

**Commercial Revalue**

**2015 Assessment roll**

# **AREA 70**

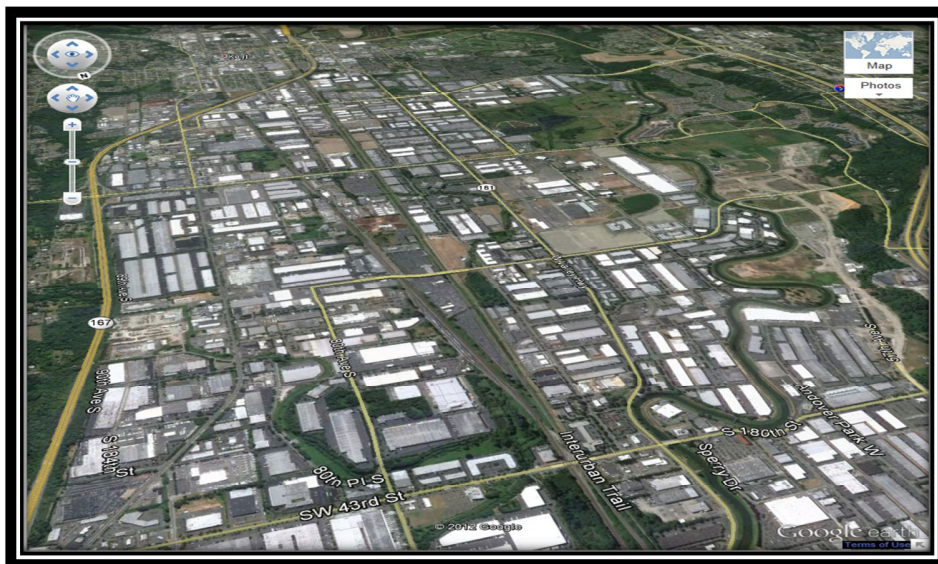
**King County, Department of Assessments  
Seattle, Washington**

**Lloyd Hara, Assessor**



# Tukwila - Southcenter

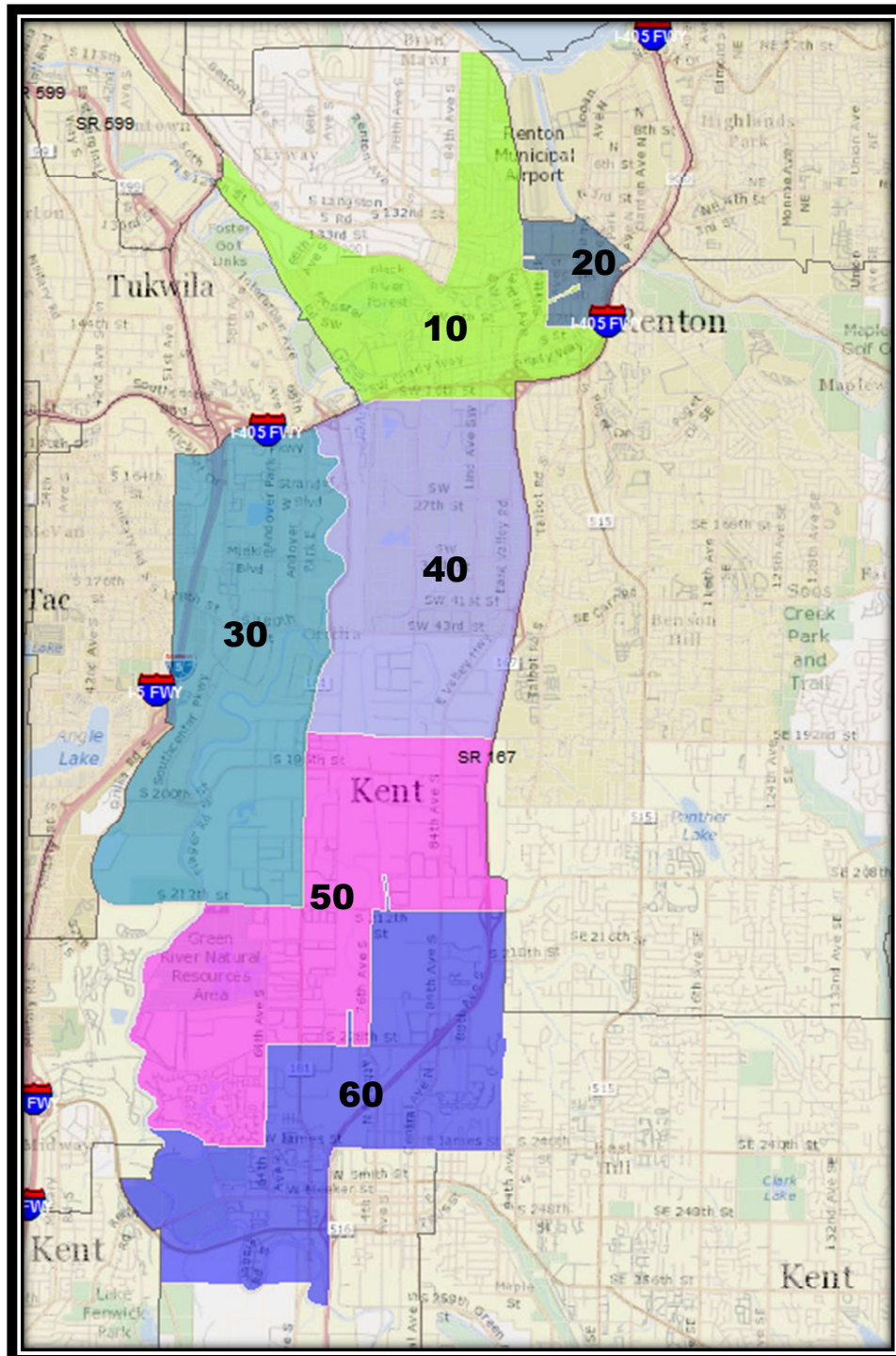
And



# Kent Valley

## AREA 70 – Commercial Valuation – 2015

## Geographical Area 70 Neighborhoods







## King County

**Department of Assessments**  
King County Administration Bldg.  
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**Lloyd Hara**  
*Assessor*

As we start preparations for the 2015 property assessments, it is helpful to remember that the mission and work of the Assessor's Office sets the foundation for efficient and effective government and is vital to ensure adequate funding for services in our communities. Maintaining the public's confidence in our property tax system requires that we build on a track record of fairness, equity, and uniformity in property assessments. Though we face ongoing economic challenges, I challenge each of us to seek out strategies for continuous improvement in our business processes.

Please follow these standards as you perform your tasks.

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

Lloyd Hara  
King County Assessor



## King County

Department of Assessments

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***Lloyd Hara***  
***Assessor***

Dear Property Owners:

Property assessments for the 2015 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 2015 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 1/1/2015**

**Geographic Appraisal Area:**

- Area 70 – Southwest Renton & CBD, Southcenter & Kent Industrial Valley

**Sales – Improved Summary**

- Number of Sales: 77
- Number of Sales Used in the Ratio: 77
- Range of Sales Dates: 01/01/2012 to 12/31/2014

**Sales – Ratio Study Summary**

Sales–Improved Valuation Change Summary				
	Mean Assessed Value	Mean Sale Price	Ratio	COD*
2014 Value	\$3,116,500	\$3,266,400	95.40%	8.59%
2015 Value	\$3,221,700	\$3,266,400	98.60%	7.19%
Abs. Change	\$105,200		3.20%	-1.40%
% Change	3.38%		3.35%	-16.30%

\*COD is a measure of uniformity, the lower the number the better the uniformity

Sales used in analysis: All improved sales that were verified as good that did not have characteristic changes between the date of sale and the date of appraisal were included in the above ratio analysis. Examples of sales that are not included in the analysis are: sales that are leased back to the seller; sold as a portion of a bulk portfolio sale; net lease sales; sales that had major renovation after sale, or have been segregated or merged since being purchased.

Total Population - Parcel Summary Data			
	Land	Improvements	Total
2014 Value	\$1,645,696,000	\$1,766,038,320	\$3,411,734,320
2015 Value	\$1,667,007,200	\$1,768,704,720	\$3,435,711,920
% Change	1.29%	0.15%	0.70%

Number of Parcels in the Ratio Study Population: **1,156**, excluding specialties and government-owned properties.

**Conclusion and Recommendation:**

Total assessed values for the 2015 revalue have increased 0.70%.

The values recommended in this report improve uniformity and equity; therefore it is recommended they should be posted for the 2015 Assessment Year.

## **Analysis Process**

**Effective Date of Appraisal:** January 1, 2015

**Date of Appraisal Report:** May 1, 2015

The following appraiser did the valuation for this geographic area:

- Valerie A Dreas – Commercial Appraiser I

### **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 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.

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

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

### **Standards and Measurement of Data Accuracy**

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

### **Special Assumptions and Limiting Conditions**

All three approaches to value were considered in this appraisal.

- Sales from 01/01/2012 to 12/31/2015 (at minimum) were considered in all analyses.
- This report intends to meet the requirements of the Uniform Standards of Professional Appraisal Practice, Standard 6.

## Identification of the Area

### Name or Designation

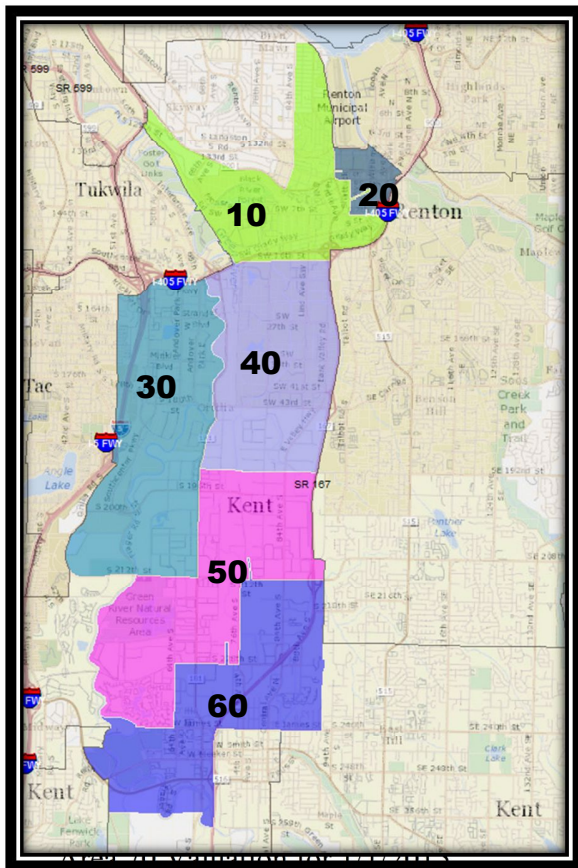
- Area 70 – SE Renton, Tukwila Southcenter & Kent Valley

### Boundaries

- West – Rainier Ave N, MLK & I-5
- North – Lake Washington, Renton Airport
- East – SR 167, I-405 & Green River
- South – Kent/Des Moines Road

### Maps

A general map of the area is included at the beginning of this report, in addition to a smaller version displayed below. More detailed Assessor's maps are located on the 7th floor of the King County Administration Building.



### Area Description

Geographic Area 70 is located within the cities of Renton, Kent and Tukwila and a small portion of Unincorporated King County. The boundaries are essentially south of the Renton Municipal Airport, west of I-405, west of SR 167, north of Kent/Des Moines Road (excludes downtown Kent), and east of I-5. This area is typically referred to as the Kent Valley Industrial area.

Within the Geographic Area 70, there are 6 distinct neighborhoods that have been established for valuation purposes, totaling 1,157 parcels (does not include specialty or government parcels).



Within the city of Renton, Area 70 encompasses the Rainier Avenue retail corridor, downtown Renton and the south portion of Renton that terminates at S 43<sup>rd</sup> Street. Within the city of Tukwila, Area 70 encompasses essentially the Southcenter Mall area and the east side of the Green River where there are pockets of industrial business centers.

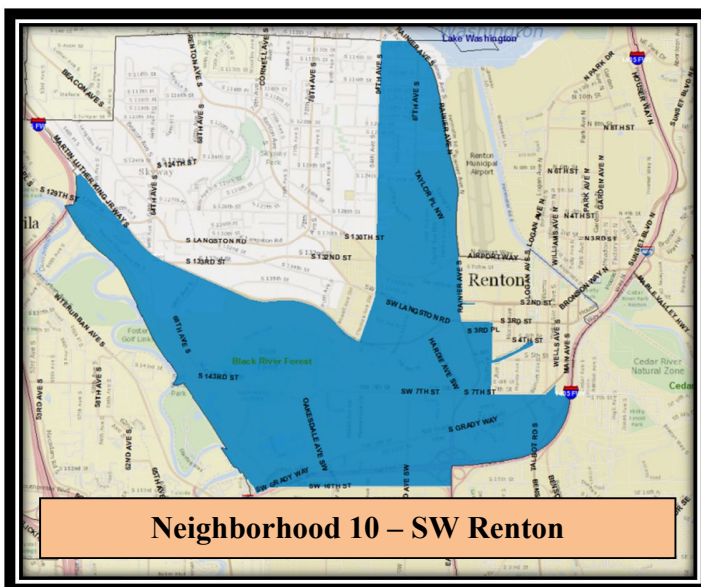
Within the city of Kent, Area 70 encompasses the Kent Valley industrial area between the Kent East Hill and West Hill areas.

These neighborhoods are more particularly described as follows:

**Area 70-10: SW Renton, (excludes Renton CBD)**

**Boundaries:** This area begins in the most northern portion of Renton west of the Renton Airport and continues along South Lake Washington. The western boundary lies along Rainier Avenue. Then it continues south through Grady way but excluding the downtown neighborhood of Renton. The eastern and southern boundaries stretch along I-405 to I-5, and west along Sunset/Martin Luther King Jr. Way to the South Seattle border.

- North – Rainier Beach/Renton Municipal Airport/Martin Luther King Jr. Way
- South – 16<sup>th</sup> Ave S
- East – Rainier Avenue North
- West – Oakesdale Avenue



**Neighborhood Description:** The north part of this neighborhood runs along the west side of the Renton Airport. This is mostly an older neighborhood consisting of single family residences that have been converted to office use, and small family owned retail businesses.

The southern portion of the neighborhood runs along Rainier Avenue South, where Fred Meyers, Safeway and Walmart are the major retail stores. This area also includes several large office complexes, and the automobile dealerships on Grady Way. The stretch along Sunset Blvd.

(SR 900) consists of single and multi-family housing, the Black River Forest area and industrial properties.

The city of Renton saw permit activity for a wide range of projects – many of which were demolitions of old single family residences. Most of the new construction projects were up in the Renton Highlands, but the following projects were located in Neighborhood 10:

**Car Pros Fiat (192305-9096)**

Remodel of existing building

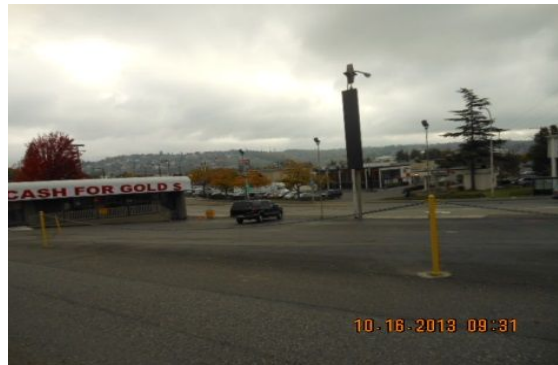


**Old Renton Honda (192305-9021)**

Renton Honda moved out to East Valley Road. The owner is currently removing Honda branding and changing to different vehicle brand.

**Old Cash for Gold (182305-9100)**

(Adjacent to Walgreens on Rainier Avenue South) is building a 5,095 sf retail building.





**Old LA Fitness @ Fred Meyers (182305-9219)**

is being remodeled to Feast Buffet Restaurant.

**Fred Myers Shopping Center (000720-0209)**

Fred Meyer demolished the old Torrero's Restaurant & Blockbuster buildings on Rainier Avenue South and built a new associated gas station.



