

Name: Sample Client

PERA Funding vs. Investment or Equity Funding

Estimated Cost of making Installment Payments to pay off your PERA Buyback

Total Years to buy	5	Yrs to Pay	5
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	2005a	2005b	2006a	2006b	2007a	2007b	2008a	2008b	2009	
Example A: Installments to PERA work 5 more years buy 10 retire at 53: Only pay the \$437.04 per month & lump at end										
PERA Buyback Opening Balance	\$ 55,250	\$ 34,015	\$ 32,727	\$ 31,384	\$ 29,985	\$ 28,526	\$ 27,005	\$ 25,419	\$ 23,766	
Transfer from TSA/401K/IRA/457	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 23,766	
Monthly Payment 437.04	\$ 2,622	\$ 2,622	\$ 2,622	\$ 2,622	\$ 2,622	\$ 2,622	\$ 2,622	\$ 2,622	\$ -	
Interest at 8.50% per year.	\$ 1,387	\$ 1,334	\$ 1,279	\$ 1,222	\$ 1,163	\$ 1,101	\$ 1,036	\$ 969	\$ -	
PERA Buyback Ending Balance	\$ 34,015	\$ 32,727	\$ 31,384	\$ 29,985	\$ 28,526	\$ 27,005	\$ 25,419	\$ 23,766	\$ -	
	PBB Est. Cost		\$ 55,250		PBB Est. Interest		\$ 9,492		Est. Cost plus Int	\$ 64,742
Interest to PERA is not deductible. PERA requires pmt in full in 10 years maximum. If you purchase less than 5 years PERA allows 2 years per year bought.										

	2005a	2005b	2006a	2006b	2007a	2007b	2008a	2008b	2009	
Example B: Investment Funding work 5 more years buy 10 retire at 53 \$400 per mo to TSA and \$437 to PERA										
PERA Buyback Opening Balance	\$ 55,250	\$ 34,014	\$ 30,224	\$ 26,273	\$ 22,154	\$ 17,860	\$ 13,383	\$ 8,716	\$ 3,851	
Transfer from TSA/401K/IRA/457	\$ 20,000	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 2,400	\$ 3,851	
Monthly Payment 437.04	\$ 2,622	\$ 2,622	\$ 2,622	\$ 2,622	\$ 2,622	\$ 2,622	\$ 2,622	\$ 2,622	\$ -	
Interest at 8.50% per year.	\$ 1,387	\$ 1,232	\$ 1,071	\$ 903	\$ 728	\$ 546	\$ 355	\$ 157	\$ -	
PERA Buyback Ending Balance	\$ 34,014	\$ 30,224	\$ 26,273	\$ 22,154	\$ 17,860	\$ 13,383	\$ 8,716	\$ 3,851	\$ -	
	PBB Est. Cost		\$ 55,250		PBB Est. Interest		\$ 6,379		Est. Cost plus Int	\$ 61,629
Qualified investment assets will transfer to PERA tax free. Transfers may reduce market earnings potential. PERA may provide higher or lower results than the market.										

	2005a	2005b	2006a	2006b	2007a	2007b	2008a	2008b	2009	
Example C: Equity Funding Work 5 more years buy 10 retire at 53: Pay the \$437.04 per month & Use Home Equity										
PERA Buyback Opening Balance	\$ 55,250	\$ 34,015	\$ 13,962	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Transfer from TSA/401K/IRA/457	\$ 20,000	\$ 18,000	\$ 13,962	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Monthly Payment 437.04	\$ 2,622	\$ 2,622	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Interest at 8.50% per year.	\$ 1,387	\$ 569	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
PERA Buyback Ending Balance	\$ 34,015	\$ 13,962	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
	PBB Est. Cost		\$ 55,250		PBB Est. Interest		\$ 1,956		Est. Cost plus Int	\$ 57,206
Using equity from you home to purchase time with PERA may cause negative impact on your home value and is done at your own risk.										

The projections on this report are estimates. Please see your attorney or CPA for legal or tax advice. These figures are for reference purposes only and are not Guaranteed.