Vashon Island

Area: 100

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

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Department of Assessments
500 Fourth Avenue, ADM-AS-0708
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John Wilson
Assessor

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Dear Property Owners,
Our field appraisers work hard throughout the year to visit properties in neighborhoods across King County. As a result, new commercial and residential valuation notices are mailed as values are completed. We value your property at its "true and fair value" reflecting its highest and best use as prescribed by state law (RCW 84.40.030; WAC 458-07-030).
We continue to work hard to implement your feedback and ensure we provide you accurate and timely information. We have made significant improvements to our website and online tools to make interacting with us easier. The following report summarizes the results of the assessments for your area along with a map. Additionally, I have provided a brief tutorial of our property assessment process. It is meant to provide you with the background information about our process and the basis for the assessments in your area.
Fairness, accuracy and transparency set the foundation for effective and accountable government. I am pleased to continue to incorporate your input as we make ongoing improvements to 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 ever have any 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 of 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 inspection 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 is 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.

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

John Wilson
Assessor

Vashon Island – Area 100
2017 Assessment Roll Year

Recommendation is made to post values for Area 100 to the 2018 tax roll:

Appraiser II: Janelle Weihl	2/7/17 Date
SW District Senior Appraiser: Randy Raven	02-13-17 Date
Residential Division Director: Debra S. Prins	2/14/17 Date

This report is hereby accepted and the values described in the attached documentation for Area 100 should be posted to the 2018 tax roll.

John Wilson, King County Assessor	3/24/17 Date

Executive Summary
Vashon Island - Area 100
Annual Update

Characteristics Based Market Adjustment for 2017 Assessment Roll

Appraisal Date: 1/1/2017
Previous Physical Inspection: 2015
Number of Improved Sales: 366
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	$180,000	$283,200	$463,200			11.42%
2017 Value	$209,900	$331,400	$541,300	$597,600	91.7%	11.42%
$ Change	+$29,900	+$48,200	+$78,100			
% Change	+16.6%	+17.0%	+16.9%			

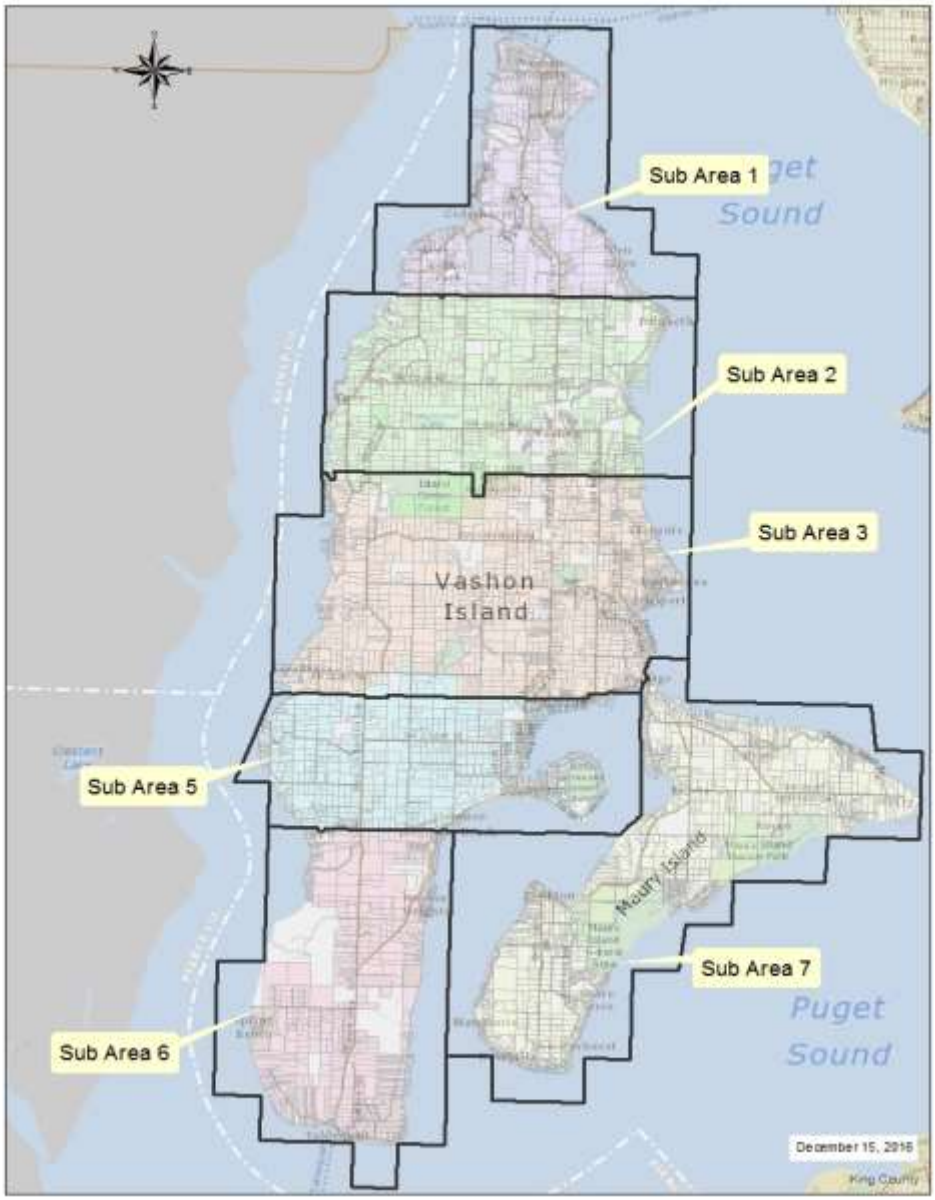
Coefficient of Dispersion (COD) is a measure of the uniformity of the predicted assessed values for properties within this geographic area. No characteristic based variables were warranted, therefore there is no change to the COD. The lower the COD, the more uniform are the predicted assessed values. 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.

