

Rent to Own Income Property Cash Flow & Profit Estimates

Tenant-Buyer: Felicia H
 Tenant-Buyer Initial Down Payment: \$25,000

Location: Oshawa
 RTO Term: 3 years



		Projections
Property Purchase Price		\$450,000
Tenant-Buyer Initial Down Payment		\$25,000
Financing: 1st Mortgage (80%, 2.50%, 30-yr amortization)		\$360,000
Investment Summary:		
Down Payment to Lender (20%)		\$90,000
Land Transfer Tax		\$5,500
Legal Costs		\$2,000
Lender Appraisal		\$600
Broker Fee		\$14,000
Less: Tenant-Buyer Initial Down Payment		-\$25,000
Estimated Total Investment		\$87,100

Profit from Sale at End of RTO Term			
Appreciative Sale Price 3yrs		\$520,479	
Subtract: Remaining Mtg Balance		-\$334,839	
Subtract: Legal Closing Costs		-\$1,000	
Subtract: Initial Investment		-\$87,100	
Subtract: Disposition Fee	36	-\$8,000	
Subtract: Initial Tenant-Buyer Initial Down Payment		-\$25,000	
Subtract: Accrued Tenant-Buyer Down Payment	538 *36 months	-\$19,368	
Estimated Profit/Return from Sale to Tenant-Buyer		\$45,172	

Profit From Monthly Cashflow	Monthly	Annually	Full-Term
Total Monthly Lease Payment Amount	\$2,688	\$32,256	\$96,768
Subtract: Monthly Mortgage Payment	-\$1,420	-\$17,040	-\$51,120
Subtract: Property Tax Expense	-\$200	-\$2,400	-\$7,200
Subtract: Property Insurance Expense	-\$117	-\$1,404	-\$4,212
Estimated Profit From Monthly Cash Flow	\$951	\$11,412	\$34,236

Estimated Profit from Cash Flow & Sale		\$79,408
Return on Investment (% per annum)		30
Return on Investment (% over 4years)		91

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

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