



THE CITY OF RED BLUFF



2012/13 PROPERTY TAX SUMMARY

The City of Red Bluff experienced a net taxable value decrease of -4.5% for the 2012/13 tax roll, which was slightly more than the decrease experienced countywide at -3.5%. The assessed value decrease between 2011/12 and 2012/13 was \$-34.8 million. The change attributed to the 2% Proposition 13 inflation adjustment was \$13.9 million, which was more than offset by reductions caused by properties with declining values.

The largest assessed value increase was reported on a commercial owned by Redding Hotel LLC at 2800 Main Street (Holiday Inn Express/ARCO) after the addition of new improvement values for an increase of \$1 million. Commercial property at 2540 Sister Mary Columba Drive owned by Paskenta Band of Nomlaki Indians posted an increase of \$478,887 after the addition of personal property assets at this location which is a medical facility. The Redding Oil Company (Valero Gas Station) at 782 Antelope Boulevard transferred ownership in 2010 and the current value reflects the price paid in the sale transaction for an increase of \$420,949.

The largest decline was posted by Home Depot USA at 2650 Main Street which was granted a reduction after filing for an appeal. This property was purchased and developed at the peak of the market in 2005 and has been granted a reduction of \$2.5 Million. This accounts for the industrial decline city-wide. ATC Realty Sixteen Inc./Wells Fargo Bank has been taken back by the bank and devalued. This is the location of a former car dealership and the year to year decline in taxable values is \$1.8 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 Red Bluff from January through August 2012 was \$83,250. This represents a \$8,250 (11.0%) increase in median sale price from 2011.

Year	SFR Sales	Median Price	% Change	2012/13 Tax Shift Summary	
2006	157	\$216,000		ERAF I & II	\$-454,687
2007	129	\$198,000	-8.33%	VLFAA (est.)	\$985,899
2008	133	\$150,500	-23.99%	Triple Flip	\$663,970
2009	118	\$118,750	-21.10%	Triple Flip True up	\$-6,494
2010	140	\$90,000	-24.21%		
2011	149	\$75,000	-16.67%		
2012	98	\$83,250	11.00%		

Top 10 Property Taxpayers

Owner	Revenue	% of Total	Use Type
1. PJ HELICOPTERS INC	\$27,625.84	2.18%	Unsecured
2. HELIBRO LLC	\$20,550.93	1.62%	Unsecured
3. WALMART REALTY COMPANY	\$17,872.58	1.41%	Commercial
4. HOME DEPOT USA INC	\$15,425.61	1.21%	Industrial
5. MARSHALL BELLE MILL LLC	\$12,830.93	1.01%	Commercial
6. RALEYS	\$12,112.99	0.95%	Commercial
7. TEHAMA MEDICAL ARTS LLC	\$10,077.40	0.79%	Commercial
8. CABERNET APARTMENTS	\$9,813.02	0.77%	Residential
9. ASSISTED LIVING FACILITIES	\$9,811.94	0.77%	Residential
10. PAWAN KUMAR	\$8,255.82	0.65%	Commercial
Top Ten Total	\$144,377.06	11.37%	

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
Butte County	192	259	34.90%	\$160,000	\$163,500	2.19%
Nevada County	155	181	16.77%	\$261,000	\$275,000	5.36%
Placer County	624	721	15.54%	\$255,000	\$290,500	13.92%
Shasta County	164	206	25.61%	\$145,000	\$155,000	6.90%
Sutter County	96	89	-7.29%	\$140,000	\$148,500	6.07%
Tehama County	34	36	5.88%	\$96,000	\$93,000	-3.13%
Yolo County	199	221	11.06%	\$225,000	\$260,000	15.56%

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).

