



GLENDALE

2016/17 PROPERTY TAX SUMMARY



The City of Glendale experienced a net taxable value increase of 5.5% for the 2016/17 tax roll, which mirrored the increase experienced countywide at 5.6%. The assessed value increase between 2015/16 and 2016/17 was \$1.5 billion. The change attributed to the 1.525% Proposition 13 inflation adjustment was \$337 million, which accounted for 23% of all growth experienced in the city.

The largest assessed value increase was reported on an institutional parcel owned by Glendale Adventist Medical Center (1509 Wilson Terrace). The assessed value for the parcel increased and the exemption remained the same resulting in a \$86.6 million increase in net assessed value. The owner of a commercial hotel at 100 W. Glenoaks Blvd. added \$24.8 million in additional improvements in 2015. A recreational parcel owned by YMCA increased by \$22 million due to a progress appraisal on the Glendale Arts Colony portion of the campus.

The two largest assessed value declines were reported on parcels owned by Americana Residential LLC (589 & 833 Americana Way). Successful appeals on both parcels led to total reductions of \$15.9 million. Another successful appeal on a parcel owned by Grancare Verdugo Vista LLC (3050 Montrose Avenue) reduced that parcel by \$6.6 million.

Parcel subdivision and new construction activity contributed to growth in assessed values this year. 77 parcels were dropped from the roll and 92 were added, resulting in a net assessed value gain of over \$167 million.

The housing market continues to improve with sales of homes increasing year over year in most areas of the State. In some areas, the current median has surpassed the median at the height of the real estate bubble. Sale volume is down slightly throughout the state when compared to 2015. The majority of sales now seem to be primarily non-distressed properties where the buyer plans to live in the home. This is a departure from the large number of short sales and investor buying experienced over the past several years. The median sale price of a single family home in Glendale from January through September 2016 was \$655,000. This represents a \$25,000 (4.0%) increase in median sale price from 2015.

| Year | SFR Sales | Median Price | % Change |
|------|-----------|--------------|----------|
| 2010 | 1,228 | \$457,500 | |
| 2011 | 1,200 | \$435,000 | -4.92% |
| 2012 | 1,370 | \$435,000 | 0.00% |
| 2013 | 1,471 | \$512,000 | 17.70% |
| 2014 | 1,342 | \$560,000 | 9.38% |
| 2015 | 1,365 | \$630,000 | 12.50% |
| 2016 | 983 | \$655,000 | 3.97% |

2016/17 Tax Shift Summary

| | |
|--------------|---------------|
| ERAF I & II | \$-10,633,854 |
| VLFAA (est.) | \$20,099,756 |

Top 10 Property Owners

| Owner | Net Taxable Value | % of Total | Use Type |
|--|------------------------|--------------|---------------|
| 1. DISNEY WORLDWIDE SERVICES INC | \$586,955,539 | 2.04% | Commercial |
| 2. GLENDALE MALL ASSOCIATES LLC | \$529,865,061 | 1.84% | Commercial |
| 3. AMERICANA AT BRAND LLC | \$215,481,961 | 0.75% | Commercial |
| 4. PR GLENDALE PLAZA OFFICE CA LLC | \$190,161,609 | 0.66% | Commercial |
| 5. WELLS REIT GLENDALE CA LLC | \$154,400,000 | 0.54% | Commercial |
| 6. GLENDALE ADVENTIST MEDICAL CENTER | \$147,104,055 | 0.51% | Institutional |
| 7. METROPOLITAN LIFE INSURANCE COMPANY | \$140,522,666 | 0.49% | Commercial |
| 8. GLENDALE SUCCESSOR AGENCY | \$134,399,750 | 0.47% | Commercial |
| 9. PR III GLENDALE MEMBER LLC | \$123,972,565 | 0.43% | Commercial |
| 10. 100 WGB HOTEL OWNER LLC | \$115,967,500 | 0.40% | Commercial |
| Top Ten Total | \$2,338,830,706 | 8.14% | |

Real Estate Trends

Home Sales

Home sales continue to rebound in many parts of the State but at a slower pace than last year. This is mainly due to inventory and affordability constraints. The reported median price of an existing, single family detached home in California during June 2016 was \$519,440. This was a 5.5 percent increase from \$492,320 in June 2015.

| All Homes | Units Sold June-2015 | Units Sold June-2016 | % Change | Median Price June-2015 | Median Price June-2016 | % Change |
|-----------------------|-------------------------|-------------------------|----------|---------------------------|---------------------------|----------|
| Imperial County | 155 | 153 | -1.29% | \$185,000 | \$201,000 | 8.65% |
| Los Angeles County | 8,152 | 7,869 | -3.47% | \$499,000 | \$530,000 | 6.21% |
| Orange County | 3,850 | 3,786 | -1.66% | \$628,500 | \$657,500 | 4.61% |
| Riverside County | 4,072 | 4,225 | 3.76% | \$315,000 | \$332,000 | 5.40% |
| San Bernardino County | 2,774 | 2,872 | 3.53% | \$268,750 | \$285,000 | 6.05% |
| San Diego County | 4,467 | 4,409 | -1.30% | \$476,000 | \$495,000 | 3.99% |
| Ventura County | 1,062 | 1,165 | 9.70% | \$517,800 | \$550,000 | 6.22% |

Pool of Prop 8 Reduced Property Values Restored Through 2015-16

In 1978 California voters approved Proposition 8 that allows county assessors to reduce the value of properties below their Proposition 13 taxable values when the real estate market declines. Such reductions are to be restored as the real estate market improves. Now after five years of declining and three years of improved real estate values, county assessors have restored large numbers of those previously reduced home values. The graph below reflects the percentage of assessed values restored in the region as of the start of 2016-17 for residential properties that have not changed ownership from within this pool of reduced values. Assessors will not restore values to their trended Proposition 13 levels until the strength of the market recovery is proven within neighborhoods. We are seeing continued recovery of Proposition 8 reductions in 2016-17 as median prices in most counties continue to move upward. In several of the North Bay counties, the median sale prices currently exceed those experienced in the real estate bubble. **As we begin the 2016-17 fiscal year 60.9% of properties in Glendale awaiting restoration of value during 2012-13 have been fully restored.**

Estimated Percentage of Prop 8 Value Restored Since 2012-13

