



King County

Department of Assessments

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Lloyd Hara
Assessor

As we start preparations for the 2013 property assessments, it is helpful to remember that the mission and work of the Assessor's Office sets the foundation for efficient and effective government and is vital to ensure adequate funding for services in our communities. Maintaining the public's confidence in our property tax system requires that we build on a track record of fairness, equity, and uniformity in property assessments. Though we face ongoing economic challenges, I challenge each of us to seek out strategies for continuous improvement in our business processes.

Please follow these standards as you perform your tasks.

- Use all appropriate mass appraisal techniques as stated in Washington State Laws, Washington State Administrative Codes, Uniform Standards of Professional Appraisal Practice (USPAP), and accepted International Association of Assessing Officers (IAAO) standards and practices.
- Work with your supervisor on the development of the annual valuation plan and develop the scope of work for your portion of appraisal work assigned, including physical inspections and statistical updates of properties;
- Where applicable, validate correctness of physical characteristics and sales of all vacant and improved properties.
- Appraise land as if vacant and available for development to its highest and best use. The improvements are to be valued at their contribution to the total in compliance with applicable laws, codes and DOR guidelines. The Jurisdictional Exception is applied in cases where Federal, State or local laws or regulations preclude compliance with USPAP;
- Develop and validate valuation models as delineated by IAAO standards: Standard on Mass Appraisal of Real Property and Standard on Ratio Studies. Apply models uniformly to sold and unsold properties, so that ratio statistics can be accurately inferred to the entire population.
- Time adjust sales to January 1, 2013 in conformance with generally accepted appraisal practices.
- Prepare written reports in compliance with USPAP Standard 6 for Mass Appraisals. The intended users of your appraisals and the written reports include the public, Assessor, the Boards of Equalization and Tax Appeals, and potentially other governmental jurisdictions. The intended use of the appraisals and the written reports is the administration of ad valorem property taxation.

Lloyd Hara
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Executive Summary Report

Appraisal Date 1/1/2013- 2013 Assessment Year

Quadrant Name: West Seattle-Commercial Area 45

Physical Inspection: Neighborhood 20

Sales – Improved Summary

Number of Sales: 24 included Ratio Study Analysis, 29 Total Sales in Area 45

Range of Sales Dates: 1/1/2010 – 12/31/2012

Sales – Ratio Study Summary

	Improved Value	Sale Price	Ratio	COD
2012 Average Value	\$444,800	\$453,300	98.50%	8.09%
2013 Average Value	\$455,300	\$453,300	100.4%	8.09%
Change	\$10,500		2.30%	0%
% Change	2.36%		2.34%	0%

The Weighted Mean Ratio, which represents the assessment level, has improved from the 2012 to the 2013 revalue. The coefficient of dispersion (COD) is a measure of uniformity, the lower the number the better the uniformity. It is a standard statistical measure of the relative dispersion of the sample data about the mean of the data. The change in COD from the 2012 to the 2013 revalue represents a no change in the uniformity.

Sales used in Analysis: All improved sales which were verified as good that did not have characteristic changes between the date of sale and the date of appraisal, or where a sale price was determined prior to 2010, were included in the analysis.

The above ratio study results for improved properties are based on a limited sales sample which is heavily weighted with live/work townhomes. This property type is not representative of the entire geo-area population; thus, the ratio study results are not a reliable tool for measuring the revaluation results of the overall commercial population within this geo-area. The live/work

townhomes, as well as commercial condominium units, were valued by the market approach, while the majority of the remaining parcels were valued by the income approach.

Population - Parcel Summary Data

	Land	Improvements	Total
2012 Value	\$1,805,585,300	\$614,375,365	\$2,419,960,665
2013 Value	\$1,611,246,500	\$592,073,051	\$2,203,319,551
Percent Change	-10.76%	-3.63%	-8.95%

Number of Parcels in the Population: 1,402 parcels excluding specialties.

Conclusion and Recommendation

All of the statistical measures of uniformity used are within the IAAO standards. Since the values recommended in this report improve uniformity and equity, we recommend posting these values for the 2013 assessment year.

Analysis Process

Effective Date of Appraisal: January 1, 2013

Date of Appraisal Report: April 18th, 2013

Highest and Best Use Analysis

As if vacant: Market analysis of this area, together with current zoning and current anticipated use patterns, indicate the highest and best use of the majority of the appraised parcels as commercial. Any opinion not consistent with this is specifically noted in our records and considered in the valuation of the specific parcel.

As if improved: Based on neighborhood trends, both demographic and current development patterns, the existing buildings represent the highest and best use of most sites. The existing use will continue until land value, in its highest and best use, exceeds the sum of value of the entire property in its existing use and the cost to remove the improvements. We find that the current improvements do add value to the property, in most cases, and are therefore the highest and best use of the property as improved. In those properties where the property is not at its highest and best use, a nominal value of \$1,000 is assigned to the improvements.

Interim Use: In many instances a property's highest and best use may change in the foreseeable future. A tract of land at the edge of a city might not be ready for immediate development, but current growth trends may suggest that the land should be developed in a few years. Similarly, there may not be enough demand for office space to justify the construction of a multistory office building at the present time, but increased demand may be expected within five years. In such situations, the immediate development of the site or conversion of the improved property to its future highest and best use is usually not financially feasible.

The use to which the site is put until it is ready for its future highest and best use is called an interim use. Thus, interim uses are current highest and best uses that are likely to change in a relatively short time.

Standards and Measurement of Data Accuracy

Each sale was verified with the buyer, seller, real estate agent or tenant when possible. Current data was verified and corrected when necessary via field inspection.

Special Assumptions and Limiting Conditions

All three approaches to value were considered in this appraisal. The following Departmental guidelines were considered and adhered to:

- Sales from 1/2010 to 12/2012 (at minimum) were considered in all analyses.
- This report intends to meet the requirements of the Uniform Standards of Professional Appraisal Practice, Standard 6.

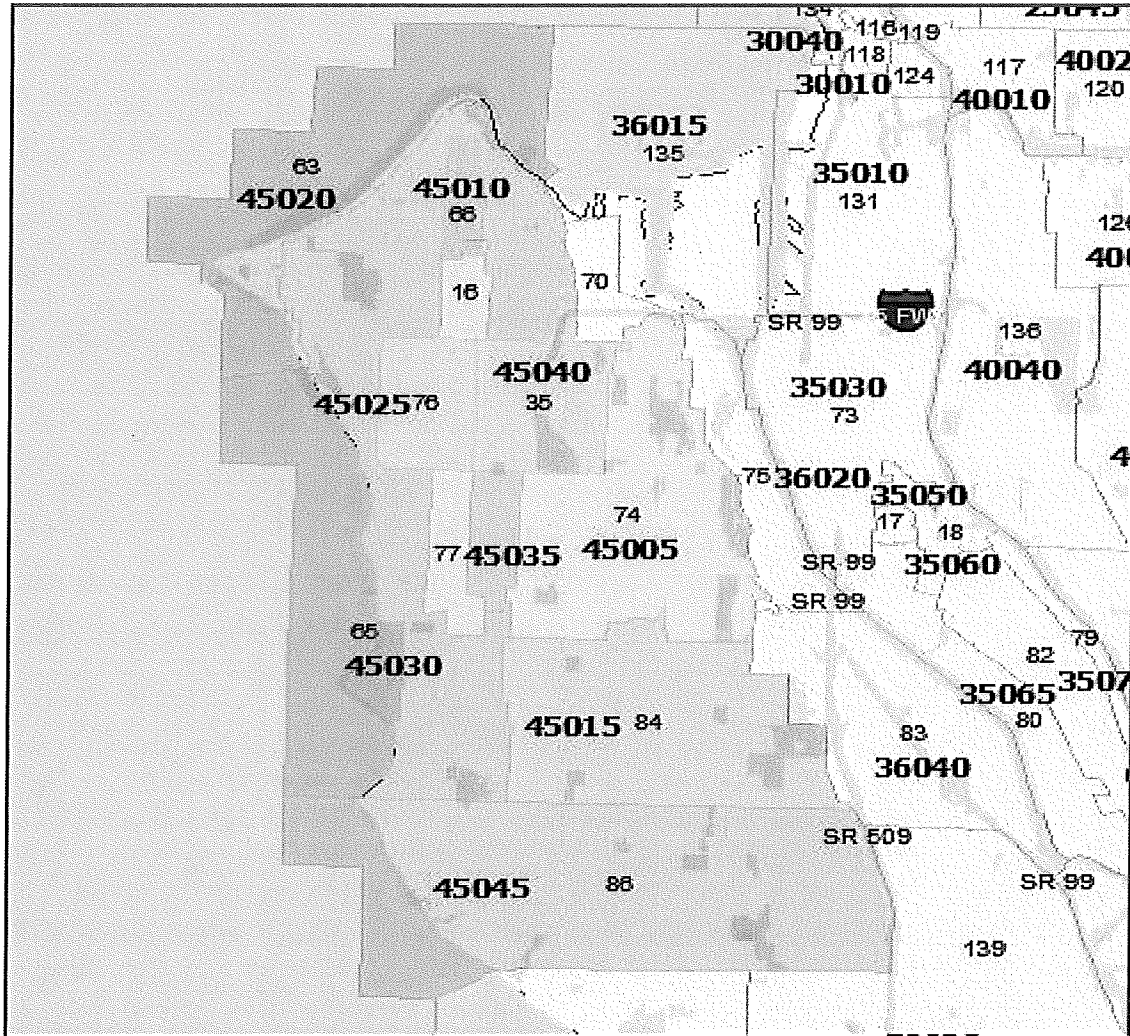
Identification of the Area

Name or Designation: Area 45 - West Seattle/White Center/Northwestern Burien

Boundaries

- North – The Puget Sound, Elliott Bay
- West – The Puget Sound
- East – Harbor Avenue SW, West Marginal Way (excluding properties fronting on West Marginal Way), Highland Park Way SW, 1st Avenue S, Meyers Way S, State Route 599.
- South – SW 116th Street

A general map of the area and its neighborhoods is shown below. More detailed Assessor's maps are located on the seventh floor of the King County Administration Building.



Area Description

Area 45 includes the southwest portion of the City of Seattle, as well as an unincorporated area of King County to the south of the city limits, and a northern portion of the City of Burien. As shown on the preceding page, the area is divided into nine neighborhoods:

- 45-005 - Delridge/High Point/Pigeon Point/North Highland Park
- 45-010 - The Admiral Junction
- 45-015 - Westwood/South Highland Park/White Center within Seattle City Limits
- 45-020 – Alki Beach/Beach Drive/Harbor Avenue
- 45-025 - The Alaska Junction
- 45-030 - West Seattle outside of major commercial centers
- 45-035 - California Ave SW to the north & south of The Alaska Junction
- 45-040 - The Triangle/Avalon Way Area
- 45-045 - White Center outside Seattle City Limits/Top Hat/North Burien

All of Area 45 is considered suburban, however some neighborhoods such as the Alaska and Admiral Junctions, and White Center, contain a much larger business district than others. The diversity of Area 45 is seen in the mix of commercially-improved properties located on residentially-zoned parcels, low-density and low-rise multi-family zone classifications, higher-density commercial, neighborhood commercial and mixed-use zone classifications, as well as the inclusion of a small percentage of lighter industrial zoned parcels. Diversity is further demonstrated in the range of the area's view amenities, including water vistas and beaches, downtown Seattle skyline views and mountain views of both the Olympic and Cascade ranges along with Mt. Rainier. The individual neighborhoods comprising Area 45 run the gamut from modest interior properties and public subsidized housing, to main street style shopping areas, to higher-end view, waterfront and beach locations.

Development within Area 45 has been density driven with the construction of apartments, condominiums, townhomes and live/work units on either vacant parcels or parcels previously occupied by single family homes and older commercial structures. More recently constructed condominium and apartment developments may include mixed-use retail/office on the street level, some with underground garage parking. Most of Area 45's neighborhoods, where zoning permits, continue to experience increased density.

New development has seen a strong resurgence in Area 45 during 2012. Several large scale projects are currently underway or in the design review process. Recently completed and current commercial projects have been included in each of the neighborhood descriptions below. King

County Metro's RapidRide bus service was implemented in the Fall of 2012. The streamlined bus service between West Seattle and downtown Seattle provides transportation every 10 minutes during peak periods.

Neighborhood 45-005: North Delridge, High Point, Highland Park (north portion), Pigeon Point

Boundaries

- North: SW Spokane Street
- West: 26th Avenue SW and 36th Avenue SW
- South: SW Webster Street & SW Orchard Street
- East: West Marginal Way SW

Neighborhood Description

Commercial properties in this neighborhood are mainly concentrated along Delridge Way SW and 35th Avenue SW, the two north/south arterials through the neighborhood. Typical commercial uses include retail/restaurant, office, small warehouse, and service (e.g. auto garage). These can be found mostly in one-story stand-alone buildings which are generally owner-occupied and also, to a lesser degree, in two-to-four story mixed-use buildings, some of which are condominiums with commercial units. The highest point in Seattle is located in this neighborhood at 35th Avenue SW and SW Myrtle Street at 520 feet above sea level. Neighborhood 45-005 is punctuated with parks/open spaces, and institutional uses, such as churches, mortuaries and schools. South Seattle Community College located in this neighborhood in the southern portion of Pigeon Point along 16th Avenue SW.

