

Issaquah/ Lakemont

Area: 065

Residential Revalue for 2016 Assessment Roll



King County

Department of Assessments

Setting values, serving the community, and pursuing excellence

500 Fourth Avenue, ADM-AS 0708

Seattle, WA 98104-2384

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



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John Wilson
Assessor

Dear Property Owners:

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

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

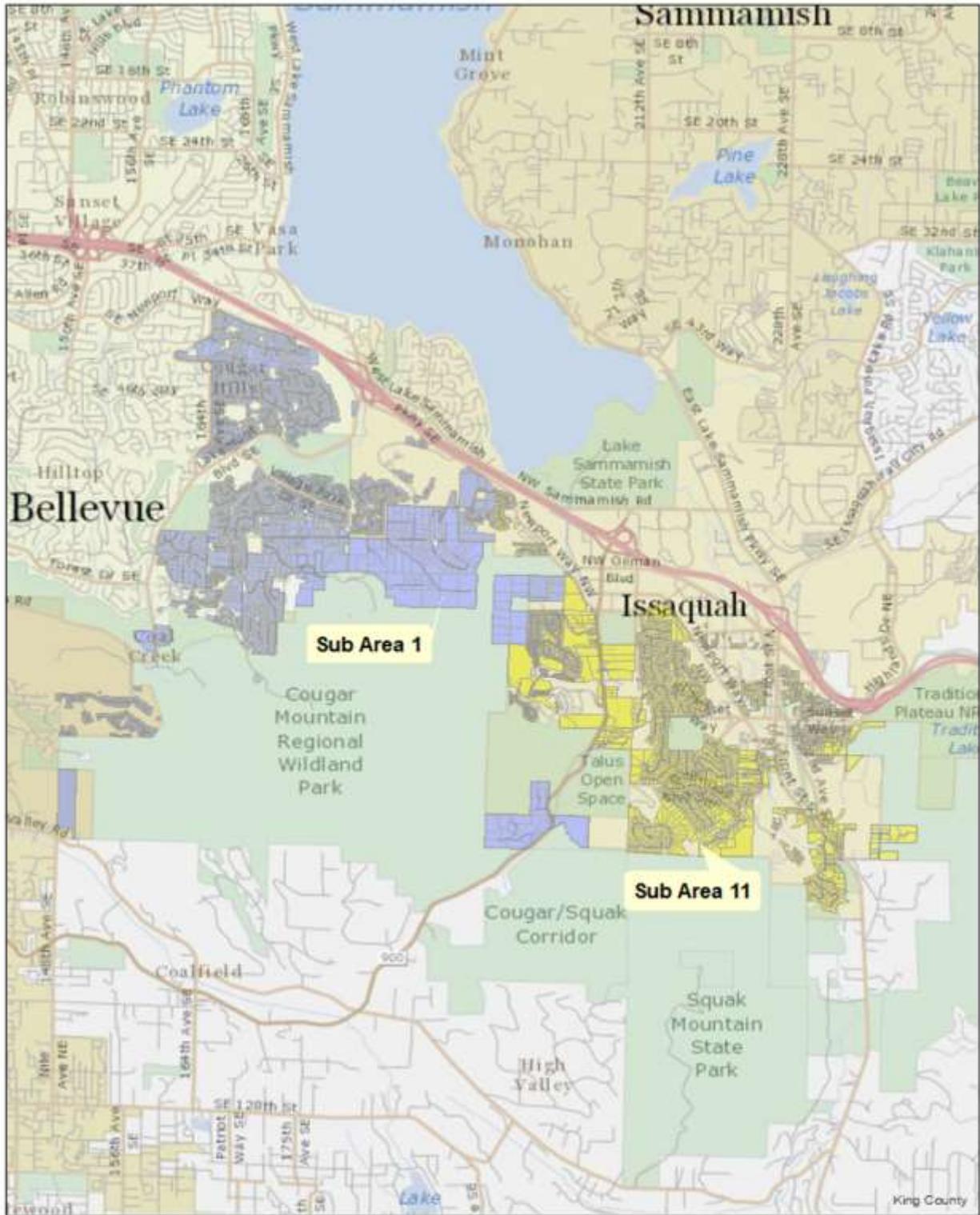
Fairness, accuracy and uniform assessments set the foundation for effective government. I am pleased to incorporate your input as we make continuous and ongoing improvements to best serve you. Our goal is to ensure every taxpayer is treated fairly and equitably.

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

In Service,

John Wilson
King County Assessor

Area 065 Map



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

Area 65 Housing Profile



Grade 5/ Year Built 1900/ Total Living Area 1,040



Grade 6/ Year Built 1951/ Total Living Area 1,290



Grade 7/ Year Built 1960/ Total Living Area 2,000



Grade 8/ Year Built 1978/ Total Living Area 2,300



Grade 9/ Year Built 2008/ Total Living Area 3,690



Grade 10/ Year Built 1995/ Total Living Area 3,690



Grade 11/Year Built 2015/ Total Living Area 5,640



Grade 12/Year Built 2000/ Total Living Area 5,370



Grade 13/Year Built 2008/ Total Living Area 8,090

Glossary for Improved Sales

Condition: Relative to Age and Grade

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

Residential Building Grades

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

Executive Summary

Issaquah/ Lakemont - Area 065

Physical Inspection

Appraisal Date: 1/1/2016
Previous Physical Inspection: 2010
Number of Improved Sales: 1047
Range of Sale Dates: 1/1/2013 – 12/31/2015 Sales were time adjusted to 1/1/2016

| Sales - Improved Valuation Change Summary: | | | | | | |
|--|-----------|--------------|-----------|-----------------|-------|-------|
| | Land | Improvements | Total | Mean Sale Price | Ratio | COD |
| 2015 Value | \$282,400 | \$521,500 | \$803,900 | | | 7.58% |
| 2016 Value | \$351,500 | \$501,500 | \$853,000 | \$931,300 | 91.7% | 5.76% |
| \$ Change | +\$69,100 | -\$20,000 | +\$49,100 | | | |
| % Change | +24.5% | -3.8% | +6.1% | | | |

Coefficient of Dispersion (COD) is a measure of the uniformity of the predicted assessed values for properties within this geographic area. The 2016 COD of 5.76% is an improvement from the previous COD of 7.58%. The lower the COD, the more uniform are the predicted assessed values. Assessment standards prescribed by the International Association of Assessing Officers identify that the COD in rural or diverse neighborhoods should be no more than 20%. The resulting COD meets or exceeds the industry assessment standards. Sales from 1/1/2013 to 12/31/2015 (at a minimum) were considered in all analysis. Sales were time adjusted to 1/1/2016

| Population - Improved Valuation Change Summary: | | | |
|---|-----------|--------------|-----------|
| | Land | Improvements | Total |
| 2015 Value | \$287,000 | \$486,900 | \$773,900 |
| 2016 Value | \$357,500 | \$450,900 | \$808,400 |
| \$ Change | +\$70,500 | -\$36,000 | +\$34,500 |
| % Change | +24.6% | -7.4% | +4.5% |

Number of one to three unit residences in the population: 4,968

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 065 – Issaquah / Lakemont, 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 065 indicated a substantial change was needed in the allocation of the land and improvement value as part of the total. This is partly due to the previous down turn in the market where vacant land was in low demand and sales were few. Now there has been a resurgence of vacant land sales indicating a substantial increase in land value. Land is valued as though vacant and at its highest and best use. The improvement value is a residual remaining when land is subtracted from total value.

