



THE CITY OF RED BLUFF



2011/12 PROPERTY TAX SUMMARY

The City of Red Bluff experienced a net taxable value decrease of -2.3% for the 2011/12 tax roll, which was somewhat more than the decrease experienced countywide at -0.05%. The assessed value decrease between 2010/11 and 2011/12 was \$-18.3 million. The change attributed to the 0.753% Proposition 13 inflation adjustment was \$5.3 million, which was more than offset by reductions caused by properties with declining values.

The largest assessed value increase was reported on a commercial parcel owned by Greenville Rancheria at 1425 Montgomery Road. Additional fixture and improvement values were reported between tax years for an increase of \$557,497. ATC Realty Sixteen Inc. at 2950 N. Main Street, the former Ford dealership, sold in 2010 for more than the assessor enrolled value for an increase of \$530,120.

The largest assessed value declines were posted on two residential properties. Central Valley Coalition, Kimball Crossing at 1430 S. Jackson Street was granted a full exemption in 2011-12. The exemption which had not been processed timely for each of the past two years had resulted in a temporary inflation of the County Auditor's released values for the city. Durango RV Resorts Red Bluff at 100 Lake Avenue was purchased at the peak of the real estate bubble in 2007 and has been granted a Proposition 8 reduction to bring the assessed value in line with the current market values.

The housing market remained weak during the first half of 2011, as home buying decreased due to skittish buyers and uncertainty in the economy. New home construction is at its lowest level in a decade and sales of homes more than \$500,000 remain slow due to restrictions on jumbo loans. With economic uncertainty likely to keep prices low, buyers don't see urgency to rush into the market. The median sale price of a single family home in Red Bluff from January through August 2011 was \$75,000. This represents a \$15,000 (-16.7%) decrease in median sale price from 2010.

Year	SFR Sales	Median Price	% Change
2005	239	\$204,500	
2006	157	\$216,000	5.62%
2007	129	\$198,000	-8.33%
2008	133	\$150,500	-23.99%
2009	128	\$124,000	-17.61%
2010	147	\$90,000	-27.42%
2011	98	\$75,000	-16.67%

2011/12 Tax Shift Summary

ERAF I & II	\$-480,914
AB27 Payment	
VLFAA (est.)	\$1,043,289
Triple Flip	\$659,739
Triple Flip True up	\$23,601

Top 10 Property Taxpayers

Owner	Revenue	% of Total	Use Type
1. PJ HELICOPTERS INC	\$30,157.34	2.28%	Unsecured
2. HOME DEPOT USA INC	\$19,873.72	1.50%	Industrial
3. WALMART REALTY COMPANY	\$17,419.34	1.32%	Commercial
4. MARSHALL BELLE MILL LLC	\$14,364.86	1.09%	Commercial
5. HELIBRO LLC	\$13,962.65	1.06%	Unsecured
6. CABERNET APARTMENTS	\$12,606.47	0.95%	Residential
7. RALEYS INC	\$12,457.64	0.94%	Commercial
8. PAWAN KUMAR	\$10,440.92	0.79%	Commercial
9. ASSISTED LIVING FACILITIES	\$9,428.73	0.71%	Residential
10. TEHAMA MEDICAL ARTS LLC	\$8,891.51	0.67%	Commercial
Top Ten Total	\$149,603.20	11.31%	

Real Estate Trends

Home Sales

Home sales continued to dip in many parts of the State, in part because sales of lower cost distressed home sales have risen and sales of both newly constructed and high priced properties over \$500,000 have dipped. Despite stable down payment amounts, there is still much hesitation in the market because of less than positive economic reports and uncertainty regarding the Country's debt crisis. The median price of an existing, single family detached home in California during July 2011 was \$252,000, a 6 percent decrease from \$268,000 in July 2010. Of the existing homes sold in July 2011 more than half were either short sales or foreclosures.

All Homes	Units Sold July-2010	Units Sold July-2011	% Change	Median Price July-2010	Median Price July-2011	% Change
Butte County	165	186	12.73%	\$187,000	\$160,000	-14.44%
Nevada County	120	155	29.17%	\$295,000	\$261,000	-11.53%
Placer County	572	616	7.69%	\$285,500	\$255,000	-10.68%
Shasta County	152	166	9.21%	\$171,550	\$145,000	-15.48%
Sutter County	87	95	9.20%	\$170,000	\$140,000	-17.65%
Tehama County	29	44	51.72%	\$65,250	\$114,000	74.71%
Yolo County	189	199	5.29%	\$247,100	\$225,000	-8.94%

Commercial & Industrial Appeals

Commercial and Industrial appeals have been filed in huge numbers equal to or exceeding the numbers experienced during the last real estate downturn in the mid-1990s. The filings which ramped up in 2008 have increased in number over the past 3 years and more appeals have entered the hearing process because owners and assessor staff are unable to reach a stipulated reduced value. Appeals, which often take several years to resolve, result in a multi-year revenue reduction in the year they are resolved. The taxpayer refunds from successful appeals within the general fund portion of cities are all pooled and the reductions are apportioned based on each taxing entities share of revenue generated countywide. This means that appeals granted mid-year outside your jurisdiction will result in a pro-rata reduction to your jurisdiction's general fund revenue. The overall appeal success rate in counties where the data is available for purchase is in excess of 60% and when successful, values on average are reduced 20%.

