



Investors Proposal

Unit 104, 1515 Barrow Street North Vancouver BC, V7L 1N1 office no. 1(604) 990-3520 Fax (604) 986-9906

- A Buyer comes to us regarding a piece of property he/she wishes to buy, but cannot due to the aforementioned restrictions or hindrances.
- The Buyer and Seller, facilitated by Vancouver Rent to Own, enter into a Real Estate Purchase and Sale Contract with a 3-5 year closing date. The Buyer provides a 5% down payment if the target property is one of the properties in our inventory, 10% for a general MLS listing.
- VRTO obtains capital from the Investor and issues a Promissory note as security.
- VRTO combines the Buyer's down payment with the Investor capital to meet the Bank's mortgage requirements and secures a mortgage on the property as Title Holder.
- The Buyer pays all closing costs, fees, appraisals and inspection fees.
- We then sign the Buyer to a separate Rental Agreement with an Option to Buy upon completion of the term.
- The Buyer moves into the property and makes rental payments which are equal to what a property Principal and Interest mortgage payment would be for 100% of the purchase price.
- From these monthly payments, the Investor receives a portion in accord with his/her per annum return. The Investor may opt to receive their return monthly or annually, the monthly amount being slightly less to reflect the time cost of money.
- The Principal portion of the payments and the deposit are returned to the Buyer at closing date in 3-5 years.

Risk is quite low because we hold title to the property. If the Buyer defaults, after 5 days of non-payment we have the legal right to give a 10-day eviction notice. Because we hold the title, we can list the property for sale immediately. When the Rental Agreement is in default, it automatically voids the Option to Buy and the tenant loses any rights to the Principal portion of the payments and the Deposit. Should this occur the Investor will be returned his/her original investment on sale of the property. The Investor would also have the option to roll their capital into another RTO contract should they wish.

A handwritten signature in blue ink, appearing to read 'Raymond Vesely', is written over a light blue horizontal line.

Raymond Vesely
President and CEO