THE CITY OF GLENDALE

2012/13 PROPERTY TAX SUMMARY

The City of Glendale experienced a net taxable value increase of 0.9% for the 2012/13 tax roll, which was slightly less than the increase experienced countywide at 2.1%. The assessed value increase between 2011/12 and 2012/13 was $214 million. The change attributed to the 2% Proposition 13 inflation adjustment was $451 million, which was significantly offset by reductions caused by properties with declining values.

The largest change in value on a single parcel occurred on an institutional parcel owned by Glendale Adventist Medical at 1509 Wilson Terrace. The taxable value declined 77% from the previous year due to the recognition of $275 million of tax exemptions. The exemptions were not reflected on the two previous years' tax rolls which may be due to a late or no filing by the property owner or that the filing was not processed timely by the County.

The Glendale Retirement Residence LP property located at 1551 East Chevy Chase Drive experienced the largest increase in value in the City adding $14.6 million due to new improvements and fixtures.

Parcel subdivision and new construction activity resulted in an increase of this year. There were 78 parcels were dropped and96 parcels were added, resulting in a net assessed value increase of $48.9 million.

The housing market began to rebound during the first half of 2012, as home buying increased due to low interest rates and affordable prices. Foreclosures are at their lowest levels in five years. Median prices and numbers of sale transactions are up statewide. The housing market is poised for recovery but the speed and magnitude of the recovery will depend on the overall economy. The median sale price of a single family home in Glendale from January through August 2012 was $445,000. This represents a $20,000 (-4.3%) decrease in median sale price from 2011.

Year	Sales	Median Price	% Change
2006	1,676	$675,000	
2007	1,415	$675,000	0.00%
2008	1,141	$570,000	-15.56%
2009	1,246	$515,000	-9.65%
2010	1,359	$485,500	-5.73%
2011	1,357	$465,000	-4.22%
2012	1,000	$445,000	-4.30%

2012/13 Tax Shift Summary

ERAF I & II	$-8,739,452
VLFAA (est.)	$16,706,253
Triple Flip	$7,244,054
Triple Flip True up	$429,605

Top 10 Property Taxpayers

	Owner	Revenue	% of Total	Use Type
1.	GGP HOMART II	$4,485,120.86	7.01%	Commercial
2.	AMERICANA AT BRAND LLC	$4,045,440.09	6.32%	Commercial
3.	WALT DISNEY WORLD COMPANY	$3,226,493.34	5.04%	Commercial
4.	WELLS REIT GLENDALE CALIFORNIA LLC	$1,314,293.78	2.05%	Commercial
5.	METROPOLITAN LIFE INSURANCE COMPANY	$1,082,214.63	1.69%	Commercial
6.	DWA GLENDALE PROPERTIES LLC	$1,001,865.50	1.57%	Industrial
7.	BRE BAND CENTRAL HOLDINGS LLC	$975,709.47	1.52%	Commercial
8.	SPUSV5 500 BRAND LP	$970,438.33	1.52%	Commercial
9.	EHP GLENDALE LLC	$887,886.46	1.39%	Commercial
10.	MAGUIRE PROPERTIES 611 N BRAND LLC	$884,801.49	1.38%	Commercial
	Top Ten Total	**$18,874,263.94**	**29.49%**	

Real Estate Trends

Home Sales

Home sales have begun to rebound in many parts of the State. The increased sales are due to less distressed homes on the market and buyers beginning to purchase in mid and high end areas. Low mortgage rates and affordable prices are proving attractive for buyers and finally convincing them to reenter the market. The reported median price of an existing, single family detached home in California during July 2012 was $281,000. This was an 11.5 percent increase from $252,000 in July 2011.

All Homes	Units Sold July-2011	Units Sold July-2012	% Change	Median Price July-2011	Median Price July-2012	% Change
Imperial County	158	44	-72.15%	$126,050	$126,500	0.36%
L. A. County	6,193	7,091	14.50%	$320,000	$330,000	3.13%
Orange County	2,455	3,087	25.74%	$437,500	$450,000	2.86%
Riverside County	3,288	3,546	7.85%	$190,000	$210,500	10.79%
San Bernardino County	2,378	2,434	2.35%	$151,000	$165,000	9.27%
San Diego County	3,041	3,565	17.23%	$325,000	$342,000	5.23%
Ventura County	735	865	17.69%	$360,000	$361,250	0.35%

Recapturing Proposition 8 Reductions

Proposition 13 caps the growth of a property's assessment at no more than 2% each year unless the market value of property falls lower. When property values decline Proposition 8 which was passed by the voters in 1978 allows the property to be temporarily assessed at the lower value. Once reduced, the assessed value and property taxes may increase by more than 2% a year as the property values rise during a real estate recovery. The "recaptured" values can be adjusted upward to the annually adjusted Proposition 13 cap (blue line below).