

APPENDIX C – EXAMPLE LONG-TERM REAL ESTATE LOANS

ALTERNATIVE COMPONENT, §702.107(a)

(EXAMPLE CALCULATION IN BOLD)

<i>Remaining maturity</i>	Dollar balance of Long-term real estate loans by remaining maturity	Percent of total assets by remaining maturity	Alternative risk weighting	Alternative component
<i>Non-callable long-term real estate loans</i>				
> 5 years to 12 years	15,000,000	7.5000 %	.08	0.6000 %
> 12 years to 20 years	2,500,000	1.2500 %	.12	0.1500 %
> 20 years	2,500,000	1.2500 %	.14	0.1750 %
<i>Long-term real estate loans callable in 5 years or less</i>				
> 5 years to 12 years	35,000,000	17.5000 %	.06	1.0500 %
> 12 years to 20 years	5,000,000	2.5000 %	.10	0.2500 %
> 20 years	0	0.000 %	.12	0.000 %
Sum of above equals Alternative Component*				2.23 %

*Substitute for standard component if lower.