

Queen Anne

Area: 012

Residential Revalue for 2016 Assessment Roll



King County

Department of Assessments

Setting values, serving the community, and pursuing excellence

500 Fourth Avenue, ADM-AS 0708

Seattle, WA 98104-2384

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<http://www.kingcounty.gov/assessor/>



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John Wilson
Assessor

Dear Property Owners:

Property assessments are being completed by our team throughout the year and valuation notices are being mailed out as neighborhoods are completed. We value your property at fee simple, reflecting property at its highest and best use and following the requirements of state law (RCW 84.40.030) to appraise property at true and fair value.

We are continuing to work hard to implement your feedback and ensure we provide accurate and timely information to you. This has resulted in significant improvements to our website and online tools for your convenience. The following report summarizes the results of the assessments for this area along with a map located inside the report. It is meant to provide you with information about the process used and basis for property assessments in your area.

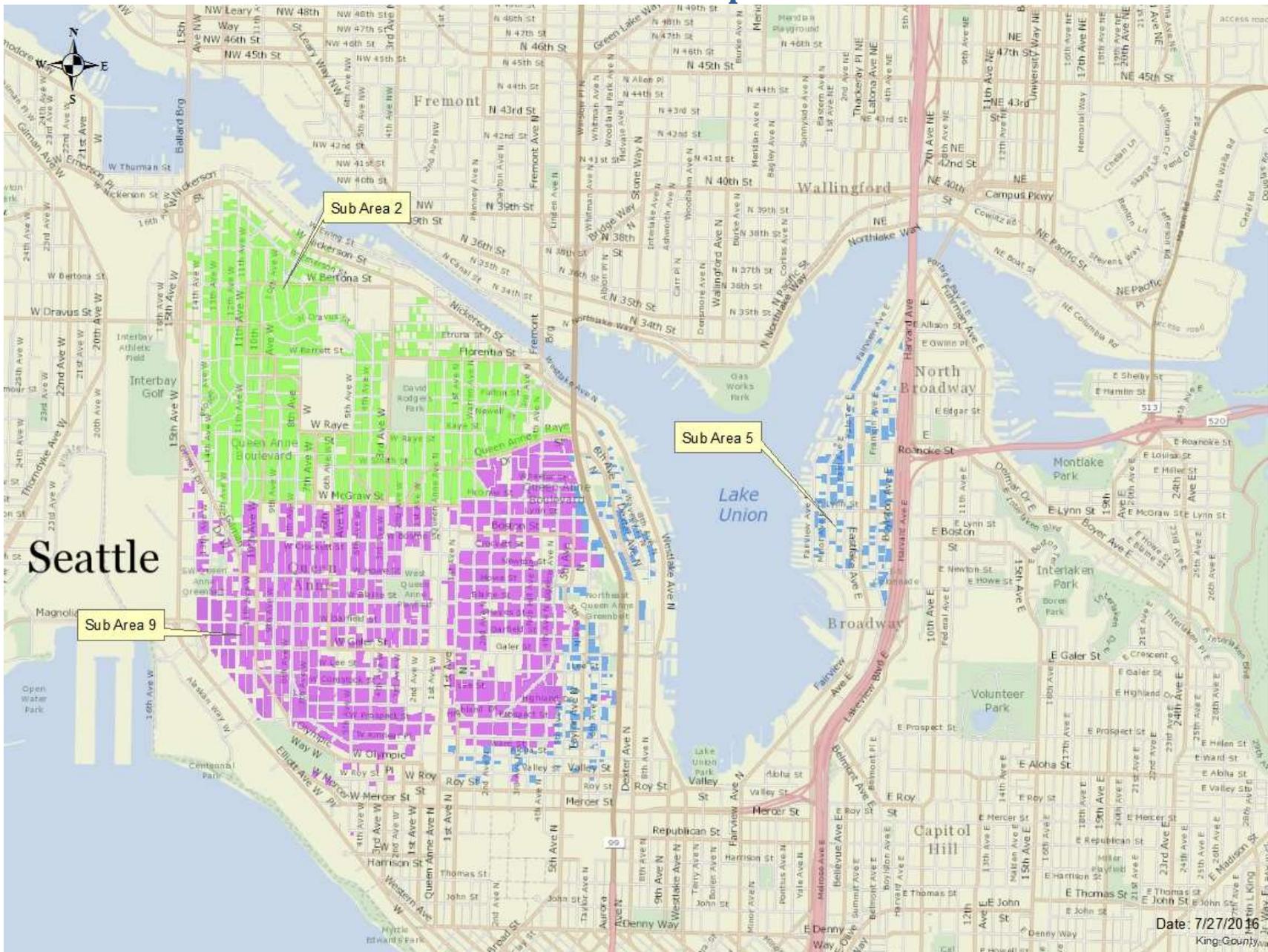
Fairness, accuracy and uniform assessments set the foundation for effective government. I am pleased to incorporate your input as we make continuous and ongoing improvements to best serve you. Our goal is to ensure every taxpayer is treated fairly and equitably.

Our office is here to serve you. Please don't hesitate to contact us if you should have questions, comments or concerns about the property assessment process and how it relates to your property.

In Service,

John Wilson
King County Assessor

Area 012 Map



All maps in this document are subject to the following disclaimer: The information included on this map has been compiled by King County staff from a variety of sources and is subject to change without notice. King County makes no representations or warranties, express or implied, as to accuracy, completeness, timeliness, or rights to the use of such information. King County shall not be liable for any general, special, indirect, incidental, or consequential damages including, but not limited to, lost revenues or lost profits resulting from the use or misuse of the information contained on this map. Any sale of this map or information on this map is prohibited except by written permission of King County. Scale unknown



Area 012 Housing Profile



Grade 5/Year Built 1909/TLA 540



Grade 6/Year Built 1909/TLA 1400



Grade 7/ Year Built 1919/ TLA 1090



Grade 8/Year Built 1915/TLA 2240



Grade 9/ Year Built 2014/ TLA 3660



Grade 10/ Year Built 2007/ TLA 3400

Area 012 Housing Profile... Continued



Grade 11/ Year Built 2008/ TLA 3960



Grade 12/ Year Built 2007/ TLA 5870



Grade 13/ Year Built 1926/ TLA 8460

Glossary for Improved Sales

Condition: Relative to Age and Grade

- 1= Poor Many repairs needed. Showing serious deterioration.
- 2= Fair Some repairs needed immediately. Much deferred maintenance.
- 3= Average Depending upon age of improvement; normal amount of upkeep for the age of the home.
- 4= Good Condition above the norm for the age of the home. Indicates extra attention and care has been taken to maintain.
- 5= Very Good Excellent maintenance and updating on home. Not a total renovation.

Residential Building Grades

- Grades 1 - 3 Falls short of minimum building standards. Normally cabin or inferior structure.
- Grade 4 Generally older low quality construction. Does not meet code.
- Grade 5 Lower construction costs and workmanship. Small, simple design.
- Grade 6 Lowest grade currently meeting building codes. Low quality materials, simple designs.
- Grade 7 Average grade of construction and design. Commonly seen in plats and older subdivisions.
- Grade 8 Just above average in construction and design. Usually better materials in both the exterior and interior finishes.
- Grade 9 Better architectural design, with extra exterior and interior design and quality.
- Grade 10 Homes of this quality generally have high quality features. Finish work is better, and more design quality is seen in the floor plans and larger square footage.
- Grade 11 Custom design and higher quality finish work, with added amenities of solid woods, bathroom fixtures and more luxurious options.
- Grade 12 Custom design and excellent builders. All materials are of the highest quality and all conveniences are present.
- Grade 13 Generally custom designed and built. Approaching the Mansion level. Large amount of highest quality cabinet work, wood trim and marble; large entries.

