Executive Summary Report

Characteristics-Based Market Adjustment for 2010 Assessment Roll

Area Name / Number: Alpental\Skyomish\Environs / 90
Previous Physical Inspection: 2008

Improved Sales:
Number of Sales: 12
Range of Sale Dates: 1/1/2008 - 1/1/10

Sales – Average Improved Valuation Change Summary

	Land	Imps	Total	Sale Price**	Ratio	COV*
2009 Value	$37,400	$129,200	$166,600			
2010 Value	$37,400	$129,200	$166,600	$206,600	80.6%	8.24%
Change	$0	$0	$0			
% Change	0.0%	0.0%	0.0%			

*COV is a measure of uniformity; the lower the number the better the uniformity.
** Sales time adjusted to 1/1/10.

Sales used in this analysis: All sales of one to three unit residences on residential lots, short sales, financial institution re-sales and foreclosure sales which were verified as, or appeared to be market sales were considered for the analysis. Sales were time adjusted to 1/1/10. Individual sales that were excluded are listed later in this report. Multi-parcel sales, multi-building sales, mobile home sales, and sales of new construction where less than a 100% complete house was assessed for 2009 or any existing residence where the data for 2009 is significantly different from the data for 2010 due to remodeling were also excluded. In addition, the summary above excludes sales of parcels that had improvement value of $25,000 or less posted for the 2009 Assessment Roll. This also excludes previously vacant and destroyed property partial value accounts.

Population - Improved Parcel Summary:

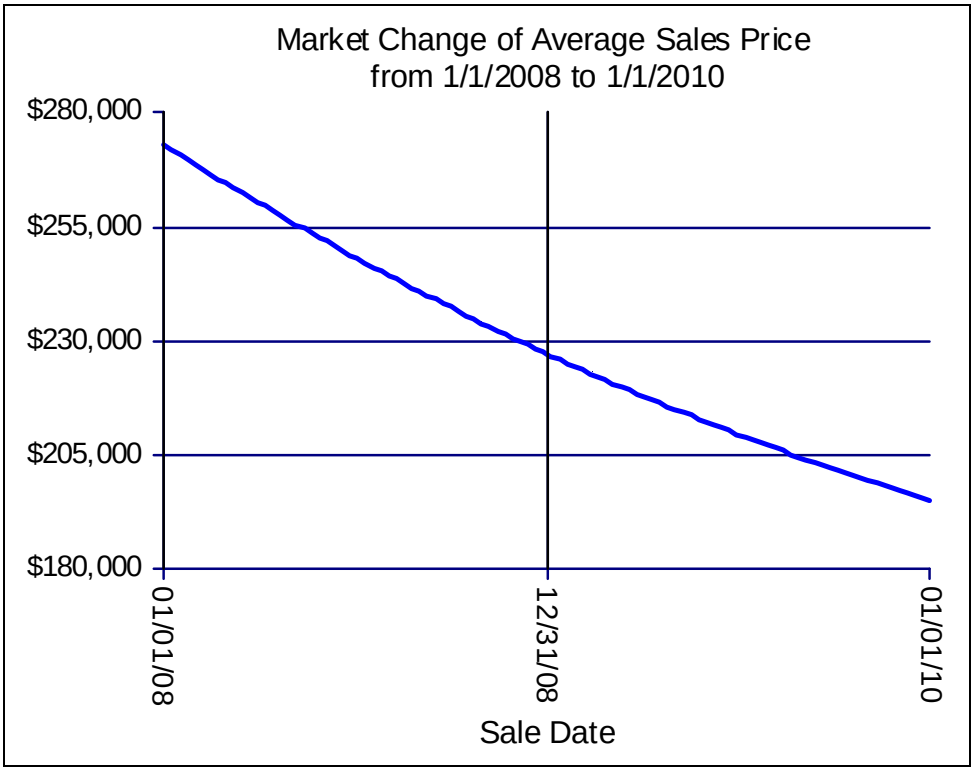
	Land	Imps	Total
2009 Value	$46,700	$134,900	$181,600
2010 Value	$46,700	$134,900	$181,600
Percent Change	0.0%	0.0%	0.0%

Number of one to three unit residences in the Population: 669

Summary of Findings: Area 90 is a remote and rural portion of East King County and is made up of two sub areas 90-1 and 90-4. Area 90-1 stretches from Baring through Skykomish up to Stevens Pass along Highway 2. Area 90-1 has more in common with eastern Snohomish County than other parts of King County. Area 90-4 is the area east of North Bend up to the Kittitas County line along Interstate 90. The analysis of this area showed a sales sample of less than 3% of the population. This limited sample size is considered insufficient to draw meaningful statistical conclusions. Therefore no adjustment was applied. The recommended values for the 2010 Assessment Year (taxes payable in 2011) resulted in no change from the 2009 assessments.

We recommend posting these values for the 2010 assessment roll.

