

California Tax Disclosure Report



*This report satisfies
the seller's obligation, pursuant
to Civil Code Section 1102.6b, to
disclose all special tax and/or
assessment districts affecting
the subject property*

California Tax Data
www.californiataxdata.com

Address : 75 HILLTOP CIR, RANCHO PALOS VERDES

Your #1 Source for Property Tax Information
(Including Mello-Roos and 1915 Act Disclosures)

California Tax Data. 32332 Camino Capistrano, Suite 206 San Juan Capistrano, CA 92675
Tel 949-240-1520 | info@californiataxdata.com
www.californiataxdata.com

PROPERTY TAX DISCLOSURE REPORT FOR:

Property Address: 75 HILLTOP CIR, RANCHO PALOS VERDES

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NOTICE OF SPECIAL TAX AND ASSESSMENT

TO: THE PROSPECTIVE PURCHASER OF THE REAL PROPERTY KNOWN AS:

Assessor's Parcel Number: 7589014082
Property Address or Legal Description: 75 HILLTOP CIR, RANCHO PALOS VERDES
Report Date: 12/15/2017

THIS IS A NOTIFICATION TO YOU PRIOR TO YOUR PURCHASING THIS PROPERTY.

1. MELLO-ROOS COMMUNITY FACILITIES DISTRICTS

Mello-Roos Community Facilities Districts ("CFD") provide a method of financing certain public capital facilities and services especially in developing areas and areas undergoing rehabilitation. Public improvements funded by Mello-Roos CFDs may include, but are not limited to, roads, schools, water, sewer and storm drain facilities. Public services funded by Mello-Roos CFDs may include, but are not limited to, police and fire protection services, recreation program services, and flood or storm protection services. Mello-Roos CFDs commonly fund the construction of public improvements through the issuance of bonds. A special tax lien is placed on property within the district for the annual payment of principal and interest as well as administrative expenses. Typically, the annual special tax continues until the bonds are repaid, or until special taxes are no longer needed. Mello-Roos special tax rates may increase each year. In most instances but not all, the special tax is collected with regular property taxes

Properties located within a Mello-Roos Community Facilities District are subject to a special tax, which is in addition to the regular property taxes and any other charges and benefit assessments that will be listed on the property tax bill. This special tax may not be imposed on all parcels within the city or county where the property is located. The special tax is used to provide public facilities or services that are likely to particularly benefit the property.

THIS PROPERTY IS NOT SUBJECT TO MELLO-ROOS COMMUNITY FACILITIES DISTRICT SPECIAL TAX LIEN(S).

2. 1915 BOND ACT ASSESSMENT DISTRICTS

1915 Bond Act Assessment Districts ("AD") provide a method of financing certain public capital facilities. Public improvements funded by 1915 Bond Act Assessment Districts may include, but are not limited to, roads, sewer, water and storm drain systems, and street lighting. 1915 Bond Act Assessment Districts commonly fund the construction of public improvements through the issuance of bonds. A special assessment lien is placed on property within the Assessment District. The lien amount is calculated according to the specific benefit that an individual property receives from the improvements and is amortized over a period of years. 1915 Bond Act Assessments Districts can be prepaid at any time. In most instances but not all, the assessment is collected with regular property taxes.

This property is within the 1915 Bond Act Assessment District(s) named below and is subject to annual assessment installments levied by the assessment district that will appear on the property tax bill. The annual assessments are in addition to the regular property taxes and any other charges and benefit assessments that will be listed on the property tax bill. The assessment district(s) has issued bonds to finance the acquisition or construction of certain public improvements that are of direct and special benefit to property within the assessment district. The bonds will be repaid from annual assessment installments on property within the assessment district. The special assessment is used to provide public facilities that are likely to particularly benefit the property.

The annual assessment installment and public facilities that are being paid for by the money received from the sale of bonds that are being repaid by the assessments are indicated below. These facilities may not yet have all been constructed or acquired and it is possible that some may never be constructed or acquired.

THIS PROPERTY IS SUBJECT TO IMPROVEMENT BOND ACT OF 1915 SPECIAL ASSESSMENT LIEN(S).

NOTICE OF SPECIAL TAX AND ASSESSMENT (continued)

TO: THE PROSPECTIVE PURCHASER OF THE REAL PROPERTY KNOWN AS:

Assessor's Parcel Number: 7589014082
Property Address or Legal Description: 75 HILLTOP CIR, RANCHO PALOS VERDES
Report Date: 12/15/2017

2.1 Los Angeles County Regional Park and Open Space District - (213) 738-2983 - Regional Park & Open Space District

Annual Assessment Installment. \$7.05.

Ending Year. Assessment installments will be collected each year until the assessment bonds are repaid, but in any case not after the 2019-2020 tax year.

Authorized Facilities. Proceeds from the sales of these bonds will be used for the acquisition, development, rehabilitation, protection and restoration of beach, wildlife, park and natural lands with the County, tree-planting, gang prevention and intervention, improvement of recreation facilities for youth and senior citizens, restoration and maintenance of parks, recreational, cultural and community facilities and open space lands within the County of Los Angeles.

