**GENERAL FORMULA**

Loss in value    $130  ($200K price - $70K paid thus far)
+ Other loss      0
- Costs avoided - 85  ($180K - $95K = $85 money not spent in completing performance)
- Loss avoided   - 10  ($10K materials resold on salvage market)

---

Damages to Injured Party  $35K to builder

**ALTERNATIVE FORMULA**

Expected net profit  $20  ($200 K price - $180K cost to perform = $20 profit)
+ Unreimbursed expenses  + 15  (incurred $95K for performance thus far - $70K paid = $25K unreimbursed expenses - $10K from resale of materials = $15K)

---

Damages to Injured Party  $35K to builder