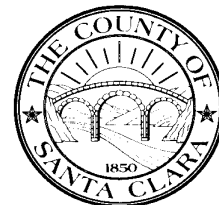


MEDIA RELEASE

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Lawrence E. Stone, Assessor

For Immediate Release:
July 3, 2008
(AMENDED JULY 15, 2008)

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Assessment Roll Tops \$300 Billion, Grows 7%

On July 1 the Assessor's Office delivered to the Santa Clara County Finance Agency Director and the Tax Collector the completed annual assessment roll which is a snap shot of all assessed values as of the lien (valuation) date, January 1, 2008. The total, net assessed value of all real and business property grew by \$19 billion to \$303 billion, an increase of 6.98 percent over the prior year. Palo Alto and Cupertino experienced the largest growth in assessed value, 11 percent and 10 percent respectively. In contrast, Morgan Hill and the unincorporated portions of Santa Clara County experienced the lowest at 4 percent each.

This is the third year in a row of gradual, declining assessment roll growth from 9.07 percent in 2006; 8.25 percent last year and 6.98 percent this year. Led by the national recession and the economic "meltdown" in the residential real estate market, the decline in the growth rate was more gradual than experienced by most counties in California, and has been buoyed by Silicon Valley's strong technology sector. "While this may be the third year in a row of declining roll growth in Santa Clara County, it is a far cry from the crisis facing other counties where both the residential and commercial sectors are in financial turmoil," said Assessor Larry Stone.

In neighboring Stanislaus County, the assessment roll actually went negative dropping 6.87 percent. This perilous decline is especially remarkable when you consider that Proposition 13 provides for an automatic 2 percent increases in the assessed value for all property that did not change ownership or complete new construction during the prior calendar year. "It is an awful situation, and it is my understanding that Stanislaus is not alone. Numerous counties have experienced steep declines. In more than 75 years, the Santa Clara County assessment roll declined below zero only four times: immediately following Proposition 13 in 1978, and in 1932, 1933, and 1936, during the great depression," said Stone.

While Santa Clara County has remained insulated from much of the national fallout in housing, growth in the assessed value of the County's residential sector has slowed to 5.5 percent. The Assessor's Office has responded proactively to the decline in the housing market by voluntarily reducing the assessed value of 25,109 single family residences, 8 percent of all homes, for a temporary reduction of \$2.3 billion from what it would have been had the Assessor's Office not recognized the declining market. The condominium and town home sector, which typically provides entry-level housing, was impacted to a greater degree with 21 percent of all of these properties receiving temporary relief. The Assessor's Office reduced the value of 16,182 condominium and town home properties for a reduction of \$916 million.

Proposition 8, passed by California voters in November 1978, requires property to be assessed at the "lower" of the fair market value as of January 1, 2008, or the base year assessed value as determined at the time of purchase or construction, and increased by no more than 2 percent annually. Overall, the Assessor's Office temporarily reduced the assessed value on 41,866 properties for a total reduction of \$5.05 billion.

The vast majority of 41,866 properties are residential. 575 commercial and industrial properties however, account for just over one third of the total assessed value reduction. San Jose was hardest hit with 61 percent of all properties impacted. When the real estate market rebounds, the Assessor will "restore" the assessed value to what it had been without the temporary reduction.

In contrast to the residential sector, the growth of assessed values of commercial and industrial properties remained strong. For example, office buildings increased in value by \$2.66 billion, (18.5 percent) and retail increased \$1.4 billion, (11 percent). In addition, the number of commercial and industrial properties with temporary reductions declined by one-third over the last year. "Silicon Valley is fortunate that our economy is sufficiently diversified to moderate the impact of the national recession," said Stone.

The other major contributor to the total net assessment roll is business personal property and equipment, which experienced a 9.96 percent growth rate, substantially larger than prior years. "Much of this increase may be related to a change in procedures that enabled us to improve compliance and assess more business that had been failing to file their annual business personal property statements mandated by state law. Hopefully these businesses will get the message and file their property statement on time," said Stone. (For more information concerning this change in procedures see the media release issued on July 2, 2008.)

The county, cities, schools, redevelopment agencies and special districts – all taxing jurisdictions – benefit from increased property tax assessments. Schools receive 52 percent of all property tax revenue, while the 15 cities and the County itself, receive only a fraction of the total property tax revenue.

Below is a more detailed breakout of the assessment roll (based on total local roll).

	2008	2007	Growth
Secured	\$292,461,680,315	\$273,827,176,931	6.81%
Unsecured	\$24,054,233,943	\$21,951,735,282	9.58%
Exemptions	(\$13,201,683,330)	(\$12,265,992,738)	7.63%
Total Net Assessment Roll*	\$303,314,230,928	\$283,512,919,475	6.98%

* Net of exemptions applied to eligible institutions such as churches, hospitals, museums, etc.

