



July 11, 2017

Riverside County **NEWS RELEASE**

Rise in property values to outpace property-tax increase for the average homeowner

Property owners and residents will benefit from a 5 percent increase in home prices, but that does not mean property owners will necessarily see a commensurate increase in taxes, according to Riverside County's Assessor-County Clerk-Recorder.

Market growth in all real estate sectors is driving up the assessment roll by more than 5 percent to \$269 billion for the fiscal year that began July 1, Assessor-County Clerk-Recorder Peter Aldana announced today. Property values in all sectors of the market have rebounded steadily over the last few years.

"Rising property values are good news for residents. Property owners build equity, and local government will have the needed funds for the educational, recreational and safety services that make Riverside County a great place to live and work," he said.

Home prices rose 5 percent, as the median price of a home went from \$330,000 in December 2015 to \$346,500 in December 2016, according to CoreLogic, a real estate information services firm. Occupancy and rents rose in the commercial office market and new industrial and apartment construction grew by more than 8 percent.

Despite the increases, the average property owner will not see a comparable rise in property taxes. Because the assessor enrolls most properties at their Prop. 13 value, property-tax can increase by no more than 2 percent annually. The assessment roll lists all taxable property within Riverside County. It identifies the property, owner and value as of Jan. 1. State law requires the assessor to complete the roll before July 1 and to enroll the lower value under Prop. 13, adjusted for inflation or current market value.

Another measure, Prop. 8, allows the assessor to enroll a property's market value when it falls below the Prop. 13 value. For the fiscal year that began July 1, the assessor reduced more than 101,000 such properties with single-family homes. Thanks to the improving market, that number fell from 120,000 last year. As a property's market value recovers the assessor must restore previous reductions. When property-tax bills go out in October, property owners will be notified of any changes in value made pursuant to Prop 8.

The assessor works to enroll fair market values. However, a property owner might not agree with the valuation. Property owners who disagree may file a free decline-in-value application online. Applications are due by Nov. 1 and are available at www.riversideacr.com. Property owners may review their assessment roll value by visiting the Assessor's website at www.riversideacr.com or calling (951) 955-6200.

Property owners also may request a formal hearing before the Assessment Appeals board through Nov. 30. The assessment-appeal application is available on the Clerk of the Board's website at www.rivcocob.org.