



GLENDALE

2018/19 PROPERTY TAX SUMMARY



The City of Glendale experienced a net taxable value increase of 4.5% for the 2018/19 tax roll, which was modestly less than the increase experienced countywide at 6.5%. The assessed value increase between 2017/18 and 2018/19 was \$1.4 billion. The change attributed to the 2% Proposition 13 inflation adjustment was \$509 million, which accounted for 37% of all growth experienced in the city.

Two of the largest assessed value increases were reported on a multi-unit residential parcels that are the site of AMLI Lex. The owner of the parcel added improvements totaling \$63.1 million between tax years. Similarly, the owner of a multi-unit residential parcel at 201 W. Lexington Drive (Next on Lex) added \$25 million in improvement value due to new construction in 2017. A multi-unit residential parcel owned by BIT Holdings Seventy-Four Inc. added \$25.3 million in new construction value.

The largest assessed value decline was reported on a commercial parcel owned by 100 WGB Hotel Owner LLC (Hilton Hotel). The owner was granted an appeal that removed \$63.5 million in value between tax years. The property sold in 2017 for \$73 million. Three parcels owned by JP Allen Company LLC were reassessed in error last year. The value enrolled is the CPI inflated base from two years ago and is a \$34.2 million decline from the prior year. The owner of a parcel owned by Casa De La Paloma LP (133 S. Kenwood St.) failed to apply for their exemption on time last year. The exemption was applied in 2018/19 and resulted in a \$12.3 million decline in value.

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, in many regions are at or above the pre-recession peak values. Affordability and inventory constraints are the main contributor to increases in home prices over the last year. The numbers of sales year over year have declined and the lack of significant new home construction in 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 2018 was \$935,000. This represents a \$57,000 (6.5%) increase in median sale price from 2017.

Year	D-SFR Sales	Median Price	% Change
2012	909	\$555,000	
2013	1,005	\$630,000	13.51%
2014	859	\$705,000	11.90%
2015	885	\$765,000	8.51%
2016	873	\$812,000	6.14%
2017	853	\$878,000	8.13%
2018	608	\$935,000	6.49%

2018/19 Tax Shift Summary

ERAF I & II	-\$11,803,323
VLFAA (est.)	\$22,459,222

Top 10 Property Owners

Owner	Net Taxable Value	% of Total	Use Type
1. WALT DISNEY WORLD COMPANY	\$625,872,077	1.97%	Commercial
2. GLENDALE MALL ASSOCIATES LLC	\$603,986,406	1.90%	Commercial
3. AMERICANA AT BRAND LLC	\$227,973,381	0.72%	Commercial
4. CP IV GLENDALE LLC	\$200,119,448	0.63%	Residential
5. LA HANA OW LLC	\$195,409,222	0.61%	Industrial
6. GPI 500 BRAND LIMITED	\$185,544,280	0.58%	Commercial
7. DWF V 655 NORTH CENTRAL LLC	\$182,580,000	0.57%	Commercial
8. CAMDEN USA INC	\$149,012,424	0.47%	Commercial
9. WELLS REIT GLENDALE CA LLC	\$148,800,000	0.47%	Commercial
10. GLENDALE SUCCESSOR AGENCY	\$139,829,129	0.44%	Commercial
Top Ten Total	\$2,659,126,367	8.35%	

Real Estate Trends

Home Sales

According to industry experts, price growth isn't the only problem that current home shoppers are facing. The median price increases coupled with the principal and rising interest payments have resulted in double digit percentage increases in the cost of a median-priced home over last year. The reported median price of an existing, single-family detached homes in California during June 2018 was \$602,760. This was a 8.5 percent increase from \$555,420 in June 2017.

All Homes	Units Sold June-2017	Units Sold June-2018	% Change	Median Price June-2017	Median Price June-2018	% Change
Imperial County	146	130	-10.96%	\$214,000	\$224,000	4.67%
Los Angeles County	8,721	7,504	-13.95%	\$569,000	\$615,000	8.08%
Orange County	3,574	3,074	-13.99%	\$690,000	\$720,000	4.35%
Riverside County	4,253	3,425	-19.47%	\$357,000	\$370,000	3.64%
San Bernardino County	3,179	2,653	-16.55%	\$313,000	\$320,000	2.24%
San Diego County	4,316	3,798	-12.00%	\$540,000	\$565,000	4.63%
Ventura County	1,141	899	-21.21%	\$569,000	\$610,000	7.21%

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 that a majority of the homes under review per Proposition 8 will be completely restored in most of the urban and coastal counties. More counties have neared a 90-100% restoration level after our review of the 2018-19 data in this segment of residential properties. **As we begin the 2018-19 fiscal year 84.1% of properties in Glendale awaiting restoration of value since 2012-13 have been FULLY restored.**

Comparison of Median Sale Price to Pre Recession Peak Price