Executive Summary

Queen Anne - Area 012

Physical Inspection

Appraisal Date: 1/1/2016
Previous Physical Inspection: 2009
Number of Improved Sales: 905
Range of Sale Dates: 1/1/2013 – 12/31/2015 Sales were time adjusted to 1/1/2016

Sales - Improved Valuation Change Summary:						
	Land	Improvements	Total	Mean Sale Price	Ratio	COD
2015 Value	\$368,500	\$469,700	\$838,200			10.85%
2016 Value	\$436,100	\$492,100	\$928,200	\$1,017,700	92.4%	10.82%
\$ Change	+\$67,600	+\$22,400	+\$90,000			
% Change	+18.3%	+4.8%	+10.7%			

Coefficient of Dispersion (COD) is a measure of the uniformity of the predicted assessed values for properties within this geographic area. The 2016 COD of 10.82% is an improvement from the previous COD of 10.85%. The lower the COD, the more uniform are the predicted assessed values. Assessment standards prescribed by the International Association of Assessing Officers identify that the COD in rural or diverse neighborhoods should be no more than 20%. The resulting COD meets or exceeds the industry assessment standards. Sales from 1/1/2013 to 12/31/2015 (at a minimum) were considered in all analysis. Sales were time adjusted to 1/1/2016

Population - Improved Valuation Change Summary:			
	Land	Improvements	Total
2015 Value	\$439,700	\$405,800	\$845,500
2016 Value	\$536,600	\$392,100	\$928,700
\$ Change	+\$96,900	-\$13,700	+\$83,200
% Change	+22.0%	-3.4%	+9.8%

Number of one to three unit residences in the population: 6,260

Physical Inspection Area:

State law requires that each property be physically inspected at least once during a 6 year revaluation cycle. During the recent inspection of Area 012 – Queen Anne, appraisers were in the area, confirming data characteristics, developing new valuation models and selecting a new value for each property for the assessment year. For each of the subsequent years, the previous property values are statistically adjusted during each assessment period. Taxes are paid on total value, not on the separate amounts allocated to land and improvements.

The current physical inspection analysis for Area 012 indicated a substantial change was needed in the allocation of the land and improvement value as part of the total. During the down turn in the market that took place a few years ago, vacant land was in low demand and sales were few. Now there has been a resurgence of vacant land sales indicating a substantial increase in land value. Land is valued as though vacant and at its highest and best use. The improvement value is a residual remaining when land is subtracted from total value.

Sales Sample Representation of Population

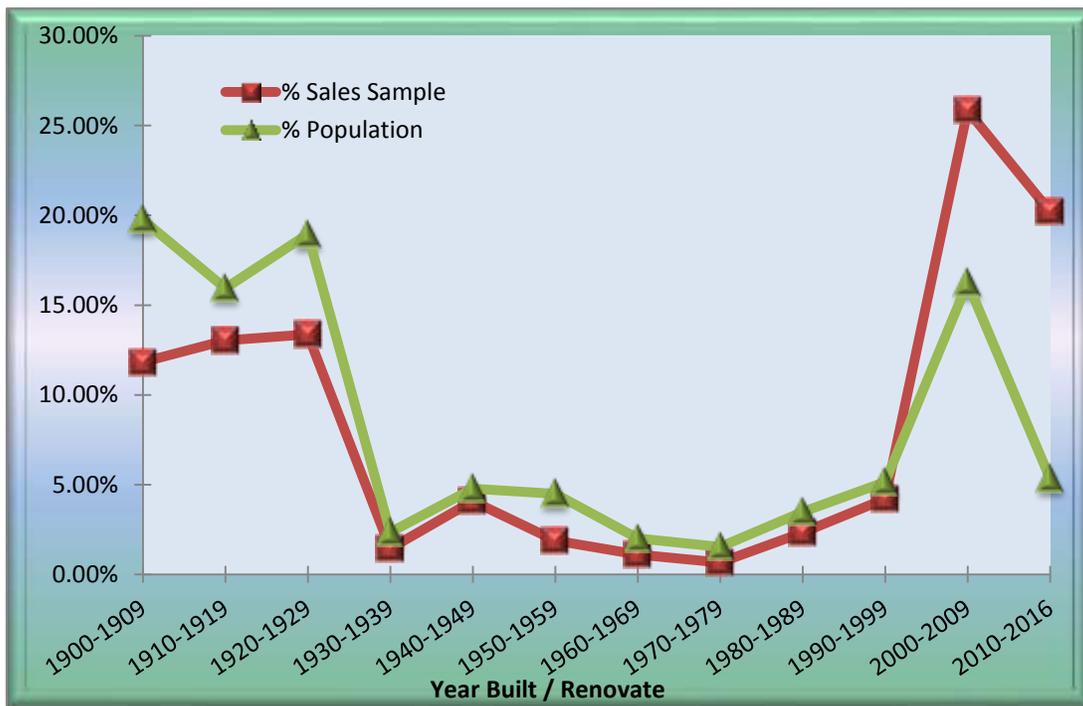
Year Built or Renovated

Sales

Year Built/Ren	Frequency	% Sales Sample
1900-1909	107	11.82%
1910-1919	118	13.04%
1920-1929	121	13.37%
1930-1939	13	1.44%
1940-1949	37	4.09%
1950-1959	17	1.88%
1960-1969	10	1.10%
1970-1979	6	0.66%
1980-1989	21	2.32%
1990-1999	38	4.20%
2000-2009	234	25.86%
2010-2016	183	20.22%
	905	

Population

Year Built/Ren	Frequency	% Population
1900-1909	1,237	19.76%
1910-1919	998	15.94%
1920-1929	1,186	18.95%
1930-1939	147	2.35%
1940-1949	299	4.78%
1950-1959	281	4.49%
1960-1969	125	2.00%
1970-1979	96	1.53%
1980-1989	218	3.48%
1990-1999	322	5.14%
2000-2009	1,017	16.25%
2010-2016	334	5.34%
	6,260	



Sales of new homes built over the last few years are over represented in this sample. This is a common occurrence due to the fact that most new homes will sell shortly after completion. Sales of older dwellings are underrepresented in this sample. Both were found to have statistical significance and the results are reflected in the model.

Sales Sample Representation of Population

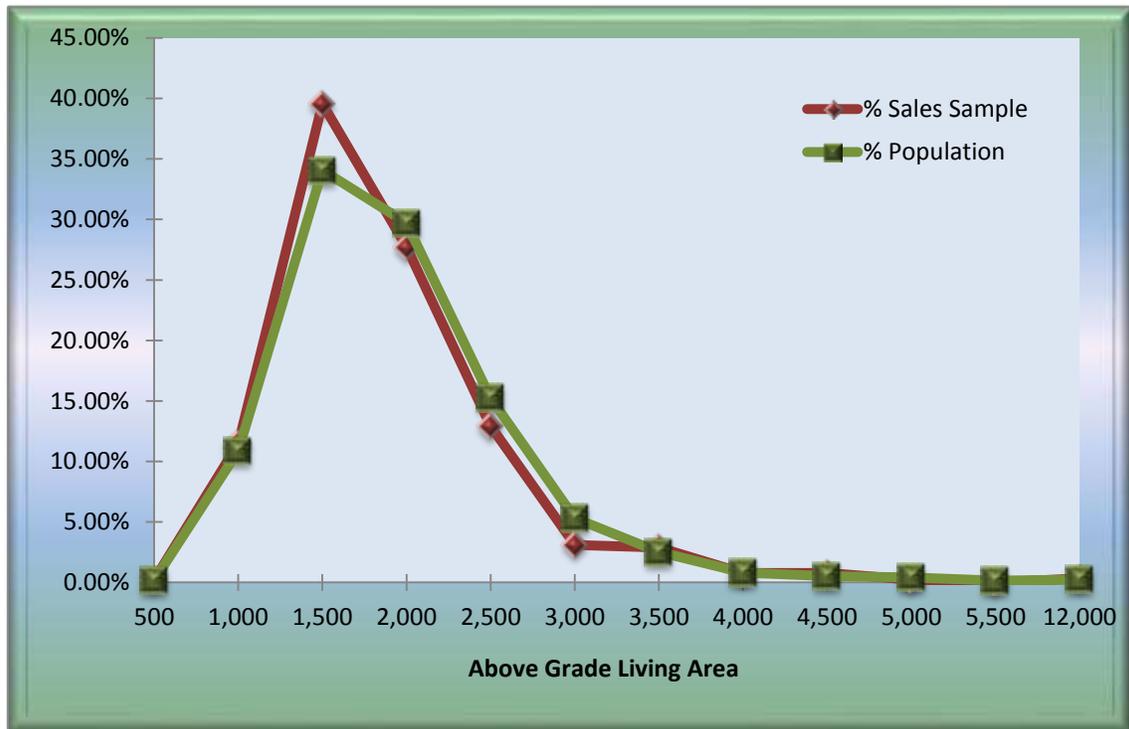
Above Grade Living Area

Sales

AGLA	Frequency	% Sales Sample
500	2	0.22%
1,000	104	11.49%
1,500	358	39.56%
2,000	251	27.73%
2,500	117	12.93%
3,000	28	3.09%
3,500	26	2.87%
4,000	7	0.77%
4,500	7	0.77%
5,000	2	0.22%
5,500	0	0.00%
12,000	3	0.33%
905		

Population

AGLA	Frequency	% Population
500	11	0.18%
1,000	681	10.88%
1,500	2,133	34.07%
2,000	1,859	29.70%
2,500	955	15.26%
3,000	332	5.30%
3,500	157	2.51%
4,000	50	0.80%
4,500	33	0.53%
5,000	25	0.40%
5,500	9	0.14%
12,000	15	0.24%
6,260		



The sales sample frequency distribution follows the population distribution very closely with regard to Above Grade Living Area (AGLA). This distribution is ideal for both accurate analysis and appraisals.

