

Commercial Revalue

2018 Assessment roll

**BUSINESS
PARKS
AREA 520**

**King County, Department of Assessments
Seattle, Washington**

John Wilson, Assessor



King County

Department of Assessments

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John Wilson
Assessor

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 accurate and timely information to you. 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 background information about the process we use and our 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 single 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 commercial property, the Assessor breaks up King County into geographic or specialty (i.e., office buildings, warehouses, retail centers, etc.) market areas and annually develops valuation models using one or more of the three standard appraisal indicators of value: Cost, Sales Comparison (market) and Income. For most commercial properties the income approach is the primary indicator of value. The results of the models are then applied to all properties within the same geographic or specialty area.

Are Properties Inspected?

All property in King County is physically inspected at least once during each six year cycle. Each year our appraisers inspect a different geographic area. An inspection is frequently an external observation of the property to confirm whether the property has changed by adding new improvements or shows signs of deterioration more than normal for the property's age. For some larger or complex commercial properties an appraiser may need to also conduct an interior inspection of the buildings or property. From the property inspections we update our property assessment records for each property.

How are Commercial Properties Valued?

The Assessor collects a large amount of data regarding commercial properties: cost of construction, sales of property, and prevailing levels of rent, operating expenses, and capitalization rates. Statistical analysis is conducted to establish relationships between factors that might influence the value of commercial property. Lastly valuation models are built and applied to the individual properties. For income producing properties, the following steps are employed to calculate an income approach:

1. Estimate potential gross income
2. Deduct for vacancy and credit loss
3. Add miscellaneous income to get the effective gross income
4. Determine typical operating expenses
5. Deduct operating expenses from the effective gross income
6. Select the proper capitalization rate
7. Capitalize the net operating income into an estimated property value

How is Assessment Uniformity Achieved?

The Assessor achieves uniformity of assessments through standardization of rate tables for incomes, operating expenses, vacancy and credit loss collections and capitalization rates which are uniformly applied to similarly situated commercial properties. Rate tables are generated annually that identify specific rates based on location, age, property type, improvement class, and quality grade. Rate tables are annually calibrated and updated based on surveys and collection of data from local real estate brokers, professional trade publications, and regional

financial data sources. With up-to-date market rates we are able to uniformly apply the results back to properties based on their unique set of attributes.

Where there is a sufficient number of sales, assessment staff may generate a ratio study to measure uniformity mathematically through the use of a coefficient of dispersion (aka COD). A COD is developed to measure the uniformity of predicted property assessments. We have adopted the Property Assessment Standards prescribed by the International Association of Assessing Officers (aka IAAO) that may be reviewed at www.IAAO.org. The following are target CODs we employ based on standards set by IAAO:

Type of Commercial Property	Subtype	COD Range
Income Producing	Larger areas represented by large samples	5.0 to 15.0
Income Producing	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*, 2013, Table 1-3. www.IAAO.org

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

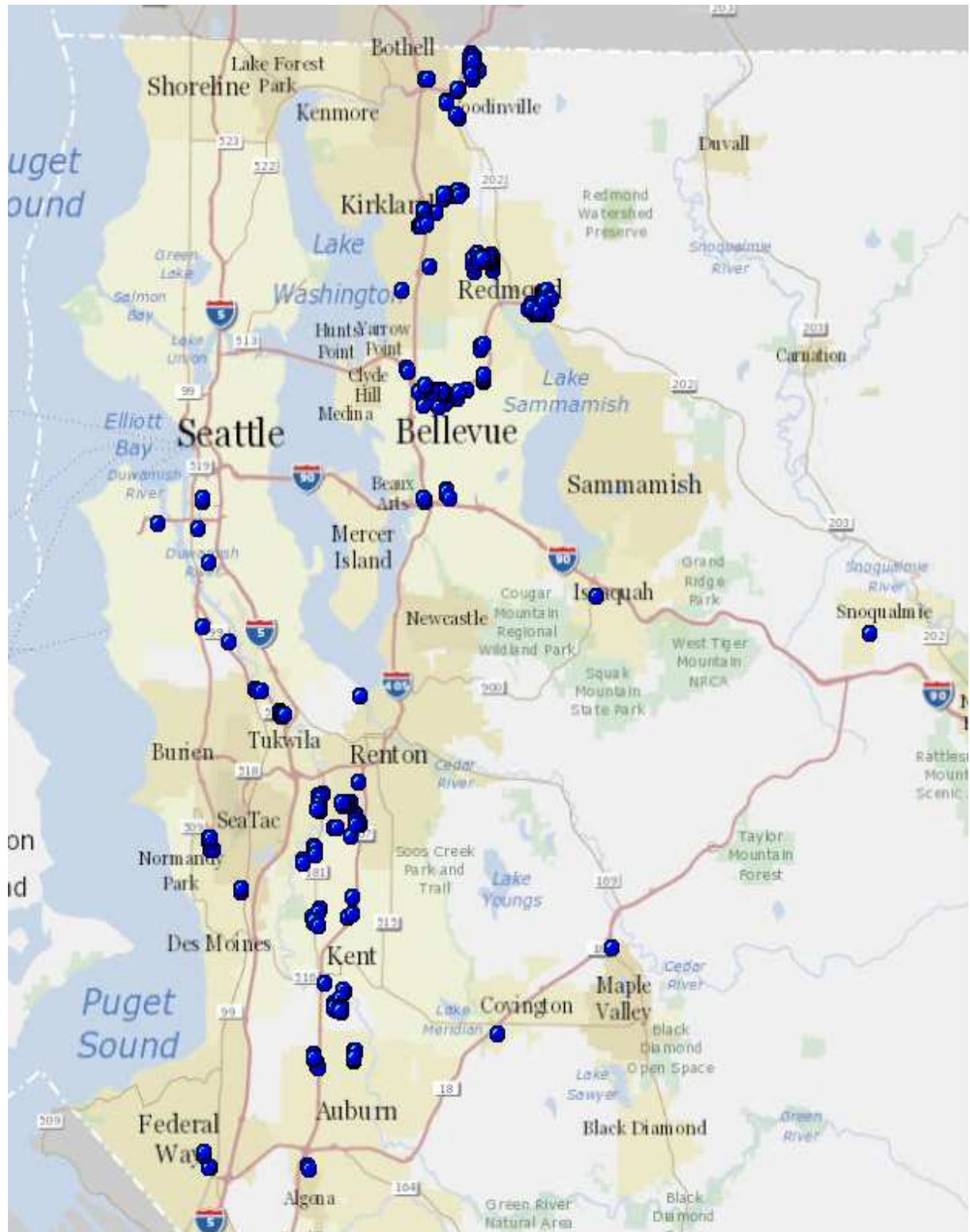
Requirements of State Law

Within Washington State, 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

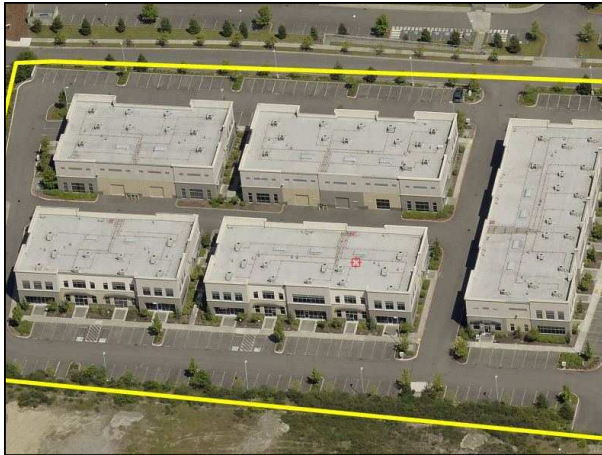
The following area report summarizes the property assessment activities and results for a general market area. The area report is meant to comply with state law for appraisal documentation purposes as well as provide the public with insight into the mass appraisal process.