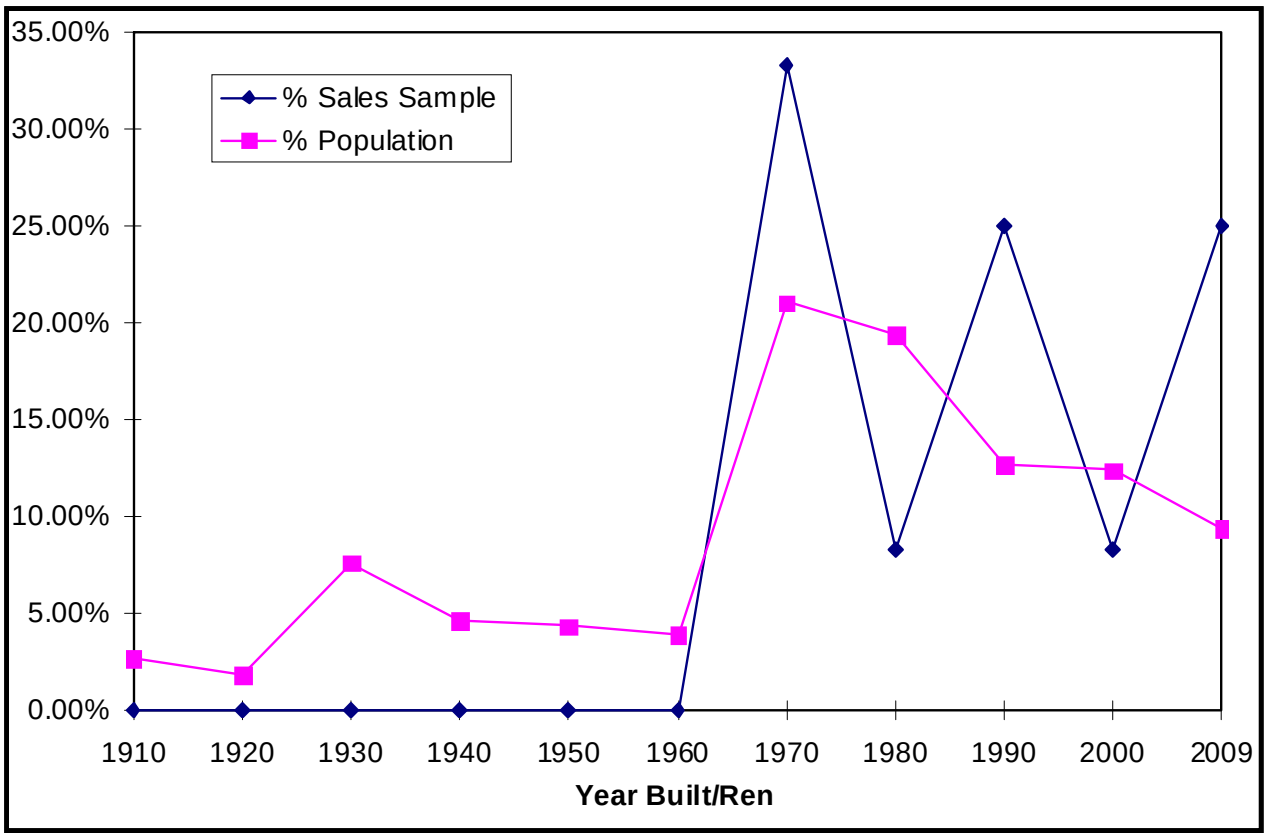
Market Change of Average Sale Price in Area 90
From 1/1/08 to 1/1/10



Sales Sample Representation of Population - Year Built / Renovated

Sales Sample		
Year Built/Ren	Frequency	% Sales Sample
1910	0	0.00%
1920	0	0.00%
1930	0	0.00%
1940	0	0.00%
1950	0	0.00%
1960	0	0.00%
1970	4	33.33%
1980	1	8.33%
1990	3	25.00%
2000	1	8.33%
2009	3	25.00%
	12	

Population		
Year Built/Ren	Frequency	% Population
1910	18	2.69%
1920	12	1.79%
1930	51	7.62%
1940	31	4.63%
1950	29	4.33%
1960	26	3.89%
1970	141	21.08%
1980	130	19.43%
1990	85	12.71%
2000	83	12.41%
2009	63	9.42%
	669	

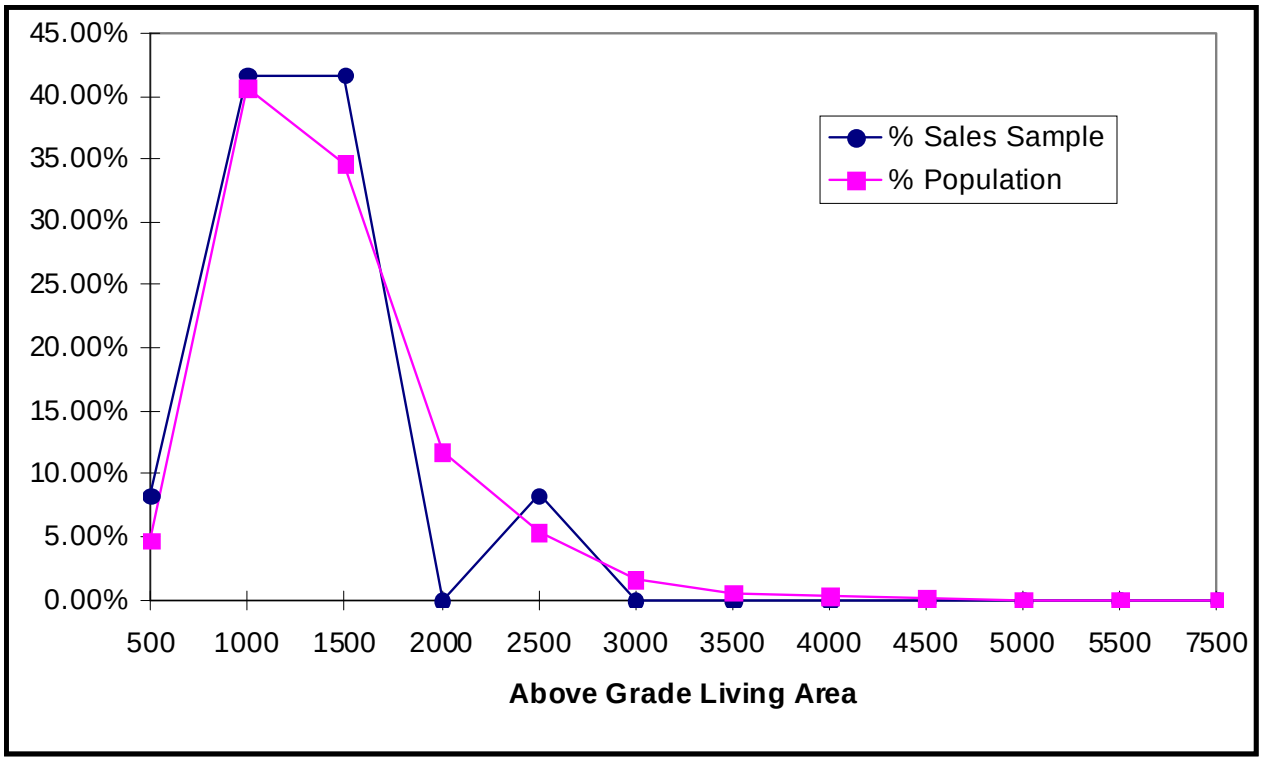


The sales sample is insufficent for both accurate analysis and appraisals.

