

Seward Park / Mt. Baker

Area: 081

Residential Revalue for 2017 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

OFFICE (206) 296-7300 FAX (206) 296-0595

Email: assessor.info@kingcounty.gov

<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



How Property Is Valued

King County along with Washington's 38 other counties use mass appraisal techniques to value all real property each year for property assessment purposes.

What Are Mass Appraisal Techniques?

In King County the Mass Appraisal process incorporates statistical testing, generally accepted valuation methods, and a set of property characteristics for approximately 700,000 residential, commercial and industrial properties. More specifically for residential property, we break up King County into 86 residential market areas and annually develop market models from the sale properties using multiple regression statistical tools. The results of the market models are then applied to all similarly situated homes within the same appraisal area.

Are Properties Inspected?

All property in King County is physically inspected at least once during each six year cycle. Each year our appraisers inspect a different geographic area. An inspection is frequently an external observation of the property to confirm whether the property has changed by adding new improvements or shows signs of deterioration more than normal for the property's age. From the property inspections we update our property assessment records for each property. In cases where an appraiser has a question, they will approach the residence front door to make contact with the property owner or leave a card requesting the taxpayer contact them.

RCW 84.40.025 - Access to property

For the purpose of assessment and valuation of all taxable property in each county, any real or personal property in each county shall be subject to visitation, investigation, examination, discovery, and listing at any reasonable time by the county assessor of the county or by any employee thereof designated for this purpose by the assessor.

In any case of refusal to such access, the assessor shall request assistance from the department of revenue which may invoke the power granted by chapter [84.08](#) RCW.

How are Property Sales Used?

For the annual revaluation of residential properties, three years of sales are analyzed with the sales prices time adjusted to January 1 of the current assessment year. Sales prices are adjusted for time to reflect that market prices change over time. During an increasing market, older sales prices often understate the current market value. Conversely, during downward (or recessionary) markets, older sales prices may overstate a property's value on January 1 of the assessment year unless sales are time adjusted. Hence time adjustments are an important element in the valuation process.

How is Assessment Uniformity Achieved?

We have adopted the Property Assessment Standards prescribed by the International Association of Assessing Officers that may be reviewed at www.IAAO.org. As part of our valuation process statistical testing is performed by reviewing the uniformity of assessments within each specific market area, property type, and quality grade or residence age. More specifically Coefficients of Dispersion (aka COD) are developed that show the uniformity of predicted property assessments. We have set our target CODs using the standards set by IAAO which are summarized in the following table:



Type of property—General	Type of property—Specific	COD Range**
Single-family residential (including residential condominiums)	Newer or more homogeneous areas	5.0 to 10.0
Single-family residential	Older or more heterogeneous areas	5.0 to 15.0
Other residential	Rural, seasonal, recreational, manufactured housing, 2–4 unit family housing	5.0 to 20.0
Income-producing properties	Larger areas represented by large samples	5.0 to 15.0
Income-producing properties	Smaller areas represented by smaller samples	5.0 to 20.0
Vacant land		5.0 to 25.0
Other real and personal property		Varies with local conditions

Source: IAAO, *Standard on Ratio Studies*, Table 1-3

More results of the statistical testing process is found within the attached area report.

Requirements of State Law

Washington property is required to be revalued each year to market value based on its highest and best use. (RCW 84.41.030; 84.40.030; and WAC 458-07-030). Washington Courts have interpreted fair market value as the amount of money a buyer, willing but not obligated to buy, would pay to a seller willing but not obligated to sell. Highest and Best Use is simply viewed as the most profitable use that a property can be legally used for. In cases where a property is underutilized by a property owner, it still must be valued at its highest and best use.

Appraisal Area Reports

The following area report summarizes the property assessment activities and results for a general market area. The area report is meant to comply with state law for appraisal documentation purposes as well as provide the public with insight into the mass appraisal process.



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Department of Assessments
King County Administration Bldg.
500 Fourth Avenue, ADM-AS-0708
Seattle, WA 98104-2384

John Wilson
Assessor

Seward Park / Mt. Baker – Area 081

2017 Assessment Roll Year

Recommendation is made to post values for Area 081 to the 2018 tax roll:

Appraiser II: Raju Pandey

7/5/2017

Date

WC District Senior Appraiser: Bob Kaldor

7/11/2017

Date

Residential Division Director: Debra S. Prins

7/12/17

Date

This report is hereby accepted and the values described in the attached documentation for Area 081 should be posted to the 2018 tax roll.

John Wilson, King County Assessor

7/14/17

Date



Executive Summary

Seward Park / Mt. Baker - Area 081

Physical Inspection

Appraisal Date: 1/1/2017
Previous Physical Inspection: 2010
Number of Improved Sales: 595
Range of Sale Dates: 1/1/2014 – 12/31/2016 Sales were time adjusted to 1/1/2017

Sales - Improved Valuation Change Summary:						
	Land	Improvements	Total	Mean Sale Price	Ratio	COD
2016 Value	\$254,800	\$364,800	\$619,600			13.28%
2017 Value	\$298,400	\$415,700	\$714,100	\$786,200	91.2%	11.37%
\$ Change	+\$43,600	+\$50,900	+\$94,500			
% Change	+17.1%	+14.0%	+15.3%			

Coefficient of Dispersion (COD) is a measure of the uniformity of the predicted assessed values for properties within this geographic area. The 2017 COD of 11.37% is an improvement from the previous COD of 13.28%. 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 12/31/2016 (at a minimum) were considered in all analysis. Sales were time adjusted to 1/1/2017

Population - Improved Valuation Change Summary:			
	Land	Improvements	Total
2016 Value	\$277,500	\$308,800	\$586,300
2017 Value	\$321,900	\$357,100	\$679,000
\$ Change	+\$44,400	+\$48,300	+\$92,700
% Change	+16.0%	+15.6%	+15.8%

Number of one to three unit residences in the population: 4,819

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 081 – Seward Park / Mt. Baker, 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 081 indicated a substantial change was needed in the allocation of the land and improvement value as part of the total. 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.

