



# ALISO VIEJO

## 2018/19 PROPERTY TAX SUMMARY



The City of Aliso Viejo experienced a net taxable value increase of 6.0% for the 2018/19 tax roll, which was slightly less than the increase experienced countywide at 6.3%. The assessed value increase between 2017/18 and 2018/19 was \$590 million. The change attributed to the 2% Proposition 13 inflation adjustment was \$157 million, which accounted for 27% of all growth experienced in the city.

The largest assessed value increase was reported on a multi-unit residential parcel owned by Moritz Associates LLC (23411 Summerfield). The parcel changed ownership in 2017, adding \$87.8 million in value. Completed construction on a multi-family parcel owned by Vantis Multifamily LLC (90 Vantis Drive) added \$64.6 million. A change of ownership on a multi-unit residential parcel owned by Barcelona LLC (23592 Windsong) triggered a reassessment and a \$60.2 million increase in value between years.

The largest assessed value decline was reported on a commercial parcel owned by Soka University of America. The parcel received an increase in their exemption amount and decline in value by \$47 million. A senior housing project owned by Liberty Aliso 640 LP became fully exempt this year. The exemption represents a \$8.8 million loss in assessed value. A residential parcel located at 31 Surfbird was reassessed in error last year. The current year value is the previous base value adjusted for the CPI and is a \$1.3 million decline over what was enrolled last year.

The housing market has fully recovered from the recent recession in many urban and coastal areas of the State while housing recovery has tended to lag in more rural and inland areas. Current median home prices, in many regions are at or above the pre-recession peak values. Affordability and inventory constraints are the main contributor to increases in home prices over the last year. The numbers of sales year over year have declined and the lack of significant new home construction in California is one of the main factors affecting supply. The median sale price of a detached single family residential home in Aliso Viejo from January through September 2018 was \$855,000. This represents a \$65,000 (8.2%) increase in median sale price from 2017.

Year	D-SFR Sales	Median Price	% Change
2012	284	\$535,000	
2013	293	\$650,000	21.50%
2014	265	\$695,000	6.92%
2015	266	\$730,000	5.04%
2016	294	\$752,500	3.08%
2017	253	\$790,000	4.98%
2018	151	\$855,000	8.23%

### 2018/19 Tax Shift Summary

ERAF I & II	-\$995,900
VLFAA (est.)	\$5,146,126

### Top 10 Property Owners

Owner	Net Taxable Value	% of Total	Use Type
1. MORITZ ASSOCIATES LLC	\$204,000,000	1.97%	Residential
2. BARCELONA LLC	\$179,520,000	1.74%	Residential
3. SEQUOIA EQUITIES	\$169,050,002	1.64%	Residential
4. VANTIS MULTIFAMILY LLC	\$146,286,538	1.41%	Residential
5. MICROVENTION INC	\$125,132,483	1.21%	Commercial
6. CITY LIGHTS-ALISO VIEJO LLC	\$119,825,431	1.16%	Residential
7. ENTERPRISE OFFICE OWNER LLC	\$119,469,735	1.16%	Commercial
8. SUMMIT OFFICE LLC	\$114,182,364	1.10%	Commercial
9. TRUST POLARIS LLC	\$87,653,700	0.85%	Commercial
10. WELLTOWER VICTORY II LANDLORD LP	\$70,704,360	0.68%	Commercial
<b>Top Ten Total</b>	<b>\$1,335,824,613</b>	<b>12.92%</b>	

# Real Estate Trends

## Home Sales

According to industry experts, price growth isn't the only problem that current home shoppers are facing. The median price increases coupled with the principal and rising interest payments have resulted in double digit percentage increases in the cost of a median-priced home over last year. The reported median price of an existing, single-family detached homes in California during June 2018 was \$602,760. This was a 8.5 percent increase from \$555,420 in June 2017.

All Homes	Units Sold June-2017	Units Sold June-2018	% Change	Median Price June-2017	Median Price June-2018	% Change
Imperial County	146	130	-10.96%	\$214,000	\$224,000	4.67%
Los Angeles County	8,721	7,504	-13.95%	\$569,000	\$615,000	8.08%
Orange County	3,574	3,074	-13.99%	\$690,000	\$720,000	4.35%
Riverside County	4,253	3,425	-19.47%	\$357,000	\$370,000	3.64%
San Bernardino County	3,179	2,653	-16.55%	\$313,000	\$320,000	2.24%
San Diego County	4,316	3,798	-12.00%	\$540,000	\$565,000	4.63%
Ventura County	1,141	899	-21.21%	\$569,000	\$610,000	7.21%

## Comparison of Current Median Sale Price to Peak Price Before the Great Recession

In 1978 California voters approved Proposition 8 that requires county assessors to reduce the value of properties below their Proposition 13 taxable values when the real estate market declines. These reductions are to be restored as the real estate market improves. One of the gauges of the values to be restored is the progress each community is seeing in the growth of the median sale prices of single family homes. As we have moved through the Great Recession, we have seen the recovery of the real estate home prices in many regions approach or exceed pre-recession peak prices. The graph below provides a comparison of the detached home (excluding Condos and Townhomes) median peak price experienced at the height of the real estate bubble in Aliso Viejo and Orange County well as several other counties in this region. Considering these trends, we expect to see that a majority of the homes under review per Proposition 8 will be completely restored in most of the urban and coastal counties. More counties have neared a 90-100% restoration level after our review of the 2018-19 data in this segment of residential properties. **As we begin the 2018-19 fiscal year 77.8 % of properties in Aliso Viejo awaiting restoration of value since 2012-13 have been FULLY restored.**

Comparison of Median Sale Price to Pre Recession Peak Price

