
NEWS

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2001-2002 ASSESSMENT ROLL: LOS ANGELES COUNTY PROPERTY VALUES HOLDING STRONG

Los Angeles County Assessor Rick Auerbach today released a record 2001-2002 Property Assessment Roll which reflects a 6.8 percent increase in value - a \$40 billion increase.

The net local Roll (excluding exemptions and state-assessed utilities) totals \$609 billion, Auerbach noted. This is the third year in a row in which the Assessment Roll increased at least six percent - compared to increases of 3 percent or less in the mid-1990s.

“Real estate is one of the key factors in determining the health of our Southland economy,” Auerbach said, “and, locally, there has been high consumer confidence, particularly in the residential market. A vigorous housing market has resulted in the continuing restoration of values on properties previously reduced under Proposition 8.”

This is the second Roll developed under the direction of Auerbach, and the first since he was elected Assessor last November. Auerbach, a 31-year veteran of the department, succeeded Assessor Kenneth P. Hahn, who retired in early 2000.

The biggest factor in the increase resulted from properties which sold or transferred ownership - thus causing a Proposition 13 reassessment. This added \$16.9 billion to the Roll with an average assessment amount added by each transfer increasing from \$80,000 to \$97,000.

The annual Consumer Price Index-related adjustment of two percent on the value of properties which did not change hands resulted in a \$9.1 billion increase to the Roll for the second highest factor in the overall change. The CPI adjustment is mandated by Proposition 13.

Proposition 8 adjustments were the third largest component in producing the \$40 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, 266,000 Proposition 8 properties were examined and 102,000 parcels remained unchanged in value, Auerbach said. Of the remainder, 35,400 parcels were fully restored to the Proposition 13 value, 126,000 were partially restored and 2,600 were further reduced.

It is important to note, Auerbach continued, that the valuation date for these properties was Jan. 1, 2001. Continued value appreciation since then in the residential market will cause assessed value increases next year on many properties which did not receive an upward adjustment this year.

These Proposition 8 value adjustments and related changes accounted for a \$6.7 billion increase in the total Roll.

New construction was again dynamic, Auerbach said, adding \$3.6 billion to the Roll.

Los Angeles City remained the highest valued municipality in the county with a total assessed value of \$232.6 billion (a 7 percent increase over 2000-2001), followed as usual by Long Beach with a \$24.4 billion assessment total (a 6.2 percent jump).

“These figures fairly and accurately reflect the assessed values of property in Los Angeles County due mainly to the dedication, expertise and hard work of the 1,500 men and women who comprise the workforce of the Office of Assessor,” Auerbach said.

“As always, the Departments of Registrar-Recorder/County Clerk, Treasurer and Tax Collector and Auditor-Controller also played a key role in helping us produce a Roll which includes 2.6 million assessments,” he added.