High Point, Seattle Housing Authority's largest family community and first Green-built community, is located in neighborhood 005. The community, originally designed during the 1940's, began redevelopment as a mixed-income residential development in 2004. Phase I development of the 120-acre, ecologically-conscious, planned community was completed in 2007. It includes for-sale and rental housing units along with a library, health clinics, community gardens and open spaces. Phase II of the development began in 2006 and was completed in 2010. Currently, private development of for-sale homes and townhomes is ongoing and will continue until the community is built out. As part of phase II, construction was completed on Neighborhood House, a community center, in the fall of 2009. When complete, High Point will contain nearly 1,700 housing units with a mix of market and affordable for-sale homes, public housing, affordable rentals, senior housing and low-income elderly housing. A large mixed-use parcel is currently listed for sale along the west side of the development, along 35th Avenue SW. The redevelopment work at High Point has received more than 20 awards from around the world

recognizing its innovations and achievements in areas such as master planning, green building, landscaping and construction.

Construction is nearing completion on the Youngstown Flats apartment project in North Delridge with the first units expected to lease in April 2013. The name Youngstown was chosen as it is the original name of the neighborhood when it was first settled in the 1900's. Located one block west of Delridge Way SW and adjacent to the West Seattle Corporate Center, the development had initially been granted permits in 2006 as a condominium project. After an ownership change in 2010, the project was redesigned as a 6-story building with 183 apartments, 12 first floor live/work units and an underground parking garage. Upper floor units will have Elliott Bay and Seattle skyline views.

Also in the North Delridge neighborhood, construction began in December 2012 on the 66 unit DESC Supportive Housing project in the 5400 block of Delridge Way SW. When complete, the project will provide housing with supportive services for the most vulnerable of Seattle's homeless population. In addition to 66 apartments units, the building will have underground parking and first floor retail with the Delridge Produce Co-op as a tenant.

Neighborhood 45-010: The Admiral Junction

Boundaries

- North: SW Atlantic Street
- West: 45th Avenue SW
- South: SW Lander Street & SW Stevens Street
- East: 41th Avenue SW and 42nd Avenue SW

Neighborhood Description

The Admiral Junction is a primarily commercial district located along California Avenue SW with commercial development spreading out a block or two to the east and west. The central intersection in the neighborhood is California Avenue SW and SW Admiral Way. Commercial uses consist primarily of retail/restaurant/office within small-scale (one-to-four story) stand-alone or mixed-use buildings (including one condominium with commercial units). The neighborhood also contains two grocery stores and West Seattle's only movie theater.

Recent additions include the Orion Building, built in 2010, an 18,000 square-foot, three-story medical-dental building with ground floor retail and a LEED silver rating; the Admiral Safeway

development, built in 2011, which includes a new Safeway, additional retail use, residential apartments; and two live/work units, one of which sold in late 2011.

Neighborhood 45-015: Westwood, Highland Park (south portion), White Center (within Seattle City Limits)

Boundaries

- North: SW Webster Street & SW Orchard Street
- West: 37th and 36th Avenue SW
- South: SW Roxbury Street
- East: Myers Way S, 1st Avenue S, and Highland Park Way

Neighborhood Description

Commercial uses vary greatly in neighborhood 45-015. Besides the typical retail/restaurant/office uses, there are several sites devoted to light industry or warehouse storage, service (e.g., auto repair), and institutional uses (e.g., schools, churches, youth centers, government/utility uses, day cares and a hospital). Structures are typically one-to-three story stand-alone, with some mixed-use. Commercial condominiums and live/work units have yet to be developed in this area. The Westwood Village shopping center has seen several renovations in recent years and provides the only mall-like shopping experience in Area 45. It contains retail/restaurant uses in addition to several big-box anchor stores.

As of January 2013, construction is underway on a 4,000 square foot retail building on the west (vacant) portion of the Arco mini-mart site along Delridge Way SW. Other recent additions in the neighborhood include a mixed-use office/apartment in 2009, a new facility for Fire Station #37 along 35th Avenue SW in 2010, and an auto repair building with second floor office space in 2010. In 2011, an office building which had been vacant for nearly four years sold to an owner who has re-modeled the structure for day-care use. The eastern portion of neighborhood 015, South Highland Park, is predominantly residential with small stand-alone commercial uses interspersed. This area has seen little new development in recent years.

Neighborhood 45-020: Alki/Beach Drive/Harbor Avenue

Boundaries

- North: Puget Sound
- West: Puget Sound
- East: Elliott Bay

Neighborhood Description

Neighborhood 45-020 consists of the parcels along the arterials of Alki Avenue SW, Harbor Avenue SW, Beach Drive SW and the Alki Point area. Many properties have significant water, city and/or mountain views; some with waterfront footage. There are also some parcels which are vacant tidelands, open park spaces and utility sites. Alki Point was the original settlement for what would become the City of Seattle. Currently, commercial uses are mostly retail/restaurant with a few office and medical, within stand-alone and mixed-use buildings, including four condominiums with ground-level commercial units. The neighborhood is home to Alki Beach, one of the most popular salt-water beaches in the Seattle area. The beach draws locals and tourists alike to the neighborhood, supporting the commercial uses along the arterial avenues. Harbor Avenue boasts views across Elliott Bay of the Seattle skyline and Space Needle. Development along this arterial consists mainly of multi-story condominium buildings with a few restaurant, retail and office uses.

There has been limited new commercial development in the neighborhood although a significant land sale closed in December of 2012. Six contiguous parcels along Harbor Avenue SW, including the long standing home of the Alki Tavern, were sold. The buyer intends to build a condominium project on the site. A small one-story multi-tenant retail commercial building was completed in 2011 along the heart of Alki Avenue Southwest. Sales of some LR (multi-family) zoned parcels along Alki Avenue SW that occurred in 2006 and 2007 and were seen as redevelopment sites at the time have not been redeveloped, with the interim-use improvements still in use at this time.

Neighborhood 45-025: The Alaska Junction

Boundaries

- North: SW Andover Street
- West: 51st Avenue SW
- South: SW Brandon Street
- East: 41st Avenue SW

Neighborhood Description

Neighborhood 45-025 is considered to be the heart of West Seattle and is locally referred to as “The Junction”, where California Avenue Southwest and Southwest Alaska Street form the namesake. The neighborhood’s community-business atmosphere is striving to maintain a pedestrian and community ambiance, which competes with strip-center retail, a major neighborhood shopping mall, and the car-dominated retail environments elsewhere in West Seattle. In the 1980’s, the local merchants started to provide four free parking lots with a three-hour parking limit for customers shopping within this district. Local businesses persuaded city officials in 1996 to remove the parking meters along the arterials for a more customer-friendly atmosphere. These measures allow higher vehicular access than would normally be anticipated in such a high-density urban area, as generally the commercially-developed parcels in this neighborhood do not include parking.

Commercial uses consist primarily of retail/restaurant, with some office, medical, and institutional uses (e.g., churches). One-story single- and multi-tenant buildings dominate this area, which also features a large contingent of two-to-three story multi-tenant, mixed-use buildings with street-level commercial spaces. Nine such buildings are condominiums with commercial units. In general, along California Avenue SW the rental spaces that are leased are original in nature, predominantly occupied by “sole proprietorship” businesses rather than major retail chains. Most commercial improvements do not maximize their site’s zoned height potential. Those that do are typically mixed-use buildings, with street-level commercial and 5-7 stories of apartments/residential condos above.

The start of a two building development by Equity Residential, consisting of two parcels, totaling just over one acre, at “The Junction” (California/Alaska), was slated to begin construction in January of 2013. The developer, Equity Residential, reports that the start date has been postponed but will commence later in the year. The development will consist of two 7-story buildings with a shared, 265 space underground parking garage, a total of 25,685 square feet of ground floor retail space, 203 apartments and three live/work units. This site, currently developed with one story

multi-tenant retail, can be considered the prime “Main and Main” commercial location in all of West Seattle.

Located one-half block south of the Alaska Junction intersection, another 7-story building has been approved on the old Petco site. The mixed-use building will have 5,000 square feet of ground floor retail, 15 live/work units, 73 apartments and 2 floors of underground parking. Demolition for the existing building has not yet been set. Another project set to break ground in 2013 is The Blake. Located three blocks to the south of “The Junction”, this 6-story mixed-use building will include 4,000 square feet of retail space with 101 apartments and a 95 space underground parking garage.

The construction of the Oregon 42 project began in June of 2012. Located one block north and east of “The Junction” this four-parcel site totaling approximately one-half acre will consist of a 7-story mixed-use building with 2,923 square feet of ground floor retail, 137 space underground parking garage and 131 apartment units.

On a smaller scale, construction was started on a five unit townhome one block west of California Avenue SW in December 2012. Currently in the permitting stage is a proposal for six townhomes to be constructed on a site along California Avenue SW which currently holds an older single family home. Another project in the early planning stage is Junction Flats, a 4-story 70-unit apartment building located one block north of the Oregon 42 project. Three single family homes will be demolished for this project. Along California Avenue SW at the south end of the neighborhood, three live/work units will be completed in early 2013. Across the street to the west, a one-story commercial building was demolished in October 2012. Work on a new commercial building was started, but is currently under a stop-work order by the city.

Representing another trend in this area, a small two-tenant office sold at the north end of area 45-025, along California Avenue SW, from one landlord to another who intends to re-model and re-lease the spaces.

Other recent additions to the neighborhood occurred in 2008 and include Capco Plaza/Altamira Apartments: a six-story building with retail/grocery/office uses along the street level, two levels of underground parking and 157 apartment units above, the Mural Apartments: a 7-story building with ground floor retail, 136 apartment units, and underground parking garage, and the Dakota, a mixed-use condominium project with two ground floor office units and 39 condo units. In addition, two live/work units were constructed and sold along California Avenue SW.

Neighborhood 45-030: West Seattle outside of major commercial centers

Neighborhood Description

Neighborhood 45-030 encompasses all the remaining parcels contained within area 45 that are not attributed to the economic neighborhoods of 5, 10, 15, 20, 25, 35, 40 and 45. This area is irregular in shape since many of the parcels are generally situated outside of readily definable commercial areas.

The neighborhood includes the Morgan Junction business district, centered at the intersection of California Avenue SW and Fauntleroy Ave SW, a small commercial node in the Fauntleroy neighborhood which includes Endolyne Joe's restaurant, along with commercial development along 35th Avenue SW from SW Brandon Street south to SW Roxbury Street and Harbor Ave SW from just south of Fairmont Ave SW to the West Seattle Bridge. The remaining commercial properties are parks, churches, and small stand-alone businesses sprinkled throughout single-family residential zones. Townhome development, including live/work units, has expanded into neighborhood 030, mainly along California Avenue SW and Harbor Avenue SW. There are also two mixed-use condominiums with street-level commercial units that were completed in 2012.

Recent sales activity has primarily involved the newly constructed live/work units and residential parcels with single-family residences being purchased for potential commercial or townhome development. A single family home was demolished just east of the McDonalds in the Morgan Junction with six townhomes currently under construction on the site. A duplex along California Avenue SW was demolished in January 2013 and construction has begun on three townhomes on the site. With a neighboring parcel slated for a similar project later in 2013.

The five-story East Peak office building, which includes a caretaker's apartment, along Harbor Avenue Southwest was completed in 2009. Six live/work townhomes were completed along Harbor Avenue Southwest in 2011.

Neighborhood 45-035: California Ave SW both north & south of Neighborhood 45-025

Boundaries

North Section

- North: SW Stevens Street & SW Lander Street
- West: California Avenue SW & 45th Avenue SW

- South: SW Andover Street
- East: 40st Avenue SW & Walnut Avenue SW

South Section

- North: SW Brandon Street
- West: 45st Avenue SW
- South: SW Othello Street & SW Webster Street
- East: 39st Avenue SW & 41st Avenue SW

Neighborhood Description

Area 45-035 is comprised of commercial parcels on California Avenue SW, or within close proximity thereto, that are just north or just south of the Alaska Junction neighborhood (Area 45-025). The area is less dense than the Alaska Junction, which is characterized as a main-street style business district. Commercial zoning in this neighborhood is limited to 30 to 40 feet in height.

Commercial uses are primarily office (including medical), followed by retail/restaurant, and several churches. Most structures are one-story stand-alone buildings of owner-occupancy. The remainder consists of two-to-four story multi-tenant, usually mixed-use buildings, including six condominiums with commercial units.

Recent development and sales activity in Area 45-035 has been dominated by live/work town homes. Nine live/work units were constructed and sold in 2010 to 2012. The addition of more live/work units is increasing the density and starting to blur the boundaries between this area and 45-025. A three story mixed-use office building was completed at the south end of neighborhood 035 in 2012. The building includes two stories of office space and a single third floor condominium.

