

Commercial Revalue

2013 Assessment roll

WAREHOUSES

AREA 500

**King County, Department of Assessments
Seattle, Washington**

Lloyd Hara, Assessor



King County

Department of Assessments

Accounting Division

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Lloyd Hara
Assessor

Dear Property Owners:

Property assessments for the 2013 assessment year are being completed by my staff throughout the year and change of value notices are being mailed as neighborhoods are completed. We value property at fee simple, reflecting property at its highest and best use and following the requirement of RCW 84.40.030 to appraise property at true and fair value.

We have worked hard to implement your suggestions to place more information in an e-Environment to meet your needs for timely and accurate information. The following report summarizes the results of the 2013 assessment for this area. (See map within report). It is meant to provide you with helpful background information about the process used and basis for property assessments in your area.

Fair and uniform assessments set the foundation for effective government and I am pleased that we are able to make continuous and ongoing improvements to serve you.

Please feel welcome to call my staff if you have questions about the property assessment process and how it relates to your property.

Sincerely,

Lloyd Hara
Assessor

Executive Summary Report

Appraisal Date 1/1/2013 – 2013 Assessment Year

Specialty Name: Area 500 -Warehouses 100,000 net square feet or larger

Sales - Improved Summary:

Number of Sales: 23

Range of Sale Dates: 1/01/2010 – 03/29/2013

Sales – Ratio Study Summary:

	Mean Assessed Value	Mean Sale Price	Ratio	COD
2012 Value	\$14,491,200	\$16,118,600	89.90%	11.57%
2013 Value	\$14,862,800	\$16,118,600	92.20%	7.71%
Change	\$371,600		2.30%	- 3.86%
%Change	+2.56%		+2.56%	-33.36%

*COD is a measure of uniformity, the lower the number the better the uniformity. The negative figures of -3.86% and -33.36% actually represents an improvement.

Sales used in Analysis: All improved sales that were verified as fair market transactions were included in the analysis. Sales that have had major remodels since purchase and sale leasebacks were not included in the analysis.

Population - Parcel Summary Data:

	Land	Improvements	Total
2012 Value	\$1,180,734,700	\$1,650,079,300	\$2,830,814,000
2013 Value	\$1,236,648,600	\$1,678,740,900	\$2,915,389,500
Percent Change	+4.74%	+1.74%	+ 2.99%

Number of Parcels in the Ratio Study Population: 271

Conclusion and Recommendation:

Total assessed values for the 2013 revalue have increased 2.99%.

Since the values recommended in this report improve uniformity, and equity, it is recommended the values should be posted for the 2013 Assessment Year.

Analysis Process

Effective Date of Appraisal: January 1, 2013

Date of Appraisal Report: May 23, 2013

The following appraiser did the valuation for this specialty area:

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 \$1,000.00 is assigned to the improvements.

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.

- Sales from 01/01/2010 to 03/29/2013 were considered in all analyses.
- Time adjustments were not made to sales due to the lack of sales activity.
- This report intends to meet the requirements of the Uniform Standards of Professional Appraisal Practice, Standard 6.

Puget Sound Warehouse Economic Conditions

Due to less capital intensive options, plus stable rental rates and values, industrial properties continue to be a prime sought-after real estate investment class. More investors are heading to the industrial market because properties are viewed as being less intense to manage. Warehouse and distribution properties are even more desirable than flex (business parks), manufacturing, and other specialized spaces. The King County industrial real estate market has remained one of the most adaptable and dynamic areas in the commercial market for 2012. The 2012 industrial market was the strongest since 2008 according to CBRE.

International trade, consumption, and inventory rebuilding ignited demand for larger warehouse space in key port and distribution markets. The King County industrial market has been chosen as one of the top markets in the country according to the international investment community. Charleston South Carolina, Houston Texas, and Norfolk Virginia are the only three markets that lead King County. There is a pent up demand for larger high quality properties. There are now bidding wars for top quality assets in primary markets like Seattle.

The industrial real estate market benefited from an improved labor market. King County has increased employment and is one of the fastest growing regions in the country. This area's employment is growing at twice the national average. The area has a well-educated work force and good living options. Transport, trade and utilities added 428,000 jobs in 2012. Corporate profits and investments are higher than before the recession. King County has seen increased employment in manufacturing, retail, e-commerce, and construction which is driving the demand for industrial products.

Close proximity to the ports (Seattle and Tacoma), airports, freeway, and railroads (which enhance local and global trade) increases the demand for distribution and warehouse space throughout King County. The Ports of Seattle and Tacoma reported a 16% increase in activity in 2012. Industrial properties have benefited from the increase in international trade and the demand for large industrial warehouses with proximity to transportation hubs. Strengthening retail business in 2012 has also helped industrial space demands.

There is currently a low supply of large distribution space. Speculative construction has finally started in King County for the first time in three years. Motion Water Sports is building a 135,000 square foot warehouse in Snoqualmie Ridge. Seventy acres were purchased in Kent for a new Stryker Business Center at Pacific Gateway which will include 438,000 square feet of warehouse space. It is scheduled to be built in 2013.

With the demand for larger industrial space there has been a trend of steady tightening of the leasing market over the last year. The last four quarters have shown strong positive absorption rates. There have been several large tenants signing long term leases. Some of

the large tenants have been Pacific Cascade Distribution, Clarisonic, Sears, Golden Viking, Atkore, and American Furniture. Lease rates are rising due to falling vacancy and increased demand. With rental rates increasing, companies are leasing more space before rates go even higher. There is a fundamental improvement in space demand.

Since there has been limited new construction of industrial properties in the last several years, the vacancy rate has declined across the board. Vacancy is down 100 basis points from last year to the lowest level since the first quarter of 2008. The Seattle-Tacoma industrial vacancy rate is the third lowest in the country, behind Houston, Texas and Salt Lake City, Utah.

The warehouse real estate market includes a variety of tenants and owner/users but is approximately 65% institutionally owned. Institutional and foreign investors are still favoring industrial warehouses over other commercial type investments because they produce a steady cash flow. Local and regional banks, life insurance companies, and finance companies are looking at a loan to value average for warehouse properties of 60-70 percent. The King County industrial market had less than 5% distressed sales in 2012. Interest rates have been stable and capital supply is healthy.

Public and private REITS have been acquiring the best industrial real estate in the hot markets, like Seattle. Their approach is to buy and hold these industrial properties through market fluctuations. Foreign investors are getting better returns in the US market because of the favorable currency exchange rates, and they are safer investments with less risk. Warehouse sales activity has been improving. There were eleven sales in 2012 and only four sales in 2011. Sales prices are now starting to go up slowly.