**Harper Engineering (182305-9270)**

is adding an additional 8,312 sf to the existing site. Further, they are planning on redoing an associated parcel for parking.

**Contractor Concrete Recycling**

is shutting down operations and reclamation of the facility is planned. No dates have been given as to when the operations will close. They are still in the planning stages.



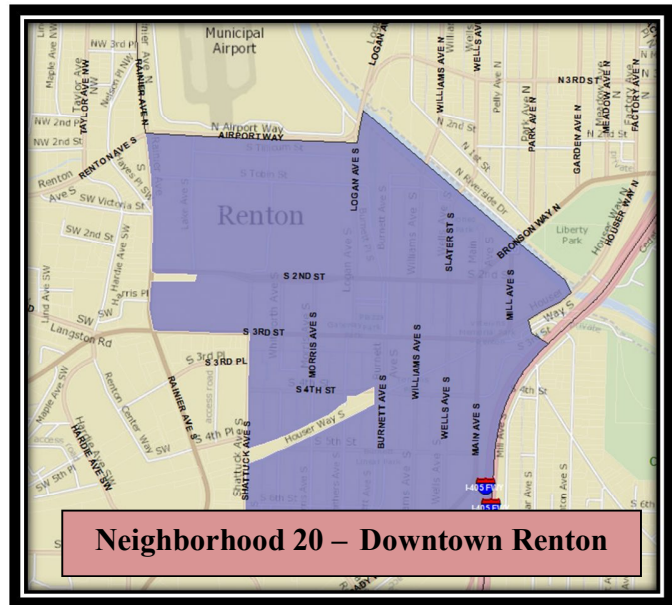
### **Area 70-20: Renton Central Business District**

**Boundaries:** This neighborhood is located along the eastern side of Rainier Avenue and continues along the western side of Cedar River.

- North – Airport Way
- South – Grady Way
- East – Green River/I 405
- West – Rainier Avenue S/Shattuck Avenue

**Neighborhood Description:** This area is the Commercial Business District of Renton or Downtown Renton. It is comprised of mixed use properties with retail on the first floor and residential on the upper floors. Most of the buildings in this neighborhood were built prior to the 1960's and some were remodeled and updated to keep up with the changing economy.

The demands in this area, evident of the new construction trend, are mostly mixed use and multi-family buildings. This is a neighborhood in transition. However, transition has been slow. Properties such as the former McClendon's Hardware store and the old Salvation Army Thrift Store have remained vacant. Parking is tight and demand for space has been for smaller spaces. Buildings with significant space for lease (like American Drapery) find it difficult to get potential tenants interested. Only one project in this neighborhood is happening.



### **Heritage Apartments (723150-1245)**

The old Jet City Espresso/garage has been demolished. A plan for a new 5-story mixed use building (101 unit apartment w/ground floor retail) is in process and ground breaking is scheduled for spring 2015.

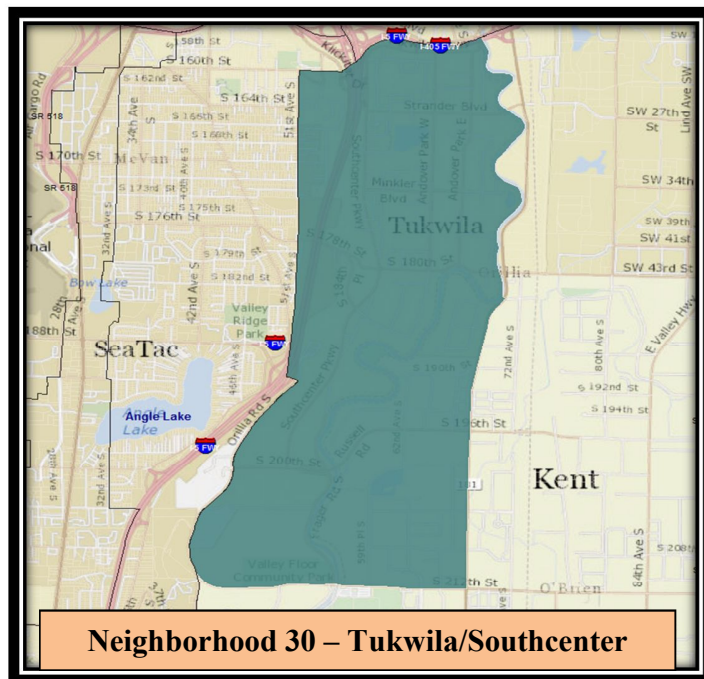




### **Area 70-30: Tukwila – Southcenter Commercial/Industrial District**

**Boundaries:** The neighborhood includes the Southcenter area south of I-405 down to South 212<sup>th</sup> Street in Kent. The western border is I-5, and the eastern border is West Valley Highway.

- North – Tukwila Parkway
- South – South 212<sup>th</sup> Street
- East – 68<sup>th</sup> Avenue S/West Valley Hwy
- West – Green River/Orillia Road/I-5



**Neighborhood Description:** The neighborhood consists of the Southcenter Mall area and goes south into the Tukwila industrial area, and into the northern most part of the Kent Valley.

This area also includes the Segale development and the new extension of Southcenter Parkway from S. 180<sup>th</sup> to S. 200<sup>th</sup> Street which replaces Frager Road as the arterial access to S. 200<sup>th</sup> from Southcenter.

Most of the properties are shopping centers and big box retail near the mall area, while ancillary uses are commercial

warehouse, office, small strip center retail, and industrial uses. The big new comer to the area is the Stryker Business Park which houses the new Amazon Distribution Center on 212<sup>th</sup> Street.

The Pond District is a new recreational area that the city of Tukwila is considering. This would take the large pond that is located in the middle of Southcenter between Southcenter Parkway and Andover Park West. The idea is to create a walking trail around the pond with picnic areas and workout stations. Design requirements will include retail businesses that have frontage along the pond to provide pedestrian walkups to their business from the walking trails. The idea is still in the planning phase and was last in SEPA review. However, if this is finalized, it could change the face of the Southcenter area and create a push for the old industrial buildings along Andover Park East and West to make way for retail and residential uses.



Construction Activity for Tukwila is as follows:



#### **Costco Gas (362304-9107)**

expansion on Costco Drive. They added more pump stations to the existing gas station.

#### **Odin Brewery**

is opening on Baker Street. They took over the old Glass Replacement garage.



#### **Washington Place (022310-0090)** (old Circuit City)

is a new 19 story hotel/residential mixed use development that is set for development on Andover Park East. The former Circuit City was scheduled for demolition in October 2014, but as of March 2015, was still there. The property will have 390 apartments, a hotel and large restaurant. About half the funding for this project will come from the EB-5 Immigrant Investor program which allows foreigners to invest in a qualifying new commercial enterprise and receive admission to the US as a conditional permanent resident

**Home Suites II Hotel (883650-0030)**

on Upland Drive is nearly complete.



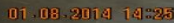
**Tukwila Station** at Longacres is completed. The new station was dedicated in February 2015. The property has 390 parking spaces and better access to buses, bicycle storage and charging stations for electric vehicles.

**Area 70-40: Renton – South of CBD, NE Kent Valley**

**Boundaries:**

- North – 16<sup>th</sup> Avenue South
- South – S. 212<sup>th</sup> Street
- East – SR 167
- West – West Valley Hwy/68<sup>th</sup> Ave S

Current construction projects are as follows:



This is a medical building on S. 43rd St that is adding 5,181 sf to the 3<sup>rd</sup> floor and recladding the existing structure. This will be a new kidney dialysis center.

located on East Valley Road has finalized renovations for their new dealership location next to the Harley Davidson Motorcycle shop, which is also renovating their building.





### **Group Health (088670-0310)**

is planning to add a 240,000 sf medical facility near the new Sounder Rail Station. The complex is planned to open in early 2017. This will be in addition to the current building that is located in Tukwila.

### **IKEA (312305-9169)**

located on E 43<sup>rd</sup> in Renton is planning on building a new facility on the 29 acre lot. The building will be 399,000 sf, with 2 stories and 1,700 parking spaces. The old building will be demolished and converted to more parking spaces. There is no information regarding when the proposed construction would begin. Plans are currently under consideration by the city of Renton.



### **Area 70-50: NW Kent Valley Industrial**

**Boundaries:** This neighborhood borders the south side of 192<sup>nd</sup>, running west to West Valley Highway/68<sup>th</sup> Avenue and then south to 212<sup>th</sup>, west again to the Green River and then south to Kent-Des Moines Road, then runs east to 84<sup>th</sup> Avenue South, and heads north to S. 228<sup>th</sup> Street and then east again to 76<sup>th</sup> Avenue S until S 212<sup>th</sup> Street, and then runs east along 212<sup>th</sup> Street to SR 167.



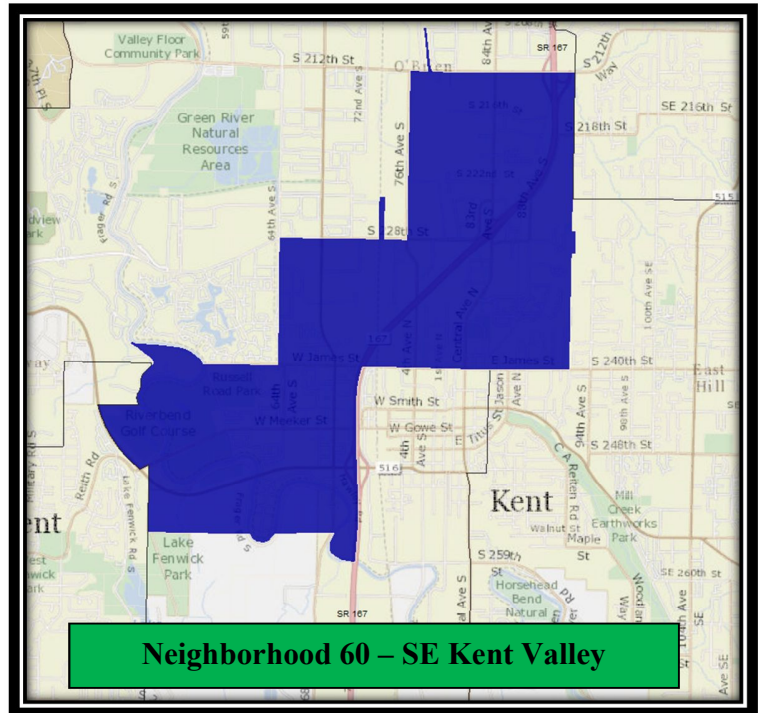




### **Neighborhood Description:**

The neighborhood consists of new industrial development and old retail neighborhoods along SR 167. This area excludes the Kent CBD area and Kent Station. The Showare Center is within this neighborhood.

There is no significant development happening in this area.



### **Physical Inspection Area**

WAC 458-07-015 requires each property to be physically inspected at least once during a 6 year revaluation cycle. At a minimum, an exterior observation of the properties is made to verify the accuracy and completeness of property characteristic data that affect value. Property records are updated in accordance with the findings of the physical inspection.

Neighborhood 20 was physically inspected for the 2015 assessment year. This inspection area is comprised of 257 parcels, or approximately 14.97% of the 1,750 total parcels located in Area 70 (not including specialties and government-owned properties). A list of the physically inspected parcels and an identifying map are included in the addendum of this report.

### **Scope of Data**

#### **Land Value Data:**

Vacant sales from 1/01/2012 to 12/31/2014 were given primary consideration for valuing land. Since January of 2012, there were sixteen (16) land sales that were considered in Area 70. The sales verified as “good” were coded “Y” in the Assessor’s records. Multi-parcel sales were also considered after combining the various aspects of all parcels involved in the sales.

**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. Sales are listed in the "Sales Used" and "Sales Not Used" sections of this report. Additional information resides on the Assessor's website.

**Land Value****Land Sales, Analysis, Conclusions**

Area 70 is located in one of the densest portions of South King County. The area is about 10 square miles, but has more than 2,700 commercial parcels (includes specialty properties and government-owned). There is little viable land left in this area, and the land that is left requires fill or are designated wetlands.

For the Renton neighborhoods 10 and 20 many of the improved sales were purchased with redevelopment in mind; they may not be straight land sales, but land sales with buildings that have an interim use until plans and permits have been approved with the city. Those buyers who stated that they considered the sale as land only were treated as straight land sales.

Property sales along Rainier Avenue South and S Grady Way caused some increase in land values. However, sales that occurred in Downtown Renton have supported the current land values for this neighborhood.

For the South Renton area there is a different perception. There has not been much development and there is vacant land available; however there are a lot of wetlands in this area as well. There have been no land sales here in this portion of the neighborhood. Boeing has a large presence here and much of the land around Oakesdale belongs to Boeing. The new development by Longacres for the Tukwila railway station is also former Boeing land.

The Southcenter area is similar to Renton, with previously developed properties being purchased for redevelopment. The largest land project is the Tukwila Valley South being developed by Segale Properties. However, according to the city of Tukwila, the project will not be completed for another four years due to the requirements for fill along the river area to get it up above the levy and out of the flood zone, as well as infrastructure that needs to be completed.

There are several other projects happening on Andover Park East and West, but they too were previously developed properties that are being repurposed. Land sales from 2013 showed an increase was warranted for the 2014 valuation cycle. However, for the 2015 cycle, land values are relatively stable.

As for the Kent Valley, the largest project currently is the Stryker Business Park where Amazon has decided to construct their new distribution center. However, this too is previously developed Boeing property. Five buildings were demolished to make way for this project.

Neighborhood 50 is the only neighborhood that did not have any land sales, or any development happening. While commercial land values are stable, industrial zoned property sales in other neighborhoods showed that a slight increase in land values is warranted – particularly M1 zoning. Slight adjustments upward for this zoning were warranted, but no major increases. It will be interesting to see what influence the Amazon development will have on the area and whether it will cause related business and suppliers for Amazon to purchase or lease property nearby.

Within Geographic Area 70, there are approximately 16 verified commercial land sales that occurred during the last three years that were utilized for the 2015 revalue. Seven out of sixteen of those lands sales occurred in 2014; four occurred in 2013 and five for 2012. Of the seven 2014 land sales, two were for multi-family residential and the remaining were all commercially zoned properties.

In the absence of land sales in a given neighborhood, land sales from other similar neighborhoods were considered. For land valuation purposes, the assessor used GIS (Geographic Information System) as the primary tool to establish new assessed land values. The new land values are based on neighborhood land sales that are equalized with adjacent and similarly zoned properties. In some neighborhoods, new commercial development sites are being created through the demolition of existing single family residences located on commercially zoned lots and through the demolition of older commercial and multi-family buildings.

Given the small sampling of land sales and the density of Area 70, the Assessor also employed an alternate method to determine current land values. This is called the Land Extraction Method. The method takes improved sales, calculates the depreciated value of the improvements and deducts them from the sales price. The remaining value is what is attributable to the land. There were 82 improved sales of various zonings that were analyzed. Based on the Assessor's findings, the method supported the small sampling of land sale values.

When employing the Land Extraction Method caution is used. There are some factors in a sale that may not be known. Depreciation factors are subjective, and there may be issues of deferred maintenance, vacancy factors or a buyer's perception of the property that may not be disclosed and can skew the results. This method is a tool to analyze sales, but is given less reliance compared to actual vacant land sales.

Every effort was made to equalize the assessed land values of similarly zoned land between adjacent areas. Assessed land values are based on land sales of properties with the same zoning or with similar development potential.

The strongest increases occurred in the Kent Valley Industrial properties. The total recommended assessed land value for the 2015 assessment year is \$3,330,178,330. The recommended land values for the 2015 assessment year result in an increase from the 2014 assessment of +1.49%. The preceding totals include all taxable and nontaxable parcels in Area 70, but exclude government owned parcels.