Sales Sample Representation of Population

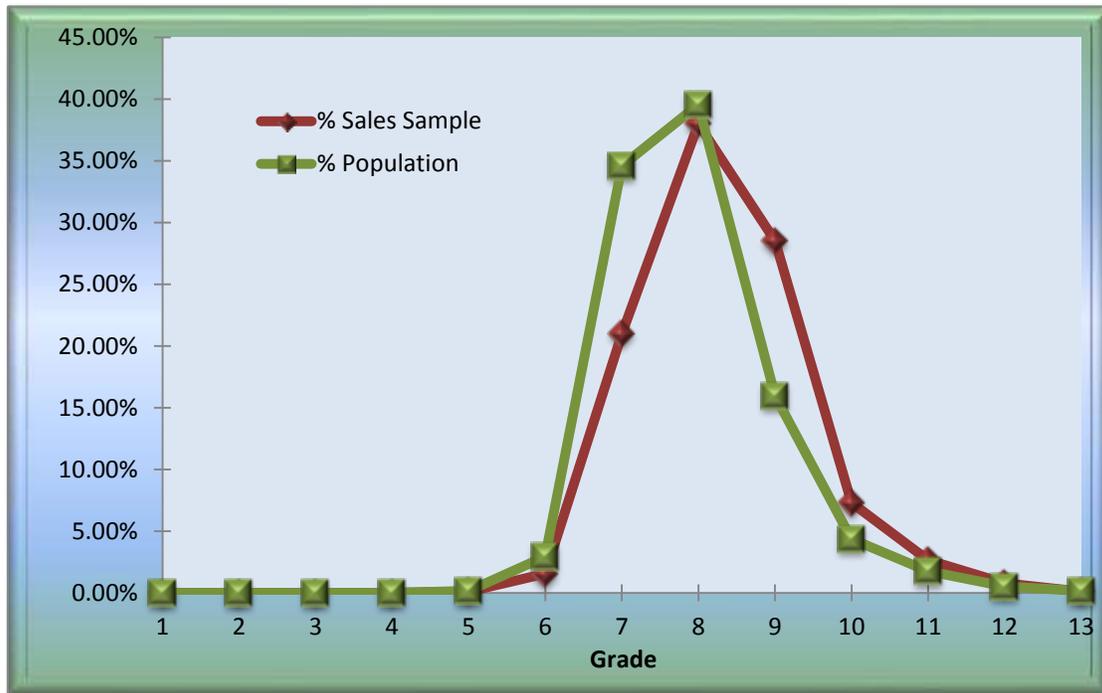
Building Grade

Sales

Grade	Frequency	% Sales Sample
1	0	0.00%
2	0	0.00%
3	0	0.00%
4	0	0.00%
5	1	0.11%
6	14	1.55%
7	190	20.99%
8	344	38.01%
9	258	28.51%
10	66	7.29%
11	24	2.65%
12	7	0.77%
13	1	0.11%
	905	

Population

Grade	Frequency	% Population
1	0	0.00%
2	0	0.00%
3	0	0.00%
4	0	0.00%
5	9	0.14%
6	184	2.94%
7	2,166	34.60%
8	2,477	39.57%
9	1,000	15.97%
10	273	4.36%
11	110	1.76%
12	32	0.51%
13	9	0.14%
	6,260	



The sales sample frequency distribution follows the population distribution fairly closely with regard to Building Grades. This distribution is adequate for both accurate analysis and appraisals.

Physical Inspection Process

Effective Date of Appraisal: January 1, 2016

Date of Appraisal Report: July 26, 2016

Appraisal Team Members and Participation

The valuation for this area was done by the following Appraisal Team. The degree of participation varied according to individual skill in relevant areas and depending on the time they joined the team.

- Karen Anderson – Appraiser II: Team lead, coordination, valuation model development and testing. Land and total valuation appraisals. Sales verification, physical inspection and report writing.
- David Ek – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.
- Brian Hurley – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.
- David McCroskey – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.
- Andrew Rose – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.

Sales Screening for Improved Parcel Analysis

In order to ensure that the Assessor's analysis of sales of improved properties best reflects the market value of the majority of the properties within an area, non-typical properties must be removed so a representative sales sample can be analyzed to determine the new valuation level. The following list illustrates examples of non-typical properties which are removed prior to the beginning of the analysis.

1. Vacant parcels
2. Mobile Home parcels
3. Multi-Parcel or Multi Building parcels
4. New construction where less than a 100% complete house was assessed for 2015
5. Existing residences where the data for 2015 is significantly different than the data for 2016 due to remodeling
6. Parcels with improvement values, but no characteristics
7. Parcels with either land or improvement values of \$10,000 or less posted for the 2015 Assessment Roll
8. Short sales, financial institution re-sales and foreclosure sales verified or appearing to be not at market

(Available sales and additional Area information can be viewed at [sales lists](#), [eSales](#) and [Localscape](#))

Highest and Best Use Analysis

As If Vacant: Market analysis of the area, together with current zoning and current and anticipated use patterns, indicate the highest and best use of the overwhelming majority of the appraised parcels is single family residential. Any other opinion of highest and best use is specifically noted in our records, and would form the basis for the valuation of that specific parcel.

As If Improved: Where any value for improvements is part of the total valuation, we are of the opinion that the present improvements produce a higher value for the property than if the site was vacant. In appraisal theory, the present use is therefore the highest and best (as improved) of the subject property, though it could be an interim use.

Physical Inspection Process ... Continued

Standards and Measurement of Data Accuracy

Sales were verified with the purchaser, seller or real estate agent where possible. Current data was verified via field inspection and corrected. Data was collected and coded per the assessor's residential procedures manual.

We maintain uniformity with respect to building characteristics such as year-built, quality, condition, living area, stories, and land characteristics such as location (sub-area and plat), lot size, views, and waterfront. Other variables that are unique to the specific areas are also investigated. This approach ensures that values are equitable for all properties with respect to all measurable characteristics, whether the houses are larger or smaller, higher or lower quality, remodeled or not, with or without views or waterfront, etc.

Special Assumptions and Limiting Conditions

The sales comparison and cost approaches to value were considered for this mass appraisal valuation. After the sales verification process, the appraiser concluded that the market participants typically do not consider an income approach to value. Therefore the income approach is not applicable in this appraisal as these properties are not typically leased, but rather owner occupied. The income approach to value was not considered in the valuation of this area.

The following Departmental guidelines were considered and adhered to:

- Sales from 1/1/2013 to 12/31/2015 (at minimum) were considered in all analyses.
- Sales were time adjusted to 1/1/2016.
- This report is intended to meet the requirements of the Uniform Standards of Professional Appraisal Practice Standard 6.

Area Information

Name or Designation

Area 012 - Queen Anne

Boundaries

Area 012 is bounded by Salmon Bay and the Ship Canal to the North, Interstate 5 to the East, Mercer Street to the South, and 15th Avenue West to the West.

Maps

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

Area Description

Area 012 / Queen Anne is located directly north of Seattle's Central Business District and was among the first areas developed in Seattle. The wide variety of housing stock on Queen Anne ranges from turn of the century mansions and more modest craftsman and bungalow style dwellings, to new modern single family dwellings and townhouse plats. The recent influx of job opportunities in the South Lake Union business district has been reflected in the high demand for housing on Queen Anne creating one of the strongest real estate markets in the region.

Area 012 is located on a hill which presents topography issues for many parcels but also affords excellent views of the surrounding City, Puget Sound, mountains, and Lake Union. Approximately 98% of the parcels in this area are improved and a majority of the remaining undeveloped land is impacted by topography, where the building of improvements may prove to be economically unfeasible. New construction typically follows a teardown of an existing improvement.

This area is fairly diverse with the housing being a mixture of single family residences, multi-family duplex and triplex residences, townhomes, and apartments. Approximately 70% of the homes were built prior to 1950, with the vast majority of homes being of grade 7 and grade 8 quality with lot size less than 5000 square feet. In recent years there has been a trend of developers purchasing homes on multifamily zoned lots and removing the older improvement in order to build new townhouses or other multi-unit housing. Townhouses account for 14% of the improved population and are typically grade 8 or 9. Most were built within the last 10 years.

Area 012 consists of three Sub Areas – Sub Areas 2, 5 and 9.

