

Rent to Own Income Property Cash Flow & Profit Estimates

Tenant-Buyer: Greg and Rachael
 Tenant-Buyer Initial Down Payment: \$30,000

Location: Angus (Barrie Area)
 RTO Term: 3 years



Property Purchase Price		\$565,000
Tenant-Buyer Initial Down Payment		\$30,000
Financing: 1st Mortgage (80%, 3.24%, 30-yr amortization)		\$452,000
Investment Summary:		
Down Payment to Lender (20%)		\$113,000
Est. Land Transfer Tax		\$8,000
Est. Legal Costs		\$2,000
Est. Lender Appraisal		\$400
Broker Fee		\$12,000
Less: Tenant-Buyer Initial Down Payment		-\$30,000
Estimated Total Investment		\$105,400

Profit from Sale at End of RTO Term			
Appreciative Sale Price 3yrs		\$644,759	
Subtract: Remaining Mtg Balance		-\$425,940	
Subtract: Legal Closing Costs		-\$1,000	
Subtract: Initial Investment		-\$105,400	
Subtract Disposition Fee	36	-\$8,000	
Subtract: Initial Tenant-Buyer Initial Down Payment		-\$30,000	
Subtract: Accrued Tenant-Buyer Down Payment	(\$702 x 36 months)	-\$25,272	
Estimated Profit/Return from Sale to Tenant-Buyer		\$49,147	

Profit From Monthly Cashflow	Monthly	Annually	Full-Term	
Total Monthly Lease Payment Amount	\$3,502	\$42,024	\$126,072	
Subtract: Monthly Mortgage Payment	-\$2,083	-\$24,996	-\$74,988	
Subtract: Property Tax Expense	-\$250	-\$3,000	-\$9,000	
Subtract: Property Insurance Expense	-\$150	-\$1,800	-\$5,400	
Estimated Profit From Monthly Cash Flow	\$1,019	\$12,228	\$36,684	

Estimated Profit from Cash Flow & Sale		\$85,831
Return on Investment (% per annum)		27
Return on Investment (% over 3years)		81

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

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