Two apartment projects have been proposed for the north end of neighborhood 035 along California Avenue SW. The first is a 3-story building with 30 unit apartment units and underground parking. The second project currently in review is a 5-story building with 166 units, 10 live/work units and 166 underground parking spaces which will be located just south of West Seattle High School.

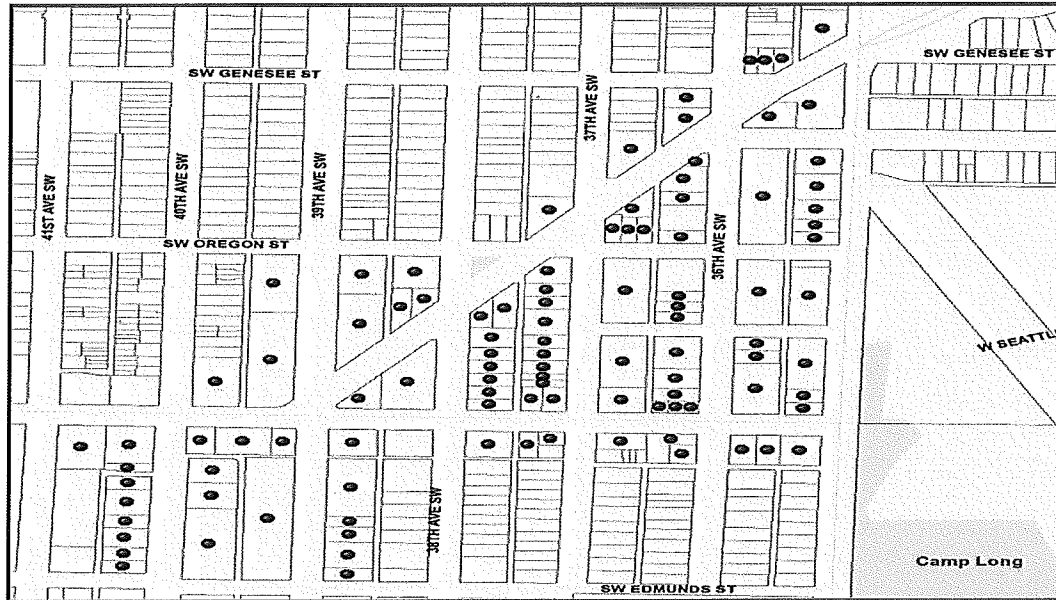
Neighborhood 45-040: The Triangle/Avalon Way Area

Boundaries

- North: SW Andover Street & West Seattle Bridge
- West: 41st Avenue SW
- South: SW Brandon Street
- East: 27th Avenue SW & Delridge Way SW

Neighborhood Description

Area 45-040 serves as the major gateway into West Seattle, via the West Seattle Bridge. The western portion of this area, known as The Triangle, consists of a variety of low-scale commercial improvements, including vacant auto dealerships, a lumber company, and a mix of older, typically stand-alone structures used for retail, restaurant, office and service (e.g., auto garage). This commercial zone is bounded to the northwest by Fauntleroy Way SW, to the south by SW Alaska Street and to the east by 35th Avenue SW. The Triangle is undergoing revitalization and portions of it were re-zoned in February 2012, resulting in a shift from “Commercial 1” zoning to “Neighborhood Commercial 3” zoning, along with increases in height allowances in some cases. The diagram below identifies parcels that were included in the re-zoning:



Evidence of revitalization in the triangle can be seen in recent higher-density residential development and mixed-use buildings. Construction of the Link Apartments, a 7-story, 200-unit mixed-use building with first floor retail, was completed in 2010. Also, a vacant former auto show room on Fauntleroy Way SW near SW Alaska Street has been remodeled with a Trader

Joe's grocery opening in the building in June 2012. With the economic downturn, some of the revitalization in or near the Triangle had stalled out, but 2012 has seen projects again moving forward. A mixed-use development, originally slated to house Whole Foods, along Alaska Street/39th Avenue SW and known locally as "The Hole", has sat in the excavation phase since 2008. The property changed ownership in 2012 and is now owned by Madison Development Group. The new project has been named Spruce West Seattle and consists of 72,000 square feet ground floor retail to be occupied by LA Fitness, a 532 space below grade parking garage and 154 apartment units. The revised project went through Final Design Review in December 2012. A date for commencement of construction has not been made public.

Directly to the south of "The Hole", on the former Huling Brothers site, the largest project yet for West Seattle is in design review. The site was purchased in December of 2012. The proposed project is a 5-story mixed-use project, with 62,750 square feet of retail (Whole Foods is the reported anchor tenant) and 370 apartments units in two buildings, with 598 parking spaces in an underground parking garage.

The eastern portion of Area 45-040 contains the West Seattle Bridge and Avalon neighborhoods. Herein are located several large office buildings, some mid-rise apartment developments, as well as some industrial, retail and office improvements. A 6-story mixed-use apartment building, located on the southeast corner of 35th Avenue SW and SW Avalon Way, resumed building activity in early 2012 after the project had stalled with financial difficulties. The exterior of the building was near completion in January 2013. The building has been named Residences at 3295 and will contain a ground floor restaurant, 60 apartment units and two floors of underground parking. Moving east along Avalon Way SW from this project there are several apartment projects either in the design or construction phase. Projects under construction at the beginning of 2013 include a 5-story 7 unit boarding house and a 6-story 120 unit apartment building with 118 underground parking spaces. Projects in the design phase include two 7-story apartment projects with 107 and 108 units each and a 14 unit boarding house.

Neighborhood 45-045: West Seattle south of Roxbury/White Center outside Seattle City Limits/Top Hat/North Burien

Boundaries

- North: SW Roxbury Street
- West: The Puget Sound
- South: SW 116th Street
- East: State Route 509

Neighborhood Description

Neighborhood 45-045 contains that portion of the White Center neighborhood located south of Southwest Roxbury Street, and Top Hat, both of which are in unincorporated King County along with that portion of the City of Burien located north of SW 116th Street. The west portion of the neighborhood is located inside the City of Seattle and is predominantly residential. It includes Arbor Heights, Arroyo Heights and the Seola Beach neighborhoods. The commercial properties in these neighborhoods are parks, churches, and small stand-alone businesses sprinkled throughout single-family residential zones.

The White Center/Burien area has a mix of service retail and office development, with stand-alone retail and strip centers, auto repair, light manufacturing, and food processing, occurring mostly along the primary north/south arterial 16th Avenue Southwest which is populated by automobile-oriented clientele. In contrast, 15th Avenue Southwest has a concentrated neighborhood pedestrian-oriented business area just south of the neighborhood boundary of Southwest Roxbury Street. Neighborhood revitalization has been occurring along 15th Avenue Southwest. A 27,000-square-foot neighborhood center, with supermarket and line retail, was completed on 15th Avenue Southwest in 2011. The business area in White Center is surrounded by residential uses, with newer higher-density residential, including higher-density single-family development, focused near the business district. Recent sales activity in White Center has involved small-scale stand-alone retail.

The Greenbridge low income housing development, located to the east of the White Center business district, is evolving into a mixed-income community, similar to the High Point community, with development of 900 rental and for-sale homes at complete build-out of the project. Greenbridge has been certified as a *Three-Star Built Green*[™] development by the Master Builders of King and Snohomish Counties. The project uses environmental sustainability methodology, such as biofiltration swales to clean surface water runoff, and narrower road widths to assist in calming traffic and minimizing impervious surface area. Washington State's largest residential solar photovoltaic array is being installed on the roofs of twenty four public housing

units at the Sixth Place Apartments. The development also includes both remodeled and new community service facilities, as well as a neighboring elementary school (2004.) The Wiley Center is a community building which was remodeled in 2007 to hold the Neighborhood House and the Southwest Boys and Girls Club, along with Highline Community College. The roof of the Wiley Center is outfitted with solar panels. A second multi-purpose community facility containing the YWCA, the Greenbridge Learning Center, the Washington State University Extension, and the King County Library was completed in 2009. The Educare Early Learning and Head Start Center was completed in 2010.

Another large scale project, The Seola Gardens, located at the south end of the neighborhood began construction in 2010 with completion estimated in 2014. The new community is on the site of the former Park Lake Homes II, a public housing development that was badly deteriorated. The new master-planned community is a King County Housing Authority project. Phase I is currently under construction and will include 177 affordable, energy-efficient townhomes. Other amenities include 3 parks, a Head Start school for preschoolers, a 6,500 square foot community center, P-patch gardens and a senior center. Phase II is currently offered for sale to private builders and will include 107 market rate for-sale homes.

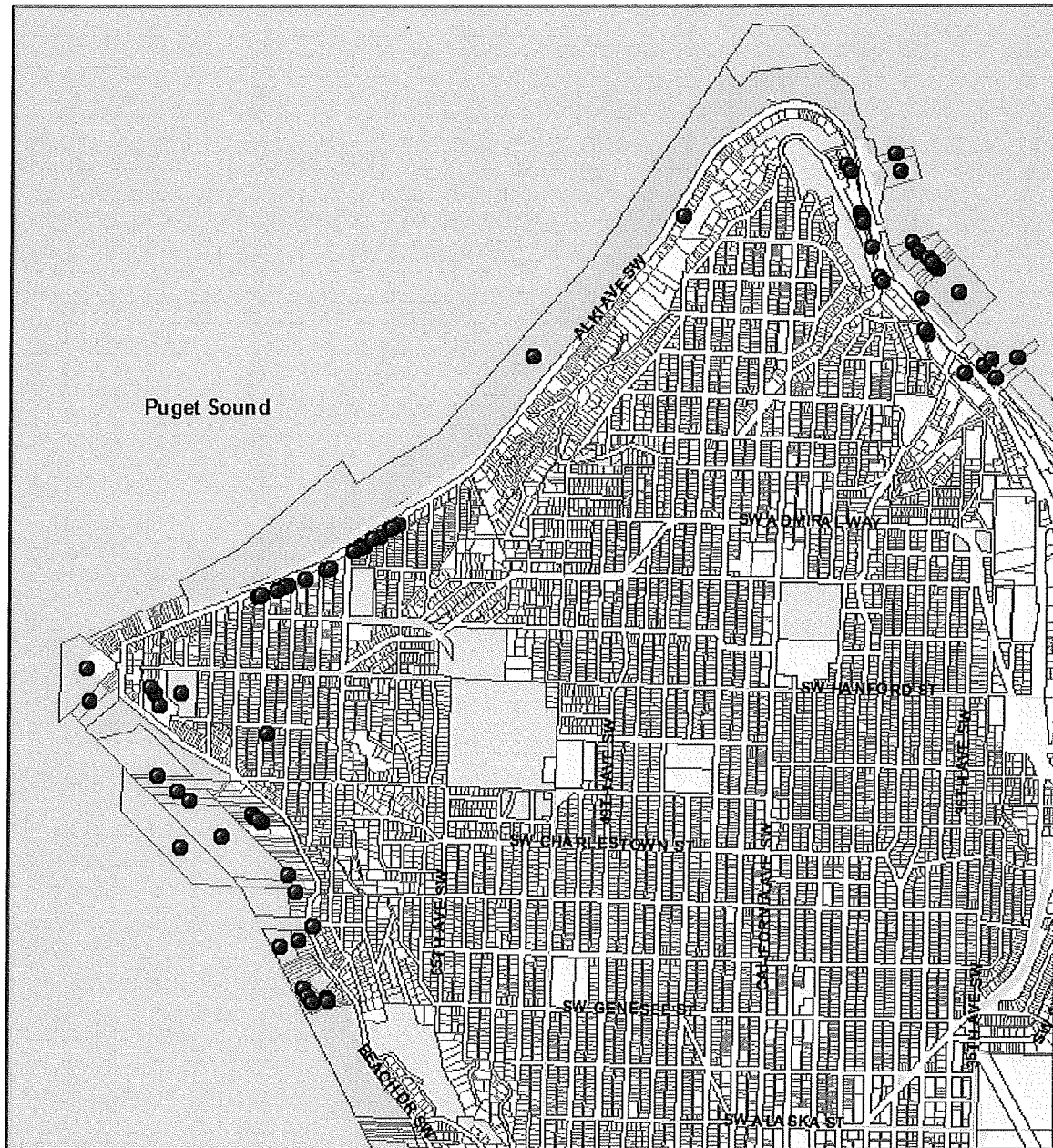
Top Hat is primarily commercially-zoned along the arterials of 1st Avenue South and Meyers Way South with mixed-use businesses oriented to automobile traffic. Commercial uses include service (auto garage), light industry and warehouse, retail/restaurant, and office. In 2011 a light industrial building sold to a social services organization which remodeled the building as an office. In the summer of 2012 a veterinary hospital along 1st Avenue South was demolished and a new larger animal hospital is being built on the same site. The new building will contain a new single family residence as well as a larger veterinary clinic.