According to Kidder Mathews, typical warehouse sales fall into the following ranges:

Kent Valley	\$45-\$80	per square foot
Seattle	\$80-\$125	per square foot
Eastside	\$90-\$130 ¹	per square foot

The industrial real estate market saw rents starting to increase in 2012. It is becoming a landlord's market. Landlords are being more aggressive on leasing terms. Additionally, there were fewer concessions given to renters compared to previous years. Most industrial properties rents are based on a triple net basis, meaning the tenant pays for such operating costs as real estate taxes, insurance, and building maintenance. Warehouse lease rates are usually broken down by warehouse space and office build-out rate. The office lease rate is an add-on to warehouse rates. Capitalization rates are declining with the primary markets, such as Seattle, having the lowest capitalization rates in the region.

¹Kidder Mathews, 4th Quarter 2012, pg. 2&3

Identification of the Area

Name or Designation: Area 500

This report contains data pertinent to the revalue of major warehouse facilities throughout King County. Specialty Area 500 encompasses all distribution, transit and storage buildings as well as light industrial facilities with a building area greater than or equal to 100,000 net rentable square feet.

Boundaries:

The properties are located throughout the entire King County.

Maps:

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

Warehouse and Area Description:

The largest industrial warehouses with at least 100,000 net square feet in King County have been segmented into five neighborhood regions. These regions are described by their geographic location. Significant concentrations (76%) are located in the South End of the county in Kent, Auburn, Algona, Renton, and Tukwila. All warehouse specialty properties were revalued this year.

Many of these warehouses are designed specifically for the storage of goods. Warehouses are used by importers, exporters, transport businesses, manufacturers, wholesalers, etc. They are normally equipped with loading docks. Typically office space is between 3% and 12% of the total building area.

Distribution warehouses will have more office/sales area than storage warehouses, approximately 15%, to accommodate breakdown and transshipment. They typically have dock-high or grade-level doors, with bays larger than 5,000 square feet and clearance heights in excess of 20 feet. They often have refrigeration or air conditioning and are stocked with goods to be redistributed to retailers, wholesalers or directly to consumers.

Transit warehouses are designed for loading, freight segregation and closed storage. Two different building materials used to construct warehouses, tilt-wall concrete and prefabricated metal construction, have evolved from ugly and boxy to become more polished. Stone and brick are used as exterior coverings. The tilt-wall is more durable, has built in noise reduction, and better fire protection. The advantage of metal building construction is that it is more environmentally friendly and less expensive to construct. These new metal buildings are nearly 100 percent recyclable.

The following is a breakdown of each neighborhood sub-area and a summary of the 2012 sales that were considered. The assessor considered these sales and the sales from 2010 and 2011 in the ratio study.

South King County:

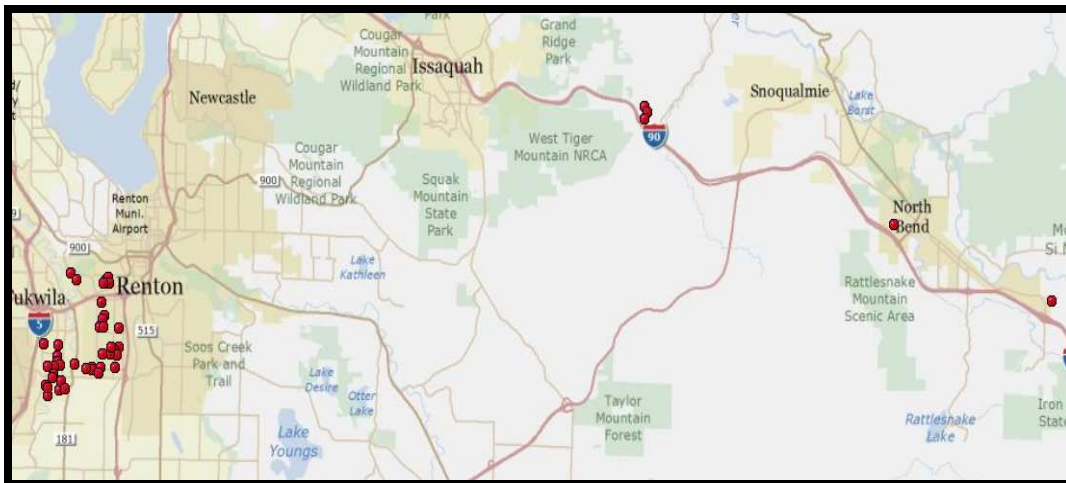
This area has three sub markets, 500-25, 500-35, and 500-45. Approximately 76% of the warehouse specialty properties are located in this area. This is the largest submarket due largely to the valley's level topography and larger vacant pieces of land that are available.

The South King County warehouse real estate market had significant absorption in 2012. According to Collier International 2,232,062 square feet of industrial space was absorbed in 2012 pushing the vacancy rate down. The existing industrial buildings were the target of the absorption not new construction. Some south end key leases were:

ThyssenKrupp Aerospace	Emerald Corporate Park
Elkay Plastic Co. Inc.	Van Doren Park
Outdoor Products Inc.	Park 277
Unisource Paper Corporation & Life International	Northwest Corporate Park

This was a spectacular year for the Kent Valley. Ten of the eleven warehouse sales in 2012 occurred in this region and ranged from \$53 to \$85 per square foot.

Specialty Area 500-25:



This Specialty Area includes Tukwila, SeaTac, North Bend, Snoqualmie, Renton, and the northern portion of the Kent Valley (north of South 190th Street). Distribution warehouses dominate this area.

The warehouses near Southcenter in Tukwila contain many display sections for merchandise. Examples would be Macy's Warehouse, Scan Design, and United Furniture. Renton may see more space used by the future 737MAX production line by Boeing. This South King county subarea is the closest to Seattle and the Port of Seattle.

The lease rates of properties in this subarea (500-25) are usually a little higher priced than in the southern areas (500-35 and 500-45). Their close proximity to Seattle is the main factor for this.

There were four 2012 market sales in this area that ranged from \$53 to \$83 per net square foot.



