

MEDIA RELEASE

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Lawrence E. Stone, Assessor

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Assessor's office releases detailed market data for 25 regions in Santa Clara County

Silicon Valley's rising economic tide lifts all communities for third straight year

Earlier today, the Santa Clara County Assessor's Office released market trend property value data that is being used by the Assessor to determine the assessed value of all residential property, including the status of the remaining 36,000 residential and 2,000 commercial properties in which the assessment was reduced during the prior year due to the decline in property values during the Great Recession. "This market data confirms the continued strength of Silicon Valley's economy. For the first time in years, every city in Santa Clara County experienced a year-over-year increase in market values," said County Assessor Larry Stone. Despite the economic recovery, 23,000 properties remain assessed below their base year purchase price. The assessed values of the remaining 13,500 properties, that did not change ownership, were increased to reflect the recovering market—up to their Proposition 13-protected base year value.

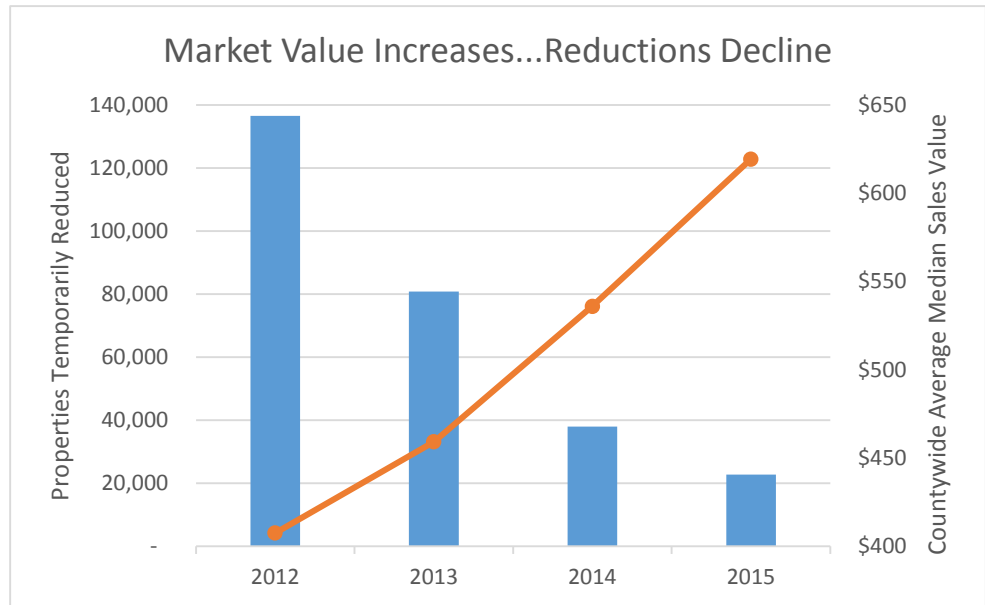
"Overall, this is very good news for these 36,000 homeowners who weathered the biggest downturn since the Great Depression. For most people, their home is their largest asset, so for every dollar increase in property taxes, there is a \$100 increase in homeowner equity," said Stone. "After several years of losing equity, property owners are finally gaining a long-awaited appreciation in the value of their property."

For 13,500 properties, the value lost during the Great Recession was fully restored this year, and the market value now exceeds the original purchase price. While the assessed value of the remaining 23,000 properties increased, allowing for the restoration of some lost equity, they are still assessed below their Proposition 13-assessed value.

"Unfortunately, the depth of the recession was so severe that even the 'red-hot' residential market we are experiencing hasn't been great enough to restore all value lost during the downturn," said Stone.

This is the third consecutive year that the number of properties assessed below their purchase price has declined. As reflected in the table below these reductions correspond directly to increases in market value.

When the market value of a property declines below the previously established assessed value measured as of January 1 each year (lien date), the Assessor is required to proactively reduce the assessed value to reflect the lower market value. However, as the real estate market rebounds, the Assessor is required to “restore” the assessed value for properties previously reduced during the downturn.



Proposition 8, passed by California voters in November 1978, provides that property owners are entitled to the lower of the fair market value of their property (as of January 1, 2015), or the base year value as determined at the time of purchase or construction, and increased in accordance with Proposition 13 by no more than two percent annually. To learn more about Proposition 8 go to <https://www.sccassessor.org/index.php/online-services/decline-in-value/prop-8-information>.

If a property assessment was reduced during the recession, the restoration of its assessed value is not limited to two percent, until the market value reaches a property’s purchase price plus the annual inflation factor of no more than two percent. “The market alone determines whether the assessed value of a property is reduced, partially or fully restored,” Stone said.