Population - Improved Valuation Change Summary:			
	Land	Improvements	Total
2016 Value	$199,500	$265,400	$464,900
2017 Value	$232,700	$310,700	$543,400
$ Change	+$33,200	+$45,300	+$78,500
% Change	+16.6%	+17.1%	+16.9%

Number of one to three unit residences in the population: 4,386

Summary of Findings: The analysis for this area consisted of a general review of applicable characteristics, such as: grade, age, condition, stories, living area, views, waterfront, lot size, land problems and neighborhoods. The area required a single standard area adjustment.

Area 100 - Overview Map



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Area 100 - Model Adjustments
1-3 Unit Residences

2017 Total Value = 2016 Total Value + Overall (+/-) Characteristic Adjustments

Standard Area Adjustment	# Parcels Adjusted	% of Population
+16.99%	4,386	100%

Due to truncating 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 in production.

Area 100 Annual Update Ratio Study Report

PRE-REVALUE RATIO ANALYSIS

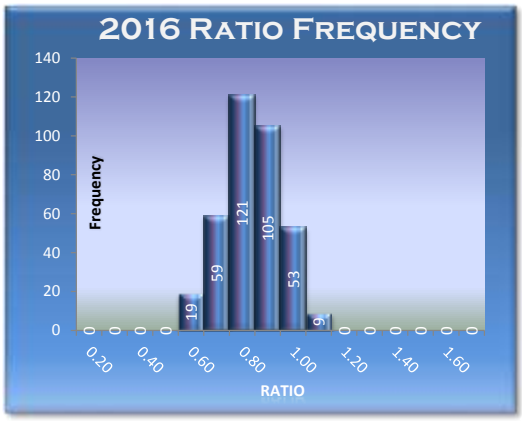
Pre-revalue ratio analysis compares time adjusted sales from 2014 through 2016 in relation to the previous assessed value as of 1/1/2016.

