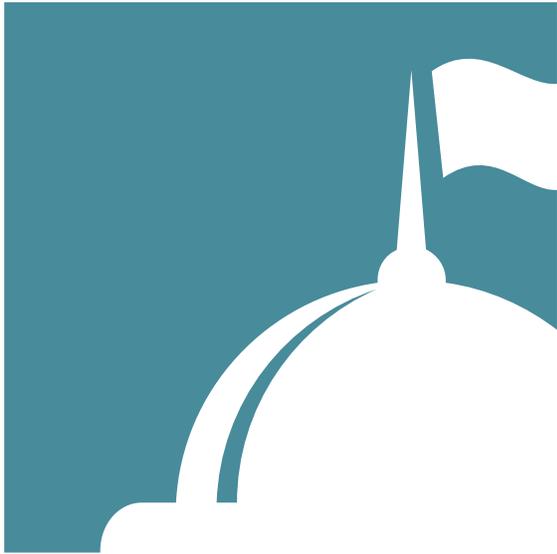


# Buyer's Estimated Property Tax Charges

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## What's Inside:

*Estimated Property Tax Charge Summary*

*Estimated Supplemental Tax Bill(s)*

*Estimated Future Property Tax Charges*

*Understanding Property Tax Charges at Transfer of Ownership*

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## ESTIMATED PROPERTY TAX SUMMARY

▶ Property Description	▶ Current Values
County: Orange	Land: \$145,235.00
Parcel Number: 78701112	Improvements: \$191,875.00
Tax Rate Area: 27075	Other: \$0.00
Owner Name: ADLOUNI, BASSAM M	<b>Total Value:</b> \$337,110.00
Address: 61 CANTATA DR, MISSION VIEJO	Less Exemptions: \$7,000.00
Roll Year: 2001	<b>Net Taxable Value:</b> \$330,110.00

This report is an estimate of the original secured property tax bill charges for the above-mentioned property. All amounts are estimates. This report was compiled using information obtained from the County on a given date and may not reflect changes made by the County or the underlying public agencies levying charges against this property. It is for informational purposes only and cannot be relied upon for the actual amount of property taxes levied or paid on this property. While this report contains data gathered from reliable sources, no claims are made to its accuracy and it is not backed by California Tax Data's Errors and Omissions Insurance.

<b>Purchase Price</b>	<b>\$500,000.00</b>
Less Exemptions	\$7,000.00
Estimated Net Taxable Value	\$493,000.00
Closing Date	07/05/2002
<b>Estimated Net Taxable Value</b>	<b>\$493,000.00</b>

Supplemental Bill #1	
<b>Net Supplemental Value (Purchase Price – Current Assessed Value)</b>	<b>\$156,147.00</b>
Published County Tax Rate	1.149
Rate Year	2001
<b>Gross Estimated Supplemental Property Tax Amount</b>	<b>\$1,755.04</b>
Computation Factor (Months Owned / 12)	0.92
<b>Estimated 2002-2003 Supplemental Bill</b>	<b>\$1,614.64</b>

### Supplemental Bill #2

# No Estimated 2003-2004 Supplemental Bill

Estimated Future Property Tax Charges	
Net Taxable Value	\$493,000.00
Published County Tax Rate / Rate Year	1.149 / 2001
<b>Ad Valorem Charges (Tax Rate * Net Taxable Value)</b>	<b>\$5,356.48</b>
<b>Direct Assessments</b>	<b>\$1,180.08</b>
<b>Estimated Future Property Tax Amount</b>	<b>\$6,536.56</b>
Percent Increase / Decrease	1.387%
Adjusted Tax Rate	1.326
<b>Estimated Future Property Tax Charges</b>	<b>\$6,536.56</b>



## ESTIMATED FUTURE PROPERTY TAX CHARGES

### ▶ Property Description

County:	Orange
Parcel Number:	78701112
Tax Rate Area:	27075
Owner Name:	ADLOUNI, BASSAM M
Address:	61 CANTATA DR, MISSION VIEJO
Roll Year:	2001

### ▶ Estimated Values

Land:	\$148,140.00
Improvements:	\$195,713.00
Other:	\$0.00
<b>Total Value:</b>	<b>\$343,853.00</b>
Less Exemptions:	\$7,000.00
<b>Net Taxable Value:</b>	<b>\$336,853.00</b>

This is an estimate of the future secured property taxes for the subject property. All amounts are estimates. Amounts are computed based on the sales price and the 2001-2002 tax rates and direct assessments charges obtained from the County. Assessed values for the 2002-2003 roll year will be set on Jan 1, 2002. The sales price will become the new assessed value at that time and, as a result, a 2nd supplemental bill will not be generated. Assessed values, tax rates and direct assessment charges can and do change from year to year. While this report contains data gathered from reliable sources, no claims are made to its accuracy and it is not backed by California Tax Data's Errors and Omissions Insurance.

### Estimated Future Secure Property Tax Charges

Date Computed	07/05/2002
Roll Year	2003-2004
Estimated Gross Assessed Value	\$500,000.00
Less Exemptions	\$7,000.00
<b>Net Taxable Value</b>	<b>\$493,000.00</b>
Published County Tax Rate	1.149
Rate Year	2001
Estimated Basic Levy	\$4,930.00
Estimated Ad Valorem Charges	\$426.48
<b>Total Ad Valorem Charges</b>	<b>\$5,356.48</b>
<b>Direct Assessments</b>	<b>\$1,180.08</b>
<b>Estimated Total Tax Amount</b>	<b>\$6,536.56</b>
<b>Estimated Actual Tax Rate</b>	<b>1.326</b>

### Summary of Property Tax Charges

Estimated Future Property Tax Charges	\$6,536.56
Prior Secured Property Tax Charges	\$4,711.36
<b>Difference</b>	<b>\$1,825.20</b>
<b>Percent Difference</b>	<b>1.39%</b>

**Estimated Future Property Taxes** **\$6,536.56**

## UNDERSTANDING PROPERTY TAXES AT TRANSFER OF OWNERSHIP

### Property Reassessments

In July 1, 1983, California State Law changed to allow the County Assessor's Office to immediately reassess property on the first day of the month following a change of ownership. In most cases, this reassessment results in one or possibly two supplemental tax bills being sent to the new property owner, in addition to the annual property tax bill.

