



GLENDALE

2020/21 PROPERTY TAX SUMMARY



The City of Glendale experienced a net taxable value increase of 4.6% for the 2020/21 tax roll, which was modestly less than the increase experienced countywide at 6.1%. The assessed value increase between 2019/20 and 2020/21 was \$1.6 billion. The change attributed to the 2% Proposition 13 inflation adjustment was \$610 million, which accounted for 39% of all growth experienced in the city.

The largest assessed value increase was reported on a commercial parcel owned by Glendale Adventist Medical Center (1500 E. Chevy Chase Drive). The transfer caused a reassessment and \$31.3 million increase in assessed value. The purchase of three multi-family parcel to Raintree Glendale LLC added \$38.7 million in value to the roll. A 2017 sale occurred on a commercial parcel that is the site of the Hilton Los Angeles North. The value added from the sale has finally been reflected this year and resulted in a \$27.2 million value increase.

The largest assessed value decline was reported on a commercial parcel owned by Camden USA Inc. (3900 San Fernando Road). The owner of the parcel was granted an appeal that reduced values by \$13.7 million. The owner of a multi-family residential parcel owned by Casa De La Paloma LP (133 S. Kenwood Street) did not file for their exemption by the close of the roll last year. The exemption was properly applied this year and resulted in a \$12.8 million decline.

Growth in the number of home sales slowed and, even, declined by mid-2019. Fewer properties were on the market compared with 2018 despite declining mortgage rates. In 2019, economists forecasted a weaker housing market in 2020, even for cities who had achieved pre-recession peak values. In 2020, sale prices have risen as the number of sales declined significantly due to the COVID19 stay at home orders. Prices have continued to rise in response to lower inventory and lower interest rates. The median sale price of a detached single family residential home in Glendale from January through August 2020 was \$1,000,000. This represents a \$70,000 (7.5%) increase in median sale price from 2019.

Year	D-SFR Sales	Median Price	% Change
2014	859	\$705,000	
2015	885	\$765,000	8.51%
2016	873	\$812,000	6.14%
2017	852	\$878,500	8.19%
2018	801	\$931,000	5.98%
2019	762	\$930,000	-0.11%
2020	389	\$1,000,000	7.53%

2020/21 Tax Shift Summary

ERAF I & II	\$-13,083,132
VLFAA (est.)	\$25,021,335

Top 10 Property Owners

Owner	Net Taxable Value	% of Total	Use Type
1. WALT DISNEY WORLD COMPANY	\$658,947,496	1.85%	Commercial
2. GLENDALE MALL ASSOCIATES LLC	\$627,559,647	1.77%	Commercial
3. AMERICANA AT BRAND LLC	\$259,234,925	0.73%	Commercial
4. AMERICANA RESIDENTIAL LLC	\$225,579,930	0.63%	Commercial
5. CP IV GLENDALE LLC	\$207,533,427	0.58%	Vacant
6. LA HANA OW LLC LESSOR	\$203,303,749	0.57%	Industrial
7. GPI 500 BRAND LIMITED	\$193,040,267	0.54%	Commercial
8. DWF V 655 NORTH CENTRAL LLC	\$189,956,232	0.53%	Commercial
9. 120 W WILSON AVENUE APARTMENTS LP	\$189,446,692	0.53%	Residential
10. ONNI 700 BRAND LP	\$184,976,877	0.52%	Commercial
Top Ten Total	\$2,939,579,242	8.27%	

Real Estate Trends

Home Sales

Over the past two years, industry experts expressed concerns about sales volumes declining due to buyer anticipation of a potential drop in housing prices. While a reduction in the number of single-family home sales was experienced in many areas in the past two years and sales price changes reflected modest declines or increases, these market trends were suddenly impacted by the COVID-19 pandemic beginning in March 2020. The number of home sales has dropped significantly as potential buyers stayed home. After major reductions in the number of sales in April and May, sales rebounded. Median sales prices for June increased by 6.5% over May and were up by 2.5% over June 2019. The 30-year, fixed-mortgage interest rate averaged 3.16% in June, down from 3.80% in June 2019.

All Homes	Units Sold June-2019	Units Sold June-2020	% Change	Median Price June-2019	Median Price June-2020	% Change
Imperial County	125	119	-4.80%	\$220,000	\$260,000	18.18%
Los Angeles County	6,656	5,013	-24.68%	\$620,000	\$643,000	3.71%
Orange County	3,083	2,363	-23.35%	\$725,500	\$750,000	3.38%
Riverside County	3,949	3,192	-19.17%	\$385,000	\$405,000	5.19%
San Bernardino County	2,565	2,209	-13.88%	\$328,000	\$335,000	2.13%
San Diego County	3,620	3,351	-7.43%	\$583,000	\$599,000	2.74%
Ventura County	965	746	-22.69%	\$578,000	\$618,250	6.96%

COVID-19

Federal, State, and local governments are working to limit the spread of COVID-19. Orders intended to contain the virus has caused temporary closure of businesses and limited access to retail and service industries. This has and will continue to have impacts on the economy. This pandemic event is not something we have seen before and it is unknown if these conditions will be short or long term. Below are the points you should know:

- According to the California Assoc. of Realtors all major regions declined in the number of sales with Southern California dropping the most at -12.2% while the Central Valley had the smallest decline at -1.5%. Median prices in the Central Valley and in Southern California increased by 7.4% and 3.3%, respectively, based on pent up demand. Other areas reflected similar patterns.
- A reduction in the number of sales during 2020 will result in reduced growth in value for FY2021-22 and a reduction in revenue from real estate transaction tax and supplemental assessments during FY2020-21.
- The Governor issued Executive Order N-61-20 on May 6, 2020. This EO was focused on easing financial hardship resulting from the pandemic. This order did not eliminate required payment of property taxes but did eliminate penalties and interest on late payments for **owner-occupied residential property who do not utilize impound accounts and for SBA qualified small businesses only**. These taxpayers only receive relief if they can demonstrate COVID-19 related hardship. This EO has no impact within counties that utilize Teeter Programs.
- The pandemic's impact on tax revenues will need to be monitored. Any effects will be foreseen by dropping sales values, increases in foreclosure activity and increased property tax delinquency.