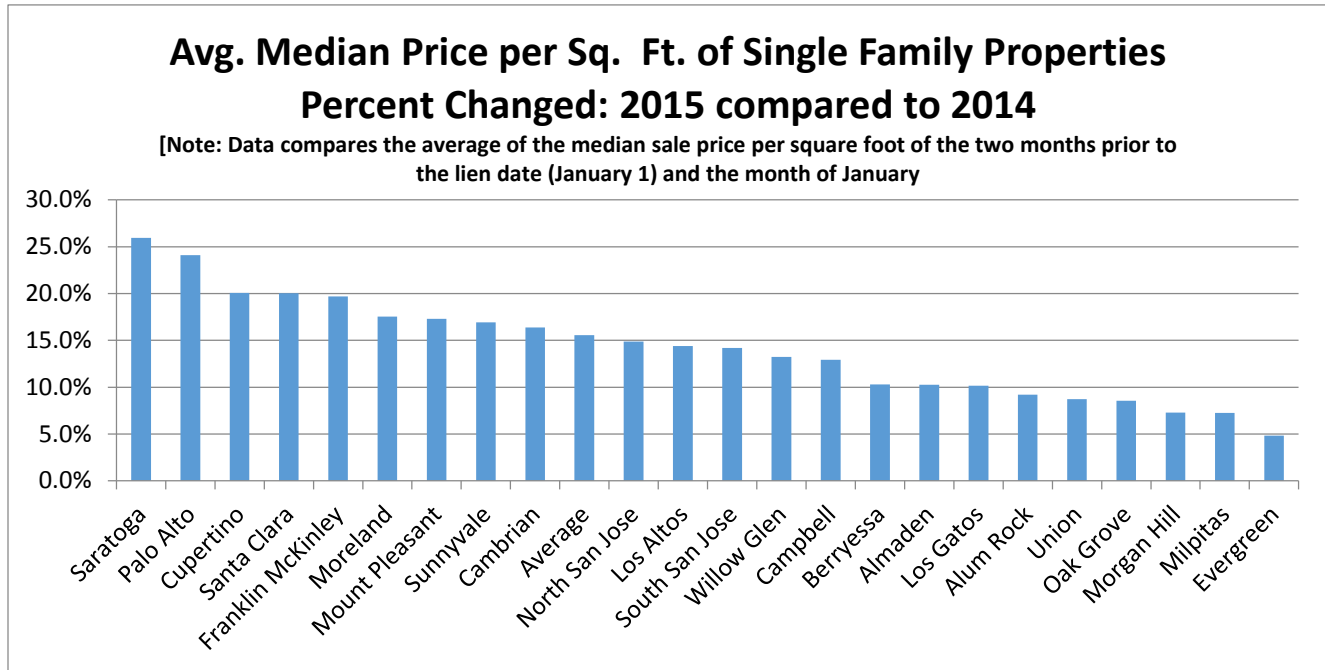
For the remaining nearly 400,000 residential properties, the assessed values will increase by 1.998 percent, the California Consumer Price Index (CPI) for the 2015-2016 property tax roll. Consistent with the limits imposed by Proposition 13, a property’s base value is increased by 2% per year (or less if the California CPI is less than 2%). During for the last six years the CPI has been below 2%, and in 2010-2011 the CPI was actually negative.

The Assessor’s Office is in the final stages of completing several thousand appraisals, audits, and other tasks required to close the assessment roll by the statutory deadline of July 1, 2015.

Market Data

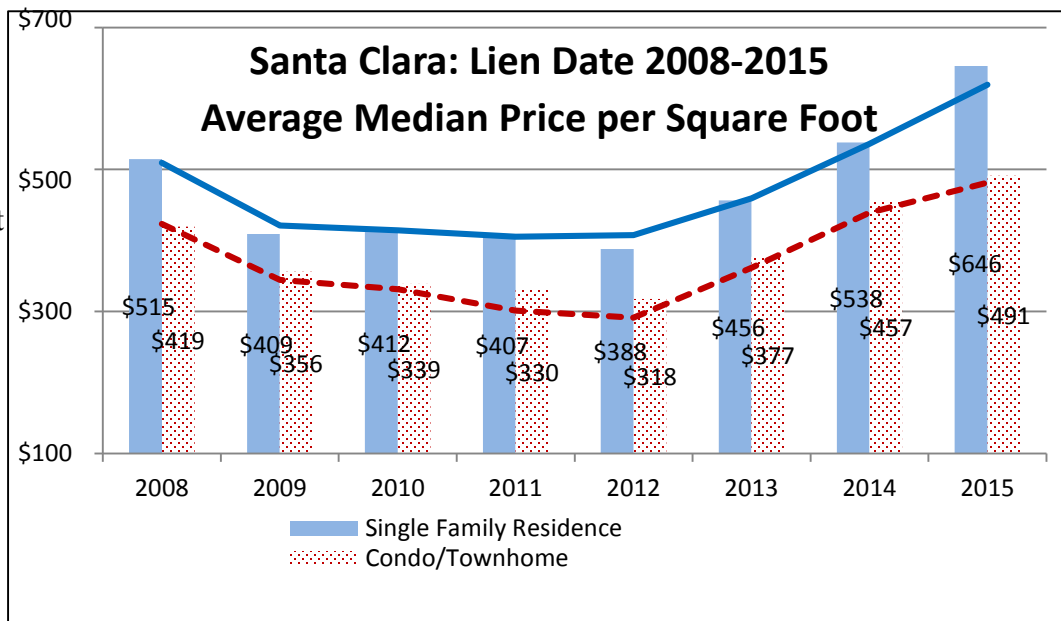
The Assessor has made available to the public the key market data used to arrive at increases in assessed values for single family homes and condominiums. “By providing this information prior to the close of the assessment roll, we hope to better inform homeowners about changing market conditions in their areas, and prepare them for potential increases in assessed values and property taxes,” said Stone. The data is broken down by 25 geographic areas, primarily following elementary school district boundaries. Detailed charts and maps of each area are available online at <https://www.sccassessor.org/index.php/median-sales-price-2015> or upon request.