AREA 520 MAP



2018 Revalue Report

Specialty Area 520: Business Parks



King County Department of Assessments



King County

Executive Summary Report

Appraisal Date

January 1, 2018 for the 2019 Assessment Year (2018 Tax Roll Year)

Specialty

- Business Parks

Responsible Appraiser:

The following Appraiser did the valuations for this specialty:

Physical Inspection

- Neighborhood 70 – West King County

Sales - Analysis Summary

- Number of Sales: 24 market transactions
- Date Range: 1/1/2015 – 12/31/2017

Sales - Ratio Study Summary

Sales–Improved Valuation Change Summary				
	Mean Assessed Value	Mean Sale Price	Ratio	COD*
2017 Value	\$13,137,100	\$14,847,000	0.89%	15.19%
2018 Value	\$14,039,800	\$14,847,000	0.95%	10.07%
Abs. Change	\$902,700		0.06%	-5.12%
% Change	6.87%		6.89%	-33.71%

*COD is a measure of uniformity, the lower the number the better the uniformity

Sales Used in Analysis: All improved sales which were verified as good that did not have characteristic changes between the date of sale and the date of appraisal were included in the analysis. Examples of sales that are not included are: sales that are leased back to the seller, sold

as a portion of a bulk portfolio sale, net lease sales, statistical outliers, sales that had major renovation after sale, or have been segregated or merged since being purchased.

The above ratio study summary for Business Park sales in Specialty 520 is based on a sales sample that is heavily weighted with sales of office/flex condominium units in the Snoqualmie Ridge area of the I-90 corridor neighborhood. This property type is not representative of the entire specialty population; thus, the ratio study results may not be an entirely reliable tool for measuring the revaluation results of the overall population within the Business Park specialty. Also in the current expansion cycle of the Business Park market, buyers are purchasing properties with expectations of higher future net operating incomes (NOI) from higher lease rates and fewer vacancies. These sales will reflect higher values than the Assessor's value by the income approach using current market parameters.

Population - Parcel Summary Data

Total Population - Parcel Summary Data			
	Land	Improvements	Total
2017 Value	\$682,132,300	\$985,819,100	\$1,667,951,400
2018 Value	\$747,147,500	\$1,057,249,000	\$1,804,396,500
% Change	9.53%	7.25%	8.18%

Number of Parcels in the Population: 307

Conclusion and Recommendation

Overall, the assessed values for the Business Park Specialty have increased by 8.18% collectively. Naturally, this varies from neighborhood to neighborhood and parcel to parcel however most properties experienced a moderate increase in value. Changes were made as necessary to rents, vacancies, operating expenses and capitalization rates in order to reflect market conditions. The values recommended in this report improve uniformity and equity; therefore it is recommended they should be posted for the 2018 Assessment Year.

Identification of the Area

Name or Designation

- Specialty Area 520, Business Parks

Specialty Neighborhoods

Eight neighborhoods have been established by the Assessor for valuation purposes of this specialty in order to group properties into areas of similar markets:

- Neighborhood 10 – Woodinville/Bothell
- Neighborhood 20 – Redmond
- Neighborhood 30 – Kirkland
- Neighborhood 40 – Bellevue, Issaquah, Snoqualmie
- Neighborhood 50 – Kent
- Neighborhood 60 – Federal Way, Auburn, Covington, Maple Valley
- Neighborhood 70 – Burien, South Seattle, Seatac, West Tukwila,
- Neighborhood 80 – Renton, Tukwila-Southcenter

Boundaries

All of King County

Maps

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

Area Overview

Property Description

The Business Park specialty is defined as primarily multi-tenant occupancy properties, frequently located among a cluster of similar styled buildings. Many are low-rise architectural style with 12 to 16 foot building heights; however a number of parks have buildings with mezzanine office space on the second level bringing the heights to the 24 to 30 foot range. Entry to the office space typically faces the frontage, which may be delineated by glass curtain walls. The rear façade of the buildings often have roll up doors with ground level or dock high access to the warehouse, light industrial or flex space. The buildings are further defined by their build-out ratio, which is below the 40% of high tech buildings and above the minimal 10% to 20% office build out of warehouse and light industrial properties. Naturally, some suites within the parks or even parks as a whole will have percentage outside these ranges.

There are three main types of business parks in King County and often parks will have a blend of buildings of more than one style in order to draw a diversity of tenants.

1. **Incubator Style:** These parks usually have smaller suite sizes and a higher ratio of ground level roll up doors. Some parks (see images below) have spaces as small as under 1,000/SF and may have a few suites that are above 3,000/SF. Tenants will often include startups, small family businesses, retail, services, and light assembly businesses. A more unique type of incubator park is one where the roll up doors are in the front of the buildings right next to very small offices.



Central Park 10, Auburn, WA

2. **Flex Style:** These parks typically have more medium sized suites in the 2,000/SF to 7,500/SF range which helps draw larger, more established, often high tech businesses. They usually have a blend of grade level and dock high doors to accommodate a variety of businesses.



Central Commerce Center, Kent, WA

3. **Distribution Style:** These parks typically have medium to large suites with more dock high doors and more of a distribution focus. They often draw more distribution focused companies ranging from bakeries to freight companies.



Opus Park, Auburn, WA

Business Park/Industrial Market Conditions

Properties in the Business Park Specialty make up one sector of the overall Industrial Market. The overall market is good. The Puget Sound area continues to be one of the most desired areas for industrial investment. Colliers' Industrial Research & Forecast Report for Third Quarter 2017 states that the market is strong with increasing rents and sales activity has calmed any fears of a recession. Construction is slowing for industrial properties and manufacturing has diminished; however, there is still a great interest in the area for other industrial industries.

Jones, Lang, LaSalle's Fourth Quarter Industrial Insight report states that despite rising rents, tenants are still looking for good quality industrial property. Further, 75% of new construction spec development leased prior to completion or just after. Most of the construction will provide

options for users requiring more than 100,000 sf. The newer construction trend is higher ceiling, higher kilowatt capabilities, and prime locations.

Kidder Mathews Seattle Industrial Report for Fourth Quarter 2017 states that absorption has kept pace with new construction completions. There is approximately 5.4 million square feet of industrial space under construction and another 14.1 million square feet in the pipeline. Since 2011, the region has averaged 4.5 million square feet of positive absorption per year.

As construction on projects complete, the Assessor's Office will determine which of these developments will fall into the Business Park Specialty.

Vacancy Rates: Vacancy rates continued to decline in 2017 across the Puget Sound region. All eight neighborhoods in the Business Park specialty saw decreased vacancy to under 5%.

Rental Rates: Rental rates saw modest increases throughout most neighborhoods in 2017. Office space add-on rates increased from \$0.75/sf up to \$0.95/sf. Warehouse shell rates continued to rise to \$0.60 to \$0.70 in the Kent Industrial Area; while Eastside was \$0.70 to \$0.90. Incubator space ranged from \$9.00 per square foot to \$12.00 per square foot in Kent Valley; while Close-In Seattle saw rental rates as high as \$18 to \$20 per square foot.

Capitalization Rates: Capitalization rates have gone down to as low as 5.5% for warehouse properties, while incubator space varied between 6.0% and 6.75% depending on the neighborhood. Eastside properties have a higher capitalization rate than the Kent Valley and Southend.

Newer, well maintained, and well located business parks have benefited the most as tenants naturally gravitate to these properties. Conversely, some older and more outdated properties face difficulty signing good tenants as increased competition has meant that tenants can often find better quality space and location for similar or slightly higher rent rates.

Economic Considerations: The following chart gives a general overview of the current state of the economic conditions for Area 520.

