

2008 ANNUAL REVALUE REPORT

KING COUNTY DEPARTMENT OF ASSESSMENTS HIGH-TECH/FLEX PROPERTIES



Executive Summary Report

Appraisal Date 1/1/07 - 2008 Assessment Roll

Specialty Name: High-Tech/Flex Properties

Sales – Improved Analysis Summary

- Number of Sales: 24
- Range of Sales Dates: 03/05 - 01/08

Sales – Ratio Study Summary:				
	Mean Assessed Value	Mean Sale Price	Ratio	COV*
2007 Value	\$22,330,000	\$24,648,300	90.60%	18.07%
2008 Value	\$24,839,800	\$24,648,300	100.80%	12.95%
Change	\$2,509,800	0	9.40%	-5.12%
% Change	+11.24%	0%	+10.37%	-28.33%

*COV is a measure of uniformity, the lower the number the better the uniformity.

The negative figures of -5.12% (Change) and -28.33% (% Change) actually represent an improvement.

Sales used in Analysis: All improved sales that were verified as good that included land, and were not leased back to the seller, and have not been renovated, segregated or merged since being purchased, were included in the analysis.

The Ratio Study Summary indicates a weighted mean ratio that is within the IAAO recommended standards. All other performance measures are also within IAAO guidelines.

Total Population - Parcel Summary Data:			
	Land	Imps	Total
2007 Value	\$830,632,900	\$2,240,543,400	\$3,071,042,400
2008 Value	\$961,048,700	\$2,584,558,400	\$3,547,041,400
Percent Change	+15.70%	+15.35%	+15.49%

- Number of Parcels in the Ratio Study Population: **193**

Conclusion and Recommendation:

Assessed values for the 2008 revalue have increased on average of **15.49%**.

The values recommended in this report improve uniformity, assessment level and equity; therefore it is recommended they should be posted for the 2008 Assessment Roll.

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, Assessors 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)

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.*
7. *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.*
8. *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.*
9. *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.*
10. *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.*
11. *An attempt to segregate personal property from the real estate in this appraisal has been made.*
12. *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.*
13. *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.*
14. *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.*
15. *Exterior inspections were made of all properties in the physical inspection areas (outlined in the body of the report) however; due to lack of access and time few received interior inspections.*

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 home 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.*

Steven Roberts
Commercial Appraiser II

Date

Analysis Process

Specialty and Responsible Appraiser

- Specialty Area – 510 - High-Tech/Flex Properties
- The following Appraiser did the valuation for this specialty assessment:

Name: Steven Roberts

Job Title: Commercial Appraiser II

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 use. Any opinion not consistent with this is specifically noted in the 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. 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 token value of \$1,000 is assigned to the improvements and the property is returned to the geographical appraiser.

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 by field inspection, review of plans, marketing information, and rent rolls when available.

Special Assumptions and Limiting Conditions

All three approaches to value were considered in this analysis.

The following Departmental guidelines were considered and adhered to:

- No market trends (market condition adjustments, time adjustments) were applied to sales prices. Models were developed without market trends. The utilization of a minimum of three years of market information without adjustment for time averaged any net changes over that time period.
- This report intends to meet the requirements of the Uniform Standards of Professional Appraisal Practice, Standard 6.

Identification of the Area

- **Name or Designation:** High-Tech/Flex Properties
- **Boundaries:** The properties are located throughout King County but are predominantly situated between Redmond and Bothell/North Creek.

Maps:

A GIS map of the entire area is included in this report. More detailed Assessor's maps are located on the 7th floor of the King County Administration Building.

Property Description:

The High-Tech/Flex Specialty properties are defined as buildings that include a combination of warehouse, light industrial use, and/or office area. The occupants tend to be engaged in a variety of High-Tech enterprises that may include computer software and hardware, telecommunications, medical instrumentations, and corporate offices. The corporate offices of Microsoft, Nintendo, Safeco, and Eddie Bauer are included. The typical building often includes general offices, assembly areas, and/or computer rooms, and generally run above a 40% build-out ratio. The buildings tend to be of higher quality finish and may have multiple fiber optic lines with additional power, mechanical, and communications facilities than are found in typical office buildings or business park/flex buildings.

Area Description:

The concentrations of the High-Tech/Flex buildings are located within the Redmond (Close-in, Willows, & Overlake) and Bothell (North Creek) market areas with a scattering of properties around King County (Auburn, Bellevue, Federal Way, Kent, Kirkland, Issaquah, & Woodinville). Within the High-Tech/Flex specialty assignment (Area 510), there are seven neighborhoods (Neighborhoods 10 through 70) totaling 193 parcels that have been established for valuation purposes.

Neighborhood 510-10:

Neighborhood 510-10 is defined as those High-Tech/Flex buildings located within the Bothell (North Creek) and Woodinville neighborhoods. Within geographic area 510-10, there are 23 parcels that are part of the High-Tech/Flex specialty.

Neighborhood 510-20:

Neighborhood 510-20 is defined as those High-Tech/Flex buildings located within the Redmond (Close-In & Marymoor Park) neighborhoods. Within geographic area 510-20, there are 45 parcels that are part of the High-Tech/Flex specialty.