Attached is a breakout of the overall assessment roll and Proposition 8 data by City and Redevelopment Agency compared to the prior year's assessment roll. The data is further divided between secured and unsecured assessed values. The majority of the machinery, equipment, computers and fixtures are unsecured property.



Santa Clara County Assessor

Net Assessed Value by City, Secured and Unsecured

Amended July 11, 2008

City	City/RDA	Roll Type	2008/2009	2007/2008	Change %
Campbell	City	Secured	\$5,476,461,554	\$5,100,934,855	7.36
		UnSecured	\$202,397,335	\$174,871,330	15.74
		Total	\$5,678,858,889	\$5,275,806,185	7.64
	RDA Only	Secured	\$655,528,058	\$614,092,241	6.75
		UnSecured	\$99,112,025	\$93,567,530	5.93
		Total	\$754,640,083	\$707,659,771	6.64
		Grand Total	\$6,433,498,972	\$5,983,465,956	7.52%
Cupertino	City	Secured	\$12,467,526,608	\$11,394,026,197	9.42
		UnSecured	\$514,543,007	\$406,955,199	26.44
		Total	\$12,982,069,615	\$11,800,981,396	10.01
	RDA Only	Secured	\$170,095,451	\$118,923,755	43.03
		UnSecured	\$19,973,815	\$10,609,027	88.27
		Total	\$190,069,266	\$129,532,782	46.73
		Grand Total	\$13,172,138,881	\$11,930,514,178	10.41%
Gilroy	City	Secured	\$6,488,553,329	\$6,109,145,335	6.21
		UnSecured	\$278,055,746	\$243,461,159	14.21
		Total	\$6,766,609,075	\$6,352,606,494	6.52
Los Altos	City	Secured	\$8,959,413,028	\$8,300,575,914	7.94
		UnSecured	\$104,778,047	\$91,811,067	14.12
		Total	\$9,064,191,075	\$8,392,386,981	8.00
Los Altos Hills	City	Secured	\$4,751,981,600	\$4,372,539,911	8.68
		UnSecured	\$3,396,490	\$12,144,678	-72.03
		Total	\$4,755,378,090	\$4,384,684,589	8.45
Los Gatos	City	Secured	\$6,853,108,038	\$6,362,082,679	7.72
		UnSecured	\$160,512,194	\$150,973,876	6.32
		Total	\$7,013,620,232	\$6,513,056,555	7.69
	RDA Only	Secured	\$1,096,883,582	\$1,030,876,072	6.40
		UnSecured	\$55,010,757	\$45,970,609	19.67
		Total	\$1,151,894,339	\$1,076,846,681	6.97
		Grand Total	\$8,165,514,571	\$7,589,903,236	7.58%
Milpitas	City	Secured	\$6,349,519,361	\$6,055,202,217	4.86
		UnSecured	\$673,317,944	\$685,807,338	-1.82
		Total	\$7,022,837,305	\$6,741,009,555	4.18
	RDA Only	Secured	\$4,249,695,960	\$3,727,332,630	14.01
		UnSecured	\$753,602,495	\$639,715,868	17.80
		Total	\$5,003,298,455	\$4,367,048,498	14.57
		Grand Total	\$12,026,135,760	\$11,108,058,053	8.26%
Monte Sereno	City	Secured	\$1,449,535,000	\$1,359,727,680	6.60
		UnSecured	\$672,962	\$3,148,601	-78.63
		Total	\$1,450,207,962	\$1,362,876,281	6.41
Morgan Hill	City	Secured	\$3,920,264,781	\$3,627,695,150	8.06
		UnSecured	\$19,037,910	\$13,913,602	36.83
		Total	\$3,939,302,691	\$3,641,608,752	8.17
	RDA Only	Secured	\$2,558,960,166	\$2,597,679,104	-1.49
		UnSecured	\$258,696,756	\$253,729,719	1.96
		Total	\$2,817,656,922	\$2,851,408,823	-1.18
		Grand Total	\$6,756,959,613	\$6,493,017,575	4.07%