Area 081 Physical Inspection Ratio Study Report

PRE-REVALUE RATIO ANALYSIS

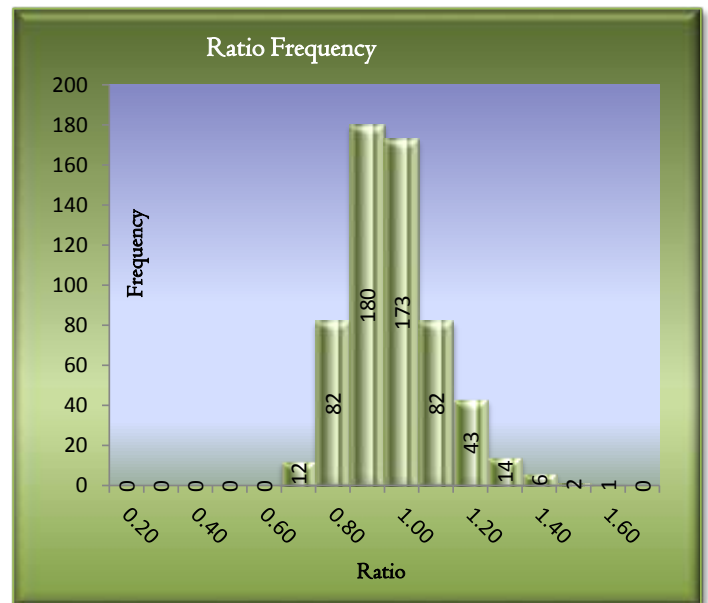
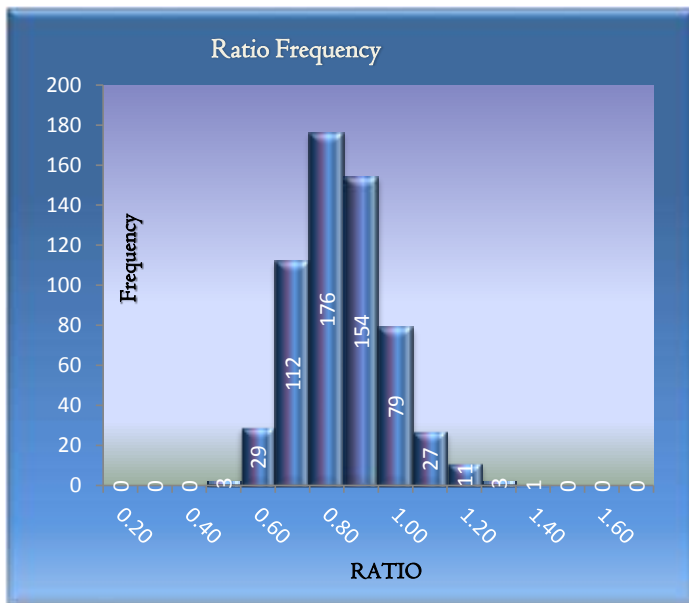
Pre-revalue ratio analysis compares time adjusted sales from 2014 through 2016 in relation to the previous assessed value as of 1/1/2016.

PRE-REVALUE RATIO SAMPLE STATISTICS	
Sample size (n)	595
Mean Assessed Value	619,600
Mean Adj. Sales Price	786,200
Standard Deviation AV	326,085
Standard Deviation SP	398,117
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.797
Median Ratio	0.786
Weighted Mean Ratio	0.788
UNIFORMITY	
Lowest ratio	0.416
Highest ratio:	1.302
Coefficient of Dispersion	13.28%
Standard Deviation	0.133
Coefficient of Variation	16.66%
Price Related Differential (PRD)	1.012

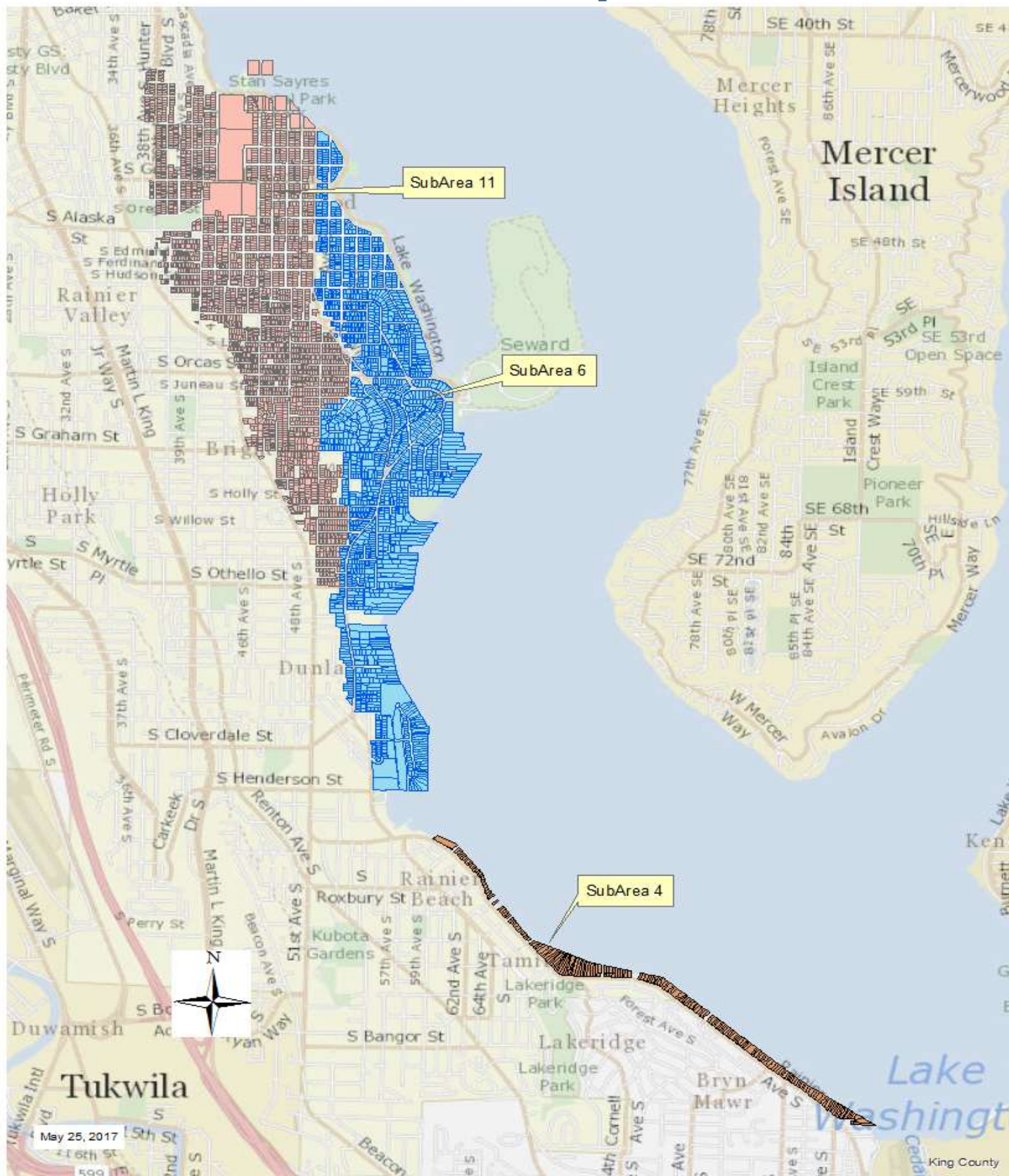
POST-REVALUE RATIO ANALYSIS

Post revalue ratio analysis compares time adjusted sales from 2014 through 2016 and reflects the assessment level after the property has been revalued to 1/1/2017.