Neighborhood 510-30:

Neighborhood 510-30 is defined as those High-Tech/Flex buildings located within the Redmond (Willows Corridor) neighborhood. Within geographic area 510-30, there are 45 parcels that are part of the High-Tech/Flex specialty.

Neighborhood 510-40:

Neighborhood 510-40 is defined as those High-Tech/Flex buildings located within Kirkland (Totem Lake) neighborhood. Within geographic area 510-40, there are 16 parcels that are part of the High-Tech/Flex specialty.

Neighborhood 510-50:

Neighborhood 510-50 is defined as those High-Tech/Flex buildings located within the Redmond (Overlake) and Bellevue (SR-520 & I-90 Corridor) neighborhoods. Within geographic area 510-50, there are 46 parcels that are part of the High-Tech/Flex specialty.

Neighborhood 510-60:

Neighborhood 510-60 is defined as those High-Tech/Flex buildings located within the Issaquah neighborhood. Within geographic area 510-60, there are 6 parcels that are part of the High-Tech/Flex specialty.

Neighborhood 510-70:

Neighborhood 510-70 is defined as those High-Tech/Flex buildings located within the Seattle, Kent, Auburn, Tukwila, and Federal Way neighborhoods. Within geographic area 520-70, there are 12 parcels that are part of the High-Tech/Flex specialty.

Economic Considerations:

During the past five years, the Puget Sound real estate market place had been very active. The eastside market area (Bellevue, Kirkland, Redmond, Woodinville, and Issaquah), especially, experienced rapidly appreciating property values unprecedented in recent memory. This growth was spurred on by new high-tech “dot-com.” startup companies, along with an increasing presence in software, service industries, finance, and aerospace.

For this revalue period, the High-Tech/Flex industry continues to improve. The demand for office and high-tech/flex properties in Seattle/Eastside/Puget Sound remains high. The Puget Sound office market remains one of the most encouraging in the nation. As a result of the high demand for office space, vacancy rates in most market sectors have seen moderate decreases which resulted in upward shifts in lease rates. With respect to the Eastside technology market (majority of High-Tech/Flex properties), overall lease rates have shifted from a stabilization period to where rents are now on the increase. Vacancy rates have also seen an improvement. (See Table Below).

2007 IN REVIEW			
	Office	Industrial	High/Tech
<i>Rents</i>	Increase ↑	Moderate Increase ↗	Moderate Increase ↗
<i>Vacancy</i>	Moderate Decrease ↘	Moderate Decrease ↘	Moderate Decrease ↘
<i>Real Estate Values</i>	Increase ↑	Moderate Increase ↗	Moderate Increase ↗
<i>New Construction</i>	Increase ↑	Stable ↔	Moderate Increase ↗

Source	Eastside Market Area	4 th Qtr. 2007 Direct Vacancy
Colliers International	Overall Office	7.71%
	Overall Industrial	7.43%
Cushman & Wakefield	Overall Office	7.53%
	Overall Industrial	6.20%
CB Richard Ellis	Overall Office	8.13%
	Overall Industrial	7.42%

There continues to be demand for High-Tech/Flex properties, and as a result, sales prices have risen. Some notable sales that have occurred since 2005 include:

Notable High-Tech/Flex Sales				
Building Name	Sales Price	Sale Date	Bldg. Sq.Ft.	Price Sq.Ft.
<i>North-Creek Corporate Center</i>	\$16,750,000	06/04/2005	96,035	\$174.42
<i>West Willows Tech Center</i>	\$34,050,000	08/11/2005	162,273	\$209.83
<i>West Park</i>	\$111,000,000	12/15/2005	767,486	\$144.63
<i>Quadrant Willows Corp. Center</i>	\$13,350,000	12/21/2005	72,000	\$185.42
<i>Redmond Woods</i>	\$27,836,645	03/29/2006	170,470	\$190.33
<i>Former Safeco Campus</i>	\$207,600,000	05/31/2006	812,196	\$271.49
<i>Bear Creek Corp. Center</i>	\$39,841,508	07/17/2006	167,156	\$238.35
<i>Millennium Corp. Park</i>	\$139,000,000	10/03/2006	549,694	\$252.87
<i>West Willows Tech. Center</i>	\$21,501,000	05/22/2007	155,864	\$137.95
<i>Quadrant Willows Corp. Ctr. (Bldg. E)</i>	\$14,000,000	06/20/2007	59,007	\$237.26
<i>Quadrant Willows Corp. Ctr. (Bldg. C)</i>	\$16,617,000	06/20/2007	69,072	\$240.58
<i>Quadrant Willows Corp. Ctr. (Bldg. B)</i>	\$15,000,000	07/10/2007	62,856	\$238.64
<i>Quadrant Parkside Ctr. Bldgs. (#1 - #4)</i>	\$17,590,000	01/03/2008	105,020	\$167.49

Construction Activity: Microsoft announced that it will expand its campuses by one-third during the next three years. In May of 2005, the City of Redmond approved Microsoft Corporation's 20-year campus development agreement, which allows Microsoft's Main and West campus to expand by 2,195,488 square feet. Microsoft will execute roughly half of the development agreement by 2009. Under work to be completed over the next three years, Microsoft is adding a total of 3.1 million square feet of office space, which includes 7 new buildings, 7 acquired buildings, and additional lease space. The recently acquired buildings include the former Redmond offices of Eddie Bauer and Safeco. The capacity for all of this added space will be approximately 12,000 people.

