	-\$8,000	
Subtract: Initial Tenant-Buyer Initial Down Payment		-\$20,000	
Subtract: Accrued Tenant-Buyer Down Payment	(480 x 36 months)	-\$17,280	
Estimated Profit/Return from Sale to Tenant-Buyer		\$38,328	

Profit From Monthly Cashflow	Monthly	Annually	Full-Term	
Total Monthly Lease Payment Amount	\$2,350	\$28,200	\$84,600	
Subtract: Monthly Mortgage Payment	-\$1,152	-\$13,824	-\$41,472	
Subtract: Property Tax Expense	-\$284	-\$3,408	-\$10,224	
Subtract: Property Insurance Expense	-\$217	-\$2,604	-\$7,812	
Estimated Profit From Monthly Cash Flow	\$697	\$8,364	\$25,092	

Estimated Profit from Cash Flow & Sale		\$63,420
Return on Investment (% per annum)		30
Return on Investment (% over 3years)		89

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

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