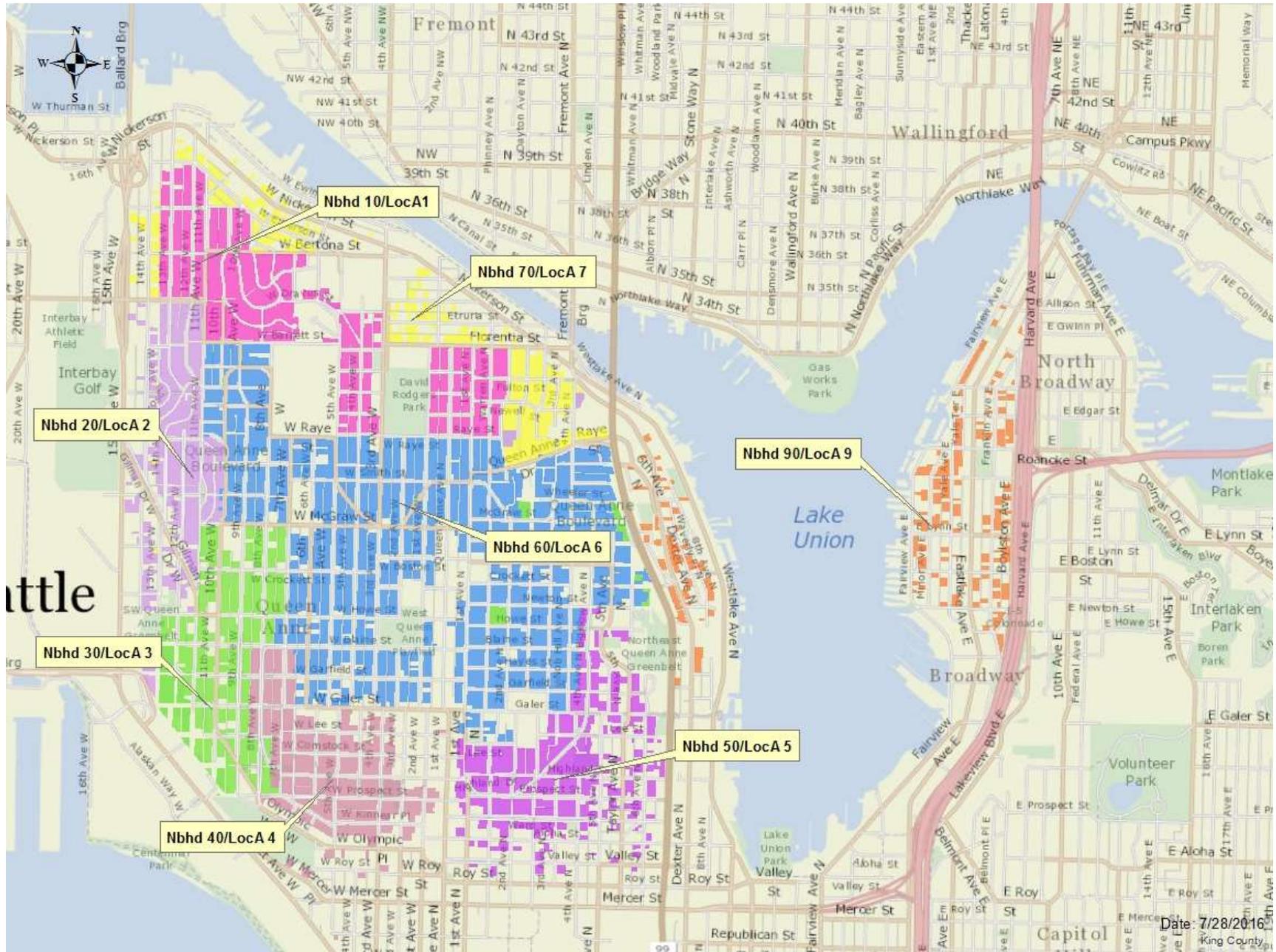
Sub Area 2 is located in the northern portion of Area 012. It has the most modest dwellings and views are less predominant in this area. This area is located farthest from downtown Seattle, but residents of this area have easy access to downtown Seattle via direct entrances to Highway 99, both north and south bound.

Area Information... Continued

Sub Area 5 is the smallest sub area and is located along the perimeter of south Lake Union and includes parcels directly west of Interstate 5 and also parcels along the lower portion of the south slope. All of the zoning in this sub area is greater than single family, with the exception of a small pocket. Many of the existing older housing stock has been torn down to make way for new townhouse dwellings. This trend toward redevelopment to higher density housing has had a significant impact on land values. This sub area is within close proximity to the south Lake Union business district where there are a number of large employers including Amazon, and numerous bio-tech companies. This has increased demand for housing which has been reflected in the market.

Sub Area 9 is the largest of the three sub areas and includes the majority of the top, flat portion of the hill as well as the area known as the “South Slope”. The top of the hill is desirable due to its walkability, and access to the Queen Anne business district shops and restaurants. The south slope, which is closest to the downtown Seattle business district, provides easy access to employers and many cultural and recreational opportunities around Seattle Center and downtown Seattle. Many of the properties on the South Slope have expansive views of downtown Seattle and/or Puget Sound, both of which have substantial impacts on land values. This area tends to have the highest grade homes, and the highest property values.

Neighborhood Map



Land Valuation

Vacant sales from 1/1/2013 to 12/31/2015 were given primary consideration for valuing land with emphasis placed on those sales closest to January 1, 2016

Area 012 contains 6,899 parcels of which less than 2% are vacant. Location, views, zoning, topography, lot size and traffic are primary influences to land values. There were a limited number of vacant parcel sales in Area 12 during the last three years. Available land sales were limited to 37 sales. Of these, 6 were true vacant sales, 5 single family zoned, and 1 non-single family zoned. The Sales Comparison approach was utilized to determine land value which was supplemented by the analysis of allocated land values from improved properties. Tear down sales were also analyzed as supporting evidence, as this is the primary source for new construction sites in the area. There were 31 teardown sales, 24 SF zoned and 7 non-Single Family zoned.

Area 012 has been identified to have eight neighborhoods. While these neighborhoods tend to be distinct, there is no clear boundary between them; rather gradual differences that increase with distance. These areas have been assigned neighborhood codes primarily as a means of identifying the different land values with the area. The attached neighborhood map indicates the identified neighborhoods with each titled, "Neighborhood/LocA". The term "LocA" refers to the left digit of the neighborhood code.

To allow a feathering of adjacent neighborhoods, neighborhood analysis in Area 12 was undertaken using Geostatistical Analysis. This analysis provided a model which reflects Area 12 improvements and the similarity of the improvements to each other. This GIS analysis has allowed a smoothing of adjacent neighborhoods and resulted in improvements which eliminated the need for additional location or "micro neighborhood" adjustments. Coding for this adjustment between the neighborhoods is indicated by the second digit of the neighborhood code, designated "Loc B" as indicated by the right digit of the indicated neighborhood code.

Neighborhood 10 (LocA 1) is generally located on the northerly edge of Area 12. This area is impacted by its proximity to commercial properties and high density residential properties. Approximately 66% of the parcels in this neighborhood are non-Single Family zoned. This neighborhood, is one of the farthest from the downtown Seattle business district, however, there is easy access to both Highway 99 as well as to the arterial, 15thAvenue West, both of which provide convenient access to downtown Seattle. Homes are typically Grade 7's and Grade 8's, with some Grade 9's also represented. Nearly all the available land has been built upon and therefore the trend is toward home improvements and renovation of existing structures, or tear downs to make way for new higher density construction.

Neighborhood 20 (LocA 2) is generally located on the westerly portion of Queen Anne Hill. Approximately 58% of the parcels are single family zoned. Homes in this neighborhood are typically Grade 7's and Grade 8's, with some Grade 9's also represented. More than half of the properties in this neighborhood have mountain and territorial views. Nearly all the available land has been built upon and therefore the trend is toward home improvements and renovation of existing structures, or tear downs to make way for new construction.

Land Valuation...Continued

Neighborhood 30 (LocA 3) is located generally in the southwest portion of Queen Anne, south of Neighborhood 60 and between neighborhoods 20 and 40. This area is comprised mostly of Grade 7's, Grade 8's and Grade 9's. Approximately 55% of the parcels are non-Single Family zoned, and approximately 44% have some view amenities. Sound views typically are closer and broader here than in neighborhood 20 therefore carrying more weight in determining value. Nearly all the available land has been built upon and therefore the trend is toward home improvements and renovation of existing structures, or tear downs to make way for new construction.