Ratio Analysis

A preliminary Ratio Study was completed just prior to the application of the 2013 recommended values. This study benchmarks the current assessment level using 2012 posted values. The study showed a PRD of 1.00, an assessment level of 98.1% for the Weighted Mean Ratio, and a COD at 8.09%. The assessment level of the Weighted Mean Ratio improved after application of the 2013 recommended values. The COD increased slightly. The results are included in the validation section of this report. The PRD changed to .99, the Assessment level for the Weighted Mean Ratio changed to 100.4%, and the COD remained unchanged at 8.09%. A discussion of the ratio measurements is included in the Model Validation section at the end of this report.

Physical Inspection Identification

Area 45-020 was physically inspected by the geographic appraiser for the 2013 assessment year as required by WAC 458-07-015 4 (a). *An exterior observation of the properties was made to verify the accuracy and completeness of property characteristic data that affects value.*



Neighborhood 45-020, Inspection Parcels

Scope of Data

Land Value Data

Forty-three sale transactions which occurred during the time period ranging from January 1, 2010 through December 31, 2012 were given primary consideration in the valuation of commercial zoned land parcels for the 2013 revalue. The actual sales dates were between April 26, 2010 and December 27, 2012. Due to the smaller quantity of sales strictly categorized as commercial within the King County Department of Assessments, sales classified as commercial zoned properties with a residential use at the time of sale were included in the land sale analysis.

Improved Parcel Total Value Data

A total of twenty-nine improved sale transactions during the time period ranging from February 5, 2010 to December 4, 2012 were used to establish a market relationship for similar properties that were not sold. Sales information was obtained from excise tax affidavits and reviewed initially by the Accounting Division, Sales Identification Section. Information was then analyzed and investigated by the appraiser in the process of revaluation. All sales were verified, when possible, by contacting the purchaser, seller, or realtors involved in the transaction. Characteristic data was re-verified, when possible, for the sales. Sales are located in the “Improved Sales Used” and “Improved Sales Not Used” sections of this report. Additional information may reside in the Assessor’s Real Property Database, Assessor’s Procedure Manual, Assessor’s ‘field’ maps, Revalue Plan, separate studies, and statutes.

Land Value

Land Sales, Analysis, Conclusions

There were a total of forty-three sales occurring within the time span from April 26, 2010 and December 27, 2012 that were considered to be “arm’s-length” transactions and given primary consideration in the land valuation analysis. During the same time span, West Seattle continued to experience demand for multi-family housing, with development in many forms including apartments, mixed-use residential and commercial condominium development. Within recent years, town home style development, especially of the live/work variety, has become more frequent on smaller parcels originally with single-family residences or one story commercial buildings on commercially-zoned land. Factors such as the economic downturn and the lack of commercial capital resulted in some stalled development projects in West Seattle. However, during 2012 these projects have seen renewed activity with progress being made towards new developments. Recent sales of multi-parcel sites in parts of Area 45 indicate that the climate has improved for re-development projects which will add high-density residential and commercial units.

A trend of “tear-down” sales has increased with properties that have either been demolished, making way for new development or awaiting demolition during the master use application stage, as well as for assemblage or speculation purposes. Many of these properties are classified as residential use on commercially zoned land, and are designated as an *R sale in the **Vacant Land Sales Used in Analysis** chart following this section of the report. Several sales have occurred with the goal of re-developing the sites for row houses, live/work units, and mixed-use, mid-rise apartments.

The land sale analysis indicates differences in land values due to zone classification, location and site size. Sales were initially analyzed by zone classification. Distinctions in location, time of sale, parcel size, and topography were evaluated in the establishing the land valuation schedule. The resulting wide range of land values reflects the non-homogeneous nature of Area 45.

Many zone classifications were represented with recent sales activity. In instances when no sale activity occurred or sales representation was limited, appraiser judgment was utilized in arriving at the “benchmark” price in the Land Value Schedule chart shown on the following pages. The Assessor relied on sales of similarly zoned properties, with both higher and lower densities, to bracket the indicated values (referenced in the Vacant Sales Used chart at the end of this report.) In certain situations, subsequent adjustments were later factored for size, shape, and utility of anomalous parcels.

Land Value Chart

ZONING	ZONE DESCRIPTION	LOCATION	2013 TYPICAL \$/SF
LR1	LOWRISE 1 1 DWELLING UNIT PER 1,600 SF LOT AREA MAX 30' HEIGHT LIMIT	CALIFORNIA AVENUE AREA / LINCOLN PARK AREA / FAUNTLEROY DELRIDGE AREA SOUTH - 35TH AVENUE SW ALKI AREA PIDGEON POINT	\$30-\$40 \$16-\$20 \$22 \$60 \$20
LR2	LOWRISE 2 1 DWELLING UNIT PER 1,200 SF LOT AREA MAX 30' HEIGHT LIMIT	CALIFORNIA AVENUE AREA / LINCOLN PARK AREA DELRIDGE AREA / HIGHLAND PARK FAUNTLEROY AREA WESTWOOD NEIGHBORHOOD. SOUTH - 35TH AVENUE SW ALKI/BEACH DRIVE ALKI/BEACH DRIVE-NON-ARTERIAL EAST ROXBURY & HENDERSON PLACE	\$70 \$50 \$60 \$50 \$50 \$100 \$80 \$50
LR2 RC	LOWRISE 2 + COMMERCIAL USE	CALIFORNIA AVENUE SW AREA DELRIDGE AREA / HIGHLAND PARK WESTWOOD AREA	\$70 \$50 \$50
LR3	LOWRISE 3 1 DWELLING UNIT PER 800 SF LOT AREA MAX 40' HEIGHT IN GROWTH AREAS MAX 30' HEIGHT OUTSIDE GROWTH AREAS	CALIFORNIA AVENUE SW AREA DELRIDGE AREA / HIGHLAND PARK FAUNTLEROY AREA ALKI AVENUE SW- ON ARTERIAL ALKI AVENUE SW- NON-ARTERIAL ROXBURY/WESTWOOD/HENDERSON	\$80 \$50 \$70 \$120 \$100 \$50
LR3-RC	LOWRISE 3 + COMMERCIAL USE	BEACH DRIVE SW CALIFORNIA AVENUE SW AREA 16TH AVENUE SW - NORTH OF ROXBURY	\$120 \$90 \$50
R18	RESIDENTIAL 18 DWELLING UNITS PER ACRE PREDOMINANTLY TOWN HOME/APARTMENT DEVELOPMENTS	TOP HAT/UNINCORPORATED KING COUNTY	\$15
R24	RESIDENTIAL 24 DWELLING UNITS PER ACRE PREDOMINANTLY TOWN HOME/APARTMENT DEVELOPMENTS	WHITE CENTER / TOP HAT / UNINCORPORATED KING COUNTY	\$18
R48	RESIDENTIAL 48 DWELLING UNITS PER ACRE PREDOMINANTLY TOWN HOME/APARTMENT DEVELOPMENTS	WHITE CENTER / TOP HAT / UNINCORPORATED KING COUNTY	\$20
MR	MID-RISE 60 FT HEIGHT LIMIT UNLIMITED RESIDENTIAL DENSITY	ALKI AVENUE SW - ARTERIAL SW AVALON WAY ROXBURY AREA	\$150 \$80 \$40

Land Value Chart (continued)

ZONING	ZONE DESCRIPTION	LOCATION	2013 TYPICAL \$/SF
C1-30	AUTO-ORIENTED RETAIL/SERVICE 30 FT HEIGHT LIMIT MIXED USE STANDARDS SAME AS NC-1	NORTH DELRIDGE	\$25
		HIGHLINE HOSPITAL AREA	\$20
C1-40	AUTO-ORIENTED RETAIL/SERVICE 40 FT HEIGHT LIMIT MIXED USE STANDARDS SAME AS NC-1	HARBOR AVENUE	\$40
		AVALON WAY - ARTERIAL	\$40
		NORTH DELRIDGE	\$40
		HIGHLINE HOSPITAL AREA	\$30
		SOUTH DELRIDGE/WESTWOOD	\$30-\$50
C2-40	AUTO-ORIENTED NON-RETAIL COMMERCIAL 40 FT HEIGHT LIMIT CONDITIONAL USE APPROVAL FOR RESIDENTIAL	WEST SEATTLE BRIDGE AREA	\$40
		MEYERS WAY AREA	\$18
C1-65	AUTO-ORIENTED RETAIL/SERVICE 65 FT HEIGHT LIMIT MIXED USE STANDARDS SAME AS NC-1	HIGHLINE HOSPITAL AREA	\$40
C2-65	AUTO-ORIENTED NON-RETAIL COMMERCIAL 65 FT HEIGHT LIMIT CONDITIONAL USE APPROVAL FOR RESIDENTIAL	MEYERS WAY AREA	\$22
NC1-30	PEDESTRIAN-ORIENTED RETAIL 30 FT HEIGHT DENSITY UNLIMITED RESIDENTIAL DENSITY	ALKI AVENUE SW AREA	\$90
		CALIFORNIA AVENUE SW AREA	\$90
		LINCOLN PARK AREA/FAUNTLEROY AVENUE SW	\$90
		35TH AVENUE SW	\$30
		HIGHLAND PARK	\$18-\$25
		WHITE CENTER	\$24
NC1-40	PEDESTRIAN-ORIENTED RETAIL 40 FT HEIGHT LIMIT UNLIMITED RESIDENTIAL DENSITY	CALIFORNIA AVENUE SW AREA	\$90
		DELRIDGE AREA	\$40
NC2-30	PEDESTRIAN-ORIENTED SHOPPING 30 FT HEIGHT LIMIT	CALIFORNIA AVENUE SW AREA	\$90
NC2-40	PEDESTRIAN-ORIENTED SHOPPING 40 FT HEIGHT LIMIT UNLIMITED RESIDENTIAL DENSITY	ADMIRAL / CALIFORNIA AVENUE SW AREA	\$100
		35TH AVENUE SW	\$60
		DELRIDGE AREA	\$50
NC2-65	PEDESTRIAN-ORIENTED SHOPPING 65 FT HEIGHT LIMIT UNLIMITED RESIDENTIAL DENSITY	ALKI/HARBOR AVENUE SW	\$170
		CALIFORNIA AVENUE SW AREA	\$120
NC3-30	PEDESTRIAN-SHOPPING DISTRICT 30 FT HEIGHT LIMIT UNLIMITED RESIDENTIAL DENSITY	CALIFORNIA AVENUE SW AREA	\$90

Land Value Chart (continued)

ZONING	ZONE DESCRIPTION	LOCATION	2013 TYPICAL \$/SF
NC3-40 <i>rezoned</i>	PEDESTRIAN-SHOPPING DISTRICT	JEFFERSON SQUARE AREA / ALASKA STREET	\$95
	40 FT HEIGHT LIMIT	WESTWOOD / 35TH AVENUE SW	\$50
	UNLIMITED RESIDENTIAL DENSITY	FAUNTLEROY / ALASKA AREA / 35TH AVENUE SW	\$95
NC3-65 <i>rezoned</i>	PEDESTRIAN-SHOPPING DISTRICT	JEFFERSON SQUARE AREA / ALASKA STREET	\$170
	65 FT HEIGHT LIMIT	FAUNTLEROY / ALASKA AREA / 35TH AVENUE SW	\$150
	UNLIMITED RESIDENTIAL DENSITY	AVALON & 35TH AVENUE SW	\$150
		HARBOR AVENUE SW	\$170
NC3-85 <i>rezoned</i>	PEDESTRIAN-SHOPPING DISTRICT	CALIFORNIA AVENUE / ALASKA JUNCTION AREA	\$170
	85 FT HEIGHT LIMIT	FAUNTLEROY / ALASKA AREA / 35TH AVENUE SW	\$150
CB	COMMUNITY BUSINESS	WHITE CENTER / UNINCORPORATED KING COUNTY	\$16-\$25
		TOP HAT / MEYERS WAY	\$6
CC-2	HIGHER INTENSITY COMMUNITY COMMERCIAL		
	35 FT HEIGHT LIMIT	NORTH HIGHLINE (BURIEN)	\$20
IBU-85	INDUSTRIAL BUFFER		
	85 FT HEIGHT LIMIT	WEST SEATTLE BRIDGE AREA	\$9 - \$18
IG2- U-85	GENERAL INDUSTRIAL		
	85 FT HEIGHT LIMIT	WEST SEATTLE BRIDGE AREA	\$16 - \$18
ISO	GENERAL INDUSTRIAL		
	LIMITS RESIDENTIAL AND SOME COMMERCIAL USES	WHITE CENTER / UNINCORPORATED KING COUNTY	\$15
ADJUSTMENTS FOR SIZE, SHAPE, AND TOPOGRAPHY WERE MADE WHEN NEEDED.			

Land Value Comparisons and Recommended Conclusions

The total assessed land value of the commercial parcels in Area 45 for the 2012 assessment year was \$1,805,585,300. The 2013 recommended total assessed land value for Area 45 is \$1,611,246,500; representing an overall decrease from previous total assessed land value of approximately 10.76%.

