

Rent to Own Income Property Cash Flow & Profit Estimates



Tenant-Buyer:
 Tenant-Buyer Initial Down Payment: 50,000

Location: Toronto
 RTO Term: 4years

		Projections
Property Purchase Price		\$575,000
Tenant-Buyer Initial Down Payment		\$50,000
Financing: 1st Mortgage (80% 6.14%, 30-yr amortization)		\$460,000
Investment Summary:		
Down Payment to Lender (20%)		\$115,000
Land Transfer Tax		\$16,000
Legal Costs		\$2,000
Lender Appraisal		\$700
Premium Clover Properties Broker Fee		\$14,000
Less: Tenant-Buyer Initial Down Payment		-\$50,000
Estimated Total Investment		\$97,700

Profit from Sale at End of RTO Term			
Appreciative Sale Price 4yrs		\$705,916	
Subtract: Remaining Mtg Balance		-\$435,492	
Subtract: Legal Closing Costs		-\$1,500	
Subtract: Initial Investment		-\$97,700	
Subtract: Clover Properties Disposition Fee	48	-\$10,000	
Subtract: Initial Tenant-Buyer Initial Down Payment		-\$50,000	
Subtract: Accrued Tenant-Buyer Down Payment	518*48 months	-\$24,864	
Estimated Profit/Return from Sale to Tenant-Buyer		\$86,360	

Profit From Monthly Cashflow	Monthly	Annually	Full-Term	
Total Monthly Lease Payment Amount	\$3,968	\$47,616	\$190,464	
Subtract: Monthly Mortgage Payment	-\$2,777	-\$33,324	-\$133,296	
Subtract: Property Tax Expense	-\$192	-\$2,304	-\$9,216	
Subtract: Property Insurance Expense	-\$150	-\$1,800	-\$7,200	
Estimated Profit From Monthly Cash Flow	\$849	\$10,188	\$40,752	

Estimated Profit from Cash Flow & Sale		\$127,112
Return on Investment (% per annum)		33
Return on Investment (% over 4years)		130

If you would like to help this tenant-buyer Rent to Own, please click the "I want this deal" button