Sales Sample Representation of Population

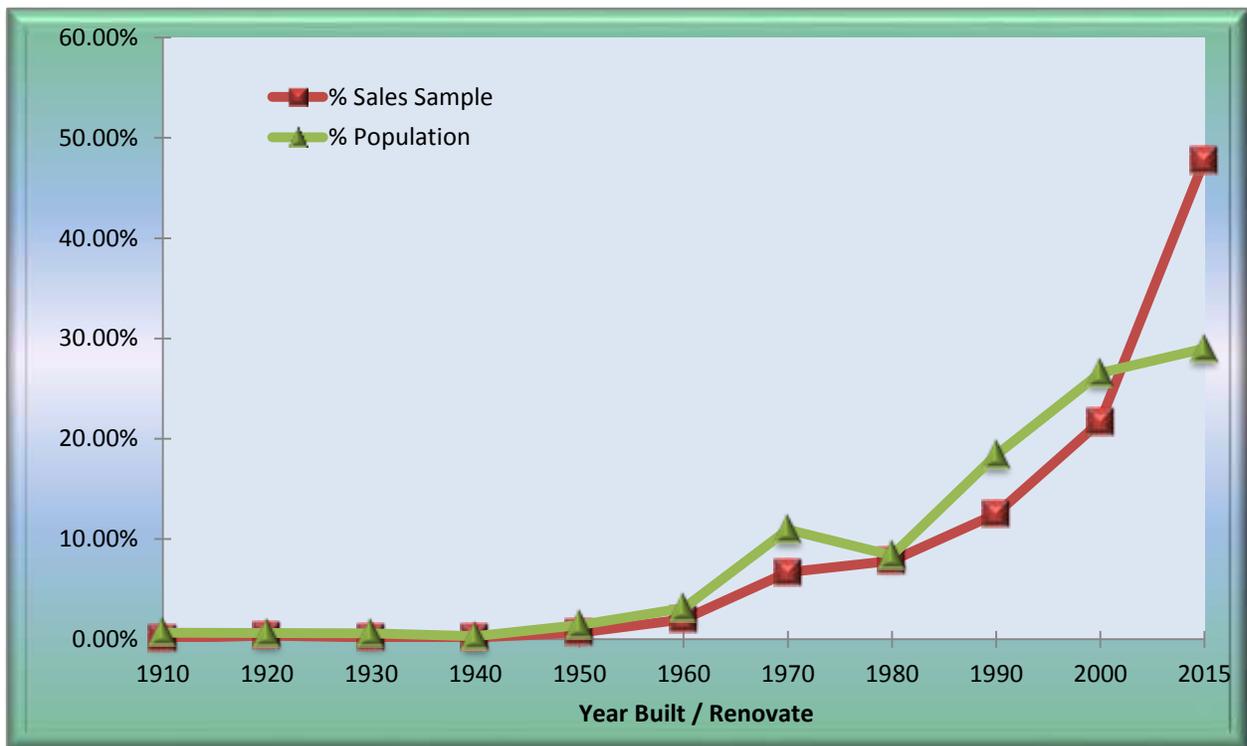
Year Built or Renovated

Sales

| Year Built/Ren | Frequency | % Sales Sample |
|----------------|-----------|----------------|
| 1910 | 1 | 0.10% |
| 1920 | 4 | 0.38% |
| 1930 | 2 | 0.19% |
| 1940 | 2 | 0.19% |
| 1950 | 7 | 0.67% |
| 1960 | 21 | 2.01% |
| 1970 | 70 | 6.69% |
| 1980 | 82 | 7.83% |
| 1990 | 131 | 12.51% |
| 2000 | 227 | 21.68% |
| 2015 | 500 | 47.76% |
| 1,047 | | |

Population

| Year Built/Ren | Frequency | % Population |
|----------------|-----------|--------------|
| 1910 | 33 | 0.66% |
| 1920 | 31 | 0.62% |
| 1930 | 30 | 0.60% |
| 1940 | 16 | 0.32% |
| 1950 | 71 | 1.43% |
| 1960 | 155 | 3.12% |
| 1970 | 544 | 10.95% |
| 1980 | 416 | 8.37% |
| 1990 | 913 | 18.38% |
| 2000 | 1,319 | 26.55% |
| 2015 | 1,440 | 28.99% |
| 4,968 | | |



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 lack statistical significance during the modeling process.

Sales Sample Representation of Population

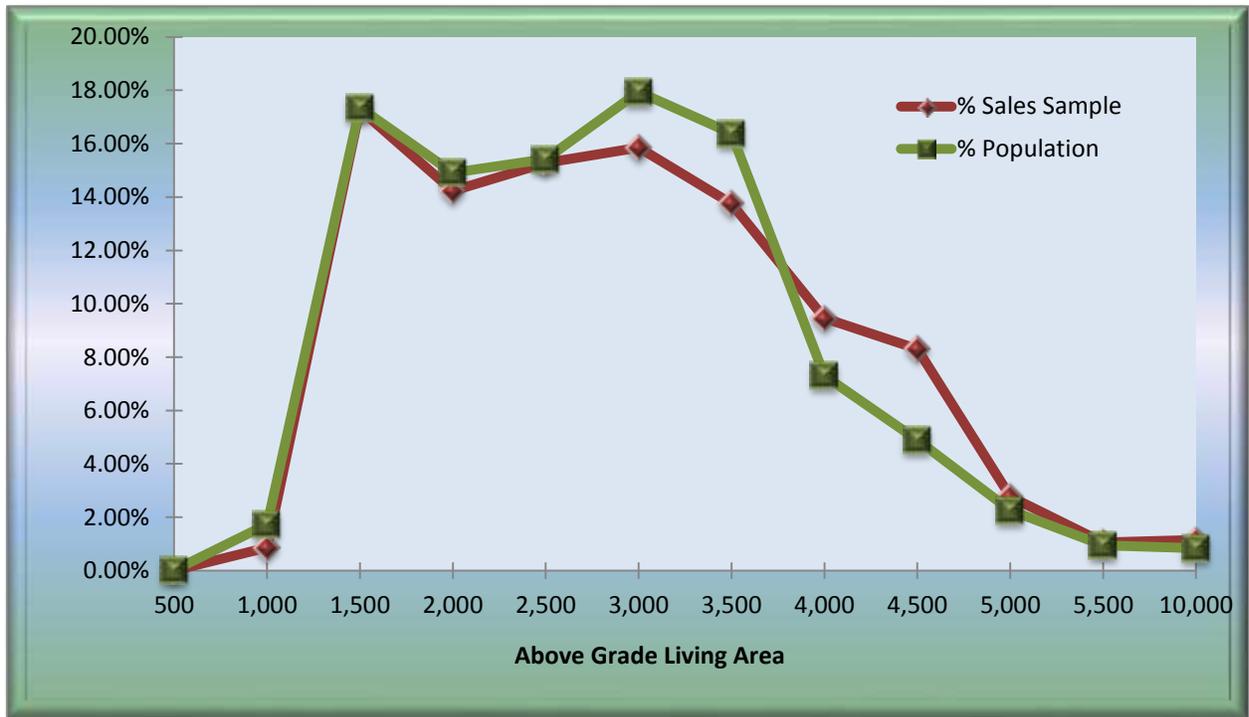
Above Grade Living Area

Sales

| AGLA | Frequency | % Sales Sample |
|--------|-----------|----------------|
| 500 | 0 | 0.00% |
| 1,000 | 9 | 0.86% |
| 1,500 | 181 | 17.29% |
| 2,000 | 149 | 14.23% |
| 2,500 | 160 | 15.28% |
| 3,000 | 166 | 15.85% |
| 3,500 | 144 | 13.75% |
| 4,000 | 99 | 9.46% |
| 4,500 | 87 | 8.31% |
| 5,000 | 29 | 2.77% |
| 5,500 | 11 | 1.05% |
| 10,000 | 12 | 1.15% |
| 1,047 | | |

Population

| AGLA | Frequency | % Population |
|--------|-----------|--------------|
| 500 | 1 | 0.02% |
| 1,000 | 86 | 1.73% |
| 1,500 | 862 | 17.35% |
| 2,000 | 741 | 14.92% |
| 2,500 | 766 | 15.42% |
| 3,000 | 891 | 17.93% |
| 3,500 | 814 | 16.38% |
| 4,000 | 363 | 7.31% |
| 4,500 | 243 | 4.89% |
| 5,000 | 112 | 2.25% |
| 5,500 | 47 | 0.95% |
| 10,000 | 42 | 0.85% |
| 4,968 | | |



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

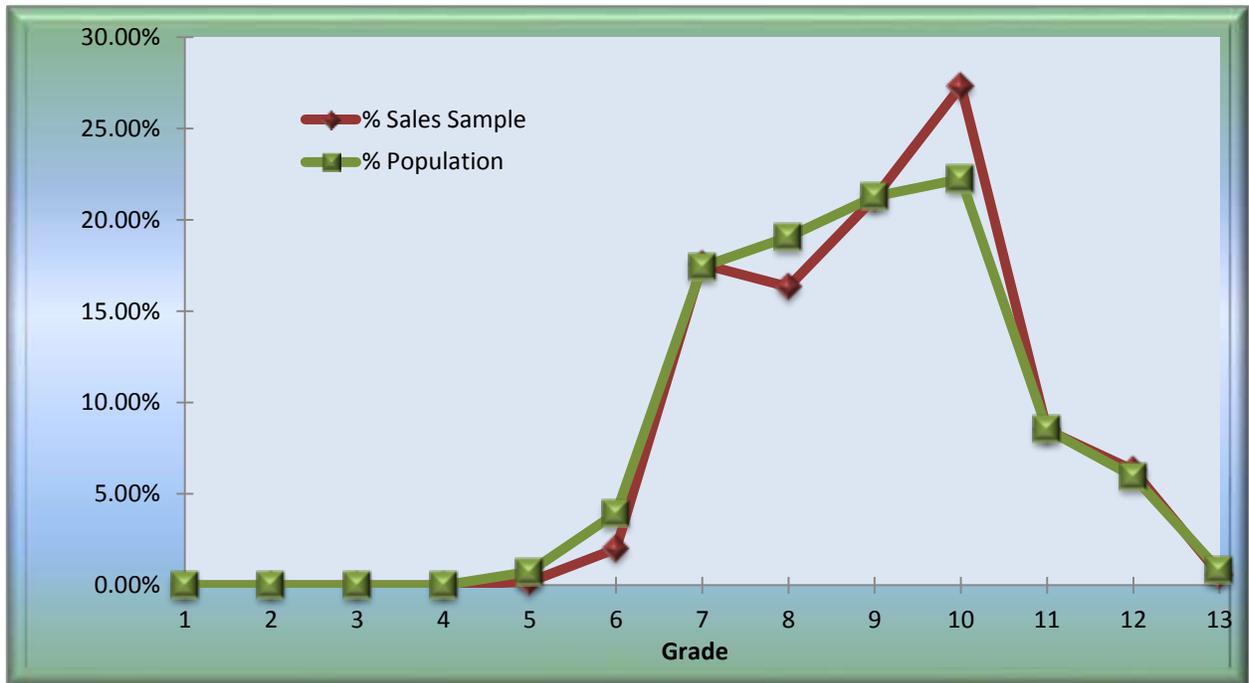
Building Grade

Sales

| Grade | Frequency | % Sales Sample |
|-------|-----------|----------------|
| 1 | 0 | 0.00% |
| 2 | 0 | 0.00% |
| 3 | 0 | 0.00% |
| 4 | 0 | 0.00% |
| 5 | 2 | 0.19% |
| 6 | 21 | 2.01% |
| 7 | 184 | 17.57% |
| 8 | 171 | 16.33% |
| 9 | 222 | 21.20% |
| 10 | 286 | 27.32% |
| 11 | 89 | 8.50% |
| 12 | 66 | 6.30% |
| 13 | 6 | 0.57% |
| 1,047 | | |

Population

| Grade | Frequency | % Population |
|-------|-----------|--------------|
| 1 | 0 | 0.00% |
| 2 | 0 | 0.00% |
| 3 | 0 | 0.00% |
| 4 | 0 | 0.00% |
| 5 | 37 | 0.74% |
| 6 | 196 | 3.95% |
| 7 | 866 | 17.43% |
| 8 | 947 | 19.06% |
| 9 | 1,057 | 21.28% |
| 10 | 1,105 | 22.24% |
| 11 | 424 | 8.53% |
| 12 | 296 | 5.96% |
| 13 | 40 | 0.81% |
| 4,968 | | |



The sales sample frequency distribution follows the population distribution fairly closely with regard to Building Grades. New construction of grade 10 homes is reflected by a higher representation of sales in this sample. This distribution is adequate for both accurate analysis and appraisals.