The Vacant Land Sale Analysis chart included at the end of this report lists the land sales considered reflective of the market to arrive at the recommended land values for the 2013 revalue. An additional chart lists the vacant sales not used, as they were not considered to be arms-length transactions.

Improved Parcel Total Values

Sales comparison approach model description

In the Sales Comparison Approach, sales of improved properties are used to establish value ranges for various types of use. Twenty-nine improved sales in the subject area, dating from February 5, 2010 to December 4, 2012 were considered to be good, fair market transactions, and were considered in the overall analysis. Sales were analyzed to determine the sales price per square foot of rentable area. A set of value ranges was created for the entire geographic area and is then adjusted for local conditions within each neighborhood.

Live/Work townhomes were valued using the Sales Comparison Approach. Based on location, size and quality, the value ranged from \$250 to \$295 per square foot of net rentable area. Commercial condominiums were also valued by the sales approach. Commercial condominiums in Area 45 are predominantly office uses although some retail uses are present as well. Values range from \$250 to \$350 per square foot of rentable area based on location, quality and size.

Sale prices assist in establishing general upper and lower market boundary ranges for the various property types within the West Seattle area. In conjunction with market rent surveys, the sale price per square foot can help set the income parameters and capitalization rates driving the income models developed for the various neighborhoods and the property types which are typically valued by the income approach. Location, use, quality, effective age and size were factors considered for adjustment. The Sales Comparison Approach, thus, was also used as a guide to support estimating total assessed values for properties that typically rely on the income and cost approaches to value.

Sales Comparison Calibration

Neighborhoods were treated independent of one another when dictated by the market. Individual prices were applied based on various characteristics deemed appropriate within each market on a dollar value per square foot of improved net rentable area.

Cost approach model description

Value estimates by the Cost Approach were made using the Marshall & Swift Valuation Guide, a widely accepted guide to construction costs in the real estate industry. The cost model requires that the floor area of the building be classified among a series of coded uses and that the building structure, quality, shape, and heating system be specified. The appraiser estimates the building's effective age based on its actual age, observed condition, and obsolescence present, and the model calculates replacement cost and depreciation. Depreciated replacement cost is added to site value to obtain the value estimate by the cost approach.

The cost approach is used to estimate the value of public facilities and other buildings such as churches, schools, fire and police stations, and public utility buildings. The cost approach is considered the most reasonable approach to value for improvements which have highly specialized configurations and/or are not frequently sold. New construction may also be valued using the cost approach.

Value estimates by the cost approach are calculated for other properties as well but are typically given much less weight than the sales comparison and income approaches, which are considered to more accurately reflect the real estate market. Also, as improvements age the cost approach becomes more subjective, as accrued depreciation becomes difficult to estimate.

Cost calibration

The Marshall & Swift Valuation model built in to the Real Property Application is calibrated to the western region of the United States and to the Seattle area.

Income capitalization approach model description

The income approach is considered the most reliable approach to commercial property valuation where relevant income and expense data is available to ascertain market rates. Economic income information was collected predominately from the market place via in person visits, phone or email conversations with property owners, tenants, property managers and various market reporting services.

Economic data is organized into tables that are prepared for different types of income producing properties, (e.g. office buildings, retail stores, or restaurants). Each table stratifies data based on effective age and building quality. Tables are prepared for each neighborhood, and the income model applies the appropriate table to each of the income producing properties in each neighborhood to produce a value estimate by direct capitalization.

Income: Income parameters were derived from the market place through the listed fair market sales as well as through published sources (i.e. Office Space Dot.Com, Commercial Brokers Association, Costar, Multiple Corporate Real Estate Websites), owner provided rent rolls, appeals, and opinions expressed by real estate professionals and participants active in the market. Triple net lease rates were used for all property types, with the exception of multi-family (residential) uses where a modified gross lease is typically used.

Vacancy: Vacancy rates used were derived mainly from published sources tempered by personal observation.

Expenses: Expense ratios were estimated based on industry standards, published sources, and personal knowledge of the area's rental practices. Within our income valuation models, the assessor used triple net expenses for typical retail/mixed-use, industrial and office type uses.

Capitalization Rates: Capitalization rates were determined by actual sales, local published market surveys, such as CoStar, and CB Richard Ellis Capital Market Update. Other national reports include the Real Estate Research Corporation Investment Trends Quarterly and American Council of Life Insurers. The effective age and condition of each building determines the capitalization rate applied in the model. For example; a building with an older effective age and lesser condition will typically warrant a higher capitalization rate and a building in better condition with a newer effective age will warrant a lower capitalization rate. Commercial property within West Seattle tends to reflect lower rates due to close-in proximity, and a high percentage of owner occupancy, although these are some variance between different neighborhoods. The following tables summarize capitalization rates both regionally and nationally.

SEATTLE / PACIFIC NW CAP RATES						
Source	Date	Location	Office	Industrial	Retail	Remarks
ACLI	Yr. End 2012	Seattle	5.48%	5.77%	6.42%	Institutional Grade Properties
	Yr. End 2012	Puget Sound Region	6.38%	7.15%	6.61%	Institutional Grade Properties
CoStar	4Q 2012	King County	6.68%	-	-	Size <100k/SF; CapRate <15%; \$/SF >\$100/SF
			-	7.50%	-	Size <100k/SF; CapRate <15%; \$/SF >\$20/SF
			-	-	7.17%	Size <100k/SF; CapRate <15%; \$/SF >\$100/SF
PWC – Korpaz	4Q 2012	Pacific Region	6.96%	-	-	Range = 4.5% to 10.00% (Inst. Grade)
			8.42%	-	-	Range = 5.0% to 12.00% (Non-Inst. Grade)
			6.50%	-	-	CBD Office
			7.42%	-	-	Suburban Office
			-	6.29%	-	Warehouse. Range 5.0% to 7.5%
CBRE – Capital Markets Cap. Rate survey.	August 2012					CBRE professional's opinion of where cap rates are likely to trend in the 2 nd ½ of 2012 based on recent trades as well as interactions with investors. Value Added represents an underperforming property that has an occupancy level below the local average under typical market conditions.
		Seattle	5.50% - 5.75%	-	-	CBD - Class A
			6.00% - 7.00%	-	-	CBD - Class A – Value Added
			6.50% - 7.00%	-	-	CBD - Class B
			7.00% - 8.00%	-	-	CBD - Class B – Value Added
			8.00% - 9.00%	-	-	CBD - Class C
			9.25% - 10.00%	-	-	CBD - Class C – Value Added
			5.50% - 6.25%	-	-	Suburban - Class A
			6.00% - 7.60%	-	-	Suburban - Class A – Value Added
			6.50% - 7.50%	-	-	Suburban - Class B
			7.00% - 8.00%	-	-	Suburban - Class B – Value Added
			7.5% - 9.00%	-	-	Suburban - Class C
			9.00% - 10.00%	-	-	Suburban - Class C – Value Added
			-	5.25% - 5.50%	-	Class A
			-	6.00% - 6.25%	-	Class A - Value Added
			-	6.00% - 6.50%	-	Class B
			-	7.00% - 7.50%	-	Class B - Value Added
			-	7.00% - 7.50%	-	Class C
			-	7.50% - 8.50%	-	Class C - Value Added
			-	-	5.50% - 6.75%	Class A (Neigh./Comm.)
			-	-	5.75% - 7.75%	Class A - Value Added
			-	-	6.00% - 7.50%	Class B (Neigh./Comm.)
			-	-	6.00% - 8.50%	Class B - Value Added
			-	-	7.50% - 9.50%	Class C (Neigh./Comm.)

					9.00% - 11.00%	Class C - Value Added
	February 2013					
		Seattle	5.00% - 5.75% 6.00% - 7.00% 5.50% - 6.50% 7.00% - 8.00% 7.50% - 8.50% 9.00% - 10.00% 6.00% - 6.50% 6.00% - 8.00% 6.50% - 7.50% 7.00% - 8.00% 7.5% - 9.00% 9.00% - 10.00%	- - - - - - - - - - - -	- - - - - - - - - - - -	CBD - Class A CBD - Class A - Value Added CBD - Class B CBD - Class B - Value Added CBD - Class C CBD - Class C - Value Added Suburban - Class A Suburban - Class A - Value Added Suburban - Class B Suburban - Class B - Value Added Suburban - Class C Suburban - Class C - Value Added Class A Class B Class C
			- - - - - - -	5.00% - 5.75% 6.00% - 6.75% 6.75% - 7.25%	- - -	Class A (Neigh./Comm. w/Grocery) Class B (Neigh./Comm. w/Grocery) Class C (Neigh./Comm. w/Grocery)
Real Capital Analytics	4Q 2012	Seattle	5.1% - -	- 7.60% -	- - 6.8	Institutional Grade Properties 5.80% - Prior 12 mos. (thru Q4 '12) 6.90% - Prior 12 mos. (thru Q4 '12) 6.40% - Prior 12 mos. (thru Q4 '12)
IRR Viewpoint for 2013	Yr. End 2012	Seattle	5.50% 6.00% - - - -	- - 6.00% 6.00-7.50% - -	- - - - 6.00% 6.00%	Institutional Grade Properties CBD Office Suburban Office Industrial Flex Regional/Community Mall Neighborhood Strip Centers
Marcus & Millichap	Yr. End 2012	National	- - -	- - -	5.90% 7.90% 7.70%	Urban Properties Regional Malls Strip Centers
Colliers International Office Highlights	Q4 2012	Seattle - Puget Sound	4.40% 7.40%	- -	- -	CBD Office Suburban Office

The preceding tables demonstrate ranges of capitalization rates and trends that are compiled with information that is collected on a national or broad regional scale. This information is reconciled with data specific to the real estate market to develop the income model. The range of capitalization rates in the income model reflects the variety of properties in this area. In Area 45, the properties are predominantly considered to be non-institutional grade, with many purchased by owner users, which may not be reflective of the capitalization rates found in published sources.

Income approach calibration

The income models were calibrated after setting base rents, vacancy, expenses and capitalization rates by using adjustments based on size, effective age, and construction quality as recorded in the Assessor's records.

Income Parameters Used

The following table summarizes the market lease rates used in the income models for Area 45:

Property Type	Rent Range Per Square Foot
Apartment/Multiple Residence	\$6.00 to \$24.00
Medical/Dental/Veterinary	\$12.00 to \$26.00
Mezzanine/Basement	\$1.15 to \$12.00
Office	\$9.00 to \$22.00
Restaurant/Bar/Tavern	\$9.50 to \$23.50
Retail/ Barber Shop/Salon	\$8.00 to \$22.00
Service Garage/Auto Repair	\$8.00 to \$18.00
Supermarket	\$9.00 to \$16.00
Warehouse/Industrial	\$7.00 to \$13.00

Vacancy and credit loss, triple net expenses, and capitalization rates used in the income models are shown below:

Vacancy and Credit Loss	5% to 15%
Operating Expenses	7.5% to 30%
Capitalization Rates	6.50% to 8.50%

Reconciliation

All parcels were individually reviewed for correctness of the model application before final value selection. All of the factors used to establish value by the model were subject to adjustment. The sales comparison approach is considered the most reliable indicator of value when comparable sales were available, however the income approach was applied to most parcels in order to better equalize comparable properties. Whenever possible, market rents, expenses, and cap rates were ascertained from sales, and along with data from surveys and publications these parameters were applied to the income model. When the value of the property by the income approach was less than the land value, a minimal \$1,000 value was allocated to the improvements. For property uses where sales and income data was either limited or unavailable, such as tax exempt properties, the Cost Approach to value was utilized.

Model Validation

Total Value Conclusions, Recommendations and Validation:

Appraiser judgment prevails in all decisions regarding individual parcel valuation. Each parcel in the physical inspection neighborhood is field reviewed and a value selected based on general and specific data pertaining to the parcel, the neighborhood, and the market. The Appraiser determines which available value estimate may be appropriate and may adjust for particular characteristics and conditions as they occur in the valuation area.

In the 2013 valuation model, the income approach is used to value the majority of the income producing properties that are not obsolesced (where land value is greater than the value produced by the income method), as there are an insufficient number and variety of sales to value the different sectors by the market approach. The income approach also insures greater uniformity and equalization of values.

The standard statistical measures of valuation performance are presented in the Executive Summary and the 2012 and 2013 Ratio Analysis charts included in this report. The 2013 Ratio Study Analysis indicates that the standard statistical measure of valuation level at 100.4% (Weighted Mean) is well within the IAAO appraisal guidelines, while those measures for uniformity and equity are also within IAAO guidelines. The Coefficient of Dispersion (COD) is 8.09% and the Price-related Differential (PRD) is 0.99. The Weighted Mean, the COD, and the PRD fall within ratio study performance standards for income properties within larger urban jurisdictions, as recommended by the IAAO.

The total assessed value for the 2012 assessment year in Area 45 was \$2,419,960,665. The total recommended assessed value for the 2013 assessment year is \$2,203,319,551. Application of these recommended values for the 2013 assessment year (taxes payable in 2014) results in an average total change from the 2012 assessments of -8.95%.

