



STATE BOARD OF EQUALIZATION  
PROPERTY AND SPECIAL TAXES DEPARTMENT  
450 N STREET, SACRAMENTO, CALIFORNIA  
PO BOX 942879, SACRAMENTO, CALIFORNIA 94279-0064  
916 445-4982 - FAX 916 323-8765  
[www.boe.ca.gov](http://www.boe.ca.gov)

BETTY T. YEE  
First District, San Francisco

BILL LEONARD  
Second District, Ontario/Sacramento

MICHELLE STEEL  
Third District, Rolling Hills Estates

JUDY CHU, Ph.D.  
Fourth District, Los Angeles

JOHN CHIANG  
State Controller

December 30, 2008

RAMON J. HIRSIG  
Executive Director

No. 2008/079

TO COUNTY ASSESSORS:

ASSESSORS' HANDBOOK SECTION 531,  
RESIDENTIAL BUILDING COSTS

Enclosed are copies of Assessors' Handbook Section 531, *Residential Building Costs*. These updated pages are replacements to the January 1, 2008 version of AH 531.

In 2009, it is likely to be another very difficult year for the single-family residential market in California. The market continues to be in great turmoil with foreclosures at high levels, large inventories of resale homes, as well as many new unsold homes. Median home prices in many areas were declining in the latter part of 2008, and that trend may continue during 2009. As a result, a number of the major builders of new homes are still avoiding single-family home construction in areas of California, while other builders are not changing their scaled-back new home construction projects. Many of the costs in this 2009 revision of AH 531 have declined from last year, partly due to the ongoing significant reduction in developer's entrepreneurial profit. Other parts of the cost structure have remained the same or have actually increased. Therefore, appraisal judgment will still be especially important for 2009 to adjust for any market change that would affect costs after the publication date of AH 531.

The compilation of cost factors and specifications for AH 531 is a continuous process. Your comments and input, particularly information regarding the locale adjustment factor for your county, will help to make this handbook a more useful product.

The entire text of AH 531 is posted to the Board's website at [www.boe.ca.gov/proptaxes/ahcont.htm](http://www.boe.ca.gov/proptaxes/ahcont.htm). If you have any questions or comments regarding this handbook, please contact Mr. Ken King at 916-324-2742 or [kenneth.king@boe.ca.gov](mailto:kenneth.king@boe.ca.gov).

Sincerely,

/s/ David J. Gau

David J. Gau  
Deputy Director  
Property and Special Taxes Department

DJG:sk  
Enclosure

ASSESSORS' HANDBOOK SECTION 531  
*RESIDENTIAL BUILDING COSTS*

UPDATES – January 1, 2009

These corrections are for pages in Assessors' Handbook Section 531 dated January 1, 2008.

	<u><i>Remove Pages</i></u>	<u><i>Insert Pages</i></u>
<b>Cover</b>	-	-
<b>Foreword</b>	i	i
<b>Costing Information – AH 531.10</b>		
	13-18	13-18
	25-27	25-27
<b>Single-Family Residential Conventional Type – AH 531.20</b>		
	19-22	19-22
<b>Single-Family Residential Modern Type – AH 531.21</b>		
	7-18	7-18
<b>Mountain Residences – AH 531.22</b>		
	9-12	9-12
	17-20	17-20
	23-24	23-24
<b>Multiple-Family Residences – AH 531.30</b>		
	7-10	7-10
	15-17	15-17
<b>Manufactured Housing – AH 531.35</b>		
	1-2	1-2
	9-12	9-12
<b>Building Additives – AH 531.40</b>		
	3-4	3-4
	7-8	7-8
<b>Residential Garages – AH 531.50</b>		
	5-8	5-8

**Remove Pages**

**Insert Pages**

**Yard Improvements – AH 531.51**

1-2

1-2

**In-Place Costs – AH 531.60**

1-2

1-2

11-12

11-12

**Depreciation – AH 531.70**

3-6

3-6

**Useful Information – AH 531.80**

1-2

1-2

**Compact Costs – AH 531.90**

1-5

1-5