

Future Value: Cheap Roof vs Expensive Roof.

	Cheap Roof (30-year roof)	Expensive Roof (60-year roof)
Today You Spend	\$10,000.00	\$30,000.00
Value in 30 Years IF you invested it at 8%. Opportunity COST.	\$100,626.57	\$301,879.71
30 Years Later, You have to Buy another Roof. But, it's going to cost you more because of inflation.		
Inflation	3.00%	
New Cost of Roof	\$24,272.62	
Net Worth Year 30	-\$124,899.19	-\$301,879.71

Present Value: Repair vs Replace

	Repair & Replace in 10 Years	Replace Now
Cost of Option YEAR 0	-\$2,000.00	\$10,000.00
Cost in 10 Years.	-\$13,439.16	
Present Value Formula	\$6,224.93	
Present Value Formula PLUS Today's Repair Cost	\$8,224.93	\$10,000.00