Authorized Services. 1915 Bond Act Assessment Districts are not authorized to pay for ongoing public services.

MELLO-ROOS COMMUNITY FACILITIES DISTRICT SPECIAL TAXES AND THE 1915 BOND ACT ASSESSMENT DISTRICT ANNUAL ASSESSMENT INSTALLMENTS ARE HEREINAFTER COLLECTIVELY REFERRED TO AS "SPECIAL LIENS." IF SPECIAL LIENS DESCRIBED ABOVE ARE NOT PAID WHEN DUE, FORECLOSURE PROCEEDINGS MAY BE INITIATED AT ANY TIME, AFTER PROPERTY TAXES BECOME DELINQUENT. YOUR PROPERTY MAY BE SOLD FOR THE DELINQUENT AMOUNTS, EARLIER THAN WITH REGULAR PROPERTY TAXES.

YOU SHOULD TAKE THE SPECIAL LIENS DESCRIBED ABOVE AND THE BENEFITS RECEIVED FROM THE PUBLIC FACILITIES AND PUBLIC SERVICES (IF APPLICABLE) FOR WHICH IT PAYS INTO ACCOUNT IN DECIDING WHETHER TO BUY THIS PROPERTY.

THE INFORMATION PROVIDED IN THIS REPORT WAS PREPARED BY CALIFORNIA TAX DATA ("CTD") AND IS SUBJECT TO THE TERMS AND CONDITIONS CONTAINED HEREIN. THE PURPOSE OF THIS REPORT IS TO ASSIST THE SELLER IN FULFILLING HIS OR HER LEGAL DISCLOSURE REQUIREMENT PURSUANT TO CALIFORNIA CIVIL CODE § 1102.6B. THIS REPORT WAS COMPILED USING INFORMATION OBTAINED FROM THE COUNTY, VARIOUS GOVERNMENTAL AGENCIES AND THIRD PARTIES. CTD IS NOT RESPONSIBLE FOR ANY INACCURACIES OR OMISSION IN THE PUBLIC RECORDS OF THE COUNTY, VARIOUS GOVERNMENTAL AGENCIES OR FOR INFORMATION PROVIDED BY THIRD PARTIES. **THIS REPORT IS NOT A SUBSTITUTE FOR A TITLE REPORT OR TITLE INSURANCE AND MAY NOT BE RELIED UPON AS SUCH.**

YOU MAY OBTAIN ADDITIONAL INFORMATION OR DOCUMENTATION REGARDING THE CREATION OF THE DISTRICT(S) LISTED ABOVE, AND MORE PRECISELY HOW THE CHARGES ARE COMPUTED, AND HOW THE PROCEEDS WILL BE USED, BY CALLING THE CONTACT PHONE NUMBER LISTED ABOVE. THERE MAY BE A CHARGE FOR THE DOCUMENTS NOT TO EXCEED THE ESTIMATED REASONABLE COST OF PROVIDING THE DOCUMENTS.

BUYER'S CONFIRMATION OF RECEIPT:

I (WE) ACKNOWLEDGE THAT I (WE) HAVE RECEIVED A COPY OF THIS NOTICE. I (WE) UNDERSTAND THAT I (WE) MAY TERMINATE THE CONTRACT TO PURCHASE OR DEPOSIT RECEIPT AFTER RECEIVING THIS NOTICE FROM THE OWNER OR AGENT SELLING THE PROPERTY. THE CONTRACT MAY BE TERMINATED WITHIN THREE DAYS IF THE NOTICE WAS RECEIVED IN PERSON OR WITHIN FIVE DAYS AFTER IT WAS DEPOSITED IN THE MAIL BY GIVING WRITTEN NOTICE OF THAT TERMINATION TO THE OWNER OR AGENT SELLING THE PROPERTY.

Date: _____ Transferee's Signature (Buyer): _____

Date: _____ Transferee's Signature (Buyer): _____

NOTICE OF FIRE PREVENTION FEE (ABx1 29)

TO: THE PROSPECTIVE PURCHASER OF THE REAL PROPERTY KNOWN AS:

Assessor's Parcel Number: 7589014082
Property Address or Legal Description: 75 HILLTOP CIR, RANCHO PALOS VERDES
Report Date: 12/15/2017

THIS IS A NOTIFICATION TO YOU PRIOR TO YOUR PURCHASING THIS PROPERTY.

IMPORTANT NOTICE

***** The Fire Prevention Fee has been suspended as of July 1, 2017. On July 25, 2017, Governor Edmund G Brown signed Assembly Bill 398, which suspended the State Responsibility Area (SRA) Fire Prevention Fee until 2031. *****

The State of California authorized a new State Responsibility Fire Prevention Fee (FPF) to be assessed on each habitable structures located within **State Responsibility Areas (SRA)**. The FPF will be collected in order to pay for fire prevention activities and to protect structures that fall within the SRA. The State Board of Forestry and Fire Protection (State Board) has established the FPF in an amount not to exceed \$152.33 to be assessed on each habitable structure located within the SRA. The FPF will be adjusted annually by the State Board, beginning July 1, 2013, to reflect the percentage of change in the average annual value of the Implicit Price Deflator for State and Local Government Purchases of Goods and Services. The State Responsibility Area (SRA) is the area of the state where the State of California is financially responsible for the prevention and suppression of wildfires.

