

ROI Example 696 Sqft

2.5% Variable 4yr mortgage

Price	\$449,900
20% deposit	\$ 89,980
Mortgage	\$359,920

Monthly Expenses

Principal & Interest	\$ 1,422
Maintenance Fees (696x0.52)	\$ 362
Taxes approx. 1%	\$ 375
Total expenses	\$ 2,159

Cash Flow

Income (\$3.50 x 696 sqft)	\$ 2,436
Expenses	\$ 2,159
	\$ 277

Cash Flow \$277 x 12	\$ 3,324
Principal \$33,901/4	\$ 8,475
	\$ 11,799

Return on Investment

\$11,799 / \$89,980 =

13.1% Return on Investment

3.25% Fixed 4yr mortgage

Price	\$449,900
20% deposit	\$ 89,980
Mortgage	\$359,920

Monthly Expenses

Principal & Interest	\$ 1,562
Maintenance Fees (696x.52)	\$ 362
Taxes approx. 1%	\$ 375
Total expenses	\$ 2,299

Cash Flow

Income (\$3.50 x 696 sqft)	\$ 2,436
Expenses	\$ 2,299
	\$ 137

Cash Flow \$137 x 12	\$ 1,644
Principal \$30,383/4	\$ 7,595
	\$ 9,239

Return On Investment

\$9,239 / \$89,980 =

10.2% Return on Investment

Based on 4yr fixed and variable rates over a 30 yr amortization period

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