AREA 520 - 2017 Year End Metrics			
Vacany Rates	Rental Rate	Cap Rates	Values
↓	↑	↘	↑
(decrease)	(increase)	(slight decrease)	(increase)

This chart summarizes overall trends throughout Area 520. Specific neighborhoods may deviate from these trends.

Analysis Process

Effective date of Appraisal: January 1, 2018

Date of Appraisal Report: June 5, 2018

Highest and Best Use Analysis

As if vacant: Market analysis of this area, together with current zoning and current anticipated use patterns, indicate the highest and best use of the majority of the appraised parcels as commercial. Any opinion not consistent with this is specifically noted in the records and considered in the valuation of the specific parcel.

As if improved: Based on neighborhood trends, both demographic and current development patterns, the existing buildings represent the highest and best use of most sites. The existing use will continue until land value, in its highest and best use, exceeds the sum of value of the entire property in its existing use and the cost to remove the improvements. We find that current improvements do add value to the property, in most cases, and are therefore the highest and best use of the property as improved. In those properties where the property is not at its highest and best use, a nominal value of \$1,000 is assigned to the improvements. The property is returned to the geographic appraiser if the improvements continue to contribute a nominal value over the subsequent valuation cycle and the parcel is not considered an economic unit.

Standards and Measurement of Data Accuracy: Each sale was verified with the buyer, seller, real estate agent or tenant when possible. Current data was verified and corrected when necessary by field inspection, review of plans, marketing information, and rent rolls when available.

Special Assumptions and Limiting Conditions

All three approaches to value (market/sales approach, cost approach and income approach) were considered in this analysis.

- Sales from January 2015 thru December 2017 (at minimum) were considered in all analyses.

This report intends to meet the requirements of the Uniform Standards of Appraisal Practice, Standards 5 and 6.

Area Description

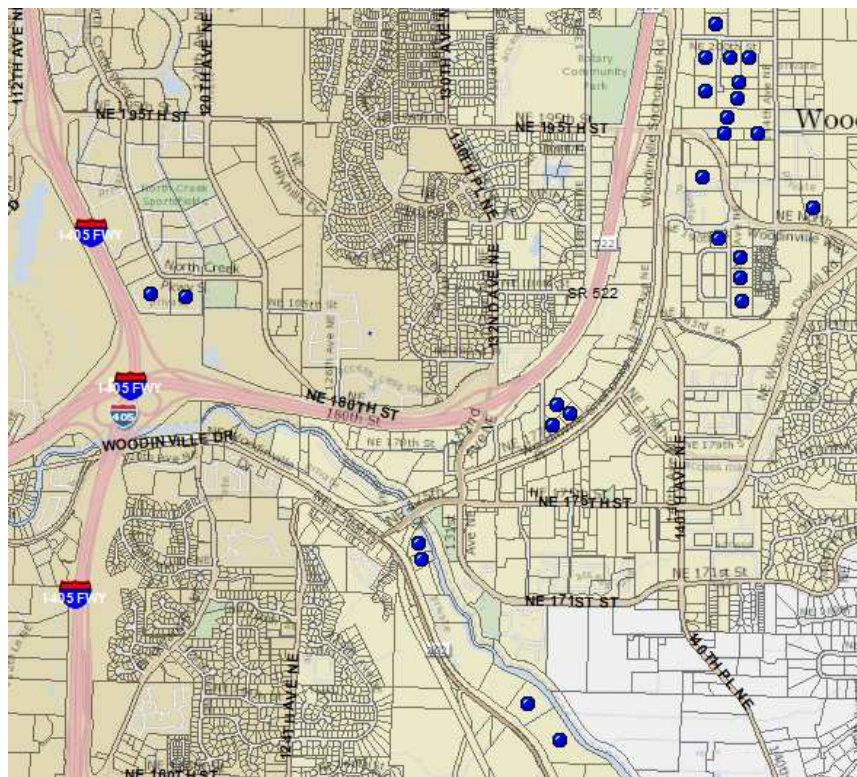
Many business parks are concentrated in the Kent Valley (Kent, Auburn, Tukwila, and SeaTac), Redmond Willows, and Marymoor areas. There are additional properties scattered throughout King County in Kirkland, Bellevue, Renton, Issaquah, Woodinville, Snoqualmie, Maple Valley, Covington, Federal Way, and South Seattle.

The Business Park specialty includes 307 parcels; approximately 290 improved parcels and 17 associated land parcels and condo master parcels. The associated land parcels are considered as an economic unit to the adjacent improved parcels. All of the business parks within the specialty were revalued this year and are on an annual revaluation timeline.

A brief description of each Business Park neighborhood along with any recent or new Business Park development that is occurring in the area is included below.

Neighborhood 520-10

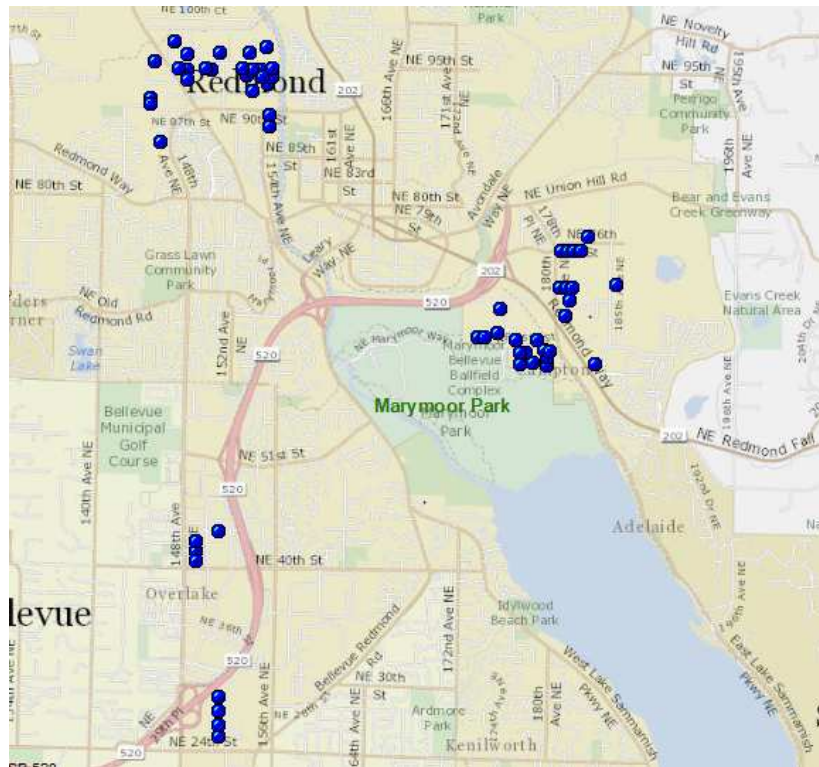
Neighborhood 520-10 includes business park buildings that are located within the Woodinville/Bothell area.



There are 25 parcels in this neighborhood 10, or 8% of the Business Park specialty. Only one sale occurred in this neighborhood – The Riverfront Business Park for \$15,450,000 or \$113/sf.

