



RENT-TO-OWN OPPORTUNITIES

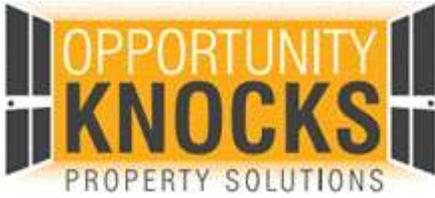


**Opportunity Knocks
Property Solutions**

"Helping Create Your Opportunities"

**Rent-to-Own
Information**

www.okpropertiesolutions.com



WHAT IS RENT-to-OWN?

If you are reading this document, you are likely considering a unique way into home ownership, for one reason or another.

Rent-to-Own (RTO) is an alternative method to home ownership, when the more “traditional” options are not available due to a variety of reasons.

Although it is not extremely common, RTO is a very effective way for people who have been declined a mortgage to overcome any financial obstacles and own their own home sooner! People typically embark in a RTO because of issues like bruised/no credit, bankruptcy, divorce or because they have too small of a down payment.

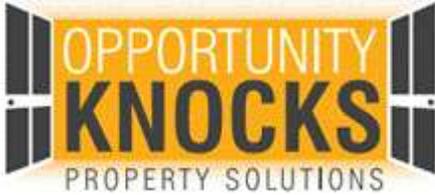
The good news is that we are here to help! We will speak with you personally to determine if you are a candidate for RTO. If you are, we will help you find the home you want and move you into it right away. Over the course of the RTO term, we will work with you to build up your financial situation so that by the end of the term you will qualify to purchase the home on your own using a traditional mortgage!

It all seems quite simple. In fact, it is simple - but the proper care and effort must be taken to ensure you are able to qualify for your own mortgage at the end of the term. Stick to the plan we lay out for you and you’ll be a homeowner before you know it.

Our team is experienced in this unique form of home ownership. We work with specialized mortgage and real estate agents to ensure you get the most out of this experience.

We understand how big of a life move it is to purchase a home and we’re excited to work with you to accomplish this... nothing feels better!

Read on to learn how we will accomplish this, *together*.



RENT-to-OWN HOME OWNERSHIP

Become a Home Owner NOW!

Benefits to Rent-to-Own

- ✓ YOU select the home that you want to live in
- ✓ Understand your financial position and improve your overall financial footing
- ✓ Build equity while living in your own home
- ✓ Pride in home ownership – you are essentially the home owner NOW!

What We Do

- ✓ Help you move into a permanent home of your choice shortly after joining our program
- ✓ Customize a program and home that best suits your financial/personal needs
- ✓ Work with you to build your down payment and/or improve your credit score
- ✓ Flexible deposit building options to ensure your home ownership at the end

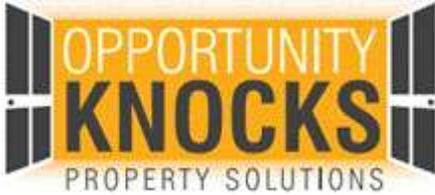


How Do You Qualify

- ✓ Have a quick, initial discussion with us regarding your objectives and financial situation
- ✓ Proof of employment and a small down payment
- ✓ Meet with our team to discuss purchase strategies and next steps

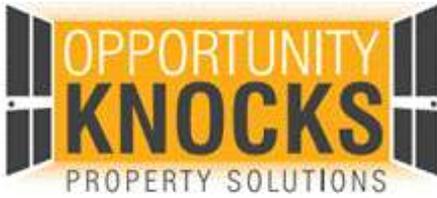
Your Responsibilities

- ✓ Make your monthly payments on time
- ✓ Provide insurance on your possessions (content insurance)
- ✓ Pay the utility bills
- ✓ Keep up the maintenance of your new home
- ✓ Enjoy your new home!



STEP by STEP to HOME OWNERSHIP

- Brief discussion to learn more about you and your situation and why Rent-to-Own may be the best option for you right now
 - We take the time to understand your needs & objectives and explain your home ownership options and how the RTO program works
- Initial consultation where:
 - You complete your **monthly budget** and **financing application** in order to determine your maximum home price
 - You will pull your **Equifax credit report** and we review it with you to get an understanding of where your credit is and what must be done to improve it moving forward
 - We tailor an **action plan** for you to follow that will get you to home ownership sooner
- Assess & **create** a mutually agreeable **Rent-to-Own term** based on the information provided in the financing application and previous discussions
 - **Lock in the purchase price of your new home NOW**
 - Discuss the amounts for: rent, rent credit, and option consideration
- **Start shopping for your new home** with our real estate specialists
 - Upon making an offer, Pay ½ of your initial option consideration
- **Purchase of your new home**
 - Waiting period for inspection, appraisal & financing
 - Upon removal of purchase conditions, pay the remaining balance of option consideration
 - Finalize the amounts for: rent, rent credit, and option consideration
 - Sign your new lease
 - Sign your Option contract
- Solidify possession date & **Get ready to move!**
 - Refer to our “Step by Step Moving Guide” (available upon request)
 - Post-dated cheques or pre-authorized payments required
- **Welcome Home**
 - Thorough walk-through inspection of your property together
 - Move in and start enjoying the home!
- **Enact the Action Plan**
 - Quarterly follow-ups to ensure you are sticking to your action plan and moving toward mortgage qualification
- **Congratulations!**
 - 4 months prior to the end of your RTO term, you are prequalified for your own financing
 - You obtain a mortgage for the home and it is all yours!