Sales Sample Representation of Population - Above Grade Living Area

Sales Sample		
AGLA	Frequency	% Sales Sample
500	1	8.33%
1000	5	41.67%
1500	5	41.67%
2000	0	0.00%
2500	1	8.33%
3000	0	0.00%
3500	0	0.00%
4000	0	0.00%
4500	0	0.00%
5000	0	0.00%
5500	0	0.00%
7500	0	0.00%
	12	

Population		
AGLA	Frequency	% Population
500	32	4.78%
1000	272	40.66%
1500	232	34.68%
2000	79	11.81%
2500	36	5.38%
3000	11	1.64%
3500	4	0.60%
4000	2	0.30%
4500	1	0.15%
5000	0	0.00%
5500	0	0.00%
7500	0	0.00%
	669	

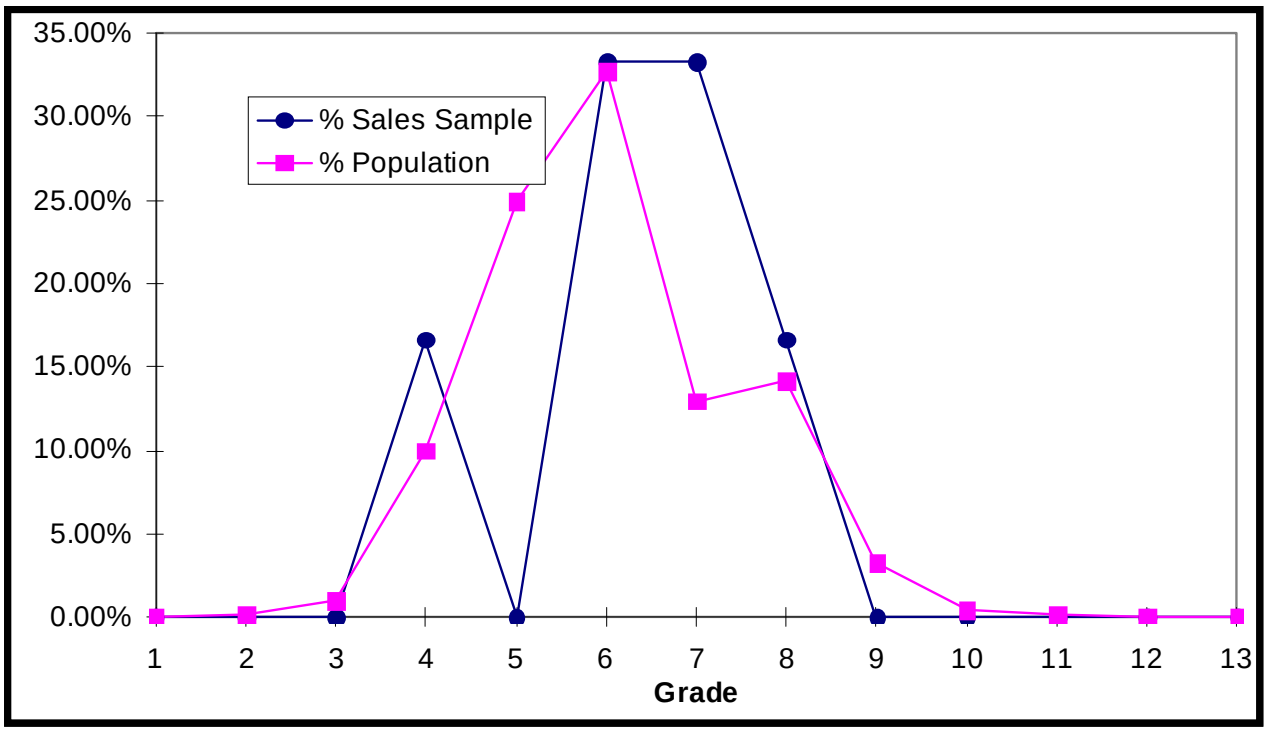


The sales sample is insufficent for both accurate analysis and appraisals.

Sales Sample Representation of Population - Grade

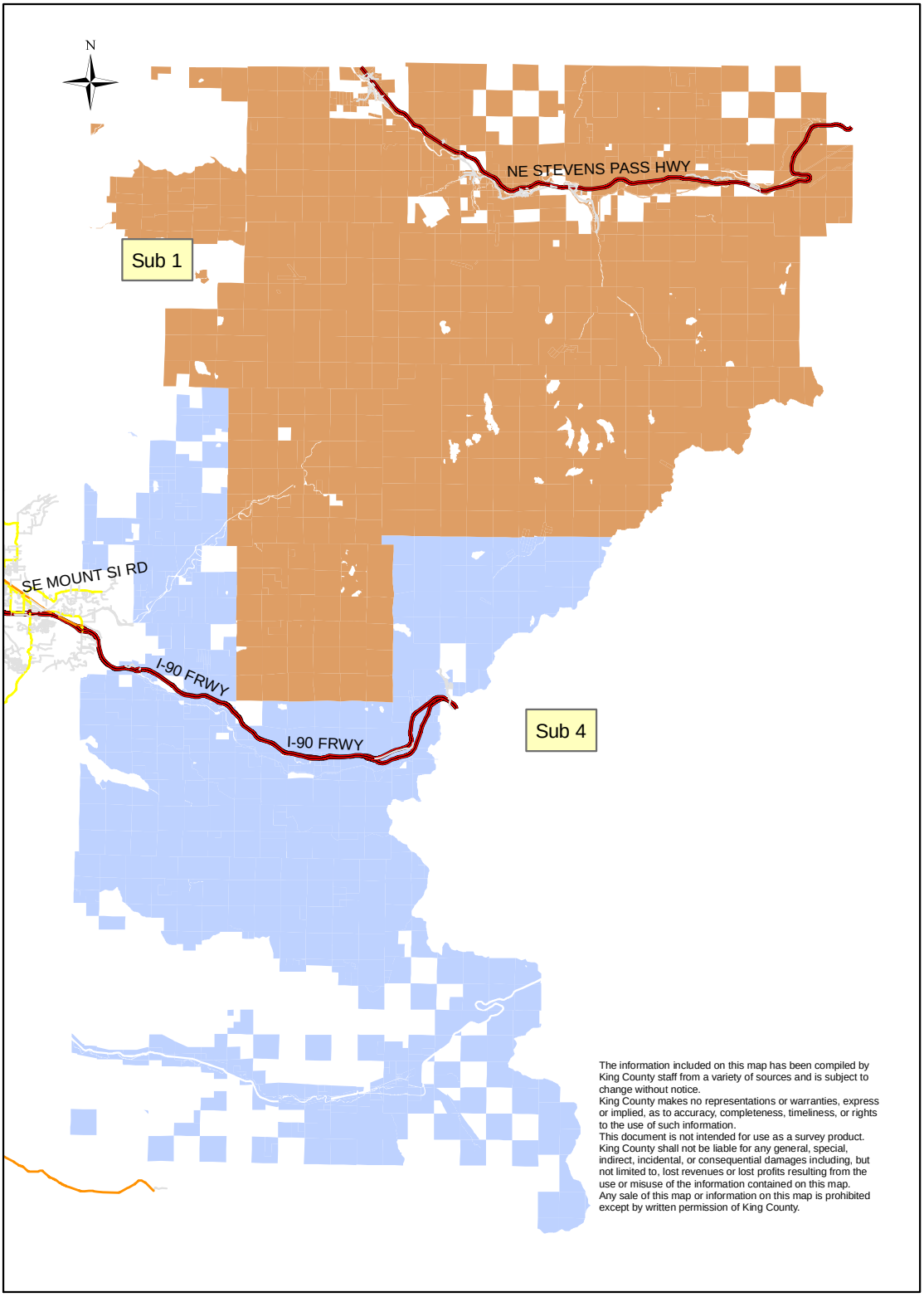
Sales Sample		
Grade	Frequency	% Sales Sample
1	0	0.00%
2	0	0.00%
3	0	0.00%
4	2	16.67%
5	0	0.00%
6	4	33.33%
7	4	33.33%
8	2	16.67%
9	0	0.00%
10	0	0.00%
11	0	0.00%
12	0	0.00%
13	0	0.00%
	12	