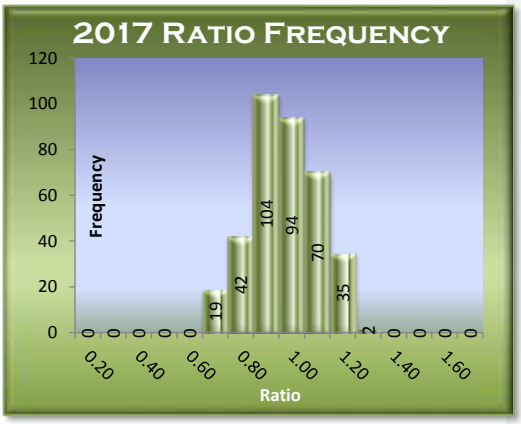
PRE-REVALUE RATIO SAMPLE STATISTICS	
Sample size (n)	366
Mean Assessed Value	$463,200
Mean Adj. Sales Price	$597,600
Standard Deviation AV	$168,829
Standard Deviation SP	$240,696
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.791
Median Ratio	0.785
Weighted Mean Ratio	0.775
UNIFORMITY	
Lowest ratio	0.554
Highest ratio:	1.034
Coefficient of Dispersion	11.42%
Standard Deviation	0.109
Coefficient of Variation	13.80%
Price Related Differential (PRD)	1.020

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)	366
Mean Assessed Value	$541,30
Mean Sales Price	$597,60
Standard Deviation AV	$197,52
Standard Deviation SP	$240,69
ASSESSMENT LEVEL	
Arithmetic Mean Ratio	0.924
Median Ratio	0.917
Weighted Mean Ratio	0.906
UNIFORMITY	
Lowest ratio	0.648
Highest ratio:	1.208
Coefficient of Dispersion	11.42%
Standard Deviation	0.128
Coefficient of Variation	13.80%
Price Related Differential (PRD)	1.020





Area Information
Area 100 – Vashon Island

Area 100 is an island located in the southwest portion of King County in Puget Sound. It is approximately 15 miles long by a maximum of 8 miles wide. Access is via Washington State ferries, with a terminal at the north end connecting Vashon to Seattle and to the Kitsap Peninsula, and a terminal at the south end connecting Vashon to Tacoma.

There are 7,575 parcels in total; 5,263 are improved with a single-family dwelling, mobile home, or accessory. 2,312 parcels are vacant. 1,886 of the total parcels have waterfront; 1,279 of the waterfront parcels are improved with a single family residence, vacation home and or cabin.

Among the qualities that attract buyers to Vashon Island are Puget Sound waterfront, views of Puget Sound, and the rural or semi-rural setting. The main shopping area is in the town of Vashon, located near the north end of the island. No other towns or shopping areas exist on Vashon except for a small area near Burton, which has a gas station, restaurant and small general store. Privacy and solitude are important to islanders.

Located near the town of Vashon are a few newer platted, homogenous neighborhoods; these are the exception to the overall feel of Vashon. House quality and style vary greatly over the island, ranging from small, low grade (grade 2-4) cabins on the water to large higher quality homes. The majority of the houses, however, are mid-range (grades 6-8). There are many recreational opportunities on Vashon: Maury Island Golf Course, marinas in Quartermaster harbor and Dockton, several community centers with swimming pools, community parks, horseback riding and a Camp Fire camp (Camp Sealth).

Annual Update Process

Effective Date of Appraisal: January 1, 2017
Date of Appraisal Report: January 30, 2017

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 $25,000 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)

Land Update

Based on the 56 usable land sales available in the area, their 2016 Assessment Year assessed values, and supplemented by the value increase in sales of improved parcels, an overall market adjustment was derived. This resulted in an overall +16.6% increase in land assessments in the area for the 2017 Assessment Year. The formula is:

2017 Land Value = 2016 Land Value * 1.169, with the result truncated to the next $1,000.

Improved Parcel Update

The analysis for this area consisted of a general review of applicable characteristics, such as: grade, age, condition, stories, living area, views, waterfront, lot size, land problems and neighborhoods. The area required a single standard area adjustment.

With the exception of real property mobile home parcels and parcels with "accessory only" improvements, the new recommended values on all improved parcels were based on the analysis of the 366 useable residential sales in the area.

Sales used in the valuation model were time adjusted to January 1, 2017. The chosen adjustment model was developed using multiple regression. An explanatory adjustment table is included in this report.

The derived adjustment formula is:

2017 Total Value = 2016 Total Value *(1-0.075)/ (0.790686732)

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

2017 Improvements Value = 2017 Total Value minus 2017 Land Value

Mobile Home Update

There were an insufficient number of mobile home sales (9) within Area 100; therefore, mobile homes received the Total % Change indicated by the sales sample as reflected on the Executive Summary page of +16.9%. The adjustment formula is:

2017 Total Value = 2016 Total Value * 1.169
2017 Improvements Value = 2017 Total Value minus 2017 Land Value

Results

The assessment level target for all areas in King County, including this area, is 0.925. The actual assessment level for this area is 0.917. The standard statistical measures of valuation performance are all within the IAAO recommended range of 0.90 to 1.10.