FREQUENTLY ASKED QUESTIONS

People often ask what the benefit to Rent-to-Own is for them. The true benefit of our Rent-to-Own program is to get you into a home of your choice NOW, while you take the time needed to improve your credit and/or save up your down payment. In order for this program to be successful, it is important to have a thorough understanding of how it works. Of course, we will be there to walk you through the process every step of the way; however **the following are questions that are often asked by potential Tenant-Buyers during the qualification process:**

- **What is the Initial Option and how much do I need to put down?**

The Initial Option is like a down payment to start the RTO program. It is required to demonstrate that you have something invested in the success of this program and that you have some financial footing to begin with.

The amount required varies depending on each unique financial situation; however we look for a minimum of 3% of the home's buyout price. The larger your Initial Option payment, the better it is for you because it will lower the Option Payments you must make each month to accrue your minimum down payment amount.

In order to start the program, an initial, non-refundable payment of \$500 is required. This \$500 is applied to your Initial Option once a home is found and secured.

- **How is the buyout price calculated?**

The buyout price is calculated based on the listing price of the home today, the length of the RTO term and the average property appreciation rate in the market that the home is located in. If the house you want is listed at \$300,000 and the average home in that market has been appreciating at 4% per year, then the buyout price will be calculated at that rate over the length of your RTO term. So if the term is 3 years, then the buyout price for this home will be \$337,000.

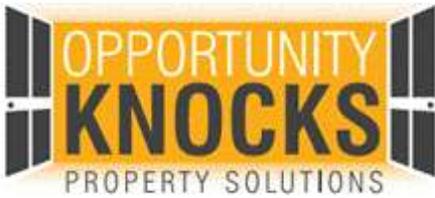
- **What are the monthly Option Payments?**

Over the RTO term, you must accumulate a minimum down payment amount, plus closing costs for your buyout. Your Initial Option will be the starting point for this amount, so the balance must be made up each month throughout the term. So if you need to accumulate \$15,000 by the end of a 3-year term and you start with an Initial Option of \$10,000, then your Option Payments will be \$140 per month ($\$5,000 \div 36$ months).

The monthly Option Payments are paid in addition to your regular rent payments.

- **How is rent calculated?**

The rent charged will always be in line with fair market rent in the area the home is located in. A separate rental agreement is drawn up for the length of the RTO term, which outlines all the necessary details.



FREQUENTLY ASKED QUESTIONS

- **What happens if I can't purchase the house at the end of the rental term?**

The action plan we put together for you is designed to get you into a mortgage qualification position by the end of your RTO term. If you stick to the plan, you will have a greater chance of success. Having said that, sometimes things happen during a RTO term that are beyond your control. It is important to note that your Initial Option and monthly Option Payments are non-refundable; however since we deal with private investors and not traditional lenders (banks or mortgage lenders) we have the flexibility to address issues on a case-by-case basis and do not have a standard clause that applies to every situation.

The situation would have to be addressed at the time, depending on the reason(s) you are unable to purchase the house.

- **Who is in charge of the home's maintenance?**

As a homeowner would, you are responsible for all maintenance of the home and property for the duration of the RTO term and once the home is purchased at the end. You are responsible for all repairs once you have purchased the property at the end of the rental term.

- **Who pays for the home inspection?**

You are responsible for the cost of the home inspection, to ensure we are only putting offers on homes you are serious about. The home inspection is mandatory to ensure we are securing a quality home for you; which is important since the house will ultimately be yours when the program is finished. Therefore, a home inspection should not be required again at the end of the term.

- **Who pays for the property taxes?**

During the RTO term, we pay the property taxes, since we are on title for the property during this time. When the term is up and you have purchased the house, you will be responsible for the taxes as the new home owner.

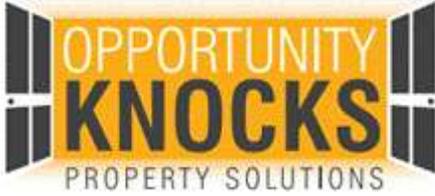
- **What about insurance?**

During the RTO term, we pay the insurance, since we are on title for the property during the RTO term. When the term is up and you have purchased the house, you will be responsible for the insurance as the new home owner.

During the RTO term you must have renters/content insurance.

- **Who pays for the utilities?**

As a homeowner would, you are responsible for the utilities including water, heat, gas, hydro, and any other utilities that may apply.



SUMMARY & NEXT STEPS

We hope you have learned a little more about the Rent-to-Own option for home ownership.

Again, the true benefit to our program is to afford you the time and direction needed to qualify for a mortgage by getting you into the home you want to purchase NOW, while you work on the things you will need to do anyway (improve credit, save up down payment, etc.) .

Remember, our program is designed for YOUR success. The primary objective here is to make you a home owner, so we are not successful unless you are.

We are looking forward to working with you to make this a reality.

Please contact us do discuss this opportunity in further detail and get the ball rolling.

Dominion Lending Centres Expert Financial

1 855 993-5363

info@expertfinancial.ca