POST REVALUE RATIO SAMPLE STATISTICS	
Sample size (n)	595
Mean Assessed Value	714,100
Mean Sales Price	786,200
Standard Deviation AV	335,771
Standard Deviation SP	398,117
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.928
Median Ratio	0.912
Weighted Mean Ratio	0.908
UNIFORMITY	
Lowest ratio	0.601
Highest ratio:	1.543
Coefficient of Dispersion	11.37%
Standard Deviation	0.137
Coefficient of Variation	14.77%
Price Related Differential (PRD)	1.021

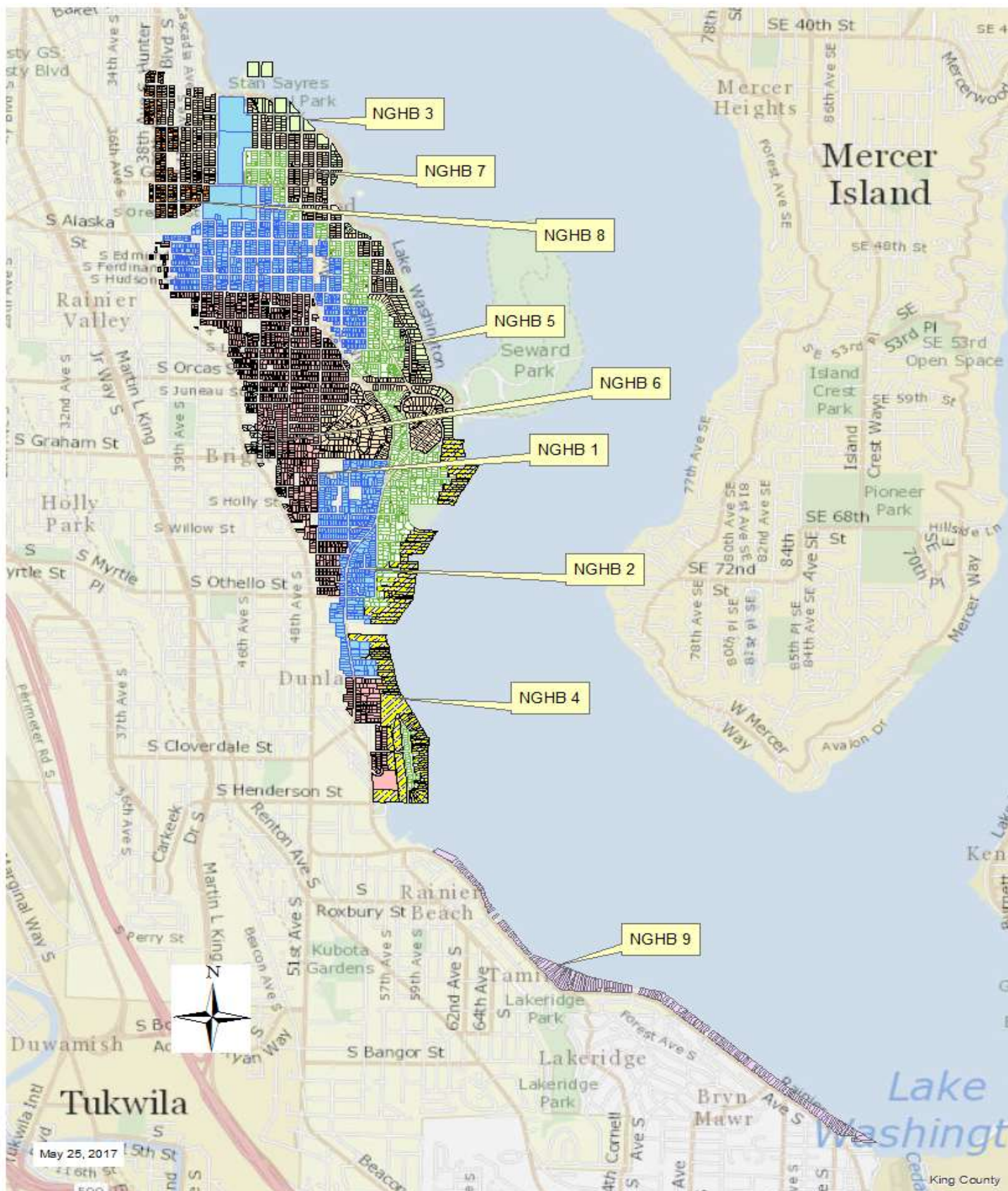


Area 081 Map



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.

Neighborhood Map



Area Information

Name or Designation

Area 081 - Seward Park / Mt. Baker

Boundaries

Area 81 is located southeast of downtown Seattle and includes Seward Park, Mount Baker, Rainier Beach and a small eastern portion of Rainier Valley neighborhood. It spans from East to West from along Lake Washington to mostly along Rainier Ave S. and from North to South from just south of the I-90 corridor at S. Massachusetts St. to S. Henderson St.

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 81 has easy access to three interstate, I-5, I-90, and I-405. There are three sub areas. Subarea 4 and subarea 6 includes waterfront (Lake Washington) parcels. Most of the upland parcels have panoramic views of Lake Washington as well as surrounding Territorial and the Cascade mountain range. Some homes enjoy views of the Seattle skyline. Due to scarcity of vacant land, most of the newly developed improvements involved demolition of existing houses or major renovations to existing homes. Roughly 20% of parcels are impacted with topography.

Seward Park, which is named after William H. Seward, the Secretary of State who was responsible for America's purchase of Alaska in 1867, is a very popular park in South Seattle that attracts many walkers, hikers and bikers. Per City of Seattle website, "Seward park boasts 300 acres of beautiful forest land, home to eagles' nests, old growth forest, a 2.4 mile bike and walking path, an amphitheater, a native plant garden, miles of hiking trails, shorelines, beaches.....". There are also many boat launch options available around Seward Park.

A small portion of homes in the Seward Park neighborhood are located in the flight path of the Renton Airport. This is not a commercial airport, so air traffic volume is minimal. This airport is primarily used by the Boeing company, KIRO 7 TV and flying clubs.

A small group of parcels located in the southern portion of Rainier Avenue S are serviced by unincorporated King County.

Area 81 is a very diverse area with easy access to many amenities and neighborhoods that appeal to wide variety of living styles. This includes houses ranging in quality from grade 4 to grade 13. The area is a mixture of single family residences, multi-family duplex and triplex residences, town homes and apartments located near a commercial center. There are about 84 townhomes under Single Family Zoning in area 81 and a dozen more townhomes are under construction. Housing stock from the 1900's to the present can be found with sale prices from \$175,000 to \$4,580,000. About 6% of parcels are located on Lake Washington waterfront. Views are a significant characteristic with hillsides and topography providing panoramic views of the Lake Washington, Olympic and Cascade Mountains, Puget Sound and the City of Seattle. Many parcels are impacted by steep topography. There is good access to employment centers and a thriving commercial hub. Major arterials such as the I-5 freeway,

Area Information... Continued

Dr. Martin Luther King Jr Way S and Renton Ave together with Light Rail makes it easy to get to both downtown Seattle and Renton.

Although the area is almost fully developed, there is ongoing vacant land sales, tear down sales and new construction of single family and townhome improvements occurring.

Area 81 is divided into three Sub Areas:

Sub Area 4 is the smallest of the three sub areas and includes upland and waterfront parcels east of Rainier Ave S from Rainier Beach down to the Renton Airport. Approximately 4% of the area's total single family parcels are located here. It includes parcels from neighborhood Nine. 92% of parcels in this subarea are located on Lake Washington waterfront. This is a desirable location due to proximity to downtown Seattle, downtown Renton and other commercial establishments.

Sub Area 6 is located in the eastern portion of the area. The majority of the parcels are east of Wilson Ave S. About 37% of the total single family parcels are located here. 6% of parcels in this subarea are located on Lake Washington waterfront. Only 7% of townhomes are located in this subarea. This is the most desirable subarea in area 81 due to proximity to Seward park and recreational opportunities in the park. Many parcels are located on hillsides and about 23% are coded with topography. This location provides parcels with panoramic views of Lake Washington, the Cascade Mountains and the surrounding territory. There are some commercial properties primarily small scale retail shops and restaurants along Wilson Ave S.

