

### **Client and Intended Use of the Appraisal:**

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

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

### **Definition and date of value estimate:**

#### **Market Value**

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

#### **Highest and Best Use**

**RCW 84.40.030** All property shall be valued at one hundred percent of its true and fair value in money and assessed on the same basis unless specifically provided otherwise by law.

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

**WAC 458-07-030 (3) True and fair value -- Highest and best use.** Unless specifically provided otherwise by statute, all property shall be valued on the basis of its highest and best use for assessment purposes. Highest and best use is the most profitable, likely use to which a property can be put. It is the use which will yield the highest return on the owner's investment. Any reasonable use to which the property may be put may be taken into consideration and if it is peculiarly adapted to some particular use, that fact may be taken into consideration. Uses that are within the realm of possibility, but not reasonably probable of occurrence, shall not be considered in valuing property at its highest and best use.

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

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

## **Date of Value Estimate**

*All property now existing, or that is hereafter created or brought into this state, shall be subject to assessment and taxation for state, county, and other taxing district purposes, upon equalized valuations thereof, fixed with reference thereto on the first day of January at twelve o'clock meridian in each year, excepting such as is exempted from taxation by law. [1961 c 15 §84.36.005]*

*The county assessor is authorized to place any property that is increased in value due to construction or alteration for which a building permit was issued, or should have been issued, under chapter 19.27, 19.27A, or 19.28 RCW or other laws providing for building permits on the assessment rolls for the purposes of tax levy up to August 31st of each year. The assessed valuation of the property shall be considered as of July 31st of that year. [1989 c 246 § 4]*

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

## **Property rights appraised:**

### **Fee Simple**

**Wash Constitution Article 7 § 1 Taxation:** *All taxes shall be uniform upon the same class of property within the territorial limits of the authority levying the tax and shall be levied and collected for public purposes only. The word "property" as used herein shall mean and include everything, whether tangible or intangible, subject to ownership. All real estate shall constitute one class.*

**Trimble v. Seattle, 231 U.S. 683, 689, 58 L. Ed. 435, 34 S. Ct. 218 (1914)** *"the entire [fee] estate is to be assessed and taxed as a unit"*

**Folsom v. Spokane County, 111 Wn. 2d 256 (1988)** *"the ultimate appraisal should endeavor to arrive at the fair market value of the property as if it were an unencumbered fee"*

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

## **Assumptions and Limiting Conditions:**

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

**Scope of Work Performed:**

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

**CERTIFICATION:**

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

- *The statements of fact contained in this report are true and correct*
- *The report analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions and are my personal, impartial, and unbiased professional analyses, opinions, and conclusions.*
- *I have no present or prospective interest in the property that is the subject of this report and no personal interest with respect to the parties involved.*
- *I have no bias with respect to the property that is the subject of this report or to the parties involved.*
- *My engagement in this assignment was not contingent upon developing or reporting predetermined results.*
- *My compensation for completing this assignment is not contingent upon the development or reporting of predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.*
- *My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.*
- *The area(s) physically inspected for purposes of this revaluation are outlined in the body of this report.*
- *The individuals listed below were part of the "appraisal team" and provided significant real property appraisal assistance to the person signing this certification.*

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**Robert Schueler – Commercial Appraiser I**

## **Identification of the Area**

**Name or Designation: I-90 Corridor to SE Renton**

### **Area 75**

#### **Boundaries:**

- West – Mercer Island and Lake Washington
- North – SE 24<sup>th</sup> St to 132<sup>nd</sup> Ave NE to NE 8<sup>th</sup> St.
- East – West Lake Sammamish Parkway north of I-90 and Issaquah Hobart Rd SE to the south
- South – SE 208th St.

#### **Maps:**

A general map of the area is included in this report. More detailed Assessor's maps are located on the 7<sup>th</sup> floor of the King County Administration Building.

#### **Area Description:**

Area 75 is composed of the I-90 corridor from Mercer Island to Issaquah and north to NE 8<sup>th</sup> St. and Lake Hills and south to include the Renton Highlands and Fairwood-Maple Valley. The I-90 corridor is central to South Bellevue's office market and other commercial businesses. Office and apartment vacancy rates continue to improve this year. Retail has remained healthy. Industrial properties have also seen a dip in vacancy rates.

Overall the commercial market in the Bellevue and Mercer Island is strong with the Renton Highlands and Fairwood-Maple Valley markets healthy but not as strong overall as Bellevue.

### **MERCER ISLAND: Area 75-10**

**Boundaries:** The city of Mercer Island is an island located between Seattle and Bellevue.

- Boundaries include the entire island.

**Neighborhood Description:** Mercer Island is an upscale community located in Lake Washington between Seattle and Bellevue. It is connected by I-90 to both cities. Downtown Mercer Island continues to be undergoing an extensive makeover. There are two projects that are currently being built in the central business district. The first is the 7700 Central building which is a mixed-use residential-retail building consisting of 171 luxury apartment homes and 12,776 SF of retail space. The second is the 7800 Plaza building which will have 24 luxury condominium homes. The south end of the island also features a redeveloped neighborhood shopping center. When all the new projects are completed, hundreds of new apartments and condominiums will be added to the town center and provide new office and retail space for existing and relocated businesses. The primary zone codes in Mercer Island are TC, P, MF-2, MF-3, CO, B, PBZ, and a variety of residential codes.

## **BELLEVUE: Area 75-20, 75-30, 75-85 & 75-86**

**Boundaries:** Includes the southern portion of the city of Bellevue from Lake Washington to Lake Sammamish.

- West – 100<sup>th</sup> Ave SE
- North – NE 8<sup>th</sup> ST
- East – West Lake Sammamish Parkway
- South – SE 48<sup>th</sup> ST

**Neighborhood Description:** Areas 75-20 Factoria, 75-30 Bellevue/I-90 Corridor, 75-85 Lake Hills, & 75-86 Crossroads comprise the Bellevue neighborhoods contained in this report. South Bellevue is a busy and often congested area because of its numerous shopping centers. It offers most major services as well as ample employment opportunities to its residents. Each of these neighborhoods represents a distinct market within South Bellevue. The office and retail markets along I-90 are strong with increasing prices and rents. Just recently, the Sunset Village Shopping Center at 148<sup>th</sup> Ave SE which consisted of an old Safeway, a gym and fabric store underwent a major renovation and the primary new owner is the Michael's Toyota dealership. Also, in Factoria, the Mervyn's department store was closed and will become a new Safeway with apartments above. The Mall is slated to undergo a major upgrade similar to the University Village Mall in Seattle.

The primary commercial zoning codes in Factoria are: F1, F2, F3, CB, O, R10, R20 and R30. The primary commercial zoning codes along the I-90 corridor are: CB, O, OLB, LI, R5, R10, and R20. Southeast Bellevue and Lake Hills neighborhoods remain mostly residential communities and offer much smaller and more unassuming shopping and service facilities. The primary zoning codes in Lake Hills are CB, NB, O, PO, R5, R10, R15, R20, and R30.

## **RENTON: Area 75-60 & 75-65**

**Boundaries:** The city of Renton and surrounding areas are located south of Bellevue from Lake Washington to Maple Valley.