Fire Prevention Maximum Fee *(per each habitable structure located within State Responsibility Areas)*..... **\$0.00**

Commencing with the 2011-12 fiscal year, the Board of Equalization (BOE) is required to annually assess and collect the FPF on behalf of the Department of Forestry and Fire Protection (CAL FIRE) in accordance with the Fee Collection Procedures Law. CAL FIRE is responsible for providing the BOE with a list identifying the names and addresses of persons who are liable for the FPF and the amount of the fee(s) to be assessed. In addition to assessing the FPF, the BOE is responsible for registering and maintaining fee payer accounts, issuing refunds, adjusting liabilities and performing fee collection duties. CAL FIRE is responsible for evaluating all petitions and claims for refunds submitted in regard to the FPF assessed

(Fire Prevention Fee (ABx1 29), 2011, California State Board of Equalization, 1 July 2017, www.boe.ca.gov.)
*If the habitable structure is within the boundaries of a local agency that provides fire protection services, the owner will receive a \$35.00 reduction for each habitable structure.

THIS PROPERTY IS NOT SUBJECT TO FIRE PREVENTION FEE (ABx1 29).

NOTICE OF SUPPLEMENTAL TAX BILL

TO: THE PROSPECTIVE PURCHASER OF THE REAL PROPERTY KNOWN AS:

Assessor's Parcel Number: 7589014082
 Property Address or Legal Description: 75 HILLTOP CIR, RANCHO PALOS VERDES
 Report Date: 12/15/2017

THIS IS A NOTIFICATION TO YOU PRIOR TO YOUR PURCHASING THIS PROPERTY.

On July 1, 1983, California State law was changed to require the reassessment of property following a change of ownership or the completion of new construction. This reassessment may result in one or more supplemental tax bills being mailed to the assessed owner, *in addition* to the annual property tax bill. The calculator below is provided to be an *estimate* of the potential amount of supplemental taxes to be billed on the listed property.

SUPPLEMENTAL TAX CALCULATOR

1.	Estimated Sale Price.....	\$	
2.	Estimated Current Assessed Value.....	\$	\$856,402.00
3.	Increase / Decrease (Subtract line #2 from line #1) Estimated Supplemental Assessed Value.....	\$	
4.	Ad Valorem Tax Rate.....		1.073
5.	Multiply line #3 by line #4 Estimated Supplemental Tax Amount Obligation.....	\$	

If a supplemental event occurs between **June 1 and December 31**, only **one** supplemental tax bill or refund check is issued. This bill or refund accounts for the property's change in value for the period between the first day of the month following the event date and the end of the current fiscal year (i.e., the following June 30). If, however, a supplemental event occurs between **January 1 and May 31**, **two** supplemental tax bills or refund checks are issued. The second bill or refund accounts for the property's change in value for the entire 12 months of the coming fiscal year, beginning on the following July 1.

IF SALE DATE FOR THE RESIDENTIAL PROPERTY IS BETWEEN THE MONTHS OF JANUARY THROUGH MAY:

6.	Enter Proration Month Factor (See table below).....		
7.	Multiply line #5 by line #6 Estimated Supplemental Tax Bill #1.....	\$	
8.	Enter the amount from line #5 Estimated Supplemental Tax Bill #2.....	\$	
9.	Add lines #7 and line #8. Total Estimated Supplemental Tax Bill.....	\$	

IF SALE DATE FOR THE RESIDENTIAL PROPERTY IS BETWEEN THE MONTHS OF JUNE THROUGH DECEMBER:

10.	Enter Proration Month Factor (See Table below).....		
11.	Multiply line #5 by line #10 Total Estimated Supplemental Tax Bill.....	\$	

Proration Month Factor Table

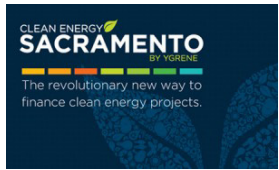
Sale Month	Factor	Sale Month	Factor
January	0.4170	June	1.0000
February	0.3333	July	0.9167
March	0.2500	August	0.8333
April	0.1667	September	0.7500
May	0.0866	October	0.6670
		November	0.5830
		December	0.5000

NOTICE OF PROPERTY ASSESSED CLEAN ENERGY (PACE) PROGRAM

TO: THE PROSPECTIVE PURCHASER OF THE REAL PROPERTY KNOWN AS:

Assessor's Parcel Number: 7589014082
 Property Address or Legal Description: 75 HILLTOP CIR, RANCHO PALOS VERDES
 Report Date: 12/15/2017

THIS IS A NOTIFICATION TO YOU PRIOR TO YOUR PURCHASING THIS PROPERTY.