Sub Area 11 contains largest number of parcels and is located in the western portion of the area. About 59% of total single family parcels are located here. 93% of Townhomes are located in this subarea and townhouse construction is still underway. Parcels located to the north are in close proximity to Light Rail Stations, Columbia City neighborhood market and easy access to major freeways. A major attraction each year is the Blue Angles air show. About 19% of parcels are coded with topography. This location also provides parcels with views of Lake Washington, Seattle Skylines, the Cascade Mountains and the surrounding territory. Western side of area 81 is close to Rainier Ave S., that includes many commercial establishments such as auto repair, convenience stores, major grocery chains and food service facilities. Parcels located in North Rainier Valley have higher sale prices than South Rainer Valley, which may be due to proximity to Mt. Baker neighborhood and distance to downtown Seattle.

Land Valuation

Vacant sales from 1/1/2014 to 12/31/2016 were given primary consideration for valuing land with emphasis placed on those sales closest to January 1, 2017. Due to scarcity of vacant land sales, sales occurred after 1/1/2012 and sales in close proximity to area 81 were also considered to when developing the land model for area 81.

Area 81 contains 5,161 parcels of which 4839 have a single family improvement, 232 are vacant, 26 have accessory improvements and the rest have more than one house. Location, views, topography, lot size, zoning, waterfront footage and traffic noise are primary influences to land values. In the last 3 years there were 19 verified land sales which were used to develop the land model for area 81. These 19 sales included true vacant sites, along with improved sales where developer tore down an existing house and built a new one.

Land value is most influenced by zoning, parcel size, location and to a lesser extent, views. Traffic noise, topography and proximity to commercial and industrial areas have negative influences on land value. Special consideration was given to vacant parcels affected by City of Seattle small lot development Ordinance 124475.

This area has a wide diversity of zoning. The predominant zoning in this area is single family residential (SF 5000, SF 7200, SF 9600 and R6P), with 97% of the parcels falling into this category. A typical 5,000 square foot, non-view, non-waterfront SF 5000 zoned lot has a value of \$234,000 to \$372,000 based on neighborhood location. There are low-rise multi-family designations which allow for higher density development (LR1, LR2, LR3). In this zoning it has been the trend for the older improvements to be torn down and the site segregated for new townhomes. This has occurred primarily in subarea 11.

Approximately 3% of the improved residential parcels are located on sites with commercial zoning. Known as "RC" properties. They are scattered throughout this area with the highest concentration west of 39th Ave S. between S. Hudson St. And S. Alaska Street. Heavily influenced by its zoning and surrounding commercial activity, special attention and consideration was given on an individual parcel basis for the potential for commercial use. Residential commercial zoning codes consist of NC1-30 and NC2-40.

In response to the wide-ranging diversity of property, various parcel data was researched, analyzed and validated using current market sales. Area 81 is comprised of several well known, established neighborhoods such as Seward Park, Mount Baker, Columbia city and Rainier Avenue S. They have clear, distinct neighborhood boundaries. The other neighborhood boundaries were not as distinct but had rather gradual differences that tended to increase with distance. Area 81 is divided into 9 Neighborhoods. Proximity to waterfront was taken into consideration in developing them. It has been analysed that Waterfront properties located in Seward Park is more valuable than Waterfront Parcels located on Rainier Ave S. Neighborhood adjustment factor is influenced by location and surroundings. The Neighborhood Area map indicates the identified neighborhoods.

Land Valuation... Continued

Neighborhood Descriptions

Neighborhood 1: Neighborhood 1 is the eastern part of Rainier Valley. It is generally bounded by Rainier Ave S on its western border; Seward Park Ave on its eastern border; South Hudson St to the north and Wabash Ave S on its southern border. Neighborhood 1 includes parcels in subarea 6 (8%) and subarea 11 (92%). Rainier Beach High School is located on Henderson St. is just south of the Neighborhood 1 boundary line. Prichard Island Beach, Beer Sheva Park and Atlantic City Boat Ramp are all located in this Neighborhood. 95% of Parcels are improved. The majority of the homes are typically from early 1900 thru the mid 1960's. They range from grade 4 to grade 10 homes, but are typically grade 7 homes (59%). There are 1,522 improved parcels in neighborhood 1, which includes 60 townhomes (4%). The western boundary of neighborhood 1 is impacted by heavy traffic and proximity to commercial properties. The average sale price of improved parcels in this neighborhood is \$492,000, with a time adjusted sale price of \$591,000.

Neighborhood 2: This Neighborhood is divided into two segments. The first segment is located north of Kenyon st., west of 55th Ave S and Bowlyn St., east of 51st Ave S and south of Graham Street. The second segment is located north of S. Brandon st. and 54th Ave S., that extends to Wilson Ave S. then to S. Hudson St. , which then extends to 39th Ave S. then to S. Genesee St. on northern side. Neighborhood 2 includes parcels in subarea 6 (43%) and subarea 11 (57%). Over 17% of parcels have Lake Washington views which range from fair to average in quality. Homes in this neighborhood range in grade from grade 5 thru 11. Over 55% of the homes are grade 7 quality. A majority of homes in this neighborhood were built between the 1900's thru mid 1960's and are mostly in average condition. The average sale price of improved parcels in this neighborhood is \$653,000, with a time adjusted sale price of \$788,000.

Neighborhood 3: Neighborhood 3 is located along Lake Washington Blvd S. There are 116 non-waterfront parcels, out of which 105 have fair to excellent views of Lake Washington. The majority of the homes are typically from early 1900 thru the mid 1950's. They range from grade 5 to grade 12 homes, but are typically grade 8 (38%) and grade 9 (29%). Neighborhood 3 includes parcels in subarea 6 and subarea 11. This neighborhood considered to be the gateway to Seward Park and includes Mount Baker Park and also has a moorage and boat launching ramp. This neighborhood experiences a lot of traffic flow on weekends during summer time. The average sale price of an improved parcel is \$1,181,000, with a time adjusted sale price of \$1,345,000.

Neighborhood 4: Neighborhood 4 is located north of Henderson Street and south of Seward Park Ave S. There are 107 waterfront Parcels in this neighborhood. Waterfront footages range from 12 FF to 550 FF. This is the most expensive neighborhood in area 81. A majority of homes are from early 1900 thru the mid 1960's. They range from grade 6 to grade 13, but the majority are between grade 8 and grade 9. Martha Washington Park is located here. The average sale price of an improved parcel is \$2,356,000, with a time adjusted sale price of \$2,595,000.

Neighborhood 5: This neighborhood is located west of Neighborhood 3 and Neighborhood 4. The northern end of this neighborhood is close to Genesee Park & Playfield; while the southern end is close to Seward Park. This nonwaterfront neighborhood has fair to excellent views of Lake Washington

Land Valuation... Continued

(52%). The majority of homes in this neighborhood are grade 8 (38%) followed by grade 7 (35%). Parcels in this neighborhood are located in subarea 6 and subarea 11. A majority of homes in this neighborhood are from early 1900 thru late 1960. The average sale price of an improved parcel is \$768,000, with a time adjusted sale price of \$924,000.

Neighborhood 6: This is smallest neighborhood in area 81, located west of neighborhood 1. Northern boundary of this neighborhood is Orcas St., Southern boundary is Holly St., eastern boundary ranges from 46th Ave S. to 48th Ave S. and western boundary is Rainier Ave South. Most homes in this neighborhood are grade 6 (34%) and grade 7 (54%). This neighborhood is located in the middle of commercial apartment and mixed use retail businesses. The average sale price of an improved parcel is \$440,000, with a time adjusted sale price of \$514,000.

