



STATE OF CALIFORNIA

STATE BOARD OF EQUALIZATION

1020 N STREET, SACRAMENTO, CALIFORNIA
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Controller, Sacramento

DOUGLAS D. BELL
Executive Secretary

No. 85/101

September 26, 1985

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 - 1986 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 current interest rate component which is equal to the effective composite rate on all single-family conventional mortgages closed as of the end of August, 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 1986 lien date.

Based on our analysis of information from the Federal Home Loan Bank Board, the yield rate component to be used for the 1986 assessment year is 11.25 percent.

Sincerely,


Gordon P. Adelman
Assistant Executive Secretary
Department of Property Taxes

GPA:wpc
AL-08A-1763A