- West – Lake Washington Blvd North and Highway 167
- North – SE 27<sup>th</sup> ST and SE 136<sup>th</sup> ST
- East – 276<sup>th</sup> Ave SE
- South – SE 208<sup>th</sup> ST

**Neighborhood Description:** The city of Renton in Areas 75-60 and 75-65, is located in King County and accessible by I-405, SR 167, SR 169, and I-5. The principal employers in Renton are Boeing, Valley Medical Center, Renton School District, Paccar, and the Federal Aviation Association. The employment base in Renton continues to diversify with high tech companies as well as many jobs in the service sector. Each of the two neighborhoods represents a distinct market within Renton. There are two major new developments taking place at this time just north of Renton along the shores of Lake Washington. The first is the new Seattle Seahawks team headquarters and practice facility. It is currently being built on the old Port Quendall property at NE 44<sup>th</sup> street and I-405. This site is just over 19 acres and the project's size is projected to be approximately 200,000 gross square feet of enclosed space including the indoor practice field and 124,000 gross square feet of administration and training facilities. This new facility is scheduled to be open in time for the 2008 training camp. The second major development will be located

just south at the Barbee Mill property. This site is just over 16.5 acres and being developed into luxury new residential homes by Conner Development.

The Renton Highlands have a great deal of commercial properties consisting of retail, restaurants, industrial sites, and an abundance of multi-family units. Many of the newer residential developments in Renton are in this area. Along Sunset Boulevard, many buildings are still aged and this section is no longer the primary commercial center for the Renton Highlands. NE 4<sup>th</sup> St is the more desirable shopping and commercial center with superior grocery stores, coffee houses, and other retail services to benefit the residents of new single-family homes and condominium and apartment dwellers in this area. Most of the commercial zoning codes in this area consist of CA, CC, CN, CO, CS, RM-1, RM-C, R8, R-10, IL, and IL-P.

The Fairwood/Maple Valley area of Renton offers primarily residential living with neighborhood shopping centers, schools, churches, and a large land fill. This is the most southern portion of area 75 and still has large tracts of vacant land and timber among the residential housing stocks. Most of the commercial zoning codes are: CBSO, CC, CD, CN, COR, IL, M, MP, NB, NBSO, OSO, P-1 and abundant multi-family/residential zoning codes: R12SO, R14, R18SO, RMC, etc.

### **NEWCASTLE & NEWPORT HILLS: Area 75-70**

**Boundaries:** The city of Newcastle and Newport hills area located south of I-90 from Lake Washington to May Valley.

- West – Lake Washington Blvd North
- North –SE 24<sup>th</sup> ST
- East – Issaquah Hobart Road SE
- South –SE 136<sup>th</sup> ST

**Neighborhood Description:** The City of Newcastle, Area 75-70, was incorporated in September of 1994 after a group of citizens sought autonomy from King County. It has an area of 4.4 square miles. Newcastle was home to coal mines between 1863 and 1963. Newcastle has continued to experience healthy growth. The city's business community is most adequately described as a retail service economy and provides a retail core for neighborhood commercial activity. This area is most comparable to south Bellevue. The opulent Newcastle Golf Club is open to the public and is situated directly on one of the former large coal mines. A new building that was just completed is the Newcastle Professional Center at 12835 Newcastle Way. It is a 17,500 square foot building that will have Quality Dental Centers and Sweet Decadence Chocolatier as the major tenants along with just over 11,000 square feet of new office space. The primary zoning codes are CB, LOS, MU, O, R4, R6, R8, R12, and R24. The schools are served by the Issaquah and Renton School Districts.

Newport Hills, again Area 75-70, is located south of Factoria along the I-405 corridor. This community offers easy freeway access. It was largely developed in the 1960's and 1970's and consists mostly of residential housing with apartments and condominiums. Newport Hills has its own community shopping center which caters to neighborhood commercial activity and a swim club. The primary zoning codes in its business district are NB, PO, R5, and R30.

**Physical Inspection Area:**

Neighborhood 75-30 was physically inspected this year. It consists primarily of the Bellevue/I-90 business corridor. This area has many mid-size to larger commercial structures with a few industrial warehouses and several neighborhood shopping centers. It also includes the northern part of the Eastgate neighborhood with its mix of residential housing with apartments and condominiums. An early 1970's shopping center located along I-90 at 150<sup>th</sup> Ave SE, which consists of an Albertson's supermarket and Rite Aid as the major tenants, is currently undergoing a major renovation. It is likely to attract more upscale retail stores to the area.

**Preliminary Ratio Analysis:**

A Preliminary Ratio Study was done in May of 2008. The study included sales of improved parcels and showed a COV of 20.32%.

The study was also repeated after application of the 2008 recommended values. The results are included in the validation section of this report, showing a change in the COV from 20.32 % to 14.95 %.

**Scope of Data****Land Value Data:**

Vacant sales from 1/04 to 12/07 were given primary consideration for valuing land.

**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. Calling the purchaser or seller, inquiring in the field, or calling the real estate agent verified all sales if possible. Characteristic data is verified for all sales if possible. Due to time constraints, interior inspections were limited. Sales are listed in the "Sales Used" and "Sales Not Used" sections of this report. Additional information resides in the Assessor's procedure manual located in the Public Information area of the King County Administration Building.



## Land Value

### Land Sales, Analysis, Conclusions

Within Geographic Area 75, there were approximately 36 land sales that occurred during the last three years. Sales from 1/2004 to 12/2007 were used primarily to determine indicated market ranges for each neighborhood based on zoning. In some neighborhoods, due to the lack of recent sales, older sales and sales from adjacent neighborhoods were considered. In many neighborhoods, new condominium and commercial sites are being created through the demolition of existing single family residences located on commercially zoned lots and through the demolition of older commercial and multi-family buildings. The market in 2008 continues to show appreciation of land values throughout most of Area 75. The land prices increased to accommodate market escalation. Consideration was given to land sales in neighboring geographic Areas 70 and 80.

The recommended land value for the 2008 assessment year results in an overall average change from the 2007 assessment year of 16.25% The total assessed land value for the 2007 assessment year for Area 75 was \$1,559,626,550 and the total recommended land assessed value for the 2008 assessment year is \$1,813,051,900. This is primarily due to value increases in Mercer Island, Bellevue, and Renton.

	2007 Total	2008 Total	\$ Increase	% Change
Total Land Values	\$ 1,559,626,550	\$ 1,813,051,900	\$ 253,425,350	16.25%

### NEIGHBORHOODS AND SALES:

The following is a breakdown of each neighborhood and a summary of the new sales considered. The assessor considered these and historic sales as the primary method of establishing the new assessed land values for each neighborhood.

#### Area 75-10: Mercer Island

Mercer Island land sales demonstrate that land prices have increased substantially and needed to be raised in order to reach realistic market prices. The demand for Mercer Island commercial land is high and it is a scarce commodity. Downtown Mercer Island continues to undergo a major transformation where commercial space and multi-family units are being created

Vacant land prices for commercially zoned parcels in Mercer Island are now between \$40 and \$105 per SF in the downtown core area.

Parcel Number	Sale Date	Sale Price	Lot Size	Zoning	Neighborhood	Price / SQ FT
531510-1495	Mar-04	\$1,700,000	19,527	TC	Downtown Mercer Is	\$87.06
531510-1236	Feb-05	\$1,335,000	15,526	TC	Downtown Mercer Is	\$85.98
531510-1465	Oct-05	\$5,950,000	56,374	TC	Downtown Mercer Is	\$105.55
265550-0055&0065	Apr-06	\$6,000,000	148,504	CO	East Mercer Is	\$40.40
217450-2500	Jul-07	\$825,000	9,000	MF-2L	West Mercer Is	\$91.67

The average increase for land on Mercer Island is 16.57% over last year's value.