Area	Parcel	Building Area	Excise #	Sales Price	Sale Date	SP/Square Foot
500-25	125380-0170	133,922	2537689	\$8,500,000	04/05/2012	\$63



Area	Parcel	Building Area	Excise #	Sales Price	Sale Date	SP/Square Foot
500-25	125380-0060	100,520	2560017	\$5,300,000	08/17/2012	\$53



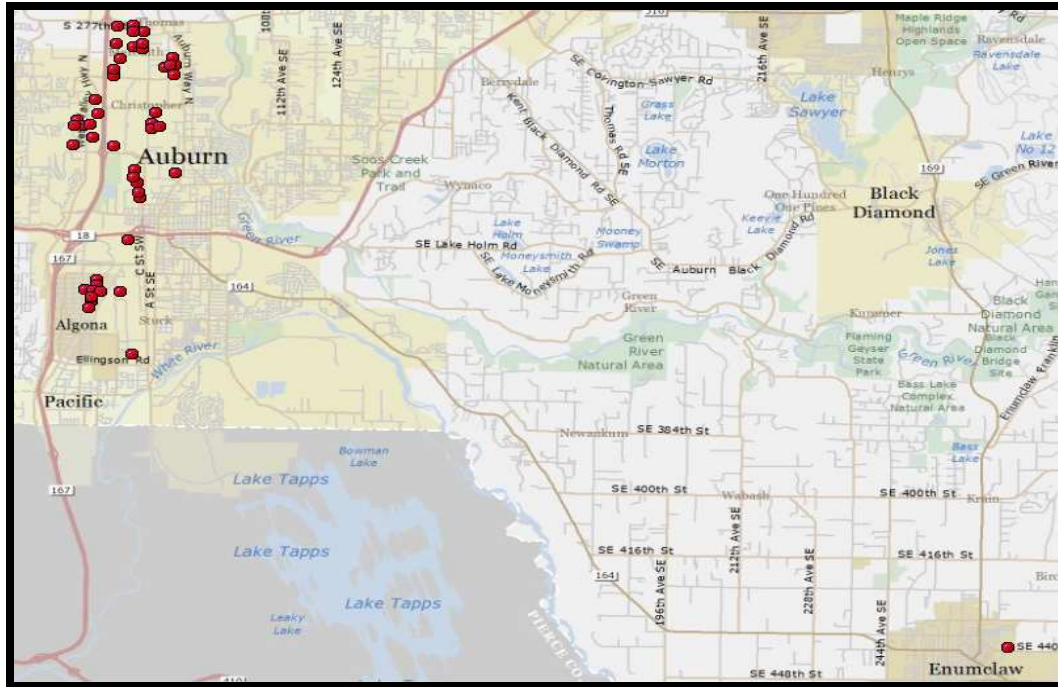
Area	Parcel	Building Area	Excise #	Sales Price	Sale Date	SP/Square Foot
500-25	252304-9017	110,049	2579790	\$8,225,000	12/13/2012	\$75



Area	Parcel	Building Area	Excise #	Sales Price	Sale Date	SP/Square Foot
500-25	322407-9001/9133	285,610	2582041	\$23,800,000	12/13/2012	\$83

In Snoqualmie, a new industrial warehouse is being built by Motion Water Sports that should be complete in 2013. It will have approximately 135,000 square feet and is located at 7926 Bracken Place S.E.

Specialty Area 500-35:



This area includes Auburn, Pacific, Algona, and Enumclaw. In this area, there are a large number of industrial parks offering a variety of space for the particular needs of individual tenants, as well as many stand-alone industrial facilities that have been built to individual specifications. Property types include incubator space, major cold storage space, and product distribution facilities.

One of the largest warehouse parcels in Auburn is the Safeway Distribution complex. It has over 1,150,100 square feet of building space in nine buildings.



Parcel 252104-9096 Safeway 3520 Pacific Ave South

Area 500-35 had two market sales in 2012 ranging in price from \$64 to \$85 per net square foot.



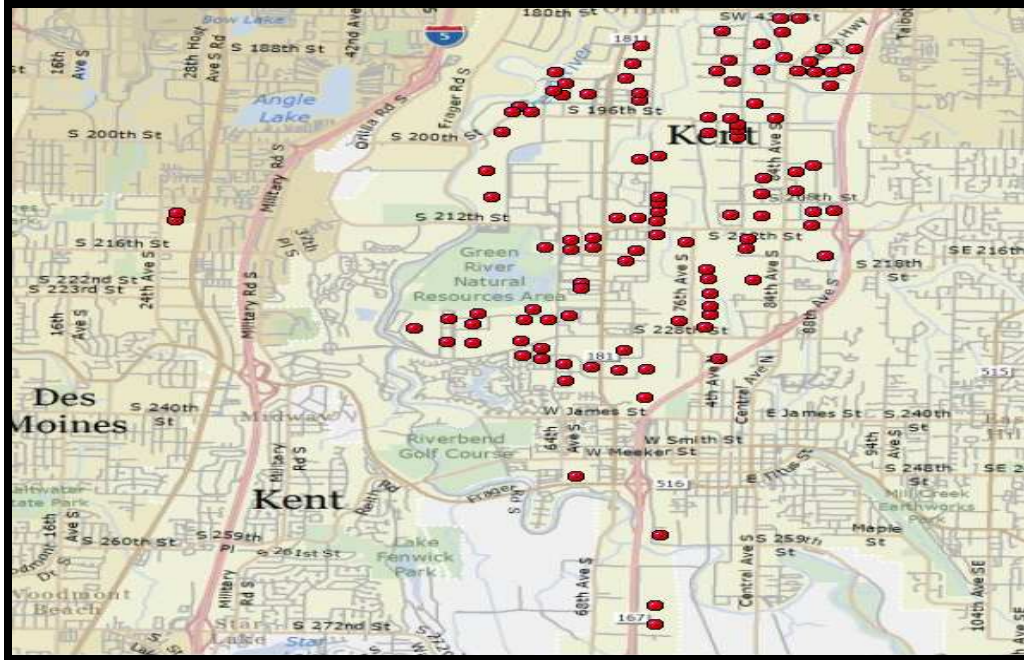
Area	Parcel	Building Area	Excise #	Sales Price	Sale Date	SP/Square Foot
500-35	232973-0080	203,497	2532338	\$13,035,000	03/01/2012	\$64



Area	Parcel	Building Area	Excise #	Sales Price	Sale Date	SP/Square Foot
500-35	664960-0070	141,970	2554954	\$12,000,000	07/17/2012	\$85

A new project is being developed by Panattoni Development Co. 1600 M Street in Auburn and should be completed in 2013.

Specialty Area 500-45:



This area includes Des Moines and the portion of the Kent Valley that is south of S.190th Street. Distribution warehouses dominate the area, yet manufacturing facilities, food service and cold storage warehouses are also found throughout this area. This area has level topography, and good freeway and rail access.

In the Kent Valley, there were four market sales in 2012 that ranged in price from \$59 to \$83 per net square foot.



