



# How much to pay for Investment Property

Learn more at [AfireFi.com](http://AfireFi.com)

$$\frac{\text{Sale Price Net of Cost}}{100\% + \text{Desired ROI}\%} = \text{Purchase Price} + \text{All Expected Costs}$$

## Example

You would like to earn 10% on a property which you believe you can sell for 300,000

I want to earn:

100% + ROI% as Decimal:

10 %

Return on Investment

1. 10

**Purchase Price + All Costs**  
must be equal to or less than:

300,000

Sale Price Net of Cost

÷

1.10

100% + ROI%

=

272,727

I want to earn:

100% + ROI% as Decimal:

%

Return on Investment

1.

**Purchase Price + All Costs**  
must be equal to or less than:

Sale Price Net of Cost

÷

1.

100% + ROI%

=

Remember that Costs will include:

Renovation Costs, Taxes, Legal Fees, Bank Fees etc.