Application of these recommended values for the 2017 assessment year (taxes payable in 2018) results in an average total change from the 2016 assessments of +16.9%. This increase is due partly to market changes over time and the previous assessment levels.

Note: Additional information may reside in the Assessor's Real Property Database, Assessor's procedures, Revalue Plan, separate studies, and statutes.

Exceptions:

- If multiple houses exist on a parcel, the Total % Change indicated by the sales sample is used to arrive at the new total value (Previous Year Land Value + Previous Year Improvement Value) * 1.169.
- If the site is improved with a house and mobile home, the formula derived from the house is used to arrive at new total value.
- If "accessory improvements only", 2017 Land Value + (Previous Year Improvement Value * 1.05).
- 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 land value <= $25,000 no adjustment is applied.
- If improvements and accessories <= $10,000 no further adjustment applied.
- If vacant parcel (no improvement value), the land adjustment applies.
- If a parcel is coded "non-perc" (sewer system=3 or 4), there is no change from previous land value.
- If a parcel is coded "unbuildable" = 1, there is no change from previous land value.
- If a parcel is coded water district private restricted, or public restricted, there is no change from previous land value.
- If an improvement is coded "% net condition" or is in "poor" condition, then there is no change from previous improvement value, only the land adjustment applies.

Any properties excluded from the annual up-date process are noted in RealProperty.

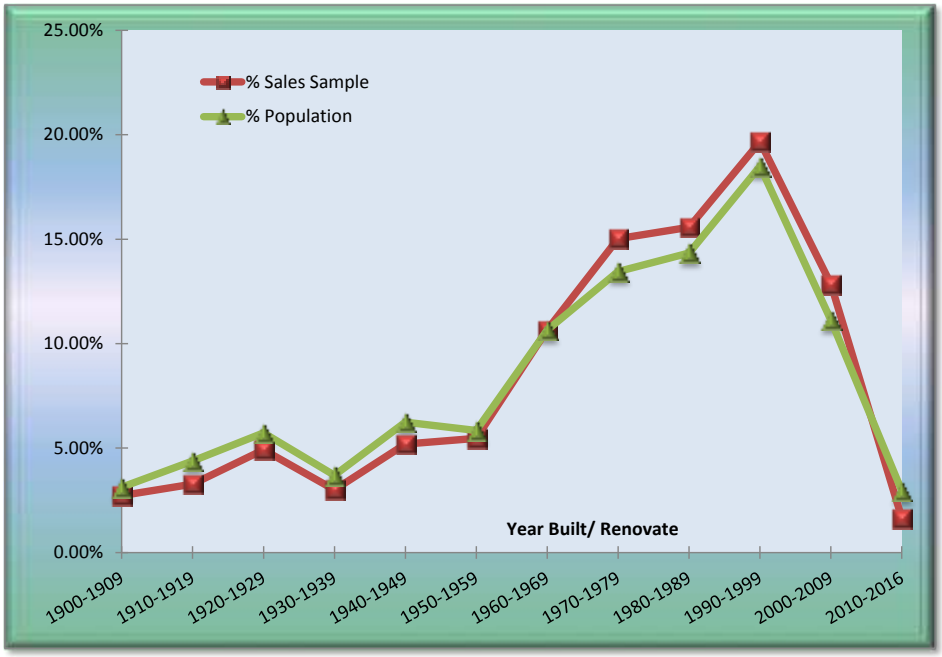
Sales Sample Representation of Population
Year Built or Renovated

Sales Sample

Year Built/Ren	Frequency	% Sales Sample
1900-1909	10	2.73%
1910-1919	12	3.28%
1920-1929	18	4.92%
1930-1939	11	3.01%
1940-1949	19	5.19%
1950-1959	20	5.46%
1960-1969	39	10.66%
1970-1979	55	15.03%
1980-1989	57	15.57%
1990-1999	72	19.67%
2000-2009	47	12.84%
2010-2016	6	1.64%
	366	

Population

Year Built/Ren	Frequency	% Population
1900-1909	137	3.12%
1910-1919	192	4.38%
1920-1929	251	5.72%
1930-1939	162	3.69%
1940-1949	274	6.25%
1950-1959	256	5.84%
1960-1969	467	10.65%
1970-1979	590	13.45%
1980-1989	629	14.34%
1990-1999	811	18.49%
2000-2009	488	11.13%
2010-2016	129	2.94%
	4,386	



The sales sample frequency distribution follows the population distribution fairly closely with regard to Year Built or Renovated. This distribution is adequate for both accurate analysis and appraisals.