**Areas 75-20 Factoria, 75-30 Bellevue/I-90 Corridor, 75-85 Lake Hills, & 75-86 Crossroads comprise the Bellevue neighborhoods.**

Commercial new construction was growing in 2007 and continues strong in 2008. Land prices are still increasing.

Neighborhoods 75-85 and 75-86 are primarily residential areas with neighborhood shopping centers. Area 75-20 is Factoria and remains the primary shopping and commercial center of south Bellevue. The demand for retail space is quite strong with few vacancies. Area 75-30 is primarily made up of the I-90 office buildings and warehouses just north of the freeway. The office market is healthy and vacancy has decreased.

Vacant land prices for commercially zoned parcels in Factoria are between \$28 and \$45 per SF. Along I-90 commercially zoned parcels are between \$27 and \$40 per SF. The prices are considerably lower in Lake Hills which are between \$10.50 and \$25 per SF. In the Crossroads commercial core parcels are between \$30 and \$40 per SF.

Parcel Number	Sale Date	Sale Price	Lot Size	Zoning	Neighborhood	Price / SQ FT
883990-0037	Mar-04	\$329,600	17,376	R-20C	NE 8th / Crossroads	\$18.97
092405-9264	Aug-04	\$76,000	7,375	LI	SW Bellevue	\$10.31
102405-9060	Aug-05	\$950,000	55,121	PO	I-90 / E Bellevue	\$17.23
112405-9127	Dec-05	\$15,500,000	572,300	OLB	I-90 / E Bellevue	\$27.08
389110-0103	Feb-06	\$1,025,584	44,790	R-10	Crossroads	\$22.90
813530-0050	Mar-06	\$3,900,000	100,380	OLB	I-90 / E Bellevue	\$38.85
112405-9137	Apr-07	\$2,000,000	52,811	OLB	I-90 / E Bellevue	\$37.87

The overall increase in the area is 10.86%.

### Area 75-60: Renton Highlands and 75-65 Renton/Fairwood

Renton continues to grow and build single family dwelling units and strip malls. Most new construction is concentrated in the Renton Highlands on NE 4<sup>th</sup> as well as in the Fairwood shopping district.

Multi-Family parcels in the Renton Highlands were valued \$10 and \$16 per SF, depending on location, lot size, topography, etc.

Commercially zoned (CN, CV, CA) parcels were valued between \$14 and \$20 per SF in the Renton Highlands and between \$14 and \$20 in Fairwood where the primary zoning is CB, depending on location.

Parcel Number	Sale Date	Sale Price	Lot Size	Zoning	Neighborhood	Price / SQ FT
516970-0123	Apr-04	\$245,000	18,150	CA	Highlands	\$13.50
342305-9007	Jun-04	\$2,422,000	174,240	CBSO	Fairwood	\$13.90
334450-0005	Aug-04	\$290,000	24,300	CN	Highlands	\$11.93
042305-9062	Apr-05	\$756,000	59,306	CA	Highlands	\$12.75
092305-9231	Jul-05	\$590,000	33,128	CA	Highlands	\$17.81
334450-0455	Sep-05	\$700,000	21,941	RM-F	Renton	\$31.90
092305-9050	Jan-06	\$1,200,000	53,013	CA	Highlands	\$22.64
761680-0220	Mar-06	\$385,000	23,340	CO	Fairwood	\$16.50
302305-9111*	May-06	\$515,000	244,807	CO	Renton	\$2.10-\$5.91**
302305-9111*	Jul-07	\$1,475,000	244,807	CO	Renton	\$6.03-\$16.93**
162305-9001	Sep-06	\$70,000	7,290	CA	Highlands	\$9.60
152305-9034	Oct-06	\$2,000,000	101,250	CA	Highlands	\$19.75
312305-9067	Mar-07	\$1,450,000	114,562	CO (P)	Renton	\$12.66
292305-9178	Apr-07	\$630,000	41,420	CB	Fairwood	\$15.21
162305-9098	Jun-07	\$2,200,000	70,219	CA	Highlands	\$31.33

\* Parcel 302305-9111 sold twice within 14 months and the second sale included building plans and preliminary permits for a medical building. \*\*Subject parcel is 5.6 acres and listing agent stated that the buildable portion of the site is approximately 2 acres.

The total change in this area was 13.85%.

## 75-70 Newcastle/Kennydale/Maple Valley

2007 was a year of new construction, particularly in the Maple Valley portion of Area 75-70. the new construction consisted primarily of a few apartment buildings, many townhouses and detached single family residences.

Newcastle and Kennydale continue to appreciate due to high demand and scarcity of available land. Most of the appreciations are in the two aforementioned neighborhoods. Multi-Family parcels in Kennydale continue to increase due to consistently high priced sales that were verified to be open market transactions. The Barbee Mill land transaction was finalized and closed for \$34,000,000 at \$39.17 per SF on September 2006. This is a waterfront parcel that also includes approximately 89,575 SF of tidelands. The zoning allows for a combination of commercial and residential uses.

Vacant land prices for commercially zoned parcels in this area range from \$8 to \$40 per SF.

Parcel Number	Sale Date	Sale Price	Lot Size	Zoning	Neighborhood	Price / SQ FT
272405-9059	Feb-04	\$675,000	41,000	R-24	Newcastle	\$16.46
272405-9031	May-04	\$600,000	79,714	R-24	Newcastle	\$7.53
282405-9144	Jun-04	\$590,000	34,290	O	Newcastle	\$17.21
232405-9001	Jan-05	\$2,247,300	280,526	R3.5	Newcastle	\$8.01
334210-0790	Feb-05	\$320,000	10,200	R-8	Kennydale	\$31.37
334450-0455	Sep-05	\$700,000	21,941	RM-1	Kennydale	\$31.90
202406-9122	Dec-05	\$600,000	20,029	MF-M	I-90	\$29.96
282405-9153	Apr-06	\$2,000,000	46,755	CB	Newcastle	\$42.78
322405-9034	Sep-06	\$34,000,000	867,823	COR	Kennydale	\$39.18

The overall land assessment in Newcastle, Kennydale and May Valley increased by an average of 34.67%.

### Improved Parcel Total Values:

#### *Sales comparison approach model description*

The model for sales comparison was based on four data sources from the Assessor's records; occupancy codes, age, condition, and size. There are 54 improved sales in Area 75 considered fair market transactions reflective of market conditions. The sales are organized into market segments based on predominate use. Based on a sales analysis, each segment reflected a market price per square foot of net rentable area. The sales price ranges served to establish a general upper and lower market boundary for the various property types within each subject area.

### **Sales comparison calibration**

The search for comparable sales was within each geographic neighborhood and expanding to include the surrounding neighborhoods within the geographic area. Location, quality and effective age were factors considered for adjustment.

### **Cost approach model description**

The Marshall & Swift Commercial Estimator was used to automatically calculate cost estimates for all properties. Cost estimates were relied upon in almost every instance of exempt properties including schools, churches, fire stations and public utility buildings, and served also as value indicators for new construction projects. Cost estimates were also relied upon for special use properties where no income data or market data exists.

### **Cost calibration**

The Marshall & Swift Valuation modeling system built into the Real Property Application is calibrated to the western region and the Seattle area. Depreciation is also based on studies done by Marshall & Swift Valuation Service.