City	City/RDA	Roll Type	2008/2009	2007/2008	Change %
Mountain View	City	Secured	\$11,876,673,043	\$10,861,248,444	9.35
		UnSecured	\$825,106,787	\$683,508,401	20.72
		Total	\$12,701,779,830	\$11,544,756,845	10.02
	RDA Only	Secured	\$1,847,422,100	\$1,748,456,982	5.66
		UnSecured	\$727,266,907	\$923,559,511	-21.25
		Total	\$2,574,689,007	\$2,672,016,493	-3.64
		Grand Total	\$15,276,468,837	\$14,216,773,338	7.45%
Palo Alto	City	Secured	\$19,380,152,340	\$17,382,729,942	11.49
		UnSecured	\$1,753,433,149	\$1,588,030,488	10.42
		Total	\$21,133,585,489	\$18,970,760,430	11.40
San Jose	City	Secured	\$100,916,736,490	\$96,588,131,778	4.48
		UnSecured	\$4,407,656,185	\$4,062,972,453	8.48
		Total	\$105,324,392,675	\$100,651,104,231	4.64
	RDA Only	Secured	\$15,255,180,555	\$13,943,413,620	9.41
		UnSecured	\$4,254,001,590	\$4,105,471,955	3.62
		Total	\$19,509,182,145	\$18,048,885,575	8.09
		Grand Total	\$124,833,574,820	\$118,699,989,806	5.17%
Santa Clara	City	Secured	\$18,797,789,473	\$17,727,216,850	6.04
		UnSecured	\$2,800,490,579	\$2,075,531,344	34.93
		Total	\$21,598,280,052	\$19,802,748,194	9.07
	RDA Only	Secured	\$1,865,665,068	\$1,537,318,289	21.36
		UnSecured	\$1,012,303,613	\$900,733,760	12.39
		Total	\$2,877,968,681	\$2,438,052,049	18.04
		Grand Total	\$24,476,248,733	\$22,240,800,243	10.05%
Saratoga	City	Secured	\$9,893,469,336	\$9,295,850,465	6.43
		UnSecured	\$40,892,307	\$34,102,900	19.91
		Total	\$9,934,361,643	\$9,329,953,365	6.48
Sunnyvale	City	Secured	\$21,694,738,721	\$20,042,993,774	8.24
		UnSecured	\$2,251,497,080	\$2,128,208,306	5.79
		Total	\$23,946,235,801	\$22,171,202,080	8.01
	RDA Only	Secured	\$709,374,506	\$451,888,731	56.98
		UnSecured	\$69,861,502	\$44,384,979	57.40
		Total	\$779,236,008	\$496,273,710	57.02
		Grand Total	\$24,725,471,809	\$22,667,475,790	9.08%
Unincorporated	City	Secured	\$14,087,509,345	\$13,571,463,307	3.80
		UnSecured	\$256,374,394	\$216,790,116	18.26
		Total	\$14,343,883,739	\$13,788,253,423	4.03
	RDA Only	Secured	\$1,859	\$1,399,737	-99.87
		UnSecured	\$0	\$0	
		Total	\$1,859	\$1,399,737	-99.87
		Grand Total	\$14,343,885,598	\$13,789,653,160	4.02%
Grand Total		Secured	\$281,772,239,352	\$263,922,945,659	6.76%
		UnSecured	\$21,541,991,576	\$19,589,973,816	9.96%
		Total	\$303,314,230,928	\$283,512,919,475	6.98%

For More information Contact David Ginsborg at 408-299-5572



Proposition 8 Assessed Values by City 2008-09

	Net Delta*	Parcel Count
Campbell		
RDA Only	\$2,693,024	48
City	\$50,982,494	1,009
Total	\$53,675,518	1,057
Cupertino		
City	\$103,973,232	1,415
Total	\$103,973,232	1,415
Gilroy		
City	\$226,948,235	1,430
Total	\$226,948,235	1,430
Los Altos		
City	\$49,002,732	186
Total	\$49,002,732	186
Los Altos Hills		
City	\$128,617,570	93
Total	\$128,617,570	93
Los Gatos		
RDA Only	\$3,296,494	54
City	\$69,718,746	482
Total	\$73,015,240	536
Milpitas		
RDA Only	\$306,250,706	831
City	\$160,277,557	1,479
Total	\$466,528,263	2,310
Monte Sereno		
City	\$15,527,118	33
Total	\$15,527,118	33
Morgan Hill		
RDA Only	\$52,175,108	375
City	\$119,298,018	714
Total	\$171,473,126	1,089

* Difference between what was enrolled on July 1 and what the AV would had been had their been no Prop 8 relief