Property Assessed Clean Energy (PACE) programs are a means of financing energy efficiency upgrades or renewable energy installations for your home. PACE partners with local governments to make energy efficient, water efficient and renewable energy products more affordable for homeowners. These programs allow homeowners to finance energy improvements for their homes, and to repay the financing through special assessments on their property taxes.

Property Assessed Clean Energy (PACE) Tax Amount..... \$ 0.00

PACE programs finances 100% of the cost to purchase and install eligible products. It offers low-fixed interest rates, flexible payment terms including 5, 10, 15, or 20 years for most products. The repayment of PACE is included in your property tax bill, which is delivered and collected by the County. If your property was enrolled into a PACE program after the annual tax bill has been issued, the PACE program will not appear on your annual tax bill until the following fiscal year. You will see a line item titled with the name of the PACE program you are participating in on your property tax bill. If you make property tax payments through an impound escrow account, your lender will adjust your monthly payment to include the amount due for PACE Financing. Just like a mortgage, interest paid on the principal balance is tax deductible. A property owner's initial payments will be comprised of more interest and less principle. Over time, payments will be comprised of more principle and less interest. Therefore, the amount that is tax deductible will vary over the term of the financing, just like it would be with a mortgage. Property taxes typically stay with the property when it is sold. Under the PACE programs, when you sell or refinance your property, your remaining payments may stay with the property. However, your lender may require you to pay off the remaining balance when you refinance or sell your home.

THIS PROPERTY IS NOT PARTICIPATING IN A PACE PROGRAM.

NOTICE OF SUPPLEMENTAL PROPERTY TAX BILL

In accordance with Section 1102.6(c) of the California Civil Code, it is the sole responsibility of the seller of any real property, or his or her agent, to deliver to the prospective purchaser a disclosure notice of the following:

California property tax law requires the Assessor to revalue real property at the time the ownership of the property changes. Because of this law, you may receive one or two supplemental tax bills, depending on when your loan closes.

The supplemental tax bills are not mailed to your lender. If you have arranged for your property tax payments to be paid through an impound account, the supplemental tax bills will not be paid by your lender. It is your responsibility to pay these supplemental bills directly to the Tax Collector.

If you have any question concerning this matter, please call your local Tax Collector's Office.

As stated above, California law requires that the Assessor re-appraise property upon a change of ownership or the completion of new construction. This re-appraisal results in a supplemental tax assessment which is based on the difference between the new value and the old value of the property, multiplied by the property's Ad Valorem tax rate. The resulting Supplemental Tax amount is then pro-rated, based upon the number of months remaining in the fiscal year in which the event occurred.

The number of tax bills which will be issued also depends on the date the event occurred. If the change of ownership or new construction is completed between January 1st and May 31st, the result will be two supplemental assessments levied on two supplemental tax bills. If the event occurs between June 1st and December 31st, then only one supplemental bill will be issued.

For a complete explanation and estimation of the supplemental tax bills affecting this parcel you can go to www.californiataxdata.com and order a complete Notice of Supplemental Tax Report.

SPECIAL ALERT

New Mandatory Transfer Fee Disclosure Required 1/1/08

1. Private Transfer Fee

This is commonly known as a "Private Transfer Tax". It is a fee imposed by a private entity such as a property developer, home builder, or homeowner association, when a property within a certain type of subdivision is sold or transferred. A private transfer fee may also be imposed by an individual property owner. Private transfer fees are different from city or county Documentary Transfer Taxes. Private Transfer Fees may apply in addition to government Documentary Transfer Taxes that are due upon sale or transfer of the property.

California Civil Code Section 1098 defines a "Transfer Fee" as "any fee payment requirement imposed within a covenant, restriction, or condition contained in any deed, contract, security instrument, or other document affecting the transfer or sale of, or any interest in, real property that requires a fee be paid upon transfer of the real property." Certain existing fees such as governmental fees, court ordered fees, mechanic lien fees, common interest development fees, etc. are specially excluded from the definition of "Transfer Fee"

To determine if the property is subject to a Transfer Fee, OBTAIN COPIES OF ALL THE EXCEPTIONS LISTED ON THE PRELIMINARY (TITLE) REPORT FROM THE TITLE COMPANY AND READ THEM TO DETERMINE IF ANY TRANSFER FEES ARE APPLICABLE. Please be aware that private transfer fees may be difficult to identify by simply reading the title report.

Effective January 1, 2008, Civil Code Section 1102.6e requires the Seller to notify the Buyer of whether a private transfer fee applies and if present, to disclose certain specific information about the fee.

Content of Disclosure. Civil Code Section 1102.6e requires the Seller to disclose specific information about any Transfer Fee that may affect the property. Please refer to the legal code or to the C.A.R Form NTF (11/07), provided by the California Association of Realtors, for a standard format to use in making the Transfer Fee Disclosure if you elect to investigate and make this disclosure personally.