Physical Inspection Process

Effective Date of Appraisal: January 1, 2016

Date of Appraisal Report: June 14, 2016

Appraisal Team Members and Participation

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

- Rick Sowers – Appraiser II: Team lead, coordination, valuation model development and testing. Land and total valuation appraisals. Sales verification, physical inspection and report writing.
- Brian Ogilvie – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.
- Eric Todd – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.
- Gary Downing – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.
- Heather Hagan – Appraiser I: Sales verification, appraisal analysis, land appraisal, physical inspection and total valuation.

Sales Screening for Improved Parcel Analysis

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

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

(Available sales and additional Area information can be viewed 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.

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.

Physical Inspection Process... Continued

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

Special Assumptions and Limiting Conditions

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

The following Departmental guidelines were considered and adhered to:

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

Area Information

Name or Designation

Area 065 - Issaquah / Lakemont

Boundaries

The general boundary of area 65 begin at the city limits of Issaquah on the south side of I-90. The City of Issaquah defines the northeastern, eastern and southeastern boundaries of area 65. The remainder of the northern boundary runs west from Issaquah along I-90 and Newport Way out to 164th Ave SE. The westerly boundary runs south along 164th Ave SE and Lakemont Blvd to the Reserve at Newcastle (the southwest corner). The southern boundary runs east from the Reserve at Newcastle through the Cougar Mountain Regional Park back to the City of Issaquah.

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.

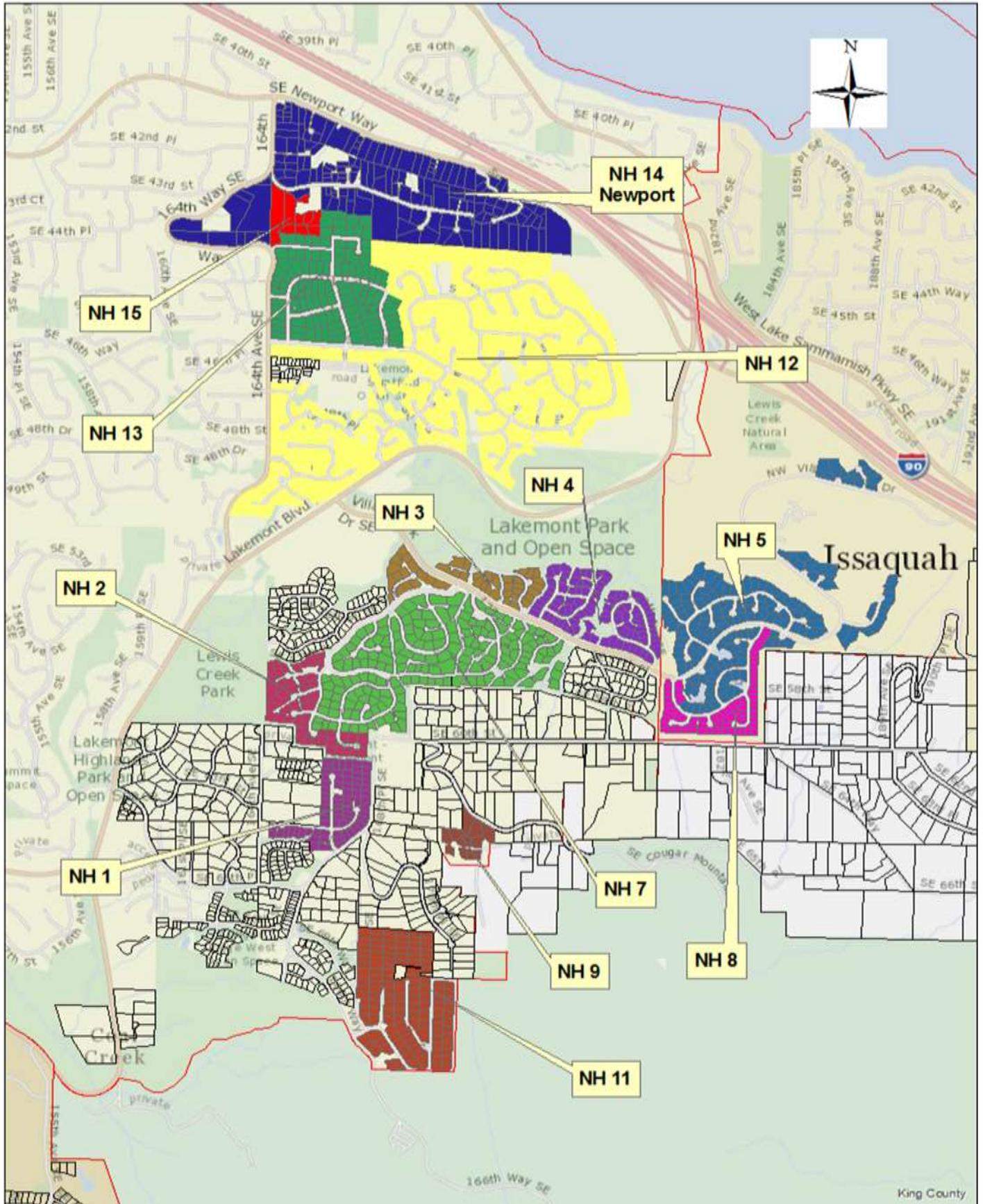
Area Description

Area 065 is located just south and adjacent to I-90, between Lakemont Blvd SE to the west with the eastern boundary of the City of Issaquah to the east. Area 65 includes Subareas 1 and 11 and the jurisdictions of Bellevue, Newcastle, Issaquah and unincorporated King County. Overall this is a very diverse and desirable area with great access to many amenities and neighborhoods that appeal to a wide variety of living styles. This includes houses ranging in quality from grade 2 cabins to grade 13 mansions, rural tax lots, downtown Issaquah bungalows and plats that range from average to excellent quality. Houses were built from 1900 to the present, and sale prices range from \$247,000 to \$2,980,000. Homogeneity exists within individual neighborhoods and plats scattered throughout the area. Views are a significant characteristic with hillsides and topography providing panoramic views of the Olympic and Cascade Mountains, Lake Sammamish, Lake Washington, and the cities of Seattle and Bellevue. Area 65 is also impacted with many streams, steep topography, wetlands, coal mines and other sensitive areas. Access to I-90 and to the various commercial, recreational and shopping centers throughout the Eastside and Seattle area is excellent. Parks are numerous and surround the area. This includes the adjacent regional parks of Cougar Mountain, Squak Mountain, Tiger Mountain and Lake Sammamish State park. All provide acres of forest land, hiking trails, swimming and boating for area residents.

