
NEWS



From ROBERT QUON

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ASSESSMENT ROLL AGAIN REFLECTS DECLINE IN RESIDENTIAL VALUES

Los Angeles County Assessor Robert Quon today released the fourth successive trillion-dollar Assessment Roll, although the \$1,089,524,149,015 gross total reflects a 1.67 percent decrease from last year - equal to an \$18.5 billion reduction in the Roll.

"This reduction was primarily caused by the ongoing decline in residential real estate values and a first-ever decrease in the inflation factor, which will reduce assessed values on properties with a Proposition 13 base, Quon noted. "This inflation factor (the California Consumer Price Index) traditionally increases the Roll by about 2 percent in value but this year the CCPI was a negative 0.237 percent, reducing the gross Roll by some \$2.14 billion."

"Although the Roll indicates a strong property tax base," Quon stated, "this definitely means a loss of revenue for public services and schools. The responsibility of the Assessor, however, is to accurately reflect values and make sure no one is paying more than their fair share of property taxes."

That duty, he added, required a decline-in-value review of more than 580,000 home and condominium values, resulting in lower assessments on some 400,000 residential properties purchased between July 1, 2003 and June 30, 2009, and even further back in some Antelope Valley areas.

Value reductions averaged \$162,000 for a single-family home and \$133,000 for a condominium. This review meant an average tax savings of \$1,800 on a single-family home and \$1,500 on a condo.

The decline-in-value homes review and other adjustments resulted in a \$24.3 billion decrease in the gross Roll, Quon stated.

Factors which helped offset lower home values and the negative CCPI for the 2010 Roll, however, included \$7.4 billion added because of property sales or ownership transfers and \$5.2 billion in new construction.

The gross Roll total is compiled prior to deducting tax-exempt assessments, including religious and church entities, not-for-profit hospitals and other non-profit organizations, as well as the state-reimbursed homeowners' exemption. After deductions, the net Roll total for Los Angeles County was \$1.042 trillion, a 1.87 percent decrease from last year.

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As usual, Los Angeles City was the highest-valued municipality with a gross assessed value of \$425.3 billion (a 1.95 percent decrease from last year), followed by Long Beach with a gross assessed value of \$44 billion (a 2.4 percent decrease).

"The real estate market is still a vital part of Los Angeles County's economy," Quon stated, "and the Assessor's Department is ready to act quickly to reflect a turnaround, just as it did after the mid-1990's real estate slump when the 1995 Roll reduction was also 1.7 percent."

"The 2010 Assessment Roll is an accurate and fair reflection of the assessed values of 2.6 million residential and commercial properties, including business equipment, boats and aircraft, throughout Los Angeles County," Quon said.

Assessor Quon was appointed to his post by the Board of Supervisors in March 2010, because of the retirement of former Assessor Rick Auerbach. Quon plans to retire following the election of a new Assessor in November and the next Assessor will assume office the following month for a four-year term.

"I want to compliment the Board of Supervisors, Chief Executive Officer William T Fujioka and my colleagues in the Departments of the Treasurer and Tax Collector, Auditor-Controller, Registrar-Recorder/County Clerk and Assessment Appeals Board, for extending me such professional and friendly cooperation," Quon added.

Note: detailed city and county statistics, charts and historical data involving the Assessment Roll are contained in the 2010 Assessor's Annual Report posted on the website at www.assessor.lacounty.gov through the Reports and Publications link.