Understand the Sale Proceeds

To find the net profit of investment it is required to calculate proceeds from the sale of the home at the end of the Holding Period, which is «HP» year.

|  |  |
| --- | --- |
| Home Sale Proceeds Calculation (at the end of year «HP») | |
| Purchase Price (today’s value) | «PP» |
| Added value due to remodeling | «IMPAD» |
| After Repair Value: | «ARV» |
| Home Appreciation rate compounded over «HP» years is (1+«UHR») «HP» | «APRT» |
| Estimated Sale Price | «SP» |
| Selling Expenses («SER» of Value) | «SE» |
| Net Sale Price | «NSP» |
| Mortgage Balance | «MRB» |
| **Before Tax Sale Proceed** | **«BTSP»** |