



# THE CITY OF HUNTINGTON BEACH



## 2011/12 PROPERTY TAX SUMMARY

The City of Huntington Beach experienced a net taxable value increase of 0.9% for the 2011/12 tax roll, which mirrored the increase experienced countywide at 0.9%. The assessed value increase between 2010/11 and 2011/12 was \$246 million. The change attributed to the 0.753% Proposition 13 inflation adjustment was \$204 million, which accounted for 83% of all growth experienced in the city.

The largest assessed value increase was reported on a commercial parcel owned by Terry E. Lamb. The parcel, which was recently transferred after the death of the prior owner is at 19361 Brookhurst Street and is the site of the Rancho Huntington Mobile Park. The reported increase was \$9.5 million and the property has been under appeal for each of the past five years. A commercial site owned by Ayres Brookhurst Plaza LLC at 21441 Brookhurst Street was purchased in 2008 for more than the prior assessed value and the assessor has revalued the property for a \$6.4 million increase.

The largest assessed value declines were reported on commercial sites which have been granted reductions through successful appeals. Bella Terra Associates LLC at 7777 Edinger Avenue was granted a reduction of \$5.8 million and NF Huntington Plaza LP at 17011 Beach Boulevard received a reduction of \$5.5 million. FG Seacliff Senior Apartments at 7172 Ridge Glen Drive also received a decrease of \$3.8 million after an appeal action.

The housing market remained weak during the first half of 2011, as home buying decreased due to skittish buyers and uncertainty in the economy. New home construction is at its lowest level in a decade and sales of homes more than \$500,000 remain slow due to restrictions on jumbo loans. With economic uncertainty likely to keep prices low, buyers don't see urgency to rush into the market. The median sale price of a single family home in Huntington Beach from January through December 2011 was \$500,000. This represents a \$50,000 (-9.1%) decrease in median sale price from 2010.

Year	SFR Sales	Median Price	% Change	2011/12 Tax Shift Summary	
2005	2,712	\$680,000		ERAF I & II	\$-12,110,116
2006	1,702	\$695,000	2.21%	VLFAA (est.)	\$14,948,037
2007	1,434	\$675,000	-2.88%	Triple Flip	\$7,034,970
2008	1,363	\$575,000	-14.81%	Triple Flip True up	\$198,278
2009	1,574	\$559,000	-2.78%		
2010	1,589	\$550,000	-1.61%		
2011	1,739	\$500,000	-9.09%		

Top 10 Property Taxpayers			
Owner	Revenue	% of Total	Use Type
1. BELLA TERRA ASSOCIATES LLC	\$2,651,424.48	4.25%	Commercial
2. MAYER FINANCIAL LP	\$1,946,836.58	3.12%	Possessory Int.
3. CIM HUNTINGTON LLC	\$1,522,255.23	2.44%	Commercial
4. NF HUNTINGTON PLAZA LP	\$519,524.17	0.83%	Commercial
5. MC DONNELL DOUGLAS CORPORATION	\$500,808.07	0.80%	Unsecured
6. WATERFRONT CONSTRUCTION	\$440,783.00	0.71%	Possessory Int.
7. ESSEX HUNTINGTON BREAKERS	\$327,366.14	0.53%	Residential
8. PIERSIDE PAVILION LLC	\$303,088.17	0.49%	Commercial
9. ATLANTA HUNTINGTON BEACH LLC	\$302,223.57	0.48%	Commercial
10. BTDJM PHASE II ASSOCIATES LLC	\$181,748.06	0.29%	Commercial
<b>Top Ten Total</b>	<b>\$8,696,057.48</b>	<b>13.95%</b>	

# Real Estate Trends

## Home Sales

Home sales continued to dip in many parts of the State, in part because sales of lower cost distressed home sales have risen and sales of both newly constructed and high priced properties over \$500,000 have dipped. Despite stable down payment amounts, there is still much hesitation in the market because of less than positive economic reports and uncertainty regarding the Country's debt crisis. The median price of an existing, single family detached home in California during July 2011 was \$252,000, a 6 percent decrease from \$268,000 in July 2010. Of the existing homes sold in July 2011 more than half were either short sales or foreclosures.

All Homes	Units Sold July 2010	Units Sold July 2011	% Change	Median Price July 2010	Median Price July 2011	% Change
Imperial County	179	157	-12.29%	\$131,000	\$126,000	-3.82%
L. A. County	6,515	6,193	-4.94%	\$339,000	\$320,000	-5.60%
Orange County	2,527	2,455	-2.85%	\$450,000	\$437,500	-2.78%
Riverside County	3,529	3,288	-6.83%	\$200,000	\$190,000	-5.00%
San Bernardino County	2,556	2,378	-6.96%	\$155,000	\$151,000	-2.58%
San Diego County	3,070	3,041	-0.94%	\$338,000	\$325,000	-3.85%
Ventura County	749	735	-1.87%	\$370,000	\$360,000	-2.70%

## Commercial & Industrial Appeals

Commercial and Industrial appeals have been filed in huge numbers equal to or exceeding the numbers experienced during the last real estate downturn in the mid-1990s. The filings which ramped up in 2008 have increased in number over the past 3 years and more appeals have entered the hearing process because owners and assessor staff are unable to reach a stipulated reduced value. Appeals, which often take several years to resolve, result in a multi-year revenue reduction in the year they are resolved. The taxpayer refunds from successful appeals within the general fund portion of cities are all pooled and the reductions are apportioned based on each taxing entities share of revenue generated countywide. This means that appeals granted mid-year outside your jurisdiction will result in a pro-rata reduction to your jurisdiction's general fund revenue. The overall appeal success rate in counties where the data is available for purchase is in excess of 60% and when successful, values on average are reduced 20%.