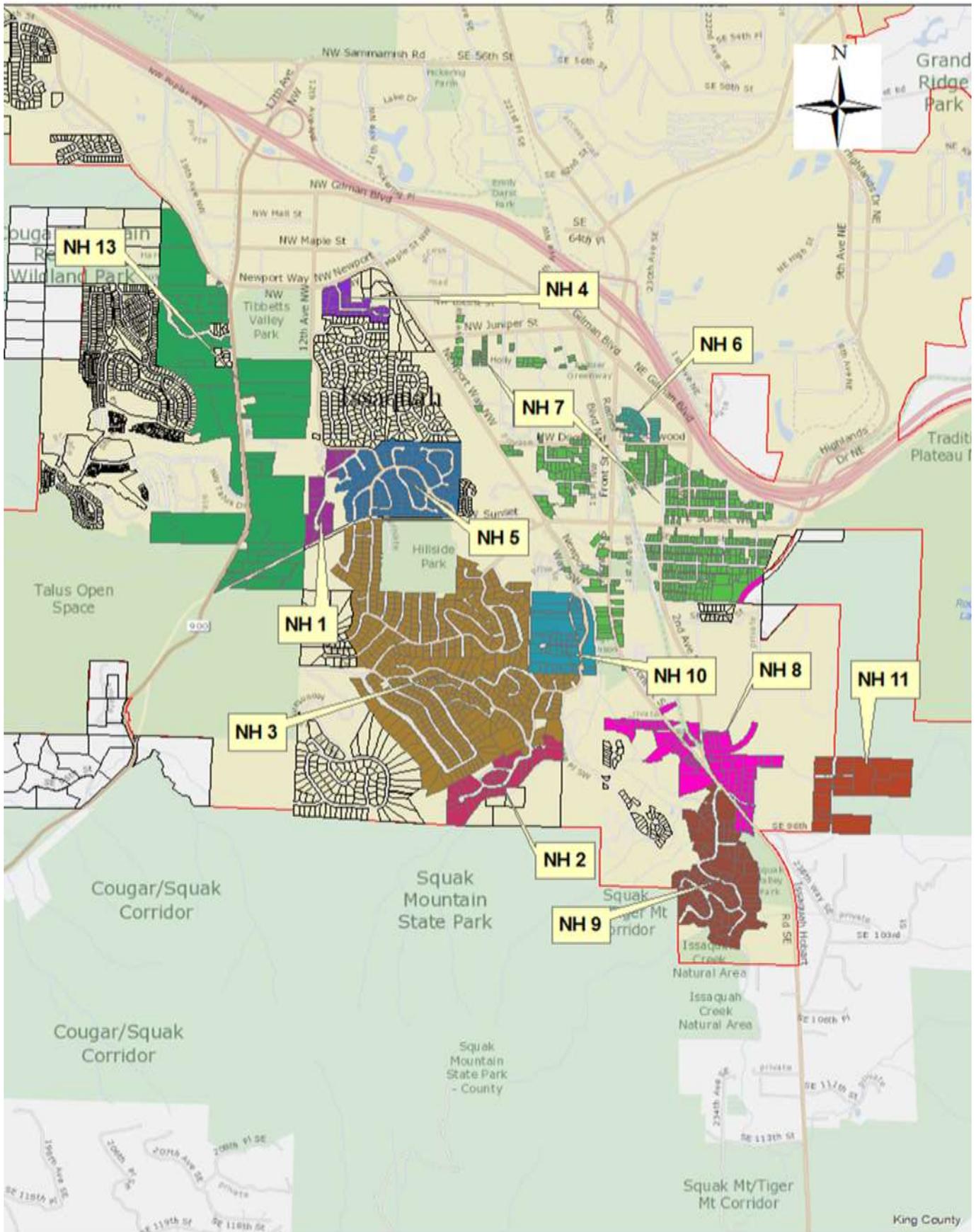
Subarea 1 is located in the western half of Area 65 with most properties located on or around the slopes of the northern half of Cougar Mountain. Found here are most of the high quality plats and high end homes. This includes "The Reserve at Newcastle" golf community, Lakemont, and Bellevue Highlands. Scattered throughout are many desirable tax lots located along the northern and western border of Cougar Mountain Park. Many of these tax lots retain a very rural flavor and yet are very close to city centers. Most properties throughout are served by public sewer and water with the exception of those in the King County jurisdiction.

Subarea 11 is located in the eastern half of Area 65 and has a busier, more urban/suburban setting than Subarea 1. This sub-area includes the older downtown area of the City of Issaquah with it's many great amenities that include The Village Theater, Gilman Village, many restaurant's, stores and shops. Most of the area is platted but still retains several tax lot type properties of various sizes.

Area 65 Subarea 1 -- Neighborhood Map



Area 65 Subarea 11 -- Neighborhood Map



Land Valuation

Vacant sales from 1/1/2013 to 12/31/2015 were given primary consideration for valuing land with emphasis placed on those sales closest to January 1, 2016. Area 65 has 5656 total parcels of which 5210 have a single family improvement, 432 are vacant and 14 have accessory improvements. The area has defined boundaries with major roads, parks, forest land and ravines contiguous to its borders. The land features within this area are very diverse. The area includes many plats, tax lots, city lots and acreage. These lots vary in quality, size, views, open space, and impacts. All land sales were physically inspected and verified in the field with an effort made to contact the buyer or seller when necessary or possible. A total of 48 vacant sales were used in the analysis and creation of the land model. Within Area 65 there were 36 single parcel and 11 multi-parcel land sales utilized. For additional support on large acreage parcels, research in competing areas produced one 25 acre multi-parcel (2 parcels) land sale from Area 66-2. The characteristics of each sale were compared and categorized for the purpose of estimating land values and establishing adjustments for additional amenities or impacts affecting value. The land allocation and land abstraction methods were also incorporated in the land model analysis for additional support and validation where land sales were limited. Overall, values and ratios from both methods were found to be compatible with the vacant land sales and considered reliable in helping to determine the final land values for tax lots, plats and all neighborhoods.

In response to the wide-ranging diversity of property, various observations were then researched, analyzed and validated by current market sales. Twenty five neighborhoods and several distinct plats were identified and are described below. The most influential characteristics identified affecting sales price include: view, lot size, topography, quality and age of plat, amenities, access, location and traffic. Some large and small land development and platting is taking place, most of which is within the City of Issaquah (Area 65-11). "Highest and Best Use" was considered on larger lots for potential development where access and sewer systems allowed.

65-1 Neighborhood Descriptions

- Neighborhood 1 – Includes 2 plats and several adjoining tax lots with similar characteristics. Located on the west side of Cougar Mountain, just off of SE Cougar Mountain Way and 167th Ave SE. It includes 72 parcels with an average adjusted selling price of \$1,176,000, the average lot size is 10,200 square feet with an average base land value of \$383,000. The average house grade is 10, built in 2003.
- Neighborhood 2 – Is located on the upper west side of the Lakemont plat with views. There are 49 parcels with an average adjusted selling price of \$1,155,000, the average lot size is 13,800 square feet with an average base land value of \$410,000. The average house grade is 10, built in 1994.
- Neighborhood 3 – Is a small portion of Lakemont located along Village Park Dr SE. There are 41 improved parcels with an average adjusted selling price of \$1,200,000, the average lot size is 13,200 square feet with an average base land value of \$394,000. The average house grade is 11, built in 1995.

- Neighborhood 4 – is 2 very similar non-view plats located in lower Lakemont, on the north side of Village Park Dr SE. There are 94 improved parcels with an average adjusted selling price of \$1,003,000, the average lot size is 9,494 square feet with an average base land value of \$394,000. The average house grade is 10, built in 1995.
- Neighborhood 5 – a large portion of the plat of Montreaux with the higher grade homes, includes the 1991 street of Dreams and is located on the eastern end of Village Park Dr SE. There are 160 improved parcels with an average adjusted selling price of \$1,173,000, the average lot size is 13,242 square feet with an average base land value of \$394,000. Three ponds in this neighborhood include \$15,000 increase per pond site. The average house grade is 10, built in 1995.
- Neighborhood 7 – is a high end view area of Lakemont. There are 174 improved parcels with an average adjusted selling price of \$1,746,000, the average lot size is 15,441 square feet with an average base land value of \$533,000. The average house grade is 12, built in 1997.
- Neighborhood 8 –Is a smaller portion of the Montreaux plat, it is mostly non-view and includes most of the lower grade homes. There are 67 improved parcels with an average adjusted selling price of \$922,000, the average lot size is 7,966 square feet with an average base land value of \$372,000. The average house grade is 9, built in 1996.
- Neighborhood 9 – The Peak, this a small exclusive gated plat of tax lots with excellent views, located near the top of Cougar Mountain. There are 10 vacant parcels with an average adjusted selling price for average territorial views of \$525,000, the average lot size is 24,589 square feet with an average base land value of \$614,000.
- Neighborhood 11 – The Belvedere plat, is a new excellent view community that includes several tax lots, located near the top and west side of Cougar Mountain. There are 127 parcels, of which 58 are improved having an average adjusted selling price of \$1,672,000. The average lot size is 14,000 square feet with an average base land value of \$521,000. The average house grade is 10, built in 2013.
- Neighborhood 12 – This is a large platted area called Vuemont, which is located on the northern portion of Subarea 1. There are 597 improved parcels having an average adjusted selling price of \$991,000. The average lot size is 12,000 square feet with an average base land value of \$419,000. The average house grade is 9 and 10, built in 1988.
- Neighborhood 13 – This is an area includes Jeffrey Heights, Eastmont Homes and adjacent similar taxlots, they are located on the northern portion of Subarea 1. There are 109 parcels, some with view, having an average adjusted selling price of \$864,000. The average lot size is 17,408 square feet with an average base land value of \$392,000. The average house grade is 8, built in 1978.
- Neighborhood 14 – This is an area of very similar platted and tax lot properties, located at the very northern part of Subarea 1 just south of I-90. There are 156 parcels, of which 120 are improved, with an average adjusted selling price of \$856,000. The average lot size is 26,246 square feet with an average base land value of \$387,000. The average house grade is 8 and 9, built in 1981.

- Neighborhood 15 – is a small gated view community of tax lots, located at the very northern part of Subarea 1, on the hill south of I-90. There are 8 parcels, with one sale having an adjusted selling price of \$1,713,000. The average lot size is 41,892 square feet with an average base land value of \$581,000. The average house grade is 12, built in 1998.

