

Instructions – Schedule B Interests in Real Property

Report interests in real property located in your agency's jurisdiction in which you, your spouse or registered domestic partner, or your dependent children had a direct, indirect, or beneficial interest totaling \$2,000 or more any time during the reporting period. See Reference Pamphlet, page 13.

Interests in real property include:

- An ownership interest (including a beneficial ownership interest)
- A deed of trust, easement, or option to acquire property
- A leasehold interest (See Reference Pamphlet, page 14.)
- A mining lease
- An interest in real property held in a retirement account (See Reference Pamphlet, page 15.)
- An interest in real property held by a business entity or trust in which you, your spouse or registered domestic partner, and your dependent children together had a 10% or greater ownership interest (Report on Schedule A-2.)
- Your spouse's or registered domestic partner's interests in real property that are legally held separately by him or her

You are not required to report:

- A residence, such as a home or vacation cabin, used exclusively as a personal residence (However, a residence in which you rent out a room or for which you claim a business deduction may be reportable. If reportable, report the fair market value of the portion claimed as a tax deduction.)

Please note: A non-reportable residence can still be grounds for a conflict of interest and may be disqualifying.

- Interests in real property held through a blind trust (See Reference Pamphlet, page 16, for exceptions.)

To Complete Schedule B:

- Report the precise location (e.g., an assessor's parcel number or address) of the real property.
- Check the box indicating the fair market value of your interest in the property (regardless of what you owe on the property).
- Enter the date acquired or disposed only if you initially acquired or entirely disposed of your interest in the property during the reporting period.
- Identify the nature of your interest. If it is a leasehold, disclose the number of years remaining on the lease.
- If you received rental income, check the box indicating the gross amount you received.
- If you had a 10% or greater interest in real property and received rental income, list the name of the source(s) if your pro rata share of the gross income from any single

tenant was \$10,000 or more during the reporting period. If you received a total of \$10,000 or more from two or more tenants acting in concert (in most cases, this will apply to married couples), disclose the name of each tenant. Otherwise, mark "None."

- Loans from a private lender that total \$500 or more and are secured by real property may be reportable. **Loans from commercial lending institutions made in the lender's regular course of business on terms available to members of the public without regard to your official status are not reportable.**

When reporting a loan:

- Provide the name and address of the lender.
- Describe the lender's business activity.
- Disclose the interest rate and term of the loan. For variable interest rate loans, disclose the conditions of the loan (e.g., Prime + 2) or the average interest rate paid during the reporting period. The term of a loan is the total number of months or years given for repayment of the loan at the time the loan was established.
- Check the box indicating the highest balance of the loan during the reporting period.
- Identify a guarantor, if applicable.

If you have more than one reportable loan on a single piece of real property, report the additional loan(s) on Schedule C.

Example:

Joe Nelson is a city planning commissioner. Joe received rental income of \$12,000 during the reporting period from a single tenant who rented property Joe owned in the city's jurisdiction. If Joe had received the \$12,000 from two or more tenants, the tenants' names would not be required as long as no single tenant paid \$10,000 or more. A married couple would be considered a single tenant.

| | |
|---|---|
| ▶ ASSESSOR'S PARCEL NUMBER OR STREET ADDRESS 4600 24th Street | |
| City Henry Wells | |
| FAIR MARKET VALUE | IF APPLICABLE, LIST DATE: |
| <input type="checkbox"/> \$2,000-\$10,000 | ____/____/14 |
| <input type="checkbox"/> \$10,001-\$100,000 | ACQUIRED DISPOSED |
| <input checked="" type="checkbox"/> \$100,001-\$1,000,000 | |
| <input type="checkbox"/> Over \$1,000,000 | |
| NATURE OF INTEREST | |
| <input checked="" type="checkbox"/> Ownership/Deed of Trust | <input type="checkbox"/> Easement |
| <input type="checkbox"/> Leasehold | <input type="checkbox"/> Other |
| IF RENTAL PROPERTY, GROSS INCOME RECEIVED | |
| <input type="checkbox"/> \$0 - \$499 | <input type="checkbox"/> \$500 - \$1,000 |
| <input type="checkbox"/> \$1,001 - \$100,000 | <input type="checkbox"/> \$1,001 - \$10,000 |
| <input checked="" type="checkbox"/> \$10,001 - \$100,000 | <input type="checkbox"/> OVER \$100,000 |
| SOURCES OF RENTAL INCOME: If you own a 10% or greater interest, list the name of each tenant that is a single source of income of \$10,000 or more. | |
| <input type="checkbox"/> NONE | |
| Henry Wells | |
| NAME OF LENDER* | |
| Sophia Petroillo | |
| ADDRESS (Business Address Acceptable) | |
| 2121 Blue Sky Parkway, Sacramento | |
| BUSINESS ACTIVITY, IF ANY, OF LENDER | |
| Restaurant Owner | |
| INTEREST RATE | TERM (Month/Years) |
| 8 % <input type="checkbox"/> NONE | 15 Years |
| HIGHEST BALANCE DURING REPORTING PERIOD | |
| <input type="checkbox"/> \$500 - \$1,000 | <input type="checkbox"/> \$1,001 - \$10,000 |
| <input checked="" type="checkbox"/> \$10,001 - \$100,000 | <input type="checkbox"/> OVER \$100,000 |
| <input type="checkbox"/> Guarantor, if applicable | |

Reminders

- Income and loans already reported on Schedule B are not also required to be reported on Schedule C.
- Real property already reported on Schedule A-2, Part 4 are not also required to be reported on Schedule B.
- Code filers – do your disclosure categories require disclosure of real property?