

Advantages to Buyer regarding Owner Financing and Rent back 79 Kalvi Ct.

1. Home sold furnished and buyer can depreciate appliances and furnishings over 5 years.
2. Buyer can depreciate the building for 27.5 years at 3.63% each year.
3. Seller will pre pay 5 year rent to reduce purchase price by \$150,000, secured by a 2nd mortgage reduced by 20% each May for 5 years.

Owner Financing terms:

Home and furnishings purchase price: \$1,139,000  
Less 5 year rent. \$5000 a month for 6 months over 5 years. \$150,000  
Adjusted purchase price : \$989,000 House and furniture.

Down Payment at closing: \$320,000 towards purchase price  
Cash for furnishings: \$39,000 (to be depreciated )  
Cash at closing: \$359,000

Seller retains mortgage for \$630,000 over 5 years

3 payments of \$210000 plus 4% interest every 20 months.

Seller takes possession of the house from May 1 to October 31 every year from 2023 to 2027.