

## Rent to Own Income Property Cash Flow & Profit Estimates

Tenant-Buyer: Victoria and Frank  
 Tenant-Buyer Initial Down Payment: \$30,000

Location: Sarnia  
 RTO Term: 4 years



		Projections
<b>Property Purchase Price</b>		<b>\$500,000</b>
<b>Tenant-Buyer Initial Down Payment</b>		<b>\$30,000</b>
<b>Financing: 1st Mortgage (80%, 2.50%, 30-yr amortization)</b>		\$400,000
<b>Investment Summary:</b>		
Down Payment to Lender (20%)		\$100,000
Land Transfer Tax		\$6,500
Legal Costs		\$2,000
Lender Appraisal		\$600
Broker Fee		<b>\$14,000</b>
Less: Tenant-Buyer Initial Down Payment		-\$30,000
<b>Estimated Total Investment</b>		<b>\$93,100</b>

Profit from Sale at End of RTO Term			
Appreciative Sale Price 4yrs		\$603,136	
Subtract: Remaining Mtg Balance		-\$362,251	
Subtract: Legal Closing Costs		-\$1,000	
Subtract: Initial Investment		-\$93,100	
Subtract: Disposition Fee	48	-\$10,000	
Subtract: Initial Tenant-Buyer Initial Down Payment		-\$30,000	
Subtract: Accrued Tenant-Buyer Down Payment	450 *48 months	-\$21,600	
<b>Estimated Profit/Return from Sale to Tenant-Buyer</b>		<b>\$85,185</b>	

Profit From Monthly Cashflow	Monthly	Annually	Full-Term	
Total Monthly Lease Payment Amount	\$2,950	\$35,400	<b>\$141,600</b>	
Subtract: Monthly Mortgage Payment	-\$1,578	-\$18,936	<b>-\$75,744</b>	
Subtract: Property Tax Expense	-\$334	-\$4,008	<b>-\$16,032</b>	
Subtract: Property Insurance Expense	-\$217	-\$2,604	<b>-\$10,416</b>	
<b>Estimated Profit From Monthly Cash Flow</b>	<b>\$821</b>	<b>\$9,852</b>	<b>\$39,408</b>	

<b>Estimated Profit from Cash Flow &amp; Sale</b>		<b>\$124,593</b>
<b>Return on Investment (% per annum)</b>		<b>33</b>
<b>Return on Investment (% over 4years)</b>		<b>134</b>

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

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