Area	Parcel	Building Area	Excise #	Sales Price	Sale Date	SP/Square Foot
500-45	362304-9026	135,300	2525625	\$10,476,000	01/06/2012	\$77



Area	Parcel	Building Area	Excise #	Sales Price	Sale Date	SP/Square Foot
500-45	132204-9062	178,400	2542775	\$10,500,000	05/10/2012	\$59



Area	Parcel	Building Area	Excise #	Sales Price	Sale Date	SP/Square Foot
500-45	012204-9045&122204-9002	452,102	2555152	\$37,550,000	07/20/2012	\$83



Area	Parcel	Building Area	Excise #	Sales Price	Sale Date	SP/Square Foot
500-45	887980-0220	228,356	2562716	\$17,750,000	09/05/2012	\$78

The IDS Real Estate Group bought 72 acres in Kent from Boeing and is planning to build warehouses that will total 1.2 million square feet according to the Puget Sound Business Journal. The area will be called Stryket Business Center at Pacific Gateway. The project will be built in phases.

Seattle/Close-In: (Approximately 17% of the total warehouse specialty population is located here)

Specialty Area 500-60:



This area is located primarily south of Safeco Field in the Sodo district, and along both sides of the Duwamish Waterway and makes up the heart of Seattle's historic industrial area. This area contains a mixture of industrial processing facilities, distribution warehouses, and truck terminals. The close-in market of Seattle is the most established submarket and seems to be the most stable market. The buildings in this area are generally 50 to 100 years old. These buildings also typically have lower ceilings and limited truck loading facilities because the sites are smaller and land is very expensive. Despite some of the buildings obsolescence due to age, the close proximity to freeways and waterways has helped this area thrive even during difficult economic times. Demand for industrial space in this area has remained high with influence from the Port of Seattle and the proximity to the I-5 freeway, Safeco Field, and Qwest Field. Due to the lack of available land in this neighborhood, there has been little new warehouse development, and as a result, vacancies are the lowest here (presently 4%).

This area has higher lease rates due to the locality to the Port, trains, and freeway. There were no industrial market sales of warehouses over 100,000 square feet in area 500-60 in the last three years. Initiative 1183 in late 2011 put the State of Washington out of the liquor business which freed up a 250,000 square foot warehouse at 4401 East Marginal Way. It has a pending sale on it and should close in 2013. The brokers took bids and will not disclose the sales pending price. It had been used for distributing liquor for the state.



182404-9063 4401 EAST MARGINAL WAY SALE PENDING

A new pilot program is being formed in Seattle, King County, and Washington State to encourage rehabilitating existing warehouses and for construction of new industrial buildings on industrial zoned land. This program will help grow jobs in our region and produce a good or better environmental performance than current regulations. Construction fund loans will be made available through the New Markets Tax Credit Program and Grow Seattle Fund. Many older warehouse facilities in Seattle have not

seen reinvestment and they hope this program will identify 10 projects. This program encourages LEED Gold certificates when possible.

East King County: (Approximately 7% of the warehouse specialty population is located in this area)

Specialty Area 500-80:



This area represents the vast geographic area of the Eastside (the area east of Seattle and east of Lake Washington) which includes Bellevue, Snoqualmie, Kirkland, Redmond, and Woodinville. It has the smallest warehouse count of all the neighborhoods. It has benefited greatly from population growth and an influx of high technology companies. These warehouses have small bays and at-grade door distribution. Newer warehouses can be seen in this area. Lease rates are at the top end of this specialty.

Vacancy in the eastside has remained flat due to two large vacancies of Jansport and Holman Distribution in the second quarter of 2012. The last quarters of 2012 saw a slight decline in vacancy rates from the previous year and the eastside industrial market appears to be on its way toward recovery.

An older Safeway Industrial site on Bel-Red Road has been approved for the mixed-use Spring District. Approximately 350,000 square feet of existing warehouse space will be demolished. It will cover 16 blocks in the Bel-Red corridor. There will be built-to-suit buildings and for lease space in this district. The developer wants to create a Portland Pearl District feel.

A \$48,000,000 sale occurred at Cardinal Industrial Park involving three parcels with 3 warehouses totaling 428,822 square feet. This sale occurred on 9/20/2012 and equates to \$112 per square foot.



Area	Parcel	Building Area	Excise #	Sales Price	Sale Date	SP/Land Area
500-80	880200-0010/0020/0030	428,822	2565091	\$48,000,000	09/20/2012	\$112

A ground distribution center for FedEx in Redmond is in the planning stages. The 24 acres of vacant land were acquired for \$16.87 million by Sun Cap Properties Group of Charlotte, N.C. The building will be 212,000 square feet. Due to concerns of impact to the neighborhood, Sun Cap will be building a berm to create a visual and sound barrier between neighbors and the site.

Physical Inspection Identification:

Warehouses in a portion of Kent (500-45) and all of the Eastside (500-80) were physically inspected 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 characteristics that affect value. The data on the parcels was reviewed and corrected with new pictures if the appearance had changed. A list of the parcels is attached for review.

Preliminary Ratio Analysis:

A Ratio Study was completed just prior to the application of the 2013 recommended values. This study benchmarks the current assessment level using 2012 posted assessment values. The study was repeated after application of the 2013 recommended values. The results are included in the validation section of this report, showing an improvement in the Coefficient of Dispersion (COD) from 11.57% to 7.71% and the Coefficient of Variation (COV) from 14.49% to 9.41%. In addition, the resulting assessment level as

measured by the weighted mean ratio is 92.2%. The price-related differential is 0.99. These figures are presented in the 2012 and 2013 Assessment Ratio Analysis charts included in this report.

Scope of Data

Land Value:

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

Improved Parcel Total Values:

Sales Comparison Approach model description

Improved warehouse sales for Area 500 were verified by the specialty appraiser and entered into the Real Property Sales application. The sales were fielded visited and all data checked. The sales used range in date from 1/1/2010 to 03/29/2013. Verification consisted of contact with Buyer, Seller or Broker if possible, or information from the COMPS InfoSystem, Inc., real estate sales verification service. At the time of sale, information on vacancy and market absorption rates, current and anticipated rents, capitalization rates, and the competitive position of the property were also gathered. Some data factors (effective year built, occupancy codes, size, and condition) were collected to establish ranges of price per square foot to use as guidelines in the model. The parameters were also used to validate the income approach model along with the capitalization rates from sales.

Sales comparison calibration

Calibration of the coefficients utilized in the models applied via the sales comparison approach was established by an analysis of sales within each neighborhood. Individual prices were applied based on various characteristics deemed appropriate by each market. There were 23 improved sales within the Warehouse Specialty dating from 1/1/2010 to 3/29/2013. The sales statistics also helped form the income approach to value by setting parameters for the income rates, vacancies, expenses and capitalization rates. Specific variables and prices for each neighborhood are discussed in more detail later in the report.

