

SALE PRICE VS. DEBT RELATIONSHIP

1. Sale Price = Net Asset Value = Gross Asset Value – Debts and Liabilities
2. As **Debt** is repaid, **Net Asset Value** increases
3. “As **Red** goes down, **Blue** goes up”
4. Surplus Debt Reduction Cover (**Red Cover**) can be re-allocated to Buy/Sell Cover (**Blue Cover**)