Neighborhood 40 (LocA 4) is generally the South slope of Queen Anne Hill and West of Queen Anne Avenue. This is considered the most desirable neighborhood with homes generally in the Grade 8 and 9's, together with a significant number of higher grades up to Grade 13's. There are a number of older mansions, and many of those homes were among the first built on Queen Anne Hill. This is a fairly homogenous neighborhood where 72% of the parcels are Single Family zoned. More than half of the homes in this neighborhood have views, most are Average to Excellent views of Downtown Seattle and Puget Sound.

Neighborhood 50 (LocA 5) is generally the South slope of Queen Anne Hill and East of Queen Anne Avenue. It also extends northward along the Eastern ridge of the hill. This is also considered a desirable neighborhood with homes generally in the Grade 8 and 9's, together with a significant number of higher grades up to Grade 13's. 56% of the parcels are non-Single Family zoned, and almost 60% of the homes in this neighborhood have Average to Excellent views of Downtown Seattle and Elliot Bay/Puget Sound or Lake Union.

Neighborhood 60 (LocA 6) is the largest neighborhood, and includes the majority of the top, flat portion of Queen Anne Hill; Homes are typically Grade 7's, Grade 8's, and Grade 9's, with some higher grades up to Grade 12's also represented. Less than 9% of the parcels have view amenities. Most of the parcels in this neighborhood are Single Family zoned. This is a desirable neighborhood due to its overall homogenous housing stock and its proximity and walkability to the Queen Anne business district shops and restaurants located along Queen Anne Avenue. All of the available land has been built upon and therefore the trend is toward home improvements and renovation of existing structures, or tear downs to make way for new construction.

Neighborhood 70 (LocA 7) is generally located directly south of neighborhood 10. This area is impacted by its proximity to commercial properties and high density residential properties. This neighborhood, is one of the farthest from the downtown Seattle business district, however, there is easy access to both Highway 99 as well as to the arterial, 15th Avenue West, both of which provide convenient access to downtown Seattle. Approximately 77% of parcels in this neighborhood are Single Family zoned. Homes in this neighborhood are typically Grade 7's and Grade 8's, though there are Grade 9's, with some higher grades up to Grade 11's represented. 42% of parcels have view amenities, which are mostly mountain and territorial views. Nearly all the available land has been built upon and therefore the trend is toward home improvements and renovation of existing structures, or tear downs to make way for new construction.

Land Valuation...Continued

Neighborhood 90 (LocA 9) is generally the portion of Area 12 which is on the south end of Lake Union. It is generally East of Highway 99 and West of I-5. There is no single family zoning in this neighborhood. Most of the dwellings are Grade 7's and 8's, with a number of Grade 9's up to grade 11's. 22% of the parcels have view amenities, mostly of Lake Union. This neighborhood is within close proximity, and has easy access to, the South Lake Union business district which includes Amazon, a number of bio-tech companies and other large employers, making it a desirable area in which to live. Almost all of the available land has been built upon, and there is a trend for developers to buy properties to tear down and redevelop into higher density townhouse dwellings.

Topography Adjustment

All parcels were coded for topography based upon GIS analysis of King County topography contours overlay and City of Seattle overlays. Parcels in which topography was coded were analyzed to determine if an adjustment was needed. Those parcels in which topography has a negative impact on values were adjusted from -10% to -90% (based on sales and appraiser judgment).

Topography issues can cause a reduction in values by either reducing the site's utility or by significantly increasing the costs to develop the parcel into a building site. Where development costs are deemed to be impacted the amount of this cost to cure is expressed as a percentage of base land value and is shown in the 'percent base land value' impact field (%BLV) of Real Property. For improved parcels falling into the latter situation the costs of development have been reflected in the improvement value. This adjustment considers that after an improvement has been placed on a parcel, the cost to cure for topography has been realized as additional building costs and is best reflected in the improved value. The amount of extra construction cost has been shifted from the land to the improvement.

In all cases, appraiser judgement was used in selecting the land value for each parcel.

Model Development, Description and Conclusions

37 vacant land sales from Area 012 were used to derive land value. Data on lot size, location, topography, access, utilities and views were considered while developing the land model. The Sales Comparison approach was utilized to determine land values and adjustments for land characteristics. Additional adjustments to all sites were applied for positive attributes such as views and negative adjustments for traffic nuisance and topography. These adjustments are based on analyzing matched vacant and improved sales combined with years of appraisal experience and knowledge of the area.

Land Table- Single Family Zoning

Land value was determined from available data of vacant and adjusted tear down sales together with adjustments for neighborhood influences. Neighborhood adjustments were determined by examining land sales and was supplemented by the analysis of allocated land values from improved properties. Adjustments for land characteristics such as views and traffic were made in a similar manner.

Actual lot square footage was rounded down to the next Land Schedule grouping. Thus, a 4,800 SF lot would go to the 4,000 SF level on the table. Parcels smaller than 1,000 SF and lots larger than the enclosed table were valued as appraiser selects.

Land Valuation...Continued

A typical 5,000 square foot, non-view, SF 5000 zoned lot has a value of \$497,000 to \$870,000 based on neighborhood.

Land Table – Non Single Family Zoning

A separate analysis was done for land other than Single Family zoning. Though typically townhome parcels, this analysis included LR1, LR2, LR3 and various commercial zoned properties where highest and best use, has been determined to be a residential use. This analysis resulted in a land table based upon lot square footage as well as the number of lots available from the site. Adjustments for Neighborhood, Views and Traffic considerations, etc. were done in the same manner as Single Family Zoned properties.

Actual lot square footage was rounded down to the next land schedule grouping. Thus, a 1,700 square foot, non-Single Family zoned lot would go to the 1,600 square foot level on the land table. Parcels outside the land table were valued as appraiser selects.

A typical 1,800 square foot, non-view, L1 zoned lot has a value of \$237,000 to \$316,000 based on neighborhood.

Land Value Model Calibration

Single Family Zoning		Non-SF Zoning		Single Family Zoned Neighborhood Adjustments	Base Land Value Adjustment
Lot Size (Sqft.)	Base Land Value	Lot Size (Sqft.)	Base Land Value		
1,000	\$173,000	1,000	\$147,000		
1,500	\$229,000	1,200	\$176,000		
2,000	\$285,000	1,400	\$205,000	10	80% of Base Land Value
2,500	\$341,000	1,600	\$235,000	20	90% of Base Land Value
3,000	\$398,000	1,800	\$264,000	30	100% of Base Land Value
3,500	\$454,000	2,000	\$294,000	40	140% of Base Land Value
4,000	\$510,000	2,400	\$352,000	50	120% of Base Land Value
4,500	\$566,000	2,800	\$411,000	60	100% of Base Land Value
5,000	\$622,000	3,000	\$441,000	70	85% of Base Land Value
6,000	\$735,000	3,200	\$470,000	90	80% of Base Land Value
7,000	\$847,000	3,600	\$529,000		
8,000	\$959,000	4,000	\$588,000		
9,000	\$1,072,000	4,800	\$705,000		
10,000	\$1,184,000	5,000	\$735,000		
11,000	\$1,222,000	5,600	\$823,000	10	90% of Base Land Value
12,000	\$1,278,000	6,400	\$940,000	20	90% of Base Land Value
13,000	\$1,332,000	7,200	\$1,058,000	30	120% of Base Land Value
14,000	\$1,381,000	8,000	\$1,176,000	40	120% of Base Land Value
15,000	\$1,428,000	8,800	\$1,293,000	50	110% of Base Land Value
16,000	\$1,472,000	9,600	\$1,411,000	60	100% of Base Land Value
17,000	\$1,513,000	10,400	\$1,528,000	70	100% of Base Land Value
18,000	\$1,553,000	11,200	\$1,646,000	90	120% of Base Land Value
19,000	\$1,590,000	12,000	\$1,764,000	Land values are not interpolated	
20,000	\$1,626,000	12,800	\$1,881,000		
21,000	\$1,660,000	13,600	\$1,999,000		
22,000	\$1,693,000	14,400	\$2,116,000		
23,000	\$1,725,000	15,200	\$2,234,000		
24,000	\$1,755,000	16,000	\$2,352,000		
25,000	\$1,783,000	16,800	\$2,469,000		
26,000	\$1,811,000	17,600	\$2,587,000		
27,000	\$1,839,000	18,400	\$2,704,000		
<p>The land schedule and adjustments were typically used to value land. First the base land value is calculated from the land schedule. Then the neighborhood adjustment is applied. Then the other negative and positive adjustments are added together for a net adjustment and applied to the neighborhood adjusted value.</p> <p>Negative and Positive adjustments apply to all base land values. However, in all cases appraiser judgement prevailed.</p>		<p>Small Lots and Lots with irregular size/shape: Appraiser judgement may override any land schedule value.</p> <p>Large Lots-Developable Parcels: Land value considers the number of potential building sites based on historical examples and discussions with builders and developers. As always, appraiser judgement applies and there may be exceptions to this methodology. These type of parcels are typically handled on an individual basis. Commercial zoned parcels with residential improvements were considered on a case by case basis and valued according to the highest and best use. Lots with townhouse plats were typically equalized to account for larger parcels being impacted by parking or access for small lots within the plat.</p>			

