

## Billionaire

Investment capital	\$	65,000,000
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## Scenario A

Buy & refit yacht (ie Aussie Rules/Floridian)	\$	(65,000,000)
Annual operating cost (10%)	\$	(6,500,000)
Annual Charter Revenue (15 weeks @ \$350,000)	\$	5,250,000
Value of yacht (0% appreciation/depreciation)	\$	65,000,000
net	\$	(1,250,000)

## Scenario B

Invest equity capital in another project that made the billionaire a billionaire in the first place	\$	(65,000,000)
Apply typical leverage (70%)	\$	(151,666,667)
Deal size	\$	(216,666,667)

Billionaires typical return on capital (10%)	\$	21,666,667
Return on billionaire's equity capital		33%

Weeks of charter this retrun could purchase on Floridian (@\$350,000/week)	62
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Value of surplus weeks (ie 62-52=10)	\$	3,466,667
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