Population		
Grade	Frequency	% Population
1	0	0.00%
2	1	0.15%
3	7	1.05%
4	67	10.01%
5	167	24.96%
6	219	32.74%
7	87	13.00%
8	95	14.20%
9	22	3.29%
10	3	0.45%
11	1	0.15%
12	0	0.00%
13	0	0.00%
	669	



The sales sample is insufficent for both accurate analysis and appraisals.

Area 90



King County

May 14, 2009

Annual Update Process

Effective Date of Appraisal: January 1, 2010

Date of Appraisal Report: May 12, 2010

King County Revaluation Cycle

King County's revaluation plan as approved by the Washington State Department of Revenue is an annual revaluation cycle with physical inspection of all properties at least once every six years. Physical inspection of properties meets the requirements of RCW 84.41.041 and WAC 458-07-015. During the interval between each physical inspection, the annual revaluation cycle requires the valuation of property be adjusted to current true and fair value based on appropriate statistical data. Annually, approximately one-sixth of all residential properties are physically inspected and appraised with new land and total property valuation models calibrated and specified using multiple regression analysis. These appraised values are the basis for the annual updating of the remaining five-sixths.

Data Utilized

Available sales closed from 1/1/2008 through 1/1/10 were considered in this analysis. The sales and population data were extracted from the King County Assessor's residential database.

Sales Screening for Improved Parcel Analysis

Improved residential sales removal occurred for parcels meeting the following criteria:

1. Vacant parcels
2. Mobile home parcels
3. Multi-parcel or multi-building sales
4. New construction where less than a 100% complete house was assessed for 2009
5. Existing residences where the data for 2009 is significantly different than the data for 2010 due to remodeling
6. Parcels with improvements value, but no building characteristics
7. Short sales, financial institution re-sales and foreclosure sales verified or appearing to be not at market
8. Others as identified in the sales deleted list

See the attached *Improved Sales Used in this Annual Update Analysis* and *Improved Sales Removed from this Annual Update Analysis* at the end of this report for more detailed information.

Land Update

Analysis indicates land values are at or below current market levels as of 1/1/10. No additional adjustment to land value is required.

2010 Land Value = 2009 Land Value x 1.00, with the result rounded down to the next $1,000.

Improved Parcel Update

Area 90 is a remote and rural portion of East King County and is made up of two sub areas 90-1 and 90-4. Area 90-1 stretches from Baring through Skykomish up to Stevens Pass along Highway 2. Area 90-1 has more in common with eastern Snohomish County than other parts of King County. Area 90-4 is the area east of North Bend up to the Kittitas County line along Interstate 90. The analysis of this area showed a sales sample of less than 3% of the population. This limited sample size is considered insufficient to draw meaningful statistical conclusions. Therefore no adjustment was applied. The recommended values for the 2010 Assessment Year (taxes payable in 2011) resulted in no change from the 2009 assessments.

The derived adjustment formula is:

2010 Total Value = 2009 Total Value / 1.00

The resulting total value is rounded down to the next $1,000, *then*:

2010 Improvements Value = 2010 Total Value minus 2010 Land Value

An explanatory adjustment table is included in this report.

Improved Parcel Update (continued)

Exceptions:

*If multiple houses exist on a parcel, the Total % Change indicated by the sales sample is used to arrive at new total value (2009 Land Value + Previous Improvement Value) * 1.00.
*If a house and mobile home exist, the formula derived from the house is used to arrive at new total value.
*If "accessory improvements only", the Total % Change as indicated by the sales sample is used to arrive at a new total value. (2009 Land Value + Previous Improvement Value) * 1.00.
*If land value =< $1,000 no adjustment is applied.
*If improvements and accessories =< $1,000 no further adjustment applied.
* If adjusted land value falls < $1,000, then land value = $1,000 or previous, whichever is less.
* If adjusted improvement value falls < $1,000, then improvement value = $1,000 or previous whichever is less.
*If vacant parcels (no improvement value) only the land adjustment applies.
*If a parcel is coded "non-perc" (sewer system=3), the land adjustment is applied.
*If a parcel is coded sewer system public restricted, or water district private restricted, or water district public restricted, the land adjustment is applied.
*If an improvement is coded "% net condition" or is in "poor" condition, then the model adjustment is applied.
*Any properties excluded from the annual up-date process are noted in RealProperty.