Change in Assessed Land Value by Area			
Neighborhood	2014 Land Value	2015 Land Value	% Change
70-10	\$421,467,850	\$425,955,200	1.06%
70-20	\$123,161,000	\$123,694,600	0.43%
70-30	\$887,781,600	\$885,195,000	-0.29%
70-40	\$763,909,100	\$751,809,530	-1.58%
70-50	\$635,824,851	\$668,972,800	5.21%
70-60	\$449,157,177	\$474,551,200	5.65%
<b>Total</b>	<b>\$3,281,301,578</b>	<b>\$3,330,178,330</b>	<b>1.49%</b>

### Neighborhoods and Sales

The following is a breakdown of each neighborhood and a summary of the land sales considered. The assessor considered these and historic sales as the primary method of establishing new assessed land values for each neighborhood.

#### Area Overview

Since 2012, there have been a total of 16 commercial land sales throughout Area 70 that meet the requirements of a fair market transaction.

#### Neighborhood 70-10 – SW Renton (excluded CBD)

Neighborhood 10 is to the west of the Renton CBD. This is a high retail area that transitions into a major industrial business area near the Black River Forest preserve. Since 2012, there have been a total of three land sales in the neighborhood.

Area	Nbhd	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Zone	Remarks
070	010	192305	9096	92,347	2570837	\$2,650,000	10/25/12	\$28.70	CA	Buyer purchased for LV only. Planned for future redevelopment.
070	010	182305	9100	12,659	2582446	\$425,000	12/26/12	\$33.57	CA	Buyer purchased for LV only. New retail bldg is in permitting.
070	010	182305	9165	58,065	2678951	\$399,000	07/08/14	\$6.87	RM-F	Allows up to 4 units. Heavily sloped property.

### Neighborhood 70-20 Renton CBD

Neighborhood 70-20 is the Renton CBD, which has limited parking and is pedestrian oriented. The city of Renton is working to revitalize this area with local property owners to repurpose and renovate these old early 20<sup>th</sup> century buildings. Most of the uses are retail shops, bars and restaurants. Over the last 10 years, a new bank was built and senior housing. The area also has a new metro bus area which provides transportation to Bellevue, Burien and Seattle. Since 2012, three land sales have occurred in this neighborhood.

Area	Nbhd	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Zone	Remarks
070	020	723150	1320	6,622	2620533	\$150,000	07/24/13	\$22.65	CD	Small pkg lot within larger parking area. No direct street access.
070	020	723150	1230	29,500	2649032	\$715,000	01/07/14	\$24.24	CD	Old Jet City Espresso. Approved for 101 unit mixed use apartment bldg.
070	020	182305	9063	39,174	2655483	\$1,577,000	02/25/14	\$40.26	CA	Small used car lot. Minimally improved. LV only.

### Neighborhood 70-30 Tukwila Southcenter, NW Kent Valley Industrial

This is the neighborhood that has the most new development. Both the Segale Tukwila Valley South project and the Stryker Business Park are located in this neighborhood. Since 2012, there have been a total of four land sales in the neighborhood.

Area	Nbhd	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Zone	Remarks
070	030	883650	0030	119,157	2580245	\$1,900,000	12/19/12	\$15.95	TUC	New extended stay hotel near completion.
070	030	660007	0080	2,954,968	2587875	\$21,117,497	02/05/13	\$7.15	M1	New Stryker Business Park near completion.
070	030	022340	0070	140,205	2615915	\$2,550,748	06/28/13	\$18.19	TUC	No permits, but expected to be retail use.
070	030	022300	0040	50,415	2699621	\$1,260,000	11/04/14	\$24.99	TUC	Old gas station. Intended use is hotel. Permits in process.

### Neighborhood 70-40 – South Renton/NE Kent Valley Industrial

The neighborhood has been pretty quiet since the economic downturn and recovery. Few land or improved sales have occurred here. Development is primarily industrial business parks in South Renton. On the Kent side, it is retail along 84<sup>th</sup> Avenue S with industrial parks off the main arterial streets. Since 2012, there is one land sale that occurred in the neighborhood.



Area	Nbhd	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Zone	Remarks
070	040	242304	9137	202,863	2683458	\$2,500,000	08/05/14	\$12.32	TUC	Property has residential overlay for Amtrak Station area.

### **Neighborhood 70-50 – West side of South Kent Valley Industrial**

This and Neighborhood 60 encompass the south portion of the Kent Valley industrial market. There has been little new development in this area. While there is more retail along 84<sup>th</sup> Avenue S, virtually all the property in this neighborhood is industrial in nature. Since 2012, there have been no land sales in the neighborhood.

### **Neighborhood 70-60 – East side of South Kent Valley Industrial**

This portion of South Kent Valley has a higher retail and mixed use concentration than Neighborhood 50. There has been little new development in this neighborhood as well. Since 2012, five land sales occurred in this neighborhood.

Area	Nbhd	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Zone	Remarks
070	060	132204	9365	7,007	2534006	\$144,210	03/15/12	\$20.58	GC	Gas station. Tenant purchased leased land. Gas station sold in 2014.
070	060	132204	9130	23,449	2571892	\$850,000	10/31/12	\$36.25	DCE	Heritage Bank has new bldg on it.
070	060	775780	0160	88,955	2632284	\$790,000	09/26/13	\$8.88	CM-1	Property has creek & wetlands.
070	060	775780	0221	547,776	2649342	\$612,315	01/07/14	\$1.12	MRT16	This is heavily sloped property. No plans for development noted.
070	060	543620	0101	66,781	2708202	\$685,000	12/22/14	\$10.26	GC-MU	Has vacant land and retention pond.

The table on the following page summarizes the land valuation model as it was applied to the properties in Area 70. All dollar amounts are stated as a price per square foot of land area. The table is intended as a guide to “typical” land values with additional adjustments made for individual site variations.

Typical Land Value Ranges By Neighborhood and Land Use 2015 Revaluation						
Area 70 Neighborhoods	Commercial Land Uses		Multi-family Land Uses		Industrial Land Uses	
	Zoning	Designation \$/SF Range	Zoning	Designation \$/SF Range	Zoning	Designation \$/SF Range
70-10 SW Renton W of CBD	CA	\$13 - \$35	R10	\$10 - \$14	HI	\$4 - \$10
	CB	\$18 - \$20	R12	\$18 - \$22	I	\$3 - \$7
	CBP	\$21 - \$23	R18	\$15 - \$20	IH	\$1 - \$3
	CN	\$13 - \$17	R24	\$2 - \$6	IL	\$1 - \$4
	CO	\$11 - \$18	R8	\$6 - \$12	IM	\$9 - \$19
			RC	\$3 - \$5	ISO	\$1 - \$2
			RM-F	\$8 - \$15		
70-20 Renton CBD	CA	\$16 - \$40	RM-T	\$20 - \$25		
	CD	\$28 - \$40	RM-U	\$22 - \$27		
70-30 South Center NW Kent Valley	MUO	\$5 - \$8	LDR	\$1 - \$3	C/LI	\$8 - \$9
	TUC	\$14 - \$30	R1	\$1 - \$2	HI	\$7 - \$9
	TVS	\$5 - \$9			M1	\$8 - \$10
					M1-C	\$9 - \$10
					M2	\$9 - \$10
70-40 Renton - S of CBD NE Kent Valley	CA	\$12 - \$20			C/LI	\$8 - \$12
	CO	\$18 - \$19			IH	\$9 - \$10
	GC	\$15 - \$30			IL	\$9 - \$10
	TUC	\$10 - \$17			IM	\$10 - \$11
					M1	\$9 - \$10
					M1-C	\$11 - \$26
					M2	\$9 - \$11
					M3	\$5 - \$7
70-50 SW Kent Valley	GWC	\$13 - \$19	MHP	\$8 - \$9	M1	\$8 - \$18
	NCC	\$8 - \$9	MR-G	\$6 - \$8	M1-C	\$9 - \$18
			SR 4.5	\$1 - \$2	M2	\$7 - \$19
					M3	\$8 - \$9
					MA	\$1 - \$3
70-60 SE Kent Valley	CC-MU	\$9 - \$11	MHP	\$7 - \$12	M1	\$9 - \$12
	CM-1	\$9 - \$15	MR-G	\$2 - \$8	M1-C	\$2 - \$3
	DCE	\$13 - \$15	MR-H	\$5 - \$6	M2	\$9 - \$11
	GC	\$12 - \$17	MR-M	\$6 - \$10	M3	\$7 - \$9
	GC-MU	\$11 - \$20	MRT-16	\$2 - \$4		
	GWC	\$11 - \$19	SR-1	\$2 - \$3		
	O	\$12 - \$13				

\*Please note that this table is a summary of "typical" land values and is therefore not all inclusive

For the 2015 valuation, the Assessor has reviewed all land parcels in Area 70 for wetlands, topography and access issues and have adjusted the physical characteristics (where necessary) for these items. The values shown above are for properties with no issues. The ranges shown above for each zoning are based on size adjustments for parcels. Adjustment for size is based on sales information available.

## **Zone Descriptions:**

### **City of Renton**

#### **Residential/MFR Mixed Use Centers**

(RC) Resource Conservation  
(R-1) Residential 1du/ac  
(R-4) Residential 4du/ac  
(R-8) Residential 8du/ac  
(RMH) Residential Manufactured Homes  
(R-10) Residential 10du/ac  
(R-14) Residential 14du/ac  
(RM-F) Residential Multi-Family  
(RM-T) Res. Multi-Family Traditional  
(RM-U) Res. Multi-Family Urban Center

#### **Industrial**

(IL) Industrial Light  
(IM) Industrial Medium  
(IH) Industrial Heavy

### **City Of Tukwila**

#### **Residential/MFR Mixed Use Centers**

(LDR) Low Density Residential  
(MDR) Medium Density Residential  
(HDR) High Density Residential

#### **Mixed Use Commercial Centers**

(O) Office  
(MUO) Mixed Use Office  
(RCC) Residential Commercial Center  
(NCC) Neighborhood Commercial Center  
(RC) Regional Commercial

#### **Mixed Use Commercial Centers**

(CV) Center Village  
(UC-N1) Urban Center North 1  
(UC-N2) Urban Center North 2  
(CD) Center Downtown  
(COR) Commercial/Office/Residential  
(CA) Commercial Arterial  
(CO) Commercial Office  
(CN) Commercial Neighborhood

(RCM) Regional Commercial Mixed Use  
(TUC) Tukwila Urban Center  
(TVS) Tukwila Valley South

#### **Industrial**

(C/LI) Commercial Light Industrial  
(LI) Light Industrial  
(HI) Heavy Industrial  
(MIC/L) Mfg Industrial Center/Light Industrial  
(MIC/H) Mfg Industrial Center/Heavy Industrial

## **City of Kent**

### **Agricultural**

(A-10) Agricultural  
(SR-1) Residential Agricultural District  
(AG) Agricultural General District

### **Residential**

(SR-3) Single Family  
(SR-4.5) Single Family  
(SR 6) Single Family  
(SR-8) Single Family

### **Multi-Family**

(MR-D) Duplex MFR District  
(MR-T12) MFR Townhouse District  
(MR-T16) MFR Townhouse District  
(MR-G) Low Density MFR District  
(MR-M) Medium Density MFR District  
(MR-H) High Density MFR District  
(MHP) Mobile Home Park Combining District  
(PUD) Planned Unit Development

### **Commercial Centers**

(NCC) Neighborhood Convenience Commercial District  
(CC) Community Commercial District  
(DC) Downtown Commercial District  
(DCE) Downtown Commercial Enterprise District  
(DCE-T) Downtown Commercial Enterprise District –  
Transitional Overlay  
(CM-1) Commercial Manufacturing – 1 District  
(CM-2) Commercial Manufacturing – 2 District  
(GC) General Commercial District  
(O) Office District  
(GWC) Gateway Commercial

### **Industrial**

(MA) Industrial Agricultural District  
(M1) Industrial Park District  
(M1-C) Industrial Park/Commercial  
(M2) Limited Industrial District  
(M3) General Industrial District

## **Unincorporated King County**

### **Residential/Multi Family**

(R1) Residential 1du/ac  
(R6) Residential 6du/ac  
(R8) Residential 8du/ac  
(R10) Residential 10du/ac  
(R48) Residential 48du/ac  
(R12) Residential 12du/ac  
(R18) Residential 18du/ac

### **Commercial/Industrial**

(O) Office  
(CB) Community Business  
(I) Industrial

## Preliminary Ratio Analysis

The sales ratio study is an important assessment tool to ensure that properties are uniformly assessed based on market value. This analysis utilizes statistical methods to measure the relationship between a property's assessed value and its sale price by grouping individual sales according to property type and geographic area. This data can be used to review current assessment levels, identify inequities that need to be addressed, and assist in revaluation model development.

A preliminary ratio study was done prior to the application of the 2015 recommended values. The study included sales of improved parcels and showed a coefficient of variation (COV) of 12.75%, a coefficient of dispersion (COD) of 8.59%; which were both within acceptable limits. The study also showed a price related differential of 1.02% and a weighted mean ratio of 95.40%. This indicated that assessment levels were within acceptable limits and uniformity was consistent.

Despite a good beginning, the changing market necessitates that a greater level of uniformity and level be achieved. Thus, the properties were reappraised based on current market conditions to achieve an even better assessment level and uniformity.

Recommended IAAO Standards Ratio Studies	
Assessment Level	0.90 to 1.10
Coefficient of Dispersion	5.0 to 20.0
Price Related Differential	0.98 to 1.03

King County uses the IAAO standards to assess their ratios.



## Improved Parcel Total Values

### Market Data

Generally, the market data reflects the following changes:

Area 70 - 2014 Year End Metrics			
	Office	Retail	Industrial
Vacancy Rate	↘ (slight decrease)	↔ (stable)	↔ (stable)
Rental Rate	↔ (stable)	↔ (stable)	↑ (moderate increase)
Capitalization Rate	↑ (moderate increase)	↗ (slight increase)	↘ (slight decrease)
Improved Property Values	↔ (stable)	↔ (stable)	↑ (moderate increase)
Land Values	↔ (stable)	↔ (stable)	↗ (slight increase)

### Retail Market

The retail market has remained fairly stable and continues to do so. In the Southend, vacancy rates are relatively stable. The difference is roughly 1% between 2013 and 2014. There is little data available for retail properties in a general sense.

	2014 Year End Retail Vacancy Rates			
	CBRE - 2013	CBRE	CoStar	Median
South/West Seattle	5.50%	2.34%	2.30%	2.34%
SeaTac		9.71%	1.50%	5.61%
Burien			1.50%	1.50%
Renton		2.89%	6.80%	4.85%
Tukwila		2.89%	6.80%	4.85%
Kent		9.17%		9.17%
Kent Valley			2.90%	2.90%
Auburn		9.17%	3.30%	6.24%
Federal Way		10.54%	3.30%	6.92%
Southend			4.10%	4.10%

Lease rates are somewhat varied. The Assessor uses actual leases reported for the various property types. Most of the lease rates shown on the table located on the following page is for Class A properties. There is a great disparity between CBRE and Costar with respect to the Renton/Tukwila market. It is likely that the Costar report includes all class types in their totals whereas CBRE only tracks Class A properties. However, it should be

noted the lease rates for CBRE for Tukwila are in line with properties along Southcenter Blvd where the Westfield Mall begins and most of the major retailers are located.

	2014 Year End Retail Lease Rates			
	Cassidy Turley		CBRE	CoStar
	Community Neighborhood	Strip	Gen'l Retail	Gen'l Retail
Seattle	\$17.58	\$18.17		
South/West Seattle			\$30.08	\$18.32
SeaTac			\$15.80	\$15.53
Burien				\$15.53
Renton			\$27.58	\$16.25
Tukwila			\$27.58	\$16.25
Kent			\$19.57	
Kent Valley				\$18.51
Auburn			\$19.57	\$15.51
Federal Way			\$17.61	\$15.51
Southend			\$19.21	

### ***Industrial Market***

A March 15, 2015, Daily Journal of Commerce article stated that Kent and Ritzville are among the top 25 cities with the best logistics for operating a distribution center. These locations are the best situations for intermodal transportation between ships, trucks and trains. Washington is seen as a gateway to the Asian markets. Many new businesses entering the industrial market are from California. Online shopping has much to do with the desire for distribution centers; hence the new Amazon distribution center under construction in the new Stryker Business Park.