Cost Approach model description

Cost estimates are automatically calculated via the Marshall & Swift Valuation modeling system. Depreciation was based on studies done by Marshall & Swift Valuation Service. The cost was also adjusted to the western region and the Seattle area. The Marshall & Swift cost calculations are automatically calibrated to the data in the Real Property Application. Because of the difficulty in accurately determining the depreciation of older warehouse properties, this approach to value was given the least weight in the final

reconciliation of values. Cost estimates were relied upon for valuing on-going new construction where comparable sales data and/or sufficient income and expense information is not available.

Cost calibration

The Marshall & Swift Valuation modeling system, which is built into the Real Property Application, is calibrated to the region and the Seattle area.

Income Capitalization Approach model description

The income approach is considered a reliable approach to valuation in area 500 where relevant income and expense data is available to ascertain market rates. Income parameters were derived from the market place through market rental surveys, sales, and outside sources. 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. This year there was approximately 13% return. Several leases were originated several years ago. Disclosure of this information is not required by law and therefore is often difficult to obtain. The data can be incomplete. 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.





Income approach calibration

The models or income tables of each of the five neighborhoods were calibrated setting economic base rents, vacancy rates, expenses, and capitalization rates by using adjustments based on size, effective year built, and quality of construction as recorded in the Assessor's records. When the value of the property by the income approach was less than the land value, a nominal \$1,000 value was allocated to the improvements. Properties which contain differing section uses may have multiple tables that are applicable to the property. An example would be a warehouse with a mezzanine office and main floor office, where three tables would be used. Capitalization rates have fallen slightly in the majority of industrial properties.

Below are typical model parameters for the various uses. It should be noted that due to the nature of commercial real estate, not all properties fall within the "typical" parameters listed below for their respective property use type. Industrial lease rates are typically quoted on a monthly price per square foot basis. The tables below have displayed the rents on an annual price per square foot. The majority of office build-out is considered an add-on to the warehouse rates and the tables below have considered that.

In order to calibrate a credible income model, it is necessary to consider data from recognized published sources to assist in developing capitalization rates.

Area 500 Industrial Income Parameters

Vacancy	Cap Rates	Construction	Rental Rates
			

The following 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 in Area 500 to develop the income model. Property taxes are considered an allowable expense, therefore, no effective tax rate is included in the capitalization rates. The range of capitalization rates in the income model for Area 500 reflects the variety of properties in this area.

Source	Date	Location	Industrial	Remarks
ACLI	Yr. End 2012	Seattle	5.77%	
		Pacific Region	7.15%	
CBRE: Capital Markets Cap. Rate survey.	Aug.-12	Seattle	5.25% - 5.50% 6.00% - 6.50%	Class A Class B
	Feb-12	Seattle	5.00% - 5.75% 6.00% - 6.75%	Class A Class B
Colliers International	4Q 2012	West Region	7.75%	
PWC /Korpaz	4Q 2012	National	6.73%	
IRR:Viewpoint	Yr. End	Seattle	6.00%	Industrial
Costar	Yearend	King County	7.50%	
Real Capital Analytics	4Q 2012	Seattle	7.60% -	6.90% - Prior 12 mos. (thru Q4 '12)

Rental rates, vacancy levels and operating expenses are derived by reconciling all of the information collected through the sales verification process, completed surveys, interviews with tenants, owners, and brokers and the appraiser's independent market research. Quality, effective year, condition, and location are variables considered in the application of the income model to the parcels in the population.

AREA 500-25

PROPERTY TYPE	TYPICAL RENT RANGE	VACANCY	EXPENSE RATE *	OAR RANGE
Storage Cold storage Garage Service Showroom Industrial Distribution	\$3.75 to \$5.50	10%	10%	7.50% to 8.00%
Warehouse Office	\$7.50 to \$9.75	10%	10%	7.50% to 8.00%
Mezzanine Storage	\$3.00 to \$5.50	10%	10%	7.50% to 8.00%
Mezzanine Office	\$7.00 to \$8.75	10%	10%	7.50% to 8.00%

* Warehouses are typically leased on a triple net basis.

AREA 500-35 & AREA 500-45

PROPERTY TYPE	TYPICAL RENT RANGE	VACANCY	EXPENSE RATE *	OAR RANGE
Storage Cold storage Garage Service Showroom Industrial Distribution	\$3.50 to \$5.50	7%-9%	10%	7.50% to 8.00%
Warehouse Office	\$7.50 to \$9.75	7%-9%	10%	7.50% to 8.00%
Mezzanine Storage	\$3.00 to \$5.50	7%-9%	10%	7.50% to 8.00%
Mezzanine Office	\$6.75 to \$8.75	7%-9%	10%	7.50% to 8.00%

* Warehouses are typically leased on a triple net basis.

AREA 500-60

PROPERTY TYPE	TYPICAL RENT RANGE	VACANCY	EXPENSE RATE *	OAR RANGE
Storage Cold storage Garage Service Showroom Industrial Distribution	\$6.25 to \$7.50	4%	10%	7.50% to 7.75%
Warehouse Office	\$8.00 to \$12.00	4%	10%	7.50% to 7.75%
Mezzanine Storage	\$5.25 to \$6.50	4%	10%	7.50% to 7.75%
Mezzanine Office	\$7.25 to \$11.00	4%	10%	7.50% to 7.75%

* Warehouses are typically leased on a triple net basis.

AREA 500-80

PROPERTY TYPE	TYPICAL RENT RANGE	VACANCY	EXPENSE RATE *	OAR RANGE
Storage Cold storage Garage Service Showroom Industrial Distribution	\$6.70 to \$8.25	8%	10%	7.50% to 8.00%
Warehouse Office	\$10.75 to \$16.00	8%	10%	7.50% to 8.00%
Mezzanine Storage	\$5.00 to \$6.25	8%	10%	7.50% to 8.00%
Mezzanine Office	\$9.75 to \$15.00	8%	10%	7.50% to 8.00%

* Warehouses are typically leased on a triple net basis.

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. There were some variations to the values under certain circumstances, such as properties with excess land, inferior and superior location, or deferred maintenance.

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 capitalization rates were ascertained from sales, and along with data from surveys and publications these parameters were applied to the income model. An administrative review of the selected values was made by Bonnie Christensen, Senior Appraiser for quality control purposes.

Model Validation

Total Value Conclusions, Recommendations and Validation:

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

The standard statistical measures of valuation performance are presented in both the 2012 and 2013 Ratio Analysis charts included in this report. Application of the total value model, described above, results in improved equity between individual properties. This is shown by the improvement in the C.O.D. from 11.57% to 7.71%. This falls within IAAO performance guidelines. These figures are presented in the 2012 and 2013 Ratio Analysis charts included in this report.