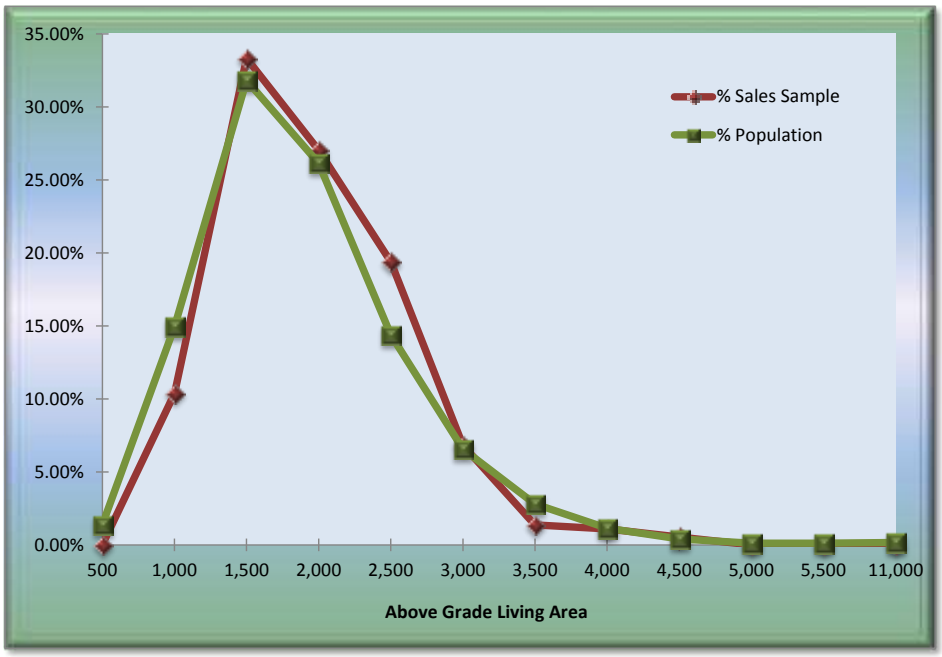
Sales Sample Representation of Population
Above Grade Living Area

Sales Sample

AGLA	Frequency	% Sales Sample
500	0	0.00%
1,000	38	10.38%
1,500	122	33.33%
2,000	99	27.05%
2,500	71	19.40%
3,000	25	6.83%
3,500	5	1.37%
4,000	4	1.09%
4,500	2	0.55%
5,000	0	0.00%
5,500	0	0.00%
11,000	0	0.00%
	366	

Population

AGLA	Frequency	% Population
500	60	1.37%
1,000	656	14.96%
1,500	1,396	31.83%
2,000	1,147	26.15%
2,500	631	14.39%
3,000	288	6.57%
3,500	123	2.80%
4,000	50	1.14%
4,500	18	0.41%
5,000	5	0.11%
5,500	5	0.11%
11,000	7	0.16%
	4,386	