### ***Income capitalization approach model description***

Economic income information was collected predominately from the market place. Other sources of income information include but are not limited to, sales reporting services such as: 'Comps', data collected in the field (both asking and actual rates), fee appraisals, journals and publications. Economic income tables were developed to perform an income approach for properties in Area 75. Tables were created for retail, office, medical/dental office, service garage, warehouses, light industrial, and supermarkets. A 'no income' table was created to include those properties where the income approach is not applicable such as, exempt properties including schools, churches, fire stations and public utility buildings. In addition, no income approach was developed for those special use properties where no income information exists.

### **Income approach calibration**

The tables were calibrated after setting economic rents, vacancy, expenses and capitalization rates by using adjustments based on size, effective age, and construction quality as recorded in the Assessor's records.

Income: Income parameters were derived from the market place through the listed fair market sales as well as through published sources (i.e. Office Space Dot.Com, Commercial Brokers Association, Costar, 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 personal knowledge of the area's rental practices. Within our income valuation models, the assessor used triple net expenses for typical retail/mixed-use & industrial type uses. For typical office/medical buildings, the assessor used full service expenses within the valuation models.

Capitalization Rates: Capitalization rates were determined by local published market surveys, such as CoStar, Real Estate Analytics, The American Council of Insurance Adjustors, Colliers International, Integra Realty Resources, and Korpaz. Other national reports include; Grubb & Ellis Capital Mkt. Update, Emerging Trends in Real Estate, Urban Land Institute, and Cushman & Wakefield – 16<sup>th</sup> Annual

Real Estate Trends. The effective age and condition of each building determines the capitalization rate used by the appraiser. For example; a building with a lower effective age of lesser condition will typically warrant a higher capitalization rate and a building in better condition with a higher effective age will warrant a lower capitalization rate.

### Income Capitalization Approach model description

The income approach is considered the most reliable approach to valuation in area 75 where relevant income and expense data is available to ascertain market rates. During the sales verification process, an attempt is made to obtain income and expense data from the parties involved in the transactions through interviews or via mail. The information requested includes current and anticipated future rents, operating expense breakdown and assigned responsibility for the expenses, and estimated capitalization rates associated with a sale. In addition, owners, tenants, and agents of non-sale properties are surveyed to collect similar data. Disclosure of this information is not required by law and therefore is often difficult to obtain. The return rate of mail surveys varies and the data can be incomplete. Telephone interviews are dependent upon obtaining a valid number for a knowledgeable party and the opportunity to contact them. Interviews with tenants in the field usually yield rental and expense information only. As a supplement, lease information is gathered from Costar and other websites. In order to calibrate a credible income model, it is necessary to consider data from recognized published sources to assist in developing capitalization rates. These publications tend to report data that is considered relevant to institutional-grade CBD and suburban real estate.

Source	Date	Location	Office	Industrial	Retail	Multi-family	Remarks
Colliers Private Capital News	Summer 2007	Puget Sound	6.70%	6.52%	6.37%	5.5%	Transaction size \$1-15M except multifamily
CBE Outlook 2007 in Review	1Q 2008	Puget Sound	6.00%-6.30%		6.50%		Transactions greater than \$5 million
Boulder Net Lease Funds LLC	2Q 2007	State	7.09%	7.71%	7.69%		
Real Capital Analytics	January 2008	National	5.46%	6.46%	6.31%		Weighted Average
Korpacz: PWC	4Q 2007	Pacific NW	7.81%				Institutional Grade
Korpacz: PWC	4Q 2007	National	6.64%-7.24%	6.48%-7.60%	6.68%-7.24%	5.75%	
Puget Sound Business Journal	December 2007	Seattle	5.5%	6.3%	6.0%	5.6%	From Real Capital Analytics, Inc.
IRR Viewpoint for 2008	January 2008	Seattle	6.00%-6.25%	6.25%-7.25%	6.00%-6.25%	4.00%	Institutional Grade Properties
Emerging Trends in Real Estate 2008	October 2007	National	5.60%-6.52%	6.25%-6.71%	5.56%-6.36%	5.26%-5.70%	Rates as of July 2007
Dupree & Scott	February 2008	Tri-County				4.51%-4.95%	From RHA Update
Grubb & Ellis Forecast 2008	1Q 2008	Seattle	5.60%-5.90%	6.50%	6.60%	5.50%	Transactions greater than \$5 million- from Real Capital Analytics

In area 75, many of the properties are considered to be non-institutional grade. They may present a higher risk to investors and therefore should be valued at a higher capitalization rate. The following table shows ranges of capitalization rates for institutional and non-institutional grade properties per a survey conducted in January 2008 by PricewaterhouseCoopers LLP.

Institutional Market	OAR Range	Non-Institutional OAR Range
National Regional Mall	5.00%-9.50%	5.00%-12.00%
National Strip Shopping Center	5.80%-9.00%	7.00%-11.00%
National CBD Office	4.50%-9.00%	5.50%-10.00%
National Suburban Office	5.00%-10.50%	5.50%-11.75%
National Flex and R&D	5.50%-9.00%	8.00%-10.00%
National Warehouse	5.00%-8.00%	6.00%-9.50%
National Apartment	3.50%-8.00%	4.50%-11.00%

The preceding tables demonstrate ranges of capitalization rates and trends that are compiled with information that is collected on a national or broad regional scale. This information is reconciled with data specific to the real estate market in area 75 to develop the income model. The range of capitalization rates in the income model for area 75 reflects the variety of properties in this area.

Rental rates, vacancy levels and operating expenses are derived by reconciling all of the information collected through the sales verification process, completed surveys, interviews with tenants, owners, and brokers and the appraiser's independent market research. Quality, effective year, condition, and location are variables considered in the application of the income model to the parcels in the population best suited to be valued via the income approach. Property types in area 75 that are valued by the income approach include, but are not limited to, offices, retail stores, and mixed-use buildings.

Stratification of these parameters for the various property types indicates:

### **MERCER ISLAND Area 75-10**

Land Use	Rent Range Per Sq Ft	Vacancy/Collection Loss Percentage	Expense Rate Per Sq Ft	Capitalization Rate
Office / Medical Office	\$19.50 to \$32.50	5% to 7%	\$6.50/SF to \$7.50/SF	6.50% to 8.00%
Retail / Mixed Use	\$16.00 to \$30.00	5% to 10%	5% to 10%	6.25% to 7.25%

Annual office rents range for \$19.50 to \$32.50 per net rentable area. The vacancy allotted for offices and medical offices was 5% to 7%. Offices have annual expense rates of \$6.50 to \$7.50 and the overall capitalization rates range from 6.50% to 8.00%. The retail and mixed-use retail annual rent rates are \$16.00 to \$30.00 per net rentable area. The vacancy allotted for retail and mixed-use was 5% to 10%. Retail rents are capitalized using triple net (NNN) leases with expenses of 5.00% to 10% and overall capitalization rate of 6.25% to 7.25%.

Stratification adjustments for the parameters listed were based on the quality of construction, effective age, size, and location.

