



STATE OF CALIFORNIA

STATE BOARD OF EQUALIZATION

1020 N STREET, SACRAMENTO, CALIFORNIA
(P.O. BOX 942879, SACRAMENTO, CALIFORNIA 94279-0001)

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Fourth District, Los Angeles

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Controller, Sacramento

CINDY RAMBO
Executive Director

No. 89/67

(916) 445-1516

September 1, 1989

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 - 1990 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 1990 lien date.

Based on our analysis of information from the Federal Home Loan Bank Board, the latest effective rate was 10.41 percent. When rounded to the nearest one-quarter percent, the interest component is 10.50 percent.

Sincerely,

John W. Hagerty
Deputy Director
Property Taxes Department

JWH:sk