65-11 Neighborhood Descriptions

- Neighborhood 1 – is a small Issaquah short plat made up of tax lots, located adjacent to the western side of the Mountaineer plat in central Subarea 11. There are 12 parcels, having an average adjusted selling price of \$905,500. The average lot size is near an acre with an average base land value of \$302,000. The average house grade is 9, built in 1995.
- Neighborhood 2 – is a smaller plat called Ridgewood Estates and a few similar tax lots, located in the south central part Subarea 11. There are 31 parcels, having an average adjusted selling price of \$673,000. The average lot size is 29,176 with an average base land value of \$314,000. The average house grade is 8, built in 1986.
- Neighborhood 3 – is a large area of plats and tax lots including; Mountain Park Estates, Wildwood Acres, Wildwood Park, Cedar Ridge and Timber Crest. It is located on the hillside just west of the downtown Issaquah area. There are 512 improved parcels, having an average adjusted selling price of \$528,000. The average lot size is 15,548 with an average base land value of \$259,000. The average house grade is 7, built in 1970.
- Neighborhood 4 – is a brand new plat (all tax lots), called Pickering Estates located on the hillside near Pickering Farms and just south of the shopping district along I-90. There are 21 sites, one is improved with the original 1919, grade 7 house. There has been no sales activity yet. The average lot size is 12,946 with an average base land value of \$395,000.
- Neighborhood 5 – consists mostly of a plat called Mountaineer and a few similar tax lots. It is located on the hillside just west of the downtown area. There are 173 improved sites, the average adjusted selling price is \$596,000. The average lot size is 11,666 with an average base land value of \$270,000. The average house grade is 8, built in 1974.
- Neighborhood 6 – is a small downtown Issaquah plat consisting of mostly older, lower grade duplexes and a few single family homes. It is located on north Front Street, near I-90. There are 29 improved sites, the average adjusted selling price is \$471,000. The average lot size is 8,294 with an average base land value of \$260,000. The average house grade is 6, built in 1959. The zoning is predominantly single family/duplex.
- Neighborhood 7 – is the Downtown core area. There are 458 improved sites, the average adjusted selling price is \$541,000. The average lot size is 8,450 with an average base land value of \$270,000. The average house grade is 7, built in 1958. There are several transitional zonings in this area including single family, multi-family/high density, medium density and duplex.
- Neighborhood 8 – is located just south the Downtown Issaquah core area, along Front Street South. There are 60 improved taxlot sites, the average adjusted selling price is \$556,000. The average lot size is 21,201 with an average base land value of \$270,000. The average house grade is 7, built in 1971.

- Neighborhood 9 – is the plat of “Sycamore” that is located in the south city limits of Issaquah. This is a nice older plat with several lots with Issaquah creek waterfront and upland hillside sites. There are 80 improved sites, the average adjusted selling price is \$883,000. The average lot size is 23,033 with an average base land value of \$346,000. The average house grade is 8, built in 1977.
- Neighborhood 10 – is a transitional area just west of the the Downtown core area. This area includes several renovated houses from the early 1900’s when coal mining employed many in the city. There are 43 improved sites, the average adjusted selling price is \$521,000. The average lot size is 24,086 with an average base land value of \$269,000. The average house grade is 6, built in 1963.
- Neighborhood 11 – is located in the south Issaquah city limits, it is more rural in nature than the rest of the city. There are 15 improved sites, the average adjusted selling price is \$508,000. The average lot size is 2.08 acres with an average base land value of \$325,000. The average house grade is 8 & 9, built in 1967.
- Neighborhood 13 – is located in the valley area along the Renton Issaquah Rd. These are mostly tax lots of various sizes, some are impacted by traffic, topography or stream. There are 37 improved with with one sale at an adjusted sale price of \$607,000. The average lot size is 3.01 acres with an average base land value of \$306,000. The average house grade is 7, built in 1965.

Tax lots range in size from 5,339 square feet to 21.947 acres and were valued by size, with values ranging from \$82,000 to \$905,000. Platted sites range in size from 1,500 square feet to 289,238 square feet and were valued by site, with values ranging from \$130,000 to \$855,000. Townhome sites range in size from 683 square feet to 3,742 square feet and were valued by site, with values ranging from \$153,000 to \$215,000.

Land Model

Model Development, Description and Conclusions

Vacant land sales were the significant factor in determining the basis of the land model. In addition, due to the substantial diversity and numerous property types, additional support and validation from the land allocation and land abstraction methods were incorporated. The combination of these methods were invaluable in validating land values where vacant land sales were limited. Overall, values and ratios from both methods were found to be compatible with the vacant land sales and considered reliable in determining the final land values. Additional adjustments were applied for positive attributes such as views, green belts and the golf course. Additional negative adjustments were made for issues such as traffic nuisance, power lines and topography. These adjustments are based on analyzing improved match paired sales and vacant land sales, combined with years of appraisal experience and knowledge in the area.

For example improved matched pair sales for an Average Territory and Fair Lake Sammamish view showed an adjustment close to \$40,000 versus a non-view site. Another set of match pairs improved sales having Good Territorial, Cascade and Lake Sammamish views indicated an adjustment of \$100,000 versus a non-view site. Match paired sales also indicated an adjustment of \$20,000 for property located on a large green belt.

Development Sites:

Area 65-11 is currently experiencing the majority of segregation/development of larger sites, establishing the necessity to consider potential site development in the land valuation process. To establish base land values on these sites, "Highest and Best Use" was determined by estimating the number of possible sites allowed by zoning, access, utilities, and topography. In Subarea 11, Neighborhood 7, every site was equalized to full "pre-platted" value without potential development consideration. Then, recognizing "Highest and Best Use" each property with more than one potential site was given a \$40,000 adjustment for each additional site.

Substantial support was gained for this method from the analysis of 3 teardown sales and one vacant sale. In all cases, the total number of building sites had been established through platting or potential zoning. The calculated value per additional site using this method determined by using the 3 sales was a conservative \$40,000 for each additional lot. For instance; one vacant sale with sales price of \$455,000 had 4 sites available.

Example: \$455,000 (sale price)
 - \$323,000 (total pre-platted equalized value)
 = \$132,000 / 3 (remaining sites)
 = \$44,000 for each additional site.

Additional adjustments to the schedule not covered in exceptions are noted in the notes field of that particular parcel.

Land Value Model Calibration

| Area 65 Tax Lots and Tax Lot Type Property Baseland Values | | | | |
|--|-------------|--|--|---|
| *Values are interpolated between square foot and acreage sizes | | | | |
| | | 65-1 King County Jurisdiction Tax Lots and Area 65-11 Neighborhoods 11 & 13 | 65-1 Tax Lot Values in the City of Bellevue Jurisdiction | 65-1 Neighborhood 14 |
| Acres | Square Feet | Land Value | Land Value | Land Value |
| .10 | 4356 | NA | NA | \$340,000 |
| .15 | 6,534 | NA | NA | \$344,000 |
| .25 | 10,890 | \$260,000 | \$360,000 | \$352,000 |
| .50 | 21,780 | \$280,000 | \$380,000 | \$375,000 |
| .75 | 32,670 | \$295,000 | \$395,000 | \$390,000 |
| 1 | 43,560 | \$310,000 | \$410,000 | \$405,000 |
| 1.25 | 54,450 | \$322,000 | \$425,000 | \$420,000 |
| 1.5 | 65,340 | \$334,000 | \$440,000 | \$435,000 |
| 1.75 | 76,230 | \$346,000 | \$455,000 | \$450,000 |
| 2 | 87,120 | \$358,000 | \$470,000 | \$465,000 |
| 2.25 | 98,010 | \$370,000 | \$485,000 | \$480,000 |
| 2.5 | 108,900 | \$382,000 | \$500,000 | \$495,000 |
| 2.75 | 119,790 | \$394,000 | \$515,000 | \$510,000 |
| 3 | 130,680 | \$406,000 | \$530,000 | \$525,000 |
| 3.5 | 152,460 | \$430,000 | \$555,000 | \$550,000 |
| 4 | 174,240 | \$454,000 | \$580,000 | \$575,000 |
| 4.5 | 196,020 | \$478,000 | \$605,000 | \$600,000 |
| 5 | 217,800 | \$502,000 | \$630,000 | \$625,000 |
| 6 | 261,360 | \$546,000 | \$680,000 | \$675,000 |
| 7 | 304,920 | \$590,000 | \$730,000 | \$725,000 |
| 8 | 348,480 | \$634,000 | \$780,000 | \$775,000 |
| 9 | 392,040 | \$678,000 | \$830,000 | \$825,000 |
| 10 | 435,600 | \$722,000 | \$880,000 | \$875,000 |
| 15 | 653,400 | \$922,000 | \$1,130,000 | \$1,125,000 |
| 20 | 871,200 | \$1,102,000 | \$1,380,000 | \$1,375,000 |
| 25 | 1,089,000 | \$1,177,000 | \$1,505,000 | NA |
| | | +\$8,000 per acre greater than 25 acres | +\$25,000 per acre greater than 20 acres | +\$25,000 per acre greater than 20 acres |

Land Value Model Calibration... Continued

| Area 65-1 Base Land Value by Neighborhood | |
|--|------------------------------------|
| Neighborhood | Value |
| 1 | \$380,000 |
| 2 | \$390,000 |
| 3 | \$390,000 |
| 4 | \$380,000 |
| 5 | \$390,000 |
| 7 | \$450,000 |
| 8 | \$380,000 |
| 9 | \$570,000 |
| 11 | \$430,000 |
| 12 | \$390,000 |
| 13 | \$370,000 |
| 14 | See Land Schedule on previous page |
| 15 | \$420,000 |

| Area 65-1 Base Land Values by Plat | | | | |
|---|-------------------------|------------|---------------------------------------|-----------------------------|
| Major | Plat Name | Grade | Year Built | Baseland Value |
| 009760 | Albright | 9 | 2007 | \$350,000 |
| 020085 | Amberton | 9 | 2014 | \$370,000 |
| 177835 | Cougar Ridge | 9 thru 11 | 1994-1996 | \$370,000 |
| 177836 | Cougar Ridge East | 10 | 2004 | \$380,000 |
| 177838 | Cougar Ridge West | 9 | 2001 | \$350,000 |
| 226080 | Edgehill | 7 thru 10 | 1948-2003 | \$325,000 |
| 330385 | Highlands At Bellevue | 11 thru 13 | 2000-2005 | \$600,000 |
| 413990 | Lakemont Woods Div No 1 | 11 thru 13 | 1988-1991 | \$550,000 |
| 413991 | Lakemont Woods Div No 2 | 11 thru 13 | 1990-1992 | \$550,000 |
| 413944 | Lakemont Div No 04 | 9 & 10 | 1992-1996 | \$370,000 |
| 413948 | Lakemont Div No 07 | 10 thru 12 | 1996-2002 | \$430,000 |
| 413955 | Lakemont Heights | 10 | 2011-2013 | \$380,000 |
| 675250 | Pheasant Ridge | 11 thru 13 | 1990-2000 | \$550,000 |
| 723750 | Reserve at Newcastle | 9 thru 13 | 2003-2015 Adjacent to Golf Fairway | \$420,000 plus \$100,000 |
| 947840 | Winfield | 9 | 2000-2001 | \$365,000 |