Land Value Model Calibration... Continued

Traffic Noise	
Moderate	-10%
High	-20%
Extreme	-30%
Other Problems	
Yes	-10%
Water Problems	
Yes	-10%
Critical Areas	
1	-10%
2	-20%
3	-30%
Restrictive Size/Shape	
Yes	-10%
Unbuildable	
Yes	-50%
Access	
Restricted	-30%
Legal/Undeveloped	-20%
Private	0%
Public	0%
Walk in	-20%
Other Nuisances	
Yes	-10%
Topography	
Moderate to Extreme (Code 1 through 9)	Negative 10% through negative 90%

Seattle Skyline	
Average	20%
Good	40%
Excellent	60%

Puget Sound View	
Fair	10%
Average	20%
Good	40%
Excellent	60%

Small Lake River/Lake Union	
Fair	5%
Average	10%
Good	20%
Excellent	40%

Territorial View	
Average	5%
Good	10%
Excellent	15%

Mountain View	
Average	10%
Good	15%
Excellent	20%

Mt. Rainier View	
Average	10%
Good	15%
Excellent	20%

Adjustments:
It should be noted that, except for Seattle Skyline and water views which are additive, only the highest view adjustment will be applied to a parcel. If a parcel has an Average Territorial view (5%), and Good Olympic Mountain views (15%), only the highest adjustment (15%) will be applied. If a parcel has both Good Seattle Skyline (40%) and Average Puget Sound views (20%), the adjustments would be added together for a total adjustment of 60%.

Negative Adjustments: Are cumulative.
If a parcel has high traffic noise (-20%) and topography code 3 (-30%), the base land value of the parcel receives a 50% downward adjustment.

Land Value Calculation Example 1:	Land Value Calculation Example 2:
Neighborhood: 60 Zoning: SF 5000	Neighborhood: 50 Zoning SF 5000
Traffic Noise: High	Traffic Noise: Moderate
Lot Size: 7,500	Lot Size: 4,200
View: Good Territorial	View: Excellent Seattle Skyline/Good Puget Sound
Base Land Value per Land Schedule: \$847,000	Base Land Value per Land Schedule: \$510,000
Neighborhood Adjustment: *1.00	Neighborhood Adjustment: *1.20
Base Land with Nghb Adjustment Applied: \$847,000	Base Land with Nghb Adjustment Applied: \$612,000
Traffic Adjustment: -20%	Traffic Adjustment: -10%
View Adjustment: +10%	View Adjustment: +200%
Total Adjustment: -10%	Total Adjustment: +190%
Total Land Val \$762,000	Total Land \$1,162,000

Improved Parcel Valuation

Improved Parcel 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 were verified if possible by calling either the purchaser or seller, inquiring in the field or calling the real estate agent. Characteristic data is verified for all sales if possible. Due to time constraints, interior inspections were limited. Available sales and additional Area information can be viewed on the Assessor's website with [sales lists](#), [eSales](#) and [Localscape](#). Additional information may reside in the Assessor's Real Property Database, Assessor's procedures, Assessor's "field" maps, Revalue Plan, separate studies, and statutes.

The Assessor maintains a cost model, which is specified by the physical characteristics of the improvement, such as first floor area, second floor area, total basement area, and number of bathrooms. The cost for each component is further calibrated to the 13 grades to account for quality of construction. Reconstruction Cost New (RCN) is calculated from adding up the cost of each component. Depreciation is then applied by means of a percent good table which is based on year built, grade, and condition, resulting in Reconstruction Cost New less Depreciation (RCNLD). The appraiser can make further adjustments for obsolescence (poor floor plan, design deficiencies, external nuisances etc.) if needed. The Assessor's cost model generates RCN and RCNLD for principal improvements and accessories such as detached garages and pools.

The Assessor's cost model was developed by the King County Department of Assessments in the early 1970's. It was recalibrated in 1990 to roughly approximate Marshall & Swift's square foot cost tables, and is indexed annually to keep up with current costs.

Model Development, Description and Conclusions:

Most sales were field verified and characteristics updated prior to model development. Sales were time adjusted to 1/1/2016.

The analysis of this area consisted of a systematic review of applicable characteristics which influence property values. In addition to standard physical property characteristics, characteristics that indicated possible significance in the market place were determined to be land, age, grade, condition, building cost above grade living area, views, number of living units, and LocB/Gis Surface Value. The many charts, graphs, statistical reports and diagnostic tools available were used to determine which specific variables would be used in the valuation model. Through this process an EMV valuation model was derived for the whole area. The analysis showed the following variables needed to be included in the valuation model.

- Base Land
- Building and Accessory Replacement Cost New Less Depreciation
- GIS Surface Value (LocB)
- Grade > 9 Present Use <>Townhouse
- Traffic > Moderate
- Lake Union Views
- Grade <9 Neighborhood 10
- Grade <9 Neighborhood 20
- Grade <9 Neighborhood 30
- Grade <9 Neighborhood 70
- Living Units > 1

Improved Parcel Valuation... Continued

New House Year Built >2010
Neighborhood 60 Above Grade Living Area >2500
Neighborhood 90 Present Use = Townhouse Grade > 9
Age > 91
Puget Sound View > Fair
Seattle Skyline = Good or Excellent
Above Grade Living Area < 1001
Present Use = Townhouse Neighborhood <> 40

There was a lack of sales of parcels in poor and fair condition, high building grades, and parcels with multiple improvements. The lack of sales made it impossible to develop specification with the model for these strata. Supplemental models such as cost or market adjusted cost were developed to address parcels outside the parameters of the main valuation formula. Any additional adjustments not covered in supplemental models and exceptions are noted in the notes field of that particular parcel.

Improved Parcel Total Value Model Calibration

Variable	Definition
Sale Day	Time Adjustment
BaseLandC	2016 Adjusted Base Land Value
Total RcnldC	Building and Accessory Cost New Less Depreciation
GISSurfaceC	LocB, GIS Surface Value
HiGradeNoTHYN	Building Grade > 9 No Townhouse
HvyTrafYN	Traffic > Moderate
Lake UnionYN	Lake Union View
LowGradeNghb10YN	Building Grade < 9 Neighborhood 10
LowGradeNghb20YN	Building Grade < 9 Neighborhood 20
LowGradeNghb30YN	Building Grade < 9 Neighborhood 30
LowGradeNghb70YN	Building Grade < 9 Neighborhood 70
MultiUnitYN	Living Units > 1
New HouseYN	Year Built/Year Renovate > 2010
Nghb60AGLA>2500YN	Neighborhood 60 Above Grade Living Area > 2500 square feet
Nghb90HiGradeTHYN	Neighborhood 90 Building Grade > 9 Townhouse
OldAgeYN	Age > 91
PugSnd>FairYN	Puget Sound View > Fair
SeaSkyGdExclntYN	Seattle Skyline View = Good or Excellent
SmallAGLAYN	Above Grade Living Area < 1001 square feet
THNoNghb40YN	Townhouse Neighborhood <= 40
YrBuiltBefore1911YN	Year Built < 1911

Multiplicative Model

$(1-0.075) * 2.19482714147111 + 0.179538747290264 * \text{BaseLandC} + 0.740005320594162 * \text{GisSurfaceC} + 0.0820363329068634 * \text{HiGradeNoTHYN} - 0.0250943082440439 * \text{HvyTrafYN} + 0.0396442082402366 * \text{LakeUnionYN} - 0.038740332938362 * \text{LowGradeNghb10YN} - 0.0456285479390763 * \text{LowGradeNghb20YN} - 0.0413873298115382 * \text{LowGradeNghb30YN} - 0.0250408192652702 * \text{LowGradeNghb70YN} - 0.0222012891532013 * \text{MultiUnitYN} + 0.0118221467718294 * \text{NewHouseYN} + 0.0665489985252168 * \text{Nghb60AGLA_2500YN} + 0.0647375542313347 * \text{Nghb90HiGradeTHYN} + 0.0987634252277131 * \text{OldAgeYN} + 0.0483447034150594 * \text{PugSnd_FairYN} + 0.0554506119208632 * \text{Sea_SkyGdExclntYN} - 0.0336869285322366 * \text{SmallAglayN} - 0.0535338904219706 * \text{THNoNghb40YN} + 0.358756583682497 * \text{TotalRcnldC} + 0.0381910647376005 * \text{YrBuiltBefor1911YN}$

Improved Parcel Total Value Model Calibration...

