



# WEST COVINA

## 2014/15 PROPERTY TAX SUMMARY



The City of West Covina experienced a net taxable value increase of 5.4% for the 2014/15 tax roll, which mirrored the increase experienced countywide at 5.4%. The assessed value increase between 2013/14 and 2014/15 was \$493 million. The change attributed to the 0.454% Proposition 13 inflation adjustment was \$30.8 million, which accounted for 6.2% of all growth experienced in the city.

The largest change in value on a single parcel occurred on a residential parcel at 111 South Barranca Street. A recent purchase by Barranca Medici LP increased the value of the property by \$32.7 million. Walnut Ridge Apartments LP purchased three residential properties for a net gain of \$1.9 million. The parcel at 3401 South Sentous Avenue increased value by \$3.8 million, the parcel at 3839 Amanda Street declined \$4 million and the parcel at 3610 South Nogales Street added \$2.1 million of secured value.

On the loss side, Faith, formerly on the tax rolls as Faith Community Church of West Covina, dropped \$16 million in value due to an exemption. A commercial property owned by Jrsl West Covina LP declined \$6.3 million apparently due to an appeal.

The median price for a single family house in West Covina increased 13.2% through September 2014 to \$428,500 and 23.4% in 2013. The peak median price in 2006 was \$515,250. The median price dropped to its lowest point in 2011 at \$317,000.

The housing market has continued to improve in 2014 although the pace of the improvement has slowed due to increase of interest rates and tight inventories. In most areas, foreclosure levels are back at historical norms as seen in 2006, before the real estate recession. Median sale prices for real estate have continued to increase steadily, but at a slower pace than seen in 2013. The numbers of sale transactions have declined relative to 2013 statewide. The median sale price of a single family home in West Covina from January through December 2014 was \$430,000. This represents a \$52,000 (13.8%) increase in median sale price from 2013.

Year	SFR Sales	Median Price	% Change
2008	589	\$380,000	
2009	869	\$340,000	-10.53%
2010	824	\$347,000	2.06%
2011	843	\$320,000	-7.78%
2012	911	\$317,000	-0.94%
2013	858	\$378,000	19.24%
2014	844	\$430,000	13.76%

### 2014/15 Tax Shift Summary

ERAF I & II	\$-3,634,480
VLFAA	\$9,547,762
Triple Flip	\$3,810,254
Triple Flip True up	\$65,723

### Top 10 Property Owners

Owner	Net Taxable Value	% of Total	Use Type
1. PLAZA WEST COVINA LLC	\$220,306,658	2.30%	Commercial
2. COLE MT WEST COVINA CA LP	\$125,868,555	1.31%	Commercial
3. WALNUT RIDGE APARTMENTS LP	\$55,827,608	0.58%	Residential
4. HASSEN REAL ESTATE PARTNERSHIP	\$53,287,327	0.56%	Commercial
5. BARRANCA MEDICI LP	\$52,402,350	0.55%	Residential
6. GATEWAY CRESCENT LLC	\$46,800,000	0.49%	Commercial
7. EASTLAND TOWER PARTNERSHIP	\$46,100,000	0.48%	Commercial
8. CP LAFAYETTE PARC LLC	\$46,088,474	0.48%	Residential
9. KW CV SUNSET LLC	\$44,824,901	0.47%	Residential
10. KOR BAM SUNSET PLAZA LLC	\$32,287,266	0.34%	Residential
<b>Top Ten Total</b>	<b>\$723,793,139</b>	<b>7.56%</b>	

# Real Estate Trends

## Home Sales

Home sales continue to rebound in many parts of the State but at a slower pace than the prior year due to inventory, interest rate and affordability constraints. The reported median price of an existing, single family detached home in California during June 2014 was \$393,000. This was a 11.6 percent increase from \$352,000 in June 2013.

All Homes	Units Sold June-2013	Units Sold June-2014	% Change	Median Price June-2013	Median Price June-2014	% Change
Imperial County	137	109	-20.44%	\$142,000	\$195,500	37.68%
Los Angeles County	7,342	6,792	-7.49%	\$425,000	\$450,000	5.88%
Orange County	3,350	3,309	-1.22%	\$545,000	\$600,000	10.09%
Riverside County	3,536	3,451	-2.40%	\$269,250	\$300,000	11.42%
San Bernardino County	2,436	2,431	-0.21%	\$204,000	\$240,000	17.65%
San Diego County	4,048	3,736	-7.71%	\$416,500	\$450,000	8.04%
Ventura County	896	935	4.35%	\$450,000	\$470,000	4.44%

## Recapturing SFR Proposition 8 Reductions

In 1978 California voters approved Proposition 8 that (among other things) allows county assessors to reduce the value of properties below their Proposition 13 taxable values when the real estate market declines. Such reductions are to be recaptured as the real estate market improves. Now, after five years of declining real estate values, county assessors are beginning to restore values. The graph below reflects the percentage of assessed value restored in 2013-14 for residential properties that have not changed ownership. Assessors will not restore values to their trended Proposition 13 values until the strength of the market recovery is proven. We are anticipating continued recovery of Proposition 8 reductions for 2014-15. In West Covina 1,007 out of 3,490 properties awaiting recapturing in 2013-14 have been fully reinstated.

**Estimated SFR Prop 8 Recaptures between 2013-14 and 2014-15**