As for industrial properties, sales prices per square foot are increasing. Capitalization rates are going down and vacancy rates are relatively stable. Lease rates are increasing. The further south the property, the lower the lease rate becomes.

The chart on the following page is a compilation of the various market reports for vacancy rates in the Southend industrial market.

	2014 Year End Industrial Vacancy Rates					
	CBRE	Colliers	CoStar	Cushman & Wakefield	Jones LaSalle	Median
South/West Seattle	2.30%					2.30%
SeaTac	5.50%	5.00%	5.50%	8.00%	5.80%	5.50%
Burien			5.50%		5.80%	5.65%
Renton	1.40%	1.59%	2.50%	1.40%	1.00%	1.40%
Tukwila	6.50%	6.26%	4.30%	6.90%	4.10%	6.26%
Kent	5.10%	6.04%		4.90%	4.40%	5.00%
Kent Valley	5.50%		6.00%		3.50%	5.50%
Auburn	2.10%	1.75%	2.30%	3.30%	1.70%	2.10%
Federal Way	8.10%		8.40%		10.40%	8.40%
Southend		4.33%	4.60%	4.10%		4.33%

The following chart shows the asking lease rates for industrial properties in the submarket area of South King County. The rates are for warehouse shell only and do not include the office space rates. There is very little fluctuation on office space rates which is around \$0.75/sf.

Based on the data presented below, lease rates for shell space have gone up. However, these do not take into account size issues. Larger warehouse space do have a lower price per square foot which is borne out in the individual leases that the Assessor has confirmed and relied more heavily on to establish market lease rates for industrial properties.

2014 Year End Industrial Shell Lease Rates								
	CBRE	Colliers		CoStar	Cushman & Wakefield		Jones LaSalle	
	Gen'l	WHSE	MFG	WHSE	MFG	WHSE/DIST	WHSE/DIST	MFG
South/West Seattle						\$0.63		
SeaTac		\$0.56		\$0.64		\$0.53	\$0.74	
Burien				\$0.64			\$0.74	
Renton		\$0.47	\$0.42	\$0.51	\$0.30	\$0.63	\$0.71	\$0.43
Tukwila		\$0.54	\$0.54	\$0.57	\$0.55	\$0.52	\$0.53	\$0.88
Kent		\$0.45	\$0.44		\$0.59	\$0.42	\$0.46	\$0.51
N Kent				\$0.44				
S Kent				\$0.47				
Kent Valley	\$0.42					\$0.45	\$0.49	\$0.53
Auburn		\$0.45	\$0.50	\$0.46	\$0.39		\$0.51	\$0.49
Federal Way				\$0.47			\$0.47	\$0.53
Southend					\$0.45			

### ***Flex Market***

The definition for flex space is defined as follows: A type of building designed to be versatile, and can be used for either office, retail and warehouse space. A typical flex building will be one with ceiling heights of 16 feet or less, and have some type of drive-in door, even though the door may be glassed in or sealed off. Another term for this property is “incubator space”.

Flex buildings are valued separately because the market does not separate warehouse and office rates. Typically the tenant leases the footprint of the building and they can make the interior as much office or warehouse space as they need. Area 70 has several of these flex type buildings that are too small to be valued with the Business Parks specialty.

The following chart outlines the lease rates for these properties:

2014 Year End Flex Lease Rates				
	CBRE	Colliers	CoStar	Jones LaSalle
SeaTac		\$1.17	\$1.17	\$1.08
Burien			\$1.17	\$1.08
Renton		\$1.09	\$1.03	\$1.10
Tukwila		\$1.05	\$1.07	\$1.01
Kent				\$0.85
N Kent		\$0.91	\$1.13	
S Kent			\$0.90	
Kent Valley	\$0.75			\$0.96
Auburn		\$0.70	\$0.63	
Federal Way			\$1.04	\$0.92

Vacancy rates for flex property are slightly higher than the industrial property types. Basically they have risen slightly over the past year.

2014 Year End Flex Vacancy Rates						
	CBRE	Colliers	CoStar	Jones LaSalle	NAI Properties	Median
South/West Seattle						
SeaTac		17.43%	14.90%	13.30%		14.90%
Burien			14.90%	13.30%		14.10%
Renton		4.87%	10.90%	6.60%		6.60%
Tukwila		14.55%	15.40%	13.70%		14.55%
Kent		5.39%		5.60%		5.50%
Kent Valley			9.10%	9.60%		9.35%
Auburn		1.53%	4.30%	1.50%		1.53%
Federal Way			3.10%	5.60%		4.35%
Southend	14.70%	10.14%	10.20%	9.60%	10.20%	10.20%

### *Office Market*

As for the office market, a DJC article dated May 23, 2014 stated “that the downtown Seattle market was getting \$600 to \$700 per square foot for the office buildings. With

those prices, investor sights are being centered on suburban office. Prices aren't as high [in the suburbs] and in a strong submarket, there is a lot of money to be made. The best places are Bothell, Renton, Kent for investment with an emphasis on properties located near I-5.”

Office rental rates are fairly stable at about \$14 per sf on a triple net basis. Vacancy rates have decreased slightly and capitalization rates have gone up. However, it appears that office buildings that do not have amenities tend to lease for less and take longer.

2014 Year End Office Vacancy Rates							
	CBRE 2014	Colliers 2014	Co Star -2014	Cushman & Wakefield - 2014	Jones La Salle 2014	Office Space.com 2014	2014 median
Renton	11.50%	10.23%	6.90%	12.40%	7.90%	12.85%	10.87%
Tukwila	12.60%	15.15%	6.90%	13.70%	7.90%	12.85%	12.73%
Kent	34.60%	25.36%		35.40%		23.16%	29.98%
Kent Valley			18.80%		29.40%		24.10%
Southend	19.70%	20.78%	11.40%	18.80%	17.80%		18.80%

The following lease rates are based on Full Service Rates. However, for ease in equalization office lease rates are converted to triple net rates. This is due to large variances between properties on Common Area Maintenance charges between properties. The variances can be attributed to amenities, age of the building, or business decisions on the level of upkeep.

It is common for an office property rent roll to show a base rate (NNN) and then add a specific dollar amount based on percentage of the building a tenant has rented and add it to the base rate which is then considered the full service rate. This essentially is a wash, with the Common Area Maintenance (CAM) charges coming in as income and then paying the expenses out. The Assessor allocates a flat 10% for expenses which is to cover what the landlord typically pays – reserves, management fee, and insurance.

	2014 Year End Office Lease Rates											
	CBRE	Colliers			CoStar			Cushman & Wakefield			Jones LaSalle	
		Class A	Class B	Class C	Class A	Class B	Class C	Class A	Class B	Class C	Class A	Class B
South/West Seattle		\$38.16	\$24.82	\$20.39	\$38.11	\$25.15	\$19.42					
SeaTac	\$21.94	\$24.50	\$20.09	\$16.23	\$24.50	\$19.85	\$15.52	\$23.78	\$20.32	\$16.50	\$24.87	\$23.29
Burien					\$24.50	\$19.85	\$15.52				\$24.87	\$23.29
Renton	\$23.31		\$21.59	\$22.91		\$21.65	\$21.83	\$23.64	\$21.26	\$18.38	\$24.00	\$23.67
Tukwila	\$21.39		\$21.59			\$21.65	\$21.83	\$22.73	\$20.59	\$14.02	\$24.00	\$23.67
Kent	\$23.10		\$22.19	\$19.55				\$21.94	\$20.65	\$11.61		
Kent Valley						\$21.91	\$19.21				\$23.00	\$23.33
Auburn	\$21.35		\$22.19	\$19.55	\$30.03	\$19.98	\$19.99	\$21.94	\$20.65	\$11.61	\$32.50	\$29.88
Federal Way	\$20.89	\$30.03	\$19.80	\$18.22	\$30.03	\$19.98	\$19.99	\$22.66	\$18.12	\$18.97	\$32.50	\$29.88
Southend	\$21.96							\$22.82	\$20.83		\$25.43	\$23.42

Most of the publications will break down the lease rates by office classifications. However, many buildings that were constructed as Class A buildings at one point will now lease at Class B or C lease rates depending on age and competition with other new product. When discussing Class A, B or C the classification is not referring to building quality or construction class. It is about the type of tenant that will be attracted to the building. Class A buildings will typically be attractive to high credit, national tenants.



Class B buildings will attract regional or local business; whereas Class C buildings which are older and less expensive, will attract smaller local business owners.

In Area 70, there are very few Class A office buildings, and the designation as such is basically subjective to the various market reports.

As stated above, the Assessor converts the lease rates to NNN base rates. If the actual expenses are known, then that amount will be deducted. However, if no information is given, the Assessor will calculate a median rate from all information available and use that to adjust to the base rate.

### **Sales comparison approach model description**

All sales were verified with a knowledgeable party and inspected, when possible. All improved sales verified as good that did not have characteristic changes between the date of sale and the date of appraisal were included in the ratio analysis. The model for the sales comparison approach was based on characteristics from the Assessor's records including location, effective year built, building quality and net rentable area. Sales with characteristics most similar to the subject properties were considered.

The improved sales used range in sale dates from 1/1/2012 to 12/31/2014. There were 77 improved sales in Area 70 that were considered as fair market transactions and used in the overall analysis and included in the ratio study. Sale parcels that were segregated into smaller parcels or merged with another parcel(s), or where the improvements changed after the sale were not included in the ratio study.

These sales were organized into market segments based on predominant use. The sale price unit value ranges serve to establish a general upper and lower market boundary for the various property types within the subject area and were useful when analyzing the income parameters and capitalization rates used in the income models for the various neighborhoods. Location, quality, and effective year built were factors considered for adjustment. Stratification of these sales shows the following market ranges:

1)	Industrial Condo (2)	\$77 to \$133/sf
2)	Industrial Dist (10)	\$65 to \$105/sf
3)	Industrial Engineering (1)	\$125/sf
4)	Industrial Flex (1)	\$132/sf
5)	Industrial Hvy Mfg (1)	\$120/sf
6)	Industrial Lt Mfg (4)	\$63 to \$102/sf
7)	Industrial Transit (1)	\$59/sf
8)	Industrial Whse (25)	\$52 to \$270/sf
9)	Industrial Yard	\$111.61/sf
10)	Office (14)	\$101 to \$270/sf
11)	Office Dental (2)	\$319 to \$329/sf
12)	Retail Auto Ctr (1)	\$138/sf
13)	Retail Bar/Tavern (1)	\$120/sf
14)	Retail Discount Whse (1)	\$180/sf

15)	Retail Line Retail (4)	\$150 to \$267/sf
16)	Retail Mixed (1)	\$148/sf
17)	Retail Store (8)	\$53 to \$214/sf
18)	Retail Svc Gar (2)	\$111 to \$193/sf
19)	Retail Whse Grocery (1)	\$82/sf
20)	Special Auto Dealer (2)	\$259 to \$308/sf
21)	Special Church (1)	\$100/sf
22)	Special MHP (1)	\$48,063/pad

The following property types were valued by the market approach:

Mobile Home Parks - \$37,500 to \$88,000/pad  
Car Wash - \$190 to \$200/sf  
Office – Condo \$198 to \$221/sf  
Industrial Condo - \$80 to \$135/sf  
Convenience Store - \$150 to \$170/sf  
Daycare - \$150 to \$250/sf  
Dental Clinic (less than 2,500 sf) - \$200 to \$300/sf  
Mini-Lube - \$250 to \$300/sf  
Office Bldg (less than 2,500 sf) - \$150 to \$250/sf

### **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 Valuation modeling system. Depreciation was based on studies done by Marshall & Swift Valuation Service. Cost figures were adjusted to the western region and the Seattle area. Cost estimates were relied upon for valuing special use properties where comparable sales data and/or income and expense information is not available. These properties are typically exempt properties such as churches, schools, public utility buildings, and park improvements. Non-exempt buildings that are valued by the Cost method might be fraternal halls, daycare, and new or on-going construction.

### **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 using direct capitalization was considered a reliable approach to valuation throughout Area 70 for most improved property types since income and expense data was available to ascertain market rates.

Income: Income data was derived from the market place from landlords and tenants, market sales, as well as through published sources (i.e. officespace.com, Commercial Brokers Association, Co-Star, and real estate websites such as CBRE, Colliers, Kidder Mathews, etc.), and opinions expressed by real estate professionals active in the market.

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 the appraiser's knowledge of the area's rental practices. Within the income valuation models for Area 70, the assessor used triple net expenses. As stated above, office properties are a mix of full service and NNN. Office leases are converted to NNN.

Capitalization Rates: When market sales are available an attempt is made to ascertain the capitalization rate on the sale or a pro-forma cap rate on the first year performance, during the sales verification process. Also, capitalization rate data was collected from published market surveys, such as Co-Star, Real Capital Analytics, The American Council of Life Insurance (Commercial Mortgage Commitments), Integra Realty Resources, Korpacz Real Estate Investor Survey (PWC), CBRE – National Investor Survey, etc. These sources typically have capitalization rates or ranges based on surveys or sales, and they usually include rates for both the Seattle Metropolitan area and the nation.

The effective year built and condition of each building contributes to the capitalization rate applied in the model. For example; a building in poorer condition with a lower effective year (1965, for example) will typically warrant a higher capitalization rate, and a building in better condition with a higher effective year (2010, for example) will warrant a lower capitalization rate.

The following table recaps the rates as reported by the industry publications.

SEATTLE / REGIONAL CAP RATES						
Source	Date	Location	Office	Industrial	Retail	Remarks
CBRE: Capital Markets Cap. Rate survey.	2 <sup>nd</sup> Half (2014)					CBRE professional's opinion of where cap rates are likely to trend in the 2 <sup>nd</sup> ½ of 2014 based on recent trades as well as interactions with investors. Value Added represents an underperforming property that has an occupancy level below the local average under typical market conditions.
		Seattle	4.75% - 5.25%	-	-	CBD - Class A
			6.25% - 6.75%	-	-	CBD - Class A – Value Added
			6.75% - 6.25%	-	-	CBD - Class B
			7.00% - 7.50%	-	-	CBD - Class B – Value Added
			7.00% - 7.50%	-	-	CBD - Class C

SEATTLE / REGIONAL CAP RATES						
Source	Date	Location	Office	Industrial	Retail	Remarks
			8.00% - 8.75% 5.50% - 6.00% 6.75% - 7.50% 6.25% - 6.75% 7.50% - 8.25% 7.25% - 8.50% 8.25% - 9.00%	- - - - - - -	- - - - - - -	CBD - Class C – Value Added Suburban - Class A Suburban - Class A – Value Added Suburban - Class B Suburban - Class B – Value Added Suburban - Class C Suburban - Class C – Value Added Class A Class A - Value Added Class B Class B - Value Added Class C Class C - Value Added Class A (Neigh./Comm. w/Grocery) Class A (Neigh./Comm.) – Value Added Class B (Neigh./Comm. w/Grocery) Class B (Neigh./Comm.) – Value Added Class C (Neigh./Comm. w/Grocery) Class C (Neigh./Comm.) – Value Added Class A (Power Centers) Class A (Power Centers) – Value Added Class B (Power Centers) Class B (Power Centers) – Value Added Class C (Power Centers) Class C (Power Centers) – Value Added High Street Retail (Urban Core)
IRR: Viewpoint for 2015	Yr. End 2014	Seattle	5.25% 6.00% 6.00% 7.00%	- - - 5.00% 7.25%	- - - 5.00% 6.00% 6.25%	<u>Institutional Grade Properties</u> CBD Office – Class A CBD Office – Class B Suburban Office – Class A Suburban Office – Class B Industrial – Class A Flex Industrial – Class A Reg. Mall – Class A Community Retail – Class A Neighborhood Retail – Class A
		West Region	6.23% 6.79% 6.73% 7.26%	- - - 6.29% 7.04%	- - - 6.22% 6.52% 6.67%	CBD Office – Class A CBD Office – Class B Suburban Office – Class A Suburban Office – Class B Industrial – Class A Flex Industrial – Class A Reg. Mall – Class A Community Retail – Class A Neighborhood Retail – Class A
CoStar	Yr. End 2014	King Co.	6.22% 5.27%	- 6.24% 6.57%	- - 5.58% 5.18%	Sales Price Under \$5 Million Sales Price Over \$5 Million Sales Price Under \$5 Million Sales Price Over \$5 Million Sales Price Under \$5 Million Sales Price Over \$5 Million
RERC: Real Estate Report Valuation Rates & Metrics	4Q 2014					1 <sup>st</sup> Tier properties are defined as new or newer quality const. in prime to good location; 2 <sup>nd</sup> Tier properties are defined as aging, former 1 <sup>st</sup> tier in good to average locations; 3 <sup>rd</sup> Tier are defined as older properties w/ functional inadequacies and/or marginal locations.
		Seattle	5.90% 6.50%	- 6.10% 6.80% 6.70%	- - 5.70% 6.30%	Office CBD – 1 <sup>st</sup> Tier Properties Suburban Office – 1 <sup>st</sup> Tier Properties Warehouse – 1 <sup>st</sup> Tier Properties R&D – 1 <sup>st</sup> Tier Properties Flex – 1 <sup>st</sup> Tier Properties Regional Mall – 1 <sup>st</sup> Tier Properties Power Center – 1 <sup>st</sup> Tier Properties





The tables were calibrated after setting economic rents, vacancy, expenses, and capitalization rates by using adjustments based on size, quality of construction, and the effective year built. 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.