Proposition 8 Assessed Values by City 2008-09

	Net Delta*	Parcel Count
Mountain View		
RDA Only	\$12,394,019	11
City	\$152,372,943	204
Total	\$164,766,962	215
Palo Alto		
City	\$109,918,611	229
Total	\$109,918,611	229
San Jose		
RDA Only	\$394,537,887	854
City	\$2,163,236,541	24,613
Total	\$2,557,774,428	25,467
Santa Clara		
RDA Only	\$24,093,154	9
City	\$198,756,816	2,964
Total	\$222,849,970	2,973
Saratoga		
City	\$161,187,631	605
Total	\$161,187,631	605
Sunnyvale		
RDA Only	\$2,050,206	14
City	\$387,366,040	2,862
Total	\$389,416,246	2,876
Unincorporated		
RDA Only		
City	\$155,115,797	1,352
Total	\$155,115,797	1,352
All Cities Total	\$4,252,300,081	39,670
RDA Total	\$797,490,598	2,196
Grand Total	\$5,049,790,679	41,866

* Difference between what was enrolled on July 1 and what the AV would had been had their been no Prop 8 relief



Proposition 8 Assessed Values by Property Type 2008-09

Property Type	Net Delta*	Parcel Count
Residential	\$ 3,227,017,872	41,328
Apartments	\$ 28,326,196	34
Commercial and Industrial	\$ 1,445,425,724	362
Office	\$ 280,050,529	81
Retail and Hotel	\$ 53,949,502	43
Agricultural	\$ 15,020,856	18
Grand Total	\$ 5,049,790,679	41,866

* Difference between what was enrolled on July 1 and what the AV would had been had their been no Prop 8 relief

Santa Clara County Assessor
Prop 8 Comparison 2008-09 and 2007-08

July 2, 2008

CITY	2008-09		2007-08		% Change	
	NET DELTA	COUNT	NET DELTA	COUNT	NET DELTA	COUNT
CAMPBELL	\$50,982,494	1,009	25,214,591	376	102.19%	168.35%
CUPERTINO	\$103,973,232	1,415	115,657,048	859	-10.10%	64.73%
GILROY	\$226,948,235	1,430	42,993,956	698	427.86%	104.87%
LOS ALTOS	\$49,002,732	186	64,879,691	231	-24.47%	-19.48%
LOS ALTOS HILLS	\$128,617,570	93	111,308,017	91	15.55%	2.20%
LOS GATOS	\$69,718,746	482	91,357,304	393	-23.69%	22.65%
MILPITAS	\$160,277,557	1,479	92,216,528	593	73.81%	149.41%
MONTE SERENO	\$15,527,118	33	24,926,891	68	-37.71%	-51.47%
MORGAN HILL	\$119,298,018	714	9,165,361	161	1201.62%	343.48%
MT VIEW	\$152,372,943	204	242,461,806	575	-37.16%	-64.52%
PALO ALTO	\$109,918,611	229	234,016,361	280	-53.03%	-18.21%
SAN JOSE	\$2,163,236,541	24,613	821,572,300	8,504	163.30%	189.43%
SANTA CLARA	\$198,756,816	2,964	438,911,177	1,007	-54.72%	194.34%
SARATOGA	\$161,187,631	605	210,839,788	605	-23.55%	0.00%
SUNNYVALE	\$387,366,040	2,862	534,021,799	1,644	-27.46%	74.09%
UNINCORPORATED	\$155,115,797	1,352	70,240,758	691	120.83%	95.66%
Sub-Total CITY	\$4,252,300,081	39,670	3,129,783,376	16,776	35.87%	136.47%
CAMPBELL RDA	\$2,693,024	48	847,871	10	217.62%	380.00%
LOS GATOS RDA	\$3,296,494	54	5,912,558	105	-44.25%	-48.57%
MILPITAS RDA	\$306,250,706	831	448,112,219	311	-31.66%	167.20%
MORGAN HILL RDA	\$52,175,108	375	45,037,776	118	15.85%	217.80%
MT VIEW RDA	\$12,394,019	11	27,699,702	19	-55.26%	-42.11%
SAN JOSE RDA	\$394,537,887	854	1,131,343,989	384	-65.13%	122.40%
SANTA CLARA RDA	\$24,093,154	9	141,631,455	24	-82.99%	-62.50%
SUNNYVALE RDA	\$2,050,206	14	8,176,684	11	-74.93%	27.27%
Sub-Total RDA	\$797,490,598	2,196	1,808,762,254	982	-55.91%	123.63%
TOTAL	\$5,049,790,679	41,866	4,938,545,630	17,758	2.25%	135.76%

PROPERTY TYPE	2008-09		2007-08		% Change from 07-08	
	NET DELTA	COUNT	NET DELTA	COUNT	NET DELTA	COUNT
SFR, CONDO & 1-4 units	3,227,017,872	41,328	1,058,648,767	16,894	204.82%	144.63%
All Other	1,822,772,807	538	3,879,896,863	864	-53.02%	-37.73%
Total	5,049,790,679	41,866	4,938,545,630	17,758	2.25%	135.76%