Neighborhood 520-20

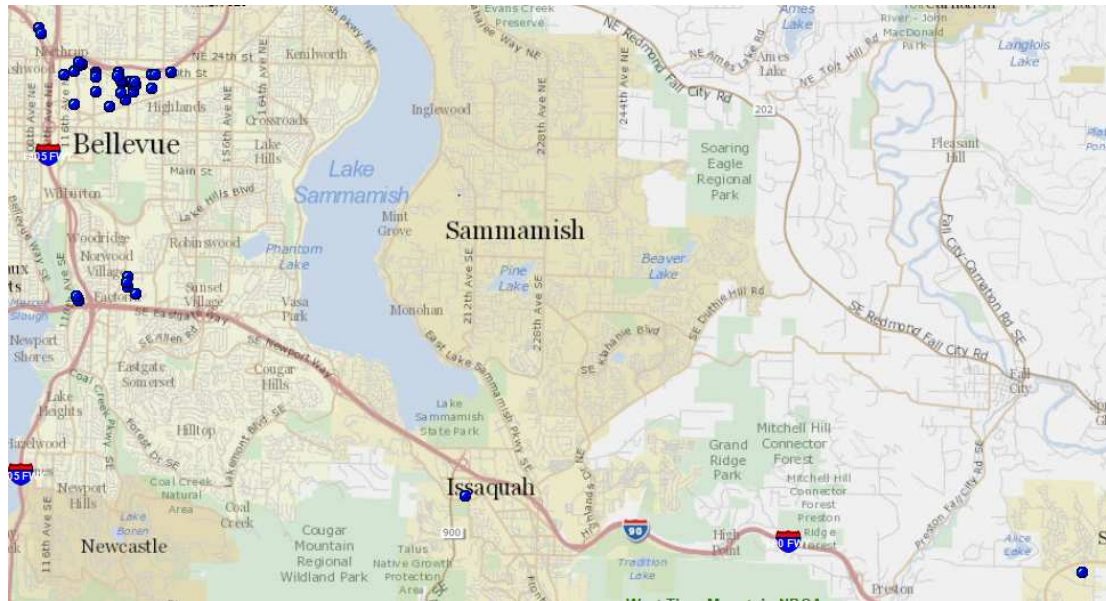
Neighborhood 520-20 includes business park buildings located in Redmond. .



There are 64 parcels in this geographic area, or 21% of the Business Park specialty. Only one sale has occurred in this neighborhood – Willows Business Center for \$35,500,000 or \$160/sf.

Neighborhood 520-30

Neighborhood 520-30 is the Kirkland area.



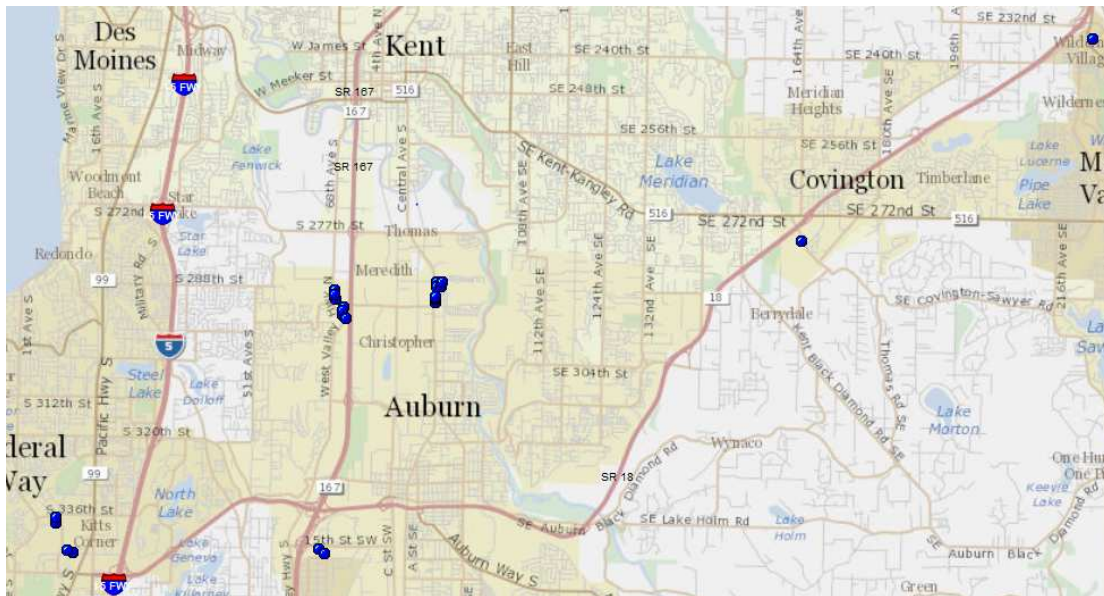
There are 72 parcels in this geographic area, or 23% of the Business Park specialty. Thirty-six of these properties consist of a condominium complex known as Venture Commerce Center in Snoqualmie. There were six sales in Neighborhood 40 – all of which are in the Venture Commerce center. These six sales ranged from \$172 to \$235 per square foot.

Neighborhood 520-50

Neighborhood 520-50 includes business park buildings located in the City of Kent. This is the heart of the Kent Valley Industrial District – one of the most sought after areas for industrial investors in the nation.

Neighborhood 520-60

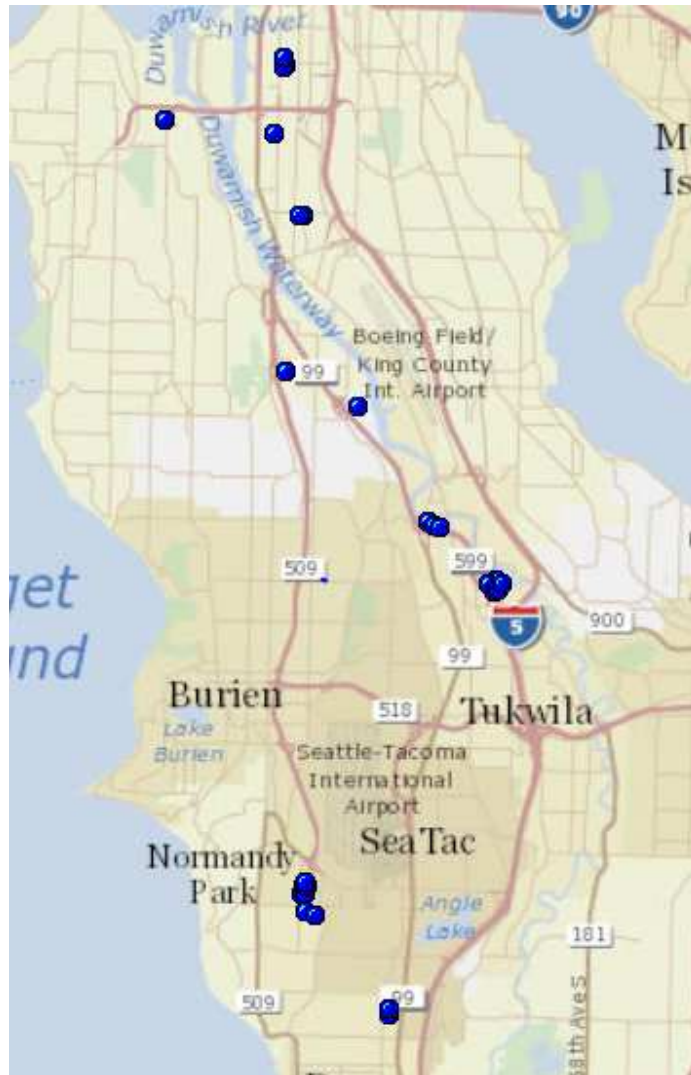
Neighborhood 520-60 includes business park buildings located in Auburn, Federal Way, Covington, and Maple Valley.



There are 26 parcels in this neighborhood representing 8% of the Business Park specialty. There is only one sale that occurred here – Opus Park 167 for \$22,000,000 or \$128/sf.