Typical income model parameters for the various markets that make up Area 70 are summarized in the following table. It should be noted that due to the nature of commercial real estate, not all properties fall within the typical parameters.

Typical Income Parameters				
Area 70-10 SW Renton				
Land Use	Rent Range per SF	Vacancy/ Coll. Loss %	Expenses % of EGI	Capitalization Rate %
Office/Medical Office	\$14.00 - \$19.50	5% - 12%	10%	6.00% to 8.00%
Retail/Mixed Use	\$7.00 - \$32.50	5% - 7%	10%	7.25% to 8.50%
Industrial/Whse.	\$3.80 - \$17.50	3% - 7%	10%	6.25% to 7.50%

Area 70-20 Renton CBD				
Land Use	Rent Range per SF	Vacancy/ Coll. Loss %	Expenses % of EGI	Capitalization Rate %
Office/Medical Office	\$10.00 - \$19.00	5% - 12%	10%	7.50% - 7.50%
Retail/Mixed Use	\$6.00 - \$32.50	5% - 7%	10%	6.50% - 8.50%
Industrial/Whse.	\$3.25 - \$17.50	3% - 7%	10%	6.25% - 6.50%

Area 70-30 Tukwila Southcenter/NW Kent Valley				
Land Use	Rent Range per SF	Vacancy/ Coll. Loss %	Expenses % of EGI	Capitalization Rate %
Office/Medical Office	\$11.00 - \$27.00	5% - 12%	10%	7.50% - 7.75%
Retail/Mixed Use	\$7.00 - \$33.50	9% - 9%	10%	6.50% - 8.50%
Industrial/Whse.	\$3.25 - \$17.50	6% - 10%	10%	6.25% - 6.50%

Area 70-40 Renton S of Downtown/NE Kent Valley				
Land Use	Rent Range per SF	Vacancy/ Coll. Loss %	Expenses % of EGI	Capitalization Rate %
Office/Medical Office	\$11.00 - \$28.00	5% - 12%	10%	7.50% - 7.75%
Retail/Mixed Use	\$5.00 - \$33.50	9% - 9%	10%	6.50% - 8.50%
Industrial/Whse.	\$3.25 - \$14.50	6% - 10%	10%	6.25% - 6.50%

Area 70-50 SW Kent Valley				
Land Use	Rent Range per SF	Vacancy/ Coll. Loss %	Expenses % of EGI	Capitalization Rate %
Office/Medical Office	\$10.00 - \$27.50	5% - 15%	10%	7.50% - 7.75%
Retail/Mixed Use	\$5.00 - \$33.50	10% - 10%	10%	6.50% - 8.00%
Industrial/Whse.	\$3.25 - \$14.50	6% - 10%	10%	6.25% - 6.50%

Area 70-60 SE Kent Valley				
Land Use	Rent Range per SF	Vacancy/ Coll. Loss %	Expenses % of EGI	Capitalization Rate %
Office/Medical Office	\$10.00 - \$27.50	5% - 15%	10%	7.50% - 7.75%
Retail/Mixed Use	\$5.00 - \$33.50	10% - 10%	10%	6.50% - 8.00%
Industrial/Whse.	\$3.25 - \$14.50	6% - 10%	10%	6.25% - 6.50%

Typical Income Parameters				
Area 70-50 SW Kent Valley				
Land Use	Rent Range per SF	Vacancy/ Coll. Loss %	Expenses % of EGI	Capitalization Rate %
Office/Medical Office	\$10.00 - \$27.50	5% - 15%	10%	7.50% - 7.75%
Retail/Mixed Use	\$5.00 - \$33.50	10% - 10%	10%	6.50% - 8.00%
Industrial/Whse.	\$3.25 - \$14.50	6% - 10%	10%	6.25% - 6.50%

Area 70-60 SE Kent Valley				
Land Use	Rent Range per SF	Vacancy/ Coll. Loss %	Expenses % of EGI	Capitalization Rate %
Office/Medical Office	\$10.00 - \$27.50	5% - 15%	10%	7.50% - 7.75%
Retail/Mixed Use	\$5.00 - \$33.50	10% - 10%	10%	6.50% - 8.00%
Industrial/Whse.	\$3.25 - \$14.50	6% - 10%	10%	6.25% - 6.50%

Overall, Renton (Neighborhood 10, 20, and 40) has recovered from the economic downturn and there is evidence of new development and investor interest in the area. Southcenter (Neighborhood 30) is also showing signs of new development and gentrification. With the new Pond District coming, and newer hotels and multi-family housing, the face of the southern portion of the Southcenter will begin to change and the old warehouses will be redeveloped into more retail and residential uses.

The city of Kent (Neighborhood 30, 40, 50 and 60) is a mixed bag. The northern portion which is closer to I-5 and Boeing is recovering. The industrial market in Kent is doing quite well. The retail market is fairly stable. But the real struggler, particularly in the southwest portion of Kent is the office market. Vacancy is still high despite a slight decrease this year.

### Reconciliation

All parcels were individually reviewed for correct application of the model 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 ample 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 total value generated from the income table calculations and the selected income values varied in some cases due to special circumstances, such as properties with excess land, inferior/superior location, super-adequacy, or physical/functional obsolescence. Appraisal judgment prevailed when determining when to depart from the Assessor's table generated income model. An administrative review of the selected values was made by Marie Ramirez, Senior Appraiser for quality control purposes.

### Model Validation

### Total Value Conclusions, Recommendations and Validation

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

The standard statistical measures of valuation performance are presented in both the 2014 and 2015 Ratio Analysis charts included in this report.

Sales--Improved Valuation Change Summary				
	Mean Assessed Value	Mean Sale Price	Ratio	COD*
2014 Value	\$3,116,500	\$3,266,400	95.40%	8.59%
2015 Value	\$3,221,700	\$3,266,400	98.60%	7.19%
Abs. Change	\$105,200		3.20%	-1.40%
% Change	3.38%		3.35%	-16.30%

\*COD is a measure of uniformity, the lower the number the better the uniformity

The Coefficient of Dispersion (COD) went down from 8.59% to 7.19% and the Price-related Differential (PRD) remains constant at 1.02. These are within the IAAO (International Association of Assessing Officers) appraisal guidelines for measures of valuation uniformity and equity. The ratio study presented in this report indicates substantial improvement in uniformity. However with a sample size of only 77 improved sales for many different commercial types the weight given to the ratio study should be tempered.

In the 2015 valuation model the income approach is used to value the majority of the income producing properties that aren't obsolesced (land value is greater than value by the income method) because there are an insufficient number and variety of sales to value the various sectors by the market approach. The income approach also ensures greater uniformity and equalization of values. With improving market fundamentals, values by the income method are generally increasing although they sometimes are below the value of the sales. This may be because some of these properties are purchased by owner-users, or in the case of interim use properties they might be purchased for investment value or future income rather than current income.

The total assessed values for Area 70 for the 2014 assessment year was \$3,411,734,320 and the total recommended value for the 2015 assessment year is \$3,435,711,920.

Change in Total Assessed Value			
2014 Total Value	2015 Total Value	\$ Change	% Change
\$3,411,734,320	\$3,435,711,920	\$23,977,600	0.70%

This does not include specialty properties but it does include commercial condos (not multi-family units). In addition the 2015 total does not include the value of new construction parcels which will be determined later, and it does not reflect the downward contamination adjustments that will be applied later to several parcels by the contamination specialist appraiser. Application of these recommended values for the 2015 assessment year (taxes payable in 2016) results in a total value change of +0.70% from the previous year.

The 2015 Assessment Year revalue of Area 70 is based on commercial real estate data available in 2014 and early 2015 that support the fee simple value of the non-specialty properties in these submarkets as of the valuation date of 1/01/2015.

Total Population - Parcel Summary Data			
	Land	Improvements	Total
2014 Value	\$1,645,696,000	\$1,766,038,320	\$3,411,734,320
2015 Value	\$1,667,007,200	\$1,768,704,720	\$3,435,711,920
% Change	1.29%	0.15%	0.70%

## **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, 3<sup>rd</sup> 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 recording the corresponding data.*

*Valerie A Dreas*

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**Valerie A Dreas, Commercial Appraiser I**

**Date: 5/1/2015**



Area 070 - SW Renton; Southcenter; Kent Valley  
2015 Assessment Year

<b>Parcel Number</b>	<b>Assessed Value</b>	<b>Sale Price</b>	<b>Sale Date</b>	<b>Ratio</b>	<b>Diff: Median</b>
122204-9013	27,694,300	26,650,000	1/9/2012	1.0392	0.0585
122204-9021	1,425,600	1,500,000	1/13/2012	0.9504	0.0303
543620-0461	1,776,500	1,800,000	1/13/2012	0.9869	0.0062
918800-0070	2,012,400	2,150,000	2/1/2012	0.9360	0.0447
122204-9114	7,720,300	9,750,000	2/17/2012	0.7918	0.1889
775780-0120	223,200	240,000	2/28/2012	0.9300	0.0507
631500-0360	2,524,100	3,000,000	2/29/2012	0.8414	0.1393
788880-0430	3,269,200	3,050,000	5/1/2012	1.0719	0.0912
312305-9092	2,986,900	3,072,500	5/8/2012	0.9721	0.0086
722930-0625	118,000	120,000	5/18/2012	0.9833	0.0026
722930-0055	982,800	900,000	6/19/2012	1.0920	0.1113
722930-0070	383,000	310,000	8/10/2012	1.2355	0.2548
022204-9029	2,586,800	2,600,000	8/22/2012	0.9949	0.0142
784180-0135	530,000	516,050	8/29/2012	1.0270	0.0463
784080-0115	236,300	270,000	9/12/2012	0.8752	0.1055
383040-0010	1,800,000	1,730,000	10/17/2012	1.0405	0.0597
723150-1970	855,000	790,000	11/19/2012	1.0823	0.1016
883480-0010	3,901,200	4,290,000	12/5/2012	0.9094	0.0713
383090-0320	2,978,500	2,929,000	12/6/2012	1.0169	0.0362
383090-0380	3,454,900	3,384,000	12/6/2012	1.0210	0.0402
022320-0051	921,900	1,100,000	12/12/2012	0.8381	0.1426
543620-0023	4,560,200	4,566,000	12/12/2012	0.9987	0.0180
334040-4470	2,444,600	2,300,000	12/18/2012	1.0629	0.0822
000140-0023	1,544,200	1,500,000	1/15/2013	1.0295	0.0488
012204-9062	3,904,000	3,850,000	2/7/2013	1.0140	0.0333
788880-0535	2,786,300	2,690,000	2/8/2013	1.0358	0.0551
132304-9087	11,861,500	12,000,000	2/15/2013	0.9885	0.0077
723150-1920	2,044,600	2,095,000	3/16/2013	0.9759	0.0048
022330-0010	10,662,700	12,050,000	3/29/2013	0.8849	0.0958
543620-0042	7,745,300	7,900,000	4/26/2013	0.9804	0.0003
334040-3615	2,110,400	1,650,000	4/29/2013	1.2790	0.2983
182305-9254	4,840,600	4,575,000	5/3/2013	1.0581	0.0773
125370-0200	1,890,000	1,900,000	5/8/2013	0.9947	0.0140
012204-9053	4,001,800	5,100,000	5/28/2013	0.7847	0.1960
122204-9094	397,900	450,000	5/29/2013	0.8842	0.0965
182205-9250	780,000	790,000	5/29/2013	0.9873	0.0066
022310-0031	1,202,100	1,222,000	6/24/2013	0.9837	0.0030
331900-0020	3,326,200	3,350,000	7/3/2013	0.9929	0.0122
883480-0080	2,937,100	3,041,875	7/11/2013	0.9656	0.0152
000580-0028	1,277,900	1,300,000	8/22/2013	0.9830	0.0023
886700-0109	207,800	215,000	8/27/2013	0.9665	0.0142
723150-2330	701,900	638,000	9/5/2013	1.1002	0.1194
392680-0040	1,950,000	2,450,000	9/16/2013	0.7959	0.1848
362304-9099	1,730,900	1,822,000	9/16/2013	0.9500	0.0307
887980-0035	2,746,000	2,800,000	9/23/2013	0.9807	0.0000
788890-0111	2,871,200	2,842,000	9/23/2013	1.0103	0.0296

Area 070 - SW Renton; Southcenter; Kent Valley  
2015 Assessment Year

[illegible]

Area 070 - SW Renton; Southcenter; Kent Valley  
2015 Assessment Year

Quadrant/Crew:	Appr date :	Date:	Sales Dates:	
South Crew	1/1/2014	6/19/2015	1/1/12 - 12/31/2014	
Area	Appr ID:	Prop Type:	Trend used?: Y / N	
70	VDRE	Improvement	N	
SAMPLE STATISTICS				
Sample size (n)	77			
Mean Assessed Value	3,116,500			
Mean Sales Price	3,266,400			
Standard Deviation AV	3,695,844			
Standard Deviation SP	3,750,215			
ASSESSMENT LEVEL				
Arithmetic mean ratio	0.970			
Median Ratio	0.981			
Weighted Mean Ratio	0.954			
UNIFORMITY				
Lowest ratio	0.6298			
Highest ratio:	1.3470			
Coefficient of Dispersion	8.59%			
Standard Deviation	0.1237			
Coefficient of Variation	12.75%			
Price-related Differential	1.02			
RELIABILITY				
95% Confidence: Median		These figures reflect measurements before posting new values.		
Lower limit	0.961			
Upper limit	0.995			
95% Confidence: Mean				
Lower limit	0.943			
Upper limit	0.998			
SAMPLE SIZE EVALUATION				
N (population size)	1156			
B (acceptable error - in decimal)	0.05			
S (estimated from this sample)	0.1237			
Recommended minimum:	24			
Actual sample size:	77			
Conclusion:	OK			
NORMALITY				
Binomial Test				
# ratios below mean:	34			
# ratios above mean:	43			
z:	0.911684612			
Conclusion:	Normal*			
*i.e., no evidence of non-normality				

Ratio Frequency

Ratio	Frequency
0.7-0.8	2
0.8-0.9	7
0.9-1.0	7
1.0-1.1	35
1.1-1.2	19
1.2-1.3	3
1.3-1.4	3
1.4-1.5	0