Neighborhood 7: This neighborhood extends around Lake Washington Blvd and Genesee park & playground. Neighborhood 7 is located west of neighborhood 3. A significant number of parcels (38%) have fair to excellent views of Lake Washington. A majority of homes are grade 7 (38%) followed by grade 8 (33%). Parcels are located in subarea 6 and subarea 11. A majority of homes were built from 1900 to 1960. This is a desirable non-waterfront neighborhood in area 81 as it is in walking distance to Seward Park. The average sale price of an improved parcel is \$789,000, with a time adjusted sale price of \$953,000.

Neighborhood 8: This neighborhood is located west /north of Genesee Park & playground and neighborhood 7. This neighborhood borders area 14 to the north and area 79 to the west. The majority of homes are grade 7 (54%) followed by grade 6 (31%). The average sale price of an improved parcel is \$558,000, with a time adjusted sale price of \$679,000.

Neighborhood 9: This neighborhood is located east of Rainier Avenue South, west of Lake Washington, South of 57th Ave S. and north of S.114th St. The majority of homes are grade 8 (36%) followed by grade 7 (31%). 92% of parcels are waterfront with front footage ranges from 10 FF to 500 FF. Chinook Beach park is located in this neighborhood. The average sale price of an improved parcel is \$969,000, with a time adjusted sale price of \$1,191,000.

Waterfront

Area 81 has 305 waterfront parcels. The properties span from just south of Seward Park to S.114th St. on Rainier Ave S. There are 25 vacant parcels including those owned by city of Seattle. There was only one vacant waterfront parcel sale in last three years, which was not sufficient to derive a land model based on vacant waterfront sales only, therefore waterfront values were derived using the land allocation and land abstraction methods. Improved sales were analyzed for contributory improvement value and reconciled with analysis of allocations of land to total value.

Topography Adjustments

All parcels were coded for topography based upon GIS analysis of the City of Seattle Steep Slope Overlay. Parcels in which topography was coded were analyzed to determine if an adjustment was

Land Model... Continued

needed. Those parcels in which the topography has a negative impact on value were adjusted from -5% to -90%.

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. 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 land to improvement.

Land Model

Model Development, Description and Conclusions

19 vacant land sales from Area 81 were used to derive land value. 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 inferior attributes such as traffic nuisance, access and topography. These adjustments are based on analyzing matched vacant and improved sales combined with appraisal experience and knowledge of the area. An effective lot size method was applied for parcels affected by severe topography.

Actual lot square footage was rounded down to the next land schedule grouping. Thus, a 5,698 square foot lot would go to the 5,500 square foot level on the land table based on zone designation.

Land Value Model Calibration

Single Family (SF) Zoned and Residential Commercial (RC) Zoned Parcel Base Land Value			
Lot Size (Sqft.)	SF Zoning Land value	Lot Size (Sqft.)	RC Zoning
1	\$500	1	\$1,000
500	\$1,000	500	\$156,000
1,000	\$1,000	1,200	\$163,000
1,500	\$89,000	1,600	\$171,000
2,500	\$129,000	2,400	\$188,000
3,000	\$159,000	3,200	\$206,000
3,500	\$189,000	3,600	\$216,000
4,000	\$219,000	4,000	\$226,000
4,500	\$256,000	4,800	\$248,000
5,000	\$276,000	5,600	\$272,000
5,500	\$281,000	6,000	\$285,000
6,000	\$286,000	6,400	\$299,000
6,500	\$291,000	7,200	\$328,000
7,000	\$296,000	8,400	\$360,000
7,500	\$301,000	9,600	\$396,000
8,000	\$306,000	10,800	\$435,000
8,500	\$311,000	11,210	\$478,000
9,000	\$316,000	12,800	\$525,000
9,500	\$321,000		
10,000	\$325,000	Waterfront Adjustment (Based on Waterfront Footage)	
10,500	\$329,000		
11,000	\$333,000		
11,500	\$337,000		
12,000	\$341,000		
12,500	\$345,000	FF	\$ /FF
13,000	\$349,000	1 FF - 50FF	\$7200/FF
13,500	\$353,000	51 FF-100FF	\$6600/FF
14,000	\$357,000	101 FF- +	\$6000/FF
14,500	\$361,000		
15,000	\$365,000		
15,500	\$369,000		
16,000	\$373,000		
16,500	\$377,000		
17,000	\$381,000		
17,500	\$385,000		
18,000	\$389,000		
18,500	\$393,000		
19,000	\$397,000		
19,500	\$401,000		
20,000	\$404,000		
20,500	\$407,000		
21,000	\$410,000		
21,500	\$413,000		
22,000	\$416,000		
22,500	\$419,000		
23,000	\$422,000		

Neighborhood Adjustments	
Neighborhood	Base Land Value Adjustments
1	90% of Base land Value
2	100% of Base land Value
3	130% of Base land Value
4	135% of Base land Value
5	110% of Base land Value
6	85% of Base land Value
7	120% of Base land Value
8	115% of Base land Value
9	120% of Base land Value
SF Zoning: SF 5000, SF 7200, SF 9600, R6P RC Zoning: LR1; LR2; LR3; NC1-30; NC2-40	
Small lots & Lots with irregular size/shape: Appraiser judgement may override any land schedule value. Large Lots/Acreage-developable Parcel: Land value considers the number of potential building sites less 25-50% development cost based on historical examples and discussions with builders and developers. As always, appraiser judgement applies and there may be exception to this methodology. These type of parcels are typically handled on case by case basis.	
Land value are not interpolated between square foot sizes.	
For SF Zoned Parcels, lot size greater than 23,000SF, an additional \$3,000 was added for every 500 SF increasement, which is reduced to \$2,000 after 30,000 SF and then to \$1,000 after 40,000 SF.	
Townhouse Parcels Only: Lots were equalized to account for larger parcels being impacted by parking or access for smaller lots withing the plat.	
Commercial Zoned parcels with residential improvements were considered on a case by case basis and valued according to the highest and best use.	
Other Nuisance is typically coded in situations such as a parcel being in close proximity to commercial/ Industrial sites, apartments, gas stations/ grocery stores, restaurants and Schools.	
Negative and positive adjustments apply to all baseland values. However, in all cases, appraiser judgement prevailed.	

Land Value Model Calibration... Continued

Traffic Noise	
Moderate	-5%
High	-10%
Extreme	-15%
Other Nuisances/Problems / Water Problem	
Yes	-5%
Land Slide Hazard /Steep Slope Hazard	
Yes	-10%
Restrictive Size/Shape	
Yes	-10%
Unbuildable	
Yes	-50%
Access	
Restricted	-40%
Legal/Undeveloped	-30%
Private	0%
Public	0%
Walk in	-20%
Topography	
Topography was adjusted -5% to -90%	
Waterfront Restricted Access (Wfnt. Parcels)	
To Waterfront	-10%
To Residence	-10%
No Waterfront Access	-20%

Lake Washington	
Fair	15%
Average	25%
Good	30%
Excellent	40%
Seattle Skyline	
Average	20%
Good	30%
Excellent	40%
Territorial/ Cascade	
Average	10%
Good	15%
Excellent	20%

Positive Adjustments: It should be noted that only the highest view is applied to a parcel.