Neighborhood 520-70

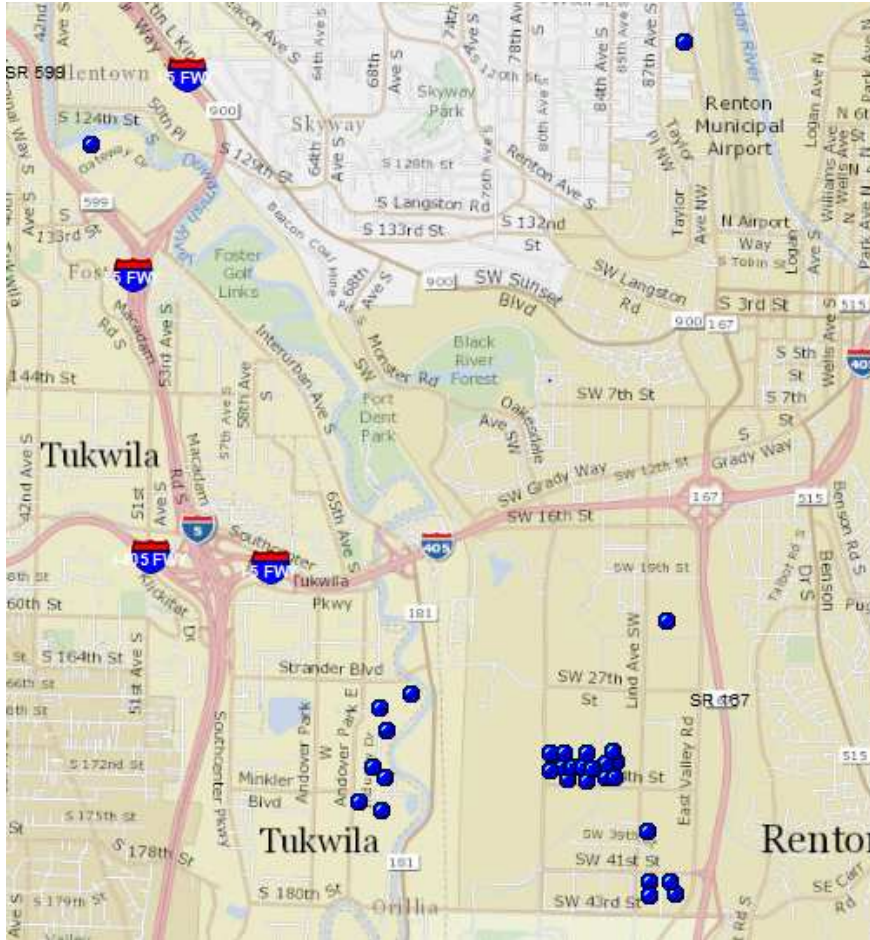
Neighborhood 520-70 includes business park buildings located in Unincorporated King County, South Seattle/SODO, Seatac, and West Tukwila.



There are 27 parcels in Neighborhood 70 representing 9% of the Business Park Specialty. There is only one sale in this neighborhood – Gateway Corporate Center for \$78,000,000 or \$208/sf.

Neighborhood 520-80

Neighborhood 520-80 includes business park buildings located in Renton and East Tukwila (Southcenter). This is the northern portion of the Kent Valley Industrial Area.



There are 30 properties in this neighborhood representing 10% of the specialty. There are 6 sales that occurred in this neighborhood. The range of the sales prices is \$95 to \$157/sf.

Preliminary Ratio Analysis

The sales ratio study is an important assessment tool used to ensure that properties are uniformly assessed based on market value. This analysis utilizes statistical methods to measure the relationship between a property's assessed value and its sale price by grouping individual sales according to property type and geographic area. This data can be used to review current assessment levels, identify inequities that need to be addressed, and assist in revaluation model development.

The two major aspects of appraisal accuracy, appraisal level and appraisal uniformity are measured and evaluated using the ratio study. Appraisal level is a measure of the ratio of assessed value to sales price, while appraisal uniformity refers to the degree to which properties are appraised at

equal percentages of market value. The International Association of Assessing Officers (IAAO) has developed performance standards to evaluate both the appraisal level and uniformity.

Appraisal (Assessment) Level: Estimates of appraisal level are based on measures of central tendency. The weighted mean ratio is the value-weighted average of the arithmetic mean and median ratios in which the weights are proportional to the sales prices. The weighted mean also is the ratio of the average assessed value to the average sales price value. The weighted mean gives equal weight to each dollar of value in the sample, whereas the median and mean give equal weight to each parcel. The weighted mean is an important statistic in its own right and also used in computing the price related differential (PRD), a measure of uniformity between high- and low-value properties.

The IAAO performance standards state that the weighted mean ratio should be between 0.90 and 1.10. The preliminary ratio study for Area 520 shows a weighted mean ratio of 0.876 which is not within the IAAO guidelines, indicating that the current assessment level, as measured using recent sales, is in need of adjustment to fall within the acceptable range.

Appraisal (Assessment) Uniformity: Measures of dispersion or variability relate to the uniformity of the ratios. The most generally useful measure of uniformity is the Coefficient of Dispersion (COD). The COD measures the average percentage deviation of the ratios from the median ratio.

The IAAO performance standards state that the COD should be between 5.0 and 20.0 for income producing property in smaller, rural jurisdictions and between 5.0 and 15.0 for larger urban market areas. The preliminary ratio study for Area 520 shows a COD of 16.14% which is not within the IAAO guidelines, indicating that the current level of assessment uniformity as measured using recent sales is not in the acceptable range.

A second measure of uniformity utilized in the ratio study is the Price Related Differential (PRD). The PRD provides a measure of price related bias, or the equity between low and high priced property. The IAAO performance standards state that the PRD should fall between 0.98 and 1.03. A value below 0.98 would indicate progressivity in the data, where assessment levels increase with increasing sales prices. Values above 1.03 indicate regressivity in the data, where assessment level decreases with increasing sales price. The preliminary ratio study for Area 520 shows a PRD of 1.00 which is within the IAAO guidelines, giving an indication that the current level of assessment uniformity as measured using recent sales is not in need of adjustment to achieve a value in the acceptable range. As a result of the results indicated from the preliminary ratio study, modest uniform changes are required to the valuation models for Area 520 for the 2018 assessment year.

Although some of the results of the preliminary ratio study fall within the IAAO standards, these results are based on a limited sales sample which is heavily weighted with office/flex condominium units. This property type is not representative of the entire Business Park specialty population and for most other property types the sales sample is insufficient to draw direct conclusions from the ratio study. The office/flex condominium units were valued by the market approach, while the remaining parcels were valued by the income approach. All of the recent sales are used for guidance, and as a test for the income model.

Scope of Data

Land Value Data: The geographic appraisers in the various areas in which the specialty properties are located are responsible for the land value used by the specialty appraiser. See the appropriate area reports for land valuation discussion.

Improved Parcel Total Value 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 are verified, if possible, by contacting either the purchaser or seller, or contacting the real estate broker, and reviewing sale transaction data from online subscription sources. Each sale was inspected and the recorded property characteristics were updated when necessary. Sales are listed in the “Sales Used” and “Sales Not Used” sections of this report.

Sales Comparison Approach Description

There were 24 improved sales in the subject area that were considered good, fair market transactions, and that were used in the overall analysis. The model for the sales comparison approach was based on characteristics from the Assessor’s records including location, effective age, building quality and net rentable area. Sales with characteristics most similar to the subject properties were considered.

Business parks comprised of condominium units were valued by the sales comparison approach, as there were sufficient sales available and they typically command a higher price per square foot. This is typically due to the smaller size of the units and due to the owner/user nature of many industrial condominium purchases.

The following table summarizes the value parameters used for valuation in area 520. Some properties require deviation from the typical value range due to issues including, but not limited to, location, size and condition, and appraiser judgment.

Typical Value Parameters			
Property Type	Value Range Per SF		
Office/Flex Condo Units	\$187	to	\$235

Other Business Park properties were typically valued using the income approach as fewer comparable sales of each property type were available. The improved sales used were referenced when developing the economic income parameters and capitalization rates for the income models used within each neighborhood.

Sales Comparison Approach Calibration

Calibration of the coefficients utilized in the models applied via the sales comparison approach was established via an analysis of sales within each neighborhood. Neighborhoods were treated independent of one another as dictated by the market. Individual prices were applied based on various characteristics deemed appropriate by each market. Specific variables and prices for each neighborhood are discussed in more detail above. Given the relatively low sales count per property type during this most recent economic period, applicability of Sales Comparison was considered limited for broad valuation purposes.