How to Determine the Existence of a Transfer Fee. If a Transfer Fee does exist affecting the property, the document creating the fee may be on file with the County Recorder as a notice recorded against the property and should be disclosed in the preliminary (title) report on the property. However, the preliminary (title) report will merely disclose the existence of the documents affecting title, not the content of the documents. The title of a document may also not be sufficient to disclose that a transfer fee is included in its terms. Accordingly Seller should (a) request the title company which issued the preliminary (title) report to provide copies of the documents shown as "exceptions," and (b) review each document to determine if it contains a transfer fee.

2. Documentary Transfer Taxes

This is a government tax imposed by a city or county when a property within the jurisdiction is sold or transferred. (It is commonly known as a "Real Estate Transfer Tax".) It is NOT the same as a private transfer fee, which may be imposed by a private entity such as a property developer, home builder, or homeowner association. However, it is a similar fee due upon closing, calculated based on a percentage of the purchase price.

Transfer Tax Defined. Under California Revenue and Taxation Code Sections 11911-11929, counties and cities are authorized to impose a tax on the transfer of property located within their jurisdiction. The tax is commonly known by various names, including the Documentary Transfer Tax, or Real Property Transfer Tax, or Real Estate Transfer Tax (hereinafter, the "Transfer Tax").

How Much? The tax is due at closing and payable through escrow. This tax does not expire. All future sales of this property will be charged this tax at close of escrow. The amount of the transfer tax is based on the value or sale prices of the property that is transferred. The county rate is one dollar and ten cents (\$1.10) for each one thousand dollars (\$1.000) of value. The rate for non-charter ("general law") cities is one-half of the county rate and is credited against the county tax due. Charter cities may impose a transfer tax at a rate higher than the county rate.

For any city or county in California, the Transfer Tax rate ("Tax Rate Table") is available at no charge from many sources, most conveniently on the website of the California Local Government Finance Almanac (sponsored by the California League of Cities): <http://www.californiacityfinance.com/PropTransfTaxRates.pdf>

To estimate the transfer tax for the property, multiply the Property's estimated sales price (in thousands of dollars) by the amount shown in the Tax Rate Table for the city and county in which the property is located.

Who Pays? The law states that, "the Transfer Tax must be paid by the person who makes, signs or issues any document subject to the tax, or for whose use or benefit the document is made, signed or issued." In practice, this means that the payment of the Transfer Tax is customarily made by the Seller or the Buyer, or shared by both, depending on the jurisdiction in which the transferred property is located.

Are there any exemptions? The California Revenue and Taxation Code, which provides the statutory authority for counties to impose the transfer tax, specifically exempts from the transfer tax the following transactions:

1. Instruments in writing given to secure a debt.
2. Transfers whereby the federal or any state government, or agency, instrumentality or political subdivision thereof, acquires title to realty.
3. Transfers made to effect a plan of reorganization or adjustment (i) confirmed under the Federal Bankruptcy Act, (ii) approved in certain equity receivership proceedings or (iii) whereby a mere change in identity, form or place of organization is effected.
4. Certain transfers made to effect an order of the Securities and Exchange Commission relating to the Public Utility Holding Company Act of 1935.
5. Transfers of an interest in a partnership (or, beginning January 1, 2000, an entity treated as a partnership for federal income tax purposes) that holds realty, if (i) the partnership is treated as continuing under IRC § 708 and (ii) the continuing partnership continues to hold the realty.
6. Certain transfers in lieu of foreclosure.
7. Transfers, divisions or allocations of community, quasi-community or quasi-marital property between spouses pursuant to, or in contemplation of, a judgment under the Family Code.
8. Transfers by the State of California, or any political subdivision, agency or instrumentality thereof, pursuant to an agreement whereby the purchaser agrees to immediately reconvey the realty to the exempt agency.
9. Transfers by the State of California, or any political subdivision, agency or instrumentality thereof, to certain nonprofit corporations.
10. Transfers pursuant to certain *inter vivos* gifts or inheritances.

DESCRIPTION OF 1915 BOND ACT ASSESSMENT DISTRICT(S)
Regional Park & Open Space District
Los Angeles County Regional Park and Open Space District
\$859,000,000.00

▶ **Summary**

Passage of the Safe Neighborhood Parks Proposition of 1992, Proposition A, on November 3, 1992, created the Los Angeles County Regional Park and Open Space District. The District's boundaries are coterminous with the boundaries of Los Angeles County. The 1992 Proposition funded \$540 million dollars for the acquisition, development, rehabilitation, protection and restoration of beach, wildlife, park and natural lands with the County, tree-planting, gang prevention and intervention, and improvement of recreation facilities for youth and senior citizens. On November 5, 1996, provided an additional \$319 million dollars in funding for the development, acquisition, improvement, restoration and maintenance of parks, recreational, cultural and community facilities and open space lands within the County of Los Angeles. The bonds were issued pursuant to the Improvement Bond Act of 1915 to pay for the acquisition and/or construction of certain public facilities benefiting the properties in the district. The assessment lien is collected in annual installments to pay the interest and principal on the bonds and administrative expenses.

