



THE CITY OF IMPERIAL BEACH



2011/12 PROPERTY TAX SUMMARY

The City of Imperial Beach experienced a net taxable value decrease of -0.04% for the 2011/12 tax roll, which was slightly weaker than the increase experienced countywide at 0.5%. The assessed value decrease between 2010/11 and 2011/12 was \$-573 thousand. The change attributed to the 0.753% Proposition 13 inflation adjustment was \$10.4 million, which was more than offset by reductions caused by properties with declining values.

The greatest increase in value for a secured parcel occurred due to a change of ownership for a residential parcel located at 740-98 Florida Street. It was recently purchased by 6 Degrees Realty Capital Inc. adding \$5.3 million in new secured value. The second largest increase was also due to a change of ownership when JP Morgan Chase Bank purchase a commercial property at 1100 Palm Avenue adding almost \$1.7 million to the tax roll.

A reduction of personal property by California American Water at 1019 Cherry Avenue led to an almost \$7 million decline.

Parcel subdivision and new construction activity resulted in an increase of value this year. Twenty parcels were dropped and 11 parcels were added, resulting in a net assessed value increase of \$454,931.

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 Imperial Beach from January through February 2012 was \$249,000. This represents a \$10,500 (4.4%) increase in median sale price from 2011.

Year	SFR Sales	Median Price	% Change	2011/12 Tax Shift Summary	
2005	204	\$485,000		ERAF I & II	\$-1,004,563
2006	151	\$477,000	-1.65%	VLFAA (est.)	\$2,038,833
2007	125	\$425,000	-10.90%	Triple Flip	\$202,536
2008	164	\$300,000	-29.41%	Triple Flip True up	\$-356
2009	183	\$235,000	-21.67%		
2010	201	\$238,000	1.28%		
2011	176	\$238,500	0.21%		
2012	32	\$249,000	4.40%		

Top 10 Property Taxpayers

Owner	Revenue	% of Total	Use Type
1. KREUTZKAMP REVOCABLE 2000 TRUST	\$81,737.61	0.98%	Residential
2. 6 DEGREES REALTY CAPITAL INC	\$70,406.87	0.84%	Residential
3. IMPERIAL STRAND HOLDINGS LLC	\$55,961.25	0.67%	Residential
4. MARINERS POINT HOLDINGS LLC	\$49,269.46	0.59%	Residential
5. 1400-13TH STREET IMPERIAL HOUSE APARTMEN	\$45,699.97	0.55%	Residential
6. DUGAN COMPANY LP	\$42,732.09	0.51%	Residential
7. APPLE BLOSSOM FAMILY LP	\$36,523.59	0.44%	Residential
8. SHURGARD-RESCO III LLC	\$30,154.28	0.36%	Industrial
9. ALBERTSON'S LLC	\$28,834.84	0.34%	Commercial
10. PEREZ FAMILY TRUST	\$26,487.35	0.32%	Residential
Top Ten Total	\$467,807.30	5.58%	

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
Imperial County	179	157	-12.29%	\$131,000	\$126,000	-3.82%
L. A. County	6,515	6,193	-4.94%	\$339,000	\$320,000	-5.60%
Orange County	2,527	2,455	-2.85%	\$450,000	\$437,500	-2.78%
Riverside County	3,529	3,288	-6.83%	\$200,000	\$190,000	-5.00%
San Bernardino County	2,556	2,378	-6.96%	\$155,000	\$151,000	-2.58%
San Diego County	3,070	3,041	-0.94%	\$338,000	\$325,000	-3.85%
Ventura County	749	735	-1.87%	\$370,000	\$360,000	-2.70%

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%.