Most changes in ownership caused by the sale of property result in reassessment. However, inter-spousal transfers; the transfer, sale or inheritance of property between parents and their children; and the addition of joint tenants do not result in the reappraisal of property values. Furthermore, homeowners over the age of 55 years who sell their principle residence and purchase a replacement dwelling within two years that is of equal or lesser market value and is located in the same county are eligible to transfer the pre-sale assessed value of their original property to the replacement dwelling. Additionally, new construction can trigger a reassessment, based only the value of the improvements (rather than the net value of the property and home). For further information or claim forms, you should contact the office of the Assessor.

The Assessor first determines the new value of the property based on current market values. In most cases the current market value will equal the purchase price. The Assessor then calculates the difference between the new value (set at the time of purchase or the completion of new construction) and the old value (set on January 1 of the previous fiscal year). The result is the supplemental assessed value. Once the new assessed value of your property has been determined, the Assessor will send you a notification of the amount.

**Example:**

Purchase Price	\$300,000
Assessed value (current fiscal year)	-200,000
Supplemental value:	\$100,000

This reassessment usually results in an increase in property value, in which case your supplemental taxes will be calculated by the Auditor-Controller based on the change in value, and one or possibly two supplemental tax bills will be created and mailed to you by the Tax Collector.

The number of supplemental bills you receive depends on when the ownership change or completion of new construction occurred. You will receive ONE supplemental bill if the date of the change in ownership or completion of new construction is between June 1 and December 31 inclusive. You will receive TWO supplemental bills if the date of the change in ownership or completion of new construction is between January 1 and May 31 inclusive.

Effective Date of Transfer/Construction*	Number of Supplemental Bills
June 1 <sup>st</sup> to December 1 <sup>st</sup>	1
January 1 <sup>st</sup> to June 1 <sup>st</sup>	2
July 1 <sup>st</sup>	0

\*Effective dates are rounded up to the first day of the next month. So a sales agreement completed on June 13<sup>th</sup> would have an effective sales date of July 1<sup>st</sup>.

### How are the supplemental tax amounts determined?

The difference between the new value and the old January 1 value is multiplied by a proration factor. The proration factor is the percentage of months remaining in the fiscal year. This result is then multiplied by the tax rate (usually 1% plus voter approved indebtedness) to determine the supplemental tax amount due.

Remember, a supplemental tax bill is sent in addition to the regular annual tax bill and both must be paid as specified on the bill. In addition, unlike the annual tax bill, lending agencies do not receive a copy of the supplemental tax bill. When you receive a supplemental tax bill, you must contact your lender to determine who will pay the bill. Furthermore, if the tax payment is not made before the delinquency date due to a misunderstanding between yourself and your lender, the penalties cannot be excused. State law stipulates that this is not an acceptable reason for excusing penalties.

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This report and the determinations made herein were prepared by California Tax Data, Inc. ("CTD"). Only the buyer (and his/her agent) and the seller (and his/her agent) may use or rely on this report. The determinations made in this report are time-sensitive. Therefore, the information in this report may be considered accurate only as of the date shown herein. Governmental actions occurring after the date of this report are not disclosed, and CTD is under no duty to update this report when or if new tax information is released or becomes available. The sole purposes of this report are to (a) make preliminary determinations regarding whether current secured tax rolls contain Mello-Roos Community Facilities District Assessment or 1915 Bond Act Special Assessments against the subject property, and (b) assist the seller in fulfilling his/her duty to comply with California Civil Code §1102.6b. This report is not a substitute for a title report or title insurance and may not be relied upon as such.

This report is for the exclusive benefit and reliance of the specific buyer and specific seller mentioned herein and there shall be no third party beneficiaries. This report may not be used in any subsequent transaction affecting the subject property.

This Report addresses special tax assessment matters only. It does not address matters related to (a) title or title defects, (b) earthquake zones, flood zones, fire zones or other natural hazard zones, (c) survey or geologic issues, (d) land use or zoning, (e) the California Subdivided Lands Act or the Subdivision Map Act, (f) compliance with other federal, state or local laws, ordinances or restrictions that may apply to the property, such as the Americans with Disabilities Act and building codes, (g) restrictions affecting the use, occupancy or development of the property imposed by any state, local or federal governmental agency, including without limitation, flood control districts, the California Coastal Commission, joint power districts, water districts, agencies or school districts, (h) any permits of any nature that may be required for the current or anticipated future use of the property, or (i) any other legal concerns that might affect the property.

CTD has prepared this report solely based upon records and information provided by various governmental and private agencies. CTD has assumed that these records and information are accurate and complete, and CTD has not conducted any independent verification of their accuracy or completeness. CTD hereby disclaims all liability and shall not be responsible for any inaccuracies or omissions in the public records or information supplied by the various governmental and private agencies supplying information to CTD.

In order to prepare this report, either the seller (or his/her agent) or the buyer (or his/her agent) supplied CTD with the Assessors Parcel Number ("APN") for the subject property. CTD has not verified the accuracy of the APN. This report was prepared based upon such APN, and CTD shall not be responsible or liable for any losses, liabilities or damages resulting from an incorrect APN.

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