### **BELLEVUE AREAS 75-20-30-85-86**

Land Use	Rent Range Per Sq Ft	Vacancy/Collection Loss Percentage	Expense Rate Per Sq Ft	Capitalization Rate
Office / Medical Office	\$18.50 to \$31.00	4% to 8%	\$6.50/SF to \$7.75/SF	6.50% to 8.00%
Retail / Mixed Use	\$16.00 to \$33.00	3% to 7%	5% to 10%	6.50% to 8.00%
Industrial Warehouse	\$9.75 to \$15.25	10%	10%	7.00% to 8.25%

Annual office rents range for \$18.50 to \$31.00 per net rentable area. The vacancy allotted for offices and medical offices was 4% to 8%. Offices have annual expense rates of \$6.50 to \$7.75 and the overall capitalization rates range from 6.50% to 8.00%. The retail and mixed-use retail annual rent rates are \$16.00 to \$33.00 per net rentable area. The vacancy allotted for retail and mixed-use was 3% to 7%. Retail rents are capitalized using triple net (NNN) leases with expenses of 5.00% to 10% and overall capitalization rate of 6.50% to 8.00%.

Industrial storage warehouse, industrial flex properties, and service garages annual rent rates range from \$9.75 up to \$15.25 per square foot of net rentable area. They have vacancy and annual expense rates of 10% and overall capitalization rate of 7.00% to 8.25%.

Stratification adjustments for the parameters listed were based on the quality of construction, effective age, size, and location.



## **RENTON – FAIRWOOD AREAS 75-60 AND 75-65**

<b>Land Use</b>	<b>Rent Range Per Sq Ft</b>	<b>Vacancy/Collection Loss Percentage</b>	<b>Expense Rate Per Sq Ft</b>	<b>Capitalization Rate</b>
Office / Medical Office	\$16.50 to \$26.50	3% to 7%	\$6.00/SF to \$7.25/SF	6.50% to 7.75%
Retail / Mixed Use	\$13.00 to \$23.50	3% to 15%	5% to 10%	6.50% to 7.75%
Industrial Warehouse	\$8.50 to \$15.50	5% to 10%	10%	7.00% to 8.50%

Annual office rents range for \$16.50 to \$26.50 per net rentable area. Offices have annual expense rates of \$6.00 to \$7.25 and the overall capitalization rates range from 6.50% to 7.75%. The vacancy allotted for offices and medical offices was 3% to 7%. The retail and mixed-use retail annual rent rates are \$13.00 to \$23.50 per net rentable area. Vacancy and Collection range from 3% to 15%. Retail rents are capitalized using triple net (NNN) leases with expenses of 5% to 10% and overall capitalization rate of 6.50% to 7.75%.

Industrial storage warehouse, industrial flex properties, and service garages annual rent rates range from \$8.50 up to \$15.50 per square foot of net rentable area. Vacancy and Collection range from 5% to 10%. They have annual expense rate of 10% and overall capitalization rate of 7.00% to 8.50%.

Stratification adjustments for the parameters listed were based on the quality of construction, effective age, size, and location.

## **NEWCASTLE – NEWPORT HILLS AREA 75-70**

<b>Land Use</b>	<b>Rent Range Per Sq Ft</b>	<b>Vacancy/Collection Loss Percentage</b>	<b>Expense Rate Per Sq Ft</b>	<b>Capitalization Rate</b>
Office / Medical Office	\$19.00 to \$31.50	4% to 13%	\$6.50/SF to \$7.75/SF	6.25% to 8.00%
Retail / Mixed Use	\$15.50 to \$31.50	3% to 5%	5% to 10%	6.25% to 7.75%
Industrial Warehouse	\$9.50 to \$15.00	10%	10%	6.75% to 8.25%

Annual office rents range for \$19.00 to \$31.50 per net rentable area. Offices have annual expense rates of \$6.50 to \$7.75 and the overall capitalization rates range from 6.25% to 8.00%. The vacancy allotted for offices and medical offices was 4% to 13%. The retail and mixed-use retail annual rent rates are \$15.50 to \$31.50 per net rentable area. Retail rents are capitalized using triple net (NNN) leases with expenses of 5% to 10% and overall capitalization rate of 6.25% to 7.75%. Vacancy and Collection range from 3% to 5%.

Industrial storage warehouse, industrial flex properties, and service garages annual rent rates range from \$9.50 up to \$15.00 per square foot of net rentable area. They have annual expense and vacancy rates of 10% and overall capitalization rate of 6.75% to 8.25%.

Stratification adjustments for the parameters listed were based on the quality of construction, effective age, size, and location.

## Income Approach Calibration

The tables were calibrated after setting economic rents, vacancy, expenses, and capitalization rates by using adjustments based on size, effective age, and construction quality as recorded in the Assessor's records.

### **Reconciliation and or validation study of calibrated value models including ratio study of hold out samples.**

All parcels were individually reviewed for correctness of the model application before final value selection. All of the factors used to establish value by the model were subject to adjustment. The market sales approach is considered the most reliable indicator of value when comparable sales were available, however, the income approach was applied to most parcels in order to better equalize comparable properties. Whenever possible market rents, expenses, and cap rates were ascertained from sales, and along with data from surveys and publications there parameters were applied to the income model.

The income approach to value was considered to be a reliable indicator of value in most instances. The market rental rate applied to a few properties varied from the model but fell within an acceptable range of variation from the established guideline. An administrative review of the selected values was made by Carol Venetiou, Senior Appraiser for quality control purposes.

## Model Validation

### ***Total Value Conclusions, Recommendations and Validation:***

The market sales approach is considered the most reliable indicator of value when comparable sales are available.

The income approach to value is considered to be a reliable indicator of value when market sales are not available. Whenever possible, market rents, expenses, and capitalization rates were ascertained from sales. Data from surveys and publications were also considered in the application of the income model.

Cost estimates were relied upon for valuing special use properties where comparable sales data and/or income/ expense information was not available.

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 and may adjust by particular characteristics and conditions as they occur in the valuation area.

The new assessment level is 1.024%. This figure reflects changing market conditions and stabilized vacancy rates. The standard statistical measures of valuation performance are presented both in the Executive Summary and in the 2007 and 2008 Ratio Analysis charts included in this report.

	2007 Total	2008 Total	\$ Change	% Change
Total Value	\$3,217,276,850	\$3,619,166,860	\$401,890,010	+10.63%

**Note:** Additional details and information regarding aspects of the valuations and the report are retained in the working files and folios kept in the assessor's office.

**Area 075 - SOUTH BELLEVUE-RENTON-NEWCASTLE**  
**2008 Assessment Year**  
**A 2008 Ratio Looking at Sales Using the 2007 Assessed Values**

<b>Quadrant/Crew:</b> <b>East Crew</b>	<b>Lien Date:</b> <b>1/1/2007</b>	<b>Date:</b> <b>5/20/2008</b>	<b>Sales Dates:</b> <b>1/1/05 - 04/30/08</b>
<b>Area</b> <b>75</b>	<b>Appr ID:</b> <b>RSCH</b>	<b>Prop Type:</b> <b>Improvement</b>	<b>Trend used?: Y / N</b> <b>N</b>

#### SAMPLE STATISTICS

<b>Sample size (n)</b>	54
<b>Mean Assessed Value</b>	3,875,700
<b>Mean Sales Price</b>	4,410,700
<b>Standard Deviation AV</b>	6,248,698
<b>Standard Deviation SP</b>	7,614,204

#### ASSESSMENT LEVEL

<b>Arithmetic mean ratio</b>	0.884
<b>Median Ratio</b>	0.924
<b>Weighted Mean Ratio</b>	0.879

#### UNIFORMITY

<b>Lowest ratio</b>	0.4139
<b>Highest ratio:</b>	1.2215
<b>Coefficient of Dispersion</b>	14.14%
<b>Standard Deviation</b>	0.1800
<b>Coefficient of Variation</b>	20.37%
<b>Price-related Differential</b>	1.01