Microsoft is currently excavating one of the largest underground parking garages in the U.S. The parking garage totaling 1,507,695 Sq.Ft. will hold approximately 5,000 vehicles on its West Redmond campus. Stretching between Northeast 36th and 40th, west of Highway 520, the huge parking garage will primarily serve workers in four buildings planned for the area immediately around it, as well as others nearby. The underground garage is scheduled to be completed by mid-year 2008.

Major Microsoft Projects Currently Under Construction		
Building Name	Status	Bldg. Sq.Ft.
• <i>Building #94 - Office Building</i>	<i>Under Construction</i>	267,938
• <i>Building #95 - Office Building</i>	<i>Under Construction</i>	265,753
• <i>Building #96 - Office Building</i>	<i>Under Construction</i>	301,393
• <i>Building #97 - Office Building</i>	<i>Under Construction</i>	300,863
• <i>Building #98 - Garage</i>	<i>Under Construction</i>	1,507,695
• <i>Former Eddie Bauer Bldg.</i>	<i>Completed 1st Qtr. 2008</i>	199,789
• <i>Building #99 - Office Building</i>	<i>Completed 4th Qtr. 2007</i>	266,014
• <i>Building #99 - Garage</i>	<i>Completed 4th Qtr. 2007</i>	409,835
• <i>Building #07 - Office Building</i>	<i>Completed 4th Qtr. 2007</i>	266,014
• <i>Building #07 - Garage</i>	<i>Completed 4th Qtr. 2007</i>	346,472
Other Projects Currently Under Construction		
• <i>Google Campus - Three Buildings w/underground Pkng.</i>	<i>Under Construction</i>	186,502
• <i>NW Technical Center #1</i>	<i>Under Construction</i>	36,283
• <i>NW Technical Center #2</i>	<i>Under Construction</i>	33,564
• <i>Sammamish Ridge Tech. Center – Phase #1 & #2</i>	<i>Under Construction</i>	255,277

Physical Inspection Area:

- Approximately 23.80% of the High-Tech/Flex parcels in King County were inspected.
- The physical inspection area for the 2008 revalue included those High-Tech/Flex properties located in Neighborhood 30 (Willows Corridor) & Neighborhood 40 (Kirkland/Totem Lake).

Preliminary Ratio Analysis

- A preliminary Ratio Study was done just prior to the application of the 2008 recommended values. The study benchmarks the sales to 2007 posted values. It showed a COV of 18.07% and a weighted-mean ratio of 90.60%.
- A Ratio Study was completed after deriving the 2008 assessment year values. The results are included in the validation section of this report and show an improvement in the COV from the previous rate of 18.07% to a new rate of 12.95%. The weighted-mean is now 100.80%

Scope of Data

Land Value Data:

The geographic appraiser in the area in which the specialty property is located is responsible for the land value used by the specialty appraiser. See appropriate area reports for land valuation discussion.

Improved Parcel Total Value Data:

Sales information is obtained from excise tax affidavits and reviewed initially by the Accounting Division, Sales Identification Section. Information is analyzed and investigated by the appraiser in the process of revaluation. All sales considered were verified if possible by calling either the purchaser or seller, inquiring in the field or calling the real estate agent. Characteristic data is verified for all sales if possible. Due to time constraints, interior inspections were limited. Sales are listed in the "Sales Used" and "Sales Not Used" sections of this report. Additional information resides in the Assessor's procedure manual located in the Public Information area of the King County Administration Building.

Improved Parcel Total Values:

Sales Comparison Approach Model Description

The model for sales comparison was based on five data sources from the Assessor's records; occupancy codes, age, quality, size, and location. There were 24 improved sales within the High-Tech Specialty dating from 03/29/2005 to 01/08/2008 and considered fair market transactions. The sales were organized by neighborhood. Because of the limited number of comparable sales, the sales comparison approach was not used exclusively. The 24 sales were used, though, in the development of capitalization, rental, expense, and vacancy rates within the income approach. All sales were verified if possible by a call or written inquiry with either the purchaser or seller, inquires in the field, various publications, or calling the real estate agent. Characteristic data was verified for all sales if possible.

Sales Comparison Calibration

Calibration of the coefficients utilized in the models applied via the sales comparison approach was established via an analysis of sales within each neighborhood. Neighborhoods were treated independent of one another as dictated by the market. Individual prices were applied based on various characteristics deemed appropriate by each market. Specific variables and prices for each neighborhood are discussed in more detail above.

Cost Approach Model Description

Cost estimates are automatically calculated via the Marshall & Swift cost modeling system. Depreciation was based on studies done by Marshall & Swift Valuation Service. The cost was adjusted to the Western Region and the Seattle area. Marshall & Swift cost calculations are automatically calibrated to the data in place in the Real Property Application. The cost was used in the newer business parks where the market indicators supported the cost value.