Mobile Home Update

Mobile Homes received the Total % Change indicated by the sales sample.

(2009 Land Value + Previous Improvement Value)*1.00

Model Validation

The resulting assessment level is 80.6%. The assessment level is below IAAO recommended range of .90 to 1.10. This is due to the lack of adequate sales representation, therefore the recommended values for the 2010 assessment year (taxes payable in 2011) resulted in no change from the 2009 assessments.

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

Even though there was no change in Area 90's annual update the Ratio studies of assessments before and after are included later in this report.

Area 90 Annual Update Model Adjustments

2010 Total Value = 2009 Total Value

Due to rounding of the coefficient values used to develop the percentages and further rounding of the percentages in this table, the results you will obtain are an approximation of adjustment achieved.

Standard Area Adjustment
0.00%

Comments

Insufficent sale data, no change from 2009 assessment.

Area 90 Sale Price changes (Relative to 1/1/2010 valuation date.)

In a changing market, recognition of a sales trend is required to accurately estimate value as of a certain date. Assessed values are determined as of January 1 of a given year.

Market Adjustment to 1/1/2010		
Sale Date	Downward Adjustment (Factor)	Equivalent Percent
1/1/2008	0.715	-28.5%
2/1/2008	0.727	-27.3%
3/1/2008	0.738	-26.2%
4/1/2008	0.750	-25.0%
5/1/2008	0.762	-23.8%
6/1/2008	0.774	-22.6%
7/1/2008	0.786	-21.4%
8/1/2008	0.798	-20.2%
9/1/2008	0.810	-19.0%
10/1/2008	0.822	-17.8%
11/1/2008	0.834	-16.6%
12/1/2008	0.846	-15.4%
1/1/2009	0.858	-14.2%
2/1/2009	0.870	-13.0%
3/1/2009	0.881	-11.9%
4/1/2009	0.893	-10.7%
5/1/2009	0.904	-9.6%
6/1/2009	0.917	-8.3%
7/1/2009	0.928	-7.2%
8/1/2009	0.940	-6.0%
9/1/2009	0.952	-4.8%
10/1/2009	0.964	-3.6%
11/1/2009	0.976	-2.4%
12/1/2009	0.988	-1.2%
1/1/2010	1.000	0.0%

The chart above shows the % adjustment required for sales to be representative of the assessment date of 1/1/10.

Example:	**Sales Price**	**Sales Date**	**Adjustment factor**	**Adjusted Sales price***
Sale 1	$525,000	4/1/2008	0.750	$394,000
Sale 2	$475,000	10/1/2009	0.964	$458,000
Sale 3	$515,000	7/1/2009	0.928	$478,000

* The adjusted sale price has been rounded to the nearest $1000.

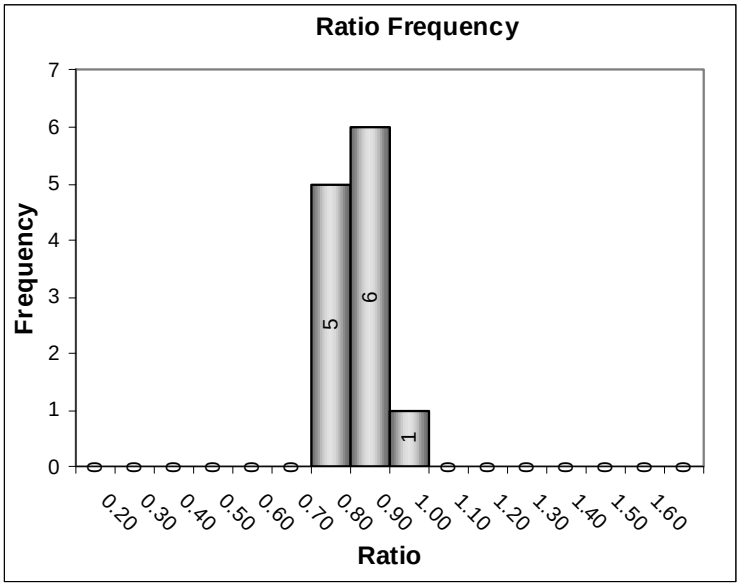
The time adjustment formula for Area 90 is (0.8063273+ 0.0003145696*SaleDay)/0.8063273
SaleDay = SaleDate - 40179

Annual Update Ratio Study Report (Before)

2009 Assessments

District/Team:	Appr. Date:	Date of Report:	Sales Dates:
NE/Team 3	1/1/2009	4/19/2010	1/2008 - 12/2009
Area	**Appr ID:**	**Property Type:**	**Adjusted for time?:**
90	PPAG	1 to 3 Unit Residences	YES

SAMPLE STATISTICS	
Sample size (n)	12
Mean Assessed Value	166,600
Mean Adj. Sales Price	206,600
Standard Deviation AV	65,513
Standard Deviation SP	80,066
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.813
Median Ratio	0.806
Weighted Mean Ratio	0.806
UNIFORMITY	
Lowest ratio	0.713
Highest ratio:	0.905
Coefficient of Dispersion	7.08%
Standard Deviation	0.067
Coefficient of Variation	8.24%
Price Related Differential (PRD)	1.009
RELIABILITY	
95% Confidence: Median	
Lower limit	0.759
Upper limit	0.886
95% Confidence: Mean	
Lower limit	0.775
Upper limit	0.851
SAMPLE SIZE EVALUATION	
N (population size)	669
B (acceptable error - in decimal)	0.05
S (estimated from this sample)	0.067
Recommended minimum:	7
Actual sample size:	12
Conclusion:	OK
NORMALITY	
Binomial Test	
# ratios below mean:	7
# ratios above mean:	5
z:	0.577
Conclusion:	*Normal**
***i.e. no evidence of non-normality**	



COMMENTS:

1 to 3 Unit Residences throughout area 90

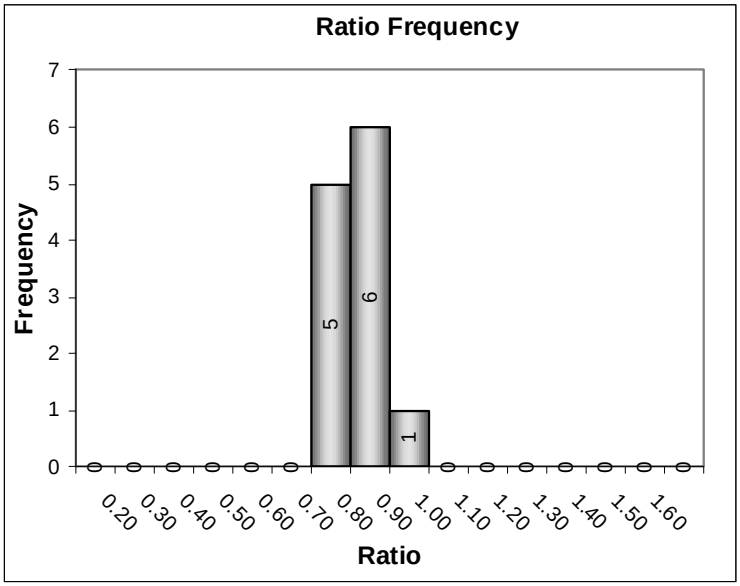
Sales Prices are adjusted for time to the Assessment Date of 1/1/2010

Annual Update Ratio Study Report (After)

2010 Assessments

District/Team:	Appr. Date:	Date of Report:	Sales Dates:
NE/Team 3	1/1/2010	4/19/2010	1/2008 - 12/2009
Area	**Appr ID:**	**Property Type:**	**Adjusted for time?:**
90	PPAG	1 to 3 Unit Residences	YES

SAMPLE STATISTICS	
Sample size (n)	12
Mean Assessed Value	166,600
Mean Sales Price	206,600
Standard Deviation AV	65,513
Standard Deviation SP	80,066
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.813
Median Ratio	0.806
Weighted Mean Ratio	0.806
UNIFORMITY	
Lowest ratio	0.713
Highest ratio:	0.905
Coefficient of Dispersion	7.08%
Standard Deviation	0.067
Coefficient of Variation	8.24%
Price Related Differential (PRD)	1.009
RELIABILITY	
95% Confidence: Median	
Lower limit	0.759
Upper limit	0.886
95% Confidence: Mean	
Lower limit	0.775
Upper limit	0.851
SAMPLE SIZE EVALUATION	
N (population size)	669
B (acceptable error - in decimal)	0.05
S (estimated from this sample)	0.067
Recommended minimum:	7
Actual sample size:	12
Conclusion:	OK
NORMALITY	
Binomial Test	
# ratios below mean:	7
# ratios above mean:	5
z:	0.577
Conclusion:	***Normal****
***i.e. no evidence of non-normality**	



COMMENTS:

1 to 3 Unit Residences throughout area 90

Lack of sales representation makes this ratio result unrealiable.

Sales Prices are adjusted for time to the Assessment Date of 1/1/2010

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.

Improved Sales Used in this Annual Update Analysis
Area 90
(1 to 3 Unit Residences)

Sub Area	Major	Minor	Sale Date	Sale Price	Adj Sale Price	Above Grade Living	Bld Grade	Year Built/ Ren	Cond	Lot Size	View	Water-front	Situs Address
001	506230	0165	11/18/09	$75,000	$74,000	390	4	1970	3	7000	N	N	117 S 3RD ST
001	734970	0280	9/22/08	$135,000	$110,000	560	4	1969	4	14000	N	N	64239 NE 182ND ST
001	864940	0950	10/28/08	$170,000	$141,000	620	6	1981	4	10400	N	N	75843 NE 122ND ST
001	558170	0035	5/19/09	$205,000	$189,000	800	6	1967	3	10500	Y	Y	63211 NE 196TH ST.
001	734980	0970	1/12/09	$206,000	$178,000	900	6	1980	3	11250	N	N	64634 NE 177TH ST
001	873270	0210	2/17/09	$190,000	$166,000	1030	6	1983	3	26472	N	Y	87224 NE OLD CASCADE HWY
001	780560	0050	9/16/08	$245,000	$200,000	1210	7	1996	3	10400	N	N	532 SKY LN
001	077410	1750	2/12/09	$315,000	$275,000	1280	7	2006	3	73374	N	N	69551 NE MONEY CREEK RD
001	780560	0040	7/21/09	$244,250	$229,000	1390	7	2005	3	12629	N	N	530 SKY LN
001	077410	1440	10/29/09	$284,999	$278,000	1460	7	2001	3	59346	N	N	69711 NE 130TH ST
001	864940	1373	1/14/08	$412,000	$297,000	2230	8	1990	3	40100	N	Y	12204 763RD AVE NE
004	019230	1050	3/6/08	$435,000	$402,000	870	8	1968	3	14276	N	N	33 ALPENTAL STR

Improved Sales Removed from this Annual Update Analysis
Area 90
(1 to 3 Unit Residences)

Sub Area	Major	Minor	Sale Date	Sale Price	Comments
001	252611	9020	4/8/08	$395,000	RELATED PARTY, FRIEND, OR NEIGHBOR
001	252611	9039	8/25/08	$100,000	DIAGNOSTIC OUTLIER
001	262611	9049	5/13/09	$70,000	DIAGNOSTIC OUTLIER
001	262611	9061	8/10/09	$10,000	GOVERNMENT AGENCY
001	262611	9064	9/29/08	$130,000	BANKRUPTCY - RECEIVER OR TRUSTEE
001	272611	9027	7/21/08	$108,000	OBSOL
001	302612	9023	3/6/09	$66,250	PARTIAL INTEREST (1/3, 1/2, Etc.)
001	302612	9023	10/31/09	$30,000	RELATED PARTY, FRIEND, OR NEIGHBOR
001	734970	0580	3/12/09	$32,500	DOR RATIO;OBSOL;QUESTIONABLE PER APPRAISAL
001	734980	0370	6/10/09	$97,500	NON-REPRESENTATIVE SALE
001	864940	0250	1/9/09	$310,000	GOVERNMENT AGENCY
001	864940	0260	1/7/09	$350,000	GOVERNMENT AGENCY
001	864940	0760	8/20/08	$87,000	DIAGNOSTIC OUTLIER
004	019230	0230	9/14/09	$113,500	RELATED PARTY, FRIEND, OR NEIGHBOR
004	019230	0590	9/29/09	$275,000	DIAGNOSTIC OULTIER
004	092409	9001	10/12/09	$47,962	NO MARKET EXPOSURE
004	092409	9001	3/4/09	$135,000	RELATED PARTY, FRIEND, OR NEIGHBOR
004	403250	0035	1/22/08	$400,000	OBSOL, NO MARKET EXPOSURE

