
NEWS RELEASE



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FOR IMMEDIATE RELEASE

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**LOS ANGELES COUNTY PROPERTY ASSESSMENT ROLL INCREASES
FOR FOURTH STRAIGHT YEAR**

***Continued strength in the residential real estate market
leads to a 5.47% increase in assessed value***

LOS ANGELES, CA – Today Los Angeles County Chief Deputy Assessor Sharon Moller released the 2014 Los Angeles County Assessment Roll. The assessment roll reflects the value of all taxable property in Los Angeles County as of January 1st of each year in accordance with the California Constitution.

The 2014 Assessment Roll reflects a 5.47% increase in value resulting in the fourth consecutive year of growth. From 2007 through 2010, the economic recession and the corresponding real estate market decline resulted in decreased assessment roll values. However, the 2011, 2012, and 2013 assessment rolls reflected gradual increases of 1.36%, 2.20% and 4.66%, respectively. This year's assessment roll is \$1,191,806,972,618 net total which is \$61.812 billion or 5.47% greater than last year.

“Less volatility and more sustained growth in the residential real estate market was the largest factor contributing to the increase this year,” said Chief Deputy Assessor Moller. “Despite its size, diversity and hundreds of submarkets, Los Angeles County saw a broad-based increase in residential property values throughout most of the county,” added Moller.

Residential real estate transfers were the largest contributor to the assessment roll increase at 2.59%. Additional contributors to the increase included decline-in-value restorations (1.85%), new construction (.38%), and the annual inflation-adjusted trend or Consumer Price Index (.38%).

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“Valuing People and Property”

In 1978, California voters passed a constitutional amendment that allows for a temporary reduction in assessed value when a property suffers a “decline-in-value.” Decline-in-value adjustments are temporary value reductions applied to properties when the total assessed value is greater than the current market value as of January 1st. Under state law, the assessor must enroll either a property’s adjusted base year value (Proposition 13 value) or its current market value, whichever is less. Conversely, under state law, as market conditions improve and a property’s market value increases, the assessor must “restore” the assessed value back to the adjusted base year value. As a result of continued strength in the residential real estate market, this year’s decline-in-value review included significantly more “restorations” of assessed value than reductions.

“Our mission is to create an accurate and timely assessment roll while delivering exceptional and professional public service with integrity. Thanks to the dedicated staff of the Los Angeles County Office of the Assessor, I am proud to say we did just that,” stated Chief Deputy Assessor Sharon Moller.

Home to more than 10 million residents, Los Angeles County is the most populous county in the United States as well as one of the most diverse. The Office of the Assessor is responsible for valuing more than 2.6 million secured and unsecured properties with a value of over \$1.19 trillion.

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2014 Los Angeles County Assessment Roll

<u>Components of Change</u>	<u>Change in \$ Billions</u>	<u>Percent of Roll Change</u>
Inflation Adjustment (CPI .45%)	\$4.537	0.38%
Transfers	\$30.699	2.59%
Construction	\$4.492	0.38%
Business Personal Property & Fixtures	\$1.052	0.09%
*Special Property Use Types	\$1.004	0.08%
Decline-in-Value and Other Adjustments	<u>\$21.836</u>	<u>1.85%</u>
TOTAL LOCAL ROLL	\$63.620	5.38%
Exemptions	<u>-\$1.929</u>	
TOTAL LOCAL ROLL (After Exemptions)	\$61.691	5.42%
Homeowners' Exemptions	<u>\$0.121</u>	
NET LOCAL ROLL	\$61.812	5.47%

*Special Property Use Types are comprised of properties of various use, such as mining rights, water rights, water distribution, possessory interest, and mobile homes.



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2014 Los Angeles County Assessment Roll Components

VALUATIONS	2013 ACTUAL ROLL	2014 ACTUAL ROLL	PERCENT CHANGE
<u>SECURED VALUATION</u>			
Land	\$594,135,948,162	\$632,157,301,551	
Improvements	\$530,147,247,124	\$554,226,580,925	
Personal Property	\$9,152,195,147	\$9,557,105,827	
TOTAL SECURED	\$1,133,435,390,433	\$1,195,940,988,303	
Less: Exemptions	-\$41,103,688,124	-\$42,979,477,731	
TOTAL SECURED VALUATION	\$1,092,331,702,309	\$1,152,961,510,572	5.55%
<u>UNSECURED VALUATION</u>			
Land	\$78,837	\$0	
Improvements	\$15,535,384,920	\$16,030,799,386	
Personal Property	\$34,127,084,250	\$34,746,230,922	
TOTAL UNSECURED	\$49,662,548,007	\$50,777,030,308	
Less: Exemptions	-\$4,138,543,016	-\$4,191,273,198	
TOTAL UNSECURED VALUATION	\$45,524,004,991	\$46,585,757,110	2.33%
<u>TOTAL VALUATION</u>			
TOTAL SECURED & UNSECURED	\$1,183,097,938,440	\$1,246,718,018,611	5.38%
Less: Secured & Unsecured Exemptions	-\$45,242,231,140	-\$47,170,750,929	
TOTAL LOCAL ROLL (After Exemptions)	\$1,137,855,707,300	\$1,199,547,267,682	5.42%
Homeowners' Exemptions	-\$7,861,536,721	-\$7,740,295,064	
NET LOCAL ROLL	\$1,129,994,170,579	\$1,191,806,972,618	5.47%



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2014 Change Components Descriptions

Change Component	Description
CPI	Consumer Price Index, an annual adjustment to the assessed value of properties to account for inflation.
Transfers	Changes to the roll as a result of changes in ownership that occurred on or before December 31, 2013. This includes changes of ownership for years prior to 2013 but only discovered after July 1, 2013.
Construction	Value added to existing improvement assessed value as a result of the construction of new buildings, additions, and other structures. Structural repairs and replacements are generally not appraisable.
Personal Property and Fixtures	Changes to the roll as a result of changes in the value of business property such as machinery, computers, equipment, telephones, furniture and supplies. Also included are marine vessels and aircraft.
Special Property Use Types	Changes to the roll as a result of changes in value to properties leased from government agencies (i.e., possessory interests), refineries, mines, quarries, landfills, power facilities, and other highly specialized properties.
Decline-in-Value and Other Adjustments	Assessor- and property owner-initiated changes in assessed value as a result of fluctuating real estate markets and other conditions, including: Market value reassessments as of the lien date, January 1, 2014, for properties having received a decline-in-value reassessment in the prior year. Temporary reductions in assessed value initiated by property owners for years prior to 2014 as a result of assessment appeals and informal requests for review. Miscellaneous roll corrections as a result of changes in parcel boundaries, misfortune or calamity, Mills Act, and other situations reflecting the various complexities of property taxation in California.
Exemptions	Various programs available to property owners providing tax relief, including homeowners' exemptions, veterans' and disabled veterans' exemptions, religious and other non-profit institutional exemptions, and builders' exclusions.