Cost Calibration

The Marshall & Swift cost-modeling system built into the Real Property Application is calibrated to this region and the Seattle area.

Income Capitalization Approach Model Description

The income approach is considered the most reliable approach to valuation for High-Tech/Flex properties where relevant income and expense data is available to ascertain market rates. During the sales verification process, an attempt is made to obtain income and expense data from the parties involved in the transactions through interviews or via mail. The information requested includes current and anticipated future rents, operating expense breakdown and assigned responsibility for the expenses, and estimated capitalization rates associated with a sale. In addition, owners, tenants, and agents of non-sale properties are surveyed to collect similar data. Disclosure of this information is not required by law and therefore is often difficult to obtain. The return rate of mail surveys varies and the data can be incomplete. Telephone interviews are dependent upon obtaining a valid number for a knowledgeable party and the opportunity to contact them. Interviews with tenants in the field usually yield rental and expense information only. As a supplement, lease information is gathered from Costar and other websites. In order to calibrate a credible income model, it is necessary to consider data from recognized published sources to assist in developing capitalization rates. These publications tend to report data that is considered relevant to institutional-grade CBD and suburban real estate.

The specialty properties are located throughout King County with the concentration falling between Redmond and Bothell, generally referred to as the Technology Corridor. A map showing the Specialty Property sites is included within this report.

The income tables within this area summary report are included to demonstrate typical income parameters (Rents, Vacancy, Expenses, Cap. Rates) used for High-Tech / Flex buildings. The individual property valuation analysis for the High-Tech specialty is available within the Assessor's records. The models that are used for this revaluation are based on the building size parameters specific to the specialty and are dependent on effective age and quality data. Vacancy rate, expense rate and capitalization rate ranges were interpolated from data obtained from the market.

Income Approach Calibration

The models were calibrated after setting the base rents by using adjustments based on size, effective age, construction class and quality as recorded in the Assessor's records. Properties were valued based on the income tables included within this report. The individual property valuation information is available within Assessor records. Additional factors considered were excess land, economic units, or unique features with the property.

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), and opinions expressed by real estate professionals active in the market. Within the income valuation models, the assessor used triple net leases to estimate the assessed value.

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 to estimate the assessed value.

Capitalization Rates: The range of capitalization rates used in the assessors income valuation models (tables) reflect the building quality and competitiveness with the lower rates applied to the higher quality high-tech buildings. Higher rates are applied to the lesser quality high-tech buildings or to properties that have higher than the normal sub-market vacancy, substantial sub-lease vacancy, or physical issues that require additional capital investment.

Capitalization rates were determined by personal analysis of the sales in the area on sold properties where there was income information available, and local and national published market surveys, such as CoStar, Real Estate Analytics, The American Council of Insurance Adjustors, Colliers International, Integra Realty Resources, and Korpacz. (Table on Page #14 shows local/national cap rate sources used by the assessor. With the high demand for real estate within the Puget Sound market area, along with continued low interest rates, capitalization rates have remained low (See Table next page).

<i>Source</i>	<i>Date</i>	<i>Location</i>	<i>Type</i>	<i>2007 Average</i>	<i>Remarks</i>
Integra Realty Resources – Viewpoint 2008	Year End 2007	Seattle	Suburban Off.	6.25%	Previous Year = 6.50%
			CBD Office	6.00%	Same As Previous Year
			Office/Whse.	6.25%	
			R&D	7.25%	
		National	CBD Office	7.46%	Range: 5.00% - 11.50%
			Suburban Off.	7.42%	Range: 5.50% - 9.00%
American Council of Life Insurance (Commercial Mtg. Commitments)	YTD 2007	Seattle/Bellevue/Everett	Office	6.90%	Average Loan Size = \$6.5 Million
	YTD 2007	National	Office	7.20%	Loan Size: \$5 million - \$14,999(000)
				6.90%	Loan Size: \$15 million - \$24,999(000)
				6.30%	Loan Size: \$25 million and over.
	YTD 2007	Seattle/Bellevue/Everett	Industrial	6.50%	Local: Avg. Loan Size = \$9.2 Million
	YTD 2007	National	Industrial	7.10%	Loan Size: \$5 million - \$14,999(000)
				6.80%	Loan Size: \$15 million - \$24,999(000)
				6.30%	Loan Size: \$25 million and over.
CoStar Group	Year End 2007	Seattle/Eastside	Office	5.70%	Three Year Avg.: 6.10%
		Eastside	Office	5.50%	Three Year Avg.: 6.10% (Includes Bell. CBD)
			Suburban Off.	5.60%	Three Year Avg.: 6.10% (Excludes Bell. CBD)
		Eastside All King Co.	Industrial/Flex	5.50%	Three Year Avg.: 6.40%
			Industrial/Flex	5.90%	Three Year Avg.: 6.90%
Real Capital Analytics	4 th Qtr. 2007	Seattle Metropolitan Area	CBD Office	5.40%	Wtd. Avg. Cap Rate (\$5 million or greater)
			Suburban Off.	5.50%	Wtd. Avg. Cap Rate (\$5 million or greater)
Colliers Int.	4 th Qtr. 2007	Seattle Metropolitan Area	CBD Office	5.80%	Previous Year: 6.50%
			Suburban Off.	5.26%	Previous Year: 6.25%
Emerging Trends in Real Estate 2008 Survey	4 th Qtr. 2007	National	CBD Office	5.60%	Rate based on U.S. respondents to survey.
			Suburban Off.	6.52%	
			Industrial	6.25%	
			Suburban Ind.	6.71%	
Korpacz R.E. Investor Survey	4 th Qtr. 2007	National	CBD Office	6.64%	Minus 30 basis points annual change.
			Suburban Off.	7.24%	Minus 43 basis points annual change.
		Pacific NW	All Office	7.81%	Investor Survey – All Pacific NW States.

