

Fund Fact Sheet | Share Classes: A, C
Fund Description

The fund seeks to provide investors with a high level of income exempt from federal and California personal income taxes, with capital appreciation as a secondary goal, by investing in municipal securities of any rating category, including higher yielding, lower-rated securities.

Fund Overview

Total Net Assets [All Share Classes]	\$3,072 million
Fund Inception Date	5/3/1993
Dividend Frequency	Monthly, on or near the last business day
Number of Holdings	622

Share Class Information

Share Class	CUSIP	NASDAQ Symbol
Advisor	354 025 801	FVCAX
A	354 025 835	FCQAX
C	354 025 603	FCAHX
R6	354 025 850	FCAQX

Fund Management

	Years with Firm	Years of Experience
John Wiley	30	30
Chris Sperry, CFA	23	23

Maximum Sales Charge

Class A: 3.75% initial sales charge
Class C: 1.00% contingent deferred sales charge (CDSC) in the first year only

Total Annual Operating Expenses

Share Class	Expense Ratio
A	0.83%
C	1.23%

30-Day Standardized Yield

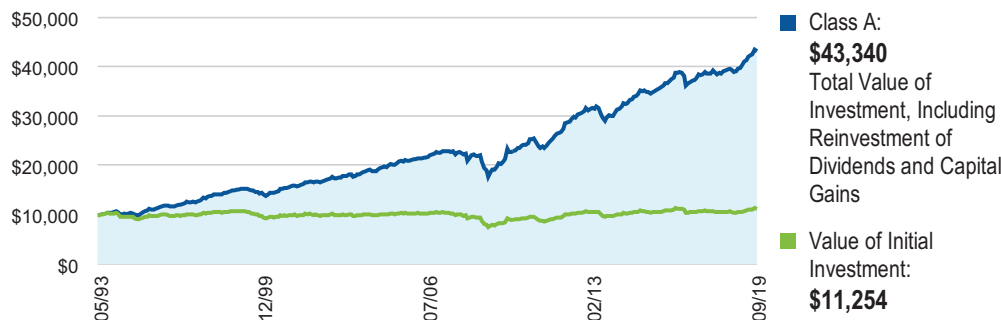
Share Class	Yield
A	1.64%
C	1.32%

Taxable Equivalent Yield

Share Class	Yield
A	3.50%
C	2.81%

Asset Allocation (%)

Fixed Income	92.96%
Cash & Cash Equivalents	7.04%

Performance
Growth of a \$10,000 Investment - Without Sales Charge (from 05/03/1993-09/30/2019)

Total Returns % (as of 9/30/2019)

Share Class		YTD	AVERAGE ANNUAL					Since Inception	Inception Date
			1 Yr	3 Yrs	5 Yrs	10 Yrs			
A	With Sales Charge	4.99	5.67	2.34	4.42	5.94	5.56	5/3/1993	
	Without Sales Charge	9.08	9.79	3.65	5.22	6.34	5.71	5/3/1993	
C	With Sales Charge	7.81	8.30	3.08	4.65	5.76	5.17	4/30/1996	
	Without Sales Charge	8.81	9.30	3.08	4.65	5.76	5.17	4/30/1996	

Calendar Year Total Returns % - Without Sales Charge

Share Class	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
A	1.09	7.11	1.07	5.24	14.67	-3.72	13.40	14.71	4.92	28.25
C	0.39	6.47	0.60	4.64	14.07	-4.31	12.92	13.86	4.33	27.73

Share Class	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
A	-20.02	-1.69	6.32	6.72	6.99	5.79	6.75	5.36	11.16	-6.78
C	-20.44	-2.18	5.70	6.11	6.40	5.29	6.16	4.92	10.37	-7.10

Performance data represents past performance, which does not guarantee future results. Current performance may differ from figures shown. The fund's investment returns and principal values will change with market conditions, and you may have a gain or a loss when you sell your shares. Please call Franklin Templeton at (800) DIAL BEN/(800) 342-5236 or visit franklintempleton.com for the most recent month-end performance.

If the sales charge had been included, the return would have been lower.

Fund Measures

AMT Exposure	5.93
Average Duration	6.16 Years
Average Weighted Maturity	21.90 Years
Standard Deviation (3 Yrs) - Class A	4.52%

Composition of Fund

Sector	% of Total	State / U.S. Territory Exposure	% of Total
Tax Supported Debt	22.87	California	96.82
Transportation	14.95	Guam	1.08
Hospital & Health Care	11.10	Northern Mariana Islands	0.17
General Obligation Bonds	10.60	Puerto Rico	1.92
Other Revenue Bonds	9.02		
Refunded	6.93		
Utilities	5.43		
Housing	4.95		
Higher Education	3.86		
Others	3.26		
Cash & Cash Equivalents	7.04		

Morningstar Rating™—Class A

Overall Morningstar Rating™ As of September 30, 2019 the fund's Class A shares received a 5 star overall Morningstar Rating™, measuring risk-adjusted returns against 90, 87 and 69 U.S.-domiciled Muni California Long funds over the 3-, 5- and 10- year periods, respectively. A fund's overall rating is derived from a weighted average of the performance figures associated with its 3-, 5- and 10-year (if applicable) rating metrics.



What Are the Risks?

