MONROVIA

2020/21 PROPERTY TAX SUMMARY

The City of Monrovia experienced a net taxable value increase of 7.0% for the 2020/21 tax roll, which was slightly more than the increase experienced countywide at 6.0%. The assessed value increase between 2019/20 and 2020/21 was $421 million. The change attributed to the 2% Proposition 13 inflation adjustment was $109 million, which accounted for 26% of all growth experienced in the city.

The largest assessed value increase of $79 million was reported on new development for Parks at Monrovia Station Square I LLC, reflecting additional improvements at the Pomona Avenue site. New improvements were also responsible for the $53 million in assessed value growth for Monrovia Apartments EPF II LLC-owned multi-use property in the 1100 block of South 5th Avenue. A 2019 sale of a parcel in the commercial center at 700 block of East Huntington Drive to Monrovia Landing LLC caused the $30.5 million sale price to be enrolled as the property's new assessed value, a difference of $16 million. And Xencor Inc, an antibody drug research firm, reported an additional $4.4 million in unsecured business equipment value at their Lemon Ave location.

The largest assessed value decline was reported on two institutional parcels along Norumbega Drive, owned by Maryknoll Sisters of St Dominic Inc. The $8.9 million in value enrolled last year did not account for an exemption filed after the close of the roll. Therefore the values on these parcels last year were temporarily inflated.

Growth in the number of home sales slowed and, even, declined by mid-2019. Fewer properties were on the market compared with 2018 despite declining mortgage rates. In 2019, economists forecasted a weaker housing market in 2020, even for cities who had achieved pre-recession peak values. In 2020, sale prices have risen as the number of sales declined significantly due to the COVID19 stay at home orders. Prices have continued to rise in response to lower inventory and lower interest rates. The median sale price of a detached single family residential home in Monrovia from January through November 2020 was $838,250. This represents a $48,250 (6.1%) increase in median sale price from 2019.

Year	D-SFR Sales	Median Price	% Change
2014	248	$607,500	
2015	237	$636,000	4.69%
2016	240	$655,000	2.99%
2017	239	$723,000	10.38%
2018	218	$754,000	4.29%
2019	197	$790,000	4.77%
2020	176	$838,250	6.11%

2020/21 Tax Shift Summary

ERAF I & II	$-3,280,930
VLFAA	$4,915,026

Top 10 Property Owners

	Owner	Net Taxable Value	% of Total	Use Type
1.	PARKS AT MONROVIA STATION SQUARE I LLC	$114,541,965	1.78%	Residential
2.	FOUNTAINS PARAGON LLC	$77,117,124	1.20%	Commercial
3.	MONROVIA APARTMENTS EPF I LLC	$75,187,274	1.17%	Commercial
4.	FOOTHILL TECHNOLOGY CENTER I LLC	$53,378,213	0.83%	Commercial
5.	MEILE INVESTMENT LLC	$48,624,018	0.76%	Commercial
6.	HUNTINGTON OAKS DELAWARE PARTNERS LLC	$48,354,678	0.75%	Commercial
7.	SAMUELSON CAPITAL LLC COMPANY LESSOR	$39,264,802	0.61%	Industrial
8.	DMSA LLC	$31,803,839	0.49%	Commercial
9.	MONROVIA TECHNOLOGY CAMPUS LLC	$31,606,859	0.49%	Commercial
10.	MONROVIA LANDING LLC	$30,500,000	0.47%	Commercial
	Top Ten Total	**$550,378,772**	**8.56%**	

Real Estate Trends

Home Sales

Over the past two years, industry experts expressed concerns about sales volumes declining due to buyer anticipation of a potential drop in housing prices. While a reduction in the number of single-family home sales was experienced in many areas in the past two years and sales price changes reflected modest declines or increases, these market trends were suddenly impacted by the COVID-19 pandemic beginning in March 2020. The number of home sales has dropped significantly as potential buyers stayed home. After major reductions in the number of sales in April and May, sales rebounded. Median sales prices for June increased by 6.5% over May and were up by 2.5% over June 2019. The 30-year, fixed-mortgage interest rate averaged 3.16% in June, down from 3.80% in June 2019.

All Homes	Units Sold June-2019	Units Sold June-2020	% Change	Median Price June-2019	Median Price June-2020	% Change
Imperial County	132	125	-5.30%	$226,000	$265,000	17.26%
Los Angeles County	6,722	5,149	-23.40%	$620,000	$645,000	4.03%
Orange County	3,289	2,502	-23.93%	$745,000	$762,000	2.28%
Riverside County	3,617	3,672	1.52%	$376,000	$415,000	10.37%
San Bernardino County	2,662	2,431	-8.68%	$335,000	$350,000	4.48%
San Diego County	3,716	3,573	-3.85%	$587,000	$600,000	2.21%
Ventura County	970	778	-19.79%	$575,500	$618,250	7.43%

COVID-19

Federal, State, and local governments are working to limit the spread of COVID-19. Orders intended to contain the virus has caused temporary closure of businesses and limited access to retail and service industries. This has and will continue to have impacts on the economy. This pandemic event is not something we have seen before and it is unknown if these conditions will be short or long term. Below are the points you should know:

- According to the California Assoc. of Realtors all major regions declined in the number of sales with Southern California dropping the most at -12.2% while the Central Valley had the smallest decline at -1.5%. Median prices in the Central Valley and in Southern California increased by 7.4% and 3.3%, respectively, based on pent up demand. Other areas reflected similar patterns.

- A reduction in the number of sales during 2020 will result in reduced growth in value for FY2021-22 and a reduction in revenue from real estate transaction tax and supplemental assessments during FY2020-21.

- The Governor issued Executive Order N-61-20 on May 6, 2020. This EO was focused on easing financial hardship resulting from the pandemic. This order did not eliminate required payment of property taxes but did eliminate penalties and interest on late payments for **owner-occupied residential property who do not utilize impound accounts and for SBA qualified small businesses only**. These taxpayers only receive relief if they can demonstrate COVID-19 related hardship. This EO has no impact within counties that utilize Teeter Programs.

- The pandemics impact on tax revenues will need to be monitored. Any effects will be foreseen by dropping sales values, increases in foreclosure activity and increased property tax delinquency.