Every area recorded increases compared to the prior year, and a majority of the parcels experienced double-digit increases, reflecting the strength of the local economy.

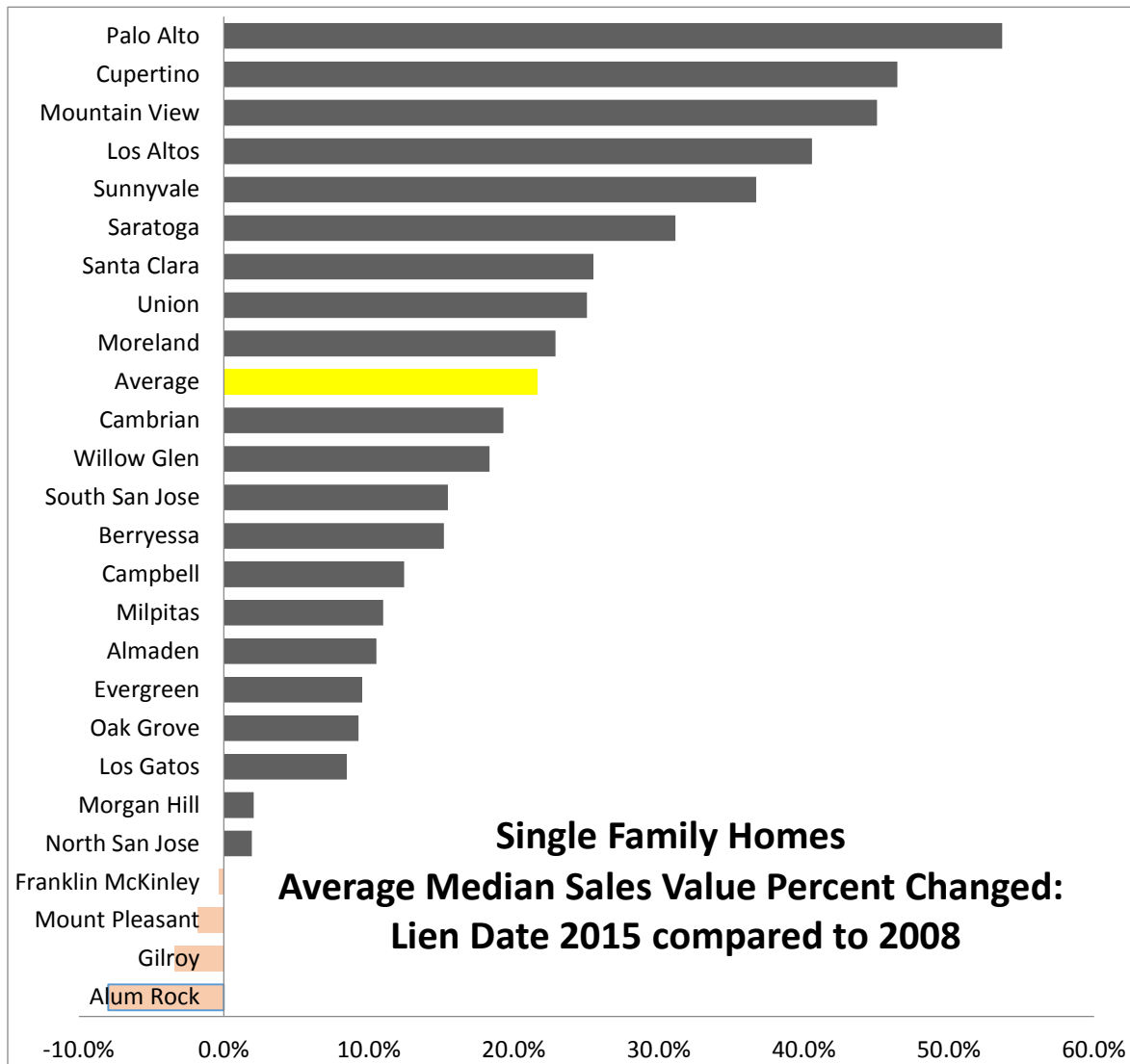


There are significant differences in the market values of residential and condominium properties for each of the 25 geographic areas. Despite a very strong real estate market, certain neighborhoods are still struggling. “Silicon Valley is a national leader in the economic recovery. Unfortunately, not every area of Silicon Valley

has benefited equally in the recovery,” said Stone. The chart on the right illustrates the difference in the average of two months’ median sales value of a home as of the lien date in 2008 compared to 2015 in the City of Santa Clara.



