

Year	Project M	Project N	Required Return						
0	\$ (125,000.00)	\$ (310,000.00)	15%						
1	\$ 57,000.00	\$ 135,000.00							
2	\$ 64,000.00	\$ 161,000.00							
3	\$ 59,000.00	\$ 129,000.00							
4	\$ 34,000.00	\$ 92,000.00							
IRR:	28%	26%							
NPV:	\$27,123.03	\$57,870.72							
Answer:	I would recommend Project N. It assures a higher NPV, and the Net Present Value is far greater than the expected internal revenue of only 2% over this project. In any case, each project seems to assume a raise in capital, making these both excellent even if Project N is superior.								
MIRR:	28%	26%							