Vacant Sales Used in this Annual Update Analysis
Area 90

Sub Area	Major	Minor	Sale Date	Sale Price	Lot Size	View	Water-front
1	022610	9082	2/16/2009	$90,000	217800	N	N
1	077310	0400	8/5/2008	$33,000	59240	N	N
1	077310	1927	6/24/2009	$10,000	12000	N	N
1	112610	9087	5/16/2008	$76,000	201682	N	Y
1	252611	9066	9/3/2008	$17,000	10400	N	Y
1	262611	9117	12/16/2009	$8,000	26136	N	N
1	282611	9025	6/11/2008	$107,000	714544	N	N
1	734980	0130	7/10/2008	$15,000	13123	Y	Y
1	734980	0400	4/10/2009	$17,600	9800	N	N
1	780660	0105	11/11/2009	$5,000	4975	N	N
1	780940	0400	5/15/2009	$3,500	11517	N	N
1	780940	0430	2/11/2008	$5,000	15593	N	N
1	864940	0570	5/28/2008	$40,000	13376	N	N
4	019230	0430	6/10/2008	$121,000	14240	N	N

Vacant Sales Removed from this Annual Update Analysis
Area 90

Sub Area	Major	Minor	Sale Date	Sale Price	Comments
1	282612	9019	6/19/2009	$17,000	QUIT CLAIM DEED
1	282612	9022	4/29/2009	$4,000	ESTATE ADMINISTRATOR
1	873270	0250	3/31/2008	$7,500	NON-REPRESENTATIVE SALE
4	102309	9018	2/10/2009	$143,000	GOVERNMENT AGENCY
4	252309	9001	5/15/2009	$18,890,000	NO MARKET EXPOSURE

Client and Intended Use of the Appraisal:

This mass appraisal report is intended for use only by the King County Assessor and other agencies or departments administering or confirming ad valorem property taxes. Use of this report by others is not intended by the appraiser. The use of this appraisal, analyses and conclusions is limited to the administration of ad valorem property taxes in accordance with Washington State law. As such it is written in concise form to minimize paperwork. The assessor intends that this report conform to the Uniform Standards of Professional Appraisal Practice (USPAP) requirements for a ***mass appraisal report*** *as stated in USPAP SR 6-8. To fully understand this report the reader may need to refer to the Assessor's Property Record Files, Assessors Real Property Data Base, separate studies, Assessor's Procedures, Assessor's field maps, Revalue Plan and the statutes.*
The purpose of this report is to explain and document the methods, data and analysis used in the revaluation of King County. King County is on a six year physical inspection cycle with annual statistical updates. The revaluation plan is approved by Washington State Department of Revenue. The Revaluation Plan is subject to their periodic review.

Definition and date of value estimate:

Market Value

The basis of all assessments is the true and fair value of property. True and fair value means market value (Spokane etc. R. Company v. Spokane County, 75 Wash. 72 (1913); Mason County Overtaxed, Inc. v. Mason County, 62 Wn. 2d (1963); AGO 57-58, No. 2, 1/8/57; AGO 65-66, No. 65, 12/31/65). The true and fair value of a property in money for property tax valuation purposes is its "market value" or amount of money a buyer willing but not obligated to buy would pay for it to a seller willing but not obligated to sell. In arriving at a determination of such value, the assessing officer can consider only those factors which can within reason be said to affect the price in negotiations between a willing purchaser and a willing seller, and he must consider all of such factors. (AGO 65,66, No. 65, 12/31/65)
Retrospective market values are reported herein because the date of the report is subsequent to the effective date of valuation. The analysis reflects market conditions that existed on the effective date of appraisal.

Highest and Best Use

> ***RCW 84.40.030*** *All property shall be valued at one hundred percent of its true and fair value in money and assessed on the same basis unless specifically provided otherwise by law.*
>
> *An assessment may not be determined by a method that assumes a land usage or highest and best use not permitted, for that property being appraised, under existing zoning or land use planning ordinances or statutes or other government restrictions.*
>
> ***WAC 458-07-030 (3) True and fair value -- Highest and best use.*** *Unless specifically provided otherwise by statute, all property shall be valued on the basis of its highest and best use for assessment purposes. Highest and best use is the most profitable, likely use to which a property can be put. It is the use which will yield the highest return on the owner's investment. Any reasonable use to which the property may be put may be taken into consideration and if it is peculiarly adapted to some particular use, that fact may be taken into consideration. Uses that are within the realm of possibility, but not reasonably probable of occurrence, shall not be considered in valuing property at its highest and best use.*

If a property is particularly adapted to some particular use this fact may be taken into consideration in estimating the highest and best use. (Sammish Gun Club v. Skagit County, 118 Wash. 578 (1922)) The present use of the property may constitute its highest and best use. The appraiser shall, however, consider the uses to which similar property similarly located is being put. (Finch v. Grays Harbor County, 121 Wash. 486 (1922)) The fact that the owner of the property chooses to use it for less

productive purposes than similar land is being used shall be ignored in the highest and best use estimate. (Sammish Gun Club v. Skagit County, 118 Wash. 578 (1922))

Where land has been classified or zoned as to its use, the county assessor may consider this fact, but he shall not be bound to such zoning in exercising his judgment as to the highest and best use of the property. (AGO 63-64, No. 107, 6/6/64)

Date of Value Estimate

All property now existing, or that is hereafter created or brought into this state, shall be subject to assessment and taxation for state, county, and other taxing district purposes, upon equalized valuations thereof, fixed with reference thereto on the first day of January at twelve o'clock meridian in each year, excepting such as is exempted from taxation by law. [1961 c 15 §84.36.005]
The county assessor is authorized to place any property that is increased in value due to construction or alteration for which a building permit was issued, or should have been issued, under chapter 19.27, 19.27A, or 19.28 RCW or other laws providing for building permits on the assessment rolls for the purposes of tax levy up to August 31st of each year. The assessed valuation of the property shall be considered as of July 31st of that year. [1989 c 246 § 4]
Reference should be made to the property card or computer file as to when each property was valued. Sales consummating before and after the appraisal date may be used and are analyzed as to their indication of value at the date a valuation. If market conditions have changed then the appraisal will state a logical cutoff date after which no market date is used as an indicator of value.

