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Back of the Napkin Loss Calculation: A Blood-Drenched Tissue.

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Tue, Apr 1, 2008 at 12:53 PM

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Unnatural Loss. Manageable Catastrophe.

- \$22 trillion: value US residential real estate
- \$15 trillion: total assets held by top 450 financial institutions in US
- \$11 trillion: all mortgages secured by US residential real estate
- \$4.4 trillion: projected Loss of Equity – US residential real estate (1)
- \$2.2 trillion: projected Mortgage Write-Offs / Bank Losses (2)
- \$1.45 trillion: negative equity of financial institutions (3)
- \$750 billion: total capital pre-crisis for top 450 financial institutions US (4)
- \$15,000: loss per person in US

Michael White (312) 919-8800 Great rates are back. Refi before the end of time.



1. assume 20% fall from peak value
2. assume mortgage debt equal to 50% of the lost property equity
3. write offs minus capital (pre-crisis).
4. assume 5% of total financial institution assets ie. Equity ie assets minus liabilities ie book value ie what's left after

liquidation. This number is a pure guesstimate.

5. population us == 300 million. loss is \$4.4 trillion.



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