All investments involve risks, including possible loss of principal. Because municipal bonds are sensitive to interest rate movements, the fund's yield and share price will fluctuate with market conditions. Bond prices generally move in the opposite direction of interest rates. Thus, as prices of bonds in the fund adjust to a rise in interest rates, the fund's share price may decline. Because the fund invests principally in a single state, it is subject to greater risk of adverse economic and regulatory changes in that state than a geographically diversified fund. Investments in lower-rated bonds include higher risk of default and loss of principal. Puerto Rico municipal bonds have been impacted by recent adverse economic and market changes, which may cause the fund's share price to decline. Changes in the credit rating of a bond, or in the credit rating or financial strength of a bond's issuer, insurer or guarantor, may affect the bond's value. The fund may invest a significant part of its assets in municipal securities that finance similar types of projects, such as utilities, hospitals, higher education and transportation. A change that affects one project would likely affect all similar projects, thereby increasing market risk.

Glossary

AMT Exposure: Percentage of a fund's assets invested in bonds with income subject to the alternative minimum tax (AMT). For investors subject to the alternative minimum tax, a small portion of fund dividends may be taxable. Distributions of capital gains are generally taxable.

Average Duration: A measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Duration is expressed as a number of years. The weighted average duration of a fund reflects the effective duration of the underlying issues, based on the size of each holding.

Average Weighted Maturity (Tax Free): An estimate of the number of years to maturity, taking the possibility of early payments into account, for the underlying holdings.

Standard Deviation: A measure of the degree to which a fund's return varies from the average of its previous returns. The larger the standard deviation, the greater the likelihood (and risk) that a fund's performance will fluctuate from the average return.

Important Information

Investors should carefully consider a fund's investment goals, risks, charges and expenses before investing. To obtain a summary prospectus and/or prospectus, which contains this and other information, talk to your financial advisor, call us at (800) DIAL BEN/342-5236 or visit franklintempleton.com. Please carefully read a prospectus before you invest or send money.

Information is historical and may not reflect current or future portfolio characteristics. All portfolio holdings are subject to change.

For investors subject to the alternative minimum tax, a small portion of fund dividends may be taxable. Distributions of capital gains may be taxable.

Fund Management: CFA® and Chartered Financial Analyst® are trademarks owned by CFA Institute.

Performance: The fund offers other share classes subject to different fees and expenses, which will affect their performance.

Class A: Prior to 3/1/19, these shares were offered at a higher initial sales charge of 4.25%; thus actual returns would have differed. Total returns with sales charges have been restated to reflect the current maximum initial sales charge of 3.75%. Effective 9/10/18, Class A shares closed to new investors, were renamed Class A1 shares, and a new Class A share with a different expense structure became available. Class A performance shown has been calculated as follows: (a) for periods prior to 9/10/18, a restated figure is used based on the fund's Class A1 performance and including any Rule 12b-1 rate differential as exists between Class A1 and Class A; and (b) for periods after 9/10/18, actual Class A performance is used, reflecting all charges and fees applicable to that class. **Class C:** Prior to 1/1/04, these shares were offered with an initial sales charge; thus actual returns would have differed.

30-Day Standardized Yield: The fund's 30-day standardized yield is calculated over a trailing 30-day period using the yield to maturity on bonds and/or the dividends accrued on stocks. It may not equal the fund's actual income distribution rate, which reflects the fund's past dividends paid to shareholders.

Taxable Equivalent Yield: The Taxable Equivalent Yield assumes the maximum regular federal income tax rate, maximum state personal income tax rate, and the Medicare tax in effect on June 2019. This combined rate does not consider the impact of California's surcharge on taxable incomes in excess of \$1 million.

Composition of Fund: Percentage may not equal 100% due to rounding.

Uninvested cash is not included in the State / U.S. Territory Exposure table.

Morningstar Rating™: Source: Morningstar®, 9/30/19. For each mutual fund and ETF with at least a 3-year history, Morningstar calculates a Morningstar Rating™ based on how a fund ranks on a Morningstar Risk-Adjusted Return measure against other funds in the same category. This measure takes into account variations in a fund's monthly performance, and does not take into account the effects of sales charges and loads, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. The weights are: 100% 3-year rating for 36-59 months of total returns, 60% 5-year rating/40% 3-year rating for 60-119 months of total returns, and 50% 10-year rating/30% 5-year rating/20% 3-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent 3-year period actually has the greatest impact because it is included in all three rating periods. The Fund's Class A shares received a Morningstar Rating of 4, 5 and 5 star(s) for the 3-, 5- and 10-year periods, respectively. Morningstar Rating™ is for the named share class only; other classes may have different performance characteristics. **Past performance is not an indicator or a guarantee of future performance.** Source: ©Morningstar. Important data provider notices and terms available at www.franklintempletondatasources.com.

The Morningstar Rating™ for Class A shares is based on Morningstar's extended performance calculation. This means that, for a share class that doesn't have a 1, 3-, 5-, or 10-year performance history, the rating shown is a hypothetical Morningstar Rating based first on the oldest active surviving share class of the fund and then any dormant or liquidated share classes. If more than one share class has the earliest inception date, Morningstar selects the share class that is freely available to investors, that is not currency-hedged, and has the lowest fee.