Incredibly, during the same seven-year period the market value of properties in the cities of Los Altos, Mountain View, Cupertino and Palo Alto surged more than 40% above 2008 (see chart below).

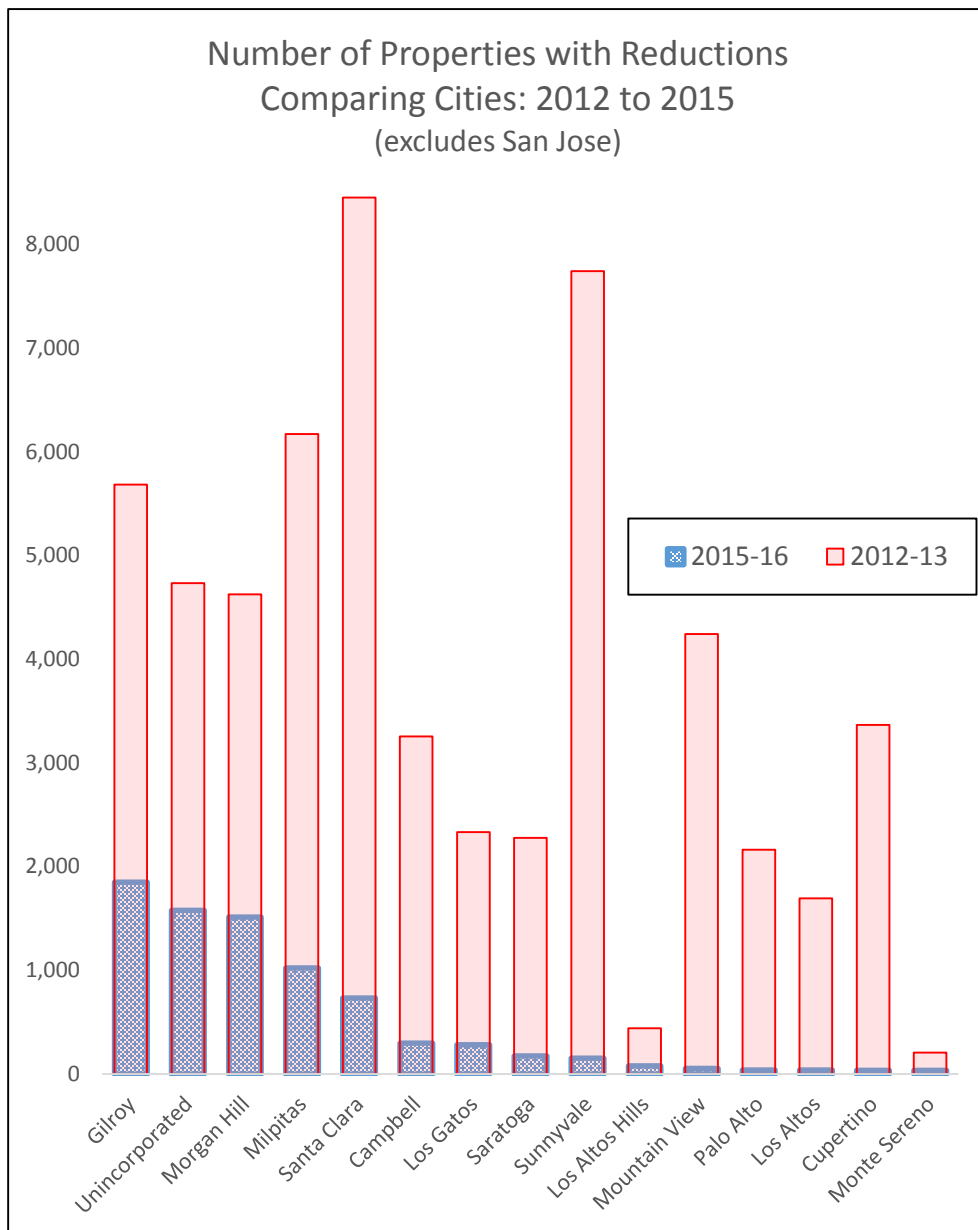


The Assessor’s Office tracks all property sales transactions on a monthly basis, and calculates the average median sales price within each of 25 regional areas. The changes in the average of median sales prices are used to determine assessment adjustments based on the sales of comparable properties. “I want to stress that this information is only one indicator, albeit an important one, used by the Assessor’s Office to determine changes in the marketplace. However, they are NOT a direct indicator of increases in assessed values. Many other factors such as location, school district, quality, age, and number of bedrooms impact property values,” Stone said.