▶ **What facilities does it pay for?**

Proceeds from the sales of these bonds will be used for the acquisition, development, rehabilitation, protection and restoration of beach, wildlife, park and natural lands with the County, tree-planting, gang prevention and intervention, improvement of recreation facilities for youth and senior citizens, restoration and maintenance of parks, recreational, cultural and community facilities and open space lands within the County of Los Angeles.

▶ **How is the annual levy calculated?**

The principal amount of the bonds is allocated to each parcel in the district in proportion to the benefit received from the public facilities. The annual assessment installments represent each parcel's share of the interest and principal on the bonds. Administrative expenses are allocated to each parcel.

▶ **Can the annual levy increase?**

To the extent that the annual interest and principal payments on the bonds are not perfectly level, the annual installment payment amount may increase. Installment payment amounts may also increase if additional bonds are authorized and issued.

▶ **How long will it be on the tax bill?**

The annual installments will be collected until the final payment on the bonds is made in 2019.

▶ **Foreclosure Proceedings**

The Assessment District has the right (and if bonds are issued, the obligation) to foreclose on property when the special taxes are delinquent for more than 90 days. Additionally, any costs of collection and penalties must be paid by the delinquent property owner.

▶ **Contact Information**

Department of Parks & Recreation
510 S. Vermont Avenue, Room 230
Los Angeles, CA 90020
phone: (213) 738-2983

BREAKDOWN OF THE 2017-2018 PROPERTY TAX BILL

This report is an estimate of the original secured property tax bill charges for the above-mentioned property using information obtained from the County on a given date. Changes made by the County or the underlying public agencies levying charges against this property after the date of this report may not be reflected in this report.

Basic Prop 13 Levy

1. Combined Ad Valorem Tax Charges	Prop 13	\$9,110.54
County of Los Angeles (213) 974-2111	General Service	

Voter Approved Ad Valorem Taxes

Basic Prop 13 Levy & Voter Approved Ad Valorem Taxes:	\$9,110.54
Estimated Tax Rate:	1.073%

Direct Assessments

2. School District Parcel Tax	2/3 Voter Approved Special Tax	\$414.36
Palos Verdes Peninsula Unified School District (310) 378-9966	School Facilities	
3. County Sanitation District No. 5	Sewer or Water Charge	\$116.25
Los Angeles County Sanitation District (562) 908-4288	Water & Sewer Service	
4. Los Angeles County Trauma and Emergency Services	Police, Fire or Emergency Medical Services	\$93.19
County of Los Angeles (213) 974-2111	Health	
5. Fire Department Special Tax	Fire Suppression Assessment	\$67.38
Los Angeles County Fire Department (323) 881-6151	Fire Protection	
6. Sewer Maintenance	Sewer or Water Charge	\$50.50
County of Los Angeles (213) 974-2111	Water & Sewer Service	
7. Special Tax (Measure A)	2/3 Voter Approved Special Tax	\$32.96
Los Angeles County Regional Park and Open Space District (213) 738-2983	Park and Recreation Maintenance	
8. Flood Control	1982 Act Benefit Assessment District	\$31.74
County of Los Angeles (213) 974-2111	Flood Control	
9. Standby Charge	Standby Charge	\$16.00
Metropolitan Water District of Southern California (213) 217-6000	Water Availability	
10. Mosquito Abatement District (Los Angeles)	Vector Control District	\$10.97
County of Los Angeles (213) 974-2111	Vector Control	
11. Regional Park and Open Space District	1915 Bond Act Assessment District	\$7.05
Los Angeles County Regional Park and Open Space District (213) 738-2983	Parks and Recreation	

Total Direct Assessment Charges:	\$840.40
Total 2017-2018 Amount:	\$9,950.94

DESCRIPTION OF PROPERTY TAX CHARGES

Ad Valorem Tax

An Ad Valorem Tax is a tax levied on a parcel that is calculated based on the assessed value of the parcel. Ad valorem taxes may include those taxes that were approved by voters before that passage of Proposition 13 in 1978, General Obligation Bonds or Special Taxes that are based on assessed value as opposed to some other method. Taxes that were established before 1978 may be used for various services and improvements and may or may not be associated with public indebtedness (the issuance of municipal bonds). A General Obligation Bond is a municipal bond that may be issued by a city, county or school district in order to finance the acquisition and construction of public capital facilities and real property. Equipment purchases and the cost of operation and maintenance cannot be financed with a General Obligation Bond. Special Taxes are created pursuant to various California Code Sections and require 2/3 majority approval of the qualified voters for approval. A special tax is may be formed by a local government (a city, county, special district, etc...) in order to finance specific facilities and/or services and cannot be used for general purposes.

2/3 Voter Approved Special Tax

A Special Tax is created pursuant to the Government Code Section 50075 et. Seq. upon and requires the approval of at least 2/3rds majority of the qualified voters in the servicing area, which is usually the jurisdictional area of the local government agency. Special Taxes finance various public improvements and services for public libraries, hospitals, schools, fire and police protection. A Special Tax is not a fee, charge or special assessment, therefore, the amount of the special tax is not limited to the relative benefit it provides to property owners or taxpayers. Typically, they are levied on a per parcels basis either according to the square footage of the parcel or on a flat charge.

