

GLENDALE



2017/18 PROPERTY TAX SUMMARY

The City of Glendale experienced a net taxable value increase of 6.1% for the 2017/18 tax roll, which mirrored the increase experienced countywide at 6.0%. The assessed value increase between 2016/17 and 2017/18 was \$1.7 billion. The change attributed to the 2% Proposition 13 inflation adjustment was \$493 million, which accounted for 28% of all growth experienced in the city.

The largest assessed value increase was reported on a commercial parcel owned by GC Net Lease Investors LLC (Dreamworks). The parcel, which was recently purchased in 2015, has been reappraised adding over \$76 million to the roll. New development by Camden USA Inc. (Camden Glendale Apartments) triggered a reassessment that added \$68.7 million in value. New development of two multi-unit residential parcels owned by CP IV Glendale LLC (Altana Apartments) caused an increase of \$101.7 million combined.

The largest assessed value decline was reported on an institutional parcel owned by Glendale Adventist Medical Center. Value enrolled last year at the release of the roll on a parcel did not account for an exemption filed after the close of the roll. Therefore, the value on this parcel last year was temporarily inflated by \$90 million. New exemptions on a medical office and parking lot owned by Dignity Health resulted in a \$66.8 million decline in value.

Parcel subdivision and new construction activity contributed to growth in assessed values this year. 49 parcels were dropped from the roll and 44 were added, resulting in a net assessed value gain of over \$25.3 million.

The housing market has fully recovered from the recent recession in many urban and coastal areas of the State while housing recovery has tended to lag in more rural and inland areas. Current median home prices are at or above the pre-recession peak values in many areas. Inventory constraints are the main contributor to increases in home prices over the last year. Lack of significant new home construction in both Northern and Southern California is one of the main factors affecting supply. The median sale price of a detached single family residential home in Glendale from January through September 2017 was \$879,500. This represents a \$64,500 (7.9%) increase in median sale price from 2016.

Year	D-SFR Sales	Median Price	% Change
2011	732	\$557,500	
2012	901	\$560,000	0.45%
2013	943	\$635,000	13.39%
2014	848	\$704,300	10.91%
2015	876	\$765,000	8.62%
2016	854	\$815,000	6.54%
2017	644	\$879,500	7.91%

2017/18	Tax Shift	Summary
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ERAF I & II	\$-11,232,882
VLFAA (est.)	\$21,568,039

Top 10 Property Owners			
Owner	Net Taxable Value	% of Total	Use Type
WALT DISNEY WORLD COMPANY	\$615,365,459	2.02%	Commercial
2. GLENDALE MALL ASSOCIATES LLC	\$591,112,033	1.94%	Commercial
3. AMERICANA AT BRAND LLC	\$223,621,987	0.73%	Commercial
4. GC NET LEASE GLENDALE INVESTORS LLC LSSR	\$191,577,671	0.63%	Industrial
5. NA GLENDALE LLC	\$186,577,916	0.61%	Commercial
6. GPI 500 BRAND LIMITED	\$181,906,158	0.60%	Commercial
7. DWF V 655 NORTH CENTRAL LLC	\$180,600,000	0.59%	Commercial
8. CP IV GLENDALE LLC	\$179,064,665	0.59%	Residential
9. WELLS REIT GLENDALE CA LLC	\$154,400,000	0.51%	Commercial
10. CAMDEN USA INC	\$146,134,380	0.48%	Commercial
Top Ten Total	\$2,650,360,269	8.70%	

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Real Estate Trends

Home Sales

According to industry experts, unsold inventory is below normal levels particularly in the Bay Area. The lack of supply from resales and the absence of new housing units has driven the increase in housing prices up in most areas. Median sale prices in many areas have surpassed their pre-recession peaks. The reported median price of an existing, single family detached home in California during June 2017 was \$555,150. This was a 7 percent increase from \$518,830 in June 2016.

All Homes	Units Sold June-2016	Units Sold June-2017	% Change	Median Price June-2016	Median Price June-2017	% Change
Imperial County	153	140	-8.50%	\$201,000	\$215,000	6.97%
Los Angeles County	8,059	8,716	8.15%	\$530,000	\$569,000	7.36%
Orange County	3,768	3,802	0.90%	\$655,000	\$695,000	6.11%
Riverside County	4,226	4,297	1.68%	\$332,000	\$357,000	7.53%
San Bernardino County	2,843	3,243	14.07%	\$285,000	\$320,000	12.28%
San Diego County	4,410	4,311	-2.24%	\$495,000	\$543,500	9.80%
Ventura County	1,163	1,146	-1.46%	\$550,000	\$565,000	2.73%

Comparison of Current Median Sale Price to Peak Price Before the Great Recession

In 1978 California voters approved Proposition 8 that requires county assessors to reduce the value of properties below their Proposition 13 taxable values when the real estate market declines. These reductions are to be restored as the real estate market improves. One of the gauges of the values to be restored is the progress each community is seeing in the growth of the median sale prices of single family homes. As we have moved through the Great Recession, we have seen the recovery of the real estate home prices in many regions approach or exceed pre-recession peak prices. The graph below provides a comparison of the detached home (excluding Condos and Townhomes) median peak price experienced at the height of the real estate bubble in Glendale and Los Angeles County well as several other counties in this region. Considering these trends, we expect to see continued restoration of values reduced per Proposition 8. The annual restoration of Prop 8 reduced values has diminished over the past couple of years in most of the counties reviewed. More counties have neared a 90-100% restoration level after our review of the 2017-18 data in this segment of residential properties. As we begin the 2017-18 fiscal year 72.2% of properties in Glendale awaiting restoration of value since 2012-13 have been FULLY restored.