Not surprisingly, there are very few properties in these “high-end” communities where the assessed values remain below the purchase price. In contrast, one-third of the 5,700 properties in Gilroy that were in a declined status in 2012 remain below their purchase price. In San Jose, the assessed value of 19 percent (over 14,000 properties) remain in a decline status.

Notification of Assessed Values

During the last weekend of June all property owners will receive their annual notice informing them of their 2015 assessed value, which is the basis for their property tax bill. “Santa Clara County is one of only ten counties in California to provide this early notice. Most property owners in California learn of their assessed value for the first time when they receive their tax bill,” said Stone.



On June 26, the Assessor will mail 483,000 assessment notices to every property owner in Santa Clara County. In addition to the assessed value, the notice details the process for requesting an informal review of their assessment. The Assessor’s Office will complete as many informal reviews as possible prior to August 1, the deadline for making changes that will be reflected on the property tax bill. To request an informal review go online to <https://www.sccassessor.org/index.php/online-services/decline-in-value/decline-in-value-request>. The notice also describes the process for filing a formal assessment appeal by the September 15, 2015 deadline and more information is available at <http://www.sccgov.org/sites/bos/cob/Assessment-Appeals/Pages/default.aspx>.

The Assessor also has an “online tool,” available 24/7 at www.sccassessor.org, that enables property owners to login and identify which comparable sales were used to support their assessment. “This is part of our continuing commitment to provide a high level of customer service, plus it dramatically reduces the number of phone calls and inquiries. Understanding how we determined assessed values, for most homeowners, no longer requires calling—or worse, driving—to our office during business hours,” said Stone. To access the data, a property owner must provide the user name and password created last year, or the PIN provided in the notification.

“If you are one of thousands of property owners who logged in last year to review your appraisal, and also signed up for our new ‘Email Opt-In,’ you will receive the added benefit of an early electronic notice. This is especially important if a property owner wishes to request an informal review of their assessed value, as we administer reviews on a first-in, first-served basis,” said Stone.

Attached are a summary of the Proposition 8 data broken down by city, school district and property type; a table comparing the average of the median sales price-per-square-foot for the two months prior to the lien date (January 1) and the month of January for lien date 2008 through lien date 2015 for each of the 25 geographic regions. The summary also includes a sample of one of the 25 communities for which a bar chart is available for each area online at <https://www.sccassessor.org/index.php/median-sales-price-2015>, reflecting market value increases for condominiums and single family homes.



Santa Clara County
 Temporary Reductions - Proposition 8 Data by City and RDA
 2015-16 Compared to 2014-15