Land Value Model Calibration... Continued

| Area 65-11 Base Land Value by Neighborhood | |
|---|----------------|
| Neighborhood | Baseland Value |
| 1 | \$335,000 |
| 2 | \$310,000 |
| 3 | \$260,000 |
| 4 | \$390,000 |
| 5 | \$270,000 |
| 6 | \$260,000 |

| Area 65-11 Neighborhood Baseland Values by Lot Size | | | |
|---|---------------------------|-------------|-----------|
| *Values are interpolated between lot sizes | | | |
| Neighborhood | Acres | Square Feet | Value |
| 7 | .06 | 2,500 | \$260,000 |
| | .07 | 3,000 | \$280,000 |
| | .14 | 6,000 | \$340,000 |
| | .28 | 12,000 | \$400,000 |
| | .41 | 18,000 | \$420,000 |
| | .55 | 24,000 | \$440,000 |
| | 1 | 43,560 | \$500,000 |
| | 2 | 87,120 | \$600,000 |
| | 3 | 130,680 | \$700,000 |
| | Additional Building Sites | | |

Land Value Model Calibration... Continued

Area 65-11 Neighborhood Baseland Values by Lot Size

*Values are interpolated between lot sizes

| Neighborhood | Acres | Square Feet | Value | |
|-------------------|---------------------------|-------------|-----------|----------|
| 8 & 10 | .09 | 4,000 | \$180,000 | |
| | .14 | 6,000 | \$200,000 | |
| | .18 | 8,000 | \$220,000 | |
| | .28 | 12,000 | \$240,000 | |
| | .41 | 18,000 | \$260,000 | |
| | .55 | 24,000 | \$280,000 | |
| | 1 | 43,560 | \$340,000 | |
| | 2 | 87,120 | \$440,000 | |
| | 3 | 130,680 | \$540,000 | |
| | 4 | 174,240 | \$640,000 | |
| | 5 | 217,800 | \$740,000 | |
| | Additional Building Sites | | | \$25,000 |

| Neighborhood | Acres | Square Feet | Value |
|--------------|-------|-------------|-----------|
| 9 | .11 | 5,000 | \$300,000 |
| | .23 | 10,000 | \$320,000 |
| | .46 | 20,000 | \$360,000 |
| | .69 | 30,000 | \$390,000 |
| | 1.0 | 43,560 | \$420,000 |
| | 1.5 | 65,340 | \$450,000 |
| | 2.0 | 87,120 | \$480,000 |
| | 2.5 | 108,900 | \$510,000 |
| | 3.0 | 130,680 | \$540,000 |
| | 3.5 | 152,460 | \$570,000 |

| Neighborhood | Acres | Square Feet | Value |
|--------------------|---|-------------|-------|
| 11 & 13 | Values Per King County Tax Lot Land Schedule on page 20 | | |

Land Value Model Calibration... Continued

| Area 65-11 Base Land Values by Plat | | | | | |
|-------------------------------------|--|----------|------------|----------------|-----------|
| Major | Plat Name | Grade | Year Built | Baseland Value | |
| 029130 | Ascent at Talus Div 1 " A townhouse plat" | 7 | 2003 | Interior Site | \$158,000 |
| | | | | End Site | \$178,000 |
| 029131 | Ascent at Talus Div No II " A townhouse plat" | 7 | 2004-2005 | Interior Site | \$195,000 |
| | | | | End Site | \$215,000 |
| 062984 | Becher Bay Div. C | 10 & 11 | 2006 | | \$400,000 |
| 062985 | Becher Bay Div. D | 10 | 2006 | | \$400,000 |
| 062986 | Becher Bay Div. E | 10 | 2007 | | \$400,000 |
| 062987 | Becher Bay Div. F | 10 | 2007 | | \$400,000 |
| 062985 | Becher Bay Div. G | 10 & 11 | 2008-2015 | | \$400,000 |
| 062989 | Becher Bay Div. G Phase 2 | 9 | 2012-2014 | | \$325,000 |
| 258960 | Foothills at Issaquah | 9 | 1998-2010 | | \$345,000 |
| 259765 | Forest Rim | 8 thru10 | 1983-1997 | | \$335,000 |
| 570600 | Mountain Meadows | 6 & 7 | 1959-1966 | | \$300,000 |
| 778700 | Shy Bear " A townhouse plat" | 9 | 2006 | Interior Site | \$158,000 |
| | | | | End Site | \$178,000 |
| 807860 | Summerhill | 7 & 8 | 1985-1990 | | \$270,000 |
| 856271 | Talus Div 05A | 10 | 2005-2007 | | \$285,000 |
| 856272 | Talus Div 05 B | 11 | 2004-2008 | | \$315,000 |
| 856274 | Talus Div 05-D | 9 | 2003-2005 | | \$300,000 |
| 856275 | Talus Div 5-C | 8 & 9 | 2003-2005 | | \$290,000 |
| 856277 | Talus Div 06 B | 8 | 2005-2006 | | \$275,000 |
| 856278 | Talus Div 13 " A townhouse plat" | 7 | 2008-2013 | Interior Site | \$170,000 |
| | | | | End Site | \$178,000 |
| 856279 | Talus Parcels 10, 11 & 12 | 10 | 2008-2015 | | \$280,000 |
| 858201 | Terra Highlands Div. 2 | 9 & 10 | 1987-1999 | | \$320,000 |
| 872855 | Twenty Six Point Five | 8 & 9 | 1992-1997 | | \$320,000 |
| 928610 | West Sunset Way | 8 | 2000-2001 | | \$250,000 |
| 954520 | Woods at Issaquah Div. 1 | 8 & 9 | 1979-1991 | | \$280,000 |
| 954521 | Woods at Issaquah Div. 2 | 8 | 1983-1989 | | \$280,000 |
| 954522 | Woods at Issaquah Div. 3A | 8 | 1985-1987 | | \$280,000 |
| 954523 | Woods at Issaquah Div. 4 | 8 | 1984-1987 | | \$280,000 |
| 954524 | Woods at Issaquah Div. 3B | 8 | 1985-1987 | | \$280,000 |
| 954525 | Woods at Issaquah Div. 5A | 9 | 1993-1995 | | \$345,000 |
| 954526 | Woods at Issaquah Div. 5B | 9 | 1994-1995 | | \$345,000 |

Land Value Model Calibration... Continued

Additional Adjustments

*Values are Cumulative

| | | |
|-----------------------|----------|------------------------|
| Easements | | -5% to -10% |
| Power Lines | | -5% to -10% |
| Road access | | -5% to -50% |
| Stream Impact | | -5% to -30% |
| Topography | | -5% to -75% |
| Water Problems | | -5% to -60% |
| Wetland | | -5% to -60% |
| Golf Course | | +\$100,000 |
| Green Belts | Small | +\$5,000 |
| | Average | +\$10,000 |
| | Large | +\$15,000 |
| Traffic | Moderate | -\$5,000 to -\$10,000 |
| | Heavy | -\$15,000 to -\$20,000 |
| | Extreme | -\$25,000 to -\$60,000 |

| Views | Fair | Average | Good | Excellent |
|-------------------------|-------------|----------------|-------------|------------------|
| Territory | \$0 | +\$15,000 | +\$30,000 | +\$50,000 |
| Olympics | \$0 | +\$10,000 | +\$20,000 | +\$30,000 |
| Cascades | \$0 | +\$15,000 | +\$25,000 | +\$35,000 |
| Mt Rainier | \$0 | +\$10,000 | +\$15,000 | +\$20,000 |
| Seattle | \$0 | +\$15,000 | +\$30,000 | +\$45,000 |
| Other (Bellevue) | \$0 | +\$15,000 | +\$25,000 | +\$35,000 |
| Lake Washington | +\$20,000 | +\$35,000 | +\$50,000 | +\$65,000 |
| Lake Sammamish | +\$25,000 | +\$40,000 | +\$55,000 | +\$70,000 |
| Puget Sound | +\$10,000 | +\$20,000 | +\$30,000 | +\$40,000 |

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.

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

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

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

Model Development, Description and Conclusions:

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

The analysis of this area consisted of a systematic review of applicable characteristics which influence property values. In addition to standard physical property characteristics, characteristics that were also reviewed that might indicate possible significance in the marketplace were school district, age, grade, condition, stories, living area, building cost, land and neighborhoods. The many charts, graphs, statistical reports and diagnostic tools available were used to determine which specific variables would be used in the valuation model. Through this process an EMV (estimated market value) valuation model was derived for the whole area. The analysis showed the following variables needed to be included in the valuation model:

- Base Land
- HiGrade Subarea 1 NH7 - Grades 12 & 13 in upper Lakemont on the south side of Lakemont Blvd.
- Subarea 1 Neighborhood 11 – "Belvedere View" A new plat on the west side of Cougar Mtn.
- All of Subarea 11
- Subarea 11 Neighborhood 5 – Platted area called "Mountaineer" located just west of down town Issaquah, having lower sales prices as compared to similar housing in the area.
- Major 807860 - a mid 1980's grade 7 plat located at the northwest corner of 65-11, having higher sales prices as compared to similar plats in the area.
- Major 856279 - a newer platted division of grade 10 homes in an area named "Talus", having slightly lower sales prices as compared to similar plats throughout the area.

