



# SAN RAFAEL

## 2019/20 PROPERTY TAX SUMMARY



The City of San Rafael experienced a net taxable value increase of 5.4% for the 2019/20 tax roll, which was slightly more than the increase experienced countywide at 5.0%. The assessed value increase between 2018/19 and 2019/20 was \$733 million. The change attributed to the 2% Proposition 13 inflation adjustment was \$237 million, which accounted for 32% of all growth experienced in the city.

The largest secured increase was reported on a commercial property owned by San Rafael RE LLC at 1550 Silveira Pkwy with a reported change of \$27.2 million. This property was purchased in 2018 for \$35 million and that value was enrolled as the market value this year. This is the location of the Kindred Transitional Care and Rehab-Smith Ranch. Commercial property at 999 3rd Street owned by Biomarin Pharmaceutical Inc increased \$26.8 million reflecting a sales transaction of a piece of property formerly owned by Pacific Gas and Electric. The sale price in 2015 was \$26.1 million and that sale price plus the intervening CPI adjustments has been enrolled this year. The previous owner was tax exempt. This is the future location of BioMarin/Whistlestop EDEN Housing.

The largest decline was posted on commercial property owned by Chelsea Pacific Investments LP at 75 Bellam Blvd that was sold in 2018 for less than the assessor's previous value and the sale price has been enrolled as the market value this year. This is the Marin Square Shopping Center. The reduction was \$1.8 million.

Current median home prices, in many regions, are at or above the pre-recession peak values. In the past year, the number of sales has generally declined and growth in median sale prices has flattened in most areas of the State. Despite the moderation of growth in sale prices and somewhat lower mortgage rates, affordability remains a concern, particularly in coastal regions. Most economists are predicting a weaker housing market through the balance of 2019 and in 2020. The median sale price of a detached single family residential home in San Rafael from January through August 2019 was \$1,150,000. This represents a \$9,000 (0.8%) increase in median sale price from 2018.

| Year | D-SFR Sales | Median Price | % Change |
|------|-------------|--------------|----------|
| 2013 | 453         | \$808,500    |          |
| 2014 | 420         | \$849,500    | 5.07%    |
| 2015 | 446         | \$905,500    | 6.59%    |
| 2016 | 382         | \$975,000    | 7.68%    |
| 2017 | 397         | \$1,050,000  | 7.69%    |
| 2018 | 418         | \$1,141,000  | 8.67%    |
| 2019 | 274         | \$1,150,000  | 0.79%    |

### 2019/20 Tax Shift Summary

|              |                     |
|--------------|---------------------|
| ERAF I & II  | <b>\$-4,068,132</b> |
| VLFAA (est.) | \$6,022,278         |

### Top 10 Property Owners

| Owner                                   | Net Taxable Value      | % of Total   | Use Type    |
|---|------------------------|--------------|-------------|
| 1. CALIFORNIA CORPORATE CENTER ACQ LLC  | \$280,855,165          | 1.97%        | Commercial  |
| 2. MGP XI NORTHGATE LLC                 | \$226,813,293          | 1.59%        | Commercial  |
| 3. PROFESSIONAL FINANCIAL INVESTORS INC | \$136,186,691          | 0.96%        | Commercial  |
| 4. BRE PROPERTIES INC                   | \$64,906,940           | 0.46%        | Residential |
| 5. SOUTH VALLEY APARTMENTS LLC          | \$55,198,648           | 0.39%        | Commercial  |
| 6. KAISER                               | \$50,744,487           | 0.36%        | Commercial  |
| 7. REGENCY CENTER II ASSOCIATES LP      | \$48,748,966           | 0.34%        | Commercial  |
| 8. NORTHBAY PROPERTIES II               | \$47,786,871           | 0.34%        | Residential |
| 9. BAY APARTMENT COMMUNITIES INC        | \$45,263,334           | 0.32%        | Residential |
| 10. BARBARA FASKEN 1995 TRUST ETAL      | \$45,074,118           | 0.32%        | Commercial  |
| <b>Top Ten Total</b>                    | <b>\$1,001,578,513</b> | <b>7.02%</b> |             |