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

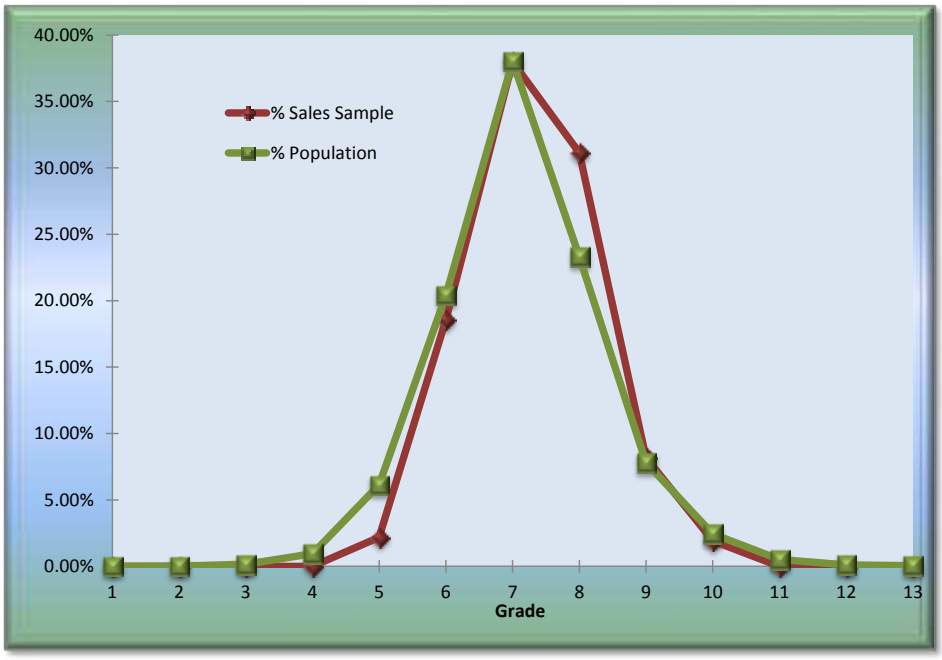
Sales Sample Representation of Population
Building Grade

Sales Sample

Grade	Frequency	% Sales Sample
1	0	0.00%
2	0	0.00%
3	0	0.00%
4	0	0.00%
5	8	2.19%
6	68	18.58%
7	139	37.98%
8	114	31.15%
9	30	8.20%
10	7	1.91%
11	0	0.00%
12	0	0.00%
13	0	0.00%
	366	

Population

Grade	Frequency	% Population
1	0	0.00%
2	1	0.02%
3	7	0.16%
4	42	0.96%
5	269	6.13%
6	896	20.43%
7	1,668	38.03%
8	1,023	23.32%
9	343	7.82%
10	107	2.44%
11	23	0.52%
12	5	0.11%
13	2	0.05%
	4,386	



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

Area 100 Market Value Changes Over Time

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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 1.132, resulting in an adjusted value of $537,000 ($475,000 * 1.132=$537,700) – truncated to the nearest $1000.

SaleDate	Adjustment (Factor)	Equivalent Percent
1/1/2014	1.315	31.5%
2/1/2014	1.306	30.6%
3/1/2014	1.298	29.8%
4/1/2014	1.289	28.9%
5/1/2014	1.280	28.0%
6/1/2014	1.271	27.1%
7/1/2014	1.263	26.3%
8/1/2014	1.254	25.4%
9/1/2014	1.245	24.5%
10/1/2014	1.236	23.6%
11/1/2014	1.228	22.8%
12/1/2014	1.219	21.9%
1/1/2015	1.210	21.0%
2/1/2015	1.201	20.1%
3/1/2015	1.193	19.3%
4/1/2015	1.184	18.4%
5/1/2015	1.176	17.6%
6/1/2015	1.167	16.7%
7/1/2015	1.158	15.8%
8/1/2015	1.149	14.9%
9/1/2015	1.140	14.0%
10/1/2015	1.132	13.2%
11/1/2015	1.123	12.3%
12/1/2015	1.114	11.4%
1/1/2016	1.105	10.5%
2/1/2016	1.096	9.6%
3/1/2016	1.088	8.8%
4/1/2016	1.079	7.9%
5/1/2016	1.070	7.0%
6/1/2016	1.061	6.1%
7/1/2016	1.053	5.3%
8/1/2016	1.044	4.4%
9/1/2016	1.035	3.5%
10/1/2016	1.026	2.6%
11/1/2016	1.018	1.8%
12/1/2016	1.009	0.9%
1/1/2017	1.000	0.0%

The time adjustment formula for Area 100 is: (.790686731645567 - 0.00022713436755817 * SaleDay) / (0.7906867316)
SaleDay = SaleDate - 42736

Area 100 Housing Profile

Grade 4/ Year Built 1983/ Total Living Area 560 SF

Grade 5/Year Built 1937/Total Living Area 870 SF

Grade 6/ Year Built1923/ Total Living Area 1610 SF

Grade 7/ Year Built 1969/ Total Living Area 2870 SF

Grade 8/ Year Built 1996/ Total Living Area 1230 SF

Grade 9/ Year Built 1920/ Total Living Area 2320 SF

Area 100 Housing Profile ...continued

Grade 10/ Year Built 1991/ Total Living Area 3580 SF

Grade 11/ Year Built 1980/ Total Living Area 6260 SF

Grade 12/Year Built 1994/Total Living Area5960 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.