Cost Approach Model Description

Cost estimates are automatically calculated via the Marshall & Swift cost modeling system. The cost approach is most applicable in the newer business parks where the market indicators supported the cost value. The Cost Approach was not used to value any Business Parks for the 2018 Assessment Year.

Income Capitalization Approach Description

A direct capitalization income approach estimate was calculated for all properties within the Business Park specialty. The income approach was considered the most reliable approach to valuation for Business Parks given the amount of published data available. Income parameters were derived from the market place through real estate sales, the sales verification process, via tenants, via owners, via rent rolls from appeals and from a compilation of published sources. Similar uses were grouped together with income rates that were correlated to effective age and building quality.

Income: Income parameters were derived from the market place through the listed fair market transactions as well as through published sources (i.e. Officespace.com, Commercial Brokers Association, Costar, Quarterly Brokerage and Analyst Reports, Multiple Corporate Real Estate Websites), and opinions expressed by real estate professionals active in the market.

Vacancy: Vacancy rates used were derived mainly from published sources tempered by personal observation.

Expenses: Expense ratios were estimated based on industry standards, published sources, and knowledge of the area's rental practices. Within the income valuation models, the assessor used triple net expenses.

Capitalization Rates: Capitalization rates were determined by actual sales, local published market surveys, such as CoStar, Integra Realty Resources, and Korpaz. Other national reports include; CBRE Capital Markets Cap Rate Survey, Colliers International and Real Estate Report Valuation Rates and Metrics. The effective year built and condition of each building determines the capitalization rate used by the appraiser. For example; a building with a lower effective year built of lesser condition will typically warrant a higher capitalization rate and a building in better condition with a higher effective year built will warrant a lower capitalization rate.

SEATTLE / REGIONAL CAP RATES						
Source	Date	Location	Office	Industrial	Retail	Remarks
CBRE: U.S. Cap. Rate survey. Advance Review	H2 2017					CBRE professional's opinion of where cap rates are likely to trend in the 2 nd ½ of 2017 based on recent trades as well as interactions with investors. Value-Add represents an underperforming property that has an occupancy level below the local average under typical market conditions.
		Seattle	4.25% - 4.75%	-	-	CBD – Class AA
			4.75% - 5.25%	-	-	CBD – Class A
			6.00% - 7.25%	-	-	CBD – Class A – Value Added
			5.50% - 6.50%	-	-	CBD – Class B
			6.75% - 7.75%	-	-	CBD – Class B – Value Added
			6.75% - 8.50%	-	-	CBD – Class C
			7.75% - 9.25%	-	-	CBD – Class C – Value Added
			5.25% - 5.75%	-	-	Suburban – Class AA
			6.00% - 6.50%	-	-	Suburban – Class A
			6.50% - 7.50%	-	-	Suburban – Class A – Value Added
			7.00% - 7.50%	-	-	Suburban – Class B
			7.50% - 8.50%	-	-	Suburban – Class B – Value Added
			7.50% - 8.25%	-	-	Suburban – Class C
			8.00% - 9.00%	-	-	Suburban – Class C – Value Added
			-	3.75% - 4.25%	-	Class A
			-	5.00% - 6.00%	-	Class A – Value Added
			-	4.50% - 5.25%	-	Class B
			-	5.75% - 7.00%	-	Class B – Value Added
			-	5.50% - 6.25%	-	Class C
			-	7.25% - 8.00%	-	Class C – Value Added
			-	-	4.50% - 5.50%	Class A (Neigh./Comm)
			-	-	5.50% - 7.00%	Class B (Neigh./Comm)

SEATTLE / REGIONAL CAP RATES

Source	Date	Location	Office	Industrial	Retail	Remarks
			-	-	7.25% - 9.00%	Class B (Neigh./Comm.) – Value-Add
			-	-	7.50% - 8.50%	Class C (Neigh./Comm)
			-	-	9.00% -	Class C (Neigh./Comm.) – Value-Add
			-	-	11.00%	Class A (Power Centers)
			-	-	5.50% - 6.00%	Class B (Power Centers)
			-	-	6.00% - 7.50%	Class B (Power Centers) – Value-Add
			-	-	7.00% - 8.50%	Class C (Power Centers)
			-	-	7.00% - 8.75%	Class C (Power Centers) – Value-Add
			-	-	7.50% -	High Street Retail (Urban Core)
					10.00%	
					4.50% - 5.50%	
IRR: Viewpoint for 2018	Year- end 2017	West Region	5.83%	-	-	<u>Institutional Grade Properties”</u>
			6.49%	-	-	CBD Office – Class A
			6.31%	-	-	CBD Office – Class B
			6.87%	-	-	Suburban Office – Class A
			-	-	-	Suburban Office – Class B
			-	6.57%	-	Flex Industrial
			-	5.89%	-	Industrial
			-	-	6.22%	Regional Mall
			-	-	6.16%	Community Retail
			-	-	6.30%	Neighborhood Retail
CoStar	Year- End 2017	Seattle Puget Sound	6.51%	-	-	Building Size < 50,000 SF
			6.80%	-	-	Building Size 50,000 SF – 249,000 SF
			5.32%	-	-	Building Size 250,000 SF – 499,000
			8.50%	-	-	SF
			-	5.97%	-	Building Size >500,000 SF
			-	6.35%	-	Building Size < 25,000 SF
			-	5.93%	-	Building Size 25,000 SF – 99,000 SF
			-	N/A	-	Building Size 100,000 SF – 249,000
			-	-	5.85%	SF
			-	-	6.10%	Building Size >250,000 SF
			-	-	N/A	Building Size < 25,000 SF
			-	-	10.00%	Building Size 25,000 SF – 99,000 SF
						Building Size 100,000 SF – 249,000
						SF
						Building Size > 250,000 SF

SEATTLE / REGIONAL CAP RATES

Source	Date	Location	Office	Industrial	Retail	Remarks
RERC: Real Estate Report Valuation Rates & Metrics	4Q 2017					1 st Tier properties are defined as new or newer quality const. in prime to good location; 2 nd Tier properties are defined as aging, former 1 st tier in good to average locations; 3 rd Tier are defined as older properties w/ functional inadequacies and/or marginal locations.
		Seattle	5.50% 6.00%	- -	- -	Office CBD – 1 st Tier Properties Suburban Office – 1 st Tier Properties
			-	5.30%	-	Warehouse – 1 st Tier Properties
			-	5.90%	-	R&D – 1 st Tier Properties
			-	5.80%	-	Flex – 1 st Tier Properties
			-	-	5.90%	Regional Mall – 1 st Tier Properties
			-	-	6.00%	Power Center – 1 st Tier Properties
			-	-	5.90%	Neigh/Comm. Ctrs. – 1 st Tier Properties
		West Region	5.00% - 8.00%	-	-	Office CBD – 1 st Tier Properties
			5.30% - 9.50%	-	-	Office CBD – 2 nd Tier Properties
			5.50% - 8.30%	-	-	Office CBD – 3 rd Tier Properties
			4.50% - 8.50%	-	-	Suburban Office – 1 st Tier Properties
			5.30% - 8.80%	-	-	Suburban Office – 2 nd Tier Properties
			5.50% - 9.00%	-	-	Suburban Office – 3 rd Tier Properties
			-	4.00% - 8.00%	-	Warehouse – 1 st Tier Properties
			-	5.30% - 8.50%	-	Warehouse – 2 nd Tier Properties
			-	5.50% - 9.00%	-	Warehouse – 3 rd Tier Properties
			-	5.00% - 9.00%	-	R&D – 1 st Tier Properties
			-	5.30% - 8.50%	-	R&D – 2 nd Tier Properties
			-	6.10% - 9.10%	-	R&D – 3 rd Tier Properties
			-	5.00% - 7.50%	-	Flex – 1 st Tier Properties
			-	5.30% - 8.50%	-	Flex – 2 nd Tier Properties
			-	6.10% - 9.00%	-	Flex – 3 rd Tier Properties
			-	-	5.00% - 8.50%	Regional Mall – 1 st Tier Properties
			-	-	6.00% - 8.80%	Regional Mall – 2 nd Tier Properties
			-	-	5.80% - 9.00%	Regional Mall – 3 rd Tier Properties
			-	-	5.00% - 8.00%	Power Center – 1 st Tier Properties
			-	-	5.80% - 8.50%	Power Center – 2 nd Tier Properties
			-	-	6.00% - 9.50%	Power Center – 3 rd Tier Properties
			-	-	4.50% - 7.50%	Neigh/Comm. Ctr. – 1 st Tier Properties
			-	-	5.30% - 8.50%	Neigh/Comm. Ctr. – 2 nd Tier Properties
			-	-	6.00% - 9.00%	Neigh/Comm. Ctr. – 3 rd Tier Properties
PWC / Korpaz Real Estate Investment Survey	4Q 2017	Seattle	4.25% - 8.00%	-	-	CBD Office
		Pacific NW Region	-	-	-	Office
			4.25% - 8.00%	-	-	Warehouse
			-	3.75% - 7.00%	-	
ACLI	4Q 2017	Seattle – Bellevue - Everett MSA	N/A	N/A	6.61%	All Classes
		Pacific Region	5.67%	5.54%	6.19%	All Classes