USPAP Compliance

Client and Intended Use of the Appraisal:

This mass appraisal report is intended for use only by the King County Assessor and other agencies or departments administering or confirming ad valorem property taxes. Use of this report by others is not intended by the appraiser. The use of this appraisal, analyses and conclusions is limited to the administration of ad valorem property taxes in accordance with Washington State law. As such it is written in concise form to minimize paperwork. The assessor intends that this report conform to the Uniform Standards of Professional Appraisal Practice (USPAP) requirements for a **mass appraisal report** as stated in USPAP SR 6-8. To fully understand this report the reader may need to refer to the Assessor's Property Record Files, Assessor's Real Property Data Base, separate studies, Assessor's Procedures, Assessor's field maps, Revalue Plan and the statutes.

The purpose of this report is to explain and document the methods, data and analysis used in the revaluation of King County. King County is on a six year physical inspection cycle with annual statistical updates. The revaluation plan is approved by Washington State Department of Revenue. The Revaluation Plan is subject to their periodic review.

Definition and date of value estimate:

Market Value

The basis of all assessments is the true and fair value of property. True and fair value means market value (Spokane etc. R. Company v. Spokane County, 75 Wash. 72 (1913); Mason County Overtaxed, Inc. v. Mason County, 62 Wn. 2d (1963); AGO 57-58, No. 2, 1/8/57; AGO 65-66, No. 65, 12/31/65). The true and fair value of a property in money for property tax valuation purposes is its "market value" or amount of money a buyer willing but not obligated to buy would pay for it to a seller willing but not obligated to sell. In arriving at a determination of such value, the assessing officer can consider only those factors which can within reason be said to affect the price in negotiations between a willing purchaser and a willing seller, and he must consider all of such factors. (AGO 65, 66, No. 65, 12/31/65)

Retrospective market values are reported herein because the date of the report is subsequent to the effective date of valuation. The analysis reflects market conditions that existed on the effective date of appraisal.

Highest and Best Use

RCW 84.40.030

All property shall be valued at one hundred percent of its true and fair value in money and assessed on the same basis unless specifically provided otherwise by law.

An assessment may not be determined by a method that assumes a land usage or highest and best use not permitted, for that property being appraised, under existing zoning or land use planning ordinances or statutes or other government restrictions.

WAC 458-07-030 (3) True and fair value -- Highest and best use.

Unless specifically provided otherwise by statute, all property shall be valued on the basis of its highest and best use for assessment purposes. Highest and best use is the most profitable, likely use to which a property can be put. It is the use which will yield the highest return on the owner's investment. Any reasonable use to which the property may be put may be taken into consideration and if it is peculiarly adapted to some particular use, that fact may be taken into consideration. Uses that are within the realm of possibility, but not reasonably probable of occurrence, shall not be considered in valuing property at its highest and best use.

If a property is particularly adapted to some particular use this fact may be taken into consideration in estimating the highest and best use. (Sammish Gun Club v. Skagit County, 118 Wash. 578 (1922)) The present use of the property may constitute its highest and best use. The appraiser shall, however, consider the uses to which similar property similarly located is being put. (Finch v. Grays Harbor County, 121 Wash. 486 (1922)) The fact that the owner of the property chooses to use it for less productive purposes than similar land is being used shall be ignored in the highest and best use estimate. (Sammish Gun Club v. Skagit County, 118 Wash. 578 (1922))

Where land has been classified or zoned as to its use, the county assessor may consider this fact, but he shall not be bound to such zoning in exercising his judgment as to the highest and best use of the property. (AGO 63-64, No. 107, 6/6/64)

Date of Value Estimate

All property now existing, or that is hereafter created or brought into this state, shall be subject to assessment and taxation for state, county, and other taxing district purposes, upon equalized valuations thereof, fixed with reference thereto on the first day of January at twelve o'clock meridian in each year, excepting such as is exempted from taxation by law. [1961 c 15 §84.36.005]

The county assessor is authorized to place any property that is increased in value due to construction or alteration for which a building permit was issued, or should have been issued, under chapter 19.27, 19.27A, or 19.28 RCW or other laws providing for building permits on the assessment rolls for the purposes of tax levy up to August 31st of each year. The assessed valuation of the property shall be considered as of July 31st of that year. [1989 c 246 § 4]

Reference should be made to the property card or computer file as to when each property was valued. Sales consummating before and after the appraisal date may be used and are analyzed as to their indication of value at the date a valuation. If market conditions have changed then the appraisal will state a logical cutoff date after which no market date is used as an indicator of value.

Property rights appraised:

Fee Simple

Wash Constitution Article 7 § 1 Taxation:

All taxes shall be uniform upon the same class of property within the territorial limits of the authority levying the tax and shall be levied and collected for public purposes only. The word "property" as used herein shall mean and include everything, whether tangible or intangible, subject to ownership. All real estate shall constitute one class.

Trimble v. Seattle, 231 U.S. 683, 689, 58 L. Ed. 435, 34 S. Ct. 218 (1914)

"the entire [fee] estate is to be assessed and taxed as a unit"

Folsom v. Spokane County, 111 Wn. 2d 256 (1988)

"the ultimate appraisal should endeavor to arrive at the fair market value of the property as if it were an unencumbered fee"

The definition of fee simple estate as taken from The Third Edition of The Dictionary of Real Estate Appraisal, published by the Appraisal Institute. "Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."

Assumptions and Limiting Conditions:

1. No opinion as to title is rendered. Data on ownership and legal description were obtained from public records. Title is assumed to be marketable and free and clear of all liens and encumbrances, easements and restrictions unless shown on maps or property record files. The property is appraised assuming it to be under responsible ownership and competent management and available for its highest and best use.
2. No engineering survey has been made by the appraiser. Except as specifically stated, data relative to size and area were taken from sources considered reliable, and no encroachment of real property improvements is assumed to exist.
3. No responsibility for hidden defects or conformity to specific governmental requirements, such as fire, building and safety, earthquake, or occupancy codes, can be assumed without provision of specific professional or governmental inspections.
4. Rental areas herein discussed have been calculated in accord with generally accepted industry standards.
5. The projections included in this report are utilized to assist in the valuation process and are based on current market conditions and anticipated short term supply demand factors. Therefore, the projections are subject to changes in future conditions that cannot be

accurately predicted by the appraiser and could affect the future income or value projections.

6. The property is assumed uncontaminated unless the owner comes forward to the Assessor and provides other information.

The appraiser is not qualified to detect the existence of potentially hazardous material which may or may not be present on or near the property. The existence of such substances may have an effect on the value of the property. No consideration has been given in this analysis to any potential diminution in value should such hazardous materials be found (unless specifically noted). We urge the taxpayer to retain an expert in the field and submit data affecting value to the assessor.

1. No opinion is intended to be expressed for legal matters or that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers, although such matters may be discussed in the report.
2. Maps, plats and exhibits included herein are for illustration only, as an aid in visualizing matters discussed within the report. They should not be considered as surveys or relied upon for any other purpose.
3. The appraisal is the valuation of the fee simple interest. Unless shown on the Assessor's parcel maps, easements adversely affecting property value were not considered.
4. An attempt to segregate personal property from the real estate in this appraisal has been made.

Items which are considered to be "typical finish" and generally included in a real property transfer, but are legally considered leasehold improvements are included in the valuation unless otherwise noted.

1. The movable equipment and/or fixtures have not been appraised as part of the real estate. The identifiable permanently fixed equipment has been appraised in accordance with RCW 84.04.090 and WAC 458-12-010.
2. I have considered the effect of value of those anticipated public and private improvements of which I have common knowledge. I can make no special effort to contact the various jurisdictions to determine the extent of their public improvements.
3. Physically inspected areas comply as required by WAC 458- 07-015 4 (a). An exterior observation of the properties was made to verify the accuracy and completeness of property characteristic data that affect value.

Scope of Work Performed:

Research and analyses performed are identified in the body of the revaluation report. The assessor has no access to title reports and other documents. Because of legal limitations we did not research such items as easements, restrictions, encumbrances, leases, reservations, covenants, contracts, declarations and special assessments. Disclosure of interior features and, actual income and expenses by property owners is not a requirement by law therefore attempts to obtain and

analyze this information are not always successful. The mass appraisal performed must be completed in the time limits indicated in the Revaluation Plan and as budgeted. The scope of work performed and disclosure of research and analyses not performed are identified throughout the body of the report.

Certification:

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct
- The report analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and is my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The area(s) physically inspected for purposes of this revaluation are outlined in the body of this report.
- The individuals listed below were part of the “appraisal team” and provided significant real property appraisal assistance to the person signing this certification. Any services regarding the subject area performed by the appraiser within the prior three years, as an appraiser or in any other capacity is listed adjacent their name.
- No significant real property assistance as determined by the undersigned. All services as may be variously defined significant or otherwise, and performed by duly authorized and qualified King County Assessment staff employed in the areas of Public Information, Accounting/Abstract, Commercial, Residential, Information Services, Personal Property, Accounting/Mapping, Accounting/Support, Accounting/Appeals, Chief Appraiser, Accounting/Exemptions, Accounting/Levy Administration, who may have involvement in physical inspection, revalue, appeal response preparation, appeal hearing appearance, data collection, sale verification, new construction evaluation, and any other service

which may be required from time to time, is made part of each real property parcel as a matter of public record and this certification by reference.

- Any services regarding the subject area performed by me within the prior three years, as an appraiser or in any other capacity is listed below: Any and all activities required under the Certificate of Appointment dated 3 March 2003 under sworn oath appointing the below signed appraiser to the position of true and lawful deputy in the Office of the King County Assessor, and authorized by the State of Washington, Department of Revenue under a Certificate of Accreditation. To Wit: all duties, responsibilities, and services associated with the position description of Commercial Appraiser I in the management and valuation of Commercial Area 45, or West Seattle. Such duties, responsibilities and services include, but are not limited to physical inspection, revalue, appeal response preparation, appeal hearing appearance, data collection, sale verification, new construction evaluation, and any other service which may be required from time to time and be determined significant or otherwise during the fulfillment of position requirements, and are made part of each real property parcel, is a matter of public record and this certification by reference.
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Area 045 - west seattle
2012 Assessment Year

Quadrant/Crew: Central Crew		Appr date : 1/1/2012		Date: 4/18/2013		Sales Dates: 4/22/10 - 12/4/12	
Area 45		Appr ID: PHAI		Prop Type: Improvement		Trend used?: Y / N N	
SAMPLE STATISTICS							
Sample size (n)		24					
Mean Assessed Value		444,800					
Mean Sales Price		453,300					
Standard Deviation AV		219,442					
Standard Deviation SP		204,559					
ASSESSMENT LEVEL							
Arithmetic mean ratio		0.978					
Median Ratio		0.985					
Weighted Mean Ratio		0.981					
UNIFORMITY							
Lowest ratio		0.6415					
Highest ratio:		1.2160					
Coefficient of Dispersion		8.09%					
Standard Deviation		0.1259					
Coefficient of Variation		12.87%					
Price-related Differential		1.00					
RELIABILITY							
95% Confidence: Median							
Lower limit		0.939					
Upper limit		0.999					
95% Confidence: Mean							
Lower limit		0.928					
Upper limit		1.028					
SAMPLE SIZE EVALUATION							
N (population size)		863					
B (acceptable error - in decimal)		0.05					
S (estimated from this sample)		0.1259					
Recommended minimum:		25					
Actual sample size:		24					
Conclusion:		ok					
NORMALITY							
Binomial Test							
# ratios below mean:		7					
# ratios above mean:		17					
z:		1.837117307					
Conclusion:		Normal*					
*i.e., no evidence of non-normality							

Ratio Frequency

Ratio	Frequency
0.7-0.8	1
0.8-0.9	2
0.9-1.0	1
1.0-1.1	14
1.1-1.2	3
1.2-1.3	1
1.3-1.4	2

Ratio

These figures reflect measurements before posting new values.