AREA 510-10 – Bothell / Woodinville

Land Use:	Rent Range per Sq.Ft.	Vacancy/Coll. Loss %	Expense Rate/%	Capitalization Rate %
Open Office/Mezz. Office/Whse. Office	\$13.20 to \$18.00	12%	7.50%	6.50% to 8.50%
Industrial Engineering Space	\$9.60 to \$13.80	12%	7.50%	6.50% to 8.50%
Storage Whse. / Mezz. Stor.	\$6.00 to \$9.60	12%	7.50%	6.50% to 8.50%

The rental rates per square foot range from \$13.20 to \$18.00 for the office space, \$9.60 to \$13.80 for the Industrial Engineering Space, and \$6.00 to \$9.60 per square foot for the warehouse space. Vacancy and Collection Loss was estimated at 12%, with operating expenses estimated at 7.50%, and capitalization rates ranging from 6.50% to 8.50%.

AREA 510-20 – Redmond Close-In / Marymoor

Land Use:	Rent Range per Sq.Ft.	Vacancy/Coll. Loss %	Expense Rate/%	Capitalization Rate %
Open Office/Mezz. Office/Whse. Office	\$12.00 to \$18.00	9%	7.50%	6.25% to 8.00%
Industrial Engineering Space	\$8.40 to \$13.90	9%	7.50%	6.25% to 8.00%
Storage Whse. / Mezz. Stor.	\$4.80 to \$9.80	9%	7.50%	6.25% to 8.00%

The rental rates per square foot range from \$12.00 to \$18.00 for the office space, \$8.40 to \$13.90 for the Industrial Engineering Space, and \$4.80 to \$9.80 per square foot for the warehouse space. Vacancy and Collection Loss was estimated at 9%, with operating expenses estimated at 7.50%, and capitalization rates ranging from 6.25% to 8.00%.

AREA 510-30 – Willows Corridor

Land Use:	Rent Range per Sq.Ft.	Vacancy/Coll. Loss %	Expense Rate/%	Capitalization Rate %
Open Office/Mezz. Office/Whse. Office	\$13.80 to \$18.60	9%	7.50%	6.50% to 8.50%
Industrial Engineering Space	\$9.90 to \$14.10	9%	7.50%	6.50% to 8.50%
Storage Whse. / Mezz. Stor.	\$6.00 to \$9.60	9%	7.50%	6.50% to 8.50%

The rental rates per square foot range from \$13.80 to \$18.60 for the office space, \$9.90 to \$14.10 for the Industrial Engineering Space, and \$6.00 to \$9.60 per square foot for the warehouse space. Vacancy and Collection Loss was estimated at 9%, with operating expenses estimated at 7.50%, and capitalization rates ranging from 6.50% to 8.50%.

AREA 510-40 – Kirkland / Totem Lake

Land Use:	Rent Range per Sq.Ft.	Vacancy/Coll. Loss %	Expense Rate/%	Capitalization Rate %
Open Office/Mezz. Office/Whse. Office	\$13.00 to \$20.00	15%	7.50%	6.50% to 8.50%
Industrial Engineering Space	\$9.20 to \$15.10	15%	7.50%	6.50% to 8.50%
Storage Whse. / Mezz. Stor.	\$5.40 to \$10.20	15%	7.50%	6.50% to 8.50%

The rental rates per square foot range from \$13.00 to \$20.00 for the office space, \$9.20 to \$15.10 for the Industrial Engineering Space, and \$5.40 to \$10.20 per square foot for the warehouse space. Vacancy and Collection Loss was estimated at 15%, with operating expenses estimated at 7.50%, and capitalization rates ranging from 6.50% to 8.50%.

AREA 510-50 – Overlake / Bellevue

Land Use:	Rent Range per Sq.Ft.	Vacancy/Coll. Loss %	Expense Rate/%	Capitalization Rate %
Open Office/Mezz. Office/Whse. Office	\$14.00 to \$18.00	5%	7.50%	6.75% to 8.00%
Industrial Engineering Space	\$10.00 to \$13.80	5%	7.50%	6.75% to 8.00%
Storage Whse. / Mezz. Stor.	\$6.00 to \$9.60	5%	7.50%	6.75% to 8.00%

The rental rates per square foot range from \$14.00 to \$18.00 for the office space, \$10.00 to \$13.80 for the Industrial Engineering Space, and \$6.00 to \$9.60 per square foot for the warehouse space. Vacancy and Collection Loss was estimated at 5%, with operating expenses estimated at 7.50%, and capitalization rates ranging from 6.75% to 8.00%.

