Florida Car Wash is considering a new project whose data are shown below. The equipment to be used has a 3-year tax life, would be depreciated on a straight-line basis over the project's 3-year life, and would have a zero salvage value after Year 3. No new working capital would be required. Revenues and other operating costs will be constant over the project's life, and this is just one of the firm's many projects, so any losses on it can be used to offset profits in other units. If the number of cars washed declined by 40% from the expected level, by how much would the project's NPV decline? (Hint: Note that cash flows are constant at the Year 1 level, whatever that level is.)

	0	1	2	3		
I	100					
D		33,33333	33,33333	33,33		
Sales		200	200	200		
					NPV	
						600

	0	1	2	3		
I	100					
D		33,33	33,3	33,3		
Sales		120	120	120		
					NPV	
						360
		0,6				

NPV would also decline by 40%