Improved Parcel Valuation... Continued

- Total RCNLD (replacement cost new less depreciation)
- Very Good Condition

After the models were developed, numerous plats including their amenities and characteristics were analyzed further. As a result of this thorough investigation, additional adjustments were made to these plats. In addition, supplemental models such as cost or market adjusted cost were developed to address parcels outside the parameters of the main valuation formula. Any additional adjustments not covered in supplement models and exceptions are noted in the notes field of that particular parcel.

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

Improved Parcel Total Value Model Calibration

| Variable | Definition |
|----------------|--|
| Sale Day | Time Adjustment |
| BaseLandC | 2016 Adjusted Base Land Value |
| TotalRcnldC | Cost New Less Depreciation |
| HiGradeSub1NH7 | Grade 12 & 13 in Subarea 1, Neighborhood 7 |
| Plat807860YN | Major 807860 |
| Plat856279YN | Major 856279 |
| Sub11Nghb5YN | Neighborhood 5 in Subarea 11 |
| Sub11YN | Subarea 11 |
| Sub1Nghb11YN | Neighborhood 11 in Subarea 1 |
| VGoodYN | Very Good condition homes |

Multiplicative Model

$(1-0.075) * .976891055288193 + 0.484200432918838 * \text{BaseLandC} + 0.0434757728757368 * \text{HiGradeSub1NH7} + 0.0596336439891392 * \text{Plat807860YN} - 0.0143573170153196 * \text{Plat856279YN} + 0.000238976010249409 * \text{SaleDay} - 0.0206259155179032 * \text{Sub11Nghb5YN} - 0.00963617744054193 * \text{Sub11YN} + 0.04023869229101 * \text{Sub1Nghb11YN} + 0.499739556713589 * \text{TotalRcnldC} + 0.0267518950161097 * \text{VGoodYN}$

EMV values were not generated for:

- Buildings with grade less than 3
- Building two or greater. (EMV is generated for building one only.)
- If total EMV is less than base land value
- Lot size less than 100 square feet

Of the improved parcels in the population, 4044 parcels increased in value. They were comprised of 24 single family residences on commercially zoned land and 4020 single family residences or other parcels.

Of the vacant land parcels greater than \$1000, 356 parcels increased in value. Tax exempt parcels were excluded from the number of parcels increased.

Supplemental Models and Exceptions

| Plats | Major | Adjustment |
|-----------------------------------|--------|--|
| Albright | 009760 | Total EMV x 1.03 |
| Becher Bay Div G | 062989 | Total EMV x .96 |
| Belshaye at Issaquah | 071060 | Total EMV x 1.06 |
| Cougar Ridge | 177835 | Total EMV x .96 |
| Cougar Ridge | 177838 | Total EMV x 1.03 |
| Foothills at Issaquah | 258960 | Total EMV x .97 |
| Forest Rim | 259765 | Total EMV x .98 |
| Lakemont Div 4 | 413944 | Total EMV x .98 |
| Lakemont Heights | 413955 | Total EMV x .97 |
| Lakemont Woods | 413990 | Total EMV x .95 Grade 12 |
| Lakemont Woods | 413991 | Total EMV x .95 Grade 12 |
| Mountain Meadows | 570600 | *Total EMV x .90 *Total EMV x .85 Very Good Condition *Total EMV x 1.06 Year Built > 2010 |
| The Reserve at Newcastle | 723750 | *Total EMV x .97 Grade 11 & 12 Non-Fairway *Total EMV x .97 Grade 10 & 12 On Fairway *Total EMV x .94 Grade 11 On Fairway *Total EMV x 1.08 Grade 13 On Fairway |
| Talus Div 05A | 856271 | Total EMV x .95 |
| Talus Div 05 B | 856272 | Total EMV x 1.05 |
| Talus Div 05-D | 856274 | Total EMV x 1.03 |
| Talus Div 06 B | 856277 | Total EMV x .96 |
| Talus Div 13 | 856278 | Total EMV x .98 |
| Terra Highlands DIV NO 2 | 858201 | Total EMV x 1.05 |
| The Woods at Issaquah Div 1 | 954520 | Total EMV x 1.06 |
| The Woods at Issaquah Div 2 | 954521 | Total EMV x 1.06 |
| The Woods at Issaquah Div 3-A | 954522 | Total EMV x 1.06 |
| The Woods at Issaquah DIV NO 4 | 954523 | Total EMV x 1.06 |
| The Woods at Issaquah DIV NO 03B | 954524 | Total EMV x 1.06 |
| The Woods at Issaquah DIV NO 05-A | 954525 | Total EMV x 1.04 |
| The Woods at Issaquah DIV NO 05-B | 954526 | Total EMV x 1.04 |

Supplemental Models and Exceptions... Continued

| Subarea | Neighborhood | Adjustment |
|---------|--------------|---|
| 1 | 1 | Total EMV x 1.03 - Majors 242405 & 866510 |
| 1 | 2 | Total EMV x 1.03 |
| 1 | 4 | Total EMV x .97 |
| 1 | 5 | Total EMV x .94 - Grade 11 & 12 built before 2005 |
| 1 | 11 | Total EMV x 1.1 - Premium View Properties on 172nd Ave SE (Minors 0490-0600) Total EMV x 1.15 - Premium View Properties on 171st Ave SE (Minors 0290-0350) Total EMV x .95 - All other properties |
| 1 | 13 | Total EMV x .95 - Grade 7 & 8 Total EMV x 1.02 - Grade 9 & 10 |
| 1 | 14 | Total EMV x 1.02 - Year built/reno > 1999 Total EMV x .92 - Year built/reno < 2000 |
| 1 | 15 | Total EMV x 1.03 |
| 11 | 2 | Total EMV x .98 - Grade 8 & 9 built 1972 to 1992 |
| 11 | 3 | Total EMV x .97 - Grade 7 & 8 built 1920 to 2015 |

| Other | Adjustment |
|---|------------------|
| Subarea 1 - Grades 11-13 houses on Tax Lots in the Jurisdiction of Bellevue | Total EMV x 1.05 |

Area 065 Market Value Changes Over Time

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

For example, a sale of \$475,000 which occurred on October 1, 2014 would be adjusted by the time trend factor of 1.115, resulting in an adjusted value of \$529,000 ($\$475,000 * 1.115 = \$529,625$) – truncated to the nearest \$1000.

| SaleDate | Adjustment (Factor) | Equivalent Percent |
|-----------|---------------------|--------------------|
| 1/1/2013 | 1.299 | 29.9% |
| 2/1/2013 | 1.290 | 29.0% |
| 3/1/2013 | 1.281 | 28.1% |
| 4/1/2013 | 1.271 | 27.1% |
| 5/1/2013 | 1.262 | 26.2% |
| 6/1/2013 | 1.253 | 25.3% |
| 7/1/2013 | 1.244 | 24.4% |
| 8/1/2013 | 1.235 | 23.5% |
| 9/1/2013 | 1.226 | 22.6% |
| 10/1/2013 | 1.217 | 21.7% |
| 11/1/2013 | 1.208 | 20.8% |
| 12/1/2013 | 1.199 | 19.9% |
| 1/1/2014 | 1.191 | 19.1% |
| 2/1/2014 | 1.182 | 18.2% |
| 3/1/2014 | 1.174 | 17.4% |
| 4/1/2014 | 1.165 | 16.5% |
| 5/1/2014 | 1.157 | 15.7% |
| 6/1/2014 | 1.148 | 14.8% |
| 7/1/2014 | 1.140 | 14.0% |
| 8/1/2014 | 1.132 | 13.2% |
| 9/1/2014 | 1.123 | 12.3% |
| 10/1/2014 | 1.115 | 11.5% |
| 11/1/2014 | 1.107 | 10.7% |
| 12/1/2014 | 1.099 | 9.9% |
| 1/1/2015 | 1.091 | 9.1% |
| 2/1/2015 | 1.083 | 8.3% |
| 3/1/2015 | 1.076 | 7.6% |
| 4/1/2015 | 1.068 | 6.8% |
| 5/1/2015 | 1.060 | 6.0% |
| 6/1/2015 | 1.052 | 5.2% |
| 7/1/2015 | 1.045 | 4.5% |
| 8/1/2015 | 1.037 | 3.7% |
| 9/1/2015 | 1.030 | 3.0% |
| 10/1/2015 | 1.022 | 2.2% |
| 11/1/2015 | 1.015 | 1.5% |
| 12/1/2015 | 1.007 | 0.7% |
| 1/1/2016 | 1.000 | 0.0% |

Area 065 Market Value Changes Over Time

The time adjustment formula for Area 065 is: $1/EXP(0.000238976010249409 * SaleDay)$

$SaleDay = SaleDate - 42370$

Results

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

The assessment level target for all areas in King County, including this area, is 92.5. The actual assessment level for this area is 91.7% . The standard statistical measures of valuation performance are all within the IAAO recommended range of .90 to 1.10.

Application of these recommended values for the 2016 assessment year (taxes payable in 2017) results in an average total change from the 2015 assessments of +4.5%. This increase is due partly to market changes over time and the previous assessment levels.

A Ratio Study was completed just prior to the application of the 2016 recommended values. This study benchmarks the prior assessment level using 2015 posted values (1/1/2015) compared to current adjusted sale prices (1/1/2016). The study was also repeated after the application of the 2016 recommended values. The results show an improvement in the COD from 7.58% to 5.76%.