Ratio

Area 070 - SW Renton; Southcenter; Kent Valley  
2015 Assessment Year

<b>Parcel Number</b>	<b>Assessed Value</b>	<b>Sale Price</b>	<b>Sale Date</b>	<b>Ratio</b>	<b>Diff: Median</b>
122204-9013	28,127,900	26,650,000	1/9/2012	1.0555	0.0637
122204-9021	1,393,300	1,500,000	1/13/2012	0.9289	0.0629
543620-0461	1,776,500	1,800,000	1/13/2012	0.9869	0.0048
918800-0070	1,848,500	2,150,000	2/1/2012	0.8598	0.1320
122204-9114	8,266,000	9,750,000	2/17/2012	0.8478	0.1439
775780-0120	332,500	240,000	2/28/2012	1.3854	0.3937
631500-0360	2,625,900	3,000,000	2/29/2012	0.8753	0.1164
788880-0430	3,321,400	3,050,000	5/1/2012	1.0890	0.0972
312305-9092	3,344,900	3,072,500	5/8/2012	1.0887	0.0969
722930-0625	130,400	120,000	5/18/2012	1.0867	0.0949
722930-0055	937,500	900,000	6/19/2012	1.0417	0.0499
722930-0070	387,900	310,000	8/10/2012	1.2513	0.2596
022204-9029	2,650,000	2,600,000	8/22/2012	1.0192	0.0275
784180-0135	526,300	516,050	8/29/2012	1.0199	0.0281
784080-0115	228,400	270,000	9/12/2012	0.8459	0.1458
383040-0010	1,800,000	1,730,000	10/17/2012	1.0405	0.0487
723150-1970	827,500	790,000	11/19/2012	1.0475	0.0557
883480-0010	4,257,100	4,290,000	12/5/2012	0.9923	0.0006
383090-0380	3,307,400	3,384,000	12/6/2012	0.9774	0.0144
383090-0320	2,891,000	2,929,000	12/6/2012	0.9870	0.0047
022320-0051	971,200	1,100,000	12/12/2012	0.8829	0.1088
543620-0023	4,560,000	4,566,000	12/12/2012	0.9987	0.0070
334040-4470	2,453,200	2,300,000	12/18/2012	1.0666	0.0749
000140-0023	1,675,000	1,500,000	1/15/2013	1.1167	0.1249
012204-9062	3,913,100	3,850,000	2/7/2013	1.0164	0.0247
788880-0535	2,897,800	2,690,000	2/8/2013	1.0772	0.0855
132304-9087	11,861,500	12,000,000	2/15/2013	0.9885	0.0033
723150-1920	1,930,200	2,095,000	3/16/2013	0.9213	0.0704
022330-0010	10,441,600	12,050,000	3/29/2013	0.8665	0.1252
543620-0042	7,907,600	7,900,000	4/26/2013	1.0010	0.0092
334040-3615	1,945,200	1,650,000	4/29/2013	1.1789	0.1872
182305-9254	5,017,100	4,575,000	5/3/2013	1.0966	0.1049
125370-0200	1,890,000	1,900,000	5/8/2013	0.9947	0.0030
012204-9053	4,966,700	5,100,000	5/28/2013	0.9739	0.0179
122204-9094	392,900	450,000	5/29/2013	0.8731	0.1186
182205-9250	780,000	790,000	5/29/2013	0.9873	0.0044
022310-0031	1,440,000	1,222,000	6/24/2013	1.1784	0.1867
331900-0020	3,233,100	3,350,000	7/3/2013	0.9651	0.0266
883480-0080	2,830,200	3,041,875	7/11/2013	0.9304	0.0613
000580-0028	1,282,700	1,300,000	8/22/2013	0.9867	0.0050
886700-0109	214,000	215,000	8/27/2013	0.9953	0.0036
723150-2330	736,700	638,000	9/5/2013	1.1547	0.1630
362304-9099	1,730,900	1,822,000	9/16/2013	0.9500	0.0417
392680-0040	2,372,800	2,450,000	9/16/2013	0.9685	0.0232
788890-0111	2,739,700	2,842,000	9/23/2013	0.9640	0.0277
887980-0035	2,745,900	2,800,000	9/23/2013	0.9807	0.0111

Area 070 - SW Renton; Southcenter; Kent Valley  
2015 Assessment Year

[illegible]

Area 070 - SW Renton; Southcenter; Kent Valley  
2015 Assessment Year

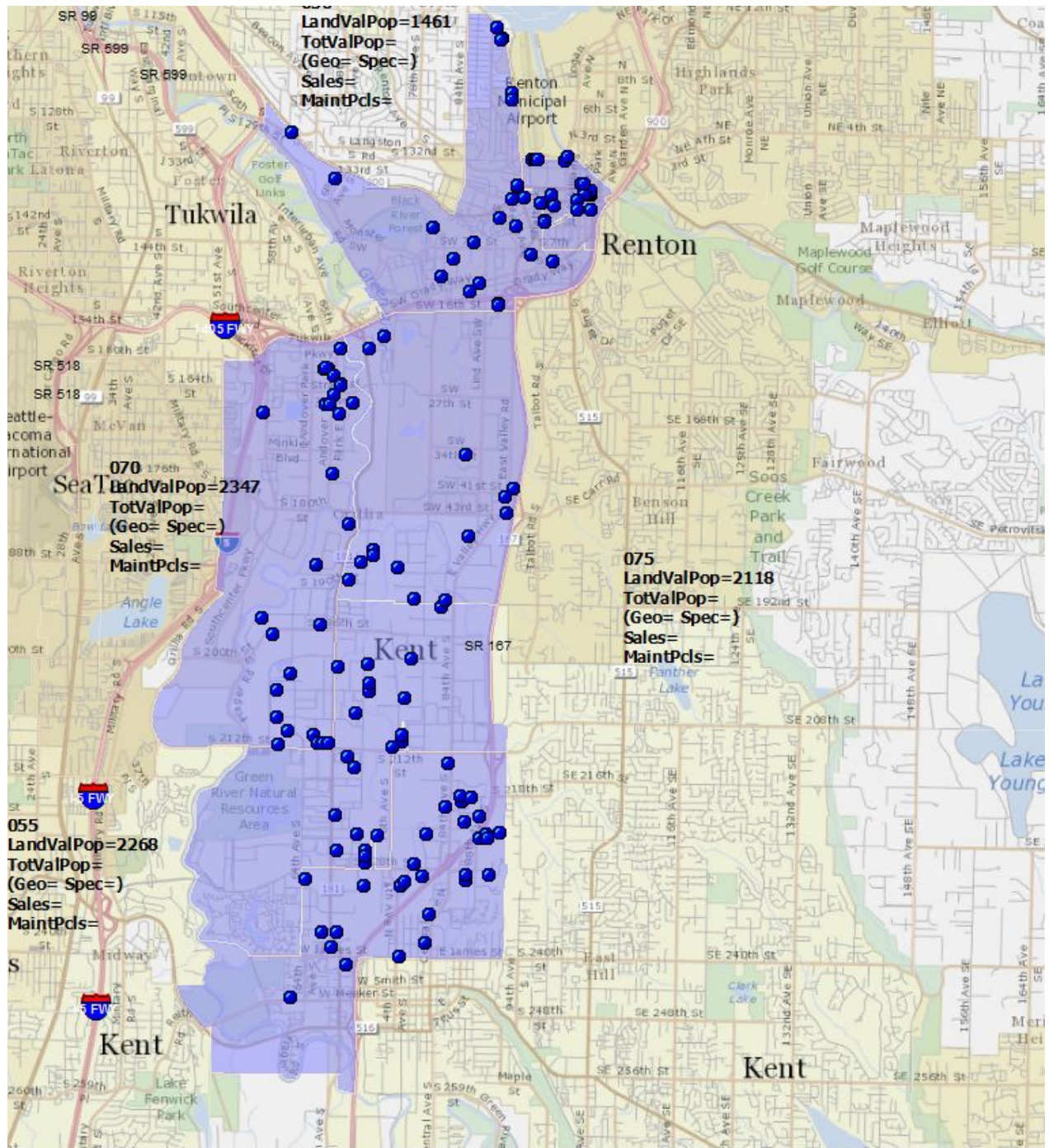
Quadrant/Crew:	Appr date :	Date:	Sales Dates:
South Crew	1/1/2015	6/19/2015	1/1/12 - 12/31/2014
Area	Appr ID:	Prop Type:	Trend used?: Y / N
70	VDRE	Improvement	N
SAMPLE STATISTICS			
Sample size (n)	77		
Mean Assessed Value	3,221,700		
Mean Sales Price	3,266,400		
Standard Deviation AV	3,778,049		
Standard Deviation SP	3,750,215		
ASSESSMENT LEVEL			
Arithmetic mean ratio	1.004		
Median Ratio	0.992		
Weighted Mean Ratio	0.986		
UNIFORMITY			
Lowest ratio	0.7515		
Highest ratio:	1.3854		
Coefficient of Dispersion	7.19%		
Standard Deviation	0.1038		
Coefficient of Variation	10.33%		
Price-related Differential	1.02		
RELIABILITY			
95% Confidence: Median		These figures reflect measurements after posting new values.	
Lower limit	0.980		
Upper limit	1.007		
95% Confidence: Mean			
Lower limit	0.981		
Upper limit	1.027		
SAMPLE SIZE EVALUATION			
N (population size)	1156		
B (acceptable error - in decimal)	0.05		
S (estimated from this sample)	0.1038		
Recommended minimum:	17		
Actual sample size:	77		
Conclusion:	OK		
NORMALITY			
Binomial Test			
# ratios below mean:	47		
# ratios above mean:	30		
z:	1.823369223		
Conclusion:	Normal*		
*i.e., no evidence of non-normality			

Ratio Frequency

A histogram showing the frequency of ratios. The x-axis is labeled 'Ratio' and ranges from 0 to 1.4. The y-axis is labeled 'Ratio Frequency' and ranges from 0 to 40. The bars are red. The frequencies for each ratio bin are: 0.8-0.9: 9, 0.9-1.0: 35, 1.0-1.1: 23, 1.1-1.2: 5, 1.2-1.3: 3, 1.3-1.4: 0.

Ratio

## Area 70 – Sales Map for 1/1/2015 valuation





Major	Minor	Total NRA	E #	Property Type	Sale Price	Sale Date	SP / NRA	Cap Rate	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
883510	0010	4,940	2662286	Industrial condo	\$655,000	04/08/14	\$132.59		UPLAND DR. BUSINESS PARK CON	TUC	1	Y	
383040	0010	22,500	2571481	Industrial condo	\$1,730,000	10/17/12	\$76.89		KENT PAIR CONDOMINIUM	M3	1	Y	
214610	0030	34,560	2639447	Industrial Dist	\$2,675,000	11/04/13	\$77.40		REI WAREHOUSE	IM	1	Y	
022330	0010	162,450	2596771	Industrial Dist	\$12,050,000	03/29/13	\$74.18	4.90%	ANDOVER DISTRIBUTION CENTER	TUC	1	Y	
883660	0130	96,525	2649996	Industrial Dist	\$7,852,000	01/15/14	\$81.35		WEST VALLEY DISTRIBUTION CEN	M1	1	Y	
012204	9062	59,440	2588342	Industrial Dist	\$3,850,000	02/07/13	\$64.77		WAREHOUSE	M2	1	Y	
122204	9013	385,773	2526002	Industrial Dist	\$26,650,000	01/09/12	\$69.08	6.50%	O'DONNELL BUSINESS PARK	M1	2	Y	
125370	0200	21,000	2604521	Industrial Dist	\$1,900,000	05/08/13	\$90.48		OKI BEARING	M2	1	Y	
883480	0010	50,500	2577673	Industrial Dist	\$4,290,000	12/05/12	\$84.95		CLASSIC	M1	1	Y	
883480	0090	79,000	2637694	Industrial Dist	\$8,285,000	10/22/13	\$104.87		WAREHOUSE	M2	2	Y	
132204	9357	33,030	2678996	Industrial Dist	\$3,000,000	07/08/14	\$90.83		GRAPHIC IMPRESSIONS	M3	1	Y	
543620	0042	97,373	2601537	Industrial Dist	\$7,900,000	04/26/13	\$81.13		Choices NW	M1	1	Y	
334040	3615	13,216	2603313	Industrial Eng	\$1,650,000	04/29/13	\$124.85		1420 BUILDING	IM	2	Y	
775880	0006	13,066	2694145	Industrial Flex	\$1,725,000	10/06/14	\$132.02		US DISTRIBUTION CTR	CM-1	2	Y	
788890	0111	23,751	2631749	Industrial Hvy Mfg	\$2,842,000	09/23/13	\$119.66	6.90%	WAREHOUSE	C/LI	1	Y	
182305	9254	68,556	2604000	Industrial Lt Mfg	\$4,575,000	05/03/13	\$66.73		ACME POULTRY CO	IM	1	Y	
334040	4890	2,280	2594984	Industrial Lt Mfg	\$370,000	03/21/13	\$162.28		LEE'S JAPANESE AUTO SERVICE	IM	1	34	Use-change after sale; not in ratio
022340	0045	26,157	2638236	Industrial Lt Mfg	\$2,685,000	10/23/13	\$102.65		KELLY-GOODWIN HARDWOODS	TUC	2	Y	
125370	0400	89,066	2640132	Industrial Lt Mfg	\$5,600,000	11/05/13	\$62.87		WESTERN INSULFOAM	M2	1	Y	
383090	0380	46,975	2577838	Industrial Lt Mfg	\$3,384,000	12/06/12	\$72.04		PRO CAST PROTECTIVE COATING	M3	1	Y	

Major	Minor	Total NRA	E #	Property Type	Sale Price	Sale Date	SP / NRA	Cap Rate	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
132204	9229	41,201	2653531	Industrial Transit Whse	\$7,425,000	02/13/14	\$180.21	7.40%	US WEST BUS RESOURCES	M2	1	Y	
631500	0360	50,635	2532770	Industrial Transit Whse	\$3,000,000	02/29/12	\$59.25		COLONIAL CEDAR INC	M2	1	Y	
000140	0023	28,574	2584700	Industrial Whse	\$1,500,000	01/15/13	\$52.50		VALSPAR	I	1	Y	
723150	2330	9,800	2629202	Industrial Whse	\$638,000	09/05/13	\$65.10		RETAIL AND WAREHOUSE	CD	1	Y	
022204	9029	25,868	2560029	Industrial Whse	\$2,600,000	08/22/12	\$100.51	6.10%	WIndustrial	M1	1	Y	
022310	0031	14,825	2614516	Industrial Whse	\$1,222,000	06/24/13	\$82.43		GLASS DOCTOR	TUC	3	Y	
262304	9098	24,009	2654397	Industrial Whse	\$2,490,000	02/16/14	\$103.71		PACIFIC POWER TECH, LLC	TUC	1	Y	
788880	0430	45,436	2541662	Industrial Whse	\$3,050,000	05/01/12	\$67.13		Kawneer	M2	1	Y	
788880	0535	32,709	2588819	Industrial Whse	\$2,690,000	02/08/13	\$82.24		American Reprographics	M1	1	Y	
125370	0310	82,431	2683453	Industrial Whse	\$6,000,000	07/31/14	\$72.79		KING'S COMMAND WAREHOUSE	M2	1	Y	
125381	0081	62,010	2653093	Industrial Whse	\$6,600,000	02/10/14	\$106.43	7.10%	SMURFIT RECYCLING	IL	1	Y	
362304	9099	18,220	2631484	Industrial Whse	\$1,822,000	09/16/13	\$100.00		HARRISON EQUIPMENT	M2	1	Y	
883660	0020	69,550	2697581	Industrial Whse	\$5,873,055	10/24/14	\$84.44		MULTI-TENANT WAREHOUSE	M2	2	Y	
122204	9021	13,600	2527350	Industrial Whse	\$1,500,000	01/13/12	\$110.29		PHELPS TIRE COMPANY	M2	1	Y	
122204	9114	93,523	2530648	Industrial Whse	\$9,750,000	02/17/12	\$104.25		KENT CORPORATE PARK 72	M1	1	Y	
331900	0020	42,351	2616423	Industrial Whse	\$3,350,000	07/03/13	\$79.10		Westport Supply	M3	1	Y	
883480	0080	38,400	2617608	Industrial Whse	\$3,041,875	07/11/13	\$79.22	5.48%	CUSTOM DISTRIBUTORS INC	M2	1	Y	
886700	0045	5,648	2644402	Industrial Whse	\$1,220,000	12/04/13	\$216.01		Pilchuck Contractor Inc	M3	2	Y	
132204	9047	9,000	2665208	Industrial Whse	\$975,000	04/24/14	\$108.33		NW Roofing Service (Split Zone w/ G	M2	1	Y	
132204	9168	41,455	2653596	Industrial Whse	\$3,572,000	02/13/14	\$86.17		WAREHOUSE	M3	1	Y	
182205	9250	6,000	2608515	Industrial Whse	\$790,000	05/29/13	\$131.67		STG WHSE	CM-1	1	Y	
383090	0320	38,088	2577831	Industrial Whse	\$2,929,000	12/06/12	\$76.90		Procoat Protective Coating	M3	1	Y	
775780	0080	16,658	2697888	Industrial Whse	\$4,500,000	10/28/14	\$270.14	5.50%	BOBCAT WEST	CM-1	3	Y	
775980	0100	5,744	2676155	Industrial Whse	\$1,300,000	06/16/14	\$226.32		Vacant Industrial Building	M3	1	Y	
883480	0110	46,167	2700237	Industrial Whse	\$4,052,000	11/04/14	\$87.77		Colorcraft	M2	1	Y	