Area 045 - west seattle
2012 Assessment Year

Parcel Number	Assessed Value	Sale Price	Sale Date	Ratio	Diff: Median
884630-0060	1,016,200	1,025,000	4/22/2010	0.9914	0.0063
762570-3350	347,400	325,000	6/23/2010	1.0689	0.0838
762570-3350	347,400	369,950	9/5/2010	0.9390	0.0460
762570-3352	347,400	352,000	9/27/2010	0.9869	0.0018
762570-3351	334,600	335,000	10/25/2010	0.9988	0.0137
762570-3345	346,100	353,000	6/15/2011	0.9805	0.0046
345100-0039	164,500	167,000	6/27/2011	0.9850	0.0001
762570-3346	343,500	350,000	7/25/2011	0.9814	0.0037
762570-3347	348,900	350,000	7/27/2011	0.9969	0.0118
929730-0650	383,900	410,000	8/1/2011	0.9363	0.0487
129430-0010	404,900	513,900	8/17/2011	0.7879	0.1972
762570-3377	276,000	280,000	10/26/2011	0.9857	0.0006
095200-2295	417,800	460,000	11/4/2011	0.9083	0.0768
762570-3376	440,100	450,000	12/6/2011	0.9780	0.0071
011700-0380	517,200	525,000	12/27/2011	0.9851	0.0001
762570-3375	440,100	450,000	1/4/2012	0.9780	0.0071
159160-0762	334,400	290,000	2/24/2012	1.1531	0.1680
244460-0250	439,300	550,000	2/27/2012	0.7987	0.1864
762120-0005	974,100	940,000	4/27/2012	1.0363	0.0512
159160-0762	334,400	275,000	6/6/2012	1.2160	0.2309
935290-0315	185,400	289,000	6/25/2012	0.6415	0.3436
320380-0178	529,200	500,000	7/23/2012	1.0584	0.0733
095200-2270	904,300	745,000	8/28/2012	1.2138	0.2287
797260-3360	497,400	575,000	12/4/2012	0.8650	0.1200

Area 045 - west seattle
2013 Assessment Year

Quadrant/Crew:		Appr date :		Date:		Sales Dates:															
Central Crew		1/1/2013		4/18/2013		4/22/10 - 12/4/12															
Area		Appr ID:		Prop Type:		Trend used?: Y / N															
45		PHAI		Improvement		N															
SAMPLE STATISTICS																					
Sample size (n)		24		<div>Ratio Frequency</div> <table><thead><tr><th>Ratio Bin</th><th>Frequency</th></tr></thead><tbody><tr><td>0.8 - 0.9</td><td>1</td></tr><tr><td>0.9 - 1.0</td><td>3</td></tr><tr><td>1.0 - 1.1</td><td>9</td></tr><tr><td>1.1 - 1.2</td><td>8</td></tr><tr><td>1.2 - 1.3</td><td>2</td></tr><tr><td>1.3 - 1.4</td><td>1</td></tr></tbody></table>				Ratio Bin	Frequency	0.8 - 0.9	1	0.9 - 1.0	3	1.0 - 1.1	9	1.1 - 1.2	8	1.2 - 1.3	2	1.3 - 1.4	1
Ratio Bin	Frequency																				
0.8 - 0.9	1																				
0.9 - 1.0	3																				
1.0 - 1.1	9																				
1.1 - 1.2	8																				
1.2 - 1.3	2																				
1.3 - 1.4	1																				
Mean Assessed Value		455,300																			
Mean Sales Price		453,300																			
Standard Deviation AV		233,117																			
Standard Deviation SP		204,559																			
ASSESSMENT LEVEL																					
Arithmetic mean ratio		0.992																			
Median Ratio		0.990																			
Weighted Mean Ratio		1.004																			
UNIFORMITY																					
Lowest ratio		0.7488																			
Highest ratio:		1.3133																			
Coefficient of Dispersion		8.09%																			
Standard Deviation		0.1179																			
Coefficient of Variation		11.89%																			
Price-related Differential		0.99																			
RELIABILITY																					
95% Confidence: Median				These figures reflect measurements <u>after</u> posting new values.																	
Lower limit		0.960																			
Upper limit		1.039																			
95% Confidence: Mean																					
Lower limit		0.945																			
Upper limit		1.039																			
SAMPLE SIZE EVALUATION																					
N (population size)		863																			
B (acceptable error - in decimal)		0.05																			
S (estimated from this sample)		0.1179																			
Recommended minimum:		22																			
Actual sample size:		24																			
Conclusion:		OK																			
NORMALITY																					
Binomial Test																					
# ratios below mean:		13																			
# ratios above mean:		11																			
z:		0.204124145																			
Conclusion:		Normal*																			
*i.e., no evidence of non-normality																					

Area 045 - west seattle
2013 Assessment Year

<i>Parcel Number</i>	<i>Assessed Value</i>	<i>Sale Price</i>	<i>Sale Date</i>	<i>Ratio</i>	<i>Diff: Median</i>
884630-0060	1,015,900	1,025,000	4/22/2010	0.9911	0.0006
762570-3350	321,700	325,000	6/23/2010	0.9898	0.0006
762570-3350	321,700	369,950	9/5/2010	0.8696	0.1209
762570-3352	321,700	352,000	9/27/2010	0.9139	0.0766
762570-3351	321,700	335,000	10/25/2010	0.9603	0.0302
762570-3345	353,200	353,000	6/15/2011	1.0006	0.0101
345100-0039	163,400	167,000	6/27/2011	0.9784	0.0120
762570-3346	381,700	350,000	7/25/2011	1.0906	0.1001
762570-3347	363,500	350,000	7/27/2011	1.0386	0.0481
929730-0650	374,700	410,000	8/1/2011	0.9139	0.0766
129430-0010	412,400	513,900	8/17/2011	0.8025	0.1880
762570-3377	276,000	280,000	10/26/2011	0.9857	0.0048
095200-2295	378,900	460,000	11/4/2011	0.8237	0.1668
762570-3376	440,100	450,000	12/6/2011	0.9780	0.0125
011700-0380	537,900	525,000	12/27/2011	1.0246	0.0341
762570-3375	440,100	450,000	1/4/2012	0.9780	0.0125
159160-0762	319,800	290,000	2/24/2012	1.1028	0.1123
244460-0250	560,700	550,000	2/27/2012	1.0195	0.0290
762120-0005	1,005,400	940,000	4/27/2012	1.0696	0.0791
159160-0762	319,800	275,000	6/6/2012	1.1629	0.1724
935290-0315	216,400	289,000	6/25/2012	0.7488	0.2417
320380-0178	522,600	500,000	7/23/2012	1.0452	0.0547
095200-2270	978,400	745,000	8/28/2012	1.3133	0.3228
797260-3360	579,700	575,000	12/4/2012	1.0082	0.0177

Improvement Sales for Area 045 with Sales Used

04/18/2013

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
045	005	244460	0250	3,794	2532147	\$550,000	02/27/12	\$144.97	CONTRACTORS OFFICE/STG	NC1-40	2	Y	
045	005	343850	0100	2,610	2428664	\$240,000	02/05/10	\$91.95	WAREHOUSE	SF 7200	1	26	Imp changed after sale; not in ratio
045	010	011700	0380	2,069	2524796	\$525,000	12/27/11	\$253.75	LIVE/WORK TOWNHOME	NC2-40	1	Y	
045	015	312404	9155	2,258	2511224	\$305,000	09/22/11	\$135.08	Ocean Peace, Inc. Office	NC1-30	1	34	Use-change after sale; not in ratio
045	015	797260	3360	3,340	2577765	\$575,000	12/04/12	\$172.16	SALON/OFFICE/RESIDENCE	NC1-30	1	Y	
045	015	935290	0315	1,446	2550682	\$289,000	06/25/12	\$199.86	Seattle Green Light	C1-40	1	Y	
045	020	762120	0005	4,024	2542755	\$940,000	04/27/12	\$233.60	ALKI BAKERY/SALON/APARTMENT	NC1-30	1	Y	
045	025	095200	2270	8,184	2561698	\$745,000	08/28/12	\$91.03	CONSIGNMENT SHOPS & WAREH	NC1-40	1	Y	
045	025	095200	2295	1,825	2517499	\$460,000	11/04/11	\$252.05	4154 PROFESSIONAL OFFICES	NC1-40	1	Y	
045	025	188755	0010	1,375	2433040	\$442,000	03/11/10	\$321.45	DAKOTA	NC1-40	1	26	Imp changed after sale; not in ratio
045	035	129430	0010	1,986	2506727	\$513,900	08/17/11	\$258.76	THE BOHEMIAN	NC2-40	1	Y	
045	035	762570	1276	1,270	2496042	\$325,300	06/13/11	\$256.14	SALON	NC2-30	1	34	Use-change after sale; not in ratio
045	035	762570	3345	1,413	2496376	\$353,000	06/15/11	\$249.82	LIVE/WORK TOWN HOME	NC2-30	1	Y	
045	035	762570	3346	1,527	2503263	\$350,000	07/25/11	\$229.21	Live/WorkTown Home	NC2-30	1	Y	
045	035	762570	3347	1,454	2503031	\$350,000	07/27/11	\$240.72	Live/WorkTown home	NC2-30	1	Y	
045	035	762570	3350	1,287	2447557	\$325,000	06/23/10	\$252.53	LIVE/WORK UNIT	NC2-30	1	Y	
045	035	762570	3350	1,287	2457544	\$369,950	09/05/10	\$287.45	LIVE/WORK UNIT	NC2-30	1	Y	
045	035	762570	3351	1,287	2464569	\$335,000	10/25/10	\$260.30	LIVE/WORK TOWNHOME	NC2-30	1	Y	
045	035	762570	3352	1,287	2461543	\$352,000	09/27/10	\$273.50	LIVE/WORK UNIT	NC2-30	1	Y	
045	035	762570	3375	1,492	2525676	\$450,000	01/04/12	\$301.61	live/work town home	NC2-30	1	Y	
045	035	762570	3376	1,492	2521616	\$450,000	12/06/11	\$301.61	LIVE/WORK	NC2-30	1	Y	
045	035	762570	3377	986	2516196	\$280,000	10/26/11	\$283.98	LIVE/WORK TOWN HOME	NC2-30	1	Y	
045	035	884630	0060	13,116	2437709	\$1,025,000	04/22/10	\$78.15	SEATTLE INTERNATIONAL CHURCH	LDT	1	Y	
045	040	929730	0650	1,969	2505009	\$410,000	08/01/11	\$208.23	Office	C1-40	1	Y	
045	045	079600	0120	1,887	2479698	\$200,000	02/15/11	\$105.99	COLUMBIA SPECIALTY EMBROID	R48	1	34	Use-change after sale; not in ratio
045	045	159160	0762	2,040	2532366	\$290,000	02/24/12	\$142.16	THAI THAI	CC-2	1	Y	
045	045	159160	0762	2,040	2547722	\$275,000	06/06/12	\$134.80	THAI THAI	CC-2	1	Y	
045	045	320380	0178	3,840	2555696	\$500,000	07/23/12	\$130.21	Proletariat Pizza/Urban Apparel	CBSO	1	Y	
045	045	345100	0039	2,031	2498864	\$167,000	06/27/11	\$82.23	B & D AQUARIUM	CBSO	1	Y	

**Vacant Sales for Area 45
Used in Analysis**

Location	Area	Nbhd	Major	Minor	Land SF	E #	Sale Price	Date	SP/SF	Property Name	Zone	Par Ct	Ver. Code	Remarks
4755 Fauntleroy Way SW	045	040	612660	0555	69,422	2581686	\$12,425,000	12/27/12	\$179	HULING BROS	NC3-85	2	Y	<i>Includes minor -0755. no market exposure, buyer approached seller.</i>
3909 SW Alaska Street	045	040	612660	0465	33,117	2581703	\$4,772,545	12/27/12	\$144	OFFICE-PP	NC3P-85	3	Y	<i>Includes minors -0485 & -0780. no market exposure, buyer approached seller.</i>
1311-1325 Harbor Ave SW	045	020	927220	2665	14,635	2581441	\$3,200,000	12/21/12	\$219	TEAR-DOWNS	NC2-65 & MR	5		<i>3 Imps given no value. High sale due to view and assemblage</i>
4731 40th Ave SW	045	040	757920	0425	11,500	2582071	\$1,440,000	12/17/12	\$125	VACANT LOT	NC3-85	1		<i>Buyer is Seattle Park & Rec. Independent appraisal completed. Came in at \$1.5M.</i>
10425 15th Ave SW	045	045	345100	0099	18,600	2576209	\$340,000	11/27/12	\$18	PAVED LOT	CBSO	1		<i>Buyer approached seller. Adjacent property owner. Appraisal at time of purchase came in at \$320,000.</i>
3816-3820 22nd Ave SW (pidgeon pt.)	045	005	284870	0405	25,000	2561853	\$374,250	8/28/12	\$15	SFR TEAR DOWNS	LR1	2		<i>*R Sale. 2 SFR teardowns. Buyer is Sound Equities Inc. Sloped topography</i>
Delridge & Cloverdale SW corner	045	015	088000	0207	5,947	2561824	\$165,000	8/28/12	\$28	VACANT LAND	LR2	1		<i>*R Sale. 5 townhome units under construction 10/2012.</i>
4202 SW Holly Street	045	035	271910	0030	6,748	2561330	\$415,000	8/27/12	\$61	SFR TEAR DOWN	LR2	1		<i>*R Sale. Near Morgan Junction. Permits to demolish SFR and construct a 6 unit townhome bldg with surface parking.</i>
3062 SW Avalon Way	045	040	929730	0903	6840	2558642	\$684,000	8/3/12	\$100	DUPLEX TEAR DOWN	MR	1	Y	<i>*R Sale. Confirmed with seller. Buyer approached them directly. They retained a broker and the sales price was negotiated. No value given to improvements.</i>
3070 SW Avalon Way	045	040	929730	0905	7560	2558637	\$756,000	8/3/12	\$100	6 UNIT APT TEARDOWN	MR	1		<i>*R Sale. Purchased by same buyer as 929730-0903. Buyer is planning to build an apartment bldg on both parcels + adjacent SFR parcel.</i>