#### RELIABILITY

<b>95% Confidence: Median</b>	
Lower limit	0.896
Upper limit	0.963
<b>95% Confidence: Mean</b>	
Lower limit	0.836
Upper limit	0.932

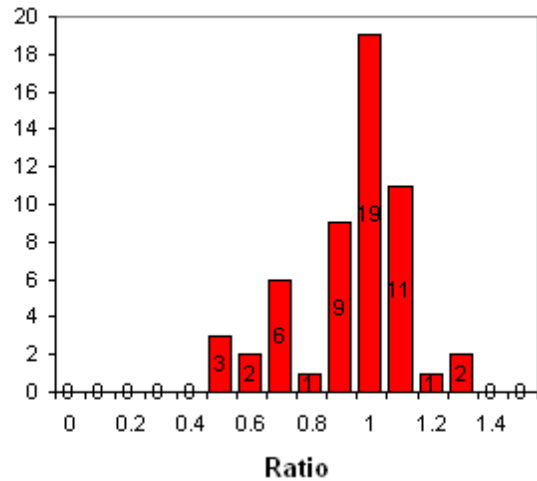
#### SAMPLE SIZE EVALUATION

<b>N (population size)</b>	1408
<b>B (acceptable error - in decimal)</b>	0.05
<b>S (estimated from this sample)</b>	0.1800
<b>Recommended minimum:</b>	50
<b>Actual sample size:</b>	54
<b>Conclusion:</b>	OK

#### NORMALITY

<b>Binomial Test</b>	
# ratios below mean:	19
# ratios above mean:	35
z:	2.041241452
<b>Conclusion:</b>	<b>Non-normal</b>
*i.e., no evidence of non-normality	

**Ratio Frequency**



These figures reflect measurements before posting new values.

**Area 075 - SOUTH BELLEVUE-RENTON-NEWCASTLE**

**2008 Assessment Year**

**Ratio of Sales to 2008 AV**

<b>Quadrant/Crew:</b> <b>East Crew</b>	<b>Lien Date:</b> <b>1/1/2008</b>	<b>Date:</b> <b>5/20/2008</b>	<b>Sales Dates:</b> <b>1/1/05 - 04/30/08</b>
<b>Area</b> <b>75</b>	<b>Appr ID:</b> <b>RSCH</b>	<b>Prop Type:</b> <b>Improvement</b>	<b>Trend used?: Y / N</b> <b>N</b>

**SAMPLE STATISTICS**

<b>Sample size (n)</b>	54
<b>Mean Assessed Value</b>	4,518,100
<b>Mean Sales Price</b>	4,410,700
<b>Standard Deviation AV</b>	7,734,732
<b>Standard Deviation SP</b>	7,614,204

**ASSESSMENT LEVEL**

<b>Arithmetic mean ratio</b>	1.005
<b>Median Ratio</b>	1.026
<b>Weighted Mean Ratio</b>	1.024

**UNIFORMITY**

<b>Lowest ratio</b>	0.5909
<b>Highest ratio:</b>	1.3883
<b>Coeffient of Dispersion</b>	11.29%
<b>Standard Deviation</b>	0.1515
<b>Coefficient of Variation</b>	15.08%
<b>Price-related Differential</b>	0.98

**RELIABILITY**

<b>95% Confidence: Median</b>	
Lower limit	0.976
Upper limit	1.074
<b>95% Confidence: Mean</b>	
Lower limit	0.964
Upper limit	1.045

**SAMPLE SIZE EVALUATION**

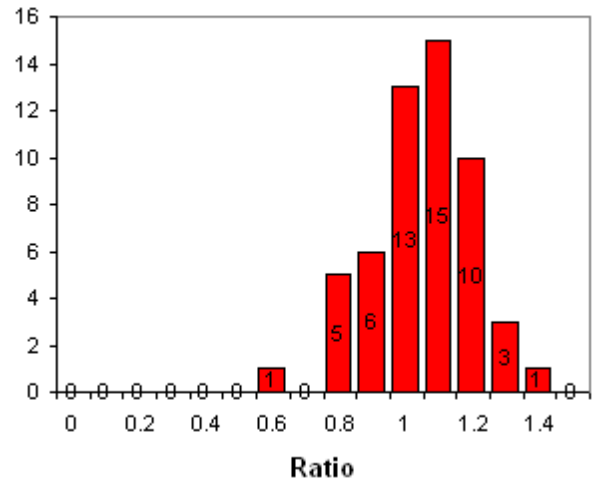
<b>N (population size)</b>	1408
<b>B (acceptable error - in decimal)</b>	0.05
<b>S (estimated from this sample)</b>	0.1515
<b>Recommended minimum:</b>	36
<b>Actual sample size:</b>	54
<b>Conclusion:</b>	OK

**NORMALITY**

<b>Binomial Test</b>	
# ratios below mean:	25
# ratios above mean:	29
z:	0.40824829
<b>Conclusion:</b>	<b>Normal*</b>

\*i.e., no evidence of non-normality

**Ratio Frequency**



These figures reflect measurements after posting new values.