The total assessed value for the 2012 assessment year for Area 500 was \$2,830,814,000. The total recommended assessed value for the 2013 assessment year is \$2,915,389,500. Application of these recommended values for the 2013 assessment year results in a total change from the 2012 assessments of + 2.99%.

USPAP Compliance

Client and Intended Use of the Appraisal:

This mass appraisal report is intended for use by the public, King County Assessor and other agencies or departments administering or confirming ad valorem property taxes. Use of this report by others for other purposes 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)

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

RCW 84.36.005

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.

RCW 36.21.080

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.

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 of 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 Dictionary of Real Estate Appraisal, 3rd Addition, 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.
- Services that I provided within the prior three years include physical inspection, revaluation, appeal response preparation, attendance and participation in hearings, data collection, sales verification and identifying new construction and the recording the corresponding data.

6/4/2013

Appraiser II

Date

Area 500-000 - WAREHOUSES >100,000
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>
012204-9045	45,718,800	37,550,000	7/20/2012	1.2175	0.3573
030151-0230	13,282,400	14,200,000	3/29/2013	0.9354	0.0752
062205-9032	15,194,100	15,500,000	5/17/2010	0.9803	0.1200
112104-9001	8,220,900	8,700,000	11/29/2010	0.9449	0.0847
122104-9017	43,600,200	43,000,000	3/14/2011	1.0140	0.1537
122204-9113	5,915,800	7,633,172	2/17/2011	0.7750	0.0852
125380-0060	5,089,200	5,300,000	8/17/2012	0.9602	0.1000
125380-0170	8,234,200	8,500,000	4/5/2012	0.9687	0.1085
132204-9062	8,206,300	10,500,000	5/10/2012	0.7816	0.0787
219310-0010	29,557,500	30,250,000	12/9/2010	0.9771	0.1169
232973-0080	10,807,600	13,035,000	3/1/2012	0.8291	0.0311
242304-9115	7,224,700	7,750,000	6/30/2010	0.9322	0.0720
242304-9121	8,499,600	10,473,000	12/22/2010	0.8116	0.0487
252304-9017	6,560,700	8,225,000	12/13/2012	0.7977	0.0626
252304-9058	8,878,200	9,000,000	10/11/2011	0.9865	0.1262
322407-9001	20,687,100	23,800,000	12/24/2012	0.8692	0.0090
362304-9026	8,402,500	10,476,000	1/6/2012	0.8021	0.0582
664960-0070	7,781,500	12,000,000	7/17/2012	0.6485	0.2118
788880-0380	8,344,900	9,910,000	5/9/2011	0.8421	0.0182
788880-0590	8,772,600	10,900,000	12/8/2010	0.8048	0.0554
880200-0010	35,354,900	48,000,000	9/20/2012	0.7366	0.1237
883660-0060	7,118,400	8,275,000	12/13/2010	0.8602	0.0000
887980-0220	11,844,500	17,750,000	9/5/2012	0.6673	0.1929

Area 500-000 - WAREHOUSES >100,000
2013 Assessment Year

Quadrant/Crew:	Appr date :	Date:	Sales Dates:
North Crew	1/1/2012	5/29/2013	1/1/10 - 03/29/13
Area	Appr ID:	Prop Type:	Trend used?: Y / N
500-000	SELF	Improvement	N
SAMPLE STATISTICS			
Sample size (n)	23		
Mean Assessed Value	14,491,200		
Mean Sales Price	16,118,600		
Standard Deviation AV	12,089,880		
Standard Deviation SP	12,056,606		
ASSESSMENT LEVEL			
Arithmetic mean ratio	0.876		
Median Ratio	0.860		
Weighted Mean Ratio	0.899		
UNIFORMITY			
Lowest ratio	0.6485		
Highest ratio:	1.2175		
Coefficient of Dispersion	11.57%		
Standard Deviation	0.1269		
Coefficient of Variation	14.49%		
Price-related Differential	0.97		
RELIABILITY			
95% Confidence: Median			
Lower limit	0.802		
Upper limit	0.960		
95% Confidence: Mean			
Lower limit	0.824		
Upper limit	0.928		
SAMPLE SIZE EVALUATION			
N (population size)	257		
B (acceptable error - in decimal)	0.05		
S (estimated from this sample)	0.1269		
Recommended minimum:	24		
Actual sample size:	23		
Conclusion:	Uh-oh		
NORMALITY			
Binomial Test			
# ratios below mean:	13		
# ratios above mean:	10		
z:	0.417028828		
Conclusion:	Normal*		
*i.e., no evidence of non-normality			

Ratio Frequency

Ratio Bin	Frequency
0.6 - 0.7	0
0.7 - 0.8	2
0.8 - 0.9	4
0.9 - 1.0	7
1.0 - 1.1	8
1.1 - 1.2	1
1.2 - 1.3	1
1.3 - 1.4	0

These figures reflect measurements before posting new values.

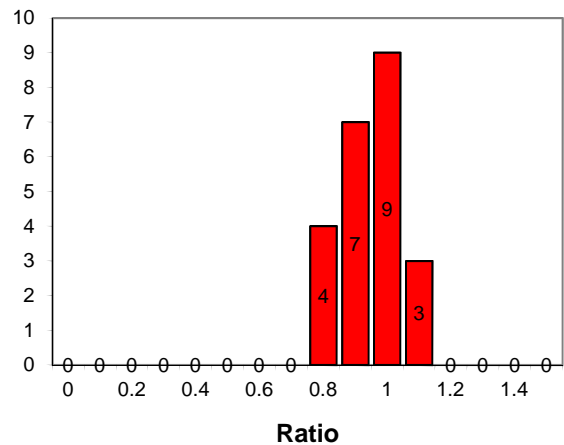
Area 500-000 - WAREHOUSES >100,000
2013 Assessment Year