Uniform Standards of Professional Appraisal Practice Compliance

Client and Intended Use of the Appraisal:

This mass appraisal report is intended for use by the public, King County Assessor and other agencies or departments administering or confirming ad valorem property taxes. Use of this report by others for other purposes is not intended by the appraiser. The use of this appraisal, analyses and conclusions is limited to the administration of ad valorem property taxes in accordance with Washington State law. As such it is written in concise form to minimize paperwork. The assessor intends that this report conform to the Uniform Standards of Professional Appraisal Practice (USPAP) requirements for a mass appraisal report as stated in USPAP SR 6-8. To fully understand this report the reader may need to refer to the Assessor's Property Record Files, Assessors Real Property Data Base, separate studies, Assessor's Procedures, Assessor's field maps, Revalue Plan and the statutes.

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

Definition and date of value estimate:

Market Value

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

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

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

Highest and Best Use

RCW 84.40.030

> *All property shall be valued at one hundred percent of its true and fair value in money and assessed on the same basis unless specifically provided otherwise by law.*
>
> *An assessment may not be determined by a method that assumes a land usage or highest and best use not permitted, for that property being appraised, under existing zoning or land use planning ordinances or statutes or other government restrictions.*

WAC 458-07-030 (3) True and fair value -- Highest and best use.

> *Unless specifically provided otherwise by statute, all property shall be valued on the basis of its highest and best use for assessment purposes. Highest and best use is the most profitable, likely use to which a property can be put. It is the use which will yield the highest return on the owner's investment. Any reasonable use to which the property may be put may be taken into consideration and if it is peculiarly adapted to some particular use, that fact may be taken into consideration. Uses that are within the realm of possibility, but not reasonably probable of occurrence, shall not be considered in valuing property at its highest and best use.*

If a property is particularly adapted to some particular use this fact may be taken into consideration in estimating the highest and best use. (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.

Property Rights Appraised: Fee Simple

Wash Constitution Article 7 § 1 Taxation:

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

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

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

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

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

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

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

Assumptions and Limiting Conditions:

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

9. Maps, plats and exhibits included herein are for illustration only, as an aid in visualizing matters discussed within the report. They should not be considered as surveys or relied upon for any other purpose.
10. The appraisal is the valuation of the fee simple interest. Unless shown on the Assessor's parcel maps, easements adversely affecting property value were not considered.
11. An attempt to segregate personal property from the real estate in this appraisal has been made.
12. Items which are considered to be "typical finish" and generally included in a real property transfer, but are legally considered leasehold improvements are included in the valuation unless otherwise noted.
13. The movable equipment and/or fixtures have not been appraised as part of the real estate. The identifiable permanently fixed equipment has been appraised in accordance with RCW 84.04.090 and WAC 458-12-010.
14. I have considered the effect of value of those anticipated public and private improvements of which I have common knowledge. I can make no special effort to contact the various jurisdictions to determine the extent of their public improvements.
15. Exterior inspections were made of all properties in the physical inspection areas (outlined in the body of the report) however; due to lack of access and time few received interior inspections.

Scope of Work Performed:

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

Certification:

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct
- The report analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and 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.
- 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.

Any services regarding the subject area performed by me within the prior three years, as an appraiser or in any other capacity is listed below:

To the best of my knowledge the following services were performed by me within the subject area in the last three years:

- Annual Update Model Development and Report Preparation
- Data Collection
- Sales Verification
- Appeals Response Preparation / Review
- Physical Inspection Model Development and Report Preparation
- Land and total Valuation
- New Construction Evaluation

2/7/17

Appraiser II | Date

King County

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John Wilson
Assessor

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

Please follow these standards as you perform your tasks.

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