

Assumptions			EXHIBIT C				
	Real Estate Commissions	6%	Same as Exhibit B, but uses the appropriate consumer debt opportunity cost of 14.28% (N.Y. Times- Avg. Int. Rate on Consumer Debt) <a href="http://www.nytimes.com/2010/04/11/business/economy/11rates.html">http://www.nytimes.com/2010/04/11/business/economy/11rates.html</a> . This is the average interest carry of the typical consumer. If the consumer pays less for their home, and saves on interest payments and transactions costs, and uses the funds to pay down their higher interest debt, this is the possible impact.				
	Purchase Closing Costs U.S. (FRB)	5.0%					
	Discount for 1% Encumbrance	5%					
	Mortgage Rate	5.00%					
	Mortgage Length (yrs)	30					
	Mortgage LTV	85.00%					
	Appreciation Rate	2%					
	Opportunity Cost Rate	14.28%					
Note #1	Initial Property Value without PTF	\$300,000					
Note #2		Transaction 1; 10 Year Hold		Transaction 2; 10 Year Hold		Transaction 3; 10 year Hold	
		Without a PTF	With a PTF	Without a PTF	With a PTF	Without a PTF	With a PTF
	<b>PURCHASE</b>	Year 1	Year 1	Year 11	Year 11	Year 21	Year 21
	Purchase Price	\$300,000.00	\$285,000.00	\$365,698.33	\$347,413.41	\$445,784.22	\$423,495.01
	Mortgage Amount	\$255,000.00	\$242,250.00	\$310,843.58	\$295,301.40	\$378,916.59	\$359,970.76
	Equity day of purchase	\$45,000.00	\$42,750.00	\$54,854.75	\$52,112.01	\$66,867.63	\$63,524.25
	Closing Costs at Initial Purchase	(\$15,000.00)	(\$14,250.00)	(\$18,284.92)	(\$17,370.67)	(\$22,289.21)	(\$21,174.75)
	<b>CARRYING COSTS</b>						
	Principal Payments	\$47,577.74	\$45,198.85	\$57,996.99	\$55,097.14	\$70,698.01	\$67,163.11
	Less Carrying Costs:						
	Interest payments	\$116,689.68	\$110,855.20	\$142,244.07	\$135,131.87	\$173,394.73	\$164,724.99
	Taxes (U.S. property) 1.04% of value	\$34,163.13	\$32,454.97	\$41,644.66	\$39,562.43	\$50,764.61	\$48,226.38
	Insurance (Hazard) \$3.50/\$1,000 value	\$11,497.21	\$10,922.35	\$14,015.03	\$13,314.28	\$17,084.24	\$16,230.03
	Total Carrying Costs:	(\$162,350.02)	(\$154,232.52)	(\$197,903.77)	(\$188,008.58)	(\$241,243.59)	(\$229,181.41)
	<b>OPPORTUNITY COSTS</b>						
Note #3	Less Opportunity Costs Associated with Added Costs:						
	Opportunity costs on added principal payments	\$7,458.63	\$0.00	\$9,092.02	\$0.00	\$11,083.12	\$0.00
	Opportunity costs on added closing costs	\$2,351.51	\$0.00	\$2,866.47	\$0.00	\$3,494.22	\$0.00
	Opportunity costs on added carrying costs	\$25,451.15	\$0.00	\$31,024.81	\$0.00	\$37,819.07	\$0.00
	Opportunity costs on added equity	\$7,054.52	\$0.00	\$8,599.42	\$0.00	\$10,482.65	\$0.00
Note #4	Total Opportunity Costs:	(\$42,315.80)	\$0.00	(\$51,582.73)	\$0.00	(\$62,879.05)	\$0.00
	<b>SALE</b>	Year 10	Year 10	Year 20	Year 20	Year 30	Year 30
	Sales Price	\$365,698.33	\$347,413.41	\$445,784.22	\$423,495.01	\$543,408.48	\$516,238.05
	Real Estate Commissions	(\$21,941.90)	(\$20,844.80)	(\$26,747.05)	(\$25,409.70)	(\$32,604.51)	(\$30,974.28)
	1% Private Transfer Fee Paid When Sold	\$0.00	(\$3,474.13)	\$0.00	(\$4,234.95)	\$0.00	(\$5,162.38)
	<b>SUMMARY</b>						
Note #5	Appreciation from Purchase to Sale	21.90%	21.90%	21.90%	21.90%	21.90%	21.90%
Note #6	<b>Net Financial Position</b>	(\$175,909.39)	(\$130,388.05)	(\$214,432.57)	(\$158,942.30)	(\$261,392.10)	(\$193,749.78)
	<b>Financial Benefit to the Buyer with Transfer Fee</b>	<b>\$45,521.35</b>		<b>\$55,490.27</b>		<b>\$67,642.33</b>	
Note #1	PTF = Private Transfer Fee.						
Note #2	The longer the holding period, the more beneficial the PTF is to the consumer. The current average turnover rate is 12 years. This table shows a 10 year turnover.						
Note #3	Added cost is the difference between the respective line item without a PTF & with a PTF.						
Note #4	Higher return on alternate investments increases opportunity costs of unencumbered property.						
Note #5	There is no seller "lost appreciation". The lost appreciation shown in Figure 1, Page 6 of the CRE paper are differences in values of two homes which appreciated at the same rate (2%/yr) for the same duration (5 yrs, 10 yrs, or 15 yrs), each with a different basis (\$300,000 and \$285,000). This line shows the total appreciation of the respective homes over the holding period.						
Note #6	Net Financial Position = Sales Price - Real Estate Commissions - Transfer Fee - Purchase Price - Carrying Costs - Opportunity Costs						