SEATTLE / REGIONAL CAP RATES					
Source	Date	Location	Multifamily	Hospitality	Remarks
CBRE: U.S. Cap. Rate survey. Advance Review	H2 2017	Seattle	4.25% - 4.75%	-	Infill – Class A
			4.50% - 5.00%	-	Infill – Class A – Value Added
			4.75% - 5.25%	-	Infill – Class B
			5.00% - 5.50%	-	Infill – Class B – Value Added
			5.50% - 6.00%	-	Infill – Class C
			5.25% - 6.00%	-	Infill – Class C – Value Added
			4.75% - 5.00%	-	Suburban – Class A
			4.75% - 5.25%	-	Suburban – Class A – Value Added
			5.00% - 5.25%	-	Suburban – Class B
			5.25% - 5.50%	-	Suburban – Class B – Value Added
			5.75% - 6.25%	-	Suburban – Class C
			5.75% - 6.25%	-	Suburban – Class C – Value Added
			-	6.00% - 6.50%	CBD – Luxury
			-	6.25% - 6.75%	CBD – Full-Service
			-	6.75% - 7.25%	CBD – Select-Service
			-	8.25% - 9.00%	CBD – Economy
			-	6.75% - 7.75%	Suburban – Luxury
			-	7.75% - 8.50%	Suburban – Full-Service
			-	7.75% - 8.50%	Suburban – Select-Service
			-	9.25% - 10.25%	Suburban – Economy
RERC: Real Estate Report Valuation Rates & Metrics	4Q 2017	Seattle West Region	4.90%	-	Apartments – All Classes
			-	7.20%	Hotels – All Classes
			4.00% - 6.50%	-	Apartments – 1 st Tier Properties
			4.10% - 7.50%	-	Apartments – 2 nd Tier Properties
			4.20% - 7.80%	-	Apartments – 3 rd Tier Properties
			-	6.00% - 8.50%	Hotels – 1 st Tier Properties
			-	6.50% - 9.00%	Hotels – 2 nd Tier Properties
			-	7.00% - 10.00%	Hotels – 3 rd Tier Properties
IRR: Viewpoint for 2018	Year-end 2017	West Region	4.52%	-	Urban Class A
			5.15%	-	Urban Class B
			4.71%	-	Suburban Class A
			5.34%	-	Suburban Class B
			-	6.75%	Full Service
PWC / Korpaz Real Estate Investor Survey	4Q 2017	Pacific Region	3.50% - 6.00%	-	Apartments

The preceding tables demonstrate ranges of capitalization rates and trends that are compiled and collected on a national, regional scale, and local scale. This information is reconciled with data specific to the real estate market in the 520 specialty to develop the income model. The range of capitalization rates in the income model reflects the variety of properties in this area. Properties which are considered to be non-institutional grade, such as those purchased by owner users or small investors, may not be reflective of the capitalization rates found in published sources.

Income Approach Calibration

Income tables were developed for each of the five neighborhoods that comprise Area 520. The tables pertain to different property types, for example: Warehouse Office, Open Office, Flex, Warehouse Showroom, Mezzanine Office, Mezzanine Storage, Storage Warehouse, Distribution

Warehouse, and Light Industrial. In addition, an exclusion table indicating property uses not covered by an income table is created. Properties which contain differing section uses may have multiple tables that are applicable to the property as a whole.

The tables were calibrated after setting economic rents, vacancy, expenses, and capitalization rates by using adjustments based on size, quality of construction, and the effective age. The following table outlines a summary of the income parameters used in the income tables, which provided the basis for the income value estimate calculations.

Typical Income Parameters				
Property Type	Rent Range per SF	Vacancy/ Coll. Loss %	Expenses per % of EGI	Capitalization Rate %
Warehouse Office/Mezzanine	\$9 to \$15	5.0% to 6.0%	10%	5.50% to 6.75%
Storage Warehouse/Lt Industrial	\$6 to \$12			
Industrial Retail/Showroom	\$12 to \$20			
Industrial Flex	\$6 to \$12			

Reconciliation

All parcels were individually reviewed for correctness of the model application before final value selection and reviewed by the senior appraiser prior to posting. The factors analyzed in the process of establishing market were subject to adjustment by the appraiser. The Market Approach is considered the most reliable indicator of value when sufficient comparable sales are available; however the Income Approach is an excellent indicator of value when there is sufficient market data.

The Business Park specialty has ample amounts of published data available and therefore the Income Approach was applied to nearly all parcels in order to best value and equalize like properties. The primary exception was for condominium parcels, which were valued using the market approach given the number of sales and given the fact that they tend to trade differently than larger, multi-building parks. When the value of the property by the income approach was less than the land value, a nominal \$1,000 value was allocated to the improvements.

Model Validation

Total Value Conclusions, Recommendations, and Validation

Appraiser judgment prevails in all decisions regarding individual parcel valuation. Each parcel is 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 and may adjust by particular characteristics and conditions as they occur in the valuation area.

The standard statistical measures of valuation performance are presented in both the 2017 and 2018 Ratio Analysis charts included with this report. Comparison of the 2017 Ratio Study Analysis with the 2018 Ratio Study Analysis indicates that the weighted mean statistical measure of assessment level went from 89% to 95%. The Coefficient of Dispersion (COD) went down from 15.19% to 10.07%, the Coefficient of Variation (COV) went down from 20.38% to 12%, and the Price-related Differential (PRD) from at 1.01 to 1.03. These values are within the IAAO (International Association of Assessing Officers) appraisal guidelines for measures of valuation uniformity and equity. The ratio study presented in this report indicates improvement in both level and uniformity. However with a sample size of only 24 improved sales the weight given to the ratio study should be tempered.

This valuation has occurred at a point where the regional industrial market continues to strengthen. Investment interest in the market has put downward pressure on capitalization rates and a lack of new supply has caused vacancy rates to fall significantly and rents to begin to rise in some markets. There has been an increase in new construction activity in response to this shift in market fundamentals and real estate professionals, owners, and investors involved with business parks continue to be confident about the sector's potential.

The total assessed value for the 2018 Assessment Year for Specialty Area 520 was \$1,804,396,500. The total recommended assessed value for the 2017 Assessment Year is \$1,557,951,400. Application of these recommended values for the 2018 Assessment Year results in an annual change of +8.18%.