Major	Minor	Total NRA	E #	Property Type	Sale Price	Sale Date	SP / NRA	Cap Rate	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
887980	0035	24,963	2632981	Industrial Whse	\$2,800,000	09/23/13	\$112.17	6.50%	NORTHWEST PUMP	M1	1	Y	
775780	0034	20,608	2637801	Industrial Yard	\$2,300,000	10/24/13	\$111.61		Yancy Pallet Inc	CM-1	1	Y	
132304	9087	73,132	2589428	Office	\$12,000,000	02/15/13	\$164.09	7.90%	RIVERTECH CORPORATE CENTER	CO	1	Y	
918800	0070	9,725	2528622	Office	\$2,150,000	02/01/12	\$221.08		WASHINGTON TECHNICAL CENTE	IM	1	Y	
723150	1920	11,424	2596737	Office	\$2,095,000	03/16/13	\$183.39		221 WELLS BUILDING	CD	1	Y	
723150	1970	5,000	2575599	Office	\$790,000	11/19/12	\$158.00		MPI MARKETING	CD	2	Y	
784080	0115	1,314	2564212	Office	\$270,000	09/12/12	\$205.48		CLINIC (CONVERTED RESIDENCE)	CD	1	Y	
022310	0080	11,626	2659384	Office	\$1,900,000	03/27/14	\$163.43	7.60%	ANDOVER COMMERCIAL REAL ES	TUC	1	Y	
022320	0051	5,776	2582497	Office	\$1,100,000	12/12/12	\$190.44		FARMERS OFFICE BUILDING	TUC	1	Y	
312305	9092	21,117	2543161	Office	\$3,072,500	05/08/12	\$145.50		VALLEY 3900 BUILDING	CA	1	Y	
312305	9114	10,000	2644782	Office	\$1,600,000	12/02/13	\$160.00		MOUNT RAINIER KIDNEY CENTER	CO	1	Y	
886700	0109	960	2627952	Office	\$215,000	08/27/13	\$223.96		Converted SFR	M3	1	Y	
383000	0007	13,400	2567857	Office	\$1,350,000	10/04/12	\$100.75		OFFICE BUILDING	GWC	1	26	Imp changed after sale; not in ratio
775780	0120	1,334	2532666	Office	\$240,000	02/28/12	\$179.91		Entry Systems, Inc.	CM-1	1	Y	
784130	0170	1,442	2647788	Office - Medical	\$460,000	12/20/13	\$319.00		DENTAL CLINIC	CD	2	Y	
000580	0028	3,948	2627432	Office - Medical	\$1,300,000	08/22/13	\$329.28		West Valley Dental Office	TUC	1	Y	
232204	9060	3,990	2664323	Retail Bar/Tavern	\$480,500	04/18/14	\$120.43		MONTE CARLO TAVERN	GC-MU	1	Y	
132204	9124	22,320	2622247	Retail Discount Whs	\$1,190,000	07/26/13	\$53.32		Crossroads Appliance	GC	1	26	Imp changed after sale; not in ratio
722930	0595	2,139	2665129	Retail Line Retail	\$320,000	04/24/14	\$149.60		Line Retail	CD	1	Y	
928615	0040	17,840	2669312	Retail Line Retail	\$3,650,000	05/22/14	\$204.60		West Valley @ 212th - Phase II	M1-C	3	Y	

Major	Minor	Total NRA	E #	Property Type	Sale Price	Sale Date	SP / NRA	Cap Rate	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
392680	0040	15,003	2631357	Retail Line Retail	\$2,450,000	09/16/13	\$163.30		RESTAURANT AND RETAIL	CO	1	Y	
012204	9053	19,138	2608730	Retail Line Retail	\$5,100,000	05/28/13	\$266.49	7.48%	WEST VALLEY RETAIL/OFFICE-WE	M1	1	Y	
217200	0665	3,280	2692678	Retail Mixed Use	\$625,000	09/05/14	\$190.55		Skyway Sports Bar	CB	1	34	Use-change after sale; not in ratio
118000	1765	5,606	2659412	Retail Store	\$1,200,000	03/21/14	\$214.06		RETAIL/OFFICE BUILDING	CB	2	Y	
182305	9219	24,592	2691109	Retail Store	\$2,500,000	09/08/14	\$101.66		RETAIL BUILDING	CA	1	34	Use-change after sale; not in ratio
722930	0055	6,372	2549472	Retail Store	\$900,000	06/19/12	\$141.24		GREEN EARTH HEALTH FOODS	CA	2	Y	
722930	0070	2,240	2559040	Retail Store	\$310,000	08/10/12	\$138.39		SAWDUST SHOPPE, INC	CA	2	Y	
722930	0625	941	2545015	Retail Store	\$120,000	05/18/12	\$127.52		SUB SHOP	CD	1	Y	
723150	2210	17,750	2657935	Retail Store	\$935,000	03/13/14	\$52.68		RENTON WESTERN WEAR	CD	1	Y	
122204	9094	2,202	2609335	Retail Store	\$450,000	05/29/13	\$204.36		Green Building Materials Warehouse	GWC	1	Y	
543620	0463	770	2702776	Retail Store	\$145,000	11/24/14	\$188.31		Marina's Beauty Salon	GC	1	Y	
543620	0461	9,350	2526762	Retail Svc Gar	\$1,800,000	01/13/12	\$192.51		EXHIBITION AUTO MOTIVE	GC	1	Y	
182305	9073	13,485	2652371	Retail Svc Garage	\$1,500,000	01/31/14	\$111.23		Gene Meyer Towing	CA	2	Y	
022310	0100	20,934	2673756	Retail Whse Food Store	\$1,725,000	06/11/14	\$82.40		COMMISSARY CASH & CARRY	TUC	2	Y	
192305	9031	19,500	2643958	Special Auto Dealership	\$6,000,000	12/03/13	\$307.69		Vacant autodealership	CA	1	Y	
334040	4470	8,881	2579968	Special Auto Dealership	\$2,300,000	12/18/12	\$258.98		SATURN OF RENTON	CA	1	Y	
784180	0135	5,143	2562148	Special Church	\$516,050	08/29/12	\$100.34		CHRIST SCIENCE CHURCH	CD	1	Y	
362304	9087	62,250	2587800	Special church	\$5,900,000	01/31/13	\$94.78		CARLYLE INC	TUC	1	34	Use-change after sale; not in ratio
543620	0023	684	2578827	Special Mobile Home Pk	\$4,566,000	12/12/12	\$48,063.00		CIRCLE K MOBILE HOME PARK (Se	MHP	1	Y	

Area	Nbhd.	Major	Minor	Land Area	E #	Sale Price	Sale Date	SP / Ld. Area	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
070	010	192305	9096	92,347	2570837	\$2,650,000	10/25/12	\$28.70	HYUNDAI OF RENTON	CA	1	Y	
070	010	182305	9100	12,659	2582446	\$425,000	12/26/12	\$33.57	MC GEE AUTO SALES	CA	1	Y	
070	010	182305	9165	58,065	2678951	\$399,000	07/08/14	\$6.87	RESIDENCE/COMMERCIAL LAND	RM-F	1	Y	
070	020	723150	1320	6,622	2620533	\$150,000	07/24/13	\$22.65	VACANT LAND	CD	1	Y	
070	020	723150	1230	29,500	2649032	\$715,000	01/07/14	\$24.24	VACANT LAND	CD	4	Y	
070	020	182305	9063	39,174	2655483	\$1,577,000	02/25/14	\$40.26	WALKERS RENTON SUBARU	CA	1	Y	
070	030	883650	0030	119,157	2580245	\$1,900,000	12/19/12	\$15.95	VACANT	TUC	1	Y	
070	030	660007	0080	2,954,968	2587875	\$21,117,497	02/05/13	\$7.15	Boeing	M1	17	Y	
070	030	022340	0070	140,205	2615915	\$2,550,748	06/28/13	\$18.19	ANDOVER EXEC PARK BLDGS 1, 3, 5	TUC	1	Y	
070	030	022300	0040	50,415	2699621	\$1,260,000	11/04/14	\$24.99	VACANT	TUC	1	Y	
070	040	242304	9137	202,863	2683458	\$2,500,000	08/05/14	\$12.32	VACANT LAND	TUC	1	Y	
070	060	132204	9365	7,007	2534006	\$144,210	03/15/12	\$20.58	VACANT COMMERCIAL	GC	1	Y	
070	060	132204	9130	23,449	2571892	\$850,000	10/31/12	\$36.25	Vacant Land	DCE	3	Y	
070	060	775780	0160	88,955	2632284	\$790,000	09/26/13	\$8.88	VACANT	CM-1	1	Y	
070	060	775780	0221	547,776	2649342	\$612,315	01/07/14	\$1.12	Vacant Land	MRT16	4	Y	
070	060	543620	0101	66,781	2708202	\$685,000	12/22/14	\$10.26	VACANT	GC-MU	1	Y	

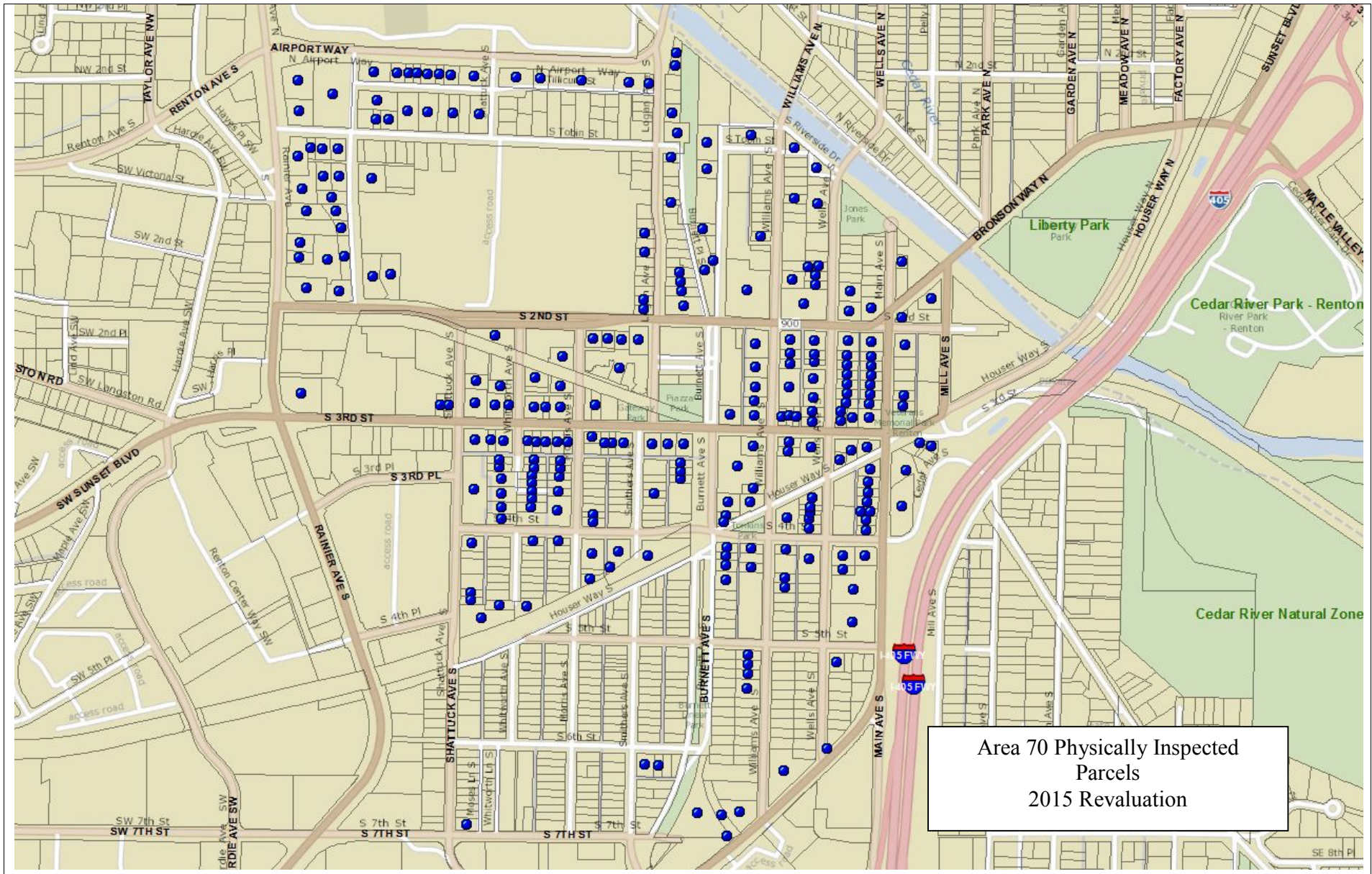
Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks	
070	010	182305	9052	6,390	2529802	\$19,272	01/12/12	\$3.02	SPIRIT OF WASHINGTON DINNER	CA	1	24	Easement or right-of-way	
070	010	182305	9038	53,550	2531911	\$17,500,000	02/29/12	\$326.80	BOB BRIDGE TOYOTA	CA	1	8	Questionable per appraisal	
070	060	232204	9061	3,920	2539722	\$220,000	04/02/12	\$56.12	VAC CONV STORE	GC-MU	1	22	Partial interest (1/3, 1/2, etc.)	
070	050	631500	0420	13,962	2546144	\$950,000	05/10/12	\$68.04	WAREHOUSE	M2	1	59	Bulk portfolio sale	
070	030	262304	9093	44,937	2549144	\$3,100,000	06/18/12	\$68.99	CENVEO	TUC	1	23	Forced sale	
070	030	788890	0030	701,267	2549620	\$67,277,550	06/21/12	\$95.94	CASCADE BUSINESS PARK - BUILT	C/LI	8	59	Bulk portfolio sale	
070	020	000720	0115	3,828	2552272	\$388,630	07/03/12	\$101.52	VINO's RISTORANTE	CA	2	31	Exempt from excise tax	
070	040	362304	9046	44,525	2552505	\$3,600,000	07/06/12	\$80.85	Golden International Import	M2	1	26	Imp. Characteristics changed since sale	
070	020	784180	0155	2,947	2553876	\$220,000	07/11/12	\$74.65	RENTON FLOWER SHOP	CD	1	8	Questionable per appraisal	
070	060	543620	0564	27,580	2560630	\$1,400,000	08/22/12	\$50.76	BALLY'S FITNESS CLUB	GC	1	17	Non-profit organization	
070	030	262304	9071	44,680	2577470	\$5,096,000	12/04/12	\$114.06	CENTER PLACE	TUC	3	22	Partial interest (1/3, 1/2, etc.)	
070	020	722930	0035	6,372	2580796	\$1,200,000	12/14/12	\$188.32	Vacant	CA	2	15	No market exposure	
070	060	543620	0040	1,109	2587743	\$18,333	12/22/12	\$16.53	Caveman Kitchens	GC-MU	1	52	Statement to dor	
070	020	784180	0185	8,564	2587849	\$600,000	01/28/13	\$70.06	ST. PAUL MINISTRIES	CD	1	17	Non-profit organization	
070	020	723150	1145	5,000	2602555	\$348,326	04/24/13	\$69.67	DOWNTOWN RENTON ANTIQUE M	CD	1	31	Exempt from excise tax	
070	020	569600	0030	10,743	2612955	\$440,000	06/20/13	\$40.96	Vacant service garage	CD	2	31	Exempt from excise tax	
070	050	012204	9050	1,124	2619757	\$195,000	07/09/13	\$173.49	AUKEEN DRIVELINES	M2	1	26	Imp. Characteristics changed since sale	
070	040	000020	0037	138,296	2636101	\$7,000,000	10/11/13	\$50.62	LASER PRINT	M2	2	8	Questionable per appraisal	
070	030	788880	0140	47,321	2641775	\$14,178	11/14/13	\$0.30	Stress-Tek	M1	1	24	Easement or right-of-way	
070	030	262304	9097	27,784	2648057	\$950,000	12/26/13	\$34.19	TRIANGLE PACIFIC	TUC	1	57	Selling or buying costs affecting sa	
070	020	569600	0030	10,743	2660800	\$635,000	03/31/14	\$59.11	Vacant service garage	CD	2	18	Quit claim deed	
070	040	088670	0320	36,000	2661324	\$6,600,000	04/04/14	\$183.33	BANK OF AMERICA OPERATION CE	CO	1	11	Corporate affiliates	
070	060	914710	0130	8,945	2665957	\$1,062,330	04/24/14	\$118.76	Kent 4 Wheel Drive	GC-MU	1	57	Selling or buying costs affecting sa	
070	060	232204	9073	2,640	2697096	\$225,000	10/15/14	\$85.23	POWER WASH	GC-MU	1	8	Questionable per appraisal	
070	030	788890	0080	29,226	2704666	\$3,350,000	12/08/14	\$114.62	PRINT MANAGEMENT	C/LI	1	64	Sale Leaseback	