□

City	RDA Code	Roll Close 2014-15			2015-16 as of 6-8-15			% Change		
		Net Delta	Count	Avg/Parcel	Net Delta	Count	Avg/Parcel	Net Delta	Count	Avg/Parcel
Campbell	City	\$138,076,156	701	\$ 196,970	\$95,383,818	266	\$ 358,586	-30.92%	-62.05%	82.05%
	RDA	\$22,981,135	57	\$ 403,178	\$20,614,078	31	\$ 664,970	-10.30%	-45.61%	64.93%
	Total	\$161,057,291	758	\$ 212,477	\$115,997,896	297	\$ 390,565	-27.98%	-60.82%	83.82%
Cupertino	City	\$54,906,564	139	\$ 395,011	\$32,180,178	37	\$ 869,735	-41.39%	-73.38%	120.18%
	Total	\$54,906,564	139	\$ 395,011	\$32,180,178	37	\$ 869,735	-41.39%	-73.38%	120.18%
Gilroy	City	\$433,176,590	2,349	\$ 184,409	\$364,136,470	1,851	\$ 196,724	-15.94%	-21.20%	6.68%
	Total	\$433,176,590	2,349	\$ 184,409	\$364,136,470	1,851	\$ 196,724	-15.94%	-21.20%	6.68%
Los Altos	City	\$47,190,879	120	\$ 393,257	\$16,321,611	39	\$ 418,503	-65.41%	-67.50%	6.42%
	Total	\$47,190,879	120	\$ 393,257	\$16,321,611	39	\$ 418,503	-65.41%	-67.50%	6.42%
Los Altos Hills	City	\$154,714,424	133	\$ 1,163,266	\$111,763,568	78	\$ 1,432,866	-27.76%	-41.35%	23.18%
	Total	\$154,714,424	133	\$ 1,163,266	\$111,763,568	78	\$ 1,432,866	-27.76%	-41.35%	23.18%
Los Gatos	City	\$157,577,198	490	\$ 321,586	\$107,598,705	245	\$ 439,178	-31.72%	-50.00%	36.57%
	RDA	\$16,294,275	83	\$ 196,317	\$7,337,383	38	\$ 193,089	-54.97%	-54.22%	-1.64%
	Total	\$173,871,473	573	\$ 303,441	\$114,936,088	283	\$ 406,135	-33.90%	-50.61%	33.84%
Milpitas	City	\$190,640,123	1,065	\$ 179,005	\$137,177,703	694	\$ 197,662	-28.04%	-34.84%	10.42%
	RDA	\$353,477,865	563	\$ 627,847	\$301,631,293	329	\$ 916,812	-14.67%	-41.56%	46.02%
	Total	\$544,117,988	1,628	\$ 334,225	\$438,808,996	1,023	\$ 428,943	-19.35%	-37.16%	28.34%
Monte Sereno	City	\$46,915,436	86	\$ 545,528	\$25,283,280	37	\$ 683,332	-46.11%	-56.98%	25.26%
	Total	\$46,915,436	86	\$ 545,528	\$25,283,280	37	\$ 683,332	-46.11%	-56.98%	25.26%
Morgan Hill	City	\$328,586,666	1,389	\$ 236,563	\$249,589,390	1,108	\$ 225,261	-24.04%	-20.23%	-4.78%
	RDA	\$97,419,221	524	\$ 185,915	\$75,976,532	407	\$ 186,675	-22.01%	-22.33%	0.41%
	Total	\$426,005,887	1,913	\$ 222,690	\$325,565,922	1,515	\$ 214,895	-23.58%	-20.81%	-3.50%
Mountain View	City	\$63,757,114	272	\$ 234,401	\$17,589,085	52	\$ 338,252	-72.41%	-80.88%	44.30%
	RDA	\$38,653,686	7	\$ 5,521,955	\$10,516,647	1	\$ 10,516,647	-72.79%	-85.71%	90.45%
	Total	\$102,410,800	279	\$ 367,064	\$28,105,732	53	\$ 530,297	-72.56%	-81.00%	44.47%
Palo Alto	City	\$118,094,120	175	\$ 674,824	\$53,967,238	39	\$ 1,383,775	-54.30%	-77.71%	105.06%
	Total	\$118,094,120	175	\$ 674,824	\$53,967,238	39	\$ 1,383,775	-54.30%	-77.71%	105.06%
San Jose	City	\$3,339,772,647	23,339	\$ 143,098	\$2,100,320,640	14,138	\$ 148,559	-37.11%	-39.42%	3.82%
	RDA	\$855,339,476	975	\$ 877,271	\$533,517,253	723	\$ 737,922	-37.63%	-25.85%	-15.88%
	Total	\$4,195,112,123	24,314	\$ 172,539	\$2,633,837,893	14,861	\$ 177,232	-37.22%	-38.88%	2.72%
Santa Clara	City	\$500,702,871	1,778	\$ 281,610	\$289,153,989	730	\$ 396,101	-42.25%	-58.94%	40.66%
	RDA	\$20,880,574	13	\$ 1,606,198	\$10,274,596	4	\$ 2,568,649	-50.79%	-69.23%	59.92%
	Total	\$521,583,445	1,791	\$ 291,225	\$299,428,585	734	\$ 407,941	-42.59%	-59.02%	40.08%
Saratoga	City	\$319,282,812	591	\$ 540,242	\$125,775,511	176	\$ 714,634	-60.61%	-70.22%	32.28%
	Total	\$319,282,812	591	\$ 540,242	\$125,775,511	176	\$ 714,634	-60.61%	-70.22%	32.28%
Sunnyvale	City	\$155,545,147	1,055	\$ 147,436	\$100,298,706	150	\$ 668,658	-35.52%	-85.78%	353.52%
	RDA	\$1,080,811	11	\$ 98,256	\$752,506	2	\$ 376,253	-30.38%	-81.82%	282.93%
	Total	\$156,625,958	1,066	\$ 146,929	\$101,051,212	152	\$ 664,811	-35.48%	-85.74%	352.47%
Unincorporated	City	\$551,931,229	2,074	\$ 266,119	\$419,316,494	1,580	\$ 265,390	-24.03%	-23.82%	-0.27%
	Total	\$551,931,229	2,074	\$ 266,119	\$419,316,494	1,580	\$ 265,390	-24.03%	-23.82%	-0.27%
Report Total		\$8,006,997,019	37,989	\$ 210,771	\$5,206,476,674	22,755	\$ 228,806	-34.98%	-40.10%	8.56%



Santa Clara County Assessor's Office
 Temporary Reduction - Proposition 8 by Property Type
 2015-16 Compared to 2014-15