Change in Total Assessed Value			
2017 Total Value	2018 Total Value	\$ Change	% Change
\$1,667,951,400	\$1,804,396,500	\$136,445,100	8.18%

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. 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 is 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.*
- *Services that I provided within the prior three years include physical inspection, revaluation, appeal response preparation, attendance and participation in hearings, data collection, sales verification, and identifying new construction and recording the corresponding data.*

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
520	010	152605	9005	136,627	2779694	\$15,450,000	02/11/16	\$113.08	River Front Business Park	I	1	Y	
520	020	943050	0022	221,862	2772488	\$35,500,000	12/18/15	\$160.01	WILLOWS BUSINESS CENTER BLDG #10	MP	2	Y	
520	030	282605	9070	77,072	2783959	\$13,916,000	03/07/16	\$180.56	Kirkland 118 BUSINESS CENTER (BUILDING "A")	TL 10B	3	Y	
520	030	123850	0195	41,270	2799273	\$9,800,000	05/31/16	\$237.46	JONESCO BUSINESS PARK	LIT	1	Y	
520	040	889435	0020	1,913	2709192	\$330,000	01/05/15	\$172.50	VENTURE COMMERCE CENTER-SNOQUALMIE	MU	1	Y	
520	040	889435	0040	2,584	2802786	\$480,000	06/14/16	\$185.76	VENTURE COMMERCE CENTER-SNOQUALMIE	MU	1	Y	
520	040	889435	0250	1,909	2807635	\$420,000	07/01/16	\$220.01	VENTURE COMMERCE CENTER-SNOQUALMIE	MU	1	Y	
520	040	889435	0200	1,218	2832898	\$253,750	10/27/16	\$208.33	VENTURE COMMERCE CENTER-SNOQUALMIE	MU	1	Y	
520	040	889435	0130	1,218	2857566	\$285,000	03/29/17	\$233.99	VENTURE COMMERCE CENTER-SNOQUALMIE	MU	1	Y	
520	040	889435	0020	1,913	2887122	\$450,000	08/30/17	\$235.23	VENTURE COMMERCE CENTER-SNOQUALMIE	MU	1	Y	
520	050	788880	0010	173,044	2717092	\$18,500,000	03/05/15	\$106.91	West Valley Corporate Park	M2	1	Y	
520	050	261100	0040	95,599	2770847	\$8,600,000	12/10/15	\$89.96	KENT BUSINESS CENTER	M2	1	Y	
520	050	125371	0010	184,272	2839856	\$23,200,000	12/16/16	\$125.90	SPRINGBROOK II BUSINESS PARK	GC-MU	2	Y	
520	050	000660	0022	61,917	2871122	\$8,136,588	06/08/17	\$131.41	CENTRAL COMMERCE CENTER BLDG C	CM-2	3	Y	
520	050	775780	0130	47,040	2872675	\$4,599,900	06/22/17	\$97.79	ANDERSON CENTER	CM-1	1	Y	
520	050	788880	0100	48,947	2905858	\$3,194,400	12/12/17	\$65.26	RIVER'S EDGE BUSINESS PARK	M1	1	Y	
520	060	030150	0010	170,840	2790379	\$22,000,000	04/14/16	\$128.78	OPUS PARK 167 BUILDING NO. 1	C3	3	Y	
520	070	271600	0010	374,139	2841564	\$78,000,000	12/27/16	\$208.48	GATEWAY CORP CENTER BLDG 1	C/LI	8	Y	
520	080	630849	0020	41,323	2719843	\$4,725,000	03/11/15	\$114.34	OAKESDALE COMMERCE EAST (E2)	IL	1	Y	
520	080	630849	0050	28,407	2771150	\$4,000,000	12/04/15	\$140.81	OAKESDALE COMMERCE - EAST	IL	1	Y	
520	080	252304	9015	475,414	2814463	\$45,200,000	08/05/16	\$95.08	Tukwila Commerce Center (Bldgs Even #18-28)	TUC	4	Y	
520	080	022340	0010	176,564	2830069	\$19,800,000	10/25/16	\$112.14	ANDOVER EXECUTIVE PARK	TUC	2	Y	
520	080	630849	0020	41,323	2848483	\$6,487,711	02/08/17	\$157.00	OAKESDALE COMMERCE EAST (E2)	IL	1	Y	
520	080	000480	0003	231,309	2870444	\$33,000,000	06/07/17	\$142.67	TUKWILA COMMERCE PARK	C/LI	2	Y	

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
520	010	272605	9064	23,400	2821519	\$22,210	08/25/16	\$0.95	TOTEM RIDGE BUS PARK	TL 7B	1	24	Easement or right-of-way
520	010	272605	9092	31,000	2821520	\$9,828	08/30/16	\$0.32	ROSEN SUPPLY CO	TL 7B	1	24	Easement or right-of-way
520	010	630750	0010	43,421	2827591	\$5,000	10/12/16	\$0.12	OAK RIDGE PARK BLDG #1	MP	1	24	Easement or right-of-way
520	010	630750	0020	31,782	2827590	\$5,000	10/12/16	\$0.16	OAK RIDGE PARK BLDG #2	MP	1	24	Easement or right-of-way
520	010	630750	0040	11,295	2827589	\$5,000	10/12/16	\$0.44	OAK RIDGE PARK BLDG #4	MP	1	24	Easement or right-of-way
520	020	109910	0025	126,998	2826815	\$274,610	10/07/16	\$2.16	12TH PLACE	BR-OR-2	1	68	Non-gov't to gov't
520	020	272505	9142	44,524	2819311	\$324,778	08/29/16	\$7.29	RAIN CITY FENCING	BR-CR	1	68	Non-gov't to gov't
520	030	252304	9015	475,414	2717469	\$52,866,066	02/26/15	\$111.20	Tukwila Commerce Center (Bldgs Even	TUC	4	51	Related party, friend, or neighbor
520	030	630849	0020	41,323	2857346	\$6,487,711	02/08/17	\$157.00	OAKESDALE COMMERCE	IL	1	31	Exempt from excise tax

	A	B	C	D
1	Major	Minor	GeneralClassif	AddrLine
2	000160	0050	CmlImp	9320 15TH AVE S
3	052204	9002	CmlImp	811 S 192ND ST
4	052204	9081	CmlVac	19253 11TH PL S
5	092204	9059	CmlImp	21086 24TH AVE S
6	092204	9159	CmlImp	21024 24TH AVE S
7	092304	9066	CmlImp	3225 S 116TH ST
8	092304	9068	CmlImp	3325 S 116TH ST
9	102304	9043	CmlImp	3415 S 116TH ST
10	172280	0340	CmlImp	5501 6TH AVE S
11	172280	0350	CmlImp	501 S LUCILE ST
12	182404	9060	CmlImp	4001 1ST AVE S
13	271600	0010	CmlImp	12886 INTERURBAN AVE S
14	271600	0020	CmlImp	12674 GATEWAY DR S
15	271600	0030	CmlImp	12652 GATEWAY DR S
16	271600	0040	CmlImp	12687 GATEWAY DR S
17	271600	0050	CmlImp	12806 GATEWAY DR S
18	271600	0060	CmlImp	12761 GATEWAY DR S
19	322304	9023	CmlImp	18800 8TH AVE S
20	322304	9025	CmlImp	18900 8TH AVE S
21	322304	9062	CmlImp	18850 8TH AVE S
22	322304	9138	CmlVac	Vacant land
23	322304	9253	CmlVac	Vacant land
24	322404	9012	CmlImp	309 S CLOVERDALE ST
25	766620	5988	CmlImp	151 S LANDER ST
26	766620	5990	CmlImp	2730 S LANDER ST
27	766620	6136	CmlImp	2454 OCCIDENTAL AVE S
28	766670	4005	CmlImp	2414 SW ANDOVER ST