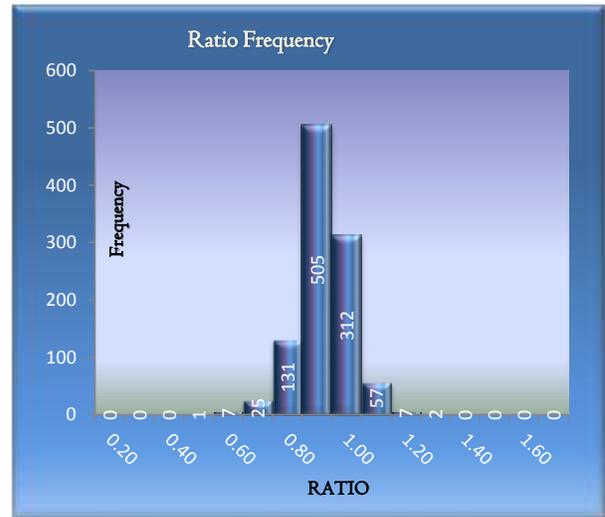
The Appraisal Team recommends application of the Appraiser selected values, as indicated by the appropriate model or method.

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

Physical Inspection Ratio Study Report (Before) - 2015 Assessments

| | | | |
|--------------------------------|-----------------|------------------------|---------------------------|
| District: SE / Team: 1 | Appr. | Date of Report: | Sales Dates: |
| Area Name: Issaquah / Lakemont | 1/1/2015 | 6/14/2016 | 1/2013 - 12/2015 |
| Area Number: 65 | Appr ID: | Property Type: | Adjusted for time? |
| | R5OW | 1 to 3 Unit Residences | Yes |

| SAMPLE STATISTICS | |
|---|----------------|
| Sample size (n) | 1047 |
| Mean Assessed Value | 803,900 |
| Mean Adj. Sales Price | 931,300 |
| Standard Deviation AV | 356,718 |
| Standard Deviation SP | 438,443 |
| ASSESSMENT LEVEL | |
| Arithmetic Mean Ratio | 0.873 |
| Median Ratio | 0.873 |
| Weighted Mean Ratio | 0.863 |
| UNIFORMITY | |
| Lowest ratio | 0.495 |
| Highest ratio: | 1.247 |
| Coefficient of Dispersion | 7.58% |
| Standard Deviation | 0.088 |
| Coefficient of Variation | 10.07% |
| Price Related Differential (PRD) | 1.011 |
| RELIABILITY | |
| 95% Confidence: Median | |
| Lower limit | 0.866 |
| Upper limit | 0.877 |
| 95% Confidence: Mean | |
| Lower limit | 0.868 |
| Upper limit | 0.878 |
| SAMPLE SIZE EVALUATION | |
| N (population size) | 4968 |
| B (acceptable error - in decimal) | 0.05 |
| S (estimated from this sample) | 0.088 |
| Recommended minimum: | 12 |
| Actual sample size: | 1047 |
| Conclusion: | OK |
| NORMALITY | |
| Binomial Test | |
| # ratios below mean: | 528 |
| # ratios above mean: | 519 |
| z: | 0.278 |
| Conclusion: | Normal* |
| *i.e. no evidence of non-normality | |



COMMENTS:

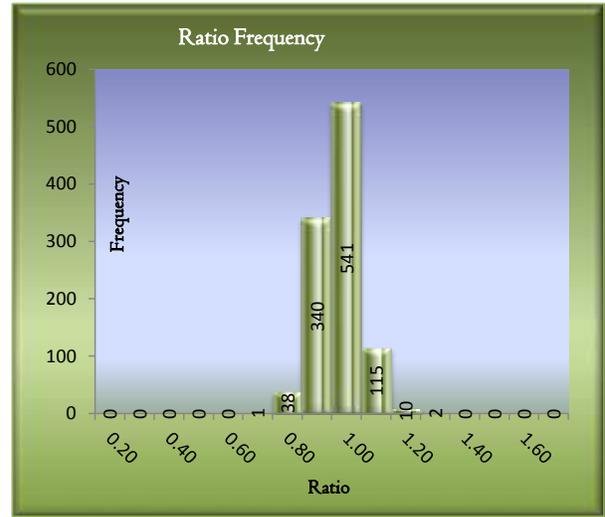
1 to 3 Unit Residences throughout Area 065

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

Physical Inspection Ratio Study Report (After) - 2016 Assessments

| | | | |
|---------------------------------------|--------------------------|---|---|
| District: SE / Team: 1 | Appr. 1/1/2016 | Date of Report: 6/14/2016 | Sales Dates: 1/2013 - 12/2015 |
| Area Name: Issaquah / Lakemont | Appr. ID: RSOW | Property Type: 1 to 3 Unit Residences | Adjusted for time? Yes |
| Area Number: 65 | | | |

| SAMPLE STATISTICS | |
|--|-------------------|
| Sample size (n) | 1047 |
| Mean Assessed Value | 853,000 |
| Mean Sales Price | 931,300 |
| Standard Deviation AV | 383,697 |
| Standard Deviation SP | 438,443 |
| ASSESSMENT LEVEL | |
| Arithmetic Mean Ratio | 0.923 |
| Median Ratio | 0.917 |
| Weighted Mean Ratio | 0.916 |
| UNIFORMITY | |
| Lowest ratio | 0.699 |
| Highest ratio: | 1.274 |
| Coefficient of Dispersion | 5.76% |
| Standard Deviation | 0.069 |
| Coefficient of Variation | 7.52% |
| Price Related Differential (PRD) | 1.008 |
| RELIABILITY | |
| 95% Confidence: Median | |
| Lower limit | 0.913 |
| Upper limit | 0.922 |
| 95% Confidence: Mean | |
| Lower limit | 0.919 |
| Upper limit | 0.927 |
| SAMPLE SIZE EVALUATION | |
| N (population size) | 4968 |
| B (acceptable error - in decimal) | 0.05 |
| S (estimated from this sample) | 0.069 |
| Recommended minimum: | 8 |
| Actual sample size: | 1047 |
| Conclusion: | OK |
| NORMALITY | |
| Binomial Test | |
| # ratios below mean: | 562 |
| # ratios above mean: | 485 |
| z: | 2.380 |
| Conclusion: | Non-normal |



COMMENTS:

1 to 3 Unit Residences throughout Area 065

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

USPAP Compliance

Client and Intended Use of the Appraisal:

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

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

Definition and date of value estimate:

Market Value

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

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

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

Highest and Best Use

RCW 84.40.030

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

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

USPAP Compliance...Continued

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

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

If a property is particularly adapted to some particular use this fact may be taken into consideration in estimating the highest and best use. (Samish Gun Club v. Skagit County, 118 Wash. 578 (1922))

The present use of the property may constitute its highest and best use. The appraiser shall, however, consider the uses to which similar property similarly located is being put. (Finch v. Grays Harbor County, 121 Wash. 486 (1922))

The fact that the owner of the property chooses to use it for less productive purposes than similar land is being used shall be ignored in the highest and best use estimate. (Samish Gun Club v. Skagit County, 118 Wash. 578 (1922))

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

Date of Value Estimate

RCW 84.36.005

All property now existing, or that is hereafter created or brought into this state, shall be subject to assessment and taxation for state, county, and other taxing district purposes, upon equalized valuations thereof, fixed with reference thereto on the first day of January at twelve o'clock meridian in each year, excepting such as is exempted from taxation by law.

RCW 36.21.080

The county assessor is authorized to place any property that is increased in value due to construction or alteration for which a building permit was issued, or should have been issued, under chapter 19.27, 19.27A, or 19.28 RCW or other laws providing for building permits on the assessment rolls for the purposes of tax levy up to August 31st of each year. The assessed valuation of the property shall be considered as of July 31st of that year.

Reference should be made to the property card or computer file as to when each property was valued. Sales consummating before and after the appraisal date may be used and are analyzed as to their indication of value at the date of valuation. If market conditions have changed then the appraisal will state a logical cutoff date after which no market date is used as an indicator of value.

USPAP Compliance...Continued

Property Rights Appraised: Fee Simple

Wash Constitution Article 7 § 1 Taxation:

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

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

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

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

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

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

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

Assumptions and Limiting Conditions:

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

USPAP Compliance...Continued

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

Scope of Work Performed:

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

Certification:

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

- The statements of fact contained in this report are true and correct
- The report analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.
- I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.
- I have no bias with respect to the property that is the subject of this report or to the parties involved.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.

USPAP Compliance...Continued

- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
- The area(s) physically inspected for purposes of this revaluation are outlined in the body of this report.
- The individuals listed below were part of the “appraisal team” and provided significant real property appraisal assistance to the person signing this certification. Any services regarding the subject area performed by the appraiser within the prior three years, as an appraiser or in any other capacity is listed adjacent their name.
- To the best of my knowledge the following services were performed by the appraisal team within the subject area in the last three years:

Heather Hagan

- No Previous work in this area

Eric Todd

- Data Collection
- Sales Verification

Gary Downing

- Data Collection
- Sales Verification
- Appeals Response Preparation / Review
- Appeal Hearing Attendance
- Land and Total Valuation
- New Construction Evaluation

Brian Ogilvie

- Data Collection
- Sales Verification
- Appeals Response Preparation / Review
- Appeal Hearing Attendance
- 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:

Rick Sowers

- Data Collection
- Sales Verification
- Appeals Response Preparation / Review
- Appeal Hearing Attendance
- New Construction Evaluation

Rick Sowers

6/14/2016

Appraiser II

Date

USPAP Compliance



King County

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

John Wilson
Assessor

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

Please follow these standards as you perform your tasks.

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

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

John Wilson
King County Assessor