<i>Parcel Number</i>	<i>Assessed Value</i>	<i>Sale Price</i>	<i>Sale Date</i>	<i>Ratio</i>	<i>Diff: Median</i>
012204-9045	38,573,700	37,550,000	7/20/2012	1.0273	0.0872
030151-0230	13,516,400	14,200,000	3/29/2013	0.9519	0.0117
062205-9032	15,133,700	15,500,000	5/17/2010	0.9764	0.0363
112104-9001	8,318,800	8,700,000	11/29/2010	0.9562	0.0161
122104-9017	43,081,100	43,000,000	3/14/2011	1.0019	0.0618
122204-9113	5,984,100	7,633,172	2/17/2011	0.7840	0.1562
125380-0060	5,246,100	5,300,000	8/17/2012	0.9898	0.0497
125380-0170	8,264,400	8,500,000	4/5/2012	0.9723	0.0322
132204-9062	8,855,300	10,500,000	5/10/2012	0.8434	0.0967
219310-0010	29,908,300	30,250,000	12/9/2010	0.9887	0.0486
232973-0080	11,002,200	13,035,000	3/1/2012	0.8441	0.0961
242304-9115	7,859,900	7,750,000	6/30/2010	1.0142	0.0741
242304-9121	8,236,800	10,473,000	12/22/2010	0.7865	0.1536
252304-9017	7,399,300	8,225,000	12/13/2012	0.8996	0.0405
252304-9058	8,461,000	9,000,000	10/11/2011	0.9401	0.0000
322407-9001	23,466,400	23,800,000	12/24/2012	0.9860	0.0459
362304-9026	8,959,600	10,476,000	1/6/2012	0.8553	0.0849
664960-0070	8,846,400	12,000,000	7/17/2012	0.7372	0.2029
788880-0380	8,741,700	9,910,000	5/9/2011	0.8821	0.0580
788880-0590	9,680,400	10,900,000	12/8/2010	0.8881	0.0520
880200-0010	40,561,700	48,000,000	9/20/2012	0.8450	0.0951
883660-0060	7,865,000	8,275,000	12/13/2010	0.9505	0.0103
887980-0220	13,882,000	17,750,000	9/5/2012	0.7821	0.1580

Area 500-000 - WAREHOUSES >100,000
2013 Assessment Year

Quadrant/Crew:	Appr date :	Date:		Sales Dates:
North Crew	1/1/2013	5/29/2013		1/1/10 - 03/29/13
Area	Appr ID:	Prop Type:		Trend used?: Y / N
500-000	SELF	Improvement	N	
SAMPLE STATISTICS				
Sample size (n)	23			
Mean Assessed Value	14,862,800			
Mean Sales Price	16,118,600			
Standard Deviation AV	11,686,802			
Standard Deviation SP	12,056,606			
ASSESSMENT LEVEL				
Arithmetic mean ratio	0.909			
Median Ratio	0.940			
Weighted Mean Ratio	0.922			
UNIFORMITY				
Lowest ratio	0.7372			
Highest ratio:	1.0273			
Coefficient of Dispersion	7.71%			
Standard Deviation	0.0855			
Coefficient of Variation	9.41%			
Price-related Differential	0.99			
RELIABILITY				
95% Confidence: Median		These figures reflect measurements after posting new values.		
Lower limit	0.845			
Upper limit	0.976			
95% Confidence: Mean				
Lower limit	0.874			
Upper limit	0.944			
SAMPLE SIZE EVALUATION				
N (population size)	257			
B (acceptable error - in decimal)	0.05			
S (estimated from this sample)	0.0855			
Recommended minimum:	11			
Actual sample size:	23			
Conclusion:	OK			
NORMALITY				
Binomial Test				
# ratios below mean:	11			
# ratios above mean:	12			
z:	0			
Conclusion:	Normal*			
*i.e., no evidence of non-normality				

Ratio Frequency



Improvement Sales for Area 500 with Sales Used

05/22/2013

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
500	025	125380	0060	100,520	2560017	\$5,300,000	08/17/12	\$52.73	WAREHOUSE	IH	1	Y	
500	025	125380	0170	133,922	2537689	\$8,500,000	04/05/12	\$63.47	VALLEY INDUSTRIAL BLDG	IM	1	Y	
500	025	219310	0010	479,100	2470089	\$30,250,000	12/09/10	\$63.14	VALLEY DISTRIBUTION CENTER	IL	3	Y	
500	025	242304	9115	126,600	2448888	\$7,750,000	06/30/10	\$61.22	HUNTER DOUGLAS WHSE	IL	1	Y	
500	025	242304	9121	126,037	2472144	\$10,473,000	12/22/10	\$83.09	SEATTLE'S BEST COFFEE WHSE	IM	1	Y	
500	025	252304	9017	110,049	2579790	\$8,225,000	12/13/12	\$74.74	NORTH VALLEY BUSINESS PARK	C/LI	1	Y	
500	025	252304	9058	128,560	2514419	\$9,000,000	10/11/11	\$70.01	ALL PAK CONTAINER CORP	IH	1	Y	
500	025	322407	9001	285,610	2582041	\$23,800,000	12/24/12	\$83.33	I-90 PRESTON INDUSTRIAL PARK	IP	2	Y	
500	035	030151	0230	287,945	2596486	\$14,200,000	03/29/13	\$49.31	SEATTLE COLD STORAGE	M1	1	Y	
500	035	112104	9001	162,100	2468207	\$8,700,000	11/29/10	\$53.67	JET EQUIPMENT	M1	1	Y	
500	035	122104	9017	951,563	2482412	\$43,000,000	03/14/11	\$45.19	UPS SUPPLY CHAIN SOLUTIONS	M2	2	Y	
500	035	232973	0080	203,497	2532338	\$13,035,000	03/01/12	\$64.05	EMERALD CORPORATE PARK, BLDG	M1	1	Y	
500	035	664960	0070	141,970	2554954	\$12,000,000	07/17/12	\$84.52	WAREHOUSE	M1	1	Y	
500	045	012204	9045	452,102	2555152	\$37,550,000	07/20/12	\$83.06	VALLEY INDUSTRIAL PARK (BUILDING)	M2	2	Y	
500	045	062205	9032	230,877	2441503	\$15,500,000	05/17/10	\$67.14	VALLEY FREEWAY CORPORATE PARK	M2	1	Y	
500	045	122204	9113	124,972	2479077	\$7,633,172	02/17/11	\$61.08	NORTHROP DISTRIBUTION CENTER	M1	1	Y	
500	045	132204	9062	178,400	2542775	\$10,500,000	05/10/12	\$58.86	234 DISTRIBUTION CENTER	M1	1	Y	
500	045	362304	9026	135,300	2525625	\$10,476,000	01/06/12	\$77.43	WAREHOUSE	M2	1	Y	
500	045	788880	0380	153,750	2490435	\$9,910,000	05/09/11	\$64.46	UNITED WAREHOUSES	M2	2	Y	
500	045	788880	0590	169,635	2469890	\$10,900,000	12/08/10	\$64.26	LINCOLN DISTRIBUTION CENTER	M1	2	Y	
500	045	883660	0060	137,872	2470453	\$8,275,000	12/13/10	\$60.02	WAREHOUSE	M1	1	Y	
500	045	887980	0220	228,356	2562716	\$17,750,000	09/05/12	\$77.73	PROGRESSIVE INTERNATIONAL	M1	1	Y	
500	080	880200	0010	428,822	2565091	\$48,000,000	09/20/12	\$111.65	CARDINAL PARK	MP	3	Y	