## Improvement Sales for Area 075 with Sales Used

05/20/2008

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
075	010	531510	1485	21,535	2138906	\$5,400,000	06/23/05	\$250.75	ROBERT E WHITE BLDG	TC	1	Y	
075	010	545230	0166	5,080	2180369	\$1,600,000	01/06/06	\$314.96	THE HALVERSON OFFICE BLDG	MF-2	1	Y	
075	010	545230	0470	15,513	2119000	\$5,105,000	04/25/05	\$329.08	ISLAND CREST CENTER	TC	1	Y	
075	010	545230	1385	35,183	2138999	\$11,575,000	07/15/05	\$328.99	JOHN HANCOCK BLDG	TC	1	Y	
075	020	092405	9088	1,356	2167180	\$1,474,000	11/03/05	\$1,087.02	Union 76 Circle K	GC	1	Y	
075	020	162405	9213	4,932	2221558	\$1,180,000	07/10/06	\$239.25	CIAN PLAZA	CB	1	Y	
075	020	162405	9249	9,440	2233691	\$2,300,000	08/30/06	\$243.64	RETAIL BUILDING	CB	1	Y	
075	020	545330	0241	34,881	2158180	\$7,000,000	09/27/05	\$200.68	OFFICE BUILDING	LI	1	Y	
075	030	102405	9108	26,600	2228659	\$6,875,000	08/11/06	\$258.46	I-90 PARK PLAZA	OLB	1	Y	
075	030	112405	9015	86,128	2206974	\$22,440,000	05/16/06	\$260.54	VERIZON WIRELESS	O	1	Y	
075	030	128362	0010	141,590	2323515	\$41,190,000	12/06/07	\$290.91	EASTGATE OFFICE CENTER	OLB	1	Y	
075	030	128362	0010	141,590	2121826	\$27,550,000	05/10/05	\$194.58	EASTGATE OFFICE CENTER	OLB	1	Y	
075	030	220150	1405	75,588	2129885	\$19,807,145	06/01/05	\$262.04	EASTGATE PLAZA	CB	1	Y	
075	030	545330	0135	24,800	2260143	\$3,525,000	01/04/07	\$142.14	SHINN PLUMBING, PRIME ELECTR	LI	1	Y	
075	030	545330	0146	21,094	2194395	\$2,590,450	03/17/06	\$122.81	BEST TOUCH AUTO/METRO OFFIC	LI	1	Y	
075	030	545330	0167	29,260	2203984	\$2,957,103	04/24/06	\$101.06	DIGITAL PRINTING	LI	1	Y	
075	030	545330	0320	26,375	2106954	\$2,500,000	03/10/05	\$94.79	DHL WORLDWIDE EXPRESS	LI	1	Y	
075	060	032305	9012	3,108	2288861	\$610,000	05/31/07	\$196.27	JA-MERCA MOTORS	CA	1	Y	
075	060	032305	9133	2,004	2314126	\$670,000	09/27/07	\$334.33	D & B WELDING & SUPPLY	CA	1	Y	
075	060	092305	9110	7,027	2121091	\$2,405,000	04/26/05	\$342.25	retail	CS	1	Y	
075	060	092305	9161	26,680	2281922	\$2,400,000	05/01/07	\$89.96	HEALING ARTS & WELLNESS RESI	RM-F	1	Y	
075	060	092305	9176	794	2135676	\$1,841,000	06/29/05	\$2,318.64	MOBILE HOME PARK (49 SPACES)	CS	1	Y	
075	060	102305	9128	42,601	2173635	\$8,750,000	12/01/05	\$205.39	Factory 2U Party Universe	CS	1	Y	
075	060	102305	9375	3,625	2098723	\$517,500	01/26/05	\$142.76	PARK PLACE DAYCARE	CS	1	Y	
075	060	162305	9025	4,000	2196179	\$1,200,000	03/24/06	\$300.00	DEMO CART COMPANY	CA	1	Y	
075	060	516970	0051	22,481	2215256	\$4,750,000	06/12/06	\$211.29	MEDICAL OFFICE BLDG	CA	3	Y	
075	060	516970	0070	1,840	2111232	\$750,000	03/24/05	\$407.61	SFR	CN	1	Y	
075	060	516970	0119	1,618	2189776	\$700,000	02/24/06	\$432.63	HAVANA'S	CA	1	Y	
075	060	516970	0123	2,800	2243945	\$1,150,000	10/11/06	\$410.71	HENRY'S QUICK LUBE	CA	1	Y	
075	060	516970	0129	2,370	2319825	\$364,000	11/07/07	\$153.59	OFFICE BUILDING	R4	1	Y	
075	060	722750	0620	5,630	2154186	\$550,000	09/08/05	\$97.69	RETAIL & BEATY SHOP	CS	2	Y	
075	060	880500	0010	13,031	2173633	\$3,675,000	11/25/05	\$282.02	LINE RETAIL	CS	2	Y	
075	065	032205	9033	0	2263179	\$1,575,000	01/29/07	\$0.00	TRIANGLE MACHINE	R6	1	Y	
075	065	052205	9046	30,730	2113503	\$500,000	03/23/05	\$16.27	NURSERY	R6SO	1	Y	
075	065	052205	9101	70,903	2250445	\$15,392,835	10/30/06	\$217.10	PANTHER LAKE CENTER	CBSO	3	Y	
075	065	142370	0922	6,136	2180941	\$720,000	12/29/05	\$117.34	OFFICE BUILDING	OSO	3	Y	
075	065	152306	9115	2,400	2290870	\$1,120,000	06/01/07	\$466.67	TIGER MT COUNTRY STORE-Astro	NB	1	Y	
075	065	192306	9029	1,550	2203551	\$1,150,000	04/27/06	\$741.94	BAC CONSTRUCTION	RA5SO	1	Y	
075	065	202305	9097	6,556	2273058	\$1,350,000	03/19/07	\$205.92	EAGLE RIDGE PROFESSIONAL CE	CA	1	Y	

## Improvement Sales for Area 075 with Sales Used

05/20/2008

Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
075	065	222306	9128	3,062	2225792	\$800,000	07/24/06	\$261.27	TIGER MOUNTAIN PROFESSIONAL	NB	1	Y	
075	065	247390	0030	6,219	2288692	\$1,440,000	05/30/07	\$231.55	AUTO ZONE	CB	1	Y	
075	065	512690	0210	1,110	2215534	\$100,000	06/16/06	\$90.09	RENTON RADIATOR SHOP	CN	1	Y	
075	065	512690	0210	1,110	2315191	\$147,500	10/09/07	\$132.88	RENTON RADIATOR SHOP	CN	1	Y	
075	065	662340	0166	42,059	2314884	\$2,500,000	10/08/07	\$59.44	RENTON ATHLETIC CLUB	NB	2	Y	
075	065	662340	0185	5,599	2258135	\$990,000	12/13/06	\$176.82	BENSON ROAD MEDICAL CENTER	R24	2	Y	
075	070	145750	0005	0	2331316	\$230,000	01/29/08	\$0.00	INSURANCE AND THE BRIAR PATC	R4	1	Y	
075	070	165650	0015	2,820	2209102	\$1,200,000	05/04/06	\$425.53	TEXACO STAR MART	NB	1	Y	
075	070	165650	0510	3,847	2302618	\$450,000	08/02/07	\$116.97	LEONARDS BAR AND GRILL	NBP	2	Y	
075	070	212405	9036	2,982	2298985	\$875,000	07/12/07	\$293.43	TEXACO/STORE	NB	1	Y	
075	070	212405	9036	2,982	2094678	\$890,000	01/04/05	\$298.46	TEXACO/STORE	NB	1	Y	
075	070	334210	3257	960	2153983	\$330,000	09/08/05	\$343.75	BROWNIES LAWN SHOP	CC	1	Y	
075	070	334210	3464	1,736	2126968	\$1,288,000	05/11/05	\$741.94	ARCO FOOD MART	CC	1	Y	
075	070	334330	0642	2,620	2320818	\$525,000	11/14/07	\$200.38	OFFICE AND WAREHOUSE STORA	R-6	1	Y	
075	070	522930	0140	8,003	2118045	\$330,000	04/18/05	\$41.23	BARNS & TACK SHOP	RA5	2	Y	
075	085	022405	9010	2,966	2289611	\$1,100,000	06/04/07	\$370.87	KNIGHTS OF COLUMBUS	PO	1	Y	
075	085	022405	9023	4,496	2260509	\$1,550,000	01/10/07	\$344.75	ROBINSWOOD PROFESSIONAL CE	PO	1	Y	
075	085	737980	0010	14,826	2260512	\$4,480,000	01/10/07	\$302.17	ROBINSWOOD PROFESSIONAL CE	PO	2	Y	
075	085	883890	0200	33,289	2291365	\$5,397,200	06/15/07	\$162.13	EASTSIDE FREE METHODIST CHU	R-5	1	Y	
075	086	883990	0245	2,860	2125274	\$773,000	05/17/05	\$270.28	OFFICE	PO	1	Y	
075	086	883990	0246	1,303	2311587	\$616,000	09/17/07	\$472.76	OFFICE	PO	1	Y	