If a parcel has an average Puget Sound View (20%), good Seattle Skyline view (15%), average Cascade View (10%), highest of all adjustment (20%) will be applied.

If a parcel has Lake Washington view, Cascade /Territorial View and Waterfront Front Footage greater than Zero, then Only Waterfront Front Footage adjustment will be applied.

Negative Adjustment are cumulative. If a parcel has extreme traffic noise -15% adjustment and topography was adjusted by -30%, the baseland value of the parcel will be adjusted by -45%. If a parcel is coded with topography, and / or land Slide hazard and/ or Steep Slope Hazard, highest of all adjustment will be applied.

If a parcel has both lake washington view and Seattle Skyline View then Seattle Skyline View will be adjusted by 50% of above mentioned view quality adjustment.

The land schedule and adjustments were typically used to value land. First, the baseland value based on square footage and Zone designation is calculated from the land schedule. Negative and positive adjustments are added together for a net adjustment and applied to the Neighborhood adjustments, which is then multiplied to the baseland value, truncate to nearest 1000.

Land Value (SF) Calculation Example 1:

Zoning: R6P
 Neighborhood: 9
 Traffic Noise: Moderate
 Lot Size 6,372 SF
 Lake washington View: Excellent
 Territorial View : Excellent
 Lake washington Footage : 45 FF
 Base Land Value per Land Schedule: \$286,000
 Waterfront Foot : 45 FF * \$7,200=\$324,000
 Total Land value : \$610,000
 Neighborhood Adjustment: 120%
 Traffic Adjustment -5%
 Lake Washington View 40%
 Territorial View 20%
 Total Adjustment: 120%-5% =115%
 Final Land Calculation:
 \$610,000 * 115% =\$701,000

Land Value (RC) Calculation Example 2:

Zoning: LR3
 Neighborhood: 6
 Lot size : 1,212 SF
 Traffic Noise: High
 Base Land Value Land Schedule: \$163,000
 Neighborhood Adjustment: 85%
 Total Adjustment: 85%-10% =75%
 Final Land Calculation:
 \$163,000 * 75 %
 \$122,000



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 1/1/2017.

The analysis of this area consisted of a systematic review of applicable characteristics which influence property values.

The analysis of this area consisted of a systematic review of applicable characteristics which influence property values. In addition to standard physical property characteristics, the analysis showed these characteristics were influential in the market.

Single Family/ Duplex/ Triplex / Townhomes Model:

- Base Land
- Fair Condition
- Good Condition
- Very Good Condition
- Neighborhood 3
- Neighborhood 4
- Neighborhood 5
- Neighborhood 7
- SubArea 6
- SubArea 11
- Year Built/ Year Renovation >2000
- Waterfront Footage

Improved Parcel Valuation... Continued

There was a lack of sales of parcels in poor condition 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 parameter 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	2017 Adjusted Base Land Value
Combo Cost	Building Cost New and Accy Cost New Less Depreciation
Fair YN	Fair condition
FinBCGrGT5C	Finished Basement Grade Greater than 5 and Finished Basement Area
Good YN	Good Condition
Grade C	Building Grade
LkWaNoWftC	Non-Waterfront Parcels with lake Washington View
New House YN	Year Built / Year Renovate >2000
Nghb3YN	Neighborhood 3
Nghb4YN	Neighborhood 4
OldAge YN	Year Built/Year Renovate <1940
Sub11Nghb7YN	SubArea 11 and Neighborhood 7
Sub6Nghb5YN	SubArea 6 and Neighborhood 5
THNghb1YN	Townhomes located on Neighborhood 1
VGoodYN	Very Good Condition
AgeC	Depreciation
WftFootageC	Waterfront Footage >0

Multiplicative Model

$(1-0.075) * (\text{EXP} (2.97180005217464 - 0.0544827025788922 * \text{AgeC} + 0.228748703707492 * \text{BaseLandC} + 0.330146169427791 * \text{ComboCost} - 0.093741984801273 * \text{FairYN} + 0.014912724525303 * \text{FinBCGrGT5C} + 0.0628775400850866 * \text{GoodYN} + 0.0722428847841379 * \text{GradeC} + 0.0944311554887362 * \text{LKWaNoWftC} + 0.050891904007916 * \text{NewHouseYN} + 0.0645980269644073 * \text{Nghb3YN} + 0.070057699134736 * \text{Nghb4YN} + 0.0348094221995826 * \text{OldAgeYN} + 0.0425851558094992 * \text{Sub11Nghb7} + 0.0221059164147964 * \text{Sub6Nghb5YN} - 0.0689465339202654 * \text{THNghb1YN} + 0.0941716476936215 * \text{VGoodYN} + 0.174253940431581 * \text{WftFootageC}) * 1000)$

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 500 square feet

Of the improved parcels in the population, 4478 parcels increased in value. They were comprised of 117 single family residences on commercially zoned land and 4361 single family residences or other parcels.

Of the vacant land parcels greater than \$1000, 110 parcels increased in value. Tax exempt parcels were excluded from the number of parcels increased.

Supplemental Models and Exceptions

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.

Physical Inspection Process

Effective Date of Appraisal: January 1, 2017

Date of Appraisal Report: July 5, 2017

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.

- Raju Pandey – Appraiser II: Team lead, coordination, valuation model development and testing. Land and total valuation appraisals. Sales verification, physical inspection and report writing.
- Sherion Roe – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.
- Nancy Wiggins – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.
- Tamela Campion – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.
- Kim Thurman – 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 2016
5. Existing residences where the data for 2016 is significantly different than the data for 2017 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 2016 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 from [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 1/1/2014 to 12/31/2016 (at minimum) were considered in all analyses.
- Sales were time adjusted to 1/1/2017.
- This report is intended to meet the requirements of the Uniform Standards of Professional Appraisal Practice Standard 6.



Area 081 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, 2017**.

For example, a sale of \$475,000 which occurred on October 1, 2015 would be adjusted by the time trend factor of 1.174, resulting in an adjusted value of \$557,000 ($\$475,000 * 1.174 = \$557,650$) – truncated to the nearest \$1000.

SaleDate	Adjustment (Factor)	Equivalent Percent
1/1/2014	1.469	46.9%
2/1/2014	1.453	45.3%
3/1/2014	1.439	43.9%
4/1/2014	1.423	42.3%
5/1/2014	1.409	40.9%
6/1/2014	1.393	39.3%
7/1/2014	1.379	37.9%
8/1/2014	1.364	36.4%
9/1/2014	1.349	34.9%
10/1/2014	1.335	33.5%
11/1/2014	1.320	32.0%
12/1/2014	1.307	30.7%
1/1/2015	1.292	29.2%
2/1/2015	1.279	27.9%
3/1/2015	1.266	26.6%
4/1/2015	1.252	25.2%
5/1/2015	1.239	23.9%
6/1/2015	1.226	22.6%
7/1/2015	1.213	21.3%
8/1/2015	1.200	20.0%
9/1/2015	1.187	18.7%
10/1/2015	1.174	17.4%
11/1/2015	1.162	16.2%
12/1/2015	1.150	15.0%
1/1/2016	1.137	13.7%
2/1/2016	1.125	12.5%
3/1/2016	1.113	11.3%
4/1/2016	1.101	10.1%
5/1/2016	1.090	9.0%
6/1/2016	1.078	7.8%
7/1/2016	1.067	6.7%
8/1/2016	1.055	5.5%
9/1/2016	1.044	4.4%
10/1/2016	1.033	3.3%
11/1/2016	1.022	2.2%
12/1/2016	1.011	1.1%
1/1/2017	1.000	0.0%