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
500	035	122104	9032	118,120	2474188	\$1,475,000	12/31/10	\$12.49	COMPETITION SPECIALTIES	M1	1	18	Quit claim deed
500	035	242104	9083	108,885	2561924	\$9,500,000	08/30/12	\$87.25	WAREHOUSE	M1	1	15	No market exposure
500	035	664960	0070	141,970	2473868	\$9,581,369	12/08/10	\$67.49	WAREHOUSE	M1	1	15	No market exposure
500	045	022204	9052	276,330	2468098	\$1,343	08/19/10	\$0.00	IRON MOUNTAIN RECORDS MANA	M1	1	24	Easement or right-of-way
500	045	022204	9052	276,330	2468100	\$15,108	08/19/10	\$0.05	IRON MOUNTAIN RECORDS MANA	M1	1	24	Easement or right-of-way
500	045	125370	0130	101,890	2572438	\$7,500,000	10/31/12	\$73.61	8030 BUILDING	M2	1	51	Related party, friend, or neighbor
500	045	883660	0010	289,700	2513002	\$18,500,000	10/05/11	\$63.86	WEST VALLEY BUSINESS PARK	M1	2	51	Related party, friend, or neighbor
500	060	617290	0230	106,179	2513129	\$12,500	10/03/11	\$0.12	SEATTLE PRODUCE TERMINAL	IG1 U/8	1	22	Partial interest (1/3, 1/2, etc.)
500	060	617290	0230	106,179	2513130	\$25,000	10/03/11	\$0.24	SEATTLE PRODUCE TERMINAL	IG1 U/8	1	22	Partial interest (1/3, 1/2, etc.)
500	060	617290	0230	106,179	2513132	\$25,000	10/03/11	\$0.24	SEATTLE PRODUCE TERMINAL	IG1 U/8	1	22	Partial interest (1/3, 1/2, etc.)
500	060	617290	0230	106,179	2513133	\$12,500	10/03/11	\$0.12	SEATTLE PRODUCE TERMINAL	IG1 U/8	1	22	Partial interest (1/3, 1/2, etc.)
500	060	617290	0230	106,179	2505155	\$44,000	08/12/11	\$0.41	SEATTLE PRODUCE TERMINAL	IG1 U/8	1	51	Related party, friend, or neighbor
500	060	766670	5088	152,365	2448405	\$5,880,550	06/30/10	\$38.60	PUGET SOUND FREIGHT LINES-Te	IG1 U/8	2	33	Lease or lease-hold

SpecArea	SpecNbhd	Major	Minor	PropName
500	45	125370	0250	KING COUNTY DIRECTORS ASSN
500	45	125370	0350	ASSOCIATED GROCERS
500	45	125372	0010	KENT NORTH CORP PARK
500	45	132204	9003	SEARS WAREHOUSE
500	45	132204	9062	234 DISTRIBUTION CENTER
500	45	132204	9155	WAREHOUSE
500	45	132204	9170	HOLMAN DIST CENTER
500	45	132204	9173	WAREHOUSE-PART WETLAND
500	45	132204	9218	INTERGRIS METAL BUILDING
500	45	142204	9044	SHAW INDUSTRIES
500	45	142204	9069	WAREHOUSE
500	45	189570	0090	KENT 72 DISTRIBUTION CENTER
500	45	261100	0020	VALLEY FREEWAY BUSINESS CENTER
500	45	312305	9017	WAREHOUSE & OFFICE
500	45	312305	9019	WAREHOUSE
500	45	312305	9020	DISTRIBUTION WAREHOUSE (190-A)
500	45	312305	9129	NAPA AUTOMOTIVE PARTS
500	45	312305	9141	WAREHOUSE (190-C)
500	45	312305	9142	HILL 187 E BLDG
500	45	312305	9143	WAREHOUSE 190-D
500	45	312305	9146	FOOD SERVICES OF AMERICA
500	45	312305	9157	LINCOLN MOVING & STORAGE
500	45	331060	0025	NORTHWARD BUSINESS PARK BLDG. B
500	45	331060	0166	NORTHWARD BUSINESS PARK BLDG. A
500	45	362304	9004	KENT NORTH CORPORATE PARK III
500	45	362304	9005	TALLY CORP
500	45	362304	9026	WAREHOUSE
500	45	362304	9063	WAREHOUSE/OFFICE
500	45	362304	9080	UNIVERSAL TRANSPORTATION SYSTEMS
500	45	362304	9085	DISTRIBUTION WAREHOUSE
500	45	383000	0006	EAST VALLEY WAREHOUSE
500	45	383090	0400	REXAM BEVERAGE CAN
500	45	383200	0006	OBERTO WAREHOUSE & PLANT
500	45	543620	0839	US POSTAL SERVICE
500	45	619540	0020	WAREHOUSE
500	45	619540	0070	PROLOGIS PARK (Van Doren's Landing No. 3)
500	45	619540	0100	WAREHOUSE
500	45	619540	0110	KWL BUILDING
500	45	619540	0220	EXOTIC METALS
500	45	631440	0100	WAREHOUSE ASSOCIATED W/ 1222049119
500	45	631500	0120	GREENRIVER CORPORATE PARK -
500	45	660021	0250	SEGALE WAREHOUSE
500	80	062506	9012	UNITED PARCEL SERVICE
500	80	072506	9129	VACANT INDUSTRIAL LAND
500	80	152605	9026	WINSOME TRADING
500	80	152605	9088	WOODINVILLE CORPORATE CENTER IV

SpecArea	SpecNbhd	Major	Minor	PropName
500	80	152605	9100	WOODINVILLE CORPORATE CENTER III
500	80	221295	0073	GENIE INDUSTRIES (BUILDING #1)
500	80	221295	0080	GENIE INDUSTRIES BUILDING #3)
500	80	272505	9009	MGI BUILDING
500	80	272505	9054	NORTH COAST ELECTRIC
500	80	272505	9213	NORTH COAST ELECTRIC
500	80	272505	9218	NORTH COAST ELECTRIC
500	80	272505	9236	NORTH COAST ELECTRIC
500	80	389310	0820	PAR-MAC INDUSTRIAL PARK
500	80	720170	0085	WAREHOUSE/OFFICE
500	80	785180	0170	WAREHOUSE/OFFICE
500	80	866335	0100	TOTEM LAKE COMMERCE CENTER
500	80	880200	0010	CARDINAL CORPORATE PARK C (GENIE INDUSTRIES BLDG. #7)
500	80	880200	0020	CARDINAL CORPORATE PARK