Sewer or Water Charge

A Sewer Use Fee or a Water Use Fee is a fee created pursuant to the Health and Safety Code Section 5470 et seq. upon majority approval of the property owners during an assessment balloting procedure. A fee may be created by a local government (a city, county, special district, etc...) in order to finance to pay for sewer and/or water maintenance and operation. The fees may be billed directly, but in some cases are collected annually as a separate line item on the County property tax bills for each of the parcels within the service area.

Police, Fire or Emergency Medical Services

A Special Tax for hospitals is created pursuant to the Government Code Section 53970 upon 2/3 majority approval of the qualified voters. A municipal bond may be issued in order to finance police protection, fire protection and emergency medical facilities and/or services. The debt is paid over time from the levy of the special tax. The levy of the special tax may also be used to directly finance facilities and/or services.

Fire Suppression Assessment

A Fire Suppression Assessment is a special assessment created pursuant to Government Code Section 50048 et seq., upon majority approval of the property owners during an assessment balloting procedure. A Fire Suppression Assessment may be levied by a local government (a city, county, special district, etc...) in order to finance certain services that benefit the properties within the district.

1982 Act Benefit Assessment District

A 1982 Act Benefit Assessment District is a special assessment district created pursuant to the Benefit Assessment Act of 1982 (Government Code Section 54703 et seq.) upon majority approval of the property owners during an assessment balloting procedure. A 1982 Act Benefit Assessment District may be formed by a local government (a city, county, special district, etc...) in order to finance services that benefit the properties within the district. A 1982 Act Benefit Assessment District must provide special benefit to the properties within the district in order to levy special assessments.

Standby Charge

A standby charge is an assessment to ensure that adequate water and/or sewer services will be available for all properties when needed. It is also commonly referred to as a water or sewer availability charge. Local agencies that provide water and/or sewer services have the authority to impose these charges in connection with the provision of that service. These standby charges provide equity between existing ratepayers and future customers by spreading the cost to maintain water and sewer systems to owners of both improved and unimproved property who may eventually develop and require services. Standby charges normally appear on property tax bills, although they may be billed directly by the local agency

Vector Control District

A Vector Control District is a special assessment district created pursuant to the Health and Safety Code Section 2270 et seq., in order to collect costs of a local government (a city, county, special district, etc...) related to vector control. One-time abatements include a notice to the property owner prior to abatement followed by a public hearing. Upon abatement, if the amount owing remains delinquent, a recorded lien is placed on the parcel for the abatement amount, which may include a surcharge that is usually 10% of the amount or is an administrative charge based on actual administrative costs. Ongoing abatements are established upon majority approval of the property owners during an assessment balloting procedure.

1915 Bond Act Assessment District

A 1915 Bond Act Assessment District is a special assessment district created pursuant to the Improvement Act of 1911 (Streets and Highways Code Section 5000 et seq.) or the Municipal Improvement Act of 1913 (Streets and Highways Code Section 10000 et seq.) upon majority approval of the property owners during an assessment balloting procedure. A 1915 Act Assessment District may be formed by a local government (a city, county, special district, etc...) in order to finance certain designated facilities that benefit the properties within the district. A 1915 Act Assessment District must provide special benefit to the properties within the district in order to levy special assessments. A 1915 Act Assessment District will include the ability to issue municipal bonds to finance facilities pursuant to the Improvement Bond Act of 1915 (Streets and Highways Code Section 8500 et seq.) and the debt is paid over time from the levy of the special assessments.

Terms, Conditions and Limitations

This property tax disclosure report ("Report") was prepared by a California Tax Data ("CTD") on behalf of the Seller and the Seller's Agent (collectively, the "Seller") to assist the Seller in providing information to the Buyer and the Buyer's Agent (collectively, the "Buyer") as directed by Section 1102.6b of the Civil Code and Sections 53340.2 and 53754 of the Government Code, as amended. The Seller and Buyer are hereinafter collectively referred to as the "Parties". This Report is used to determine whether the subject property is located in one or more special taxing districts and is subject to annual assessments levied pursuant to the Improvement Bond Act of 1915 ("1915 Act") and/or annual special taxes levied pursuant to The Mello-Roos Community Facilities District Act of 1982 ("Mello-Roos"). If the subject property is located in a 1915 Act or Mello-Roos District this Report will provide the additional required information as set forth in the code sections referenced above on the prescribed "Notice of Special Tax and Assessment" form to the prospective Buyer in addition to the other information included in this Report.

Report Preparation. This Report is prepared using data obtained from (a) governmental agencies that have created, or have authorized and intend to create new 1915 Act and/or Mello-Roos Districts ("District Data"), from (b) public property tax information and records ("Property Tax Data") and, from (c) a proprietary database created by CTD for the purpose of creating these reports ("CTD Database"), referred to individually as the "Database" and collectively as the "Databases".

