
NEWS

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2002-2003 PROPERTY ASSESSMENT ROLL REFLECTS STRONG AND STEADY GROWTH IN VALUES

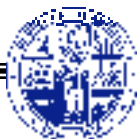
Los Angeles County Assessor Rick Auerbach today released a record 2002-2003 Property Assessment Roll reflecting a 6.2 percent growth in property values - a \$39.8 billion increase.

The net local Roll (after exemptions and excluding state-assessed utilities) totaled \$647.2 billion. This is the fourth straight year in which the Assessment Roll increased at least six percent - compared to increases of 3 percent or less in most of the 1990s, Auerbach said.

“Low interest rates and a short supply of medium-priced housing have resulted in a very dynamic residential housing market and the ongoing restoration of values on properties previously reduced in value under Proposition 8,” Auerbach said.

The biggest factor in the increase resulted from properties which sold or transferred ownership - thus causing a reassessment under Proposition 13. This added \$19.4 billion to the Roll with the average assessment amount added by each transfer increasing from \$97,000 last year to \$107,000 in 2002-2003.

The annual Consumer Price Index-related adjustment of two percent on the value of properties which did not change hands resulted in a \$10.1 billion increase to the Roll for the second highest factor in the overall change. The CPI adjustment is mandated by Proposition 13.



At \$4.8 billion, Proposition 8 changes and other adjustments were the third largest component in producing the \$39.8 billion Roll increase. State law requires an annual analysis of Proposition 8 assessments to determine if the conditions which resulted in a reduction still exist.

This year, 212,000 Prop. 8 properties were examined and 78,000 parcels remained unchanged in value, the Assessor said. Of the remainder, 39,000 parcels were fully restored to their Proposition 13 value, 94,000 were partially restored and 1,000 were further reduced.

It is important to note, Auerbach added, that the valuation date for these properties was Jan. 1, 2002. As the residential market remained strong in the first part of the year, many properties which did not receive an upward Prop. 8 adjustment may be affected next year.

There was an upswing in new construction and this component of the Roll added \$4.7 billion, compared to \$3.6 billion in 2001-2002, Auerbach said.

Los Angeles City remained the highest valued municipality in the county with a total assessed value of \$246.9 billion (a 6.1 percent increase over 2001-2002), followed by Long Beach with a \$25.7 billion assessment (a 5.5 percent jump).

“The dedication and hard work of the 1,500 men and women of the Assessor’s Department have produced an Assessment Roll which is both accurate and fair within the guidelines established by Proposition 13,” Auerbach said.

“The Departments of Registrar-Recorder/County Clerk, Treasurer and Tax Collector and Auditor-Controller again played a critical part in helping produce a Roll consisting of 2.6 million assessments,” he added.

This is the third Assessment Roll produced under the direction of Auerbach, and the first since he was elected to a full four-year term in March. He was originally appointed Assessor and then won a special election in 2000. Auerbach, a 32-year veteran of the department, succeeded Assessor Kenneth P. Hahn, who retired in early 2000.