Property Type	Roll Close 2014-15			2015-16 as of 6-8-15			% Change		
	Net Delta	Count	Avg/Parcel	Net Delta	Count	Avg/Parcel	Net Delta	Count	Avg/Parcel
2-4 FAMILY RESIDENTIAL	\$97,084,705	828	\$117,252	\$50,655,510	455	\$111,331	-47.82%	-45.05%	-5.05%
5 OR MORE RESIDENTIAL	\$52,117,544	192	\$271,446	\$32,590,451	62	\$525,652	-37.47%	-67.71%	93.65%
AGRICULTURAL/EXTRACTION	\$99,290,871	148	\$670,884	\$95,685,116	160	\$598,032	-3.63%	8.11%	-10.86%
CONDO	\$816,059,625	11,101	\$73,512	\$444,081,863	6984	\$63,586	-45.58%	-37.09%	-13.50%
DEPT STORES & MARKETS	\$204,484,988	58	\$3,525,603	\$166,412,973	48	\$3,466,937	-18.62%	-17.24%	-1.66%
ELECTRONICS & ELEC	\$205,029,299	12	\$17,085,775	\$190,446,599	6	\$31,741,100	-7.11%	-50.00%	85.78%
INDUSTRIAL NON MFG	\$479,428,852	295	\$1,625,183	\$320,259,320	223	\$1,436,140	-33.20%	-24.41%	-11.63%
OFFICE USE	\$663,517,780	414	\$1,602,700	\$603,262,288	373	\$1,617,325	-9.08%	-9.90%	0.91%
OTHER MFG AND INFRASTRUCT	\$63,800,222	164	\$389,026	\$53,499,495	149	\$359,057	-16.15%	-9.15%	-7.70%
OTHER URBAN	\$480,559,449	336	\$1,430,236	\$394,258,474	288	\$1,368,953	-17.96%	-14.29%	-4.28%
PUBLIC & QUASI PUBLIC	\$7,293,725	7	\$1,041,961	\$14,237,595	8	\$1,779,699	95.20%	14.29%	70.80%
R & D OF MFG FIRMS	\$725,439,381	123	\$5,897,881	\$544,767,899	93	\$5,857,719	-24.91%	-24.39%	-0.68%
SINGLE FAMILY RESIDENTIAL	\$3,788,793,613	24,052	\$157,525	\$2,106,219,863	13697	\$153,772	-44.41%	-43.05%	-2.38%
SPECIALTY RESIDENTIAL	\$180,675	1	\$180,675	\$380,174	3	\$126,725	0.00%	0.00%	0.00%
SPECIALTY RETAIL & HOTELS	\$323,916,290	258	\$1,255,489	\$189,719,054	206	\$920,966	-41.43%	-20.16%	-26.64%
Report Total	\$8,006,997,019	37,989	\$210,771	\$5,206,476,674	22,755	\$228,806	-34.98%	-40.10%	8.56%

Summary	Net Delta	Count	Avg/Parcel	Net Delta	Count	Avg/Parcel	Net Delta	Count	Avg/Parcel
Residential (SFR, 2-4, Condo)	\$4,701,937,943	35,981	\$130,678	\$2,600,957,236	21,136	\$123,058	-44.68%	-41.26%	-5.83%
All Other	\$3,305,059,076	2,008	\$1,645,946	\$2,605,519,438	1,619	\$1,609,339	-21.17%	-19.37%	-2.22%
Total	\$8,006,997,019	37,989	\$210,771	\$5,206,476,674	22,755	\$228,806	-34.98%	-40.10%	8.56%



Santa Clara County Temporary Reductions - Proposition 8 Data by School District 2015-16 Compared to 2014-15

