



2012/13 PROPERTY TAX SUMMARY

The City of Irwindale experienced a net taxable value increase of 1.8% for the 2012/13 tax roll, which was slightly less than the increase experienced countywide at 2.1%. The assessed value increase between 2011/12 and 2012/13 was \$35.9 million. The change attributed to the 2% Proposition 13 inflation adjustment was \$17.1 million, which accounted for 87% of all growth experienced in the city.

Growth in assessed value occurred in most land use categories for 2012-13. Vacant land experienced the largest amount of assessed value growth with an increase of \$16.4 million (36.6%). This increase was primarily due to the acquisition of a parcel at 4800 Azusa Canyon Road by Huy Fong Irwindale. This parcel is still listed as vacant but increased in value for 2012-13 by \$15.4 million. Huy Fong Foods Inc. added \$11.3 million in new unsecured value. The combined increase in assessed value resulting from Huy Fong is \$26.7 million. This is about 74.2% of the total increase in the City-wide assessed value.

Property owned by Millercoors LLC increased in value by \$18.2 million (6%). This increase in industrial property value was substantially offset by reductions. The net change in value among industrial properties was \$4.9 million (0.4%). There were significant losses in the industrial land use category due to assessment appeals.

There are 101 assessment appeals currently pending with \$585 million in value at risk. Based on history, we would expect that about 38.8% of these appeals will be allowed. These could result in value reductions of approximately \$57.6 million.

The housing market began to rebound during the first half of 2012, as home buying increased due to low interest rates and affordable prices. Foreclosures are at their lowest levels in five years. Median prices and numbers of sale transactions are up statewide. The housing market is poised for recovery but the speed and magnitude of the recovery will depend on the overall economy. The median sale price of a single family home in Irwindale from January through August 2012 was \$350,000. This represents a \$202,000 (136.5%) increase in median sale price from 2011.

Year	SFR Sales	Median Price	% Change
2006	2	\$440,000	
2007	30	\$402,000	-8.64%
2008	2	\$190,000	-52.74%
2009	1	\$215,000	13.16%
2010	2	\$282,500	31.40%
2011	1	\$148,000	-47.61%
2012	3	\$350,000	136.49%

2012/13 Tax Shift Summary

ERAF I & II	\$-41,974
VLFAA (est.)	\$113,167
Triple Flip	\$879,317
Triple Flip True up	\$-206,877

Top 10 Property Taxpayers

Owner	Revenue	% of Total	Use Type
1. MILLERCOORS	\$3,537,719.02	19.20%	Industrial
2. CROW FAMILY HOLDINGS INDUSTRIAL LP	\$937,042.90	5.08%	Industrial
3. METROPOLITAN LIFE INSURANCE	\$500,794.10	2.72%	Commercial
4. HANSON AGGREGATES WEST	\$459,348.28	2.49%	Possessory Int.
5. READY PAC PRODUCE	\$395,330.81	2.15%	Unsecured
6. DAVIS WIRE	\$352,071.67	1.91%	Industrial
7. UNITEK CORPORATON	\$335,494.87	1.82%	Unsecured
8. WALTON CWCA RAMONA 41	\$303,172.93	1.65%	Industrial
9. VULCAN MATERIALS	\$298,957.09	1.62%	Possessory Int.
10. LBA RIV-CO XX	\$293,825.00	1.59%	Industrial
Top Ten Total	\$7,413,756.66	40.23%	

Real Estate Trends

Home Sales

Home sales have begun to rebound in many parts of the State. The increased sales are due to less distressed homes on the market and buyers beginning to purchase in mid and high end areas. Low mortgage rates and affordable prices are proving attractive for buyers and finally convincing them to reenter the market. The reported median price of an existing, single family detached home in California during July 2012 was \$281,000. This was an 11.5 percent increase from \$252,000 in July 2011.

All Homes	Units Sold July-2011	Units Sold July-2012	% Change	Median Price July-2011	Median Price July-2012	% Change
Imperial County	158	44	-72.15%	\$126,050	\$126,500	0.36%
L. A. County	6,193	7,091	14.50%	\$320,000	\$330,000	3.13%
Orange County	2,455	3,087	25.74%	\$437,500	\$450,000	2.86%
Riverside County	3,288	3,546	7.85%	\$190,000	\$210,500	10.79%
San Bernardino County	2,378	2,434	2.35%	\$151,000	\$165,000	9.27%
San Diego County	3,041	3,565	17.23%	\$325,000	\$342,000	5.23%
Ventura County	735	865	17.69%	\$360,000	\$361,250	0.35%

Recapturing Proposition 8 Reductions

Proposition 13 caps the growth of a property's assessment at no more than 2% each year unless the market value of property falls lower. When property values decline Proposition 8 which was passed by the voters in 1978 allows the property to be temporarily assessed at the lower value. Once reduced, the assessed value and property taxes may increase by more than 2% a year as the property values rise during a real estate recovery. The "recaptured" values can be adjusted upward to the annually adjusted Proposition 13 cap (blue line below).