## Improvement Sales for Area 075 with Sales not Used

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Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
075	010	217450	2425	20,510	2319458	\$6,000,000	11/07/07	\$292.54	MI BOYS & GIRLS CLUB	R-8.4	1	33	Lease or lease-hold
075	010	265550	0065	15,730	2127377	\$2,950,000	05/31/05	\$187.54	HONEYWELL	CO	2	11	Corporate affiliates
075	010	531510	0547	1,032	2178559	\$859,291	12/21/05	\$832.65	UNION 76 SERVICE STATION	TC	1	11	Corporate affiliates
075	010	860440	0010	840	2128030	\$178,000	06/02/05	\$211.90	THOMAS CENTER CONDOMINIUM	B	2	33	Lease or lease-hold
075	010	860440	0120	1,440	2245658	\$325,000	10/24/06	\$225.69	THOMAS CENTER CONDOMINIUM	B	2	33	Lease or lease-hold
075	020	162405	9028	42,381	2343063	\$5,000	04/03/08	\$0.12	NEWPORT PLACE	CB	1		
075	030	128359	0030	65,843	2333540	\$15,300,000	02/19/08	\$232.37	WASHINGTON DEPT OF ECOL	OLB	1		
075	030	128362	0030	66,827	2289804	\$12,714,689	05/29/07	\$190.26	I-90 Bellevue II	OLB	1	15	No market exposure
075	030	128362	0070	67,408	2279592	\$22,000,000	04/10/07	\$326.37	I-90 Bellevue I	OLB	2	15	No market exposure
075	030	128362	0070	67,408	2289800	\$12,714,689	05/29/07	\$188.62	I-90 Bellevue I	OLB	1	15	No market exposure
075	030	220050	0080	10,064	2126174	\$21,450	05/16/05	\$2.13	M AND H BUILDING	OP	1	24	Easement or right-of-way
075	030	220050	0511	3,876	2253636	\$410,000	11/02/06	\$105.78	DENTAL CLINIC	PO	1	12	Estate administrator, guardian, or e
075	030	431980	0060	84,517	2279579	\$26,782,438	04/10/07	\$316.89	LINCOLN EXECUTIVE CTR II	OLB	3	15	No market exposure
075	030	545330	0320	26,375	2326410	\$4,100,000	12/26/07	\$155.45	DHL WORLDWIDE EXPRESS	LI	1	16	Government agency
075	030	545330	0321	22,260	2305965	\$3,900,000	08/16/07	\$175.20	WAREHOUSE	LI	1	16	Government agency
075	060	092305	9161	26,680	2206035	\$466,900	05/04/06	\$17.50	HEALING ARTS & WELLNESS RESE	RM-F	1	18	Quit claim deed
075	060	092305	9161	26,680	2107269	\$998,000	03/05/05	\$37.41	vacated nursing home	RM-C	1	11	Corporate affiliates
075	060	102305	9078	14,668	2217696	\$6,000	06/21/06	\$0.41	RENTON CHURCH OF THE NAZARE	R-8	1	24	Easement or right-of-way
075	060	102305	9128	42,601	2223175	\$1,500	05/15/06	\$0.04	RETAIL	CA	1	24	Easement or right-of-way
075	060	149450	0010	36,080	2329938	\$3,750,000	01/11/08	\$103.94	ACE HARDWARE - BIG LOTS	CA	6	42	Development rights to cnty,cty,or pr
075	060	516970	0041	1,600	2201859	\$4,000	04/05/06	\$2.50	COUNTRY FLOWER SHOP	CA	1	15	No market exposure
075	060	518210	0008	1,420	2178550	\$616,071	12/21/05	\$433.85	Union 76	CS	1	11	Corporate affiliates
075	060	518210	0009	1,950	2335383	\$1,877,500	03/03/08	\$962.82	BROWN BEAR CAR WASH	CA	1		
075	065	008700	0330	2,852	2289220	\$2,500	05/31/07	\$0.88	BENSON HILL DENTAL CLINIC	NB	1	24	Easement or right-of-way
075	065	032205	9033	0	2098576	\$550,000	01/25/05	\$0.00	TRIANGLE MACHINE	R6SO	1	56	Builder or developer sales
075	065	152306	9141	0	2259729	\$165,000	12/29/06	\$0.00	WAKINIKONA HAWAIIAN CLUB	RA5	1	11	Corporate affiliates
075	065	202305	9097	6,556	2239031	\$88,708	09/25/06	\$13.53	EAGLE RIDGE PROFESSIONAL CEN	CA	1	24	Easement or right-of-way
075	065	232305	9020	3,647	2321602	\$8,400,000	11/26/07	\$2,303.26	WONDERLAND ESTATES MOBILE H	R12SO	1	16	Government agency
075	065	242305	9017	3,440	2285241	\$175,000	04/23/07	\$50.87	RIVERBEND MOBILE HOME PARK	RA5	1	16	Government agency
075	065	247390	0020	23,111	2255350	\$7,450,000	12/13/06	\$322.36	RITE AID	CB	2	44	Tenant
075	065	272305	9046	6,400	2206033	\$1,400,000	05/04/06	\$218.75	7-11 STORE & Other Retail	CBSO	1	16	Government agency
075	065	282305	9009	102,183	2302694	\$7,700,000	08/03/07	\$75.36	CASCADE CENTER	CB	2	46	Non-representative sale
075	065	312305	9069	2,880	2099508	\$400,000	01/31/05	\$138.89	ATTORNEYS OFFICE	CO	1	11	Corporate affiliates
075	065	322305	9040	1,650	2332474	\$1,100,000	01/30/08	\$666.67	OFFICE	R24	1	15	No market exposure
075	065	662340	0169	6,401	2147555	\$200,000	07/15/05	\$31.25	W.E. RUTH COMMERCIAL CENTER	NBSO	1	51	Related party, friend, or neighbor
075	070	132405	9064	54,986	2271483	\$1,000	12/14/06	\$0.02	SCHOOL AND FIRE STATION	R-20	3	15	No market exposure
075	070	232405	9001	3,492	2096691	\$2,247,300	01/12/05	\$643.56	HILLSIDE STUDENT COMMUNITY SC	R-3.5	1	15	No market exposure
075	070	272405	9031	0	2339766	\$362,950	03/31/08	\$0.00	THE APPROACH CONDO	R-24	1		
075	070	272405	9031	0	2326066	\$334,950	12/21/07	\$0.00	THE APPROACH CONDO	R-24	1		
075	070	272405	9031	0	2310699	\$362,950	09/13/07	\$0.00	THE APPROACH CONDO	R-24	1		
075	070	272405	9031	0	2341046	\$325,800	04/09/08	\$0.00	THE APPROACH CONDO	R-24	1		

## Improvement Sales for Area 075 with Sales not Used

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Area	Nbhd	Major	Minor	Total NRA	E #	Sale Price	Sale Date	SP / NRA	Property Name	Zone	Par. Ct.	Ver. Code	Remarks
075	070	272405	9084	41,134	2305084	\$83,160	08/12/07	\$2.02	AVIATION SUPPLIES AND ACADEMI	MU/I	1	24	Easement or right-of-way
075	070	334210	0790	2,520	2103990	\$320,000	02/24/05	\$126.98	RENTON PENTECOSTAL FULL GOS	R-8	2	15	No market exposure
075	070	334210	3237	1,646	2166271	\$195,000	10/19/05	\$118.47	Shell SELF SERV GAS & MKT	CC	1	12	Estate administrator, guardian, or e
075	070	334330	0640	1,320	2212246	\$1,295	03/30/06	\$0.98	TEXACO SERVICE STATION	NB	1	16	Government agency
075	085	883890	0075	0	2239620	\$17,064	09/18/06	\$0.00	SUNSET HILLS MEMORIAL PARK	R-20	1	15	No market exposure
075	086	331650	0055	12,452	2343410	\$5,250,000	04/16/08	\$421.62	SCHUSTER CORPORATE CENTER	O	1		