

### Contractor Partner ABC (Simplified Example)

#### Statement of Work

Interior: Paint, 2 Bathroom Overhauls, Kitchen Overhaul, LVP Flooring, New Lighting  
 Exterior: Paint  
 Landscaping Refresh

#### Invoice

Materials & Labor	\$ 96,000
Financing Cost	\$ 4,000
Administration Fee (10%)	\$ 10,000
<b>Total Gross Invoice Due to Contractor ABC</b>	<b>\$ 110,000</b>

#### Notes

*Assumes this includes a \$8K mark-up for Contractor overhead and \$8K mark-up for Contractor Net Profit*  
*Assumes Contractor uses third-party lender to cover Materials & Labors costs during project*  
*This charge would only apply should the home never be listed for sale*

Discount: Administration Fee	\$ (10,000)
<b>Total Net Invoice Due to Contractor ABC</b>	<b>\$ 100,000</b>
<b>Assumed Net Profit to Contractor ABC</b>	<b>\$8,000</b>

*As stated above, the waiver is removed if the home is never listed*

*Assumes ABC Contractor marked-up the \$80K of Materials & Labor by 20%, but half of the mark-up is needed for overhead*

### Total Payments to Contractor Partner ABC at Closing of Property Sale

Assumed Sale Price of Home	\$ 500,000
Less: Closing Costs	\$ (40,000)
<b>Net Sales Proceeds</b>	<b>\$ 460,000</b>

*Includes realtor commissions, legal & title company fees, and other closing costs*

Less: Repayment to Lenders and Others	\$ (350,000)
Less: Contractor ABC Invoice Payment	\$ (100,000)
<b>Final Net Profit Payable to Homes by Babs</b>	<b>\$ 10,000</b>

*Includes funds for acquisition, holding costs, inspection, survey, and other fees*

<b>50% Profit Share Paid by HBB to Contractor ABC</b>	<b>\$ 5,000</b>
<b>Plus: Contractor ABC Net Profit from Invoice</b>	<b>\$ 8,000</b>
<b>Total Net Profit for Contractor ABC</b>	<b>\$ 13,000</b>

*Net Profit Percentage increase 63%*

#### Summary

Without the Homes by Babs Partnership Program, you could receive \$100,000 in revenues and \$8,000 in net profit  
 With the Homes by Babs Partnership Program, your **net profit could increase 63% from \$8,000 to \$13,000**

*Disclaimer: This hypothetical example is solely for illustrative purposes. Actual results may be lower or higher than illustrated results herein. Homes by Babs makes no representations of the accuracy of this illustration. Each Contractor Partner should conduct his own due diligence.*