Area 081 Market Value Changes Over Time

The time adjustment formula for Area 081 is: $1/\text{EXP}(0.000350992749080349 * \text{SaleDay})$

$\text{SaleDay} = \text{SaleDate} - 42736$

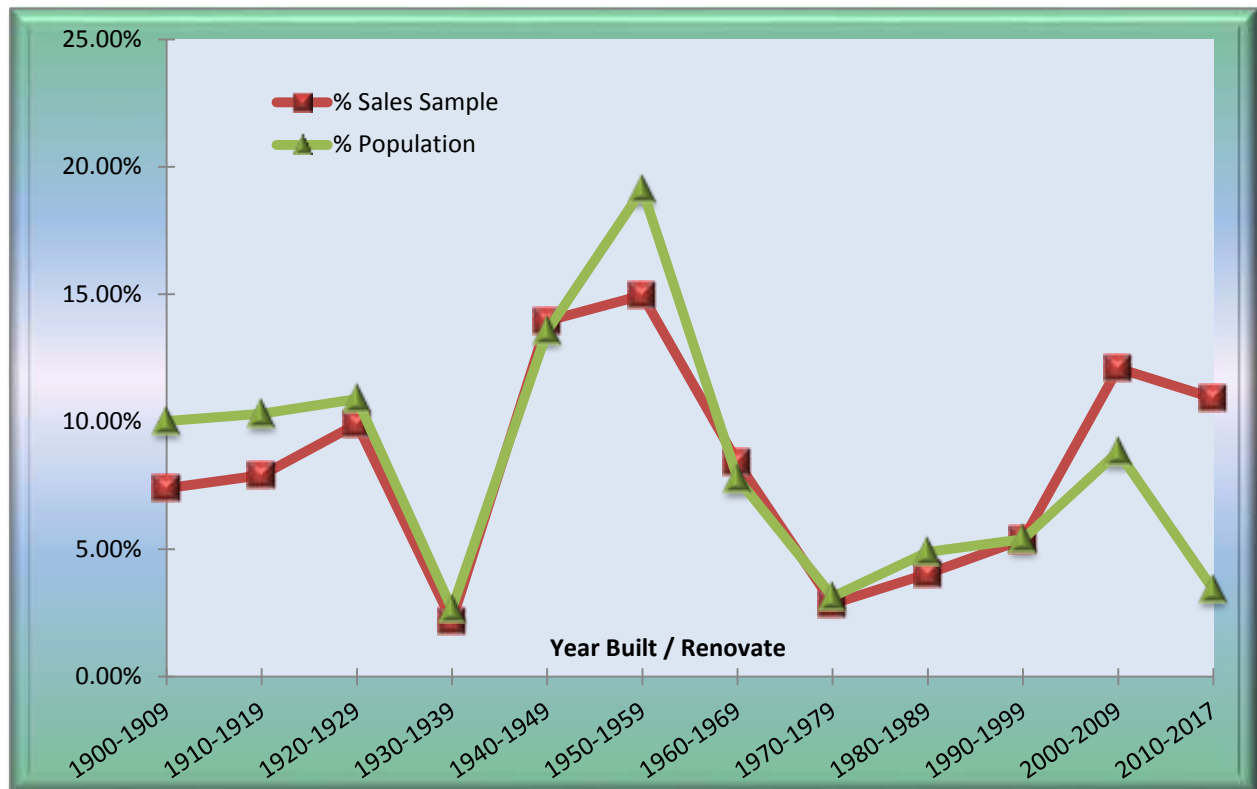
Sales Sample Representation of Population Year Built or Renovated

Sales

Year Built/Ren	Frequency	% Sales Sample
1900-1909	44	7.39%
1910-1919	47	7.90%
1920-1929	59	9.92%
1930-1939	13	2.18%
1940-1949	83	13.95%
1950-1959	89	14.96%
1960-1969	50	8.40%
1970-1979	17	2.86%
1980-1989	24	4.03%
1990-1999	32	5.38%
2000-2009	72	12.10%
2010-2017	65	10.92%
	595	

Population

Year Built/Ren	Frequency	% Population
1900-1909	483	10.02%
1910-1919	497	10.31%
1920-1929	525	10.89%
1930-1939	128	2.66%
1940-1949	654	13.57%
1950-1959	921	19.11%
1960-1969	374	7.76%
1970-1979	151	3.13%
1980-1989	236	4.90%
1990-1999	260	5.40%
2000-2009	425	8.82%
2010-2017	165	3.42%
	4,819	



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. This over representation was found to have statistical significance and results are reflected in the model.



Sales Sample Representation of Population

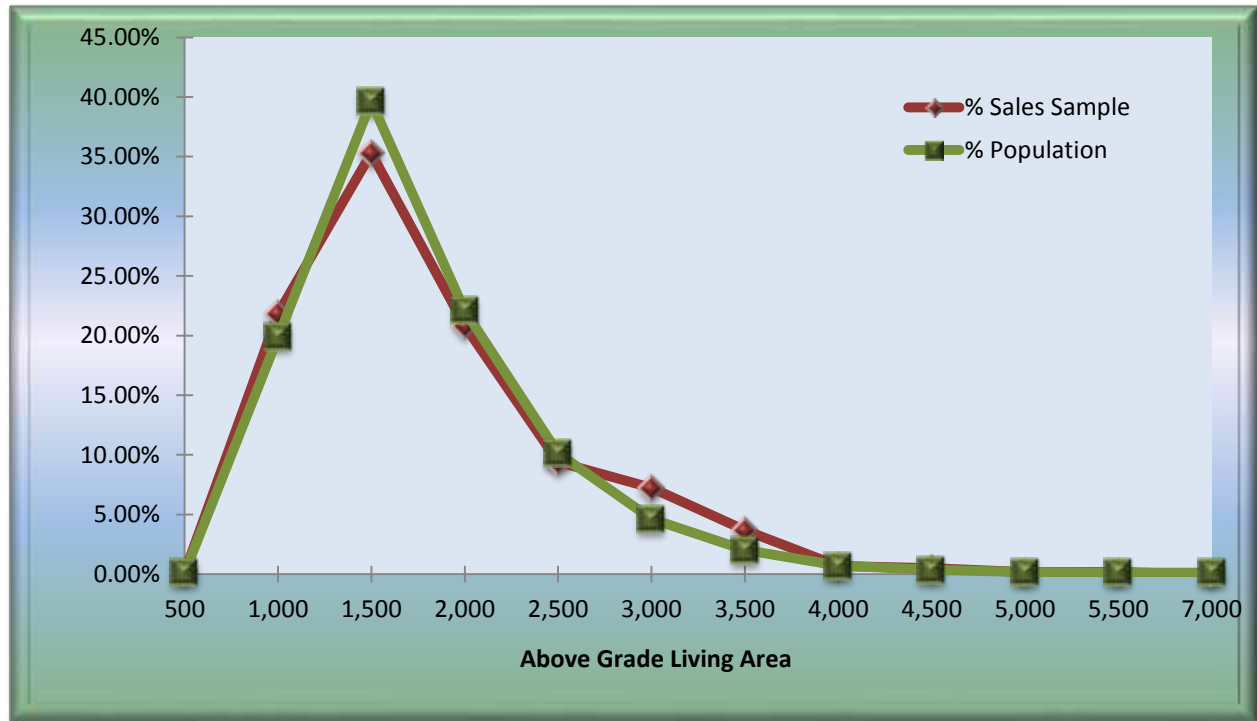
Above Grade Living Area

Sales

AGLA	Frequency	% Sales Sample
500	1	0.17%
1,000	130	21.85%
1,500	210	35.29%
2,000	124	20.84%
2,500	56	9.41%
3,000	43	7.23%
3,500	22	3.70%
4,000	4	0.67%
4,500	3	0.50%
5,000	1	0.17%
5,500	1	0.17%
7,000	0	0.00%
595		

