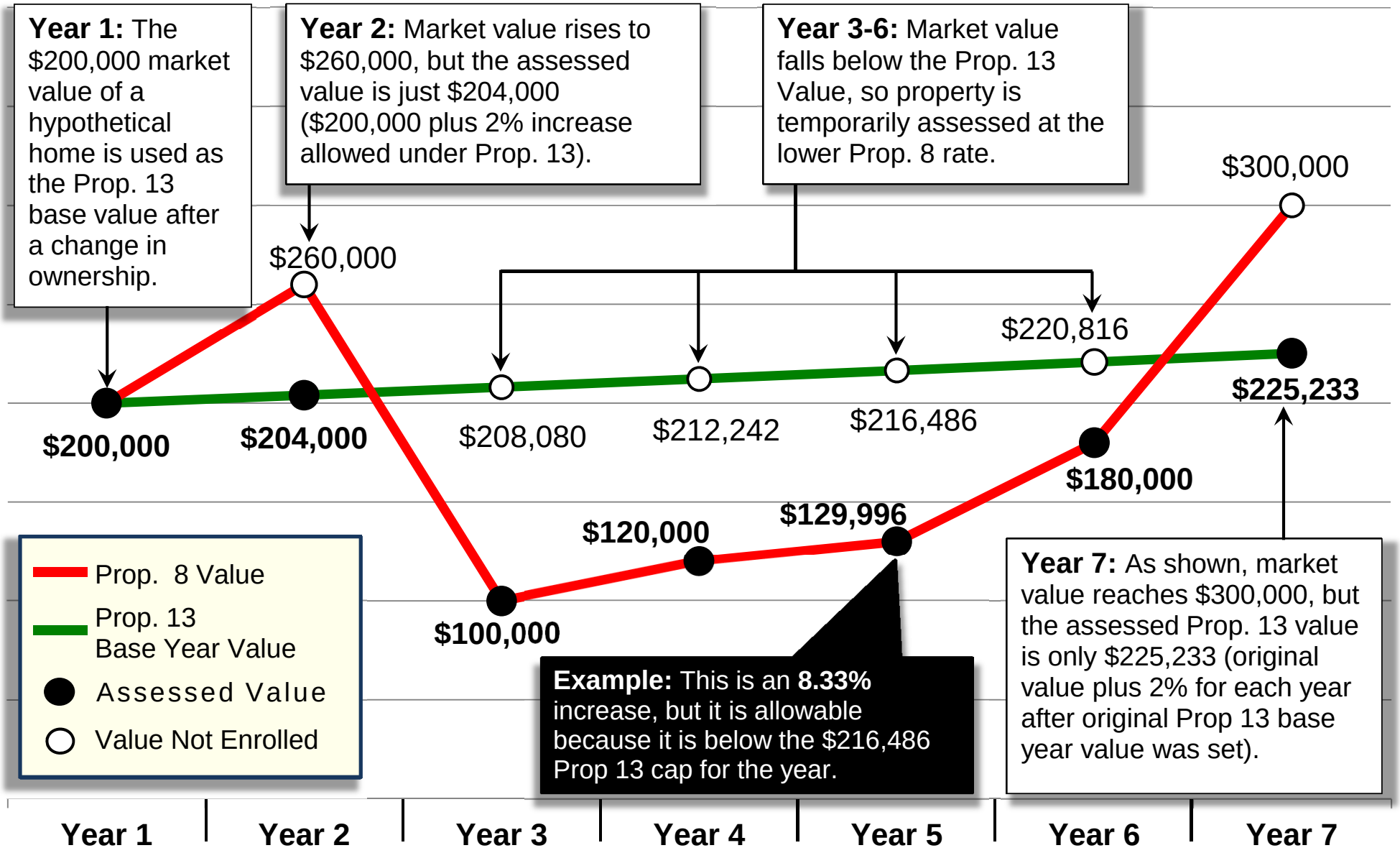
How Property Values are Assessed

Proposition 13, passed in California in 1978, caps the growth of property's assessed value at no more than 2 percent each year unless the market value of a property falls lower. When this happens, Proposition 8, also passed in 1978, allows the property to be temporarily reassessed at the lower value. However, if the market value rises, the assessed value and resulting property taxes may increase more than 2 percent in a year up to the annually adjusted Prop. 13 cap.