Database Updates. The Property Tax Data used in this Report is created by the applicable governmental agencies between September 1st and November 30th of each year and incorporated into the CTD Database ("Update Period"). It is obtained by CTD as soon as reasonably possible after becoming publicly available which in some cases may be after it is available on public websites. Due to the detailed nature of obtaining, processing and adapting the data into a usable format for preparing this Report there will be some delay once the updated information is obtained by CTD. The information in this Report can and may vary from year to year and can only be relied upon for the fiscal year being reported. The Property Tax Data can and will change throughout the year as determined by the agency having responsibility for that Database and may be made at any time and without notice. Generally these updates do not impact or alter the 1915 Act or Mello-Roos District information provided in the Report and for that reason the updates may not be obtained by CTD. This Report is current as of the date the CTD Database was last updated by CTD for the fiscal year being reported. CTD is under no obligation to update this Report for the subsequent tax year when and if it becomes available.

Report and Database Limitations. CTD assumes that the District Data and the Property Tax Data is reliable and accurate and has not conducted any independent audit to verify the reliability, authenticity, or veracity of the data. CTD is not liable or responsible for any errors, inaccuracies or omissions in the District or Property Tax Data supplied by the various governmental and private agencies used to produce this Report. The Report is valid for the current fiscal year only and cannot be relied upon for subsequent fiscal years. The Databases may not be accurate, current, fully detailed, or complete. It is possible that a parcel of real property may be within a Mello-Roos or 1915 Act District that has been authorized and created but not yet appears within the Databases. There may be other governmental databases with relevant information which are not included in this report. This Report does not contain any information related to any other tax bills that may be issued for any reason including but not limited to corrections, changes in ownership, escaped or prior years, supplemental or unsecured property taxes.

Seller Responsibilities and Prohibitions. It is the responsibility of the Seller to enter the correct assessor's parcel number ("APN"), in the proper format for the County in which the subject property is located and to verify that the address is correct. Regardless of the Report's content the Seller must disclose to the prospective Buyer all material facts known to the Seller relating to the subject property being within a 1915 Act or Mello-Roos District. The Seller must immediately notify CTD if they suspect information on the Report is out-of-date or otherwise inaccurate for any reason. During the Update Period a new Report will be issued if requested by the Seller, in writing within 14 days of new information becoming publicly available.

Only the Parties May Rely on this Report. This Report is for the exclusive, non-transferrable benefit of the Parties to the transaction for which it has been purchased. This Report cannot be relied upon by (a) any persons other than the Seller and Buyer and their respective Agents, or (b) for any other real property, or (c) for any future transactions involving the subject property for which this report has been purchased. The purchase price paid for this Report does not include any amount for protection of any other properties, parties or future transactions.

Limited Liability. This Report is not an insurance policy and does not claim to provide the same protections as an insurance policy and has been priced accordingly. This report is not a substitute for a title report or title insurance and may not be relied upon as such. It does not obligate CTD to defend any Party against any claims, and CTD shall not have any duty to defend against any claims that may be brought. The price of this Report is not based upon any responsibility for defense costs, or for the assumption of unpaid future tax liability. The premium for an insurance product would be significantly higher than the cost of this report. Therefore, in order to induce CTD to provide this Report for the price charged, and to help streamline the process of resolving any disputes that may arise, the Parties agree that if there is a material error or omission in this Report:

- The Party who suffers damages as a result of such error or omission shall be entitled to recover from CTD the actual proved damages not to exceed the total tax amount under-reported payable for a five (5) year period or ten thousand dollars whichever is less.
- CTD shall not be liable for indirect, consequential, or punitive damages (including, but not limited to, emotional distress or pain and suffering).
- CTD shall not be liable to a Party for any matters known to that Party or its Agent (including errors in this Report) and not disclosed in writing to both the other Parties and CTD prior to the date the subject property is sold by the Seller to Buyer.
- CTD is not responsible for inaccurate APN or address information provided by the person who ordered this report for the subject property.

Other Agreements This Report sets forth the complete and integrated agreement between CTD and the Parties. Evidence of prior statements, representations, promises or agreements shall not be admissible to vary the terms of this written agreement. This agreement may not be changed or amended except by a written document signed by an authorized representative of CTD and the Parties. In the event that any dispute arises between CTD and any Parties relating to this Report or its subject matter, or any act or omission of CTD, the prevailing party shall be entitled to recover their reasonable costs, including attorneys' fees, from the losing party and will be resolved in the applicable Federal or state court in the County of Orange, State of California, United States of America. If any provision of this Report, or its application to any circumstance, is held to be invalid, unenforceable, or void, the remainder of this Report shall remain in full force and effect and enforced to the fullest extent possible. This Report is deemed valid only upon receipt of payment of the full price of the report within 30 days after the close of Escrow. Upon receipt of Payment by CTD the Parties may rely on the Report and its representations and a contract is formed with CTD.

BY ACCEPTING OR USING THIS REPORT, THE PARTIES HEREBY AGREE TO BE BOUND BY ALL OF THE TERMS, CONDITIONS, AND LIMITATIONS STATED HEREIN.