Continued

EMV values were not generated for:

- Buildings with grade less than 4
- Building two or greater. (EMV is generated for building one only.)
- If total EMV is less than base land value
- Lot size less than 100 square feet
- If Obsolescence is greater than 0.
- If Net Condition is greater than 0.
- If LocA equals 0.
- If LocB equals 0.

Of the improved parcels in the population, 4,829 parcels increased in value. They were comprised of 41 single family residences on commercially zoned land and 4,788 single family residences or other parcels.

Of the vacant land parcels greater than \$1000, 55 parcels increased in value. Tax exempt parcels were excluded from the number of parcels increased.

Supplemental Models and Exceptions

Building Grade 12: EMV * 1.1

Building Grade 13: EMV * 1.5

Neighborhood 70 Townhouse greater than or equal to grade 9: EMV * .95.

Accessory Only: New Land + RCNLD, or New Land + Value in Use. Appraiser judgement prevailed, and a note explaining the valuation method was left in Real Property.

Poor Condition: New Land + RCNLD, or New Land + Value in Use. Appraiser judgement prevailed, and a note explaining the valuation method was left in Real Property.

Multiple Improvements: EMV for Imp 1 + RCNLD for each additional Improvement, or Value in Use. Appraiser judgement prevailed, and a note explaining the valuation method was left in Real Property.

EMV Less than New Base Land: New Land + Building RCNLD, or New Land + Value in Use. Appraiser judgement prevailed, and a note explaining the valuation method was left in Real Property.

Area 012 Market Value Changes Over Time

In a changing market, recognition of a sales trend to adjust a population of sold properties to a common date is required to allow for value differences over time between a range of sales dates and the assessment date. The following chart shows the % time adjustment required for sales to reflect the indicated market value as of the assessment date, **January 1, 2016**.

For example, a sale of \$475,000 which occurred on October 1, 2014 would be adjusted by the time trend factor of 1.137, resulting in an adjusted value of \$540,000 ($\$475,000 * 1.137 = \$540,075$) – truncated to the nearest \$1000.

SaleDate	Adjustment (Factor)	Equivalent Percent
1/1/2013	1.360	36.0%
2/1/2013	1.348	34.8%
3/1/2013	1.338	33.8%
4/1/2013	1.326	32.6%
5/1/2013	1.315	31.5%
6/1/2013	1.303	30.3%
7/1/2013	1.293	29.3%
8/1/2013	1.281	28.1%
9/1/2013	1.270	27.0%
10/1/2013	1.260	26.0%
11/1/2013	1.249	24.9%
12/1/2013	1.238	23.8%
1/1/2014	1.227	22.7%
2/1/2014	1.217	21.7%
3/1/2014	1.207	20.7%
4/1/2014	1.197	19.7%
5/1/2014	1.187	18.7%
6/1/2014	1.177	17.7%
7/1/2014	1.167	16.7%
8/1/2014	1.157	15.7%
9/1/2014	1.147	14.7%
10/1/2014	1.137	13.7%
11/1/2014	1.127	12.7%
12/1/2014	1.118	11.8%
1/1/2015	1.108	10.8%
2/1/2015	1.098	9.8%
3/1/2015	1.090	9.0%
4/1/2015	1.080	8.0%
5/1/2015	1.071	7.1%
6/1/2015	1.062	6.2%
7/1/2015	1.053	5.3%
8/1/2015	1.044	4.4%
9/1/2015	1.035	3.5%
10/1/2015	1.026	2.6%
11/1/2015	1.017	1.7%
12/1/2015	1.009	0.9%
1/1/2016	1.000	0.0%

Area 012 Market Value Changes Over Time

The time adjustment formula for Area 012 is: $1/\text{EXP}(0.000280758920486649 * \text{SaleDay})$

$\text{SaleDay} = \text{SaleDate} - 42370$

Results

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

The assessment level target for all areas in King County, including this area, is 92.5. The actual assessment level for this area is 92.4% . The standard statistical measures of valuation performance are all within the IAAO recommended range of .90 to 1.10.

Application of these recommended values for the 2016 assessment year (taxes payable in 2017) results in an average total change from the 2015 assessments of +9.8%. This increase is due partly to market changes over time and the previous assessment levels.

A Ratio Study was completed just prior to the application of the 2016 recommended values. This study benchmarks the prior assessment level using 2015 posted values (1/1/2015) compared to current adjusted sale prices (1/1/2016). The study was also repeated after the application of the 2016 recommended values. The results show an improvement in the COD from 10.85% to 10.82%.

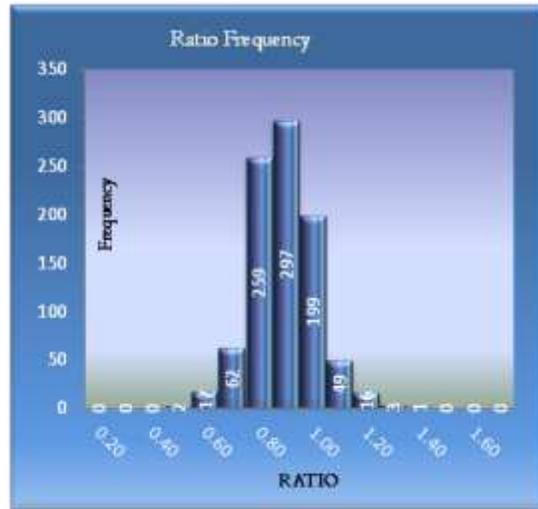
The Appraisal Team recommends application of the Appraiser selected values, as indicated by the appropriate model or method.

Note: More details and information regarding aspects of the valuations and the report are retained in the working files kept in the appropriate district office.

Physical Inspection Ratio Study Report (Before) - 2015 Assessments

District: WC / Team: 1	Appr. Date: 1/1/2015	Date of Report: 7/26/2016	Sales Dates: 1/2013 - 12/2015
Area Name: Queen Anne	Appr ID: KAND	Property Type: 1 to 3 Unit	Adjusted for Yes
Area Number: 12			

SAMPLE STATISTICS	
Sample size (n)	905
Mean Assessed Value	838,200
Mean Adj. Sales Price	1,017,700
Standard Deviation AV	438,117
Standard Deviation SP	592,225
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.843
Median Ratio	0.840
Weighted Mean Ratio	0.824
UNIFORMITY	
Lowest ratio	0.440
Highest ratio:	1.371
Coefficient of Dispersion	10.85%
Standard Deviation	0.116
Coefficient of Variation	13.78%
Price Related Differential (PRD)	1.024
RELIABILITY	
95% Confidence: Median	
Lower limit	0.829
Upper limit	0.850
95% Confidence: Mean	
Lower limit	0.836
Upper limit	0.851
SAMPLE SIZE EVALUATION	
N (population size)	6260
B (acceptable error - in decimal)	0.05
S (estimated from this sample)	0.116
Recommended minimum:	22
Actual sample size:	905
Conclusion:	OK
NORMALITY	
Binomial Test	
# ratios below mean:	458
# ratios above mean:	447
z:	0.366
Conclusion:	Normal*
*i.e. no evidence of non-	



COMMENTS:

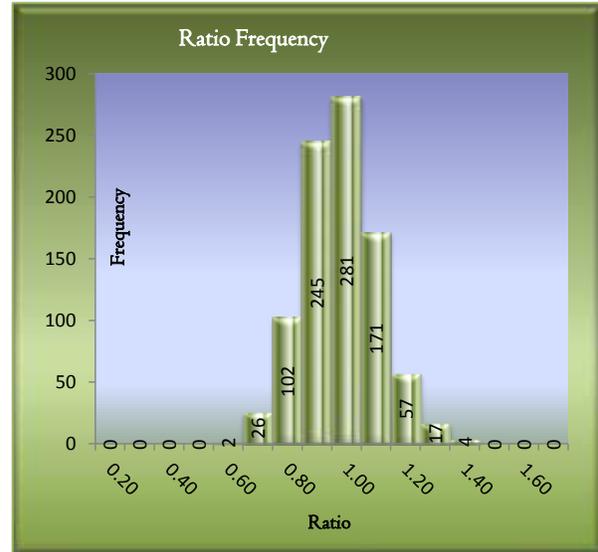
1 to 3 Unit Residences throughout Area 012

