JEFFREY PRANG
Assessor

OFFICE OF THE ASSESSOR
COUNTY OF LOS ANGELES
500 WEST TEMPLE STREET
LOS ANGELES, CALIFORNIA 90012-2770
assessor.lacounty.gov
1(888) 807-2111

Valuing People and Property

OFFICE OF THE ASSESSOR'S POLICY GOVERNING THE ASSESSMENT OF LEASE SEGREGATIONS OF REAL PROPERTY

The separate assessment of a portion of a parcel subject to a lease, which requires the lessee-owner to pay the corresponding portion of the property taxes, must adhere to the requirements of Revenue and Taxation Code Section 2188.4. Therefore, before lease segregation may be executed the following conditions must be met:

1. Request must be made be lessee or lessor in writing in the following manner:

   a. By letter directed to:

   The Office of Assessor, County of Los Angeles
   500 West Temple Street, Room 201
   Los Angeles, California 90012-2770
   Attn: Lease Segregation Desk

   OR

   b. By completion of a request form (Form OWN-138) at the Main Office, Room 225 or at any District Office.

2. Lease must be recorded with the County Recorder on or before the lien date, 12:01 a.m. Jan. 1st for the ensuing year, or

   a. In cases where the unrecorded lease is voluminous and/or contains information of a confidential nature, a recorded "Memorandum of Lease" will be accepted. The memorandum must include the legal description and the signatures of the legal owner and lessee.

   b. Terms of lease not recorded in "Memorandum of Lease" (i.e., effective and expiration dates, renewal options and use of property) must be supplied. The actual lease must either be brought to us to extract the information required or information submitted separately by letter on company letterhead, if available, signed by the owner and lessee.

3. Lease must provide for a term of 15 years or more (including options to renew.)

4. Request for lease segregation must be made prior to said lien date for the ensuing year.

5. Property must be assessed in name of owner.

   a. Name of Lessee may be added to name of owner upon request of owner.

6. Lessee's mailing address, for tax bill purposes, may be used upon request.

7. The leased property must have appropriate direct frontage on a public street. Segregation must not produce an island. Exceptions in extreme cases must be approved by the Chief's of Ownership and Real Property Divisions.

   a. A parcel included in the lease for easement purposes only (i.e. parking, ingress and egress, or for the purposes of qualifying direct street frontage) will not be considered in the acceptance of the segregation and will not be segregated from the original parcel for assessment purposes.

8. Upon expiration of the subject lease, adjacent properties in the same owner's name will be combined unless notice of renewal is given to the Assessor prior to the lien date of the year lease expires.

If you require further information please contact The Lease Segregation Desk at (213) 974-3464.

SAMPLE

COUNTY OF LOS ANGELES OFFICE OF THE ASSESSOR

REQUEST FOR LEASE SEGREGATION

ASSESSOR'S IDENTIFICATION NUMBER: 5555-555-555

20 15

LEASED PROPERTY

OWNER'S NAME: Jane Doe

MAILING ADDRESS FOR TAX PURPOSES: 123 Main St
Los Angeles, CA 90012

LESSEE'S NAME: John Doe

SITUS ADDRESS: 321 Side St., Los Angeles, CA 90012

☐ NEW LEASE ☒ EXISTING LEASE UNEXPIRED NUMBER OF YEARS_____

TERM OF LEASE: 34 years	STARTING DATE: 5/1/2015	EXPIRATION DATE: 5/1/2049
EFFECTIVE DATE: 5/1/2015	USE OF BUILDING: Retail	
RECORDING DATE: 5/1/2015	DOCUMENT NO.: 2009	BOOK NO.: 1281 / PAGE NO.: 610

☐ RECORDED LEASE SUBMITTED ☐ RECORDED MEMO OF LEASE SUBMITTED

☒ OWNER'S CONSENT ☐ CORRESPONDENCE ATTACHED

PROPERTY DESCRIPTION: Storefront shop.

ASSESS REMAINDER TO

NAME: John Doe

ADDRESS: 321 Side St., Los Angeles, CA 90012

CHANGE REQUESTED BY

☒ LESSEE ☒ LESSOR Jane Doe

ADDRESS: 123 Main St., Los Angeles, CA 90012	PHONE NO.: 555-123-4567
DEPUTY	DATE
APPROVED *(Chief, Ownership Exemption-Mapping Division)*	DATE
APPROVED *(Chief, Real Estate Division)*	DATE
FORMULATOR	DATE

PLEASE NOTE:

Return this form with a copy of **recorded lease** to:

LOS ANGELES COUNTY ASSESSOR
500 WEST TEMPLE STREET
ROOM 301
LOS ANGELES, CALIFORNIA 90012

ATTN: LEASE SEGREGATION DESK

Upon expiration of the subject lease, adjacent properties in the same owner's name will be combined. Application for continued segregation should be directed to the Assessor at that time.

SAMPLE