



CHICO

2019/20 PROPERTY TAX SUMMARY



The City of Chico experienced a net taxable value increase of 7.6% for the 2019/20 tax roll, which was significantly better than the decrease experienced countywide at -3.0%. The assessed value increase between 2018/19 and 2019/20 was \$695 million. The change attributed to the 2% Proposition 13 inflation adjustment was \$140 million, which accounted for 20% of all growth experienced in the city.

The largest secured roll increase was reported on a multifamily residential site owned by Amcal Chico LLC at 1200 Nord Avenue posting growth of \$29.8 million. This is the location of The Post on Nord that added improvement values between tax year. This is an off-campus student furnished residential community for students. A vacant use, with new improvement values added owned by Hamstra Chico LLC at 1601 Concord Avenue increased \$8.3 million this year. This is the Chico VA out-patient clinic that opened in August of 2019. There will likely be additional value added to the 2020-21 roll due to this development

The largest declines was reported on a commercial site owned by Furrow Farms at 1910 E 20th Street declined \$2.2 million. The reduction is consistent with the granting of an appeal action. This property was purchased in 2016 for \$6.1 million, and the value taxed this year is \$4.1 million. This is the Panera Bread location at the Chico Mall. Commercial property owned by Garden Villa Chico LLC at 190 Cohasset Road declined \$1.7 million after a purchase for less than the previous value. This is the location of the Garden Valley Bank CU.

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 Chico from January through July 2019 was \$384,000. This represents a \$48,000 (14.3%) increase in median sale price from 2018.

Year	D-SFR Sales	Median Price	% Change
2013	987	\$249,500	
2014	958	\$260,500	4.41%
2015	1,126	\$272,000	4.41%
2016	1,158	\$290,750	6.89%
2017	1,175	\$315,000	8.34%
2018	1,339	\$336,000	6.67%
2019	915	\$384,000	14.29%

2019/20 Tax Shift Summary

ERAF I & II	\$-2,036,319
VLFAA (est.)	\$8,396,426

Top 10 Property Owners

Owner	Net Taxable Value	% of Total	Use Type
1. SIERRA NEVADA BREWING COMPANY	\$128,397,320	1.25%	Unsecured
2. MERLE A WEBB AND SONS LP	\$92,174,269	0.90%	Residential
3. AMCAL CHICO LLC	\$57,244,120	0.56%	Residential
4. MP CORE CHICO LLC	\$57,179,880	0.56%	Residential
5. CHICO CROSSROADS LP	\$40,769,906	0.40%	Commercial
6. NORTH CHICO LLC	\$40,577,544	0.39%	Residential
7. COMCAST	\$34,780,370	0.34%	Unsecured
8. ECP TPB1	\$34,504,490	0.34%	Commercial
9. SMUCKER QUALITY BEVERAGES INC	\$32,459,871	0.32%	Industrial
10. CHICO SENIOR LIVING LP	\$31,319,631	0.30%	Institutional
Top Ten Total	\$549,407,401	5.35%	

Real Estate Trends

Home Sales

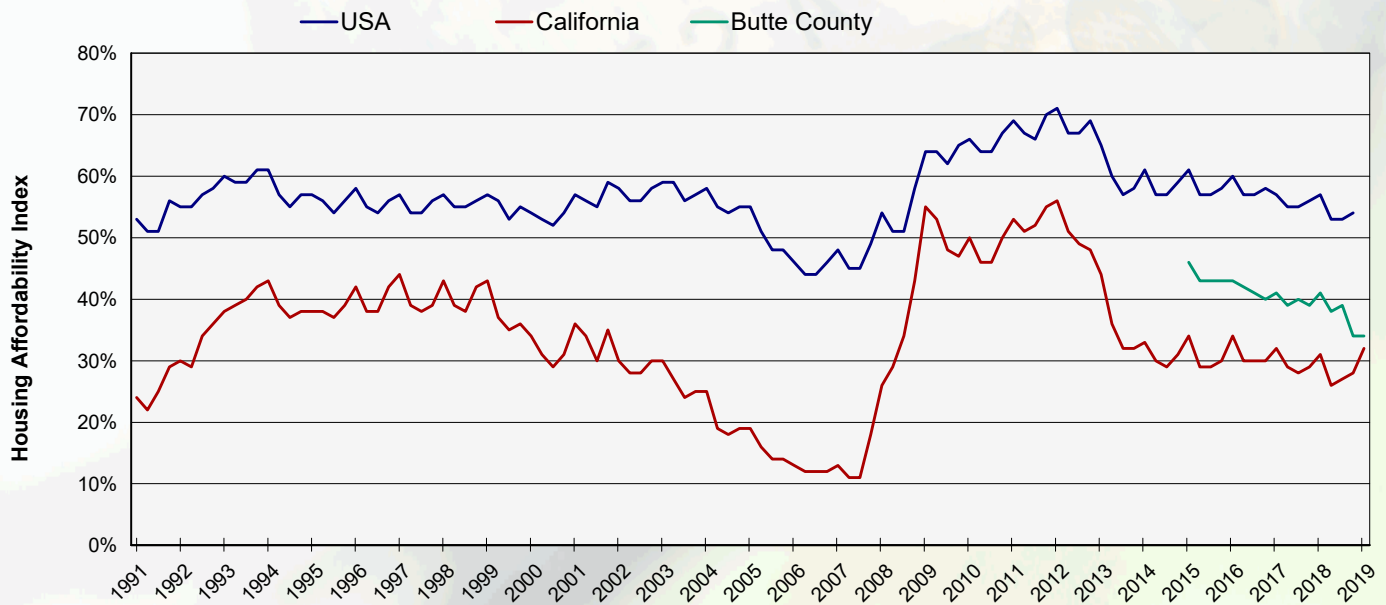
According to industry experts, affordability and concerns about buying too close to a potential drop in housing prices are impacting sales volume. The slowdown in number of sales may cause a further weakening of median sale prices if interest rates aren't enough to keep buyers interested. The reported 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 June-2018	Units Sold June-2019	% Change	Median Price June-2018	Median Price June-2019	% Change
Butte County	403	371	-7.94%	\$272,500	\$289,000	6.06%
Nevada County	266	211	-20.68%	\$454,500	\$443,000	-2.53%
Placer County	972	817	-15.95%	\$505,000	\$517,000	2.38%
Shasta County	331	305	-7.85%	\$260,000	\$263,000	1.15%
Sutter County	123	107	-13.01%	\$310,000	\$300,000	-3.23%
Tehama County	113	96	-15.04%	\$229,000	\$225,000	-1.75%
Yolo County	251	245	-2.39%	\$450,000	\$452,000	0.44%

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