STATE OF CALIFORNIA

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Executive Director

November 29, 1999

No. 99/67

TO COUNTY ASSESSORS:

ANNUAL REVIEW OF TIMESHARE VALUES

Letter To Assessors No. 82/92, dated July 27, 1982, provides detailed guidance about the valuation and assessment of timeshares. Specifically, that advisory letter (1) provides background information about the nature of the property rights that comprise a timeshare estate; (2) discusses the valuation of timeshares, with an emphasis on approaching the issue by considering the "stage of production" of a timeshare project; and (3) notes the introduction of a bill, subsequently enacted as Chapter 887 of the Statutes of 1982, that authorized separate assessment of timeshares.

This letter will serve to expound on the guidance in LTA 82/92 by reminding assessors that, in most cases, timeshares should be reviewed annually to see whether the current market value of the timeshare interest has fallen below its factored base year value. In addition, assessors are advised that the *market* values of undivided interests in any particular unit will tend to be equal where the interests are substantially identical in terms of season, duration of occupancy, and other rights conveyed. The assessed values of such interests should be reviewed together and adjusted, if necessary, accordingly.

If you have any questions, please contact our Real Property Technical Services unit at (916) 445-4982.

Sincerely,

/s/ Richard C. Johnson

Richard C. Johnson
Deputy Director
Property Taxes Department

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