



STATE OF CALIFORNIA

STATE BOARD OF EQUALIZATION

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(916) 445-1516

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Third District, San Diego

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Fourth District, Los Angeles

GRAY DAVIS
Controller, Sacramento

DOUGLAS D BELL
Executive Secretary

No. 87/70

September 11, 1987

TO COUNTY ASSESSORS:

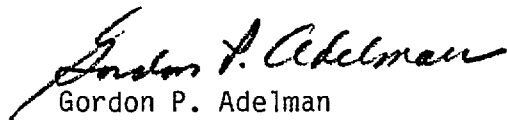
HISTORICAL PROPERTIES ASSESSED UNDER SECTIONS
439, 439.1, 439.2, 439.3, and 439.4 OF THE
REVENUE AND TAXATION CODE
YIELD RATE COMPONENT - 1988 LIEN DATE

Historical property assessed under provisions of Revenue and Taxation Code, Sections 439 through 439.4 is subject to valuation by the capitalization of income method in a specified manner.

In accordance with Section 439.2, Revenue and Taxation Code, the Board is required to announce the interest component which is equal to the effective rate on conventional mortgages as determined by the Federal Home Loan Bank Board. This yield rate, when rounded to the nearest quarter percent, is to be used as a component of the capitalization rate in the valuation of properties subject to Historical Property Contracts for the 1988 lien date.

Based on our analysis of information from the Federal Home Loan Bank Board, the latest effective rate was 9.42 percent. When rounded to the nearest one-quarter percent, the interest component is 9.50 percent.

Sincerely,


Gordon P. Adelman
Assistant Executive Secretary
Department of Property Taxes

GPA:wpc
AL-08A-1763A