



THE CITY OF YUBA CITY



2011/12 PROPERTY TAX SUMMARY

The City of Yuba City experienced a net taxable value decrease of -3.7% for the 2011/12 tax roll, which was slightly more than the decrease experienced countywide at -2.5%. The assessed value decrease between 2010/11 and 2011/12 was \$-164 million. The change attributed to the 0.753% Proposition 13 inflation adjustment was \$29.7 million, which was more than offset by reductions caused by properties with declining values.

The largest assessed value increase was reported on an industrial parcel owned by Pepsi Cola Bottling Company at 750 Sutter Street. The parcel, which was recently purchased in 2009, has been reappraised after adding new improvements and personal property for a \$2.4 million increase to the roll. New development by Finklestein Commercial Properties LLC at 996 Klamath Lane triggered a reassessment that added \$2.1 million in value. This is the location of 4 Wheel Truck World.

The largest assessed value declines were reported on a commercial parcels owned by Sutter Medical Foundation and Rideout Memorial Hospital. The 2 Sutter sites were granted exemptions prior to the release of the roll this year resulting in a reduction of \$9.1 million and Rideout 's exemptions removed \$15.3 million from the taxable rolls. Successful appeals for value reductions were reported by Mariani Yuba City, Kohl's Department Stores Corp., Reason Farms Group, Lowes HIW, and In N Out Burger. Multi-family residential property owned by Bridge Street QC at 1525 Bridge Street was granted a Proposition 8 reduction of \$5.4 million to reflect the current market value.

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 Yuba City from January through August 2011 was \$153,000. This represents a \$12,000 (-7.3%) decrease in median sale price from 2010.

Year	SFR Sales	Median Price	% Change	2011/12 Tax Shift Summary	
2005	1,079	\$299,000		ERAF I & II	\$-1,551,180
2006	689	\$295,000	-1.34%	AB27 Payment	\$1,104,860
2007	556	\$269,500	-8.64%	VLFAA (est.)	\$4,211,376
2008	818	\$200,000	-25.79%	Triple Flip	\$2,392,306
2009	856	\$168,000	-16.00%	Triple Flip True up	\$-44,699
2010	809	\$165,000	-1.79%		
2011	491	\$153,000	-7.27%		

Top 10 Property Taxpayers

Owner	Revenue	% of Total	Use Type
1. GREENLEAF UNIT TWO ASSOCIATES	\$349,097.06	3.48%	Unsecured
2. STEADFAST YUBA CITY I LLC	\$250,035.23	2.49%	Commercial
3. YUBA CITY ENERGY CENTER LLC	\$214,519.04	2.14%	Unsecured
4. TWIN CITIES HOSPITAL PROPERTIES LP	\$201,771.03	2.01%	Commercial
5. COMCAST OF NORTHERN CALIFORNIA I	\$163,551.70	1.63%	Unsecured
6. SUNSWEET GROWERS INC	\$150,384.16	1.50%	Industrial
7. TARGET CORPORATION	\$77,108.36	0.77%	Commercial
8. YUBA CITY COMPANY -GENERATION LP	\$77,060.96	0.77%	Unsecured
9. TWIN CITIES SURGICAL HOSPITAL LLC	\$56,163.05	0.56%	Unsecured
10. LANZA FAMILY 96 TRUST	\$51,558.92	0.51%	Commercial
Top Ten Total	\$1,591,249.52	15.87%	

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%
El Dorado County	196	250	27.55%	\$315,000	\$250,000	-20.63%
Merced County	310	249	-19.68%	\$117,500	\$112,000	-4.68%
Nevada County	120	155	29.17%	\$295,000	\$261,000	-11.53%
Placer County	572	616	7.69%	\$285,500	\$255,000	-10.68%
Sacramento County	1,693	1,926	13.76%	\$175,000	\$160,000	-8.57%
Stanislaus County	641	622	-2.96%	\$140,000	\$130,000	-7.14%
Sutter County	87	95	9.20%	\$170,000	\$140,000	-17.65%
Yolo County	189	199	5.29%	\$247,100	\$225,000	-8.94%
Yuba County	71	101	42.25%	\$150,050	\$142,500	-5.03%

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%.

