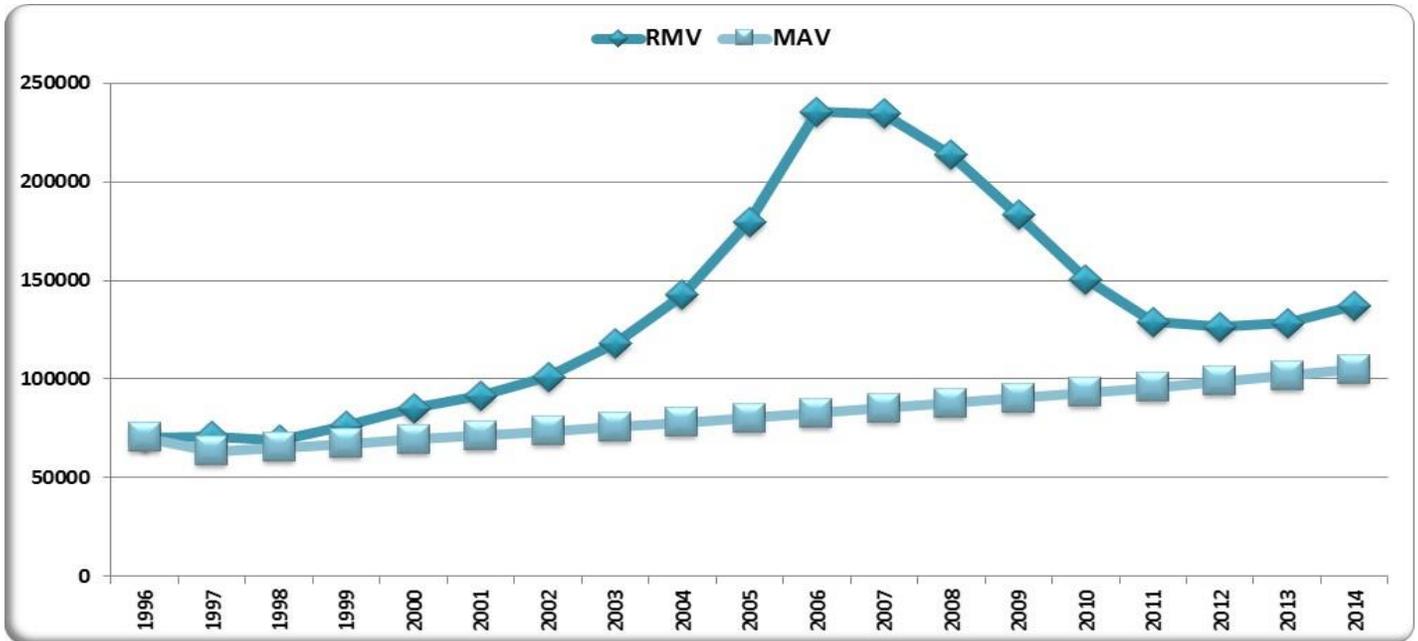


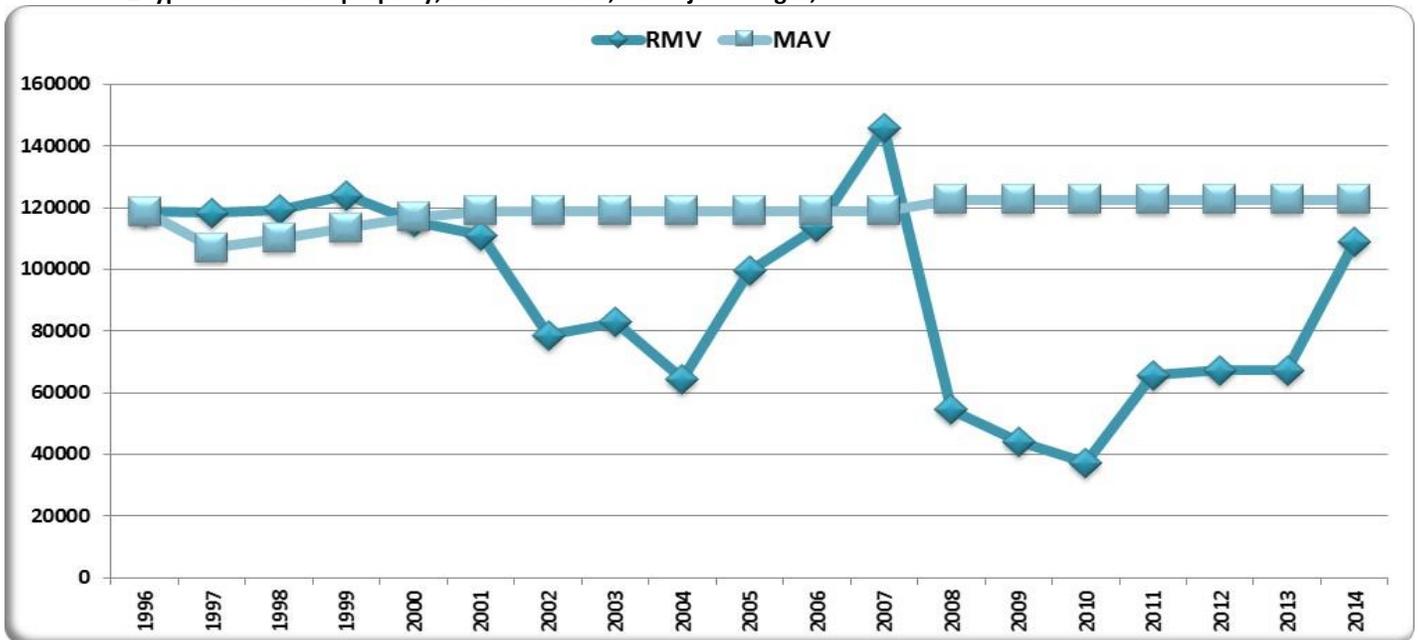
Measure 50 defined the concept of Assessed Valuation.

–The 1997-98 Maximum Assessed Value (MAV) for each property was 90% of its 1995-96 Real Market Value (RMV) as of January 1 of the asmt year.

–With no new construction, the assessed (taxable) value of the property grows annually at 3%, unless the MAV is greater than the RMV



↑ Typical residential property; existed in 1995; no major changes; RMV > MAV



↑ Property existed in 1995; no major changes; RMV dropped below MAV in 1999

In the years when the RMV was less than the MAV the taxable (assessed value) decreased or increased by the increase or decrease in the RMV.

It was not limited to a 3% increase because it was based on the RMV.

The MAV did not increase 3% when the RMV was lower than the MAV.