Population

AGLA	Frequency	% Population
500	6	0.12%
1,000	959	19.90%
1,500	1,909	39.61%
2,000	1,065	22.10%
2,500	488	10.13%
3,000	223	4.63%
3,500	97	2.01%
4,000	34	0.71%
4,500	17	0.35%
5,000	9	0.19%
5,500	6	0.12%
7,000	6	0.12%
4,819		



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

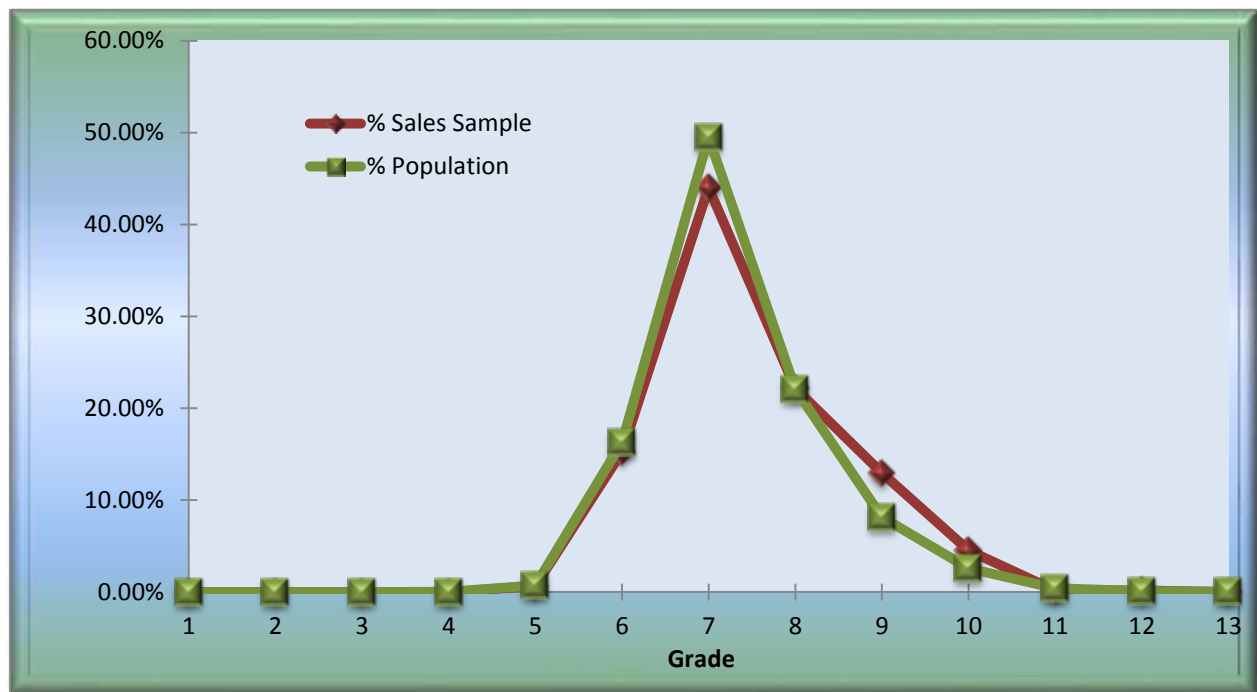
Building Grade

Sales

Grade	Frequency	% Sales Sample
1	0	0.00%
2	0	0.00%
3	0	0.00%
4	0	0.00%
5	4	0.67%
6	91	15.29%
7	262	44.03%
8	132	22.18%
9	77	12.94%
10	27	4.54%
11	1	0.17%
12	1	0.17%
13	0	0.00%
595		

Population

Grade	Frequency	% Population
1	0	0.00%
2	0	0.00%
3	0	0.00%
4	1	0.02%
5	35	0.73%
6	787	16.33%
7	2,387	49.53%
8	1,065	22.10%
9	393	8.16%
10	124	2.57%
11	20	0.42%
12	5	0.10%
13	2	0.04%
4,819		



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

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 91.2% . 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 2017 assessment year (taxes payable in 2017) results in an average total change from the 2016 assessments of 15.8%. 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 2017 recommended values. This study benchmarks the prior assessment level using 2016 posted values (1/1/2016) compared to current adjusted sale prices (1/1/2017). The study was also repeated after the application of the 2017 recommended values. The results show an improvement in the COD from 13.28% to 11.37%.

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.

Area 81 Housing Profile



Grade 5/ Year Built 1930/ Total Living Area 520 SF



Grade 6/Year Built 1952/Total Living Area 930 SF



Grade 7/ Year Built 1994/ Total Living Area 1620 SF



Grade 7 Townhouse/ Year Built 2009/Total Living Area 2040 SF



Grade 8/ Year Built 1915/ Total Living area 1970 SF



Grade 8 Townhouse / Year Built 2009/ Total Living Area 1280 SF

Area 81 Housing Profile...contd



Grade 9/ Year Built 2000/ Total Living Area 3220 SF



Grade 9 Townhouse/Year Built 2014/Total Living Area 2020 SF



Grade 10/ Year Built 1967/ Total Living Area 2840 SF



Grade 11/ Year Built 1975/Total Living Area 3180 SF



Grade 12/ Year Built 1995/ Total Living area 6730 SF



Grade 13 / Year Built 1990/ Total Living Area 9765 SF

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.

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.



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:
 - Sherion Roe
 - Data Collection
 - Sales Verification
 - Appeals Response Preparation / Review
 - Appeal Hearing Attendance
 - Land and Total Valuation
 - New Construction Evaluation
 - Nancy Wiggins
 - Data Collection
 - Sales Verification
 - Appeals Response Preparation / Review
 - Land and Total Valuation
 - New Construction Evaluation
 - Tamela Campion
 - Data Collection
 - Sales Verification
 - Appeals Response Preparation / Review
 - Land and Total Valuation
 - New Construction Evaluation
 - Kim Thurman
 - Data Collection
 - Sales Verification
 - Appeals Response Preparation / Review
 - 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.
- To the best of my knowledge the following services were performed by me within the subject area in the last three years:
 - Raju Pandey
 - Annual Up-Date Model Development and Report Preparation
 - 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



USPAP Compliance...Continued

Raji Ladue

7/5/2017

Appraiser II

Date



King County

Department of Assessments

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(206) 296-7300 FAX (206) 296-0595
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John Wilson

Assessor

As we start preparations for the 2017 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, 2017 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



King County

Department of Assessments