AREA 510-60 – Issaquah / I-90 Corridor

Land Use:	Rent Range per Sq.Ft.	Vacancy/Coll. Loss %	Expense Rate/%	Capitalization Rate %
Open Office/Mezz. Office/Whse. Office	\$14.40 to \$19.20	9%	7.50%	6.50% to 8.50%
Industrial Engineering Space	\$10.20 to \$14.40	9%	7.50%	6.50% to 8.50%
Storage Whse. / Mezz. Stor.	\$6.00 to \$9.60	9%	7.50%	6.50% to 8.50%

The rental rates per square foot range from \$14.40 to \$19.20 for the office space, \$10.20 to \$14.40 for the Industrial Engineering Space, and \$6.00 to \$9.60 per square foot for the warehouse space. Vacancy and Collection Loss was estimated at 9%, with operating expenses estimated at 7.50%, and capitalization rates ranging from 6.50% to 8.50%.

AREA 510-70 – South King County

Land Use:	Rent Range per Sq.Ft.	Vacancy/Coll. Loss %	Expense Rate/%	Capitalization Rate %
Open Office/Whse. Office	\$12.00 to \$15.60	10%	8%	6.75% to 8.75%
Mezz. Office	\$8.10 to \$11.40	10%	8%	6.75% to 8.75%
Industrial Engineering Space	\$8.10 to \$11.40	10%	8%	6.75% to 8.75%
Storage Whse. / Mezz. Stor.	\$4.20 to \$7.20	10%	8%	6.75% to 8.75%

The rental rates per square foot range from \$12.00 to \$15.60 for the office space, \$8.10 to \$11.40 for the mezz. office space, \$8.10 to \$11.40 for the Industrial Engineering Space, and \$4.20 to \$7.20 per square foot for the warehouse space. Vacancy and Collection Loss was estimated at 10%, with operating expenses estimated at 8%, and capitalization rates ranging from 6.75% to 8.75%.

Reconciliation and or validation study of calibrated value models including ratio study of hold out samples.

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 market sales 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.

The income approach to value was considered to be a reliable indicator of value in most instances. The market rental rate applied to a few properties varied from the model but fell within an acceptable range of variation from the established guideline. Each parcel was individually reviewed by the specialty appraiser for correctness of the model application before the final value was selected.

MODEL VALIDATION

Total Value Conclusions, Recommendations and Validation:

Appraiser judgment prevails in all decisions regarding individual parcel valuation. Each parcel is 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 particular characteristics and conditions as they occur in the valuation area.

The Specialty Appraiser recommends application of the Appraiser selected values, as indicated by the appropriate model or method.

The new assessment level is 100.80%. The standard statistical measures of valuation performance are all within IAAO guidelines and are presented both in the Executive Summary and in the 2007 and 2008 Ratio Analysis charts included in this report.

The total assessed value for the 2007 assessment year for Specialty Area 510 was \$3,071,176,300. The total recommended assessed value for the 2008 assessment year is \$3,547,041,400.

Application of these recommended values for the 2008 assessment year resulted in an average total change from the 2007 assessments of +15.49%.

	<i>2007 Total</i>	<i>2008 Total</i>	<i>\$ Increase</i>	<i>% Change</i>
<i>Total Value</i>	\$3,071,176,300	\$3,547,041,400	\$475,865,100	+15.49%

This increase is due in part to changes in the return of investment expected by investors, the increase in demand for commercial real estate properties for investment purposes, since last year, and the previous assessment levels.

2007 Assessment Ratios

Quadrant/Crew:	Lien Date:	Date:	Sales Dates:
East Crew	1/1/2007	6/25/2008	3/29/05 - 01/08/08
Area	Appr ID:	Prop Type:	Trend used?: Y / N
510-000	STRO	Improvement	N
SAMPLE STATISTICS			
Sample size (n)	24	<div><div>Ratio Frequency</div></div>	
Mean Assessed Value	22,330,000		
Mean Sales Price	24,648,300		
Standard Deviation AV	30,517,515		
Standard Deviation SP	32,802,943		
ASSESSMENT LEVEL			
Arithmetic mean ratio	0.876		
Median Ratio	0.918		
Weighted Mean Ratio	0.906		
UNIFORMITY			
Lowest ratio	0.5284		
Highest ratio:	1.1533		
Coefficient of Dispersion	12.81%		
Standard Deviation	0.1583		
Coefficient of Variation	18.07%		
Price-related Differential	0.97		
RELIABILITY			
95% Confidence: Median		These figures reflect measurements before posting new values.	
Lower limit	0.805		
Upper limit	0.969		
95% Confidence: Mean			
Lower limit	0.813		
Upper limit	0.939		
SAMPLE SIZE EVALUATION			
N (population size)	193		
B (acceptable error - in decimal)	0.05		
S (estimated from this sample)	0.1583		
Recommended minimum:	33		
Actual sample size:	24		
Conclusion:	Uh-oh		
NORMALITY			
Binomial Test			
# ratios below mean:	9		
# ratios above mean:	15		
z:	1.020620726		
Conclusion:	Normal*		
*i.e., no evidence of non-normality			