Property rights appraised:

Fee Simple
Wash Constitution Article 7 § 1 Taxation: *All taxes shall be uniform upon the same class of property within the territorial limits of the authority levying the tax and shall be levied and collected for public purposes only. The word "property" as used herein shall mean and include everything, whether tangible or intangible, subject to ownership. All real estate shall constitute one class.*
Trimble v. Seattle, 231 U.S. 683, 689, 58 L. Ed. 435, 34 S. Ct. 218 (1914) *"the entire [fee] estate is to be assessed and taxed as a unit"*
Folsom v. Spokane County, 111 Wn. 2d 256 (1988) *"the ultimate appraisal should endeavor to arrive at the fair market value of the property as if it were an unencumbered fee"*

The definition of fee simple estate as taken from The Third Edition of The Dictionary of Real Estate Appraisal, published by the Appraisal Institute. "Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat."

Assumptions and Limiting Conditions:

1. *No opinion as to title is rendered. Data on ownership and legal description were obtained from public records. Title is assumed to be marketable and free and clear of all liens and encumbrances, easements and restrictions unless shown on maps or property record files. The property is appraised assuming it to be under responsible ownership and competent management and available for its highest and best use.*
2. *No engineering survey has been made by the appraiser. Except as specifically stated, data relative to size and area were taken from sources considered reliable, and no encroachment of real property improvements is assumed to exist.*

3. *No responsibility for hidden defects or conformity to specific governmental requirements, such as fire, building and safety, earthquake, or occupancy codes, can be assumed without provision of specific professional or governmental inspections.*
4. *Rental areas herein discussed have been calculated in accord with generally accepted industry standards.*
5. *The projections included in this report are utilized to assist in the valuation process and are based on current market conditions and anticipated short term supply demand factors. Therefore, the projections are subject to changes in future conditions that cannot be accurately predicted by the appraiser and could affect the future income or value projections.*
6. *The property is assumed uncontaminated unless the owner comes forward to the Assessor and provides other information.*
7. *The appraiser is not qualified to detect the existence of potentially hazardous material which may or may not be present on or near the property. The existence of such substances may have an effect on the value of the property. No consideration has been given in this analysis to any potential diminution in value should such hazardous materials be found (unless specifically noted). We urge the taxpayer to retain an expert in the field and submit data affecting value to the assessor.*
8. *No opinion is intended to be expressed for legal matters or that would require specialized investigation or knowledge beyond that ordinarily employed by real estate appraisers, although such matters may be discussed in the report.*
9. *Maps, plats and exhibits included herein are for illustration only, as an aid in visualizing matters discussed within the report. They should not be considered as surveys or relied upon for any other purpose.*
10. *The appraisal is the valuation of the fee simple interest. Unless shown on the Assessor's parcel maps, easements adversely affecting property value were not considered.*
11. *An attempt to segregate personal property from the real estate in this appraisal has been made.*
12. *Items which are considered to be "typical finish" and generally included in a real property transfer, but are legally considered leasehold improvements are included in the valuation unless otherwise noted.*
13. *The movable equipment and/or fixtures have not been appraised as part of the real estate. The identifiable permanently fixed equipment has been appraised in accordance with RCW 84.04.090 and WAC 458-12-010.*
14. *I have considered the effect of value of those anticipated public and private improvements of which I have common knowledge. I can make no special effort to contact the various jurisdictions to determine the extent of their public improvements.*
15. *Exterior inspections were made of all properties in the physical inspection areas (outlined in the body of the report) however; due to lack of access and time few received interior inspections.*

Scope of Work Performed:

Research and analyses performed are identified in the body of the revaluation report. The assessor has no access to title reports and other documents. Because of legal limitations we did not research such items as easements, restrictions, encumbrances, leases, reservations, covenants, contracts, declarations and special assessments. Disclosure of interior home features and, actual income and expenses by property owners is not a requirement by law therefore attempts to obtain and analyze this information are not always successful. The mass appraisal performed must be completed in the time limits indicated in the Revaluation Plan and as budgeted. The scope of work performed and disclosure of research and analyses not performed are identified throughout the body of the report.

King County

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Lloyd Hara
Assessor

As we start a new decade and prepare the 2010 revaluations for the 2011 Tax Roll, it is important for staff to review our standards for completing our assessments for this year. As Deputy Assessors, first, everyone works for the taxpayers of King County and we must do our work in the most fair and equitable manner. Second, we will take pride in doing the best professional job possible. Third, we will treat all taxpayers with respect and value their opinions.

To further those standards, all appraisers are directed to:

- Use all appropriate mass appraisal techniques as stated in Washington State Laws, Washington State Administrative Codes, 2010 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;
- Validate for correctness physical characteristics for all vacant and improved properties and, where applicable, validate sales data for those 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 valuation models as delineated by the IAAO (Standard on Mass Appraisal of Real Property, 2002; rev 2008). Apply models uniformly to sold and unsold properties, so that ratio statistics can be accurately inferred to the entire population. Validate models as delineated by IAAO in their Standard on Ratio Studies (approved July 2007).
- All sales are to be time adjusted to 1/1/10 and models developed by appraisers will include an administrative adjustment of .925 to reflect current economic factors that impact value and are not indicated by time-adjusted sales data alone.
- Prepare written reports in compliance with USPAP Standard 6 for Mass Appraisals. The intended users of your appraisals and the written reports include the Assessor, the King County Board of Equalization, the Washington State Board of Tax Appeals, the King County Prosecutor and the Washington State Department of Revenue. The intended use of the appraisals and the written reports is the administration of ad valorem property taxation.

Lloyd Hara
King County Assessor