Sales Prices are adjusted for time to the Assessment Date of 1/1/2016

Physical Inspection Ratio Study Report (After) - 2016 Assessments

District: WC / Team: 1	Appr. Date:	Date of Report:	Sales Dates:
Area Name: Queen Anne	1/1/2016	7/26/2016	1/2013 - 12/2015
	Appr. ID:	Property Type:	Adjusted for
Area Number: 12	KAND	1 to 3 Unit	Yes

SAMPLE STATISTICS	
Sample size (n)	905
Mean Assessed Value	928,200
Mean Sales Price	1,017,700
Standard Deviation AV	500,633
Standard Deviation SP	592,225
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.930
Median Ratio	0.924
Weighted Mean Ratio	0.912
UNIFORMITY	
Lowest ratio	0.572
Highest ratio:	1.377
Coefficient of Dispersion	10.82%
Standard Deviation	0.126
Coefficient of Variation	13.58%
Price Related Differential	1.020
RELIABILITY	
95% Confidence: Median	
Lower limit	0.916
Upper limit	0.936
95% Confidence: Mean	
Lower limit	0.922
Upper limit	0.939
SAMPLE SIZE EVALUATION	
N (population size)	6260
B (acceptable error - in	0.05
S (estimated from this sample)	0.126
Recommended minimum:	26
Actual sample size:	905
Conclusion:	OK
NORMALITY	
Binomial Test	
# ratios below mean:	467
# ratios above mean:	438
z:	0.964
Conclusion:	Normal*
<small>*i.e. no evidence of non-normality</small>	



COMMENTS:

1 to 3 Unit Residences throughout Area 012

Sales Prices are adjusted for time to the Assessment Date of 1/1/2016.

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, Assessor's Real Property Data Base, separate studies, Assessor's Procedures, Assessor's field maps, Revalue Plan and the statutes.

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

Definition and date of value estimate:

Market Value

The basis of all assessments is the true and fair value of property. True and fair value means market value (Spokane etc. R. Company v. Spokane County, 75 Wash. 72 (1913); Mason County Overtaxed, Inc. v. Mason County, 62 Wn. 2d (1963); AGO 57-58, No. 2, 1/8/57; AGO 65-66, No. 65, 12/31/65).

The true and fair value of a property in money for property tax valuation purposes is its "market value" or amount of money a buyer willing but not obligated to buy would pay for it to a seller willing but not obligated to sell. In arriving at a determination of such value, the assessing officer can consider only those factors which can within reason be said to affect the price in negotiations between a willing purchaser and a willing seller, and he must consider all of such factors. (AGO 65,66, No. 65, 12/31/65)

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

Highest and Best Use

RCW 84.40.030

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

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

USPAP Compliance...Continued

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. (Samish 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. (Samish 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.

USPAP Compliance...Continued

Property Rights Appraised: Fee Simple

Wash Constitution Article 7 § 1 Taxation:

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

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

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

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

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

The Dictionary of Real Estate Appraisal, 3rd Addition, Appraisal Institute.

Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

Assumptions and Limiting Conditions:

1. No opinion as to title is rendered. Data on ownership and legal description were obtained from public records. Title is assumed to be marketable and free and clear of all liens and encumbrances, easements and restrictions unless shown on maps or property record files. The property is appraised assuming it to be under responsible ownership and competent management and available for its highest and best use.
2. No engineering survey has been made by the appraiser. Except as specifically stated, data relative to size and area were taken from sources considered reliable, and no encroachment of real property improvements is assumed to exist.
3. No responsibility for hidden defects or conformity to specific governmental requirements, such as fire, building and safety, earthquake, or occupancy codes, can be assumed without provision of specific professional or governmental inspections.
4. Rental areas herein discussed have been calculated in accord with generally accepted industry standards.
5. The projections included in this report are utilized to assist in the valuation process and are based on current market conditions and anticipated short term supply demand factors. Therefore, the projections are subject to changes in future conditions that cannot be accurately predicted by the appraiser and could affect the future income or value projections.
6. The property is assumed uncontaminated unless the owner comes forward to the Assessor and provides other information.
7. The appraiser is not qualified to detect the existence of potentially hazardous material which may or may not be present on or near the property. The existence of such substances may have an effect on the value of the property. No consideration has been given in this analysis to any potential diminution in value should such hazardous materials be found (unless specifically noted). We urge the taxpayer to retain an expert in the field and submit data affecting value to the assessor.

USPAP Compliance...Continued

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 are 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.

USPAP Compliance...Continued

- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The area(s) physically inspected for purposes of this revaluation are outlined in the body of this report.
- The individuals listed below were part of the “appraisal team” and provided significant real property appraisal assistance to the person signing this certification. Any services regarding the subject area performed by the appraiser within the prior three years, as an appraiser or in any other capacity is listed adjacent their name.
- To the best of my knowledge the following services were performed by the appraisal team within the subject area in the last three years:
 - David Ek
 - Data Collection
 - Sales Verification
 - Appeals Response Preparation / Review
 - Appeal Hearing Attendance
 - Physical Inspection Model Development and Report Preparation
 - Land and Total Valuation
 - New Construction Evaluation
 - Brian Hurley
 - Data Collection
 - Sales Verification
 - Appeals Response Preparation / Review
 - Appeal Hearing Attendance
 - Physical Inspection Model Development and Report Preparation
 - Land and Total Valuation
 - New Construction Evaluation
 - David McCroskey
 - Data Collection
 - Sales Verification
 - Appeals Response Preparation / Review
 - Appeal Hearing Attendance
 - Physical Inspection Model Development and Report Preparation
 - Land and Total Valuation
 - New Construction Evaluation
 - Andrew Rose
 - Data Collection
 - Sales Verification
 - Appeals Response Preparation / Review
 - Appeal Hearing Attendance
 - Physical Inspection Model Development and Report Preparation
 - Land and Total Valuation
 - New Construction Evaluation
- Any services regarding the subject area performed by me within the prior three years, as an appraiser or in any other capacity is listed adjacent to my name.

USPAP Compliance...Continued

- To the best of my knowledge the following services were performed by me within the subject area in the last three years:
 - Karen Anderson
 - Data Collection
 - Sales Verification
 - Appeals Response Preparation / Review
 - Appeal Hearing Attendance
 - Physical Inspection Model Development and Report Preparation
 - Land and Total Valuation
 - New Construction Evaluation

Karen Anderson

7/26/2016

Appraiser II

Date



King County

Department of Assessments

King County Administration Bldg.
500 Fourth Avenue, ADM-AS-0708
Seattle, WA 98104-2384
(206) 296-7300 FAX (206) 296-0595
Email: assessor.info@kingcounty.gov

John Wilson
Assessor

As we start preparations for the 2016 property assessments, it is helpful to remember that the mission and work of the Assessor's Office sets the foundation for efficient and effective government and is vital to ensure adequate funding for services in our communities. Maintaining the public's confidence in our property tax system requires that we build on a track record of fairness, equity, and uniformity in property assessments. Though we face ongoing economic challenges, I challenge each of us to seek out strategies for continuous improvement in our business processes.

Please follow these standards as you perform your tasks.

- Use all appropriate mass appraisal techniques as stated in Washington State Laws, Washington State Administrative Codes, Uniform Standards of Professional Appraisal Practice (USPAP), and accepted International Association of Assessing Officers (IAAO) standards and practices.
- Work with your supervisor on the development of the annual valuation plan and develop the scope of work for your portion of appraisal work assigned, including physical inspections and statistical updates of properties;
- Where applicable, validate correctness of physical characteristics and sales of all vacant and improved properties.
- Appraise land as if vacant and available for development to its highest and best use. The improvements are to be valued at their contribution to the total in compliance with applicable laws, codes and DOR guidelines. The Jurisdictional Exception is applied in cases where Federal, State or local laws or regulations preclude compliance with USPAP;
- Develop and validate valuation models as delineated by IAAO standards: Standard on Mass Appraisal of Real Property and Standard on Ratio Studies. Apply models uniformly to sold and unsold properties, so that ratio statistics can be accurately inferred to the entire population.
- Time adjust sales to January 1, 2016 in conformance with generally accepted appraisal practices.
- Prepare written reports in compliance with USPAP Standard 6 for Mass Appraisals. The intended users of your appraisals and the written reports include the public, Assessor, the Boards of Equalization and Tax Appeals, and potentially other governmental jurisdictions. The intended use of the appraisals and the written reports is the administration of ad valorem property taxation.

Thank you for your continued hard work on behalf of our office and the taxpayers of King County. Your dedication to accurate and fair assessments is why our office is one of the best in the nation.

John Wilson
King County Assessor