### Vacant Sales for Area 070 with Sales not Used

04/07/2015

[illegible]





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## Neighborhood 20 Inspected Properties

Major	Minor	VacImpAccy	Address
000720	0008	IMP	77 WELLS AVE S
723150	2185	IMP	700 S 3RD ST
723150	1350	IMP	903 S 4TH ST
723150	1373	IMP	903 S 4TH ST
723150	1375	IMP	434 WELLS AVE S
723150	1391	ACCY	903 S 5TH ST
172305	9017	VAC	S GRADY WAY
172305	9069	VAC	617 WILLIAMS AVE S
172305	9021	IMP	900 S GRADY WAY
723150	1635	ACCY	412 WILLIAMS AVE S
723150	1640	ACCY	416 WILLIAMS AVE S
723150	1720	IMP	801 HOUSER WAY S
723150	1620	IMP	809 S 4TH ST
723150	1755	IMP	801 S 3RD ST
723150	1820	IMP	811 S 3RD ST
723150	1880	IMP	810 S 3RD ST
723150	1900	IMP	824 S 3RD ST
723150	1870	IMP	800 S 3RD ST
723150	1875	IMP	804 S 3RD ST
723150	1760	IMP	306 WILLIAMS AVE S
723150	1850	IMP	222 WILLIAMS AVE S
723150	1845	IMP	214 WILLIAMS AVE S
723150	1825	IMP	201 WELLS AVE S
723150	1830	VAC	210 WELLS AVE S
723150	1740	IMP	335 WELLS AVE S
723150	1741	IMP	331 WELLS AVE S
723150	1745	IMP	327 WELLS AVE S
723150	1735	IMP	339 WELLS AVE S
723150	1370	VAC	Site
723150	1706	ACCY	859 S 4TH ST
723150	1360	IMP	903 S 4TH ST

## Neighborhood 20 Inspected Properties

Major	Minor	VacImpAccy	Address
723150	1330	IMP	321 MAIN AVE S
723150	1335	IMP	317 MAIN AVE S
723150	1255	IMP	901 S 3RD ST
723150	1750	IMP	849 HOUSER WAY S
723150	1345	IMP	303 MAIN AVE S
723150	1320	ACCY	329 MAIN AVE S
723150	1310	ACCY	327 MAIN AVE S
723150	1315	ACCY	Site
723150	1316	ACCY	Site
723150	0775	IMP	330 MAIN AVE S
723150	1305	ACCY	323 MAIN AVE S
723150	0860	IMP	1005 S 2ND ST
723150	0900	IMP	226 MAIN AVE S
723150	0905	IMP	230 MAIN AVE S
723150	1270	IMP	911 S 3RD ST
723150	0730	IMP	1015 HOUSER WAY S
723150	0720	IMP	304 MAIN AVE S
723150	1200	IMP	934 S 3RD ST
723150	1215	IMP	231 MAIN AVE S
723150	1220	IMP	227 MAIN AVE S
723150	1225	IMP	221 MAIN AVE S
723150	1230	VAC	219 MAIN AVE S
723150	1235	VAC	217 MAIN AVE S
723150	1240	VAC	215 MAIN AVE S
723150	1245	VAC	Site
783930	0240	IMP	611 S 3RD ST
783930	0250	IMP	601 S 3RD ST
783930	0280	IMP	324 SMITHERS AVE S
783980	0190	VAC	505 4TH AVE S
783980	0185	VAC	Site
182305	9294	IMP	625 S 4TH ST

## Neighborhood 20 Inspected Properties

Major	Minor	VacImpAccy	Address
783980	0145	IMP	505 S 4TH ST
723150	2300	IMP	332 BURNETT AVE S
150580	0000	IMP	321 BURNETT AVE S
783930	0230	IMP	617 S 3RD ST
783930	0340	VAC	317 BURNETT AVE S
783930	0345	VAC	Site
723150	2271	IMP	300 BURNETT AVE S
723150	2320	IMP	340 BURNETT AVE S
723150	2325	VAC	BURNETT AVE S
723150	2380	IMP	707 S 4TH ST
182305	9282	VAC	Site
182305	9046	IMP	620 S 7TH ST
723150	2350	IMP	321 WILLIAMS AVE S
723150	2330	IMP	323 WILLIAMS AVE S
723150	2370	IMP	715 S 3RD ST
723150	2210	IMP	710 S 3RD ST
723150	2220	IMP	227 WILLIAMS AVE S
723150	2225	IMP	225 WILLIAMS AVE S
783980	0150	IMP	501 S 4TH ST
784080	0125	IMP	417 S 4TH ST
784080	0235	ACCY	Site
784130	0090	VAC	Site
784080	0075	IMP	406 S 4TH ST
784080	0165	IMP	405 S 4TH ST
784130	0080	IMP	314 S 4TH ST
182305	9056	IMP	604 SMITHERS AVE S
182305	9068	VAC	609 S 6TH ST
723150	2480	IMP	717 S 4TH ST
723150	2466	IMP	411 WILLIAMS AVE S
723150	2385	IMP	406 BURNETT AVE S
723150	2387	IMP	410 BURNETT AVE S



## Neighborhood 20 Inspected Properties

Major	Minor	VacImpAccy	Address
723150	2390	IMP	416 BURNETT AVE S
182305	9115	VAC	Site
723150	2560	ACCY	517 WILLIAMS AVE S
723150	2570	ACCY	509 WILLIAMS AVE S
723150	2575	VAC	507 WILLIAMS AVE S
723150	2580	IMP	505 WILLIAMS AVE S
723150	2245	IMP	225 WILLIAMS AVE S
723150	2265	IMP	201 WILLIAMS AVE S
569600	0030	IMP	205 LOGAN AVE S
783980	0005	ACCY	511 S 3RD ST
783980	0015	IMP	507 S 3RD ST
783980	0016	IMP	503 S 3RD ST
783980	0035	IMP	505 S 3RD ST
784180	0005	VAC	505 S 2ND ST
784180	0015	ACCY	511 S 2ND ST
784180	0025	VAC	513 S 2ND ST
784180	0065	IMP	211 MORRIS AVE S
784180	0180	IMP	221 MORRIS AVE S
784080	0120	IMP	311 MORRIS AVE S
784080	0115	IMP	315 MORRIS AVE S
784080	0110	VAC	Site
784080	0100	IMP	327 MORRIS AVE S
783980	0085	IMP	340 MORRIS AVE S
783980	0090	IMP	344 MORRIS AVE S
784080	0020	IMP	411 S 3RD ST
784080	0030	IMP	405 S 3RD ST
784080	0035	IMP	401 S 3RD ST
784080	0005	IMP	423 S 3RD ST
784080	0010	IMP	415 S 3RD ST
784180	0185	IMP	504 S 3RD ST
784180	0155	IMP	410 S 3RD ST

## Neighborhood 20 Inspected Properties

Major	Minor	VacImpAccy	Address
784180	0165	IMP	422 S 3RD ST
784180	0140	IMP	400 S 3RD ST
784180	0135	IMP	216 WHITWORTH AVE S
784180	0105	ACCY	316 WHITWORTH AVE S
784180	0125	IMP	338 S 3RD ST
784080	0040	IMP	310 WHITWORTH AVE S
784080	0045	IMP	314 WHITWORTH AVE S
784130	0005	IMP	321 S 3RD ST
784180	0115	IMP	316 S 3RD ST
784080	0050	VAC	site
784080	0055	VAC	Site
784130	0100	IMP	327 WHITWORTH AVE S
784130	0105	ACCY	327 WHITWORTH AVE S
784130	0120	VAC	Site
784130	0125	VAC	Site
784080	0060	VAC	Site
784080	0065	VAC	Site
784080	0070	ACCY	332 WHITWORTH AVE S
784130	0130	IMP	400 SHATTUCK AVE S
784130	0165	VAC	428 SHATTUCK AVE S
784130	0170	IMP	432 SHATTUCK AVE S
784130	0175	IMP	450 SHATTUCK AVE S
182305	9052	VAC	Site
784130	0525	IMP	636 SHATTUCK AVE S
784130	0035	IMP	336 SHATTUCK AVE S
000720	0115	IMP	212 S 3RD ST
000720	0157	IMP	300 S 3RD ST
784130	0020	IMP	301 S 3RD ST
000720	0184	ACCY	SHATTUCK AVE S
784180	0085	IMP	305 S 2ND ST
000720	0116	VAC	212 S 3RD ST

## Neighborhood 20 Inspected Properties

Major	Minor	VacImpAccy	Address
182305	9063	IMP	250 RAINIER AVE S
569600	0276	IMP	101 BURNETT AVE S
723150	2085	IMP	710 S 2ND ST
000720	0135	VAC	MAIN AVE S
723150	1020	IMP	1000 2ND AVE S
723150	1110	IMP	912 S 2ND ST
723150	1050	IMP	123 MILL AVE S
000720	0095	IMP	99 WELLS AVE S
000720	0168	VAC	WELLS AVE S
723150	2025	VAC	WELLS AVE S
723150	1090	IMP	126 WELLS AVE S
723150	1095	ACCY	902 S 2ND ST
723150	2005	ACCY	WELLS AVE S
723150	1979	IMP	858 S 2ND ST
723150	2020	IMP	121 WELLS AVE S
723150	2125	IMP	107 WILLIAMS AVE S
723150	1970	IMP	124 WILLIAMS AVE S
000720	0164	VAC	WILLIAMS AVE S
000720	0160	IMP	66 WILLIAMS AVE S
000720	0140	IMP	65 WILLIAMS AVE S
000720	0075	VAC	site
000720	0148	VAC	site
569600	0277	IMP	115 BURNETT AVE S
182305	9262	ACCY	99 BURNETT AVE S
569600	0169	VAC	site
569600	0140	IMP	526 2ND AVE S
569600	0145	ACCY	526 2ND AVE S
569600	0200	IMP	150 LOGAN AVE S
569600	0210	VAC	150 LOGAN AVE S
569600	0215	IMP	126 LOGAN AVE S
569600	0220	VAC	126 LOGAN AVE S



## Neighborhood 20 Inspected Properties

Major	Minor	VacImpAccy	Address
569600	0180	VAC	site
000720	0077	VAC	site
000720	0015	VAC	site
182305	9067	IMP	144 RAINIER AVE S
182305	9171	IMP	134 RAINIER AVE S
182305	9112	IMP	128 RAINIER AVE S
182305	9125	IMP	124 RAINIER AVE S
182305	9080	IMP	104 RAINIER AVE S
722950	0030	IMP	100 RAINIER AVE S
380600	0110	IMP	105 S TOBIN ST
182305	9236	IMP	100 S 2ND ST
000720	0131	IMP	200 S 2ND ST
722950	0072	VAC	S 2ND ST
722950	0061	VAC	LAKE AVE S
722950	0063	VAC	LAKE AVE S
722950	0064	VAC	LAKE AVE S
722950	0065	VAC	LAKE AVE S
380600	0045	IMP	102 LAKE AVE S
380600	0085	VAC	S TOBIN ST
380600	0115	VAC	S TOBIN ST
380600	0120	VAC	S TOBIN ST
380600	0095	IMP	85 S TOBIN ST
380600	0105	IMP	81 S TOBIN ST
000720	0044	IMP	64 LOGAN AVE S
000720	0045	IMP	58 LOGAN AVE S
722930	0580	VAC	511 AIRPORT WAY
722930	0595	IMP	43 LOGAN AVE S
722930	0615	IMP	36 LOGAN AVE S
722930	0625	IMP	30 LOGAN AVE S
722930	0545	IMP	455 AIRPORT WAY
722930	0515	VAC	505 AIRPORT WAY

## Neighborhood 20 Inspected Properties

Major	Minor	VacImpAccy	Address
722930	0490	IMP	301 AIRPORT WAY
722930	0100	IMP	235 AIRPORT WAY
722930	0073	IMP	209 AIRPORT WAY
722930	0075	IMP	217 AIRPORT WAY
722930	0090	IMP	221 AIRPORT WAY
722930	0065	VAC	203 AIRPORT WAY
722930	0070	IMP	203 AIRPORT WAY
722930	0035	IMP	111 AIRPORT WAY
722930	0055	IMP	125 AIRPORT WAY
722930	0020	IMP	109 S TILlicum ST
000720	0032	IMP	61 SHATTUCK AVE S
000720	0176	IMP	216 S TOBIN ST
000720	0030	IMP	206 S TOBIN ST
000720	0029	IMP	200 S TOBIN ST
000720	0134	IMP	150 S TOBIN ST
722930	0015	VAC	130 S TOBIN ST
000720	0193	IMP	95 AIRPORT WAY
182305	9237	IMP	54 RAINIER AVE S
182305	9245	VAC	311 BURNETT AVE N
723150	1180	IMP	916 S 3RD ST
723150	1920	IMP	221 WELLS AVE S
723150	1175	VAC	site
723150	1935	IMP	201 WELLS AVE S
723150	1940	VAC	site
723150	1150	IMP	212 WELLS AVE S
723150	1135	IMP	206 WELLS AVE S
723150	1145	IMP	210 WELLS AVE S
723150	1155	IMP	216 WELLS AVE S
723150	1160	IMP	220 WELLS AVE S
723150	1165	IMP	224 WELLS AVE S
723150	1170	IMP	230 WELLS AVE S

### Neighborhood 20 Inspected Properties

Major	Minor	VacImpAccy	Address
723150	1185	IMP	900 S 3RD ST
723150	1905	VAC	237 WELLS AVE S
723150	1910	IMP	227 WELLS AVE S
784130	0201	ACCY	450 SHATTUCK AVE S
723150	0840	IMP	1025 S 3RD ST
723150	1260	IMP	312 WELLS AVE S
784130	0015	IMP	317 S 3RD ST
569600	0010	IMP	225 LOGAN AVE S
723150	1930	ACCY	201 WELLS AVE S