

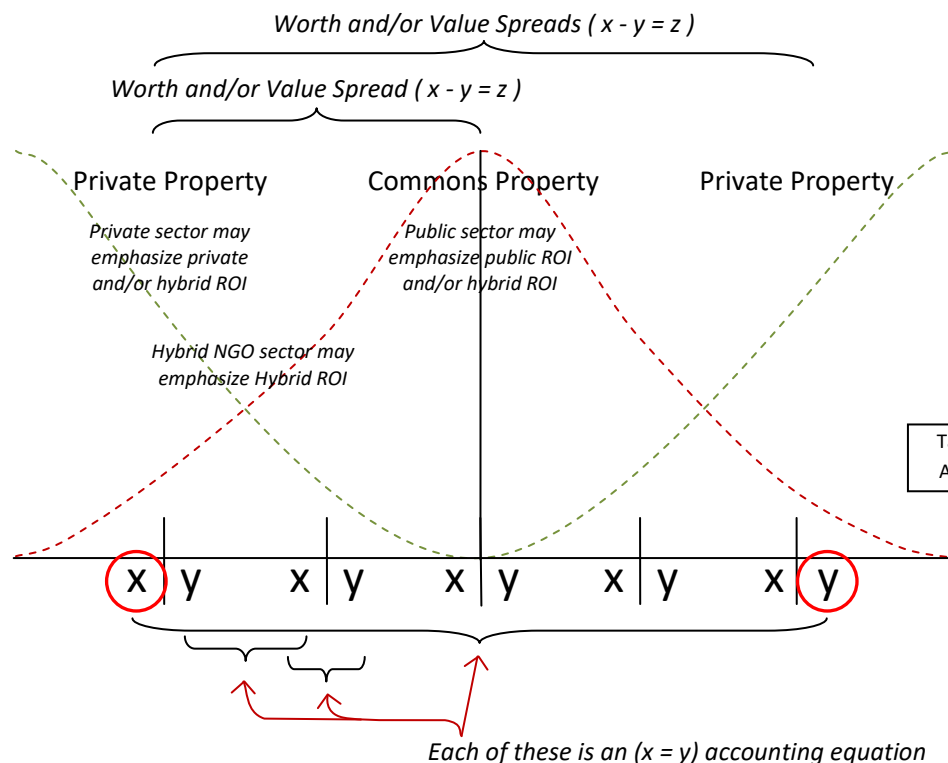
Note from David Huer

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Additional discussion of Proximity of Desire¹ technique

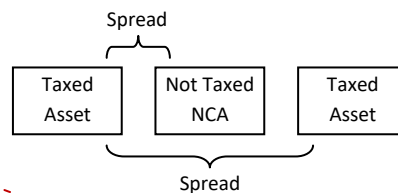
Public domain waterbucket.ca Initial Report here: [\[Link\]](#) – 1-page ‘Impact Investing’ comment here: [\[Link\]](#)

The method puts cash value on the spread of proximity of *desire of access* of private property to public commons assets [(CA: ranging from Natural Commons Assets (park, river) to Facilities (school, ball court)] and the Services delivered by these assets. The first use case is Natural Commons Assets (NCAs).



The “Proximity of Desire” method uses proximity to calculate the market-equivalent value of non-taxed Commons Assets (CA’s: which have no valuation history) using private property assets that are adjacent to CAs.

NCAs are “Natural Commons Assets”. Use the NCA use case to get understanding of the process, and then apply it to ESG/Impact projects.



As the \$values have interconnected relationships, calculations can scale from local (sub-neighbourhood) to large (National & Cross-National) landscapes and time scales; example: the green and red circled \$values can be used in an equation. Calculations can be reverse-engineered.

Summarizing investing opportunity created for NCAs by Proximity of Desire

Inviting Continuous, Circular, Sustainable Improvement – to ensure we always have Nature’s Cost-superior Services

Calculations How-To

- Defines economic value and worth of Natural Commons Assets (NCAs)
- Uses comparable ‘worth and value financial spreads’ across private & public assets
- Similarly, uses comparable ‘worth and value’ time-series across these assets
- These spreads are produced by ability to introduce accounting equation to record changes between taxed private assets and non-taxed publicly-owned assets such as NCAs
- Since accounting is the calculating framework, calculations can be used to mutually evaluate effects of public and private actions on each property type

Common framework

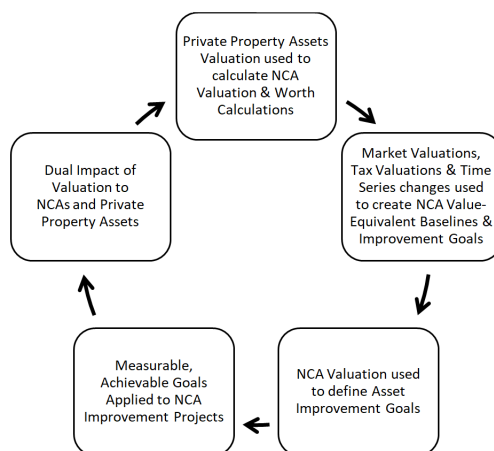
- The spread of Private-to-Public-to-Private produces a valuation curve that favours Natural Commons Assets, when these are deemed highest value and this may be the natural emphasis of government valuation activities (and NGO private societies performing 3rd party ‘public interest’ valuation activities)
- Calculations favour private assets when the latter are deemed highest value
- Private and public valuations produces hybrid and comparables values

Scalability – scaling from the smallest village all the way up to sovereign treaties

- Method can be scaled from the local landscape to the global landscape
- NCA Types currently include: parks, streams, wildlands, aquifers, atmosphere, etc.
- NCA Services are cost-superior services delivered by Nature (freshwater purification, GHG reductions, healthy ecologies, heavy metals reduction, mitigated risks, etc.)
- NCA Contributions are contributions delivered via those assets (clean drinking water, unpolluted local air, recharged aquifers, psychological blessings, insurable assets, etc.)

Scalability – Public, Private, and Public-Private Partnership (P3) ESG/Impact Investments

- Method can be scaled to investment purposes aimed to benefit the Commons, ranging from “E” (ex. circular manufacturing), to “S” (ex. education), and “G” (ex. red tape)



¹ Applied to (a) Ecological Accounting Process (EAP for Government sector) and (b) Proximity Pricing (for Private & Hybrid Finance sectors)