



MARTINEZ

2016/17 PROPERTY TAX SUMMARY



The City of Martinez experienced a net taxable value increase of 5.0% for the 2016/17 tax roll, which was slightly less than the increase experienced countywide at 5.9%. The assessed value increase between 2015/16 and 2016/17 was \$261 million. The change attributed to the 1.525% Proposition 13 inflation adjustment was \$54.9 million, which accounted for 21% of all growth experienced in the city.

The largest assessed value increase was reported on a formerly vacant property owned by 44 Arnold Drive Associates LP on Arnold Drive with a year over year increase of \$7.1 million. This is the site of the development of The Villages at Arnold-Claremont townhome community of 43 units at Pacheco Blvd and Arnold Drives. Shell Chemical LP on Marina Vista Avenue reported an increase in the Fixture and Improvement category of values of \$5 million. Two multifamily residential properties owned by Mabury Ridgecrest LLC at 3430 Vista Oaks Drive reported a combined increase of \$6.3 million due to an ownership name change on these parcels. These are the Ridgecrest Apartment Homes.

The largest decline was posted on a multifamily residential property at 600 Center Avenue owned by Muirwood Square Investors LP. Last year an error was made in valuing the land portion of this parcel's assessment. The land value had been increased from \$4.7 million to \$24 million in 2015-16. That error has been corrected and the current value is in line with what was reported in 2014-16 with the intervening CCPI growth.

The housing market continues to improve with sales of homes increasing year over year in most areas of the State. In some areas, the current median has surpassed the median at the height of the real estate bubble. Sale volume is down slightly throughout the state when compared to 2015. The majority of sales now seem to be primarily non-distressed properties where the buyer plans to live in the home. This is a departure from the large number of short sales and investor buying experienced over the past several years. The median sale price of a single family home in Martinez from January through June 2016 was \$506,000. This represents a \$16,000 (3.3%) increase in median sale price from 2015.

Year	SFR Sales	Median Price	% Change
2010	366	\$325,000	
2011	514	\$277,000	-14.77%
2012	530	\$295,000	6.50%
2013	527	\$382,000	29.49%
2014	506	\$430,000	12.57%
2015	539	\$490,000	13.95%
2016	273	\$506,000	3.27%

2016/17 Tax Shift Summary

ERAF I & II	\$-2,762,307
VLFAA (est.)	\$3,090,185

Top 10 Property Owners

Owner	Net Taxable Value	% of Total	Use Type
1. EQUILON ENTERPRISES LLC/SHELL OIL	\$230,552,651	4.23%	Industrial
2. PACIFIC ATLANTIC TERMINALS LLC	\$146,284,435	2.69%	Industrial
3. TESORO	\$54,749,689	1.01%	Industrial
4. ECO SERVICES OPERATIONS LLC	\$33,146,481	0.61%	Industrial
5. MARINE SPILL RESPONSE CORPORATION	\$22,929,800	0.42%	Unsecured
6. FAIRFIELD HIDDEN CREEK LLC	\$22,558,113	0.41%	Residential
7. WALMART REAL ESTATE BUSINESS	\$20,713,249	0.38%	Commercial
8. MUIR STATION CENTER LLC	\$20,606,202	0.38%	Commercial
9. MUIRWOOD SQUARE INVESTORS LP	\$20,085,603	0.37%	Residential
10. RUTHERFORD VALLEY RIDGE LLC	\$19,197,379	0.35%	Residential
Top Ten Total	\$590,823,602	10.85%	

Real Estate Trends

Home Sales

Home sales continue to rebound in many parts of the State but at a slower pace than last year. This is mainly due to inventory and affordability constraints. The reported median price of an existing, single family detached home in California during June 2016 was \$519,440. This was a 5.5 percent increase from \$492,320 in June 2015.

All Homes	Units Sold June-2015	Units Sold June-2016	% Change	Median Price June-2015	Median Price June-2016	% Change
Alameda County	1,925	1,737	-9.77%	\$655,000	\$705,000	7.63%
Contra Costa County	1,934	1,816	-6.10%	\$500,000	\$541,000	8.20%
Marin County	386	360	-6.74%	\$930,000	\$960,000	3.23%
Napa County	142	165	16.20%	\$540,000	\$535,000	-0.93%
San Francisco County	561	574	2.32%	\$1,140,000	\$1,170,000	2.63%
San Mateo County	740	712	-3.78%	\$945,000	\$1,070,000	13.23%
Santa Clara County	2,129	1,975	-7.23%	\$823,000	\$860,000	4.50%
Solano County	748	733	-2.01%	\$349,000	\$375,000	7.45%
Sonoma County	717	607	-15.34%	\$485,000	\$529,250	9.12%

Pool of Prop 8 Reduced Property Values Restored Through 2015-16

In 1978 California voters approved Proposition 8 that allows county assessors to reduce the value of properties below their Proposition 13 taxable values when the real estate market declines. Such reductions are to be restored as the real estate market improves. Now after five years of declining and three years of improved real estate values, county assessors have restored large numbers of those previously reduced home values. The graph below reflects the percentage of assessed values restored in the region as of the start of 2016-17 for residential properties that have not changed ownership from within this pool of reduced values. Assessors will not restore values to their trended Proposition 13 levels until the strength of the market recovery is proven within neighborhoods. We are seeing continued recovery of Proposition 8 reductions in 2016-17 as median prices in most counties continue to move upward. In several of the North Bay counties, the median sale prices currently exceed those experienced in the real estate bubble. As we begin the 2016-17 fiscal year 72.9% of properties in Martinez awaiting restoration of value during 2012-13 have been fully restored.

Estimated Percentage of Prop 8 Value Restored Since 2012-13