2008 Assessment Ratios

Quadrant/Crew: East Crew	Lien Date: 1/1/2008	Date: 6/25/2008	Sales Dates: 3/29/05 - 01/08/08
Area 510-000	Appr ID: STRO	Prop Type: Improvement	Trend used?: Y / N N
SAMPLE STATISTICS			
Sample size (n)	24	<div style="text-align: center;"> Ratio Frequency </div>	
Mean Assessed Value	24,839,800		
Mean Sales Price	24,648,300		
Standard Deviation AV	32,787,145		
Standard Deviation SP	32,802,943		
ASSESSMENT LEVEL			
Arithmetic mean ratio	1.001	<div style="text-align: center;"> Ratio </div>	
Median Ratio	0.982		
Weighted Mean Ratio	1.008		
UNIFORMITY			
Lowest ratio	0.7311		
Highest ratio:	1.3131	<div style="text-align: center;"> Ratio </div>	
Coefficient of Dispersion	10.02%		
Standard Deviation	0.1297		
Coefficient of Variation	12.95%		
Price-related Differential	0.99		
RELIABILITY			
95% Confidence: Median		These figures reflect measurements after posting new values.	
Lower limit	0.946		
Upper limit	1.081		
95% Confidence: Mean			
Lower limit	0.949		
Upper limit	1.053		
SAMPLE SIZE EVALUATION			
N (population size)	193		
B (acceptable error - in decimal)	0.05		
S (estimated from this sample)	0.1297		
Recommended minimum:	24		
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

Improvement Sales for Area 510 with Sales Used

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code
510	010	032605	9110	35,660	2328721	\$6,550,000	01/08/08	\$183.68	Martingale/Neptune Building	I	1	Y
510	010	697920	0240	105,020	2328286	\$17,590,000	01/03/08	\$167.49	QUADRANT PARKSIDE CTR BLDGS 1 & REDMOND EAST BUS CAMPUS BLDG #11	R-AC, O	2	Y
510	020	719895	0090	30,902	2308624	\$4,600,000	08/30/07	\$148.86		MP	1	Y
510	030	697950	0020	62,856	2298403	\$15,000,000	07/10/07	\$238.64	Quadrant Willows Corporate Ctr -	BP	1	Y
510	030	697950	0030	69,072	2293434	\$16,617,000	06/20/07	\$240.58	Quadrant Willows Corporate Ctr -	BP	1	Y
510	030	697950	0050	59,007	2292551	\$14,000,000	06/20/07	\$237.26	Quadrant Willows Corporate Ctr -	BP	1	Y
510	030	928690	0010	155,864	2285890	\$21,501,000	05/22/07	\$137.95	WEST WILLOWS TECH CENTER - BLDG	MP	5	Y
510	040	389060	0110	19,283	2281645	\$4,850,000	04/26/07	\$251.52	KIRKLAND 405 CORP CTR BLDG J	TL 10A	1	Y
510	040	389060	0050	22,944	2274447	\$5,300,000	03/29/07	\$231.00	KIRKLAND 405 CORP CTR BLDG D	TL 10A	1	Y
510	020	553040	0010	549,694	2241134	\$139,000,000	10/03/06	\$252.87	MILLENNIUM CORPORATE PARK BLDGS	BP	4	Y
510	010	392700	0050	97,216	2226631	\$16,000,000	07/18/06	\$164.58	NORTH CREEK CENTER	R-AC, O	1	Y
510	020	062310	0010	167,156	2222624	\$39,841,508	07/18/06	\$238.35	BEAR CK BUS PK-BLDG "B"	BP	2	Y
510	050	109910	0005	146,991	2216177	\$20,200,000	06/22/06	\$137.42	TELEDESIC	LI	2	Y
510	040	389060	0030	200,021	2209008	\$34,848,500	05/24/06	\$174.22	KIRKLAND 405 CORP CTR BLDG B	TL 10A	6	Y
510	020	719895	0090	30,902	2199426	\$3,750,000	04/13/06	\$121.35	REDMOND EAST BUS CAMPUS BLDG #11	MP	1	Y
510	050	142505	9020	146,255	2195549	\$27,836,645	03/29/06	\$190.33	REDMOND WOODS	OV	1	Y
510	040	332605	9243	51,584	2188014	\$7,250,000	02/21/06	\$140.55	Pacific Systems Bldg.	TL 10E	1	Y
510	030	697950	0030	72,000	2179798	\$13,350,000	12/21/05	\$185.42	Quadrant Willows Corporate Ctr -	BP	1	Y
510	020	943050	0130	90,115	2176911	\$9,475,000	12/16/05	\$105.14	95 RIVERSIDE PARK	MP	2	Y
510	020	659980	0010	767,486	2176024	\$111,000,000	12/15/05	\$144.63	WESTPARK BLDG # 1 & 2	MP	16	Y
510	030	928690	0110	166,024	2148683	\$34,050,000	08/11/05	\$205.09	WEST WILLOWS - SEAMED	MP	3	Y
510	010	697920	0320	96,035	2130501	\$16,750,000	06/14/05	\$174.42	NORTH CREEK CORP CTR BLDG A, B,	R-AC, O	1	Y
510	070	030150	0160	100,980	2113695	\$8,700,000	04/06/05	\$86.16	KEY BANK CALL CENTER	C3	1	Y
510	000	272605	9057	23,618	2112382	\$3,500,000	03/29/05	\$148.19	OFFICE	I	2	Y