**Vacant Sales for Area 45
Used in Analysis**

4503 45th Ave SW	045	025	338990	0535	5,850	2551011	\$300,000	6/21/12	\$51	SFR TEAR DOWN	LR2	1		*R Sale. Permits for demo and construction of 5 unit townhome. SFR has been demolished. Construction started 10/2012.
4615 SW Othello Street			432220	0004	10,652	2544443	\$725,000	5/17/12	\$68	4-PLEX TEAR DOWN	LR1	1		New parcel -0005 segged after sale. 4-plex demolished 12/2012. 6 new townhomes under construction.
4825 Beach Dr SW	045	020	793600	0138	5,292	2540360	\$799,950	4/20/12	\$151	VACANT	SF5000	1		Newly segg'ed lot. Old SFR already demolished before sale. 36' low-bank waterfront. \$22K/LF.
3266 SW Avalon Way	045	040	929730	1840	4,800	2539808	\$296,000	4/12/12	\$62	SFR	MR	1		*R Sale. SFR teardown. Buyer is LLC. SFR now vacant. Permits for demo and construction of 14 room boarding house.
1027 SW 124th St	045	045	374460	0591	7500	2529253	\$71,500	2/6/12	\$10	SFR/TEAR DOWN	RM-18	1		*R Sale. REO. Segg'ed into 3 lots after sale. Imp has been demolished and one new SFR is completed.
9009 16th Ave SW	045	015	789980	1075	6226	2527973	\$104,500	1/10/12	\$17	DUPLEX	LR3	1		REO. Demolished and new townhomes are complete on the site.
5232 California Ave SW	045	025	762570	0450	7,500	2525138	\$700,000	12/21/11	\$93	VACANT LAND	NC2-30	7		*R Sale. SFR demolished in 2008. Parcel segg'ed into 7 parcels at that time. Sale includes minors -0450 thru -0457. 3 live/work units w/frontage & 4 townhomes at rear of site with alley access. Under construction 10/2012.
4700 California Avenue SW	045	025	757920	0005	45,425	2523710	\$8,900,000	12/20/11	\$196	SUPER SUPPLEM ENTS/LINE RETAIL	NC3P-85	2	Y	2 parcels. Includes -0205. Teardown for mixed use. Re-development site. SE corner of junction. New developer is Equity Residential. Total sales price of \$11,400,000 has been adjusted down \$2.5M for value of Master Use Permit
5434 Delridge Way SW	045	005	177310	1555	14,400	2520913	\$576,000	12/01/11	\$40	SFR TEAR DOWN	NC2-40	2	Y	*R Sale. Includes -1565. All demo complete. Construction started on 4-story 66 unit apartment with 2,644SF retail & 13 below grade parking spots.

**Vacant Sales for Area 45
Used in Analysis**

5444 Delridge Way SW	045	005	177310	1570	4,800	2520911	\$192,000	12/01/11	\$40	SFR TEAR DOWN	NC2-40	1	Y	*R Sale. Sold with E# 2520913.
4526 41st Ave SW	045	025	095200	6835	5,750	2518181	\$270,000	11/8/2011	\$47	SFR TEAR DOWN	LR2	1		*R Sale. SFR is Vacant. Permits in place to demolish SFR and construct 4 townhomes.
5949 California Ave SW	045	035	762570	2285	7,500	2515858	\$430,000	10/20/11	\$57	SFR TEAR DOWN	LR3-RC	1		*R Sale. Permits for demo and construction of 3 townhomes.
4502 42nd Avenue SW	045	025	095200	6510	5,750	2515491	\$1,000,000	10/11/11	\$174	SFR TEAR DOWN	NC3-65	1	Y	*R Sale.
4506 42nd Avenue SW	045	025	095200	6520	17,250	2515490	\$3,350,000	10/3/11	\$194	SFR TEAR DOWN	NC3-65	3	Y	*R Sale. Includes minors -6530 and -6540. Construction started on mixed-use development.
4040 26th Avenue SW	045	040	244460	0025	52,511	2504914	\$6,350,000	08/12/11	\$121	VACANT	C1-65	1	Y	Sales price included plans & permits. Site was shovel-ready. Buyer paid premium for this condition.
3829 California Ave SW	045	035	790520	0065	10,530	2503772	\$1,000,000	8/1/2011	\$95	2 DUPLEXES	LR3-RC	1		*R Sale. Existing structures to be demolished. Permit for 3 story apt bldg with 30 units with 30 stall garage at & below grade.
5918 SW Stevens Street	045	030	782920	0080	3,200	2501845	\$225,000	7/22/11	\$70	SFR TEAR DOWN	LR3	1	Y	*R Sale. Construct 2 row homes.
3253 SW Avalon Way	045	040	929730	2005	4,800	2498682	\$629,550	6/29/11	\$131	TRIPLEX	MR	1	Y	*R Sale. Triplex in good condition. Demolished after sale.
3247 SW Avalon Way	045	040	929730	1995	4,800	2497032	\$300,000	6/17/11	\$63	SFR TEAR DOWN	MR	1		*R Sale.
4710 37th Avenue SW	045	040	528820	0071	2,899	2496172	\$270,000	6/14/11	\$93	3 VACANT LOTS SEGGED FROM SFR	NC3-40	3	Y	*R Sale. Includes minor -0072, -0073. Off market.
3249 SW Avalon Way	045	040	929730	2000	4,800	2495063	\$346,425	6/7/11	\$72	SFR TEAR DOWN	MR	1	Y	*R Sale. No market exposure
3257 SW Avalon Way	045	040	929730	2010	9,600	2494778	\$674,000	6/2/11	\$70	SFR TEAR DOWN	MR	2	Y	*R Sale. Includes -2015.

**Vacant Sales for Area 45
Used in Analysis**

5020 California Ave SW	045	025	762470	0095	22,407	2491187	\$2,160,000	5/10/11	\$96	DUPLEX/A PT/COMM TEARDOW N	NC2-65	3	61	*R Sale. REO, includes minors -0100, 129730-0250. Imps demolished 8/2012. Permits for 6 story, 101 unit apt with 4,000 SF retail at street and 95 underground parking spots. Market sale.
2771 59th Avenue SW	045	030	014800	0070	7,770	2487695	\$529,000	3/30/11	\$68	SFR TEAR DOWN	LR1	1	61	*R Sale. Seg into 4 lots, construction of 4 3-story SFRs.
3221 Point Place SW (waterfront)	045	020	014800	0895	6,734	2469959	\$965,000	12/8/10	\$143	SFR TEAR DOWN	LR1	1		*R Sale. Next to Alki lighthouse. MLS reports "do not enter home or walk on decks - teardown, many hazards". 65' low-bank waterfront. \$15K/LF.
2130 Alki Avenue SW	045	020	091300	0035	3,150	2465395	\$399,000	11/3/10	\$127	SFR/ INTERIM USE	LR3	1	Y	*R Sale. Permit for LU paid coaching. Future tri-plex construction. However, some time after the sale the owner decided to fix up the home and maintain as a rental.
11235 16th Avenue SW Between 1st and 2nd Avenue SW on SW 108th Street	045	045	159160	0646	18,850	0246631	\$325,000	10/15/10	\$17	ALPINE FENCE CO	CC-2	1	Y	Sold with older bldg. New warehouse added after sale.
	045	045	316360	0261	4,800	2458439	\$75,000	9/15/10	\$16	VACANT SFR SITE	R6	1	Y	*R Sale.
117 SW 108th Street	045	045	316360	0266	6,000	2458441	\$80,000	9/10/10	\$13	VACANT SFR SITE	R6	1	Y	*R Sale.
12207 2nd Place SW	045	045	788960	0485	6,000	2453702	\$120,000	8/6/10	\$20	VACANT SFR SITE	R6	2	Y	*R Sale. Includes minor -0486
5247 California Avenue SW	045	025	762570	0530	7,500	2447179	\$685,000	6/18/10	\$91	BARBER SHOP/RET AIL/SFR	NC2-30	1	51	Building demolished 9/28/2012.
9802 18th Ave SW 3009 1/2 Harbor Avenue SW	045	045	300480	0335	8143	2442967	\$156,000	5/19/2010	\$19	SFR	R24	1	Y	*R Sale. Marketed as Land sale on NWMLS. Verified by Res.
	045	030	691170	0030	5,840	2439132	\$240,000	4/26/10	\$41	SFR	C1-40	1	Y	*R Sale.

Improvement Sales for Area 045 with Sales not Used

04/18/2013

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
045	005	177310	1435	1,800	2482245	\$763,600	03/14/11	\$424.22	SUPER 24 CONVENIENCE STORE	NC2-40	1	44	Tenant
045	010	927620	0035	1,125	2580714	\$450,000	12/15/12	\$400.00	ORTHODONTICS	NC2-40	1	51	Related party, friend, or neighbor
045	015	211270	0145	1,616	2510583	\$550,000	09/16/11	\$340.35	Seamart/Zippy's Burgers	NC1-30	1	60	Short sale
045	030	432220	0085	3,093	2440181	\$259,000	04/23/10	\$83.74	FOUR AIMS CENTER	L-1	1	22	Partial interest (1/3, 1/2, etc.)
045	035	762570	3340	9,226	2439133	\$1,477,300	04/29/10	\$160.12	GABLES	NC2-30	1	60	Short sale
045	045	012303	9100	14,540	2567027	\$650,000	09/18/12	\$44.70	Diamond Plaza	CBSO	1	61	Financial institution resale
045	045	012303	9389	32,724	2514852	\$9,555	10/19/11	\$0.29	RETAIL/SOUTHGATE SKATE	CBSO	1	22	Partial interest (1/3, 1/2, etc.)
045	045	062304	9219	1,940	2475321	\$265,000	01/14/11	\$136.60	AMERICAN BRAKE/EXTREME AUT	CBSO	2	51	Related party, friend, or neighbor
045	045	072304	9367	99,625	2551806	\$3,500	03/20/12	\$0.04	EVERGREEN HIGH SCHOOL	R6	1	24	Easement or right-of-way
045	045	630340	0270	5,022	2426227	\$350,000	01/13/10	\$69.69	SEATTLE TRANS & AUTO REPAIR	CBSO	1	3	Contract or cash sale

Vacant Sales for Area 045 with Sales not Used

04/11/2013

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
045	005	177310	1940	7,200	2425574	\$204,000	01/07/10	\$28.33	4 PLEX	NC2-40	1	61	Financial institution resale
045	020	927220	2665	14,635	2581440	\$392,500	12/24/12	\$26.82	VACANT(EMBERS DEMOLISHED)	NC2-65	5	18	Quit claim deed
045	035	762570	3375	15,000	2448564	\$670,000	06/29/10	\$44.67	VACANT	NC2-30	1	60	Short sale
045	045	062304	9219	1,000	2446769	\$35,000	06/18/10	\$35.00	AMERICAN BRAKE/EXTREME AUTO	CBSO	1	24	Easement or right-of-way

Area	Neighborhood	Major	Minor
45	20	014800	0270
45	20	014800	0271
45	20	014800	0272
45	20	014800	0274
45	20	014800	0620
45	20	014800	0925
45	20	014800	0965
45	20	152403	9010
45	20	152403	9071
45	20	152403	9074
45	20	152403	9075
45	20	152403	9076
45	20	156310	0015
45	20	156310	0145
45	20	156310	0350
45	20	156310	0360
45	20	156310	0370
45	20	156310	0450
45	20	181880	0011
45	20	311058	0000
45	20	311058	0010
45	20	386740	0050
45	20	514280	0000
45	20	514280	0010
45	20	514280	0020
45	20	514280	0030
45	20	516060	0000
45	20	516060	0020
45	20	532310	0005
45	20	637200	0005
45	20	637300	0025
45	20	637300	0030
45	20	683773	0000
45	20	683773	0010
45	20	762120	0005
45	20	762120	0015
45	20	762170	0006
45	20	762220	0005
45	20	762220	0055
45	20	762220	0060
45	20	765240	0005
45	20	765240	0010
45	20	765240	0015
45	20	765240	0030
45	20	765240	0070

45	20	766670	6590
45	20	766670	6617
45	20	766670	6646
45	20	766670	6648
45	20	766670	6695
45	20	766670	6730
45	20	766670	6732
45	20	766670	6733
45	20	766670	6802
45	20	766670	6804
45	20	766670	6862
45	20	766670	6872
45	20	766670	6874
45	20	766670	6915
45	20	766670	6943
45	20	766670	6950
45	20	766670	6952
45	20	766670	7156
45	20	766670	7190
45	20	766670	7205
45	20	766670	7207
45	20	766670	7250
45	20	766670	7276
45	20	766670	7310
45	20	766670	7315
45	20	782920	0005
45	20	782920	0010
45	20	927220	2400
45	20	927220	2615
45	20	927220	2665
45	20	927220	2670
45	20	927220	2675
45	20	927220	2680
45	20	927570	0200
45	20	927570	0210
45	20	927570	0515
45	20	927570	0525