# Real Estate Trends

## Home Sales

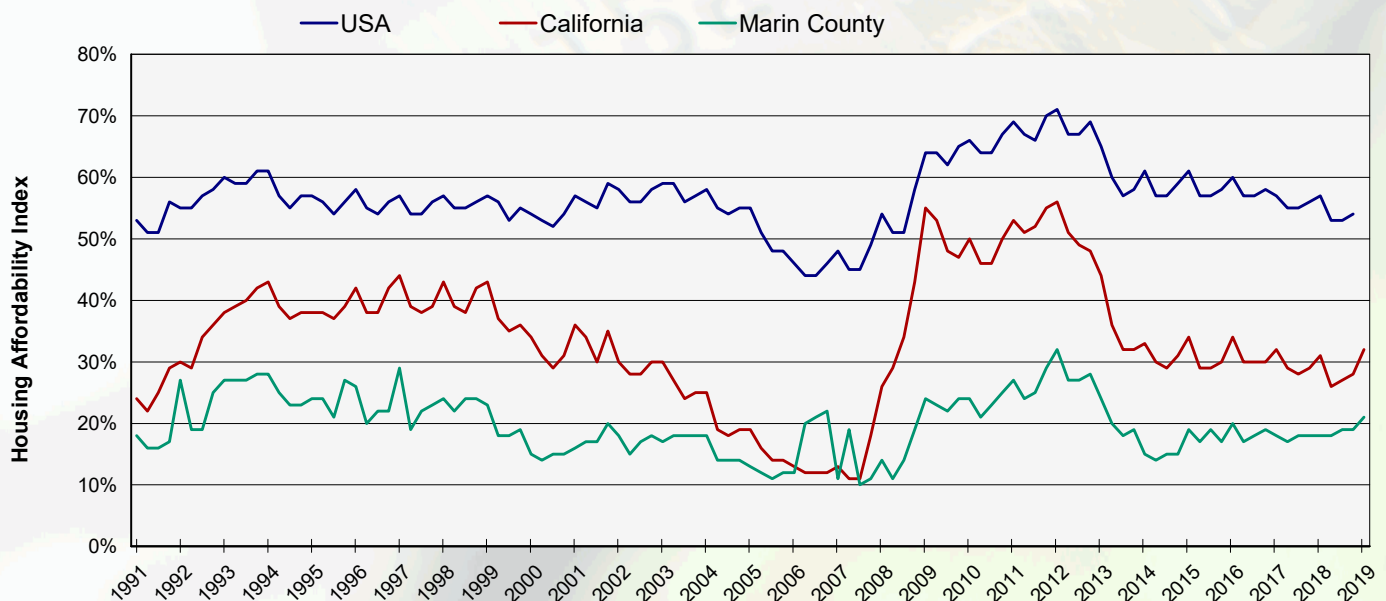
According to industry experts, affordability and concerns about buying too close to a potential drop in housing prices are impacting sales volume. The slowdown in number of sales may cause a further weakening of median sale prices if interest rates aren't enough to keep buyers interested. The reported median price of an existing, single-family detached homes in California during June 2019 was \$611,420 This was an 1.4 percent increase from the June 2018 value of \$602,770.

| All Homes            | Units Sold<br>June-2018 | Units Sold<br>June-2019 | % Change | Median Price<br>June-2018 | Median Price<br>June-2019 | % Change |
|----------------------|-------------------------|-------------------------|----------|---------------------------|---------------------------|----------|
| Alameda County       | 1,898                   | 1,561                   | -17.76%  | \$879,000                 | \$860,000                 | -2.16%   |
| Contra Costa County  | 1,720                   | 1,335                   | -22.38%  | \$632,750                 | \$645,000                 | 1.94%    |
| Marin County         | 360                     | 332                     | -7.78%   | \$1,118,250               | \$1,207,500               | 7.98%    |
| Napa County          | 173                     | 170                     | -1.73%   | \$646,000                 | \$700,000                 | 8.36%    |
| San Francisco County | 601                     | 484                     | -19.47%  | \$1,330,000               | \$1,400,000               | 5.26%    |
| San Mateo County     | 657                     | 579                     | -11.87%  | \$1,341,000               | \$1,350,000               | 0.67%    |
| Santa Clara County   | 1,800                   | 1,461                   | -18.83%  | \$1,165,000               | \$1,130,000               | -3.00%   |
| Solano County        | 670                     | 622                     | -7.16%   | \$435,500                 | \$435,000                 | -0.11%   |
| Sonoma County        | 571                     | 594                     | 4.03%    | \$630,000                 | \$611,250                 | -2.98%   |

## Housing Affordability Remains a Challenge Throughout California

The percentage of home buyers who could afford to purchase a median-priced, existing single-family home in California in second-quarter 2019 dipped to 30 percent from 32 percent in the first quarter of 2019, but was up from 26 percent in the second quarter a year ago, according to the California Association of Realtors® (C.A.R.) Traditional Housing Affordability Index (HAI). California's housing affordability index hit a peak of 56 percent in the second quarter of 2012. Housing affordability, however, varies widely in different areas of the State.

C.A.R.'s HAI measures the percentage of all households that can afford to purchase a median-priced, single-family home in California. As of the first quarter 2019, it took a minimum annual income of \$118,860 to qualify for the purchase of the statewide median-priced single-family home of \$545,820 including principal, interest, and taxes on a 30-year fixed-rate mortgage. C.A.R. also reports affordability indices for regions and select counties within the state. The index is considered the most fundamental measure of housing well-being for home buyers in the state.



Data Source: California Association of Realtors