Improvement Sales for Area 510 with Sales not Used

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
510	030	697950	0020	62,856	2340047	\$18,500,000	03/25/08	\$294.32	Quadrant Willows Corporate Ctr -	BP	1	57	Selling or buying costs affecting sale
510	050	750311	0040	71,000	2314779	\$805,056	09/20/07	\$11.34	SAFECO - COLUMBIA BUILDING	OV	1	18	Quit claim deed
510	030	943005	0010	416,053	2310924	\$87,999,100	09/17/07	\$211.51	WILLOWS COMMERCE PARK - BLDG E	BP	4	15, 59	Bulk Portfolio Sale; No market exposure
510	010	697920	0320	96,035	2305781	\$29,700,000	08/09/07	\$309.26	NORTH CREEK CORP CTR BLDG A, B,	R-AC, O	1	15, 60	Bulk Portfolio Sale; No market exposure
510	020	719895	0030	384,223	2305780	\$116,800,000	08/09/07	\$303.99	REDMOND EAST BUSINESS CAMPUS	MP	8	15, 61	Bulk Portfolio Sale; No market exposure
510	020	719897	0020	94,970	2305779	\$29,900,000	08/09/07	\$314.84	REDMOND HILLTOP OFFICE - CONCUR	BP	2	15, 62	Bulk Portfolio Sale; No market exposure
510	030	928690	0110	166,024	2305782	\$49,000,000	08/09/07	\$295.14	WEST WILLOWS - SEAMED	MP	3	15, 63	Bulk Portfolio Sale; No market exposure
510	010	392700	0050	97,216	2283736	\$22,965,000	05/10/07	\$236.23	NORTH CREEK CENTER	R-AC, O	1	15, 64	Bulk Portfolio Sale; No market exposure
510	050	249990	0020	102,704	2259089	\$14,404,008	01/03/07	\$140.25	LAGUNA NORTH EXCHANGE LLC	OV	1	5,59	Full Sale Price not reported; Bulk Portfolio Sale
510	050	249990	0020	102,704	2259102	\$29,979,090	01/03/07	\$291.90	LAGUNA NORTH EXCHANGE LLC	OV	1	5,59	Full Sale Price not reported; Bulk Portfolio Sale
510	050	249990	0030	97,335	2259105	\$37,885,596	01/03/07	\$389.23	LAGUNA SOUTH BLDG (Honeywell Bui	OV	1	5,59	Full Sale Price not reported; Bulk Portfolio Sale
510	050	249990	0030	97,335	2259104	\$13,317,096	01/03/07	\$136.82	LAGUNA SOUTH BLDG (Honeywell Bui	OV	1	5,59	Full Sale Price not reported; Bulk Portfolio Sale
510	050	644820	0030	233,035	2259103	\$22,414,210	01/03/07	\$96.18	ALLIED SIGNAL AEROSPACE	OV	1	5,59	Full Sale Price not reported; Bulk Portfolio Sale
510	050	644820	0010	228,036	2256787	\$77,864,000	12/20/06	\$341.45	REDMOND COMMERCE CENTER	OV	1	5,59	Full Sale Price not reported; Bulk Portfolio Sale
510	050	644820	0010	228,036	2256785	\$4,886,000	12/20/06	\$21.43	REDMOND COMMERCE CENTER	OV	1	5,59	Full Sale Price not reported; Bulk Portfolio Sale
510	050	644820	0010	228,036	2256786	\$16,250,000	12/20/06	\$71.26	REDMOND COMMERCE CENTER	OV	1	5,59	Full Sale Price not reported; Bulk Portfolio Sale
510	020	943050	0130	49,765	2241759	\$9,000,000	10/06/06	\$180.85	95 RIVERSIDE PARK	MP	1	46,57	Non-representative sale; Sale or buying cost affecting sale
510	020	943050	0131	40,350	2241758	\$7,000,000	10/05/06	\$173.48	95 RIVERSIDE PARK	MP	1	46,57	Non-representative sale; Sale or buying cost affecting sale
510	010	272605	9106	70,082	2155349	\$13,600,000	09/14/05	\$194.06	WILLOWS 124 BLDG A	ISO	1	46,57	Non-representative sale; Sale or buying cost affecting sale
510	070	172280	0285	40,029	2144289	\$6,748,500	08/02/05	\$168.59	HATHAWAY BLDG	IG2 U/8	3	15	Selling or buying costs

													affecting sale
510	010	272605	9025	61,077	2143872	\$12,375,000	07/29/05	\$202.61	WILLOWS 124 BLDG B	ISO	1	46,57	Non-representative sale; Sale or buying cost affecting sale
510	020	062310	0010	163,454	2130681	\$17,800,000	06/09/05	\$108.90	BEAR CK BUS PK-BLDG "B"	BP	2	34	Change of Use