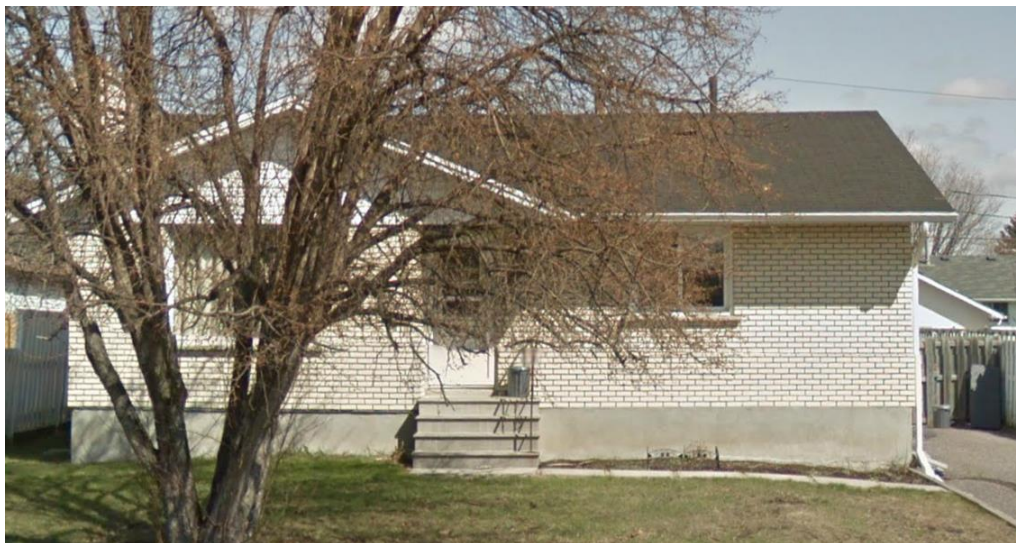




**Portfolio 1**

This was our very first house. We bought this house back in 2013. We were both going to school at the time and needed help with the mortgage and utilities, so we decided to rent out the upstairs to a lovely family. As their family grew, they required more livable space. As they did not have the credit and the financial means to buy their own house, they asked us if we were willing to sell our house to them. A Lease-Option was the perfect solution for their situation. We entered a 5-Year lease which gave them plenty of time to save up for the banks' required down payment and allowed them to build up their credit. See below the Lease Agreement financials that helped them into their own home!



<b>Location</b>	<b>Thunder Bay, Ontario</b>
<b>Lease Term</b>	<b>5-Years</b>
<b>Market Value @ Signing</b>	<b>\$235,000</b>
<b>Purchase Price @ Lease Expiry</b>	<b>\$250,000</b>
<b>Required 5% Down Payment @ Lease Expiry</b>	<b>\$12,500</b>
<b>Initial Option Down Payment (Non-Refundable) (1/2% of Purchase Price)</b>	<b>\$1,250</b>
<b>Monthly Rent</b>	<b>\$1,400</b>
<b>Monthly Option</b>	<b>\$200</b>
<b>Total Down Payment Saved over Term</b>	<b>\$12,000</b>
<b>Estimated Equity in House at Purchase (Estimating 3% Appreciation / Year)</b>	<b>\$22,000</b>



**Equity Position Estimation:**

***Fair Market Value of House (Year 0) = \$235,000***

***Market Value of House at Lease Expiry (Year 5) = \$235,000(1 + 0.03\*)<sup>5</sup>***

***Market Value of House at Lease Expiry (Year 5) = \$272,429.41***

**\*We are assuming that the House will appreciate conservatively at 3% each year of the Lease.**

***Equity Position at Lease End = \$272,429.41 – Purchase Price***

***Equity Position at Lease End = \$272,429.41 – \$250,000***

***Equity Position at Lease End = \$22,429***

**At the end of the Lease Term, the estimated equity into the house at time of purchase is \$22,000**

**Down Payment Calculation:**

***Initial Non – Refundable Option Deposit = 0.005 (1/2%) x \$235,000***

***Initial Non – Refundable Option Deposit = \$1,250***

***Monthly Option Over Term = (\$200 x 12 Months) x 5 Years = \$12,000***

***Total Down Payment = Initial Deposit + Monthly Options***

***Total Down Payment = \$1,250 + \$12,000 = \$13,250***

**LTH Rentals Benefits:**

**Build  
Equity** 

**Build  
Credit** 

**Home  
Ownership** 

**Time** 

**Due to rounding, numbers presented throughout this and other documents may not add up precisely and each scenario is specific in nature and due consideration must be considered for each case**