		Roll Close 2014-15			Roll Close 2015-16 as of 6-8-2015			% Change		
High School	Elementary School	Net Delta	Count	Average	Net Delta	Count	Average	Net Delta	Count	Average
CAMPBELL UNION HS	BURBANK	\$8,210,792	64	\$128,294	\$3,906,529	39	\$100,167	-52.4%	-39.1%	-21.92%
	CAMBRIAN	\$80,952,236	782	\$103,519	\$38,524,909	292	\$131,935	-52.4%	-62.7%	27.45%
	CAMPBELL UNION	\$298,545,520	1,876	\$159,139	\$188,398,065	885	\$212,879	-36.9%	-52.8%	33.77%
	MORELAND	\$53,150,338	511	\$104,012	\$23,158,181	119	\$194,607	-56.4%	-76.7%	87.10%
	UNION EL	\$81,953,600	526	\$155,805	\$39,974,472	176	\$227,128	-51.2%	-66.5%	45.78%
	Total	\$522,812,486	3,759	\$139,083	\$293,962,156	1,511	\$194,548	-43.8%	-59.8%	39.88%
EAST SIDE UNION HS	ALUM ROCK UNION	\$341,648,348	2,622	\$130,301	\$237,533,620	1,846	\$128,675	-30.5%	-29.6%	-1.25%
	BERRYESSA UNION	\$246,778,607	2,157	\$114,408	\$129,543,714	1,226	\$105,664	-47.5%	-43.2%	-7.64%
	EVERGREEN	\$545,956,466	2,684	\$203,412	\$426,086,541	1,969	\$216,397	-22.0%	-26.6%	6.38%
	FRANKLIN McKINLEY	\$402,464,891	2,957	\$136,106	\$242,425,080	1,921	\$126,197	-39.8%	-35.0%	-7.28%
	MOUNT PLEASANT	\$98,426,801	677	\$145,387	\$56,653,911	401	\$141,282	-42.4%	-40.8%	-2.82%
	OAK GROVE	\$542,161,997	3,287	\$164,941	\$316,319,347	2,213	\$142,937	-41.7%	-32.7%	-13.34%
	ORCHARD	\$446,901,063	797	\$560,729	\$320,381,693	530	\$604,494	-28.3%	-33.5%	7.80%
	Total	\$2,624,338,173	15,181	\$172,870	\$1,728,943,906	10,106	\$171,081	-34.1%	-33.4%	-1.03%
FREMONT UNION HS	CUPERTINO UNION	\$186,538,213	392	\$475,863	\$81,587,288	110	\$741,703	-56.3%	-71.9%	55.86%
	SUNNYVALE EL	\$105,847,318	907	\$116,700	\$75,737,458	120	\$631,145	-28.4%	-86.8%	440.83%
	Total	\$292,385,531	1,299	\$225,085	\$157,324,746	230	\$684,021	-46.2%	-82.3%	203.89%
GILROY UF H	GILROY UF H	\$521,956,550	2,646	\$197,262	\$441,325,396	2,126	\$207,585	-15.4%	-19.7%	5.23%
	Total	\$521,956,550	2,646	\$197,262	\$441,325,396	2,126	\$207,585	-15.4%	-19.7%	5.23%
LOS GATOS UNION JT	LAKESIDE UNION	\$2,284,269	13	\$175,713	\$1,728,083	8	\$216,010	-24.3%	-38.5%	22.93%
	LOMA PRIETA UNION	\$6,003,922	37	\$162,268	\$3,682,368	23	\$160,103	-38.7%	-37.8%	-1.33%
	LOS GATOS-SARATO	\$189,201,573	583	\$324,531	\$131,404,769	312	\$421,169	-30.5%	-46.5%	29.78%
	SARATOGA	\$328,846,693	487	\$675,250	\$143,761,944	160	\$898,512	-56.3%	-67.1%	33.06%
	Total	\$526,336,457	1,120	\$469,943	\$280,577,164	503	\$557,807	-46.7%	-55.1%	18.70%
MILPITAS UF H	MILPITAS UF H	\$545,910,446	1,638	\$333,279	\$440,222,981	1,032	\$426,573	-19.4%	-37.0%	27.99%
	Total	\$545,910,446	1,638	\$333,279	\$440,222,981	1,032	\$426,573	-19.4%	-37.0%	27.99%
MORGAN HILL UF H	MORGAN HILL UF H	\$728,912,503	2,875	\$253,535	\$590,521,051	2,296	\$257,196	-19.0%	-20.1%	1.44%
	Total	\$728,912,503	2,875	\$253,535	\$590,521,051	2,296	\$257,196	-19.0%	-20.1%	1.44%
MT VIEW LOS ALTOS	LOS ALTOS EL	\$155,699,384	220	\$707,724	\$96,677,487	99	\$976,540	-37.9%	-55.0%	37.98%
	MOUNTAIN VIEW EL	\$101,919,827	263	\$387,528	\$28,105,732	53	\$530,297	-72.4%	-79.8%	36.84%
	Total	\$257,619,211	483	\$533,373	\$124,783,219	152	\$820,942	-51.6%	-68.5%	53.92%
PALO ALTO UF H	PALO ALTO UF H	\$180,081,178	233	\$772,881	\$91,545,036	63	\$1,453,096	-49.2%	-73.0%	88.01%
	Total	\$180,081,178	233	\$772,881	\$91,545,036	63	\$1,453,096	-49.2%	-73.0%	88.01%
PATTERSON JT H	PATTERSON JT H	\$0	-	#DIV/0!	\$260,700	3	\$86,900	0.0%	0.0%	0.00%
	Total	\$0	-	#DIV/0!	\$260,700	3	\$86,900	0.0%	0.0%	0.00%
SAN JOSE UF H	SAN JOSE UF H	\$1,208,941,525	6,753	\$179,023	\$689,980,531	3,864	\$178,566	-42.9%	-42.8%	-0.25%
	Total	\$1,208,941,525	6,753	\$179,023	\$689,980,531	3,864	\$178,566	-42.9%	-42.8%	-0.25%
SANTA CLARA UF H	SANTA CLARA UF H	\$597,702,959	2,002	\$298,553	\$367,029,788	869	\$422,359	-38.6%	-56.6%	41.47%
	Total	\$597,702,959	2,002	\$298,553	\$367,029,788	869	\$422,359	-38.6%	-56.6%	41.47%
Report Total		\$8,006,997,019	37,989	\$210,771	\$5,206,476,674	22,755	\$228,806	-34.98%	-40.10%	8.56%